



**Supplementary Materials for Financial Statements
For the Year Ended March 31, 2006**

May 19, 2006

**YAKULT HONSHA CO., LTD.
Public Relations Department
IR Section**

URL <http://www.yakult.co.jp>

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Consolidated

1. Major Increases (Decreases) in Consolidated Balance Sheets

(Millions of yen)

	As of Mar. 31, 2006	As of Mar. 31, 2005	Increase (Decrease)	Primary reason for change
Total Assets	328,618	293,921	34,696	
Current assets				
Cash and deposits	71,940	67,487	4,453	Increase in subsidiaries
Notes and accounts receivable	45,919	38,789	7,130	Increase in parent company
Deferred tax assets	4,166	3,960	205	
Inventories	28,740	27,115	1,624	
Others	5,074	5,500	(425)	
Fixed assets				
Tangible fixed assets				
Buildings and structures	30,499	30,679	(180)	
Land	32,275	32,366	(91)	
Others	29,494	23,783	5,710	Increase of construction in progress in overseas subsidiaries
Intangible fixed assets	4,932	4,409	522	
Investments and other asset:				
Investment securities	62,386	42,046	20,340	Increase in parent company
Deferred tax assets	5,620	11,013	(5,393)	Decrease in parent company
Others	7,568	6,769	799	
Total Liabilities	88,344	83,504	4,840	
Current liabilities				
Notes and accounts payable	27,135	23,840	3,294	
Short-term bank loans	8,911	12,306	(3,394)	Decrease in overseas subsidiaries
Income taxes payable	4,513	2,705	1,808	Increase in parent company
Others	24,650	23,358	1,291	
Fixed liabilities				
Liability for retirement benefits	16,506	15,741	764	
Others	6,626	5,550	1,075	Effect of allowance for loss on plants reorganization
Minority interests	19,572	14,395	5,177	
Total shareholders' equity	220,700	196,022	24,678	Increase of retained earnings, unrealized holding gain on other investment securities and foreign currency translation adjustments

2. Major Increases (Decreases) in Consolidated Statements of Income

(Millions of yen)

	Current period (2005.4 ~ 2006.3)	Previous period (2004.4 ~ 2005.3)	Increase (Decrease)		Primary reason for change	Revised Forecasts (2005.4 ~ 2006.3)
			Amount	%		
Net sales	267,707	247,506	20,201	8.2		263,000
(Sales by business segments)						
Food and beverages	229,684	215,585	14,099	6.5	Increase in overseas subsidiaries Increase of sales of <i>Elplat</i> and decrease of sales of <i>Campto</i> to overseas	
Pharmaceuticals	24,245	17,796	6,449	36.2		
Others	13,776	14,124	(348)	(2.5)		
Cost of sales	123,126	110,641	12,484			
Gross profit	144,581	136,864	7,716	5.6		
Gross profit margin (%)	54.01	55.30	(1.29)			
Selling, general and administrative expenses	122,827	118,739	4,087	3.4		
Selling expenses	59,859	53,740	6,119	11.4		
General and administrative expenses	62,967	64,999	(2,031)	(3.1)		
Operating income	21,753	18,125	3,628	20.0		18,500
Operating income margin (%)	8.13	7.32	0.81			7.03
(Operating income by business segments)						
Food and beverages	25,432	24,454	978		Increase in overseas subsidiaries	
Pharmaceuticals	7,528	3,857	3,671			
Others	535	727	(191)			
Corporate expenses	(11,742)	(10,913)	(829)			
Non-operating income	12,247	9,448	2,798	29.6		
Foreign exchange gain	1,316	193	1,122		Increase in parent company	
Royalty income	3,283	3,208	74			
Investment gains on the equity method	3,441	2,862	579			
Others	4,206	3,184	1,021			
Non-operating expenses	2,215	1,781	433	24.3		
Foreign currency fluctuation loss	527	627	(99)		Effect of inflation accounting of overseas subsidiaries	
Others	1,687	1,153	533		Increase in parent company	
Ordinary income	31,785	25,792	5,993	23.2		27,000
Ratio of ordinary income to net sales (%)	11.87	10.42	1.45			10.27
Extraordinary gain	2,347	3,955	(1,608)		Decrease in parent company	
Extraordinary loss	4,785	4,688	97			
Income before income taxes and minority interests	29,347	25,059	4,288	17.1		
Income taxes	10,134	8,438	1,695			
Income taxes-deferred	2,027	1,073	953			
Minority interests	2,743	1,441	1,301			
Net income	14,442	14,104	337	2.4		13,500
Ratio of net income to net sales (%)	5.39	5.70	(0.31)			5.13

Financial forecasts announced on November 11, 2005

3. Performance Overview

(1) Breakdown of Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2006		Fiscal year ended March 31, 2005		Fiscal year ending March 31, 2007	
	Performance	Year on year (%)	Performance	Year on year (%)	Forecast	Year on year (%)
Net sales	267,707	108.2	247,506	103.6	277,000 (138,000)	103.5 (106.1)
Operating income	21,753	120.0	18,125	110.6	22,500 (10,000)	103.4 (105.4)
Ordinary income	31,785	123.2	25,792	111.4	31,500 (14,000)	99.1 (95.6)
Net income	14,442	102.4	14,104	93.5	16,000 (7,000)	110.8 (119.6)

*Figures in parentheses are forecasts for the interim period.

