



Morinaga Milk Industry Co., Ltd. Presentation on Financial Results for the Fiscal Year Ended March 31, 2026

May 15, 2026

(Materials published May 13, 2026)

1. Overview of FYE March 2026 Financial Results
2. Outlook of Financial Results for FYE March 2027
3. Progress of Medium-term Business Plan 2025–2028
4. Dialogue with Capital Market, Toward Further Increases in Corporate Value

Preamble: Summary of Today's Presentation

1. Overview of FYE March 2026 Financial Results (pp.3–5)

- Operating profit ¥34.5 billion (+¥4.8 billion YoY, +¥1.5 billion vs. target), a record high. Greater contribution from Global Business (+¥9.5 billion YoY), profit composition ratio 49%
- Dividend revision (upward revision): Previous forecast 93 yen → Actual 100 yen (+7 yen)
- Domestic business : ¥17.5 billion. Lower profit, broadly in line with forecasts. Sales environment remains challenging but continuing with price revisions, product mix improvements, other initiatives, contribution from subsidiaries. Conversely, negative impact from lower volumes, higher raw material / operational costs continuing. Some one-off expenses occurring in relation to acquired assets / inventory disposals aimed at normalization of balance sheet, etc.
- Global Business: ¥17 billion. Profit increase, overshot forecasts. Contribution from MILEI driven by whey prices remaining high. Probiotics and formula milk revenue increases continued. Depreciation of the yen, a decrease in goodwill amortization, and other factors contributed to profit

2. Outlook of Financial Results for FYE March 2027 (pp.6–13)

- Net sales ¥580 billion (+1.5% YoY); Operating profit ¥32 billion (-¥2.5 billion YoY); dividend forecast 25 yen* (same as FYE March 2026)
- Impact from situation in Middle East: Factoring in ¥4.0 billion decline in operating profit (effects of raw material costs, etc.) (Impact up to and including September reflected in forecasts, based on assumptions as of early April)
- Domestic business : ¥16 billion. Despite initial projection of profit growth based on both expansion of Growth areas and execution of structural reforms, factoring in impact of Middle East situation to result in lower profit
- Global Business: ¥16 billion. Despite continued growth, impact of Middle East situation, reduction in inventory sales and other factors at MILEI to lead to lower profit. MILEI to provide foundation for Growth areas expansion

3. Progress of Medium-term Business Plan 2025–2028 (pp.14–21)

- Corporate recognition of MILEI, and Global Business which exceeded MTBP targets
- Progress in Growth areas
- Progress of structural reforms
- Asset turnover, allocation of cash

4. Dialogue with Capital Market, Toward Further Increases in Corporate Value (pp.22–26)

- Dialogue with capital markets, IR activities
- Key themes of dialogue, opinions received, etc.
(*For those analyzing Morinaga Milk for the first time, we have organized here some of the key points that attract the attention of capital market participants.)
- Shareholder returns
- Changes in method for determining executive remuneration
- Implementation of stock split (1 share ⇒ 4 shares)
- Sustainability management

*Figure taking into account of impact a 4-for-1 stock split scheduled for July 1, 2026

Overview of FYE March 2026 Financial Results

1. Overview of FYE March 2026 Financial Results
2. Outlook of Financial Results for FYE March 2027
3. Progress of Medium-term Business Plan 2025–2028
4. Dialogue with Capital Market, Toward Further Increases in Corporate Value

FYE March 2026 Financial Results: Summary

(Unit: billion yen)

	FYE Mar. 2025	FYE Mar. 2026	Year-on-year change	Year on year	Change from target	4Q of FYE Mar. 2026 (Jan.–Mar.)	Year-on-year change
Net sales	561.2	571.5	+10.3	+1.8%	+1.5	133.6	+3.2
Operating profit	29.7	34.5	+4.8	+16.3%	+1.5	3.8	-0.4
Ordinary profit	29.9	37.1	+7.3	+24.3%	+3.2	4.3	+0.5
Profit attributable to owners of parent	5.5	22.6	+17.1	+313.9%	+3.6	0.7	+9.9
Operating profit to net sales	5.3%	6.0%				2.8%	
ROE (profit / equity capital)	2.0%	8.4%	* Supplementary information on ordinary profit				
ROIC (NOPAT / invested capital)	5.7%	6.3%	• Non-operating income (loss): Foreign exchange gains and losses approx. +¥3.0 billion YoY, etc.				
Global Business sales ratio	12.5%	15.3%	* Supplementary information on profit attributable to owners of parent				
Annual dividend per share / Payout ratio	90 yen / 139.3%	100 yen / 36.2%	• Extraordinary income: Gain on abolishment of retirement benefit plan ¥2.2 billion, etc.				
			• Extraordinary loss: Impairment loss of ¥3.6 billion (Impairment loss of approximately ¥1.0 billion following cessation of production at Toyama Plant of Morinaga-Hokuriku Milk Industry Co., Ltd., etc.)				
			• Extraordinary income and loss (FYE March 2025) : impairment losses, etc. for overseas subsidiaries -¥20.1 billion, gains from sale of cross-shareholdings +¥6.7 billion, gains from sale of non-current assets +¥4.6 billion, etc.				

■ Operating profit of ¥34.5 billion (+¥1.5 billion vs. target), a record high Greater contribution from Global Business (+¥9.5 billion YoY, +¥3.0 billion vs. target)

Significant increase in Global Business profit centered on MILEI GmbH, overshooting targets and achieving record high profit. Conversely, although domestic business struggled with difficult environment, including lower volumes and cost increases, effects of price revisions and product mix improvements contributed to the results. One-off expenses of around ¥1.5 billion posted operating profit for Group as a whole of ¥34.5 billion. (+¥4.8 billion YoY, +¥1.5 billion vs. target)

■ Domestic business (operating profit ¥17.5 billion, -¥1.5 billion vs. target)

Despite negative volume environment caused by soaring food prices since summer 2024, we executed price revisions to address higher raw material, operational, and other costs and product mix improvements. Recorded one-off expenses of about ¥1.5 billion for costs associated with asset acquisitions, inventory disposals aimed at normalization of balance sheet, etc. Excluding the impact of the one-off expenses, operating profit as a whole was essentially in line with target.

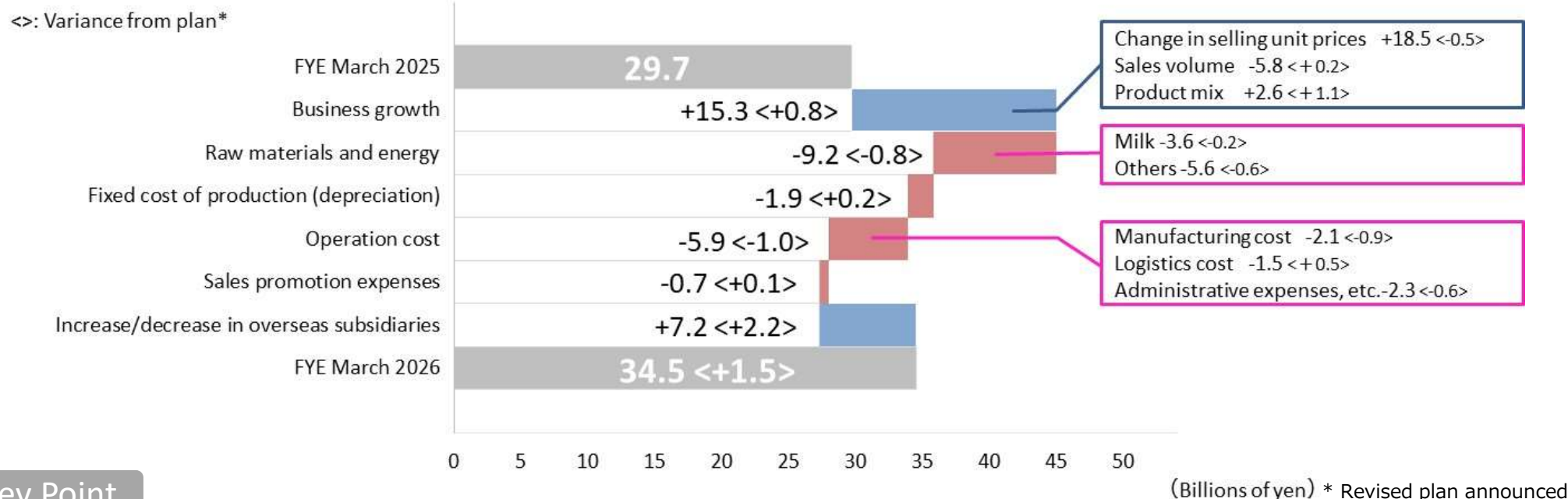
Increase in sales promotion / advertising expenses and amortization caused by concentration of resources in Growth areas for the future, but yogurt sales returned to growth in 2H, due to “Bifidus” and “PARTHENO,” and revenue expansion continues for ice cream, where manufacturing capacity has been increased. In Mainstay segment, commercial dairy products (B-to-B) made a significant contribution. Own subsidiary also resulted in sales and profit growth.

■ Global Business (operating profit ¥17.0 billion, +¥3.0 billion vs. target)

Strong performance continued at MILEI against background of strong whey protein market conditions, resulting in higher sales and profit growth. Growth area of probiotics (for formula milk/supplements) also saw revenue increases. Formula milk in Pakistan also expanded, driven mainly by locally manufactured products. Strategic transformation areas in the U.S. business recorded smaller losses. Depreciation of the yen, a decrease in goodwill amortization (+¥1.5 billion), and other factors contributed to profit. Overall results came in well ahead of targets.

