

Ajinomoto Co., Inc.

Consolidated Results

IFRS

First Half Ended September 30, 2024

This document has been translated from the original Japanese as a guide for non-Japanese investors. It contains forward-looking statements based on a number of assumptions and judgements made by management considering information currently available. Actual financial results may differ depending on a number of factors, including changing economic conditions, legislative and regulatory developments, delay in new product launches, and pricing and product initiatives of competitors.

SUMMARY OF FINANCIAL STATEMENTS [IFRS] (Consolidated)

First half results for the fiscal year ending March 31, 2025

Ajinomoto Co., Inc.

November 7, 2024

Stock Code: 2802	Stock exchange listing:	Tokyo Stock Exchange
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Scheduled date of submission of statutory first half financial report: November 12, 2024		
Scheduled date of starting payment of dividend: December 3, 2024		
Preparation of supplementary materials: Yes		
Results briefing: Yes (for analysts)		

1. Consolidated Financial Results for First Half Ended September 30, 2024

(1) Consolidated Operating Results

(Millions of yen)

	First half ended September 30, 2024		First half ended September 30, 2023	
		Change %		Change %
Sales	744,250	8.2	688,004	4.3
Business profit	86,905	13.5	76,556	3.0
Profit before income taxes	78,179	11.5	70,125	2.9
Profit	55,865	9.0	51,261	2.8
Profit attributable to owners of the parent company	50,227	8.1	46,457	(1.2)
Comprehensive income	32,098	(74.2)	124,604	7.4
Basic earnings per share (yen)	¥98.94	—	¥88.80	—
Diluted earnings per share (yen)	¥98.94	—	¥88.77	—

“Change %” indicates the percentage change compared to the same period of the previous fiscal year.

Note: Upon the adoption of IFRS, the Ajinomoto Group has introduced “business profit” as a new profit level that will better enable investors, the Board of Directors, and the Management Committee to grasp the core business results and future outlook of each business while also facilitating continual evaluation of the Group’s business portfolio by the Board of Directors and the Management Committee. “Business profit” is defined as sales and share of profit of associates and joint ventures minus cost of sales, selling expenses, research and development expenses, and general and administrative expenses. Business profit does not include other operating income or other operating expenses.

(2) Consolidated Financial Position

(Millions of yen)

	As of September 30, 2024	As of March 31, 2024
Total assets	1,733,947	1,768,371
Total equity	833,266	884,448
Equity attributable to owners of the parent company	770,447	815,074
Ownership ratio attributable to owners of the parent company (%)	44.4%	46.1%

Note: In the first half ended September 30, 2024, the Company finalized the provisional accounting treatment for a business combination, and the finalized figures have been reflected in the fiscal year ended March 31, 2024.

(3) Consolidated Cash Flows

(Millions of yen)

	First half ended September 30, 2024	First half ended September 30, 2023
Net cash provided by operating activities	81,778	53,480
Net cash used in investing activities	(38,592)	(34,065)
Net cash provided by (used in) financing activities	(36,240)	9,119
Cash and cash equivalents at end of period	176,542	165,584

2. Dividends

	Fiscal year ended March 31, 2024	Fiscal year ending March 31, 2025	Fiscal year ending March 31, 2025 (forecast)
Dividend per share			
Interim (yen)	¥37.00	¥40.00	
Year-end (yen)	¥37.00		¥40.00
Annual (yen)	¥74.00		¥80.00

Note: Revisions from the last forecast released: None

3. Forecast for the Fiscal Year Ending March 31, 2025

(Millions of yen)

	Fiscal year ending March 31, 2025	
		Change %
Sales	1,532,500	6.5
Business profit	160,000	8.3
Profit attributable to owners of the parent company	95,000	9.0
Basic earnings per share (yen)	¥188.72	—

"Change %" indicates the percentage change compared to the previous fiscal year.

Note: Revisions from the last forecast released: Yes

Notes:

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

(2) Changes in accounting policies and accounting estimates

(i) Changes in accounting policies as required by IFRS: None

(ii) Other changes in accounting policies: None

(iii) Changes in accounting estimates: None

(3) Number of shares outstanding (ordinary shares)

	Shares	
	As of September 30, 2024	As of March 31, 2024
Number of shares outstanding at end of period (including treasury stock)	515,731,154	521,430,854
Number of shares in treasury stock at end of period	11,867,423	8,864,260
	April 1, 2024 to September 30, 2024	April 1, 2023 to September 30, 2023
Average number of shares during period	507,645,363	523,171,392

Note: The number of shares in treasury stock at the end of the period includes the Company's shares held by the director's remuneration BIP trust (As of September 30, 2024: 405,600 shares. As of March 31, 2024: 409,900 shares), which was adopted along with the introduction of stock-based remuneration of executive officers based on the Company's medium-term earnings performance for the directors and others. In addition, these Company's shares are included in the treasury stock which is deducted from the number of shares outstanding at the end of the period when calculating the average number of shares during the period.

The summary of interim financial statements is not subject to review by certified public accountants or an audit firm.

