AJINOMOTO®

Ajinomoto Co., Inc.

Consolidated Results

Fiscal Year Ended March 31, 2011

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.

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SUMMARY OF FINANCIAL STATEMENTS (Consolidated)

For the year ended March 31, 2011

Ajinomoto Co., Inc. **May 9, 2011**

Stock Code:	2802	Listed exchanges:	Tokyo, Osaka
URL: http://www.ajinomoto.com		Inquiries:	Hiromichi Oono Corporate Executive Officer and General Manager Finance Department
President:	Masatoshi Ito		
Scheduled date of the general meeting of shareholders:	June 29, 2011		
Scheduled date of starting payment of dividend:	June 30, 2011	Telephone:	813 5250-8161
Scheduled date of submission of Securities Report:	June 29, 2011		
Creation of supplementary results materials:	Yes		
Results briefing:	Yes (for analysts)		

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2011

1) Consolidated Operating Results

Millions of yen, rounded down

	FY ended March 31, 2011		FY ended March 31, 2010	
		Change (%)		Change (%)
Net sales	1,207,695	3.1	1,170,876	(1.6)
Operating income	69,374	8.3	64,034	56.8
Ordinary income	70,499	4.3	67,621	160.8
Net income (loss)	30,400	82.6	16,646	--
Net income (loss) per share (¥)	¥43.56		¥23.85	
Fully diluted earnings per share (¥)	--		--	
Return on equity	5.0%		2.8%	
Ratio of ordinary income to total assets	6.5%		6.3%	
Ratio of operating income to net sales	5.7%		5.5%	

Notes: Comprehensive income:

FY ended March 31, 2011: ¥20,253 million (decrease of 44.2%) FY ended March 31, 2010: ¥3,461 million

Gain from investments in subsidiaries and affiliates accounted for by the equity method:

FY ended March 31, 2011: ¥2,990 million FY ended March 31, 2010: ¥3,461 million

2) Financial Position

Millions of yen, rounded down

	As of March 31, 2011	As of March 31, 2010
Total assets	1,077,418	1,082,238
Net assets	650,291	643,179
Shareholders' equity ratio (%)	56.4%	55.7%
Book value per share (¥)	¥871.61	¥863.72

Note: Shareholders' equity as of: March 31, 2011: ¥608,191 million

March 31, 2010: ¥602,769 million

3) Cash Flows

Millions of yen, rounded down

	FY ended March 31, 2011	FY ended March 31, 2010
Net cash provided by operating activities	112,716	105,924
Net cash used in investing activities	(45,882)	(63,327)
Net cash used in financing activities	(25,893)	(18,011)
Cash and cash equivalents at end of year	133,744	95,063

2. Dividends

	FY ended March 31, 2010	FY ended March 31, 2011	FY ending March 31, 2012 (forecast)
Dividend per share			
Interim	¥8.00	¥8.00	¥8.00
Year-end	¥8.00	¥8.00	¥8.00
Annual	¥16.00	¥16.00	¥16.00
Total annual dividend amount	¥11,166 million	¥11,164 million	--
Dividend payout ratio	67.1%	36.7%	29.7%
Ratio of dividends to net assets	1.9%	1.8%	--

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3. Forecast for the Fiscal Year Ending March 31, 2012

Millions of yen

	FY ending March 31, 2012	
		Change %
Net sales	1,245,000	3.1
Operating income	69,100	(0.4)
Ordinary income	69,000	(2.1)
Net income	37,000	21.7
Net income per share	53.92	--

Note: "Change %" indicates the percentage change compared to the previous fiscal year.

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.
In its consolidated earnings forecasts, the Company projects that the impact of the earthquake will be to decrease net sales by ¥12,000 million, operating income and ordinary income by ¥3,000 million, and net income by ¥1,000 million.
The Company's initial forecasts excluding the impact of the earthquake were for net sales of ¥1,257,000 million (up 4.1% on the previous year), operating income of ¥72,100 million (up 3.9%), ordinary income of ¥72,000 million (up 2.1%), and net income of ¥38,000 million (up 25.0%).

4. Other

1) Transfer of important subsidiaries during the period (Transfers of certain subsidiaries resulting in changes in the scope of consolidation): Yes

Newly consolidated: 0 companies

Removed from scope of consolidation: 1 company (Ajinomoto Interamericana Indústria e Comércio Ltda.)

2) Changes in accounting methods, procedures and presentation in the making of these financial statements (Key items mentioned in "Significant Items for the Preparation of Consolidated Financial Statements")

(1) Changes in line with revision to accounting standards: Yes

(2) Other changes: No

Note: For details see page 23, "Significant Items for the Preparation of Consolidated Financial Statements."

3) Number of shares outstanding (ordinary shares)

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

March 31, 2011: 700,032,654 shares　　March 31, 2010: 700,032,654 shares

(2) Number of treasury shares at end of fiscal year

March 31, 2011: 2,255,060 shares　　March 31, 2010: 2,160,069 shares

(3) Average number of shares during period

FY ended March 31, 2011: 697,832,221 shares　　FY ended March 31, 2010: 697,911,363 shares

Note: See "Per share information" on page 36 for details on the number of outstanding shares used as the basis of calculation of net income per share.

*Status of implementation of audit procedures
This quarterly *kessan tanshin* document is outside the scope of audit procedures based on the Financial Instruments and Exchange Act. As of the time of its disclosure, audit procedures with respect to the financial statements were in the process of being implemented.

*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, please refer to pages 5 to 9, "1. Operating Results, I. Analysis of Operating Results."

(Method of obtaining supplementary results materials)
Supplementary results materials will be published on the Company's website on Monday, May 9, 2011.

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1. OPERATING RESULTS

I. Analysis of Operating Results

1. Consolidated results outline

Billions of yen, rounded down

	Net sales	Operating income	Ordinary income	Net income
FY ended March 31, 2011	1,207.6	69.3	70.4	30.4
FY ended March 31, 2010	1,170.8	64.0	67.6	16.6
Change	3.1%	8.3%	4.3%	82.6%

Overview of results for this period

In the period under review, the global economy saw moderate expansion in emerging markets and showed a recovery trend overall, despite instability in financial markets mainly in Europe and volatility in commodity markets.

Against the backdrop of a recovery in the global economy and other factors, the Japanese economy had been gradually picking up amid a continued recovery in corporate profits, but this recovery has been pausing, with conditions remaining severe due to factors including the rising unemployment rate and the sharp appreciation of the yen. The impact of the Great East Japan Earthquake has also started to emerge.

The environment in the Japanese food industry also remained severe, with rising costs of raw materials for foods amid moderate deflation.

Within this environment, the Ajinomoto Group (“Ajinomoto” or “the Group”) focused its efforts on pursuing structural reform, continuing to create new demand, pioneering new markets, reducing costs and strengthening the business structure, based on the three key strategies of e*mphasizing value-added businesses and products*, *accelerating business growth overseas and stabilizing earnings in Japan*, and *strengthening and reorganizing the Group management structure*, aiming to succeed in the difficult operating environment and overcome competitive pressures.

As a result of the above, consolidated net sales for the fiscal year ended March 31, 2011 increased 3.1% (¥36.8 billion) year on year to ¥1,207.6 billion, operating income increased 8.3% (¥5.3 billion) to ¥69.3 billion, and ordinary income increased 4.3% (¥2.8 billion) to ¥70.4 billion. Net income increased 82.6% (¥13.7 billion) to ¥30.4 billion, despite factors including an extraordinary loss on manufacturing facilities in the bioscience products and fine chemicals business, a loss on valuation of investment securities, and a loss due to the earthquake.

Changes to main accounting items during the period under review

Note: All comparisons are with the previous fiscal year, ended March 31, 2010, unless otherwise stated.

1) Net sales

Net sales increased 3.1%, or ¥36.8 billion, year on year to ¥1,207.6 billion. By region, sales in “Japan” increased 2.3% to ¥830.8 billion, due to factors including favorable sales of coffee sold under a business tie-up, and sales overseas increased 5.2% to ¥376.8 billion, driven primarily by overseas seasonings, despite the negative impact of foreign exchange rates due to the appreciation of the yen. Sales increased 9.4% to ¥174.8 billion in “Asia” and 7.7% to ¥113.5 billion in “America”, but decreased 5.0% to ¥88.4 billion in “Europe”.

2) Cost of sales / Selling, general and administrative expenses

In line with the increase in sales, the cost of sales increased 2.4%, or ¥19.1 billion, to ¥804.7 billion. The ratio of the cost of sales to net sales fell 0.5 percentage points to 66.6%.

Selling, general and administrative expenses rose 3.8%, or ¥12.3 billion, from the previous fiscal year to ¥333.6 billion. The main reasons for this increase were higher personnel costs, primarily retirement benefit expenses, as well as higher sales commissions and transportation expenses.

3) Operating income

Operating income increased 8.3%, or ¥5.3 billion, from the previous fiscal year to ¥69.3 billion. By region, operating income in “Japan” increased 10.8% to ¥32.5 billion, while operating income from operations overseas increased 10.4% to ¥47.1 billion, and the adjustment amount was minus ¥10.2 billion.

The overall increase in operating income in Japan was attributable to favorable performance in the domestic food products business on contributions from frozen foods, beverages and others, an improvement on the previous year in the bioscience products and fine chemicals business mainly due to specialty chemicals, and, in the wellness business, the absence in the fiscal year under review of the voluntary recall of *amino VITAL®* products and the valuation loss on certain raw materials that occurred in the previous fiscal year. This offset a decline in income in the pharmaceuticals business due to the impact of the NHI drug price revisions, an increase in research and development expenses, and other factors. Overseas, the increase in operating income was mainly attributable to feed-use amino acids and overseas processed foods. Operating income increased 0.8% to ¥26.3 billion in “Asia”, 21.9% to ¥10.3 billion in “America”, and 29.6% to ¥10.4 billion in “Europe”.

