

**Consolidated Financial Statements for the Second Quarter Ended September 30, 2016  
FY2017 (April 1, 2016 - March 31, 2017) [UNAUDITED]**

November 10, 2016

Company name: Takara Holdings Inc.  
 Stock exchange listings: Tokyo Stock Exchange (1st section)  
 Code number: 2531  
 URL: <http://www.takara.co.jp/>  
 Company representative: Toshio Kakimoto, President  
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 Quarterly statement filing date (as planned): November 10, 2016

- Notes: 1. The accompanying financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.  
 2. Amounts are rounded down to the nearest million yen.

**1. Results for the six months ended September 30, 2016 (April 1, 2016 – September 30, 2016)**

**(1) Operating results**

Note: Percentages indicated changes from the same period of the previous fiscal year.

	Six months ended September 30, 2016		Six months ended September 30, 2015	
	(Millions of yen)	(%)	(Millions of yen)	(%)
Net sales	107,509	0.5	106,934	5.7
Operating income(loss)	5,207	34.2	3,880	18.5
Ordinary income(loss)	5,614	29.8	4,326	26.2
Net income (loss) attributable to owners of the parent	3,177	25.8	2,525	38.1
Net income (loss) per share (Yen)	15.79		12.55	
Fully diluted net income per share (Yen)	-		-	
Note: Comprehensive income	(6,296)	-	1,413	18.1

**(2) Financial position**

	As of September 30, 2016	As of March 31, 2016
	(Millions of yen)	(Millions of yen)
Total assets	241,556	253,253
Net assets	147,345	156,148
Equity ratio (%)	50.9	51.5
(Reference) Equity	122,882	130,386

**2. Dividends**

	Dividend per share (Yen)		
	Year ended March 31, 2016	Year ending March 31, 2017	Year ending March 31, 2017 (Forecast)
First quarter end	-	-	-
Second quarter end	-	-	-
Third quarter end	-	-	-
Year end	12.00		12.00
Annual	12.00		12.00

Notes: Correction of dividend forecast from the most recent dividend forecast : No  
 The year-end dividend for FY2016 included a commemorative dividend of ¥1.00

**3. Forecast for the year ending March 31, 2017 (April 1, 2016 – March 31, 2017)**

Note: Percentages indicated changes from the same period of the previous fiscal year.

	Year ending March 31, 2017	
	(Millions of yen)	(%)
Net sales	234,100	3.9
Operating income(loss)	12,600	7.9
Ordinary income(loss)	13,300	3.6
Net income (loss) attributable to owners of the parent	8,200	16.2
Net income (loss) per share (Yen)	40.75	

Note: Correction of financial forecast from the most recent financial forecast : Yes

#### 4. Others

- (1) Material changes in subsidiaries during this period  
(Changes in scope of consolidations resulting from change in specific subsidiaries) : No
- (2) Applying of specific accounting treatments of the quarterly consolidated financial statements : No
- (3) Changes in accounting policies, changes in accounting estimates, and retrospective restatement
  - 1) Changes based on revisions of accounting standard : Yes
  - 2) Changes other than ones based on revisions of accounting standard : No
  - 3) Changes in accounting estimates : No
  - 4) Restatement : No
- (4) Number of outstanding shares (common stock)
  - 1) Number of outstanding shares at year end (Treasury stocks are included)
    - As of September 30, 2016 : 217,699,743
    - As of March 31, 2016 : 217,699,743
  - 2) Number of treasury stocks at year end
    - As of September 30, 2016 : 16,475,499
    - As of March 31, 2016 : 16,475,391
  - 3) Average number of outstanding shares
    - Six months ended September 30, 2016 : 201,224,317
    - Six months ended September 30, 2015 : 201,225,317