

Ajinomoto Co., Inc. Consolidated Results Interim period ended September 30, 2016

Financial Statement and Impact of External Environment

Summary of Statement of Income table with columns for Interim FY2016, Interim FY2015, YoY Change, Excluding the Effect of currency translation, and July-Sept. 2016/2015. Includes categories like Net sales, Operating income, and Profit attributable to owners of parent.

Impact of External Environment table showing effects of currency translation, trade, and raw materials on sales and operating income.

\* Approximations to nearest ¥0.5 billion

Summary of Balance Sheets table showing Total assets, Liabilities, and Total net assets as of Sept. 30, 2016 and Mar. 31, 2016.

Summary of Cash Flow Statements table showing Cash provided by operating, investing, and financing activities.

Note: (-) Cash out

Consolidated Results by Segments

Japan Food Products table with columns for Interim FY2016, Revised forecast, Progress, Interim FY2015, YoY Change, and July-Sept. 2016/2015. Includes Net sales, Operating income, and Shared companywide expenses.

Comments hereafter are for the Apr.-Sept. period (Q2)

- \*1 Decrease in sales due to negative effect of the sale of a subsidiary, etc., despite continued strong sales of soup in household products.
\*2 Increase in overall sales due to strong sales of core household products Gyoza and THE CHA-HAN (fried rice), as well as sales expansion of the core product lineup for restaurant and institutional use.
\*3 Decrease in overall sales due to effect of low-priced competitor products in bottled coffee in household products and decrease in sales to major restaurant and institutional customers, etc.
\*4 Increase in income from both household products and products for restaurant and institutional use in seasonings & processed foods.

International Food Products table with columns for Interim FY2016, Revised forecast, Progress, Interim FY2015, YoY Change, and July-Sept. 2016/2015. Includes Net sales, Operating income, and Shared companywide expenses.

- \*1 Decrease in sales due to negative effect of currency translation (approx. -¥23.5 billion), etc., despite higher sales volume of flavor seasonings and umami seasoning AJI-NO-MOTO®, etc.
\*2 Decrease in sales due to negative effect of exchange rates and decrease in sales on local currency basis resulting from strengthening of earnings structure in the United States, etc.
\*3 Decrease in sales of umami seasonings for processed food mfrs. mainly due to negative effect of currency translation.
\*4 Decrease in income in seasonings & processed foods due to negative effect of currency translation, etc.

Life Support table with columns for Interim FY2016, Revised forecast, Progress, Interim FY2015, YoY Change, and July-Sept. 2016/2015. Includes Net sales, Operating income, and Shared companywide expenses.

- \*1 Substantial decrease in sales due to lower unit prices for 3 main products and negative effect of currency translation, etc.
\*2 Sales remained at the level of the previous interim period due to negative effect of currency translation, despite higher sales volume of electronic materials, etc.
\*3 Substantial decrease in income in animal nutrition due to lower unit prices for 3 main products, etc.

Healthcare table with columns for Interim FY2016, Revised forecast, Progress, Interim FY2015, YoY Change, and July-Sept. 2016/2015. Includes Net sales, Operating income, and Shared companywide expenses.

- \*1 Reference: Amino acids for pharmaceuticals and foods -¥0.9 billion, Pharmaceutical custom manufacturing -¥3.1 billion
\*2 Reference: Amino acids for pharmaceuticals and foods +¥0.1 billion, Pharmaceutical custom manufacturing +¥0.3 billion

Other table with columns for Interim FY2016, Revised forecast, Progress, Interim FY2015, YoY Change, and July-Sept. 2016/2015. Includes Net sales, Operating income, and Shared companywide expenses.

- \*1,\*2 Decrease in sales and income because EA Pharma Co., Ltd. changed from a consolidated subsidiary to an affiliated company accounted for by the equity method due to restructuring of the pharmaceuticals business.

Forward-looking statements, such as business performance forecasts, made in these materials are based on management's estimates, assumptions and projections at the time of publication and do not represent a commitment from Ajinomoto Co., Inc. that they will be achieved. A number of factors could cause actual results to differ materially from expectations.

