

Ajinomoto Co., Inc.
FY2014 Consolidated Results

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.
- Unaudited figures are included in this material for reference.
- Yen amounts presented in these materials are rounded to the nearest hundred million for amounts in billions and truncated for amounts in millions.
- In these materials, "-" indicates that an amount has not been recognized, and "0" indicates a fractional amount due to rounding.

<Based on accounting policies applied from FY2015>

※Change of product classification:

Overseas frozen foods: from the former Domestic Food Products to International Food Products
Sweeteners: from the former Bioscience Products & Fine Chemicals to International Food Products
Coffee products: from Other Business to Japan Food Products
Wellness business: from Other Business to Healthcare
Pharmaceuticals: from Pharmaceuticals (business classification is terminated) to Healthcare

<Based on accounting policies applied from FY2014 >

*The following changes in accounting policies are conducted in FY2014. Sales promotion discounts paid to customers to expand sales are deducted from net sales. (Figures for FY2013 and subsequent fiscal years have been restated.)

*In FY2014, the Company change its depreciation method (from the declining balance method to the straight-line method) and revise the terms of useful lives. (Figures for previous periods have not been restated)

*Names and definitions of items in the breakdown of sales expenses have been changed from fiscal 2014. (Figures for FY2013 and subsequent fiscal years have been restated.)

1. Financial Statement Overview

< Based on accounting policies applied from FY2014 >

(in millions of JPY)

		FY ending Mar/16 (projected)	FY ended Mar/15	FY ended Mar/14	FY ended Mar/13	FY ended Mar/12
(1) Operating Results						
Net Sales	M. JPY	1,263,000	1,006,630	951,359	948,705	972,648
Gross profit	M. JPY	433,600	347,121	315,765	348,075	369,227
Operating income	M. JPY	82,000	74,519	61,807	71,232	72,584
Ordinary profit	M. JPY	85,000	82,808	68,800	77,167	75,919
Net income *	M. JPY	50,000	46,495	42,159	48,373	41,754
Earnings per share	JPY	84.49	78.54	68.67	74.35	61.28
Return on equity (ROE)		7.5%	7.4%	7.1%	7.8%	6.9%
Ratio of net income to total assets		3.9%	4.0%	3.8%		
Ratio of operating income to net sales		6.5%	7.4%	6.5%	7.5%	7.5%
Ratio of ordinary income to net sales		6.7%	8.2%	7.2%	8.1%	7.8%
Ratio of net income to net sales		4.0%	4.6%	4.4%	5.1%	4.3%
(2) Dividends						
Dividend per share		26	24	20	18	16
Payout ratio		30.8%	30.6%	29.1%	24.2%	26.1%
(3) Statement of Changes in Financial Position						
Total assets	M. JPY	1,306,500	1,255,090	1,093,165	1,091,741	1,097,057
Net assets	M. JPY	754,300	743,489	655,507	691,710	650,159
Shareholders' equity	M. JPY	672,600	669,576	594,950	635,287	605,349
Shareholders' equity ratio		51.5%	53.3%	54.4%	58.2%	55.2%
Book value per share	JPY	1,168.86	1,131.41	1,002.29	1,004.38	894.58
(4) Summary of Cash Flow Statement						
Net cash provided by operating activities	M. JPY		109,259	63,017	88,501	93,312
Net cash used in investing activities	M. JPY		-140,391	-63,497	15,201	-41,701
Net cash used in financing activities	M. JPY		52,822	-55,248	-74,419	-37,456
Cash and cash equivalents at end of period	M. JPY		165,160	130,028	184,770	146,647

* In accordance with a change to accounting standards, etc., "Net income" has changed to "Profit (loss) attributable to owners of parent" since FY2015.

< Reference: Figures before amortization of goodwill, etc. of Windsor and AGF >

(in millions of JPY)

		FY ending Mar/16 (projected)	FY ended Mar/15
Operating Results			
Operating income	M. JPY	89,000	75,337
Ordinary profit	M. JPY	92,000	83,626
Net income*	M. JPY	55,300	47,003
Earnings per share	JPY	93.46	79.40
Return on equity (ROE)		8.0%	7.4%
Ratio of net income to total assets		7.0%	7.5%
Ratio of operating income to net sales		6.7%	8.2%
Ratio of ordinary income to net sales		4.4%	4.6%

* Amortization of goodwill, etc. of AGF is provisional based on projections for FY ending Mar/16

2. Number of Consolidated Subsidiaries/Affiliates

	FY ending Mar/16 (projected)	FY ended Mar/15	FY ended Mar/14	FY ended Mar/13	FY ended Mar/12	FY ended Mar/11
Consolidated domestic subsidiaries	42	39	39	38	42	41
Consolidated overseas subsidiaries	57	60	50	48	51	54
<i>Sub-Total</i>	99	99	89	86	93	95
Domestic affiliates subject to equity method	5	6	6	5	4	4
Overseas affiliates subject to equity method	2	5	6	6	6	6
<i>Sub-Total</i>	7	11	12	11	10	10
Parent company	1	1	1	1	1	1
<i>Total</i>	107	111	102	98	104	106

