Ajinomoto Co., Inc.

Consolidated Results

[IFRS]

Interim Period Ended September 30, 2018

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)

Interim period results for the year ending March 31, 2019

Ajinomoto Co., Inc. **November 7, 2018**

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

Filing of statutory quarterly financial report:	November 9, 2018
Dividend payout:	December 5, 2018
Supplementary materials to quarterly financial report available:	Yes
Quarterly results briefing held:	Yes (for analysts)

1. Consolidated Financial Results for the Interim Period Ended September 30, 2018

(1) Consolidated Operating Results

Millions of yen, rounded down

	Interim period ended September 30, 2018		Interim period ended September 30, 2017	
		Change %		Change %
Sales	546,493	3.4	528,503	-
Business profit	44,572	(5.3)	47,062	-
Profit before income taxes	44,006	(7.5)	47,567	-
Profit	31,011	(14.5)	36,273	13.6
Profit attributable to owners of the parent company	26,083	(16.7)	31,301	15.8
Basic earnings per share (yen)	¥46.67	-	¥55.03	-
Diluted earnings per share (yen)	-	-	-	-

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

Note 1: 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.

Note 2: From the first quarter of the fiscal year ending March 31, 2019, the logistics business has been reclassified as a discontinued operation. Accordingly, profit from discontinued operation in the quarterly condensed consolidated statements of income is presented separately from the profit from continuing operations. Sales, business profit and profit before income taxes in the above table are amounts related to continuing operations only. Amounts shown for the interim period ended September 30, 2017, have also been adjusted to reflect this change; accordingly, the percent change from the previous year's quarterly results is not shown.

Note3: In the previous fiscal year and in the second quarter ended September 30, 2018, the Company finalized a provisional accounting treatment related to business combinations and jointly controlled companies. The figures in the interim period ended September 30 2017, reflect the finalization of the provisional accounting treatment.

(2) Consolidated Financial Position

Millions of yen, rounded down

	As of September 30, 2018	As of March 31, 2018
Total assets	1,413,482	1,426,230
Total equity	711,966	720,613
Equity attributable to owners of the parent company	639,799	640,833
Ownership ratio attributable to owners of the parent company (%)	45.3%	44.9%

In the second quarter ended September 30, 2018, the Company finalized a provisional accounting treatment related to business combinations. The figures in the fiscal year ended March 31, 2018 reflect the finalization of the provisional accounting treatment.

2. Dividends

	Fiscal year ended March 31, 2018	Fiscal year ending March 31, 2019	Fiscal year ending March 31, 2019 (forecast)
Dividend per share			
Interim (yen)	¥15.00	¥16.00	
Year-end (yen)	¥17.00		¥16.00
Annual (yen)	¥32.00		¥32.00

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

3. Forecast for the Fiscal Year Ending March 31, 2019

Millions of yen, rounded down

	Fiscal year ending March 31, 2019	
		Change %
Sales	1,155,200	3.6
Business profit	95,700	0.0
Profit attributable to owners of the parent company	55,000	(8.5)
Basic earnings per share (yen)	¥99.26	-

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

Note: Revisions to consolidated earnings forecasts in the period under review: Yes

For more information on revisions to the consolidated earnings forecasts, please see the "Notice concerning revisions to consolidated earnings forecasts for the fiscal year ending March 31, 2019" published today (November 7, 2018).

Along with reclassifying the logistic business as a discontinued operation from the first quarter of this consolidated fiscal year, the amounts in sales and business profit indicate the amounts of continuing operation. Also the Company finalized a provisional accounting treatment related to business combinations in the second quarter ended September 30, 2018, and the rate of change ("Change %" in the table above) represents the rate of change from previous figures of continuing operation which were adjusted to reflect finalizing a provisional accounting treatment.

