



MAESA

GROUP

PRESS PACK

SEPTEMBER-OCTOBER 2009

CREATIVE BEAUTY SOLUTIONS

Maesa designs and manufactures tailor-made beauty and perfume product ranges for retail brands, as well as promotional objects and packaging for beauty brands.

www.maesa.com

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1. Maesa's business

1. Tailor-made beauty

Maesa is an international group dedicated to creating tailor-made beauty and perfume products. The Group designs and manufactures:

- Turnkey beauty and fragrance product ranges for retail brands
- Innovative packaging and promotional objects for beauty brands.

Blending creation and technical expertise, the beauty engineers working within each one of the Group's subsidiaries are able to serve the most demanding clients with innovative and exclusive products.

2. Rationale

Maesa's development is founded on three underlying trends

- *Growth in private label brands*

Private label brands are currently in full growth in the mass retail sector, with a 40% market share in Europe and 32% in the US in 2007. Products have moved from simple starter price products to sophisticated and exclusive products that are often just as creative and qualitative as national brand products. The beauty sector is faced with a very clear lag, with the private label market share for beauty products only very rarely coming in at over 10%, depending on the country. Retailers need to harness the know-how of experts in order to effectively manage and master the complexity of the various products. The market is undergoing a major transformation and private label beauty suppliers that have been factories for a very long time are losing market shares to integrators that are able to manage complete ranges covering several product categories and to offer substantial reductions in procurement costs.

- *Specialized retailers are becoming global brands*

Having evolved from their status as distributors to recognized and desired brands in just a few years, specialized retailers, for both clothing and interior design, are today becoming complete brands with very broad selections.

Like Victoria's Secret, which today generates over 1 billion dollars in sales with its own range of beauty products, launched some 25 years ago, it is no longer rare to find perfumes, beauty products or home fragrance product ranges at specialized retailers. These products represent excellent vehicles for the retailer's image, generate very strong margins and make it possible to build loyalty among their clients.

- *Outsourcing*

With increasingly short development lead-times, the specialization of know-how and rising committed fixed costs, retailers and brands are tending to call on experts for their support functions in order to be able to focus on their core business: marketing and sales.

Maesa provides its clients with turnkey solutions for transforming ideas and concepts into reality. With its expertise throughout the entire supply chain, Maesa is able to offer its know-how to retailers and brands that are looking to outsource their complex packaging or beauty product ranges.



Origins of the name Maesa

Maesa is the Latin name for a plant species that adapts to all types of climate and is able to resist extreme climatic conditions. These represent qualities that define Maesa today.
Pronunciation: **maé** – ssa in order to unify the English and French pronunciation and respect its Latin roots.

II. Stages in the Group's development

1. History

Grégory Mager and Julien Saada created Maesa in 1997 in order to respond to the demand from clients wishing to outsource their designing and manufacturing of perfume products and cosmetics.

1997: the company is created as Parfum d'image.

2001: the company has 10 employees, generating over 3 million euros in revenues.

2003: the first subsidiary is opened in London.

2005: Maesa acquires Lys Cosmétiques and Lys Promotions in September 2005, taking total revenues up from 6 to 13 million euros. The Group has a procurement office in China, with an integrated quality control and sourcing team.

2006: Maesa is listed on the Paris stock market (Alternext) in February, with more than 20 million euros in revenues at the end of the year.

