

March 11, 2021

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)

## Notice Regarding Transfer of Fixed Assets and Recognition of Extraordinary Income

Morinaga Milk Industry Co., Ltd. (hereinafter, “the Company”) hereby announces that the Board of Directors, at its meeting held on March 11, 2021, resolved to transfer the fixed assets as described below. The resolution is subject to the approval of the transfer by the Board of Directors of the transferee of the fixed assets.

### 1. Reason for the transfer

The decision to transfer the fixed assets has been made with a view to making effective use of management resources and increasing asset efficiency.

### 2. Description of the assets to be transferred

Description and location of the assets	Kinki Plant 95, Tsutoiiden-cho 2-chome, Nishinomiya-shi, Hyogo Land area: 35,587.34 m <sup>2</sup>
Transfer price	*1
Book value	*1
Gain on transfer (planned)	16.1 billion yen*2
Current status	Idle

\*1 Transfer price and book value are not disclosed in complying with the transferee’s intention.

Note that the book value is less than 30% of consolidated net assets.

\*2 Gain on transfer is an approximation based on transfer price less book value and estimated amount of expenses relating to the transfer, etc.

### 3. Overview of the transferee

In complying with the intention of the transferee, a domestic business corporation, the Company refrains from disclosing information on the transferee.

Note that there are no matters requiring special mention with respect to capital, personnel or transactional relationship between the Company and the transferee, or as an interested party of the transferee.

### 4. Schedule of the transfer

- |  |                        |
|--|------------------------|
| (1) Date of resolution by the Board of Directors | March 11, 2021         |
| (2) Date of the agreement                        | March 30, 2021         |
| (3) Property handover date                       | March 2022 (scheduled) |

### 5. Future outlook

The transfer of said fixed assets will have no effect on the Company’s consolidated financial results for the fiscal year ending March 2021.

It is expected that a gain on sales of fixed assets of approximately 16.1 billion yen will be posted as extraordinary income in the consolidated financial results for the fourth quarter of the fiscal year ending March 2022.

Disclaimer: This English translation is provided for the benefit of readers. In the case that discrepancies exist between the original Japanese version and the English translation, precedence goes to the original Japanese version.