

2025 First Quarter Results (January–March)

May 12, 2025

Shiseido Company, Limited

Kentaro Fujiwara

President and CEO

Ayako Hirofuji

Chief Financial Officer



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.

Q1 2025 Key Highlights

Core operating profit remained broadly in line with target;
Steady progress on structural reforms while ensuring profitability;
Reiterate full-year forecast while monitoring the tariff situation with risk mitigation actions

- **Net Sales: ¥228.2 bn (LfL*: –9%) : slightly behind 1H target of –low single%**
 - Japan: Consumer Purchases maintained strong momentum despite sales decline due to temporally inventory adjustments by retailers
 - China & Travel Retail: sequential sales decline but within expectations
 - Americas: sharp sales decline continued with *Drunk Elephant*, striving for a swift turnaround
 - EMEA: Consumer Purchases in Fragrances remained solid despite sales decline due to a rebound from a higher sales in Q1 last year driven by advanced shipment
- **Core Operating Profit: ¥8.3 bn (YoY: –¥3.1 bn)**
 - Delivered tangible results from structural reforms notably in Japan, achieved profit largely in line with expectations bolstered by disciplined cost management global-wide
- **Tariff impact**
 - Identified as potential downside risk; in addition to revisiting procurement sourcing and manufacturing footprint which has been in progress already, additional countermeasures, e.g., pricing and utilizing tariff exemptions will be considered

* Like-for-like increase (decrease) in net sales excludes the impacts of foreign exchange translation and all business transfers in 2025 and 2024 as well as the services provided during the transition period, and the impact of sales prior to the acquisition of *Dr. Dennis Gross Skincare* in 2024 and its corresponding period in 2025 ("business transfers and acquisitions")

Q1 2025 Executive Summary

(Billion yen)	Q1 2024	% of Net Sales	Q1 2025	% of Net Sales	YoY Change	YoY Change %	YoY FX-Neutral %	YoY LfL ^{*1} %
Net Sales	249.5	100%	228.2	100%	−21.2	−9%	−9%	−9%
Core Operating Profit	11.3	4.5%	8.3	3.6%	−3.1	−27%		
Non-recurring Items	−20.1	−8.0%	−1.0	−0.5%	+19.0	-		
Operating Profit	−8.7	−3.5%	7.2	3.2%	−15.9	-		
Profit (Loss) before Tax	−3.8	−1.5%	7.4	3.2%	+11.2	-		
Income Tax Expense	−0.7	−0.3%	3.7	1.6%	+4.4	-		
Profit (Loss) Attributable to Owners of Parent	−3.3	−1.3%	3.7	1.6%	+7.0	-		
EBITDA ^{*2}	24.4	9.8%	21.0	9.2%	−3.5	−14%		
Free Cash Flow	−59.8	−24.0%	−12.4	−5.4%	+47.5	-		

Non-recurring items: 2025 −¥1.0 bn Limited in Q1, 2025 full-year estimate of −¥23.0 bn will be recognized mostly in 2H
Costs of structural reforms associated with the ERIP^{*3} in Japan primarily recognized in Q1 2024

Profit Attributable to Owners of Parent: 2025 ¥3.7 bn

Free Cash Flow: 2025 −¥12.4 bn Negative due to changes in trade payables
Negative in Q1 2024 due to payments for acquisition of *Dr. Dennis Gross Skincare* of ¥49.2 bn

Net Sales by Reportable Segment

Like-for-like ^{*1}	2024 (vs. 2023)					2025 (vs. 2024)
	Q1	Q2	Q3	Q4	FY	Q1
Japan	+20%	+7%	+5%	+7%	+10%	−2%
China & Travel Retail ^{*2}	−14%	−11%	−23%	+2%	−11%	−14%
Asia Pacific	+5%	+7%	+2%	−3%	+2%	−1%
Americas	+9%	−20%	−9%	−7%	−7%	−19%
EMEA	+17%	+6%	−7%	+16%	+8%	−9%
Total	+3%	−4%	−8%	+4%	−1%	−9%

*1 Excluding the impacts of foreign exchange translation, business transfers and acquisitions

*2 To adopt an integrated approach to Chinese consumers and to maximize value creation, the Company implemented changes to its organizational structure as of March 31, 2025, along with change to its reportable segment which have been reflected in Q1 2025 results

5

Q1 2025 Net Sales by Brand

Core 3



YoY %
-7%
+2% (Excl. China & TR)

% of Net Sales
23%



YoY %
+2%
+7% (Excl. China & TR)

% of Net Sales
20%



YoY %
-2%
-3% (Excl. China & TR)

% of Net Sales
12%

Next 5



YoY %
-65%

% of Net Sales
2%



YoY %
+11%

% of Net Sales
6%



YoY %
-23%

% of Net Sales
6%



YoY %
-8%

% of Net Sales
4%



YoY %
-14%

% of Net Sales
2%

* YoY change (%) for each brand is calculated based on foreign exchange rate assumptions as at the beginning of FY2025 which excludes the impacts of foreign exchange translation, etc.

