

180th Anniversary

75

Quarter 2 • 2008

A.S. Watson quarterly family magazine

"PARIS", the backbone of
ICI PARIS XL's philosophy

Marionnaud to change
Hong Kong beauty retail

Shining stars at Drogas

Student fever

Light the Passion & Share the
Dream

Relief forces mobilise

watson



A Hutchison Whampoa Company

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About A.S. Watson Group

With a history dating back to 1828, the A.S. Watson Group (ASW) has evolved into an international retail and manufacturing business with operations in 36 markets worldwide. Today, the Group owns more than 8,000 retail stores running the gamut from health & beauty chains, luxury perfumeries & cosmetics to food, electronics, fine wine and airport retail arms. An established player in the beverage industry, ASW provides a full range of beverages from bottled water, fruit juices, soft drinks and tea products to the world's finest wine labels via its international wine wholesaler and distributor.

ASW employs over 80,000 staff and is a member of the world renowned Hong Kong-based conglomerate Hutchison Whampoa Limited, which has five core businesses - ports and related services; property and hotels; retail; energy, infrastructure, investments and others; and telecommunications in 57 countries.

Wats On is the quarterly family magazine of the A.S. Watson Group. Materials from this publication may only be reprinted with full accreditation to "Wats On".

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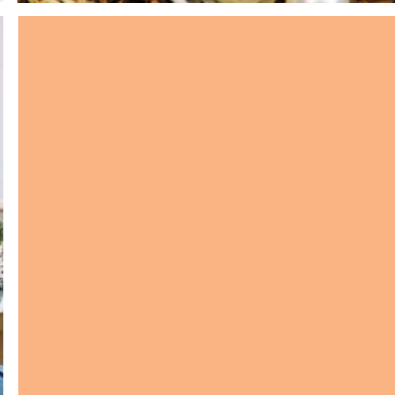
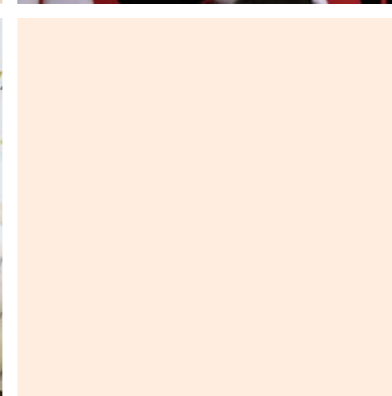
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Record year of profit for ASW

For the year ending 31 December 2007, Hutchison Whampoa Limited (HWL) reported audited profit attributable to shareholders of HK\$30,600 million (US\$3,923 million), a 53% increase compared to last year's profit of HK\$20,030 million (US\$2,568 million). Turnover increased by 15% to HK\$308,775 million (US\$39,587 million). For full results, see: www.hutchison-whampoa.com/eng/investor/annual/annual.htm



A.S. Watson (ASW) achieved a record year of profit in 2007, with earnings before interest expense and taxation (EBIT) of HK\$3,711 million (US\$476 million), a 36% improvement compared to last year. Turnover increased by 11% to HK\$110,007 million (US\$14,103 million). 



Jeremy Seigal appointed CEO

Managing Director of The Perfume Shop (TPS), Jeremy Seigal will now add Superdrug and Savers to his responsibilities. Jeremy was appointed CEO of A.S. Watson (UK) in April 2008 with management responsibilities of all A.S. Watson Group UK retail operations.

A graduate of Oxford University and Stanford Business School, Jeremy commenced his career at The Boston Consulting Group before joining the Burton Group in 1986. Jeremy moved to Merchant Retail Group plc in 1991 where he co-founded TPS.

In his new role, Jeremy has the challenging task of managing the Group's UK portfolio of over 1,300 stores.  




Dominic Lai (middle), Group Managing Director of A.S. Watson Group, Jean-Pierre Thébault (2nd left), Consul Général de France and Alvin Miu (2nd right), General Manager of Marionnaud Paris officiated the Marionnaud Paris Grand Opening in Hong Kong with famous celebrities



Marionnaud to change Hong Kong beauty retail

A.S. Watson Group turned a new page in its business development when it officially opened the first Marionnaud Paris store, at Nathan Road, Tsim Sha Tsui, the busiest shopping district in Hong Kong on 15 April.

Eleven internationally renowned luxury brands provide unrivalled beauty solutions at sophisticated counters, while specialised areas for fragrance and men's beauty products combined with the dedicated advice of professional beauty consultants, satisfy even the most demanding customers!

Marionnaud Paris offers a spacious and modern chic carefree shopping environment in the luminous white and plum colours that reflect feminine beauty and encourages customers to "Celebrate the Beautiful You". 



Online testing demo

In parallel to the latest promotion of the popular Watsons own-label toiletry products in Austria, Marionnaud introduced a new form of product testing with Vienna's favourite lifestyle website, Vienna Online.

Vienna Online spent some time in a Marionnaud store in April testing Watsons Aloe face mask and Watsons Mango & Papaya hand cream. Gelena, a favourite Austrian TV celebrity, found out why so many young girls love Watsons. Customers were asked to try and comment on the products and the videotorial created during the testing was then shown on the www.vienna.at. The video clip showed the customers testing the products and customers agreed that the fragrance, texture and quality of the products were perfect. /Marionnaud



Beauty evenings at Marionnaud

Over 200,000 top Marionnaud customers in France were invited to bring a friend to a specially organised evening event in a selection of 201 Marionnaud stores. The customers and their friends were given the opportunity to meet the beauty advisors, receive all the latest advice and beauty techniques and discover new products and exclusive brands. These evenings are organised several times a year and give customers the opportunity to sample Marionnaud's beauty shopping experience in a privileged atmosphere. /Marionnaud

Musical Mummy

Famous Dutch pianist Wibi Soerjadi (far right) had a very special Mother's day gift for his mother this year. With the help of Kruidvat, he organised a surprise concert for his mother in the Streksingel, Rotterdam store and played a beautiful piece of music named "For mother" that he composed especially for her. Mrs Soerjadi (2nd right) was very much moved by the music and felt very proud of her son. The melody has been recorded on a CD available exclusively in all Kruidvat stores. Kruidvat



