



## NEWS RELEASE

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# KOSÉ starts distribution of RIMMEL brand cosmetics in China

KOSÉ Corporation (KOSÉ) (Headquarters: Chuo-ku, Tokyo, Japan; President: Kazutoshi Kobayashi) and Coty Inc. (COTY) (Headquarters: New York, United States; CEO: Bernd Beetz) have concluded a licensing agreement regarding the manufacture and distribution in China of cosmetics using the RIMMEL brand, which is owned by COTY. Accordingly, KOSÉ will both import RIMMEL products and partly start production in China based on the licensing agreement. Sales in China are to begin in June 2008.

RIMMEL is a cosmetics brand established in 1834 in London that has the top share in the mass-market makeup products category in the U.K. Targeting women in their late teens to late twenties who love London fashions, RIMMEL offers a cool and glamorous image based on the make-up concept of "GET THE LONDON LOOK." Currently represented by Kate Moss – a British supermodel – RIMMEL has attracted much attention and generated substantial sales as a self-service cosmetics brand. RIMMEL is available in over 50 countries in Europe, the United States, Canada and Oceania.

In March 2006, KOSÉ acquired a license for the import, manufacture and distribution of RIMMEL products in Japan. Sales in Japan started the following September, primarily at variety stores. This latest agreement allows KOSÉ to start distributing RIMMEL products in other Asian countries for the first time.

In China, KOSÉ will combine the RIMMEL brand's distinctive hip and edgy positioning with KOSÉ's expertise in developing and launching new products, which will be customized to the tastes and make-up style of Chinese women. Products will be distributed at individual corner located at department stores and drugstores in coastal regions, starting from Shanghai. The corners will conduct sales activities that include counselling. By establishing RIMMEL in China as a prominent mass-market cosmetics brand in China and attracting many loyal customers, KOSÉ plans to operate 300 of these shops in China within three years.



The campaign poster in Japan

### Products

- Line-ups: Makeup series and base makeup series (25 product categories, 134 items)
- Price ranges: 68-78 RMB for mascaras, 43-78 RMB for eye shadows, 48-58 RMB for lipsticks, and 43-78RMB for foundation products

## RIMMEL

URL: <http://www.rimmellondon.com>

- Brand Concept: "GET THE LONDON LOOK"  
London Girl, Break the rules, Cutting-edge London look.
- Major international outlets and sales bases:  
Europe: Boots, Tesco, and others.  
America: Wal-Mart, Wal-Green, Brooks, and others.  
Japan: Variety shops, and others.

## Coty Inc.

(Headquarters: New York, United States; CEO: Bernd Beetz)

URL: <http://www.coty.com>

Founded on a fragrance business in Paris by François Coty, a chemist, in 1904.

Coty maintains its standing in the mass and prestige markets with its products distributed in over 80 countries worldwide.

Production bases are in the United States (Sanford, North Carolina), England (Ashford), Spain (Granollers), and France (Chartres). Approximately 8,000 employees in 25 countries.

## KOSÉ Corporation

(Headquarters: Chuo-ku, Tokyo, Japan; President: Kazutoshi Kobayashi)

URL: <http://www.kose.co.jp>

Founded as a cosmetics company in Tokyo by Kouzaburo Kobayashi in 1946.

KOSÉ's main strengths are its market-creating product development capability and its original brand marketing that deploys the best brands in each sales channel depending on consumer needs, being distributed across Asia with a central focus on Japan.

Production bases are in Japan (Saitama/Gunma) and China (Hangzhou) and Taiwan (Taipei).

Approximately 5,000 employees (consolidated).