Appropriate use of forecasts and other notes

Disclaimer regarding forward-looking statements and other information

Forward-looking statements, such as business forecasts, included in this document are based on management's estimates, assumptions, and projections at the time of release. These statements do not promise nor represent a commitment by the Company to achieve these forecasts. Actual operating results may differ significantly due to various factors. For more information regarding earnings forecasts, see page 6, "1. Qualitative Information on the First Half Consolidated Results, (1) Overview of Operating Results."

Where to obtain supplementary materials

Supplementary materials will be posted on the Company's website on Thursday, November 7, 2024.

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1. Qualitative Information on the First Half Consolidated Results

Upon the adoption of IFRS, the Ajinomoto Group has introduced "business profit" as a new profit level that will better enable investors, the Board of Directors, and the Management Committee to grasp the core business results and future outlook of each business while also facilitating continual evaluation of the Group's business portfolio by the Board of Directors and the Management Committee. "Business profit" is defined as sales and share of profit of associates and joint ventures minus cost of sales, selling expenses, research and development expenses, and general and administrative expenses. Business profit does not include other operating income or other operating expenses.

In addition, in the first half ended September 30, 2024, the Company finalized the provisional accounting treatment for a business combination and a significant revision to the initial allocation of acquisition costs has been made and reflected in the fiscal year ended March 31, 2024.

(1) Overview of Operating Results

In the first half ended September 30, 2024, the Company's consolidated sales increased 8.2% year on year, or ¥56.2 billion, to ¥744.2 billion. This was due to increases in sales in the Seasonings and Foods segment, the Frozen Foods segment, and the Healthcare and Others segment, including the effect of currency translation. Business profit increased 13.5% year on year, or ¥10.3 billion, to ¥86.9 billion primarily due to the increases in sales in the Seasonings and Foods segment and the Healthcare and Others segment and other factors. Profit attributable to owners of the parent company totaled ¥50.2 billion, up 8.1% year on year, or ¥3.7 billion, primarily as a result of higher business profit.

Furthermore, the Company has revised the full-year consolidated performance forecast for the fiscal year ending March 31, 2025 announced on May 9, 2024 in light of recent trends in business performance and other factors.

As a result of reviewing the impact of foreign exchange fluctuations, the state of the economy, the sales situation, and other factors under the current business environment, the Company has upwardly revised the forecast for sales in the Healthcare and Others segment by ¥5.5 billion from the previous forecast, reflecting strong sales of Functional Materials (electronic materials and others), and the overall forecast for sales to ¥1,532.5 billion. The progress rate of sales against the revised forecast is 48.6%. As a result of reviewing the current business environment, including the impact of foreign exchange fluctuations and economic conditions, the sales situation, and the status of company-wide initiatives, the forecast for business profit in the Seasonings and Foods segment has been revised downward by ¥2.9 billion from the previous forecast, mainly to reflect the impact of higher coffee bean prices, and the forecast for business profit in the Healthcare and Others segment has been revised upward by ¥5.2 billion from the previous forecast, mainly to reflect the effect of higher sales in the Functional Materials (electronic materials and others) segment. As a result, the Company has raised its total business profit forecast by ¥2.0 billion from the previous forecast to ¥160.0 billion. The progress rate of business profit against the revised forecast is 54.3%. The forecast for profit attributable to owners of the parent company is unchanged despite the upward revision of the forecast for business profit, mainly reflecting expenses associated with structural reforms. The progress rate of profit attributable to owners of the parent company against the full-year forecast is 52.9%. The forecast is based on an exchange rate of ¥149 to US\$1 (for the second half, a rate of ¥145 to US\$1).

Please also refer to Notice of Revision to Full-Year Consolidated Performance Forecast for the Fiscal Year Ending March 31, 2025 released today (November 7, 2024) for more details about the revision of the consolidated earnings forecast.

Overview by segment

Sales and business profit by segment are summarized below.

Versus previous year results (Billions of yen)

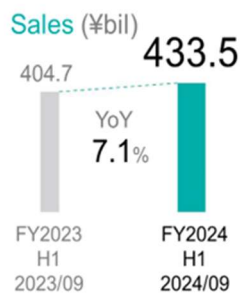
	Sales			Business Profit		
	FY2024 H1	YoY change	% change	FY2024 H1	YoY change	% change
Seasonings and Foods	433.5	28.8	7.1%	60.5	3.4	6.0%
Frozen Foods	143.0	6.5	4.8%	4.5	(2.1)	(32.2)%
Healthcare and Others	159.9	20.4	14.7%	18.9	8.0	73.1%
Other	7.6	0.4	5.6%	2.8	1.0	59.7%
Total	744.2	56.2	8.2%	86.9	10.3	13.5%

Versus the forecast (Billions of yen)

	Sales			Business Profit		
	FY2024 H1	Forecast for the year	YTD progress	FY2024 H1	Forecast for the year	YTD progress
Seasonings and Foods	433.5	889.9	48.7%	60.5	108.7	55.7%
Frozen Foods	143.0	292.7	48.9%	4.5	11.2	40.2%
Healthcare and Others	159.9	331.3	48.3%	18.9	35.5	53.4%
Other	7.6	18.4	41.5%	2.8	4.4	62.9%
Total	744.2	1,532.5	48.6%	86.9	160.0	54.3%

(i) Seasonings and Foods

In the Seasonings and Foods segment, sales increased 7.1% year on year, or ¥28.8 billion, to ¥433.5 billion, mainly because of an increase in sales and the effect of currency translation. Segment business profit increased 6.0% year on year, or ¥3.4 billion, to ¥60.5 billion, due primarily to the effect of increased revenue.