Pop-idol CD giveaway

Response was overwhelming, on 12 March, when any Kruidvat customer spending 15€ or more received a very special gift. Dutch pop-idol finalist Nathalie Makoma CDs were handed out to more than 110,000 thrilled customers. Nathalie became very popular with the Dutch public when she made it to the finals of the TV pop-idol competition. She very much impressed the viewers and the gift of her CD was regarded as a great success in the stores. Kruidvat



Drogas is one of the winners of the Good Service Award



Zanna Matjuseva (left), Store Manager, receives 12 chocolate medals from Madara Juska (right), Human Resources and Communications Director of Drogas



Good Service Star 2008 – Julija Degtjareva, Store Assistant of Maskavas street 250, Riga store

Shining stars at Drogas

The Good Service project has been running for seven years now in Latvia recognising excellent customer service quality. All Drogas Latvia stores participated in the 2008 contest amongst 800 other stores and service points. Drogas was complimented as one of the top ten stores and service points offering the best customer service. In parallel, Drogas organised its own Good Service Stars 2008 and collected information from more than 10,000 customers and through mystery shopping surveys. Many congratulations to the three Senior Store Assistants, three Store Assistants and two store teams awarded with Good Service Stars 2008.

Drogas



New beauty at Superdrug

Superdrug is very excited to be launching two exclusive beauty brands this summer. "Good Skin" provides dermatologist-formulated fragrance free skin care developed by Estee Lauder help to make perfect skin in everyone's reach with simple to follow regimes and clearly labelled products.

Cult Australian beauty brand "Bloom", absent from the British high street for the past five years, is being resurrected by Superdrug this summer. Beauty lovers are excited about the launch as it has always been a firm favourite, with its aromatherapy lip balm reportedly loved by the likes of Kylie Minogue, Elle McPherson and Helena Christensen.

Superdrug



Fashionable Perfume Shop

On 12 May, The Perfume Shop (TPS) hosted the LK Today High Street Fashion Awards in London. As the only sponsor of the event TPS was featured regularly over a three week period on ITV the UK's most popular commercial TV station. The Awards, which were voted for by members of the public, recognised the best of High Street Fashion. Jo Walker, Chief Operating Officer for TPS (2nd left) presented the award for Best Dressed Celebrity to the quirky and stylish Kelly Osborne (1st right).





Cathy Yeap, Managing Director of Watsons Singapore and Lam Pin-woon, CEO of Health Promotion Board officiating at the opening of Watsons 20th Anniversary road show "Be Healthy, Be Beautiful, Be Smoke-Free" at Tampines Mall on 7 March 2008



And the winner is...

Watsons Thailand held their annual event "Watsons Health, Wellness and Beauty Awards 2008" on 19 March presenting awards to over 100 suppliers of best selling health, beauty and cosmetics products. Olay Total Effect Cream triumphed for the 4th year running, winning the "Best of the Best Award".

The winners of Friendly Face (male and female), Luscious Lips, Engaging Eyes, Healthy Hair and Fit Figure were announced on the same day at the finals of the "YOU Awards".



From Birds to Beauty

Watsons Thailand launched 'Watsons Bird's Nest Mask' – the latest beauty innovation direct from Korea specially formulated with natural bird's nest ingredients and pearl powder to help give a glowing complexion. The sale of more than 20 million masks confirms its success in Asia.

Nuanphan Jayanama, Marketing Controller of The Central Watson Co., Ltd. (left) together with celebrity Joy Rinraanee Sriphen (right) created a stir among the audience when they demonstrated the tactics used to collect bird's nests by climbing a wall.

Top class employer

Kariyer.net presented Watsons Turkey with the Human Respect Award for the third consecutive year for its outstanding job application response rate. Kariyer.net is the leading recruitment website and offers future employers the largest and most diverse candidate database. The award recompenses the importance of prompt and appropriate response to all applications no matter the outcome, but simply to thank candidates for their interest in the company and for their eagerness to be a part of the A.S. Watson family.



Flying high in Singapore


To celebrate its 20th Anniversary, Watsons Singapore invited all staff and suppliers to take a ride in the Singapore Flyer - the world's largest observation wheel – symbolising the target to achieve new heights now and in the future.

Watsons Singapore also extended its commitment to promote a healthier lifestyle and launched the "Be Healthy, Be Beautiful, Be Smoke-Free" campaign. During the celebration period, smokers can talk to certified "Quit Counselors" and receive advice on how to stop smoking with less stress.





Beautiful Lady, Beautiful Skin

2008 Watsons "Beautiful Lady, Beautiful Skin" summer skin care launch event was successfully held in Ginza Mall, Beijing on 8 May. This event features 12 international cosmetics brands offering customers and media a new skin care experience. Beauty experts presented Green Tea and Neutrogena products, and famous model Miss Liu Wen, Olay spokesperson, shared her skin care tips and experience of Olay new water replenishing products. The event won praises from Beijing media acknowledging Watsons China's surprising and original approach to fashion, wellbeing and natural beauty. 

World premier for AMALA

AMALA, an exclusive German skincare brand, has just been launched at Nuance-Watson Singapore's "Perfumes & Cosmetics" at Singapore Changi Airport. AMALA which means "most pure" in Sanskrit, "revered mother" in Tibetan and "love her" in Spanish combines these three rather different meanings to portray the love and respect of nature and our own mother providing beauty lovers everything they need to nurture and heal. This new skincare brand, only available in Changi Airport and in selected spas in the USA, was created by an eco-environmentalist, Ute Leube who began blending her own skincare in the early 1970s.



The Nuance-Watson (Singapore) team celebrates their excellent achievement at the DFNI Awards Ceremony



Alessandra Piovesana (left), Regional Managing Director of Nuance-Watson (HK) received the award from DFNI representative

Awards for excellence

Nuance-Watson (Singapore) scored big with three wins at the 11th annual DFNI Awards* winning for the second time the "Asia-Pacific Travel Retailer of the Year".

