

Consolidated Financial Results

under Japanese Standards for the third quarter of the fiscal year ending April 30, 2013 (Unaudited)

Scheduled filing date of quarterly report: March 15, 2013

Scheduled date of commencement of dividend payment: -

Supplementary documents for quarterly results: Yes

Financial results presentation: No

(Figures are rounded down to million yen.)

1. Consolidated Performance for the Third Quarter of the Fiscal year Ending April 30, 2013

(May 1, 2012 - January 31, 2013)

(1) Consolidated results of operations – cumulative (% changes as compared with the corresponding period of the previous fiscal year)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|-----------|-------------|------|------------------|------|-----------------|-------|-------------|-------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| 1/31/2013 | 307,250 | 9.3% | 15,556 | 6.1% | 15,239 | 10.4% | 8,698 | 23.7% |
| 1/31/2012 | 281,028 | 3.2% | 14,659 | 5.5% | 13,805 | 7.0% | 7,033 | -1.3% |

Note: Comprehensive income 1/31/2013: 9,976 million yen (49.5%) 1/31/2012: 6,675 million yen (9.1%)

| | Net income per share | Net income per share (diluted) |
|-----------|----------------------|--------------------------------|
| | Yen | Yen |
| 1/31/2013 | 69.29 | 69.09 |
| 1/31/2012 | 55.61 | 55.45 |

Note: The above “Net income per share” pertains to common stock. For “Net income per share” for Class-A Preferred Stock, refer to “Reference” below.

(2) Consolidated financial position

| | Total assets | Net assets | Shareholders' equity ratio |
|-----------|--------------|-------------|----------------------------|
| | Million yen | Million yen | |
| 1/31/2013 | 227,428 | 110,206 | 48.3% |
| 4/30/2012 | 224,843 | 106,010 | 47.1% |

Reference: Equity 1/31/2013: 109,773 million yen 4/30/2012: 105,896 million yen

2. Dividends

| | Dividend per share | | | | |
|----------------------|--------------------|--------------------|-------------------|----------|-----------|
| | First quarter end | Second quarter end | Third quarter end | Year end | Full year |
| | Yen | Yen | Yen | Yen | Yen |
| 4/30/2012 | - | 19.00 | - | 19.00 | 38.00 |
| 4/30/2013 | - | 19.00 | - | | |
| 4/30/2013 (Forecast) | | | | 19.00 | 38.00 |

Note: Revision of dividends forecast during the current quarterly period: None

Note: The above “Dividend per share” pertains to common stock. For “Dividend per share” for Class-A Preferred Stock, refer to “Reference” below.

3. Forecasted Consolidated Results for the Fiscal Year Ending April 30, 2013 (May 1, 2012 - April 30, 2013)

(% changes as compared with the previous fiscal year)

| | Net sales | | Operating income | | Ordinary income | | Net income | | Net income per share |
|-----------|-------------|------|------------------|------|-----------------|------|-------------|------|----------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| 4/30/2013 | 401,000 | 8.6% | 20,000 | 5.8% | 18,600 | 3.4% | 10,000 | 8.1% | 78.48 |

Note: Revision of operation results forecast during the current quarterly period: None

Note: The above “Net income per share” pertains to common stock. For “Net income per share” for Class-A Preferred Stock, refer to “Reference” below.

Notes

(1) Changes in important subsidiaries during the period: Yes

(Changes in specific subsidiaries accompanied by a change in the scope of consolidation)

Newly: 1 (Company name) ITO EN Asia Pacific Holdings Pte. Ltd.

Note: For further information, please refer to "2. Information Regarding "Notes" in Consolidated Summary Report, (1) Changes in Important Subsidiaries during the Period" on page 4 in the Attachments.

(2) Application of special accounting methods in preparation for quarterly consolidated financial statements: Yes

Note: Application of simplified accounting and specific for preparing the quarterly consolidated financial statements.

(3) Changes in accounting policies, changes in accounting estimate, and restatement

. Changes in accounting policies associated with in accounting standards: Yes

. Changes in accounting policies other than i. above: None

. Changes in accounting estimates: Yes

. Restatements: None

Note: The depreciation method has been changed from the first quarter of this fiscal year and this change is applicable to "a case where it is difficult to distinguish changes in accounting policies from changes in accounting estimates." For further information, please refer to "2. Information Regarding "Notes" in Consolidated Summary Report, (3) Changes in Accounting Policies, Changes in Accounting Estimate, and Restatement" on page 4 in the Attachments.

