

# **Consolidated Results**

## **First Half of the FY Ending March 31, 2013**

### **(Interim FY2012)**

1. Overview
2. Financial Position
3. Segment Information

**November 7, 2012**

**Hiromichi Oono**  
**Member of the Board and**  
**Corporate Vice President**  
**Ajinomoto Co., Inc.**

# AJINOMOTO® 1. (1) Overview of Results

(¥ Billion)

	Interim FY2012 (A)	Interim FY2011	YoY Change		FY2012 (Revised Forecast) (B)	Progress (A)/(B)	July-Sept. 2012	July-Sept. 2011	YoY Change	
			Amount	%					Amount	%
<b>Net sales</b>	<b>598.9</b>	<b>604.1</b>	<b>-5.3</b>	<b>-1%</b>	<b>1,221.0</b>	<b>49%</b>	<b>302.1</b>	<b>307.7</b>	<b>-5.6</b>	<b>-2%</b>
Domestic Food Products	226.5	221.5	5.0	2%	411.8	55%	116.8	116.1	0.7	1%
Overseas Food Products	114.8	115.0	-0.1	-0%	250.3	46%	56.9	57.5	-0.6	-1%
Bioscience Products & Fine Chemicals	96.9	98.6	-1.7	-2%	207.2	47%	47.1	46.8	0.3	1%
Pharmaceuticals	35.9	41.3	-5.4	-13%	75.9	47%	17.8	21.8	-4.0	-18%
Business Tie-Ups	88.7	90.8	-2.2	-2%	193.1	46%	45.0	46.4	-1.5	-3%
Other Business	36.0	36.8	-0.8	-2%	82.7	44%	18.6	19.2	-0.6	-3%
<b>Operating income</b>	<b>36.9</b>	<b>42.6</b>	<b>-5.7</b>	<b>-13%</b>	<b>73.5</b>	<b>50%</b>	<b>17.6</b>	<b>20.9</b>	<b>-3.3</b>	<b>-16%</b>
Domestic Food Products	17.3	18.3	-1.0	-6%	33.2	52%	8.3	7.8	0.5	6%
Overseas Food Products	10.2	11.6	-1.3	-12%	21.4	48%	5.1	5.6	-0.5	-9%
Bioscience Products & Fine Chemicals	7.3	6.3	1.0	15%	15.8	46%	2.9	2.7	0.2	7%
Pharmaceuticals	1.8	5.5	-3.7	-67%	2.6	69%	1.1	4.1	-3.0	-73%
Business Tie-Ups	0.8	0.8	-0.0	-4%	1.6	49%	0.4	0.4	-0.0	-5%
Other Business	-0.5	0.1	-0.5	-	-1.1	44%	-0.1	0.3	-0.4	-
<b>Ordinary income</b>	<b>39.3</b>	<b>44.1</b>	<b>-4.9</b>	<b>-11%</b>	<b>76.5</b>	<b>51%</b>	<b>18.4</b>	<b>21.5</b>	<b>-3.1</b>	<b>-15%</b>
<b>Net income</b>	<b>41.1</b>	<b>25.7</b>	<b>15.4</b>	<b>60%</b>	<b>47.0</b>	<b>87%</b>	<b>31.1</b>	<b>11.8</b>	<b>19.3</b>	<b>164%</b>
Exchange rate										
JPY/USD	79.41	79.75			78.5					
JPY/EUR	100.54	113.74			100.4					

Note: July-Sept. results are the difference between Apr.-Sept. results and Apr.-June results (for this and all following slides).

<Reference>

(¥ Billion)

	Interim FY2012 (A)	Interim FY2011	YoY Change		FY2012 (Revised Forecast)	Progress (A)/(B)	July-Sept. 2012	July-Sept. 2011	YoY Change	
			Amount	%					Amount	%
<b>Net sales</b>										
Feed-Use Amino Acids	45.2	43.3	2.0	5%	93.9	48%	22.0	21.9	0.1	1%
Others	553.6	560.9	-7.2	-1%	1,127.1	49%	280.2	285.9	-5.7	-2%
<b>Operating income</b>										
Feed-Use Amino Acids	6.3	5.6	0.7	13%	10.9	58%	2.5	2.9	-0.4	-13%
Others	30.6	37.0	-6.4	-17%	62.6	49%	15.1	18.0	-2.9	-16%

