



Delicious, Fun, and Healthy



# First Quarter, Fiscal Year Ending March 31, 2026 Results Briefing

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August 7, 2025  
**MORINAGA & CO., LTD.**

## About forward-looking statements

This material includes forward-looking statements, such as forecasts, plans, and targets for the Company and its consolidated subsidiaries. These statements are based on judgments and assumptions on the basis of information that the Company has obtained and may be different from actual results and developments in the future.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

- **Record high Q1 net sales and every level of profit**

- Net sales and operating profit are on track to exceed internal plans
- Confectionery & Foodstuffs and Frozen Desserts Businesses drove sales growth (sales remained strong even after price revisions)
- Higher costs for raw materials, etc. were offset by price revisions and increased sales in the Confectionery & Foodstuffs and Frozen Desserts Businesses

- **No revisions to first half and full-year results forecasts**

- The external environment, including fluctuations in raw material costs and foreign exchange markets and the impacts of U.S. tariff policies, remain uncertain
- It is necessary to monitor progress in each business, including future price revision trends



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# Results for the First Quarter of the Fiscal Year Ending March 31, 2026



## Business Progress

# Consolidated Results for FY2025 Q1



Net sales and all levels of profits reached Q1 record highs

(Billion yen)	FY2025 Q1	Y/Y change	
Net sales	60.2	+3.3	105.8%
Gross profit 〔gross profit margin〕	24.8 〔41.3%〕	+1.3 〔(0.1pt)〕	105.6%
Operating income 〔Operating income margin〕	7.0 〔11.8%〕	+0.3 〔(0.0pt)〕	105.3%
Ordinary income	7.2	+0.3	103.8%
Profit attributable to owners of parent	5.0	+0.2	103.4%
EBITDA*1	9.5	+0.5	105.1%

\*1 Simple calculation method used for EBITDA: operating income + depreciation and amortization

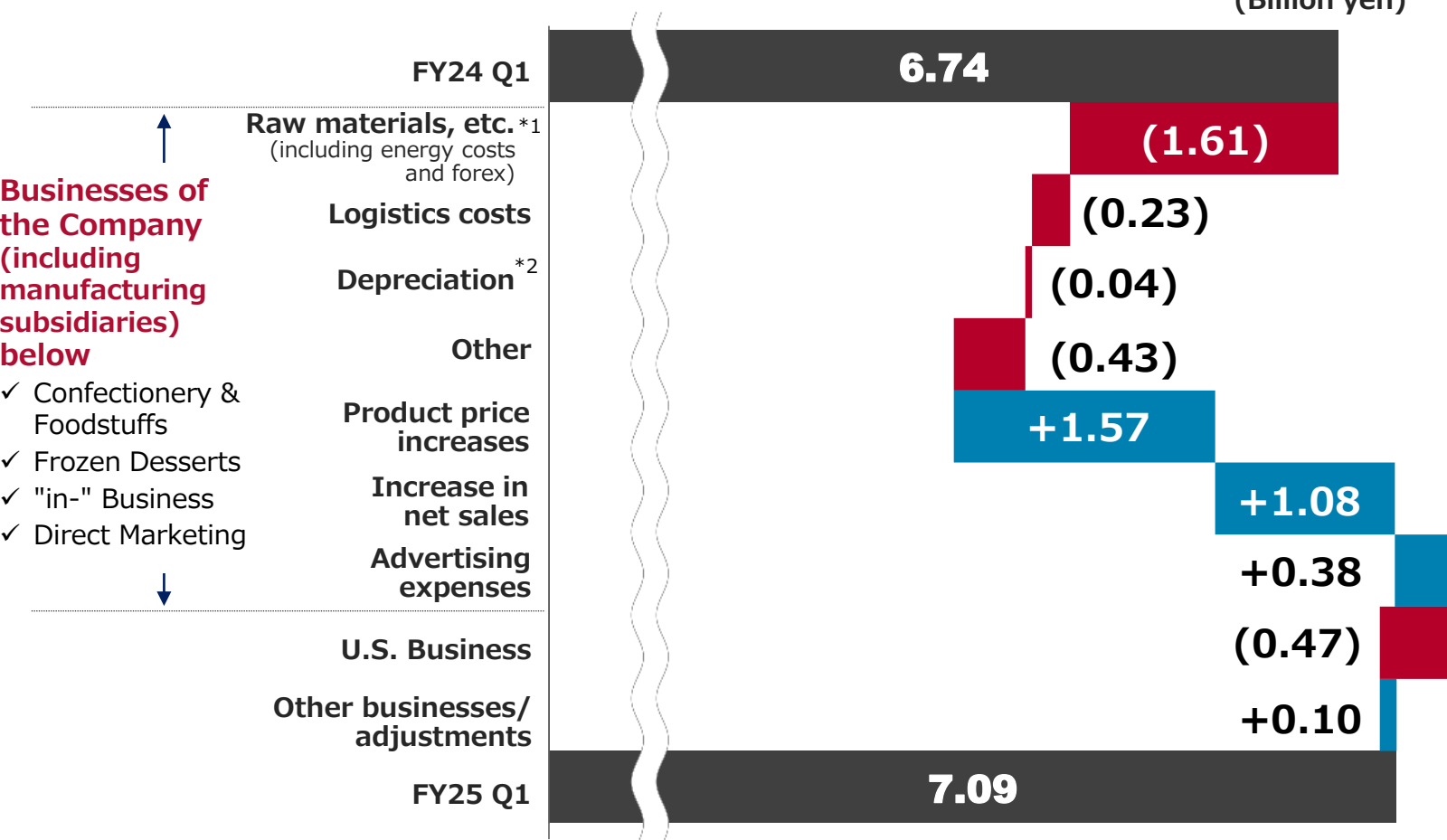
MORINAGA & CO.,LTD.\*2 The yen conversion rate at overseas subsidiaries in FY2025 Q1: \$1USD = ¥144.59 (April-June 2025 AR) ; ¥148.61 in FY2024 Q1 (January-March 2024 AR)