(4) Shares outstanding (common stock)

. Numbers of shares outstanding (including treasury stock) 1/31/2013 89,212,380 shares 4/30/2012 91,212,380 shares

. Numbers of treasury stock 1/31/2013 638,099 shares 4/30/2012 1,983,665 shares

. Average number of shares during the period (cumulative, consolidated at the end of the third quarter)

1/31/2013 88,902,884 shares 1/31/2012 89,224,582 shares

Note: The above "Number of shares outstanding" pertains to common stock. For "Number of shares outstanding" for Class-A Preferred Stock, refer to "Reference" below.

* Indication of quarterly review procedure implementation status

- This quarterly consolidated financial report is not subject to audit procedure based on Financial Instruments and Exchange Act and the audit procedures for the quarterly consolidated financial statements were not being conducted when this report was disclosed.

* Request for appropriate use of the business outlook and other special remarks

- The forecasts are based on information available to the management at the time of an announcement. Due to variable factors, actual results may be different from the forecast figures. For the basis of presumption of the forecasted consolidated results and the notes on its use, refer to "(3) Qualitative Information Regarding Forecasts for Consolidated Results," on page 3 in the Attachments. "3. Forecasted Consolidated Results for the Fiscal Year Ending April 30, 2013 (May 1, 2012 - April 30, 2013) for "Net income per share," is included "Purchase and Retirement of treasury stock".

Reference

(1) Net income per share – Class-A Preferred Stock (May 1, 2012 - January 31, 2013)

| | Net income per share | Net income per share (diluted) |
|-----------|----------------------|-----------------------------------|
| | Yen | Yen |
| 1/31/2013 | 74.29 | 74.09 |
| 1/31/2012 | 60.61 | 60.45 |

(2) Dividends per share – Class-A Preferred Stock

| (Record date) | Dividend per share | | | | |
|-------------------------|--------------------|--------------------|-------------------|----------|-----------|
| | First quarter end | Second quarter end | Third quarter end | Year end | Full year |
| 4/30/2012 | Yen | Yen | Yen | Yen | Yen |
| | - | 24.00 | - | 24.00 | 48.00 |
| 4/30/2013 | - | 24.00 | - | | |
| 4/30/2013 (Forecast) | | | | 24.00 | 48.00 |

(3) Net income per share in forecasted consolidated operation results – Class-A Preferred Stock

| | Net income per share (Consolidated) |
|-----------|--|
| | Yen |
| 4/30/2013 | 88.48 |

(4) Shares outstanding – Class-A Preferred Stock

. Numbers of shares outstanding (including treasury stock)

1/31/2013 34,246,962 shares 4/30/2012 34,246,962 shares

. Numbers of treasury stock

1/31/2013 77,378 shares 4/30/2012 73,658 shares

. Numbers of average shares outstanding (cumulative, consolidated at the end of the third quarter)

1/31/2013 34,172,000 shares 1/31/2012 34,175,866 shares

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1. Qualitative Information Regarding Consolidated Financial Results for This Quarter

(1) Qualitative Information Regarding Consolidated Results of Operations

The third quarter of the fiscal year ending April 30, 2013 (May 1, 2012–January 31, 2013) saw a business conditions in Japan gradually recovered amid continuing economic adversity. Nevertheless, the economic outlook is uncertain due to the impact of a downturn in business conditions overseas triggered by factors such as the European sovereign debt crisis and high crude oil prices as well as continuing electric power supply constraints and the sever employment situation.

The beverage industry faced continued hardship as personal consumption had long term downturn in consumer frugality and declining prices.

In these business conditions, in keeping with the management principle “Always Putting the Customers First,” the ITO EN Group vigorously engaged in business activities while constantly seeking to identify and address areas of customer dissatisfaction in the beverage market.

In December 2012 over limited pesticide residue detected from three of our oolong-tea-bag products leading to a voluntary recall of all products that may have contained glass fragments. We deeply apologize to our customers, shareholders and all concerned for the inconvenience caused. We intend to further reinforce our quality control and are under taking initiatives to prevent a reoccurrence.

