



COMPANY PROFILE

Yakult

2016-2017

Taking on the challenge of a new era

Yakult conducts operations under its corporate philosophy of “We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular.”

The passionate desire of our founder, Minoru Shirota, to deliver good health to as many people as possible, lives on at Yakult, and the Company continues to take on the challenges of the future.

Yakult’s unique home delivery system delivers products directly into the hands of customers. A half-century has passed since home delivery by Yakult Ladies began. The desire for the good health of our customers lives on, even with the passage of time. The new and improved Yakult Central Institute that we started work on ten years ago was completed in the summer of 2016 to help us meet customer expectations. With the establishment of state-of-the-art facilities and an optimal R&D structure, more than ever we, as a company “dedicated to science,” will work to create new products and ingredients that are based on evidence and contribute to people’s health.

The international business, which started with Taiwan in 1964, has expanded to include Asia, the Americas and Europe, and today more than 35 million bottles of our dairy products are regularly consumed every day in 33 countries and regions including Japan. Yakult is steadily moving ahead with research conducted in collaboration with the Japan Aerospace Exploration Agency (JAXA), a National Research Development Agency, on the International Space Station (ISS) in the aim to contribute to the health of individuals in the coming space age. Our dream is to contribute to the health and peace of people around the world is now reaching into outer space.

Everything we do, we do to protect the health of people around the world. We at Yakult will continue to cherish this desire and tirelessly work toward a new era.



A handwritten signature in black ink that reads "Sumiya Hori".

Sumiya Hori
Chairman and
Representative Director
Chief Executive Officer



A handwritten signature in black ink that reads "Takashige Negishi".

Takashige Negishi
President and
Representative Director
Chief Operating Officer

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Fermented milk drink infused with the desire for good health

Yakult began with the passion of Dr. Minoru Shirota, who pursued preventive medicine. With the passionate desire of our founder passed down into each of our businesses, we will continue to contribute to the health and happiness of people around the world.



Minoru Shirota, M.D., Ph.D.

Former Chairman of Yakult Honsha Co., Ltd. and Director of the Yakult Central Institute

- 1899 Born in Iida-shi, Nagano Prefecture.
- 1921 Entered the Medical School of Kyoto Imperial University.
- 1930 Received the degree of Doctor of Medicine.
- 1931 Obtained a license to practice medicine.

Dedicating his life to the study of intestinal bacteria and the promotion of preventive medicine, Dr. Shirota passed away at the age of 82 in 1982.

Yakult created through the pursuit for a disease-resistant body

Minoru Shirota, who was the founder of Yakult and a doctor of medicine, began his medical studies at Kyoto Imperial University (now Kyoto University) in 1921. Around that time, Japan was still not prosperous, and so unsanitary conditions and malnutrition caused many people to die of infectious diseases, such as cholera and dysentery.

Disturbed by that reality, Dr. Shirota aspired to advance preventive medicine, which aims to help people avoid sickness, and started down the path of microorganism research. In his research, he discovered that lactic acid bacteria suppress harmful bacteria in the intestines. In 1930, he succeeded in strengthening and culturing a strain of lactic acid bacteria that can survive digestive juices, such as gastric fluid and bile, reach the intestines alive, and produce beneficial effects. This strain is now known as *Lactobacillus casei* strain Shirota.

Dr. Shirota then developed an inexpensive, good-tasting beverage, together with volunteers, so that as many people as possible could benefit from this lactobacillus, and released it under the trademark *Yakult* in 1935.

This was the beginning of the history of *Yakult*, which is now popular around the world.

All of our business activities originate from Shirota-ism

Dr. Shirota proposed three ideas, including “preventive medicine;” “a healthy intestinal tract leads to a long life,” which stresses that strengthening the intestines, the place where nutrients are absorbed into the body, leads to a healthy and long life; and “a price anyone can afford.”

We call these ideas Shirota-ism and they serve as the root of all our business activities.

In addition, Yakult delivers products directly to customers at their homes and other locations. This approach is rooted in Shirota’s philosophy of emphasizing “sincerity” and “harmony among people.” We deliver products with sincerity while conveying the ideas of “preventive medicine” and “a healthy intestinal tract leads to a long life.”

The passion of our founder has been handed down till today, without being swayed by the changing times.



Preventive medicine

Emphasis should be placed on preventing illness, rather than on treating illness once it develops.

A healthy intestinal tract leads to a long life

Human beings take in nutrition through their intestines. Making the intestines strong leads to healthy and long lives.

A price anyone can afford

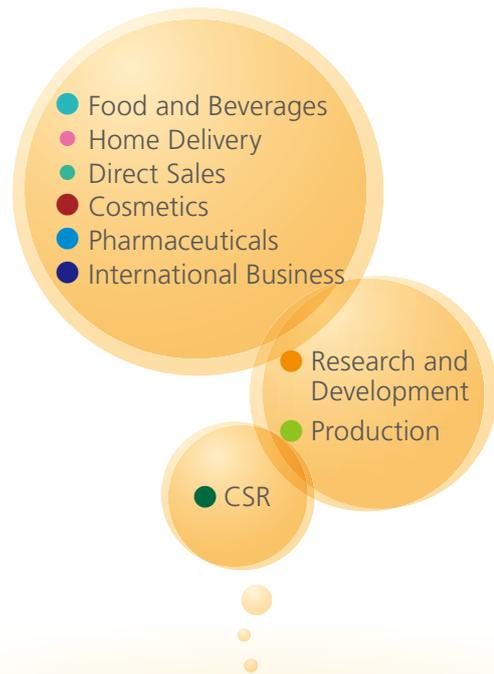
The goal of providing *Lactobacillus casei* strain Shirota, which protects the intestines, to as many people as possible at an affordable price.

Shirota-ism, in addition to the above also includes ideas like “sincerity,” “harmony among people,” “honesty and kindness,” “caring enough to broaden acceptance,” and “caring enough to make home deliveries” as timeless and fundamental aspects of our business activities.

Expanding our business range and presence to help people around the world lead a healthy life

Yakult has expanded its product lineup to include fermented milk drinks and other foods and beverages, cosmetics for realizing healthy skin with the power of lactic acid bacteria, and pharmaceutical products mainly in the field of cancer. At present, we conduct research in pursuit of excellence in life science, develop products based on that research, manufacture products under advanced quality management, deliver products to customers at their homes and other locations via Yakult Ladies, and sell products at stores. These operations have expanded beyond the borders of Japan to countries throughout the world.

Yakult will continue to honor our roots in Shirota-ism and our corporate philosophy of “We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular.” and deliver the irreplaceable joy of good health to people around the world.



Corporate philosophy of Yakult

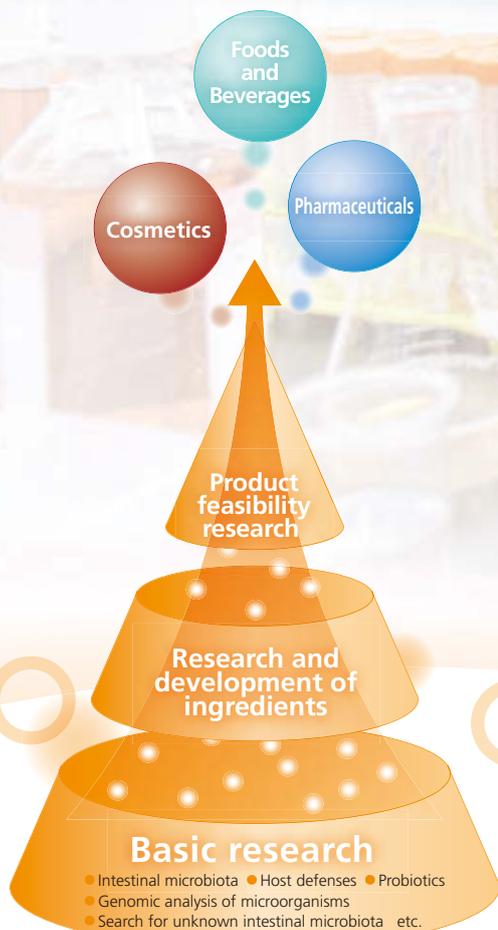
We contribute to the health and happiness of people around the world through pursuit of excellence in life science in general and our research and experience in microorganisms in particular.

Opening up the possibilities of probiotics with advanced scientific capabilities

Since its founding, Yakult has accumulated a vast store of knowledge on the profound world of microorganisms.

In April 2016, we completed a state-of-the-art research facility.

In an enriched research environment, we will conduct more advanced research and create products that contribute more than ever to the health and happiness of customers.



Linking research in life science to human health, with a focus on microorganisms

The Yakult Central Institute is the nerve center of Yakult's R&D operations. As a leading-edge research facility in the field of probiotics*, the Institute conducts research on beneficial microorganisms that can support and improve human health and aid in recovery, with a focus on research on intestinal microbiota that is grounded in the principles of preventive medicine and a healthy intestinal tract leads to a long life.

The fruits of this research lead to the development of ingredients for food and beverages, cosmetics and pharmaceuticals. In the field of food and beverages, the Institute conducts R&D for the benefit of human health, drawing on the extraordinary powers of microorganisms. In cosmetics, the Institute develops highly safe, effective ingredients based on dermatology, while in pharmaceuticals, the Institute is engaged in research to develop anticancer drugs and drugs related to cancer treatment.

Yakult's research and development activities

*Explanation of Terms **Probiotics**

Microorganisms that benefit people by improving the balance of intestinal microbiota.



Yakult Central Institute



Completion of Advanced Research Facility

Strengthening R&D capabilities and promoting communication

In April 2016, a series of construction works was completed at the Yakult Central Institute. In addition to the Food Research Building completed in 2009, we built four new research buildings: the Research Administration Building, Basic Research Building, Pharmaceutical and Cosmetics Research Building, and Quality and Technical Development Building, creating an advanced research environment with state-of-the-art research equipment and facilities. This will allow Yakult to accelerate basic research on intestinal microbiota and probiotics as well as commercialization research of food, cosmetics and pharmaceutical products.

The institute also established the International Conference Hall with a seating capacity of 320, and the Shirota Memorial Museum which promotes a deeper understanding about founder Dr. Minoru Shirota and Yakult. These additions will create a forum for lively communication with researchers and customers from Japan and abroad and contribute to the development of science, technology, and society.



Overseas Research Facilities

Investigating the benefits of probiotics in Europe

The focus of research efforts at the Yakult Honsha European Research Center (YHER) in Ghent, Belgium is to determine what kind of action probiotics have on the health maintenance of people in Europe. By accumulating this data, Yakult aims to establish a research base that can deploy operations worldwide.



