Ajinomoto Co., Inc.

Consolidated Results

First Quarter Ended June 30, 2008

SUMMARY OF FINANCIAL STATEMENTS (Consolidated)

First quarter results for the year ending March 31, 2009

Ajinomoto Co., Inc. **August 11, 2008**

Stock Code:	2802	Listed exchanges:	Tokyo, Osaka
http://www.ajinomoto.com		Inquiries:	Corporate Executive Officer and General Manager
President:	Norio Yamaguchi		Finance Department
Scheduled date of submission of quarterly report: August 11, 2008			Hiromichi Ono
		Telephone:	813 5250-8161

1. First quarter consolidated financial results (April 1, 2008 to June 30, 2008) for the fiscal year ending March 31, 2009

1) Consolidated Operating Results

Millions of yen, rounded down

	First quarter of FY ending March 31, 2009		First quarter of FY ended March 31, 2008	
		Change %		Change %
Net sales	301,422	--	298,823	8.1
Operating income	7,963	--	14,072	37.3
Ordinary income	10,247	--	14,871	37.1
Net income	3,752	--	8,647	138.9
Net income per share (¥)	¥5.37		¥13.35	
Fully diluted earnings per share (¥)	--		--	

2) Financial Position

Millions of yen, rounded down

	As of June 30, 2008	As of March 31, 2008
Total assets	1,174,954	1,100,709
Net assets	709,863	667,717
Shareholders' equity ratio (%)	57.2%	57.1%
Book value per share (¥)	¥962.63	¥899.41

Note: Shareholders' equity As of June 30, 2008: ¥672,456 million As of March 31, 2008: ¥628,325 million

2. Dividends

	FY Ended March 31, 2008	FY Ending March 31, 2009	FY Ending March 31, 2009 (forecast)
Dividend per share			
(Record date)			
End of first quarter	--	--	--
End of second quarter	¥8.00	--	¥8.00
End of third quarter	--	--	--
End of fourth quarter	¥8.00	--	¥8.00
Annual	¥16.00	--	¥16.00

Note: Revisions to dividend forecasts in the first quarter period under review: No

3. Forecast for the Fiscal Year Ending March 31, 2009

Millions of yen, rounded down

	FY Ending March 31, 2009	Change %
Net sales	1,272,500 – 1,277,500	4.6 – 5.0
Operating income	65,000 – 70,000	7.4 – 15.7
Ordinary income	61,000 – 66,000	9.4 – 18.4
Net income	30,000 – 33,000	6.3 – 16.9
Net income per share	¥42.94 – 47.24	

Note: "Change %" indicates the percentage change compared to the previous full year.
Revisions to consolidated earnings forecasts in the first quarter period under review: No
Interim consolidated earnings forecasts have been omitted, as Ajinomoto Co., Inc. ("the Company") conducts budgeting on a full-year basis, and management of progress in and evaluation of business results is conducted only for full-year periods.

4. Other

1) Transfer of important subsidiaries during the period (Transfers of certain subsidiaries resulting in changes in the scope of consolidation): No

2) Adoption of simplified accounting methods or special accounting methods in preparation of quarterly financial statements: Yes

Note: For details see page 7, Qualitative Information and Financial Statements, 4. Other

3) Changes in principles, procedures and methods of indication of accounting methods for formulation of quarterly financial statements (Changes to important items that form the basis for preparation of quarterly financial statements):

(1) Changes due to revisions of accounting standards, etc.: Yes

(2) Changes other than (1): Yes

Note: For details see page 7, Qualitative Information and Financial Statements, 4. Other

4) Number of shares outstanding (ordinary shares)

(1) Number of shares outstanding at end of period (including treasury shares):

June 30, 2008: 700,032,654 shares March 31, 2008: 700,032,654 shares

(2) Number of treasury shares at end of period

June 30, 2008: 1,468,530 shares March 31, 2008: 1,437,086 shares

(3) Average number of shares during first quarter

April 1, 2008 to June 30, 2008: 698,582,811 shares April 1, 2007 to June 30, 2007: 647,618,530 shares

1. 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. A number of factors could cause actual results to differ materially from expectations. For more information regarding our business forecasts, see page 7, "Qualitative Information and Financial Statements, 3. Qualitative Information about Consolidated Earnings Forecasts."
2. From the current fiscal year, the Company has adopted the "Accounting Standard for Quarterly Financial Reporting" (Accounting Standards Board of Japan (ASBJ) Statement No. 12) and the "Implementation Guidance for Accounting Standard for Quarterly Financial Statements" (ASBJ Guidance No. 14). Furthermore, the Company prepares its quarterly consolidated financial statements in accordance with the Rules for Quarterly Financial Statements.

QUALITATIVE INFORMATION AND FINANCIAL STATEMENTS

1. Qualitative Information about Consolidated Operating Results

Note: All comparisons are with the first quarter of the previous fiscal year, unless stated otherwise.

