

March 2017

Yakult Establishes Branch in Can Tho, Vietnam

- Starts Home Delivery by Yakult Ladies in the Largest Commercial City in Vietnam's Western Region -

Yakult Honsha Co., Ltd. (President: Takashige Negishi) today announced that its subsidiary Yakult Vietnam Co., Ltd. would establish its ninth branch in the country in Can Tho and start sales of the Yakult fermented milk drink through the home delivery channel from April 1, 2017 in Can Tho and neighboring cities.

Sales of Yakult in Vietnam started in September 2007, when Yakult Vietnam began selling its product in Ho Chi Minh, the country's largest economic and commercial city. Subsequently, it forayed into cities directly governed by the central government such as Hanoi, Hai Phong and Da Nang to create and expand the probiotics market in the country.

Can Tho is the largest city in the Mekong Delta region in the southern part of Vietnam and is about 160 km southwest of Ho Chi Minh. With an airport, river port and two industrial parks it has the most developed infrastructure in the Mekong Delta region and is expected to have increased overseas investment.

Until now, Yakult Vietnam was supplying products to large retail stores in Can Tho from Ho Chi Minh, and the establishment of the branch is expected to bolster its sales structure further.

The outline of the sales plan in Can Tho is as follows:

1. Product name: Yakult
2. Size/Package: 65 ml bottles; 5 bottles per package
3. Suggested Retail Price: 23,000 dong (approximately 115 yen) per package of 5 bottles
4. Commencement of sales: April 1, 2017
5. Sales Area: Can Tho and other cities in its vicinity
6. Sales Channel: Home delivery by Yakult Ladies
*The company already supplies products to large retail stores in Can Tho from Ho Chi Minh.
7. Sales Target: 7,400 bottles per day (in December 2017)

[Reference]

1. Profile of Yakult Vietnam

- (1) Company Name: Yakult Vietnam Co., Ltd.
- (2) Location: Vietnam Singapore Industrial Park, Binh Duong Province
- (3) Representative: Toshihiko Haramoto
- (4) Foundation: June 2006
- (5) Start of Operations: September 2007
- (6) Capital: 515,516.90 million dong (about 2,629.14 million yen)
- (7) Employees: 363
- (8) Yakult Ladies: 281 (as of the end of December 2016)
- (9) Stores selling Yakult: 11,826 (as of the end of December 2016)
- (10) Sales: 215,349 bottles per day (sales in 2016)

2. Profile of the Socialist Republic of Vietnam

- (1) Population: 94.40 million (United Nations Population Fund estimate in 2016)
- (2) Area: Approx. 329,241 km²
- (3) Capital: Hanoi
- (4) Currency: Vietnamese dong (1 dong = 0.0051 yen as of the end of December 2016)

3. Profile of Can Tho

- (1) Population: 1.2 million (Can Tho Investment, Trade and Tourism Promotion Centre estimate)
- (2) Area: Approx. 1,401 km² (Can Tho Investment, Trade and Tourism Promotion Centre estimate)