Q3 2026 Results (January－September) and 2026 Outlook

November 10, 2026

Shiseido Company, Limited

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President and CEO

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In this document, statements other than historical facts are forward-looking statements that reflect our plans and expectations. These forward-looking statements involve risks, uncertainties, and other factors that may cause actual results and achievements to differ from those anticipated in these statements.

Definitions of Terms

- Net Sales YoY LfL %: Calculated by excluding FX impact, the impact of all business transfers in the current and prior periods, and service provision during the transition period related to those transfers
- Core Operating Profit: Calculated as operating profit excluding profits or losses incurred by non-ordinary factors (non-recurring items), such as costs of structural reforms, impairment losses, and acquisition-related costs, etc.
- Core Operating Profit Margin: Calculated based on total sales including intersegment sales and internal transfers between segments
- EBITDA: Core Operating Profit plus Depreciation (excl. depreciation of right-of-use assets) and Amortization
- Brand Sales by Region: YoY change (%) is calculated based on initial exchange rate assumptions, and excludes the impact of foreign currency exchange, etc.

Key Highlights of Q3 2026 (January–September) Results Briefing

Net Sales: Growth momentum improved, driving a return to YTD LfL sales growth
Profitability & Cash Generation: Continued improvement driven by stronger earnings and disciplined capital allocation
Full-Year Outlook: Significant upward revisions to both core operating profit and net profit*

- **Net Sales : ¥741.1 bn (YoY LfL% YTD: +1%, Q1: －3%, Q2: +2%, Q3: +3%)**
  - Growth driven by *SHISEIDO* and *Clé de Peau Beauté*
  - New launches contributed to growth, including *Max Mara* Fragrance, *Clé de Peau Beauté* Cream Supreme, *ELIXIR* new Total V Cream, and *SHISEIDO* Vital Perfection new serum
- **Profitability & Cash Generation: Core OP ¥67.5 bn, Core OP Margin 9.1%, FCF ¥49.0 bn**
  - Strong profit growth continued in Q3, supported by sales growth and disciplined cost management, even after the benefits from Americas restructuring largely lapped
  - Free cash flow improved significantly through enhanced profitability and disciplined investment management
- **2026 Forecast Raised: Core OP ¥87.0 bn (+¥18.0 bn), Profit attributable to owners of parent ¥62.0 bn (+¥20.0 bn)**
  - Net Sales: Lower LfL growth assumptions across Japan, EMEA, Americas, and Asia Pacific, offset by favorable FX impacts
  - Core Operating Profit: Higher on disciplined cost management and favorable FX impacts, while continuing growth investments
  - Non-recurring Items: Additional gains from accelerated asset-light initiatives
  - Profit Attributable to Owners of Parent: Raised significantly
- **Review of Action Plan 2025–2026 and progress on management transformation to accelerate growth**

* Profit attributable to owners of parent

Overview of Q3 2026 Results (January–September)

(Billion yen)	Q3 YTD 2025	% of Net Sales	Q3 YTD 2026	% of Net Sales	YoY Change	YoY %	YoY FX-Neutral %	YoY LfL %
Net Sales	693.8	100%	741.1	100%	+47.3	+7%	+0%	+1%
Core Operating Profit	30.1	4.3%	67.5	9.1%	+37.4	+124%		
Non-recurring Items	−63.4	−9.1%	−4.0	−0.5%	+59.4	-		
Operating Profit (Loss)	−33.4	−4.8%	63.5	8.6%	+96.8	-		
Profit (Loss) before Tax	−32.5	−4.7%	65.3	8.8%	+97.8	-		
Income Tax Expense	11.5	1.7%	21.2	2.9%	+9.7	+84%		
Profit (Loss) Attributable to Owners of Parent	−44.0	−6.3%	44.4	6.0%	+88.4	-		
EBITDA	67.9	9.8%	106.2	14.3%	+38.2	+56%		
Free Cash Flow	31.6	4.6%	49.0	6.6%	+17.4	+55%		

FX rate for Q3 2026 (Jan-Sep):
USD/JPY: 158.5
EUR/JPY: 184.0
CNY/JPY: 23.2

(Same period of the previous year)
USD/JPY: 148.1
EUR/JPY: 165.5
CNY/JPY: 20.5

Net Sales	:	YoY LfL %	+1%	Q3 growth momentum further improved, driving YTD net sales growth
Core Operating Profit	:	YoY Change	+¥37.4 bn	Strong profit growth achieved through structural reforms and company-wide cost management
Profit Attributable to Owners of Parent	:	YoY Change	+¥88.4 bn	Profitability improved, benefiting from the non-recurrence of prior-year goodwill impairment losses in Americas and restructuring expenses
Free Cash Flow	:	YoY Change	+¥17.4 bn	Free cash flow improved as cash outflows from investing activities decreased through disciplined investment management, while operating cash flow remained flat year on year, as improved profitability was offset by higher working capital and other factors

Core Operating Profit: Margin Expansion Driven by Disciplined Management

(Excluding Non-recurring Items) (Billion yen)	Q3 YTD 2025	% of Net Sales	Q3 YTD 2026	% of Net Sales	YoY Change	YoY %	Change(pts)
Net Sales	693.8	100%	741.1	100%	+47.3	+6.8%	-
COGS	160.9	23.2%	155.5	21.0%	−5.4	−3.3%	−2.2
Gross Profit	532.9	76.8%	585.6	79.0%	+52.7	+9.9%	+2.2
SG&A	506.6	73.0%	524.6	70.8%	+18.1	+3.6%	−2.2
Marketing investments	197.9	28.5%	214.7	29.0%	+16.8	+8.5%	+0.4
Brand development / R&D	26.1	3.8%	25.4	3.4%	−0.7	−2.5%	−0.3
Personnel expenses*	161.3	23.2%	164.4	22.2%	+3.1	+1.9%	−1.1
Other SG&A	121.3	17.5%	120.1	16.2%	−1.2	−1.0%	−1.3
Other Operating Income / Expenses	3.7	0.5%	6.4	0.9%	+2.7	+73.5%	+0.3
Core Operating Profit	30.1	4.3%	67.5	9.1%	+37.4	+124.3%	+4.8

COGS	:	COGS ratio improved, partly driven by reversal of inventory provisions
SG&A	:	Reduced on an FX-neutral basis
Marketing investments	:	Focused investments to accelerate growth of key brands and new products
Personnel expenses*	:	Reduced through structural reform benefits and natural attrition, offsetting salary increases
Other SG&A	:	Lower outsourcing costs and depreciation driven by structural reforms, together with disciplined cost management
Other Operating Income / Expenses	:	Including provision reversals

* Including POS personnel expenses

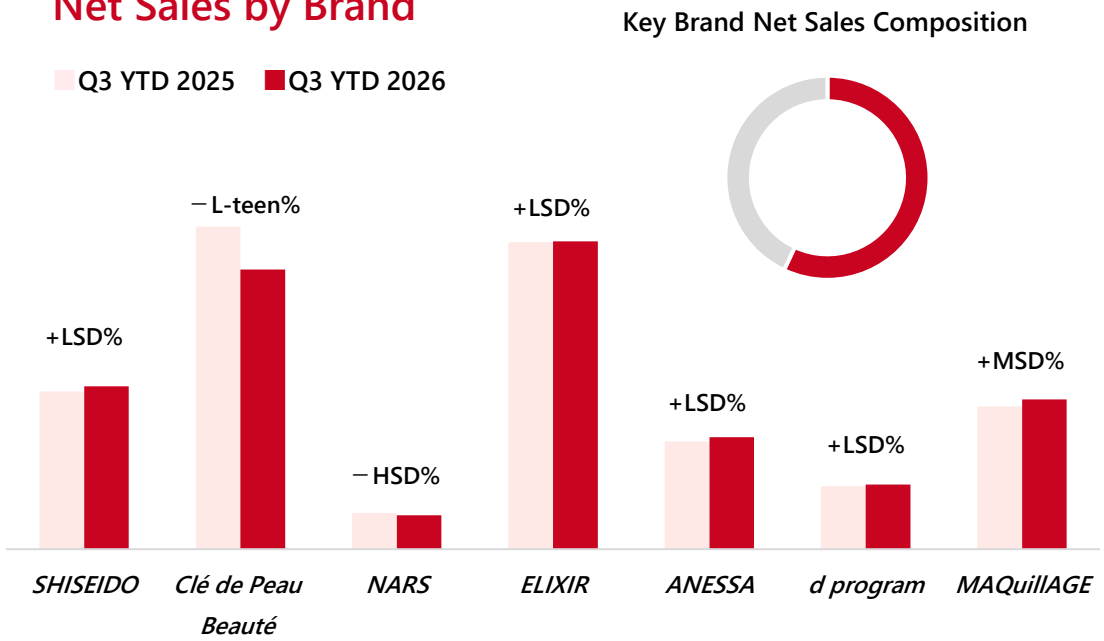
Net Sales by Reportable Segment:
YTD Net Sales Growth Driven Primarily by China & Travel Retail and Asia Pacific

