

**Ajinomoto Co., Inc.
Forecast for the Fiscal Year
Ending March 31, 2013 (FY2012)
and Outlook**

November 7, 2012

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President & CEO**

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FY2012 Forecast by Segment

I. Summary of FY2012

Net sales and operating income are both expected to increase overall, as in the initial forecast, although there are minor adjustments to the forecast for specific segments.

(¥ Billion)	FY2012 Revised Forecast	FY2012 Initial Forecast	Difference	FY2011 Results
Net sales	1,221.0	1,221.0	0.0	1,197.3
Operating income	73.5	73.5	0.0	72.6
Net income	47.0	44.0	3.0	41.8
Net income per share	72.22	67.61	4.61	61.28

■ Net sales (Difference from FY12 Initial Forecast)

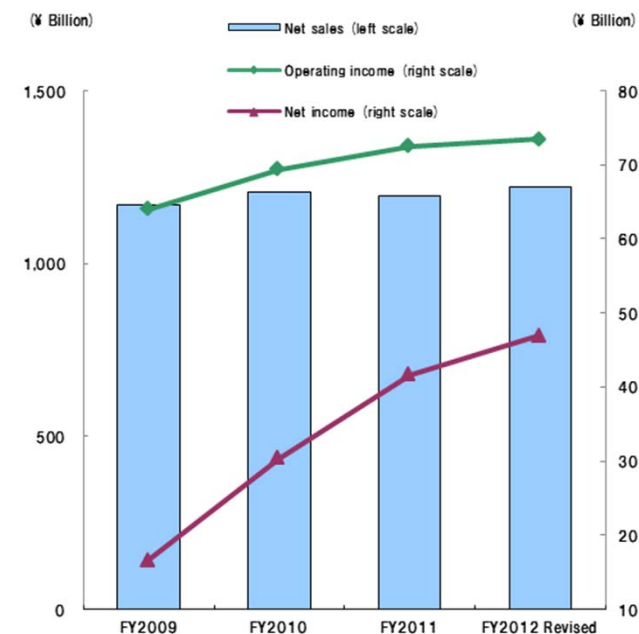
- +: Domestic Food Products / Expansion of core brands and new items in seasonings and processed foods segment
- : Overseas Food Products / Decrease of unit price in umami seasonings for processed food mfrs.
Bioscience Products and Fine Chemicals / Lower sales of pharmaceutical fine chemicals and bulk sweeteners

■ Operating income

- +: Bioscience Products and Fine Chemicals / Improvement in profitability of feed-use amino acids
- : Overseas Food Products / Decrease of unit price in umami seasonings for processed food mfrs.

■ Net income

- +: Gain on transfer of benefit obligation relating to employees' pension fund ¥27.8 billion
- : Business structure improvement expense ¥15.0 billion.

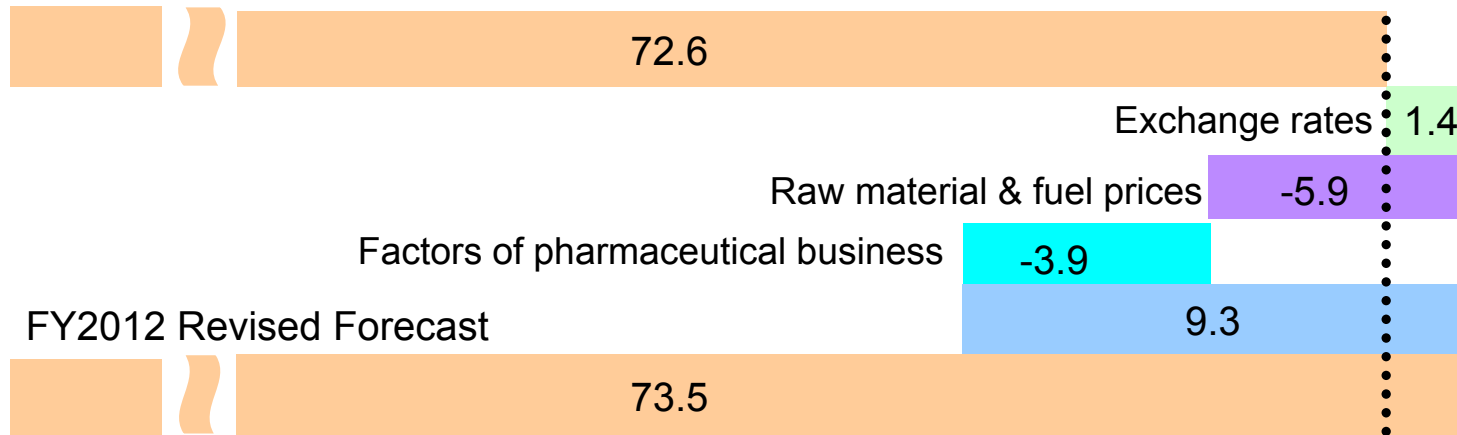


Factors in Changes in FY2012 Operating Income Forecast

Currency exchange rates have improved since the start of the period, but raw material and fuel prices are rising, so we expect results to be in line with the initial forecast. Operating income is expected to continue to increase with higher sales volume and improved profitability in Bioscience Products & Fine Chemicals and expansion of Overseas Consumer Foods.

Factors in Changes in FY2012 Operating Income Forecast (¥ Billion)

FY2011 Results



Impact of exchange rates		
Translation	Initial forecast	0.0
	Revised forecast	-2.6
Trade	Initial forecast	-0.5
	Revised forecast	+4.0
Total	Initial forecast	-0.5
	Revised forecast	+1.4

Business factors: Changes in sales volume, unit prices, costs, etc.

Exchange rate vs. JPY (ave.)

	FY2012 Revised Forecast	FY2012 Initial Forecast	1H-FY2012 Results	FY2011 Results
USD	78.5	80.0	79.41	79.08
EUR	100.4	105.0	100.54	109.02
THB	2.5	2.6	2.54	2.59
BRL	39.0	47.0	39.76	46.52

Effect of raw material and fuel price changes (YoY) (-: Cost increase; ¥ Billion)

	FY2012 Revised Forecast	FY2012 Initial Forecast	1H-FY2012 Results	FY2011 Results
Fermentation main raw materials	-0.7	0.5	-0.3	-5.7
Fermentation sub raw materials	-2.5	-1.5	-1.6	-6.5
Energy	-2.2	-2.1	-1.1	-1.6
Raw materials for domestic food products	-0.6	-1.5	-0.1	-3.2
Total	-5.9	-4.6	-3.2	-17.0

FY2012 Forecast by Segment

(¥ Billion)

	FY2012 Forecast	O.P.%	FY2012 (Initial Forecast)	O.P.%	Difference	FY2011	O.P.%	YoY Change	
								Amount	%
Net sales	1,221.0		1,221.0		0.0	1,197.3		23.7	2%
Domestic Food Products	411.8		411.0		0.8	438.4		-26.6	-6%
Overseas Food Products	250.3		254.0		-3.7	230.5		19.8	9%
Bioscience Products & Fine	207.2		215.0		-7.8	198.0		9.2	5%
Pharmaceuticals	75.9		76.0		-0.1	77.9		-2.0	-3%
Business Tie-Ups	193.1		189.0		4.1	182.8		10.3	6%
Other Business	82.7		76.0		6.7	69.6		13.1	19%
Operating income	73.5	6.0%	73.5	6.0%	0.0	72.6	6.1%	0.9	1%
Domestic Food Products	33.2	8.1%	32.6	7.9%	0.6	31.7	7.2%	1.5	5%
Overseas Food Products	21.4	8.5%	23.0	9.1%	-1.6	21.5	9.3%	-0.1	-1%
Bioscience Products & Fine	15.8	7.6%	14.9	6.9%	0.9	12.2	6.1%	3.6	30%
Pharmaceuticals	2.6	3.4%	2.3	3.0%	0.3	6.5	8.3%	-3.9	-60%
Business Tie-Ups	1.6	0.8%	1.6	0.8%	0.0	1.6	0.9%	-0.0	-1%
Other Business	-1.1	-	-0.9	-	-0.2	-0.9	-	-0.2	18%
Ordinary income	76.5		76.5		0.0	75.9		0.6	1%
Net income	47.0		44.0		3.0	41.8		5.2	13%
Exchange rate JPY/USD	78.5		80.0			79.08			
Exchange rate JPY/EUR	100.4		105.0			109.02			

(¥ Billion)

	FY2012 Forecast	O.P.%	FY2012 (Initial Forecast)	O.P.%	Difference	FY2011	O.P.%	YoY Change	
								Amount	%
Net sales									
Feed-use amino acids	93.9		93.9		0.0	86.5		7.4	9%
Others	1,127.1		1,127.1		0.0	1,110.8		16.3	1%
Operating income									
Feed-use amino acids	10.9	11.6%	10.5	11.2%	0.4	11.3	13.1%	-0.4	-4%
Others	62.6	5.6%	63.0	5.6%	-0.4	61.3	5.5%	1.3	2%

FY2012 Forecast - Ordinary Income and Net Income

Extraordinary gains (losses): Gain on sale of Calpis Co., Ltd. shares, and transfer of benefit obligation relating to employees' pension fund are expected. However, business structure improvement expense of approx. 15.0 billion yen is forecast, resulting in net upward revision to 26.7 billion yen.