Global Business profit composition ratio: 25% in FYE March 2025 → 49% in FYE March 2026

FYE March 2026 Financial Results: Factors Attributable to Increases and Decreases in Operating Profit



Key Point

- Change in selling unit prices: Price revisions for yogurt, ice cream, beverages, cheese, nutritional food products, milk, commercial dairy products (B-to-B), etc.
- Product mix: Impact of higher revenue in Growth area categories (yogurt, ice cream, probiotics). 2H recovery of "Mt. RAINIER CAFFÈ LATTE" also contributed
- Raw material prices: Raw material milk saw raw milk trade price increases (June, August). In raw materials and energy, cost increases mainly in coffee, chocolate, packaging material, etc.
- Fixed cost of production (depreciation): New production lines for ice cream started operation at Kobe Plant new manufacturing building
- Operation cost: Expenses higher than expected in areas such as asset acquisition, inventory disposal one-off expenses, and R&D expenses. Controlled logistics cost increases due in part to contribution from own subsidiary
- Sales promotion expenses: From 2H onward, concentrating resources in Growth area of yogurt
- Increase/decrease in overseas subsidiaries: Overshot forecasts, led by MILEI, where strong performance continued against backdrop of favorable whey protein market conditions. Additional contributions from effect of consolidating factories at U.S. Subsidiary, growth of formula milk in Pakistan, etc., profit contribution from depreciation of the yen and a decrease in goodwill amortization

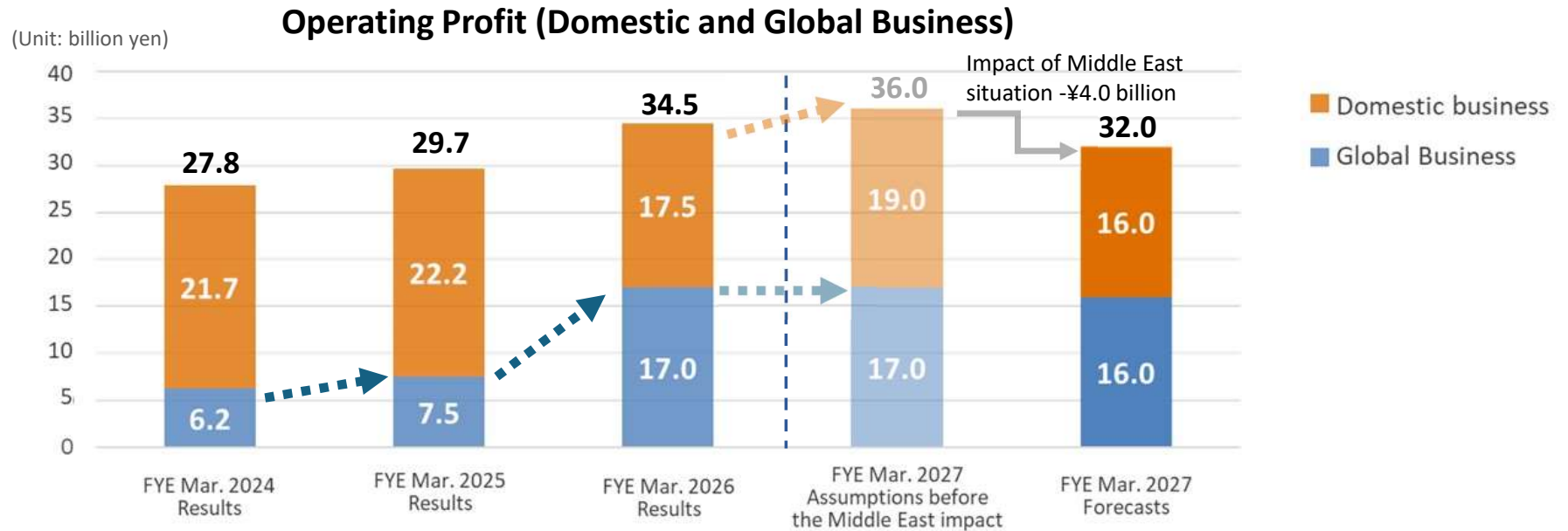
Outlook of Financial Results for FYE March 2027

1. Overview of FYE March 2026 Financial Results
2. Outlook of Financial Results for FYE March 2027
3. Progress of Medium-term Business Plan 2025–2028
4. Dialogue with Capital Market, Toward Further Increases in Corporate Value



Outlook of Financial Results for FYE March 2027: Key Points

- Although initial assumption is growth in operating profit to ¥36.0 billion for FYE Mar. 2027, this decline factors in -¥4.0 billion (domestic ¥3.0 billion, Global ¥1.0 billion) of impact from situation in Middle East
- **Operating profit forecast ¥32.0 billion (-¥2.5 billion YoY)** (Assumptions as of early April, impact provisionally calculated out to September 2026)
- Despite need to address the above, no change in the story of aiming to hit MTBP targets by expanding Global Business and Growth areas while promoting structural reforms

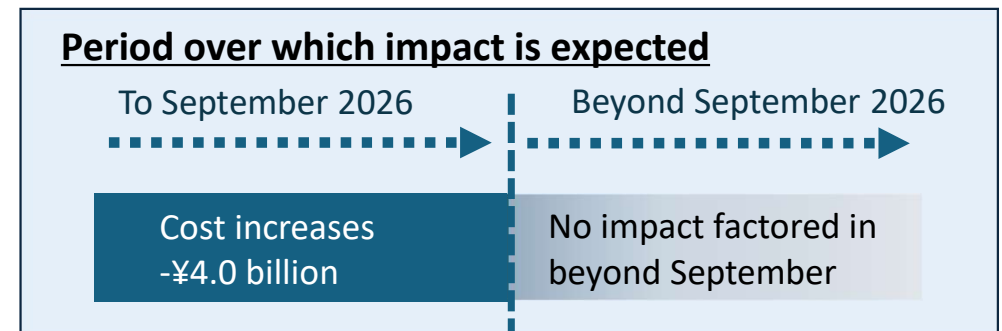


- Domestic business: Although initial projection was for profit growth based on both expansion of Growth areas and execution of structural reforms, factoring in impact of Middle East situation results in forecast of lower profit
- Global Business: To grow to account for half of operating profit. Despite continued growth, impact of Middle East situation, reduction in inventory sales and other factors at MILEI (see p.9) to result in lower profit forecast this fiscal year. Growth areas (probiotics, formula milk) to expand based on MILEI

Outlook of Financial Results for FYE March 2027: Our Assumptions

- Impact from the Middle East situation
Based on situation as of early April, the expected impact has been reflected in earnings forecasts out to September 2026
 - Impact out to September 2026 provisionally estimated at ¥4.0 billion (effects of rising raw material and energy costs, etc.)
 - Breakdown: Domestic business ¥3.0 billion, Global Business ¥1.0 billion
 - No impact factored in beyond September

Impact up to and including September (-¥4.0 billion) reflected in earnings forecasts



- Main areas affected
 - Packaging materials such as plastic cups, aluminum, and film
 - Energy costs

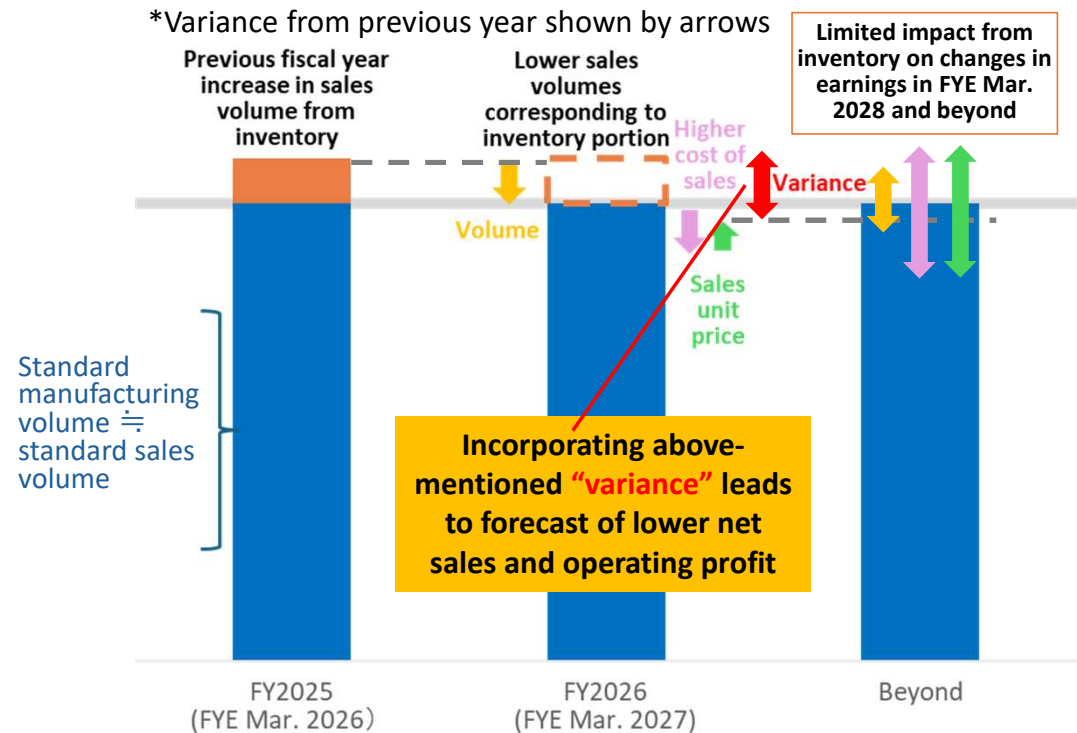
Outlook of Financial Results for FYE March 2027: Our Assumptions

■ MILEI earnings forecasts

Although whey protein market conditions remain favorable, forecast is for lower revenue and profit on single fiscal year basis

- Previous fiscal year saw higher shipment volumes due to sales from inventory
- Expect little change in manufacturing volume, have incorporated variance from previous year in shipments from inventory and higher cost of sales into forecasts
- Net sales forecast: ¥51.7 billion (- 8% YoY)
€287 million (-6% YoY)

Representation of change in earnings at MILEI
(variance from FYE Mar. 2026 to FYE Mar. 2027)

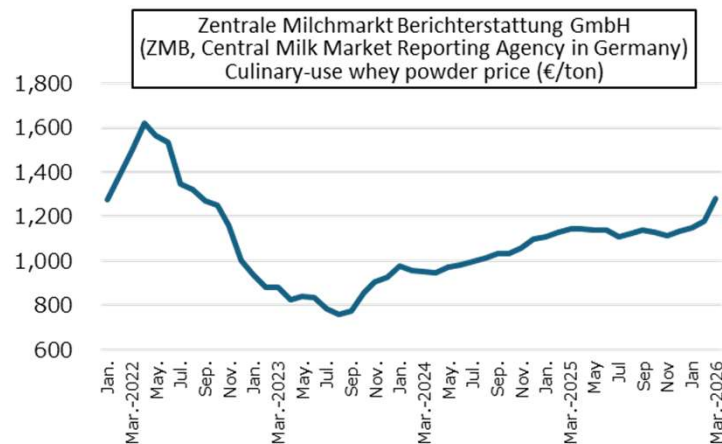


Outlook of Financial Results for FYE March 2027: Our Assumptions

■ Whey protein market*

Recent volatility not factored in, plan assumes stable market prices

*Whey protein concentrate accounts for around 60% of net sales of MILEI, which is the core of the Global Business



↑ Correlates with prices for whey raw materials procured by MILEI GmbH in Germany

● Background to rising prices in whey protein market

Medium-long term:

Population growth (necessity of protein sources)
Health awareness, rising interest in taking adequate protein in daily life (revisions to U.S. food guidelines, etc.)

