

Ajinomoto Co., Inc. Supplementary Materials for the First Quarter Ended June 30, 2018.

: Revised

◆Market & other information

(1) Estimated market share and position of main brands in the Japanese home-use products market by Ajinomoto Group
(Consumer purchase basis)

Seasonings & processed foods

(¥ Billion)

Category	Brands	FY2016		FY2017			FY2018	
		Market size	Market share (rank)	Market size	Market share (rank)		Market size (Forecast)	Market share (rank)
					Apr.-June 2017	FY2017		
Umami seasonings	AJI-NO-MOTO®, Hi-Me®	6.0	89%(1)	5.6	90%(1)	90%(1)	5.4	90%(1)
Japanese flavor seasonings	HONDASHI®	38.5	57%(1)	37.6	57%(1)	58%(1)	36.9	57%(1)
Consomme	Ajinomoto KK Consomme	12.0	80%(1)	12.1	80%(1)	81%(1)	12.2	80%(1)
Soup	Knorr®	92.0	37%(1)	94.0	35%(1)	38%(1)	95.9	35%(1)
Mayonnaise	Pure Select®	45.1	26%(2)	44.6	26%(2)	26%(2)	44.2	25%(2)
Menu seasonings	Cook Do®, Cook Do® Kyo-no Ohzara®	76.5	30%(1)	77.9	32%(1)	30%(1)	78.7	30%(1)

Frozen Foods

Category	Brands	FY2016		FY2017			FY2018	
		Market size	Market share (rank)	Market size	Market share (rank)		Market size (Forecast)	Market share (rank)
					Apr.-June 2017	FY2017		
Gyoza	Gyoza, etc.	43.7	49%(1)	44.4	50%(1)	48%(1)	Approx. +3%	48%(1)

Coffee products

Category	Brands	FY2016		FY2017			FY2018	
		Market size	Market share (rank)	Market size	Market share (rank)		Market size (Forecast)	Market share (rank)
					Apr.-June 2017	FY2017		
Instant (jar)	Blendy®, MAXIM®	41.4	4%(3)	38.7	5%(3)	5%(3)	36.8	4%(3)
Instant (refill-type)	Blendy®, MAXIM®	30.1	42%(2)	28.1	41%(2)	41%(2)	27.8	40%(2)
Stick-type	Blendy® Stick, Blendy® CAFÉ LAORY® Stick	32.3	64%(1)	33.2	62%(1)	63%(1)	36.5	58%(1)
Home regular	Chyotto Zeitakuna Kohiten®	25.6	17%(3)	23.4	17%(3)	16%(3)	22.9	15%(3)
Personal regular	Blendy® Drip, Chyotto Zeitakuna Kohiten® Drip	19.7	15%(2)	19.9	13%(3)	13%(3)	21.1	13%(4)

(2) Ratio of sales for home-use products/restaurant and industrial-use products in Japanese market*1

(¥ Billion)

		FY2016	Apr.-June 2017	FY2017	Apr.-June 2018
Seasonings & processed foods	Sales	191.7	43.8	190.2	43.9
	Home-use products	53%	50%	54%	51%
	Restaurant and industrial-use products*2	47%	50%	46%	49%
Frozen foods*3	Sales	122.3	31.7	125.4	29.7
	Home-use products	62%	64%	63%	61%
	Restaurant and industrial-use products	38%	36%	37%	39%
Coffee products*4	Sales	103.4	23.4	96.4	21.1
	Home-use products	78%	75%	75%	73%
	Restaurant and industrial-use products	22%	25%	25%	27%

*1: Percentages are rounded off.

*2: Seasonings & processed foods for restaurant and industrial-use products, seasonings for processed food manufacturers (savory seasonings and enzyme preparations), delicatessens and bakery products.

*3: Figures for AJINOMOTO FROZEN FOODS CO., INC. only, and total sales. *4: Figures for Ajinomoto AGF, Inc. only.

