
COMPANY INTRODUCTION

LOTTE
CONFECTIONERY

Company name	LOTTE Confectionery Co.,Ltd
Foundation	Y1967
Employees	4,796
Revenue	USD 2.3 billion (FY2015)
Website	http://www.lotteconf.co.kr/eng/
Head office location	Yangpyeong-ro 21-gil, Yeongdeungpo-gu, Seoul, Korea
Major Products	GUM, CANDY, CHOCOLATE, BISCUIT, PIE, SNACK, ICE-CREAM

LOTTE Confectionery will become 'ASIA's No.1 Confectionery Company'

**Unsatisfied with being the best confectionery company in Korea,
LOTTE Confectionery is now growing into a global company.**

A leader in the confectionery business on the way to becoming a world-class firm. The founding company of the LOTTE Group, LOTTE Confectionery was established in 1967, and has since grown to be No.1 in the delicious world of sweets. Exporting to more than 70 countries for more than US\$ 2billion in annual sales, it has remained the leader in the industry through continued development of new products, adoption of diversified marketing strategies and advanced distribution methods. It has also contributed to the sophistication and globalization of the nation's food industry with the development of technology related to foods of the future.

Its eight large factories around the nation manufacturing over 200 types of products, including chewing gum, chocolate, cookies and ice cream, ensure the company's domestic market share remains at the top as well. Exports of chewing gum and chocolate, in particular, continue to increase every year too. The Company has also made remarkable progress in expanding its new business territories to include health foods (Health 1). Moreover, LOTTE Confectionery products have made the top product list in each category as a result of the companies superior marketing know-how. Many of LOTTE's products are long-time favorites.

LOTTE Confectionery plans to increase attention to its functional food business, as well as develop high value-added products, such as health foods. The company also seeks to accelerate efforts overseas, pushing ahead into markets in Asia.



Welcome everyone. I want to thank you for your continued encouragement and support for our company. By devoting our efforts to execute our corporate philosophy namely, 'aiming to contribute to the health and happiness of people', LOTTE Confectionery is now recognized as the best confectionery company in Korea and our products are loved by people of all ages.

Now, we're ready to take the giant leap towards 'ASIA's No.1 Confectionery Company' to ensure continued growth for the company. To this end, we have been reinforcing existing business, adding new business lines in the domestic market, while actively participating in the overseas markets.

Over the years, LOTTE Confectionery has set up overseas operations with the creation of factories, distribution and operation facilities in China, followed by Russia, India, Vietnam, and so on. We have applied different approaches to local variations in the global market which includes tailoring the product portfolios to local market needs.

Moreover, LOTTE Confectionery will continue to expand our domestic business further into adjacent markets such as health related consumer products to secure future growth.

We promise that LOTTE Confectionery will create customer satisfaction with the best products that you can enjoy every day. Our spirit of challenge and innovation is driving us LOTTE Confectionery to become the ASIA No.1 Confectionery.

Thank you.

CEO, Lotte Confectionery

Kim Yong-su

A handwritten signature in black ink, corresponding to the name Kim Yong-su. The signature is stylized and fluid, written in a cursive-like manner.

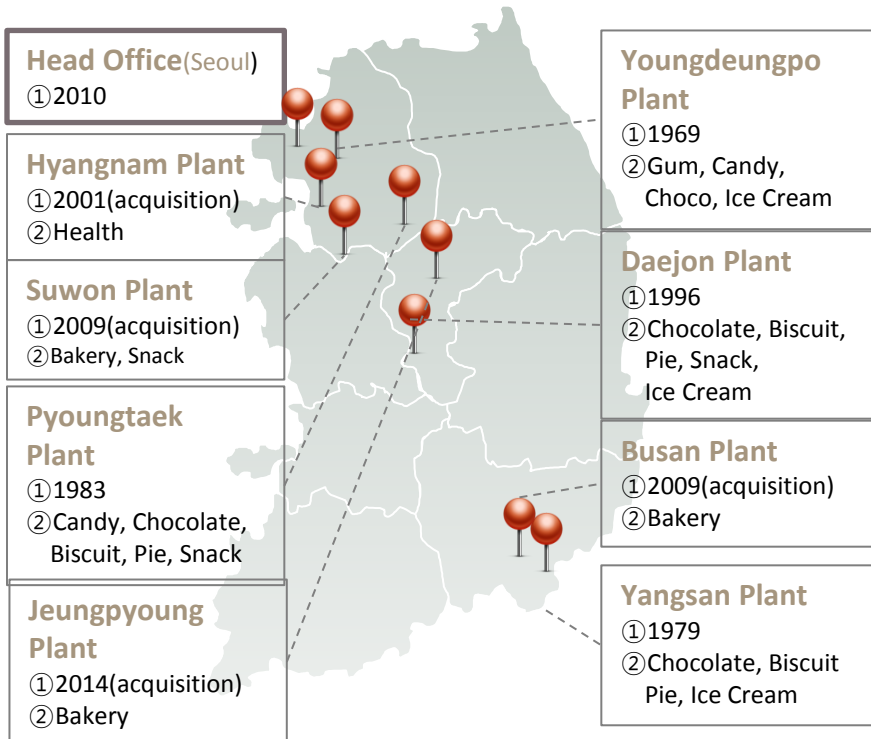
8 Factories, 29 Sales Branches, 142 Sales Offices in Domestic
21 Factories over 8 Countries Overseas



