2025 Results (January—December) and 2026 Outlook

February 10, 2026

Shiseido Company, Limited

Kentaro Fujiwara
President and CEO

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CFO

SHISEIDO

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.

2025 Results and 2026 Outlook: Key Highlights

**Achieved strong earnings recovery with sound financial position;
Our initiatives bearing fruit, improving capital efficiency**

- **Core OP: ¥44.5 bn; Core OP Margin: 4.6%**
  - Realized tangible results through enhanced financial discipline, driving structural reforms and cost efficiencies despite a YoY sales decline
  - Delivered profit well above the initial target of ¥36.5 bn
- **Free Cash Flow of ¥66.5 bn**
  - Boosted by working capital improvement and CAPEX optimization
- **Net Sales: largely in line with estimates, regaining momentum in 2H**
  - Key brands delivered +4% net sales (LfL*) growth in 2H
  - Market share gains in Japan local, China, and Asia Pacific
  - Americas faced continued challenges in Q4, whereas China & Travel Retail sustained their recovery momentum
- **2026 Targets: Core OP Margin 7%; ROIC 5%; ROE 7%; Free Cash Flow ¥50.0 bn**
  - Accelerate sales and profit growth fueled by new product launches featuring cutting-edge innovations, driving significant improvement in financial KPIs
  - 2026: Plan to increase the annual dividend to ¥60 per share, up from ¥40 in 2025

* 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")
YoY change (%) in LfL net sales for Key brands (Core 3 and Next 5 brands) is calculated based on foreign exchange rate assumptions at the beginning of each fiscal year which excludes impacts from FX fluctuations and other

2026 Forecast

Unwavering commitment to 7% Core OP margin target;
Sharpen focus on improving FCF and capital efficiency;
Increase dividends to enhance shareholder returns

(Billion yen)	2025	2026	% of Net Sales	YoY Change	YoY Change %	YoY FX-Neutral %	YoY LfL*1%
Net Sales	970.0	990.0	100%	+20.0	+2%	+2%	+3%
Core Operating Profit	44.5	69.0	7.0%	+24.5	+55%		
Non-recurring Items	−73.3	−10.0	−1.0%	+63.3	-		
Operating Profit	−28.8	59.0	6.0%	+87.8	-		
Profit (Loss) before Tax	−27.7	60.0	6.1%	+87.7	-		
Profit (Loss) Attributable to Owners of Parent	−40.7	42.0	4.2%	+82.7	-		
EBITDA*2	95.2	119.0	12.0%	+23.8	+25%		
Free Cash Flow	66.5	50.0	5.1%	−16.5	−25%		
ROIC*3	−2.0%	5%					
ROE	−6.6%	7%					
Dividend (yen/per share) (Forecast)	40 Interim: 20 Year-end: 20	60 Interim: 30 Year-end: 30					

Non-recurring Items: −¥10.0 bn
- Production/logistics and office optimization
- Other structural reforms

Exchange rates for 2025: USD/JPY: 149.7 EUR /JPY: 169.0 CNY/JPY: 20.8
Assumed Exchange rates for 2026: USD/JPY: 150 (+0.2% YoY) EUR /JPY: 170 (+0.6%) CNY/JPY: 20.5 (−1.5%)

*1 Excluding the impacts of foreign exchange translation, and business transfer *2 Core Operating Profit + Depreciation and Amortization (excl. depreciation of right-of-use assets)
*3 The statutory tax rate is used for 2025 calculation

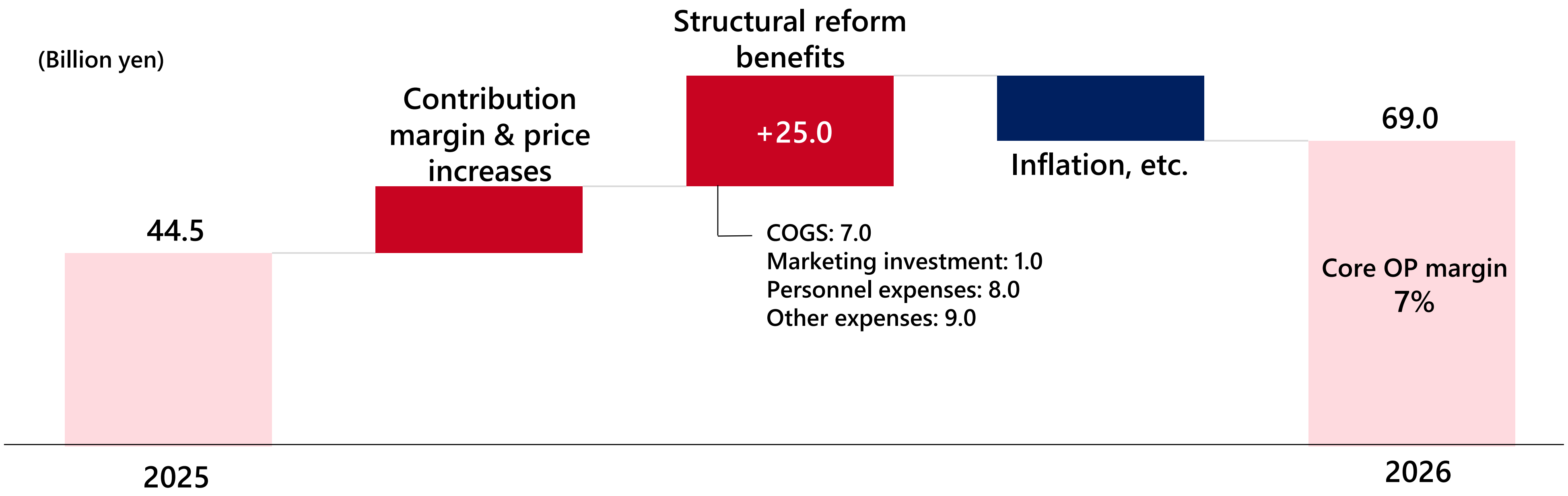
2026 Core OP Forecast

**Pursue growth through targeted investments even in times of uncertainty;
Deliver on our targets, underpinned by structural reform gains and firm financial discipline**

Risks and Opportunities:

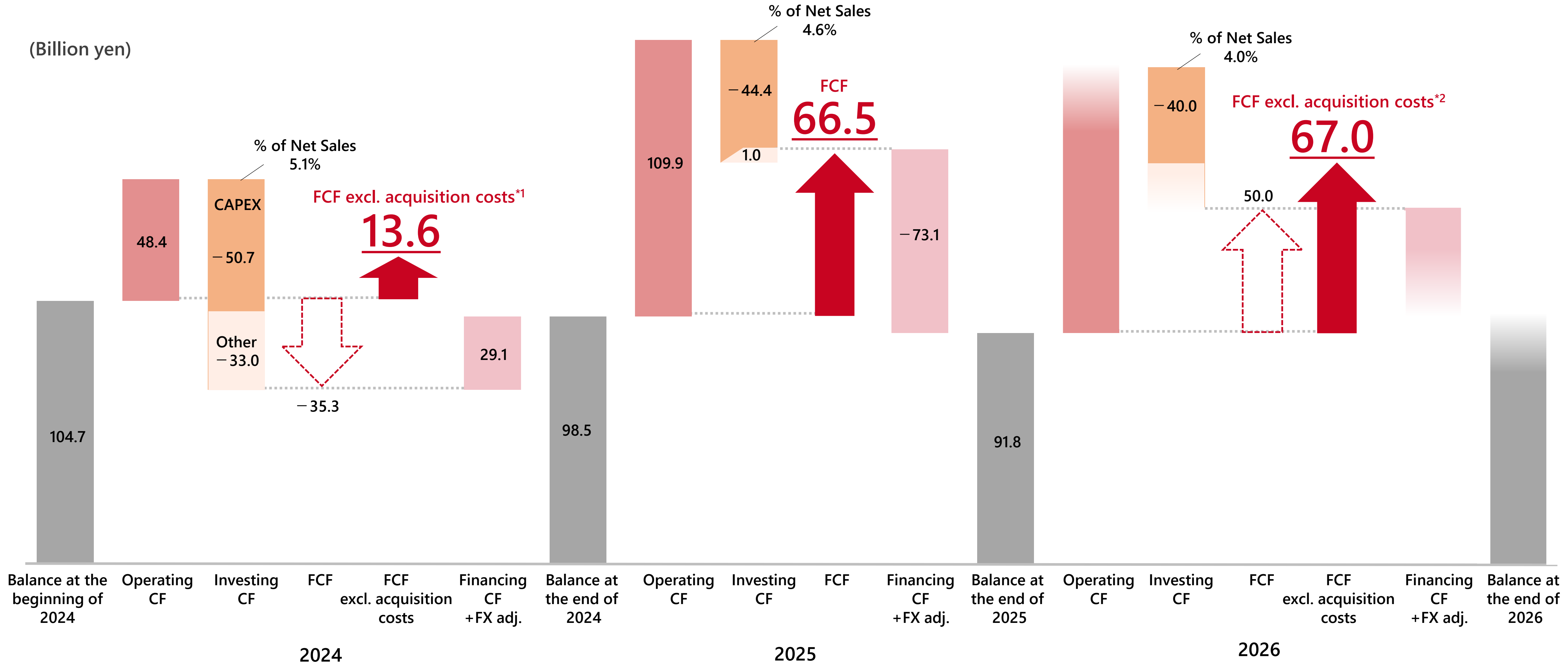
⊕Maximize sales by strategic investment
⊕Agile cost management
±FX impact

⊖Prolonged Japan–China tensions; Impacts reflected only through Q1 in the current plan
⊖Deterioration in market conditions, competition in Americas
⊖Other geopolitical risks