Singapore Changi Airport Perfumes & Cosmetics received the "Best Fragrances and Cosmetics Travel Retailer in Asia-Pacific" award for the fifth time and its Terminal Three Perfumes & Cosmetics store recently opened in January 2008 won the "Best New Shop Opening" award.

Nuance-Watson (HK) was also named "Best Fashion, Leathergoods and Accessories Travel Retailer in Asia/Pacific" and "Best Gift Travel Retailer in Asia/Pacific" for its operations at Hong Kong International Airport ("HKIA"). This latest award brings the total to 17 DFNI/Raven Fox Awards, including two times winner of "Asia-Pacific Travel Retailer of the Year".

* The DFNI Awards (previously known as Raven Fox Awards) is an annual event held in recognition of the best practices in duty-free retailing.



It's medal time Again!

A.S. Watson brands PARKNSHOP Hong Kong, Mr Juicy, Watsons Water, Sunkist and its parent company Cheung Kong Holdings were yet again honored with awards at the Reader's Digest Asia Trusted Brands Survey 2008 in the categories of Supermarket Chain (Gold Award), Juice (Platinum Award), Water/Mineral Water (Platinum Award), Juice (Gold Award) and Property Developer (Gold Award) respectively.

The Reader's Digest Asia Trusted Brands Survey is carried out by Nielsen Company via questionnaires distributed in Reader's Digest and random telephone interviews of selected consumers in eight countries and regions including Hong Kong, Mainland China, India, Malaysia, the Philippines, Singapore, Taiwan, and Thailand.



(From left to right) Angie Lee, Head of Marketing of PARKNSHOP Hong Kong; Linda Chan, Marketing Manager of Watsons Water; Joseph Lau, Director of Cheung Kong Real Estate Limited; Priscilla Tong, Assistant Category Marketing Manager of Citrus Growers International and Lilian Au, Marketing Director of CGI celebrated the award-winning occasion



Opening of the first "Hall of Champions" on 16 April 2008 to pay homage to the achievements of 27 former sports champions

Quench your thirst on the running track

Over 2,000 athletes will participate in the 2009 East Asian Games to be held on 5-13 December 2009. Watsons Water, a famous local brand and a diamond partner of the future games, strongly believes that sports are part of our daily life and important to our health. Their support to the 2009 EAG will further help to establish Hong Kong as the regional centre for sports and promote Hong Kong's sport culture to the community. Specially designed mascots, Dony and Ami, will promote the event and bestow good luck on all of the athletes.

Watsons Water



2009 East Asian Games mascots "Dony" and "Ami"



Watsons takes care of you

Watsons Hong Kong is really determined to help ladies with their health and beauty. Local celebrity Fala Chen (top photo right) promoted a new health package comprising of medical history and consultation, and all the necessary medical check ups for women.

Watsons Hong Kong also teamed up with Pantene Clinicare and Olay Definity to provide customers with the top summer beauty tips for shiny hair and a glowing complexion this summer. Professional skin testing devices will help customers evaluate the damage to their hair and the quality of their skin and choose the products that suit them best.

Watsons



Bust inflation at PARKNSHOP

There are many ways to fight inflation, and PARKNSHOP Hong Kong has come up with a new way to help families get the best possible value for money.

Endorsed by celebrity Suzi Wong, the "LOWEST PRICE" products ranging from rice, cooking oil and drinks to cleaners, are now readily available on PARKNSHOP shelves.

To mark the launch of "LOWEST PRICE" campaign, PARKNSHOP donated 24,000 items from the "LOWEST PRICE" range to the Hong Kong Family Welfare Society to help low-income families. [PARKNSHOP](#)



Great taste from Japan

TASTE and GREAT hosted a three-week-long Japanese Food Festival in April featuring a delicious selection of over 600 Japanese flavours including the authentic Japanese-style noodles; seafood, sushi and sashimi; super-tender Wagyu beef, healthy soy milk and a great variety of snacks.

Master chef from Japan together with celebrity stars attracted lots of attention demonstrating traditional Mitarashi dango dumplings (top photo) at specially set up food stalls. [TASTE](#) [GREAT](#)



Store Openings (March to May 2008)



- Hong Kong**
- Victoria Mall, Tsim Sha Tsui
 - Waldorf Garden, Tuen Mun



- China**
- Fang Heng Center, Beijing
 - Wanda, Xian
 - Nanguohuajin, Guiyang
 - Xingtandi, Guiyang
 - HuaLian Merchandise, Jiangyin
 - Kunshan Department Store, Kunshan
 - Deji Plaza, Nanjing
 - Shanxilu Department Store, Nanjing



- Taiwan**
- New Nanking Store, Nanking E. Rd., Taipei (reopened)

Singapore

- Ang Mo Kio
- Tanglin Mall
- Tiong Bahru Plaza



Korea

- The Mall, Bucheon

Thailand

- Big C Ayudthaya, Ayudthaya Province



Turkey

- Denizli Sore, Denizli



Hong Kong

- Tai Wo Shopping Centre, Tai Wo

Marionnaud

France

- Ivry Couturier, Ivry sur Seine



Superdrug

United Kingdom

- 19 Newland Street, High Wycombe
- Liverpool Paradise Place, Liverpool



United Kingdom

- Victoria Square, Belfast
- The Mall, Golden Shopping Centre, Warrington
- South John Street, Liverpool



ROSSMANN

Poland

- ŻGAŃ Buczka 6a
- WADOWICE, Bohaterów Getta 23
- WŁOCŁAWEK, Kaliska 79a
- BYTOM, J. N. Jeziorańskiego 25
- PRUSZKÓW, Wojska Polskiego 56b
- OPOLE, 1-go Maja 9
- KRASNYSTAW, Okrzei 1
- KRAKÓW, Wiślana 3
- ŁOWICZ, Nowy Rynek 7
- WARSZAWA, Grójecka 64
- BIAŁOGARD, 1-go Maja 5
- BYDGOSZCZ, Wojska Polskiego 23
- KRAKÓW, Broniewskiego 1
- WARSZAWA, Stanów Zjednoczonych 72



