

◆ Sales By Segment (Three Months)

(Millions of yen,%)

		Three Months ended 6/09			Three Months ended 6/10		
		amount	% of total	% change	amount	% of total	% change
C o s m e	Mail Order	6,644	52.0	0.4	6,102	50.7	(8.2)
	Retail Store	4,238	33.1	(3.5)	4,069	33.8	(4.0)
	Wholesale	685	5.4	35.1	580	4.8	(15.3)
	Overseas sales	1,217	9.5	14.8	1,293	10.7	6.2
	Sub total	12,786	53.1	1.7	12,045	51.5	(5.8)
S u p p l e	Mail Order	3,023	44.7	(8.6)	2,822	42.6	(6.7)
	Retail Store	1,825	27.0	(11.7)	1,778	26.9	(2.5)
	Wholesale	1,400	20.7	(6.9)	1,373	20.7	(1.9)
	Overseas sales	518	7.6	(12.1)	651	9.8	25.8
	Sub total	6,766	28.1	(9.4)	6,626	28.3	(2.1)
O t h e r s	Mail Order	3,778	83.8	(0.5)	3,687	78.1	(2.4)
	Retail Store	270	6.0	(8.6)	291	6.2	7.8
	Wholesale	446	9.9	(27.0)	731	15.5	64.0
	Overseas sales	15	0.3	211.4	11	0.2	(24.4)
	Sub total	4,510	18.8	(4.2)	4,722	20.2	4.7
T o t a l	Mail Order	13,446	55.9	(2.0)	12,611	53.9	(6.2)
	Retail Store	6,334	26.3	(6.2)	6,140	26.2	(3.1)
	Wholesale	2,532	10.5	(3.5)	2,685	11.5	6.1
	Overseas sales	1,751	7.3	5.8	1,957	8.4	11.8
	Sub total	24,064	100.0	(2.8)	23,394	100.0	(2.8)

(Millions of yen,%)

		Three Months ended 6/09			Three Months ended 6/10		
		amount	% of total	% change	amount	% of total	% change
R i c e	Mail Order	469	60.4	(13.2)	467	60.9	(0.4)
	Retail Store	41	5.3	(28.3)	39	5.2	(4.1)
	Wholesale	264	34.1	(34.0)	255	33.3	(3.4)
	Overseas sales	1	0.2	(37.7)	4	0.6	179.7
	Sub total	776	3.2	(22.4)	766	3.3	(1.3)
K a l e	Mail Order	537	58.8	6.0	563	58.2	4.8
	Retail Store	211	23.1	(3.8)	235	24.3	11.7
	Wholesale	161	17.7	(13.5)	166	17.2	3.1
	Overseas sales	3	0.4	46.3	3	0.3	(18.7)
	Sub total	913	3.8	(0.2)	968	4.1	6.0

As of the third quarter of the fiscal year ending March 31, 2010, changes have been made in the sales channel segments. Accordingly, wholesale sales through other sales channels are recorded as those of domestic wholesale and others, and overseas sales are recorded as those of overseas wholesale sales and retail sales.

◆ Sales By Segment (Six Months)

(Millions of yen,%)

		Six Months ended 9/09			Six Months ended 9/10 (Projection)		
		amount	% of total	% change	amount	% of total	% change
C o s m e	Mail Order	12,817	51.4	(0.7)	12,550	50.4	(2.1)
	Retail Store	8,360	33.6	(5.0)	8,500	34.1	1.7
	Wholesale	1,360	5.5	47.4	1,250	5.0	(8.1)
	Overseas sales	2,373	9.5	9.3	2,600	10.5	9.5
	Sub total	24,912	52.2	0.4	24,900	52.2	(0.0)
S u p p l e	Mail Order	5,905	43.6	(6.6)	5,900	44.0	(0.1)
	Retail Store	3,727	27.6	(7.2)	3,600	26.9	(3.4)
	Wholesale	2,800	20.7	(5.7)	2,700	20.1	(3.6)
	Overseas sales	1,094	8.1	(7.4)	1,200	9.0	9.7
	Sub total	13,528	28.4	(6.6)	13,400	28.1	(0.9)
O t h e r s	Mail Order	7,359	79.6	(1.8)	7,228	76.9	(1.8)
	Retail Store	593	6.4	(1.2)	619	6.6	4.3
	Wholesale	1,262	13.7	7.7	1,534	16.3	21.5
	Overseas sales	27	0.3	103.2	19	0.2	(30.8)
	Sub total	9,242	19.4	(0.4)	9,400	19.7	1.7
T o t a l	Mail Order	26,082	54.7	(2.4)	25,678	53.8	(1.6)
	Retail Store	12,681	26.6	(5.5)	12,719	26.7	0.3
	Wholesale	5,423	11.4	7.1	5,484	11.5	1.1
	Overseas sales	3,495	7.3	3.8	3,819	8.0	9.3
	Sub total	47,683	100.0	(1.8)	47,700	100.0	0.0

