

Aim for Further Heights

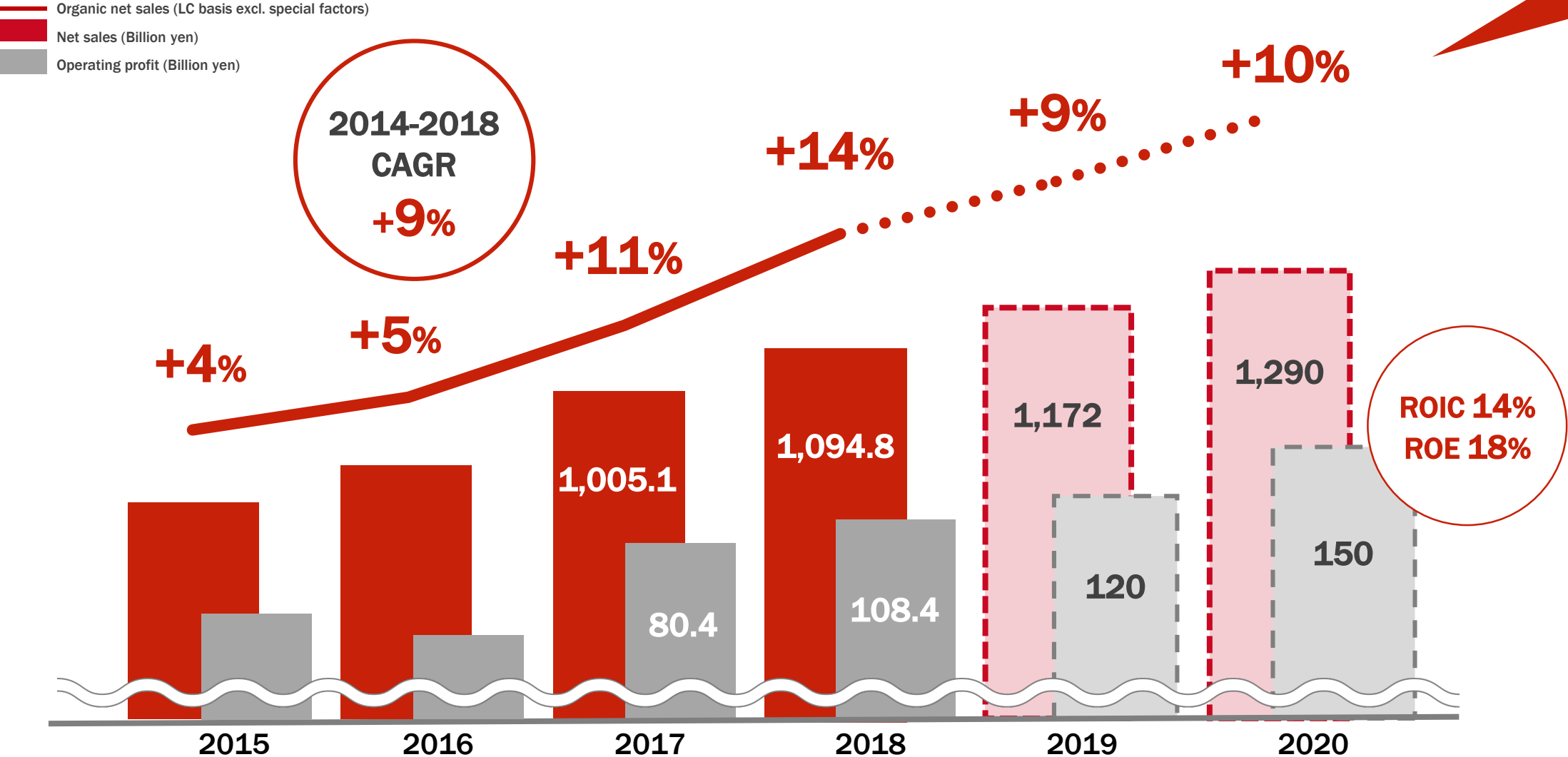
March 26, 2019

Masahiko Uotani

Representative Director,
President and CEO,
Shiseido Company, Limited



Achieve Sustainable Growth



* 2014 excludes the impact of the slump in demand after the consumption tax hike, market inventory optimization in China and Asia, and distribution center problems in the Americas.

