

INVESTORS' GUIDE 2020

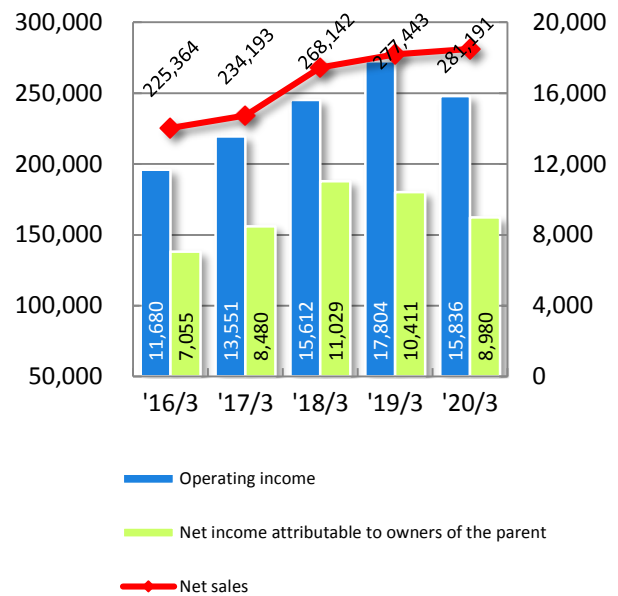
Year ended March 31, 2020

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◆ Corporate Data

Trade name	Takara Holdings Inc.
Head office	Kyoto, Japan
Established	September 6, 1925
Company representative	Mutsumi Kimura, President
Issued capital	¥13,226 million

● Financial summary (Millions of yen)



● Financial results for fiscal 2020 (Millions of yen)

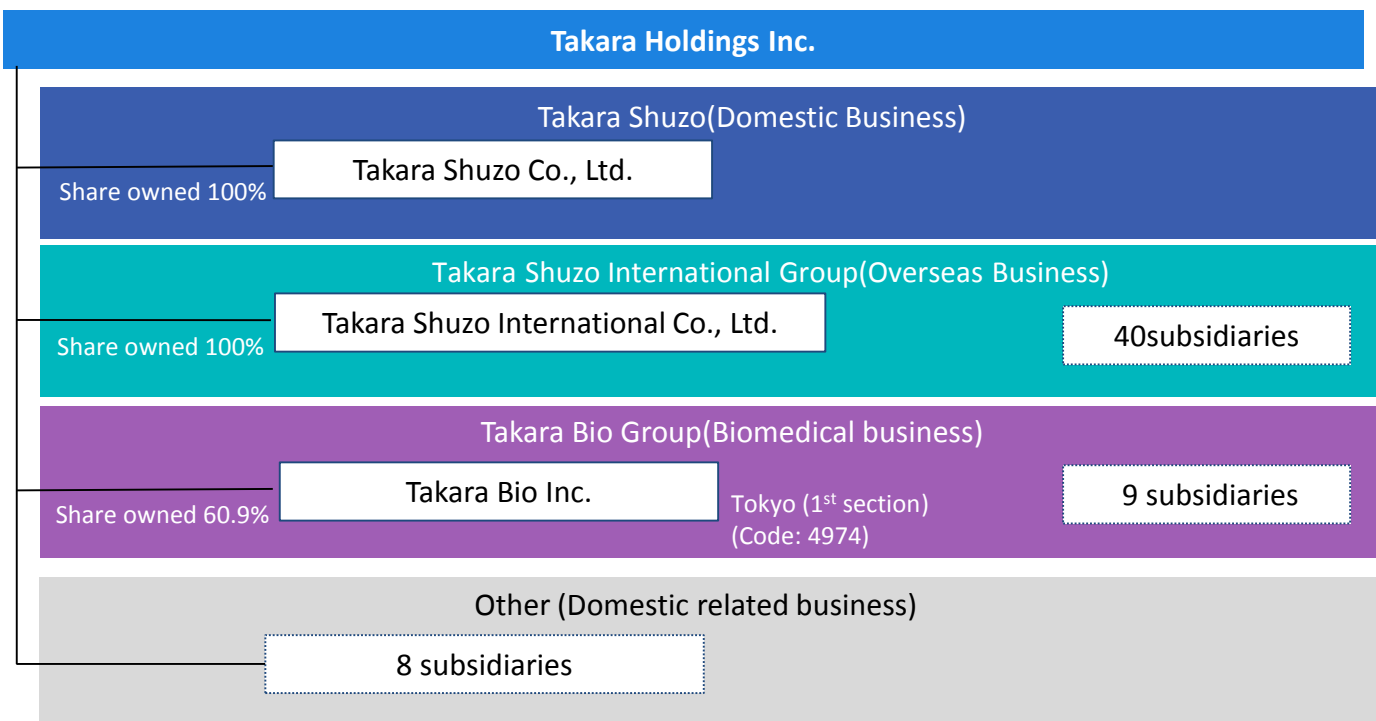
Net sales	Operating Income	Net income attributable to owners of the parent
281,191	15,836	8,980

◆ Corporate Philosophy

Contributing to the creation of a vital society and a healthy lifestyle through our fermentation technology and biotechnology in a way that achieves harmony with nature

◆ Business Structure

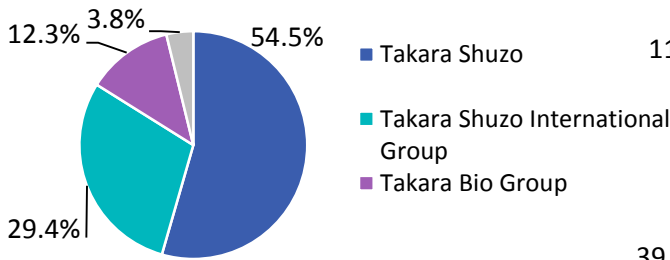
As of March 31, 2020



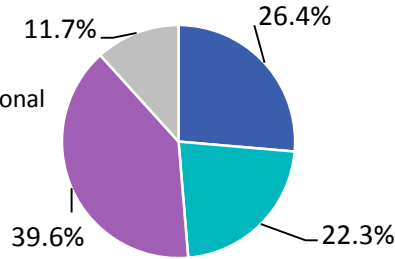
◆ Composition of Net Sales and Operating Income by Business Segment

Year ended March 31, 2020

Composition of Net Sales

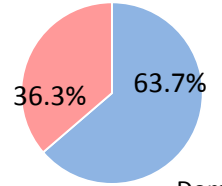


Composition of Operating Income



(Reference)
Sales by business areas

Overseas



◆ Overview of Business Segment

Takara Shuzo

● Business outline

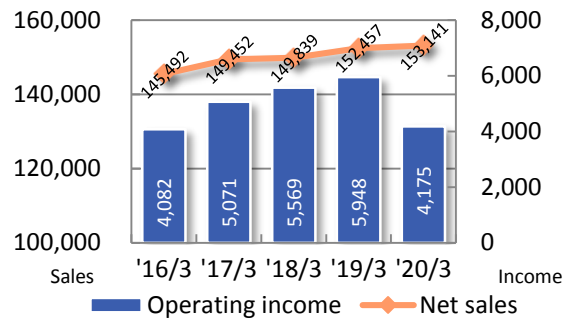
Domestic Alcoholic beverages,
Seasonings and Raw alcohol
business



● Financial results for fiscal 2020 (Millions of yen)

Net sales	153,141
Operating income	4,175

● Financial summary (Millions of yen)*



Takara Shuzo International Group

● Business outline

Japanese Food Wholesale Business
in overseas markets
/ Overseas Alcoholic Beverages Business

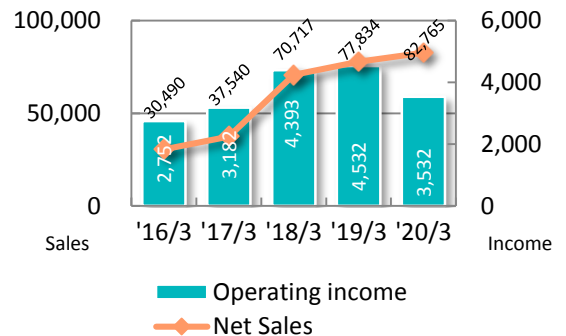


● Financial results for fiscal 2020 (Millions of yen)

Net sales	82,765
Operating income	3,532



● Financial summary (Millions of yen)*



Takara Bio Group

● Business outline

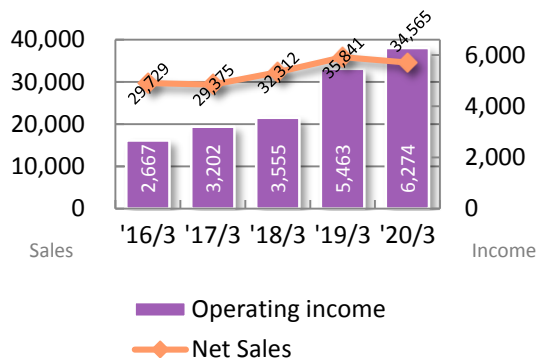
Bioindustry Business / Gene Therapy Business
(※Segments up to the fiscal year ending March 2020)



● Financial results for fiscal 2020 (Millions of yen)

Net sales	34,565
Operating income	6,274

● Financial summary (Millions of yen)*



※*Figures of Takara Shuzo and Takara Shuzo International Group before FY2016 are reference values.



Long-term Management Plan



Vision

「Smiles in Life」

The Takara Group aspires to use its proprietary technology to produce great-tasting products and revolutionary biotechnology to safely and reliably deliver diverse value in the JTAB (Japanese Traditional Alcoholic Beverages), Japanese food, and life science categories and help people connect with each other and lead healthy and fulfilling lives full of smiles.

Management Policy

Reinforce the Group's technical prowess, product competitiveness, and brand position so as to deliver diverse value to the JTAB and Japanese food markets and in the life science industry to establish a more prominent presence in the global market and ensure sustainable and accelerated growth.

Financial Targets

	Net Sales	Operating income	Overseas sales over total net sales	ROE
Year ending March 31, 2026	340 billion yen or above	23 billion yen or above	44% or above	8% or above

Business Strategies

◆ Domestic Business (Takara Shuzo)

Leverage its top position in the JTBA market in Japan to switch to value-added business management, which will serve as a basis for achieving profitable growth and leading the Group's effort to remain a global leader in JTAB¹.

◆ Overseas Business (Takara Shuzo International Group)

Become a global leader² in the JTAB and Japanese food business by bolstering the global sales of JTAB and expanding the global wholesaling network for Japanese food

➤ Shared Business Objective of Takara Shuzo and Takara Shuzo International Group

Takara Shuzo and the Takara Shuzo International Group to work together toward the common goal of becoming a global leader in JTAB and Japanese food³

◆ Biomedical Business (Takara Bio Group)

Become a drug-discovery company poised to create new therapeutic modalities by developing basic technologies for biological drug discovery through the research reagent and equipment business and the CDMO business

◆ Other (domestic group companies)

Fulfill their defined missions depending on their positionings and roles in the Takara Group and contribute to the Group's efforts to achieve better business performance and increase its enterprise value

◆ Management foundation (Takara Holdings' corporate departments)

Become more effective and efficient in providing global management and support services to increase the Group's enterprise value and enhance cohesion among Group companies

1. Based on sales in Japan, exports from Japan, and local production overseas

2. Based on sales exports from Japan, local production overseas, and the overseas Japanese food wholesale business

3. Based on sales in Japan, exports from Japan, local production overseas, and the overseas Japanese food wholesale business

◆ Summary

Basic Policy

Establish a solid basis for achieving sustainable growth of the Group's global business and increasing its enterprise value. This can be done by keeping an eye open for early signs of changes in business environments and allocating available resources timely to high-priority fields so as to build a business structure capable of continually creating value that will bolster profitability and to enhance global management capability.

Financial Targets

	Net Sales	Operating income	Overseas sales over total net sales	ROE
Year ending March 31, 2023	300 billion yen or above	17.4 billion yen or above	39% or above	7% or above

Key strategies of each business

◆ Domestic business (Takara Shuzo)

- (i) Evolve into a profit-generating company leveraging its strengths as the No. 1 manufacturer of JTAB
- (ii) Understand customer needs and promote production development and nurturing with a heightened profit awareness
- (iii) Improve brand value by continuing efficient nurturing measures to stimulate customer demand
- (iv) Facilitate cost reduction from the viewpoint of total optimization centered on the equalization of operation rates
- (v) Strengthen quality control systems in manufacturing subcontractors and overseas group companies

◆ Overseas business (Takara Shuzo International Group)

- (i) Accelerate the global expansion of JTAB, especially sake
- (ii) Expand and improve overseas Japanese food wholesale networks and enhance product procurement abilities
- (iii) Achieve synergies between the overseas Japanese food wholesale business and overseas alcoholic beverage business
- (iv) Strengthen administrative aspects of overseas group companies

➤ Shared Business Objective of Takara Shuzo and Takara Shuzo International Group

Promote collaboration between domestic and overseas businesses and enhance the development of export products and information dissemination within and outside Japan in order to establish Takara's JTAB, especially Sho Chiku Bai, as global brands

◆ Biomedical business (Takara Bio Group)

- (i) Sustainable growth of the research reagents and scientific instruments businesses and CDMO (contract development and manufacturing organization) business
- (ii) Accelerate drug development alliances and generate new clinical projects
- (iii) Accelerate business development in the growing global markets

◆ Other (domestic group companies)

- (i) Further enhance logistics, procurement, and other functions within the Group
- (ii) Improve the profit level and generate cash in the external sales business to contribute to the Group

◆ Management foundation (Takara Holdings' corporate departments)

- (I) Promptly comprehend performance of the international business and establish a global cash management foundation
- (ii) Systematically recruit, develop, and assign human resources to realize global business growth
- (iii) Strengthen quality audit systems within and outside Japan including the Japanese food wholesale business overseas
- (iv) Enhance risk management and compliance in overseas group companies
- (v) Embed the Group's common values, such as the Vision and Values in TGC100, throughout the Company
- (vi) Strengthen corporate communication to improve corporate value
- (vii) Continue examining an optimal corporate governance structure based on the Corporate Governance Code and changes in stock markets

Financial policy

- ◆ Make growth investments with an awareness of improving investment efficiency based on the maintenance of sound financial fundamentals and improve profitability and efficiency to raise
- ◆ Provide appropriate shareholder returns based on the sustainable growth of profits

