

To Whom It May Concern



July 31, 2017

Company Name: Milbon Co., Ltd.
Name of Representative: Ryuji Sato, President and CEO
(Code Number: 4919 - First Section of the Tokyo Stock Exchange)
Inquiry: Masahiro Murai, Managing Director
(Telephone: +81-6-6928-2331)

Establishment of Company Jointly Owned with KOSÉ Corporation

Milbon Co., Ltd. (hereinafter referred to as “the Company”), based on resolutions adopted at the meeting of the Company’s Board of Directors held on July 28, 2017 and the meeting of KOSÉ Corporation’s Board of Directors held today, established today a jointly-owned company with KOSÉ Corporation as described in “Capital and Business Alliance between Milbon Co., Ltd. and KOSÉ Corporation” announced on January 25, 2017.

The Company hereby announces the purpose and outline of establishment of the jointly-owned company as follows.

1. Purpose of establishment of the jointly-owned company

The jointly-owned company was established to create a platform that allows planning of various initiatives for joint development of skin care and makeup products for beauty salons, their sales in Japan and other long-term collaborations by aligning business resources of the two companies, such as the sales channel and beauty education system of the Company and the knowhow in developing skin care and makeup products of KOSÉ Corporation.

2. Outline of the jointly-owned company established

(1) Name	KOSÉ Milbon Cosmetics Co., Ltd.
(2) Location	2-2-1 Kyobashi, Chuo-ku, Tokyo
(3) Name of Representative	Hiroe Fujiwara, President and CEO (seconded from Milbon) Yasuhiro Yuzawa, Vice President (seconded from KOSÉ)
(4) Business	Planning, development, marketing and sales of skin care and makeup products for beauty salons
(5) Capital stock	10 million yen
(6) Establishment date	July 31, 2017
(7) Shareholding ratio	KOSÉ Corporation: 51% Milbon Co., Ltd.: 49%
(8) Fiscal year end	March

3. Future outlook

The establishment of the jointly-owned company is expected to have minimal impact on the consolidated business results for the current fiscal year. If the establishment has an impact on the Company's consolidated business results for the next fiscal year onward, such impact will be included in the operating forecasts to be announced for the next fiscal year.

This release is a simplified English translation of the Japanese article; the official name of the jointly-owned company may vary.