

**<J-GAAP> Ajinomoto Co., Inc.  
FY2016 Supplementary Material**

## Note:

- Forward-looking statements, such as business forecasts, made in these financial statements are based on managements' 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.
- "Net income" in these materials figures for "Profit(loss) attributable to owners of the parent."
- Unaudited figures are included in this material for reference.
- Yen amounts presented in these materials are truncated for amounts in millions and in billions.
- In these materials, "-" indicates that an amount has not been recognized, and "0" indicates a fractional amount due to rounding.

<Based on accounting policies and segments applied from FY2016>

\*Change of product classification:

- Other (NutritionCare) of Healthcar: from the Healthcar to Japan Food Products
- Pharmaceuticals of Healthcar: from Pharmaceuticals(business classification is terminated) to Other

\*Change of accounting policies:

- EA Pharma Co., Ltd. changes accounting policy to that applied by Eisai Co., Ltd.

### 1. Financial Statement Overview

< Figures after FY ended Mar. 16 are based on business segment and accounting policy applied from FY2016 > (in millions of JPY)

	FY ended Mar.17	FY ended Mar.16	FY ended Mar.15	FY ended Mar.14	FY ended Mar.13
(1) Operating Results					
① Net Sales	1,091,414	1,184,100	1,006,630	951,359	948,705
② Gross profit	387,076	414,870	347,121	315,765	348,075
③ Operating income	85,339	90,880	74,519	61,807	71,232
④ Ordinary profit	90,270	94,168	82,808	68,800	77,167
⑤ Net income	52,595	63,427	46,495	42,159	48,373
⑥ Earnings per share (JPY)	91.99	107.86	78.54	68.67	74.35
⑦ Return on equity (ROE)	8.5%	9.8%	7.4%	7.1%	7.8%
⑧ Ratio of net income to total assets	4.0%	5.0%	4.0%	3.8%	
⑨ Ratio of operating income to net sales	7.8%	7.7%	7.4%	6.5%	7.5%
⑩ Ratio of ordinary income to net sales	8.3%	8.0%	8.2%	7.2%	8.1%
⑪ Ratio of net income to net sales	4.8%	5.4%	4.6%	4.4%	5.1%
(2) Dividends					
① Dividend per share (JPY)	30	28	24	20	18
② Payout ratio	32.6%	26.0%	30.6%	29.1%	24.2%
(3) Statement of Changes in Financial Position					
① Total assets	1,336,931	1,262,113	1,255,090	1,093,165	1,091,741
② Net assets	697,773	691,928	743,489	655,507	691,710
③ Shareholders' equity	623,106	619,872	669,576	594,950	635,287
④ Shareholders' equity ratio	46.6%	49.1%	53.3%	54.4%	58.2%
⑤ Book value per share (JPY)	1,094.83	1,066.84	1,131.41	1,002.29	1,004.38
(4) Summary of Cash Flow Statement					
① Net cash provided by operating activities	108,024	125,219	109,259	63,017	88,501
② Net cash used in investing activities	-141,749	-53,824	-140,391	-63,497	15,201
③ Net cash used in financing activities	16,175	-3,288	52,822	-55,248	-74,419
④ Cash and cash equivalents at end of period	181,144	217,791	165,160	130,028	184,770

### 2. Number of Consolidated Subsidiaries/Affiliates

	FY ended Mar.17	FY ended Mar.16	FY ended Mar.15	FY ended Mar.14	FY ended Mar.13
Consolidated domestic subsidiaries	39	42	39	39	38
Consolidated overseas subsidiaries	54	54	60	50	48
<i>Sub-Total</i>	93	96	99	89	86
Domestic affiliates subject to equity method	6	4	6	6	5
Overseas affiliates subject to equity method	1	0	5	6	6
<i>Sub-Total</i>	7	4	11	12	11
Parent company	1	1	1	1	1
<i>Total</i>	101	101	111	102	98

### 3. Change of Number of Consolidated Subsidiaries/Affiliates (from Sept.16 to Mar.17)

Increase(-)	Increase:-
Decrease(1)	Decrease: HOKKAIDO ACE LOGISTICS CORPORATION
Equity method	
Increase(2)	Increase: Promasidor Holdings Limited, F-LINE Co., LTD.
Decrease(-)	Decrease:

