



Ajinomoto Co., Inc.

Consolidated Results

Third Quarter Ended December 31, 2006

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 beliefs made by management in light of information currently available. Actual financial results may differ materially 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 (Consolidated)

Third quarter results for the year ending March 31, 2007

Ajinomoto Co., Inc.

Stock Code: 2802
<http://www.ajinomoto.com/>
 President: Norio Yamaguchi

Listed exchanges: Tokyo, Osaka
 Inquiries: Hiromichi Ono
 General Manager
 Finance Department
 Telephone: 813 5250-8161

January 31, 2007

1. Notes to preparation of these financial statements

Adoption of simplified accounting treatments: Yes

- a) Income taxes: based on estimated actual tax rate b) Allowance for doubtful accounts: partial use of the simple method

Differences in accounting treatments applied compared to previous consolidated fiscal year: No.

Changes in the scope of consolidation and companies accounted for by the equity method compared to previous consolidated fiscal year: Yes

Consolidated subsidiaries	(Newly included)	3 (Excluded)	2
Companies accounted for by the equity method	(Newly included)	1 (Excluded)	3

2. Third quarter consolidated financial results (April 1, 2006 to December 31, 2006) for the fiscal year ending March 31, 2007

1) Consolidated Operating Results

Millions of yen, rounded down

	Nine months ended December 31, 2006	Nine months ended December 31, 2005	FY ended March 31, 2006
Net sales	880,699	836,827	1,106,807
Operating income	50,688	45,280	60,322
Ordinary income	50,863	47,371	61,448
Net income	28,505	29,550	34,912
Net income per share (¥)	¥44.04	¥45.62	¥53.64
Fully diluted earnings per share (¥)	--	--	--

2) Financial Position

Millions of yen, rounded down

	As of December 31, 2006	As of December 31, 2005	As of March 31, 2006
Total assets	1,058,035	970,478	997,405
Net assets	599,016	514,324	528,762
Shareholders' equity ratio (%)	52.7%	53.0%	53.0%
Book value per share (¥)	¥861.19	¥793.77	¥815.84

3. Matters concerning consolidated subsidiaries and affiliates accounted for by the equity method:

Number of consolidated subsidiaries	103
Number of non-consolidated subsidiaries accounted for by the equity method	4
Number of affiliates accounted for by the equity method	10

4. Forecast for the fiscal year ending March 31, 2007 (April 1, 2006 to March 31, 2007)

Millions of yen, rounded down

	FY ending March 31, 2007
Net sales	1,180,000
Operating income	71,500
Ordinary income	69,000
Net income	35,500

Note: Net income per share forecast for the fiscal year ending March 31, 2007: ¥54.84

Please refer to pages 3 to 5 of this report for qualitative information on these nine-month results.

1. CONSOLIDATED OPERATING RESULTS

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

Consolidated net sales for the first nine months (April 1, 2006 to December 31, 2006) of the fiscal year ending March 31, 2007 rose 5.2% (¥43.8 billion) to ¥880.6 billion. Consolidated operating income increased 11.9% to ¥50.6 billion and consolidated ordinary income increased 7.4% to ¥50.8 billion. Consolidated net income for the nine months decreased by 3.5% (¥1.0 billion) to ¥28.5 billion, mainly due to differences in the estimated effective tax rates (as also used in the full-year forecasts), used in calculating income taxes and others.

There are no changes to the full-year forecasts issued on November 10, 2006 for the fiscal year ending March 31, 2007.

(1) Domestic food products

Domestic food product sales increased by 1.1% (¥5.1 billion) to ¥478.3 billion. Operating income fell by 15.3% (¥3.9 billion) to ¥22.1 billion.

The slight increase in sales was attributable to a contribution by coffee and the new consolidation of GABAN Co., Ltd. and the frozen foods business of the Amoy Food Group, despite reduced sales of lunchboxes and prepared dish products and beverages. The lower operating income was due to higher raw materials costs, upfront investment in the health-related business, and a fall-off in sales resulting from the warm winter.

