

First Half Financial Results

for the Fiscal Year Ending April 30, 2020

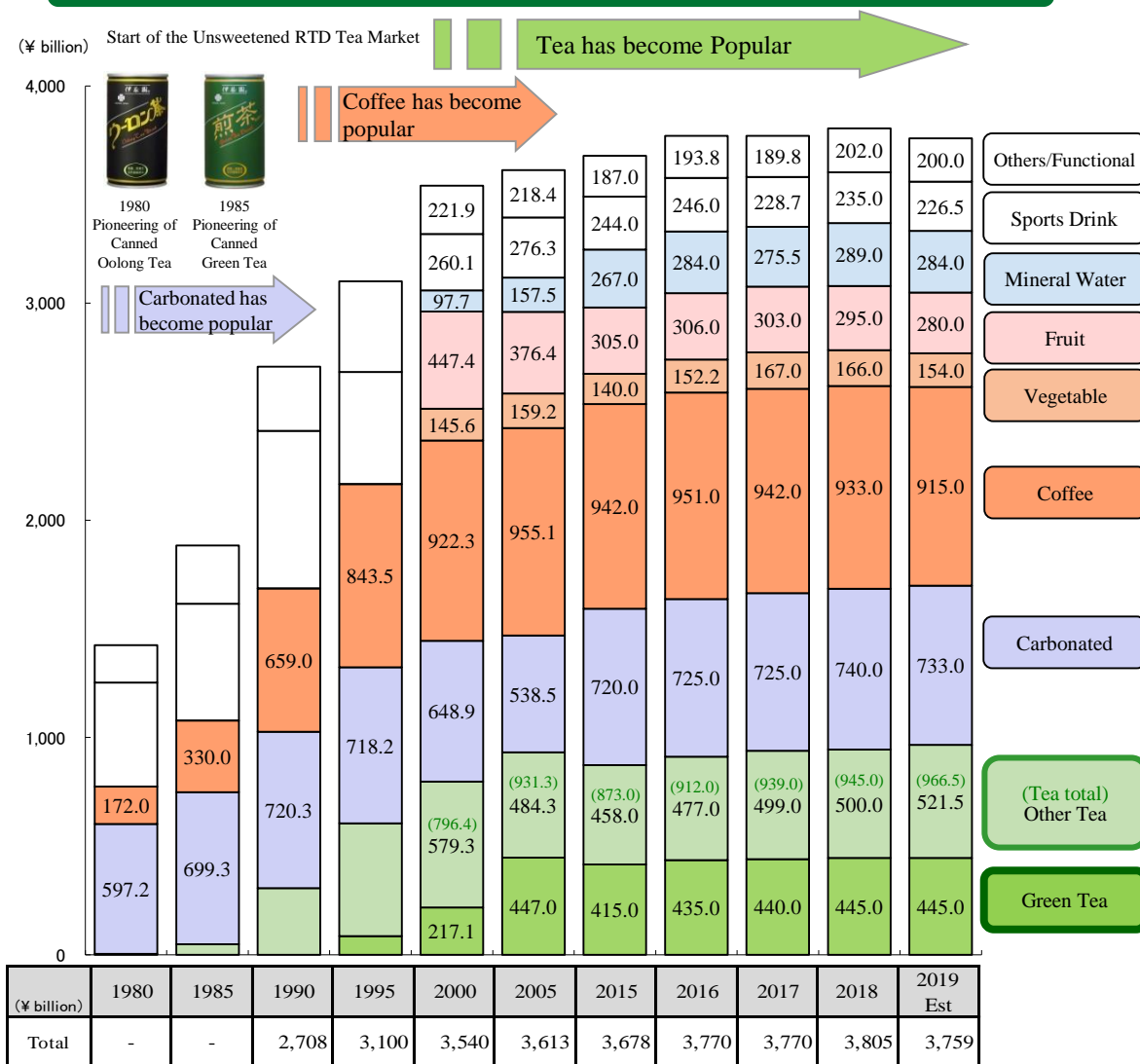
December 2019 ITO EN, LTD.



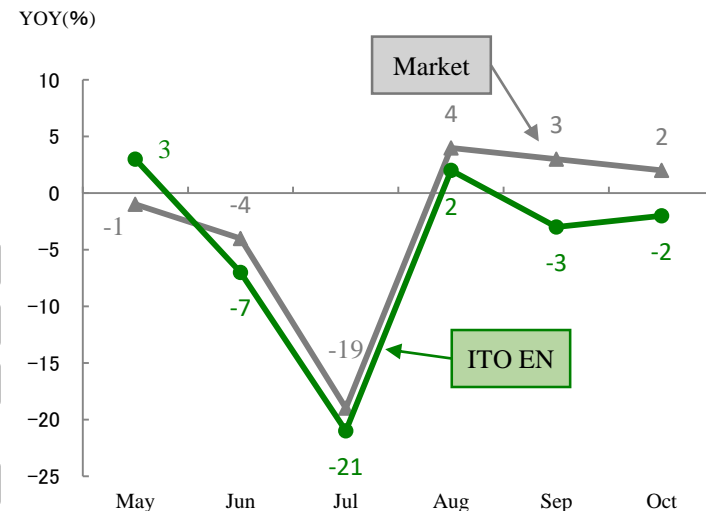
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Soft Drink Market in Japan

Soft Drink Market Trends



Monthly Sales Volume Trends



Source: ITO EN, (Chart) May 2019 to Oct 2019

Topics of Soft Drink Market

- April Rolled out progressive price increases for products in large-sized PET plastic bottles.
- July Sales volumes decreased due to heavy/sustained rain and low temperatures.
- September Sales volumes decreased as a reaction to the disruption and confusion in the logistics network last year.
- October Extensive damage was incurred due to multiple typhoons and other natural disasters. Rainfall increased nationwide.
- Other Delivery costs increased as a result of personnel shortages. Revitalization of the black tea beverages market.

