

◆ Sales By Segment(Six Months)

(Millions of yen, %)

| | | Six Months ended 9/04 (Results) | | | Six Months ended 9/05 (Results) | | | Six Months ended 9/06 (Results) | | |
|----------------------------|--------------|------------------------------------|------------|----------|------------------------------------|------------|----------|------------------------------------|------------|----------|
| | | amount | % of Total | % change | amount | % of Total | % change | amount | % of Total | % change |
| C o s m e | Mail Order | 11,059 | 61.9 | 4.8 | 11,595 | 58.8 | 4.8 | 11,986 | 55.3 | 3.4 |
| | Retail Store | 5,438 | 30.5 | 3.5 | 6,458 | 32.7 | 18.7 | 7,552 | 34.9 | 16.9 |
| | Wholesale | 1,353 | 7.6 | 18.5 | 1,683 | 8.5 | 24.4 | 2,116 | 9.8 | 25.7 |
| | Sub total | 17,852 | 42.3 | 5.3 | 19,736 | 43.1 | 10.6 | 21,656 | 45.2 | 9.7 |
| s u p p l e | Mail Order | 7,889 | 53.1 | (0.2) | 8,453 | 51.2 | 7.2 | 7,026 | 46.4 | (16.9) |
| | Retail Store | 3,403 | 22.9 | 19.9 | 4,154 | 25.1 | 22.1 | 4,013 | 26.5 | (3.4) |
| | Wholesale | 3,557 | 24.0 | 2.0 | 3,916 | 23.7 | 10.1 | 4,090 | 27.1 | 4.5 |
| | Mail Order | 14,850 | 35.1 | 4.4 | 16,524 | 36.1 | 11.3 | 15,129 | 31.5 | (8.4) |
| o t h e r s | Mail Order | 7,097 | 74.4 | (8.4) | 7,260 | 76.4 | 2.3 | 8,759 | 78.2 | 20.7 |
| | Retail Store | 667 | 7.0 | 20.5 | 761 | 8.0 | 14.1 | 779 | 7.0 | 2.4 |
| | Wholesale | 1,778 | 18.6 | 4.1 | 1,483 | 15.6 | (16.6) | 1,654 | 14.8 | 11.6 |
| | Sub total | 9,543 | 22.6 | (4.7) | 9,505 | 20.8 | (0.4) | 11,194 | 23.3 | 17.8 |
| T o t a l | Mail Order | 26,046 | 61.7 | (0.6) | 27,309 | 59.7 | 4.8 | 27,772 | 57.9 | 1.7 |
| | Retail Store | 9,509 | 22.5 | 10.0 | 11,374 | 24.8 | 19.6 | 12,345 | 25.7 | 8.5 |
| | Wholesale | 6,689 | 15.8 | 5.5 | 7,083 | 15.5 | 5.9 | 7,862 | 16.4 | 11.0 |
| | Sub total | 42,245 | 100.0 | 2.5 | 45,766 | 100.0 | 8.3 | 47,980 | 100.0 | 4.8 |

(Millions of yen, %)

| | | Six Months ended 9/04 (Results) | | | Six Months ended 9/05 (Results) | | | Six Months ended 9/06 (Results) | | |
|-----------------------|--------------|------------------------------------|------------|----------|------------------------------------|------------|----------|------------------------------------|------------|----------|
| | | amount | % of Total | % change | amount | % of Total | % change | amount | % of Total | % change |
| R i c k e | Mail Order | 1,391 | 53.0 | (18.0) | 1,239 | 57.1 | (10.9) | 1,375 | 53.5 | 11.0 |
| | Retail Store | 157 | 6.0 | 8.5 | 178 | 8.3 | 13.3 | 212 | 8.3 | 19.1 |
| | Wholesale | 1,077 | 41.0 | 3.6 | 751 | 34.6 | (30.3) | 983 | 38.2 | 31.0 |
| | Sub total | 2,626 | 6.2 | (8.8) | 2,169 | 4.7 | (17.4) | 2,572 | 5.4 | 18.6 |
| K a l e | Mail Order | 710 | 43.0 | (11.8) | 888 | 43.8 | 25.1 | 879 | 45.1 | (1.0) |
| | Retail Store | 326 | 19.8 | 67.4 | 492 | 24.3 | 50.9 | 505 | 25.9 | 2.6 |
| | Wholesale | 614 | 37.2 | (0.6) | 647 | 31.9 | 5.3 | 565 | 29.0 | (12.6) |
| | Sub total | 1,651 | 3.9 | 2.0 | 2,028 | 4.4 | 22.9 | 1,950 | 4.1 | (3.8) |

