Ajinomoto Co., Inc.

FY2011 - 2013
Medium-Term Management Plan
Growth and Structural Reinforcement
-Towards a Genuine Global Company-

February 25, 2011

Masatoshi Ito
President & CEO
Contents

I . Group vision & positioning of the medium-term management plan

II . Medium-term management plan: key principles & group strategy

III . Corporate financial strategy

Note: In this document, the Ajinomoto group is referred to as "Ajinomoto."
Review of the FY2008-2010 medium-term management plan

FY2008-2010 plan net sales and operating income targets not met

- **Net sales**: ¥1,350B ⇒ ¥1,207B
- **Operating income**: ¥80B ⇒ ¥69B
- **OP margin**: 5.9% ⇒ 5.7%

Key challenges: responding to fluctuations in raw material prices and managing the variability of the bulk business

- Implemented fundamental structural reforms since 2009

Focus on "growth" drivers and "structural reinforcement" to deliver stable profit growth
The Ajinomoto Group Vision: Group of companies that contributes to human health globally

Lower resource fermentation technology
Nutrition for animals, plants, and marine creatures

Materials for functional food
Functional seasonings

Advanced medical technology
Amino Index®

Resolve issues for 21st century human society

Global sustainability
Optimize environment and natural resources

Food resources
Utilize non-edible materials

Healthy living
Address under and over nutrition
Adopt to aging society trends
The Ajinomoto goal: to become a "Genuine Global Company"

A “Genuine Global Company”
with world-wide growth

1. Contribute to the future progress of humanity
2. Possess our own industry leading technologies
3. Assemble a group globally capable & diversified talent
4. Achieve the business and profit scale of a global company
5. Meet global efficiency standards to generate profit
Roadmap to a "Genuine Global Company"

**Achieve stable profit growth**
- Average annual growth rate of 10% -

**Build foundation for a global company**

**Transition to a global company**

**Become a global top 10 food company*1**

<table>
<thead>
<tr>
<th></th>
<th>FY2010 forecast</th>
<th>FY2013 plan</th>
<th>FY2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ROE</strong></td>
<td>4.5%</td>
<td>8%</td>
<td>10%</td>
</tr>
<tr>
<td><strong>OP margin</strong></td>
<td>5.7%</td>
<td>~7%</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>¥69B</td>
<td>¥87B</td>
<td>¥100B + (\alpha)</td>
</tr>
<tr>
<td><strong>Overseas profit ratio</strong></td>
<td>59%</td>
<td>62%</td>
<td>~75%</td>
</tr>
</tbody>
</table>

*1 Excludes beverage manufacturers
Principles of the medium-term management plan to create a "Genuine Global Company"
Growth drivers and structural reinforcement as parallel pillars

1 Growth driver development

Global growth
Achieve growth through entering emerging and developing markets, while strengthening our domestic position

R&D leadership
Create new value and business opportunities through continued research investment in seasonings and cutting-edge biotechnology platform

Leverage of external resources
Increase utilization of open innovation, alliances, and M&A to capitalize on new growth platforms

2 Business structure reinforcement

From VOLUME to VALUE
Strengthen cost competitiveness and migrate further to value-added business

From PROFIT (OP) to CASH (FCF)
Control overall capital investment and improve asset efficiency

Enhance capital efficiency to boost stockholder value
Optimize business portfolio and functional value chain

3 Foundation building

Global human resource development
Capture abundant global and group growth opportunities
Create a diverse HR mix in nationalities and careers

Global governance
Reinforce group management foundation for further global expansion
## KPIs will track progress to a "Genuine Global Company"

<table>
<thead>
<tr>
<th>KPI</th>
<th>FY2010 forecast</th>
<th>FY2013 plan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Growth driver development</strong></td>
<td>Overseas sales ratio</td>
<td>31%</td>
</tr>
<tr>
<td></td>
<td>Overseas profit ratio</td>
<td>59%</td>
</tr>
<tr>
<td><strong>R&amp;D leadership</strong></td>
<td>Ratio of R&amp;D investment in future domains within total R&amp;D investment</td>
<td>-</td>
</tr>
<tr>
<td><strong>From VOLUME to VALUE</strong></td>
<td>Sales ratio of value-added business</td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td>Operating margin</td>
<td>5.7%</td>
</tr>
<tr>
<td><strong>From PROFIT to CASH</strong></td>
<td>Free cash flow</td>
<td>¥10B/year (FY2005-2010 average)</td>
</tr>
<tr>
<td><strong>Enhance capital efficiency to boost stockholder value</strong></td>
<td>ROE</td>
<td>4.5%</td>
</tr>
<tr>
<td><strong>Foundation building</strong></td>
<td>Local executive ratio in foreign enterprises</td>
<td>34%</td>
</tr>
</tbody>
</table>