Source: ITO EN, Calendar year

Results by Category (Non-Consolidated)

(¥ million)

2Q(May-Oct)		FYE Apr. 30, 2018		FYE Apr. 30, 2019			FYE Apr. 30, 2020			
		Sales Composition	YOY % Change	Sales Composition	YOY % Change	Sales Composition	YOY % Change			
Net Sales		208,338	100.0%	1.7%	217,725	100.0%	4.5%	208,881	100.0%	-4.1%
Tea Leaves		16,436	7.9%	7.8%	16,902	7.8%	2.8%	16,198	7.8%	-4.2%
Drinks		190,108	91.2%	1.1%	199,013	91.4%	4.7%	191,043	91.4%	-4.0%
Others		1,793	0.9%	11.3%	1,810	0.8%	1.0%	1,638	0.8%	-9.5%
Breakdown of Drinks	Japanese Tea/Healthy Tea	106,153	50.9%	0.4%	113,965	52.3%	7.4%	111,325	53.3%	-2.3%
	Chinese Tea	10,076	4.8%	4.2%	9,172	4.2%	-9.0%	9,642	4.6%	5.1%
	Vegetable	25,267	12.1%	7.3%	25,013	11.5%	-1.0%	23,347	11.2%	-6.7%
	Fruit	6,313	3.0%	11.8%	5,683	2.6%	-10.0%	4,694	2.2%	-17.4%
	Coffee	21,185	10.2%	-2.1%	21,366	9.8%	0.9%	19,530	9.4%	-8.6%
	Black Tea	2,072	1.0%	-22.6%	3,155	1.5%	52.3%	3,833	1.8%	21.5%
	Functional	4,432	2.1%	-3.8%	5,053	2.3%	14.0%	4,869	2.3%	-3.6%
	Mineral Water	5,969	2.9%	-12.2%	6,510	3.0%	9.1%	5,490	2.6%	-15.7%
	Carbonated	7,429	3.6%	16.7%	7,609	3.5%	2.4%	7,065	3.4%	-7.2%
	Others	1,207	0.6%	-7.5%	1,482	0.7%	22.7%	1,243	0.6%	-16.1%

Results of Operations (First Half Total)

■ 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	275,468	100.0%	265,471	100.0%	-3.6%
	Gross Profit	129,511	47.0%	126,923	47.8%	-2.0%
	Sales Commission	47,633	17.3%	44,488	16.8%	-6.6%
	Advertising	7,255	2.6%	6,408	2.4%	-11.7%
	Freight	8,246	3.0%	8,082	3.0%	-2.0%
	Depreciation and Amortization	5,595	2.0%	5,665	2.1%	1.3%
	Selling, General and Administrative Expenses	116,299	42.2%	112,815	42.5%	-3.0%
	Operating Income	13,212	4.8%	14,107	5.3%	6.8%
	Ordinary Income	13,819	5.0%	13,872	5.2%	0.4%
	Extraordinary Losses and Income	-502	-	-183	-	-
	Net Income	8,698	3.2%	8,925	3.4%	2.6%

■ Performances of Subsidiaries

(¥ million, \$ thousand)

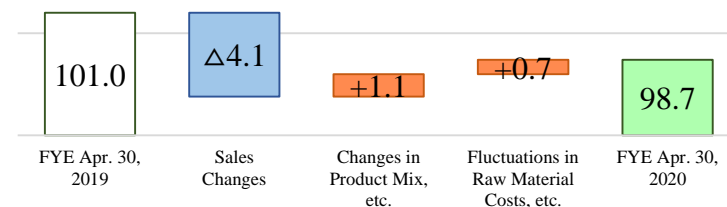
Upper: Net Sales Bottom: Operating Income	FYE Apr. 30, 2019	FYE Apr. 30, 2020	YOY % Change	
Domestic Subsidiaries	56,267	55,291	-1.7%	
	3,451	2,908	-15.7%	
	Tully's Coffee	16,981	17,609	3.7%
	Japan Co., Ltd.	1,875	1,759	-6.2%
	Chichiyasu	7,479	7,366	-1.5%
	Company	200	260	30.0%
Overseas Subsidiaries	20,590	18,836	-8.5%	
	1,392	961	-31.0%	
	US Business	17,373	15,806	-9.0%
		819	388	-52.6%
		\$156,290	\$146,344	-6.4%
		\$7,368	\$3,598	-51.2%
		Other Overseas	3,217	3,030
	Subsidiaries	573	573	0.0%
Elimination of Internal Transactions	-19,115	-17,538	-	
	-817	-745	-	

Exchange rate (US\$) ¥111.16 ¥108.01
(First Half average rate)

Non-Consolidated	Net Sales	217,725	100.0%	208,881	100.0%	-4.1%
	Gross Profit	101,065	46.4%	98,732	47.3%	-2.3%
	Operating Income	9,185	4.2%	10,983	5.3%	19.6%
	Ordinary Income	10,891	5.0%	11,983	5.7%	10.0%

■ Breakdown of Gross Profit Change (Non-Consolidated)

(¥ billion)



Forecasts FYE April 2020

■ Summary of Operations (Consolidated and Non-Consolidated)

(¥ million)

		FYE Apr. 30, 2019		FYE Apr. 30, 2020 Est.		YOY % Change
			Sales Composition		Sales Composition	
Consolidated	Net Sales	504,153	100.0%	498,000	100.0%	-1.2%
	Gross Profit	240,375	47.7%	241,000	48.4%	0.3%
	Sales Commission	84,760	16.8%	83,774	16.8%	-1.2%
	Advertising	11,544	2.3%	12,001	2.4%	4.0%
	Freight	15,210	3.0%	15,274	3.1%	0.4%
	Depreciation and Amortization	11,296	2.2%	11,029	2.2%	-2.4%
	Selling, General and Administrative Expenses	217,555	43.2%	218,000	43.8%	0.2%
	Operating Income	22,819	4.5%	23,000	4.6%	0.8%
	Ordinary Income	23,211	4.6%	22,800	4.6%	-1.8%
	Extraordinary Losses and Income	-724	-	-900	-	-
Net Income		14,462	2.9%	14,200	2.9%	-1.8%