In the first quarter under review (April 1, 2008 to June 30, 2008), the Japanese economy showed signs of decelerating, with corporate profits decreasing and consumer spending remaining broadly flat.

In the Japanese food industry, the business environment remained severe, as a result of continued high prices of raw materials as well as concerns about food safety.

Internationally, the Asian economy continued its expansion, with growth in China and other countries, but the U.S. economy slowed down and economy recovery in Europe also eased off.

Within this environment, the Ajinomoto Group ("Ajinomoto" or "the Group") focused its efforts on pursuing reforms on all levels throughout the entire Group, and extensively reducing costs and strengthening the business structure, aiming to be successful in the increasingly severe operating environment and to overcome competitive pressures. However, although consolidated sales for the first quarter increased 0.9% (¥2.5 billion) to ¥301.4 billion, operating income decreased 43.4% (¥6.1 billion) to ¥7.9 billion, and ordinary income decreased 31.1% (¥4.6 billion) to ¥10.2 billion, due to the impact of higher prices of crude oil and raw materials. Net income decreased 56.6% (¥4.8 billion) to ¥3.7 billion, due to a decrease in gains on sale of fixed assets and other factors.

Consolidated operating results by segment

Consolidated operating results by business segment are as follows:

Domestic food products

Domestic food product sales increased 4.5% (¥6.8 billion) to ¥158.5 billion, and operating income decreased 68.5% (¥1.5 billion) to ¥0.6 billion. The slight increase in sales was attributable to contributions by coffee and edible oils and Calpis Co., Ltd. becoming a wholly owned subsidiary on October 1, 2007. The substantial decrease in operating income was due to the higher cost of raw materials and other factors.

Seasonings and processed foods: In seasonings and processed foods for the retail market, sales of umami seasoning *AJI-NO-MOTO* were slightly higher than in the previous first quarter period. Sales of consommé and Chinese dashi products were maintained at the same level as the previous first quarter period, but sales of *HON-DASHI* decreased substantially. Sales of soups trended favorably, while sales of the *Cook Do* line increased slightly. Sales of mayonnaise and mayonnaise-type dressings grew steadily overall, despite lower sales of *Pure Select Saralear*. Sales of *Kellogg's* products decreased slightly.

In seasonings and processed foods for the commercial market, sales were slightly lower than in the previous first quarter period, reflecting severe conditions in the restaurant market. Sales of *ACTIVA*, an enzyme (transglutaminase) that improves the texture and qualities of food, to food processing companies progressed favorably, driven by overseas sales growth, while sales of savory seasoning products were maintained at the same level as the previous first quarter period.

Sweeteners and nutritional foods: Sales of low-calorie sweeteners for home use and restaurant use increased compared to the previous first quarter, due to favorable sales of *PAL SWEET and PAL SWEET Calorie Zero*. Overall sales of amino acid supplement *amino VITAL* decreased previous first quarter period, due to lower sales of granulated products and other factors, despite higher sales of jelly drink type and liquid products.

Delicatessen and Bakery products: Sales of lunchboxes, prepared dish delicatessen products and bakery products each increased slightly from the previous first quarter period.

Frozen foods: Sales of products for the retail market decreased, due to core products such as *Gyoza, Ebi Shumai, Ebi Pilaf* and *Fried rice with various ingredients* being impacted by the market downturn caused by the Chinese-made frozen gyoza incident that occurred at the end of January 2008. Sales of products for restaurant and institutional use increased slightly, reflecting strong sales to major customers, which offset the impact of a decline in eating out due to continued rises in the price of food and foodstuffs and rising gasoline prices.

Beverages: Revenue from beverage sales increased significantly, due to Calpis Co., Ltd. becoming a wholly owned subsidiary on October 1, 2007.

Edible oils, Coffee, Dairy products: Sales of edible oils increased substantially from the previous first quarter period.

Revenue from coffee sales increased from the previous first quarter period, due to strong sales of instant coffee.

In chilled dairy products, sales of *BIO* and other yogurt products were favorable.

Overseas food products

Overseas food product sales increased 3.0% (¥1.1 billion) to ¥38.5 billion, due to a substantial increase in sales volumes of *AJI-NO-MOTO* and flavor seasonings for home use and restaurant use, which offset the negative impact of exchange rates of mainly Asian currencies. However, operating income decreased 16.4% (¥0.7 billion) to ¥3.8 billion, reflecting the global rise in prices of raw materials and fuels.

Seasonings: In Asia, sales of *AJI-NO-MOTO* for home use and restaurant use and sales of flavor seasonings for home use increased only slightly from the previous first quarter period. In America, sales of flavor seasonings for home use grew strongly in South America.

Processed foods: In Asia, sales of *Birdy* canned coffee were at the same level as the previous first quarter period.