4) Non-operating income (expenses)

The difference between non-operating income and non-operating expenses was a positive figure of ¥1.1 billion, a decrease of ¥2.4 billion compared to the positive figure of ¥3.5 billion in the previous year. The main factors for this decrease were overall foreign exchange losses in the period under review, after having recorded foreign exchange gains mainly at a Brazilian subsidiary in the previous fiscal year, and a decrease in equity in earnings of non-consolidated subsidiaries and affiliates.

5) Ordinary income

Ordinary income increased 4.3%, or ¥2.8 billion, year on year to ¥70.4 billion.

6) Extraordinary gains

Extraordinary gains for the period under review were ¥3.2 billion, compared to ¥3.3 billion in the previous fiscal year. The main item recorded in the fiscal year under review was a gain of on sale of investment securities of ¥0.9 billion mainly at the Company.

7) Extraordinary losses

Extraordinary losses were ¥25.2 billion, compared to ¥26.1 billion in the previous year. The main factors were impairment losses of ¥8.5 billion, compared to ¥14.3 billion in the previous year, mainly with respect to plant facilities relating to the bioscience products and fine chemicals business, a loss on valuation of investment securities of ¥7.4 billion, and a loss from natural disaster of ¥3.2 billion attributable to the Great East Japan Earthquake. The main impairment losses were an impairment loss of ¥1.6 billion on shared-use facilities such as utilities relating to manufacturing facilities for sweeteners and amino acids for pharmaceuticals and foods at the

Kyushu plant, and an impairment loss of ¥6.2 billion on manufacturing facilities for feed-use amino acids at a consolidated subsidiary in Brazil.

8) Net income

Net income for the period under review increased 82.6%, or ¥13.7 billion, to ¥30.4 billion. Net income per share for the year was ¥43.56, compared to ¥23.85 the year before.

Consolidated operating results by segment

Note: All comparisons are with the previous fiscal year, ended March 31, 2010, unless otherwise stated.

Billions of yen, rounded down

	Net sales	YoY change - amount	YoY change - percent	Operating income	YoY change - amount	YoY change - percent
Domestic food products	447.1	3.1	0.7%	29.6	2.6	9.8%
Overseas food products	231.9	17.3	8.1%	30.2	1.8	6.5%
Bioscience products and fine chemicals	194.3	4.7	2.5%	9.3	3.5	60.6%
Pharmaceuticals	82.6	0.0	0.1%	8.6	(4.1)	(32.3%)
Business tie-ups	184.5	4.1	2.3%	2.0	(0.0)	(0.6%)
Other business	66.9	7.3	12.4%	(0.5)	2.9	--
Adjustment amount	--	--	--	(9.9)	(1.4)	--
Total	1,207.6	36.8	3.1%	69.3	5.3	8.3%

Notes:

1. Figures for the previous fiscal year are reclassified according to the new reporting segments for comparison purposes.
2. For the main products of each business segment, see page 31, “Segment information, a. Segment information, 1. Overview of reporting segments”.
3. Domestic and overseas sales of *ACTIVA*® products to food processing companies and savory seasonings are included in domestic food products.
4. Domestic sales of amino acid supplement *amino VITAL*® and domestic sales of low-calorie sweetener for home use and the restaurant market are included in domestic food products.
5. Frozen food products of the Amoy Food Group are classified in domestic food products.

1) Domestic food products

Domestic food product sales increased 0.7%, or ¥3.1 billion, to ¥447.1 billion. Operating income increased 9.8%, or ¥2.6 billion, to ¥29.6 billion. The slight increase in sales came despite the impact of the Great East Japan Earthquake. The favorable increase in operating income was partly attributable to cost-cutting initiatives.

Seasonings and processed foods: Sales of seasonings for the retail market were impacted by the hot summer and the earthquake. Sales of *HON-DASHI*® decreased from the previous year, despite active advertising and marketing initiatives aimed at expanding the uses for this product. Sales of consommé and umami seasoning *AJI-NO-MOTO*® decreased, while sales of Chinese dashi products decreased slightly.

In processed foods for the retail market, sales of soups were steady overall, on favorable growth in sales of *Knorr*® *Cup Soup* resulting from active advertising and marketing initiatives aimed at creating demand by focusing on combining the product with bread. Impacted by the earthquake, sales of the *Cook Do*® line decreased slightly, while sales of mayonnaise and mayonnaise-type dressings declined, influenced by rising prices of vegetables. Sales of *Kellogg's®* products were maintained at around the same level as the previous fiscal year.

Sales of products for the commercial market were maintained at around the same level as the previous fiscal year, amid the decline in consumer spending at restaurants. Sales of *ACTIVA®,* an enzyme (transglutaminase) used to enhance food texture and quality, to food processing companies increased slightly, and sales of savory seasoning products both grew steadily.

Sweeteners and nutritional foods: Sales of low-calorie sweeteners for home and restaurant use decreased slightly. For amino acid supplement *amino VITAL®*, sales of granulated products increased, and sales of the jelly drink type also rose due to the impact of the hot summer.

Delicatessen and bakery products: Sales of lunchboxes and prepared dish delicatessen products and sales of bakery products both grew steadily.

Frozen foods: Sales of products for the retail market increased from the previous year, due to favorable growth in sales of core product *Gyoza* and rice products, as well as steady growth in sales of *Yawaraka Wakadori Kara-Age*, although sales of some products for lunchboxes declined and sales of *Puripuri-no-Ebi Shumai* were at the same level as the previous year. Sales of products for restaurant and institutional use were at around the same level as the previous fiscal year, due to the decline in consumer spending at restaurants and continuing trend of lower prices, despite growth in sales of processed chicken products.

Beverages: Beverage sales increased, partly due to the hot summer.

2) Overseas food products

Overseas food product sales increased 8.1%, or ¥17.3 billion, to ¥231.9 billion. Operating income increased 6.5%, or ¥1.8 billion, to ¥30.2 billion.

Seasonings: In Asia, sales of *AJI-NO-MOTO®* trended favorably, while sales of flavor seasonings for home use also grew strongly. Sales grew in America, driven by favorable sales of flavor seasonings for home use in South America. In Europe and Africa, sales only increased slightly, due to the negative impact of foreign exchange rates, despite significant growth in sales of *AJI-NO-MOTO®* for home use within West African countries.

Processed foods: In Asia, sales of instant noodles and powdered drink *Birdy®3in1* increased substantially, while sales beverages such as *Birdy®* canned coffee also trended favorably.

Umami seasonings for processed food manufacturers: Sales of *AJI-NO-MOTO®* for the food processing industry grew steadily in Japan and grew favorably overseas on a substantial increase in sales volumes primarily in Europe, despite the negative impact of foreign exchange rates. Sales of nucleotides decreased slightly, despite growth in sales volumes, reflecting the negative impact of foreign exchange rates.

3) Bioscience products and fine chemicals

Bioscience products and fine chemicals sales increased 2.5%, or ¥4.7 billion, to ¥194.3 billion. Operating income increased 60.6%, or ¥3.5 billion, to ¥9.3 billion. The increase in sales and substantial increase in operating income, which came despite the negative impact of foreign exchange rates, reflected contributions from electronic materials and feed-use amino acids.

Feed-use amino acids: Amid decreases in sales volumes, sales of Threonine decreased slightly, while sales of Tryptophan fell considerably, due in part to a decline in unit prices. However, sales of Lysine grew strongly, on an increase in unit prices, resulting in an increase in sales overall.

Amino acids for pharmaceuticals and foods: Overall sales increased only slightly compared to the previous fiscal year, as sales grew strongly in North America but decreased slightly in Japan and decreased in Europe partly due to the negative impact of foreign exchange rates.

Sweeteners: Sales of aspartame, a sweetener, for the processing industry decreased from the previous fiscal year, due to the unfavorable impact of foreign exchange rates, despite a steady increase in sales volumes. Sales of powdered juice *Refresco MID®*, which contains aspartame, in South America trended favorably.

Pharmaceutical fine chemicals: Sales decreased substantially in Europe, due partly to a decline in sales volumes, as well as the negative impact of foreign exchange rates.

Specialty chemicals: Sales of cosmetic ingredients grew steadily both in Japan and overseas. Sales of amino acid-based cosmetics *Jino®* increased slightly, while sales of insulation film for build-up printed wiring board increased strongly.

4) Pharmaceuticals

Pharmaceutical sales increased 0.1%, or ¥50 million, to ¥82.6 billion. Operating income decreased 32.3%, or ¥4.1 billion, to ¥8.6 billion. Sales remained at around the same level as the previous fiscal year due to a slight fall in sales of self-distributed products as well as a decrease in royalty revenue, despite favorable growth in sales of products sold through business tie-ups. The significant decline in operating income partly reflected an increase in research and development expenses.

For self-distributed products, sales of *LIVACT®*, a branched-chain amino acids formula for the treatment of liver cirrhosis, and *ELENTAL®*, an elemental diet, increased slightly, but sales of infusions such as *SOLITA®-T*, an electrolyte solution, decreased. For products sold though business tie-ups, sales of risedronate such as *ACTONEL®*, a preparation used in the treatment of osteoporosis, increased considerably, while sales of natiglinide products such as non-insulin-dependent diabetes treatment *FASTIC®* declined substantially trended favorably, but sales of *ATELEC®*, an antihypertensive calcium channel blocker, increased only slightly.

5) Business tie-ups

Business tie-up sales increased 2.3% (¥4.1 billion) to ¥184.5 billion. Operating income decreased 0.6% (¥1.2 billion) to ¥2.0 billion.

Edible oils: Sales decreased compared to the previous fiscal year, on a decline in sales volume and fall in unit prices.

Coffee products: Coffee product sales grew favorably, driven by stick-type mixed coffee and bottled coffee.

6) Other business

Sales from other business increased 12.4%, or ¥7.3 billion, to ¥66.9 billion. Operating loss was ¥0.5 billion.

2. Outlook for the Fiscal Year Ending March 31, 2012

Billions of yen, rounded down

	Net sales	Operating income	Ordinary income	Net income
FY ending March 31, 2012	1,245.0	69.1	69.0	37.0
FY ended March 31, 2011	1,207.6	69.3	70.4	30.4
Increase	3.1%	(0.4%)	(2.1%)	21.7%

The global economy has entered a recovery phase, but the Group's operating environment is expected to remain severe, on factors including rising prices of fuels as well as grain, a main raw material, a contraction of the Japanese food market, and increasingly intense competition in fermentation-related business. At the same time, the impact that the Great East Japan Earthquake will have on the Japanese economy will be considerable, and it is difficult to predict the outlook for the next fiscal year.

