



OUR MISSION is
BEAUTY INNOVATIONS
FOR A BETTER WORLD

To Be a Global Winner with Our Heritage

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President and COO

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SHISEIDO

Evolution of Shiseido

Founded **1872**

Distributed in **120** countries/regions

36,000 employees

100 nationalities



Where We Are in Our Journey

■ Net Sales

■ Operating Profit (Core Operating Profit)

Transformation of our brand portfolio

Medium-Term Strategy
SHIFT 2025 and Beyond

Business transformation to achieve sustainable
growth and improve profitability

15%

OP
Margin
10%

Core OP
Margin
4%

6%

9%

2019

2020

2021

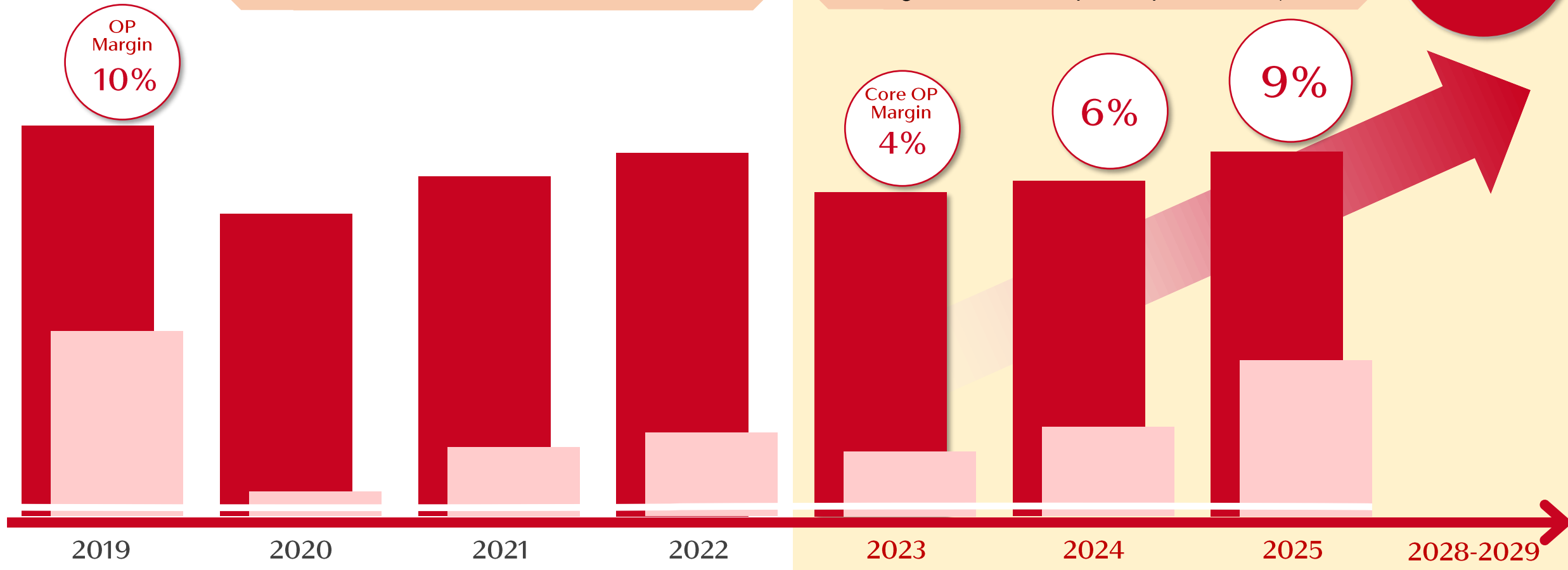
2022

2023

2024

2025

2028-2029



Global Cost Reduction Measures: Completing Main Actions in 2024 1H to Ensure Full Impact in 2025

2023	2024		2025
	Implementation	Full Impact	
Cost Improvement Impact	2024	2025	Total
Japan	8.0	17.0	25.0
COGS	3.0	2.0	5.0
Marketing and Other Expenses	2.0	8.0	10.0
Organizational Productivity	3.0	7.0	10.0
China	5.0	3.0	8.0
Travel Retail	1.0	1.0	2.0
Asia Pacific, Americas, EMEA, Other (Global HQ)	1.0+	4.0+	5.0+
Total	15.0+	25.0+	40.0+

(Billion yen)

Business Transformation

What need to be true?

