



Financial Results Presentation

- for the First Half of the Fiscal Year ended March 31, 2013 -

November 2012

MORINAGA MILK INDUSTRY CO., LTD.

- 1. Overview of 1H of FYE March 2013 Financial Results**
- 2. FYE March 2013 Full-Year Business Forecasts**

Cautionary Note Regarding Business Forecasts

Figures for plans, policies and other figures included in this report other than actual past results are forecasts of future business performance, and are calculated based on management's estimates and understanding of the information available to the Company at the time this presentation was prepared.

Accordingly, these forward-looking figures contain elements of risk and uncertainty, and actual results may differ from these forecasts for a variety of reasons. These elements of potential risk and uncertainty include economic condition in the Company's major markets, trends in demand for the Company's products, exchange rate movements, and regulatory changes and changes in accounting standards and business practices in Japan and other countries.

Monetary amounts in this presentation are shown in billions of yen, with amounts of less than ¥0.1 billion rounded to the nearest ¥0.1 billion, and as a result total figures may differ from the sum of the corresponding breakdown figures.

1. Overview of 1H of FYE March 2013 Financial Results

Differences Between Actual and Planned Business Results



■ Net Sales

- Net sales rose on a rebound from the effect of the Great East Japan Earthquake in the previous year and large sales growth for yogurt from the strong performance that has continued from the last quarter of the previous fiscal year, and as a result total net sales were generally on plan.

■ Operating Income, Ordinary Income

- Profit was less than planned, reflecting a weaker product mix from shortfalls in sales of ice cream, food service & institutional food products, chilled tea and others, as well as higher prices for raw material milk prices for processing, and an increase in sales promotion expenses.

Financial Results for 1H of FYE March 2013



(Unit: billion yen)

	1H of FYE March 2012	1H of FYE March 2013	Year on Year Change	Year on Year (%)
Net Sales	309.3	317.1	7.8	2.5%
Operating Income	11.0	9.6	-1.4	-12.5%
Ordinary Income	11.1	9.8	-1.3	-11.8%
Net Income	4.5	5.2	0.6	14.2%
R O S (Ordinary Income / Net Sales)	3.6%	3.1%		

(Unit: billion yen)

Apr-Jun	FYE March 2012	FYE March 2013	Year on Year Change	Year on Year (%)
Net Sales	147.3	150.8	3.4	2.3%
Operating Income	5.3	3.6	-1.7	-32.5%
Ordinary Income	5.6	3.8	-1.7	-31.3%
Net Income	2.5	1.9	-0.7	-26.4%

(Unit: billion yen)

Jul-Sep	FYE March 2012	FYE March 2013	Year on Year Change	Year on Year (%)
Net Sales	162.0	166.3	4.3	2.7%
Operating Income	5.7	6.0	0.4	6.2%
Ordinary Income	5.5	6.0	0.4	7.8%
Net Income	2.0	3.3	1.3	64.9%

Sales by Product Group and Major Product (Non-Consolidated)



Areas to be Strengthened and Developed	Net Sales (Billion yen)	Year on Year (%)
Yogurt	27.4	15%
Cheese	21.5	1%
Chilled cup-type drinks	25.0	2%
Functional food materials & health food	2.7	-4%
Total	76.7	6%

Liquid diet (Clinico)	(14.3)	(6%)
Overseas business	(8.4)	(-7%)

Note: Liquid diet indicates net sales at Clinico Co., Ltd., which is a consolidated subsidiary of the Company. Food service & institutional food products excludes dairy ingredient products.

Product Group	Product	Year on Year (%)
Yogurt	Bifidus brand	23%
Chilled cup-type drinks	Mt. Rainier	3%
Milk	Morinaga Oishii Gyunyu Milk	2%

Profit Growth Areas	Net Sales (Billion yen)	Year on Year (%)
Food service & institutional food products	19.0	-1%
Ice cream	33.2	0%
Home deliveries	11.1	-3%
Chilled tea	10.8	-5%
Total	74.0	-1%

Margin Improvement Areas	Net Sales (Billion yen)	Year on Year (%)
Milk	29.4	2%
Nutritional food products	7.2	6%
Chilled desserts	10.9	16%
Total	47.5	5%

Total net sales (non-consolidated): ¥238.0 billion, 3% (year on year)

Shares of Home-Use Products



Category	Share		
	1H of FYE March 2012	1H of FYE March 2013	Rank
Chilled cup-type coffee	52%	53%	1
Chilled tea beverages	64%	69%	1
Yogurt	13%	13%	2
Chilled desserts	20%	24%	1
Cheese	15%	14%	2
Ice cream	13%	13%	2
Liquid diet	36%	36%	1

Note: Shares of home-use products by monetary amount.