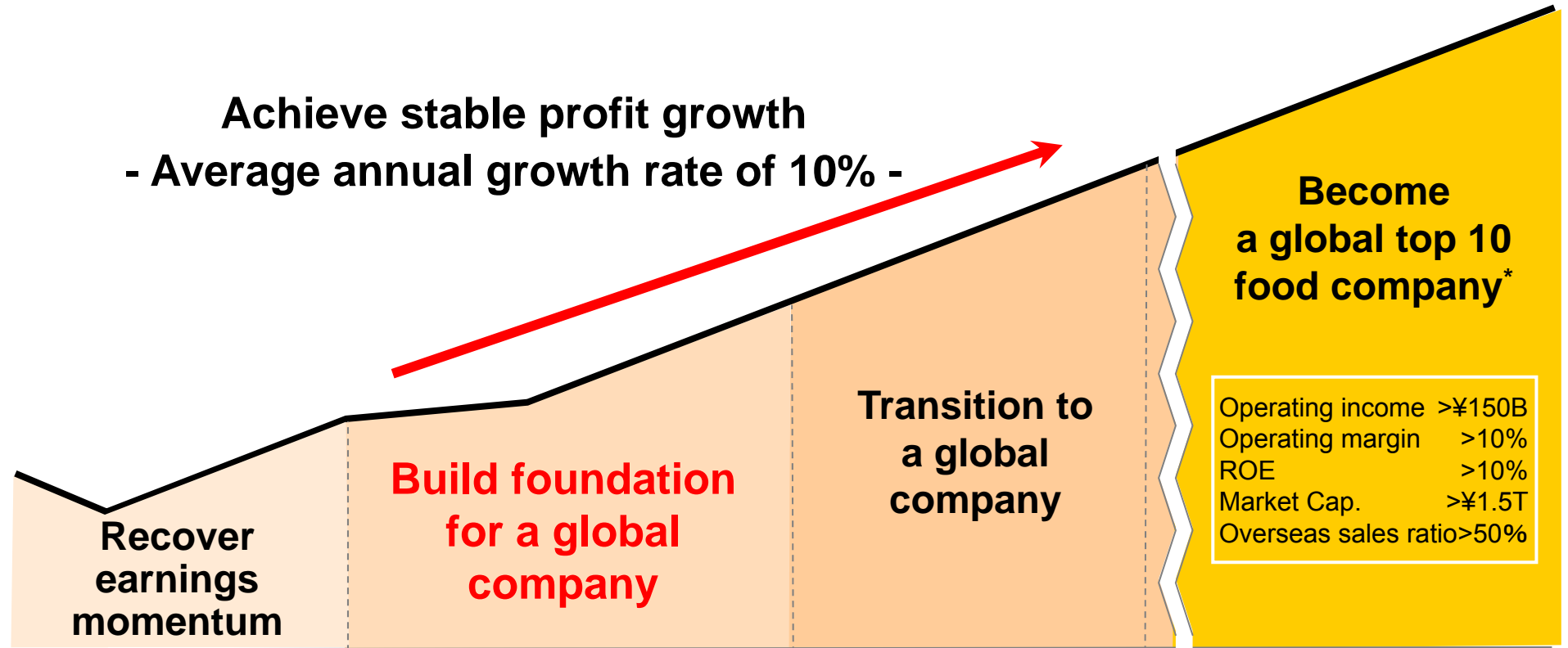
Net income: Taxes roughly equivalent to gain on sale of Calpis shares, therefore due to above, net income forecast is revised upward by 3.0 billion yen.

(¥ Billion)	FY2012 Revised Forecast	FY2012 Initial Forecast	Difference	Main Factors
Net sales	1,221.0	1,221.0	0.0	
Operating income	73.5	73.5	0.0	
Non-operating income (expenses)	3.0	3.0	0.0	
Interest expense	-2.2	-1.9	-0.3	Decrease in interest expense
Exchange gains	0.0	0.0	0.0	
Exchange losses	-0.4	-0.4	0.0	
Equity in earnings of affiliates	2.7	2.3	0.4	
Other (net)	2.9	3.0	-0.1	
Ordinary income	76.5	76.5	0.0	
Extraordinary gains (losses)	26.7	-	-	Extraordinary gains (losses) and Net income before income taxes are non-disclosure at initial forecast.
Gain on transfer of benefit obligation relating to employees' pension fund	27.8	-	-	Calpis Co., Ltd. and Ajinomoto System Techno Corporation (AJITEC), etc.
Gain on sales of investments in affiliates	18.0	-	-	
Structural improvement expense	-15.0	-	-	
Other (net)	-4.1	-	-	Loss on devaluation of securities (2.7 in 1H-FY2012) etc.
Net income before income taxes	103.2	-	-	
Net income	47.0	44.0	3.0	Effective tax rate FY2012: 48.3%, FY2011: 34.0%

Factors in the ¥25.3 billion YoY increase in income taxes to ¥49.8 billion

- Taxes roughly equivalent to gain on sale of Calpis shares (large taxable gain due to low book value)
- Tax increase resulting from gain on transfer of benefit obligation relating to employees' pension fund

Roadmap to a "Genuine Global Company"



FY2010 results FY2011 results FY2012 forecast FY2013 plan FY2016

*Excluding beverage companies

ROE	5.0%	6.9%	7.9%	8%	10%
O.P. margin	5.7%	6.1%	6.0%	~7%	8%
Operating income	¥69.4 bn	¥72.6 bn	¥73.5 bn	¥87.0 bn	¥100.0 bn+
Overseas profit ratio	53%	51%	51%	56%	

II. Growth Driver Development

(1) R&D Leadership

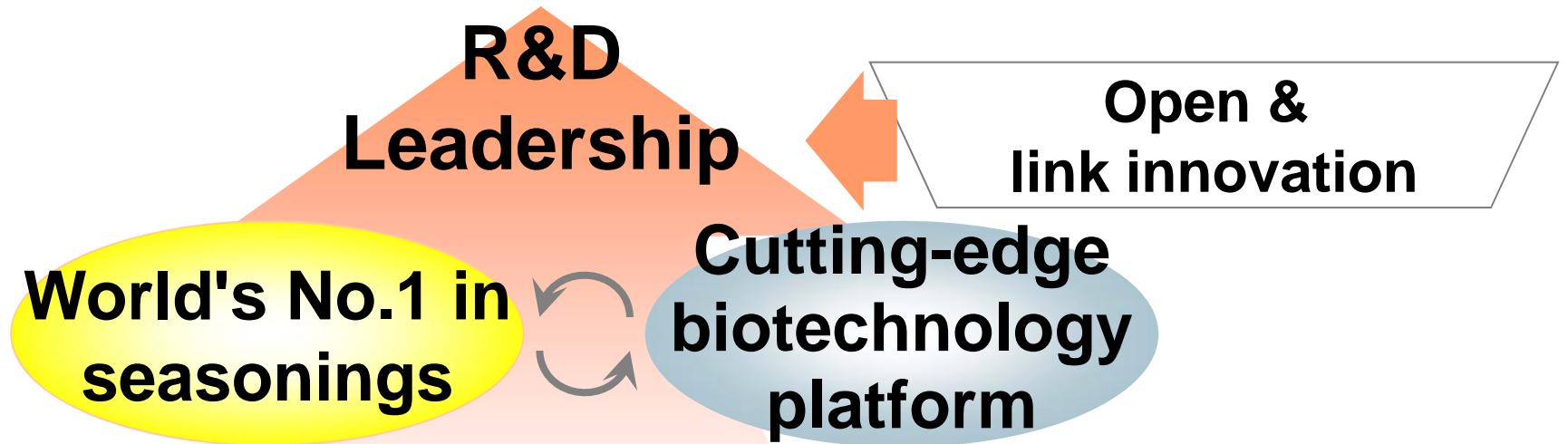
(2) Global Growth

(1) R&D Leadership

Targeted direction and areas

Contribute to resolving issues for 21st century human society

- Global sustainability, food resources, healthy living -



Taste components

Umami, kokumi, solutions that reduce salt, sugar, and fat content

Flavor components

Stir-fried, grilled, stewed/meat, fish, brewed, vegetable, etc.

Technology to control taste and flavor sensations

Texture, enhancer, etc.
Manufacturing technology (powder, liquid, solid, emulsification, etc.)

White Biotech

Fermentation technologies using raw materials that do not compete with foodstuffs
(Lower resource fermentation technology, etc.)

Green Biotech

Technologies to improve productivity and quality of plants, animals and fishery resources

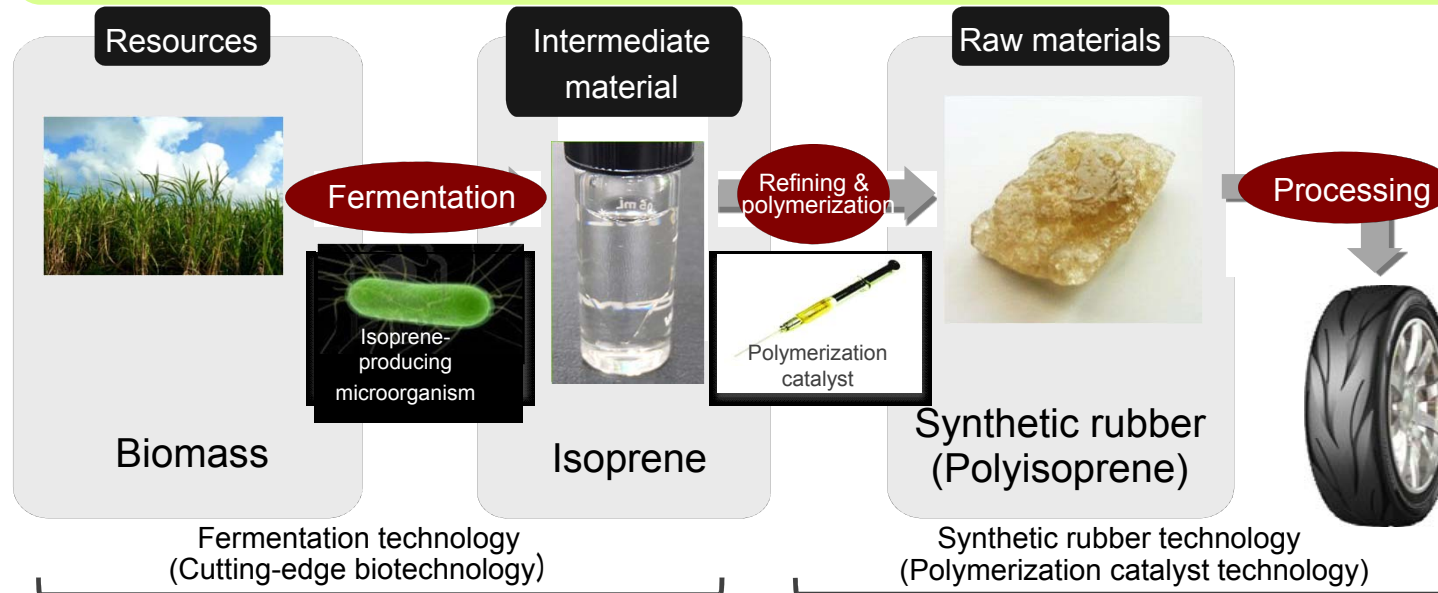
Fine Chemicals/Life Science

Next-generation pharmaceuticals, technologies that support improvements in healthcare and nutrition, electronic materials

(1) R&D Leadership

Cutting-edge biotechnology platform: Synthetic rubber using bio-based isoprene

With tighter supply of natural rubber projected, we aim to contribute to environmental resources and build a sustainable resource cycle by producing a biomass-derived intermediate material for synthetic rubber, its replacement.