YoY LfL	2025 (vs. 2024)					2026 (vs. 2025)			
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q3 YTD
Japan	−2%	+2%	+2%	+2%	+1%	−4%	+3%	−0%	−0%
China & Travel Retail	−14%	−7%	+8%	+2%	−3%	−1%	+1%	+5%	+1%
Asia Pacific	−1%	−0%	−2%	+9%	+2%	−1%	+5%	+7%	+4%
Americas	−19%	+4%	−9%	−10%	−9%	+5%	−8%	+4%	+1%
EMEA	−9%	+2%	+22%	+1%	+3%	−10%	+9%	+0%	−1%
Total	−9%	−3%	+4%	+1%	−2%	−3%	+2%	+3%	+1%

Japan: Continued Margin Expansion Supported by Diverse Growth Drivers

(Billion yen)	Q3 YTD 2025	Q3 YTD 2026	YoY Change	YoY %*
Net Sales	219.1	217.4	−1.7	−0.4%
Core Operating Profit	27.9	34.2	+6.3	+22.5%
Core OPM	12.7%	15.7%	-	+3.0pts

Net Sales by Brand



Key Brand Net Sales Composition

Q3 Market

- Local: Remained resilient, although September recorded negative growth due to prolonged rainfall
- Inbound: Continued growth despite fewer Chinese travelers

Q3 Consumer Purchases

- −LSD%, E-commerce grew by +MSD%
  - Local: +LSD% September performance was affected by the timing shift of promotional activities and other factors
    - *ELIXIR*: Continued growth despite a high comparison base, supported by strong sales of new Total V Cream
    - *HAKU* and *IHADA*: New products contributed; *d Program* maintained a stable customer base
    - *SHISEIDO* and *Clé de Peau Beauté*: Strong sales in July and August
  - Inbound: −M-teen%
    - Customer base diversified further, particularly through visitors from countries/regions such as Thailand, Taiwan, and South Korea

Q3 YTD Net Sales & Core Operating Profit

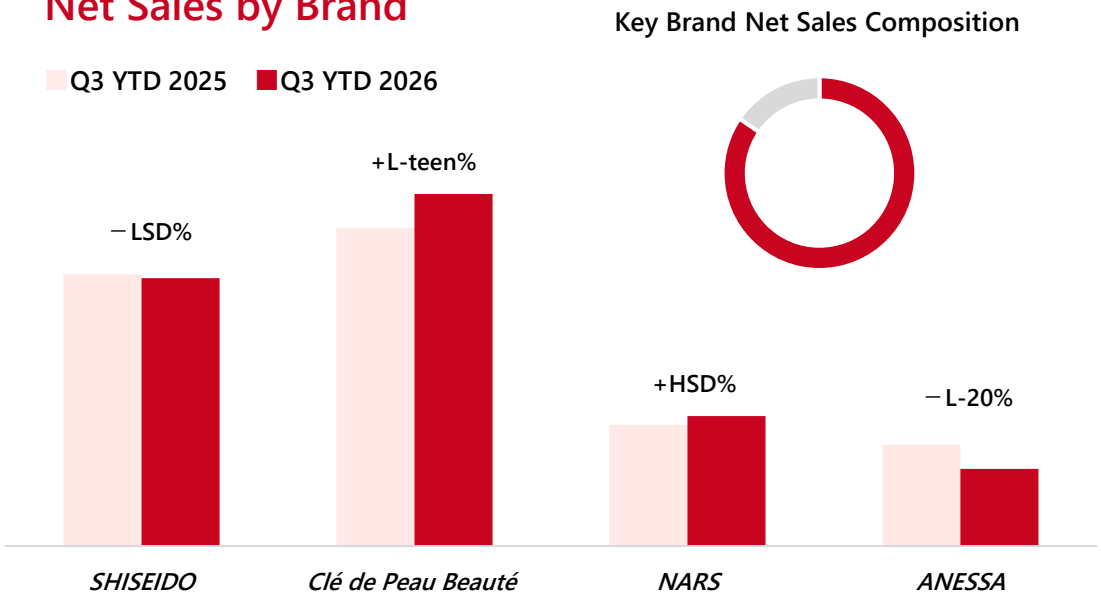
- Steady profitability improvement driven by sustained reductions in COGS and personnel expense ratios
- Continued marketing investment behind key brands
- Improved profitability despite lower inbound sales

* Net Sales YoY% means Net Sales YoY LfL%

China & Travel Retail: Building a Healthier Business with Improved Profitability

(Billion yen)	Q3 YTD 2025	Q3 YTD 2026	YoY Change	YoY %*
Net Sales	240.0	268.5	+28.4	+1.2%
Core Operating Profit	46.7	59.8	+13.2	+28.2%
Core OPM	19.3%	22.1%	-	+2.8pts

Net Sales by Brand



Key Brand Net Sales Composition

Q3 Market

- China: The prestige market continues to grow
- Travel Retail: Negative impact from concession realignment in Chinese Mainland continue to ease

Q3 Consumer Purchases

- China: −LSD%, Offline: −LSD%, E-commerce: −LSD%
  - *Clé de Peau Beauté and SHISEIDO*: Declined; continued channel management focused on brand equity and profitability
  - *NARS, SHISEIDO* Vital Perfection delivered solid growth
- Travel Retail: −HSD%
  - Chinese Mainland: Decline moderating, with gradual recovery expected
  - Hainan Island: Recovery continued

Q3 YTD Net Sales & Core Operating Profit

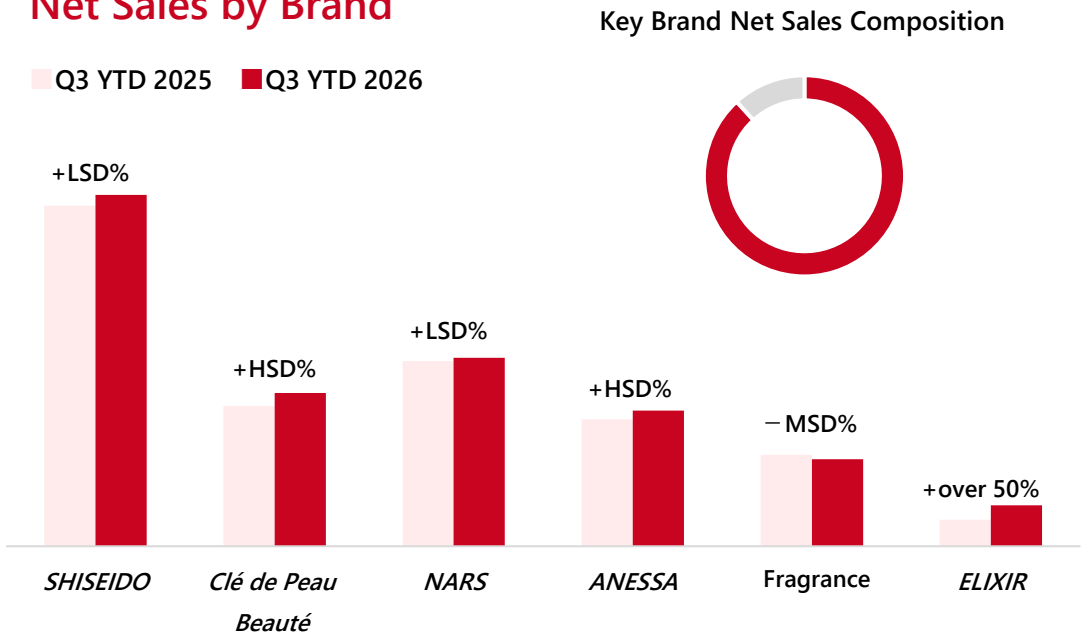
- Returned to growth on a YTD basis, supported by replenishment orders in anticipation of market stabilization in TR Chinese Mainland
- Inventory reduction initiatives for *ANESSA* continued
- Profit increased through stronger investment execution under financial discipline, supported by lower personnel costs and ongoing cost management