Source: INTAGE Inc. (share of sales amounts in Apr-Sep 2011 and Apr-Sep 2012). Company estimates for liquid diet only.

Net Sales by Consolidated Subsidiary



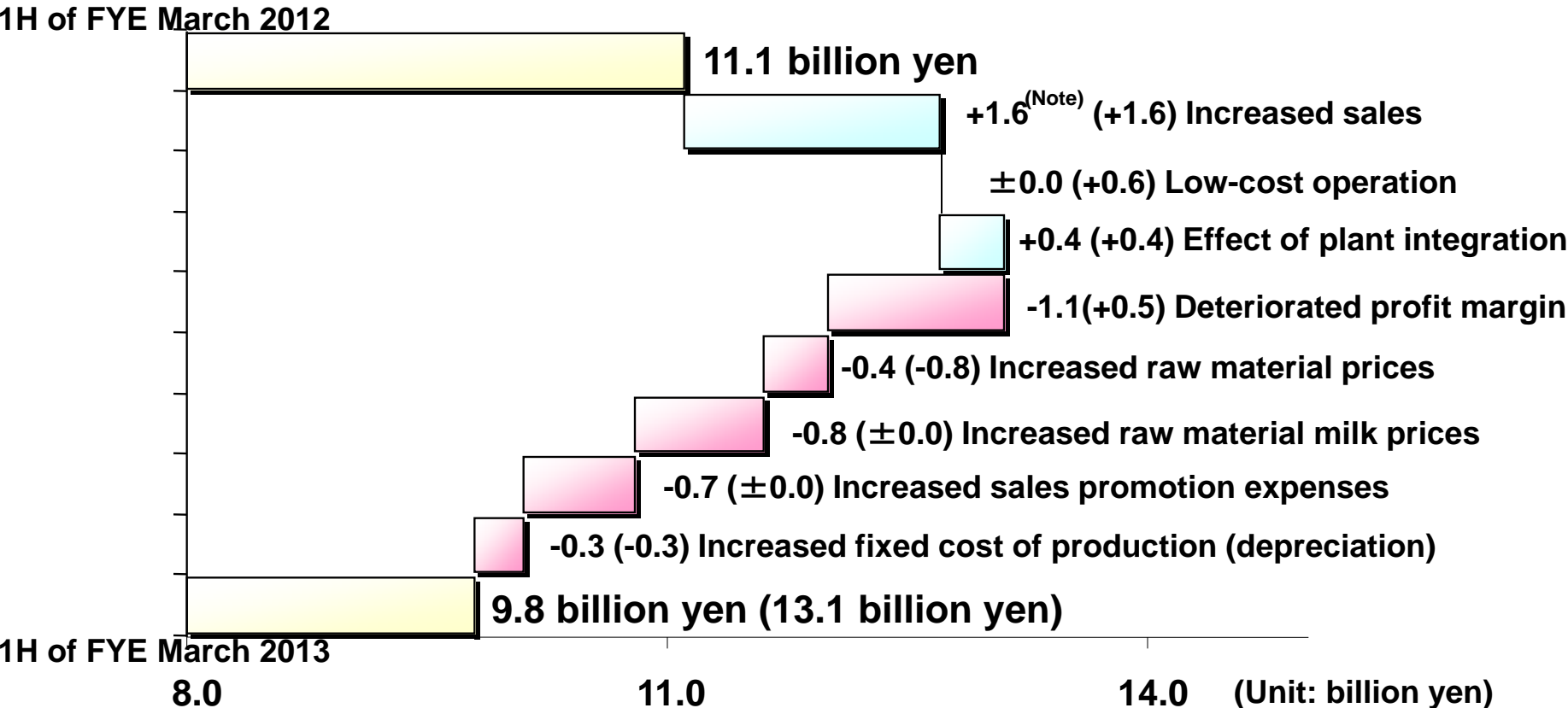
Category	Net Sales	Year on Year (%)	No. of Companies	Major Subsidiaries
Production & production sales	¥56.3 billion	4%	13	Yokohama Milk Industry MK Cheese
Sales	¥72.3 billion	2%	4	Daily Foods Hokkaido Morinaga Milk Hanbai
Other	¥65.6 billion	2%	13	Clinico Morinaga Rakunou Hanbai
Total	¥194.1 billion	3%	30	

