

Sales By Segment

(Millions of yen, %)

Consolidated		Three Months Ended December 31, 2003			Three Months Ended December 31, 2004			Three Months Ended December 31, 2005		
		amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	% change
C o s m e	Mail Order	6,016	64.1	(6.7)	6,357	62.5	5.7	6,697	59.3	5.3
	Retail Store	2,767	29.5	(6.3)	3,126	30.7	13.0	3,684	32.6	17.8
	Wholesale	605	6.4	(21.0)	691	6.8	14.3	911	8.1	31.7
	Sub total	9,389	41.0	(7.7)	10,176	42.4	8.4	11,292	42.9	11.0
s u p p l e	Mail Order	4,376	55.3	(5.9)	4,475	53.9	2.3	4,561	50.9	1.9
	Retail Store	1,575	19.9	12.7	1,906	22.9	21.0	2,174	24.3	14.1
	Wholesale	1,966	24.8	19.6	1,926	23.2	(2.1)	2,218	24.8	15.2
	Sub total	7,919	34.6	2.9	8,307	34.6	4.9	8,954	34.1	7.8
o t h e r s	Mail Order	4,507	80.5	(24.4)	4,355	78.9	(3.4)	4,940	81.8	13.4
	Retail Store	291	5.2	67.6	377	6.8	29.4	366	6.1	(2.8)
	Wholesale	800	14.3	(19.1)	788	14.3	(1.5)	729	12.1	(7.5)
	Sub total	5,599	24.4	(21.4)	5,521	23.0	(1.4)	6,036	23.0	9.3
T o t a l	Mail Order	14,900	65.1	(12.7)	15,188	63.3	1.9	16,199	61.6	6.7
	Retail Store	4,635	20.2	2.4	5,410	22.5	16.7	6,225	23.7	15.1
	Wholesale	3,372	14.7	(0.8)	3,406	14.2	1.0	3,858	14.7	13.3
	Sub total	22,908	100.0	(8.3)	24,005	100.0	4.8	26,283	100.0	9.5

(New Businesses)

(Millions of yen, %)

		Three Months Ended December 31, 2003			Three Months Ended December 31, 2004			Three Months Ended December 31, 2005		
		amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	% change
R i c k e t	Mail Order	816	61.7	(30.3)	822	62.4	0.8	726	59.6	(11.7)
	Retail Store	65	4.9	(26.8)	88	6.7	36.5	95	7.8	7.8
	Wholesale	441	33.4	(33.5)	407	30.9	(7.8)	397	32.6	(2.4)
	Sub total	1,322	5.8	(31.3)	1,318	5.5	(0.3)	1,219	4.6	(7.5)
k a l e	Mail Order	387	45.5	(6.6)	439	45.6	13.2	458	47.3	4.4
	Retail Store	127	15.0	73.9	203	21.2	59.4	229	23.7	12.6
	Wholesale	336	39.5	40.8	320	33.2	(4.8)	280	29.0	(12.2)
	Sub total	852	3.7	17.1	962	4.0	13.0	968	3.7	0.6

Sales By Segment

(Millions of yen, %)

		Nine Months Ended December 31, 2003			Nine Months Ended December 31, 2004			Nine Months Ended December 31, 2005		
		amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	% change
C o s m e	Mail Order	16,571	62.9	(6.7)	17,417	62.1	5.1	18,292	58.9	5.0
	Retail Store	8,024	30.5	(7.9)	8,565	30.6	6.7	10,142	32.7	18.4
	Wholesale	1,748	6.6	(21.0)	2,045	7.3	17.0	2,594	8.4	26.9
	Sub total	26,343	41.1	(8.1)	28,028	42.3	6.4	31,029	43.1	10.7
s u p p l e	Mail Order	12,281	55.5	(4.9)	12,364	53.4	0.7	13,015	51.1	5.3
	Retail Store	4,413	19.9	9.4	5,309	22.9	20.3	6,328	24.8	19.2
	Wholesale	5,455	24.6	9.8	5,483	23.7	0.5	6,134	24.1	11.9
	Sub total	22,150	34.5	1.1	23,157	35.0	4.5	25,478	35.3	10.0
o t h e r s	Mail Order	12,258	78.5	(16.4)	11,452	76.0	(6.6)	12,201	78.5	6.5
	Retail Store	845	5.4	83.3	1,044	6.9	23.5	1,127	7.3	8.0
	Wholesale	2,509	16.1	(11.0)	2,567	17.1	2.3	2,212	14.2	(13.8)
	Sub total	15,613	24.4	(13.0)	15,064	22.7	(3.5)	15,541	21.6	3.2
T o t a l	Mail Order	41,110	64.1	(9.3)	41,235	62.3	0.3	43,508	60.4	5.5
	Retail Store	13,283	20.7	0.6	14,919	22.5	12.3	17,599	24.4	18.0
	Wholesale	9,712	15.2	(2.8)	10,096	15.2	3.9	10,942	15.2	8.4
	Sub total	64,107	100.0	(6.5)	66,251	100.0	3.3	72,050	100.0	8.8

