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Consolidated Financial Summary for the Six Months Ended September 30, 2023 (2Q) (Japanese Accounting Standards)

November 10, 2023

Company name: Morinaga & Co., Ltd. Stock listing: Tokyo Stock Exchange
 Stock code: 2201 URL: <https://www.morinaga.co.jp/company/english/>
 Representative: Eijiro Ota, Representative Director, President
 Contact: Natsuko Okamoto, General Manager, Corporate Communication Division
 TEL +81-3-3456-0150

Scheduled date to submit the Quarterly Securities Report: November 13, 2023
 Scheduled date for commencement of dividend payments: —
 Supplementary documents for quarterly financial results: Yes
 Quarterly financial results briefing: Yes (for institutional investors and analysts)

(The figures are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the First Half of the Fiscal Year Ending March 31, 2024

(April 1, 2023 – September 30, 2023)

(1) Consolidated operating results (Accumulated total)

(The percentages are year-on-year percentage changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
2Q ended September 30, 2023	109,608	11.4	14,167	38.5	14,397	37.1	10,260	55.8
2Q ended September 30, 2022	98,434	5.4	10,231	(22.4)	10,498	(23.4)	6,584	(31.0)

(Note) Comprehensive income: 2Q ended September 30, 2023: 13,295 million yen (87.6%)
 2Q ended September 30, 2022: 7,085 million yen (-51.6%)

	Net income per share	Diluted net income per share
	Yen	Yen
2Q ended September 30, 2023	222.56	—
2Q ended September 30, 2022	134.83	—

(2) Consolidated financial situation

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
2Q ended September 30, 2023	219,527	129,007	58.1
Year ended March 31, 2023	205,226	125,856	60.7

(Reference) Shareholders' equity: 2Q ended September 30, 2023: 127,641 million yen
 Year ended March 31, 2023 : 124,565 million yen

2. Dividends

	Annual dividends				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	—	0.00	—	100.00	100.00
Year ending March 31, 2024	—	0.00	—	—	—
Year ending March 31, 2024 (forecast)	—	—	—	52.50	—

(Note) Revisions to dividend forecasts published most recently: Yes

The Company plans to conduct a two-for-one stock split of common shares effective January 1, 2024. The forecast of dividend per share for the fiscal year ending March 31, 2024, therefore, takes into account the effect of this stock split. The forecast of annual dividends is not shown as simple comparison cannot be made due to the stock split. If the stock split is not taken into account, the year-end dividend (forecast) for the fiscal year ending March 31, 2024 is 105.00 yen per share.

For details, refer to the Notice Regarding Stock Split, Revision of Dividend Forecast, and Shareholder Benefits Program which was released today (November 10, 2023).

3. Consolidated Results Forecasts for the Fiscal Year Ending March 31, 2024 (April 1, 2023 – March 31, 2024)

(The percentages are year-on-year percentage changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	210,000	8.0	18,700	22.7	19,100	21.2	13,600	35.2	148.62

(Note) Revisions to results forecasts published most recently: Yes

The Company plans to conduct a two-for-one stock split of common shares effective January 1, 2024. The net income per share in the consolidated results forecasts for the fiscal year ending March 31, 2024, therefore, takes into account the effect of this stock split. If the stock split is not taken into account, the net income per share is 297.23 yen.

* Notes

(1) Important changes in subsidiaries during the quarter (changes in specified subsidiaries accompanied by changes in the scope of consolidation): None

(2) Application of accounting treatment unique to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes of accounting estimates and restatement

- (i) Changes in accounting policies associated with revisions to accounting standards: None
- (ii) Changes in accounting policies other than changes in (i): None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of shares issued (common shares)

- (i) Number of shares issued at end of period (including treasury stock)
 - 2Q of the year ending March 31, 2024: 46,959,769
 - Year ended March 31, 2023: 48,139,769
- (ii) Number of shares of treasury stock at end of period
 - 2Q of the year ending March 31, 2024: 1,050,991
 - Year ended March 31, 2023: 1,049,444
- (iii) Average number of shares during the period (quarter-to-date)
 - 2Q of the year ending March 31, 2024: 46,102,982
 - 2Q of the year ended March 31, 2023: 48,838,446

* The number of shares of treasury stock at end of period includes the Company's shares held by the officer compensation Board Incentive Plan (BIP) trust (34,181 shares in the second quarter of the fiscal year ending March 31, 2024 and 34,181 shares in the fiscal year ended March 31, 2023). The Company's shares held by the officer compensation BIP trust are included in shares of treasury stock that are deducted in the calculation of the average number of shares during the period.

* This quarterly financial summary is not subject to quarterly review by certified public accountants or audit corporations.

* Explanation about the proper use of results forecasts, and additional information

The results forecasts are prepared based on adequate information, but actual results might be different from them, depending on a range of factors. For details, please refer to "1. Qualitative Information on Consolidated Results for the First Half (3) Qualitative information on future forecasts, including consolidated results forecasts " on page 5 of the accompanying materials.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the first half of the current fiscal year, despite prices continuing to rise due to the unstable international situation and a weaker yen, among other factors, economic activities and social life in Japan continued to return to normal, mainly due to recovery in consumption activities and inbound demand following the transition of COVID-19 to a Class 5 category infectious disease.

On the other hand, the Japanese economy continued to face an uncertain business environment amid concerns about the impact of rising domestic prices on consumer sentiment, ongoing surging raw materials and energy prices driven by prolonged instability of the international situation and depreciation of the yen, and the risk of economic downturn due to the continued credit squeeze in the United States.

Under these circumstances, in the final year of the 2021 Medium-Term Business Plan, the Group worked on building a new management foundation for dramatic growth toward achievement of the 2030 Business Plan, as well as strengthening its businesses to respond to various changes in the external environment.

Consequently, the Confectionery & Foodstuffs business, Frozen Desserts business and operating subsidiaries in particular performed well in Japan, and the U.S. business maintained strong growth. As a result, consolidated net sales increased by ¥11,174 million (+11.4%) year on year to ¥109,608 million, a record high for the first half of the fiscal year.

In terms of profit, despite soaring raw materials and energy prices, operating income recovered well to ¥14,167 million, up ¥3,936 million (+38.5%) year on year due to the growth in sales and the positive impact of price revisions. Ordinary income was ¥14,397 million, up ¥3,899 million (+37.1%) year on year, and profit attributable to owners of parent was ¥10,260 million, up ¥3,676 million (+55.8%) year on year.

The following is a summary of consolidated results by business segment.

Food Manufacturing

Confectionery & Foodstuffs Business

In the biscuit category, record-high sales were achieved for the *Morinaga Biscuits* brand as a whole. The expansion of production lines last year enabled aggressive product development, sales of existing products such as *MOON LIGHT* remained strong, and the launch of two *PREMIUM Series* products in September also contributed to sales growth.

In the sugar confectionery category, sales of existing *HI-CHEW* products remained strong due to product and promotional development emphasizing the appealing texture. The launch of new products for “*HI-CHEW Day*” in August also contributed to sales. *Morinaga Ramune* enjoyed strong sales of both new and existing products as a result of stepping up promotions using the launch of new products as a marketing hook. Both brands achieved record sales.

In the chocolate category, sales of *Carré de chocolat* were down year on year due to the impact of shifting the launch of new autumn products to the third quarter. Sales of *DARS* increased year on year largely due to new concept products launched in the existing box format. Although sales of existing *Chocoball* products remained strong, total *Chocoball* sales decreased year on year due to fewer items being sold following the discontinuation of some products.

In the foodstuffs category, efforts were continued to capture demand for both *Morinaga Amazake* and *Morinaga Cocoa* by promoting their functional health benefits and proposing drinking opportunities in order to bolster their respective health brand images. Sales of *Morinaga Amazake* increased year on year boosted by strong sales of limited-edition products, but sales of *Morinaga Cocoa* decreased year on year. Note that, as a measure to improve profitability in response to soaring energy and raw material prices, price revisions were implemented in September for some amazake, cake mix and other products.

As a result, total net sales for the Confectionery & Foodstuffs business increased ¥2,705 million (+8.1%) year on year to ¥35,919 million.

In terms of profit, segment operating income increased by ¥1,548 million year on year to ¥1,606 million by overcoming soaring energy and raw material prices with the sales growth and the positive impact of price revisions.