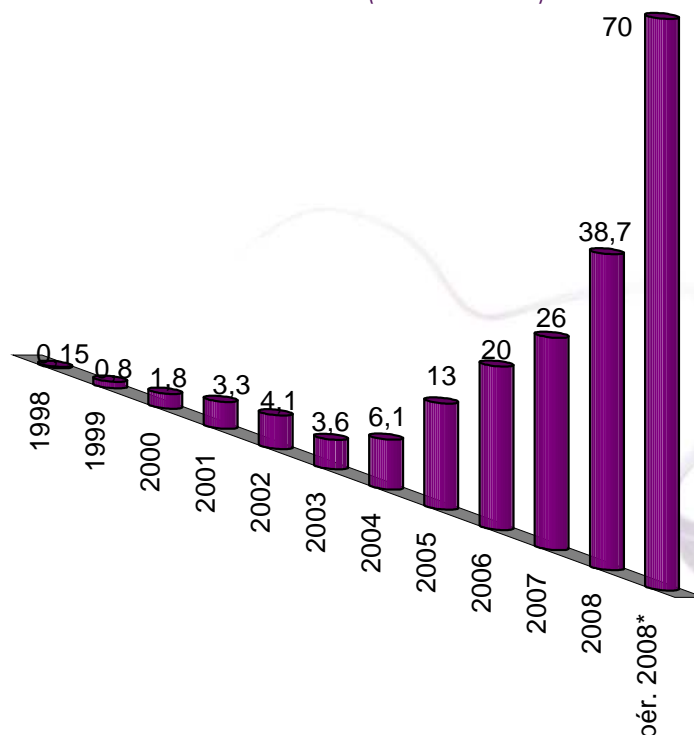
2007: early 2007, a subsidiary is opened in New York. In February, the Group acquires Essens, Maesa's only rival in France.

At the end of 2007, Maesa seals its first acquisition in the US. Latitudes joins the Group, which now has over 40 million euros in revenues with 115 employees and celebrates 10 years of uninterrupted growth.

2008: the Group adopts its new name and new identity, linking the various entities and setting out its ambitions for the future.

At the end of 2008, Maesa signs a second external growth operation, with the acquisition of Zorbit Resources group. After completion, the Group almost doubles in size: Maesa employs over 200 people and its economic scope represents 70 million euros.

1998-2008 revenues (in million euros)



* pér. 2008: economic scope assuming full consolidation of Zorbit Resources

2. Conquest of the US market: two major acquisitions in one year

Between November 2007 and December 2008, the Maesa group completed two major acquisitions in the United States. With those operations, the Group acquires new expertise and becomes a global leader for beauty on demand.

Acquisition of Latitudes International Fragrance, renamed Maesa Home

The Maesa group completed on November 27th, 2007 the acquisition of Latitudes International Fragrance, based in Los Angeles, now renamed Maesa Home.

Founded in 1994 by Jill Belasco, its current chairman and CEO, Latitudes specializes in the creation and manufacturing of private-label fragrance products for retail brands.

Widely recognized in the home fragrance sector, the company's clients include a number of major retailers, from Old Navy to Pier 1, Williams Sonoma, West Elm, Pottery Barn, Bath & Body Works...

In the same way as the Group's other subsidiaries, Maesa Home incorporates the design and development of products and packaging, as well as R&D, quality and regulatory control. The company also has an assembly unit based in Los Angeles.

There are synergies on a number of levels:

- Maesa Home is opening up its American client base to the rest of the Group,
- Maesa Home fragrance products are being offered to European retail players,
- Purchases are being pooled at Group level.

Acquisition of ZORBIT RESOURCES

On December 21st, 2008, MAESA SA completed the acquisition of the American company ZORBIT RESOURCES.

ZORBIT RESOURCES was founded in Los Angeles in 2003 by 3 entrepreneurs, Howard Sherman, Scott Oshry et Sean Brosmith, joined shortly after by Scott Kestenbaum and Thomas Butkiewicz, its current chairman.

The company has developed thanks to its unique approach to packaging for the beauty industry, combining highly creative design with highly specialized sourcing in China. The volume of business for the tailor-made value-added packaging activity for beauty brands has quickly grown to over 20 million dollars, driven among other factors by strong partnerships with certain leading brands as well as its recognized expertise in box making, packaging and plastic injection. In this way, ZORBIT RESOURCES produces most of the end of year holiday packaging and boxes for Victoria's Secret Beauty, as well as packaging for the Sephora brand's bath care range and packaging for the top oral beauty brand, Go Smile.

Since 2006, ZORBIT RESOURCES has created a "turnkey" department, whose business is strictly identical to MAESA's initial business: the turnkey production of tailor-made beauty products.

