

May 10, 2021

FANCL Corporation  
TSE 1<sup>st</sup> Section: 4921

# FANCL

## Consolidated Financial Statements for the Fiscal Year Ended March 31, 2021 (Additional material)

This document has been translated from the original Japanese as a guide for non-Japanese investors. It contains forward-looking statements based on a number of assumptions and beliefs made by management in light of information currently available. Actual financial results may differ materially depending on a number of uncertain factors.

### Contents

Page1	◆ Sales by Segment
Page2	◆ Segment Information ◆ General and Administrative Expenses ◆ Capital Investment and Depreciation
Page3	◆ Retail Store Data

Investor Relations Department  
Tel. +81 45 226-1470  
Email: [4921ir@fancl.co.jp](mailto:4921ir@fancl.co.jp)

## Changes in Accounting Treatment

In accordance with the adoption of the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29), etc. from FY Mar/2022, the figures in this document assume that the same criteria were applied to the FY Mar/2021 results to enable a comparison that is more in line with actual conditions.

Main changes due to the adoption of the “Accounting Standard for Revenue Recognition” are as follows:

1. Amount of points provided to customers and cost of rebates to retailers  
(Before) Sales promotion expenses → (After) Subtracted from sales
2. Developer commission for consignment buying contracts for store sales (mainly department stores)  
(Before) Sales commissions → (After) Subtracted from sales
3. Sales promotion goods (gifts, etc.)  
(Before) Sales promotion expenses → (After) Added to cost of sales

There is no impact on operating income.

### ◆ Main changes due to adoption of “Accounting Standard for Revenue Recognition”

		Main changes
<b>Sales</b>		①、②(subtracted) ←
<b>Cost of sales</b>		③(added) ←
<b>SG&amp;A Expenses</b>		
Advertising expenses		
Sales promotion expenses	①(subtracted) points and rebates ③(subtracted) Sales promotion goods (gifts, etc.)	
Outsourcing fees and commissions	②(subtracted) Commissions for consignment buying contracts	
Other		
<b>Operating income</b>		

◆ Sales by Segment

(Millions of yen,%)

		FY Mar/2020			FY Mar/2021			FY Mar/2021 (Standard for Revenue Recognition)		FY Mar/2022 (Projection) (Standard for Revenue Recognition)		
		amount	% of total	% change	amount	% of total	% change	amount	% of total	amount	% of total	% change
C o s m e	Online and catalogue	29,081	38.3	7.0	32,017	49.1	10.1	30,679	51.8	31,550	51.6	2.8
	Direct Store	29,666	39.1	2.3	18,078	27.8	(39.1)	13,876	23.4	14,650	24.0	5.6
	Wholesale	9,096	12.0	20.7	7,726	11.9	(15.1)	7,513	12.7	7,700	12.6	2.5
	Overseas	8,047	10.6	2.1	7,317	11.2	(9.1)	7,151	12.1	7,200	11.8	0.7
	Sub total	75,891	59.8	6.0	65,140	56.7	(14.2)	59,221	56.3	61,100	56.1	3.2
S u p p l e	Online and catalogue	15,710	35.7	7.3	17,994	43.7	14.5	16,948	44.8	17,870	43.9	5.4
	Direct Store	12,501	28.4	(11.0)	8,072	19.6	(35.4)	6,137	16.2	6,640	16.3	8.2
	Wholesale	13,176	29.9	3.5	11,989	29.1	(9.0)	11,633	30.7	11,890	29.2	2.2
	Overseas	2,617	6.0	4.4	3,134	7.6	19.8	3,134	8.3	4,300	10.6	37.2
	Sub total	44,006	34.7	0.2	41,191	35.8	(6.4)	37,854	36.0	40,700	37.3	7.5
O t h e r s	Online and catalogue	5,104	73.9	2.5	6,801	79.3	33.2	6,443	79.8	5,630	78.2	(12.6)
	Direct Store	519	7.5	(7.7)	500	5.8	(3.7)	390	4.8	360	5.0	(7.8)
	Wholesale	1,277	18.5	(9.5)	1,253	14.6	(1.8)	1,214	15.1	1,190	16.5	(2.0)
	Overseas	10	0.1	(52.8)	22	0.3	112.1	22	0.3	20	0.3	(12.9)
	Sub total	6,911	5.5	(0.9)	8,578	7.5	24.1	8,071	7.7	7,200	6.6	(10.8)
T o t a l	Online and catalogue	49,896	39.3	6.6	56,813	49.4	13.9	54,071	51.4	55,050	50.5	1.8
	Direct Store	42,687	33.7	(2.1)	26,650	23.2	(37.6)	20,404	19.4	21,650	19.8	6.1
	Wholesale	23,549	18.6	8.6	20,970	18.3	(11.0)	20,361	19.4	20,780	19.1	2.1
	Overseas	10,675	8.4	2.6	10,475	9.1	(1.9)	10,309	9.8	11,520	10.6	11.7
	Sub total	126,810	100.0	3.5	114,909	100.0	(9.4)	105,146	100.0	109,000	100.0	3.7

