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Japanâ??s MEGMILK SNOW BRAND to Restructure Kanto Production Network

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MEGMILK SNOW BRAND Co., Ltd. has announced plans to strengthen and streamline its production operations in Japanâ??s Kanto region through a major production system restructuring initiative under its â??Next Design 2030â? management plan.

The companyâ??s Board of Directors approved the â??Kanto Region Production System Improvementâ? strategy, which includes the closure of its Kawagoe Plant in Saitama Prefecture, Japan, and the consolidation of production functions into the Ebina Plant in Kanagawa Prefecture, the Noda Plant in Chiba Prefecture, and group company Luna Bussan Co., Ltd. in Matsuyama City, Ehime Prefecture, Japan.

As part of the initiative, the company will invest approximately JPY 10.9 billion in capital expenditures to enhance manufacturing efficiency, accelerate production technology evolution, and build a more sustainable value chain in Japan. The investment will focus on consolidating fermented milk product and chilled dessert production functions currently handled at the Kawagoe facility.

Construction under the investment plan is scheduled to begin in the second half of fiscal year 2027, with operations expected to commence from the first half of fiscal year 2028.

The Kawagoe Plant, operational since 1989, currently manufactures fermented milk products and chilled desserts. The facility employs 151 people as of April 1, 2026, and production is planned to end in the first half of FY2028.

According to the company, the restructuring is aimed at achieving both â??food sustainabilityâ? and enhanced corporate value through business growth and operational efficiency. By utilising existing vacant capacity at other facilities, the company expects to improve labour productivity and modernise its manufacturing operations without significantly impacting its current fiscal year earnings forecast.

The company stated that the financial impact of the investment decision on consolidated earnings for the current fiscal year is expected to be negligible.