* Net Sales YoY% means Net Sales YoY LfL%

Asia Pacific: Innovation and Channel Optimization Drive Growth and Profitability

(Billion yen)	Q3 YTD 2025	Q3 YTD 2026	YoY Change	YoY %*1
Net Sales	52.5	58.2	+5.7	+3.7%
Core Operating Profit	1.8	5.5	+3.7	+210.1%
Core OPM	3.3%	9.2%	-	+5.9pts

Net Sales by Brand



Q3 Market *2

- Positive growth across major countries and regions, including Taiwan

Q3 Consumer Purchases *3

- +HSD% growth accelerated, E-commerce +M-20%
- Strong growth in South Korea, Thailand, Vietnam, and India
- Accelerated rollout of successful innovations and Japan-proven commercial initiatives, including *Clé de Peau Beauté* and *SHISEIDO* new matte foundation
- *ELIXIR, NARS*: Maintained strong momentum

Q3 YTD Net Sales & Core Operating Profit

- Profitability improved through higher gross profit from sales growth, disciplined return-focused channel management, and improved marketing efficiency



SHISEIDO



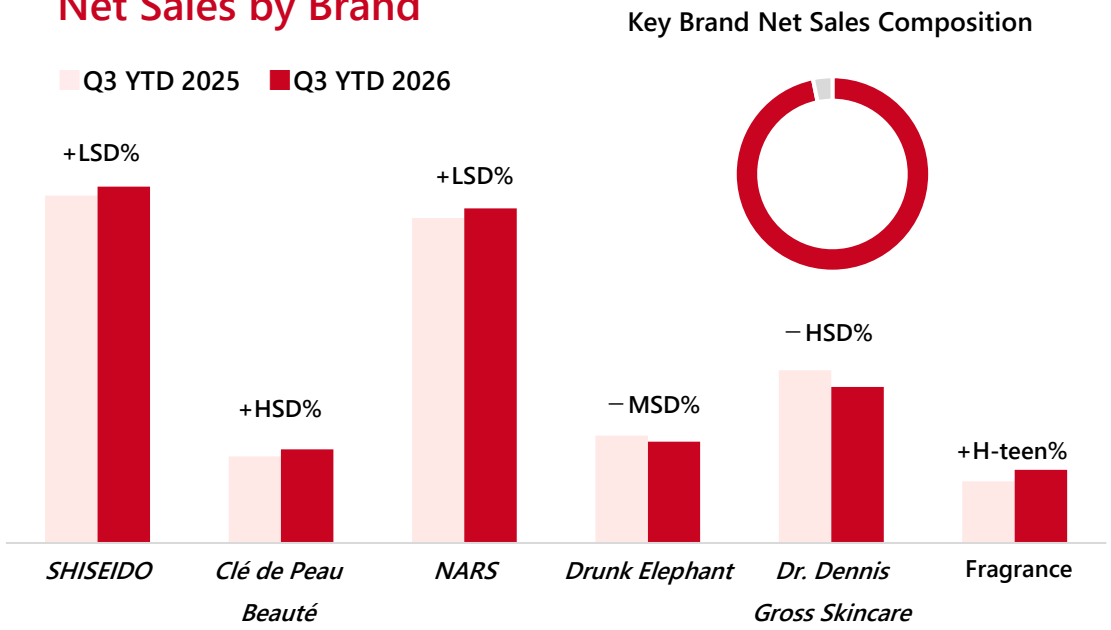
NARS

*1 Net Sales YoY% means Net Sales YoY LfL% *2 Prestige market *3 Data coverage: 10 countries and regions in Asia and Oceania, including Taiwan, South Korea, and Thailand

Americas: On Track for Full-Year Profitability; Rebuilding for Sustainable Growth

(Billion yen)	Q3 YTD 2025	Q3 YTD 2026	YoY Change	YoY %*1
Net Sales	78.2	84.5	+6.3	+0.6%
Core Operating Profit	−7.6	5.6	+13.2	-
Core OPM	−9.3%	6.4%	-	+15.7pts

Net Sales by Brand



Q3 Market *2

- Market growth continued

Q3 Consumer Purchases *3

- −MSD%, Offline: −HSD% (YTD: −HSD%)
  E-commerce: −LSD% (YTD: +LSD%)
- Continued brand and channel transformation initiatives
  - *NARS* declined; strengthened cross-selling centered on its strong concealer
  - *Max Mara* delivered a strong launch
  - *Drunk Elephant* maintained positive E-commerce growth; Kamo Drops gained traction at key retail partners

Q3 YTD Net Sales & Core Operating Profit

- Profitability improvement continued beyond the restructuring phase in Q3, supported by favorable inventory provision comparisons and ongoing cost management



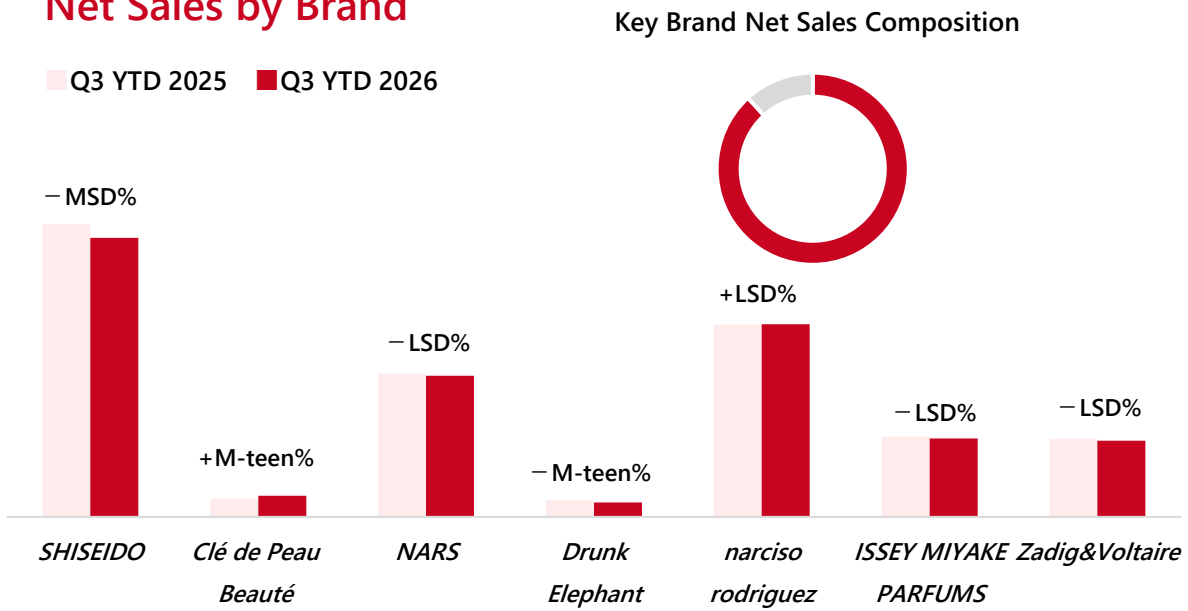
Drunk Elephant

*1 Net Sales YoY% means Net Sales YoY LfL%　*2 Prestige market　*3 Data coverage: U.S. and Canada