Driving Stronger Cash Generation

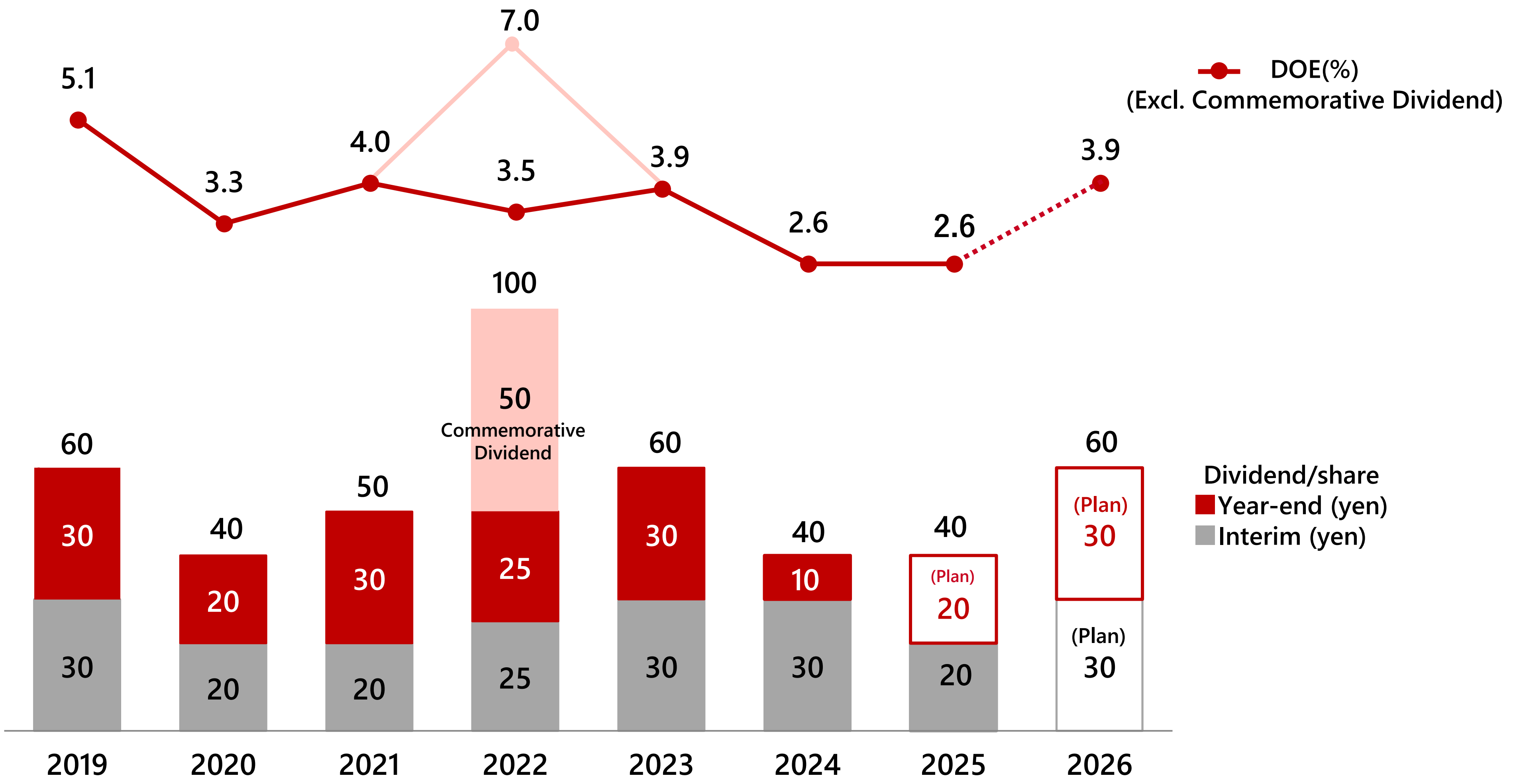
FCF improvement driven by higher profitability and efficiency in WC and CAPEX



*1 Cash out flows of ¥48.9 bn associated with the acquisition of *Dr. Dennis Gross Skincare* *2 Cash out flows of approx. ¥17.0 bn associated with the acquisition of *Dr. Dennis Gross Skincare*

Dividend

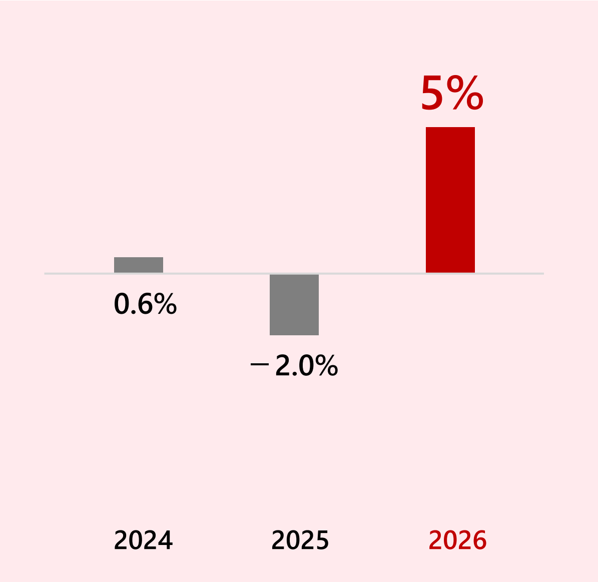
Enhance shareholder returns on the back of a reinforced profit model built through structural reforms, with a planned dividend increase in 2026;
Ensure sustainable shareholder returns based on strong cash flow projections



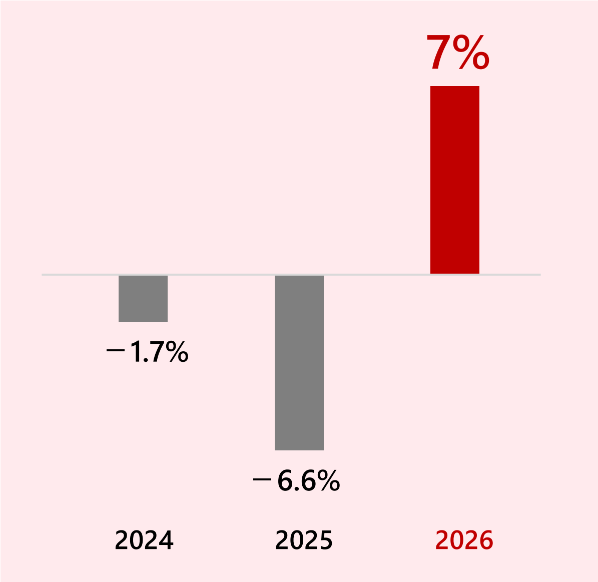
Our Initiatives to Yield Tangible Results;
Set to Drive Significant Improvement in Capital Efficiency

- **Pursue growth and cost optimization to deliver a Core OP margin of 10% or more by 2030**
- **Boost capital efficiency**
  - ➢ Asset-light: sale, lease termination, relocation of real estate properties, asset monetization
  - ➢ Pursue operational excellence
- **Embed ROIC management culture across the organization**
  - ➢ Long-term incentive-type remuneration: ROIC-based indicators for executives and eligible employees
  - ➢ Annual Incentive: Implementation of ROIC-linked operational KPIs for executive evaluations underway

ROIC*



ROE



* The statutory tax rate is used for 2024 and 2025 calculation

2025 Executive Summary

(Billion yen)	2024	% of Net Sales	2025	% of Net Sales	YoY Change	YoY Change %	YoY FX-Neutral %	YoY LfL[*1] %
Net Sales	990.6	100%	970.0	100%	−20.6	−2%	−2%	−2%
Core Operating Profit	36.4	3.7%	44.5	4.6%	+8.2	+22%		
Non-recurring Items	−28.8	−2.9%	−73.3	−7.6%	−44.5	-		
Operating Profit (Loss)	7.6	0.8%	−28.8	−3.0%	−36.4	-		
Profit (Loss) before Tax	−1.3	−0.1%	−27.7	−2.9%	−26.4	-		
Income Tax Expense	8.0	0.8%	12.0	1.2%	+4.0	+50%		
Profit (Loss) Attributable to Owners of Parent	−10.8	−1.1%	−40.7	−4.2%	−29.9	-		
EBITDA[*2]	89.6	9.0%	95.2	9.8%	+5.7	+6%		
Free Cash Flow	−35.3	−3.6%	66.5	6.9%	+101.8	-		

Net Sales:	YoY (LfL[*1])	−2%	YoY revenue decline driven by China & Travel Retail and *Drunk Elephant*
Core Operating Profit:	YoY change	+¥8.2 bn	Lifted by structural reform benefits and tighter group-wide cost management
Non-recurring Items:	2025	−¥73.3 bn	−¥3.1 bn incurred by the early retirement program at the global HQ, −¥46.8 bn goodwill impairment loss in the Americas Business, cost of structural reforms, etc.
Free Cash Flow :	YoY change	+¥101.8 bn	Higher profitability / working capital and CAPEX optimization, etc. 2024 FCF impacted by cash outflow associated with the acquisition

*1 Excluding the impacts of foreign exchange translation, business transfers and acquisitions *2 Core Operating Profit + Depreciation and Amortization (excl. depreciation of right-of-use assets)

Core Operating Profit: Reinvest Fixed-cost Savings to Accelerate Growth

(Excluding Non-recurring Items)

(Billion yen)	2024	% of Net Sales	2025	% of Net Sales	YoY Change	YoY %	Pts Difference
Net Sales	990.6	100.0%	970.0	100%	−20.6	−2.1%	-
COGS	236.4	23.9%	225.6	23.3%	−10.9	−4.6%	−0.6pts
Gross Profit	754.2	76.1%	744.4	76.7%	−9.7	−1.3%	+0.6pts
SG&A	723.3	73.0%	702.9	72.5%	−20.4	−2.8%	−0.6pts
Marketing investments	283.3	28.6%	284.0	29.3%	+0.6	+0.2%	+0.7pts
Brand development / R&D	38.6	3.9%	37.1	3.8%	−1.5	−3.9%	−0.1pts
Personnel expenses*	227.7	23.0%	216.7	22.3%	−11.0	−4.8%	−0.6pts
Other SG&A	173.7	17.5%	165.2	17.0%	−8.5	−4.9%	−0.5pts
Other Operating Income / Expenses	5.5	0.6%	3.0	0.3%	−2.5	−45.5%	−0.2pts
Core Operating Profit	36.4	3.7%	44.5	4.6%	+8.2	+22.4%	+0.9pts

COGS：COGS ratio improved with brand / product mix improvement, lower allowance for excess inventory write-offs, etc.

Marketing investments：Continued investing in key brands via selection and concentration

Personnel expenses*：Lowered by structural reform benefits in Japan, China & Travel Retail and Americas offsetting an increase in bonus provision

Other SG&A：Reduced by the structural reforms, agile cost management, etc.

