The figures for these Financial Statements are prepared in accordance with the accounting principles based on Japanese law. Accordingly, they do not necessarily match the figures in the Annual Report issued by the Company, which present the same statements in a form that is more familiar to foreign readers through certain reclassifications or summarization of accounts.

Consolidated Settlement of Accounts for the First 3 Quarters of the Fiscal Year Ending March 31, 2015

[Japanese Standards]

Shiseido Company, Limited

Listings: Tokyo Stock Exchange, First Section (Code Number: 4911)
URL: http://www.shiseidogroup.com
Representative: Masahiko Uotani, Representative Director, President, & CEO
Contact: Tetsuaki Shiraiwa, General Manager, Investor Relations Department
Tel. +81-3-3572-5111

Filing of quarterly financial report: February 10, 2015
Start of cash dividend payments: —
Supplementary quarterly materials prepared: Yes (Supplemental Information will be uploaded to the corporate website on Friday, January 30, 2015.)
Quarterly results information meeting held: Yes (for institutional investors, analysts, etc.)

1. Performance for the First 3 Quarters of the Fiscal Year Ending March 31, 2015 (From April 1–December 31, 2014)

* Amounts under one million yen have been rounded down.

(1) Consolidated Operating Results

(Millions of yen; percentage figures denote year-on-year change)

	Net Sales	Operating Income	Ordinary Income	Net Income
First 3 Quarters Ended December 31, 2014	555,766 [+3.8%]	18,809 [–43.6%]	20,520 [–42.0%]	27,823 [+66.1%]
First 3 Quarters Ended December 31, 2013	535,398 [+10.4%]	33,344 [+264.3%]	35,386 [+250.7%]	16,748 [+267.2%]

Note: Comprehensive income
First 3 quarters ended December 31, 2014: ¥41,820 million [–25.9%]
First 3 quarters ended December 31, 2013: ¥56,418 million [+804.3%]

	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
First 3 Quarters Ended December 31, 2014	69.79	69.67
First 3 Quarters Ended December 31, 2013	42.06	41.99

(2) Consolidated Financial Position

(Millions of yen)

	Total Assets	Net Assets	Equity Ratio (%)
First 3 Quarters Ended December 31, 2014	782,353	381,794	46.0
Fiscal Year Ended March 31, 2014	801,346	358,707	42.2

[Reference] Equity:
First 3 quarters ended December 31, 2014: ¥359,605 million
Fiscal year ended March 31, 2014: ¥338,561 million

2. Cash Dividends

	Cash Dividends per Share (Yen)				
	First Quarter	Second Quarter	Third Quarter	Year-End	Full Year
Fiscal Year Ended March 31, 2014	—	10.00	—	10.00	20.00
Fiscal Year Ending March 31, 2015	—	10.00	—		
Fiscal Year Ending March 31, 2015 (plan)				10.00	20.00

Note: Revision to dividend forecast during period: None

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2015 (From April 1, 2014–March 31, 2015)

(Millions of yen, percentage figures denote year-on-year change)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
Fiscal Year Ending March 31, 2015	775,000 [+1.7%]	25,000 [–49.6%]	26,000 [–49.4%]	30,000 [+14.7%]	75.25

Note: Revision to consolidated earnings forecast during period: Yes

* Notes

(1) Significant changes in subsidiaries during period (changes in specific subsidiaries due to change in scope of consolidation): None

(2) Special accounting treatment adopted: None

(3) Changes in accounting policies; changes in accounting estimates; restatements
1) Changes in accounting policies due to amendment of accounting standards: Yes
2) Other changes in accounting policies: Yes
3) Changes in accounting estimates: Yes
4) Restatements: None

Note: For more information, please refer to “2. (3) Changes in Accounting Policies; Changes in Accounting Estimates; Restatements” on page 7.

(4) Shares outstanding (common stock) at term-end

1. Number of shares outstanding (including treasury stock)
   First 3 quarters ended December 31, 2014: 400,000,000
   Fiscal year ended March 31, 2014: 400,000,000
2. Number of treasury shares outstanding
   First 3 quarters ended December 31, 2014:1,285,719
   Fiscal year ended March 31, 2014: 1,422,159
3. Average shares outstanding over period (cumulative; consolidated)
   First 3 quarters ended December 31, 2014: 398,679,658
   First 3 quarters ended December 31, 2013: 398,230,426

Implementation status of quarterly review procedures

At the time of disclosure of this report, review procedures for quarterly financial statements pursuant to the Financial Instruments and Exchange Act had not been completed.

