



Morinaga Milk Industry Co., Ltd.

Financial Results Presentation for

the First Half of the Fiscal Year

Ending March 31, 2026

November 13, 2025

Announced information on November 11, 2025.

1. Overview of the First Half of the FYE March 2026 Financial Results
2. Outlook of Financial Results for FYE March 2026

Summary of Today's Presentation

- ◆ **FYE March 2026 1H results: Net sales ¥293.3 billion** (+0.9% YoY), **OP ¥ 20.8 billion** (+ ¥3.3 billion YoY, + ¥2.8 billion variance vs. target)
 - **Global Business: Exceeded targets. Overshoot versus target expanded** due to MILEI whey market remaining high, rise in selling prices
 - **Domestic business:** Challenging sales environment continues. **Despite figures exceeding forecast, results effectively fell short** due to impact from lower volumes leading to reduced impact of rising costs (pushed back use of expensive raw materials, controlled manufacturing/logistics costs, etc.), and +¥1.0 billion slippage of repair costs, etc., to 2H (portion not implemented in 1H)
- ◆ **Forecasts for FYE March 2026: OP forecast revision ¥32.0 billion → ¥33.0 billion** (+¥1.0 billion variance vs. target), **2H reduced** (-¥1.8 billion variance vs. target)

Domestic sales trend, slippage of cost impact timing, etc. resulting in downward revision to 2H forecast. Global Business (MILEI whey market conditions, etc.) revised up

 - Domestic business: Although trend for sales is YoY improvement in most categories, targets cut. Impact of committing costs to growth areas, slippage of repair costs, etc., from 1H (about -¥1.0 billion)
 - Global Business: MILEI forecasts increased, etc. (YoY change in 2H to be smaller than in 1H). Main factors behind upward revision to full-year target
- ◆ **Initiatives going forward, preparations for achieving Medium-term Business Plan 2025–2028**
 - Concentrating resources in growth areas. Initiatives aimed at improvements in domestic business efficiency, Global Business growth
 - Accelerating reorganization of production structures. As of end FYE March 2026, will have decided about 50% of consolidations for plan to halve number of paper pack lines by FYE March 2029

1. Overview of the First Half of the FYE March 2026 Financial Results

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 2. Outlook of Financial Results for FYE March 2026
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Financial Results for 1H of FYE March 2026: Summary



(Unit: billion yen)

	FYE Mar. 2025 1H	FYE Mar. 2026 1H	Year-on- year change	Year on year	Change from target
Net sales	290.6	293.3	+2.7	+0.9%	-9.7
Operating profit	17.5	20.8	+3.3	+18.9%	+2.8
Ordinary profit	17.2	21.9	+4.7	+27.3%	+3.8
Profit attributable to owners of parent	9.7	14.6	+4.9	+50.8%	+1.3
Operating profit to net sales	6.0%	7.1%			

* Supplementary information on ordinary profit

• Non-operating income: Foreign exchange gains approx. +¥1.6 billion YoY, etc.

* Supplementary information on profit attributable to owners of parent

• Extraordinary income: Gain on abolishment of retirement benefit plan ¥2.2 billion, etc.

• Extraordinary loss: Impairment loss of approximately ¥1.0 billion following cessation of production at Toyama Plant of Morinaga-Hokuriku Milk Industry Co., Ltd., etc.

■ FYE March 2026 1H results: OP ¥20.8 billion (+¥3.3 billion YoY) Came in ahead of 1H OP target (+¥2.8 billion variance vs. target)

Global Business, driven by MILEI, exceeded forecast in continuation of 1Q. Overshoot versus target expanded.

Implemented price revisions in domestic business, but significant impact from lower volumes; challenging environment continues. Within this, growth area of ice cream expanded in line with target, and managed to exceed forecast overall due to controlling costs following lower volumes, slippage of repair costs, etc., timing.

• Domestic business (OP* -¥1.6 billion YoY, +¥1.0 billion variance vs. target)

Food demand environment has been challenging since summer 2024. Despite price revisions to combat increases in raw material, energy, and other costs, yogurt, beverages, cheese, milk, etc., down YoY and vs. target. Impact of lower volume led to lower profit. Conversely, favorable summer weather drove strong performance in ice cream, commercial dairy products (B-to-B), and others. Lower volumes led to reduction in impact of higher costs and profit increases, etc., at subsidiaries led to overall OP exceeding forecast. However, if positive impact of ¥1.0 billion slippage of repair costs, etc., into 2H is taken into account, results effectively undershot forecast.

• Global Business (OP +¥4.9 billion YoY, +¥1.8 billion variance vs. target)

Strong performance continued at MILEI against background of strong whey market conditions, resulting in profit growth. Both growth segments of probiotics (for formula milk/supplements) and Pakistan formula milk business performed strongly, with companies showing improvement after impairment losses and progressing ahead of plan overall.