(Millions of yen,%)

		Six Months ended 9/09			Six Months ended 9/10 (Projection)		
		amount	% of total	% change	amount	% of total	% change
R i c e	Mail Order	908	61.2	(9.1)	898	61.9	(1.2)
	Retail Store	82	5.5	(22.5)	73	5.1	(11.2)
	Wholesale	491	33.1	(34.4)	470	32.4	(4.4)
	Overseas sales	3	0.2	(65.7)	9	0.6	172.9
	Sub total	1,485	3.1	(20.3)	1,450	3.0	(2.4)
K a l e	Mail Order	1,120	57.5	8.4	1,130	58.0	0.8
	Retail Store	476	24.5	4.8	490	25.1	2.9
	Wholesale	342	17.6	(8.7)	324	16.6	(5.3)
	Overseas sales	7	0.4	70.2	6	0.3	(20.6)
	Sub total	1,947	4.1	4.2	1,950	4.1	0.1

As of the third quarter of the fiscal year ending March 31, 2010, changes have been made in the sales channel segments. Accordingly, wholesale sales through other sales channels are recorded as those of domestic wholesale and others, and overseas sales are recorded as those of overseas wholesale sales and retail sales.

◆ Sales By Segment (Full Year)

(Millions of yen,%)

		FY2010			FY2010 (※Non-consolidated basis)			FY2011 (Projection)			
		amount	% of total	% change	amount	% of total	% change	amount	% of total	% change	% change
C o s m e	Mail Order	25,754	49.6	(1.5)	25,754	51.7	(1.5)	26,050	51.3	1.1	1.1
	Retail Store	16,431	31.7	(4.5)	16,431	33.0	(4.5)	16,750	33.0	1.9	1.9
	Wholesale	2,715	5.2	18.7	2,715	5.4	18.7	2,480	4.9	(8.7)	(8.7)
	Overseas sales	6,999	13.5	57.6	4,919	9.9	10.8	5,520	10.8	(21.1)	12.2
	Sub total	51,902	52.2	3.6	49,821	51.6	(0.5)	50,800	52.1	(2.1)	2.0
S u p p l e	Mail Order	12,223	42.9	(6.1)	12,223	44.3	(6.1)	12,250	44.9	0.2	0.2
	Retail Store	7,400	26.0	(6.9)	7,400	26.8	(6.9)	7,150	26.2	(3.4)	(3.4)
	Wholesale	5,609	19.7	(4.7)	5,609	20.3	(4.7)	5,300	19.4	(5.5)	(5.5)
	Overseas sales	3,259	11.4	45.2	2,355	8.6	4.9	2,600	9.5	(20.2)	10.4
	Sub total	28,492	28.6	(2.1)	27,589	28.6	(5.2)	27,300	28.0	(4.2)	(1.0)
O t h e r s	Mail Order	15,280	79.8	(1.6)	15,280	79.8	(1.6)	15,137	78.0	(0.9)	(0.9)
	Retail Store	1,158	6.1	1.1	1,158	6.1	1.1	1,199	6.2	3.5	3.5
	Wholesale	2,651	13.8	27.0	2,651	13.9	27.0	3,022	15.6	14.0	14.0
	Overseas sales	50	0.3	(30.1)	46	0.2	(35.8)	42	0.2	(17.6)	(10.3)
	Sub total	19,141	19.2	1.6	19,137	19.8	1.6	19,400	19.9	1.3	1.4
T o t a l	Mail Order	53,258	53.5	(2.6)	53,258	55.1	(2.6)	53,437	54.8	0.3	0.3
	Retail Store	24,991	25.1	(5.0)	24,991	25.9	(5.0)	25,099	25.7	0.4	0.4
	Wholesale	10,976	11.0	7.0	10,976	11.4	7.0	10,802	11.1	(1.6)	(1.6)
	Overseas sales	10,309	10.4	52.6	7,321	7.6	8.3	8,162	8.4	(20.8)	11.5
	Sub total	99,536	100.0	1.6	96,548	100.0	(1.5)	97,500	100.0	(2.0)	1.0