Yakult Honsha European Research Center for Microbiology, ESV (YHER) Research institute located in Technologiepark in Ghent, Belgium
*YHER is located on the first floor of this building.



Research for the Space Age

Aiming for microorganism research and development of life science

Yakult, in collaboration with the Japan Aerospace Exploration Agency (JAXA), a National Research Development Agency, is undertaking research on the International Space Station (ISS). The key objective of this project is to investigate scientifically the effects on immune function and intestinal environment of the continuous intake of probiotic (*Lactobacillus casei* strain Shirota) on astronauts during long stays on the ISS.

Yakult believes these efforts will lead to research on the health of astronauts in future space-exploration plans.



International Space Station (ISS)



Lactobacillus casei strain Shirota



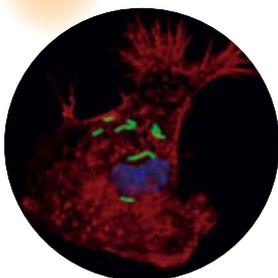
Research on Lactic Acid Bacteria

Effectiveness in reducing the risk of cancer and the development of infectious disease confirmed

Years of research have shown that lactic acid bacteria are beneficial in many ways. The probiotic *Lactobacillus casei* strain Shirota is a case in point. Intake of this strain has been demonstrated to regulate immunity in the body, such as maintenance and restoration of NK activity*, which plays a vital role in immunity. *Lactobacillus casei* strain Shirota is also known to reduce the risk of cancer, by ridding the body of harmful mutagens and other actions. Reductions in the risk of bladder, colon and breast cancer, among others, have been verified. *Lactobacillus casei* strain Shirota is also known to be effective in reducing the incidence and mitigating the symptoms of infectious diseases, such as infectious gastroenteritis caused by acute infantile diarrhea and norovirus infection.



Intestinal Microbiota Analysis System "YIF-SCAN"
*YIF-SCAN is a registered trademark.



Macrophages ingesting *Lactobacillus casei* strain Shirota (green)

*Explanation of Terms

NK activity

Natural killer (NK) cells work on the front line of the immune system for protecting the body from pathogens, viruses, and cancer, etc. NK activity refers to the intensity of the performance of NK cells, and it is nowadays recognized as a barometer of immunity.



Measuring viable bacteria counts



Research on Intestinal Microbiota

Elucidation of the true state of intestinal microbiota

We have produced many results in our research on intestinal microbiota. The Institute was the first in the world to demonstrate that the bifidobacteria present in the intestines of newborns are transmitted from the mother. The Institute also demonstrated that segmented filamentous bacteria (SFB), which are intestinal bacteria present in a wide range of mammals, are involved in the induction of Th17 cells, a type of T cell that plays an important role in the immune system.

Yakult also developed YIF-SCAN[®], a system that enables highly efficient analysis of intestinal microbiota*. Based on genetic sequences unique to each species of intestinal microbiota, YIF-SCAN[®] selectively quantifies the bacteria, enabling rapid, highly sensitive analysis of a wide range of bacteria, from highly populous bacteria to those relatively few in number.



Accomplishments Being Utilized

Probiotics on the front lines of medicine

One of our research accomplishments that is now utilized in the medical field is synbiotic therapy. Synbiotics combines probiotics and prebiotics*, which function to help increase the beneficial bacteria in the intestines. Synbiotic therapy has been confirmed to inhibit postoperative infections and is attracting attention as an alternative treatment to the administration of antibiotics. Furthermore, it was found that synbiotic therapy has the effect of improving the nutritional state and recuperative power by restoring immune functions and facilitating digestion and absorption.

Intestinal microbiota

The complex microbial ecosystem composed of the microbes that inhabit the human intestines. A typical human intestinal tract harbors about a thousand species of bacteria, numbering some 100 trillion individual organisms.

Prebiotics

Food ingredients that satisfy each of the following conditions:

- 1) They are not broken down and absorbed in the upper digestive tract.
- 2) They serve as a source of nutrition for beneficial bacteria living symbiotically in the intestine, promoting their proliferation.
- 3) They improve and maintain a healthy balance in the composition of intestinal microbiota in the intestine.
- 4) They play a role in improving and maintaining human health. Some oligosaccharides and dietary fiber are known to be prebiotics.



Efforts of the Development Division

Linking accomplishments in basic research and commercialization research to product development

Our development division develops products by utilizing new food ingredients whose safety has been confirmed after basic and commercialization research. We also conduct technological development tests for actual manufacturing in the aim of establishing efficient, stable manufacturing technologies and conduct research for assuring product quality.

We are working hard to establish technology that will reduce our environmental impact by such measures as reducing usage volume and waste of packaging material for products. One example of this is our use in *New Yakult*, *New Yakult Calorie Half*, and *Yakult Gold* of a polystyrene shrink label of 20µm thickness that is more than 20% thinner than our previous labels.



Activities of the Analytical Science Department

Contributing to the creation of high-quality products and environmental improvement by utilizing technology developed over many years

The Analytical Science Department engages in technological development for chemical analysis and microorganism analysis regarding foods, biological bodies, the environment, etc. These technologies are used to verify product safety and peace of mind, as well as in environmental measurements and in tests requested by outside organizations. In 1976, we received government approval as an analyzing and testing organization, and in 2016, we obtained ISO17025 laboratory accreditation*, an international standard that specifies laboratory capacity.

*Scope of accreditation: VOC testing of drinking water using HS-GC/MS

Pursuing the production of products that are safe, offer peace of mind, and are of high quality

Yakult produces dairy, cosmetic, and pharmaceutical products at our own plants. We aim to guarantee the high quality of every product. By ensuring safety, peace of mind, and high quality, we are enhancing the reliability of our products.



Fuji Susono Plant

Hyogo Miki Plant

For Highly Reliable Production and Protection of the Environment

In Japan, Yakult operates 10 dairy product plants (Yakult Honsha plants: 5; bottling plants: 5), one cosmetics plant and one pharmaceutical plant (as of the end of June 2016). Each plant has acquired the certification or introduced the system listed on the right, and is working hard to improve product quality and produce products in an environmentally-friendly manner.

- ISO 9001*: International product quality management system certification.
- ISO 14001*: International certification for systems aimed at continuous improvement in environmental performance.
- HACCP*: Stands for Hazard Analysis and Critical Control Point and is an international standard for food and pharmaceutical safety management.

*The certification states of the plants of Yakult Honsha and Yakult Group companies are mentioned on p.33-34.

*Explanation of Terms

ISO 9001

A quality management system standard whose aim is to maintain and improve product quality. It specifies requirements regarding principles for the operation of an organization that conducts quality management and for the division of responsibilities, as well as methods for production and other tasks.

ISO 14001

An environmental management system standard whose aim is to minimize the effects of a corporation's activities on the environment. It stipulates that each organization should adopt the PDCA (Plan, Do, Check, and Act) cycle for continuous improvement and set their own goals and objectives.

Dairy Products

Products are produced under stringent quality and hygiene control, with emphasis on preserving the health of the surrounding environment

Yakult manufactures products in an integrated production system that includes everything from ingredient preparation, cultivation, and blending to container molding, filling, packaging, and shipping. Yakult has established its own stringent quality control standards and rigorously enforces them. We also fully consider the health of the environment surrounding our production sites. By recycling plant waste, and introducing a water purification system that uses *Yakult* containers, Yakult is taking continuous and concerted action to protect the environment.

To deepen understanding of these measures and ensure that people can consume its products with peace of mind, Yakult actively conducts tours of its plants throughout Japan for customers.

Yakult's own stringent quality control standards

HACCP
food hygiene
management
system

ISO 9001
international
standard for
quality control
and quality
assurance

Yakult produces its dairy products using unique quality control standards that integrate both HACCP and ISO 9001, pursuing the highest levels of product quality.

Cosmetics

Visual inspections by plant workers are included in the manufacturing process to produce high-quality cosmetics

Shonan Cosmetics Plant manufactures high-quality cosmetics containing moisturizing agents derived from lactic acid bacteria. We also produce our original moisturizing agents here, including S.E. (Shirota Essence) and a high molecular weight hyaluronic acid, and add them to our products. We carry out production under rigorous control while putting importance on visual inspections and adjustments by plant workers, and ship only the products whose quality and safety have been confirmed. In the Beautiens Salon, we hold tours where visitors can actually participate in the production.



Pharmaceuticals

Developing a system that complies with quality control standards inside and outside Japan as a global oncology company

Fuji Susono Pharmaceutical Plant produces pharmaceutical products, such as *Elplat*, which is an anticancer drug used globally for treating colon cancer, etc., and *Campto*, which is an anticancer drug developed by Yakult. This Plant, which is inspected by foreign government officials, has developed advanced production systems that follow the strict Good Manufacturing Practices (GMP = Manufacturing and quality management standards for pharmaceuticals and other products) in Japan, the U.S., and Europe, and engages in the production of safe, high-quality pharmaceutical products.



HACCP

A hygiene management system whose aim is to ensure the safety of products by analyzing hazards, such as microbial contamination, that can potentially arise at any stage of the food production process, specifying critical control points that detail what kind of measures can be taken at what stage of the process to allow for the production of safer products, and monitoring them continuously.

Meeting health needs with dairy products and various beverages

Yakult offers dairy products containing probiotics, such as *Lactobacillus casei* strain Shirota and *Bifidobacterium breve* strain Yakult, and functional foods and beverages developed through the pursuit of health benefits.

Yakult delivers good health to customers from these two product perspectives.



Benefits of *Lactobacillus casei* strain Shirota and *Bifidobacterium breve* strain Yakult

Promotion of Healthier Intestinal Activity and Improvement of Stool Condition

Lactobacillus casei strain Shirota produces lactic acid, while *Bifidobacterium breve* strain Yakult produces lactic and acetic acids. These acids stimulate the intestines, and enhance bowel movements.

Prevention of Proliferation of Harmful Bacteria Inside the Intestines

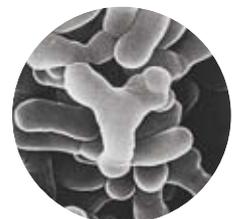
Lactic and acetic acids produced by *Lactobacillus casei* strain Shirota and *Bifidobacterium breve* strain Yakult prevent harmful bacteria from multiplying.

Prevention of Intestinal Putrefaction by Inhibiting Production of Harmful Substances

When the activities of harmful bacteria are curtailed, harmful substances decrease, and intestinal putrefaction can be avoided.