### 4. Foreign Exchange Information

	FY ended Mar.17	FY ended Mar.16	FY ended Mar.15	FY ended Mar.14	FY ended Mar.13
JPY/US Dollar					
End of Period	112.19	112.68	120.17	102.92	94.05
Average	108.34	120.15	109.76	100.17	82.91
JPY/Euro					
End of Period	119.79	127.70	130.32	141.65	120.73
Average	118.74	132.60	138.69	134.21	106.78
JPY/THB					
End of Period	3.25	3.19	3.70	3.17	3.20
Average	3.08	3.44	3.38	3.19	2.70
JPY/100IDR					
End of Period	0.84	0.85	0.92	0.91	0.98
Average	0.82	0.89	0.91	0.93	0.88
JPY/BRL					
End of Period	35.81	31.27	37.21	45.52	46.52
Average	32.86	33.48	44.35	44.55	41.19
JPY/RMB					
End of Period	16.29	17.39	19.36	16.59	15.14
Average	16.10	18.86	17.71	16.38	13.18

### 5. Number of Employees

	FY ended Mar.17	FY ended Mar.16	FY ended Mar.15	FY ended Mar.14	FY ended Mar.13
Parent Company	3,459	3,477	3,484	3,398	3,343
(including expatriates)	4,170	4,183	4,220	4,199	4,211
Consolidated Basis	32,734	33,295	31,312	27,579	27,518

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**6. Interest-bearing Debts**

(in millions of JPY)

	FY ended Mar.17	FY ended Mar.16	FY ended Mar.15	FY ended Mar.14	FY ended Mar.13
Short-term borrowings and debt	30,978	18,253	121,446	37,327	36,764
Commercial paper	-	-	15,000	-	-
Bonds	169,996	89,995	19,994	34,993	49,992
Long-term debt	132,568	156,455	55,153	70,634	32,557
<i>Total</i>	333,543	264,704	211,594	142,954	119,314
Cash and deposits with bank	185,202	221,242	168,294	132,416	186,501
<i>Net</i>	148,340	43,462	43,299	10,538	-67,187

**7. Depreciation**

&lt; Based on business segment and accounting policy applied from FY2016 &gt; (in 100millions of JPY)

	FY ended Mar.17
(1) Parent company	104
Subsidiaries	359
Adjustment	5
<i>Total</i>	469
(2) By business segment	
Japan Foods Products	113
International Food Products	175
Life Support	59
Healthcare	58
Other	21
All Company	40
<i>Total</i>	469

&lt; Based on business segment applied from FY2015 &gt;

(in 100millions of JPY)

	FY ended Mar.16
(1) Parent company	114
Subsidiaries	389
Adjustment	6
<i>Total</i>	509
(2) By business segment	
Japan Foods Products	105
International Food Products	178
Life Support	75
Healthcare	73
Other	22
All Company	57
<i>Total</i>	509

**8. Capital Expenditure/Investment (Inc. acquisition of intangible assets)**

&lt; Based on business segment and accounting policy applied from FY2016 &gt; (in 100millions of JPY)

	FY ended Mar.17
(1) Parent company	383
Subsidiaries	527
Adjustment	-14
<i>Total</i>	896
(2) By business segment	
Japan Foods Products	448
International Food Products	214
Life Support	87
Healthcare	88
Other	24
All Company	32
<i>Total</i>	896

&lt; Based on business segment applied from FY2015 &gt;

(in 100millions of JPY)

	FY ended Mar.16
(1) Parent company	119
Subsidiaries	471
Adjustment	-3
<i>Total</i>	588
(2) By business segment	
Japan Foods Products	173
International Food Products	198
Life Support	77
Healthcare	72
Other	26
All Company	40
<i>Total</i>	588

**9. R&D Expenses**

&lt; Based on business segment and accounting policy applied from FY2016 &gt; (in 100millions of JPY)

	FY ended Mar.17
(1) Parent company	214
Subsidiaries	58
<i>Total</i>	272
(2) By business segment	
Japan Foods Products	32
International Food Products	38
Life Support	52
Healthcare	25
Other	2
All Company	122
<i>Total</i>	272

&lt; Based on business segment applied from FY2015 &gt;

(in 100millions of JPY)

	FY ended Mar.16
(1) Parent company	241
Subsidiaries	84
<i>Total</i>	325
(2) By business segment	
Japan Foods Products	35
International Food Products	33
Life Support	50
Healthcare	85
Other	0
All Company	120
<i>Total</i>	325

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**10. Selling, G&A Expenses**

&lt; Based on business segment and accounting policy applied from FY2016 &gt; (in millions of JPY)