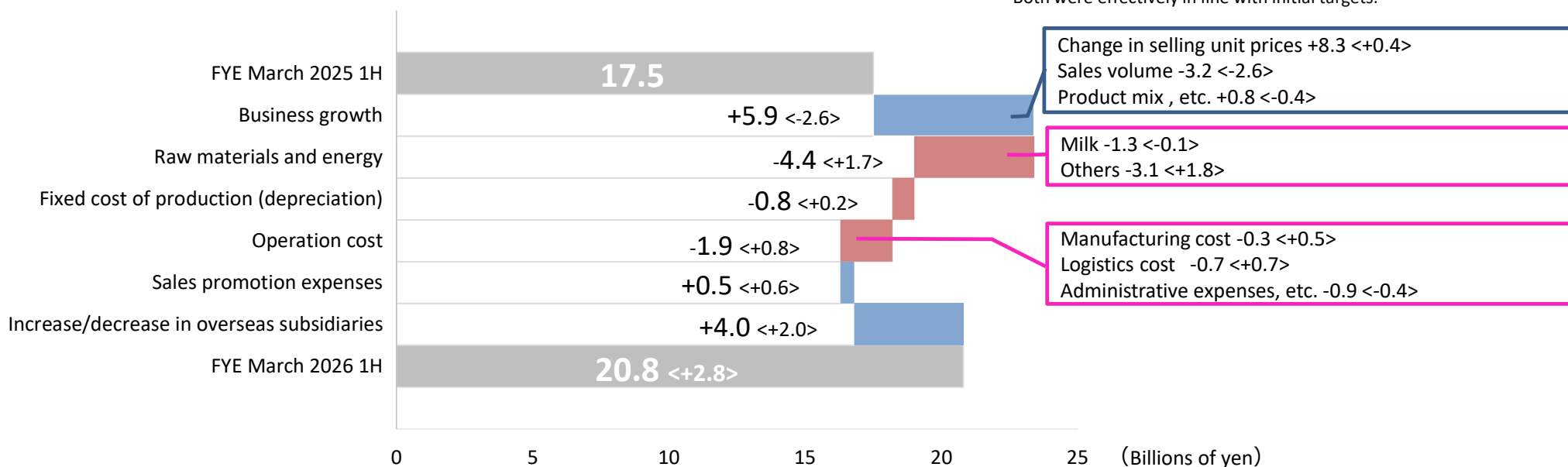
* Domestic business OP calculated as total for whole company, minus Global Business

Factors Attributable to Increases and Decreases in Operating Profit for 1H of FYE March 2026



<>: Variance from 1H target

Variance in “change in selling unit prices” and “product mix” of ¥0.4 billion represents price revisions that had not been announced at beginning of fiscal year and were factored into targets as PM, etc. Both were effectively in line with initial targets.



Key points

- Change in selling unit prices: Price revisions for yogurt, ice cream, beverages, commercial dairy products (B-to-B), etc. Progressing in line with plan.
- Sales volume: With exception of ice cream, commercial dairy products, and nutritional food products, etc., general domestic categories saw decline in volume versus initial targets.
- Raw material prices: Raw material milk costs increased due to impact of milk price revisions in June and August, but in line with expectations. Costs under control in line with expectations despite increase in raw material/energy costs, due in part to impact of lower volumes.
- Fixed cost of production (depreciation): New production lines for ice cream started operation at Kobe Plant new manufacturing building.
- Operation cost: Costs under control relative to expectations despite increases. Slippage in repair expenses, etc. (about ¥1.0 billion) initially assumed for 1H manufacturing expenses, now pushed back to 2H. Controlled logistics costs vs. plan due in part to contribution from own subsidiaries.
- Increase/decrease in overseas subsidiaries: Profit increased, centered on continued favorable performance of MILEI against backdrop of rise in whey market.

Financial Results for 1H of FYE March 2026: Summary by Segments



	(Unit: billion yen)								(Unit: billion yen)			
	Net sales				Operating profit (operating profit to net sales)				Net sales		Operating profit (operating profit to net sales)	
	FYE Mar. 2025 1H	FYE Mar. 2026 1H	Year on year	Rate of change vs target	FYE Mar. 2025 1H	FYE Mar. 2026 1H	Year-on-year change	Change from target	FYE Mar. 2026 2Q (3 months)	Year-on-year change	FYE Mar. 2026 2Q (3 months)	Year-on-year change
Growth Segments	63.8	65.5	+2.6%	-3.9%	9.4 (14.7%)	8.7 (13.3%)	-0.7	-0.9	33.4	+0.4%	4.7 (13.9%)	-0.2
Mainstay Segments (Core, Fundamental, Strategic Transformation)	181.6	180.0	-0.9%	-3.5%	7.7 (4.2%)	10.7 (5.9%)	+3.0	+2.7	89.8	-2.4%	6.2 (6.9%)	+2.3
Nurturing/Other Segments (Development/Unique & other/Eliminations, etc.)	45.2	47.9	+5.8%	-1.1%	0.4 (1.0%)	1.4 (3.0%)	+1.0	+1.0	26.5	+7.2%	1.1 (4.2%)	+0.8
(Breakdown) Global Business	35.0	39.4	+12.6%	+8.9%	2.0 (5.6%)	6.8 (17.4%)	+4.9	+1.8	19.8	+6.4%	3.9 (19.8%)	+2.9
Total	290.6	293.3	+0.9%	-3.2%	17.5 (6.0%)	20.8 (7.1%)	+3.3	+2.8	149.7	-0.2%	12.0 (8.0%)	+2.9

Main factors behind OP variance vs. target: despite growth segments moving more or less in line with plan, raw material cost for ice cream had an impact. In mainstay segments, growth at MILEI drove expansion of variance.

