



**Supplementary Materials for Financial Statements
For the Interim Period Ended September 30, 2006**

November 10, 2006

Yakult Honsha Co., Ltd.
Public Relations Department
IR Section

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

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About a numeric display of this material

1. Unit of money : Less than one million yen is rounded down.

2. Quantity results: Less than 1000 is rounded off.

3. Year on year percentage: The second place is rounded off after the decimal point.

Consolidated

1. Major Increases (Decreases) in Consolidated Balance Sheet

(Millions of yen)

	As of Sep. 30 2006	As of Mar. 31 2006	Increase (Decrease)	Primary reason for change
Total Assets	339,458	328,618	10,839	
Current assets				
Cash and deposits	70,930	71,940	(1,010)	Decrease in parent company
Notes and accounts receivable	51,005	45,919	5,086	Increase in parent company
Inventories	29,024	28,740	283	
Deferred tax assets	4,619	4,166	453	
Others	6,447	5,074	1,372	Increase of prepaid expense
Fixed assets				
Tangible fixed assets				
Buildings and structures	30,827	30,499	328	
Land	32,692	32,275	416	
Others	30,881	29,494	1,387	Increase of construction in progress in parent company
Intangible fixed assets	4,878	4,932	(53)	
Investments and other assets				
Investment securities	64,824	62,386	2,437	Increase by equity method
Deferred tax assets	5,569	5,620	(50)	
Others	7,756	7,568	187	
Total Liabilities	93,357	88,344	5,012	
Current liabilities				
Notes and accounts payable	27,365	27,135	229	
Short-term bank loans	8,839	8,911	(72)	
Allowance for bonuses	4,682	3,934	748	
Others	28,718	25,230	3,488	Increase of advanced received
Fixed liabilities				
Liability for retirement benefits	16,608	16,506	102	
Others	7,143	6,626	516	Increase of allowance for loss on plants reorganization
Minority interests	-	19,572	(19,572)	*
Total Net Assets	246,100	220,700	25,399	

Note) Minority interests are included in Total Net Assets from current period.

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

(Millions of yen)

	Current interim period (2006.4 ~ 9)	Previous interim period (2005.4 ~ 9)	Increase (Decrease)		Primary reason for change	Forecasts (2006.4 ~ 9)
			Amount	%		
Net sales	136,079	130,119	5,960	4.6	Increase in parent company and overseas subsidiaries	138,000
(Sales by business segments)						
Food and beverages	116,325	113,645	2,680	2.4	Increase in overseas subsidiaries	
Pharmaceuticals	12,695	10,042	2,653	26.4	Increase of sales of "Elplat"	
Others	7,058	6,431	627	9.7		
Cost of sales	62,082	59,803	2,279			
Gross profit	73,997	70,316	3,680	5.2		
Gross profit margin (%)	54.38	54.04	0.34			
Selling, general and administrative expenses	62,057	60,831	1,225	2.0		
Selling expenses	29,218	29,111	107	0.4		
General and administrative expenses	32,838	31,719	1,118	3.5		
Operating income	11,939	9,484	2,455	25.9		10,000
Operating income margin (%)	8.77	7.29	1.48			
(Operating income by business segments)						
Food and beverages	13,049	13,042	7			
Pharmaceuticals	4,439	2,095	2,344			
Others	302	279	23			
Corporate expenses	(5,851)	(5,933)	82			
Non-operating income	6,688	6,399	288	4.5		
Foreign exchange gain	800	838	(38)			
Royalty income	1,414	1,570	(156)		Decrease of royalty income in Pharmaceuticals	
Investment gains from the equity method	2,238	2,073	165			
Others	2,235	1,917	317			
Non-operating expenses	643	1,234	(590)	(47.8)		
Loss on disposal of merchandise and finished goods	315	844	(529)		Decrease in parent company	
Others	327	389	(61)			
Ordinary income	17,984	14,650	3,334	22.8		14,000
Ratio of ordinary income to Net sales (%)	13.22	11.26	1.96			
Extraordinary gains	374	198	176			
Extraordinary losses	1,526	2,972	(1,446)		Decrease in parent company	
Income before income taxes and minority interests	16,832	11,876	4,956	41.7		
Income taxes	6,002	5,198	804			
Income taxes-deferred	543	(174)	717			
Minority interests	1,949	1,001	947			
Net income	8,338	5,851	2,487	42.5		7,000
Ratio of net income to Net sales (%)	6.13	4.50	1.63			

Note) Forecast of first half of FY2007, announced on May 19, 2006

3. Performance Overview

(1) Breakdown of Statements of Income

(Millions of yen)

