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May 13, 2022

Company name: MORINAGA & CO., LTD.
Name of representative: Eijiro Ota, Representative Director,
President
(Securities code: 2201; Prime Market
of the Tokyo Stock Exchange)
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Notice Regarding Dividend of Surplus (Dividend Increase)

MORINAGA & CO., LTD. (“the Company”) today announced that its Board of Directors resolved, at a meeting held on May 13, 2022, to pay a dividend of surplus with the record date of March 31, 2022. Details are as follows.

The proposed dividend of surplus will be submitted for consideration at the 174th Annual General Meeting of Shareholders to be held on June 29, 2022.

1. Overview

| | Details of resolution | Latest dividend forecast (Announced on February 9, 2022) | Dividend for fiscal year ended March 31, 2021 |
|------------------------------|-----------------------|---|--|
| Record date | March 31, 2022 | March 31, 2022 | March 31, 2021 |
| Dividend per share | 90.00 yen | 80.00 yen | 80.00 yen |
| Total amount of dividends | 4,497 million yen | - | 4,025 million yen |
| Effective date | June 30, 2022 | - | June 30, 2021 |
| Source of funds for dividend | Retained earnings | - | Retained earnings |

2. Reason for dividend increase

The Company’s basic policy on returning profits to shareholders is to provide consistent and stable returns to shareholders while securing a solid management foundation.

Shareholder returns are premised on our ability to maintain a sound balance sheet. While giving due consideration to the dividend payout ratio and free cash flow, we aim to raise the dividend on equity ratio (DOE), an indicator of the Group’s capital policy, over the medium to long term. With an awareness of total shareholder returns, we also will consider flexible implementation of share buybacks as needed.

Based on careful consideration of the operating results for the fiscal year ended March 31, 2022, and the outlook for future business operations, we have decided to add ¥10 to the ¥80 stated in our most recent dividend forecast and pay a year-end dividend of ¥90 per share.

(Reference) Breakdown of annual dividend

| Record date | Dividend per share (yen) | | |
|--|--------------------------|--------------------|-----------|
| | End of second quarter | End of fiscal year | Total |
| Dividends for fiscal year ended March 31, 2022 | 0.00 yen | 90.00 yen | 90.00 yen |
| Dividends for fiscal year ended March 31, 2021 | 0.00 yen | 80.00 yen | 80.00 yen |