Stock Code: 2267
June 1, 2018

To our shareholders:

Takashige Negishi, Representative President
1-19, Higashi Shimbashi 1-chome, Minato-ku, Tokyo
Yakult Honsha Co., Ltd.

Notice of 66th Ordinary General Meeting of Shareholders

Dear Shareholders,
We are pleased to inform you that the 66th Ordinary General Meeting of Shareholders is scheduled as set forth below. We would greatly appreciate your attendance at the meeting.
If you are unable to attend the meeting on the scheduled day, you may exercise your vote using the voting form or over the Internet. Please exercise your voting right according to the directions provided.

Details

1. **Date/time** June 20, 2018 (Wednesday) at 10:00 am (reception to start at 9:00 am)
2. **Venue** "Hiten Main Banquet Hall" at Grand Prince Hotel New Takanawa
   13-1, Takanawa 3-chome, Minato-ku, Tokyo
3. **Purposes of the shareholders' meeting**

Matters to be reported:

1. Presentation of the business report, the consolidated financial statements and the audit results of the consolidated financial statements by an accounting auditor and the Board of Auditors for the 66th fiscal year (from April 1, 2017 to March 31, 2018)
2. Presentation of the financial statements for the 66th fiscal year (from April 1, 2017 to March 31, 2018)

Matters to be resolved:

Proposal Appointment of 15 directors

4. Decisions regarding the convocation

(1) When a shareholder exercises voting rights using the voting form, if the approval or disapproval for the proposal is not specified, it will be handled as an indication of approval.

(2) If a shareholder who has exercised his or her vote over the Internet also returns the voting form, the vote performed over the Internet will be considered as the shareholder's voting intention.

(3) In case the vote is cast more than once over the Internet, the final vote will be considered as the shareholder's intention.

(4) **Please make sure that the voting form is returned by 5 p.m., June 19, 2018.**

(5) **Voting over the Internet should be completed by 5 p.m., June 19, 2018.**

(6) If a shareholder is unable to attend the shareholders' meeting, he or she may send a person with voting rights as a proxy. The person, however, should submit a written statement proving the appointment of the person as proxy.

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Reference for General Meeting of Shareholders

Proposal : Appointment of 15 directors

The tenure of all the directors (15 directors) will expire at the close of the upcoming general shareholders' meeting and therefore we would like to propose the appointment of 15 new directors.

The details of the candidate for the post of directors are as stated below.

No	Name	The title of directors and their responsibilities within the Group at present			
1	Takashige Negishi	Representative President, President & Executive Officer	Reappointment		
2	Yoshihiro Kawabata	Director, Deputy-president & Executive Officer	Reappointment		
3	Hiroshi Narita	Director, Senior Managing Executive Officer	Reappointment		
4	Hiroshi Wakabayashi	Director, Senior Managing Executive Officer	Reappointment		
5	Fumiyasu Ishikawa	Director, Senior Managing Executive Officer	Reappointment		
6	Masaki Tanaka	Director, Managing Executive Officer	Reappointment		
7	Masanori Ito	Director, Managing Executive Officer	Reappointment		
8	Akifumi Doi	Director, Managing Executive Officer	Reappointment		
9	Tetsuya Hayashida	Director, Managing Executive Officer	Reappointment		
10	Richard Hall	Director, Executive Officer	Reappointment		
11	Ryuji Yasuda	Director	Reappointment	Outside	Independent
12	Masayuki Fukuoka	Director	Reappointment	Outside	Independent
13	Norihito Maeda	Director	Reappointment	Outside	
14	Susumu Hirano	Managing Executive Officer	Newly-appointed		
15	Pascal Yves de Petrini	－	Newly-appointed	Outside	