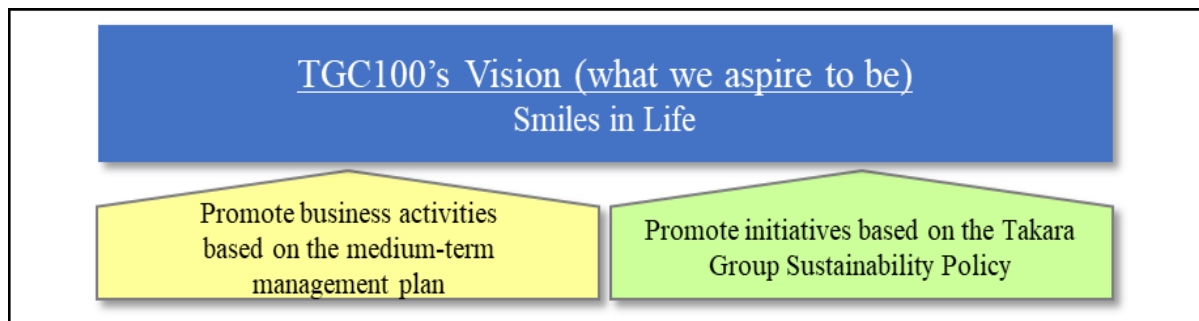
<Shareholder return policy>

Continue stable dividend payments at the payout ratio of the high 30% range in line with the sustainable growth of profits In addition, carry out share buybacks flexibly

<ROE improvement measures>

- Work on improving the working capital turnover ratio to increase cash flow from operating activities
- Sell strategic shareholdings flexibly to generate funds
- Proactively make growth investments to improve profits

<Relationship between TGC100's Vision and the Medium-Term Management Plan and Takara Group Sustainability Policy>



Takara Group Sustainability Policy

Basic Policy

Based on our corporate philosophy, which is “Contributing to the creation of a vital society and a healthy lifestyle through our fermentation technology and biotechnology in a way that achieves harmony with nature,” the Takara Group has benefited society by unlocking new potential in the culinary, lifestyle, and life science fields through our fermentation technologies for traditional Japanese sake and our cutting-edge innovation in biotechnologies and by continuing to create new value.

The preservation of a rich natural environment is a major premise for the business continuity of the Takara Group, which engages in business activities on the basis of the bounty of diverse natural resources such as grains, water, and microorganisms. In addition, in handling business related to food and medicine, the Takara Group’s most important theme is to deliver safe and reliable goods, products, and services. At the same time, we must also address various social issues, including those related to alcohol.

In recent years, the social environment surrounding the Group has undergone rapid change, and with the need for a global response to such diverse issues as climate change, biodiversity conservation, resource conservation, and respect for human rights, corporate entities face an increasing responsibility to create a sustainable society.

In our long-term management vision, “TaKaRa Group Challenge for the 100th,” the Group has made a declaration that it will contribute to the realization of healthy and fulfilling daily lives that are filled with connections between people and people’s smiles. Recognizing that it is necessary to take greater initiatives to resolve various social issues if we are to continue to achieve the creation of social value through business activities into the future, we have now formulated the Takara Group Sustainability Policy in line with our long-term management vision.

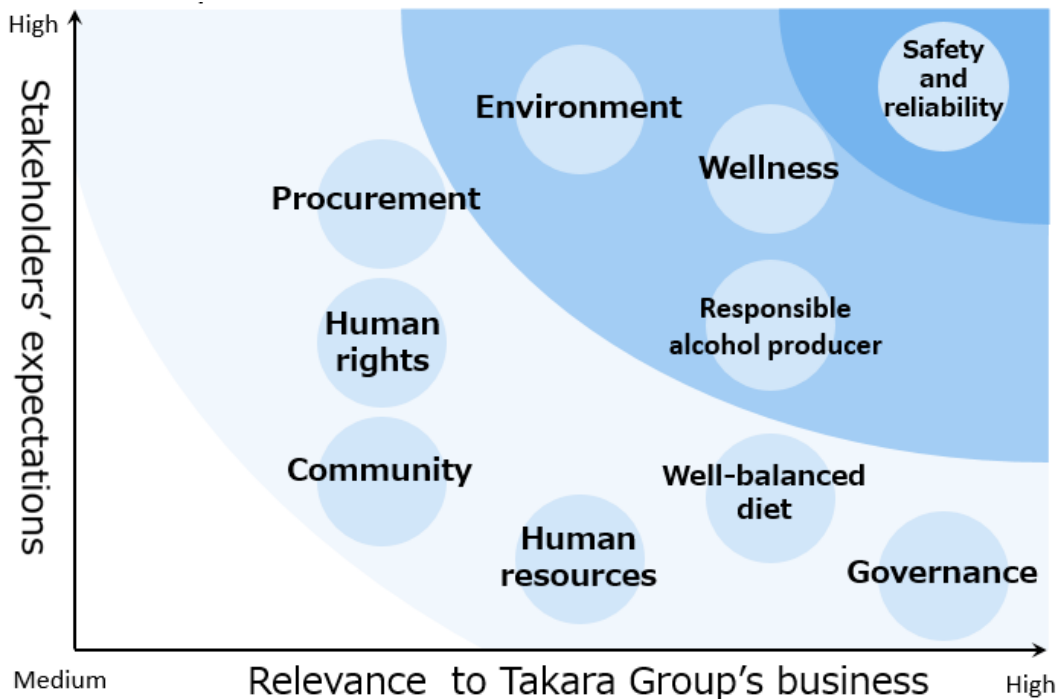
The Takara Group Sustainability Policy takes up ten important issues (materiality), including “safety and reliability,” from among the social issues surrounding the Group, and lays out initiative policies for each one, taking into account the expectations of stakeholders and the impact on the Group’s business.

Going forward, we will further proceed with initiatives based on these policies and will also work on the establishment of long-term goals.

The Takara Group aims to be a corporate group that is trusted by its stakeholders, and will contribute to the realization of a sustainable society by continuing to create social value through our business activities.

Important issues (materiality)

< Materiality Matrix >



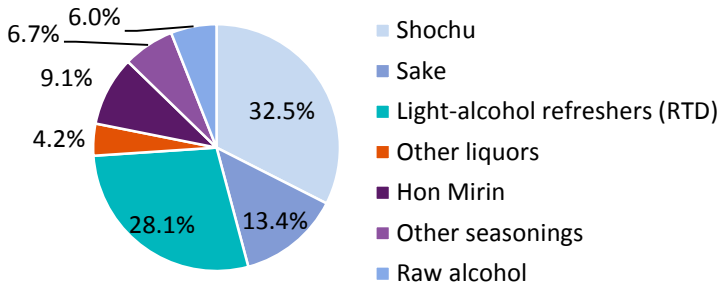


Business Segment Information

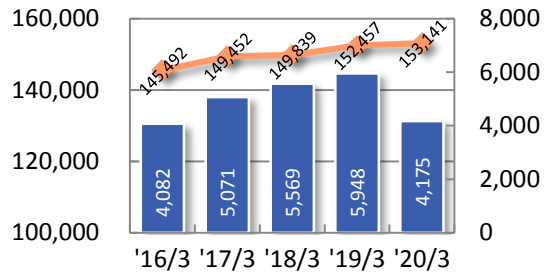


Composition of Net Sales by Product Category and Performance trends

Year ended March 31, 2020



Financial summary (Millions of yen)*



*Figures of Takara before FY2016 are reference values.

Net Sales by Product Category

(Millions of yen)



With the establishment of Takara Shuzo International Co., Ltd. on July 3, 2017, business segments have been revised from the fiscal year ending March 31, 2018. Figures before the fiscal year ended March 2016 are reference.

◆ Business Outline

The history of the Takara Group's core Alcoholic Beverages and Seasonings Business goes back to 1842. We have been providing for more than 170 years a wide variety of products underpinned by our creative and proven technology responding to the values and tastes of consumers.

As one of Japan's leading manufacturers of traditional Japanese alcoholic beverages and seasonings such as sake, shochu, or hon-mirin, we have built up our balanced product portfolio generated by our unique development capabilities of new technologies with the stable production system.

Shochu

Takara Shochu



Takara Shochu Jun



Kodawarino Lemon Sour You Takara Shochu



Ikkomon (100% sweet -potato-base)



Sake

Sho-Chiku-Bai



Sho-Chiku-Bai Shirakabegura



Mio sparkling sake



Ten

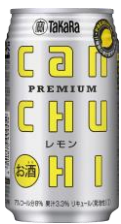


Gokai



Light-Alcohol Refreshers

Takara Can Chu-Hi



Takara Shochu High Ball



Takara Gokujo Lemon Sour



Takara CRAFT



Seasonings

Takara Hon Mirin



Ryori-no-Tame-no-Seishu



Dashi-zukuri



Teri-jozu



◆ Takara Shuzo's Business History

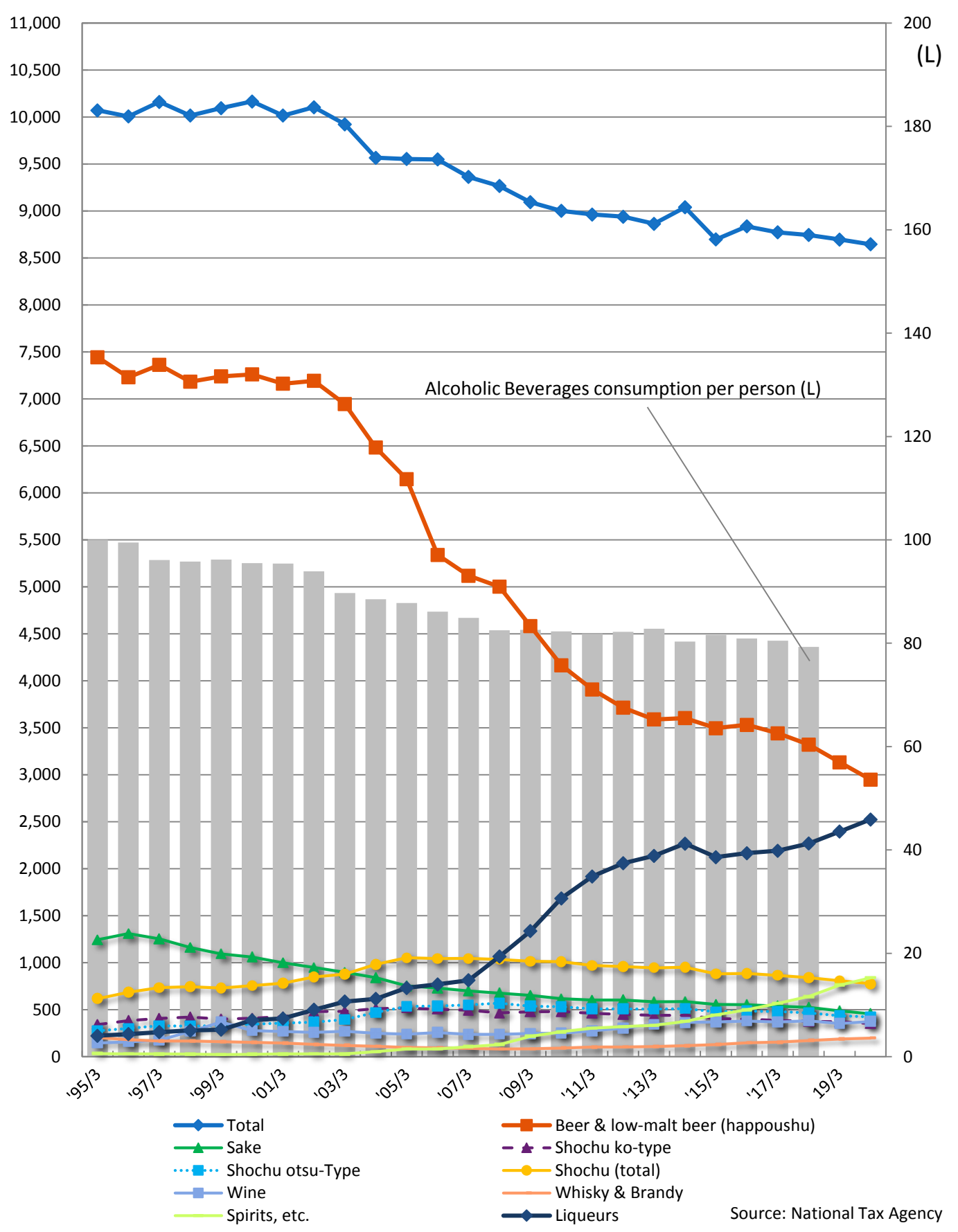
year	Product History	Alcohol Market Trends
1842	Founding (began manufacturing and selling sake)	
1864	Began manufacturing shochu and mirin	
1916	Commenced production of new type Shochu <i>Takara Shochu</i>	
1933	<i>Sho-Chiku-Bai</i> brewing established	
1957	Entered beer business (Withdraw in 1967)	
1959		Beer consumption exceeded Sake
1968	Launched Sho-Chiku-Bai Take, Sho-Chiku-Bai made great advances as sake for celebrations	
1975		Sake consumption peaked
1977	Launched <i>Takara Shochu Jun</i>	
1982	Commenced sake brewing in the U.S.	Light-alcohol refreshers boom appeared
1984	Launched <i>Takara Can Chu-Hi</i>	Shochu consumption exceeded whiskey
1993	Launched honkaku (Otsu-type / single distilled) Shochu <i>Yokaichi</i>	
2000		Honkaku Shochu boom appeared
2001	Launched <i>Ikkomon</i> , which stresses its 100% sweet-potato-base	
2002		Sweet-potato-based Shochu boom arrived
2003		Shochu consumption exceeded Sake Liquor license was substantially liberalized
2006	Launched <i>Takara Shochu High Ball</i>	
2008	Launched <i>Sho-Chiku-Bai Shirakabe-gura Kimoto Junmai</i>	
2011	Launched <i>Sho-Chiku-Bai Shirakabe-gura Mio Sparkling Sake</i>	
2016	Launched <i>Takara Shochu Lemon Sour Type Shochu</i>	
2017		Lemon Sour boom arrived
2019	Launched <i>Sho-Chiku-Bai Shirakabegura Mio Ichika Sparkling Sake</i> (* Released nationwide in March 2020)	



Alcohol Market Data in Japan

◆ Trend in Taxed Shipments of Alcoholic Beverages in Japan (1)

