

# Financial Results for the Third Quarter Fiscal Year Ending April 30, 2016

## Supplementary Materials

March 2016  
ITO EN, LTD.

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



# 1. 3Q Results of Operations

The market environment is still harsh, but we will work steadily to improve earnings in order to achieve our earnings forecast for the fiscal year.

(¥ million)

		Third Quarter Total (May–January)				
		For the Year Ended April 30, 2015		For the Year Ending April 30, 2016		
			Sales Composition		Sales Composition	YOY % Change
Consolidated	Net Sales	328,296	100.0%	355,840	100.0%	8.4%
	Gross Profit	156,481	47.7%	164,285	46.2%	5.0%
	Selling, General and Administrative Expenses	148,796	45.3%	152,387	42.8%	2.4%
	Operating Income	7,685	2.3%	11,898	3.3%	54.8%
	Ordinary Income	7,711	2.3%	11,610	3.3%	50.6%
	Extraordinary Expenses and Income	△ 79	–	87	–	–
	Net Income	3,980	1.2%	6,866	1.9%	72.5%

		Annual Total (May–April)				
		For the Year Ended April 30, 2015		For the Year Ending April 30, 2016 Est.		
			Sales Composition		Sales Composition	YOY % Change
	Net Sales	430,541	100.0%	465,000	100.0%	8.0%
	Gross Profit	207,409	48.2%	216,900	46.6%	4.6%
	Selling, General and Administrative Expenses	196,016	45.5%	201,800	43.4%	3.0%
	Operating Income	11,393	2.6%	15,100	3.2%	32.5%
	Ordinary Income	11,229	2.6%	14,100	3.0%	25.6%
	Extraordinary Expenses and Income	△ 336	–	△ 650	–	–
	Net Income	7,292	1.7%	8,770	1.9%	20.3%

Non-Consolidated	Net Sales	270,424	100.0%	279,194	100.0%	3.2%
	Gross Profit	124,089	45.9%	127,361	45.6%	2.6%
	Operating Income	3,660	1.4%	7,354	2.6%	100.9%
	Ordinary Income	4,344	1.6%	9,931	3.6%	128.6%

	Net Sales	353,754	100.0%	365,300	100.0%	3.3%
	Gross Profit	164,289	46.4%	168,964	46.3%	2.8%
	Operating Income	6,478	1.8%	10,100	2.8%	55.9%
	Ordinary Income	6,929	2.0%	12,600	3.4%	81.8%

## 2. 3Q Category Results (Non-consolidated)

Sales of Japanese/Healthy Tea beverage cold products increased due to the mild winter.

"Golden Oolong Tea" contributed to sales of Chinese Tea beverage. "TULLY'S COFFEE" continued to perform well.

(¥ million)

		Third Quarter Total (May–January)								
		For the Year Ended April 30, 2014			For the Year Ended April 30, 2015			For the Year Ending April 30, 2016		
			Sales Composition	YOY % Change		Sales Composition	YOY % Change		Sales Composition	YOY % Change
Net Sales		278,943	100.0%	2.9%	270,424	100.0%	-3.1%	279,194	100.0%	3.2%
Tea Leaves		22,121	7.9%	5.5%	22,353	8.3%	1.0%	23,396	8.4%	4.7%
Drinks		254,523	91.1%	2.7%	245,651	90.8%	-3.5%	253,223	90.7%	3.1%
Others		2,298	0.8%	-1.4%	2,419	0.9%	5.3%	2,574	0.9%	6.4%
Breakdown of Drinks	Japanese Tea /Healthy Tea	134,307	48.0%	5.9%	133,134	49.2%	-0.9%	139,077	49.8%	4.5%
	Chinese Tea	12,850	4.6%	-3.9%	12,029	4.4%	-6.4%	13,699	4.9%	13.9%
	Vegetable	37,952	13.6%	-0.4%	33,653	12.4%	-11.3%	32,649	11.7%	-3.0%
	Fruit	10,309	3.7%	-3.4%	10,680	3.9%	3.6%	8,602	3.1%	-19.5%
	Coffee	23,265	8.3%	11.6%	25,207	9.3%	8.3%	31,134	11.2%	23.5%
	Black Tea	9,686	3.5%	-23.9%	8,462	3.1%	-12.6%	5,077	1.8%	-40.0%
	Functional	5,264	1.9%	5.5%	4,421	1.6%	-16.0%	5,257	1.9%	18.9%
	Mineral Water	7,152	2.6%	2.4%	6,316	2.3%	-11.7%	6,670	2.4%	5.6%
	Carbonated	9,024	3.2%	17.4%	8,356	3.1%	-7.4%	8,023	2.9%	-4.0%
Others		4,711	1.7%	-16.5%	3,389	1.3%	-28.1%	3,030	1.1%	-10.6%

### 3. New Products Information

#### ■ Launch a "food with functional labeling" ("Healthy Plus" Line)

##### New to the *Oi Ocha* Brand Range

- Maintains healthy blood flow
- Keeps the stomach healthy
- Reduces neutral fat
- Inhibits absorption of fat
- Inhibits absorption of fat
- Maintains healthy blood flow



PET500ml  
¥143 (tax excluded)  
Mar 14



PET500ml  
¥143 (tax excluded)  
Feb 29



PET500ml  
¥143 (tax excluded)  
Mar 14



PET500ml  
¥143 (tax excluded)  
Mar 14

#### ■ Proposal of good-tasting health value for Vegetable & Fruit Mix beverage

Use well-selected "domestic materials" additive-free (No sugar, flavoring, salt or preservatives)

Includes "Superfoods (\*)," which has many health benefits

\*Foods that contain very large amounts of some nutrients and health-promoting ingredients



PET600g  
¥310 (tax excluded)  
Feb 29



PET930g  
¥340 (tax excluded)  
Feb 29



Carton 200ml  
¥100 (tax excluded)  
Feb 29

#### ■ Tea Leaves products that meet diverse needs Mar 14

Use 100% Rooibos tea leaves  
Caffeine Free

Use 100% Kyoto-grown tea leaves  
Uji-cha with a mild flavor

Perfect brew  
even in COLD

Follows standards for  
radioactive substances  
in baby food



30 tea bags  
¥600 (tax excluded)



100g  
¥900 (tax excluded)



24 tea bags  
¥450 (tax excluded)

#### ■ Sale of products special to a certain area

Special to the *Tokai* area (*Mie*, *Aichi*, and *Gifu*)  
Use 100% *Mie*-grown *Kabusecha*



PET500ml  
¥140 (tax excluded)  
Feb 22



20 tea bags  
¥500 (tax excluded)  
Mar 14



80g  
¥800 (tax excluded)  
Mar 14



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.