### Notes
- Global growth
- Global human resource development

From VOLUME to VALUE
- Sales ratio of value-added business: 70%
- Operating margin: 5.7%

From PROFIT to CASH
- Free cash flow: ¥10B/year (FY2005-2010 average)
- Free cash flow target: ¥40B/year

Enhance capital efficiency to boost stockholder value
- ROE: 4.5%
- ROE target: 8%

Foundation building
- Local executive ratio in foreign enterprises: 34%
- Local executive ratio in foreign enterprises target: 50%
1. **Growth drivers: global growth(1) key principle**

Grow overseas consumer foods by developing new markets and increasing presence in existing markets.

<table>
<thead>
<tr>
<th></th>
<th>FY2010 forecast</th>
<th>FY2013 plan</th>
<th>FY2016</th>
<th>FY2010-2013 Increase</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing markets</td>
<td>160</td>
<td>210</td>
<td>250</td>
<td>50</td>
<td>+10%</td>
</tr>
<tr>
<td>New markets</td>
<td>15</td>
<td>30</td>
<td>50</td>
<td>15</td>
<td>+26%</td>
</tr>
<tr>
<td>Total</td>
<td>175</td>
<td>240</td>
<td>300</td>
<td>65</td>
<td>+11%</td>
</tr>
</tbody>
</table>

**Growth acceleration point**

- Increase presence in existing markets
  - Expand main product share and improve profitability
  - Develop next-generation core products and brands
    - Lower priced/affordable powder menu-specific seasonings
    - Functional seasonings

- Develop new markets
  - Achieve accelerated launch in adjacent countries by leveraging core regional hubs
  - Introduce new products beyond umami seasoning *AJI-NO-MOTO*® to enter new markets
  - Deploy structurally-similar business models in neighbor countries
Growth drivers: global growth(2) ASEAN example

Develop new markets leveraging the area and product strategy; simultaneously increasing presence in existing markets

**Countries adjacent to Thailand**

Established operations in Thailand to support launch
- Cambodia: Expand sales with AJI-NO-MOTO® and flavor seasonings
- Myanmar: Evaluate the potential of full-fledged entry, paying attention to political conditions

**South Asia**

Develop markets with products geared to local needs, leveraging Thailand operating base
- India: Establish new factory for lower priced/affordable powder menu-specific seasonings and instant noodles
- Bangladesh: Establish a local subsidiary

**Middle East, Islamic countries**

Leveraging Halal standard production base/products, and talent in Malaysia and Indonesia to achieve an accelerated launches

**Thailand**

On top of domestic growth, expand core hub function
- Expand the No.1 share in flavor seasonings market by introducing new products
- Invest ¥24B to increase MSG, nucleotide production, and supply to relevant areas

**Vietnam**

Launch lower priced/affordable powder menu-specific seasonings customized for local needs, targeting to be No. 1 food company in Vietnam

**Indonesia, Malaysia**

On top of domestic growth, strengthen frontier hub function for Islamic countries
- Indonesia: Develop lower priced/affordable powder menu-specific seasonings as core products
- Malaysia: Launch and develop flavor seasonings customized for the Middle East
Growth drivers: R&D leadership(1) key principles

Accelerate growth through focus on "world's No.1 in seasonings" & "cutting-edge biotechnology platforms" and by strengthening R&D capability

Contribute to resolving issues for 21st century human society
- Global sustainability, food resources, healthy living -
Growth drivers: R&D leadership(2) world's #1 in seasonings

Combine the capabilities of a leading "deliciousness + health" seasonings company with overall "deliciousness" technology to become the #1 company in dry seasonings.

Technology base and its extensions

Advance our leading taste technologies
- Accelerate new ingredient development by using advanced technologies such as receptors
- Research physiology of umami

Create comprehensive technology base of "deliciousness," that goes beyond taste
- Acquire key ingredients in flavor and texture
- Develop broad application technology to reproduce all dimensions of "deliciousness" around the world

Businesses and products created (e.g.)