EMEA: Accelerating Expansion in the Growing Fragrance Market through *Max Mara*

(Billion yen)	Q3 YTD 2025	Q3 YTD 2026	YoY Change	YoY %[*1]
Net Sales	96.1	106.1	+10.0	−0.7%
Core Operating Profit	0.9	−0.1	−1.0	-
Core OPM	0.9%	−0.1%	-	−1.0pts

Net Sales by Brand



Q3 Market [*2]

- Moderate growth continued, led by the mid-priced segment

Q3 Consumer Purchases [*3]

- −MSD%, E-commerce: +MSD%
- Skincare remained challenging amid intense competition; *SHISEIDO* declined
- Fragrance continued to gain market share
  - *narciso rodriguez*, *ISSEY MIYAKE PARFUMS* continuous growth
  - *Max Mara* delivered a strong launch

Q3 YTD Net Sales & Core Operating Profit

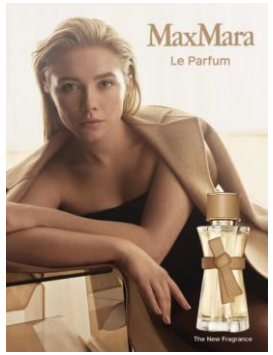
- Q3 offset losses from strategic investments made in 1H; aiming to deliver sales growth in Q4 and full-year profit growth by higher gross profit



narciso rodriguez



ISSEY MIYAKE PARFUMS



Max Mara

*1 Net Sales YoY% means Net Sales YoY LfL% *2 Prestige market *3 Data coverage: France, UK, Germany, Italy and Spain

2026 Forecast Revision

Lowered LfL net sales growth forecast, while raising Core OP on improved profitability and FX
Net profit[*1] forecast also raised, reflecting asset sale gains and other factors

(Billion yen)	2025	2026 Previous Forecast (as of February) (A)	2026 Revised Forecast (B)	% of Net Sales	YoY Change	YoY Change%	YoY FX-Neutral%	YoY LfL%	Change vs. Previous (B)-(A)
Net Sales	970.0	990.0	1,025.0	100%	+55.0	+6%	+1%	+1%	+35.0
Core Operating Profit	44.5	69.0	87.0	8.5%	+42.5	+95%			+18.0
Non-recurring Items	−73.3	−10.0	0.0	-	+73.3	-			+10.0
Operating Profit	−28.8	59.0	87.0	8.5%	+115.8	-			+28.0
Profit before Tax	−27.7	60.0	87.5	8.5%	+115.2	-			+27.5
Profit Attributable to Owners of Parent	−40.7	42.0	62.0	6.0%	+102.7	-			+20.0
EBITDA	95.2	119.0	137.0	13.4%	+41.8	+44%			+18.0
Free Cash Flow	66.5	50.0	60.0	5.9%	−6.5	−10%			+10.0
ROIC[*2]	−2.0%	5%	7%						
ROE	−6.6%	7%	10%						
Dividend (yen/per share)	40 Interim: 20 Year-end: 20	60 Interim: 30 Year-end: 30 (Forecast)	60 Interim: 30 Year-end: 30 (Forecast)						

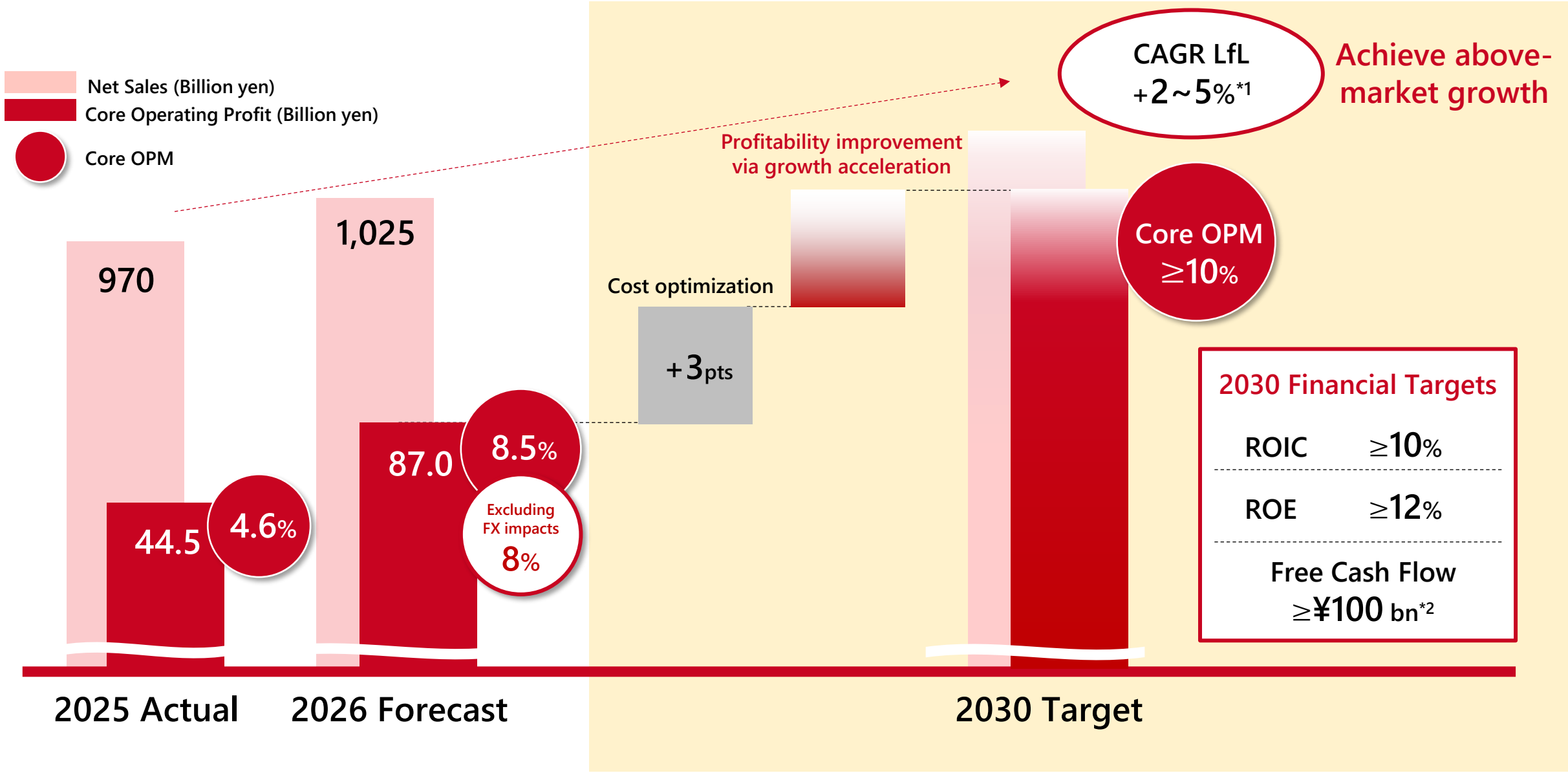
2026 Full-Year FX Assumptions (Revised Forecast)
USD/JPY: 158 (+5.6% YoY)
EUR/JPY: 182 (+7.7% YoY)
CNY/JPY: 23.0 (+10.5% YoY)

(Reference) Previous Forecast (Feb)
USD/JPY: 150
EUR/JPY: 170
CNY/JPY: 20.5

*1 Profit attributable to owners of parent *2 The statutory tax rate is used for 2025 calculation

Delivering Sustainable Growth as One Shiseido

2030 Goals: Delivering Sustainable Growth and Value Creation



*1 2025-2030 average; excluding impacts from FX *2 Excludes cash outflows from M&A and cash inflows from asset sales

