



# **Consolidated Results**

## **First Quarter Ended June 30, 2013**

- 
1. Overview
  2. Financial Position
  3. Segment Information

**July 31, 2013**  
**Ajinomoto Co., Inc.**

# AJINOMOTO® 1. (1) Overview of Results

(¥ Billion)

	Apr.-June 2013 (A)	Apr.-June 2012	YoY Change		FY2013 (Forecast) (B)	Progress A/B
			Amount	%		
<b>Net sales</b>	<b>242.1</b>	<b>251.0</b>	<b>-8.9</b>	<b>-4%</b>	<b>1,019.0</b>	<b>24%</b>
<b>Domestic Food Products</b>	<b>77.9</b>	<b>107.1</b>	<b>-29.2</b>	<b>-27%</b>	<b>338.5</b>	<b>23%</b>
<b>Overseas Food Products</b>	<b>71.6</b>	<b>58.0</b>	<b>13.6</b>	<b>24%</b>	<b>303.9</b>	<b>24%</b>
<b>Bioscience Products &amp; Pharmaceuticals</b>	<b>55.1</b>	<b>49.8</b>	<b>5.3</b>	<b>11%</b>	<b>232.8</b>	<b>24%</b>
<b>Other Business</b>	<b>16.8</b>	<b>18.1</b>	<b>-1.4</b>	<b>-8%</b>	<b>52.9</b>	<b>32%</b>
<b>Other Business</b>	<b>20.7</b>	<b>17.9</b>	<b>2.7</b>	<b>15%</b>	<b>90.9</b>	<b>23%</b>
<b>Operating income</b>	<b>14.4</b>	<b>19.3</b>	<b>-4.8</b>	<b>-25%</b>	<b>75.0</b>	<b>19%</b>
<b>Domestic Food Products</b>	<b>5.2</b>	<b>9.0</b>	<b>-3.8</b>	<b>-42%</b>	<b>28.3</b>	<b>19%</b>
<b>Overseas Food Products</b>	<b>6.2</b>	<b>5.2</b>	<b>1.0</b>	<b>19%</b>	<b>23.1</b>	<b>27%</b>
<b>Bioscience Products &amp; Fine Chemicals</b>	<b>2.5</b>	<b>4.4</b>	<b>-1.8</b>	<b>-42%</b>	<b>19.2</b>	<b>13%</b>
<b>Pharmaceuticals</b>	<b>0.4</b>	<b>0.7</b>	<b>-0.3</b>	<b>-37%</b>	<b>4.3</b>	<b>10%</b>
<b>Other Business</b>	<b>0.1</b>	<b>-0.0</b>	<b>0.1</b>	<b>-</b>	<b>0.1</b>	<b>51%</b>
<b>Ordinary income</b>	<b>16.4</b>	<b>20.9</b>	<b>-4.5</b>	<b>-21%</b>	<b>79.0</b>	<b>21%</b>
<b>Net income</b>	<b>11.3</b>	<b>10.0</b>	<b>1.3</b>	<b>13%</b>	<b>49.0</b>	<b>23%</b>
<b>Exchange rate</b>	<b>JPY/USD</b>	<b>98.78</b>	<b>80.18</b>		<b>90.0</b>	
	<b>JPY/EUR</b>	<b>128.95</b>	<b>102.84</b>		<b>118.0</b>	

Note: Changes due to the introduction of net figure (the method of netting off sales and cost of goods sold and recording the net figure in the accounts) for business tie-ups from FY2013 are as follows:

Scope: *Kellogg's* products included in the "Seasonings & processed foods" category of Domestic Food Products; the "Edible oils" and "Coffee products" categories of Business Tie-Ups

The former "Business Tie-Ups" segment has been discontinued. "Edible oils" and "Coffee products" have been reclassified as "Edible oils & coffee products" (net figure) in the "Other Business" segment.

Results for FY2012 have been restated to reflect the above changes (for this and all following slides).

