(Translation)

November 7, 2024

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Notice of Revisions to Consolidated Earnings Forecasts for the Fiscal Year Ending December 31, 2024

Shiseido Company, Limited (the "Company") today announced revisions to its consolidated earnings forecasts for the fiscal year ending December 31, 2024 previously announced on February 9, 2024 as below.

1. Revisions to the Consolidated Earnings Forecasts for the Fiscal Year 2024 (from January 1 to December 31, 2024)

(Millions of yen unless otherwise stated)

	Net Sales	Core Operating Profit	Operating Profit	Profit before Tax	Profit Attributable to Owners of Parent	Basic Earnings per Share (Yen)
Previous Forecast (A)	1,000,000	55,000	-	32,500	22,000	55.05
Revised Forecast (B)	990,000	35,000	5,000	11,000	6,000	15.01
Change (B−A)	(10,000)	(20,000)	-	(21,500)	(16,000)	
Change (%)	(1.0)%	(36.4)%	-	(66.2)%	(72.7)%	
(Reference) Results for the Previous Fiscal Year (Ended December 31, 2023)	973,038	39,842	28,133	31,037	21,749	54.43

Notes:
1. Core operating profit is calculated as operating profit excluding profits or losses incurred by non-ordinary factors (non-recurring items), such as costs and expenses related to structural reforms, impairment losses, acquisitions, etc.
2. Currency exchange assumptions are as follows;
   Previous: USD/JPY: 135 yen, EUR/JPY: 145 yen, CNY/JPY: 19.5 yen
   Revised : USD/JPY: 150 yen, EUR/JPY: 162 yen, CNY/JPY: 21.0 yen
3. The revised forecasts include the impact of the acquisition of *Dr. Dennis Gross Skincare* that was excluded in the previous forecasts.

2. Reasons for the Revision

Net sales for the fiscal year ending December 31, 2024, are expected to fall short of our previous forecast on a like-for-like basis*, primarily reflecting the unfavorable impacts of changing patterns and increasing frugality in Chinese consumer behavior in the Travel Retail and China Businesses, as well as a delayed recovery in sales subsequent to the temporary declines in production and shipments in the Americas Business that had occurred during the first half of the year. Overall, however, sales are expected to remain marginally in line with our previous forecast, partially offset by the positive impact of foreign exchange translation due to the weak yen.

While we are progressively implementing strategic actions to advance company-wide structural reforms and cost reductions, we expect core operating profit to fall below our previous forecast for the year, weighed down by a worse than anticipated decline in net sales in our high-margin Travel Retail Business. Accordingly, we expect profit before tax and profit attributable to owners of parent to be lower than our previous forecast due to the aforementioned decline in the core operating profit for the year.

*Like-for-like basis excludes the impacts of foreign exchange translation, business transfers and acquisition.

3. Dividend Forecast

The annual dividend forecast for the fiscal year ending December 31, 2024, remain unchanged. We focus on consolidated performance and free cash flow in determining dividends and have set a dividend on equity attributable to owners of the parent (DOE) of 2.5% or higher as one indicator that reflects our capital policy to ensure stable and consistent growth in shareholder returns over the long term. We have declared a dividend of ¥60 (the interim dividend and the year-end dividend of ¥30 per share, respectively) for the fiscal year ending December 31, 2024. The year-end dividend for the fiscal year 2024 will be closely examined and determined based upon the latest financial situations.

Note: The above forecasts are based on the information currently available to the Company. Due to various factors, actual results may differ from these estimates provided above.

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