

March 11, 2014



Herbalife Responds to Pershing Square's Presentation

LOS ANGELES--(BUSINESS WIRE)-- Herbalife (NYSE: HLF) today issued the following statement in response to Pershing Square's presentation:

Herbalife remains confident in its business in China, which is built on customers enjoying and benefiting from our nutrition products each and every day. We will continue to invest in this important market and collaborate with the Chinese government to deliver high-quality nutrition to the Chinese consumer through lawful direct selling practices. The presentation reflects Mr. Ackman's continued failure to fundamentally understand Herbalife's business model.

Herbalife (China) has designed and implemented a business model unique to China that is in compliance with Chinese direct-selling and anti-pyramid regulations, and includes strict rules of conduct that prohibit, among other things, illegal recruitment, "pyramid" activities, false product and income claims, and conduct that is deemed illegal under Chinese laws.

Herbalife (China) is committed to the protection of the Chinese consumer and protecting the integrity of the direct-selling channel. The Herbalife Gold Standard Guarantee offers product returns and other protections for consumers and direct sellers of Herbalife product in China. To ensure Herbalife sales representatives and service providers comply with all aspects of Chinese consumer protection laws, Herbalife (China) has a robust training program that reinforces its rules, promotes ethical behavior, and discourages market misconduct.

Since obtaining its first direct-selling license in 2007, Herbalife (China) has regularly partnered with local, regional, and national Chinese government officials in seeking out and penalizing those who violate Chinese laws and Herbalife (China)'s rules. Most recently, Herbalife (China) reaffirmed its commitment to work with the Ministry of Commerce (MOFCOM) and the State Administration for Industry and Commerce (SAIC) to continue to eliminate illegal direct sales activities.

To date, Herbalife (China) has obtained direct-selling licenses in 25 provinces and regional municipalities, which collectively service 97 percent of the Chinese consumer population.

Currently, Herbalife (China) has almost 150,000 Preferred Customers, who purchase our products for self-consumption, not for distribution, and there are nearly 3,000 Nutrition Clubs throughout China. These Nutrition Clubs, individually licensed by the Chinese government, provide further proof of Herbalife's daily consumption model with a visible "brick and mortar" presence. Additionally, Herbalife (China) has made significant investments in its production capabilities in China with manufacturing plants in Suzhou

and Changsha.

With a solid base of consumers, the “brick and mortar” presence of the Nutrition Clubs, and production facilities in two provinces, Herbalife (China) has established itself as a leading nutrition brand and legitimate direct-selling company in China that we believe is compliant with, and supportive of the letter and spirit of Chinese regulations in promoting social stability and sustainable economic growth.

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 90 countries to and through a network of independent members. 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 financial and other information about the company 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.

FORWARD-LOOKING STATEMENTS

Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties, such as those disclosed or incorporated by reference in our filings with the Securities and Exchange Commission. Important factors that could cause our actual results, performance and achievements, or industry results to differ materially from estimates or projections contained in our forward-looking statements include, among others, the following:

- any collateral impact resulting from the ongoing worldwide financial environment, including the availability of liquidity to us, our customers and our suppliers or the willingness of our customers to purchase products in a difficult economic environment;*
- our relationship with, and our ability to influence the actions of, our Members;*
- improper action by our employees or Members in violation of applicable law;*
- adverse publicity associated with our products or network marketing organization, including our ability to comfort the marketplace and regulators regarding our compliance with applicable laws;*
- changing consumer preferences and demands;*
- our reliance upon, or the loss or departure of any member of, our senior management team which could negatively impact our Member relations and operating results;*
- the competitive nature of our business;*
- regulatory matters governing our products, including potential governmental or regulatory actions concerning the safety or efficacy of our products and network marketing program, including the direct selling market in which we operate;*

- *legal challenges to our network marketing program;*
- *risks associated with operating internationally and the effect of economic factors, including foreign exchange, inflation, disruptions or conflicts with our third party importers, pricing and currency devaluation risks, especially in countries such as Venezuela;*
- *uncertainties relating to the application of transfer pricing, duties, value added taxes, and other tax regulations, and changes thereto;*
- *uncertainties relating to interpretation and enforcement of legislation in China governing direct selling;*
- *uncertainties relating to the interpretation, enforcement or amendment of legislation in India governing direct selling;*
- *our inability to obtain the necessary licenses to expand our direct selling business in China;*
- *adverse changes in the Chinese economy, Chinese legal system or Chinese governmental policies;*
- *our dependence on increased penetration of existing markets;*
- *contractual limitations on our ability to expand our business;*
- *our reliance on our information technology infrastructure and outside manufacturers;*
- *the sufficiency of trademarks and other intellectual property rights;*
- *product concentration;*
- *changes in tax laws, treaties or regulations, or their interpretation;*
- *taxation relating to our Members;*
- *product liability claims;*
- *whether we will purchase any of our shares in the open markets or otherwise; and*
- *share price volatility related to, among other things, speculative trading and certain traders shorting our common shares.*

We do not undertake any obligation to update or release any revisions to any forward-looking statement or to report any events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law.

Herbalife Ltd.

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