

Consolidated Financial Results

Under Japanese Standards for the Six Months Ended October 31, 2025 (Unaudited)

Scheduled filing date of semi-annual securities report: December 12, 2025

Scheduled date of commencement of dividend payment: January 15, 2026

Supplementary documents for results prepared: Yes

Results presentation held (for institutional investors and analysts): Yes

(Figures are rounded down to million yen.)

1. Consolidated Performance for the Six Months Ended October 31, 2025 (May 1, 2025 - October 31, 2025)

(1) Consolidated Results of Operations – cumulative

(% indicates year on year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
10/31/2025	262,478	4.0	13,934	(3.2)	14,947	2.3	9,542	3.8
10/31/2024	252,321	4.0	14,389	(15.6)	14,617	(19.2)	9,191	(18.0)

Note 1: Comprehensive income 10/31/2025: 11,817 million yen [29.7%] 10/31/2024: 9,110 million yen [(31.9)%]

	Earnings per share		Earnings per share (diluted)	
	Yen		Yen	
10/31/2025	81.24		81.08	
10/31/2024	75.97		75.81	

Note 2: The per share information pertains to Common Stock. For per share information for Class-A Preferred Stock, refer to “Reference” below.

(2) Consolidated Financial Position

	Total assets		Net assets		Shareholders' equity ratio	
	Million yen		Million yen		%	
10/31/2025	362,144		184,873		50.6	
4/30/2025	344,598		175,971		50.6	

Reference: Shareholders' equity 10/31/2025: 183,372 million yen 4/30/2025: 174,279 million yen

2. Dividends

	Dividend per share				
	First quarter end	Second quarter end	Third quarter end	Year end	Full year
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended 4/30/2025	–	22.00	–	22.00	44.00
Fiscal year ending 4/30/2026	–	24.00			
Fiscal year ending 4/30/2026 (Forecast)			–	24.00	48.00

Note 1: Revision to the most recently disclosed dividend forecast: None

Note 2: The dividend per share pertains to Common Stock. For dividend per share for Class-A Preferred Stock, refer to “Reference” below.

3. Forecasted Consolidated Results for the Fiscal Year Ending April 30, 2026 (May 1, 2025 - April 30, 2026)

(% indicates year on year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	
4/30/2026	490,000	3.7	25,500	11.0	25,700	11.9	16,000	13.0	135.72	

Note 1: Revision to the most recently forecasted consolidated results: None

Note 2: The per share information in forecasted consolidated results pertains to Common Stock. For per share information for Class-A Preferred Stock, refer to “Reference” below.

Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Application of special accounting methods in preparation for semi-annual consolidated financial statements: Yes

Note: For further details, please refer to the section of “(4) Notes to Semi-annual Consolidated Financial Statements, (Application of Special Accounting Methods in Preparation for Semi-annual Consolidated Financial Statements)” of “2. Semi-annual Consolidated Financial Statements and Main Notes” on page 10 of the attached material.

(3) Changes in accounting policies, changes in accounting estimates, and restatements

- i. Changes in accounting policies associated with revisions to accounting standards: None
- ii. Changes in accounting policies other than i. above: None
- iii. Changes in accounting estimates: None
- iv. Restatements: None

(4) Number of issued shares (common stock)

i. Number of issued shares (including treasury stock)	10/31/2025	85,212,380 shares	4/30/2025	85,212,380 shares
ii. Number of treasury stock	10/31/2025	889,852 shares	4/30/2025	906,132 shares
iii. Average number of shares outstanding during the period	Six months ended 10/31/2025			84,314,142 shares
	Six months ended 10/31/2024			87,509,909 shares

Note: The “Number of issued shares” pertains to Common Stock. For “Number of issued shares” for Class-A Preferred Stock, refer to “Reference” below.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

* Request for appropriate use of the business outlook and other special remarks

Forward-looking statements in this document, including forecasts, are based on information available to management at the time of the announcement, which management assumes to be reasonable. Because of variable factors, actual results may differ from the forecast figures.

