

Internet Disclosure Accompanying the Notice of Convocation
The 115th Ordinary General Meeting of Shareholders
(Voluntary Disclosure)

Voluntary Disclosure Relating to “3. Matters Concerning Shares Held by the Company” on the Business Report of the Company

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The Shiseido logo, featuring a stylized 'S' symbol followed by the word 'HISEIDO' in a bold, sans-serif font.

The 30 Largest Stock-Holdings of Publicly Listed Companies in the Amount on the Balance Sheet, Which the Company Holds for Purposes Other Than Realizing Direct Investment Gains (As of March 31, 2015)

| | Name of Company | Number of Shares | Amount on Balance Sheet | Details of Transaction | Purpose for Holding Shares |
|----|--|-----------------------------|-------------------------|--|---|
| 1 | Mizuho Financial Group, Inc. | (thousand shares) 16,625 | (million yen) 3,509 | Financial transactions with the subsidiaries of the issuer | To further facilitate operations |
| 2 | Mitsubishi UFJ Financial Group, Inc. | 2,496 | 1,856 | Financial transactions with the subsidiaries of the issuer | |
| 3 | ONO PHARMACEUTICAL CO., LTD. | 117 | 1,588 | Product sales | |
| 4 | TOPPAN PRINTING CO., LTD. | 1,628 | 1,507 | Purchase of product packaging and sales promotion materials | |
| 5 | Tokio Marine Holdings, Inc. | 300 | 1,361 | Insurance transactions with the subsidiaries of the issuer | |
| 6 | Dai Nippon Printing Co., Ltd. | 871 | 1,018 | Purchase of product packaging and sales promotion materials | |
| 7 | Paltac Corporation | 600 | 1,013 | Product sales | |
| 8 | Sompo Japan Nipponkoa Holdings, Inc. | 221 | 826 | Insurance transactions with the subsidiaries of the issuer | |
| 9 | MS&AD Insurance Group Holdings, Inc. | 239 | 806 | Insurance transactions with the subsidiaries of the issuer | |
| 10 | Sumitomo Mitsui Trust Holdings, Inc. | 1,432 | 709 | Outsourcing administration business of share register and financial transactions with the subsidiaries of the issuer | |
| 11 | NIPPON FINE CHEMICAL CO., LTD. | 670 | 614 | Purchase of raw materials | |
| 12 | WACOAL HOLDINGS CORP. | 439 | 593 | Commissioned production transactions from the subsidiaries of the issuer | |
| 13 | Seven & i Holdings Co., Ltd. | 110 | 557 | Product sales to the subsidiaries of the issuer | |
| 14 | J. FRONT RETAILING Co., Ltd. | 235 | 443 | Product sales to the subsidiaries of the issuer | |
| 15 | PLANET, INC. | 300 | 385 | Outsourcing development of product distribution systems | |
| 16 | The Hyakujushi Bank, Ltd. | 712 | 282 | Financial transactions with the issuer | |
| 17 | AEON CO., LTD. | 203 | 268 | Product sales to the subsidiaries of the issuer | |
| 18 | Zeria Pharmaceutical Co., Ltd. | 126 | 254 | Contract manufacturing of products | |
| 19 | TAKASAGO INTERNATIONAL CORPORATION | 352 | 192 | Purchase of raw materials | |
| 20 | Nippon Pigment Company Limited | 491 | 120 | Purchase of raw materials | |
| 21 | Kintetsu Department Store, Co., Ltd. | 300 | 99 | Product sales | |
| 22 | Starts Publishing Corporation | 48 | 80 | Business alliance for the Web-based business with the issuer | To strengthen the relationship based on strategic partnership |
| 23 | H ₂ O RETAILING CORPORATION | 31 | 70 | Product sales to the subsidiaries of the issuer | To further facilitate operations |
| 24 | HEIWADO CO., LTD | 25 | 69 | Product sales | |
| 25 | ASATSU-DK INC. | 15 | 50 | Advertising-related transactions of the Company | |
| 26 | ARATA CORPORATION | 110 | 35 | Product sales | |
| 27 | Matsuya Co., Ltd. | 15 | 28 | Product sales | |
| 28 | MARUI GROUP CO., LTD. | 20 | 27 | Product sales to the subsidiaries of the issuer | |
| 29 | Kyodo Printing Co., Ltd. | 55 | 20 | Purchase of product packaging and sales promotion materials | |
| 30 | TOKYU CORPORATION | 25 | 18 | Product sales to the subsidiaries of the issuer | |

Notes:

1. The Company does not hold shares for the purpose of realizing direct investment gains.
2. In terms of the top ten companies listed above, the amounts reported in the balance sheet exceed one percent of the amount of the common stock of the Company.