	Fiscal year ending March 31, 2007				Fiscal year ended March 31, 2006			
	Result of 1st half	Year on year (%)	Forecast of Full fiscal year	Year on year (%)	Result of 1st half	Year on year (%)	Result of Full fiscal year	Year on year (%)
Net sales	136,079	104.6	273,000	102.0	130,119	106.8	267,707	108.2
Operating income	11,939	125.9	23,000	105.7	9,484	109.4	21,753	120.0
Ordinary income	17,984	122.8	33,000	103.8	14,650	119.2	31,785	123.2
Net income	8,338	142.5	16,000	110.8	5,851	76.8	14,442	102.4

(2) Ratios of Consolidated to Non-consolidated Results

(Times)

	Fiscal year ending March 31, 2007		Fiscal year ended March 31, 2006	
	Result of 1st half	Forecast of Full fiscal year	Result of 1st half	Result of Full fiscal year
Net sales	1.62	1.68	1.59	1.65
Operating income	4.49	5.11	4.20	4.31
Ordinary income	2.87	2.64	2.38	2.17
Net income	2.30	2.00	2.67	1.95

(3) Breakdown of Equity Method

(Millions of yen)

	Fiscal year ending March 31, 2007				Fiscal year ended March 31, 2006			
	Result of 1st half	Year on year (%)	Forecast of Full fiscal year	Year on year (%)	Result of 1st half	Year on year (%)	Result of Full fiscal year	Year on year (%)
Asia and Oceania	2,238	108.0	3,800	110.4	2,073	122.6	3,441	120.2

(4) Breakdown of Major Items

(Millions of yen)

	Fiscal year ending March 31, 2007				Fiscal year ended March 31, 2006			
	Result of 1st half	Year on year (%)	Forecast of Full fiscal year	Year on year (%)	Result of 1st half	Year on year (%)	Result of Full fiscal year	Year on year (%)
Capital investment	7,033	133.3	29,000	248.9	5,276	157.0	11,651	148.2
Depreciation expense	4,338	108.4	9,400	111.8	4,001	103.9	8,406	104.6

Breakdown of investment

	Fiscal year ending March 31, 2007		Fiscal year ended March 31, 2006	
Capital investment	Investment in Parent company	17.7 billion yen	Investment in Parent company	4.0 billion Yen
	Investment in Plants(subsidiaries)	5.0 billion yen	Investment in Overseas subsidiaries	4.7 billion Yen
	Investment in Overseas subsidiaries	5.2 billion yen	(Mainly in Shanghai, Europe)	

4. Segment Information

(1) Information about Business Segments

Result of 1st half Fiscal year ending March 31, 2007

(Millions of yen)

	Food and beverages	Pharmaceuticals	Others	Total	Eliminations/ corporate	Consolidated
Net sales	116,325	12,695	7,058	136,079	---	136,079
Percentage of net sales (%)	85.5	9.3	5.2	100.0	---	100.0
Year on year (%)	102.4	126.4	109.7	104.6	---	104.6
Operating expenses	103,276	8,256	6,755	118,288	5,851	124,139
Year on year (%)	102.7	103.9	109.8	103.1	98.6	102.9
Operating income (loss)	13,049	4,439	302	17,791	(5,851)	11,939
Year on year (%)	100.0	211.9	108.2	115.4	98.6	125.9
Operating income margin (%)	11.2	35.0	4.3	---	---	8.8

Result of 1st half Fiscal year ended March 31,2006

	Food and beverages	Pharmaceuticals	Others	Total	Eliminations/ corporate	Consolidated
Net sales	113,645	10,042	6,431	130,119	---	130,119
Percentage of net sales (%)	87.4	7.7	4.9	100.0	---	100.0
Year on year (%)	105.6	172.9	76.7	106.8	---	106.8
Operating expenses	100,602	7,946	6,152	114,701	5,933	120,634
Year on year (%)	105.7	137.6	91.7	106.5	107.9	106.6
Operating income (loss)	13,042	2,095	279	15,417	(5,933)	9,484
Year on year (%)	104.6	6,924.6	16.7	108.8	107.9	109.4
Operating income margin (%)	11.5	20.9	4.4	---	---	7.3

Eliminations/ corporate: ·· Mainly administrative expenses in parent company

Forecast of Full fiscal year ending March 31, 2007

(Millions of yen)

	Food and beverages	Pharmaceuticals	Others	Total	Eliminations/ corporate	Consolidated
Net sales	234,100	24,300	14,600	273,000	---	273,000
Percentage of net sales (%)	85.8	8.9	5.3	100.0	---	100.0
Year on year (%)	101.9	100.2	106.0	102.0	---	102.0
Operating expenses	207,100	16,800	14,500	238,400	11,600	250,000
Year on year (%)	101.4	100.5	109.5	101.8	98.8	101.6
Operating income (loss)	27,000	7,500	100	34,600	(11,600)	23,000
Year on year (%)	106.2	99.6	18.7	103.3	98.8	105.7
Operating income margin (%)	11.5	30.9	0.7	---	---	8.4

