

Ajinomoto Co., Inc. (2802)
Results for FY2016 (Ended March 31, 2017) and
Forecast for FY2017 (Ending March 31, 2018) with Outlook

May 15, 2017

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President & CEO

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I. FY2016 Results J-GAAP

FY2016 Results (Summary)

★ Refer to handout material: Consolidated Results FY2016 Ended March 31, 2017

Year-on-Year

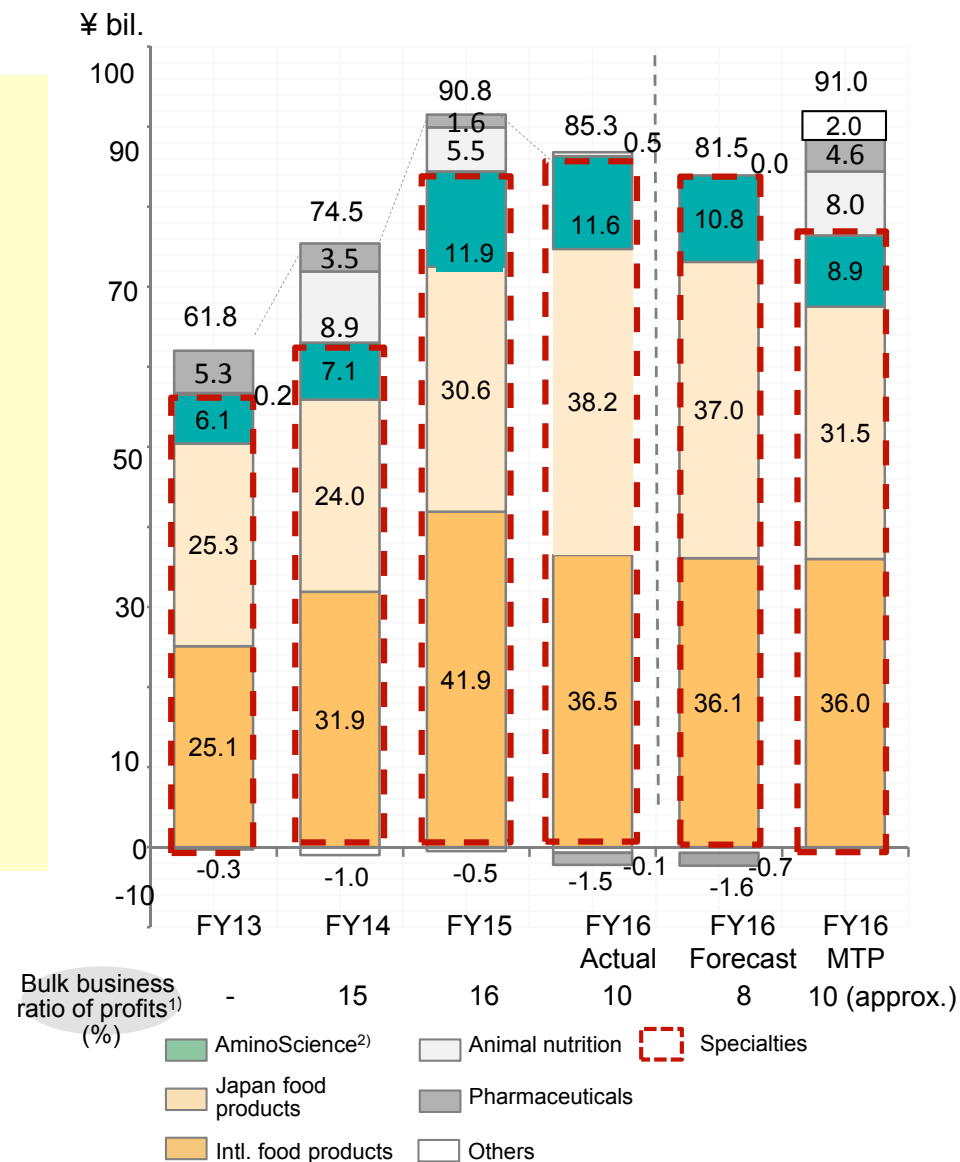
Units: ¥ billion

- Revenue decreased (-92.6), profit decreased (-5.5)
- Decrease in profit attributable to owners of parent (-10.8)

Versus the forecast announced on Nov. 8, 2016

- Although sales did not attain the forecast (-3.5), operating profit was above the forecast (+3.8).
Main factors of OP: effect of exchange rates in currency translation and trade (+3.2).
- Increase in profit attributable to owners of parent (+8.0). Operating profit increased, net non-operating profit increased and a decrease in income taxes, etc.

Operating profit by business



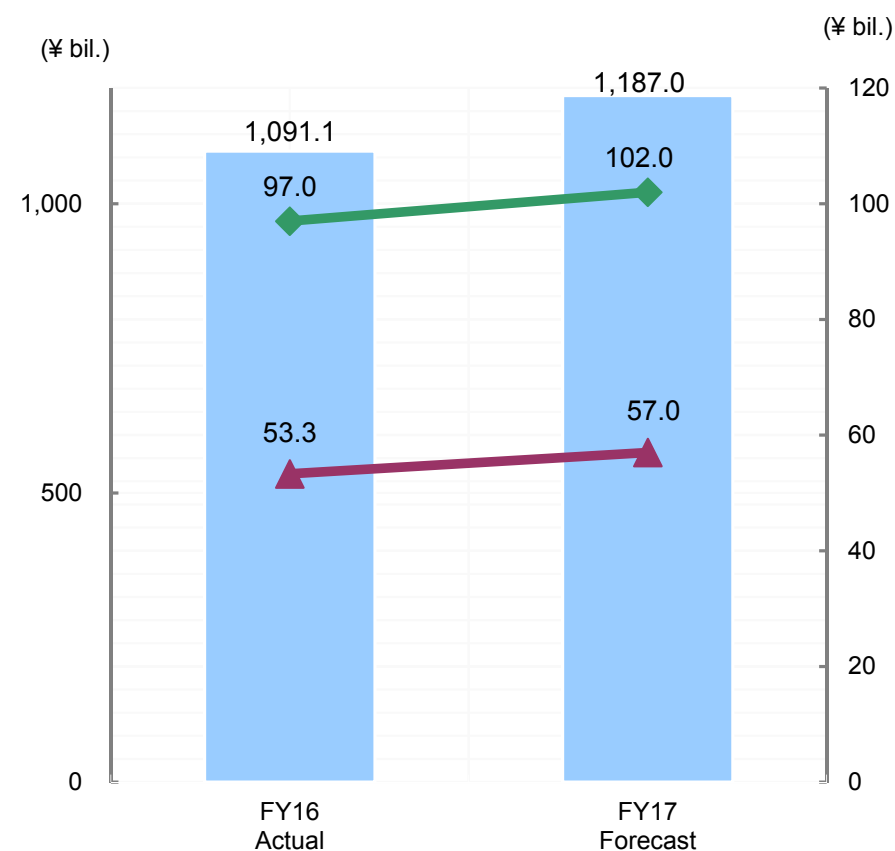
1. Percentage of operating profit accounted for by umami seasonings for processed food manufacturers, sweeteners and animal nutrition;
2. Excludes Animal Nutrition and Pharmaceuticals

II. FY2017 Forecast IFRS

FY2017 Forecast

Assumed exchange rate¹⁾ is the same as
FY16 actual: \$1 = ¥108.3
Aim for growth of net sales (8%) and
business profit (5%).