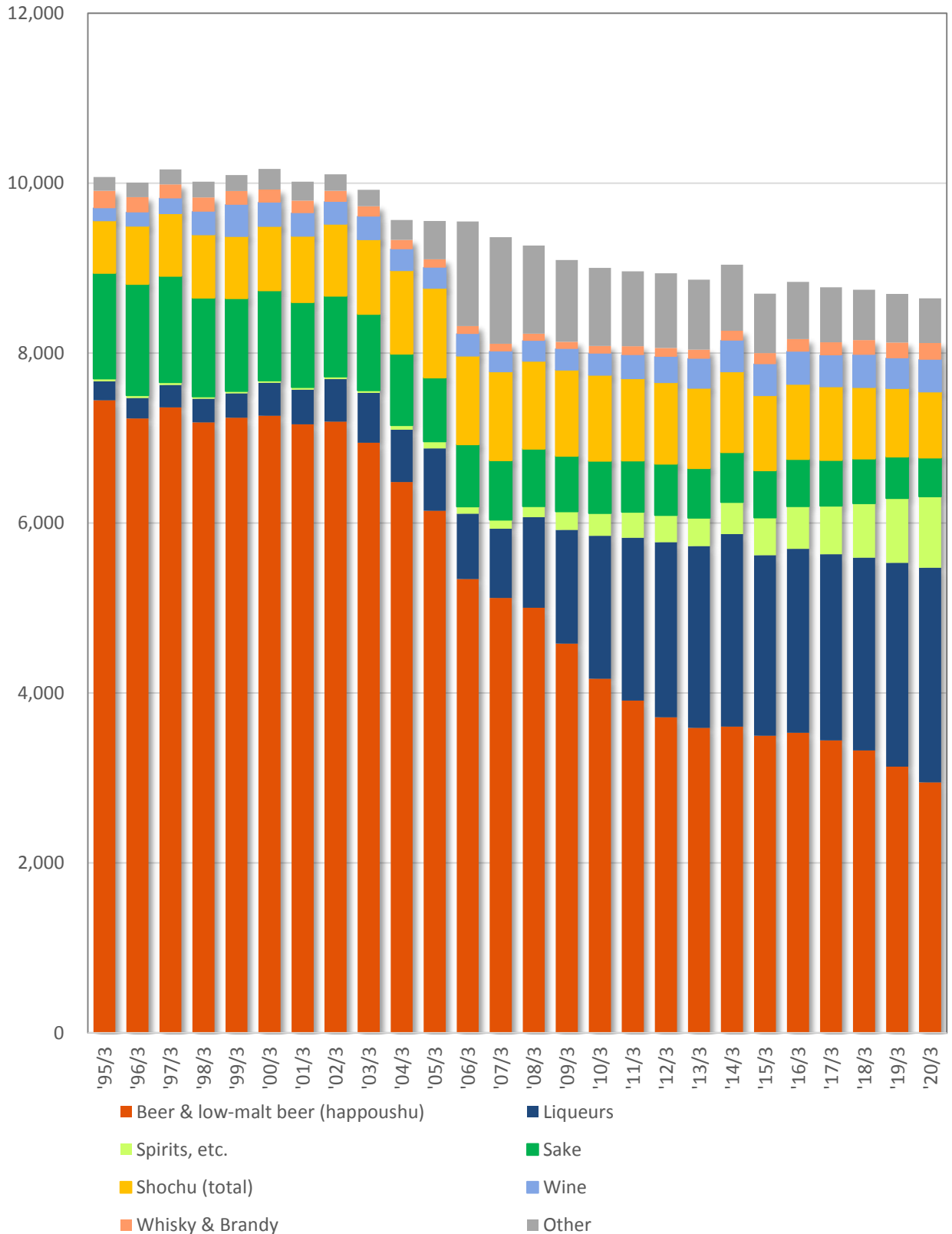
(Thousand KL)



Source: National Tax Agency

◆ Trend in Taxed Shipments of Alcoholic Beverages in Japan (2)

(Thousand KL)



Source: National Tax Agency

◆Liquor Tax Rates in Japan as of October 2020

(単位:円)

区分	税率 (1キロリットル当たり)	アルコール分1度 あたりの加算額
Sparkling alcohol drinks (beer etc.)	200,000	-
Low malt beer (the ratio of malt not less than 25% and less than 50%)	167,125	-
Low malt beer (the ratio of malt less than 25%)	134,250	-
Others (Shin Janru)	108,000	-
Others(except hop-based liquors)	80,000	-
Fermented liquor	120,000	-
Sake	110,000	-
Wine	90,000	-
Distilled liquor (Shochu etc.) (20% of alcohol)	200,000	10,000
Whisky, Brandy, Spirits (37% of alcohol)	370,000	10,000
Miscellaneous liquor (20% of alcohol)	200,000	10,000
Sake compound	100,000	-
Mirin	20,000	-
Sweet wine or liqueur (12% of alcohol)	120,000	10,000
Powdered liquor	390,000	-

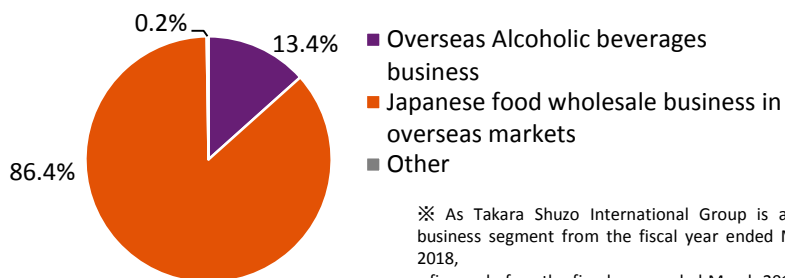
◆Liquor Tax Per Product as of October 2020

Kind	Product name	Volume	Alcohol	Suggested retail price	Liquor tax
Shochu	Takara Shochu	1.8liter	25%	¥1,482	¥450
Sake	Sho-Chiku-Bai Sake Josen	1.8liter	15%	¥2,017	¥198
Light-alcohol refreshers (RTD)	Takara Can Chu-Hi	350 milliliter	8%	¥226	¥28
Beer		350milliliter	5%	-	¥70
Low malt beer (the ratio of malt less than 25%)		350milliliter	5.5%	-	¥47
Shin Janru		350milliliter	5%	-	¥37.8

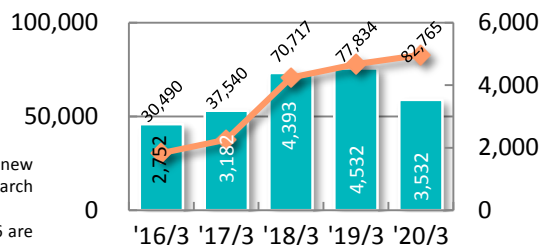
Takara Shuzo International Group

◆ Composition of Net Sales by Product Category and Performance trends

Year ended March 31, 2020



● Financial summary (Millions of yen)*



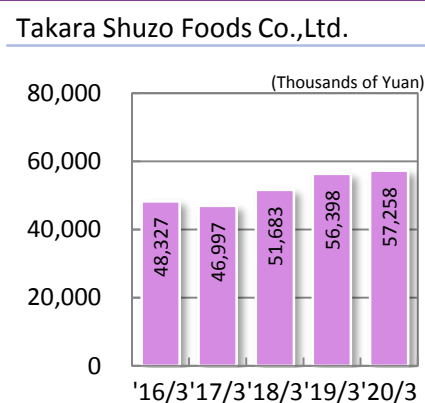
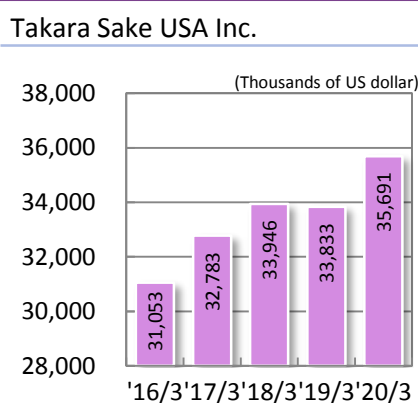
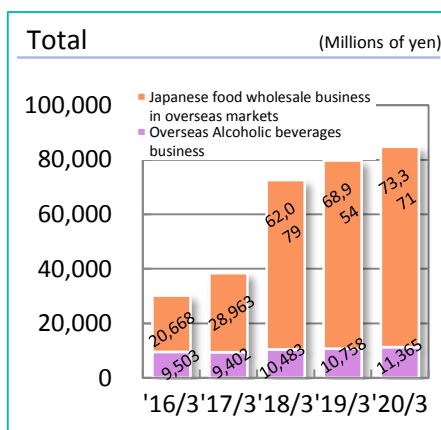
※ As Takara Shuzo International Group is a new business segment from the fiscal year ended March 2018, figures before the fiscal year ended March 2016 are reference values. In addition, Net sales by business category in the fiscal year ended March 31, 2019 included elimination of intra-company transactions.

Operating income Net Sales

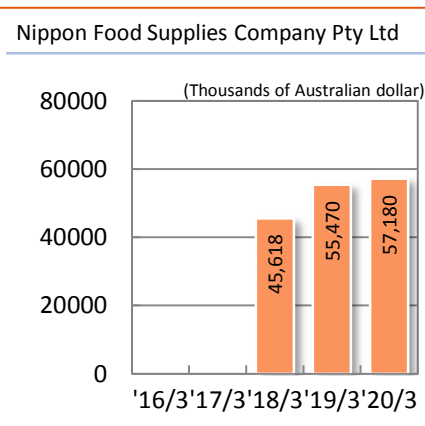
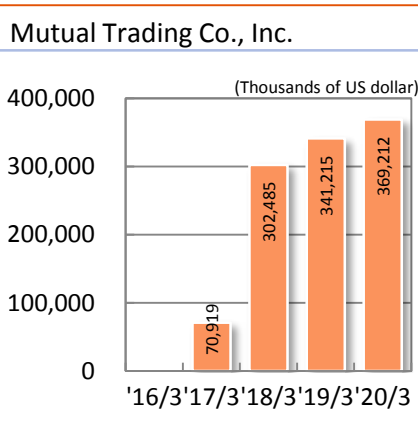
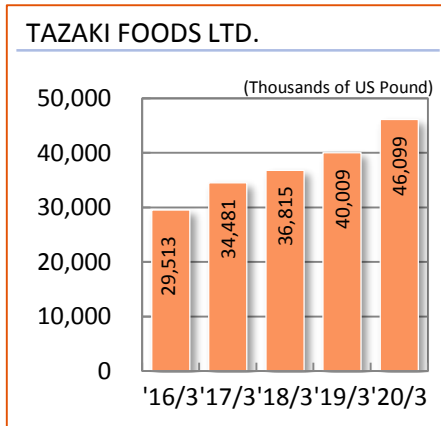
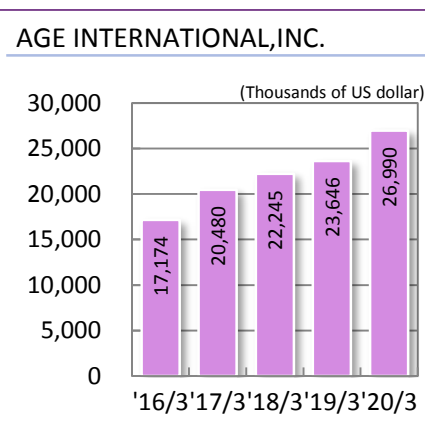
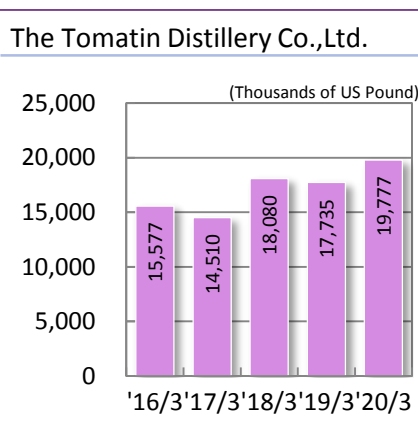
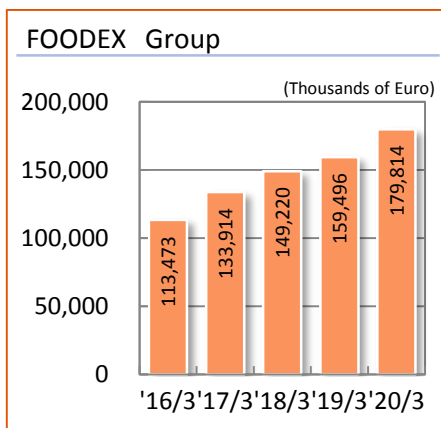
(Reference) Overseas sales ratio 99.6%

◆ Financial Summary by Business Category

■ Overseas Alcoholic beverages business



■ Japanese food wholesale business in overseas markets



◆ Business Outline

Takara Shuzo International Group operates the Japanese Food Wholesale Business in overseas markets, which sells Japanese food to Japanese restaurants and retail stores overseas, and the Overseas Alcoholic Beverage Business, which exports alcoholic beverages as well as manufacturing and selling them overseas amid the increasing popularity of Japanese food overseas in recent years brought about by rising health consciousness around the world and the registration of “Washoku” as UNESCO Intangible Cultural Heritage.

Overseas Alcoholic beverages business

Providing its Sho-chiku-bai sake and other Takara branded products worldwide by export from Japan and the local production in overseas countries.

