# Morinaga Milk Corporate Profile



(Securities code: 2264)
https://www.morinagamilk.co.jp/english/ir/

As of November 2026

# 1. Corporate Profile

*The accounting standard for revenue recognition is applied from FYE March 2022

*Before FYE March 2021 applying accounting standard for revenue recognition

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# 1-1. Corporate Philosophy, Corporate Slogan

## Corporate Philosophy

Contribute to healthy and enjoyable lifestyles
through offering unique products derived from
advanced milk technology.

## Corporate Slogan

“For Ever Brighter Smiles”

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# 1-2. Morinaga Milk Group 10-year Vision, Numerical Targets for the FYE March 2029

## Morinaga Milk Group 10-year Vision（Established in 2019）

**Vision 1** A company that balances “delicious and pleasurable food” with “health and nutrition”

**Vision 2** A global company that exerts a unique presence worldwide

**Vision 3** A company that persistently helps make social sustainability a reality

### 10-year Targets
(for the fiscal year ending March 31, 2029)

| | | |
|---|---|---|
| Operating profit margin | 3.8*% | At least 7% |
| ROE | 8.6*% | At least 10% |
| Ratio of overseas sales | 5.0*% | At least 15% |

* The figures are for the fiscal year ended March 2019.

### Medium-Term Business Plan 2025–2028 (Announced in 2025)

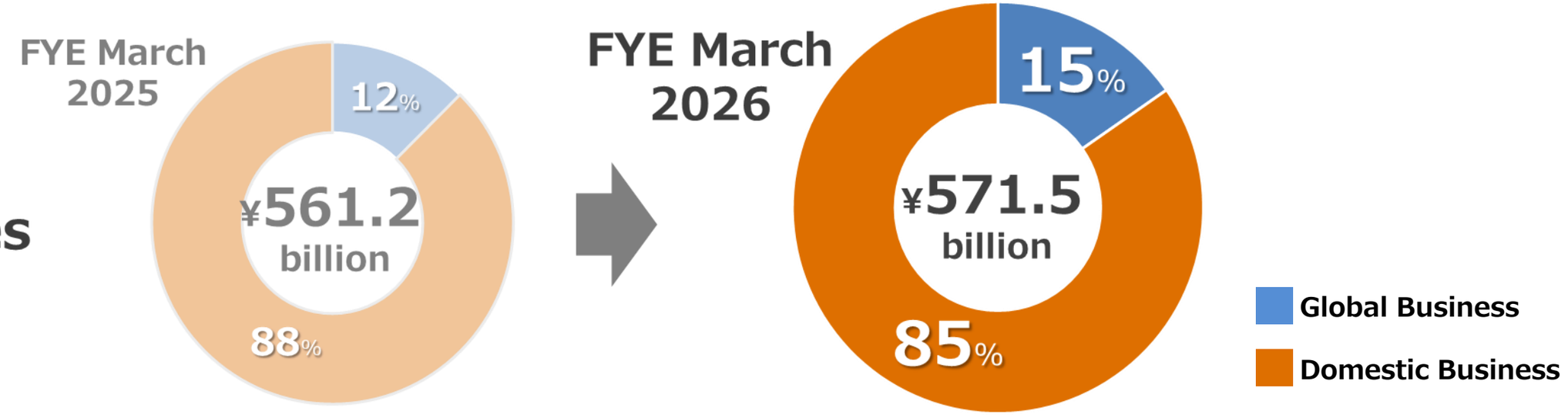
| (Unit: billion yen) | FYE Mar. 2029 Target |
|---|---|
| Net sales | 630.0 |
| Operating profit | 44.0 |
| Operating profit to net sales | 7% |
| ROE (profit / equity capital) | 10% |
| ROIC (NOPAT/ invested capital) | 7% |
| Ratio of overseas sales | 15% |
| Employee engagement rating | BBB** |

** Target for the fiscal year ending March 2031: **A**

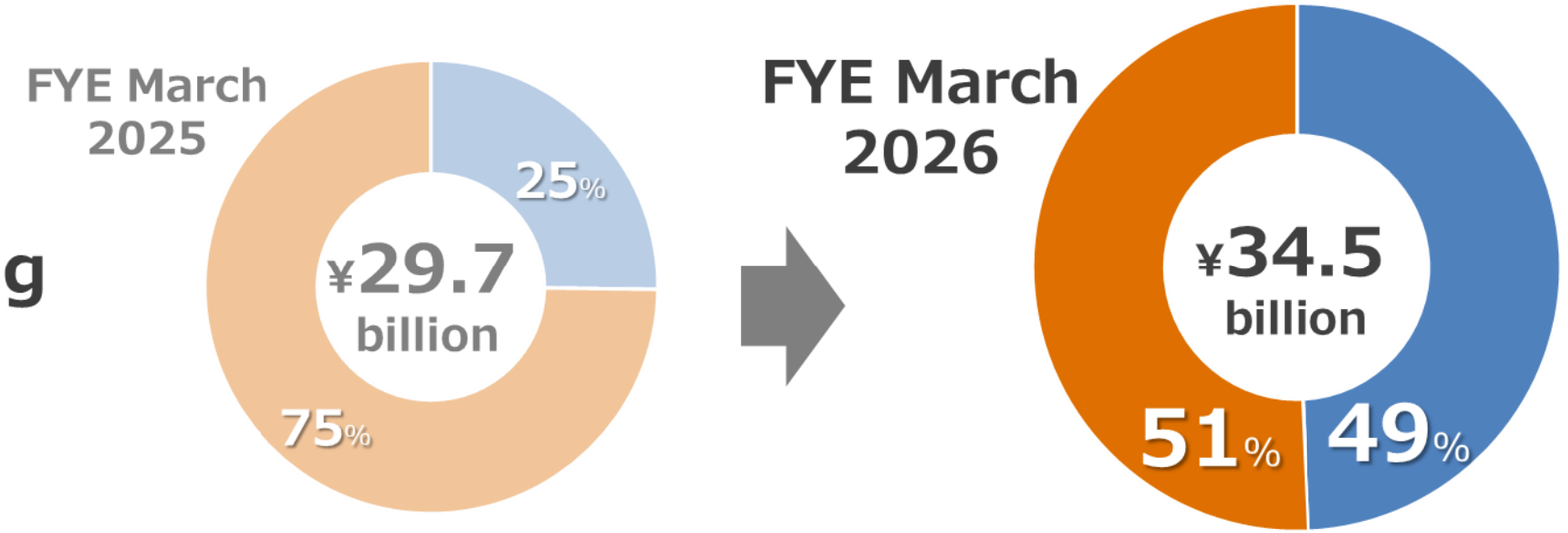
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# 1-3. Group Business Structure (Breakdown of Domestic and Global Business)

## Net Sales



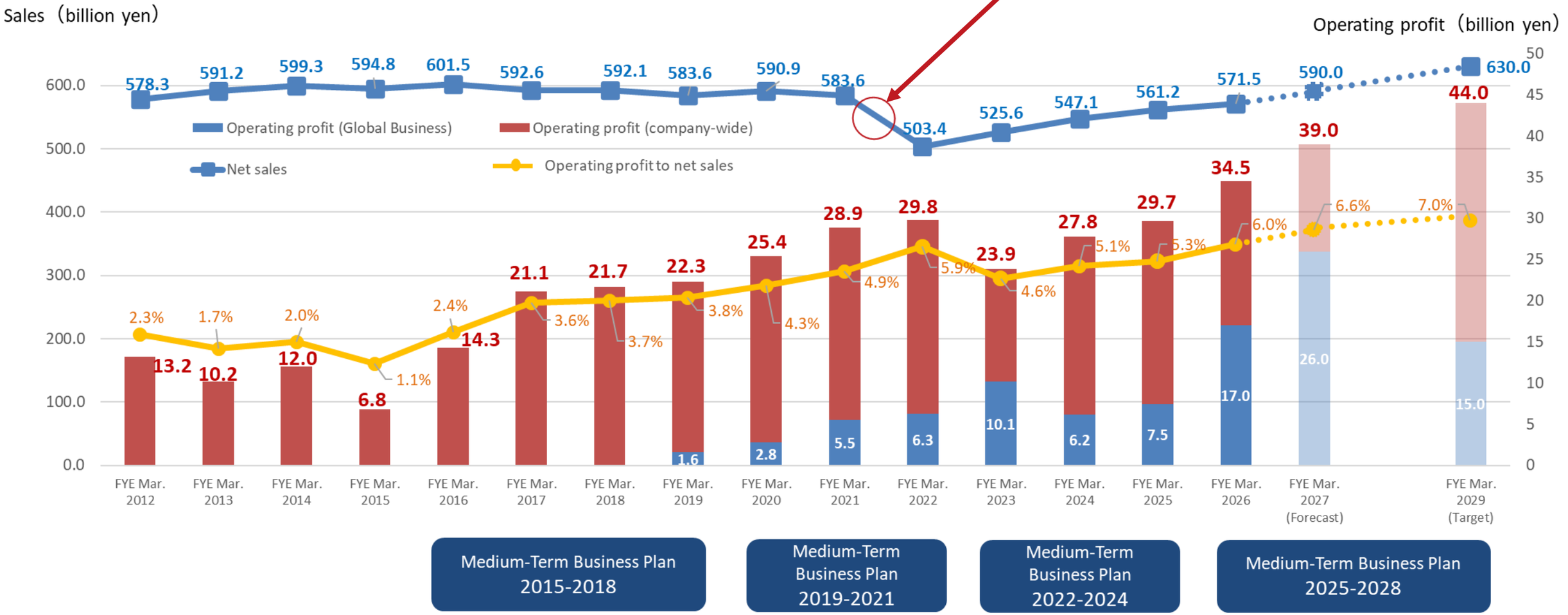

## Operating Profit




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# 1-4. Financial Summary

※ The Group has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29) and related guidance from the beginning of the fiscal year ended March 31, 2022. Compared to the fiscal year ended March 2021, which would have applied the same accounting standard, **the fiscal year ended March 2022 shows a 3% increase in net sales.**




- FYE March 2026: **Operating profit: 34.5 billion yen, Operating profit to sales: 6.0%.**
- FYE March 2029: Morinaga Milk Group 10-year Vision **1) Operating profit margin at least 7%, 2) ROE at least 10%, 3) Ratio of Global business sales at least 15%**

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# 1-5. Business in Japan: Domestic(B-to-C) Business

## Domestic(B-to-C) Business

Sales as a percentage of total sales of Morinaga Milk Industry: approx. 50% (as of March 2026)

- The business provides “health value” and “tastiness and delightfulness” value through a variety of products familiar to consumers, such as yogurt, ice cream, beverages, cheese, and milk, including the long-selling brands “Bifidus Yogurt,” “Pino,” “PARM,” “MOW,” and “Mt. RAINIER CAFFÈ LATTE,” among others.