- **Growth Segments**
 - Ice cream: Despite revenue growth in line with forecasts following favorable weather and start of operation for new production lines, larger increases in raw material costs and rise in depreciation led to lower profit.
 - Domestic and overseas probiotics combined, and overseas formula milk, were more or less in line.
 - Yogurt: Although "PARTHENO" recorded higher revenue, other products, primarily functional yogurt and "Bifidus," fell short of targets. Now trending toward recovery after price difference with competitors shrank, leading to rise in revenues from August onward, mostly in "Bifidus."
- **Mainstay Segments**
 - MILEI GmbH: Continues to perform well against backdrop of rising market conditions for whey, making significant contribution to profit.
 - Substantial decrease in volume in domestic B-to-C category. On the other hand, profit exceeded target due to price revisions, higher revenue in commercial dairy products, and impact of cost controls.

2. Outlook of Financial Results for FYE March 2026

1. Overview of the First Half of the FYE March 2026 Financial Results
2. **Outlook of Financial Results for FYE March 2026**

Outlook of Financial Results for FYE March 2026: Key points



OP forecast upwardly revised: increase for Global Business, decrease for domestic business

Revision to full-year targets: Net sales ¥580.0 billion ⇒ **¥570.0 billion**, OP ¥32.0 billion ⇒ **¥33.0 billion**
(variance vs. initial target of ¥1.0 billion)

Operating profit

- Global Business: Upward revision, full-year (YoY change +¥6.5 billion, variance vs. target +¥2.7 billion), 2H (YoY change +¥1.6 billion, variance vs. target +¥0.9 billion)
MILEI whey market expected to fall in 2H in reaction to previous strength, but has remained at high levels. Despite smaller YoY change, have raised forecasts.
Will seek to expand growth areas of probiotics and formula milk in line with initial plans. Executing reorganization of production structures at TIF
- Domestic business: Downward revision, full-year (YoY change -¥3.2 billion, variance vs. target -¥1.7 billion), 2H (YoY change -¥1.6 billion, variance vs. target -¥2.7 billion)
Despite exceeding targets in 1H, have reduced 2H mainly for the following two reasons:
 - Cut sales target, no prospect of early recovery to initial 2H target (OP increase +¥1.1 billion)
 - Impact of costs pushed back, with slippage in repair costs, etc. that initial plan assumed would be incurred in 1H (about -¥1.0 billion)Despite cut to sales target, trend has been recovering since 1Q. Concentrating and expanding resources mainly in growth areas

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

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Outlook of Financial Results for FYE March 2026: Key points



OP forecast upwardly revised: increase for Global Business, decrease for domestic business

	Operating profit		
	1H results (variance vs. initial target)	2H targets (variance vs. initial target)	Full-year targets (variance vs. initial target)
Growth segments	¥8.7 billion (-¥0.9 billion)	¥3.6 billion (-¥1.9 billion)	¥12.3 billion (-¥2.8 billion)
<ul style="list-style-type: none"> • Profit targets cut, mainly due to domestic market (raw material cost increases, yogurt sales undershooting versus target), but moving forward with concentration of resources in growth areas • Overseas expansion (probiotics, formula milk) progressing steadily 			
Mainstay segments	¥10.7 billion (+¥2.7 billion)	¥6.8 billion (+¥0.1 billion)	¥17.5 billion (+¥2.8 billion)
<ul style="list-style-type: none"> • Forecasts raised, driven mainly by MILEI. Due to impact of cuts to 2H domestic sales forecast, cost slippage, profit expected to be at level of initial target 			
Nurturing/Other segments	¥1.4 billion (+¥1.0 billion)	¥1.8 billion (± ¥0.0 billion)	¥3.2 billion (+¥1.0 billion)
<ul style="list-style-type: none"> • 1H results overshoot targets due mainly to contribution from own subsidiary, 2H projected to be in line with initial target 			
Total	¥20.8 billion (+¥2.8 billion)	¥12.2 billion (-¥1.8 billion)	¥33.0 billion (+¥1.0 billion)
(Breakdown)			
Global Business	¥6.8 billion (+¥1.8 billion)	¥7.2 billion (+¥0.9 billion)	¥14.0 billion (+¥2.7 billion)
<ul style="list-style-type: none"> • Forecasts raised, driven mainly by MILEI. Overseas, including probiotics and formula milk, making steady progress. Percentage of total profit from Global Business rising 			
Domestic business (total for whole company – Global Business)	¥14.0 billion (+¥1.0 billion)	¥5.0 billion (-¥2.7 billion)	¥19.0 billion (-¥1.7 billion)
<ul style="list-style-type: none"> • Undershoot in volume versus initial target, but same decline in volume helped control costs. The main factors behind variation versus target in 1H/2H is impact of revision to sales forecast, slippage of repair costs, etc. 			

