

(Translation)

August 6, 2020

Dear Sirs and Madams,

Name of Company: Shiseido Company, Limited
 Name of Representative: Masahiko Uotani
 President and CEO
 (Representative Director)
 (Code No. 4911; The First Section of the Tokyo Stock Exchange)
 Contact: Harumoto Kitagawa
 Vice President
 Investor Relations Department
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Notice Regarding Revisions to the Consolidated Forecast, Determination of interim dividend, Revisions to Year-End Dividend Forecast for the Fiscal Year Ending December 31, 2020, and Reduction of Executive Compensation

Shiseido Company, Limited (“the Company”) hereby announces its consolidated forecast for the fiscal year ending December 31, 2020, previously withdrawn on May 12, 2020.

Moreover, the Company has resolved at the Board of Directors Meeting held today to distribute dividends of surplus (interim) with the record date of June 30, 2020 and to revise the year-end dividend forecast for the fiscal year 2020. Details are presented as follows.

Furthermore, the Company has also resolved on a partial reduction of executive compensation in the fiscal year 2020.

1. Revised Forecast for Consolidated Results for the Fiscal Year Ending December 31, 2020 (from January 1 to December 31, 2020)

(Millions of yen unless otherwise stated)

	Net Sales	Operating Profit	Ordinary Profit (Loss)	Net Profit (Loss) Attributable to Owners of Parent	Net Profit (Loss) per Share (Yen)
Previous forecast (A)	—	—	—	—	—
Revised forecast (B)	953,000	0	(6,500)	(22,000)	(55.08)
Change (B-A)	—	—	—	—	
Percentage change	—	—	—	—	
(Reference) Results for the previous period (ended December 31, 2020)	1,131,547	113,831	108,739	73,562	184.18



2. Interim Dividends for the Fiscal Year Ending December 31, 2020

	Resolution	Most recent dividend forecast (announced on March 12, 2020)	Results for the previous period (ended December 31, 2019)
Record date	June 30, 2020	June 30, 2020	June 30, 2019
Dividend per share	20 yen	—	30 yen
Total dividend amount	7,989 million yen	—	11,982 million yen
Effective date	September 2, 2020	—	September 4, 2019
Source of dividend	Retained earnings	—	Retained earnings

3. Revised Year-End Dividend Forecast for the Fiscal Year Ending December 31, 2020

	Annual dividends per share (yen)		
	Interim	Year-end	Full year
Previous forecast (announced on March 12, 2020)	—	—	—
Revised forecast	—	20	40
Results for the current period (Resolution)	20	—	—
Results for the previous period (ended December 31, 2019)	30	30	60

4. Reasons for the Revisions to the Consolidated Forecast, Interim Dividends, and Year-end Dividend Forecast

The Company previously withdrew its consolidated forecast for the fiscal year ending December 31, 2020 due to uncertainties in the business environment and difficulty in assessing their impact on business results. Although the uncertainties continue, the Company has decided to disclose a new forecast calculated based on the currently available information and latest performance trends. The present forecast is based on the assumption that social and economic activities will continue under the influence of COVID-19 in major countries. It does not incorporate the possibility of a state of emergency declaration in Japan or lockdowns in countries of operation due to further spread of COVID-19 in the future.

Concerning dividends, while the Company forecasts a net loss for the fiscal year 2020 due to COVID-19, it will continue to pay stable dividends. However, since the timing of recovery is uncertain and the Company needs to maintain its liquidity, the interim dividend for 2020 is reduced by 10 yen from the 30 yen in the previous fiscal year, to 20 yen per share. The year-end dividend forecast is also reduced by 10 yen to 20 yen. As a result, the annual dividend is forecast at 40 yen per share, down 20 yen from the previous year.

5. Reduction of Executive Compensation in 2020

The Company has received a proposal from its CEO and corporate officers to reduce their remuneration as a step for improving profitability in response to the deteriorating market environment. Following discussions by the Executive Remuneration Advisory Committee, the Board of Directors has resolved to reduce the amount of remuneration as follows.



- (1) Executives subject to reductions and reduction amounts
 - President and CEO: 30% of monthly base salary
 - Executive Vice President and executive corporate officers: 15% of monthly base salary
 - Corporate officers, etc.: 10% of monthly base salary
- (2) Period of reduction
 - Five months from August to December 2020

Note: The above forecasts are based on the information currently available to the Company. Due to various factors, actual results may differ from such forecasts. The Company will promptly issue notification of any important matters requiring disclosure, should such arise.

- End of News Release -