Short-medium term:

Growing market for GLP-1 receptor agonists, combined use

Short-term: Recall of formula milk, etc.

⇔ Increase in supply limited at this point

● Our assumptions for whey protein market prices (outlook)

Despite possibility of continued strong demand as described above, also assume risk of shift to plant-based protein, etc. as substitute raw material due to relative price disparity, and impact of Middle East situation. Recent volatility not factored in, plan assumes stability

Outlook of Financial Results for FYE March 2027

(Unit: billion yen)

	FYE Mar. 2026	FYE Mar. 2027 Full-year target	Year-on-year change	Year on year
Net sales	571.5	580.0	+8.5	+1.5%
Operating profit	34.5	32.0	-2.5	-7.2%
Ordinary profit	37.1	32.7	-4.4	-11.9%
Profit attributable to owners of parent	22.6	20.0	-2.6	-11.5%
Operating profit to net sales	6.0%	5.5%		
Global Business sales ratio	15.3%	15.0%		
ROE (profit / equity capital)	8.4%	7.1%		
ROIC (NOPAT / invested capital)	6.3%	5.5%		
Annual dividend per share / Payout ratio	100 yen / 36.2%	25 yen* / 40.3%		

- **Although initial assumption is for profit growth, factoring in -¥4.0 billion of impact from Middle East situation results in forecast operating profit declining to ¥32.0 billion**
- Domestic business (operating profit ¥16.0 billion yen, -¥1.5 billion YoY)
Impact of Middle East situation -¥3.0 billion. Despite impact of background factors other than Middle East, such as increases in raw material, operational costs, fixed cost of production, etc., profit seen rising due to effect of unexpired months from price revisions in previous fiscal year, and absence of one-off expenses. In addition to product mix improvements, etc. achieved through high value-added products, mainly in Growth areas, and by appealing on basis of new value, we expect effects of rationalization through structural reforms and other factors.
- Global Business (operating profit ¥16.0 billion yen, -¥1.0 billion YoY)
Although whey protein market prices still high, variance from previous year in shipments from inventory and higher cost of sales have been factored in, leading to lower revenue/profit forecasts on single-year basis for MILEI. Working to achieve effective growth in profit in Global Business excluding MILEI. Forecasting growth against the background of rising numbers of recipe registrations of probiotics in the Chinese market, while formula milk to expand in Pakistan due mainly to broader lineup of locally manufactured products. Effects of structural reform emerging in the U.S., a Strategic transformation area.
Proportion of Global Business in profit composition: 49% in FYE March 2026 → 50% in FYE March 2027. Impact of Middle East situation -¥1.0 billion
- Annual dividend per share: Unchanged at 25 yen* (payout ratio forecast 40.3%)
Forecast is for lower profit in FYE March 2027, but in accordance with basic policy of achieving stable dividends over the long term, annual dividend set to be 25* yen per share (unchanged from FYE March 2026)

*Reflected the impact of a 1-for-4 stock split effective July 1, 2026. Without considering the stock split, the dividend per share is 100 yen.

Outlook of Financial Results for FYE March 2027: Target Sales and Operating Profit for Each Segments

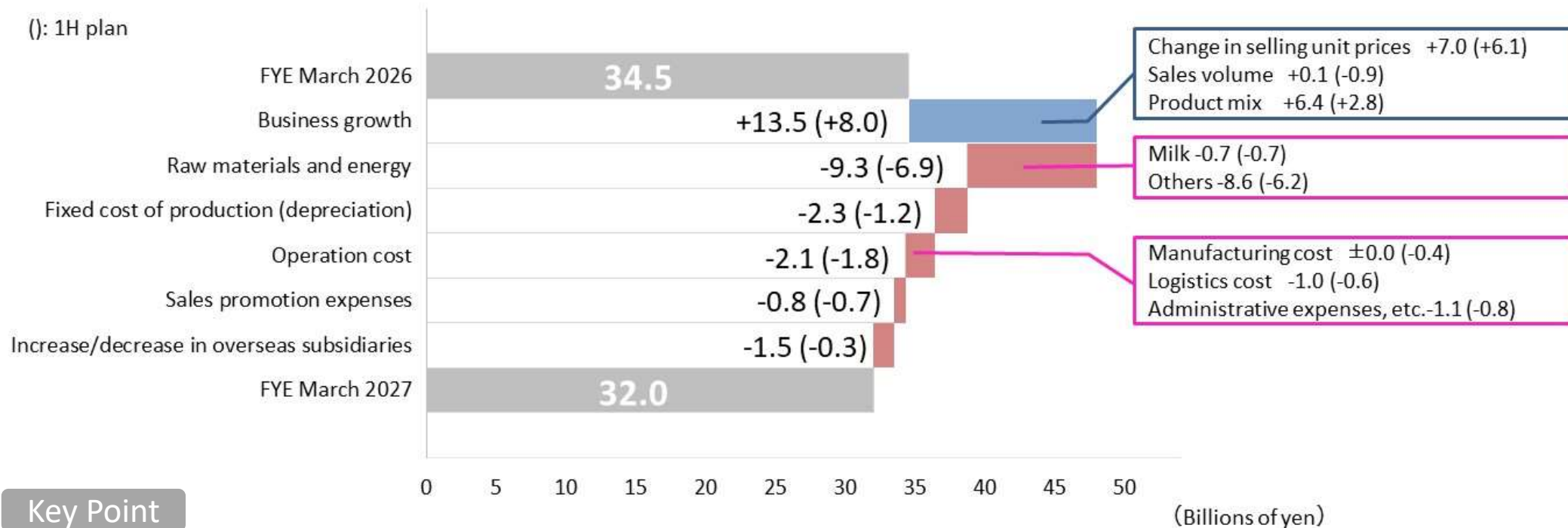


	1H target						Full-year target					
	Net sales			Operating profit (operating profit to net sales)			Net sales			Operating profit (operating profit to net sales)		
	FYE Mar. 2026	FYE Mar. 2027	Year on year	FYE Mar. 2026	FYE Mar. 2027	Year-on-year change	FYE Mar. 2026	FYE Mar. 2027	Year on year	FYE Mar. 2026	FYE Mar. 2027	Year-on-year change
Growth Segments	65.5	73.0	+11.5%	8.7 (13.3%)	8.7 (11.9%)	±0.0	124.5	135.8	+9.1%	12.6 (10.1%)	13.9 (10.2%)	+1.3
Mainstay Segments (Core, Fundamental, Strategic transformation)	180.0	181.2	+0.7%	10.7 (5.9%)	7.8 (4.3%)	-2.9	365.0	360.3	-1.3%	20.0 (5.5%)	16.4 (4.6%)	-3.6
Nurturing/Other Segments	47.9	45.8	-4.3%	1.4 (3.0%)	1.4 (3.1%)	±0.0	82.0	83.9	+2.4%	1.9 (2.3%)	1.7 (2.0%)	-0.2
Total	293.3	300.0	+2.3%	20.8 (7.1%)	17.9 (6.0%)	-2.9	571.5	580.0	+1.5%	34.5 (6.0%)	32.0 (5.5%)	-2.5
(Breakdown) Domestic business*	253.9	256.5	+1.0%	14.0 (5.5%)	11.1 (4.3%)	-2.9	484.0	493.2	+1.9%	17.5 (3.6%)	16.0 (3.2%)	-1.5
(Breakdown) Global Business	39.4	43.5	+10.3%	6.8 (17.4%)	6.8 (15.8%)	±0.0	87.5	86.8	-0.7%	17.0 (19.4%)	16.0 (18.4%)	-1.0

*Domestic business calculated as total for whole company, minus Global Business

- **Growth segments**
 - Probiotics: Forecast revenue growth in continuation of previous year (see p.18).
 - Formula milk for overseas: Aiming for growth in formula milk centered on locally manufactured products in Pakistan, where the lineup has been expanding
 - Yogurt, ice cream: Despite higher costs, including those caused by effects of Middle East situation, and increases in depreciation burden caused by start of facilities operation, higher revenue expected to drive higher profit in domestic Growth areas
- **Mainstay segments**
 - MILEI: Forecasting lower revenue and profit after factoring in decline following previous fiscal year's shipments from inventory, higher costs
 - While forecasting higher revenue for many categories in Japan, impact of higher costs including those caused by Middle East situation, to result in lower profit mainly in 1H

Outlook of Financial Results for FYE March 2027: Factors Attributable to Increases and Decreases in Operating Profit



Key Point

- Change in selling unit prices: Effects of unexpired months from price revisions in previous fiscal year (yogurt, ice cream, milk, B-to-B commercial dairy products, etc.) to contribute, mainly in 1H
- Product mix: Will expand high value-added products, mainly in Growth area categories (yogurt, ice cream, probiotics, etc.). Have also incorporated effects from volume changes, etc.
- Raw materials / Energy: Factored in 1H impact on domestic business of Middle East situation approx. -¥3.0 billion, cost increases in packaging materials, etc. Also expect cost increases mainly in imported dairy ingredients, coffee, chocolate, and others
- Fixed cost of production (depreciation): Bolstering facilities in Growth areas, such as by adding capacity to ice cream manufacturing line at Kobe Plant
- Operation cost: Increases expected logistics costs, personnel expenses, and other costs. Controlling some cost increases through one-off expenses of previous year and impact of rationalization initiatives
- Increase/decrease in overseas subsidiaries: Projecting negative contribution from lower profit forecast for MILEI. Assuming contribution to profit increase from expansion and improvements at overseas subsidiaries in Pakistan, the U.S., and Vietnam

Progress of Medium-term Business Plan 2025–2028

1. Overview of FYE March 2026 Financial Results
2. Outlook of Financial Results for FYE March 2027
3. Progress of Medium-term Business Plan 2025–2028
4. Dialogue with Capital Market, Toward Further Increases in Corporate Value

Medium-term Business Plan 2025–2028: No Revisions to Numerical Targets, etc.



