

Financial Results

for the Fiscal Year Ending April 30, 2020

June 2020 ITO EN, LTD.

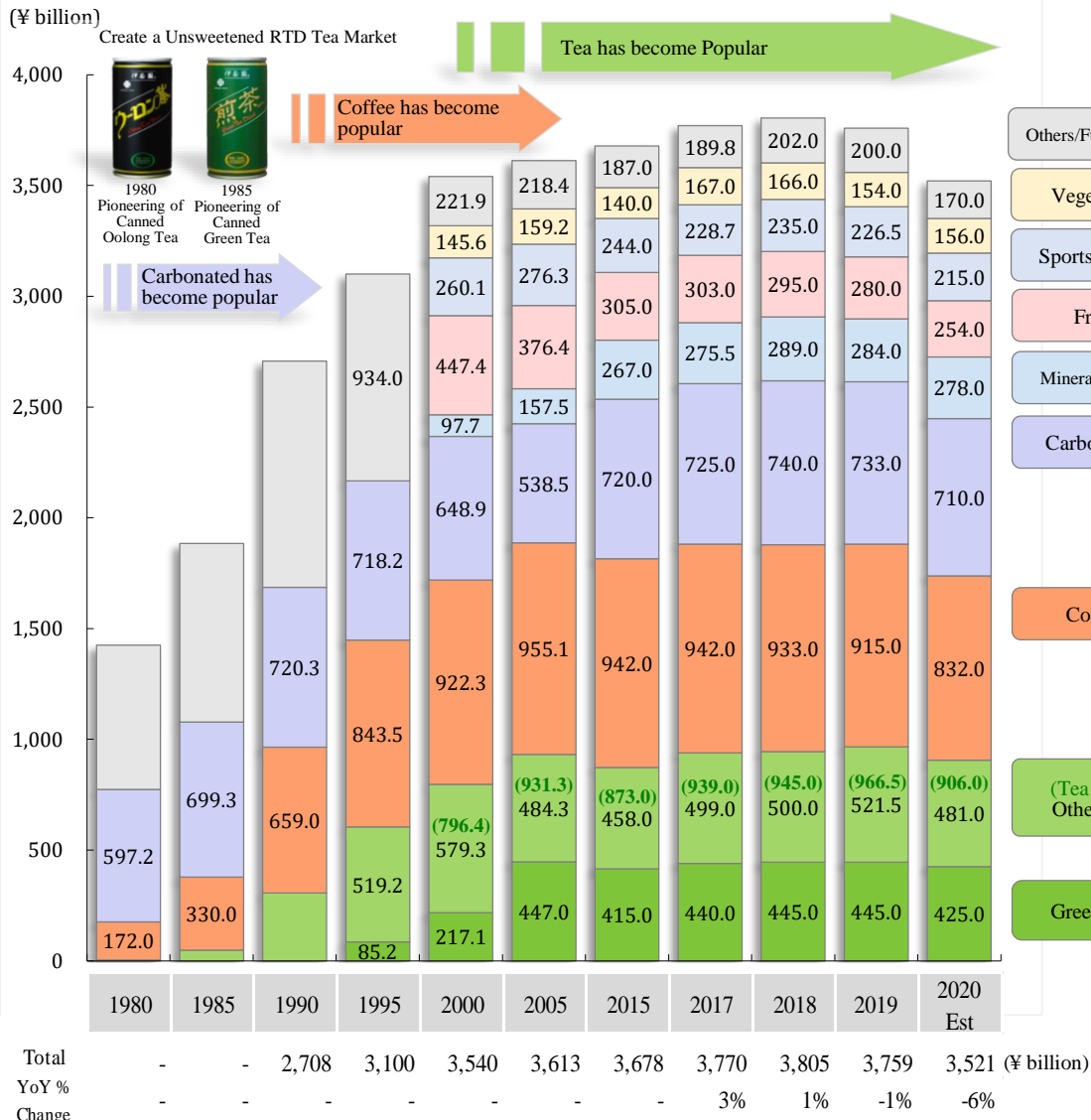


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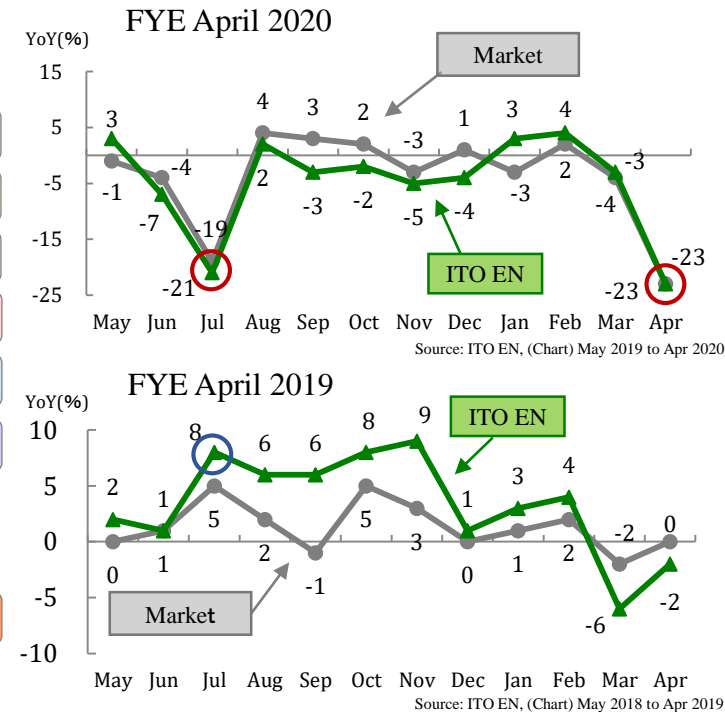
Soft Drink Market in Japan/ About achievements

Soft Drink Market in Japan

Soft Drink Market Trends



Monthly Sales Volume Trends



Topics of Soft Drink Market

2019

Apr Rolled out progressive price increases for products in large-sized PET.

Jul Sales volumes decreased due to heavy/sustained rain and low temperatures.

Sep Sales volumes decreased as a reaction to the disruption and confusion in the logistics network last year.

