

## ◆ Sales By Segment (Six Months)

(Millions of yen,%)

		Six Months ended 9/09			Six Months ended 9/10		
		amount	% of total	% change	amount	% of total	% change
C o s m e	Mail Order	12,817	51.4	(0.7)	11,844	49.9	(7.6)
	Retail Store	8,360	33.6	(5.0)	8,033	33.8	(3.9)
	Wholesale	1,360	5.5	47.4	1,208	5.1	(11.2)
	Overseas sales	2,373	9.5	9.3	2,671	11.2	12.5
	Sub total	24,912	52.2	0.4	23,757	51.9	(4.6)
S u p p l e	Mail Order	5,905	43.6	(6.6)	5,467	41.8	(7.4)
	Retail Store	3,727	27.6	(7.2)	3,584	27.4	(3.9)
	Wholesale	2,800	20.7	(5.7)	2,689	20.6	(4.0)
	Overseas sales	1,094	8.1	(7.4)	1,333	10.2	21.9
	Sub total	13,528	28.4	(6.6)	13,075	28.6	(3.3)
O t h e r s	Mail Order	7,359	79.6	(1.8)	6,858	76.7	(6.8)
	Retail Store	593	6.4	(1.2)	580	6.5	(2.2)
	Wholesale	1,262	13.7	7.7	1,475	16.5	16.9
	Overseas sales	27	0.3	103.2	29	0.3	7.1
	Sub total	9,242	19.4	(0.4)	8,943	19.5	(3.2)
T o t a l	Mail Order	26,082	54.7	(2.4)	24,170	52.8	(7.3)
	Retail Store	12,681	26.6	(5.5)	12,198	26.7	(3.8)
	Wholesale	5,423	11.4	7.1	5,373	11.7	(0.9)
	Overseas sales	3,495	7.3	3.8	4,034	8.8	15.4
	Sub total	47,683	100.0	(1.8)	45,776	100.0	(4.0)

		Six Months ended 9/09			Six Months ended 9/10		
		amount	% of total	% change	amount	% of total	% change
R i c e	Mail Order	908	61.2	(9.1)	882	60.2	(2.9)
	Retail Store	82	5.5	(22.5)	77	5.3	(5.6)
	Wholesale	491	33.1	(34.4)	498	34.0	1.3
	Overseas sales	3	0.2	(65.7)	7	0.5	141.8
	Sub total	1,485	3.1	(20.3)	1,466	3.2	(1.3)
K a l e	Mail Order	1,120	57.5	8.4	1,139	58.2	1.6
	Retail Store	476	24.5	4.8	467	23.9	(1.8)
	Wholesale	342	17.6	(8.7)	342	17.5	0.1
	Overseas sales	7	0.4	70.2	8	0.4	15.4
	Sub total	1,947	4.1	4.2	1,958	4.3	0.6

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 m m e	Mail Order	25,754	49.6	(1.5)	25,754	51.7	(1.5)	24,744	51.6	(3.9)	(3.9)
	Retail Store	16,431	31.7	(4.5)	16,431	33.0	(4.5)	15,633	32.6	(4.9)	(4.9)
	Wholesale	2,715	5.2	18.7	2,715	5.4	18.7	2,151	4.5	(20.8)	(20.8)
	Overseas sales	6,999	13.5	57.6	4,919	9.9	10.8	5,471	11.3	(21.8)	11.2
	Sub total	51,902	52.2	3.6	49,821	51.6	(0.5)	48,000	51.3	(7.5)	(3.7)
S u p p l e	Mail Order	12,223	42.9	(6.1)	12,223	44.3	(6.1)	11,667	42.6	(4.5)	(4.5)
	Retail Store	7,400	26.0	(6.9)	7,400	26.8	(6.9)	7,184	26.2	(2.9)	(2.9)
	Wholesale	5,609	19.7	(4.7)	5,609	20.3	(4.7)	5,814	21.2	3.7	3.7
	Overseas sales	3,259	11.4	45.2	2,355	8.6	4.9	2,733	10.0	(16.1)	16.1
	Sub total	28,492	28.6	(2.1)	27,589	28.6	(5.2)	27,400	29.3	(3.8)	(0.7)
O t h e r s	Mail Order	15,280	79.8	(1.6)	15,280	79.8	(1.6)	14,098	77.9	(7.7)	(7.7)
	Retail Store	1,158	6.1	1.1	1,158	6.1	1.1	1,095	6.0	(5.5)	(5.5)
	Wholesale	2,651	13.8	27.0	2,651	13.9	27.0	2,859	15.8	7.9	7.9
	Overseas sales	50	0.3	(30.1)	46	0.2	(35.8)	46	0.3	(8.3)	(0.3)
	Sub total	19,141	19.2	1.6	19,137	19.8	1.6	18,100	19.4	(5.4)	(5.4)
T o t a l	Mail Order	53,258	53.5	(2.6)	53,258	55.1	(2.6)	50,510	54.0	(5.2)	(5.2)
	Retail Store	24,991	25.1	(5.0)	24,991	25.9	(5.0)	23,913	25.6	(4.3)	(4.3)
	Wholesale	10,976	11.0	7.0	10,976	11.4	7.0	10,824	11.6	(1.4)	(1.4)
	Overseas sales	10,309	10.4	52.6	7,321	7.6	8.3	8,251	8.8	(20.0)	12.7
	Sub total	99,536	100.0	1.6	96,548	100.0	(1.5)	93,500	100.0	(6.1)	(3.2)

