Morinaga Milk Corporate Profile

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

As of August 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

1-1. Corporate Slogan, Corporate Philosophy

Corporate Philosophy

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

Corporate Slogan

"For Ever Brighter Smiles"

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)

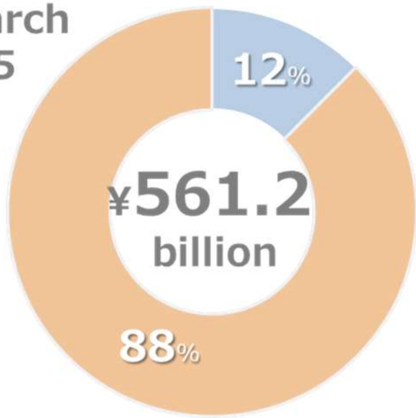
(Unit: billion yen)	FYE Mar. 2029 Target
Net sales	630.0
Operating profit	44.0
Operating profit to net sales	7%
ROE (profit / equity capital)	10%
ROIC (NOPAT/ invested capital)	7%
Ratio of overseas sales	15%
Employee engagement rating	BBB**

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

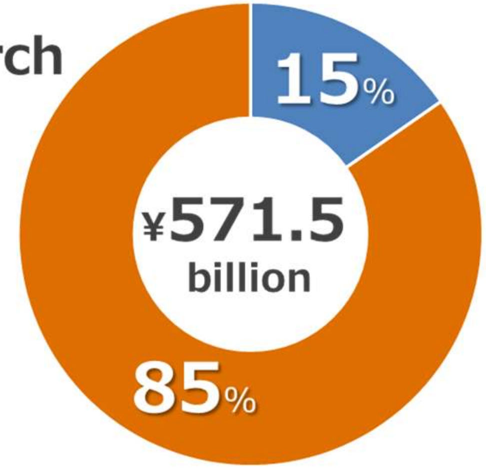
1-3. Group Business Structure (Breakdown of Domestic and Global Business)

Net Sales

FYE March 2025



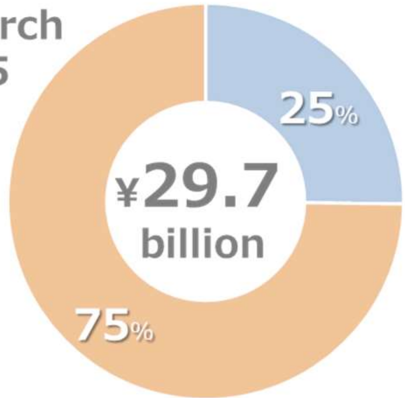
FYE March 2026



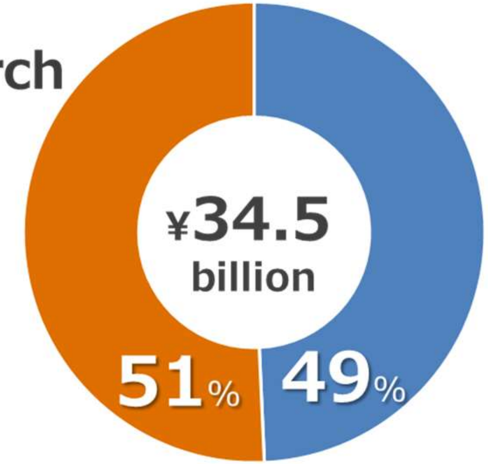
- Global Business
- Domestic Business

Operating Profit

FYE March 2025



FYE March 2026



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.**

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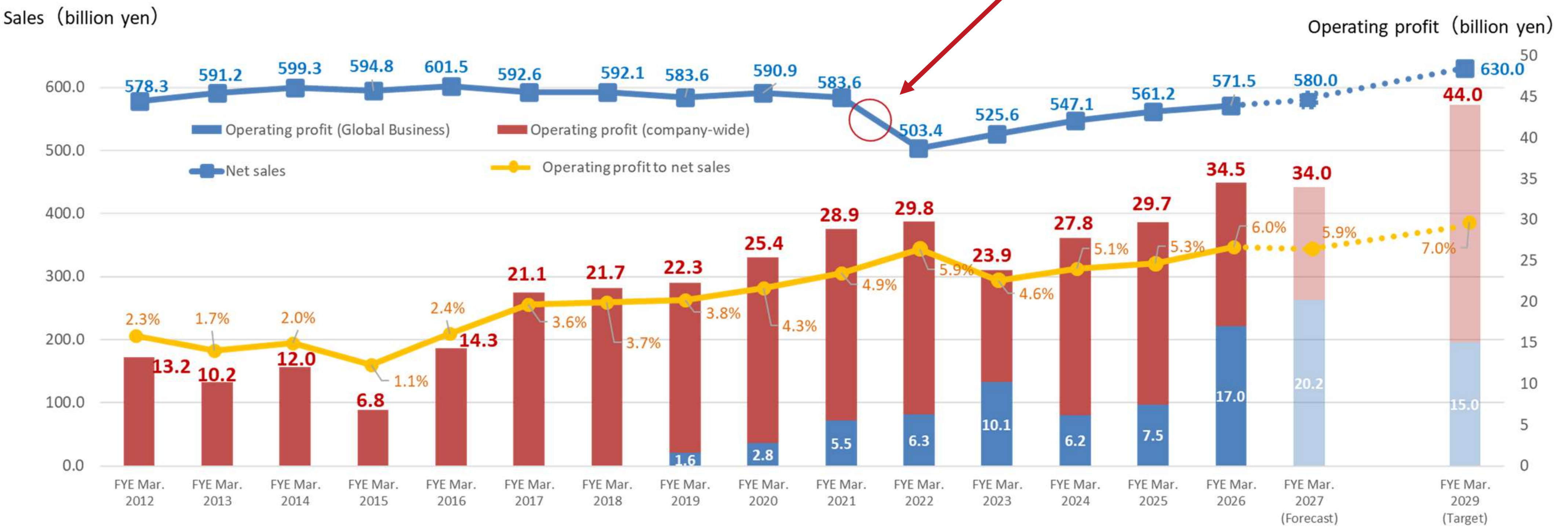