As a result, ITO EN recorded consolidated net sales of 307,250 million yen, up 9.3% from the previous fiscal year. On the earnings front, a review of expenses coupled with efficient management resulted in operating income of 15,556 million yen, up 6.1% year on year, ordinary income of 15,239 million yen, up 10.4%, and net income of 8,698 million yen, up 23.7%.

An analysis of sales by business segment follows. The reportable segment has been changed from the first quarter of the fiscal year ending April 30, 2013. The reason for this change is that enhance the effective of our segment information. Segment information of the third quarter of the previous fiscal year disclosed based on the current division of the reportable segments.

<Tea Leaves and Beverages Business>

Domestics business, following the renewal of mainstay product “*Oi Ocha Ryokucha*,” and “*Oi Ocha Koiaji*” in May 2012, ITO EN undertook further value enhancement and sales expansion by renewing “*Oi Ocha Hojicha*,” “*Oi Ocha Genmaicha*,” in August and “*Oi Ocha Ryokucha*,” “*Oi ocha Koiaji*,” “*Oi Ocha Hojicha*,” “*Oi Ocha Genmaicha*” in heatable PET bottles in September. ITO EN also developed an extensive product line, launching products in slim and small, “easy-to-hold 320ml PET bottles,” “*Oi Ocha Matcha Hitosaji*,” which has mild, rich and deep flavor with *matcha* for winter sale, and is actively working to boost sales.

Among vegetable beverages, cumulative annual sales volume of “*Ichinichibun no Yasai*” from January to November in 2012 passed the 10 million case milestones for the first time, and sales are steadily increasing. In addition, in September 2012 marked the 20th anniversary of the launch of “*Jujitsu Yasai*,” a mixed vegetable and fruit beverage, and ITO EN will continue to deliver health, peace, and safety of mind in addition to flavor to ensure acceptance of this product by consumers of all ages, from children to the elderly.

In September 2012, ITO EN renewed the package design of “Double Health Function *Catechin Green Tea*” (certified as a food for specified health uses),” which helps to reduce fat and bad cholesterol and sales are developing favorably.

Moreover, in November 2011 ITO EN launched a new brand “*Asa no Yoo*” a yogurt drinks developed jointly with Chichiyasu Company. The line has steadily increased, with cumulative sales volume exceeding 2 million cases.

Furthermore, NEOS Corporation became a consolidated subsidiary of the ITO EN Group at the end of the second quarter of the fiscal year ending April 30, 2013, and ITO EN will seek to increase sales by strengthening vending machine operations and actively selling products through NEOS Corporation.

Regarding overseas, ITO EN (North America) INC. steadily increased sales of “*TEAS’ TEA*.” ITO EN established ITO EN Asia Pacific Holdings Pte. Ltd. from the first quarter of this fiscal year ending April 30, 2013, and ITO EN Singapore Pte. Ltd. (a Joint Venture Company) in Singapore from the second quarter of the fiscal year ending April 30, 2013 in order to develop the business in Southeast Asia and other neighboring countries or areas undergoing rapid economic growth.

In addition, ITO EN plans to establish a new factory on Fujian New Oolong Drink Co., Ltd for establishment of the basic business in China, and ITO EN BEVERAGE (SHANGHAI), LTD has been established from the third quarter of fiscal year ending April 30, 2013.

As a result, sales in the Tea Leaves and Beverages Business rose 8.8 % from the third quarter of the previous fiscal year, to 288,964 million yen, and operating income of 13,419 million yen, rose 0.0% from the third quarter of the previous fiscal year.

<Restaurant Business>

Tully’s Coffee Japan Co., Ltd. continued to perform well, with net sales rising 16.6% year on year, to 15,261 million yen, and operating income rising 38.0% year on year, to 2,082 million yen.

<Others>

Net sales rising 31.9% year on year, to 3,024 million yen, and operating income rising 74.5%, to 853 million yen.

(2) Qualitative Information Regarding Consolidated Financial Position

The following is as consolidated financial position for the third quarter of the fiscal year ending April 30, 2013.