Frozen Desserts Business

Sales of *Choco Monaka Jumbo* in the *Jumbo Group* remained strong thanks to the positive response to this spring's quality renewal and to the success in creating a buzz through increased media exposure by utilizing social media to disseminate information and strengthening PR activities. Sales of *Vanilla Monaka Jumbo* increased year on year due to strong store turnover as a result of continuing to promote the product's unique quality through the release of a stand-alone TV commercial. Sales of *Ita Choco Ice* increased significantly year on year. Sales remained strong in the height of summer due to the popularity of the summer only quality launched in June, and sales of *Shiroi Ita Choco Ice*, launched in September, were also strong, exceeding expectations (sales are temporarily suspended). Sales of *The Crepe*, now in its second year of year-round sales, increased year on year, on the back of efforts to expand brand contact points through the launch of a new product in the middle of summer. Sales of *ICEBOX* were up significantly year on year thanks to continued growth in the purchase rate following promotions aimed at expanding eating situations, as well as increased demand due to the extremely hot summer.

As a result, total net sales for the Frozen Desserts business grew ¥3,056 million (+12.3%) year on year to ¥27,998 million.

In terms of profit, segment operating income increased by ¥1,047 million (+30.0%) year on year to ¥4,533 million by overcoming soaring energy and raw material prices with the sales growth and the positive impact of price revisions.

"in-" Business

Sales of *in Jelly* decreased slightly year on year. While efforts promoting drinking situations for each target were ongoing and sales of *Energy: Glucose Boost <Ramune flavor>* and *in Jelly: Full-o-Fruit* products remained strong, there was downward movement from the previous year's sales that included products supplied to local governments for COVID-19 patients. Sales of *in Bar* were up year on year following a renewal of the entire product lineup with a new design that makes it easier to understand what the product is about, amid an increasingly competitive environment due to the diversification of protein intake means.

As a result, total net sales for the "in-" business grew ¥73 million (+0.4%) year on year to ¥17,863 million.

In terms of profit, segment operating income decreased by ¥390 million (-7.7%) year on year to ¥4,653 million due to the significant impact of soaring energy and raw material prices despite the improved profitability thanks to price revisions.

Direct Marketing Business

Sales of *Morinaga Collagen Drink* remained at the same level as last year. The number of new customers exceeded cancellations, but the number of subscription customers was slightly lower than expected. Sales expanded for *Morinaga Aojiru*, the second pillar candidate product in the Direct Marketing business, due to a stable increase in the number of subscription customers.

As a result, total net sales for the Direct Marketing business grew ¥212 million (+4.2%) year on year to ¥5,314 million.

In terms of profit, segment operating income increased by ¥95 million (+29.2%) year on year to ¥421 million owing to the strong net sales growth as well as the positive impact of price revisions, despite soaring raw materials prices.

Operating Subsidiaries

Net sales at Aunt Stella Inc. were up year on year. At directly operated stores throughout Japan, there were brisk sales of cookies by weight as well as "fill a bag" sales, which resumed for the first time in three months. Sales through more outlets at major mass retailers also contributed to sales growth. Net sales at Morinaga Market Development Co., Ltd. increased significantly year on year. There were strong sales at amusement parks due to an increase in the number of foreign visitors to Japan and an increase in the number of visitors during the summer vacation, and sales at "antenna

shops” (special promotional satellite stores) also continued to be strong.

As a result, total net sales for Operating Subsidiaries grew ¥1,067 million (+30.2%) year on year to ¥4,605 million.

Segment operating income increased by ¥252 million (+134.7%) year on year to ¥438 million.

[Year-on-year changes (%) in sales of mainstay brands]

Confectionery & Foodstuffs Business		Frozen Desserts Business	
<i>Morinaga Biscuits</i>	121	<i>Jumbo Group</i>	113
<i>HI-CHEW</i>	115	<i>Ita Choco Ice</i>	141
<i>Morinaga Ramune</i>	124	<i>The Crepe</i>	102
<i>Carré de chocolat</i>	94	<i>ICEBOX</i>	123
<i>DARS</i>	123	“in-” Business	
<i>Chocoball</i>	88	<i>in Jelly</i>	99
<i>Morinaga Amazake</i>	101	<i>in Bar</i>	107
<i>Morinaga Cocoa</i>	96	Direct Marketing Business	
		<i>Morinaga Collagen Drink</i>	100

* The figures in the table are year-on-year changes in gross domestic sales results.

U.S. Business

In addition to partnerships with Major League Baseball, promotions that create brand experience for *HI-CHEW* continued to be proactively developed, aimed at boosting brand recognition and loyalty. The percentage of stores selling *HI-CHEW* steadily increased, and the business continued to grow strongly, with net sales increasing significantly year on year. As progress is being made in introducing the *Chargel* gel drink to Japanese supermarket chains in the U.S., efforts are also ongoing to promote the product to other local supermarkets and sport-related marketing channels. Brand awareness and understanding of the product are also being actively promoted by strengthening advertising and promotional activities like product sampling at sports events.

As a result, total net sales for the U.S. business rose ¥2,811 million (+42.4%) year on year to ¥9,442 million.

In terms of profit, segment operating income increased by ¥1,240 million (+156.3%) year on year to ¥2,033 million due to higher profitability brought by the sales growth and the positive impact of price revisions, despite the impact of soaring raw materials prices and increasing labor costs.

China, Taiwan, Exports, etc.

In China, while *HI-CHEW* sales continued to be brisk, import sales of Japanese products struggled. In Taiwan, sales of *HI-CHEW* and *in Jelly* were strong. Sales of *HI-CHEW* were also steadily growing in East Asia and Oceania, which is the exploration and research area.

As a result, total net sales for China, Taiwan, Exports, etc., increased ¥804 million (+24.5%) year on year to ¥4,081 million.

Segment operating income increased by ¥123 million (+36.8%) year on year to ¥459 million.

From the above-mentioned results, sales in Food Manufacturing increased 11.4% year on year to ¥105,279 million. Segment operating income increased by ¥3,968 million year on year to ¥14,026 million.

Food Merchandise

Sales for the segment increased 13.8% year on year to ¥3,023 million. Segment operating income increased by ¥47 million year on year to ¥103 million.

Real Estate and Services

Sales for the segment decreased 1.0% year on year to ¥947 million. Segment operating income decreased by ¥9 million year on year to ¥409 million.

Other Services

Sales totaled ¥358 million. Segment operating income was ¥80 million.

(2) Explanation of Financial Position

Total assets at the end of the second quarter of the fiscal year under review increased by ¥14,301 million from the end of the previous fiscal year to ¥219,527 million. This was chiefly due to increases in notes and accounts receivable–trade, securities held by shifting cash and deposits into jointly operated designated money trusts, and construction in progress included in other–net under property, plant and equipment, which offset a decrease in income taxes receivable.

Liabilities totaled ¥90,519 million, an increase of ¥11,149 million from the end of the previous fiscal year. The increase mainly reflects increases in notes and accounts payable–trade and income taxes payable.

Net assets stood at ¥129,007 million, up ¥3,151 million from the end of the previous fiscal year.

This was chiefly due to increases in profit attributable to owners of parent, and the valuation difference on available-for-sale securities and foreign currency translation adjustments, which offset a decrease due to dividend payments and the purchase of treasury stock.

As a result of the above, the shareholders' equity ratio was 58.1%, down 2.6 points from the end of the previous fiscal year.

(3) Explanation of Future Forecasts Such As Consolidated Results Forecasts

As for consolidated results during the first half of the current fiscal year, net sales continued to be strong both overseas and domestically, exceeding the initial forecasts. In terms of profit, in addition to steadily realizing growth in sales and the positive impact of price revisions, mitigation of the impact of soaring energy prices and the increased contribution of the U.S. business to earnings resulted in higher profits at all levels, exceeding the initial forecasts.

Having comprehensively taken into account the business results for the first half of the current fiscal year and the acceleration of investment in businesses and business foundation in the second half of the year with a view to medium- to long-term growth, the full-year consolidated results forecasts for the fiscal year ending March 31, 2024 are likely to exceed the previously announced forecasts and have been revised as follows.