Main factors affecting segment sales

Sauce & Seasonings: Overall increase in revenue.

Japan: Increase in revenue due to increased sales.

Overseas: Increase in revenue due to increased sales and the impact of currency translation.

Quick Nourishment: Overall increase in revenue.

Japan: Increase in revenue primarily due to the effect of increased unit sales prices.

Overseas: Increase in revenue due to the impact of currency translation and increased sales.

Solution & Ingredients: Increase in revenue primarily due to the impact of currency translation and increased sales of restaurant and industrial-use products.



Main factors affecting segment profits

Sauce & Seasonings: Overall large increase in profit.

Japan: Decrease in profit primarily due to increased strategic expenses, despite the effect of increased revenue.

Overseas: Increase in profit primarily due to the effect of increased revenue.

Quick Nourishment: Overall large increase in profit.

Japan: Decrease in profit primarily due to the impact of cost increases, such as for raw materials, despite the effect of increased revenue.

Overseas: Large increase in profit primarily due to the effect of increased revenue.

Solution & Ingredients: Overall decrease in profit primarily due to a decrease in profit of umami seasonings for processed food manufacturers, despite the effect of increased revenue.

(ii) Frozen Foods

Frozen Foods segment sales increased 4.8% year on year, or ¥6.5 billion, to ¥143.0 billion, owing to the effect of currency translation and other factors. Segment business profit decreased 32.2% year on year, or ¥2.1 billion, to ¥4.5 billion, mainly because of an increase in strategic expenses despite higher revenue and other factors.

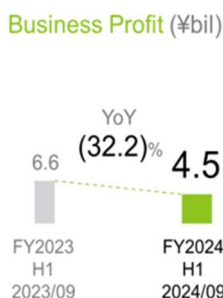


Main factors affecting segment profits

Overall increase in revenue.

Japan: Overall revenue was level with the previous year despite increased sales of home-use products.

Overseas: Increase in revenue due to the impact of currency translation despite the impact of structural reform.



Main factors affecting segment profits

Overall large decrease in profit.

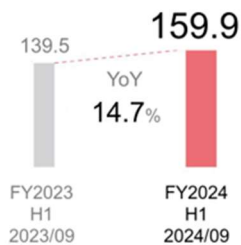
Japan: Decrease in profit primarily due to the impact of cost increase for raw materials.

Overseas: Large decrease in profit primarily due to increased strategic expenses, despite the effect of increased revenue.

(iii) Healthcare and Others

Healthcare and Others segment sales increased 14.7% year on year, or ¥20.4 billion, to ¥159.9 billion, mainly owing to an increase in sales of electronic materials and Bio-Pharma Services & Ingredients. Segment business profit increased 73.1% year on year, or ¥8.0 billion, to ¥18.9 billion due to higher revenue for electronic materials and other factors.

Sales (¥bil)



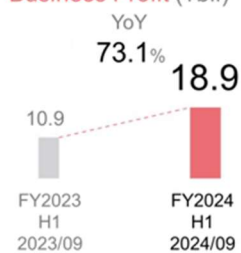
Main factors affecting segment sales

Bio-Pharma Services & Ingredients: Overall increase in revenue due to increased sales of Bio-Pharma Services (CDMO services) and the impact of currency translation.

Functional Materials (electronic materials and others): Large increase in revenue due to strong sales of electronic materials.

Others: Overall increase in revenue.

Business Profit (¥bil)



Main factors affecting segment profits

Bio-Pharma Services & Ingredients: Overall decrease in profit due to a decrease in profit for Bio-Pharma Services (CDMO services) because of the acquisition of Forge Biologics, despite the increase in profit for amino acids for pharmaceuticals and foods.

Functional Materials (electronic materials and others): Large increase in profit accompanying large increase in revenue.

Others: Large increase in profit accompanying increase in revenue.

(iv) Other

In the Other segment, sales increased 5.6% year on year, or ¥0.4 billion, to ¥7.6 billion. Segment business profit increased 59.7% year on year, or ¥1.0 billion, to ¥2.8 billion.

(2) Overview of Financial Position

As of September 30, 2024, the Company's consolidated total assets stood at ¥1,733.9 billion, a decrease of ¥34.4 billion from ¥1,768.3 billion at the end of the previous fiscal year on March 31, 2024. The main reasons for this were the effect of currency translation in conjunction with the appreciation of the yen and a decrease in income taxes receivable due to tax refund, despite an increase in inventories.

Total liabilities came to ¥900.6 billion, ¥16.7 billion more than the ¥883.9 billion at the end of the previous fiscal year. This was mainly due to an increase in interest-bearing debt despite a decrease in trade and other payables. Interest-bearing debt totaled ¥538.4 billion, an increase of ¥46.7 billion from the end of the previous fiscal year, primarily due to the issuance of bonds.