Amino acids

Sales in the amino acids business decreased 4.4% (¥3.1 billion) to ¥68.7 billion, with revenue declining due to a business reorganization. However, operating income increased 56.9% (¥1.6 billion) to ¥4.5 billion. The steady growth in sales excluding the impact of the business reorganization and the substantial increase in operating income were attributable to higher revenue and income from feed-use amino acids and specialty chemicals, despite major decreases in income from umami seasonings for processed food manufacturers due to the global increase in prices of raw materials and fuels and a decline in income from pharmaceutical fine chemicals.

Umami seasonings for processed food manufacturers: Sales of *AJI-NO-MOTO* to the food processing industry grew strongly from the previous first quarter period, supported by higher sales volumes both in Japan and overseas. Sales of nucleotides decreased slightly, due to the impact of exchange rates and other factors, despite increased sales mainly to major overseas customers.

Feed-use amino acids: Sales of Lysine and Threonine trended favorably, supported by higher sales volumes and unit prices. Sales of Tryptophan decreased from the previous first quarter period.

Amino acids for pharmaceuticals and foods: Revenue increased in Japan, but overseas, sales decreased in North America and Europe, due partly to the impact of exchange rates.

Sweeteners: Sales increased substantially overall from the previous first quarter period, supported by higher sales volumes of sweeteners for the processed food industry. In South America, sales of powdered juice *Refresco MID*, which contains aspartame, decreased from the previous first quarter period.

Pharmaceutical fine chemicals: Sales decreased from the previous first quarter period.

Specialty chemicals: Sales of cosmetics ingredients trended favorably both in Japan and overseas. Sales of amino acid-based cosmetic *Jino* grew steadily. Sales of insulation film for build-up printed wiring board grew from the previous first quarter period.

Pharmaceuticals

Pharmaceutical sales decreased 2.3% (¥0.5 billion) to ¥22.0 billion, impacted by the NHI price revisions. Operating income decreased 32.1% (¥2.0 billion) to ¥4.2 billion, due to the NHI price revisions, higher R&D expenses and other factors.

For products distributed by Ajinomoto itself, revenue from sales of *LIVACT,* a branched-chain amino acids formula for the treatment of liver cirrhosis, *ELENTAL,* an elemental diet, *SOLITA-T*, an electrolyte solution, and others each decreased from the previous first quarter period. For products under cooperative agreements, sales of risedronate products such as *ACTONEL*, a preparation used in the treatment of osteoporosis, decreased significantly, but sales of *ATELEC*, an antihypertensive drug, and *FASTIC,* a non-insulin-dependent diabetes treatment, increased substantially.

Other

Sales from other business decreased 11.3% (¥1.7 billion) to ¥13.4 billion. Operating income decreased 51.0% (¥0.3 billion) to ¥0.3 billion.

Corporate and eliminations

This category mainly comprises expenses associated with the Company's administrative divisions, expenses associated with some research facilities, and changes in amounts allocated to inventory with respect to cost variances in the standard cost accounting system adopted by the Company. First quarter operating income decreased ¥3.0 billion to a negative figure of ¥5.8 billion, but this decrease mainly consisted of an increase in the amount allocated to inventory with respect to cost variances. Cost variances occurring in each business segment are recognized on the profit side (favorable variances). Such amounts allocated to inventory with respect to cost variances recognized in "Corporate and eliminations" are those for the loss side (unfavorable variances).

The main cost variances that occurred were valuation differences in accordance with a review of standard costs for the current fiscal year with respect to inventory valuation at the end of the previous fiscal year.

Results by region were as follows:

Japan

In Japan, sales were ¥208.5 billion, and operating income was ¥7.7 billion overall, driven by Domestic Food Products.

Asia

In Asia, sales were ¥38.5 billion, and operating income was ¥3.1 billion overall, driven by Overseas Food Products.

America

In America, sales were ¥28.4 billion, and operating income was ¥1.3 billion overall, driven by Amino Acids and Overseas Food Products.

Europe

In Europe, sales were ¥25.8 billion, and operating income was ¥1.4 billion overall, driven by Amino Acids.

2. Qualitative Information about Consolidated Financial Position

Consolidated financial position

Total assets as of June 30, 2008 were ¥1,174.9 billion, ¥74.2 billion more than the ¥1,100.7 billion recorded at the end of the previous fiscal year. Key factors contributing to this increase included increased accounts receivable and inventories resulting from seasonal factors such as gift products, and increased tangible fixed assets due to factors including changes to the Company's estimates for the useful lives of fixed assets of overseas subsidiaries. Total interest-bearing debt increased ¥15.4 billion compared to the end of the previous fiscal year to ¥159.8 billion, due to seasonal factors such as payment of dividends. Net assets increased ¥42.1 billion compared to the end of the previous fiscal year, influenced by factors such as the adjustment of retained earnings at the beginning of the year arising from the valuation differences after the application of tax effects on tangible fixed assets as a result of the unification of accounting policies applied to overseas subsidiaries. Shareholders' equity, which is net assets minus minority interests, was ¥672.4 billion, and the shareholders' equity ratio was 57.2%.

