Ajinomoto Co., Inc.

Consolidated Results

Fiscal Year Ended March 31, 2012

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.

AJINOMOTO®

SUMMARY OF FINANCIAL STATEMENTS (Consolidated)

For the year ended March 31, 2012

Ajinomoto Co., Inc. **May 8, 2012**

Stock Code:	2802		Listed exchanges:	Tokyo, Osaka
URL: http://www.ajinomoto.com			Inquiries:	Yukihiko Kobayashi
President:	Masatoshi Ito			General Manager
Scheduled date of the general meeting of shareholders:		June 28, 2012		Finance Department
Scheduled date of starting payment of dividend:		June 29, 2012	Telephone:	813 5250-8161
Scheduled date of submission of Securities Report:		June 28, 2012		
Creation of supplementary results materials:		Yes		
Results briefing:		Yes (for analysts)		

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2012

1) Consolidated Operating Results

Millions of yen, rounded down

	FY ended March 31, 2012		FY ended March 31, 2011	
		Change (%)		Change (%)
Net sales	1,197,313	(0.9)	1,207,695	3.1
Operating income	72,584	4.6	69,374	8.3
Ordinary income	75,919	7.7	70,499	4.3
Net income (loss)	41,754	37.3	30,400	82.6
Net income (loss) per share (¥)	¥61.28		¥43.56	
Fully diluted earnings per share (¥)	--		--	
Return on equity	6.9%		5.0%	
Ratio of ordinary income to total assets	7.0%		6.5%	
Ratio of operating income to net sales	6.1%		5.7%	

Notes: Comprehensive income:

FY ended March 31, 2012: ¥33,245 million (increase of 64.1%) FY ended March 31, 2011: ¥20,253 million (decrease of 44.2%)

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

FY ended March 31, 2012: ¥2,401 million FY ended March 31, 2011: ¥2,990 million

2) Financial Position

Millions of yen, rounded down

	As of March 31, 2012	As of March 31, 2011
Total assets	1,097,057	1,077,418
Net assets	650,159	650,291
Shareholders' equity ratio (%)	55.2%	56.4%
Book value per share (¥)	¥894.58	¥871.61

Note: Shareholders' equity as of: March 31, 2012: ¥605,349 million

March 31, 2011: ¥608,191 million

3) Cash Flows

Millions of yen, rounded down

	FY ended March 31, 2012	FY ended March 31, 2011
Net cash provided by operating activities	93,312	112,716
Net cash used in investing activities	(41,701)	(45,882)
Net cash used in financing activities	(37,456)	(25,893)
Cash and cash equivalents at end of year	146,647	133,744

2. Dividends

	FY ended March 31, 2011	FY ended March 31, 2012	FY ending March 31, 2013 (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	¥11,164 million	¥10,827 million	--
Dividend payout ratio	36.7%	26.1%	23.7%
Ratio of dividends to net assets	1.8%	1.8%	--

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3. Forecast for the Fiscal Year Ending March 31, 2013

Millions of yen

	FY ending March 31, 2013	Change %
Net sales	1,221,000	2.0
Operating income	73,500	1.3
Ordinary income	76,500	0.8
Net income	44,000	5.4
Net income per share	67.61	--

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

On April 1, 2011, Ajinomoto Co., Inc. (the Company) received approval from the Minister of Health, Labor and Welfare for exemption from the obligation to pay benefits related to future services of employees under the substitutable portion of the Ajinomoto Welfare Pension Fund. The estimated amount of impact from this approval is not included in the above forecasts, as, although the Company plans to carry out the procedures pertaining to return of past portions of the substitutable portion of the Welfare Pension Fund, at the present time application for return of past portions has not been completed and the approval date has not been finalized.

As disclosed separately today (May 8, 2012) in the Company's press release entitled "Ajinomoto Concludes Contract to Sell Calpis Shares", the Company has resolved to transfer all shares of its consolidated subsidiary Calpis Co., Ltd. to Asahi Group Holdings, Ltd.

With regard to the impact of this share transfer on consolidated earnings for the fiscal year ending March 31, 2013, on the date of the share transfer Calpis Co., Ltd. is scheduled to be removed from the scope of consolidated subsidiaries of the Company. As a result, net sales is projected to be reduced by around ¥48.0 billion, but the impact on operating income, ordinary income and net income is projected to be immaterial.

The estimated amount of impact from this share transfer is included in the above forecasts.

Notes:

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

Newly consolidated: 0 companies

Removed from scope of consolidation: 0 companies

2) Changes in accounting policy, changes in accounting estimates, and retrospective restatements

(1) Changes in line with revision to accounting standards: No

(2) Other changes: No

(3) Changes in accounting estimates: No

(4) Retrospective restatements: No

3) Number of shares outstanding (ordinary shares)

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

March 31, 2012: 678,980,654 shares　　March 31, 2011: 700,032,654 shares

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

March 31, 2012: 2,298,309 shares　　March 31, 2011: 2,255,060 shares

(3) Average number of shares during period

FY ended March 31, 2012: 681,422,324 shares　　FY ended March 31, 2011: 697,832,221 shares

Note: See "Per share information" on page 35 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 *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 and do not represent a commitment from the Company that they will be achieved. 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 10, "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 Tuesday, May 8, 2012.

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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, 2012	1,197.3	72.5	75.9	41.7
FY ended March 31, 2011	1,207.6	69.3	70.4	30.4
Change	(0.9%)	4.6%	7.7%	37.3%

Overview of results for this period

In the period under review, the recovery trend in the overall global economy weakened, as the Asian economy, driven by China, experienced growth but slowed towards the end of the period, Europe remained subject to instability, and the U.S. continued to grapple with high unemployment and other issues despite making a moderate recovery.

The Japanese economy is gradually recovering from the impact of the Great East Japan Earthquake, but corporate earnings worsened due to the slowdown in the global economy, the continued strength of the yen and other factors, while employment conditions remained severe.

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

Within this environment, the Ajinomoto Group ("Ajinomoto" or "the Group") positioned the three-year period from 2011 as a period to focus its efforts on building a foundation to make Ajinomoto a "Genuine Global Company", and endeavored to achieve growth led by two drivers, "Global growth" and "R&D leadership", while pursuing three policies for strengthening the business structure, namely, "From VOLUME to VALUE", "From PROFIT to CASH", and "Enhance capital efficiency to boost stockholder value".

As a result of the above, consolidated net sales for the fiscal year ended March 31, 2012 decreased 0.9% (¥10.3 billion) year on year to ¥1,197.3 billion, operating income increased 4.6% (¥3.2 billion) to ¥72.5 billion, and ordinary income increased 7.7% (¥5.4 billion) to ¥75.9 billion. Net income increased 37.3% (¥11.3 billion) to ¥41.7 billion.