Kruidvat

The Netherlands

- PIETER VREEDEPLEIN 167, Tilburg
- De Plaetse 80, Helmond
- Euterpedreef 2, Utrecht



The Netherlands

- De Hovel 47A, Goirle
- Schaapmarktplein 11, Sneek
- 't Ruim 28, Dronten
- Zuid Promenade 30, Soest
- Laanstraat 96, Baarn
- Noorderbuurt 49, Drachten
- Midstraat 135a, Joure
- Noordstraat 67, Terneuzen
- MARKTSTRAAT 10, Dedemsvaart
- LANGESTRAAT 107, Klazienaveen
- MIDDENBAAN 40, Barendrecht
- RAADHUISPLEIN 27, Bodegraven
- KAASMARKT 6, Purmerend
- GILDEPLEIN 4, Purmerend
- BEUKERSTRAAT 7-9, Zutphen
- HOOFDSTRAAT 47-49, Velp

- GROTESTRAAT 3, Rijssen
- BLANKENBURGERSTRAAT 5, Haaksbergen
- GRUIZENSTRAAT 22, Sittard
- MEIDOORNPlein 59-61, Wezep
- SINGEL 4, Nijkerk
- WESTERSTRAAT 70-72, Enkhuizen
- KANAALSTRAAT 75, Lisse

Drogas

Lithuania

- Basanavičiaus str. 93, Kėdainiai



Store
Openings
(March to May 2008)



"PARIS" the backbone of ICI PARIS XL's philosophy



Great products, a pleasant atmosphere and impeccable service: this is what ICI PARIS XL stands for and why Belgian and Dutch customers have elected the perfumery chain "Best Retailer" in the category "Health & Beauty/Perfumery" for the fourth consecutive year.*

*2007 survey organised by Q&A Research & Consultancy, Elsevier Retail and Zibb Retail.

ICI PARIS XL, which is celebrating its 40th anniversary this year, is extremely proud of this result. Leo van Welij, Managing Director of ICI PARIS XL Benelux, says

"The secret lies in the passion and knowledge of the people who work at ICI PARIS XL, which is embedded in the company's DNA since its creation".

The perfumery chain's first store was called: 'Ici Paris à Ixelles', or 'This is Paris in Ixelles', Ixelles being the name of the Brussels' suburb where Mr and Mrs Brenig first opened a small perfumery store in May 1968.

From day one, the store was successful in distinguishing itself

from its competitors thanks to its accessibility and low prices, combined with top quality customer service and advice. The number of stores has since grown to 224 in Belgium, the Netherlands and Luxembourg and the name has been shortened to ICI PARIS XL. With a market share of more than 50% in Belgium and 30% in the Netherlands, ICI PARIS XL has established itself as the region's leading retailer in luxury perfumes and cosmetics.





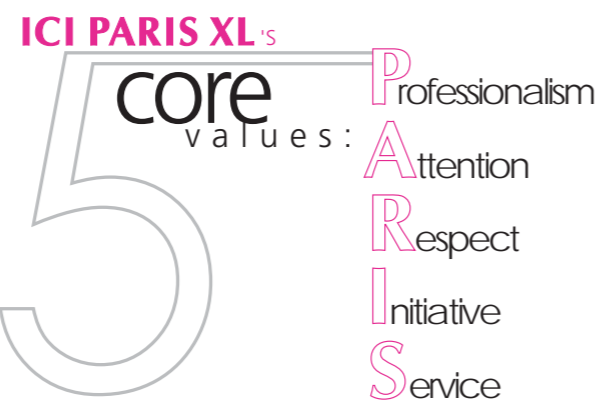
People Culture

People play a fundamental part in ICI PARIS XL's core values. Every team member must aspire to offer customers the best possible advice and solution for their beauty needs. Training and Development is one of the cornerstones of ICI PARIS XL's success. This has been recognised internationally as ICI PARIS XL shares its knowledge and expertise in Training and Development with Marionnaud and The Perfume Shop.

It goes without saying that Training and Development is not restricted to the stores; every employee in the office is encouraged to develop their skills and competences through specific training programs that correspond to their interests and developing needs.

Teamwork also plays a very big role in the ICI PARIS XL culture and different activities involving store and headquarter staff are regularly organised as part of a general team building strategy. Employees are invited to participate in both in and out of office events, joining forces to build winning teams.

Human capital is the asset that makes the difference!
ICI PARIS XL's core values are illustrated by the five letters which form, not coincidentally, the word P A R I S and together, they have helped to build the success that is ICI PARIS XL today.



Professionalism

Christine Thyange, Head of Training & Development states: "Our attention is focused on our clients, whether they be internal (our employees) or external (our customers). ICI PARIS XL employees are trained and guided, so that they become increasingly professional in their job and transmit their enthusiasm and passion to our customers."

Different training modules are available to enhance knowledge in selling techniques, product specificities or management skills."

All new staff begin with an introductory training course, the "ABC of ICI PARIS XL", to acquaint them with the values of A.S. Watson and ICI PARIS XL. They also receive a basic course in perfumes, skin care and make-up.

In the second or third year, the staff can attend "VIP" and "VIP BIS" courses focused on advanced sales techniques, with special attention paid to the psychology of the customer, body language, etc. These courses put the beauty consultants in situ, teaching

them to listen to the customers, to discern their needs and to answer them in the best possible way. Beauty advisors who wish to further develop their passion for make-up or perfume can follow specialist training courses to perfect their skills. Store managers are not forgotten and also have the opportunity to develop their management skills thanks to different training modules "Management by Objectives", "Situational Management" and "Assertiveness".





Respect

One of the most important values is respect for everyone and everything: customers, colleagues, suppliers, products, store and ourselves!

To highlight this, ICI PARIS XL collaborated with photographer Janké in a very special project: Sprakeloos ("Speechless"). The project originated from the photographer's particular vision of our society. Contrary to those who judge people based on colour and language, a photographer sees colour as a density and doesn't hear speech.