Result of Full Fiscal year ended March 31, 2006

	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

Eliminations/ corporate · · · Mainly administrative expenses in parent company

(2) Information about Geographical Segments

Result of 1st half Fiscal year ending March 31, 2007

(Millions of yen)

	Japan	Overseas Total	The Americas	Asia and Oceania	Europe	Eliminations/ corporate	Consolidated
Net sales	108,482	29,758	16,508	6,834	6,415	(2,161)	136,079
Percentage of net sales (%)	79.7	21.9	12.1	5.0	4.7	(1.6)	100.0
Year on year (%)	102.0	116.3	119.4	119.6	106.3	116.0	104.6
Operating expenses	98,915	21,534	11,065	5,815	4,653	3,689	124,139
Year on year (%)	101.4	113.2	109.9	127.8	105.7	90.6	102.9
Operating income (loss)	9,566	8,224	5,442	1,019	1,762	(5,851)	11,939
Year on year (%)	108.0	125.4	144.7	87.6	107.9	98.6	125.9
Operating income margin (%)	8.8	27.6	33.0	14.9	27.5	---	8.8

Result of 1st half Fiscal year ended March 31,2006

	Japan	Overseas Total	The Americas	Asia and Oceania	Europe	Eliminations/ corporate	Consolidated
Net sales	106,403	25,577	13,829	5,714	6,034	(1,862)	130,119
Percentage of net sales (%)	81.8	19.6	10.6	4.4	4.6	(1.4)	100.0
Year on year (%)	103.6	125.3	129.4	121.1	120.6	150.5	106.8
Operating expenses	97,545	19,017	10,067	4,550	4,400	4,070	120,634
Year on year (%)	103.8	127.1	133.8	121.1	119.4	95.5	106.6
Operating income (loss)	8,857	6,559	3,762	1,163	1,634	(5,933)	9,484
Year on year (%)	101.5	120.5	118.8	121.2	124.0	107.9	109.4
Operating income margin (%)	8.3	25.6	27.2	20.4	27.1	---	7.3

Eliminations/ corporate . . . Elimination of inter-segment sales and mainly administrative expenses in parent company

Forecast of Full fiscal year ending March 31, 2007

(Millions of yen)

	Japan	Overseas Total	The Americas	Asia and Oceania	Europe	Eliminations/ corporate	Consolidated
Net sales	216,000	61,300	34,000	14,500	12,800	(4,300)	273,000
Percentage of net sales (%)	79.1	22.5	12.5	5.3	4.7	(1.6)	100.0
Year on year (%)	100.0	109.4	110.6	110.4	105.1	99.1	102.0
Operating expenses	197,500	45,200	22,900	12,100	10,200	7,300	250,000
Year on year (%)	100.7	106.6	103.6	114.6	104.9	98.6	101.6
Operating income (loss)	18,500	16,100	11,100	2,400	2,600	(11,600)	23,000
Year on year (%)	93.3	117.8	128.4	93.4	106.2	98.8	105.7
Operating income margin (%)	8.6	26.3	32.6	16.6	20.3	---	8.4

Result of Full Fiscal year ended March 31, 2006

	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

Eliminations/ corporate . . . Elimination of inter-segment sales and mainly administrative expenses in parent company

5. Overview of overseas companies

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

[Performance from January to June 2006]

(Jun 30 2006)