Changes to main accounting items during the period under review

Note: All comparisons are with the previous fiscal year, ended March 31, 2011, unless otherwise stated.

1) Net sales

Net sales decreased 0.9%, or ¥10.3 billion, year on year to ¥1,197.3 billion. By region, sales in "Japan" decreased 1.9% to ¥814.9 billion, due to a decrease in pharmaceuticals sales, despite growth in sales of seasonings and processed foods and frozen foods, and sales overseas increased 1.5% to ¥382.4 billion, driven primarily by overseas seasonings and feed-use amino acids, despite the negative impact of foreign exchange rates due to the appreciation of the yen. Sales increased 1.8% to ¥177.9 billion in "Asia," 0.5% to ¥114.0 billion in "Americas" and 2.1% to ¥90.3 billion in "Europe".

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

In line with the decrease in sales, the cost of sales decreased 1.4%, or ¥11.1 billion, to ¥793.5 billion. The ratio of the cost of sales to net sales fell 0.4 percentage points to 66.3%.

Selling, general and administrative expenses decreased 0.7%, or ¥2.4 billion, from the previous fiscal year to ¥331.2 billion due to a decline in selling expenses, primarily advertising costs and sales commissions.

3) Operating income

Operating income increased 4.6%, or ¥3.2 billion, from the previous fiscal year to a record high of ¥72.5 billion. By region, operating income in "Japan" increased 10.2% to ¥35.5 billion, while operating income from operations overseas decreased 0.2% to ¥37.0 billion.

The overall increase in operating income in Japan was attributable to favorable performance in the domestic food products business on contributions from seasonings, frozen foods and others, an improvement from the previous year in the amino acid business, and improved profits in the wellness business due to increased sales of fundamental foods including *Glyna*® and *Capsiate Natura*®. This offset a decline in income from specialty chemicals. In overseas regions, despite negative effects of the appreciation of the yen overall, operating income maintained at the same level with the previous fiscal year increased mainly due to contributions from feed-use amino acid Lysine. Operating income increased 1.7% to ¥21.5 billion in "Asia", 17.7% to ¥8.8 billion in "Americas", and decreased 21.3% to ¥6.5 billion in "Europe".

4) Non-operating income (expenses)

The difference between non-operating income and non-operating expenses was a positive figure of ¥3.3 billion, an increase of ¥2.2 billion compared to a positive figure of ¥1.1 billion in the previous year. The main factor for this increase was an increase in interest received, which offset a decrease in equity in earnings of non-consolidated subsidiaries and affiliates.

5) Ordinary income

Ordinary income increased 7.7%, or ¥5.4 billion, year on year to a record high of ¥75.9 billion.

6) Extraordinary gains

Extraordinary gains for the period under review were ¥7.0 billion, compared to ¥3.2 billion in the previous fiscal year. The main item recorded in the fiscal year under review was insurance income of ¥6.0 billion due to disasters such as the Great East Japan Earthquake and flooding in Thailand.

7) Extraordinary losses

Extraordinary losses were ¥10.9 billion, compared to ¥25.2 billion in the previous year. The main factors were losses of ¥3.7 billion due to the Great East Japan Earthquake, the flooding in Thailand and so forth.

8) Net income

Net income for the period under review increased 37.3%, or ¥11.3 billion, to ¥41.7 billion. Net income per share for the year was ¥61.28, compared to ¥43.56 the previous year.

Consolidated operating results by segment

Note: All comparisons are with the previous fiscal year, ended March 31, 2012, 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	438.4	0.5	0.1%	31.7	5.1	19.6%
Overseas food products	230.5	(1.4)	(0.6%)	21.5	(5.2)	(19.7%)
Bioscience products and fine chemicals	198.0	(0.2)	(0.1%)	12.1	3.4	40.0%
Pharmaceuticals	77.9	(4.7)	(5.7%)	6.4	(1.4)	(18.3%)
Business tie-ups	182.8	(1.7)	(0.9%)	1.6	0.0	1.5%
Other business	69.5	(2.7)	(3.8%)	(0.9)	1.2	--
Total	1,197.3	(10.3)	(0.9%)	72.5	3.2	4.6%

Notes:

1. Figures for the previous fiscal year are restated according to the new reporting segments for comparison purposes.
2. From this financial year 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 bioscience products and fine chemicals.
3. Domestic and overseas sales of *ACTIVA*® products, savory seasonings and frozen foods to food processing companies are included in domestic food products.
4. For the main products of each business segment, see page 29, "Segment information, a. Segment information, 1. Overview of reporting segments".

1) Domestic food products

Domestic food product sales increased 0.1%, or ¥0.5 billion, to ¥438.4 billion. Operating income increased 19.6%, or ¥5.1 billion, to ¥31.7 billion. The slight increase in sales was due to growth in sales of seasonings and foods for the retail market. The substantial increase in operating income was attributable to a reduction in selling expenses.

Seasonings and processed foods: In seasonings and processed foods for the retail markets, sales of the *Cook Do*® line and Chinese dashi products grew strongly, due to TV advertising and related marketing initiatives, and sales of *HON-DASHI*® and consommé increased favorably. Sales of umami seasoning *AJI-NO-MOTO*® increased steadily compared to the previous fiscal year. Sales of *Knorr*® *Soup DELI*, launched last August, also contributed, as did steady sales of soups, while sales of mayonnaise and mayonnaise-type dressings and of *Kellogg's*® products decreased from the previous year.

Sales of seasonings and processed foods for the commercial market grew steadily amid a recovery in the restaurant market from the downturn due to the Great East Japan Earthquake. Sales of *ACTIVA*®, an enzyme (transglutaminase) used to enhance food texture and quality, to food processing companies and sales of savory seasonings declined from the previous year on lower sales volumes.

Delicatessen and bakery products: Sales of lunchboxes and prepared dish delicatessen products increased steadily from the previous year, while sales of bakery products also grew favorably.

Frozen foods: Overall sales of products for the retail market increased steadily, despite the impact of the suspension of sales of some products as a result of the earthquake, due to steady sales of *Gyoza*, favorable growth in sales of *Fried rice with various ingredients* and other rice products and *Yawaraka Wakadori Kara-Age*, and sales of naturally defrosting lunchbox products such as *Ebi-yose Fry* becoming firmly established. Sales of products for restaurant and institutional use increased slightly compared to the previous fiscal year, amid the recovery in the restaurant market from downturn due to the earthquake.

Beverages: Beverage sales decreased slightly, despite steady growth in sales of core products, due to the impact of the ending of a beverage manufacturing contract.

