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To whom it may concern,

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Stock exchange listings: Tokyo (1st section)
Securities code: 2531
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Revision of Consolidated Business Results Forecast for the First Half of the Fiscal Year Ending March 31, 2015

Kyoto, Japan—Takara Holdings announced revisions to the business results forecast for the first half of the fiscal year ending March 31, 2015 (from April 1, 2014, to March 31, 2015) that it released on May 8, 2014, as stated below. These revisions were based on consideration of recent performance trends.

1. Revised figures for the business results forecast for the first half of the fiscal year ending March 31, 2015 (from April 1, 2014, to September 30, 2014)

(Millions of yen / %)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A) (May 8, 2014, announcement)	101,000	2,570	2,570	1,250	6.21 yen
Revised forecast (B)	101,000	3,200	3,400	1,800	8.95 yen
Difference (B – A)	0	630	830	550	—
Difference (%)	0.0	24.5	32.3	44.0	—
Reference: Previous business results (First half of the fiscal year ended March 31, 2014)	97,561	2,395	2,564	6,609	32.58 yen

2. Reason for revision

Consolidated net sales are expected to be generally in line with previous forecasts as sales growth in the overseas alcoholic beverages business and the Japanese food wholesale business in overseas markets will offset the failure of sales in the domestic alcoholic beverages business to meet projections due to factors that include the slow recovery in personal consumption following the increase in the rate of the consumption tax and the impact of unseasonable weather.

As for income, operating income is projected to be ¥630 million (24.5%) higher than forecasted, which is mainly because increases in raw material prices in the domestic alcoholic beverages business have remained within the projected range and the cost of sales ratio in the Japanese food wholesale business in overseas markets also improved more than projected. This, combined with the improvement in the balance of non-operating income and expenses and the recording of extraordinary income, is expected to result in consolidated ordinary income being ¥830 million (32.3%) higher than projected by previously released forecasts and consolidated net income being ¥550 million (44.0%) higher.

Further, while net income for the first half of the fiscal year is projected to decline significantly year on year, this is due to a considerable temporary increase in net income resulting from the recording of gain on sales of stocks of subsidiaries and affiliates associated with the sale of a portion of the stock held by the Company in a consolidated subsidiary (Takara Bio Inc.) in the previous fiscal year.

Further, today consolidated subsidiary Takara Bio Inc. (Tokyo Stock Exchange Mothers, security code number: 4974) also announced revisions to forecasts for the six-month period ended September 30, 2014.

3. Full-year business results forecast for the fiscal year ending March 31, 2015

The Company is currently evaluating whether or not revisions to forecasts for consolidated business results for the full fiscal year are necessary and considering the details of possible revisions. The Company will make an announcement in this regard when it announces its business results for the first half on November 5, 2014.

* 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 business result figures scheduled to be announced on November 5, 2014.

Cautionary Statement on the Use of This Document

Statements in this document, other than those based on historical fact, concerning the current plans, prospects, strategies and expectations of the Company 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.