Appropriate use of business forecasts; other special items

In this document, statements other than historical facts are forward-looking statements that reflect the Company's plans and expectations. These forward-looking statements involve risks, uncertainties and other factors that may cause our actual results and achievements to differ from those anticipated in these statements. Please refer to "1. (2) Consolidated Forecasts and Other Forward-Looking Information" on page 6 for information on preconditions underlying the above outlook and other related information.

Contents

1. Analysis of Operating Results

(1) Consolidated Performance

In the three-quarter period under review (nine-month period from April 1 to December 31, 2014), the economic sentiment in Japan was characterized by continued moderate recovery underpinned by government economic measures. However, the recovery in personal consumption was weak, affected by uncertain consumer sentiment stemming from rising prices in the wake of a weakened yen. The domestic cosmetics market was impacted by similar factors, with the growth rate falling below previous-year levels despite signs of a turnaround. Overseas cosmetics markets are closely linked with economic conditions in their respective countries. In Europe, there was negative growth, while the Americas and Asia continued enjoying moderate growth. (For overseas subsidiaries, the "first three quarters" refers to the period from January 1 to September 30, 2014.)

In this environment, the Company positioned fiscal 2014 as a year of preparing for drastic reforms. Specifically, we are targeting three major priorities: "strengthening marketing execution and brand capabilities from the customer's perspective," "reforming our organization and corporate culture," and "reinforcing our operational foundation." We also formulated a new long-term vision and a medium-term business plan due to start in the next fiscal period. These are encapsulated in VISION 2020, a medium-to-long-term strategy announced on December 17, 2014.

As a result, the Group posted consolidated net sales of ¥555.8 billion, up 3.8% from the previous corresponding period. Sales in the Domestic Cosmetics Business segment declined 2.3% year on year, to ¥245.4 billion, due to the heavy impact of the recoil in demand following the consumption tax hike in the first quarter. This was despite year-on-year increases in sales of ***ELIXIR*** and ***MAQuillAGE*** (which both underwent a renewal) in the third quarter. The Global Business Segment posted lower sales in Europe due to the sale of the ***DECLÉOR*** and ***CARITA*** brands, but benefited from growth in the Americas driven by the global brand ***SHISEIDO*** and the ***bareMinerals*** brand. In China, meanwhile, e-commerce sales were healthy. As a result, total segment sales increased 2.3% on a local-currency basis. After translation into yen, segment sales grew 9.3%, to ¥302.6 billion, owing to the yen's depreciation. Sales in the Others segment rose 5.6%, to ¥7.8 billion, thanks largely due to a favorable performance by our restaurant business, bolstered by the renewal and reopening of top-end French restaurant L'Osier in October 2013.

Operating income fell 43.6% year on year, to ¥18,8 billion. Factors included an increase in personnel expenses stemming from higher bonus payments in Japan, as well as stepped-up marketing investments overseas and higher costs stemming from problems at our U.S. distribution center. Ordinary income declined 42.0%, to ¥20.5 billion. However, net income jumped 66.1%, to ¥27.8 billion, thanks to extraordinary income associated with the sale of the ***DECLÉOR*** and ***CARITA*** brands to L'Oréal S.A.

[Consolidated Performance]

(Sales) (Millions of yen)

	First 3 Quarters Ended December 2014	Share of Total (%)	First 3 Quarters Ended December 2013	Share of Total (%)	Year-on-Year Increase/Decrease		
					Amount	% change	% change in local currency terms
Domestic Cosmetics Business	245,368	44.2%	251,157	46.9%	–5,789	–2.3%	–2.3%
Global Business	302,561	54.4%	276,815	51.7%	+25,745	+9.3%	+2.3%
Others	7,837	1.4%	7,424	1.4%	+412	+5.6%	+5.6%
Sales Total	555,766	100.0%	535,398	100.0%	+20,368	+3.8%	+0.2%

Domestic Sales	264,996	47.7%	271,436	50.7%	–6,440	–2.4%	–2.4%
Overseas Sales	290,770	52.3%	263,962	49.3%	+26,808	+10.2%	+2.8%

(Income)