* Including POS personnel expenses

Net Sales YoY by Region: Stronger 2H Momentum, while Q4 Challenges Remained in Americas

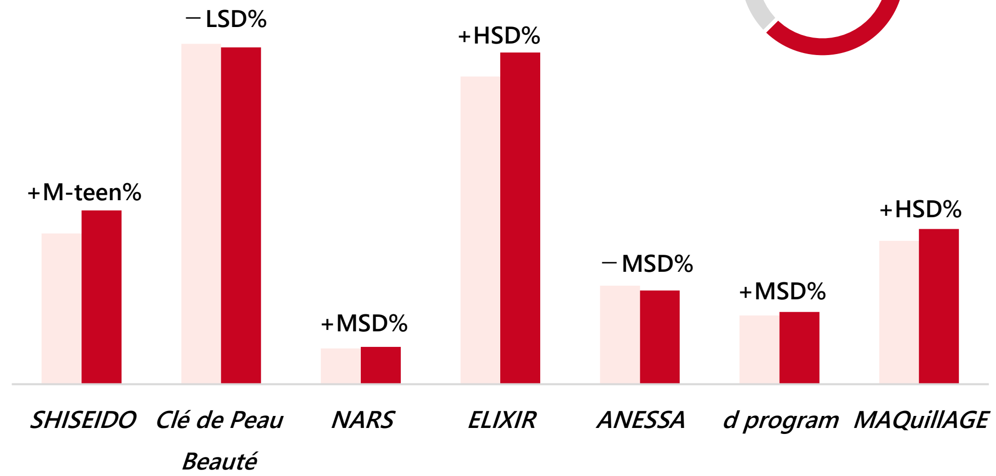
Like-for-like[*1]	2024 (vs. 2023)					2025 (vs. 2024)				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Japan	+20%	+7%	+5%	+7%	+10%	−2%	+2%	+2%	+2%	+1%
China & Travel Retail[*2]	−14%	−11%	−23%	+2%	−11%	−14%	−7%	+8%	+2%	−3%
Asia Pacific	+5%	+7%	+2%	−3%	+2%	−1%	−0%	−2%	+9%	+2%
Americas	+9%	−20%	−9%	−7%	−7%	−19%	+4%	−9%	−10%	−9%
EMEA	+17%	+6%	−7%	+16%	+8%	−9%	+2%	+22%	+1%	+3%
Total	+3%	−4%	−8%	+4%	−1%	−9%	−3%	+4%	+1%	−2%

*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 2025

Japan: Key Brands Delivered Strong Growth, Driven by Our Innovation Strategies, and Improved Profitability Significantly

(Billion yen)	FY2024	FY2025	YoY Change	YoY %
Net Sales	294.3	295.3	+1.1	+0.7%[*1]
Core OP	25.9	39.0	+13.1	+50.6%
Core OPM	8.8%	13.1%	-	+4.4pts

Net Sales by Brand[*1]



Key Brand Net Sales Composition

Q4 Market

- Local: Modest growth continued
- Inbound: Visitor numbers kept rising, despite lower Chinese travelers; Growth softened as department store declines persisted

Q4 Consumer Purchases

- ＋LSD%; local core brands[*2] drove growth, expanding share gains
  - Local: +LSD%　EC: +H-teen%
    New products from *SHISEIDO* and *ELIXIR* maintained momentum
  - Inbound: －HSD%
    Domestic-overseas price gap narrowed amid intensified price competition in China
    ELIXIR and *IHADA* benefitted from digital strategy targeting tourists

Q4 YTD Net Sales & Core Operating Profit

- Higher gross-margin driven by brand & SKUs optimization
- Strong profit gains driven by structural reforms and higher productivity

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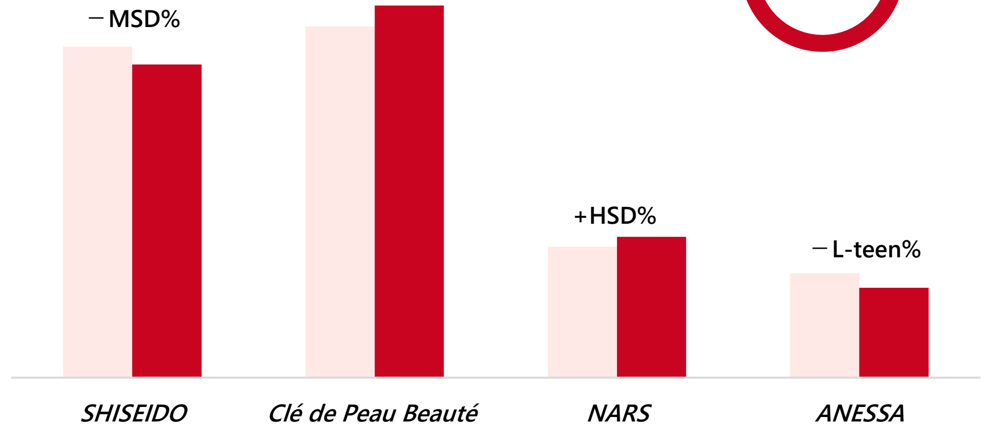
ELIXIR

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

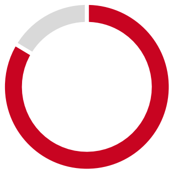
China & Travel Retail: Continued Recovery with China Share Gains and Growth Driven by *Clé de Peau Beauté* and *NARS*; Fixed-cost Reduced via Structural Reforms

(Billion yen)	FY2024	FY2025	YoY Change	YoY %
Net Sales	357.8	342.2	−15.5	−3.5%*
Core OP	72.0	64.5	−7.5	−10.4%
Core OPM	19.9%	18.7%	-	−1.2pts

Net Sales by Brand*



Key Brand Net Sales Composition



Q4 Market

- China: delivered growth led by prestige, although fierce price competition continued during Double 11
- Travel Retail: Hainan Island returned to a recovery trend, but continued to be weighed down by subdued consumer spending overall

Q4 Consumer Purchases

- China: +LSD% Offline: －LSD% EC: +MSD%
  - Achieved above market growth during Double 11, lifted primarily by the strength of key brands
  - *Clé de Peau Beauté* and *NARS* continued strong growth with *SHISEIDO* returning to growth
  - Mainland China delivered YoY growth in both Q4 and full-year
- Travel Retail: －M teen%
  - YoY decline narrowed, continued tight inventory management

Q4 YTD Net Sales & Core Operating Profit

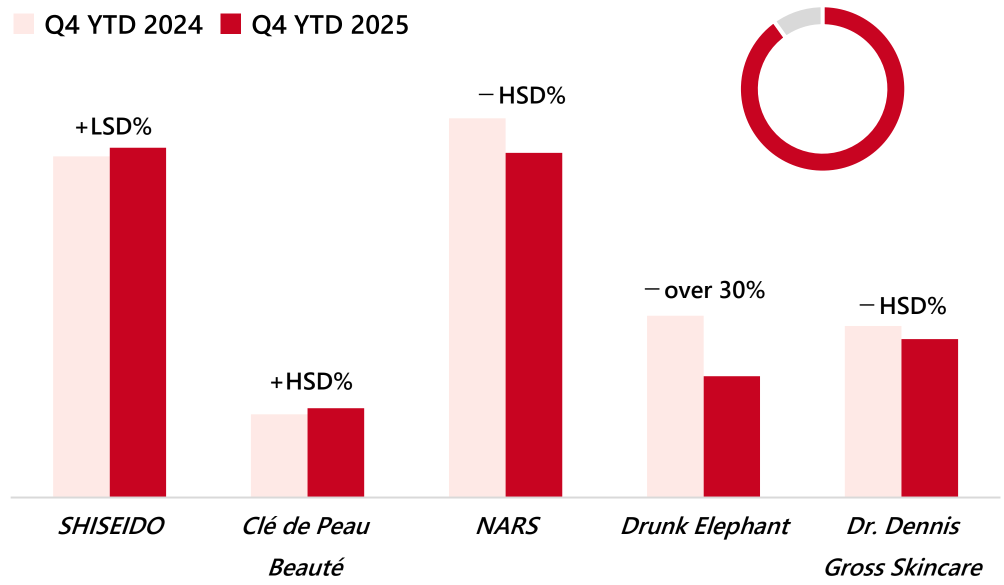
- Net sales exceeded the initial target albeit YoY decline
- Strengthened marketing investments amid fierce market competition
- YoY profit decline was partly offset by fixed-cost reductions and cost discipline

* Excluding the impacts of foreign exchange translation and business transfers

Americas: Profit Decline Mitigated by Structural Reforms and Cost Management

(Billion yen)	FY2024	FY2025	YoY Change	YoY %
Net Sales	118.5	106.6	−12.0	−9.5%[*1]
Core OP	−9.2	−11.6	−2.3	-
Core OPM	−7.4%	−10.4%	-	−3.0pts

Net Sales by Brand[*1]



Key Brand Net Sales Composition

Q4 Market[*2]

- Maintained YoY growth, albeit lower-than-expected

Q4 Consumer Purchases[*3]

- －HSD%
  - *Drunk Elephant* : YoY decline continued
  - *Dr. Dennis Gross Skincare* : faced challenges amid fierce market competition

Q4 YTD Net Sales & Core Operating Profit

- Restructuring benefits: reduced personnel cost and other SG&A
- Stronger cost discipline partially offset the negative impact from lower sales, tariff and higher COGS due to lower *Drunk Elephant* production

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

Asia Pacific: Market Returned to Growth, with Our Innovation Driving Share Gains
EMEA: Fragrances Continued Strong Growth, Contributing to Steady Profit Gains

Asia Pacific

(Billion yen)	FY2024	FY2025	YoY Change	YoY %
Net Sales	71.7	73.3	+1.6	+1.8%*1
Core OP	4.9	5.1	+0.2	+3.6%
Core OPM	6.7%	6.8%	-	+0.1pts

Q4 Market*2

- Contraction in Taiwan continued, but returned to growth across other countries and regions in Southeast Asia

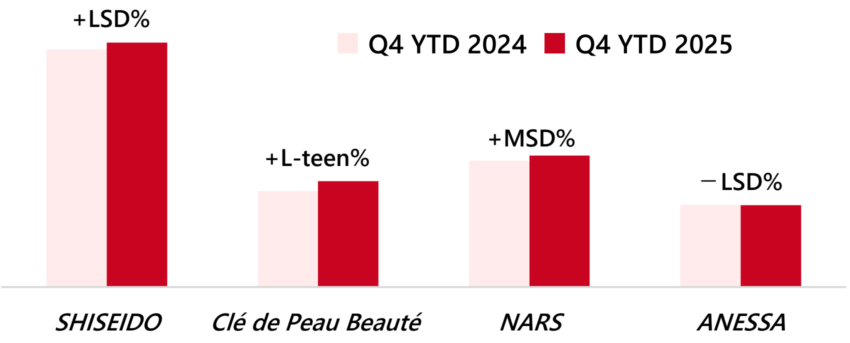
Q4 Consumer Purchases*3

- +MSD%, momentum fueled by new products from key brands

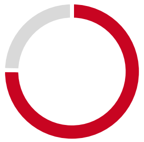
Q4 YTD Net Sales & Core Operating Profit

- YoY profit increase driven by higher gross profit from sales growth

Net Sales by Brand*1



Key Brand Net Sales Composition



EMEA

(Billion yen)	FY2024	FY2025	YoY Change	YoY %
Net Sales	132.7	141.1	+8.5	+3.2%*1
Core OP	2.7	3.9	+1.3	+48.5%
Core OPM	1.9%	2.7%	-	+0.8pts