	Sales performance (Thousands of bottles/day)	Year on year (%)	Started Business	Ratio of shareholding (%)	Consolidation Classification	Currency Unit	3 Exchange rate		
							Average Jan. ~ Sep.	Average Jan. ~ Jun.	Jun.
							2006	2006	2005
Taiwan	1,308	110.5	Mar 1964	25.00	Equity method	TWD	3.569	3.581	3.495
Hong Kong	421	106.0	Jun 1969	80.00	Consolidated	HKD	14.93	14.89	14.24
Thailand	1,827	99.7	Jun 1971	---	---	THB	---	---	---
Korea	4,959	103.8	Aug 1971	38.30	Equity method	KRW	0.1215	0.1209	0.1078
Philippines	944	97.7	Oct 1978	40.00	Equity method	PHP	2.27	2.24	2.00
Singapore	136	96.3	Jul 1979	100.00	Consolidated	SGD	72.66	72.07	65.61
Indonesia	1,056	117.6	Jan 1991	100.00	Consolidated	IDR	0.0128	0.0127	0.0115
¹ Australia	157	97.4	Feb 1994	100.00	Consolidated	AUD	86.73	85.85	84.41
Malaysia	64	149.9	Feb 2004	100.00	Consolidated	MYR	31.480	31.360	29.120
Guangzhou	268	126.7	Jun 2002	95.00	Consolidated	CNY	14.46	14.36	13.31
Shanghai	94	134.4	May 2005	100.00	Consolidated	CNY	14.46	14.36	13.31
Beijing	1	---	Jun 2006	100.00	Consolidated	CNY	14.46	14.36	13.31
China total	363	128.9							
Asia and Oceania total	11,235	105.2	Marketing Population: 448,838 thousand people Population ratio 2.50%						
Brazil	1,177	105.3	Oct 1968	51.36	Consolidated	BRL	53.57	53.37	47.08
Mexico	2,560	108.6	Oct 1981	61.21	Consolidated	MXN	10.66	10.62	10.34
Argentina	37	84.5	May 1997	100.00	Consolidated	ARS	37.900	37.850	38.59
USA	32	366.3	Oct 1999	100.00	Unconsolidated	USD	115.95	115.57	110.63
The Americas total	3,806	107.9	Marketing Population: 156,997 thousand people Population ratio 2.42%						
Netherlands	281	123.9	Apr 1994	100.00	Consolidated	EUR	144.78	142.71	133.60
Belgium	86	90.3	Apr 1995	100.00	Consolidated	EUR	144.78	142.71	133.60
² United Kingdom	245	81.7	Apr 1996	100.00	Consolidated	GBP	211.37	207.29	199.90
Germany	177	113.9	Apr 1996	100.00	Consolidated	EUR	144.78	142.71	133.60
Austria	8	---	Dec 2005	100.00	Consolidated	EUR	144.78	142.71	133.60
Europe total	797	102.5	Marketing Population: 180,046 thousand people Population ratio 0.44%						
Total	15,838	105.7	Marketing Population: 785,881 thousand people Population ratio 2.02%						

1 Australia : New Zealand Branch operation started on Jun 2004

2 United Kingdom: Ireland Branch operation started on Sep 2004

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

Average Jan~ Jun 2006 : used for the 1st half result of the Fiscal year ending Mar 2007

Jun 2005 : used for the 1st half result of the Fiscal year ended Mar 2006

(2)Yakult Ladies by Area and Percentage of Sales by Channel (* Except for Japan)

(%)

	Number of Yakult Ladies	Percentage of Sales by Channel	
		Yakult Ladies	Stores
Asia and Oceania	21,644	73.2	26.8
The Americas	12,987	56.2	43.8
Europe			100.0
Total	34,631	65.5	34.5

As of the end of June 2006

(3)Other countries sold

Countries Sold	Products imported from
Luxembourg	Yakult Europe
France	
Spain	
Uruguay	Yakult Brazil
Brunei	Yakult Singapore
New Zealand	Yakult Australia
Ireland	Yakult UK

(4)Plan for the future

Establishment of new companies (4companies)
 ·India (Oct 2005), Beijing (Mar 2006), Vietnam (Jun 2006), Shanghai Yakult Marketing Co.,Ltd.(Sep 2006)

Test Sales(in 3 countries)
 ·France, Spain, USA

Currently undergoing feasibility studies
 ·Indochina, Middleeast, 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)

(5)Others

HACCP Accreditation:Thailand,Korea, Singapore, Indonesia, Malaysia, Guangzhou, Brazil, Mexico, Europe.
 ISO14001 Accreditation:Guangzhou, Europe, United Kingdom.
 ISO9001 Accreditation:Hong Kong, Korea, Singapore, Indonesia, Australia, Guangzhou, Europe, United Kingdom.
 GMP Accreditation:Taiwan, Thailand, Singapore, Guangzhou, Brazil, Mexico.

HACCP, ISO14001, ISO9001, GMP···Refer to page17

Non-Consolidated

1. Major Increases (Decreases) in Nonconsolidated Balance Sheet

(Millions of yen)

	As of Sep. 30 2006	As of Mar. 31 2006	Increase (Decrease)	Primary reason for change
Total Assets	229,517	221,897	7,620	
Current assets				
Cash and deposits	14,486	17,399	(2,913)	Acquisition of fixed assets and others.
Accounts receivable	45,203	38,091	7,111	Increase of sales due to seasonal factors
Inventories	22,696	22,163	532	
Others	8,699	8,861	(161)	
Fixed assets				
Tangible fixed assets				
Machinery and equipment	8,886	9,039	(153)	
Land	17,788	18,244	(456)	
Others	19,212	17,617	1,595	Increase of construction in progress
Intangible fixed assets	3,241	3,048	193	
Investments and other assets				
Investment securities	37,503	37,508	(4)	
Investments in and advances to unconsolidated subsidiaries and associated companies	39,233	38,036	1,197	Establishment of overseas offices and others
Deferred tax assets	10,207	9,698	509	
Others	2,358	2,188	169	
Total Liabilities	68,182	61,297	6,884	
Current liabilities				
Notes and accounts payable	24,274	20,763	3,510	Increase of purchase due to seasonal factors
Short-term bank loans	5,005	5,005	(0)	
Income taxes payable	2,999	3,351	(351)	
Allowance for bonuses	3,739	3,088	650	
Others	17,601	14,506	3,095	Increase of accrued expense and notes payable for equipments
Fixed liabilities				
Liability for retirement benefits	12,278	12,366	(87)	
Others	2,284	2,216	68	
Total Net Assets	161,335	160,599	735	