Core Operating Profit

(Excluding Non-recurring Items)

(Billion yen)	Q1 2024	% of Net Sales	Q1 2025	% of Net Sales	YoY Change	YoY %	Pts Difference
Net Sales	249.5	100%	228.2	100%	-21.2	-8.5%	-
COGS	61.8	24.8%	51.2	22.4%	-10.6	-17.2%	-2.3pts
Gross Profit	187.6	75.2%	177.0	77.6%	-10.6	-5.7%	+2.3pts
SG & A	176.6	70.8%	169.2	74.1%	-7.4	-4.2%	+3.3pts
Marketing investments	62.9	25.2%	63.6	27.9%	+0.7	+1.2%	+2.7pts
Brand development / R&D	9.1	3.6%	8.6	3.8%	-0.5	-5.3%	+0.1pts
Personnel expenses [*]	61.4	24.6%	55.3	24.2%	-6.0	-9.8%	-0.4pts
Other SG&A	43.3	17.4%	41.7	18.3%	-1.7	-3.8%	+0.9pts
Other Operating Income / Expenses	0.4	0.1%	0.4	0.2%	+0.1	+24.2%	+0.1pts
Core Operating Profit	11.3	4.5%	8.3	3.6%	-3.1	-27.2%	-0.9pts

COGS : Improved COGS ratio via brand mix improvement and decrease in allowance for excess inventory write-offs recognized

Marketing investments : Upfront investments for new product marketing, etc.

Personnel expenses^{*} : Lowered by the benefits from structural reforms in Japan and China

Other SG&A : Lowered by the positive impact of structural reforms, agile cost management, etc.

^{*} Including POS personnel expenses

Net Sales and Core Operating Profit by Reportable Segment^{*1}

Top: Net Sales Bottom: Core OP (Billion yen)	Q1 2024	% of Net Sales/ Core OPM % ^{*2}	Q1 2025	% of Net Sales/ Core OPM % ^{*2}	YoY Change	YoY Change %	YoY FX-Neutral %	YoY LfL % ^{*3}
Japan	76.0	30.5%	74.2	32.5%	-1.8	-2.4%	-2.4%	-2.2%
	5.5	7.2%	11.3	15.3%	+5.9	+108.1%	-	-
China & Travel Retail	85.3	34.2%	75.0	32.8%	-10.3	-12.1%	-13.7%	-13.6%
	15.9	18.4%	13.3	17.6%	-2.6	-16.1%	-	-
Asia Pacific	17.1	6.9%	17.1	7.5%	-0.0	-0.3%	-1.0%	-0.5%
	0.2	1.4%	-0.1	-0.5%	-0.3	-	-	-
Americas	31.8	12.7%	27.2	11.9%	-4.6	-14.5%	-15.9%	-19.4%
	1.1	3.3%	-1.9	-6.5%	-2.9	-	-	-
EMEA	34.8	13.9%	31.6	13.8%	-3.2	-9.2%	-8.8%	-8.7%
	2.7	7.6%	-0.4	-1.3%	-3.1	-	-	-
Other	+4.5	1.8%	3.3	1.4%	-1.2	-27.0%	-27.2%	+3.0%
	-0.1	-1.1%	0.1	2.1%	+0.1	-	-	-
Adjustments	-	-	-	-	-	-	-	-
	-14.0	-	-14.1	-	-0.1	-	-	-
Total	249.5	100%	228.2	100%	-21.2	-8.5%	-9.2%	-9.1%
	11.3	4.5%	8.3	3.6%	-3.1	-27.2%	-	-

^{*1} In Q1 2025, we have implemented changes to segment reporting in order to have better grasp on profitability of each segment

For details, please refer to Appendix 1 attached hereto as well as [news release published on March 28, 2025](#). Q1 2024 results have been restated to reflect the changes

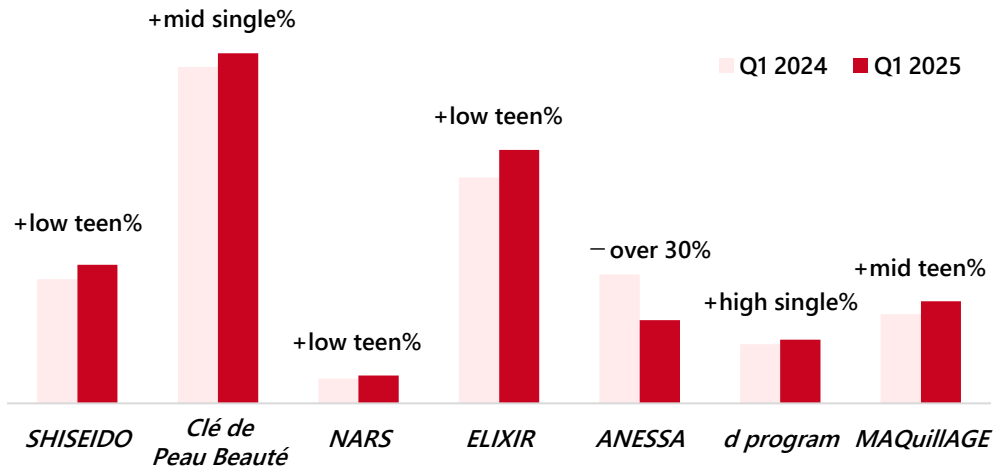
^{*2} Calculated based on total sales including intersegment sales and internal transfers between segments

^{*3} Excludes the impacts of foreign exchange translation, business transfers and acquisitions

Japan: Consumer Purchases Maintained Momentum; Significant Boost to Profitability Thanks to Structural Reform

(Billion yen)	Q1 2024	Q1 2025	YoY Change	YoY %
Net Sales	76.0	74.2	-1.8	-2.2% ^{*1}
Core OP	5.5	11.3	+5.9	+108.1%
Core OPM	7.2%	15.3%	-	+8.1pts

Net Sales by Brand



Market

- Local: modest growth continued as the reopening effect has run its course
- Inbound: the number of foreign visitors to Japan hit all-time high, tourist spending continue to grow albeit at a moderate pace