# AJINOMOTO 1.(2) Comments on Results for Interim FY2012

**Net sales decreased due to mainly negative effect of exchange rate.  
Interim operating decreased because of lower operating income in Pharmaceuticals business  
and negative effect of currency translation, etc.**

## Net sales / Operating income

Interim FY2012	Progress	YoY Change		July-Sept. 2012	YoY Change
598.9	49%	-1%	<b>Net sales</b>	302.1	-2%
394.6	-	-1%	<b>Cost of sales</b>	199.8	-1%
167.4	-	2%	<b>SG&amp;A</b>	84.7	-0%
36.9	50%	-13%	<b>Operating income</b>	17.6	-16%

(¥ Billion)

### 1. Exchange rate (YoY)

Exchange rate for currency translation  
 1H: Sales -¥15.0 billion; operating income -¥2.1 billion  
 Q2: Sales -¥6.1 billion; operating income -¥0.8 billion  
 Exchange rate for trade of main overseas subsidiaries  
 1H: Sales approx. ¥3.5 billion; operating income approx. ¥2.5 billion  
 Q2: Sales approx. ¥1.0 billion; operating income approx. ¥1.5 billion

### 2. Impact of raw material & fuel prices (YoY)

1H: Fermentation raw materials and fuel prices approx. -¥3.1 billion  
 Domestic food products raw materials approx. -¥0.1 billion  
 Q2: Fermentation raw materials and fuel prices approx. -¥2.1 billion  
 Domestic food products raw materials approx. -¥0.0 billion

### 3. Cost reductions (YoY)

1H: Domestic food products approx. ¥1.2 billion; Pharmaceuticals approx. ¥0.6 billion  
 Q2: Domestic food products approx. ¥0.7 billion; Pharmaceuticals approx. ¥0.2 billion

# AJINOMOTO® 1. (3) Comments on Results for Interim FY2012

## Ordinary income

			(¥ Billion)		
Interim FY2012	Progress	YoY Change		July-Sept. 2012	YoY Change
2.4	-	54%	Non-operating income (net)	0.8	-
39.3	51%	-11%	Ordinary income	18.4	-15%

< Interim FY2012 > ( )= YoY change

None

< Q2-FY2012 > ( )=YoY change

None

## Net income

			(¥ Billion)		
Interim FY2012	Progress	YoY Change		July-Sept. 2012	YoY Change
29.2	-	-	Extraordinary gains	28.4	-
4.5	-	29%	Extraordinary losses	1.5	-33%
19.7	-	58%	Income taxes etc.	12.7	107%
3.2	-	5%	Minority interests	1.5	-2%
41.1	87%	60%	Net income	31.1	164%

< Interim FY2012 > ( )= YoY change

\* Gain on transfer of benefit obligation relating to employees' pension fund  
¥27.8 billion (¥27.8 billion increase)

\* Loss on devaluation of securities  
¥2.7 billion (¥2.7 billion increase)

\* Loss from natural disaster  
¥0.0 billion (¥1.3 billion decrease)

< Q2-FY2012 > ( )=YoY change

\* Gain on transfer of benefit obligation relating to employees' pension fund  
¥27.8 billion (¥27.8 billion increase)

\* Loss from natural disaster  
¥0.0 billion (¥0.5 billion decrease)

# AJINOMOTO® 2. Financial Position

(¥ Billion)

Sept. 30, 2012: Total assets 1,029.8

Current assets 493.5	Liabilities 400.4
Fixed assets 536.4	Net assets 629.4
	Incl. Minority interests 43.5

Mar. 31, 2012: Total assets 1,097.1

Current assets 542.4	Liabilities 446.9
Fixed assets 554.7	Net assets 650.2
	Incl. Minority interests 44.8

**¥67.2 billion decrease in total assets from March 31, 2012:**

- \* Decrease in cash and deposits due to share repurchase
- \* Decrease due to translation of overseas subsidiaries' balance sheets into yen

## Cash Flow

(¥ Billion)

	Sept. 2012	Sept. 2011	Change
1. CF from operating activities	31.9	37.2	-5.2
2. CF from investing activities	-30.4	-21.2	-9.2
3. CF from financing activities	-54.4	-30.2	-24.2
4. Cash and cash equivalents	88.1	113.3	-25.2
<b>FCF(1+2)</b>	<b>1.5</b>	<b>15.9</b>	<b>-14.4</b>

\*Cash out is shown with -.

