

July 4, 2011

Company Name: POLA ORBIS HOLDINGS INC.
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POLA ORBIS HOLDINGS has Completed Interest Acquisition of H2O PLUS (USA) to enter POLA ORBIS Group

- Inauguration of an organization capable of maximizing group synergy -

POLA ORBIS HOLDINGS announces that H2O PLUS HOLDINGS, LLC (Head Office: Illinois, USA, including other three companies under H2O PLUS Group, hereinafter “H2O PLUS”), a company with natural skincare product brands, has entered POLA ORBIS Group after completing the procedures to acquire interest on the July 1, under the transfer contract concluded on May 29 of this year.

POLA ORBIS HOLDINGS Group and H2O PLUS believe that in view of business models and activities of both companies, the sharing of business resources would be mutually beneficial and realize synergies. It has been agreed, for this purpose, to send two employees from POLA ORBIS Group for assuming the posts of director at H2O PLUS and organize a cross-company task force for a number of business areas, for quickly and efficiently realizing synergies.

1. Fields of synergy consideration

(1) Research & Development

Expected synergy:

Development of new highly beneficial products to customers, especially for existing customers, by utilizing R&D knowledge of both companies

Output:

Development of new anti-aging and whitening products for commercial launch in spring 2012

(2) Manufacturing

Expected synergy:

Higher efficiency and cost optimization in materials procurement and manufacturing at H2O PLUS by utilizing POLA ORBIS Group's resources

Output:

Determination of measures for cost optimization by the end of 2011, and their implementation in 2012 to achieve 10% cost reduction

(3) Sales

Expected synergy:

Acceleration of POLA ORBIS Group's development of existing brands (POLA, ORBIS, THREE, etc) overseas by utilizing H2O PLUS' expertise in building the network of overseas agents. Review of marketing feasibility of H2O PLUS brands in Japan at the same time.

Output:

Realization during 2012

(4) Human Resource:

Realization of exchanges and development of human resources of both companies through the synergy task force

2. H2O PLUS' Management System (approved at the board meeting held on July 1, 2011).

Remaining

President & CEO: Robert F. Seidl

<Biography>

Studied at Marketing Department and completed MBA program at Loyola University.

Mr. Seidl joined the management of H2O PLUS in June 2005, and three months after he has been appointed to the current position.

Before joining H2O PLUS, he had assumed the position of President and CEO in a Japanese cosmetic company since 1999.

Newly appointed

Executive Director (part-time): Naoki Kume

(Concurrently serves as Vice President in charge of General Planning and Finance at POLA ORBIS HOLDINGS)

Newly appointed

Executive Director (part-time): Ken Horikawa

(Concurrently serves as General Manager, Finance Division at POLA ORBIS HOLDINGS)

The Board of Directors consists of the above three members.

3. Future Prospects

H2O PLUS' sales will be included in our consolidated operating results from the third quarter. Any influence affecting the consolidated operating results will be closely reviewed from today, and the results will be promptly disclosed upon verification if necessary.

The positioning of H2O PLUS in the POLA ORBIS GROUP's medium-term management plan from next fiscal year will be reported also at the accounting of the business year ending in December, 2011.

<Outline of the company>

Company name: H2O PLUS HOLDINGS, LLC *

Established in: 1989

Capital: 35,663 thousand US dollars (as of the end of December, 2010)

Location: 845 West Madison Street, Chicago, IL

Business: Marketing of sea-derived natural skincare products in 22 countries including North America and Asia. The company markets the products at its directly-managed shops in North America and through agents at department stores and cosmetics-specializing shops in many countries.

* H2O PLUS Group has three group companies other than the above-mentioned H2O PLUS HOLDINGS, LLC.