

Sales By Segment

(Millions of yen, %)

Consolidated	FY2004			FY2005			FY2006			FY2007 (projection)			
	amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	% change	
Cosmetics	Mail Order	21,869	62.6	(4.8)	22,829	61.5	4.4	24,060	58.3	5.4	25,300	55.8	5.2
	Retail Store	10,608	30.4	(8.2)	11,491	31.0	8.3	13,721	33.2	19.4	16,100	35.6	17.3
	Wholesale	2,448	7.0	(7.2)	2,777	7.5	13.5	3,504	8.5	26.2	3,900	8.6	11.3
	Sub total	34,925	41.1	(6.0)	37,098	42.2	6.2	41,286	43.3	11.3	45,300	44.2	9.7
Supplie	Mail Order	16,439	55.4	(4.0)	16,709	53.7	1.6	16,822	50.6	0.7	16,900	47.7	0.5
	Retail Store	5,994	20.2	8.5	7,175	23.0	19.7	8,393	25.2	17.0	9,900	28.0	17.9
	Wholesale	7,221	24.4	10.0	7,246	23.3	0.3	8,030	24.2	10.8	8,600	24.3	7.1
	Sub total	29,655	34.9	1.5	31,131	35.4	5.0	33,246	34.9	6.8	35,400	34.5	6.5
Others	Mail Order	16,129	79.2	(16.2)	15,004	76.1	(7.0)	16,353	78.7	9.0	16,600	76.1	1.5
	Retail Store	1,119	5.5	68.4	1,400	7.1	25.1	1,492	7.2	6.6	1,700	7.8	13.9
	Wholesale	3,125	15.3	(16.6)	3,301	16.8	5.6	2,943	14.1	(10.9)	3,500	16.1	18.9
	Sub total	20,375	24.0	(13.9)	19,706	22.4	(3.3)	20,789	21.8	5.5	21,800	21.3	4.9
Total	Mail Order	54,438	64.1	(8.3)	54,543	62.0	0.2	57,237	60.0	4.9	58,800	57.4	2.7
	Retail Store	17,722	20.8	(0.1)	20,067	22.8	13.2	23,607	24.8	17.6	27,700	27.0	17.3
	Wholesale	12,795	15.1	(1.2)	13,326	15.2	4.1	14,477	15.2	8.6	16,000	15.6	10.5
	Sub total	84,956	100.0	(5.6)	87,937	100.0	3.5	95,322	100.0	8.4	102,500	100.0	7.5

(New Businesses)

(Millions of yen, %)

	FY2004			FY2005			FY2006			FY2007 (projection)			
	amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	% change	
Rice	Mail Order	3,215	59.7	(19.8)	2,838	56.5	(11.7)	2,639	58.0	(7.0)	2,750	55.0	4.2
	Retail Store	278	5.2	(16.8)	332	6.6	19.4	361	7.9	8.8	400	8.0	10.7
	Wholesale	1,889	35.1	(24.4)	1,855	36.9	(1.8)	1,549	34.1	(16.5)	1,850	37.0	19.4
	Sub total	5,383	6.3	(21.3)	5,026	5.7	(6.6)	4,549	4.8	(9.5)	5,000	4.9	9.9
Kale	Mail Order	1,435	48.1	12.3	1,557	44.2	8.5	1,858	46.1	19.4	2,050	44.6	10.3
	Retail Store	434	14.6	49.7	725	20.6	66.9	963	23.9	32.8	1,100	23.9	14.1
	Wholesale	1,114	37.3	19.6	1,241	35.2	11.4	1,207	30.0	(2.8)	1,450	31.5	20.1
	Sub total	2,985	3.5	19.3	3,524	4.0	18.1	4,029	4.2	14.3	4,600	4.5	14.2

Number of Active Customers

(people)

FANCL	As of March 31, 2004	As of March 31, 2005	As of March 31, 2006	Increase (decrease)
Cosmetics	1,041,054	1,157,014	1,410,016	253,002
Cosmetics Mail Order	601,628	613,592	734,161	120,569
Cosmetics Retail Stores	523,350	639,743	799,783	160,040
Nutritional Supple	1,066,078	1,114,282	1,171,800	57,518
Supple Mail Order	673,641	641,802	645,240	3,438
Supple Retail Stores	437,022	528,403	591,158	62,755
Rice Mail Order	340,764	236,304	240,323	4,019
Kale Mail Order	113,775	99,564	125,331	25,767
Mail Order	1,278,979	1,136,617	1,269,622	133,005
Retail Stores	836,159	998,787	1,178,777	179,990
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Unit Prices

(yen, %)

	FY2005	FY2006	% change
Cosmetics Mail Order	5,897	5,589	(5.2)
Supple Mail Order	6,051	6,041	(0.2)
Retail Stores	3,345	3,389	1.3

Existing Stores Year-on-year-change

FY2004	FY2005	FY2006
92.0	106.4	105.4

Segment Information

(Millions of yen, %)