◆ Sales By Segment(Full Year)

(Millions of yen, %)

| | | FY2005 (Results) | | | FY2006 (Results) | | | FY2007 (Projection) | | |
|----------------------------|--------------|---------------------|------------|----------|---------------------|------------|----------|------------------------|------------|----------|
| | | amount | % of Total | % change | amount | % of Total | % change | amount | % of Total | % change |
| C o s m e | Mail Order | 22,829 | 61.5 | 4.4 | 24,060 | 58.3 | 5.4 | 25,300 | 55.8 | 5.2 |
| | Retail Store | 11,491 | 31.0 | 8.3 | 13,721 | 33.2 | 19.4 | 15,700 | 34.7 | 14.4 |
| | Wholesale | 2,777 | 7.5 | 13.5 | 3,504 | 8.5 | 26.2 | 4,300 | 9.5 | 22.7 |
| | Sub total | 37,098 | 42.2 | 6.2 | 41,286 | 43.3 | 11.3 | 45,300 | 45.9 | 9.7 |
| s u p p l e | Mail Order | 16,709 | 53.7 | 1.6 | 16,822 | 50.6 | 0.7 | 13,900 | 46.0 | (17.4) |
| | Retail Store | 7,175 | 23.0 | 19.7 | 8,393 | 25.2 | 17.0 | 8,000 | 26.5 | (4.7) |
| | Wholesale | 7,246 | 23.3 | 0.3 | 8,030 | 24.2 | 10.8 | 8,300 | 27.5 | 3.4 |
| | Sub total | 31,131 | 35.4 | 5.0 | 33,246 | 34.9 | 6.8 | 30,200 | 30.6 | (9.2) |
| o t h e r s | Mail Order | 15,004 | 76.1 | (7.0) | 16,353 | 78.7 | 9.0 | 18,500 | 79.7 | 13.1 |
| | Retail Store | 1,400 | 7.1 | 25.1 | 1,492 | 7.2 | 6.6 | 1,550 | 6.7 | 3.9 |
| | Wholesale | 3,301 | 16.8 | 5.6 | 2,943 | 14.1 | (10.9) | 3,150 | 13.6 | 7.0 |
| | Sub total | 19,706 | 22.4 | (3.3) | 20,789 | 21.8 | 5.5 | 23,200 | 23.5 | 11.6 |
| T o t a l | Mail Order | 54,543 | 62.0 | 0.2 | 57,237 | 60.0 | 4.9 | 57,700 | 58.5 | 0.8 |
| | Retail Store | 20,067 | 22.8 | 13.2 | 23,607 | 24.8 | 17.6 | 25,250 | 25.6 | 7.0 |
| | Wholesale | 13,326 | 15.2 | 4.1 | 14,477 | 15.2 | 8.6 | 15,750 | 15.9 | 8.8 |
| | Sub total | 87,937 | 100.0 | 3.5 | 95,322 | 100.0 | 8.4 | 98,700 | 100.0 | 3.5 |

