In this document, statements other than historical facts are forward-looking statements that reflect our plans and expectations. These forward-looking statements involve risks, uncertainties and other factors that may cause actual results and achievements to differ from those anticipated in these statements.
Key Headlines:

Q2: Positive momentum accelerated
- Prestige/Cosmetics/Personal Care
- China/Travel Retail
- Record high Q2: Sales, Operating profit and Net profit
- Operating profit up 25% YoY

1H: Record high 1H: Sales and Net profit
- On track to achieve full-year forecast
2019 Q2: Executive Summary

Accelerated momentum vs Q1
10th consecutive quarter of growth*1
Operating Profit +25.4%, Operating Margin 10.3%
Net Profit growth of +0.8%

Net Sales: ¥291.0 Bn  YoY change: +8.3% FX-Neutral: +9.9% Like-for-Like*2: +9.0%

- Prestige brands: main driver of global growth (+14%*2,3)
- China: prestige sell-out continuing momentum (over 40%*4)
- Travel Retail/EMEA: outperforming plan
- Japan: overcoming high hurdle despite lower buyer sales

Operating profit: ¥30.0 Bn  OPM: 10.3%  YoY change: +¥6.1 Bn, +25.4%

- Improving profitability from brand mix and marketing ROI

Net profit attributable to owners of parent:
¥18.9 Bn  YoY change: +¥0.1 Bn, +0.8%

*1. After we changed financial period from end of March to end of December in 2015
*2. Like-for-Like, excluding the impacts of withdrawal from the amenity goods business in Japan 2018 and advance sell-in related to the implementation of new ERP in Americas 2019
*3. Like-for-Like, adjusting for Hong Kong commission payment accounting change (2018 Q2)
*4. Mainland China
Sales Momentum Accelerated across Most Regions

Like-for-Like*1 2019 Net Sales growth by quarter

<table>
<thead>
<tr>
<th>Region</th>
<th>Q1</th>
<th>Q2</th>
<th>1H</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan*1</td>
<td>+0.4%</td>
<td>+3%</td>
<td>+2%</td>
</tr>
<tr>
<td>China</td>
<td>+19%</td>
<td>+22%</td>
<td>+21%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>+14%</td>
<td>+10%</td>
<td>+12%</td>
</tr>
<tr>
<td>Americas*1</td>
<td>-1%</td>
<td>+4%</td>
<td>+2%</td>
</tr>
<tr>
<td>EMEA</td>
<td>+6%</td>
<td>+12%</td>
<td>+9%</td>
</tr>
<tr>
<td>Travel Retail</td>
<td>+9%</td>
<td>+25%</td>
<td>+17%</td>
</tr>
<tr>
<td>Total *1</td>
<td>+6%</td>
<td>+9%</td>
<td>+7%</td>
</tr>
</tbody>
</table>

*1. Like-for-Like, excluding the impacts of withdrawal from the amenity goods business in Japan 2018 and advance sell-in related to the implementation of new ERP in Americas 2019.
## Prestige, Cosmetics & Personal Care Accelerated Sales Momentum

**Like-for-Like**\(^1\) 2019 Net Sales growth by quarter

<table>
<thead>
<tr>
<th>Category</th>
<th>Q1</th>
<th>Q2</th>
<th>1H</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prestige(^1)</td>
<td>+8%</td>
<td>+14%</td>
<td>+11%</td>
</tr>
<tr>
<td>Fragrance</td>
<td>+11%</td>
<td>+3%</td>
<td>+7%</td>
</tr>
<tr>
<td>Cosmetics</td>
<td>+1%</td>
<td>+6%</td>
<td>+4%</td>
</tr>
<tr>
<td>Personal Care</td>
<td>-4%</td>
<td>+14%</td>
<td>+5%</td>
</tr>
<tr>
<td>Professional</td>
<td>+5%</td>
<td>-2%</td>
<td>+1%</td>
</tr>
<tr>
<td><strong>Total(^1)</strong></td>
<td>+6%</td>
<td>+9%</td>
<td>+7%</td>
</tr>
</tbody>
</table>

\(^1\) Like-for-Like, excluding the impacts of withdrawal from the amenity goods business in Japan 2018 and advance sell-in related to the implementation of new ERP in Americas 2019.
China: Maintaining Momentum of Our Prestige Brands

- **Q2 Market**: remained robust and poised for continued growth
  - Cosmetics market: recovering, achieving over 20% growth in June
  - E-commerce channel:
    - average sales price per unit increased due to “618” e-commerce promotion

- **Shiseido (Q2 sell-out in mainland China)**:
  - Prestige: share up, continuing growth of over 40%
    - *SHISEIDO*: over 40% growth
    - *Clé de Peau Beauté*: approx. 50% growth
    - NARS: tripled growth
  - Cosmetics: solid growth
    - *ELIXIR, ANESSA*
    - *AUPRES*: improved momentum vs Q1
  - Personal Care: over 20% growth
  - E-commerce sales: over 40% growth
  - Hong Kong: less traffic

---

*1. Like-for-Like, adjusting for Hong Kong commission payment accounting change (2018 Q2)
Japan: Overcoming High 2018 Hurdle with Strong Inbound Sales

- **Q2 Overall Japanese cosmetics market:**
  +1~2% YoY change

- **Shiseido (Q2 sell-out): +1%**
  - Inbound sales: +6%
    - Tourists: +high-teen%
    - Buyers: -20%

- **Shiseido (Q2 sell-in): +3%**
  - Growth drivers:
    - *SHISEIDO*: Ultimune
    - Renewal of *ELIXIR White*
    - *HAKU, d Program*: Care hybrid foundation project
  - Challenges:
    - *REVITAL*: supply issues, signs of recovery
    - *ANESSA/SENKA*: lower buyers/unfavorable weather

---

*1. Like-for-Like, excluding the impact of withdrawal from the amenity goods business in Japan 2018*
Travel Retail: Continued Strong Sell-Out, Growing over 20%