Notes:

(1) Changes in significant subsidiaries during the period (Changes in specified subsidiaries resulting the change in consolidation scope): None

(2) Changes in accounting policies and accounting estimates

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

(3) Number of shares outstanding (ordinary shares)

Shares

	As of September 30, 2018	As of March 31, 2018
Number of shares outstanding at end of period (including treasury shares):	571,863,354	571,863,354
Number of treasury shares at end of period	23,766,353	3,971,026
	April 1, 2018 to September 30, 2018	April 1, 2017 to September 30, 2017
Average number of shares during period	558,887,569	568,854,795

Note: The number of treasury shares at end of period includes the Company's shares held by "Director's remuneration BIP Trust" (As of September 30, 2018: 971,000 shares, As of March 31, 2018: 971,000 shares). In addition, these Company's shares are included in the treasury shares which are deducted from the number of shares outstanding at the end of period when calculating the average number of shares during the period.

* This summary of consolidated financial statements is exempted 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 page 12, "1. Qualitative Information on Interim Period Consolidated Results (3) Overview of consolidated earnings forecasts" and "(4) Business risks"

[Method of obtaining supplementary results materials]

Supplementary results materials will be published on the Company's website on Wednesday, November 7, 2018.

Table of contents

1. Qualitative Information on Interim 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.

On April 26, 2018, the Company entered into an agreement with Kagome Co., Ltd., Nisshin Oillio Group Ltd., Nisshin Foods Inc., and House Foods Group Inc. to restructure the companies' logistics operations and in April 2019 establish a nationwide logistics company by merging their current logistics subsidiaries—Ajinomoto Logistics Corporation, Kagome Distribution Service Co., Ltd., House Logistics Service Corporation, F-LINE Corporation, and Kyushu F-LINE Corporation.

Consequently, the loss of control of Ajinomoto Logistics business has been recognized effective from April 2019. Accordingly, Ajinomoto Logistics' assets and liabilities have been included under a disposal group of assets/liabilities classified as held for sale, and the logistics business has been classified as a discontinued business, effective from the first quarter of the current fiscal year.

Also, in the previous fiscal year and in the interim period of the current fiscal year, the Company has adopted a provisional accounting treatment related to business combinations and jointly controlled companies. Accordingly, a significant restatement has been made in the initial allocation of acquisition costs for the previous consolidated fiscal year and the interim period of the previous consolidated fiscal year.

(1) Overview of Operating Results

During the interim period ended September 30, 2018 (April 1 to September 30, 2018), the Ajinomoto Group's consolidated sales increased by 3.4% year on year, or ¥17.9 billion, to ¥546.4 billion, supported by a large increase in sales of pharmaceutical custom manufacturing services as well as growth in sales of frozen foods (Overseas) and seasonings and processed foods (Overseas). Business profit for the interim period declined 5.3%, or ¥2.4 billion, to ¥44.5 billion, owing to large falls in profits from frozen foods (Japan), frozen foods (Overseas), and coffee products.

Profit attributable to owners of the parent totaled ¥26.0 billion, down 16.7% or ¥5.2 billion.

Consolidated operating results by segment

Results for individual business segments are summarized below.

From the first quarter of the current fiscal year, the Cosmetics business has been transferred from the Life Support segment to the Healthcare segment. Segment information for the first-half of the previous fiscal year has been restated to reflect this change.

Billions of yen, rounded down

	Sales	YoY change - amount	YoY change - percent	Business profit	YoY change -amount	YoY change -percent
Japan Food Products	180.9	(3.7)	(2.0)%	12.4	(5.6)	(31.2)%
International Food Products	233.4	11.5	5.2%	22.5	0.4	1.9%
Life Support	54.3	(1.7)	(3.1)%	4.9	2.0	74.4%
Healthcare	64.9	11.7	22.2%	3.8	0.8	29.7%
Other	12.8	0	0.5%	0.8	(0.2)	(23.7)%
Total	546.4	17.9	3.4%	44.5	(2.4)	(5.3)%