(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)	1,842	61.4	(6.3)	(6.3)
	Retail Store	169	5.4	(17.4)	169	5.4	(17.4)	152	5.1	(9.7)	(9.7)
	Wholesale	961	31.0	(27.0)	961	31.0	(27.0)	985	32.9	2.6	2.6
	Overseas sales	9	0.3	(34.2)	7	0.3	(44.7)	18	0.6	99.7	137.5
	Sub total	3,105	3.1	(13.0)	3,103	3.2	(13.1)	3,000	3.2	(3.4)	(3.3)
K a l e	Mail Order	2,202	58.2	8.3	2,202	58.3	8.3	2,289	60.2	3.9	3.9
	Retail Store	920	24.3	7.1	920	24.3	7.1	847	22.3	(7.9)	(7.9)
	Wholesale	644	17.1	(5.7)	644	17.1	(5.7)	647	17.1	0.5	0.5
	Overseas sales	15	0.4	(5.6)	13	0.3	(21.3)	15	0.4	(1.9)	17.7
	Sub total	3,783	3.8	5.3	3,780	3.9	5.2	3,800	4.1	0.4	0.5

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/FNCL.

◆Number of Active Customers (people)

		As of September 30, 2008	As of September 30, 2009	As of September 30, 2010	Increase (decrease)
F A N C L	Cosmetics	1,382,384	1,387,901	1,288,682	(99,219)
	Cosmetics Mail Order	667,089	729,004	677,497	(51,507)
	Cosmetics Retail Stores	839,612	780,907	721,870	(59,037)
	Nutritional Supple	933,780	876,016	839,933	(36,083)
	Supple Mail Order	493,083	484,491	484,864	373
	Supple Retail Stores	487,300	435,587	394,294	(41,293)
	Rice Mail Order	190,530	172,155	175,253	3,098
	Kale Mail Order	102,661	122,299	125,597	3,298
	Mail order	1,081,047	1,141,009	1,103,590	(37,419)
	Retail Stores	1,134,375	1,039,890	958,674	(81,216)
ATTENIR cosme mail order		490,350	421,289	464,122	42,833

◆Purchase Unit Prices(FANCL) (Yen,%)

	Six Months ended 9/09	Six Months ended 9/10	% change
Cosmetics Mail Order	5,573	5,732	2.9
Supple Mail Order	5,788	5,595	(3.3)
Retail Stores	3,824	3,961	3.6

◆Existing Stores Year-on-year-change

Six Months ended 9/09	Six Months ended 9/10
99.9%	97.1%

◆Capital Investment and Depreciation (Millions of yen)

	Six Months ended 9/09	Six Months ended 9/10	FY2010	FY2011 (Projection)
Capital Investment	1,183	1,232	1,898	4,550
Depreciation	1,515	1,416	3,157	2,900