Seasonings and processed foods: In the retail market, an in-store cross merchandising campaign with fresh meat, vegetables and other ingredients was carried out for the Japanese, Western and Chinese dashi product range. Although sales of seasoning product *HON-DASHI* and consommé were slightly lower than in the previous comparable period, sales of *Ajinomoto KK Marudori Gara Soup* increased, and as a result overall sales in the Japanese, Western and Chinese dashi product range remained at the same level. Sales of soups decreased, with sales of products such as *Knorr Cup Soup* strongly impacted by the record warm winter. In mayonnaise and mayonnaise-type dressings, sales of *Pure Select Saralea* trended positively.

In the commercial market, sales remained at similar levels to the previous comparable period, reflecting the severe environment in the restaurant industry. Sales of *ACTIVA*, an enzyme (transglutaminase) that improves food texture, grew strongly, and sales of savory seasoning products to food processing companies also grew steadily.

Sweeteners and Nutritional foods: Sales of low-calorie sweeteners for home and restaurant use increased due to good sales of *PAL SWEET*. Revenue from sales of amino acids supplement *amino VITAL* was lower, mainly due to lower sales of the jelly drink type.

Frozen foods: In products for the retail market, sales of core products *Gyoza*, *Yawaraka Wakadori Kara-Age*, and *Fried rice with various ingredients* were strong, but overall sales remained broadly similar to the previous comparable period, reflecting the market slowdown since the fiscal second half. Sales for restaurant and institutional use were steady, with contributions from substantially higher sales in the processed vegetable and processed pork product areas as a result of the introduction of new products, and dessert products.

Edible oils: Sales decreased slightly over the previous comparable period.

Coffee, Beverages, Dairy products: Sales of instant coffee such as *MAXIM* and *Blendy* grew strongly, and sales of liquid coffee and gift products also increased. Revenue from beverage sales decreased, with strong sales growth in *evian* more than offset by overall poor sales in the summer.

In chilled dairy products, sales of *BIO* and other yogurt products increased significantly, as did sales of *Petite Danone* and *Baby Danone*.

(2) Overseas food products

Net sales in the overseas food product business were up 30.8% (¥21.9 billion) to ¥93.3 billion. Operating income increased by 184.4% (¥4.9 billion) to ¥7.6 billion. The major increases in revenue and income were driven by significant growth in sales of flavor seasonings in Asia and South America, strong performance in sales of umami seasoning *AJI-NO-MOTO* for home and restaurant use, and the favorable impact of foreign exchange fluctuations. The consolidation of the seasonings business of the Amoy Food Group also contributed to increased revenues.

Seasonings: In Asia, sales of flavor seasonings for home use grew significantly in Thailand and Vietnam, while sales of *AJI-NO-MOTO* for home and restaurant use also performed well. In the Americas, revenue from sales of flavor seasonings for home use in South America was much higher than in the previous comparable period. In Europe and Africa, retail sales of *AJI-NO-MOTO* increased in West African nations.

Processed foods: Sales of instant noodles in Asia increased substantially, while sales of *Birdy* canned coffee were also favorable.

(3) Amino acids

Net sales in the amino acids business increased by 7.0% (¥13.1 billion) to ¥200.5 billion and operating income increased 7.4% (¥0.8 billion) to ¥12.0 billion. The strong sales were driven mainly by feed-use amino acids, pharmaceutical fine chemicals and specialty chemicals, while the higher operating income was attributable to major income growth in umami seasonings for processed food manufacturers and specialty chemicals, despite a decline in income from feed-use amino acids, etc.

Umami seasonings for processed food manufacturers: Sales of *AJI-NO-MOTO* to the food processing industry decreased over the previous comparable period, as the impact of a decrease in consolidated subsidiaries more than offset higher unit prices in Japan and overseas. Sales of nucleotides increased significantly, driven by volume growth in sales mainly to major overseas customers.

