

◆ Sales By Segment(Six Months)

(Millions of yen,%)

	Six Months ended 9/06		Six Months ended 9/07			Six Months ended 9/08			
	amount	% of Total	amount	% of Total	% change	amount	% of Total	% change	
C o s m e	Mail Order	12,525	55.2	12,352	52.1	(1.4)	12,909	52.0	4.5
	Retail Store	8,050	35.5	8,722	36.8	8.3	8,804	35.5	0.9
	Wholesale	2,116	9.3	2,636	11.1	24.6	3,095	12.5	17.4
	Sub total	22,692	45.3	23,711	49.0	4.5	24,809	51.1	4.6
S u p p l e	Mail Order	7,478	47.2	6,664	44.6	(10.9)	6,320	43.6	(5.2)
	Retail Store	4,282	27.0	4,338	29.1	1.3	4,018	27.7	(7.4)
	Wholesale	4,090	25.8	3,926	26.3	(4.0)	4,152	28.7	5.7
	Sub total	15,852	31.7	14,929	30.8	(5.8)	14,491	29.8	(2.9)
O t h e r s	Mail Order	9,030	78.4	7,956	81.5	(11.9)	7,494	80.7	(5.8)
	Retail Store	832	7.2	684	7.0	(17.8)	600	6.5	(12.3)
	Wholesale	1,654	14.4	1,127	11.5	(31.9)	1,185	12.8	5.2
	Sub total	11,517	23.0	9,768	20.2	(15.2)	9,281	19.1	(5.0)
T o t a l	Mail Order	29,034	58.0	26,973	55.7	(7.1)	26,724	55.0	(0.9)
	Retail Store	13,165	26.3	13,745	28.4	4.4	13,423	27.6	(2.3)
	Wholesale	7,862	15.7	7,690	15.9	(2.2)	8,433	17.4	9.7
	Sub total	50,062	100.0	48,410	100.0	(3.3)	48,581	100.0	0.4

(Millions of yen,%)

	Six Months ended 9/06		Six Months ended 9/07			Six Months ended 9/08			
	amount	% of Total	amount	% of Total	% change	amount	% of Total	% change	
R i c k e	Mail Order	1,473	54.9	1,034	57.1	(29.8)	999	53.6	(3.4)
	Retail Store	227	8.5	140	7.7	(38.2)	106	5.7	(24.4)
	Wholesale	983	36.6	638	35.2	(35.1)	759	40.7	18.9
	Sub total	2,684	5.4	1,813	3.7	(32.4)	1,865	3.8	2.8
K a l e	Mail Order	942	46.0	1,053	53.8	11.8	1,034	55.4	(1.8)
	Retail Store	539	26.4	492	25.1	(8.7)	454	24.3	(7.7)
	Wholesale	565	27.6	413	21.1	(26.9)	379	20.3	(8.2)
	Sub total	2,047	4.1	1,959	4.0	(4.3)	1,868	3.8	(4.6)

◆ Sales By Segment(Full Year)

(Millions of yen,%)

	FY2007		FY2008			FY2009 (Projection)			
	amount	% of Total	amount	% of Total	% change	amount	% of Total	% change	
C o s m e	Mail Order	25,572	55.1	25,989	53.0	1.6	26,950	52.7	3.7
	Retail Store	16,504	35.6	17,582	35.8	6.5	17,700	34.6	0.7
	Wholesale	4,298	9.3	5,490	11.2	27.7	6,450	12.6	17.5
	Sub total	46,376	45.9	49,061	49.4	5.8	51,100	51.1	4.2
S u p p l e	Mail Order	14,799	46.8	13,513	45.0	(8.7)	13,100	44.3	(3.1)
	Retail Store	8,748	27.6	8,629	28.8	(1.4)	8,200	27.7	(5.0)
	Wholesale	8,117	25.6	7,874	26.2	(3.0)	8,300	28.0	5.4
	Sub total	31,665	31.3	30,017	30.2	(5.2)	29,600	29.6	(1.4)
O t h e r s	Mail Order	18,548	80.6	16,798	82.9	(9.4)	15,750	81.6	(6.2)
	Retail Store	1,561	6.8	1,317	6.5	(15.6)	1,150	6.0	(12.7)
	Wholesale	2,912	12.6	2,154	10.6	(26.0)	2,400	12.4	11.4
	Sub total	23,023	22.8	20,270	20.4	(12.0)	19,300	19.3	(4.8)
T o t a l	Mail Order	58,921	58.3	56,300	56.7	(4.4)	55,800	55.8	(0.9)
	Retail Store	26,814	26.5	27,529	27.7	2.7	27,050	27.1	(1.7)
	Wholesale	15,329	15.2	15,519	15.6	1.2	17,150	17.1	10.5
	Sub total	101,065	100.0	99,349	100.0	(1.7)	100,000	100.0	0.7