2020

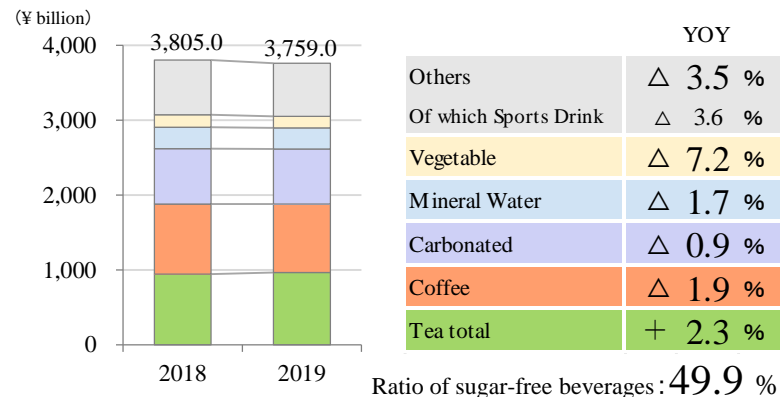
Feb Spread of COVID-19

Apr Declaration of a State of Emergency

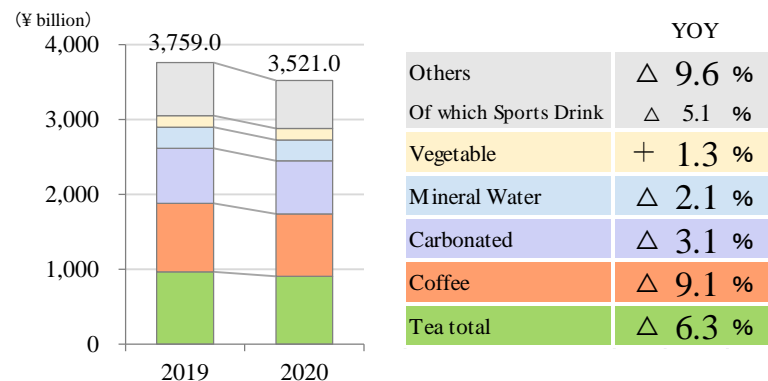
Soft Drink Market in Japan and ITO EN

Soft Drink Market

2019 (Jan-Dec) YoY $\Delta 1.2\%$

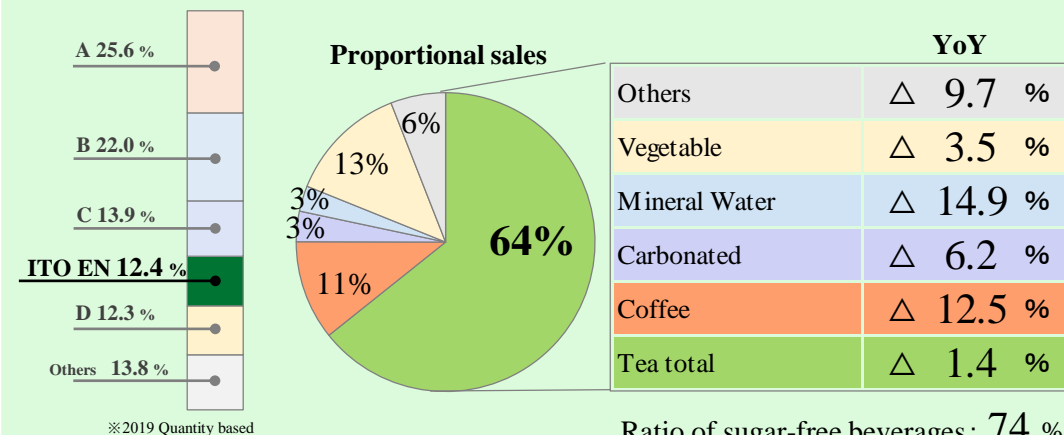


2020 (Jan-Dec) YoY $\Delta 6.3\%$ (Est)



Beverage business of ITO EN

Shares in soft drink market FYE April 2020 (May 2019 to Apr 2020) YoY $\Delta 4.1\%$



	FYE Apr. 30, 2020			FYE Apr. 30, 2021 Est.		
		Sales Composition	YoY % Change		Sales Composition	YoY % Change
Drinks	339,395	100.0%	-4.1%	337,653	100.0%	-0.5%
Tea total	218,142	64.3%	-1.4%	218,949	64.8%	0.4%
Japanese Tea/Healthy Tea	193,246	56.9%	-2.8%	194,645	57.6%	0.7%
Chinese Tea	17,219	5.1%	2.6%	17,234	5.1%	0.1%
Black Tea	7,677	2.3%	34.1%	7,070	2.1%	-7.9%
Vegetable	43,960	13.0%	-3.5%	44,022	13.0%	0.1%
Coffee	36,538	10.8%	-12.5%	36,399	10.8%	-0.4%
Mineral Water	9,396	2.8%	-14.9%	8,979	2.7%	-4.4%
Carbonated	11,175	3.3%	-6.2%	10,586	3.1%	-5.3%
Others	20,184	5.9%	-9.7%	18,718	5.5%	-7.3%

Results of Operations FYE April 2020

■ Summary of Operations (Consolidated and Non-Consolidated) (¥ million)

		FYE Apr. 30, 2019		FYE Apr. 30, 2020		YoY % Change
			Sales Composition		Sales Composition	
Consolidated	Net Sales	504,153	100.0%	483,360	100.0%	-4.1%
	Gross Profit	240,375	47.7%	232,755	48.2%	-3.2%
	Sales Commission	84,760	16.8%	80,537	16.7%	-5.0%
	Advertising	11,544	2.3%	11,206	2.3%	-2.9%
	Freight	15,210	3.0%	14,651	3.0%	-3.7%
	Depreciation and Amortization	11,296	2.2%	10,957	2.3%	-3.0%
	Selling, General and Administrative Expenses	217,555	43.2%	212,814	44.0%	-2.2%
	Operating Income	22,819	4.5%	19,940	4.1%	-12.6%
	Ordinary Income	23,211	4.6%	19,432	4.0%	-16.3%
	Extraordinary Losses and Income	-724	-	-5,064	-	-
	Net Income	14,462	2.9%	7,793	1.6%	-46.1%

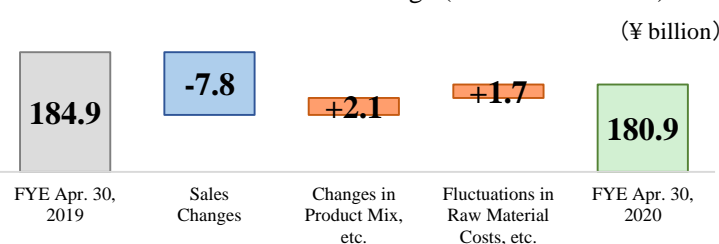
Non-Consolidated	Net Sales	394,495	100.0%	377,787	100.0%	-4.2%
	Gross Profit	184,965	46.9%	180,977	47.9%	-2.2%
	Operating Income	15,851	4.0%	16,626	4.4%	4.9%
	Ordinary Income	18,600	4.7%	18,142	4.8%	-2.5%

■ Performances of Subsidiaries (¥ million, \$ thousand)

Upper: Net Sales Bottom: Operating Income	FYE Apr. 30, 2019		FYE Apr. 30, 2020		YoY % Change
Domestic Subsidiaries		107,765	102,885	-4.5%	
		5,801	3,196	-44.9%	
	Tully's Coffee Japan Co., Ltd.	34,568	32,811	-5.1%	
	Chichiyasu Company	3,504	1,725	-50.8%	
Overseas Subsidiaries		14,409	14,251	-1.1%	
		269	410	52.4%	
		38,168	36,282	-4.9%	
		2,738	1,617	-40.9%	
US Business		32,385	30,971	-4.4%	
		1,658	654	-60.6%	
	\$	291,054	\$	285,736	-1.8%
	\$	14,901	\$	6,034	-59.5%
Other Overseas Subsidiaries		5,783	5,311	-8.2%	
		1,080	963	-10.8%	
Elimination of Internal Transactions		-36,276	-33,595	-	
		-1,572	-1,500	-	

Exchange rate (US\$) 111.27 108.39
(average during a year)

■ Breakdown of Gross Profit Change (Non-Consolidated) (¥ billion)



ITO EN (non-consolidated) Main impact on sales ※ 4Q (Feb to Apr, 2020)

- 8.5 %

Changes in sales composition by channel

- Demand for stockpiling emerged at supermarkets and mass retailers. Purchases were stable.
- Visits to convenience stores decreased primarily in urban areas.
- Purchases from indoor vending machines at transportation facilities, tourist facilities and offices, among other places, declined.