Revision of consolidated results forecasts for the fiscal year ending March 31, 2024
(April 1, 2023 through March 31, 2024)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent
	Million yen	Million yen	Million yen	Million yen
Previously announced forecast (A)	204,000	17,300	17,800	12,200
Revised forecast (B)	210,000	18,700	19,100	13,600
Change (B–A)	6,000	1,400	1,300	1,400
Percentage change (%)	2.9	8.1	7.3	11.5
(Ref.) Consolidated results of the previous fiscal year (ended March 31, 2023)	194,373	15,235	15,757	10,059

* The conversion rate used in our forecasts for overseas subsidiaries is ¥139.58 to the U.S. dollar.

Taking into account the effect of the two-for-one stock split of common shares that is scheduled to take effect on January 1, 2024, the year-end dividend forecast for the fiscal year ending March 31, 2024 is 52.50 yen per share. If the stock split is not taken into account, the year-end dividend forecast for the fiscal year ending March 31, 2024 is 105.00 yen

per share, which is essentially unchanged from the year-end dividend forecast announced on May 11, 2023. Matters related to the revision of the forecasts are also stated in the Notice Regarding Revision of Consolidated Results Forecasts for the Fiscal Year Ending March 31, 2024, which was released today (November 10, 2023).

2. Quarterly Consolidated Financial Statements and Major Notes**(1) Quarterly Consolidated Balance Sheets**

	(Million yen)	
	FY2023/3 (March 31, 2023)	2Q 2024 (September 30, 2023)
Assets		
Current assets		
Cash and deposits	36,362	34,302
Notes and accounts receivable–trade	23,712	35,430
Securities	-	4,000
Merchandise and finished goods	16,330	16,469
Work in progress	498	503
Raw materials and supplies	14,761	14,062
Income taxes receivable	3,328	-
Other	6,421	6,758
Allowance for doubtful accounts	(43)	(52)
Total current assets	101,371	111,474
Noncurrent assets		
Property, plant and equipment		
Buildings and structures–net	30,050	29,273
Machinery, equipment and vehicles–net	28,624	27,232
Land	20,734	20,762
Other–net	6,846	9,460
Total property, plant and equipment	86,256	86,729
Intangible assets		
Software	192	237
Other	647	1,315
Total intangible assets	839	1,553
Investments and other assets		
Investment securities	10,167	12,714
Net defined benefit asset	4,605	4,637
Deferred tax assets	1,102	1,407
Other	919	1,046
Allowance for doubtful accounts	(35)	(35)
Total investments and other assets	16,759	19,770
Total noncurrent assets	103,855	108,052
Total assets	205,226	219,527

	(Million yen)	
	FY2023/3 (March 31, 2023)	2Q 2024 (September 30, 2023)
Liabilities		
Current liabilities		
Notes and accounts payable–trade	22,798	27,607
Accounts payable–other	10,156	10,340
Income taxes payable	360	4,629
Refund liabilities	3,916	4,637
Allowance for bonuses	2,696	2,588
Provision for shareholder benefit program	-	62
Other	11,369	12,336
Total current liabilities	51,297	62,202
Long-term liabilities		
Bonds payable	9,000	9,000
Long-term loans	10,000	10,000
Deferred tax liabilities	333	549
Provision for directors' stock benefits	88	101
Provision for environmental measures	273	152
Net defined benefit liability	3,640	3,728
Asset retirement obligations	66	66
Deposits received	3,633	3,624
Other	1,037	1,093
Total long-term liabilities	28,072	28,316
Total liabilities	79,370	90,519
Net assets		
Shareholders' equity		
Common stock	18,612	18,612
Capital surplus	17,186	17,186
Retained earnings	83,396	84,202
Treasury stock	(3,713)	(4,235)
Total shareholders' equity	115,482	115,767
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,201	6,973
Deferred gains or losses on hedges	3	77
Foreign currency translation adjustments	2,263	3,314
Remeasurements of defined benefit plans	1,615	1,508
Total accumulated other comprehensive income	9,082	11,874
Non-controlling interests	1,290	1,366
Total net assets	125,856	129,007
Total liabilities and net assets	205,226	219,527

(2) Quarterly Consolidated Statements of Operations and Quarterly Consolidated Statements of Comprehensive Income

Quarterly Consolidated Statements of Operations
First half ended September 30, 2023

	(Million yen)	
	2Q 2023 (April 1, 2022 – September 30, 2022)	2Q 2024 (April 1, 2023 – September 30, 2023)
Net sales	98,434	109,608
Cost of sales	57,611	63,483
Gross profit	40,822	46,125
Selling, general and administrative expenses	30,591	31,957
Operating income	10,231	14,167
Non-operating income		
Interest income	7	9
Dividends income	174	186
Other	176	177
Total non-operating income	358	373
Non-operating expenses		
Interest expenses	17	52
Equity in losses of affiliates	1	0
Depreciation	41	23
Other	31	66
Total non-operating expenses	91	143
Ordinary income	10,498	14,397
Extraordinary income		
Gain on sales of noncurrent assets	3	135
Gain on sales of investment securities	273	139
Insurance claim income	100	-
Total extraordinary income	377	275
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	791	199
Impairment losses	630	-
Other	-	15
Total extraordinary loss	1,422	215
Income before income taxes	9,453	14,457
Income taxes—current	2,594	4,900
Income taxes—deferred	182	(827)
Total income taxes	2,777	4,073
Net income	6,676	10,384
Profit attributable to non-controlling interests	91	123
Profit attributable to owners of parent	6,584	10,260

Quarterly Consolidated Statements of Comprehensive Income
 First half ended September 30, 2023

	(Million yen)	
	2Q 2023 (April 1, 2022 – September 30, 2022)	2Q 2024 (April 1, 2023 – September 30, 2023)
Net income	6,676	10,384
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,207)	1,772
Deferred gains or losses on hedges	68	72
Foreign currency translation adjustments	1,661	1,167
Remeasurements of defined benefit plans, net of tax	(120)	(105)
Share of other comprehensive income of associates accounted for using equity method	6	4
Total other comprehensive income	409	2,911
Net comprehensive income	7,085	13,295
(Breakdown)		
Comprehensive income attributable to owners of parent	6,838	13,052
Comprehensive income attributable to non-controlling interests	246	242

(3) Quarterly Consolidated Statements of Cash Flows

(Million yen)

	2Q 2023 (April 1, 2022 – September 30, 2022)	2Q 2024 (April 1, 2023 – September 30, 2023)
Operating activities		
Income before income taxes	9,453	14,457
Depreciation	4,920	4,652
Impairment loss	630	-
Amortization of goodwill	49	-
Increase (decrease) in provision for directors' stock benefits	(7)	13
Increase (decrease) in net defined benefit liability	117	47
(Increase) decrease in net defined benefit asset	(135)	(144)
Increase (decrease) in allowance for bonuses	(1)	(117)
Increase (decrease) in provision for shareholder benefit program	-	62
Increase (decrease) in allowance for doubtful accounts	(0)	6
Increase (decrease) in provision for environmental measures	(0)	(120)
Interest and dividends income	(182)	(195)
Interest expenses	17	52
Equity in losses (earnings) of affiliates	1	0
Loss (gain) on sale of investment securities	(273)	(139)
(Gain) loss on sales of noncurrent assets	53	(78)
Loss on retirement of noncurrent assets	734	142
Insurance income	(100)	-
(Increase) decrease in notes and accounts receivable–trade	(2,284)	(11,404)
(Increase) decrease in inventories	(4,697)	892
Increase (decrease) in notes and accounts payable–trade	2,447	4,627
Other	(405)	2,011
Subtotal	10,335	14,765
Interest and dividends income received	183	195
Interest expenses paid	(16)	(51)
Income taxes (paid) refund	(9,474)	2,708
Proceeds from insurance income	100	-
Subsidies received	-	251
Net cash provided by (used in) operating activities	1,127	17,868
Investing activities		
Payments into time deposits	(94)	-
Purchase of securities	-	(2,500)
Purchase of property, plant and equipment	(6,641)	(4,356)
Proceeds from sales of property, plant and equipment	165	186
Purchase of intangible assets	(0)	(1,025)
Purchase of investment securities	(1)	(1)
Proceeds from sales of investment securities	283	152
Other	(179)	(882)
Net cash provided by (used in) investing activities	(6,468)	(8,427)

	(Million yen)	
	2Q 2023 (April 1, 2022 – September 30, 2022)	2Q 2024 (April 1, 2023 – September 30, 2023)
Financing activities		
Purchase of treasury stock	(7,239)	(5,264)
Cash dividends paid	(4,497)	(4,712)
Dividends paid to non-controlling interests	(151)	(166)
Other	(201)	(244)
Net cash provided by (used in) financing activities	<u>(12,090)</u>	<u>(10,388)</u>
Effect of exchange rate change on cash and cash equivalents	611	372
Net increase (decrease) in cash and cash equivalents	<u>(16,819)</u>	<u>(574)</u>
Cash and cash equivalents at beginning of period	60,146	36,077
Cash and cash equivalents at end of period	<u>43,327</u>	<u>35,503</u>

(4) Notes to the Quarterly Consolidated Financial Statements

(Notes on the going concern assumption)

Not applicable.