(2) Ratios of Consolidated to Nonconsolidated Results

(Times)

	Fiscal year ended March 31, 2006		Fiscal year ended March 31, 2005		Fiscal year ending March 31, 2007	
	Performance		Performance		Forecast	
Net sales	1.65		1.58		1.69	
Operating income	4.31		3.81		4.09	
Ordinary income	2.17		1.94		2.33	
Net income	1.95		1.63		1.88	

(3) Breakdown of Gains on Equity Method

(Millions of yen)

	Fiscal year ended March 31, 2006		Fiscal year ended March 31, 2005		Fiscal year ending March 31, 2007	
	Performance	Year on year (%)	Performance	Year on year (%)	Forecast	Year on year (%)
Asia and Oceania	3,441	120.2	2,862	105.6	3,900	113.3

(4) Capital investment, Depreciation expense

(Millions of yen)

	Fiscal year ended March 31, 2006		Fiscal year ended March 31, 2005		Fiscal year ending March 31, 2007	
	Performance	Year on year (%)	Performance	Year on year (%)	Forecast	Year on year (%)
Capital investment	11,651	148.2	7,864	100.8	23,400	200.8
Depreciation expense	8,406	104.6	8,039	100.7	9,800	116.6

Breakdown of Capital investment and Depreciation expense

	Fiscal year ended March 31, 2006	Fiscal year ended March 31, 2007
Capital investment	Investment in parent company: 4.8 billion yen Investment in overseas subsidiaries: 4.7 billion yen (mainly Shanghai and Europe)	Investment in parent company: 17.6 billion yen Investment in plants(subsidiaries): 3.3 billion yen Investment in overseas subsidiaries: 1.8 billion yen

4. Segment Information

(1) Information about Business Segments

Results of the fiscal year ended March 31, 2006

(Millions of yen)

	Food and beverages	Pharmaceuticals	Others	Total	Eliminations/ corporate	Consolidated
Net sales	229,684	24,245	13,776	267,707	---	267,707
percentage of net sales (%)	85.8	9.1	5.1	100.0	---	100.0
Year on year (%)	106.5	136.2	97.5	108.2	---	108.2
Operating expenses	204,252	16,717	13,241	234,211	11,742	245,953
Year on year (%)	106.9	119.9	98.8	107.2	107.6	107.2
Operating income (loss)	25,432	7,528	535	33,496	(11,742)	21,753
Year on year (%)	104.0	195.2	73.6	115.3	107.6	120.0
Operating income margin (%)	11.1	31.1	3.9	---	---	8.1

Results of the fiscal year ended March 31, 2005

	Food and beverages	Pharmaceuticals	Others	Total	Eliminations/ corporate	Consolidated
Net sales	215,585	17,796	14,124	247,506	---	247,506
percentage of net sales (%)	87.1	7.2	5.7	100.0	---	100.0
Year on year (%)	104.4	97.9	99.2	103.6	---	103.6
Operating expenses	191,130	13,939	13,397	218,467	10,913	229,381
Year on year (%)	103.7	106.9	97.6	103.5	96.3	103.1
Operating income (loss)	24,454	3,857	727	29,038	(10,913)	18,125
Year on year (%)	110.8	75.1	139.8	104.7	96.3	110.6
Operating income margin (%)	11.3	21.7	5.1	---	---	7.3

Forecasts for the Fiscal year ending March 31, 2007

(Millions of yen)

	Food and beverages	Pharmaceuticals	Others	Total	Eliminations/ corporate	Consolidated
Net sales	241,500	21,000	14,500	277,000	---	277,000
percentage of net sales (%)	87.2	7.6	5.2	100.0	---	100.0
Year on year (%)	105.1	86.6	105.2	103.5	---	103.5
Operating expenses	213,400	15,100	14,300	242,800	11,700	254,500
Year on year (%)	104.5	90.3	108.0	103.7	99.6	103.5
Operating income (loss)	28,100	5,900	200	34,200	(11,700)	22,500
Year on year (%)	110.5	78.4	37.4	102.1	99.6	103.4
Operating income margin (%)	11.6	28.1	1.4	---	---	8.1

(2) Information about Geographical Segments

Results of the fiscal year ended March 31, 2006

(Millions of yen)