	First 3 Quarters Ended December 2014	Ratio to Net Sales* (%)	First 3 Quarters Ended December 2013	Ratio to Net Sales* (%)	Year-on-Year Increase/Decrease	
					Amount	% change
Domestic Cosmetics Business	20,248	8.2%	28,098	11.1%	–7,850	–27.9%
Global Business	(3,148)	–1.0%	3,301	1.2%	–6,450	—
Others	1,741	15.3%	1,604	14.5%	+136	+8.5%
Elimination/Corporate	(32)	—	339	—	–371	—
Operating Income Total	18,809	3.4%	33,344	6.2%	–14,534	–43.6%
Ordinary Income	20,520	3.7%	35,386	6.6%	–14,866	–42.0%
Net Income	27,823	5.0%	16,748	3.1%	+11,075	+66.1%

*Based on sales, including intra-Group sales between reportable segments.

(2) Consolidated Forecasts and Other Forward-Looking Information

In light of its performance in the three-quarter period under review, as well as foreign exchange trends and other factors, the Group has revised its consolidated forecasts for the fiscal year ending March 31, 2015 (previous forecasts announced on October 31, 2014), as shown in the table below. The forecasts are based on exchange rates of ¥105.9 per U.S. dollar, ¥140.4 per euro, and ¥17.2 per Chinese yuan.

[Consolidated Forecasts for Fiscal 2014]

(April 1, 2014–March 31, 2015) (Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (yen)
Previous Forecast (A)	770,000	25,000	26,000	30,000	75.25
Revised Forecast (B)	775,000	25,000	26,000	30,000	75.25
Change (B–A)	5,000	0	0	0	
Percentage Change (%)	0.6	0.0	0.0	0.0	
[Reference] Result in Previous Year Fiscal 2014	762,047	49,644	51,426	26,149	65.65

[Sales Outlook by Reportable Segment]

(Millions of yen)

	Fiscal Year Ending March 31, 2015 (Estimate)	Fiscal Year Ended March 31, 2014	Year-on-Year Increase/Decrease	
			Amount	% Change
Domestic Cosmetics Business	337,000	349,718	–12,718	–3.6%
Global Business	428,000	402,213	+25,786	+6.4%
Others	10,000	10,114	–114	–1.1%
Net Sales	775,000	762,047	+12,952	+1.7%

[Sales Outlook by Region]

(Millions of yen)

	Fiscal Year Ending March 31, 2015 (Estimate)	Fiscal Year Ended March 31, 2014	Year-on-Year Increase/Decrease	
			Amount	% Change
Domestic Sales	363,000	377,272	–14,272	–3.8%
Overseas Sales	412,000	384,774	+27,225	+7.1%
Overseas Sales Ratio	53.2%	50.5%		

2. Summary (Note) Information

(1) Significant Changes in Subsidiaries

Not applicable.

(2) Special Accounting Treatment Adopted

Not applicable.

(3) Changes in Accounting Policies; Changes in Accounting Estimates; Restatements

(Change in Accounting Policies)

Application of Accounting Standard for Retirement Benefits

With respect to “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, May 17, 2012) and “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, May 17, 2012), the Company has applied provisions stated in Clause 35 of the Retirement Benefits Accounting Standard and Clause 67 of the Guidance on Retirement Benefits, effective the first quarter under review. Accordingly, the Company has reassessed the method for calculating retirement benefit obligations and current service costs, and changed the period reversion method for retirement benefit estimates from a straight-line basis to a benefit calculation basis. Application of discount rate has also been amended. Under the previous method, the discount rate was determined based on the average service period up to the estimated timing of benefit payment. Under the new method, differing discount rates are used according to the estimated timing of benefit payment.

The Accounting Standard for Retirement Benefits is being applied transitionally as determined in its Clause 37. At beginning of the first quarter under review, the effect of the change in accounting standard has been reflected as an increase or decrease in retained earnings.

This change caused the liability related to retirement benefits to increase by ¥16,188 million, deferred tax assets to increase by ¥5,882 million, retained earnings to decrease by ¥10,303 million, and minority interests to decrease by ¥2 million. It also caused consolidated net sales, operating income, ordinary income, and income before income taxes to each increase by ¥451 million.

Change in depreciation method for property, plant and equipment

To date, the Company and its domestic consolidated subsidiaries have mainly adopted the declining balance method for depreciation of buildings (excluding attached equipment) and property, plant and equipment (excluding leased assets). Effective the first quarter under review, however, the straight-line method has been applied.