(Notes if there is a significant change in the amount of shareholders' equity)

(Purchase of treasury stock)

Based on a resolution of the Board of Directors meeting held on May 11, 2023, the Company repurchased 1,180,000 shares of its treasury stock during the six-month period ended September 30, 2023, resulting in an increase of ¥5,256 million in treasury stock.

(Cancellation of treasury stock)

Based on a resolution of the Board of Directors meeting held on May 11, 2023, the Company canceled 1,180,000 shares of its treasury stock on June 15, 2023. As a result, capital surplus decreased by ¥0 million, retained earnings decreased by ¥4,742 million and treasury stock decreased by ¥4,742 million during the six-month period ended September 30, 2023.

As a result of the foregoing, capital surplus was ¥17,186 million, retained earnings were ¥ 84,202 million, and treasury stock was ¥ 4,235 million at the end of the first half of the fiscal year under review.

(Quarterly consolidated statements of operations)

Impairment loss

The Group recorded an impairment loss on the following assets.

First half of the fiscal year ended March 31, 2023 (April 1, 2022 – September 30, 2022)

Location	Use	Type and impairment loss (million yen)				
		Buildings and structures	Machinery, equipment and vehicles	Land	Other	Total
Yokohama, Kanagawa	Morinaga Institute of Biological Science, Inc.(assets planned for sale)	91	—	538	—	630

(Classification method of assets)

The Group classifies assets for business by identifying the minimum unit that generates independent cash flows based on the business segment by type. The Group classifies golf courses, assets for lease, stores, and idle assets by property, and goodwill by company. The Group classifies assets which shows no definite association with any particular business as shared assets.

(Background of recognition of impairment loss)

The Company has decided on a policy to sell the assets, so their book value has been reduced to their recoverable amount.

(Calculation method of recoverable amount)

The recoverable amount of the relevant assets is valued by net cash value, which is rationally calculated based indicators, etc. that are considered to appropriately reflect market prices.

First half of the fiscal year ending March 31, 2024 (April 1, 2023 – September 30, 2023)

Not Applicable.

(Segment information, etc.)

[Segment information]

1. Information on net sales and profits or losses by reportable segment

First half of the fiscal year ended March 31, 2023 (April 1, 2022 – September 30, 2022)

(Million yen)

	Reportable segment				Other Services (Note 1)	Total	Adjustment (Note 2)	Amount posted in quarterly consolidated statements of operations (Note 3)
	Food Manufacturing	Food Merchandise	Real Estate and Services	Total				
Net sales								
Outside customers	94,497	2,658	956	98,112	321	98,434	—	98,434
Intersegment sales or transfers	38	182	0	221	464	686	(686)	—
Total	94,535	2,840	957	98,333	786	99,120	(686)	98,434
Segment operating income	10,058	56	418	10,532	99	10,632	(400)	10,231

(Note 1) "Other Services" category is a business segment comprising services not included in the reportable segments, including the manufacture and sale of research reagents.

(Note 2) The minus 400 million yen adjustment to segment operating income includes inter-segment elimination of 8 million yen, and corporate expenses that are not allocated to any reportable segment of minus 409 million yen. Corporate expenses mainly include general and administrative expenses and new business development expenses that do not belong to any particular reportable segment.

(Note 3) The segment operating income has been adjusted to the operating income stated in the Quarterly Consolidated Statements of Operations.

First half of the fiscal year ending March 31, 2024 (April 1, 2023 – September 30, 2023)

(Million yen)

	Reportable segment				Other Services (Note 1)	Total	Adjustment (Note 2)	Amount posted in quarterly consolidated statements of operations (Note 3)
	Food Manufacturing	Food Merchandise	Real Estate and Services	Total				
Net sales								
Outside customers	105,279	3,023	947	109,250	358	109,608	—	109,608
Intersegment sales or transfers	7	124	0	133	403	536	(536)	—
Total	105,287	3,148	947	109,383	761	110,145	(536)	109,608
Segment operating income	14,026	103	409	14,540	80	14,621	(453)	14,167

(Note 1) "Other Services" category is a business segment comprising services not included in the reportable segments, including the manufacture and sale of research reagents.

(Note 2) The minus 453 million yen adjustment to segment operating income includes inter-segment elimination of 7 million yen, and corporate expenses that are not allocated to any reportable segment of minus 491 million yen. Corporate expenses mainly include general and administrative expenses and new business development expenses that do not belong to any particular reportable segment.

(Note 3) The segment operating income has been adjusted to the operating income stated in the Quarterly Consolidated Statements of Operations.

2. Information on impairment loss on noncurrent assets and goodwill by reportable segment

(Material impairment loss on noncurrent assets)

First half of the fiscal year ended March 31, 2023 (April 1, 2022 – September 30, 2022)

(Million yen)

	Food Manufacturing	Food Merchandise	Real Estate and Services	Other	Adjustment	Total
Impairment loss	—	—	—	630	—	630

First half of the fiscal year ending March 31, 2024 (April 1, 2023 – September 30, 2023)

Not Applicable.

(Revenue recognition)

Information on the breakdown of revenue generated from contracts with customers

The Group presents the revenue generated from contracts with customers by breaking each segment down into main sales management classification based on the contracts with customers.

(Million yen)

Reportable segment	Main product/area classification	2Q 2023 (April 1, 2022 – September 30, 2022)	2Q 2024 (April 1, 2023 – September 30, 2023)
Food Manufacturing	Confectionery & Foodstuffs business	33,214	35,919
	Frozen Desserts business	24,942	27,998
	"in-" business	17,790	17,863
	Direct Marketing business	5,102	5,314
	Operating subsidiaries, etc.	3,537	4,659
	Domestic total	84,588	91,755
	U.S. business	6,631	9,442
	China, Taiwan, exports, etc.	3,277	4,081
	Overseas total	9,908	13,523
	Subtotal	94,497	105,279
Food Merchandise	Wholesale food service and food products	2,658	3,023
Real Estate and Services	Management of golf courses	372	375
Other Services (Note)		321	358
Revenue generated from contracts with customers total		97,849	109,037
Real Estate and Services	Real estate transactions	584	571
Other revenue total		584	571
Net sales to outside customers total		98,434	109,608

(Note) "Other Services" category is a business segment comprising services not included in the reportable segments, including the manufacture and sale of research reagents.

(Significant subsequent events)

(Stock split)

At a meeting of the Board of Directors held on November 10, 2023, the Company resolved to conduct a stock split as follows.

1. Purpose of stock split

By conducting a stock split and lowering the amount per investment unit of the Company's shares, the purpose is to

create an environment in which investors can invest more easily, thereby improving the liquidity of the Company's shares and further expanding its investor base.

2. Overview of stock split

(1) Method of stock split

A two-for-one stock split will be conducted with a record date of Sunday, December 31, 2023 (as this date is a holiday for the shareholder register administrator, in effect, Friday, December 29) for each share of common stock held by shareholders listed or recorded in the shareholder register at the end of that day.

(2) Number of shares to be increased by the stock split

(i) Total number of issued shares before the stock split	46,959,769 shares
(ii) Number of shares to be increased by the stock split	46,959,769 shares
(iii) Total number of issued shares after the stock split	93,919,538 shares
(iv) Total number of authorized issued shares after the stock split	200,000,000 shares (no change)

(3) Schedule for the stock split

(i) Public notice of record date	Thursday, December 14, 2023
(ii) Record date	Sunday, December 31, 2023
(iii) Effective date	Monday, January 1, 2024

3. Effect on per share information

Per share information would be as follows assuming that the stock split had been conducted at the beginning of the previous fiscal year.