(3) Estimated market size and share of Asian/Ethnic Frozen Foods Category in North America by Ajinomoto Group

	FY2016	FY2017	FY2018 (Forecast)
Market size (Million USD)*1	611	643	Approx. +4%~5%
Ajinomoto Foods North America, Inc.*2	29%(1)	30%(1)	-

*1 Excluding sales to warehouse clubs and private brands□

*2 In April 2018, the company's name was changed to Ajinomoto Foods North America, Inc. from Ajinomoto Windsor, Inc.

(4) Estimated demand for MSG and nucleotides by Ajinomoto Group

(Thousand MT)

	FY2016				FY2017			
	China	Other	Total	Market share	China	Other	Total	Market share
MSG	1,620	1,540	3,160*1	approx. 20%	1,640	1,570	3,210*2	approx. 20%
Nucleotides	-	-	44	approx. 30%	-	-	47	approx. 30%

*1 Home-use: a little under 60%, industrial-use: a little over 40%

*2 Home-use: a little under 60%, industrial-use: a little over 40%

(5) Estimated market size of amino acid-based sweetener, aspartame by Ajinomoto Group (Thousand MT)

	FY2016		FY2017		FY2018 (Forecast)	
	Size	Share	Size	Share	Size	Share
Aspartame	approx. 25.5	nearly. 30%	approx. 26.0	nearly. 30%	approx. 27.0	nearly. 30%

(6) Estimated market price and market size of feed-use amino acids by Ajinomoto Group

		FY2016	Apr.-June 2017	FY2017	Apr.-June 2018	1H-FY2018 (forecast)*2	FY2018 (Forecast)*2
		Spread (US\$/ST)*1	210	170	195	230	180-240
Market Price (US\$/kg, CIF main port basis)	Lysine	1.40	1.40	1.40	1.40	approx. 1.40	approx. 1.40
	Threonine	1.75	1.70	1.70	1.65	approx. 1.60	approx. 1.55
	Tryptophan	8.00	9.00	11.00	12.50	approx. 11	approx. 10
Market size (Thousand MT)	Lysine	approx. 2,300		approx. 2,400			approx. 2,600
	Market share	approx. 15%		approx. 15%			approx. 15%
	Threonine	approx. 540		approx. 640			approx. 700
	Market share	approx. 20%		approx. 20%			approx. 15%
	Tryptophan	approx. 33		approx. 37			approx. 41
	Market share	approx. 20%		approx. 25%			approx. 25%

*1 The price difference between soybean meal and corn on the Chicago Board of Trade (CBOT)

*2 Spread and market prices do not correspond with assumptions in Ajinomoto Group's forecasts

◆ Information by Business segment

(1) Depreciation

(¥ Billion)

	FY2015	FY2016	FY2017	FY2018 (Forecast)
Japan Foods Products	10.5	10.7	12.2	12.4
International Food Products	17.9	17.5	19.6	21.8
Life Support	7.4	5.9	6.3	5.8
Healthcare	5.8	5.8	7.2	8.0
Other	2.4	2.1	2.0	1.7
All Company	5.4	4.0	4.2	4.0
Total	49.7	46.2	51.7	53.7

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

(¥ Billion)

	FY2015	FY2016	FY2017	FY2018 (Forecast)
Japan Foods Products	48.0	44.8	16.8	22.3
International Food Products	19.6	21.4	31.1	41.0
Life Support	7.6	8.7	6.6	5.5
Healthcare	5.9	8.8	16.0	15.9
Other	4.0	2.4	3.2	3.2
All Company	4.0	3.2	5.5	6.6
Total	89.3	89.6	79.4	94.5

(3) R&D Expenses

(¥ Billion)

	FY2015	FY2016	FY2017	FY2018 (Forecast)
Japan Foods Products	3.5	3.4	3.4	4.1
International Food Products	3.3	3.5	3.7	3.9
Life Support	4.8	5.0	5.2	5.4
Healthcare	2.7	2.5	2.5	3.0
Other	-	0.2	0.8	0.2
All Company	11.9	12.2	11.9	13.0
Total	26.5	27.1	27.8	29.6