Medium-Term Business Plan 2015-2018

Medium-Term Business Plan 2019-2021

Medium-Term Business Plan 2022-2024

Medium-Term Business Plan 2025-2028

・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%**

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

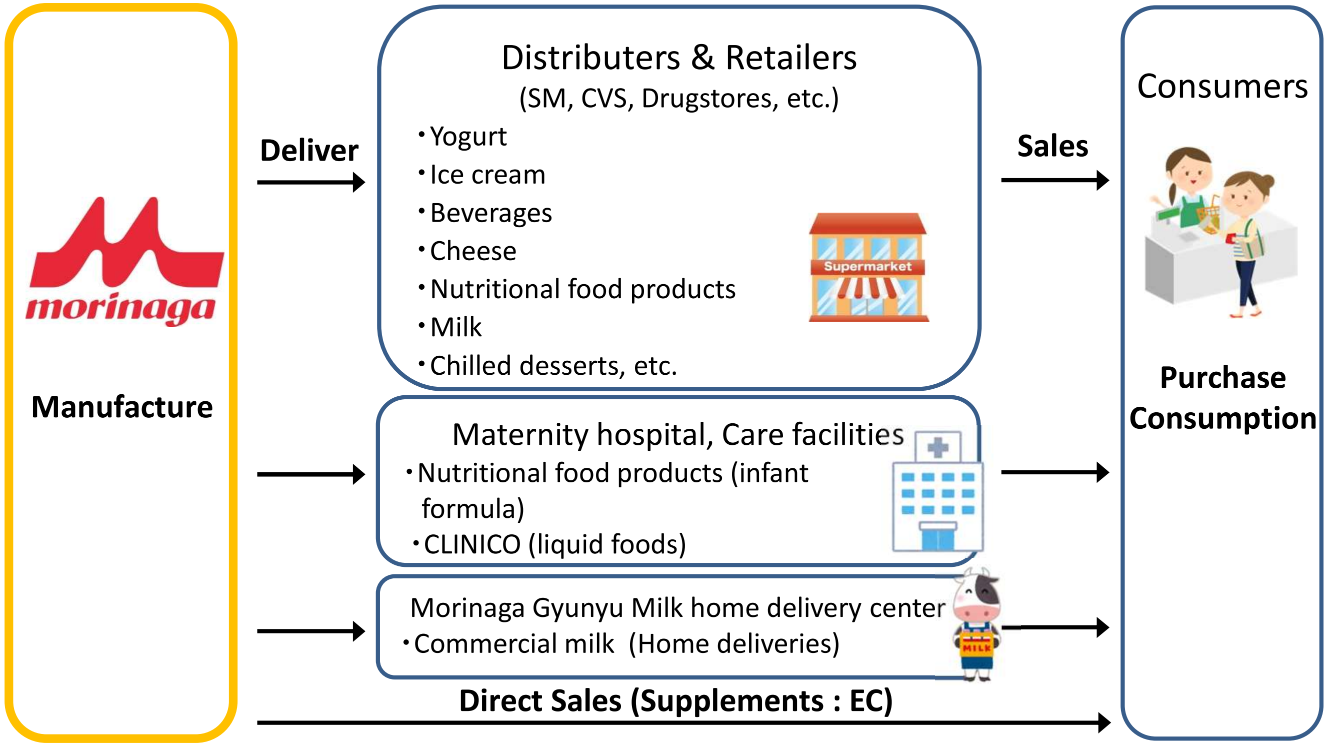
Domestic(B-to-C) Business

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.	



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) 	

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 →

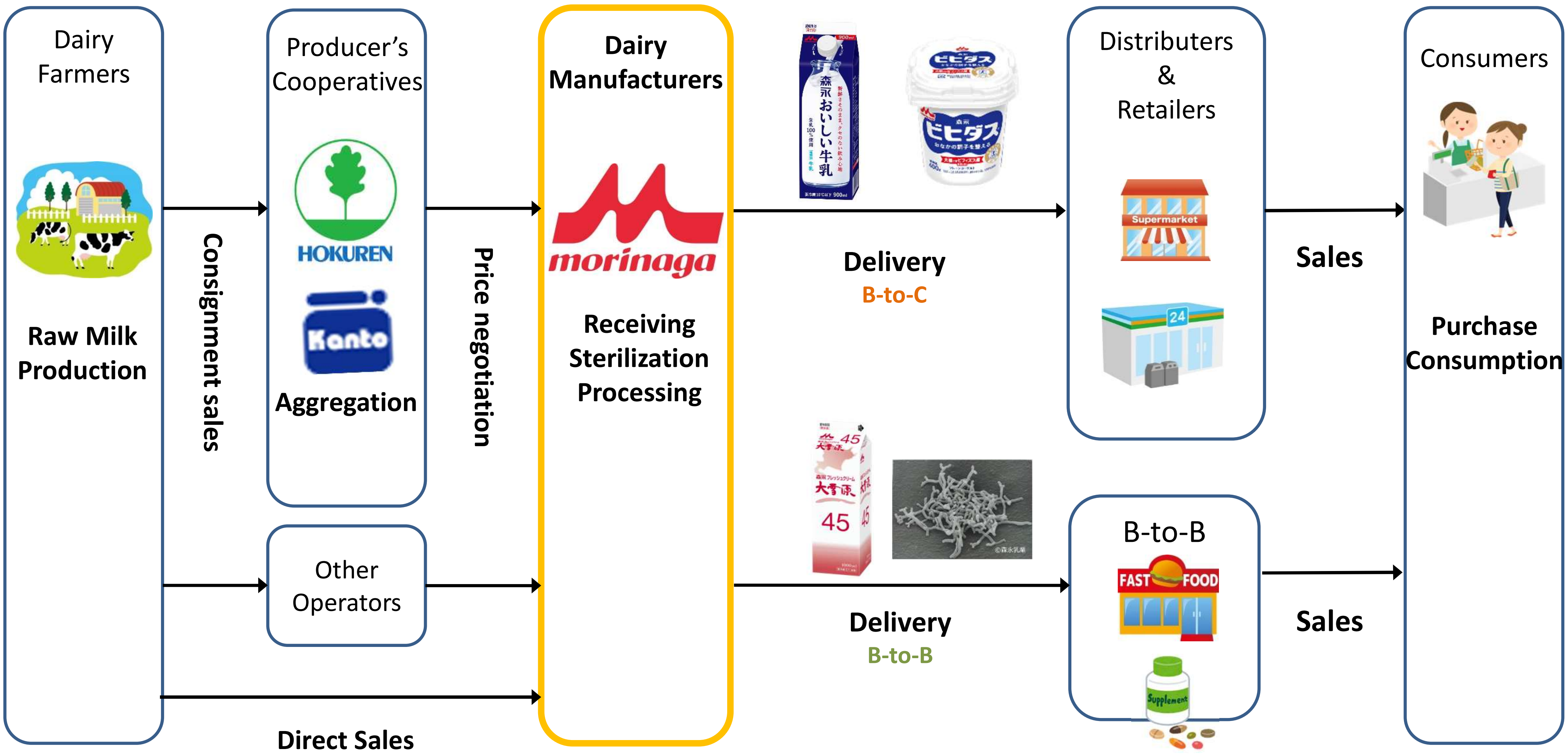
Consumers

Purchase Consumption

Deliver Sales →

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

1-5. Distribution of Milk and Dairy products



1-5. Market Shares of Major Categories of B-to-C

Growth segments

Yogurt
2nd 11%

Ice cream
3rd 11%

Mainstay segments

Chilled cup-type coffee
1st 37%

Chilled tea
1st 52%

Cheese
4th 10%

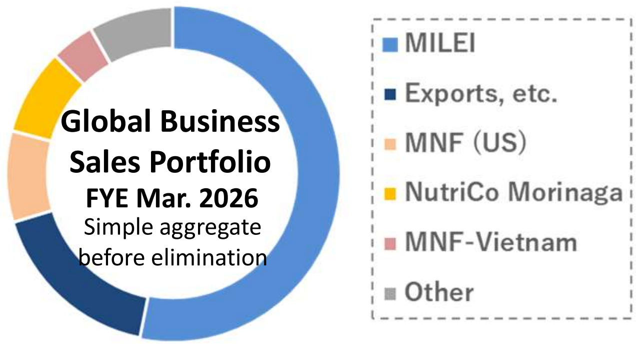
Source: Based on INTAGE Inc.'s SRI+, our own survey (share of sales amounts in Apr. 2024-Mar. 2025)

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. • 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. • 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. • 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. • The company manufactures and sells products that include milk-based beverage and yogurt.