Feed-use amino acids: Sales of Lysine grew substantially, with both sales volumes and unit prices rising. Sales of Threonine were much lower, as unit prices fell due to the worsening grain market conditions for Threonine, while sales volume increased steadily. Sales of Tryptophan were significantly higher.

Amino acids for pharmaceuticals and foods: In Japan, sales of amino acids for pharmaceuticals decreased substantially, affected by lower unit prices resulting from the NHI price revisions, as did sales of amino acids for foods, reflecting a large decline in demand for amino acids for beverages. Overseas, sales of amino acids for pharmaceuticals were strong, mainly in Europe and North America.

Sweeteners: Sales to the food processing industry increased over the previous comparable period, driven by volume growth.

Pharmaceutical fine chemicals: Sales were much higher than in the previous comparable period, supported by strong sales in Europe.

Specialty chemicals: Sales of cosmetic ingredients increased due to good performance in sales to North America. Sales of the amino acid-based cosmetic *JINO* recorded major growth, as did sales of insulation film for build-up printed wiring boards.

(4) Pharmaceuticals

Pharmaceutical sales increased by 5.9% (¥3.5 billion) to ¥63.6 billion, and operating income increased 44.0% (¥3.9 billion) to ¥12.8 billion. The increases in revenue and income are attributable to higher sales of products distributed by Ajinomoto itself as well as goods sold under cooperative agreements, including those for which one-off payments have been received.

For sales of products distributed by Ajinomoto itself, sales of *TWINPAL*, a peripheral infusion, were strong, as were sales of *LIVACT*, a branched-chain amino acid formula for the treatment of liver cirrhosis. For sales under cooperative agreements, sales of natiglinide products such as non-insulin-dependent diabetes treatment *FASTIC*, sales of *ATELEC*, an antihypertensive drug, and sales of *ACTONEL*, a preparation used in the treatment of osteoporosis, all increased over the previous comparable period.

(5) Other

Net sales in this segment increased by 0.0% (¥10 million) to ¥48.8 billion and operating income declined 12.3% (¥0.3 billion) to ¥2.1 billion.

2. FINANCIAL POSITION

Total assets at the end of the nine months under review were ¥1,058.0 billion compared to ¥997.4 billion as of March 31, 2006. This increase of ¥60.6 billion was due mainly to an increase in accounts receivable resulting from seasonal factors such as sales of gift products, an increase in capital expenditure, and the effect of the weaker yen on the translated balance sheet value of assets held by overseas subsidiaries. Total interest-bearing debt was ¥160.4 billion, ¥14.8 billion higher than March 31, 2006, due to procuring funds for capital and other investment partly through borrowing, and seasonal factors such as dividend payments. Net assets increased ¥70.2 billion from March 31, 2006, due to factors such as the inclusion of minority interests as a result of the change in accounting treatment and higher operating revenue. Shareholders' equity, which is net assets net of minority interests, was ¥557.7 billion, and the shareholders' equity ratio was 52.7%.

3. DISCLAIMER

Forecasts and forward-looking statements in this document are based on a number of assumptions and beliefs made by management in light of information currently available. Actual financial results may differ materially depending on a number of factors, including economic conditions, legislative and regulatory developments, delay in new product launches, and pricing and product initiatives of competitors.

