

Financial Results

Presentation for FY2023 3Q

(Fiscal Year Ending April 30, 2024)

March 2024 ITO EN, LTD.



Financial Results for FY2023 3Q

3Q (May 2023 to January 2024)

		FY2022 Results		FY2023 Results		YoY % Change
			Sales Composition		Sales Composition	
Consolidated	Net Sales	328,454	100.0%	346,251	100.0%	5.4%
	Gross Profit	125,185	38.1%	134,919	39.0%	7.8%
	Advertising	8,158	2.5%	8,238	2.4%	1.0%
	Freight	11,114	3.4%	10,810	3.1%	-2.7%
	Depreciation and Amortization	5,970	1.8%	4,588	1.3%	-23.1%
	Selling, General and Administrative Expenses	109,313	33.3%	113,160	32.7%	3.5%
	Operating Income	15,871	4.8%	21,758	6.3%	37.1%
	Ordinary Income	16,518	5.0%	22,981	6.6%	39.1%
	Extraordinary Losses and Income	-425	-	-847	-	-
	Net Income	10,185	3.1%	14,243	4.1%	39.8%

		FY2022 Results		FY2023 Results		YoY % Change
			Sales Composition		Sales Composition	
Non-Consolidated	Net Sales	239,972	100.0%	251,929	100.0%	5.0%
	Gross Profit	88,109	36.7%	92,263	36.6%	4.7%
	Operating Income	12,875	5.4%	15,840	6.3%	23.0%
	Ordinary Income	14,843	6.2%	18,216	7.2%	22.7%

(Unit: million yen, thousand dollars)

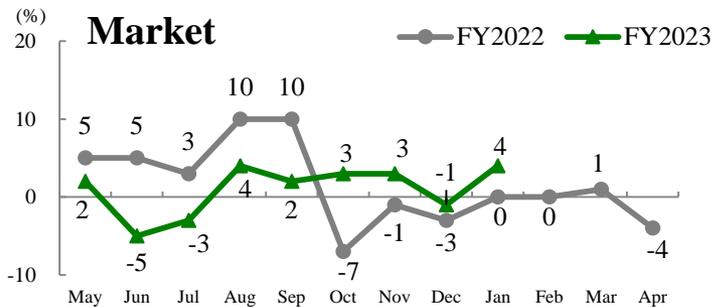
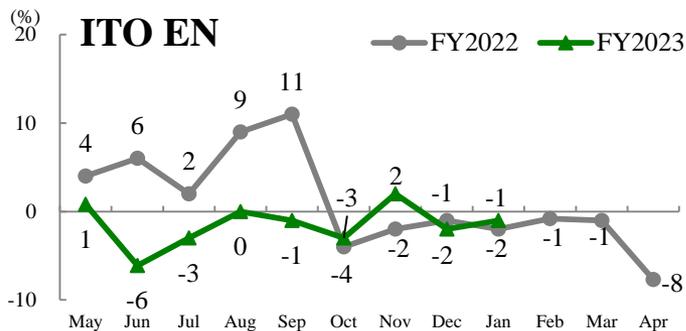
Upper: Net Sales Bottom: Operating Income		FY2022 Results	FY2023 Results	YoY % Change
Performances of Subsidiaries	Domestic Subsidiaries	73,853	78,633	6.5%
		3,404	4,451	30.8%
	Tully's Coffee Japan Co., Ltd.	26,434	30,077	13.8%
		2,144	2,648	23.5%
	Chichiyasu Company	8,981	9,509	5.9%
		501	974	94.5%
	Overseas Subsidiaries	39,496	40,180	1.7%
		86	2,050	2,266.1%
	US Business	34,886	35,091	0.6%
		- 782	904	-
	\$ 254,647	\$ 242,442	-4.8%	
	\$ -5,708	\$ 6,245	-	
Other Overseas Subsidiaries	4,609	5,089	10.4%	
	868	1,146	32.0%	
Elimination of Internal Transactions	- 24,868	- 24,491	-	
	- 493	- 584	-	

Exchange rate (US\$)
(Average rate of FY 2023 3Q)

137.00

144.74

Monthly Sales Volume Trends



Source: ITO EN FY2022: May 2022 to Apr 2023 / FY2023: May 2023 to Jan 2024

Beverage Market Environment Topics

- 2023 Aug** Sales of thirst-quenching beverages increased due to the continued heat wave. The category showed a clear difference in sales.
- 2023 Sep** Continued increase in thirst-quenching beverages, driven by the ongoing heat wave.
- 2023 Oct** Positive growth in reaction to volume decline due to price revision in the previous year
- 2023 Nov** The price revision in October last year has run its course, and the temperature continues to be favorable, leading to an increase in demand for thirst-quenching beverages.
- 2023 Dec** Hot beverages were slow due to the warm winter.
- 2024 Jan** The warm winter has been a drag on hot beverages and a tailwind for thirst-quenching beverages. The category showed a clear difference in sales.

