

The Hershey Company's New Manufacturing Plant in Malaysia Hershey's Largest Investment in Asia

| Background | The Hershey Company is building a high-tech candy manufacturing plant in Johor, Malaysia, to meet the growing consumer demand for its products in Asia, the company's fastest growing region. |
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| A major, high- tech candy plant | After completion in late 2015, the Malaysia plant will be the second-largest factory in Hershey's global manufacturing network. The Malaysia plant will also have the capability to produce the broadest array of finished products of any Hershey factory outside of the United States and Mexico. When it is fully functioning it will be able to create tens of millions of <i>Hershey's Kisses</i> , <i>Reese's</i> Peanut Butter Cups and <i>Hershey's</i> Bars each day. |
| A significant investment in Malaysia | The plant, a \$250 million (RM816 million) investment, represents the company's single largest investment in Asia in the company's 18-year history in the region. Additionally, the building will be constructed using local talent and more than 80% of local/regional construction materials. |
| Making Iconic Global Brands | The plant will initially produce four of Hershey's five global brands, which include: <i>Hershey's</i> , <i>Reese's</i> , <i>Hershey's Kisses</i> , and <i>Ice Breakers</i> . Hershey is expanding its global distribution of these brands as part of the company's ambitious global growth vision. |
| State-of-the-Art Technology | The new plant will include innovations in automated candy-making technology, including proprietary equipment and systems developed specifically for Hershey. The plant's capabilities will include: • Specially engineered, high-speed wrapping technologies • Flexible production capabilities for manufacturing and distributing new and unique confectionery products incubated at the Asia Innovation Center in Shanghai |
| Strategic Location | The plant's geographic location in Johor, Malaysia, allows for easy distribution to more than 25 markets across Asia. |
| A Commitment to Sustainability | The plant has a number of sustainable design features that will reduce the impact of operations, including: • Targeting Green Building Index (GBI) design standards • Utilizes sustainable design concepts, incorporating Hershey Energy Conservation Benefits Driven Procurement • Rainwater harvesting for use in washrooms, landscape irrigation, etc. • Provides natural day-lighting to building staff |
| Employees | The company plans to hire more than 400 employees locally to staff a number of plant positions and management roles. |
| Size | The plant footprint is 700,000 square feet, with expansion capabilities to meet future production needs. |
| Construction Timetable | Groundbreaking October 2013 Building structure completed Early 2015 Fully Operational Late 2015/Early 2016 |