

## Announcement Regarding Dissolution of Subsidiary

At a Board of Directors Meeting of Shiseido Co., Ltd. (hereinafter, the “Company”) held today, a resolution was passed to dissolve its subsidiary, Fullcast Co., Ltd., as stated below.

### 1. Reason of dissolution

Fullcast Co., Ltd. (President: Yukari Suzuki), the Company’s wholly owned subsidiary, is engaged in sales of *YUXIA*, a brand focused on skincare products based on Chinese medicine, and *ERGORA*, a brand centered on meeting anti-aging needs, in the Japanese mail-order cosmetics market.

The Company has made the decision regarding the dissolution as a part of structural reforms throughout the Shiseido Group that are aimed at maximizing growth potential and improving profitability.

In the future, the Company seeks to expand its business in Japan’s mail-order market through KINARI Inc., a wholly owned subsidiary that manufactures and sells *Soka-Mocka*, a brand harnessing the blessings of Japan’s nature. While *YUXIA* brand products will no longer be sold, *ERGORA* brand products will continue to be sold via KINARI Inc.

### 2. Overview of subsidiary

1) Company name:	Fullcast Co., Ltd.
2) Location:	3-18-14 Minami-Aoyama, Minato-ku, Tokyo
3) Representative:	Ms. Yukari Suzuki
4) Main scope of business:	Mail-order sales of cosmetics, quasi drugs and other products
5) Established:	April 2000
6) Capital:	¥100 million
7) Shareholding ratio:	Shiseido Co., Ltd.: 100% (wholly owned subsidiary)

### 3. Time schedule for dissolution

March 28, 2008	Fullcast Co., Ltd.’s Extraordinary General Meeting of Shareholders
End of March 2008	Dissolution (plan)
Around June 2008	Liquidation complete (plan)

### 4. Future outlook

The impact of the aforementioned dissolution on the Company’s business results (consolidated and non-consolidated basis) for the fiscal year ending March 2008 is negligible.