Capital expenditures	32.3	25.3	7.1
Depreciation and amortization	21.1	21.8	-0.7

## Interest-bearing Debt

(¥ Billion)

<Reference>

Sept. 2012	Mar. 2012	Change	Sept. 2011
121.6	130.0	-8.4	129.4

### 3. (1) Change by Business Segment

#### Net sales

Apr.-June 2011

Domestic Food Products

Overseas Food Products

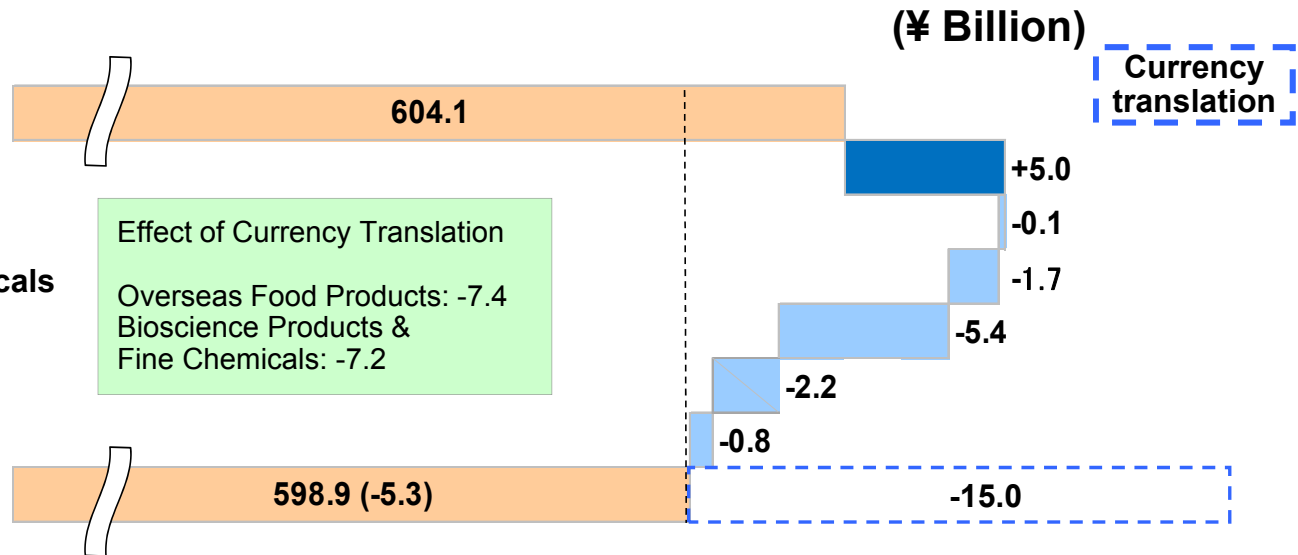
Bioscience Products & Fine Chemicals

Pharmaceuticals

Business Tie-Ups

Other Business

Apr.-June 2012



#### Operating income

Apr.-June 2011

Domestic Food Products

Overseas Food Products

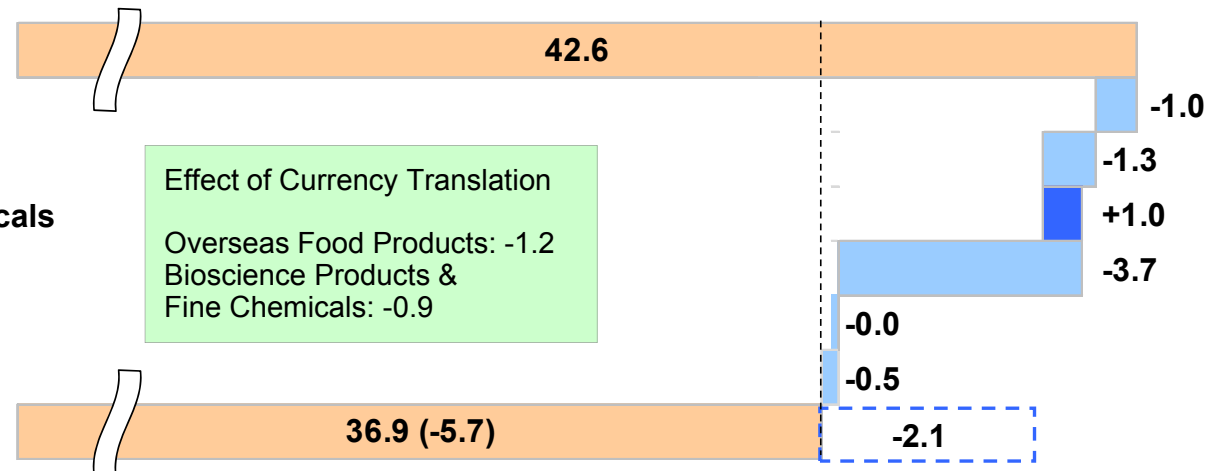
Bioscience Products & Fine Chemicals

Pharmaceuticals

Business Tie-Ups

Other Business

Apr.-June 2012



### 3. (2) Domestic Food Products

(¥ Billion)

Interim FY2012	Progress	Interim FY2011	YoY Change		July-Sept. 2012	July-Sept. 2011	YoY Change
<b>226.5</b>	<b>55%</b>	<b>221.5</b>	<b>5.0</b>	<b>Net sales</b>	<b>116.8</b>	<b>116.1</b>	<b>0.7</b>
110.2	-	107.5	2.7	*1 Seasonings & processed foods	56.3	55.2	1.1
56.9	-	55.6	1.4	*2 Frozen foods	28.7	28.7	0.0
59.4	-	58.5	0.9	*3 Beverages ("Calpis")	31.8	32.2	-0.3
<b>17.3</b>	<b>52%</b>	<b>18.3</b>	<b>-1.0</b>	<b>*4 Operating income</b>	<b>8.3</b>	<b>7.8</b>	<b>0.5</b>
13.5	-	12.9	0.6	Seasonings & processed foods	6.0	4.6	1.4
4.4	-	4.4	0.1	Frozen foods	2.0	2.3	-0.3
4.8	-	5.8	-1.0	Beverages ("Calpis")	2.9	3.1	-0.2
-5.5	73%	-4.7	-0.8	Shared companywide expenses	-2.7	-2.2	-0.6

\*1 Increase in sales due to rebound from lower sales of gifts and seasonings for processed food mfrs., etc. in the previous fiscal year resulting from the Great East Japan Earthquake, and higher sales of seasonings for Chinese dishes.