Outlook of Financial Results for FYE March 2026

Forecasts
revised



(Unit: billion yen)

	FYE Mar. 2025	FYE Mar. 2026 full-year target	Year-on- year Change	Year on year	Variance from initial target	FYE Mar. 2025 2H	FYE Mar. 2026 2H target	Year-on- year change	Year on year	Variance from initial target
Net sales	561.2	570.0	+8.8	+1.6%	-10.0	270.6	276.7	+6.1	+2.3%	-0.3
Operating profit	29.7	33.0	+3.3	+11.3%	+1.0	12.2	12.2	+0.0	+0.3%	-1.8
Ordinary profit	29.9	33.9	+4.0	+13.5%	+2.0	12.6	12.0	-0.7	-5.3%	-1.8
Profit attributable to owners of parent	5.5	19.0	+13.5	+248.0%	—	-4.2	4.4	+8.6	—	-1.3
Operating profit to net sales	5.3%	5.8%								
Global Business sales ratio	12.5%	14.4%								
ROE profit / equity capital	2.0%	7.1%								
ROIC NOPAT / invested capital	5.7%	6.2%								
Annual dividend per share / Payout ratio	90 yen 139.3%	93 yen 40.0%								

Key points

- OP: Upward revision to ¥33.0 billion (YoY change: +¥3.3 billion, variance vs. initial target: +¥1.0 billion)
- Profit: No target revision. Reorganization of production structures (see p.15). Expect extraordinary loss, including impairment loss (approximately -¥1.0 billion) following cessation of production at Toyama Plant. Recorded extraordinary losses (-¥20.1 billion) in FYE March 2025 due to impairment losses, etc., for overseas subsidiaries
- ROIC: New indicator introduced for new MTBP
- Dividend per share: FYE Mar. 2026 forecast of 93 yen (of which interim dividend of 45 yen) Dividend to increase in line with 40% payout ratio targeted in Medium-term Business Plan 2025–2028. No forecast revision

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

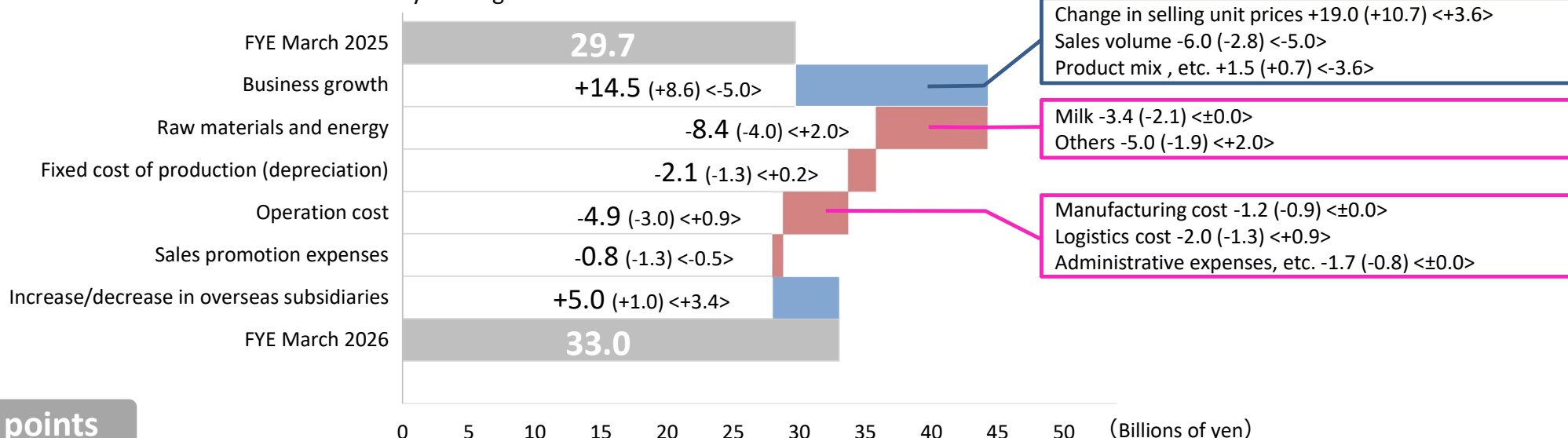
Forecasts revised



Variance in “change in selling unit prices” and “product mix” of ¥3.6 billion represents price revisions that had not been announced at beginning of fiscal year and were factored into targets as PM, etc. Both were effectively in line with initial targets.

(): 2H plan

<>: Variance from initial full-year target



Key points

- Change in selling unit prices: Replacement of plan figures by product mix, etc.* Each expected to be effectively in line with initial target, mainly due to effects of price revisions announced in 1H.
- Sales volume: **Reduction in forecasts** due to challenging sales situation in domestic market
- Raw material prices: Raw milk trade prices rising, coffee, chocolate, packaging material and other costs increasing. But, **under control due to reduction in volumes vs. initial targets.**
- Fixed cost of production (depreciation): New production lines for ice cream started operation at Kobe Plant new manufacturing building.
- Operation cost: **Controlled logistics cost increase due in part to contribution from own subsidiary.** In manufacturing costs, repair costs, etc., slipped from 1H to 2H (¥1.0 billion)
- Sales promotion expenses: Seeking to concentrate resources mainly in growth areas
- Increase/decrease in overseas subsidiaries: **MILEI growing, upward revision.** Effects of factory consolidation at U.S. subsidiary, etc.