- Expand flavor ingredient portfolio
  - Umami: MSG, nucleotides, new ingredients
  - Kokumi: New kokumi ingredients
  - Sweet: Aspartame, Advantame, Monatin
  - Salty

- No. 1 in "delicious" seasonings in each country
  - Lower priced/affordable powder menu-specific seasonings
  - Functional seasonings

- Inexpensive and general-purpose seasonings developed from flavor technology

- Solutions that reduce salt, sugar and fat content
  - Achieve health value while maintaining "deliciousness"

Improve diets in emerging and developing countries

Solve over-nutrition in developed countries and under-nutrition in developing countries
## Growth drivers: R&D leadership(3) cutting-edge biotechnology platform

Leverage our proprietary technologies to become a global leader in "environment and resource contributions," "animal and plant nutrition" and "advanced medical care and nutrition."

<table>
<thead>
<tr>
<th>Environment and resource contributions</th>
<th>Technology platforms to be built</th>
<th>Businesses and products created (e.g.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fermentation technology based on non-food raw materials</td>
<td>Shift to production by fermentation production with fewer resources</td>
<td></td>
</tr>
<tr>
<td>• Non-edible materials</td>
<td>• More efficient use of existing raw materials</td>
<td></td>
</tr>
<tr>
<td>• Carbon dioxide</td>
<td>• Non-edible materials, low energy fermentation</td>
<td></td>
</tr>
<tr>
<td>Technology to improve the productivity and quality of animals and plants</td>
<td>New bio-based ingredients to save and/or generate energy</td>
<td></td>
</tr>
<tr>
<td>• Proprietary amino acid nutrient technology and fermentation technology</td>
<td>• High value-added products such as enzyme</td>
<td></td>
</tr>
<tr>
<td>Technology to support next-generation pharmaceuticals, medical care, and nutritional enhancements</td>
<td>Nutrients for plants, fisheries, and livestock that make use of nutritional functions of amino acids</td>
<td></td>
</tr>
<tr>
<td>• Advanced biological and fine chemical technology</td>
<td>• Commercialization of foliar fertilizer and liquid feeds</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• From powdered fish nutrients to amino acid nutrients</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Environmentally-active cement</td>
<td></td>
</tr>
</tbody>
</table>

Global sustainability

- Environment and resource contributions
- Animal and plant nutrition
- Advanced medical care and nutrition

Food resources

- Environment
- Resource contributions

Healthy living

- Technology to improve the productivity and quality of animals and plants
- Technology to support next-generation pharmaceuticals, medical care, and nutritional enhancements
- Solutions for bio pharmaceuticals and regenerative medical care

- Fermentation technology based on non-food raw materials
- Technology to improve the productivity and quality of animals and plants
- Technology to support next-generation pharmaceuticals, medical care, and nutritional enhancements
- Solutions for bio pharmaceuticals and regenerative medical care

- Non-edible materials
- Carbon dioxide
- Proprietary amino acid nutrient technology and fermentation technology
- Advanced biological and fine chemical technology
- Provision of materials, technology, and cell cultivation cultures for advanced medical services
- Extension of applications for the use of blood amino acid in health diagnostics "Amino index"
1. Reorganized domestic R&D structure and determined priority domains (implemented in Oct. 2010)
   - Consolidated nine R&D laboratories into three

2. Establishing global R&D network
   - Have five R&D hubs including centers in Asia, US, and Europe
   - Increase overseas R&D headcount ratio to more than 30%
   - Enhance global HR exchanges

3. Promoting open & linked innovation
   - Develop new ingredients or functions with research institutes or ventures
   - Develop applications or solutions with companies that are familiar with customer needs, e.g., fishery, foods, beverages, and cosmetics

4. Building and strengthening R&D management system
   - Maintain R&D expenditure at ¥37B/year level until FY2013

From Japan-driven to five global hubs

- Accelerate open innovation
- Enhance product development based on local cuisine and cultures
# Growth drivers: leverage of external resources