This business has seen very strong growth, notably meeting the needs of certain brands looking to fully outsource their development and manufacturing of products in order to be able to focus on marketing and distribution. In this way, ZORBIT RESOURCES has produced most of the French Connection perfume products for Zirh Holding, as well as the Ed Hardy and True Religion perfumes for New Wave Fragrance and Lilly Pulitzer products for Pulse Point.

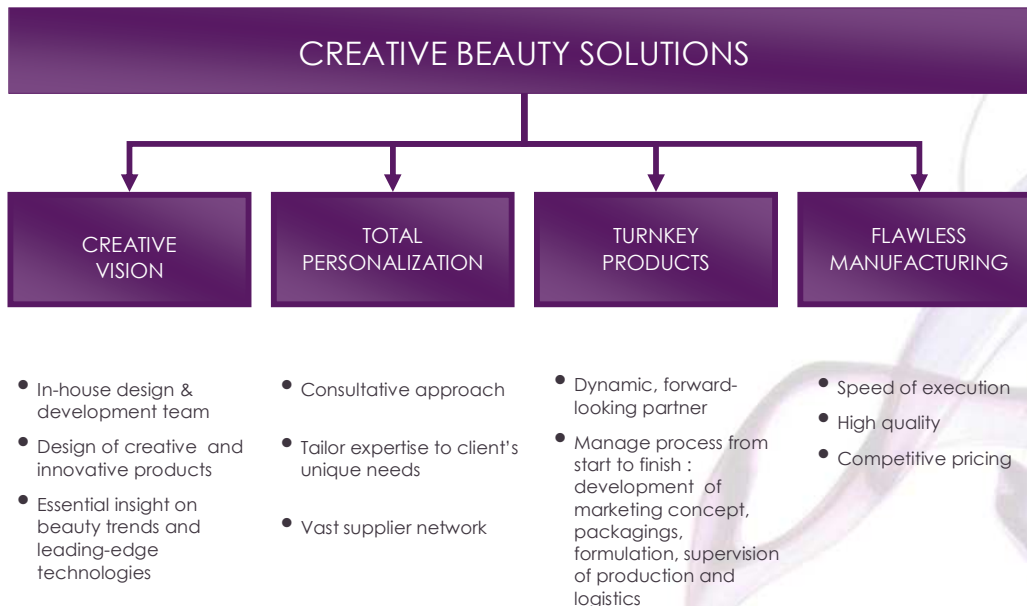
Today, the company has more than 40 staff in New York, 13 in Los Angeles and around 50 in China, based directly in two of the Group's partner factories. ZORBIT RESOURCES generated some 45 million dollars in revenues in 2008, with EBIT coming in at over 14%.

The new Group created in this way now has over 200 members of staff and revenues of over 70 million euros.

III. Group structure

1. Unique know-how

a. Four pillars of expertise



b. Areas of expertise

The teams from the various Group companies offer leading-edge capabilities in order to contribute to the success of the products developed. Each project is led by a team of experts who work together to develop the marketing concept, packaging and formulas, and manage the manufacturing and logistical requirements.

These dedicated and passionate teams are made up of experts in:

- **Design**: to ensure products' visual impact and creativity, from brand creation through to graphic and industrial design, the best experts are called on to develop the most creative products that are tailored as closely as possible to each market's requirements.
- **Product development**: as soon as a project is launched, the marketing teams contribute to defining the positioning for the various ranges, developing the marketing concept and carrying out industrial feasibility studies.
- **Formulation and regulations**: the integrated laboratories are equipped to develop and test each formula specifically created for clients. The Group's chemists represent an interface between the marketing teams' creative ideas and the regulatory constraints in the various countries where the products will be sold.
- **Production and quality**: the Production department supervises the manufacturing of products at the best costs, on spec and on schedule. This department also oversees product quality and follow-up with suppliers around the world.
- **Logistics**: once the products have been manufactured, a dedicated and tailor-made service can be put in place for deliveries and logistics flows.