	Japan	Overseas Total	The Americas	Asia and Oceania	Europe	Eliminations/ corporate	Consolidated
Net sales	215,993	56,053	30,744	13,133	12,176	(4,340)	267,707
percentage of net sales (%)	80.7	20.9	11.5	4.9	4.5	(1.6)	100.0
Year on year (%)	104.5	129.5	137.1	128.5	114.3	176.2	108.2
Operating expenses	196,164	42,385	22,096	10,562	9,727	7,402	245,953
Year on year (%)	104.2	129.5	133.8	129.7	120.6	87.6	107.2
Operating income (loss)	19,829	13,665	8,647	2,570	2,448	(11,742)	21,753
Year on year (%)	107.4	129.3	146.2	124.0	94.7	107.6	120.0
Operating income margin (%)	9.2	24.4	28.1	19.6	20.1	---	8.1

Results of the fiscal year ended March 31, 2005

	Japan	Overseas Total	The Americas	Asia and Oceania	Europe	Eliminations/ corporate	Consolidated
Net sales	206,673	43,295	22,427	10,219	10,649	(2,463)	247,506
percentage of net sales (%)	83.5	17.5	9.1	4.1	4.3	(1.0)	100.0
Year on year (%)	101.8	108.3	101.0	116.7	118.2	60.4	103.6
Operating expenses	188,206	32,723	16,513	8,146	8,064	8,450	229,381
Year on year (%)	101.8	107.9	99.5	124.4	112.4	116.4	103.1
Operating income (loss)	18,466	10,571	5,913	2,073	2,585	(10,913)	18,125
Year on year (%)	102.1	109.7	105.6	93.9	141.1	96.3	110.6
Operating income margin (%)	8.9	24.4	26.4	20.3	24.3	---	7.3

Forecasts for the Fiscal year ending March 31, 2007

(Millions of yen)

	Japan	Overseas Total	The Americas	Asia and Oceania	Europe	Eliminations/ corporate	Consolidated
Net sales	218,300	62,900	34,100	15,400	13,400	(4,200)	277,000
percentage of net sales (%)	78.8	22.7	12.3	5.6	4.8	(1.5)	100.0
Year on year (%)	101.1	112.2	110.9	117.3	110.0	96.8	103.5
Operating expenses	197,900	49,100	24,200	13,600	11,300	7,500	254,500
Year on year (%)	100.9	115.8	109.5	128.8	116.2	101.3	103.5
Operating income (loss)	20,400	13,800	9,900	1,800	2,100	(11,700)	22,500
Year on year (%)	102.9	101.0	114.5	70.0	85.8	99.6	103.4
Operating income margin (%)	9.3	21.9	29.0	11.7	15.7	---	8.1

5.Overview of overseas companies

(1)Dairy Products sales(Bottles sold per day)

[Performance from January to December 2005]

(December 31, 2005)

	Sales quantity (Thousands of bottles/day)	Year on year (%)	Started Business	Ratio of Shareholding	Consolidation Classification	Currency Unit	Exchange rate ³		
							Jan ~ Mar 2006 AVG.	Dec 2005	Dec 2004
Taiwan	1,379	106.1	Mar 1964	⁴ 20.00	Equity method	TWD	3.612	3.595	3.230
Hong Kong	427	107.6	Jun 1969	80.00	Consolidated	HKD	15.10	15.23	13.39
Thailand	1,868	99.6	Jun 1971	---	---	THB	---	---	---
Korea	4,795	96.0	Aug 1971	38.30	Equity method	KRW	0.1209	0.1176	0.1002
Philippines	933	98.1	Oct 1978	40.00	Equity method	PHP	2.29	2.25	1.88
Singapore	138	103.2	Jul 1979	100.00	Consolidated	SGD	72.19	70.88	63.53
Indonesia	1,015	112.6	Jan 1991	100.00	Consolidated	IDR	0.0128	0.0121	0.0113
¹ Australia	161	96.9	Feb 1994	100.00	Consolidated	AUD	85.97	86.43	80.60
Guangzhou	240	128.9	Jun 2002	95.00	Consolidated	CNY	14.51	14.61	12.55
Shanghai	87	137.5	Dec 2002	100.00	Consolidated	CNY	14.51	14.61	12.55
China total	327	131.1							
Malaysia	52	192.3	Feb 2004	100.00	Consolidated	MYR	31.413	31.240	27.420
Asia and Oceania total	11,095	100.9							
Brazil	1,119	108.8	Oct 1968	⁵ 51.07	Consolidated	BRL	54.13	50.45	39.26
Mexico	2,376	109.4	Oct 1981	61.21	Consolidated	MXN	11.06	11.13	9.33
Argentina	43	90.8	May 1997	100.00	Consolidated	ARS	38.37	39.20	35.21
USA	16	260.4	Oct 1999	100.00	Unconsolidated	USD	117.17	118.07	104.20
The Americas total	3,554	109.2							
Netherlands	219	147.2	Apr 1994	100.00	Consolidated	EUR	140.89	139.88	141.66
Belgium	89	99.9	Apr 1995	100.00	Consolidated	EUR	140.89	139.88	141.66
² United Kingdom	285	98.4	Apr 1996	100.00	Consolidated	GBP	205.19	203.74	199.77
Germany	159	130.2	Apr 1996	100.00	Consolidated	EUR	140.89	139.88	141.66
Austria	0	-	Dec 2005	100.00	Consolidated	EUR	140.89	139.88	141.66
Europe total	752	115.8							
Total	15,401	103.4							

