

"For Ever Brighter Smiles" MORINAGA MILK

May 17, 2022

Notice regarding Manufacturing Building Extension at the Kobe Plant

Morinaga Milk Industry Co., Ltd. (hereinafter "Morinaga Milk") hereby announces its decision to construct an expansion of its Kobe Plant including a manufacturing building extension. In the coming period, additional production lines for ice cream and yogurt will be built to enhance the production system.

- 1. Details of expanded facilities
 - (1) Plant name: Kobe Plant
 - (2) Details of facilities: Manufacturing building extension, multi-level freezer
 - (3) Total floor area: Extension area 31,474 m² (total floor area of the manufacturing building 103,549 m²)
 - (4) Products manufactured and number of lines: Ice creams, yogurts, eight lines in total
 - (5) Planned investment amount: Approx. JPY 15.0 billion
 - (6) Start of construction and operation: Start of construction in June 2022,

and planned start of operation in April 2024

2. Overview of Kobe Plant

Location: Mayafuto 3, Nada-ku, Kobe, Hyogo

Establishment: January 2006

Products manufactured: Milk, milk-based drinks, yogurt, liquid foods, etc.

3. Background and purpose

Morinaga Milk launched its new "Medium-term Business Plan 2022–2024" in 2022. We will aim at resolving social issues while achieving sales growth and profitability in order to be a company that continues to be chosen by the stakeholders. To this end, we have established the basic policies of "Achieving sustainable growth by increasing the added value of our business," "Further strengthening our business base with an eye on the future," and "Financial strategies focused on efficiency." Investments for future growth will be made in line with these policies.

The Kobe Plant, one of Morinaga Milk's flagship plants, has been engaged in the manufacture and supply of core products such as "Morinaga Oishii Gyunyu Milk," "Mt. RAINIER CAFFÈ LATTE," and functional yogurt including "Triple Yogurt," a signature product. With the extension of the manufacturing building and other additions, we will seek to achieve sustainable growth of ice cream and yogurt products, and expand manufacturing capabilities for the future.

We remain committed to delivering "health value" and "tastiness and delightfulness" to our customers and contributing to the realization of a society filled with "ever brighter smiles."

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.