Lactobacillus casei
strain Shirota



Bifidobacterium breve
strain Yakult

Dairy products



Offering Customers a Wide Range of Dairy Products with Proprietary Probiotics

Based on the principles of “preventive medicine” and “a healthy intestinal tract leads to a long life,” Yakult offers customers fermented milk drinks and fermented milks that were developed using Yakult’s unique portfolio of probiotics, including *Lactobacillus casei* strain Shirota and *Bifidobacterium breve* strain Yakult.

The concept of probiotics, or the use of microorganisms that have beneficial actions in the intestines to maintain and improve health, has gained widespread acceptance around the world in recent years. Yakult has long embodied this approach through its pursuit of “preventive medicine” and “a healthy intestinal tract leads to a long life.” Going forward, Yakult will continue to explore the possibilities of probiotics. Broadening our focus from the intestines to the entire body, we will continue to contribute to the health and happiness of our customers.

Products Containing *Lactobacillus casei* strain Shirota

Reaches the intestines alive to improve the intestinal environment

Lactobacillus casei strain Shirota reaches the intestines alive and works to improve the intestinal environment. Yakult provides a wide range of products that enable customers to consume *Lactobacillus casei* strain Shirota continuously and conveniently. The best known of these product lines is the *Yakult* series. Each member of this product line clearly indicates its properties to respond to a wide range of health needs. The *Joie* series offers protein and calcium, in addition to *Lactobacillus casei* strain Shirota.

Products Containing *Bifidobacterium breve* strain Yakult

Works in the large intestine to maintain intestinal health

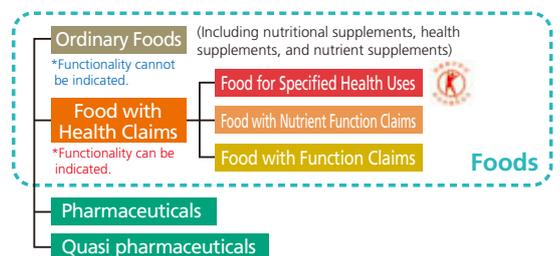
Bifidobacterium breve strain Yakult, which reaches the intestines alive and is particularly beneficial for the large intestine, is another one of Yakult’s original probiotic strains. Leveraging the action of *Bifidobacterium breve* strain Yakult, the *Mil-Mil* series provides a convenient way to replenish bifidobacteria depleted through aging and stress. The *Mil-Mil* series of yogurt drinks are a favorite of many.

About Food with Health Claims

Food for Specified Health Uses Food products whose effects on maintaining and improving health have been scientifically verified and have been permitted to make health claims. The Japanese government evaluates the effects and safety of each product and authorizes the claims.

Food with Nutrient Function Claims Food products intended for use as a nutritional supplement (vitamins, minerals, etc). As long as it is in accordance with criteria and wording specified by the government, functionality claims can be made without submitting an application.

Food with Function Claims Food products that display functionality claims based on scientific evidence and under the responsibility of the business operator. Before release, information on their safety, functionality, etc., is submitted to the government. However, they do not receive authorization from the government.



Lineup of products containing *Lactobacillus casei* strain Shirota

Fermented milk drinks



Yakult 400

Contains 40 billion *L. casei* strain Shirota per bottle (80ml).



Yakult 400LT

Reduced sweetness and fewer calories compared with *Yakult 400*.



New Yakult

Contains 20 billion *L. casei* strain Shirota per bottle (65ml).



New Yakult Calorie Half

50% fewer calories and sugar than *New Yakult*.



Yakult Gold

High-value-added *Yakult* incorporating glucosamine, royal jelly and calcium.



Yakult Ace

Contains 30 billion *L. casei* strain Shirota per bottle (80ml), as well as minerals (iron and calcium) and vitamins C and D.

Fermented milk



Joie

Contains *L. casei* strain Shirota and can be enjoyed in a variety of flavors.

Fermented soy milk



Nyusankin Soy α

L. casei strain Shirota and soy isoflavones can be taken in with a single product.



Pretio

Contains GABA (γ -aminobutyric acid) for those who are concerned about high-blood pressure.



Joie (Yogurt cup)

The appeal of *Joie* in a spoonable yogurt version.



Sofuhl

Dessert yogurt containing *L. casei* strain Shirota.



Sofuhl Genki Yogurt

Yogurt with iron and calcium.

*Food for Specified Health Uses : Joie – plain only. Sofuhl – not including certain limited-time-only products.



BF-1

Contains *B. bifidum*, which works in the stomach.



Mil-Mil

Contains more than 12 billion *B. breve* strain Yakult per bottle (100ml).



Mil-Mil S

Includes galacto-oligosaccharides and dietary fiber.

Lineup of products containing Bifidobacteria

Limited edition products not shown.

Supporting Modern People's Health with Functional Beverages



In functional beverages other than dairy products, Yakult applies the same principles of preventive medicine to develop a steady stream of products. These products respond to health concerns typical of modern consumers, such as lifestyle diseases and vegetable-poor diets. Today Yakult offers an incredible lineup of products. These include the *Toughman* series of nutritional drinks, the Food for Specified Health Uses approved *Bansoreicha* series of teas with guava-leaf polyphenols that suppress sugar absorption, and the *Milouge* series.

Yakult will continue to develop and furnish customers with products that offer good health from every angle. We are proud to offer functional beverages that closely match the needs of today's people.

Lineup of functional beverages and foods



Bansoreicha series

Suppresses the absorption of sugar. For those who are concerned about blood sugar levels.



Milouge series

Lactic beverages with a refreshing flavor.



Kurozu Drink

A genuine vinegar drink containing galacto-oligosaccharides.



Toughman series

Contains Korean ginseng. An energy drink staple.



Chosei Tonyu Kokusandaizu Shiyo

For those who are concerned about cholesterol.



Mitsuboshi Factory
CHOBI

Contains collagen and vitamin C. For women who never want to stop shining.



Gyutto Kenko series

Delicious ways of taking ingredients that play a role in solving health issues.



Mainichi Ureshii Kale no Aojiru

Contains β -carotene, calcium, and iron.

Home Delivery



Delivering products with sincerity and a smile

Yakult Ladies play a significant role for making the concepts of preventive medicine and a healthy intestinal tract leads to a long life a realization.

Yakult Ladies deliver products to customers by hand in each region of Japan with the sincere wish for their good health.



Home Delivery Activities

From within a relationship of trust, Yakult Ladies explain the value of lactic acid bacteria and contribute to people's health

Yakult Ladies visit customers with a smile and deliver products with sincerity. Home delivery by Yakult Ladies began in 1963 with the introduction of the Yakult Lady System, a distribution method unique to Yakult. Based at 2,500 "centers" (sales offices) across Japan, some 36,600 Yakult Ladies are active nationwide (as of March 31, 2016), building on strong roots in their respective communities.

Based on assured relationships of trust, Yakult Ladies help customers understand the value of lactic acid bacteria, ensuring their continued enjoyment of the products they deliver. In this way they help contribute to the health of the customers in their respective regions.



Activities of Yakult Ladies

To be trusted by customers as a local health advisor

Yakult Ladies deliver not only products but health information as well, aiming to earn the trust of customers as their "local health advisors." To this end, the Yakult Ladies participate in training programs provided by staff of the Yakult Central Institute and continually improve their knowledge by reading company newsletters, magazines, and training materials.

With respect to quality control, Yakult uses special home delivery boxes that allow for rigorous temperature control. In these and other ways, Yakult works hard to provide customers with products they can use with peace of mind.



Direct Sales



A healthy life for as many people as possible

So that customers can have access to our products anytime and anywhere in their day-to-day life, we are expanding into various markets and provide a broad range of opportunities to deepen understanding of our products.



Direct Sales Activities

Stores, vending machines, and meal services – Delivering products through a wide range of channels



Defining all sales modes, other than home delivery, as direct sales, Yakult makes its products available through supermarkets, convenience stores, and other everyday shopping destinations that customers frequent. Yakult also commits resources to sales through vending machines. These machines provide a lineup of products that only Yakult can offer, including juices, dairy products, and other beverages.

To have people in every age group use its products, from young children to the elderly, Yakult provides products to schools as well as medical and nursing-care facilities.



Building the Customer Base

Implementing various promotional campaigns so that customers consume our beverages with a deep understanding



To ensure that customers continue to understand the unique benefits of Yakult and enjoy our products, Yakult field staff* offer proposals for the creation of sales spaces at stores and provide a wide range of information. Promotional staff* introduce our products directly to customers and provide them with information on health.

Furthermore, we hold promotional events, mainly at larger stores, using videos, quizzes, and other tools to try to deepen customers' understanding of the importance of intestinal health and the functions of lactic acid bacteria.

*Explanation of Terms

Field staff

Staff who visit stores and offer proposals on introducing products and promoting sales.

Promotional staff

Staff who promote sales through sampling activities, based on assured knowledge of Yakult products and health matters.

Putting the power of lactic acid bacteria to work for the skin

Through its investigations of the action of lactic acid bacteria, Yakult has developed unique moisturizing ingredients that promote healthy skin.

Yakult proudly delivers cosmetics incorporating these high-quality ingredients under the Yakult Beautiens brand.

We will continue working to protect the health of the skin, body, and mind, and discover new powers of lactic acid bacteria.



The Founding Principles of Yakult's Cosmetics Business

**"Internal and external beauty"
and "Intestinal health is a direct factor
in producing beautiful, healthy skin"**

Regulate the conditions of the intestinal tract and the inside of the body with Yakult fermented milk drinks

Protect the health of the skin and the outside of the body with Yakult cosmetics

***Explanation of Terms**

S.E. (Shirota Essence)*

This original skincare ingredient from Yakult is obtained by fermenting ingredients using lactic acid bacteria. This extract moisturizes and maintains the skin's mild acidity.

*Extract from the fermentation of lactic acid bacteria and milk. Ingredient name: whey (2).

High molecular weight hyaluronic acid

This original hyaluronic acid from Yakult is an extract from lactic acid bacteria with powerful moisturizing action. Its high molecular weight and purity enable it to capture significant volumes of moisture.

Developing original moisturizing agents derived from lactic acid bacteria, and delivering in-house produced cosmetics to customers

Yakult's involvement with cosmetics began when the Company's founder, medical doctor Minoru Shirota, turned his attention to the action of lactic acid bacteria in protecting the skin and mucous membranes. Guided by the insight that lactic acid bacteria beneficial to the (inner) body are beneficial to the skin as well, Shirota immersed himself in research. In 1955, Shirota developed S.E. (Shirota Essence)**, a fermented lactic acid bacteria extract for skincare. Later, Yakult developed other original ingredients made from lactic acid bacteria, including high molecular weight hyaluronic acid** and fermented bifidobacteria extract (from soy)**. Yakult has also developed lamellar particles**, focusing on the structure of the skin. Through efforts such as these, Yakult continues to investigate tirelessly the properties of lactic acid bacteria and the skin.