1 New Zealand Branch operation started on Jun 2004

2 Ireland Branch operation started on Sep 2004

3 Exchange Rate:Jan ~ Mar.2006AVG:used for Forecasts for the Fiscal year ending Mar.2007

Dec.2005:used for the results of the Fiscal year ending Mar.2006

Dec.2004:used for the results of the Fiscal year ending Mar.2005

4 Shareholding ratio of Taiwan Yakult is 25.00%(Changed Mar.2006)

5 Shareholding ratio of Brazil Yakult is 51.36%(Changed Jan.2006)

(2)Yakult Ladies by area, Percentage of Sales by Channel (* Except for Japan)

(%)

	Number of Yakult Ladies	Percentage of Sales by Channel	
		Yakult Ladies	Stores
Asia and Oceania	21,100	73.2	26.8
The Americas	13,000	57.1	42.9
Europe	-	-	100.0
Total	34,100	65.9	34.1

(3)Plan for the future

Establishment of new companies (2companies)

- India (Oct 2005), Beijing (Mar 2006)

Test Sales(in 3 countries)

- France, Spain, USA(East coast and West coast)

Currently undergoing feasibility studies

- Vietnam, and other Asian countries(conducting local feasibility studies based on the assumption of market entry)
- Europe, especially EU countries, and parts of Eastern Europe(conducting local feasibility studies based on the assumption of market entry)
- Various countries in Latin America (conducting local feasibility studies based on the assumption of market entry)

Operation of new plant

- Shanghai plant(Jul. 2006 scheduled)

(4)Others

ISO14001 Accreditation

- Guangzhou Yakult Co.,Ltd., Yakult UK Ltd., Yakult Europe B.V.

Non-Consolidated

1. Major Increases (Decreases) in Nonconsolidated Balance Sheets

(Millions of yen)

	As of Mar. 31, 2006	As of Mar. 31, 2005	Increase (Decrease)	Primary reason for change
Total Assets	221,897	209,434	12,462	
Current assets				
Cash and deposits	17,399	25,302	(7,902)	Acquisition of shares of business partners and others.
Accounts receivable	38,091	35,307	2,784	
Inventories	22,163	21,600	563	
Others	8,861	8,549	311	
Fixed assets				
Tangible fixed assets				
Machinery and equipment	9,039	8,627	412	
Land	18,244	18,411	(167)	
Others	17,617	17,374	242	
Intangible fixed assets	3,048	2,240	807	New accounting systems
Investments and other				
Investment securities	37,508	23,484	14,023	Acquisition of shares of business partners and others. Revaluation of investment securities
Investments to affiliates	38,036	32,060	5,975	
Deferred tax assets	9,698	13,347	(3,649)	Revaluation of other securities, etc
Others	2,188	3,129	(940)	
Total Liabilities	61,297	57,383	3,913	
Current liabilities				
Notes and accounts payable	20,763	20,654	109	
Short-term bank loans	5,005	5,005	(0)	
Income taxes payable	3,351	1,357	1,994	
Others	17,595	16,880	714	
Fixed liabilities				
Liability for retirement benefits	12,366	11,805	560	
Others	2,216	1,680	535	
Total shareholders' equity	160,599	152,050	8,548	

2. Major Increases (Decreases) in Nonconsolidated Statements of Income

(Millions of yen)