Non-Consolidated	Net Sales	394,495	100.0%	389,600	100.0%	-1.2%
	Gross Profit	184,965	46.9%	185,865	47.7%	0.5%
	Operating Income	15,851	4.0%	17,000	4.4%	7.2%
	Ordinary Income	18,600	4.7%	18,700	4.8%	0.5%

■ Performances of Subsidiaries

(¥ million, \$ thousand)

		FYE Apr. 30, 2019		FYE Apr. 30, 2020 Est.		YOY % Change
Upper: Net Sales Bottom: Operating Income						
Domestic Subsidiaries		107,765		107,523		-0.2%
		5,801		5,314		-8.4%
Tully's Coffee Japan Co., Ltd.		34,568		36,300		5.0%
Chichiyasu Company		3,504		3,520		0.5%
		14,409		14,216		-1.3%
		269		410		52.4%
Overseas Subsidiaries		38,168		36,557		-4.2%
		2,738		2,233		-18.4%
US Business		32,385		30,997		-4.3%
		1,658		1,169		-29.5%
		\$291,054		\$284,690		-2.2%
		\$14,901		\$10,745		-27.9%
Other Overseas Subsidiaries		5,783		5,560		-3.9%
		1,080		1,063		-1.6%
Elimination of Internal Transactions		-36,276		-35,680		-
		-1,572		-1,548		-

Exchange rate (US\$) ¥111.27 ¥108.88
(average during a year)

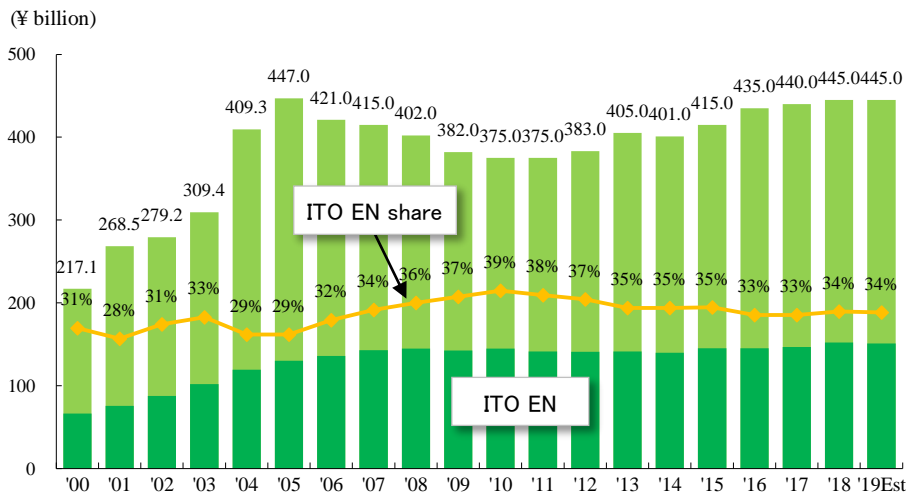
■ Breakdown of Gross Profit Change (Non-Consolidated)

(¥ billion)



Oi Ocha 30 years anniversary

Green Tea Beverage Market



Oi Ocha now has No.1 sales in all business types



Oi Ocha is performing strongly, primarily in personal-sized* products ITO EN is working to make Oi Ocha a more familiar beverage for Japanese people

Increase in sales volume
(comparison with the same quarter last year)

+2%

The keyword for strong performance is “quality”

- ①. Agreeable aftertaste
- ②. Value as a beverage that is uninfluenced by lifestyle
- ③. Consistently delicious taste that does not change, regardless of whether consumed hot or cold

*525ml and 600ml PET bottle products
Source: ITO EN, May to Oct

Initiatives to make Oi Ocha more familiar and well-loved as Japan's representative tea brand



“Local communities” Bottle designs featuring famous places and goods that are representative of Japanese



Sakura cherry trees
Urban planning for the future



Haiku
A new record for Haiku Contest entries (2 million entries)

Japan's top creative haiku contest in terms of numbers of entries received

Around 35.7 million entries have been received in total from around the world over the last 30 years

Oi Ocha Expanding consumer demographics

Foods with Function Claims: the same delicious taste but actually reduces body fat
“Oi Ocha Strong Green Tea”

2019: New label design launched displaying functional benefits of gallate-type catechins



Increase in sales volume (comparison with the same quarter last year) for personal size product*

Repeat rate : YOY

Approximately **1.5 times**

Male : 43% (+3 points)
Female : 30% (+2 points)

In particular, numbers of repeat drinkers have increased in males and females in their 20s and 60s demographics

*525ml and 600ml PET bottle products
Source: ITO EN, Oct, 2019

Source: ITO EN Calendar Sep to Oct 2019 (All business conditions)
Sales composition ratio by generations

The aroma of happiness “Oi Ocha Roasted Green Tea”

Made using 100% ichibancha (the first crop of the year) packed with delicious flavor and fragrance

Roasted Green Tea beverage market **46 billion**
(Expected for 2019)

In five years **+59%**

“Oi Ocha Roasted Green Tea” Sales share (Oct 2019)

51.4%

Source: ITOEN Calendar year (Prospect)



The freshly brewed aroma “Oi Ocha Roasted Rice Tea with Matcha”

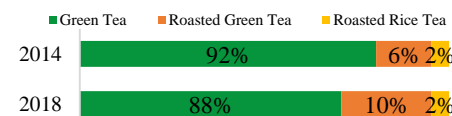
There is potential demand for genmaicha (green tea mixed with roasted brown rice, brewed immediately after the roasting) to become a new bud for market growth



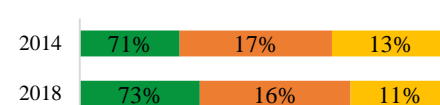
Roasted Green Tea beverage composition ratio
+4 points