(New Businesses)

(Millions of yen, %)

		Nine Months Ended December 31, 2003			Nine Months Ended December 31, 2004			Nine Months Ended December 31, 2005		
		amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	% change
R i c k e t	Mail Order	2,511	59.8	(16.1)	2,213	56.1	(11.9)	1,965	58.0	(11.2)
	Retail Store	210	5.0	(13.0)	246	6.3	17.2	274	8.1	11.3
	Wholesale	1,481	35.2	(20.6)	1,485	37.6	0.2	1,148	33.9	(22.7)
	Sub total	4,203	6.6	(17.6)	3,945	6.0	(6.1)	3,388	4.7	(14.1)
k a l e	Mail Order	1,193	48.3	33.8	1,149	43.9	(3.7)	1,346	44.9	17.2
	Retail Store	322	13.1	56.2	530	20.3	64.2	721	24.1	36.2
	Wholesale	954	38.6	43.6	934	35.8	(2.1)	928	31.0	(0.7)
	Sub total	2,470	3.9	40.1	2,613	3.9	5.8	2,996	4.2	14.7

Sales By Segment

(Millions of yen, %)

		FY2004			FY2005			FY2006 (projection)		
		amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	% change
C o s m e	Mail Order	21,869	62.6	(4.8)	22,829	61.5	4.4	23,900	58.6	4.7
	Retail Store	10,608	30.4	(8.2)	11,491	31.0	8.3	13,650	33.4	18.8
	Wholesale	2,448	7.0	(7.2)	2,777	7.5	13.5	3,250	8.0	17.0
	Sub total	34,925	41.1	(6.0)	37,098	42.2	6.2	40,800	42.9	10.0
s u p p l e	Mail Order	16,439	55.4	(4.0)	16,709	53.7	1.6	17,100	50.3	2.3
	Retail Store	5,994	20.2	8.5	7,175	23.0	19.7	8,900	26.2	24.0
	Wholesale	7,221	24.4	10.0	7,246	23.3	0.3	8,000	23.5	10.4
	Sub total	29,655	34.9	1.5	31,131	35.4	5.0	34,000	35.8	9.2
o t h e r s	Mail Order	16,129	79.2	(16.2)	15,004	76.1	(7.0)	15,250	75.5	1.6
	Retail Store	1,119	5.5	68.4	1,400	7.1	25.1	1,700	8.4	21.4
	Wholesale	3,125	15.3	(16.6)	3,301	16.8	5.6	3,250	16.1	(1.6)
	Sub total	20,375	24.0	(13.9)	19,706	22.4	(3.3)	20,200	21.3	2.5
T o t a l	Mail Order	54,438	64.1	(8.3)	54,543	62.0	0.2	56,250	59.2	3.1
	Retail Store	17,722	20.8	(0.1)	20,067	22.8	13.2	24,250	25.5	20.8
	Wholesale	12,795	15.1	(1.2)	13,326	15.2	4.1	14,500	15.3	8.8
	Sub total	84,956	100.0	(5.6)	87,937	100.0	3.5	95,000	100.0	8.0

(New Businesses)

(Millions of yen, %)