No	Name (Date of Birth)	Personal History, The title of directors and their responsibilities within the Group, and Outside Positions as Representative	No. of Company Shares Owned
1	Takashige Negishi (Dec. 2, 1948) Reappointment	Apr. 1971 Joined Yakult Honsha Jun. 2005 Director Jun. 2008 Managing Director Jun. 2009 Senior Managing Director Jun. 2011 Representative President, COO, President & Executive Officer Jun. 2017 Representative President, President & Executive Officer (to date) Outside Positions as Representative Owner of Yakult Kyudan Co., Ltd. Chairman, Japanese Association of Fermented Milks and Fermented Milk Drinks	16,100
2	Yoshihiro Kawabata (Jan. 5, 1949) Reappointment	Apr. 1971 Joined Yakult Honsha Jun. 2003 Director Jun. 2007 Managing Director Jun. 2009 Senior Managing Director Jun. 2011 Director, Deputy-president & Executive Officer (to date) Outside Positions as Representative President of Hong Kong Yakult Co., Ltd. President of Yakult China Co., Ltd. President of Guangzhou Yakult Co., Ltd. Representative Chairman of Yakult Europe B.V.	14,300
3	Hiroshi Narita (Oct. 8, 1951) Reappointment	Apr. 1974 Joined Yakult Honsha Jun. 2007 Director Jun. 2010 Managing Director Jun. 2011 Managing Executive Officer Jun. 2012 Director, Managing Executive Officer Jun. 2015 Director, Senior Managing Executive Officer (to date) Outside Positions as Representative Representative Director of Yakult UK Ltd.	10,200
4	Hiroshi Wakabayashi (Apr. 4, 1952) Reappointment	Apr. 1977 Joined Yakult Honsha Jun. 2009 Director Jun. 2011 Executive Officer Jun. 2012 Managing Executive Officer Jun. 2015 Director, Managing Executive Officer Jun. 2016 Director, Senior Managing Executive Officer (to date)	7,300
5	Fumiyasu Ishikawa (July 7, 1952) Reappointment	Jun. 1984 Joined Yakult Honsha Jun. 2009 Director Jun. 2011 Executive Officer Jun. 2013 Managing Executive Officer Jun. 2015 Director, Managing Executive Officer Jun. 2016 Director, Senior Managing Executive Officer (to date)	11,600
6	Masaki Tanaka (Sep. 1, 1953) Reappointment	Apr. 1977 Joined Yakult Honsha Jun. 2009 Director Jun. 2011 Executive Officer Jun. 2013 Managing Executive Officer Jun. 2016 Director, Managing Executive Officer (to date)	5,600

No	Name (Date of Birth)	Personal History, The title of directors and their responsibilities within the Group, and Outside Positions as Representative	No. of Company Shares Owned
7	Masanori Ito (Mar. 10, 1954) Reappointment	Jun. 2000 Joined Yakult Honsha Jun. 2010 Director Jun. 2011 Executive Officer Jun. 2013 Managing Executive Officer Jun. 2014 Director, Managing Executive Officer (to date)	7,400
8	Akifumi Doi (Nov. 3, 1953) Reappointment	Apr. 1978 Joined Yakult Honsha Jun. 2011 Executive Officer Jun. 2015 Managing Executive Officer Jun. 2017 Director, Managing Executive Officer (to date)	7,500
9	Tetsuya Hayashida (Jun. 21, 1955) Reappointment	Apr. 1978 Joined Yakult Honsha Jun. 2011 Executive Officer Jun. 2015 Managing Executive Officer Jun. 2017 Director, Managing Executive Officer (to date)	6,100
10	Richard Hall (Sep. 10, 1967) Reappointment	Jul. 1993 Joined Danone International Brands Japan Co., Ltd. (present Danone Waters of Japan Co., Ltd.) Jan. 2001 President of Danone Waters of Japan Co., Ltd Nov. 2002 Director of KIRIN MC DANONE WATERS Co., Ltd. Oct. 2006 Representative of Group Danone (present Danone), Yakult-Danone Liaison Office (to date) Jun. 2009 Director Sep. 2011 Representative Director of Danone Waters of Japan Co., Ltd. Jun. 2012 Director, Executive Officer (to date) Feb. 2013 Director of Danone Waters of Japan Co., Ltd.	——

