

November 7, 2005

**Notice of Determination of Paid-in Amount, Etc. of Stock Acquisition Rights**

Notice is hereby given that with regard to the stock acquisition rights as employee-incentive-type stock options, Shiseido Company, Limited (the "Company") today determined the amount to be paid in upon exercise thereof and other conditions, in accordance with the resolution adopted at the meeting of the Board of Directors of the Company held on October 28, 2005, as described below:

Description

1. Amount to be paid in upon exercise of each stock acquisition right:

Paid-in amount per share: ¥1,896 (¥1,896,000 per stock acquisition right)

The paid-in amount is the closing price (¥1,896) on the issue date (today), which is higher than the average of the daily closing prices (regular way) of the Company's shares on the Tokyo Stock Exchange for 20 days (exclusive of any day on which transactions were not validly made) counting retrospectively from the day immediately preceding the issue date of the stock acquisition rights multiplied by 1.05 (¥1,833, with any fraction of one yen rounded upward to the nearest one yen).

2. Total amount of issue prices of shares to be issued or transferred upon exercise of the stock acquisition rights:

¥3,509,496,000

3. Portion of the issue price of a share to be issued upon exercise of stock acquisition rights which shall be transferred to capital:

¥948 per share.

However, if any shares of treasury stock of the Company are transferred upon exercise of the stock acquisition rights, no amount shall be transferred to capital.

[For reference]

Outline of the issuance of stock acquisition rights resolved at the meeting of the Board of Directors held on October 28, 2005:

- |   |   |
|---|---|
| (1) Qualified grantees of stock acquisition rights:   |   |
| Employees of the Company:   | 344   |
| Directors and employees of the<br>Shiseido group companies:   | 815   |
| (2) Class and number of shares to be issued or transferred upon exercise of stock acquisition rights: | 1,851,000 shares of common stock of the Company.  |
| (3) Total number of stock acquisition rights to be issued:  | 1,851 rights (Number of shares to be issued or transferred for each stock acquisition right: 1,000 shares). |
| (4) Issue price of each stock acquisition right:  | Free of charge.   |
| (5) Issue date:   | November 7, 2005  |
| (6) Stock acquisition right exercise period:  | From July 1, 2007 to June 30, 2010  |

The stock acquisition rights are stock options as incentives for the employees of the Shiseido Group to achieve much improved results while sharing interests with its shareholders.

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