Changes in product mix

- Product categories, such as RTD tea, vegetable beverages changed
- Demand for products in large PET bottles rose chiefly due to an increase in teleworking and temporary school closures

Sales results YoY change		Feb	Mar	Apr	4Q	Regulation overview
ITO EN (non-consolidated)		+ 5%	- 4%	- 22%	- 9%	Early March Temporary school closures, teleworking Stay-at-home requests
Business type	Supermarkets	+ 11%	+ 5%	- 13%	- 1%	April 7 Declaration of a state of emergency (seven prefectures)
	Convenience Store	+ 5%	- 8%	- 23%	- 9%	April 16 Declaration of a state of emergency (Nationwide)
	Vending Machine	- 7%	- 15%	- 36%	- 19%	May 14 Cancellation of the declaration of a state of emergency (39 prefectures)
By product	Green Tea	+ 13%	- 2%	- 27%	- 8%	May 21 Cancellation of the declaration of a state of emergency (three prefectures in the Kansai area)
	Vegetable	+ 7%	+ 2%	+ 1%	+ 3%	May 25 Cancellation of the declaration of a state of emergency (Nationwide)

※ Amount-based

Subsidiaries Main impact on sales ※ 4Q (Feb to Apr, 2020)

Tully's Coffee Japan

- 34 %

- Giving the highest consideration for the safety of customers and colleagues (employees)
- Closed shops or shortened business hours at shops in areas where a state of emergency was declared.

US Business (ITO EN (North America) INC.)

- 9 %

- Consumers' purchase frequency declined due to restrictions on going out.
- There was particular demand in online shopping.

China Business

- 19 %

- After a certain period had elapsed following the suspension of operations, resumed operations to a limited extent in mid-February.
- No significant impact on the materials of Chinese tea products

*The fiscal year-end of the China business is Mar 31, and the above applies to Jan to Mar, 2020.

Sales results YoY change		Feb	Mar	Apr
Tully's Coffee Japan	Sales	+ 3%	- 25%	- 75%
	Ratio of shops that suspended operations or shortened business hours (at the end of the month)	+ 4%	+ 25%	+ 97%
US Business (ITO EN (North America) INC.)	Sales	- 22%	+ 10%	- 16%
China Business	Sales	- 26% ※Jan	- 24% ※Feb	- 10% ※Mar

Current Activities and Policy for the Future

- Prioritizing the health, safety and security of employees and customers
- Continuing the Group's business, particularly the stable supply of beverages indispensable for daily life
- Providing tea products (beverages and leaf products) and pots of coffee free of charge to health-care professionals who are working hard every day
- Securing sufficient liquidity, including cash on hand
- Will not change the level of dividends per share based on the principle of stable profit distribution.

With regard to the forecast for the fiscal year ending April 30, 2021, the impact of the novel coronavirus (COVID-19) infection is expected to be particularly significant. However, it is unclear at this time when the situation will be resolved, and it is not clear when the situation will be resolved. As it is difficult to reasonably calculate the impact on the ITO EN Group's results of operations, we only forecast the full year. In light of the future impact of the novel coronavirus (COVID-19) outbreaks and other factors, we have decided to revise our earnings forecast.

Forecasts FYE April 2020

■ Summary of Operations (Consolidated and Non-Consolidated) (¥ million)

		FYE Apr. 30, 2020		FYE Apr. 30, 2021 Est.		YoY % Change
			Sales Composition		Sales Composition	
Consolidated	Net Sales	483,360	100.0%	481,000	100.0%	-0.5%
	Gross Profit	232,755	48.2%	233,300	48.5%	0.2%
	Sales Commission	80,537	16.7%	80,764	16.8%	0.3%
	Advertising	11,206	2.3%	11,359	2.4%	1.4%
	Freight	14,651	3.0%	14,592	3.0%	-0.4%
	Depreciation and Amortization	10,957	2.3%	10,402	2.2%	-5.1%
	Selling, General and Administrative Expenses	212,814	44.0%	213,300	44.3%	0.2%
	Operating Income	19,940	4.1%	20,000	4.2%	0.3%
	Ordinary Income	19,432	4.0%	19,800	4.1%	1.9%
	Extraordinary Losses and Income	-5,064	-	-500	-	-
	Net Income	7,793	1.6%	13,000	2.7%	66.8%

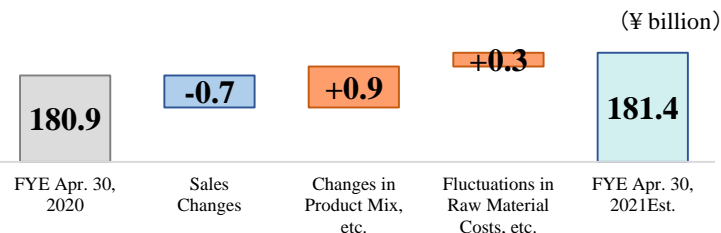
Non-Consolidated	Net Sales	377,787	100.0%	376,200	100.0%	-0.4%
	Gross Profit	180,977	47.9%	181,442	48.2%	0.3%
	Operating Income	16,626	4.4%	16,700	4.4%	0.4%
	Ordinary Income	18,142	4.8%	18,600	4.9%	2.5%

■ Performances of Subsidiaries (¥ million, \$ thousand)

Upper: Net Sales Bottom: Operating Income	FYE Apr. 30, 2020		FYE Apr. 30, 2021 Est.		YoY % Change
Domestic Subsidiaries		102,885	102,334	-0.5%	
		3,196	3,116	-2.5%	
	Tully's Coffee Japan Co., Ltd.	32,811	33,700	2.7%	
	Chichiyasu Company	1,725	1,750	1.4%	
Overseas Subsidiaries		14,251	13,548	-4.9%	
		410	411	0.2%	
		36,282	36,785	1.4%	
		1,617	2,093	29.4%	
US Business		30,971	31,621	2.1%	
		654	1,075	64.4%	
	\$	285,736	\$	292,794	2.5%
	\$	6,034	\$	9,956	65.0%
Other Overseas Subsidiaries		5,311	5,163	-2.8%	
		963	1,018	5.7%	
Elimination of Internal Transactions		-33,595	-34,319	-	
		-1,500	-1,910	-	

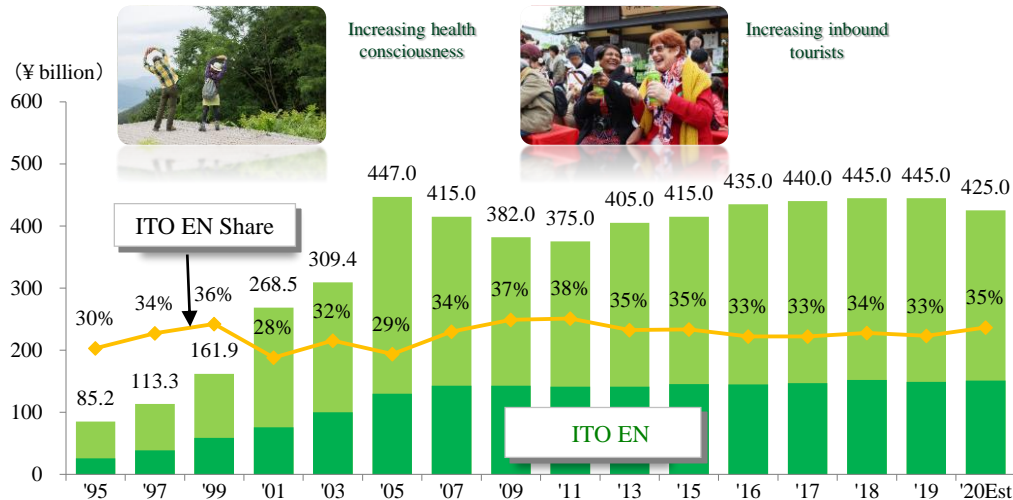
Exchange rate (US\$) 108.39 108.00
(average during a year)