# FY2025 Q1 Results: Factors in Change in Consolidated Operating Income



Higher costs for raw materials, etc. were offset by price revisions and increased profit, mainly in the Confectionery & Foodstuffs and Frozen Desserts Businesses

(Billion yen)



## Raw materials, etc.

- Soaring raw material costs: Cacao-related, fats and oils (ice cream coating)
- Impact of energy costs: ¥(0.01)billion
- Exchange rate sensitivity: ¥1 depreciation = Slightly less than ¥0.1 billion decrease in annual profit

## Product price increases

- September 2024: Confectionery & Foodstuffs Business (chocolate, biscuits, cocoa and amazake (some products)), Frozen Desserts Business
- December 2024: "in-" Business (*in Bar*)
- February and March 2025: Confectionery & Foodstuffs Business (chocolate, biscuits (some products), snacks (some products), cocoa, etc.)
- "in-" Business (protein powder)
- June 2025: Confectionery & Foodstuffs Business (chocolate (some products))

## Other (main factors)

- ) Increase in cost of sales (labor expenses and other fixed costs), HR costs, DX investment

## Main factors in U.S. Business

- +) Increase in net sales
- ) Selling expenses, advertising costs, soaring raw materials costs, forex

## Ref.: Advertising expenses (consolidated total)

FY24 Q1	¥2.61 billion	} Profit/loss impact
FY25 Q1	¥2.52 billion	

# FY2025 Q1 Results: Summary by Business



Increased net sales in Japan and overseas; Confectionery & Foodstuffs and Frozen Desserts Businesses drove sales and profit growth, while Confectionery & Foodstuffs Business contributed to improved profitability

