

October 16, 2019

Notice Regarding Suspension of Production and Dissolution of Toyo Fermented Milk Co., Ltd.

Morinaga Milk Industry Co., Ltd. (President and Representative Director: Michio Miyahara) hereby provides notification that it will suspend production of Group company Toyo Fermented Milk Co., Ltd. in May 2020, and has accordingly decided to dissolve Toyo Fermented Milk at the end of May 2020.

1. Reasons for suspension of production and dissolution

The Company has been making progress optimizing its production systems under efforts taken thus far to streamline operations in order to strengthen its business base. Under the basic policy set forth in its Medium-Term Business Plan of “further strengthening our business base in a manner that supports the foundations of our corporate activities,” the Company will actively invest in growth areas and review its domestic production systems.

In accordance with this basic policy of the Medium-Term Business Plan, the Company will take steps that involve dissolving Toyo Fermented Milk, upon having suspended its production and transferred such operations to the Company and Group companies.

2. Overview of Toyo Fermented Milk Co., Ltd.

- 1) Location: Okehazama-shinmei 1518, Midori-ku, Nagoya City, Aichi
- 2) Representative: Yoshiharu Matsusue, President and Representative Director
- 3) Establishment: May 1958
- 4) Capital: 30,000,000 yen
- 5) Shareholders: Morinaga Milk Industry Co., Ltd. (100.0% ownership)
- 6) Number of employees: 44 (including contract employees) *As of September 30, 2019
- 7) Products manufactured: Yogurt

3. Schedule for suspension of production and dissolution (tentative)

Production suspension: Mid-May, 2020

Dissolution: May 31, 2020