<Assets>

Total assets at the end of January 31, 2013 stood at 227,428 million yen, increasing 2,584 million yen from the previous fiscal year. The increase in total assets mainly reflected increase of 5,356 million yen in “lease assets (fixed),” 3,063 million yen in “goodwill,” 2,010 million yen in “buildings and structures,” while decreased by 7,834 million yen for “cash and deposits.”

<Liabilities>

Total liabilities at the end of January 31, 2013 amounted to 117,221 million yen, decreasing 1,611 million yen from the previous fiscal year. The decrease in total liabilities mainly reflected decreases of 4,865 million yen in “notes and accounts payable-trade,” and increase of 2,672 million yen in “lease obligations (non-current).”

<Net assets>

Total net assets of at the end of January 31, 2013 stood at 110,206 million yen, increasing 4,196 million yen from the previous fiscal year. The increase in total net assets mainly changes reflected increase of 8,698 million yen in “net income” while decreased by 5,018 million yen for “dividends paid.”

(3) Qualitative Information Regarding Forecasts for Consolidated Results

As for the consolidated business outlook for full fiscal year, considering the financial results of the nine months of the current fiscal year and the managerial environment, no change has been made without reviewing.

2. Information Regarding “Notes” in Consolidated Summary Report

(1) Changes in Important Subsidiaries during the Period

(Changes in specific subsidiaries)

The company established ITO EN Asia Pacific Holdings Pte. Ltd. on June 27, 2012. This is included from the scope of consolidation from the first quarter of this fiscal year ending April 30, 2013.

(Changes in important subsidiaries except specific subsidiaries)

NEOS Corporation has been newly included in the scope of consolidation as a consolidated subsidiary during the second quarter of fiscal year ending April 30, 2013.

ITO EN BEVERAGE (SHANGHAI), LTD has been newly included in the scope of consolidation as a consolidated subsidiary during the third quarter of fiscal year ending April 30, 2013. In addition, Fujian New Oolong Drink Co., Ltd, which was an affiliated company accounted for by the equity method until the second quarter of this fiscal year, has been included in the scope of consolidation as a consolidated subsidiary from the third quarter of this fiscal year in light of the increasing importance of the Company’s business in China.

(2) Application of Special Accounting Methods in Preparation for Quarterly Consolidated Financial Statements

(Calculation of income taxes)

The effective tax rate after the application of deferred tax accounting to the net income before income taxes for the consolidated fiscal year including the third quarter under review is reasonably estimated, and the tax expenses are calculated by multiplying net income before income taxes by this estimated effective tax rate.

(3) Changes in Accounting Policies, Changes in Accounting Estimate, and Restatement

(Changes in accounting policies that are difficult to distinguish from changes in accounting estimates)

Following the revision of the Corporation Tax Act of Japan, the company and its domestic consolidated subsidiaries depreciated property, plant and equipment that were acquired on or after May 1, 2012 under the revised Corporation Tax Act has been changed to the method under the revised act from the first quarter of this fiscal year.

The impact of this change to operating income, ordinary income, and income before income taxes is minor.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

as of January 31, 2013 and April 30, 2012

| | Million yen | |
|---|----------------|----------------|
| | 4/30/2012 | 1/31/2013 |
| Current assets: | | |
| Cash and deposits | 43,872 | 36,037 |
| Notes and accounts receivable-trade | 37,181 | 36,997 |
| Merchandise and finished products | 19,586 | 20,502 |
| Raw materials and supplies | 7,231 | 7,765 |
| Other | 13,732 | 10,796 |
| Allowance for doubtful accounts | (54) | (68) |
| Total current assets | 121,549 | 112,032 |
| Fixed assets: | | |
| Property, plant and equipment; | | |
| Buildings and structures, net | 15,395 | 17,405 |
| Land | 17,359 | 17,948 |
| Lease assets, net | 27,929 | 33,285 |
| Other, net | 5,784 | 6,871 |
| Subtotal | 66,468 | 75,512 |
| Intangible fixed assets; | | |
| Goodwill | 14,432 | 17,496 |
| Lease assets | 56 | 36 |
| Other | 8,012 | 7,625 |
| Subtotal | 22,501 | 25,157 |
| Investments and other assets | 14,324 | 14,726 |
| Total fixed assets | 103,294 | 115,396 |
| Total assets | 224,843 | 227,428 |
| Current liabilities: | | |
| Notes and accounts payable-trade | 25,984 | 21,119 |
| Short-term loans payable | 670 | 602 |
| Lease obligations | 9,653 | 11,851 |
| Accrued expenses | 17,779 | 15,685 |
| Income taxes payable | 4,882 | 3,056 |
| Provision for bonuses | 2,999 | 1,508 |
| Other | 2,289 | 3,449 |
| Total current liabilities | 64,258 | 57,273 |
| Non-current liabilities: | | |
| Bonds payable | 20,000 | 20,000 |
| Long-term loans payable | 5,577 | 6,581 |
| Lease obligations | 19,564 | 22,237 |
| Allowance for retirement and severance benefits for employees | 6,209 | 7,758 |
| Other | 3,223 | 3,371 |
| Total non-current liabilities | 54,575 | 59,948 |
| Total liabilities | 118,833 | 117,221 |

