

(Translation)

March 31, 2017

Dear Sirs and Madams,

Name of Company: Shiseido Company, Limited
Name of Representative: Masahiko Uotani
President and CEO
(Representative Director)
(Code No. 4911; The First Section of the Tokyo Stock Exchange)
Contact: Tetsuaki Shiraiwa
Department Director
Investor Relations Department
(Tel: +81 3 3572 5111)

**Notice of Determination of Issue Price (Paid-in Amount),
Etc. of Stock Options (Stock Acquisition Rights)
Fiscal 2016 Long-Term Incentives-Type Remuneration**

Shiseido Company, Limited (the “Company”), at the meeting of its Board of Directors held on February 23, 2017, resolved that the Company would offer subscription rights for stock acquisition with regard to the use of stock options as long-term incentive-type remuneration to its directors, corporate officers, etc. pursuant to Article 236, Article 238 and Article 240 of the Companies Act of Japan, as announced on the same day.

Notice is hereby given that the total number of stock acquisition rights offered for subscription and the issue price (paid-in amount) of a stock acquisition right were determined today, as described below:

1. Total number of stock acquisition rights:
The Company determines the number of stock acquisition rights to be allotted on the following two occasions according to the collective and individual business performance: when the stock acquisition rights are allotted and when the exercise period of the allotted stock acquisition rights starts.

The number of stock acquisition rights to be allotted this time has been determined as stated below, using the same indicators as used in calculating the annual bonus paid to each director and corporate officer. Indicators to be used are consolidated business performance (consolidated net sales, consolidated operating income and net income attributable to owners of parent), evaluation of performance of business of which respective directors and corporate officers are in charge, and personal evaluation.



Target	Number of rights
Three (3) directors of the Company except external directors as of fiscal 2016, including one (1) who held the position until the close of the 117th Ordinary General Meeting of Shareholders of the Company:	404 rights
Fifteen (15) corporate officers of the Company not concurrently serving as directors as of fiscal 2016, including 1 (one) who held the position until December 31, 2016:	559 rights
Six (6) corporate officers of Shiseido Japan Co., Ltd., the Company's wholly-owned subsidiary, who have entered into a commission contract with Shiseido Japan Co., Ltd. as of fiscal 2016:	157 rights

Note: The number of shares that may be issued upon exercise of each stock acquisition right: 100 shares

2. Issue price (paid-in amount) of a stock acquisition right:
¥2,990 per share (¥299,000 per stock acquisition right)

The paid-in amount is the fair value of a stock acquisition right calculated in accordance with the Hull-White modified two-factor model, based on the closing price as of the allotment date thereof.

Note: The conditions of stock acquisition rights publication excepting those mentioned above were disclosed in the "Notice on Stock Options (Stock Acquisition Rights) Fiscal 2016 Long-Term Incentives-Type Remuneration" announced on February 23, 2017.

- End of News Release -