The Group expects long-term stability of equipment operation and securement of income stemming from drastic reassessments of its marketing style (including for existing fostered products) and business operational style. We also look forward to sustained growth in overseas markets, global advancement of our business, and stronger responsiveness and other factors. In order to make accounting processes consistent in this context, we conducted an examination of the depreciation method for property, plant and equipment. Accordingly, the Company and its domestic consolidated subsidiaries have adopted the straight-line method of depreciation used by its overseas consolidated subsidiaries. The Group believes that this method provides a more appropriate reflection of actual business conditions.

In the first three quarters under review, this change caused depreciation to decline by ¥804 million, and operating income, ordinary income, and income before income taxes to increase by ¥804 million.

(Changes in Accounting Estimates)

Change in estimation of useful lives and residual values of property, plant and equipment

Following the aforementioned change in depreciation method, the Group assessed the actual status of its operations and, effective the first quarter under review, changed the method of estimating useful lives of certain property, plant and equipment to reflect such actual status. As for calculating residual values, the Company and its domestic consolidated subsidiaries have adopted the method of depreciating assets until the memorandum price is reached.

In the first three quarters under review, this change caused depreciation to increase by ¥32 million. It also caused consolidated net sales, operating income, ordinary income, and income before income taxes to each decrease by ¥32 million.

3. Major Items Related to Going Concern Assumption

Not applicable.

(Reference) [Overseas Sales]

(Millions of yen)

	First 3 Quarters Ended December 2014	Share of Net Sales	First 3 Quarters Ended December 2013	Share of Net Sales	Year-on-Year Increase/Decrease		
					Amount	% change	% change in local currency terms
Americas	92,800	16.7%	82,967	15.5%	+9,833	+11.9%	+4.9%
Europe	75,664	13.6%	69,783	13.0%	+5,881	+8.4%	–0.6%
Asia/Oceania	122,305	22.0%	111,211	20.8%	+11,094	+10.0%	+3.4%
[China]	[80,657]	[14.5%]	[72,444]	[13.5%]	[+8,213]	[+11.3%]	[+4.4%]
Overseas Sales	290,770	52.3%	263,962	49.3%	+26,808	+10.2%	+2.8%

4. Consolidated Quarterly Financial Statements

(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	Fiscal Year Ended March 2014	First 3 Quarters Ended December 2014
Assets		
Current assets		
Cash and deposits	95,774	87,358
Notes and accounts receivable – trade	138,282	124,114
Securities	33,129	23,585
Inventories	90,244	111,191
Deferred tax assets	26,568	25,362
Other	20,076	21,682
Allowance for doubtful accounts	(1,487)	(1,563)
Total current assets	402,588	391,731
Non-current assets		
Property, plant and equipment		
Buildings and structures	166,117	167,640
Accumulated depreciation	(103,099)	(106,704)
Buildings and structures, net	63,018	60,935
Machinery, equipment and vehicles	91,092	88,559
Accumulated depreciation	(78,320)	(75,918)
Machinery, equipment and vehicles, net	12,771	12,640
Tools, furniture and fixtures	74,194	73,683
Accumulated depreciation	(52,108)	(52,431)
Tools, furniture and fixtures, net	22,086	21,252
Land	30,853	30,845
Leased assets	7,359	6,204
Accumulated depreciation	(4,492)	(2,818)
Leased assets, net	2,867	3,386
Construction in progress	3,282	3,593
Total property, plant and equipment	134,879	132,654
Intangible assets		
Goodwill	63,377	59,816
Leased assets	586	514
Trademark right	55,173	52,679
Other	47,595	44,398
Total intangible assets	166,732	157,408
Investments and other assets		
Investment securities	26,889	27,756
Long-term prepaid expenses	11,994	11,754
Deferred tax assets	33,118	37,164
Other	25,200	23,940
Allowance for doubtful accounts	(56)	(57)
Total investments and other assets	97,145	100,558
Total non-current assets	398,758	390,621
Total assets	801,346	782,353

(Millions of yen)