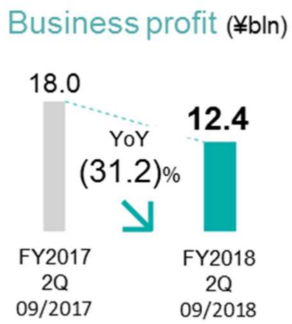
Note: Domestic and overseas sales of *ACTIVA®* products to food processing companies and of savory seasonings are included in the Japan Food Products segment. Domestic and overseas sales of umami seasoning *AJI-NO-MOTO®* for the food processing industry and of nucleotides and sweeteners are included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

1) Japan Food Products Segment

Japan Food Products segment sales fell 2.0% year on year, or by ¥3.7 billion, to ¥180.9 billion in the first six months of the current fiscal year. The decline was due to lower sales of frozen foods (Japan) and coffee products amid increasingly intense competition in the home-use markets for those products. Segment business profit declined 31.2%, or ¥5.6 billion, to ¥12.4 billion, on substantially lower profits on frozen foods (Japan) and coffee products.

Main factors affecting segment sales

- **Seasonings and processed foods (Japan):** Both home-use and restaurant and industrial-use are steady, with increased sales overall.
- **Frozen foods (Japan):** Even though home-use products were in a recovery trend in the second quarter, it was not enough to cover the effect of the struggle sales had in the first quarter, resulting in reduced sales. Restaurant and industrial-use products were level with the previous period. Therefore, overall sales decreased.
- **Coffee products:** Decrease in overall sales mainly due to the effect of stiffening competition for home-use products and gift products accompanying the shrinking of the market, and decreased sales to convenience stores.

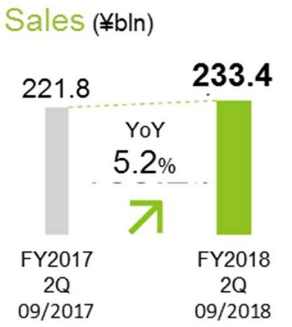


Main factors affecting segment profits

- **Seasonings and processed foods (Japan):** Even though home-use products were level with the previous period, overall profit decreased due to the effect of increased raw material prices in restaurant and industrial-use products.
- **Frozen foods (Japan) and coffee products:** Even though frozen foods and coffee products were in recovery trends in the second quarter, it was not enough to cover the profit decreases in the first quarter, resulting in large decreases in profit.

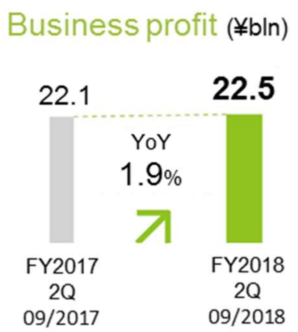
2) International Food Products Segment

International Food Products segment's interim sales totaled to ¥233.4 billion, up 5.2%, or ¥11.5 billion year on year. Sales growth was driven by strong sales in the frozen foods (Overseas) category and seasonings and processed foods (Overseas) category. The gains are also partially attributable to the consolidation of new subsidiaries. Segment business profits increased 1.9% year on year, or by ¥0.4 billion, to ¥22.5 billion, as an increase in profits on sales of seasonings and processed foods and on umami seasonings for processed food manufacturers offset a large decline in profits on sales of frozen foods (Overseas).



Main factors affecting segment sales

- **Seasonings and processed foods (Overseas):** Even with the negative effect of currency translation, with the expansion of sales of seasonings and canned coffee in Thailand having increased sales due to the price increase, overall increased sales.
- **Frozen foods (Overseas):** Overall increased sales due to the effect of expansion of Asian food products in the United States and the effect of a newly consolidated European subsidiary.
- **Umami seasonings for processed food manufacturers and sweeteners:** Umami seasonings for processed food mfrs. increased due mainly to expansion of overseas sales, while sweeteners increased due mainly to the expansion of sales for processing.