Consumer Purchases

- Continued strong momentum, growing +high single% driven by core brands^{*2}
 - Local: +mid single% EC: +high teen%
 - Launch of *SHISEIDO*'s new ULTIMUNE contributed to growth
 - Inbound: +high single%
 - Fortified digital marketing targeted at tourists for key products

Net Sales & Core Operating Profit

- Sales dropped on temporally inventory adjustments by retailers
- Delivered profit growth via structural reforms and productivity enhancement, benefitting from reduction in personnel expenses by the ERIP^{*3} and higher efficiency in marketing activities



SHISEIDO

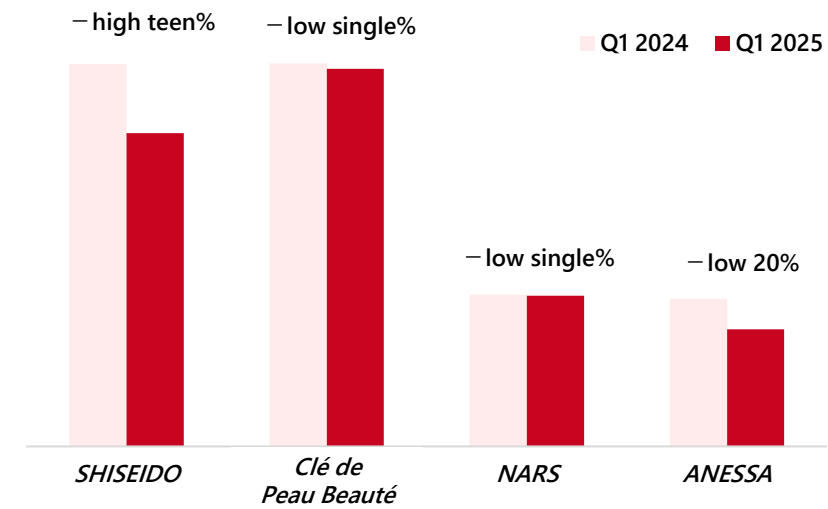
^{*1} Excluding the impact of business transfers ^{*2} *SHISEIDO*, *Clé de Peau Beauté*, *NARS*, *ELIXIR*, *ANESSA*, *d program*, *MAQuillAGE*

^{*3} Early Retirement Incentive Plan

China & Travel Retail: Maintained Profitability via Fixed Cost Reduction and Agile Cost Management amid Sharp Sales Decline

(Billion yen)	Q1 2024	Q1 2025	YoY Change	YoY %
Net Sales	85.3	75.0	−10.3	−13.6% ^{*1}
Core OP	15.9	13.3	−2.6	−16.1%
Core OPM	18.4%	17.6%	-	−0.8pts

Net Sales by Brand^{*1}



Market: In line with expectations albeit challenging

- China: Consumer spending remains sluggish
 - Offline severely hit, EC maintained growth
- Travel Retail: saw a significant decline in Asia^{*2}
 - Chinese tourist spending mired in weakness
 - South Korea saw an accelerated shift to a tourist-driven model

Consumer Purchases

- China: − high single%
 - Offline slowed to − low teen%, EC grew at +low single%
 - Delivered robust growth in International Women’s Day promotion driven by core 3 brands, ranking higher in sales
 - *Clé de Peau Beauté* and *NARS* continued strong momentum
 - *SHISEIDO* posted decline, weighed down by the weakness in offline channels
- Travel Retail: − low 20%

Net Sales & Core Operating Profit

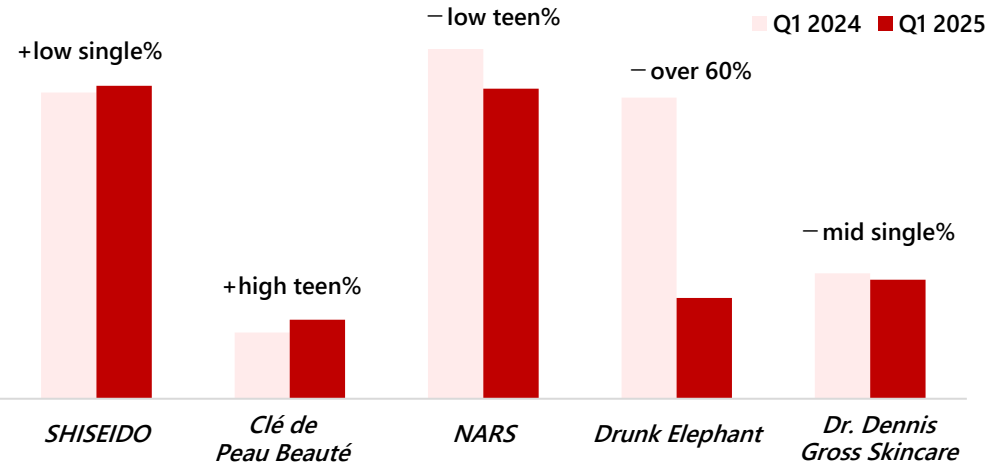
- Sharp sales decline and deteriorated business mix due to the downturn in Travel Retail, still managed to mitigate the impact on profitability via fixed cost reduction and improved efficiency in marketing investment

^{*1} Excluding the impacts of foreign exchange translation and business transfers ^{*2} Excluding Japan

Americas: Continue to Suffer Sharp Sales Decline with *Drunk Elephant*, Aiming for a Swift Turnaround under New Leadership

