



March 14, 2024

Company name: Morinaga Milk Industry Co., Ltd.
5-2, Higashishimbashi 1-chome, Minato-ku,
Tokyo
Representative: Yohichi Ohnuki,
President & Representative Director
(Code: 2264, Prime Market of the Tokyo Stock Exchange)

**Notice Concerning Decision on Matters Relating to Acquisition of Treasury Shares and
Cancellation of Treasury Shares
(Acquisition of Treasury Shares Pursuant to the Articles of Incorporation in Accordance with
Article 165, Paragraph 2 of the Companies Act of Japan, and Cancellation of Treasury Shares
Pursuant to Article 178 of the Companies Act of Japan)**

The Company, at the meeting of its Board of Directors held on May 14, 2024, made a resolution on acquisition of its treasury shares and the specific method thereof, pursuant to the provisions of Article 156 of the Companies Act of Japan, as applied pursuant to Article 165, Paragraph 3 of the Companies Act of Japan. The Company further announces that, on the same day, a decision was made to cancel the treasury shares pursuant to the provisions of Article 178 of the Companies Act of Japan, as follows.

The Company will resolve in details to cancel treasury shares after completion of the acquisition of treasury shares.

1. Reasons for acquisition and cancellation of treasury shares

In its Medium-term Business Plan, which concludes in the fiscal year ending March 31, 2025, the Group has raised the payout ratio target and set forth a shareholder return policy that focuses on the total payout ratio.

In addition, the Company has reorganized its balance sheet policy to pursue an optimal capital structure while ensuring financial soundness, reducing the cost of capital, and maximizing corporate value. Through an increase in the annual dividend (FYE Mar. 2024: 60 yen/share, FYE Mar. 2025: 90 yen/share) and acquisition of treasury stock, the Company will increase the total payout ratio and capital efficiency by returning profits to shareholders. In order to increase shareholder value over the medium to long term, all treasury shares acquired will be canceled.

2. Period of acquisition: May 15, 2024 to October 31, 2024

3. Method of acquisition

Market purchase on the Tokyo Stock Exchange

Note that all or a part of buy orders may not be executed due to market trend or other factors.

4. Details of acquisition

(1) Class of shares to be acquired	Common shares of the Company
(2) Total number of shares to be acquired	3,400,000 shares (upper limit) Ratio to the total number of outstanding shares stated below (excluding treasury shares) 3.92% (upper limit)
(3) Total acquisition cost	10,000 million yen (upper limit)
(4) Announcement of acquisition result	Acquisition result will be announced

5. Details of cancellation

(1) Class of shares to be canceled	Common shares of the Company
(2) Total number of shares to be canceled	All treasury shares acquired as described in 4. above
(3) Scheduled date of cancellation	November 15, 2024

(Reference) Treasury shares holding as of April 30, 2024

Total number of outstanding shares (excluding treasury shares)	86,791,152 shares
Number of treasury shares	5,186,734 shares

Disclaimer: This English translation is provided for the benefit of readers. In the case that discrepancies exist between the original Japanese version and the English translation, precedence goes to the original Japanese version.