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

(Millions of yen)

	Current interim period (2006.4 ~ 9)	Previous interim period (2005.4 ~ 9)	Increase (Decrease)		Primary reason for change	Forecasts (2006.4 ~ 9)
			Amount	%		
Net sales	83,876	81,960	1,915	2.3		85,000
(Breakdown)						
Dairy products	38,414	39,953	(1,538)	(3.9)	Decrease of sales of "Pretio" and "Yakult 80Ace"	
Juices and other beverages	24,849	24,337	511	2.1	Increase of sales of "Thorpedo"	
Cosmetics	3,506	3,413	92	2.7		
Pharmaceuticals	12,695	10,042	2,653	26.4	Increase of sales of "Elplat"	
Others	4,410	4,213	196	4.7		
Cost of sales	50,159	49,709	449	0.9		
Gross profit	33,717	32,251	1,465	4.5		
Gross profit margin (%)	40.20	39.35	0.85			
Selling, general and administrative expenses	31,060	29,991	1,068	3.6		
Advertising expenses	6,218	4,859	1,359	28.0	Increase of advertising expenses of "Thorpedo" and others	
Sales promotion expenses	2,135	2,192	(56)	(2.6)		
Transportation expenses	3,843	3,715	127	3.4		
Cost of vending machines	1,296	1,409	(112)	(8.0)	Decrease of numbers of vending machines	
Personnel expenses	10,200	10,139	61	0.6		
Depreciation and amortization	956	791	165	20.9		
Others	6,407	6,885	(477)	(6.9)		
Operating income	2,657	2,259	397	17.6		2,500
Operating income margin (%)	3.17	2.76	0.41			2.94
Non-operating income	3,888	4,699	(811)	(17.3)		
Dividend income	799	1,092	(293)			
Royalties in pharmaceuticals	1,358	1,517	(158)			
Others	1,729	2,089	(360)		Decrease of gain on foreign exchange translation	
Non-operating expenses	282	803	(521)	(64.9)	Decrease of loss on disposal of merchandise and finished goods	
Ordinary income	6,263	6,156	106	1.7		5,500
Ratio of ordinary income to net sales (%)	7.47	7.51	(0.04)			6.47
Extraordinary gains	178	12	165	1,304.9		
Gain on sales of investment securities	146	-	146			
Others	32	12	19			
Extraordinary losses	294	2,385	(2,091)	(87.7)		
Loss on sales and disposal of fixed assets	284	273	10			
Others	9	2,112	(2,102)		Disposal of raw materials, impairment loss and othes in previous year	
Income before income taxes	6,146	3,783	2,363	62.5		
Income taxes	2,517	1,587	929	58.6		
Net income	3,629	2,195	1,433	65.3		3,000
Ratio of net income to net sales (%)	4.33	2.68	1.65			3.53

Forecast of first half of FY2007, announced on May 19, 2006

3. Performance Overview

(1) Breakdown of Statements of Income

(Millions of yen)

	Fiscal year ending March 31, 2007				Fiscal year ended March 31, 2006			
	Result of 1st half	Year on year (%)	Forecast of Full fiscal year	Year on year (%)	Result of 1st half	Year on year (%)	Result of Full fiscal year	Year on year (%)
Net sales	83,876	102.3	162,500	100.0	81,960	104.3	162,423	103.8
Operating income	2,657	117.6	4,500	89.2	2,259	199.3	5,047	106.0
Ordinary income	6,263	101.7	12,500	85.4	6,156	155.1	14,636	110.0
Net income	3,629	165.3	8,000	108.1	2,195	64.7	7,401	85.6

(2) Sales by Product Category

(Millions of yen)