Members of ICI PARIS XL staff, all from different ethnic backgrounds, were photographed in black and white portraying a word in sign language. The words have no meaning on their own but, by putting them together, they form a sentence or a proverb. These photographs were and are still used in ICI PARIS XL stores, on greetings cards, etc, to emphasise that everybody is welcome to join the company and come to the stores.

The members of the ICI PARIS XL family originate from 34 different countries, some as far away as Columbia, Korea, Mauritius and others closer to home such as Belgium, France, Spain and Greece.



Project Sprakeloos "Speechless" portraying "Respect" for staff from different ethnic backgrounds

"Furthermore," Christine Thyange continues, "it is very important that our beauty advisors are up-to-date with the latest brand novelties, their application and efficiency. ICI PARIS XL collaborates very closely with the brands, so that every beauty advisor is fully up to date with new launches and can increase his or her product knowledge. Training sessions are organised by the brands themselves so that all questions are immediately answered. We have also introduced the use of a Skin Analyser, a medical device that measures the hydration, pigmentation, elasticity and sebum levels of the skin. The device is also able to determine the condition of hair and nails. In short, we leave nothing to chance and continually strive to give our customers the best possible service and advice and a maximum degree of satisfaction."

ICI PARIS XL employees are very loyal to the company. Some store managers have been with the company for over 30 years and the more experienced can join the Leadership Academy.



Attention

ICI PARIS XL takes pride in rolling out the red carpet for every single customer. He or she must feel more than welcome. In addition to the organisation of various brand events, ICI PARIS XL launched a very specific project "MEN ONLY" in 2007, focusing on this new and growing public.

These days, men pay more and more attention to their appearance*. ICI PARIS XL is very sensitive to the specific needs of the male customer and particular care is paid to achieve a more personalised approach through the use of specific selling techniques.

Its efforts have paid off and the perfumery chain has the reputation of being accessible, even to male customers. "We are the perfumery where they can expect expert, no-nonsense advice for their most important needs: to look fresh and healthy every day!" says Welij.

**Research by ACNielsen (2006) shows that today men use more skincare products than two years ago.*

FIRST of the FIRST

Service

Key to ICI PARIS XL is the service and professional advice delivered to customers, to such an extent that service and advice come before the selling of products.

To ensure that the stores deliver the quality ICI PARIS XL is renowned for, regular mystery visits are carried out and consumer tests are organised. ICI PARIS XL can be very proud of its results as almost 90% of customers are satisfied with the advice and service they receive in the stores. As one customer said, "I personally find the atmosphere at ICI PARIS XL very pleasant. The staff are always very friendly and professional. Now I know which products to use for my type of skin and how to apply them."

"Despite all this public recognition" adds Welij, "We do not plan to sit on our laurels as 2008 will be a very challenging year: consolidation of position as market leader, growth in the industry as well as continuous top quality service and advice to customers. **ICI PARIS XL**



Dominic Lai, Group Managing Director of A.S. Watson Group shopped at ICI PARIS XL Belgium recently and contributed to the sales



2002-2003

The first perfumery chain to introduce a Perfume and Make-up specialist in every store



Pioneered a complete range of training modules for the store staff



2004

Introduced a new concept store



Innovated by introducing a nail bar in the stores



2006

Introduced the concept of Color's, a special make-up corner in Belgium



2007

Launched the skin analyser



First to introduce a Men's Corner in the stores



2008

Launched the ICI PARIS XL Academy featuring, among other courses, a Masterclass in Skin Care & Coaching



Initiative

Initiative drives change and as there can be no improvement without change, ICI PARIS XL is dedicated to motivating the entrepreneurial spirit of its employees.

To thank team members for their enthusiasm, dedication and initiatives, several staff awards were introduced last year for both store and headquarter employees. The awards focus on the five core values (Professionalism, Attention, Respect, Initiative, Service, and all this in Extra Large) and were such a success that the awards programme is renewed this year.

Each award has its own specific objective and this year, for example, the Award for Initiative will be given to the store with the most original local celebration of ICI PARIS XL's 40th anniversary. This proved to be very effective last year, when ICI PARIS XL celebrated its 10th anniversary in the Netherlands and many stores came up with very exciting events and advertising campaigns.

Give your friends an
Imperial Banquet



Looking for a quality imperial meal for yourself and your friends? Check out the range of Imperial Banquet products at PARK1SHOP Hong Kong. Over 60 different products covering a variety of foods such as sauces, noodles and pasta, oil and dried vegetables and the new Imperial Banquet Thai brown rice and red rice.



Light the
**Passion
& Share
the Dream**

Eighteen staff members and athletes from A.S. Watson Group, Hutchison Whampoa Limited, Cheung Kong (Holdings) Limited, Hutchison Telecommunications (Hong Kong) Limited, FORTRESS and Watsons Athletic Club proudly participated in the Beijing 2008 Olympic Torch Relay in Hong Kong, Macau and Quanzhou (China) on 2 May, 3 May and 12 May respectively.



Gary Ng, Managing Director of FORTRESS, participated in the Torch Relay in Macau



Victor Li (center), Managing Director and Deputy Chairman of Cheung Kong Holdings and Peter Wong (right), Chief Executive Officer of Hutchison Telecommunications Hong Kong and Tania Mak, Watsons Athletic Club triathlon athlete participated in the Torch Relay in Hong Kong



Li & Wong (top row center) pictured together with torchbearer assistants from Watsons Athletic Club



Ken Ng, Merchandise Director of FORTRESS, participated in the Torch Relay in Quanzhou China




Area and Store Managers Meeting at Dunstable



Make Savers Great Again

Savers held their first Managers Conference and the annual Store Managers Road Show at the new Savers Head Office in Dunstable in May 2008. Both conferences gave the teams the chance to meet colleagues and members from all support departments and to meet the field and operations teams. Sharing experiences and new ideas was the key element and the Senior Management used the occasions to congratulate the store teams for the excellent work done in helping the business recover some of its former market share and Make Savers Great Again. 