Given such conditions, in the fiscal year ending March 31, 2012, the first year of its new medium-term business plan, Ajinomoto will proceed with laying the foundations for becoming a "Genuine Global Company". In domestic food products Ajinomoto will endeavor to expand its market share by launching high value-added products and using enhanced marketing methodology, so as to establish a stable profit base. In overseas food products Ajinomoto will seek to achieve growth by developing new markets and increasing the Group's presence in existing markets. In bioscience products and fine chemicals, while continuing to reform its business structure Ajinomoto will increasingly focus on value-added businesses, by pursuing innovation in fermentation technologies and accelerating the development of growth areas. In pharmaceuticals, Ajinomoto intends to endeavor to maximize product value and foster growth drivers through continued research and development aimed at steadily bringing new drugs to market.

As a result of these initiatives, Ajinomoto forecasts consolidated sales for the fiscal year ending March 31, 2012 to increase 3.1% to ¥1,245.0 billion, but projects that operating income will decrease 0.4% to ¥69.1 billion and that ordinary income will decrease 2.1% to ¥69.0 billion, partly due to the impact on the domestic market of the Great East Japan Earthquake and increases in the cost of raw materials and fuels. Net income is forecast to increase 21.7% to ¥37.0 billion, due to an expected decline in extraordinary losses.

Interim consolidated earnings forecasts have been omitted, as the Company conducts budgeting on a full-year basis, and management of progress and evaluation of business results is conducted only for full-year periods.

These forecasts are based on an assumed exchange rate of ¥85.0 to the U.S. dollar.

II. Analysis of Financial Position

1. Overview of year under review

Financial position as of March 31, 2011

Total assets as of March 31, 2011 were ¥1,077.4 billion, ¥4.8 billion less than the ¥1,082.2 billion recorded one year earlier. This decrease was primarily due to a decrease in tangible fixed assets attributable to factors including recording of impairment losses on manufacturing facilities of overseas subsidiaries and a decrease in yen values of the balance sheets of overseas subsidiaries after translation, as well as devaluation of securities, which offset an increase in cash and cash equivalents.

Total interest-bearing debt was ¥133.3 billion, ¥14.5 billion lower than on March 31, 2010, due to a decrease in the current portion of corporate bonds and other factors.

Net assets increased ¥7.1 billion compared to March 31, 2010, reflecting factors such as an increase in retained earnings and a change in foreign exchange translation adjustments. Shareholders' equity, which is net assets minus minority interests, was ¥608.1 billion, and the shareholders' equity ratio was 56.4%.

Summary of consolidated cash flow

Billions of yen, rounded down

	FY ended March 31, 2011	FY ended March 31, 2010	Change
Net cash provided by operating activities	112.7	105.9	6.7
Net cash used in investing activities	(45.8)	(63.3)	17.4
Net cash used in financing activities	(25.8)	(18.0)	(7.8)
Effect of exchange rate changes on cash and cash equivalents	(2.2)	2.7	(4.9)
Increase (decrease) in cash and cash equivalents	38.6	27.3	11.3
Increase in initial balance due to change in scope of consolidation	0.0	--	0.0
Decrease in initial balance due to change in scope of consolidation	(0.0)	(0.0)	0.0
Cash and cash equivalents at end of period	133.7	95.0	38.6

Net cash provided by operating activities increased ¥6.7 billion over the previous year to ¥112.7 billion. This increase was mainly attributable to factors such as an increase in operating income and an inflow from working capital accompanying changes in notes and accounts payable and inventories, which offset an increase in the amount of income and other taxes paid.

Net cash used in investing activities decreased ¥17.4 billion over the previous year to ¥45.8 billion. The main factors for this decrease included a decrease in acquisition of intangible fixed assets.

Net cash used in financing activities was ¥25.8 billion. This mainly reflected redemption of corporate bonds and payment of dividends.

As a result of the foregoing, cash and cash equivalents at March 31, 2011 was ¥133.7 billion, an increase of ¥38.6 billion compared to March 31, 2010.

2. Trends in cash flow-related indices

	FY ended March 31, 2011	FY ended March 31, 2010	FY ended March 31, 2009	FY ended March 31, 2008
Equity ratio (%)	56.4	55.7	55.3	57.1
Equity ratio based on market price (%)	56.2	59.7	45.9	64.1
Ratio of interest-bearing debt to cash flow (%)	129.7	151.8	313.7	305.5
Interest coverage ratio (times)	44.8	28.6	10.5	11.2

- Shareholders' equity ratio = (Net assets – minority interests)/total assets
- Shareholders' equity ratio based on market price = Market capitalization/total assets
- Ratio of interest-bearing debt to cash flow: Interest-bearing debt (including customers' deposits received) /cash flow
- Interest coverage ratio = Cash flow/interest paid

Notes:

1. All indices are calculated from consolidated financial results figures.
2. Market capitalization = market price on last trading day of March each year x total shares outstanding at end of period (excluding treasury stock)
3. Cash flow is the net cash provided from operating activities figure in the consolidated statements of cash flows
4. Interest paid is the interest paid figure in the consolidated statements of cash flows

III. Basic Policy regarding Allocation of Profits and Dividends for Fiscal Year Ended March 31, 2011 and Fiscal Year Ending March 31, 2012

The Company adopts the basic principle of ensuring continuous and stable dividends, taking into consideration its consolidated earnings. For the fiscal year under review (ended March 31, 2011), the Company plans to pay a dividend of ¥16 per share (with an interim dividend of ¥8 per share), the same level as the previous fiscal year (ended March 31, 2010). For the next fiscal year (ending March 31, 2012), it plans to maintain the dividend at the same level as the fiscal year under review at ¥16 per share, with an interim dividend payment of ¥8 per share, taking into account the principle of providing returns to shareholders through stable dividends.

Furthermore, the Company takes the basic policy of payment of dividends twice a year, an interim dividend and a year-end dividend. The year-end dividend is approved by the General Meeting of Shareholders and the interim dividend is decided by the Board of Directors. It is stipulated in the Articles of Incorporation that the Company can provide an interim dividend in accordance with the provisions of Article 454 paragraph 5 of the Companies Act in Japan.

In addition, as a measure to improve the level of returns to shareholders, the Company will explore the possibility of flexibly implementing share repurchases.

The Company seeks to manage shareholders' equity efficiently, and in a way that continues to meet the expectations of its shareholders.

2. MANAGEMENT POLICY

I. Basic Management Policy

What we are aiming for

Ajinomoto aims to be “a group of companies that contributes to human health globally”, by contributing to significant advances in Food and Health and working for Life, while always taking a global perspective. The Group intends to contribute to resolving issues that face humankind in the 21st century—*global sustainability, securing food sources,* and *healthy living.*

Ajinomoto is a globally unique group of food companies that is expanding its business in three interrelated areas, ‘Foods’, ‘Bioscience Products and Fine Chemicals’, and ‘Pharmaceuticals and Wellness,” with amino acids playing a central role. Increasing the connections between these three areas will serve as a driver for growth as Ajinomoto seeks to achieve its vision of becoming “a group of companies that contributes to human health globally”.

Becoming a “Genuine Global Company”

In order to realize its vision of being “a group of companies that contributes to human health globally”, Ajinomoto intends to endeavor to become a “Genuine Global Company” by fulfilling the following five criteria:

(1) Contributing to the future progress of humanity

(2) Achieving the “business and profit scale” of a global company

(3) Possessing our own “industry-leading technologies”

(4) Assembling a group of “globally capable and diversified talent”

(5) Meeting global “efficiency” standards to generate profits

II. Management Goals

Ajinomoto aims to achieve stable growth in profits by around 10% every year, and to continue such a growth trajectory in order to become one of the world’s top ten global food groups.

The Group is targeting ROE of 8% in fiscal 2013 and of 10% from fiscal 2016 onwards. It aims to increase operating income to ¥87.0 billion in fiscal 2013, which would represent an operating margin of 7%, and to achieve operating income of more than ¥100.0 billion from 2016 onward, which would represent an operating margin of 8%.

III. Tasks Ahead

The global economic recovery is projected to intensify, driven by developing economies and emerging economies that are experiencing vibrant consumption, but the global excess of liquidity, high unemployment rates in advanced economies and rising raw material, fuel and food prices are significant risks for the global economic recovery. Meanwhile, the Great East Japan Earthquake could have a considerable impact on the Japanese economy, which had been undergoing a moderate recovery, and it will be necessary to monitor the future impact from various social and economic perspectives.

Within this environment, Ajinomoto positions the three years from 2011 as the period for laying the groundwork for becoming a “genuine global company”, and will endeavor to achieve its targeted vision through a combined focus on “growth” and “business structure reinforcement”. In other words, the Group sees this as an important period for achieving growth led by two drivers, “Global growth” and “R&D leadership”, while at the same time reinforcing and reforming its business structure based on three business structure enhancement strategies: (1) shifting from *volume* to *added-value*; (2) shifting from *operating profit* to *free cash flow*; and (3) boosting shareholder value by enhancing capital efficiency. By reinforcing its foundations in this way, the Group aims to achieve a further leap in growth from fiscal 2016 onward. “Global human resources” and “global governance” will support this combined focus on growth and business structure reinforcement.

More specifically, Ajinomoto aims to improve profitability by increasing its presence in existing markets, while becoming “No. 1 in deliciousness in each country” and “helping people live healthy lives through food”, by developing new markets, thus accelerating global growth in overseas consumer foods business. The Group will also drive growth by demonstrating R&D leadership through an increased focus on the research themes of “the world’s No. 1 seasonings” and “cutting-edge biotechnology platform”, and by strengthening its R&D capabilities through open innovation.

