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Herbalife Breaks Ground for Extraction Facility in China

LOS ANGELES--(BUSINESS WIRE)-- Herbalife Ltd. (NYSE:HLF) held a ground-breaking ceremony in Changsha, Hunan Province, China for its multi-million dollar, state-of-the-art extraction facility for botanical extracts, powders and pure compounds to be used in its inner and outer nutrition products. The new facility, expected to open in the second half of 2011, is part of the company's 'seed to feed' strategy for quality control, purity, and traceability on all ingredients throughout its supply chain. The facility is a joint venture with NatSource Chemicals and its principal Dr. Qun Yi Zheng, Ph.D., a leading expert in the field of extraction and processing of natural compounds for use in food, supplements and pharmaceuticals.

The new extraction facility will purchase botanicals directly from farms in Hunan province and other regions, perform extraction and other conversion processes and then send these processed raw materials directly to Herbalife's manufacturing facilities in Suzhou, China and Lake Forest, Calif. or to its third party manufacturers throughout the world. The new extraction plant will produce botanical extracts including teas, guarana, chamomile, broccoli and bilberry, among others, for use in many of its products. Herbalife is also in the process of entering into strategic supply agreements with farmers in Hunan and other provinces to provide ultimate traceability for its ingredients.

Changsha, the capital of Hunan province, was chosen for its location on the banks of the Yangtze River as home to many of the world's nutritional herbs and botanicals.

Herbalife's 80,000 sq. ft. facility in Changsha will be capable of processing approximately 8,000 metric tons of raw materials annually through extraction, purification and drying of powders and liquids. The new plant will create approximately 120 local jobs. The project received support from the Hunan provincial and Changsha City governments.

Herbalife received its first direct-selling license in China in March 2007 and now has licenses for the company to conduct its direct-selling business in 16 provinces. Herbalife also currently operates 75 retail stores in 30 provinces in China.

About Qun Yi Zheng, Ph.D.

Dr. Zheng is the founder, chairman and CEO of NatSource Chemicals Corp, a specialty natural product company that provides unique products and services to pharmaceutical and supplement industries. The key technologies of NatSource Chemicals are combination of natural product extraction, isolation and purification with synthetic chemistry in the natural product processes. The company's headquarters is in New Jersey, and has a research center and production labs in Hunan, China. Before starting NatSource Chemicals, Dr. Zheng was the President of Pure World Inc., a leading natural botanical extraction manufacturer in the world. Dr. Zheng is an expert in the natural product and nutraceutical

industries, and in technology development for botanical extraction, processing and analytical method development for the isolation, purification and identification of natural products. He is a professor at Hunan University and Hunan Traditional Chinese Medical University.

About Herbalife

[Herbalife Ltd.](#) (NYSE:HLF) is a global network marketing company that sells weight-management, nutrition, and personal care products intended to support a healthy lifestyle. Herbalife products are sold in 73 countries through a network of approximately 2.1 million independent distributors. The company supports the [Herbalife Family Foundation](#) and its Casa Herbalife program to help bring good nutrition to children. Herbalife's website contains a significant amount of information about Herbalife, including financial and other information for investors at <http://ir.Herbalife.com>. The company encourages investors to visit its website from time to time, as information is updated and new information is posted.

Source: Herbalife Ltd.