Note: Totals are simple sums.

Change in Consolidated Ordinary Income



Figures in parentheses are initial forecasts.



Note: Includes +0.2 from price revisions.

2. FYE March 2013 Full-Year Business Forecasts

FYE March 2013 Full-Year Business Forecasts

(Unit: billion yen)

	FYE March 2012	FYE March 2013	Year on Year Change	Year on Year (%)
Net Sales	578.3	588.0	9.7	1.7%
Operating Income	13.2	12.0	-1.2	-9.0%
Ordinary Income	13.2	12.0	-1.2	-9.0%
Net Income	4.6	5.4	0.8	17.2%
R O S (Ordinary Income / Net Sales)	2.3%	2.0%		
R O A (Ordinary Income / Total Assets)	3.7%	3.3%		
R O E (Net Income / Equity Capital)	4.2%	4.6%		

(Unit: billion yen)

1H Results	FYE March 2012	FYE March 2013	Year on Year Change	Year on Year (%)
Net Sales	309.3	317.1	7.8	2.5%
Operating Income	11.0	9.6	-1.4	-12.5%
Ordinary Income	11.1	9.8	-1.3	-11.8%
Net Income	4.5	5.2	0.6	14.2%

(Unit: billion yen)

2H Results	FYE March 2012	FYE March 2013	Year on Year Change	Year on Year (%)
Net Sales	269.0	270.9	1.9	0.7%
Operating Income	2.2	2.4	0.2	8.4%
Ordinary Income	2.1	2.2	0.1	6.3%
Net Income	0.1	0.2	0.1	208.6%

Sales Forecasts by Product Group (Non-Consolidated)



“Areas to be strengthened and developed”

in which market growth is expected

Areas to be Strengthened and Developed	Net Sales (Billion yen)	Year on Year (%)
Yogurt	51.5	9%
Cheese	45.0	0%
Chilled cup-type drinks	43.6	1%
Functional food materials & health food	5.7	0%
Total	145.8	3%
Liquid diet (Clinico)	(30.0)	(9%)
Overseas business	(16.0)	(3%)

Note: Liquid diet indicates net sales at Clinico Co., Ltd., which is a consolidated subsidiary of the Company. Food service & institutional food products exclude dairy ingredient products.

“Profit growth areas”

