

## **Shiseido Co., Ltd. to Establish Manufacturing Company in Vietnam**

Shiseido Co., Ltd. will establish a wholly owned manufacturing subsidiary, Shiseido Vietnam Inc. in Vietnam in April 2008 for the purpose of building a factory to serve as a base for production corresponding to the expanding Asian market. Following approval to build the factory, construction is scheduled to commence in December 2008 and be completed in October 2009, with operations beginning in December 2009.

### **Background of Factory Construction**

Shiseido's overseas business is making steady progress, whereby the percentage of net sales is projected to exceed 36% for the fiscal period ended March 2008. With consideration to business growth in China, the third phase of an expansion project at its Shanghai factory (Shanghai Zotos Citic Cosmetics Co., Ltd.) to augment its production system was completed in September 2007. While China will continue to be the core focus, Shiseido has decided to acquire a site and build a factory in Vietnam at this time in order to augment its product supply system from the present level for Asian markets centered on ASEAN nations, which are experiencing ongoing expansion and growth. Plans call for producing mainly mid-range and economically priced skincare products for the ASEAN region.

### **Overview of New Factory**

Company name: Shiseido Vietnam Inc.  
Address: Amata Industrial Park, Long Binh Ward, Bien Hoa City, Dong Nai Province, Vietnam  
Site area: 100,000 m<sup>2</sup>  
Building area for production facility and adjacent wing: 21,400 m<sup>2</sup>  
Investment scale: US\$38 million  
Completion date: October 2009 (planned)