FAQ, expected Q&A

- Are you not changing numerical targets (FYE March 2029) for Global Business and by segment?
 - Difficult to forecast impact of Middle East situation and other factors over medium term, so although high probability of assumptions diverging from those at time of forecast, have not changed at this point in time. Global Business operating profit target for FYE March 2029 is ¥15.0 billion, but this was already surpassed in first year of MTBP with ¥17.0 billion in FYE March 2026, forecast for second year is also ¥16.0 billion. It is a fact that progress and direction for segments of both domestic business and Global Business have both changed since the time the MTBP was formulated.

- Do you not intend to change MILEI business from Mainstay segment to Growth segment?
 - Demand for whey protein may expand steadily, and there is a good likelihood that MILEI's net sales and profits will grow as the market price rises. With only limited room to expand manufacturing capacity at present, MILEI is not forecasting an increase in sales volumes in the short term. Accordingly, though we have not designated this a Growth area (Growth segment), we do recognize that it has moved up a gear and become a more important business since the time the MTBP was formulated.

*Morinaga Milk Group Medium-term Business Plan 2025–2028
https://www.morinagamilk.co.jp/english/ir/management/plan/MTBP2025-2028_E.pdf

Progress of Medium-term Business Plan 2025–2028

■ Progress of Medium-term Business Plan 2025–2028

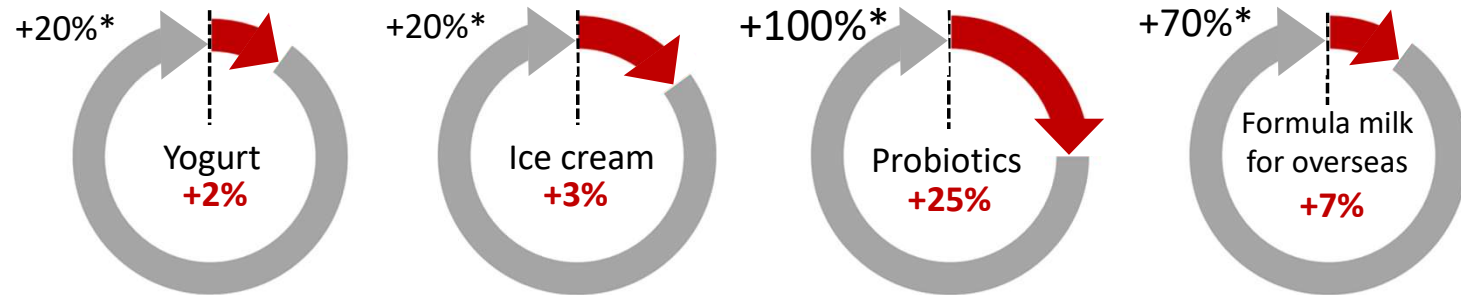
- Progress in Growth areas ⇒ pp.17 and 18
- Progress of structural reforms ⇒ p.19
- Strengthening initiatives to improve return on capital ⇒ p.20
- Our approach to allocation of cash ⇒ p.21
- Changes in human resource allocation ⇒ p.32 (Appendix)

Progress of Medium-term Business Plan 2025–2028: Progress of Growth Strategy



■ For Growth areas: Progress in growth areas, initiatives going forward

Progress in FYE March 2026, the first year of the 4-year MTBP



*Targets of FYE March 2029 (vs. FYE March 2025)

Initiatives to achieve targets going forward

■ Yogurt

- “Bifidus”: Nurture new product “Bifidus Yogurt W Bifidobacteria,” revamp communications and strengthen expansion
- “PARTHENO”: Eliminate opportunity losses by strengthening manufacturing structure (manufacturing capacity +50% or so in FYE March 2026), plan to continue gradually expanding capacity going forward

■ Ice cream

- Strengthening manufacturing structure: New lines at Kobe Plant started operation (Spring 2025: “Pino,” “MOW”; FYE March 2027: “PARM,” “Pino”), plan to continue gradually expanding capacity going forward, including use of outsourcing
- Nurture new brand: Revamping “Variche,” nationwide rollout

■ Probiotics

- Revenue growth of 25% in FYE March 2026, in line with market expansion. Increase in number of registered recipes in Chinese market
- Accelerating investigations into inorganic growth, including entry into new markets

■ Formula milk for overseas

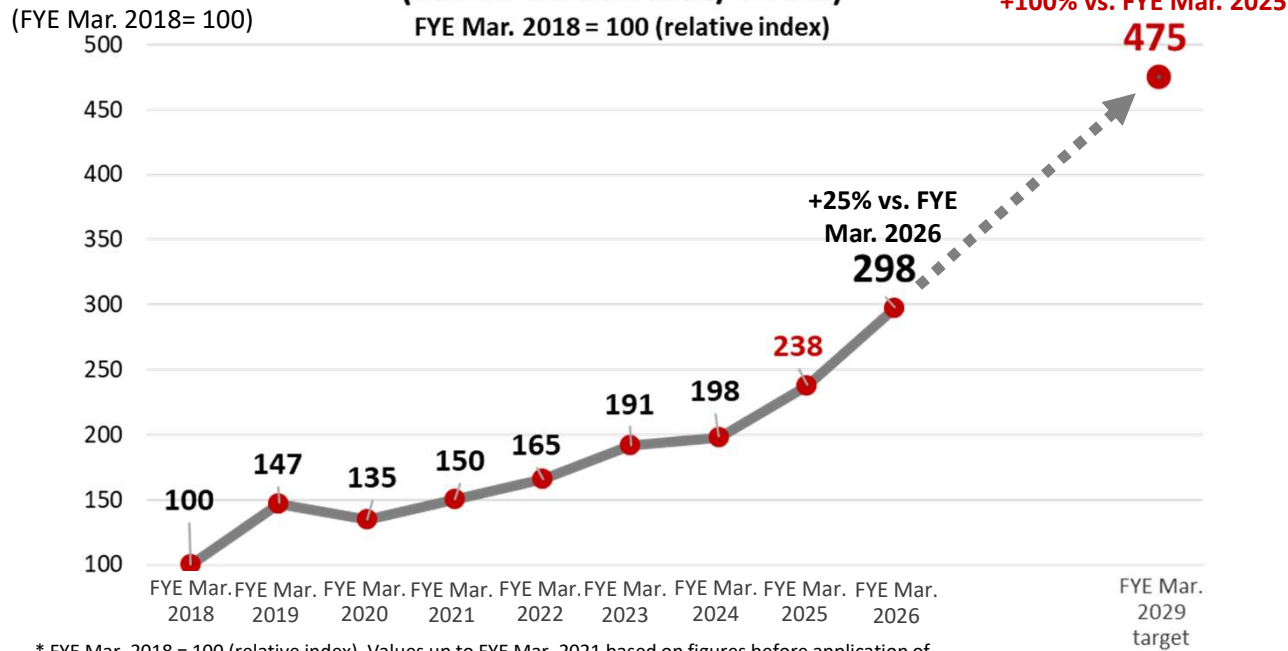
- Performing well, including “BF-1” which we have begun manufacturing locally in Pakistan. Continuing initiatives despite slump caused by impact of deteriorating market environment in Vietnam
- Accelerating investigations into inorganic growth, including entry into new markets, together with expansion in existing markets



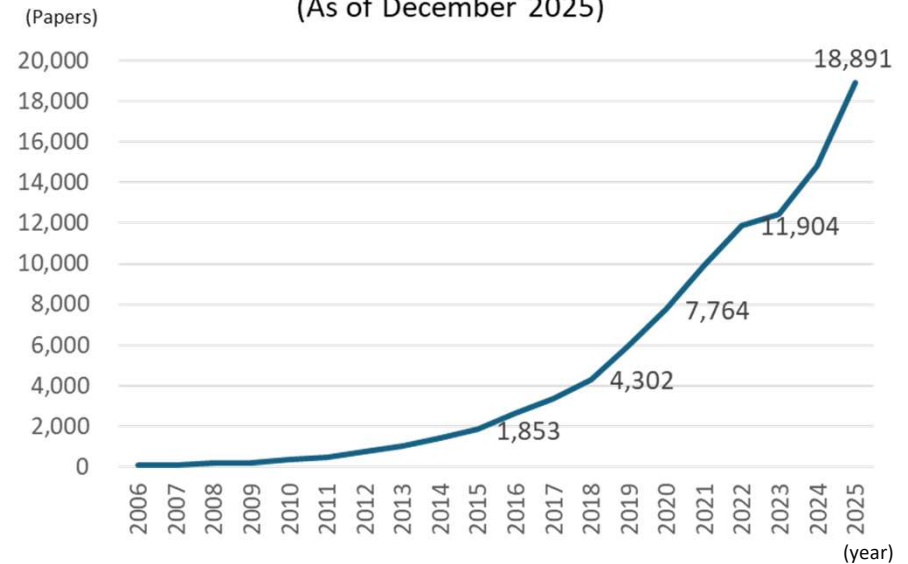
Progress of Medium-term Business Plan 2025–2028: Progress of Growth Strategy

- 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)

**Probiotics net sales
(combined domestic/Global)**
FYE Mar. 2018 = 100 (relative index)



Reference: Broadening of the intestinal flora market
Number of research papers on intestinal bacteria
(As of December 2025)



