Ajinomoto Co., Inc.

Consolidated Results

[IFRS]

First Quarter Ended June 30, 2017

This document has been translated from the original Japanese as a guide for non-Japanese investors. It contains forward-looking statements based on a number of assumptions and judgements made by management in light of information currently available. Actual financial results may differ depending on a number of factors, including changing economic conditions, legislative and regulatory developments, delay in new product launches, and pricing and product initiatives of competitors.

SUMMARY OF FINANCIAL STATEMENTS [IFRS] (Consolidated)

First quarter results for the year ending March 31, 2018

Ajinomoto Co., Inc. **July 31, 2017**

Stock Code:	2802	Stock exchange listing:	Tokyo Stock Exchange
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Scheduled dates

Filing of statutory quarterly financial report:	August 10, 2017
Dividend payout:	N/A
Supplementary materials to quarterly financial report available:	Yes
Quarterly results briefing held:	None

1. Consolidated Financial Results for the Three-month Period Ended June 30, 2017

(1) Consolidated Operating Results

Millions of yen, rounded down

	Three-month period ended June 30, 2017		Three-month period ended June 30, 2016	
		Change %		Change %
Sales	267,749	1.9	262,866	-
Business profit	24,448	1.1	24,187	-
Profit before income taxes	25,964	12.0	23,187	-
Profit	18,584	14.9	16,175	-
Profit attributable to owners of the parent company	16,063	18.3	13,583	-
Basic earnings per share (yen)	¥28.22	-	¥23.51	-
Diluted earnings per share (yen)	-	-	-	-

"Change %" indicates the percentage change compared to the same period of the previous fiscal year.

Share of profit of associates and joint ventures:

Three-month period ended June 30, 2017: ¥1,532 million (150.8%)

Three-month period ended June 30, 2016: ¥610 million (-%)

Note 1: The Ajinomoto Group applied IFRS for its consolidated financial statements from the fiscal year ended March 31, 2017. Accordingly, year-on-year changes from the first quarter of the previous year are not shown for the results of the first quarter of the fiscal year ended March 31, 2017.

Note 2. Upon the adoption of IFRS, the Ajinomoto Group has introduced "business profit" as a new profit level that will better enable investors, the Board of Directors, and the Management Committee to grasp the core business results and future outlook of each business while also facilitating continuous evaluation of the Group's business portfolio by the Board of Directors and the Management Committee. "Business profit" is defined as sales minus the cost of sales, selling expenses, research and development expenses, and general and administrative expenses, to which is then added share of profit of associates and joint ventures. Business profit does not include other operating income or other operating expenses.

(2) Consolidated Financial Position

Millions of yen, rounded down

	As of June 30, 2017	As of March 31, 2017
Total assets	1,352,052	1,350,105
Total equity	703,494	690,673
Equity attributable to owners of the parent company	628,274	616,315
Ownership ratio attributable to owners of the parent company (%)	46.5%	45.6%

2. Dividends

	Fiscal year ended March 31, 2017	Fiscal year ending March 31, 2018	Fiscal year ending March 31, 2018 (forecast)
Dividend per share			
Interim (yen)	¥15.00	¥-	¥15.00
Year-end (yen)	¥15.00	¥-	¥15.00
Annual (yen)	¥30.00	¥-	¥30.00

Note: Revisions to dividend forecasts in the period under review: None

3. Forecast for the Fiscal Year Ending March 31, 2018

Millions of yen, rounded down

	Fiscal year ending March 31, 2018	
		Change %
Sales	1,187,000	8.8
Business profit	102,000	5.3
Profit attributable to owners of the parent company	57,000	7.4
Basic earnings per share (yen)	¥100.00	-

“Change %” indicates the percentage change compared to the previous fiscal year.

Note: Revisions to consolidated earnings forecasts in the period under review: None

Notes:

(1) Changes in important subsidiaries during the period (Changes in status of subsidiaries affecting the scope of consolidation): None

(2) Changes in accounting policies and accounting estimates

1) Changes in accounting policies as required by IFRS: None
2) Other changes in accounting policies: None
3) Changes in accounting estimates: None

(3) Number of shares outstanding (ordinary shares)

Shares

	As of June 30, 2017	As of March 31, 2017
Number of shares outstanding at the end of period (including treasury shares):	571,863,354	571,863,354
Number of treasury shares at end of period	2,731,120	2,729,750
	April 1, 2017 to June 30, 2017	April 1, 2016 to June 30, 2016
Average number of shares during period	569,132,989	577,727,691

* This summary of consolidated financial statements is exempt from quarterly review.