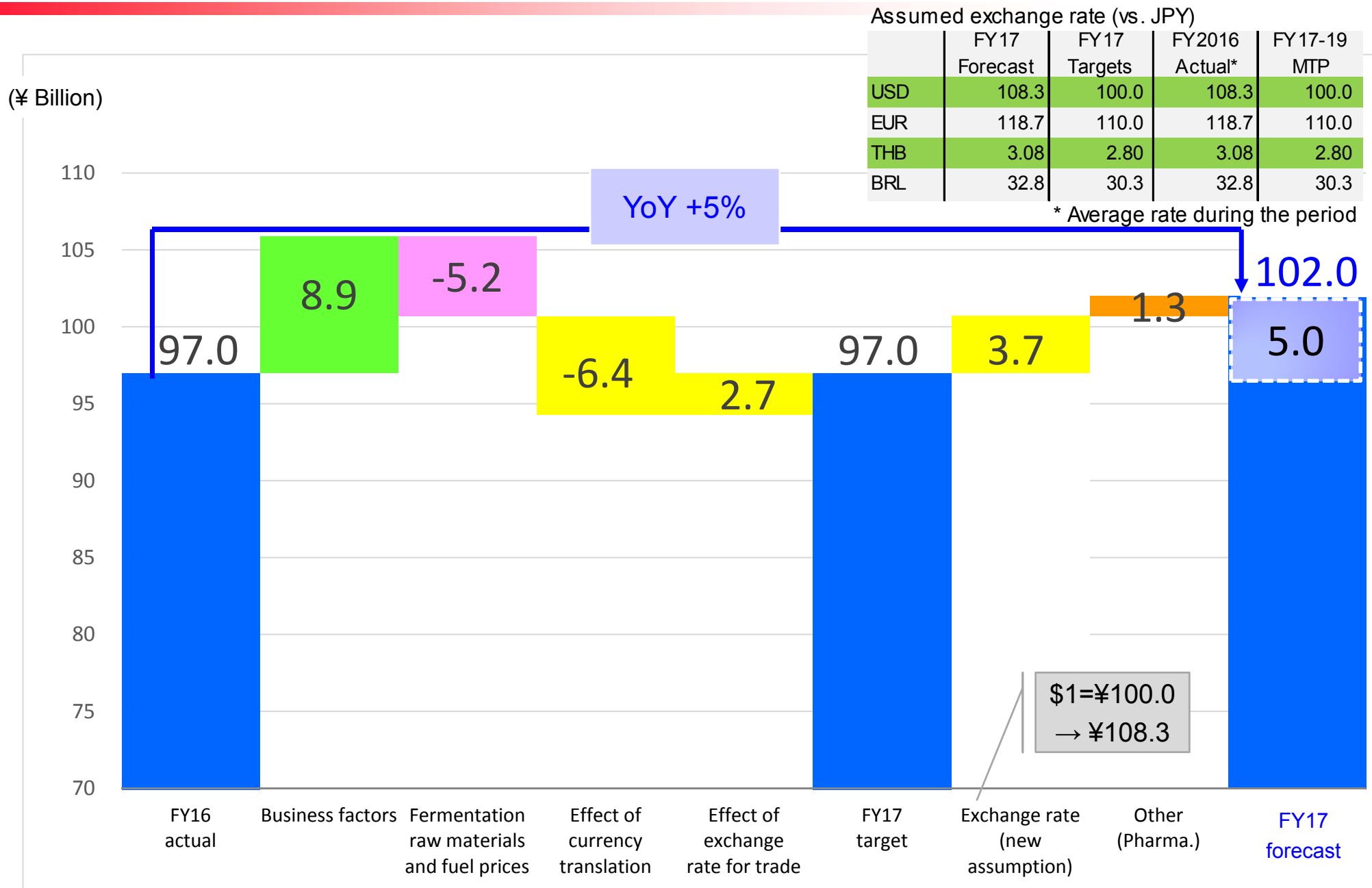
(¥ Billion)	FY17 Forecast	FY2016 Actual	YoY
Sales	1,187.0	1,091.1	108.8%
Business profit ²⁾	102.0	97.0	105.2%
Profit attributable to owners of the parent company	57.0	53.3	106.9%
Net income per share (¥)	100.00	93.25	107.2%



- Sales (left scale)
- Business profit (right scale)
- Profit attributable to owners of the parent company (right scale)

1. Assumed exchange rate: \$1=¥108.3 and same as in the FY16 actual.
2. Business profit (consolidated): Sales - Cost of sales - Selling expenses, Research & development expenses and General & administrative expenses + Share of profit of associates and joint ventures

Factors Influencing FY2017 Business Profit (YoY)



Forecast by Segment

(¥ Billion)

<FY17 targets> ①	FY2017		FY2016		YoY Change		Currency translation adjustments	
	target (A)	B.P.%	Actual (B)	B.P.%	(A)-(B)	(A)/(B)	Amount (C)	Growth rate (Inc. adjustments) ((A+C)/B)
Sales	1,132.0		1,091.1		40.9	3%	55.0	8%
Japan Food Products	403.0		390.4		12.5	3%	0.7	3%
International Food Products	439.3		428.9		10.3	2%	40.7	11%
Life Support	127.9		124.0		3.8	3%	7.5	9%
Healthcare	99.8		89.5		10.2	11%	4.9	17%
Other	62.0		58.1		3.8	6%	0.9	8%
Business profit	97.0	8.6%	97.0	8.9%	0.0	0%	6.4	6%
Japan Food Products	41.9	10.4%	40.9	10.4%	0.9	2%	0.2	2%
International Food Products	43.8	9.9%	41.8	9.7%	1.9	4%	5.3	17%
Life Support	5.8	4.5%	5.8	4.6%	-0.0	-1%	0.2	3%
Healthcare	7.6	7.6%	8.1	9.0%	-0.5	-6%	0.5	0%
Other	-2.1	-3.3%	0.2	0.3%	-2.3	-	0.1	-

<All company adjustments> ②

Sales	55.0	Exchange rates (Currency translation: +55.0, Exchange rate for trade: ▲0.0)
Business profit	5.0	Exchange rates: +3.7 (Currency translation: +6.4, Exchange rate for trade: ▲2.7), Others: +1.3

<Forecast> ①+②

Sales	1,187.0		1,091.1		95.9	8%
Business profit	102.0	8.6%	97.0	8.9%	5.0	5%

Profit for FY2017

Aim to grow the target of profit attributable to owners of the parent company by +6%

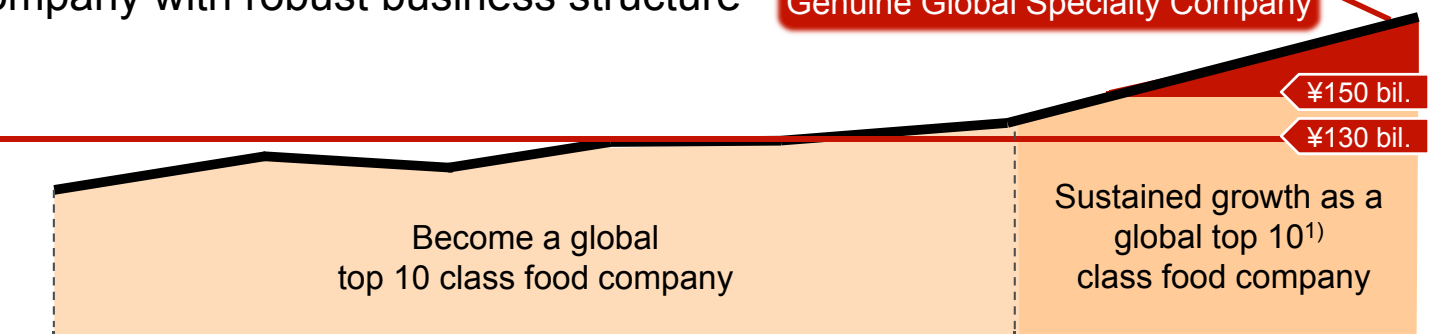
(¥ Billion) -: losses	FY17 Forecast	FY16 Actual	Difference	Main factors
Sales	1,187.0	1,091.1	95.9	
Business profit	102.0	97.0	5.0	
Other operating income & expenses (-: losses)	-5.5	-13.2	7.7	
Gain on sale of fixed assets	1.0	5.3	-4.3	Previous FY: Affiliates' assets, etc.
Losses related to contractual performance	0.0	-6.4	6.4	Previous FY: Pharmaceuticals Business restructuring
Impairment losses	0.0	-1.9	1.9	Previous FY: Brazil -1.6, other
Loss on liquidation of affiliates	-0.2	-0.9	0.7	
Loss on disposal of fixed assets	-4.1	-3.6	-0.5	Previous FY: Affiliates
Other	-2.2	-5.7	3.5	
Financial income & expenses (-: losses)	-1.8	3.1	-4.9	
Profit before income taxes	94.7	86.8	7.9	
Income taxes	27.7	21.7	-6.0	
Profit	67.0	65.1	1.9	
Profit attributable to owners of the parent company	57.0	53.3	3.7	
Profit attributable to non-controlling interests	10.0	11.8	-1.8	

Roadmap to a "Genuine Global Specialty Company"

Become a global top 10 class company with robust business structure

Sustainable value creation as a Genuine Global Specialty Company

Global top 10 class food company level¹⁾



		FY16 Actual	FY17		FY19 MTP	FY20 Target (Organic growth)
			Target	Forecast		
Financial	Business profit	¥97.0 billion	¥97.0 bil.	¥102.0 bil.	¥124.0 bil.	¥137.0 bil.~
	Business profit margin	8.9%	8.6%	8.6%	9.4%	10%
	ROE	8.7%	8.4%	8.9%	9.8%	10% or higher
	EPS growth rate	-	1.0%	7.2%	Double-digit annual growth	Double-digit annual growth
	Intl. sales growth rate ²⁾	-	12% ⁴⁾	12% ⁴⁾	Double-digit annual growth	Double-digit annual growth
Non-financial³⁾	Meats and vegetables consumption	Meats: 6.9 mil. tons; 16% (8.0 kg/person/yr) Veg.: 4.1 mil. tons; 7% (4.8 kg/person/yr)	-	-	-	Meats: 8.6 mil. tons; 19% (9.7 kg/person/yr) Veg.: 5.5 mil. tons; 8% (6.2 kg/person/yr)
	Contribution to eating together	58 occasions / household / yr-	-	-	-	70 occasions / household / yr
	Spare time created	35 mil. hrs / yr (5 hrs / household)	-	-	-	38 mil. hrs / yr (6 hrs / household)
	Comfortable lifestyles (AminoScience)	18.7 mil. people	-	-	-	22 mil. people
	Resolution of environmental issues	Contribution to the global environment through initiatives, ahead of international targets				
	Employees with high engagement	- (Measure from FY17)	-	-	-	80%
Inte-grated	Brand value ⁵⁾	711 mil. USD	-	-	-	1,500 mil. USD or more