Initiatives by Business: Growth Segments



Yogurt: price difference with competitors shrinking, opportunity losses disappearing, launching new functional products

Yogurt

- “Bifidus”
 - Change in size of plain yogurt container (volume unchanged from previously), smaller form factor to enhance convenience and reduce plastic usage. Will raise awareness of new container and strengthen promotional activities in pursuit of further growth.
 - “Bifidus” brand back on recovery trend since August
- “PARTHENO” Increase in manufacturing capacity of approx. 50% (Tone Plant: capacity expenditure approx. ¥1.2 billion). Resumption of sales in October for “Plain Flavor Sugar-free 280g,” which had been suspended in western Japan due to inability to meet strong demand, with nationwide supply structure established (sales in eastern Japan area resumed gradually from October 2024).
- Functional yogurt Launch of new “Morinaga Lactoferrin 200,” differentiating on basis of immune function maintenance and mitigation of dry throat feeling (higher price range than existing product)



Initiatives by Business: Growth Segments



Concentrating resources in growth areas

Ice cream

- Increase in supply capacity from FYE Mar. 2026 due to new production lines at Kobe Plant, growth rate higher than that of market. Winning share in ice cream market, where demand is growing
- Implemented price revisions to address cost increases (September).
- New “Variche” product growing in western Japan area, continuing to take on challenge of developing into new pillar of earnings

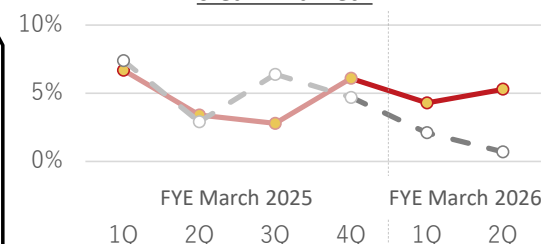
Probiotics

- Total domestic and overseas revenues continued to grow at a level in line with target. Will continue to strive for growth, primarily through the strong performance of products for overseas markets.
- For overseas markets:
 - Continue to work on expanding sales for formula milk and supplements
 - Maintaining shipments of raw material for formula milk in China, continuing with sales activities to expand further
 - Have begun overseas sales of “Happiness Lactobacillus®”
- For domestic market: Continue to cultivate use for supplements by major customers

Overseas formula milk (Pakistan)

- Steady performance driven by expansion of local economy, rising population, and growth of formula milk market. Executing growth strategy, such as by launching new products tailored to market needs

Solid line: YoY growth in ice cream net sales for the Company (parent)
Dashed line: YoY growth in ice cream for ice cream market*



*Source: Based on Intage SRI+, our own survey in ice cream market, Apr. 2024–Sept. 2025



Will begin overseas sales through B-to-B channel in December, under name of “LAC-Living+”

Initiatives by Business: Mainstay Segments (Core, Fundamental, Strategic Transformation)



MILEI's contribution. Address lower volumes and changes in demand in Japan

MILEI GmbH

- Against background of whey market remaining at high levels in 2H, expect contribution to earnings to exceed that of previous fiscal year.
- Despite step up in level of profit, expect stable contribution to earnings from FYE Mar. 2027 in accordance with positioning in Medium-term Business Plan as a result of continued quality improvements for lactose, whey, and other products (excluding short-term impact from fluctuations in whey market conditions, euro exchange rate, and spot transactions).

Other domestic categories

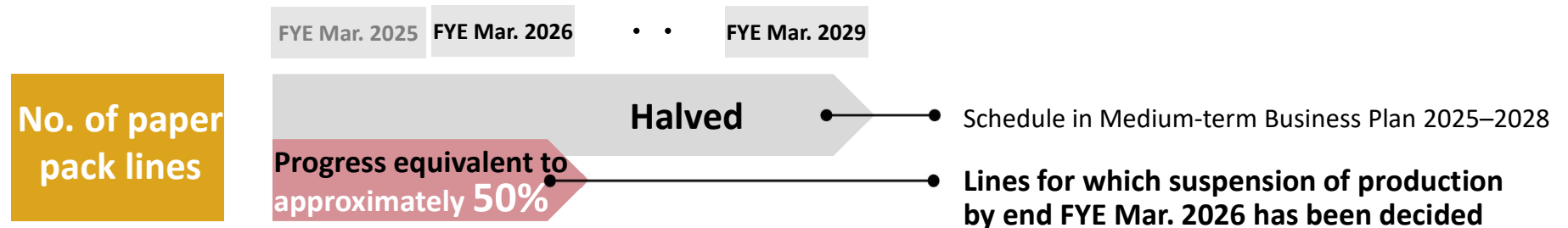
- “Mt. RAINIER CAFFÈ LATTE” : Despite continued revenue decreases following March price revisions, September as standalone month recorded revenue increase. Will refresh standard products such as “unsweetened latte” and “decaf type,” aiming for growth by raising awareness
- “Lipton” : Reorganizing production structure to improve efficiency of paper pack products. On the other hand, chilled cup products saw revenue growth in 1H, and market is expanding
- Cheese: Concentrate on main products, improve profitability. Will make value-based appeal through use of limited-edition seasonal products and collaborative measures, etc.
- Milk, D-to-C (EC, commercial milk): Decline in volume following August price revision was limited. Strengthening rollout of room temperature and long-life milk products. Strengthen channel rollout of room temperature and long-life milk products.
- Commercial dairy products (B-to-B): Seek further expansion against backdrop of resilient demand. Make appropriate product proposals that reflect chronic labor shortages and need for simplification

Initiatives by Business: Mainstay Segments (Core, Fundamental, Strategic Transformation)



Accelerating reorganization of paper pack lines at all production site of the Morinaga Milk Group

- “Notice on the suspension of production at the Akita Plant of TOHOKU MORINAGA MILK INDUSTRY CO., LTD.” released on October 1, 2025
- In addition to the above, have taken decision to reorganize production structures for paper pack lines at domestic sites. Number of paper pack lines at which production to be suspended by end of FYE Mar. 2026 equivalent to **around 50%** of those planned by FYE Mar. 2029.
Decided on structural reforms after taking domestic trends in demand into account.