Source: ITO EN

ITO EN (non-consolidated) FY2023 3Q (May 2023 to Jan 2024)

	YoY % Change
Net Sales	+ 5 %
Tea Leaves	+ 6 %
Drinks	+ 5 %
Others	- 3 %

Amount base



Sales Composition: Tea Leaves 9%, Drinks 90%, Others 1% (Unit: ten thousand case)

Drinks Sales Volume by Category	FY 2022 Results	Sales Composition	YoY % Change	FY 2023 Results		
				Results	Sales Composition	YoY % Change
Drinks	16,986	100 %	+ 3 %	16,710	100 %	- 2 %
Tea Total	11,971	70 %	+ 4 %	11,793	71 %	- 1 %
Japanese Tea	10,891	64 %	+ 4 %	10,640	64 %	- 2 %
Chinese Tea	647	4 %	- 5 %	691	4 %	+ 7 %
Other Tea	431	3 %	+ 20 %	461	3 %	+ 7 %
Vegetable	1,989	12 %	- 11 %	1,862	11 %	- 6 %
Coffee	1,320	8 %	+ 7 %	1,307	8 %	- 1 %
Mineral Water	521	3 %	+ 3 %	485	3 %	- 7 %
Carbonated	424	3 %	+ 36 %	476	3 %	+ 12 %
Fruit	341	2 %	+ 6 %	381	2 %	+ 12 %
Others	417	2 %	+ 16 %	402	2 %	- 4 %

Ratio of Unsweetened Beverages: Higher than 75%

Oi Ocha Celebrates 35th Anniversary

ITO EN's main brand "Oi Ocha" which was born on February 1, 1989, celebrated its **35th anniversary** this year.

1989

World's first canned green tea beverage
Launched the Oi Ocha brand



Started the ITO EN Oi Ocha
Shinhaiku Contest

1990

Launched the world's first green tea beverage
in 1.5 L PET bottle



First "Oi Ocha" brand leaf product,
Tea bag products were launched.

“Oi Ocha” is loved as the most familiar Japanese tea.

- Responding quickly to the diversifying needs of the times
- A brand that can be shared by men and women of all ages

1996

Released a 500ml PET bottle product, which is
currently the mainstream container. Patented
"Natural Clear Manufacturing Method".



Instant products made by spray-drying
process are launched.

2022

Unify personal size containers(600ml PET bottle)
Cumulative sales over 40 billion



Oi Ocha
(cherry blossom package) 375ml glass bottle
We will begin delivering gradually starting
from Wednesday, March 27.
(by reservation only)

Oi Ocha Maroyaka
(fresh aroma and mild taste)
460ml PET bottle
Relaunched on Monday, March 4

Drink Sales Volume by Category

(Unit: ten thousand case)

	1Q (May to Jul)			2Q (Aug to Oct)			3Q (Nov to Jan)		
	Sales Composition	YoY % Change		Sales Composition	YoY % Change		Sales Composition	YoY % Change	
Drinks	6,093	100.0%	- 3 %	6,075	100.0%	- 1 %	4,540	100.0%	- 1 %
Tea total	4,351	71.4%	- 3 %	4,355	71.7%	+ 0 %	3,087	68.0%	- 1 %
Japanese Tea	3,942	64.7%	- 5 %	3,949	65.0%	- 0 %	2,748	60.5%	- 2 %
Chinese Tea	242	4.0%	+ 6 %	256	4.2%	+ 7 %	192	4.2%	+ 7 %
Other Tea	166	2.7%	+ 33 %	149	2.5%	- 5 %	146	3.2%	- 3 %
Vegetable	656	10.8%	- 10 %	651	10.7%	- 9 %	555	12.2%	+ 3 %
Coffee	453	7.4%	+ 3 %	437	7.2%	- 3 %	417	9.2%	- 2 %
Mineral Water	175	2.9%	- 11 %	177	2.9%	- 4 %	131	2.9%	- 6 %
Carbonated	180	3.0%	+ 15 %	177	2.9%	+ 10 %	118	2.6%	+ 11 %
Fruit	141	2.3%	+ 11 %	131	2.2%	+ 14 %	108	2.4%	+ 9 %
Others	135	2.2%	+ 3 %	145	2.4%	- 6 %	122	2.7%	- 7 %

Sales Composition by Packaging (Non-Consolidated)