\*2 Firm sales of home-use products due to increase in sales of Gyoza and naturally defrosting products. Sales of restaurant- and institutional-use products remained at level of same period of previous fiscal year.

\*3 Increase in sales due to growth in sales of ready-to-drink beverages.

\*4 Decrease in income mainly due to higher beverage selling expenses.

### 3. (3) Overseas Food Products

Interim FY2012	Progress	Interim FY2011	YoY Change		(¥ Billion)		
					<Reference>		YoY Change
					July-Sept. 2012	July-Sept. 2011	
114.8	46%	115.0	-0.1	<b>Net sales</b>	56.9	57.5	-0.6
93.1	45%	91.5	1.6 *1	Consumer foods	46.2	46.1	0.2
21.7	48%	23.4	-1.7 *2	Umami seasonings for processed food mfrs.	10.6	11.4	-0.8
10.2	48%	11.6	-1.3 *3	<b>Operating income</b>	5.1	5.6	-0.5
-3.9	55%	-3.3	-0.6	Shared companywide expenses	-1.9	-1.4	-0.4

[Effect of currency translation] (Q2): Net sales -¥2.9 billion; operating income -¥0.5 billion  
 (1H): Net sales -¥7.4 billion; operating income -¥1.2 billion

- \*1 Sales increased due to higher sales of umami seasoning *AJI-NO-MOTO* and processed foods, etc. despite negative effect of currency translation.
- \*2 Decrease in sales due to lower sales volume of *AJI-NO-MOTO* and negative effect of currency translation, etc.
- \*3 Overall decrease in income due to decrease in sales of umami seasonings for processed food mfrs., increase in raw materials and fuel prices and negative effect of currency translation, etc.