Achieve growth through dynamic use of open innovation, alliances, and M&A

<table>
<thead>
<tr>
<th>Direction</th>
<th>Make dynamic use of external resources to accelerate the impact of growth drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Global growth: Establish brands and channels, etc. in the overseas food products business</td>
</tr>
<tr>
<td></td>
<td>• R&amp;D leadership: Acquire technology and operating bases in priority domains (seasonings, cutting-edge biotechnology platform)</td>
</tr>
</tbody>
</table>

| Scale | Anticipate a sizable investment to drive total company growth (without a pre-determinined target amount) |

<table>
<thead>
<tr>
<th>Organization to drive</th>
<th>Concentrate and enhance the capital/operational alliances, strategy and business development functions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Create a team which reports directly to the CEO, including experienced talent from outside the organization</td>
</tr>
<tr>
<td></td>
<td>• The team will verify the feasibility of commercialization and promote business development, coordinating with the business units</td>
</tr>
</tbody>
</table>
Business structure reinforcement: a company-wide initiative

In addition to business unit-level initiatives, cross-business structures will be re-evaluated.

From VOLUME to VALUE

Improve cost efficiency by controlling overall spending levels
- R&D expenditure: Maintain at ¥37B/year*1 level until FY2013
- Marketing expenses: Keep below the gross profit growth rate
- Group headcount: Establish headcount ceiling for Ajinomoto Co., Inc. and domestic subsidiaries

Fundamental review of business model and cost structures
- From the "feed-use amino acids business" to the "animal nutrition business"
- From the "aspartame-only business" to the "compound sweeteners business," etc.
- Reduce variable costs by introducing lower resource fermentation technology in Food products and Bioscience Products & Fine Chemical businesses → ¥7B operating income increase in FY2013 vs. FY2010, ¥8B in FY2014

From PROFIT to CASH

Control capital expenditure to a total of ¥180B over 3 years (with consistent annual spend)

Enhance capital efficiency

Optimize business portfolio and functional value chain
- Evaluate on the basis of profitability, such as OP margin and asset efficiency (ROA)

*1 Total ceiling excluding license-in expenses for pharmaceuticals business

<table>
<thead>
<tr>
<th>OP margin (FY2010 forecast, %)</th>
<th>Domestic Food Products</th>
<th>Overseas Food Products</th>
<th>Bioscience Products &amp; Fine Chemicals</th>
<th>Pharmaceuticals</th>
<th>Businesses tie-ups</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seasonings &amp; processed foods</td>
<td>Frozen foods</td>
<td>Beverages</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.6</td>
<td>13.0</td>
<td>5.3</td>
<td>10.3</td>
<td>1.1</td>
<td>-0.3</td>
<td>5.7</td>
<td></td>
</tr>
</tbody>
</table>

Including functional subsidiaries
## Business structure reinforcement: unit-level initiatives

### (1) feed-use amino acids (animal nutrition)
Enhance cost competitiveness and shift to high-value-added model, while strengthening business operating platforms

<table>
<thead>
<tr>
<th>Point</th>
<th>Specific programs</th>
<th>FY2011</th>
<th>FY2012</th>
<th>FY2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Increase cost competitiveness</strong></td>
<td>Shift from Brazil-based to regional supply base of four centers</td>
<td>North America: Enhance regional supply power by introducing new technology</td>
<td>Complete program (Q2)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Achieve fundamental improvements in production process via lower resource fermentation technology</td>
<td>Reduce volume of sub raw materials used (Introduced in Brazil in 2010)</td>
<td></td>
<td>USA</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Diversify main raw materials (Started in France in 2010)</td>
<td></td>
<td>Brazil, Thailand</td>
</tr>
<tr>
<td><strong>Increase value added products</strong></td>
<td>Develop new value added feed additives</td>
<td>Valine</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Isoleucine (Registered in Europe in 2010)</td>
<td>Introduce the product (Q2~)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Develop new applications for feed-use amino acids</td>
<td>Lysine for dairy cow</td>
<td>Test market (Q1~)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Amino acids for fishery, etc.</td>
<td></td>
<td>Assess market entry</td>
</tr>
<tr>
<td><strong>Strengthen business operating platforms</strong></td>
<td>Investigate the possibility of establishment of 100% owned subsidiary for animal nutrition including feed-use amino acids</td>
<td></td>
<td>Reach decision within FY2011</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Partially outsource production</td>
<td></td>
<td>Threonine (Fufeng Group)</td>
<td>Explore additional alliances</td>
</tr>
</tbody>
</table>
## Business structure reinforcement: unit-level initiatives (2) sweetener

Introduce new production methods to improve the cost competitiveness of mainline aspartame business while shifting to the compound sweetener business.