Consolidated cash flows

Net cash provided by operating activities was ¥5.1 billion. This was attributable to factors such as an increase in first quarter net income before taxes of ¥9.4 billion, depreciation expenses of ¥13.6 billion, an increase of ¥8.2 billion in notes and accounts payable, payment of ¥6.4 billion in income and other taxes, and a decrease in working capital including accounts receivable and inventories.

Net cash used in investing activities was ¥18.1 billion, due to factors such as the acquisition of tangible fixed assets.

Net cash provided by financing activities was ¥6.3 billion. An increase in short-term borrowings of ¥15.2 billion offset payment of ¥5.1 billion in dividends and a decrease of ¥5.0 billion in commercial paper.

As a result of the foregoing, cash and cash equivalents at June 30, 2008 was ¥76.0 billion, a decrease of ¥7.1 billion compared to March 31, 2008.

3. Qualitative Information about Consolidated Earnings Forecasts

Full-year forecasts for the fiscal year ending March 31, 2009 remain unchanged from those announced on May 9, 2008. Interim consolidated earnings forecasts have been omitted, as the Company conducts budgeting on a full-year basis, and management of progress in and evaluation of business results is conducted only for full-year periods.

In disclosing its consolidated forecasts, the Company provides a forecast range rather than a single figure for each of the main categories. The reason for this is as follows.

The Company's operating income target for the fiscal year ending March 31, 2009 for feed-use amino acids, which is part of the amino acids business, is ¥7.5-12.5 billion. This business is characterized by the significant influence exerted on the feed-use amino acid supply and demand balance by external factors, such as fluctuating markets for corn, soybean meal and other grains, and competing companies opening new or additional facilities or withdrawing, factors which also influence prices. In projecting the impact of these factors, the Company assumed a lower limit of 1.8 U.S. dollars/kg (on a CIF basis) and an upper limit of 1.9 U.S. dollars/kg for the price of feed-use Lysine, a key product of the feed-use amino acid business. Combined with the other products of this business, the Company is assuming a profit variation of around ¥5.0 billion.

4. Other

(1) **Transfer of important subsidiaries during the period** (Transfers of certain subsidiaries resulting in changes in the scope of consolidation):
No applicable items.

(2) **Adoption of simplified accounting methods or special accounting methods in preparation of quarterly financial statements:**

1. Simplified accounting methods
    - Method of estimating general credit losses
      The Company and its main consolidated subsidiaries adopt the method of estimating general credit losses using reasonable criteria such as the credit-loss ratio estimated in the consolidated financial statements of the previous fiscal year, as it was deemed that there has been no marked change from the credit-loss ratio estimated at the end of the previous fiscal year.

    - Method of estimating depreciation expenses for fixed assets

When employing the fixed-percentage depreciation method, the Company and its main consolidated subsidiaries adopt the method of estimating proportionally to the period the amount of depreciation expenses for the fiscal year.

- Method of estimating deferred tax assets and liabilities

  In assessing the recoverability of deferred tax assets, as the Company and its main consolidated subsidiaries have deemed that there has been no marked differences to the situation with respect to such assets, such as the occurrence of one-off differences, or with respect to the operating environment and so forth since the end of the previous fiscal year, they employ a method using tax planning and future earnings forecasts used in the financial statements of the previous fiscal year.

2. Special accounting methods for preparation of quarterly financial statements

   Method of estimating tax expenses

   The Company and its main consolidated subsidiaries estimate the effective tax rate for the first quarter by making a reasonable estimation of the effective tax rate on net income before income taxes for the full year after the application of tax effect accounting, and applying this rate to net income before income taxes for the first quarter. Corporate tax adjustments have been included in the income taxes.

(3) Changes in principles, procedures and methods of indication of accounting methods for formulation of quarterly financial statements:

1. Adoption of accounting standards for quarterly financial statements

   From the current fiscal year, the Company has adopted the “Accounting Standard for Quarterly Financial Reporting” (Accounting Standards Board of Japan (ASBJ) Statement No. 12) and the “Implementation Guidance for Accounting Standard for Quarterly Financial Statements” (ASBJ Guidance No. 14). Furthermore, the Company prepares its quarterly consolidated financial statements in accordance with the Rules for Quarterly Financial Statements.

2. Changes in valuation standards and methods for important assets

   Inventories

   Inventories held for sale in the ordinary course of business were previously stated based on the lower of cost or market method, cost being determined by the average method, but from the first quarter period under review the Company has adopted the “Accounting Standard for Measurement of Inventories” (ASBJ Statement No. 9 of July 5, 2006), and accordingly such inventories are now mainly stated using the acquisition cost method, cost being determined by the average method (in cases where the profitability has declined, the book value is reduced accordingly).