■ Results by Business & Geographical Area

Net Sales	Japan					Asia					Americas					Europe					Total					
	FY2016		FY2015		YoY	FY2016		FY2015		YoY	FY2016		FY2015		YoY	FY2016		FY2015		YoY	FY2016		FY2015		YoY	
Japan Food Products	185.3	(-1.5)	186.9	1.6	(-0.3)	1.0	(-0.1)	0.8	(-0.1)	188.9	(-2.1)	191.0	1.1	0.9	202.7	(-31.6)	234.4	12.4	(-6.5)	59.9	(-14.5)	74.4	12.8	(-6.2)	42.1	(-2.5)
International Food Products	7.6	(-0.1)	7.7	107.7	(-14.0)	74.9	(-10.9)	12.4	(-6.5)	202.7	(-31.6)	234.4	85.8	18.9	59.9	(-14.5)	74.4	19.8	(-7.2)	20.3	(0.1)	20.3	6.8	(-1.2)	16.2	(2.0)
Life Support	20.4	(0.1)	20.3	6.8	(-1.2)	19.8	(-7.2)	12.8	(-6.2)	59.9	(-14.5)	74.4	27.0	19.0	20.3	(0.1)	20.3	8.0	(-1.2)	14.1	(0.1)	14.1	1.2	(-0.1)	14.1	(0.1)
Healthcare	16.2	(2.0)	14.1	1.2	(-0.1)	10.8	(-1.1)	13.7	(-3.4)	42.1	(-2.5)	44.7	12.0	17.1	44.7	(-2.5)	44.7	10.8	(-1.1)	23.7	(-15.5)	39.3	5.0	(-0.5)	23.7	(-15.5)
Other	23.7	(-15.5)	39.3	5.0	(-0.5)	-	-	-	-	28.8	(-16.0)	44.8	-	-	28.8	(-16.0)	44.8	-	-	23.7	(-15.5)	39.3	5.0	(-0.5)	23.7	(-15.5)
Total	253.5	(-14.9)	268.4	122.4	(-16.2)	106.7	(-19.4)	39.8	(-16.3)	522.5	(-67.0)	589.5	126.1	56.1	522.5	(-67.0)	589.5	126.1	(-19.4)	253.5	(-14.9)	268.4	122.4	(-16.2)	106.7	(-19.4)

Upper row: Interim FY2016; lower row: Interim FY2015. Figures in parentheses represent Y o Y change.

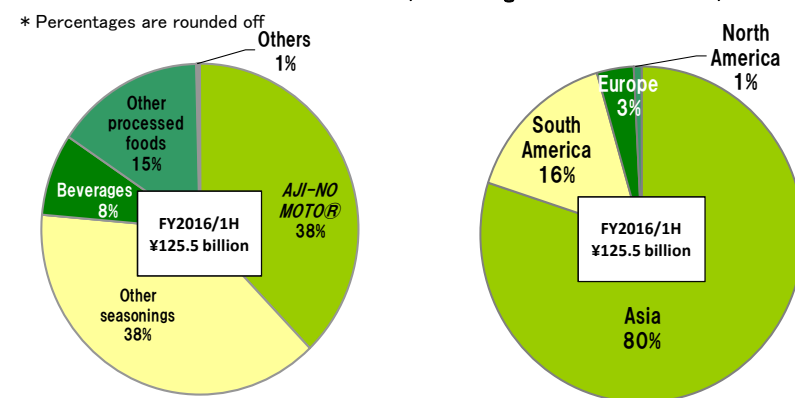
Operating income	Japan		Asia		Americas		Europe		Other		Total	
	FY2016		FY2015		FY2016		FY2015		FY2016		FY2015	
Japan Food Products	19.2	(4.4)	0.7	(-0.6)	0.1	(-0.0)	0.2	(-0.0)	-5.1	(-0.3)	15.2	(3.3)
International Food Products	14.8	(-0.9)	21.3	(-2.2)	5.4	(-1.3)	0.3	(0.0)	-7.2	(0.5)	19.2	(-3.9)
Life Support	0.3	(-1.6)	0.3	(0.3)	-0.5	(-2.9)	-0.1	(-2.6)	-1.5	(0.2)	1.6	(-6.6)
Healthcare	5.2	(-0.4)	0.5	(0.2)	2.2	(0.3)	1.1	(0.4)	-1.5	(-0.3)	3.3	(0.1)
Other	1.5	(-1.1)	0.4	(-0.1)	-	-	0.0	(0.0)	-1.5	(0.1)	-0.4	(-1.0)
Shared companywide expenses, etc. *	1.7	(-0.4)	-4.5	(-0.0)	-3.3	(0.2)	-1.2	(0.4)	17.2	(-0.2)	16.1	(-8.0)
Total	16.1	(-0.0)	18.8	(-2.4)	3.8	(-3.8)	0.3	(-1.7)	17.4	(-0.2)	47.2	(-8.0)

