

Financial Results for the Third Quarter Fiscal Year Ending April 30, 2014

Supplementary Materials

March, 2014

ITO EN, LTD.

1. 3Q Results of Operations
2. 3Q Category Results (Non-consolidated)
3. New Products Information



1. 3Q Results of Operations

(¥ million)

		Third Quarter Total (May-Jan)				
		For the Year Ended April 30, 2013		For the Year Ending April 30, 2014		
			Sales Composition		Sales Composition	YOY % Change
Consolidated	Net Sales	307,250	100.0%	333,910	100.0%	8.7%
	Gross Profit	144,993	47.2%	160,143	48.0%	10.4%
	Selling, General and Administrative Expenses	129,436	42.1%	144,812	43.4%	11.9%
	Operating Income	15,556	5.1%	15,331	4.6%	-1.4%
	Ordinary Income	15,239	5.0%	14,953	4.5%	-1.9%
	Extraordinary Expenses and Income	137	-	59	-	-
	Net Income	8,698	2.8%	8,703	2.6%	0.1%

Non-Consolidated	Net Sales	271,160	100.0%	278,943	100.0%	2.9%
	Gross Profit	124,016	45.7%	128,361	46.0%	3.5%
	Operating Income	12,625	4.7%	10,790	3.9%	-14.5%
	Ordinary Income	12,981	4.8%	11,138	4.0%	-14.2%

		Annual Total (May-Apr)				
		For the Year Ended April 30, 2013		For the Year Ending April 30, 2014 Est.		
			Sales Composition		Sales Composition	YOY % Change
Consolidated	Net Sales	403,957	100.0%	440,000	100.0%	8.9%
	Gross Profit	192,088	47.6%	210,850	47.9%	9.8%
	Selling, General and Administrative Expenses	171,837	42.5%	187,850	42.7%	9.3%
	Operating Income	20,250	5.0%	23,000	5.2%	13.6%
	Ordinary Income	19,914	4.9%	21,500	4.9%	8.0%
	Extraordinary Expenses and Income	-430	-	-500	-	-
	Net Income	11,244	2.8%	12,300	2.8%	9.4%

Non-Consolidated	Net Sales	351,807	100.0%	366,800	100.0%	4.3%
	Gross Profit	161,990	46.0%	169,605	46.2%	4.7%
	Operating Income	16,834	4.8%	18,300	5.0%	8.7%
	Ordinary Income	17,138	4.9%	18,300	5.0%	6.8%

(Reference)

EPS (Consolidated)	Common Stock	¥69.29	¥69.52	0.3%
	Preferred Stock	¥74.29	¥74.52	0.3%
Cash Dividends per Share	Common Stock	¥19.00	¥19.00	0.0%
	Preferred Stock	¥24.00	¥24.00	0.0%

	Common Stock	¥88.64	¥97.23	9.7%
	Preferred Stock	¥98.64	¥107.23	8.7%
	Common Stock	¥38.00	¥38.00	0.0%
	Preferred Stock	¥48.00	¥48.00	0.0%

2. 3Q Category Results (Non-consolidated)

(¥ million)