- **Shiseido (Q2 sell-out in Asia):** approx. +30%
  - Prestige: solid momentum
    - *SHISEIDO:* over 35% growth
    - *NARS:* over 35% growth
    - *IPSA:* expanding sales, 2nd year launch
    - *Clé de Peau Beauté:* readying for Q3 renewal
  - Cosmetics: solid momentum
    - *ANESSA:* approx. 30% growth

- **Top-performing Countries:**
  - China: No.1 growth market achieving over 45% growth
  - S. Korea: *NARS* and *ELIXIR* opening new doors
  - Singapore: Changi airport over 25% growth

- **CHALLENGES:**
  - Supply issues
  - Softening fragrance market/buyers

- **Shiseido (Q2 sell-in):** +24.5%
Asia Pacific: All Countries, Areas and Categories Grew

- Shiseido (Q2 sell-out): gaining market share in all key markets
  - Winning in markets: *Clé de Peau Beauté, NARS*

- Shiseido (Q2 sell-in): +10.3%
  - Growth across all of the region, especially ASEAN
  - Increase across all categories and almost all brands
  - *LAURA MERCIER:* strong double-digit
EMEA: Double-Digit Growth Driven by Fragrance and Makeup

- Q2 Markets: up in Italy & Spain down in UK & France

- Shiseido (Q2 sell-out): solid performance
  - Fragrance:
    - Dolce&Gabbana
    - narciso rodriguez
  - Makeup:
    - NARS
    - SHISEIDO makeup

- Shiseido (Q2 sell-in): +12.0%
Americas: Recovering Momentum with Continuing Headwinds in Makeup Market

- Q2 US Market: down in makeup up in skincare & fragrance

- Shiseido (Q2 sell-out)
  - Solid performance
    - Dolce & Gabbana
    - Clé de Peau Beauté
  - bareMinerals: showing signs of traction
    - Focused specialty stores showing growth
    - Continuing restructuring, boutique closures
    - Growing in EMEA/
      Launched in “TMALL GLOBAL” on 28th July in China

- Shiseido (Q2 sell-in): +17.3%
  - Excl. advance sell-in related to implementation of ERP: +4%
2019 1H: Executive Summary

Like-for-Like Net Sales growth +7.3%,
Operating Profit -3.0% Operating Margin 12.2%, in line with full-year plan
Net Profit growth of +10.0%

Net Sales: ¥564.6 Bn  YoY change: +6.0%  FX-Neutral: +7.5%  Like-for-Like*1: +7.3%
➢ Prestige brands: main driver of global growth (+11%*1)
➢ China: prestige sell-out maintaining strong momentum (over 40%*2)
➢ Japan: overcoming high 2018 hurdle with strong inbound sales

Operating Profit: ¥69.0 Bn  OPM: 12.2%  YoY change: -¥2.1 Bn, -3.0%
➢ Continued strong investments (Marketing, R&D and People)
➢ On track with full-year plan

Net profit attributable to owners of parent:
¥52.5 Bn  YoY change: +¥4.8 Bn, +10.0%

*1. Like-for-Like, excluding the impacts of withdrawal from the amenity goods business in Japan 2018 and advance sell-in related to the implementation of new ERP in Americas 2019
*2. Mainland China
## Summary of 2019 1H Results

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th></th>
<th>2018</th>
<th></th>
<th>YoY Change</th>
<th>YoY Change %</th>
<th>FX-Neutral %</th>
<th>Like-for-Like FX-Neutral %</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Billion yen)</td>
<td>% of Net Sales</td>
<td>% of Net Sales</td>
<td>% of Net Sales</td>
<td>% of Net Sales</td>
<td>% of Net Sales</td>
<td>% of Net Sales</td>
<td>% of Net Sales</td>
<td>% of Net Sales</td>
</tr>
<tr>
<td>Net Sales</td>
<td>564.6</td>
<td>100%</td>
<td>532.6</td>
<td>100%</td>
<td>+32.1</td>
<td>+6.0%</td>
<td>+7.5%</td>
<td>+7.3%</td>
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<tr>
<td>Cost of Sales</td>
<td>115.6</td>
<td>20.5%</td>
<td>109.1</td>
<td>20.5%</td>
<td>+6.5</td>
<td>+6.0%</td>
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<tr>
<td>Gross Profit</td>
<td>449.0</td>
<td>79.5%</td>
<td>423.5</td>
<td>79.5%</td>
<td>+25.5</td>
<td>+6.0%</td>
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<tr>
<td>SG&amp;A</td>
<td>380.1</td>
<td>67.3%</td>
<td>352.4</td>
<td>66.1%</td>
<td>+27.7</td>
<td>+7.8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Profit</td>
<td>69.0</td>
<td>12.2%</td>
<td>71.1</td>
<td>13.4%</td>
<td>-2.1</td>
<td>-3.0%</td>
<td>-</td>
<td></td>
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<tr>
<td>Ordinary Profit</td>
<td>68.0</td>
<td>12.0%</td>
<td>72.8</td>
<td>13.7%</td>
<td>-4.8</td>
<td>-6.7%</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Extraordinary Income/Loss (net)</td>
<td>-1.3</td>
<td>-0.2%</td>
<td>1.6</td>
<td>0.3%</td>
<td>-2.8</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Net Profit Attributable to Owners of Parent</td>
<td>52.5</td>
<td>9.3%</td>
<td>47.7</td>
<td>8.9%</td>
<td>+4.8</td>
<td>+10.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA*2</td>
<td>96.0</td>
<td>17.0%</td>
<td>96.6</td>
<td>18.1%</td>
<td>-0.6</td>
<td>-0.6%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Exchange rates: USD1 = JPY110.1 (+1.3%), EUR1 = JPY124.3 (-5.6%), CNY1 = JPY16.2 (-5.2%)

*1. The “+” and “-” symbols in YoY change indicate increase and decrease in amount, respectively.