In terms of business structure reinforcement, in the feed-use amino acids (animal nutrition) business, Ajinomoto will move forward with the development of a robust business management structure, while increasing cost competitiveness by introducing new technologies and also endeavoring to launch new products with high added value. In the sweeteners business, the Group will seek to make the core aspartame business more cost competitive by adopting new production methods, and also to work to evolve and shift focus to compound sweeteners business. In the domestic food products business, Ajinomoto will endeavor to increase brand share by launching products with high added value and pursuing new marketing aimed at enhancing the Ajinomoto Brand. With respect to human resource development, the Group will carefully select the people to manage the business, by hiring and training its core staff from a diverse pool of talent without being restricted by nationality or work history.

Meanwhile, as the Group’s operations globalize and the business categories expand, Ajinomoto also has increasing social responsibilities. In order to live up to these responsibilities, Ajinomoto will further improve governance at Group companies and continue to pursue initiatives to make its internal control framework ever more robust. In terms of CSR initiatives, Ajinomoto will continue this year to be involved in programs such as the AIN (the Ajinomoto International Cooperation Network for Nutrition and Health) Program, which supports international cooperation projects implemented by NGOs, NPOs, universities and so forth, aiming to improve the nutrition and health of people in developing countries, and “*Smile Earth!* The Ajinomoto Group’s Global Citizenship Activities for the Future”, a global initiative in which Group employees participate on a voluntary basis.

3. CONSOLIDATED FINANCIAL STATEMENTS

(1) Consolidated Balance Sheet

Millions of yen, rounded down

	As of March 31, 2011	As of March 31, 2010
Assets		
Current assets		
Cash on hand and in banks	141,801	97,866
Notes and accounts receivable	195,465	196,189
Marketable securities	511	239
Goods and products	87,445	96,964
Goods in process	7,370	8,791
Raw materials and supplies	40,495	41,053
Deferred tax assets	11,204	12,032
Other	33,376	35,857
Allowance for doubtful accounts	(1,238)	(1,643)
Total current assets	516,432	487,351
Fixed assets		
Tangible fixed assets		
Buildings and structures	350,654	357,010
Accumulated depreciation and accumulated impairment losses	(209,127)	(201,973)
Net buildings and structures	141,527	155,037
Machinery and vehicles	508,083	528,039
Accumulated depreciation and accumulated impairment losses	(391,574)	(396,473)
Net machinery and vehicles	116,509	131,566
Tools, furniture and fixtures	65,762	65,670
Accumulated depreciation and accumulated impairment losses	(55,340)	(53,912)
Net tools, furniture and fixtures	10,422	11,757
Land	98,167	98,628
Leased assets	3,583	2,653
Accumulated depreciation and accumulated impairment losses	(1,172)	(570)
Net leased assets	2,410	2,082
Construction in progress	19,013	12,766
Total tangible fixed assets	388,050	411,839
Intangible fixed assets		
Goodwill	29,586	34,106
Other	35,901	39,528
Total intangible fixed assets	65,488	73,634
Investments and other assets		
Investment in securities	83,105	88,917
Long-term loans receivable	1,060	379
Deferred tax assets	10,090	7,828
Other	14,443	13,019
Allowance for doubtful accounts	(988)	(732)
Allowance for investment losses	(264)	--
Total investments and other assets	107,447	109,412
Total fixed assets	560,986	594,886
Total assets	1,077,418	1,082,238

(Continued)
(1) Consolidated Balance Sheet

Millions of yen, rounded down

	As of March 31, 2011	As of March 31, 2010
Liabilities		
Current liabilities		
Notes and accounts payable	103,420	99,164
Short-term borrowings	16,209	9,963
Current portion of corporate bonds	--	15,000
Current portion of long-term borrowings	5,316	5,923
Accrued income taxes	7,900	13,095
Bonus reserve	6,784	5,290
Bonus reserve for directors and others	360	326
Asset retirement obligations	64	--
Other	78,286	79,471
Total current liabilities	218,341	228,236
Long-term liabilities		
Bonds	69,989	69,988
Long-term debt	39,282	44,800
Deferred tax liabilities	15,591	19,470
Accrued employees' retirement benefits	58,554	52,623
Accrued officers' severance benefits	1,331	1,113
Allowance for environmental measures	574	403
Asset retirement obligations	540	--
Other	22,920	22,422
Total long-term liabilities	208,786	210,822
Total Liabilities	427,127	439,058
Net assets		
Shareholders' equity		
Common stock	79,863	79,863
Capital surplus	182,716	182,719
Retained earnings	414,189	394,672
Treasury stock	(2,514)	(2,437)
Total shareholders' equity	674,255	654,818
Accumulated other comprehensive income		
Unrealized holding gain on securities	1,339	(232)
Unrealized gain from hedging instruments	(31)	(16)
Translation adjustments	(67,045)	(51,799)
Adjustment in pension liabilities of overseas subsidiaries	(327)	--
Total accumulated other comprehensive income	(66,064)	(52,048)
Minority interests	42,099	40,409
Total net assets	650,291	643,179
Total liabilities & net assets	**1,077,418**	**1,082,238**

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(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

Millions of yen, rounded down

	FY ended Mar. 31, 2011	FY ended Mar. 31, 2010
Net sales	1,207,695	1,170,876
Cost of sales	804,716	785,578
Gross profit	402,978	385,298
Selling, general and administrative expenses	333,604	321,264
Operating income	69,374	64,034
Non-operating income		
Interest income	1,232	1,162
Dividend income	939	1,012
Exchange gains	--	2,639
Equity in earnings of non-consolidated subsidiaries and affiliates	2,990	3,461
Rental income	789	--
Other	1,460	2,656
Total non-operating income	7,411	10,931
Non-operating expenses		
Interest expense	2,440	3,468
Exchange losses	205	--
Litigation expenses	--	853
Other	3,639	3,022
Total non-operating expenses	6,286	7,344
Ordinary income	70,499	67,621
Extraordinary gains		
Gain on prior period adjustments	--	1,322
Gain on sale of investment securities	912	--
Reversal of accrued expenses on contract alteration	--	1,437
Other	2,308	609
Total extraordinary gains	3,220	3,368
Extraordinary losses		
Loss on disposal of fixed assets	--	4,536
Impairment losses	8,503	14,325
Loss on devaluation of securities	7,416	--
Provision for doubtful accounts	--	711
Loss on voluntary recall	--	1,004
Loss from natural disaster	3,231	--
Other	6,123	5,621
Total extraordinary losses	25,275	26,198
Net income before income taxes	48,444	44,791
Income taxes – current	18,150	19,925
Prior period income taxes	--	1,816
Income taxes – deferred	(5,581)	681
Income taxes – total	12,568	22,423
Net income before minority interests	35,876	--
Minority interests	5,475	5,721
Net income	**30,400**	**16,646**

Consolidated Statement of Comprehensive Income

Millions of yen, rounded down

	FY ended Mar. 31, 2011	FY ended Mar. 31, 2010
Net income before minority interests	35,876	--
Other comprehensive income		
Unrealized holding gain on securities	1,677	--
Unrealized gain from hedging instruments	34	--
Translation adjustments	(16,713)	--
Adjustment in pension liabilities of overseas subsidiaries	5	--
Share of other comprehensive income of equity-method affiliates	(626)	--
Total other comprehensive income	(15,622)	--
Comprehensive income	20,253	**--**
(Breakdown)		
Comprehensive income attributable to parent company	16,717	--
Comprehensive income attributable to minority interests	3,536	--

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(3) Consolidated Statement of Changes in Net Assets

(Fiscal year ended March 31, 2011)

Millions of yen, rounded down	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balances as of March 31, 2010	79,863	182,719	394,672	(2,437)	654,818
Transfer to adjustment in pension liabilities of overseas subsidiaries			332		332
Changes in fiscal year ended March 31, 2011					
Dividends from retained earnings....................			(11,165)		(11,165)
Net income...			30,400		30,400
Changes in the scope of consolidation............			(50)		(50)
Purchase of treasury stock				(87)	(87)
Disposal of treasury stock...............................		(2)		10	7
Total of changes in fiscal year ended March 31, 2011	--	(2)	19,184	(76)	19,104
Balances as of March 31, 2011	79,863	182,716	414,189	(2,514)	674,255

Millions of yen, rounded down	Accumulated Other Comprehensive Income						
	Unrealized holding gain on securities	**Unrealized gain from hedging instruments**	**Translation adjustments**	**Adjustment in pension liabilities of overseas subsidiaries**	**Total accumulated other comprehensive income**	**Minority interests**	**Total net assets**
Balances as of March 31, 2010	(232)	(16)	(51,799)		(52,048)	40,409	643,179
Transfer to adjustment in pension liabilities of overseas subsidiaries				(332)	(332)		
Changes in fiscal year ended March 31, 2011							
Dividends from retained earnings....................							(11,165)
Net income...							30,400
Changes in the scope of consolidation............							(50)
Purchase of treasury stock							(87)
Disposal of treasury stock...............................							7
Net changes in items other than those in shareholders' equity.......................................	1,572	(15)	(15,245)	5	(13,683)	1,689	(11,993)
Total of changes in fiscal year ended March 31, 2011	1,572	(15)	(15,245)	5	(13,683)	1,689	7,111
Balances as of March 31, 2011	1,339	(31)	(67,045)	(327)	(66,064)	42,099	650,291

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(Continued)

Consolidated Statement of Changes in Net Assets

(Fiscal year ended March 31, 2010)

Millions of yen, rounded down

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balances as of March 31, 2009	79,863	182,723	389,100	(2,378)	649,308
Increase (decrease) due to changes in accounting of overseas subsidiaries			--		--
Changes in fiscal year ended March 31, 2010					
Dividends from retained earnings			(11,166)		(11,166)
Net income			16,646		16,646
Changes in the scope of consolidation			--		--
Adjustment in pension liabilities of overseas subsidiaries			92		92
Purchase of treasury stock				(69)	(69)
Disposal of treasury stock		(3)		10	7
Net changes in items other than those in shareholders' equity					
Total of changes in fiscal year ended March 31, 2010	--	(3)	5,572	(59)	5,509
Balances as of March 31, 2010	79,863	182,719	394,672	(2,437)	654,818