2019 Targets

Net sales	¥1,172 billion	+9% YoY
Operating profit	¥120 billion	+11% YoY
Net profit attributable to owners of parent	¥75.5 billion	+23% YoY
Dividend (Plan)	¥60 (Annual)	

Marketing
investment
+¥36 Bn
(+13% YoY)



Be a Global Winner with Our Heritage

Long-Term Targets

Net sales
2 trillion yen

Operating profit
300 billion yen

Future Initiatives

1. Continue to develop global brands
2. Secure growth in Japan and China businesses
3. Improve profitability of Americas and EMEA businesses
4. Rebuild production and supply capacity
5. Enhance innovation and product development capability
6. Strengthen development of human resources and organizations
7. Increase enterprise value

Continue to Develop Global Brands



SHISEIDO
GINZA TOKYO



clé de peau
BEAUTÉ



IPSA



NARS



LAURA MERCIER
PARIS | NEW YORK



DOLCE & GABBANA

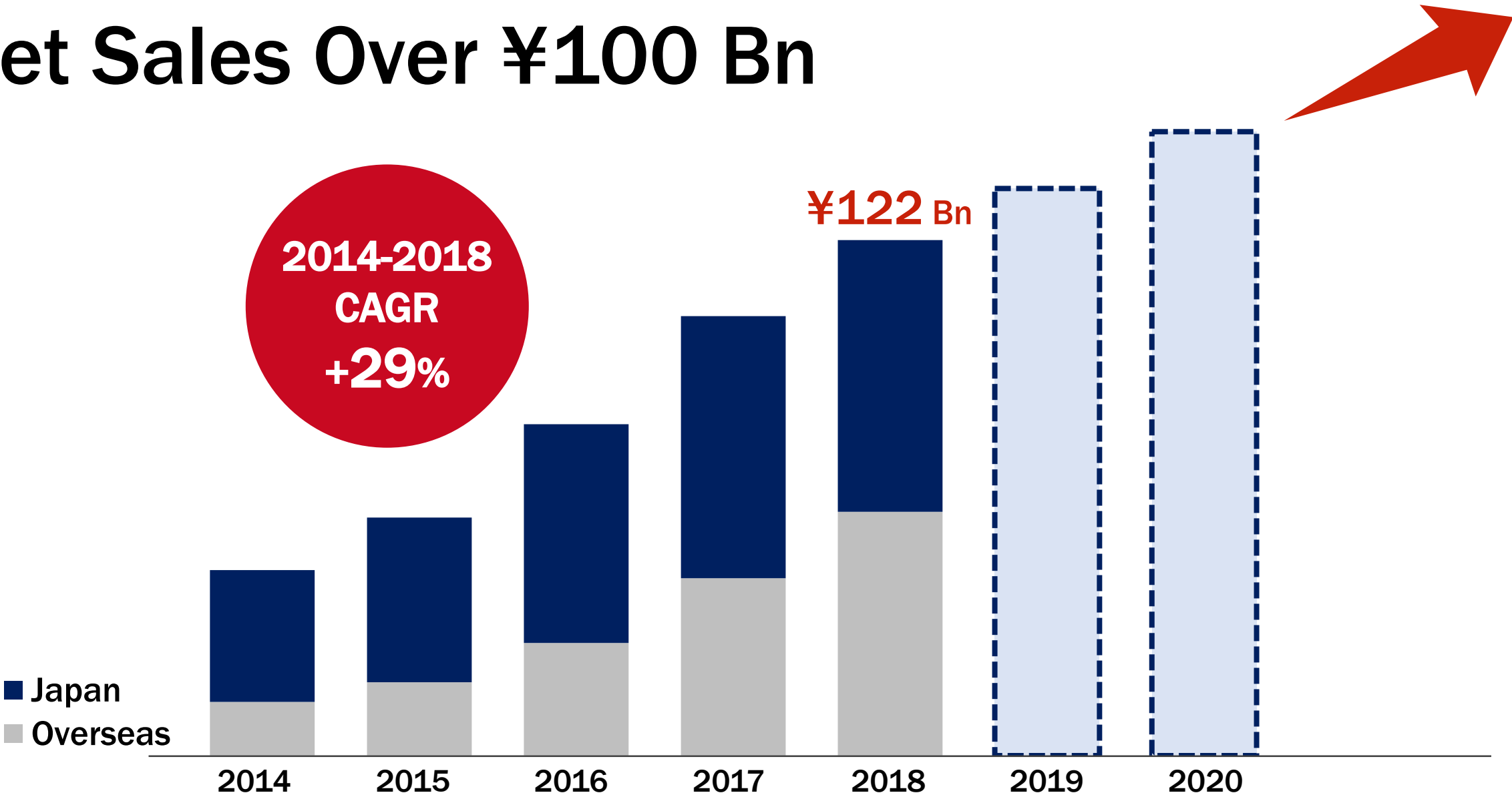


clé de peau
BEAUTÉ



Clé de Peau Beauté

Net Sales Over ¥100 Bn



clé de peau
BEAUTÉ

A NEW LIGHT. A BRILLIANCE RESTORED.
Timeless. Resilient. Transformative.

LA CRÈME | THE CREAM
Elementally powerful. Intensively proven.
Masterful multifaceted cream richly renews and revives.



