

November 8, 2017

Company Name: POLA ORBIS HOLDINGS INC.
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Announcement Regarding Liquidation and Dissolution of Consolidated Subsidiary

The POLA ORBIS HOLDINGS INC. (hereinafter referred to as “the Company”) hereby announces that it will liquidate and dissolve its consolidated subsidiary, ORLANE JAPON INC. (headquarters: Minato-ku, Tokyo, hereinafter referred to as “ORLANE JAPON”).

1. Reason for Liquidation

ORLANE JAPON was established through joint capital contribution by the Company and ORLANE S.A. (France) and has been importing and selling cosmetics products as a hub of ORLANE brand in Japan. However, under the severe business environment for ORLANE JAPON, the operating results became different from the initial business plan in spite of various measures to revitalize the business. Therefore, the Company concluded that it is difficult to see the benefit of continuing the business, and decided to liquidate and dissolve ORLANE JAPON.

2. Overview of ORLANE JAPON

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| 1) Company Name: | ORLANE JAPON INC. |
| 2) Address: | 2-5-17 Minami-aoyama, Minato-ku, Tokyo, Japan |
| 3) Representative: | Eiichi Sato |
| 4) Description of Business: | Sale of cosmetics products |
| 5) Amount of Capital: | JPY 100 million |
| 6) Date of Establishment: | March 2007 |
| 7) Shareholder: | POLA ORBIS HOLDINGS INC. (75%)
ORLANE S.A. (25%) |
| 8) Fiscal Year-End: | December 31 |
| 9) Sales: | JPY 572 million (as of fiscal 2016) |
| 10) Operating Losses | JPY 282 million (as of fiscal 2016) |

3. Schedule

From March 2018 onward: Dissolution to be completed (plan)

4. Future Outlook

Impact of this liquidation on the consolidated financial results is as follows:

- 1) Loss on liquidation: approximately ¥449 million (extraordinary loss)
- 2) Decrease in tax expenses: approximately ¥747 million (income taxes – deferred)

These are already recorded in the financial results for the third quarter of fiscal 2017 which was announced on October 30, 2017.

Note: The impact on the consolidated financial results is estimated based on the information available today and the actual impact may differ due to various changes of situation in the future.