Q4 Market*2

- Modest growth continued

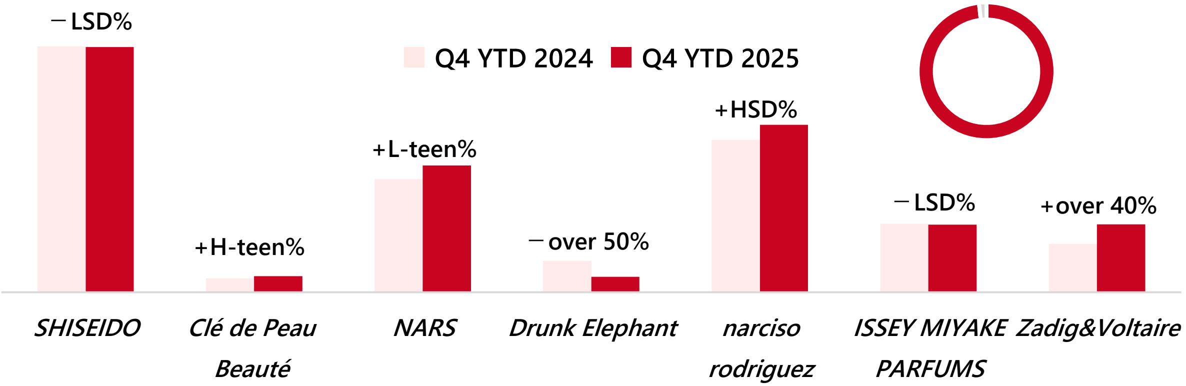
Q4 Consumer Purchases*4

- +LSD% with *Zadig&Voltaire* and newly launched "The Multiple" from *NARS* performing strongly

Q4 YTD Net Sales & Core Operating Profit

- YoY profit increase driven by higher gross profit from sales growth

Net Sales by Brand*1



Key Brand Net Sales Composition

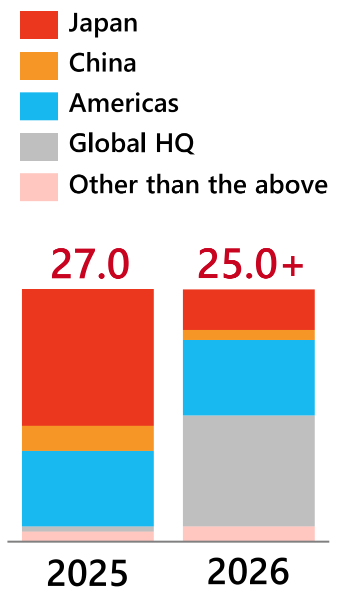
*1 Excluding the impacts of foreign exchange translation and business transfers *2 Prestige market
*3 Data coverage: 10 countries and regions in the Asia and Oceania regions including Taiwan, South Korea and Thailand *4 Data coverage: France, UK, Germany, Italy and Spain

Progress on Structural Reforms and Global Cost Reduction

2025: Realized ¥27.0bn cost reduction benefits ahead of the target;
2026: on track to achieve ¥25.0bn benefits with all actions completed in 2025

(Billion yen)

		2025	2026
COGS	• Selection and concentration of brands and SKUs, strategic price increases • Improve factory production line efficiency, etc.	4.0	7.0
Marketing investments	• Optimize promotional costs, increase marketing ROI • Expand local production and operational efficiency of samples	2.0	1.0
Personnel expenses	• Optimize organization structure, improve productivity • Streamline corporate functions to enhance operational efficiency, etc.	15.0	8.0
Other SG&A	• Reduce outsourcing cost • Reduce depreciation: system optimization and integration, selective new investments • Other cost savings: logistics optimization, efficient office management, etc.	6.0	9.0
Total		27.0	25.0+