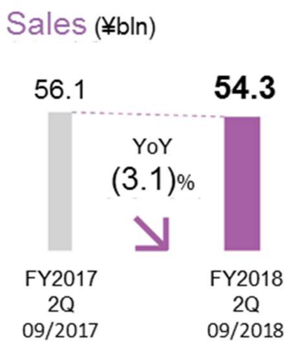


Main factors affecting segment profits

- **Seasonings and processed foods (Overseas):** Overall increase in profit accompanying increased sales despite the effect of increased fermentation raw materials and fuel prices.
- **Frozen foods (Overseas):** Large decrease in profit due to steep rise in logistics costs and increased production costs accompanying the construction of a new production system in the U.S. despite increased sales.
- **Umami seasonings for processed food manufacturers and sweeteners:** Increase in profit due to increased sales quantity and positive effect of trade exchange despite the effect of increased prices for fermentation raw materials and fuels. Sweeteners were level with the previous period.

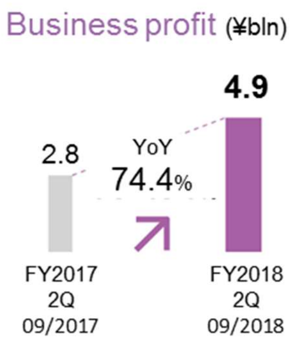
3) Life Support Segment

Life Support segment sales totaled ¥54.3 billion, down 3.1% or ¥1.7 billion year on year. Sales of specialty chemicals increased but sales of animal nutrition products declined. Segment business profit expanded strongly, increasing 74.4%, or ¥2.0 billion, to ¥4.9 billion, supported by large increases in profits from animal nutrition products and specialty chemicals.



Main factors affecting segment sales

- **Animal nutrition:** Despite large increase in sales of tryptophan, overall sales were level with the previous period mainly due to decreased quantities of lysine and threonine sold.
- **Specialty chemicals:** Increased sales due to strong sales of electronic materials.

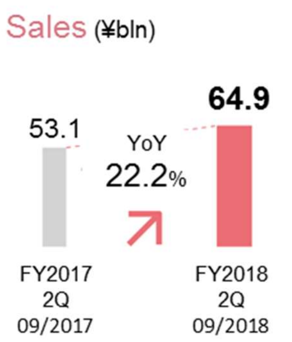


Main factors affecting segment profits

- **Animal nutrition:** Large increase in profit primarily due to the effect of increased sales of tryptophan.
- **Specialty chemicals:** Large increase in profit accompanying increased sales.

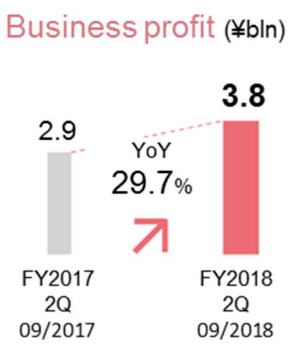
4) Healthcare Segment

Healthcare segment sales totaled ¥64.9 billion, up 22.2% or ¥11.7 billion from the previous year's result. The gain was driven by large increases in sales of pharmaceutical custom manufacturing services and amino acids for pharmaceuticals and foods. Strong sales growth in these two categories drove segment business profit up 29.7%, or ¥0.8 billion, to ¥3.8 billion.



Main factors affecting segment sales

- **Amino acids:** Large increase in sales due to the effect of expansion of sales of pharmaceutical custom manufacturing, amino acids for pharmaceuticals and foods, and the new consolidation of a subsidiary.
- **Other products:** Increase in sales due to increased sales of materials of healthcare products and Foods with Function Claims.



Main factors affecting segment profits

- **Amino acids:** Large increase in profit accompanying increased sales of both pharmaceutical custom manufacturing and amino acids for pharmaceuticals and foods.
- **Other products:** Decrease in profit due primarily to a change in the recorded sub-segment (moved to pharmaceutical custom manufacturing).

