



NEW YORK • PARIS • SHANGHAI

THE MARKET

Created by Yue-Sai Kan, a Chinese-American international celebrity, Yue-Sai cosmetics bring refined beauty and grace to women. Yue-Sai is manufactured in Shanghai and distributed through department stores in 250 cities in 30 provinces of China. Though considered a local brand, Yue-Sai has all the attributes of a global brand. At over 800 department store counters throughout China, Yue-Sai's face-to-face personalised beauty consultation delivers the best cosmopolitan service and techniques to its equally cosmopolitan customers.



venture with Coty Inc. of the USA, embarking on a path of international cooperation.

In 1998, the company set up a state-of-the-art factory with floor space of 300,000 square feet in Pudong, Shanghai. In 2001, the Yue-Sai Asian Skin Research Center was founded in Pudong.

In January 2004, the world's leading cosmetics company, L'Oreal, acquired the Yue-Sai brand, creating a new chapter in the development history of the brand. With the support of L'Oreal group's strength in R&D and close to 100 years of successful experience worldwide, Yue-Sai

is destined for an even more successful future.

THE PRODUCT

Yue-Sai provides a full range of high-quality beauty products made to international standards and the manufacturing base in Pudong was accredited with ISO 9002 and ISO14001 as early as in 1999.

The principal lines are Make Up and Skincare. The Make Up line includes foundation, lipstick, and eye shadow as well as nail polish. All these products are specially formulated and contain Chinese herbs.

The Skincare line combines advanced Western technology and Yue-Sai's understanding of Asian skin. The products are designed specifically to suit the Asian climate and the needs of Asian skin. The line includes skin-care products such as Whitening, Anti-ageing, Hydramilk, Suncare (containing anti-UV ingredients), Pure and Basic lines.



Employers in China. Yue-Sai was the only cosmetics company to make these lists. This is only possible as a result of Yue-Sai's persistence in the belief that people are the company's most important asset.

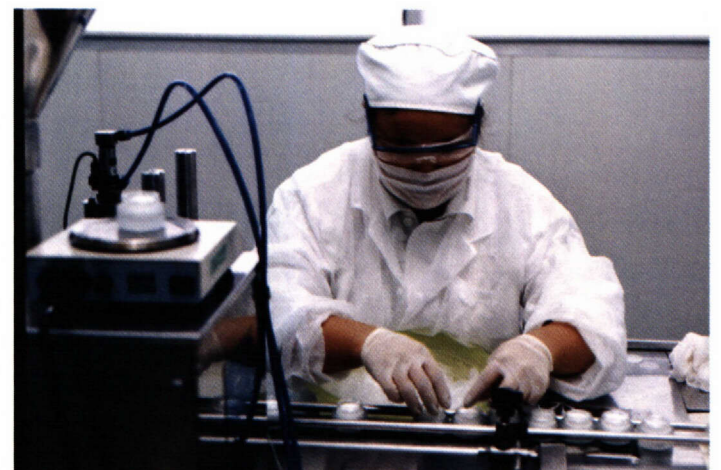
HISTORY

The Yue-Sai brand was founded by Chinese-American international celebrity Yue-Sai Kan in 1992. She was born in Guilin, China; moved to Hong Kong with her family when she was four; and left for the US at the age of 16. After earning a degree in music from Brigham Young

University, she broke into the television field in the 1970s. Later, her ABC documentary, *China Walls and Bridges*, earned her a coveted Emmy Award. In 1985, the Chinese government invited her to produce and host One World, a show aimed to introduce the outside world to Chinese audiences.

Frustrated by years of needing to look her best before the camera without being able to find the right cosmetics for her Asian skin tone, colouring and facial features, she felt there was a need for a cosmetic range appropriate for Asian women. Yue-Sai Kan founded a cosmetics company named after herself, with an aim to enhance those qualities that are singularly Asian.

In 1996, the already-successful company formed a strategic joint



Yue-Sai's success is based on its ability to deliver the image and beauty concepts that fulfill the needs of modern women. As a result, Yue-Sai has become one of China's leading cosmetics brands.

ACHIEVEMENTS

In competition with the strongest worldwide brands, Yue-Sai has been successful in bringing its customers the quality products they demand, tailored to their unique skin and beauty image. In return, Yue-Sai has gained a strong position in the marketplace. According to the National Bureau of Statistics of China, Yue-Sai ranked second nationwide for three years in a row from 2001 to 2003 in annual sales of colour products, and third in market share of skin-care products.

In April 2003, Hewitt Associates, the *Asian Wall Street Journal* and the *Far Eastern Economic Review* ranked Yue-Sai Kan Cosmetics among the 20 Best Employers in Asia and one of the 10 Best



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莹亮薄影唇膏:色彩与光泽合二为一
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另有3款莹彩高光唇膏可涂抹于任何唇部之上,有效提亮唇色,塑造丰盈动人的唇部效果。
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此广告可获赠莹亮薄影唇膏试用小样一份(价值65元)(送完即止)
详情请访问官方网站: www.yuesai.com.cn

The Hydramilk line is devoted to the problem of dehydrated skin, a problem that affects all skin types. The product contains nature's most essential sources of nourishment such as honey, rice milk and coconut milk, providing multiple moisturising functions to the skin in a straightforward, yet innovative, solution.

The range of whitening products includes a natural whitening cleanser, toner, serum, lotion, daytime/night cream, mask and SPF10 hand cream.

RECENT DEVELOPMENTS

In January 2004, Yue-Sai launched Lipshine

lipsticks and positioned appropriately for the different products. Yue-Sai follows a diversification policy in product development. The strong input of R&D from the L'Oreal group will accelerate the development of new make-up and skin-care products, helping the brand to win greater consumer acceptance.

At present, Yue-Sai is dedicated to the China market. However, future plans include expansion to other countries and regions. This move will turn Yue-Sai into a truly international brand.

PROMOTION

The company has created strong market share

through building brand loyalty by focusing on product quality and distribution, while employing world-class marketing and advertising methods. Yue-Sai's distribution reaches 800 department store counters, where each customer receives face-to-face beauty consultation services.

As new product launches are expected following Yue-Sai's joining the global L'Oreal family, TV, print and outdoor ads will combine to provide a multidimensional platform to promote the brand. The Yue-Sai brand, as expected, will be in a much stronger position to meet the needs of consumers for beauty and beauty products.

BRAND VALUES

Yue-Sai has focused on meeting the specific yet diverse needs of customers while using the latest technology available and the highest-quality ingredients, thereby offering women the best in beauty products.



甘草·桑树根, 还有葡萄...
源于天然的美白绝伦



THINGS YOU DIDN'T KNOW ABOUT YUE-SAI

- People magazine called the founder of Yue-Sai Kan Cosmetics "the most famous woman in China". Money magazine described her as a "Modern Day Marco Polo". The US Congressional Record referred to her as "The De Facto Citizen Ambassador"
- Yue-Sai was the first to make lipstick widely available to Chinese women