

June 2, 2008

Press Release

Daiwa Securities SMBC Principal Investments Co. Ltd.

**Conclusion of the Subscription Contract of Shares and Convertible Bonds with
SHINSEIDO CO., LTD.,**

Attention

This document is an unofficial translation and summary of a press release announced on June 2, 2008 by Daiwa Securities SMBC Principal Investments Co. Ltd. The original press release is in Japanese.

Daiwa Securities SMBC Principal Investments Co. Ltd. (“Daiwa SMBC PI”) concluded the subscription contract of shares and convertible bonds with SHINSEIDO CO., LTD. (“Shinseido”)

In accordance with this contract, Daiwa SMBC PI will subscribe convertible bonds of Shinseido on June 24 and shares on August 4. After the subscription of shares on August 4, we will hold 51.9% of its outstanding shares.

Through this subscription and dispatch of directors, we will provide vigorous supports for Shinseido toward its further business development and growth in its corporate value.

End