UNLOCK THE POWER
OF YOUR RADIANCE

CLEDEPEAU-BEAUTE.COM



clé de peau
BEAUTÉ

ZHANG ZIYI
Global Brand Ambassador



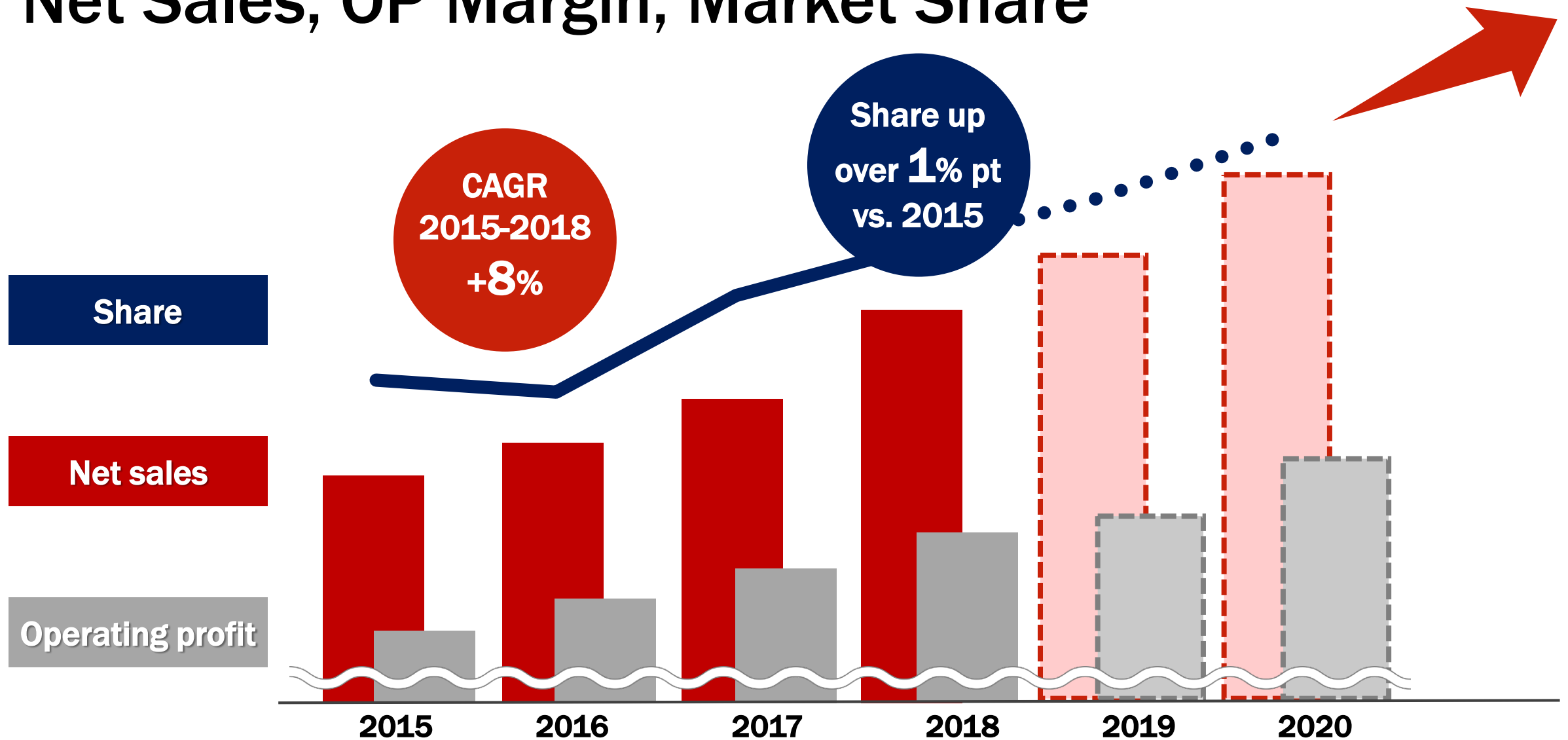
UNLOCK THE POWER
OF YOUR RADIANCE

clé de peau
BEAUTÉ



Japan: Significant Growth

Net Sales, OP Margin, Market Share



(Share: Shiseido research; estimate)

Enhance Three Skin-Related Categories



均一なハリで、
もっと「つや玉」。

あなたも、「つや玉」スキンケア。

NEW

肌を最高の味方に。エリクシール

ELIXIR

Two bottles of Elixir skin care products are shown at the bottom.