Total equity as of September 30, 2024 was ¥833.2 billion, ¥51.1 billion less than the ¥884.4 billion at the end of the previous fiscal year. This was mainly due to a decrease in exchange differences on translation of foreign operations in conjunction with the appreciation of the yen in addition to a decrease due to the purchase of treasury stock. Equity attributable to owners of the parent company, which is total equity minus non-controlling interests, totaled ¥770.4 billion, and the equity ratio attributable to owners of the parent company was 44.4%.

(3) Overview of Cash Flows

The overview of cash flows for the first half ended September 30, 2024 is as follows.

Net cash provided by operating activities totaled ¥81.7 billion, compared with ¥53.4 billion during the first half ended September 30, 2023. The main factors included ¥78.1 billion in profit before income taxes and ¥42.6 billion in depreciation and amortization, offset by a ¥25.4 billion increase in inventories.

Net cash used in investing activities came to ¥38.5 billion, compared with ¥34.0 billion during the first half ended September 30, 2023. The main factors included ¥47.5 billion in purchase of property, plant and equipment, and intangible assets.

Net cash used in financing activities was ¥36.2 billion, compared with ¥9.1 billion net cash provided by financing activities during the first half ended September 30, 2023. The main factors included ¥117.0 billion in proceeds from long-term borrowings, ¥87.0 billion decrease in short-term borrowings, and ¥50.0 billion in purchase of treasury stock.

As a result of the foregoing, cash and cash equivalents as of September 30, 2024 totaled ¥176.5 billion.

(4) Analysis of Capital Resources and Liquidity

(i) Liquidity

During the first half ended September 30, 2024, the Company ensured adequate short-term liquidity on hand through funding methods that mainly consisted of committed credit lines, overdraft facilities, and commercial paper issuance facilities.

Moreover, in addition to maintaining an adequate ratio of liquidity on hand, the Company ensured funding security through committed credit lines concluded with its main banks. As of September 30, 2024, the unused amount of committed credit lines was ¥170.0 billion in Japanese yen and US\$100 million in foreign currency. Furthermore, the Company provides an emergency loan facility to respond to temporary cash shortages at overseas consolidated subsidiaries with a high possibility of liquidity risks.

(ii) Fund Procurement

In the first half ended September 30, 2024, the Company raised funds through borrowings from financial institutions and issuances of domestic straight bonds and commercial papers in order to fund its operations and to extend the maturity of short-term borrowings related to the full acquisition of Forge Biologics Holdings, LLC ("Forge"), taking into consideration the balance between direct and indirect finance from the perspective of funding costs and risk diversification, and the balance between long-term and short-term funding.

(iii) Use of Funds

During the first half ended September 30, 2024, funds were primarily used to finance business operations and to extend short-term borrowings related to the full acquisition of Forge.

2. Condensed Consolidated Financial Statements and Notes

(1) Condensed Consolidated Statements of Financial Position

	(Millions of yen)	
	As of September 30, 2024	As of March 31, 2024
Assets		
Current assets		
Cash and cash equivalents	176,542	171,537
Trade and other receivables	175,884	185,564
Other financial assets	19,582	22,650
Inventories	303,879	287,122
Income taxes receivable	7,754	22,505
Others	21,727	20,252
Subtotal	705,370	709,632
Assets of disposal groups classified as held for sale	—	—
Total current assets	705,370	709,632
Non-current assets		
Property, plant and equipment	572,238	587,407
Intangible assets	92,024	97,810
Goodwill	133,844	139,879
Investments in associates and joint ventures	126,989	128,538
Long-term financial assets	53,680	54,097
Deferred tax assets	8,067	8,565
Others	41,731	42,439
Total non-current assets	1,028,577	1,058,738
Total assets	1,733,947	1,768,371

	As of September 30, 2024	As of March 31, 2024
Liabilities		
Current liabilities		
Trade and other payables	199,177	231,979
Short-term borrowings	9,792	97,553
Commercial papers	25,000	53,000
Current portion of long-term borrowings	14,180	37,717
Other financial liabilities	8,673	8,885
Short-term employee benefits	43,684	45,916
Provisions	1,458	4,440
Income taxes payable	16,523	7,031
Others	15,389	15,045
Subtotal	333,881	501,569
Liabilities of disposal groups classified as held for sale	—	—
Total current liabilities	333,881	501,569
Non-current liabilities		
Corporate bonds	229,353	149,626
Long-term borrowings	213,048	104,598
Other financial liabilities	52,827	54,544
Long-term employee benefits	29,905	28,865
Provisions	4,354	3,905
Deferred tax liabilities	34,418	37,859
Others	2,892	2,951
Total non-current liabilities	566,799	382,353
Total liabilities	900,680	883,922
Equity		
Common stock	79,863	79,863
Capital surplus	(32,195)	—
Treasury stock	(66,769)	(49,164)
Retained earnings	690,612	657,782
Other components of equity	98,935	126,592
Other components of equity related to disposal groups classified as held for sale	—	—
Equity attributable to owners of the parent company	770,447	815,074
Non-controlling interests	62,819	69,373
Total equity	833,266	884,448
Total liabilities and equity	1,733,947	1,768,371

(2) Condensed Consolidated Statements of Income and Condensed Consolidated Statements of Comprehensive Income