(Billion yen)	Q1 2024	Q1 2025	YoY Change	YoY %
Net Sales	31.8	27.2	− 4.6	− 19.4% ^{*2}
Core OP	1.1	− 1.9	− 2.9	-
Core OPM	3.3%	− 6.5%	-	− 9.8pts

Net Sales by Brand^{*2}



Market^{*1}

- Softened, hovering below expectations
Consumer sentiment faltered amid increasing economic uncertainty

Consumer Purchases^{*3}

- −low teen%
 - *Drunk Elephant* continued to struggle
 - *Dr. Dennis Gross Skincare* delivered robust growth notably in EC

Net Sales & Core Operating Profit

- Posted a drop in profit due to decline in sales and increase in marketing expenses



Dr. Dennis Gross Skincare

^{*1} Prestige market ^{*2} Excluding the impacts of foreign exchange translation, business transfers and acquisitions ^{*3} Data coverage: U.S. and Canada

Asia Pacific: Drove Share Expansion amid Signs of Slowdown in Market

EMEA: Posted Sales Decline due to Elevated Base in the Prior Year, but Consumer Purchases Remained Solid in Fragrances

Asia Pacific				
(Billion yen)	Q1 2024	Q1 2025	YoY Change	YoY %
Net Sales	17.1	17.1	− 0.0	− 0.5% ^{*1}
Core OP	0.2	− 0.1	− 0.3	-
Core OPM	1.4%	− 0.5%	-	− 1.9pts

Market^{*2}

- Decelerated across the countries and regions notably in Taiwan and South Korea

Consumer Purchases^{*3}

- +mid single%

Net Sales & Core Operating Profit

- Sales declined driven by the softness in Taiwan
- Profit dropped due to higher personnel expenses and lower sales

Net Sales by Brand^{*1}

Brand	Q1 2024	Q1 2025	Change
SHISEIDO	~10.5	~10.8	+low single%
Clé de Peau Beauté	~2.5	~3.0	+high single%
NARS	~3.5	~3.8	+low single%
ANESSA	~4.5	~4.2	− low single%

EMEA				
(Billion yen)	Q1 2024	Q1 2025	YoY Change	YoY %
Net Sales	34.8	31.6	− 3.2	− 8.7% ^{*1}
Core OP	2.7	− 0.4	− 3.1	-
Core OPM	7.6%	− 1.3%	-	− 8.9pts

Market^{*2}

- Growth decelerated across all categories

Consumer Purchases^{*4}

- −low single% in total, +high single% in Fragrances

Net Sales & Core Operating Profit

- Sales declined due to a higher shipping prior to a new system implementation in the last year, coupled with the ongoing challenge with *Drunk Elephant*
- Profit dropped in weighed down by lower sales and higher marketing investments on new product launches

Net Sales by Brand^{*1}

Brand	Q1 2024	Q1 2025	Change
SHISEIDO	~15.0	~14.0	− low single%
Clé de Peau Beauté	~1.0	~1.5	+ over 40%
NARS	~2.0	~2.2	+mid single%
Drunk Elephant	~1.0	~0.2	− over 70%
narciso rodriguez	~3.0	~2.5	− high single%
ISSEY MIYAKE PARFUMS	~1.0	~0.8	− high single%

*1 Excluding the impacts of foreign exchange translation and business transfers

*2 Prestige market

*3 Data coverage: 10 countries and regions in the Asia and Oceania regions including Taiwan, South Korea and Thailand

*4 Data coverage: France, UK, Germany, Italy and Spain

Business Outlook

Tariff Impact and Countermeasures:

Unwavering Commitment to Profit Targets of “Action Plan 2025-2026” by Advancing Current Initiatives and Implementing Additional Measures amid Uncertainty

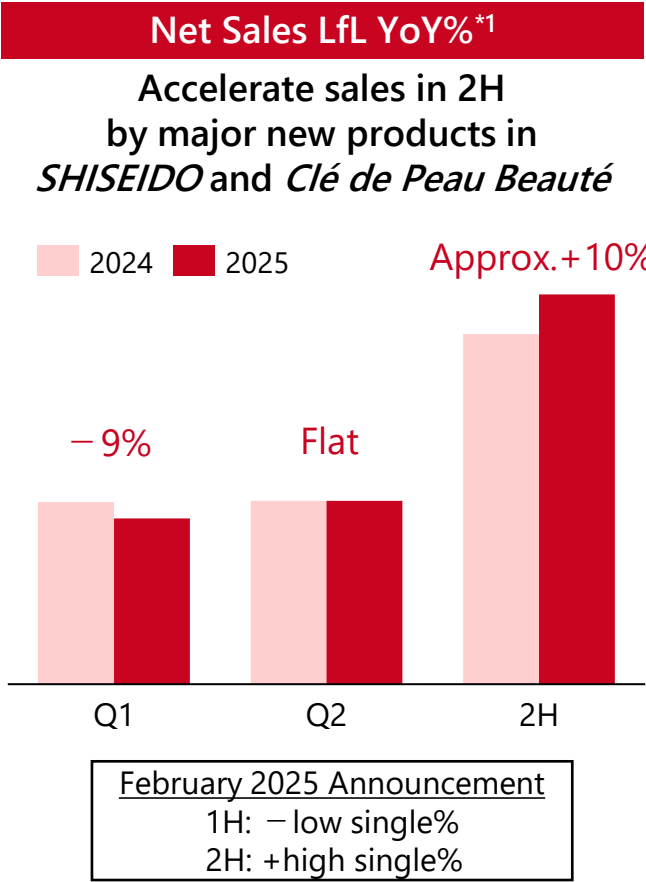
	U.S.	China & Travel Retail	Other Countries and Regions	Risks	Mitigation actions
Direct Impact	1) Higher import costs from China, Mexico, Canada, etc., e.g. raw materials 4) Higher import costs for products from Japan and Europe e.g. <i>SHISEIDO</i> , <i>Clé de Peau Beauté</i> and Fragrances	2) Higher import costs for products manufactured in the U.S. e.g. <i>NARS</i> , etc. 5) Reduced import volume from the U.S. leading to a decline in sales	3) Higher import costs for products manufactured in the U.S. e.g. <i>NARS</i> and <i>Drunk Elephant</i>	Estimated impact in 2025* Core Operating Profit Annual $\leq -\text{¥}7.0 \text{ bn}$ Q2 Minor	Advancing current actions <ul style="list-style-type: none"> • Change to local sourcing • Review of production sites • Global-wide cost management Additional Actions <ul style="list-style-type: none"> • Inventory build-up • Utilize tariff exemptions • Streamline logistics • Pricing • Sales expansion actions • Additional fixed costs reduction
Indirect Impact	Downturn in the global beauty market Inflation to reduce the purchasing power of consumers Deterioration in consumer sentiment, increase in household saving Negative wealth effect by falling asset prices e.g. stocks and real estate			Sales/Profit Decline $-\alpha$	Minimize the impact
	FX fluctuation				