■ Breakdown of Gross Profit Change (Non-Consolidated)



Marketing strategy

Green Tea Beverage Market



Source: ITO EN Calendar year

Tea, which has high health value, will be new daily life in 2020

Attitude towards health has changed dramatically
→ High expectations for Tea Catechins, especially Catechin gallate



We will communicate the health value of tea and will contribute to each person's new daily life

おいお茶 Oi Ocha

Recognized by Guinness World Records for the world's highest sales for the second consecutive year

Official name of record: Largest NH RTD green tea brand - retail RSP, current
Record-setting brand: Oi Ocha
Target period: January–December, 2019
Certified sales figure: \$1,882,900,000 (estimated)

Oi Ocha Expanding Customers

Oi Ocha Strong Green Tea as the top government-designated drink with function claims



Oi Ocha Strong Green Tea with a delicious, bitter flavor has been selling well since it was launched in the summer of 2019.

YoY comparison of sales quantity
(latter half of the fiscal year)

Approximately **1.6 times**

*Nov 2019 - Apr 2020 YoY

Total number of bottles sold since the launch in 2004*

Exceeded 5 billion

*Number of 525 mL PET plastic bottles
May 2004 -Apr 2020 total

Two types of value of *Oi Ocha* Strong Green Tea

1. Taste

A delicious, bitter flavor resulting from distinctive tea leaves, firing, extraction, and filtration

2. Health benefits

Catechin gallate that contributes to a healthy life

Lifestyle changes in the era of the 100-year lifespan. Caffeine-free green tea will launch

“I want to drink green tea to relax, but do not want to consume caffeine.”

ITO EN has been proposing lifestyles since its foundation
The first caffeine-free green tea under the brand *Oi Ocha*



The caffeine-free food market expanded due to the contribution of sugar-free beverages

27% increase in 5 years

*ITO EN research



Oi Ocha Decaffeinated Green Tea

A moderate tea flavor, which is inherent in tea leaves, was generated thanks to the raw material development

Launched on June 29
470ml/140 yen (excluding tax)

To become a more familiar Japanese Tea

Tea Leaf Products

Ways to drink tea are changing.
Mugs and consumers' own bottles are used



The Japanese tea bag series is selling well due to the expansion of stay-at-home consumption.

2020 Domestic Leaf Market Trends

2020/YoY	Jan	Feb	Mar	Apr
Japanese tea leaf total	+0.4%	-2.0%	+13.2%	+8.2%
Leaf	-4.4%	+2.2%	+14.7%	+13.1%
Tea bag	+2.2%	+9.0%	+17.5%	+13.9%
For cups	-3.1%	+6.8%	+18.4%	+14.2%
For pots and my bottles	+8.3%	+11.6%	+16.6%	+13.6%
Instant	+4.8%	-8.7%	+13.2%	+3.2%

Japanese tea bags market
February-April 2020 total

+ 13%

Source ITOEN/Average purchase amount per 100 people

#IeTimeOEN Ie Time support project



Limited time period from May to June 2020

ITO EN Japanese tea bag total

4th quarter (February-April 2020 total)
YoY sales amount

+ 16%
(Share 42%)

Source ITOEN/Average purchase amount per 100 people



keyword **Easy / Delicious**

Ratio of easy and convenient products in the green tea leaves market

25% in 2009 → 43% in 2019

Source: ITO EN: Jan-Dec total

Foods with Function Claims

Oi Ocha Instant Strong Green Tea with Matcha



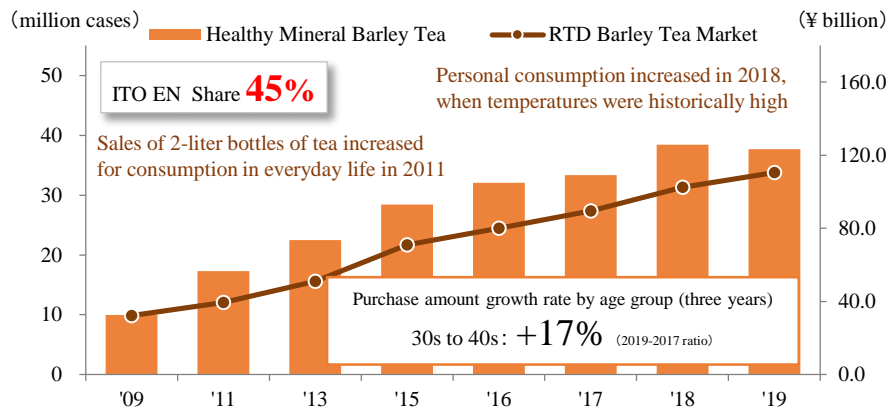
The health benefits of *Oi Ocha* Strong Green Tea can be enjoyed with a wide range of consuming ways such as using mugs and consumers' own bottles.

Release date: April 6
Volume: 40g Price: 600yen
Component related to the function: catechin gallate

Barley Tea & Jasmine Tea

RTD Barley Tea Market

ORTD Barley Tea Market



Source: ITO EN, Market: Calendar year ITO EN: May to Apr

The basic value of healthy mineral barley tea
All year round (Hydration and the supply of minerals)

Sports Drink

Mineral Water

Blended tea

Green Tea (muddiness)

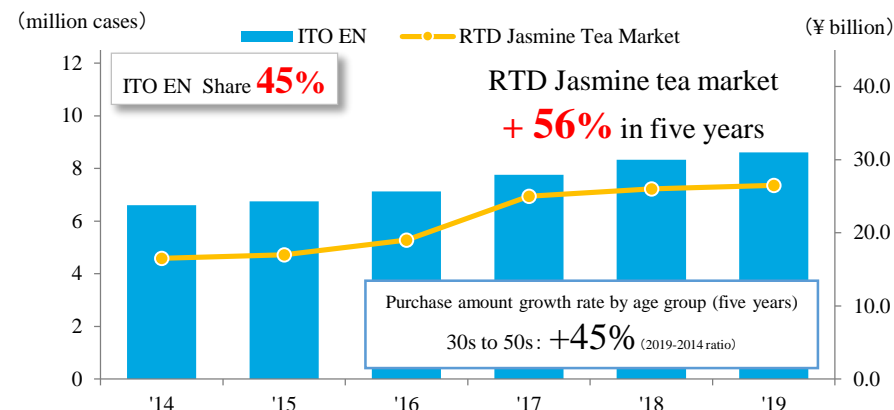


Annual sales volume: **40 million cases**

RTD Jasmine Tea Market

ORTD Jasmine Tea Market

Relaxジャスミンティー



The basic value of jasmine tea
A floral fragrance that makes people feel secure (Relaxed time)