Roasted Rice Tea beverage composition ratio
Expected expansion

○Green tea beverage market composition ratio



○Green tea leaf market composition ratio

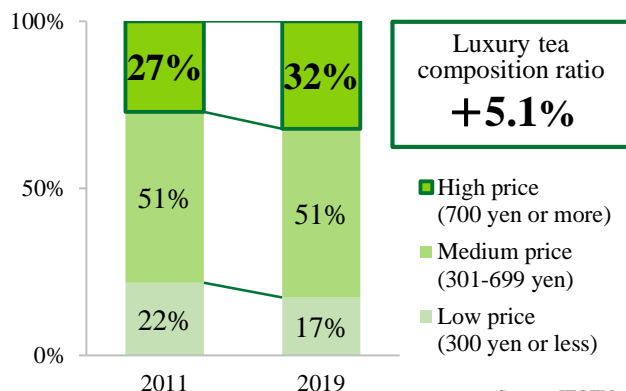


Source: ITOEN Calendar year (Composition ratio)

Launched on Nov 11

Proportional sales of luxury teas have increased

Percentage product sales in the green leaf tea market



Source: ITO EN

ITO EN Tea Tasters: proposing delicious ways to enjoy tea

Consumers experience delicious, sweet-tasting ichibancha green tea (made using the first tea harvest of the year)



“Dai-Cha-Kai” Held 1,500 time a year

*Total 「Dai-Cha-Kai」 Seminars on how to prepare delicious Japanese green tea」



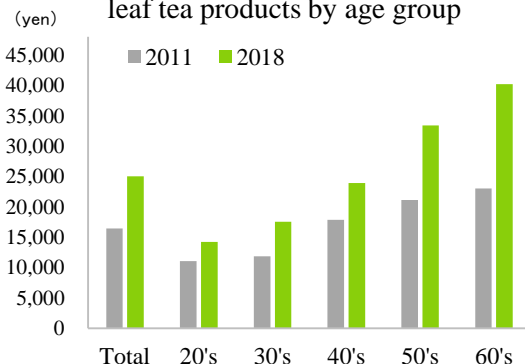
Launched on Sep 16

Developed with the “Oi Ocha” brand

A product lineup to match the times: contributing to the increase in demand for individual dining amongst family members

Needs for delicious tea that can be made casually are increasing, primarily amongst elderly households that are highly familiar with tea

Purchase amounts for easy & convenient leaf tea products by age group



○Proportion of easy & convenient products in the green leaf tea market

2011 25% → 2018 41%

○Purchase amounts for easy & convenient green leaf tea products

Compared 2011 50 to 60 years old +67%

○Easy-to-Use Green Tea Product Market

ITO EN Share 50%

Eco-friendly initiatives from 2020 onwards

“Oi Ocha” TeaBag products

→Adoption of environmentally friendly biodegradable filters

My bottle utilization

→Proposal of new lifestyle habits, with personal bottles that are convenient for office use and carrying while walking



*image

Spreading the value of tea

Rolling out directly-operated stores that communicate the appeal and attraction of tea

A store that communicates the Japanese concept of “Wa (Japanese harmony)”, and makes Japanese tea feel more familiar

“ Saryo ITOEN YOKOHAMA ”



茶寮 伊藤園
saryo ITOEN



Opened Oct 31 (Place: Yokohama-city Kanagawa Prefecture)

ITO EN's first integrated restaurant, eat-in and off-the-shelf product-selling store

“ ocha room ashita ITO EN ”



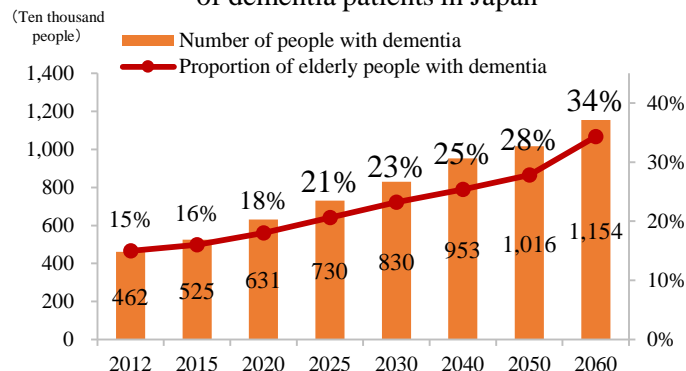
ocha room
ashita
伊藤園 ITO EN



Opened Nov 1 (Place: Shibuya Ward, Tokyo)

Researching the health value of Japanese “Matcha”

Current situation and predicted future change in numbers of dementia patients in Japan



1 out 5 elderly people (over 65) have dementia at 2025

Source: Ministry of Health, Labor and Welfare:



About improving cognitive functions with matcha

- Verified the effect of improving cognitive functions (Oct, 2018)
- Conducting research to validate the cerebral mechanisms behind the effect of improving cognitive functions (From Aug, 2019)

< Joint research with RIKEN (the Institute of Physical and Chemical Research) >

About preventing dementia with matcha

- Commenced proving trials to validate the effectiveness of matcha in preventing dementia (From Nov, 2018)

< Joint research with Shimadzu Corporation and MCBI (Molecular and Clinical Bioinformatics) Inc. >



The spread of sugar-free beverages

Increase in health-conscious attitudes

○ Things people do consciously on a day-to-day basis for health reasons

Avoid intake of sugar, etc., from beverages

47%

Source: ITOEN 2019 Survey (n=4,000)

○ Proportional share of sugar-free beverage products in the Japanese beverage market

In the 30 years of Heisei 8% → 49%

Source: ITOEN

The ITO EN Health Forum (Nov 2, 2019)



The ITO EN Health Forum communicated “Wisdom for Living a Richer Life in the Age of 100-year Life Expectancy” with tea, through keynote speeches and panel discussions.