2) Overseas food products

Overseas food product sales decreased 0.6%, or ¥1.4 billion, to ¥230.5 billion mainly due to the negative impact of foreign exchange rates. Operating income decreased 19.7%, or ¥5.2 billion, to ¥21.5 billion due to the negative impact of foreign exchange rates and higher raw material prices.

Seasonings: In Asia, sales of *AJI-NO-MOTO®* trended steadily, while sales of flavor seasonings for home use grew favorably. In the Americas, sales of flavor seasonings for home use grew favorably in South America. In Europe and Africa, sales of *AJI-NO-MOTO®* for home use in West African countries increased substantially.

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

Umami seasonings for processed food manufacturers: Sales of *AJI-NO-MOTO®* for the food processing industry decreased both in Japan and overseas on lower sales volumes. Sales of nucleotides decreased substantially, despite growth in sales volumes, reflecting the negative impact of a decline in unit prices and foreign exchange rates.

3) Bioscience products and fine chemicals

Bioscience products and fine chemicals sales decreased 0.1%, or ¥0.2 billion, to ¥198.0 billion. Operating income increased 40.0%, or ¥3.4 billion, to ¥12.1 billion, with contributions from amino acids for pharmaceuticals and foods and feed-use amino acids.

Feed-use amino acids: Sales of Lysine increased substantially, on higher unit prices and an increase in sales volumes. Revenue from sales of Threonine decreased, due to a fall in unit prices, while sales of Tryptophan fell substantially from the previous year, partly as a result of a decline in sales volumes. Sales increased overall.

Amino acids for pharmaceuticals and foods: Sales decreased overall, despite favorable sales growth in Europe, as sales decreased in North America and declined significantly in Japan.

Sweeteners: Sales of low-calorie sweeteners for home use and the restaurant market increased steadily, but sales of powdered juice *Refresco MID®*, which contains aspartame, decreased due to the unfavorable impact of foreign exchange rates, and sales of aspartame for processed food manufacturers declined, due to the unfavorable impacts of a decrease in sales volumes and foreign exchange rates.

Pharmaceutical fine chemicals: Sales continued to increase favorably on strong growth in sales volumes in Europe.

Specialty chemicals: Sales of cosmetic ingredients grew steadily both in Japan and overseas, but sales of amino acid-based cosmetics *Jino®* decreased slightly and sales of insulation film for build-up printed wiring board also decreased, resulting in a decline in overall sales.

4) Pharmaceuticals

Pharmaceutical sales decreased 5.7%, or ¥4.7 billion, to ¥77.9 billion. Operating income decreased 18.3%, or ¥1.4 billion, to ¥6.4 billion. The decline in overall sales was attributable to decreases in sales of self-distributed products and products sold through business tie-ups, which offset a substantial increase in royalty income. The substantial decrease in overall operating income came despite the increase in royalty income, reduction in selling expenses and other factors.

For self-distributed products, sales of *ELENTAL®*, an elemental diet, were at the same level as the previous period, but sales of *LIVACT®*, a branched-chain amino acids formula for the treatment of liver cirrhosis, declined, and sales of infusions such as *SOLITA®-T*, an electrolyte solution, decreased.

For products sold through business tie-ups, sales of risedronate such as *ACTONEL®*, a preparation used in the treatment of osteoporosis, increased favorably. Sales of *ATELEC®*, an antihypertensive calcium channel blocker, decreased, and sales of natiglinide such as non-insulin-dependent diabetes treatment *FASTIC®* declined substantially.

5) Business tie-ups

Business tie-up sales decreased 0.9% (¥1.7 billion) to ¥182.8 billion. Operating income increased 1.5% (¥2.3 million) to ¥1.6 billion.

Edible oils: Sales decreased on a decline in sales volumes.

Coffee products: Overall coffee product sales grew slightly despite a decline in sales of liquid coffee drinks, as sales of stick-type mixed coffee increased substantially.

6) Other business

Other business sales decreased 3.8%, or ¥2.7 billion, to ¥69.5 billion. Operating loss was ¥0.9 billion, a decline of ¥1.2 billion from the previous fiscal year.

2. Outlook for the Fiscal Year Ending March 31, 2013

Billions of yen, rounded down

	Net sales	Operating income	Ordinary income	Net income
FY ending March 31, 2013	1,221.0	73.5	76.5	44.0
FY ended March 31, 2012	1,197.3	72.5	75.9	41.7
Increase	2.0%	1.3%	0.8%	5.4%

Amid the continued slowdown of the global economy triggered by the European financial crisis, the Group's operating environment is expected to remain severe on factors including unstable foreign exchange markets, continued high prices of main raw materials and fuels, the continued contraction of the Japanese food market, intensifying competition in fermentation-related business, moves to curtail healthcare costs and the NHI drug price revisions.

Given such conditions, in the fiscal year ending March 31, 2013, the second year of its medium-term business plan, Ajinomoto will continue with initiatives for achieving stable growth as it seeks to become "Genuine Global Company". In domestic food products Ajinomoto will endeavor to achieve an expansion in market share and reinforce its stable profit base by strengthening its brand power and proceeding with marketing that captures changes in the consumption structure since the earthquake. In overseas food products Ajinomoto will seek to achieve global growth in overseas consumers by developing new markets and improving profitability through increasing the Group's presence in existing markets. In bioscience products and fine chemicals, by pursuing innovation in fermentation technologies Ajinomoto will strengthen the competitiveness of its main raw materials businesses while also increasingly focusing value-added businesses. In pharmaceuticals, Ajinomoto intends to proceed with reform of the business structure, while also working to foster growth drivers through continued research and development aimed at enhancing the product pipeline.

As a result of these initiatives, Ajinomoto forecasts consolidated sales for the fiscal year ending March 31, 2013 to increase 2.0% to ¥1,221.0 billion, operating income to increase 1.3% to ¥73.5 billion and ordinary income to increase 0.8% to ¥76.5 billion. Net income is forecast to increase 5.4% to ¥44.0 billion.

These forecasts are based on an assumed exchange rate of ¥80.0 to the U.S. dollar.

II. Analysis of Financial Position

1. Overview of year under review

Financial position as of March 31, 2012

Total assets as of March 31, 2012 were ¥1,097.0 billion, ¥19.6 billion more than the ¥1,077.4 billion recorded one year earlier. This increase was primarily due to an increase in inventories, notes and accounts receivable, and cash on hand and in banks, which offset a decline in the yen values of the balance sheets of overseas subsidiaries after translation.

Total interest-bearing debt was ¥130.0 billion, a ¥3.3 billion decrease from March 31, 2011.

Net assets decreased ¥0.1 billion compared to March 31, 2011, despite an increase in retained earnings, influenced by factors such as a decrease in capital surplus on the retirement of treasury stock and a change in foreign exchange translation adjustments. Shareholders' equity, which is net assets minus minority interests, was ¥605.3 billion, and the shareholders' equity ratio was 55.2%.