MILEI LIVE. LOVE. ENJOY.

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

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.

MILEI
LIVE. LOVE. ENJOY.

Address: Kemptener Strasse 91, 88299 Leutkirch, Germany

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

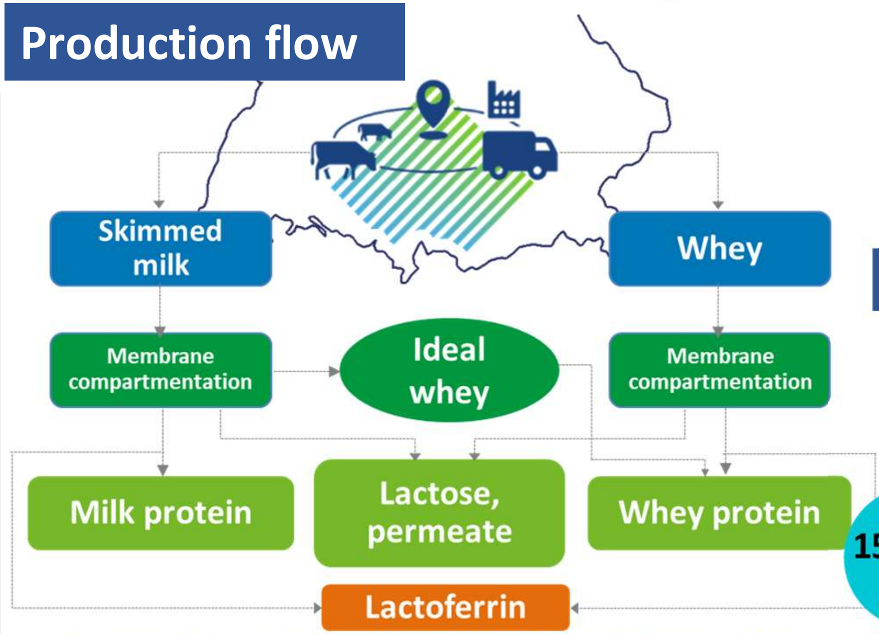
2016: Begins phased commercial production at the new plant

2018: Completes construction of the new plant

2021: Reinforcement of lactoferrin manufacturing capacity

2022: Reinforcement of manufacturing to improve lactose quality

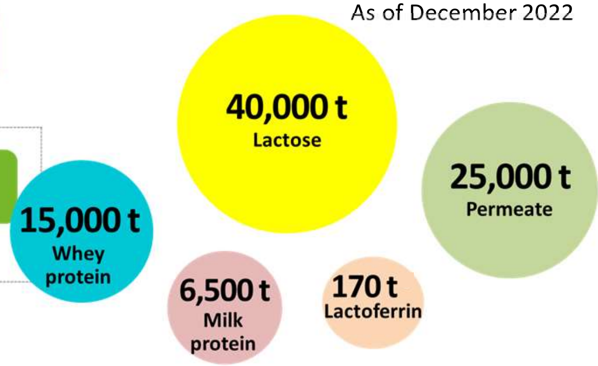
Production flow



- ➢ **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**

Manufacturing capacity

As of December 2022



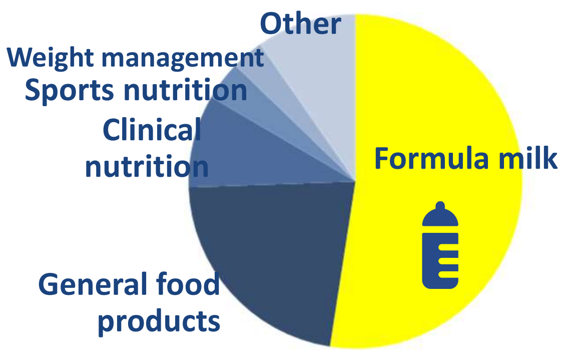
1-6. Global Business: MILEI GmbH

Global Business: MILEI GmbH

Sales area

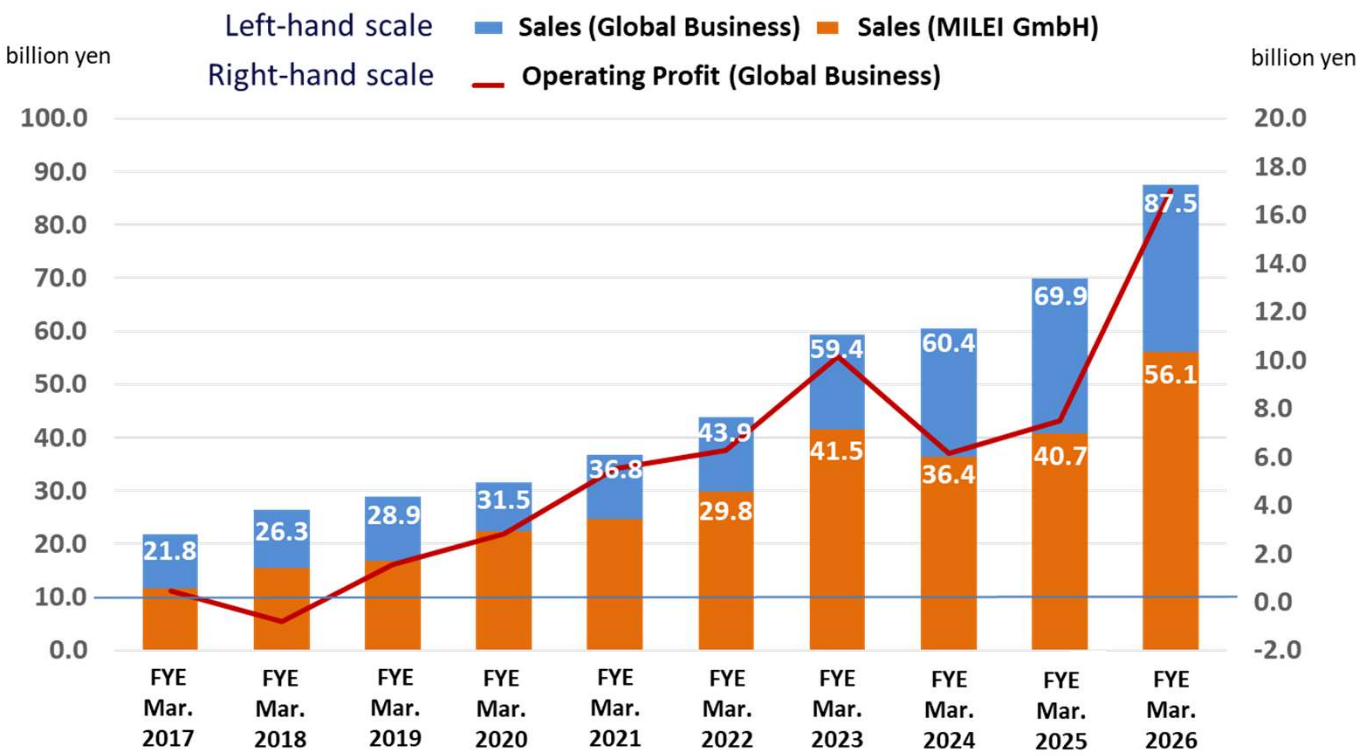
- Primary supply of products as raw materials for final products such as formula milk, mainly in Germany and Europe where MILEI GmbH is located.
- Expansion to Europe, the U.S., Asia, and various other countries and regions through suppliers.

