

## Ajinomoto Co. Inc. Agrees to Transfer Its Entire Equity Stake in a Packaging Materials Company in Thailand to Its Joint Venture Partner

**TOKYO, January 31, 2020** – Ajinomoto Co., Inc. (“Ajinomoto Co.”) agreed today to enter into a contract to transfer the entire equity stake held by the Ajinomoto Group in Fuji Ace Co., Ltd. (“FA”), a packaging materials company in Thailand, to its joint venture partner Fuji Seal International, Inc. (“FSI”).

### 1. Overview of the Share Transfer Agreement

- (1) Counterparty: Fuji Seal International, Inc.
- (2) Signing date: February 5, 2020 (scheduled)
- (3) Shares to be transferred: 25,500,000 shares
- (4) Transfer price: THB 1,244 million (approximately JPY 4.5 billion)
- (5) Share transfer date: Fourth quarter of FY2019 (scheduled)

Note: THB 1 = JPY 3.63 (exchange rate as of December 31, 2019)

### 2. Background

In 1995, Ajinomoto Co. established FA as a manufacturing and sales base for packaging materials in Thailand through a joint venture with FSI (then Fuji Seal, Inc.), a packaging materials manufacturer. As packaging materials account for the majority of manufacturing costs, FA’s role was to strengthen the competitiveness of the Ajinomoto Group’s International Food Products business, which was expected to grow. For more than 20 years, FA has played an important part in the expansion of the International Food Products business. Aside from Ajinomoto Group companies, FA’s customer base is steadily expanding in Thailand and other Asian countries in the ASEAN region. As a result of the accompanying sales expansion, sales to companies outside of the Ajinomoto Group have been accounting for a progressively larger percentage of FA’s sales.

Given this change in circumstances, the significance for Ajinomoto Co. of having a packaging materials company within the Ajinomoto Group has diminished. Ajinomoto Co. has decided that for further growth of FA’s business, it should be conducted under the control of FSI. As a result of a series of discussions with FSI, Ajinomoto Co. reached an agreement to transfer the Ajinomoto Group’s entire equity stake in FA to FSI.

### 3. Impact on Business Results

The impact of the equity transfer on Ajinomoto Co.’s consolidated business results for fiscal 2019 will be immaterial.

In its FY2020-2022 Medium-Term Management Plan, Ajinomoto Co. will conduct further business structure reforms for sustainable growth. Through this equity transfer, Ajinomoto Co. intends to concentrate its management resources in growth businesses and areas, and will continue to provide new value to customers.

## Reference

### Overview of Fuji Ace Co., Ltd.

- (1) Location: Bangkok, Kingdom of Thailand
- (2) Establishment: 1995
- (3) Representative: Toshiyuki Nakane, President
- (4) Net sales: THB 4,568 million (approximately JPY 15.7 billion, fiscal year ended March 2019)
- (5) Number of employees: 953 full time, 300 temporary workers (as of September 2019)
- (6) Business description: Manufacture and sales of packaging materials and sales of packaging equipment
- (7) Capital: THB 500 million (approximately JPY 1.7 billion)
- (8) Equity ownership: Ajinomoto Group 51%, FSI 49%

### Overview of Fuji Seal International, Inc.

- (1) Location: Osaka Head Office: 1-9, Miyahara 4-chome, Yodogawa-ku, Osaka, Japan  
Tokyo Head Office: 9-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan
- (2) Establishment: 1958
- (3) Representative: Shigeko Okazaki, President and CEO
- (4) Net sales: JPY 162,189 million (consolidated; fiscal year ended March 2019)
- (5) Number of employees: 4,703 (Fuji Seal Group consolidated; as of March 31, 2019)
- (6) Business description: Planning, proposal, development, manufacture and sales of packaging systems, mainly for packaging materials
- (7) Capital: JPY 5,990 million (Fuji Seal Group consolidated; as of March 31, 2019)

The Ajinomoto Group is a global company with specialties in the business of food and amino acids, guided by our leading-edge bioscience and fine chemical technologies.

Based on the corporate message "Eat Well, Live Well.," we have been scientifically pursuing the possibilities of amino acids in supporting the healthy lives of people all around the world. We aim for future growth and continuous contribution to greater wellness by creating value through sustainable and innovative solutions for communities and society.

The Ajinomoto Group has offices in 35 countries and regions, and sells products in more than 130 countries and regions. In fiscal 2018, sales were 1.1274 trillion yen (10.1 billion U.S. dollars). To learn more, visit [www.ajinomoto.com](http://www.ajinomoto.com).

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