Reference

(1) Per share information of Class-A Preferred Stock – cumulative

	Earnings per share	Earnings per share (diluted)
Six months ended	Yen	Yen
10/31/2025	87.25	87.09
10/31/2024	81.93	81.78

(2) Dividends – Class-A Preferred Stock

	Dividend per share				
	First quarter end	Second quarter end	Third quarter end	Year end	Full year
Six months ended	Yen	Yen	Yen	Yen	Yen
4/30/2025	–	28.00		28.00	56.00
Six months ending	–	30.00			
4/30/2026					
Six months ending			–	30.00	60.00
4/30/2026 (Forecast)					

Note: Revision to the most recently disclosed dividend forecast: None

(3) Per share information of Class-A Preferred Stock in forecasted consolidated results

	Earnings per share
Fiscal year ending	Yen
4/30/2026	147.72

Note: Revision to the most recently forecasted consolidated results: None

(4) Number of issued shares – Class-A Preferred Stock

i. Number of issued shares (including treasury stock)	10/31/2025 32,246,962 shares	4/30/2025 32,246,962 shares
ii. Number of treasury stock	10/31/2025 1,337,598 shares	4/30/2025 1,394,070 shares
iii. Average number of shares outstanding during the period	Six months ended 10/31/2025 30,854,670 shares	
	Six months ended 10/31/2024 31,045,057 shares	

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1. Qualitative Information Regarding Consolidated Financial Results for This Period

(1) Explanations Regarding Consolidated Results of Operations

During the first six months of the fiscal year ending April 30, 2026 (May 1, 2025 - October 31, 2025), the Japanese economy continued to experience a gradual recovery driven by the improvement in the employment and income environment. However, certain conditions continue to present an uncertain outlook, such as the impact of trade policies in the United States, and the decline in consumer confidence resulting from the continued increases in the price of goods.

Under these business conditions, in keeping with the management principle of “Always Putting the Customer First,” the ITO EN Group treated everyone involved with the Group as a customer, carefully listening to their opinions and requests, and vigorously engaged in business activities in a concerted effort while aiming to consider the customer’s viewpoint at all times.

As a result, the business performance for the first six months of the fiscal year ending April 30, 2026 was as follows.

Net sales	262,478 million yen, up 4.0%
Operating income	13,934 million yen, down 3.2%
Ordinary income	14,947 million yen, up 2.3%
Profit attributable to owners of parent	9,542 million yen, up 3.8%

Performance by each of the business segments was as follows.

<Tea Leaves and Beverages Business>

In Japan, record high temperatures during the midsummer season and less precipitation than usual in northern and eastern Japan resulted in strong sales, especially of core “*Oi Ocha*” and “*Kenko Mineral Mugicha*” (healthy mineral barley tea) brand beverage products. Overseas, we currently sell our products in 50 countries and regions. Among them, sales were strong in the United States and Southeast Asia, where demand for green tea and matcha grew on the back of rising health consciousness. Operating income, on the other hand, decreased due to various higher costs, including green tea, the main raw material, despite improved profitability of the U.S. coffee bean business.

In response to the recent increase in global demand for matcha, we have established a department specializing in matcha procurement to secure tencha, the raw material for matcha, and have invested in facilities to increase production capacity to build a system that can respond to strong demand.

As a result of these activities, the Tea Leaves and Beverages Business recorded net sales of 235,307 million yen, up 4.0% year on year, and operating income of 11,599 million yen, down 5.0% year on year.

<Restaurant Business>

Tully’s Coffee Japan Co., Ltd. enjoyed strong sales thanks to the steady opening of new stores, as well as the introduction of Rakuten Points and the effect of price revisions. Operating income, on the other hand, declined due to increases in costs for raw materials, mainly coffee beans, labor costs, and store opening costs.

With respect to new store openings, as a new challenge, we opened “Link cafe TOKYO” at NEWoMan TAKANAWA, a new business model that conveys its appeal through space and presentation, generating buzz amongst the media and influencers. In addition, the opening of new stores in a variety of locations outside the city center, such as “The Hachijuni Bank Ina Kita Store (Nagano Prefecture),” a collaboration with a regional bank, and “&TEA S-Pal Yamagata Store,” the first “&TEA” format store in Yamagata Prefecture, brought the total number of stores to 829 as of the end of October 2025.

As a result of these activities, the Restaurant Business recorded net sales of 23,265 million yen, up 7.6% year on year, and operating income of 1,975 million yen, down 4.3% year on year.