Component of sales by application



Created from 2020-2024 cumulative sales

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

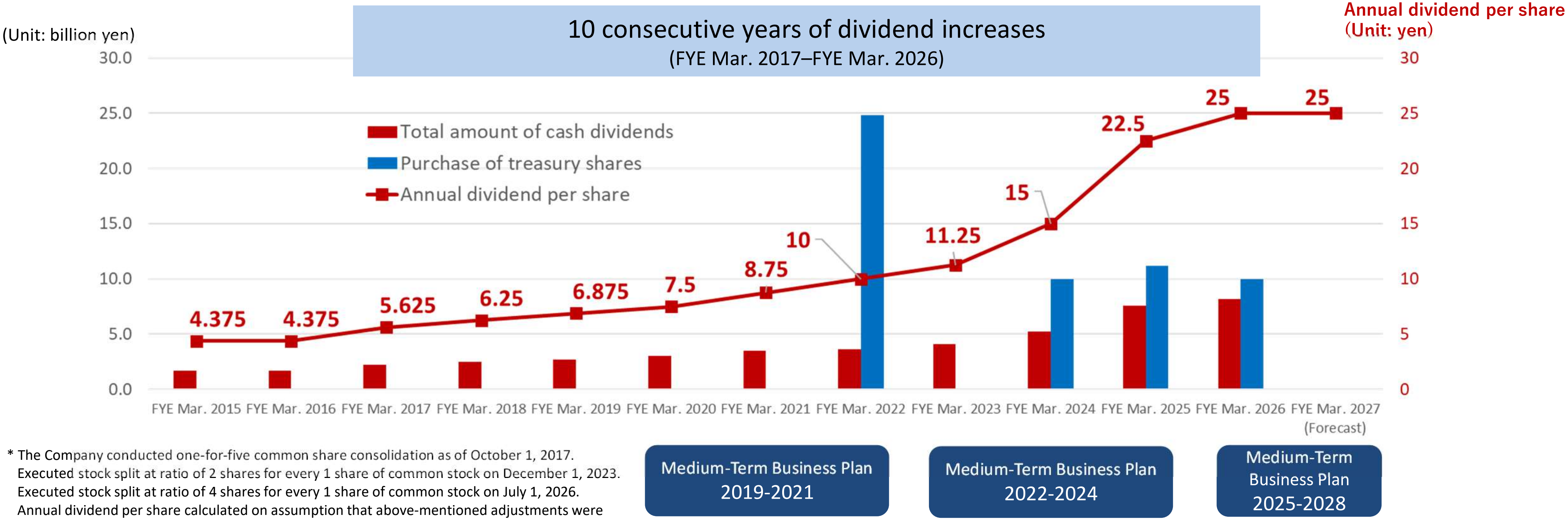


1-7. Trend in Shareholder Returns

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

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

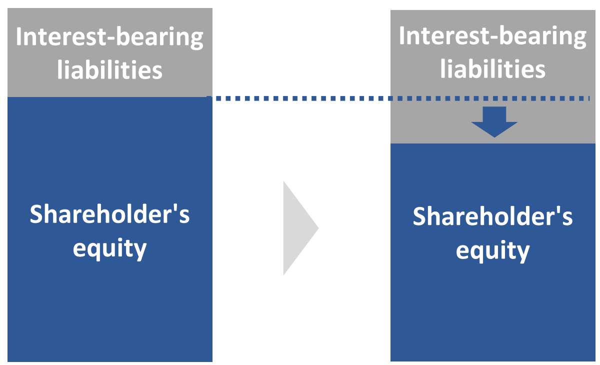
Consider both sides in pursuit of optimal capital structure

(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



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/

Medium-Term Business Plan 2025–2028 - Basic Policies

*Disclosed on May 13, 2025.

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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 ・Enhance production efficiency by restructuring production systems
Culture reforms	・Strengthen initiatives to improve return on capital ・Build an energetic team with professional skills and diversity

Medium-Term Business Plan 2025–2028 - Management Indicators

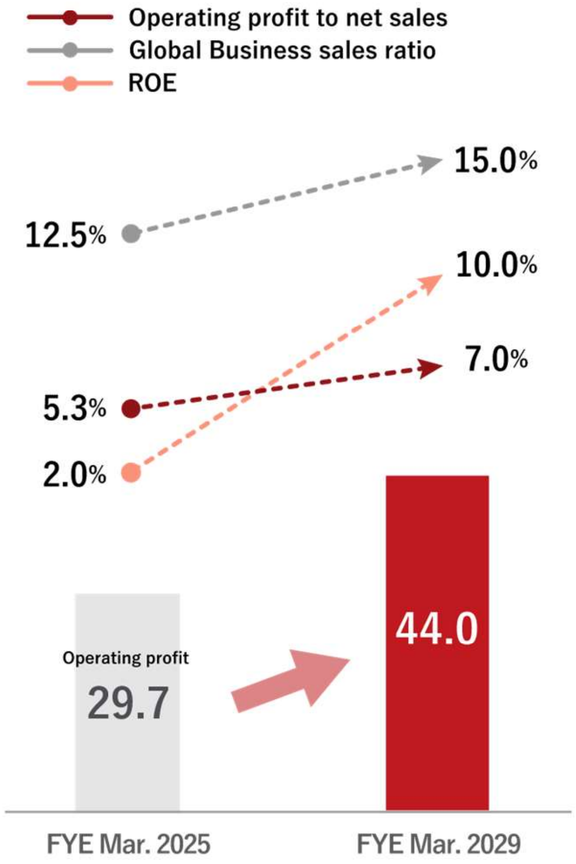
*Disclosed on May 13, 2025.

- 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



*Disclosed on May 13, 2025.