Quarterly Consolidated Balance Sheets – Continued

| | Million yen | |
|--|----------------|----------------|
| | 4/30/2012 | 1/31/2013 |
| Shareholders' equity: | | |
| Capital stock | 19,912 | 19,912 |
| Capital surplus | 20,259 | 20,259 |
| Retained earnings | 78,954 | 78,204 |
| Treasury stock | (4,830) | (1,464) |
| Total shareholders' equity | 114,294 | 116,910 |
| Valuation, translation adjustments and others: | | |
| Valuation difference on available-for-sale securities | 158 | 435 |
| Deferred gains or losses on hedges | 3 | 8 |
| Land revaluation difference | (6,171) | (6,171) |
| Foreign currency translation adjustments | (2,388) | (1,410) |
| Total accumulated losses from valuation, translation adjustments and others | (8,398) | (7,137) |
| Stock acquisition rights | 23 | 25 |
| Minority interests | 90 | 408 |
| Total net assets | 106,010 | 110,206 |
| Total liabilities and net assets | 224,843 | 227,428 |

(2) Quarterly Consolidated Statement of Income and Comprehensive Income

from May 1, 2012 to January 31, 2013

Quarterly Consolidated Statement of Income [Third quarter period]

| | Million yen | |
|---|----------------|----------------|
| | 1/31/2012 | 1/31/2013 |
| Operating income and expenses: | | |
| Net sales | 281,028 | 307,250 |
| Cost of sales | 147,565 | 162,257 |
| Gross profit | 133,463 | 144,993 |
| Selling, general and administrative expenses | 118,804 | 129,436 |
| Operating income | 14,659 | 15,556 |
| Non-operating income: | | |
| Interest income | 6 | 19 |
| Dividend income from securities | 43 | 45 |
| Equity in earnings of affiliates | 48 | 164 |
| Foreign exchange gains | - | 375 |
| Other | 291 | 357 |
| Total non-operating income | 389 | 962 |
| Non-operating expenses: | | |
| Interest expense | 788 | 918 |
| Foreign exchange losses | 280 | - |
| Expenses for voluntary recall of products | - | 210 |
| Other | 173 | 150 |
| Total non-operating expense | 1,242 | 1,279 |
| Ordinary income | 13,805 | 15,239 |
| Extraordinary gains: | | |
| Gain on sales of noncurrent assets | 3 | 0 |
| Gain on donation of noncurrent assets | 7 | - |
| Gain on sales of investment securities | - | 0 |
| Gain on step acquisitions | - | 260 |
| Other | - | 2 |
| Total extraordinary gains | 11 | 264 |
| Extraordinary losses: | | |
| Loss on sales of noncurrent assets | 0 | 0 |
| Loss on abandonment of noncurrent assets | 38 | 49 |
| Impairment loss | 24 | 55 |
| Disaster loss | 23 | 11 |
| Loss on valuation of investment securities | 10 | 10 |
| Provision of allowance for doubtful accounts of golf club memberships | 51 | - |
| Loss on valuation of golf club membership | 11 | - |
| Loss on withdrawal of golf club membership | 13 | - |
| Total extraordinary losses | 174 | 126 |
| Income before income taxes | 13,642 | 15,377 |
| Income taxes | 6,676 | 6,684 |
| Income before minority interests | 6,965 | 8,692 |
| Minority interests in income (loss) | (67) | (6) |
| Net income | 7,033 | 8,698 |