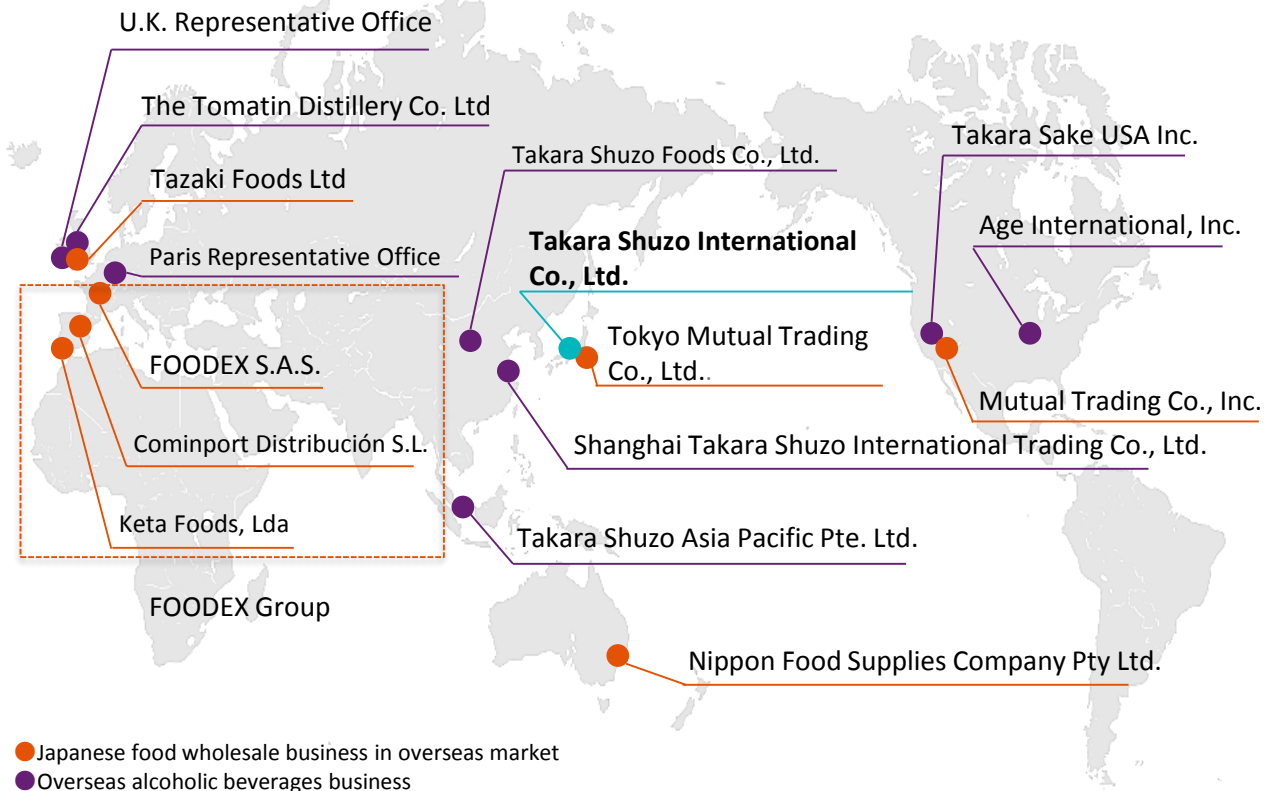


Japanese food wholesale business in overseas markets

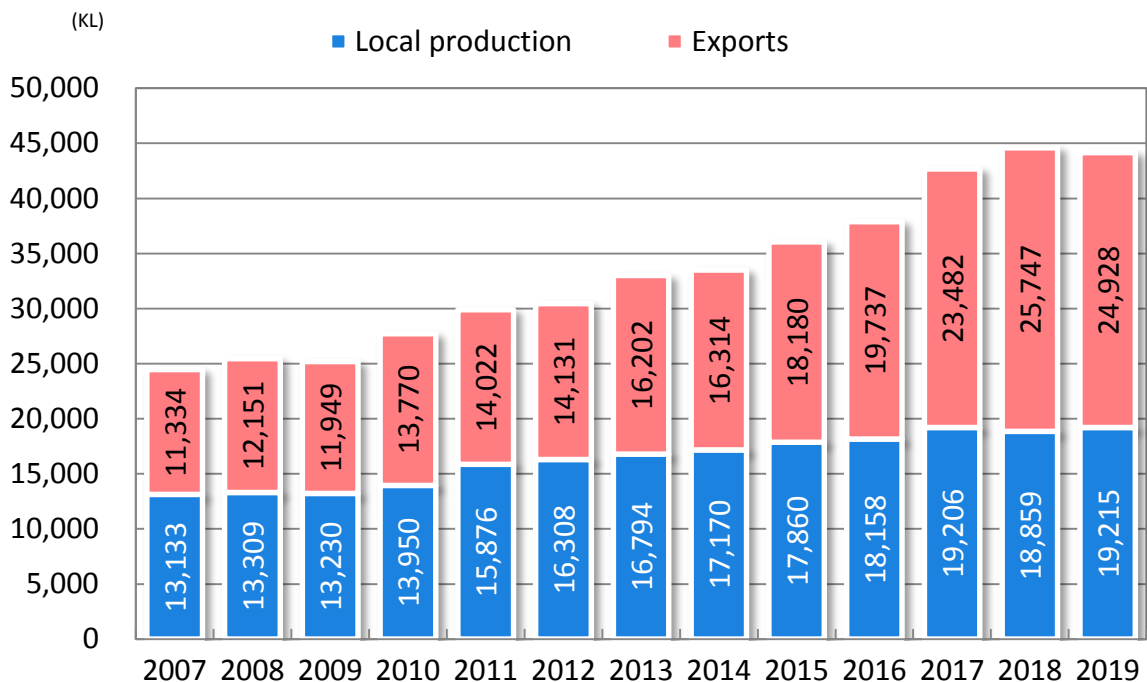
Providing diverse Japanese foodstuffs such as rice, sushi toppings as well as all manner of foods and seasonings for Japanese cuisine restaurants with local wholesalers in Europe, the U.S. and Australia.



◆ Major overseas bases



◆ Trends in the Size of the Overseas Sake Market

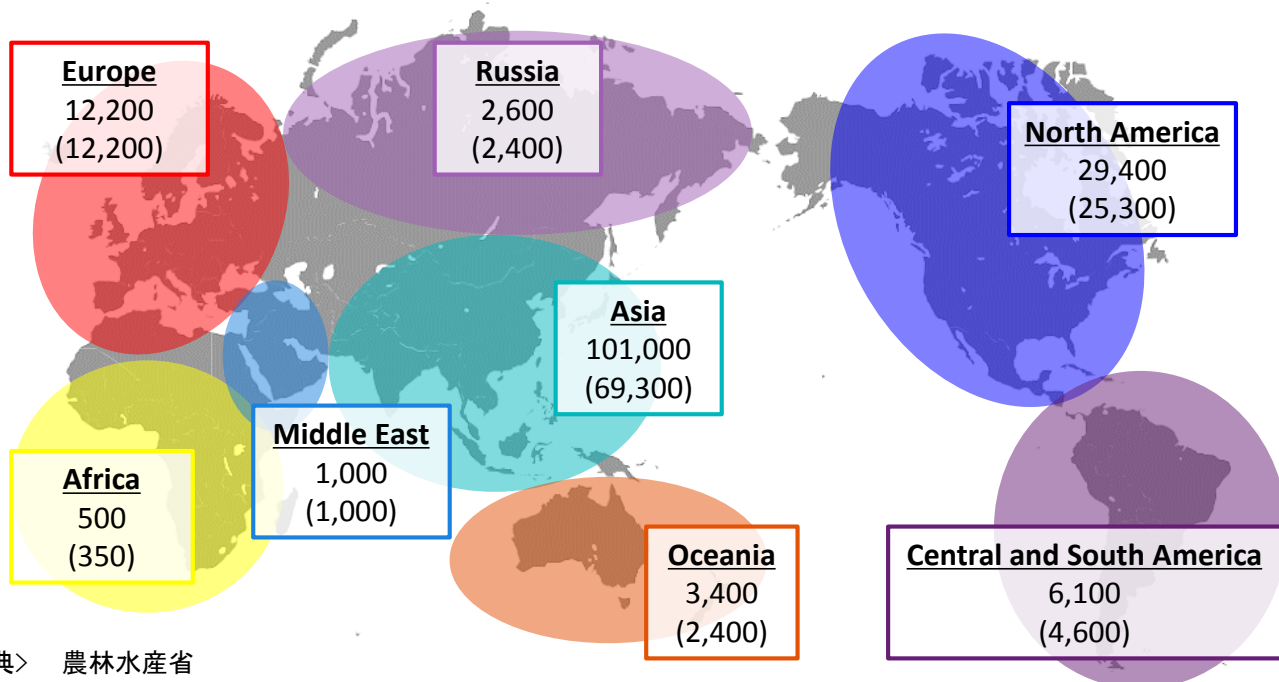


<Source>: (Exports) Ministry of Finance (Local production)Jouzou Sangyo Newspaper

◆ Number of Japanese Cuisine Restaurants Worldwide

<2006> Approx. 24,000 → <2013> Approx. 55,000 → <2015> Approx. 89,000 → <2017> Approx. 118,000 → <2019> Approx. 156,000

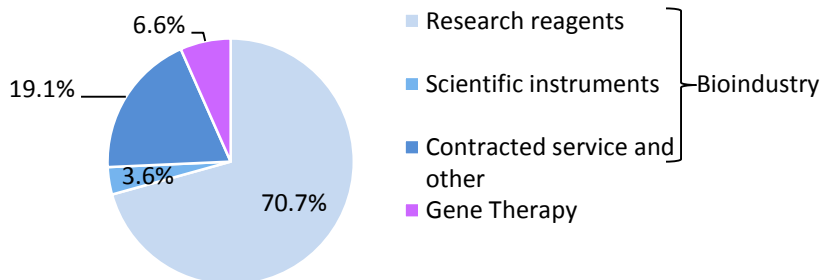
* Upper numbers are from 2019, lower numbers in parentheses are from 2017.



<出典> 農林水産省

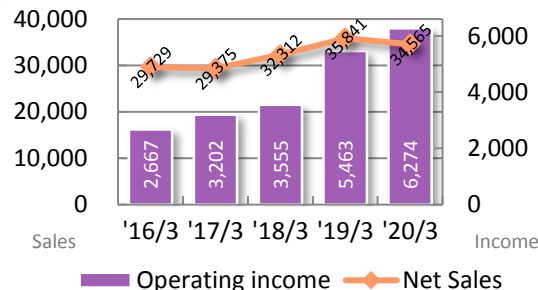
◆ Composition of Net Sales by Product Category and Performance trends *

Year ended March 31, 2020



(Reference) Overseas sales ratio 57.2%

● Financial summary (Millions of yen)

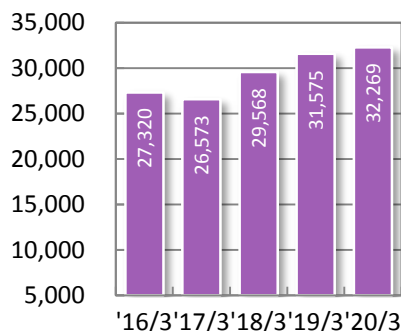


◆ Financial Summary by Business Category*

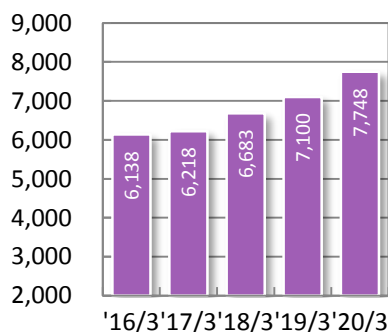
(Millions of yen)

Bioindustry

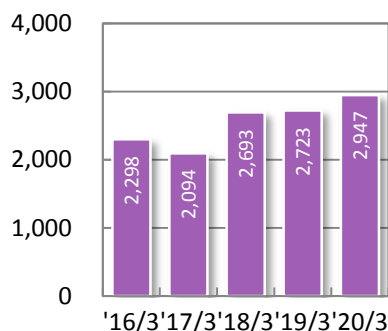
● Net sales



● Operating income

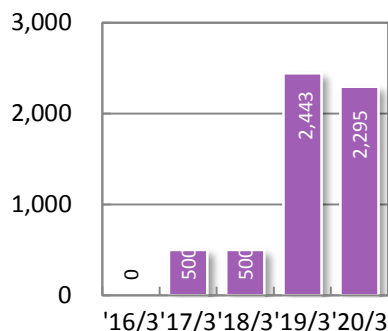


● R&D expenses

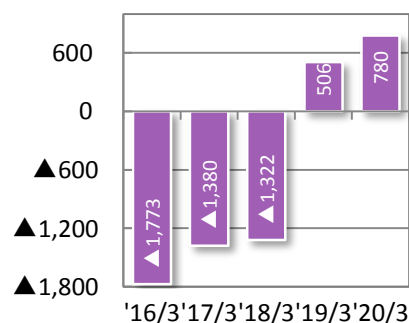


Gene Therapy

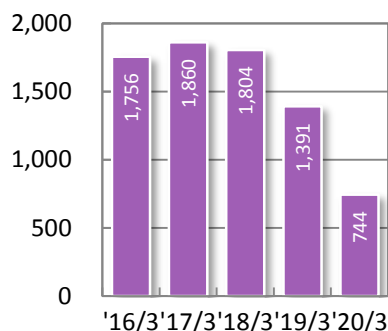
● Net sales



● Operating income (▲:loss)



● R&D expenses

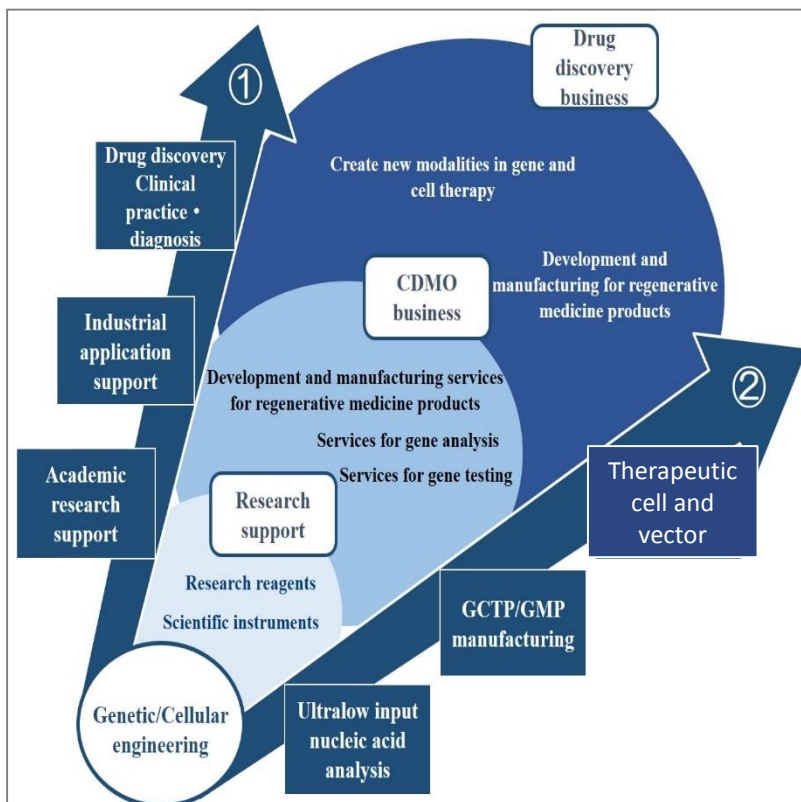


*Takara Bio Group has changed to a single business segment from the fiscal year ending March 2021 due to the review of its organizational structure, and the information contained in this document is based on the business segment up to the fiscal year ending March 2020.