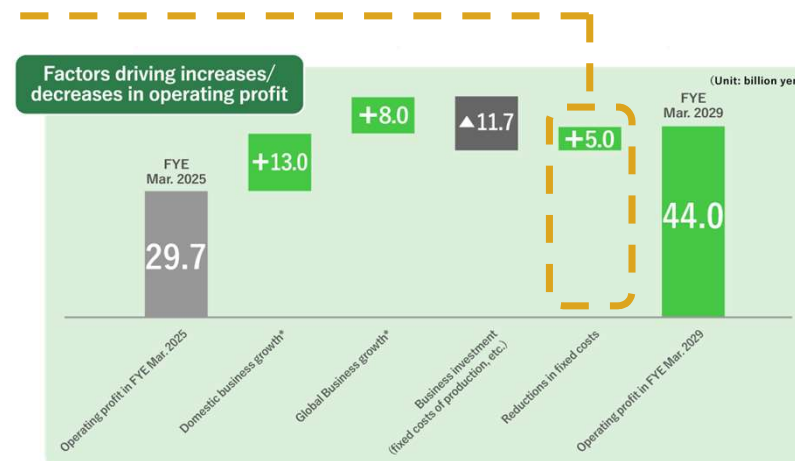
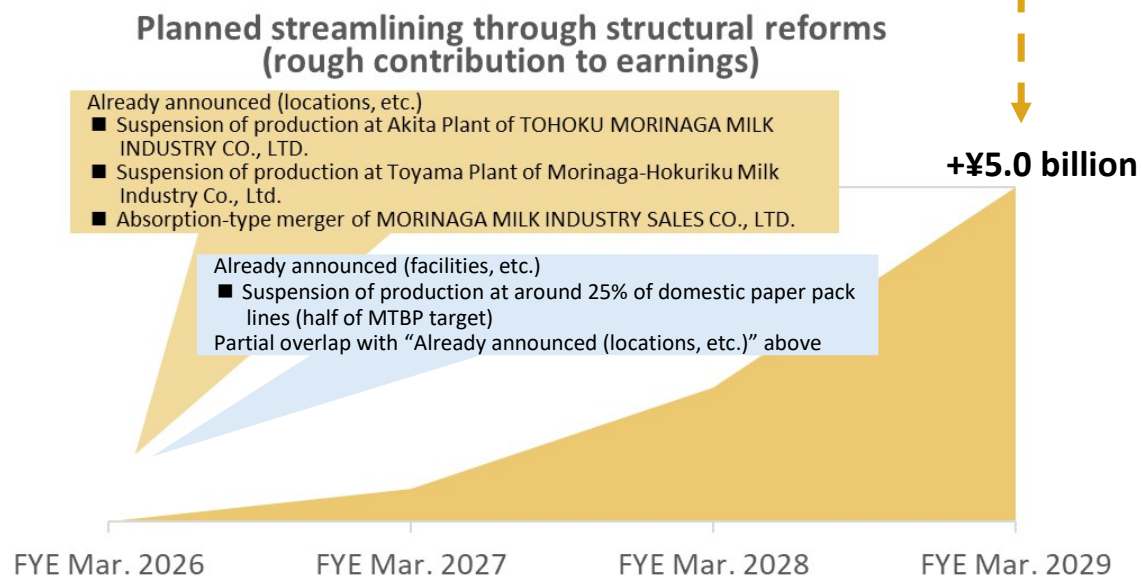
* FYE Mar. 2018 = 100 (relative index). Values up to FYE Mar. 2021 based on figures before application of revenue recognition accounting standard, which was applied to figures from FYE Mar. 2022 onward.

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

Progress of Medium-term Business Plan 2025–2028: Progress of Structural Reforms



■ Structural reforms in domestic business



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

↑ Factors Attributable to Increases and Decreases in Operating Profit (Medium-Term Business Plan 2025–2028)

- Assume contribution to earnings from structural reforms, reorganization, etc. of production/sales will emerge in FYE Mar. 2028 and beyond
- Steadily moving forward with decision-making on structural reforms in both production/sales systems
 - Production sites: Closing 2 locations (announced as of May 13, 2026)
 - Sales systems: Improved productivity through the absorption-type merger MORINAGA MILK INDUSTRY SALES CO., LTD.
- Will continue with further streamlining initiatives going forward

Progress of Medium-term Business Plan 2025–2028: Asset Turnover (Strengthening Initiatives to Improve Return on Capital)

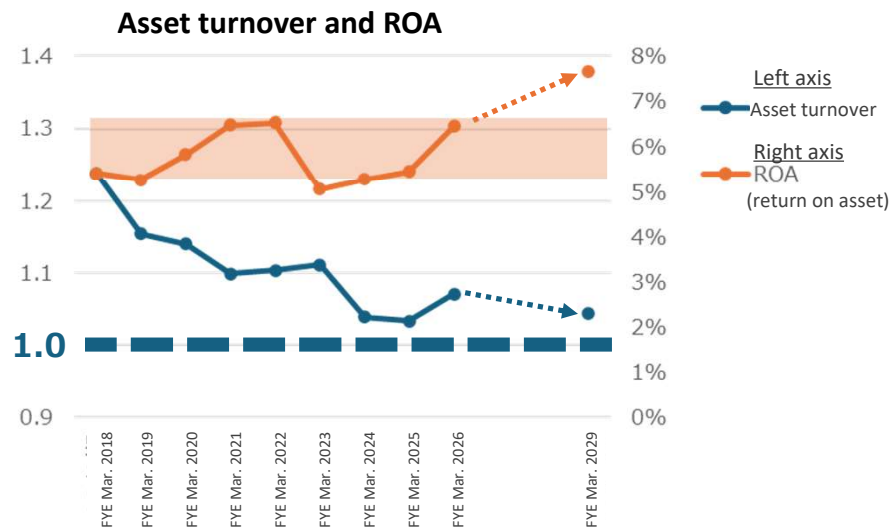


■ Our approach to Asset turnover

■ Current perception: Asset turnover and ROA are both at low levels

Non-current assets: As well as investing in Growth segments such as the Global Business, ice cream and yogurt, in recent years we have been moving forward with investments addressing infrastructure and aging facilities focused on reorganization, which has led to increase in property, plant and equipment

Current assets: Due to growth in the Global Business, ice cream and other areas, the proportion of businesses holding inventory has risen, so inventories, etc. have also increased



■ Policy going forward

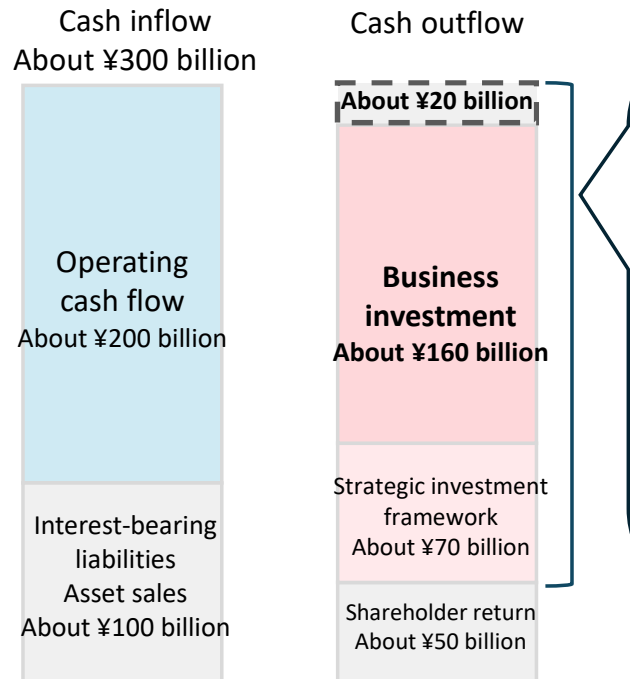
- In order to achieve our return on capital targets, we will aim to control asset turnover to 1×. We do not intend to let the downward trend of the past few years continue
- We maintained ROA at a certain level even when asset turnover was in the deterioration phase, and aim to increase it going forward
- Revision of ¥20 billion to the ¥180 billion business investment planned for allocation of cash under MTBP (p.21). Will continue to investigate further improvements in efficiency

* In principle, figures through FYE March 2021 are before the application of the revenue recognition standard, while those from FYE March 2022 onward reflect its application. However, net sales used in total asset turnover calculations for FYE March 2021 and earlier assume application of the standard.

Progress of Medium-term Business Plan 2025–2028: Allocation of Cash

■ Our approach to allocation of cash

- When planning investments, to improve capital efficiency we consider whether a project should be continued after taking into account the external environment and other factors.
Make decision to revise some investments other than those in Growth areas (monitoring mainly by Financial & Accounting Division, strengthen constraints)



- Prioritizing investments for growth, also seeking to change structure by moving forward with necessary measures to address reorganization
- Implement revisions to investment plans for other areas and shared infrastructure, etc.
- Business investment cut from initial plan of around ¥180 billion to around ¥160 billion
- Will reconsider uses for difference of ¥20 billion

Revisions to investment plan

	Initial target	Revised target
Growth segments Ice cream, yogurt, probiotics, formula milk for overseas	50	50
Mainstay segments Planning ¥10 billion for MILEI and ¥15 billion for Hokkaido Eniwa Plant	50	➔ 35
Shared infrastructure, etc. ¥15 billion* for new head office building, slightly more than initially expected, but controlling overall	80	➔ 75
Total business investments	180	160
Strategic investment Considering overseas M&A, research investments	70	70
Total investments	250	230

* Amounts are only those for current MTBP. Main cash outflow for this project expected to be in FYE Mar. 2030 and beyond

Dialogue with Capital Market, Toward Further Increases in Corporate Value

1. Overview of FYE March 2026 Financial Results
2. Outlook of Financial Results for FYE March 2027
3. Progress of Medium-term Business Plan 2025–2028
4. Dialogue with Capital Market, Toward Further Increases in Corporate Value

Dialogue with Capital Market



■ Dialogue with capital markets, IR activities

• External activities

Meetings held during the year: 432 (most ever)

*5× the level of 2010–2015 (minimum was 67 in FYE March 2014)

Financial results meetings (quarterly), small meetings with president (held by the Company or hosted by securities companies), board of directors' meetings (including External Directors)

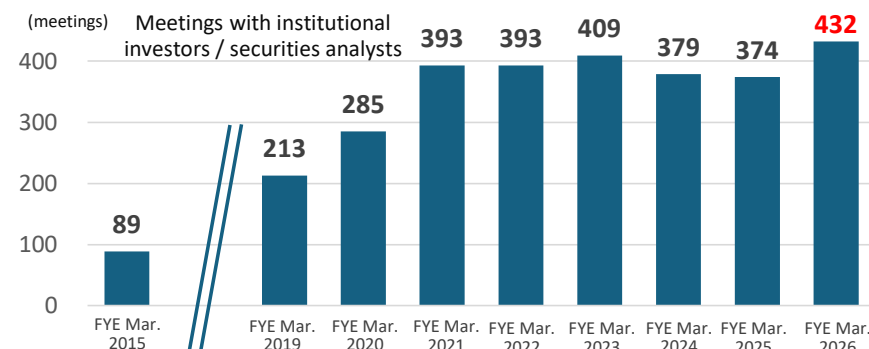
Briefings to explain impairment losses, etc. for overseas subsidiaries, sustainability briefings, securities company conferences (3)

Overseas IR (Europe: President, officer in charge of strategy; U.S. : Officer in charge of finance; Hong Kong: IRG), etc.