*2. After adjustment: Net income (loss) before income taxes + Interest expense + Depreciation and amortization expense + Impairment loss on goodwill and other intangible assets

*3. Like-for-Like, excluding the impacts of withdrawal from the amenity goods business in Japan 2018 and advance sell-in related to the implementation of new ERP in Americas 2019
Like-for-Like 1H Net Sales Growth

(Billion yen)

Sales growth +38.5
+7.3% growth

Impact of business withdrawal -2.4
New ERP +4.0
FX -8.1

532.6
530.2
564.6

2018
2019

Like-for-Like 1H Net Sales Growth
Robust Growth Driven by Prestige and Cosmetics Brands

1H Net Sales by brand

(Billion yen)
YoY change % (excl. impact of foreign exchange)

- Impact of business withdrawal
  - SHISEIDO +24%
  - Clé de Peau Beauté +6%
  - NARS +24%
  - IPSA +13%
  - LAURA MERCIER +24%
  - Dolce & Gabbana +4%
  - ANESSA +10%
  - ELIXIR +16%
  - Other brands, etc.

- FX -8.1

- 532.6
- 530.2

2018

- 564.6

2019

*1. YoY change (%) for each brand is calculated based on initial exchange rate assumptions.
Cost Structure – 2019 1H

- **Brand growth and top line expansion**
  - COGs (−)
    - Favorable prestige product mix
    - Increased outsourcing
  - Marketing investments (-0.2 pt)
    - Improvement in ROI, shift to digital
    - Decreased POS personnel in US
  - Other SG&A (+1.2 pt)
    - New offices
    - Freight mix
Improving Out-of-Stock Issues

- **Increase in production capacity**
  - Overall: +over 10% in 1H (Volume base)
  - Opportunity loss: improving 35% vs 2018 1H
  - Challenges: out of stock in key SKUs

- **SKU Rationalization**
  - Cut 1,147 SKUs in 1H (incremental: 3,835/4,500)
  - Prioritizing production
  - Improving in production per SKU: production efficiency

[Graphs showing production volume (Volume base) and production volume per SKU for Q1 and Q2 with data points for 2018 and 2019.]
Cash Management

1H Cash flows

(Billion yen)

Cash Flows from Operating Activities: +20.7
Cash Flows from Investing Activities: -63.3
Cash Flows from Financing Activities: +22.8
Effect of Exchange Rate Changes on Cash and Cash Equivalents, others: -1.5

Cash at 2018 Dec.: 111.8
Cash at 2019 Jun.: 90.5
What Drove Our Momentum in 2019 1H?

**Investments**

Marketing/R&D/People

**Growth Drivers**

- Prestige
- Chinese
- Travel Retail
- Portfolio diversity
- E-commerce

**Momentum**

Accelerated

Like-for-Like Sales growth*1

Q1:+6%  Q2:+9%

*1. Like-for-Like, excluding the impacts of withdrawal from the amenity goods business in Japan 2018 and advance sell-in related to the implementation of new ERP in Americas 2019.
## 2019 Latest Full-Year Forecast

<table>
<thead>
<tr>
<th></th>
<th>2019 (Billion yen)</th>
<th>2018 (Billion yen)</th>
<th>YoY Change %</th>
<th>YoY Change FX-Neutral %</th>
<th>Like-for-Like FX-Neutral %*1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>1,164.0</td>
<td>1,094.8</td>
<td>+6.3%</td>
<td>+8.2%</td>
<td>+9.6%</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>120.0</td>
<td>108.4</td>
<td>+10.8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary Profit</td>
<td>116.0</td>
<td>109.5</td>
<td>+5.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Extraordinary Income/Loss (net)</td>
<td>0.0</td>
<td>-5.2</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Net Profit Attributable to Owners of Parent</td>
<td>83.0</td>
<td>61.4</td>
<td>+35.2%</td>
<td></td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>% of Net Sales</th>
<th>% of Net Sales</th>
<th>Change from Initial Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>100%</td>
<td>100%</td>
<td>-8.0</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>10.3%</td>
<td>10.2%</td>
<td>-4.0</td>
</tr>
<tr>
<td>Ordinary Profit</td>
<td>9.9%</td>
<td>10.2%</td>
<td>+2.5</td>
</tr>
<tr>
<td>Extraordinary Income/Loss (net)</td>
<td>0.0%</td>
<td>-0.2%</td>
<td>+2.5</td>
</tr>
<tr>
<td>Net Profit Attributable to Owners of Parent</td>
<td>7.1%</td>
<td>6.4%</td>
<td>+7.5</td>
</tr>
</tbody>
</table>

<p>| Dividends (yen per share) (forecast)*2 | 60 | 45 |</p>
<table>
<thead>
<tr>
<th>Initial Plan</th>
<th>% of Net Sale</th>
<th>Change from Initial Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends</td>
<td>60</td>
<td>-</td>
</tr>
</tbody>
</table>

Exchange rates 2019 average: USD1 = JPY108.5 (-1.8%), EUR1 = JPY122.8 (-5.9%), CNY1 = JPY15.8 (-5.3%)

*1. Like-for-Like, excluding the impacts of withdrawal from the amenity goods business, etc. in Japan 2018 and the impacts of applying U.S. GAAP (ASC 606)

*2. Dividends: interim dividend ¥30, year-end dividend ¥30 (forecast)
2019 Latest Full-Year Net Sales Forecast

(Billion yen)

- China: +4.0
- EMEA: +4.5
- Japan: -6.5
- TR*: +2.0
- ASC 606: -8.0
- FX: -4.0

2019 Initial Plan: 1,172
2019 Latest: 1,164

Like-for-Like FX-Neutral**: +9.6%

*1. Travel Retail
*2. Like-for-Like, excluding the impacts of withdrawal from the amenity goods business, etc. in Japan 2018 and the impacts of applying U.S. GAAP (ASC 606)
Continuing Growth Momentum Against Market Uncertainties

Masahiko Uotani
Representative Director, President and CEO
Shiseido Company, Limited

August 8, 2019
FY2019 Outlook: Continuing Growth Momentum
Net Sales +¥4.0 Bn Organic Upward Revision, Like-for-Like +9.6%*
Net Profit +¥7.5 Bn Upward Revision