Domestic

Headquarters & Factories at the end of 2015

① year of establishment, ② product lines

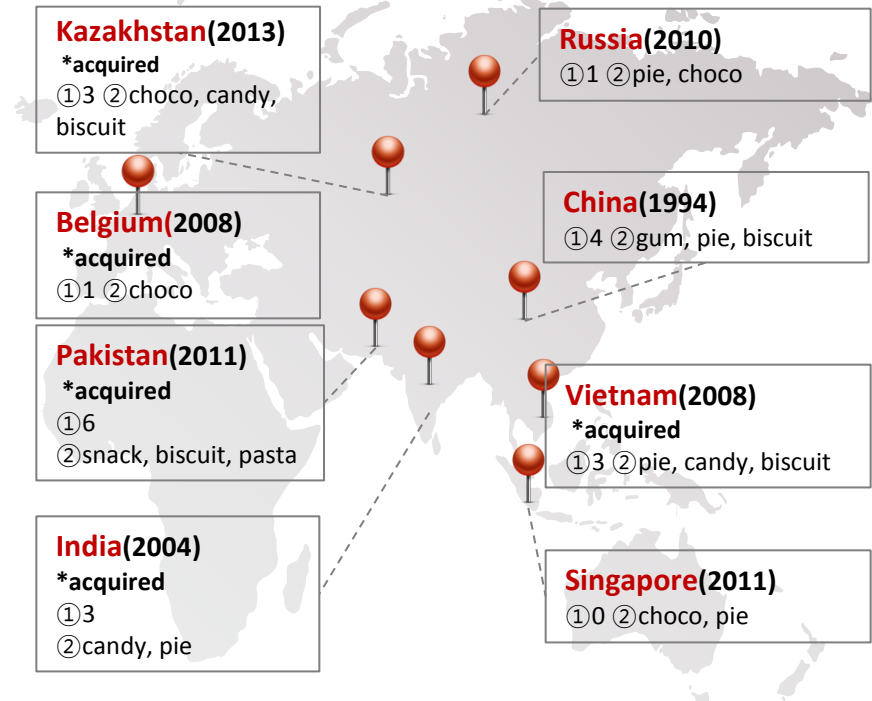


Overseas

Subsidiaries & Factories at the end of 2015

(Year of foundation / acquisition),

① # of factories, ② product lines



CONFECTIONERY



ICE CREAM



HEALTH

B
A
K
E
R
Y

Chewing Gum - XYLITOL

Product

Xylitol Alpha

(Original, Power mint, Fresh, Aloe Vera)



86g x 6 Bottles x 4 Displays

Xylitol Coating

(Original, Pink mint, Ice mint)



96g x 6 Bottles x 4 Displays

Xylitol Coating Case

(Original, Pink mint, Ice mint)



16g x 12 case x 6B/L

Product concept

- ✓ Prevent “Dental Caries”
- ✓ Sugar-free Chewing gum

Product Feature

- ✓ Xylitol from Finnish birch tree
- ✓ Bottle type, convenient to eat in the car
- ✓ Chewing gum with xylitol granules
- ✓ Fresh and mint flavors offer cooling sensation in your mouth

RSP in Korea

U\$5.22

U\$4.35

U\$0.87

FOB in Korea

U\$1.354 (U\$32.50/Ctn)

U\$1.125 (U\$27.00/Ctn)

U\$0.215 (U\$15.50/Ctn)

Candy - ANYTIME

Product



Anytime Pack

(Milkmint, Bluemint,
Lemonmint)



86g x 20 pack

Product
concept

- ✓ Sugar-free Candy
- ✓ Refresh your mouth anytime, anywhere !