Consolidated Balance Sheets

Millions of yen, rounded down

	As of March 31, 2006		As of December 31, 2006		Increase (Decrease)	As of December 31, 2005	
		%		%			%
ASSETS							
Current assets							
Cash on hand and in banks.....	72,168		73,624		1,455	64,828	
Notes & accounts receivable.....	196,967		228,803		31,836	216,740	
Marketable securities	4,228		12		(4,216)	7,075	
Inventories.....	108,324		119,830		11,505	108,659	
Deferred tax assets	10,787		9,613		(1,173)	10,391	
Other	34,640		42,298		7,657	34,127	
Allowance for doubtful accounts.....	(1,125)		(1,132)		(6)	(1,534)	
Total current assets	425,991	42.7	473,050	44.7	47,058	440,288	45.4
Fixed assets							
Tangible fixed assets							
Buildings and structures.....	272,416		305,507		33,090	266,568	
Machinery and vehicles.....	452,736		493,894		41,157	444,968	
Other	54,120		57,968		3,848	51,024	
Accumulated depreciation.....	(540,184)		(572,087)		(31,902)	(531,158)	
Land	55,611		58,034		2,423	58,966	
Construction in process.....	47,250		28,614		(18,636)	38,913	
Total tangible fixed assets	341,950	34.3	371,930	35.2	29,980	329,283	33.9
Intangible fixed assets							
Goodwill	43,194		39,668		(3,525)	24,089	
Other	25,311		24,948		(362)	18,306	
Total intangible fixed assets.....	68,505	6.9	64,616	6.1	(3,888)	42,396	4.4
Investment and other assets							
Investment in securities.....	146,151		132,036		(14,114)	144,374	
Long-term loans receivable.....	184		435		251	200	
Deferred tax assets	6,616		6,456		(160)	6,485	
Other	8,692		10,388		1,695	9,743	
Allowance for doubtful accounts.....	(687)		(879)		(191)	(2,293)	
Total investment and other assets	160,957	16.1	148,437	14.0	(12,520)	158,511	16.3
Total fixed assets.....	571,413	57.3	584,984	55.3	13,571	530,190	54.6
Total Assets	997,405	100.0	1,058,035	100.0	60,630	970,478	100.0



Consolidated Balance Sheets

Millions of yen

	As of March 31, 2006		As of December 31, 2006		Increase (Decrease)	As of December 31, 2005	
		%		%			%
LIABILITIES							
Current liabilities							
Notes & accounts payable.....	109,092		132,547		23,455	127,944	
Short-term borrowings.....	24,851		37,751		12,900	29,689	
Commercial paper.....	10,000		--		(10,000)	15,000	
Long-term loans due to be repaid within one year.....	410		436		25	434	
Corporate bonds to be redeemed within one year.....	--		15,000		15,000	--	
Accrued income taxes.....	7,274		12,253		4,979	8,905	
Accrued bonuses.....	3,897		1,824		(2,072)	1,773	
Accrued bonuses for directors.....	--		153		153	--	
Other.....	82,314		71,879		(10,435)	60,811	
Total current liabilities.....	237,840	23.8	271,846	25.7	34,005	244,558	25.2
Long-term liabilities							
Bonds.....	85,000		70,000		(15,000)	85,000	
Long-term debt.....	25,382		37,270		11,887	8,439	
Deferred tax liabilities.....	9,076		4,849		(4,226)	4,803	
Accrued employees' retirement benefits.....	57,234		52,807		(4,426)	59,271	
Accrued officers' severance benefits.....	1,607		1,887		280	1,474	
Other.....	19,856		20,356		500	22,373	
Total long-term liabilities.....	198,157	19.9	187,172	17.7	(10,985)	181,362	18.7
Total liabilities.....	435,997	43.7	459,018	43.4	23,020	425,921	43.9
NET ASSETS:							
Owners' equity							
Common stock.....	--		79,863	7.6	--	--	
Capital surplus.....	--		111,580	10.5	--	--	
Retained earnings.....	--		363,215	34.3	--	--	
Treasury stock.....	--		(2,803)	(0.3)	--	--	
Total owners' equity.....	--		551,856	52.1	--	--	
Valuation, translation adjustments and others							
Unrealized holding gain on securities.....	--		16,370	1.6	--	--	--
Unrealized gain from hedging instruments.....	--		126	0.0	--	--	--
Translation adjustments.....	--		(10,570)	(1.0)	--	--	--
Total valuation, translation adjustments and others.....	--		5,926	0.6	--	--	--
Minority interests.....	--		41,233	3.9	--	--	--
Total net assets.....	--		599,016	56.6	--	--	--
Total Liabilities & Net Assets.....	--		1,058,035	100.0	--	--	--