1. Global top 10 class status defined as business profit of ¥130.0 billion or higher with IFRS accounting standards.; 2. Consumer foods, local currency basis
3. Refer to FY2017-2019 MTP (Feb. 17, 2017); 4. Includes Frozen foods; 5. Measured by Interbrand

III. GROW: Growth Driver Advancement

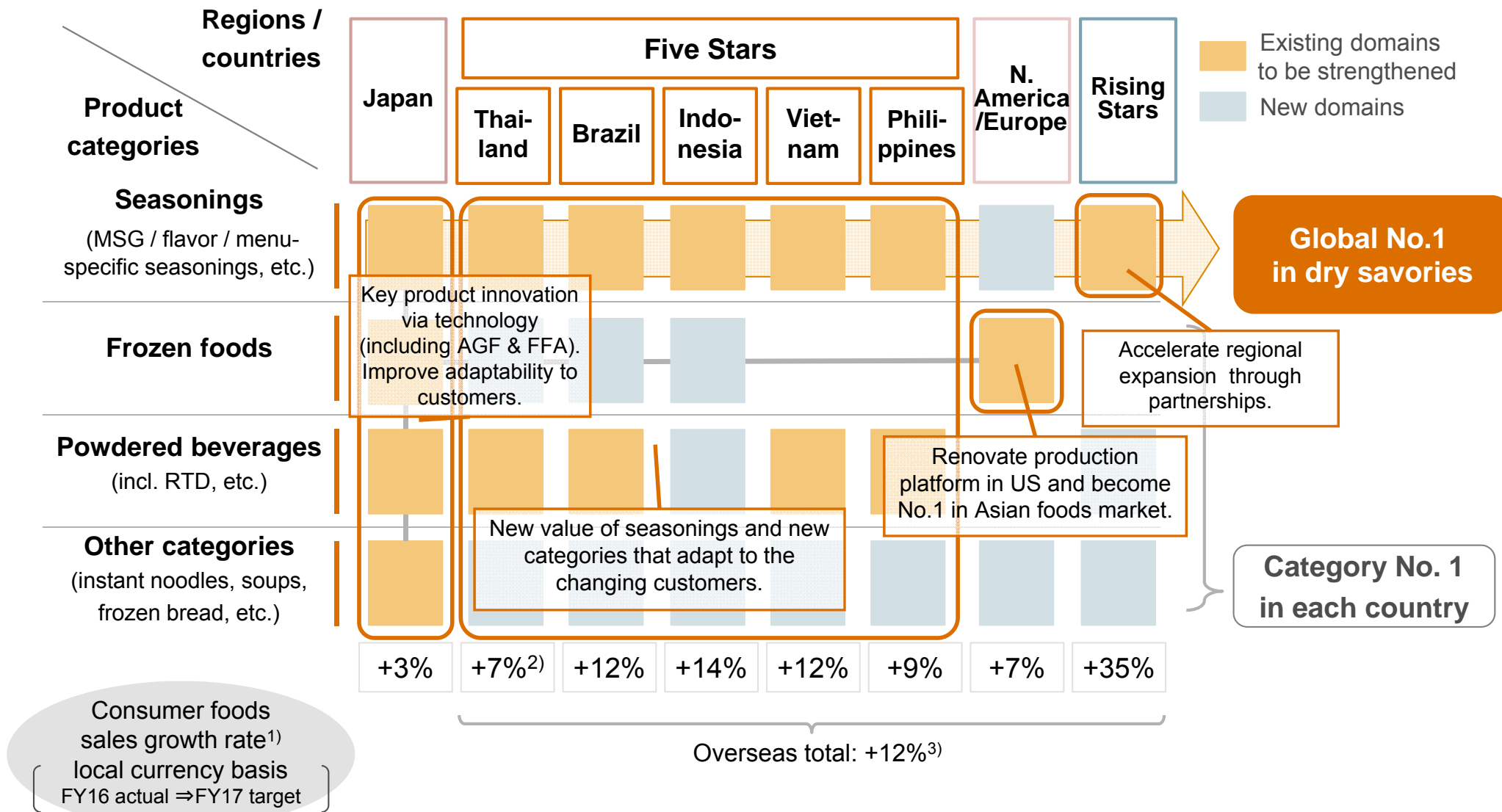
(1) Food Business

Strengthen Regional Portfolio

(2) AminoScience Business

Expand Business Portfolio

(1)-1. Food Business: Ensure Growth with Stronger Regional Portfolio

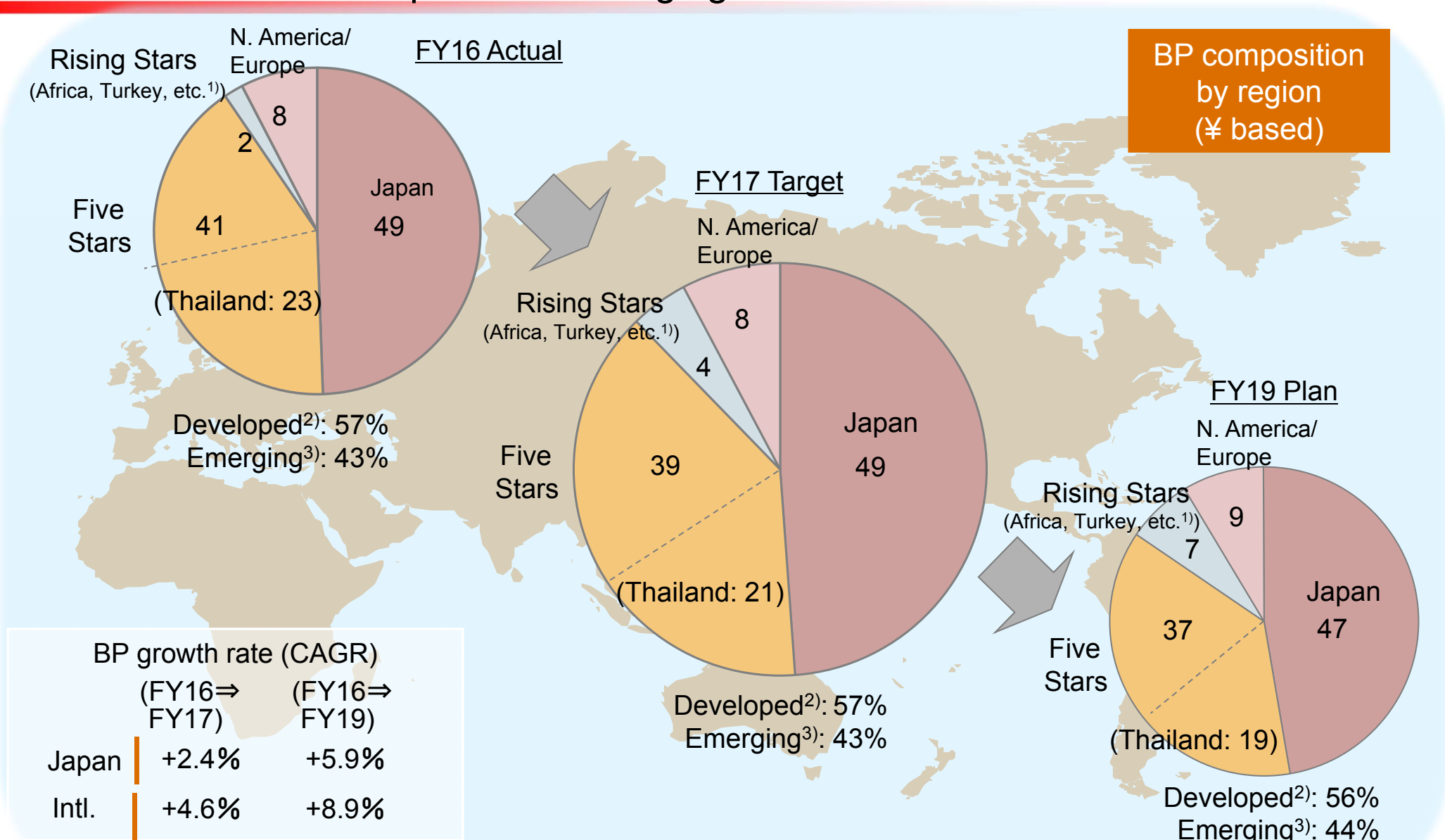


1. Includes Ajinomoto Frozen Foods Co., Inc. (International)

2. 3. Includes sales increase from new excise tax in Thailand. Figures excluding the effect are Thailand = +2%, International Food Products total = +10%

III. GROW Growth Driver Advancement

(1)-2. Food Business: Maintain well-balanced portfolio covering between Developed and Emerging Countries

