



(Translation)

January 26, 2012

Dear Sirs and Madams,

Name of the Company:	Shiseido Company, Limited
Name of the Representative:	Hisayuki Suekawa President & CEO (Representative Director)
	(Code No. 4911; The First Section of the Tokyo Stock Exchange)
Further inquiries:	Yukihiro Saito General Manager of Public Relations Department (Tel: 03 - 3572 - 5111)

Shiseido to Commence Sales of Cosmetics Products in the Republic of Tunisia

From February 2012, Shiseido Co., Ltd. will commence sales of cosmetics products in the Republic of Tunisia (hereinafter, "Tunisia"). The products, including its global brand *SHISEIDO* prestige skincare and makeup lines, will be sold at prestige cosmetics and perfumery retail outlets by concluding a distributor contract with Ulysse Négoce of the UTIC Group (location: Tunis, Tunisia), which is a major distributor and retail sales group. The current initiative will be the first time for a Japanese cosmetics brand to enter the Tunisian market. Additionally, Tunisia will be the third country for Shiseido in terms of expansion in the African market following Morocco in 2009 and South Africa in 2010. With this initiative, Shiseido overseas cosmetics sales will encompass 88 countries and regions (including Japan) throughout the world.

Initiatives in Overseas Cosmetics Business

Shiseido is currently promoting its Three-Year Plan (April 2011 - March 2014) based on the theme of "getting into a growth trajectory" with the aim of becoming a "global player representing Asia with its origins in Japan." Accordingly, the Company is focusing on accelerating globalization while also vitalizing its domestic business. In terms of the New Frontier Strategy, which is one of the four growth strategies that Shiseido has formulated under the current plan, Shiseido is carrying out initiatives to strengthen its response towards emerging countries that are expected to grow in the future as the next growth engine following China. In addition to starting sales operations of the joint venture company Shiseido Kozmetik Anonim Şirketi in Turkey from January 2012, Shiseido Co., Ltd.'s India representative office also commenced operations with the objective of grasping local needs and conducting market research in India. Furthermore, as a means of strengthening expansion in Brazil, which ranks third in the global cosmetics market, the *bareMinerals* brand from Shiseido's North American subsidiary will be launched from May 2012 through the wholly owned subsidiary Shiseido do Brasil Ltda.



Background to Market Entry

Tunisia has been steadily achieving economic expansion and is maintaining an annual economic growth rate of 5% over the last few years. Also, with regard to the cosmetics market, a sales network of locally capitalized prestige cosmetics and perfumery retail outlets is gradually being developed, thus enabling the purchase of major cosmetics brands from Europe and the United States. Moreover, the scale of the overall market has expanded to 96 million dinar (approximately 5 billion yen) in fiscal 2010, representing a year-on-year increase of nearly 10%. Therefore, based on the current situation and business environment, Shiseido has made the decision that the time is right to enter the market, and accordingly, will proceed with initiatives to establish *SHISEIDO* brand presence in Tunisia.

Marketing Plan

The UTIC Group, which was founded by Mr. Taoufik Chaïbi in 1968 and Mr. Nabil Chaïbi currently serves as president, is a Tunisian conglomerate and is developing a broad range of businesses from manufacturing to services with a primary focus on the distribution and retail sales divisions. Specifically, with regard to sales of cosmetics products, the Group has a proven track record in sales of prestige skincare and makeup products by incorporating various schemes such as sales and marketing know-how through technical cooperation in early 2000 with Marionnaud, the world's leading prestige cosmetics chain based in France. Through a UTIC Group company, Ulysse Négoce, which is handling the import and sales of cosmetics products, Shiseido will initially introduce products at 10 stores in 2012 and aim to increase its presence to approximately 20 stores by 2014.

<Overview of Ulysse Négoce>

Company name: Ulysse Négoce
(Import and sales company specialized in cosmetics products for the UTIC Group)

Location: Tunis, Republic of Tunisia

Representatives: Mr. Nejib Ben Debba (President) and Mrs. Amel Aouam (Chief Executive Officer)

Main business: Import and sales of prestige cosmetics products

The effect of the sales commencement in Tunisia on our consolidated earnings for the fiscal year ending March 31, 2012 is expected to be minor. We expect the sales in Tunisia will contribute to the future expansion of our businesses in the African market.

-End of News Release-



[Reference]

Global Brand SHISEIDO

Skincare, makeup, suncare, body care, fragrance and men’s cosmetics products, etc.

Principal product lines include *SHISEIDO Future Solution LX*, *SHISEIDO The Skincare*, *SHISEIDO Bio-Performance*, *SHISEIDO Benefiance*, *SHISEIDO White Lucent*, *SHISEIDO Pureness*, *SHISEIDO Makeup*, *SHISEIDO Suncare* (body care), *SHISEIDO Body Creator* (body care), *SHISEIDO Zen* (fragrance), *SHISEIDO Men* (men’s cosmetics products), etc.

Main Initiatives for Strengthening Overseas Business

January 2010	Commenced operations of wholly owned subsidiary Shiseido Cosmetics Vietnam Co., Ltd. <u>Strengthening of business scheme</u>
	Commenced operations of wholly owned subsidiary Shiseido S.A. in Switzerland. <u>Strengthening of business scheme</u>
	Commenced operations of joint venture company Shiseido Hellas S.A. in Greece. <u>Strengthening of business scheme</u>
February 2010	Completed construction of a production factory in Vietnam, becoming the 11th production base overseas (Americas: 3, France: 3, Mainland China: 2, Taiwan: 2, Vietnam: 1). <u>Strengthening of global production structure</u>
May 2010	Announced Shiseido Dah Chong Hong Cosmetics Ltd. (Hong Kong), previously a consolidated subsidiary, to become a wholly owned subsidiary via the acquisition of all shares. <u>Strengthening of business scheme</u>
July-September 2010	Launched global brand <i>SHISEIDO</i> in three Balkan Peninsula countries [Albania (July), Kosovo (August) and Macedonia (September)] via a distributor. <u>Entry into emerging markets</u>
September 2010	Launched global brand <i>SHISEIDO</i> in Mongolia via a distributor. <u>Entry into emerging markets</u>
October 2010	Launched global brand <i>SHISEIDO</i> in Georgia and South Africa via distributors. <u>Entry into emerging markets</u>
November 2010	Launched global brand <i>SHISEIDO</i> via a distributor in Colombia and via Shiseido Europe S.A.S. in Moldova. <u>Entry into emerging markets</u>
January 2011	Launched global brand <i>SHISEIDO</i> in Panama via a distributor. <u>Entry into emerging markets</u>
February 2011	Launched global brand <i>SHISEIDO</i> in Armenia and Belarus via Shiseido Europe S.A.S. <u>Entry into emerging markets</u>
January 2012	Commenced operations of joint venture company Shiseido Kozmetik Anonim Şirketi in Turkey. <u>Strengthening of business scheme</u> Commenced operations of Shiseido Co., Ltd. India representative office with the aim of conducting market research in India.