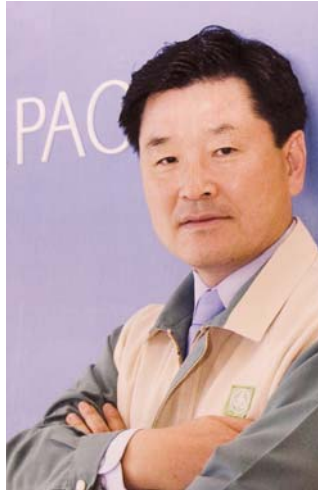


AMOREPACIFIC Plant Head Huh Yong-Cheol

**'Quality Comes from System Management'**

*"Unlike the analogue era, today's digital society is based on emotion. The more a society transforms into an emotion-based society, beauty-related industries are bound to prosper. At the center of these is the cosmetics industry. Therefore, the products, so-called 'cosmetics,' must appeal to customers' emotion and always be sensitive to the trends of the times."*



AMOREPACIFIC Plant Head  
**Huh Yong-Cheol**

"I believe that quality originates from a system. If we maintain the best quality in all processes from the entry of raw materials to manufacturing and delivery of goods, it goes without saying that high-quality products should result. So, I'm emphasizing system management," said Huh Yong-Cheol, head of AMOREPACIFIC's Suwon Plant.

Huh, who is concurrently managing director of the company and impressive with his young and polished appearance, expressed his own view of quality clearly as the field leader of the cosmetics plant. Born in 1952 in Seoul, Huh acquired a Ph.D. in engineering from the University of Suwon after graduation from the Chemistry Dept., Chung-Ang University and Ajou University's Graduate School of Business Management.

Managing Director Huh went on to say: "Unlike the analogue era, today's digital society is based on emotion. The more a society transforms into an emotion-based society, beauty-related industries are bound to prosper. At the center of these is the cosmetics industry. Therefore, the products, so-called 'cosmetics,' must appeal to customers' emotion and always be sensitive to the trends of the times."

After joining AMOREPACIFIC, Huh served as a hair-care products researcher for 10 years at the company's research institute and also worked on overseas projects at the head office for six years. Subsequently, he joined the company's Daejeon Plant and then the Suwon Plant in 2001.

The area that Huh stressed most upon assuming the Suwon Plant position was the establishment of a quality management system. He placed particular emphasis on lowering the process defect rate and made remarkable progress in reducing it from 1,000 PPM to 100 PPM in 2003. With success also in continuous innovation campaigns in the production and quality sectors, he obtained self-confidence that as far as quality is concerned his plant is world-class.

He noted: "One of our company's perfumes, 'Lolita Lempicka,' has secured a 0.9% market share in France, the most severe competition arena for global cosmetics, in only eight months since its debut, and we are deploying a wide variety of marketing activities targeting a 3% share this year. After establishing plants in Shenyang and Shanghai, we are also launching sale of products at department stores in China and as a result we have already recovered our investment and our cumulative loss and profit also has been converted to a surplus. Underlying all these successes is our self-confidence in quality."

Director Huh analyzed: "AMOREPACIFIC's products are high value-added goods with medium and high prices, not medium and low-priced ones that have been undermining the market environment recently." This means that AMOREPACIFIC has built an immunity against market changes in its own way.

He added: "Now is the high time for Korea to produce world-famous masterpieces. For this, of course, our accumulated cosmetics manufacturing technologies and supporting technologies in design, packaging, color-expression, etc. must be harmonized. It is also a mission that matches very well with AMOREPACIFIC, the leader of Korea's cosmetics industry."