   As a result, operating income decreased ¥184 million, and ordinary income and net income before taxes each decreased ¥70 million.

   The impact on segment information is stated in the applicable sections.

3. Adoption of “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements”

   From the first quarter period under review, the Company has adopted the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ Practical Issues Task Force (PITF) No. 18 of May 17, 2006), and made the necessary revisions to its financial statements.

   As a result, operating income increased ¥100 million, and ordinary income and net income before taxes each increased ¥105 million. Furthermore, at the beginning of the period, retained earnings increased ¥26,825 million.

The impact on segment information is stated in the applicable sections.

4. Adoption of accounting standard for leases

The accounting treatment for finance lease transactions other than those in which a transfer of title of leased assets to the lessee has been recognized was previously based on the operating lease method. However, for the preparation of quarterly financial statements for the fiscal year starting April 1, 2008, it has become possible for the Company to adopt the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13 of June 17, 1993 (First Committee of the Business Accounting Council); revised on March 30, 2007) and the "Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No. 16 of January 18, 1994 (Japanese Institute of Certified Public Accountants, Committee on Accounting Systems); revised March 30, 2007). Accordingly, the Company has adopted these accounting standards from the first quarter period under review, and from this period the accounting treatment for such transactions will be based on the capital lease method. The accounting treatment for finance lease transactions other than those in which a transfer of title of leased assets has been recognized for which the starting date of the lease was before the first year in which the new accounting standards for lease transactions were adopted will continue to be based on the operating lease method. Furthermore, as regards the depreciation method for leased assets related to finance lease transactions other than those in which a transfer of title of leased assets has been recognized on the lessee's side, the straight-line method will be applied with the useful life of the asset being the lease period and no residual value.

The resulting impact on operating income, ordinary income and net income before taxes is immaterial.

(Additional information)

In line with a revision of the Corporation Tax Law in fiscal 2008, from the first quarter period under review the Company and its consolidated subsidiaries in Japan have changed their estimates for the useful lives of fixed assets. As a result, operating income increased ¥266 million, and ordinary income and net income before taxes each increased ¥278 million. The impact on segment information is stated in the applicable sections.

5. Consolidated Quarterly Financial Statements
(1) Consolidated first quarter balance sheets

Millions of yen, rounded down

	As of end of first quarter (June 30, 2008)	Summarized balance sheet as of end of previous fiscal year (March 31, 2008)
ASSETS		
Current assets		
Cash on hand and in banks	75,302	80,816
Notes & accounts receivable	203,945	193,226
Marketable securities	2,461	3,559
Goods and products	102,862	93,759
Goods in process	9,944	7,978
Raw materials and supplies	36,984	33,819
Deferred tax assets	14,176	13,878
Other	40,511	40,225
Allowance for doubtful accounts	(1,197)	(1,388)
Total current assets	484,990	465,875
Fixed assets		
Tangible fixed assets		
Buildings and structures	357,610	341,939
Accumulated depreciation and impairment losses	(184,960)	(180,992)
Net buildings and structures	172,649	160,946
Machinery and vehicles	562,604	534,172
Accumulated depreciation and impairment losses	(389,511)	(401,821)
Net machinery and vehicles	173,093	132,351
Other	64,662	63,044
Accumulated depreciation and impairment losses	(50,012)	(48,966)
Net other	14,649	14,078
Land	102,695	102,625
Construction in process	27,167	26,684
Total tangible fixed assets	490,256	436,686
Intangible fixed assets		
Goodwill	56,611	57,822
Other	22,603	23,293
Total intangible fixed assets	79,215	81,116
Investment and other assets		
Investment in securities	100,684	95,899
Long-term loans receivable	1,376	1,348
Deferred tax assets	7,571	9,047
Other	12,296	12,132
Allowance for doubtful accounts	(1,436)	(1,396)
Total investment and other assets	120,492	117,031
Total fixed assets	689,964	634,834
Total Assets	**1,174,954**	**1,000,709**

