

Ajinomoto Co., Inc.

Consolidated Results

IFRS

First Half Ended September 30, 2022

This document has been translated from the original Japanese as a guide for non-Japanese investors. It contains forward-looking statements based on a number of assumptions and judgements made by management considering information currently available. Actual financial results may differ depending on a number of factors, including changing economic conditions, legislative and regulatory developments, delay in new product launches, and pricing and product initiatives of competitors.

SUMMARY OF FINANCIAL STATEMENTS [IFRS] (Consolidated)

First half results for the fiscal year ending March 31, 2023

Ajinomoto Co., Inc.

November 7, 2022

Stock Code: 2802	Stock exchange listing: Tokyo Stock Exchange	
URL: https://www.ajinomoto.co.jp/company/		
Representative: Taro Fujie		
	Representative Executive Officer & President	
For inquiries: Eiichi Mizutani	Telephone: +81-3-5250-8111	
	Corporate Executive & General Manager	
	Global Finance Department	
Scheduled date of submission of statutory quarterly financial report: November 9, 2022		
Scheduled date of starting payment of dividend: December 2, 2022		
Preparation of supplementary materials: Yes		
Results briefing: Yes (for analysts)		

1. Consolidated Financial Results for the First Half Ended September 30, 2022

(1) Consolidated Operating Results

(Millions of yen)

	First half ended September 30, 2022		First half ended September 30, 2021	
		Change %		Change %
Sales	659,853	19.9	550,230	7.6
Business profit	74,316	7.2	69,309	11.9
Profit before income taxes	68,169	(14.5)	79,693	32.9
Profit	49,855	(13.6)	57,713	40.4
Profit attributable to owners of the parent company	47,025	(13.2)	54,152	47.7
Basic earnings per share (yen).....	¥87.66	—	¥98.93	—
Diluted earnings per share (yen)	¥87.66	—	¥98.92	—

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

Note: Upon the adoption of IFRS, the Ajinomoto Group has introduced “business profit” as a new profit level that will better enable investors, the Board of Directors, and the Management Committee to grasp the core business results and future outlook of each business while also facilitating continual evaluation of the Group’s business portfolio by the Board of Directors and the Management Committee. “Business profit” is defined as sales and share of profit of associates and joint ventures minus cost of sales, selling expenses, research and development expenses, and general and administrative expenses. Business profit does not include other operating income or other operating expenses.

(2) Consolidated Financial Position

(Millions of yen)

	As of September 30, 2022	As of March 31, 2022
Total assets	1,564,389	1,457,060
Total equity	837,291	739,744
Equity attributable to owners of the parent company	782,077	686,909
Ownership ratio attributable to owners of the parent company (%).....	50.0%	47.1%

2. Dividends

	Fiscal year ended March 31, 2022	Fiscal year ending March 31, 2023	Fiscal year ending March 31, 2023 (forecast)
Dividend per share			
Interim (yen).....	¥24.00	¥31.00	
Year-end (yen).....	¥28.00		¥31.00
Annual (yen).....	¥52.00		¥62.00

Note: Revisions from the last forecast released: Yes

Please refer to “Notice of Revision to Full-Year Consolidated Performance Forecast, Dividend from Retained Earnings (Interim Dividend), and Revision to Dividend Forecast for the Fiscal Year Ending March 31, 2023” released today (November 7, 2022) for more details about the revision of the dividend forecast.

3. Forecast for the Fiscal Year Ending March 31, 2023

(Millions of yen)

	Fiscal year ending March 31, 2023	
		Change %
Sales.....	1,367,000	18.9
Business profit	133,000	10.0
Profit attributable to owners of the parent company.....	83,000	9.6
Basic earnings per share (yen)	¥155.30	—

“Change %” indicates the percentage change compared to the previous fiscal year.

Notes:

Revisions from the last forecast released: Yes

Please refer to “Notice of Revision to Full-Year Consolidated Performance Forecast, Dividend from Retained Earnings (Interim Dividend), and Revision to Dividend Forecast for the Fiscal Year Ending March 31, 2023” released today (November 7, 2022) for more details about the revision of the consolidated earnings forecast.