	FY ended Mar.17	FY ended Mar.16
(1) Selling Expense		
① Transportation	44,136	47,508
② Advertisement	35,028	31,757
③ Sales promotion expenses	26,350	28,412
④ Sales commissions	2,794	3,253
<i>Total</i>	108,309	110,931
(2) General and Administrative Expenses		
① Salaries	48,407	54,659
② Bonuses and other allowances	19,790	21,700
③ Periodic pension and severance cost	7,341	6,205
④ Depreciation expense	10,599	12,301
⑤ Amortization of goodwill	6,620	7,093
⑥ Other	100,667	111,097
<i>Total</i>	193,426	213,057
<i>Total Selling, G&amp;A expenses</i>	301,736	323,989

&lt; Based on business segment applied from FY2015 &gt;

(in millions of JPY)

	FY ended Mar.16	FY ended Mar.15	FY ended Mar.14	FY ended Mar.13
(1) Selling Expense				
① Transportation	47,508	37,315	31,143	32,231
② Advertisement	31,757	25,278	21,938	22,322
③ Sales promotion expenses	28,412	23,859	23,798	39,890
④ Sales commissions	3,253	1,871	1,273	1,259
<i>Total</i>	110,931	88,325	78,155	95,703
(2) General and Administrative Expenses				
① Salaries	54,659	46,955	44,581	43,955
② Bonuses and other allowances	21,700	18,039	17,095	17,421
③ Periodic pension and severance cost	6,205	7,333	5,781	6,561
④ Depreciation expense	12,301	9,528	9,687	9,948
⑤ Amortization of goodwill	7,093	2,201	1,589	2,265
⑥ Other	113,177	100,217	97,066	100,989
<i>Total</i>	215,137	184,276	175,802	181,139
<i>Total Selling, G&amp;A expenses</i>	326,069	272,601	253,957	276,842

**11. Non-Operating Income & Loss**

(in millions of JPY)

	FY ended Mar.17	FY ended Mar.16	FY ended Mar.15	FY ended Mar.14	FY ended Mar.13
(1) Non-Operating Income					
① Interest income	3,131	2,847	2,873	2,129	1,857
② Dividend income	1,217	1,317	1,147	1,067	1,044
③ Equity in earnings of affiliates	4,345	1,558	5,177	3,360	3,058
④ Exchange gains	-	583	1,675	699	-
⑤ Other	2,269	2,716	3,512	4,331	3,983
<i>Total</i>	10,963	9,023	14,384	11,588	9,944
(2) Non-Operating Expense					
① Interest expense	2,473	2,269	2,140	2,032	1,931
② Exchange losses	-	-	-	-	-
③ Commission paid	65	72	675	328	-
④ Litigation expenses	1,012	442	-	-	-
⑤ Other	2,480	2,952	3,281	2,234	2,077
<i>Total</i>	6,033	5,736	6,096	4,595	4,009

**12. Extraordinary Items**

(in millions of JPY)

	FY ended Mar.17	FY ended Mar.16	FY ended Mar.15	FY ended Mar.14	FY ended Mar.13
(1) Extraordinary Gains					
① Gain on sale of fixed assets	5,312	-	-	3,081	908
② Gain on sales of investment securities	5,659	-	-	-	-
③ Gain on sales of shares in affiliated companies	595	24,872	-	2,315	18,201
④ Gain on step acquisitions	-	18,027	-	-	-
⑤ Insurance income	-	-	-	1,189	1,800
⑥ Gain on transfer of benefit obligation relating to employees' pension fund	-	-	-	236	27,752
⑦ Gain on liquidation of affiliated companies	-	-	-	1,005	-
⑧ Gain on termination of retirement benefit system	-	-	9,290	-	-
⑨ Other	1,558	2,438	3,568	792	479
<i>Total</i>	13,125	45,337	12,858	8,621	49,141
(2) Extraordinary Losses					
① Loss on disposal of fixed assets	3,713	2,799	1,757	1,222	2,951
② Impairment losses	1,965	7,467	10,486	624	14,562
③ Loss on liquidation of affiliates	970	6,937	-	859	-
④ Compensation expenses	-	-	-	664	-
⑤ Pharmaceutical business structural reform expenses	-	16,623	-	-	-
⑥ Losses related to contractual performance	6,451	-	-	-	-
⑦ Other	5,189	5,525	4,374	1,489	7,966
<i>Total</i>	18,270	39,352	16,617	4,860	25,481

**13. Information by Business segment**

&lt; Based on business segment and accounting policy applied from FY2016 &gt; (in millions of JPY)

