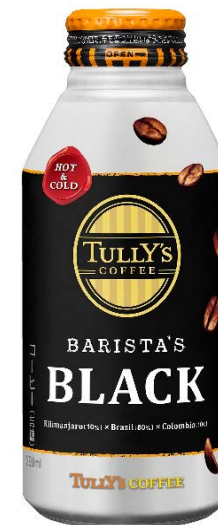


Financial Results for the First Quarter Fiscal Year Ending April 30, 2017

Supplementary Materials

September 2016
ITO EN, LTD.

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



1. 1Q Results of Operations

Net sales remained strong and efforts to improve profitability continued.

		First Quarter Total (May–July)					Annual Total (May–April)				
		For the Year Ended April 30, 2016		For the Year Ending April 30, 2017			For the Year Ended April 30, 2016		For the Year Ending April 30, 2017 Est.		
			Sales Composition		Sales Composition	YOY % Change		Sales Composition		Sales Composition	YOY % Change
Consolidated	Net Sales	128,182	100.0%	129,043	100.0%	0.7%	465,579	100.0%	471,500	100.0%	1.3%
	Gross Profit	58,448	45.6%	60,383	46.8%	3.3%	218,818	47.0%	221,400	47.0%	1.2%
	Selling, General and Administrative Expenses	54,158	42.3%	53,858	41.7%	–0.6%	201,574	43.3%	201,400	42.7%	–0.1%
	Operating Income	4,289	3.3%	6,524	5.1%	52.1%	17,243	3.7%	20,000	4.2%	16.0%
	Ordinary Income	4,798	3.7%	5,722	4.4%	19.2%	15,074	3.2%	19,400	4.1%	28.7%
	Extraordinary Losses and Income	△ 6	–	△ 60	–	–	△ 148	–	△ 700	–	–
	Profit	2,391	1.9%	3,578	2.8%	49.6%	8,615	1.9%	11,800	2.5%	37.0%
Non-Consolidated	Net Sales	101,898	100.0%	102,600	100.0%	0.7%	365,276	100.0%	370,000	100.0%	1.3%
	Gross Profit	45,824	45.0%	47,256	46.1%	3.1%	170,229	46.6%	172,000	46.5%	1.0%
	Operating Income	2,486	2.4%	4,366	4.3%	75.6%	11,934	3.3%	15,500	4.2%	29.9%
	Ordinary Income	5,682	5.6%	4,851	4.7%	–14.6%	12,821	3.5%	17,100	4.6%	33.4%
Exchange rate (US\$)		¥122.7		¥106.1 (1Q average rate)			¥119.3		¥110 (Annual average rate)		

2. 1Q Category Results (Non-consolidated)

The mainstay brands “Kenko Mineral Mugicha” (healthy mineral barley tea), “TULLY’S COFFEE” continued to perform well.

(¥ million)

	First Quarter Total (May–July)									
	For the Year Ended April 30, 2015			For the Year Ended April 30, 2016			For the Year Ending April 30, 2017			
		Sales Composition	YOY % Change		Sales Composition	YOY % Change		Sales Composition	YOY % Change	
Net Sales	98,969	100.0%	-2.3%	101,898	100.0%	3.0%	102,600	100.0%	0.7%	
Tea Leaves	7,382	7.5%	-0.5%	7,782	7.6%	5.4%	7,987	7.8%	2.6%	
Drinks	90,833	91.7%	-2.5%	93,232	91.5%	2.6%	93,853	91.5%	0.7%	
Others	753	0.8%	-1.9%	882	0.9%	17.2%	759	0.7%	-13.9%	
Breakdown of Drinks	Japanese Tea /Healthy Tea	50,107	50.5%	0.5%	51,558	50.6%	2.9%	52,707	51.4%	2.2%
	Chinese Tea	4,481	4.5%	-3.0%	5,101	5.0%	13.8%	4,777	4.6%	-6.3%
	Vegetable	12,151	12.3%	-13.7%	11,945	11.7%	-1.7%	11,762	11.5%	-1.5%
	Fruit	4,323	4.4%	4.3%	3,595	3.5%	-16.8%	3,104	3.0%	-13.7%
	Coffee	8,364	8.5%	9.9%	10,398	10.2%	24.3%	10,958	10.7%	5.4%
	Black Tea	2,930	3.0%	-1.0%	1,918	1.9%	-34.6%	886	0.9%	-53.8%
	Functional	1,672	1.7%	-21.1%	1,991	2.0%	19.0%	2,235	2.2%	12.3%
	Mineral Water	2,438	2.5%	-14.1%	2,695	2.6%	10.5%	3,687	3.6%	36.8%
	Carbonated	3,527	3.6%	0.9%	3,274	3.2%	-7.2%	3,094	3.0%	-5.5%
Others	834	0.8%	-41.5%	755	0.8%	-9.5%	637	0.6%	-15.6%	

3. New Products Information

Successive release from Aug 22

■ *"Oi Ocha"* *"Momiji (autumn color of maple leaves)"* package supervised by Yamatane Museum of Art



PET525ml
¥140



PET345ml
¥130

Successive release from Oct 3

■ *"TEAs' TEA NEW AUTHENTIC"*



PET450ml
¥140



■ Better taste thanks to new ingredients

• Use of tea leaf exclusively for original tea bags

Sep 26



20 Tea bags
¥362

■ Adoption of a new type of container for Hot beverages

• A new container that can be reheated in a microwave

Sep 5



PET500ml
¥140

Sep 26



Can185g
¥115

(All tax excluded)



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 without advance notice, both past data and future forecasts may be revised.