* Appropriate use of forecasts and other notes

[Disclaimer regarding forward-looking statements and other information]

Forward-looking statements, such as business forecasts, included in this document are based on management's estimates, assumptions, and projections at the time of publication. These statements do not represent a promise or commitment by the Company to achieve these forecasts. Actual operating results may differ significantly due to various factors. For more information regarding our earnings forecasts, see Supplementary Materials for 1Q-FY2017 Consolidated Results, page 8, "1. Qualitative Information on Three-month Period Consolidated Results (3) Explanation of consolidated earnings forecasts."

[Method of obtaining supplementary results materials]

Supplementary results materials will be published on the Company's website on Monday, July 31, 2017.

AJINOMOTO®

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1. Qualitative Information on Three-month Period Consolidated Results

Upon the adoption of IFRS, the Ajinomoto Group has introduced "business profit" as a new profit level that will better enable investors, the Board of Directors, and the Management Committee to grasp the core business results and future outlook of each business while also facilitating continuous evaluation of the Group's business portfolio by the Board of Directors and the Management Committee. "Business profit" is defined as sales minus the cost of sales, selling expenses, research and development expenses, and general and administrative expenses, to which is then added share of profit of associates and joint ventures. Business profit does not include other operating income or other operating expenses.

(1) Explanation of operating results

During the three-month period ended June 30, 2017 (April 1 to June 30, 2017), the global economy as a whole remained in a moderate recovery, with the US and European economies continuing to improve while signs of a pickup were also seen in China and other emerging countries.

The Japanese economy also stayed in a moderate recovery amid rebounding personal consumption and corporate capital investment, as well as an improving employment environment.

In this environment, the Ajinomoto group began implementing its FY2017-2019 (for FY2020) Medium-Term Management Plan, which will guide the Group through the fiscal year ending March 2020. With the ultimate goal of becoming a "Genuine Global Specialty Company," the Company is making efforts to "Advance Growth Drivers" and "Further Business Structural Reform," while also endeavoring to "Build a Stronger Management Foundation" to guide the Company over the longer term.

Consolidated sales for three-month fiscal period ended June 30, 2017, rose 1.9% year on year, or ¥4.8 billion, to ¥267.7 billion, supported by strong sales on a local-currency basis of our seasonings and processed foods (international). Business profit edged up 1.1%, or ¥0.2 billion, to ¥24.4 billion, due to the positive impact from forex trends.

Profit attributable to owners of the parent increased 18.3%, or ¥2.4 billion, to ¥16.0 billion.

Consolidated operating results by segment

Results for individual business segments are summarized below.

Billions of yen, rounded down

	Sales	YoY change - amount	YoY change - percent	Business profit	YoY change -amount	YoY change -percent
Japan food products	92.2	(2.3)	(2.5)%	10.1	1.6	18.9%
International food products	108.8	6.4	6.3%	11.6	(0.2)	(2.4)%
Life support	30.5	(0.0)	0%	1.4	0.3	27.5%
Healthcare	21.0	(0.3)	(1.8)%	0.0	(2.6)	(97.1)%
Other	15.2	1.1	8.5%	1.1	1.2	-
Total	267.7	4.8	1.9%	24.4	0.2	1.1%

Note: Domestic and overseas sales of *ACTIVA*® products to food processing companies, and savory seasonings are included in the Japan Food Products segment. Domestic and overseas sales of umami seasoning *AJI-NO-MOTO*® for the food processing industry and nucleotides and sweeteners are included in the International Food Products segment.

1) Japan Food Products Segment

Japan Food Products segment sales decreased by 2.5%, or ¥2.3 billion, to ¥92.2 billion, in the first quarter of the fiscal year, owing to a lower contribution from sales of seasonings and processed foods in Japan following the sale of a consolidated subsidiary and other factors. Segment business profit, however, increased by 18.9%, or ¥1.6 billion, to ¥10.1 billion, on higher business profits at domestic seasonings and processed foods, frozen foods, and coffee products.

Seasonings and processed foods: Sales of our home-use products increased year on year, led by a sharp increase in sales of *Knorr® Cup Soup* lineup as well as higher sales of the Chinese menu seasoning *Cook Do®* and other products.