Converting sugar-free drinks from around the world into beverage products

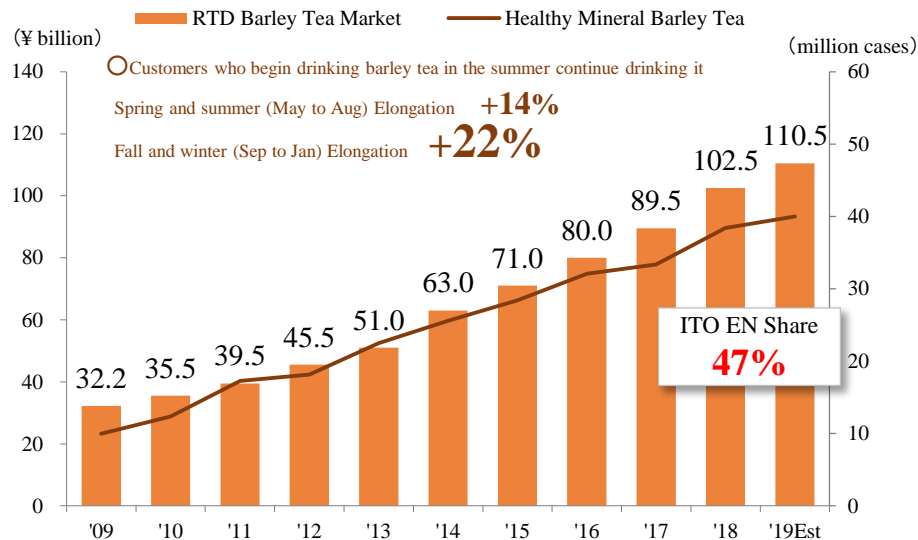


ITO EN has the No.1 market share for sales of sugar-free tea beverages in Japan



Matcha in the centuries of life
「Mainichi ippai no oishii matcha」
(Matcha Beverage)
Launched on Dec 2 (220ml / 130yen)

RTD Barley Tea Market



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

※Elongation is ITO EN 2018 results

Kenko Mineral Mugicha (Healthy Mineral Barley Tea) are performing strongly



Annual sales volume:

40 million cases

The keywords for strong performance are “mineral” and “kettle-quality flavor”

Source: ITOEN: May to Oct same period ratio

Contributing to the social issue of combatting heat



Atsui Machi Summit



Elementary School Students' SDGs Summit

Supporting sports



Super Kakekko Attack

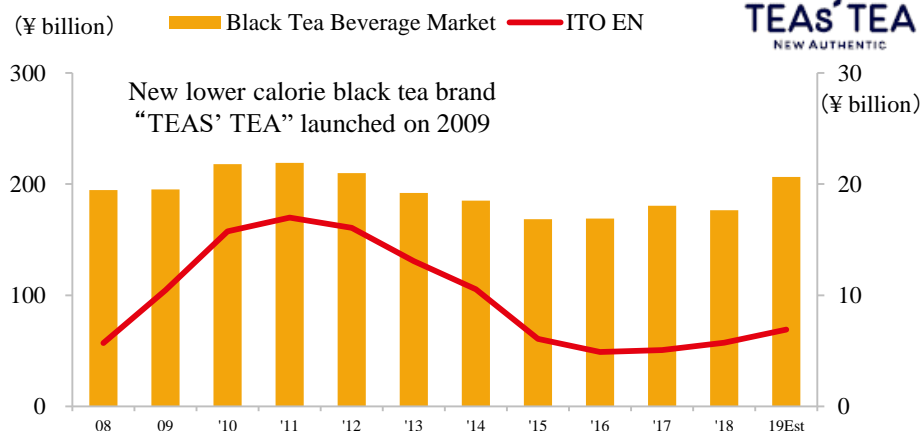
Introduction of a world-first roasting technique (From Mar, 2020)

Achieves an even more pleasant and sweetly-aromatic aftertaste



Black tea ・ Vegetable Juice

RTD Black Tea Market



Aug 2019, ITO EN launched Fresh Orange Tea, a new type of black tea beverage in which tea is brewed together with “fresh” fruits.

Sales exceeded 12 million cases during the first one month after the launch



Launched on August 5

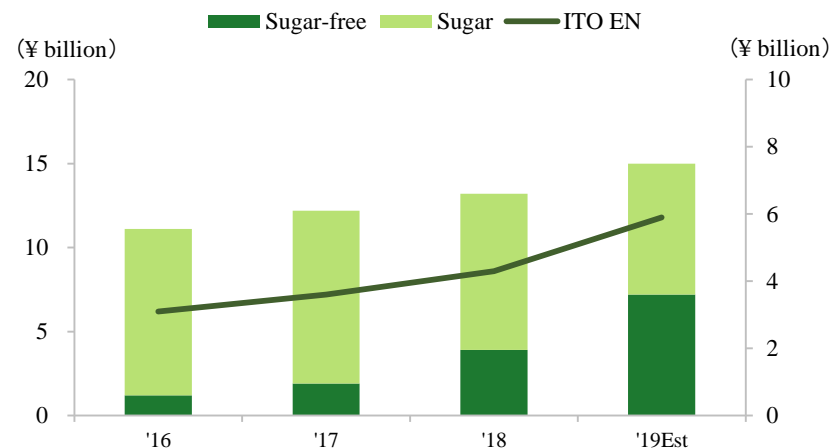


Launched on Jan 20, 2020

2019
A fruity tea beverage made using “fresh” fruits

We also plan to launch Fresh Apple Tea made using slices of fresh apple

Aojiru (Green Juice) market grew 35% over four years



Enabling every day casual consumption of Aojiru (Green Juice) that can be purchased from nearby stores and vending machines, anytime, anywhere

Sugar-free Aojiru is expected to sell approximately twice as much as in the previous year



Reasons for drinking sugar-free Aojiru

Flavor

1. Goes well with meals
2. Delicious taste

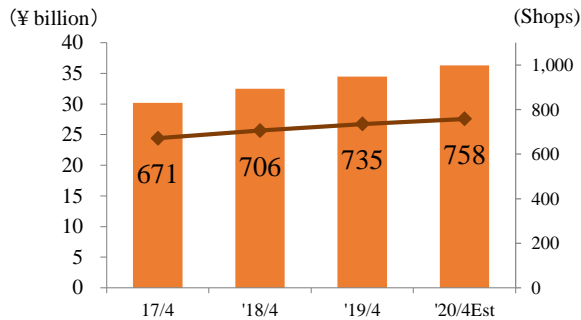
Health

1. Good for health
2. Alleviates nutritional deficiencies

source: ITOEN 2019 survey

Overview of Tully's Coffee Japan co., Ltd

Progress in sales figures and store rollouts



Launched on Nov 1
“&TEA Peach Melba Royal Milk Tea”



- The impact of the consumption tax hike has been minimal.
- A key point is providing services that include space (to sit and drink, etc.)
- Black tea beverages are performing strongly in terms of sales, and size of product lineup has doubled over five years.