- Going forward, our policy will be to continue to ascertain domestic market trends, while building production structures that are optimized for demand.
- Continuing on from Morinaga-Hokuriku Milk Industry Co., Ltd.'s Toyama Plant (closed at end of September 2025), promote consolidation of production sites

Appendix

(Reference) Acquisition of Partial Sectional Ownership for Reconstruction of Former Morinaga Plaza Building (Announced September 12, 2025)



Head office relocation planned for autumn 2029, continuing to investigate utilization by parties other than the Company

- Released under the title “(Additional Disclosure) Notice Regarding Acquisition of a Non-current Asset” on September 12, 2025

*This is an update to “Notice Regarding Reconstruction of Morinaga Plaza Building” released on May 13, 2022

Key points of announcement

- The Company will construct a large-scale complex consisting primarily of offices and retail spaces on the site of the former Morinaga Plaza Building that the head office previously occupied, and has acquired sectional ownership of this building (equivalent to 9 floors of the office section).
- Utilizing this sectional ownership, the Company aims to relocate its head office in the autumn of 2029.
- Sectional ownership of the portion other than that acquired for the use of the Company will be considered going forward.
- Total investment to acquire asset: ¥46.4 billion
- Scheduled completion: March 2029 (building completion and start of operations); During fiscal year 2033 (overall completion)

*The timing of the cash outflow for this investment is expected to take place mainly in FYE March 2030, after the Medium-term Business Plan 2025–2028.

(Reference) Outlook of Financial Results for FYE March 2026: Net Sales Targets by Category



(Unit: billion yen)		FYE Mar. 2025 2H	FYE Mar. 2026 2H	Year-on-year Change	Rate of change vs target	(Unit: billion yen)		FYE Mar. 2025 2H	FYE Mar. 2026 2H target	Year-on-year Change	Rate of change vs target
Growth Segments						Mainstay Segments (Core, Fundamental, Strategic transformation)					
	Yogurt	29.1	28.7	-1%	-7%		Beverages	30.4	29.1	-4%	-11%
	Ice cream	28.8	30.2	+5%	-1%		Cheese	13.4	12.8	-4%	-8%
(Global)	NutriCo Morinaga (Pakistan)	3.8	3.9	+2%	+10%		Nutritional food Products	6.9	6.9	+1%	-3%
Nurturing/Other Segments							CLINICO Co., Ltd.	13.6	13.5	-1%	-5%
	Morinaga Nutritional Foods Vietnam (Vietnam)	2.1	2.1	-3%	-	(Global)	MILEI (Germany)	21.0	25.6	+22%	+18%
							Milk	23.2	21.6	-7%	-4%
							B to B (excluding domestic probiotics)	40.7	42.9	+5%	+5%
							Chilled desserts	4.1	3.9	-5%	-
							Commercial milk (Home deliveries, etc.)	8.1	8.0	-1%	-
						(Global)	Morinaga Nutritional Foods (U.S., including TIF)	4.8	3.8	-21%	-

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

(Reference) Outlook of Financial Results for FYE March 2026: Subsegments Net Sales Targets by Category (Shown Quarterly)



(Unit: billion yen)	Three months ended June 30, 2024	Three months ended June 30, 2025	Year on year	Three months ended September 30, 2024	Three months ended September 30, 2025	Year on year
Growth Segments						
Yogurt	14.6	14.3	-2%	14.5	14.4	±0%
Ice cream	12.9	13.4	+4%	15.9	16.8	+5%
Mainstay Segments (Core, Fundamental, Strategic transformation)						
Beverages	14.7	13.8	-6%	15.7	15.3	-3%
Cheese	6.7	6.4	-5%	6.7	6.5	-3%
Nutritional food Products	3.3	3.5	+5%	3.5	3.4	-4%
CLINICO Co., Ltd.	6.7	6.6	-1%	6.9	6.9	-1%
Milk	11.3	10.4	-8%	11.9	11.2	-6%
B-to-B (excluding domestic probiotics)	20.2	21.4	+6%	20.5	21.5	+5%
Chilled desserts	2.0	2.0	-4%	2.0	1.9	-6%
Commercial milk (Home deliveries, etc.)	4.1	4.1	-1%	4.0	3.9	-1%

(Reference) Outlook of Financial Results for FYE March 2026: Target Sales and Operating Profit for Each Segments

Forecasts
revised



(Unit: billion yen)

