November 2, 2018

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

Listed company: Morinaga Milk Industry Co., Ltd.
Listed stock exchange: Tokyo
Securities code: 2264
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Submission of quarterly report: November 5, 2018
Dividend payment commencement date: –
Preparation of explanatory materials for quarterly financial results: Yes
Holding of a briefing on quarterly financial results: Yes (For Institutional Investors, Analysts)

(Amounts of less than one million yen are truncated)

1. Consolidated Financial Results for the Cumulative First Half of the Fiscal Year Ending March 31, 2019 (April 1, 2018 to September 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	%
Six months ended September 30, 2018	311,411	(1.7)	14,826	(12.1)	15,629	(12.4)	9,607	(30.3)
Six months ended September 30, 2017	316,761	0.3	16,875	8.0	17,844	11.1	13,788	37.1

(Note) Comprehensive income: Six months ended September 30, 2018: ¥ 9,541 million / (37.2%)
Six months ended September 30, 2017: ¥ 15,190 million / 56.1%

	Net income per share	Net income per share–diluted
	Yen	Yen
Six months ended September 30, 2018	194.20	193.75
Six months ended September 30, 2017	278.70	278.08

(Note) The Company carried out a reverse stock split with a ratio of 1 share for every 5 shares of common stock with an effective date of October 1, 2017. Net income per share and net income per share–diluted are calculated based on the assumption that the reverse stock split was carried out at the beginning 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 September 30, 2018	433,400	166,202	38.0
As of March 31, 2018	414,823	159,102	38.0

(Reference) Shareholders' equity:

As of September 30, 2018: ¥164,563 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; 100th anniversary commemorative dividend - ¥5.00

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
Full year	582,000	(1.7)	20,300	(6.4)	21,200	(5.2)	12,200	(22.7)	246.60

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

* **Notes**

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

(2) Application of special accounting for preparing quarterly consolidated financial statements: Yes

(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 the end of the period (including treasury stocks)

As of September 30, 2018	49,810,043 shares
As of March 31, 2018	49,795,443 shares

(ii) Number of treasury stocks at the end of the period

As of September 30, 2018	327,748 shares
As of March 31, 2018	328,141 shares

(iii) Average number of shares during period

For the six months ended September 30, 2018	49,472,230 shares
For the six months ended September 30, 2017	49,474,618 shares

* Quarterly financial results are not subject to review 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.