

September 7, 2018

Company name: Morinaga Milk Industry Co., Ltd.
5-33-1 Shiba, Minato-ku, Tokyo
Representative: Michio Miyahara,
President & Representative Director
(Code: 2264 First Section of the TSE)

Notice Regarding Issuance of 16th Series of Unsecured Straight Bonds of Morinaga Milk Industry Co., Ltd.
(with Inter-bond Pari Passu Clauses)

Morinaga Milk Industry Co., Ltd. (hereafter, “the Company”) hereby announces today that it has determined the matters set forth below with respect to issuance of its 16th Series of Unsecured Straight Bonds (with inter-bond pari passu clauses) (hereinafter, the “Bonds”).

1. Total issue amount: 10 billion yen
2. Denomination per Bond: 100 million yen
3. Application of provisions of the Act on Book Entry of Corporate Bonds and Shares:
All of the Bonds are subject to provisions set forth in Article 66, Paragraph 2 of the Act on Book Entry of Corporate Bonds and Shares (hereinafter, the “Book Entry Act”), and certificates of the Bonds may not be issued, except as stipulated in Article 67, Paragraph 2 of the Book Entry Act.
4. Interest rate: 0.395% per annum
5. Payment amount: 100 yen per face value of 100 yen
6. Redemption price: 100 yen per face value of 100 yen
7. Maturity and method of redemption: 10 years
 - (1) Final maturity: The principal of the Bond will be redeemed in full on September 14, 2028.
 - (2) Retirement by purchase: The Company may repurchase and retire the Bonds at any time on or after the payment date, except as otherwise stipulated by the book-entry transfer institution.
8. Interest payment dates: March 14 and September 14 of each year
(Date of initial interest payment: March 14, 2019)
9. Offering method: Public offering
10. Offering period: September 7, 2018
11. Payment date: September 14, 2018
12. Collateral: Neither collateral nor guarantee is provided for the Bonds, nor are specific assets reserved to secure the Bonds.

13. Financial covenants: Subject to negative pledge clause.
14. Underwriters: Underwriting syndicate under joint leadership of SMBC Nikko Securities Inc., Mizuho Securities Co., Ltd., and Nomura Securities Co., Ltd.
15. Locations handling subscriptions: Head offices and respective domestic branches of the underwriters
16. Fiscal, issuance and payment agent: Mizuho Bank, Ltd.
17. Book-entry transfer institution: Japan Securities Depository Center, Incorporated
18. Credit rating: A- (single A minus) Rating and Investment Information, Inc.