<FY2011>

- Execution of collaborative research agreement
- Successful test production of isoprene

<FY2012>

- Reinforce intellectual property
- Study formulation of basic production process

<FY2013>

- Establishment of basic production process
- Decision on commercialization

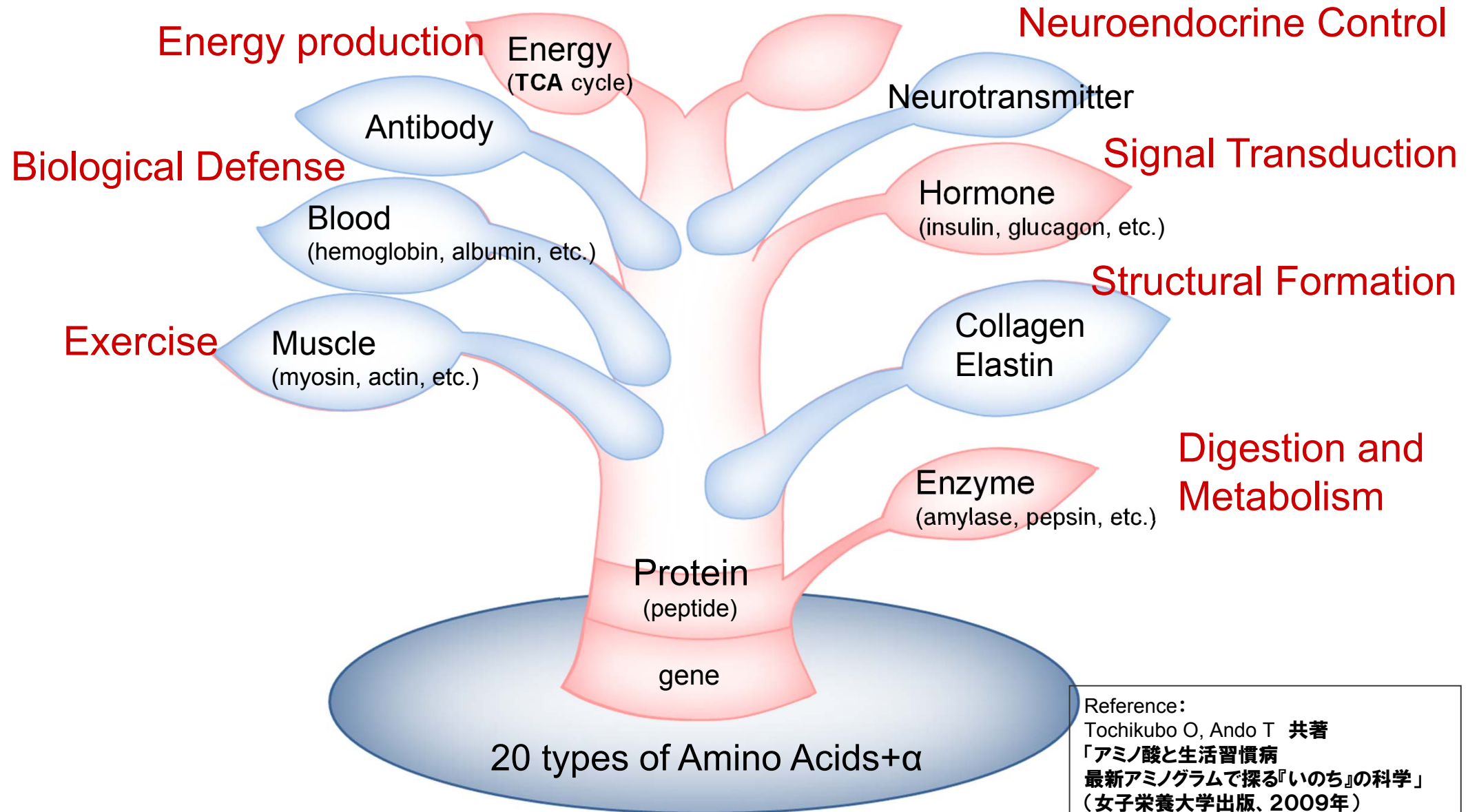
AJINOMOTO®

Uses various plant-based materials around the world
 Fermentative microorganism development, cultivation, isolation and refining process

BRIDGESTONE

Production sites in countries around the world
 Polymer synthesis with cutting-edge polymerization catalyst technology

Amino Acids Supports the Center (Stem) of the Tree of Life



Reference:
 Tochikubo O, Ando T 共著
 「アミノ酸と生活習慣病
 最新アミノグラムで探る『いのち』の科学」
 (女子栄養大学出版、2009年)

(α=other substances, water, glucose, fatty acids, vitamins, minerals)

(1) R&D Leadership: Open & Link Innovation

Fine chemicals and life science: Amino Index®



Technology that checks health condition and risk of diseases by measuring the concentration of amino acids in the blood.

☆As of Oct. 2012, **213** establishments had adopted Amino Index® (up 163 from March 2012)

	FY2011	FY2012	FY2013	FY2014 and after
Business	<p>Start of business</p> <p>April Start of cancer risk screening diagnosis support service</p>	<p>March Start introduction of Amino Index® in Special Zone in Kanagawa Prf*</p>	<p>May Formed alliance in health solution business with Kao Corporation</p> <p>July Start studying introduction of Amino Index® in Special Zone in Tottori Prf**</p>	<p>Strengthen business base</p> <p>Expand business</p>
R&D	<p>October Early detection of gynecological cancers (Japan Society of Clinical Oncology)</p>	<p>May Confirmed possibility of detecting obesity based on visceral fat accumulation (International Association for the Study of Obesity)</p>		
Applicable conditions	<p>Male: Stomach, lung, colon, prostate Female: Stomach, lung, colon, breast</p>	<p>May (Additional applications)</p> <p>Cervical cancer Uterine cancer Ovarian cancer</p>	<p>(Additional applications)</p> <ul style="list-style-type: none"> ○ Risk diagnosis • Lifestyle diseases, pancreatic cancer, etc. ○ Sports, beauty, nutritional management fields 	

*Keihin Coastal Area Life Innovation Comprehensive Special Zone for International Competitiveness Development (Kanagawa Prefecture, Yokohama City, Kawasaki City)

**Local Revitalization Comprehensive Special Zone (Tottori Next-Generation Society Model Creation Special Zone)

(1) R&D Leadership

World's No. 1 in seasonings: New products based on original materials and technologies

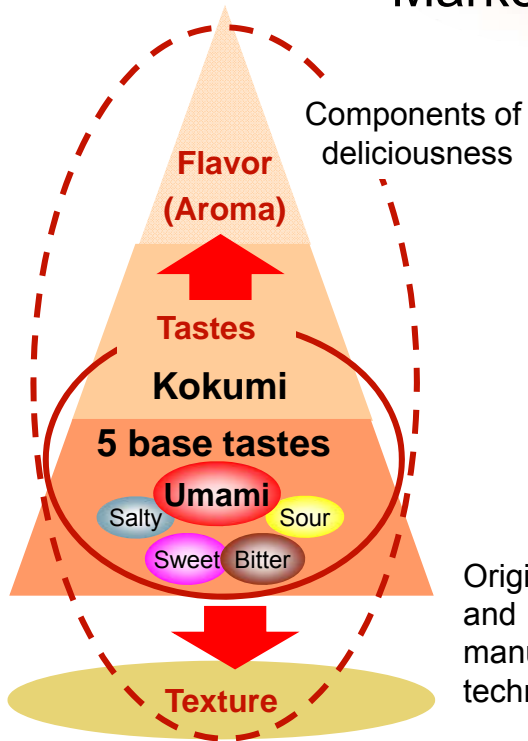
As a leader in seasonings that combine deliciousness and health value, we will achieve the No. 1 position in the dry seasonings category by acquiring technologies in all the areas that make up deliciousness, in addition to deepening our taste technologies.

Market Needs/Market Environment

Newly Industrialized and Developing Countries
 Economic development
 Urbanization/Trend toward nuclear families

Developed Countries
 Low birthrate/aging population
 Decreasing household size
 Health consciousness

We deploy our original ingredients and technologies in development of seasonings and food products worldwide.



Original blending and manufacturing technology

Original flavor, kokumi, and low-salt ingredients

Basic technology
 Analytical technology
 Evaluation technology
 etc.

In pursuit of deliciousness, we use our original materials and technologies to develop new products that offer value propositions tailored to market needs.



(1) R&D Leadership

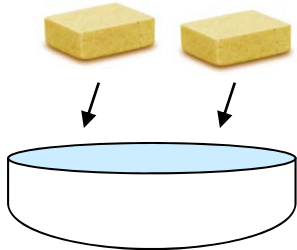
Nabe Cube® (Domestic home-use)



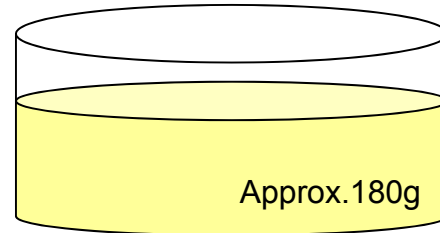
Nabe Cube® chicken broth & umami-salt flavoring



Hot pot soup cube
1 cube (7.3g) = 1 serving
8 servings total



By varying the number of cubes added, the amount of soup and the flavor strength can be adjusted to prepare one or more servings.



Change liquid hot pot soup to solid hot pot soup cube



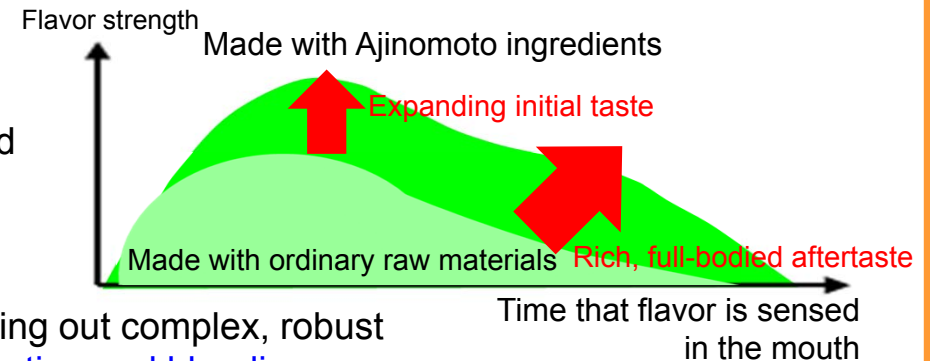
Highly concentrated



7.3g

However, changing liquid soup to a dry solid form alone does not yield the desired flavor and ease of use.

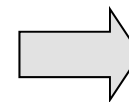
- Using our original ingredients, we produced an expanding initial taste and a rich, full-bodied flavor that lingers in the aftertaste.



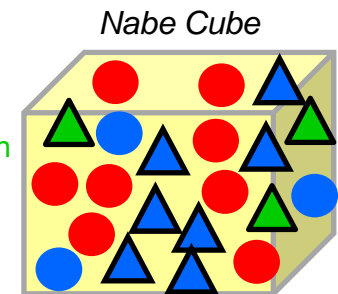
- By using our original ingredients that bring out complex, robust flavors even in small amounts, and selecting and blending raw materials suitable for manufacturing cubes, we formed a cube that is small and dissolves easily.