(Unit: billion yen)

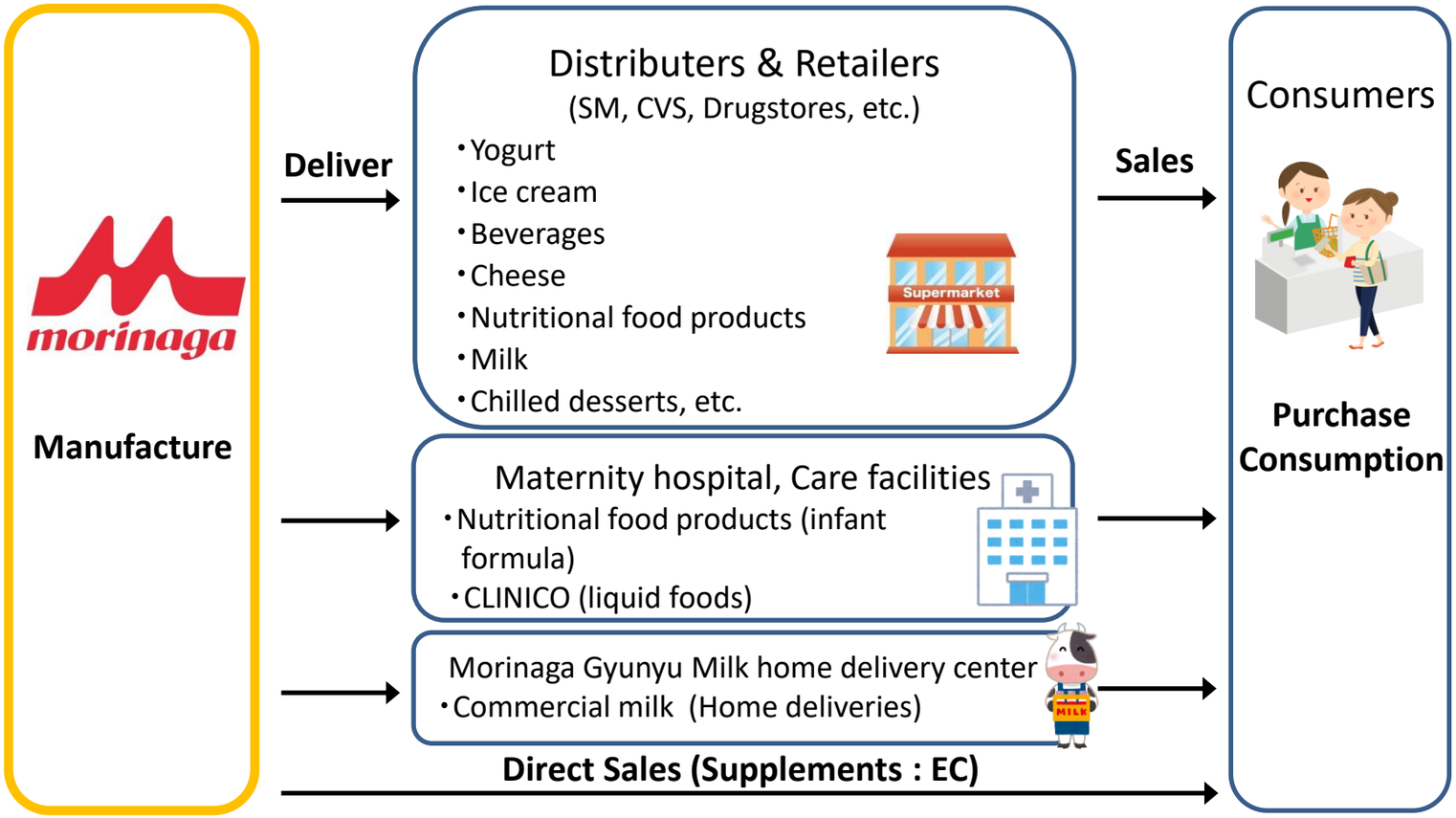
| Sub-segments | Net Sales (FYE Mar. 2026) |
|---|---|
| Yogurt | 57.8 |
| Ice cream | 47.9 |
| Beverages | 53.6 |
| Cheese | 26.2 |
| Nutritional food products | 13.7 |
| CLINICO (liquid foods) | 26.9 |
| Milk | 41.0 |
| Chilled desserts | 7.6 |
| Others: Supplements (EC), Creap (creaming powder) , etc. | |










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# 1-5. Business in Japan: Domestic(B-to-B) Business

## Domestic(B-to-B) Business

Sales as a percentage of total sales of Morinaga Milk Industry: approx. 20% (as of March 2026)

- The role of this business is to identify the increasingly diverse problems experienced by consumers, to anticipate potential needs that have not yet emerged, and to co-create solutions, including the development of recipes, with diverse customers.
- In this area, we offer solutions to customers in a wide range of industries, including cream and other dairy product ingredients, functional ingredients, such as bifidobacteria and lactoferrin, and products, such as PURESTER.

(Unit: billion yen)

| Sub-segments | Net Sales (FYE Mar. 2026) |
|---|---|
| Commercial dairy products  Cream | 85.9 |
| Probiotics, Functional ingredients  *Bifidobactrium longum* BB536 | |
| *Others : PURESTER (the slightly acidic electrolysed water generator)  | |

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**Manufacture**

**Deliver** →

B-to-B

(Restaurant industry, Hotels, Tourism, Food processing, etc.)

・Commercial dairy products




(Food processing, Health foods manufacturer etc.)

・Probiotics, Functional ingredients




**Sales** →

Consumers



**Purchase Consumption**

**Deliver Sales** →

(Food service, Facility, Job site, Factory, etc.)

・PURESTER

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# 1-5. Distribution of Milk and Dairy products

Dairy Farmers



**Raw Milk Production**

**Consignment sales**

Producer's Cooperatives

HOKUREN

Kanto

**Aggregation**

**Price negotiation**

Other Operators

**Direct Sales**

**Dairy Manufacturers**

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**Receiving Sterilization Processing**







**Delivery**
**B-to-C**






**Delivery**
**B-to-B**

Distributers & Retailers







**Sales**

B-to-B







**Sales**

Consumers



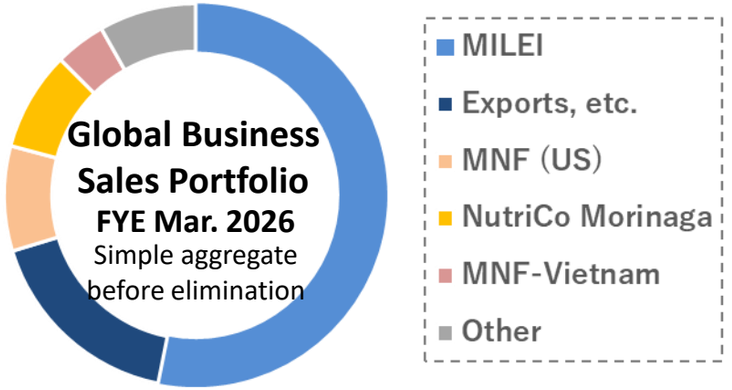
**Purchase Consumption**

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# 1-6. Global Business

## Global Business

Net Sales : 87.5 billion yen (Global business sales ratio: 15.3%)
Operation Profit : 17.0 billion yen (Operating profit margin: 19.4%) (FYE Mar. 2026)




- The mission of the business is to drive growth by responding to expanding health needs on a global scale.
- Shift to a concentrated strategy centered on probiotics and formula milk, with the company of core areas, MILEI, as the profit base

| Main Business | Net Sales (FYE Mar. 2026) | Overview |
|---|---|---|
| Germany, MILEI GmbH | 56.1 billion yen 305 million € | • Established as a joint venture by Morinaga Milk and other companies in 1972, the company is now a wholly owned subsidiary of Morinaga Milk. The company manufactures and sells products that include whey protein concentrate, lactose, and lactoferrin. |
| Formula milk (Exports, Joint venture) | | • Exports: Expanding mainly in Asian countries such as Pakistan, Vietnam, Malaysia, etc.<br>• Joint venture: Pakistan (NutriCo Morinaga), Indonesia (PT.Kalbe Morinaga Indonesia), Vietnam (Morinaga Le May) |
| Probiotics | | • Exporting bifidobacteria and lactobacillus discovered through more than 50 years of our research to global markets.<br>• B-to-B development as an additive to formula milk, raw material for supplements, etc. |
| North America MNF (US PBF) | 9.3 billion yen 60 million $ | • Morinaga Nutritional Food: Established in Los Angeles in 1985, this company supplies US consumers with long-life TOFU made possible by Morinaga Milk technology and also plant-based foods.<br>• Turtle Island Foods (TIF): MNF subsidiary, manufacturing and sales of PBF, including "Tofurky" brand |
| Vietnam MNF Vietnam | 4.5 billion yen 761.8 billion VND | • Morinaga Nutritional Foods Vietnam：Acquired 100% of its shares in 2021, the company is a wholly owned subsidiary of Morinaga Milk.<br>• The company manufactures and sells products that include milk-based beverage and yogurt. |







Exporting formula milk to Pakistan and other Asian countries



Lactoferrin



*Bifidobactrium longum* BB536




Plant-based foods business in North America
”Mori-Nu Shelf Stable Tofu”



MNF Vietnam Yogurt

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# 1-6. Global Business: MILEI GmbH

## Global Business: MILEI GmbH

- Established as a joint venture by Morinaga Milk and other companies in 1972, the company is now a wholly owned subsidiary of Morinaga Milk. The company manufactures and sells products that include whey protein concentrate, lactose, and lactoferrin.

### History

1972: MILEI GmbH was established, as a joint venture between four Japanese and European companies, for the purpose of processing and effectively utilizing whey, which was becoming a social problem at the time.

1975: Begins manufacturing whey powder and lactose

1976: Introduces compartmentation of membrane processes (begins WPC)

1989: Begins Manufacturing lactoferrin

2003–2006: Reinforces manufacturing capacity (UF membrane)

2012: Acquired as a wholly owned subsidiary of Morinaga Milk

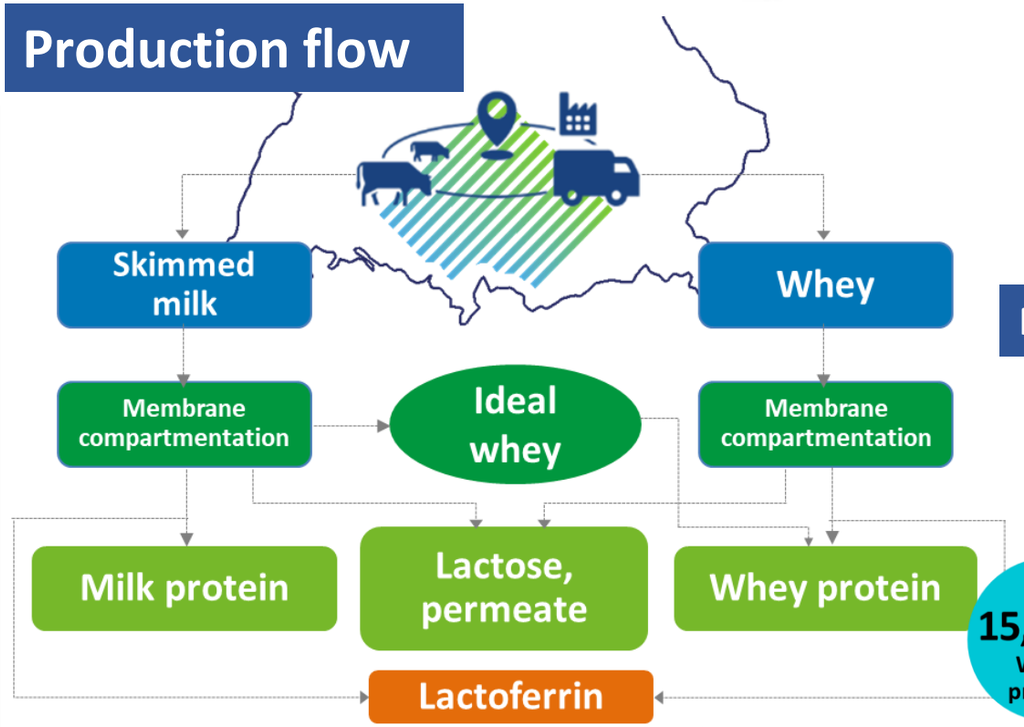
2016: Begins phased commercial production at the new plant