(Millions of yen,%)

		FY2010			FY2010 (※Non-consolidated basis)			FY2011 (Projection)			
		amount	% of total	% change	amount	% of total	% change	amount	% of total	% change	% change
R i c e	Mail Order	1,965	63.3	(3.4)	1,965	63.3	(3.4)	1,901	62.3	(3.3)	(3.3)
	Retail Store	169	5.4	(17.4)	169	5.4	(17.4)	141	4.6	(16.6)	(16.6)
	Wholesale	961	31.0	(27.0)	961	31.0	(27.0)	985	32.3	2.5	2.5
	Overseas sales	9	0.3	(34.2)	7	0.3	(44.7)	23	0.8	148.0	195.0
	Sub total	3,105	3.1	(13.0)	3,103	3.2	(13.1)	3,050	3.1	(1.8)	(1.7)
K a l e	Mail Order	2,202	58.2	8.3	2,202	58.3	8.3	2,236	58.1	1.5	1.5
	Retail Store	920	24.3	7.1	920	24.3	7.1	942	24.5	2.3	2.3
	Wholesale	644	17.1	(5.7)	644	17.1	(5.7)	657	17.0	1.9	1.9
	Overseas sales	15	0.4	(5.6)	13	0.3	(21.3)	15	0.4	(4.8)	14.3
	Sub total	3,783	3.8	5.3	3,780	3.9	5.2	3,850	3.9	1.8	1.8

As of the third quarter of the fiscal year ending March 31, 2010, changes have been made in the sales channel segments. Accordingly, wholesale sales through other sales channels are recorded as those of domestic wholesale and others, and overseas sales are recorded as those of overseas wholesale sales and retail sales.

Non-consolidated basis: Scope of consolidation of the fiscal year ending March 31, 2010 is the scope not consolidating FNL/FNCCL.

◆Number of Active Customers

(people)

		As of June 30,2008	As of June 30,2009	As of June 30,2010	Increase (decrease)
F A N C L	Cosmetics	1,352,794	1,308,088	1,236,191	(71,897)
	Cosmetics Mail Order	644,419	655,562	625,751	(29,811)
	Cosmetics Retail Stores	829,793	771,105	718,502	(52,603)
	Nutritional Supple	1,005,868	912,508	849,840	(62,668)
	Supple Mail Order	537,483	505,562	488,548	(17,014)
	Supple Retail Stores	519,534	454,257	402,809	(51,448)
	Rice Mail Order	225,101	195,061	191,363	(3,698)
	Kale Mail Order	93,074	102,239	109,124	6,885
	Mail order	1,111,149	1,065,915	1,032,091	(33,824)
	Retail Stores	1,148,688	1,040,827	961,891	(78,936)
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◆Purchase Unit Prices(FANCL)

(Yen,%)

	Three Months ended 6/09	Three Months ended 6/10	% change
Cosmetics Mail Order	5,661	5,987	5.8
Supple Mail Order	5,728	5,513	(3.7)
Retail Stores	3,844	4,030	4.8

◆Existing Stores Year-on-year-change

Three Months ended 6/08	Three Months ended 6/09	Three Months ended 6/10
97.8%	99.5%	97.8%