Action Plan 2025-2026: Positioning Shiseido Group for Accelerated Growth

	Achievements	Ongoing Initiatives
Reinforce Brand Foundation	✓ Focus on key brands: Achieved a 75% sales ratio for Core & Next ✓ Improved gross profit margin through the consolidation of product mix and price revision processes: 78% (+2pts) ✓ Established framework to maximize growth driven by basic research	• Accelerating sales growth momentum • Completing brand turnarounds: *Drunk Elephant* and *IPSA* • Optimizing long-tail SKUs • Enforcing strict price discipline in China & Travel Retail
Rebuild Profitable Foundation	✓ Cumulative cost reduction: ¥72.0 bn from 2024 to 2026 ✓ Improved regional profitability: Office rationalization and approx. 20%* consolidated headcount reduction through early retirement, etc. ✓ Integrated operation of China & Travel Retail Business: Inventory optimization and cost reduction	• Balancing cost reduction and repeatable sales growth • Optimizing production footprint • Further improving regional profit balance • Shifting from promotion-led growth in China
Enhance Operational Governance	✓ Asset-light approach: Integrated and closed offices, factories, and innovation centers ✓ Completed global rollout of FOCUS ERP ✓ Strengthened financial governance: ROIC-driven management, executive compensation redesign, and launch of Investment and Divestment Committee ✓ Changed reporting lines: Evolving the operating model	• Continuing asset-light initiatives • Expediting decisions on unprofitable brands and reallocating resources into growth drivers • Accelerating the PDCA cycle through closer brand and regional collaboration • Instilling company-wide ROIC mindset

* End of September 2026 vs. End of 2023

Strengthening Execution to Drive Repeatable Growth

Before	After
Fixed investment based on initial budget	Dynamic resource allocation based on performance and market changes
Individually optimized operations by brand and region	Shared KPIs across brands, regions, and corporate functions
Insufficient verification and monitoring after investment execution	Scale up or reduce investments, and refine actions, based on continuous performance review

Innovation Strategy: Converting Research Excellence into Business Growth

Past Challenges

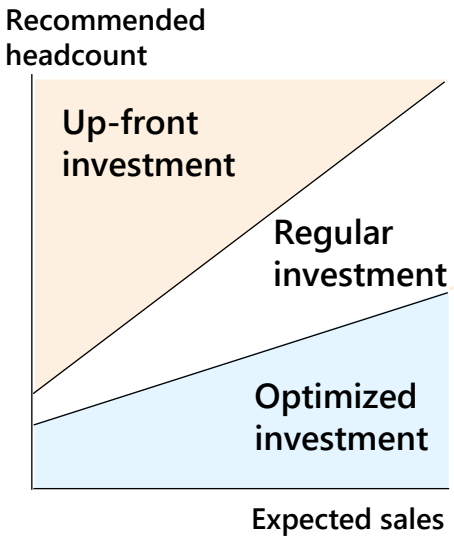
- ✓ Fragmented research themes
- ✓ Small-scale, one-off technology development
- ✓ Limited scaling through broader rollout

Current Initiatives

- Focusing basic research on approx. 20 domains (e.g., Skin Foundation and Kansei Science) and allocating investment based on quantitative criteria
- Creation and evolution of Bold Science / Technology* (S/T) that fosters uniqueness
- Maximizing ROI through cross-brand and category rollout of company-wide Bold S/T

Basic Research

Investment model for approx. 20 domains



- Allocating investment via a 3-factor formula and strategic intent
- Driving the PDCA cycle through ROI tracking across each domain

1) Expected sales impact
2) Strategic importance
3) Feasibility and cost

Creation of Bold S/T

Three Innovation Paths

1. **Brand Core** (Value Enhancement)
   - *SHISEIDO*: Immunity inspired slow aging
   - *Clé de Peau Beauté*: Skin Intelligence
   - *ELIXIR:* Collagen Science etc.
2. **Company-Wide Leverage**
   - Anti-Sagging Science V
   - CoreXymide
   - Serum First Technology etc.
3. **Expansion into new categories and domains**
   - Challenges through existing brands
   - Value validation at Shiseido Beauty Park (Beauty checkup, fibona) etc.

* A highly competitive technology that underpins core brand value and can be broadly leveraged across multiple brands

Innovation Strategy: Maximizing Consumer Value through Science and Market Trends

● 1st Winning Model: Major innovations driven by proprietary advantages

[Source of innovation]
- Bold Science / Technology originating from approx. 20 priority research domains

[Key role]
- Nurturing hero products to drive medium- to long-term growth

[Development process image]



● 2nd Winning Model: Accelerating innovation by leveraging 110 years of R&D assets

[Source of innovation]
- Business needs, market trends, and consumer insights
- Diverse R&D assets (formulations, ingredients, packaging, safety data, etc.)

[Key role]
- Capturing market trends through limited editions and localized products

[Development process image]



50% Reduction in Development Lead Time

Brand Portfolio Optimization: Focusing Resources Behind Growth Opportunities

Objectives of the Investment and Divestment Committee (IDC)

- Upgrading and accelerating decision-making processes
- Shifting to capital-efficient management and, pursuing company-wide optimization

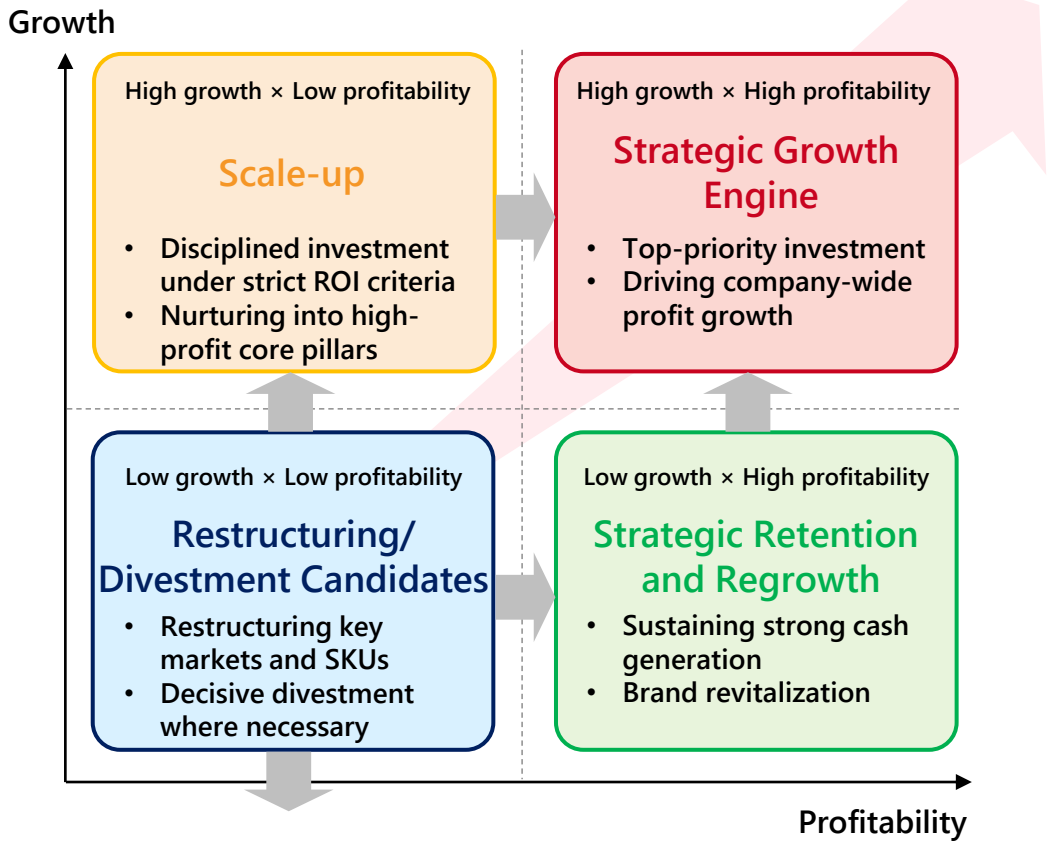
Portfolio Management

1. Brand Screening: Selecting brands for strategic review based on quantitative criteria (growth, profitability, marketing ROI)
2. Portfolio Visualization: Plotting along growth and profitability axes to optimize resource allocation
3. Follow-up: Continuously tracking performance and progress