Notes:

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

(2) Changes in accounting policies and accounting estimates

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

(3) Number of shares outstanding (ordinary shares)

	Shares	
	As of September 30, 2022	As of March 31, 2022
Number of shares outstanding at end of period (including treasury stock)	536,996,254	536,996,254
Number of shares in treasury stock at end of period	534,754	559,323
	April 1, 2022 to September 30, 2022	April 1, 2021 to September 30, 2021
Average number of shares during period	536,438,307	547,410,467

(Note) The number of shares in treasury stock at the end of the period includes the Company's shares held by the director's remuneration BIP trust (As of September 30, 2022: 413,700 shares. As of March 31, 2022: 442,900 shares), which was adopted along with the introduction of stock-based remuneration of executive officers based on the Company's medium-term earnings performance for the directors and others. In addition, these Company's shares are included in the treasury stock which is deducted from the number of shares outstanding at the end of the period when calculating the average number of shares during the period.

The summary of quarterly financial statements is not subject to quarterly review by certified public accountants or an audit firm.

Appropriate use of forecasts and other notes

Disclaimer regarding forward-looking statements and other information

Forward-looking statements, such as business forecasts, included in this document are based on management's estimates, assumptions, and projections at the time of release. These statements do not promise nor represent a commitment by the Company to achieve these forecasts. Actual operating results may differ significantly due to various factors. For more information regarding earnings forecasts, see page 6, "1. Qualitative Information on the First Half Consolidated Results, (1) Overview of Operating Results."

Where to obtain supplementary materials

Supplementary materials will be posted on the Company's website on Monday, November 7, 2022.

Table of contents

1	Qualitative Information on the First Half Consolidated Results.....	6
	(1) Overview of Operating Results	6
	(2) Overview of Financial Position.....	11
2	Condensed Consolidated Financial Statements and Notes.....	12
	(1) Condensed Consolidated Statements of Financial Position	12
	(2) Condensed Consolidated Statements of Income	14
	For the First Half	14
	(3) Notes to Condensed Consolidated Financial Statements	15
	Going Concern Assumption	15
	Significant Accounting Policies	15
	Segment Information.....	16

1. Qualitative Information on the First Half Consolidated Results

Upon the adoption of IFRS, the Ajinomoto Group has introduced "business profit" as a new profit level that will better enable investors, the Board of Directors, and the Management Committee to grasp the core business results and future outlook of each business while also facilitating continual evaluation of the Group's business portfolio by the Board of Directors and the Management Committee. "Business profit" is defined as sales and share of profit of associates and joint ventures minus cost of sales, selling expenses, research and development expenses, and general and administrative expenses. Business profit does not include other operating income or other operating expenses.

(1) Overview of Operating Results

In the first half ended September 30, 2022, the Company's consolidated sales increased 19.9% year-on-year, or ¥109.6 billion, to ¥659.8 billion. This was due to the effect of currency translation and increases in sales in the Seasonings and Foods segment, the Frozen Foods segment, and the Healthcare and Others segment. Business profit increased 7.2% year-on-year, or ¥5.0 billion, to ¥74.3 billion, primarily due to the effect of currency translation and the increase in sales in the Healthcare and Others segment, despite increases in costs, such as for raw materials. Profit attributable to owners of the parent company totaled ¥47.0 billion, down 13.2% year-on-year, or ¥7.1 billion, mainly due to higher other operating income recorded in the same period of the previous year as a result of gain on sales of non-current assets (idle assets).

Furthermore, the Company has revised the financial results forecast announced on May 11, 2022 based on recent progress in business performance in the first half of this fiscal year.

As a result of reviewing the impact of significant fluctuations in exchange rates, economic conditions, and other factors under the current business environment, the sales forecast was revised upward by ¥57.0 billion from the previous forecast to ¥1,367.0 billion. The rate of progress of sales against the revised forecast is 48.3%. The business profit forecast was revised upward by ¥9.0 billion from the previous forecast to ¥133.0 billion. This is because despite higher raw material and fuel prices, business profit is expected to exceed the previous forecast due to currency exchange effects, increases in unit selling prices in the Seasonings and Foods segment, and higher sales expected for electronic materials and Bio-Pharma Services & Ingredients in the Healthcare and Others segment. The rate of progress of business profit against the revised forecast is 55.9%. The forecast for profit attributable to owners of the parent company was revised upward by ¥6.0 billion from the previous forecast to ¥83.0 billion, in accordance with the upward revision of the business profit forecast. The rate of progress of profit attributable to owners of the parent company against the revised forecast is 56.7%.