Sales of restaurant and industrial–use seasonings and processed foods declined year on year, primarily owing to the impact of the sale of a subsidiary, which offset increased sales of our savory seasonings and of food enzyme *ACTIVA®* both in Japan and overseas.

As a result of the above trends, overall sales of seasonings and processed foods in the Japan Food Products segment were lower than in the first quarter of the previous fiscal year.

Frozen foods: Sales of home-use frozen foods expanded year on year, led by sharply higher sales of *THE ★CHA-HAN* (fried rice) with support from year-on-year sales increases for *Yawaraka Wakadori Kara-Age* (fried chicken) and *Gyoza*.

Sales targeted at the restaurant and industrial–use market were largely the same as in the first quarter of the previous year, as increased sales of dessert and *Gyoza*, etc. products were offset by weak sales of processed chicken and some other products.

As a result, overall first-quarter sales of frozen foods in Japan were above the previous year's level.

Coffee products: Sales of home-use coffee products fell below the previous year's level as weak sales of instant and bottled coffee products offset increased sales of our 3-in-1 stick products, which continue to expand steadily.

Sales of restaurant and industrial–use coffee products also declined, owing to lower sales to major customers.

As a result, overall sales of coffee products fell short of the level achieved a year earlier.

2) International Food Products Segment

International food products segment sales increased by 6.3%, or ¥6.4 billion, to ¥108.8 billion, driven by increased sales of overseas seasonings and processed foods. Segment business profit slipped by 2.4%, or ¥0.2 billion, to ¥11.6 billion, owing to declines in sales of frozen foods and of umami seasonings for processed food manufacturers and sweeteners.

Seasonings and processed foods: In Asia, many products achieved year-on-year sales gains on a local-currency basis—including sales of the umami seasoning *AJI-NO-MOTO®* in Indonesia, Vietnam, and Cambodia and sales of *Masako®* flavor seasonings in Indonesia. Forex trends also contributed to an increase in reported yen-based sales.

In the Americas, region-wide sales were higher than a year earlier, driven by stronger sales on a local-currency basis of such products as the flavor seasoning *Sazón®* in Brazil.

Sales in Europe and Africa were sharply higher year on year, thanks to strong growth in sales of *AJI-NO-MOTO®* in Africa.

As a result of the above factors, overseas sales of our seasonings and processed foods were above the previous year's level.

Frozen foods: Ajinomoto Windsor, Inc., saw its first-quarter sales decline on a local-currency basis, but a favorable forex trend contributed to an overall increase in the segment's sales of frozen foods.

Umami seasonings for processed food manufacturers and sweeteners: Sales of *AJI-NO-MOTO®* to the food processing industry declined year on year, owing to lower overseas sales prices and smaller domestic and overseas sales volumes.

Sales of nucleotides increased on higher sales volumes in Japan and overseas.

Sales of sweeteners were in line with the previous year's level, as higher sales prices on a yen-basis for the category's core product, aspartame for the food processing industry, were offset by lower sales volumes.

Consequently, overall, sales of Umami seasonings for processed food manufacturers and sweeteners were lower than in the first quarter of the previous fiscal year.

3) Life Support Segment
Life Support segment first-quarter sales totaled ¥30.5 billion, the same as a year earlier, with both specialty chemicals and animal nutrition products replicating their previous year's performance. Segment business profit expanded by 27.5%, or ¥0.3 billion, to ¥1.4 billion, mainly owing to higher profits on sales of our specialty chemicals.

Animal nutrition: Lysine sales fell below the previous year's level owing to lower sales volume. Threonine sales also were lower owing to a sharp drop in sales volume. Tryptophan sales, however, increased substantially, supported by sharply higher volumes and sales prices. Sales of specialty products, such as Valine, also increased substantially.

As a result, overall, sales of animal nutrition products were about the same as a year earlier.

Specialty chemicals: Overall sales of products in this category were largely the same as a year earlier, as increased sales of insulation film for build-up printed wiring board used in semiconductor packaging were offset by lower sales of cosmetics ingredients.

4) Healthcare Segment
Healthcare segment sales slipped by 1.8%, or ¥0.3 billion, to ¥21.0 billion, on lower sales of amino acids for pharmaceuticals and foods and a big decline in sales of pharmaceutical custom manufacturing services. Segment business profit fell to near ¥0.0 billion, a 97.1%, or ¥2.6 billion, year-on-year decline, on large drops in the margins on amino acids for pharmaceuticals and foods as well as on pharmaceutical custom manufacturing service.

