

(Translation)

November 30, 2006

Notice of Dissolution of Subsidiary

Notice is hereby given that Shiseido Company, Limited (the "Company"), at the meeting of its Board of Directors held today, determined to dissolve its consolidated subsidiary Beijing Hua Zhi You Cosmetics Sales Center, which sells imported products, including cosmetics, in China, as described below:

Description

1. Reason for the dissolution:

The Company has promoted the expansion and acceleration of its business in China, its key overseas market, and as part of such efforts, focused on improving and strengthening its operating base there.

The Company has sold imported products in the Chinese market through Beijing Hua Zhi You Cosmetics Sales Center. However, Shiseido Liyuan Cosmetics Co., Ltd., a consolidated subsidiary of the Company, was awarded a license for selling and trading in imported products by the Ministry of Commerce of the People's Republic of China at the end of 2005 and its system of operations for that purpose has completely been established. Accordingly, the Company will dissolve Beijing Hua Zhi You Cosmetics Sales Center.

2. Outline of the subsidiary:

- (1) Company name: Beijing Hua Zhi You Cosmetics Sales Center
- (2) Location: No. 2, Hong Da Bei Road, Beijing Economic Technological Development Zone, Beijing, China
- (3) Representative: Zhanduo Tong (concurrently serving as Chairman and Vice President & CEO of Shiseido Liyuan Cosmetics Co., Ltd.)
- (4) Business activities: Import and sale of cosmetics, makeup tools, fragrances, etc. and consulting services
- (5) Establishment: October 1996
- (6) Capital: RMB500,000

3. Schedule of the dissolution:

Dissolution (liquidation) will be completed no later than December 2007.

4. Future outlook:

The dissolution will have no significant impact on the Company's (consolidated/non-consolidated) operating results for the fiscal year ending March 31, 2007.

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