<table>
<thead>
<tr>
<th>Point</th>
<th>Specific programs</th>
<th>FY2011</th>
<th>FY2012</th>
<th>FY2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase cost competitiveness</td>
<td>Introduce new production methods to aspartame production plants</td>
<td>Establish the new method</td>
<td>Commence production (July)</td>
<td>Launch study in Europe</td>
</tr>
<tr>
<td></td>
<td>Capex decision to be made in March 2011</td>
<td>Switchover production line</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase value added products</td>
<td>Launch next generation of in-house developed sweeteners</td>
<td>Advantame</td>
<td>Brazil, Philippines, India, Taiwan, etc.</td>
<td>Japan, Europe, China, etc.</td>
</tr>
<tr>
<td></td>
<td>Monatin</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Build global supply base for sweetener formulation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strengthen business operating platforms</td>
<td>Strengthen retail business</td>
<td>Increase presence in existing countries</td>
<td>Japan, Brazil, Philippines, Malaysia, Thailand</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Low calorie sweeteners</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Inexpensive sugar replacement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Powdered juice, etc.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Expand to new countries</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Target 50% sales ratio for retail business by FY2016**

- Use aspartame as inexpensive sweeteners
- Can use like sugar because of sweetness design technology
- Set developing markets as main target and commercialize
  - Utilize existing business base (e.g., ASEAN)
Business structure reinforcement: unit-level initiatives
(3) Domestic Food Products (seasonings & processed foods)
Capture greater share of customer's wallet through launch of high value-added products and enhanced marketing methodology to establish stable profit base

<table>
<thead>
<tr>
<th>Point</th>
<th>Specific programs</th>
</tr>
</thead>
</table>
| Increase cost competitiveness | Establish robust business system with a strong value chain  
• Strengthen raw material development and procurement power  
• Prioritize and streamline R&D investment  
• Reduce inventory by new SCM  
• Overhaul G&A expense  
• Promote environmental solution (start ecological initiatives, secure resources) |
| Improve accessibility to various needs and occasions | |
| Revive existing business |  
• Redesign product value  
• Enhance communication strategy, etc. |
| Develop and reorganize adjacent domains |  
• Introduce new products to white space  
• Find unmet needs and propose value  
• Form a global deployment base plan |
| Strengthen business operating platforms | Strengthen marketing methodology  
• Aim to create demand even in mature markets |

Example initiative:
New marketing for creating AJINOMOTO fans
As is: Individual brand directed value propositions
To be: Deepened relationship between overall AJINOMOTO brand and consumers

Leverage AJINOMOTO total power
3. Foundation Building: global human resource development

Hire, develop, and promote diverse talent with various nationalities and careers to create an global management executive pool

Diverse resource mix with various nationalities and careers
• e.g., target 10% of new graduate hire headcount in Japan to be international

Ajinomoto Group HR Platform

- Build global core resources database (Core resource transparency)
- Publish requirements for key global posts (Key post transparency)
- Systematize training plans (Regional training, etc.)
- Design transparent compensation system

Select

Group HR Committee (Chair: CEO)

Standardized evaluation system

- Selective training program (In-house training, external assignment)
- Assignment to key posts (Opportunity provision in OJT)

⇒ Management resources selection: assessment

Group management
• Achieve 50% local executive ratio in foreign enterprises
### Corporate financial strategy: approach to growth investment, fund-raising, shareholder returns

| Cash flow             | • Improve profitability by business structure reinforcement and growth driver development  
<table>
<thead>
<tr>
<th></th>
<th>• Create operating cash flow at ¥300B level in three years</th>
</tr>
</thead>
</table>
| Growth investment     | • Prioritize capital expenditure allocation to emerging economies with a three year maximum of ¥180B  
|                       | • Invest in mid to long term growth driver development |
| Fund raising          | • Target D/E ratio at 30% level, interest bearing debt below ¥200B  
|                       | • When growth funding is required, interest bearing debt will be prioritized with a target D/E ratio at 50% level |
| Shareholder returns   | • Ensure continuous and stable dividend, considering consolidated earnings |
|                       | • Agile consideration of share buy backs |
| Return of substitutional part of Employee's Pension Fund | • April-May 2012 approval anticipated |
Finance strategy: key levers for ROE improvement
Achieve ROE of 8% in FY2013, target 10%+ by FY2016