Uncompromising approach to quality

Tully's Coffee Japan buyers travel directly to the growing locations and hold dialogues with the producers in each country; ensuring quality and better trusting relationships



Collaboration with Guatemala Medina Farm
Launched on Sep 13 “Guatemala Antigua Medina” (2,200yen/200g)

Coffee School is held at target stores nationwide

Staff communicate coffee-related knowledge and details of how to make a delicious cup of coffee



Holding a coffee school with a
“ **Coffee master / advisor** ”

2014 About 1,300 times

→ **2019 About 3,500 times**

(※) Internal qualification system for Tully's Coffee
(Coffee Master: 40 people Coffee advisor: 3,300 people As of Nov, 2019)

Tully's coffee brand

Coffee beverages that achieve shop-level quality



#.1 Bottle-Can Black Coffee

Overseas Business Strategy

Obesity rates are rising worldwide, and the introduction of sugar taxes is accelerating

○Numbers of overweight people who qualify as obese

Approximately 10% of the global population

Approximately **712 million people**

○Countries where “sugar taxes” have been imposed on sugar-containing beverages:

22 countries worldwide

→“Health” is a major global trend

“Oi Ocha” Selling strongly worldwide



Oi Ocha sales country
more than 30 countries

YoY sales volume

+ 13%

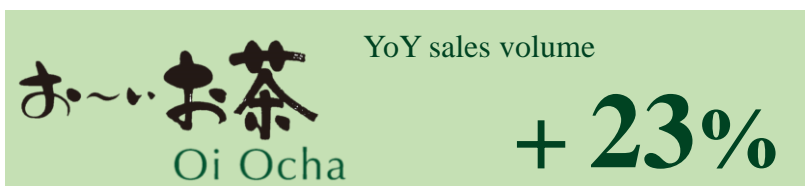
※ May to September 2019 YoY change

Global beverage needs are changing from sugar-containing beverages to sugar-free beverages

Proportional makeup of products sold in the North America area

ITOEN North America Sugar-free beverage composition ratio

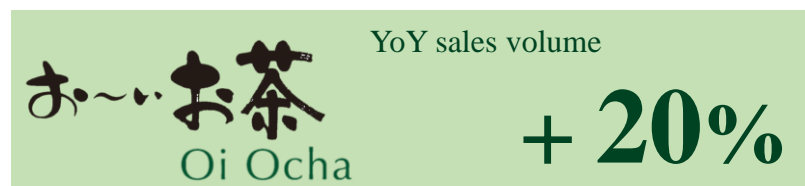
2014 46.6 % → 2018 **57.6 %**



Proportional makeup of products sold in the China area

ITOEN (Shanghai) Sugar-free beverage composition ratio

2014 49.4 % → 2018 **87.9 %**



※ May to September 2019 YoY change

Proposing value for health and peace of mind

Proposing value, enabled by community-based route sales

Disaster response vending machines
installed in all prefectures throughout Japan



Wellness Vending Machine



Making Japan Beautiful Through Tea Project



Initiatives to support environmental conservation and development / improvement activities throughout Japan. In addition to donating money, employees also participate in environmental conservation and development / improvement activities.

“Nature • Health • Safety • Delicious” Beverage product lineup



Promotion of sustainable management

Tea-Producing Region Development Project



ITO EN is promoting stable, sustainable farm management and revitalizing local communities such as by alleviating the issue of abandoned farmland.

Used Tea Leaves Recycling System



ITO EN has established a unique technology that enables used tea leaves to be stored and transported at room temperature while still containing moisture, and to be processed into a raw material for use in industrial products.

Introduction of NS system

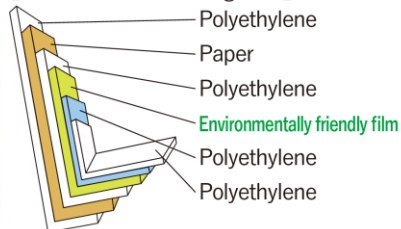


ITO EN has developed a proprietary room-temperature aseptic filling method that does not require the use of germicides in sterilizing bottles.

Aluminum-free paper pack-type drink



【Cross-section diagram】



Environmentally-friendly eco-containers
Can be recycled in the same way as milk cartons

“Oi Ocha” New Haiku Contest



The contest has been accredited under the Japanese government's beyond 2020 Program, and is one of the largest creative open entry contests in Japan.

Tea taster activities



ITO EN is engaged in initiatives to support the recovery and restoration of areas stricken by natural disasters, creating “opportunities for communication” through the use of tea.

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

To be established as a comprehensive beverages manufacture

Health creation company that supports enriched lives

#.1 market shares both in Domestic and Global Green Tea Markets

1. Strengthen the Brand and Develop New Brands
2. Increase Customers and Improving Profitability
3. Challenge for New Businesses



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



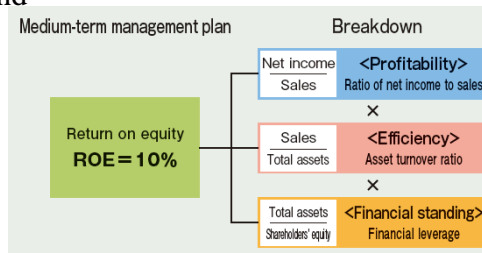
"Skilled Professional on ITO EN TEA TASTER".