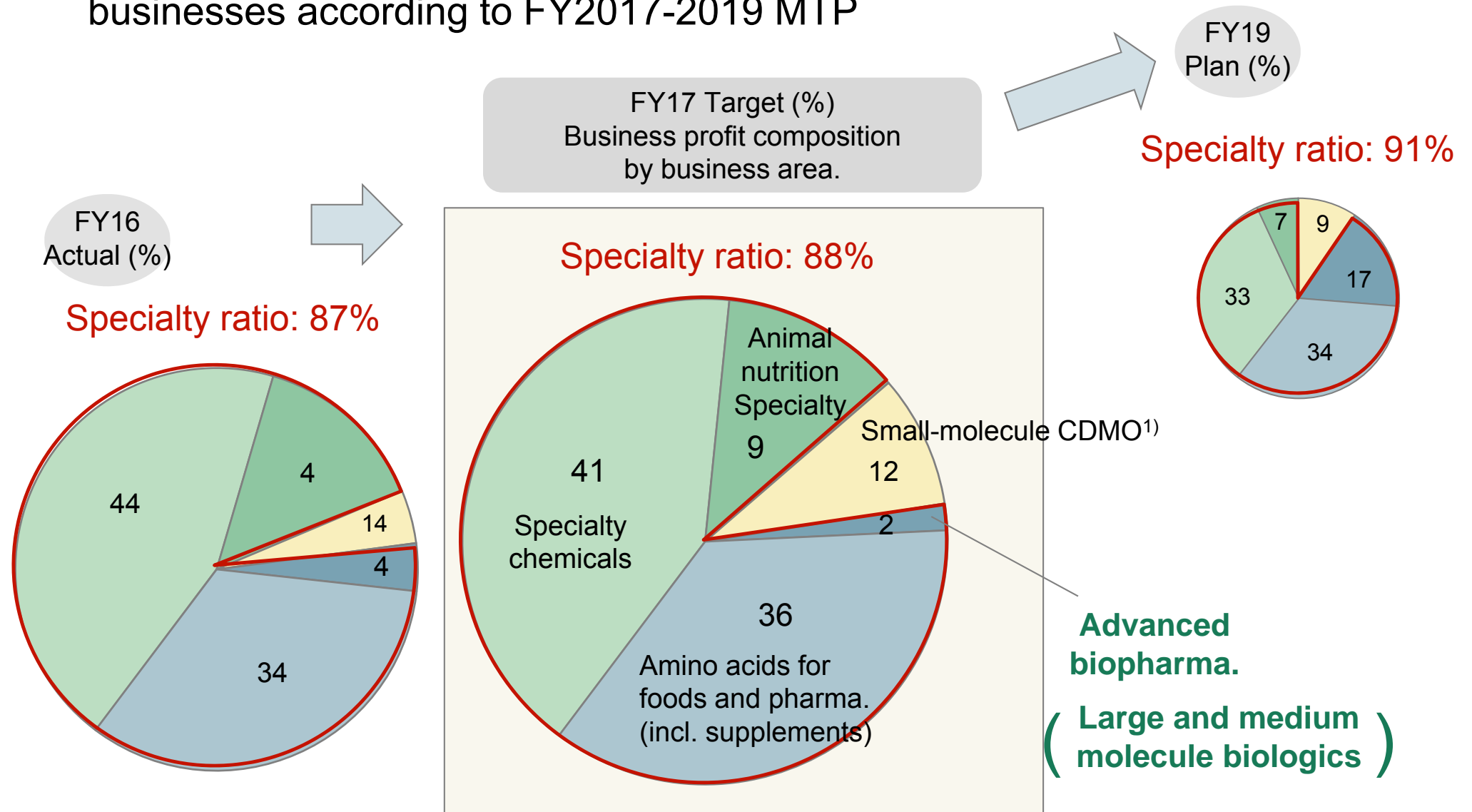


1. Includes Africa, Turkey, Malaysia, Singapore, Cambodia, Peru, China, Taiwan, Korea, Hong Kong;

2. Developed = Japan, North America, Europe; 3. Emerging = Five Stars and Rising Stars

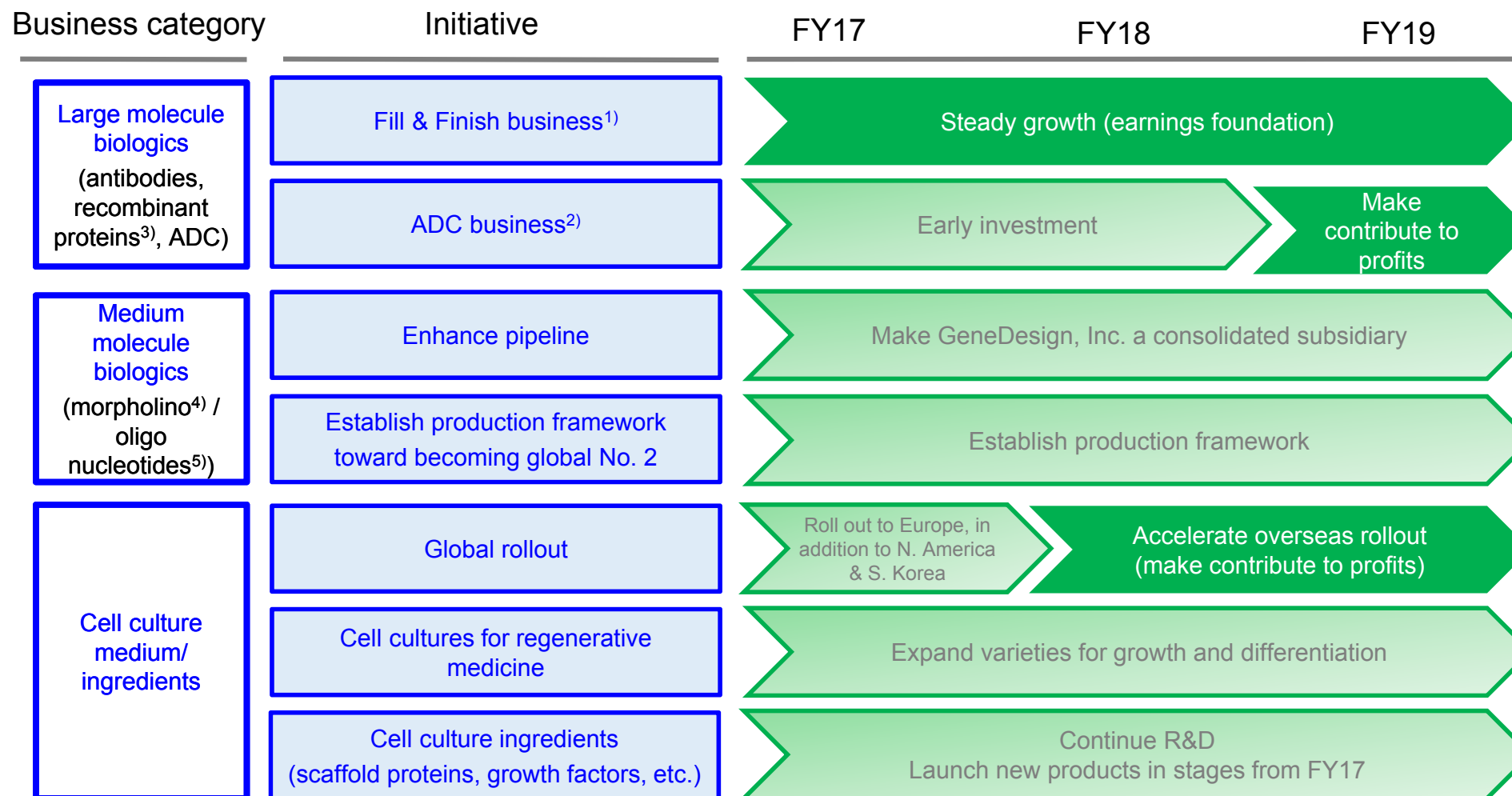
(2)-1. AminoScience Business: Expand Business Portfolio

Strengthen structure of portfolio being supported by multiple specialty businesses according to FY2017-2019 MTP



1. CDMO = Contract Development & Manufacturing Organization.

(2)-2. AminoScience Business: Accelerate Growth of Advanced Biopharmaceuticals Business

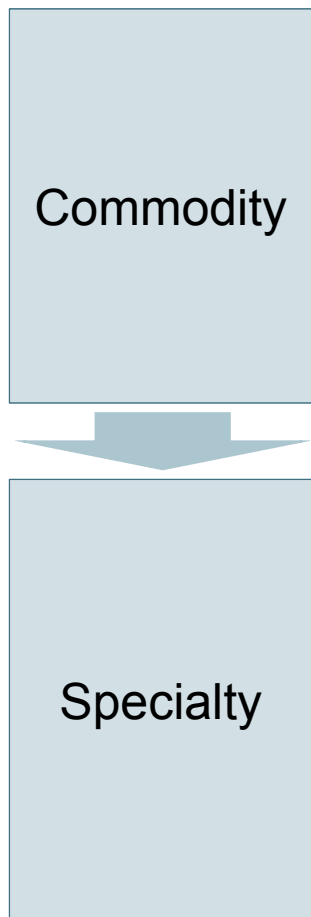


1. Fill and Finish = Sterile filling and formulation of biopharmaceuticals; 2. ADC = Antibody Drug Conjugate
 3. Recombinant proteins = Proteins where the sequence of amino acids has been modified; 4. Morpholino = Type of nucleotide which overcome issues of nucleotide therapy (e.g., stability and toxicity); 5. Oligo nucleotides = Molecule of several to one hundred several tens of the four bases of the nucleic acids

