

February 1, 2018

Company name: Morinaga Milk Industry Co., Ltd.
Representative: Michio Miyahara, President &
Representative Director
(Code: 2264 First Section of the Tokyo Stock Exchange)
Contact: Toshihisa Tomizawa, General Manager, PR Dept.

Notice on the suspension of production at the Kinki Plant and Tokyo Plant

The Morinaga Milk Industry Co., Ltd. will suspend production at the Kinki plant and the Tokyo plant.

1. Reasons for suspension of production

On October 28, 2016, the Company announced capital investment plans to construct a new building at the Tone plant and expand the manufacturing line at the Kobe plant. As part of a company-wide reorganization of production bases, in line with the basic policy to “improve and streamline asset efficiency” laid out in our medium-term management plan, the Company decided to suspend production at the Kinki and Tokyo plants.

2. Overview of plants

(1) Kinki plant

- 1) Location: 2-95 Tsutoiiden-cho, Nishinomiya-shi, Hyogo Prefecture, Japan
- 2) Establishment: April 1959
- 3) Number of employees: 131 (including contract employees) *as of January 31, 2018
- 4) Size of plant: Site area: 35,587 m²; floor area: 16,580 m²
- 5) Production capacity: 178,000 kl (fiscal 2016)
- 6) Products manufactured: Milk, milk-based drinks, etc.

(2) Tokyo plant

- 1) Location: 1-29-1 Okudo, Katsushika-ku, Tokyo
- 2) Establishment: April 1957
- 3) Number of employees: 162 (including contract employees) *as of January 31, 2018
- 4) Size of plant: Site area: 61,060 m²; floor area: 24,123 m²
- 5) Production capacity: 64,300 kl (fiscal 2016)
- 6) Products manufactured: Milk, lactic acid bacteria beverages, chilled desserts, cream, long-life tofu, etc.

3. Schedule for suspension of production (tentative)

- (1) Kinki plant: December 2019
- (2) Tokyo plant: March 2021

4. Effect on earnings

There will be no impact on earnings in the fiscal year ending March 31, 2018.