5) Other

In the Other segment, interim sales totaled ¥12.8 billion, up 0.5% year on year. Segment business profit fell 23.7%, or ¥0.2 billion, to ¥0.8 billion, mainly due to reduced profit in the packaging business.

(2) Overview of Financial Position

As of September 30, 2018, total assets amounted to ¥1,413.4 billion, down ¥12.7 billion from ¥1,426.2 billion at the end of the previous fiscal year on March 31, 2018. The main reason for the decrease is the reduction in cash and cash equivalents brought about by the buyback of the Company's common shares.

Total liabilities came to ¥701.5 billion, ¥4.1 billion less than the ¥705.6 billion at the end of the previous fiscal year. Interest-bearing debt totaled ¥364.6 billion, an increase of ¥20.4 billion from the end of the previous fiscal year, mainly reflecting the issuance of commercial paper during the period.

Total equity as of September 31, 2018, was ¥8.6 billion less than at the end of the previous fiscal year, mainly reflecting the impact of the stock buyback. Equity attributable to owners of the parent company, which is total equity minus non-controlling interests, totaled ¥639.7 billion, and the ownership ratio attributable to owners of the parent company was 45.3%.

(3) Overview of Consolidated Earnings Forecasts

The full-year forecasts that the Company announced on May 10, 2018 have been revised following a review of consolidated earnings forecasts based on recent performance during the Interim Period Ended September 30, 2018.

For more information please see the “Notice concerning revisions to consolidated earnings forecasts for the fiscal year ending March 31, 2019” published today.

(4) Business Risks

During the interim consolidated fiscal period, material changes relating to business risks described in the Annual securities report for the previous fiscal year are as follows.
Note that forward-looking statements in the report were prepared at the discretion of the Ajinomoto Group on the basis of information available as of the end of the interim consolidated fiscal period.

The Group’s business performance could be affected by conditions in the countries and regions where it conducts business, and in particular by the weakening of currencies, declines in consumption, and changes in government policy caused by fiscal deficits and unstable political conditions in African countries and Turkey.

2. Condensed Consolidated Financial Statements and Notes

(1) Condensed Consolidated Statements of Financial Position

Millions of yen

	As of end of interim period (September 30, 2018)	As of end of previous fiscal year (March 31, 2018)
Assets		
Current assets		
Cash and cash equivalents	145,217	187,869
Trade and other receivables	190,111	200,272
Other financial assets	15,361	10,615
Inventories	200,336	184,109
Income taxes receivable	9,781	8,374
Others	13,144	12,919
Sub total	573,953	604,160
Assets of disposal groups classified as held for sale	16,672	-
Total current assets	590,626	604,160
Non-current assets		
Property, plant and equipment	407,379	411,640
Intangible assets	66,462	66,144
Goodwill	109,794	107,394
Investments in associates and joint ventures	137,531	131,190
Long-term financial assets	69,181	70,042
Deferred tax assets	9,456	13,080
Others	23,049	22,576
Total non-current assets	822,855	822,069
Total assets	1,413,482	1,426,230

Millions of yen

	As of end of interim period (September 30, 2018)	As of end of previous fiscal year (March 31, 2018)
Liabilities		
Current liabilities		
Trade and other payables	164,819	185,269
Short-term borrowings	11,970	15,280
Commercial paper	20,000	-
Current portion of long-term borrowings	13,049	11,285
Other financial liabilities	2,513	4,049
Short-term employee benefits	36,538	37,811
Provisions	2,981	6,348
Income taxes payable	13,593	10,429
Others	10,471	9,636
Sub total	275,938	280,111
Liabilities of disposal groups classified as held for sale	12,007	-
Total current liabilities	287,946	280,111
Non-current liabilities		
Corporate bonds	169,446	169,413
Long-term borrowings	143,523	140,298
Other financial liabilities	24,908	28,428
Long-term employee benefits	53,908	64,807
Provisions	10,427	11,397
Deferred tax liabilities	10,751	10,448
Others	603	710
Total non-current liabilities	413,569	425,505
Total liabilities	701,515	705,616
Equity		
Common stock	79,863	79,863
Capital surplus	3,190	955
Treasury stock	(49,589)	(9,585)
Retained earnings	646,939	628,966
Other components of equity	(40,861)	(59,366)
Disposal groups classified as held for sale	257	-
Equity attributable to owners of the parent company	639,799	640,833
Non-controlling interests	72,166	79,780
Total equity	711,966	720,613
Total liabilities and equity	1,413,482	1,426,230

