

Financial Results

Presentation for FY2024 1Q

(Fiscal Year Ending April 30, 2025)

September 2024 ITO EN, LTD.



Financial Results for FY2024 1Q

1Q (May to July 2024)

	FY2023 Results		FY2024 Results		
		Sales Composition		Sales Composition	YoY % Change
Net Sales	121,154	100.0%	125,039	100.0%	3.2%
Gross Profit	47,729	39.4%	47,389	37.9%	-0.7%
Advertising	2,880	2.4%	3,445	2.8%	19.6%
Freight	3,752	3.1%	3,829	3.1%	2.0%
Depreciation and Amortization	1,504	1.2%	1,536	1.2%	2.1%
Selling, General and Administrative Expenses	37,737	31.1%	40,260	32.2%	6.7%
Operating Income	9,992	8.2%	7,128	5.7%	-28.7%
Ordinary Income	10,536	8.7%	7,219	5.8%	-31.5%
Extraordinary Losses and Income	-128	-	-50	-	-
Net Income	6,828	5.6%	4,440	3.6%	-35.0%

	FY2023 Results		FY2024 Results		
		Sales Composition		Sales Composition	YoY % Change
Net Sales	89,789	100.0%	90,063	100.0%	0.3%
Gross Profit	33,974	37.8%	31,339	34.8%	-7.8%
Operating Income	8,142	9.1%	4,802	5.3%	-41.0%
Ordinary Income	9,491	10.6%	6,072	6.7%	-36.0%

(Unit: million yen, thousand dollars)

	FY2023 Results		FY2024 Results	
		YoY % Change		YoY % Change
Upper: Net Sales	26,210	16.3%	30,485	16.3%
Bottom: Operating Income	1,631	7.1%	1,747	7.1%
Domestic Subsidiaries	9,626	10.2%	10,609	10.2%
Tully's Coffee Japan Co., Ltd.	953	10.4%	1,052	10.4%
Chichiyasu Company	3,245	5.8%	3,434	5.8%
	325	15.2%	374	15.2%
Overseas Subsidiaries	13,590	10.6%	15,033	10.6%
	551	41.6%	781	41.6%
US Business	11,757	13.3%	13,316	13.3%
	193	147.4%	478	147.4%
	\$ 83,954	0.7%	\$ 84,580	0.7%
	\$ 1,382	120.0%	\$ 3,041	120.0%
Tea-Related Business Companies ※	4,394	20.6%	5,299	20.6%
	406	65.2%	672	65.2%
	\$ 31,378	7.3%	\$ 33,659	7.3%
	\$ 2,905	47.0%	\$ 4,269	47.0%
Other Overseas Subsidiaries	1,833	-6.3%	1,717	-6.3%
	358	-15.6%	302	-15.6%
Elimination of Internal Transactions	- 8,434	-	- 10,544	-
	- 333	-	- 202	-

Exchange rate (US\$)
(1Q average rate)