2018: Completes construction of the new plant

2021: Reinforcement of lactoferrin manufacturing capacity

2022: Reinforcement of manufacturing to improve lactose quality

### Production flow



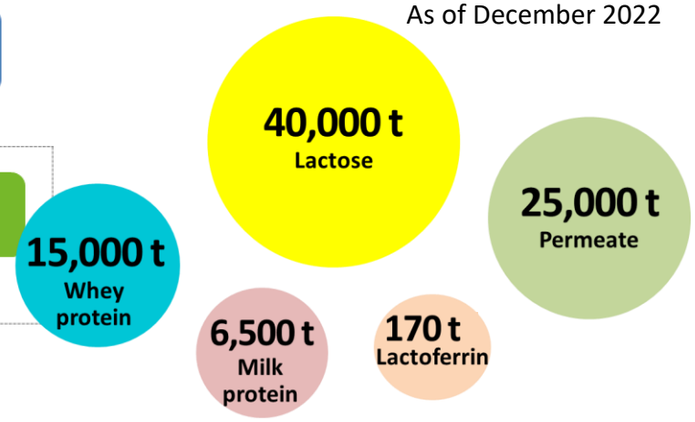

- **Enters into long-term partnerships with local cheese makers and other suppliers of ingredients, primarily in the south of Germany, securing stable supply of high-quality ingredients**
- **After procuring these ingredients, it uses fractionation and pulverization processes to manufacture the various products**



Address: Kemptener Strasse 91, 88299 Leutkirch, Germany

### Manufacturing capacity

As of December 2022




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# 1-6. Global Business: MILEI GmbH

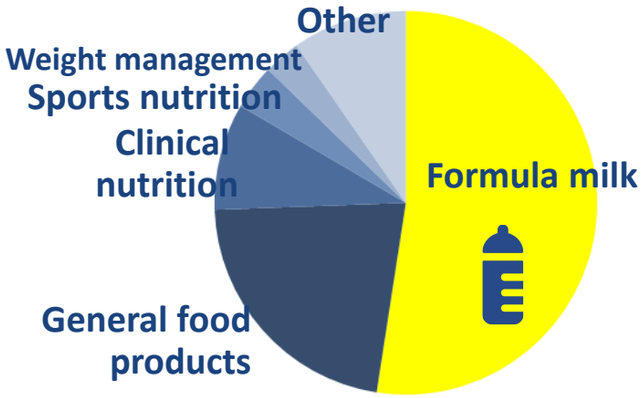
## Global Business: MILEI GmbH

### Sales area



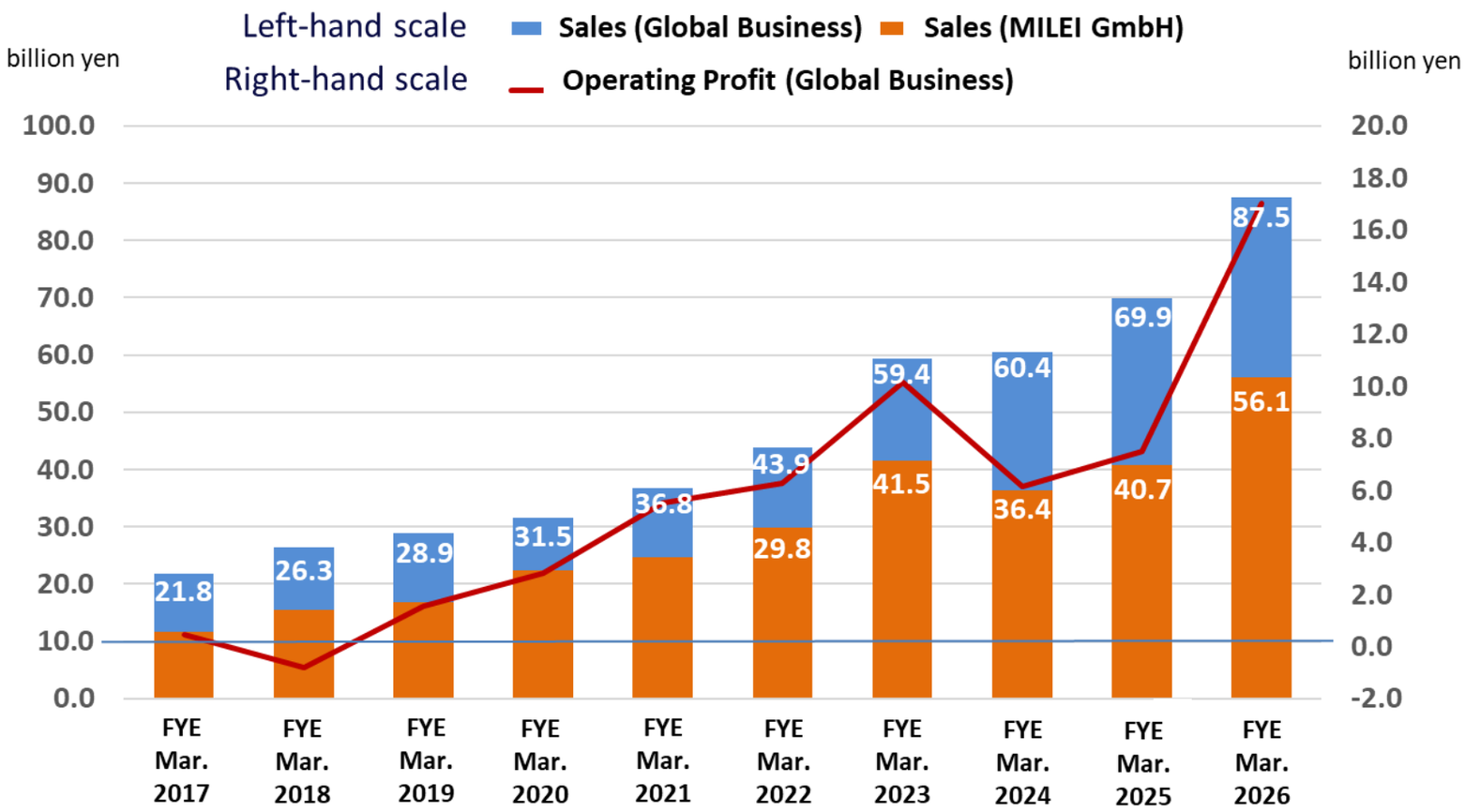
- Primary supply of products as raw materials for final products such as formula milk, mainly in Germany and Europe where MILEI GmbH is located.
- Expansion to Europe, the U.S., Asia, and various other countries and regions through suppliers.

### Component of sales by application




Created from 2020-2024 cumulative sales

### Global Business sales (including MILEI GmbH), Operating Profit Trends



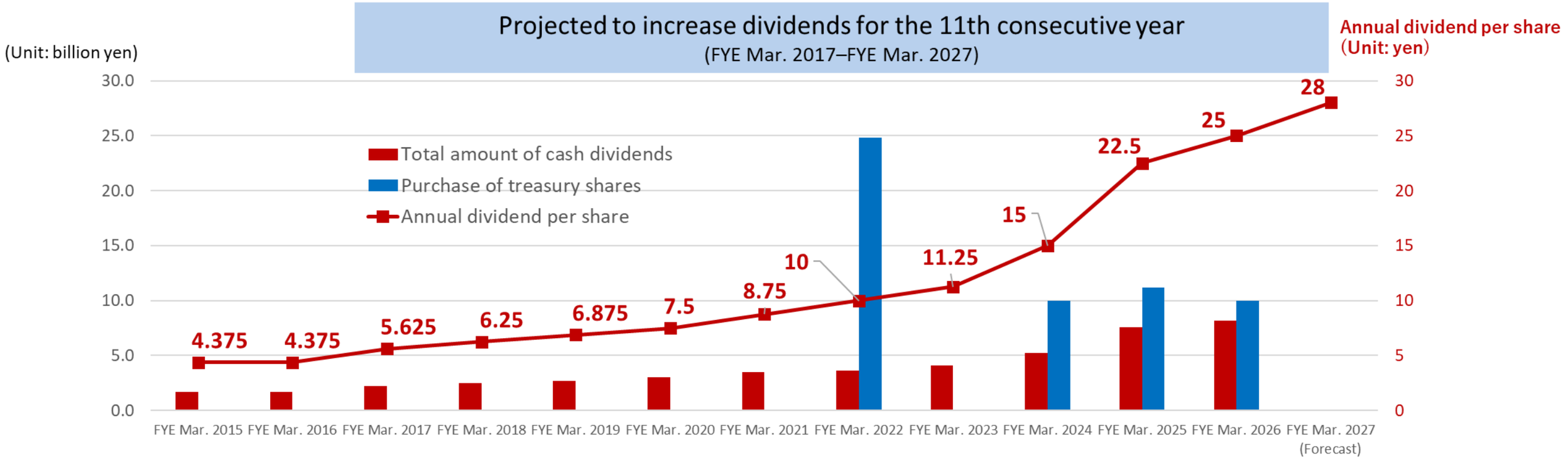

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# 1-7. Trend in Shareholder Returns

Medium-Term Business Plan 2019-2021: First explicit mention of a dividend payout ratio guideline (20%)

Medium-Term Business Plan 2022-2024: Raised dividend payout ratio target to 30%. First explicit mention of “consideration of response that focuses on the total payout ratio” and executed share buybacks

Medium-Term Business Plan 2025-2028: Raised dividend payout ratio target to 40%. Specified “Acquire treasury stock flexibly according to circumstances.” Buybacks were conducted during the FYE March 2026.




* The Company conducted one-for-five common share consolidation as of October 1, 2017.
Executed stock split at ratio of 2 shares for every 1 share of common stock on December 1, 2023.
Executed stock split at ratio of 4 shares for every 1 share of common stock on July 1, 2026.
Annual dividend per share calculated on assumption that above-mentioned adjustments were made at beginning of fiscal year ended March 31, 2015

Medium-Term Business Plan 2019-2021

Medium-Term Business Plan 2022-2024

Medium-Term Business Plan 2025-2028

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# 1-8. Balance Sheet Policy (Optimal Capital Structure)

*Disclosed on May 14, 2024.

While preserving financial soundless, we will update the balance sheet policy with the aim of maximizing corporate value by pursuing the optimal capital structure and reducing the cost of capital. Going forward we aim for growth while utilizing a certain amount of debt.