◆ Sales By Segment (Three Months)

(Millions of yen,%)

		Three Months ended 6/09			Three Months ended 6/10		
		amount	% of total	% change	amount	% of total	% change
C o s m e	Sales	12,786	53.1	1.7	12,045	51.5	(5.8)
	Gross Profit	9,446	73.9		8,821	73.2	
	SGA	7,655	59.9	5.0	6,635	55.1	(13.3)
	Advertising	1,250	9.8	20.3	637	5.3	(49.0)
	Operating Income	1,790	14.0	(20.1)	2,186	18.1	22.1
S u p p l e	Sales	6,766	28.1	(9.4)	6,626	28.3	(2.1)
	Gross Profit	4,490	66.4		4,250	64.1	
	SGA	3,785	55.9	(5.3)	3,632	54.8	(4.1)
	Advertising	410	6.1	2.9	430	6.5	4.8
	Operating Income	705	10.4	(25.0)	618	9.3	(12.3)
O t h e r s	Sales	4,510	18.8	(4.2)	4,722	20.2	4.7
	Gross Profit	2,157	47.8		2,164	45.8	
	SGA	2,351	52.1	(8.2)	2,358	49.9	0.3
	Advertising	505	11.2	10.4	458	9.7	(9.2)
	Operating Income	(193)	(4.3)	—	(194)	(4.1)	—
Eliminations or Corporate		(499)			(483)		
T o t a l	Sales	24,064	100.0	(2.8)	23,394	100.0	(2.8)
	Gross Profit	16,094	66.9		15,237	65.1	
	SGA	14,292	59.4	(1.6)	13,109	56.0	(8.3)
	Advertising	2,166	9.0	14.3	1,526	6.5	(29.5)
	Operating Income	1,802	7.5	(19.8)	2,127	9.1	18.0

◆ General and administrative expenses (Three Months)

(Millions of yen,%)

	Three Months ended 6/09			Three Months ended 6/10		
	amount	% of total	% change	amount	% of total	% change
Advertising	2,166	9.0	14.3	1,526	6.5	(29.5)
Sales Promotions	2,960	12.3	(1.0)	2,806	12.0	(5.2)
Transport	962	4.0	(5.5)	904	3.9	(6.1)
Communications	535	2.2	2.6	489	2.1	(8.7)
Fees/outourcing	2,176	9.0	(5.3)	2,119	9.1	(2.6)
Salaries	3,255	13.5	(8.0)	3,204	13.7	(1.6)
Depreciations	499	2.1	6.3	477	2.0	(4.2)
Others	1,736	7.2	(2.7)	1,580	6.8	(9.0)
Total	14,292	59.4	(1.6)	13,109	56.0	(8.3)

◆ Segment Information (Six Months)

(Millions of yen,%)