◆ Business Outline

The mission of the Takara Group's Biomedical Business is to contribute to the health of humankind by developing revolutionary biomedical technologies such as gene therapy. The Group are promoting the development of bio-drug discovery platform technologies through the core businesses of research reagents and scientific instruments and CDMO business, and aiming to become a drug discovery company that continuously creates new modalities.

Takara Bio Group's Formulation of Long-Term Management Plan FY2026 FY2020~FY2026



Vision (ideal)

Through the “research reagents and scientific instruments business” and “CDMO business”, the Group promotes the development of bio-drug discovery platform technologies and aims to be a drug discovery company that continuously creates new modalities.

Quantitative targets for the final year of the plan

- Operating profit: ¥10 billion
- ROE 8% or more

① Business area expansion

Expand the business from research support areas such as academia to clinically relevant fields, and even drug discovery

② Development of new technology

Develop platform technologies on drug discovery via developing new products such as research reagents, and new menus for CDMO business





財務データ編

Financial Data

業績推移

連結財務諸表/主要財務指標

Financial Results

Consolidated Financial Statements

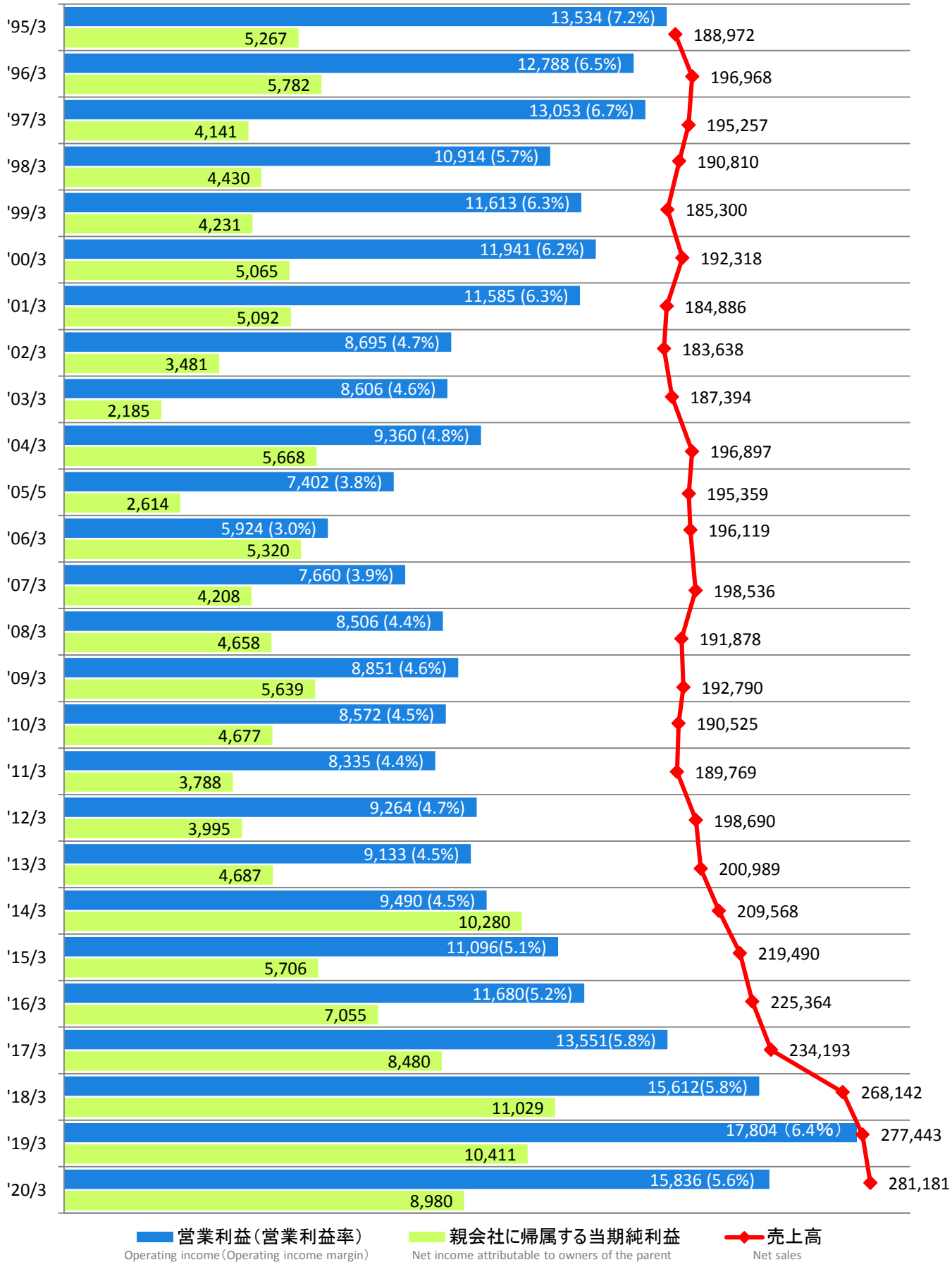
/ Major Financial Indicators



◆宝ホールディングス(連結)

Takara Holdings Inc. (consolidated)

(単位: 百万円)
(Millions of yen)



営業利益 (営業利益率)
Operating income (Operating income margin)

親会社に帰属する当期純利益
Net income attributable to owners of the parent

売上高
Net sales

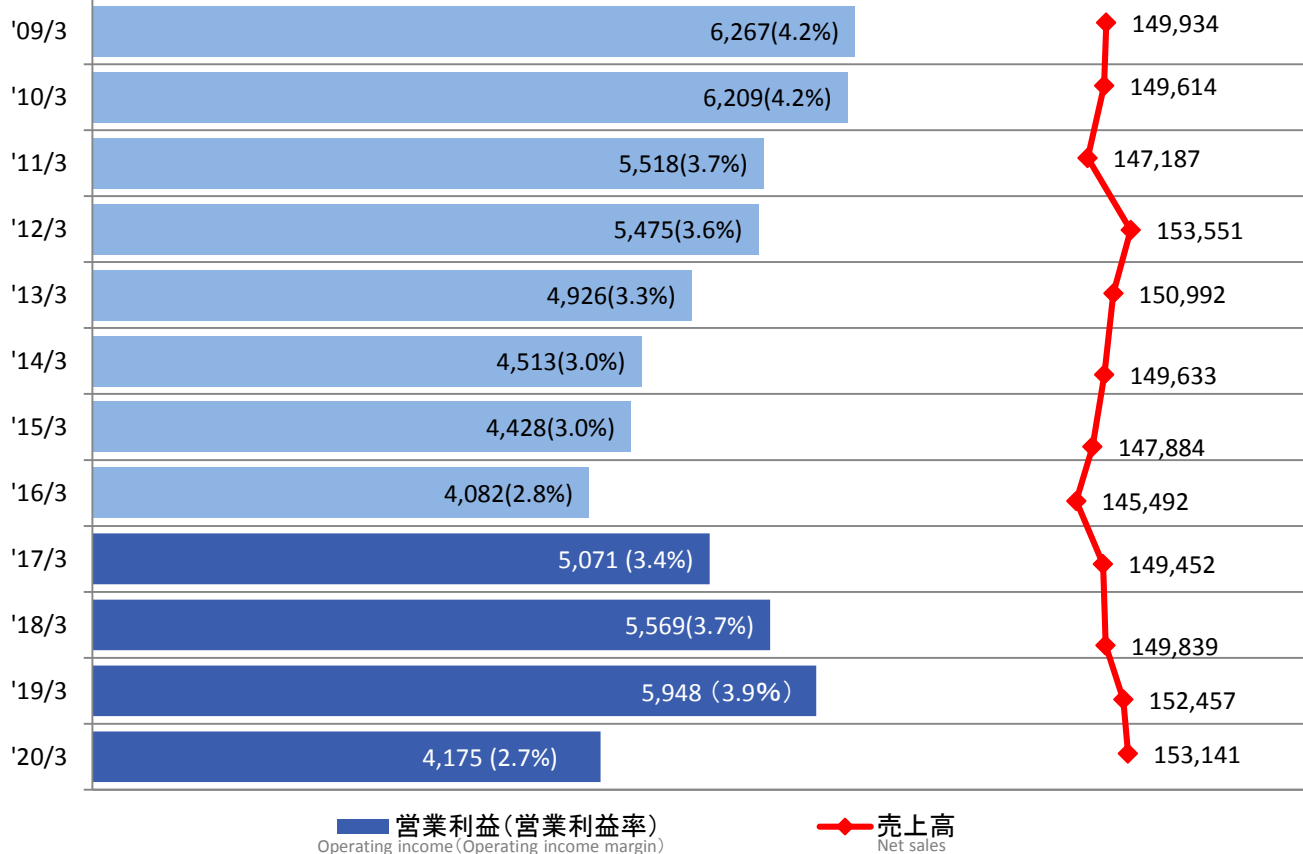
2002年4月 持株会社体制への移行により「宝酒造株式会社」を新設

Restructured to a holding company structure and established Takara Shuzo Co., Ltd. In April 2002

2017年4月 宝酒造インターナショナルの設立に伴い事業セグメントを変更

(2016年3月期以前の数値は参考値)

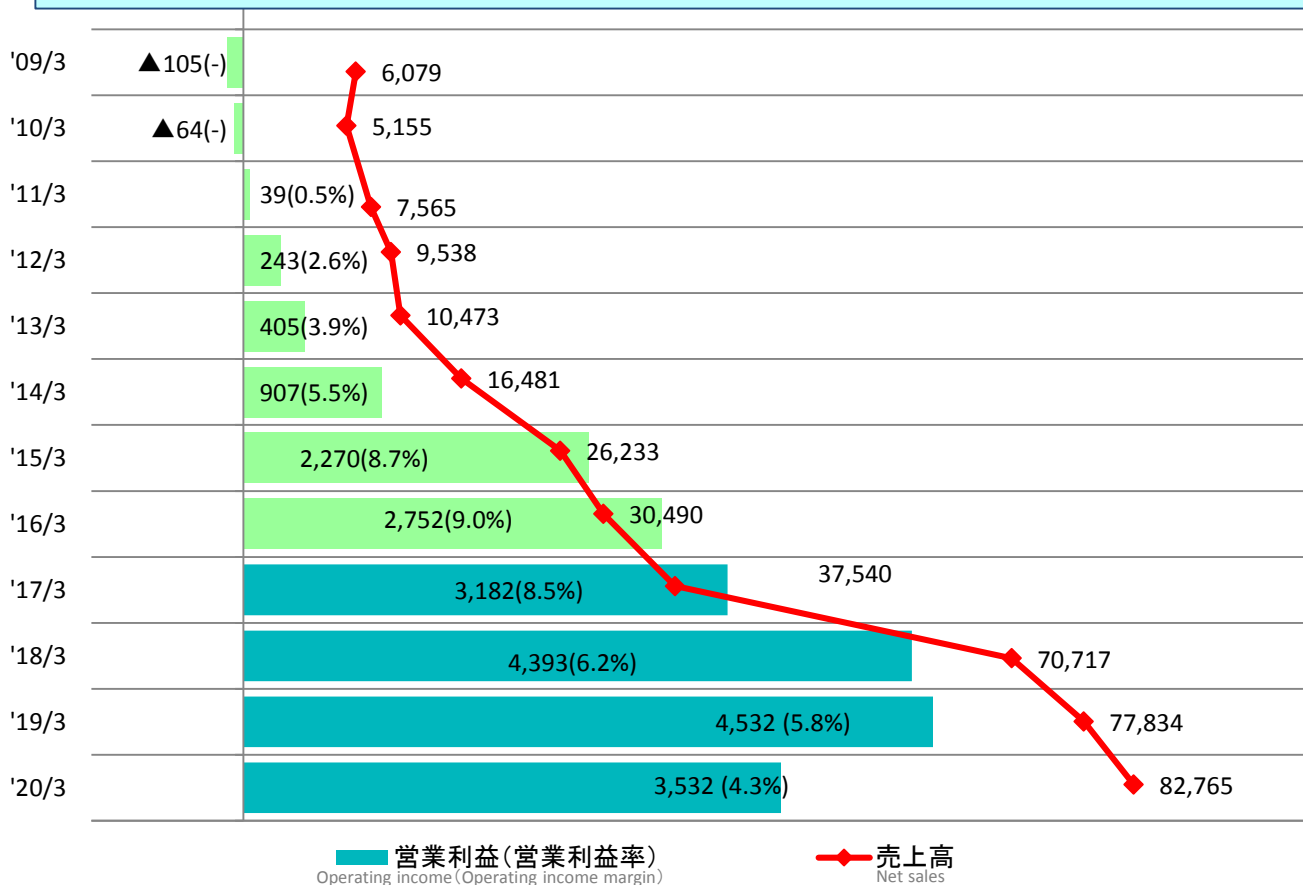
With the establishment of Takara Shuzo International Co., Ltd., business segments have been revised from the fiscal year ending March 31, 2018.
(Figures before the fiscal year ended March 2016 are reference values.)