**Approach to optimal capital structure**

- We will control shareholders' equity to a range in which there is no problem in terms of business risk and that is consistent with maintaining "A" rating
- For the time being we will aim at a net interest-bearing liabilities / shareholder's equity of 0.4-0.5× (reviewed every fiscal year in response to internal/external environments)
- We will optimize gradually over the medium to long term, taking into account future investment plans

・We perceive our cost of shareholder's equity to be around 6%, based on CAPM model and interviews with shareholders and investors

## Approaches

### (1) Business risk approach

**Minimum level of shareholders' equity required in an emergency**

Amount that takes into consideration the perspective of creditors, based on general indicators, and the perspective of the Company, based on capital analysis

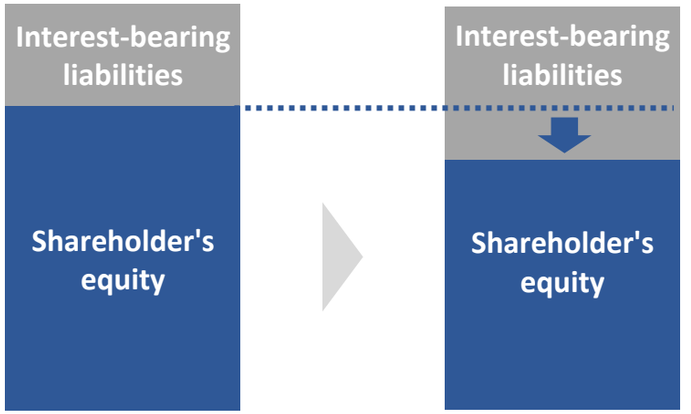
**Consider both sides in pursuit of optimal capital structure**

### (2) Credit rating approach

**Financial balance consistent with maintaining "A" rating**

Net interest-bearing liabilities / shareholders' equity of no more than 0.7×
Net interest-bearing liabilities / EBITDA of no more than 3.0×

## How it might look




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# 2. Medium-term Business Plan 2025-2028 (FYE Mar. 2026 - FYE Mar. 2029 )

* For more information, please visit our website
https://www.morinagamilk.co.jp/english/ir/management/plan/

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# Medium-Term Business Plan 2025–2028 - Basic Policies

*Disclosed on May 13, 2025.

**Our vision for next stage**

## A Clearly Differentiated and Highly Profitable Company

**Morinaga Milk Group 10-year Vision**

- A company that balances “delicious and pleasurable food” with “health and nutrition”
- A global company that exerts a unique presence worldwide
- A company that persistently helps make social sustainability a reality

**Numerical targets for FYE Mar. 2029**

- Operating profit margin: at least 7%
- Global Business sales ratio: at least 15%
- ROE: maintain at least 10%

### Medium-term Business Plan 2019–2021

**Strengthening our defenses**

1) Performing business with an ESG-focus
2) Further enhancing our eight main brands
   Accelerating development of bifidobacteria and proprietary seeds
3) Developing overseas business
4) Improving profitability
5) Further strengthening our business base

### Medium-term Business Plan 2022–2024

**Rebuilding our systems**

1) Expansion of nutrition and healthcare foods business, Global Business, five domains of wellness
2) Resumption of progress in functional ingredients and probiotics
3) Reinforcing resistance to changes in the external environment (Cost structure reform)
4) Made growth investments/environment-related investments focused on the 10-year Vision
5) Strategically executed growth investments and utilized funds with a focus that included shareholder returns and our financial standing
6) Improved ROE with a focus on capital efficiency

### Medium-term Business Plan 2025–2028

**Toughening ourselves up for the push forward**

**Basic policies**

| | |
|---|---|
| Growth strategy | ・Focus our resources in areas where we can leverage our strengths |
| Structural reforms | ・Rebuild the organization to enhance product development/sales capabilities<br>・Enhance production efficiency by restructuring production systems |
| Culture reforms | ・Strengthen initiatives to improve return on capital<br>・Build an energetic team with professional skills and diversity |

# Medium-Term Business Plan 2025–2028 - Management Indicators

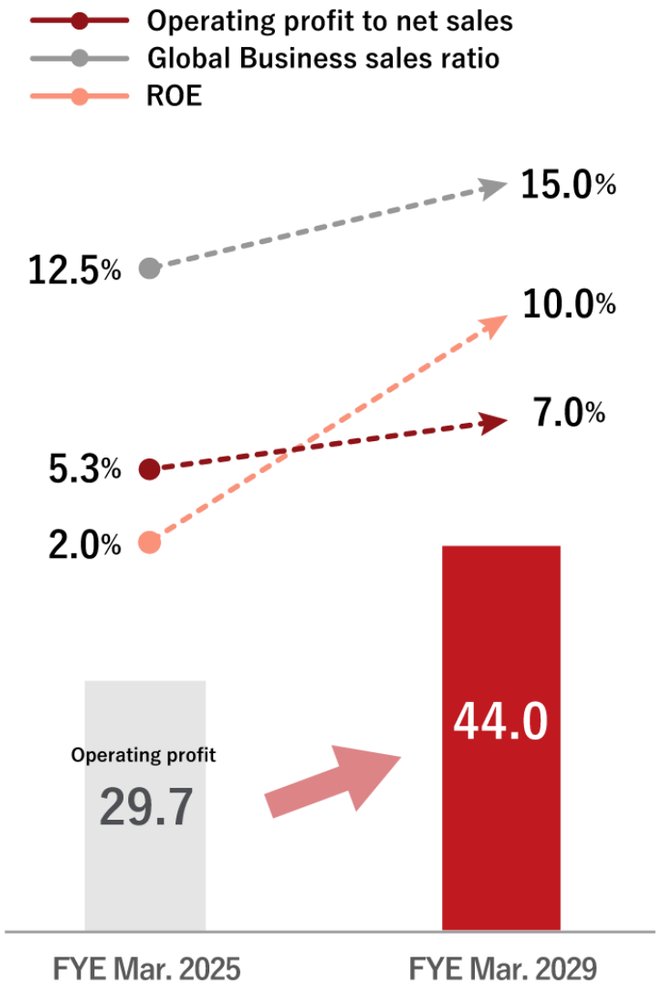
*Disclosed on May 13, 2025.

- Aim to hit all numerical targets, using the plan as a period to put finishing touches to the 10-year Vision
- Add new management indicators in the form of return on capital and pre-financial indicators that lead to future financial value

(Unit: billion yen)

| | | FYE Mar. 2025 | FYE Mar. 2029 | Increase (amount) compared to FYE Mar. 2025 | Increase (%) compared to FYE Mar. 2025 |
|---|---|---|---|---|---|
| Financial | Net sales | 561.2 | 630.0 | +68.8 | +12.3% |
| | Operating profit | 29.7 | 44.0 | +14.3 | +48.4% |
| | Operating profit to net sales | 5.3% | 7.0% | | |
| | Global Business sales ratio | 12.5% | 15.0% | | |
| | ROE (profit / equity capital) | 2.0% | 10.0% | | |
| | New ROIC (NOPAT / invested capital) | 5.7% | 7.0% | | |
| Pre-financial | New Employee engagement rating | B | BBB | | |

*Targeting “A” by FYE Mar. 2031



# Growth Strategy (Positioning by Category/Clarification of Role)

■ Revise management categories in accordance with role, based on the unchanging value we provide of "Health value/Tastiness and delightfulness"

■ Free ourselves from an omnidirectional approach in Japan and overseas, and make concentrated commitments of resources in growth areas where we can leverage our strengths

| Categories corresponding to four pillars of earnings [Medium-Term Business Plan 2022–2024] | Nutrition and Healthcare Foods Business | Core Dairy Foods Business | B-to-B Business | Global Business |
|---|---|---|---|---|
| | Yogurt, commercial milk (home deliveries, etc.), nutritional food products, CLINICO products, health foods, etc. | Beverages, ice cream, cheese, milk, chilled desserts | Probiotics, functional ingredients, food service and institutional food products | Probiotics, formula milk, milk derivatives, plant-based food, Vietnam Business |

Clarify categories on which we should focus

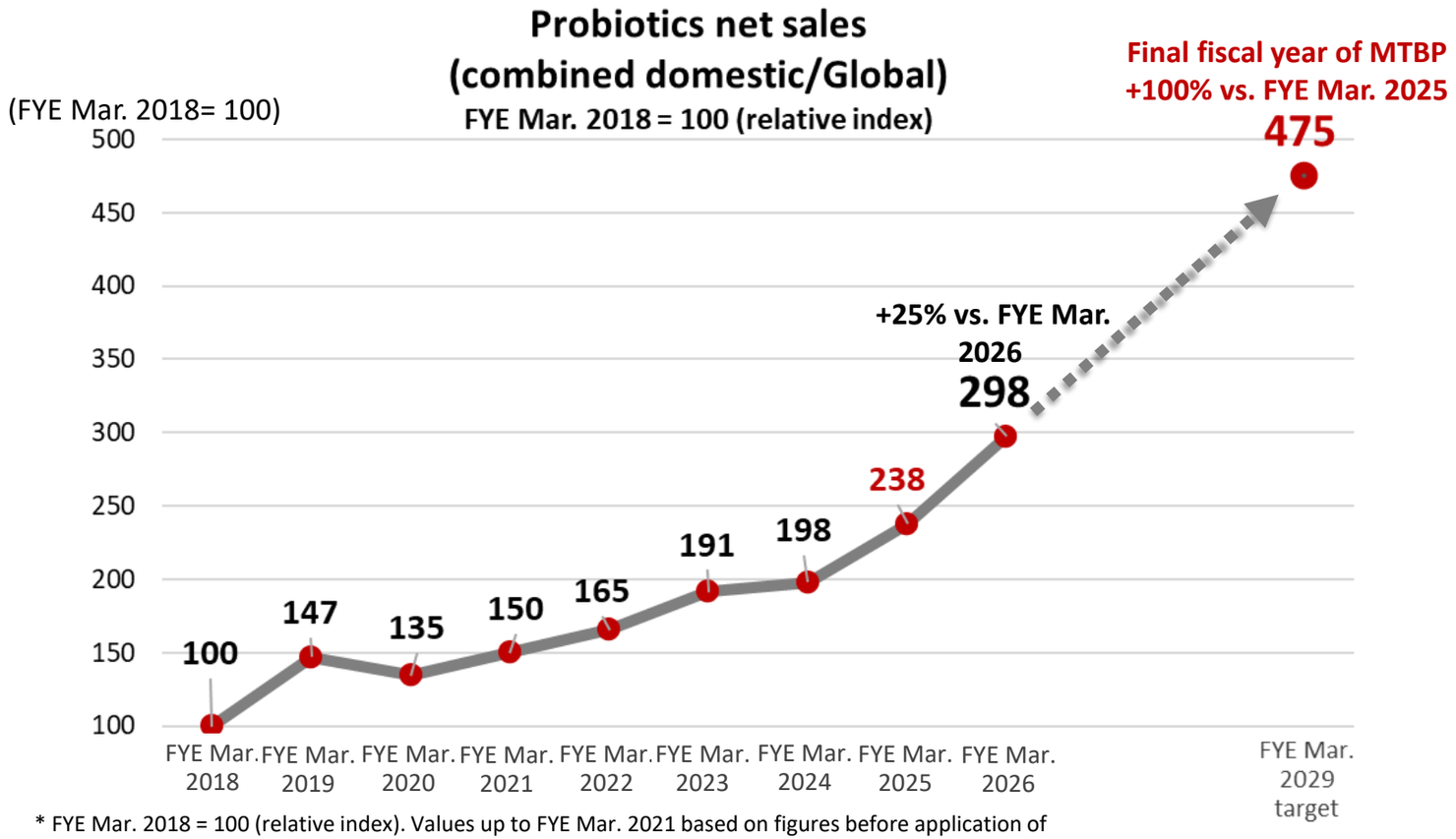
| | Growth areas | Core areas | Fundamental areas | Strategic Transformation areas | Nurturing areas |
|---|---|---|---|---|---|
| Domestic Business | ・Yogurt<br>・Ice Cream<br>・Probiotics | ・Beverages<br>・Cheese<br>・Nutritional food products (Formula milk, etc.)<br>・CLINICO<br>・Functional ingredients (Lactoferrin, etc.) | ・Milk<br>・Food service and institutional food products (Dairy products) | ・Chilled dessert<br>・Commercial milk (Home deliveries, etc.) | ・Health foods (Supplements) |
| Global Business | ・Probiotics<br>・Formula milk | ・Milk derivatives (MILEI) | | ・PBF | ・Vietnam Business |
| Role | Areas of tightest focus for becoming a highly profitable company | Areas that are core generators of funds for the growth of the Company as a whole | Areas that underpin the Company as a whole for the purpose of overall optimization | Areas that prioritize structural reform and profitability improvement | Areas oriented towards increases in scale, with the aim of becoming a next-generation pillar of earnings |

# Category of Growth Areas: Probiotics

*Disclosed on May 13, 2026.