	FY2004			FY2005			FY2006			FY2007 (projection)			
	amount	% of total	% change	amount	% of total	% change	amount	% of total	% change	amount	% of total	% change	
C o m p a n y	Sales	34,925	41.1	(6.0)	37,098	42.2	6.2	41,286	43.3	11.3	45,300	44.2	9.7
	Gross Profit	26,394	75.6		27,592	74.4		30,655	74.2		33,700	74.4	
	SGA	20,111	57.6	(1.0)	22,846	61.6	13.6	25,087	60.8	9.8	27,000	59.6	7.6
	Advertising	3,932	11.3	18.2	5,073	13.7	29.0	5,464	13.2	7.7	5,000	11.0	(8.5)
	Operating Income	6,283	18.0	(22.4)	4,745	12.8	(24.5)	5,567	13.5	17.3	6,700	14.8	20.3
S u p p l i e	Sales	29,655	34.9	1.5	31,131	35.4	5.0	33,246	34.9	6.8	35,400	34.5	6.5
	Gross Profit	19,047	64.2		20,623	66.2		20,829	62.7		23,100	65.3	
	SGA	13,675	46.1	11.3	15,985	51.3	16.9	15,424	46.4	(3.5)	17,500	49.4	13.5
	Advertising	2,501	8.4	37.0	3,291	10.6	31.6	1,835	5.5	(44.2)	2,600	7.3	41.6
	Operating Income	5,371	18.1	(21.9)	4,638	14.9	(13.6)	5,405	16.3	16.5	5,600	15.8	3.6
O t h e r s	Sales	20,375	24.0	(13.9)	19,706	22.4	(3.3)	20,789	21.8	5.5	21,800	21.3	4.9
	Gross Profit	10,254	50.3		9,689	49.2		10,597	51.0		11,300	51.8	
	SGA	12,075	59.2	(7.5)	11,656	59.2	(3.5)	11,359	54.6	(2.5)	11,400	52.3	0.4
	Advertising	3,430	16.8	(16.5)	2,740	13.9	(20.1)	2,492	12.0	(9.1)	3,000	13.8	20.4
	Operating Income	(1,820)	(8.9)	-	(1,967)	(10.0)	-	(761)	(3.7)	-	(100)	(0.5)	-
Eliminations or Corporate	(2,064)			(1,988)			(1,636)			(1,700)			
T o t a l	Sales	84,956	100.0	(5.6)	87,937	100.0	3.5	95,322	100.0	8.4	102,500	100.0	7.5
	Gross Profit	55,696	65.5		57,905	65.8		62,082	65.1		68,100	66.4	
	SGA	47,926	56.4	1.0	52,476	59.7	9.5	53,507	56.1	2.0	57,600	56.2	7.6
	Advertising	9,864	11.6	6.5	11,105	12.6	12.6	(9,792)	10.3	(11.8)	10,600	10.3	8.3
	Operating Income	7,769	9.1	(32.6)	5,428	6.2	(30.1)	8,574	9.0	57.9	10,500	10.2	22.5

Selling, General and administrative expenses

(Millions of yen, %)

	FY2004			FY2005			FY2006			FY2007 (projection)		
	amount	% of total	% change	amount	% of total	% change	amount	% of total	% change	amount	% of total	% change
Advertising	9,864	11.6	6.5	11,105	12.6	12.6	9,792	10.3	(11.8)	10,600	10.3	8.3
Sales Promotions	7,997	9.4	(7.2)	9,475	10.8	18.5	9,319	9.8	(1.6)	10,400	10.1	11.6
Transport	3,995	4.7	(8.5)	4,240	4.8	6.1	4,214	4.4	(0.6)	4,200	4.1	(0.3)
Communications	2,430	2.9	(17.3)	2,199	2.5	(9.5)	2,205	2.3	0.3	2,300	2.2	4.3
Fees/Outsourcing	7,179	8.5	2.5	7,482	8.5	4.2	8,050	8.4	7.6	9,100	8.9	13.0
Salaries	9,837	11.6	4.2	10,689	12.2	8.7	12,393	13.0	15.9	13,400	13.1	8.1
Depreciations	1,674	2.0	17.3	1,450	1.6	(13.4)	1,440	1.5	(0.7)	1,600	1.6	11.1
Others	4,947	5.8	12.3	5,834	6.6	17.9	6,091	6.4	4.4	6,000	5.9	(1.5)
Total	47,926	56.4	1.0	52,476	59.7	9.5	53,507	56.1	2.0	57,600	56.2	7.6

Capital Investment and Depreciation

	FY2004	FY2005	FY2006	FY2007 (projection)
Capital Investment	3,925	1,941	2,292	6,000
Depreciation	2,556	2,464	2,540	2,800

Number of Shops by Region

As of March 31, 2006

	Hokkai do	Tohoku	Kanto (except Tokyo)	TOKYO	Tokai, Hkuri ku& Shi net su	Kinki	Chugoku, Shi koku	Kyusyu, Oki nawa	Total
Fanci Ginza Square	-	-	-	1	-	-	-	-	1
Fanci House	1	5	30	23	17	24	7	6	113
Fanci House J	3	2	18	16	5	12	7	8	71
Genki Station	2	-	-	3	1	2	-	1	9
ATTENIR Shop	-	-	2	2	1	4	1	-	10
Others	-	-	2	2	-	-	-	-	4
Total	6	7	52	47	24	42	15	15	208

Number of Shops

	As of March 31 , 2001	As of March 31 , 2002	As of March 31 , 2003	As of March 31 , 2004	As of March 31 , 2005	As of March 31 , 2006	As of March 31 , 2007 (projection)
Fanci Ginza Square	-	-	-	1	1	1	1
Fanci House	121	114	119	114	110	113	114
Fanci House J	-	-	1	10	37	71	97
Genki Station	7	8	8	9	9	9	9
ATTENIR Shop	5	5	5	6	9	10	10
Others	5	6	11	3	3	4	4
Total	138	133	144	143	169	208	235