Please refer to "Notice of Revision to Full-Year Consolidated Performance Forecast, Dividend from Retained Earnings (Interim Dividend), and Revision to Dividend Forecast for the Fiscal Year Ending March 31, 2023" released today (November 7, 2022) for more details about the revision of the consolidated earnings forecast.

Overview by segment

Sales and business profit by segment are summarized below.

Versus previous year results (Billions of yen)

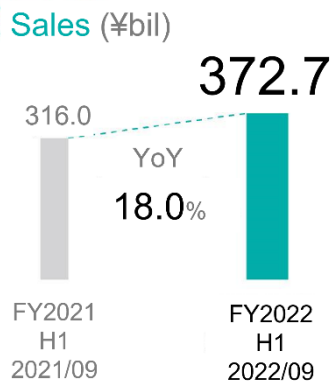
	Sales			Business profit		
	FY2022 H1	YoY change	% change	FY2022 H1	YoY change	% change
Seasonings and Foods	372.7	56.7	18.0%	43.0	(2.0)	(4.5)%
Frozen Foods	128.5	22.2	20.9%	(0.3)	(1.3)	—
Healthcare and Others	151.6	29.6	24.3%	30.8	8.0	35.1%
Other	6.8	0.9	15.6%	0.7	0.4	128.0%
Total	659.8	109.6	19.9%	74.3	5.0	7.2%

Versus the forecast (Billions of yen)

	Sales			Business profit		
	FY2022 H1	Forecast for the year	YTD progress	FY2022 H1	Forecast for the year	YTD progress
Seasonings and Foods	372.7	784.7	47.5%	43.0	81.0	53.1%
Frozen Foods	128.5	261.1	49.2%	(0.3)	0.1	—
Healthcare and Others	151.6	303.5	50.0%	30.8	55.8	55.3%
Other	6.8	17.6	38.9%	0.7	(4.0)	—
Total	659.8	1,367.0	48.3%	74.3	133.0	55.9%

1) Seasonings and Foods

In the Seasonings and Foods segment, sales increased 18.0% year-on-year, or ¥56.7 billion, to ¥372.7 billion, mainly because of increases in sales and unit prices overseas, in addition to the effect of currency translation. Segment business profit decreased 4.5% year-on-year, or ¥2.0 billion, to ¥43.0 billion, owing to the effect of cost increases for raw materials and other factors, despite the effects of increased revenue and currency translation.



Main factors affecting segment sales

Sauce & Seasonings: Large increase in revenue overall due to significantly increased revenue overseas, despite decreased revenue in Japan.

Japan: Decrease in revenue primarily due to the fall back in at-home demand after the increase in the previous year.

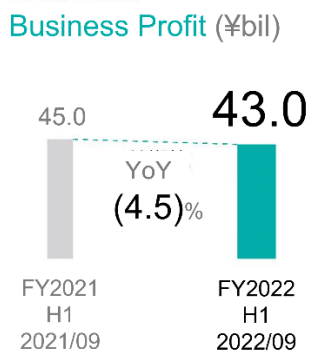
Overseas: Large increase in revenue primarily due to the impact of currency translation and also increased unit sales prices and increased quantity of product sold.

Quick Nourishment: Increase in revenue overall due to significantly increased revenue overseas, despite decreased revenue in Japan.

Japan: Decrease in revenue, but if the impact of structural reform in coffee products is excluded, increase in revenue.

Overseas: Large increase in revenue due to the impact of currency translation and increased sales of instant noodles, Ready to Drink beverages, etc.

Solution & Ingredients: Large increase in revenue primarily due to increased unit sales prices of, and the impact of currency translation on umami seasonings for processed food manufacturers and increased sales of foodservice-use products.



