

## PRESS RELEASE

# The Ajinomoto Group to Begin Production of Feed Grade Tryptophan in North America

Simultaneously Enhancing Competitiveness with the Introduction of New Technology and Strengthening the Flexibility of Its Production System

TOKYO, February 1, 2016 – Ajinomoto Animal Nutrition Group, Inc., a wholly owned subsidiary of Ajinomoto Co., Inc. ("Ajinomoto Co."), will begin production of feed grade Tryptophan in North America in addition to its existing operations in Europe. With the addition of this product line in North America, the Ajinomoto Group will stabilize profits in the animal nutrition business by strengthening the flexibility of its production system, which can switch product lines in response to changes in market prices.

In the feed-use amino acid market in North America, demand for Tryptophan has been expanding rapidly over the past five years. This is due in part to changes in the type of raw materials for natural feed, including the promotion of use of corn-based dried distillers grains with solubles (DDGS), a byproduct of bioethanol. In addition, with the success of the Ajinomoto Group's proactive activities to create demand, steady market expansion is expected to continue. Today, there are no manufacturers in North America producing feed grade Tryptophan, and this demand is currently being met by imports.

To begin production of feed grade Tryptophan with a strong competitive advantage at a small investment, the Ajinomoto Group will introduce new production technology that further enhances its resource-saving fermentation technologies, which enable production with reduced fuel and raw materials, while sharing facilities with other existing product lines. By simultaneously enhancing competitiveness with the introduction of new technology and strengthening the flexibility of its production system, the Ajinomoto Group intends to maximize the capital efficiency and profits of its entire animal nutrition business in North America. Moreover, the Ajinomoto Group will promote similar measures at each of its feed grade amino acid production bases with the aim of securing stable profits by expanding specialty businesses and strengthening the competitiveness of commodity businesses, which is the medium-term strategy of the animal nutrition business.

For half a century, the Ajinomoto Group has been developing cutting-edge amino acid fermentation technologies and conducting regionally based sales activities as it works to create demand for its feed-use amino acids. The Ajinomoto Group will continue to provide its customers with valuable products and services as a leading feed-use amino acids company.

# **Overview of Feed Grade Tryptophan Production** in North America

- (1) Production base: Ajinomoto Heartland, Inc. Eddyville Plant (Iowa, U.S.A.)
- (2) Scheduled completion of construction: May 2017
- (3) Production capacity: Around 3,000 tons/year (with changes due to market conditions)



Ajinomoto Heartland, Inc. Eddyville Plant

## Reference

#### Overview of Ajinomoto Heartland, Inc.

(1) Name: Ajinomoto Heartland, Inc.

(2) Location: Chicago, Illinois, U.S.A.

(3) Established: October 1, 1984

(4) Representative: Masami Kashiwakura, President

(5) Business description: Manufacture and sale of feed-use amino acids and their byproducts

(6) Capital: USD 38 million

(7) Equity ownership: Ajinomoto Animal Nutrition Group, Inc. 100%

# Overview of Ajinomoto Animal Nutrition Group, Inc.

(1) Name: Ajinomoto Animal Nutrition Group, Inc.

(2) Location: Chuo-ku, Tokyo

(3) Established: September 1, 2011

(4) Representative: Yoichiro Togashi, President

(5) Business description: Animal nutrition business and supervision and control of the animal

nutrition business, including feed-use amino acids, through ownership of

the stock of companies that operate that business

(6) Capital: JPY 500 million

(7) Equity ownership: Ajinomoto Co., Inc. 100%

#### About Ajinomoto Co.

Ajinomoto Co. is a global manufacturer of high-quality seasonings, processed foods, beverages, amino acids, pharmaceuticals and specialty chemicals. For many decades Ajinomoto Co. has contributed to food culture and human health through wide-ranging application of amino acid technologies. Today, the company is becoming increasingly involved with solutions for improved food resources, human health and global sustainability. Founded in 1909 and now operating in 26 countries and regions, Ajinomoto Co. had net sales of JPY 1,006.6 billion (USD 9.17 billion) in fiscal 2014. For more about Ajinomoto Co. (TYO: 2802), visit www.ajinomoto.com.

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