Maesa manages the process, from the idea through to the end product, thanks to its design and development studios, its vast network of suppliers, its flawless manufacturing management, its speed of execution and its global know-how, imagining and creating new opportunities for its clients.

2. Business lines



Designs and manufactures turnkey beauty products for leading retailers and brands



Designs and manufactures turnkey home fragrance products for leading retailers and brands



Designs and manufactures promotional beauty products and gifts for the beauty industry



Designs, engineers, and manufactures creative packaging components for the beauty industry



Brand identity, industrial design, package design, graphic design and comp creation

3. International presence



New York

Maesa Beauty, Maesa Packaging
650 Broadway, suite 507 A – 10012 New York NY

Los Angeles

Maesa Home
30105 E Harcourt St, Rancho Dominguez –
CA 90221
Maesa Studio
10900 Wilshire Blvd., suite 930,
Los Angeles, CA 90024, USA

Londres

Maesa Beauty, Maesa Home,
Crown House / 143-147 Regent street
London W1B 4NR

Paris

Maesa Beauty, Maesa Home,
Maesa Promotions, Maesa Packaging
15, rue Pasteur
92300 Levallois Perret- France

Shanghai

MAESA TRADING SHANGHAI LTD
215 Hefei Road, 3 rd floor - District C
200025 Shanghai – China

Shenzhen

MAESA SHENZHEN
O Building Dongxing Zone,
Shanxia Country,
Hengli Town, Dongguan City,
Guangdong Province 523560, China



4. Group's key managers



Julien Saada: *Chairman and Chief Executive Officer, married, two children*

An École Nationale des Ponts et Chaussées engineer, Julien Saada co-founded Maesa when he graduated in 1997.

Julien Saada is responsible for financial and production management within Maesa. He is a member of the "Horizons" entrepreneur club, which reviews and acts on economic, social and political issues. Julien Saada lives in Paris.



Grégory Mager: *Deputy Chief Executive Officer, married, one child*

After graduating from IEP Aix en Provence (1995) and HEC (1997), Grégory Mager co-founded Maesa. Grégory Mager lives in New York, where he manages all of the Group's American activities.



Manuel Varliette: *Group's Chief Administration and Financial Officer*

An accounting and auditing graduate, Manuel Varliette was previously Chief Executive Officer of Reed France. He joined the Maesa Group in 2005 and manages all of the Group's financial accounting activities, as well as investor relations. Manuel lives in Paris.



Jill Belasco: *Chief Executive Officer Maesa Home USA*

In 1994, Jill founded Latitudes International, which joined the Maesa Group in 2007.

Jill Belasco heads up Maesa Home. Jill lives in Los Angeles and New York.



Paul Houlby: *Chief Executive Officer Maesa Ltd*

With 20 years experience in the world of beauty, Paul Houlby, previously Chief Creative Officer for The Body Shop, joined the Maesa Group in 2002 and is today Chief Creative Officer for Europe as well as the UK subsidiary's Chief Executive Officer. Paul lives in London and Paris.



François Duquesne: *Chief Executive Officer Europe Maesa SA*

François Duquesne joined the Group in 2009, following an international career in the retail, luxury and beauty world. He is heading up the European business for Maesa Beauty and Maesa Home, overseeing the sales teams and managing the development of new business lines.



Richard Clément: *Chief Executive Officer Maesa Promotions*

Founded in 1989 by Richard Clément, Lys Promotions and Lys Cosmétiques were acquired by Maesa in September 2005. At this time, Richard Clément joined the Group and became Chief Executive Officer of Maesa Promotions.



Nathalie BRINGANT: *General Manager Maesa Packaging*

Nathalie Bringant has over 20 years of experience in the world of beauty, in both sales and marketing positions, of which 4 years at Rexam Beauty, the specialized make-up packaging company. She joined the Maesa Group in 2008 to develop the packaging activity.