- Engaged organization focused on profitable growth
- Different mind and different ways of thinking

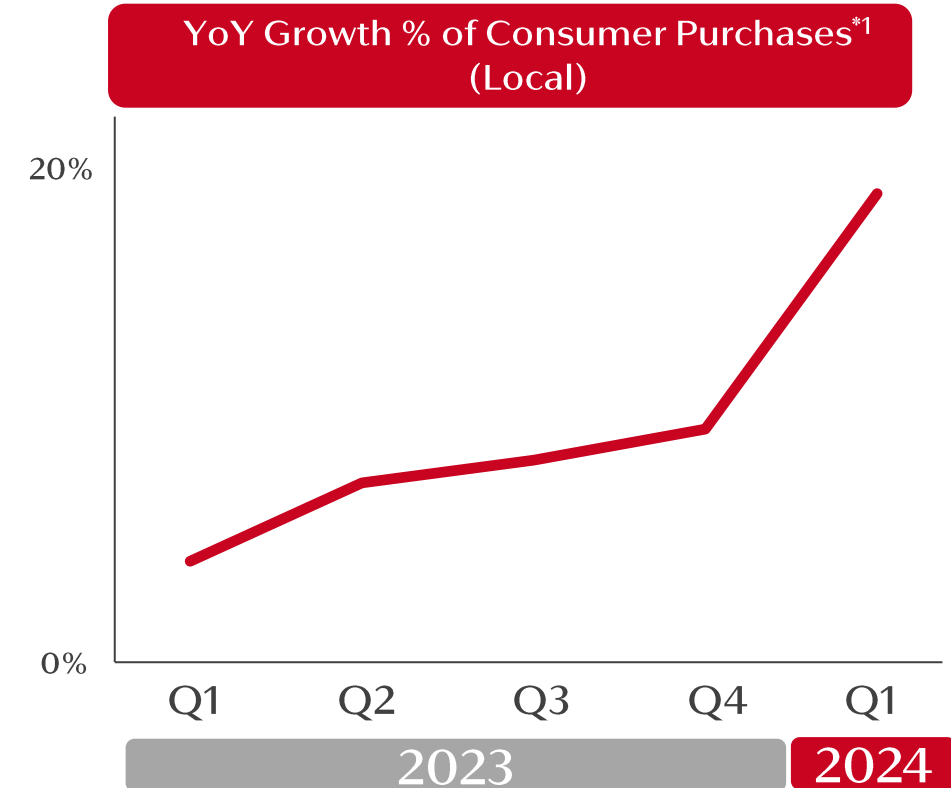
Japan: Growth Momentum Continues to Accelerate

- **Consumer Purchases*¹ (Local): Q1 +high teen%**

- Core brands*² : +high 20%
- Hero products : +over 30%

- **Trends in Local Market / Our Market Share**

- Market size almost recovered to pre-pandemic levels
- Q1 market share: increased sharply
- Recovery momentum accelerated in mid price range:
ELIXIR Consumer Purchases: +low 20%



*1 Excluding business transfer impacts

*2 SHISEIDO, Clé de Peau Beauté, NARS, ELIXIR, ANESSA, d program, MAQuillAGE

Japan Business: Focus on Core Brands



“Foundation Serum”

The birth of a new category by reverse thinking,
transcending the boundaries of makeup and skincare

