

【IFRS】Ajinomoto Co., Inc.
FY2016 Supplementary Material

Note:

- 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.
- Figures in this material are unaudited and subject to change.
- Yen amounts presented in these materials are truncated for amounts in millions and in billions.
- In these materials, "-" indicates that an amount has not been recognized, and "0" indicates a fractional amount due to rounding.

1. Financial Statement Overview

(in millions of JPY)

	FY ending Mar. 18 (Forecast)	FY ended Mar. 17	FY ended Mar. 16
(1) Operating Results			
①Sales	1,187,000	1,091,195	1,149,427
②Gross profit	415,500	387,018	392,291
③Business profit*	102,000	96,852	98,144
④Operating profit	96,500	83,617	99,678
⑤Profit attributable to owners of the parent company	57,000	53,065	71,292
⑥Earnings per share (JPY)	100.00	92.81	121.23
⑦Ratio of business profit to total assets (ROA)	7.4%	7.4%	7.8%
⑧Return on equity (ROE)	8.9%	8.7%	11.3%
⑨Ratio of business profit to net sales	8.6%	8.9%	8.5%
⑩Ratio of operating profit to net sales	8.1%	7.7%	8.7%
⑪Ratio of profit attributable to owners of the parent company to net sales	4.8%	4.9%	6.2%
(2) Dividends			
①Dividend per share (JPY)	30	30	28
②Payout ratio	30.0%	32.3%	23.1%
(3) Statement of Changes in Financial Position			
①Total assets	1,395,600	1,350,105	1,273,893
②Total equity	737,900	690,673	680,727
③Equity attributable to owners of the parent company	663,500	616,315	609,486
④Ratio of equity attributable to owners of the parent company	47.5%	45.6%	47.8%
⑤Book value per share (JPY)	1,164.0	1,082.9	1,049.0
(4) Summary of Cash Flow Statement			
①Net cash provided by operating activities		108,907	129,311
②Net cash used in investing activities		-142,299	-58,745
③Net cash used in financing activities		14,738	-2,820
④Cash and cash equivalents at end of period		186,003	204,487

* A profit indicator defined by Ajinomoto for administrative purposes.

Sales - Cost of sales - Selling expenses, Research & development expenses and General & administrative expenses + Share of profit of associates and joint ventures

2. Number of Consolidated Subsidiaries/Affiliates

	FY ending Mar. 18 (Forecast)	FY ended Mar. 17	FY ended Mar. 16
Consolidated domestic subsidiaries	37	39	42
Consolidated overseas subsidiaries	58	54	54
<i>Sub-Total</i>	95	93	96
Domestic associates subject to equity method	4	4	3
Overseas associates subject to equity method	0	0	0
<i>Sub-Total</i>	4	4	3
Domestic joint ventures subject to equity method	2	2	1
Overseas joint ventures subject to equity method	1	1	0
<i>Sub-Total</i>	3	3	1
Parent company	1	1	1
<i>Total</i>	103	101	101

3. Change of Number of Consolidated Subsidiaries/Affiliates (from Mar. 16 to Mar. 17)

Subsidiaries	Increase (1)	Increase: Ajinomoto Animal Nutrition Do Brasil Ltda.
	Decrease (4)	Decrease: GABAN Co., Ltd., GABAN SPICE MANUFACTURING (M) SDN. BHD., AJINOMOTO PHARMACEUTICALS CO., LTD., HOKKAIDO ACE LOGISTICS CORPORATION
Associates	Increase (1)	Increase: EA Pharma Co., Ltd.,
	Decrease (-)	Decrease:
Joint ventures	Increase (2)	Increase: Promasidor Holdings Limited, F-LINE Co., LTD.
	Decrease (-)	Decrease:

4. Foreign Exchange Information

	FY ending Mar. 18 (Forecast)	FY ended Mar. 17	FY ended Mar. 16
JPY/USD	End of Period	108.34	112.19
	Average	108.34	108.34
JPY/EUR	End of Period	118.74	119.79
	Average	118.74	118.74
JPY/THB	End of Period	3.08	3.25
	Average	3.08	3.08
JPY/BRL	End of Period	32.86	35.61
	Average	32.86	32.86
JPY/100IDR	End of Period	0.82	0.84
	Average	0.82	0.82
JPY/100VND	End of Period	0.48	0.49
	Average	0.48	0.48
JPY/PHP	End of Period	2.27	2.24
	Average	2.27	2.27

5. Number of Employees

	FY ending Mar. 18 (Forecast)	FY ended Mar. 17	FY ended Mar. 16
Parent Company		3,459	3,477
(including expatriates)		4,170	4,183
Consolidated Basis		32,734	33,295

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6. Interest-bearing Debts

(in millions of JPY)

	FY ending Mar. 18 (Forecast)	FY ended Mar. 17	FY ended Mar. 16
Short-term borrowings and debt		35,642	24,115
Commercial paper		-	-
Bonds		169,347	89,656
Long-term debt		130,993	154,803
	<i>Total</i>	335,983	268,576
Cash and deposits with bank		186,003	204,487
	<i>Net</i>	149,980	64,089

7. Depreciation

(in 100millions of JPY)

	FY ending Mar. 18 (Forecast)	FY ended Mar. 17	FY ended Mar. 16
Japan Foods Products	121	107	105
International Food Products	176	175	179
Life Support	69	59	74
Healthcare	49	58	58
Other	19	21	24
All Company	42	40	54
	<i>Total</i>	476	497

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

(in 100millions of JPY)

	FY ending Mar. 18 (Forecast)	FY ended Mar. 17	FY ended Mar. 16
Japan Foods Products	198	448	480
International Food Products	325	214	196
Life Support	92	87	76
Healthcare	136	88	59
Other	23	24	40
All Company	55	32	40
	<i>Total</i>	829	893