These cosmetics are unique in that they are developed by Yakult and produced at Yakult plants. To ensure that customers understand the value of our cosmetics and choose items best suited to their skin condition, the cosmetics are delivered by Yakult Beauty Advisors and Yakult Ladies, in the same way as our drinks.

*All moisturizing ingredients

Yakult Beauty Advisor Activities

Along with our products, Yakult Beauty Advisors deliver careful counseling and a sincere commitment to beauty

Yakult Beauty Advisors are beauty professionals who deliver Yakult cosmetics to customers and help support the health of their skin. After listening carefully and fully to understand customers' skin conditions and concerns, Yakult Beauty Advisors propose cosmetics and offer beauty advice that meets their needs. Yakult Beauty Advisors also provide facial treatments at some 500 beauty salons throughout Japan.



Leading Series from Yakult Beautiens



Lactdew Series

Moisturizing skin using the power of lactic acid bacteria

This Series enables even first-time users of Yakult cosmetics to experience the moisturizing power derived from lactic acid bacteria. Customers can choose from the fresh, mild sensation of a lotion or the powerful skin moisturizing action of a hyaluronic gel.



Revey Series

For bringing out the skin's potential and maintaining its health

The *Revey Series* was born from a desire to support healthy, trouble-free skin. In addition to three original moisturizing agents derived from lactic acid bacteria, this Series contains moisturizing agents that aid in bringing out the skin's potential. The Series serves a range of needs, from basic care to special treatments.



Parabio Series

Moisturized skin through aging control

This Series is a favorite with our customers for its full-fledged aging control*. Original moisturizing ingredients include lamellar particles for tighter pores, a healthier radiance, and greater elasticity.

*Skin care tailored to the needs of each age group.

Fermented bifidobacteria extract (from soy)

High-quality soy (soy milk) is fermented using bifidobacteria to create an original ingredient with activated isoflavones. For fresh, firm skin.

Lamellar particles

Lamellar particles closely resemble the structure of the intercellular lipids in the keratinous layer of the skin. These particles give the skin tighter pores, a healthier radiance, and greater elasticity, and help keep the skin moist and healthy.

As a global oncology company

Yakult, which has conducted its business under the concept of preventive medicine, has expanded its business fields to include therapeutic medicine and it has received wide recognition around the world in the field of anticancer drugs. Pharmaceutical products developed by Yakult are utilized by medical professionals around the world.



Offering prescription drugs, non-prescription drugs, quasi-drugs, and medical devices

The pharmaceutical business of Yakult began when it started producing and selling products such as enzymes for food and pharmaceuticals in 1961. In 1967, we started selling prescription drugs, and later released non-prescription drugs, quasi-drugs, medical devices, and reagents, etc.

At present, we are especially concentrating on the field of oncology*. We sell drugs that positively impact the lives of patients with cancer at many medical institutions inside and outside Japan, including the anticancer drug *Elplat I.V. Infusion* (Oxaliplatin), which has been approved as a firstline treatment for colorectal cancer in over 100 countries, and *Campto Infusion Solution* (Irinotecan hydrochloride trihydrate) developed by Yakult.

As for non-prescription drugs, we handle products developed through probiotics research, including the lactobacillus preparation *Yakult BL Seichoyaku* (now a quasi-drug), which was developed using *Bifidobacterium breve* strain Yakult and *Lactobacillus casei* strain Shirota.

Yakult is committed to expanding its pharmaceutical business activities with a focus on cancer and related fields by developing new anticancer drugs and generic pharmaceuticals, and exploring new areas such as molecular-targeted drugs and antibody preparations. Yakult will continue to contribute to the health and happiness of people around the world from the aspect of therapeutic medicine.



Yakult
BL Seichoyaku

*Explanation of Terms

Oncology

A branch of medicine that deals with cancers.

Adjuvant treatment

Treatment method where anticancer drugs are administered after surgery to prevent recurrence and aims to cure the cancer.



Campto



Elplat



Efforts in the Oncology Field

Yakult provides comprehensive support on the front lines of cancer treatment through the provision of anticancer drugs and related pharmaceuticals

Elplat and *Campto* are used on the front lines of cancer treatment as anticancer drugs critical to the treatment of colon cancer. As the provider of these two drugs, Yakult has earned a sterling reputation in Japan and worldwide for its achievements in the field of gastrointestinal cancers.

Elplat was synthesized in Japan in 1976 and subsequently developed in Europe. In Japan, Yakult handled the development, obtaining marketing authorization in March 2005 and launching sales in Japan in April of the same year. In 2009, its use as an adjuvant treatment* for colon cancer was added to its list of indications. We widened the application of *Elplat* in the treatment of pancreatic cancer in combination with *Campto* and other drugs in 2013. Since we obtained approval for an advanced/recurrent gastric cancer indication in March 2015 and an adjuvant treatment for stomach cancer indication in November 2015, in combination the indication became stomach cancer.

Yakult developed *Campto* as an original product in 1983. In Japan it is used widely as a treatment for colon, lung, ovarian, uterine, cervical, and gastric cancers, among others. Like *Elplat*, *Campto* was approved for use in the treatment of pancreatic cancer in combination with other drugs.

In addition, Yakult sells generic drugs including *Gemcitabine for I.V. Infusion Yakult*, *Cisplatin I.V. Infusion MARUKO*, *Imatinib Tablets Yakult*, and *Docetaxel I.V. Infusion Yakult*. Yakult also offers a range of drugs in fields associated with cancer, such as *Levofolinate for I.V. Infusion Yakult*, which reinforces the action of anticancer drugs, and *Zoledronic Acid for I.V. Infusion Yakult*, which reduces bone pain caused by the spread of cancer to the bone and multiple myeloma and also prevents fractures.



Providing Information

Yakult provides a wide range of information, to spread the adoption of standard treatments that will lead to an improvement in the quality of medical care

In order for every patient to receive medical services that are fair and of higher quality, it is important to disseminate standard treatments that grow out of accumulated evidence (scientific basis). Yakult offers information to a broad range of people, including medical professionals, from various aspects.

Some 170 Yakult medical representatives (MRs), possessing high levels of specialized knowledge, visit the front lines of medicine. These MRs not only introduce Yakult products but also disseminate information on various treatments. Our Customer Service and Product Inquiries Office, opened in 2009, responds to inquiries from medical professionals and patients alike. We also sponsor symposiums, where participants can gather the latest information on the status of standard treatments around the world.

For patients and their families, Yakult creates opportunities to acquire deeper knowledge about medical topics through easy-to-understand patient information pamphlets and websites. We also present public lectures, disseminating information on the current state of cancer treatment to a broad general audience.



Corporate exhibition booth at the meeting of the Japan Society of Clinical Oncology



Seminar hosted by Yakult

Health and happiness for people around the world

Yakult, first created in Japan, is now popular in countries and regions throughout the world.

We will continue delivering good health to as many people as possible,
with the basic philosophy of local production and local sales.



**Half a century has passed since we embarked on our overseas expansion,
and today our network covers 33 countries and regions**

Yakult began its overseas expansion in 1964, guided by founder Minoru Shirota's vision of "protecting the health of people around the world." Beginning with Yakult Taiwan Co., Ltd., Yakult soon expanded its network throughout Asia, Oceania, the Americas and Europe. Today Yakult conducts sales in 33 countries and regions including Japan, and operates 27 overseas business locations. Outside Japan, over 44,800 Yakult Ladies deliver products to customers, some 623,000 stores handle our products, and approximately 26.5 million Yakult dairy products are consumed per day. (As of December 2015. Number of Yakult dairy products consumed per day: Average for 2015)

Going forward, Yakult will continue to work to convey the value of Yakult probiotic drinks to people around the world. We are steadily widening the ring of Yakult consumers, continually pursuing the achievement of our mission to contribute to the health and happiness of people around the world.



Promotional Activities

Aiming to contribute to better health as a leader in probiotics

We believe that people worldwide have a common desire for good health. We also believe that preventive medicine and a healthy intestinal tract leads to a long life are ideas that resonate around the world.

Yakult aims to deepen people's understanding of *Lactobacillus casei* strain Shirota, with which we aim to make the concepts of preventive medicine and a healthy intestinal tract leads to a long life a realization, and have as many people as possible continue to regularly consume it. With that hope, we are conducting activities to convey its value through home delivery, store sales, and other channels where we can come in contact with customers. We also actively gather evidence of the action of probiotics in supporting people's health, and provide health information according to the lifestyles and dietary habits of each country and region.



Local Production and Local Sales

Becoming a company that is loved and trusted irrespective of national borders

Yakult aims to be loved in the local community and to bring high-quality products to customers everywhere.

Yakult is proud of its local focus, creating production and sales environments and training personnel with strong roots in each community. This principle guides us as we establish plants and offices around the world. We also deploy our unique sales system of home delivery by Yakult Ladies to countries and regions worldwide.



California Plant, USA



Wuxi Plant, China

Expanding our local production framework

To supply customers around the world with dairy products of the highest quality, Yakult is steadily expanding its local production capabilities.

Newly opened production facilities

- August 2011: Tianjin Plant in China.
- March 2013: Third production facility at Lorena Plant in Brazil.
- January 2014: Mojokerto Plant in Indonesia.
- March 2014: Second plant in Guangzhou, China.
- May 2014: California Plant in the United States.
- June 2014: Second production facility at Tianjin Plant in China.
- October 2014: New production facility at Zhongli Plant in Taiwan.
- June 2015: Wuxi Plant in China.

Yakult, a Global Brand That is Loved Worldwide

Under the slogan of "Propagate the message of Yakult, and spread the joy of health," Yakult is actively working to convey the value of probiotics to people around the world and advance the globalization of its operations.

The Americas



The Americas



Brazil



Mexico



USA

Europe



The Netherlands



Belgium



UK



Ireland



Germany



Austria



Italy

Asia and Oceania



● Japan



● Taiwan



● Hong Kong



● Thailand



● South Korea



● The Philippines



● Singapore



● Brunei



● Indonesia



● Australia



● China



(Guangzhou / Shanghai, Beijing)



● Malaysia



● New Zealand



● Vietnam



● India



Australia



New Zealand



Malaysia



Vietnam



India



China (Guangzhou)



China (Shanghai)



China (Beijing)

Asia and Oceania



Taiwan



Hong Kong



Thailand



South Korea



The Philippines



Singapore



Indonesia

*Content varies depending on country and region.