Summary of consolidated cash flow

Billions of yen, rounded down

	FY ended March 31, 2012	FY ended March 31, 2011	Change
Net cash provided by operating activities	93.3	112.7	(19.4)
Net cash used in investing activities	(41.7)	(45.8)	4.1
Net cash used in financing activities	(37.4)	(25.8)	(11.5)
Effect of exchange rate changes on cash and cash equivalents	(1.3)	(2.2)	0.8
Increase (decrease) in cash and cash equivalents	12.7	38.6	(25.8)
Increase in initial balance due to change in scope of consolidation	0.1	0.0	0.0
Decrease in initial balance due to change in scope of consolidation	--	(0.0)	0.0
Cash and cash equivalents at end of period	146.6	133.7	12.9

Net cash provided by operating activities decreased ¥19.4 billion over the previous year to ¥93.3 billion. This decrease was mainly attributable to factors such as an outflow from working capital accompanying changes in notes and accounts receivable and inventories, which offset an increase in operating income.

Net cash used in investing activities decreased ¥4.1 billion over the previous year to ¥41.7 billion.

Net cash used in financing activities increased ¥11.5 billion to ¥37.4 billion partly due to the share repurchase.

As a result of the foregoing, cash and cash equivalents at March 31, 2012 was ¥146.6 billion, an increase of ¥12.9 billion compared to March 31, 2011.

2. Trends in cash flow-related indices

	FY ended March 31, 2012	FY ended March 31, 2011	FY ended March 31, 2010	FY ended March 31, 2009
Equity ratio (%)	55.2	56.4	55.7	55.3
Equity ratio based on market price (%)	64.0	56.2	59.7	45.9
Ratio of interest-bearing debt to cash flow (%)	153.2	129.7	151.8	313.7
Interest coverage ratio (times)	42.7	44.8	28.6	10.5

- 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, 2012 and Fiscal Year Ending March 31, 2013

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, 2012), 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, 2011). For the next fiscal year (ending March 31, 2013), 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 repurchased and retired shares in the period under review, and will continue to 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 targets to be achieved in fiscal 2013 in the 2011-2013 Medium-term Business Plan are to increase the proportion of sales and income derived from overseas business, invest 40% of R&D resources in the company-wide core growth domains, and enhance value-added business, through which the Group will target an operating margin of 7%. The Group also aims to generate free cash flow of ¥40 billion and allocate the cash to a variety of applications aimed at achieving growth. The Group is targeting ROE of 8%.

III. Tasks Ahead

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) From VOLUME to VALUE; (2) From PROFIT to CASH; and (3) Enhance capital efficiency to boost stockholder value. "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 and linked innovation.

In terms of business structure reinforcement, in the animal nutrition business, Ajinomoto will move forward with the development of a robust business management structure through company spin-off, 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, in order to live up to its heightening social responsibilities, Ajinomoto will further improve governance at Group companies and continue to pursue initiatives to make its internal control systems ever more robust.

The Ajinomoto Group will continue, through its business activities, to make a contribution to the issues of human society in the 21st century—global sustainability, food resources, and healthy living. In terms of CSR initiatives, Ajinomoto will continue this year to be involved in programs which support international cooperation projects, aiming to improve the nutrition and health of people in developing countries, and over the next three years provide earthquake recovery support such as working to correct nutrient imbalances for people living in earthquake affected areas. Additionally, with the Brazil Earth Summit (Rio +20) being held this year, Ajinomoto believes that it is necessary to make fundamental changes to its business through R&D and so forth, and create various social alliances to work towards establishing a *Green Economy*, which is the key theme that will be discussed at this year’s summit.

3. CONSOLIDATED FINANCIAL STATEMENTS

(1) Consolidated Balance Sheet

Millions of yen, rounded down

	As of March 31, 2012	As of March 31, 2011
Assets		
Current assets		
Cash on hand and in banks	149,913	141,801
Notes and accounts receivable	206,952	195,465
Marketable securities	414	511
Goods and products	96,855	87,445
Goods in process	7,960	7,370
Raw materials and supplies	42,842	40,495
Deferred tax assets	8,329	11,204
Other	30,282	33,376
Allowance for doubtful accounts	(1,173)	(1,238)
Total current assets	542,375	516,432
Fixed assets		
Tangible fixed assets		
Buildings and structures	350,782	350,654
Accumulated depreciation and accumulated impairment losses	(213,132)	(209,127)
Net buildings and structures	137,649	141,527
Machinery and vehicles	508,031	508,083
Accumulated depreciation and accumulated impairment losses	(392,678)	(391,574)
Net machinery and vehicles	115,352	116,509
Tools, furniture and fixtures	66,738	65,762
Accumulated depreciation and accumulated impairment losses	(56,690)	(55,340)
Net tools, furniture and fixtures	10,047	10,422
Land	96,139	98,167
Leased assets	5,099	3,583
Accumulated depreciation and accumulated impairment losses	(2,202)	(1,172)
Net leased assets	2,896	2,410
Construction in progress	26,598	19,013
Total tangible fixed assets	388,683	388,050
Intangible fixed assets		
Goodwill	25,080	29,586
Other	34,107	35,901
Total intangible fixed assets	59,188	65,488
Investments and other assets		
Investment in securities	84,491	83,105
Long-term loans receivable	1,057	1,060
Deferred tax assets	7,796	10,090
Other	14,723	14,443
Allowance for doubtful accounts	(789)	(988)
Allowance for investment losses	(470)	(264)
Total investments and other assets	106,808	107,447
Total fixed assets	554,681	560,986
Total assets	1,097,057	1,077,418

(Continued)

(1) Consolidated Balance Sheet

Millions of yen, rounded down

	As of March 31, 2012	As of March 31, 2011
Liabilities		
Current liabilities		
Notes and accounts payable	112,965	103,420
Short-term borrowings	17,790	16,209
Current portion of long-term borrowings	4,406	5,316
Accrued income taxes	9,465	7,900
Bonus reserve	6,896	6,784
Bonus reserve for directors and others	357	360
Asset retirement obligations	--	64
Other	87,572	78,286
Total current liabilities	239,455	218,341
Long-term liabilities		
Bonds	69,990	69,989
Long-term debt	34,847	39,282
Deferred tax liabilities	14,786	15,591
Accrued employees' retirement benefits	62,962	58,554
Accrued officers' severance benefits	1,016	1,331
Allowance for environmental measures	506	574
Asset retirement obligations	584	540
Other	22,747	22,920
Total long-term liabilities	207,442	208,786
Total Liabilities	446,897	427,127
Net assets		
Shareholders' equity		
Common stock	79,863	79,863
Capital surplus	162,381	182,716
Retained earnings	444,728	414,189
Treasury stock	(2,219)	(2,514)
Total shareholders' equity	684,755	674,255
Accumulated other comprehensive income		
Unrealized holding gain on securities	2,678	1,339
Unrealized gain from hedging instruments	(1)	(31)
Translation adjustments	(81,603)	(67,045)
Adjustment in pension liabilities of overseas subsidiaries	(478)	(327)
Total accumulated other comprehensive income	(79,405)	(66,064)
Minority interests	44,809	42,099
Total net assets	650,159	650,291
Total liabilities & net assets	**1,097,057**	**1,077,418**