3. Change of Number of Consolidated Subsidiaries/Affiliates (from Mar/14 to Mar/15)

Increase(11)	Increase: PT Ajinomoto Sales Indonesia, Increase: KYODO ACE LOGISTICS CORPORATION, Windsor Quality Holdings LP, Windsor Quality Food Company, Windsor Foods, LP, Ltd. Discovery Foods LLC, Lampasas Mexican foods LP, WQFCGP, LLC, , SBIGP, LLP, Chili Bow LLC, Lampasas Holdings, LLC,
Decrease(1)	Decrease: FREC DESSERT CO., LTD.
Equity method	Increase: None
Decrease(1)	Decrease: AET MANUFACTURING CO., LTD.

4. Foreign Exchange Information

		FY ending Mar/16 (projected)	FY ended Mar/15	FY ended Mar/14	FY ended Mar/13	FY ended Mar/12	FY ended Mar/11
JPY/US Dollar	End of Period	115.0	120.17	102.92	94.05	82.19	83.15
	Average	115.0	109.76	100.17	82.91	79.08	85.74
JPY/Euro	End of Period	143.0	130.32	141.65	120.73	109.80	117.57
	Average	143.0	138.69	134.21	106.78	109.02	113.13
JPY/THB	End of Period	3.50	3.70	3.17	3.20	2.67	2.75
	Average	3.50	3.38	3.19	2.70	2.59	2.75
JPY/100IDR	End of Period	0.9	0.92	0.91	0.98	0.91	0.96
	Average	0.9	0.91	0.93	0.89	0.91	0.96
JPY/BRL	End of Period	45.0	37.21	45.52	46.52	45.12	51.05
	Average	45.0	44.35	44.55	41.19	46.52	49.65
JPY/RMB	End of Period	19.2	19.36	16.59	15.14	13.05	12.68
	Average	19.2	17.71	16.38	13.18	12.36	12.78

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5. Number of Employees

	FY ending Mar/16 (projected)	FY ended Mar/15	FY ended Mar/14	FY ended Mar/13	FY ended Mar/12	FY ended Mar/11
Parent Company		3,484	3,398	3,343	3,300	3,310
(including expatriates)		4,220	4,199	4,211	4,195	4,186
Consolidated Basis		31,312	27,579	27,518	28,245	28,084

6. Interest-bearing Debts

(in millions of JPY)

	As of Mar/16 (projected)	As of Mar/15	As of Mar/14	As of Mar/13	As of Mar/12	As of Mar/11
Short-term borrowings and debt		121,446	37,327	36,764	23,423	22,407
Commercial paper		15,000	0	0	0	0
Bonds		19,994	34,993	49,992	69,990	69,989
Long-term debt		55,153	70,634	32,557	36,626	40,994
	<i>Total</i>	211,594	142,954	119,314	130,040	133,391
Cash and deposits with bank		168,294	132,416	186,501	149,913	141,801
	<i>Net</i>	43,299	10,538	-67,187	-19,873	-8,410

7. Depreciation

(in billions of JPY)

	FY ending Mar/16 (projected)
(1) Parent company	102
Subsidiaries	410
Adjustment	-
<i>Total</i>	512
(2) By business segment	
Japan Foods Products	107
International Food Products	178
Life Support	90
Healthcare	61
Other Business	26
All Company	50
<i>Total</i>	512

(in billions of JPY)

(1) Parent company	103
Subsidiaries	334
Adjustment	-3
<i>Total</i>	434
(2) By business segment	
Domestic Food Products	83
Overseas Food Products	128
Bioscience Products & Fine Chemicals	138
Pharmaceuticals	13
Other Business	21
All Company	50
<i>Total</i>	434

	FY ended Mar/15	FY ended Mar/14	FY ended Mar/13	FY ended Mar/12	FY ended Mar/11
(1) Parent company	103	128	130	132	156
Subsidiaries	334	334	304	315	356
Adjustment	-3	-4	-9	-10	-14
<i>Total</i>	434	457	425	437	498
(2) By business segment					
Domestic Food Products	83	96	103	129	137
Overseas Food Products	128	132	98	86	100
Bioscience Products & Fine Chemicals	138	133	113	106	138
Pharmaceuticals	13	21	33	37	36
Other Business	21	21	19	22	24
All Company	50	54	58	58	64
<i>Total</i>	434	457	425	437	498

8. Capital Expenditure/Investment

(in billions of JPY)