Criteria for “Important Concurrent Position” Assumed by Company’s Directors and Audit & Supervisory Board Members

In order to clarify the status of competitive dealings by the Company’s directors and audit & supervisory board members, and to enhance the independence of its external directors and audit & supervisory board members (external) (collectively the “External Director”), the Company has set forth the following criteria regarding “important concurrent positions” assumed by its directors and audit & supervisory board members, as defined in Articles 121 and 124 of the Ordinance for Enforcement of the Companies Act; and describes the status of the concurrent positions assumed by its directors and audit & supervisory board members in the business report based thereon.

<Criteria for Important Concurrent Positions>

If a director or audit & supervisory board member meets any of the following criteria, the position assumed by such director or audit & supervisory board member shall be described in the business report accompanying the Notice of Convocation as an “important concurrent position.”

1. If the company in which the Company’s director or audit & supervisory board member concurrently serves is a listed company or a company of similar scale, stature or social significance, and said directors and audit & supervisory board members serves as the executive of that company.
2. If the company in which the Company’s director or audit & supervisory board member concurrently serves is a corporation other than a stock company or an unlisted company that does not correspond to item 1 above, and said directors and audit & supervisory board members is the representative of that company (in principle).
3. If transactions involving 10 million yen or more, or donations of 5 million yen or more exist between the Shiseido Group and the non-Group company in which the Company’s director or audit & supervisory board member concurrently serves (in principle).
4. If as a result of the hours and the tight schedule involved in the concurrent position (major occupation), it is likely that the execution of duties as an External Director of the Company will be impacted (including cases where the concurrent position is held in organizations that are not corporations).

Criteria for Stating the Relationship between the Company and the Organizations in Which the Company's Directors and Audit & Supervisory Board Members Hold "Important Concurrent Positions"

In order to clarify the independence of its External Director, the Company has set forth the following criteria for stating the relationship between the Company and the organization in which the Company's External Director holds "Important Concurrent Positions," as defined in Article 124 of the Ordinance for Enforcement of the Companies Act; and describes in the Business Report the relationships between its External Director and the organizations in which they held concurrent positions based thereon.

<Criteria for stating the relationship between the Company and the organizations in which the Company's External Director holds "Important Concurrent Positions">

In order to confirm the independence of its External Director, the Company describes in detail the relationship between the Company and the organization in which its External Director hold "Important Concurrent Position" (Paragraph 1 of Article 124 of the Ordinance for Enforcement of the Companies Act) as per the following.

1. If any relationship including transactions, alliances, joint research, etc., exists between the Company and said organization; and the Shiseido Group pays cash as consideration, remuneration or donation to the organization or the Shiseido Group receives such cash from the organization;
In addition to the nature of the relationship, the Company will state the actual amount of the consideration, remuneration or donation, and the relevant ratios of said amount (In terms of payments from the Company to the organization, the percentage of said amount to "cost of sales; and selling, general and administrative expenses" will be stated; while in terms of payments from the organization to the Company, the percentage of said amount to "net sales" will be stated).
2. If item 1 above applies but transactions are limited to the use of services relating to social infrastructure (electricity, water, postal services, public transportation, etc.);
The Company shall state it has "no special relationship of interest" with said organization.
3. If any relationship including transactions, alliances, joint research, etc., exists between the Company and the organization but there is no payment or receipt of cash as consideration, remuneration or donation between the Shiseido Group and the organization;
The Company shall only the nature of the relationship (e.g. Joint research is being conducted).
4. If no relationship including transactions, alliances, joint research, etc., exists between the Shiseido Group and the organization;
The Company shall state it has "no special relationship of interest" with said organization.
5. If relationship of mutual assumption regarding office of External Director during the past nine fiscal years and the current fiscal year exists;
The Company shall state as follows; 1. whether both persons are incumbent, one is incumbent and the other is retired, or both are retired, 2. in case of a retiree, his/her tenure of office, 3. special relationship regarding mutual assumption between the Company and the organization, and so on.

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