	FY ended Mar.17	FY ended Mar.16
Japan Foods Products		
Sales to external customers	390,441	397,069
YY %	98%	-
Operating income	38,269	30,642
YY %	125%	-
International Food Products		
Sales to external customers	428,988	463,905
YY %	92%	-
Operating income	36,504	41,947
YY %	87%	-
Life Support		
Sales to external customers	124,095	142,415
YY %	87%	-
Operating income	5,653	11,805
YY %	48%	-
Healthcare		
Sales to external customers	89,504	89,596
YY %	100%	-
Operating income	6,532	5,612
YY %	116%	-
Other		
Sales to external customers	58,384	91,114
YY %	64%	-
Operating income	-1,619	872
YY %	-	-
<i>Consolidated, Total</i>		
Net Sales	1,091,414	1,184,100
YY %	92%	-
Operating income	85,339	90,880
YY %	94%	-

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&lt; Based on business segment applied from FY2015 &gt;

	(in millions of JPY)			
	FY ended Mar.16	FY ended Mar.15	FY ended Mar.14	FY ended Mar.13
Japan Foods Products				
Sales to external customers	394,408	289,084	286,088	346,687
Y/Y %	136%	83%	83%	-
Operating income	31,390	24,799	26,075	32,510
Y/Y %	127%	76%	80%	-
International Food Products				
Sales to external customers	463,905	384,102	329,766	277,881
Y/Y %	121%	138%	119%	-
Operating income	41,969	31,984	25,186	19,110
Y/Y %	131%	167%	132%	-
Life Support				
Sales to external customers	142,415	149,129	142,423	137,506
Y/Y %	95%	108%	104%	-
Operating income	11,810	14,356	4,233	14,801
Y/Y %	82%	97%	29%	-
Healthcare				
Sales to external customers	130,844	120,924	128,523	126,714
Y/Y %	108%	95%	101%	-
Operating income	5,415	3,123	5,127	2,141
Y/Y %	173%	146%	240%	-
Other				
Sales to external customers	54,406	63,390	64,558	59,917
Y/Y %	86%	106%	108%	-
Operating income	460	257	1,185	2,671
Y/Y %	179%	10%	44%	-
<i>Consolidated, Total</i>				
Net Sales	1,185,980	1,006,630	951,359	948,705
Y/Y %	118%	106%	100%	-
Operating income	91,045	74,519	61,807	71,232
Y/Y %	122%	121%	87%	-

**14. Information by Geographic segment**

&lt; Based on business segment and accounting policy applied from FY2016 &gt; (in millions of JPY)

	FY ended Mar.17	FY ended Mar.16
Japan		
Sales to external customers	519,774	554,757
Y/Y %	94%	-
Operating income	40,669	38,243
Y/Y %	106%	-
Asia		
Sales to external customers	254,729	274,559
Y/Y %	93%	-
Operating income	34,852	37,441
Y/Y %	93%	-
Americas		
Sales to external customers	226,936	245,912
Y/Y %	92%	-
Operating income	7,376	11,734
Y/Y %	63%	-
Europe		
Sales to external customers	89,974	108,871
Y/Y %	83%	-
Operating income	2,440	3,460
Y/Y %	71%	-
<i>Consolidated, Total</i>		
Sales to external customers	1,091,414	1,184,100
Y/Y %	92%	-
Operating income	85,339	90,881
Y/Y %	94%	-

&lt; Based on business segment applied from FY2016 &gt;

	(in millions of JPY)			
	FY ended Mar.16	FY ended Mar.15	FY ended Mar.14	FY ended Mar.13
Japan				
Sales to external customers	556,637	460,402	474,948	541,509
Y/Y %	121%	97%	88%	-
Operating income	38,408	29,625	32,723	34,350
Y/Y %	130%	91%	95%	-
Asia				
Sales to external customers	274,559	260,440	230,269	194,533
Y/Y %	105%	113%	118%	-
Operating income	37,441	30,458	24,848	22,105
Y/Y %	123%	123%	112%	-
Americas				
Sales to external customers	245,912	175,317	139,287	117,483
Y/Y %	140%	126%	119%	-
Operating income	11,734	11,656	4,197	9,285
Y/Y %	101%	278%	45%	-
Europe				
Sales to external customers	108,871	110,469	106,853	95,178
Y/Y %	99%	103%	112%	-
Operating income	3,460	2,778	37	5,491
Y/Y %	125%	7508%	1%	-
<i>Consolidated, Total</i>				
Sales to external customers	1,185,980	1,006,630	951,359	948,705
Y/Y %	118%	106%	100%	-
Operating income	91,045	74,519	61,807	71,232
Y/Y %	122%	121%	87%	-