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

Consolidated Statement of Income

Millions of yen, rounded down

	FY ended Mar. 31, 2012	FY ended Mar. 31, 2011
Net sales	1,197,313	1,207,695
Cost of sales	793,524	804,716
Gross profit	403,788	402,978
Selling, general and administrative expenses	331,203	333,604
Operating income	72,584	69,374
Non-operating income		
Interest income	1,847	1,232
Dividend income	974	939
Equity in earnings of non-consolidated subsidiaries and affiliates	2,401	2,990
Rental income	757	789
Other	1,506	1,460
Total non-operating income	7,487	7,411
Non-operating expenses		
Interest expense	2,167	2,440
Other	1,985	3,845
Total non-operating expenses	4,152	6,286
Ordinary income	75,919	70,499
Extraordinary gains		
Gain on sale of investment securities	554	912
Insurance income	*1 6,012	182
Other	521	2,126
Total extraordinary gains	7,088	3,220
Extraordinary losses		
Loss on disposal of fixed assets	3,320	1,356
Impairment losses	*2 1,106	8,503
Loss on valuation of investment securities	607	7,416
Loss from natural disaster	*3 3,759	3,231
Other	2,121	4,767
Total extraordinary losses	10,915	25,275
Net income before taxes	72,091	48,444
Income, inhabitant and business taxes	20,881	18,150
Income and other tax adjustments	3,631	(5,581)
Income taxes – total	24,513	12,568
Net income before minority interests	47,578	35,876
Minority interests	5,823	5,475
Net income	**41,754**	**30,400**

Consolidated Statement of Comprehensive Income

Millions of yen, rounded down

	FY ended Mar. 31, 2012	FY ended Mar. 31, 2011
Net income before minority interests	47,578	35,876
Other comprehensive income		
Unrealized holding gain on securities	1,227	1,677
Unrealized gain from hedging instruments	(9)	34
Translation adjustments	(14,831)	(16,713)
Adjustment in pension liabilities of overseas subsidiaries	(151)	5
Share of other comprehensive income of equity-method affiliates	(567)	(626)
Total other comprehensive income	(14,332)	(15,622)
Comprehensive income	33,245	20,253
(Breakdown)		
Comprehensive income attributable to parent company	28,413	16,717
Comprehensive income attributable to minority interests	4,831	3,536

(3) Consolidated Statement of Changes in Net Assets

(Fiscal year ended March 31, 2012)

Millions of yen, rounded down

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balances as of March 31, 2011	79,863	182,716	414,189	(2,514)	674,255
Transfer to adjustment in pension liabilities of overseas subsidiaries...................			--		--
Changes in fiscal year ended March 31, 2012					
Dividends from retained earnings			(10,995)		(10,995)
Net income			41,754		41,754
Changes in the scope of consolidation			(36)		(36)
Decrease on merger of non-consolidated subsidiaries			(182)		(182)
Purchase of treasury stock				(20,045)	(20,045)
Disposal of treasury stock		(20,334)		20,340	5
Total of changes in fiscal year ended March 31, 2012	--	(20,334)	30,539	294	10,499
Balances as of March 31, 2012	79,863	162,381	444,728	(2,219)	684,755

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, 2011	1,339	(31)	(67,045)	(327)	(66,064)	42,099	650,291
Transfer to adjustment in pension liabilities of overseas subsidiaries................................				--	--		
Changes in fiscal year ended March 31, 2012							
Dividends from retained earnings							(10,995)
Net income							41,754
Changes in the scope of consolidation							(36)
Decrease on merger of non-consolidated subsidiaries							(182)
Purchase of treasury stock							(20,045)
Disposal of treasury stock							5
Net changes in items other than those in shareholders' equity	1,338	29	(14,557)	(151)	(13,340)	2,709	(10,630)
Total of changes in fiscal year ended March 31, 2012	1,338	29	(14,557)	(151)	(13,340)	2,709	(131)
Balances as of March 31, 2012	2,678	(1)	(81,603)	(478)	(79,405)	44,809	650,159

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(Continued)

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

(4) Consolidated Statement of Cash Flows

	Millions of yen, rounded down	
	FY ended Mar. 31, 2012	FY ended Mar. 31, 2011
I. Cash flows from operating activities		
Income before income taxes and minority interests	72,091	48,444
Depreciation and amortization	43,717	49,825
Loss on impairment of fixed assets	1,106	8,503
Amortization of goodwill and negative goodwill	4,503	4,505
Loss from natural disaster	3,759	3,231
Insurance income	(6,012)	(182)
Increase (decrease) in allowance for doubtful accounts	(211)	(85)
Increase (decrease) in bonus reserve	227	1,552
Increase (decrease) in bonus reserve for directors and others	(2)	33
Increase (decrease) in accrued employees' retirement benefits	4,095	6,036
Increase (decrease) in accrued officers' severance benefits	(314)	220
Increase (decrease) in allowance for environmental measures	(67)	170
Increase (decrease) in allowance for investment losses	209	264
Interest and dividend income	(2,821)	(2,171)
Interest expense	2,167	2,440
Equity in earnings of non-consolidated subsidiaries and affiliates	(2,401)	(2,990)
Loss (gain) on sale of investment securities	(526)	(900)
Loss on revaluation of investment securities	607	7,416
Loss (gain) on sale and disposal of tangible fixed assets	3,927	1,284
Decrease (increase) in notes and accounts receivable	(14,098)	(2,054)
Increase (decrease) in notes and accounts payable	10,562	5,527
Decrease (increase) in inventories	(16,040)	5,312
Increase (decrease) in accrued consumption tax	(1,814)	887
Decrease (increase) in other current assets	(3,677)	1,849
Other	1,576	41
Sub-total	100,563	139,165
Insurance fees received	5,087	182
Interest and dividends received	4,166	3,521
Interest paid	(2,185)	(2,518)
Income taxes paid	(14,318)	(25,892)
Income taxes paid for previous year	--	(1,741)
Net cash provided by operating activities	**93,312**	**112,716**
II. Cash flows from investing activities		
Acquisition of tangible fixed assets	(45,401)	(40,634)
Proceeds from sale of tangible fixed assets	1,412	1,507
Acquisition of intangible assets	(3,659)	(3,488)
Acquisition of investment securities	(214)	(1,020)
Proceeds from sale of investment securities	2,102	3,757
Acquisition of shares of affiliates	(1,414)	(149)
Decrease (increase) in term deposits	4,435	(5,487)
Other	1,037	(366)
Net cash used in investing activities	**(41,701)**	**(45,882)**