whose contribution to profit is large

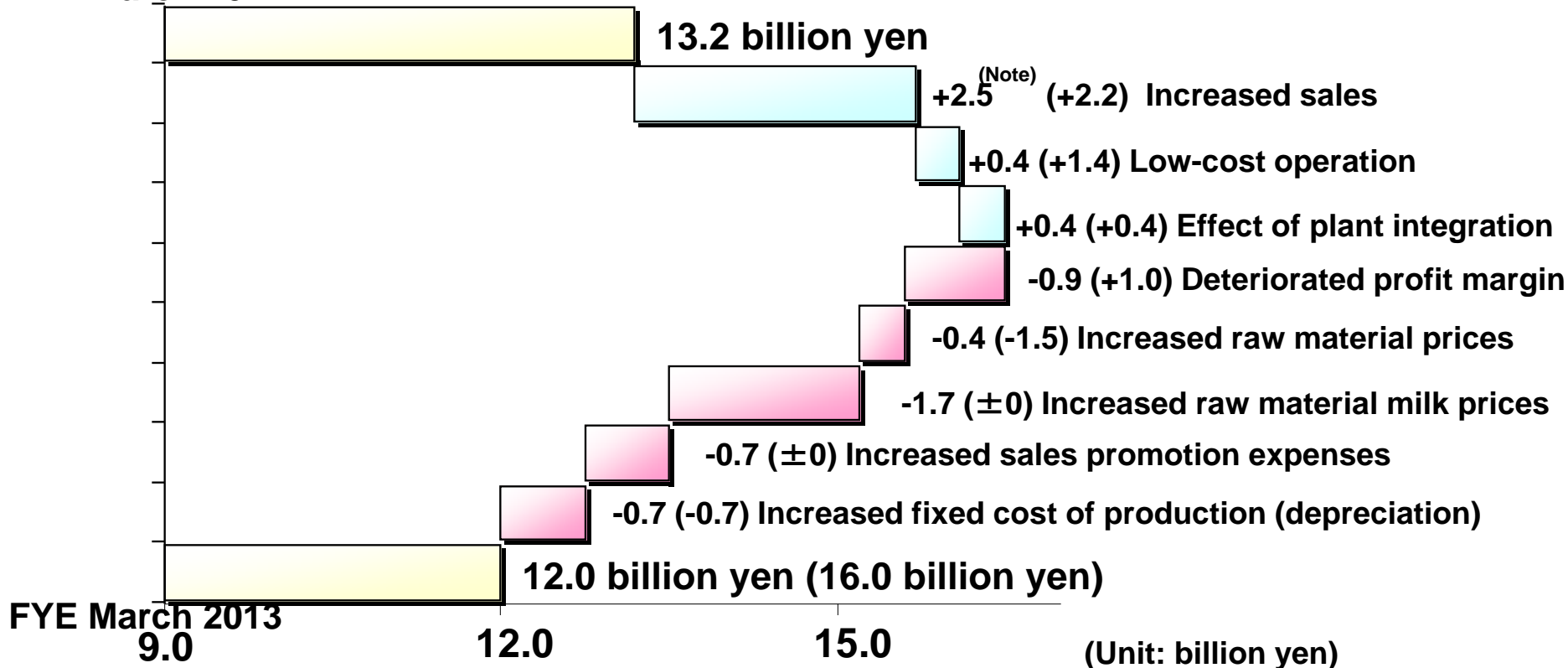
Profit Growth Areas	Net Sales (Billion yen)	Year on Year (%)
Food service & institutional food products	39.5	0%
Ice cream	51.0	1%
Home deliveries	21.5	-2%
Chilled tea	20.2	-2%
Total	132.2	0%

Change in Consolidated Ordinary Income (Forecast)



Figures in parentheses are initial forecasts.

FYE March 2012



Note: Includes +0.8 from price revisions.

Capital Investment Plan, Depreciation Expenses, Interest-Bearing Debt



(Unit: billion yen)

	FYE March 2011	FYE March 2012	FYE March 2013
Capital investment	15.5	18.7	16.8
Depreciation	17.1	16.9	17.1