	Current period (2005.4 ~ 2006.3)	Previous period (2004.4 ~ 2005.3)	Increase (Decrease)		Primary reason for change	Revised forecasts (2005.4 ~ 2006.3)
			Amount	%		
Net sales	162,423	156,525	5,897	3.8		162,000
(Breakdown)					Decrease of sales of <i>Yakult 65</i> and <i>Yakult 80A</i>	
Dairy products	77,765	78,011	(246)	(0.3)	Increase of sales of <i>Befiene</i> , <i>Pretio</i> and <i>Yakult 300V</i>	
Juices and other beverages	44,273	46,069	(1,796)	(3.9)	Decrease of sales of <i>Bansoreicha</i> and <i>Toughman</i>	
Cosmetics	6,546	6,732	(185)	(2.8)		
Pharmaceuticals	24,245	17,796	6,449	36.2	Increase of sales of <i>Elplat</i> and decrease of sales of <i>Campto</i> to overseas	
Others	9,592	7,916	1,675	21.2		
Cost of sales	97,020	96,274	746	0.8		
Gross profit	65,402	60,251	5,150	8.5		
Gross profit margin (%)	40.27	38.49	1.77		Increase in Pharmaceuticals	
Selling, general and administrative expenses	60,354	55,489	4,865	8.8		
Advertising expenses	9,518	8,646	871	10.1	Advertisement of new products	
Sales promotion expenses	5,720	4,181	1,538	36.8	New uniform for YL and International convention	
Transportation expenses	7,120	7,078	42	0.6		
Cost of vending machines	2,738	2,959	(221)	(7.5)		
Personnel expenses	19,685	18,989	695	3.7		
Depreciation and amortization	1,760	1,611	148	9.2		
Investigation research expense	2,964	2,185	779	35.7	Increase of expense for <i>Elplat</i>	
Others	10,846	9,836	1,009	10.3		
Operating income	5,047	4,762	285	6.0		3,000
Operating income margin (%)	3.11	3.04	0.06			1.85
Non-operating income	10,706	9,111	1,594	17.5		
Dividend income	3,552	2,743	808	29.5	Increase from domestic and overseas companies	
Royalties from pharmaceuticals	3,168	3,102	65	2.1		
Others	3,986	3,265	720	22.1	Foreign currency exchange	
Non-operating expenses	1,117	567	550	97.1	Disposal of inventories	
Ordinary income	14,636	13,306	1,329	10.0		11,500
Ratio of ordinary income to net sales(%)	9.01	8.50	0.51			7.10
Extraordinary income	1,479	3,719	(2,240)	(60.2)		
Gain on exemption from pension liability	-----	3,653	(3,653)	-----	Adopting new pension plan in the last fiscal year	
Others	1,479	65	1,413	2,154.2	Gain from compensation due to contract change	
Extraordinary loss	3,331	3,899	(567)	(14.5)		
Provision for accrued employee retirement benefits	-----	2,053	(2,053)	-----	End of amortization of accrued employee retirement benefits in the last fiscal year	
Others	3,331	1,845	1,486	80.6	Impairment loss and provision for loss on plants reorganization	
Income before income taxes	12,783	13,127	(343)	(2.6)		
Income taxes	5,206	4,015	1,190	29.6		
Income taxes-deferred	176	468	(291)	(62.4)		
Net income	7,401	8,643	(1,241)	(14.4)		6,000
Ratio of net income to net sales(%)	4.56	5.52	(0.97)			3.70

Financial forecasts announced on November 11, 2005

3. Performance Overview

(1) Breakdown of Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2006		Fiscal year ended March 31, 2005		Fiscal year ending March 31, 2007	
	Performance	Year on year (%)	Performance	Year on year (%)	Forecast	Year on year (%)
Net sales	162,423	103.8	156,525	99.4	164,000 (85,000)	101.0 (103.7)
Operating income	5,047	106.0	4,762	122.9	5,500 (2,500)	109.0 (110.6)
Ordinary income	14,636	110.0	13,306	119.8	13,500 (5,500)	92.2 (89.3)
Net income	7,401	85.6	8,643	96.1	8,500 (3,000)	114.8 (136.6)

*Figures in parentheses are forecasts for the interim period.

(2) Sales by Product Category

(Millions of yen)

	Fiscal year ended March 31, 2006		Fiscal year ended March 31, 2005		Fiscal year ending March 31, 2007	
	Performance	Year on year (%)	Performance	Year on year (%)	Forecast	Year on year (%)
Dairy products	77,765	99.7	78,011	98.4	81,000	104.2
Juices and other beverages	44,273	96.1	46,069	105.2	46,500	105.0
Subtotal	122,038	98.4	124,081	100.8	127,500	104.5
Cosmetics	6,546	97.2	6,732	99.7	7,100	108.5
Pharmaceuticals	24,245	136.2	17,796	97.9	21,000	86.6
Others	9,592	121.2	7,916	83.8	8,400	87.6
Total	162,423	103.8	156,525	99.4	164,000	101.0

(3) Cost to Net sales Ratio

(%)

	Fiscal year ended March 31, 2006		Fiscal year ended March 31, 2005		Fiscal year ending March 31, 2007	
	Performance	Increase (Decrease)	Performance	Increase (Decrease)	Forecast	Increase (Decrease)
Cost to Net sales ratio	59.73	(1.77)	61.51	(0.68)	60.11	0.37

(4) Capital investments, Depreciation and amortization, Research and development costs

(Millions of yen)