Use of original ingredients and unique blending and manufacturing technologies

- Raw materials that are easy to shape into cubes (salt, umami seasoning, etc.)
- Raw materials that are hard to shape into cubes (spices, extracts, etc.)



- ▲ Our original ingredients that provide rich, complex flavor in small amounts
- ▲ Spice and extract substitutes that are easier to shape into cubes



(1) R&D Leadership

Cook Do® Kyo-no Ohzara (today's dish) <Domestic home-use>

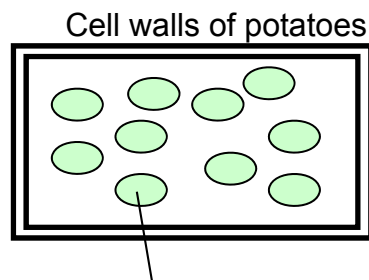


Cook Do® Kyo-no Ohzara (today's dish) for Salted Chicken and Potatoes

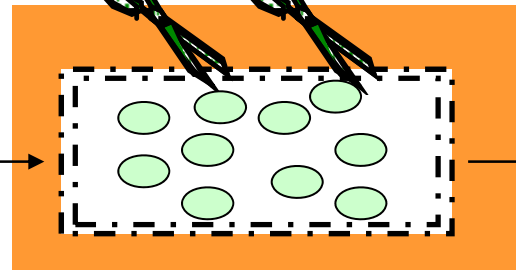
Prepare a quick, delicious dish simply by adding the product and water to chicken, potatoes and carrots, and boiling for only about 10 minutes.

Root vegetable softener (an original ingredient) makes the cooking broth alkaline to break down the cell walls of potatoes and carrots...allows broth to soak in
Gelatinizes starch in potatoes in a short time...pleasing texture

Raw potatoes
before cooking



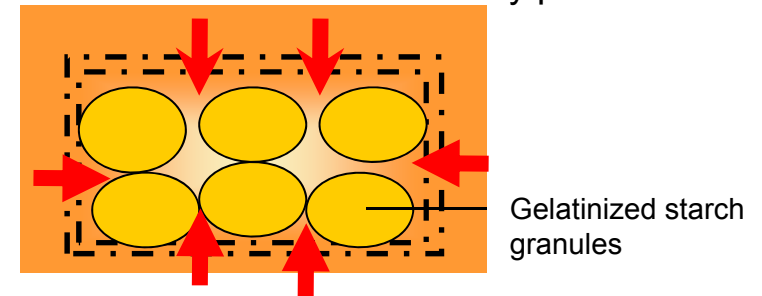
Start of cooking
Root vegetable softener destroys cell walls



The root vegetable softener makes the broth alkaline to break down the cell walls quickly, allowing the flavor to soak into and softening the vegetables.

Cooked

The alkaline broth immediately penetrates



The alkaline broth immediately penetrates from where the cell walls are broken, speeding up gelatinization of the starch to create a pleasing texture in a short time.

(2) Global Growth: Expanding in Overseas Consumer Food Products

Increasing presence in existing businesses and expanding in new markets

Point	Specific programs	FY2011	FY2012	FY2013
Strengthen presence in existing businesses	Increase production of mainstay products	Umami Seasonings	New MSG factory in Thailand (completion in March 2013) Investment approx. ¥14.7 bn	
			Capacity expansion (nucleotides) in Thailand (completion in Nov. 2011) Investment approx. ¥6.0 bn	
			Expansion of factory in Apapa, Nigeria (completion in March 2013) Investment approx. ¥0.8 bn	
			New factory in Côte d'Ivoire (completion in March 2013) Investment approx. ¥0.4 bn	
			Tongi factory in Bangladesh (operation from May 2012) Investment approx. ¥60 mn	
	Flavor Seasonings	Capacity expansion (<i>Ros Dee</i> ®) in Thailand (completion in July 2011) Investment approx. ¥1.0 bn		
		Capacity expansion (<i>Sazon</i> ®) in Brazil (completion in June 2013) Investment approx. ¥2.0 bn		
		Karawang factory (<i>Masako</i> ®) in Indonesia (completion in September 2012) Investment approx. ¥3.5 bn		
		New factory in Callao, Peru (food model plant) (operation from April 2012) Investment approx. ¥0.6 bn		
	Processed Foods	Callao factory in Peru (new instant noodles line) (completion in Oct. 2012) Investment approx. ¥0.8 bn		
Canned coffee	Canned coffee capacity expansion (<i>Birdy</i> ®) in Thailand (completion in June 2013) Investment approx. ¥3.8 bn			



Items implemented or decided since May 2012 in red

(2) Global Growth: Expanding in Overseas Consumer Food Products

Increasing presence in existing businesses and expanding in new markets

Point	Specific programs	Timeline			
		FY2011	FY2012	FY2013	
Strengthen presence in existing businesses	Nurture next-generation mainstay products	Powdered menu-specific seasonings Processed foods	<p>Nurture in Vietnam (curry, fried meat and fish), Philippines (new seasoning), Peru and Indonesia (fried meat and fish, seasonings for rice), Thailand (fried meat and fish, tom yum soup, etc.) Launch of <i>Ros Dee Menu</i> in Thailand (November 2011)</p> <p>Launch in Vietnam (<i>Aji-ngon</i> for vegetarians and <i>Aji-Quick</i> for stews and soups) (August 2012)</p>		
			<p>Launch in Indonesia (<i>Mayumi</i>) (May 2012) Launch in Vietnam (<i>Aji-Mayo</i> mild sweet) (August 2012)</p>		
			<p>Launch in Peru (<i>Aji-no-men</i> Pasta Rapida) (May 2012) Launch in Brazil (<i>Yakissoba</i> for restaurant use) (June 2012)</p>		
			<p>Launch in India (<i>Hapima</i> spice blend seasoning for curry) (April 2011)</p> <p>Study new instant noodle areas</p>		

Items implemented or decided since May 2012 in red

(2) Global Growth: Expanding in Overseas Consumer Food Products

Increasing presence in existing businesses and expanding in new markets

Point	Specific programs		FY2011	FY2012	FY2013
Expand in new markets	Establish new operating bases	Asia	Establish subsidiary in Bangladesh (August 2011)	Myanmar: Study restart of business Pakistan: Study entry opportunities	
		Middle East and Africa	Establish subsidiaries in Turkey (July 2011) Egypt (October 2011) Côte d'Ivoire (January 2012)	Cameroon: Planned opening of WASCO branch East Africa: Study entry opportunities North Africa: Study entry opportunities	
Reinforce business base	Strengthen operating structure		Integrate European food products business (July 2011)	Strengthen sales force for Japanese/Asian ethnic restaurant market Study integration of North American consumer business	Carry out integration (FY2013)

Sales of Existing Countries and New Markets

Exchange rates continued to have a significant effect on results, but double-digit growth continued on local-currency basis in main countries.
YoY sales growth rate (local currency basis): Thailand +12%, Brazil +10%, Indonesia +9%

Approx. Sales (¥ Billion)	FY2010 Results	FY2011 Results	FY2012 Forecast	(YoY)	1H-FY2012 Results	FY2013 Plan	FY2016 (Image)	11-13 Mid-term Planned CAGR
Existing countries	163.0	167.0	184.0	+10%	84.0	210.0	250.0	+10%
New markets	15.0	17.0	21.0	+24%	9.0	30.0	50.0	+26%
Total	178.0	184.0	205.0	+11%	93.0	240.0	300.0	+11%

III. Business Structure Reinforcement

(1) Frozen Foods Business

(2) Lower Resource Fermentation Technology

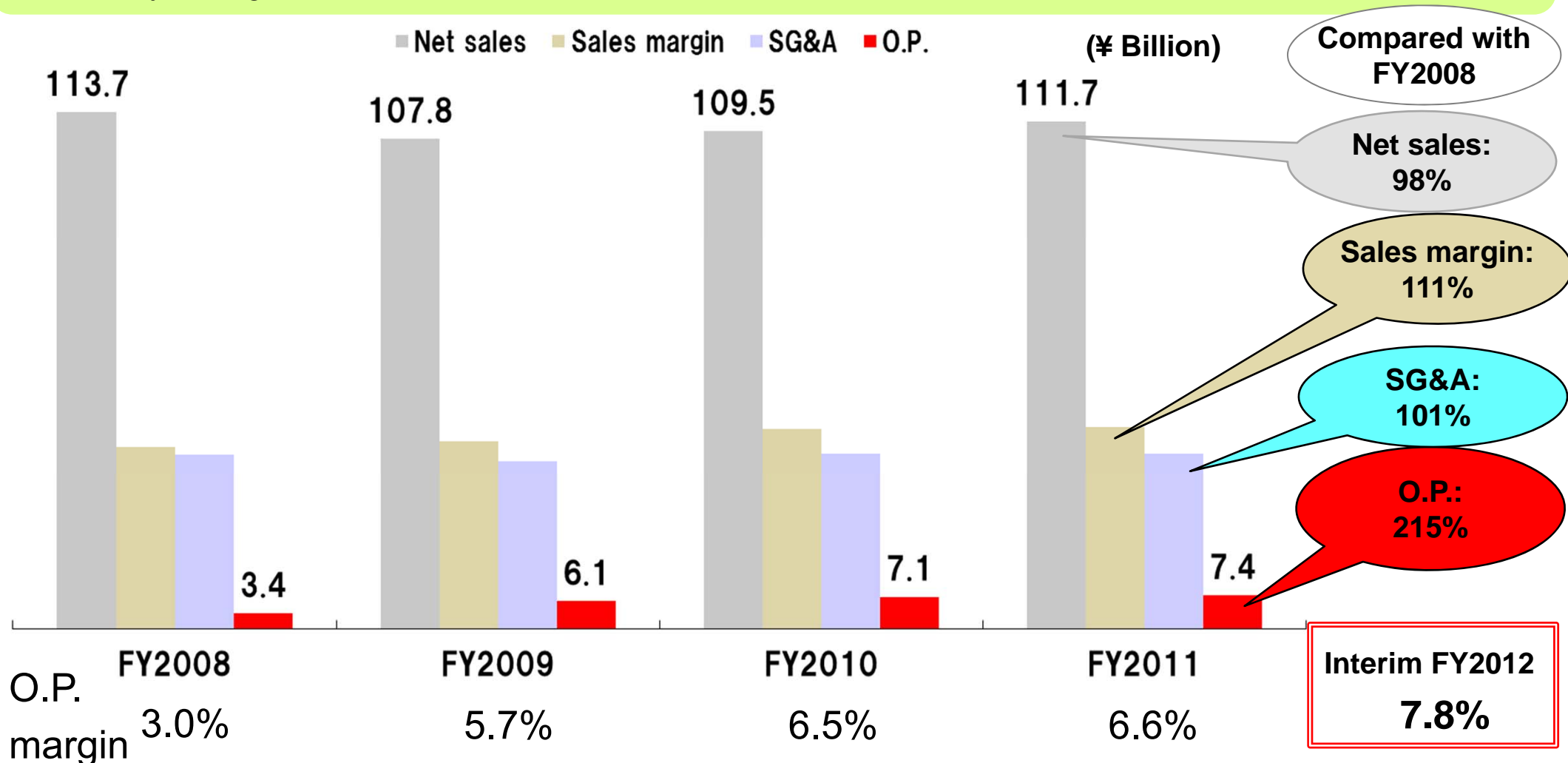
(3) Feed-use Amino Acids Business

(4) Strengthening the Business Portfolio

(1) Business Structure Reinforcement of Frozen Foods Business

Initiatives to expand O.P. margin

Holding the line against low price competition, we are focusing on increasing added value, setting prices that reflect product value and holding down expenses. In interim FY2012, we maintained the operating profit margin well above the industry average.