Improve ROE
(FY2013: 8%)

Maximize net profit
- Improve profitability by business structure reinforcement
- Grow sales and profit by growth drivers

Contain total asset levels
- Contain capital expenditures, control inventory assets
- Optimize business portfolio and functional value chain

Access funding as required
- Raise growth funding with interest bearing debt if necessary
- Target maximum D/E ratio of 50% level to maintain financial stability

Manage shareholder equity
- Agile consideration of share buy backs
## Targets by business: sales, operating income

<table>
<thead>
<tr>
<th></th>
<th>FY2010 forecast</th>
<th>FY2013 plan</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net Sales (¥B)</td>
<td>Operating income (¥B)</td>
<td>OP margin (%)</td>
</tr>
<tr>
<td></td>
<td>232.0</td>
<td>30.2</td>
<td>13.0</td>
</tr>
<tr>
<td>Overseas Food Products</td>
<td>450.0</td>
<td>29.7</td>
<td>6.6</td>
</tr>
<tr>
<td>Domestic Food Products</td>
<td>193.0</td>
<td>10.2</td>
<td>5.3</td>
</tr>
<tr>
<td>Bioscience Products &amp; Fine Chemicals</td>
<td>77.2</td>
<td>8.0</td>
<td>10.4</td>
</tr>
<tr>
<td>(Feed-Use Amino Acids)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>82.7</td>
<td>8.5</td>
<td>10.3</td>
</tr>
<tr>
<td>Business tie-ups</td>
<td>183.6</td>
<td>2.1</td>
<td>1.1</td>
</tr>
<tr>
<td>Others</td>
<td>65.7</td>
<td>-0.2</td>
<td>-0.3</td>
</tr>
<tr>
<td>Adjustments</td>
<td>-</td>
<td>-11.5</td>
<td>-</td>
</tr>
<tr>
<td>Group total</td>
<td>1,207.0</td>
<td>69.0</td>
<td>5.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY2010 forecast</th>
<th>FY2013 plan</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Net Sales (¥B)</td>
<td>Operating income (¥B)</td>
<td>OP margin (%)</td>
</tr>
<tr>
<td></td>
<td>306.1</td>
<td>34.4</td>
<td>11.2</td>
</tr>
<tr>
<td>Overseas Food Products</td>
<td>459.2</td>
<td>33.7</td>
<td>7.3</td>
</tr>
<tr>
<td>Domestic Food Products</td>
<td>230.9</td>
<td>16.8</td>
<td>7.3</td>
</tr>
<tr>
<td>Bioscience Products &amp; Fine Chemicals</td>
<td>81.6</td>
<td>9.0</td>
<td>11.0</td>
</tr>
<tr>
<td>(Feed-Use Amino Acids)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>87.4</td>
<td>8.8</td>
<td>10.1</td>
</tr>
<tr>
<td>Business tie-ups</td>
<td>203.3</td>
<td>2.1</td>
<td>1.0</td>
</tr>
<tr>
<td>Others</td>
<td>79.1</td>
<td>2.7</td>
<td>3.4</td>
</tr>
<tr>
<td>Adjustments</td>
<td>-</td>
<td>-11.5</td>
<td>-</td>
</tr>
<tr>
<td>Group total</td>
<td>1,366.0</td>
<td>87.0</td>
<td>6.4(〜7)</td>
</tr>
</tbody>
</table>

Increase in Operating income (¥B): 4.2 (Overseas Food Products), 4.0 (Domestic Food Products), 6.6 (Bioscience Products & Fine Chemicals), 1.0 (Pharmaceuticals), 0.3 (Business tie-ups), 0 (Others), 2.9 (Adjustments), 18.0 (Group total).
**Contribution to society: Cycle of Life**
Position CSR initiatives as a business to ensure impact on sustainability + lives around the world

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**Advancing nutrition improvement in Ghana**
- Co-develop nutritional supplements for baby food with DSM

**Umami diffusion initiatives**
- Hold taste education classes in Japan, symposiums, etc. in foreign countries

**The AIN program**
- Support international cooperation to improve nutrition in developing countries

**Greenhouse gas reduction**
- Reduce the amount of nitrogen contained in livestock manure by 20-30% by feed-use amino acids