Thomas Butkiewicz *Chief Executive Officer, Maesa Packaging*

After building up major experience of the beauty industry within Shiseido, Thomas Butkiewicz joined the management team at Zorbit Resources in 2004, strongly developing its value-added packaging business. In 2006, he launched the Turnkey department, which designs turnkey cosmetics products for beauty brands. In 2009, following Maesa's acquisition of Zorbit, Thomas became Head of the Group's Packaging business.



Sophie Thiolas: *Group Chief Marketing Officer*

Sophie Thiolas joined the Maesa Group in 1999 and is responsible for the Group's communications and promotion.

IV. Our references



- Fragrances
- Make-up
- Skin care
- Body care
- Bath products
- Hair products
- Sun care

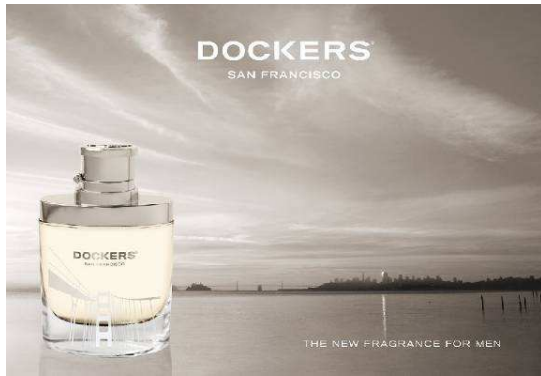
SPECIALIST RETAIL: Dockers - Laura Ashley - River Island - Coin - Wet Seal - Tout Compte fait - Claire's - Pimkie - Anthropologie - Toys R Us - Sephora

DEPARTMENT STORES: Galeries Lafayette - Henri Bendel - Manor

HYPERMARKETS/SUPERMARKETS: TJMaxx - Marshalls - Zellers - Carrefour - Auchan - Systeme U - Asda

LUXURY AND BEAUTY BRANDS: Zadig & Voltaire - Lilly Pulitzer - John Varvatos - Juicy Couture - Zirh - Wills - FCUK - Jonathan Antin - Sally Hershberger

PERFUMERY AND DRUGSTORES: Superdrug - Jean Coutu - Hema - Nocibé - Lloyds Pharmacy - Schlecker - In Faradis



Dockers | Eau de toilette | USA



Lloyds Pharmacy | Organic skin care line | UK



Auchan | Bath line | France



Superdrug | Sun care make up | UK

- Candles
- Diffusers
- Potpourris
- Home fragrances
- Incense
- Air purifiers
- Air freshener cartridges for automobile...

SPECIALIST RETAIL: The Pier - Williams Sonoma - West Elm - Pottery Barn - Pier 1 - GUMP'S - Old Navy - Day - Monsoon - Laura Ashley - Crabtree & Evelyn - The Body Shop - Bath & Body Works - Victoria's Secret - Banana Republic - Gap

HOTEL CHAINS: Starwood - Westin - Le Meridien

MANUFACTURING: Peugeot - Citroën - Renault

LUXURY AND BEAUTY BRANDS: Juicy Couture - Carol's Daughter - Lampe Berger - Trish McEvoy - Ralph Lauren - Jo Malone - Carmen Marc Valvo

PARFUMERIES ET DRUGSTORES : DM , Ulta



Crabtree & Evelyn | Fragrance diffuser | USA



Old Navy | Candles | USA



PSA | Air freshener cartridges for Peugeot 307 | France



Day | Fragrances and candles | Denmark

Promotional gifts Beauty :

- Fragrances
- Make-up
- Skin care...

Promotional gifts Scent :

- Candles
- Incense
- Diffusers...

Innovative promotional accessories :

- Beauty jewels
- Tatoos, Eyelashes...

SPECIALIST RETAIL: Chantelle - Aubade - Passionata - Simone Perèle - Du Pareil au même - Un jour ailleurs

DELICATESSEN, WINES AND SPIRITS: Bacardi - Hennessy

MARQUES DE LUXE ET DE BEAUTE : Dior - Yves Rocher - Babylliss

LUXURY AND BEAUTY BRANDS: Marionnaud- Beauty Success - Douglass

MAIL ORDER: La Redoute - Madeleine

PUBLISHING: Bayard Presse - Editions Atlas



Un Jour Ailleurs | Perfumed Houpette | France



Aubade | Candle and ribbons | France



Babylliss | Vanity case | France



Dior | Eyelashes | France

Packaging solutions :

- Boxes and secondary packaging
- Baskets
- Toilet bags and kits
- Vanity case
- Buckets
- Plastic molding ...