(1) Business Structure Reinforcement of Frozen Foods Business

Initiatives to expand O.P. margin

1) Raising efficiency by changing the value chain

- Expand ratio of products produced in-house

FY2003 80% ⇒ FY2012 90% (planned)

- Expand overseas production ratio

FY2003 17% ⇒ FY2012 27% (planned)

- Restructure production at main plants

- ✓ Reconstruction of Building No. 1 at Kanto Plant

Investment: Approximately ¥5.0 billion; construction began in July 2012, completion planned in September 2014

Introduce new production lines to expand dessert business, a focus product area.

Will consolidate core products to achieve more efficient supply

- ✓ Reconstruction of production lines at Thailand factory

Investment: Approximately ¥2.2 billion; construction began in May 2012, production to restart in mid-November 2012

Will specialize in production of core products (23 products → 2 products) to realize high productivity and high profitability

(1) Business Structure Reinforcement of Frozen Foods Business

Initiatives to expand O.P. margin

2) Cultivation of strong products representative of Japan: Increase the profitability of individual products

Gyoza: No. 1 in the home-use frozen food market for 9 straight years, with annual sales of more than ¥10 billion.

Improvement of core product: Gyoza



In its 40th anniversary year, Ajinomoto's frozen gyoza is representative of Japanese frozen foods.

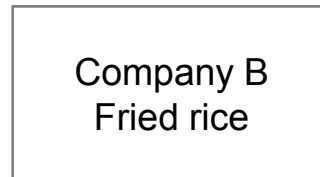
With technological development, we have changed from an "oil-free" to an "oil- and water-free" cooking method that enables anyone to prepare tasty gyoza.

Delicious gyoza at home only made possible by frozen food technology

(Reference) Best-selling Pre-cooked Frozen Foods for Home Use Four of the top five are Ajinomoto products.



Gyoza
(Chinese dumpling)



Company B
Fried rice



Yawaraka Wakadori Kara-Age
(fried chicken)



Ebiyose fry
(fried shrimp)



Ebi shumai
(shrimp dumpling)

Assuming that
Gyoza is 100

No. 1
100

No. 2
61

No. 3
54

No. 4
42

No. 5
41

Note: Ajinomoto survey

(1) Business Structure Reinforcement of Frozen Foods Business

Initiatives to expand O.P. margin

3) "Value Create" activities: Highlight prices that reflect product value and cultivate new areas.

Raise quality to offer consumers good products.

Further promote safety and security of using ingredients from Ajinomoto-managed farms and designated farms.

Carefully select ingredients such as chilled meat ingredients to enhance deliciousness.

Develop and propose home-use products tailored to consumer needs and restaurant - and institutional-use products tailored to customer needs.

New Product Concept Possible Only with Frozen Foods

Expansion of Naturally Defrosting Series

In addition to being easy to prepare, these products save energy and stay cool, and the market is expanding rapidly.

Ajinomoto has the No. 1 share.

Naturally defrosting shrimp gratin



New Product Concept Created with New Frozen Food Technology

Products Not Fried in Oil: Agezuni Sakuttosan

Made with a high-temperature steaming method to provide the crunchiness and aroma of fried foods without the oil.

We are now expanding varieties that reflect consumer health-consciousness.

Vegetable croquettes not fried in oil



(2) R&D Leadership: Progress of Lower Resource Fermentation Technology

Specific programs		FY2011	FY2012	FY2013	FY2014
Technology to reduce main raw materials	MSG	Start of commercial plant test in Brazil (September 2012)		Expansion to other regions (FY13 ~)	
		Full-scale implementation in Brazil (December 2012)			
Technology to reduce sub raw materials and energy	MSG	Introduction in U.S.A. (June 2012)		Introduction in ASEAN (FY13 Q2)	
	Feed-use Lysine	Full-scale introduction in Brazil		Introduction in U.S.A. (FY13 Q2)	
				Introduction in Europe (FY13 Q4)	
	Feed-use Tryptophan			Introduction in Thailand (FY14)	
Aspartame			Introduction in Europe (August 2012)		
Use of non-edible raw materials	Feed-use Lysine	Start of commercial plant test in Europe			
		Introduction in Brazil (January 2012)			
		Start of commercial plant test in Thailand (deferred from FY12 Q2 → Q3)		Introduction in U.S.A.	
Partial self-production of main raw materials and energy	MSG	Large-scale test facility in Thailand (introduction in January 2012)		Deployment in Thailand, ASEAN	
	MSG	Introduction in Brazil (April 2012)			
Planned contribution to earnings (vs. FY10)				(FY13) ¥5 bn	(FY14) ¥7.5 bn

Items implemented, decided or deferred since May 2012 in red

(2) R&D Leadership: Progress of Lower Resource Fermentation Technology

We are steadily introducing advanced technologies in each region.

★: Introduced

○: Plan to introduce

	MSG				Nucleotides	Sweeteners	Lysine				Tryptophan
	North America	South America	Europe	ASEAN	Thailand	Japan	North America	South America	Europe	Thailand	Europe
Technology to reduce main raw materials		○	○	○							
Technology to reduce sub raw materials and energy	★			○	★	★	○	★	○	○	★
Use of non-edible raw materials								★	○	○	
Partial self-production of main raw materials and energy		★		○	○				○		

(3) Business Structure Reinforcement Initiatives in Feed-use Amino Acids

Maintaining and enhancing the value of businesses with a comprehensive strategy that applies the Ajinomoto Group's strengths from various aspects

Point	Specific programs		FY2011	FY2012	FY2013
Increase cost competitiveness	Shift from Brazil-based to regional supply base with four centers	Enhance regional supply capabilities by introducing new technology	North America Thailand France		
	Achieve fundamental improvements in production process via lower resource fermentation technology	Reduce volume of sub raw materials used (Expand from Brazil to other factories)	Introduce in France	Introduce in U.S.A. (FY13 Q2) (Trp FY12 Q2, Lys FY13 Q4)	Introduce in Thailand (FY14~)
		Diversify main raw materials (Expand from France to other factories)	Introduce in Brazil (January 2012)		Start of commercial plant test in Thailand (FY12 Q3)
Increase value-added products	Develop new high-value-added feed additives	Valine Isoleucine	Focus on market development and sales with priority on Valine Isoleucine market development		
	Develop new applications for feed-use amino acids	Lysine for dairy cows (AjiPro™-L)	Start of sales in U.S.A. (April)	Double production capacity (FY13 Q1)	
		Amino acids for fisheries, etc.	Study introduction		
Strengthen business operating platforms	Establish wholly owned subsidiary for animal nutrition including feed-use amino acids		Establish wholly owned subsidiary (September 2011) Absorption demerger of Japan operations (supervision functions, etc.) and feed-use amino acids business in France and U.S.A. (November 2011)		
	Partially outsource production (Threonine: OEM contract with Fufeng Group (March 2011~))		Expansion of OEM, etc.		

(4) Strengthening the Business Portfolio

Completed sale of all shares of Calpis Co., Ltd. to Asahi Group Holdings, Ltd.

Completed sale of all shares on October 1.

We will use the cash from the sale mainly for investments for growth.

Proceeds from Sale and Transfer Method

Sale proceeds ¥121.7 billion

Dividend of ¥27.0 billion from Calpis (received on September 12)

¥92.0 billion from Asahi Group Holdings (received on October 1)

An additional payment of ¥2.7 billion based on Calpis assets, including cash, deposits and working capital from A.G.H. (Plan to receive in mid-November)

Impact on Results for FY2012

Net sales: The decrease in second-half sales by ¥48.0 billion after the sale of shares and transfer of business is already factored in.

The impact on operating income, ordinary income and net income will be immaterial.

Use of Cash

Proceeds from the sale will be used to fund investments for growth.

Impact on FY2011-2013 Medium-Term Management Plan

At present, we are not changing the figures in the plan for FY2013.

IV. FY2012 Financial Strategy

FY2012 Financial Strategy

Strengthen capacity to generate cash flow by promoting growth driver development and business structure reinforcement to deliver stable and continuous shareholder returns.

- **Cash generation based on profit growth**

- Cash flow from operating activities: ¥300.0 billion planned over the three-year period FY2011-13

- **Investment in growth strategy**

- Capital expenditure: Total cap of ¥180.0 billion over the three-year period FY2011-13

FY 2011 capital expenditure (actual): ¥56.8 billion

FY 2012 capital expenditure (planned): ¥60.6 billion

- **Shareholder return policy**

Taking into account consolidated results for each period from a medium- to long-term management perspective

- Pay stable and continuous dividends

- Planning FY2012 dividends of ¥16 per share

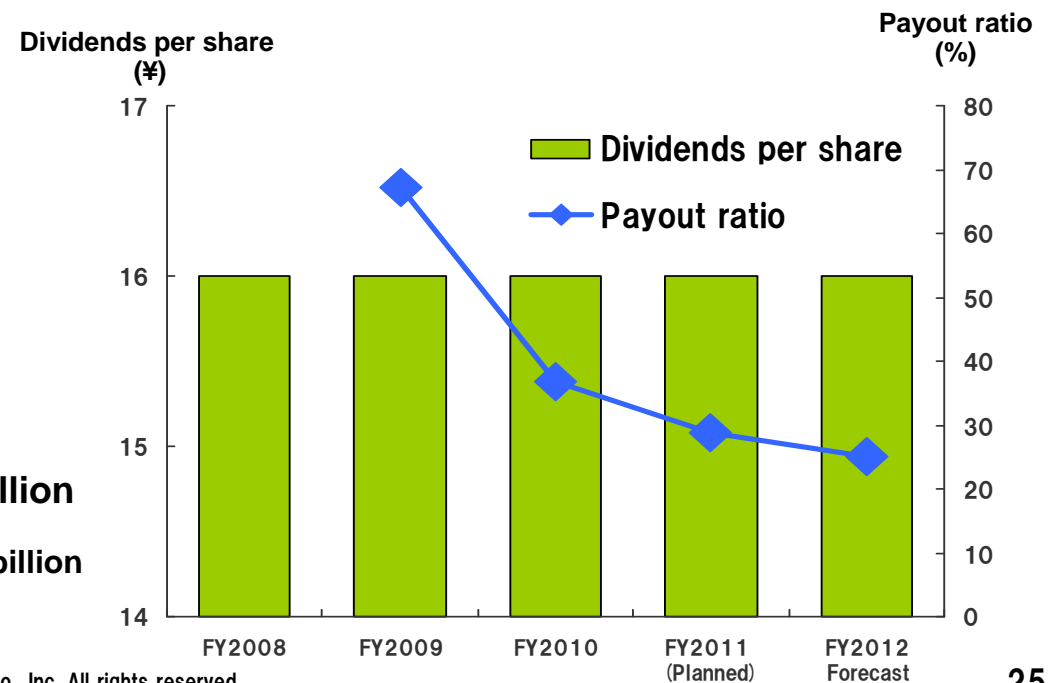
- Share repurchase

- ✓ Period: May 8, 2012 to January 21, 2013 (planned)

- ✓ Up to 50 million shares at a maximum cost of ¥50.0 billion

As of October 31, 2012: 33 million shares purchased for ¥37.4 billion

- ✓ Plan to retire all shares repurchased



V. Animal Nutrition Business

Middle/Long Term Strategy

Market & Competitive Environment

- Demand for Lysine, Threonine and Tryptophan continues to be high supported by high spreads.