Upper row: Interim FY2016; lower row: Interim FY2015. Figures in parentheses represent Y o Y change.  
\* Includes shared companywide expenses and unrealized gains and losses not reflected in any geographical area, etc.

<Comments about operating income>

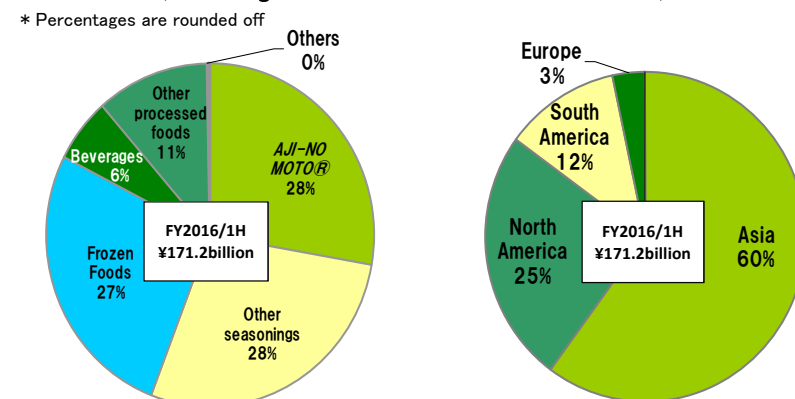
Japan Food Products : Japan > Increase due to increase in sales of seasonings & processed foods and frozen foods, etc.  
International Food Products : Asia and Americas > Decrease due to negative effect of currency translation, etc.  
Life Support : Americas and Europe > Decrease mainly due to lower unit prices for animal nutrition products.  
Healthcare : Japan > Decrease due to Amino acids for pharmaceuticals and foods.  
Europe > Increase due to Pharmaceutical custom manufacturing.

■ Trends in International Food Products (Seasoning & Processed Foods) \*



**Interim FY2016, Sales in Five Stars**  
 ■ Thailand: approx. THB 16.0 billion (-1% Y o Y, -16% on yen basis)  
 ■ Indonesia: approx. IDR 2,275.4 billion (+12% Y o Y, -0% on yen basis)  
 ■ Brazil: approx. BRL 0.48 billion (+34% Y o Y, +13% on yen basis)  
 ■ Vietnam: approx. VND 3,503.4 billion (+10% Y o Y, -7% on yen basis)  
 ■ Philippines: approx. PHP 3.2 billion (+6% Y o Y, -11% on yen basis)

■ (Reference) Trends in International Food Products (Seasoning & Processed Foods and Frozen Foods) \*



■ Market & other information

(1) Estimated market share and position of main brands in the Japanese household market by Ajinomoto Group\*

Category	Brands	FY2015			FY2016	
		Market size	Market share (rank)		Market size (est.)	Market share (rank)
			1H-FY2015	FY2015		
Umami seasonings	AJI-NO-MOTO®, Hi-Me®	6.2	92%(1)	89%(1)	6.1	90%(1)
Japanese flavor seasonings	HONDASHI®	39.3	57%(1)	57%(1)	38.5	57%(1)
Consomme	Ajinomoto KK Consomme	12.1	80%(1)	80%(1)	12.2	79%(1)
Soup	Knorr®	89.2	33%(1)	37%(1)	91.0	34%(1)
Mayonnaise	Pure Select®	45.2	26%(2)	23%(2)	44.2	23%(2)
Menu seasonings	Cook Do®, Cook Do® Kyo-no Ohzara®	78.9	32%(1)	28%(1)	81.0	29%(1)