Millions of yen, rounded down

	As of end of first quarter (June 30, 2008)	Summarized balance sheet as of end of previous fiscal year (March 31, 2008)
LIABILITIES		
Current liabilities		
Notes & accounts payable	111,210	103,575
Short-term borrowings	48,955	31,036
Commercial paper	--	5,000
Long-term loans due to be repaid within one year	3,509	3,296
Corporate bonds to be redeemed within one year	20,000	20,000
Accrued income taxes	5,227	6,997
Accrued bonuses	4,343	4,761
Accrued bonuses for directors	72	246
Other	83,465	83,855
Total current liabilities	276,783	258,769
Long-term liabilities		
Bonds	50,000	50,000
Long-term debt	37,358	34,996
Deferred tax liabilities	32,633	20,850
Accrued employees' retirement benefits	46,016	45,784
Accrued officers' severance benefits	1,210	1,956
Allowance for environmental measures	211	214
Other	20,876	20,419
Total long-term liabilities	188,307	174,222
Total liabilities	465,091	432,992
NET ASSETS		
Shareholders' equity		
Common stock	79,863	79,863
Capital surplus	182,845	182,850
Retained earnings	408,841	383,648
Treasury stock	(1,885)	(1,858)
Total shareholders' equity	669,665	644,504
Valuation, translation adjustments and others		
Unrealized holding gain on securities	8,015	5,702
Unrealized gain from hedging instruments	0	(142)
Translation adjustments	(5,224)	(21,739)
Total valuation, translation adjustments and others	2,790	(16,179)
Minority interests	37,407	39,392
Total net assets	709,863	667,717
Total Liabilities and Net Assets	**1,174,954**	1,100,709

(2) Consolidated first quarter statements of income

Millions of yen, rounded down

	First quarter (April 1, 2008 to June 30, 2008)
Net sales	301,422
Cost of sales	211,097
Gross profit	90,324
Selling, general and administrative expenses	82,361
Operating income	7,963
Non-operating income	
Interest received	461
Dividends received	526
Equity in earnings of affiliates	1,184
Exchange gains	2,033
Other	1,150
Total non-operating income	5,355
Non-operating expenses	
Interest expense	1,250
Litigation expenses	729
Other	1,091
Total non-operating expenses	3,071
Ordinary income	10,247
Extraordinary income	
Gain on sale of fixed assets	354
Gain on sale of shares of affiliates	156
Other	261
Total extraordinary income	771
Extraordinary losses	
Loss on disposal of fixed assets	217
Loss on valuation of inventories	366
Other	942
Total extraordinary losses	1,526
Net income before income taxes	9,493
Income taxes	5,206
Minority interests	533
Net income	**3,752**

(3) Consolidated first quarter statements of cash flows

Millions of yen, rounded down

	First quarter (April 1, 2008 to June 30, 2008)
I. Cash flows from operating activities	
Net income before income taxes	9,493
Depreciation	13,697
Amortization of goodwill	1,497
Increase (decrease) in allowances	(2,022)
Interest and dividend income	(987)
Interest expense	1,250
Equity in earnings of affiliates	(1,184)
Loss (gain) on sale of fixed assets	(122)
Loss (gain) on sale of shares of affiliates	(156)
Decrease (increase) in notes and accounts receivable	(8,142)
Increase (decrease) in notes and accounts payable	8,282
Decrease (increase) in inventories	(7,435)
Other	(2,076)
Sub-total	**12,093**
Interest and dividends received	1,708
Interest paid	(2,145)
Income taxes paid	(6,466)
Net cash provided by operating activities	**5,190**
II. Cash flows from investing activities	
Acquisition of tangible fixed assets	(17,536)
Proceeds from sale of tangible fixed assets	480
Acquisition of intangible assets	(562)
Proceeds from sale of shares of affiliates	200
Other	(774)
Net cash used in investing activities	**(18,193)**
III. Cash flows from financing activities	
Net change in short-term borrowings	15,205
Net change in commercial paper	(5,000)
Proceeds from long-term debt	1,949
Repayment of long-term debt	(388)
Cash dividends paid	(5,193)
Other	(179)
Net cash provided by financing activities	**6,393**
IV. Effect of exchange rate changes on cash and cash equivalents	**(874)**
V. (Decrease) increase in cash and cash equivalents	**(7,484)**
VI. Cash and cash equivalents at the beginning of the period	**83,164**
Increase due to change in scope of consolidation	358
VII. Cash and cash equivalents at the end of the period	**76,038**

From the current fiscal year, the Company has adopted the “Accounting Standard for Quarterly Financial Reporting” (Accounting Standards Board of Japan (ASBJ) Statement No. 12) and the “Implementation Guidance for Accounting Standard for Quarterly Financial Statements” (ASBJ Guidance No. 14). Furthermore, the Company prepares its quarterly consolidated financial statements in accordance with the Rules for Quarterly Financial Statements.

(4) Notes regarding premise of a going concern

No applicable items.

(5) Segment information

a. Segment information by business type

First quarter of the fiscal year ending March 31, 2009 (April 1, 2008 to June 30, 2008)

Millions of yen, rounded down

	Domestic Food Products	Overseas Food Products	Amino Acids	Pharma-ceuticals	Other	Total	Corporate and Eliminations	Consolidated
Sales								
(1) Sales to third parties......	158,586	38,571	68,764	22,023	13,476	301,422	--	301,422
(2) Intra-group sales and transfers........................	2,431	520	5,177	28	13,780	21,938	(21,938)	--
Total sales	161,017	39,091	73,942	22,052	27,256	323,360	(21,938)	301,422
Operating expenses	160,326	35,234	69,350	17,771	26,880	309,563	(16,104)	293,458
Operating income	691	3,856	4,592	4,280	375	13,796	(5,833)	7,963

Notes 1. Business segments are based on the management structure of the internal company system.

