2026 First Half Results (January － June)

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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.

Definitions of Terms

- Net Sales YoY LfL %: Calculated by excluding FX impact, the impact of all business transfers in the current and prior periods, and service provision during the transition period related to those transfers
- Core Operating Profit: Calculated as operating profit excluding profits or losses incurred by non-ordinary factors (non-recurring items), such as costs of structural reforms, impairment losses, and acquisition-related costs, etc.
- Core Operating Profit Margin: Calculated based on total sales including intersegment sales and internal transfers between segments
- EBITDA: Core Operating Profit plus Depreciation (excl. depreciation of right-of-use assets) and Amortization
- Brand Sales by Region: YoY change (%) is calculated based on initial exchange rate assumptions, and excludes the impact of foreign currency exchange, etc.

Key Highlights of 1H 2026 Results Briefing

Growth momentum accelerated in Q2, while profit growth strengthened
Stepping up investments behind growth drivers to fuel growth in 2H and beyond
Maintaining FY guidance; targeting profit outperformance

- **1H Net Sales: ¥499.0 bn (YoY LfL% 1H: flat, Q1: －3%, Q2: +2%)**
  - Returned to LfL sales growth in Q2
    - Growth momentum improved across major brands, led by *ELIXIR* and *narciso rodriguez*
    - Growth acceleration expanded across regions, including Japan, China & Travel Retail, Asia Pacific, and EMEA
  - Convert key launches and marketing investments into stronger 2H growth

- **1H Core Operating Profit: ¥44.4 bn (YoY: +¥21.1 bn)**
  - Structural reform benefits, particularly in Americas, and disciplined cost management drove significant profit growth

- **Geopolitical risks**
  - Japan–China relations: FY impact level unchanged from Q1. Capturing diversified global tourist demand while pursuing opportunities in evolving Chinese traveler flows
  - Middle East situation: FY impact expected to ease, supported by improving supply conditions and alternative sourcing

- **Full-year forecasts: unchanged**
  - Net Sales: While mindful of downside risks in EMEA and Americas, accelerate focused investments in high-growth opportunities to build on momentum
  - Core Operating Profit: Targeting outperformance while maintaining investment discipline

Overview of 2026 1H Results

(Billion yen)	2025 1H	% of Net Sales	2026 1H	% of Net Sales	YoY Change	YoY %	YoY FX-Neutral %	YoY LfL %
Net Sales	469.8	100%	499.0	100%	+29.1	+6%	−1%	−0%
Core Operating Profit	23.4	5.0%	44.4	8.9%	+21.1	+90%		
Non-recurring Items	−5.3	−1.1%	−2.5	−0.5%	+2.8	-		
Operating Profit (Loss)	18.1	3.8%	41.9	8.4%	+23.8	+132%		
Profit (Loss) before Tax	19.2	4.1%	44.2	8.9%	+25.0	+130%		
Income Tax Expense	10.1	2.2%	15.2	3.0%	+5.1	+50%		
Profit (Loss) Attributable to Owners of Parent	9.5	2.0%	29.7	6.0%	+20.2	+211%		
EBITDA	48.5	10.3%	70.0	14.0%	+21.5	+44%		
Free Cash Flow	17.5	+3.7%	22.5	+4.5%	+5.0	+29%		

FX rate for 2026 1H:
USD/JPY: 158.1 yen,
EUR/JPY: 184.4 yen
CNY/JPY: 23.0 yen

(Same period of the previous year)
USD/JPY: 148.5 yen
EUR/JPY: 162.1 yen
CNY/JPY: 20.5 yen

Net Sales	: YoY LfL %	Flat	Organic revenue growth turned positive in Q2, with 1H net sales flat YoY
Core Operating Profit	: YoY Change	+¥21.1 bn	Strong profit growth achieved through structural reforms and company-wide cost management
Free Cash Flow	: YoY Change	+¥5.0 bn	Increase in cash outflows from the early retirement program at Global HQ etc was offset by higher profit before tax

Core Operating Profit: Structural Reform Benefits and Cost Discipline Drove Profit Growth, Improving Profit Structure Supports the Transition to Growth

(Excluding Non-recurring Items) (Billion yen)	2025 1H	% of Net Sales	2026 1H	% of Net Sales	YoY Change	YoY %	Pts Difference
Net Sales	469.8	100%	499.0	100%	+29.1	+6.2%	-
COGS	106.1	22.6%	105.1	21.1%	−1.0	−1.0%	−1.5pts
Gross Profit	363.7	77.4%	393.9	78.9%	+30.2	+8.3%	+1.5pts
SG&A	342.9	73.0%	354.8	71.1%	+11.8	+3.5%	−1.9pts
Marketing investments	135.3	28.8%	146.2	29.3%	+10.9	+8.1%	+0.5pts
Brand development / R&D	17.7	3.8%	16.7	3.4%	−1.0	−5.4%	−0.4pts
Personnel expenses*	108.1	23.0%	110.3	22.1%	+2.2	+2.0%	−0.9pts
Other SG&A	81.8	17.4%	81.5	16.3%	−0.3	−0.4%	−1.1pts
Other Operating Income / Expenses	2.6	0.6%	5.3	1.1%	+2.7	+104.7%	+0.5pts
Core Operating Profit	23.4	5.0%	44.4	8.9%	+21.1	+90.1%	+3.9pts