- Net sales ¥1,164.0 Bn, -¥8.0 Bn vs. initial plan
  - Organic upward revision +¥4.0 Bn, Like-for-Like +9.6%
  - Impact from application of U.S. GAAP (ASC 606) -¥8.0 Bn
  - FX impact -¥4.0 Bn

- Operating profit ¥120.0 Bn, on plan, YoY +10.8%
  Operating margin 10.3%, +0.1 pt vs initial plan

- Net profit +¥7.5 Bn, YoY +35.2%
  - Tax consequences of U.S. capital redemption

- Dividend full-year ¥60, on plan, increase of ¥15 from 2018

* Like-for-Like, excluding the impacts of withdrawal from the amenity goods business, etc. in Japan 2018 and the impact of applying ASC 606
Key Issues for 2H 2019

- Continued brand nurturing
- Japan: inbound buyers slowdown
- Japan: measures for consumption tax hike
- China: maintain momentum
- Initiatives for out of stock
- Improve profitability in Americas and EMEA
- ESG initiatives

+ Market uncertainties/Exchange rate fluctuations

Cautious management closely monitoring market trends
Strengthen business monitoring/
Strict cost control (add & subtract)
Continue to Strengthen Prestige Brands

● **Clé de Peau Beauté**
  - Skincare renewal (August)
  - Roll-out in London (September)
  - 2H: +20% growth

● **SHISEIDO**
  - Skincare: *ULTIMUNE*
  - New foundation (September)
  - 2H: +20% growth

● **Dolce&Gabbana**
  - Fragrance: new launch for men’s *K by Dolce&Gabbana* (September)
  - Makeup: full-scale renewal
  - 2H: double-digit growth
Strengthen Prestige Brands in Asia

- Expansion of store openings in Southeast Asia
  - *Clé de Peau Beauté, IPSA, NARS, LAURA MERCIER*
    - Accelerating boutique development
    - Start of e-commerce

- **NARS**
  - China: expand to 20 stores (End of 2019)
New Brand License Agreement
TORY BURCH

- Brand overview
  - Ms. Tory Burch launched the luxury brand in New York (2004)
  - American lifestyle brand that embodies the personal style, global mindset and aesthetic of its founder
  - Global development: mainly North America, Asia and the Middle East
  - Advance women’s empowerment and entrepreneurship with the Tory Burch Foundation

- License starts January 1st, 2020
  - Exclusive worldwide beauty license
  - Expand scale for fragrance
  - Improve profitability in Americas
Inbound sales

Full-year forecast: single digit growth

- Inbound tourists: up mid-teens
- Inbound buyers: down high-teens

Tourists from Asia
Trust in “Made-in-Japan” quality and Shiseido’s brands

Number of foreign tourists to Japan: continue to increase in 2H 2019

Cross-border marketing linked to China, Japan, Travel Retail and Asia Pacific
Japan: Strengthen Marketing in Response to Consumption Tax Hike

● Pre-hike
  ➢ Launch of new products prior to last-minute demand
    • *Clé de Peau Beauté*: skincare renewal
    • *SHISEIDO ULTIMUNE*: eye serum
    • *SHISEIDO Makeup Big Bang 2nd*: foundation
    • *ELIXIR Advanced Aging Care*: lotion/emulsion
  ➢ Build a stable supply capability

● Post-hike
  ➢ Launch of new products to stimulate demand for potential consumers
  ➢ Large-scale promotion throughout Japan
China: Maintain Strong Prestige Sales

Selection and concentration in growth areas
Continue to strengthen marketing investment

- Prestige: +30% to 40% growth
  - SHISEIDO, Clé de Peau Beauté, IPSA and NARS

- Cosmetics: ELIXIR and ANESSA
  +30% to 40% growth
China: Reinforce Alliances

- **Alibaba Group**
  - Hangzhou Office: start the joint work with a dedicated team
  - Further utilization and analysis of big data
  - *AQUAIR*: launch of co-developed products (September)
  - W11: strengthen marketing

- **A.S. Watson Group**
  - *d Program*: launch of co-developed products
  - Further collaborative initiatives
China: Strengthen Brand Equity through Sports

**SHISEIDO** and **ANESSA** support for sports
Leverage tax reduction

- **Tennis:**
  “Shiseido WTA Finals Shenzhen”
  (October 27th - November 3rd)
  title sponsor

- **Figure skating:**
  “Shiseido Cup of China ISU Grand Prix of Figure Skating”
  (November 8th - 10th)
  title sponsor
Raise Supply Capability: Steady Progress

- **Japan**: dealing with last-minute demand before consumption tax hike
- **SKU rationalization**: review additional 1,300 SKUs
- **Nasu Factory**: completion of construction (End of November)
- **Osaka Ibaraki Factory**: steady construction under way (End of 2020)
Women’s Empowerment
Internal:
- Board of Directors, Auditors
  Ratio of females 45%
- Ratio of female managers
  Japan 32% (2020 Target 40%)
- “Women Leader Development Program”

External:
- “30% Club Japan” member, chairman

MSCI
Japan Empowering Women Index (WIN)
No.1 score
Achieve Long-Term Growth
Adapt to Environment Change

Market uncertainty
Changing market environment

“VISION 2020” and beyond
Continuing sustainable growth momentum

- “Speed” to achieve 2019 target
- More closely monitor market changes
- Rapid PDCA cycle with weekly review

- Selection and concentration
  - Structure reform
  - SKU rationalization
- Priority investment
  - PEOPLE FIRST
  - Brand equity
  - Innovation
  - Supply chain
  - Global standard IT platform
## Supplemental Data 1
Sales Growth Mainly Driven by China, Travel Retail and Asia Pacific