**Condensed Consolidated Statements of Income
For the First Half**

(Millions of yen)

	First Half ended September 30, 2024	First Half ended September 30, 2023
Sales	744,250	688,004
Cost of sales	(472,899)	(443,431)
Gross profit	271,351	244,572
Share of profit of associates and joint ventures	4,006	1,286
Selling expenses	(98,815)	(91,325)
Research and development expenses	(14,736)	(13,816)
General and administrative expenses	(74,900)	(64,161)
Business profit	86,905	76,556
Other operating income	2,398	2,664
Other operating expenses	(8,434)	(6,563)
Operating profit	80,870	72,658
Financial income	4,604	3,775
Financial expenses	(7,295)	(6,308)
Profit before income taxes	78,179	70,125
Income taxes	(22,313)	(18,863)
Profit	55,865	51,261
Attributable to:		
Owners of the parent company	50,227	46,457
Non-controlling interests	5,638	4,804
Earnings per share (yen):		
Basic	¥98.94	¥88.80
Diluted	¥98.94	¥88.77

**Condensed Consolidated Statements of Comprehensive Income
For the First Half**

(Millions of yen)

	First Half ended September 30, 2024	First Half ended September 30, 2023
Profit	55,865	51,261
Other comprehensive income (Net of related tax effects)		
Items that will not be reclassified to profit or loss:		
Net gain on revaluation of financial assets measured at fair value through other comprehensive income	800	4,361
Remeasurements of defined benefit pension plans	(884)	8,132
Share of other comprehensive income of associates and joint ventures	40	268
Items that may be reclassified subsequently to profit or loss:		
Cash flow hedges	(199)	615
Hedge surplus	109	(50)
Exchange differences on translation of foreign operations	(21,353)	60,450
Share of other comprehensive income (loss) of associates and joint ventures	(2,280)	(435)
Other comprehensive income (Net of related tax effects)	(23,767)	73,342
Comprehensive income	32,098	124,604
Comprehensive income attributable to:		
Owners of the parent company	24,199	115,821
Non-controlling interests	7,899	8,782

(3) Condensed Consolidated Statements of Changes in Equity

First Half ended September 30, 2024

(Millions of yen)

	Equity attributable to owners of the parent company				Other components of equity			
	Common stock	Capital surplus	Treasury stock	Retained earnings	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit pension plans	Cash flow hedges	Hedge surplus
Balance as of April 1, 2024	79,863	—	(49,164)	657,782	21,728	2,271	(991)	(231)
Profit				50,227				
Other comprehensive income					802	(721)	(199)	109
Comprehensive income	—	—	—	50,227	802	(721)	(199)	109
Purchase of treasury stock			(50,008)					
Disposal of treasury stock		(0)	0					
Retirement of treasury stock		(32,385)	32,385					
Dividends				(18,964)				
Changes in transactions with non-controlling interests								
Loss of control of subsidiaries								
Changes in ownership interests in subsidiaries that do not result in loss of control		27						
Transfer from other components of equity to retained earnings				1,583	(1,583)			
Transfer to non-financial assets							(44)	
Stock-based remuneration transaction		162	17					
Other		0		(15)				
Total net changes in transactions with owners of the parent company	—	(32,195)	(17,604)	(17,397)	(1,583)	—	(44)	—
Balance as of September 30, 2024	79,863	(32,195)	(66,769)	690,612	20,947	1,549	(1,236)	(122)

Equity attributable to owners of the parent company						
	Other components of equity			Other components of equity related to disposal groups classified as held for sale	Non-controlling interests	Total
	Exchange differences on translation of foreign operations	Share of other comprehensive income (loss) of associates and joint ventures	Total			
Balance as of April 1, 2024	105,941	(2,125)	126,592	—	69,373	884,448
Profit			—	50,227	5,638	55,865
Other comprehensive income	(23,779)	(2,240)	(26,028)	(26,028)	2,260	(23,767)
Comprehensive income	(23,779)	(2,240)	(26,028)	—	7,899	32,098
Purchase of treasury stock			—	(50,008)		(50,008)
Disposal of treasury stock			—	0		0
Retirement of treasury stock			—	—		—
Dividends			—	(18,964)	(14,042)	(33,007)
Changes in transactions with non-controlling interests			—	—		—
Loss of control of subsidiaries			—	—	(403)	(403)
Changes in ownership interests in subsidiaries that do not result in loss of control			—	27	(27)	—
Transfer from other components of equity to retained earnings			(1,583)	—		—
Transfer to non-financial assets			(44)	(44)		(44)
Stock-based remuneration transaction			—	180		180
Other			—	(15)	19	4
Total net changes in transactions with owners of the parent company	—	—	(1,628)	—	(14,453)	(83,279)
Balance as of September 30, 2024	82,162	(4,365)	98,935	—	62,819	833,266

First Half ended September 30, 2023

(Millions of yen)