<Others>

The Others recorded net sales of 3,905 million yen, down 12.4% year on year, and operating income of 374 million yen, down 4.8% year on year.

(2) Explanations Regarding Consolidated Financial Position

(i) Assets, liabilities and net assets

The following is a consolidated financial position at the end of the first six months of the fiscal year ending April 30, 2026.

Total assets as of October 31, 2025 stood at 362,144 million yen, increased by 17,546 million yen from the end of the previous fiscal year. These changes in total assets mainly reflected a decrease of 2,707 million yen in “Cash and deposits,” an increase of 7,443 million yen in “Accounts receivable - trade,” an increase of 5,831 million yen in “Merchandise and finished goods,” an increase of 4,497 million yen in “Raw materials and supplies,” an increase of 1,243 million yen in “Other, net” under “Property, plant and equipment,” and an increase of 1,290 million yen in “Other” under “Investments and other assets.”

Liabilities as of October 31, 2025 stood at 177,271 million yen, increased by 8,644 million yen from the end of the previous fiscal year. These changes in liabilities mainly reflected an increase of 1,925 million yen in “Accounts payable - trade,” an increase of 4,454 million yen in “Accrued expenses,” and an increase of 1,869 million yen in “Income taxes payable.”

Net assets as of October 31, 2025 stood at 184,873 million yen, increased by 8,901 million yen from the end of the previous fiscal year. This mainly reflected an increase of 9,542 million yen in “Retained earnings” due to “Profit attributable to owners of parent,” a decrease of 2,718 million yen in “Retained earnings” due to “Dividends of surplus,” and an increase of 1,530 million yen in “Foreign currency translation adjustment.”

(ii) Cash flows

Net cash inflows from operating activities were 6,508 million yen (compared with 7,509 million yen inflow in the same period of the previous fiscal year). The major factors affecting this were increases due to income before income taxes of 14,342 million yen, depreciation of 4,498 million yen, an increase in notes and accounts payable - trade of 1,556 million yen, and an increase in other current liabilities of 4,472 million yen, and decreases due to an increase in notes and accounts receivable - trade of 6,853 million yen, an increase in inventories of 8,989 million yen, and income taxes paid of 2,860 million yen.

Net cash outflows from investing activities were 5,117 million yen (compared with 5,945 million yen outflow in the same period of the previous fiscal year). The major factor affecting this was purchase of property, plant and equipment and intangible assets of 5,729 million yen.

Net cash outflows from financing activities were 4,675 million yen (compared with 8,654 million yen outflow in the same period of the previous fiscal year). The major factors affecting this were proceeds from long-term loans payable of 13,984 million yen, repayments of long-term loans payable of 14,793 million yen, and cash dividends paid of 2,713 million yen.

As a result, cash and cash equivalents at the end of the first six months of the fiscal year ending April 30, 2026 amounted to 83,437 million yen, decreased by 2,128 million yen from the end of previous fiscal year.

(3) Explanations Regarding Forecasts for Consolidated Results and Future Outlook

As for the consolidated business outlook for the fiscal year ending April 30, 2026, no changes have been made to the forecasts that were announced on June 2, 2025.

2. Semi-annual Consolidated Financial Statements and Main Notes

(1) Semi-annual Consolidated Balance Sheet

As of April 30, 2025 and October 31, 2025

(Millions of yen)

	As of April 30, 2025	As of October 31, 2025
Assets		
Current assets		
Cash and deposits	89,908	87,201
Notes receivable - trade	65	110
Accounts receivable - trade	66,839	74,282
Merchandise and finished goods	46,255	52,086
Raw materials and supplies	13,014	17,511
Other	16,334	15,846
Allowance for doubtful accounts	(423)	(407)
Total current assets	231,995	246,632
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,764	25,876
Land	23,223	23,501
Leased assets, net	4,522	4,378
Other, net	23,846	25,090
Total property, plant and equipment	77,356	78,846
Intangible assets		
Goodwill	762	628
Other	5,759	6,026
Total intangible assets	6,521	6,655
Investments and other assets		
Other	28,850	30,141
Allowance for doubtful accounts	(125)	(130)
Total investments and other assets	28,724	30,010
Total non-current assets	112,603	115,512
Total assets	344,598	362,144
Liabilities		
Current liabilities		
Accounts payable - trade	35,292	37,217
Short-term loans payable	24,177	10,543
Lease obligations	1,448	1,312
Accrued expenses	32,418	36,873
Income taxes payable	2,749	4,618
Provision for bonuses	4,292	4,737
Other	7,741	7,695
Total current liabilities	108,120	102,998
Non-current liabilities		
Bonds payable	10,000	10,000
Long-term loans payable	35,001	49,071
Lease obligations	2,445	2,524
Net defined benefit liability	6,824	7,052
Other	6,233	5,624
Total non-current liabilities	60,505	74,272
Total liabilities	168,626	177,271