COGS	:	COGS ratio improved, partly driven by reversal of inventory provisions
SG&A	:	Reduced on an FX-neutral basis
Marketing investments	:	Focused investments to accelerate growth of key brands and new products
Personnel expenses*	:	Reduced through structural reform benefits and natural attrition, offsetting salary increases
Other SG&A	:	Lower outsourcing costs and depreciation driven by structural reforms, together with disciplined cost management
Other Operating Income / Expenses	:	Including provision reversals

* Including POS personnel expenses

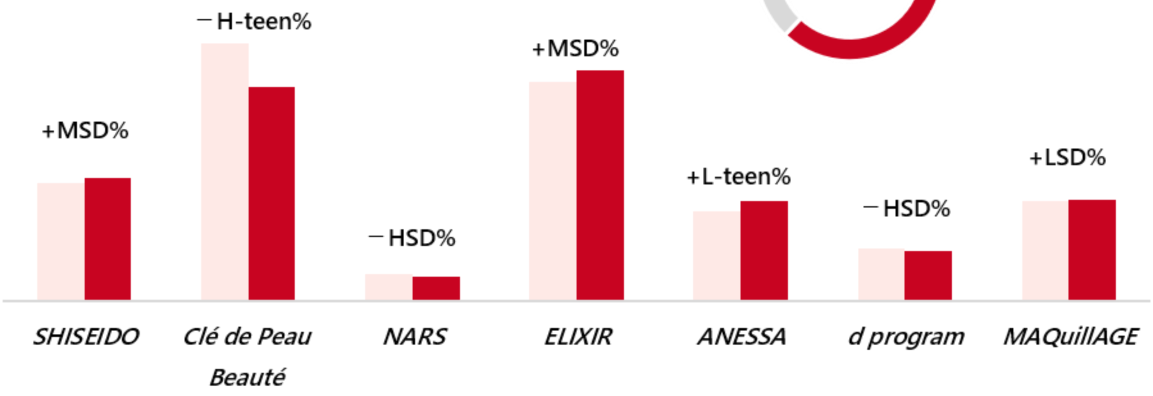
Net Sales by Reportable Segment: Q2 Growth Reaccelerated Across Most Regions

YoY LfL	2025 (vs. 2024)					2026 (vs. 2025)		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	1H
Japan	−2%	+2%	+2%	+2%	+1%	−4%	+3%	−0%
China & Travel Retail	−14%	−7%	+8%	+2%	−3%	−1%	+1%	−0%
Asia Pacific	−1%	−0%	−2%	+9%	+2%	−1%	+5%	+2%
Americas	−19%	+4%	−9%	−10%	−9%	+5%	−8%	−1%
EMEA	−9%	+2%	+22%	+1%	+3%	−10%	+9%	−1%
Total	−9%	−3%	+4%	+1%	−2%	−3%	+2%	−0%

Japan: Diversified Growth Drivers Supported Resilient Growth and Profitability

(Billion yen)	2025 1H	2026 1H	YoY Change	YoY %*
Net Sales	145.9	144.7	−1.2	−0.4%
Core Operating Profit	19.5	20.9	+1.4	+7.2%
Core OPM	13.3%	14.4%	-	＋1.1pts

Net Sales by Brand



Key Brand Net Sales Composition

Q2 Market

- Local: Modest growth continued
- Inbound: Chinese visitors continued to decline, market growth continued to moderate

Q2 Consumer Purchases

- －LSD%
  - <u>Local: +LSD%</u>
    - *ELIXIR and ANESSA:* Double-digit growth
    - *SHISEIDO* accelerated new consumer acquisition, performed strongly
    - *Clé de Peau Beauté* continued to face headwinds, while continuing efforts to rebuild its loyal customer base
  - <u>Inbound: －M-teen%</u>
    - Inbound customer base diversified further, particularly through visitors from Thailand, Taiwan, South Korea and other regions; decline narrowed

