

December 1, 2014

NEWS RELEASE
Notice of Revision of Results Forecasts

Considering recent trends in our business performance, ITO EN, LTD. announces a revision of results forecasts for the fiscal year ending April 30, 2015 that was previously announced on September 1, 2014 as follows.

1. Revision to consolidated results forecasts for the fiscal year ending April 30, 2015
(May 1, 2014 to April 30, 2015)

(Unit: million yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen) (Common Stock)
Previous forecasts (A)	455,500	23,000	22,000	13,100	103.94
Revised forecasts (B)	437,000	12,000	11,600	6,200	47.72
Differences (B-A)	-18,500	-11,000	-10,400	-6,900	—
Changes (%)	-4.0%	-47.8%	-47.2%	-52.6%	—
(Reference) Previous year (ended April 30, 2014)	437,755	21,100	20,518	12,096	95.77

※ Net income (consolidated) per share of Class-A Preferred Stock

Previous forecasts	113.94 yen
Revised forecasts	57.72 yen
(Reference) Previous year (ended April 30, 2014)	105.77 yen

2. Reasons

Sales and earnings from the Tea Leaves and Beverages Business were lackluster in the first half (May 1, 2014 - October 31, 2014), primarily because a consumption tax increase prolonged sluggish personal spending. Other key factors were a decline in demand from a year earlier, when record temperatures were reported, heavy rains, consecutive typhoons, and other inclement weather conditions around the nation, and surging raw materials costs owing to a sharp depreciation of the yen.

Sales in the third quarter and beyond should trend below initial forecast, as personal spending will likely recover later than anticipated. Going forward, we will work to reduce costs and review expenses and strive to strengthen our brands even further. Given that the Tea Leaves and Beverages Business accounts for a large percentage of the Group's overall earnings, we have revised our forecast for the consolidated financial results for the fiscal year.