Driving Sustainable Growth and Corporate Value

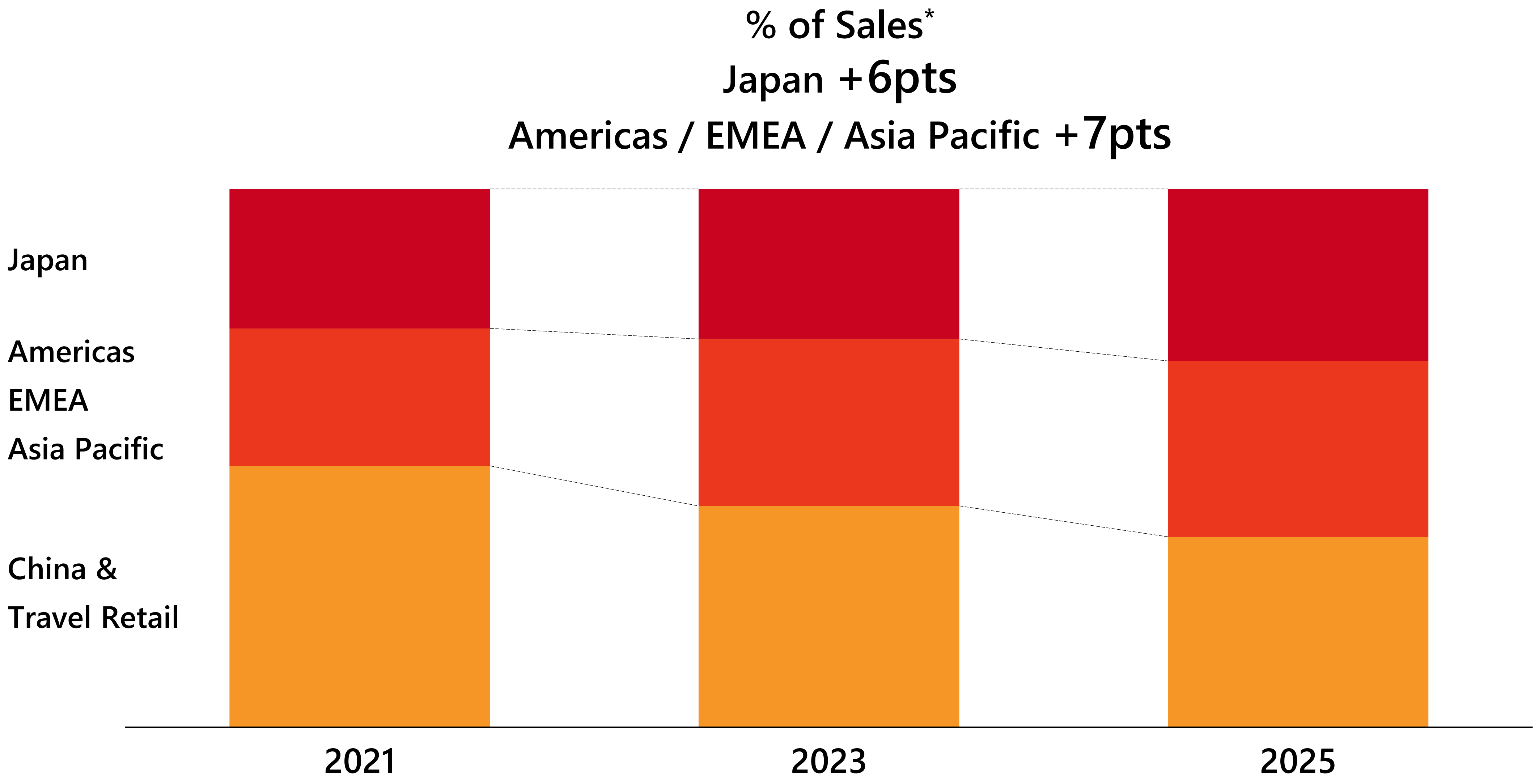
February 10, 2026

Shiseido Company, Limited

Kentaro Fujiwara
President and CEO

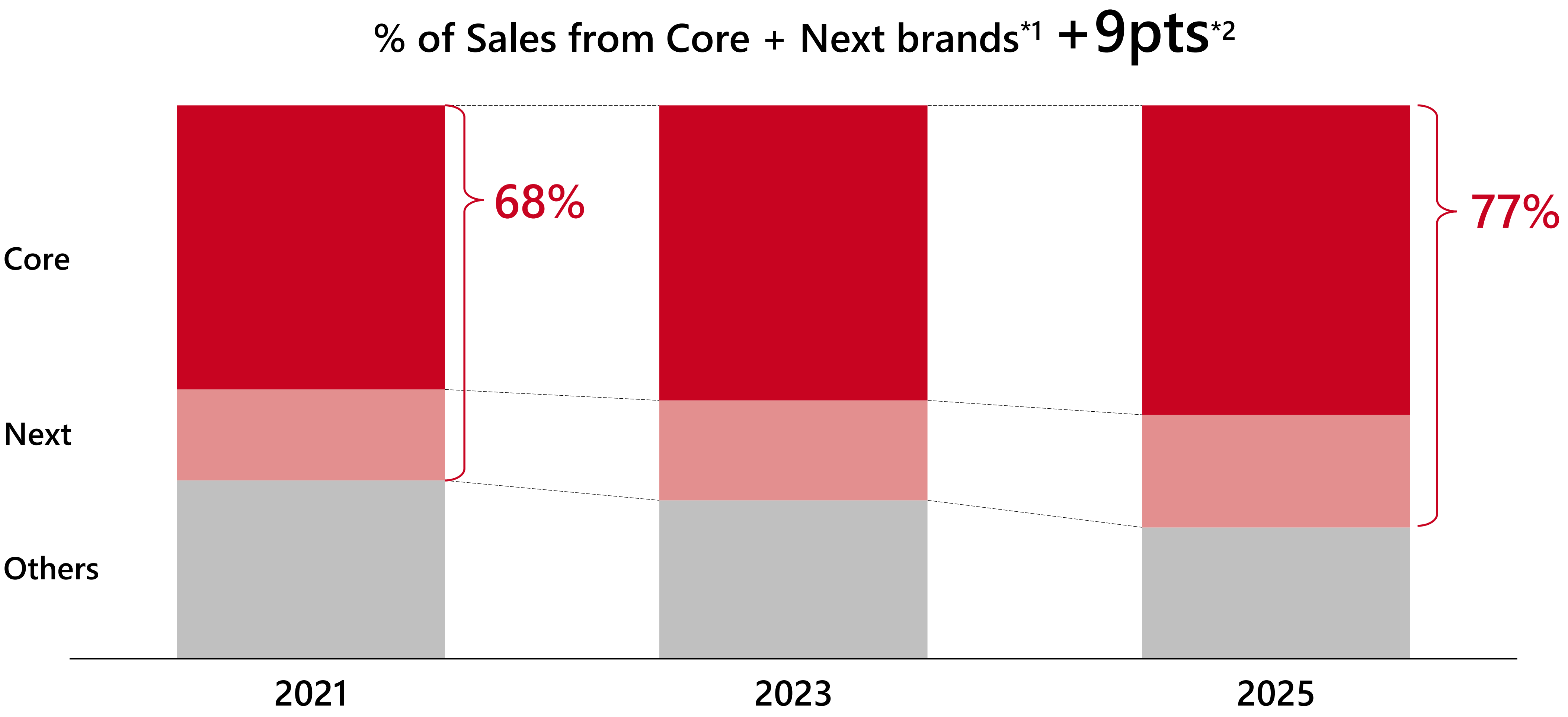
SHISEIDO

Delivering Stable Profit Growth Enabled by Diversified Regional Footprint



* 2025 vs. 2021, excluding the impact of FX and business transfers

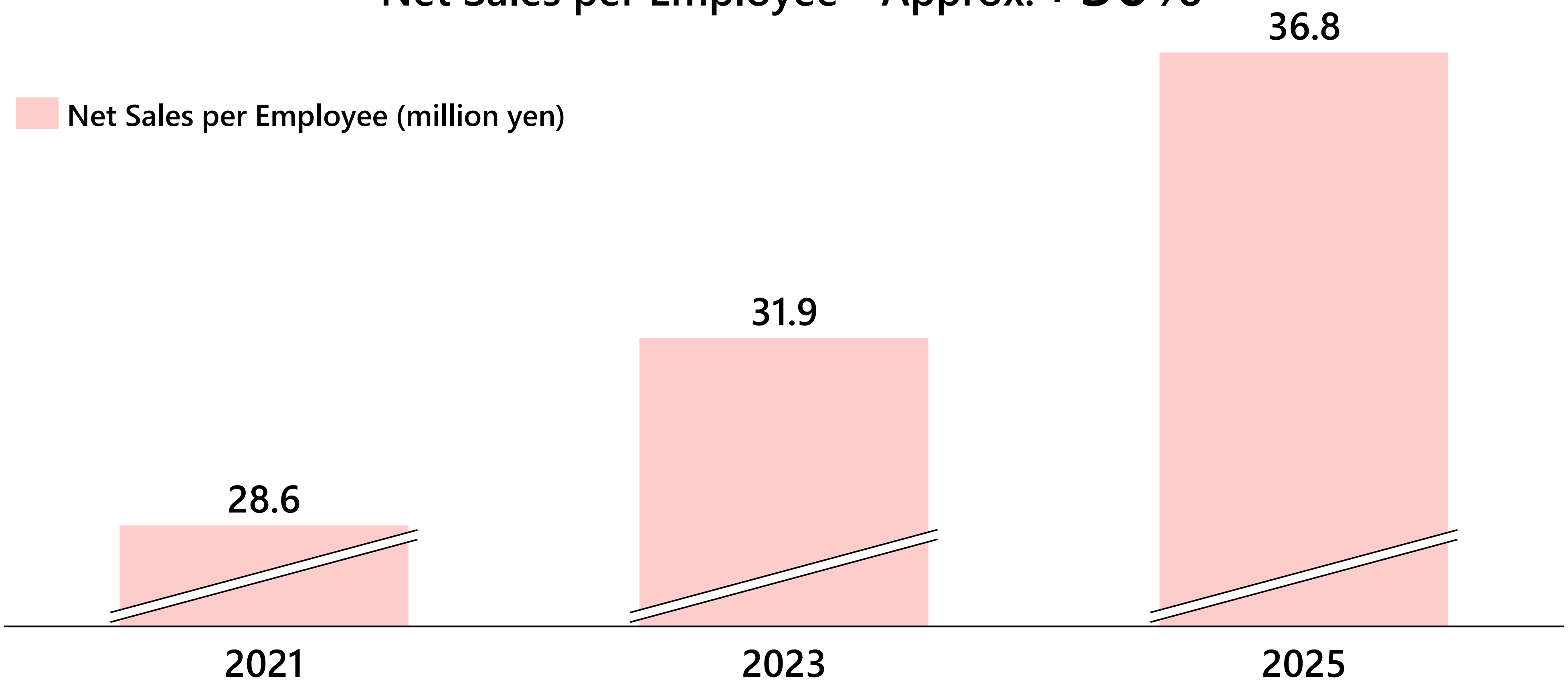
Creating a Virtuous Growth Cycle through Targeted Investment in High-profit Brands



*1 Core: *SHISEIDO, Clé de Peau Beauté, NARS* Next: *ELIXIR, ANESSA, narciso rodriguez, ISSEY MIYAKE PARFUMS, Zadig&Voltaire, Dr. Dennis Gross Skincare*
*2 2025 vs. 2021, excluding the impacts of FX and business transfers

Transforming into Lean Organization; Boosting Productivity for Stronger Competitiveness

Net Sales per Employee Approx. +30%*

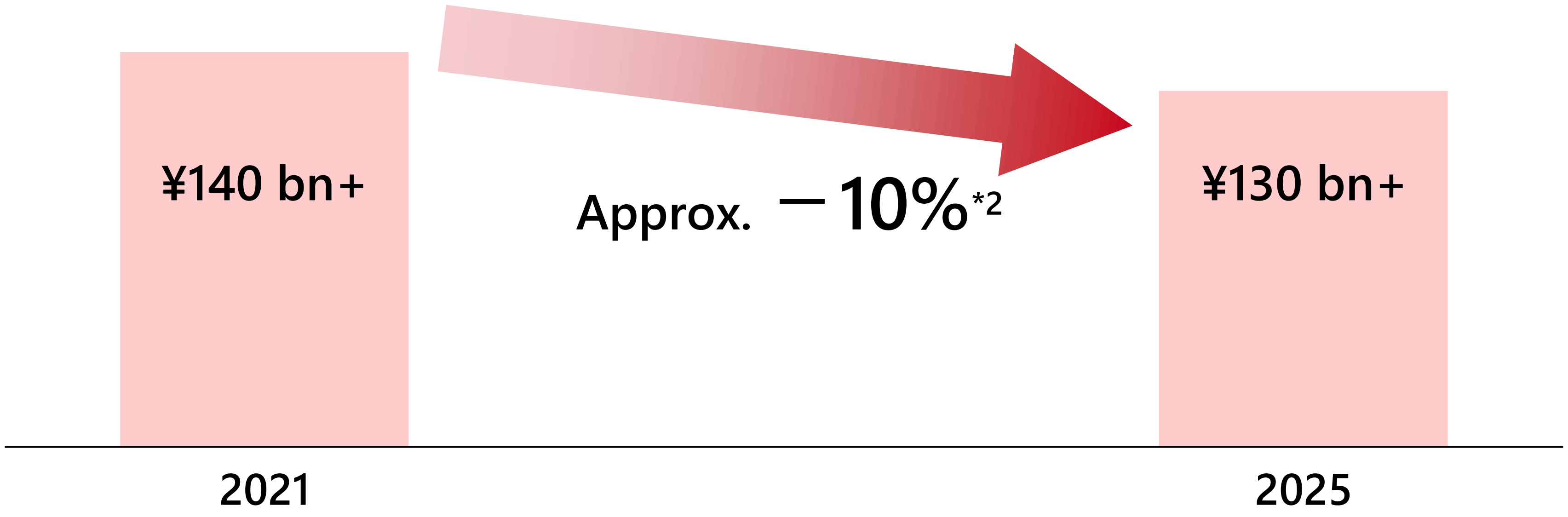


	2021	2023	2025
Net Sales :	¥1,010.0 bn	¥973.0 bn	¥970.0 bn
# of employees: End of Year	35,318	30,540	26,330

* 2025 vs. 2021

Asset-Light Model Geared to Higher Operating Efficiency: Steadfast Progress on ROIC Improvement

- **Domestic assets**[*1]

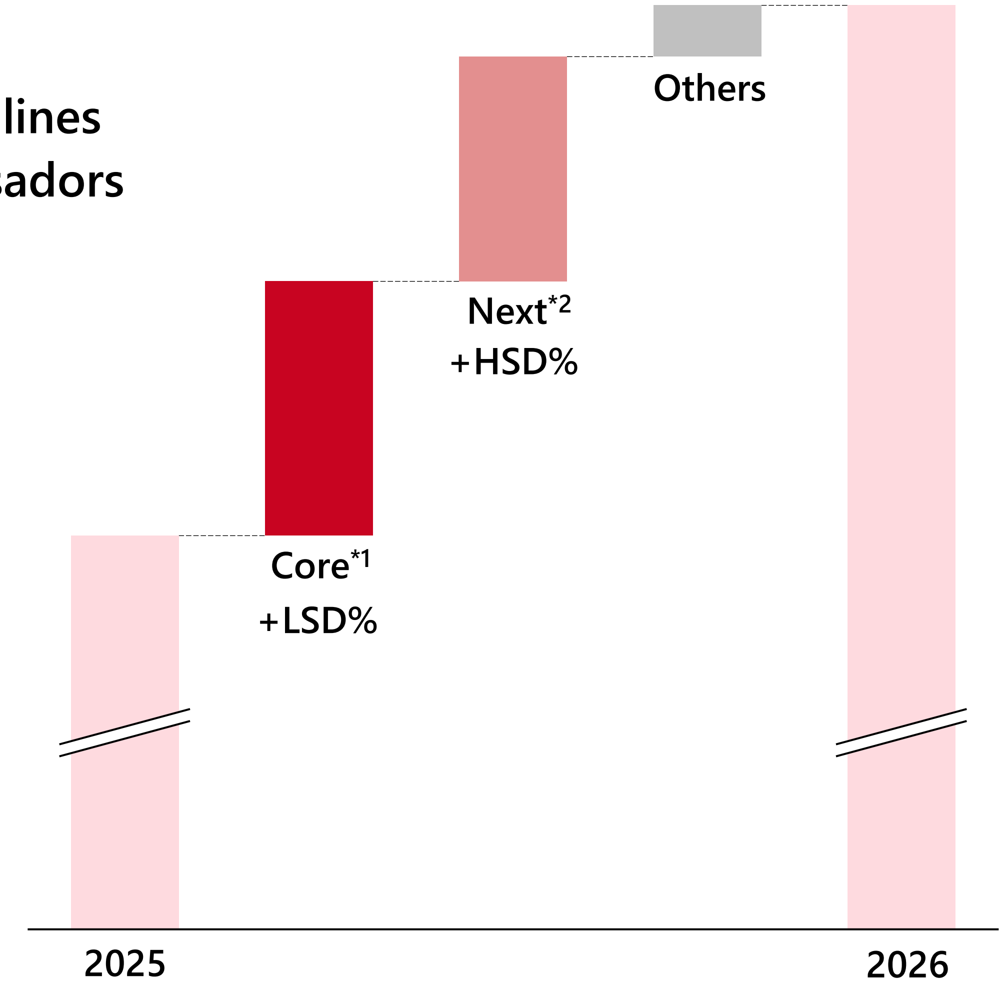


- **Optimizing foreign assets**
  - China: Consolidation of China R&D Sites
  - Asia Pacific: Closure of Innovation Center
  - Americas: Office space reduction at regional headquarter, sub-leasing
  - EMEA: Relocation of regional headquarter

*1 Global HQ (Shiseido Company, Limited)+Shiseido Japan Co., Ltd., land+buildings   *2 2025 vs. 2021

2026: Ensuring Solid Growth by Leveraging a Resilient Brand Portfolio

- **Core brands**
  - Continuously enhancing global hero products and product lines
  - Maximizing brand communication driven by global ambassadors
  - Capturing growth opportunities with strategies tailored to market structures
- **Next brands**
  - Strengthening investment in focus categories and creating new value
  - Selecting and concentrating on key sales channels
- ***Drunk Elephant***
  - Completing the brand turnaround