		FY Mar/2020			FY Mar/2021			FY Mar/2021 (Standard for Revenue Recognition)		FY Mar/2022 (Projection) (Standard for Revenue Recognition)		
		amount	% of total	% change	amount	% of total	% change	amount	% of total	amount	% of total	% change
R i c e	Online and catalogue	1,018	50.1	2.0	1,132	52.1	11.2	1,064	51.7	870	45.8	(18.3)
	Direct store	88	4.4	(3.5)	63	2.9	(27.7)	48	2.3	40	2.1	(16.8)
	Wholesale	923	45.4	(2.4)	976	44.9	5.8	946	46.0	990	52.1	4.6
	Overseas	2	0.1	9.0	0	0.1	(67.9)	0	0.0	0	0.0	-
	Sub total	2,031	1.6	(0.3)	2,172	1.9	6.9	2,059	2.0	1,900	1.7	(7.7)
K a l e	Online and catalogue	1,663	68.7	(1.8)	1,855	75.4	11.6	1,746	76.9	1,730	78.6	(1.0)
	Direct store	398	16.5	(11.4)	310	12.6	(22.1)	235	10.4	250	11.4	6.0
	Wholesale	350	14.5	(24.3)	274	11.1	(21.7)	265	11.7	200	9.1	(24.7)
	Overseas	8	0.3	(50.5)	22	0.9	167.2	22	1.0	20	0.9	(9.7)
	Sub total	2,420	1.9	(7.7)	2,462	2.1	1.7	2,270	2.2	2,200	2.0	(3.1)

## ◆ Segment Information

(Millions of yen,%)

		FY Mar/2020			FY Mar/2021			FY Mar/2021 (Standard for Revenue Recognition)		FY Mar/2022 (Projection) (Standard for Revenue Recognition)		
		amount	% of total	% change	amount	% of total	% change	amount	% of total	amount	% of total	% change
C o m m e	Sales	75,891	59.8	6.0	65,140	56.7	(14.2)	59,221	56.3	61,100	56.1	3.2
	Gross Profit	57,085	75.2	4.8	48,169	73.9	(15.6)	41,412	69.9	43,310	70.9	4.6
	SGA	45,316	59.7	4.5	40,215	61.7	(11.3)	33,458	56.5	34,910	57.1	4.3
	Advertising	8,224	10.8	(0.1)	6,380	9.8	(22.4)	6,379	10.8	6,900	11.3	8.2
	Operating Income	11,768	15.5	6.0	7,954	12.2	(32.4)	7,954	13.4	8,400	13.7	5.6
S u p p l e	Sales	44,006	34.7	0.2	41,191	35.8	(6.4)	37,854	36.0	40,700	37.3	7.5
	Gross Profit	30,397	69.1	0.8	29,085	70.6	(4.3)	25,300	66.8	26,460	65.0	4.6
	SGA	26,301	59.8	(1.2)	24,042	58.4	(8.6)	20,257	53.5	21,260	52.2	4.9
	Advertising	6,606	15.0	(8.0)	4,901	11.9	(25.8)	4,901	12.9	5,150	12.7	5.1
	Operating Income	4,095	9.3	16.4	5,042	12.2	23.1	5,042	13.3	5,200	12.8	3.1
O t h e r s	Sales	6,911	5.5	(0.9)	8,578	7.5	24.1	8,071	7.7	7,200	6.6	(10.8)
	Gross Profit	3,061	44.3	10.4	3,856	45.0	26.0	3,235	40.1	3,120	43.3	(3.6)
	SGA	2,970	43.0	(3.3)	3,631	42.3	22.3	3,011	37.3	3,020	41.9	0.3
	Advertising	572	8.3	12.2	568	6.6	(0.7)	568	7.0	570	7.9	0.2
	Operating Income	90	1.3	-	224	2.6	146.9	224	2.8	100	1.4	(55.5)
Eliminations or Corporate		(1,829)			(1,644)			(1,644)		(1,700)		
T o t a l	Sales	126,810	100.0	3.5	114,909	100.0	(9.4)	105,146	100.0	109,000	100.0	3.7
	Gross Profit	90,543	71.4	3.6	81,110	70.6	(10.4)	69,948	66.5	72,890	66.9	4.2
	SGA	76,417	60.3	1.9	69,534	60.5	(9.0)	58,371	55.5	60,890	55.9	4.3
	Advertising	15,402	12.1	(3.2)	11,850	10.3	(23.1)	11,848	11.3	12,620	11.6	6.5
	Operating Income	14,125	11.1	14.0	11,576	10.1	(18.0)	11,576	11.0	12,000	11.0	3.7