FY2011 avg.: USD95/st
FY2012 Est. approx. USD200/st

- Lysine and Threonine Markets

- Firmly growing. Current demand and supply is balanced.

- Tryptophan Market

- Demand is booming due to high spread and low market prices.
- Price increases significantly with high demand and limited supply.

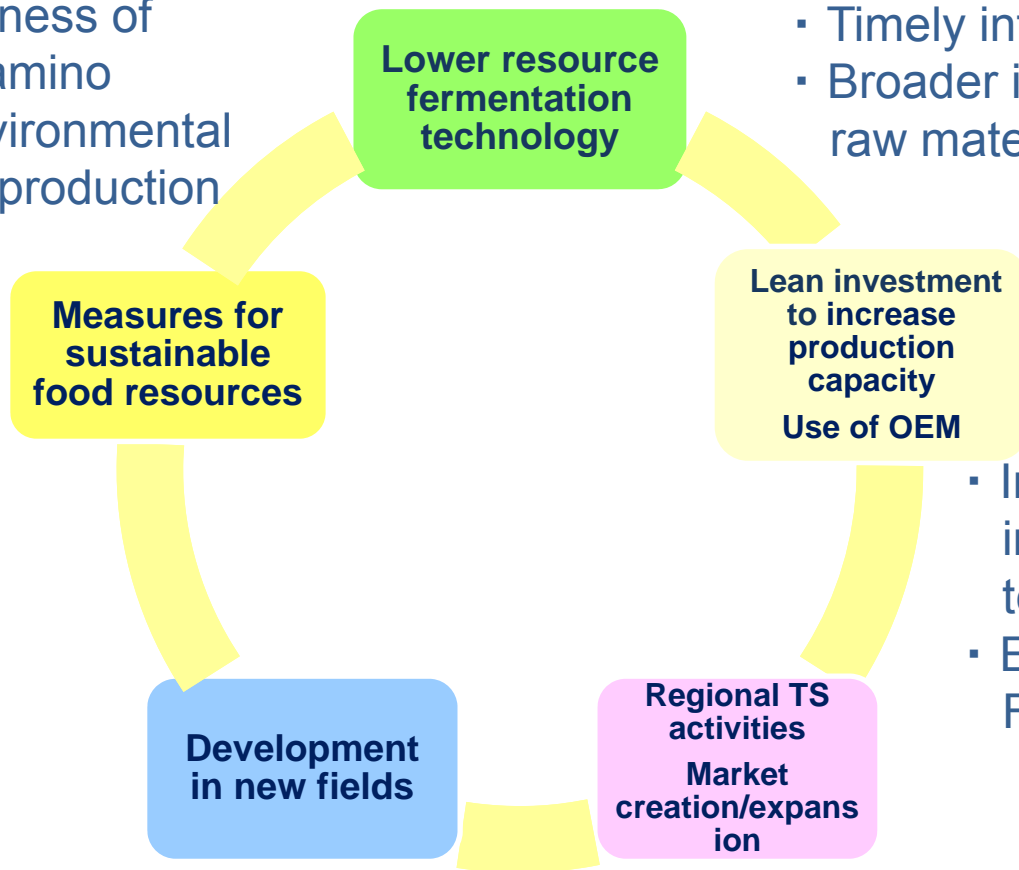
Market Growth	FY2010→FY2011	FY2011→FY2012 (Est.)
Lysine	+8%	+12%
Threonine	+10%	+19%
Tryptophan	+25%	+42%

Animal Nutrition Business Middle/Long Term Strategy:

Multifaceted Deployment of Ajinomoto Group's Strengths

Maintain/Improve Business Value with Comprehensive Strategy

- Raise global awareness of the value of using amino acids to reduce environmental impact of livestock production



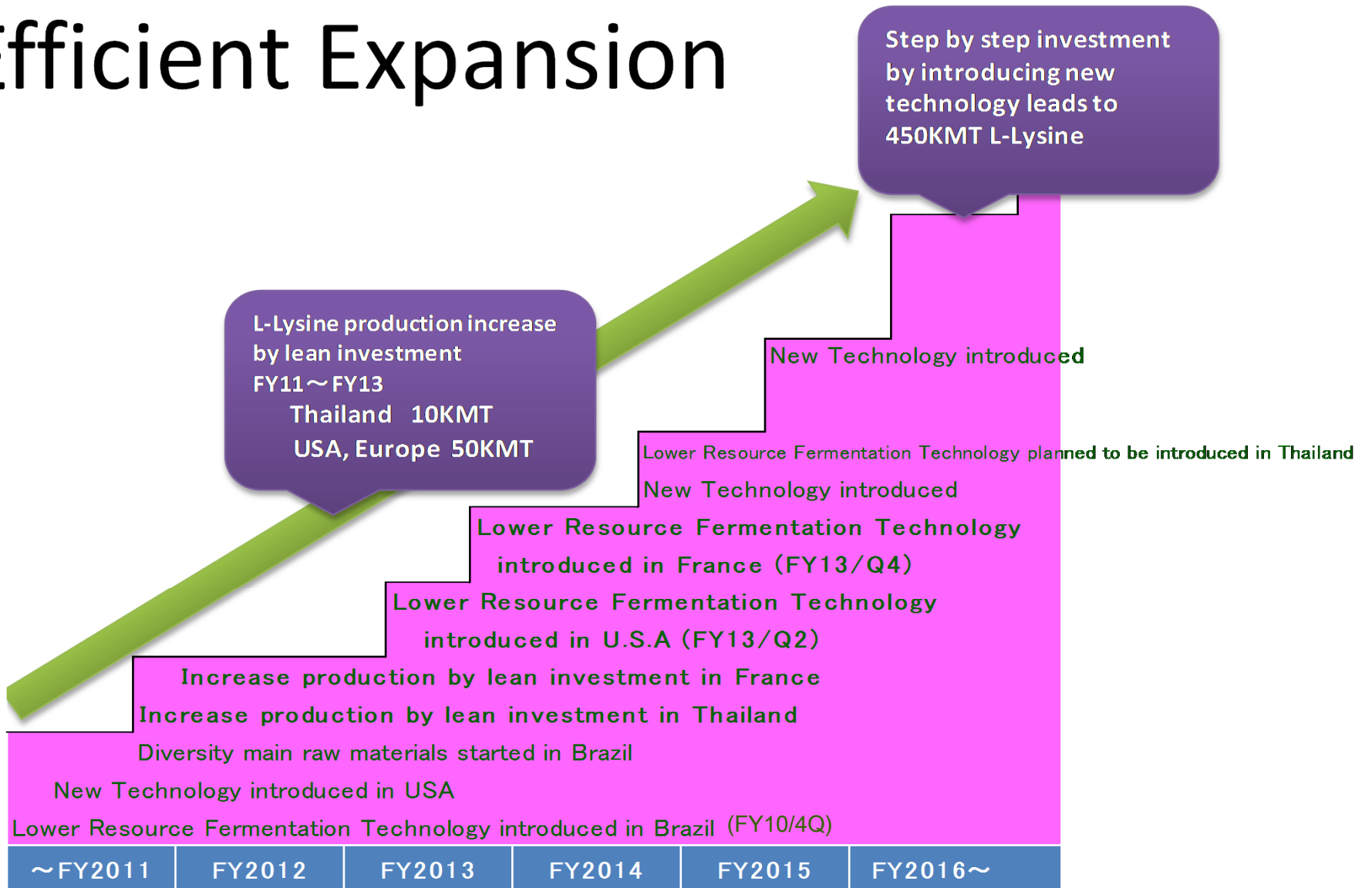
- Timely introduction of new technology
- Broader introduction of non-edible raw materials

- Increase production by lean investment based on new technologies
- Expand OEM with Fufeng Group of China

- Lysine for dairy cow market: AjiPro™-L step up production to respond the growing demand

- Expand existing amino acid market
- Introduce new amino acids and create synergy with existing amino acid products (L-Val)

Accelerate Introduction of Next Generation Technology and Efficient Expansion



AjiPro™-L: Entering a new phase

- The sales are growing supported by the evidence-based technical promotion.
- While materializing the business opportunities out from a huge potential market, we shall continue expanding the supply promptly to meet the growing demand. As the first step, we decided to double the production capacity in spring of 2013.
- We continue to work on innovation to further enhance the product value to the customers by raising the product efficiency.



AjiPro-L
Rumen Protected Lysine
A product validated by solid science

Cows tell us what they need.

This is a technology:

- ▶ Proven to optimize milk production
- ▶ Evaluated with a methodology to measure the bio-availability in dairy cows
- ▶ Developed by Ajinomoto, a global leader in amino acid manufacturing

Please visit www.AJIPRO-L.com to find a list of a peer-reviewed research paper and scientific publications. Additional information regarding AjiPro™-L is also available.

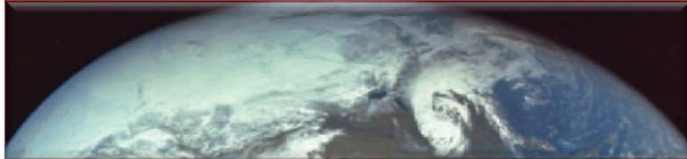
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Our contribution to Global Food Recourse Sustainability

Resolve issues for 21st century human society through our businesses

Global Sustainability



Food Resources



Healthy Living



Optimize environment and natural resources

Utilize non-edible materials

Address under and over nutrition
Adopt to aging society trends

- Participation in SFIS* project consortium (August 2012)
- We identify and propagandize the value and the contribution of feed use amino acids to reduce the environmental impact of animal production on a global basis.