Reference: Consumer foods +¥1.2 billion; umami seasonings for processed food mfrs. -¥1.7 billion



### 3. (4) Bioscience Products & Fine Chemicals

					(&#127; Billion)		
Interim FY2012	Progress	Interim FY2011	YoY Change	<Reference>			
				July-Sept. 2012	July-Sept. 2011	YoY Change	
<b>96.9</b>	<b>47%</b>	<b>98.6</b>	<b>-1.7</b>	<b>Net sales</b>	<b>47.1</b>	<b>46.8</b>	<b>0.3</b>
45.2	48%	43.3	2.0 *1	Feed-use amino acids	22.0	21.9	0.1
30.1	-	32.5	-2.3 *2	Amino acids	14.7	14.3	0.4
19.3	-	20.3	-1.0 *3	Specialty chemicals	9.4	9.4	-0.0
<b>7.3</b>	<b>46%</b>	<b>6.3</b>	<b>1.0</b> *4	<b>Operating income</b>	<b>2.9</b>	<b>2.7</b>	<b>0.2</b>
6.3	58%	5.6	0.7	Feed-use amino acids	2.5	2.9	-0.4
1.9	-	0.9	1.0	Amino acids	0.9	0.1	0.7
3.5	-	4.1	-0.6	Specialty chemicals	1.7	1.6	0.1
-2.9	55%	-2.5	-0.4	Shared companywide expenses	-1.4	-1.0	-0.3

[Effect of currency translation] (Q2): Net sales -&#127;3.1 billion; operating income -&#127;0.4 billion

(1H): Net sales -&#127;7.2 billion; operating income -&#127;0.9 billion

\*1 Increase mainly due to higher sales volume despite negative effect of currency translation.

\*2 Amino acids for pharmaceuticals and foods &#127;0.3 billion. Pharmaceutical fine chemicals -&#127;1.3 billion and sweeteners -&#127;1.3 billion due to lower sales volume and negative effect of currency translation.

\*3 Sales of cosmetics and cosmetic ingredients and chemicals decreased.

\*4 Income increased because amino acids for pharmaceuticals and foods and feed-use amino acids, etc. offset negative effect of currency translation.

Reference: Within amino acids, amino acids for pharmaceuticals and foods +&#127;1.1 billion; pharmaceutical fine chemicals -&#127;0.4 billion; sweeteners +&#127;0.3 billion

## AJINOMOTO® 3. (5) Pharmaceuticals

Interim FY2012	Progress	Interim FY2011	YoY Change		<Reference>		YoY Change	
					July-Sept. 2012	July-Sept. 2011		
35.9	47%	41.3	-5.4	*1	<b>Net sales</b>	17.8	21.8	-4.0
1.8	69%	5.5	-3.7	*2	<b>Operating income</b>	1.1	4.1	-3.0
-1.0	56%	-1.0	-0.0		Shared companywide expenses	-0.5	-0.4	-0.0

\*1 Despite the impact of NHI drug price revisions, sales of self-distributed products remained at level of same period of previous fiscal year with the contribution from the in-licensing of *MARZULENE*. Sales of products sold through business tie-ups decreased substantially due to lower royalty income, the effect of NHI drug price revisions and growth in sales of competing products.

Sales based on AJINOMOTO PHARMACEUTICALS CO., LTD. estimated drug prices (% = YoY change):

<i>LIVACT</i>	¥7.6 billion	(-4%)	<i>ATELEC</i>	¥7.6 billion	(-11%)
<i>ELENTAL</i>	¥3.9 billion	(-1%)	<i>ACTONEL</i>	¥6.0 billion	(-19%)
<i>CARBOSTAR</i>	¥3.2 billion	(+26%)	<i>FASTIC</i>	¥1.3 billion	(-38%)
<i>SOLITA-T</i>	¥2.0 billion	(-10%)			

\*2 Decrease in income as the reduction of SG&A expenses did not offset the decrease in sales.

