

Notice on Changes to Consumer Dairy Food Prices

MEGMILK SNOW BRAND Co., Ltd.

MEGMILK SNOW BRAND Co., Ltd. (headquarters: Shinjuku, Tokyo; President: Keiji Nishio), announced that we will revise prices for some of its consumer dairy foods, from Friday, April 1, 2022 shipments onward.

Although the spread of the COVID-19 infection continues, the resumption of economic activities worldwide has led to an increase in demand for cheese, especially in the dining industry. In particular, the price of imported ingredients has soared with the rising demand for imported products associated with the significant increase in the consumption of dairy products in China. In addition, some of the Company's products have been affected by soaring prices of imported wheat and domestic pork fat.

Other factors include impacts of rising freight rates due to rising crude oil prices and container shortages on packaging material / auxiliary material costs, energy costs, logistics costs, and labor costs.

The Company has been working to internally absorb the cost increases through a range of cost reduction measures; however, these cost increases are beyond the scope within which the increases can be absorbed through corporate efforts. The Company has therefore decided to implement the following price revisions.

MEGMILK SNOW BRAND is committed to providing consumers with safe and reliable products on a stable basis and asks for your understanding and continued support.

1. Applicable Products

- (1) Processed cheese 31 products (revision rate: 4.5% to 10.0%)
- (2) Natural cheese 4 products (revision rate: 4.3% to 5.7%)
- (3) Pizza crust 230g (revision rate: 3.4%)
- (4) Pure lard 250 g (revision rate: 20.0%)

2. Date of revisions

From Friday, April 1, 2022 shipments onward

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