Quarterly Consolidated Statement of Comprehensive Income [Third quarter period]

| | Million yen | |
|---|--------------|--------------|
| | 1/31/2012 | 1/31/2013 |
| Income before minority interests | 6,965 | 8,692 |
| Other comprehensive income: | | |
| Valuation difference on available-for-sale securities | (39) | 277 |
| Net deferred losses on derivatives under hedge | (5) | 5 |
| Revaluation reserve for land | 121 | - |
| Foreign currency translation adjustment | (373) | 989 |
| Share of other comprehensive income of associates accounted for using equity method | 5 | 10 |
| Other comprehensive income | (290) | 1,283 |
| Quarterly consolidated comprehensive income | 6,675 | 9,976 |
| (Breakdown) | | |
| Comprehensive income attributable to owners of the parent | 6,742 | 9,961 |
| Comprehensive income attributable to minority interests | (67) | 14 |

(3) Note Regarding the Company's Position as of a Going Concern

Not applicable.

(4) Segment Information, etc

(Changes in the divisions of the reportable segments)

The reportable segment has been changed into 3 divisions from the first quarter of the fiscal year ending April 30, 2013. "Tea leaves /Beverages Business," "Restaurant Business," and "Others" which were used to be divided two reportable segments as "Tea leaves /Beverages Business" and "Others" in the previous fiscal year. The reason for this change is that enhance the effectiveness of our segment information.

Segment information of the third quarter of fiscal year of the previous fiscal year disclosed based on the current division of the reportable segments.

In addition, following the revision of the Corporation Tax Act of Japan, the company and its domestic consolidated subsidiaries depreciated property, plant and equipment that were acquired on or after May 1, 2012 under the revised Corporation Tax Act has been changed to the method under the revised act from the first quarter of this fiscal year. Therefore, the reportable segments were changed under the revised Corporation Tax Act has been changed to the method. The impact of this change to segment earnings is minor.

Information regarding amounts of sales and profits or losses by reporting segment

For the third quarter of the fiscal year ended April 30, 2012 (May 1, 2011 – January 31, 2012)

(Figures are rounded down to million yen.)

| | Tea leaves /Beverages Business | Restaurant Business | Others | Total | Adjustment | Amount on Consolidated Statements of Income |
|-------------------------|--------------------------------------|------------------------|--------|---------|------------|--|
| Net sales: | | | | | | |
| (1) Outside | 265,650 | 13,085 | 2,292 | 281,028 | - | 281,028 |
| (2) Intersegment | 170 | 261 | 1,740 | 2,172 | (2,172) | - |
| Total net sales | 265,821 | 13,347 | 4,032 | 283,201 | (2,172) | 281,028 |
| Segment earnings (loss) | 13,414 | 1,509 | 489 | 15,413 | (754) | 14,659 |

Notes: i. The segment earnings (loss) adjustment includes (¥779) million in amortization of goodwill and ¥24 million in intersegment transactions.
ii. Segment earnings are adjusted to the operating income figure on the Quarterly Consolidated Statements of Income.

For the third quarter of the fiscal year ending April 30, 2013 (May 1, 2012 – January 31, 2013)

(Figures are rounded down to million yen.)

| | Tea leaves /Beverages Business | Restaurant Business | Others | Total | Adjustment | Amount on Consolidated Statements of Income |
|-------------------------|--------------------------------------|------------------------|--------|---------|------------|--|
| Net sales: | | | | | | |
| (1) Outside | 288,964 | 15,261 | 3,024 | 307,250 | - | 307,250 |
| (2) Intersegment | 171 | 408 | 1,811 | 2,391 | (2,391) | - |
| Total net sales | 289,136 | 15,669 | 4,835 | 309,641 | (2,391) | 307,250 |
| Segment earnings (loss) | 13,419 | 2,082 | 853 | 16,356 | (799) | 15,556 |

Notes: i. The segment earnings (loss) adjustment includes (¥832) million in amortization of goodwill and ¥33 million in intersegment transactions.
ii. Segment earnings are adjusted to the operating income figure on the Quarterly Consolidated Statements of Income.

(5) Note Regarding Significant Changes in the Amount of Shareholders' Equity

Not applicable.