

February 14, 2018

To whom it may concern:

Company name: YAKULT HONSHA CO.,LTD.  
Representative: Takashige Negishi,  
President and Representative Director  
(Securities code: 2267, TSE First Section)  
Contact: Shuichi Watanabe, Executive Officer  
Hiroyuki Kawabata, Executive Officer  
(Tel: +81-3-3574-8960)

**Notification Regarding Determination of Matters Pertaining to  
Share Repurchase and Cancellation of Shares Held as Treasury Stock**

**(Share Repurchase Pursuant to Provision of the Articles of Incorporation  
Provided in accordance with Article 459, Paragraph 1 of the Companies Act  
and  
Cancellation of Shares Held as Treasury Stock  
Pursuant to Article 178 of the Companies Act)**

YAKULT HONSHA CO.,LTD. (the "Company") hereby announces that matters pertaining to a share repurchase have been resolved pursuant to Article 459, Paragraph 1 of the Companies Act and Article 36 of the Company's Articles of Incorporation, and that cancellation of some of the shares held by it as treasury stock has been resolved pursuant to Article 178 of the Companies Act, at a meeting of its Board of Directors held on February 14, 2018.

**1. Reasons for share repurchase**

The Company will conduct the share repurchase in order to increase shareholder returns and to improve capital efficiency, as well as to mitigate the impact on the supply-demand balance of its shares caused by the Japanese offering by way of purchase and underwriting (*kaitori-hikiuke*) by the underwriters and the International offering as described in the "Notification Regarding Secondary Offering (*Uridashi*) of Shares and Change of Largest Shareholder (which is also a Principal Shareholder) and Other Affiliated Entity" announced today.

**2. Details of matters pertaining to repurchase**

- |   |  |
|---|--|
| (1) Class of shares to be repurchased   | Common stock of the Company  |
| (2) Total number of shares to be repurchased  | 5,000,000 shares (maximum)<br>(3.02% of total number of issued and outstanding shares<br>(excluding treasury stock)) |
| (3) Aggregate repurchase price  | ¥36 billion (maximum)  |
| (4) Period of share repurchase  | From Friday, February 16, 2018 to Wednesday, February<br>28, 2018  |
| (5) Method of share repurchase  | Via Off-Auction Own Share Repurchase Trading<br>(ToSTNeT-3) system of the Tokyo Stock Exchange, Inc.                 |
| (6) Decisions on all other necessary matters will be entrusted to the President and Representative Director of the Company. |  |

**3. Details of matters pertaining to cancellation**

- |                                     |                             |
|-------------------------------------|-----------------------------|
| (1) Class of shares to be cancelled | Common stock of the Company |
|-------------------------------------|-----------------------------|