**Biocycle**
- Realize natural resource circulation by utilizing co-product as fertilizer

**The Cassava Project**
- Diffuse cassava cultivation methodology in Indonesia

**Bonito ecology survey**
- Initiate joint survey of bonito off the Pacific Coast of Japan, with National Research Institute of Far Seas Fisheries, Fisheries Research Agency

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*Ajinomoto*
Strategies by Business: (1) Overseas Food Products

Consumer foods

Promote No.1 seasonings strategy
- Accelerate growth by deepening presence in both existing and new markets
- Create a lower priced/affordable menu-specific seasonings domain by thorough optimization to local needs, commercializing flavor seasonings and productizing towards killer menu
- Develop and establish eat-out channel as second business pillar
- Narrow down sauce business to soy sauce and oil based, and strengthen as global sauce business

Develop and enhance processed food domain
- Utilize instant noodles as door opener at market entry
- Enhance profit structure and quality advantage by completely in-sourcing Birdy®, developing proprietary technology, and establish overwhelming No. 1 share

Umami seasonings for processed foods mfrs.

Continue pricing strategy and provide stable supply, assuming consistent and adequate profit levels
- Promote flexible pricing strategy by continuing short-term contract and increasing the ratio of local major players or middle class players toward external environment change, and secure adequate profit
- Realize stable supply to group companies by establishing new MSG factory/increasing nucleotide production, and continue cost reduction initiatives

<table>
<thead>
<tr>
<th>(Unit: ¥B)</th>
<th>FY2010 forecast</th>
<th>FY2013 plan</th>
<th>Increase</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>232.0</td>
<td>306.1</td>
<td>74.1</td>
<td>9.7%</td>
</tr>
<tr>
<td>Operating income</td>
<td>30.2</td>
<td>34.4</td>
<td>4.2</td>
<td>4.4%</td>
</tr>
</tbody>
</table>
Strategies by Business: (2) Domestic Food Products

<table>
<thead>
<tr>
<th>(Unit: ¥B)</th>
<th>FY2010 forecast</th>
<th>FY2013 plan</th>
<th>Increase</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>450.0</td>
<td>459.2</td>
<td>9.2</td>
<td>0.7%</td>
</tr>
<tr>
<td>Operating income</td>
<td>29.7</td>
<td>33.7</td>
<td>4.0</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

Seasonings & processed foods

Create liver value by understanding customer deeply - Cultivation and expanding -
- Direct marketing to create AJINOMOTO fans
- Develop new core business for next generation, both applicable for in home and out of home use

Enhance profit structure
- Improve gross margin by reducing fixed cost ratio, etc.
- Contain SG&A cost by efficiently investing marketing expenses, etc.

Frozen foods

Simultaneously achieve stable domestic growth and foreign expansion
- Enhance core products sales and expand sales in North America, Europe, and Southeast Asia

Overhaul and restructure production base
- Reinforce company production base structure and restructure global SCM

Beverages

Expand domestic stability and accelerate growth of foreign beverage and microorganism business
- Strengthen the Calpis brand
- Establish a model of success in foreign countries - deploy both the model in early stages, and new value proposition

Reduce cost thoroughly in overall value chain
- Promote SCM improvement, production renewal, etc.
Strategies by Business:
(3) Bioscience Products & Fine Chemicals

<table>
<thead>
<tr>
<th>(Unit: ¥B)</th>
<th>FY2010 forecast</th>
<th>FY2013 plan</th>
<th>Increase</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>193.0</td>
<td>230.9</td>
<td>37.9</td>
<td>6.2%</td>
</tr>
<tr>
<td>(Feed-use amino acids)</td>
<td>77.2</td>
<td>81.6</td>
<td>4.4</td>
<td>1.9%</td>
</tr>
<tr>
<td>Operating income</td>
<td>10.2</td>
<td>16.8</td>
<td>6.6</td>
<td>18.1%</td>
</tr>
<tr>
<td>(Feed-use amino acids)</td>
<td>8.0</td>
<td>9.0</td>
<td>1.0</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

Feed-Use amino acids
Enhance cost competitiveness and shift to high-value-added model, while strengthening business operating platforms