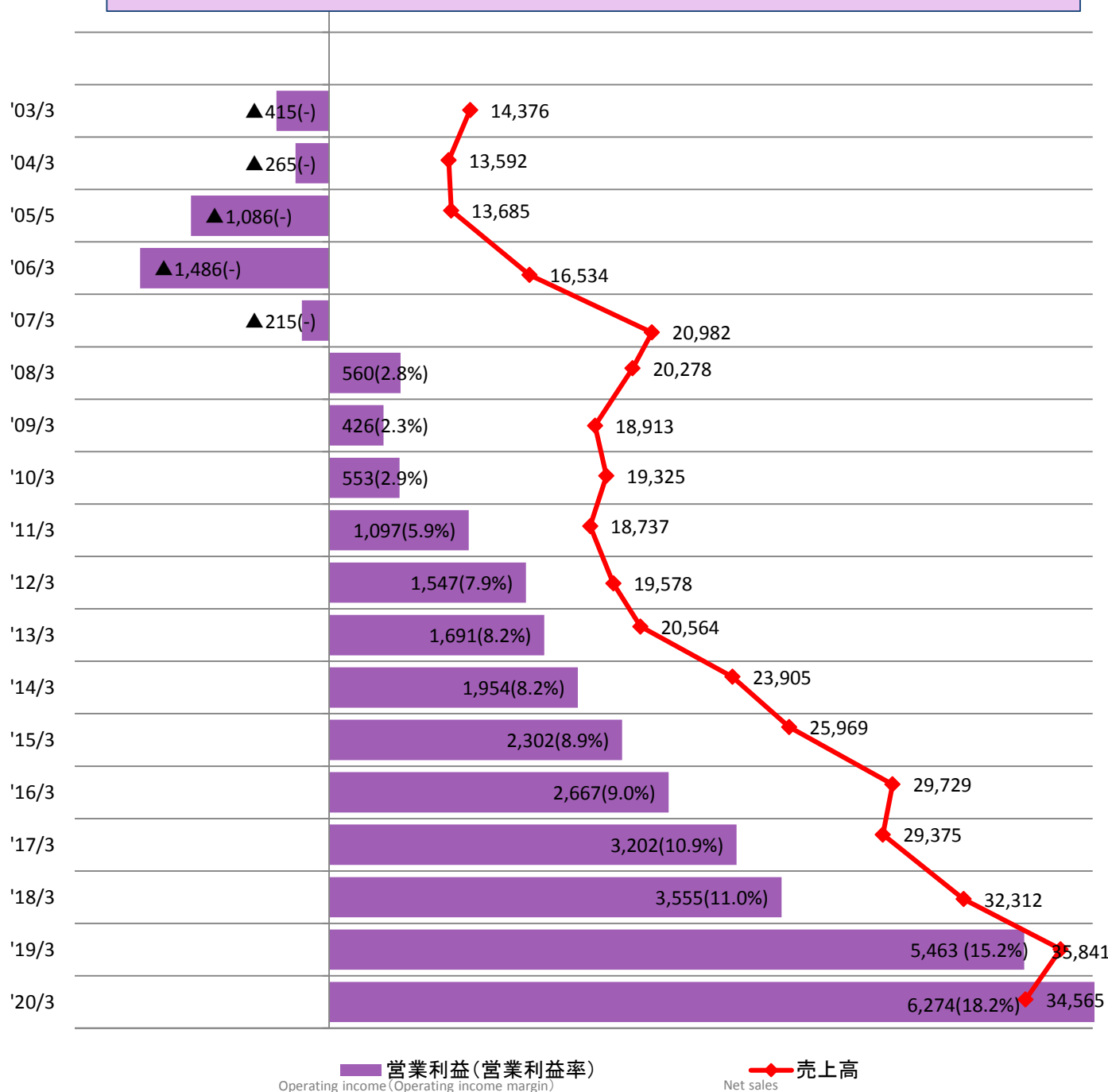
2002年4月 持株会社体制への移行により「宝酒造株式会社」を新設
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(2016年3月期以前の数値は参考値)

With the establishment of Takara Shuzo International Co., Ltd., business segments have been revised from the fiscal year ending March 31, 2018.
(Figures before the fiscal year ended March 2016 are reference.)



2002年4月 持株会社体制への移行により「タカラバイオ株式会社」を新設
Restructured to a holding company structure and established Takara Bio Inc. In April 2002



◆連結貸借対照表

Consolidated Balance Sheets

(単位: 百万円)
(Millions of yen)

3月31日現在 As of March 31	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3
流動資産 Total current assets	160,653	159,073	173,912	171,067	175,011	168,820
現金及び預金 Cash and deposits	41,296	38,386	58,073	47,754	49,415	47,265
受取手形及び売掛金 Notes and accounts receivable-trade	54,617	53,602	57,951	57,889	59,780	61,017
有価証券 Short-term investment securities	27,022	28,238	13,237	19,721	16,089	7,352
棚卸資産 Inventories	32,800	34,218	39,851	42,909	46,035	48,976
その他 Other	4,915	4,627	4,798	2,793	3,690	4,207
固定資産 Total noncurrent assets	103,786	94,179	100,456	113,213	112,094	115,061
有形固定資産 Property, plant and equipment	53,085	53,065	59,174	57,485	60,576	69,835
無形固定資産 Intangible assets	12,358	11,010	10,256	22,269	19,914	18,700
投資その他の資産 Investments and other assets	38,342	30,103	31,025	33,458	31,603	26,525
資産合計 Total assets	264,438	253,253	274,368	284,281	287,106	283,882
流動負債 Total current liabilities	54,877	47,648	65,505	52,712	57,822	55,466
支払手形及び買掛金 Notes and accounts payable-trade	15,680	15,201	16,804	16,544	16,374	16,440
短期借入金・CP等 Short-term loans payable and Current portion of bonds	10,292	4,994	9,206	5,221	9,960	4,787
その他 Other	28,904	27,452	39,495	30,944	31,485	34,238
固定負債 Total noncurrent liabilities	51,156	49,456	42,941	55,352	49,489	47,086
社債 Bonds payable	20,000	20,000	10,000	25,000	25,000	20,000
長期借入金 Long-term loans payable	10,334	10,255	10,996	10,620	5,415	5,448
その他 Other	20,821	19,201	21,944	19,730	19,073	21,637
負債合計 Total liabilities	106,034	97,104	108,447	108,064	107,311	102,553
株主資本 Total shareholder's equity	115,132	118,830	124,667	131,649	139,064	142,563
その他包括利益累計額合計 Total accumulated other comprehensive income	16,791	11,555	10,375	13,461	9,133	5,199
非支配株主持分 Noncontrolling interests	26,481	25,762	30,877	31,106	31,597	33,566
純資産合計 Total net assets	158,404	156,148	165,920	176,217	179,795	181,329
負債純資産合計 Total liabilities and net assets	264,438	253,253	274,368	284,281	287,106	283,882
為替換算レート(期末時点) Exchange rates as of the end of the fiscal year						
米ドル US dollar	120.53	120.54	116.53	113.05	110.91	109.55
ユーロ EURO	146.54	131.67	122.73	134.95	126.88	122.51
人民元 Yuan	19.34	18.34	16.76	17.30	16.14	15.68

◆連結損益計算書

Consolidated Statements of Income

(単位:百万円)
(Millions of yen)

3月31日終了の会計年度 Years ended March 31	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3
宝酒造 Takara Shuzo	147,884	145,492	149,452	149,839	152,457	153,141
宝酒造インターナショナルグループ Takara Shuzo International Group	26,233	30,490	37,540	70,717	77,834	82,765
タカラバイオグループ Takara Bio Group	25,969	29,729	29,375	32,312	35,841	34,565
その他 Other	42,980	41,050	39,017	36,412	32,742	31,801
調整額 Adjustment	(23,577)	(21,398)	(21,193)	(21,140)	(21,431)	(21,082)
売上高 Net sales	219,490	225,364	234,193	268,142	277,443	281,191
売上原価 Cost of sales	134,390	135,868	140,182	163,529	168,694	172,574
売上総利益 Gross profit	85,099	89,495	94,010	104,612	108,749	108,617
販売費及び一般管理費 Selling, general and administrative expenses	74,003	77,815	80,458	88,999	90,945	92,781
宝酒造 Takara Shuzo	4,428	4,082	5,071	5,569	5,948	4,175
宝酒造インターナショナルグループ Takara Shuzo International Group	2,270	2,752	3,182	4,393	4,532	3,532
タカラバイオグループ Takara Bio Group	2,302	2,667	3,202	3,555	5,463	6,274
その他 Other	1,654	2,058	2,167	2,318	1,954	2,018
調整額 Adjustment	440	120	(72)	(224)	(95)	(164)
営業利益 Operating income	11,096	11,680	13,551	15,612	17,804	15,836
営業外収益 Non-operating income	1,478	1,830	1,537	1,408	1,461	1,458
営業外費用 Non-operating expenses	746	671	744	936	905	1,025
経常利益 Ordinary income	11,827	12,840	14,344	16,084	18,359	16,269
特別利益 Extraordinary gain	315	353	1,126	3,499	696	1,473
特別損失 Extraordinary loss	689	644	950	679	1,397	2,099
税金等調整前当期純利益 Income before income taxes and minority interests	11,453	12,548	14,520	18,903	17,658	15,643
法人税等 Income taxes	5,088	4,778	5,283	6,374	5,311	4,952
当期純利益 Net income	6,365	7,769	9,236	12,528	12,347	10,691
非支配株主に帰属する当期純利益 Net income attributable to the noncontrolling interest	659	713	755	1,499	1,936	1,710
親会社株主に帰属する当期純利益 Net income attributable to owners of the parent	5,706	7,055	8,480	11,029	10,411	8,980
為替換算レート(期中平均レート) Average exchange rates during the fiscal year						
米ドル US dollar	105.79	121.11	108.81	112.17	110.45	109.03
ユーロ EURO	140.35	134.31	120.30	126.70	130.35	122.03
人民元 Yuan	17.18	19.23	16.36	16.62	16.71	15.77

◆ 連結キャッシュ・フロー計算書

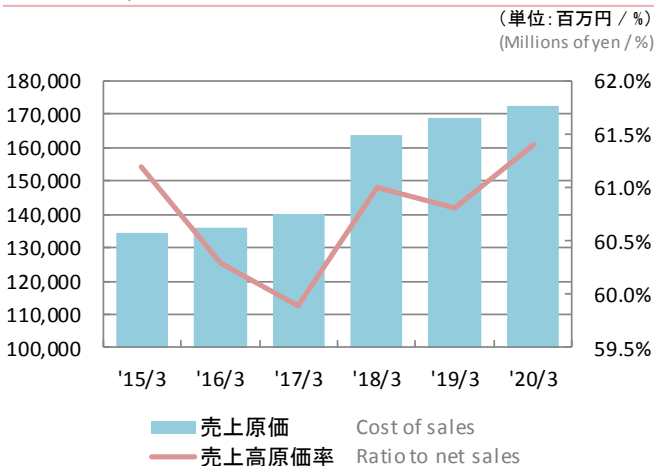
Consolidated Statements of Cash Flows

(単位:百万円)
(Millions of yen)

3月31日終了の会計年度 Years ended March 31	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3
営業活動によるキャッシュ・フロー Net cash provided by (used in) operating activities	9,545	10,373	12,826	16,265	13,508	11,744
税金等調整前当期純利益 Income before income taxes and minority interests	11,453	12,548	14,520	18,903	17,658	15,643
減価償却費 Depreciation and amortization	4,662	5,179	5,171	6,430	6,490	7,626
売上債権の増減額(():増加額) Decrease (increase) in notes and accounts receivable-trade	(2,202)	688	(1,344)	(240)	(2,900)	(1,291)
たな卸資産の増減額(():増加額) Decrease (increase) in inventories	(909)	(2,171)	(1,377)	(2,520)	(5,060)	(3,159)
仕入債務の増減額(():減少額) Increase (decrease) in notes and accounts payable-trade	998	(239)	208	(10)	324	(340)
法人税等の支払額 Income taxes paid	(7,362)	(4,664)	(5,218)	(6,017)	(6,586)	(4,955)
その他 Other, net	2,905	(968)	866	(279)	3,582	(1,778)
投資活動によるキャッシュ・フロー Net cash provided by (used in) investing activities	(10,253)	(10,864)	16,200	(19,916)	(9,213)	(3,690)
有形・無形固定資産の取得による支出 Purchase of property, plant and equipment and intangible assets	(8,457)	(5,743)	(5,376)	(6,601)	(10,671)	(12,121)
有形・無形固定資産の売却による収入 Proceeds from sales of property, plant and equipment and intangible assets	227	57	400	480	444	71
連結の範囲の変更を伴う子会社株式の取得による支出 Purchase of investments in subsidiaries resulting in change in scope of consolidation	(276)	0	(1,327)	(12,396)	(53)	350
その他 Other, net	(1,746)	(5,179)	22,503	(1,399)	1,067	8,008
財務活動によるキャッシュ・フロー Net cash provided by (used in) financing activities	6,819	(9,482)	(2,828)	(5,570)	(4,243)	(11,628)
社債の発行及び長期借入れによる収入 Proceeds from bonds and long-term loans payable	10,100	120	13	14,887	0	100
社債の償還及び長期借入金の返済による支出 Repayments of bonds and long-term loans payable	(187)	(5,074)	(108)	(11,406)	(304)	(5,160)
自己株式の取得による支出 Purchase of treasury stock	(6)	(1)	(0)	(2,001)	(0)	(2,000)
配当金の支払額 Cash dividends paid	(2,214)	(2,014)	(2,413)	(2,614)	(3,191)	(3,589)
その他 Other, net	(872)	(2,512)	(320)	(4,436)	(746)	(1,003)
現金及び現金同等物に係る換算差額 Effect of exchange rate changes on cash and cash equivalents	2,030	(240)	31	(202)	(812)	(439)
現金及び現金同等物の増減額 Net increase (decrease) in cash and cash equivalents	8,140	(10,212)	26,228	(9,423)	(760)	(4,039)
現金及び現金同等物の期首残高 Cash and cash equivalents at beginning of period	34,608	42,749	32,536	58,765	49,341	48,580
現金及び現金同等物の期末残高 Cash and cash equivalents at end of period	42,749	32,536	58,765	49,341	48,580	44,541
為替換算レート(期中平均レート) Average exchange rates during the fiscal year						
米ドル US dollar	105.79	121.11	108.81	112.17	110.45	109.03
ユーロ EURO	140.35	134.31	120.30	126.70	130.35	122.03
人民元 Yuan	17.18	19.23	16.36	16.62	16.71	15.77