(2) Condensed Consolidated Statements of Income

Millions of yen

	Interim period (April 1, 2018 to September 30, 2018)	Interim period (April 1, 2017 to September 30, 2017)
Continuing operations		
Sales	546,493	528,503
Cost of sales	(354,888)	(338,726)
Gross profit	191,604	189,776
Share of profit of associates and joint ventures	2,677	2,573
Selling expenses	(86,234)	(84,505)
Research and development expenses	(14,224)	(13,593)
General and administrative expenses	(49,250)	(47,188)
Business profit	44,572	47,062
Other operating income	3,231	3,200
Other operating expenses	(4,137)	(3,956)
Operating profit	43,666	46,306
Financial income	3,511	3,405
Financial expenses	(3,171)	(2,144)
Profit before income taxes	44,006	47,567
Income taxes	(13,753)	(12,848)
Profit from continuing operations	30,253	34,718
Profit from discontinued operations	758	1,554
Profit	31,011	36,273
Attributable to:		
Owners of the parent company	26,083	31,301
Non-controlling interests	4,928	4,972
Profit from continuing operations attributable to owners of the parent company	25,348	29,801
Profit from discontinued operations attributable to owners of the parent company	734	1,500
Profit attributable to owners of the parent company	26,083	31,301
Earnings per share from continuing operations (yen):		
Basic	45.35	52.39
Diluted	-	-
Earnings per share from discontinued operations (yen):		
Basic	1.31	2.64
Diluted	-	-
Earnings per share (yen):		
Basic	46.67	55.03
Diluted	-	-

(3) Notes to Condensed Consolidated Financial Statements

(Going Concern Assumption)

No applicable items

(Significant Accounting Policies)

With the exception of the items explained below, the significant accounting policies used to prepare these condensed consolidated financial statements for the interim period are unchanged from the policies applied to the consolidated financial statements in the previous fiscal year.

Income taxes for the interim period are calculated based on an estimation of the effective tax rate for the fiscal year.

(Impact of Applying New Accounting Policies)

The Group has applied the following accounting standards from the first quarter of the fiscal year ending March 31, 2019:

IFRS		Overview of new standards or amendments
IFRIC 22	*Foreign Currency Transactions and Advance Consideration*	Clarified accounting for foreign currency transactions and advance consideration
IFRS 15	*Revenue from Contracts with Customers*	Amended accounting for revenue recognition and related disclosures

Note 1: IFRIC 22 Foreign Currency Transactions and Advance Consideration

This Interpretation provides guidance on how to determine the exchange rate used for initial recognition of the related asset, expense or income (or part of such) upon derecognizing a non-monetary asset or liability related to the payment or receipt of advance consideration, and clarifies that the transaction date is the date a nonmonetary asset or liability arising from the payment or receipt of advance consideration is initially recognized. If there are multiple payments or receipts of advance consideration, the transaction date is determined for each payment or receipt of advance consideration.

The Group currently estimates that the adoption of this standard does not have a material impact on the Company's Condensed Consolidated Financial Statements since such transactions denominated in foreign currencies are monetarily immaterial to the Company's operating results and financial position.