Main factors affecting segment profits

Sauce & Seasonings: Decrease in profit both in Japan and overseas, so overall decrease in profit.

Japan: Large decrease in profit due to the impact of decreased revenue, and cost increases, such as for raw materials.

Overseas: Decrease in profit primarily due to cost increases, such as for raw materials, despite increased revenue.

Quick Nourishment: Overall large decrease in profit due to large decrease in profit in Japan and profit level with the previous year overseas.

Japan: Large decrease in profit primarily due to the impact of cost increases, such as for raw materials for coffee products.

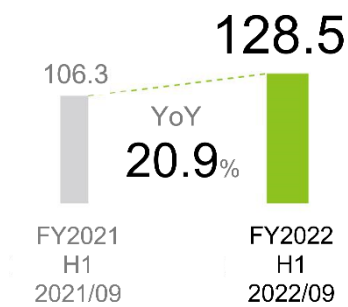
Overseas: Profit was level with the previous year primarily due to the impact of currency translation and increased revenue, despite the impact of cost increases, such as for raw materials.

Solution & Ingredients: Overall large increase in profit primarily due to the impact of increased revenue and the impact of currency translation despite the impact of cost increases, such as for raw materials.

2) Frozen Foods

Frozen Foods segment sales increased 20.9% year-on-year, or ¥22.2 billion, to ¥128.5 billion, owing to the effect of currency translation, the increase of unit prices overseas, and other factors. Segment business profit decreased ¥1.3 billion year-on-year and recorded a ¥0.3 billion loss, because of cost increases, including raw materials, and other factors.

Sales (¥bil)

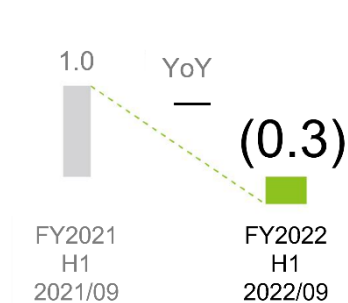


Main factors affecting segment profits

Large increase in revenue overall due to significantly increased revenue overseas, and revenue in Japan level with the previous year. Japan: Revenue was level with the previous year primarily due to the recovery in restaurant-use products despite the impact of structural reform.

Overseas: Large increase in revenue due to the impact of currency translation and increased unit sales prices.

Business Profit (¥bil)



Main factors affecting segment profits

Overall large decrease in profit due to decreased profit in both Japan and overseas.

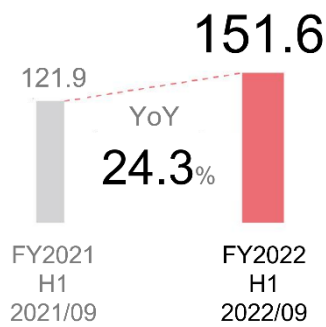
Japan: Decrease in profit primarily due to the impact of cost increases, such as for raw materials.

Overseas: Decrease in profit due to the impact of cost increases, such as for raw materials, despite increase in revenue.

3) Healthcare and Others

Healthcare and Others segment sales increased 24.3% year-on-year, or ¥29.6 billion, to ¥151.6 billion, owing to an increase in sales of Bio-Pharma Services & Ingredients, Functional Materials, and other products, the effect of currency translation, and other factors. Segment business profit increased 35.1% year-on-year, or ¥8.0 billion, to ¥30.8 billion due to the effects of revenue growth and currency translation among other factors.

Sales (¥bil)



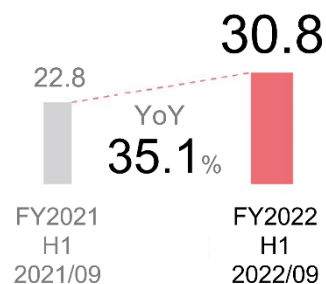
Main factors affecting segment sales

Bio-Pharma Services & Ingredients: Large increase in revenue due to increased sales of Bio-Pharma Services and amino acids for pharmaceuticals and foods and also the impact of currency translation.

Functional Materials: Large increase in revenue primarily due to strong sales of electronic materials.

