

(Translation)

January 31, 2019

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: Harumoto Kitagawa  
 Vice President  
 Investor Relations Department  
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## Notice of Transfer of Dermatologic Agent Brands FERZEA and Encron

Shiseido Company, Limited (“Shiseido”) hereby announces that it has reached an agreement and signed a contract on transferring the body care brand, FERZEA, and the eczema and dermatitis cream brand, Encron, to Lion Corporation. Both brands are distributed by Shiseido’s wholly owned subsidiary, Shiseido Pharmaceutical Company, Limited.

### 1. Reasons for the transfer

Shiseido is furthering its “selection and concentration” strategy for brands and businesses with an eye toward rapid growth and achievement of the medium-to-long-term strategy VISION 2020. As part of this strategy, the company has decided to transfer the given brands. Following the transfer, Shiseido will continue to actively pursue the development of new value, stepping beyond conventional cosmetics through the fusion of pharmaceutical ingredients.

### 2. Corporate Profile of transferee, Lion Corporation

(as of January 1, 2019)

(1)	Name	Lion Corporation
(2)	Headquarters	3-7, Honjo 1-chome, Sumida-ku, Tokyo 130-8644, Japan
(3)	Representative	Representative Director, President Executive Officer Masazumi Kikukawa
(4)	Main businesses	The manufacture and sale of toothpastes, toothbrushes, soaps, detergents, hair and skincare products, cooking-related products, and pharmaceuticals. Exports to overseas affiliates.
(5)	Capital	¥34,433 million
(6)	Established	September 3, 1918



(7) Consolidated net assets (as of September 30, 2018)	¥204,593 million
(8) Consolidated total assets (as of September 30, 2018)	¥353,088 million
(9) Shareholder and percentage of shareholding (as of June 30, 2018)	Japan Trustee Services Bank, Ltd. (Trust Account) (9.38%)、Trust & Custody Services Bank, Ltd. as trustee for Mizuho Bank, Ltd. Retirement Benefit Trust Account re-entrusted by Mizuho Trust and Banking Co., Ltd. (5.44%)、The Master Trust Bank of Japan, Ltd. (Trust Account) (3.70%)、MUFG Bank, Ltd. (3.38%)
(10) Relationship between Shiseido and Lion	There is no capital, personnel or business relationship between Shiseido and Lion.

### 3. Schedule

(1) Date of agreement	January 31, 2019
(2) Execution Date	July 31, 2019 (planned)

### 4. Future outlook

This transaction has insignificant impact on Shiseido's consolidated financial results for the fiscal year ending December 31, 2019.

-End of News Release-