• Internal activities

Lectures and discussion meetings with institutional investors (for Director/ General Manager-level staff)

Internal IR briefings (5), training for newly promoted managers, briefings for those newly joining the Company, etc.



• External recognition

Awarded Japan Investor Relations Association: “Best IR Award 2025,” “Most Liked! IR Award” for second consecutive year

Selected as No.3 of 20 in the Food category in the “FY2025 Awards for Excellence in Corporate Disclosure” by the Securities Analysts Association of Japan (20th in terms of market capitalization at the time of the announcement)

5th Nikkei Integrated Report Award: “Award for Excellence” (for the second time since the 3rd awards) etc.

■ Key themes of dialogue, opinions received, etc.

• Decline in asset turnover (mainly in domestic business), investment and capital efficiency → pp.20 and 21

• Growth expectations and potential for Growth areas? → p.17

• Progress in structural reforms in domestic business → p.19

• Allocation of cash, shareholder returns → pp.21 and 24

• Will there be upward revisions to a Global Business profit forecast? → p.15

• Should MILEI business be designated as “Growth area”? → p.15

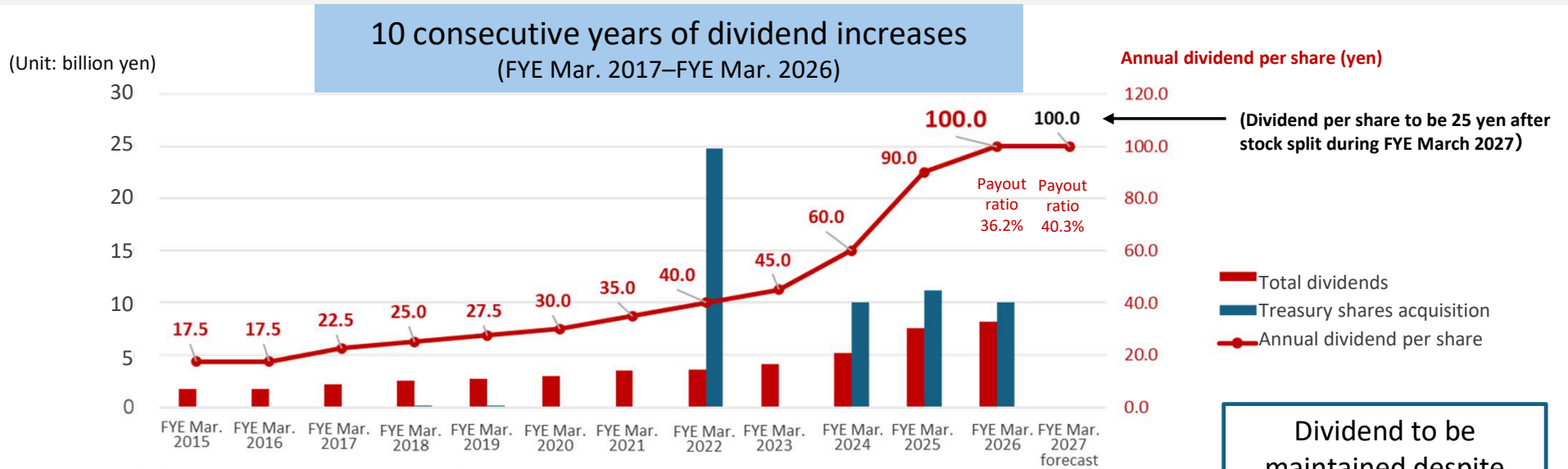
• Enhanced disclosure for Global Business (particularly MILEI) → pp.9, 10

• Characteristics of probiotics and their growth potential → p.18



Toward Further Increases in Corporate Value: Shareholder Returns

- MTBP 2019–2021: Target dividend payout ratio (20%) made explicit for first time
- MTBP 2022–2024: Dividend payout ratio target raised to 30%. Explicitly stated awareness of measures that give due consideration to total payout ratio for first time, acquired treasury shares
- MTBP 2025–2028: Dividend payout ratio target raised to 40%. Explicitly announced flexible acquisition of treasury shares, dependent on situation. Acquired in 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.
Annual dividend per share calculated on assumption that above-mentioned adjustments were made at beginning of fiscal year ended March 31, 2015

* These figures do not take into account the impact of the stock split scheduled for July 1, 2026.

MTBP 2019–2021
MTBP 2022–2024
MTBP 2025–2028

Dividend to be maintained despite forecast of lower profit in FYE March 2027

Toward Further Increases in Corporate Value: Changes in Executive Remuneration, Stock Split



■ Changes in method for determining executive remuneration

FY2025 remuneration → FY2026 remuneration changes (effective as of May 13, 2025)

For performance-linked monetary remuneration, have changed composition of evaluation indicators from perspective of strongly motivating individuals towards executing growth strategy in Medium-term Business Plan, as well as further emphasizing profitability and capital efficiency. For stock-based compensation, in addition to external evaluation indicators for sustainability initiatives, such as those of the FTSE and MSCI, we have adopted TSR (total shareholder return) order to make the link to increasing shareholder value more explicit

FY2026 remuneration → FY2027 remuneration changes (effective as of April 27, 2026)

Because reforms to the corporate culture are an important theme for achieving the sustainable growth of the Company, we added an engagement score to the evaluation indicators. In particular, we select as evaluation indicators those items from the annual engagement surveys that relate to penetration of management strategy and transformation of the organizational culture

Composition ratio		FY2025 remuneration (FY2024 evaluation indicators)				FY2026 remuneration (FY2025 evaluation indicators)		FY2027 remuneration (FY2026 evaluation indicators)	
		Composition	Evaluation indicators	Evaluation weights	Evaluation indicators	Evaluation weights	Evaluation indicators	Evaluation weights	
Performance-linked remuneration	Fixed	Monetary	50%	—	—	—	—	—	
	Short term	Monetary	30%	Consolidated net sales	30%	→	Consolidated operating profit	50%	
				Consolidated operating profit	40%		ROE	30%	
				ROE	30%		Sales (Growth)	20%	
	Medium- to long-term	Stock	20%	FTSE	50%	→	FTSE	30%	
				MSCI	50%		MSCI	30%	
						→	TSR	40%	
							→	Employee engagement	30%

■ Implementation of stock split

- Implementing stock split of 4 shares for 1 share (effective date of July 1) to establish an environment in which it is easy for investors to make investments, and to expand the investor base
- We plan to continue the shareholder incentive program, while considering details, etc.

(Reference) Shareholder Incentive Program

- We offers a shareholder incentive program with the aim of deepening understanding of the products we sell as well as showing appreciation to those shareholders who always support the Company. Shareholders listed in the shareholders' registry as of September 30 each year who hold 100 or more shares (1 or more trading units) are eligible to receive either a selection of the Company's products or a donation of an equivalent value, depending on the number of shares held.
- The details of the shareholder incentive program for shareholders as of September 30, 2026, will be decided and announced by the end of August 2026. Additionally, for existing shareholders prior to the stock split, we are considering this change in a way that ensures the value of shareholder incentives and other incentives will not fall below the level of the current Program.

Toward Further Increases in Corporate Value: Sustainability management



- Linkage between Medium-term Business Plan 2025–2028 and Sustainability Medium- to Long-Term Plan 2030
 - Revised governance system in 2025 to promote sustainability management. Sustainability Committee is engaging in discussions to enhance effectiveness with participation of external experts
 - Have announced Sustainability Medium- to Long-Term Plan 2030 KPI target values for final year of MTBP (FY2028) (see p.33)

Relationship between Sustainability Medium- to Long-Term Plan 2030 themes and MTBP

Theme	Relationship with MTBP
Food and Well-being	Maintain the loyalty of stakeholders by creating value through wellness and tastiness
Resources and the Environment	Putting together the preconditions for bringing the MTBP into effect
People and Society	Executing the MTBP on the foundation built with the active participation of our people and the trust of society and communities

*Morinaga Milk Group Sustainability Medium- to Long-Term Plan 2030: <https://www.morinagamilk.co.jp/english/sustainability/management/>



Appendix

(Reference) FYE March 2026 Financial Results: Summary by Segment



(Unit: billion yen)

	Net sales			Operating profit (operating profit to net sales)			Net sales		Operating profit (operating profit to net sales)	
	FYE Mar. 2025	FYE Mar. 2026	Year on year	FYE Mar. 2025	FYE Mar. 2026	Year-on-year change	4Q of FYE Mar. 2026 (Jan.–Mar.)	Year on year	4Q of FYE Mar. 2026 (Jan.–Mar.)	Year-on-year change
Growth Segments	118.3	124.5	+5.2%	13.8 (11.6%)	12.6 (10.1%)	-1.2	28.7	+7.6%	1.0 (3.6%)	-0.7
Mainstay Segments (Core, Fundamental, Strategic transformation)	353.0	365.0	+3.4%	13.7 (3.9%)	20.0 (5.5%)	+6.3	87.3	+5.7%	2.6 (3.0%)	+0.7
Nurturing/Other Segments	89.9	82.0	-8.8%	2.2 (2.4%)	1.9 (2.3%)	-0.3	17.7	-16.8%	0.1 (0.8%)	-0.4
Total	561.2	571.5	+1.8%	29.7 (5.3%)	34.5 (6.0%)	+4.8	133.6	+2.4%	3.8 (2.8%)	-0.4
(Breakdown) Domestic business	491.3	484.0	-1.5%	22.2 (4.5%)	17.5 (3.6%)	-4.7	108.1	-2.2%	-0.8 (-%)	-2.1
(Breakdown) Global Business	69.9	87.5	+25.1%	7.5 (10.7%)	17.0 (19.4%)	+9.5	25.6	+28.3%	4.6 (18.2%)	+1.7