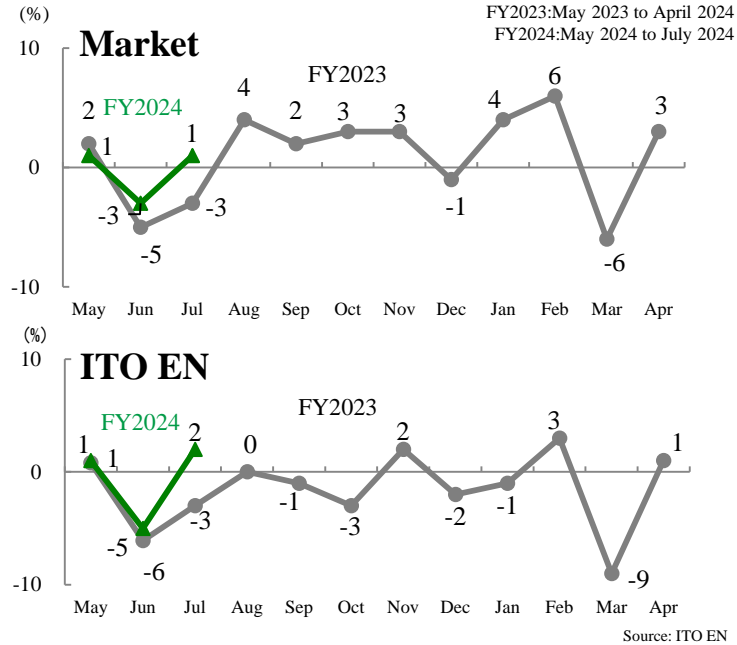
140.04

157.44

※Sum of ITO EN (North America) INC. and ITO EN (Hawaii) LCC

Soft Drink Market in Japan and ITO EN

Monthly Sales Volume Trends (YoY % change)



Beverage Market Topics

- 2024 May** Last year, there were positive effects from the recovery of human movement due to the transition of COVID-19 to Category 5, but this year, there are negative factors such as irregular weather, leading to a gradual trend.
- June** While there has been a recovery in human flow, there has been a tendency to struggle due to intermittent price increases caused by the overall rise in prices in society, with a preference for essential goods.
- July** Although there were expectations for increased demand due to the nationwide heatwave, the impact of price hikes and the fact that the same month last year also experienced a heatwave limited the rebound in demand.

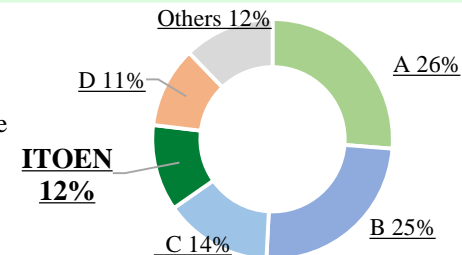
ITO EN (non-consolidated) FY2024 1Q

(Unit: ten thousand cases)

Drinks Sales Volume by Category	FY 2023 Results			FY 2024 Results		
	Sales Composition	YoY % Change		Sales Composition	YoY % Change	
Drinks	6,093	100 %	- 3 %	6,068	100 %	- 0 %
Tea total	4,351	71 %	- 3 %	4,325	71 %	- 1 %
Japanese Tea	3,942	65 %	- 5 %	3,917	65 %	- 1 %
Green Tea	2,599	43 %	- 4 %	2,575	42 %	- 1 %
Barley Tea	1,343	22 %	- 6 %	1,342	22 %	- 0 %
Chinese Tea	242	4 %	+ 6 %	253	4 %	+ 5 %
Other Tea	166	3 %	+ 33 %	154	3 %	- 7 %
Vegetable	656	11 %	- 10 %	627	10 %	- 4 %
Coffee	453	7 %	+ 3 %	474	8 %	+ 5 %
Mineral Water	175	3 %	- 11 %	193	3 %	+ 10 %
Carbonated	180	3 %	+ 15 %	165	3 %	- 9 %
Fruit	141	2 %	+ 11 %	150	2 %	+ 7 %
Others	135	2 %	+ 3 %	132	2 %	- 2 %