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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

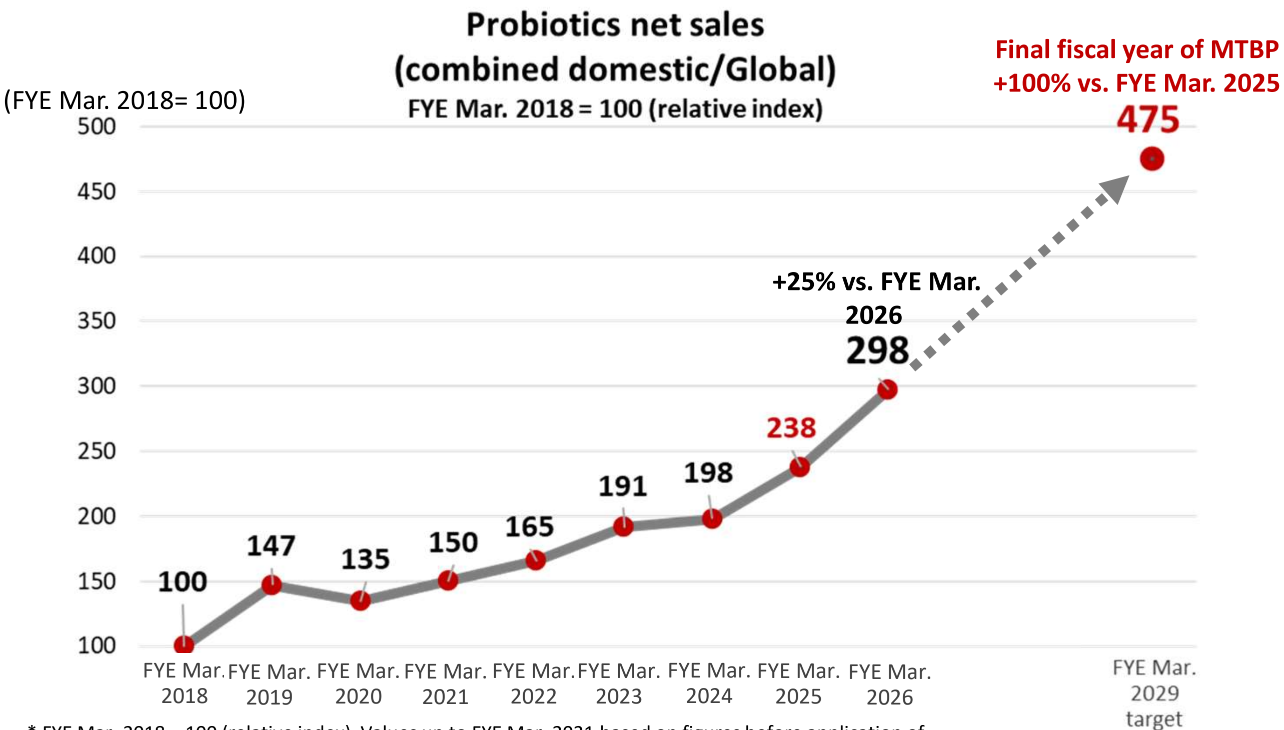
	Growth areas	Core areas	Fundamental areas	Strategic Transformation areas	Nurturing areas
Domestic Business	・Yogurt ・Ice Cream ・Probiotics	・Beverages ・Cheese ・Nutritional food products (Formula milk, etc.) ・CLINICO ・Functional ingredients (Lactoferrin, etc.)	・Milk ・Food service and institutional food products (Dairy products)	・Chilled dessert ・Commercial milk (Home deliveries, etc.)	・Health foods (Supplements)
Global Business	・Probiotics ・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.

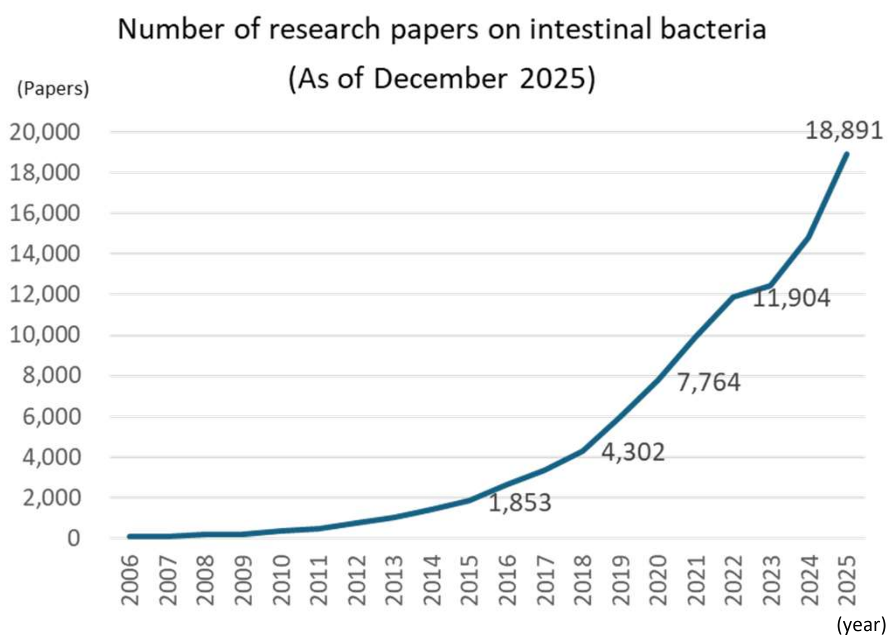
■ Rate of growth in probiotics net sales (combined domestic/Global)

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"

*Disclosed on May 13, 2025.

Structural Reforms (Enhance Production Efficiency by Restructuring Production Systems)

Growth strategy | **Structural reforms** | Culture reforms

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- 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 20%		

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

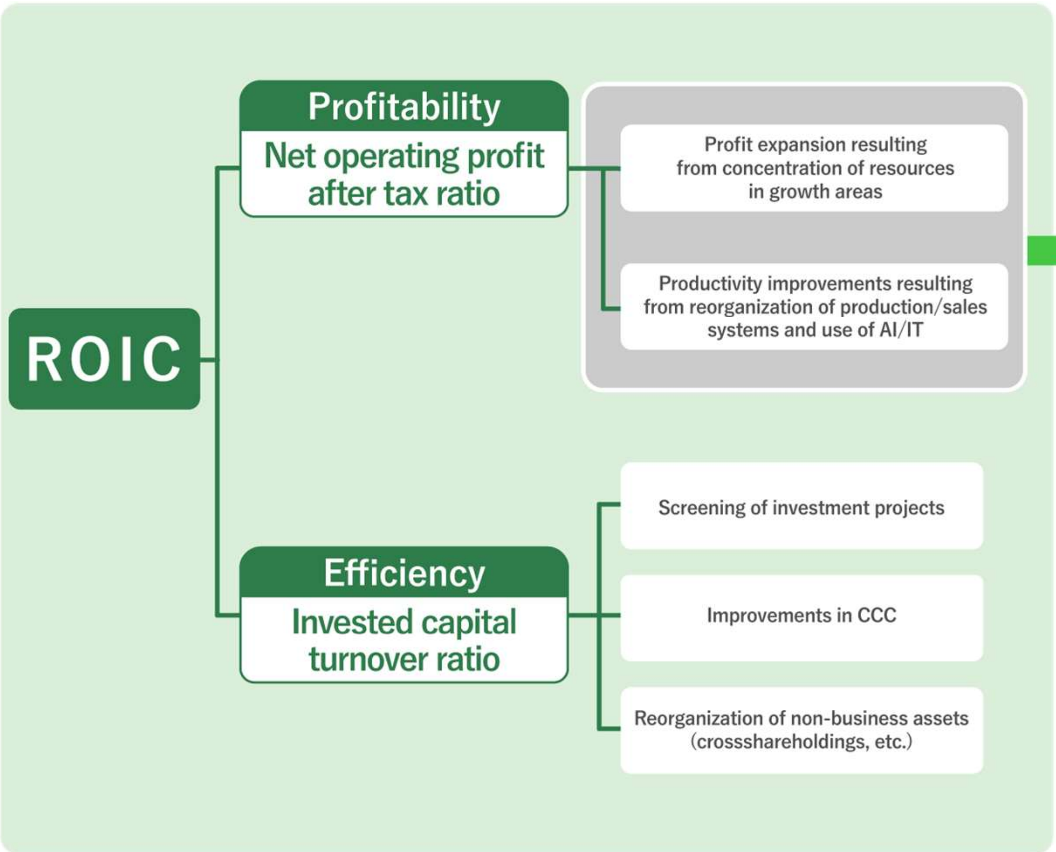
- Hokkaido's share of domestic raw milk production is on the rise, and we will secure a base in the Hokkaido region for medium- to long-term procurement of milk resources