- **Growth segments**
 - Probiotics in total and formula milk for overseas exceeded targets, contributed to higher profits
 - Yogurt: Eliminated price difference with competitors (August), strengthening of sales promotions etc. has led to improvements in sales situation each quarter. Significant growth in “PARTHENO” sales. Despite increases in various costs and rise in sales promotion expenses, yogurt overall profit contribution was same as previous year
 - Ice cream: Despite favorable weather, and revenue growth in line with forecasts following start of operation for new production lines, larger increases in raw material costs and rise in depreciation led to lower profit
- **Mainstay segments**
 - MILEI: Continued to perform well against backdrop of improving market conditions for whey protein, making significant contribution to profit
 - Substantial decrease in volume in domestic B-to-C category, raw material and other costs rose. On the other hand, contributions to profit from price revisions, contribution from commercial dairy products



(Reference) FYE March 2026 Financial Results: Net Sales by Category

(Unit: billion yen)		FYE Mar. 2025	FYE Mar. 2026	Year on year
Growth Segments				
	Yogurt	56.9	57.8	+2%
	Ice cream	46.4	47.9	+3%
(Global)	NutriCo Morinaga (Pakistan)	7.9 PKR 14.2 billion	8.8 PKR 15.8 billion	+11% +11%
Nurturing/Other Segments				
(Global)	Morinaga Nutritional Foods Vietnam (Vietnam)	4.3 VND 690.1 billion	4.5 VND 761.8 billion	+5% +10%

(Unit: billion yen)		FYE Mar. 2025	FYE Mar. 2026	Year on year
Mainstay Segments (Core, Fundamental, Strategic Transformation)				
	Beverages	54.4	53.6	-1%
	Cheese	26.7	26.2	-2%
	Nutritional food	13.7	13.7	±0%
	CLINICO Co., Ltd.	27.2	26.9	-1%
(Global)	MILEI (Germany)	40.7 EUR 248 million	56.1 EUR 305 million	+38% +23%
	Milk	44.3	41.0	-7%
	B-to-B (excluding domestic probiotics)	82.2	85.9	+4%
	Chilled desserts	8.0	7.6	-4%
	Commercial milk (Home deliveries, etc.)	16.1	15.9	-1%
(Global)	Morinaga Nutritional Foods (U.S., including TIF)	9.8 USD 62 million	9.3 USD 60 million	-5% -4%

Key points

- Implementation status of price revisions and volume changes: Beverages (March); yogurt, cheese, chilled desserts, etc. (April); nutritional food products (May); cheese (July); milk, yogurt, chilled desserts, etc. (August); ice cream (September and February–March); commercial dairy products (B-to-B)
- Ice cream: New lines at Kobe Plant started operation, putting in place structure for production increases

(Reference) FYE March 2026 Financial Results: Net Sales by Category (Shown Quarterly)



(Unit: billion yen)

	1Q of FYE Mar. 2025 (Apr.–June)	1Q of FYE Mar. 2026 (Apr.–June)	Year on year	2Q of FYE Mar. 2025 (July–Sept.)	2Q of FYE Mar. 2026 (July–Sept.)	Year on year	3Q of FYE Mar. 2025 (Oct.–Dec.)	3Q of FYE Mar. 2026 (Oct.–Dec.)	Year on year	4Q of FYE Mar. 2025 (Jan.–Mar.)	4Q of FYE Mar. 2026 (Jan.–Mar.)	Year on year
Growth Segments												
Yogurt	14.6	14.3	-2%	14.5	14.4	±0%	13.9	14.3	+3%	13.9	14.7	+6%
Ice cream	12.9	13.4	+4%	15.9	16.8	+5%	9.7	10.0	+3%	7.8	7.7	-1%
Mainstay Segments (Core, Fundamental, Strategic transformation)												
Beverages	14.7	13.8	-6%	15.7	15.3	-3%	12.7	12.8	±0%	11.3	11.7	+4%
Cheese	6.7	6.4	-5%	6.7	6.5	-3%	6.9	7.1	+2%	6.3	6.3	-1%
Nutritional food products	3.3	3.5	+5%	3.5	3.4	-4%	3.7	3.8	+4%	3.2	3.0	-5%
CLINICO Co., Ltd.	6.7	6.6	-1%	6.9	6.9	-1%	7.8	7.6	-2%	5.8	5.8	±0%
Milk	11.3	10.4	-8%	11.9	11.2	-6%	10.8	10.1	-7%	10.2	9.3	-9%
B-to-B (excluding domestic probiotics)	20.2	21.4	+6%	20.5	21.5	+5%	22.1	23.0	+4%	19.4	20.0	+3%
Chilled desserts	2.0	2.0	-4%	2.0	1.9	-6%	2.0	1.9	-7%	1.9	1.9	±0%
Commercial milk (Home deliveries, etc.)	4.1	4.1	-1%	4.0	3.9	-1%	4.2	4.2	-2%	3.8	3.7	-1%

(Reference) Outlook of Financial Results for FYE March 2027: Target Sales by Category



(Unit: billion yen)

FYE Mar. 2027 target	Net sales				
	FYE Mar. 2027 1H target	Year on year	FYE Mar. 2027 full-year target	Year on year	
Growth Segments					
	Yogurt	31.2	+9%	61.3	+6%
	Ice cream	31.4	+4%	50.5	+5%
(Global)	NutriCo Morinaga (Pakistan)	4.6	+20%	9.6	+9%
Mainstay Segments (Core, Fundamental)					
	Beverages	30.3	+4%	55.2	+3%
	Cheese	13.6	+6%	27.3	+4%
	Nutritional food products	7.1	+3%	14.2	+4%
	CLINICO Co., Ltd.	14.3	+6%	29.8	+11%
(Global)	MILEI (Germany)	25.8	+1%	51.7	-8%
	Milk	19.6	-9%	38.1	-7%
	B-to-B (excluding domestic probiotics)	43.0	±0%	86.8	+1%

(Reference)

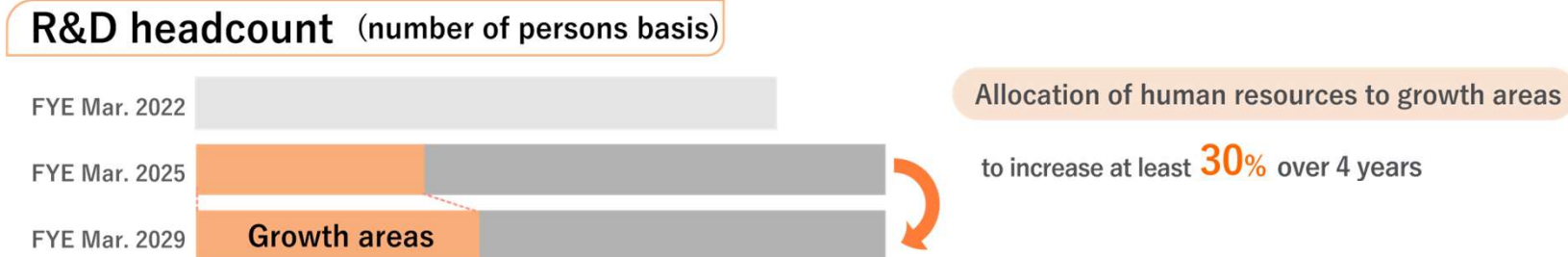
Progress of Medium-term Business Plan 2025–2028 : Human Resource Allocation

■ Changes in human resource allocation

- In terms of concentrating resources in Growth areas in accordance with MTBP growth strategy, our approach is to “change the allocation of human resource across the Company, including R&D and sales departments”

R&D headcount in Growth areas (as of April 2026) up around 20% vs FYE Mar. 2025

↓ From MTBP 2025–2028 “Growth Strategy (Concentrate Resources in Growth Areas)”



- Going forward, we seek to continue to strengthen Growth areas and the Global Business by allocating human resources in alignment with the MTBP
- From the perspective of human capital, we will move this forward together with initiatives for culture reforms. Elevated employee engagement (FYE Mar. 2026 rating: B). “Building an energetic team with professional skills and diversity”

(Reference) Toward Further Increases in Corporate Value

- Linkage between Medium-term Business Plan 2025–2028 and Sustainability Medium- to Long-Term Plan 2030
 - Have announced Sustainability Medium- to Long-Term Plan 2030 target values for final year of MTBP (FY2028)