	Fiscal Year Ended March 2014	First 3 Quarters Ended December 2014
Liabilities		
Current liabilities		
Notes and accounts payable – trade	50,945	35,681
Electronically recorded obligations - operating	—	26,839
Short-term loans payable	6,727	46,092
Commercial papers	—	2,736
Current portion of bonds	50,000	40,000
Current portion of long-term loans payable	5,926	5,934
Lease obligations	1,400	1,680
Accounts payable – other	48,043	27,693
Income taxes payable	17,503	7,638
Provision for sales returns	11,084	10,931
Provision for bonuses	18,094	8,361
Provision for directors' bonuses	290	158
Provision for risk and liabilities	486	370
Provision for structural reforms	122	24
Deferred tax liabilities	35	43
Other	39,123	41,274
Total current liabilities	249,783	255,462
Non-current liabilities		
Bonds payable	40,000	—
Long-term loans payable	49,714	29,287
Lease obligations	2,149	2,289
Liability for retirement benefits	60,825	74,345
Provision for loss on guarantees	350	350
Provision for environmental measures	395	395
Provision for structural reforms	1,061	1,031
Deferred tax liabilities	33,413	32,832
Other	4,945	4,562
Total non-current liabilities	192,855	145,095
Total liabilities	442,638	400,558
Net assets		
Shareholders' equity		
Capital stock	64,506	64,506
Capital surplus	70,258	70,258
Retained earnings	203,452	212,703
Treasury shares	(2,682)	(2,425)
Total shareholders' equity	335,535	345,043
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,544	4,670
Foreign currency translation adjustment	19,690	27,887
Accumulated adjustments for retirement benefit	(20,207)	(17,994)
Total accumulated other comprehensive income	3,026	14,562
Subscription rights to shares	941	997
Minority interests	19,204	21,191
Total net assets	358,707	381,794
Total liabilities and net assets	801,346	782,353

(2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income

Consolidated Quarterly Statements of Income
Cumulative for First 3 Quarters

(Millions of yen)

	First 3 Quarters Ended December 2013	First 3 Quarters Ended December 2014
Net sales	535,398	555,766
Cost of sales	131,515	138,115
Gross profit	403,882	417,651
Selling, general and administrative expenses	370,538	398,841
Operating income	33,344	18,809
Non-operating income		
Interest income	732	873
Dividend income	614	547
Share of profit of entities accounted for using equity method	—	167
Rental income	649	756
Subsidy income	692	131
Foreign exchange gain	935	343
Other	757	810
Total non-operating income	4,381	3,631
Non-operating expenses		
Interest expenses	1,322	974
Share of loss of entities accounted for using equity method	8	—
Other	1,008	946
Total non-operating expenses	2,339	1,920
Ordinary income	35,386	20,520
Extraordinary income		
Gain on transfer of business	—	22,137
Gain on sales of non-current assets	1,842	818
Gain on sales of investment securities	600	0
Total extraordinary income	2,443	22,956
Extraordinary losses		
Impairment loss	927	—
Structural reform expenses	5,777	2,040
Loss on liquidation of subsidiaries and associates	—	127
Loss on disposal of non-current assets	680	657
Loss on sales of investment securities	4	29
Loss on valuation of investment securities	11	0
Total extraordinary losses	7,400	2,856
Income before income taxes and minority interest	30,429	40,620
Income taxes – current	10,098	9,786
Income taxes – deferred	1,615	964
Total income taxes	11,713	10,751
Income before minority interests	18,715	29,868
Minority interests in income	1,967	2,045
Net income	16,748	27,823

Consolidated Statements of Comprehensive Income
Cumulative for First 3 Quarters

(Millions of yen)

	First 3 Quarters Ended December 2013	First 3 Quarters Ended December 2014
Income before minority interests	18,715	29,868
Other comprehensive income		
Valuation difference on available-for-sale securities	2,002	1,057
Foreign currency translation adjustment	35,614	8,693
Remeasurements of defined benefit plans, net of tax	40	2,218
Share of other comprehensive income of entities accounted for using equity method	45	(17)
Total other comprehensive income	37,702	11,951
Comprehensive income	56,418	41,820
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	52,454	39,359
Comprehensive income attributable to minority interests	3,964	2,460

(3) Notes Concerning Consolidated Quarterly Financial Statements

(Note on Assumptions for Going Concern)
Not applicable.

(Consolidated Quarterly Statements of Income)

Business Transfer Income
First 3 Quarters of Fiscal 2014 (April 1–December 31, 2014)
This resulted from the sale of the ***DECLÉOR*** and ***CARITA*** brands.