Learning from others

A new individual training tool has just been launched in Drogas Latvia. Retail Academy is a new approach to learning and development, assisting all store staff in their daily duties. This is a fine example of sharing experiences, as the Drogas team worked closely with Superdrug who have already implemented Retail Academy in the UK. The first step of the programme is for newcomers who can learn about store assistant responsibilities, the importance of customer service and product knowledge. 



Inguna Zarina (left), Training Specialist of Drogas wishes good luck to Retail Academy graduate, Store Assistant Julija Sokurenko (right)

Our home

Drogas participates in Riga Marathon



It's a highly popular event, not only with the Latvians but also with many countries far and wide. The Riga Marathon began in the mid-eighties and today 5,300 athletes participate representing 34 countries. 21 Drogas team members took up the challenge and ran the 5km and 21km distance through the beautiful streets of Riga old town along side Latvia's best sportswoman, prestigious double New York marathon champion Jelena Prokopcuka.

Drogas best result was achieved by IT Manager Guntars Mankus 1:34:46 for 21km. 



Staff Health Network

It was women's health day on 28 March at the Watsons Philippines as the Human Resources and Organisation Development Division, in collaboration with the Trading-Health Department, launched the Health Network, to cultivate the Watsons "Feel Great, Look Good, Have Fun" culture.

Female employees across all departments could consult different medical services provided for free by our trading partners. Increased awareness is essential to maintain a healthy body and fight different health issues, and although dedicated to women, many Watsons' gentlemen showed keen interest!



How long have you been working for ASW?

10, 20, 30 and even 35 years of service ... Lamb Young (top photo right), Project Manager of PARKNSHOP's operations department, has been working for the Company over 35 years and received an award from Dominic Lai (top photo left), Group Managing Director of A.S. Watson, at the Long Service Awards Presentation Ceremony in April. Over 660 staff from PARKNSHOP Hong Kong, FORTRESS, Watsons Your Personal Store and Watson's Wine Cellar received awards for ten year's service or more. We wish you all many more happy years with ASW!



Tons of fun for everyone!

The fresh spring air attracted over 200 staff and their families to a BBQ Fun Day organised by the Lifestyle Club on 27 April in Tai Tong Lychee Valley, Hong Kong. Adults and kids all enjoyed the games and entertainment with interactive learning about ancient farming and horse riding on site.

On the sports front, over 180 ASW bowling, billiard and soccer stars took part in a series of competitions. In late April, the Club hosted two nights of social and competitive bowling, plus a billiard competition. From May to June, staff formed teams for the "Super Soccer Thursday!" and put on an excellent show of football skills.



Top of the class in communications

"Dutch at Work" is the name of a new one year training course launched recently by ICI PARIS XL. Despite its relatively small size, Belgium has 3 official languages (Dutch, French and German) which sometimes impaired communications between the different members of staff. Special language courses were arranged for the French speaking executives to enhance communication with the Dutch speaking staff. At the end of the training period, all trainees were required to take an exam and the success rate was 100%. The participants were so enthusiastic about their progress that they organised a stage show, which was thoroughly enjoyed by all who attended. Congratulations to you all!





Relief forces mobilise

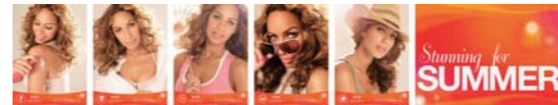
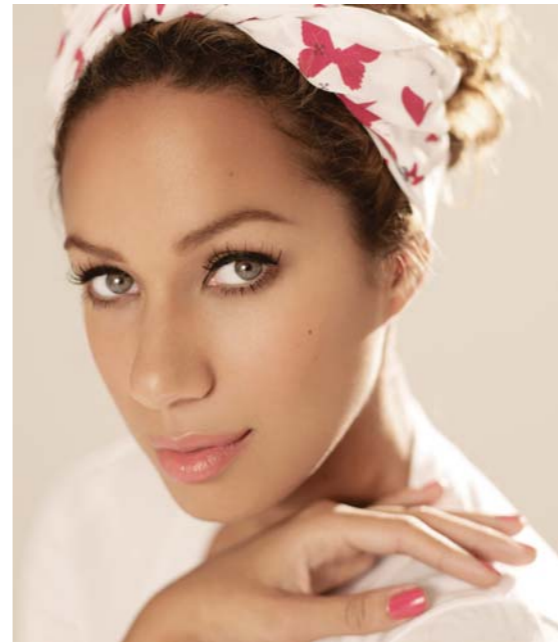
A powerful eight-magnitude earthquake devastated Sichuan province in China on 12 May, killing and injuring tens of thousands of people and leaving hundreds of thousands homeless.

The day after the earthquake, Li Ka Shing Foundation's "Just-in-time Fund" together with Cheung Kong (Holdings) Limited (CKH) and Hutchison Whampoa Limited (HWL), reacted rapidly by donating more than HK\$150 million to establish an education fund with the Ministry of Education to help school rebuilding projects and sponsor the school fees and expenses for children in the affected areas. Simultaneously, Canning Fok, Group Managing Director of HWL personally donated HK\$5 million.

On 21 May, LKSF announced its collaboration with the China Disabled Persons' Federation (CDPF) to provide free prosthetic services, artificial limbs and wheelchairs for all amputees.

Fundraising activities were also launched in stores: PARKNSHOP China western district team sent relief supplies worth more than RMB140,000 donated by the staff. A further RMB241,600 raised by staff in headquarters, eastern and southern regions are being channeled to China Red Cross.

PARKNSHOP Hong Kong, TASTE and GREAT wasted no time and set up donation boxes besides all the stores' checkouts to encourage customers to donate money and more than HK\$1,400,000 has been raised. Watsons Hong Kong joined hands with suppliers and selected 300 products which were sold in more than 150 stores to raise funds, whilst Watson's Wine Cellar raised more than HK\$50,000. A. S. Watson Group also initiated a staff fund raising at its headquarters and gathered more than half a million dollars. All proceeds will be donated to the Hong Kong Red Cross to fund their relief operations in China.