	Fiscal year ended March 31, 2006		Fiscal year ended March 31, 2005		Fiscal year ending March 31, 2007	
	Performance	Year on year (%)	Performance	Year on year (%)	Forecast	Year on year (%)
Capital investments	4,822	167.2	2,884	141.2	17,602	365.0
Depreciation and amortization	4,427	102.6	4,313	94.8	5,085	114.9
Research and development costs	6,965	102.8	6,775	104.9	7,836	112.5

Breakdown of Capital investments

	Fiscal year ended March 31, 2006	Fiscal year ending March 31, 2007
Capital investments	Investment to domestic plants: 4.0 billion yen	Investment to domestic plants: 13.6 billion yen (Including investment to plants reorganization 5.1 billion yen) Rebuilding of Yakult Central Institute for Microbiological Research: 2.6 billion yen

4. Breakdown of Sales

(1) Dairy Products sales (Bottles sold per day)

(Thousands of bottles/day)

	Fiscal year ended March 31, 2006		Fiscal year ended March 31, 2005		Fiscal year ending March 31, 2007		
	Performance	Year on year (%)	Performance	Year on year (%)	Forecast	Year on year (%)	
Dairy Products	<i>Yakult</i>	3,073	88.4	3,475	90.8	3,355	109.2
	<i>Yakult LT</i>	125	84.1	148	96.2	105	84.3
	<i>Yakult 200</i>	93	64.1	145	87.4	45	48.4
	<i>Yakult 80Ace</i>	493	79.0	624	81.1	490	99.4
	<i>Yakult 80AceLT</i>	151	87.1	173	91.0	130	86.4
	<i>Yakult 300V</i>	206	725.3	28	---	250	121.1
	<i>Yakult 400</i>	1,822	102.7	1,774	107.8	1,919	105.3
	Total for Yakult products	5,962	93.6	6,368	94.3	6,294	105.6
	<i>Prelio</i>	323	209.5	154	---	340	105.2
	<i>Joie</i>	775	90.9	852	103.9	731	94.3
	<i>Bifiene products</i> ¹	378	0.0	---	---	796	210.8
	<i>Mil-Mil products</i> ²	292	46.4	629	88.0	---	---
	Bifidobacterium Total	670	106.5	629	88.0	796	118.9
	<i>Sofuhl</i> ³	579	93.4	620	93.0	600	103.7
	<i>Purela</i>	250	83.6	299	82.9	240	96.0
	Total for fermented milk	2,273	94.7	2,401	93.7	2,367	104.1
	Total	8,559	95.9	8,923	95.8	9,000	105.2

1 *Bifiene V, Bifiene M, Bifiene S*

2 *Mil-Mil, Mil-Mil E, Bifiel*

3 *SofuhlLCS100* of the sale on March 24, 2006 is included.

(2) Juices and Other Beverages sales (Total Bottles sold)

(Thousands of bottles)

	Fiscal year ended March 31, 2006		Fiscal year ended March 31, 2005		Fiscal year ending March 31, 2007		
	Performance	Year on year (%)	Performance	Year on year (%)	Forecast	Year on year (%)	
Juices and Other Beverages	<i>Bansoreicha</i>	59,169	82.1	72,084	75.4	64,050	108.2
	<i>Toughman</i>	73,608	89.1	82,657	112.5	76,800	104.3
	<i>Kurozu Drink</i>	82,469	122.7	67,199	702.4	92,000	111.6
	Soy milk drinks	62,881	103.4	60,824	138.8	60,000	95.4
	<i>Lemorea</i>	37,614	105.2	35,755	86.5	32,500	86.4
	<i>Thorpedo</i>	---	---	---	---	63,490	---
	Juices	81,845	88.1	92,851	96.6	65,000	79.4
	<i>Kininaruyasai</i>	71,194	116.1	61,327	95.9	61,000	85.7
	<i>Coffee time</i>	60,112	85.5	70,271	58.9	65,000	108.1
	<i>F I R E</i>	88,356	94.6	93,350	243.3	94,000	106.4
	Coffee products total	148,468	90.7	163,621	103.8	159,000	107.1
	<i>Tea re la</i>	4,865	45.1	10,795	45.5	5,000	102.8
	<i>Gogono-kocha</i>	31,514	96.8	32,541	250.6	31,500	100.0
	Black tea products total	36,379	83.9	43,336	118.1	36,500	100.3

(3) Percentage of Sales by Channel (April 1, 2005 to March 31, 2006)

(%)

	Dairy products(Volume)		Juices and other beverages		
	Percentage of sales	Year on year	Percentage of sales		Year on year
Yakult Ladies	62.8	96.7	43.8		100.7
Others*	37.2	94.7	56.2	Vending machines	72.24
				Stores and Others	27.76

Note: Actual sales statistics

Breakdown of sales at Stores, Vending machines, and Others (Dairy products, Juices and other beverages)

