

Shiseido To Launch New Hair Care and Body Care Products from URARA Brand Exclusively for the Chinese Market

Shiseido will release hair care products (total 4 products, 4 items) and body care products (2 products, 2 items) on September 1, 2009 from its *URARA* brand exclusively for the Chinese market to be sold through Shiseido China Co., Ltd. (hereinafter "SCH"). In addition to providing new categories to existing skincare and makeup products, these new products will evolve into a brand that proposes total beauty to Shiseido's customers.

Sales Background

The *URARA* brand has been available in select stores since October 2006, with the number of stores handling the *URARA* brand reaching 3,400 outlets as of the end of March 2009 in line with favorable expansion of the specialty stores channel business and product development meeting Chinese women's needs. Sales per store are increasing on average by 20% annually. Starting with 13 skincare items, the *URARA* brand currently comprises 105 items including makeup products and is very popular among Chinese women as a core brand of cosmetic specialty stores. By introducing hair care and body care products at this time, the *URARA* brand will propose all-around total beauty, respond to the needs of customers of cosmetic specialty stores synonymous with the brand message as *Howan tsuu shii* (Make yourself shine) and further garner the high level of trust of loyal customers.

In addition, these new products are packaged in containers with low environmental load using polylactic acid, a plant-based plastic.* In line with remarkable economic growth in China, the Chinese government is also placing significant importance on protecting and improving the environment amid a greater awareness and interest toward environmental issues centering on the younger generation. Accordingly, Shiseido commercialized these containers to respond strong expectations toward companies to contribute to addressing environmental issues.

*excluding moisture essence product

Product Overview

Hair Care

Product name	Volume	Price	Details
Moisture Hair Cleansing	220 ml	50 yuan	Skincare for scalp and beauty hair care effects
I. · II. <shampoo></shampoo>		(approx. ¥700)	improves hair for added volume, elasticity, moisture and shine
Shampoo>			I. Moisture and elasticity
			II. Smooth and flowing hair
Moisture Hair	220 ml	50 yuan	Skincare for scalp and beauty hair care effects
Conditioner		(approx. ¥700)	increases moisture, elasticity, smoothness and
<conditioner></conditioner>		(upprom 1700)	shine
Moisture Hair Essence	120 ml	70 yuan	Concentrated repair for split ends and
<treatment></treatment>		(approx. ¥980)	breakage. Gives a smooth feeling when
		(approm 1900)	combing fingers through your hair

Body Care

Moisture Body Cleansing <body wash=""></body>	300 ml	50 yuan (approx. ¥700)	Not only washes away dirt but also gives a moist and lustrous feeling to skin
Moisture Body Emulsion <body lotion=""></body>	220 ml	95 yuan (approx. ¥1,330)	Prevents dry skin and leads to dewy, supple skin

Regarding URARA Brand Exclusively for the Chinese Market

URARA (*Yourai* in Chinese) is a brand exclusively for the Chinese market that was developed to reinforce sales in its Cosmetics Specialty Stores business and introduced by SCH in October 2006.

Shiseido initially launched *AUPRES* in 1994 as an exclusive brand in China targeting upscale department stores. Since then, amid the rapid development of the Chinese economy, the cosmetics market in mainland China drastically expanded as well, whereby the demand for cosmetics also increased in suburban cities that could not be covered solely via the high-end department store channel through which *AUPRES* products are sold. In accordance with the launch of the cosmetics specialty stores channel business from 2004, Shiseido developed the *URARA* brand targeting a new generation of Chinese women with an increasing awareness of cosmetics.