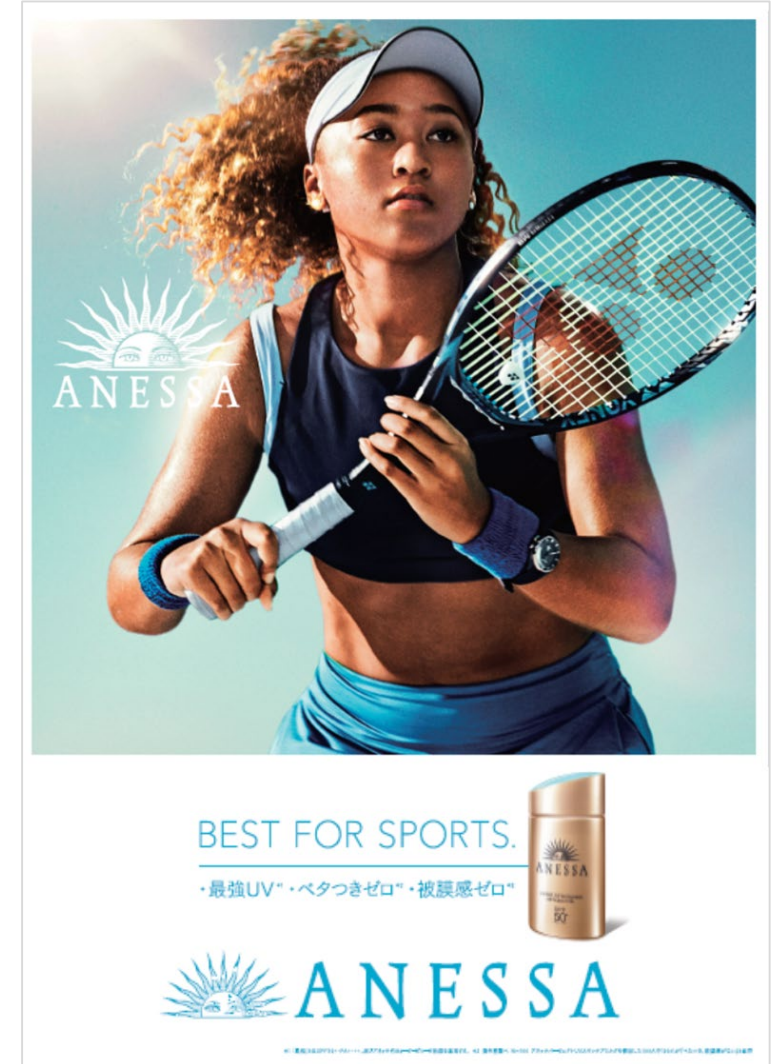


誕生、スキンケアまでできる
くずれ防止下地。

レディにしがれ。

MAQUILLAGE

A bottle of Maquillage skin care product is shown at the bottom.



BEST FOR SPORTS.

・最強UV⁺・ベタつきゼロ⁺・被膜感ゼロ⁺

ANESSA

A woman playing tennis is shown at the top, and a bottle of Anessa skin care product is shown at the bottom.





Good Presentation!!
GOOD JOB!