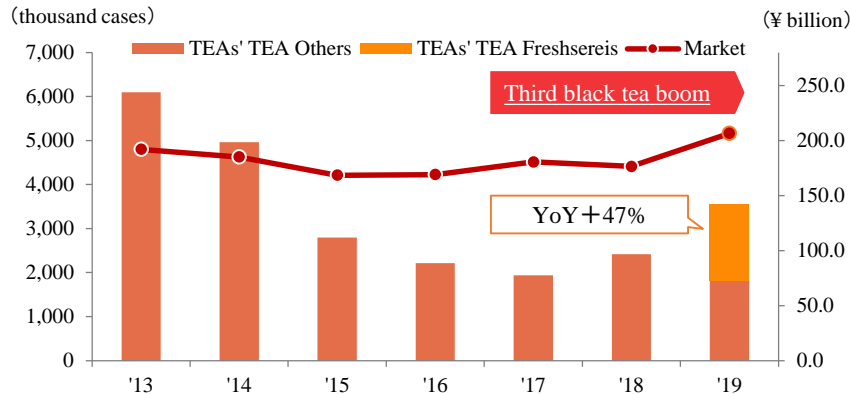
Proposing situations where jasmine tea is consumed and
drinking jasmine tea becomes a habit

Black tea & Vegetable Juice

RTD Black Tea Market



○ Sales status of TEAs' TEA series



The basic value of TEAs' TEA "Fresh" series
Using raw materials as they are, without additives

※ No flavoring agents, souring agents, or sweeteners are used.



New "fresh" product for fall/winter

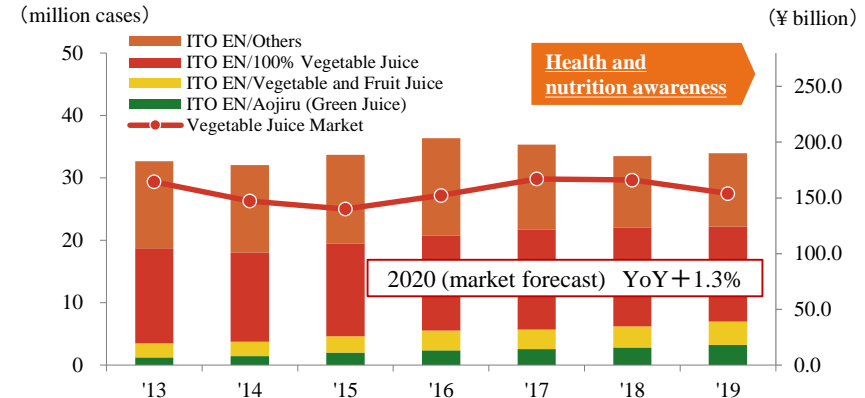


The factor that consumers appreciate is
the flavor of fresh orange

Fresh Orange Tea + A seasonal, fresh product
Creating a brand of low-sugar tea beverages befitting ITO EN

Vegetable Juice Market

○ Sales status of vegetable juice series



The basic value of the vegetable juice series
Nutrients from nature



The total growth rate of the three brands
on the left in the fourth quarter

+ 5.5%

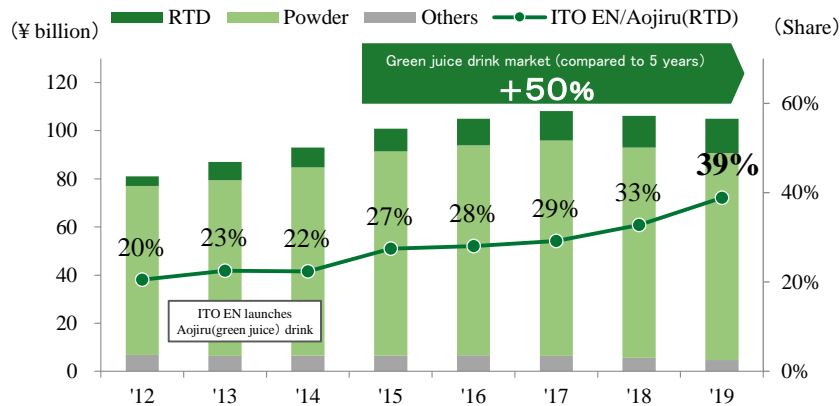
※YoY growth from February to April 2020 (based on quantity)

Emphasizing the value, primarily the nutritional value, and
enhancing communication
Increasing the recognition of tasty vegetable juice with nutrients

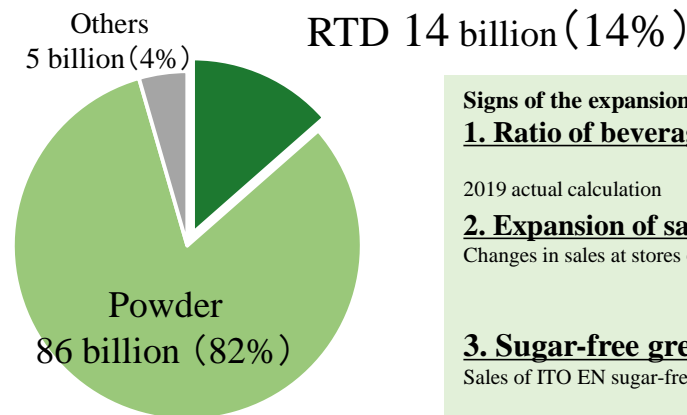
Green Juice (Aojiru)

Aojiru Market (RTD, Powder, Others)

○Sales status of green juice series



2019 Aojiru market **105 billion yen**



Market: Calendar year ITO EN: May to Apr

Signs of the expansion of the green juice market

1. Ratio of beverages

2019 actual calculation **9.8%**

2. Expansion of sales at real stores

Changes in sales at stores over two years

+9.0%

3. Sugar-free green juice

Sales of ITO EN sugar-free green juice over two years.

3.5 times

*Comparison with 2017; Quantity base

Growing young barley leaves in fields (contract farming)



Young barley leaves, which are used to make green juice, are grown in the off-season for tea farmers for efficient farming.



The basic value of the “Mainichi-ippai-no (a bottle a day) Aojiru” series
Low calories, low carbohydrate, and a delicious taste

毎日1杯の青汁

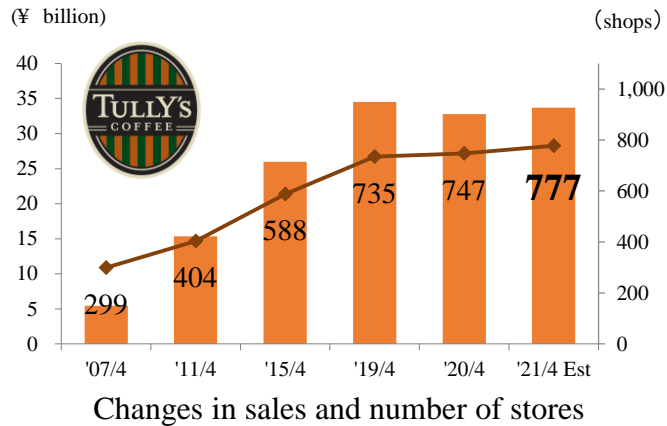
YoY +16%

*Quantity base

ITO EN's green juice can be drunk in big gulps.
ITO EN will strive to increase its recognition.

