August 7, 2018

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2019 <Japanese GAAP>

Listed company: Morinaga Milk Industry Co., Ltd.
Listed stock exchange: Tokyo
Securities code: 2264
URL: http://www.morinagamilk.co.jp/
Representative: Michio Miyahara, President & Representative Director
Contact: Toshihisa Tomizawa, General Manager, IR&PR Dept.
TEL: +81-3-3798-0126

Submission of quarterly report: August 8, 2018
Dividend payment commencement date: –
Preparation of explanatory materials for quarterly financial results: Yes
Holding of a briefing on quarterly financial results: None

(Amounts of less than one million yen are truncated)

1. Consolidated Financial Results for the Cumulative First Quarter of the Fiscal Year Ending March 31, 2019 (April 1, 2018 to June 30, 2018)

(1) Consolidated operating results (Cumulative)

(% figures show year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2018	150,479	(2.2)	6,621	(17.9)	7,045	(19.1)	3,979	(47.8)
Three months ended June 30, 2017	153,880	0.3	8,069	10.6	8,710	14.4	7,619	72.3

(Note) Comprehensive income: Three months ended June 30, 2018: ¥4,543 million / (44.8)%
Three months ended June 30, 2017: ¥8,234 million / 87.7%

	Net income per share	Net income per share–diluted
	Yen	Yen
Three months ended June 30, 2018	80.46	80.27
Three months ended June 30, 2017	154.00	153.67

(Note) We carried out a reverse stock split with a ratio of one share for every five shares of common stock, with an effective date of October 1, 2017. The net income per share and net income per share-diluted are calculated on the assumption that this reverse stock split was carried out at the start of the previous consolidated fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2018	423,281	161,153	37.7
As of March 31, 2018	414,823	159,102	38.0

(Reference) Shareholders' equity: As of June 30, 2018: ¥159,544 million
As of March 31, 2018: ¥157,508 million

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2018	–	–	–	50.00	50.00
Fiscal year ending March 31, 2019	–				
Fiscal year ending March 31, 2019 (Forecast)		–	–	50.00	50.00

(Note) Amendment to forecasts of dividends recently announced: None

Breakdown of dividend for the fiscal year ended March 31, 2018: Ordinary dividend - 45.00 yen; 100th anniversary commemorative dividend - 5.00 yen

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2019 (April 1, 2018 to March 31, 2019)

(% figures show year-on-year change for the full year and quarter)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second quarter-end (Cumulative)	320,000	1.0	17,000	0.7	17,600	(1.4)	10,900	(20.9)	220.35
Full year	600,000	1.3	22,500	3.8	23,200	3.8	13,500	(14.5)	272.91

(Note) Amendment to forecasts of consolidated financial results recently announced: None

* **Notes**

(1) Changes in significant subsidiaries during the three months ended June 30, 2018: None
New: - (Company name:) Excluded: - (Company name:)

(2) Application of special accounting for preparing quarterly consolidated financial statements: Yes
For details, refer to page 7 of the attached materials, "2. Quarterly Consolidated Financial Statements and Notes (3) Note regarding the quarterly consolidated financial statements (Application of special accounting for preparing quarterly consolidated financial statements)."

(3) Changes in accounting policies and estimates, and retrospective restatements
(i) Changes in accounting policies in accordance with revision of accounting standards: None
(ii) Changes in accounting policies other than item (i) above: None
(iii) Changes in accounting estimates: None
(iv) Retrospective restatements: None

(4) Number of shares issued (common stock)
(i) Number of shares outstanding at end of period (including treasury stock)

As of June 30, 2018	49,795,443 shares
As of March 31, 2018	49,795,443 shares

(ii) Number of treasury stock at end of period

As of June 30, 2018	328,840 shares
As of March 31, 2018	328,141 shares

(iii) Average number of shares during period

For the three months ended June 30, 2018	49,466,806 shares
For the three months ended June 30, 2017	49,475,343 shares

(Note) We carried out a reverse stock split with a ratio of one share for every five shares of common stock, with an effective date of October 1, 2017. The average number of shares during the period is calculated on the assumption that this reverse stock split was carried out at the start of the previous consolidated fiscal year.

* Quarterly financial results are not subject to audit by a certified public accountant or audit corporation.

* Proper use of earnings forecasts, and other special matters
The above forecasts of consolidated financial results are based on information currently available to the Company and on certain assumptions on market trends, etc. deemed to be reasonable, and are subject to uncertainties. Consequently, actual business and other results may differ substantially due to various factors. For details on the above forecasts of consolidated financial results, refer to page 2 of the attached materials, "1. Qualitative Information on Quarterly Results (3) Explanation of forward-looking information including consolidated earnings forecasts."