(Billion yen)	Net sales			Operating income			Operating income margin		
	FY2025 Q1	Y/Y change		FY2025 Q1	Y/Y change		FY2025 Q1	Y/Y change	
Food Manufacturing	Confectionery & Foodstuffs* <sup>1</sup>	21.1	+2.0	110.7%	2.1	+0.6	137.7%	10.3%	+2.0pt
	Frozen Desserts	15.1	+1.7	112.2%	1.6	+0.2	112.4%	10.7%	+0.0pt
	“in-” Business* <sup>1</sup>	8.0	(0.4)	95.6%	1.7	(0.2)	90.4%	22.3%	(1.3pt)
	Direct Marketing	2.6	(0.2)	92.3%	0.1	+0.1	946.7%	5.0%	+4.5pt
	Operating Subsidiaries, etc.	2.6	(0.2)	92.4%	0.2	+0.1	188.7%	9.9%	+5.1pt
	Domestic Total	49.6	+2.9	106.2%	5.9	+0.8	116.0%	12.1%	+1.1pt
	U.S. Business* <sup>2,3</sup>	5.5	+0.4	106.6%	0.5	(0.5)	55.2%	10.4%	(9.7pt)
	China, Taiwan, exports, etc.	2.5	+0.1	100.5%	0.2	(0.1)	61.4%	8.6%	(5.4pt)
	Overseas Total	8.0	+0.4	104.6%	0.7	(0.6)	56.8%	9.9%	(8.3pt)
	Subtotal	57.6	+3.2	105.9%	6.7	+0.2	103.4%	11.8%	(0.2pt)
Food Merchandise	1.9	+0.1	105.9%	0.2	+0.1	187.7%	15.5%	+6.8pt	
Real Estate and Services	0.4	(0.0)	96.1%	0.2	(0.0)	87.7%	43.5%	(4.2pt)	
Other	0.2	+0.0	101.3%	0.0	(0.0)	95.7%	23.2%	(1.3pt)	
adjustments, etc.				(0.2)	+0.0	—			
<b>Total</b>	<b>60.2</b>	<b>+3.3</b>	<b>105.8%</b>	<b>7.0</b>	<b>+0.3</b>	<b>105.3%</b>	<b>11.8%</b>	<b>(0.0pt)</b>	

\* In conjunction with the unification of fiscal year-ends of consolidated subsidiaries, there is a difference in months in the comparisons with previous fiscal years, as indicated below. Aunt Stella Inc., which is included in business subsidiaries, etc. (FY2024 Q1: March – May; FY2025 Q1: April – June); overseas subsidiaries (FY2024 Q1: January – March; FY2025 Q1: April – June)

\*<sup>1</sup> Sugar confectionery, chocolates, and other products under the “in” brand are included in Confectionery & Foodstuffs \*<sup>2</sup> Includes income resulting from exports from China and Taiwan to the U.S. Business \*<sup>3</sup> Year-on-year net sales on a local currency basis is 109.6%

# FY2025 Q1 Results: Y/Y Change of U.S. Business on Local Currency Basis



Fiscal year-ends of overseas subsidiaries

Until FY2024

December 31



Starting in FY2025

Unified to March 31

## Q1 Y/Y Change on Local Currency Basis

	Net Sales		Operating Income	
	FY2025 Apr-Jun compared to FY2024 Jan-Mar	FY2025 Apr-Jun compared to FY2024 Apr-Jun	FY2025 Apr-Jun compared to FY2024 Jan-Mar	FY2025 Apr-Jun compared to FY2024 Apr-Jun
U.S. Business*	109.6%	102.0%	56.7%	74.7%



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Results for the First Quarter of the Fiscal Year Ending March 31, 2026



**Business Progress**

# Focused Domain: "in-" Business



Seek expanded sales of standard lines through measures to stimulate demand in the peak summer season and contribute to profits as a core business

(Billion yen)	FY24 Q1 Results	FY25 Q1 Results	Y/Y Change
Net sales	8.4	8.0	95.6%
Operating income	1.9	1.7	90.4%
<b>FY25 Q1 Net Sales Y/Y Change</b>			
<i>in Jelly</i>	97%	<i>in Bar</i>	92%

