

March 31, 2006

## **Notice on Dissolution of a Subsidiary**

On March 31, 2006, Shiseido Co., Ltd. (the Company) announced that its Board of Directors has resolved to dissolve its subsidiary, SMB S.A.S., as described below.

### **1. Reason for Dissolution**

The Shiseido Group is presently undertaking its three-year management plan to maximize growth potential while improving profitability. As a part of its fundamental restructuring measures aimed at transforming itself into a more robust structure capable of generating profits steadily, the Company has resolved to dissolve this subsidiary.

### **2. Subsidiary Profile**

- (1) Company Name: SMB S.A.S.
- (2) Location: 79 Rue Marcel Dassault, 92100 Boulogne Billancourt, France
- (3) Representative: Keiichi Fujii
- (4) Business Activity: Sale and import/export of cosmetic products, chiefly focused on makeup
- (5) Establishment: April 2001
- (6) Capitalization: €2,286,735.26
- (7) Equity Ownership: Shiseido Co., Ltd. 99.9933%, Others 0.0067%

### **3. Dissolution Schedule**

- March 31, 2006 SMB S.A.S. Extraordinary general meeting of shareholders
- Around March 2007 Scheduled completion of liquidation

### **4. Future Outlook**

The above dissolution's impact on the Company's settlement of accounts for the fiscal year ending March 31, 2006 (consolidated/nonconsolidated) is estimated to be minimal.