

Shiseido to Innovate Its Luxury Brand *Clé de Peau Beauté* for Global High Prestige Cosmetics Market

Shiseido will innovate its luxury brand *Clé de Peau Beauté* with the aim of strengthening its competitiveness in the global high prestige cosmetics market^{*1} by fusing domestic and overseas marketing. In line with this, beginning with the Japanese market in January 2011, new basic skincare products (a total of 21 products, 21 items) will be consecutively launched in 8 countries and regions in Asia^{*2} and 2 countries comprising the U.S. and Canada in North America (11 countries and regions including Japan). Newly innovated *Clé de Peau Beauté* will be designated as the second pillar brand following global brand *SHISEIDO*, and marketed without the *SHISEIDO* name in order to enhance its value and presence as a luxury brand.

*1 A global brand market that develops products priced ¥10,000 or higher for basic skin lotion items

*2 China, Taiwan, South Korea, Malaysia, Thailand, Singapore, Vietnam and Indonesia



Clé de Peau Beauté new basic skincare line (a total of 21 products and 21 items)

[Reference: Retail prices in Japan: ¥800 - ¥50,000]

Background to the Brand Innovation and Aim

In Asia, the middle income segment is expanding. On the other hand, the world's eyes are on the consumer trends of the ultra affluent segment, depicted as the "new rich" or "billionaire" class. They not only demand the highest level of product and service quality but also are viewed as sparing no expense in investing in themselves, thereby spurring revitalization of consumer markets and influencing fashion and lifestyles. Shiseido will respond to this new need in the global market, and through its luxury brand *Clé de Peau Beauté*, appeal to the ultra affluent segment. Further, initiatives will be strengthened to cultivate female consumers in their 30s who do not compromise on investing for the sake of beauty, which is an emerging segment in Japan.

Brand Overview

Clé de Peau Beauté made its debut as a luxury skincare and makeup brand representative of Shiseido in 1982. In 1996, the brand was revamped in view of global developments as *Clé de Peau Beauté* and is currently available in 11 countries and regions worldwide. In 2004, *SYNERGIQUE* (a total of 9 products, 9 items; ¥9,500 - ¥120,000, as of October 2010) was additionally deployed as a new line in the Japanese market for more luxury-oriented customers. Since its initial launch, *Clé de Peau Beauté* has continuously adopted the most advanced technologies and achievements of Shiseido's dermatological research and is constantly evolving as a brand.

Marketing of Newly Innovated *Clé de Peau Beauté*

Under its roadmap up until 2017, Shiseido is currently promoting various initiatives with the aim of becoming "a global player representing Asia with its origins in Japan." Innovation of the *Clé de Peau Beauté* brand is one of the major brand strategies for the global high prestige cosmetics market. Beginning with updating the brand at this time, Shiseido plans to nurture the brand so that overseas sales will become roughly on par with domestic sales by 2017.

In fiscal 2011, Shiseido will introduce new skincare products, which are the mainstay products of the *Clé de Peau Beauté* brand in terms of sales, and promote innovation of brand communication beginning with employing a new image model. Additionally, Shiseido will designate the Asian market, where the ultra affluent segment is emerging in such countries as China, and the U.S. market, where *Clé de Peau Beauté* products are achieving favorable sales even after the Lehman Shock in 2008, as global strategic markets. At the same time, with regard to the Japanese market, sales of the top regular users purchasing *Clé de Peau Beauté* products in department stores are maintaining nearly double digit growth compared with the previous year (2009). For this reason, Shiseido will continuously promote the development of loyal customers and strengthen its appeal to women in their 30s who do not compromise in making investments for beauty.

Image Model of Newly Innovated *Clé de Peau Beauté*

Upon the launch of new skincare products in January 2011, actress Amanda Seyfried will be employed as the spokesperson and face of the brand. Ms. Seyfried is garnering attention with her charming and fresh performances. She has previously played the role of Sophie, the daughter of leading actress Meryl Streep, in the movie *Mamma Mia!* in 2008. In Japan, advertising will be developed via magazines, the *Clé de Peau Beauté* website and storefront visuals together with the catch copy “Radiance emanates from within.”



<Product Characteristics>

● Adoption of “*Neuro Skin Theory*”:

The most advanced beauty theory was applied in product development. Under this theory, each and every skin cell is capable of thinking and processing information just like the human brain.

● Focus on “*Illuminating Cells*”^{*3}:

Skin texture consists of hundreds of corneocytes. Shiseido focused on the fact that the skin looks beautiful and radiant by improving the ultrafine and uniformly uneven structure of the corneocyte’s surface. Utilizing Brilliant Cell Management that produces *Illuminating Cells*, new *Clé de Peau Beauté* realizes skin with radiance that emanates from within.

*3 Refers to the ultrafine and uniformly uneven structure of the corneocyte’s surface that creates texture

● Formulated with the New Ingredient “*Illuminating Complex*”:

Illuminating Complex is an original moisturizing ingredient featuring elements derived from natural silk and pearl. Not only does it work from within by cutting down cellular stress and controlling skin turnover, the new ingredient also creates *Illuminating Cells* capable of producing radiance by aligning the skin at the nanostructure level of the cellular surface. (Formulated in all products excluding *le cotton*)

[Product List]

*Indicated prices are suggested retail prices.

Product Name	Category	Volume	Domestic Prices
<i>Clé de Peau Beauté</i> <i>démaquillante yeux et lèvres</i>	Makeup remover (For eye area and lips)	125ml	¥4,000 (¥4,200 incl. tax)
<i>Clé de Peau Beauté</i> <i>crème démaquillante</i>	Makeup remover (Entire facial area)	125g	¥6,000 (¥6,300 incl. tax)
<i>Clé de Peau Beauté</i> <i>mousse nettoyante fraîche</i> <i>mousse nettoyante tendre</i>	Cleansing foam	125g	¥5,000 (¥5,250 incl. tax)
<i>Clé de Peau Beauté</i> <i>lotion fraîche, lotion tendre</i> <i>lotion fraîche (refill), lotion tendre (refill)</i>	Skin lotion (Quasi drug)	170 ml	¥10,500 (¥11,025 incl. tax) ¥10,000 (¥10,500 incl. tax)
<i>Clé de Peau Beauté</i> <i>émulsion protectrice fraîche, émulsion protectrice tendre</i> <i>émulsion protectrice fraîche (refill),</i> <i>émulsion protectrice tendre (refill)</i>	Emulsion (daytime) (Quasi drug) SPF23 · PA++	125 ml	¥10,500 (¥11,025 incl. tax) ¥10,000 (¥10,500 incl. tax)
<i>Clé de Peau Beauté</i> <i>émulsion fraîche, émulsion tendre</i> <i>émulsion fraîche (refill), émulsion tendre (refill)</i>	Emulsion (nighttime) (Quasi drug)	125 ml	¥12,500 (¥13,125 incl. tax) ¥12,000 (¥12,600 incl. tax)
<i>Clé de Peau Beauté</i> <i>la crème</i> <i>la crème (refill)</i>	Cream (Quasi drug)	25g	¥50,000 (¥52,500 incl. tax) ¥49,000 (¥51,450 incl. tax)
<i>Clé de Peau Beauté</i> <i>le coton</i>	Exclusively for cosmetics	120 sheets	¥800 (¥840 incl. tax)
<i>Clé de Peau Beauté</i> <i>Coffret de BEAUTÉ I, Coffret de BEAUTÉ II</i>	--	--	¥8,000 (¥8,400 incl. tax)