Tully's Coffee Japan Co., Ltd. Business Overview

- Opening shops at good locations. To 777 stores (by the end of April 2021)
- Responding to needs for cafés as places for work and relax



Merchandise Policy: Attracting Female Customers and Responding to “Café at Home”

- Enhancing the product lineup to increase female customers
- Proposing ways to enjoy special coffee at home



○Tully's special coffee

Developing convenient products that customers who have just started to enjoy a café at home can also enjoy

Launched on June 26 “Elephant Ruby Laos”

○Launching a Nata De Coco series

Launched on April 13 “Red belly nata de coco”

Launched on May 20 “Mango tango nata de coco” “Okinawa Shikuwasa nata de coco”



Human Resources Policy: Creation of a Chief Barista System

Employees who are responsible for cultivating Tully's baristas and raising awareness of coffee in and outside of the company



Colleagues who have won first place in the nationwide barista contest or have participated in the nationwide barista contest three times or more

ITO EN “TULLY'S COFFEE Brand”

Coffee beverages that achieve shop-level quality



Bottle-Can Black Coffee
Repeat rate **#.1** · Share **#.1**

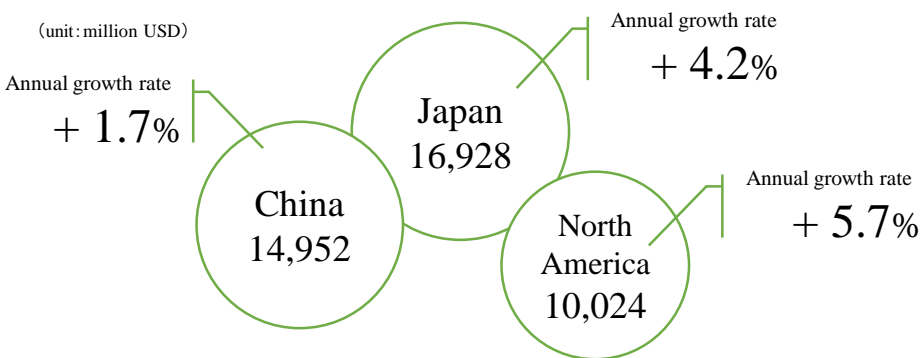


Launched on Jul 6 “TULLY'S COFFEE ESPRESSO with MILK”

Overseas Business Strategy

Sizes and Growth of Tea Beverages Markets Globally in 2022

The Chinese market is almost as large as the Japanese market, the largest market in the world. The North American market is expected to continue to grow.



*ITO EN's forecast for the sizes of tea beverages markets globally from 2018 to 2022

Local production for local consumption overseas Started production of tea bag products made in Australia



A new tea bag factory

Production capacity: 6.12 million TB/year



Sales will start in May 2020

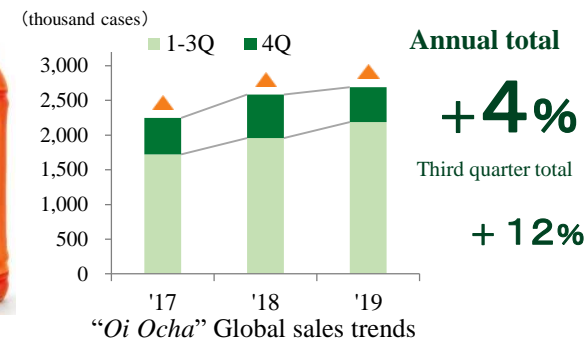


AMAG Logo, which shows the reliability of products made in Australia, is printed on the package

*AMAG: Australian Made, Australian Grown

"Oi Ocha" Selling worldwide

Continued growth centered on the US and China



*Fiscal year/Sales volume

North America area



YoY sales volume

Annual total +15%
Third quarter total +27%

From now on

- Reviewing the product mix
- Focusing on American supermarkets selling natural products

China area



YoY sales volume

Annual total +2%
Third quarter total +10%

From now on

- Strategically expanding covered areas and accelerating market development

Management strategy

STILL NOW

At ITO EN, we always ask, “What are customers still dissatisfied with now?” The slogan is “STILL NOW.” This is the key question we ask to achieve our “customer first” principle.

Product Planning /Development

○Addressing the plastic waste issue

- Will use recycled PET plastic for all *Oi Ocha* PET plastic bottles by 2030.
- ITO EN launches Biodegradable Tea Bag Filter Environmentally Friendly Tea Bag



○Developing products utilizing used tea leaves

Joint development of a pillow leveraging the deodorizing and antibacterial effects of green tea “GREEN TEA PILLOW-S of ITO EN and FRANCE BED”



*For the details of the tea-producing region development project, refer to the Appendix.

Procurement

○Further developing the tea-producing region development project

- Plans to achieve the medium- to long-term goal, 2,000 ha of tea-producing regions by Apr 2021

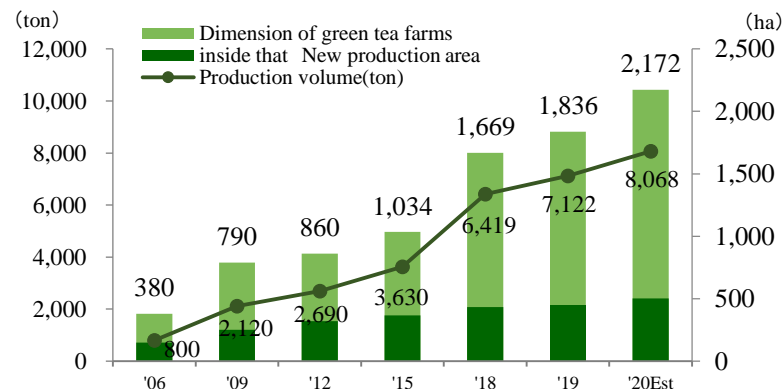


Point

- Approximately 35% of tea leaves consumed by ITO EN are from the tea-producing region development project.
- The target is 100% GAP certification.

※GAP(Good Agricultural Practice):
Agricultural production process management

Transition of Dimension of green tea farm



The mid-long term target, 2,000 ha, is expected to be achieved this fiscal year.

source: ITO EN Period May-April *Including contract cultivation farms

*For the details of the tea-producing region development project, refer to the Appendix

Production/Logistics

○Fabless system where manufacture is outsourced to outside beverage factories

- Manufacture is outsourced to approximately 50 beverage factories nationwide
- The national land is divided into five regions for manufacture and distribution



○Using the NS System*and environmentally conscious bottles

- Achieving high quality and reducing the consumption of water and energy



※ITO EN's unique aseptic filling process, where no germicides are used in the process of sterilizing

Sales/Distribution

○Revitalizing Japan by increasing the consumption of domestic products

- In collaboration with ZEN-NOH*, which links producers and consumers we sell products that show the value of domestic agricultural products.



ニッポシエール
にっぽん生まれ、にっぽんそだち。

*The National Federation of Agricultural Cooperative Associations
*Nippon Ale is a registered trademark of JA ZEN-NOH



○Solving social issues leveraging route sales

- Installing hygienic vending machines
 < Attaching antibacterial sheets containing used tea leaves to vending machines >



Example: a push button



Example: the delivery chute



Formulation of ITO EN Group's Human Rights Policy

In March 2020, we formulated ITO EN Group's Human Rights Policy in line with the United Nations' Guiding Principles on Business and Human Rights. We will respect human rights and will contribute to achieving a sustainable society.