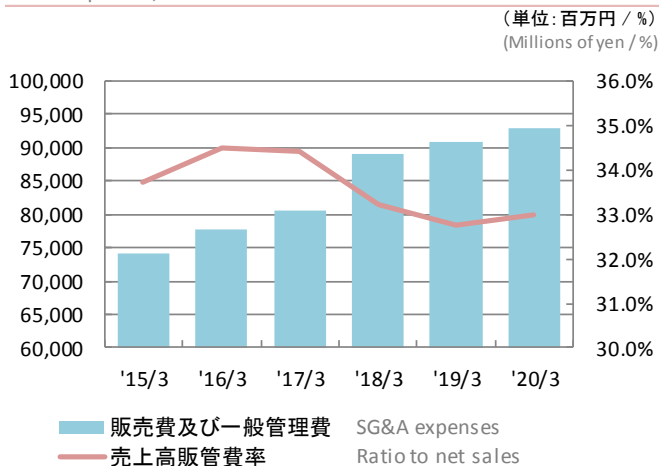
◆ 損益動向 Profit and Loss Trends

売上原価・売上高原価率 Cost of sales, Ratio to net sales



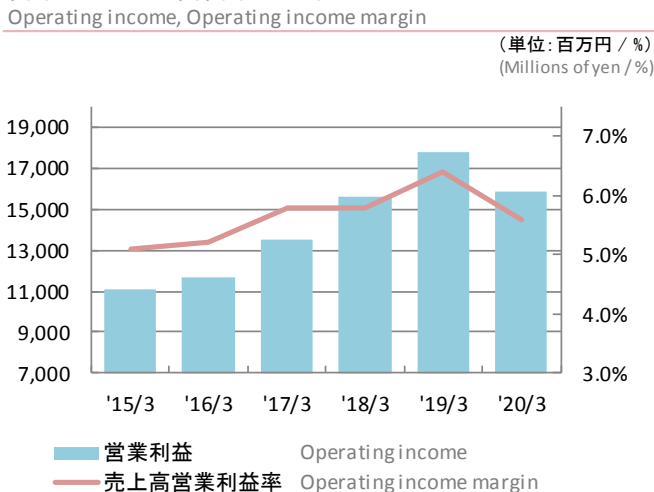
年度	売上原価	売上高原価率
FY	Cost of sales	Ratio to net sales
'15/3	134,390	61.2%
'16/3	135,868	60.3%
'17/3	140,182	59.9%
'18/3	163,529	61.0%
'19/3	168,694	60.8%
'20/3	172,574	61.4%

販売費及び一般管理費・売上高販管費率 SG&A expenses, Ratio to net sales



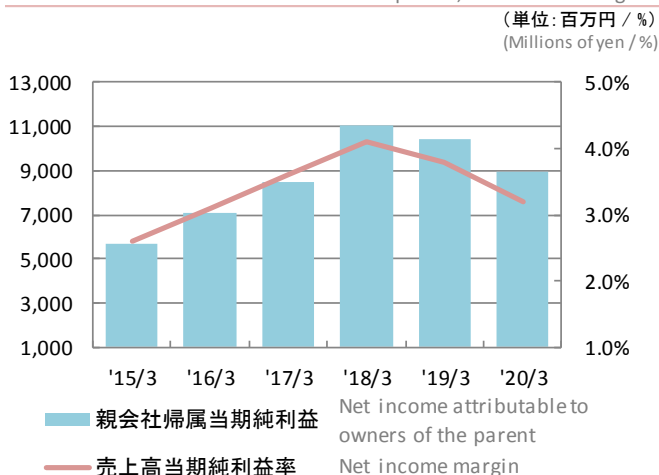
年度	販売費及び一般管理費	売上高販管費率
FY	SG&A expenses	Ratio to net sales
'15/3	74,003	33.7%
'16/3	77,815	34.5%
'17/3	80,458	34.4%
'18/3	88,999	33.2%
'19/3	90,945	32.8%
'20/3	92,781	33.0%

営業利益・売上高営業利益率 Operating income, Operating income margin



年度	営業利益	売上高営業利益率
FY	Operating income	Operating income margin
'15/3	11,096	5.1%
'16/3	11,680	5.2%
'17/3	13,551	5.8%
'18/3	15,612	5.8%
'19/3	17,804	6.4%
'20/3	15,836	5.6%

親会社株主に帰属する当期純利益・売上高当期純利益率 Net income attributable to owners of the parent, Net income margin



年度	親会社株主に帰属する当期純利益	売上高当期純利益率
FY	Net income attributable to owners of the parent	Net income margin
'15/3	5,706	2.6%
'16/3	7,055	3.1%
'17/3	8,480	3.6%
'18/3	11,029	4.1%
'19/3	10,411	3.8%
'20/3	8,980	3.2%

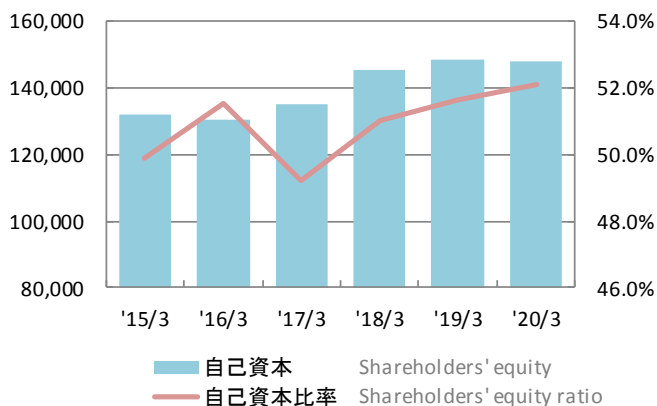
◆財務状態 Financial Condition

3月31日終了の会計年度
Years ended March 31

自己資本・自己資本比率

Shareholders' equity, Shareholders' equity ratio

(単位:百万円 / %)
(Millions of yen / %)

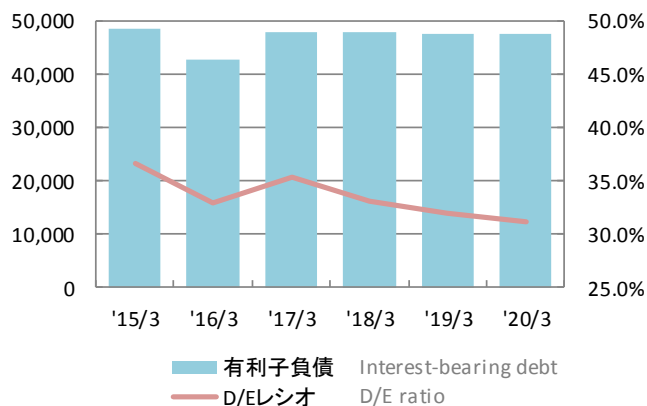


年度	自己資本	自己資本比率
FY	Shareholders' equity	Shareholders' equity ratio
'15/3	131,923	49.9%
'16/3	130,386	51.5%
'17/3	135,043	49.2%
'18/3	145,111	51.0%
'19/3	148,197	51.6%
'20/3	147,762	52.1%

有利子負債・D/Eレシオ

Interest-bearing debt, D/E ratio

(単位:百万円 / %)
(Millions of yen / %)

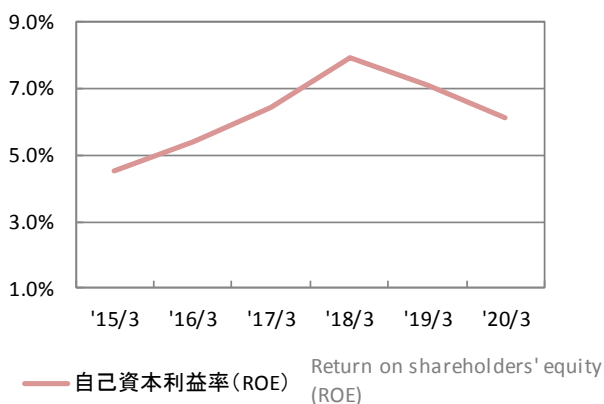


年度	有利子負債	D/Eレシオ
FY	Interest-bearing debt	D/E ratio
'15/3	48,324	36.6%
'16/3	42,837	32.9%
'17/3	47,852	35.4%
'18/3	47,982	33.1%
'19/3	47,427	32.0%
'20/3	47,474	31.2%

D/Eレシオ = 有利子負債 / 自己資本 × 100
D/E ratio = Interest-bearing debt / Shareholders' equity × 100

自己資本利益率 (ROE)

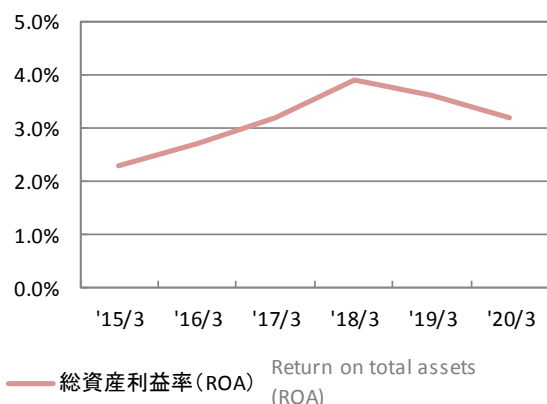
Return on shareholders' equity (ROE)



年度	自己資本利益率 (ROE)
FY	Return on shareholders' equity (ROE)
'15/3	4.5%
'16/3	5.4%
'17/3	6.4%
'18/3	7.9%
'19/3	7.1%
'20/3	6.1%

総資産利益率 (ROA)

Return on total assets (ROA)



年度	総資産利益率 (ROA)
FY	Return on total assets (ROA)
'15/3	2.3%
'16/3	2.7%
'17/3	3.2%
'18/3	3.9%
'19/3	3.6%
'20/3	3.2%

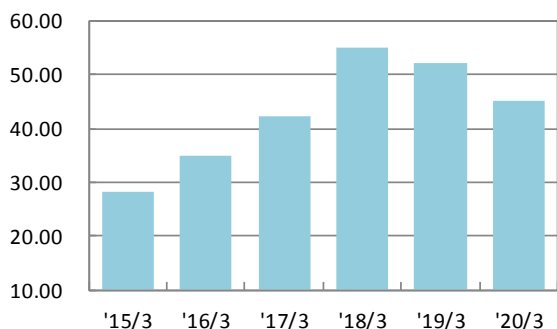
◆1株当たりデータ Per Share Data

3月31日終了の会計年度
Years ended March 31

1株当たり当期純利益 (EPS)

Net income per share (EPS)

(単位:円)
(Yen)



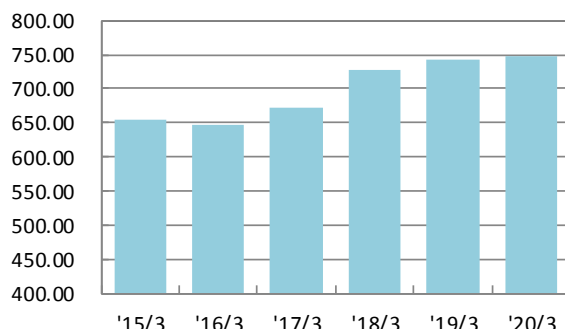
■ 1株当たり当期純利益 (EPS) Net income per share (EPS)

年度 FY	1株当たり当期純利益 (EPS) Net income per share (EPS)
'15/3	28.36
'16/3	35.06
'17/3	42.15
'18/3	54.97
'19/3	52.15
'20/3	45.11

1株当たり純資産 (BPS)

Net assets per share (BPS)

(単位:円)
(Yen)



■ 1株当たり純資産 (BPS) Net assets per share (BPS)

年度 FY	1株当たり純資産 (BPS) Net assets per share (BPS)
'15/3	655.60
'16/3	647.97
'17/3	671.11
'18/3	726.90
'19/3	742.36
'20/3	747.39

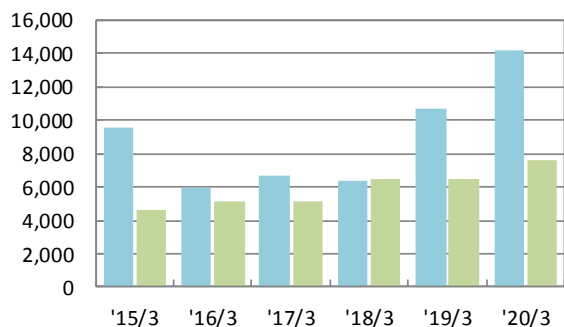
◆その他 Other

3月31日終了の会計年度
Years ended March 31

設備投資額・減価償却費

Capital expenditures, Depreciation and amortization

(単位:百万円)
(Millions of yen)



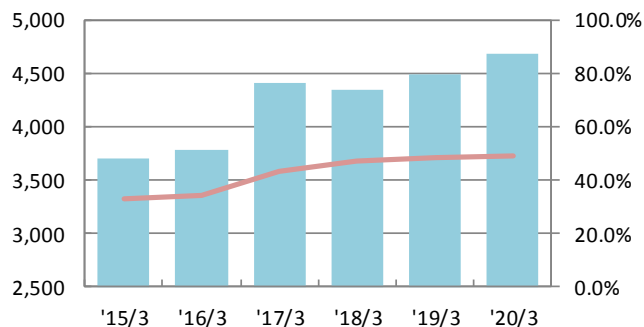
■ 設備投資額 Capital expenditures
■ 減価償却費 Depreciation and amortization

年度 FY	設備投資額 Capital expenditures	減価償却費 Depreciation and amortization
'15/3	9,533	4,662
'16/3	6,003	5,179
'17/3	6,658	5,171
'18/3	6,414	6,430
'19/3	10,671	6,490
'20/3	14,195	7,626

従業員数・海外従業員比率

Number of employees, Overseas employees ratio

(単位:人/%)
(Persons / %)

