

October 17, 2005

Notice of Revision of Earnings Estimate
for the First Half Ended September 30, 2005

Shiseido Company, Limited

Listing: Tokyo Stock Exchange, First Section Code Number: 4911

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Shiseido Company, Limited (the "Company") has revised its earnings estimate for the first half of the fiscal year ending March 2006 (April 1, 2005 to March 31, 2006) as announced on April 27, 2005 in the Statement of Accounts (non-consolidated) and July 28, 2005 in the First Quarter Results (consolidated), based on the trend of recent performance and other reasons. The revised estimate is shown below.

1. Revised Earnings Estimate for the First Half Ended September 30, 2005
(April 1, 2005—September 30, 2005)

(1) Consolidated Earnings Estimate

(Millions of yen, %)

	Net Sales	Ordinary Income	Net Interim Income
Previous Estimate (A) (Announced on July 28, 2005)	328,000	18,000	4,500
Revised Estimate (B)	330,000	24,500	10,000
Difference (B-A)	2,000	6,500	5,500
Percentage Change (%)	+0.6	+36.1	+122.2
Results for Previous Corresponding Term (First Half Ended Sept. 2004)	316,091	15,293	4,769

(2) Non-Consolidated Earnings Estimate

(Millions of yen, %)

	Net Sales	Ordinary Income	Net Interim Income
Previous Estimate (A) (Announced on April 27, 2005)	119,000	6,500	2,000
Revised Estimate (B)	124,500	10,500	4,500
Difference (B-A)	5,500	4,000	2,500
Percentage Change (%)	+4.6	+61.5	+125.0
Results for Previous Corresponding Term (First Half Ended Sept. 2004)	120,358	7,934	5,014

2. Reasons for the Revision

Interim net sales are estimated to have exceeded previous forecasts, due to an increase in domestic sales in the second quarter exceeding forecasts, centering on the toiletries business.

Income from operations is estimated to have exceeded previous forecasts, as a result of gross margin increase from the sales growth, decrease in cost of sales, decrease in personnel and administrative costs, and other reasons. In addition, net other income increased, due to an improvement in financial account balance. As a result, ordinary income and net interim income are estimated to have exceeded forecasts.

The Company plans to release the forecasts for the full year ending March 31, 2006 (consolidated and non-consolidated) at the announcement of interim settlement of accounts on October 27.