No	Name (Date of Birth)	Personal History, The title of directors and their responsibilities within the Group, and Outside Positions as Representative	No. of Company Shares Owned
11	Ryuji Yasuda (Apr. 28, 1946) Reappointment Outside Independent	Jul. 1976 Joined Morgan Guaranty Trust Company of New York (present JPMorgan Chase & Co.) Jun. 1991 Director, McKinsey & Company Jul. 1996 Asia Representative, A.T. Kearny, Inc. Jun. 2003 Representative Chairman, J Will Partners Co., Ltd. Outside Director, Daiwa Securities Group Inc. Apr. 2004 Professor, International Business Strategy, Graduate School of International Corporate Strategy, Hitotsubashi University Apr. 2007 Outside Director, Fukuoka Financial Group, Inc. Jun. 2007 Outside Director, Sony Corp. Jun. 2009 Director (to date) Apr. 2010 Specially approved visiting Professor, International Business Strategy, Graduate School of International Corporate Strategy, Hitotsubashi University Jun. 2011 Outside Audit & Supervisory Board Member, the Asahi Shinbun Company (to date) Jun.2013 Outside Director, Orix Corp. (to date) Jun.2015 Outside Director, Benesse Holdings,Inc. (to date) Apr.2018 Specially approved visiting Professor, Graduate School of Management, Hitotsubashi University(to date) Apr.2018 Outside Director, Kansai Mirai Financial Group Inc. (to date) Outside Positions as Representative Specially approved visiting Professor, Graduate School of Management, Hitotsubashi University Outside Director, Orix Corp. Outside Director, Benesse Holdings,Inc. Outside Director, Kansai Mirai Financial Group Inc. Outside Audit & Supervisory Board Member, the Asahi Shinbun Company.	——

No	Name (Date of Birth)	Personal History, The title of directors and their responsibilities within the Group, and Outside Positions as Representative	No. of Company Shares Owned
12	Masayuki Fukuoka (Sep. 9, 1945) Reappointment Outside Independent	Apr. 1973 Part-time lecturer of Meiji Gakuin University Faculty of Law Apr. 1980 Assistant Professor of Komazawa University Faculty of Law Apr. 1992 Professor of Hakuou University Faculty of Law Oct. 1997 Visiting Professor of Gifu Shotoku Gakuen University (to date) Sep. 2002 Visiting Professor of Ritsumeikan University Apr. 2011 Specially approved visiting Professor of Tohoku Fukushi University (to date) Jun. 2011 Director (to date) Apr. 2016 Honorary Professor, Hakuoh University (to date) Jun. 2016 Visiting Professor of Kenritsu Hiroshima University (to date) Outside Positions as Representative Honorary Professor, Hakuoh University, Specially approved visiting Professor of Tohoku Fukushi University.	800
13	Norihito Maeda (July. 24, 1962) Reappointment Outside	Dec.1993 Joined Yakult Kita-keihin Sales Co., Ltd. (present Yakult Kanagawa-ken Tobu Sales Co., Ltd.) Jun. 1995 Director of Yakult Kita-keihin Sales Co., Ltd. Apr. 1998 President of Yakult Kita-keihin Sales Co., Ltd. May. 1999 Joined Yakult Nagaoka Sales Co., Ltd. (present Yakult Niigata Chuo Sales Co., Ltd.) Nov. 2000 President of Yakult Nagaoka Sales Co., Ltd. May. 2006 Chairman of Yakult Nagaoka Sales Co., Ltd. Apr. 2011 President of Yakult Kanagawa Tobu Sales Co., Ltd. (to date) Jun. 2015 Director (to date) Outside Positions as Representative President of Yakult Kanagawa Tobu Sales Co., Ltd.	7,500

No	Name (Date of Birth)	Personal History, The title of directors and their responsibilities within the Group, and Outside Positions as Representative	No. of Company Shares Owned
14	Susumu Hirano (July. 26, 1954) Newly-appointed	Apr. 1977 Joined Yakult Honsha Apr. 2007 General Manager of International Business Department Apr. 2011 Director and President of Yakult(China) corporation(to date) Jun. 2011 Executive Officer Jun. 2016 Managing Executive Officer(to date)	5,800
15	Pascal Yves de Petrini (Feb. 8, 1960) Newly-appointed Outside	1984 Joined Danone France Jan.2008 Vice President, Danone Asia Pacific Jun.2015 Executive Vice President, Danone Singapore Oct.2017 Senior Vice President, Non-Executive Chairman, Danone Asia (to date) Dec.2017 Non-Executive Director, China Mengniu Dairy Co., Ltd. (to date) Outside Positions as Representative Senior Vice President, Non-Executive Chairman, Danone Asia Non-Executive Director, China Mengniu Dairy Co., Ltd.	——

(Notes) 1. Four Candidates No.11 Mr. Ryuji Yasuda, No.12 Mr. Masayuki Fukuoka, No.13 Mr. Norihito Maeda and No.15 Mr. Pascal Yves de Petrini are candidates for outside directors.