Ratio of Unsweetened Beverages: 75% or more

Reference:
Market Share of Beverage Industry



Sales of “Oi Ocha” in Overseas Markets

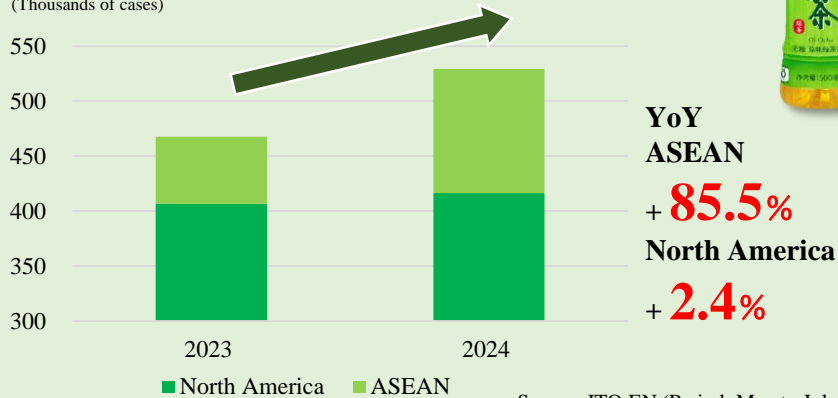
Sales of “Oi Ocha” by region

▼ Oi Ocha RTD Sales Trend



North America + ASEAN

(Thousands of cases)

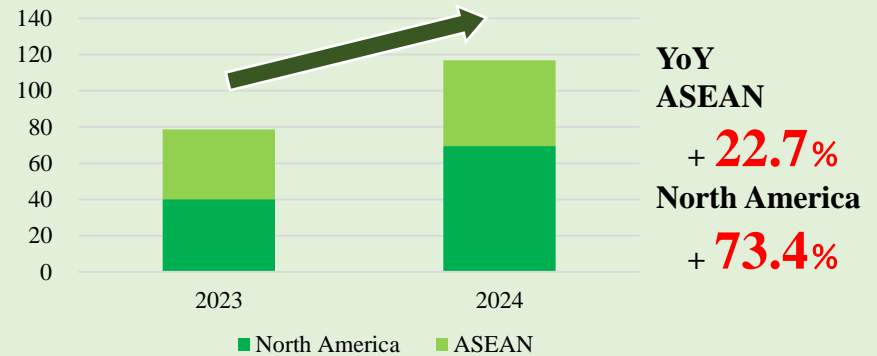


▼ Sales Volume of “Oi Ocha” Tea Bags



North America + ASEAN

(Thousands of boxes)



Sales floor in Thailand

« Beverage Sales »

In North America, sales of “Oi Ocha Green Tea”, Roasted Green Tea and Roasted Rice Tea were strong, mainly through Asian supermarkets and e-commerce sites, reflecting growing health consciousness.

In ASEAN, the number of CVS and mass retailers introducing “Oi Ocha” expanded due to the renewal of “Oi Ocha” into bamboo bottles last year and the use of influencers.

« Tea Bags Sales »

In North America, “Oi Ocha Green Tea” and Premium Roasted Rice Tea are performing well.

In ASEAN, active sampling and SNS-based marketing measures increased awareness and in-store turnover.



Sampling in Malaysia

▼ Expand sales products and further accelerate for overseas



Following “Oi Ocha Unsweetened Green Tea” (left), “Oi Ocha Unsweetened Matcha Green Tea” (right) will be sequentially produced and sold in Germany from September 2024.

- **Environmentally friendly paper carton container**
- **Paper carton containers with caps designed not to be removed from the container (Tethered Caps)**

Continue to Expand Sales Channels to be “A Global Tea Company”

Topics "Oi Ocha" Initiatives

Shohei Otani becomes “Oi Ocha Global Ambassador” and the project begins.

▼ Strengthen “Oi Ocha” brand in Japan and overseas



- April 30 Global contract signed
(Advertisements in more than 60 newspapers worldwide)
- May 20 Appointed as Global Ambassador
“Let's Go to LA to Watch the Games!” Campaign
- May 31 Jacked up huge outdoor advertisements in more than 85 locations around the world! Also in Times Square, NY and Hollywood
- July 10 Global Social Contribution Projects
“Green Tea for Good” started

▼ Global Social Contribution Projects “Green Tea for Good”