IV. FIT: Further Business Structure Reform

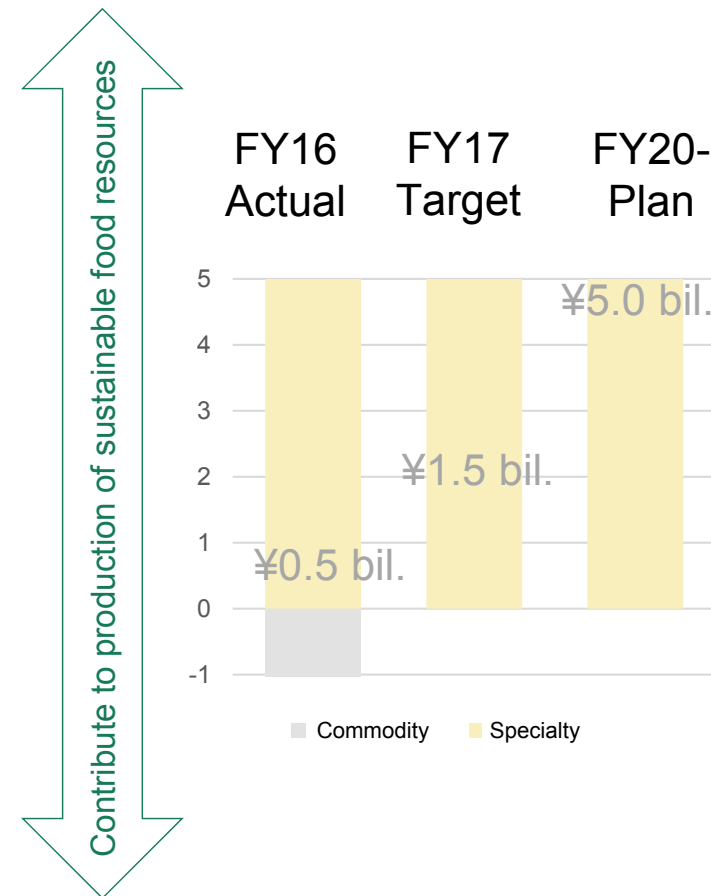
Animal Nutrition: Fundamental Shift from Commodities and Proceed with Transition to Specialties

FY17 Initiatives



- Promote OEM
- Promote shift to high-value-added amino acids
- Shift from threonine to tryptophan (North America: Jun. 2017, 0→3,000 tons)
- Expand sales of valine
- Expand sales of *AjiPro®-L*
Expands sales in North America
Launch sales in Europe
- Expand sales of existing highly functional premix products
- Launch new highly functional premix products

Business Profit



V. Reinforcement of Management Foundation

Management Innovation: Accelerating “Reform of Working Practices”

Accelerate “reform of working practices,” achieve “career diversity,” and improve “engagement” for every employee

**Expand ASV
(Innovation)**

“Career diversity” × improved “engagement”

Check

Engagement Survey

Reduce regular working hrs.

Reduce workday by 20-min.
(80 hrs./year on average)

Start work earlier!
⇒ End of workday
16:30

Every Wed.
17:00 lights out

Mobile offices

Increase to 4 day/wk. (max.)

Satellite offices



ICT investment



Health and productivity management

Build a Group health promotion framework

2017
Health & Productivity
Stock designation



Roadmap (Ajinomoto Co.)

	FY15 (Actual)	FY16 (Actual)	FY18 (Target)	FY20 (Ideal vision)
Regular working hours (day)	7 hrs. 35 min.	7 hrs. 35 min.	7 hrs. 15 min.	7 hrs.
Average working hours (annual)	1,947 hrs.	1,890 hrs.	1,800 hrs.	1,800 hrs.

20 min. reduction

15 min. reduction

Start 2 years early

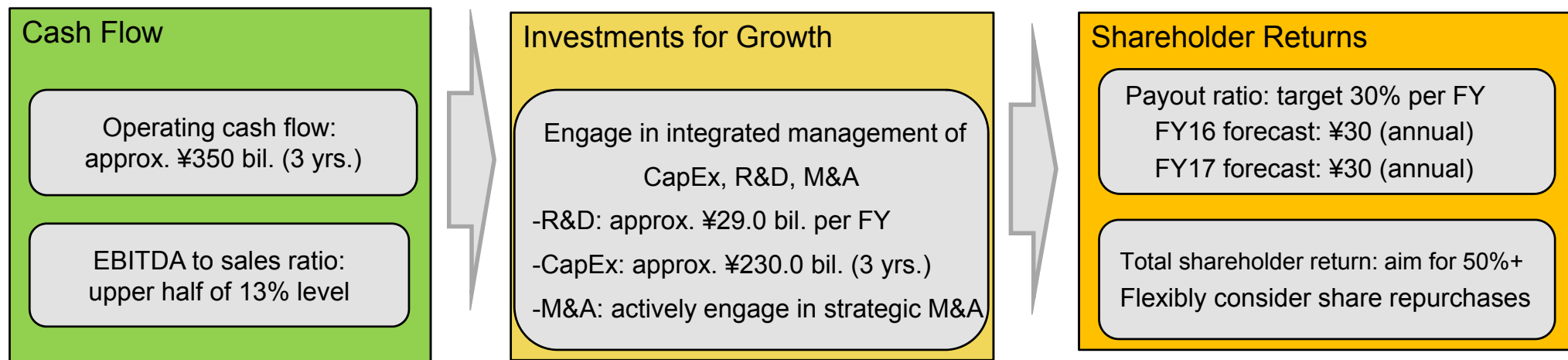
Expand to Group companies

FY20-
Japan average
1,800 hrs.

VI. FY2017 Financial Strategy

FY2017 Financial Strategy

Based on the policies of the 2017-2019 MTP, Generate cash flow, invest for growth and provide stable shareholder returns

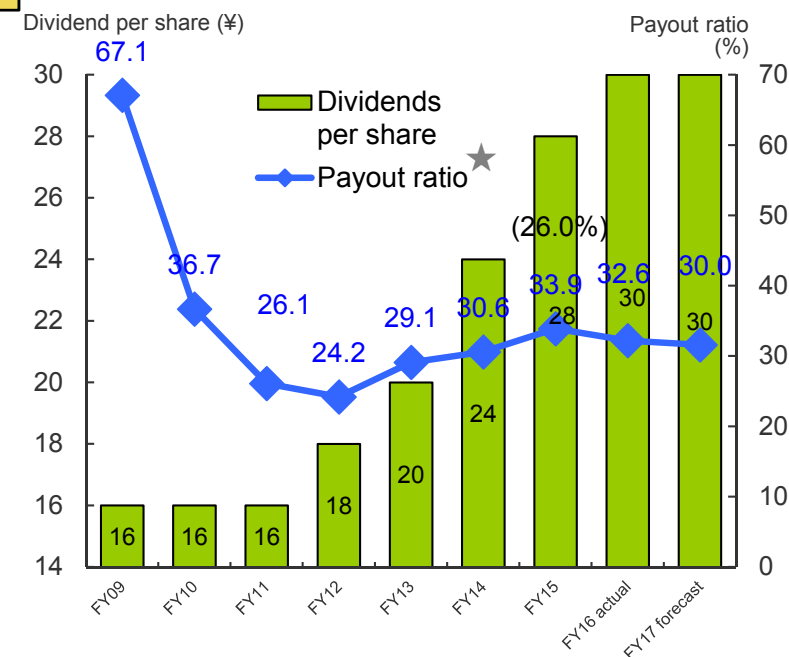


Policies for Prioritizing Uses of Cash Flow and Shareholder Returns

- Free cash flow target: ¥120 billion (3 years)
 - Financing: Utilize interest-bearing debt while maintaining a net D*/E ratio at approx. 50%.
- * Net debt is interest-bearing debt - Cash on hand and in banks x 75%
- D/E ratio: FY16 actual 31.2%

★ Assumptions do not include extraordinary gain from the equity transfer of NISSIN-AJINOMOTO ALIMENTOS LTDA. in the denominator.

If extraordinary gain from the equity transfer of NISSIN-AJINOMOTO ALIMENTOS LTDA. is included in the denominator: 26.0%.



Reference

Five Stars 1: “No. 1 in Deliciousness” through Our Unique Key Ingredients and Technology

Refine quality of existing products and strengthen production (X) More new product lines

Thailand

Seasonings Domestic share of Dry Savories: 80% (1st place)

- *AJI-NO-MOTO®*: invest in TV CMs based on ASV (contribution to Thai agriculture); strengthen brand image
- *AJI-NO-MOTO Plus®*: expand sales mainly to food services; cultivate this as the next business pillar
- Flavor seasonings: overwhelming No. 1 share through cube investment (launch varieties of *Ros Dee® cubes* Jul. 2017)
CapEx: Aug. 2017 *Ros Dee®* production expansion (approx. ¥2.4 bil.)