*1 Core: *SHISEIDO, Clé de Peau Beauté, NARS* *2 Next: *ELIXIR, ANESSA, narciso rodriguez, ISSEY MIYAKE PARFUMS, Zadig&Voltaire, Max Mara, Dr. Dennis Gross Skincare*

Core Brand – *SHISEIDO* : Re-accelerating as a Global Growth Engine

SHISEIDO GINZA TOKYO

2025
Net Sales: Flattish (2H: +3%)

- Japan: outperforming the market with strong double-digit growth and significant new consumer acquisition
- Return to positive in 2H in China & TR
- Global launch of the new ULTIMUNE

2026
Net Sales Forecast: +LSD%

- Global: Drive sustainable growth by strengthening brand equity and scaling global hero franchises
- Reinforce next-generation consumer engagement driven by a new global ambassador
- Region-specific: Unlock incremental growth through Suncare, Makeup

Core Brand – *Clé de Peau Beauté* : Creating Enduring Value of Luxury

2025
Net Sales: +4% (2H: +6%)

- China & TR, Asia Pacific, EMEA delivered double-digit growth in 2H
- Core skin care line Key Radiance Care renewal

2026
Net Sales Forecast: +LSD%

- Build brand equity as a science-driven luxury brand
- Reinforce the image of luxury with a new global ambassador
- Elevate brand equity with advanced technology products

Core Brand – *NARS* : Leveraging Creativity to Drive Growth

2025
Net Sales: +3% (2H: +4%)

- Double-digit growth in 2H across China & TR and EMEA
- Captured strong demand in the cheek category through The Multiple
- Expanded growth driven by the hero franchise Light Reflecting and concealer category

2026
Net Sales Forecast: +LSD%

- Reinforce leadership in the complexion category globally through the major launch of Natural Matte Longwear Foundation
- Expand audiences and boost engagement with a new global ambassador
- Optimize channel selection, maximize relationships with key retailers

Next Brand – *ELIXIR* : Expanding Its Reach as the Next Growth Driver in Asia

2025
Net Sales: +9% (2H: +6%)

- Drove strong growth across all regions
  Asia Pacific: +over 30%,
  China & TR: Double-digit growth with signs of bottom out
- Profitability boosted by hero SKUs

2026
Net Sales Forecast: +MSD%

- Enrich collagen science
- Nurture hero SKUs: Relaunch brightening lotion & emulsion, new color from Day Care Revolution Tone Up
- Further growth via expansion of open-sell retail channels overseas

Next Brand – *ANESSA* : Creating New Growth Opportunities via Category Expansion

2025
Net Sales: －9% (2H: +6%)

- China & TR headwinds in 1H, but returned to growth in 2H
- Drove strong sales well ahead of the target with exclusive launch of Brush-on Powder Sunscreen

2026
Net Sales Forecast: +HSD%

- Unveiled a daily-use series designed for everyday situations; strong UV protection, high-performing skin care with seamless texture; offering mini-sized items in mass price tier
- Expand target audience by the launch of men's UV gel
- Rollout of Brush-on Powder nationwide in Japan

Next Brands – Fragrance Brands, *Dr. Dennis Gross Skincare*

narciso rodriguez
ISSEY MIYAKE PARFUMS
ZADIG&VOLTAIRE
MaxMara

Dr Dennis Gross SKINCARE

2025

Net Sales: +6% (2H: +12%)

- Despite softness in China & TR, strong double-digit growth in EMEA drove overall performance
- *Zadig&Voltaire* achieved 40%+ growth, supported by the successful Zadig EDP[*1] launch

2025

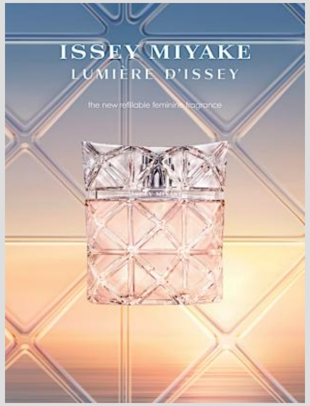
Net Sales: −8%[*4] (2H: −15%)

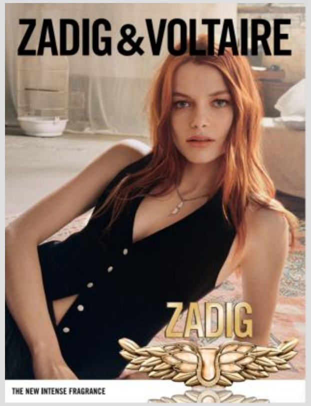
- Intensifying competition in the hero product, Peels and Masks
- Declining conversion rates in e-commerce

2026

Net Sales Forecast: +HSD%[*2]

- *narciso rodriguez* : Nurture for-her line, the brand's iconic offering with a new line: for her Pure Musc Blanc
- *ISSEY MIYAKE PARFUMS* : Expand the target audience with Lumière d'Issey, while consolidating Le Sel success with a new Parfum
- *Zadig&Voltaire* : Launch of a new olfactive variation with Zadig EDPI[*3]
- *Max Mara* : Launch globally in 2H 2026





2026

Net Sales Forecast: +MSD%

- Prioritize investment in Peels and Masks to defend category leadership
- Drive high-impact activations with Sephora via a 360°campaign and birthday gift partnership
- Allocate resources on fewer, priority growth product launches
- Elevate clinical brand image and create consistency worldwide

*1 Eau De Parfum *2 Including *Max Mara* *3 Eau De Parfum Intense *4 Excluding the impact of sales prior to the acquisition of *Dr. Dennis Gross Skincare* in 2024 and its corresponding period in 2025

Drunk Elephant Turnaround

- **Actions in 2025**
  - ➢ Completed inventory normalization across key regions and retailers within 2025
  - ➢ Completed cost structure reform actions in the Americas

- **Steadily advancing brand repositioning**
  - ➢ Initiate a new brand campaign aimed at the core target segment
  - ➢ Build emotional connection and expand brand support through collaborations with brand ambassadors and creators
  - ➢ Rebuild presence at key retailers

Adopt Cutting-Edge Bold Science / Technology Across Brands; Building a Category-Focused Growth Model

New Bold Science / Technology | Existing Bold Science / Technology

~2024 | 2025 | 2026 | 2027 | 2028~

Skincare

Micro needle

Second Skin

Dark Spots

Spots Lifecycle

Fluid Absorption Technology

Wrinkles

Retinol TripleLock Technology

Sagging

Anti-gravity science V

Sun Care

Mineral i-Shield

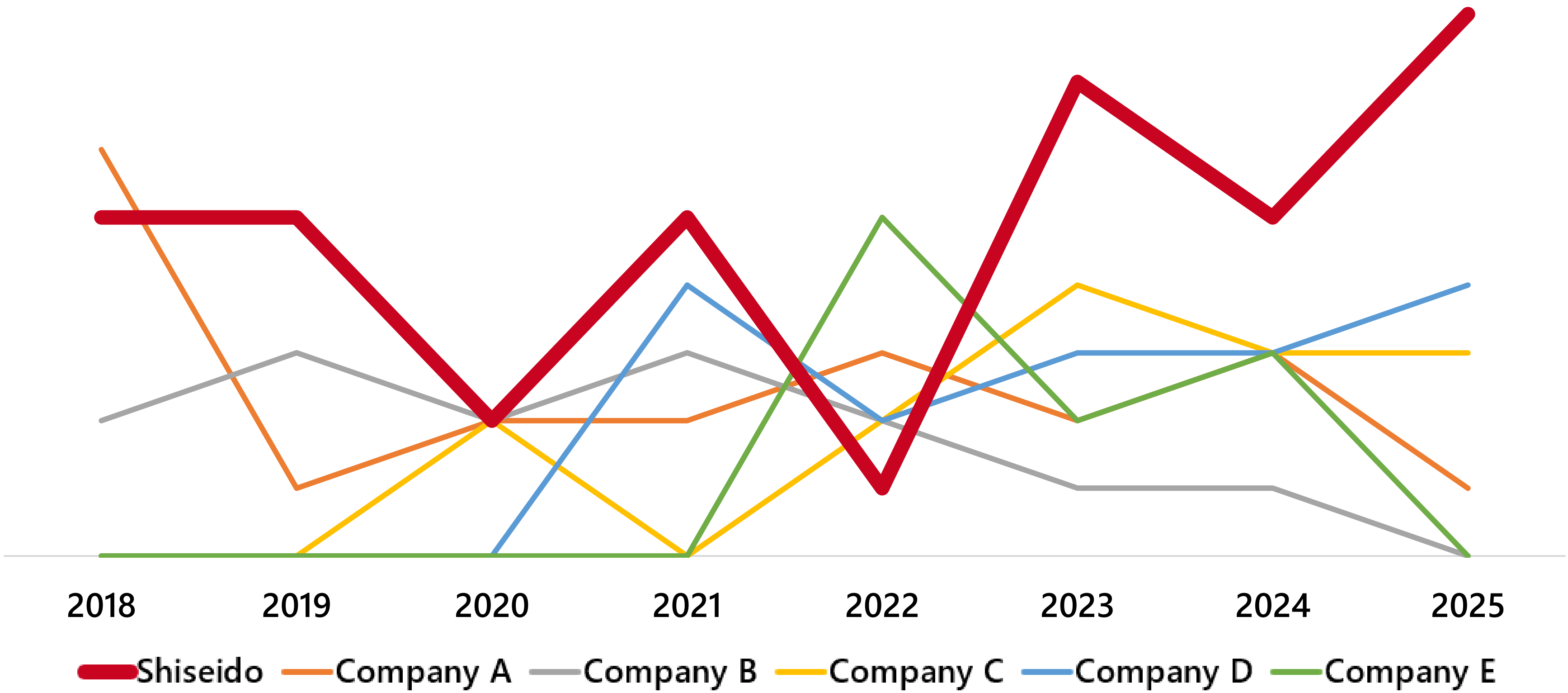
Makeup Fragrances

Serum First Technology

A string of new product launches featuring **≥10 leading-edge technologies** underway by 2028

Horizontal Deployment of Technologies Leading to Tangible Results

No.1 in Best Cosmetics Awards from Japan's Big Three Beauty Magazines for Three Straight Years



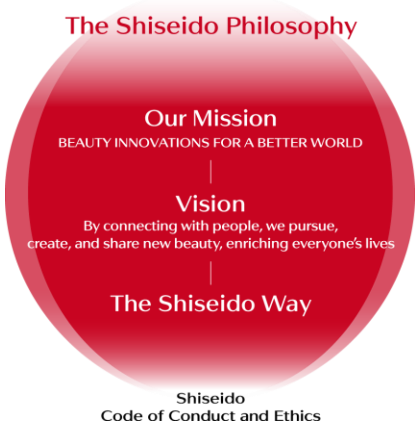
* Total number of 1st–3rd place awards in the Overall, Skincare, and Makeup categories in the first-half and second-half rankings of MAQUIA, VOCE, and BITEKI