(Millions of yen, %)

| | | FY2005 (Results) | | | FY2006 (Results) | | | FY2007 (Projection) | | |
|-----------------------|--------------|---------------------|------------|----------|---------------------|------------|----------|------------------------|------------|----------|
| | | amount | % of Total | % change | amount | % of Total | % change | amount | % of Total | % change |
| R i c k e | Mail Order | 2,838 | 56.5 | (11.7) | 2,639 | 58.0 | (7.0) | 2,800 | 54.9 | 6.1 |
| | Retail Store | 332 | 6.6 | 19.4 | 361 | 7.9 | 8.8 | 440 | 8.6 | 21.8 |
| | Wholesale | 1,855 | 36.9 | (1.8) | 1,549 | 34.1 | (16.5) | 1,860 | 36.5 | 20.0 |
| | Sub total | 5,026 | 5.7 | (6.6) | 4,549 | 4.8 | (9.5) | 5,100 | 5.2 | 12.1 |
| K a l e | Mail Order | 1,557 | 44.2 | 8.5 | 1,858 | 46.1 | 19.4 | 1,850 | 46.8 | (0.5) |
| | Retail Store | 725 | 20.6 | 66.9 | 963 | 23.9 | 32.8 | 1,000 | 25.3 | 3.7 |
| | Wholesale | 1,241 | 35.2 | 11.4 | 1,207 | 30.0 | (2.8) | 1,100 | 27.8 | (8.9) |
| | Sub total | 3,524 | 4.0 | 18.1 | 4,029 | 4.2 | 14.3 | 3,950 | 4.0 | (2.0) |

◆Number of Active Customers

(People)

| | | As of September 30, 2004 | As of September 30, 2005 | As of September 30, 2006 | Increase (Decrease) |
|--------------------------|-------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| F A N C L | Cosmetics | 1,084,037 | 1,262,218 | 1,409,655 | 147,437 |
| | Cosmetics Mail Order | 602,075 | 660,178 | 662,074 | 1,896 |
| | Cosmetics Retail Stores | 566,190 | 711,025 | 870,606 | 159,581 |
| | Nutritional Supple | 1,042,490 | 1,168,339 | 1,105,914 | (62,425) |
| | Supple Mail Order | 619,079 | 639,184 | 571,826 | (67,358) |
| | Supple Retail Stores | 467,574 | 590,434 | 592,359 | 1,925 |
| | Rice Mail Order | 328,680 | 214,060 | 260,381 | 46,321 |
| | Kale Mail Order | 93,603 | 108,779 | 107,349 | (1,430) |
| | Mail Order | 1,258,604 | 1,184,304 | 1,186,460 | 2,156 |
| | Retail Stores | 898,562 | 1,098,842 | 1,249,009 | 150,167 |
| ATTENIR Cosme Mail Order | | 410,085 | 413,600 | 504,360 | 90,760 |

◆Unit Prices (FANCL)

(Yen, %)

| | Six Months ended 9/04 | Six Months ended 9/05 | Six Months ended 9/06 | % change |
|----------------------|-----------------------|-----------------------|-----------------------|----------|
| Cosmetics Mail Order | 5,719 | 5,560 | 5,874 | 5.6 |
| Supple Mail Order | 6,138 | 5,944 | 5,944 | 0.0 |
| Retail Stores | 3,321 | 3,304 | 3,378 | 2.2 |

◆Existing Stores Year-on-year-change

| Six Months ended 9/04 | Six Months ended 9/05 | Six Months ended 9/06 |
|-----------------------|-----------------------|-----------------------|
| 105.6% | 106.9% | 97.0% |

◆Capital Investment and Depreciation

(Millions of yen)

| | Six Months ended 9/05 (Results) | Six Months ended 9/06 (Results) | FY2006 (Results) | FY2007 (Projection) |
|--------------------|------------------------------------|------------------------------------|---------------------|------------------------|
| Capital Investment | 995 | 1,930 | 2,292 | 5,500 |
| Depreciation | 1,213 | 1,260 | 2,540 | 2,600 |

◆ Segment Information(Six Months)