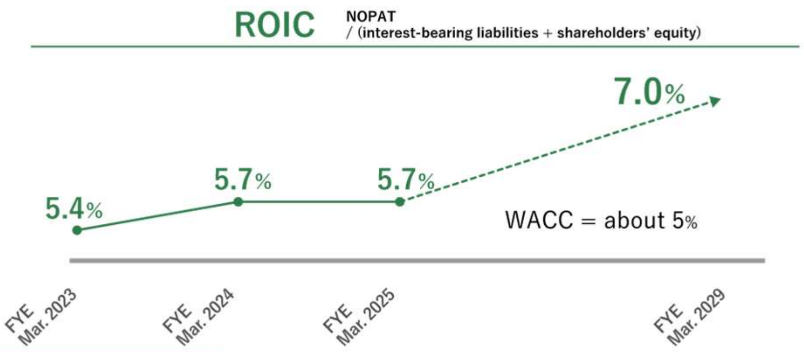
*International raw milk production is expected to grow at an annual rate of around 1-3%, but supply and demand are expected to become tight as demand increases due to population growth.

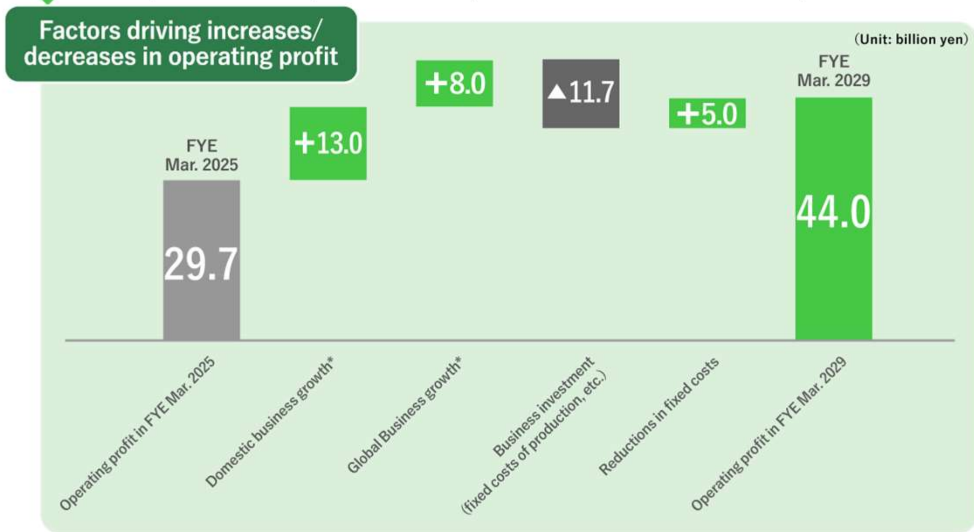
*Disclosed on May 13, 2025.

Culture Reforms (Strengthen Initiatives to Improve Return on Capital)

- ■ 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





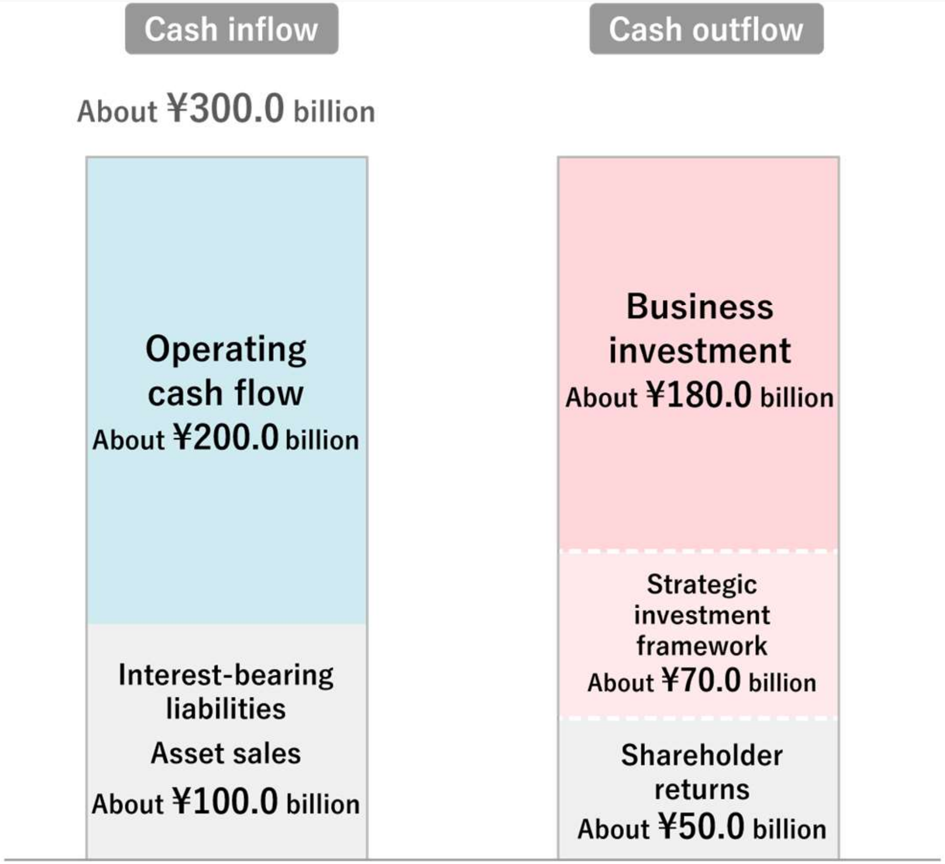


*Business growth is the amount of profit growth after cost increases driven by such external factors as rising raw material expenses have been absorbed

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/

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.“

3-2. Objectives of Each Materiality Theme

Theme	Materiality	Objective
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.**

Appendix

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%	**580.0**	**+8.5**	**+1.5%**
Operating Profit	23.9	27.8	29.7	34.5	+4.8	+16.3%	**34.0**	**-0.5**	**-1.4%**
Ordinary Profit	25.2	28.1	29.9	37.1	+7.3	+24.3%	**35.0**	**-2.1**	**-5.7%**
Profit Attributable to Owners of Parent	16.9	61.3	5.5	22.6	+17.1	+313.9%	**21.0**	**-1.6**	**-7.1%**
Operating Profit to Net Sales	4.6%	5.1%	5.3%	6.0%			**5.9%**		
ROE (Net Income / Equity Capital)	7.9%	24.5%	2.0%	8.4%			**7.5%**		
ROIC (NOPAT / Invested Capital)	5.4%	5.7%	5.7%	6.3%			**6.0%**		