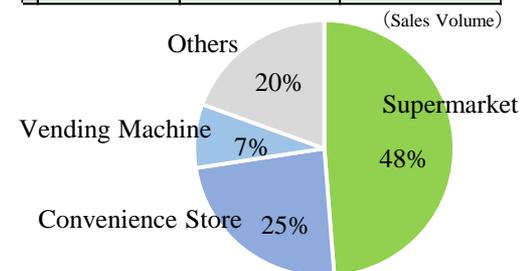
(Unit: Ten thousand cases)

	1Q(May to Jul)		2Q(Aug to Oct)		3Q(Nov to Jan)	
	Sales Composition	YoY % Change	Sales Composition	YoY % Change	Composition ratio YoY	YoY % Change
Drink Total	6,093	- 3 %	6,075	- 1 %	4,540	+ 0 pt
Cans	622	- 6 %	619	- 10 %	584	- 1 pt
PET(large)	1,871	- 8 %	1,943	+ 1 %	1,216	+ 1 pt
PET(small)	2,887	+ 1 %	2,804	+ 1 %	2,148	- 1 pt
Cartons	678	- 4 %	671	- 4 %	563	+ 1 pt
Others	34	+ 0 %	35	+ 15 %	27	- 0 pt

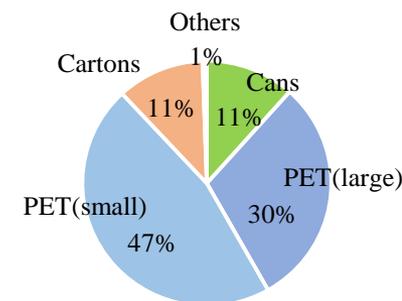
Sales Composition by Channels (Non-Consolidated)

FY 2023 3Q (May 2023 to January 2024)

	Composition ratio YoY	YoY % Change
Supermarket	- 2 pt	- 5 %
Convenience Store	+ 1 pt	+ 3 %
Vending Machine	- 1 pt	- 10 %
Others	+ 1 pt	+ 5 %



Sales composition
FY 2023 3Q(May 2023 to Jan 2024)



Sales composition
FY 2023 3Q(May 2023 to Jan 2024)

Appendix : Forecast for FY2023

Full year (May 2023 to April 2024)

	FY2022		FY2023		
	Results	Sales Composition	Forecast	Sales Composition	YoY % Change
Consolidated					
Net Sales	431,674	100.0%	450,000	100.0%	4.2%
Gross Profit	165,585	38.4%	173,700	38.6%	4.9%
Advertising	10,048	2.3%	10,549	2.3%	5.0%
Freight	14,386	3.3%	14,012	3.1%	-2.6%
Depreciation and Amortization	7,921	1.8%	6,295	1.4%	-20.5%
Selling, General and Administrative Expenses	145,996	33.8%	150,500	33.4%	3.1%
Operating Income	19,588	4.5%	23,200	5.2%	18.4%
Ordinary Income	20,341	4.7%	24,200	5.4%	19.0%
Extraordinary Losses and Income	-657	-	-1,400	-	-
Net Income	12,888	3.0%	14,700	3.3%	14.1%

	FY2022		FY2023		
	Results	Sales Composition	Forecast	Sales Composition	YoY % Change
Non-Consolidated					
Net Sales	315,025	100.0%	326,600	100.0%	3.7%
Gross Profit	116,986	37.1%	119,600	36.6%	2.2%
Operating Income	16,785	5.3%	18,400	5.6%	9.6%
Ordinary Income	18,864	6.0%	20,700	6.3%	9.7%

(Unit: million yen, thousand dollars)

	FY2022		FY2023	
	Results		Forecast	YoY % Change
Upper: Net Sales				
Bottom: Operating Income				
Performances of Subsidiaries				
Domestic Subsidiaries	97,548		103,479	6.1%
Tully's Coffee Japan Co., Ltd.	3,784		4,745	25.4%
Chichiyasu Company	35,495		39,600	11.6%
Other Domestic Subsidiaries	2,429		2,945	21.2%
Chichiyasu Company	11,947		12,689	6.2%
Other Domestic Subsidiaries	670		918	36.9%
Overseas Subsidiaries	51,252		54,020	5.4%
US Business	- 433		1,857	-
Other Overseas Subsidiaries	45,361		47,475	4.7%
US Business	- 1,483		555	-
Other Overseas Subsidiaries	\$ 333,292		\$ 327,419	-1.8%
US Business	\$ -10,897		\$ 3,833	-
Other Overseas Subsidiaries	5,891		6,544	11.1%
Other Overseas Subsidiaries	1,049		1,301	24.0%
Elimination of Internal Transactions	- 32,150		- 34,099	-
Elimination of Internal Transactions	- 548		- 1,802	-
Exchange rate (US\$) (average during a year)	136.10		145.00	



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.