Structural Reform Expenses
First 3 Quarters of Fiscal 2014 (April 1–December 31, 2014)
"Structural Reform Expenses" refers to expenses related to "strengthening human resource and personnel cost management." These are part of one-time expenses pertaining to "structural reforms" (drastic reassessments of organization, infrastructure, and business administration aimed at building a robust business structure). They consist mainly of retirement premiums paid to early retirees.

Loss on Liquidation of Affiliate
First 3 Quarters Ended December 31, 2014 (April 1–December 31, 2014)
The Company reported a loss on liquidation of a subsidiary in Australia.

(Note in the Event of Major Changes in Shareholders' Equity)
Not applicable.

(Segment Information)

I First 3 Quarters of Fiscal 2013 (April 1–December 31, 2013)

1. Sales and Income/Loss by Reportable Segment

(Millions of yen)

	Domestic Cosmetics Business	Global Business	Others (Note 1)	Subtotal	Adjustment (Note 2)	Total Shown in Consolidated Financial Statements (Note 3)
Net Sales						
(1) Sales to Outside Customers	251,157	276,815	7,424	535,398	—	535,398
(2) Intersegment Sales or Transfers	1,616	2,137	3,636	7,389	(7,389)	—
Total	252,774	278,952	11,060	542,788	(7,389)	535,398
Segment Income	28,098	3,301	1,604	33,005	339	33,344

Notes: 1. "Others" includes businesses not included in the reporting segments. These include the frontier science business (production and sale of cosmetic raw materials, medical-use drugs, medical cosmetics, precision and analytical equipment, etc.) and the restaurant business.
2. The "Segment Income" adjustment refers to intersegment transaction eliminations amounting to ¥339 million
3. Segment income is adjusted for Operating Income described in the Consolidated Quarterly Statements of Income.

2. Information on impairment loss, goodwill, etc. on fixed assets by reportable segment

(Significant impairment losses related to fixed assets)

The Global Business segment reported a loss on impairment of goodwill in U.S. subsidiary Zotos International, Inc. In the three-quarter period under review, that impairment loss amounted to ¥927 million.

(Major change in goodwill)

Not applicable.

II First 3 Quarters of Fiscal 2014 (April 1–December 31, 2014)

1. Sales and Income/Loss by Reportable Segment

(Millions of yen)

	Domestic Cosmetics Business	Global Business	Others (Note 1)	Subtotal	Adjustment (Note 2)	Total Shown in Consolidated Financial Statements (Note 3)
Net Sales						
(1) Sales to Outside Customers	245,368	302,561	7,837	555,766	—	555,766
(2) Intersegment Sales or Transfers	1,998	2,303	3,533	7,835	(7,835)	—
Total	247,366	304,865	11,370	563,602	(7,835)	555,766
Segment Income/(Loss)	20,248	(3,148)	1,741	18,842	(32)	18,809

Notes:
1. "Others" includes businesses not included in the reporting segments. These include the frontier science business (production and sale of cosmetic raw materials, medical-use drugs, medical cosmetics, precision and analytical equipment, etc.) and the restaurant business.
2. The "Segment Income" adjustment refers to intersegment transaction eliminations amounting to ¥–32 million
3. Segment income is adjusted for Operating Income described in the Consolidated Quarterly Statements of Income.
4. As stated in "Changes in Accounting Policies," the Company has applied Accounting Standard for Retirement Benefits, effective the first quarter under review (applied transitionally as determined in Clause 37 of said accounting standard). As a result, segment income in the Domestic Cosmetics Business, Global Business, and Others segments increased by ¥351 million, ¥93 million, and ¥6 million, respectively, in the first three quarters under review.
5. As stated in "Changes in Accounting Policies," the Company has changed the depreciation method for property, plant and equipment, effective the first quarter under review. As a result, segment income in the Domestic Cosmetics Business, Global Business, and Others segments increased by ¥713 million, ¥72 million, and ¥18 million, respectively, in the first three quarters under review.
6. As stated in "Changes in Accounting Estimates," the Company has changed the method of estimating useful lives and residual values of property, plant and equipment, effective the first quarter under review. As a result, segment income decreased by ¥16 million in the Domestic Cosmetics Business segment, increased by ¥13 million in the Global Business segment, and decreased by ¥28 million in the others segment in the first three quarters under review.

2. Information on impairment loss, goodwill, etc. on fixed assets by reportable segment

(Major impairment loss on fixed assets)

Not applicable.

(Major change in goodwill)

Not applicable.