Amino acids: First-quarter sales of amino acids for pharmaceuticals and foods fell year on year, as higher overseas sales, in part due to favorable forex rates, were more than offset by lower sales in Japan. Revenues from our pharmaceutical custom manufacturing service were down on lower sales in North America and Europe.

Reflecting the above factors, overall sales of amino acids were lower than in the same period of the previous year.

5) Other
In the Other segment, sales increased 8.5%, or ¥1.1 billion, to ¥15.2 billion, and business profit totaled ¥1.1 billion, a ¥1.2 billion improvement on the previous year's result.

(2) Explanation of Financial Position
As of June 30, 2017, total assets amounted to ¥1,352.0 billion, a ¥1.9 billion increase from ¥1,350.1 billion at the end of the previous fiscal year. The increase mainly reflects an increase in the value of assets on the balance sheets of overseas subsidiaries when converted into Japanese yen.

Total liabilities amounted to ¥648.5 billion, ¥10.8 billion less than the ¥659.4 billion at the end of the previous fiscal year. Interest-bearing debt amounted to ¥340.2 billion, an increase of ¥4.2 billion from the end of the previous fiscal year.

Total equity as of June 30, 2017 was ¥12.8 billion higher than at the end of the previous fiscal year, reflecting the effect of changes in exchange differences on translation of foreign operations and other factors. Equity attributable to owners of the parent company, which is total equity minus non-controlling interests, totaled ¥628.2 billion, and the ownership ratio attributable to owners of the parent company was 46.5%.

(3) Explanation of consolidated earnings forecasts
No changes have been made to the full-year forecasts that the Company announced on May 15, 2017.

2. Condensed Consolidated Financial Statements and Notes

(1) Condensed Consolidated Statements of Financial Position

Millions of yen

	As of end of first quarter (June 30, 2017)	As of end of previous fiscal year (March 31, 2017)
Assets		
Current assets		
Cash and cash equivalents	174,864	186,003
Trade and other receivables	175,295	186,503
Other financial assets	12,284	11,047
Inventories	182,869	168,755
Income taxes receivable	9,398	7,423
Others	15,028	13,711
Total current assets	569,740	573,445
Non-current assets		
Property, plant and equipment	396,645	393,441
Intangible assets	62,028	60,422
Goodwill	100,913	96,606
Investments in associates and joint ventures	129,675	130,634
Long-term financial assets	65,992	62,923
Deferred tax assets	5,913	8,249
Others	21,141	24,382
Total non-current assets	782,311	776,660
Total assets	1,352,052	1,350,105

Millions of yen

	As of end of first quarter (June 30, 2017)	As of end of previous fiscal year (March 31, 2017)
Liabilities		
Current liabilities		
Trade and other payables	151,581	160,840
Short-term borrowings	20,145	11,153
Current portion of long-term borrowings	24,561	23,929
Other financial liabilities	5,068	5,049
Short-term employee benefits	33,477	35,501
Provisions	2,040	4,579
Income taxes payable	11,243	9,995
Others	9,896	9,744
Total current liabilities	258,015	260,794
Non-current liabilities		
Corporate bonds	169,363	169,347
Long-term borrowings	124,423	129,617
Other financial liabilities	18,285	18,452
Long-term employee benefits	55,048	57,592
Provisions	11,261	11,261
Deferred tax liabilities	12,037	12,163
Others	122	202
Total non-current liabilities	390,542	398,637
Total liabilities	648,558	659,431
Equity		
Common stock	79,863	79,863
Capital surplus	3,881	3,797
Treasury stock	(6,898)	(6,895)
Retained earnings	592,348	584,849
Other components of equity	(40,919)	(45,299)
Equity attributable to owners of the parent company	628,274	616,315
Non-controlling interests	75,219	74,358
Total equity	703,494	690,673
Total liabilities and equity	1,352,052	1,350,105

(2) Condensed Consolidated Statements of Income and Condensed Consolidated Statements of Comprehensive Income