Ros Dee® cubes



Birdy® Thai Milk Tea

Processed foods

- Beverages: develop domains outside coffee by launching new varieties (Thai Milk Tea), recover share by revising existing products
- Powdered beverages: restore growth domestically by revising *Birdy® 3 in 1* from Nov. 2016; move towards further expanding sales



Birdy® 3 in 1

Other neighboring countries (Myanmar)

Processed foods

- After launching *AJI-NO-MOTO®* (fall of 2017), local production and sale of *Birdy® 3 in 1* (Feb. 2018)
CapEx: approx. ¥2.5 bil.

Philippines

Seasonings Domestic share of Dry Savories: 33% (2nd place)

- Increase presence of seasonings with deep ties to each region (*Sarsaya®* liquid seasonings)



Sarsaya®

Five Stars 2: “No. 1 in Deliciousness” through Our Unique Key Ingredients and Technology

Refine quality of existing products and strengthen production (X) More new product lines

Indonesia

Seasonings Domestic share of Dry Savories: 49% (1st place)
CapEx: Jul. 2017 *Masako*® (approx. ¥3.2 bil.),
Dec. 2017 *Sajiku*® production expansion (approx. ¥2.5 bil.)

Processed foods

Launch new categories suited to changes in eating habits
(Launch *Delito* pasta sauce, accelerate roll out of different varieties of frozen bread)



Delito

Vietnam

Seasonings Domestic share of Dry Savories: 62% (1st place)
CapEx: Aug. 2017 *AJI-NO-MOTO*® production expansion (approx. ¥ 2.3 bil.)

Processed foods

Accelerate expansion of processed foods business
(Launch *Ajinomoto Pancake Mix Powder*, new variety of *Birdy*® 3 in 1)



*Ajinomoto Pancake
Mix Powder*

Brazil

Seasonings Domestic share of Dry Savories: 49% (1st place)
▪ Expand and strengthen the fundamentals of the seasonings business and powdered juice business by boosting quality and focusing on basic operations



Sazon®

Expanding North American Frozen Food Business, Accelerating Roll Out of Rising Stars Businesses

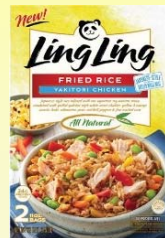
North America

Expand frozen foods business working from our platform with Ajinomoto Windsor, Inc.

- Overwhelming No.1 share in Asian foods market

Household-use: fried rice

- Jun. 2016: installed new fried rice production line and started production (Oakland Plant)
- Jan. 2017: launched 5 varieties of *LingLing Fried Rice*
- Mar. 2017: launched 10 renewed versions of *TAIPEI* (low salt)



Household-use: noodles

- Nov. 2016: started production of frozen noodles (Ajinomoto Toyo Frozen Noodles Inc.)
Launched **AJINOMOTO® TOKYO STYLE SHOYU RAMEN**



- Strong No. 2 position in the **appetizer products for food services** market

CapEx: build new frozen appetizer plant (Missouri), operation slated for Nov. 2017 (approx. ¥4.4 bil.)

- Plan to sell the Piedmont plant in early 2018

Rising Stars

Accelerate regional expansion through partnerships with local industry leaders

Accelerate regional expansion by leveraging business platforms acquired through active partnerships, leveraging strengths of both parties, and promoting PMI

- Africa

- Start introducing our product development expertise and production technology focusing on Promasidor's 5 key countries



New project kick-off meeting at Promasidor (Ghana), Mar. 2017

- Turkey & Middle East

- Acquired 50% interest in Kükre in 2013, acquired 100% interest in Örgen in Apr. 2017
- Going forward, will work to further strengthen business foundation in Turkey and accelerate business expansion

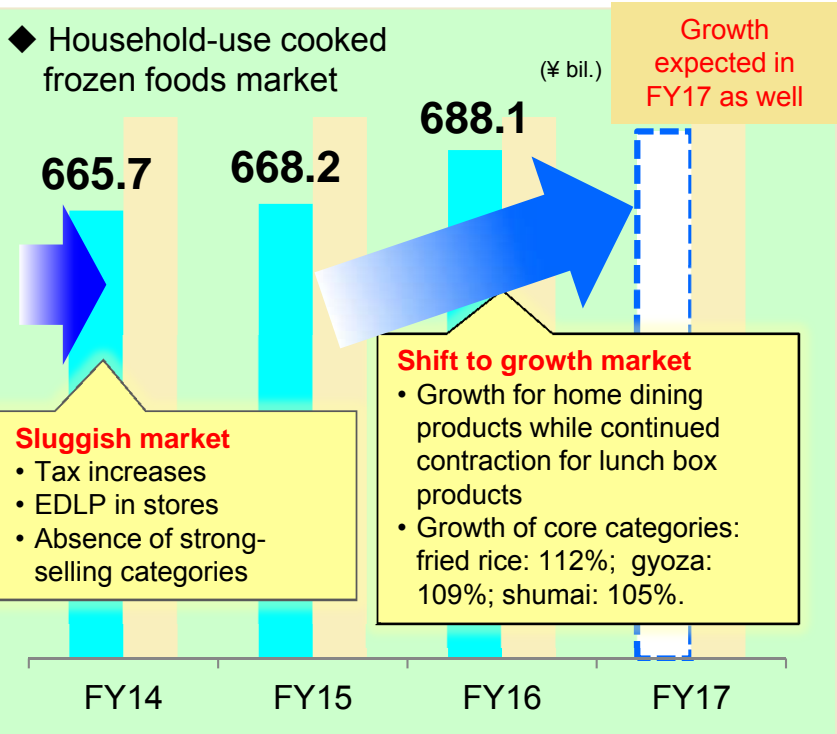


Continued Expansion Expected in the Japan Frozen Foods Market; Aim for Further Growth

Frozen foods market

(Data from Ajinomoto Frozen Foods, Co. Inc.)

◆ Household-use cooked frozen foods market



Sluggish market

- Tax increases
- EDLP in stores
- Absence of strong-selling categories

Shift to growth market

- Growth for home dining products while continued contraction for lunch box products
- Growth of core categories: fried rice: 112%; gyoza: 109%; shumai: 105%.

◆ Restaurant and institutional-use market

- Since FY14, growth in CVS ready-made meal items and trend toward steady growth; market also expanded in FY16.
- Growth expected in FY17 as well.

FY16 Review

Japan business secured increased sales. Household-use grew well at 109%, restaurant and industrial-use had steady growth at 102%.

- ◆ In household-use, *Gyoza* strongly out-performed YoY; *The Chahan* also maintained its favorable performance. *The Shumai* also contributed as a new product.
- ◆ Restaurant and industrial-use expanded mainly from core products of desserts and processed chicken products. There were also developments in initiatives with major customers.

FY17 Sales increase plans

- ◆ Household-use
 - Expansion of core products focusing on *Gyoza* (45 years since its launch), while fostering and strengthening new pillars such as *The Shumai*.
 - Create new domain with the new *ONIGIRIMARU* product.



Solve tendency of home meals to gravitate toward the same items. Use taste tests at sports events, etc. to foster and strengthen the products.

◆ Restaurant and institutional-use

- Addressing issues with insufficient and inexperienced labor. Expand semi-processed products such as desserts, gyoza, processed chicken products, etc., and almost fully processed products. Proceed further with initiatives with major customers that are growing.

Pursue Market Creation and Specialty in the Beverage Domain

Coffee Market Trend

- ◆ Japan's coffee market is expanding steadily
Record consumption for fifth straight year (2016 +102% YoY)
(Source: All Japan Coffee Association)

◆ Household-use

Level year-on-year performance led by the personal category (stick-type, personal regular coffee) and home-use liquid coffee.

(units: bil. cups)

	FY15	FY16	YoY	FY17	YoY
Personal total	4.2	4.5	108%	4.7	105%
Stick-type	2.1	2.2	105%	2.3	104%
Regular	2.0	2.3	111%	2.4	107%
Instant coffee	12.7	12.3	97%	11.8	96%
Regular home coffee	6.5	6.2	97%	6.1	98%
Roast Whole Beans	1.6	1.5	94%	1.4	98%
Home-use liquid coffee	1.8	2.0	108%	2.0	101%
Other liquid coffee	2.9	2.8	98%	2.8	98%
Canned	10.2	10.0	98%	9.9	99%
Total	39.8	39.3	99%	38.7	99%

◆ Restaurant and industrial-use

Coffee sold at convenience store counters showed steady expansion due to companies increasing their store count and providing new menu items.

(Household-use & restaurant and industrial-use data from AGF, Inc.)