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	136.6	+9.7%	155.0
Mainstay segments (Core/Fundamental/Strategic Transformation)	353.0	365.0	375.5	+2.9%	375.0
Nurturing/Other segments (Nurturing/Unique & other/Eliminations, etc.)	89.9	82.0	67.9	-17.2%	100.0
(Breakdown) Domestic business	491.3	484.0	479.1	-1.0%	535.0
(Breakdown) Global business	69.9	87.5	100.9	+15.3%	95.0
Total	561.2	571.5	580.0	+1.5%	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	14.5	+2.0	20.0
Mainstay segments (Core/Fundamental/Strategic Transformation)	13.7	20.0	16.8	-3.2	20.0
Nurturing/Other segments (Nurturing/Unique & other/Eliminations, etc.)	2.2	1.9	2.7	+0.8	4.0
(Breakdown) Domestic business	22.2	17.5	13.8	-3.7	29.0
(Breakdown) Global business	7.5	17.0	20.2	+3.2	15.0
Total	29.7	34.5	34.0	-0.5	44.0

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%	**62.3**	+8%
Ice cream	42.0	44.3	46.4	47.9	+3%	**46.7**	-3%
NutriCo Morinaga (Pakistan)	- -	6.8 13.6 billion PKR	7.9 14.2 billion PKR	8.8 15.8 billion PKR	+11% +11%	**11.1** **-**	+26% -
Core areas							
Beverages	50.3	54.8	54.4	53.6	-1%	**54.5**	+2%
Cheese	25.1	26.5	26.7	26.2	-2%	**26.1**	-1%
Nutritional food products	12.6	13.3	13.7	13.7	±0%	**14.2**	+3%
CLINICO	25.3	26.7	27.2	26.9	-1%	**27.9**	+4%
MILEI GmbH (Germany)	41.5 295 million EUR	36.4 234 million EUR	40.7 248 million EUR	56.1 305 million EUR	+38% +23%	**62.1** 336 million EUR	+11% +10%

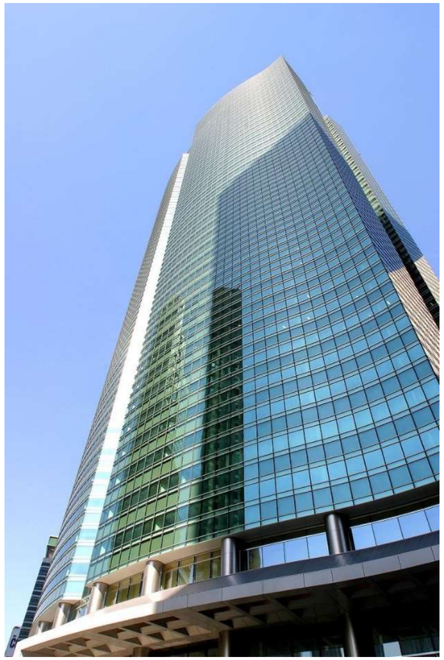
Appendix (Net Sales by Category (Non-consolited, or Consolidated Subsidiaries))

(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%	**33.3**	-19%
B-to-B business (excluding domestic probiotics)	-	-	82.2	85.9	+4%	**86.9**	+1%
Strategic Transformation areas							
Chilled desserts	7.3	7.2	8.0	7.6	-4%	**7.4**	-3%
Commercial milk (Home deliveries, etc.)	19.0	18.3	16.1	15.9	-1%	**13.4**	-15%
MNF (US)	3.5 26 million USD	7.4 53 million USD	9.8 62 million USD	9.3 60 million USD	-5% -4%	**10.1** -	+8% -
Nurturing areas							
MNF Vietnam	4.8 858.4 billion VND	4.3 742.6 billion VND	4.3 690.1 billion VND	4.5 761.8 billion VND	+5% +10%	**5.3** -	+18% -

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) 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)

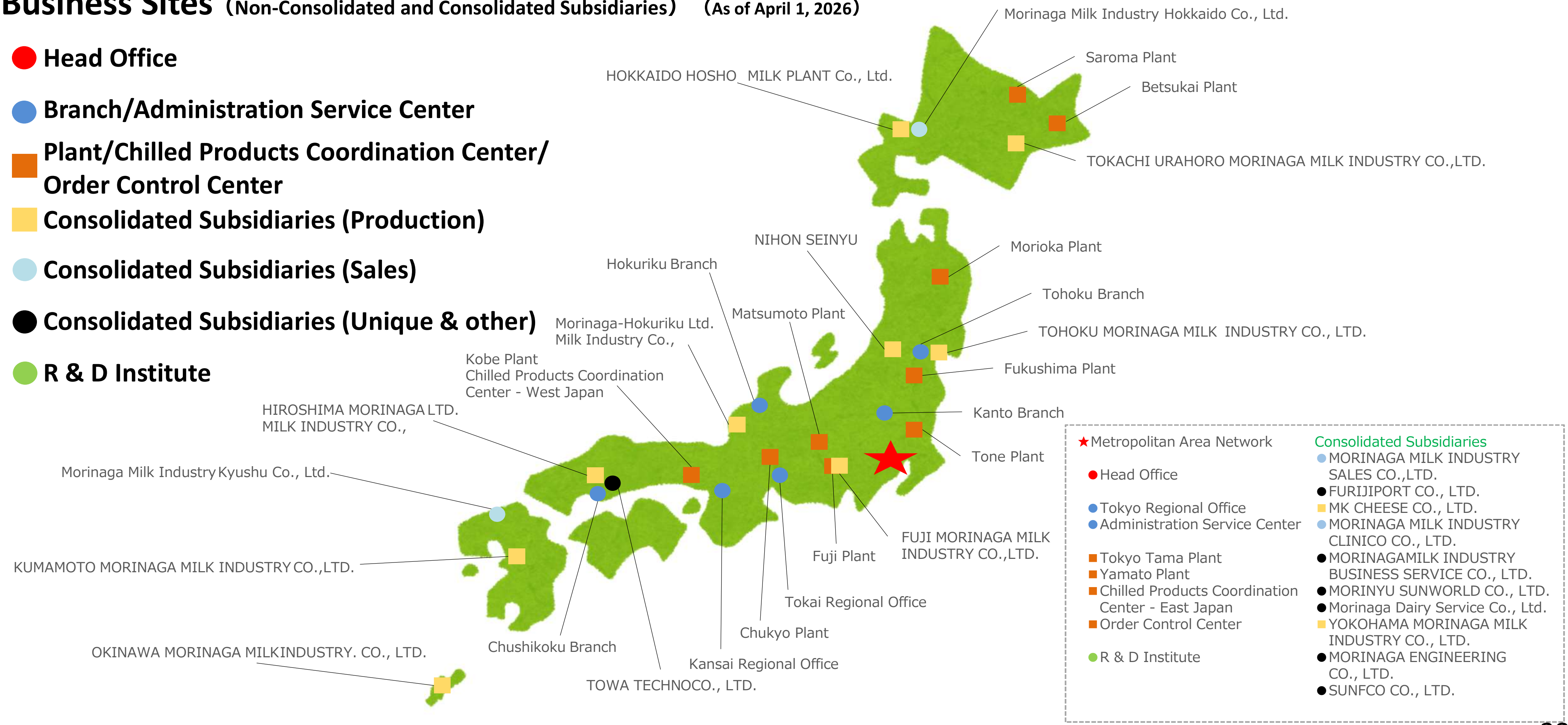


(As of March 31, 2026; for the representative only, as of August 2026)