(Continued)

	Millions of yen, rounded down	
	FY ended Mar. 31, 2012	FY ended Mar. 31, 2011
III. Cash flows from financing activities		
Net change in short-term borrowings	2,122	6,922
Proceeds from long-term debt	23	52
Repayment of long-term debt	(5,225)	(5,956)
Redemption of bonds	--	(15,000)
Cash dividends paid	(10,997)	(11,162)
Distribution of dividends to minority shareholders	(2,224)	(2,299)
Acquisition of own stock	(20,045)	(87)
Sale of treasury stock	5	7
Other	(1,114)	1,630
Net cash used in financing activities	**(37,456)**	**(25,893)**
IV. Effect of exchange rate changes on cash and cash equivalents	**(1,356)**	**(2,245)**
V. (Decrease) increase in cash and cash equivalents	**12,798**	**38,695**
VI. Cash and cash equivalents at the beginning of the year	**133,744**	**95,063**
Increase due to change in scope of consolidation	0	9
Decrease due to change in scope of consolidation	--	(23)
Increase in cash and cash equivalents on merger of non-consolidated subsidiaries	103	--
VII. Cash and cash equivalents at the end of the year	**146,647**	**133,744**

(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:

93 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) The newly established Ajinomoto Animal Nutrition Group, Inc. (AANG) and Ajinomoto North America, Inc. have been included in the scope of consolidated subsidiaries.

Ajinomoto AminoScience LLC, Ajinomoto Corporate Services LLC, Ajinomoto Heartland, LLC, and Ajinomoto Food Ingredients LLC have been excluded from the scope of consolidated subsidiaries as a result of liquidation. Ajinomoto U.S.A., Inc. changed its name to Ajinomoto Heartland, Inc.

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 collectability 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.

(Additional information)

On April 1, 2011, the Company received approval from the Minister of Health, Labor and Welfare for exemption from the obligation to pay benefits related to future services of employees under the substitutable portion of the Ajinomoto Welfare Pension Fund.

The amount to be returned (minimum reserve) under the substitutable portion of the Welfare Pension Fund, as estimated on the final day of the fiscal year under review, is ¥22,842 million, and assuming payment of said amount to be returned (minimum reserve) is conducted on the final day of the fiscal year under review, the estimated gain generated if Article 44-2 of the Practical Guidelines for Retirement Benefits Accounting (Interim Report) (Japan Institute of Certified Public Accountants Report No. 13) is applied will be ¥27,135 million.

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, 2012.

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

The Company and some of its consolidated subsidiaries adopt 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 Presentation

Consolidated Statement of Income

1. “Exchange losses”, which was presented as a separate item in the previous fiscal year, is included in “Other” in “Non-operating expenses” in the fiscal year under review, as its amount corresponds to 10/100ths or less of total non-operating expenses. Consolidated financial statements for the previous fiscal year have been restated in order to reflect this change in presentation.

   As a result, ¥205 million presented as “Exchange loss” in the consolidated statement of income for the previous fiscal year has been restated as “Other.”

2. “Insurance income”, which was included in “Other” in “Extraordinary gains” in the previous fiscal year, is presented as a separate item in the fiscal year under review. Consolidated financial statements for the previous fiscal year have been restated in order to reflect this change in presentation.

   As a result, ¥2,308 million presented as “Other” in “Extraordinary gains” the consolidated statement of income for the previous fiscal year has been restated as follows: “Insurance income”, ¥182 million; and “Other”, ¥2,126 million.

3. “Loss on disposal of fixed assets”, which was included in “Other” in “Extraordinary losses” in the previous fiscal year, is presented as a separate item in the fiscal year under review. Consolidated financial statements for the previous fiscal year have been restated in order to reflect this change in presentation.

   As a result, ¥6,123 million presented as “Other” in “Extraordinary losses” in the consolidated statement of income for the previous fiscal year has been restated as follows: “Loss on disposal of fixed assets”, ¥1,356 million; and “Other”, ¥4,767 million.

Consolidated Statement of Cash Flows

1. “Insurance income”, “Increase (decrease) in accrued consumption tax”, “Decrease (increase) in other current assets” and “Insurance fees received”, which were included in “Other” in “Cash flows from operating activities” in the previous fiscal year, are presented as separate items in the fiscal year under review. Consolidated financial statements for the previous fiscal year have been restated in order to reflect this change in presentation.

   As a result, ¥2,778 million presented as “Other” in “Cash flows from operating activities” in the consolidated statement of cash flows for the previous fiscal year has been restated as follows: “Insurance fees income”, negative figure of ¥182 million; “Increase (decrease) in accrued consumption tax”, ¥887 million; “Decrease (increase) in other current assets”, ¥1,849 million; “Other”, ¥41 million; and “Insurance fees received”, ¥182 million.

(8) Additional Information

Adoption of accounting standard for accounting changes and error corrections

The Company has adopted the “Accounting Standard for Accounting Changes and Error Corrections” (Accounting Standards Board of Japan (ASBJ) Statement No. 24 of December 4, 2009) and the “Guidance on Accounting Standard for Accounting Changes and Error Corrections” (ASBJ Guidance No. 24 of December 4, 2009), for accounting changes and corrections of past errors made as of the beginning of the fiscal year under review.

(9) Notes to the Consolidated Financial Statements

Consolidated Statement of Income

*1. "Insurance income" mainly consists of insurance benefits of ¥3,225 million received for damages resulting from the Great East Japan Earthquake, and ¥1,969 million received from those resulting from the Thailand floods.

*2. 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 ¥702 million were also recorded.

Location	Use	Classification
Kamisu, Ibaraki Prefecture, Japan	Idle asset	Land

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 idle assets in Kamisu, Ibaraki Prefecture, Japan, the Company reduced the book value to an amount proportionate to the price at which part of the land was sold during the fiscal year under review, as the market value had fallen compared to the book value. The impairment loss recorded was ¥404 million.

*3. "Loss from natural disaster" mainly consists of a loss of ¥2,469 million pertaining to the Thailand floods and a loss of ¥1,197 million pertaining to the Great East Japan Earthquake.

Segment Information

a. Segment information

Fiscal year ended March 31, 2012 (April 1, 2011 – March 31, 2012)

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.
	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	*PAL SWEET*®, Aspartame, *Refresco MID*® (powdered juice), 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".