Towards coexistence with the natural environment and society

Yakult, which hopes for the health of people as well as the earth, promotes a broad range of activities for fulfilling CSR (corporate social responsibilities), with the basic policy of “All of us in the Yakult Group will strive through corporate activities based on our corporate philosophy to earn the trust of all the Group’s stakeholders and promote mutually beneficial relationships with all stakeholders.”



Measures to Ensure Trust

To Promote Transparent, Sound Corporate Management

Corporate Governance

The Yakult Group’s basic approach to corporate governance is “devote thorough efforts to steady business development centered on core business operations and strive to maintain a sound financial position by promoting highly transparent management functions.” Our aim is to enhance society’s trust in us as a business and bolster the value of our brand, gaining the high regard of all stakeholders and developing in a sustainable manner.

We have taken a number of specific measures to improve our corporate governance functions still further. First, we have strengthened the decision-making and supervisory functions of the Board of Directors. Second, we have clarified the lines of responsibility in the execution of business matters. Finally, to raise the efficiency of each of these functions, Yakult has introduced a system of executive officers. To raise the efficiency of management activities and speed up decision-making processes, Yakult has established a Management Policy Council. This council is composed of representative directors, division heads and statutory auditors. We have also created an Executive

Officers Committee, composed of executive officers and statutory auditors.

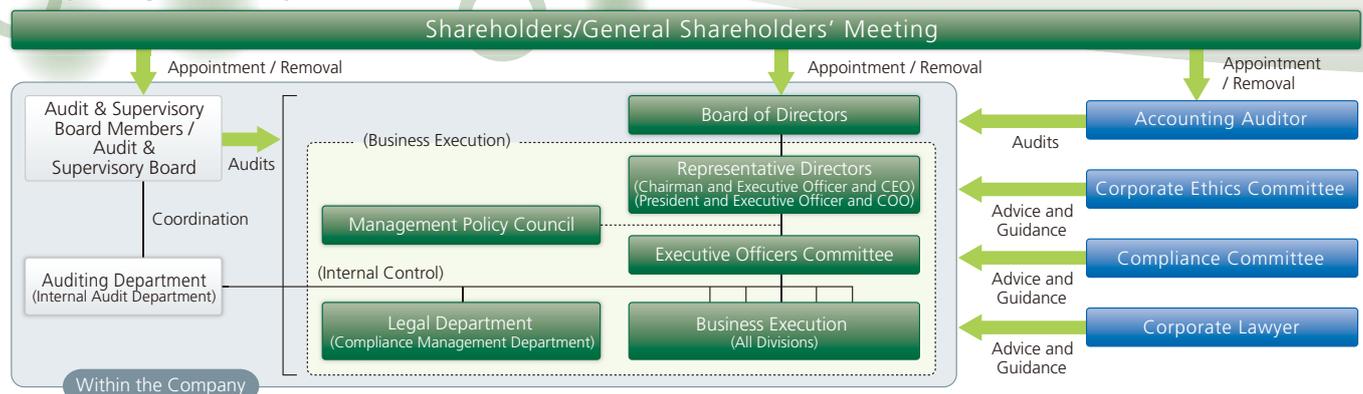
Compliance

To provide criteria for correct action in business activities, Yakult has established the Yakult Ethical Principles and Code of Conduct. Yakult continually updates them to ensure their effectiveness with the changing times, and circulates them actively among all employees of the Yakult Group.

In organizational terms, a compliance officer is appointed for each department and business location. This officer is tasked with verifying that daily operations are conducted in an appropriate manner.

Yakult has established other bodies for specific purposes. A Compliance Committee, composed of outside experts, surveys overall corporate activities from a compliance perspective, offering opinions and suggestions on a wide range of issues. In addition, a Corporate Ethics Committee, composed of mainly outside experts, strengthens activities to eliminate influences from anti-social forces and reinforces monitoring for that purpose.

Corporate governance system of Yakult Honsha





Communication activities

Introducing the Current Situation of Yakult to Stakeholders

For Shareholders and Investors

In investor-relations (IR) activities, Yakult publishes the information investors need to make informed investment decisions in a timely, fair and continuous manner.

In addition to holding briefings on our financial results and businesses for analysts, Yakult promotes understanding of its operations through tours and individual interviews. Our website is filled with useful IR information. In addition to annual reports and shareholder bulletins, the Yakult website offers long-term financial data. Yakult works hard to provide shareholders and investors with the vital information they need.

IR information <http://www.yakult.co.jp/english/ir/>

For Customers and Employees

Yakult disseminates information on its operations through a wide range of media, including the Yakult CSR Report, our website, and various company and Group newsletters, among others. We strive to keep customers and employees alike apprised of the current state of Yakult at all times.



Annual Report



Yakult CSR Report



Personnel training and working environment improvement

Realizing Comfortable Workplaces where Employees can Excel

Personnel Training

Group employees benefit from a wide range of training programs. We have employees think about “the spirit of our founding—Shirota-ism” and undergo initiative training. In addition, we provide employees with group training and correspondence training opportunities to acquire the knowledge and skills required for particular roles at each job level.

Improving the Workplace Environment

In 2012, Yakult was recognized as a company supporting child raising by the Ministry of Health, Labour and Welfare, and is therefore permitted to use the “Kurumin Mark.” Yakult supports employees who are raising children, through measures such as promoting the taking of childcare leave by male and female employees and the introduction of shorter work hours for employees with small children.

Yakult strives in other ways to create an environment that is easy to work in, in consideration of employees’ wide range of lifestyles. For example, employees can take leave to celebrate their anniversaries, or to pursue volunteer activities.



Environmental activities

For Realizing a Sustainable Environment

The Yakult Basic Policy on the Environment

Yakult Honsha established an organization for environmental measures in 1991, and enacted the Yakult Basic Policy on the Environment for the entire Yakult Group in 1997. We have also set forth our environmental philosophy, which reads, “Yakult understands that protecting the earth’s environment is one of the most important aspects of coexistence with society and it is committed to considering the need to protect the environment in all of its corporate activities,” and have specified an environmental action agenda made up of 7 provisions, including “We shall promote the reduction of environmental burdens considering not only the environment but also biodiversity, for all business activities.”

In accordance with the Basic Policy on the Environment, we have drafted new versions of the “Yakult Environmental Action Plan” at three-year intervals since fiscal 2001, and all the Yakult Group’s business units have been moving ahead with measures to reduce the Group’s environmental impact.

Yakult Sustainable Ecology 2020

Yakult has framed its image for the environment it aims to achieve over the long term in the form of Yakult Sustainable Ecology 2020. It describes the future vision of Yakult with 3 elements, including the realization of a low-carbon society, and emphasizes coexistence with stakeholders and the development of a sustainable society.

Efforts to Preserve the Earth’s Environment

On May 22, 2016, proclaimed the “International Day for Biological Diversity” by the United Nations, the Yakult Group participated in Green Wave 2016, a worldwide tree-planting campaign. The Group planted trees in 14 locations throughout Japan.

In addition, Yakult Honsha supports the activities of the C.W. Nicol Afan Woodland Trust, a general incorporated association to restore forests replete with biodiversity in Shinano Town, Nagano Prefecture, assists it as an official sponsor, and conducts forest preservation activities in cooperation with the foundation, Nagano Prefecture, and Shinano Town.



Provision of health-related information

Delivering Good Health along with Knowledge Unique to Yakult

Yakult publishes health information through a wide range of media. In addition to the health information journal *HEALTHIST* (launched in 1976) and the Yakult website, Yakult publishes videos and printed matter to generate interest in and inform the public about probiotics. Through our video library on health matters, we provide information on health to a broad audience, spreading the availability of accurate health information.



Health information journal *HEALTHIST*



Promotion of science and technology
Advancing Research on Intestinal Flora

Symposium on Intestinal Flora

In 1992, we established the Yakult Bio-Science Foundation (now a public interest incorporated foundation) for actively promoting and supporting research on the relationships between intestinal flora and human health. Its activities consist of support for intestinal flora research, and it also holds the annual Symposium on Intestinal Flora, inviting the most advanced researchers from in and outside the country, in an effort to spread and promote intestinal flora research.



International Yakult Symposium

From 1996, we have held the International Yakult Symposium hosted by Yakult Europe. The symposium is attended by a wide range of researchers, from basic researchers to medical researchers in clinical settings, from countries around the world, especially Europe. At sessions, lectures are presented from diverse viewpoints about intestinal bacteria and probiotics. Many reports have been presented about the effectiveness of *Lactobacillus casei* strain Shirota for various symptoms.

Yakult holds these kinds of academic symposiums all over the world and supports research activities that contribute to people's health.



(Photo provided by Andreas Franke – panabild.de)



Relations with local communities
To Deliver Health, and Watch over Local Community

Courtesy Visit Activities and Community Safety Watch and Crime Prevention Activities

In addition to delivering products, Yakult Ladies check up on elderly persons living alone to confirm their well-being and spend some time chatting with them. These "Courtesy Visit Activities" have been a part of the ladies' routine since 1972. A voluntary action of a single Yakult Lady led to this activity, inspiring retailers, local social workers, and even municipalities, and now this activity has spread nationwide. At the request of about 140 municipalities across Japan, about 3,200 Yakult Ladies visit the homes of approx. 44,000 elderly people. Yakult Ladies, who deliver products on a daily basis in their sales areas, help improve the safety and security in the community, by looking after seniors, conducting crime watches, and carrying out other activities in cooperation with local governments and the police.

Dispatching Lecturers

Since 2008, Yakult has been dispatching lecturers, primarily to elementary schools, to give lectures on the topic of "early to bed, early to rise, eating breakfast and emptying your bowels in the morning" as part of food and nutrition education. Using models and picture cards, employees of Yakult Honsha branches and Yakult sales companies provide the lessons, explaining the importance of the intestines in absorbing nutrients from food, discerning intestinal conditions from stool, and the action of lactic acid bacteria in the intestines. About 190,000 people participate in this activity annually. For this activity, we received an Honorable Mention from the Judging Committee of the "Awards for Companies Promoting Experience-based Learning Activities for Youth" sponsored by the Ministry of Education, Culture, Sports, Science and Technology in 2015.



Plant Tours

In order for people to gain a better understanding of Yakult and its products, each of Yakult's plants accept tours. In fiscal 2015, about 210,000 people visited our dairy product and cosmetic plants in Japan. Overseas, many of our plants offer tours and about 450,000 people visited those plants.