Creating Sustainable Social Value through Business Growth

People Strategy

- Percentage of Women Managers*1
  Global : 60.3% Japan : 43.3%

- The Shiseido Way – our value, mindset and actions that shape how we work towards 2030 VISION



The Shiseido Way

Our Foundation
Inspired by nature, attentive to everyone

Our Work
Let the product speak for itself

Our Evolving Style
Keep changing to remain true to ourselves

Our Approach
Appreciate dilemmas while rising to achieve brilliance

Our Belief in Beauty
Richness in everything

Sustainability Strategy

Society

- Advancing Gender Equality 0.95 million people*2

- Empowering people through the power of beauty 0.40 million people*3

Environment

- Awarded Double A List Recognition (Climate Change and Water Security) from CDP for second consecutive years

Climate Water CDP A List 2025

- Extending the adoption of sustainable packaging using LiquiForm®; Won the highest prize at JAPAN PACKAGING CONTEST

- Strengthening traceability to promote responsible procurement; Palm oil: 73% at the mill level, 59% at the plantation level*4

*1 As of January 2026, preliminary figures *2 Direct outreach through the support for girls' education through *Clé de Peau Beauté* and Shiseido DE&I Lab, etc
*3 Direct outreach through Shiseido Life Quality Makeup activities and ANESSA Sunshine Project, etc *4 Based on palm oil equivalent weight

Governance Enhancement: Foundations for Maximizing Corporate Value

● Newly Elected Candidates for External Directors

➢ **Mr. Andrew House**
- Nominating Committee / Compensation Committee
- Extensive experience as the global head of the entertainment business
- High level of knowledge in brand marketing and overseas markets, particularly in North America

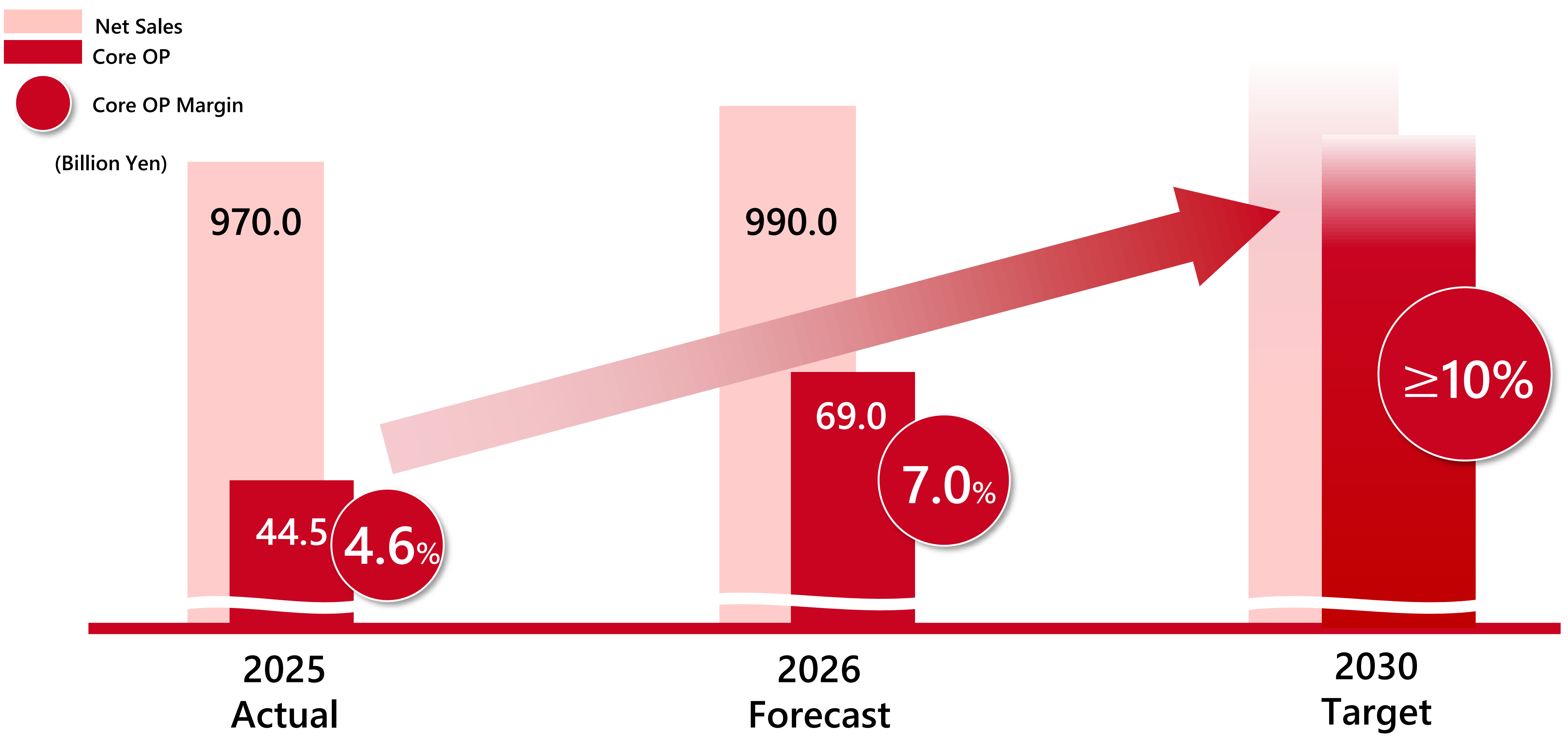
➢ **Mr. Takuya Nakata**
- Nominating Committee / Compensation Committee
- Vast experience a CEO of a publicly listed manufacturing company with global operations, leading overseas businesses
- Deep expertise in corporate governance applied in the establishment and operation of governance structures

➢ **Ms. Keiko Kaneko**
- Audit Committee
- Extensive experience in the field of global corporate law as a lawyer, including M&A
- Deep expertise in management through participation in the management of their law firm

● Skills Matrix after the Ordinary General Meeting of Shareholders in March 2026 (Planned)

	Experience as top management of a listed company	Corporate management experience	Experience in BtoC, neighboring industries	Brand marketing	Legal affairs and risk management	Finance, accounting, financial systems
Kentaro Fujiwara	●	●	●	●		
Ayako Hirofuji		●	●			●
Hiromi Anno		●	●		●	
Hitoshi Okamoto		●	●	●	●	
Mariko Tokuno		●	●	●		
Yoshihiko Hatanaka	●	●	●			●
Ritsuko Nonomiya		●				●
Andrew House		●	●	●		●
Takuya Nakata	●	●	●	●		
Yasuko Gotoh		●				●
Yasuhiro Nakajima		●			●	●
Keiko Kaneko		●			●	

Strive to Achieve Targets for 2026:
Unwavering Commitment to Maximizing Corporate Value



一瞬も 一生も 美しく

In every moment, in every life
Beauty

Supplemental Data 1
2025 Q4 Net Sales and Core Operating Profit by Reportable Segment*1

Top: Net Sales Bottom: Core OP (Billion yen)	2024 Q4	% of Net Sales/ Core OPM %*2	2025 Q4	% of Net Sales/ Core OPM %*2	YoY Change	YoY Change %	YoY FX-Neutral %	YoY LfL %*3
Japan	75.5	28.2%	76.2	27.6%	+0.8	+1.0%	+1.0%	+1.6%
	9.6	12.7%	11.0	14.5%	+1.4	+14.6%	-	-
China & Travel Retail	98.1	36.6%	102.2	37.0%	+4.1	+4.2%	+2.4%	+2.4%
	22.4	22.6%	17.8	17.3%	−4.6	−20.3%	-	-
Asia Pacific	18.4	6.9%	20.8	7.5%	+2.4	+13.0%	+9.4%	+9.5%
	2.4	12.7%	3.3	15.7%	+1.0	+40.2%	-	-
Americas	31.3	11.7%	28.4	10.3%	−2.9	−9.4%	−10.5%	−10.5%
	−5.6	−17.1%	−4.0	−13.4%	+1.6	-	-	-
EMEA	41.1	15.3%	45.0	16.3%	+3.9	+9.5%	+0.8%	+0.8%
	1.9	4.3%	3.0	6.6%	+1.1	+59.6%	-	-
Other*3	3.4	1.3%	3.5	1.3%	+0.2	+4.9%	+4.3%	+47.0%
	−1.2	−35.1%	0.2	4.3%	+1.4	-	-	-
Adjustment	-	-	-	-	-	-	-	-
	−20.5	-	−17.0	-	+3.5	-	-	-
Total	267.8	100%	276.2	100%	+8.3	+3.1%	+0.8%	+1.2%
	8.9	3.3%	14.4	5.2%	+5.5	+61.4%	-	-

*1 In 2025, we have implemented changes to segment reporting in order to have better grasp on profitability of each segment. For details, please refer to news release published on March 28, 2025. The business results related to the operation of domestic sales by IPSA Co., Ltd. and the operation of sales of health & beauty foods, etc. by healthcare business previously included in the "Other" are now included in the "Japan Business." 2024 results have been restated to reflect the changes

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

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

Supplemental Data 2
2025 Net Sales and Core Operating Profit by Reportable Segment*1

Top: Net Sales Bottom: Core OP (Billion yen)	2024	% of Net Sales/ Core OPM %*2	2025	% of Net Sales/ Core OPM %*2	YoY Change	YoY Change %	YoY FX-Neutral %	YoY LfL %*3
Japan	294.3	29.7%	295.3	30.4%	+1.1	+0.4%	+0.4%	+0.7%
	25.9	8.8%	39.0	13.1%	+13.1	+50.6%	-	-
China & Travel Retail	357.8	36.1%	342.2	35.3%	−15.5	− 4.3%	− 3.5%	− 3.5%
	72.0	19.9%	64.5	18.7%	− 7.5	− 10.4%	-	-
Asia Pacific	71.7	7.2%	73.3	7.6%	+1.6	+2.3%	+1.4%	+1.8%
	4.9	6.7%	5.1	6.8%	+0.2	+3.6%	-	-
Americas	118.5	12.0%	106.6	11.0%	−12.0	−10.1%	−8.7%	−9.5%
	−9.2	−7.4%	−11.6	−10.4%	−2.3	-	-	-
EMEA	132.7	13.4%	141.1	14.5%	+8.5	+6.4%	+3.1%	+3.2%
	2.7	1.9%	3.9	2.7%	+1.3	+48.5%	-	-
Other*3	15.7	1.6%	11.4	1.2%	−4.3	−27.2%	−27.0%	−14.6%
	−1.1	−6.6%	−1.3	−9.5%	−0.1	-	-	-
Adjustment	-	-	-	-	-	-	-	-
	−58.7	-	−55.2	-	+3.5	-	-	-
Total	990.6	100%	970.0	100%	−20.6	−2.1%	−2.1%	−1.8%
	36.4	3.7%	44.5	4.6%	+8.2	+22.4%	-	-