Amino acids
Sweeteners: Introduce new production methods to improve the cost competitiveness of mainline aspartame business while shifting to the compound sweetener business
Amino acids for pharmaceutical and foods: Achieve cost reduction by completing production structure reform program. Develop mediums for bio pharmaceuticals as the second main business, on top of existing bulk amino acids business
Pharmaceuticals fine chemicals: Enhance development pipeline and business portfolio to commercialize pharmaceutical ingredient solution business

Specialty chemicals
Electronic materials: Expand ABF application and develop new business
Cosmetics: Enlarge business scale by supporting major brands (retail business) and expanding sales in new economies (cosmetics ingredients business)
Strategies by Business: (4) Pharmaceuticals

<table>
<thead>
<tr>
<th>(Unit: ¥B)</th>
<th>FY2010 forecast</th>
<th>FY2013 plan</th>
<th>Increase</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>82.7</td>
<td>87.4</td>
<td>4.7</td>
<td>1.9%</td>
</tr>
<tr>
<td>Operating income</td>
<td>8.5</td>
<td>8.8</td>
<td>0.3</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

**Pharmaceuticals**

Secure new drug launch and maximize product value
- Launch two drugs for inflammatory bowel disease (two product) and the others after FY2012, and promote LCM of core products

Develop growth drivers
- Start alliances in FY2012 in Southeast Asia, envisioning direct sales approach in the future
- Prioritize R&D investment to digestive organ domain and strengthen pipeline in early stage

Reinforce business structure
- Reduce cost by technology innovation, production reform, and optimized procurement scheme
- Expand direct sales products by improving salesforce quality and productivity
- Enhance cost reduction initiatives for infusion business

Build foundation
- Plan and promote company-wide HR development strategy
Strategies by Business: (5) Business tie-ups and others

<table>
<thead>
<tr>
<th>(Unit: ¥B)</th>
<th>FY2010 forecast</th>
<th>FY2013 plan</th>
<th>Increase</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>183.6</td>
<td>203.3</td>
<td>19.7</td>
<td>3.5%</td>
</tr>
<tr>
<td>Operating income</td>
<td>2.1</td>
<td>2.1</td>
<td>0.0</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

**Business tie-ups**

**Edible oils**
- Optimize pricing
- Develop and expand high added-value products

**Coffee products**
- Create added-value product in growing market (stick, liquid beverage)

<table>
<thead>
<tr>
<th>(Unit: ¥B)</th>
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<th>Increase</th>
<th>CAGR</th>
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<td>65.7</td>
<td>79.1</td>
<td>13.4</td>
<td>6.4%</td>
</tr>
<tr>
<td>Operating income</td>
<td>-0.2</td>
<td>2.7</td>
<td>2.9</td>
<td>-</td>
</tr>
</tbody>
</table>

**Others**

**Wellness business:**

**Sports nutrition**
- Strengthen marketing capability to expand target segment (to target health conscious, active segment)
- Promote sports nutrition research in coordination with external institutes, and leverage the research result for product development

**Direct marketing**
- Move towards profitability swiftly into the black early by promoting core products Glyna® and Capsiate Natura®

**Nutrition for elderly people**
- Overhaul business structure by focusing on medical and food domains

**New product development, commercialization**
- Start cancer screening business by Amino Index® from April 2011
Assumptions for this medium-term management plan

1. Exchange rate

<table>
<thead>
<tr>
<th>Currency</th>
<th>JPY</th>
<th>vs USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD</td>
<td>85.00</td>
<td>-</td>
</tr>
<tr>
<td>EUR</td>
<td>110.00</td>
<td>1.30</td>
</tr>
<tr>
<td>BRL</td>
<td>50.00</td>
<td>1.70</td>
</tr>
<tr>
<td>THB</td>
<td>2.80</td>
<td>30.0</td>
</tr>
<tr>
<td>100 IDR</td>
<td>0.94</td>
<td>90.0</td>
</tr>
</tbody>
</table>

<Sensitivity> Impact on annual operating income (Exchange rate for trade of main overseas subsidiaries)

1 Year higher vs USD → - ¥ 0.2B (approx.)
0.1 EUR higher vs USD → - ¥ 0.4B (approx.)
0.1 BRL higher vs USD → - ¥ 1.2B (approx.)

2. Crude oil price

80 USD/BBL, FOB Dubai

<Sensitivity> Impact on annual operating income

+1 USD/BBL → - ¥ 20M (approx.)
Eat Well, Live Well.

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- 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. 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.