* Assumptions: U.S. tariffs on Chinese imports is +145%, China's retaliatory tariffs on U.S. imports is +125%. For U.S. imports from countries and regions other than China, +10% baseline tariff is being applied during a 90-day suspension period from April 9, and thereafter reciprocal tariff rates announced on April 2, 2025 will be applied

2025 Full-year Forecast Remain Unchanged

Maximize sales while executing disciplined cost management across all regions;
pursue further benefits on global cost structure transformation initiatives;
Strive to achieve core operating profit of ¥36.5bn

Net Sales LfL YoY%*1	Q1 Results	Full-year Forecast*2	
Japan	− 2%	+ high single%	<ul style="list-style-type: none">Local: steady momentum in Consumer Purchases in Q1 expected to continue. While External Sales have been affected by temporary inventory adjustments by retailers, strong growth underway from Q2 onwards, driven by core brandsInbound: reinforce marketing investments targeted at tourist
China & Travel Retail	− 14%	− mid single%	<ul style="list-style-type: none">Sales outpaced forecast in Q1 notably in Travel RetailAiming to achieve growth ahead of the initial target over the course of 2025
Asia Pacific	− 1%	+ low teen%	<ul style="list-style-type: none">Share expansion by higher marketing investments focused on Core 3 brands
Americas	− 19%	+ low teen%	<ul style="list-style-type: none">Reflecting a rebound from sharp sales drop in Q2 and 2H 2024Stage a recovery in <i>Drunk Elephant</i> and <i>NARS</i>
EMEA	− 9%	+ high single%	<ul style="list-style-type: none">Q1 results reflect a rebound from increase in advanced shipment in Q1 2024 prior to a new system implementationIn addition to growth in <i>Drunk Elephant</i> and <i>NARS</i>, new product launches in Fragrances such as <i>Zadig & Voltaire</i> and key brands will contribute to growth
Global	− 9%	+ 4%	<div>Core Operating Profit: Monitor market conditions and plan progress; secure profit by advancing effective cost management including marketing investment</div>



NARS: Drive Sustainable Growth with Focus on Innovation, Hero Products and Elevating Brand Equity



- **Amplify Brand Communication**

- Drive relevance by utilization of creators / lifestyle content and invest in owned social media channel to improve brand engagement, resonance and conversion

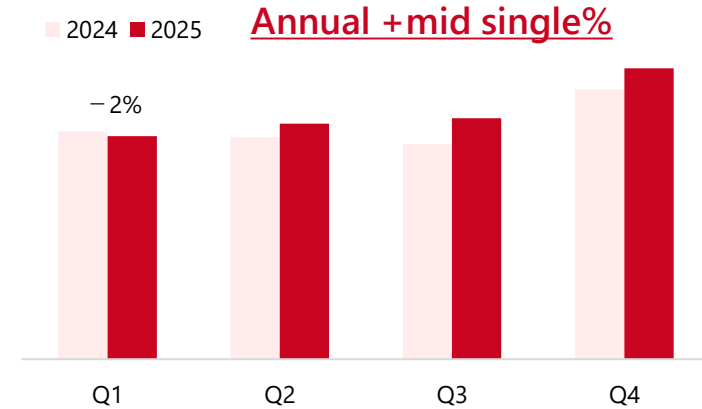
- **Accelerate growth in foundations and concealers with re-promotion**

- **Accelerate consumer acquisition with upcoming innovation and launch of exclusive collections**

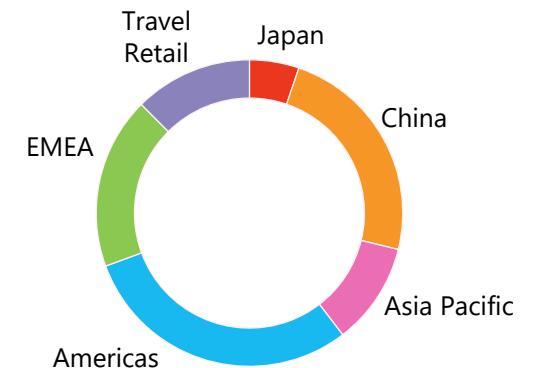
Special limited collections focused on regional, promotions, and key channels