Millions of yen, rounded down

	Accumulated Other Comprehensive Income					
	Unrealized holding gain on securities	Unrealized gain from hedging instruments	Translation adjustments	Total accumulated other comprehensive income	**Minority interests**	**Total net assets**
Balances as of March 31, 2009	(1,517)	220	(62,777)	(64,074)	33,419	618,654
Increase (decrease) due to changes in accounting of overseas subsidiaries					--	--
Changes in fiscal year ended March 31, 2010						
Dividends from retained earnings						(11,166)
Net income						16,646
Changes in the scope of consolidation						--
Adjustment in pension liabilities of overseas subsidiaries						92
Purchase of treasury stock						(69)
Disposal of treasury stock						7
Net changes in items other than those in shareholders' equity	1,284	(236)	10,977	12,025	6,990	19,015
Total of changes in fiscal year ended March 31, 2010	1,284	(236)	10,977	12,025	6,990	24,525
Balances as of March 31, 2010	(232)	(16)	(51,799)	(52,048)	40,409	643,179

(4) Consolidated Statement of Cash Flows

Millions of yen, rounded down

	FY ended Mar. 31, 2011	FY ended Mar. 31, 2010
I. Cash flows from operating activities		
Income before income taxes and minority interests	48,444	44,791
Depreciation and amortization	49,825	55,382
Loss on impairment of fixed assets	8,503	14,325
Amortization of goodwill and negative goodwill	4,505	5,000
Loss from natural disaster	3,231	--
Increase (decrease) in allowance for doubtful accounts	(85)	228
Increase (decrease) in bonus reserve	1,552	387
Increase (decrease) in bonus reserve for directors and others	33	195
Increase (decrease) in accrued employees' retirement benefits	6,036	4,988
Increase (decrease) in accrued officers' severance benefits	220	(204)
Increase (decrease) in allowance for environmental measures	170	187
Increase (decrease) in allowance for investment losses	264	--
Interest and dividend income	(2,171)	(2,174)
Interest expense	2,440	3,468
Equity in earnings of non-consolidated subsidiaries and affiliates	(2,990)	(3,461)
Loss (gain) on sales of securities	(900)	(66)
Loss on devaluation of securities	7,416	64
Loss (gain) on sale and disposal of tangible fixed assets	1,284	4,686
Loss on devaluation of investment in affiliates	--	322
Decrease (increase) in notes and accounts receivable	(2,054)	(5,340)
Increase (decrease) in notes and accounts payable	5,527	4,114
Decrease (increase) in inventories	5,312	2,381
Increase (decrease) in accrued consumption tax	--	(374)
Reversal of accrued expenses on contract alteration	--	(1,437)
Other	2,778	(4,079)
Sub-total	139,347	**123,387**
Interest and dividends received	3,521	3,040
Interest paid	(2,518)	(3,704)
Income taxes paid	(25,892)	(16,799)
Income taxes paid for previous year	(1,741)	--
Net cash provided by operating activities	**112,716**	**105,924**
II. Cash flows from investing activities		
Acquisition of tangible fixed assets	(40,634)	(38,273)
Proceeds from sale of tangible fixed assets	1,507	494
Acquisition of intangible assets	(3,488)	(23,352)
Acquisition of investment securities	(1,020)	(634)
Proceeds from sale of investment securities	3,757	97
Acquisition of shares of affiliates	(149)	(679)
Decrease (increase) in term deposits	(5,487)	(620)
Other	(366)	(359)
Net cash used in investing activities	**(45,882)**	**(63,327)**

(Continued)

	FY ended Mar. 31, 2011	FY ended Mar. 31, 2010
	Millions of yen, rounded down	
III. Cash flows from financing activities		
Net change in short-term borrowings	6,922	(17,387)
Proceeds from long-term debt	52	17,013
Repayment of long-term debt	(5,956)	(3,208)
Redemption of bonds	(15,000)	--
Cash dividends paid	(11,162)	(11,154)
Distribution of dividends to minority shareholders	(2,299)	(599)
Acquisition of own stock	(87)	(69)
Sale of treasury stock	7	7
Other	1,630	(2,611)
Net cash used in financing activities	**(25,893)**	**(18,011)**
IV. Effect of exchange rate changes on cash and cash equivalents	**(2,245)**	**2,717**
V. (Decrease) increase in cash and cash equivalents	**38,695**	**27,303**
VI. Cash and cash equivalents at the beginning of the year	**95,063**	**67,790**
Increase due to change in scope of consolidation	9	--
Decrease due to change in scope of consolidation	(23)	(30)
VII. Cash and cash equivalents at the end of the year	**133,744**	**95,063**

(5) Notes regarding premise of a going concern

No applicable items

(6) Significant Items for the Preparation of Consolidated Financial Statements

1. Scope of consolidation

(1) Number of consolidated subsidiaries:

95 companies

(2) Names of main non-consolidated subsidiaries:

Bonito Technical Laboratory Co., Inc.

(Reasons for exclusion from scope of consolidation)

Subsidiaries classified as non-consolidated are all small, and none has total assets, sales, current year net income (corresponding to the percentage of shares held), retained earnings (corresponding to the percentage of shares held), etc. that materially impact the consolidated financial statements.

(3) AJINOMOTO PHARMACEUTICALS CO., LTD. has been included in the scope of consolidated subsidiaries, as it has become more material due to part of the Company's pharmaceuticals business having been separated and merged into AJINOMOTO PHARMACEUTICALS CO., LTD. and Ajinomoto Pharma Co., Ltd. and Ajinomoto Medica Co., Ltd having been merged into AJINOMOTO PHARMACEUTICALS CO., LTD. Furthermore, Ajinomoto Pharma Co., Ltd. and Ajinomoto Medica Co., Ltd. have been excluded from the scope of consolidated subsidiaries.

Ajinomoto Interamericana Industria e Comercio Ltda. (specified subsidiary) has been excluded from the scope of consolidated subsidiaries as a result of being merged into Ajinomoto do Brasil Ind. e Com. de Alimentos Ltda.

SHANGHAI HOUSE AJINOMOTO FOODS CO., LTD. has been excluded from the scope of consolidated subsidiaries as a result of liquidation.

CHUANHUA AJINOMOTO CO., LTD. has been excluded from the scope of consolidated subsidiaries as a result of the transfer of the Company's equity interest to the Chinese investment partner, Sichuan Chemical Group Co., Ltd.

AJINOMOTO PHARMACEUTICALS EUROPE LTD. has been excluded from the scope of consolidated subsidiaries as the decision has been made to dissolve this company and it does not materially impact the consolidated financial statements.

2. Scope of application of the equity method

(1) Number of non-consolidated subsidiaries accounted for by the equity method:

4 overseas companies

Names of main companies:

Si Ayutthaya Real Estate Co., Ltd., Erawan Industrial Development Co., Ltd.

(2) Number of affiliated companies accounted for by the equity method:

6 companies

Names of main companies:

Ajinomoto General Foods, Inc., J-OIL MILLS, INC., Nissin-Ajinomoto Alimentos Ltda.

(3) As consolidated net income and retained earnings (corresponding to the percentage of shares held) of non-consolidated subsidiaries not accounted for by the equity method (such as Bonito Technical Laboratory Co., Inc.) and affiliated companies not accounted for by the equity method (such as Asahi Calpis Beverage Co., Ltd.) are immaterial to the consolidated results and therefore these companies have immaterial impact, they are not included in the scope of the equity method.

3. Fiscal year, etc. of consolidated subsidiaries and affiliated companies accounted for by the equity method

The fiscal year end of Ajinomoto del Perú S.A. and 13 other consolidated subsidiaries is December 31, and the fiscal year end of GABAN Co., Ltd. is the end of February. Of these, 13 companies prepare their financial statements as of March 31 for consolidated purposes. With regard to the other companies, the Company used their financial statements as of their own fiscal year end in the preparation of the consolidated financial statements, making adjustments, if necessary, for significant transactions that occurred in the period from their fiscal year end to the consolidated fiscal year end.

Of the companies accounted for by the equity method, Nissin-Ajinomoto Alimentos Ltda. and 1 other company have fiscal year end of December 31. Of this total, 1 company prepares its financial statements as of March 31 for consolidated purposes. With regard to the other companies, the Company used their financial statements as of their own fiscal year end in the preparation of the consolidated financial statements, making adjustments, if necessary, for significant transactions that occurred in the period from their fiscal year end to the consolidated fiscal year end.

4. Accounting treatment standards

(1) Valuation standards and methods

1) Marketable securities:

Other securities:

Other securities for which market value is available are stated at market value at the fiscal year end and the changes in market value, net of applicable income taxes, are directly charged or credited to net assets. The cost of such securities sold is mainly determined by the moving-average method. Other securities for which a price is not available are stated at cost, mainly determined by the moving-average method.

2) Derivatives:

Derivatives are carried out at fair value

However, with respect to interest rate swaps for which criteria for special treatment are met, special treatment is, in principle, applied.

3) Inventories:

Inventories of the Company and its domestic consolidated subsidiaries are mainly stated at cost determined by the average method (in cases where the profitability has declined, the book value is reduced accordingly). Inventories of overseas consolidated subsidiaries are mainly stated at the lower of cost or market, cost being determined by the average method.

(2) Depreciation and amortization of significant depreciable assets

1) Tangible fixed assets (excluding leased assets):

The Company and its domestic consolidated subsidiaries recognize their depreciation expense mainly by using the declining-balance method and its overseas consolidated subsidiaries calculate the depreciation expense mainly by using the straight-line method. However, for buildings (excluding building improvements) acquired on or after April 1, 1998 by the Company and its domestic consolidated subsidiaries, the depreciation expense is calculated by the straight-line method. The range of useful life is from 3 to 50 years for buildings and structures and from 2 to 20 years for machinery and vehicles.

2) Intangible fixed assets (excluding leased assets):

Amortization of intangible fixed assets is mainly calculated by the straight-line method for the Company and its domestic consolidated subsidiaries. Computer software held by the Company and its domestic consolidated subsidiaries for internal use is amortized by the straight-line method over the estimated useful life (5 years).