Shun Burn at Superdrug

This summer Superdrug is proud to work in conjunction with the Teenage Cancer Trust on a charity campaign called "Shun Burn" to raise awareness of skin cancer and funds for the charity. The Shun Burn campaign targets younger customers and aims to promote being safe in the sun. Leona Lewis, the winner of the UK's X Factor is the ambassador for the campaign and will feature on POS in stores all summer long. Leona has also designed an exclusive scarf (pictured) which will be sold on www.superdrug.com to raise funds for the charity.

Superdrug's Shun Burn crew will be visiting parks, festivals and beaches this summer promoting the campaign and Superdrug's own label sun care range SOLAIT. *Superdrug*

Stop the suffering

For the third consecutive year, Marionnaud collected funds to support the "Fédération Nationale Solidarité Femmes", an association that helps battered women overcome their sufferings by providing them with comfort, shelter and support.


For each sale of a beauty product on 8 March, International Women's Day, Marionnaud donated 2€ and raised an amazing 112,000€ which was used to create an information leaflet about the association and which, more importantly, provides a contact phone number for distressed women to call. The funds also enabled the association to hire a person dedicated to training the volunteer staff. *Marionnaud*






People helping people

For the second time, Watsons Philippines sponsored the SM Foundation in its latest Medical Mission held at the Mowelfund (Movie Workers Welfare Foundation) in New Manila last 29 March to celebrate the latter's 34th anniversary.

Watsons' volunteers distributed free medicine to families and communities supported by the Mowelfund – an organisation founded in 1974 by Former President Joseph Estrada which provides film workers with health, medical, and lately, livelihood and housing benefits. New volunteers are encouraged to join as Watsons plans to increase participation in this very worthy cause. 




Specialist advice to fight cancer

Watsons Taiwan officially joined Taiwan Cancer Foundation for women's cervical cancer prevention project which will last a year from 5 January to 31 December 2008. Watsons' pharmacists not only participated in the TV promotion video broadcast in May, but together with Premier Wang, Legislative Yuan, officiated at the recent launch press conference. Over 300 Watsons' pharmacists, trained by medical professionals, provide customers with free consultations on cervical cancer prevention and hand out specially produced information leaflets in the stores. 



Student fever



Winning the heart of the young and fashionable Chinese students can be hard, but Watsons China came up with a brilliant idea. The first Watsons Lifestyle Cultural Festival was held in Peking University with more than 2,000 students participating in the event. From a Health & Beauty salon to Design-a-T-shirt competition, the students and even the teachers participated and loved every moment of the two day festival. 200 winning design T-shirts were produced by Watsons, sold at a charity sale and funds donated to The Sun Marrow Bank of Peking University Volunteer Association to support patients and children who suffer from leukaemia. 

Say No to White Pollution

The China Communist Youth League (CCYZC) chose the PARKNSHOP Zhongnagshan store in China to launch its environmentally friendly campaign "Say No to White Pollution" to promote using less plastics bags. CCYZC distributed 500 environmentally friendly bags to customers shopping in the store. Response was overwhelming and all the bags were distributed within four hours.

In addition to this campaign, PARKNSHOP launched a series of initiatives encouraging customers to redeem an environmental bag at RMB 4 for a purchase of over RMB 68 or even to bring in used batteries and replace them with attractive discounts. [PARKNSHOP](#)



ASW goes Green

How challenging is it to carry a big basket of plant seedlings and run uphill for a whole morning? Supported by A.S. Watson Group (ASW) and Watsons Water, our Tree Planting Teams did not think twice! On 27 April, eight colleagues participated in the "Tree Planting Challenge 2008" in Tai Lam Country Park organised by the Friends of the Earth (HK). Together with over 780 nature loving participants, we planted 10,000 plant seedlings on an area left barren after hillfire in 2007! These trees will grow to absorb greenhouse gas, reduce global warming, provide shading for hikers, and create habitat for wildlife. With all these benefits to our environment, no wonder there were no complaints about the grueling 10km uphill journey! [ASW](#) [Watsons Water](#)



Volunteers greeting children of Tin Sui Wai with premium packs and friendly smiles



Organisers acknowledging our hard work and enthusiasm



Fruitful visit to HKYWCA Shatin Youth Centre



Sun and fun for all – spring cycling trip with Project Care children

Youthfulness



abounds!

The A.S. Watson volunteer team has an exciting Spring schedule! From cycling trips in March with children of Project Care to participation in the Sports Carnival in Tin Siu Wai, everyone has been kept very busy. Helping underprivileged children to enjoy themselves and encouraging them to take up sports is all part of the fun! The volunteers also embarked on an enthusiastic learning journey, visiting the HKYWCA Shatin Youth Centre, meeting their volunteers and sharing their experiences in dealing with common problems among the youth social group. It was very enlightening and sparked some new ideas for our upcoming services! [ASW](#)

Super Prize (Screwpull bottle opener)

Name	Company & Department
1. Dicholt Cynthia	ICI PARIS XL Belgium

Gold Prize (Olympic Fuwa set)

Name	Company & Department
1. Issara Lamduan	Watsons Thailand
2. Marie Therese E. Martinez	Watsons Thailand

Silver Prize (Mikasa Oenology Wine Glasses)

Name	Company & Department
1. Janice Cho	ASW – OSD
2. Joyce Cheung	ASW – IB
3. Catherine Lau	ASW – IB
4. Amy Cheng	ASW – FSSC
5. Chan Ka-yan	ASW – FSSC
6. June Lam	ASW – FSSC
7. Shirley Kwok	ASW – FSSC
8. Joanna Cheung	Retail HK – Human Resources
9. Olivian Wong	Retail HK – Human Resources
10. Christine Cheng	PARKNSHOP HK – Trade Marketing

