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ASIA

Ajinomoto Co, Inc acquires French frozen food company

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Through this acquisition, Ajinomoto Co will expand and enhance its business platform for frozen foods in France by combining LTS' production base and market reach in the home-use sales channel with the Ajinomoto Group's specialty.

Going forward, Ajinomoto Co will further strengthen its consumer foods business in Europe and accelerate growth. Following the share acquisition, which is scheduled to take place in November 2017, the 100 per cent ownership of the equity will be AFE's.

The frozen food market in Europe is huge. It was worth approximately 41 billion Euro which according to Euromonitor 2016, amounted to approximately 5.2 trillion yen in 2015, and is growing steadily.

The Asian market segment has continued to grow in double digits in recent years, reaching approximately 500 million Euro which according to Ajinomoto Co's estimate for 2016, was approximately 64 billion yen.

The sales of AFE's consumer foods business in fiscal 2016 totalled approximately 45 million Euro (5.8 billion yen), mainly comprising sales of frozen foods for restaurant use.

LTS is a frozen foods operating subsidiary of LFF, which mainly manufactures and sells chilled foods, such as foie gras and smoked salmon. Its net sales for fiscal 2016 were approximately 50 million Euro (6.4 billion yen).