3) Leased assets

The straight-line method is applied with the useful life of the asset being the lease term and the residual value being zero. Finance lease transactions that do not transfer ownership, for which the starting date of the lease was March 31, 2008 or earlier, are accounted for as operating leases.

(3) Accounting for significant reserves

1) Allowance for doubtful accounts:

An allowance for doubtful accounts is provided for possible bad debts at the amount estimated based on historical bad debt experience for normal receivables and by reference to the individual collectibility of specific doubtful receivables.

2) Bonus reserve:

At certain consolidated subsidiaries, a bonus reserve for employees has been provided based on the amount to be paid to employees.

3) Allowance for retirement benefits for employees:

Accrued retirement benefits for employees are provided for at the Company and its major domestic consolidated subsidiaries based on projected benefit obligations and the fair value of pension plan assets at the end of the fiscal year. Prior service cost is amortized by the straight-line method over a period within the average remaining service years for employees (mainly 10 years) at the time of recognition. Actuarial gain and loss is amortized by the straight-line method over a period within the average remaining service years for employees (mainly 10 years) at the time of recognition, and allocated proportionately from the fiscal year following the respective fiscal year of recognition.

4) Allowance for severance benefits for directors:

At the Company and certain domestic consolidated subsidiaries, accrued retirement benefits for directors and others are provided at the amount required to be paid in accordance with internal rules in order to provide for payment of severance benefits to those directors and others.

The Company abolished the system of payment of severance benefits to directors in June 2007, and has decided to pay severance benefits at the time of retirement with respect to the period in which the system was applied.

5) Allowance for bonuses for directors:

In preparation for the payment of bonuses to directors and others, a reserve for bonuses for directors and others has been provided for the amount of payment expected for the fiscal year ended March 31, 2011.

6) Allowance for environmental measures:

In preparation for payment relating to disposal of polychlorinated biphenyl (PCB) and other wastes, an allowance for environmental measures has been provided for the amount of costs expected to be incurred.

(4) Translation of significant assets and liabilities denominated in foreign currencies into yen

Monetary assets and liabilities denominated in foreign currencies have been translated into yen at the rates of exchange in effect at the fiscal year end. The resulting exchange gain or loss is charged or credited to income. Assets and liabilities of overseas subsidiaries have been translated into yen at the exchange rates in effect as of the fiscal year end, and revenues and expenses of overseas subsidiaries have been translated into yen at the average rates prevailing during the fiscal years. The resulting translation differences are included in minority interests and translation adjustments in net assets.

(5) Hedge accounting

1) Hedge accounting policy

The Company and its consolidated subsidiaries adopt deferred hedge accounting.
Special treatment is, in principle, applied with respect to interest rate swaps, in cases where criteria for special treatment are met.

2) Means of hedging and transactions subject to hedging

Foreign exchange forward contracts	Forecasted transactions and sales transactions pertaining to the acquisition of stock of or investments in affiliated companies denominated in foreign currencies
Interest rate swaps	Interest paid on borrowings

3) Hedging policy

The Company and some of its consolidated subsidiaries hedge foreign exchange rate risk and interest rate risk for certain transactions, mainly those that are financially significant and that can be recognized individually, based on internal rules for derivative transactions.

4) Methods for evaluating the effectiveness of hedges

Assessment of hedge effectiveness is not undertaken for forward exchange contracts, as the material conditions pertaining to the hedging instrument and the hedged item are identical. For interest rate swaps for which special treatment is applied, evaluation of effectiveness is not conducted.

(6) Amortization of goodwill

As a general rule, goodwill is amortized on a straight-line basis over its estimated useful life. However, immaterial goodwill is charged or credited to expense or income at the time of acquisition.

(7) Scope of 'Cash' in the Consolidated Statement of Cash Flows

The category 'cash' covers cash on hand, demand deposits, and easily convertible short-term investments with low risk of price fluctuation that mature within three months of acquisition.

(8) Other significant items for the preparation of consolidated financial statements

1) Accounting for consumption taxes

Transactions of the Company and domestic consolidated subsidiaries subject to consumption tax and/or regional consumption tax are recorded at amounts exclusive of the consumption tax. Unearned consumption tax is included in 'Current assets – Other', while unpaid consumption tax is included in 'Current liabilities – Other.'

2) Adoption of consolidated tax accounting system

Effective the fiscal year ended March 31, 2011, the Company and some of its consolidated subsidiaries have adopted the consolidated taxation system, with Ajinomoto Co., Inc. as the taxable parent company.

3) Recognition of revenue from finance lease transactions

Revenue from finance lease transactions is not recorded in sales, but instead recorded by allocating the corresponding amount of interest to each period.

(7) Changes in Significant Items for the Preparation of Consolidated Financial Statements

Accounting Standard for Asset Retirement Obligations

Effective the fiscal year under review, the Company has adopted the “Accounting Standard For Asset Retirement Obligations” (ASBJ Statement No. 18 of March 31, 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No. 21 of March 31, 2008).

The effect of this change was to decrease operating income by ¥19 million, ordinary income by ¥85 million, and net income before taxes by ¥649 million respectively.

Accounting Standard for Business Combinations

Effective the fiscal year under review, the Company has adopted the “Accounting Standard for Business Combinations” (ASBJ statement. No.21; December 26, 2008), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, December 26, 2008), “Partial Revision of Accounting Standard for R&D Expenses” (ASBJ Statement No.23, December 26, 2008), “Accounting Standard for Business Separation” (ASBJ Statement No. 7, December 26, 2008), “Accounting Standard for Equity Method” (ASBJ Statement No.16, announced December 26, 2008), and “Accounting Standard for Business Separation and Application Guideline for Accounting Standard for Business Separation” (ASBJ Guideline No. 10, December 26, 2008).

Adopting this standard has had no impact on financial results for the fiscal year under review.

(8) Changes in Presentation

Consolidated Statement of Income

1. “Rental income” (¥944 million in the previous fiscal year), which was included in “Other” in “Non-operating income” in the previous fiscal year, is presented as a separate item from the fiscal year under review.

2. “Litigation expenses” (¥321 million in the fiscal year under review), which was presented as a separate item in the previous fiscal year, is included in “Other” in “Non-operating expenses” from the fiscal year under review, as its amount corresponds to 10/100ths or less of total non-operating expenses.

3. “Gain on prior period adjustments” (¥300 million in the fiscal year under review), which was presented as a separate item included in the previous fiscal year, is included in “Other” in “Extraordinary gains” from the fiscal year under review, as its amount corresponds to 10/100ths or less of total extraordinary gains.

4. “Gain on sale of investment securities” (¥66 million in the previous fiscal year), which was included in “Other” in “Extraordinary gains” in the previous fiscal year, is presented as a separate item from the fiscal year under review.

5. “Loss on disposal of fixed assets” (¥1,356 million in the fiscal year under review), and “Provision for doubtful accounts” (¥5 million in the fiscal year under review), which were presented as separate items in the previous fiscal year, are included in “Other” in “Extraordinary losses” from the fiscal year under review, as their amounts correspond to 10/100ths or less of total extraordinary losses.

6. “Loss on valuation of investment securities” (¥64 million in the previous fiscal year), which was included in “Other” in “Extraordinary losses” in the previous fiscal year, is presented as a separate item from the fiscal year under review.

7. From the fiscal year under review, the Company has adopted the “Cabinet Office Ordinance Partially Revising Regulation on Terminology, Forms and Preparation of Financial Statements” (Cabinet Office

Ordinance No. 5 of March 24, 2009), based on the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22 of December 26, 2008), and the account item “Net income before minority interests” is presented as a result.

Consolidated Statement of Cash Flows

1. “Loss on valuation of stock in affiliates” (¥92 million in the fiscal year under review), which was presented as a separate item in the previous fiscal year, is included in “Other” in “Cash flows from operating activities” from the fiscal year under review, as its significance has decreased.

2. “Increase (decrease) in accrued consumption tax” (¥887 million in the fiscal year under review), which was presented as a separate item in the previous fiscal year, is included in “Other” in “Cash flows from operating activities” from the fiscal year under review, as its significance has decreased.

(9) Additional Information

Comprehensive Income

Effective the fiscal year under review, the Company has adopted the “Accounting Standard for Presentation of Comprehensive Income” (ASBJ Statement. No. 25 of June 30, 2010). However, the amounts for “Valuation and translation adjustments and others” and “Total valuation, translation adjustments and others” are presented as the amounts of “Accumulated other comprehensive income” and “Total accumulated other comprehensive income” for the previous fiscal year.

(10) Notes to the Consolidated Financial Statements

Consolidated Statement of Income

*1. The main assets with respect to which impairment losses were recorded in the fiscal year under review are as follows. In addition to these, other impairment losses of ¥633 million were also recorded.

Location	Use	Classification
Saga, Saga Prefecture, Japan	Manufacturing facility	Buildings and structures, Machinery and vehicles, Other
Brazil	Manufacturing facility	Buildings and structures, Machinery and vehicles, Other

The Ajinomoto Group mainly groups assets in accordance with management accounting business categories. Furthermore, important idle assets and assets leased to others are grouped according to each individual asset.

With respect to shared-use facilities such as utilities relating to manufacturing facilities for sweeteners and amino acids for pharmaceuticals and foods in Saga, Saga Prefecture, Japan, the Company reduced the book value to the nominal amount, as these operations have continued to post losses and at the present time the likelihood of future recoverability of initially projected income is low. As such, the company recorded an impairment loss of ¥1,643 million, the breakdown of which is as follows: “Buildings and structures”—¥705 million; “Machinery and vehicles”—¥935 million; and “Other”—¥2 million. The recoverable amount was determined through measurement of the value in use, which is calculated by discounting expected future cash flows at a rate of 4.4%.