1H Net Sales & Core Operating Profit

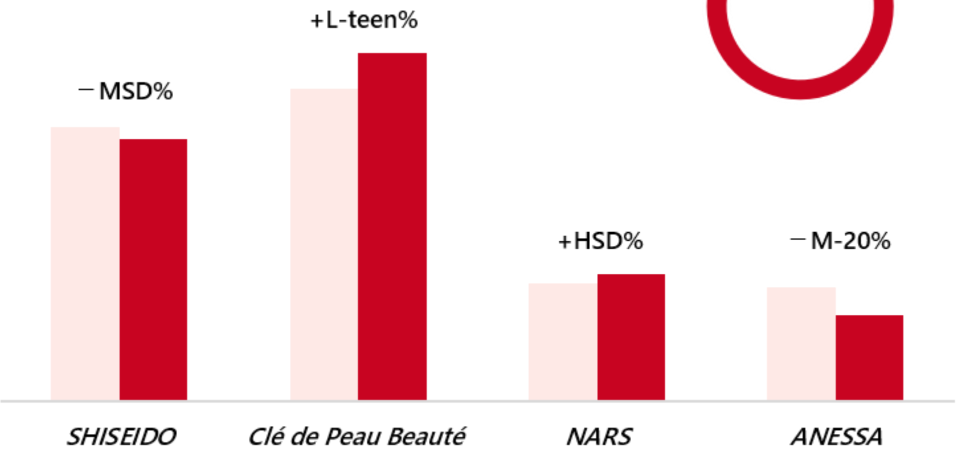
- Continued reductions in COGS and personnel expense ratios, along with increased marketing investments, drove steady and sustainable profitability improvement
- Profitability improved despite the decline in inbound sales

* Net Sales YoY% means Net Sales YoY LfL%

China & Travel Retail: Profitability Improved as China Returned to Growth and Gained Market Share on Strong 618 Performance

(Billion yen)	2025 1H	2026 1H	YoY Change	YoY %*
Net Sales	173.9	191.4	+17.5	−0.1%
Core Operating Profit	38.8	47.6	+8.8	+22.7%
Core OPM	22.1%	24.6%	-	+2.5pts

Net Sales by Brand



Key Brand Net Sales Composition

Q2 Market

- China: The overall prestige market demonstrated solid growth
- Travel Retail: Negative impact continued with ongoing concession realignment in Chinese Mainland

Q2 Consumer Purchases

- China: +LSD% Offline: +MSD% EC: +LSD%
  - 618 performance benefited from focused investments in hero products
  - *Clé de Peau Beauté* and *NARS* accelerated, *ANESSA*'s decline narrowed
- Travel Retail: −HSD%
  - Chinese Mainland: Revenue remained impacted by concession realignment, with a moderating decline
  - Hainan: Recovery momentum continued

1H Net Sales & Core Operating Profit

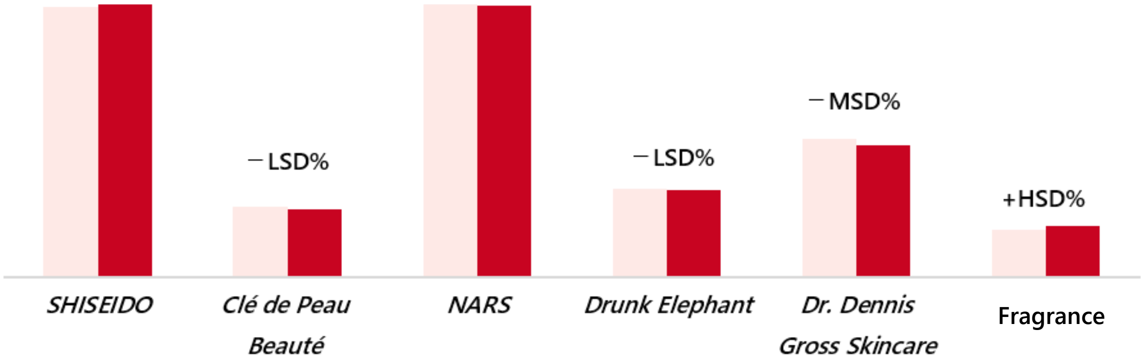
- Strengthening price discipline across brands
- Profit increased through improved labor productivity etc.

* Net Sales YoY% means Net Sales YoY LfL%

Americas: Advancing Toward Full-Year Profitability, Supported by Improving E-Commerce Trends

(Billion yen)	2025 1H	2026 1H	YoY Change	YoY %[*1]
Net Sales	51.5	54.6	+3.1	−0.9%
Core Operating Profit	−5.8	2.0	+7.8	-
Core OPM	−10.8%	3.6%	-	+14.3pts

Net Sales by Brand



Key Brand Net Sales Composition

Q2 Market[*2]

- Maintained growth

Q2 Consumer Purchases[*3]

- －LSD%　Channel mix transformation continued to progress
  - Offline: －HSD% (Q1: －HSD%)
    - Continued focus on efficiency and prioritization of key states and retail partners
    - *NARS*: declined; decisive measures taken, including channel selection review
    - *SHISEIDO*: Continued strong performance on Vital Perfection and Suncare
  - E-commerce: +HSD% (Q1: +LSD%)
    - Led by *SHISEIDO*
    - Growth from *Drunk Elephant* and *Dr. Dennis Gross Skincare*

