

Dear members of the press



istyle Concludes Capital and Business Alliance with HOUSE OF ROSE Co., Ltd. – Strengthening Collaboration in Overseas Expansion –

Tokyo- istyle Inc. (Head office: Minato Ward, Tokyo; President and CEO: Tetsuro Yoshimatsu; TSE securities code 3660; hereinafter "istyle") has concluded a capital and business alliance (hereinafter "the alliance") for overseas business with HOUSE OF ROSE Co., Ltd. (Head office: Minato Ward, Tokyo; President: Harutoshi Kamino; TSE securities code 7506; hereinafter "HOUSE OF ROSE").

1. Background of the alliance

HOUSE OF ROSE, which opens directly managed stores in major department stores and specialty stores in Japan, engages in business centered on retail sales of skin care cosmetics as well as popular private cosmetics brands, for example the famous "Oh! Baby" brand.

istyle engages in the retail business primarily through the "@cosme", an integrated cosmetics and beauty website, as well as 24 "@cosme store" select shops of cosmetics in Japan and 10 overseas (as of March 19, 2019) and the "@cosme shopping" cosmetics shopping site, while actively working to expand these businesses overseas.

The two companies have cooperated for several years on expanding their cross-border EC business aimed at China through istyle trading Inc. (Head office: Minato Ward, Tokyo; President: Yoshihisa Kaneko; hereinafter "istyle trading"), a subsidiary of istyle which exports HOUSE OF ROSE's "Oh! Baby" brand body care cosmetics.

The companies have now entered into the alliance in order to expand sales of HOUSE OF ROSE's private brand cosmetics and expand the istyle Group's overseas sales channels, while also further deepening collaboration between the two companies.

2. Content of the alliance

1) About the business alliance

istyle trading Inc. has been designated as the general agent for overseas sales of HOUSE OF ROSE and will engage in the expansion of overseas sales online and in physical stores, primarily in Asian countries. The companies will also further expand the cross-border EC business aimed at China, on which the two companies have already cooperated for several years as stated above.

2) About the capital partnership

istyle will acquire 260,000 shares (5.53% of the number of issued shares) held by existing shareholders of HOUSE OF ROSE.

In the future, the two companies will investigate the possibility of collaboration in other areas too, as the need arises.

[Corporate Overview: HOUSE OF ROSE Co., Ltd.]

Location: 2-21-7 Akasaka, Minato Ward, Tokyo

Foundation: November 26th, 1978

Capital: 9.346hundred million yen(as of September 30th, 2018)

Representative Officer: Harutoshi Kamino, President

Business Scope: Planning, development, and sales of nature-oriented skin care cosmetics, makeup cosmetics, hair care, body care, bath products, miscellaneous goods, etc. Operation of relaxation salons and the "Curves" women-only fitness salons.

[Corporate Overview: istyle Inc.] <http://www.istyle.co.jp/en> First Section, Tokyo Stock Exchange; Ticker Symbol: 3660

■ Location: Ark Mori Building 34th FL, 1-12-32 Akasaka, Minato City, Tokyo

■ Foundation: July 27, 1999

■ Capital: 3.556 billion yen

■ Representative Officer: Tetsuro Yoshimatsu, President and CEO

■ Business Scope: Plan and operation of the comprehensive beauty care portal, @cosme, and related ad services