MINORITY INTERESTS:								
Minority interests	32,644	3.3	--	--	--	30,233	3.1	
SHAREHOLDERS' EQUITY:								
Common stock	79,863	8.0	--	--	--	79,863	8.2	
Capital surplus	111,579	11.2	--	--	--	111,579	11.5	
Retained earnings	341,528	34.2	--	--	--	336,175	34.7	
Unrealized holding gains on securities	23,848	2.4	--	--	--	21,863	2.3	
Translation adjustments	(25,547)	(2.6)	--	--	--	(32,702)	(3.4)	
Treasury stock	(2,510)	(0.2)	--	--	--	(2,454)	(0.3)	
Total shareholders' equity.....	528,762	53.0	--	--	--	514,324	53.0	
Total Liabilities, Minority Interests And Shareholders' Equity	997,405	100.0	--	--	--	970,478	100.0	

Consolidated Statements of Income

Millions of yen, rounded down

	Nine months ended December 31, 2005		Nine months ended December 31, 2006		Increase (Decrease)	FY ended March 31, 2006	
		%		%			%
Net sales.....	836,827	100.0	880,699	100.0	43,871	1,106,807	100.0
Cost of sales.....	605,438	72.3	632,569	71.8	27,131	795,007	71.8
Gross profit	231,389	27.7	248,129	28.2	16,740	311,799	28.2
Selling, general and administrative expenses	186,108	22.3	197,440	22.4	11,331	251,476	22.7
Operating income.....	45,280	5.4	50,688	5.8	5,408	60,322	5.5
Non-operating income							
Interest received.....	913		1,301		387	1,287	
Dividends received.....	735		660		(74)	1,279	
Equity in earnings of affiliates.....	3,960		3,628		(331)	3,703	
Miscellaneous income.....	3,967		3,729		(237)	3,793	
Total non-operating income.....	9,576	1.2	9,320	1.0	(255)	10,064	0.9
Non-operating expenses							
Interest expense.....	2,444		3,694		1,250	3,292	
Miscellaneous losses.....	5,041		5,450		409	5,645	
Total non-operating expenses.....	7,485	0.9	9,145	1.0	1,659	8,938	0.8
Ordinary income.....	47,371	5.7	50,863	5.8	3,492	61,448	5.6
Extraordinary income							
Gain on sale of fixed assets.....	4,229		198		(4,031)	4,339	
Profit on sale of investment securities sold.....	1,506		2,406		900	1,634	
Other.....	763		703		(60)	1,008	
Total extraordinary income.....	6,499	0.7	3,309	0.3	(3,190)	6,981	0.6
Extraordinary losses							
Loss on disposal of fixed assets.....	1,886		2,230		343	4,699	
Other.....	2,420		1,464		(955)	6,561	
Total extraordinary losses.....	4,307	0.5	3,694	0.4	(612)	11,261	1.0
Net income before income taxes.....	49,563	5.9	50,478	5.7	914	57,169	5.2
Income taxes.....	17,620	2.1	19,551	2.2	1,930	19,311	1.7
Minority interests.....	2,392	0.3	2,421	0.3	28	2,945	0.3
Net income.....	29,550	3.5	28,505	3.2	(1,045)	34,912	3.2

Segment information by business

Nine months of the previous fiscal year ended March 2006 (April 1, 2005 to December 31, 2005)

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	473,185	71,367	187,337	60,117	44,819	836,827	--	836,827
(2) Intra-group sales and transfers.....	2,085	1,332	17,527	79	41,397	62,423	(62,423)	--
Total sales	475,270	72,700	204,865	60,197	86,217	899,250	(62,423)	836,827
Operating expenses.....	449,142	70,007	193,605	51,245	83,728	847,729	(56,181)	791,547
Operating income.....	26,127	2,692	11,259	8,951	2,489	51,521	(6,241)	45,280

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

2. Main products for each business segment are as follows:

Business segment	Main products
Domestic Food Products	AJI-NO-MOTO, HON-DASHI, Cook Do, soups, mayonnaise and mayonnaise-type dressings, PAL SWEET (for domestic market), delicatessen products, bakery products, amino VITAL, frozen foods, edible oils, coffee, domestic 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. Major unallocated items in operating expenses included under Corporate and Eliminations include administrative operating expenses at Ajinomoto Co., Inc. (the Company) and part of operating expenses at research facilities. For the period under review, these items totaled ¥7,072 million.