1H Net Sales & Core Operating Profit

- COGS ratio improved, led by reversal of inventory provisions
- Structural reform benefits continued to materialize, particularly in personnel and other expenses

*1 Net Sales YoY% means Net Sales YoY LfL% *2 Prestige market *3 Data coverage: U.S. and Canada

Asia Pacific: Growth Reaccelerated in Q2, Sustained Momentum in Korea and Vietnam
EMEA: Net Sales Recovered in Q2, with Growth Expected in 2H Driven by a Strong Innovation Pipeline

Asia Pacific

(Billion yen)	2025 1H	2026 1H	YoY Change	YoY%[*1]
Net Sales	33.7	37.1	+3.4	+2.1%
Core OP	−0.1	2.2	+2.4	-
Core OPM	−0.4%	5.9%	-	+6.3pts

Q2 Market[*2] Accelerated across major countries and regions, including Taiwan

Q2 Consumer Purchases[*3] +MSD%

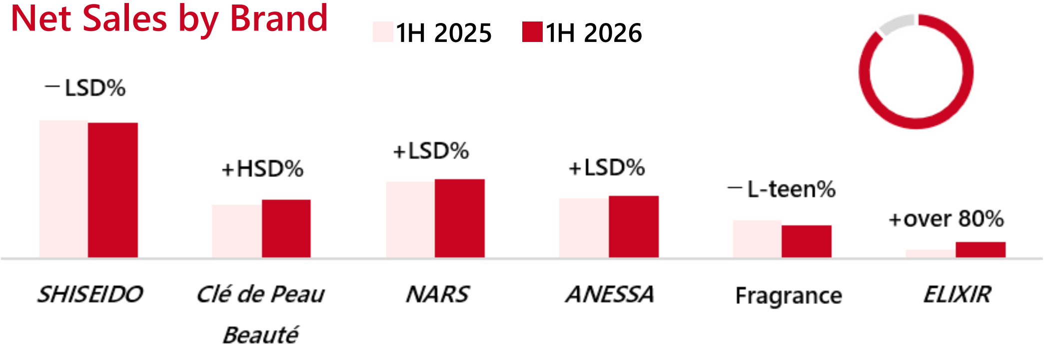
- E-commerce grew by +H-teen%, with channel mix transformation continued
- *ELIXIR* delivered outstanding growth, scaling a proven growth model from Japan

1H Net Sales & Core Operating Profit

- Gross profit expanded, driven by South Korea, Vietnam and other key markets
- Enhanced marketing efficiency and cost management

Key Brand Net Sales Composition

Net Sales by Brand



EMEA

(Billion yen)	2025 1H	2026 1H	YoY Change	YoY%[*1]
Net Sales	59.5	66.9	+7.4	−1.2%
Core OP	−2.6	−3.4	−0.8	-
Core OPM	−4.1%	−4.8%	-	−0.7pts

Q2 Market[*2] Continued Modest Growth

Q2 Consumer Purchases[*4] +LSD%

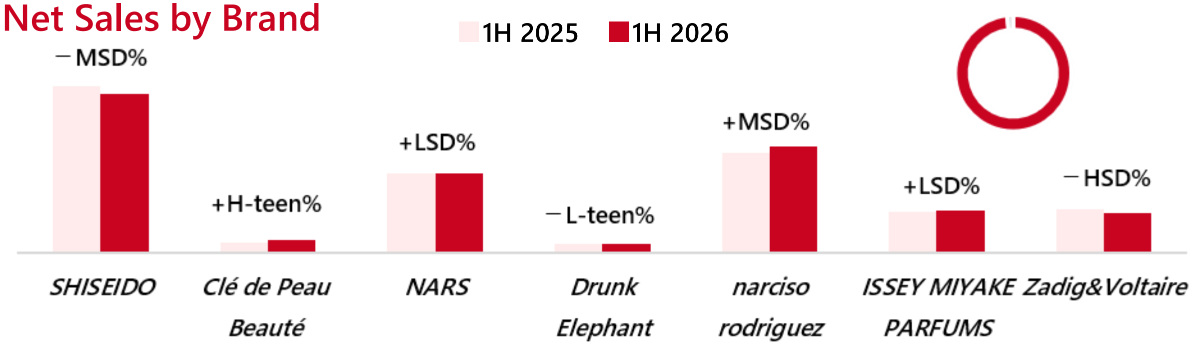
- Fragrances, led by *narciso rodriguez*, gained further momentum and continued to expand market share
- Skincare continued to face a highly competitive environment
- E-commerce led growth, while optimization of the offline footprint continued

1H Net Sales & Core Operating Profit

- 1H profitability reflected upfront investments to support future growth, aiming to recover profits in 2H