### 1H Sales by reportable segment

| (Billion yen) | 2019 % of Net Sales | 2018 % of Net Sales | YoY Change | YoY Change % | YoY Change FX-Neutral % | Like-for-Like FX-Neutral %
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>231.9</td>
<td>41.1%</td>
<td>230.8</td>
<td>43.3%</td>
<td>+1.1</td>
<td>+0.5%</td>
</tr>
<tr>
<td>China</td>
<td>107.7</td>
<td>19.1%</td>
<td>92.9</td>
<td>17.4%</td>
<td>+14.8</td>
<td>+15.9%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>36.3</td>
<td>6.4%</td>
<td>33.3</td>
<td>6.3%</td>
<td>+2.9</td>
<td>+8.8%</td>
</tr>
<tr>
<td>Americas</td>
<td>64.1</td>
<td>11.3%</td>
<td>58.8</td>
<td>11.0%</td>
<td>+5.2</td>
<td>+8.9%</td>
</tr>
<tr>
<td>EMEA</td>
<td>48.2</td>
<td>8.5%</td>
<td>46.9</td>
<td>8.8%</td>
<td>+1.4</td>
<td>+2.9%</td>
</tr>
<tr>
<td>Travel Retail</td>
<td>53.1</td>
<td>9.4%</td>
<td>45.3</td>
<td>8.5%</td>
<td>+7.8</td>
<td>+17.2%</td>
</tr>
<tr>
<td>Professional</td>
<td>7.2</td>
<td>1.3%</td>
<td>7.3</td>
<td>1.4%</td>
<td>-0.0</td>
<td>-0.5%</td>
</tr>
<tr>
<td>Other</td>
<td>16.3</td>
<td>2.9%</td>
<td>17.4</td>
<td>3.3%</td>
<td>-1.1</td>
<td>-6.5%</td>
</tr>
<tr>
<td>Total</td>
<td>564.6</td>
<td>100%</td>
<td>532.6</td>
<td>100%</td>
<td>+32.1</td>
<td>+6.0%</td>
</tr>
</tbody>
</table>

*1. See Supplemental Data 10 for details about changes in reportable segments. The previous year’s results are restated to reflect the new reportable segments.
*2. Like-for-Like, excluding the impacts of withdrawal from the amenity goods business in Japan 2018 and advance sell-in related to the implementation of new ERP in Americas 2019.
### Supplemental Data 2
1H Sales in Japan and China by Category

**Japan**

<table>
<thead>
<tr>
<th>Category</th>
<th>2019</th>
<th>%- of Net Sales</th>
<th>2018</th>
<th>%- of Net Sales</th>
<th>YoY Change</th>
<th>YoY Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prestige/Specialty Store</td>
<td>77.5</td>
<td>33.4%</td>
<td>77.1</td>
<td>33.4%</td>
<td>+0.5</td>
<td>+0.6%</td>
</tr>
<tr>
<td>Cosmetics</td>
<td>108.0</td>
<td>46.6%</td>
<td>105.4</td>
<td>45.7%</td>
<td>+2.6</td>
<td>+2.5%</td>
</tr>
<tr>
<td>Personal Care</td>
<td>27.9</td>
<td>12.0%</td>
<td>29.0</td>
<td>12.6%</td>
<td>-1.1</td>
<td>-4.0%</td>
</tr>
<tr>
<td>Others</td>
<td>18.4</td>
<td>8.0%</td>
<td>19.2</td>
<td>8.3%</td>
<td>-0.8</td>
<td>-4.1%</td>
</tr>
<tr>
<td>Japan Sales</td>
<td>231.9</td>
<td>100%</td>
<td>230.8</td>
<td>100%</td>
<td>+1.1</td>
<td>+0.5%</td>
</tr>
</tbody>
</table>

YoY change excluding the impact of withdrawal of amenity goods business in 2018 was +1.5%.

**China**

<table>
<thead>
<tr>
<th>Category</th>
<th>2019</th>
<th>%- of Net Sales</th>
<th>2018</th>
<th>%- of Net Sales</th>
<th>YoY Change</th>
<th>YoY Change FX-Neutral %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prestige</td>
<td>50.1</td>
<td>46.5%</td>
<td>38.2</td>
<td>41.1%</td>
<td>+11.9</td>
<td>+35.3%</td>
</tr>
<tr>
<td>Cosmetics</td>
<td>39.4</td>
<td>36.6%</td>
<td>39.0</td>
<td>41.9%</td>
<td>+0.4</td>
<td>+6.2%</td>
</tr>
<tr>
<td>Personal Care</td>
<td>17.0</td>
<td>15.8%</td>
<td>14.8</td>
<td>15.9%</td>
<td>+2.2</td>
<td>+20.2%</td>
</tr>
<tr>
<td>Others</td>
<td>1.2</td>
<td>1.1%</td>
<td>1.0</td>
<td>1.1%</td>
<td>+0.2</td>
<td>+22.7%</td>
</tr>
<tr>
<td>China Sales</td>
<td>107.7</td>
<td>100%</td>
<td>92.9</td>
<td>100%</td>
<td>+14.8</td>
<td>+20.5%</td>
</tr>
</tbody>
</table>

*1. Some financial results within the Japan Business have been reclassified in line with the management structure change in 2019.

*2. See Supplemental Data 10 for details about changes in reportable segments. The previous year’s results are restated to reflect the new reportable segments.*
### Supplemental Data 3

