

# Financial Results for the Third Quarter Fiscal Year Ending April 30, 2017

## Supplementary Materials

March 2017

ITO EN, LTD.

1. 3Q Results of Operations
2. 3Q Category Results (Non-consolidated)
3. New Products Information



# 1. 3Q Results of Operations

(¥ million)

		Third Quarter Total (May–January)				
		For the Year Ended April 30, 2016		For the Year Ending April 30, 2017		
			Sales Composition		Sales Composition	YOY % Change
Consolidated	Net Sales	355,840	100.0%	364,618	100.0%	2.5%
	Gross Profit	164,285	46.2%	171,997	47.2%	4.7%
	Selling, General and Administrative Expenses	152,387	42.8%	154,667	42.4%	1.5%
	Operating Income	11,898	3.3%	17,329	4.8%	45.6%
	Ordinary Income	11,610	3.3%	17,575	4.8%	51.4%
	Extraordinary Losses and Income	87	–	–131	–	–
	Profit	6,866	1.9%	11,564	3.2%	68.4%

		Annual Total (May–April)				
		For the Year Ended April 30, 2016		For the Year Ending April 30, 2017 Est.		
			Sales Composition		Sales Composition	YOY % Change
	Net Sales	465,579	100.0%	475,000	100.0%	2.0%
	Gross Profit	218,818	47.0%	224,500	47.3%	2.6%
	Selling, General and Administrative Expenses	201,574	43.3%	204,000	42.9%	1.2%
	Operating Income	17,243	3.7%	20,500	4.3%	18.9%
	Ordinary Income	15,074	3.2%	19,500	4.1%	29.4%
	Extraordinary Losses and Income	–148	–	–800	–	–
	Profit	8,615	1.9%	12,000	2.5%	39.3%

Non-Consolidated	Net Sales	279,194	100.0%	285,609	100.0%	2.3%
	Gross Profit	127,361	45.6%	133,082	46.6%	4.5%
	Operating Income	7,354	2.6%	11,937	4.2%	62.3%
	Ordinary Income	9,931	3.6%	14,230	5.0%	43.3%

	Net Sales	365,276	100.0%	373,200	100.0%	2.2%
	Gross Profit	170,229	46.6%	174,500	46.8%	2.5%
	Operating Income	11,934	3.3%	15,500	4.2%	29.9%
	Ordinary Income	12,821	3.5%	17,100	4.6%	33.4%

Exchange rate (US\$)

¥121.6

¥107.1 (3Q average rate)

¥119.3

¥108.6 (Annual average rate)

## 2. 3Q Category Results (Non-consolidated)

(¥ million)

		Third Quarter Total (May-January)								
		For the Year Ended April 30, 2015			For the Year Ended April 30, 2016			For the Year Ending April 30, 2017		
		Sales Composition	YOY % Change		Sales Composition	YOY % Change		Sales Composition	YOY % Change	
<b>Net Sales</b>		<b>270,424</b>	100.0%	-3.1%	<b>279,194</b>	100.0%	3.2%	<b>285,609</b>	100.0%	2.3%
Tea Leaves		22,353	8.3%	1.0%	23,396	8.4%	4.7%	24,378	8.5%	4.2%
Drinks		245,651	90.8%	-3.5%	253,223	90.7%	3.1%	258,718	90.6%	2.2%
Others		2,419	0.9%	5.3%	2,574	0.9%	6.4%	2,512	0.9%	-2.4%
Breakdown of Drinks	Japanese Tea /Healthy Tea	133,134	49.2%	-0.9%	139,077	49.8%	4.5%	142,485	49.9%	2.5%
	Chinese Tea	12,029	4.4%	-6.4%	13,699	4.9%	13.9%	13,241	4.6%	-3.3%
	Vegetable	33,653	12.4%	-11.3%	32,649	11.7%	-3.0%	33,037	11.6%	1.2%
	Fruit	10,680	3.9%	3.6%	8,602	3.1%	-19.5%	8,237	2.9%	-4.2%
	Coffee	25,207	9.3%	8.3%	31,134	11.2%	23.5%	32,258	11.3%	3.6%
	Black Tea	8,462	3.1%	-12.6%	5,077	1.8%	-40.0%	3,833	1.3%	-24.5%
	Functional	4,421	1.6%	-16.0%	5,257	1.9%	18.9%	5,761	2.0%	9.6%
	Mineral Water	6,316	2.3%	-11.7%	6,670	2.4%	5.6%	8,866	3.1%	32.9%
	Carbonated	8,356	3.1%	-7.4%	8,023	2.9%	-4.0%	8,144	2.9%	1.5%
	Others	3,389	1.3%	-28.1%	3,030	1.1%	-10.6%	2,851	1.0%	-5.9%

# 3. New Products Information

Jan 23

## ■ The Japanese spring and “Oi Ocha”

Japan’s 100 Best Cherry Blossom-Viewing Spots are introduced on the back of the “Sakura” (cherry blossoms) Package



PET525ml  
¥140



Feb 27

## ■ Revamped “TEAs’ TEA NEW AUTHENTIC”

A new tea leaf product will also be released from this brand



15 Tea bags  
¥380



PET450ml  
¥140

Mar 27

## ■ Creating a new category

Kyoto-Uji-Matcha is cold brewed with ice for a vivid color and sweetness (Made with Matcha Powder produced in the Uji region of the Kyoto Prefecture)



PET525ml  
¥140



100g  
¥1,000



24 Tea bags  
¥450

Mar 13

## ■ New “Jujitsu-Yasai”

(mixed vegetable and fruit beverage)

This long-selling brand was released 25 years ago



Carton200ml  
¥100



## ■ Foods with Functional Claims

### Additive-free powdered tea Feb 6

Japan’s first powdered tea that makes two claims about effects

- Reduces body fat
- Reduces LDL cholesterol
- Reduces eye and nose discomfort



20 Sticks  
¥1,000



### “Healthy Plus” Line “Jujitsu-Yasai” Feb 27

Keeps the stomach healthy

Supports healthy blood pressure



Can-shaped carton195g  
¥128



PET265g  
¥142



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.