	Fiscal year ending March 31, 2007				Fiscal year ended March 31, 2006			
	Result of 1st half	Year on year (%)	Forecast of Full fiscal year	Year on year (%)	Result of 1st half	Year on year (%)	Result of Full fiscal year	Year on year (%)
Dairy products	38,414	96.1	76,500	98.4	39,953	100.8	77,765	99.7
Juices and other beverages	24,849	102.1	45,500	102.8	24,337	95.6	44,273	96.1
Subtotal	63,263	98.4	122,000	100.0	64,290	98.8	122,038	98.4
Cosmetics	3,506	102.7	7,300	111.5	3,413	94.1	6,546	97.2
Pharmaceuticals	12,695	126.4	24,300	100.2	10,042	172.9	24,245	136.2
Others	4,410	104.7	8,900	92.8	4,213	104.3	9,592	121.2
Total	83,876	102.3	162,500	100.0	81,960	104.3	162,423	103.8

(3) Cost to Net sales Ratio

(%)

	Fiscal year ending March 31, 2007				Fiscal year ended March 31, 2006			
	Result of 1st half	(Decrease)	Forecast of Full fiscal year	(Decrease)	Result of 1st half	Increase	Result of Full fiscal year	(Decrease)
Cost to Net sales ratio	59.80	(0.85)	59.32	(0.41)	60.65	(2.18)	59.73	(1.77)

(4) Breakdown of Major Costs

(Millions of yen)

	Fiscal year ending March 31, 2007				Fiscal year ended March 31, 2006			
	Result of 1st half	Year on year (%)	Forecast of Full fiscal year	Year on year (%)	Result of 1st half	Year on year (%)	Result of Full fiscal year	Year on year (%)
Capital investments	3,517	178.4	17,744	368.0	1,971	349.5	4,822	167.2
Depreciation and amortization	2,316	112.0	5,097	115.1	2,067	98.8	4,427	102.6
Research and development costs	3,347	92.4	7,927	113.8	3,623	106.5	6,965	102.8

Breakdown of investment

	Fiscal year ending March 31, 2007		Fiscal year ended March 31, 2006	
	Investment in domestic dairy plants (included investment for plants reorganization, 5.1billion yen)	Reconstruction of research center	Investment in domestic dairy plants	
Capital investments	13.6billion yen	2.6billion yen	4.0 billion yen	

4. Breakdown of Sales

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

(Thousands of bottles/day)

		Fiscal year ending March 31, 2007				Fiscal year ended March 31, 2006			
		Result of 1st half	Year on year (%)	Forecast of Full fiscal year	Year on year (%)	Result of 1st half	Year on year (%)	Result of Full fiscal year	Year on year (%)
Dairy Products	<i>Yakult</i>	3,071	94.3	2,974	96.8	3,256	88.5	3,073	88.4
	<i>Yakult LT</i>	109	81.6	91	73.0	134	85.3	125	84.1
	<i>Yakult 200</i>	68	65.1	34	36.6	105	67.7	93	64.1
	<i>Yakult 80Ace</i>	428	80.7	397	80.5	531	79.1	493	79.0
	<i>Yakult 80AceLT</i>	141	88.3	130	86.4	159	85.8	151	87.1
	<i>Yakult 300V</i>	174	73.4	161	78.0	236	-	206	725.3
	<i>Yakult 300VLT</i>	8	-	90	-	-	-	-	-
	<i>Yakult 400</i>	1,903	102.3	1,884	103.4	1,860	102.2	1,822	102.7
	Total for Yakult products	5,902	94.0	5,761	96.6	6,280	94.2	5,962	93.6
	<i>Pretio</i>	241	65.9	309	95.6	367	-	323	209.5
	<i>Joie</i>	754	93.7	742	95.8	805	88.0	775	90.9
	<i>Bifiene products</i> ¹	671	-	643	170.3	-	-	378	-
	<i>Mil-Mil products</i> ²	-	-	-	-	566	85.5	292	46.4
	Bifidobacterium Total	671	118.4	643	96.0	566	85.5	670	106.5
	<i>Sofuhl</i>	613	102.8	622	107.5	596	93.7	579	93.4
	<i>Purela</i>	224	84.1	210	84.0	267	84.3	250	83.6
	Total for fermented milk	2,262	101.2	2,217	97.5	2,235	88.3	2,273	94.7
Total	8,405	94.6	8,286	96.8	8,882	96.5	8,559	95.9	

1 *Bifiene V, Bifiene M, Bifiene S* (new sale in 2005)

2 *Mil-Mil, Mil-Mil E, Bifiel* (Stopped sales in October, 2005)