## ◆ 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				
	amount	% of total	% change	amount	% of total	% change	amount	% of total	% change	% change	
C o s m e	Sales	24,912	52.2	0.4	24,912	52.2	0.4	23,757	51.9	(4.6)	(4.6)
	Gross Profit	17,895	71.8		18,231	73.2		17,351	73.0		
	SGA	14,824	59.5	(5.0)	14,824	59.5	(5.0)	14,313	60.2	(3.4)	(3.4)
	Advertising	2,520	10.1	(13.2)	2,520	10.1	(13.2)	2,228	9.4	(11.6)	(11.6)
	Operating Income	3,070	12.3	1.4	3,407	13.7	12.5	3,038	12.8	(1.1)	(10.8)
S u p p l e	Sales	13,528	28.4	(6.6)	13,528	28.4	(6.6)	13,075	28.6	(3.3)	(3.3)
	Gross Profit	8,799	65.0		8,916	65.9		8,379	64.1		
	SGA	7,463	55.2	(5.4)	7,463	55.2	(5.4)	7,593	58.1	1.7	1.7
	Advertising	890	6.6	0.6	890	6.6	0.6	1,240	9.5	39.3	39.3
	Operating Income	1,336	9.9	(20.5)	1,453	10.7	(13.6)	786	6.0	(41.2)	(45.9)
O t h e r s	Sales	9,242	19.4	(0.4)	9,242	19.4	(0.4)	8,943	19.5	(3.2)	(3.2)
	Gross Profit	4,284	46.4		4,284	46.4		4,154	46.5		
	SGA	4,682	50.7	(7.3)	4,682	50.7	(7.3)	4,513	50.5	(3.6)	(3.6)
	Advertising	1,006	10.9	7.4	1,006	10.9	7.4	915	10.2	(9.1)	(9.1)
	Operating Income	(397)	(4.3)	—	(397)	(4.3)	—	(358)	(4.0)	—	—
Eliminations or Corporate		(883)			(883)			(877)			
T o t a l	Sales	47,683	100.0	(1.8)	47,683	100.0	(1.8)	45,776	100.0	(4.0)	(4.0)
	Gross Profit	30,980	65.0		31,433	65.9		29,886	65.3		
	SGA	27,853	58.4	(6.4)	27,853	58.4	(6.4)	27,297	59.6	(2.0)	(2.0)
	Advertising	4,417	9.3	(6.5)	4,417	9.3	(6.5)	4,384	9.6	(0.8)	(0.8)
	Operating Income	3,126	6.6	5.3	3,579	7.5	20.6	2,588	5.7	(17.2)	(27.7)

## ◆ 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			
	amount	% of total	% change	amount	% of total	% change	amount	% of total	% change	% change
Advertising	4,417	9.3	(6.5)	4,417	9.3	(6.5)	4,384	9.6	(0.8)	(0.8)
Sales Promotions	5,465	11.5	(9.1)	5,465	11.5	(9.1)	5,414	11.8	(0.9)	(0.9)
Transport	1,904	4.0	(4.3)	1,904	4.0	(4.3)	1,782	3.9	(6.4)	(6.4)
Communications	1,022	2.1	(3.4)	1,022	2.1	(3.4)	976	2.1	(4.6)	(4.6)
Fees/Outsourcing	4,333	9.1	(3.3)	4,333	9.1	(3.3)	4,285	9.4	(1.1)	(1.1)
Salaries	6,405	13.4	(8.1)	6,405	13.4	(8.1)	6,494	14.2	1.4	1.4
Depreciations	1,014	2.1	4.8	1,014	2.1	4.8	973	2.1	(4.0)	(4.0)
Others	3,288	6.9	(7.1)	3,288	6.9	(7.1)	2,985	6.5	(9.2)	(9.2)
Total	27,853	58.4	(6.4)	27,853	58.4	(6.4)	27,297	59.6	(2.0)	(2.0)