	2Q 2023 (April 1, 2022 – September 30, 2022)	2Q 2024 (April 1, 2023 – September 30, 2023)
Net income per share	67.41 yen	111.28 yen

(Note) Diluted net income per share is not stated as there are no dilutive shares.

4. Change in the amount of stated capital

The stock split will not result in a change in the amount of stated capital.

(Purchase of treasury stock)

At a meeting of the Board of Directors held on November 10, 2023, the Company resolved the following matters related to the repurchase of treasury stock pursuant to the provisions of Article 156 of the Companies Act as applied pursuant to Article 165, paragraph (3) of said act.

1. Purpose of repurchase of treasury stock

To enhance returns to shareholders and improve capital efficiency

2. Details of repurchase

(1) Type of shares to be repurchased	Common shares of the Company
(2) Total number of shares to be repurchased	Up to 700,000 shares Ratio to total number of shares issued (excluding treasury stock): 1.52%
(3) Total amount of repurchase of shares	Up to 4,550,000,000 yen
(4) Period of repurchase	November 13, 2023 to November 17, 2023
(5) Method of repurchase	Repurchase through Tokyo Stock Exchange off-auction own share repurchase trading system (ToSTNeT-3)

Note: The Company may not repurchase part or all of the shares of treasury stock due to market trends and other reasons.

(Reference) Treasury stock as of September 30, 2023

Total number of shares issued (excluding treasury stock) 45,942,959 shares

Number of shares of treasury stock (including fractional shares) 1,016,810 shares

(Note) The number of shares of treasury stock does not include the Company's shares held by the officer compensation Board Incentive Plan (BIP) trust (34,181 shares).

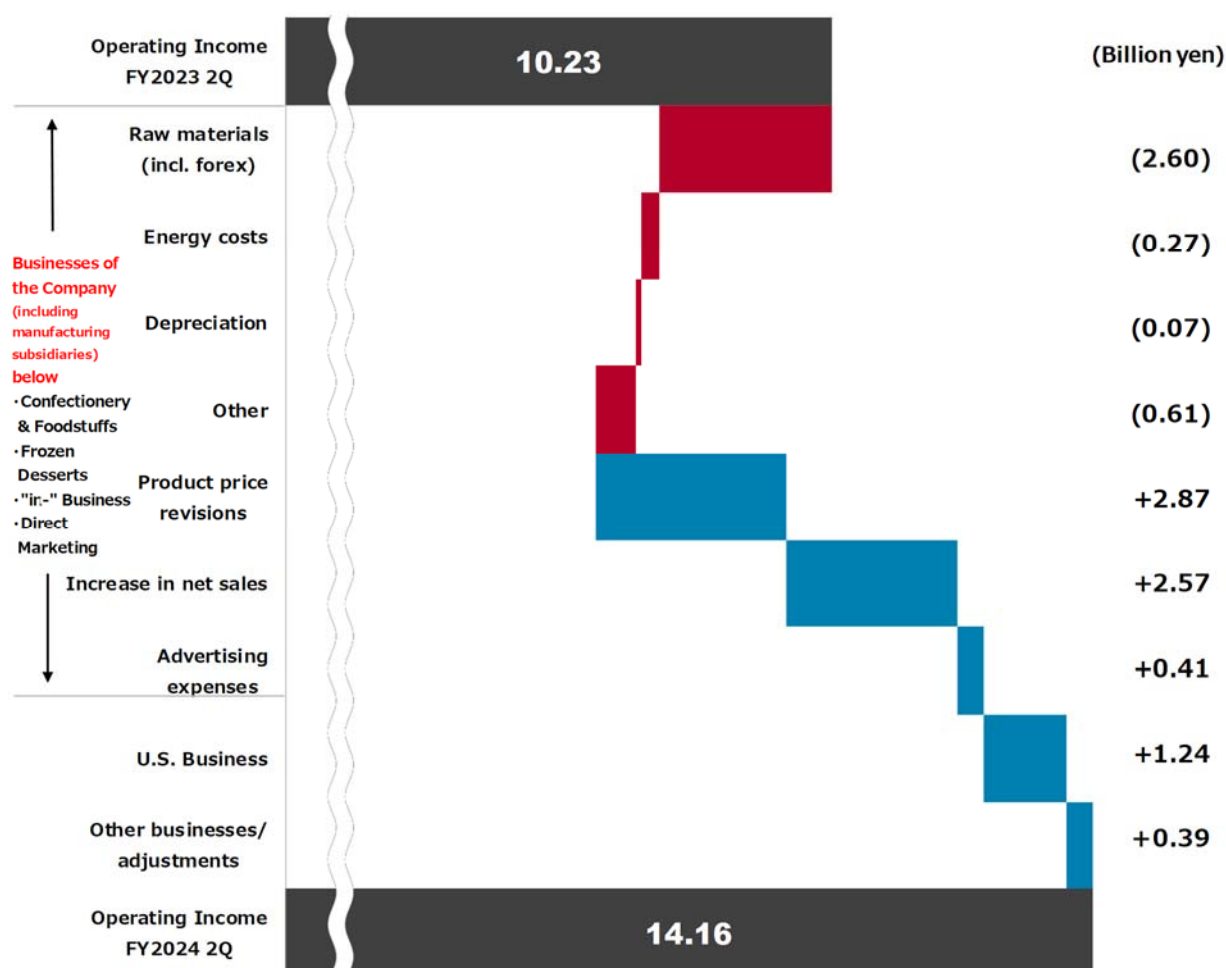
3. Supplementary Information

1. Financial results

(Million yen)

	2Q ended September 30, 2022		2Q ended September 30, 2023		Year-on-year comparisons		
	Amount	Ratio to net sales (%)	Amount	Ratio to net sales (%)	Amount	Ratio to net sales (%)	Year-on-year change (%)
Net sales	98,434		109,608		11,174		11.4
Cost of sales	57,611	58.5	63,483	57.9	5,872	(0.6)	10.2
Gross profit	40,822	41.5	46,125	42.1	5,303	0.6	13.0
Selling, general and administrative expenses	30,591	31.1	31,957	29.2	1,366	(1.9)	4.5
Promotion expenses	2,715	2.8	3,029	2.8	314	0.0	11.6
Advertising expenses	5,030	5.1	4,804	4.4	(226)	(0.7)	(4.5)
Freightage and storage fees	8,772	8.9	9,099	8.3	327	(0.6)	3.7
Salaries and allowances	4,633	4.7	4,928	4.5	295	(0.2)	6.4
Provision for bonuses	1,437	1.5	1,365	1.2	(72)	(0.3)	(5.0)
Other	8,002	8.1	8,729	8.0	727	(0.1)	9.1
Operating income	10,231	10.4	14,167	12.9	3,936	2.5	38.5
Non-operating income	358	0.4	373	0.3	15	(0.1)	4.1
Non-operating expenses	91	0.1	143	0.1	52	0.0	56.3
Ordinary income	10,498	10.7	14,397	13.1	3,899	2.4	37.1
Extraordinary income	377	0.4	275	0.3	(102)	(0.1)	(27.1)
Extraordinary loss	1,422	1.4	215	0.2	(1,207)	(1.2)	(84.8)
Income before income taxes	9,453	9.6	14,457	13.2	5,004	3.6	52.9
Income taxes	2,777	2.8	4,073	3.7	1,296	0.9	46.7
Net income	6,676	6.8	10,384	9.5	3,708	2.7	55.5
Profit attributable to non-controlling interests	91	0.1	123	0.1	32	0.0	34.4
Profit attributable to owners of parent	6,584	6.7	10,260	9.4	3,676	2.7	55.8

2. Analysis of changes in operating income



3. Segment information

(Million yen)

Business	2Q ended September 30, 2022	2Q ended September 30, 2023	Year-on-year comparisons	Year-on-year change (%)
Food Manufacturing				
Net sales	94,497	105,279	10,782	11.4
(Composition ratio to total net sales)	(96.0%)	(96.0%)		
Segment operating income	10,058	14,026	3,968	39.5
Food Merchandise				
Net sales	2,658	3,023	365	13.8
(Composition ratio to total net sales)	(2.7%)	(2.8%)		
Segment operating income	56	103	47	85.3
Real Estate and Services				
Net sales	956	947	(9)	(1.0)
(Composition ratio to total net sales)	(1.0%)	(0.9%)		
Segment operating income	418	409	(9)	(2.0)
Other Services				
Net sales	321	358	37	11.5
(Composition ratio to total net sales)	(0.3%)	(0.3%)		
Segment operating income	99	80	(19)	(19.2)

(Note) Net sales are sales to external customers.