Sustainability Medium- to Long-Term Plan 2030: Excerpt of KPI target values

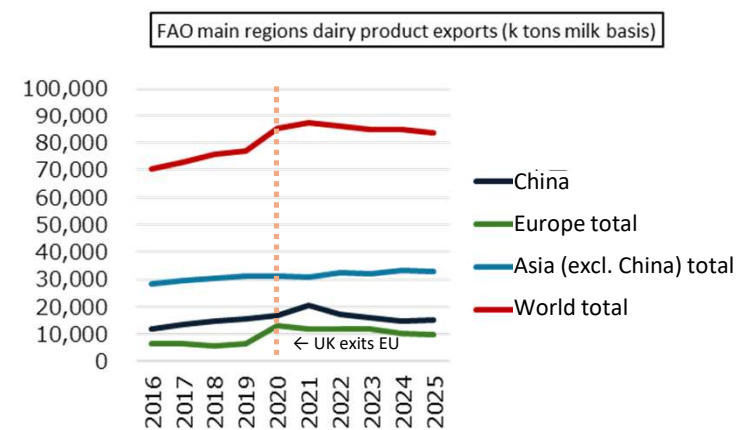
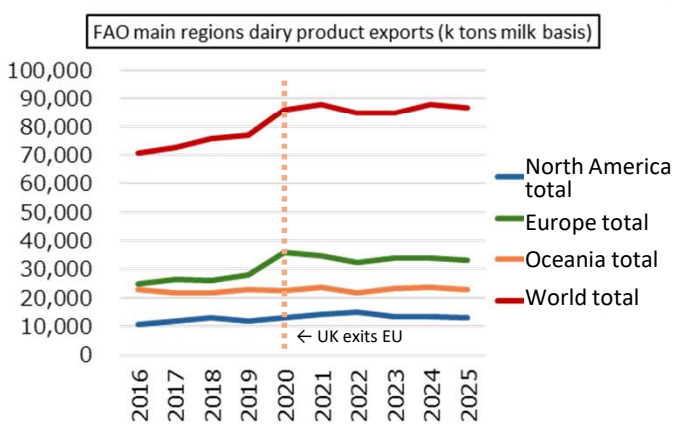
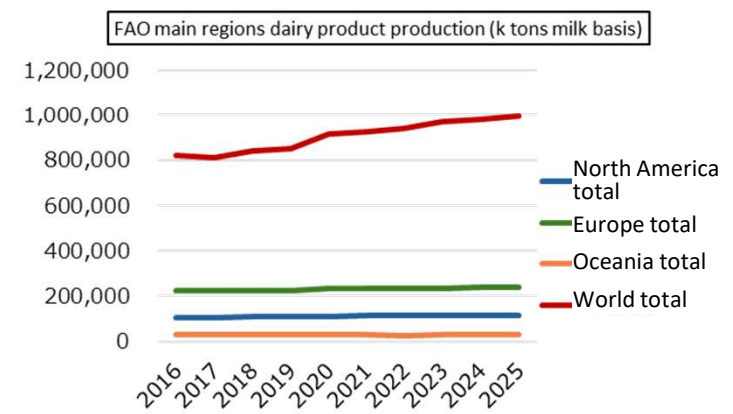
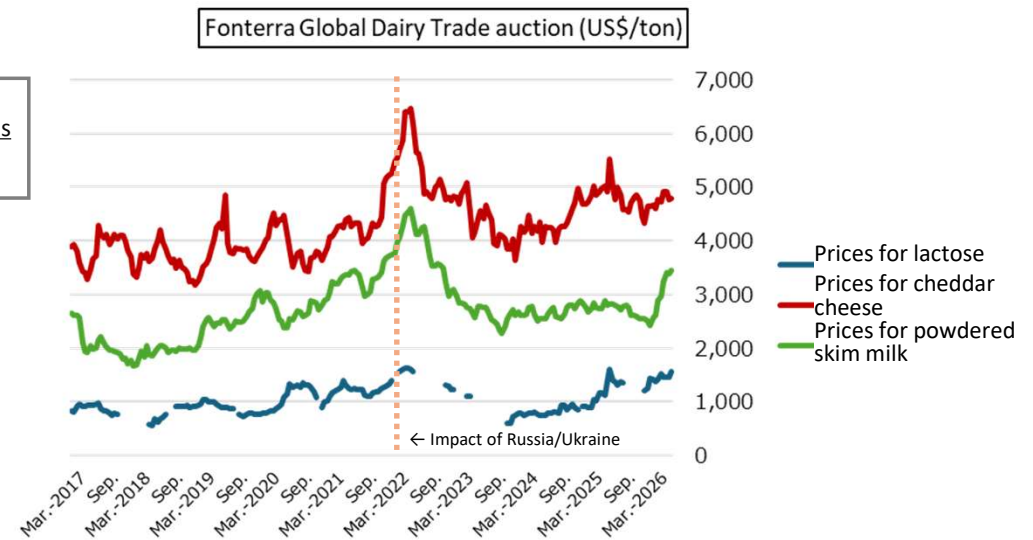
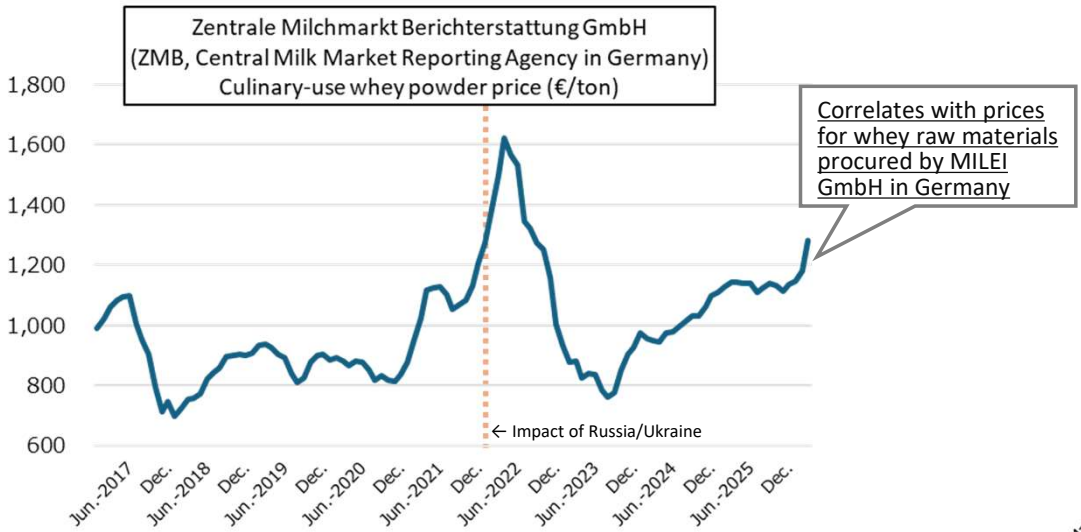
Target values for the final fiscal year of MTBP

Theme	Relationship with MTBP	KPI	Target values for FY2030	Target values for FY2028	Preliminary figures for FY2025
Food and Well-being	Maintain the loyalty of stakeholders by creating value through wellness and tastiness	Net sales of products with consideration for health issues (compared with FYE Mar. 2021)	1.7-fold	1.5-fold	1.3-fold
		Participants in health promotion and nutrition education activities (FYE Mar. 2021 to FYE Mar. 2030)	Cumulative total of 1 million	Cumulative total of 1 million	Cumulative total of 625 thousand
Resources and the Environment	Putting together the preconditions for bringing the MTBP into effect	Scope1+2: CO ₂ emissions reduction rate (compared with FY2013)	50% or higher	38.6%	Counting
		Scope3: GHG emissions reduction rate (compared to FY2020)	10% or higher	9.5%	
		Water resource usage reduction rate (compared with FY2013)	15% or higher	14.8%	
		Increase in the number of initiatives to improve the value of the dairy industry:	500	390	
People and Society	Executing the MTBP on the foundation built with the active participation of our people and the trust of society and communities	Employee engagement ratings	A	BBB	B
		Ratio of female managers*	20% or higher	15% or higher	9.0%
		Ratio of male employees taking childcare leave*	100%	100%	104.1%

Morinaga Milk Group Sustainability Medium- to Long-Term Plan 2030: <https://www.morinagamilk.co.jp/english/sustainability/management/> *For Morinaga Milk Industry Co., Ltd. only



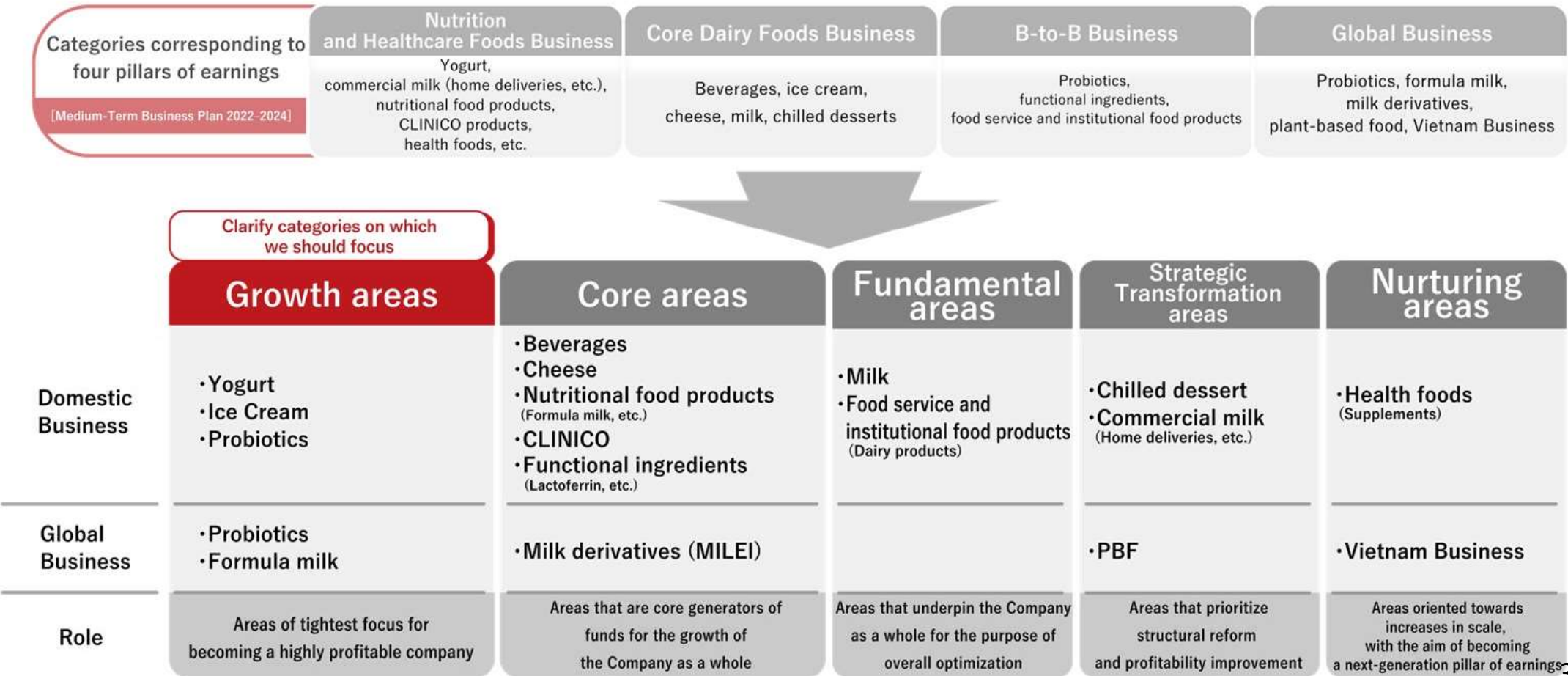
(Reference) Dairy Ingredient Market Data (Last 5 Years)



Source: ZMB (culinary-use whey powder), Fonterra Global Dairy Trade auctions (lactose, cheddar cheese, powdered skim milk) *Areas without lines are those where no trades took place, FAO "FoodOutlook" (main regions dairy product production, exports, and imports) *Trade between EU member countries excluded, 2025 figures are forecasts, "Asia (excluding China)" calculated by the Company

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





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.