Note 2: IFRS 15 Revenue from Contracts with Customers

IFRS15 requires the Group to recognize revenue, excluding interest and dividend income recognized in accordance with IFRS 9 and insurance revenue recognized in accordance with IFRS 4, upon transfer of promised goods or services to customers in amounts that reflect the consideration to which the Group expects to be entitled in exchange for those goods or services based on the following five-step approach:

Step 1: Identify the contracts with customers

Step 2: Identify the performance obligations in each contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

The Group mainly engages in selling seasonings, processed foods, frozen foods, amino acids and other products. The sale of such goods meets the above requirements for revenue recognition when the Group satisfies its performance obligation by transferring control over the goods to the customer at the time of the delivery. Revenues from the sale of goods have been previously required to be recognized when the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership of the goods to the buyer;
- the Group does not retain neither continuing involvement nor effective control over the goods;
- it is probable that the economic benefits will flow to the Group; and
- the benefits and corresponding costs can be measured reliably.

The Group has previously recognized revenue at the time of the delivery of goods, and thus currently estimates that the adoption of this standard does not have a material impact on the Company's Condensed Consolidated Financial Statements.
EA Pharma Co., Ltd., an equity-method associate of the Company, has changed its revenue recognition policy on licensing of development and products (initial payments and milestones) due to applying this standard, but it has no material impact on the Group's operating results and financial position.
In accordance with the transition requirements, the Group applies IFRS 15 retrospectively to contracts with customers not completed on the date of initial application (April 1, 2018) by recognizing the cumulative effect of initially applying this standard as an adjustment to the beginning balance of retained earnings for the interim period of the fiscal year ending March 31, 2019.

(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."

From the first quarter of the fiscal year ending March 31, 2019, the Cosmetics business has been transferred from the Life Support segment to the Healthcare segment. The segment information for the interim period of the previous fiscal year has been restated accordingly to reflect this change.

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.

From the first quarter of the fiscal year ending March 31, 2019, the logistics business has been reclassified as a discontinued operation. Segment information in this document shows values for continuing operations only, which now excludes the logistics business.

Also, in the previous fiscal year and the second quarter of the current fiscal year, the Company finalized a provisional accounting treatment related to business combinations and jointly controlled companies. The consolidated results for the interim period of the previous fiscal year have been revised to reflect a significant change in the initial allocation of acquisition costs relating to the finalization of this provisional accounting treatment.

(2) Information by reportable segment

The Group's sales and earnings by reportable segments are as follows.
Inter-segment sales and transfers are primarily based on transaction prices between third-parties.

Interim period ended September 30, 2018 (April 1, 2018 to September 30, 2018)

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	180,922	233,424	54,360	64,970	12,816	546,493	—	546,493
Inter-segment sales and transfers	2,043	2,451	1,511	1,342	15,471	22,821	(22,821)	—
Total sales	182,966	235,876	55,871	66,313	28,287	569,314	(22,821)	546,493
Share of profit of associates and joint ventures	259	477	27	(36)	1,948	2,677	—	2,677
Segment profit or loss (Business profit or loss)	12,426	22,580	4,910	3,842	812	44,572	—	44,572
					Other operating income			3,231
					Other operating expenses			(4,137)
					Operating profit			43,666
					Financial income			3,511
					Financial expenses			(3,171)
					Profit before income taxes			44,006

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

Interim period ended September 30, 2017 (April 1, 2017 to September 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	184,640	221,825	56,108	53,175	12,753	528,503	—	528,503
Inter-segment sales and transfers	1,803	2,318	1,215	1,148	14,517	21,003	(21,003)	—
Total sales	186,444	224,143	57,324	54,323	27,270	549,506	(21,003)	528,503
Share of profit of associates and joint ventures	191	763	37	51	1,530	2,573	—	2,573
Segment profit or loss (Business profit or loss)	18,070	22,149	2,815	2,962	1,064	47,062	—	47,062
					Other operating income			3,200
					Other operating expenses			(3,956)
					Operating profit			46,306
					Financial income			3,405
					Financial expenses			(2,144)
					Profit before income taxes			47,567

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