### 3. (6) Business Tie-Ups and Other Business

(¥ Billion)

Interim FY2012	Progress	Interim FY2011	YoY Change	Business Tie-Ups	<Reference>		YoY Change
					July-Sept. 2012	July-Sept. 2011	
88.7	46%	90.8	-2.2	<b>Net sales</b>	45.0	46.4	-1.5
19.9	-	21.5	-1.6 *1	Edible oils	9.6	10.7	-1.1
68.8	-	69.3	-0.6 *2	Coffee products	35.4	35.7	-0.3
0.8	49%	0.8	-0.0	<b>Operating income</b>	0.4	0.4	-0.0
-0.3	51%	-0.2	-0.0	Shared companywide expenses	-0.1	-0.1	-0.0

\*1 Decrease in sales due to lower unit prices, etc.

\*2 Decrease in sales due to lower sales of bottled coffee ,etc. despite higher sales of stick coffee and instant coffee.

(¥ Billion)

Interim FY2012	Progress	Interim FY2011	YoY Change	Other Business	<Reference>		YoY Change
					July-Sept. 2012	July-Sept. 2011	
36.0	44%	36.8	-0.8 *1	<b>Net sales</b>	18.6	19.2	-0.6
-0.5	44%	0.1	-0.5 *2	<b>Operating income</b>	-0.1	0.3	-0.4
-1.2	56%	-1.1	-0.1	Shared companywide expenses	-0.6	-0.5	-0.1

\*1 Decrease in sales because of decrease in orders in the engineering business, etc., despite higher sales in wellness business.

\*2 Decrease in income due to higher selling expenses in wellness business, etc.

### 3. (7) Net Sales by Business & Geographical Area

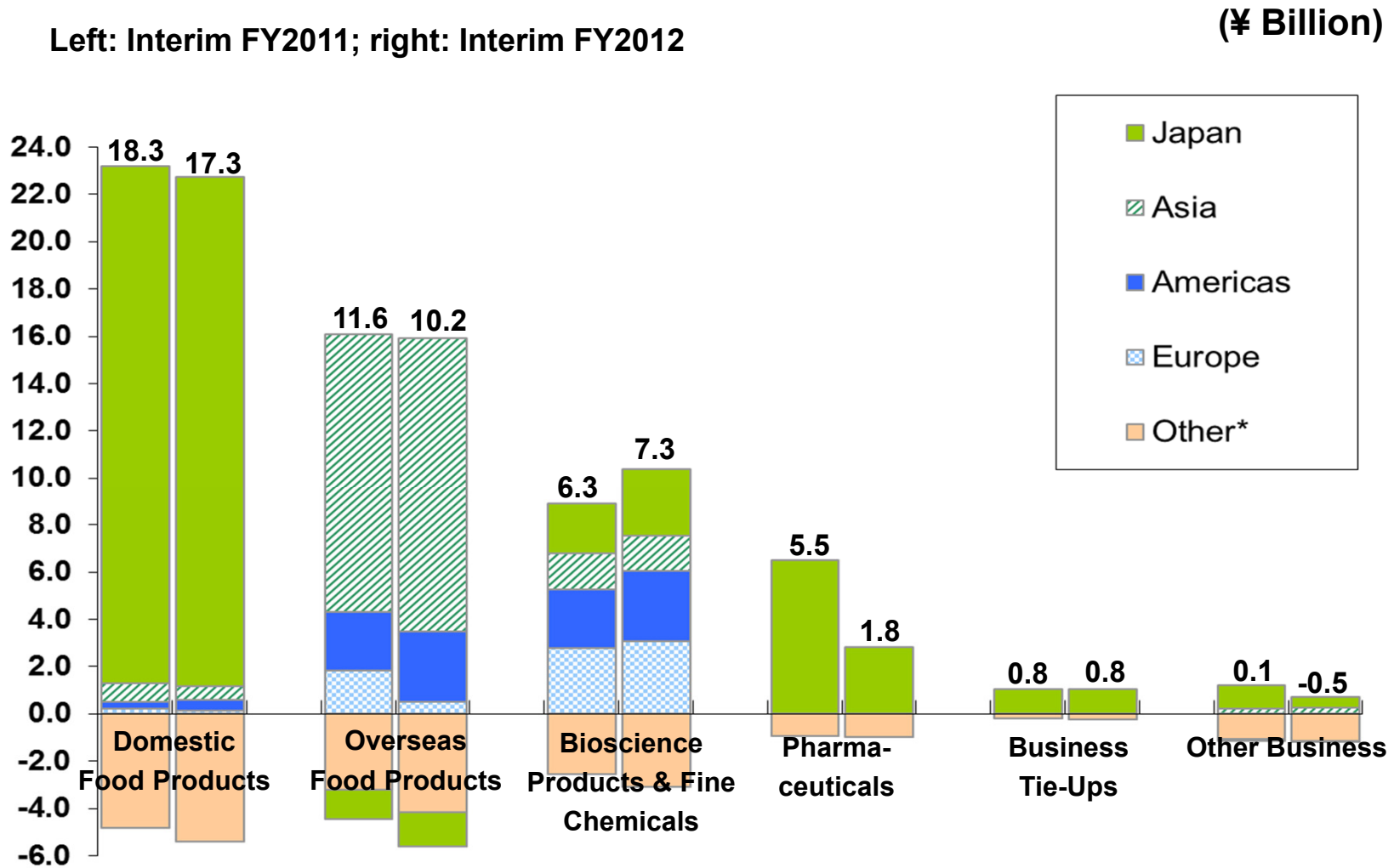
Upper row: Interim FY2012; Lower row: Interim FY2011.

