

# Supplementary Materials

for the Fiscal Year Ending April 30, 2019

March 2019 ITO EN, LTD.



# 1. Summary of Financial Results for 9 Months Ended January 31, 2019.

(¥ million)

		Third Quarter Total (May-January)				
		FYE Apr. 30, 2018		FYE Apr. 30, 2019		YOY % Change
			Sales Composition		Sales Composition	
Consolidated	Net Sales	376,371	100.0%	389,099	100.0%	3.4%
	Gross Profit	177,885	47.3%	183,149	47.1%	3.0%
	Selling, General and Administrative Expenses	161,572	42.9%	166,712	42.8%	3.2%
	Operating Income	16,312	4.3%	16,437	4.2%	0.8%
	Ordinary Income	15,846	4.2%	16,584	4.3%	4.7%
	Extraordinary Losses and Income	-245	-	-460	-	-
	Net Income	8,949	2.4%	10,258	2.6%	14.6%

		Annual (May-April)				
		FYE Apr. 30, 2018		FYE Apr. 30, 2019Est.		YOY % Change
			Sales Composition		Sales Composition	
	Net Sales	494,793	100.0%	507,800	100.0%	2.6%
	Gross Profit	233,983	47.3%	240,220	47.3%	2.7%
	Selling, General and Administrative Expenses	211,939	42.8%	217,220	42.8%	2.5%
	Operating Income	22,043	4.5%	23,000	4.5%	4.3%
	Ordinary Income	21,441	4.3%	22,500	4.4%	4.9%
	Extraordinary Losses and Income	-450	-	-810	-	-
	Net Income	12,553	2.5%	14,000	2.8%	11.5%

Non-Consolidated	Net Sales	292,143	100.0%	304,810	100.0%	4.3%
	Gross Profit	136,494	46.7%	140,889	46.2%	3.2%
	Operating Income	10,733	3.7%	10,463	3.4%	-2.5%
	Ordinary Income	12,542	4.3%	12,430	4.1%	-0.9%

	Net Sales	383,212	100.0%	394,300	100.0%	2.9%
	Gross Profit	179,707	46.9%	184,524	46.8%	2.7%
	Operating Income	15,394	4.0%	16,500	4.2%	7.2%
	Ordinary Income	17,142	4.5%	18,180	4.6%	6.1%

Exchange rate (US\$)      ¥111.8                      ¥111.3 (3Q average rate)

¥110.6                      ¥108.0 (Annual average rate)

# 2.Sales Results by Category for the 3Q (Non-consolidated)



(¥ million)

		Third Quarter Total (May-January)								
		FYE Apr. 30, 2017			FYE Apr. 30, 2018			FYE Apr. 30, 2019		
		Sales Composition	YOY % Change	Sales Composition	YOY % Change	Sales Composition	YOY % Change			
Net Sales		285,609	100.0%	2.3%	292,143	100.0%	2.3%	304,810	100.0%	4.3%
Tea Leaves		24,378	8.5%	4.2%	25,991	8.9%	6.6%	27,044	8.9%	4.1%
Drinks		258,718	90.6%	2.2%	263,406	90.2%	1.8%	275,190	90.3%	4.5%
Others		2,512	0.9%	-2.4%	2,746	0.9%	9.3%	2,575	0.8%	-6.2%
Breakdown of Drinks	Japanese Tea /Healthy Tea	142,485	49.9%	2.5%	143,435	49.1%	0.7%	154,197	50.6%	7.5%
	Chinese Tea	13,241	4.6%	-3.3%	13,710	4.7%	3.5%	12,903	4.2%	-5.9%
	Vegetable	33,037	11.6%	1.2%	35,561	12.2%	7.6%	35,002	11.5%	-1.6%
	Fruit	8,237	2.9%	-4.2%	9,169	3.1%	11.3%	8,167	2.7%	-10.9%
	Coffee	32,258	11.3%	3.6%	31,709	10.8%	-1.7%	32,067	10.5%	1.1%
	Black Tea	3,833	1.3%	-24.5%	3,758	1.3%	-2.0%	4,811	1.6%	28.0%
	Functional	5,761	2.0%	9.6%	5,504	1.9%	-4.5%	6,353	2.1%	15.4%
	Mineral Water	8,866	3.1%	32.9%	8,097	2.8%	-8.7%	8,802	2.9%	8.7%
	Carbonated	8,144	2.9%	1.5%	9,517	3.3%	16.9%	9,737	3.2%	2.3%
	Others	2,851	1.0%	-5.9%	2,943	1.0%	3.2%	3,147	1.0%	6.9%

# 3. Products Information / Topics

Feb. 1, 2019

## ■ The 30th anniversary of Oi Ocha

On February 1, 2019, ITO EN celebrated the 30th anniversary of Oi Ocha, which holds the No.1 Share in the Tea Category (\*1). It will implement commemorative events throughout 2019 to express gratitude for the support it has received since its launch 30 years ago.

(\*1) Based on the quantity sold between January and December 2017.

## April: Launch of a new planting project across Japan to pass down cherry trees to the next generation



It will donate a portion of the sales generated by the applicable Oi Ocha products to a public interest incorporated foundation: the Japan Cherry Blossom Association. The Association will then use the fund to plant cherry trees across Japan. ITO EN hopes that the cherry blossoms will blossom and decorate each region for many years to come, and that they will bring smiles to those who wish to celebrate the arrival of spring while being surrounded by the flowers.

## May: Unveiling of Oi Ocha in regional packaging across Japan



Feb. 6, 2019

## ■ ITO EN store opening at Mt. Fuji Shizuoka Airport



The focus of the store is tea, enabling visitors to experience the food cultures and craftsmanship of Japan.

By opening a store at Mt. Fuji Shizuoka Airport, the gateway to Shizuoka, which is the top tea producing area in Japan (\*2), ITO EN, the undisputed market leader, wishes to increase brand awareness among inbound travelers.

(\*2) Production quantity of crude tea by prefecture in 2018

Mar. 4-29, 2019

## ■ Campaign launch: Provide customers with opportunities to win complementary Pokémon GO SPECIAL WEEKEND invitation coupons

The campaign, which will be launched to promote purchases from vending machines, will allow customers to collect application stickers, which are attached to the applicable products sold in over 3,500 vending machines throughout Japan managed by ITO EN that double up as PokeStop and Pokemon Go gyms, and receive the opportunity to win complementary Pokémon GO SPECIAL WEEKEND invitation coupons.







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**We Love Nature**

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.