Promotion of sports

Spreading the Appeal of Sports to Many People

Contributing to Society Through Baseball

Games played by the Tokyo Yakult Swallows are enjoyed by many fans. Through their games, we are working to invigorate professional baseball and help promote sports in Japan. In October 2015, the Swallows won their 7th Central League title and for the first time in 14 years and advanced to the Japan Series.



Tokyo Yakult Swallows – 2015 Central League Champions

In the offseason, the Tokyo Yakult Swallows hold baseball clinics at various locations in cooperation with the nationwide marketing companies. These clinics are for primary and junior high school aged children with the aim of getting them to experience the enjoyment of sports and the preciousness of good health through exchanges with professional baseball players. The Tsubame Sports Promotion Association also holds baseball clinics led by former members of the Swallows.



Tokyo Yakult Swallows baseball clinic

Other Contributions to Society Through Sports

Yakult also has track and field and rugby teams. Yakult employees are enthusiastically engaged in a wide range of sports. On our track and field team, which makes excellent showings in long-distance relay races and marathons, member Yuki Takamiya finished in 8th place, the highest finish among Japanese runners at the Tokyo Marathon in February 2016. In the 2015 season, our rugby team finished in 6th place in the Top East League Division 1.



Yuki Takamiya - 8th place finisher at the 2016 Tokyo Marathon (Courtesy of Rikujiyoukyougi-sha)



Rugby team

Yakult also supports and promotes bound tennis, a sport invented in Japan, as part of its efforts to encourage lifelong sporting activity. Yakult is also an ardent supporter of aquatic sporting events. In 2005, Yakult became an official partner of the International Swimming Association (FINA: Fédération Internationale de Natation), sponsoring the FINA World Championships and the FINA World Swimming Championships (25m). Yakult became an official partner of the Japan synchronized swimming team in 2006, and an official sponsor of the Japan swimming team in 2014.



16th FINA World Championships Kazan 2015

Overseas, Yakult S/A Ind. E Com. (Brazil) has supported the promotion of baseball. The company manages a baseball stadium in the suburbs of São Paulo and, in cooperation with the Brazil Baseball Federation, supports the Baseball Academy, which is managed by the Federation. Also, Yakult has sponsored the Yakult Cup Youth Baseball Tournament, as an activity to spread baseball. During the tournament, Yakult products are provided and the importance of training the body through baseball and maintaining a healthy intestinal environment are conveyed. In addition, Yakult Deutschland GmbH, as an official partner and supplier of the Olympic Training Centre Bavaria, Germany's largest Olympic training facility for athletes, began supplying Yakult from September 2011. In 2015, we also started to collaborate with the Olympic Training Centre Hessen.



Yakult Cup Youth Baseball Tournament sponsored by Yakult S/A Ind. E Com. (Brazil)

History

■ History of Yakult ● History of Yakult products

*The products, companies, organizations, etc., listed in this company history have been displayed using the names that they had at the time.

1930s

- 1930 Dr. Minoru Shirota succeeds in strengthening and culturing lactic acid bacteria, useful for maintaining health (*Lactobacillus casei* strain Shirota).
- 1935 *Yakult* is manufactured and introduced to the market.
- 1938 *Yakult* is registered as a trademark.

1940s

- 1940 Local offices of the Association for Promotion of Preventive Bacteria Strain Shirota are established in various parts of Japan for the purpose of marketing and distributing *Yakult*.

1950s

- 1955 Yakult Honsha Co., Ltd. is established (Nishi Hatchobori, Chuo-ku, Tokyo).
- Research Institute is established in Kyoto.

1960s

- 1963 Yakult launches its unique Yakult Lady home delivery system.
- 1964 Yakult Taiwan Co., Ltd. begins operations as the company's first overseas operation base.
- 1967 Research institute is established in Kunitachi, Tokyo (later known as Yakult Central Institute).
- 1968 The company takes over the management of the Sankei Atoms baseball team (now the Tokyo Yakult Swallows).
- *Yakult* is introduced to the market in a new plastic container.

1970s

- 1970 *Joie* fermented milk is introduced to the market.
- 1971 The company begins the full-scale sale of cosmetics.
- 1972 New head office building is completed in Higashi Shimbashi, Minato-ku, Tokyo.
- Program of regular visits to senior citizens by Yakult Ladies begins.
- 1975 *Biolactis Capsules* ethical drug is introduced to the healthcare industry, thereby marking Yakult's entrance into the pharmaceutical business.
- 1978 *Mil-Mil* bifidobacteria-fermented milk is introduced to the market.
- 1979 *Yakult Seichoyaku* intestinal regulator—an over-the-counter medicine—is introduced to the healthcare industry.

1980s

- 1980 Company stocks are listed on the Second Section of the Tokyo Stock Exchange.
- *Toughman* is introduced to the market.
- 1981 *Yakult 80* is introduced to the market.
- Company stocks are listed on the First Section of the Tokyo Stock Exchange.
- 1989 *Revecy S.E. Series* is introduced to the market.



The Shirota Institute for Research on Protective Bacteria begins production and sales of *Yakult* in Fukuoka-shi in Kyushu.

1950s



Early *Yakult* product (Glass bottle)

1960s



Yakult (Glass bottle)

1968



Yakult (Plastic container)

1970



Joie

1978



Mil-Mil

1979



Yakult Seichoyaku

1980



Toughman

1989



Revecy S.E. Series

1990s

- 1992** ■ Yakult Bioscience Research Foundation is established.
- 1994** ● The manufacture of irinotecan hydrochloride, a cancer chemotherapeutic agent, is approved, and the drug is introduced to the healthcare industry under the brand name of *Campto*.
■ The company receives the Minister for Health and Welfare Award for distinguished volunteer service on behalf of the program of regular visits to senior citizens.
- 1995** ● *Parabio Series* premium-quality skincare product line is introduced to the market.
- 1997** ■ The company receives the Minister for Agriculture, Forestry, and Fisheries Award (in the Consumer Division) at the Excellent Corporations of Food Industry Awards.
- 1998** ● *Yakult* is approved by the Ministry of Health and Welfare for labeling as Foods for Specified Health Uses.
● *Bansoreicha* is introduced to the market.
- 1999** ● *Yakult 400* fermented milk drink is introduced to the market.

2000s

- 2004** ■ Entered into a strategic alliance with Groupe Danone.
● *Pretio* fermented milk drink is introduced to the market.
- 2005** ■ Research center is established in Europe (Belgium).
● Oxaliplatin, a cancer chemotherapeutic agent for the treatment of advanced colorectal cancer, is approved under the name of *Elplat*.
- 2006** ■ The name of Yakult's brand of cosmetics is changed to Yakult Beautiens.
■ Our new corporate slogan is decided: In order for people to be healthy, everything around them must also be healthy.
- 2008** ● *BF-1* fermented milk drink is introduced to the market.
● Yakult receives a 2008 Good Design Long Life Design Award (G-Mark).

2010s

- 2010** ■ Average global sales of dairy products surpass 30 million bottles per day (June).
- 2011** ● The shape of the Yakult container is registered as a three-dimensional trademark.
● *Campto* wins the Science Award from the Japanese Cancer Association.
- 2012** ■ Yakult launches Yakult Space Discovery Project.
- 2013** ■ *Lactobacillus casei* strain Shirota obtains GRAS Certification from the US FDA (Food and Drug Administration).
■ Yakult and Danone terminate strategic alliance agreement and sign a memorandum of cooperation.
● *Nyusankin Soy α* fermented soy milk is introduced to the market.
● *New Yakult* is introduced to the market.
- 2014** ● *Yakult Gold* is introduced to the market.
- 2015** ■ Tokyo Yakult Swallows win their 7th Central League title and advance to the Japan Series.
- 2016** ■ Average global sales of dairy products surpass 35 million bottles per day (fiscal year ended March 31, 2016).
■ Construction of the new Yakult Central Institute is completed.

1994



Campto Injection

1995



Parabio Series

1998



Bansoreicha

1999



Yakult 400

2005



Elplat

2011



Since the shape of the container reminds customers of *Yakult*, it was registered as a three-dimensional trademark.

2015



Tokyo Yakult Swallows win Central League title

2016



Yakult Central Institute

Profile



Overview of Yakult Honsha

Corporate name:	Yakult Honsha Co., Ltd.
Date founded:	1935
Date incorporated:	April 9, 1955
Head office:	1-19 Higashi-Shimbashi 1-chome, Minato-ku, Tokyo, Japan Telephone: 03-3574-8960
Paid-in capital:	¥31,117.65 million
Annual account settlement date:	March 31
No. of employees:	2,872 <small>311 employees temporarily assigned and 167 contract employees (as of March 31, 2016)</small>
Main banks:	Mizuho Bank, Resona Bank, Bank of Tokyo-Mitsubishi UFJ

Principal Business Activities

Manufacturing and marketing of food and beverage products, cosmetics, pharmaceuticals, and others

Principal Subsidiaries

Yakult Food Industry Co., Ltd.	Yakult Health Foods Co., Ltd.	Yakult Corporation Co., Ltd.
Yakult Materials Co., Ltd.	Yakult Pharmaceutical Industry Co., Ltd.	Yakult Asset Management Co., Ltd.
Y•B•C Co., Ltd.	Yakult Support Business Co., Ltd.	Yakult East Logistics Co., Ltd.
Yakult West Logistics Co., Ltd.	Yakult Kyudan Co., Ltd.	Yakult Life Service Co., Ltd.
Yakult Management Service Co., Ltd.		