FY17 initiatives

New company name: Ajinomoto AGF, Inc. (Jul. 1)

“A true second start”

“Aim to be a Specialty company with high quality and high profit”

- ◆ Create market as the No. 1 brand in the stick-type domain

- *Café Latory*®: pursue coffeehouse quality
- *Blendy*®: expand iced servings in spring and summer using cold water soluble technology



- ◆ Expansion of CVS counter coffee market

- Café Latte (hot & cold): major CVS chains have decided to introduce new-type machines in all stores by the end of Dec. 2017. Accelerate market creation by providing new menus.



- ◆ Continue to pursue Group synergies

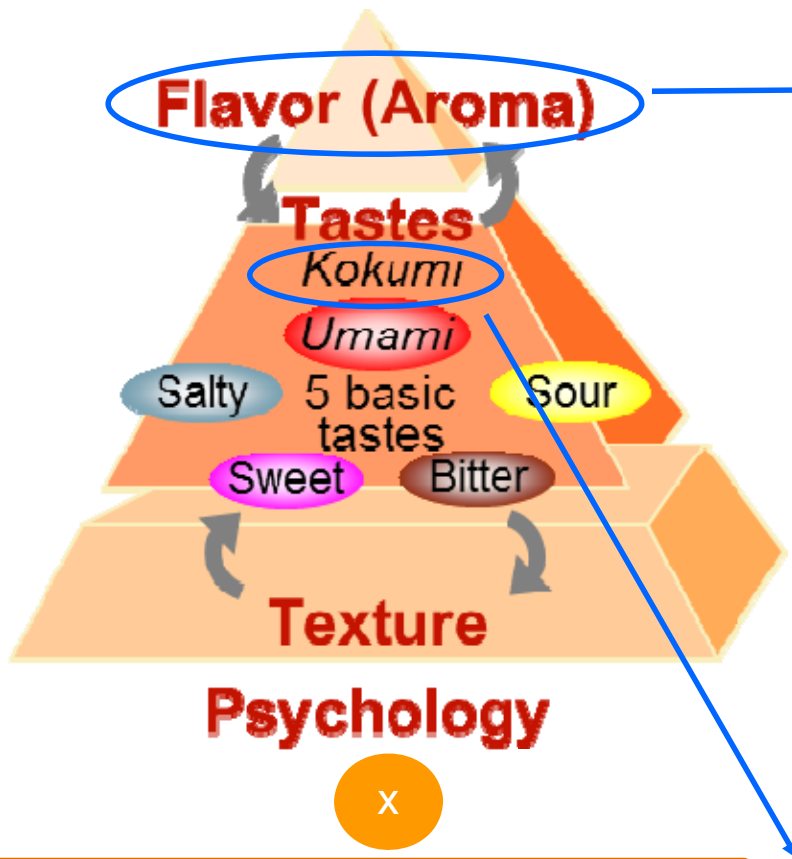
- Accelerate development of personal gift market following *Sen* receiving the Japan Gift Award 2017 (3rd straight year).
- Build win-win relationships with coffee farms by leveraging the fertilizer, co-products of Ajinomoto Group's MSG; strengthen green bean procurement. (Brazil, Columbia, Indonesia, Vietnam)
- Increase number of new countries for business and enter new domains.
- Start testing in cross-border China E-Commerce business (scheduled for June).

Launch Integrated Food Solutions Business as a New Pillar

Deepen our deliciousness technologies

Integrated Food Solutions & key ingredients

Domains of expansion



Ajinomoto Co.'s fermentation technology (sugar source + microorganisms) & T. HASEGAWA's formulation and refining technologies

Fermentation-derived natural vanillin

★ Plant-derived ingredients and fermentation manufacturing process rather than standard synthesis.

Our receptor technology

Kokumi substance γ EVG (glutamyl-valyl-glycine)

★ Enhancement/improvement of taste and flavor of extracts, milk, natural ingredients. Possibility for application in low-salt and low-fat as well.

Expand into Sweets category

Flavor enhancers, low-salt, low-fat

Roll out to our own products

Establish key account sales team

Form customer-centric sales structure via internal and external collaboration

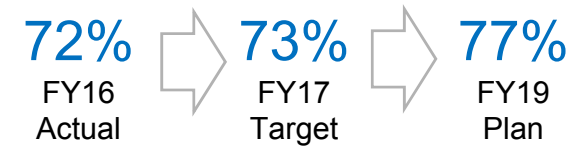
Accelerate Conversion of Bulk Businesses to Specialties

Umami seasonings (MSG) for processed food manufacturers

Expand supply for retail/internal demand, and reduce costs

- Utilize existing production capacities, and adjust sales based on market prices and sales capacity.
- Reduce the production costs with resource-saving fermentation technologies.

Ratio of retail sales (by weight)

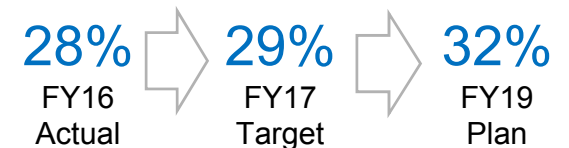


Sweeteners

Pursue specialties with retail business, and reduce costs

- Reorganize the brand portfolio to strengthen products and focus on marketing investment, expand home and food service sales opportunities by appealing to cooking (low-sugar, low-carb. menus, etc.).
- Reduce manufacturing and SG&A costs and expand sales of products in high price category.

Ratio of retail sales



Assumptions of FY2017 Forecast

Foreign exchange rates (vs JPY)

	Avg. rate	Sensitivity of translation effects to full year B.P.
USD	108.3	±¥1 → approx. ¥100 million
EUR	118.7	±¥1 → approx. ¥50 million
THB	3.08	±¥0.01 → approx. ¥100 million
BRL	32.8	±¥1 → approx. ¥200 million

Impact of exchange rate for trade (Sensitivity of translation effects to full year B.P.)

- 1 JPY vs USD → approx. - ¥200 million
- 0.1 EUR vs USD → approx. - ¥0 million
- 1 THB vs USD → approx. + ¥300 million
- 0.1 BRL vs USD → approx. + ¥200 million

Feed-use amino acids

1) Estimated market size (Thousand MT)

	FY15	FY16	FY17 Forecast
Lysine	around 2,200	around 2,300	around 2,400
Threonine	around 480	around 540	around 570
Tryptophan	around 28	around 33	around 37

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

	FY15	FY16	FY17 Target
Lysine	around 320	around 300	around 300
Threonine	around 110	around 110	around 120
Tryptophan	around 5	around 7	around 9

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

	FY16	FY2017**		2017/ April
		1H	Full Year	
Lysine	1.40	around 1.35	around 1.35	1.40
Threonine	1.75	around 1.75	around 1.75	1.70
Tryptophan	8	around 8	around 8	9
Spread*	210	around 150-200	around 150-200	180

* 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 target.

Impact of Exchange Rates for Trade

◆ If the **export base currency depreciates** against the trading currency, **the effect on operating income is positive**. Actual impact of FY16 exchange rates is on the **loss side** due to **export/import base currency appreciation**.

Export base	Trading currency	Actual rates (Upper row: FY2016; lower row: FY2015)	Rate trend (FY2016 vs FY2015)	Effect on operating income	Main import and export products
Japan (JPY)	USD	USD 1 = JPY 108.34 USD 1 = JPY 120.15	JPY up USD down	negative	Specialty chemicals, sweeteners, amino acids for pharmaceuticals and foods, Umami seasonings for processed food mfrs., frozen foods
	EUR	EUR 1 = JPY 118.74 EUR 1 = JPY 132.60	JPY up EUR down	negative	Feed-use amino acids
Brazil (BRL)	USD	USD 1 = BRL 3.30 USD 1 = BRL 3.59	BRL up USD down	negative	Umami seasonings for processed food mfrs., feed-use amino acids
	EUR	EUR 1 = BRL 3.61 EUR 1 = BRL 3.96	BRL up EUR down	negative	Umami seasonings for processed food mfrs., feed-use amino acids
Nigeria (NGN)	USD	USD 1 = NGN 285.11 USD 1 = NGN 198.87	NGN down USD up	negative	Seasonings
Thailand (THB)	JPY	JPY 1 = THB 0.32 JPY 1 = THB 0.29	JPY up THB down	positive	Frozen foods

Eat Well, Live Well.