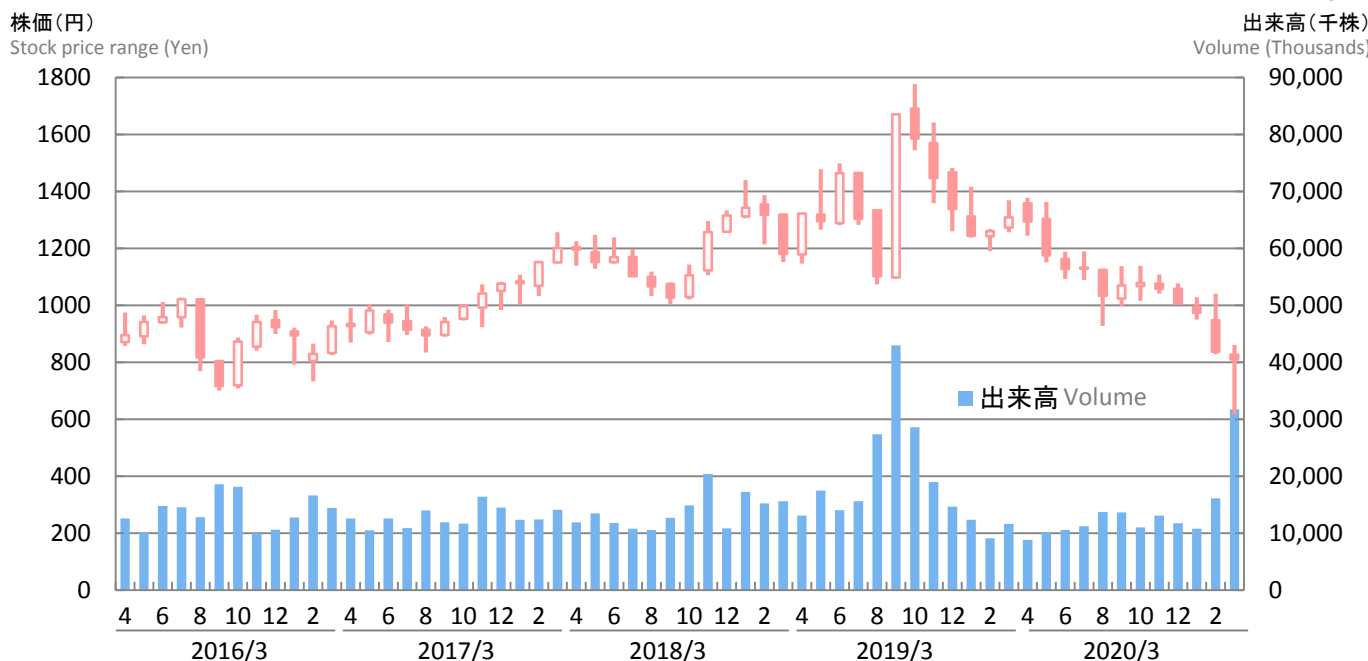


■ 従業員数 Number of employees
— 海外従業員比率 Overseas employees ratio

年度 FY	従業員数 Number of employees	海外従業員比率 Overseas employees ratio
'15/3	3,697	32.9%
'16/3	3,780	34.1%
'17/3	4,407	43.3%
'18/3	4,349	47.2%
'19/3	4,493	48.6%
'20/3	4,680	49.1%

◆ 株価の推移

Stock Price Range on the Tokyo Stock Exchange



◆ 株式データ

Stock Data

3月31日終了の会計年度 Years ended March 31	2015/3	2016/3	2017/3	2018/3	2019/3	2020/3
期末発行済株式数(千株) Number of outstanding shares at year end (Thousands)	217,699	217,699	217,699	201,699	201,699	201,699
期末自己株式数(千株) Number of treasury stocks at year end (Thousands)	16,474	16,475	16,475	2,069	2,069	1,995
株価 Stock price						
始値(円) Opening price (Yen)	791	871	927	1,204	1,185	1,343
高値(円) High (Yen)	979	1,027	1,256	1,439	1,777	1,378
安値(円) Low (Yen)	703	701	871	1,021	1,074	617
終値(円) Closing price (Yen)	870	927	1,201	1,181	1,309	810
出来高(千株) Volume (Thousands)	149,437	166,273	154,188	165,511	225,991	162,675
1株当たり配当金(円)*1 Cash dividends per share (Yen)*1	10.00	12.00	13.00	16.00	18.00	20.00
配当性向(%) Payout ratio (%)	35.3	34.2	30.8	29.0	34.5	44.3
自己株式取得額(百万円) Amount of share buybacks (Millions of yen)	-	-	-	2,001	-	-

*1 2014年3月期の1株当たり配当金11円には特別配当2円を、2016年3月期の1株当たり配当金12円には記念配当1円を、それぞれ含んでいます。
*1 The year-end dividend for FY2014 included a special dividend of ¥2.00. The year-end dividend for FY2016 include a commemorative dividend of ¥1.00.

*2 みなし配当性向 = 配当総額 ÷ (連結営業利益 × (1 - 法定実効税率))
*2 Deemed payout ratio: Total dividends / (Consolidated operating income x (1 - Statutory effective tax rate))

◆大株主一覧 Principal Shareholders

2020年3月31日現在
As of March 31, 2020

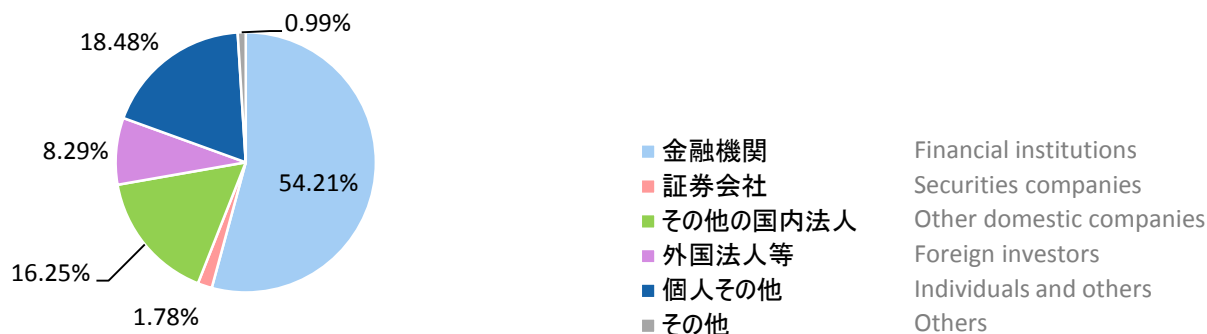
株主名 Name	所有株式数(千株) Number of shares held (Thousands)	所有株式数の割合(%) Percentage of shares held (%)
日本マスタートラスト信託銀行株式会社(信託口) The Master Trust Bank of Japan, Ltd. (Trust Account)	27,641	13.98
日本トラスティ・サービス信託銀行株式会社(信託口) Japan Trustee Services Bank, Ltd. (Trust Account)	18,385	9.30
株式会社みずほ銀行 Mizuho Bank, Ltd.	9,738	4.93
農林中央金庫 The Norinchukin Bank	9,500	4.81
明治安田生命保険相互会社 Meiji Yasuda Life Insurance Company	5,370	2.72
株式会社京都銀行 Bank of Kyoto, Ltd.	5,000	2.53
国分グループ本社株式会社 KOKUBU GROUP CORP.	3,489	1.77
JP MORGAN CHASE BANK 385151 JP MORGAN CHASE BANK 385151	3,155	1.60
宝グループ社員持株会 Takara Group Employees' Shareholding Association	3,146	1.59
日本トラスティ・サービス信託銀行株式会社(信託口5) Japan Trustee Services Bank, Ltd. (Trust Account5)	3,058	1.55

(注) 所有株式数の千株未満は切り捨てております。

Notes: Any amount that is less than 1,000 shares is disregarded.

◆所有者別株式分布状況 Distribution of Ownership Among Shareholders

2020年3月31日現在
As of March 31, 2020



◆株主メモ Stock and Investor Information

2020年3月31日現在
As of March 31, 2020

発行株式 Common stock	株主数 Number of shareholders	39,736名 39,736
発行可能株式総数 Authorized	上場取引所 Stock listings	東証1部 Tokyo
発行済株式総数 Issued and outstanding	証券コード Securities code number	2531
株主名簿管理人 Shareholders registry administrator	定時株主総会 The annual meeting of shareholders of the Company is normally held in June each year.	みずほ信託銀行株式会社 Mizuho Trust & Banking Co., Ltd.

会社名 Name	所在国 Country	議決権の 所有割合 Percentage of Equity Owned	主な事業内容 Line of Business
宝酒造(国内事業) Takara Shuzo (Domestic Business)			
宝酒造株式会社 Takara Shuzo Co., Ltd.	日本 Japan	100.0%	酒類、調味料、原料用アルコールの製造・販売 Manufacture and sale of alcoholic beverages, seasonings, and raw alcohol
宝酒造インターナショナルグループ(海外事業) Takara Shuzo International Group (Overseas Business)			
宝酒造インターナショナル株式会社 Takara Shuzo International Group	日本 Japan	100.0%	グループ会社管理、酒類・調味料の輸出販売等 Management of group companies, export and sale, etc. of alcoholic beverages and seasonings
東京共同貿易株式会社 Tokyo Mutual Trading Co., Ltd.	日本 Japan	(51.0%)	食料品、酒類、雑貨品等の輸出・輸入販売業 Export, import and sale of foods, alcoholic beverages, miscellaneous goods, etc.
Takara Sake USA Inc.	米国 U.S	(100.0%)	酒類の製造・販売、輸出および輸入販売 Manufacture, sale, export, and import and sale of alcoholic beverages
Age International, Inc.	米国 U.S	(100.0%)	バーボンウイスキーの販売 Sale of bourbon whisky
Mutual Trading Co., Inc.	米国 U.S	(67.1%)	酒類・食品・調味料等の輸入・卸売業 Import and wholesale of alcoholic beverages, foods, seasonings, etc.
The Tomatin Distillery Co. Ltd	英国 U.K	(80.6%)	スコッチウイスキーの製造・販売 Manufacture and sale of Scotch whisky
Tazaki Foods Ltd	英国 U.K	(100.0%)	酒類・食品・調味料等の輸入・卸売業 Import and wholesale of alcoholic beverages, foods, seasonings, etc.
FOODEX S.A.S.	仏国 France	(100.0%)	酒類・食品・調味料等の輸入・卸売業 Import and wholesale of alcoholic beverages, foods, seasonings, etc.
Cominport Distribución S.L.	スペイン Spain	(100.0%)	酒類・食品・調味料等の輸入・卸売業 Import and wholesale of alcoholic beverages, foods, seasonings, etc.
Keta Foods, Lda	ポルトガル Portugal	(100.0%)	酒類・食品・調味料等の輸入・卸売業 Import and wholesale of alcoholic beverages, foods, seasonings, etc.
Nippon Food Supplies Company Pty Ltd	オーストラリア Australia	(51.0%)	酒類・食品・調味料等の輸入・卸売業 Import and wholesale of alcoholic beverages, foods, seasonings, etc.
宝酒造食品有限公司 Takara Shuzo Foods Co., Ltd.	中国 China	(62.0%)	酒類の製造・販売、輸出および輸入販売 Manufacture, sale, export, and import and sale of alcoholic beverages
上海宝酒造貿易有限公司 Shanghai Takara Shuzo International Trading Co., Ltd.	中国 China	(100.0%)	酒類・食品の輸出および輸入販売 Export, and import and sale of alcoholic beverages and foods
Takara Shuzo Asia Pacific Pte. Ltd.	シンガポール Singapore	(100.0%)	宝酒造製品の市場開発および販促促進 JapanMarket development and sales promotion for Takara Shuzo products

タカラバイオグループ(バイオ事業)

TakaraBio Group (Biomedical Business)

タカラバイオ株式会社 Takara Bio Inc.	日本 Japan	60.9%	研究用試薬、理化学機器などの製造・販売、受託サービス、遺伝子治療の商業化 Development and sale of research reagents and scientific instruments, contract
Takara Bio USA, Inc.	米国 U.S	(100.0%)	研究用試薬・理化学機器の開発・販売 Development and sale of research reagents and scientific instruments
Takara Bio Europe S.A.S.	仏国 France	(100.0%)	研究用試薬・理化学機器の販売 Sale of research reagents and scientific instruments
Takara Bio Europe AB	スウェーデン Sweden	(100.0%)	研究用試薬の製造・販売、受託サービス Production and sale of research reagents, contract reserch service
DSS Takara Bio India Pvt. Ltd	インド India	(51.0%)	研究用試薬の製造・販売 Development and sale of research reagents
宝生物工程(大連)有限公司 Shanghai Takara Shuzo International Trading Co., Ltd.	中国 China	(100.0%)	研究用試薬の開発・製造・販売、受託サービス Development, production and sale of research reagents, contract reserch service
宝日医生物技術(北京)有限公司 Shanghai Takara Shuzo International Trading Co., Ltd.	中国 China	(100.0%)	研究用試薬・理化学機器の販売 Sale of research reagents and scientific instruments
Takara Korea Biomedical Inc.	韓国 Korea	(100.0%)	研究用試薬・理化学機器の販売 Sale of research reagents and scientific instruments

会社名 Name	所在国 Country	議決権の 所有割合 Percentage of Equity Owned	主な事業内容 Line of Business
その他(国内グループ会社) Other (Domestic related Business)			
大平印刷株式会社 Taihei Printing Co., Ltd.	日本 Japan	100.0%	印刷業 Printing
川東商事株式会社 Kawahigashi Shoji Co., Ltd.	日本 Japan	100.0%	不動産賃貸 Real estate leasing
株式会社トータルマネジメントビジネス Total Management Business Co., Ltd.	日本 Japan	100.0%	マーケティングに関する調査、販促企画、人材派遣事業 Marketing research, sales promotion planning, and temporary staffing service
タカラ物流システム株式会社 Takara Butsuryu System Co., Ltd.	日本 Japan	100.0%	運送業、倉庫業、自動車整備業、損害保険代理業、旅行業等 Transportation, warehousing, automobile service, non-life insurance agent, travel agent, etc.
タカラ長運株式会社 TAKARA CHOU UN Co., Ltd.	日本 Japan	100.0%	運送業、通関業、倉庫業等 Transportation, customs broker, warehousing, etc.
タカラ物産株式会社 Takara Bussan Co., Ltd.	日本 Japan	100.0%	飼料販売 Sale of feed
株式会社ラックコーポレーション Luc Corporation, Ltd.	日本 Japan	100.0%	ワイン輸入販売 Import and sale of wine

Forward-Looking Statements

Statements in this document, other than those based on historical fact, concerning the current plans, prospects, strategies and expectations of the Company and its Group represent forecasts of future results. While such statements are based on the conclusions of management according to information available at the time of writing, they reflect many assumptions and opinions derived from information that includes major risks and uncertainties. Actual results may vary significantly from these forecasts due to various factors.

Factors that could influence actual results include, but are not limited to, economic conditions, especially trends in consumer spending, as well as exchange rate fluctuations, changes in laws and government systems, pressure from competitors' prices and product strategies, declines in selling power of the Company's existing and new products, disruptions to production, violations of the Company's intellectual property rights, rapid advances in technology and unfavorable verdicts in major litigation.

<Contact>

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Financial & Investor Relations Dept.

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