Key Brand Net Sales Composition

Net Sales by Brand



*1 Net Sales YoY% means Net Sales YoY LfL% *2 Prestige market *3 Data coverage: 10 countries and regions in Asia and Oceania, including Taiwan, South Korea, and Thailand *4 Data coverage: France, UK, Germany, Italy and Spain

Full-Year Outlook Unchanged: Monitoring Sales Risks While Leveraging a Stronger Profit Structure to Deliver Sustainable Earnings Growth

- **1H Results:**
  - Net Sales: Below plan; intensified competition in EMEA and Americas, and continued challenges in selected brands
  - Core Operating Profit: Above plan; supported by Group-wide cost management and FX

- **Full-Year Outlook: Increased investments in 2H to accelerate top-line growth, while targeting Core Operating Profit above plan**

（+） Accelerating growth through targeted resource reallocation
（+） Group-wide cost discipline
（+） Favorable FX impact from yen depreciation
（−） Downside sales risk in EMEA and Americas
（−） Continued uncertainty in China and Travel Retail

Delivering on Our Commitments

Growth Strategy Progress: Further Acceleration Ahead

2030 Medium-Term Strategy Overview:
Accelerate the Creation of Corporate and Social Value Built on Our Strengths

Materiality	Strategic Pillars	Initiatives			
Lifelong QOL improvement through diverse “power of beauty”	Pillar 1: Accelerate growth with brand power	Grounded in our strengths: identify focus categories and build the portfolio			Enhance value communication: build deeper connections with consumers
		1) Maximize innovation by leveraging technological strengths	2) Accelerate growth by expanding our global reach	3) Create new markets through expansion into new categories and domains	
Resilient management foundation building	Pillar 2: Evolve global operations	Global-wide optimization across the value chain	Strategic use of digital technologies and AI	Advancement of the matrix organization	
Our people and organizations to create beauty value Harmonization with nature (Circular Product Lifecycle Design)	Pillar 3: Drive sustainable value creation	Enhanced talent development and corporate culture	Create social value through DE&I	Address social issues through appropriate environmental actions	

Implementing Brand-Centric Growth Strategy

SHISEIDO: Reigniting Growth through Premiumization and Brand Equity Rebuilding

SHISEIDO
GINZA TOKYO

Net Sales YoY   Q1 −4%, Q2 −1% / 1H −3%

- Rebuilding consistent brand equity globally: Improving growth momentum via focused investment in hero products such as ULTIMUNE and Vital Perfection
- Acquiring new and next-generation consumers across Japan and Asia through global ambassadors
- China & Travel Retail: Decisive transformation of the product portfolio toward quality growth

2H Growth Drivers

- Additional focused investment in hero products
- New products featuring our Bold Science / Technology*: New Foundation Serum, Vital Perfection Serum

* A highly competitive technology that underpin core brand value and can be broadly leveraged across multiple brands

Clé de Peau Beauté: Solidifying Equity as a Science-Driven Luxury Brand

Net Sales YoY Q1 −2%, Q2 +6% / 1H +2%

- Driving growth through hero products and a new brightening serum featuring Bold Science / Technology
- Enhancing our brand equity through science-based communication
- Japan: Proven new consumer acquisition via mini-size products; solidifying loyalty as the top priority going forward
- China & Travel Retail: Driving strong hero product growth while maintaining distribution discipline

2H Growth Drivers

- Accelerating momentum with new products
- Japan: Rebuilding robust loyal user base by strengthening promotion and cross-selling

NARS: Accelerating Growth through Prioritized Investment

Net Sales YoY Q1 +7%, Q2 −1% / 1H +3%

- New product Natural Matte Longwear Foundation (NMLF) missed expectations
- Driving core line growth through synergies and strengthening the foundation category
- China & Travel Retail : Strong, category-wide growth
- Americas: Sustained strong momentum of ULTA

2H Growth Drivers

- Lifting the entire complexion category, including recovery of NMLF
- Americas: Promotional initiatives of the brand's flagship ORGASM series

ELIXIR: Reliable Engine for Sustainable Growth

ELIXIR

Net Sales YoY Q1 +4%, Q2 +10% / 1H +7%

- Concentrated investment in 5 hero products on collagen science driving growth
- Brightening Lotion/Emulsion renewal & new Tone-Up UV shade leading expansion
- Capturing a diversified global tourist demand by strengthening both pre-travel and during travel engagement
- Asia Pacific: Driving breakthrough growth through open-channel expansion and strong brand equity

2H Growth Drivers

- Strengthening promotion of existing hero products and boosting cross-selling
- V cream renewal featuring our Bold Science / Technology, further expanding the category