China: Sustainable Growth

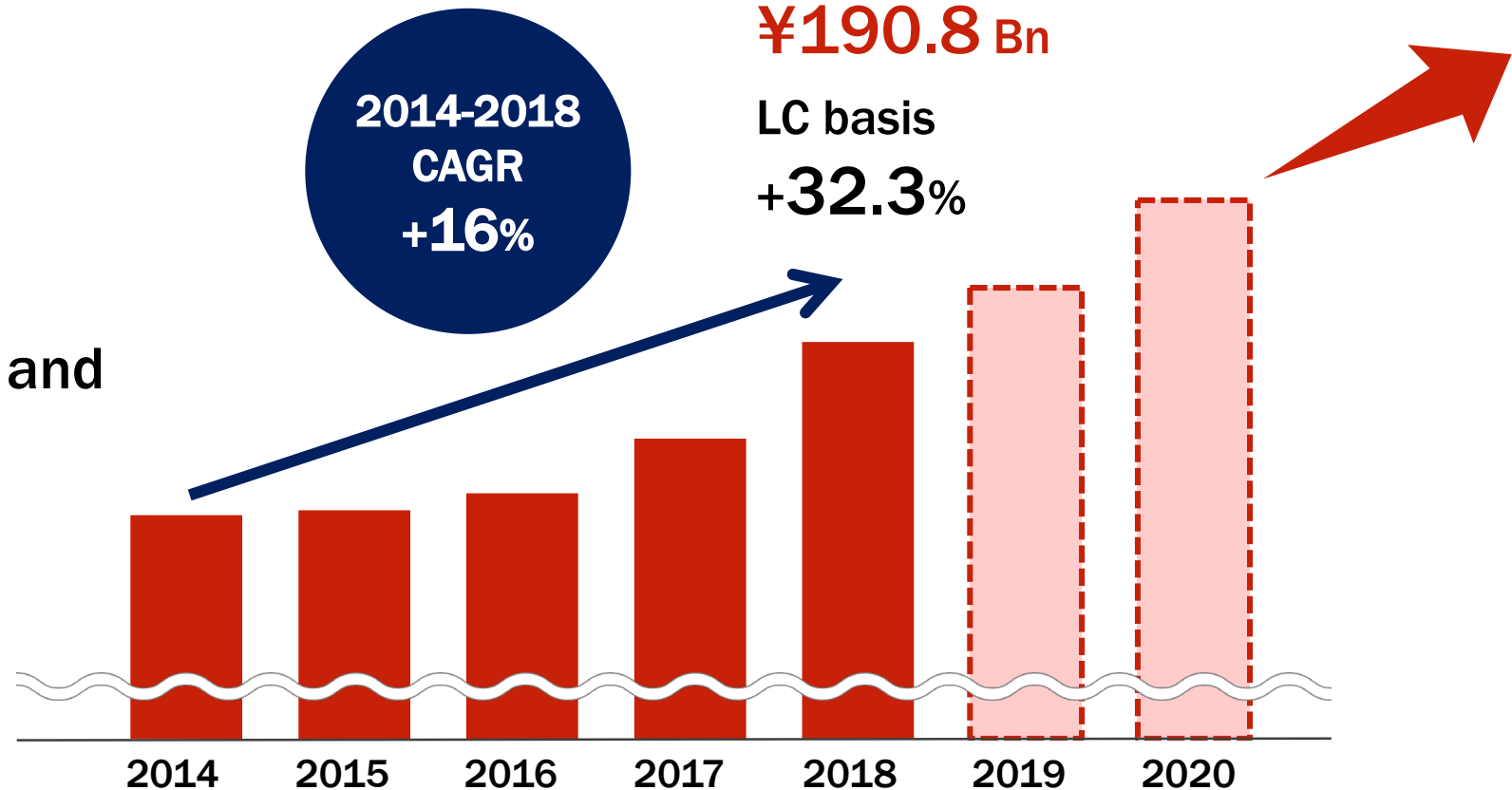
- Further strengthen brand marketing

- Product development and brand communication that reflects local characteristics

- Strengthen e-commerce

- Enhance digital marketing

- Develop human resources and organizations



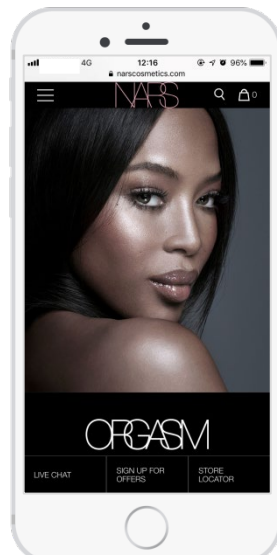
Improve Profitability of Americas and EMEA