4. Domestic/overseas net sales

(Million yen)

	2Q ended September 30, 2022	2Q ended September 30, 2023	Year-on-year comparisons	Year-on-year change (%)
Domestic	88,409	95,947	7,538	8.5
Overseas	10,024	13,661	3,637	36.3
Consolidated	98,434	109,608	11,174	11.4

(Note) Net sales are sales to external customers.

Ratio of overseas sales to consolidated net sales	10.2%	12.5%
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5. Capital investment, depreciation expenses, and research and development expenses

(Million yen)

	2Q ended September 30, 2022	2Q ended September 30, 2023	Year-on-year comparisons
Capital investment	4,369	2,745	(1,624)
Depreciation expenses	4,920	4,652	(268)
Research and development expenses	1,401	1,466	65

6. Net sales in focus domains prioritized in the 2030 Business Plan

(Billion yen)

Focus domain	2Q ended September 30, 2022	2Q ended September 30, 2023	Year-on-year comparisons	Year-on-year change (%)
"in-" business	18.3	18.5	0.2	1.5
Direct Marketing business	5.1	5.3	0.2	4.1
U.S. business	6.6	9.4	2.8	42.4
Frozen Desserts business	24.9	27.9	3.0	12.3
Total	55.0	61.3	6.3	11.5
Ratio of focus domain sales to consolidated net sales	55.9%	56.0%		

(Note 1) Net sales are sales to external customers.

(Note 2) "in-" business includes "in" brand confectioneries and foodstuffs.

(Note 3) Direct Marketing business includes overseas sales.

7. Net sales and operating income by business

(Billion yen)

	Net sales				Operating income			
	2Q ended September 30, 2022	2Q ended September 30, 2023	Year-on-year comparisons	Year-on-year change (%)	2Q ended September 30, 2022	2Q ended September 30, 2023	Year-on-year comparisons	Year-on-year change (%)
Confectionery & Foodstuffs business	33.2	35.9	2.7	8.1	0.0	1.6	1.6	—
Frozen Desserts business	24.9	27.9	3.0	12.3	3.4	4.5	1.1	30.0
“in-” business	17.7	17.8	0.1	0.4	5.0	4.6	(0.4)	(7.7)
Direct Marketing business	5.1	5.3	0.2	4.2	0.3	0.4	0.1	29.2
Operating subsidiaries	6.7	8.2	1.5	21.4	0.3	0.5	0.2	98.0
Other businesses	0.5	0.6	0.1	7.1	0.0	(0.3)	(0.3)	—
Domestic total	88.4	95.9	7.5	8.5	9.2	11.4	2.2	23.8
U.S. business	6.6	9.4	2.8	42.4	0.7	2.0	1.3	156.3
China, Taiwan, exports, etc.	3.3	4.2	0.9	24.4	0.3	0.4	0.1	36.8
Overseas total	10.0	13.6	3.6	36.3	1.1	2.4	1.3	120.7
Adjustment, etc.					(0.1)	0.2	0.3	—
Total	98.4	109.6	11.2	11.4	10.2	14.1	3.9	38.5

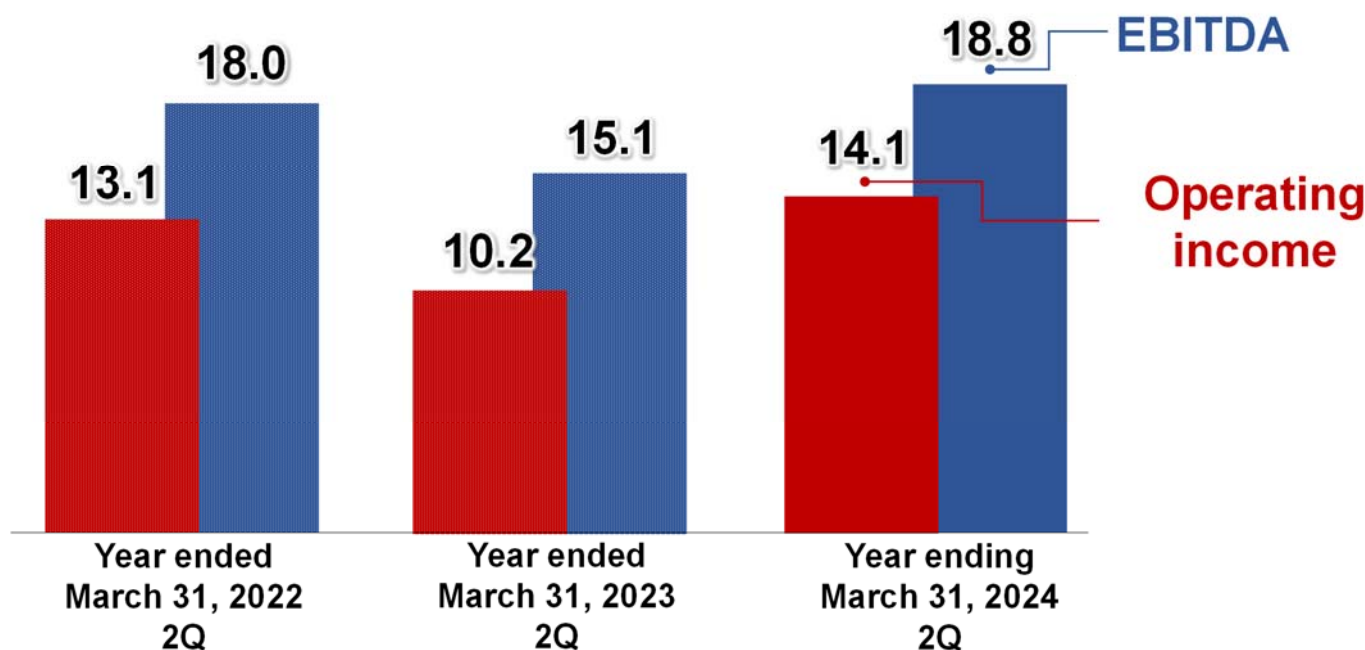
(Note 1) Net sales are sales to external customers.

(Note 2) Confectionery & Foodstuffs business includes “in” brand confectioneries and foodstuffs.

(Note 3) U.S. business includes income resulting from exports from China/Taiwan to the United States.

8. Operating income and EBITDA trends

(Billion yen)



(Note) Simplified EBITDA: operating income + depreciation and amortization

[Forecast for the second half]