2019
健康経営優良法人
Health and productivity
ホワイト500

Strengthening ROE Management

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

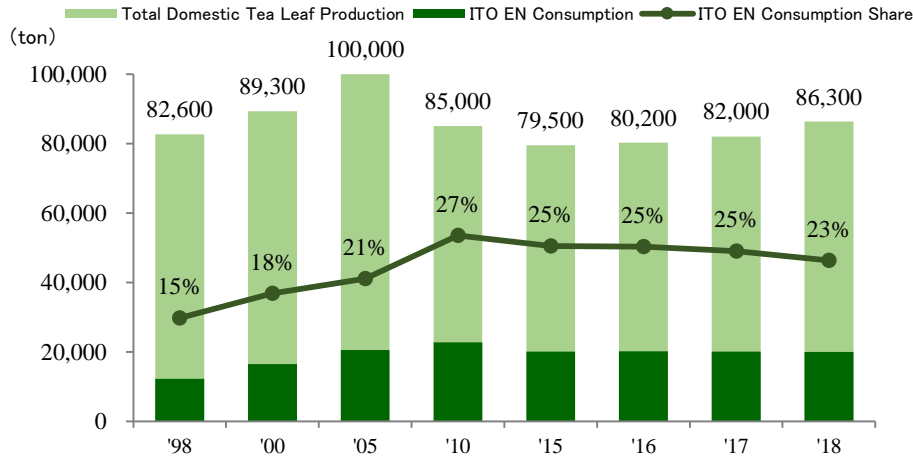


Promoting sustainability management

- Enhancement of Governance
- Further effort of CSR/CSV Issues
- Correspondence to ESG
- Establishment of a high value-adding model

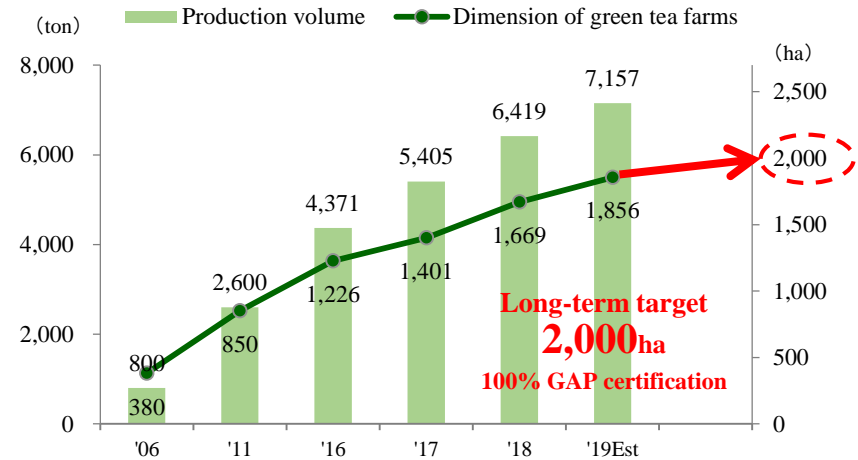
Appendix : Tea-Producing Region Development Project

Total Volume of Domestic Green Tea Leaf Production



Source: ITO EN

Tea-Producing Region Development Project



*Including contract cultivation farms



Contract cultivation of “Matcha” started in 2010

Cultivating raw materials of aojiru in the off-season of tea. Improving efficiency in farming

Value provided to farmers

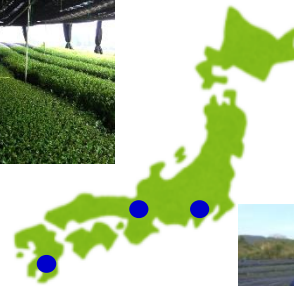
- Stable and sustainable farming
- creation of jobs
- Reduction in production cost, the shortening of work hours

Value provided to society

- Elimination of abandoned farmland (local revitalization)
- Traceability



Kagoshima, Kyoto and Shizuoka



Green Tea

Spring
|
Summer

Barley Grass

Winter
|
Spring

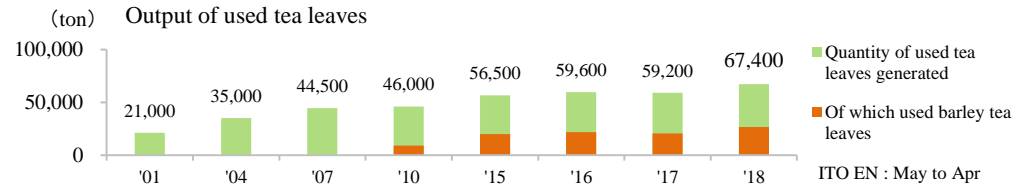


Harvesting with the same Tea Harvester

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



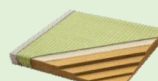
2. Resin products containing used tea leaves

Field Chip "Greentea"



3. Building materials products containing used tea leaves

Tatami (japanese straw mat)



4. Sheet for vending machine products used tea leaves

Used tea leaf composition sheets

Vending machine equipped with used tealeaf



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



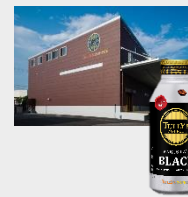
Paper products containing used barley tea dregs

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)

Expanding the range of mobile payment options that can be used with vending machines



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

Omotenashi (hospitality) events to enjoy Japan



An event to promote and enjoy Japanese culture was held on October 8, with content including viewing Japanese art, and hands-on experiences with tea, delivered by ITO EN Tea Tasters

ITO EN Ladies golf Tournament



Held from Nov 15 to 17, 2019
The largest recorded number of visitors came to the gallery 18,731 people

Creating ways of serving and consuming tea to match contemporary needs



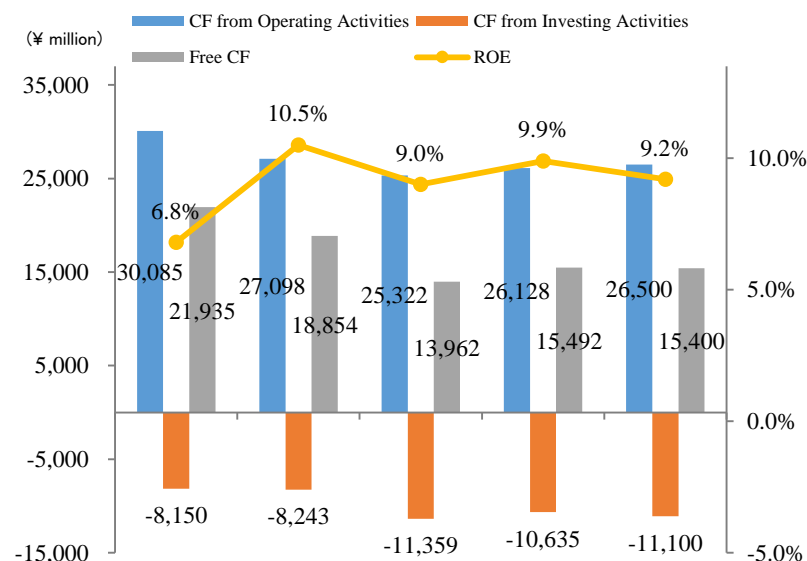
ITO EN leads the market in creating new scenes and situations for drinking tea, by proposing new ways of serving and consuming tea to match the needs of the times.