11. Hui Yuk-sze	PARKNSHOP HK – Finance
12. Hui Hong-ning	PARKNSHOP HK – SSDC
13. Lau Yeung-chiu	PARKNSHOP HK – SSDC
14. Ng Fuk-sum	PARKNSHOP HK – SSDC
15. Kitty Tong	FORTRESS – Customer Service
16. Alan Ip	Watsons HK – Finance
17. Vivian Poon	Watsons HK – Finance
18. Chan Wai-kuen	Watsons HK – Store
19. Dorothy Cheung	H&B Asia (HK) – Own & Private Label
20. Christine Cheung	ASWI HK – Human Resources
21. Alice Leung	ASWI HK – Human Resources
22. Poon Ngar-hung	ASWI HK – Finance
23. Chui Chi-yan	ASWI HK – Finance
24. Fung Wing-sze	ASWI HK – Finance
25. Liu Siu-heung	ASWI HK – Finance
26. Alex Wong	Nuance-Watson (HK) – Finance
27. Phyllis Lee	Watsons Taiwan – Marketing & Communications
28. Kelly Lin	Watsons Taiwan - Buying
29. Eileen Tan	Watsons Singapore
30. Rita Chanviriyavuth	Watsons Thailand

Super Prize (1)



Sisley Flower Hydrating Mask Set
Sponsored by Marionnaud

Gold Prize (10)



Mr. P premium set
Sponsored by Patek Philippe

Silver Prize (30)



MG facial mask
Sponsored by Watsons Hong Kong

Questions:

- 1) What are the five core values of ICI PARIS XL?
- 2) When did the first Marionnaud Paris store in Hong Kong open?
- 3) Where is the Li Ka Shing Center for Learning and Knowledge and when is it expected to open?

Name of Staff Member: _____ (ENG) _____ (CHI)

Company & Department: _____

Address: _____

Employee No: _____ Contact Tel No: _____ Signature: _____

A1: _____ A2: _____ A3: _____

Send your **completed** entry form to:

Group Public Relations
A.S. Watson Group
11/F Watson House
1-5 Wo Liu Hang Road
Fo Tan, Shatin, Hong Kong

or Email to WatsOn@asw.com.hk

Deadline: 20 September 2008



Li Ka Shing Center for



On 29 April 2008, Stanford University's vision to create a School of Medicine unparalleled in scope and innovation took another step forward as construction began on the US\$90 million Li Ka Shing Center for Learning and Knowledge. The Center, named after Mr Li Ka-shing, major benefactor and a long-time supporter of Stanford University and the School of Medicine, is expected to open in Spring 2010.

The Center will provide wide-ranging opportunities for all members of the campus community—from students to emeritus faculty—to learn and exchange ideas and will offer a supportive environment for the school's new curriculum assisting students

Learning & Knowledge

by offering state-of-the-art, interactive, experiential and team-based learning opportunities.

Philip Pizzo, MD, dean of the medical school, was deeply indebted to Mr Li for his devotion and commitment to education and for his wonderful support of the School of Medicine.

Mr Li became involved because he shares the school's goal of creating curriculum that will assist in transmitting medical knowledge, crucial to supporting and developing the life sciences. A strong believer in synergy, Mr Li anticipates that the project will encourage collaboration with many other academic and professional disciplines.

The Li Ka Shing Center will fulfill Mr Li's commitment to provide the most advanced, innovative education to those who will eventually use that knowledge to help and teach others.



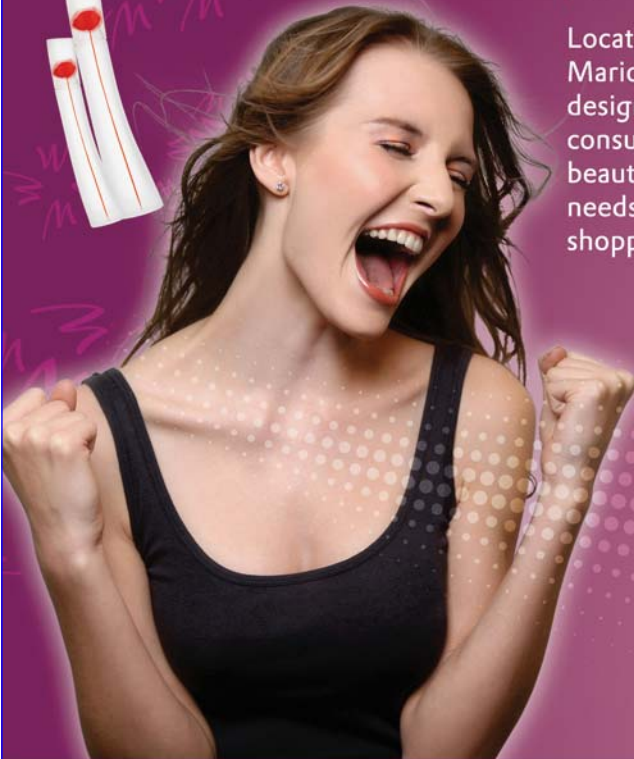
Marionnaud
PARIS
celebrate the beautiful you




Debut Launch in Hong Kong!

Originated in France, Marionnaud brings to Hong Kong customers the soul of French beauty in a heaven of chic French décor and music, wide choices of premier brands of skincare, cosmetics and perfumeries.

Located in the heart of Tsimshatsui, the Hong Kong Marionnaud shop features an open and compact design for easy browsing and friendly beauty consultants offering objective and professional beauty advice, tailored to your individual beauty needs. Come and explore the French-style beauty shopping experience in Hong Kong!



Cosmetic & Skincare | BIODERM | Christian Dior | Clarins | Clinique | Guerlain | Jurlique | Lancôme | Shiseido | Sisley | SK-II | YSL | **Men's Skincare** | BIODERM Homme | Clarins Men | Clinique | Lab Series | Lancôme Men | Nickel | Shiseido Men | **Perfume** | Azzaro | Burberry | Calvin Klein | Carolina Herrera | Davidoff | Ermenegildo Zegna | Giorgio Armani | Issey Miyake | Jean Paul Gaultier | Jennifer Lopez | Kenzo | Lanvin | Nina Ricci | Paul Smith | Prada | Sarah Jessica Parker | Ralph Lauren | Stella McCartney | Thierry Mugler

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