(Millions of yen,%)

| | Six Months ended 9/04 (Results) | | | Six Months ended 9/05 (Results) | | | Six Months ended 9/06 (Results) | | | |
|----------------------------|---------------------------------|------------|----------|---------------------------------|------------|----------|---------------------------------|------------|----------|--------|
| | amount | % of Total | % change | amount | % of Total | % change | amount | % of Total | % change | |
| C o s m e | Sales | 17,852 | 42.3 | 5.3 | 19,736 | 43.1 | 10.6 | 21,656 | 45.2 | 9.7 |
| | Gross Profit | 13,214 | 74.0 | | 14,639 | 74.2 | | 16,006 | 73.9 | |
| | SGA | 11,158 | 62.5 | 21.1 | 12,277 | 62.2 | 10.0 | 13,522 | 62.4 | 10.1 |
| | Advertising | 2,563 | 14.4 | 82.6 | 2,862 | 14.5 | 11.7 | 2,736 | 12.6 | (4.4) |
| | Operating Income | 2,055 | 11.5 | (43.9) | 2,361 | 12.0 | 14.9 | 2,483 | 11.5 | 5.2 |
| S u p p l e | Sales | 14,850 | 35.1 | 4.4 | 16,524 | 36.1 | 11.3 | 15,129 | 31.5 | (8.4) |
| | Gross Profit | 9,852 | 66.3 | | 10,384 | 62.8 | | 9,472 | 62.6 | |
| | SGA | 8,123 | 54.7 | 29.3 | 7,603 | 46.0 | (6.4) | 7,458 | 49.3 | (1.9) |
| | Advertising | 1,911 | 12.9 | 114.0 | 877 | 5.3 | (54.1) | 794 | 5.3 | (9.5) |
| | Operating Income | 1,729 | 11.6 | (35.3) | 2,780 | 16.8 | 60.8 | 2,014 | 13.3 | (27.6) |
| o t h e r s | Sales | 9,543 | 22.6 | (4.7) | 9,505 | 20.8 | (0.4) | 11,194 | 23.3 | 17.8 |
| | Gross Profit | 4,697 | 49.2 | | 4,954 | 52.1 | | 5,536 | 49.5 | |
| | SGA | 6,162 | 64.6 | 7.8 | 5,093 | 53.6 | (17.4) | 6,472 | 57.8 | 27.1 |
| | Advertising | 1,556 | 16.3 | 5.4 | 960 | 10.1 | (38.3) | 1,613 | 14.4 | 67.9 |
| | Operating Income | (1,465) | (15.4) | — | (138) | (1.5) | — | (936) | (8.4) | — |
| Eliminations or Corporate | (1,027) | | | (831) | | | (884) | | | |
| T o t a l | Sales | 42,245 | 100.0 | 2.5 | 45,766 | 100.0 | 8.3 | 47,980 | 100.0 | 4.8 |
| | Gross Profit | 27,764 | 65.7 | | 29,977 | 65.5 | | 31,015 | 64.6 | |
| | SGA | 26,471 | 62.6 | 19.0 | 25,806 | 56.4 | (2.5) | 28,338 | 59.1 | 9.8 |
| | Advertising | 6,031 | 14.3 | 59.8 | 4,700 | 10.3 | (22.1) | 5,144 | 10.7 | 9.4 |
| | Operating Income | 1,292 | 3.1 | (73.6) | 4,171 | 9.1 | 222.7 | 2,676 | 5.6 | (35.8) |

◆ General and administrative expenses(Six Months)

(Millions of yen,%)