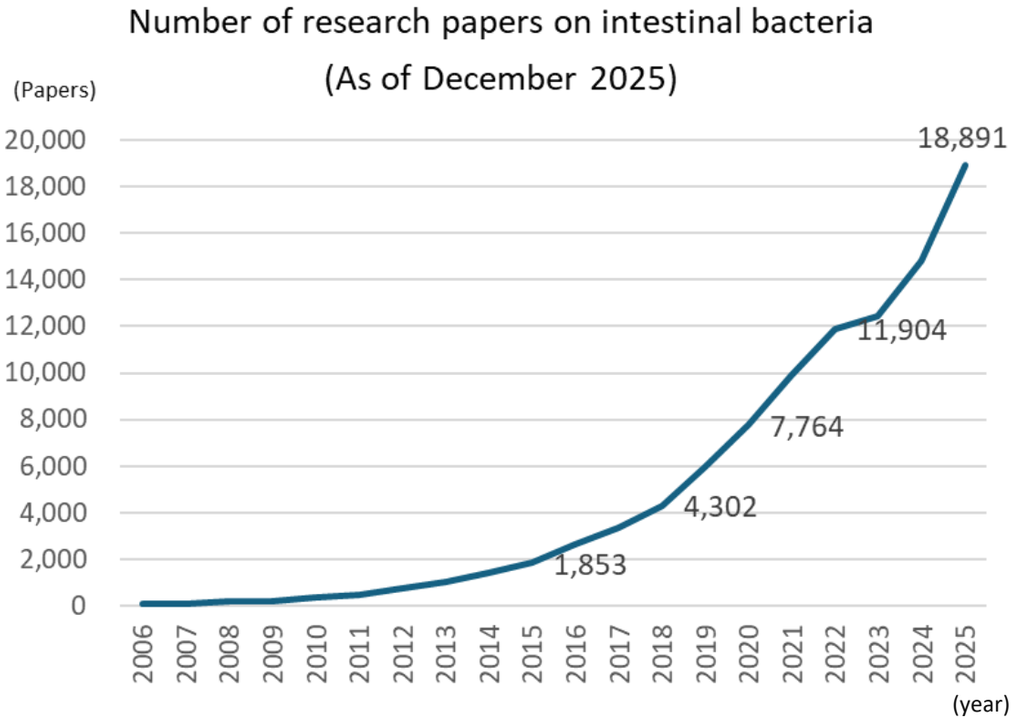
■ Rate of growth in probiotics net sales (combined domestic/Global)

Probiotics is the highest value-added raw material of all the Company's businesses. Global interest in intestinal flora is high. Rate of growth in net sales has increased around 3 × over most recent 8 years, with growth rates higher overseas than domestically (growth will remain centered on overseas going forward)




* FYE Mar. 2018 = 100 (relative index). Values up to FYE Mar. 2021 based on figures before application of revenue recognition accounting standard, which was applied to figures from FYE Mar. 2022 onward.

Reference: Broadening of the intestinal flora market




* Source: Research by Morinaga Milk, results of searches on PubMed for "gut microbiota" or "gut microbiome" or "gut flora"

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# Structural Reforms (Enhance Production Efficiency by Restructuring Production Systems)

*Disclosed on May 13, 2025.



■ Improve profitability by responding to market changes, such as focusing on growth areas, adapting to volume reductions, and shifting to long-life products at room temperature.

■ Although global raw milk production is increasing, the supply and demand for imported dairy ingredients is unclear. We will accelerate the restructuring of our bases with a view to securing a stable supply of domestic dairy ingredients.

## Hokkaido Eniwa Plant



**Concept**

**A sustainable factory that is friendly to both people and the environment**

Planning to improve productivity and reduce environmental impacts through the introduction of advanced technology




## 1 Accelerating restructuring production system

・Renew aging facilities at an appropriate scale to meet demand

・Promote the consolidation of production sites in preparation for building a more efficient production/supply system

・Expand yogurt and ice cream facilities, which had lost opportunities due to capacity limitations

| | FYE Mar. 2025 | FYE Mar. 2029 | By FYE Mar. 2033 |
|---|---|---|---|
| No. of paper pack lines | Halved | | |
| No. of production sites | Reduced by 30%* | | |

*In the disclosure dated November 9, 2026, the reduction was revised from 20% to 30%.

## 2 Improving profitability by taking advantage of the characteristics of long-life products at room temperature

・Expand sales channels by taking advantage of the characteristics of long-life products at room temperature, such as through e-commerce and overseas exports (utilizing the Hokkaido brand)

・Improve energy conservation and delivery efficiency by transporting and storing at room temperature

・Promote labor saving through planned manufacturing

## 3 Ensuring a stable supply of dairy ingredients

・Hokkaido's share of domestic raw milk production is on the rise, and we will secure a base in the Hokkaido region for medium- to long-term procurement of milk resources

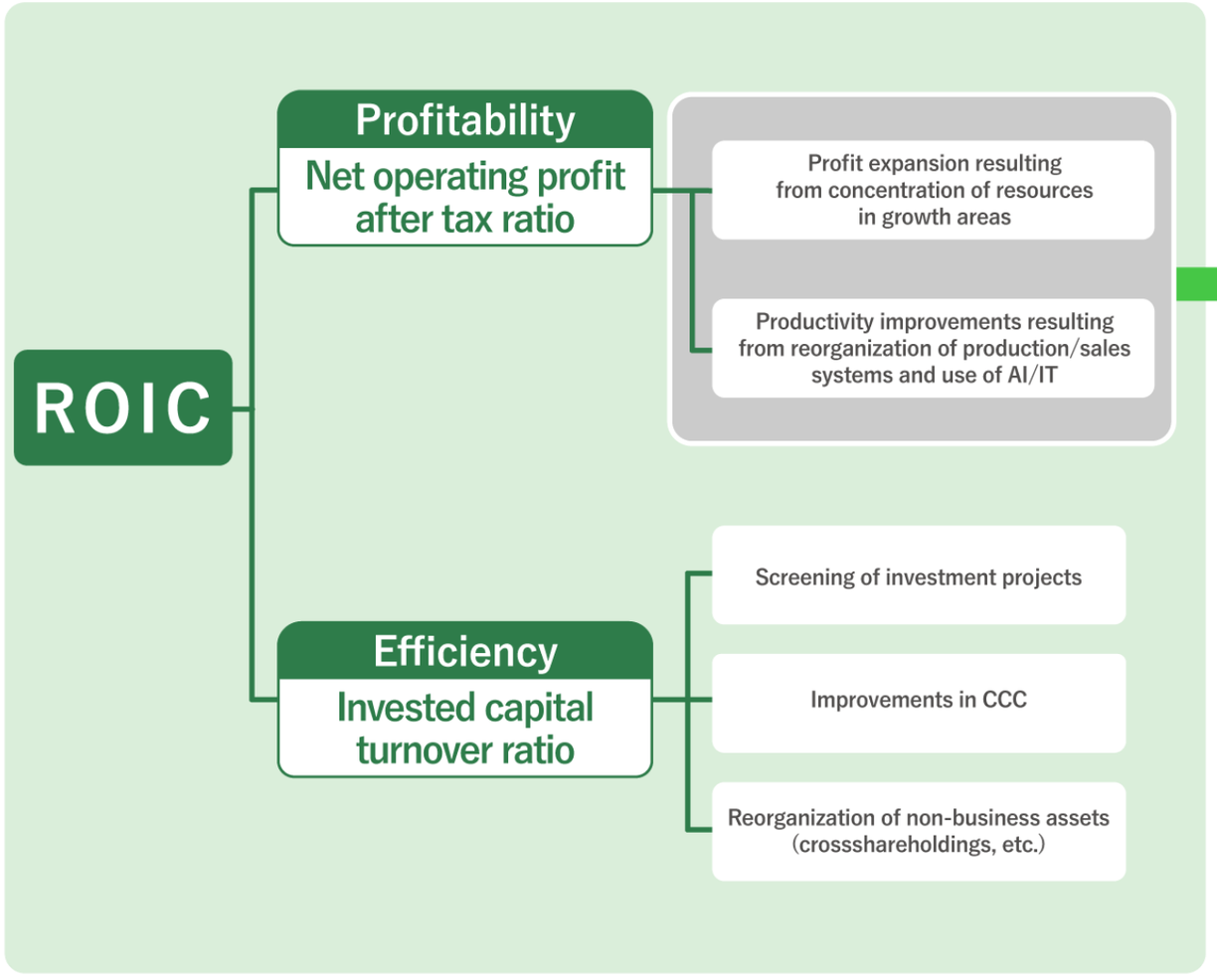
*International raw milk production is expected to grow at an annual rate of around 1-3%, but supply and demand are expected to become tight as demand increases due to population growth.

