



February 28, 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 the Acquisition of Treasury Stock and the Purchase of Treasury Stock through
Off-Hours Trading of Treasury Stock (ToSTNeT-3)
(Acquisition of Treasury Stock Pursuant to the Provisions of Article 165, Paragraph 2 of the
Companies Act and Purchase of Treasury Stock through Off-Hours Trading of Treasury Stock
(ToSTNeT-3))

Morinaga Milk Industry Co., Ltd. (hereinafter “the Company”) hereby announces that, at its meeting held on February 28, 2022, the Board of Directors has resolved to acquire the Company’s shares (treasury stock) through a specified method as follows, based on the provisions of Article 156 of the Companies Act, as applied by the reading of terms under Article 165, Paragraph 3 of said Act.

1. Reason for the acquisition of treasury stock

The Company has received notice from its largest major shareholder, Morinaga & Co., Ltd., to the effect that said company intends to sell its holdings of the Company’s common stock. Taking into consideration the effects of the one-time market release of Morinaga & Co.’s holdings of the Company’s shares on market stock price, and considering the purchase of the shares as treasury stock, the Company has made the determination that acquisition of the shares as treasury stock will contribute to agile capital policy matched to changes in the business environment, while also avoiding impacts on the market.

Regardless of the shareholding ratio, Morinaga & Co., Ltd. and Morinaga Milk Industry Co., Ltd. will continue to share the “Morinaga” brand, promote medium- to long-term enhancement of value through sustainable growth, advance the strengthening of initiatives for business transactions, and maintain a positive relationship.

2. Method of acquisition

The Company will entrust the purchase to off-hours trading (ToSTNeT-3) on the Tokyo Stock Exchange at 8:45 a.m. on March 1, 2022, at today’s (February 28, 2022) closing price (including final special quotes) of 5,760 yen. (The Company will not make a change to another trading system or trading hours.) The purchase order will be an order for said trading time only.

3. Matters related to the purchase

(i) Class of stock to be acquired	Common stock of the Company
(ii) Total number of shares to be acquired	4,400,000 shares (ceiling)
(iii) Total cost of acquisition	26,400,000,000 yen (ceiling)
(iv) Announcement of results of acquisition	The result of the acquisition will be announced following the conclusion of the trading time of 8:45 a.m. on March 1, 2022.

Note 1: The number of shares will not be changed. Depending on market movements, etc., the acquisition may not be carried out, in whole or in part.

Note 2: The purchase will be carried out through a sales order for the number of shares to be acquired.

4. Other

The Company has received notice from Morinaga & Co., Ltd. to the effect that said company intends to sell a portion (4,300,000 shares) of its holdings of the Company's stock. Depending on the results, a change may occur in the largest major shareholder of the Company. The Company will promptly issue a notification upon recognizing such occurrence.

Note that this transaction will have no significant impact on the business relationship between the Company and Morinaga & Co., Ltd.

(Reference) Treasury stock holdings as of January 31, 2022

Total number of shares issued and outstanding (excluding treasury stock)	49,504,170 shares
Number of treasury stock shares	341,173 shares