		Six Months ended 9/09			Six Months ended 9/09 (※Non-consolidated basis)			Six Months ended 9/10 (Projection)			
		amount	% of total	% change	amount	% of total	% change	amount	% of total	% change	% change
C o m m e	Sales	24,912	52.2	0.4	24,912	52.2	0.4	24,900	52.2	(0.0)	(0.0)
	Gross Profit	17,895	71.8		18,231	73.2		18,220	73.2		
	SGA	14,824	59.5	(5.0)	14,824	59.5	(5.0)	15,240	61.2	2.8	2.8
	Advertising	2,520	10.1	(13.2)	2,520	10.1	(13.2)	2,300	9.2	(8.7)	(8.7)
	Operating Income	3,070	12.3	1.4	3,407	13.7	12.5	2,980	12.0	(3.0)	(12.5)
S u p p l e	Sales	13,528	28.4	(6.6)	13,528	28.4	(6.6)	13,400	28.1	(0.9)	(0.9)
	Gross Profit	8,799	65.0		8,916	65.9		8,980	67.0		
	SGA	7,463	55.2	(5.4)	7,463	55.2	(5.4)	7,960	59.4	6.7	6.7
	Advertising	890	6.6	0.6	890	6.6	0.6	1,270	9.5	42.6	42.6
	Operating Income	1,336	9.9	(20.5)	1,453	10.7	(13.6)	1,020	7.6	(23.7)	(29.8)
O t h e r s	Sales	9,242	19.4	(0.4)	9,242	19.4	(0.4)	9,400	19.7	1.7	1.7
	Gross Profit	4,284	46.4		4,284	46.4		4,430	47.1		
	SGA	4,682	50.7	(7.3)	4,682	50.7	(7.3)	4,640	49.4	(0.9)	(0.9)
	Advertising	1,006	10.9	7.4	1,006	10.9	7.4	1,290	13.7	28.1	28.1
	Operating Income	(397)	(4.3)	—	(397)	(4.3)	—	(210)	(2.2)	—	—
Eliminations or Corporate		(883)			(883)			(920)			
T o t a l	Sales	47,683	100.0	(1.8)	47,683	100.0	(1.8)	47,700	100.0	0.0	0.0
	Gross Profit	30,980	65.0		31,433	65.9		31,630	66.3		
	SGA	27,853	58.4	(6.4)	27,853	58.4	(6.4)	28,760	60.3	3.3	3.3
	Advertising	4,417	9.3	(6.5)	4,417	9.3	(6.5)	4,860	10.2	10.0	10.0
	Operating Income	3,126	6.6	5.3	3,579	7.5	20.6	2,870	6.0	(8.2)	(19.8)

◆ General and administrative expenses (Six Months)

(Millions of yen,%)

	Six Months ended 9/09			Six Months ended 9/09 (※Non-consolidated basis)			Six Months ended 9/10 (Projection)			
	amount	% of total	% change	amount	% of total	% change	amount	% of total	% change	% change
Advertising	4,417	9.3	(6.5)	—	—	—	4,860	10.2	10.0	—
Sales Promotions	5,465	11.5	(9.1)	—	—	—	5,560	11.7	1.7	—
Transport	1,904	4.0	(4.3)	—	—	—	1,750	3.7	(8.1)	—
Communications	1,022	2.1	(3.4)	—	—	—	950	2.0	(7.1)	—
Fees/Outsourcing	4,333	9.1	(3.3)	—	—	—	4,530	9.5	4.5	—
Salaries	6,405	13.4	(8.1)	—	—	—	6,620	13.9	3.4	—
Depreciations	1,014	2.1	4.8	—	—	—	970	2.0	(4.4)	—
Others	3,288	6.9	(7.1)	—	—	—	3,520	7.4	7.0	—
Total	27,853	58.4	(6.4)	—	—	—	28,760	60.3	3.3	—

Non-consolidated basis: Scope of consolidation of the fiscal year ending March 31, 2010 is the scope not consolidating FNL/FNCL.

◆Segment Information (Full Year)

(Millions of yen,%)

	FY2010			FY2010 (※Non-consolidated basis)			FY2011 (Projection)				
	amount	% of total	% change	amount	% of total	% change	amount	% of total	% change	% change	
C o m p a n y	Sales	51,902	52.2	3.6	49,821	51.6	(0.5)	50,800	52.1	(2.1)	2.0
	Gross Profit	38,314	73.8		36,126	72.5		37,020	72.9		
	SGA	30,369	58.5	0.3	28,608	57.4	(5.6)	29,500	58.1	(2.9)	3.1
	Advertising	4,063	7.8	(17.0)	3,855	7.7	(21.3)	3,900	7.7	(4.0)	1.1
	Operating Income	7,945	15.3	17.5	7,517	15.1	11.2	7,520	14.8	(5.4)	0.0
S u p p l i e	Sales	28,492	28.6	(2.1)	27,589	28.6	(5.2)	27,300	28.0	(4.2)	(1.0)
	Gross Profit	19,420	68.2		18,440	66.8		18,280	67.0		
	SGA	16,170	56.8	(0.4)	15,319	55.5	(5.7)	16,030	58.7	(0.9)	4.6
	Advertising	2,110	7.4	(4.8)	2,012	7.3	(9.2)	2,550	9.3	20.8	26.7
	Operating Income	3,250	11.4	10.9	3,121	11.3	6.5	2,250	8.2	(30.8)	(27.9)
O t h e r s	Sales	19,141	19.2	1.6	19,137	19.8	1.6	19,400	19.9	1.3	1.4
	Gross Profit	8,717	45.5		8,712	45.5		9,130	47.1		
	SGA	9,205	48.1	(8.3)	9,201	48.1	(8.4)	9,300	47.9	1.0	1.1
	Advertising	1,797	9.4	(2.9)	1,796	9.4	(2.9)	2,340	12.1	30.2	30.3
	Operating Income	(488)	(2.6)	—	(489)	(2.6)	—	(170)	(0.9)	—	—
Eliminations or Corporate	(1,549)			(1,549)			(1,600)				
T o t a l	Sales	99,536	100.0	1.6	96,548	100.0	(1.5)	97,500	100.0	(2.0)	1.0
	Gross Profit	66,452	66.8		63,279	65.5		64,430	66.1		
	SGA	57,294	57.6	(2.3)	54,678	56.6	(6.7)	56,430	57.9	(1.5)	3.2
	Advertising	7,971	8.0	(11.1)	7,664	7.9	(14.5)	8,790	9.0	10.3	14.7
	Operating Income	9,158	9.2	37.4	8,600	8.9	29.0	8,000	8.2	(12.7)	(7.0)