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 ending March 31, 2007				Fiscal year ended March 31, 2006			
		Result of 1st half	Year on year (%)	Forecast of Full fiscal year	Year on year (%)	Result of 1st half	Year on year (%)	Result of Full fiscal year	Year on year (%)
Juices and Other Beverages	<i>Bansoreicha</i>	31,845	99.2	73,150	123.6	32,099	77.6	59,169	82.1
	<i>Toughman</i>	39,244	91.8	63,640	86.5	42,770	85.1	73,608	89.1
	<i>Kurozu Drink</i>	44,851	93.7	79,500	96.4	47,888	142.4	82,469	122.7
	Soy milk drinks	27,052	79.9	48,000	76.3	33,859	117.0	62,881	103.4
	<i>Lemorea</i>	16,359	65.1	25,600	68.1	25,136	106.9	37,614	105.2
	<i>Thorpedo</i>	31,118	-	56,310	-	-	-	-	-
	<i>Juices</i>	40,402	85.1	65,700	80.3	47,489	85.9	81,845	88.1
	<i>Kininaruyasai</i>	44,327	114.5	73,000	102.5	38,697	114.2	71,194	116.1
	<i>Coffee Time</i>	36,297	117.2	67,000	111.5	30,973	81.7	60,112	85.5
	<i>FIRE</i>	36,625	91.0	83,000	93.9	40,248	95.4	88,356	94.6
	Coffee products total	72,921	102.4	150,000	101.0	71,220	88.9	148,468	90.7
	<i>Tea re la</i>	-	-	-	-	3,003	48.0	4,865	45.1
	<i>Gogono-kocha</i>	15,437	102.4	31,000	98.4	15,083	88.0	31,514	96.8
	Black tea products total	15,437	85.4	31,000	85.2	18,086	77.3	36,380	83.9

(3) Percentage of Sales by Channel (April 1, 2006 to September 30, 2006) (%)

	Dairy products(Volume)		Juices and other beverages			
	Percentage of sales	Year on year	Percentage of sales		Year on year	
Yakult Ladies	62.3	94.3	44.2		96.7	
Stores, Vending machines, and Others	37.7	95.4	55.8	Vending machines	71.6	98.6
				Stores and Others	28.4	

Note: Actual sales statistics

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

	For first half ended Sep. 30, 2006		For fiscal year ended Mar. 31, 2006		For first half ended Sep. 30, 2005	
	Percentage of sales	Year on year	Percentage of sales	Year on year	Percentage of sales	Year on year
Supermarkets	33.5	98.8	32.8	96.5	32.7	96.1
Convenience stores	3.9	87.3	4.2	91.6	4.3	93.5
Offices (Vending machines)	20.0	98.5	19.5	98.6	19.7	97.5
Medical centers	10.8	96.8	11.0	101.0	10.8	102.1

The number of vending machine

As of Sep. 30, 2006	As of Mar. 31, 2006	As of Mar. 31, 2007 (Forecast)
71,800	72,700	73,000

(4) Pharmaceuticals sales (Millions of yen)

	Fiscal year ending March 31, 2007				Fiscal year ended March 31, 2006			
	Result of 1st half	Year on year (%)	Forecast of Full fiscal year	Year on year (%)	Result of 1st half	Year on year (%)	Result of Full fiscal year	Year on year (%)
<i>Campto</i> (Japan)	2,065	114.8	4,300	118.1	1,799	130.0	3,640	125.8
<i>Campto</i> (Overseas)	2,380	53.6	3,400	33.7	4,441	121.4	10,098	75.2
North America	-	-	-	-	-	-	-	-
Europe	2,156	49.3	3,100	31.1	4,377	321.4	9,970	96.1
Other	224	350.0	300	234.4	64	28.6	128	40.0
<i>Campto</i> total	4,445	71.3	7,700	56.0	6,240	123.7	13,739	84.2
<i>Elplat</i>	7,640	247.2	15,400	169.0	3,091	-	9,113	-
Other pharmaceuticals	608	85.6	1,200	86.1	711	93.1	1,393	94.7
Total	12,695	126.4	24,300	100.2	10,042	172.9	24,245	136.2

Royalty income

Total	1,358	89.6	2,610	82.4	1,517	124.6	3,168	102.1

5. Sales Personnel by Department

	Sep 30, 2006	Mar 31, 2006
Yakult Ladies	44,600	45,600
Yakult Beauty Advisors	8,790	9,300
Medical Representatives	151	155

6. Head Office Employees

	Sep 30, 2006	Mar 31, 2006
Number of full-time employees	2,546	2,472

Note: Neither 282 proceeding person nor 75 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 ending March 31, 2007				Fiscal year ended March 31, 2006			
	Result of 1st half	Year on year (%)	Forecast of Full fiscal year	Year on year (%)	Result of 1st half	Year on year (%)	Result of Full fiscal year	Year on year (%)
Advertising expenses	6,218	128.0	10,131	106.4	4,859	104.5	9,518	110.1
Sales promotion expenses	2,135	97.4	4,950	86.5	2,192	126.3	5,720	136.8
Subtotal	8,353	118.5	15,081	99.0	7,051	110.4	15,238	118.8
Transportation expenses	3,843	103.4	7,561	106.2	3,715	99.7	7,120	100.6
Cost of vending machines	1,296	92.0	2,556	93.3	1,409	92.5	2,738	92.5
Personnel expenses	10,200	100.6	19,674	99.9	10,139	102.4	19,685	103.7
Depreciation and amortization	956	120.9	2,144	121.9	791	102.6	1,760	109.2
Investigation research expense	1,099	75.9	3,409	115.0	1,447	142.3	2,964	135.7
Others	5,308	97.6	11,170	103.0	5,437	94.6	10,846	110.3
Total	31,060	103.6	61,598	102.1	29,991	106.9	60,354	108.8