	Equity attributable to owners of the parent company				Other components of equity			
	Common stock	Capital surplus	Treasury stock	Retained earnings	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit pension plans	Cash flow hedges	Hedge surplus
Balance as of April 1, 2023	79,863	—	(1,342)	652,307	18,758	(8,779)	(1,354)	(338)
Profit				46,457				
Other comprehensive income					4,360	8,098	615	(49)
Comprehensive income	—	—	—	46,457	4,360	8,098	615	(49)
Purchase of treasury stock			(50,012)					
Disposal of treasury stock		0	0					
Retirement of treasury stock		(43,062)	43,062					
Dividends				(19,584)				
Changes in transactions with non-controlling interests								
Loss of control of subsidiaries								
Changes in ownership interests in subsidiaries that do not result in loss of control		(2,538)						
Transfer from other components of equity to retained earnings				937	(937)			
Transfer to non-financial assets							(152)	
Stock-based remuneration transaction		144	228					
Other		(24)		(14)				
Total net changes in transactions with owners of the parent company	—	(45,481)	(6,720)	(18,660)	(937)	—	(152)	—
Balance as of September 30, 2023	79,863	(45,481)	(8,063)	680,103	22,181	(681)	(891)	(388)

Equity attributable to owners of the parent company							
	Other components of equity			Other components of equity related to disposal groups classified as held for sale	Non-controlling interests	Total	
	Exchange differences on translation of foreign operations	Share of other comprehensive income (loss) of associates and joint ventures	Total				Total
Balance as of April 1, 2023	30,999	(1,436)	37,848	—	768,676	54,292	822,968
Profit	—	—	—	—	46,457	4,804	51,261
Other comprehensive income	56,505	(167)	69,363	—	69,363	3,978	73,342
Comprehensive income	56,505	(167)	69,363	—	115,821	8,782	124,604
Purchase of treasury stock	—	—	—	—	(50,012)	—	(50,012)
Disposal of treasury stock	—	—	—	—	0	—	0
Retirement of treasury stock	—	—	—	—	—	—	—
Dividends	—	—	—	—	(19,584)	(2,785)	(22,370)
Changes in transactions with non-controlling interests	—	—	—	—	—	—	—
Loss of control of subsidiaries	—	—	—	—	—	—	—
Changes in ownership interests in subsidiaries that do not result in loss of control	—	—	—	—	(2,538)	316	(2,222)
Transfer from other components of equity to retained earnings	—	—	(937)	—	—	—	—
Transfer to non-financial assets	—	—	(152)	—	(152)	—	(152)
Stock-based remuneration transaction	—	—	—	—	373	—	373
Other	—	—	—	—	(39)	7	(31)
Total net changes in transactions with owners of the parent company	—	—	(1,089)	—	(71,952)	(2,462)	(74,414)
Balance as of September 30, 2023	87,505	(1,603)	106,122	—	812,545	60,613	873,158

(4) Condensed Consolidated Statements of Cash Flows

(Millions of yen)

	First Half ended September 30, 2024	First Half ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	78,179	70,125
Depreciation and amortization	42,627	37,702
Impairment loss and gain on reversal of impairment loss	951	430
Increase (decrease) in employee benefits	(1,188)	687
Increase (decrease) in provisions	(2,246)	(6,216)
Interest and dividend income	(3,594)	(3,010)
Interest expense	3,355	2,130
Share of profit of associates and joint ventures	(4,006)	(1,286)
Loss on sale and disposal of property, plant and equipment, and intangible assets	1,294	890
Decrease (increase) in trade and other receivables	5,250	(5,347)
Increase (decrease) in trade and other payables	(14,042)	(3,388)
Decrease (increase) in inventories	(25,427)	(24,130)
Increase (decrease) in other assets and liabilities	(2,521)	568
Others	1,868	5,648
Subtotal	80,499	74,803
Interest and dividends received	4,642	4,748
Interest paid	(3,127)	(1,984)
Income taxes paid	(237)	(24,086)
Net cash provided by operating activities	81,778	53,480
Cash flows from investing activities		
Purchase of property, plant and equipment, and intangible assets	(47,563)	(34,112)
Proceeds from sale of property, plant and equipment, and intangible assets	1,318	510
Purchase of financial assets	(1,411)	(1,588)
Proceeds from sale of financial assets	8,860	2,009
Others	203	(884)
Net cash used in investing activities	(38,592)	(34,065)

(Millions of yen)

	First Half ended September 30, 2024	First Half ended September 30, 2023
Cash flows from financing activities		
Net change in short-term borrowings	(87,056)	(4,150)
Net change in commercial papers	(28,000)	70,000
Proceeds from long-term borrowings	117,036	197
Repayments of long-term borrowings	(30,210)	(8,218)
Proceeds from issuance of bonds	79,697	29,876
Dividends paid	(18,967)	(19,175)
Dividends paid to non-controlling interests	(13,788)	(2,976)
Purchase of treasury stock	(50,008)	(50,012)
Purchase of shares in subsidiaries not resulting in change in scope of consolidation	—	(2,113)
Repayments of lease liabilities	(4,961)	(4,536)
Others	17	229
Net cash provided by (used in) financing activities	(36,240)	9,119
Effect of currency rate changes on cash and cash equivalents	(1,940)	4,273
Net change in cash and cash equivalents	5,005	32,807
Cash and cash equivalents at beginning of period	171,537	132,777
Cash and cash equivalents at end of period	176,542	165,584

(5) Notes to Condensed Consolidated Financial Statements

Going Concern Assumption

Not applicable

Segment Information

(1) Overview of reportable segments

The Group's reportable segments are categorized primarily by product lines. There are three reportable segments: Seasonings and Foods, Frozen Foods, and Healthcare and Others.

