

Announcement Regarding Dissolution of Sub-subsidiary

Shiseido Co., Ltd. (the Company) hereby announces that its Board of Directors resolved to dissolve its sub-subsidiary, Beauté Prestige International Co., Ltd. (hereinafter, "BPI Co., Ltd."), as stated below.

1. Reason of dissolution

Beauté Prestige International S.A. (hereinafter, "BPI SA"; head office: Paris, France; President: Remy Gomez), the Company's wholly owned subsidiary engaged in the development and sales of products including fragrances in the global market, has been marketing its products via BPI SA's sales subsidiary, BPI Co., Ltd., in the Japanese market.

The Company has made the decision regarding the dissolution as a part of structural reforms throughout the Shiseido Group, aimed at maximizing growth potential and improving profitability.

In the future, BPI SA's products will continue to be available via an import and sales agent handling fragrances and other products in the Japanese market.

2. Overview of subsidiary

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|------------------------|---|
| 1) Company name: | Beauté Prestige International Co., Ltd. (BPI Co., Ltd.) |
| 2) Address: | 7-5-5, Ginza, Chuo-ku, Tokyo |
| 3) Representative: | Remy Gomez (concurrently holds the post of President, Beauté Prestige International S.A.) |
| 4) Main business: | Import and sales of cosmetic products centering on fragrances |
| 5) Established: | June 1992 |
| 6) Capital: | ¥100 million |
| 7) Shareholding ratio: | Beauté Prestige International S.A. (BPI SA) 100% |

3. Time schedule for dissolution

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| December 14, 2007 | BPI Co., Ltd.'s Extraordinary General Meeting of Shareholders |
| End of December 2007 | Dissolution (plan) |
| Around April 2008 | Liquidation complete (plan) |

4. Future outlook

The impact of the aforementioned dissolution on Shiseido's business results in the year ending March 2008 is minimal (consolidated and non-consolidated basis).