Reporting segment income figures are on an operating income basis.

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

(Changes to method of calculation of income or loss for reporting segments)

In response to changes to internal administrative systems at the Company, effective the first-quarter period of the fiscal year ended March 31, 2012 changes were made to the method used to calculate income or loss by reporting segment. The main points of change were: the discontinuation of the system under which quasi-royalties/quasi-commissions were borne by each reporting segment in accordance with its sales; the change in the reporting segment for recording the amount allocated to inventory with respect to cost variances under the standard cost accounting system adopted by the Company and the adjustment amount with respect to reporting segments recording adjustments to valuation of inventory at the Company; the allocation to each reporting segment, proportionally to sales, total assets and number of employees, of shared company-wide expenses including expenses associated with the Company's administrative divisions and expenses associated with some research facilities.

A restatement of the figures for last year based on the new calculation method is presented in "Fiscal year ended March 31, 2011 (April 1, 2010 – March 31, 2011), 3. Information on sales and income or loss by reporting segment, Information on figures for other items."

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

Fiscal year ended March 31, 2012

Millions of yen, rounded down

	Reporting segment					Other Business *1	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....................	438,423	230,541	198,021	77,922	182,830	69,574	--	1,197,313
(2) Intra-group sales and transfers	4,779	6,771	5,699	102	297	67,779	(85,431)	--
Total sales	443,202	237,312	203,721	78,025	183,128	137,354	(85,431)	1,197,313
Segment income	31,705	21,545	12,159	6,488	1,618	(931)	--	72,584
Segment assets	299,789	229,883	231,897	69,110	58,667	76,203	131,495	1,097,057
Other								
Depreciation	12,911	8,569	10,599	3,661	--	2,180	5,795	43,717
Increase in tangible and intangible fixed assets	12,281	24,021	12,423	3,233	--	2,005	2,813	56,778

Notes

1. Other business includes the wellness business, the packaging business, the logistics business and other service businesses.
2. Adjustments are as follows:
   (1) Adjustments of ¥131,495 million for segment assets mainly includes, 'Corporate' assets of ¥231,210 and intersegment offsetting of receivables against payables of minus ¥100,195. '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.
   (2) Adjustments of ¥5,795 million for 'Depreciation' is depreciation related to 'Corporate' assets.
   (3) Adjustments of ¥2,813 million for 'Increase in tangible and intangible fixed assets' is the acquisition cost of tangible and intangible fixed assets related to 'Corporate' assets.

Fiscal year ended March 31, 2011

Millions of yen, rounded down

	Reporting segment					Other Business *1	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....................	437,838	231,990	198,291	82,645	184,574	72,354	--	1,207,695
(2) Intra-group sales and transfers	6,471	6,752	5,924	126	218	62,843	(82,337)	--
Total sales	444,310	238,742	204,216	82,771	184,793	135,197	(82,337)	1,207,695
Segment income	26,506	26,837	8,685	7,940	1,594	(2,190)	--	69,374
Segment assets	298,373	214,291	228,467	68,933	54,975	72,920	139,456	1,077,418
Other								
Depreciation	13,670	9,969	13,780	3,593	--	2,398	6,413	49,825
Increase in tangible and intangible fixed assets	10,787	17,325	10,061	2,984	--	1,736	2,887	45,783

Notes

1. Other Business includes the wellness business, the packaging business, the logistics business and other service businesses.
2. Adjustments are as follows:
   (1) 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.
   (2) Adjustments of ¥6,413 million for ‘Depreciation’ is depreciation related to ‘Corporate’ assets.
   (3) Adjustments of ¥2,887 million for ‘Increase tangible and intangible fixed assets’ is the acquisition cost of tangible and intangible fixed assets related to ‘Corporate’ assets.
3. Segment income is restated based on the new calculation method. For details on the changes in the calculation method, please see “Methods of calculating amounts for net sales, income or loss, assets and other items by reporting segment (Changes to method of calculation of income or loss for reporting segments).”

b. Related information

Fiscal year ended March 31, 2012

1. Information by product and service

Information by product and service has been omitted as it contains the same information as Segment information.

2. Information by geographical area

(1) Sales

Millions of yen, rounded down

	"Japan"	"Asia"	"Americas"	"Europe"	Total
Sales	792,020	198,435	116,979	89,877	1,197,313
Percentage of total consolidated sales	66.1%	16.6%	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"	"Americas"	"Europe"	Total
Tangible fixed assets	222,011	71,591	43,434	51,647	388,683

Fiscal year ended March 31, 2011

1. Information by product and service

Information by product and service has been omitted as it contains the same information as Segment information.

2. Information by geographical area

(1) Sales

Millions of yen, rounded down

	"Japan"	"Asia"	"Americas"	"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"	"Americas"	"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, 2012

	Reporting segment					Other Business	Adjustment amount	Total
	Domestic Food Products	Overseas Food Products	Bioscience Products and Fine Chemicals	Pharma-ceuticals	Business Tie-ups			
Impairment losses	411	--	--	129	--	161	404	1,106

Fiscal year ended March 31, 2011

	Reporting segment					Other Business	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

d. Depreciation of goodwill and remaining amounts by reporting segment

Fiscal year ended March 31, 2012

	Reporting segment					Other Business	Adjustment amount	Total
	Domestic Food Products	Overseas Food Products	Bioscience Products and Fine Chemicals	Pharma-ceuticals	Business Tie-ups			
Depreciation	2,673	148	34	1,646	--	--	--	4,503
Remaining amounts	21,868	2,046	68	1,097	--	--	--	25,080

Fiscal year ended March 31, 2011

	Reporting segment					Other Business	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
Remaining amounts	24,541	2,195	104	2,744	--	--	--	29,586

e. Gains on negative goodwill by reporting segment

Fiscal year ended March 31, 2012

No applicable items.

Fiscal year ended March 31, 2011

No applicable items.

f. Reference

Segment information by geographical area

Fiscal year ended March 31, 2012

Millions of yen, rounded down

	"Japan"	"Asia"	"Americas"	"Europe"	Consolidated
Sales to third parties	814,912	117,977	114,084	90,338	1,197,313
Operating income	35,555	21,585	8,888	6,554	72,584

Previous fiscal year ended March 31, 2011

Millions of yen, rounded down

	"Japan"	"Asia"	"Americas"	"Europe"	Consolidated
Sales to third parties	830,810	174,836	113,556	88,491	1,207,695
Operating income	32,269	21,226	7,551	8,327	69,374

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
"Americas": Countries of North and South America
"Europe": Countries of Europe and Africa
3. In response to changes to internal administrative systems at the Company, changes have been made to the method used to calculate income or loss by geographical area segment. Adjustment amounts are allocated to each geographical area segment in proportion to net sales, total assets and employee numbers.