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Ajinomoto Co., Inc.
FY2017–2019 (for FY2020)
Medium-Term Management Plan
Supplementary Materials: Non-financial Targets

May 15, 2017

Takaaki Nishii
President & CEO

Ajinomoto Group's FY2020 Integrated Targets:

Achieve value creation by setting integrated targets for both social and economic values

"Genuine Global Specialty Company"

To become a global top 10 class company that grows sustainably through ASV

Integrated Value

Corporate Brand

Supplementary material
for the concerned
topics

Enhance brand value through creating social/economic value, which leads to further value creation
FY20 brand value target¹⁾ = 1,500 mil.USD or more

FY20 Integrated Targets

Financial targets in IFRS (economic value)		Non-financial targets ²⁾ (social value)	
		<small>S: Social E: Environmental G: Governance</small>	
Business profit	¥137.0 bil. or more	Meats and vegetables consumption³⁾ (Japan, Five Stars)⁴⁾	Meats: 8.6 mil. tons/yr; 19% (9.7kg/person/yr) vs FY15 +3% (+2.0kg) Vegetables: 5.5 mil. tons/yr; 8% (6.2 kg/person/yr) vs FY15 +2% (+1.6kg)
Business profit margin	10%	Contribution to eating together (Japan, Five Stars)⁴⁾	70 times / households / year vs FY15 +20 times
ROE	10% or higher	Spare time created (Japan)⁵⁾	38 mil. hrs / yr (6 hrs / yr / households) vs FY15 +7 mil. hrs
EPS growth rate	Double-digit annual growth	Contribution to comfortable lifestyles (AminoScience)	22 mil. people vs FY15 +4 mil. people
Intl. sales growth rate (consumer foods) (local currency basis)	Double-digit annual growth	Resolution of environmental issues	E Contribution to the global environment through initiatives ahead of std. intl. targets e.g. GHG⁶⁾: 50% reduction by FY30⁷⁾
		Employees with high engagement	80%

1. Measured by Interbrand; 2. Refer to Reference Materials (p.36-40) for definitions of non-financial targets and calculation assumptions; 3. Annual total and % of annual consumption per person; 4. Calculation based on certain products in Japan and Five Stars; 5. Calculated using certain Japan Frozen Foods and Soup products.; 6. GHG = Greenhouse gases; 7. Compared to FY05
Note: std. = standard, intl. = international

(1) Social: Meats and Vegetables Consumption (Japan, Five Stars)

FY20 targets:
Meat: 8.6 million tons/year (19% of annual consumption)
Vegetables: 5.5 million tons/year (8% of annual consumption)

E.g. Indonesia, **Masako®**

Vegetable consumption per person per day
Guideline*: approx. 230g

Outlook for daily vegetable consumption



Communication:
example approach



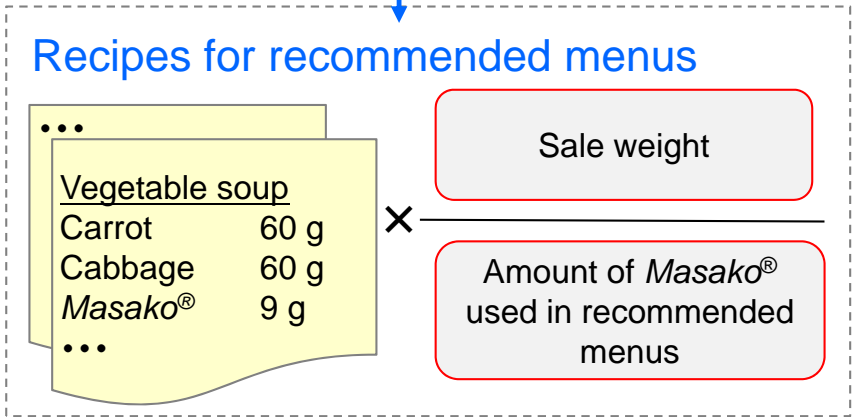
Highlight vegetable soup in TV CM



Deploy Dapur Umami recipe information site



Introduce nutritionally balanced menus on the back of packages



Recommended menus (3 dishes) with *Masako®* making it possible to consume vegetables

*Ajinomoto Group estimation based on WHO recommended intake of vegetables

(2) Social: Contribution to Eating Together (Japan, Five Stars)

FY20 target: 70 occasions/household/year

E.g. Gyoza

Gyoza, 1 bag



= 1 occasion for eating together



Quantity Sold

No. of occasions for eating together

E.g. Indonesia, Masako®

Recommended menus using Masako® (3 dishes)



No. of servings produced

÷

Average no. of dishes/meal

÷

Average no. of people/household

E.g. 20 billion servings ÷ 4 dishes ÷ 5 people = 1 billion occasions for eating together

Communication: example approach



Use an enticing, appetizing in-store video to drive purchases and sampling

(3) Social: Spare Time Created (Japan)

FY20 target: 38 million hrs./yr. (6 hr./household/yr.)

E.g. *The Chahan*

E.g. *Knorr® Cup Soup*



Communication:
example approach

As lifestyles become increasingly diverse, increase the use of our products as meals that can be prepared efficiently



“Supercharge your busy morning!”

TVCM, website

Using Group products

6 min./300 g
(0.5 bag)

2 min./4 cups

Made from scratch

10 min./300 g

10 min./4 cups

Time saved

4 min.

8 min. x

Number sold

=

Total time saved

(4) Social: Contribution to Comfortable Lifestyles (AminoScience)

FY20 target: 22 million people

Amino acids for foods and pharma. (incl. supplements)

E.g. Products using amino acids



Communication: example approach

TVCM, website, study sessions, etc.

(Estimated number of users of Group products)

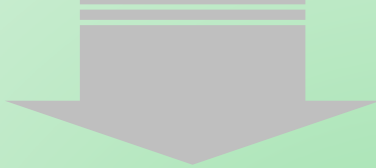


Number of users

(Since amount of materials consumed varies based on lifestyle and reason for use, calculations assume a certain level for each applicable business)

(5) Environmental: Rollout for Overall Product Lifecycles

In addition to previous production (plant) activities, we are adding the two categories of (2) **reduce food loss**, and (3) **secure food resources ... ecosystems and biodiversity** in our business activities ahead of international targets.

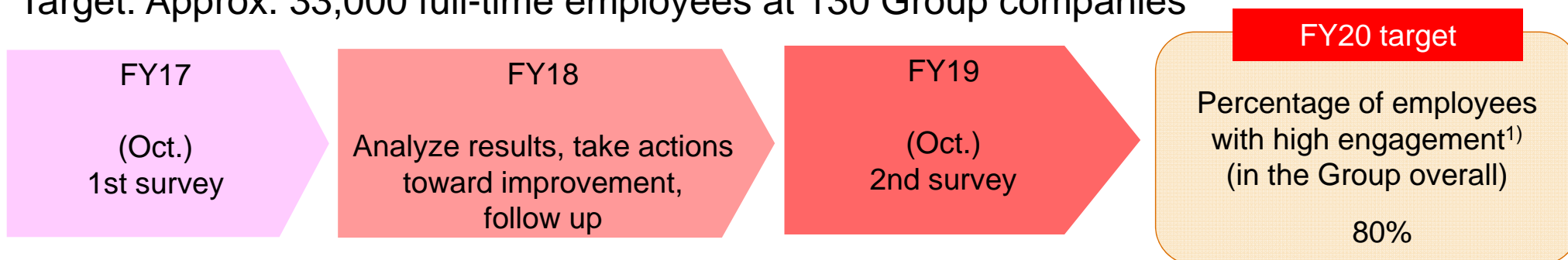
Key initiatives	Long-term vision	FY17, future plans	International targets
<p>1 Reduction of greenhouse gases emissions</p>	<p>Overall product lifecycle to become carbon neutral</p> <p>[FY15 CO₂ emissions per unit of production -33% (vs. FY05)]</p>	<p>FY20-FY30 Medium- to long-term targets set</p> <p>•FY16 performance currently being calculated (from product lifecycle perspective)</p>  <p>•FY18, FY19 Consider setting "quantitative indices" for individual years</p>	<ul style="list-style-type: none"> • Paris Climate Conference: Reduce 40%-70% of GHG emissions by 2050 • SDGs, CGF, Montreal Protocol, POPs Conv.
<p>2 Reduce food loss</p>	<p>Cut food loss within lifecycle by half by 2050</p>		<ul style="list-style-type: none"> • CGF: Cut food loss by half by 2025 (vs. on 2016)
<p>3 Secure food resources and protect natural environment, including ecosystems and biodiversity</p>	<p>Secure food resources for the next generation, contribute to protection of the natural environment and achieve sustainable procurement</p>		<ul style="list-style-type: none"> • SDGs: 14. Life Below Water; 15. Life on Land • CGF, RSPO, FSC, ASC
<p>4 Conservation of water resources</p>	<p>Create an environment where water resources are sustained</p> <p>[FY15 water use per unit of production -75% (vs. FY05)]</p>		<ul style="list-style-type: none"> • SDGs: 6. Clean Water and Sanitation
<p>5 3Rs of waste (Reduce, Reuse, Recycle)</p>	<p>Zero emission of waste materials</p> <p>[FY08-15 resource recovery ratio of 99% or more]</p>		<ul style="list-style-type: none"> • SDGs: 12. Responsible Consumption and Production

(6) Governance: Improve Employees' Engagement

Carry out global Engagement Survey

Improve engagement as an organization, leading to improved performance from greater organizational strength.

Target: Approx. 33,000 full-time employees at 130 Group companies



Reference / Engagement Survey items (tentative)

- Philosophy, vision, targets, goals
- Social responsibility, contributions
- Top management's leadership
- Innovation, creativity
- Quality and customer focus
- Tie-ups, collaboration, communication
- Organization and immediate manager
- Talent, career development
- Diversity, health and well-being
- Empowerment
- Operational excellence, performance management
- Integrity, ethics
- Sustainable engagement

1. Measure the proportion of employees who feel that the company is creating value by addressing social issues, and feel that they are contributing to that value creation.

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