# 1. (2) Comments on Results for the First Three Months of FY2013

**Net sales decreased, mainly due to effect of disposal of Calpis shares, etc. despite positive effect of currency translation.  
Operating income decreased due to lower income in feed-use amino acids and effect of disposal of Calpis shares, etc.**

## Net sales / Operating income

	Apr.-June 2013	Apr.-June 2012	Change		Full-year Forecast	Progress
			Amount	%		
Net sales	242.1	251.0	-8.9	-4%	1,019.0	24%
Cost of sales	155.5	149.0	6.5	4%	-	-
SG&A	72.1	82.7	-10.6	-13%	-	-
Operating income	14.4	19.3	-4.8	-25%	75.0	19%

- 1. Impact of exchange rate (YoY)

Exchange rate for currency translation  
Sales ¥22.8 billion; operating income ¥2.5 billion

Exchange rate for trade of main overseas subsidiaries  
Sales approx. ¥1.0 billion; operating income approx. -¥0.5 billion
  
- 2. Impact of raw material & fuel prices (YoY)

Fermentation raw materials and fuel prices approx. -¥0.6 billion

Domestic food products raw materials approx. -¥0.7 billion
  
- 3. Cost reductions (YoY)

Domestic food products approx. ¥0.7 billion

Pharmaceuticals approx. ¥0.7 billion

(-: Cost increase)

# 1. (3) Comments on Results for the First Three Months of FY2013

## Ordinary income

(¥ Billion)

	Apr.-June 2013	Apr.-June 2012	Change		Full-year Forecast	Progress
			Amount	%		
Non-operating income (net)	1.9	1.6	0.4	23%	-	-
Ordinary income	16.4	20.9	-4.5	-21%	79.0	21%

\* None

## Net income

(¥ Billion)

	Apr.-June 2013	Apr.-June 2012	Change		Full-year Forecast	Progress
			Amount	%		
Extraordinary gains	1.3	0.8	0.5	62%	-	-
Extraordinary losses	1.1	3.0	-1.9	-64%	-	-
Income taxes etc.	3.4	7.0	-3.6	-51%	-	-
Minority interests	1.9	1.7	0.2	12%	-	-
Net income	11.3	10.0	1.3	13%	49.0	23%

\* Insurance income  
¥1.2 billion (¥1.2 billion increase)  
\* Loss on devaluation of securities  
¥0.0 billion (¥2.4 billion decrease)  
\* Loss on liquidation of subsidiaries  
¥0.6 billion (¥0.6 billion increase)

# AJINOMOTO® 2. Financial Position

(¥ Billion)

June 30, 2013: Total assets 1,096.7

Current assets 562.1	Liabilities 451.5
Fixed assets 534.6	Net assets 645.2
	Incl. Minority interests 56.4

Mar. 31, 2013: Total assets 1,091.7

Current assets 586.1	Liabilities 400.0
Fixed assets 505.7	Net assets 691.7
	Incl. Minority interests 56.4

**¥5.0 billion increase in total assets from March 31, 2013**

\* Increase in goodwill because of acquisition of all the stock of Althea Technologies, Inc.

\* Increase in yen values of the balance sheets of overseas subsidiaries after currency translation.

## Cash Flow

(¥ Billion)

	June 2013	June 2012	Change
1. CF from operating activities	-0.3	14.1	-14.4
2. CF from investing activities	-28.3	-16.2	-12.1
3. CF from financing activities	-11.4	-30.8	19.4
4. Cash and cash equivalents	144.5	107.4	37.1
<b>FCF(1+2)</b>	<b>-28.6</b>	<b>-2.2</b>	<b>-26.5</b>

\*Cash out is shown with -.

Capital expenditures	13.5	16.4	-2.9
Depreciation and amortization	11.3	10.4	0.9

## Interest-bearing Debt

(¥ Billion)

<Reference>

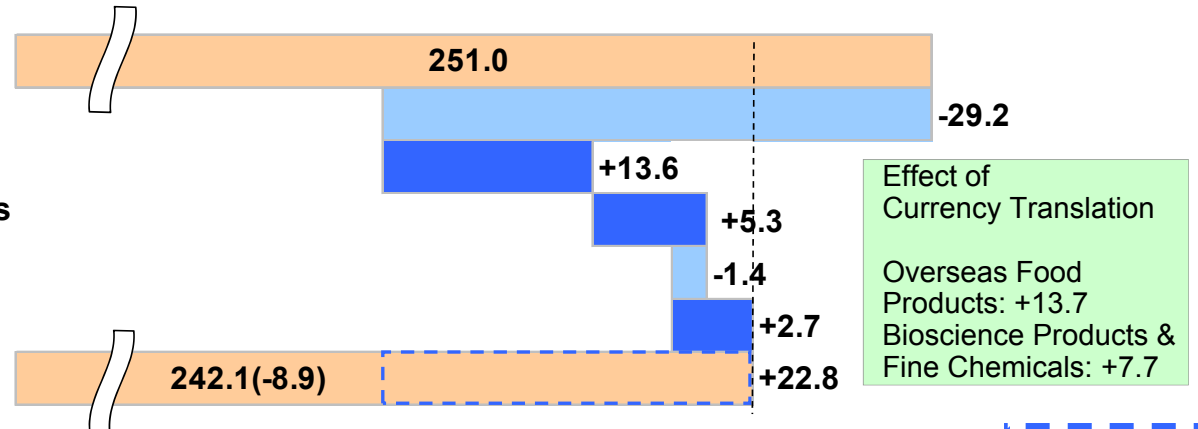
June 2013	June 2012	Change	June 2011
145.4	132.9	12.5	136.9

