

HEALTH AND BEAUTY PRODUCTS

A CANADIAN PERSPECTIVE
NOVEMBER 2006

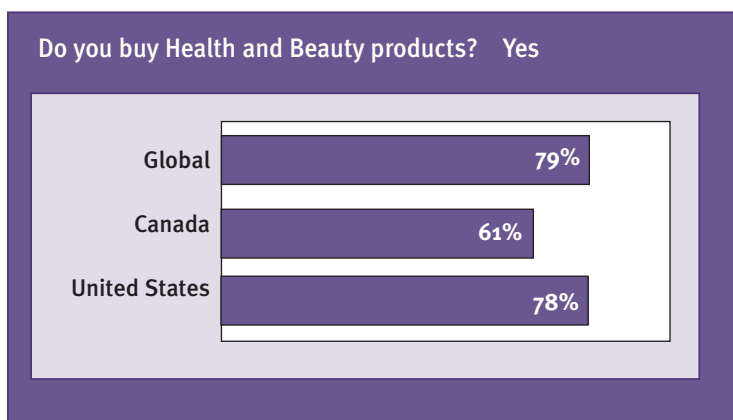
About the Survey

The Nielsen Global Omnibus surveys more than 26,000 Internet users around the world every six months - representing a global online population of close to one billion consumers. The survey gathers opinions over 47 countries across 15 time zones.

The manufacturer and marketing of health and beauty aid products is big business in Canada. In fact, Canadian consumers bought \$9,995,715,406* worth of health and beauty aid products in 2006.

*Source: Nielsen MarketTrack, National All Channels, 52 Weeks Ending December 23, 2006

The potential of future sales growth for health and beauty products in Canada is apparent in comparison to the development of this market in other countries. Globally and in the United States, almost 8 in 10 respondents reported purchasing health and beauty aid products. In Canada only 6 in 10 respondents reported participating in this category.

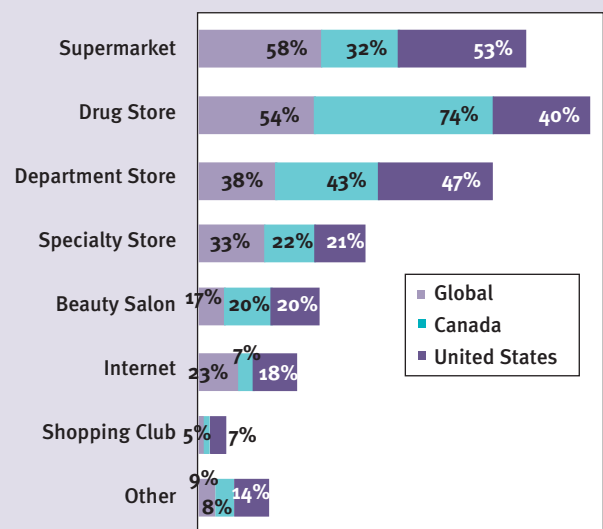


Internationally, it is most common for consumers to purchase health and beauty aid products in supermarkets, closely followed by drug stores. In Canada, drug stores are by far the most popular purchased location, followed somewhat distantly by department and supermarkets. The American consumer more closely mirrors international respondents, with grocery stores being the most popular channel followed



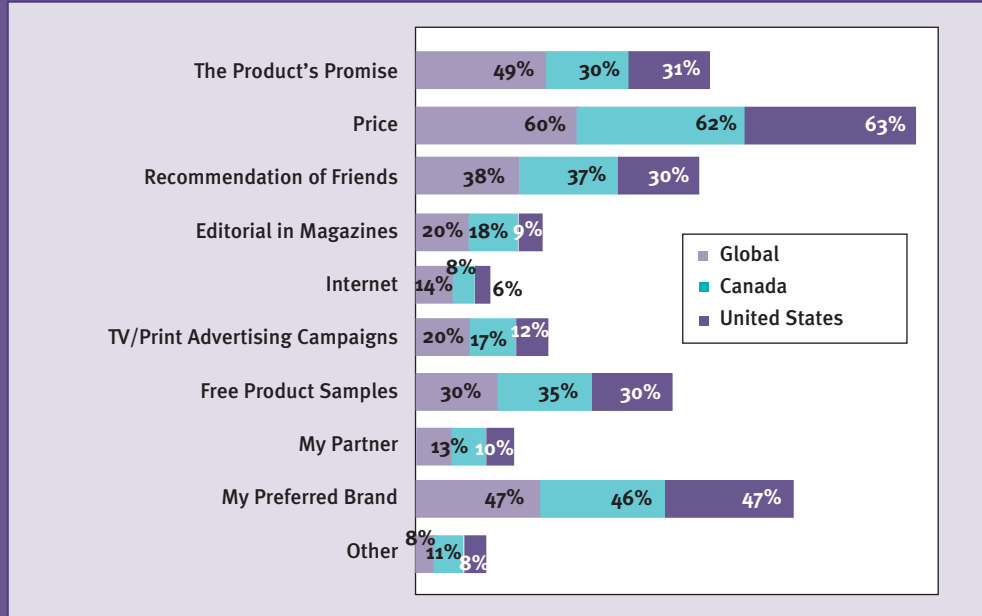
closely by department and drug stores. Purchasing these products over the internet is far less common in Canada than internationally or in the United States. Specialty stores also appear to be a more common purchase location globally than in North America.

I buy health and beauty products from:



Price is by far the biggest influencer on Canadians' choice of health and beauty aids, followed by loyalty to the brand and the recommendation of friends. Although price is the principle influencer, the product's promise is a stronger secondary influence with international consumers than it is with North Americans. International consumers were influenced by the internet to purchase health and beauty aids almost twice as often as were North Americans.

The main influences on the products I buy are:



Canadians and United States consumers are more likely to “very much agree” that mass market beauty aid products are just as good as premium, expensive ones. This was particularly true for Canadians’ attitudes towards haircare and cosmetics, where over one-quarter of respondents strongly believed that the less expensive products were as good as the premium alternatives.

Mass market haircare products are just as good as premium, expensive alternatives - Agree:

| | Global | Canada | United States |
|------------|--------|--------|---------------|
| Very much | 18% | 27% | 26% |
| Somewhat | 61% | 60% | 64% |
| Not at all | 21% | 13% | 11% |

Mass market skincare products are just as good as premium, expensive alternatives - Agree:

| | Global | Canada | United States |
|------------|--------|--------|---------------|
| Very much | 15% | 22% | 21% |
| Somewhat | 57% | 61% | 66% |
| Not at all | 27% | 17% | 14% |

Mass market cosmetics are just as good as premium, expensive alternatives - Agree:

| | Global | Canada | United States |
|------------|--------|--------|---------------|
| Very much | 16% | 27% | 23% |
| Somewhat | 55% | 57% | 61% |
| Not at all | 29% | 16% | 16% |

Although this market sector is huge and growing, there is clearly a great deal of potential in Canada for the sale of health and beauty aid items. The diversification of retail channels, the expansion of market penetration and the increased influence of various types of advertising are all potential sources of future growth in this dynamic Canadian market, as they have been internationally and south of the border.

To explore this information further contact your Nielsen representative or visit www.nielsen.com

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