Retail solutions :

- Display and collateral materials
- Retail bags, boxes and packaging solutions

SPECIALIST RETAIL: Banana Republic - Victoria's Secret - Bath and Body Works - Anthropologie - Ann Taylor, Bond #9

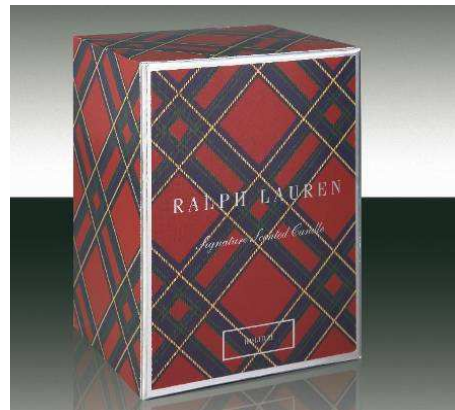
DELICATESSEN, WINES AND SPIRITS: Bacardi - Chapon - Monnet - Gautier

LUXURY AND BEAUTY BRANDS: Viktor and Rolf - Givenchy - Stila - Caudalie - Molinard - Bumble & Bumble - Ralph Lauren - Narciso Rodriguez - Zirh - Bourjois - Shiseido - Go smile - Freeze 24/7 - Fresh - MD skincare - L'oréal - L'occitane - Sonia Rykiel - Sephora - Nars - Ed Hardy - Shiseido - Jean Paul Gaultier - H2O+ - Frederick Fekaii - Clarins