Towards a "Global Tea Company"

ITO EN is working to become a corporate group that supports and enriches the lives of all its customers around the world, by contributing to their health

Health creation company that supports enriched lives



Sales of sugar-free beverages
account for 74% of sales
of all beverages



"Skilled Professional on
ITO EN TEA TASTER "



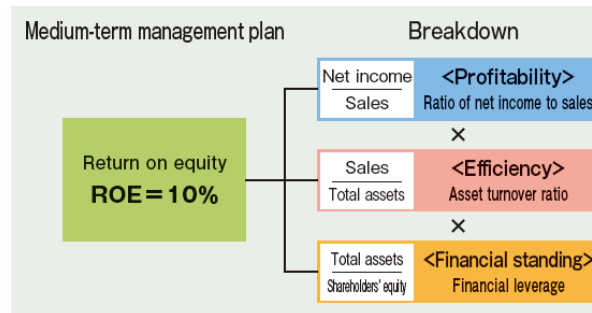
2020
健康経営優良法人
Health and productivity

Corporate sustainability

- **Enhancement of Governance**
- **Further effort of CSR Issues and Correspondence to ESG**
 - Developing tea farming
- **Establishment of a high value-adding model**
 - Emphasizing the value of tea

Strengthening ROE Management

- **Improvement of Profitability and Capital Efficiency**
- **Growth in EPS**
- **Stable return to Stockholders**

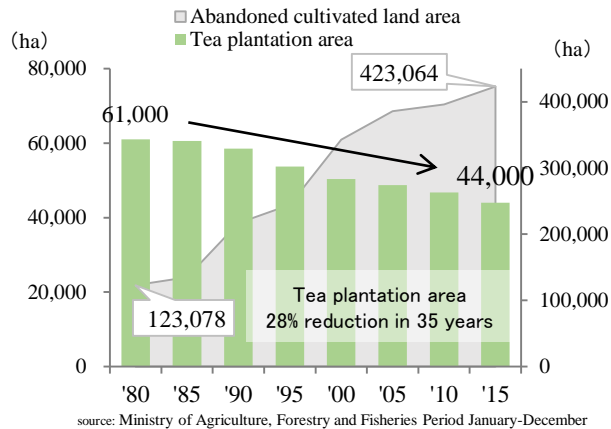


- Cost cutting through the Tea-Producing Region Development Project and contact cultivation with farmers
- Efficient management of fixed expenses through emphasis on community-based sales system of route sales
- High asset turnover based on fabless method production
- Simultaneous pursuit of maintaining a sound financial standing and stable dividend

Appendix

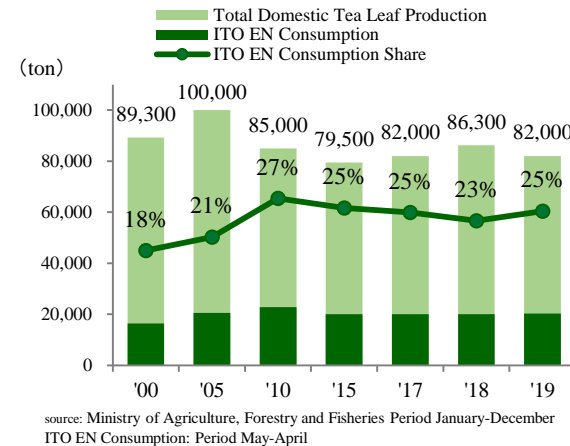
Current State of Domestic Agriculture and Production of Tea

Areas of Abandoned Farmland and Tea Fields



Abandoned farmland is increasing year after year
 • The reasons are the aging of agricultural workers and succession issues
 • Abandoned farmland is harming wildlife and is increasing risk during a disaster.

Total Volume of Domestic Green Tea Leaves Production and ITO EN Consumption



Production of tea is falling year after year
 • The reasons are aging agricultural workers and management uncertainty due to market volatility
 • Concern over declining yields and quality due to the aging of fields

ITO EN's unique model of sustainable agriculture: Tea-Producing Region Development Project

Business policy of Tea-Producing Region Development Project

- Improvement of quality and cost cutting
- Stable management of the tea business and stable supply of raw materials
- Promotion of management of tea fields that coexist with the environment



Photo: Creating a 50 ha tea field in the Kitsuki region of Oita Prefecture

Value provided to farmers

- Stable and sustainable farming
- creation of jobs
- Reduction in production cost, the shortening of work hours

Value provided to society

- Elimination of abandoned farmland (local revitalization)
- Traceability

To help develop tea farming, we will start a new tea-producing region project soon in Shizuoka Prefecture.



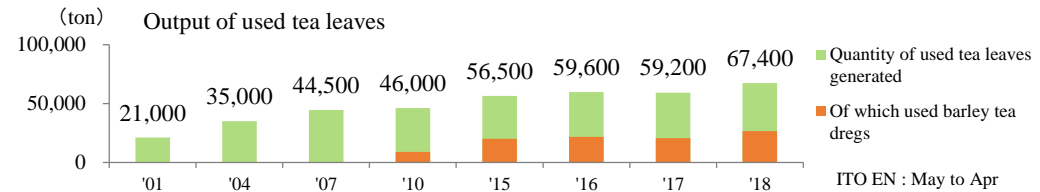
Shizuoka Prefecture has become a new tea-growing area, and new tea-producing region projects are being executed in eight areas in six prefectures.



Appendix : Used Tea Leaves Recycling System

~ Making tea more familiar ~

Recycle the tea leaves, that you always get after, drinking tea to familiar daily products.



■ Product containing used tea leaves (from July, 2003)



Cultivation



Production



used tea leaves

Dry immediately after discharge.
Dry products combination.

High cost, large environmental impact

Recycling System of Used Tea Leaves *Low environment impact

- Technologies that enable used tea leaves to be stored and transported at room temperature while still containing moisture
- Technologies for developing products using used tea leaves that still contain moisture
- Product development utilizing the properties of tea
- Technologies for fixing CO2 absorbed by tea leaves during growth into products made by recycling used tea leaves

Creating high value-added products that utilize the properties of used tea leaves (green tea), such as antibacterial and deodorizing effects

1. Paper products containing used tea leaves

Cardboard box for beverages



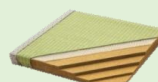
2. Resin products containing used tea leaves

Field Chip "Greentea"



3. Building materials products containing used tea leaves

Tatami (Japanese straw mat)



4. Sheet for vending machine products using used tea leaves

Used tea leaf composition sheets

Vending machine equipped with used tea leaf



■ Product containing used barley tea dregs (From Sep 2019)



Paper products containing used barley tea dregs

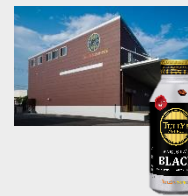
Cushioning material



Create high-value-added products that take advantage of their characteristics



■ Coffee-rated recycled products (From July 2012)



Paper products containing Silver skin

Paper napkin
(Used in TULLY'S COFFEE shop)



Appendix: Topics & Related materials

Rolling out directly operated stores
that communicate the appeal of tea

matcha LOVE, an American-born matcha brand, first
matcha LOVE in Japan

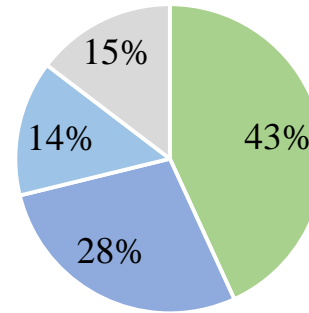


matcha LOVE



Grand opening at "Shibuya Hikarie ShinQs" on June 5, 2020

Sales composition by Channels
(Non-Consolidated)