Each reportable segment is a component of the Group for which separate financial information is available and evaluated regularly by the Management Committee in determining the allocation of management resources and in assessing performance.

The product categories belonging to each reportable segment are as follows:

Reportable Segments	Details	Main Products
Seasonings and Foods	Sauce and Seasonings	Umami seasoning <i>AJI-NO-MOTO</i> [®] , <i>HON-DASHI</i> [®] , <i>Cook Do</i> [®] , <i>Ajinomoto KK Consommé</i> , <i>Pure Select</i> [®] <i>Mayonnaise</i> , <i>Ros Dee</i> [®] (flavor seasoning), <i>Masako</i> [®] (flavor seasoning), <i>Aji-ngon</i> [®] (flavor seasoning), <i>Sazón</i> [®] (flavor seasoning), <i>Sajiku</i> [®] (menu-specific seasoning), <i>CRISPY FRY</i> [®] (menu-specific seasoning), etc.
	Quick Nourishment	<i>Knorr</i> [®] <i>Cup Soup</i> , <i>YumYum</i> [®] (instant noodles), <i>Birdy</i> [®] (coffee beverage), <i>Birdy</i> [®] <i>3in1</i> (powdered drink), <i>Blendy</i> [®] brand products (<i>CAFÉ LATORY</i> [®] , stick coffee, etc.), <i>MAXIM</i> [®] brand products, <i>Chotto Zeitakuna Kohiten</i> [®] brand products, various gift sets, office supplies (coffee vending machines, tea servers), etc.
	Solution and Ingredients	Umami seasoning <i>AJI-NO-MOTO</i> [®] for foodservice and processed food manufacturers in Japan, Seasonings and processed foods for foodservice, Seasonings for processed foods (savory seasonings, enzyme <i>ACTIVA</i> [®]), Delicatessen products, Bakery products, Nucleotides, Sweeteners (aspartame for industrial use, etc.), and others
Frozen Foods	Frozen Foods	Chinese dumplings (<i>Gyoza</i> , <i>POT STICKERS</i> , etc.), Cooked rice (<i>THE CHA-HAN</i> , <i>CHICKEN FRIED RICE</i> , etc.), Noodles (<i>YAKISOBA</i> , <i>RAMEN</i> , etc.), Sweets (cakes for restaurant and industrial-use, <i>MACARON</i> , etc.), Shumai (<i>THE SHUMAI</i> , <i>Ebi shumai (shrimp dumpling)</i> , etc.), Processed chicken (<i>Yawaraka Wakadori Kara-Age</i> (fried chicken), <i>THE KARAAGE</i> , etc.), and others
Healthcare and Others	Amino Acids for Pharmaceuticals and Foods	Amino acids, culture media
	Bio-Pharma Services (CDMO services)	Contract development and manufacturing services of pharmaceutical intermediates and active ingredients, aseptic fill finish services, etc.
	Functional Materials (electronic materials and others)	Electronic materials (<i>Ajinomoto Build-up Film</i> [®] (ABF) interlayer insulating material for semiconductor packages, etc.), Functional materials (adhesive <i>PLENSET</i> [®] , magnetic materials <i>AFTINNOVA</i> [®] <i>Magnetic Film</i> , etc.), activated carbon, release paper, etc.
	Others	Feed-use amino acids, Sports nutrition (Supplement (<i>amino VITAL</i> [®]), etc.), Personal care ingredients (an amino acid-based surfactant (<i>Amisoft</i> [®]), and amino acid-based oil and powder for use in makeup (<i>Eldew</i> [®] and <i>Amihope</i> [®] , respectively), etc.), Medical foods, Crop services, etc.

(2) Sales and profits by segment

The Group's sales and profits by reportable segment are as follows.

Inter-segment sales and transfers are primarily based on transaction prices with third parties.

First half ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(Millions of yen)

	Reportable segment			Other ¹	Total	Adjustments ²	As included in consolidated statements of income
	Seasonings and Foods	Frozen Foods	Healthcare and Others				
Sales							
Sales to third parties	433,517	143,097	159,987	7,647	744,250	—	744,250
Inter-segment sales and transfers	3,822	264	2,380	16,848	23,317	(23,317)	—
Total sales	437,340	143,362	162,368	24,496	767,567	(23,317)	744,250
Share of profit of associates and joint ventures	1,127	—	(60)	2,939	4,006	—	4,006
Segment profit or loss (Business profit or loss)	60,586	4,539	18,979	2,800	86,905	—	86,905
				Other operating income			2,398
				Other operating expense			(8,434)
				Operating profit			80,870
				Financial income			4,604
				Financial expense			(7,295)
				Profit before income taxes			78,179

1. Other includes the tie-up and other service-related businesses.

2. Corporate expenses are not attributable to specific reportable segments and are allocated to each reportable segment based on reasonable criteria. Corporate expenses mainly relate to the parent company's administrative divisions.