Americas

- Rebuild bareMinerals
- Strengthen digital marketing
- Manage cost strictly



bareMinerals
THE POWER OF GOOD



EMEA

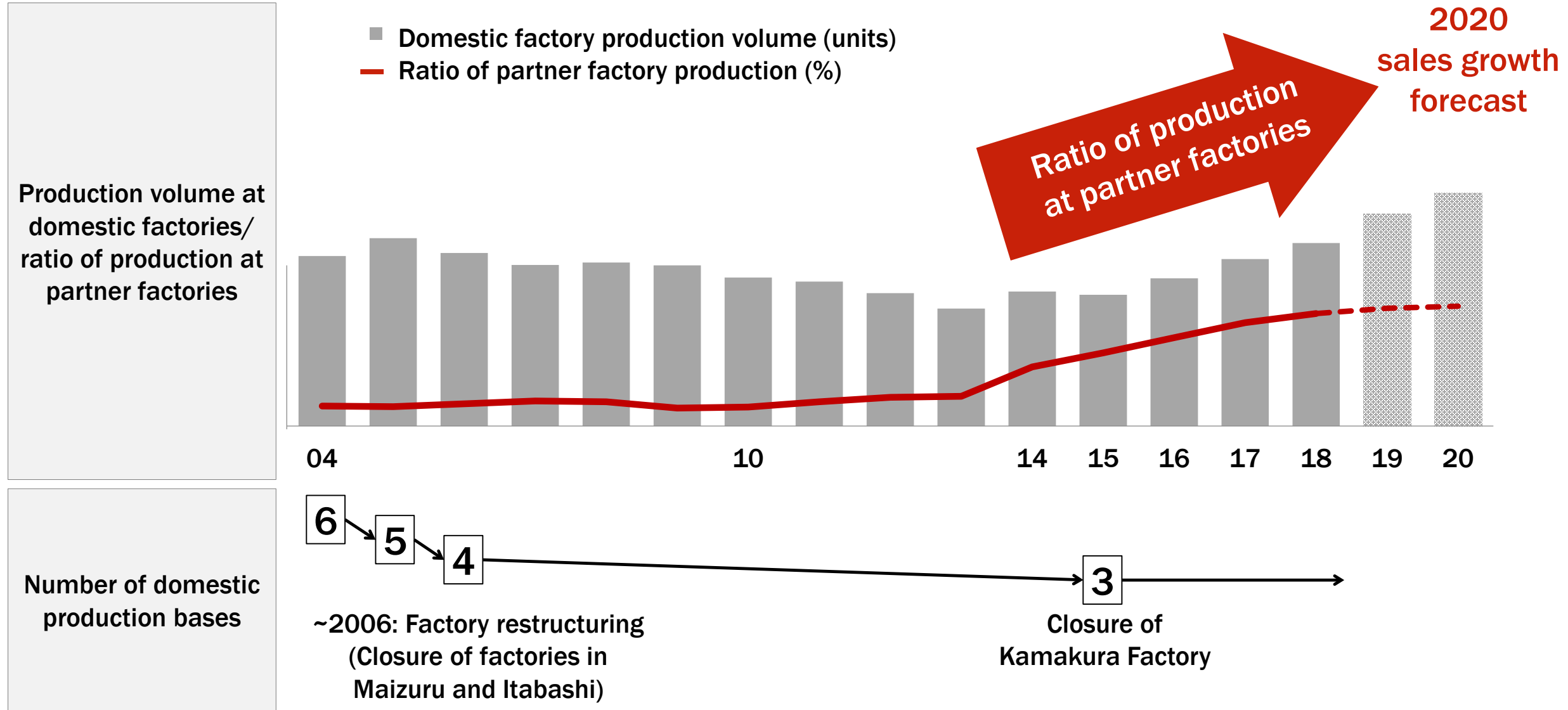
- Profit growth in skincare
- Strengthen Dolce&Gabbana
- Structural reforms in UK as largest market



Rebuild Production and Supply Capacity



Production at Domestic and Partner Factories



Expand to Six Domestic Factories



Osaka Ibaraki
(starting 2020 end)
Prestige
Skincare



Fukuoka Kurume
(starting 2021 end)
Cosmetics
Skincare

Osaka
Makeup
(esp. Foundation)