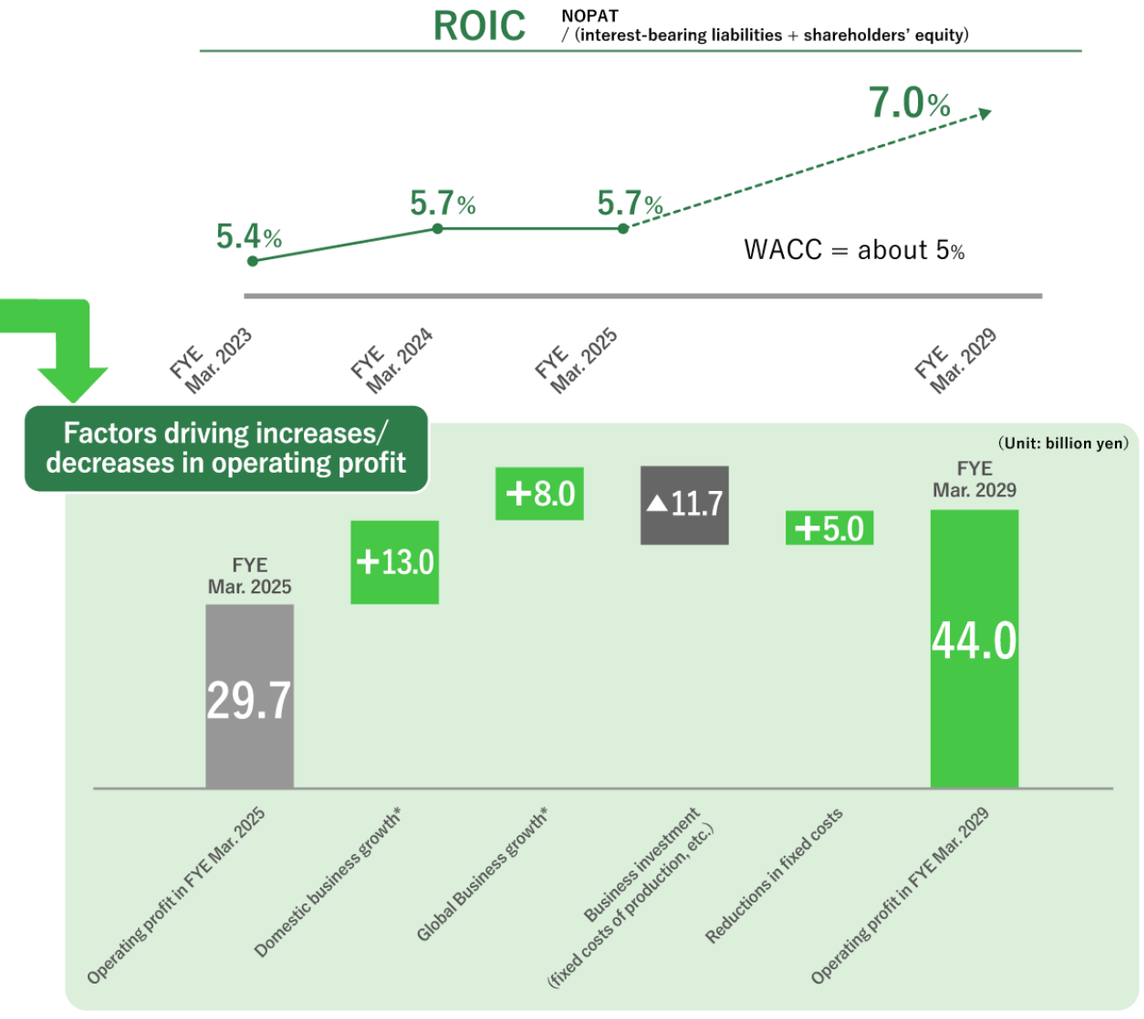
# Culture Reforms (Strengthen Initiatives to Improve Return on Capital)

*Disclosed on May 13, 2025.



■ By introducing an ROIC target of 7% as a new management indicator, we will further raise awareness of the cost of capital
■ We aim to enhance corporate value over the medium to long term through screening of investment projects and improvements in CCC, etc., in addition to growing profits



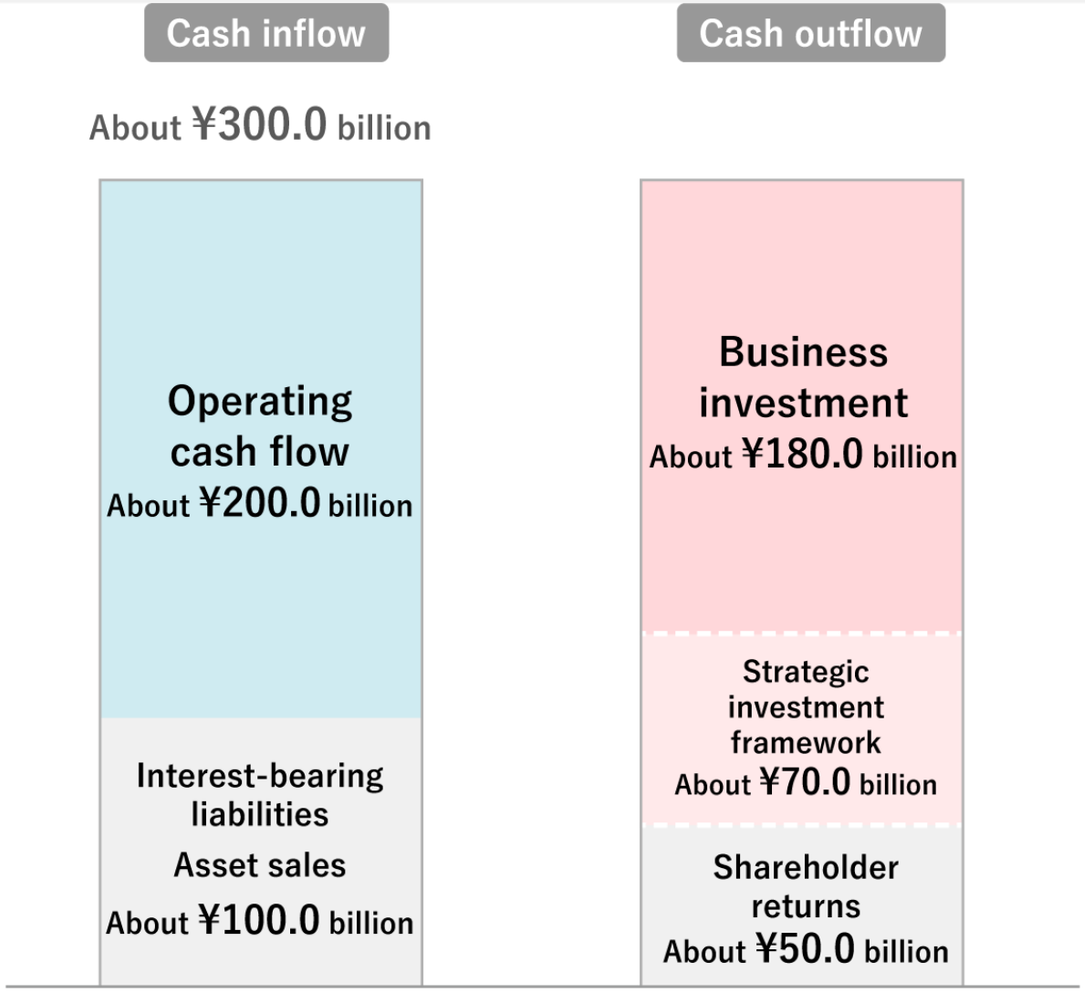




*Business growth is the amount of profit growth after cost increases driven by such external factors as rising raw material expenses have been absorbed

# Allocation of Cash and Shareholder Returns Policies

*Disclosed on May 13, 2025.

- Allocation of cash to achieve concentration of resources in growth areas
- Use interest-bearing liabilities to optimize capital structure and enhance shareholder returns to reduce the cost of capital




## Concentrate resources in growth areas

- Seek to concentrate resources in growth areas focused on yogurt and ice cream
- Establish strategic investment framework that includes M&A and R&D, etc., and make timely and appropriate investments
- Make investment decisions with an awareness of capital cost (WACC) and after assigning priorities based on investments that contribute to business growth

## Use interest-bearing liabilities to achieve optimal capital structure

- Also use interest-bearing liabilities to target a net DER of 0.4–0.5

## Shareholder returns policy

- Raise the payout ratio target from 30% to **40%**
- Acquire treasury stock flexibly according to circumstances
- **¥10.0 billion in acquisitions of treasury shares scheduled for FYE Mar. 2026** (cancellation planned after acquisition)

***In the financial results announcement on May 13, 2026, "Business investment" was revised downward from approximately 180 billion yen to approximately 160 billion yen. The company is currently reviewing how to allocate the 20 billion yen difference.**

# 3. Sustainability Medium- to Long-Term Plan 2030

* For more information, please visit our website
https://www.morinagamilk.co.jp/english/sustainability/

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# 3-1. “Sustainability Medium- to Long-Term Plan 2030” system diagram

## the Sustainability Medium- to Long-Term Plan 2030

In order to bring brighter smiles to all of our stakeholders, we conduct activities focused on the three themes of "Food and Well-being," "Resources and the Environment," and "People and Society.“




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# 3-2. Objectives of Each Materiality Theme

**Food and Well-being**

- Contribution to well-being
- Food safety and reliability

**By delivering high-quality value unique to Morinaga Milk Group, we contribute to the health of 300 million people.***

※Calculated as planned number, which include total planned number of sales of products with consideration for health from FY 2021 to FY 2030, and expected number of participants in our health promotion and nutrition education activities as number reached (persons)

**Resources and the Environment**

- Mitigation of and adaptation to climate change
- Environmental consideration and resource recycling
- Sustainable raw material procurement

**We will contribute to a sustainable global environment in order to perpetually develop together with supply chain partners.**

**People and Society**

- Respect for human rights and enhancement of well-being
- Coexistence with local communities

**We respect the human rights and diversity of all of our stakeholders, and will contribute to the creation of a sustainable society.**

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# Appendix

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# Appendix (Financial Summary)

(Unit: billion yen)

| | FYE March 2023 | FYE March 2024 | FYE March 2025 | FYE March 2026 | Year on Year Change | Year on Year (%) | FYE March 2027 Forecast | Year on Year Change | Year on Year (%) |
|---|---|---|---|---|---|---|---|---|---|
| **Net Sales** | 525.6 | 547.1 | 561.2 | 571.5 | +10.3 | +1.8% | **590.0** | **+18.5** | **+3.2%** |
| **Operating Profit** | 23.9 | 27.8 | 29.7 | 34.5 | +4.8 | +16.3% | **39.0** | **+4.5** | **+13.1%** |
| **Ordinary Profit** | 25.2 | 28.1 | 29.9 | 37.1 | +7.3 | +24.3% | **39.3** | **+2.2** | **+5.9%** |
| **Profit** Attributable to Owners of Parent | 16.9 | 61.3 | 5.5 | 22.6 | +17.1 | +313.9% | **23.0** | **+0.4** | **+1.8%** |
| **Operating Profit to Net Sales** | 4.6% | 5.1% | 5.3% | 6.0% | | | **6.6%** | | |
| **ROE** (Net Income / Equity Capital) | 7.9% | 24.5% | 2.0% | 8.4% | | | **8.2%** | | |
| **ROIC** (NOPAT / Invested Capital) | 5.4% | 5.7% | 5.7% | 6.3% | | | **6.6%** | | |

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# Appendix (Net Sales & Operating Profit by Segments)

