

May 2016

Yakult Establishes Branches in Kunming, Yunnan Province, and Nanning, Guangxi Zhuang Autonomous Region, China

Yakult Honsha Co., Ltd. (President: Takashige Negishi) today announced that its subsidiary Yakult (China) Corporation will establish two branches – one in Kunming, Yunnan Province and another in Nanning, Guangxi Zhuang Autonomous Region – and start sales of the Yakult fermented milk drink through supermarkets and other retail outlets from June 1, 2016.

With the establishment of Kunming Branch and Nanning Branch, Yakult now has 33 sales bases in China, and the expansion will further enhance the sales structure in the country's western region.

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

<Characteristics of sales area>

Yunnan Province is located in the southwestern region of China and borders Vietnam, Laos and Myanmar. It covers an area of approximately 394,000 km² and has a population of about 47.14 million.

Guangxi Zhuang Autonomous Region is located in the southwestern region of the country and borders Vietnam. It covers an area of approximately 236,000 km² with a population of about 47.54 million.

Kunming is the capital of Yunnan Province, while Nanning is the main city in Guangxi Zhuang Autonomous Region and both are expected to grow economically in the future.

1. Profile of Yakult (China) Corporation

- (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: 1,902 (as of the end of March 2016)

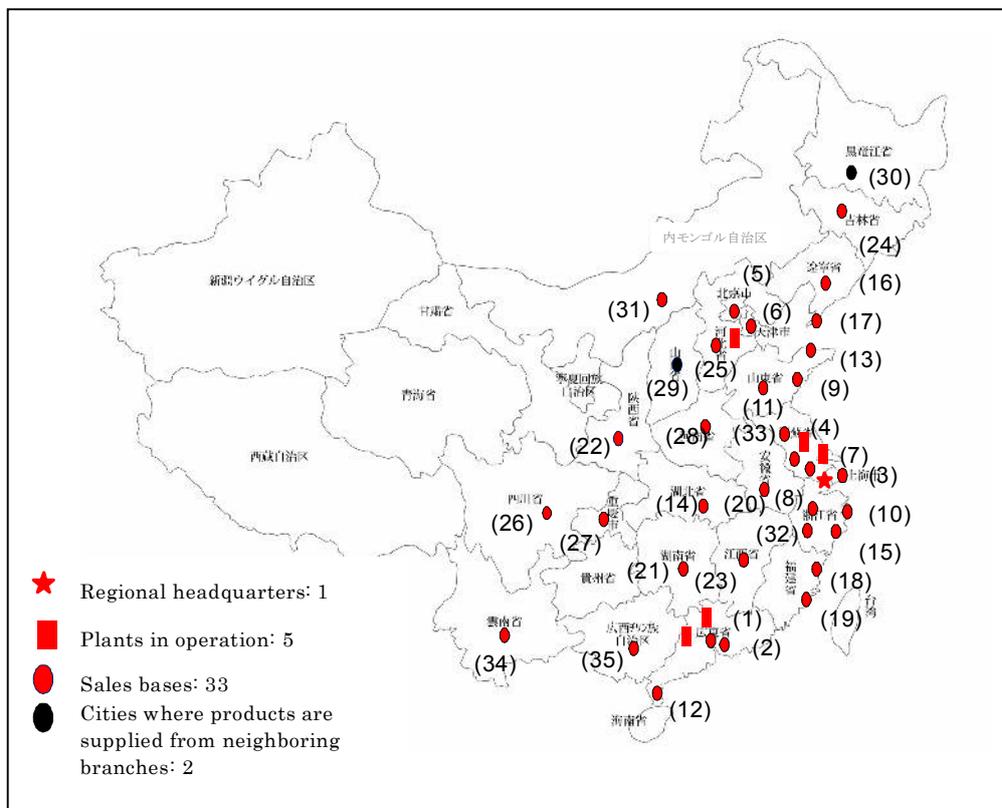
2. Profile of Kunming Branch, Yakult (China) Corporation

- (1) Location: Kunming City, Yunnan Province
- (2) Branch Manager: Bai Lin Xuan
- (3) Established: January 21, 2016
- (4) Areas managed: Kunming and surrounding cities
- (5) Marketing method: Through retail outlets including supermarkets
- (6) Start of sales: June 1, 2016
- (7) Sales target: 18,000 bottles per day in fiscal year 2016

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

- (1) Location: Nanning, Guangxi Zhuang Autonomous Region
- (2) Branch Manager: He Liang
- (3) Established: January 28, 2016
- (4) Areas managed: Nanning and surrounding cities
- (5) Marketing method: Through retail outlets including supermarkets
- (6) Start of sales: June 1, 2016
- (7) Sales target: 13,000 bottles per day in fiscal year 2016

[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

* Products for Taiyuan are supplied from Shijiazhuang Branch and for Harbin from Changchun Branch. The Yakult Group currently has 33 sales bases in China.