With respect to the manufacturing facilities used for feed-use amino acids business in Brazil, these operations have continued to post losses, impacted by factors including a deterioration in export profits due to a stronger Brazilian Real and the cost of fuels rising significantly above initial projections. Given this fact, and because at the present time the likelihood of future recovery of initially projected income is low, the Company reduced the book value to the recoverable amount. As such, the Company recorded an impairment loss of ¥6,226 million, the breakdown of which is as follows: “Buildings and structures”—¥3,810 million; “Machinery and vehicles”—¥1,544 million; and “Other”—¥871 million. The recoverable amount was determined through measurement of the value in use, which is calculated by discounting expected future cash flows at a rate of 12.7%, taking into consideration the current situation in Brazilian financial markets.

*2 With respect to “Listed Marketable Securities” grouped in “Other Marketable Securities,” for which market value of the assets had fallen notably in comparison to the book value, and recoverability is not predicted, the Company has recorded an impairment loss.

*3. A loss has been recorded as a result of the March 11 Great East Japan Earthquake. The outline and breakdown of details is as follows. The impairment loss includes an estimated amount, which is calculated based on an approximate calculation.

Damage to facilities

Damage was suffered to buildings and facilities of the Company and the Company’s subsidiaries, in particular AJINOMOTO LOGISTICS CORPORATION Sendai Low-Temperature Logistics Center and the AJINOMOTO PHARMACEUTICALS CO., LTD. Fukushima Plant. As such the Company recorded a loss of ¥819 million.

Damage to inventory assets

Inventory assets in distribution centers and manufacturing facilities of the Company and the Company’s subsidiaries mainly in the Tohoku and Kanto region, also suffered damages as a result of collapse, etc., caused by the earthquake and tsunami. As such the Company recorded a loss of ¥1,487 million. A valuation loss was recorded with regard to inventory assets at the Company’s Kawasaki Logistics Center. This was rationally estimated from book inventories in accordance with the rate of damage estimated by examining the actual damage to inventories.

Other

The Company also recorded a loss of ¥924 million pertaining to the payment of expenses that could not be recognized as operating costs and related expenses, such as fixed costs for plants at which operations are suspended.

Of the losses recorded due to damages, with regards to losses relating to fixed assets and inventory and expenses for clean-up of damaged remains, the Company has damage insurance (includes earthquake coverage clause) for a total amount that exceeds the amount of damages.

Consolidated Statement of Comprehensive Income

Fiscal year under review (April 1, 2010 – March 31, 2011)

*1 Comprehensive income in the fiscal year prior to the fiscal year under review

Millions of yen, rounded down

Comprehensive income attributable to the parent company	**28,672**
Comprehensive income attributable to minority interests	**7,634**
Total	**36,307**

*2 Other comprehensive income in the fiscal year prior to the fiscal year under review

Millions of yen, rounded down

Unrealized holding gains (losses) on securities	**1,112**
Unrealized gain from hedging instruments	**(3)**
Translation adjustments	**11,637**
Share of other comprehensive income of equity method affiliates	**1,192**
Total	**13,938**

Segment Information

a. Segment information

Fiscal year ended March 31, 2011 (April 1, 2010 – March 31, 2011)

1. Overview of reporting segments

The Company's reporting segments mainly consist of product-based segments, with the food products business further subdivided into domestic and overseas segments. The Company has five reporting segments: domestic food products, overseas food products, bioscience products and fine chemicals, pharmaceuticals, and business tie-ups.

Among the Group's units, separate financial information is also obtainable for each reporting segment, and the Board of Directors and the Management Committee regularly consider these segments in order to decide on allocation of business resources and evaluate business performance.

The product categories and products belonging to each reporting segment are as follows.

Reporting Segment	Product Category	Main Products
Domestic Food Products	Seasonings and Processed Foods	*AJI-NO-MOTO®*, *HON-DASHI®*, *Ajinomoto KK Consommé*, *Cook Do®*, *Knorr® Cup Soup*, *Pure Select® Mayonnaise*, *Kellogg's®* products, savory seasonings, food enzyme *ACTIVA®*, etc.
	Sweeteners and Nutritional Foods	*PAL SWEET®*, *amino VITAL®*, etc.
	Delicatessen and Bakery Products	Lunchboxes and delicatessen products, bakery products, etc.
	Frozen Foods	*Gyoza*, *Yawaraka Wakadori Kara-Age, Puripuri-no-Ebi Shumai, Ebi-yose Fry*, *Fried rice with various ingredients,* etc.
	Beverages	*CALPIS®*, *CALPIS Water®*, etc.
Overseas Food Products	Seasonings	*AJI-NO-MOTO®*, *Ros Dee®* (flavor seasoning), *Masako®* (flavor seasoning), *Sazón®* (flavor seasoning), etc.
	Processed Foods	*YumYum®* (instant noodles), *VONO®* (noodle soup) *Birdy®* (canned coffee), *Birdy®3in1* (powdered drink), etc.
	Umami Seasonings for Processed Food Manufacturers	*AJI-NO-MOTO®* for the food processing industry, nucleotides
Bioscience Products and Fine Chemicals	Feed-Use Amino Acids	Feed-use Lysine, feed-use Threonine, feed-use Tryptophan
	Amino Acids for Pharmaceuticals and Foods	Arginine, glutamine, valine, leucine, isoleucine, and other amino acids
	Sweeteners	Aspartame, etc.
	Pharmaceutical Fine Chemicals	Pharmaceutical fine chemicals
	Specialty Chemicals	*Amisoft®*, *Jino®* (cosmetics), Insulation film for build-up printed wiring board, etc.
Pharmaceuticals	Pharmaceuticals	*LIVACT®*, *SOLITA®-T*, *ELENTAL®*, *FASTIC®*, *ATELEC®*, *ACTONEL®*, etc.
Business Tie-Ups	Edible Oils	*Salad Oil*, *Sara-Sara Canola Oil*, *Kenko Sarara®*, etc.
	Coffee	*MAXIM®*, *Blendy®*, *Blendy® Bottled Coffee*, etc.

2. Methods of calculating amounts for net sales, income or loss, assets and other items by reporting segment

The accounting treatment methods for each reported business segment are broadly similar to those outlined in "Significant items for the preparation of consolidated financial statements", except for valuation of inventories and allocations, etc. to inventories of cost variances in the standard cost system adopted by the Company. The Company's inventories in each business segment are stated, except in certain cases, at their values before reducing book value based on declines in profitability. Meanwhile, the Company's cost variances in each business segment are the figures before allocation to inventory.

Reporting segment income figures are on an operating income basis.

Internal sales between segments are mainly based on prices for third-party transactions.

3. Information on sales, income or loss, assets and other items by reporting segment

Fiscal year ended March 31, 2011

Millions of yen, rounded down

	Reporting segment					Other Business *1	Total	Adjustment amount*2	Consolidated
	Domestic Food Products	Overseas Food Products	Bioscience Products and Fine Chemicals	Pharma-ceuticals	Business Tie-ups				
Sales									
(1) Sales to third parties..................	447,150	231,990	194,335	82,645	184,574	66,998	1,207,695	--	1,207,695
(2) Intra-group sales and transfers.........	6,471	6,752	9,880	126	218	68,199	91,649	(91,649)	--
Total sales.........	453,622	238,742	204,216	82,771	184,793	135,197	1,299,344	(91,649)	1,207,695
Segment income.......	29,669	30,223	9,361	8,623	2,015	(538)	79,355	(9,981)	69,374
Segment assets	298,373	214,291	228,467	68,933	54,975	72,920	937,961	139,456	1,077,418
Other									
Depreciation	13,670	9,969	13,780	3,593	--	2,398	43,411	6,413	49,825
Increase in tangible and intangible fixed assets	10,787	17,325	10,061	2,984	--	1,736	42,896	2,887	45,783

Notes

1. Other business includes the wellness business, the packaging business, the logistics business and other service businesses.
2. The adjustment amounts are as follows:
   (1) Adjustments of minus ¥9,981 million for segment income mainly includes expenses associated with the Company's administrative divisions and expenses associated with some research facilities (¥12,282 million), and an adjustment amount with respect to valuation of inventory (¥823 million).
   (2) Adjustments of ¥139,456 million for segment assets mainly includes 'Corporate' assets of ¥239,281 and intersegment offsetting of receivables against payables of minus ¥97,947. 'Corporate' assets primarily consist of accumulated working capital, long-term investments, land not used in operations, and certain assets associated with the Company's administrative divisions and research facilities.
   (3) Adjustments of ¥6,413 million for depreciation are for depreciation of 'Corporate' assets.
   (4) Adjustments of ¥2,887 for increases in tangible fixed assets and intangible fixed assets are for acquisitions of 'Corporate' tangible and intangible fixed assets
3. Segment income is adjusted in accordance with operating income as recorded in the consolidated statement of income.

Fiscal year ended March 31, 2010

Millions of yen, rounded down

	Reporting segment					Other Business *1	Total	Adjustment amount*2	Consolidated
	Domestic Food Products	Overseas Food Products	Bioscience Products and Fine Chemicals	Pharma-ceuticals	Business Tie-ups				
Sales									
(1) Sales to third parties..................	444,014	214,613	189,597	82,594	180,435	59,620	1,170,876	--	1,170,876
(2) Intra-group sales and transfers.........	6,236	7,444	10,075	186	213	62,801	86,956	(86,956)	--
Total sales.........	450,250	222,057	199,672	82,781	180,649	122,421	1,257,833	(86,956)	1,170,876
Segment income.......	27,024	28,376	5,828	12,744	2,028	(3,483)	72,518	(8,484)	64,034
Segment assets	309,501	206,338	248,736	70,772	54,631	69,927	959,905	122,333	1,082,238
Other									
Depreciation	14,946	10,366	18,240	3,689	--	2,149	49,392	5,990	55,382
Increase in tangible and intangible fixed assets	9,971	13,354	11,466	3,689	--	2,334	40,816	22,457	63,274

Notes

1. Other business includes the wellness business, the packaging business, the logistics business and other service businesses.
2. The adjustment amounts are as follows:
    (1) Adjustments of minus ¥8,484 million for segment income mainly includes expenses associated with the Company's administrative divisions and expenses associated with some research facilities (¥12,088 million), and an adjustment amount with respect to valuation of inventory (¥678 million).
    (2) Adjustments of ¥122,333 million for segment assets mainly includes 'Corporate' assets of ¥229,083 and intersegment offsetting of receivables against payables of minus ¥105,117. 'Corporate' assets primarily consist of accumulated working capital, long-term investments, land not used in operations, and certain assets associated with the Company's administrative divisions and research facilities.
    (3) Adjustments of ¥5,990 million for depreciation are for depreciation of 'Corporate' assets.
    (4) Adjustments of ¥22,457 for increases in tangible fixed assets and intangible fixed assets are for acquisitions of 'Corporate' tangible and intangible fixed assets
3. Segment income is adjusted in accordance with operating income as recorded in the consolidated statement of income.

b. Related information
1. Information by geographical area

Fiscal year ended March 31, 2011

(1) Sales

Millions of yen, rounded down

	"Japan"	"Asia"	"America"	"Europe"	Total
Sales	803,680	195,675	118,260	90,078	1,207,695
Percentage of total consolidated sales	66.5%	16.2%	9.8%	7.5%	100.0%

Note: Sales are based on the location of customers, and are classified by country or region.