May 24, 2024

Foundation Serum Project



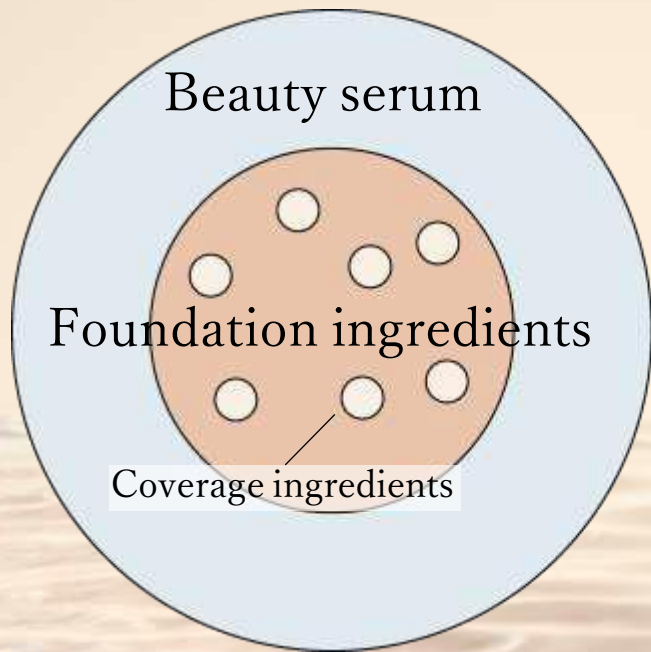
SERUM
FIRST
TECHNOLOGY

SHISEIDO

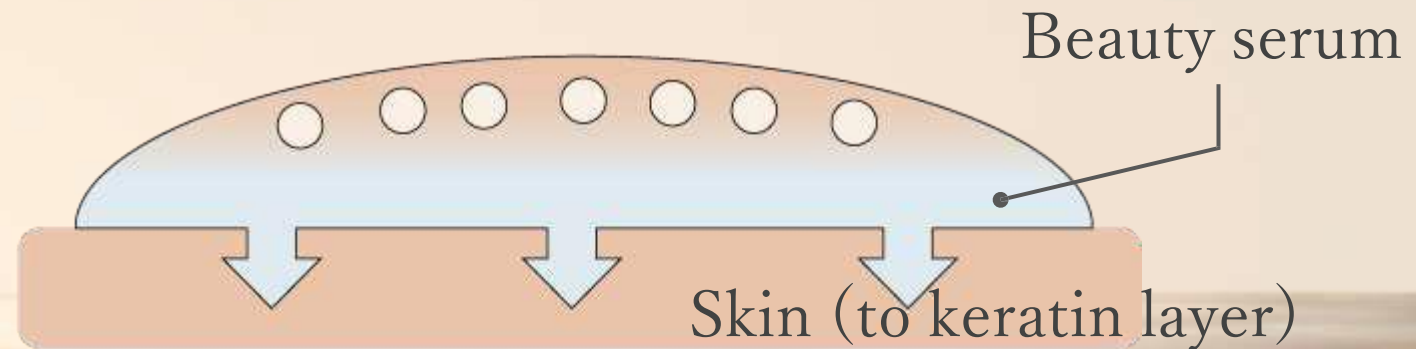


World's first* ingredient approach: The mechanism of Serum First Technology

Wrap



Spread



Conceptual
image
(immediately
after
application)

Instead of mixing beauty serum into a foundation, successfully used shiseido's exclusive technology to wrap foundation gently in beauty serum, locking them in a stable state inside micro-level capsules.

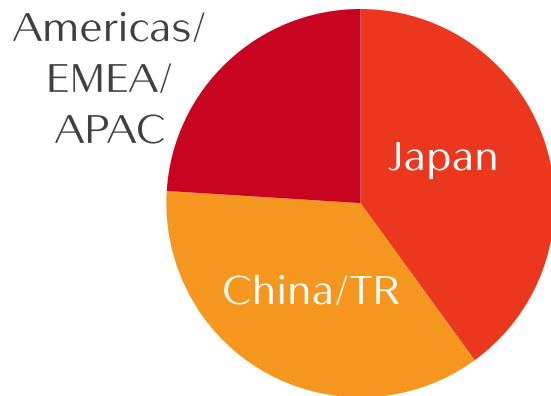
These capsules unwrap lightly so that the serum spreads across the skin first, followed by foundation which spreads evenly. This means the serum is always in contact with the skin.

Realign Geographic Presence

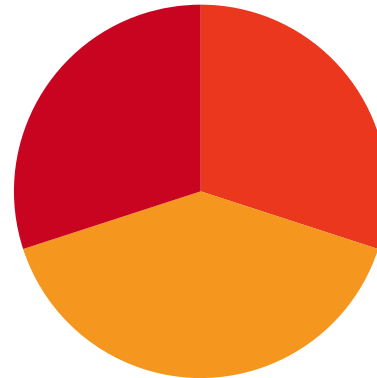
Quantum leap growth in Americas/EMEA/APAC

Net Sales excl. divest impacts

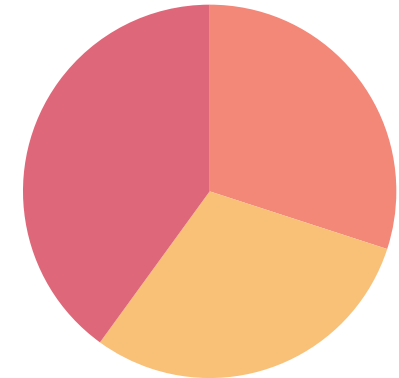
2019



2023



To Be*



Well balanced footprint

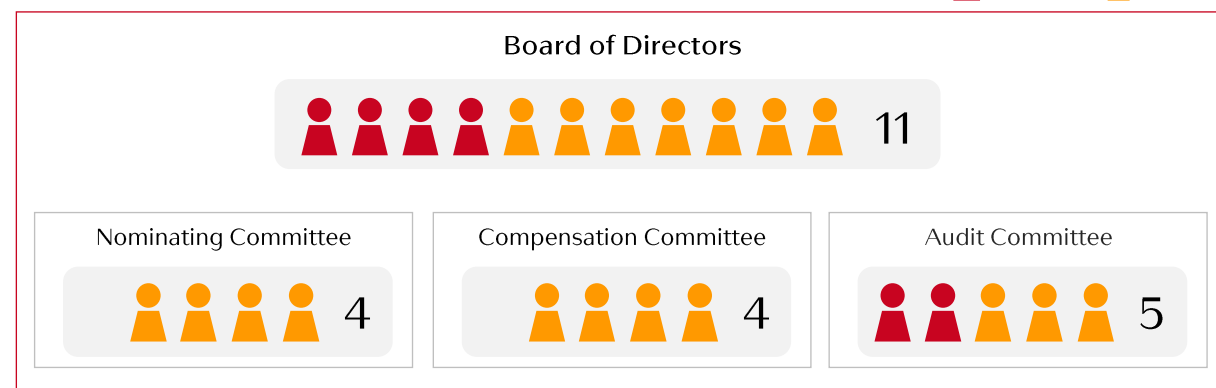
Evolution of Governance to Maximize Corporate Value Transition to a Company with Three Statutory Committees

- Clearly separate management oversight and business execution
- Accelerate effective implementation of strategic actions to realize business transformation to drive profitability for sustainable growth



External Directors 64% (7 out of 11)
Women Directors 45% (5 out of 11)
Non-executive Directors 82% (9 out of 11)

 Internal  External



SHISEIDO