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

#### Net sales

(¥ Billion)

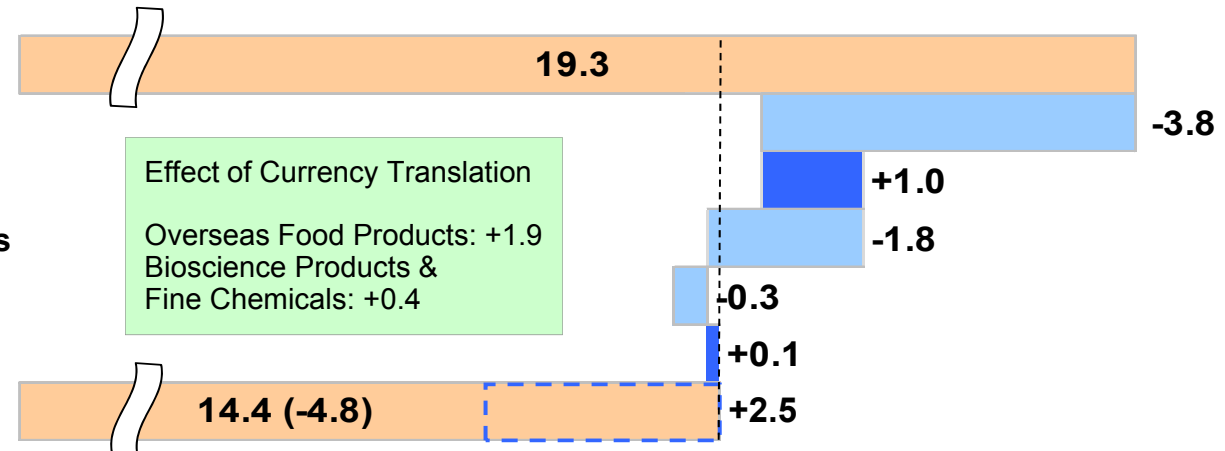
Apr.-June 2012  
 Domestic Food Products  
 Overseas Food Products  
 Bioscience Products & Fine Chemicals  
 Pharmaceuticals  
 Other Business  
 Apr.-June 2013



#### Operating income

Effect of currency translation

Apr.-June 2012  
 Domestic Food Products  
 Overseas Food Products  
 Bioscience Products & Fine Chemicals  
 Pharmaceuticals  
 Other Business  
 Apr.-June 2013



### 3. (2) Domestic Food Products

(¥ Billion)

	Apr.-June 2013	Full-year Forecast	Progress	Apr.-June 2012	Change
<b>Net sales</b>	<b>77.9</b>	<b>338.5</b>	<b>23%</b>	<b>107.1</b>	<b>-29.2</b>
Seasonings & processed foods	48.9	-	-	51.4	-2.5 <sup>*1</sup>
Frozen foods	29.0	-	-	28.2	0.8 <sup>*2</sup>
Beverages ("Calpis")	0.0	0.0	-	27.6	-27.6 <sup>*3</sup>
<b>Operating income</b>	<b>5.2</b>	<b>28.3</b>	<b>19%</b>	<b>9.0</b>	<b>-3.8</b> <sup>*4</sup>
Seasonings & processed foods	5.8	-	-	7.5	-1.7
Frozen foods	1.2	-	-	2.4	-1.2
Beverages ("Calpis")	0.0	0.0	-	1.9	-1.9
Shared companywide expenses	-1.7	-7.6	23%	-2.8	1.0

**\*1** Decrease in sales due to end of sales of beverage gifts resulting from disposal of Calpis shares, etc., despite firm sales of home-use products.