(2) Tangible fixed assets

Millions of yen, rounded down

	"Japan"	"Asia"	"America"	"Europe"	Total
Tangible fixed assets	226,259	62,253	44,524	55,014	388,050

c. Impairment losses on fixed assets by reporting segment

Fiscal year ended March 31, 2011

	Reporting segment					Other Business	Subtotal	Adjustment amount	Total
	Domestic Food Products	Overseas Food Products	Bioscience Products and Fine Chemicals	Pharma-ceuticals	Business Tie-ups				
Impairment losses	431	--	8,072	--	--	--	8,503	--	8,503

d. Depreciation of goodwill and remaining amounts by reporting segment

Fiscal year ended March 31, 2011

	Reporting segment					Other Business	Subtotal	Adjustment amount	Total
	Domestic Food Products	Overseas Food Products	Bioscience Products and Fine Chemicals	Pharma-ceuticals	Business Tie-ups				
Depreciation	2,673	148	36	1,646	--	--	4,505	--	4,505
Remaining amounts	24,541	2,195	104	2,744	--	--	29,586	--	29,586

(Additional information)

From the fiscal year under review, the Company has adopted the "Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (ASBJ Statement No. 17 of March 27, 2009) and the "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20 of March 21, 2008).

e. Reference

Segment information by geographical area

Fiscal year ended March 31, 2011

Millions of yen, rounded down

	"Japan"	"Asia"	"America"	"Europe"	Total	Adjustment amount	Consolidated
Sales to third parties	830,810	174,836	113,556	88,491	1,207,695	--	1,207,695
Operating income	32,522	26,371	10,314	10,458	79,667	(10,293)	69,374

Previous fiscal year ended March 31, 2010

Millions of yen, rounded down

	"Japan"	"Asia"	"America"	"Europe"	Total	Adjustment amount	Consolidated
Sales to third parties	812,456	159,795	105,437	93,187	1,170,876	--	1,170,876
Operating income	29,353	26,164	8,458	8,071	72,048	(8,014)	64,034

Notes 1. Geographical area segments are categorized on the basis of geographic proximity and indicated in inverted commas.
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

AJINOMOTO®

Per share information

	FY ended March 31, 2011	FY ended March 31, 2010
Net assets per share	¥871.61	¥863.72
Net income (loss) per share	¥43.56	¥23.85

Note: Fully diluted earnings per share is not stated for either year, since the Company does not have residual securities.

1. The basis for calculation of net assets per share is as follows

Millions of yen, rounded down

	As of March 31, 2011	As of March 31, 2010
Total net assets on balance sheet	650,291	643,179
Deductions from net assets		
Minority interests	42,099	40,409
Total amount of deduction from net assets	42,099	40,409
Net assets attributable to common stock	608,191	602,769
Number of shares of common stock used for the calculation of net assets per share (thousand shares)	697,777	697,872

2. The basis for calculation of net income per share is as follows

Millions of yen, rounded down

	FY ended March 31, 2011	FY ended March 31, 2010
Net income	30,400	16,646
Net income not attributable to common stock	--	--
Net income attributable to common stock	30,400	16,646
Average number of shares of common stock outstanding during the year	697,832	697,911

Important post-balance sheet events

1. Return of substitutable portion of Employees' Pension Fund

On April 1, 2011, the Company received approval from the Minister of Health, Labor and Welfare to adjust projected benefit obligations of the substitutable portion of the Ajinomoto Employees' Pension Fund.

Accordingly, on the date of approval for the return of the substitutable portion of the Employees' Pension Fund related to past employee services, the Company will recognize actuarial differences and adjust project benefit obligations on the substitutable portion.

2. Share repurchase based on the Articles of Incorporation pursuant to Article 165-2 of the Corporation Law

The Company made the resolution at a board of directors meeting today on matters pertaining to a share repurchase based on Article 156 of the Corporation Law as applied pursuant to Article 165-3 of the same law, as outlined below.

(1)Reason for Conducting the Share Repurchase

The purpose is to increase the level of shareholder returns and improve capital efficiency.

(2)Details of the Repurchase

1)Class of shares	Common stock
2)Total number of shares to be repurchased	25 million (maximum) (3.58 percent of total shares outstanding, excluding treasury stock)
3)Total amount to be paid for repurchase	¥20.0 billion (maximum)
4)Period of share repurchase	May 10, 2011 to July 22, 2011
5)Method of repurchase	Purchase in the market through a trust bank
6)Other	Ajinomoto plans to retire all of the shares repurchased under this program by resolution of the board of directors, pursuant to Article 178 of the Corporation Law.

For reference (as of March 31, 2011)
Total number of shares outstanding (excluding treasury stock): 697,777,594

3. Reduction of Capital Rserve

The Company made the decision at a board of directors meeting today to place reduction of the capital reserve on the agenda of the 133rd Ordinary General Meeting of Shareholders scheduled for June 29, 2011, as outlined below.

(1)Purpose of Reduction of Capital Reserve

The purpose is to ensure flexibility in future financial policies, including share repurchases.

(2)Summary of the Reduction of Capital Reserve

The capital reserve of ¥180,774,945,090 will be reduced by ¥176,500,000,000 to ¥4,274,945,090. This reduction will be transferred to other capital surplus, and therefore the total amount of shareholders' equity will not change.

(3)Schedule for Reduction of Capital Reserve

1)Resolution of the board of directors:	May 9, 2011
2)Resolution of the Ordinary General Meeting of Shareholders:	June 29, 2011 (planned)
3)Deadline for creditors' objections:	August 1, 2011 (planned)
4)Effective date:	August 2, 2011 (planned)

4. Reversal of Voluntary Reserves

The Company made the decision at a board of directors meeting today to place reversal of voluntary reserves on the agenda of the 133rd Ordinary General Meeting of Shareholders scheduled for June 29, 2011, as outlined below.

(1)Purpose of Reversal of Voluntary Reserves

The purpose is to facilitate stable and sustainable returns to shareholders.

(2)Summary of Reversal of Voluntary Reserves

1) Items and Amount of Surplus to Be Decreased

Reserve for employee retirement allowance	¥1,460,000,000 (total amount)
Special reserve	¥133,320,000,000 (total amount)

2) Items and Amount of Surplus to Be Increased

Retained earnings brought forward	¥134,780,000,000

3) When the Reversal Will Take Effect

This reversal will take effect upon approval by the 133rd Ordinary General Meeting of Shareholders scheduled for June 29, 2011

Reference:

Five year trends in consolidated financial results and key indicators

Millions of yen, rounded down

	FY ending March 31, 2012 (est.)	FY ended March 31, 2011	FY ended March 31, 2010	FY ended March 31, 2009	FY ended March 31, 2008
Net sales	1,245,000	1,207,695	1,170,876	1,190,371	1,216,572
Growth rate	3.1%	3.1%	(1.6%)	(2.2%)	5.0%
Operating income	69,100	69,374	64,034	40,827	60,523
Growth rate	(0.4%)	8.3%	56.8%	(32.5%)	(5.1%)
Operating margin	5.6%	5.7%	5.5%	3.4%	5.0%
Ordinary income	69,000	70,499	67,621	25,926	55,736
Ordinary margin	5.5%	5.8%	5.8%	2.2%	4.6%
Net income (loss)	37,000	30,400	16,646	(10,227)	28,229
Return on sales	3.0%	2.5%	1.4%	(0.9%)	2.3%
Net income (loss) per share (yen)	¥53.92	¥43.56	¥23.85	(¥14.65)	¥41.94
Return on equity	--	5.0%	2.8%	(1.7%)	4.7%
Ratio of net income to total assets	--	2.8%	1.6%	(0.9%)	2.6%
Total assets	--	1,077,418	1,082,238	1,057,786	1,100,709
Net assets	--	650,291	643,179	618,654	667,717
Interest-bearing debt	--	133,391	147,902	149,402	144,330
Equity ratio	--	56.4%	55.7%	55.3%	57.1%
Book value per share (yen)	--	¥871.61	¥863.72	¥838.51	¥899.41
Share price at end of period (yen)	--	¥867	¥926	¥695	¥1,010
P/E ratio (times)	--	19.9	38.8	--	24.1
Dividend per share (yen)	¥16.0	¥16.0	¥16.0	¥16.0	¥16.0
Dividend payout ratio	29.7%	36.7%	67.1%	--	38.1%
Net cash provided by operating activities	--	112,716	105,924	51,699	51,436
Net cash used in investment activities	--	(45,882)	(63,327)	(62,487)	(28,292)
Net cash used in financing activities	--	(25,893)	(18,011)	(2,119)	(17,592)
Free cash flow	--	66,833	42,597	(10,788)	23,143
Number of consolidated subsidiaries	--	95	100	103	102
Number of affiliated companies accounted for by the equity method	--	10	10	10	10

Notes: 1. Net sales is exclusive of consumption tax, etc.

2. Figures are based mainly on consolidated results ("*kessan tanshin*") for each period

3. Free cash flow = net cash provided by operating activities + cash flow used in investing activities