2. The proposal of Candidate No.11 Mr. Ryuji Yasuda as a candidate for outside director is based on the expertise in business strategy he has accumulated over the years in wide-ranging positions including those of university professor, consultant and business manager and the assessment that he can offer pertinent advice regarding the overall management of the Company which would further strengthen and enrich its management structure.
3. The proposal of Candidate No.12 Mr. Masayuki Fukuoka as a candidate for outside director is based on the assessment that his expertise and experience as a university professor of political science studies would enable him to offer objective views to the Company's management and subsequently lead to further reinforcement and enhancement of the management structure. While he has no experience of direct involvement in management of a company except to be an outside officer, the Company believes that he would be able to perform the duty as outside director appropriately for the above reason.
4. The proposal of Candidate No.13 Mr. Norihito Maeda as a candidate for outside director is based on the expectation that his long record of managing a Yakult sales company will be an advantage when he can offer pertinent advice, thus contributing significantly to the development of the entire Yakult Group.
5. The proposal of Candidate No.15 Mr. Pascal Yves de Petrini as candidates for outside director is based on the high rating of their abundant overseas management experience and the assessment that they can offer pertinent advice from a broad perspective regarding overall

management when going forward with future business development which would lead to further strengthening of the management structure.

6. Candidates No.13 Mr. Norihito Maeda is currently President of Yakult Kanagawa Tobu Sales Co., Ltd., which is our affiliated company. In addition, in the past 5 years, he has been Director of Yakult Nagaoka Sales Co., Ltd., which was our affiliated company.
7. Candidate No.11 Mr. Ryuji Yasuda and No.12 Mr. Masayuki Fukuoka are currently serving as the Company's outside directors and their respective terms of office as of the end of this Shareholders' Meeting are 9 years for Candidate No.11 Mr. Ryuji Yasuda, 7 years for Candidate No.12 Mr. Masayuki Fukuoka. In addition, Candidate No.13 Mr. Norihito Maeda is currently serving as the Company's director and their respective terms of office as of the end of this Shareholders' Meeting are 3 years.
8. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded agreements with each director (excluding executive director ,etc.) to limit the liability for damages under Article 423, Paragraph 1 of the law. In the event the proposal of Candidate No.11 Mr. Ryuji Yasuda, No.12 Mr. Masayuki Fukuoka, and No.13 Mr. Norihito Maeda as outside director position is approved, the Company intends to conclude these agreements with five candidates to limit the liability for damages again. And when Candidate No.10 Mr. Richard Hall and No.15 Mr. Pascal Yves de Petrini as director position are approved, the Company intends to conclude these agreements with them to limit the liability for damages.

   The overview of the contents of the Contract for Limitation of Liability is as follows:

   - If a director (excluding executive director ,etc.), by neglecting his duty, causes damage to the Company, the each director (excluding executive director ,etc.) shall be liable to pay damages up to the minimum liability amount in accordance with Paragraph 1, Article 425 of the Companies Act, as long as the director had carried out his duty in good faith and there was no gross negligence on the part of the director.
9. Companies that have relationships with the Company (excluding 100% subsidiaries) and at which candidates for the position of director serve in representative positions are as follows:
   - Candidate No.1 Mr. Takashige Negishi is a representative of Yakult Kyudan Co., Ltd., which engages in transaction for real estate (land and building) leasing and advertisement in baseball stadium, etc. with the Company.
   - Candidate No.2 Mr. Yoshihiro Kawabata is a representative of Hong Kong Yakult Co., Ltd, and Guangzhou Yakult Co., Ltd which engages in transactions for production materials with the Company on an equal basis with other overseas business offices.
   - Candidates No.13 Mr. Norihito Maeda is President of Yakult Kanagawa Tobu Sales Co., Ltd., which engage in merchandise sales transactions with the Company on an equal basis with other sales companies.
10. Candidate No.10 Mr. Richard Hall and No.15 Mr. Pascal Yves de Petrini serve as directors of Danone and of several Danone subsidiaries, including companies that compete with Yakult

Honsha.

11. Candidates No.11 Mr. Ryuji Yasuda and No.12 Mr. Masayuki Fukuoka are candidates of independent director that is set by Tokyo Stock Exchange.
12. The Number of Company Shares Owned by the candidates for directors include the shares they hold under shareholding plans.