(Millions of yen,%)

	FY2007		FY2008			FY2009 (Projection)			
	amount	% of Total	amount	% of Total	% change	amount	% of Total	% change	
R i c k e	Mail Order	2,721	57.2	2,199	58.7	(19.2)	2,200	55.0	0.0
	Retail Store	407	8.5	266	7.1	(34.6)	200	5.0	(25.0)
	Wholesale	1,632	34.3	1,278	34.2	(21.7)	1,600	40.0	25.1
	Sub total	4,760	4.7	3,744	3.8	(21.4)	4,000	4.0	6.8
K a l e	Mail Order	2,017	49.7	2,053	54.6	1.8	2,000	55.6	(2.6)
	Retail Store	1,029	25.4	952	25.3	(7.4)	900	25.0	(5.6)
	Wholesale	1,008	24.9	755	20.1	(25.1)	700	19.4	(7.4)
	Sub total	4,055	4.0	3,761	3.8	(7.2)	3,600	3.6	(4.3)

◆ **Number of Active Customers** (people)

		As of September 30, 2006	As of September 30, 2007	As of September 30, 2008	Increase (decrease)
F A N C L	Cosmetics	1,409,655	1,364,074	1,382,384	18,310
	Cosmetics Mail Order	662,074	605,385	667,089	61,704
	Cosmetics Retail Stores	870,606	875,602	839,612	(35,990)
	Nutritional Supple	1,105,914	1,027,247	933,780	(93,467)
	Supple Mail Order	571,826	508,976	493,083	(15,893)
	Supple Retail Stores	592,359	569,138	487,300	(81,838)
	Rice Mail Order	260,381	185,837	190,530	4,693
	Kale Mail Order	107,349	109,759	102,661	(7,098)
	Mail order	1,186,460	1,078,060	1,081,047	2,987
	Retail Stores	1,249,009	1,224,445	1,134,375	(90,070)
ATTENIR cosme mail order		474,239	470,103	490,350	20,247

◆ **Purchase Unit Prices(FANCL)** (Yen,%)

	Six Months ended 9/06	Six Months ended 9/07	Six Months ended 9/08	% change
Cosmetics Mail Order	5,874	5,967	5,947	(0.3)
Supple Mail Order	5,944	6,104	6,096	(0.1)
Retail Stores	3,378	3,554	3,708	4.3

◆ **Existing Stores Year-on-year-change**

Six Months ended 9/07	Six Months ended 9/07	Six Months ended 9/08
97.0%	104.3%	98.0%

◆ **Capital Investment and Depreciation** (Millions of yen)

	Six Months ended 9/07	Six Months ended 9/08	FY2008	FY2009 (Projection)
Capital Investment	1,156	1,400	2,111	3,850
Depreciation	1,444	1,482	3,020	3,000

◆ Segment Information(Six Months)

(Millions of yen,%)