| | Six Months ended 9/04 (Results) | | | Six Months ended 9/05 (Results) | | | Six Months ended 9/06 (Results) | | |
|------------------|---------------------------------|------------|----------|---------------------------------|------------|----------|---------------------------------|------------|----------|
| | amount | % of Total | % change | amount | % of Total | % change | amount | % of Total | % change |
| Advertising | 6,031 | 14.3 | 59.8 | 4,700 | 10.3 | (22.1) | 5,144 | 10.7 | 9.4 |
| Sales Promotions | 4,789 | 11.3 | 31.4 | 4,315 | 9.4 | (9.9) | 5,079 | 10.6 | 17.7 |
| Transport | 2,057 | 4.9 | 5.5 | 2,026 | 4.4 | (1.5) | 2,050 | 4.3 | 1.2 |
| Communications | 1,119 | 2.6 | (12.8) | 1,007 | 2.2 | (10.0) | 1,163 | 2.4 | 15.5 |
| Fees/outsourcing | 3,763 | 8.9 | 11.1 | 4,043 | 8.8 | 7.5 | 4,210 | 8.8 | 4.1 |
| Salaries | 5,225 | 12.4 | 6.4 | 6,030 | 13.2 | 15.4 | 6,921 | 14.4 | 14.8 |
| Depreciations | 696 | 1.6 | (17.4) | 678 | 1.5 | (2.6) | 747 | 1.6 | 10.2 |
| Others | 2,789 | 6.6 | 13.5 | 3,003 | 6.6 | 7.7 | 3,020 | 6.3 | 0.6 |
| Total | 26,471 | 62.6 | 19.0 | 25,806 | 56.4 | (2.5) | 28,338 | 59.1 | 9.8 |

◆ Segment Information(Full Year)

(Millions of yen,%)

| | FY2005 (Results) | | | FY2006 (Results) | | | FY2007 (Projection) | | | |
|----------------------------|------------------|------------|----------|------------------|------------|----------|---------------------|------------|----------|--------|
| | amount | % of Total | % change | amount | % of Total | % change | amount | % of Total | % change | |
| C o s m e | Sales | 37,098 | 42.2 | 6.2 | 41,286 | 43.3 | 11.3 | 45,300 | 45.9 | 9.7 |
| | Gross Profit | 27,592 | 74.4 | | 30,655 | 74.2 | | 33,700 | 74.4 | |
| | SGA | 22,846 | 61.6 | 13.6 | 25,087 | 60.8 | 9.8 | 27,000 | 59.6 | 7.6 |
| | Advertising | 5,073 | 13.7 | 29.0 | 5,464 | 13.2 | 7.7 | 4,700 | 10.4 | (14.0) |
| | Operating Income | 4,745 | 12.8 | (24.5) | 5,567 | 13.5 | 17.3 | 6,700 | 14.8 | 20.3 |
| S u p p l e | Sales | 31,131 | 35.4 | 5.0 | 33,246 | 34.9 | 6.8 | 30,200 | 30.6 | (9.2) |
| | Gross Profit | 20,623 | 66.2 | | 20,829 | 62.7 | | 19,200 | 63.6 | |
| | SGA | 15,985 | 51.3 | 16.9 | 15,424 | 46.4 | (3.5) | 15,700 | 52.0 | 1.8 |
| | Advertising | 3,291 | 10.6 | 31.6 | 1,835 | 5.5 | (44.2) | 2,300 | 7.6 | 25.3 |
| | Operating Income | 4,638 | 14.9 | (13.6) | 5,405 | 16.3 | 16.5 | 3,500 | 11.6 | (35.3) |
| o t h e r s | Sales | 19,706 | 22.4 | (3.3) | 20,789 | 21.8 | 5.5 | 23,200 | 23.5 | 11.6 |
| | Gross Profit | 9,689 | 49.2 | | 10,597 | 51.0 | | 11,500 | 49.6 | |
| | SGA | 11,656 | 59.2 | (3.5) | 11,359 | 54.6 | (2.5) | 12,500 | 53.9 | 10.0 |
| | Advertising | 2,740 | 13.9 | (20.1) | 2,492 | 12.0 | (9.1) | 2,900 | 12.5 | 16.4 |
| | Operating Income | (1,967) | (10.0) | — | (761) | (3.7) | — | (1,000) | (4.3) | — |
| Eliminations or Corporate | (1,988) | | | (1,636) | | | (1,800) | | | |
| T o t a l | Sales | 87,937 | 100.0 | 3.5 | 95,322 | 100.0 | 8.4 | 98,700 | 100.0 | 3.5 |
| | Gross Profit | 57,905 | 65.8 | | 62,082 | 65.1 | | 64,400 | 65.2 | |
| | SGA | 52,476 | 59.6 | 9.5 | 53,507 | 56.1 | 2.0 | 57,000 | 57.8 | 6.5 |
| | Advertising | 11,105 | 12.6 | 12.6 | 9,792 | 10.3 | (11.8) | 9,900 | 10.0 | 1.1 |
| | Operating Income | 5,428 | 6.2 | (30.1) | 8,574 | 9.0 | 57.9 | 7,400 | 7.5 | (13.7) |