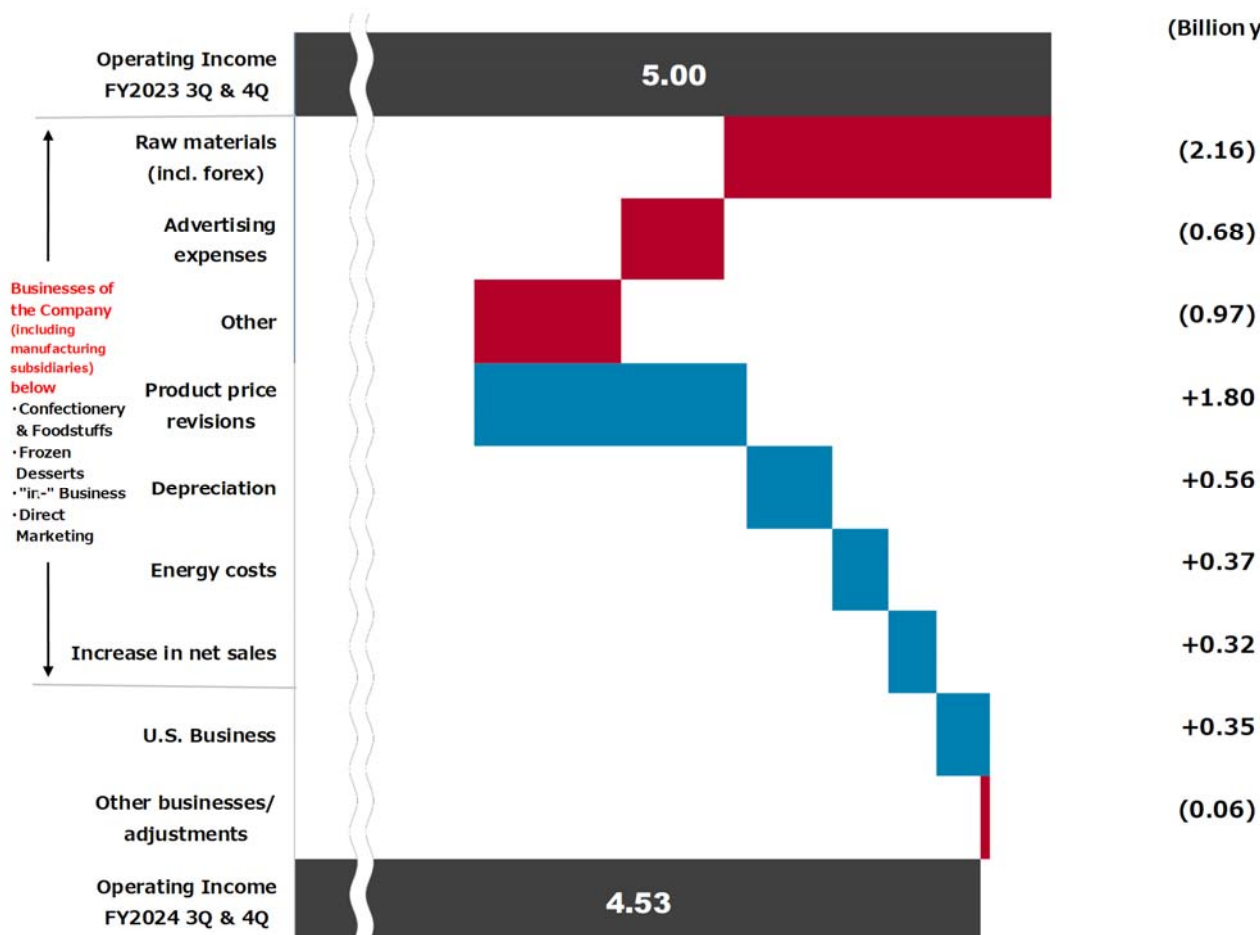
1. Financial results

(Million yen)

	Year ended March 31, 2023 3Q & 4Q	Year ending March 31, 2024 3Q & 4Q forecasts	Year-on-year comparisons	Year-on-year change (%)
Net sales	95,938	100,391	4,453	4.6
Operating income	5,004	4,532	(472)	(9.4)
Ordinary income	5,259	4,702	(557)	(10.6)
Profit attributable to owners of parent	3,474	3,339	(135)	(3.9)

2. Analysis of changes in operating income

(Billion yen)



3. Segment information

(Million yen)

Business	Year ended March 31, 2023 3Q & 4Q	Year ending March 31, 2024 3Q & 4Q forecasts	Year-on-year comparisons	Year-on-year change (%)
Food Manufacturing				
Net sales	90,994	95,520	4,526	5.0
(Composition ratio to total net sales)	(94.8%)	(95.1%)		
Segment operating income	4,769	4,356	(413)	(8.7)
Food Merchandise				
Net sales	3,619	3,576	(43)	(1.2)
(Composition ratio to total net sales)	(3.8%)	(3.6%)		
Segment operating income	218	248	30	13.7
Real Estate and Services				
Net sales	967	952	(15)	(1.5)
(Composition ratio to total net sales)	(1.0%)	(0.9%)		
Segment operating income	429	456	27	6.2
Other Services				
Net sales	357	341	(16)	(4.6)
(Composition ratio to total net sales)	(0.4%)	(0.4%)		
Segment operating income	4	35	31	668.3

(Note) Net sales are sales to external customers.

4. Domestic and overseas sales

(Million yen)

	Year ended March 31, 2023 3Q & 4Q	Year ending March 31, 2024 3Q & 4Q forecasts	Year-on-year comparisons	Year-on-year change (%)
Domestic	84,257	86,352	2,095	2.5
Overseas	11,681	14,038	2,357	20.2
Consolidated	95,938	100,391	4,453	4.6

(Note) Net sales are sales to external customers.

Ratio of overseas sales to consolidated net sales	12.2%	14.0%
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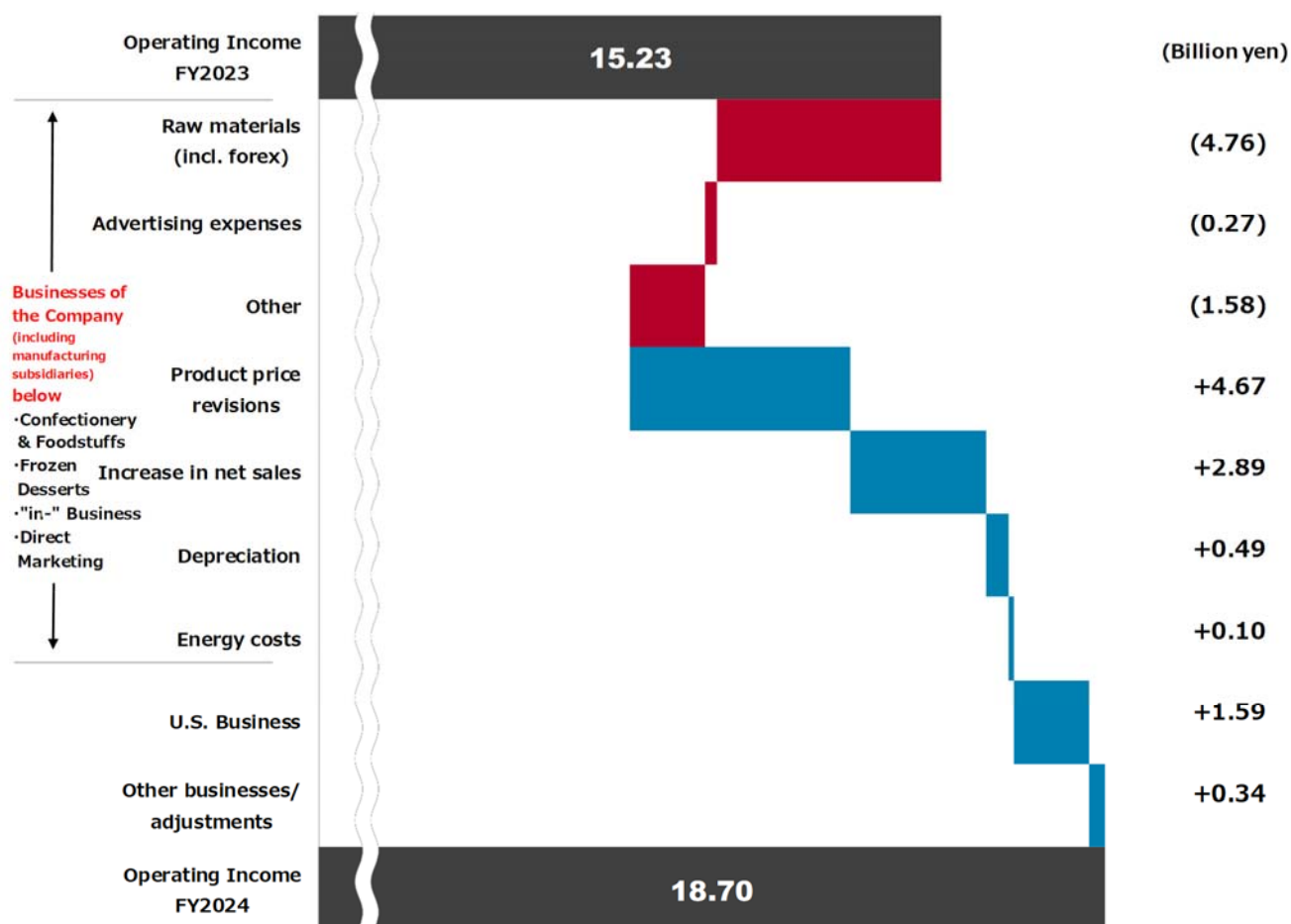
[Full-year forecast]

