

December 2016

Yakult Establishes Branches in Taiyuan, Shanxi Province; Harbin, Heilongjiang Province; and Jiaxing, Zhejiang Province, China

Yakult Honsha Co., Ltd. (President: Takashige Negishi) today announced that its subsidiary Yakult (China) Corporation will establish three branches in China – one each in Taiyuan, Shanxi Province; Harbin, Heilongjiang Province; and Jiaxing, Zhejiang Province – and the branches will start sales of the Yakult and Yakult Light fermented milk drinks through supermarkets and other retail outlets on January 2, 2017.

With the establishment of these three branches, Yakult now has 36 sales bases in the country.

Until now, the Group has been selling the products in these cities from nearby branches, with Shijiazhuang Branch (Hebei Province) serving Taiyuan, Changchun Branch (Jilin Province) serving Harbin, and Hangzhou Branch (Zhejiang Province) serving Jiaxing, and the establishment of these new branches will further enhance the sales structure.

An overview of Yakult (China) Corporation as well as the three new branches is as follows:

<Characteristics of sales area>

Shanxi Province is located in the central region of China. It covers an area of approximately 157,000 km² and has a population of about 36.64 million.

Heilongjiang Province is located in the northeastern region of the country. It covers an area of approximately 473,000 km² and has a population of about 38.12 million.

Zhejiang Province is located in the eastern area of the country. It is 102,000 km² in area and has a population of about 55.39 million.

Taiyuan is the capital of Shanxi Province, Harbin is the capital of Heilongjiang Province and Jiaxing is a central city of Zhejiang Province, and these three cities are expected to grow economically in the future.

1. Profile of Yakult (China) Corporation

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| (1) Name: | Yakult (China) Corporation |
| (2) Location: | Pudong New Area, Shanghai, People's Republic of China |
| (3) Representative: | Susumu Hirano |
| (4) Established: | April 12, 2005 |
| (5) Capitalization: | US\$219.72 million (wholly owned by Yakult Honsha Co., Ltd.) |
| (6) Employees: | 2,072 (as of the end of October 2016) |

2. Profile of Taiyuan Branch, Yakult (China) Corporation

- (1) Location: Taiyuan, Shanxi Province
- (2) Branch Manager: Pei Zhenhua
- (3) Established: August 16, 2016
- (4) Areas managed: Taiyuan and surrounding cities
- (5) Marketing method: Through retail outlets including supermarkets
- (6) Start of sales: January 2, 2017
- (7) Sales target: 43,000 bottles per day in fiscal year 2017

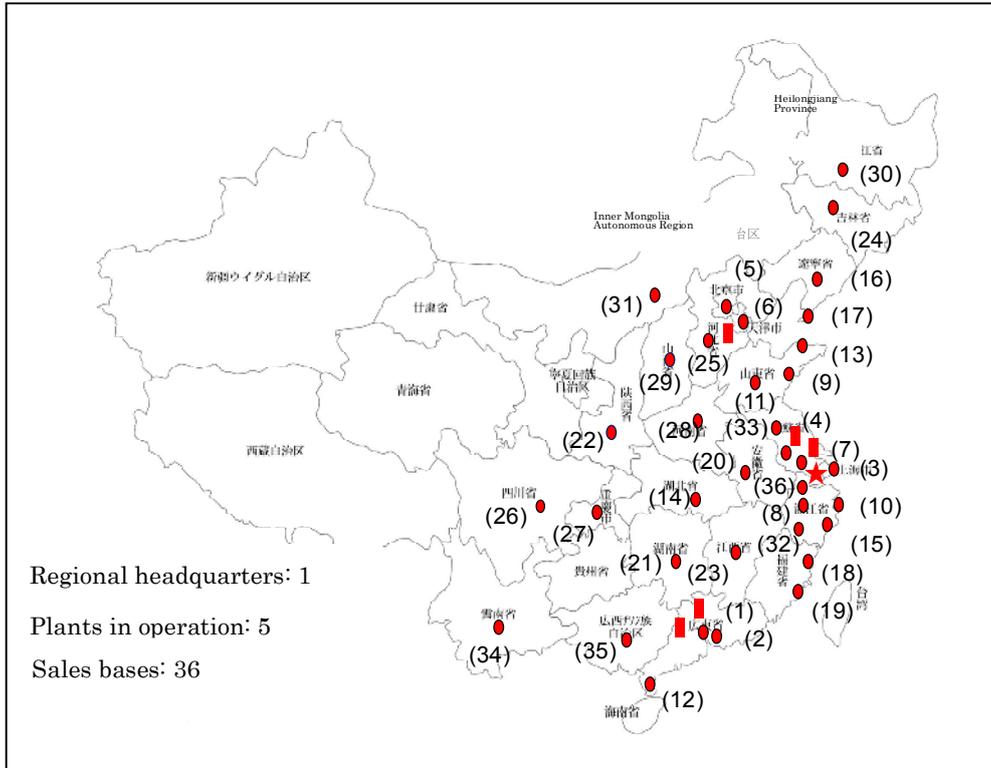
3. Profile of Harbin Branch, Yakult (China) Corporation

- (1) Location: Harbin, Heilongjiang Province
- (2) Branch Manager: Chen Fei
- (3) Established: August 11, 2016
- (4) Areas managed: Harbin and surrounding cities
- (5) Marketing method: Through retail outlets including supermarkets
- (6) Start of sales: January 2, 2017
- (7) Sales target: 46,000 bottles per day in fiscal year 2017

4. Profile of Jiaxing Branch, Yakult (China) Corporation

- (1) Location: Jiaxing, Zhejiang Province
- (2) Branch Manager: Lin Yong
- (3) Established: July 14, 2016
- (4) Areas managed: Jiaxing and surrounding cities
- (5) Marketing method: Through retail outlets including supermarkets
- (6) Start of sales: January 2, 2017
- (7) Sales target: 82,000 bottles per day in fiscal year 2017

[Reference] Sales areas in China



- (1) Guangzhou, (2) Shenzhen, (3) Shanghai, (4) Nanjing, (5) Beijing, (6) Tianjin, (7) Suzhou, (8) Hangzhou, (9) Qingdao, (10) Ningbo, (11) Jinan, (12) Zhanjiang, (13) Yantai, (14) Wuhan, (15) Wenzhou, (16) Shenyang, (17) Dalian, (18) Fuzhou, (19) Xiamen, (20) Hefei, (21) Changsha, (22) Xi'an, (23) Nanchang, (24) Changchun, (25) Shijiazhuang, (26) Chengdu, (27) Chongqing, (28) Zhengzhou, (29) Taiyuan, (30) Harbin, (31) Hohhot, (32) Jinhua, (33) Huaian, (34) Kunming, (35) Nanning, (36) Jiaxing