## in Jelly

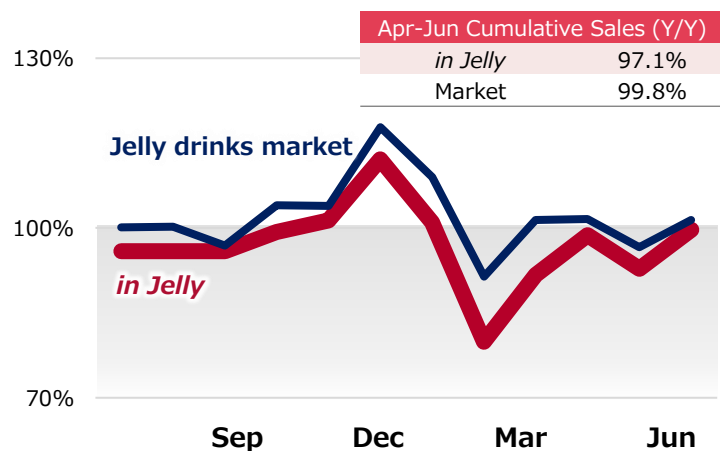
### Q1 Progress

- Stimulated demand by highlighting scenarios in daily life
  - Products with different targets, including summer-limited products performed well, but the standard lines were stagnant

External environment: Weather condition, increase in private brand products



### Market conditions\*



### Q2 ~

- Increase advertising and in-store sales promotions to capture demand during the summer
- Stimulate purchasing by light users



# Focused Domain: Frozen Desserts Business



Sales remained firm due to stable sales of *Jumbo* as well as growth of core products; price revisions in September to improve profitability

(Billion yen)	FY24 Q1 Results	FY25 Q1 Results	Y/Y Change
Net sales	13.4	15.1	112.2%
Operating income	1.4	1.6	112.4%

FY25 Q1 Net Sales Y/Y Change			
<i>Jumbo Group</i>	105%	<i>The Crepe</i>	146%
<i>Ita Choco Ice</i>	155%	<i>ICEBOX</i>	120%

## Jumbo Group

### Q1 Progress

- Sales remained firm due to renewal in March, advertising investment, and media exposure

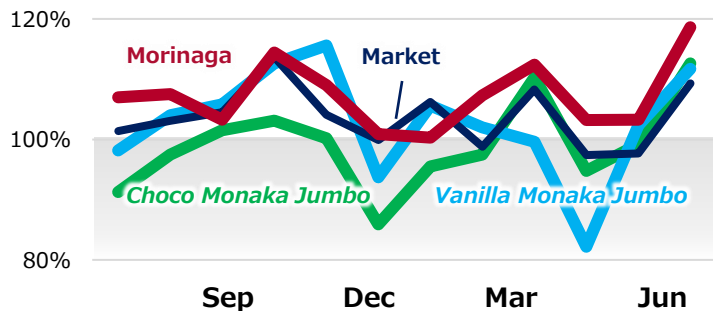


### Q2 ~

- Improve store turnover by capturing media exposure in the peak summer season
- Reinforce sales promotion measures for after the September price revisions

## Market conditions\*

Apr-Jun Cumulative Sales (Y/Y)			
Choco Monaka Jumbo	103.0%	Morinaga	108.7%
Vanilla Monaka Jumbo	99.0%	Market	102.1%



## Ita Choco Ice / The Crepe

- Enhance market presence as dessert ice by emphasizing quality value and releasing limited-time products