Condensed Consolidated Statements of Income

Millions of yen

	Three-month period (April 1, 2017 to June 30, 2017)	Three-month period (April 1, 2016 to June 30, 2016)
Sales	267,749	262,866
Cost of sales	(173,228)	(168,874)
Gross profit	94,521	93,991
Share of profit of associates and joint ventures	1,532	610
Selling expenses	(41,364)	(40,104)
Research and development expenses	(7,269)	(7,123)
General and administrative expenses	(22,970)	(23,187)
Business profit	24,448	24,187
Other operating income	2,737	1,281
Other operating expenses	(2,130)	(2,381)
Operating profit	25,055	23,087
Financial income	2,060	4,512
Financial expenses	(1,150)	(4,412)
Profit before income taxes	25,964	23,187
Income taxes	(7,380)	(7,012)
Profit	18,584	16,175
Attributable to:		
Owners of the parent company	16,063	13,583
Non-controlling interests	2,521	2,591
Earnings per share (yen):		
Basic	28.22	23.51
Diluted	-	-

Condensed Consolidated Statements of Comprehensive Income

Millions of yen

	Three-month period (April 1, 2017 to June 30, 2017)	Three-month period (April 1, 2016 to June 30, 2016)
Profit	18,584	16,175
Other comprehensive income (Net of related tax effects)		
Items that will not be reclassified to profit or loss:		
Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	2,537	(1,761)
Remeasurements of defined benefit pension plans	1,017	(658)
Share of other comprehensive income (loss) of associates and joint ventures	182	301
Items that may be reclassified subsequently to profit or loss:		
Cash flow hedges	42	(1,099)
Change in fair value of forward elements of forward contracts	84	-
Exchange differences on translation of foreign operations	1,535	(43,120)
Share of other comprehensive income (loss) of associates and joint ventures	(300)	(36)
Other comprehensive income (Net of related tax effects)	5,099	(46,375)
Comprehensive income	23,683	(30,199)
Comprehensive income attributable to:		
Owners of the parent company	20,407	(27,500)
Non-controlling interests	3,276	(2,699)

(3) Notes to Condensed Consolidated Financial Statements

(Notes Regarding Premise of a Going Concern)

No applicable items

(Important Accounting Policies)

With the exception of the item explained below, the important accounting policies used to prepare these condensed consolidated financial statements for three-month period are unchanged from the policies applied to the consolidated financial statements in the previous fiscal year.

Tax expense for the first quarter consolidated accounting period is calculated based on an estimation of the effective tax rate for the fiscal year.

(New Accounting Policy)

Stock–based remuneration

In the Performance-linked Stock-based Remuneration System, consideration for service received is measured based on the fair value of the Company's shares on the grant date or is measured at the fair value of any liabilities generated. The consideration amount is recognized as an expense over the applicable period. An equivalent amount is recognized as an increase in equity or liabilities.

(Segment Information)

(1) Overview of reportable segments

The Group's reportable segments are categorized primarily by product lines, with the food business further separated into domestic and overseas. Therefore, the Company has four reportable segments: "Japan Food Products," "International Food Products," "Life Support," and "Healthcare."

Each reportable segment is a component of the Group for which separate financial information is available and evaluated regularly by the Management Committee in determining the allocation of management resources and in assessing performance.

(2) Information by reportable segment

The Group's sales and earnings by reportable segment are as follows.

Inter-segment sales and transfers are primarily based on transaction prices between third-parties.

Three-month period ended June 30, 2017 (April 1, 2017 to June 30, 2017)

Millions of yen

	Reportable segment				Other *	Total	Adjustments	As included in condensed consolidated financial statements
	Japan Food Products	International Food Products	Life Support	Healthcare				
Sales								
Sales to third parties	92,203	108,821	30,513	21,007	15,202	267,749	-	267,749
Inter-segment sales and transfers	943	1,141	646	538	13,852	17,121	(17,121)	-
Total sales	93,146	109,963	31,159	21,546	29,054	284,870	(17,121)	267,749
Share of profit of associates and joint ventures	91	514	67	-	858	1,532	-	1,532
Segment profit or loss (Business profit or loss)	10,152	11,663	1,435	79	1,117	24,448	-	24,448
					Other operating income			2,737
					Other operating expenses			(2,130)
					Operating profit			25,055
					Financial income			2,060
					Financial expenses			(1,150)
					Profit before income taxes			25,964

* Other includes the tie-up, packaging, logistics, and other service-related businesses.