* Specialty Feed Ingredients Sustainability project consortium was launched led by International Feed Industry Federation (IFIF) and the EU Association of Specialty Feed Ingredients and their Mixtures (FEFANA) to measure and establish the role of specialty feed ingredients including amino acids on the environmental impact of livestock production. Project partners are united in the goal to contribute to reduction of emissions in the food and feed chain.

VI. Pharmaceuticals Business Management Challenges and Progress of Solutions

Pharmaceuticals Business Management Challenges and Progress of Solutions

Management challenges and solutions

1) Strengthen the infusion and dialysis business structure

Move to a new business scheme including utilization of outside resources is under discussion aimed at launch within FY2013. The final decision will be made and announced by the end of March 2013.

2) Enrich the pipeline

- ① Promote aggressive alliance with outside companies and in-licensing: Increase allocation of R&D resources to in-licensing.
- ② A joint research project with RaQualia Pharma Inc. launched: Promote drug discovery research utilizing the two companies' strong points.
- ③ Distribution of "*MARZULENE*", a therapeutic agent for gastric inflammation and ulcer, started in July 2012.
- ④ Aim to obtain manufacture and marketing authorizations of "*MOVIPREP*" (AJG522: a novel bowel cleansing agent) and "*ACTONEL*" once-a-month tablets.
- ⑤ File an NDA (an application for manufacture and marketing authorization) of AJH801 (cilnidipine-valsartan combined tablets): The application was filed in October 2012.

3) Improve operation efficiency (selling and general administrative expenses)

- ① Sales and promotion system: Establish a streamlined sales and promotion system.
- ② Corporate division: Improvements to increase efficiency of corporate division works.
- ③ Procurement of indirect materials: Promote cost reduction by unifying procurement functions.

Reference

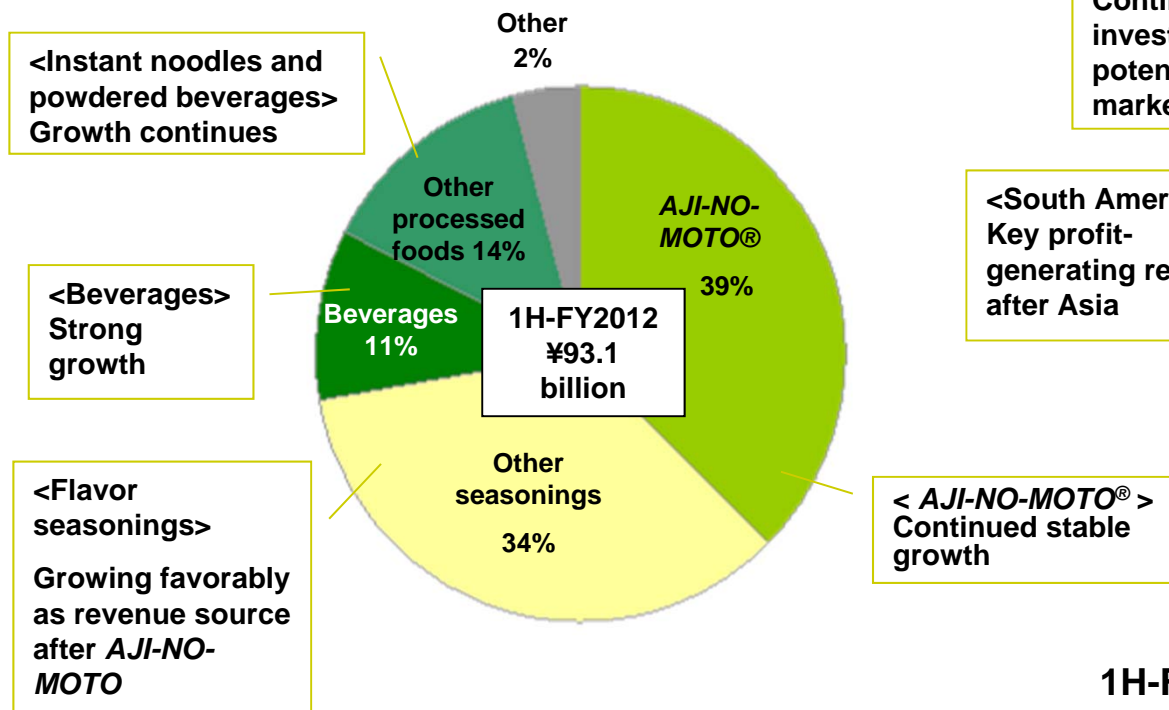
Trends in Overseas Consumer Food Products

Assumptions of FY2012 Forecast

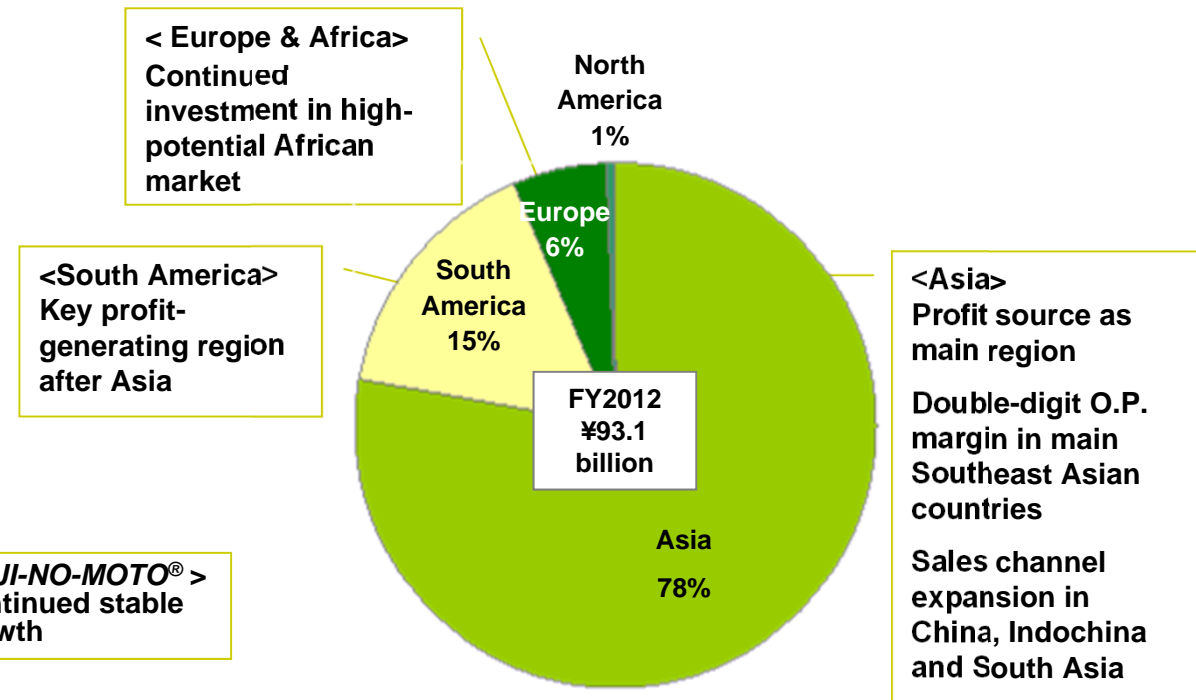
Feed-Use Lysine Market Price and CBOT Spread Trend

(Reference) 1H-FY2012 Trends in Overseas Consumer Food Products

Sales by Product



Sales by Geographical Region



1H-FY2012 Overview by Product

- AJI-NO-MOTO sales volume grew about 7% YoY.
- Sales volume of flavor seasonings in main countries grew by double digits in Thailand, and increased favorably in Indonesia and steadily in Brazil and Vietnam.
- Sales of beverages and instant noodles expanded favorably.

1H-FY2012 Overseas Consumer Food Products Sales in Main Countries

- **Thailand:** approx. THB 15.3 billion (+13% YoY, +8% on yen basis)
- **Brazil:** approx. BRL 0.27 billion (+10% YoY, -11% on yen basis)
- **Indonesia:** approx. IDR 1,204.8 billion (+9% YoY, -1% on yen basis)

(Reference) Assumptions of FY2012 Forecast

Foreign exchange rate (vs JPY)

	Avg. rate	Sensitivity of translation effects to full year O.P.
USD	78.5	±¥1 → less than ¥100 million
EUR	100.4	±¥1 → approx. ¥50 million
THB	2.50	±1% → approx. ¥200 million
BRL	39.0	±¥1 → approx. ¥150 million

Feed-use amino acids

1) Estimated market size (Thousand MT)

	FY2010	FY2011	FY2012 est.
Lysine	1,580	1,700	±1,900
Threonine	245	270	±320
Tryptophan	4.8	6.0	± 8.5

2) Sales volume of the Ajinomoto Group (Thousand MT)

	FY2010	FY2011	FY2012 est.
Lysine	300	330	±350
Threonine	85	87	±90
Tryptophan	2.6	2.5	±3.8

3) Market price forecast (USD/kg, CIF)

	FY2011	FY2012 est.**	
		1H	Full year
Lysine	2.35	±2.20	±2.15
Threonine	2.45	±2.15	±2.25
Tryptophan	15	±11	±15
Spread*	95	±215	±200

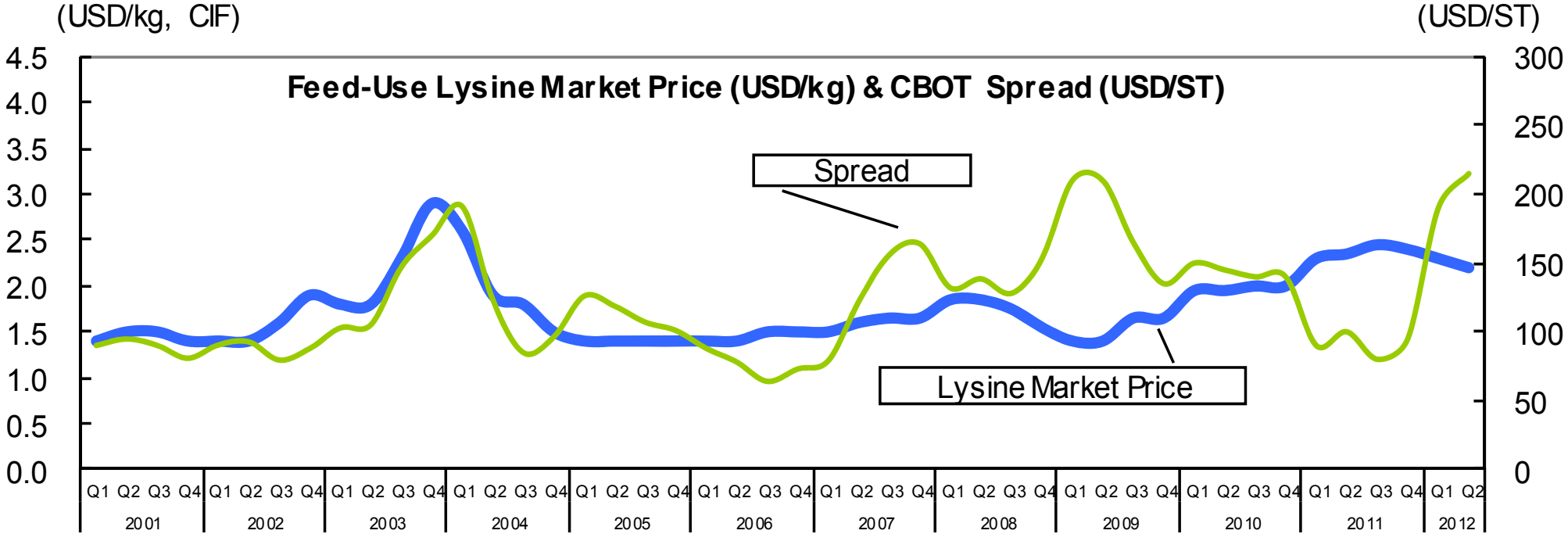
*Spread (USD/ST) is the price difference between soybean meal and corn on the Chicago Board of Trade (CBOT).