Fragrances: Scaling a Profitable Growth Model

Net Sales YoY Q1 −9%, Q2 +12% / 1H +1%

- Successful annual mega-launch strategy combined with fragrance portfolio expansion
- Expanded our share in the overall EMEA fragrance while improving profitability
- *narciso rodriguez:* Strong performance of new launches driving market-outperforming growth across regions
- *ISSEY MIYAKE PARFUMS*: Successfully capturing new target demographics with new product launch
- Strengthening brand equity via innovation, premiumization and digitalization

2H Growth Drivers

- Global simultaneous launch of *MaxMara* 1st Fragrance
- Accelerating momentum through continued investment in the successful 1H model
- *Zadig&Voltaire* geographic roll out

Transforming Innovation into Growth: Sustainable and Repeatable Growth Model

One-off hits

Repeatable growth: scaling proprietary technologies across brands and markets

- Creating new value rolling out Bold Science / Technology*1
- Science-Driven Value Communication for Consumers
- Boosting cross-selling through franchise building & SKU expansion
- Scaling success models globally and across brands

Growth model of Foundation Serum

2023
- Launching REVITALESSENCE SKIN GLOW Foundation
- Featuring the Serum First Technology*2

2024
- Starting Foundation Serum communication
- Launching REVITALESSENCE SKIN GLOW Primer

2025
- Launching REVITALESSENCE Loose Setting Powder
- Strengthening global sales

2026 2H
- Launching REVITALESSENCE SKIN MATTE Foundation

*1 A highly competitive technology that underpin core brand value and can be broadly leveraged across multiple brands
*2 Our proprietary technology that encapsulates foundation ingredients within a serum. For SHISEIDO, it is featured in REVITALESSENCE SKIN GLOW Foundation and REVITALESSENCE SKIN MATTE Foundation

2026 New Product Innovation: Accelerating 2H Growth through the Rollout of Bold Science / Technology

Company-Wide Bold Science / Technology | Existing | New

	1H	2H
Skincare		*Clé de Peau Beauté* Cream Supreme  *Drunk Elephant* Kamo Drops   *ELIXIR* Total V Cream 
Suncare		
Makeup		*SHISEIDO* Foundation Serum 
Fragrances		  *MaxMara* Fragrance

China & Travel Retail: Driving Quality Growth by Leveraging Consumer Trends

- **Shifting the product portfolio toward high-function premiumization**
  - Expanding the loyal user base and driving profitable growth by shifting resources to hero products
  - Nurturing next-generation hero products as future growth pillars

- **Elevating brand equity through marketing and consumer experience**
  - Strengthening ROI discipline and reducing discount reliance
  - Strengthening science- and tech-backed value proposition aligned with shifting consumer preferences toward essential value
  - Maximizing LTV by enhancing offline-exclusive treatment services and personalized experiences

- **Optimizing distribution control & channel structure**
  - Strengthening distribution and pricing discipline across China & Travel Retail
  - Stabilizing Travel Retail following concession realignment

Americas: On Track for Profitability in 2026, Transitioning to Growth Phase

Phase 1:
Structural reform

- **Steadily progressing toward profitability in 2026**
  - Structural reform effects: ¥7.5 bn in 2026
  - Cost reductions driven by EMEA/Americas synergies: Centralized indirect procurement and standardized content creation

Phase 2:
Focused investment in priority areas and maximization of outcomes

- **Focusing on winning strategies**
  - **Focusing on the top 3 brand–retailer combinations, "Power Duos"**
    - Establishing a dedicated end-to-end team spanning marketing to supply chain to accelerate execution
    - Launching retailer-exclusive products and joint promotional initiatives
  - **Expanding online sales share**
    - Accelerating Amazon growth: Ensuring brand equity and profitability through strict pricing discipline, with brand expansion
    - Strengthening engagement: Driving new customer acquisition, cross-channel traffic and conversion through optimized social media and brand integration
- ***Drunk Elephant* turnaround**
  - Launching the new product Kamo Drops in 2H and promoting cross-selling

Driving Corporate Value Through Execution and Delivering Tangible Results

Strategic Pillar 1
Accelerate Growth with Brand Power

Value-Creation Capability: Maximizing innovation

- Transitioning to an innovation-driven growth model via cross-brand rollout of Bold Science / Technology
- Advancing R&D sophistication and shortening product development lead times through AI

Value-Communication Capability: Maximizing marketing ROI

- Strengthening One Team alignment between brands and regions through dual reporting lines, while building a company-wide MROI foundation
- Strengthening marketing strategies to outpace market growth

Strategic Pillar 2
Evolve Global Operations

- Establishing the new reporting lines and building rules and infrastructure for brand and SKU optimization
- Accelerating execution speed and enhancing quality under clarified governance and defined roles

Strategic Pillar 3
Drive Sustainable Value Creation

- Introducing and embedding the corporate value The Shiseido Way across the entire Group
- Transforming our corporate culture to continuously learn from challenges and embrace new trials

一瞬も 一生も 美しく

In every moment, in every life
Beauty

Supplemental Data 1: Q2 Net Sales and Core Operating Profit by Reportable Segment