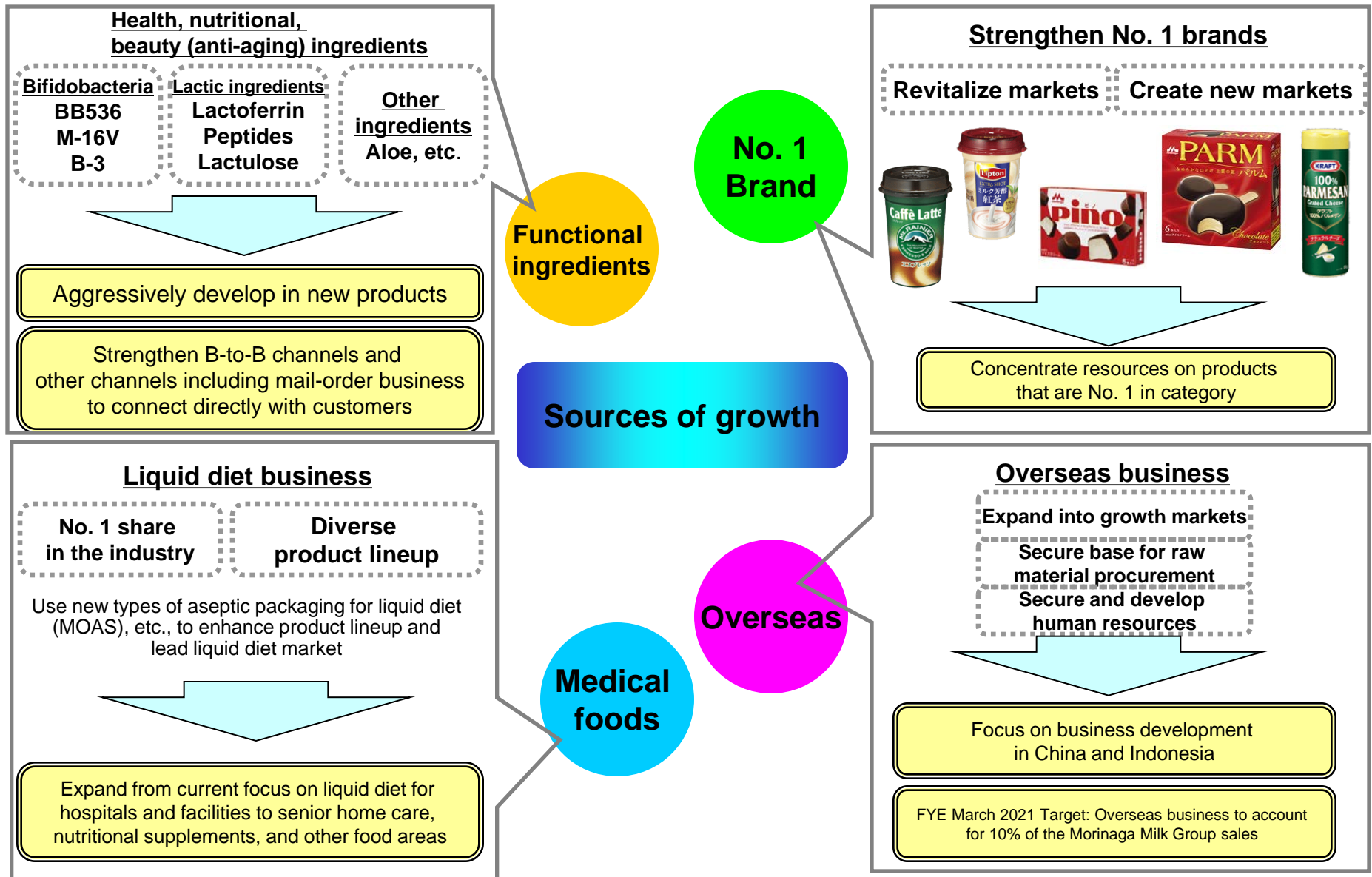
(Unit: billion yen; times)

	FYE March 2011	FYE March 2012	FYE March 2013
Interest-bearing debt	102.5	102.9	92.2
DER	0.94	0.83	0.78

Note: Interest-bearing debt indicates loans payable and bonds payable.

Interest-bearing debt for FYE March 2012 includes a ¥10.0 billion adjustment for advance redemptions of bonds (DER is calculated excluding this ¥10.0 billion).

Sources of Future Growth



Initiatives Going Forward

Strengthen brand, create new markets

- Increase sales with focus on areas to be strengthened and developed
- Pursue challenge of creating new markets
- Respond to changes in society



Mt. Rainier series



Lipton Matcha Milk



Greek Yogurt "Partheno"



Eco-Raku-Pack infant formula



Cheese-de-gohan!?



Uruou Glucosamine

Strengthen health, nutritional, and liquid diet businesses

- Increase MOAS market share at hospitals and facilities
- Strengthen home care, nutritional supplement businesses



Liquid diet in aseptic package "MOAS"



Nursing care foods
"Yawaraka-tei"

Initiatives Going Forward

Expand into growth markets and strengthen the base for raw material procurement

- Make Milei GmbH a wholly owned subsidiary
- Tie-up with Wang Wang Group
- Build overseas research structure
- Expand capacity at Urahoro Nyugyo



Milei GmbH, Germany



New building under construction at Urahoro Nyugyo



MORINAGA MILK INDUSTRY CO., LTD.