2. Main products for each business segment:

Business segment	Main products
Domestic Food Products	*AJI-NO-MOTO*, *HON-DASHI*, *Cook Do*, soups, mayonnaise and mayonnaise-type dressings, *PAL SWEET*, delicatessen products, bakery products, *amino VITAL*, frozen foods, edible oils, coffee, beverages, chilled dairy products, etc.
Overseas Food Products	*AJI-NO-MOTO*, flavor seasonings, instant noodles, beverages, etc.
Amino Acids	*AJI-NO-MOTO* for processed food manufacturers, nucleotides, feed-use amino acids, amino acids for pharmaceuticals and foods, pharmaceutical fine chemicals, aspartame, specialty chemicals, etc.
Pharmaceuticals	Pharmaceuticals, medical foods
Other	Distribution, various services, etc.

3. Among operating expenses, the total amount of operating expenses that could not be allocated and were thus included in under Corporate and Eliminations was ¥5,861 million. This mainly consisted of expenses associated with the Company's administrative divisions and expenses associated with some research facilities.

4. Changes in valuation standards and methods for important assets

As described in "Qualitative Information and Financial Statements", 4. (3) 2., inventories held for sale in the ordinary course of business were previously stated based on the lower of cost or market method, cost being determined by the average method, but from the first quarter period under review the Company has adopted the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9 of July 5, 2006), and accordingly such inventories are now mainly stated using the acquisition cost method, cost being determined by the average method (in cases where the profitability has declined, the book value is reduced accordingly).

As a result, operating expenses increased ¥84 million in Domestic Food Products and ¥0 million in Overseas Food Products, ¥35 in Pharmaceuticals, and ¥63 million in Corporate and Eliminations, and operating income decreased by the same respective amounts in each segment

5. Adoption of "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements"

As described in "Qualitative Information and Financial Statements", 4. (3) 3., from the first quarter period under review the Company has adopted the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ PITF No. 18 of May 17, 2006) and made the necessary revisions to its consolidated financial statements.

As a result, operating expenses increased ¥0 million in Domestic Food Products and ¥18 million in Overseas Food Products, and decreased ¥119 million in Amino Acids. Operating income decreased ¥0 million in Domestic Food Products and ¥18 million in Overseas Food Products, and increased ¥119 million in Amino Acids.

6. Changes in estimates for the useful lives of tangible fixed assets

As described in "Qualitative Information and Financial Statements", 4 (Additional information), in line with a revision of the Corporation TaxLaw in fiscal 2008, from the first quarter period under review the Company and its consolidated subsidiaries in Japan have changed their estimates for the useful lives of fixed assets.

As a result, operating expenses decreased ¥198 million in Domestic Food Products, ¥0 million in Overseas Food Products, ¥43 million in Amino Acids, and ¥24 million in Pharmaceuticals, and increased ¥0 million in Other and ¥0 million in Corporate and Eliminations. Operating income increased ¥198 million in Domestic Food Products, ¥0 million in Overseas Food Products, ¥43 million in Amino Acids, and ¥24 million in Pharmaceuticals, and decreased increased ¥0 million in Other and ¥0 million in Corporate and Eliminations.

b. Segment information by geographical area

First quarter of the fiscal year ending March 31, 2009 (April 1, 2008 to June 30, 2008)

Millions of yen, rounded down

	Japan	Asia	America	Europe	Total	Corporate and Eliminations	Consolidated
Sales							
(1) Sales to third parties	208,537	38,538	28,477	25,869	301,422	--	301,422
(2) Intra-group sales and transfers	8,239	5,874	5,611	1,571	21,296	(21,296)	--
Total	216,776	44,413	34,088	27,440	322,718	(21,296)	301,422
Operating expenses	209,075	41,276	32,770	26,002	309,124	(15,665)	293,458
Operating income	7,700	3,137	1,318	1,437	13,593	(5,630)	7,963