- Q2 : Launch Summer Edit limited edition collection, executing events in Japan and UK
- Q2 : Launch Asia Exclusive collection
- Q3 : Launch new iconic cheek innovation globally first at Sephora
- Q3 : Launch exclusive Chinese Valentine's Day collection
- Q4 : Maximize holiday collection

Net Sales Forecast (2025)



% Sales by Region (2024)



Drunk Elephant: Drive Recovery through Diversified Consumer Engagement Strategy



● Rebuilding brand engagement

- Drive offline consumer engagement by educating beauty advisors at retail touchpoints
- Leverage new messaging to drive awareness on clinical and high-performance skincare
- Evolve in-store merchandising to improve productivity

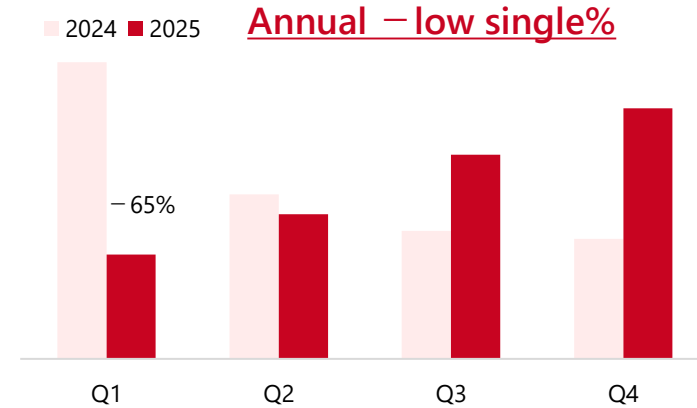
● Selection and concentration

- Optimize strategic investment to drive new customer acquisition
- Differentiated marketing programs for key retailers in the U.S.

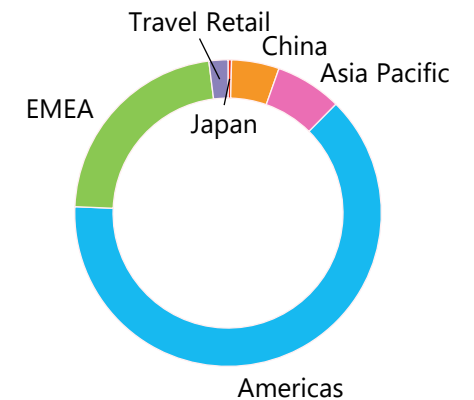
● New product launch

- Q2 : Recruit through entry price point
- Q3 : Launch new multi-benefit products
- Q4 : Amplify holiday collection

Net Sales Forecast (2025)



% Sales by Region (2024)



Progress on Global Cost Structure Transformation

Achieved ¥7.0 bn cost reduction benefit in Q1 on track with the plan;
Steadily execute all actions to accomplish cost reduction target by 2026
Deploy incremental actions against a highly volatile external environment

			2025	2026	(Billion yen)
		1Q Actual			
COGS	<ul style="list-style-type: none">• Selection and concentration of brands and SKUs, strategic price increases• Optimize factory production line efficiency, etc.	1.0	3.0	7.0	
Marketing investments	<ul style="list-style-type: none">• Optimize promotional costs, increase marketing ROI• Expand local production and operational efficiency of samples	1.0	2.0	1.0	
Personnel expenses	<ul style="list-style-type: none">• Optimize organization structure, improve productivity• Streamline corporate functions to enhance operational efficiency, etc.	4.5	10.0	10.0	
Other SG&A	<ul style="list-style-type: none">• Reduce outsourcing cost• Reduce depreciation: system optimization and integration, selective new investments• Other cost savings: logistics optimization, efficient office management, etc.	0.5	5.0	7.0	
Total		7.0	20.0+	25.0+	

Japan

China

Other than the above

¥20.0+

¥25.0+

2025

2026

Americas: Drive Fundamental Improvement to Profitability

- **Leadership change:** Alberto Noe is taking the lead in structural reforms in the Americas region, the utmost priority for the entire Group
- **Brand growth:** revamp *Drunk Elephant* and reinforce *NARS* through digital and innovation; accelerate the growth of *SHISEIDO* and Fragrances
- **Address heavy fixed costs:** brand holder costs, corporate business functions, improving manufacturing productivity, etc. and turning core operating profit to positive by 2026
- **Strengthen synergies between EMEA and Americas:** sourcing, digital excellence, inventory optimization and reinforced management
- **Accelerate reforms:** transformation driven by global team
- **Cultural transformation:** ensure performance culture, transparency, financial discipline and accountability



Structural Reforms Lead

Alberto Noe
CEO, EMEA Region
Interim CEO, Americas Region



Brands and Marketing

Mizuki HASHIMOTO
Executive Officer
Chief Brand Officer - Clé de Peau Beauté,
THE GINZA, BAUM