Note) Though "Breakdown of retirement benefit expenses" had been presented independently, the presentation was canceled. Because the amortization of transitional obligation has been finished and the effect is immaterial.

Reference

1. Expansion of Indication and New Drug Development Pipeline

(1) Expansion of *Campto* indications

(As of Oct. 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

(3) New drug development pipeline

Product	Indications	Licensor	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>E2/NETA patch</i> Development Code: RPR106522	Post-menopausal syndromes	Sanofi·Aventis (Aventis)	ASKA Pharmaceutical Co., Ltd.	Under preparation of NDA	
<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)	Reference (yen)
<i>Campto</i> injection (40mg/Vial)	8,520	8,928	(4.6)	FOLFIRI: About 190,000 yen/month*
<i>Campto</i> injection (100mg/Vial)	19,022	20,050	(5.1)	
<i>Elplat for injection</i> 100mg	72,768	74,087	(1.8)	FOLFOX4: About 390,000 yen/month*

*Monthly treatment cost including 5-FU and calcium levofolinato is calculated on an assumption that body surface area is 1.6 Square meter.

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.			Close object
Yakult Fukuoka Plant Co.,Ltd.			Increase of production line

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	7 businesses 3

3 Fuji Susono Plant, Yakult Materials Co.,Ltd. And 5 Sales companies

<u>Yakult's Hazard Analysis and Critical Control Point (HACCP) Hygiene Control System</u>
<u>International Organization for Standardization (ISO)</u>
<u>ISO 9001-- The International Standard for Quality Management Systems</u>
<u>ISO 14001-- The International Standard for Environmental Management Systems</u>
<u>Good Manufacturing Practice(GMP)</u>

3.Sales amount breakdown of the third quarter overseas companies

(Preliminary figure)

[Performance from January to September 2006]

	January from September, 2006. (Preliminary figure)		Main Products	Base of production	Number of factories
	Sales performance (Thousands of bottles/day)	Year on year (%)			
Taiwan	1,450	103.8	<i>Yakult</i>		1
Hong Kong	436	101.3	<i>Yakult</i>		1
Thailand	1,868	100.9	<i>Yakult</i>		1
Korea	5,034	104.2	<i>Yakult, Yakult Ace, Yakult400</i>		4
Philippines	948	99.7	<i>Yakult</i>		1
Singapore	139	99.5	<i>Yakult, Yakult Ace Light</i>		1
Indonesia	1,037	108.2	<i>Yakult</i>		1
Australia	158	97.9	<i>Yakult</i>		1
Malaysia	69	159.2	<i>Yakult Ace</i>		1
Guangzhou	296	122.8	<i>Yakult</i>		1
Shanghai	106	123.2	<i>Yakult</i>		1
Beijing	7	---	<i>Yakult</i>	Shanghai	---
China total	409	125.0	---	---	---
Asia and Oceania total	11,548	104.1	---	---	---
Brazil	1,179	105.9	<i>Yakult, Yakult 400, Soful</i>		2
Mexico	2,588	108.5	<i>Yakult, Soful</i>		2
Argentina	38	87.6	<i>Yakult</i>	Brazil	---
USA	33	280.1	<i>Yakult</i>	Mexico	---
The Americas total	3,838	108.0	---	---	---
Netherlands	271	126.9	<i>Yakult, Yakult Light</i>	Yakult Europe	---
Belgium	82	92.7	<i>Yakult, Yakult Light</i>	Yakult Europe	---
United Kingdom	245	83.6	<i>Yakult, Yakult Light</i>	Yakult Europe	---
Germany	167	107.1	<i>Yakult, Yakult Light</i>	Yakult Europe	---
Austria	10	---	<i>Yakult, Yakult Light</i>	Yakult Europe	---
Europe total	776	103.2	---	---	---
Total	16,162	105.0	---	---	---

CAUTIONARY STATEMENT

Statements contained in these materials with respect to Yakult's plans, forecasts and other statements that are not historical facts are forward-looking statements that involve risks and uncertainties that could cause actual results to differ substantially from expectations.

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