**\*2** Increase in sales because of strong sales overseas, mainly in North America, despite flat sales in Japan.

**\*3** Decrease due to disposal of Calpis shares in October 2012.

**\*4** Decrease in income due to effect of disposal of shares of Calpis, whose sales included beverage gifts, impact of higher raw material prices and higher selling expenses, etc.

## AJINOMOTO® 3. (3) Overseas Food Products

(¥ Billion)

	Apr.-June 2013	Full-year Forecast	Progress	Apr.-June 2012	Change
Net sales	71.6	303.9	24%	58.0	13.6
Consumer foods	58.4	254.5	23%	46.9	11.5 <sup>*1</sup>
Umami seasonings for processed food mfrs.	13.2	49.4	27%	11.1	2.1 <sup>*2</sup>
Operating income	6.2	23.1	27%	5.2	1.0 <sup>*3</sup>
Shared companywide expenses	-2.2	-9.4	24%	-2.1	-0.2

[Effect of currency translation]: Net sales +¥13.7 billion; operating income +¥1.9 billion

\*1 Increase in sales because of positive effect of currency translation and higher sales volume, mainly of flavor seasonings, etc.

\*2 Increase in sales because of positive effect of currency translation and higher overseas sales volume of MSG and nucleotides, etc.

\*3 Increase in income as positive effect of currency translation, etc., offset negative impact of lower unit price of umami seasonings for processed food mfrs.

Reference: Consumer foods +¥1.9 billion; umami seasonings for processed food mfrs. -¥0.8 billion



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

(¥ Billion)

	Apr.-June 2013	Full-year Forecast	Progress	Apr.-June 2012	Change
<b>Net sales</b>	<b>55.1</b>	<b>232.8</b>	<b>24%</b>	<b>49.8</b>	<b>5.3</b>
Feed-use amino acids	23.7	108.5	22%	23.3	0.4 <sup>*1</sup>
Amino acids	19.1	-	-	15.4	3.6 <sup>*2</sup>
Specialty chemicals	11.1	-	-	10.0	1.1 <sup>*3</sup>
<b>Operating income</b>	<b>2.5</b>	<b>19.2</b>	<b>13%</b>	<b>4.4</b>	<b>-1.8</b> <sup>*4</sup>
Feed-use amino acids	0.8	13.8	6%	3.8	-3.0
Amino acids	1.2	-	-	1.0	0.1
Specialty chemicals	2.5	-	-	1.8	0.7
Shared companywide expenses	-1.6	-6.4	25%	-1.5	-0.1

[Effect of currency translation] : Net sales +¥7.7 billion; operating income +¥0.4 billion

\*1 Increase in sales from positive effect of currency translation, despite decreases in Lysine unit price and sales volume.

\*2 Amino acids for pharmaceuticals and foods +¥2.2 billion; pharmaceutical custom manufacturing (formerly pharmaceutical fine chemicals) +¥0.9 billion; sweeteners +¥0.6 billion.

\*3 Sales of both cosmetics and cosmetic ingredients and chemicals increased.

\*4 Decrease in income because higher income of specialty chemicals and amino acids for pharmaceuticals and foods, etc., did not offset lower income of feed-use amino acids and pharmaceutical custom manufacturing.

Reference: Within amino acids, amino acids for pharmaceuticals and foods +¥0.6 billion; pharmaceutical custom manufacturing -¥0.7 billion; sweeteners +¥0.2 billion

Note: Pharmaceutical custom manufacturing (formerly pharmaceutical fine chemicals): A business that provides pharmaceutical intermediate and bulk drug manufacturing and development services to pharmaceutical manufacturers. From this first quarter, the results of Ajinomoto Althea, Inc. are reflected in this business.

## AJINOMOTO® 3. (5) Pharmaceuticals

(¥ Billion)

	Apr.-June 2013	Full-year Forecast	Progress	Apr.-June 2012	Change
Net sales	16.8	52.9	32%	18.1	-1.4
Operating income	0.4	4.3	10%	0.7	-0.3
Shared companywide expenses	-0.5	-1.5	31%	-0.5	0.1

\*1

\*2

\*1 Increase in sales of self-distributed products with the contribution of *MARZULENE* in-licensing and new product *MOVIPREP*. Sales of products sold through business tie-ups decreased due to growth of competing products, including generics.