FYE Mar. 2026 target	Net sales						Operating profit (operating profit to net sales)					
	FYE Mar. 2026 2H target	Year on year	Variance from initial target	FYE Mar. 2026 full-year target	Year on year	Variance from initial target	FYE Mar. 2026 2H target	Year on year	Variance from initial target	FYE Mar. 2026 full-year target	Year on year	Variance from initial target
Growth Segments	58.4	+7.2%	-1.0	123.9	+4.7%	-3.6	3.6 (6.2%)	-0.8	-1.9	12.3 (9.9%)	-1.5	-2.8
Mainstay Segments (Core, Fundamental, Strategic Transformation)	174.2	+1.6%	-6.3	354.2	+0.3%	-12.8	6.8 (3.9%)	+0.8	+0.1	17.5 (4.9%)	+3.8	+2.8
Nurturing/Other Segments (Development/Unique & other/Eliminations, etc.)	44.0	-1.3%	+6.9	91.9	+2.3%	+6.4	1.8 (4.0%)	±0.0	±0.0	3.2 (3.5%)	+1.0	+1.0
(Breakdown) Global Business	42.8	+22.5%	+6.4	82.2	+17.6%	+9.6	7.2 (16.7%)	+1.6	+0.9	14.0 (17.0%)	+6.5	+2.7
Total	276.7	+2.3%	-0.3	570.0	+1.6%	-10.0	12.2 (4.4%)	±0.0	-1.8	33.0 (5.8%)	+3.3	+1.0

(Reference: Medium-term Business Plan 2025–2028 categories)

	Growth areas		Core areas		Fundamental areas	Strategic Transformation areas	Nurturing areas
Domestic business	•Yogurt •Ice cream •Probiotics		•Beverages •Cheese •Nutritional food products	•CLINICO •Functional ingredients	•Milk •Food service and institutional food products (dairy products)	•Chilled desserts •Commercial milk (home deliveries, etc.)	•Health food
Global Business	•Probiotics	•Formula milk	•Milk ingredients (MILEI)			•PBF	•Vietnam

(Reference) Outlook of Financial Results for FYE March 2026: Subsegments Net Sales Targets by Category