	Six Months ended 9/06		Six Months ended 9/07			Six Months ended 9/08			
	amount	% of Total	amount	% of Total	% change	amount	% of Total	% change	
C o s m e	Sales	22,692	45.3	23,711	49.0	4.5	24,809	51.1	4.6
	Gross Profit	17,042	75.1	17,962	75.8		18,628	75.1	
	SGA	14,599	64.3	14,591	61.5	(0.1)	15,598	62.9	6.9
	Advertising	2,736	12.1	2,565	10.8	(6.3)	2,904	11.7	13.2
	Operating Income	2,443	10.8	3,371	14.2	38.0	3,029	12.2	(10.1)
S u p p l e	Sales	15,852	31.7	14,929	30.8	(5.8)	14,491	29.8	(2.9)
	Gross Profit	10,194	64.3	9,828	65.8		9,572	66.1	
	SGA	8,208	51.8	8,014	53.7	(2.4)	7,890	54.5	(1.5)
	Advertising	794	5.0	1,083	7.3	36.4	884	6.1	(18.4)
	Operating Income	1,985	12.5	1,814	12.2	(8.6)	1,681	11.6	(7.3)
O t h e r s	Sales	11,517	23.0	9,768	20.2	(15.2)	9,281	19.1	(5.0)
	Gross Profit	5,860	50.9	4,851	49.7		4,515	48.7	
	SGA	6,808	59.1	5,715	58.5	(16.1)	5,052	54.4	(11.6)
	Advertising	1,613	14.0	1,164	11.9	(27.8)	937	10.1	(19.5)
	Operating Income	(948)	(8.2)	(863)	(8.8)	-	(536)	(5.8)	-
Eliminations or Corporate	(884)		(961)			(1,206)			
T o t a l	Sales	50,062	100.0	48,410	100.0	(3.3)	48,581	100.0	0.4
	Gross Profit	33,097	66.1	32,643	67.4		32,716	67.3	
	SGA	30,501	60.9	29,282	60.5	(4.0)	29,747	61.2	1.6
	Advertising	5,144	10.3	4,813	9.9	(6.4)	4,727	9.7	(1.8)
	Operating Income	2,595	5.2	3,360	6.9	29.5	2,969	6.1	(11.7)

◆ General and administrative expenses(Six Months)

(Millions of yen,%)

	Six Months ended 9/06		Six Months ended 9/07			Six Months ended 9/08		
	amount	% of Total	amount	% of Total	% change	amount	% of Total	% change
Advertising	5,144	10.3	4,813	9.9	(6.4)	4,727	9.7	(1.8)
Sales Promotions	7,242	14.5	5,908	12.2	(18.4)	6,013	12.4	1.8
Transport	2,050	4.1	1,977	4.1	(3.6)	1,990	4.1	0.7
Communications	1,163	2.3	1,031	2.1	(11.3)	1,058	2.2	2.6
Fees/Outsourcing	4,210	8.4	4,427	9.1	5.1	4,479	9.2	1.2
Salaries	6,922	13.8	7,024	14.5	1.5	6,967	14.3	(0.8)
Depreciations	747	1.5	910	1.9	21.9	967	2.0	6.2
Others	3,019	6.0	3,188	6.6	5.6	3,542	7.3	11.1
Total	30,501	60.9	29,282	60.5	(4.0)	29,747	61.2	1.6

◆ Segment Information(Full Year)

(Millions of yen,%)