Sales based on AJINOMOTO PHARMACEUTICALS CO., LTD. estimated drug prices

(% = YoY change from previous year):

<i>LIVACT</i>	¥3.8 billion	(-4%)	<i>ATELEC</i>	¥3.8 billion	(-3%)
<i>ELENTAL</i>	¥1.9 billion	(-1%)	<i>ACTONEL</i>	¥2.6 billion	(-16%)
<i>CARBOSTAR</i>	¥1.6 billion	(-1%)	<i>FASTIC</i>	¥0.5 billion	(-30%)
<i>SOLITA-T</i>	¥1.0 billion	(-1%)			

\*2 Decrease in income due to lower sales of products sold through business tie-ups despite higher sales of self-distributed products and cost reductions, etc.

## AJINOMOTO® 3. (6) Other Business

(¥ Billion)

Other Business	Apr.-June 2013	Full-year Forecast	Progress	Apr.-June 2012	Change
<b>Net sales</b>	<b>20.7</b>	<b>90.9</b>	<b>23%</b>	<b>17.9</b>	<b>2.7</b> *1
Edible oils & Coffee products	0.5	-	-	0.5	0.0
<b>Operating income</b>	<b>0.1</b>	<b>0.1</b>	<b>39%</b>	<b>-0.0</b>	<b>0.1</b> *2
Edible oils & Coffee products	0.5	-	-	0.5	0.0
Shared companywide expenses	-0.7	-3.2	23%	-0.7	0.0

\*1 Increase in sales due to impact of change of segment for medical foods (Pharmaceuticals → Other Business), and logistics business etc.

\*2 Increase in income due to higher income in wellness business.

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

Upper row: Apr.-June 2013; lower row: Apr.-June 2012.

Figures in parentheses represent YoY change.

(¥ Billion)

	Japan	Asia	Americas	Europe	Total
Domestic Food Products	73.5 (-29.8)	1.4 (-0.1)	2.7 (0.8)	0.4 (0.0)	77.9 (-29.2)
	103.3	1.5	1.9	0.4	107.1
Overseas Food Products	2.2 (-0.2)	49.0 (10.1)	13.1 (2.5)	7.2 (1.2)	71.6 (13.6)
	2.4	38.9	10.7	6.0	58.0
Bioscience Products & Fine Chemicals	15.1 (-0.1)	4.9 (1.0)	17.4 (2.4)	17.7 (2.0)	55.1 (5.3)
	15.2	3.8	15.0	15.7	49.8
Pharmaceuticals	16.8 (-1.4)				16.8 (-1.4)
	18.1				18.1
Other Business	18.2 (2.3)	2.4 (0.4)	0.0 (0.0)		20.7 (2.7)
	15.9	2.0	0.0		17.9
Total	125.8 (-29.2)	57.7 (11.4)	33.3 (5.7)	25.3 (3.2)	242.1 (-8.9)
	155.1	46.2	27.6	22.1	251.0

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

Upper row: Apr.-June 2013; lower row: Apr.-June 2012

Figures in parentheses represent YoY change.

(¥ Billion)

	Japan	Asia	Americas	Europe	Other *	Total
Domestic Food Products	6.2 (-5.0)	0.5 (0.2)	0.3 (0.1)	0.1 (-0.0)	-1.8 (1.0)	5.2 (-3.8)
	11.2	0.3	0.2	0.1	-2.8	9.0
Overseas Food Products	-0.5 (0.4)	7.6 (1.0)	1.6 (0.1)	0.0 (-0.3)	-2.5 (-0.1)	6.2 (1.0)
	-0.9	6.6	1.5	0.3	-2.4	5.2
Bioscience Products & Fine Chemicals	3.3 (1.5)	0.4 (-0.6)	-0.0 (-1.5)	1.2 (-0.4)	-2.4 (-0.8)	2.5 (-1.8)
	1.9	1.0	1.5	1.6	-1.6	4.4
Pharmaceuticals	0.9 (-0.3)				-0.5 (0.1)	0.4 (-0.3)
	1.2				-0.5	0.7
Other Business	0.5 (-0.1)	0.4 0.3	0.0 (-0.0)	-0.0 (0.0)	-0.9 (-0.1)	0.1 (0.1)
	0.6	0.1	0.0	-0.0	-0.7	-0.0
Shared companywide* expenses, etc.	-4.0 (0.7)	-2.2 (-0.4)	-1.1 (-0.2)	-0.8 (-0.1)	-8.0 (-0.0)	
	-4.7	-1.7	-0.9	-0.7	-8.0	
Total	6.5 (-2.9)	6.7 (0.4)	0.8 (-1.6)	0.5 (-0.8)		14.4 (-4.8)
	9.4	6.3	2.3	1.3		19.3

\* Other includes shared companywide expenses and unrealized gains and losses not reflected in any geographical area, etc.

