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To whom it may concern,

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Notice Concerning the Revision of Consolidated Business Results Forecast and Dividend Forecast
 (Increased Dividend) for the Fiscal Year Ending March 31, 2023

Takara Holdings is revising the consolidated business results forecasts and the dividend forecast that it released on May 12, 2022, for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023) as stated below. These revisions were based on consideration of recent performance trends.

1. Revision of the business results forecast

(1) Revised figures for the business results forecast for the second quarter ending September 30, 2022 (from April 1, 2022, to September 30, 2022)

(Millions of yen / %)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
Previous forecast (A) (May 12, 2022, announcement)	146,000	15,000	15,400	8,100	40.97yen
Revised forecast (B)	159,000	16,700	17,200	9,100	46.03yen
Change (B – A)	13,000	1,700	1,800	1,000	-
Change (%)	8.9	11.3	11.7	12.3	-
Reference: Previous business results (The second quarter ended September 30, 2021)	141,213	21,616	21,884	10,050	50.84yen

(2) Revised figures for the business results forecast for the fiscal year ending March 31, 2023 (from April 1, 2022, to March 31, 2023)

(Millions of yen / %)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
Previous forecast (A) (May 12, 2022, announcement)	301,000	30,000	30,400	16,000	80.93yen
Revised forecast (B)	322,000	31,700	32,300	17,300	87.50yen
Change (B－A)	21,000	1,700	1,900	1,300	-
Change (%)	7.0	5.7	6.3	8.1	-
Reference: Previous business results (The fiscal year ended March 31, 2022)	300,918	43,354	43,230	20,769	105.05yen

(3) Reason for revision

With regard to the net sales for the fiscal year ending March 31, 2023, at the Takara Shuzo International Group, on top of the eating and drinking establishment market in the Japanese Food Wholesale Business in overseas markets that is performing strong, the sales through the retail channels are solid as well, and the Overseas Alcoholic Beverages Business is also expected to perform well, with the exception of China, which is under strict COVID-19 regulations. Moreover, net sales are expected to exceed the initial forecast, partially due to the depreciation of the yen. Takara Shuzo plans to revise its prices in October, therefore demand is expected to rise ahead of schedule in September, resulting in an increase in sales in the first half of the fiscal year and a decrease in sales in the second half. Nevertheless, as the full-year forecast is expected to unfold almost exactly as planned, overall consolidated net sales for the Takara Group are expected to exceed the initial forecast.

In terms of profit, the Takara Shuzo International Group expects gross profit to increase due to an increase in net sales, and operating income is expected to exceed the initial forecast, despite an increase in SG&A expenses. Takara Shuzo expects operating income to be in line with the plan, as increases in costs due to soaring energy and raw material prices, as well as the depreciation of the yen, will be offset by price revisions and new products. As a result, operating income, ordinary income, and net income attributable to owners of the parent are expected to exceed the initial forecast for the Takara Group as a whole.

Moreover, the forecast for the Takara Bio Group remains unchanged from the previous forecast announced on May 12, 2022.

2. Revision of the dividend forecast

(1) Details of revision

	Annual Dividend (yen)		
	End of 2nd quarter	Fiscal year-end	Total
Previous forecast (Announced May 12, 2022)		29.00	29.00
Revised forecast		31.00	31.00
Dividends paid in the fiscal year ending March 31, 2023			
Dividends paid in the fiscal year ended March 31, 2022		37.00	37.00

(2) Reason for revision

The Company's policy on shareholder returns is to continuously pay stable dividends with a payout ratio in the high 30's% range in line with sustainable earnings growth. Based on this upward revision of the business forecast, the Company has revised the year-end dividend forecast for the fiscal year ending March 31, 2023 from the initial forecast of ¥29 to ¥31 per share, announced on May 12, 2022

* The above-mentioned forecasts have been prepared based on the information available as of the date of announcement of this document and could differ from the actual results, etc.

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