

March 30, 2017

Company name: Morinaga & Co., Ltd.
5-33-1 Shiba, Minato-ku, Tokyo
Representative: Toru Arai, Representative Director, President
(Code: 2201 First Section of the Tokyo Stock Exchange)
Contact: Fumiko Kunichika, General Manager, Corporate
Communication Dept.

Company name: Morinaga Milk Industry Co., Ltd.
5-33-1 Shiba, Minato-ku, Tokyo
Representative: Michio Miyahara, President & Representative
Director
(Code: 2264 First Section of the Tokyo Stock Exchange)
Contact: Toshihisa Tomizawa, General Manager, Public Relations
Dept.

To whom it may concern,

**Conclusion of consideration of a business merger
between Morinaga & Co., Ltd. and Morinaga Milk Industry Co., Ltd.**

Morinaga & Co., Ltd. and Morinaga Milk Industry Co., Ltd. have been considering a range of possibilities, not limited to a business merger; however, with regard to the option of a business merger, at present, consideration has ended with both companies concluding that it is in our best interests to devote ourselves to the pursuit of our respective business strategies and to place the utmost priority on enhancing our respective business foundations. Both companies will continue to consider opportunities for collaboration going forward.

We look forward to the continued support and cooperation of our shareholders, partners, and other interested parties.