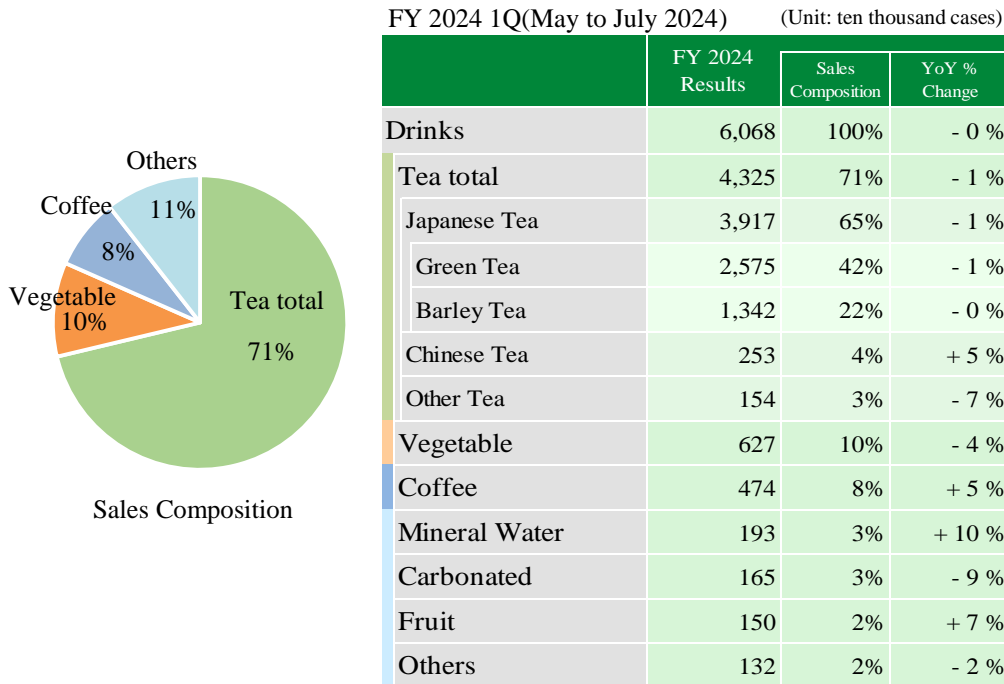
Social Contribution Projects that utilize a portion of the sales from the "Oi Ocha" brand beverages and leaf products to carry out conservation efforts, including those related to forests, water, and biodiversity in Japan and overseas.

The initiative "Making Japan Beautiful With Green Tea," which started in 2010, will be expanded domestically and internationally as the Global Social Contribution Projects "Green Tea for Good," beginning in Iwate Prefecture, the hometown of Shohei Ohtani.

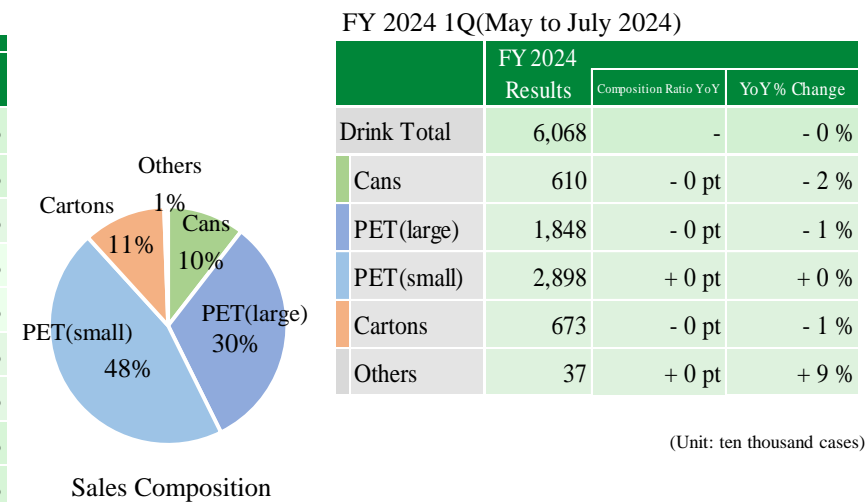


Environmental Activities “Making Iwate Beautiful With Green Tea”
(Conducted on Aug. 4)

