March 13, 2025

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 (Acquisition of Treasury Shares Pursuant to the Articles of Incorporation in Accordance with Article 165, Paragraph 2 of the Companies Act of Japan)

The Company, at the meeting of its Board of Directors held on May 13, 2025, made a resolution on establishment of limit for acquisition of treasury stock, 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.

1. Reasons for establishment of limit for acquisition of treasury stock

   In its Medium-term Business Plan, which concludes in the fiscal year ending March 31, 2029, the Group has raised the payout ratio target (from 30% to 40%) and set forth a shareholder return policy that focuses on the total payout ratio.

   In addition, aiming to reduce the cost of capital, and maximize corporate value, the Company will implement the utilization interest-bearing debt, and the strengthening shareholder returns to pursue an optimal capital structure. Through an increase in the annual dividend (FYE Mar. 2024: 60 yen/share, FYE Mar. 2025: 90 yen/share, FYE Mar. 2026 (forecast): 93 yen/share) and acquisition of treasury stock, the Company will increase the total payout ratio and capital efficiency by returning profits to shareholders.

2. Details of acquisition

(1) Class of shares to be acquired	Common shares of the Company
(2) Total number of shares to be acquired	3,800,000 shares (upper limit) Ratio to the total number of outstanding shares stated below (excluding treasury shares) 4.55% (upper limit)
(3) Total acquisition cost	10,000 million yen (upper limit)
(4) Period of acquisition	May 14, 2025 to March 31, 2026
(5) Method of acquisition	Market purchase on the Tokyo Stock Exchange

(Reference) Treasury shares holding as of April 30, 2025

Total number of outstanding shares (excluding treasury shares)	83,533,300 shares
Number of treasury shares	5,511,786 shares

(Note) “Number of treasury shares” includes 364,500 shares of the Company's stock held by the stock provision trust (J-ESOP).

3. Other

All treasury stock acquired in accordance with the above will be cancelled. The Company will announce the date of the cancellation as soon as it is determined.

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.