Business Performance

● Net Sales and Income (Consolidated)	March 2012	March 2013	March 2014	March 2015	March 2016
Net Sales	312,552	319,193	350,322	367,980	390,412
Operating Income	20,817	23,068	32,026	34,898	40,057
Ordinary Income	27,984	29,424	39,535	45,608	50,629
Net Income	13,291	16,379	22,543	25,056	28,843

(Unit: million yen)

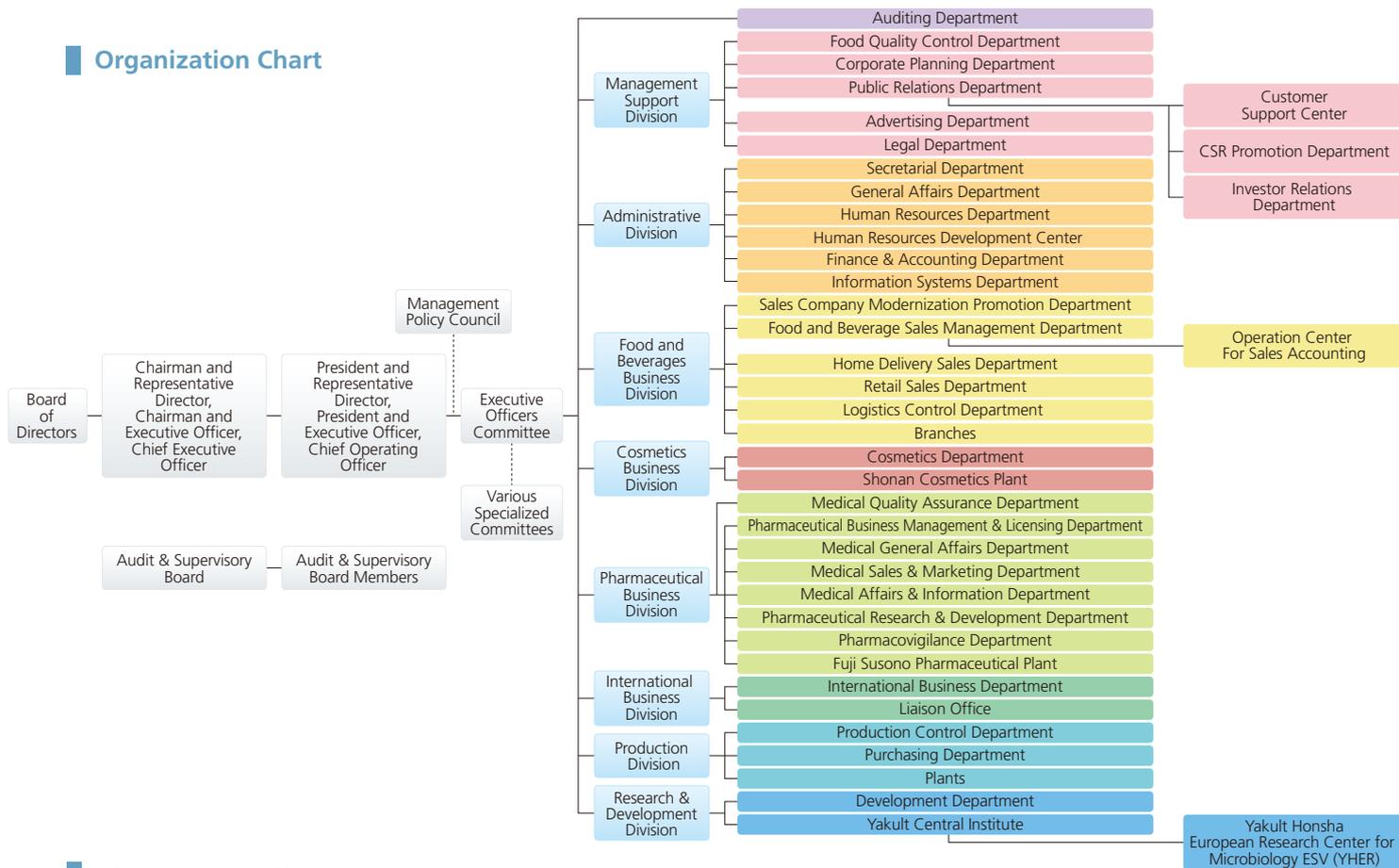
Branches

Hokkaido Branch	Odori Koen Bldg. 6F, 6-10-10, Odori Nishi, Chuo-ku, Sapporo-shi, Hokkaido 060-0042	TEL: 011-231-8960
East Japan Branch	NBF Hibiya Bldg. 1F, 1-1-7, Uchisaiwai-cho, Chiyoda-ku, Tokyo 100-0011	TEL: 03-5962-8960
Sendai Office, East Japan Branch	Tokyo Tatemono Sendai Bldg. 6F, 1-6-35, Chuo, Aoba-ku, Sendai-shi, Miyagi 980-0021	TEL: 022-713-8960
Metropolitan Branch	Ginza Nomura Fudosan Ginza Bldg. 10F, 6-18-2, Ginza, Chuo-ku, Tokyo 104-0061	TEL: 03-5148-8960
Central Japan Branch	Uemura Nissei Bldg. 7F, 3-3-31, Miyahara, Yodogawa-ku, Osaka-shi, Osaka 532-0003	TEL: 06-6392-8960
West Japan Branch	Denki Bldg. Kitakan 4F, 2-1-82, Watanabe-dori, Chuo-ku, Fukuoka-shi, Fukuoka 810-0004	TEL: 092-711-8960

Research & Development Institute

Yakult Central Institute	5-11, Izumi, Kunitachi-shi, Tokyo 186-8650	TEL: 042-577-8960
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Organization Chart



Directors & Auditors

Chairman and Representative Director
Chief Executive Officer
Sumiya Hori

President and Representative Director
Chief Operating Officer
Takashige Negishi

Directors
Yoshihiro Kawabata
Hiroshi Narita
Masanori Ito
Hiroshi Wakabayashi

Fumiyasu Ishikawa
Masaki Tanaka
Richard Hall
Directors (Part-time)
Ryuji Yasuda (Outside Director)
Masayuki Fukuoka (Outside Director)
Bertrand Austruy (Outside Director)
Filip Kegels (Outside Director)
Takashi Matsuzono
Norihito Maeda

Senior Audit & Supervisory Board Members
Akinori Abe
Hiroshi Yamakami
Audit & Supervisory Board Members (Outside Auditor)
Akihiko Okudaira
Seijuro Tanigawa
Setsuko Kobayashi
Koichi Yoshida
Seno Tezuka

(as of June 22, 2016)

Executive Officers

Chairman and Executive Officer
Sumiya Hori

President and Executive Officer
Takashige Negishi
(Divisional General Manager of Cosmetics Business Division)

Deputy President and Executive Officer
Yoshihiro Kawabata
(Divisional General Manager of Administrative Division, Divisional General Manager of International Business Division)

Senior Managing Executive Officers
Hiroshi Narita
(Divisional General Manager of Food and Beverages Business Division)
Hiroshi Wakabayashi
(Divisional General Manager of Management Support Division)

Fumiyasu Ishikawa
(Divisional General Manager of Research & Development Division, Divisional General Manager of Production Division)

Managing Executive Officers
Masaki Tanaka
Masanori Ito
(Divisional General Manager of Pharmaceutical Business Division)

Akifumi Doi
Tetsuya Hayashida
Susumu Hirano
Masao Imada

Executive Officers
Koichi Hirano
Masanobu Nanno
Richard Hall
Masatoshi Nagira
Hideaki Hoshiko
Yasuyuki Suzuki
Masahiko Satomi
Shuichi Watanabe
Akira Kishimoto
Takao Goto
Hiroyuki Kawabata
Junichi Shimada

(as of June 22, 2016)

Honsha Plants

Fukushima Plant	10-1, Aza Tooki, Kuroiwa, Fukushima-shi, Fukushima 960-8520	TEL: 024-546-8960
Ibaraki Plant	1232-2, Oaza Kawatsuma, Goka-machi, Sashima-gun, Ibaraki 306-0314	TEL: 0280-84-2121
Shonan Cosmetics Plant	2-5-10, Kugenumashinmei, Fujisawa-shi, Kanagawa 251-0021	TEL: 0466-25-8960
Fuji Susono Plant	653-1, Aza Juzaburo, Shimowada, Susono-shi, Shizuoka 410-1105	TEL: 055-997-3311
Fuji Susono Pharmaceutical Plant	653-1, Aza Juzaburo, Shimowada, Susono-shi, Shizuoka 410-1105	TEL: 055-997-4417
Hyogo Miki Plant	1838-266 Aza Nakao, Toda, Shijimi-cho, Miki-shi, Hyogo 673-0514	TEL: 0794-89-8960
Saga Plant	2300, Tamichigari, Kanzaki-machi, Kanzaki-shi, Saga 842-0002	TEL: 0952-52-8960

Network

Promoting Better Health through Domestic and International Networks

The Yakult Group comprises nearly 140 companies (approximately 170 counting overseas operations), including Yakult Honsha Co., Ltd., marketing companies that distribute Yakult's products to customers throughout Japan, bottling companies that manufacture containers and bottle Yakult's products, and other affiliates.

Overseas

Overseas Operations

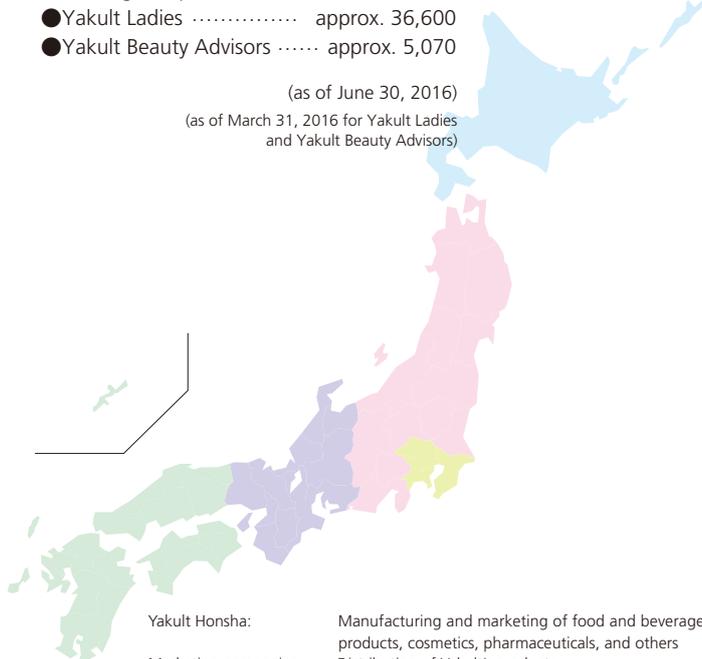
- Yakult Ladies approx. 44,800
 - Employees approx. 19,600
- (as of December 31, 2015)



Domestic

Domestic Operations

- Head Office 1
 - Branches 5
 - Research institute 1
 - Honsha plants 7
 - Marketing companies 103
 - Bottling companies 5
 - Yakult Ladies approx. 36,600
 - Yakult Beauty Advisors approx. 5,070
- (as of June 30, 2016)
(as of March 31, 2016 for Yakult Ladies and Yakult Beauty Advisors)



Yakult Honsha: Manufacturing and marketing of food and beverage products, cosmetics, pharmaceuticals, and others
 Marketing companies: Distribution of Yakult's products
 Bottling companies: Bottling, commercialization, and container production

Hokkaido Block

- Yakult Ladies 1,900
- Yakult Beauty Advisors 930

Honsha Organization

Hokkaido Branch

Marketing companies (9)

- Yakult Sapporo Sales Co., Ltd. ●●
- Yakult Minami Hokkaido Sales Co., Ltd.
- Yakult Tomakomai Sales Co., Ltd.
- Yakult Iwamizawa Sales Co., Ltd.
- Yakult Kushiro Sales Co., Ltd.
- Yakult Obihiro Sales Co., Ltd.
- Yakult Kitami Sales Co., Ltd.
- Yakult Muroran Sales Co., Ltd.
- Yakult Kita Hokkaido Co., Ltd.