(Unit: billion yen)

| Net Sales | FYE March 2025 | FYE March 2026 | FYE March 2027 Forecast | Year on Year (%) | FYE March 2029 Plan |
|---|---|---|---|---|---|
| **Growth segments (Growth)** | 118.3 | 124.5 | 138.5 | +11.2% | 155.0 |
| **Mainstay segments** (Core/Fundamental/Strategic Transformation) | 353.0 | 365.0 | 375.1 | +2.8% | 375.0 |
| **Nurturing/Other segments** (Nurturing/Unique & other/Eliminations, etc.) | 89.9 | 82.0 | 76.4 | -6.8% | 100.0 |
| **(Breakdown) Domestic business** | 491.3 | 484.0 | 474.6 | -1.9% | 535.0 |
| **(Breakdown) Global business** | 69.9 | 87.5 | 115.4 | +32.0% | 95.0 |
| **Total** | 561.2 | 571.5 | 590.0 | +3.2% | 630.0 |

| Operating Profit | FYE March 2025 | FYE March 2026 | FYE March 2027 Forecast | Year on Year (%) | FYE March 2029 Plan |
|---|---|---|---|---|---|
| **Growth segments (Growth)** | 13.8 | 12.6 | 12.9 | +0.3 | 20.0 |
| **Mainstay segments** (Core/Fundamental/Strategic Transformation) | 13.7 | 20.0 | 24.2 | +4.2 | 20.0 |
| **Nurturing/Other segments** (Nurturing/Unique & other/Eliminations, etc.) | 2.2 | 1.9 | 1.9 | +0.1 | 4.0 |
| **(Breakdown) Domestic business** | 22.2 | 17.5 | 13.0 | -4.5 | 29.0 |
| **(Breakdown) Global business** | 7.5 | 17.0 | 26.0 | +9.0 | 15.0 |
| **Total** | 29.7 | 34.5 | 39.0 | +4.5 | 44.0 |

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# Appendix (Net Sales by Category (Non-consolited, or Consolidated Subsidiaries) )

(Unit: billion yen)

| Net Sales | FYE March 2023 | FYE March 2024 | FYE March 2025 | FYE March 2026 | Year on Year (%) | FYE March 2027 Forecast | Year on Year (%) |
|---|---|---|---|---|---|---|---|
| **Growth areas** | | | | | | | |
| Yogurt | 53.2 | 54.1 | 56.9 | 57.8 | +2% | **62.8** | +9% |
| Ice cream | 42.0 | 44.3 | 46.4 | 47.9 | +3% | **46.7** | -3% |
| NutriCo Morinaga (Pakistan) | -<br>- | 6.8<br>13.6 billion PKR | 7.9<br>14.2 billion PKR | 8.8<br>15.8 billion PKR | +11%<br>+11% | **11.6**<br>**-** | +31%<br>- |
| **Core areas** | | | | | | | |
| Beverages | 50.3 | 54.8 | 54.4 | 53.6 | -1% | **55.3** | +3% |
| Cheese | 25.1 | 26.5 | 26.7 | 26.2 | -2% | **26.3** | +1% |
| Nutritional food products | 12.6 | 13.3 | 13.7 | 13.7 | ±0% | **14.7** | +7% |
| CLINICO | 25.3 | 26.7 | 27.2 | 26.9 | -1% | **28.1** | +4% |
| MILEI GmbH (Germany) | 41.5<br>295 million EUR | 36.4<br>234 million EUR | 40.7<br>248 million EUR | 56.1<br>305 million EUR | +38%<br>+23% | **72.5**<br>403 million EUR | +29%<br>+32% |

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# Appendix (Net Sales by Category (Non-consolited, or Consolidated Subsidiaries) )

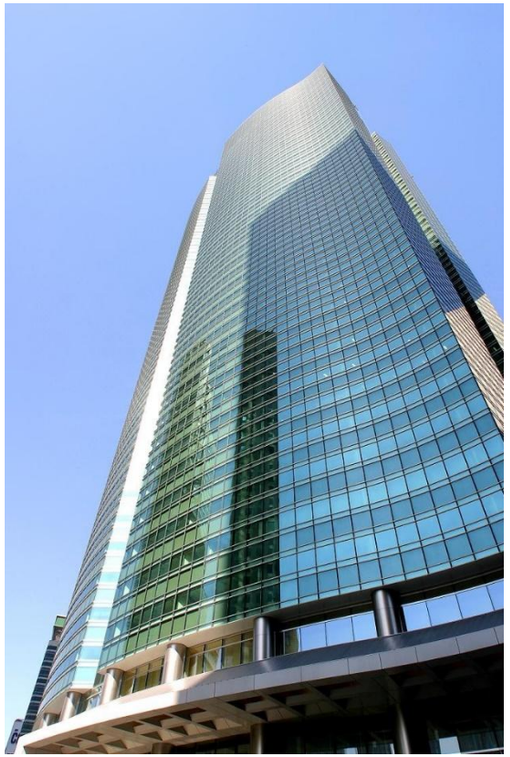
(Unit: billion yen)

| Net Sales | FYE March 2023 | FYE March 2024 | FYE March 2025 | FYE March 2026 | Year on Year (%) | FYE March 2027 Forecast | Year on Year (%) |
|---|---|---|---|---|---|---|---|
| **Fundamental areas** | | | | | | | |
| **Milk** | 43.4 | 45.2 | 44.3 | 41.0 | -7% | **33.0** | -20% |
| **B-to-B business** (excluding domestic probiotics) | - | - | 82.2 | 85.9 | +4% | **86.5** | +1% |
| **Strategic Transformation areas** | | | | | | | |
| **Chilled desserts** | 7.3 | 7.2 | 8.0 | 7.6 | -4% | **7.5** | -2% |
| **Commercial milk** (Home deliveries, etc.) | 19.0 | 18.3 | 16.1 | 15.9 | -1% | **13.3** | -16% |
| **MNF (US)** | 3.5<br>26 million USD | 7.4<br>53 million USD | 9.8<br>62 million USD | 9.3<br>60 million USD | -5%<br>-4% | **11.9**<br>- | +28%<br>- |
| **Nurturing areas** | | | | | | | |
| **MNF Vietnam** | 4.8<br>858.4 billion VND | 4.3<br>742.6 billion VND | 4.3<br>690.1 billion VND | 4.5<br>761.8 billion VND | +5%<br>+10% | **5.4**<br>- | +21%<br>- |

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# Appendix (Overview of Morinaga Milk Group)

| | |
|---|---|
| **Company name** | Morinaga Milk Industry Co., Ltd. |
| **Head office** | 5-2, Higashishimbashi 1-chome, Minato-ku, Tokyo |
| **Founded** | September 1, 1917 |
| **Established** | April 13, 1949 |
| **Capital** | ¥21,821 million |
| **Employees** | Consolidated 7,345 (M 5,378 F 1,967)<br>Non-consolidated 3,376 (M 2,609 F 767) |
| **Representative** | Yohichi Ohnuki (Representative Director and President) |
| **Business** | Production and sale of milk, dairy products, ice cream, beverages, and other foods |
| **Group** | 32 consolidated subsidiaries and two equity method companies |
| **Stock exchange listing** | Tokyo Stock Exchange Prime Market (Securities code: 2264) |



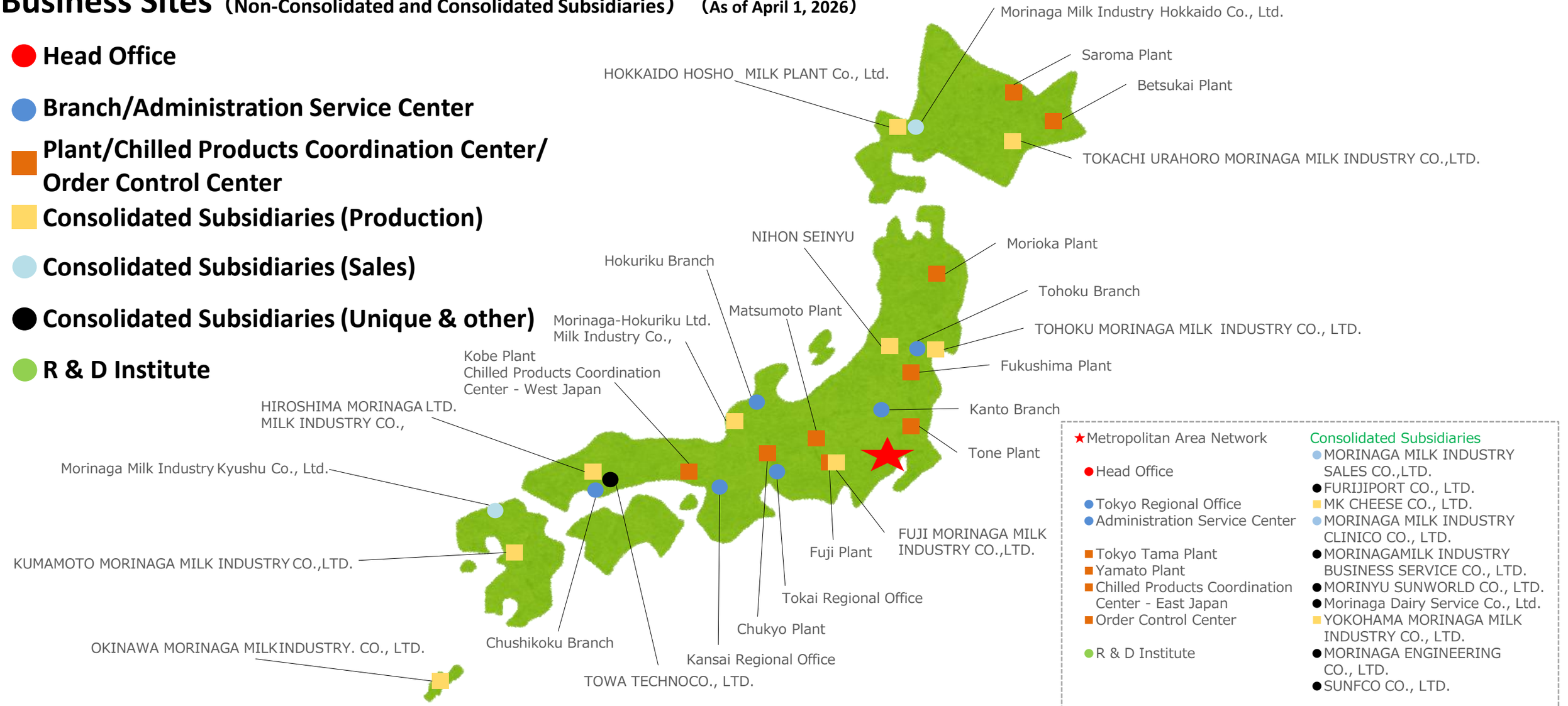
(As of March 31, 2026; for the representative only, as of August 2026)

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# Appendix（Overview of Morinaga Milk Group）

