

Consolidated Financial Statements for the Year Ended March 31, 2019
FY2019(April 1, 2018 - March 31, 2019) [UNAUDITED]

May 14, 2019

Company name: Takara Holdings Inc.
 Stock exchange listing: Tokyo Stock Exchange (1st section)
 Code Number: 2531
 URL: <https://www.takara.co.jp/>
 Company representative: Mutsumi Kimura, President
 Contact: Takuya Kakemi, General Manager of Investor Relations Dept.
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Scheduled date of general shareholders' meeting: June 27, 2019
 Scheduled date of starting delivery of dividends: June 28, 2019

- 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 year ended March 31, 2019(April 1, 2018 – March 31, 2019)

(1) Consolidated Operating results

Note: Percentages indicated changes from the previous fiscal year.

| | Year ended March 31, 2019 | | Year ended March 31, 2018 | |
|--|---------------------------|--------|---------------------------|-------|
| | (Millions of yen) | (%) | (Millions of yen) | (%) |
| Net sales | 277,443 | 3.5 | 268,142 | 14.5 |
| Operating income | 17,804 | 14.0 | 15,612 | 15.2 |
| Ordinary income | 18,359 | 14.1 | 16,084 | 12.1 |
| Net income (loss) attributable to owners of the parent | 10,411 | (5.6) | 11,029 | 30.0 |
| Net income per share (Yen) | 52.15 | | 54.97 | |
| Fully diluted net income per share (Yen) | - | | - | |
| Return on equity | | 7.1 | | 7.9 |
| Ordinary income to total assets ratio | | 6.4 | | 5.8 |
| Operating income to net sales ratio | | 6.4 | | 5.8 |
| Note: Comprehensive income | 7,249 | (53.8) | 15,706 | 101.8 |
| Reference: Income (loss) from equity method investment | 36 | | 83 | |

(2) Consolidated Financial position

| | As of March 31, 2019 | As of March 31, 2018 |
|----------------------------|----------------------|----------------------|
| | (Millions of yen) | (Millions of yen) |
| Total assets | 287,106 | 284,281 |
| Net assets | 179,795 | 176,217 |
| Equity ratio (%) | 51.6 | 51.0 |
| Net assets per share (Yen) | 742.36 | 726.90 |
| Reference: Equity | 148,197 | 145,111 |

Notes: Partial revision of accounting standard related to tax effect accounting (Article 28 on corporate accounting standard, February 16, 2018) has been applied from the beginning of the year ending March 31, 2019. Accordingly, financial position for the year ended March 31, 2018 indicates the numerical value after retroactive adjustment due to this revision.

(3) Consolidated Cash flow

| | Year ended March 31, 2019 | Year ended March 31, 2018 |
|--|---------------------------|---------------------------|
| | (Millions of yen) | (Millions of yen) |
| Cash flow from operating activities | 13,508 | 16,265 |
| Cash flow from investing activities | (9,213) | (19,916) |
| Cash flow from financing activities | (4,243) | (5,570) |
| Cash and cash equivalents, end of year | 48,580 | 49,341 |

2. Dividends

| | Dividend per share (Yen) | | |
|----------------------------------|---------------------------|---------------------------|--------------------------------------|
| | Year ended March 31, 2018 | Year ended March 31, 2019 | Year ending March 31, 2020(Forecast) |
| First quarter end | - | - | - |
| Second quarter end | - | - | - |
| Third quarter end | - | - | - |
| Year end | 16.0 | 18.0 | 20.00 |
| Annual | 16.0 | 18.0 | 20.00 |
| Total dividend (Millions of yen) | 3,194 | 3,593 | |
| Payout ratio (%) | 29.1 | 34.5 | 37.3 |
| Dividend on equity (%) | 2.3 | 2.5 | |

3. Forecast for the year ending March 31, 2020 (April 1, 2019 – March 31, 2020)

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

| | Six months ending September 30, 2019 | | Year ending March 31, 2020 | |
|---|---|-----|----------------------------|-----|
| | (Millions of yen) | (%) | (Millions of yen) | (%) |
| Net sales | 138,800 | 3.6 | 290,000 | 4.5 |
| Operating income | 8,400 | 3.0 | 19,000 | 6.7 |
| Ordinary income | 8,500 | 3.1 | 19,500 | 6.2 |
| Net income attributable to owners of the parent | 4,600 | 0.5 | 10,700 | 2.8 |
| Net income attributable to owners of the parent per share (Yen) | 23.04 | | 53.60 | |

4. Others

(1) Material changes in subsidiaries during this period

(Changes in specified subsidiaries that caused a change in the scope of consolidation) : No

(2) Changes in accounting policies, accounting estimates and retrospective restatement

1) Changes based on revisions of accounting standard : No

2) Changes other than ones based on revisions of accounting standard : No

3) Changes in accounting estimates : No

4) Restatement : No

(3) Number of outstanding shares (common stock)

1) Number of outstanding shares at year end (Treasury stocks are included)

As of March 31, 2019 : 201,699,743

As of March 31, 2018 : 201,699,743

2) Number of treasury stocks at year end

As of March 31, 2019 : 2,069,706

As of March 31, 2018 : 2,069,224

3) Average number of outstanding shares

Year ended March 31, 2019 : 199,630,226

Year ended March 31, 2018 : 200,632,472