Notes
1. Country and regional segments are categorized on the basis of geographic proximity.
2. Main countries and regions in segments other than Japan:
   Asia: Countries of East and Southeast Asia
   America: Countries of North and South America
   Europe: Countries of Europe and Africa
3. Among operating expenses, the total amount of operating expenses that could not be allocated and were thus included in under Corporate and Eliminations was ¥5,861 million. This mainly consisted of expenses associated with the Company's administrative divisions and expenses associated with some research facilities.
4. Changes in valuation standards and methods for important assets
   As described in "Qualitative Information and Financial Statements", 4. (3) 2., inventories held for sale in the ordinary course of business were previously stated based on the lower of cost or market method, cost being determined by the average method, but from the first quarter period under review the Company has adopted the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9 of July 5, 2006), and accordingly such inventories are now mainly stated using the acquisition cost method, cost being determined by the average method (in cases where the profitability has declined, the book value is reduced accordingly).
   As a result, operating expenses increased ¥120 million in Japan and ¥63 million in Corporate and Eliminations, and operating income decreased by the same respective amounts in each segment.
5. Adoption of "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements"
   As described in "Qualitative Information and Financial Statements", 4. (3) 3., from the first quarter period under review the Company has adopted the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ PITF No. 18 of May 17, 2006) and made the necessary revisions to its consolidated financial statements.
   As a result, operating expenses increased ¥21 million in "Asia" and ¥10 million in "America", and decreased ¥132 million in "Europe". Operating income decreased ¥21 million in "Asia" and ¥10 million in "America", and increased ¥132 million in "Europe".
6. Change in method of allocation of operating expenses
   Previously, expenses associated with the Company's administrative divisions and expenses associated with some research facilities were included in Japan, but in line with a change in management method, from the first quarter period under review they are included in Corporate and Eliminations.
   As a result, operating expenses decreased ¥5,630 million in "Japan" and increased ¥5,630 million in "Corporate and Eliminations". Operating income increased ¥5,630 million in "Japan" and decreased ¥5,630 million in "Corporate and Eliminations"
7. Changes in estimates of the useful lives of tangible fixed assets
   As described in "Qualitative Information and Financial Statements", 4 (Additional information), in line with a revision of the Corporation Tax Law in fiscal 2008, from the first quarter period under review the Company and its consolidated subsidiaries in Japan have changed their estimates for the useful lives of fixed assets.
   As a result, operating expenses decreased ¥267 million in "Japan", and increased ¥0 million in "Corporate and Eliminations". Operating income increased ¥267 million in "Japan", and decreased ¥0 million in Corporate and Eliminations.
   .

c. Overseas sales

First quarter of fiscal year ending March 31, 2009 (April 1, 2008 to June 30, 2008)

Millions of yen, rounded down

	Asia	America	Europe	Total
Overseas sales	43,758	29,963	27,360	101,082
Consolidated net sales.......................................	--	--	--	301,422
Overseas sales % of consolidated net sales.......	14.5	9.9	9.1	33.5

Note 1. Country and regional segments are categorized on the basis of geographic proximity.

2. Main countries and regions in segments other than Japan:
   Asia: Countries of East and Southeast Asia
   America: Countries of North and South America
   Europe: Countries of Europe and Africa

3. Overseas sales are sales of the Company and its consolidated subsidiaries in countries and regions outside of Japan.

(6) Notes regarding marked changes in amount of shareholders' equity

From the first quarter period under review the Company has adopted the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ PITF No. 18 of May 17, 2006). As a result, at the beginning of the period, retained earnings increased ¥26,825 million.

(Reference materials)

(1) Summarized consolidated first quarter statements of income for the previous first quarter period (April 1, 2007 to June 30, 2007)

Millions of yen, rounded down

	Previous first quarter (April 1, 2007 to June 30, 2007)
Net sales	298,823
Cost of sales	214,976
Gross profit	83,847
Selling, general and administrative expenses	69,775
Operating income	14,072
Non-operating income	
Interest received	411
Dividends received	435
Equity in earnings of affiliates	1,125
Miscellaneous income	2,966
Total non-operating income	4,939
Non-operating expenses	
Interest expense	1,289
Miscellaneous losses	2,850
Total non-operating expenses	4,139
Ordinary income	14,871
Extraordinary income	
Gain on sale of fixed assets	1,101
Profit on sale of investment securities	162
Other	464
Total extraordinary income	1,729
Extraordinary losses	
Loss on disposal of fixed assets	138
Other	221
Total extraordinary losses	360
Net income before income taxes	16,240
Income taxes	6,334
Minority interests	1,257
Net income	**8,647**

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(2) Segment information by business type for the previous first quarter period (April 1, 2007 to June 30, 2007)

Millions of yen, rounded down

	Domestic Food Products	Overseas Food Products	Amino Acids	Pharma-ceuticals	Other	Total	Corporate and Eliminations	Consolidated
Sales								
(1) Sales to third parties......	151,717	37,456	71,922	22,537	15,189	298,823	--	298,823
(2) Intra-group sales and transfers........................	586	444	4,257	27	14,535	19,851	(19,851)	--
Total sales	152,304	37,900	76,179	22,565	29,725	318,675	(19,851)	298,823
Operating expenses	150,108	33,287	73,252	16,257	28,959	301,864	(17,112)	284,751
Operating income	2,195	4,613	2,926	6,307	766	16,810	(2,738)	14,072