

July 2017

Yakult Establishes Branch in Qingyuan, Guangdong, China

Yakult Honsha Co., Ltd. (President: Takashige Negishi) today announced that its subsidiary Guangzhou Yakult Co., Ltd. established a branch in Qingyuan, Guangdong Province, China, which would start sales of the Yakult and Yakult Light fermented milk drinks through supermarkets and other retail outlets in August 2017.

Qingyuan is a city located between the central and northern regions of Guangdong Province. It covers an area of approximately 19,000 km² and has a population of about 3.7 million.

Until now, the Yakult Group has been selling products in Qingyuan and Shaoguan by supplying them from Guangzhou Yakult's head office (Guangzhou, Guangdong Province), and the establishment of Qingyuan Branch will further enhance the sales structure.

With the establishment of the branch, the Group will have 40 sales bases in the country, of which six are managed by Guangzhou Yakult.

An overview of Guangzhou Yakult and Qingyuan Branch is as follows:

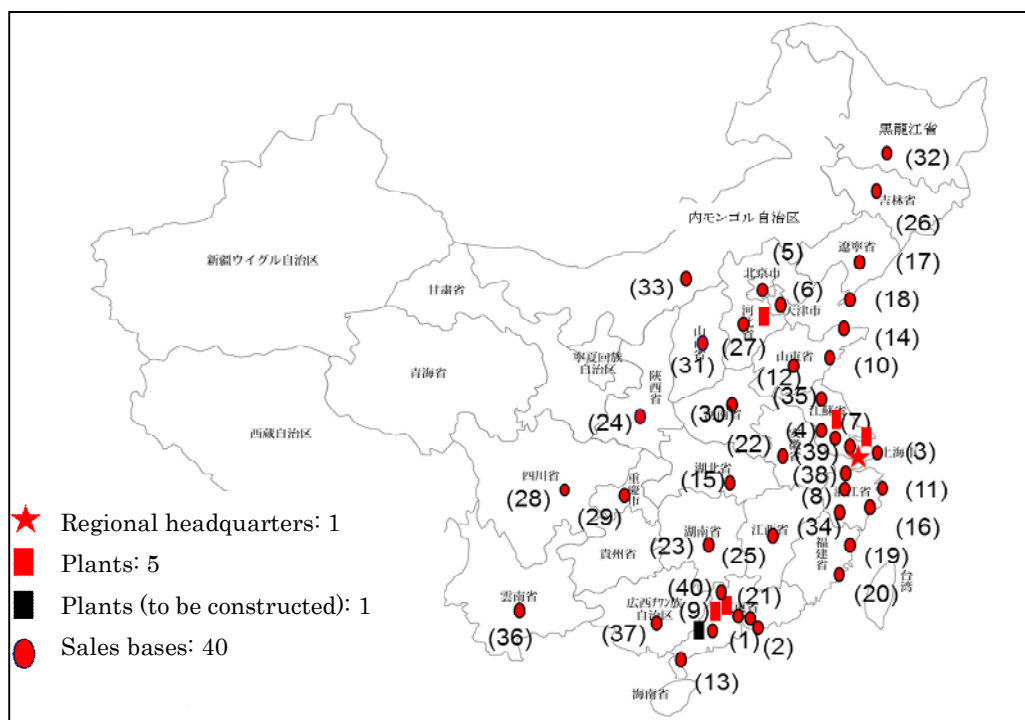
1. Profile of Guangzhou Yakult

- (1) Name: Guangzhou Yakult Co., Ltd.
- (2) Location: Guangzhou, Guangdong Province, People's Republic of China
- (3) Representative: Tomoyasu Muto
- (4) Established: January 2001
- (5) Start of Operations: June 2002
- (6) Capitalization: 395.6 million yuan (50% held by Yakult Honsha Co., Ltd., 35% by Hong Kong Yakult Co., Ltd., 10% by Yakult (China) Co., Ltd., 5% by CDC Investment Consultants Ltd.)
- (7) Employees: about 1,200 (as of the end of June 2017)

2. Profile of Qingyuan Branch, Guangzhou Yakult

- (1) Location: Qingyuan, Guangdong Province
- (2) Branch manager: Tomoyasu Muto
- (3) Established: May 2017
- (4) Areas managed: Qingyuan and Shaoguan
- (5) Marketing method: Through retail outlets including supermarkets
- (6) Start of sales: August 2017 (planned)
- (7) Sales plan: 30,000 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) Foshan, (10) Qingdao, (11) Ningbo, (12) Jinan, (13) Zhanjiang, (14) Yantai, (15) Wuhan, (16) Wenzhou, (17) Shenyang, (18) Dalian, (19) Fuzhou, (20) Xiamen, (21) Dongguan, (22) Hefei, (23) Changsha, (24) Xi'an, (25) Nanchang, (26) Changchun, (27) Shijiazhuang, (28) Chengdu, (29) Chongqing, (30) Zhengzhou, (31) Taiyuan, (32) Harbin, (33) Hohhot, (34) Jinhua, (35) Huaian, (36) Kunming, (37) Nanning, (38) Jiaxing, (39) Wuxi, (40) Qingyuan

*Foshan and Dongguan Branches, (9) and (21), were not included in the number of the sales bases until now as they are in the neighboring areas of Guangzhou Yakult's head office, but a change has been made to include them in the sales bases given sales increases at the two branches.