- Prepare various measures for price revisions in September

## ICEBOX

- Reinforce the appeals of diverse uses by releasing limited-time products

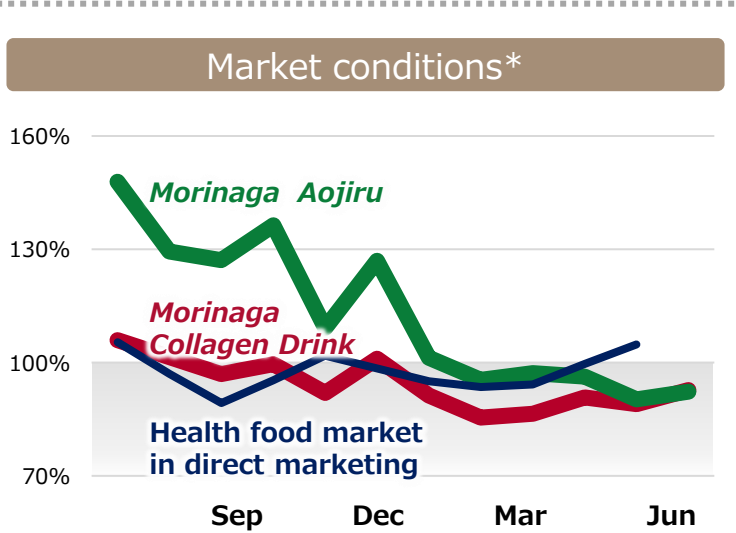


# Focused Domain: Direct Marketing Business



While closely examining customer acquisition efficiency, took measures to acquire new customers and improve retention rates and expanded and strengthened the customer base

(Billion yen)	FY24 Q1 Results	FY25 Q1 Results	Y/Y Change
Net sales	2.8	2.6	92.3%
Operating income	0.0	0.1	946.7%
<b>FY25 Q1 Net Sales Y/Y Change</b>			
Morinaga Collagen Drink	91%	Morinaga Aojiru	93%



## Morinaga Collagen Drink

### Q1 Progress

- There were some cancellations due to the April price revisions  
 ➔ Expansion of subscription customers slowed somewhat, and net sales declined
- Controlled advertising investment in light of customer acquisition efficiency



### Q2 ~

- In July, launch first mass advertising program in Tokyo metropolitan region  
 Expand contact points with middle-aged demographic and raise awareness of Morinaga Collagen Drink to increase subscription customers



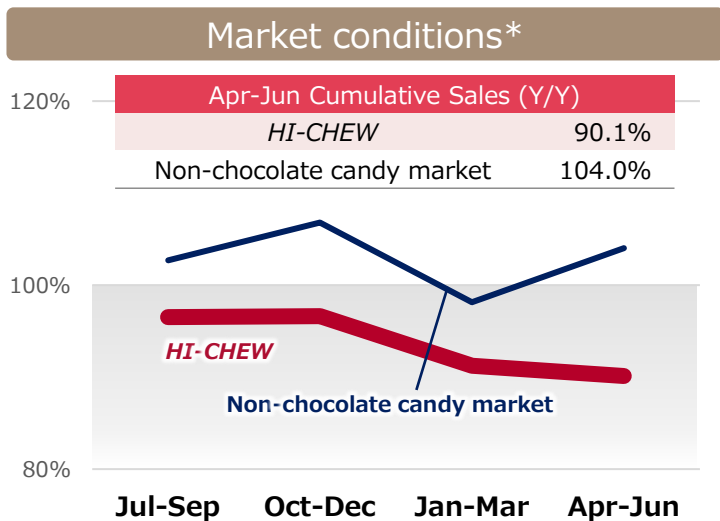
**Further sales expansion through reinforced sales promotions in the Food and Mass channels, which have potential for growth, and development of new channels**

Comparison with Jan-Mar period of previous year

(Billion yen)	FY24 Q1 Results	FY25 Q1 Results	Y/Y Change
Net sales	5.1	5.5	106.6%
Operating income	1.0	0.5	55.2%
Net sales (Local currency basis)			109.6%

Comparison with Apr-Jun of prev. year

Net sales (Local currency basis)			102.0%
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## HI-CHEW

### Q1 Progress

**External environment**

- ✓ Weak consumer spending due to inflation → Lower CVS customer numbers and spending per customer are having an impact on sales in the sugar confectionary market
- ✓ Soaring cacao prices → Major chocolate manufacturers are focusing on sugar confectionaries, and competition is intensifying

- Sales in the Food channel were firm, despite struggling in CVS
- Sales expanded through introduction into new channels (such as dollar stores)
- Selling expenses increased due to expanded exposure and adoption of sales promotions in the Food and Mass channels

### Q2 ~

- Reinforce in-store exposure by using sales counters in the Food and Mass channels
- Expand the number of stores in new channels carrying our products
- Stimulate purchasing through renewal of core products in September and sales of Halloween event products