1. Financial results

(Million yen)

	Year ended March 31, 2023	Year ending March 31, 2024 forecasts	Year-on-year comparisons	Year-on-year change (%)
Net sales	194,373	210,000	15,627	8.0
Operating income	15,235	18,700	3,465	22.7
Ordinary income	15,757	19,100	3,343	21.2
Profit attributable to owners of parent	10,059	13,600	3,541	35.2

2. Analysis of changes in operating income



3. Net sales and operating income by business

(Billion yen)









	Net sales				Operating income			
	Year ended March 31, 2023	Year ending March 31, 2024 forecasts	Year-on-year comparisons	Year-on- year change (%)	Year ended March 31, 2023	Year ending March 31, 2024 forecasts	Year-on- year comparisons	Year-on- year change (%)
Confectionery & Foodstuffs business	74.3	77.0	2.7	3.7	1.5	2.9	1.4	94.1
Frozen Desserts business	40.5	44.0	3.5	8.8	3.4	4.3	0.9	26.9
"in-" business	30.6	31.4	0.8	2.8	7.0	6.4	(0.6)	(8.7)
Direct Marketing business	10.2	11.0	0.8	7.6	0.6	0.4	(0.2)	(34.5)
Operating subsidiaries	15.6	17.3	1.7	11.0	0.9	1.3	0.4	36.7
Other businesses	1.2	1.2	(0.0)	(2.0)	(0.2)	(0.6)	(0.4)	—
Domestic total	172.6	182.3	9.7	5.6	13.3	14.9	1.6	11.6
U.S. business	14.6	20.0	5.4	36.5	1.4	3.0	1.6	107.9
China, Taiwan, exports, etc.	7.0	7.7	0.7	9.2	0.5	0.4	(0.1)	(24.7)
Overseas total	21.7	27.7	6.0	27.6	2.0	3.4	1.4	71.0
Adjustments, etc.					(0.2)	0.2	0.4	—
Total	194.3	210.0	15.7	8.0	15.2	18.7	3.5	22.7

(Note) 1. Net sales are sales to external customers.









(Note) 2. Confectionery & Foodstuffs business includes "in" brand confectioneries and foodstuffs.

(Note) 3. U.S. business includes income resulting from exports from China/Taiwan to the United States.

Main domestic products

Products	Visual	Category	Year released	Description
<i>Morinaga Biscuits</i>		Biscuits	1923	The <i>Morinaga Biscuits</i> series was launched in 1923. Continual enhancements to taste and texture since then have ensured that the brand enjoys high recognition levels and market share in Japan. There are a number of different <i>Morinaga Biscuits</i> brands each with their own unique tastes, including <i>Marie</i> , <i>Moonlight</i> , and <i>Choice</i> .
<i>HI-CHEW</i>		Soft candy	1975	Characterized by a soft, chewy texture and brimming with a juicy deliciousness that increases with every bite. <i>HI-CHEW</i> enjoys high recognition levels and market share as the top soft candy brand in Japan.
<i>Morinaga Ramune</i>		Candy	1973	Refreshing ramune-flavored candy in packaging shaped like old-fashioned carbonated drink bottles. Japanese ramune beverages taste similar to carbonated lemonade ("ramune" is a Japanese approximation of the word "lemonade"). Sales have grown rapidly in recent years following the launch of larger-sized <i>Morinaga Ramune</i> candy products, which are sold in small pouches and targeted at adult consumers.
<i>Carré de chocolat</i>		Chocolate	2003	<i>Carré de chocolat</i> is a brand of thin chocolate squares. They were developed with the express aim of creating Japan's most delicious chocolate, and painstaking attention was paid to ingredients, production methods, and packaging design. The diverse product range includes milk, white, and high-cacao-content chocolate (<i>Cacao 70</i> and <i>Cacao 88</i>), as well as variations with special fillings.
<i>DARS</i>		Chocolate	1993	Bite-sized chocolates with a satisfyingly rich milk flavor. In addition to the standard milk chocolate version, the white chocolate version is also highly popular and boasts the top market share in the white chocolate category. <i>DARS</i> chocolates are sold in resealable boxes that are compact and easily portable, making it easy to enjoy them anytime, anywhere.
<i>Chocoball</i>		Chocolate	1967	<i>Chocoball</i> is a brand of spherical chocolate-covered peanuts (versions with caramel centers and other fillings are also available). Each one of these bite-sized chocolate treats are packed with different flavors and textures. The packages feature the popular bird-like mascot called "Kyro-ro-chan" and a unique beak-like opening to dispense the treats one at a time. Marks printed on the "beaks" can be collected and exchanged for a small can filled with toys. The "can of toys" campaign is well-known in Japan as it has continued for more than 50 years, ever since the product's launch.
<i>Amazake</i>		Soft drinks	1974	Amazake is a traditional Japanese beverage made from fermented rice. The <i>Morinaga Amazake</i> brand has the top market share in Japan, and features a diverse lineup including products using saké lees and komé koji, and those made using only komé koji. Even the types made using saké lees have an alcohol content of less than 1%, but caution needs to be exercised when the product is consumed by children, pregnant and breastfeeding women, and people who are sensitive to alcohol.
<i>Morinaga Milk Cocoa</i>		Cocoa	1919	<i>Morinaga Milk Cocoa</i> is an instant chocolate drink powder. Morinaga helped establish Japan's cocoa industry, being the first company in the country to produce and sell cocoa powder. <i>Morinaga Milk Cocoa</i> continues to enjoy the top market share in Japan.

Main domestic products

Products	Visual	Category	Year released	Description
<i>Choco Monaka Jumbo</i>		Ice cream	1972	<i>Choco Monaka Jumbo</i> is Japan's top domestic ice cream brand. Based on a traditional Japanese wafer-based sweet called " <i>monaka</i> ", <i>Choco Monaka Jumbo</i> features a sheet of chocolate covered in ice cream all enclosed in a thin and crispy chocolate and wafer covering. This treat is characterized by the rich sweetness of the ice cream and the crackly texture of the chocolate.
<i>Vanilla Monaka Jumbo</i>		Ice cream	2011	A vanilla version of <i>Choco Monaka Jumbo</i> featuring ice cream with a full-bodied vanilla flavor enclosed in a wafer with a cake-like taste due to the addition of almond powder.
<i>ICEBOX</i>		Ice cream	1989	A crisply refreshing and scrunchy frozen dessert made from crushed ice. Pour juice or other beverages into the cup to create a super cold drink.
<i>Ita Choco Ice</i>		Ice cream	1995	Vanilla ice cream coated in an extra-thick chocolate shell shaped like a bar of chocolate. Enjoy the snapping of the chocolate shell as the creamy ice cream melts in your mouth. Distinguished by the delectable taste of quality chocolate with a rich cacao aroma.
<i>THE Creap</i>		Ice cream	1988	Crepes-style ice cream featuring crunchy chocolate and vanilla ice cream wrapped in a crepe sheet. Characterized by its triangular shape and a unique mouthfeel. The crepe sheet is produced using a patented method that delivers a uniquely chewy texture that Japanese consumers love.
<i>in Jelly</i>		Jelly drinks	1994	With <i>in Jelly</i> , the first drinkable jelly in a pouch with a built-in spout, Morinaga created a new product category and the brand continues to enjoy the top market share. The product provides an easy way for people to boost their nutrient intake. Clear labelling of the nutrients each product contains, such as "energy", "vitamins", and "protein", allows quick selection of the drink that best suits one's needs. As drinkable jelly not only quenches thirst but is also filling, they can also be used as a time-saving meal replacement.
<i>in BAR</i>		Nutritional supplements	2009	A range of snack bars providing 8 to 20 grams of protein. Morinaga made full use of its snack development knowhow to create bars that are not only protein-rich, but taste great too.
<i>Morinaga Collagen Drink</i>		Soft drinks	2006	A collagen drink containing 10g of easily digested and absorbed low-molecular-weight collagen peptides. The product, which is now fat-free while retaining the great original taste, is only 72Kcal per 125ml pack.