4. Change of product allocations to business segments

From the current fiscal year the Company has reorganized its internal company system as part of measures included in Ajinomoto Group's new medium- to long-term management plan. Accordingly, product allocations to business segments have been reorganized as follows in order to more appropriately disclose the state of Group operations.

- Food products exported by Ajinomoto Co., Inc. have been shifted from the 'Domestic Food Products' to 'Overseas Foods Products'.
- Certain frozen foods business has been shifted from 'Overseas Food Products' to 'Domestic Food Products'.
- Umami seasonings for processed food manufacturers and overseas amino VITAL have been shifted from 'Overseas Food Products' to 'Amino Acids'.
- Certain operations of overseas subsidiaries and part of other businesses have been shifted from 'Overseas Food Products' to 'Amino Acids.'
- Health food projects have reached commercialization as health food businesses, and as such have been shifted from 'Corporate' to 'Domestic Food Products'.

5. Change to accounting treatments

Income and expenses of overseas subsidiaries and equity method affiliates overseas have previously been calculated using the exchange rate on the balance sheet date. However, from the current fiscal year onwards, such figures have been recorded using the average exchange rate throughout the relevant period. This change has been made to reflect the increasing importance of the production and sales of overseas subsidiaries and affiliates to the parent company. As quarterly financial information disclosure further develops, this change will enable each financial report to show a balanced result for the period despite severe fluctuations of the spot exchange rate that may occur. For comparison, using the previous calculation method results net sales decreased by ¥168 million for Domestic Food Products, ¥3,664 million for Overseas Food Products, ¥4,382 million for Amino Acids, ¥177 million for Other and increased by ¥105 million for Corporate and Eliminations. Changes to operating income are: Declines of ¥1 million for Domestic Food Products, ¥281 million for Overseas Food Products, ¥76 million for Amino Acids, ¥0 million for Pharmaceuticals, ¥18 million for Other. Increase of ¥0 million for Corporate and Eliminations.

Nine months of the fiscal year ending March 2007 (April 1, 2006 to December 31, 2006)

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	478,344	93,336	200,514	63,668	44,835	880,699	--	880,699
(2) Intra-group sales and transfers	2,126	1,739	14,973	100	45,015	63,956	(63,956)	--
Total sales	480,471	95,075	215,487	63,769	89,851	944,655	(63,956)	880,699
Operating expenses	458,336	87,416	203,398	50,878	87,667	887,697	(57,686)	830,010
Operating income	22,134	7,658	12,089	12,891	2,184	56,958	(6,269)	50,688

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

2. Main products for each business segment are as follows:

Business segment	Main products
Domestic Food Products	<i>AJI-NO-MOTO</i> , <i>HON-DASHI</i> , <i>Cook Do</i> , soups, mayonnaise and mayonnaise-type dressings, <i>PAL SWEET</i> (for domestic market), delicatessen products, bakery products, <i>amino VITAL</i> , frozen foods, edible oils, coffee, domestic beverages, chilled dairy products, etc.
Overseas Food Products	<i>AJI-NO-MOTO</i> , flavor seasonings, instant noodles, beverages, etc.
Amino Acids	<i>AJI-NO-MOTO</i> 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. Major unallocated items in operating expenses included under Corporate and Eliminations include administrative operating expenses at the Company and part of operating expenses at research facilities. For the period under review, these items totaled ¥6,823 million.