Outcomes and Cultural Change

- Accelerating data-driven discussions through 4-quadrant brand P&L visualization
- Executing divestment decisions and initiating resource reallocation

4-Quadrant Portfolio Management Model



Reporting Line Changes: Agile Problem-Solving as One Team

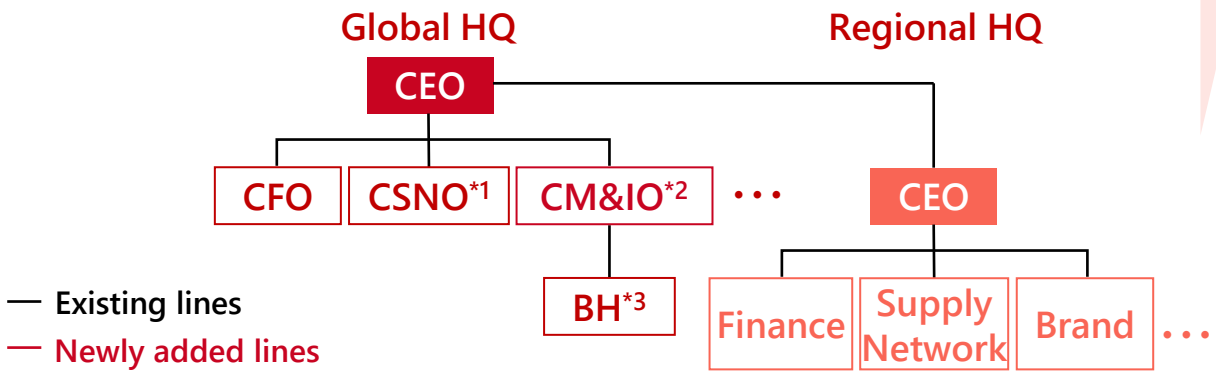
Before 2025: Individual Optimization

1. Enhancing Governance

- ✓ Time lags in information sharing and issue identification
- ✓ Multilayered decision-making processes
- ✓ Fragmented pricing and SKU management by region

2. Optimizing Profit Management

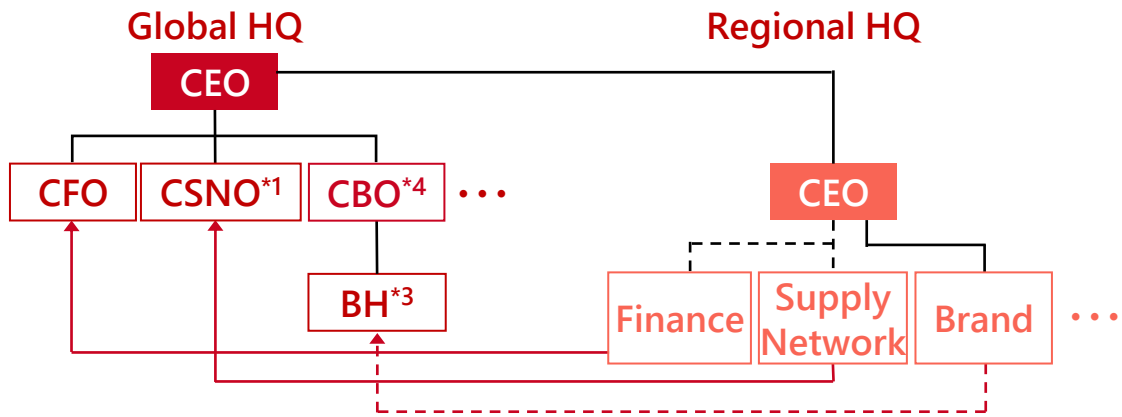
- ✓ Profit structure vulnerable to sales fluctuations
- ✓ Limited flexibility in resource allocation across the company



After 2026 Change: Overall Optimization

- ✓ Real-time visibility into business risks and challenges
- ✓ Aligned strategic direction and faster decision-making
- ✓ Establishment of data-driven decision-making
- ✓ Strengthening collaboration between brands and regions to foster robust dialogue
- ✓ Establishing processes for global pricing and SKU management

- ✓ Flexible cost management and investment allocation responsive to sales swings
- ✓ Strengthened business monitoring by Finance team



*1 Chief Supply Network Officer *2 Chief Marketing & Innovation Officer *3 Brand Holder *4 Chief Brand Officer

Evolution for Sustainable Growth

2025 | 2026 | 2027

Action Plan 2025-2026

2030 Medium-term Strategy

Rebuilding the Profit Base

- ✓ Portfolio restructuring: selection and concentration
- ✓ Optimizing fixed-cost structure
- ✓ Organizational restructuring

Business structure enabling reinvestment for growth

Evolving a Management Foundation for Growth

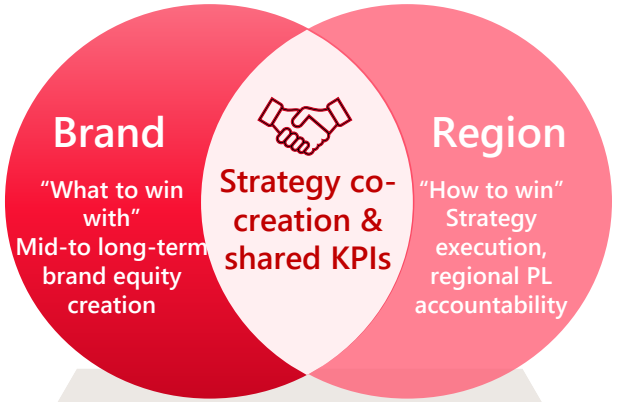
- ✓ Developing management team with company-wide perspective
- ✓ Clarifying leadership roles and responsibilities
- ✓ Strengthening collaboration among brands, regions, and corporate
- ✓ Accelerating data-driven decision-making

Management platform driving continuous superior decisions and execution

Accelerating Sales Growth

- Delivering sustainable growth as One Shiseido
- Commitment to shared brand and regional targets (net sales, profit, brand value, etc.)

Distinct roles and shared accountability for results



Driving Growth Momentum through New Product Innovation















一瞬も 一生も 美しく

In every moment, in every life
Beauty



Supplemental Data 1:
Q3 2026 Net Sales and Core Operating Profit by Reportable Segment

Top: Net Sales Bottom: Core OP (Billion yen)	2025 Q3	% of Net Sales/ Core OPM %	2026 Q3	% of Net Sales/ Core OPM %	YoY Change	YoY Change %	YoY FX-Neutral %	YoY LfL %
Japan	73.2	32.7%	72.7	30.0%	−0.6	−0.8%	−0.8%	−0.3%
	8.4	11.5%	13.3	18.3%	+4.9	+57.9%	-	-
China & Travel Retail	66.1	29.5%	77.1	31.8%	+11.0	+16.6%	+4.6%	+4.6%
	7.9	11.8%	12.2	15.7%	+4.3	+55.2%	-	-
Asia Pacific	18.8	8.4%	21.1	8.7%	+2.3	+12.0%	+6.4%	+6.7%
	1.9	9.8%	3.2	15.1%	+1.3	+71.2%	-	-
Americas	26.7	11.9%	29.9	12.3%	+3.2	+11.9%	+3.6%	+3.6%
	−1.8	−6.4%	3.6	11.7%	+5.4	-	-	-
EMEA	36.6	16.3%	39.2	16.2%	+2.6	+7.1%	+0.1%	+0.1%
	3.5	9.2%	3.3	8.2%	−0.1	−3.9%	-	-
Other	2.5	1.1%	2.2	0.9%	−0.3	−11.1%	−11.3%	+60.1%
	−0.5	−18.6%	0.2	7.3%	+0.7	-	-	-
Adjustment	-	-	-	-	-	-	-	-
	−12.7	-	−12.9	-	−0.2	-	-	-
Total	224.0	100%	242.2	100%	+18.2	+8.1%	+2.0%	+2.6%
	6.7	3.0%	23.0	9.5%	+16.3	+243.3%	-	-