Corporate Structure and Business Function Reforms

Gonta KASHIO
Global Vice President
Corporate Business Transformation



Supply Network

Antonios Spiliotopoulos
Executive Officer
Chief Supply Network Officer

Global team

Completion of Action Plan 2025-2026: Shaping the Future of Shiseido

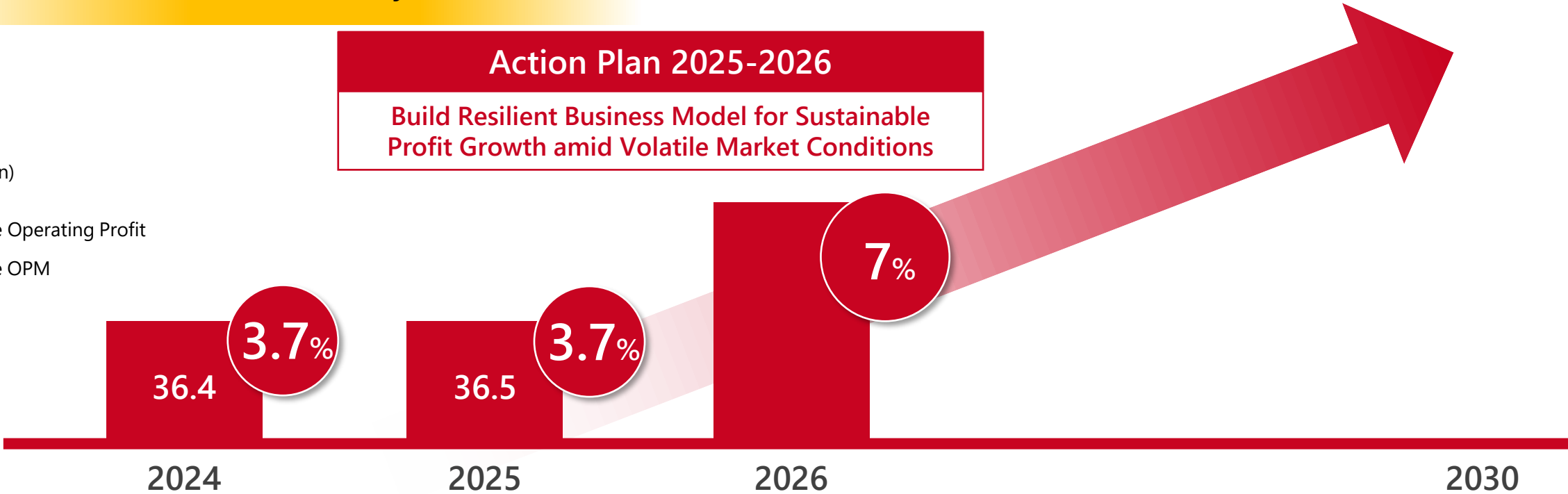
SHIFT 2025 and Beyond

Action Plan 2025-2026

Build Resilient Business Model for Sustainable Profit Growth amid Volatile Market Conditions

(Billion yen)

■ Core Operating Profit
● Core OPM



Reinforce foundation for growth through focused investment in key brands
Complete all actions for global cost structure transformation

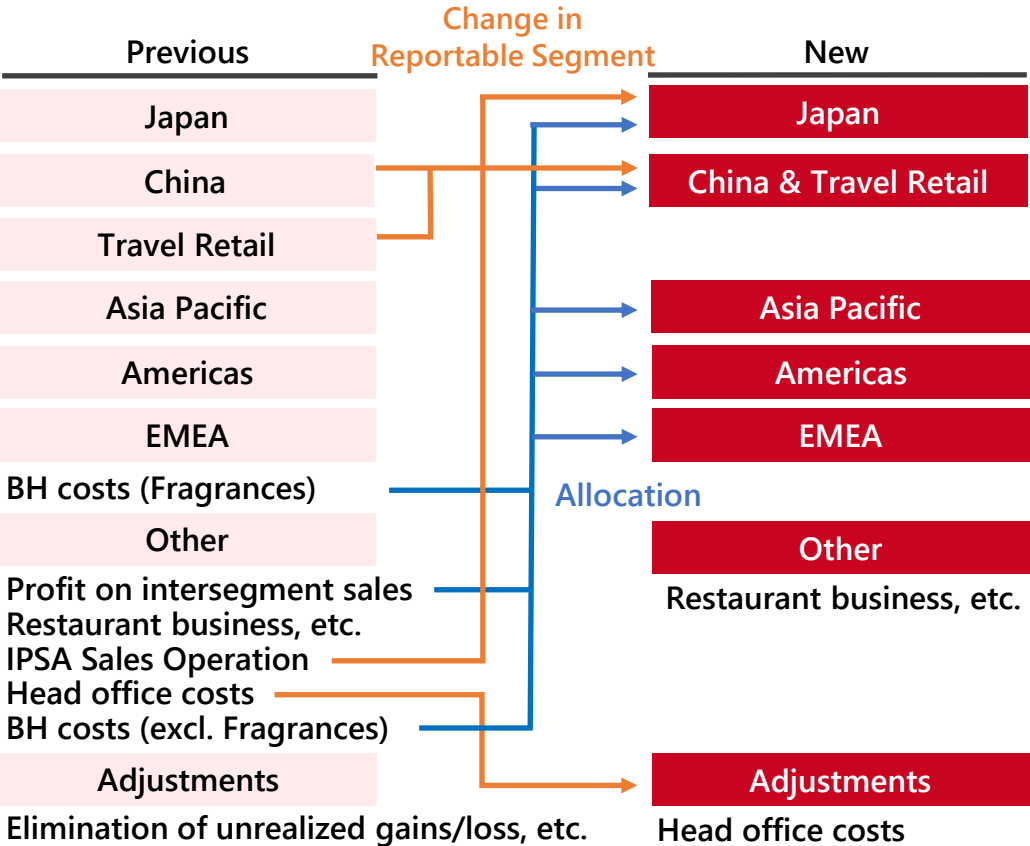
Profitable growth
Pursue an optimized cost structure
Reinvest for next phase of growth