	FY ending Mar/16 (projected)
(1) Parent company	135
Subsidiaries	562
Adjustment	-
<i>Total</i>	697
(2) By business segment	
Japan Foods Products	147
International Food Products	322
Life Support	103
Healthcare	72
Other Business	19
All Company	34
<i>Total</i>	697

(in billions of JPY)

(1) Parent company	121
Subsidiaries	411
Adjustment	-23
<i>Total</i>	509
(2) By business segment	
Domestic Food Products	127
Overseas Food Products	151
Bioscience Products & Fine Chemicals	152
Pharmaceuticals	11
Other Business	20
All Company	49
<i>Total</i>	509

	FY ended Mar/15	FY ended Mar/14	FY ended Mar/13	FY ended Mar/12	FY ended Mar/11
(1) Parent company	121	112	120	102	78
Subsidiaries	411	405	502	472	394
Adjustment	-23	-11	-6	-6	-13
<i>Total</i>	509	506	616	568	458
(2) By business segment					
Domestic Food Products	127	85	117	123	108
Overseas Food Products	151	150	235	240	173
Bioscience Products & Fine Chemicals	152	165	163	124	101
Pharmaceuticals	11	13	35	32	30
Other Business	20	26	18	20	17
All Company	49	67	48	28	29
<i>Total</i>	509	506	616	568	458

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9. R&D Expenditure (in billions of JPY)

	FY ending Mar/16 (projected)
(1) Parent company	268
Subsidiaries	83
Total	351
(2) By business segment	
Japan Foods Products	36
International Food Products	41
Life Support	58
Healthcare	89
Other Business	0
All Company	127
Total	351

	FY ended Mar/15	FY ended Mar/14	FY ended Mar/13	FY ended Mar/12	FY ended Mar/11
(1) Parent company	243	241	239	245	270
Subsidiaries	79	77	87	104	99
Total	322	319	326	348	369
(2) By business segment					
Domestic Food Products	34	29	37	47	60
Overseas Food Products	30	28	28	30	28
Bioscience Products & Fine Chemicals	79	75	76	76	87
Pharmaceuticals	59	81	95	114	112
Other Business	7	7	7	8	12
All Company	112	97	84	73	72
Total	322	319	326	348	369

10. Selling, G&A Expenses

< Based on accounting policies applied from FY2014 >

	FY ending Mar/16 (projected)	FY ended Mar/15	FY ended Mar/14	FY ended Mar/13	FY ended Mar/12
(1) Selling Expense					
Transportation		37,315	31,143	32,231	35,538
Advertisement		25,278	21,421	22,322	22,007
Sales commission		23,859	24,316	39,890	50,013
Miscellaneous		1,871	1,273	1,259	1,068
Total		88,325	78,155	95,703	108,627
(2) General and Administrative Expenses					
Salaries		46,955	43,989	43,955	45,238
Bonuses and other allowances		18,039	17,097	17,421	18,888
Periodic pension and severance cost		7,333	5,782	6,561	8,971
Depreciation expense		9,528	9,687	9,948	10,395
Amortization of goodwill*	7,607	2,201	1,589	2,265	4,503
Other		100,217	97,655	100,989	100,021
Total		184,276	175,802	181,139	188,016
Total Selling, G&A expenses	351,600	272,601	253,957	276,842	296,643

11. Non-Operating Income & Loss

	FY ending Mar/16 (projected)	FY ended Mar/15	FY ended Mar/14	FY ended Mar/13	FY ended Mar/12	FY ended Mar/11
(1) Non-Operating Income						
Interest income		2,873	2,129	1,857	1,847	1,232
Dividend income		1,147	1,067	1,044	974	939
Equity in earnings of affiliates		5,177	3,360	3,058	2,401	2,990
Exchange gains		1,675	699	0	0	-
Other		3,512	4,331	3,983	2,263	2,250
Total		14,384	11,588	9,944	7,487	7,411
(2) Non-Operating Expense						
Interest expense		2,140	2,032	1,931	2,167	2,440
Exchange losses		-	-	0	0	205
Commission paid		675	328	0	0	0
Other		3,281	2,234	2,077	1,985	3,639
Total		6,096	4,595	4,009	4,152	6,286