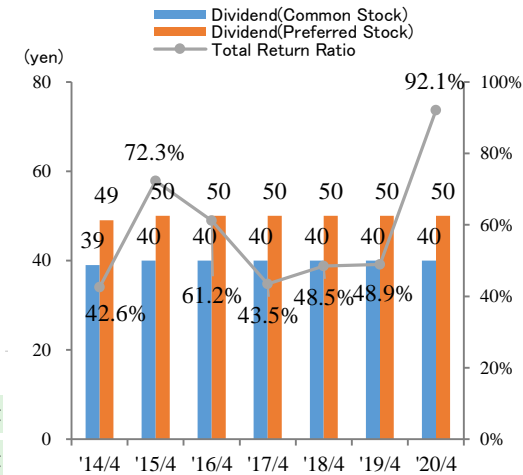


FYE April 2020 Sales composition by Channels

	YoY
Supermarket	+1.5pt
ConvenienceStore	-0.3pt
VendingMachine	-0.5pt
Others	-0.8pt

Period: May to April Price base

DPS and total return ratio



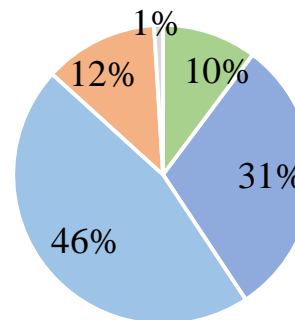
Increasing the ratio of cashless payment at vending machines



YoY
+ 5.4 %

Vending machines that support different types of cashless
payment will become even more convenient

Sales composition by Packaging (Non-Consolidated)



FYE April 2020 Sales composition by Packaging

	FYE April 2019	FYE April 2020	Rate of change	Composition ratio YoY
Sales Volume	244,928	231,881	-5.3%	-
Cans	26,383	23,699	-10.2%	-0.6pt
PET (large)	77,559	70,663	-8.9%	-1.2pt
PET (small)	108,792	106,754	-1.9%	+1.6pt
Carton	29,952	28,517	-4.8%	+0.1pt
Others	2,240	2,245	0.2%	+0.1pt

Unit: thousand cases / May to April

Appendix : Related materials

ITO EN (non-consolidated) Results by Category

(¥ million)

	FYE Apr. 30, 2019	Sales Composition	YoY % Change	FYE Apr. 30, 2020	Sales Composition	YoY % Change	FYE Apr. 30, 2021 Est.	Sales Composition	YoY % Change
Net Sales	394,495	100.0%	2.9%	377,787	100.0%	-4.2%	376,200	100.0%	-0.4%
Tea Leaves	36,969	9.4%	3.6%	35,269	9.3%	-4.6%	35,621	9.5%	1.0%
Drinks	353,921	89.7%	2.9%	339,395	89.9%	-4.1%	337,653	89.7%	-0.5%
Japanese Tea/Healthy Tea	198,815	50.3%	6.6%	193,246	51.2%	-2.8%	194,645	51.6%	0.7%
Chinese Tea	16,782	4.3%	-3.7%	17,219	4.6%	2.6%	17,234	4.6%	0.1%
Vegetable	45,531	11.5%	-3.4%	43,960	11.6%	-3.5%	44,022	11.7%	0.1%
Fruit	10,451	2.6%	-11.9%	8,855	2.3%	-15.3%	7,927	2.1%	-10.5%
Coffee	41,758	10.6%	-2.3%	36,538	9.7%	-12.5%	36,399	9.7%	-0.4%
Black Tea	5,723	1.5%	12.6%	7,677	2.0%	34.1%	7,070	1.9%	-7.9%
Functional	7,863	2.0%	15.3%	7,763	2.1%	-1.3%	7,239	1.9%	-6.7%
Mineral Water	11,040	2.8%	5.5%	9,396	2.5%	-14.9%	8,979	2.4%	-4.4%
Carbonated	11,911	3.0%	-0.2%	11,175	3.0%	-6.2%	10,586	2.8%	-5.3%
Others	4,041	1.1%	7.3%	3,562	0.9%	-11.9%	3,552	1.0%	-0.3%
Others	3,605	0.9%	-1.5%	3,122	0.8%	-13.4%	2,925	0.8%	-6.3%

Non-consolidated

Appendix : Related materials

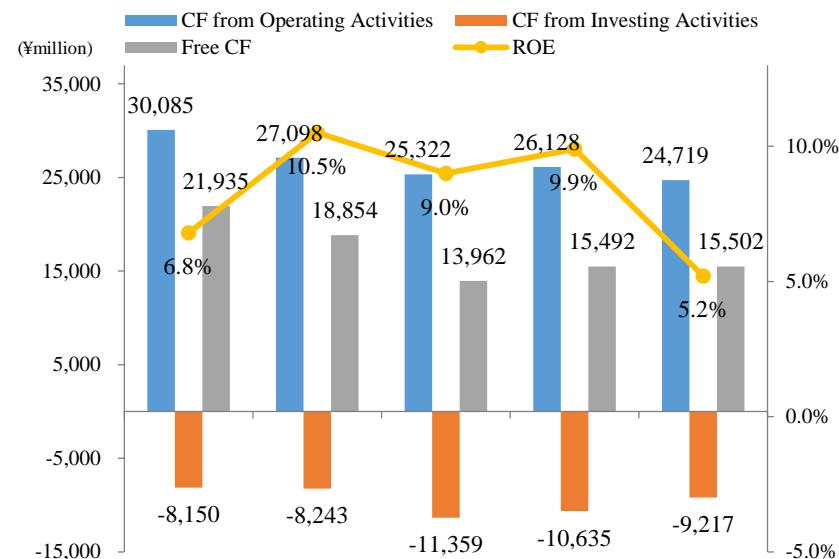
Consolidated Balance Sheet

(as of April 30, 2019 and 2020)

(¥million)

	2019	2020	Change
Current assets	177,449	173,966	-3,483
Cash and deposits	63,738	64,813	1,075
Accounts receivable-trade and inventories	100,170	94,891	-5,279
Property, plant and equipment	84,186	82,986	-1,200
Land	22,335	22,046	-289
Leased assets	19,389	15,527	-3,862
Other	42,462	45,413	2,951
Intangible fixed assets	18,956	11,570	-7,386
Goodwill	14,729	7,875	-6,854
Investments and other assets	23,389	22,128	-1,261
Total assets	303,981	290,651	-13,330
Current liabilities	76,473	71,072	-5,401
Accounts payable	30,181	26,447	-3,734
Short-term loans payable	2,020	6,820	4,800
Lease obligations	5,051	3,979	-1,072
Income taxes payable	4,660	3,220	-1,440
Non-current liabilities	76,585	69,884	-6,701
Corporate bonds	10,000	10,000	0
Long-term loans payable	44,522	38,922	-5,600
Lease obligations	7,450	5,956	-1,494
Total liabilities	153,058	140,956	-12,102
Net assets	150,923	149,695	-1,228

Consolidated Cash Flows



(¥ million)	'16/4	'17/4	'18/4	'19/4	'20/4
Capital Investments	8,603	8,135	11,062	10,006	9,990
Depreciation/Amortization	5,203	5,418	6,180	6,735	7,022
Leased Assets Depr.	10,872	7,052	7,042	6,675	6,081
Lease obligations(Repayment)	-11,236	-10,361	-8,616	-6,514	-4,679

Rating	A+
Bond shelf registration(straight bonds)	¥40 billion

Equity ratio	4/2019	49.2%
	4/2020	51.0%



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.