Others: Increase in revenue primarily due to the impact of currency translation and also increased sales of medical foods, sports nutrition, etc.

Business Profit (¥bil)



Main factors affecting segment profits

Bio-Pharma Services & Ingredients: Increase in profit primarily due to the impact of currency translation and also increased revenue from amino acids for pharmaceuticals and foods.

Functional Materials: Large increase in profit accompanying large increase in revenue.

Others: Increase in profit primarily due to increased revenue.

4) Other

In the Other segment, sales totaled ¥6.8 billion, up 15.6% year-on-year, or ¥0.9 billion. Segment business profit totaled ¥0.7 billion, up 128.0% year-on-year, or ¥0.4 billion.

(2) Overview of Financial Position

As of September 30, 2022, the Company's consolidated total assets stood at ¥1,564.3 billion, an increase of ¥107.3 billion from ¥1,457.0 billion at the end of the previous fiscal year on March 31, 2022. The main reasons were an increase in assets due to the effect of currency translation associated with the depreciation of the yen and higher inventories due to the increase in raw material prices.

Total liabilities came to ¥727.0 billion, ¥9.7 billion more than the ¥717.3 billion at the end of the previous fiscal year, mainly due to an increase in interest-bearing debt. Interest-bearing debt totaled ¥380.2 billion, an increase of ¥16.3 billion from the end of the previous fiscal year, mainly due to commercial papers.

Total equity was ¥97.5 billion more than at the end of the previous fiscal year, mainly due to an increase in exchange differences on translation of foreign operations as a result of depreciation of the yen and an increase in retained earnings. Equity attributable to owners of the parent company, which is total equity minus non-controlling interests, totaled ¥782.0 billion, and the equity ratio attributable to owners of the parent company was 50.0%.

2. Condensed Consolidated Financial Statements and Notes

(1) Condensed Consolidated Statements of Financial Position

	(Millions of yen)	
	As of September 30, 2022	As of March 31, 2022
Assets		
Current assets		
Cash and cash equivalents	148,094	151,454
Trade and other receivables	171,512	162,397
Other financial assets	16,000	17,810
Inventories	282,067	219,356
Income taxes receivable	6,089	6,024
Others	23,836	24,375
Subtotal	647,600	581,419
Assets of disposal groups classified as held for sale	—	—
Total current assets	647,600	581,419
Non-current assets		
Property, plant and equipment	541,253	522,312
Intangible assets	68,333	68,309
Goodwill	111,376	99,839
Investments in associates and joint ventures	125,132	115,248
Long-term financial assets	54,308	51,864
Deferred tax assets	7,659	7,017
Others	8,725	11,049
Total non-current assets	916,789	875,641
Total assets	1,564,389	1,457,060

	As of September 30, 2022	As of March 31, 2022
Liabilities		
Current liabilities		
Trade and other payables	191,842	199,908
Short-term borrowings	13,817	8,219
Commercial papers	15,000	—
Current portion of bonds payable	19,995	19,990
Current portion of long-term borrowings	16,023	14,418
Other financial liabilities	16,707	15,802
Short-term employee benefits	39,974	38,567
Provisions	1,320	4,486
Income taxes payable	9,293	10,085
Others	14,648	13,153
Subtotal	338,624	324,631
Liabilities of disposal groups classified as held for sale	—	—
Total current liabilities	338,624	324,631
Non-current liabilities		
Corporate bonds	139,658	139,631
Long-term borrowings	128,967	131,650
Other financial liabilities	53,653	56,740
Long-term employee benefits	42,679	38,788
Provisions	3,653	3,708
Deferred tax liabilities	18,859	20,945
Others	1,002	1,219
Total non-current liabilities	388,474	392,684
Total liabilities	727,098	717,316
Equity		
Common stock	79,863	79,863
Capital surplus	805	—
Treasury stock	(1,321)	(1,371)
Retained earnings	648,753	616,286
Other components of equity	53,976	(7,869)
Other components of equity related to disposal groups classified as held for sale	—	—
Equity attributable to owners of the parent company	782,077	686,909
Non-controlling interests	55,213	52,834
Total equity	837,291	739,744
Total liabilities and equity	1,564,389	1,457,060

