

Supplementary Materials

for the Fiscal Year Ending April 30, 2020

March 2020 ITO EN, LTD.



3Q Results of Operations

(¥ million)

		Third Quarter Total (May–January)				
		FYE Apr. 30, 2019	Sales Composition	FYE Apr. 30, 2020	Sales Composition	YOY % Change
Consolidated	Net Sales	389,099	100.0%	379,214	100.0%	-2.5%
	Gross Profit	183,149	47.1%	182,394	48.1%	-0.4%
	Selling, General and Administrative Expenses	166,712	42.8%	164,542	43.4%	-1.3%
	Operating Income	16,437	4.2%	17,852	4.7%	8.6%
	Ordinary Income	16,584	4.3%	17,690	4.7%	6.7%
	Extraordinary Losses and Income	-460	-	-33	-	-
	Net Income	10,258	2.6%	11,299	3.0%	10.2%

Annual Total (May–April)				
FYE Apr. 30, 2019	Sales Composition	FYE Apr. 30, 2020 Est.	Sales Composition	YOY % Change
504,153	100.0%	498,000	100.0%	-1.2%
240,375	47.7%	241,000	48.4%	0.3%
217,555	43.2%	218,000	43.8%	0.2%
22,819	4.5%	23,000	4.6%	0.8%
23,211	4.6%	22,800	4.6%	-1.8%
-724	-	-900	-	-
14,462	2.9%	14,200	2.9%	-1.8%

Non-Consolidated	Net Sales	304,810	100.0%	295,751	100.0%	-3.0%
	Gross Profit	140,889	46.2%	140,446	47.5%	-0.3%
	Operating Income	10,463	3.4%	13,342	4.5%	27.5%
	Ordinary Income	12,430	4.1%	15,167	5.1%	22.0%

394,495	100.0%	389,600	100.0%	-1.2%
184,965	46.9%	185,865	47.7%	0.5%
15,851	4.0%	17,000	4.4%	7.2%
18,600	4.7%	18,700	4.8%	0.5%

Exchange rate (US\$)

¥111.30

¥108.39

(3Q average rate)

¥111.27

¥108.88

(average during a year)

3Q Category Results (Non-consolidated)

(¥ million)

		Third Quarter Total (May–January)								
		FYE Apr. 30, 2018			FYE Apr. 30, 2019			FYE Apr. 30, 2020		
		Sales Composition	YOY % Change	Sales Composition	YOY % Change	Sales Composition	YOY % Change	Sales Composition	YOY % Change	
Net Sales		292,143	100.0%	2.3%	304,810	100.0%	4.3%	295,751	100.0%	-3.0%
	Tea Leaves	25,991	8.9%	6.6%	27,044	8.9%	4.1%	25,649	8.7%	-5.2%
	Drinks	263,406	90.2%	1.8%	275,190	90.3%	4.5%	267,594	90.5%	-2.8%
	Others	2,746	0.9%	9.3%	2,575	0.8%	-6.2%	2,506	0.8%	-2.7%
Breakdown of Drinks	Japanese Tea /Healthy Tea	143,435	49.1%	0.7%	154,197	50.6%	7.5%	152,678	51.6%	-1.0%
	Chinese Tea	13,710	4.7%	3.5%	12,903	4.2%	-5.9%	13,775	4.7%	6.8%
	Vegetable	35,561	12.2%	7.6%	35,002	11.5%	-1.6%	33,120	11.2%	-5.4%
	Fruit	9,169	3.1%	11.3%	8,167	2.7%	-10.9%	7,087	2.4%	-13.2%
	Coffee	31,709	10.8%	-1.7%	32,067	10.5%	1.1%	28,577	9.7%	-10.9%
	Black Tea	3,758	1.3%	-2.0%	4,811	1.6%	28.0%	6,174	2.1%	28.3%
	Functional	5,504	1.9%	-4.5%	6,353	2.1%	15.4%	6,579	2.2%	3.6%
	Mineral Water	8,097	2.8%	-8.7%	8,802	2.9%	8.7%	7,581	2.6%	-13.9%
	Carbonated	9,517	3.3%	16.9%	9,737	3.2%	2.3%	9,209	3.1%	-5.4%
	Others	2,942	1.0%	3.2%	3,146	1.0%	6.9%	2,809	0.9%	-10.7%

Apr, 2020

ITO EN Introduces Biodegradable Tea Bag Filter Environmentally Friendly Tea Bag

ITO EN has developed a Japanese green tea bag made from environmentally friendly materials, designed for a wide range of uses, from mugs to reuseable drink bottles "MY BOTTLE", to meet today's needs. Through the launch of eco-friendly products, the company will continue to pursue Japanese tea that is more familiar to and loved by people.

<p>Plant-derived biodegradable filter</p> <p>About 50% reduction in filter usage</p> 	<p>Renewed individual packaging materials</p> <p>About 15-ton reduction in annual plastic consumption</p> 	<p>Carton cardboard</p> <p>FSC certified</p>  <p>FSC-certified paper is made from wood pulp sourced from a properly managed forest.</p>
<p>Tea bag ingredients for making a mug of tea</p> <p>From a teacup amount (120 mL) to a mug amount (150 mL)</p> <p>The tea bag contains green tea with a strong taste and aroma which was produced in a half-shortened production time.</p> 		



Launched on Apr 13

Introducing an eco-friendly, plant-derived biodegradable tea bag filter



Feb, 2020

For a City Full of Cherry Blossoms That We Pass onto Future Generations. The Project "Let's Plant Future Cherry Blossom Trees in My City"

This project will donate a portion of the sales from Oi Ocha Green Tea featuring the sakura (cherry blossoms) full-bloom package to tree planting and other conservation activities for cherry blossom trees nationwide. With tea as its main business, part of Japanese culture, ITO EN will implement the project in cooperation with the Japan Cherry Blossom Association with the hope of handing down cherry blossoms, which has been adding richness to the season of spring in Japan from ancient times, to future generations and cherishing them to keep blooming every year.



Launched on Feb 17 (limited quantities)



Mar, 2020

Casually, easily and quickly, you can make a large volume of tea. Can Make a Large Amount of Tea Quickly and Conveniently

Amid the backdrop of increasing awareness of time limitations and simplification associated with the increase of two-income households, ITO EN has launched tea concentrate products that allow a large amount of delicious tea to be made at any time, simply by mixing it with hot or cold water. The company will continue to propose various forms of tea that meet current needs and offer products for diverse lifestyles.



Launched on Mar 2



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.