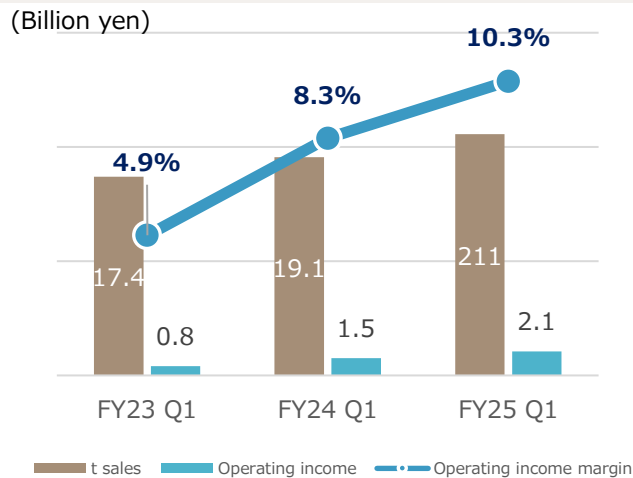


# Basic Domain: Confectionery & Foodstuffs Business



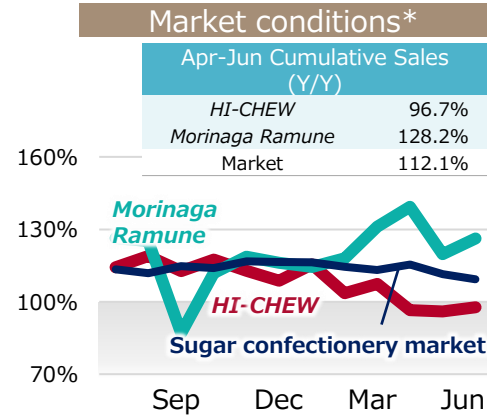
Sales and profits increased, driven by sugar confectionary growth; profits for biscuits and chocolate are expected to improve even further due to price revisions this fiscal year

(Billion yen)	FY24 Q1 Results	FY25 Q1 Results	Y/Y Change
Net sales	19.1	21.1	110.7%
Operating income	1.5	2.1	137.7%



FY25 Q1 Net Sales Y/Y Change*			
HI-CHEW	100%	Carré de chocolat	125%
Morinaga Ramune	125%	DARS	117%
Morinaga Biscuits	103%		

## Sugar confectionary category



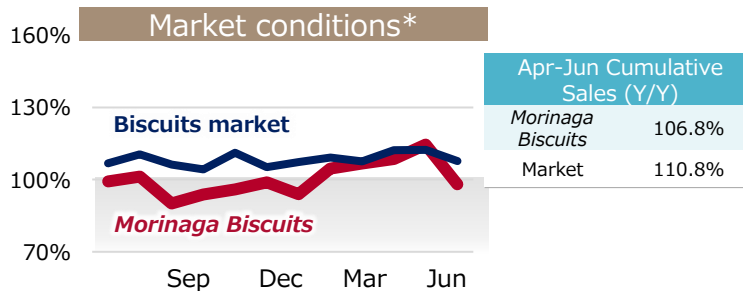
### HI-CHEW

- Captured domestic demand through 50th anniversary measures in February
- \* In Q1, the number of limited-time SKUs was down from the previous year, so growth was limited
- ➔ Clarifying the value of each lineup to reinforce appeal

### Morinaga Ramune

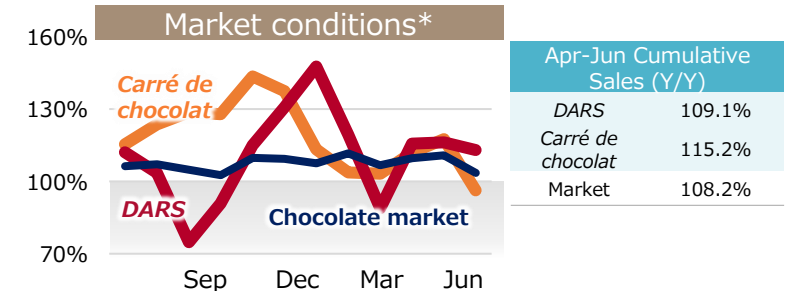
- Continued strong performance of L-size and Fresh Ramune Soft Candy expanded branch reach

