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# Herbalife Increases U.S. Manufacturing Capacity

***California-based nutrition company enters into agreement to purchase manufacturing facility in Winston Salem, North Carolina***

LOS ANGELES--(BUSINESS WIRE)-- Herbalife Ltd. (NYSE: HLF), a global nutrition company, announced today that it entered into a definitive agreement to purchase a manufacturing facility in Winston Salem, North Carolina. This purchase further expands Herbalife's global manufacturing capacity and is in line with the company's stated strategy to increase self-manufacturing for its products.

The agreement is based upon a cash purchase of \$22.2 million and includes incentives from Winston Salem, Forsyth County and the state of North Carolina. The receipt of these incentives, coupled with an existing manufacturing facility and the availability of quality labor force in the Triad region, were key criteria that the company considered upon selecting this location above other cities in the southeast.

In addition to the building purchase, Herbalife plans to invest in excess of \$100 million on machinery & technology, as well as a complete retro-fitting of the existing facility to ensure it is in full compliance with U.S. Good Manufacturing Practices (cGMPs) for dietary supplements and food products. The facility will employ approximately 500 new positions when it reaches full production and it will manufacture Herbalife's nutritional powders and liquids for the North American and other markets around the world.

"This acquisition is part of the ongoing execution of our previously stated 'seed to feed' strategy – vertically integrating our supply chain to give us even greater control of our products at every stage of the process and increasing our ability to meet the increased product needs of our independent distributors and their customers around the world," said Rich Goudis, chief operating officer. "We are thankful to Governor Perdue, who played a key role in our decision to locate our operations in North Carolina and we are excited about the opportunities this new facility offers to both our business and the local economy."

It is anticipated that the deal will close in late December 2012, subject to the completion of due diligence on the property.

## **About Herbalife Ltd.**

Herbalife Ltd. (NYSE:HLF) is a global nutrition company that sells weight-management, nutrition, and personal care products intended to support a healthy lifestyle. Herbalife products are sold in more than 80 countries to and through a network of 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 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.

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