	FY2007		FY2008			FY2009 (Projection)			
	amount	% of Total	amount	% of Total	% change	amount	% of Total	% change	
C o s m e	Sales	46,376	45.9	49,061	49.4	5.8	51,100	51.1	4.2
	Gross Profit	34,866	75.2	37,275	76.0		38,500	75.3	
	SGA	27,732	59.8	29,866	60.9	7.7	31,150	61.0	4.3
	Advertising	4,527	9.8	5,058	10.3	11.7	5,400	10.6	6.7
	Operating Income	7,133	15.4	7,409	15.1	3.9	7,350	14.4	(0.8)
S u p p l e	Sales	31,665	31.3	30,017	30.2	(5.2)	29,600	29.6	(1.4)
	Gross Profit	20,708	65.4	19,802	66.0		19,600	66.2	
	SGA	16,806	53.1	16,296	54.3	(3.0)	16,450	55.6	0.9
	Advertising	2,129	6.7	2,291	7.6	7.6	2,300	7.8	0.4
	Operating Income	3,902	12.3	3,505	11.7	(10.2)	3,150	10.6	(10.1)
O t h e r s	Sales	23,023	22.8	20,270	20.4	(12.0)	19,300	19.3	(4.8)
	Gross Profit	11,595	50.4	9,909	48.9		9,400	48.7	
	SGA	12,493	54.3	11,294	55.7	(9.6)	10,150	52.6	(10.1)
	Advertising	2,736	11.9	2,525	12.5	(7.7)	2,050	10.6	(18.8)
	Operating Income	(897)	(3.9)	(1,384)	(6.8)	-	(750)	(3.9)	-
Eliminations or Corporate	(1,768)		(2,062)			(1,950)			
T o t a l	Sales	101,065	100.0	99,349	100.0	(1.7)	100,000	100.0	0.7
	Gross Profit	67,170	66.5	66,987	67.4		67,500	67.5	
	SGA	58,800	58.2	59,520	59.9	1.2	59,700	59.7	0.3
	Advertising	9,393	9.3	9,876	9.9	5.1	9,750	9.8	(1.3)
	Operating Income	8,370	8.3	7,467	7.5	(10.8)	7,800	7.8	4.5

◆ General and administrative expenses(Full Year)

(Millions of yen,%)

	FY2007		FY2008			FY2009 (Projection)		
	amount	% of Total	amount	% of Total	% change	amount	% of Total	% change
Advertising	9,393	9.3	9,876	9.9	5.1	9,750	9.8	(1.3)
Sales Promotions	13,502	13.4	12,509	12.6	(7.4)	12,150	12.2	(2.9)
Transport	4,008	4.0	4,108	4.1	2.5	4,000	4.0	(2.6)
Communications	2,208	2.2	2,111	2.1	(4.4)	2,100	2.1	(0.6)
Fees/Outsourcing	8,384	8.3	8,772	8.8	4.6	9,900	9.9	12.9
Salaries	13,679	13.5	14,072	14.2	2.9	13,600	13.6	(3.4)
Depreciations	1,562	1.5	1,868	1.9	19.6	1,950	2.0	4.4
Others	6,062	6.0	6,201	6.2	2.3	6,250	6.3	0.8
Total	58,800	58.2	59,520	59.9	1.2	59,700	59.7	0.3

◆Number of Shops by Region

As of 30 September, 2008

	Hokkaido	Tohoku	Kanto (except Tokyo)	TOKYO	Shinetsu Tokai, Hokuriku & Shinetsu	Kinki	Chugoku, Shikoku	Kyusyu, Okinawa	Total
Fancl Ginza Square	—	—	—	1	—	—	—	—	1
Fancl Shop (Next Generation Store)	—	1	—	6	—	1	2	1	11
Fancl House	1	4	24	18	16	23	5	6	97
Fancl House J	3	4	27	15	6	13	8	7	83
Genki Station	2	—	—	2	1	1	—	1	7
ATTENIR Shop	1	—	2	3	1	4	1	1	13
Others	—	—	2	1	—	—	—	—	3
Total	7	9	55	46	24	42	16	16	215

◆Number of Shops

	As of March 31, 2004	As of March 31, 2005	As of March 31, 2006	As of March 31, 2007	As of March 31, 2008	As of September 30, 2008	As of March 31, 2009 (Projection)
Fancl Ginza Square	1	1	1	1	1	1	1
Fancl Shop (Next Generation Store)	—	—	—	—	7	11	16
Fancl House	114	110	113	107	100	97	93
Fancl House J	10	37	71	88	87	83	68
Genki Station	9	9	9	8	8	7	7
ATTENIR Shop	6	9	10	10	11	13	14
Others	3	3	4	4	4	3	3
Total	143	169	208	218	218	215	202