Top: Net Sales Bottom: Core OP (Billion yen)	2025 Q2	% of Net Sales/ Core OPM %	2026 Q2	% of Net Sales/ Core OPM %	YoY Change	YoY Change %	YoY FX-Neutral %	YoY LfL %
Japan	71.7	29.7%	73.5	27.5%	+1.8	+2.5%	+2.5%	+2.9%
	8.2	11.3%	10.5	14.3%	+2.3	+28.5%	-	-
China & Travel Retail	99.0	41.0%	113.1	42.4%	+14.1	+14.2%	+0.9%	+0.9%
	25.5	25.6%	31.9	28.0%	+6.4	+25.2%	-	-
Asia Pacific	16.6	6.9%	19.0	7.1%	+2.4	+14.7%	+5.1%	+5.3%
	−0.0	−0.3%	1.7	8.9%	+1.8	-	-	-
Americas	24.3	10.0%	25.0	9.4%	+0.7	+3.0%	−7.6%	−7.6%
	−4.0	−15.6%	1.7	6.5%	+5.7	-	-	-
EMEA	27.9	11.6%	34.3	12.9%	+6.4	+22.9%	+8.6%	+8.6%
	−2.1	−7.3%	−1.8	−4.8%	+0.4	-	-	-
Other	2.1	0.9%	2.1	0.8%	−0.1	−2.5%	−3.8%	+61.6%
	−1.0	−38.0%	0.5	19.8%	+1.5	-	-	-
Adjustment	-	-	-	-	-	-	-	-
	−11.4	-	−13.2	-	−1.8	-	-	-
Total	241.6	100%	267.0	100%	+25.4	+10.5%	+1.7%	+2.1%
	15.1	6.3%	31.4	11.8%	+16.3	+107.7%	-	-

Supplemental Data 2: 1H Net Sales and Core Operating Profit by Reportable Segment

Top: Net Sales Bottom: Core OP (Billion yen)	2025 1H	% of Net Sales/ Core OPM %	2026 1H	% of Net Sales/ Core OPM %	YoY Change	YoY Change %	YoY FX-Neutral %	YoY LfL %
Japan	145.9	31.0%	144.7	29.0%	−1.2	−0.8%	−0.8%	−0.4%
	19.5	13.3%	20.9	14.4%	+1.4	+7.2%	-	-
China & Travel Retail	173.9	37.0%	191.4	38.4%	+17.5	+10.0%	−0.1%	−0.1%
	38.8	22.1%	47.6	24.6%	+8.8	+22.7%	-	-
Asia Pacific	33.7	7.2%	37.1	7.4%	+3.4	+10.1%	+1.9%	+2.1%
	−0.1	−0.4%	2.2	5.9%	+2.4	-	-	-
Americas	51.5	11.0%	54.6	10.9%	+3.1	+6.0%	−0.9%	−0.9%
	−5.8	−10.8%	2.0	3.6%	+7.8	-	-	-
EMEA	59.5	12.7%	66.9	13.4%	+7.4	+12.4%	−1.2%	−1.2%
	−2.6	−4.1%	−3.4	−4.8%	−0.8	-	-	-
Other	5.4	1.1%	4.4	0.9%	−1.0	−19.1%	−20.0%	+6.2%
	−0.9	−13.5%	−0.2	−3.5%	+0.7	-	-	-
Adjustment	-	-	-	-	-	-	-	-
	−25.5	-	−24.8	-	+0.7	-	-	-
Total	469.8	100%	499.0	100%	+29.1	+6.2%	−0.6%	−0.2%
	23.4	5.0%	44.4	8.9%	+21.1	+90.1%	-	-

Supplemental Data 3: Q2 Brand Sales by Region

YoY Change %*		Global Net Sales Composition	Global	Japan	China & Travel Retail	Asia Pacific	Americas	EMEA
Core	*SHISEIDO*	23%	−1%	+MSD%	−MSD%	−LSD%	−MSD%	+HSD%
	Clé de Peau Beauté	20%	+6%	−HSD%	+L-teen%	+HSD%	+HSD%	+over 40%
	NARS	11%	−1%	−M-teen%	+HSD%	+LSD%	−H-teen%	+MSD%
Next	*ELIXIR*	7%	+10%	+HSD%		+over 50%		
	ANESSA	8%	−6%	+LSD%	−L-teen%	+HSD%		
	Fragrance	8%	+12%			+over 30%	+H-teen%	+L-teen%
	Dr. Dennis Gross Skincare	1%	−5%				−MSD%	
Emerging	*BAUM*	0%	−0%	+LSD%				
	d program	1%	+1%	+LSD%				
Turnaround	*Drunk Elephant*	1%	−9%				−HSD%	+H-teen%
	IPSA	2%	−4%	−LSD%	−LSD%			