Product
Feature

- ✓ Fresh and mint flavors offer cooling sensation in your mouth
- ✓ 3-layered formulation
- ✓ Low calorie, 9 Kcal per each
- ✓ Milk flavor : Exquisite harmony of xylitol's freshness & milk flavor
- ✓ Blue mint flavor: Offering xylitol's freshness and cooling sensation of ocean
- ✓ Lemon mint flavor: Suitable for women's taste with lemon juice (0.2%)

RSP in Korea

U\$1.74

FOB in Korea

U\$0.70 (U\$14.00/Ctn)

Candy- MALANG COW

Product

Malang Cow

(Milk, Strawberry Banana)



63g x 20 pk

Malang Cow

(Milk, Banana)



84g x 6EA x 4B/L / 80g x 6EA x 4B/L

Product
concept

- ✓ Soft candy which does not stick to teeth
- ✓ Soft chewing candy with aeration technique

Product
Feature

- ✓ Milk flavored chewing candy
- ✓ Soft elasticity and fluffy texture for fun of chewing
- ✓ The thicker milk / strawberry milk taste with the more chewing
- ✓ New manufacturing method - Aeration
- ✓ Candy with soft air inside, gently melting in the mouth

RSP in Korea

U\$1.74

U\$2.61

FOB in Korea

U\$0.70 (U\$14.00/Ctn)

U\$1.125 (U\$27.00/Ctn)

Biscuit - KANCHO

Product

Kancho



42g x 48 pack

Kancho cup



95g x 6EA x 4B/L

Product
concept

- ✓ Chocolate-filled Biscuit

Product
Feature

- ✓ Ball-shaped biscuit, filled with chocolate
- ✓ Suitable Bite size for kids
- ✓ Kany, Chony - Biscuit with its own characters
- ✓ Alternative flavors are available (Banana, Cheese, etc.)

RSP in Korea

U\$1.04

U\$1.74

FOB in Korea

U\$0.188 (U\$9.00/Ctn)

U\$0.625 (U\$15.00/Ctn)

Pie - CHOCO PIE

Product

Choco Pie



6pk : 28g x 6pk x 16case

Choco Pie Cacao



12pk : 28g x 12pk x 8case

Product
concept

✓ Chocolate cake with Marshmallow

Product
Feature

- ✓ Exquisite harmony of chocolate & marshmallow
- ✓ Aluminum foil wrapping for freshness
- ✓ Alternative daily meal

RSP in Korea

U\$2.09

U\$4.17

U\$2.09

U\$4.17

FOB in Korea

U\$0.594 (U\$9.50/Ctn) U\$1.125 (U\$9.00/Ctn)

U\$0.625 (U\$10.00/Ctn) U\$1.188 (U\$9.50/Ctn)

Chocolate - Pepero

Product

Choco



47g x 40pk

Almond



36g x 40pk

White
Cookie



32g x 40pk

Nude



47g x 40pk

Double Dip
(Strawberry,
Choco)



50g x 40pk

Product
concept

- ✓ Chocolate coated stick biscuit
- ✓ Chocolate center-filled stick biscuit

Product
Feature

- ✓ Chocolate with Slivered Almonds/White-cookie for Almonds Pepero and White-cookie Pepero
- ✓ Stick type, easy to hold & eat
- ✓ The most popular brand, Korea's no.1 chocolate-stick biscuit
- ✓ November 11th (11.11) is named as >>Pepero Day<< in Korea.