(2) Condensed Consolidated Statements of Income
For the First Half

(Millions of yen)

	First half ended September 30, 2022	First half ended September 30, 2021
Sales	659,853	550,230
Cost of sales	(426,037)	(338,481)
Gross profit	233,815	211,748
Share of profit of associates and joint ventures	2,785	2,511
Selling expenses	(89,185)	(78,044)
Research and development expenses	(12,595)	(12,314)
General and administrative expenses	(60,504)	(54,591)
Business profit	74,316	69,309
Other operating income	4,007	18,615
Other operating expenses	(4,718)	(6,203)
Operating profit	73,605	81,720
Financial income	4,548	1,880
Financial expenses	(9,984)	(3,907)
Profit before income taxes	68,169	79,693
Income taxes	(18,313)	(21,980)
Profit	49,855	57,713
Attributable to:		
Owners of the parent company	47,025	54,152
Non-controlling interests	2,830	3,560
Earnings per share (yen):		
Basic	¥87.66	¥98.93
Diluted	¥87.66	¥98.92

(3) Notes to Condensed Consolidated Financial Statements

Going Concern Assumption

Not applicable

Significant Accounting Policies

The significant accounting policies used to prepare these condensed consolidated financial statements for the first half are unchanged from the policies applied to the consolidated financial statements in the previous fiscal year. Income taxes for this first half are calculated based on an estimation of the effective tax rate for the fiscal year.

Impact of Applying New Accounting Policies: Not applicable

Segment Information

(1) Overview of reportable segments

The Group's reportable segments are categorized primarily by product lines. There are three reportable segments: Seasonings and Foods, Frozen Foods, and Healthcare and Others.

Each reportable segment is a component of the Group for which separate financial information is available and evaluated regularly by the Management Committee in determining the allocation of management resources and in assessing performance.

The product categories belonging to each reportable segment are as follows:

Reportable Segments	Details	Main Products
Seasonings and Foods	Sauce and Seasonings	Umami seasonings <i>AJI-NO-MOTO</i> [®] , <i>HON-DASHI</i> [®] , <i>Cook Do</i> [®] , <i>Ajinomoto KK Consommé</i> , <i>Pure Select</i> [®] <i>Mayonnaise</i> , <i>Ros Dee</i> [®] (flavor seasoning/Thailand), <i>Masako</i> [®] (flavor seasoning/Indonesia), <i>Aji-ngon</i> [®] (flavor seasoning/Vietnam), <i>Sazón</i> [®] (flavor seasoning/Brazil), <i>Sajiku</i> [®] (menu-specific seasoning/Indonesia), <i>CRISPY FRY</i> [®] (menu-specific seasoning/Philippines), etc.
	Quick Nourishment	<i>Knorr</i> [®] <i>Cup Soup</i> , <i>YumYum</i> [®] (instant noodles/Thailand), <i>Birdy</i> [®] (coffee beverage/Thailand), <i>Birdy</i> [®] <i>3in1</i> (powdered drink/Thailand), <i>Blendy</i> [®] brand products (<i>CAFÉ LATORY</i> [®] , stick coffee, etc.), <i>MAXIM</i> [®] brand products, <i>Chotto Zeitakuna Kohiten</i> [®] brand products, various gift sets, office supplies (coffee vending machines, tea servers), etc.
	Solution and Ingredients	Umami seasoning <i>AJI-NO-MOTO</i> [®] for foodservice and processed food manufacturers in Japan, Seasonings and processed foods for foodservice, Seasonings for processed foods (savory seasonings, enzyme <i>ACTIVA</i> [®]), Drinks supplied to restaurants, Ingredients for industrial use, Delicatessen products, Bakery products, Nucleotides, Sweeteners (aspartame for food processing, <i>PAL SWEET</i> [®] for home use, etc.), and others
Frozen Foods	Frozen Foods	Chinese dumplings (<i>Gyoza</i> , <i>Shoga Gyoza</i> , <i>POT STICKERS</i> , etc.), Cooked rice (<i>THE CHA-HAN</i> , <i>CHICKEN FRIED RICE</i> , <i>YAKITORI CHICKEN FRIED RICE</i> , etc.), Noodles (<i>YAKISOBA</i> , <i>RAMEN</i> , etc.), Desserts (cakes for restaurant and industrial-use, <i>MACARON</i> , etc.), Shumai (<i>THE SHUMAI</i> , etc.), Processed chicken (<i>Yawaraka Wakadori Kara-Age</i> (fried chicken), <i>THE KARAAGE</i> , etc.), and others
Healthcare and Others	Amino Acids for Pharmaceuticals and Foods	Amino acids, culture media
	Bio-Pharma Services	Contract manufacturing services of pharmaceutical intermediates and active ingredients, sterile products (fill and finish), etc.
	Functional Materials	Electronic materials (<i>Ajinomoto Build-up Film</i> [®] (ABF) interlayer insulating material for semiconductor packages, etc.), Functional materials (adhesive <i>PLENSET</i> [®] , magnetic materials <i>AFTINNOVA</i> [®] <i>Magnetic Film</i> , etc.), activated carbon, release paper, etc.