**OPM 12.2% with Investments (Marketing, R&D and People)**

**1H Operating profit by reportable segment**

<table>
<thead>
<tr>
<th>(Billion yen)</th>
<th>2019</th>
<th></th>
<th>2018</th>
<th></th>
<th>YoY Change</th>
<th>YoY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>OPM %</td>
<td></td>
<td>OPM %</td>
<td></td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td><strong>Japan</strong></td>
<td>48.3</td>
<td>19.1%</td>
<td>51.5</td>
<td>20.9%</td>
<td>-3.2</td>
<td>-6.2%</td>
</tr>
<tr>
<td><strong>China</strong></td>
<td>18.0</td>
<td>16.7%</td>
<td>15.6</td>
<td>16.8%</td>
<td>+2.4</td>
<td>+15.2%</td>
</tr>
<tr>
<td><strong>Asia Pacific</strong></td>
<td>3.2</td>
<td>8.4%</td>
<td>4.5</td>
<td>13.0%</td>
<td>-1.3</td>
<td>-29.1%</td>
</tr>
<tr>
<td><strong>Americas</strong></td>
<td>-5.3</td>
<td>-6.0%</td>
<td>-7.2</td>
<td>-9.5%</td>
<td>+2.0</td>
<td>–</td>
</tr>
<tr>
<td>Before Amortization of Goodwill, etc.</td>
<td>-2.6</td>
<td>-3.0%</td>
<td>-4.6</td>
<td>-6.1%</td>
<td>+2.0</td>
<td>–</td>
</tr>
<tr>
<td><strong>EMEA</strong></td>
<td>-5.0</td>
<td>-9.3%</td>
<td>-5.0</td>
<td>-9.5%</td>
<td>+0.0</td>
<td>–</td>
</tr>
<tr>
<td>Before Amortization of Goodwill, etc.</td>
<td>-4.1</td>
<td>-7.8%</td>
<td>-4.1</td>
<td>-7.8%</td>
<td>-0.0</td>
<td>–</td>
</tr>
<tr>
<td><strong>Travel Retail</strong></td>
<td>12.0</td>
<td>22.5%</td>
<td>11.1</td>
<td>24.5%</td>
<td>+0.9</td>
<td>+7.8%</td>
</tr>
<tr>
<td><strong>Professional</strong></td>
<td>0.2</td>
<td>3.0%</td>
<td>0.3</td>
<td>4.2%</td>
<td>-0.1</td>
<td>-28.3%</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>-0.5</td>
<td>-0.6%</td>
<td>2.8</td>
<td>4.1%</td>
<td>-3.3</td>
<td>–</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>70.9</td>
<td>10.5%</td>
<td>73.6</td>
<td>11.8%</td>
<td>-2.7</td>
<td>-3.7%</td>
</tr>
<tr>
<td><strong>Adjustments</strong></td>
<td>-1.9</td>
<td>–</td>
<td>-2.5</td>
<td>–</td>
<td>+0.6</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>69.0</td>
<td>12.2%</td>
<td>71.1</td>
<td>13.4%</td>
<td>-2.1</td>
<td>-3.0%</td>
</tr>
</tbody>
</table>

*1. OPM is calculated using net sales including intersegment sales.
*2. See Supplemental Data 10 for details about changes in reportable segments. The previous year’s results are restated to reflect the new reportable segments.
## Supplemental Data 4  
### 1H SG&A Details

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>YoY Change</th>
<th>YoY Change</th>
<th>YoY Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of Net Sales</td>
<td>Change in % of Net Sales</td>
<td>%</td>
<td>FX-Neutral</td>
</tr>
<tr>
<td><strong>SG&amp;A</strong></td>
<td>380.1</td>
<td>67.3%</td>
<td>+1.2</td>
<td>+7.8%</td>
</tr>
<tr>
<td><strong>Marketing Investments</strong></td>
<td>198.4</td>
<td>35.1%</td>
<td>-0.2</td>
<td>+5.2%</td>
</tr>
<tr>
<td><strong>Brand Development/R&amp;D Investments</strong></td>
<td>30.2</td>
<td>5.4%</td>
<td>+0.3</td>
<td>+12.3%</td>
</tr>
<tr>
<td><strong>Personnel Expenses</strong></td>
<td>64.3</td>
<td>11.4%</td>
<td>-0.1</td>
<td>+4.5%</td>
</tr>
<tr>
<td><strong>Other SG&amp;A Expenses</strong></td>
<td>87.1</td>
<td>15.4%</td>
<td>+1.2</td>
<td>+15.6%</td>
</tr>
</tbody>
</table>

*1. The “+” and “-” symbols in YoY Change are used to indicate increase and decrease in amount and percentage of net sales, respectively.

*2. Marketing Investments includes POS personnel expenses.
## Supplemental Data 5
### Summary of 2019 Q2 Results

<table>
<thead>
<tr>
<th>(Billion yen)</th>
<th>2019</th>
<th>2018</th>
<th>YoY Change</th>
<th>YoY Change %</th>
<th>FX-Neutral %</th>
<th>Like-for-Like FX-Neutral %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>291.0</td>
<td>268.8</td>
<td>+22.2</td>
<td>+8.3%</td>
<td>+9.9%</td>
<td>+9.0%</td>
</tr>
<tr>
<td>% of Net Sales</td>
<td>100%</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cost of Sales</strong></td>
<td>59.0</td>
<td>54.1</td>
<td>+4.9</td>
<td>+9.0%</td>
<td>+9.0%</td>
<td></td>
</tr>
<tr>
<td>% of Net Sales</td>
<td>20.3%</td>
<td>20.1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>232.0</td>
<td>214.7</td>
<td>+17.3</td>
<td>+8.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Net Sales</td>
<td>79.7%</td>
<td>79.9%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SG&amp;A</strong></td>
<td>202.0</td>
<td>190.7</td>
<td>+11.2</td>
<td>+5.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Net Sales</td>
<td>69.4%</td>
<td>71.0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td>30.0</td>
<td>24.0</td>
<td>+6.1</td>
<td>+25.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Net Sales</td>
<td>10.3%</td>
<td>8.9%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ordinary Profit</strong></td>
<td>28.4</td>
<td>25.6</td>
<td>+2.9</td>
<td>+11.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Net Sales</td>
<td>9.8%</td>
<td>9.5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Extraordinary Income/Loss (net)</strong></td>
<td>-0.5</td>
<td>1.4</td>
<td>-1.9</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Net Sales</td>
<td>-0.2%</td>
<td>0.5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Profit Attributable to Owners of Parent</strong></td>
<td>18.9</td>
<td>18.8</td>
<td>+0.1</td>
<td>+0.8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Net Sales</td>
<td>6.5%</td>
<td>7.0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA</strong>^2</td>
<td>43.4</td>
<td>38.1</td>
<td>+5.3</td>
<td>+13.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Net Sales</td>
<td>14.9%</td>
<td>14.2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*1. The “+” and “−” symbols in YoY change indicate increase and decrease in amount, respectively.