Drink Sales Volume by Category



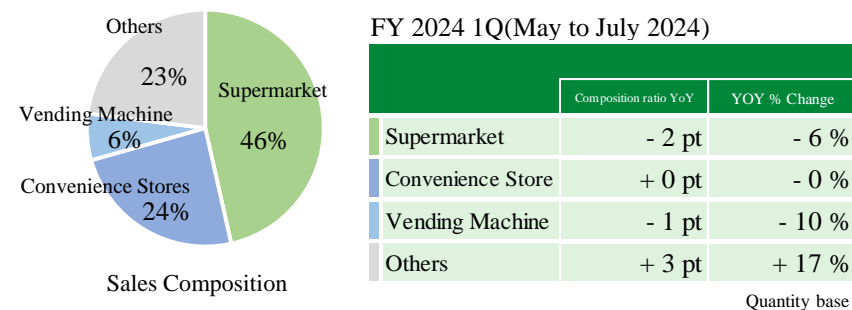
Drink Sales Volume by Packaging



Sales Change Ratio for Tea Leaves and Other Categories



Drink Sales Volume by Channel



Appendix : Forecasts for FY 2024

Full year (May 2024 to April 2025)

	FY2023 Results		FY2024 Forecast			
		Sales Composition		Sales Composition	YoY % Change	
Consolidated	Net Sales	453,899	100.0%	466,600	100.0%	2.8%
	Gross Profit	177,067	39.0%	186,150	39.9%	5.1%
	Advertising	11,454	2.5%	12,820	2.7%	11.9%
	Freight	14,168	3.1%	15,292	3.3%	7.9%
	Depreciation and Amortization	6,156	1.4%	6,837	1.5%	11.1%
	Selling, General and Administrative Expenses	152,044	33.5%	159,650	34.2%	5.0%
	Operating Income	25,023	5.5%	26,500	5.7%	5.9%
	Ordinary Income	26,681	5.9%	26,700	5.7%	0.1%
	Extraordinary Losses and Income	-2,156	-	-600	-	-
	Net Income	15,650	3.4%	17,200	3.7%	9.9%

	FY2023 Results		FY2024 Forecast			
		Sales Composition		Sales Composition	YoY % Change	
Non-Consolidated	Net Sales	329,069	100.0%	336,470	100.0%	2.2%
	Gross Profit	120,985	36.8%	123,660	36.8%	2.2%
	Operating Income	18,819	5.7%	19,600	5.8%	4.2%
	Ordinary Income	21,493	6.5%	21,650	6.4%	0.7%

(Unit: million yen, thousand dollars)

	FY2023 Results		FY2024 Forecast		YoY % Change
Upper: Net Sales					
Bottom: Operating Income					
Performances of Subsidiaries	Domestic Subsidiaries	104,134	114,180	9.6%	
		5,138	5,094	-0.8%	
	Tully's Coffee Japan Co., Ltd.	40,352	43,200	7.1%	
		3,236	3,380	4.4%	
	Chichiyasu Company	12,681	12,656	-0.2%	
		1,227	1,180	-3.9%	
	Overseas Subsidiaries	53,193	51,012	-4.1%	
		1,791	2,343	30.8%	
	US Business	46,598	44,318	-4.9%	
		393	984	149.9%	
		\$ 318,577	\$ 316,562	-0.6%	
		\$ 2,692	\$ 7,029	161.1%	
	Tea-Related Business Companies ※	17,843	17,425	-2.3%	
		1,827	1,796	-1.7%	
		\$ 121,987	\$ 124,470	2.0%	
		\$ 12,491	\$ 12,830	2.7%	
Other Overseas Subsidiaries	6,595	6,693	1.5%		
	1,397	1,359	-2.7%		
Elimination of Internal Transactions	-32,498	-35,062	-		
	-725	-537	-		

Exchange rate (US\$)
(1Q average rate)

146.27

140.00

※Sum of ITOEN (North America) INC. and ITOEN (Hawaii) LCC



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.