## Biscuit category



- Recovered from the decline in demand following price revisions in September 2024
- ➔ Implement price revisions and replace some raw materials in September

## Chocolate category



- Results remained firm even after price revisions (Sep. 2024, Feb. & Jun. 2025)
- ➔ Implement price revisions and replace some raw materials in September



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# Reference Data

# Price Revision Schedule



Price revisions will be implemented as a means of offsetting higher costs, including soaring prices for raw materials such as cacao and rising logistics and other expenses. Flexible responses will be investigated while closely monitoring future market trends.

## Price Revisions

Business	Revision Dates	Number of Items	Revision Rate	Target Products
Confectionary	September 1 & October 1 (Shipments)	31	Approx. 5 - 19%	Chocolate and biscuits (some products)
Foodstuffs	September 1 (Shipments)	14	Approx. 2 - 21%	Cocoa (some products), syrups, freeze-dried products, and others
Frozen Desserts	September 1 (Shipments)	9	Approx. 6 - 18%	Various (excluding certain products)

## Price Revisions and Volume Changes

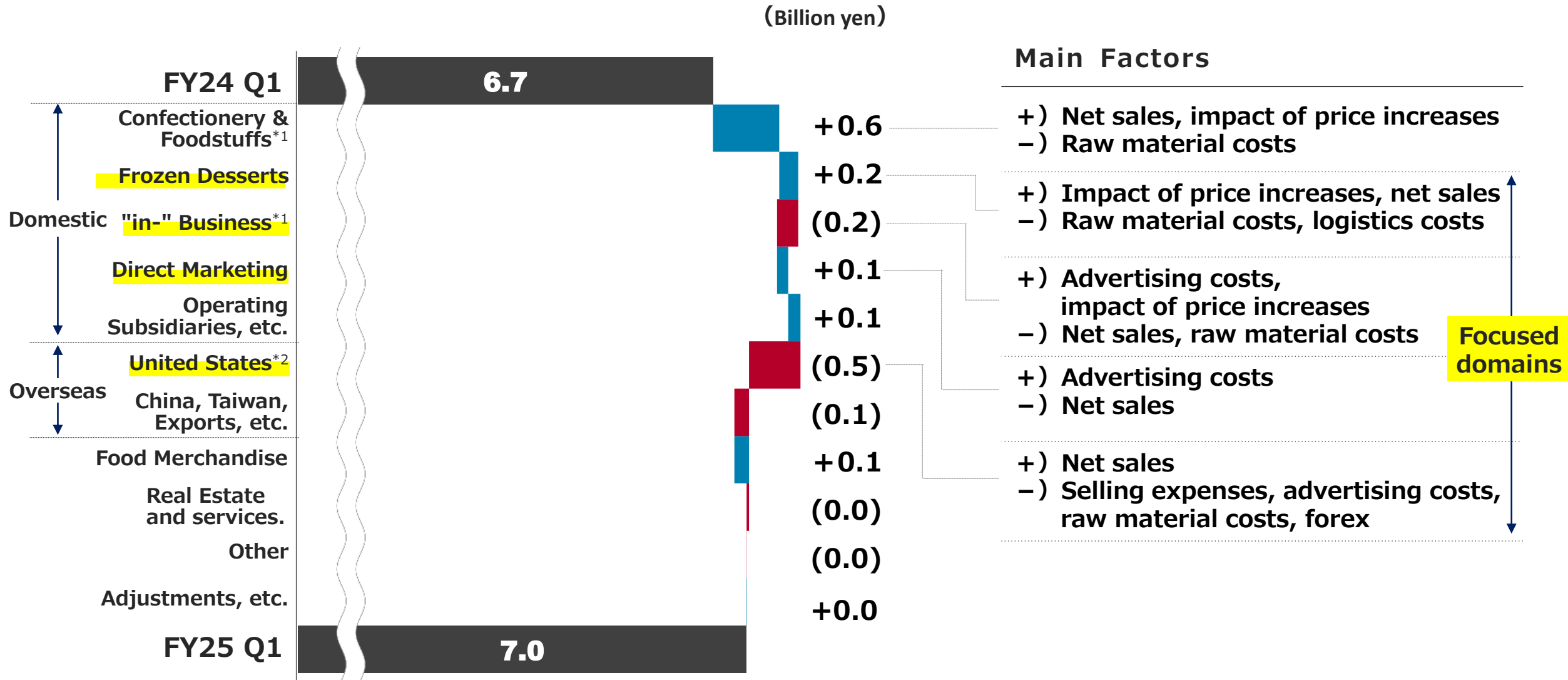
Business	Revision Dates	Number of Items	Price Revision Rate	Volume Revision Rate	Target Products
Foodstuffs	September 2 (Shipments)	1	Approx. 12%	(Approx. 17%)	<i>Milk Cocoa</i>
Frozen Desserts	September 1 (Shipments)	1	Approx. 7%	(Approx. 14%)	<i>Paxiel</i>