Supplemental Data 2:
Q3 YTD 2026 Net Sales and Core Operating Profit by Reportable Segment

Top: Net Sales Bottom: Core OP (Billion yen)	Q3 YTD 2025	% of Net Sales/ Core OPM %	Q3 YTD 2026	% of Net Sales/ Core OPM %	YoY Change	YoY Change %	YoY FX-Neutral %	YoY LfL %
Japan	219.1	31.6%	217.4	29.3%	−1.7	−0.8%	−0.8%	−0.4%
	27.9	12.7%	34.2	15.7%	+6.3	+22.5%	-	-
China & Travel Retail	240.0	34.6%	268.5	36.2%	+28.4	+11.9%	+1.2%	+1.2%
	46.7	19.3%	59.8	22.1%	+13.2	+28.2%	-	-
Asia Pacific	52.5	7.6%	58.2	7.8%	+5.7	+10.8%	+3.5%	+3.7%
	1.8	3.3%	5.5	9.2%	+3.7	+210.1%	-	-
Americas	78.2	11.3%	84.5	11.4%	+6.3	+8.0%	+0.6%	+0.6%
	−7.6	−9.3%	5.6	6.4%	+13.2	-	-	-
EMEA	96.1	13.9%	106.1	14.3%	+10.0	+10.4%	−0.7%	−0.7%
	0.9	0.9%	−0.1	−0.1%	−1.0	-	-	-
Other	7.9	1.1%	6.6	0.9%	−1.3	−16.6%	−17.2%	+20.8%
	−1.4	−15.0%	0.0	0.0%	+1.4	-	-	-
Adjustment	-	-	-	-	-	-	-	-
	−38.2	-	−37.6	-	+0.6	-	-	-
Total	693.8	100%	741.1	100%	+47.3	+6.8%	+0.2%	+0.7%
	30.1	4.3%	67.5	9.1%	+37.4	+124.3%	-	-

Supplemental Data 3: Q3 2026 Brand Sales by Region

YoY Change %*		Global Net Sales Composition	Global	Japan	China & Travel Retail	Asia Pacific	Americas	EMEA
Core	*SHISEIDO*	23%	+4%	+LSD%	+HSD%	+L-teen%	+MSD%	−LSD%
	Clé de Peau Beauté	19%	+6%	−MSD%	+HSD%	+L-teen%	+over 30%	+HSD%
	NARS	12%	+3%	−MSD%	+HSD%	−LSD%	+L-teen%	−MSD%
Next	*ELIXIR*	7%	−4%	−HSD%		+H-teen%		
	ANESSA	4%	−13%	−H-teen%	−L-20%	+H-teen%		
	Fragrance	11%	+8%			+HSD%	+over 30%	+HSD%
	Dr. Dennis Gross Skincare	1%	−18%				−H-teen%	
Emerging	*BAUM*	0%	+7%	+L-teen%				
	d program	1%	+25%	+H-20%				
Turnaround	*Drunk Elephant*	1%	−23%				−M-teen%	−H-teen%
	IPSA	2%	−4%	−MSD%	−LSD%			

* YoY of net sales is shown only for major regions of the brand

Supplemental Data 4: Q3 YTD 2026 Brand Sales by Region

YoY Change %*		Global Net Sales Composition	Global	Japan	China & Travel Retail	Asia Pacific	Americas	EMEA
Core	*SHISEIDO*	23%	−1%	+LSD%	−LSD%	+LSD%	+LSD%	−MSD%
	Clé de Peau Beauté	20%	+3%	−L-teen%	+L-teen%	+HSD%	+HSD%	+M-teen%
	NARS	12%	+3%	−HSD%	+HSD%	+LSD%	+LSD%	−LSD%
Next	*ELIXIR*	7%	+3%	+LSD%		+over 50%		
	ANESSA	6%	−11%	+LSD%	−L-20%	+HSD%		
	Fragrance	9%	+4%			−MSD%	+H-teen%	+LSD%
	Dr. Dennis Gross Skincare	1%	−10%				−HSD%	
Emerging	*BAUM*	0%	+4%	+HSD%				
	d program	1%	+2%	+LSD%				
Turnaround	*Drunk Elephant*	1%	−16%				−MSD%	−M-teen%
	IPSA	2%	−6%	−HSD%	−LSD%			

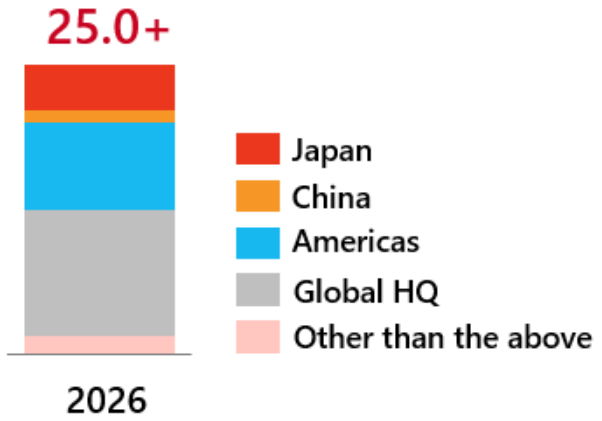
* YoY of net sales is shown only for major regions of the brand

Supplemental Data 5: Progress on Global Cost Structure Transformation

Structural reform benefits continued to materialize, further strengthening the foundation supporting our growth strategy

(Billion yen)

		2026	
		Q3 YTD	FY(plan)
COGS	• Selection and concentration of brands and SKUs, strategic price increases • Optimize factory production line efficiency, etc.	5.5	7.0
Marketing Investments	• Optimize promotional costs, increase marketing ROI • Expand local production and improve operational efficiency of samples	1.0	1.0
Personnel Expenses	• Optimize organization structure, improve productivity • Streamline corporate functions to enhance operational efficiency, etc.	7.0	8.0
Other SG&A	• Reduce outsourcing cost • Reduce depreciation: system optimization and integration, selective new investments • Other cost savings: logistics optimization, efficient office management, etc.	7.5	9.0
Total		21.0	25.0+



Supplemental Data 6: Non-recurring Items

(Billion yen)	2025				2026				
	1H	Q3	Q3 YTD	FY	1H	Q3	Q3 YTD	Revised Forecast	Previous Forecast (as of Feb)
Core Operating Profit	23.4	6.7	30.1	44.5	44.4	23.0	67.5	87.0	69.0
Structural Reform Expenses	−4.8	−5.9	−10.8	−20.6	−2.0	−0.9	−2.8		
Impairment Losses / Reversals	−0.0	−51.2	−51.2	−51.3	−0.0	0.0	−0.0		
Acquisition-related Costs	−0.0	0.0	−0.0	−0.0	-	-	-		
Other	−0.4	−1.1	−1.5	−1.4	−0.5	−0.6	−1.1		
Non-recurring Items	−5.3	−58.1	−63.4	−73.3	−2.5	−1.5	−4.0	0.0	−10.0
Operating Profit	18.1	−51.4	−33.4	−28.8	41.9	21.5	63.5	87.0	59.0