◆ General and administrative expenses(Full Year)

(Millions of yen,%)

| | FY2005 (Results) | | | FY2006 (Results) | | | FY2007 (Projection) | | |
|------------------|------------------|------------|----------|------------------|------------|----------|---------------------|------------|----------|
| | amount | % of Total | % change | amount | % of Total | % change | amount | % of Total | % change |
| Advertising | 11,105 | 12.6 | 12.6 | 9,792 | 10.3 | (11.8) | 9,900 | 10.0 | 1.1 |
| Sales Promotions | 9,475 | 10.8 | 18.5 | 9,319 | 9.8 | (1.6) | 10,200 | 10.3 | 9.4 |
| Transport | 4,240 | 4.8 | 6.1 | 4,214 | 4.4 | (0.6) | 4,250 | 4.3 | 0.9 |
| Communications | 2,199 | 2.5 | (9.5) | 2,205 | 2.3 | 0.3 | 2,400 | 2.4 | 8.8 |
| Fees/outsourcing | 7,482 | 8.5 | 4.2 | 8,050 | 8.4 | 7.6 | 8,700 | 8.8 | 8.1 |
| Salaries | 10,689 | 12.2 | 8.7 | 12,393 | 13.0 | 15.9 | 13,950 | 14.1 | 12.6 |
| Depreciations | 1,450 | 1.6 | (13.4) | 1,440 | 1.5 | (0.7) | 1,550 | 1.6 | 7.6 |
| Others | 5,834 | 6.6 | 17.9 | 6,091 | 6.4 | 4.4 | 6,050 | 6.1 | (0.7) |
| Total | 52,476 | 59.6 | 9.5 | 53,507 | 56.1 | 2.0 | 57,000 | 57.8 | 6.5 |

◆Number of Shops by Region

As of September 30, 2006

| | Hokkaido | Tohoku | Kanto (except Tokyo) | TOKYO | Tokai, Hokuriku & Shinetsu | Kinki | Chugoku, Shikoku | Kyushu, Okinawa | Total |
|--------------------|----------|--------|-------------------------|-------|-------------------------------|-------|------------------|--------------------|-------|
| Fancl Ginza Square | — | — | — | 1 | — | — | — | — | 1 |
| Fancl House | 1 | 5 | 27 | 23 | 17 | 25 | 7 | 6 | 111 |
| Fancl House J | 3 | 3 | 22 | 17 | 6 | 13 | 8 | 8 | 80 |
| Genki Station | 2 | — | — | 3 | 1 | 2 | — | 1 | 9 |
| ATTENIR Shop | — | — | 2 | 2 | 1 | 4 | 1 | — | 10 |
| Others | — | — | 2 | 2 | — | — | — | — | 4 |
| Total | 6 | 8 | 53 | 48 | 25 | 44 | 16 | 15 | 215 |

◆Number of Shops

| | 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 September 30, 2006 | As of March 31, 2007 (Projection) |
|--------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|--------------------------------|---|
| Fancl Ginza Square | — | — | 1 | 1 | 1 | 1 | 1 |
| Fancl House | 114 | 119 | 114 | 110 | 113 | 111 | 110 |
| Fancl House J | — | 1 | 10 | 37 | 71 | 80 | 87 |
| Genki Station | 8 | 8 | 9 | 9 | 9 | 9 | 8 |
| ATTENIR Shop | 5 | 5 | 6 | 9 | 10 | 10 | 10 |
| Others | 6 | 11 | 3 | 3 | 4 | 4 | 4 |
| Total | 133 | 144 | 143 | 169 | 208 | 215 | 220 |