

JOINT PRESS RELEASE

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Guylian reaches an agreement to partner with Lotte Confectionery

Chocolaterie Guylian NV (“Guylian”), one of the world’s leading brands of premium Belgian boxed chocolates, announced today that it has reached an agreement to partner with Lotte Confectionery Co., Ltd. (“Lotte Confectionery”), the Lotte Group's publicly listed subsidiary specializing in confectionery.

Following completion of the agreement, Guylian will benefit from Lotte’s unequalled distribution in the fast growing Asian confectionery markets and its know-how in sales, marketing and development of new products.

In addition the Guylian brand will benefit from additional resources to strengthen further its distribution network and the network of Guylian Belgian Chocolate Cafés.

The acquisition of Guylian will diversify Lotte’s existing confectionery business on a product, channel and geographic basis and will be Lotte’s gateway into the European markets together with the recently announced investment in Russia. Lotte will also benefit from Guylian’s strong brand name in the premium-boxed chocolate segment and its successful position in Duty Free worldwide.

Under the terms of the agreement, Lotte through a subsidiary will acquire 100% of the shares of Chocolaterie Guylian NV and of all of its subsidiaries for an undisclosed sum. After completion of the agreement, Guylian will continue under the existing Management Team with the same management philosophy and strategy. Lotte and the former family shareholders have agreed to continue to invest in the state-of-the-art plant in Sint-Niklaas, management and employees, R&D and the Guylian brand name.

“Founded in 1960 by Guy and Liliane Foubert, Guylian has progressively developed to become The World’s Favourite Belgian Chocolates. The partnership with Lotte is an historic event and is in-line with our strategy to make the next quantum leap in the confectionery industry and to take full advantage of the potential of the everyday confectionery market and the fast growing Asian markets. On behalf of the Chairman and the members of the Board of Directors, the family shareholders would like to thank all Guylian employees for their valuable contribution to the growth of the group. I am very happy that we have found a new platform for growth for the company, which is of great importance to everyone in the Guylian team in Belgium and around the world,” explained Guylian Managing Director, Carl Krefting, upon announcement of the agreement.

Mr. Sang-Hoo Kim, President of Lotte Confectionery, commented “we are very enthusiastic about our future partnership with Guylian. Our acquisition of Guylian makes our entry into the European premium chocolate market and is an important milestone in Lotte’s development as a truly global Group.”

The agreement is subject to certain conditions, but both parties anticipate a smooth closing of the transaction.

Lazard acted as sole financial advisor to the shareholders of Chocolaterie Guylian NV and Lotte was advised by Mizuho.

Chocolaterie Guylian NV

Guylian is one of the world’s leading brands of premium Belgian boxed chocolates. The company sells its Belgian Chocolates creations into more than 100 countries. Guylian is well known and loved around the world for its exquisite original Belgian chocolate seashells – in dark, milk and white chocolate with hazelnut praliné filling. Today, the company offers a broad range of boxed chocolates, individually wrapped premium every day chocolates and luxury chocolate bars for sharing and self indulgence.

Lotte Confectionery

Lotte Confectionery is a member of Lotte Group, the fifth largest diversified business group in Korea. Originally established as a confectionery company in Japan, Lotte has currently 44 subsidiaries with total group assets of € 31bn and net revenue of € 23bn in 2007. Lotte has extensive experience operating prominent franchises including Krispy Kreme Doughnuts (26 stores), Natuur (180 ice cream specialty stores), TGI Friday's (47 stores), Lotteria (744 fastfood chains), and Angel-in-us (91 coffee shops). Lotte also operates the most extensive retail network in Korea; 25 department stores, 56 hypermarkets, 79 supermarkets, 1,750 convenience stores, 7 duty free shops, 17 fashion outlets, and 6 fashion/household goods stores as of 2007.

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