East Japan Block

- Yakult Ladies 8,800
- Yakult Beauty Advisors 760

Honsha Organization

- East Japan Branch
- Fukushima Plant ●●●
- Ibaraki Plant ●●●
- Fuji Susono Plant ●●●
- Fuji Susono Pharmaceutical Plant ●

Marketing companies (29)

- Yakult Aomori Sales Co., Ltd. ●●
- Yakult Iwate Sales Co., Ltd. ●●
- Yakult Miyako Sales Co., Ltd. ●●
- Yakult Akita Sales Co., Ltd. ●●
- Yakult Odate Sales Co., Ltd. ●●
- Yakult Yokote Sales Co., Ltd. ●●
- Yakult Yamagata Sales Co., Ltd. ●●
- Yakult Yonezawa Sales Co., Ltd. ●●
- Yakult Shonai Sales Co., Ltd. ●●
- Yakult Miyagi Chuo Sales Co., Ltd. ●●

*The following marketing company is generalized.

- Yakult Ofunato Sales Co., Ltd.
- Yakult Ishinomaki Sales Co., Ltd.
- Yakult Fukushima Sales Co., Ltd.
- Yakult Koriyama Sales Co., Ltd.
- Yakult Aizu Sales Co., Ltd.
- Yakult Iwaki Sales Co., Ltd.
- Yakult Mito Sales Co., Ltd. ●
- Yakult Koga Sales Co., Ltd.
- Yakult Utsunomiya Sales Co., Ltd.
- Yakult Ryomo Sales Co., Ltd.
- Yakult Gunma Sales Co., Ltd.
- Yakult Higashi Shizuoka Sales Co., Ltd.
- Yakult Chuo Shizuoka Sales Co., Ltd.
- Yakult Nishi Shizuoka Sales Co., Ltd.
- Yakult Yamanashi Sales Co., Ltd.
- Yakult Nanshin Sales Co., Ltd.
- Yakult Hokushin Sales Co., Ltd.
- Yakult Niigata Chuo Sales Co., Ltd. ●●
- Yakult Shibata Sales Co., Ltd. ●●
- Yakult Joetsu Sales Co., Ltd.

Bottling companies (1)

- Yakult Iwate Plant Co., Ltd. ●●●

Certifications Obtained

● ISO 9001 ● ISO 14001 ● ISO 22000 ● HACCP ● GMP ● FSSC22000

*GMP: Good Manufacturing Practice. Facilities that employ GMPs for food. *FSSC22000: Approved standards for food safety instituted by Global Food Safety Initiative (GFSI)

*Symbols are shown next to facilities when at least one of their offices or factories has gained the relevant certification.

When multiple offices or factories have gained a particular certification, each will have done so under conditions unique to the office or factory.



- ① Yakult Taiwan Co., Ltd. ●
- ② Hong Kong Yakult Co., Ltd. ●●●
- ③ Yakult (Thailand) Co., Ltd. ●●
- ④ Korea Yakult Co., Ltd. ●●
- ⑤ Yakult Philippines, Inc.
- ⑥ Yakult (Singapore) Pte. Ltd. ●●
- ⑦ P.T. Yakult Indonesia Persada ●
- ⑧ Yakult Australia Pty. Ltd. ●●
- (New Zealand Branch)
- ⑨ Yakult (Malaysia) Sdn. Bhd. ●
- ⑩ Yakult Vietnam Co., Ltd. ●●●
- ⑪ Yakult Danone India Pvt. Ltd. ●●
- ⑫ Yakult (China) Corporation
- ⑬ Guangzhou Yakult Co., Ltd. ●●●●●
- ⑭ Shanghai Yakult Co., Ltd. ●●
- ⑮ Beijing Yakult Co., Ltd.
- ⑯ Tianjin Yakult Co., Ltd.
- ⑰ Wuxi Yakult Co., Ltd.
- ⑱ Yakult S/A Ind. E Com. (Brazil) ●●
- ⑲ Yakult S.A. De C.V. (Mexico) ●●
- ⑳ Yakult U.S.A. Inc. ●
- ㉑ Yakult Europe B.V. ●●●
- ㉒ Yakult Nederland B.V.
- ㉓ Yakult Belgium N.V./S.A.
- ㉔ Yakult UK Ltd. (Ireland Branch) ●●
- ㉕ Yakult Deutschland GmbH
- ㉖ Yakult Oesterreich GmbH
- ㉗ Yakult Italia S.r.l.
- ★ Yakult Honsha European Research Center for Microbiology, ESV (YHER)

Countries where test and other sales are conducted:

Luxembourg, France, Spain, Brunei, Uruguay, Canada, Belize, Malta and Switzerland

Metropolitan Block

Yakult Ladies 8,000
Yakult Beauty Advisors 800

Honsha Organization

Head Office
Metropolitan Branch
Yakult Central Institute ●
Shonan Cosmetics Plant ●

Marketing companies (16)

Yakult Saitama Sales Co., Ltd.
Yakult Saitama Tobu Sales Co., Ltd.
Yakult Kazo Sales Co., Ltd.
Yakult Saitama Nishi Sales Co., Ltd. ●
Yakult Saitama Hokubu Sales Co., Ltd.
Yakult Chiba Ken Sales Co., Ltd. ●●
Yakult Johoku Sales Co., Ltd.
Yakult Katsushika Sales Co., Ltd.
Yakult Seito Sales Co., Ltd.
Yakult Musashino Sales Co., Ltd.
Yakult Tokyo Sales Co., Ltd. ●●
*The following marketing company is generalized.
●Yakult Keihoku Sales Co., Ltd.
Yakult Kanagawa Chuo Sales Co., Ltd.
Yakult Kanagawa Tobu Sales Co., Ltd. ●●
Yakult Shonan Sales Co., Ltd.
Yakult Odawara Sales Co., Ltd.
Yakult Atsugi Sales Co., Ltd.

Bottling companies (1)

Yakult Chiba Plant Co., Ltd. ●●●

Central Japan Block

Yakult Ladies 9,300
Yakult Beauty Advisors 1,020

Honsha Organization

Central Japan Branch
Hyogo Miki Plant ●●●

Marketing companies (19)

Yakult Tokai Co., Ltd.
*The following four marketing companies are generalized.
●Yakult Nagoya Sales Co., Ltd.
●Yakult Aichi Chuo Sales Co., Ltd.
●Yakult Mie Sales Co., Ltd.
●Yakult Gifu Sales Co., Ltd.
Yakult Owari Sales Co., Ltd.
Yakult Higashi Mikawa Sales Co., Ltd.
Yakult Toyama Sales Co., Ltd.
Yakult Hokuriku Co., Ltd.
*The following marketing company is generalized.
●Yakult Fukui Sales Co., Ltd.
Yakult Nanao Sales Co., Ltd.
Yakult Keiji Sales Co., Ltd.
Yakult Kinki Chuo Sales Co., Ltd. ●●
Yakult Osaka Hokubu Sales Co., Ltd.
Yakult Sennari Sales Co., Ltd.
Yakult Sakai Sales Co., Ltd.
Yakult Osaka Tobu Sales Co., Ltd.
Yakult Minami Osaka Sales Co., Ltd.
Yakult Nara Sales Co., Ltd.
Yakult Wakayama Sales Co., Ltd.
Yakult Kobe Sales Co., Ltd.
Yakult Hyogo Sales Co., Ltd. ●

Yakult Himeji Sales Co., Ltd.
Yakult Awaji Sales Co., Ltd.

Bottling companies (1)

Yakult Aichi Plant Co., Ltd. ●●●

West Japan Block

Yakult Ladies 8,600
Yakult Beauty Advisors 1,560

Honsha Organization

West Japan Branch
Saga Plant ●●●

Marketing companies (30)

Yakult Tottori Sales Co., Ltd.
Yakult Sanin Sales Co., Ltd.
Yakult Okayama Sales Co., Ltd.
Yakult Tsuyama Sales Co., Ltd.
Yakult Okayama Seibu Sales Co., Ltd.
Yakult Sanyo Co., Ltd.
*The following two marketing companies are generalized.
●Yakult Shin Hiroshima Sales Co., Ltd. ●●
●Yakult Yamaguchi Sales Co., Ltd. ●●
Yakult Hiroshima Chuo Sales Co., Ltd. ●●
Yakult Yamaguchi Ken Tobu Sales Co., Ltd.
Yakult Kagawa Sales Co., Ltd.
Yakult Tokushima Sales Co., Ltd.
Yakult Kochi Sales Co., Ltd.
Yakult Matsuyama Sales Co., Ltd.

Yakult Ehime Tobu Sales Co., Ltd.
Yakult Ehime Nanbu Sales Co., Ltd.
Yakult Kitakyushu Sales Co., Ltd.
Yakult Fukuoka Sales Co., Ltd.
Yakult Chuo Fukuoka Sales Co., Ltd.
Yakult Kurume Sales Co., Ltd.
Yakult Oita Sales Co., Ltd.
Yakult Saga Ken Sales Co., Ltd. ●●
Yakult Nagasaki Co., Ltd.
Yakult Sasebo Co., Ltd. ●●
Yakult Goto Sales Co., Ltd.
Yakult Kumamoto Co., Ltd.
Yakult Miyazaki Sales Co., Ltd. ●●
Yakult Miyakonojo Sales Co., Ltd. ●●●
Yakult Sendai Sales Co., Ltd. ●●
Yakult Kagoshima Sales Co., Ltd. ●●
Yakult Kagoshima Tobu Sales Co., Ltd. ●●
Yakult Okinawa Co., Ltd.

Bottling companies (2)

Yakult Okayama Wake Plant Co., Ltd. ●●●
Yakult Fukuoka Plant Co., Ltd. ●●●

The numbers of Yakult Ladies and Yakult Beauty Advisors are given in round numbers.



Yakult

●Please visit Yakult's Website at
<http://www.yakult.co.jp>
<http://www.yakult.co.jp/english/>
for more information on our company.



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