		Third Quarter Total (May-Jan)									
		For the Year Ended April 30, 2011	For the Year Ended April 30, 2012			For the Year Ended April 30, 2013			For the Year Ending April 30, 2014		
			YOY % Change	Sales Composition	YOY % Change	Sales Composition	YOY % Change	Sales Composition	YOY % Change	Sales Composition	
Net Sales		255,486	254,746	-0.3%	100.0%	271,160	6.4%	100.0%	278,943	2.9%	100.0%
	Tea Leaves	22,674	21,289	-6.1%	8.4%	20,971	-1.5%	7.7%	22,121	5.5%	7.9%
	Drinks	229,807	230,332	0.2%	90.3%	247,858	7.6%	91.4%	254,523	2.7%	91.1%
	Others	3,004	3,124	4.0%	1.2%	2,330	-25.4%	0.9%	2,298	-1.4%	0.8%
Breakdown of Drinks	Japanese Tea /Healthy Tea	123,722	125,909	1.8%	49.3%	126,800	0.7%	46.8%	134,307	5.9%	48.0%
	Chinese Tea	12,876	11,815	-8.2%	4.6%	13,371	13.2%	4.9%	12,850	-3.9%	4.6%
	Vegetable	29,087	30,849	6.1%	12.1%	38,123	23.6%	14.1%	37,952	-0.4%	13.6%
	Fruit	12,007	10,567	-12.0%	4.1%	10,675	1.0%	3.9%	10,309	-3.4%	3.7%
	Coffee	18,199	17,089	-6.1%	6.7%	20,853	22.0%	7.7%	23,265	11.6%	8.3%
	Black Tea	12,429	12,862	3.5%	5.0%	12,728	-1.0%	4.7%	9,686	-23.9%	3.5%
	Functional	4,194	5,020	19.7%	2.0%	4,990	-0.6%	1.8%	5,264	5.5%	1.9%
	Mineral Water	9,059	6,731	-25.7%	2.6%	6,985	3.8%	2.6%	7,152	2.4%	2.6%
	Carbonated	4,173	4,842	16.0%	1.9%	7,686	58.7%	2.8%	9,024	17.4%	3.2%
	Others	4,058	4,643	14.4%	1.8%	5,642	21.5%	2.1%	4,711	-16.5%	1.7%

3. New Products Information

※ Prices are all tax excluded

3/3

Oi Ocha Zokkon (cherished blend)

Authentic clouded green tea with freshly-brewed strong aroma and sweetly rich taste, cherished by expert of green tea blenders

Use 100% of first-picking of new leaves from our contract cultivation plantations



PET500ml
¥140



PET320ml
¥120



PET280ml
¥115

3/3

New "Jujitsu Yasai" (mixed vegetable and fruit beverage) Line

Leave fruit deliciousness and increase amount of vegetable uses (from 50% to 60% conventionally)

The "ECO package" environmental friendly 200ml carton package has a long shelf life without using aluminum materials & available for recycling

(※) Limited sales in eastern Japan



Carton200ml 「ECO package」
¥100 each

3/10

Consolidate a brand to "Jujitsu Yasai" from "Midori-no-Yasai" (green vegetables)



PET930g
¥340

3/10

Rare Sugar Soda

Japanese plum soda

Use a topical "rare sugar" with fresh & clean taste

Contains appropriate amount of sodium for provision of heat stroke (43mg/100ml)



PET500ml
¥150



Can200ml
¥130

3/17

Sara-Sara Mugicha (powdered barley tea)

Rich flavor of instant barley tea with easy soluble in cold or hot water

Caffeine free

One pack for 50 cups (about 5 liters)



40g
¥500

3/10

"TEAS' TEA" tea bag line is perfect for unsweetened and drinking in a "My Bottle" (a water bottle)



15 Tea bags
¥380 each

Advisory Note about the Materials

The current plans, forecasts, strategy, etc. outlined in these materials have not yet been realized and are based upon ITO EN management's best judgement given current obtainable information. Therefore, given only this forecasted information, please refrain from interpreting these materials as grounds for general conclusion. Please acknowledge that, depending on various important factors, actual operating results can be quite different from what has been projected. The following are some principal factors that affect actual operating results: 1) Weather, especially summer temperatures; 2) Product mishaps or accidents, such as products being found containing foreign substances or impurities; 3) The economic conditions, particularly shifting consumer trends, surrounding ITO EN's operating environment; 4) In the midst an intensely competitive market characterized by things such as easily changing consumer tastes and preferences, the ability of ITO EN to continue the planning and development of products and services that meet customers' expectations. However, it should be noted that factors influencing operating results are not limited to these alone. The purpose of the materials you have received is to provide the means for a more thorough understanding of ITO EN and should not necessarily be regarded as a recommendation to invest. Furthermore, the data in these materials is based on what we believe is the most accurate information. However, please understand that even