9. R&D Expenses

(in 100millions of JPY)

	FY ending Mar. 18 (Forecast)	FY ended Mar. 17	FY ended Mar. 16
Japan Foods Products	39	34	35
International Food Products	38	35	33
Life Support	54	50	48
Healthcare	22	25	27
Other	6	2	0
All Company	129	122	119
	<i>Total</i>	288	271

10. Selling, R&D, G&A Expenses

(in millions of JPY)

	FY ending Mar. 18 (Forecast)	FY ended Mar. 17	FY ended Mar. 16
(1) Selling Expenses			
①Logistics expenses		43,787	46,432
②Advertisement		35,148	32,371
③Sales promotion expenses		26,399	27,611
④Sales commissions		2,794	3,253
⑤Employee benefits expenses		39,996	42,396
⑥Depreciation and amortization expenses		2,020	2,167
⑦Other		19,301	20,207
	<i>Total</i>	169,448	174,440
(2) Research and Development Expenses			
①Employee benefits expenses		12,717	12,760
②Depreciation and amortization expenses		2,201	2,024
③Subcontracting expenses and consumables expenses		6,979	6,407
④Other		5,236	5,399
	<i>Total</i>	27,134	26,591
(3) General and Administrative Expenses			
①Employee benefits expenses		53,496	51,948
②Depreciation and amortization expenses		8,006	9,721
③Other		34,616	32,615
	<i>Total</i>	96,119	94,284
<i>Total Selling, R&D, G&A expenses</i>	316,700	292,703	295,316

11. Other Operating Income & Expenses

(in millions of JPY)

	FY ending Mar. 18 (Forecast)	FY ended Mar. 17	FY ended Mar. 16
(1) Other Operating Income			
①Gain on step acquisitions		-	18,112
②Foreign exchange gain		-	1,160
③Gain on sale of fixed assets	1,000	5,312	879
④Other		4,229	3,716
	<i>Total</i>	9,541	23,868
(2) Other Operating Expense			
①Impairment loss		1,965	7,124
②Gain on sales of shares of subsidiaries and associates		626	5,603
③Loss on disposal of property, plant and equipment	4,100	3,657	2,796
④Provision for loss on contract		6,451	-
⑤Valuation loss on stock purchase agreement		2,037	-
⑥Environmental measures expenses		377	1,013
⑦Foreign exchange loss		1,272	-
⑧ Other		6,389	5,798
	<i>Total</i>	22,776	22,335

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	FY ending Mar. 18 (Forecast)	FY ended Mar. 17	FY ended Mar. 16
(1) Financial income			
① Interest income		3,162	2,825
② Dividend income		1,217	1,317
③ Gain on valuation of derivatives		975	-
④ Foreign exchange gain		1,303	1,094
⑤ Other		625	55
Total		7,283	5,292
(2) Financial expenses			
① Interest expenses			
Financial liabilities measured at amortized cost		2,128	2,061
Derivatives		403	265
② Loss on valuation of derivatives			
Financial assets and liabilities measured at fair value through profit or loss		-	2,732
③ Unwinding of discount on provisions arising from passage of time		3	4
④ Valuation allowance for expected credit loss		357	149
⑤ Other		1,322	978
Total		4,216	6,192

	FY ending Mar. 18 (Forecast)	FY ended Mar. 17	FY ended Mar. 16
Japan Foods Products			
Sales to external customers	403,000	390,441	397,069
YY %	103%	98%	-
Business profit	41,900	40,854	31,705
YY %	103%	129%	-
International Food Products			
Sales to external customers	439,300	428,988	463,907
YY %	102%	92%	-
Business profit	43,800	41,742	47,344
YY %	105%	88%	-
Life Support			
Sales to external customers	127,900	124,095	142,418
YY %	103%	87%	-
Business profit	5,800	5,874	12,059
YY %	99%	49%	-
Healthcare			
Sales to external customers	99,800	89,504	91,475
YY %	112%	98%	-
Business profit	7,600	8,126	7,093
YY %	94%	115%	-
Other			
Sales to external customers	62,000	58,166	54,556
YY %	107%	107%	-
Business profit	-2,100	255	-59
YY %	-	-	-
All company adjustments			
Sales to external customers	55,000	-	-
YY %	-	-	-
Business profit	5,000	-	-
YY %	-	-	-
Consolidated, Total			
Sales	1,187,000	1,091,195	1,149,427
YY %	109%	95%	-
Business profit	102,000	96,852	98,144
YY %	105%	99%	-

	FY ending Mar. 18 (Forecast)	FY ended Mar. 17	FY ended Mar. 16
Japan			
Sales to external customers	543,800	519,555	520,083
YY %	105%	100%	-
Business profit	41,200	44,630	37,858
YY %	92%	118%	-
Asia			
Sales to external customers	261,800	254,729	274,559
YY %	103%	93%	-
Business profit	36,400	36,538	38,796
YY %	100%	94%	-
Americas			
Sales to external customers	227,700	226,936	245,912
YY %	100%	92%	-
Business profit	14,900	12,696	17,521
YY %	117%	72%	-
Europe			
Sales to external customers	98,700	89,974	108,871
YY %	110%	83%	-
Business profit	4,500	2,986	3,969
YY %	151%	75%	-
All company adjustments			
Sales to external customers	55,000	-	-
YY %	-	-	-
Business profit	5,000	-	-
YY %	-	-	-
Consolidated, Total			
Sales to external customers	1,187,000	1,091,195	1,149,427
YY %	109%	95%	-
Business profit	102,000	96,852	98,144
YY %	105%	99%	-