Three-month period ended June 30, 2016 (April 1, 2016 to June 30, 2016)

Millions of yen

	Reportable segment				Other *	Total	Adjustments	As included in condensed consolidated financial statements
	Japan Food Products	International Food Products	Life Support	Healthcare				
Sales								
Sales to third parties	94,561	102,390	30,513	21,383	14,017	262,866	-	262,866
Inter-segment sales and transfers	1,024	1,473	679	493	13,111	16,783	(16,783)	-
Total sales	95,586	103,863	31,193	21,877	27,129	279,650	(16,783)	262,866
Share of profit of associates and joint ventures	420	4	38	-	147	610	-	610
Segment profit or loss (Business profit or loss)	8,540	11,944	1,125	2,755	(177)	24,187	-	24,187
					Other operating income			1,281
					Other operating expenses			(2,381)
					Operating profit			23,087
					Financial income			4,512
					Financial expenses			(4,412)
					Profit before income taxes			23,187

* Other includes the tie-up, packaging, logistics, and other service-related businesses.

(Business Combination)

Three-month period ended June 30, 2017 (April 1, 2017 to June 30, 2017)

(Acquisition of Örgen)

(1) Outline of business combination

The Company agreed on November 15, 2016, to acquire all the shares of Örgen Gıda Sanayi ve Ticaret A.Ş. ("Örgen"), a food company in Turkey, and the trademark rights for their brand for powdered seasoning, "Bizim Mutfak," which is extensively penetrated in Turkey, and on April 3, 2017 completed the acquisition procedures.

In its FY2017-2019 (for FY2020) Medium-Term Management Plan, the Company has made it one of its key strategies to accelerate regional expansion for food business growth with a stronger regional portfolio. Positioning Turkey as its starting point for business expansion in the Middle East, the Company intends to use the business foundations and brands of Örgen and Kükre A.Ş., a food company in which the Company acquired a 50% stake in 2013, to strengthen its business portfolio in Turkey and accelerate business expansion in the Middle East, thus contributing to richness in food in the region.

(2) Impact on Group earnings

The condensed consolidated financial statements for the first quarter include sales and quarterly profits generated by Örgen Gıda Sanayi ve Ticaret A.Ş. ("Örgen") of 38 million Turkish lira (¥1,189 million) and 3 million Turkish lira (¥95 million), respectively. Assuming the business combination was completed at the start of the three-month period, the impact on quarterly sales and profits is not significant.

(3) Fair value of consideration transferred on acquisition date

	Amount
Cash	TRY 196 million (¥6,108 million)

Note 1. Acquisition costs related to the transfer of cash for this business combination totaling ¥818 million were recorded as a general and administrative expense.

Note 2. The amount shown above includes expenses related to the acquisition of trademark rights for Örgen's Bizim Mutfak brand.

Note 3. The amount shown above is the value after price adjustment at the time of the share acquisition, based on an exchange rate of Turkish lira (TRY) 1 = JPY 31.01. Since further price adjustment will be made after the share acquisition, the final acquisition cost is undetermined at the time of this document's preparation.

(4) Cash outflows related to acquisition of subsidiary

	Amount
Consideration paid by cash	TRY 196 million (¥6,108 million)
Cash & cash equivalents of acquired subsidiary	TRY 5 million (¥183 million)
Cash outflows related to acquisition of subsidiary	TRY 191 million (¥5,924 million)

(5) Fair value of assets acquired, liabilities assumed, and related goodwill

Millions of yen

	Amount
Current assets	2,525
Trade and other receivables	1,507
Inventories	609
Others	408
Non-current assets	2,160
Intangible assets	1,860
Others	299
Total assets	4,686
Current liabilities	1,990
Trade and other payables	896
Others	1,093
Non-current liabilities	52
Others	52
Total liabilities	2,042
Total equity (A)	2,643
Fair value of consideration transferred on acquisition date (B)	6,108
Goodwill (C)=(B)-(A)	3,464

Concerning the assets acquired and liabilities assumed, allocation of the acquisition cost had not been completed as of the end of the first-quarter consolidated accounting period. Consequently, the figures above are provisional calculations based on the information available at the time of this document’s preparation.

The goodwill shown above mainly reflects the expected synergies with existing businesses and the excess return expected to arise from the acquisition.

(6) Fair value of receivables acquired, contract accounts receivable, and estimated value of doubtful accounts
Acquired trade and other receivables consist primarily of accounts receivable, the fair value of which is TRY 48 million (¥1,507 million). This entire amount represents contracted value and does not include any doubtful accounts.

(Significant Subsequent Events)
No applicable items