# End Q1 FY2025 Results: Balance Sheet



(Billion yen)	End-Q1 FY2025	vs. end- FY2024	Main Factors
Current assets	102.2	(2.4)	<ul style="list-style-type: none"> <li>·Cash and deposits (6.6)</li> <li>·Notes and accounts receivable–trade +2.0</li> <li>·Merchandise and finished goods +0.7</li> <li>·Raw materials and supplies +1.1</li> </ul>
Noncurrent assets	107.0	+1.7	<ul style="list-style-type: none"> <li>·Machinery, equipment and vehicle (0.9)</li> <li>·Software +0.3</li> <li>·Investment securities +0.3</li> <li>·Deferred tax assets (0.5)</li> </ul>
Total assets	209.2	(0.7)	—
Current liabilities	60.4	+8.6	<ul style="list-style-type: none"> <li>·Notes and accounts payable–trade+2.1</li> <li>·Short-term borrowings +8.0</li> <li>·Income taxes payable (0.7)</li> <li>·Refund liabilities (0.7)</li> <li>·Allowance for bonuses (1.5)</li> </ul>
Long-term liabilities	23.0	(2.7)	<ul style="list-style-type: none"> <li>·Long-term borrowings (3.0)</li> <li>·Deferred tax liabilities+0.3</li> </ul>
Total liabilities	83.4	+5.9	—
Shareholders' equity	113.0	(4.6)	<ul style="list-style-type: none"> <li>·Retained earnings (4.6)</li> </ul>
Accumulated other comprehensive income	11.1	(2.1)	<ul style="list-style-type: none"> <li>·Foreign currency translation adjustments (2.1)</li> <li>·Valuation difference on available-for-sale securities +0.2</li> </ul>
Non-controlling interests	1.6	+0.1	—
Total net assets	125.7	(6.6)	—
Total liabilities and net assets	209.2	(0.7)	—
Shareholders' equity ratio	59.3%	(3.0pt)	—

# FY2025 Q1 Results: Change in Operation Income by Business



\*1 Sugar confectionery, chocolates, and other products under the "in-" brand are included in Confectionery & Foodstuffs

\*2 Includes income from exports to the US from China and Taiwan

# Major Domestic Brands — Net Sales Year on Year



(%)

Business	Brand	Q1
"in-" Business	<i>in Jelly</i>	97
	<i>in Bar</i>	92
Direct Marketing	<i>Morinaga Collagen Drink</i>	91
Frozen Desserts	<i>Jumbo Group</i>	105
	<i>Ita Choco Ice</i>	155
	<i>The Crepe</i>	146
	<i>ICEBOX</i>	120

Business	Brand	Q1
Confectionery & Foodstuffs	<i>Morinaga Biscuits</i>	103
	<i>HI-CHEW</i>	100
	<i>Morinaga Ramune</i>	125
	<i>Carré de chocolat</i>	125
	<i>DARS</i>	117
	<i>Chocoball</i>	126
	<i>Morinaga Amazake</i>	97
	<i>Morinaga Cocoa</i>	151

# Domestic Market Y/Y Change in Sales Value