	Fiscal year ended March 31, 2006		Fiscal year ended March 31, 2005	
	Percentage of sales	Year on year	Percentage of sales	Year on year
Supermarkets	32.8	96.5	32.5	97.2
Convenience stores	4.2	91.6	4.5	88.0
Offices(Vending machines)	19.5	98.6	19.1	107.7
Medical centers	11.0	101.0	10.5	103.6

The number of vending machine

	As of Mar. 31, 2006	As of Mar. 31, 2005	As of Mar. 31, 2007
The number of vending machine	72,700	74,900	75,500

(4) Pharmaceuticals sales

(Millions of yen)

	Fiscal year ended March 31, 2006		Fiscal year ended March 31, 2005		Fiscal year ending March 31, 2007	
	Performance	Year on year (%)	Performance	Year on year (%)	Forecast	Year on year (%)
<i>Campto</i> (Japan)	3,640	125.8	2,895	112.6	4,000	109.9
<i>Campto</i> (Overseas)	10,098	75.2	13,430	95.8	3,900	38.6
North America	---	---	2,733	41.8	350	---
Europe	9,970	96.1	10,377	142.5	3,350	33.6
Other	128	40.0	320	165.9	200	156.3
<i>Campto</i> total	13,739	84.2	16,325	98.4	7,900	57.5
<i>Elplat</i>	9,113	---	---	---	12,000	131.7
Other pharmaceuticals	1,393	94.7	1,471	92.2	1,100	78.9
Total	24,245	136.2	17,796	97.9	21,000	86.6

Royalty income

(Millions of yen)

Total	3,168	102.1	3,102	125.7	2,440	77.0

5. Sales Personnel by Department

	March 31, 2006	September 30, 2005
Yakult Ladies	45,600	47,000
Yakult Beauty Advisors	9,300	9,500
Medical Representatives	155	145

6. Head Office Employees

	March 31, 2006	September 30, 2005
Number of full-time employees	2,472	2,499

Note: Neither 304 proceeding person nor 59 non-regular employees are included in the number of above-mentioned employees.

7. Breakdown of Major Expenses etc.

(1) Breakdown of Selling, General and Administrative Expenses

(Millions of yen)

	Fiscal year ended March 31, 2006		Fiscal year ended March 31, 2005		Fiscal year ending March 31, 2007	
	Performance	Year on year (%)	Performance	Year on year (%)	Forecast	Year on year (%)
Advertising expenses	9,518	110.1	8,646	110.3	8,526	89.6
Sales promotion expenses	5,720	136.8	4,181	88.7	5,134	89.7
Subtotal	15,238	118.8	12,828	102.2	13,660	89.6
Transportation expenses	7,120	100.6	7,078	98.7	7,460	104.8
Cost of vending machines	2,738	92.5	2,959	88.2	2,736	99.9
Personnel expenses	19,685	103.7	18,989	99.3	19,775	100.5
Depreciation and amortization	1,760	109.2	1,611	104.2	2,083	118.4
Investigation research expense	2,964	135.7	2,185	123.8	3,220	108.6
Others	10,846	110.3	9,836	97.0	10,992	101.3
Total	60,354	108.8	55,489	99.7	59,926	99.3

(2) Breakdown of retirement benefit expenses etc.

(Millions of yen)

	Fiscal year ended March 31, 2006		Fiscal year ended March 31, 2005		Fiscal year ending March 31, 2007	
	Performance	Year on year (%)	Performance	Year on year (%)	Forecast	Year on year (%)
Cost of production	836	93.0	899	77.1	773	92.5
General and administrative expenses	2,426	100.5	2,414	80.2	2,231	92.0
Total	3,262	98.4	3,314	79.3	3,005	92.1

*1 Extraordinary income	---	---	3,703	62.7	---	---
*2 Extraordinary loss	---	---	2,053	79.1	---	---

*1 Gain on exemption of pension liability(Fiscal year ended March 31,2005), and gain on exemption from the future pension obligation of governmental program (Fiscal year ended March 31,2004)

*2 Transitional obligation (Amortization period of transitional obligation : 5 years, completed on March 31,2005)

Reference - 1

Expansion of Indication and New Drug Development Pipeline

1. Expansion of *Campto* indications

(As of May, 2006)

	Indications	Stage	Date of application	Remarks
North America, South America, Oceania (Pfizer)	Gastric cancer	Phase III completed	Under preparation of sNDA	Combination with 5FU/FA, first-line*1
	Lung cancer (small cell lung cancer)	Phase III on-going	Undecided	Utilization of JCOG data*2
	Pediatric cancer	Data exclusivity up to February 2008 has been given in USA		
	Breast cancer (Oral formulation)	Phase I on-going	Undecided	
Europe (Pfizer)	Gastric cancer	Phase III completed	Under sNDA	Due to the transfer of Campto business to Pfizer, sNDA will be submitted in accordance with the progress of line extension studies.
	Colorectal cancer (Adjuvant *3)	Phase III on-going	Undecided	
	Lung cancer (Small cell Lung cancer)	Phase III on-going		

