

Shiseido Acquires a U.S.-based Start-up, MATCHCo, through Its Regional Headquarters, Shiseido Americas

- *Award-Winning Beauty App Empowers Consumers Through Customization*
- *Creates Opportunity to Leverage MATCHCo's Platform Technology and Digital Insight Tools Across Shiseido's Portfolio*

JANUARY 18, 2017 (January 19 JST) – Shiseido Company, Limited ("Shiseido"), announced today that its regional headquarters and consolidated subsidiary, Shiseido Americas Corporation (Delaware, USA; "SAC"), has acquired MATCHCo (California, USA), a privately-held company utilizing revolutionary technology and innovative digital tools to provide consumers with individually customized foundation at scale.

The synergy of MATCHCo's innovative digital tools and Shiseido Group's R&D capabilities will help to enhance a business model that captures a major consumer trend: cosmetics customization.

About MATCHCo

Founded in 2013 by personalization and technology experts Dave Gross and Andy Howell and backed by patented technology, MATCHCo lets customers scan their unique skin tones through its mobile app and uses the data collected to individually blend a perfectly matching custom foundation for each consumer. The MATCHCo app is currently distributed through Apple's App Store and was featured as "Best New App" and "Best of November" at launch in November 2015. Since then, it has also received beauty breakthrough awards from *Teen Vogue*, *Good Housekeeping* and others.

MATCHCo will remain based in California, with its engineering team in Palo Alto and its marketing and operations hub in Santa Monica, and will become part of Shiseido's Global Makeup Center of Excellence, led by Jill Scalamandre and based in New York.

Customized, Digital, Direct-to-Consumer Growth Model Roll-out

Combined efforts of MATCHCo and Shiseido Group will result in a roll-out and enhancement of a business model that quickly responds to changes in consumer needs and the rapidly growing market.

Expected results include:

- increasing focus on customization of cosmetic products;
- advancing digital technologies aimed at consumer skin measurement and analysis;
- expanding direct marketing; and,
- improving consumer marketing by gathering insight through direct contact.

Shiseido is already taking steps to reinforce its Skincare, Makeup, Fragrance and Digital Centers of Excellence (COE). Collaboration among these COEs will take this model beyond its initial category, skin foundation, and further drive business expansion.

Comment by Shiseido CEO Masahiko Uotani

“We are thrilled to welcome MATCHCo, a company possessing innovative digital technologies, into our Group. Creating innovations is an area of special strategic focus for Shiseido Group, and we look forward to offering more unique value to consumers around the world. This will now be made possible through accelerated innovation in rapidly evolving digital tools and customized products.”

Comment by SAC CEO Marc Rey

"MATCHCo is a truly unique company with a transformational technology platform, go-to-market strategy and approach to engaging with consumers. We are very excited to leverage their technology and tools across Shiseido's brand portfolio and continue to build on their innovation."

Comments by MATCHCo Founders

Dave Gross, Founder and Chief Executive Officer of MATCHCo:

"Shiseido is the perfect platform to increase our product offering and expand our technology. We are honored to join an organization that has such a rich heritage of innovation. We look forward to working with our new colleagues in addressing the individual needs of each and every customer in a way never before possible."

Andy Howell, Founder and Chief Strategy Officer of MATCHCo:

"Today our MATCHCo customer experiences her own bespoke foundation individually made to match her skintone from the comfort of her own phone, but this is just the beginning. As part of the Center of Excellence, we look forward to collaborating with the brands in Shiseido's global portfolio to usher in a new age of personalization, A.I. for Beauty."

About Shiseido Company, Limited

Shiseido was founded in 1872 as the first Western-style pharmacy in Japan. The business gradually evolved into a cosmetics company, offering people the most advanced technology and the finest aesthetics available in the East or the West. Now known globally as the premier cosmetics company with roots in Japan, the name Shiseido has come to represent the world's highest standards of quality. Shiseido's global selection of skincare, makeup and fragrance includes a high-performance category for special skincare, and a brightening line. Shiseido also offers body care, suncare and a skincare line for men. Fiercely contemporary and innovative after over 140 years in business, Shiseido group brands are now sold in over 120 countries and regions. For more information, please visit <http://group.shiseido.com/>.

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