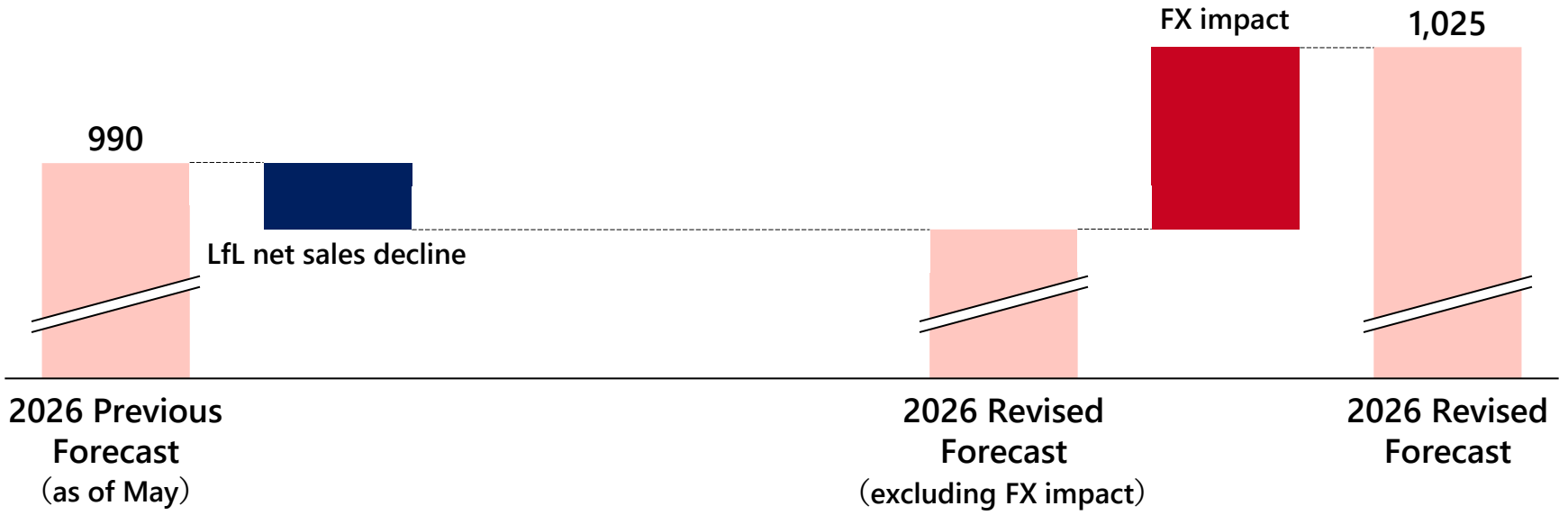
Supplemental Data 7: 2026 Net Sales Forecast by Segment

	YoY Net Sales (LfL)				Q4 Key Initiatives
	Previous Full-Year Forecast (as of May)	Revised Full-Year Forecast	Q3 YTD Actual	Q4 Forecast	
Japan	+LSD%	Flat	−0%	Flat	● Enhanced holiday merchandising and early sell-in of key focus brands ● *ELIXIR*: Accelerate demand capture in hydration and anti-aging through the Mask-Grade Lotion and new Total V Cream ● Strengthen CRM initiatives in conjunction with campaigns
China & Travel Retail	+LSD%	+LSD%	+1%	+LSD%	● China: Reinforce pricing discipline while maximizing new customer acquisition and sales momentum during Double 11, alongside channel inventory normalization ● Travel Retail: Sustain momentum in Hainan
Asia Pacific	+HSD%	+LSD%	+4%	Flat	● Agile reallocation of resources toward growth markets and channels ● Optimization of channel inventory levels in selected markets
Americas	+HSD%	+LSD%	+1%	+LSD%	● Reignite demand through increased investment in creator-led and media campaigns ● Strengthen promotions across key retailer-brand partnerships and dynamically reallocate investments toward activities with higher conversion impact
EMEA	+HSD%	+LSD%	−1%	+MSD%	● Maximize holiday sales across key channels ● Sustain strong momentum in the fragrance category
Global	+3%	+1%	+1%	+2%	

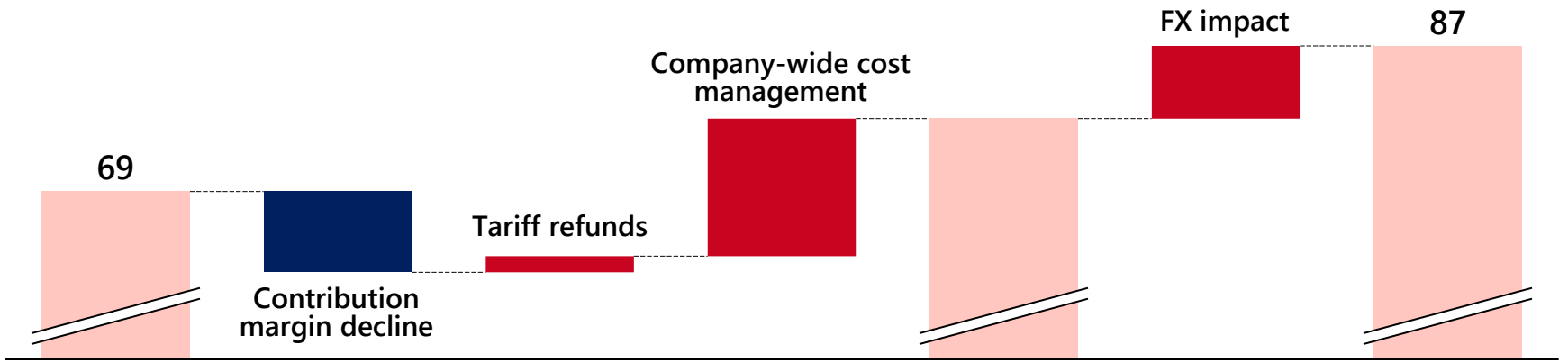
Supplemental Data 8: 2026 Forecast Revision

(Billion yen)

Net Sales



Core OP



Core OPM	7%	8%	8.5%

Supplemental Data 9: Capital Expenditures; Depreciation and Amortization

(Billion yen)	2025	2026 Previous Forecast (as of Feb)	2026 Revised Forecast	Change
Property, Plant and Equipment	24.2	23.0	21.5	−1.5
Intangible Assets, etc.	18.8	17.0	10.5	−6.5
Capital Expenditures*	43.0	40.0	32.0	−8.0
Property, Plant and Equipment	33.3			
Intangible Assets, etc.	17.4			
Depreciation and Amortization	50.7	50.0	50.0	-

* Investments in capital expenditures; property, plant and equipment (excl. right-of-use assets) and intangible fixed assets (excl. goodwill, trademark rights, right-of-use assets)

Supplemental Data 10: Overview of Assets Associated with Key M&A Transactions

- **Americas Business**
  - **Goodwill**
    - Recognized a goodwill impairment loss of ¥46.8 bn in Q3 2025 due to the declined profitability in Americas
    - Aiming for strong growth across Americas, starting with the turnaround of *Drunk Elephant*
  - **Seller note**[*1]
    - The seller note includes a clause that would subordinate payment of the amount due to the Company under the seller note to a certain return of capital for the Buyer if the Divested Business does not meet certain metrics based on the financial results in fiscal 2025
    - Given the likelihood of this subordination to occur at the end of fiscal 2025, in Q4 2024, the Company recognized a provision of 12.8 billion yen as finance costs
    - Subordination confirmed based on FY2025 results; no additional provisions required as previously recognized in FY2024
    - Remain committed to maximizing the recoverable amount of the seller note

(Billion yen)		2024-end	2025-end	Q3 2026-end
Americas Business (cash-generating unit[*2])	Goodwill (Americas)	58.4	9.7	Disclosed at year-end
	Trademarks (*Drunk Elephant*)	47.1	47.0	
	Trademarks (*Dr. Dennis Gross Skincare*)	18.8	18.8	
	Long-term loans receivable (seller note[*1])	43.1	47.8	
Goodwill (EMEA)		13.2	13.3	
Goodwill (China & Travel Retail)		20.1	20.1	
Goodwill (Consol.)		108.0	58.8	58.9
Trademarks (Consol.)		71.8	71.1	Disclosed at year-end

*1 In August 2021, the Company decided to divest three of its prestige makeup brands including *bareMinerals* along with the assets related to their businesses to an affiliate of private equity firm Advent International. The total purchase price of the Divested Business was 700 million US dollars, of which 350 million US dollars was paid in cash and the remaining 350 million US dollars was deferred to be paid in the form of a seller note (a type of debt financing wherein the seller lends the buyer a portion of the purchase price with a maturity term of 7 years issued by an affiliate which operates the Divested Business)

*2 From the perspective of resource allocation and performance evaluation, cash-generating units are defined by segment rather than by brand. Impairment tests were conducted on the trademarks for *Drunk Elephant* and *Dr. Dennis Gross Skincare* as part of the Americas cash-generating unit.


SHISEIDO