

January 31, 2019

KOSÉ Corporation

Maruho Co., Ltd.

KOSÉ and Maruho Agree to Establish a Jointly Owned Company

KOSÉ Corporation (President & CEO: Kazutoshi Kobayashi, Headquarters: Chuo-ku, Tokyo) and Maruho Co., Ltd. (President & CEO: Koichi Takagi, Headquarters: Kita-ku, Osaka) signed an agreement today to establish a jointly owned company.

1. Purpose of the agreement

KOSÉ and Maruho have reached an agreement to establish a jointly owned company for the purpose of using the value that each company is capable of providing in order to supply “consumer healthcare” skin care products that help people maintain healthy skin.

- KOSÉ will be a source of value involving cosmetics as a creator of highly effective products with specific functions, as well as distinctive sensations and fragrances. Providing associated counseling services further enhances KOSÉ’s ability to respond to the needs of customers.
- Maruho will be a source of pharmaceutical value as a supplier of high-quality skin care products incorporating the latest advances in the field of dermatology as well as a diverse lineup of dermatology drugs for treating skin diseases. Maruho is working on the development of drugs for disorders that currently cannot be treated. Supplying information concerning dermatology to health care professionals and people with skin disorders is another element of Maruho’s activities.

2. Summary of the agreement

KOSÉ and Maruho have reached an agreement concerning the following items.

Businesses	Planning, development, marketing and sales of over-the-counter drugs, quasi-drugs, and cosmetics
Establishment	July 2019 (tentative)
Representatives	One individual from each company
Head office	Tokyo (tentative)

- The name of the company and other items will be determined by mutual agreement of KOSÉ and Maruho.
- The timing of the establishment of the company and start of operations will depend on the receipt of regulatory approval and the completion of other procedures.
- Announcements of the company’s name, capital, representatives and other items will be made as these items are determined.

About KOSÉ

Since starting operations in 1946, KOSÉ has been dedicated to the creation of beauty primarily through the development and sale of cosmetics. All activities are defined by the spirit of producing cosmetics with outstanding quality that can truly meet customers' needs. KOSÉ has a strong commitment to R&D as well as to creating products of exceptional quality. In addition, KOSÉ has a sales infrastructure capable of precisely matching the characteristics of different distribution channels and a unique brand marketing system that encompasses a broad spectrum of customer values. These strengths give KOSÉ a sound base for sustained growth.

For more information, please visit www.kose.co.jp/company/en/

About Maruho

Maruho Co., Ltd. has its headquarters in Osaka and leads Japan in research and development, manufacturing and commercialization of dermatological products. Founded in 1915, Maruho has 1,512 employees (as of the end of September 2018), and net sales were approximately 78.56 billion yen in its 2018 fiscal year. Pursuing its long-term corporate vision of "Excellence in Dermatology," Maruho is striving to improve the health and quality of life of people all over the world.

For more information, please visit www.maruho.co.jp/english/