First half ended September 30, 2023 (April 1, 2023 to September 30, 2023)

(Millions of yen)

	Reportable segment			Other ¹	Total	Adjustments ²	As included in consolidated statements of income
	Seasonings and Foods	Frozen Foods	Healthcare and Others				
Sales							
Sales to third parties	404,716	136,526	139,517	7,243	688,004	—	688,004
Inter-segment sales and transfers	3,470	25	1,719	11,055	16,271	(16,271)	—
Total sales	408,186	136,552	141,237	18,299	704,275	(16,271)	688,004
Share of profit of associates and joint ventures	(889)	—	(32)	2,208	1,286	—	1,286
Segment profit or loss (Business profit or loss)	57,137	6,699	10,966	1,752	76,556	—	76,556
				Other operating income			2,664
				Other operating expense			(6,563)
				Operating profit			72,658
				Financial income			3,775
				Financial expense			(6,308)
				Profit before income taxes			70,125

1. Other includes the tie-up and other service-related businesses.

2. Corporate expenses are not attributable to specific reportable segments and are allocated to each reportable segment based on reasonable criteria. Corporate expenses mainly relate to the parent company's administrative divisions.

Business Combination

First half ended September 30, 2024 (April 1, 2024 to September 30, 2024)

Finalization of Provisional Accounting Treatment

The Company acquired all equities of Forge Biologics Holdings, LLC (“Forge”), a US-based gene therapy CDMO, through its consolidated subsidiary Ajinomoto North America Holdings, Inc. (now Ajinomoto North America, Inc.) on December 21, 2023 (US local time), and Forge and its subsidiaries became consolidated subsidiaries of the Company. The Company conducted a provisional accounting treatment for the business combination in the fiscal year ended March 31, 2024, and finalized the provisional accounting treatment in the first half ended September 30, 2024. With the finalization of the provisional accounting treatment, the Company significantly revised the initial allocation of acquisition costs, which mainly decreased deferred tax liabilities by ¥6,266 million and goodwill by ¥5,803 million compared to the fair value measurement at acquisition at the end of the fiscal year ended March 31, 2024.

Significant Subsequent Events

Retirement of Treasury Stock

The Company made a resolution at a meeting of its Board of Directors held on September 30, 2024, on matters pertaining to the retirement of treasury stock based on the provisions of Article 178 of the Companies Act and retired the treasury stock as outlined below on October 28, 2024. The total number of shares outstanding after retirement is 508,314,754.

1. Class of shares retired	Common stock
2. Number of shares retired	7,416,400
3. Date of retirement	October 28, 2024

Share Repurchase

The Company made a resolution at a meeting of its Board of Directors held on November 7, 2024 on matters pertaining to a share repurchase based on the provisions of Article 156 of the Companies Act as applied pursuant to the provisions of Article 165-3 of the same law, as outlined below.

1. Reason for Conducting the Share Repurchase

The reason is to increase the level of shareholder return and improve capital efficiency.

2. Details of the Repurchase

(1) Class of shares to be repurchased	Common stock
(2) Total number of shares to be repurchased	10 million (maximum) (1.98% of total shares outstanding, excluding treasury stock)
(3) Total amount to be paid for repurchase	¥40 billion (maximum)
(4) Period of share repurchase	November 8, 2024 to January 31, 2025
(5) Method of repurchase	(a) Purchase through Off-Auction Own Share Repurchase Trading (ToSTNeT-3) (b) Purchase in the market through the Tokyo Stock Exchange
(6) Other	The Company plans to retire all except a small portion of shares repurchased* this time by resolution of the Board of Directors, pursuant to the provisions of Article 178 of the Companies Act.

*The Company’s policy is to hold the acquired treasury stock up to approximately 1% of the total number of shares outstanding, as resolved at the Board of Directors meeting held on May 11, 2023. For the share repurchase this time, the Company resolved not to retire approximately 0.25% of the total number of shares outstanding, but to hold them as treasury stock.

Stock Split

The Company made a resolution at a meeting of its Board of Directors held on November 7, 2024 to conduct a stock split.

1. Purpose of the Stock Split

The purpose is to create an environment in which investors can invest more easily and to broaden the Company's investor base by reducing the amount per investment unit of the Company's stock.

2. Overview of the Stock Split

(1) Method of the Split

The Company will split each share of common stock owned by shareholders of record at the close on March 31, 2025 at a ratio of two (2) shares for each share of common stock owned.

(2) Number of Shares to be Increased by the Stock Split

Total number of shares outstanding before the stock split	508,314,754
Number of shares to be increased by the stock split	508,314,754
Total number of shares outstanding after the stock split	1,016,629,508
Total number of authorized shares after the stock split	2,000,000,000

(3) Schedule for the Split

Public notice of record date	March 14, 2025
Record date	March 31, 2025
Effective date	April 1, 2025

(4) Other

(i) Dividend

The effective date of the stock split is April 1, 2025. Therefore, the year-end dividend for the fiscal year ending March 31, 2025 for which the record date is March 31, 2025 will be paid for the Company's common stock before the stock split.

(ii) Amount of Capital

There will be no change in the amount of capital as a result of the stock split.