◆General and administrative expenses (Full Year)

(Millions of yen,%)

	FY2010			FY2010 (※Non-consolidated basis)			FY2011 (Projection)			
	amount	% of total	% change	amount	% of total	% change	amount	% of total	% change	% change
Advertising	7,971	8.0	(11.1)	—	—	—	8,790	9.0	10.3	—
Sales Promotions	11,460	11.5	(7.8)	—	—	—	11,450	11.7	(0.1)	—
Transport	3,858	3.9	(3.0)	—	—	—	3,620	3.7	(6.2)	—
Communications	2,062	2.1	(4.8)	—	—	—	1,920	2.0	(6.9)	—
Fees/Outsourcing	9,381	9.4	5.1	—	—	—	9,010	9.2	(4.0)	—
Salaries	13,394	13.5	(1.4)	—	—	—	13,070	13.4	(2.4)	—
Depreciations	2,107	2.1	4.1	—	—	—	2,060	2.1	(2.2)	—
Others	7,056	7.1	7.9	—	—	—	6,510	6.7	(7.7)	—
Total	57,294	57.6	(2.3)	—	—	—	56,430	57.9	(1.5)	—

Non-consolidated basis: Scope of consolidation of the fiscal year ending March 31, 2010 is the scope not consolidating FNL/FNCL.

◆Number of Shops by Region

As of 30 June, 2010

	Hokkaido	Tohoku	Kanto (except Tokyo)	TOKYO	Shinetsu	Tokai, Hokuriku & Shinetsu	Kinki	Chugoku, Shikoku	Kyusyu, Okinawa	Total
Fancl Ginza Square	—	—	—	1	—	—	—	—	—	1
Fancl Shop	1	1	2	9	—	6	2	3	—	24
Fancl House	1	4	21	14	16	19	5	5	—	85
Fancl House J	2	4	21	10	5	9	8	6	—	65
Genki Station	—	—	—	2	—	—	—	1	—	3
ATTENIR Shop	1	—	2	4	1	4	1	1	—	14
Others	—	—	2	—	—	—	—	—	—	2
Total	5	9	48	40	22	38	16	16	—	194

◆Number of Shops

	As of March 31, 2006	As of March 31, 2007	As of March 31, 2008	As of March 31, 2009	As of March 31, 2010	As of June 30, 2010	As of March 31, 2011 (Projection)
Fancl Ginza Square	1	1	1	1	1	1	1
Fancl Shop	—	—	7	14	24	24	52
Fancl House	113	107	100	93	85	85	71
Fancl House J	71	88	87	68	65	65	46
Genki Station	9	8	8	5	3	3	2
ATTENIR Shop	10	10	11	13	14	14	16
Others	4	4	4	3	2	2	3
Total	208	218	218	197	194	194	191