Nasu
(starting 2019 end)
Cosmetics
Skincare

Kakegawa
Makeup

Kuki
Sunscreen/
Personal Care

* Main products of each factory

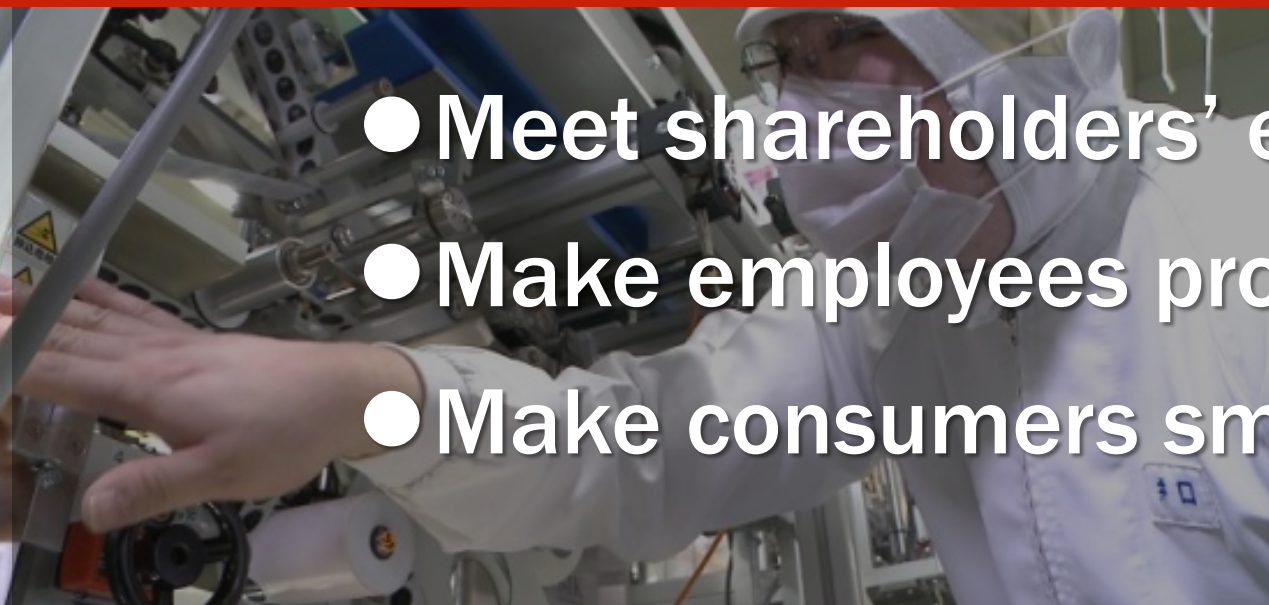
Towards a Better Work Environment





Make Japan-Quality Products Available to Consumers Around the World

- Meet shareholders' expectations
- Make employees proud
- Make consumers smile with our products



Complete New Research and Development Center

Global Innovation Center

Number of researchers: 2x



PEOPLE FIRST

Build the Future through Development of Diverse Human Resources



Further Promote Women's Empowerment

Female managers: Global 66% 2020 target
 Japan 32% → 40%



Board of Directors

Female directors and auditors: 45%



* Assuming approval at this General Meeting of Shareholders

Enhance Brand Value

31st Nikkei Corporate Image Survey “General Corporate Image” (Corporate image in the eyes of business people)

1st

TOYOTA

2nd

Google

3rd

FAST RETAILING

⋮

9th

SHISEIDO

(Up from 42nd
last year)

Top 100 Consumer Goods Companies (food & beverages, personal care products, cosmetics)

1st

Coca-Cola

2nd

pepsi

3rd

NESCAFÉ

⋮

34th

SHISEIDO
GINZA TOKYO

No. 1
Japanese
brand

(Euromonitor)



Increase
Enterprise Value

Economic value × Social value



SUSTAINABLE DEVELOPMENT GOALS

17 GOALS TO TRANSFORM OUR WORLD







Joy



Laughter



Grooming



Energy

Our Mission

BEAUTY INNOVATIONS FOR A BETTER WORLD



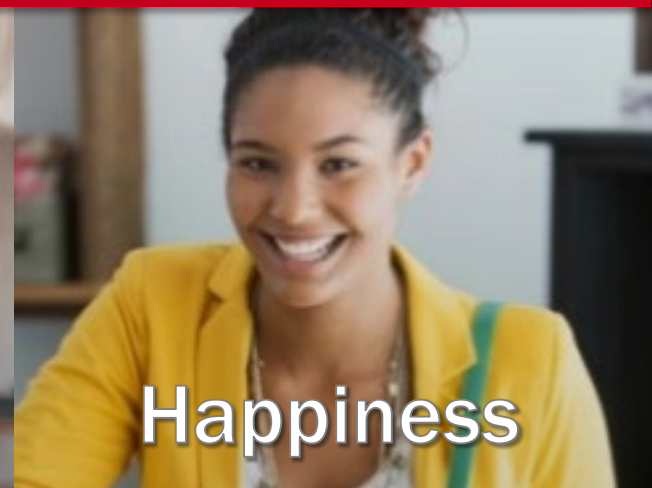
Commitment



Empowerment



Confidence



Happiness

SHISEIDO