## ◆ General and Administrative Expenses

(Millions of yen,%)

	FY Mar/2020			FY Mar/2021			FY Mar/2021 (Standard for Revenue Recognition)		FY Mar/2022 (Projection) (Standard for Revenue Recognition)		
	amount	% of total	% change	amount	% of total	% change	amount	% of total	amount	% of total	% change
Advertising	15,402	12.1	(3.2)	11,850	10.3	(23.1)	11,848	11.3	12,620	11.6	6.5
Sales Promotions	14,542	11.5	8.3	15,668	13.6	7.7	8,649	8.2	8,070	7.4	(6.7)
Transport	5,375	4.2	1.3	5,881	5.1	9.4	5,878	5.6	5,620	5.2	(4.4)
Communications	1,934	1.5	0.7	1,895	1.6	(2.0)	1,895	1.8	1,870	1.7	(1.4)
Fees/Outsourcing	14,018	11.1	2.1	11,584	10.1	(17.4)	7,513	7.1	7,700	7.1	2.5
Salaries	16,341	12.9	0.7	14,857	12.9	(9.1)	14,857	14.1	16,330	15.0	9.9
Depreciations	2,062	1.6	10.5	2,160	1.9	4.7	2,160	2.1	2,630	2.4	21.7
Others	6,738	5.3	2.3	5,635	4.9	(16.4)	5,567	5.3	6,050	5.6	8.7
Total	76,417	60.3	1.9	69,534	60.5	(9.0)	58,371	55.5	60,890	55.9	4.3

## ◆ Capital Investment and Depreciation

(Millions of yen)

	FY Mar/2020	FY Mar/2021	FY Mar/2022 (Projection)
Capital Investment	11,233	8,207	4,490
Depreciation*	3,307	3,665	4,550

\*The sum of depreciation included in cost of sales and selling, general, and administrative expenses

◆Number of Shops by Region

As of 31 March, 2021

	Hokkaido	Tohoku	Kanto (except Tokyo)	TOKYO	Shinetsu	Tokai, Hokuriku & Shinetsu	Kinki	Chugoku, Shikoku	Kyushu, Okinawa	Total
Fancl Shop	4	6	24	23	18	18	10	12	115	
FANCL beauty&health	-	-	3	6	1	6	1	2	19	
FANCL New me	-	2	2	1	1	3	4	2	15	
FANCL Spot	-	-	1	-	2	-	1	-	4	
FANCL Beauty Salon	-	-	-	-	-	1	-	-	1	
FANCL Hybrid Shop	-	3	16	11	4	10	3	6	53	
FANCL International Shop (Ginza Square 1F)	-	-	-	1	-	-	-	-	1	
FANCL Beauty Shop (Ginza Square 3F,5F)	-	-	-	1	-	-	-	-	1	
FANCL Supplement Shop (Ginza Square 4F,6F)	-	-	-	1	-	-	-	-	1	
Others	-	-	1	-	-	-	-	-	1	
<b>Total</b>	<b>4</b>	<b>11</b>	<b>47</b>	<b>44</b>	<b>26</b>	<b>38</b>	<b>19</b>	<b>22</b>	<b>211</b>	
ATTENIR Shop	1	1	2	10	2	7	1	2	26	

◆Number of Shops

	As of March 31, 2016	As of March 31, 2017	As of March 31, 2018	As of March 31, 2019	As of March 31, 2020	As of March 31, 2021	As of March 31, 2022 (Projection)
Fancl Shop	-	-	14	59	107	115	122
FANCL beauty&health	-	2	3	12	16	19	19
FANCL New me	-	-	-	-	6	15	16
FANCL Spot	-	-	-	-	1	4	5
FANCL Beauty Salon	-	-	-	-	1	1	1
FANCL Hybrid Shop	77	168	162	125	76	53	39
FANCL Beauty Shop	1	1	1	1	1	1	1
FANCL Supplement Shop (FANCL Health House)	3	3	1	1	1	1	1
(Old) Fancl Shop	52	10	6	1	-	-	-
Fancl House	31	9	4	1	-	-	-
Fancl House J	10	6	2	-	-	-	-
FANCL International Shop (Ginza Square 1F)	1	1	1	1	1	1	1
Others	1	1	3	3	2	1	1
<b>Total</b>	<b>176</b>	<b>201</b>	<b>197</b>	<b>204</b>	<b>212</b>	<b>211</b>	<b>206</b>
ATTENIR Shop	16	16	16	17	24	26	26