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 s m e	Sales	51,902	52.2	3.6	49,821	51.6	(0.5)	48,000	51.3	(7.5)	(3.7)
	Gross Profit	38,314	73.8		36,126	72.5		35,000	72.9		
	SGA	30,369	58.5	0.3	28,608	57.4	(5.6)	28,700	59.8	(5.5)	0.3
	Advertising	4,063	7.8	(17.0)	3,855	7.7	(21.3)	3,900	8.1	(4.0)	1.1
	Operating Income	7,945	15.3	17.5	7,517	15.1	11.2	6,300	13.1	(20.7)	(16.2)
S u p p l e	Sales	28,492	28.6	(2.1)	27,589	28.6	(5.2)	27,400	29.3	(3.8)	(0.7)
	Gross Profit	19,420	68.2		18,440	66.8		17,800	65.0		
	SGA	16,170	56.8	(0.4)	15,319	55.5	(5.7)	16,000	58.4	(1.1)	4.4
	Advertising	2,110	7.4	(4.8)	2,012	7.3	(9.2)	2,900	10.6	37.4	44.1
	Operating Income	3,250	11.4	10.9	3,121	11.3	6.5	1,800	6.6	(44.6)	(42.3)
O t h e r s	Sales	19,141	19.2	1.6	19,137	19.8	1.6	18,100	19.4	(5.4)	(5.4)
	Gross Profit	8,717	45.5		8,712	45.5		8,520	47.1		
	SGA	9,205	48.1	(8.3)	9,201	48.1	(8.4)	9,020	49.8	(2.0)	(2.0)
	Advertising	1,797	9.4	(2.9)	1,796	9.4	(2.9)	1,660	9.2	(7.6)	(7.6)
	Operating Income	(488)	(2.6)	—	(489)	(2.6)	—	(500)	(2.8)	—	—
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)	93,500	100.0	(6.1)	(3.2)
	Gross Profit	66,452	66.8		63,279	65.5		61,320	65.6		
	SGA	57,294	57.6	(2.3)	54,678	56.6	(6.7)	55,320	59.2	(3.4)	1.2
	Advertising	7,971	8.0	(11.1)	7,664	7.9	(14.5)	8,460	9.0	6.1	10.4
	Operating Income	9,158	9.2	37.4	8,600	8.9	29.0	6,000	6.4	(34.5)	(30.2)

## ◆ 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)	—	—	—	8,460	9.0	6.1	—
Sales Promotions	11,460	11.5	(7.8)	—	—	—	11,310	12.1	(1.3)	—
Transport	3,858	3.9	(3.0)	—	—	—	3,650	3.9	(5.4)	—
Communications	2,062	2.1	(4.8)	—	—	—	1,950	2.1	(5.5)	—
Fees/Outsourcing	9,381	9.4	5.1	—	—	—	8,770	9.4	(6.5)	—
Salaries	13,394	13.5	(1.4)	—	—	—	12,940	13.8	(3.4)	—
Depreciations	2,107	2.1	4.1	—	—	—	2,060	2.2	(2.2)	—
Others	7,056	7.1	7.9	—	—	—	6,180	6.6	(12.4)	—
Total	57,294	57.6	(2.3)	—	—	—	55,320	59.2	(3.4)	—

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 September, 2010

	Hokkaido	Tohoku	Kanto (except Tokyo)	TOKYO	Shinetsu	Tokai, Hokuriku & Shinetsu	Kinki	Chugoku, Shikoku	Kyusyu, Okinawa	Total
Fancl Ginza Square	—	—	—	1	—	—	—	—	—	1
Fancl Shop	2	2	3	12	—	7	3	4	—	33
Fancl House	1	3	21	12	16	18	5	5	—	81
Fancl House J	1	4	20	9	5	9	7	5	—	60
Genki Station	—	—	—	2	—	—	—	1	—	3
ATTENIR Shop	1	1	2	4	1	4	1	1	—	15
Others	—	—	1	—	—	—	—	—	—	1
Total	5	10	47	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 September 30, 2010	As of March 31, 2011 (Projection)
Fancl Ginza Square	1	1	1	1	1	1	1
Fancl Shop	—	—	7	14	24	33	52
Fancl House	113	107	100	93	85	81	71
Fancl House J	71	88	87	68	65	60	46
Genki Station	9	8	8	5	3	3	2
ATTENIR Shop	10	10	11	13	14	15	16
Others	4	4	4	3	2	1	4
Total	208	218	218	197	194	194	192