Per share information

	FY ended March 31, 2012	FY ended March 31, 2011
Net assets per share	894.58	¥871.61
Net income (loss) per share	61.28	¥43.56

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, 2012	As of March 31, 2011
Total net assets on balance sheet	650,159	650,291
Deductions from net assets		
Minority interests	44,809	42,099
Total amount of deduction from net assets	44,809	42,099
Net assets attributable to common stock	605,349	608,191
Number of shares of common stock used for the calculation of net assets per share (thousand shares)	676,682	697,777

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

Millions of yen, rounded down

	FY ended March 31, 2012	FY ended March 31, 2011
Net income	41,754	30,400
Net income not attributable to common stock	--	--
Net income attributable to common stock	41,754	30,400
Average number of shares of common stock outstanding during the year	681,422	697,832

Important post-balance sheet events

1. Sale of shares of specified subsidiary

The Company resolved at a Board of Directors meeting on May 8, 2012 to sell all outstanding shares of its consolidated subsidiary Calpis Co., Ltd. (Calpis; specified subsidiary as stipulated in Article 19, paragraph 10 of the Cabinet Office Order on Disclosure of Corporate Information, etc.) to Asahi Group Holdings, Ltd. (Asahi).

(1) Reason for sale of shares

Under its FY2011-2013 Medium-Term Management Plan, Ajinomoto is focusing resources on the core businesses of "seasonings & food products" and "advanced bioscience & fine chemicals" to generate growth and reinforce its business structure toward becoming a "Genuine Global Company".

Ajinomoto Group company Calpis has focused its operations on lactic acid beverages since its establishment in 1917. Its flagship *Calpis* brand was the first such beverage in Japan.

Ajinomoto became the largest shareholder in Calpis in 1990, integrated Calpis by acquiring 100% of its outstanding shares in October 2007, accelerated overseas development of its beverage business, and expanded its operations while leveraging synergies in functional areas including purchasing and logistics.

Under these circumstances, Ajinomoto carefully considered a formal proposal from Asahi in January 2012 to purchase Calpis's shares.

Asahi expressed its desire to grow Calpis's business as a key component of its drive to develop the beverage business as a core group business, citing a strong appreciation for the *Calpis* brand and Calpis's technology for utilizing lactobacillus and microorganisms, its corporate culture and history spanning more than 90 years, and its outstanding human resources. Moreover, Calpis and Asahi group company Asahi Soft Drinks Co., Ltd. have been building mutual trust through their joint venture in vending machine beverages.

After due consideration of these issues, Ajinomoto decided that selling its shares in Calpis to Asahi would contribute to Ajinomoto's plan to concentrate on core businesses, and would further optimize growth at Calpis over the long term. Ajinomoto therefore decided to conclude the contract.

(2) Overview of Calpis

1) Name	Calpis Co., Ltd.
2) Outstanding shares	73,936,871 shares
3) Main business	Manufacture and sale of beverages, functional health foods and drinks, dairy products, alcoholic beverages, feed additives, etc., and other business activities

(3) Overview of sale

1) Planned closing date	October 1, 2012
2) Number of shares to be sold	73,936,871 shares
3) Planned sale price	Approximately JPY 120 billion*
4) Ajinomoto's ownership ratio after sale	- % (100% before sale)

*The sale price is subject to adjustment according to the situation with respect to dividends from retained earnings paid to Ajinomoto by Calpis up to the date of the transfer of shares (closing date) and with respect to Calpis Group cash and deposits, working capital and so forth at the time of closing.

(4) Segment to which Calpis belongs in "Segment Information": Domestic Food Products

2. Share repurchase based on the Articles of Incorporation pursuant to Article 165-2 of the Companies Act

The Company resolved at a Board of Directors meeting on May 8, 2012 on matters pertaining to a share repurchase based on Article 156 of the Companies Act as applied pursuant to Article 165-3 of the same act. The details are as follows.

(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	50 million (maximum) (7.39 percent of total shares outstanding, excluding treasury stock)
3)	Total amount to be paid for repurchase	¥50.0 billion (maximum)
4)	Period of share repurchase	May 9, 2012 – January 21, 2013
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 Companies Act.

Reference: Total number of shares outstanding (excluding treasury stock) as of March 31, 2012 - 676,682,345

Reference:

Five year trends in consolidated financial results and key indicators

Millions of yen, rounded down

	FY ending March 31, 2013 (est.)	FY ended March 31, 2012	FY ended March 31, 2011	FY ended March 31, 2010	FY ended March 31, 2009
Net sales	1,221,000	1,197,313	1,207,695	1,170,876	1,190,371
Growth rate	2.0%	(0.9%)	3.1%	(1.6%)	(2.2%)
Operating income	73,500	72,584	69,374	64,034	40,827
Growth rate	1.3%	4.6%	8.3%	56.8%	(32.5%)
Operating margin	6.0%	6.1%	5.7%	5.5%	3.4%
Ordinary income	76,500	75,919	70,499	67,621	25,926
Ordinary margin	6.3%	6.3%	5.8%	5.8%	2.2%
Net income (loss)	44,000	41,754	30,400	16,646	(10,227)
Return on sales	3.6%	3.5%	2.5%	1.4%	(0.9%)
Net income (loss) per share (yen)	¥67.61	¥61.28	¥43.56	¥23.85	(¥14.65)
Return on equity	--	6.9%	5.0%	2.8%	(1.7%)
Ratio of net income to total assets	--	3.8%	2.8%	1.6%	(0.9%)
Total assets	--	1,097,057	1,077,418	1,082,238	1,057,786
Net assets	--	650,159	650,291	643,179	618,654
Interest-bearing debt	--	130,040	133,391	147,902	149,402
Equity ratio	--	55.2%	56.4%	55.7%	55.3%
Book value per share (yen)	--	894.58	¥871.61	¥863.72	¥838.51
Share price at end of period (yen)	--	1,038	¥867	¥926	¥695
P/E ratio (times)	--	16.9	19.9	38.8	--
Dividend per share (yen)	¥16.0	¥16.0	¥16.0	¥16.0	¥16.0
Dividend payout ratio	23.7%	26.1%	36.7%	67.1%	--
Net cash provided by operating activities	--	93,312	112,716	105,924	51,699
Net cash used in investment activities	--	(41,701)	(45,882)	(63,327)	(62,487)
Net cash used in financing activities	--	(37,456)	(25,893)	(18,011)	(2,119)
Free cash flow	--	51,611	66,833	42,597	(10,788)
Number of consolidated subsidiaries	--	93	95	100	103
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