Semi-annual Consolidated Balance Sheet – Continued

(Millions of yen)

	As of April 30, 2025	As of October 31, 2025
Net assets		
Shareholders' equity		
Capital stock	19,912	19,912
Capital surplus	4,788	4,788
Retained earnings	153,367	160,189
Treasury shares	(5,930)	(5,761)
Total shareholders' equity	172,137	179,128
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,059	2,823
Revaluation reserve for land	(6,074)	(6,074)
Foreign currency translation adjustment	5,400	6,931
Remeasurements of defined benefit plans	755	564
Total accumulated other comprehensive income	2,141	4,243
Share acquisition rights	82	47
Non-controlling interests	1,610	1,453
Total net assets	175,971	184,873
Total liabilities and net assets	344,598	362,144

(2) Semi-annual Consolidated Statement of Income and Comprehensive Income

From May 1 to October 31, 2024 and 2025

Semi-annual Consolidated Statement of Income

(Millions of yen)

	Six months ended October 31, 2024	Six months ended October 31, 2025
Net sales	252,321	262,478
Cost of sales	157,475	167,433
Gross profit	94,845	95,044
Selling, general and administrative expenses	80,456	81,110
Operating income	14,389	13,934
Non-operating income		
Interest income	307	230
Dividend income	54	61
Share of profit of entities accounted for using equity method	93	349
Foreign exchange gains	—	592
Other	291	456
Total non-operating income	747	1,689
Non-operating expenses		
Interest expenses	254	413
Foreign exchange losses	47	—
Loss on cancellation of leases	111	80
Other	104	181
Total non-operating expenses	518	676
Ordinary income	14,617	14,947
Extraordinary income		
Gain on sales of non-current assets	2	7
Gain on donation of non-current assets	4	—
Gain on sales of investment securities	—	2
Total extraordinary income	7	10
Extraordinary losses		
Loss on abandonment of non-current assets	119	144
Loss on valuation of investment securities	9	39
Impairment loss	189	430
Total extraordinary losses	318	615
Income before income taxes	14,306	14,342
Income taxes	4,900	4,639
Net income	9,405	9,702
Profit attributable to non-controlling interests	214	160
Profit attributable to owners of parent	9,191	9,542

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended October 31, 2024	Six months ended October 31, 2025
Net income	9,405	9,702
Other comprehensive income		
Valuation difference on available-for-sale securities	30	734
Foreign currency translation adjustment	(301)	1,567
Remeasurements of defined benefit plans, net of tax	(7)	(191)
Share of other comprehensive income of entities accounted for using equity method	(16)	3
Total other comprehensive income	(295)	2,114
Comprehensive income	9,110	11,817
Comprehensive income attributable to owners of parent	8,910	11,644
Comprehensive income attributable to non-controlling interests	200	172

(3) Consolidated Statement of Cash Flows

For the six months ended October 31, 2024 and 2025 (May 1, 2024 - October 31, 2024 and May 1, 2025 - October 31, 2025)

(Millions of yen)

