

## Press Release 19 February 2010

## BioGaia signs exclusive dealership agreement with Nippon Access

BioGaia has signed an exclusive dealership agreement with Japan's largest food and supplement wholesaler NIPPON ACCESS, a subsidiary of Japan's 5<sup>th</sup> largest trading company, ITOCHU Corporation.

ACCESS will distribute all of BioGaia's existing own branded products, except for the chewable tablet, in Japan and will develop and launch BioGaia branded products for dairy, functional food, beverages, infant formula, baby food and food for elderly in collaboration with BioGaia Japan. NIPPON ACCESS distribution network covers all retailers nationwide in Japan.

ITOCHU and ACCESS are focusing on the preventive health care business by building a supply chain in collaboration with "convenience store" chains, day care centres and hospitals. The BioGaia products will be flagship products in this business strategy.

The ITOCHU Group, which was founded 1858, is a conglomerate comprising 700 companies and 55,000 employees, with networks in every type of business. Part of their holdings are two "convenience store" chains "Family Mart" and "Mini Stop" with more than 15,000 outlets.

NIPPON ACCESS was founded 1958 and has 3,100 employees, with gross sales of 1.3 trillion JPY (2009). ACCESS is the distributor in ITOCHU Group's food and drug business. It is the largest general food wholesaler in Japan and Asia and covers all type of distribution channels for food, supplements and drugs.

"Since BioGaia Japan was founded in 2006, we have focused on finding the best partner to build our own brand in this big and competitive market. Our top priority has been to create a sustainable business in Japan with our own brand sold directly to the trade and not through license agreements. We finally entered into this agreement with the company we judge to be the best partner in Japan, who has sufficient business resources for marketing and distribution" says Keitaro Nomura, President, BioGaia Japan.

"We have invested a lot of resources to find the right business model and partner in Japan. With the agreement with ITOCHU/NIPPON ACCESS we will be able to work through all possible distribution channels with almost all our products and reach consumers in a multitude of ways. In addition we do this without affecting our existing valued clients Erina, Chichiyasu and Earth BioChemical who retain their exclusive agreements within their respective areas. It is with great expectations that I am looking forward to the cooperation with ITOCHU/NIPPON ACCESS Group" says Peter Rothschild, President BioGaia AB.

## Latest press releases from BioGaia:

2009-12-09 Changed date for BioGaia's Year-end report 2009-12-08 BioGaia nominates two Executive Vice Presidents 2009-10-22 Interim report 1 January – 30 September 2009

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BioGaia is a biotechnology company that develops, markets and sells probiotic products with documented health benefits. The products are primarily based on the lactic acid bacterium Lactobacillus reuteri (Reuteri), which has probiotic, health-enhancing effects. The class B share of the Parent Company BioGaia AB is quoted on the Small Cap list of the NASDAQ OMX Nordic Exchange Stockholm.

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