*YoY of net sales is shown only for major regions of the brand

Supplemental Data 4: 1H Brand Sales by Region

YoY Change %*		Global Net Sales Composition	Global	Japan	China & Travel Retail	Asia Pacific	Americas	EMEA
Core	*SHISEIDO*	23%	−3%	+MSD%	−MSD%	−LSD%	+LSD%	−MSD%
	Clé de Peau Beauté	20%	+2%	−H-teen%	+L-teen%	+HSD%	−LSD%	+H-teen%
	NARS	12%	+3%	−HSD%	+HSD%	+LSD%	−LSD%	+LSD%
Next	*ELIXIR*	7%	+7%	+MSD%		+over 80%		
	ANESSA	7%	−10%	+L-teen%	−M-20%	+LSD%		
	Fragrance	8%	+1%			−L-teen%	+HSD%	+LSD%
	Dr. Dennis Gross Skincare	2%	−5%				−MSD%	
Emerging	*BAUM*	0%	+3%	+MSD%				
	d program	1%	−7%	−HSD%				
Turnaround	*Drunk Elephant*	1%	−12%				−LSD%	−L-teen%
	IPSA	2%	−7%	−L-teen%	−LSD%			

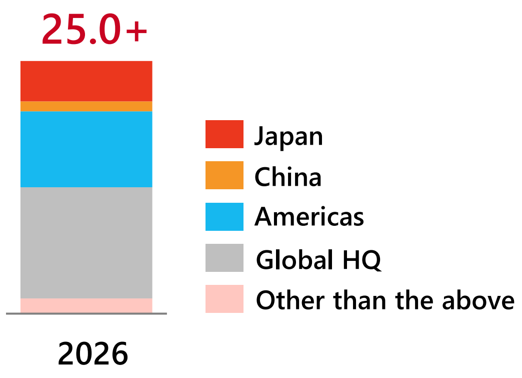
*YoY of net sales is shown only for major regions of the brand

Supplemental Data 5: Progress on Global Cost Structure Transformation

Structural reform benefits continued to materialize, further strengthening the foundation supporting our growth strategy

(Billion yen)

		2026	
		1H(results)	FY(plan)
COGS	• Selection and concentration of brands and SKUs, strategic price increases • Optimize factory production line efficiency, etc.	4.0	7.0
Marketing Investments	• Optimize promotional costs, increase marketing ROI • Expand local production and improve operational efficiency of samples	1.0	1.0
Personnel Expenses	• Optimize organization structure, improve productivity • Streamline corporate functions to enhance operational efficiency, etc.	6.0	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.	5.0	9.0
Total		16.0	25.0+



Supplemental Data 6: Non-recurring Items

(Billion yen)	2025				2026			
	Q1	Q2	1H	FY	Q1	Q2	1H	FY (Forecast)
Core Operating Profit	8.3	15.1	23.4	44.5	13.0	31.4	44.4	69.0
Structural Reform Expenses	−0.8	−4.0	−4.8	−20.6	−0.7	−1.3	−2.0	
Impairment Losses / Reversals	0.0	−0.0	−0.0	−51.3	−0.0	0.0	−0.0	
Acquisition-related Costs	−0.0	−0.0	−0.0	−0.0	-	-	-	
Other	−0.3	−0.2	−0.4	−1.4	-	−0.5	−0.5	
Non-recurring Items	−1.0	−4.2	−5.3	−73.3	−0.7	−1.8	−2.5	−10.0
Operating Profit	7.2	10.9	18.1	−28.8	12.3	29.6	41.9	59.0

Supplemental Data 7: Overview of Assets Associated with Key M&A Transactions

- **Americas Business**
  - **Goodwill**
    - Recognized a goodwill impairment loss 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 a provision of 12.8 billion yen as finance costs
    - Subordination confirmed based on FY2025 results; no additional provisions required as previously recognized in FY2024
    - Remain committed to maximizing the recoverable amount of the seller note

(Billion yen)		2024-end	2025-end	Q2 2026-end
Americas Business (cash-generating unit[*2])	Goodwill (Americas)	58.4	9.7	Disclosed at year-end
	Trademarks (*Drunk Elephant*)	47.1	47.0	
	Trademarks (*Dr. Dennis Gross Skincare*)	18.8	18.8	
	Long-term loans receivable (seller note[*1])	43.1	47.8	
Goodwill (EMEA)		13.2	13.3	
Goodwill (China & Travel Retail)		20.1	20.1	
Goodwill (Consol.)		108.0	58.8	60.9
Trademarks (Consol.)		71.8	71.1	Disclosed at year-end

*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 From the perspective of resource allocation and performance evaluation, cash-generating units are defined by segment rather than by brand. Impairment tests were conducted on the trademarks for *Drunk Elephant* and *Dr. Dennis Gross Skincare* as part of the Americas cash-generating unit.

SHISEIDO