	Six months ended October 31, 2024	Six months ended October 31, 2025
Cash flows from operating activities		
Income before income taxes	14,306	14,342
Depreciation	4,248	4,498
Impairment loss	189	430
Amortization of goodwill	461	133
Increase (decrease) in provision for bonuses	(1)	445
Increase (decrease) in net defined benefit liability	(107)	(52)
Interest and dividend income	(361)	(291)
Interest expenses	254	413
Foreign exchange losses (gains)	3	(443)
Loss on abandonment of non-current assets	119	144
Loss (gain) on sale of non-current assets	(2)	(7)
Loss (gain) on valuation of investment securities	9	39
Decrease (increase) in notes and accounts receivable - trade	(6,831)	(6,853)
Decrease (increase) in inventories	(1,285)	(8,989)
Decrease (increase) in other current assets	127	249
Decrease (increase) in other non-current assets	106	(57)
Increase (decrease) in notes and accounts payable - trade	1,069	1,556
Increase (decrease) in accrued consumption taxes	(707)	406
Increase (decrease) in other current liabilities	1,177	4,472
Increase (decrease) in other non-current liabilities	(770)	(679)
Other, net	36	(330)
Subtotal	12,043	9,426
Interest and dividend income received	297	367
Interest expenses paid	(265)	(424)
Income taxes paid	(4,566)	(2,860)
Net cash provided by (used in) operating activities	7,509	6,508
Cash flows from investing activities		
Net decrease (increase) in time deposits	423	620
Purchase of property, plant and equipment and intangible assets	(6,370)	(5,729)
Purchase of investment securities	(0)	(0)
Proceeds from sales of investment securities	21	3
Decrease (increase) in other investments	(18)	(12)
Net cash provided by (used in) investing activities	(5,945)	(5,117)

Consolidated Statement of Cash Flows – Continued

(Millions of yen)

	Six months ended October 31, 2024	Six months ended October 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	300	(80)
Proceeds from long-term loans payable	–	13,984
Repayments of long-term loans payable	(511)	(14,793)
Purchase of treasury shares	(4,588)	(2)
Proceeds from disposal of treasury shares	0	0
Repayments of finance lease obligations	(804)	(725)
Cash dividends paid	(2,694)	(2,713)
Dividends paid to non-controlling interests	(347)	(334)
Other payments	(8)	(9)
Net cash provided by (used in) financing activities	(8,654)	(4,675)
Effect of exchange rate change on cash and cash equivalents	(71)	1,155
Net increase (decrease) in cash and cash equivalents	(7,162)	(2,128)
Cash and cash equivalents at beginning of period	105,397	85,565
Cash and cash equivalents at end of period	98,235	83,437

(4) Notes to Semi-annual Consolidated Financial Statements
(Note Regarding the Company's Position as a Going Concern)

Not applicable

(Note Regarding Significant Changes in the Amount of Shareholders' Equity)

Not applicable

(Application of Special Accounting Methods in Preparation for Semi-annual Consolidated Financial Statements)

(Calculation of income taxes)

The effective tax rate after the application of deferred tax accounting to the income before income taxes for the fiscal year including the first six months of the fiscal year ending April 30, 2026 is reasonably estimated, and the tax expenses are calculated by multiplying income before income taxes by this estimated effective tax rate.

(Notes on Segment Information, etc.)

[Segment Information]

Information regarding amounts of sales and profits or losses by reporting segment

For the first six months of the fiscal year ended April 30, 2025 (May 1, 2024 - October 31, 2024)

(Millions of yen)

	Reporting Segment				Adjustment	Total
	Tea Leaves /Beverages Business	Restaurant Business	Others	Total		
Net sales:						
(1) Outside	226,247	21,616	4,457	252,321	–	252,321
(2) Intersegment	511	3	1,346	1,861	(1,861)	–
Total net sales	226,759	21,620	5,803	254,183	(1,861)	252,321
Segment profits	12,208	2,064	393	14,666	(277)	14,389

Notes: i. The segment profits adjustment includes (454) million yen in amortization of goodwill and 176 million yen in intersegment transactions.

ii. Segment profits are adjusted to the operating income figure on the Semi-annual Consolidated Statement of Income.

For the first six months of the fiscal year ending April 30, 2026 (May 1, 2025 - October 31, 2025)

(Millions of yen)

	Reporting Segment				Adjustment	Total
	Tea Leaves /Beverages Business	Restaurant Business	Others	Total		
Net sales:						
(1) Outside	235,307	23,265	3,905	262,478	–	262,478
(2) Intersegment	1,073	107	341	1,523	(1,523)	–
Total net sales	236,381	23,372	4,247	264,002	(1,523)	262,478
Segment profits	11,599	1,975	374	13,949	(15)	13,934

Notes: i. The segment profits adjustment includes (133) million yen in amortization of goodwill and 118 million yen in intersegment transactions.

ii. Segment profits are adjusted to the operating income figure on the Semi-annual Consolidated Statement of Income.