12. Extraordinary Items

	FY ending Mar/16 (projected)	FY ended Mar/15	FY ended Mar/14	FY ended Mar/13	FY ended Mar/12	FY ended Mar/11
(1) Extraordinary Gains						
Gain on sale of fixed assets		-	3,081	0	0	0
Gain on sales of investment securities		-	-	-	554	912
Gain on sales of shares in affiliated companies		-	2,315	18,201	-	0
Insurance income		-	1,189	1,900	6,012	182
Gain on transfer of benefit obligation relating to employees' pension fund		-	-	27,752	-	0
Gain on liquidation of affiliated companies		-	1,005	-	-	-
Gain on termination of retirement benefit system		9,290	-	-	-	-
Other		3,568	1,029	1,387	521	2,126
Total		12,858	8,621	49,141	7,088	3,220
(2) Extraordinary Losses						
Loss on disposal of fixed assets		1,757	1,222	2,951	3,320	-
Impairment losses		10,486	624	14,562	1,106	8,503
Loss on devaluation of securities		-	0	2,346	607	7,416
Compensation expenses		-	664	-	-	-
Loss on liquidation of affiliates		-	859	-	0	0
Loss from natural disaster		-	-	0	3,759	3,231
Other		4,374	1,489	5,620	2,121	6,123
Total		16,617	4,860	25,481	10,915	25,275

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13. Information by Business segment

< Based on accounting policies applied from FY2015 >

(in millions of JPY)

	FY ending Mar/16 (projected)	FY ended Mar/15
Japan Foods Products		
Sales to external customers	407,200	289,084
Y/Y %	140%	
Operating income	27,900	24,799
Y/Y %	106%	
International Food Products		
Sales to external customers	500,000	384,102
Y/Y %	130%	
Operating income	36,300	31,984
Y/Y %	113%	
Life Support		
Sales to external customers	157,500	149,129
Y/Y %	106%	
Operating income	12,800	14,356
Y/Y %	89%	
Healthcare		
Sales to external customers	135,700	120,924
Y/Y %	112%	
Operating income	5,200	3,123
Y/Y %	167%	
Other Business		
Sales to external customers	62,600	63,390
Y/Y %	101%	
Operating income	-200	257
Y/Y %	15%	
Consolidated, Total		
Net Sales	1,263,000	1,006,630
Y/Y %	125%	
Operating income	82,000	74,519
Y/Y %	110%	

(in millions of JPY)

	FY ended Mar/15	FY ended Mar/14	FY ended Mar/13	FY ended Mar/12
Domestic Food Products				
Sales to external customers	321,814	299,925	357,057	396,268
Y/Y %	107%	84%	90%	-
Operating income	23,822	27,045	32,641	31,705
Y/Y %	88%	83%	103%	-
Overseas Food Products				
Sales to external customers	326,789	292,366	245,085	229,960
Y/Y %	112%	119%	107%	-
Operating income	34,154	25,046	20,703	21,545
Y/Y %	136%	121%	96%	-
Bioscience Products & Fine Chemicals				
Sales to external customers	239,544	228,102	203,801	197,648
Y/Y %	105%	112%	103%	-
Operating income	17,073	6,393	14,368	12,159
Y/Y %	267%	44%	118%	-
Pharmaceuticals				
Sales to external customers	39,704	51,228	71,450	77,922
Y/Y %	78%	72%	92%	-
Operating income	2,155	3,812	3,194	6,488
Y/Y %	57%	119%	49%	-
Other Business				
Sales to external customers	78,777	79,736	71,312	70,847
Y/Y %	99%	112%	101%	-
Operating income	-2,686	-491	324	686
Y/Y %	547%	-	47%	-
Consolidated, Total				
Net Sales	1,006,630	951,359	948,705	972,648
Y/Y %	106%	100%	98%	-
Operating income	74,519	61,807	71,232	72,584
Y/Y %	121%	87%	98%	-

14. Information by Geographic segment

< Based on accounting policies applied from FY2014 >

(in millions of JPY)

	FY ending Mar/16 (projected)	FY ended Mar/15	FY ended Mar/14	FY ended Mar/13	FY ended Mar/12
Japan					
Sales to external customers	583,100	460,402	474,948	541,509	590,828
Y/Y %	127%	97%	88%	92%	-
Operating income	33,000	29,625	32,724	34,350	35,555
Y/Y %	111%	91%	95%	97%	-
Asia					
Sales to external customers	294,800	260,440	230,269	194,533	177,396
Y/Y %	113%	113%	118%	110%	-
Operating income	35,800	30,458	24,848	22,105	21,585
Y/Y %	118%	123%	112%	102%	-
Americas					
Sales to external customers	262,700	175,317	139,287	117,483	114,084
Y/Y %	150%	126%	119%	103%	-
Operating income	9,700	11,656	4,197	9,285	8,888
Y/Y %	83%	278%	45%	104%	-
Europe					
Sales to external customers	122,400	110,469	106,853	95,178	90,338
Y/Y %	111%	103%	112%	105%	-
Operating income	3,500	2,778	37	5,491	6,554
Y/Y %	126%	7508%	1%	84%	-
Consolidated, Total					
Sales to external customers	1,263,000	1,006,630	951,359	948,705	972,648
Y/Y %	125%	106%	100%	98%	-
Operating income	82,000	74,519	61,807	71,232	72,584
Y/Y %	110%	121%	87%	98%	-