



February 9, 2022

Company name: Morinaga Milk Industry Co., Ltd.
5-33-1 Shiba, Minato-ku, Tokyo
Representative: Yohichi Ohnuki,
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 February 9, 2022, resolved to transfer the fixed assets that it owns, as described below. Note that the resolution is subject to the approval of the transfer by the Investment Committee of the transferee’s asset management company.

1. Reason for the transfer

The decision to transfer the fixed assets that the Company owns 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 to be transferred	Land (site of the former Tokyo Plant) 66,798.00 m ² *1 1-29-1 Okudo, Katsushika-ku, Tokyo
Transfer price	*2
Book value	*2
Gain on transfer (planned)	65 billion yen *3
Current status	Idle

*1 A trust will be established on the asset to be transferred, subsequent to which the trust beneficiary right will be transferred based on the trust thus established.

*2 Transfer price and book value are not disclosed in complying with the request of the asset management company. Note that the book value is less than 30% of consolidated net assets.

*3 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 wishes of the asset management company, the Company refrains from disclosing information on the transferee which is a special purpose company to be established by the asset management company for development and management of rental logistics facility at the site. The Company name will be timely disclosed as

the progress of disclosed matter when the contract is concluded. Note that there are no matters requiring special mention with respect to capital, personnel and transactional relationship between the Company and the transferee or the asset management company, and as an interested party of the transferee or the asset management company.

4. Schedule of the transfer

- (1) Date of resolution by the Board of Directors: February 9, 2022
- (2) Date of the agreement: March 1, 2022 (scheduled)
- (3) Handover date*: April 2023 (scheduled)

* The above handover date is the transfer date of the trust beneficiary right on the fixed asset.

5. Future outlook

The transfer of the fixed asset will have no effect on the earnings for the fiscal years ending March 31, 2022 and March 31, 2023.

It is expected that a gain on sales of fixed assets of approximately 65 billion yen will be posted as extraordinary income in the consolidated financial results for the first quarter of the fiscal year ending March 31, 2024.