

May 13, 2019

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 Tokyo Stock Exchange)

**Discontinuation (Abolition) of Countermeasures to Large-Scale Acquisitions of Shares in
Morinaga Milk Industry Co., Ltd. (Takeover Defense Measures)**

With the approval of the shareholders at the 84th Annual General Meeting of Shareholders held on June 28, 2007, Morinaga Milk Industry Co., Ltd. (hereafter, “the Company”) introduced countermeasures to large-scale acquisitions of the Company’s shares (hereafter, “the Plan”) for the purpose of ensuring and enhancing the corporate value of the Company and hence the common interests of the shareholders. The Plan has subsequently been renewed, most recently by the resolution of the 93th Annual General Meeting of Shareholders held on June 29, 2016.

The effective period of the Plan expires at the conclusion of the 96th Annual General Meeting of Shareholders to be held on June 27, 2019 (hereafter, “the Annual General Meeting of Shareholders”). The Company hereby announces that the Board of Directors, at its meeting held on May 13, 2019, resolved not to continue the Plan and to abolish it at the conclusion of the Annual General Meeting of Shareholders when the Plan expires. Details are as follows:

The Company introduced the Plan and has subsequently been renewing it for the purpose of ensuring and enhancing the corporate value of the Company and hence the common interests of the shareholders in the event of a large-scale acquisition of the Company’s shares, *inter alia* by securing sufficient information and time necessary for the shareholders to make proper judgment, and by securing opportunities for negotiation with the acquirer or other relevant parties.

At this time, ahead of the expiration of the Plan, the Company deliberated the various aspects of the Plan, including the pros and cons of renewing the Plan, through repeated discussions by the Board of Directors on such points as “ESG-focused management practices to realize corporate philosophy” as set forth in the Company’s new Medium Term Business Plan, recent trends in takeover defense measures, and opinions of its shareholders. As a result, the Company judged that the need for the Plan declined in relative terms and resolved, at the meeting of the Board of Directors held on May 13, 2019, not to continue and to abolish the Plan.

The Plan will be abolished but the Company will continue to strive for enhancement of the Company’s corporate value and hence the common interests of the shareholders, and should any

person attempt to acquire a large number of the Company's shares, will request the said person to provide information as may be necessary and sufficient to allow the shareholders to make proper judgment on whether or not the acquisition is acceptable, disclose the opinions or the like of the Board of Directors of the Company, endeavor to secure information and time necessary for the shareholders to deliberate or for other similar purposes, and take other measures as appropriate in each instance within the scope of the Financial Instruments and Exchange Act, the Companies Act and other relevant laws and regulations, from the perspective of enhancing the corporate value and hence the common interests of the shareholders.

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