	Others	<p>Feed-use amino acids (Lysine, Threonine, Tryptophan, Valine, <i>AjiPro</i>[®]-L, etc.), Fundamental Foods (<i>Glyna</i>[®], <i>Amino Aile</i>[®]), Functional foods and drinks (<i>amino VITAL</i>[®]), Personal Care ingredients (amino acid-based mild surfactant <i>Amisoft</i>[®], <i>Amilite</i>[®], amino acid-based humectant <i>Ajidew</i>[®], etc.), Medical foods, etc.</p>
--	--------	---

(2) Sales and profits by segment

The Group's sales and profits by reportable segment are as follows.

Inter-segment sales and transfers are primarily based on transaction prices with third parties.

First half ended September 30, 2022 (April 1, 2022 to September 30, 2022)

(Millions of yen)

	Reportable segment			Other ¹	Total	Adjustments ²	As included in consolidated statements of income
	Seasonings and Foods	Frozen Foods	Healthcare and Others				
Sales							
Sales to third parties	372,797	128,574	151,627	6,854	659,853	—	659,853
Inter-segment sales and transfers	3,606	65	1,602	11,959	17,234	(17,234)	—
Total sales	376,403	128,640	153,230	18,813	677,087	(17,234)	659,853
Share of profit of associates and joint ventures	1,148	—	7	1,630	2,785	—	2,785
Segment profit or loss (Business profit or loss)	43,028	(346)	30,884	750	74,316	—	74,316
	Other operating income						4,007
	Other operating expense						(4,718)
	Operating profit						73,605
	Financial income						4,548
	Financial expense						(9,984)
	Profit before income taxes						68,169

1. Other includes the tie-up and other service-related businesses.

2. Corporate expenses are not attributable to specific reportable segments and are allocated to each reportable segment based on reasonable criteria. Corporate expenses mainly relate to the parent company's administrative divisions.

First half ended September 30, 2021 (April 1, 2021 to September 30, 2021)

(Millions of yen)

	Reportable segment			Other ¹	Total	Adjustments ²	As included in consolidated statements of income
	Seasonings and Foods	Frozen Foods	Healthcare and Others				
Sales							
Sales to third parties	316,007	106,338	121,954	5,930	550,230	—	550,230
Inter-segment sales and transfers	2,843	29	2,642	12,258	17,772	(17,772)	—
Total sales	318,850	106,367	124,596	18,188	568,003	(17,772)	550,230
Share of profit of associates and joint ventures	728	—	2	1,780	2,511	—	2,511
Segment profit or loss (Business profit or loss)	45,075	1,050	22,854	329	69,309	—	69,309
	Other operating income						18,615
	Other operating expense						(6,203)
	Operating profit						81,720
	Financial income						1,880
	Financial expense						(3,907)
	Profit before income taxes						79,693

1. Other includes the tie-up and other service-related businesses.

2. Corporate expenses are not attributable to specific reportable segments and are allocated to each reportable segment based on reasonable criteria. Corporate expenses mainly relate to the parent company's administrative divisions.