RSP in Korea

U\$1.04

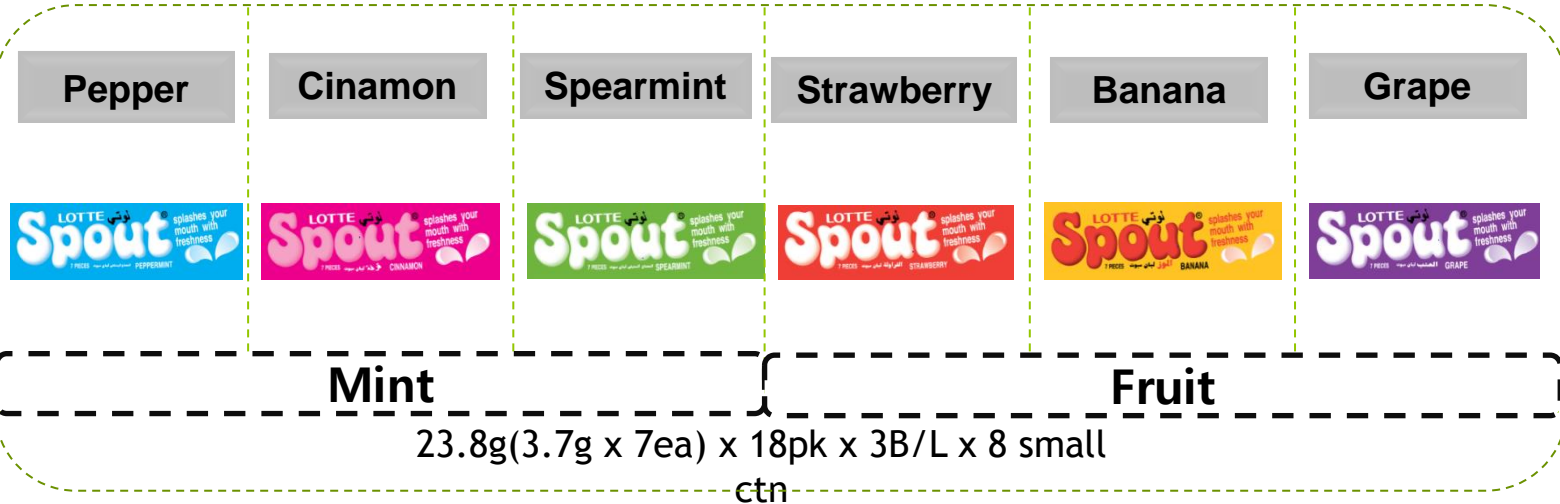
U\$1.3

FOB in Korea

U\$0.35 (U\$14.00/Ctn) / Almond : U\$0.375 (U\$15.00/Ctn) U\$0.425 (U\$17.00/Ctn)

Chewing Gum - Spout

Product



Product concept

- ✓ Center-filled Chewing gum

Product Feature

- ✓ Fruit-jam injected inside
- ✓ Operate 6 flavors
- ✓ Enough amount per pack (7ea/pack)

RSP in Korea

U\$0.1

RSP in India

U\$0.1 (India : Rs.6)

FOB in Korea

U\$0.109 (U\$47.00/Ctn)

FOB in India

U\$0.085 (U\$36.70/Ctn)

Chocolate - Dream Cacao

Product

56%



90g x 6bottle x 4B/L

72%



90g x 6bottle x 4B/L

Product
concept

- ✓ Square-shaped chocolate bites

Product
Feature

- ✓ The most popular chocolate brand >> Dream Cacao <<
- ✓ Square-shaped small bites, easy to eat, not be smeared with melted chocolate
- ✓ Containing polyphenol which provides energy

RSP in Korea

U\$2.61

FOB in Korea

U\$1.042 (U\$25.00/Ctn)

Pie - Custard

Product



Product
concept

- ✓ Creamy and soft cake that custard is injected inside

Product
Feature

- ✓ Use flour containing high level of nutrition and chitosan for children and teenagers
- ✓ Soft cake which is made with fresh eggs

RSP in Korea

U\$2.61

U\$4.35

U\$5.22

FOB in Korea

U\$0.625 (U\$10.00/Ctn)

U\$1.625 (U\$13.00/Ctn)

U\$1.875 (U\$15.00/Ctn)

Chocolate - Ghana

Product

Original
(Mild, Milk, Black)



Small : 70g x 10EA x 4B/L

Premium
(Milk, Black)



90g x 8EA x 3B/L

Product
concept

- ✓ Originality of Ghana brand

Product
Feature

- ✓ High quality of chocolate sweet (1st grade of cacao bean from Ghana)
- ✓ Using unique technology called LBTC (patent acquired)
- ✓ Various type of flavor to satisfy various consumer needs