Coffee products

Category	Brands	FY2015			FY2016	
		Market size	Market share (rank)		Market size (est.)	Market share (rank)
			1H-FY2015	FY2015		
Instant (jar)	Blendy®, MAXIM®	44.4	4%(3)	4%(3)	42.3	3%(3)
Instant (refill-type)	Blendy®, MAXIM®	29.5	49%(2)	46%(2)	31.0	43%(2)
Stick-type	Blendy® Stick, Teaheart	31.3	53%(1)	62%(1)	32.6	63%(1)
Home regular	Chyotto Zeitakuna Kohiten®	26.9	18%(3)	18%(3)	26.4	16%(3)
Personal regular	Blendy® Drip, Chyotto Zeitakuna Kohiten® Drip	19.3	19%(2)	18%(2)	20.6	15%(2)

\* Consumer purchase basis

(2) Ratio of sales for home use/restaurant and industrial use in Japanese market\*1

Category	Sales	FY2014	1H-FY2015	FY2015	1H-FY2016			
		Home use	Restaurant & institutional use*2	Home use	Restaurant & institutional use			
Seasonings & processed foods	191.4	94.2	198.2	92.8	51%	48%	51%	48%
Frozen foods*3	115.5	56.7	115.1	60.0	61%	60%	60%	62%
Coffee products*4	97.5	51.3	108.1	48.9	77%	74%	77%	75%

\*1: Percentages are rounded off.  
 \*2: Seasonings & processed foods for restaurant use, seasonings for processed food manufacturers, delicatessens and bakery products.  
 \*3: Figures for AJINOMOTO FROZEN FOODS CO., INC. only, and total sales. \*4: Figures for Ajinomoto General Foods, Inc. only.

(3) Estimated market size and share of Asian/Ethnic Frozen Foods Category in North America by Ajinomoto Group

	FY2014	FY2015	FY2016 (est.)
Market size (Million USD)*1	523	552	583
Ajinomoto Windsor, Inc.	36%(1)*2	35%(1)	35%(1)

\*1 Excluding sales to warehouse clubs and private brands  
 \*2 Ajinomoto Windsor, Inc. was established on April 1, 2015. Accordingly, its market share for FY2014 is presented as the sum of the shares of AJINOMOTO NORTH AMERICA, INC. and Windsor Quality Holdings, LP

(4) Estimated demand for MSG and nucleotides by Ajinomoto Group

Category	FY2014			FY2015			
	Chine	Other	Total	Chine	Other	Total	Market share
MSG	1,580	1,470	3,050*1	1,600	1,500	3,100*2	approx. 20%
Nucleotides	-	-	41	-	-	42	approx. 30%

\*1 retail: a little under 60%, industrial use: a little over 40% \*2 retail: a little under 60%, industrial use: a little over 40%

(5) Estimated market size of amino acid-based sweetener, aspartame by Ajinomoto Group

Category	FY2014		FY2015		FY2016 (est.)	
	Size	Share	Size	Share	Size	Share
Aspartame	approx. 25	nearly 30%	approx. 25	approx. 30%	approx. 25.5	nearly 30%

(6) Estimated market price and market size of feed-use amino acids by Ajinomoto Group

Category	Product	FY2013	FY2014	1H-FY2015	FY2015	FY2016 Apr.-June	1H-FY2016	2H-FY2016 (est.)*2	FY2016 (est.)*2
		Spread (US\$/ST)*1	Lysine	255	250	190	170	220	220
Market Price (US\$/kg, CIF main port basis)	Threonine	1.60	1.40	1.35	1.25	1.30	1.35	approx. 1.35	approx. 1.35
	Tryptophan	2.05	2.75	2.45	2.30	1.75	1.75	approx. 1.75	approx. 1.75
	Lysine	15.00	17.00	12.00	10.00	7.50	8.00	approx. 8	approx. 8
Market size (Thousand MT)	Lysine	2,100	2,300		approx. 2,200				approx. 2,300
	Market share	15-20%	approx. 15%		approx. 15%				approx. 15%
	Threonine	400	approx. 445		approx. 480				approx. 520
	Market share	approx. 30%	approx. 25%		approx. 25%				approx. 20%
	Tryptophan	14	approx. 23		approx. 28				approx. 33
	Market share	approx. 35%	approx. 20%		approx. 15%				approx. 20%

\*1 The price difference between soybean meal and corn on the Chicago Board of Trade (CBOT)  
 \*2 Spread and market prices do not correspond with assumptions in Ajinomoto Group's forecast of results