*2. After adjustment: Net income (loss) before income taxes + Interest expense + Depreciation and amortization expense + Impairment loss on goodwill and other intangible assets

*3. Like-for-Like, excluding the impacts of withdrawal from the amenity goods business in Japan 2018 and advance sell-in related to the implementation of new ERP in Americas 2019
## Supplemental Data 6
### Sales Momentum Accelerated across Most Regions vs Q1

### Q2 Sales by reportable segment

<table>
<thead>
<tr>
<th>Region</th>
<th>2019 (Billion yen)</th>
<th>2018 (Billion yen)</th>
<th>YoY Change</th>
<th>YoY Change %</th>
<th>YoY Change FX-Neutral %</th>
<th>Like-for-like FX-Neutral %²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>117.9</td>
<td>116.1</td>
<td>+1.8</td>
<td>+1.6%</td>
<td>+1.6%</td>
<td>+2.7%</td>
</tr>
<tr>
<td>China</td>
<td>55.2</td>
<td>47.3</td>
<td>+7.9</td>
<td>+16.8%</td>
<td>+22.3%</td>
<td>+22.3%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>17.3</td>
<td>16.3</td>
<td>+1.0</td>
<td>+6.4%</td>
<td>+10.3%</td>
<td>+10.3%</td>
</tr>
<tr>
<td>Americas</td>
<td>36.1</td>
<td>30.7</td>
<td>+5.4</td>
<td>+17.5%</td>
<td>+17.3%</td>
<td>+4.4%</td>
</tr>
<tr>
<td>EMEA</td>
<td>23.2</td>
<td>21.8</td>
<td>+1.4</td>
<td>+6.4%</td>
<td>+12.0%</td>
<td>+12.0%</td>
</tr>
<tr>
<td>Travel Retail</td>
<td>29.7</td>
<td>23.9</td>
<td>+5.8</td>
<td>+24.3%</td>
<td>+24.5%</td>
<td>+24.5%</td>
</tr>
<tr>
<td>Professional</td>
<td>3.7</td>
<td>3.8</td>
<td>-0.2</td>
<td>-4.0%</td>
<td>-1.8%</td>
<td>-1.8%</td>
</tr>
<tr>
<td>Other</td>
<td>8.0</td>
<td>9.0</td>
<td>-1.0</td>
<td>-11.1%</td>
<td>-11.1%</td>
<td>-11.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>291.0</td>
<td>268.8</td>
<td>+22.2</td>
<td>+8.3%</td>
<td>+9.9%</td>
<td>+9.0%</td>
</tr>
</tbody>
</table>

*1. See Supplemental Data 10 for details about changes in reportable segments. The previous year’s results are restated to reflect the new reportable segments.

*2. Like-for-Like, excluding the impacts of withdrawal from the amenity goods business in Japan 2018 and advance sell-in related to the implementation of new ERP in Americas 2019.
## Supplemental Data 7
### OPM 10.3%

#### Q2 Operating profit by reportable segment

<table>
<thead>
<tr>
<th>(Billion yen)</th>
<th>2019</th>
<th>2018</th>
<th>YoY Change</th>
<th>YoY Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>OPM %</td>
<td>OPM %</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>22.0</td>
<td>21.5</td>
<td>+0.4</td>
<td>+2.0%</td>
</tr>
<tr>
<td></td>
<td>17.2%</td>
<td>17.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>5.0</td>
<td>0.8</td>
<td>+4.2</td>
<td>+505.7%</td>
</tr>
<tr>
<td></td>
<td>9.1%</td>
<td>1.8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>0.8</td>
<td>1.2</td>
<td>-0.4</td>
<td>-35.3%</td>
</tr>
<tr>
<td></td>
<td>4.4%</td>
<td>7.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Americas</td>
<td>0.3</td>
<td>-2.6</td>
<td>+2.9</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>0.6%</td>
<td>-6.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Before Amortization of Goodwill, etc.</td>
<td>1.6</td>
<td>-1.3</td>
<td>+2.9</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>3.2%</td>
<td>-3.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EMEA</td>
<td>-3.2</td>
<td>-3.7</td>
<td>+0.6</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>-12.1%</td>
<td>-15.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Before Amortization of Goodwill, etc.</td>
<td>-2.7</td>
<td>-3.3</td>
<td>+0.5</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>-10.5%</td>
<td>-13.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Travel Retail</td>
<td>7.0</td>
<td>5.6</td>
<td>+1.4</td>
<td>+24.4%</td>
</tr>
<tr>
<td></td>
<td>23.6%</td>
<td>23.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional</td>
<td>0.2</td>
<td>0.3</td>
<td>-0.1</td>
<td>-35.0%</td>
</tr>
<tr>
<td></td>
<td>4.5%</td>
<td>6.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>-1.8</td>
<td>1.7</td>
<td>-3.5</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>-4.6%</td>
<td>4.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal</td>
<td>30.3</td>
<td>24.9</td>
<td>+5.4</td>
<td>+21.9%</td>
</tr>
<tr>
<td></td>
<td>8.7%</td>
<td>7.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjustments</td>
<td>-0.3</td>
<td>-0.9</td>
<td>+0.6</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>–</td>
<td>–</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>30.0</td>
<td>24.0</td>
<td>+6.1</td>
<td>+25.4%</td>
</tr>
<tr>
<td></td>
<td>10.3%</td>
<td>8.9%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*1. OPM is calculated using net sales including intersegment sales.
*2. See Supplemental Data 10 for details about changes in reportable segments. The previous year’s results are restated to reflect the new reportable segments.
### Supplemental Data 8