** Does not correspond with assumptions in Ajinomoto's forecast of results.

(Reference)

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).



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.



(Appendix)

Nov.7, 2012

FY2012 Forecast by Segments

(¥ Billion)	A	B	A-B	C	A-C	D	E	D-E	A-D	C-E	(A-D)-(C-E)	
	FY2012 Revised Forecast	FY2012 Initial Forecast	Difference	FY2011 Results	YoY Change	Interim FY2012	Interim FY2011	YoY Change	2H-FY12 Revised Forecast	2H-FY11 Results	YoY Change	Reasons for Forecast Revision or YoY Change of 2H
Domestic Food Products												
Net sales	411.8	411.0	0.8	438.4	-26.6	226.5	221.5	5.0	185.3	216.9	-31.6	* Upward revision of net sales and operating income forecasts because of growth in sales of core products in seasoning and processed foods. We will continuously work to expand net sales and operating income in the second half with new products and other measures. * Downward revision of net sales and operating income forecasts for beverages. Cost reduction targets (results through first half for beverages) : Seasonings and processed foods approx. ¥1.4 billion ; frozen foods approx. ¥0.5 billion ; beverages approx. ¥0.2 billion. Impact of raw materials prices (results through first half for beverages) : Seasonings and processed foods approx. ¥0.3 billion ; frozen foods approx. -¥0.8 billion ; beverages approx. -¥0.1 billion. (-: cost increase)
Seasonings & processed foods			7.0	221.5	14.0	110.2	107.5	2.7		114.1	11.0	
Frozen foods			0.0	111.7	6.0	56.9	55.6	1.4		56.1	4.5	
Beverages ("Calpis")			-6.0	105.2	-46.0	59.4	58.5	0.9		46.7	-47.0	
Operating income	33.2	32.6	0.6	31.7	1.5	17.3	18.3	-1.0	15.9	13.4	2.5	
Seasonings & processed foods			0.5	27.6	1.0	13.5	12.9	0.6		14.7	0.5	
Frozen foods			0.0	7.4	0.0	4.4	4.4	0.1		3.1	-0.0	
Beverages ("Calpis")			-1.0	5.6	-1.0	4.8	5.8	-1.0		-0.2	0.0	
Shared companywide expenses	-7.5	-8.1	0.6	-8.9	1.4	-5.5	-4.7	-0.8	-2.0	-4.2	2.2	
Overseas Food Products												
Net sales	250.3	254.0	-3.7	230.5	19.8	114.8	115.0	-0.1	135.5	115.6	19.9	* Downward revision of net sales and operating income forecasts due to the negative effect of currency translation and intensified competition. * In consumer foods, we will work to expand sales with stronger marketing efforts in the second half. On a local currency basis, we will aim for continued double-digit growth. On a yen basis, improvement is expected in YoY currency translation effects compared with the first half. * In umami seasoning for processed food manufacturers, competition is intensifying, but we will work to restore sales volume by implementing carefully crafted marketing and pricing strategies with an eye on the market.
Consumer foods	204.9	206.5	-1.6	183.5	21.5	93.1	91.5	1.6	111.8	92.0	19.9	
Umami seasonings for processed food mfrs.	45.4	47.5	-2.1	47.1	-1.7	21.7	23.4	-1.7	23.6	23.6	0.0	
Operating income	21.4	23.0	-1.6	21.5	-0.2	10.2	11.6	-1.3	11.1	10.0	1.2	
Consumer foods			-0.0		2.9			1.2			1.7	
Umami seasonings for processed food mfrs.			-1.9		-2.0			-1.7			-0.4	
Shared companywide expenses	-7.2	-7.9	0.6	-6.7	-0.5	-3.9	-3.3	-0.6	-3.3	-3.4	0.1	
Bioscience Products & Fine Chemicals												
Net sales	207.2	215.0	-7.8	198.0	9.2	96.9	98.6	-1.7	110.3	99.4	10.9	* Upward revision of operating income forecast for feed-use amino acids to reflect first-half results. * Downward revision of operating income forecast for amino acids due to the downward revision of the forecast for sweeteners, despite the upward revision of the forecast for amino acids for pharmaceuticals and foods. * Upward revision of operating income forecast for other business due to cost reductions and other factors. (1) Ajinomoto Group's Sales Volume Estimation for Feed-use Amino Acids and (2) Market Price Forecast (Figures in parentheses are FY2011 results. Market prices are US\$/kg, CIF main port basis.) (1) Lysine approx. 350,000 tons (330,000 tons) ; Threonine approx. 90,000 tons (87,000 tons) ; Tryptophan approx. 3,800 tons (2,500 tons) (2) Lysine approx. \$2.15 (\$2.35) ; Threonine approx. \$2.25 (\$2.45) ; Tryptophan approx. \$15.00 (\$15.00)
Feed-use amino acids	93.9	93.9	0.0	86.5	7.4	45.2	43.3	2.0	48.7	43.3	5.4	
Amino acids			-4.0	66.2	1.0	30.1	32.5	-2.3		33.7	3.0	
Amino acids for pharmaceuticals and foods				24.0		12.5	12.5	0.3		11.5		
Pharmaceutical fine chemicals				18.5		7.0	8.5	-1.3		10.0		
Sweeteners				24.0		10.5	12.0	-1.3		12.0		
Specialty chemicals			-4.0	39.7	0.5	19.3	20.3	-1.0		19.4	2.0	
Other			-0.0	5.6	0.5	2.2	2.6	-0.4		3.0	0.5	
Operating income	15.8	14.9	0.9	12.2	3.6	7.3	6.3	1.0	8.5	5.9	2.7	
Feed-use amino acids	10.9	10.5	0.4	11.3	-0.4	6.3	5.6	0.7	4.6	5.7	-1.1	
Amino acids			-0.5	2.5	1.0	1.9	0.9	1.0		1.7	0.0	
Amino acids for pharmaceuticals and foods								1.1				
Pharmaceutical fine chemicals								-0.4				
Sweeteners								0.3				
Specialty chemicals			0.0	7.3	1.0	3.5	4.1	-0.6		3.3	1.5	
Other			0.5	-4.0	2.0	-1.6	-1.8	0.2		-2.2	2.0	
Shared companywide expenses	-5.2	-5.7	0.5	-5.1	-0.2	-2.9	-2.5	-0.4	-2.4	-2.5	0.2	

(¥ Billion)	A	B	A-B	C	A-C	D	E	D-E	A-D	C-E	(A-D)-(C-E)	
	FY2012 Revised Forecast	FY2012 Initial Forecast	Difference	FY2011 Results	YoY Change	Interim FY2012	Interim FY2011	YoY Change	2H-FY12 Revised Forecast	2H-FY11 Results	YoY Change	Reasons for Forecast Revision or YoY Change of 2H
Pharmaceuticals												
Net sales	75.9	76.0	-0.1	77.9	-2.0	35.9	41.3	-5.4	40.0	36.6	3.4	* Continued efforts to increase sales of self-distributed products (strengthening sales of <i>LIVACT</i> and <i>ELENTAL</i> , in-license of <i>MAZUREN</i> , etc.), use R&D expenses more efficiently and reduce overhead. Cost reduction targets : approx. ¥0.8 billion.
Operating income	2.6	2.3	0.3	6.5	-3.9	1.8	5.5	-3.7	0.8	1.0	-0.2	
Pharmaceuticals	4.4	4.3	0.1	8.3	-3.9	2.8	6.5	-3.7	1.6	1.8	-0.2	
Shared companywide expenses	-1.8	-2.0	0.2	-1.8	-0.0	-1.0	-1.0	-0.0	-0.8	-0.8	0.0	
Business Tie-Ups												
Net sales	193.1	189.0	4.1	182.8	10.2	88.7	90.8	-2.2	104.4	92.0	12.4	* Increase in sales through promotion of reasonable selling prices for edible oils and expansion of sales of coffees, particularly stick-type and instant.
Edible oils			2.0	43.5	4.0	19.9	21.5	-1.6		22.0	5.5	
Coffee products			2.5	139.3	6.0	68.8	69.3	-0.6		70.0	7.0	
Operating income	1.6	1.6	0.0	1.6	0.0	0.8	0.8	-0.0	0.8	0.8	0.0	
Shared companywide expenses	-0.5	-0.5	0.0	-0.5	-0.0	-0.3	-0.2	-0.0	-0.2	-0.2	-0.0	
Other Business												
Net sales	82.7	76.0	6.7	69.6	13.1	36.0	36.8	-0.8	46.6	32.8	13.8	* Upward revision of net sales forecast for other businesses including logistics.
Operating income	-1.1	-0.9	-0.2	-0.9	-0.1	-0.5	0.1	-0.5	-0.6	-1.0	0.4	
Shared companywide expenses	-2.1	-2.3	0.1	-2.1	-0.1	-1.2	-1.1	-0.1	-1.0	-1.0	0.0	
Consolidated												
Net sales	1,221.0	1,221.0	0.0	1,197.3	23.7	598.9	604.1	-5.3	622.1	593.2	28.9	
Operating income	73.5	73.5	0.0	72.6	0.9	36.9	42.6	-5.7	36.6	30.0	6.6	

Notes:  Nondisclosure
 Approximation

* 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.

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