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

**Apr.-June FY2013 Change Compared with Same Period of Previous Year**

#### 1. Overseas Food Products

(¥ Billion)

[YoY change]

Japan +¥0.4; Asia +¥1.0; Americas +¥0.1; Europe -¥0.3; Other\* -¥0.1; Total +¥1.0

Asia: Increase due to positive effect of currency translation and higher sales of consumer foods products, etc.

#### 2. Bioscience Products & Fine Chemicals

(¥ Billion)

[YoY change]

Japan +¥1.5; Asia -¥0.6; Americas -¥1.5; Europe -¥0.4; Other\* -¥0.8; Total -¥1.8

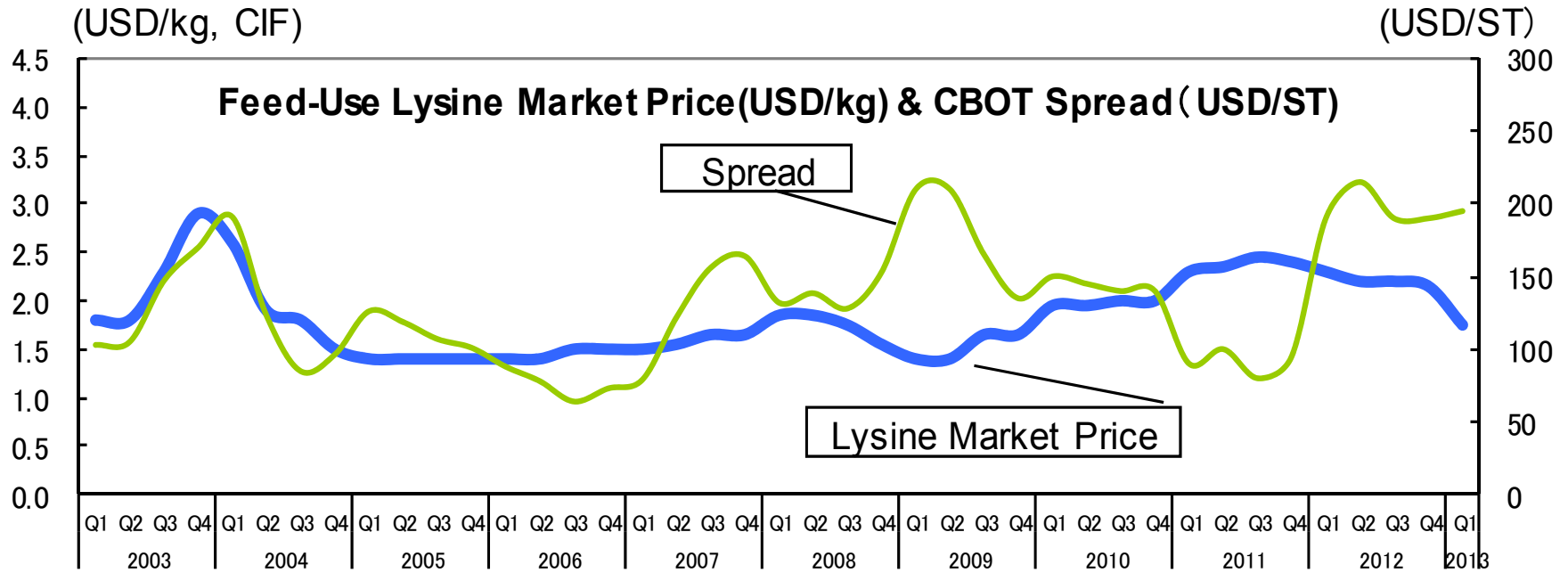
(1) Japan: Increase due to specialty chemicals and sweeteners, etc.

(2) Americas: Decrease due to feed-use amino acids, etc.

\* Shared companywide expenses and unrealized gains and losses not reflected in any geographical area, etc.

**Feed-Use Lysine Market Price and CBOT Spread\* Trend**

\*The spread is the price difference between soybean meal and corn on the Chicago Board of Trade (CBOT).





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- Amounts presented in these materials are rounded off.