Appendix（Overview of Morinaga Milk Group)

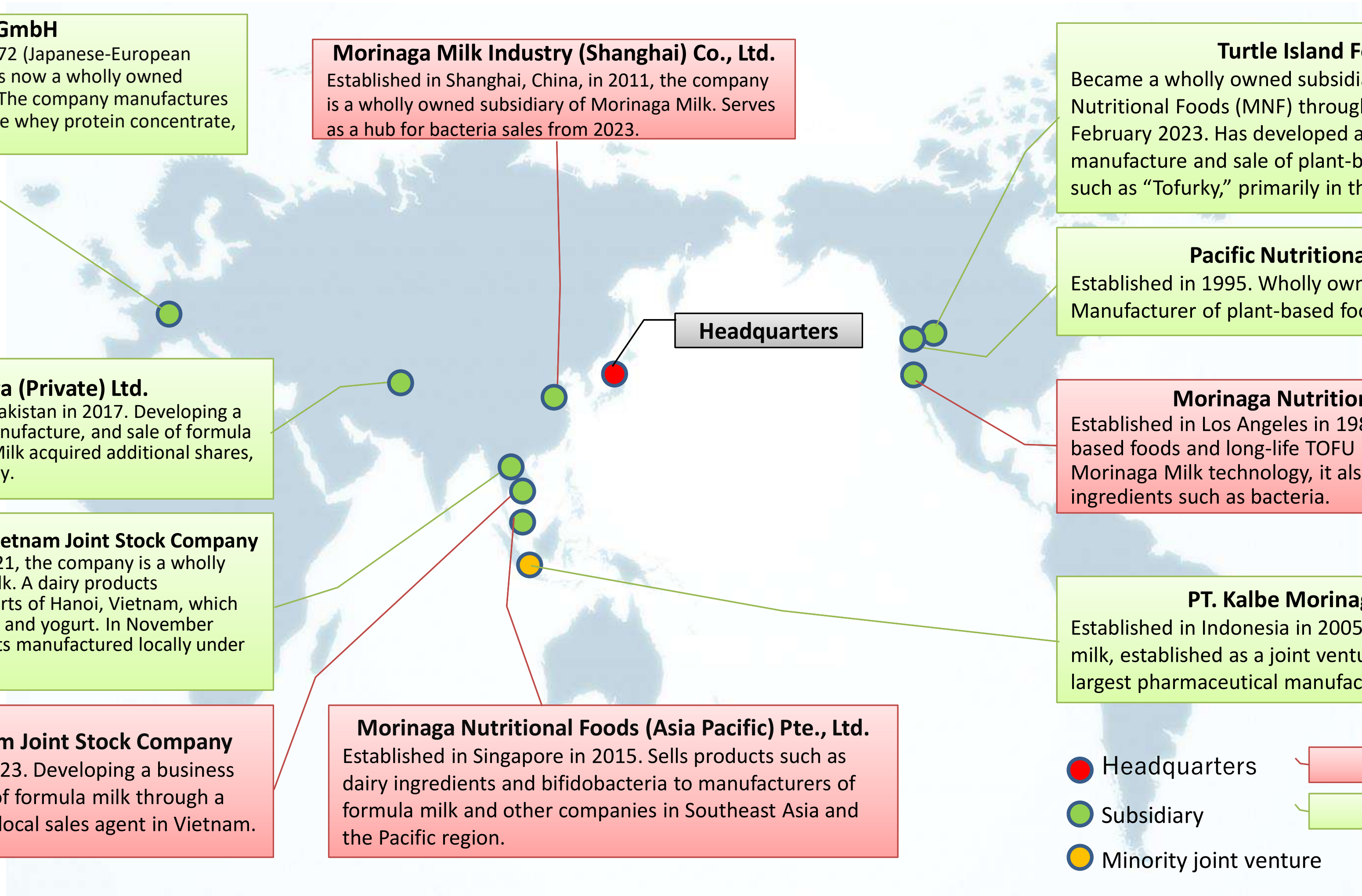
Business Sites（Non-Consolidated and Consolidated Subsidiaries） （As of April 1, 2026）

- 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



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

morinaga



MILEI GmbH
Established in Germany in 1972 (Japanese-European joint venture), 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.

Morinaga Milk Industry (Shanghai) Co., Ltd.
Established in Shanghai, China, in 2011, the company is a wholly owned subsidiary of Morinaga Milk. Serves as a hub for bacteria sales from 2023.

Turtle Island Foods, Inc.
Became a wholly owned subsidiary of Morinaga Nutritional Foods (MNF) through an M&A transaction in February 2023. Has developed a business around the manufacture and sale of plant-based food under brands such as “Tofurky,” primarily in the U.S.

Pacific Nutritional Foods, Inc.
Established in 1995. Wholly owned subsidiary of MNF. Manufacturer of plant-based food, centered on tofu.

NutriCo Morinaga (Private) Ltd.
Established as a joint venture in Pakistan in 2017. Developing a business based on the import, manufacture, and sale of formula milk. In January 2023, Morinaga Milk acquired additional shares, making it a consolidated subsidiary.

Morinaga Nutritional Foods, Inc.
Established in Los Angeles in 1985. In addition to plant-based foods and long-life TOFU made possible by Morinaga Milk technology, it also sells functional ingredients such as bacteria.

Morinaga Nutritional Foods Vietnam Joint Stock Company
Acquired 100% of its shares in 2021, the company is a wholly owned subsidiary of Morinaga Milk. A dairy products manufacturer based on the outskirts of Hanoi, Vietnam, which manufactures and sells beverages and yogurt. In November 2022 it began distributing products manufactured locally under the Morinaga Milk brand.

PT. Kalbe Morinaga Indonesia
Established in Indonesia in 2005. Manufacturer of formula milk, established as a joint venture with Kalbe, Indonesia’s largest pharmaceutical manufacturer.

Morinaga Le May Vietnam Joint Stock Company
Became a subsidiary in May 2023. Developing a business based on the import and sale of formula milk through a joint venture with Le May, the local sales agent in Vietnam.

Morinaga Nutritional Foods (Asia Pacific) Pte., Ltd.
Established in Singapore in 2015. Sells products such as dairy ingredients and bifidobacteria to manufacturers of formula milk and other companies in Southeast Asia and the Pacific region.

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.

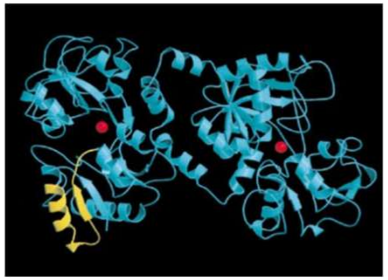
- **Orabarrier®**

  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

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.

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.

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

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

“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.