Figures in parentheses represent YoY change.

(¥ Billion)

	Japan		Asia		Americas		Europe		Total	
Domestic Food Products	218.8	(4.9)	3.0	(-0.0)	4.0	(0.2)	0.7	(-0.1)	226.5	(5.0)
	213.9		3.1		3.8		0.8		221.5	
Overseas Food Products	4.7	(-0.2)	77.1	(2.0)	21.4	(-1.4)	11.6	(-0.6)	114.8	(-0.1)
	4.9		75.0		22.9		12.2		115.0	
Bioscience Products & Fine Chemicals	29.0	(-0.4)	7.7	(0.6)	30.3	(-0.7)	29.8	(-1.2)	96.9	(-1.7)
	29.4		7.1		31.1		31.0		98.6	
Pharmaceuticals	35.9	(-5.4)							35.9	(-5.4)
	41.3								41.3	
Business Tie-Ups	88.7	(-2.2)							88.7	(-2.2)
	90.8								90.8	
Other Business	31.8	(-1.0)	4.2	(0.2)	0.0	(-0.0)			36.0	(-0.8)
	32.8		4.0		0.0				36.8	
Total	408.9	(-4.2)	92.0	(2.8)	55.8	(-1.9)	42.1	(-1.9)	598.9	(-5.3)
	413.1		89.2		57.8		44.0		604.1	

### 3. (8) Operating Income by Business & Geographical Area



\* Unrealized gains and losses not reflected in any geographical area, and shared companywide expenses.

### 3. (9) Comments on Operating Income by Business & Geographical Area

Interim FY2012 Change Compared with Same Period of Previous Year

(¥ Billion)

#### 1. Overseas Food Products

[YoY change]

Japan -¥0.2; Asia +¥0.7; Americas +¥0.5; Europe -¥1.4; Other\* -¥1.0; Total -¥1.3

Asia: Increase due to higher sales volume of consumer foods, etc.

Europe: Decrease due to decrease in sales of umami seasonings for processed food mfrs., etc.

#### 2. Bioscience Products & Fine Chemicals

[YoY change]

Japan +¥0.8; Asia -¥0.0; Americas +¥0.5; Europe +¥0.3; Other\* -¥0.6; Total +¥1.0

Japan: Increase due to amino acids, etc.

Europe: Increase mainly due to feed-use amino acids and amino acids etc. in South America.

\* Unrealized gains and losses not reflected in any geographical area, and shared companywide expenses.

The image features the Ajinomoto logo in red, consisting of the tagline "Eat Well, Live Well." in a serif font above the brand name "AJINOMOTO" in a bold, sans-serif font with a registered trademark symbol. The background is white with a large, faint, light-red graphic of a stylized 'A' shape. A solid red horizontal bar is at the top of the page.

Eat Well, Live Well.  
**AJINOMOTO**®

- 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.
- Unaudited figures are included in these materials for reference.
- Amounts presented in these materials are rounded off.