RSP in Korea

U\$1.74

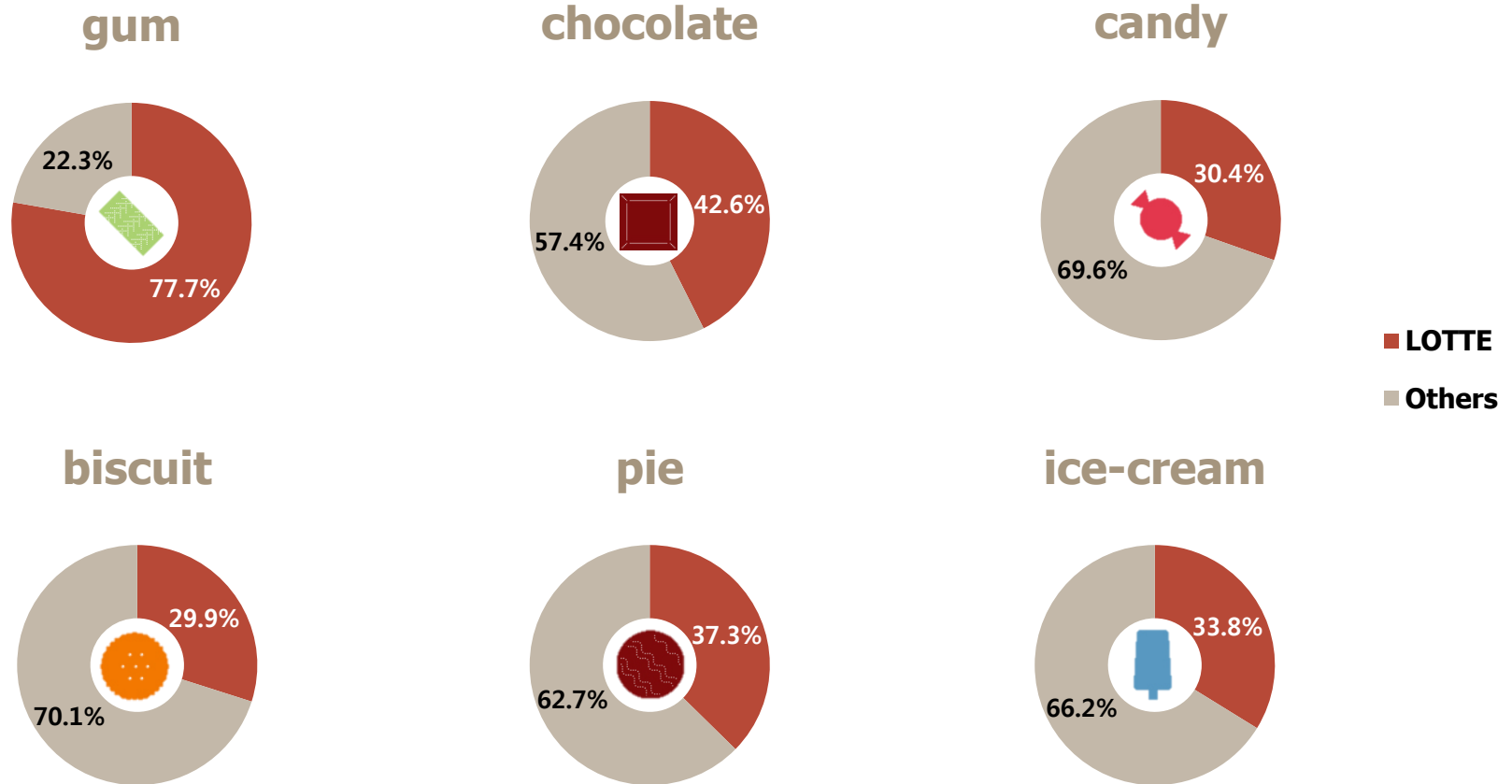
U\$2.61

FOB in Korea

U\$0.425 (U\$17.00/Ctn)

U\$0.833 (U\$20.00/Ctn)

Strong market dominance with No.1 Market Share



※ Nielsen Data, FY2015

We enrich people's
lives by providing
superior products
and services
that our customers
love and trust

LOTTE