**Be a Global Winner
with Our Heritage**



Appendix 1 The Impact on Core OP by the Changes in Reportable Segment





Main Changes	Previous	New
A. COGS on intersegment transactions by each segment	Include a certain amount of margin from intersegment sales based on adjusted transaction prices	Margin from intersegment sales will not be included
B. Head office costs	Costs incurred by the head office that operates activities contributing to the benefits of global brands are allocated to each segment according to transfer pricing policy	<ul style="list-style-type: none">• Partial allocation of the head office costs to each segment is no longer applicable• Head office costs will be recognized in the "Adjustments" instead of the "Other" segment
C. Brand holder costs (BH costs)	Costs are partially allocated to each segment based on transfer price adjustment	<ul style="list-style-type: none">• Partial allocation of costs based on transfer price adjustment to each segment is no longer applicable• Costs will be reallocated to each segment according to the sales composition of each brand



Impact on Core OP: Before and After the Change in Reportable Segment

Japan: DECREASE (increase in profit by A&B < decrease in profit by C)
China & Travel Retail : INCREASE (Increase in profit by A&B > decrease in profit by C)
Asia Pacific: DECREASE (increase in profit by A&B) < decrease in profit by C)
Americas: DECREASE (increase in profit by A&B) < decrease in profit by C)
EMEA: DECREASE (increase in profit by A&B) < decrease in profit by C)
Other: INCREASE (decrease in profit by A < increase in profit by B&C)
Adjustment: DECREASE (increase in profit by B)

Appendix 2 The impact of foreign exchange fluctuations

Impact	Risk Factors	Items	Increase / Decrease	
			Yen Depreciation	Yen Appreciation
Intersegment Sales	Affect shipping deliveries for intersegment transactions from global HQ to other regions (mainly denominated in USD)	Profit		
FX translation	The onset of volatility in forex rates when converting overseas transactions denominated in a foreign currency to Japanese yen	Sales		
	Limited impact on profit due to fluctuations in COGS and SG&A along with sales	Profit	Minor	Minor

Reportable Segment	1Q 2025 % of Sales	Major Currencies	Q1 2025 Ave. Currency Rates (vs. JPY)	Q1 2024 Ave. Currency Rates (vs. JPY)
Japan / Others	33.9%	JPY	-	-
China & Travel Retail	32.8%	CNY	21.0	20.7
		USD	152.5	148.5
Americas	11.9%	USD	152.5	148.5
EMEA	13.8%	EUR	160.4	161.2
		SGD	113.1	110.8
Asia Pacific	7.5%	THB	4.5	4.2
		KRW*	10.5	11.2

* KRW is displayed vs. 100JPY

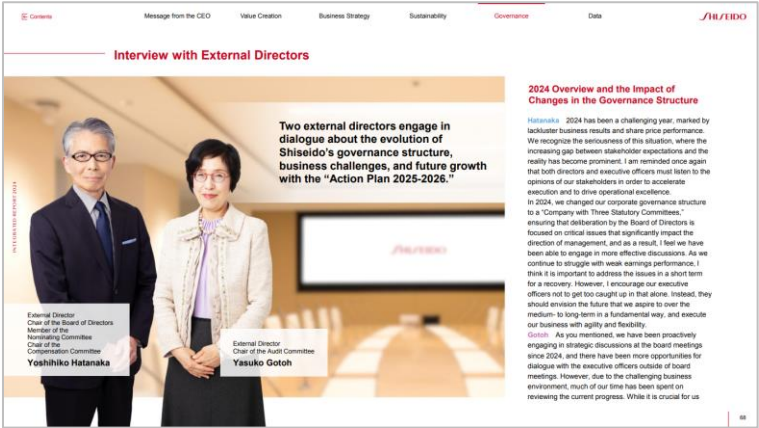
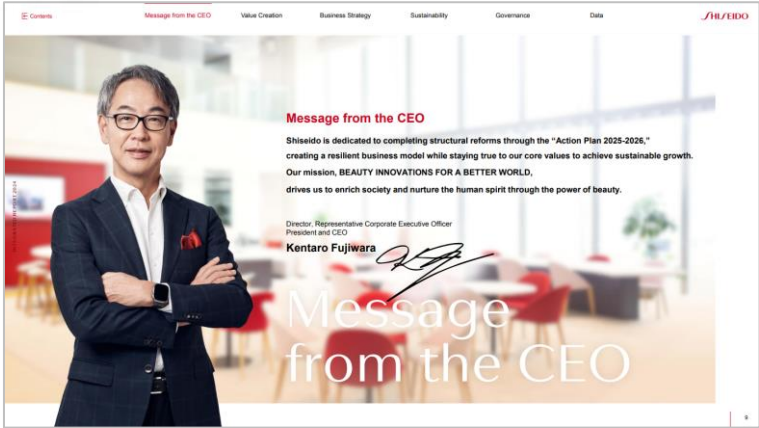
Appendix 3 Non-recurring Items

(Billion yen)	Q1 2024	Q1 2025
Core Operating Profit	11.3	8.3
Structural Reform Expenses	−19.7	−0.8
Impairment loss/reversal	−0.1	0.0
Acquisition-related Costs	−0.2	−0.0
Other	−0.0	−0.3
Non-recurring Items	−20.1	−1.0
Operating Profit	−8.7	7.2

Appendix 4 Publication of our Integrated Report 2024



<https://corp.shiseido.com/report/en/2024/>



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