February 6, 2019

Consolidated Financial Results for the Third 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
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Submission of quarterly report: February 7, 2019
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 Third Quarter of the Fiscal Year Ending March 31, 2019 (April 1, 2018 to December 31, 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	%
Nine months ended December 31, 2018	456,571	(1.2)	20,907	(4.4)	21,814	(5.6)	13,624	(19.7)
Nine months ended December 31, 2017	462,155	0.2	21,871	(2.8)	23,108	(0.8)	16,956	14.8

(Note) Comprehensive income: Nine months ended December 31, 2018: ¥13,285 million / (32.6%)
Nine months ended December 31, 2017: ¥19,721 million / 30.6%

	Profit per share	Profit per share–diluted
	Yen	Yen
Nine months ended December 31, 2018	275.38	274.74
Nine months ended December 31, 2017	342.74	341.96

(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. Profit per share and profit 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 December 31, 2018	429,803	169,943	39.1
As of March 31, 2018	414,823	159,102	38.0

(Reference) Shareholders' equity:

As of December 31, 2018: ¥168,173 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)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit 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)	246.59

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

* **Notes**

(1) Changes in significant subsidiaries during the nine months ended December 31, 2018: None
(changes in specified subsidiaries affecting the scope of consolidation)
New: - (Company name:) Excluded: - (Company name:)

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

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

(ii) Number of treasury stocks at end of period

As of December 31, 2018	334,992 shares
As of March 31, 2018	328,141 shares

(iii) Average number of shares during period

For the nine months ended December 31, 2018	49,473,940 shares
For the nine months ended December 31, 2017	49,473,106 shares

(Note) A reverse stock split with a ratio of 1 share for every 5 shares of common stock was carried out on October 1, 2017. Average number of shares during period have been calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

* 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. 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."