#### 2019 Latest Full-Year Sales Forecast by Reportable Segment

<table>
<thead>
<tr>
<th>(Billion yen)</th>
<th>2019</th>
<th>2018 After Segment Changes</th>
<th>YoY Change %</th>
<th>Initial Plan</th>
<th>Change from Initial Plan</th>
<th>2018 Before Segment Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>YoY Change FX-Neutral %</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,164.0</td>
<td>1,094.8</td>
<td>+6.3%</td>
<td>+8.2%</td>
<td>+9.6%</td>
<td>1,172.0</td>
</tr>
<tr>
<td>Japan</td>
<td>473.5</td>
<td>454.5</td>
<td>+4.2%</td>
<td>+4.2%</td>
<td>+5.6%</td>
<td>480.0</td>
</tr>
<tr>
<td>China</td>
<td>220.0</td>
<td>190.8</td>
<td>+15.3%</td>
<td>+20.0%</td>
<td>+20.0%</td>
<td>217.0</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>73.5</td>
<td>68.1</td>
<td>+7.9%</td>
<td>+11.2%</td>
<td>+11.2%</td>
<td>74.0</td>
</tr>
<tr>
<td>Americas</td>
<td>126.5</td>
<td>131.7</td>
<td>-4.0%</td>
<td>-2.5%</td>
<td>+3.7%</td>
<td>135.5</td>
</tr>
<tr>
<td>EMEA</td>
<td>117.0</td>
<td>113.2</td>
<td>+3.4%</td>
<td>+8.8%</td>
<td>+8.8%</td>
<td>113.5</td>
</tr>
<tr>
<td>Travel Retail</td>
<td>104.0</td>
<td>87.6</td>
<td>+18.7%</td>
<td>+21.0%</td>
<td>+21.0%</td>
<td>102.5</td>
</tr>
<tr>
<td>Professional</td>
<td>14.5</td>
<td>14.1</td>
<td>+2.5%</td>
<td>+4.0%</td>
<td>+4.0%</td>
<td>14.5</td>
</tr>
<tr>
<td>Other</td>
<td>35.0</td>
<td>34.7</td>
<td>+0.9%</td>
<td>+0.9%</td>
<td>+0.9%</td>
<td>35.0</td>
</tr>
</tbody>
</table>

Exchange rates 2019 average: USD1 = JPY108.5 (-1.8%), EUR1 = JPY122.8 (-5.9%), CNY1 = JPY15.8 (-5.3%)

*1 See Supplemental Data 10 for details about changes in reportable segments.

*2 Like-for-Like, excluding the impact of withdrawal from the amenity goods business, etc. in Japan 2018 and the impacts of applying U.S. GAAP (ASC 606)
<table>
<thead>
<tr>
<th>(Billion yen)</th>
<th>2019 1H</th>
<th>2018 1H</th>
<th>2019 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Expenditures*1</td>
<td>64.1</td>
<td>49.0</td>
<td>155.1</td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>50.6</td>
<td>38.4</td>
<td>124.0</td>
</tr>
<tr>
<td>Intangible Assets, etc.</td>
<td>13.5</td>
<td>10.6</td>
<td>31.1</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>26.8</td>
<td>20.2</td>
<td>58.5</td>
</tr>
<tr>
<td>Property, Plant and Equipment</td>
<td>15.2</td>
<td>9.6</td>
<td></td>
</tr>
<tr>
<td>Intangible Assets, etc.</td>
<td>11.6</td>
<td>10.6</td>
<td></td>
</tr>
<tr>
<td>R&amp;D Expenses</td>
<td>15.7</td>
<td>11.7</td>
<td>34.3</td>
</tr>
</tbody>
</table>

*1. Investments in capital expenditures; property, plant and equipment; intangible fixed assets (excl. goodwill, right of trademark, etc.); and long-term prepaid expenses.
Supplemental Data 10
Main Constituents of Old and New Reportable Segments

*The Group has revised its reportable segment classification method in line with changes in its internal management structure from the first quarter of the fiscal year ending December 31, 2019. Shiseido Beauty Salon Co., Ltd., which was previously included in the Professional Business, is now included in Other. Shiseido Astech Co., Ltd. And Hanatsubaki Factory Co., Ltd., which were previously included in the Japan Business, are now included in Other.

From the third quarter of the previous consolidated fiscal year, the results of IPSA Co., Ltd., which were previously included in the Japan Business, are now included in the Other segment.
Major Public Announcements

News Releases

- **August:** Shiseido and Tory Burch Announce Long-Term Beauty Partnership Agreement - Exclusive Worldwide License for Beauty Products - Underscores Strength of Shiseido’s Platform and Resources to Support Further Growth of Tory Burch Beauty Brand

- **July:** Shiseido President and CEO Masahiko Uotani Becomes Chair of “30% Club Japan” Contributing to the Improvement of the Percentage of Female Executives
  Shiseido Launches Full-Scale IoT Skincare Service Brand “Optune”

- **May:** Shiseido Strengthens Strategic Partnership with A.S. Watson Group
  Annual report 2018
  Shiseido Opens SHISEIDO FOREST VALLEY at Jewel Changi Airport
  “Shiseido Life Quality Beauty Center” Opens in Singapore
  Shiseido establishes Japanese Beauty Institute Communicating unique Japanese aesthetics to the world

- **April:** Shiseido and KANEKA Launch Joint Development of Biodegradable Cosmetic Containers
  Shiseido Supports Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)
  External Director Ms. Ishikura at “2019 Daiwa Investment Conference Tokyo”
  Corporate Governance Report Revised
  The Shiseido Philosophy Is Formulated Anew
  Shiseido Global Innovation Center Commences Full-Scale Operation - Realizing a New Style of Research and Development Towards Further Growth-
  Shiseido Signs Joint Business Plan with Alibaba Group

* ESG initiatives are in red
Supplemental Data 11
Major Public Announcements

News Releases

● March:  CLÉ DE PEAU BEAUTÉ ANNOUNCES THE LAUNCH OF ‘THE POWER OF RADIANCE’ PROGRAM

Creating a new market through the integration of foundation and medicated skincare

● February:  Notice on Introduction of Performance-Linked Stock Compensation as Long-Term Incentive-Type Remuneration (“LTI”)

Shiseido Establishes a New Factory in Kurume City, Fukuoka Prefecture
-Responding to Growing Demand and Further Business Expansion Inside and Outside Japan-

Notice of Transfer of Dermatologic Agent Brands FERZEA and Encron

● January:  Notice of Merger between Consolidated Subsidiaries

* ESG initiatives are in red