

October 22, 2014

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

### Notice Regarding Revisions to Results Forecasts

**Yokohama, October 22, 2014**—In light of recent trends in business performance, FANCL Corporation today announced revisions to the consolidated results forecast for the fiscal year ending March 31, 2015 announced on May 9, 2014. Details are as follows:

#### 1. Revisions to interim consolidated results forecasts (April 1, 2014 to September 30, 2014)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (¥)
Previously announced forecasts (A)	38,500	300	300	100	1.57
Revised forecasts (B)	36,542	300	420	573	9.02
Change (B – A)	(1,957)	0	120	473	
Percentage change (%)	(5.1)	0.3	40.1	473.7	
Reference: Results for the interim period ended September 30, 2013	38,752	710	937	(537)	(8.37)

#### 2. Revisions to full-year consolidated results forecasts (April 1, 2014 to March 31, 2015)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (¥)
Previously announced forecasts (A)	81,000	4,000	4,000	2,200	34.62
Revised forecasts (B)	79,000	4,000	4,000	2,200	34.62
Change (B – A)	(2,000)	-	-	-	
Percentage change (%)	(2.5)	-	-	-	
Reference: Results for the fiscal year ended March 31, 2014	81,118	3,943	4,262	1,343	21.03

### 3. Reasons for change

#### (1) Interim consolidated results forecast

- Although sales of FANCL cosmetics progressed in line with forecasts, sales in ATTENIR cosmetics and business related to nutritional supplements fell short of previous forecasts amid a greater-than-expected fall-back from the consumer tax rate increase in Japan. As a result of these and other factors, overall net sales are expected to be lower than previously forecasted.
- Operating income is expected to remain in line with previous forecasts as a result of factors such as a reduction in variable expenses due to the decline in sales, and efforts to control expenses.
- Ordinary income is expected to exceed current forecasts due to the recording of foreign exchange gain and other factors.
- Net income is expected to exceed current forecasts due to the above factors, as well as a decline in corporate taxes resulting from tax effects following the completion of liquidation proceedings of a non-consolidated subsidiary.

#### (2) Full-year consolidated results forecast

- The forecast for net sales has been revised downwards to reflect the unachieved amount in the first half of the consolidated fiscal year.  
There are no changes to forecasts for the second half of the consolidated fiscal year.
- Operating income, ordinary income and net income forecasts are also unchanged.

#### (3) Dividend forecast

- There are no changes to the dividend forecast.  
An annual dividend of ¥34.00 per share is forecast, composed of interim and year-end dividend payments of ¥17.00 respectively.

\*\*\*ENDS\*\*\*