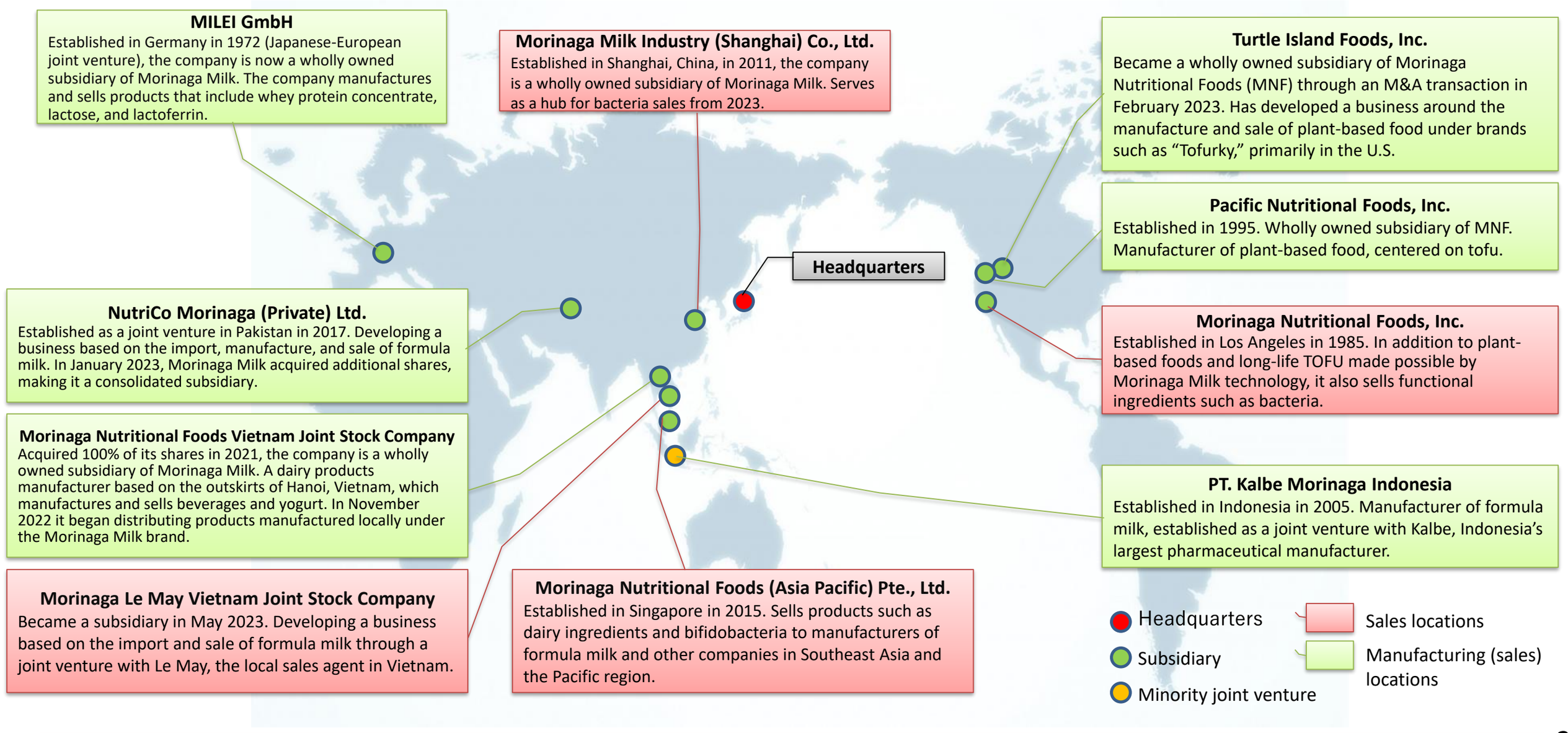
## Business Sites（Non-Consolidated and Consolidated Subsidiaries） （As of April 1, 2026）

- Head Office
- Branch/Administration Service Center
- Plant/Chilled Products Coordination Center/ Order Control Center
- Consolidated Subsidiaries (Production)
- Consolidated Subsidiaries (Sales)
- Consolidated Subsidiaries (Unique & other)
- R & D Institute




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# Appendix (Overview of Morinaga Milk Group, Main Overseas Business Locations)




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# Appendix (Strength of Technologies & Proprietary Materials)

## To explore the amazing potential of milk, and to make optimal use of that potential.

- **Bifidobacteria**

  Morinaga Milk has used its original technology to develop commercial uses for powdered bacteria. There is intense international interest in powdered Bifidobacteria.

- **Lactulose**

  Morinaga Milk overcome major difficulties before succeeding in the production of powdered lactulose. There are many potential uses for this oligosaccharide.

- **Lactoferrin**

  Morinaga Milk created the world's first infant formula containing powdered lactoferrin, which can be added to a wide variety of products.

- **Lac-Shield™**

  Capable of providing useful effects even in small quantities, this product has minimal effect on flavor and is being used in an expanding range of processed foods.

- **Aloesterol®**

  Morinaga Milk has obtained more than 10 Japanese patents for applications based on this rate functional food ingredient.

- **Orabarrier®**

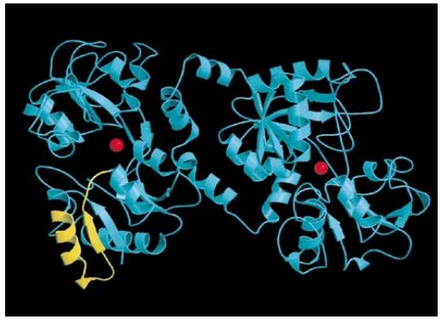
  A highly safe original functional ingredient containing an antimicrobial component.

- **Peptides**

  Original Morinaga Milk technology has resulted in the development of milk products for those who have milk allergies.




*Bifidobacterium longum* BB536



Multifunctional peptide, Lactoferrin

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# Appendix（Overview of Morinaga Milk Group）

## Chronology of Morinaga Milk（1917-1971）

| | |
|---|---|
| Sep. 1917 | Founded as Nippon Rennyu Co., Ltd. *To procure condensed milk for the Milk Caramel of Morinaga & Co., Ltd. |
| May. 1919 | Launched “Morinaga Milk,” small cans of condensed milk |
| Jul. 1920 | Merged Nippon Rennyu with Morinaga & Co., Ltd. |
| Nov. 1921 | Launched “Morinaga Dried Milk (infant formula)” *It is Japan’s first domestically infant formula by machinery. |
| Apr. 1927 | Split off the Rennyu Division to establish Morinaga Rennyu Co., Ltd. |
| Dec. 1929 | Launched “Morinaga Pasteurized Milk (bottled milk)” |
| May. 1941 | Changed company name to Morinaga Milk Industry Co., Ltd. |
| Oct. 1942 | Merged Morinaga & Co., Ltd. with Morinaga Milk Industry Co., Ltd., Morinaga Food Industry Co., Ltd., Tokai Seika KK, Ltd., and Morinaga Kansai Milk Co., Ltd. |
| Apr. 1949 | Re-established Morinaga Milk Industry Co., Ltd. |
| Sep. 1954 | Listed shares on the Tokyo Stock Exchange |
| Aug. 1955 | Morinaga Arsenic Milk Poisoning Incident occurred |
| Apr. 1961 | Launched “Creap (creaming powder)” |
| Feb. 1970 | Affiliation with Kraft, Inc. *currently the Kraft Foods Group Brands LLC, others. |
| Dec. 1971 | Conclusion of a trademark licensing agreement with Sunkist Growers, Inc. |

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# Appendix（Overview of Morinaga Milk Group）

## Chronology of Morinaga Milk（1972-2017）

| | |
|---|---|
| Feb. 1972 | Established MILEI GmbH, a joint venture company in West Germany |
| Apr. 1974 | Established Public Interest Incorporated Foundation Hikari Kyokai |
| Nov. 1978 | Launched “Morinaga Bifidus Yogurt” |
| May. 1984 | Established affiliation with Lipton Japan *currently LIPTON Teas and Infusions Japan Service K.K. |
| May. 1985 | Established Morinaga Nutritional Foods, Inc. to expand the sales of aseptically packaged TOFU in the U.S. |
| Feb. 1993 | Launched “Mt. RAINIER CAFFÈ LATTE” (milk-based beverage in an aseptic cup) |
| Dec. 1994 | Launched “Morinaga Aloe Yogurt” |
| Apr. 2005 | Launched “PARM” (ice cream bar) |
| Sep. 2011 | Launched “PARTHENO,” a Greek-style yogurt |
| May. 2012 | Capitalized MILEI GmbH as a wholly owned subsidiary |
| Dec. 2015 | Established Morinaga Nutritional Foods (Asia Pacific) Pte. Ltd. in Singapore |
| Oct. 2016 | New factory for MILEI GmbH begins operation |
| Sep. 2017 | Celebrated the 100$^{th}$ anniversary of the founding of Morinaga Milk Industry, Co., Ltd. |

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# Appendix（Overview of Morinaga Milk Group）

## Chronology of Morinaga Milk（2018-2023）

| | |
|---|---|
| Apr. 2019 | Launched “Triple Yogurt” |
| Feb. 2020 | New building at Tone Plant begins operation |
| Apr. 2020 | Launched “Bifidus Yogurt Improves Bowel Movement” |
| Jun. 2021 | Elovi Vietnam Joint Stock Company (currently Morinaga Nutritional Foods Vietnam Joint Stock Company) becomes a wholly owned subsidiary |
| Jan. 2023 | NutriCo Morinaga (Private) Limited becomes a subsidiary |
| Feb. 2023 | Turtle Island Foods Holdings, Inc. (currently Turtle Island Foods, Inc.) becomes a wholly owned subsidiary |
| May. 2023 | Morinaga Le May Vietnam Joint Stock Company becomes a subsidiary |

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# Appendix（Business domains of former classification）

（Unit: billion yen）

| Net Sales | FYE March 2023 | FYE March 2024 | FYE March 2025 | Year on Year (%) |
|---|---|---|---|---|
| Nutrition and Healthcare Foods Business | 123.7 | 127.3 | 130.0 | +2.1% |
| Core Dairy Foods Business | 170.2 | 175.3 | 176.4 | +0.7% |
| B-to-B Business | 93.2 | 96.4 | 99.0 | +2.7% |
| Global Business | 59.4 | 60.4 | 69.9 | +15.7% |
| Other/Eliminated | 79.2 | 87.7 | 85.8 | -2.1% |
| Total | 525.6 | 547.1 | 561.2 | +2.6% |

| Operating Profit | FYE March 2023 | FYE March 2024 | FYE March 2025 | Year-on-year Change |
|---|---|---|---|---|
| Nutrition and Healthcare Foods Business | 5.6 | 5.3 | 5.5 | +0.2 |
| Core Dairy Foods Business | 5.1 | 9.0 | 9.6 | +0.6 |
| B-to-B Business | 1.5 | 4.5 | 3.8 | -0.6 |
| Global Business | 10.1 | 6.2 | 7.5 | +1.3 |
| Other/Eliminated | 1.6 | 3.1 | 3.3 | +0.3 |
| Total | 23.9 | 27.8 | 29.7 | +1.8 |

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“For Ever Brighter Smiles”

MORINAGA MILK INDUSTRY CO., LTD.

## Cautionary Note Regarding Business Forecasts

Figures for plans, policies, and other figures included in this report other than actual past results are forecasts of future business performance, and are calculated based on management’s estimates and understanding of the information available to the Company at the time this presentation was prepared. Accordingly, these forward-looking figures contain elements of risk and uncertainty, and actual results may differ from these forecasts for a variety of reasons. These elements of potential risk and uncertainty include economic conditions in the Company’s major markets, trends in demand for the Company’s products, exchange rate movements, and regulatory changes and changes in accounting standards and business practices in Japan and other countries. Monetary amounts in this presentation are shown in billions of yen, with amounts of less than 0.1 billion yen rounded to the nearest 0.1 billion yen, and as a result, total figures may differ from the sum of the corresponding breakdown figures.