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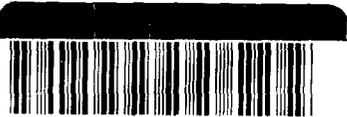
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FILE NO. 82-3311

March 7, 2003

VIR AIR MAIL

Securities and Exchange Commission
Office of International Corporate Finance
Division of Corporation Finance
450 Fifth Street, N.W.
Washington, D.C. 20549
U. S. A.

SUPPL

03 MAR 25 AM 7:23

SHISEIDO COMPANY, LIMITED
Re: Sponsored Level 1 ADR Facility

PROCESSED

APR 10 2003

THOMSON
FINANCIAL

Dear Sirs:

Pursuant to Rule 12g-3 - 2 (b) under the Securities Exchange Act of 1934, we, as legal counsels to Shiseido Company, Limited (the "Company") with respect to its ADR program, enclose herewith English translation of the document of which contents were announced by the Company.

- Notice of Issuance of New Share Subscription Rights (dated February 28, 2003)

Yours very truly,

Fusako Otsuka

Encl.

cc: Shiseido Company, Limited
cc: The Bank of New York

(Translation)

03 MAR 25 AM 7:21 FILE NO. 82-3311

February 28, 2003

Dear Sirs,

Name of Company: Shiseido Company, Limited
Name of Representative: Morio Ikeda
President & CEO
(Representative Director)
(Code No. 4911, the First Section of the Tokyo Stock Exchange)

Inquiries shall be directed to: Masato Hashikawa
General Manager of Investor
Relations Division
(Tel: 03-3572-5111)

Notice of Issuance of New Share Subscription Rights

Notice is hereby given that Shiseido Company, Limited (the "Company"), at the meeting of its Board of Directors held today, resolved that the Company would issue new share subscription rights as stock options pursuant to Article 280-20 and Article 280-21 of the Commercial Code of Japan, as well as the resolution adopted at its 102nd Ordinary General Meeting of Shareholders (on June 27, 2002), as described below:

Description

1. Reason for the issuance of new share subscription rights:

To afford incentives to and raise the morale of the directors, corporate officers and employees of the Company and its related group companies to contribute to achieving much improved results and secure good human resources and thus to increase the market value of the whole Shiseido Group, the Company intends to issue new share subscription rights as stock options.

2. Outline of the issuance of new share subscription rights:

(1) Qualified grantees of new share subscription rights:

23 directors, corporate officers and employees of the Company and its related group companies.

(2) Class and number of shares to be issued or transferred upon exercise of new share subscription rights:

59,000 shares of common stock of the Company.

Provided, however, that in the event that the Company divides or consolidates its shares, the said number of shares to be issued or transferred upon exercise of the new share subscription rights shall be adjusted according to the division/consolidation ratio, in accordance with the following formula. Such adjustment shall be made only to the number of shares in respect of which the said new share subscription rights have not been exercised then, with any fraction of one share occurring upon such adjustment discarded.

$$\text{Number of shares as adjusted} = \text{Number of shares before adjustment} \times \text{Division/consolidation ratio}$$

- (3) Total number of new share subscription rights to be issued:

59 rights (Number of shares to be issued or transferred for each new share subscription right: 1,000 shares).

Provided, however, that in case of an adjustment to the number of shares as set forth in item 2 above, adjustment shall be made similarly to the number of shares to be issued or transferred for each new share subscription right.

- (4) Issue price of a new share subscription right:

Free of charge.

- (5) Date of issue:

February 28, 2003

- (6) Amount to be paid in upon exercise of a new share subscription right:

A paid-in amount per share to be issued or transferred upon exercise of each new share subscription right shall be ¥1,512.

The said paid-in amount is an amount obtained by multiplying by 1.05 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) immediately preceding the issue date of the new share subscription right, with any fraction of one yen rounded upward to the nearest one yen.

In the event that the Company divides or consolidates its shares after the issuance of the new share subscription rights, the said paid-in amount shall be adjusted according to the division/consolidation ratio, in accordance with the following formula, with any fraction of one yen occurring upon such adjustment rounded upward to the nearest one yen:

$$\text{Paid-in amount as adjusted} = \frac{\text{Paid-in amount before adjustment}}{\text{Division/consolidation ratio}} \times 1$$

In the event that the Company issues new shares at a paid-in price lower than the current market price (exclusive of the issuance of new shares upon exercise of new share subscription rights), the said paid-in amount shall be adjusted in accordance with the following formula, with any fraction of one yen occurring upon such adjustment rounded upward to the nearest one yen:

$$\text{Paid-in amount as adjusted} = \frac{\text{Paid-in amount before adjustment} \times \left(\frac{\text{Number of already issued shares}}{\text{Number of already issued shares}} + \frac{\text{Number of newly issued shares} \times \text{Paid-in price per share}}{\text{Current market price before the issuance of new shares}} \right)}{\text{Number of newly issued shares}}$$

(7) New share subscription right exercise period:

From April 1, 2003 to March 31, 2006

(8) Terms and conditions of the exercise of new share subscription rights:

- a. Any grantee of new share subscription rights shall remain in office as director, corporate officer or employee of the Company or its related group companies when he/she exercises the rights, unless he/she leaves office upon expiration of the term of office or due to his/her mandatory retirement age or any other good reason.
- b. Any grantee of new share subscription rights shall not give in pledge, create a security interest in or otherwise dispose of, the new share subscription rights so granted.
- c. If any grantee of new share subscription rights deceased prior to the expiration of the new share subscription right exercise period, only one heir to him/her shall be entitled to succeed to his/her rights and no one can succeed to such heir.

(9) Events and conditions to cancel new share subscription rights:

- a. In the event that a proposition for the approval of a merger agreement under which the Company shall be merged, or a share exchange agreement or a share transfer under which the Company shall become a wholly-owned subsidiary is approved at a General Meeting of Shareholders, the Company may cancel the new share subscription rights without consideration.
- b. In the event that any grantee of new share subscription rights fails to exercise

his/her new share subscription rights as he/she leaves office as director, corporate officer or employee of the Company or its related group companies before he/she does so, the Company may cancel his/her new share subscription rights without consideration.

- c. In the event that any grantee of new share subscription rights fails to exercise his/her new share subscription rights during the new share subscription right exercise period stipulated in a "contract of granting new share subscription rights", the Company may cancel his/her new share subscription rights without consideration.

- (10) Portion of the issue price of each new share to be issued upon exercise of new share subscription rights that will not be transferred to capital:

¥756 per share (which is one-half of the issue price of each share to be issued upon exercise of new share subscription rights).

- (11) Restriction on a transfer of new share subscription rights:

Any transfer of new share subscription rights shall be subject to the approval of the Board of Directors.

[For reference]

- The date of resolution of the Board of Directors for the submission of the proposition to the Ordinary General Meeting of Shareholders: May 8, 2002
- The date of resolution of the Ordinary General Meeting of Shareholders: June 27, 2002

The stock option plans of the Company during the business year (from April 1, 2002 to March 31, 2003) are classified in two broad categories: one for the officers (Directors and corporate officers) of the Company and the other for the directors, corporate officers and the employees of the Company and its related group companies. The purposes of the respective stock option plans are described below:

- (1) Stock option plan for the officers of the Company:

Long-term incentive type stock option plan that links an increase of shareholder value on a long-term basis with compensation, placing emphasis on sharing interests with its shareholders, under which stock options were granted as follows:

- Grantees of new share subscription rights:

27 Directors and corporate officers of the Company.