RETAIL BRANDS: Target, Olay, Mary Kay



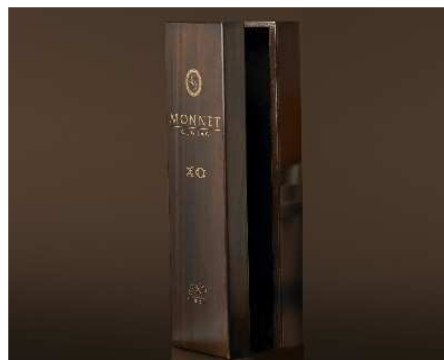
Victoria's Secret | Carton case | USA



Ralph Lauren | Carton box | USA



Chapon | Wood music box with 3D deco | France

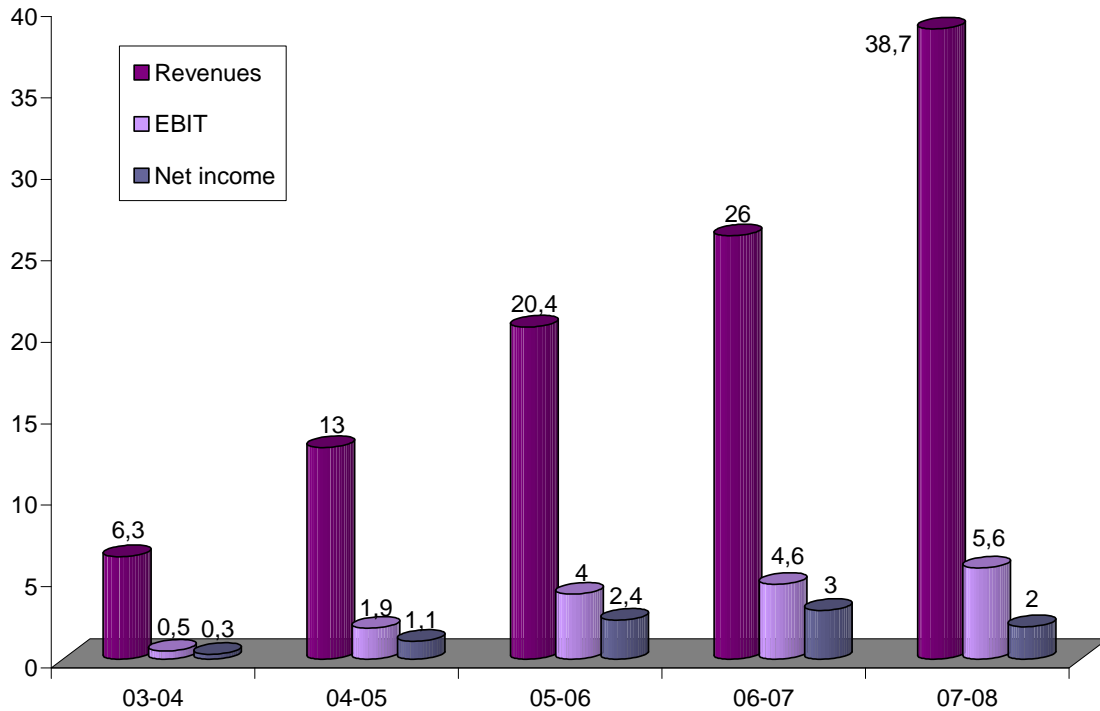


Monnet | Wooden case | France

I.

II. Financial indicators

1. Profitable growth



Rate of growth over the last three years:

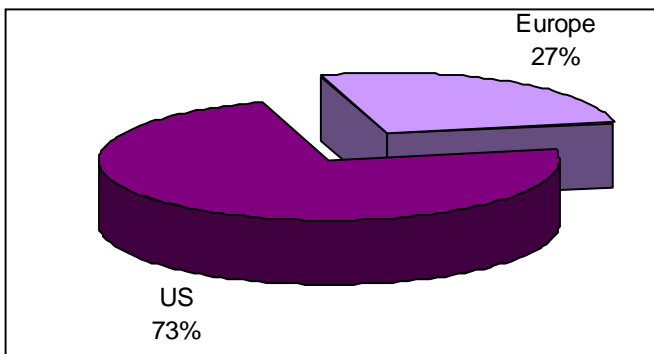
Rate of growth in 2006 = 54%
 Rate of growth in 2007 = 30%
 Rate of growth in 2008 = 49%

Key figures

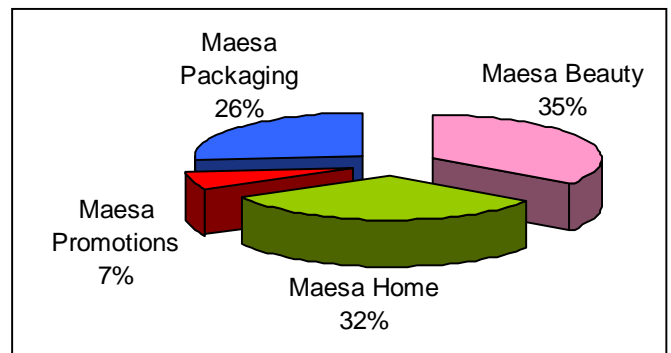
Shareholders' equity: 12.5 million euros
 Debt: 5.8 million euros
 Gearing: 46.4%

2. Breakdown of revenues

Breakdown by region



Breakdown by business



III. Growth strategy

Drawing on its positioning and its sound financial foundations, the Group is confident in its ability to generate profitable growth within the next three years and establish itself as the global leader for tailor-made beauty. After the acquisition of Zorbit Resources which was finalized in January 2009, the Group is able to confirm its **target for 100 million euros in revenues in 2010.**

“Maesa is today the only Group in the world to have global expertise for the tailor-made development and manufacturing of beauty and perfume products, to be present in both Europe and the US, to have a procurement and sourcing office and factories in China and to be able to count on a team of more than 200 “beauty engineers”, all beauty and perfume specialists. These strengths represent solid foundations for building up a coherent group in line with our vision over the last few years in order to meet the expectations of retailers for private label products and beauty brands, with creative promotional objects and packaging”.
Grégory Mager.