

Notice of Revision of Full-year Consolidated Financial Results Forecast

ITO EN, LTD. (hereinafter the “Company”) hereby announces that the full-year consolidated financial results forecast for the fiscal year ending April 30, 2021, released on June 15, 2020, has been revised. Details are as follows:

1. Revision of full-year consolidated financial results forecast

Revision of full-year consolidated financial results forecast for the fiscal year ending April 30, 2021 (from May 1, 2020, through April 30, 2021)

(Unit: million yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share (yen) (Common Stock)
Previous forecasts (A)	481,000	20,000	19,800	13,000	104.46
Revised forecasts (B)	450,000	12,300	12,100	5,800	45.09
Difference (B-A)	- 31,000	- 7,700	- 7,700	- 7,200	
Change (%)	- 6.4	- 38.5	- 38.9	- 55.4	
(Reference) Previous year (ended April 30, 2020)	483,360	19,940	19,432	7,793	61.53

* Differences in earnings per share of Class-A Preferred Stock

Previous forecasts	114.46 yen
Revised forecasts	55.09 yen
(Reference) Previous year (ended April 30, 2020)	71.53 yen

2. Revision of full-year financial results forecast (May 1, 2020 - April 30, 2021)

The Company expected that the impact of COVID-19 would be particularly strong during the first quarter of the fiscal year under review when it announced the full-year financial results forecast on June 15, 2020. COVID-19, however, continues to spread and it is unclear when it will subside. The Company, therefore, changed its assumption to one in which the impact will remain until the end of the fiscal year under review.

In the Tea Leaves and Beverages Business, despite strong sales of Tea Leaf Products sales volumes at convenience stores and through vending machines decreased significantly due to consumers’ voluntary restraint on going out and the shift to telecommuting, in addition to the fall in the number of overseas visitors to Japan.

In the Restaurant Business, sales volume of beverages declined sharply due in part to lower consumer confidence in restaurants as a whole, despite strong sales of coffee beans.

The impact of these results is expected to continue, particularly in metropolitan areas, tourist sites and areas around transportation hubs. As a consequence, the Company has revised its full-year financial results forecast.

3. Caution regarding forward-looking statements

Because it is difficult to make accurate assumptions about specifically when COVID-19 will subside, when consumption will recover, and what measures will be taken by the central and local governments, the revised forecast in this document was made based on information available to the Company as of the date of the release. In view of future business performance, the Company will announce any matter requiring disclosure in a timely manner. Moreover, as profit attributable to owners of parent is projected to fall short of the previous forecast with the posting of an extraordinary loss for said quarter, the full-year consolidated financial results forecast was revised as described above.