Note)*1 FA: Folic acid

*2 Japan Clinical Oncology Group

*3 Adjuvant: Post operation chemotherapy for aiming prevention of recurrence

Patent expiration

Japan	North America	Europe
Sep 2007	Aug 2007	Jul 2009

2. Expansion of *Elplat* indications

Under investigation of possibility for line extension with the following cancer

Colorectal cancer (Adjuvant)	Pancreatic cancer	Lung cancer (Non-small cell lung cancer)	Gastric cancer
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3. New drug development pipeline

Product	Indications	Licensors	Co-development partner	Stage	Remarks
<i>Elplat</i> (Oxaliplatin) Development Code: L-OHP	Colorectal cancer	Debiopharm	(Independent development)	Approved in March 2005, and Launched in April 2005	Safety confirmation study for FOLFOX4 regimen (combination with infusional 5-Fu/L-LV) and combination study with oral 5FU derivative are on-going
<i>Femiest</i> Development Code: RG83933	Osteoporosis	Sanofi · Aventis (Aventis)	ASKA Pharmaceutical Co., Ltd.	Phase II completed On-hold development	Development on-hold due to publication of US Phase III results indicating risk of long-term hormone replacement therapy exceeded benefit
<i>E2/NETA patch</i> Development Code: RPR106522	Post-menopausal syndromes	Sanofi · Aventis (Aventis)	ASKA Pharmaceutical Co., Ltd.	Phase III completed, Under preparation of NDA	
	Osteoporosis			On-hold development	
<i>Irinotecan liposome</i> Development Code: IHL-305	Solid tumors	In-house	Terumo Corporation	Phase I	

4. National Health Insurance reimbursement price revision information (*Campto* injections and *Elplat* for injection)

	Since April, 2006 (yen)	As of the end on March, 2006 (yen)	Revision rate (%) (Decrease)
<i>Campto</i> injection (40mg/Vial)	8,520	8,928	(4.6)
<i>Campto</i> injection (100mg/Vial)	19,022	20,050	(5.1)
<i>Elplat</i> for injection 100mg	72,768	74,087	(1.8)

Reference - 2

HACCP, ISO Accreditation of Yakult Group Companies in Japan and Capital investment plan for plants etc.

<Yakult Honsha Plants and Research Institute>

	HACCP	ISO 14001	Capital investment plan
Sapporo Plant			Close object
Fukushima Plant			Construction of new production building and update of equipment
Ibaraki Plant			Construction of new production building and increase of production line
Fujisawa Plant			Close object
Fujisawa Cosmetics Plant			
Fuji Susono Plant			
Fuji Susono Pharmaceuticals Plant			
Shizuoka Plant			
Kyoto Plant			
Fukuyama Plant			
Saga Plant			
Kumamoto Plant			

Yakult Central Institute for Microbiological Research		2	Main building (Food research facilities with fifth floors) rebuilding etc.
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2

The ISO14001 is acquired by the Chemical Analysis Center.

<Subsidiary Plants and others>

	HACCP	ISO 14001	Capital investment plan
Yakult Iwate Plant Co.,Ltd.			Construction of new plant and increase of production line 1
Yakult Chiba Plant Co.,Ltd.			
Yakult Aichi Plant Co.,Ltd.			Extension and rebuilding of production building and increase of production line
Yakult Osaka Plant Co.,Ltd.			
Yakult Kobe Plant Co.,Ltd.			
Yakult Hokuriku Plant Co.,Ltd.			Close object
Yakult Okayama Plant Co.,Ltd.			
Yakult Fukuoka Plant Co.,Ltd.			Increase of production line
Yakult Nagasaki Plant Co.,Ltd.			Close object

1 Yakult Iwate Plant Co.,Ltd. will move from Morioka City to Kitagami city (South Kitagami industrial estates) and newly will be established.

Yakult Materials Co.,Ltd.		
Yakult Chuo Logistics Co.,Ltd.		
Yakult Food Industry Co.,Ltd.		
Nihon Chlorella Co.,Ltd.		

<Sales companies>

Number of acquisition companies		5
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HACCP 19 businesses

ISO14001 31 businesses

ISO9001 6 businesses

Fuji Susono Plant, Sales companies 5 businesses

Yakult's Hazard Analysis and Critical Control Point (HACCP) Hygiene Control System

International Organization for Standardization (ISO)

ISO 9001-- The International Standard for Quality Management Systems

ISO 14001-- The International Standard for Environmental Management Systems

CAUTIONARY STATEMENT

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