Appendix : Related materials 1

Consolidated Balance Sheet (as of October 31, 2018 and 2019)

	October-18	October-19	Change
(¥ million)			
Current assets	177,345	178,974	1,629
Cash and deposits	61,376	63,494	2,118
Accounts receivable-trade and inventories	101,918	103,124	1,206
Property, plant and equipment	84,780	83,647	-1,133
Land	21,839	22,263	424
Leased assets	21,577	17,187	-4,390
Other	41,363	44,197	2,834
Intangible fixed assets	20,426	17,374	-3,052
Goodwill	15,697	13,689	-2,008
Investments and other assets	23,619	23,088	-531
Total assets	306,172	303,085	-3,087
Current liabilities	79,060	73,549	-5,511
Accounts payable	31,446	27,569	-3,877
Short-term loans payable	2,030	2,020	-10
Lease obligations	5,946	4,457	-1,489
Income taxes payable	4,834	4,969	135
Non-current liabilities	78,103	75,136	-2,967
Corporate bonds	10,000	10,000	0
Long-term loans payable	45,222	43,822	-1,400
Lease obligations	8,661	6,454	-2,207
Total liabilities	157,163	148,685	-8,478
Net assets	149,008	154,399	5,391

Consolidated Cash Flows

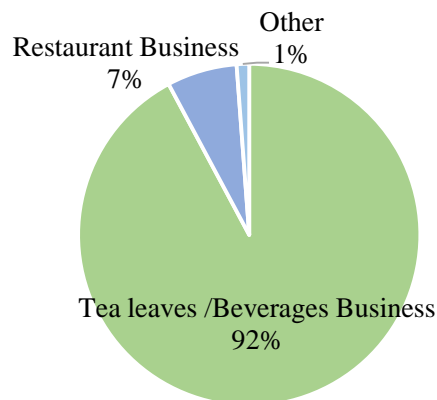


(¥ million)	'16/4	'17/4	'18/4	'19/4	'20/4Est
Capital Investments	8,603	8,135	10,605	10,206	11,628
Depr. & Amort.	5,203	5,418	6,180	6,735	7,046
Leased Assets Depr.	10,872	7,052	7,042	6,675	6,266
Lease obligations(Repayment)	-11,236	-10,361	-8,616	-6,514	-5,807

■ Rating	A+	■ Equity ratio	
■ Bond shelf registration (straight bonds)	¥40 billion	■ Oct, 2018	48.2%
		■ Oct, 2019	50.5%

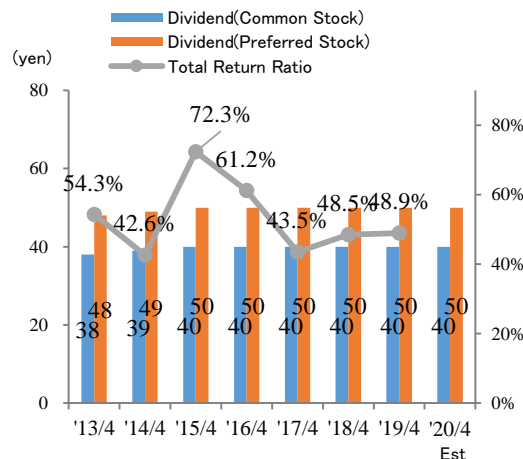
Appendix : Related materials 2

Consolidated Sales composition



source: ITOEN: May to October Sales basis

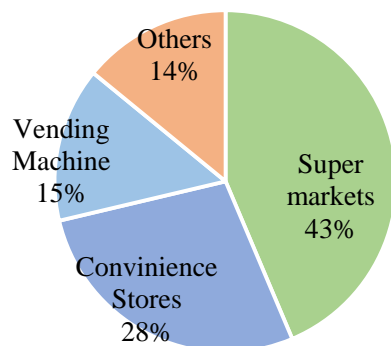
Sales composition by area



Results of Operations FYE Apr 30, 2020 (Aug to Oct)

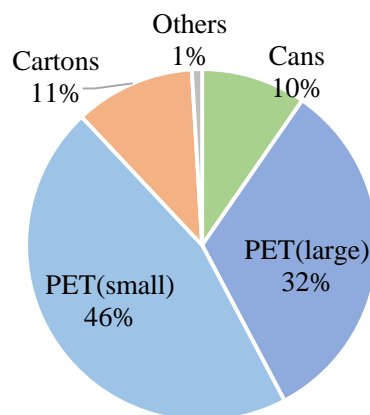
		(¥ million)		
			Sales Composition	YOY % Change
Consolidated	Net Sales	135,103	100.0%	-0.6%
	Gross Profit	64,369	47.6%	-0.3%
	Sales Commission	22,779	16.9%	-3.7%
	Advertising	2,936	2.2%	-7.3%
	Freight	4,067	3.0%	0.3%
	Depreciation and Amortization	2,833	2.1%	0.4%
	Selling, General and Administrative Expenses	56,468	41.8%	-1.6%
	Operating Income	7,900	5.8%	10.6%
	Ordinary Income	7,991	5.9%	7.4%
Non-Consolidated	Extraordinary Losses and Income	-168	-	-
	Net Income	5,267	3.9%	0.0%

Sales composition by Channels



source: ITOEN: May to October Sales basis

Sales composition by Packaging



source: ITOEN: May to October

Non-Consolidated	Net Sales	107,098	100.0%	0.1%
	Gross Profit	50,452	47.1%	0.5%
	Operating Income	6,618	6.2%	28.5%
	Ordinary Income	6,723	6.3%	23.8%



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.