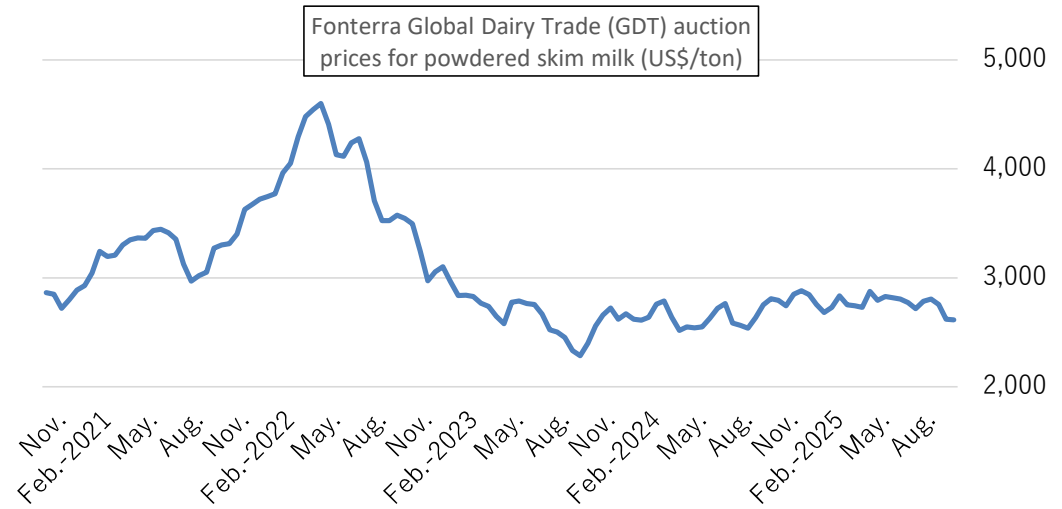
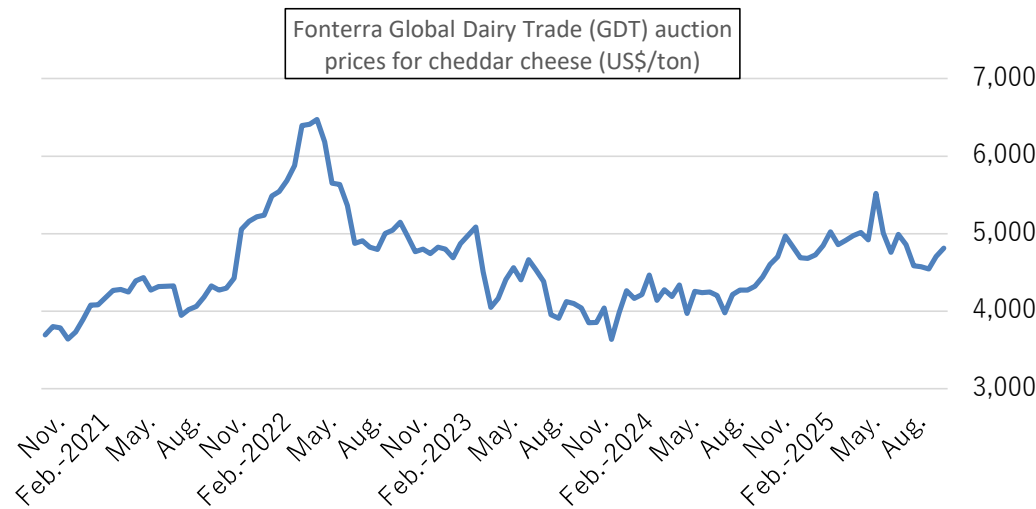
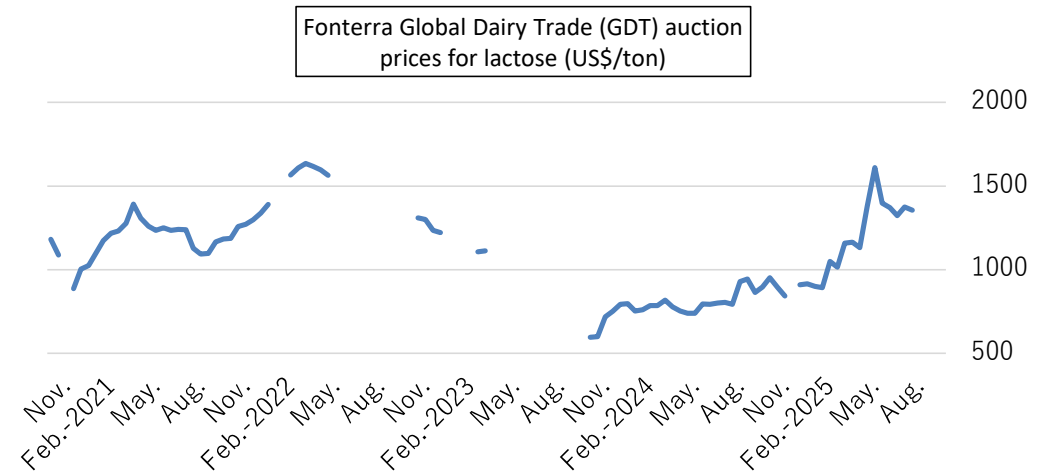
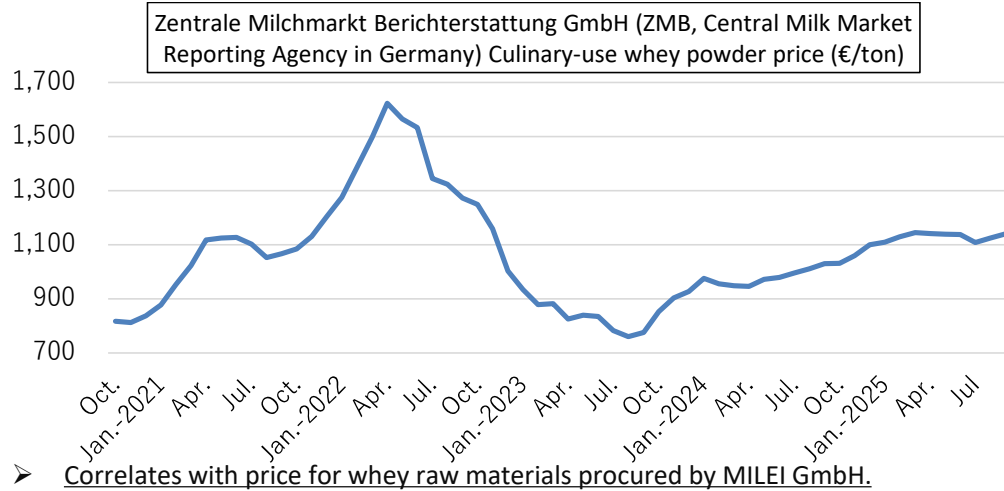
Forecasts
revised



(Unit: billion yen)

FYE Mar. 2026 target		Net sales					
		FYE Mar. 2026 2H target	Year on year	Variance from initial target	FYE Mar. 2026 full-year target	Year on year	Variance from initial target
Growth Segments							
(Global Business)	Yogurt	29.6	+7%	-0.4	58.4	+3%	-2.8
	Ice cream	17.9	+2%	-1.3	48.2	+4%	-1.4
	NutriCo Morinaga (Pakistan)	4.0	-4%	±0.0	7.8	-1%	+0.3
Mainstay Segments (Core/Dairy business foundation)							
(Global Business)	Beverages	24.4	+2%	-2.5	53.6	-2%	-6.2
	Cheese	13.3	±0%	-0.8	26.2	-2%	-1.9
	Nutritional food products	7.0	+2%	-0.2	13.9	+2%	-0.4
	CLINICO	13.4	-1%	-1.1	26.9	-1%	-1.9
	MILEI (Germany)	27.7	+40%	+7.5	53.3	+31%	+11.4
	Milk	20.1	-4%	-0.2	41.7	-6%	-1.1
	B-to-B (excluding domestic probiotics)	41.9	+1%	-2.5	84.7	+3%	-0.6

(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

Growth Strategy (Positioning by Category/Clarification of Role)

Growth
strategy

Structural
reforms

Culture
reforms



- 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

Yogurt,
commercial milk (home deliveries, etc.),
nutritional food products,
CLINICO products,
health foods, etc.

Core Dairy Foods Business

Beverages, ice cream,
cheese, milk, chilled desserts

B-to-B Business

Probiotics,
functional ingredients,
food service and institutional food products

Global Business

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



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.