*1 In 2025, we have implemented changes to segment reporting in order to have better grasp on profitability of each segment. For details, please refer to news release published on March 28, 2025. The business results related to the operation of domestic sales by IPSA Co., Ltd. and the operation of sales of health & beauty foods, etc. by healthcare business previously included in the "Other" are now included in the "Japan Business." 2024 results have been restated to reflect the changes

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

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

Supplemental Data 3
2025 Net Sales by Brand

Core 3

SHISEIDO GINZA TOKYO

YoY %

Q4

+1%

2025

－0%

% of Net Sales

23%

clé de peau BEAUTÉ

YoY %

Q4

+2%

2025

+4%

% of Net Sales

20%

NARS

YoY %

Q4

+5%

2025

+3%

% of Net Sales

12%

Next 5

DRUNK ELEPHANT™

YoY %

Q4

+9%

2025

－39%

% of Net Sales

2%

ELIXIR

YoY %

Q4

－2%

2025

+9%

% of Net Sales

7%

ANESSA

YoY %

Q4

+8%

2025

－9%

% of Net Sales

5%

narciso rodriguez

YoY %

Q4

+6%

2025

+5%

% of Net Sales

4%

ISSEY MIYAKE PARFUMS

YoY %

Q4

－10%

2025

－4%

% 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. * % of net sales is cumulative basis for 2025

Supplemental Data 4
Q4 Net Sales by Brand

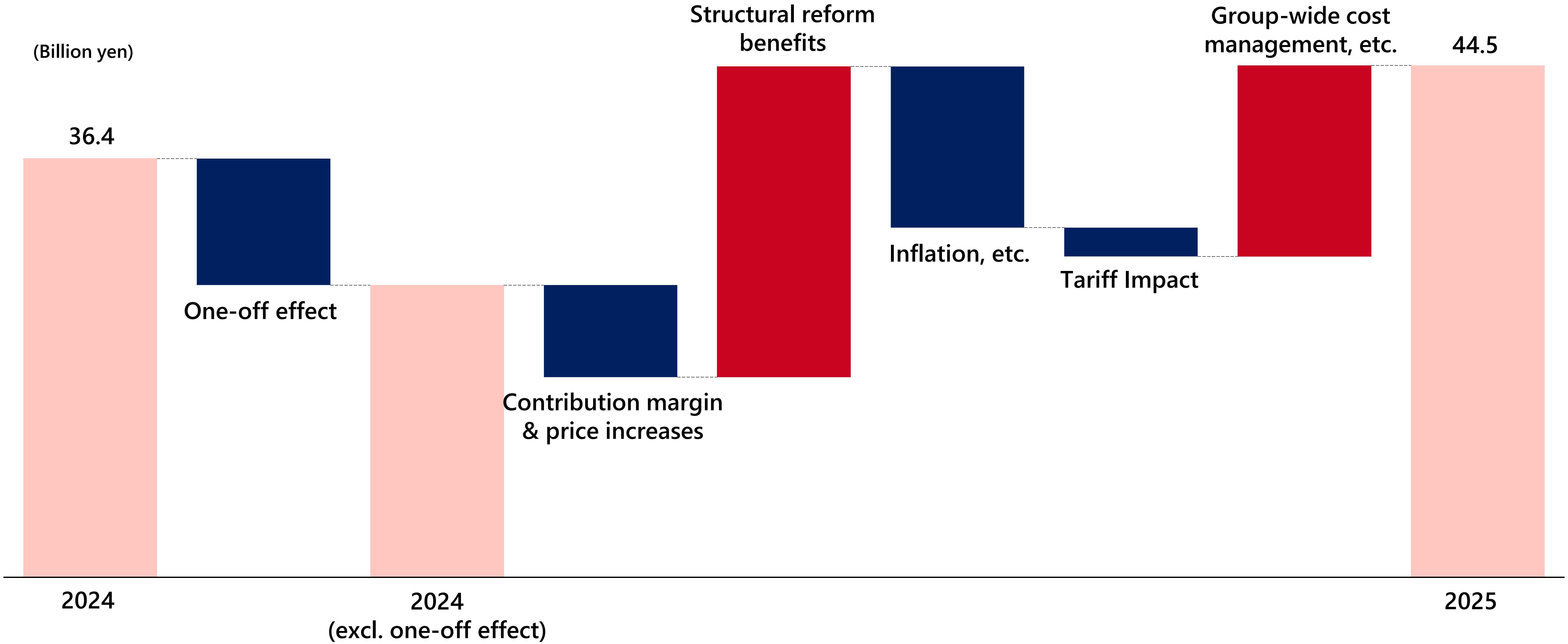
YoY Change %*	Japan	China & Travel Retail	Asia Pacific	Americas	EMEA
SHISEIDO	+H-teen%	+LSD%	+HSD%	－HSD%	－HSD%
Clé de Peau Beauté	－L-teen%	+HSD%	+L-teen%	－L-teen%	－LSD%
NARS	－L-teen%	+H-teen%	+MSD%	－M-teen%	+H-teen%
Drunk Elephant				+over 30%	－M-teen%
ELIXIR	－MSD%				
ANESSA	+H-teen%	+LSD%	+L-teen%		
narciso rodriguez					+MSD%
ISSEY MIYAKE PARFUMS					－M-teen%
d program	+L-20%				
MAQuillAGE	+H-teen%				
Dr. Dennis Gross Skincare				－M-20%	
Zadig&Voltaire					+over 30%

* YoY changes (%) are only provided for key brands in each region and are calculated based on foreign exchange rate assumptions as at the beginning of 2025 which excludes the impacts of foreign exchange translation, etc.

Supplemental Data 5
Non-recurring Items

(Billion yen)	2024			2025		
	Q3 YTD	Q4	FY	Q3 YTD	Q4	FY
Core Operating Profit	27.4	8.9	36.4	30.1	14.4	44.5
Structural Reform Expenses	−23.3	−3.3	−26.6	−10.8	−9.8	−20.6
Impairment Losses / Reversal of Impairment Loss	0.2	0.8	1.0	−51.2	−0.1	−51.3
Gain / Loss on Sales of Fixed Assets	0.7	0.0	0.7	-	-	-
Acquisition-related Costs	−0.3	−0.0	−0.3	−0.0	−0.0	−0.0
One-time Costs Related to Internal System Changes	−1.3	−0.7	−2.0	−0.0	0.0	−0.0
Other	−1.3	−0.4	−1.6	−1.5	0.1	−1.4
Non-recurring Items	−25.2	−3.6	−28.8	−63.4	−9.9	−73.3
Operating Profit	2.2	5.4	7.6	−33.4	4.6	−28.8

Supplemental Data 6
2025 Core Operating Profit Results



Supplemental Data 7
2026 Sales Forecasts by Reportable Segment

	2026 YoY Net Sales (LfL*1)	Market and Sales Assumptions
Japan	+MSD%	Local: ● The market to grow at moderate pace ● Achieve above-market growth driven by targeted investments in key brands, strategic price increases, selection and concentration of consumer touchpoints Inbound: ● Expect YoY decline overall, albeit with growth in mid-price tier
China & Travel Retail	−LSD%	● China market to stage a moderate recovery, the softness in Travel Retail market to continue albeit YoY decline narrows ● China to deliver growth driven by core brands with higher investments focused on key brands ● TR YoY sales decline expected despite the shift to tourist-centered business model ● The impact of Japan-China friction reflected in the forecast up to the end of Q1
Asia Pacific	+HSD%	● The market to grow at moderate pace ● Taiwan returns to a growth trajectory, Southeast Asia and India achieve above-market growth with strong acceleration
Americas	+HSD%	● The market to grow at moderate pace ● Achieve high growth with *Drunk Elephant* turnaround and by driving synergies with EMEA
EMEA	+HSD%	● The market to grow at moderate pace ● Accelerate growth in outsized markets e.g. France, UK, Germany, maintain strong market share in Italy and Spain ● Strengthen EC channels, capture new channels
Total	+3%	

*1 Excluding the impacts from FX and business transfer

Supplemental Data 8
Capital Expenditures; Depreciation and Amortization

(Billion yen)	2024	2025	2026
Property, Plant and Equipment	23.4	24.2	23.0
Intangible Assets, etc.	25.5	18.8	17.0
Capital Expenditures*	48.9	43.0	40.0

(Billion yen)	2024	2025	2026
Property, Plant and Equipment	35.2	33.3	
Intangible Assets, etc.	17.9	17.4	
Depreciation and Amortization	53.2	50.7	50.0

* Investments in capital expenditures; property, plant and equipment (excl. right-of-use assets) and intangible fixed assets (excl. goodwill, trademark rights, right-of-use assets)

Supplemental Data 9
Overview of Assets Associated with Key M&A Transactions

- **Americas Business**
  - **Goodwill**
    - Recognized an impairment loss of on goodwill of ¥46.8 bn in Q3 2025 due to the declined profitability in Americas
    - Aiming for strong growth across Americas, starting with the turnaround of *Drunk Elephant*
  - **Seller note*1**
    - The seller note includes a clause that would subordinate payment of the amount due to the Company under the seller note to a certain return of capital for the Buyer if the Divested Business does not meet certain metrics based on the financial results in fiscal 2025
    - Given the likelihood of this subordination to occur at the end of fiscal 2025, in Q4 2024, the Company recognized of a provision of 12.8 billion yen as finance costs
    - Even if this subordination does apply, there will be no additional provision to be recognized arising from this transaction
    - Remain committed to maximize the recoverable amount on a seller note

(Billion yen)		2023-end	2024-end	2025-end
Americas Business (cash-generating unit*2)	Goodwill (Americas)	29.4	58.4	9.7
	Trademarks (*Drunk Elephant*)	42.5	47.1	47.0
	Trademarks (*Dr. Dennis Gross Skincare*)	-	18.8	18.8
	long-term loans receivable (seller note*1)	46.3	43.1	47.8
Goodwill (EMEA)		7.1	13.2	13.3
Goodwill (China & Travel Retail)		14.3	20.1	20.1
Goodwill (Consol.)		62.1	108.0	58.8
Trademarks (Consol.)		48.6	71.8	71.1

*1 In August 2021, the Company decided to divest three of its prestige makeup brands including *bareMinerals* along with the assets related to their businesses to an affiliate of private equity firm Advent International. The total purchase price of the Divested Business was 700 million US dollars, of which 350 million US dollars was paid in cash and the remaining 350 million US dollars was deferred to be paid in the form of a seller note (a type of debt financing wherein the seller lends the buyer a portion of the purchase price with a maturity term of 7 years issued by an affiliate which operates the Divested Business

*2 Impairment test has been conducted with trademarks of *Drunk Elephant* and *Dr. Dennis Gross Skincare* being included in cash-generating unit of the Americas Business

SHISEIDO