		FY2004			FY2005			FY2006 (projection)		
		amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	% change
R i c e	Mail Order	3,215	59.7	(19.8)	2,838	56.5	(11.7)	2,850	57.0	0.4
	Retail Store	278	5.2	(16.8)	332	6.6	19.4	400	8.0	20.4
	Wholesale	1,889	35.1	(24.4)	1,855	36.9	(1.8)	1,750	35.0	(5.7)
	Sub total	5,383	6.3	(21.3)	5,026	5.7	(6.6)	5,000	5.3	(0.5)
k a l e	Mail Order	1,435	48.1	12.3	1,557	44.2	8.5	1,700	41.5	9.2
	Retail Store	434	14.6	49.7	725	20.6	66.9	1,050	25.6	44.7
	Wholesale	1,114	37.3	19.6	1,241	35.2	11.4	1,350	32.9	8.7
	Sub total	2,985	3.5	19.3	3,524	4.0	18.1	4,100	4.3	16.3

Number of Active Customers

FANCL	AS of December 31, 2003	AS of December 31, 2004	AS of December 31, 2005	Increase(decrease)
Cosmetics	1,005,645	1,117,580	1,380,396	262,816
Cosmetics Mail Order	562,430	605,655	737,616	131,961
Cosmetics Retail Stores	524,235	602,726	764,050	161,324
Nutritional Supple	1,040,201	1,066,997	1,197,396	130,399
Supple Mail Order	653,824	630,254	666,016	35,762
Supple Retail Stores	429,515	486,634	596,509	109,875
Rice Mail Order	294,884	251,899	223,638	(28,261)
Kale Mail Order	127,074	103,027	108,470	5,443
Mail order	1,164,798	1,154,627	1,275,070	120,443
Retail Stores	825,656	940,256	1,147,099	206,843
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Unit Prices

(yen, %)

	Three Months Ended December 31, 2004	Three Months Ended December 31, 2005	% change
Cosmetics Mail Order	6,140	5,512	(10.2)
Supple Mail Order	5,787	6,157	6.4
Retail Stores	3,427	3,468	1.2

Existing Stores Year-on-year-change

Three Months ended 12/04	Three Months ended 12/05
109.0%	101.9%

Segment Information

(Millions of yen, %)

	Three Months Ended December 31, 2003			Three Months Ended December 31, 2004			Three Months Ended December 31, 2005			
	amount	% of total	% change	amount	% of total	% change	amount	% of total	% change	
C o s m e	Sales	9,389	41.0	(7.7)	10,176	42.4	8.4	11,292	42.9	11.0
	Gross Profit	7,073	75.3		7,575	74.4		8,579	75.9	
	SGA	4,787	51.0	(14.5)	6,005	59.0	25.5	6,349	56.2	5.7
	Advertising	713	7.6	(39.5)	1,221	12.0	71.1	1,231	10.9	0.9
	Operating Income	2,286	24.3	(3.3)	1,569	15.4	(31.4)	2,229	19.7	42.0
S u p p l e	Sales	7,919	34.6	2.9	8,307	34.6	4.9	8,954	34.1	7.8
	Gross Profit	5,023	63.4		5,513	66.3		5,650	63.1	
	SGA	3,336	42.1	21.7	3,973	47.8	19.1	4,100	45.8	3.2
	Advertising	475	6.0	89.0	641	7.7	34.8	649	7.3	1.3
	Operating Income	1,687	21.3	(25.2)	1,540	18.5	(8.7)	1,549	17.3	0.6
o t h e r s	Sales	5,599	24.4	(21.4)	5,521	23.0	(1.4)	6,036	23.0	9.3
	Gross Profit	2,818	50.3		2,754	49.9		3,031	50.2	
	SGA	3,007	53.7	(19.1)	2,832	51.3	(5.8)	2,969	49.2	4.8
	Advertising	828	14.8	(31.8)	588	10.7	(29.0)	551	9.1	(6.4)
	Operating Income	(189)	(3.4)	-	(78)	(1.4)	-	62	1.0	-
Eliminations or Corporate	(544)			(540)			(432)			
T o t a l	Sales	22,908	100.0	(8.3)	24,005	100.0	4.8	26,283	100.0	9.5
	Gross Profit	14,915	65.1		15,843	66.0		17,261	65.7	
	SGA	11,675	51.0	(5.7)	13,352	55.6	14.4	13,852	52.7	3.7
	Advertising	2,018	8.8	(23.8)	2,451	10.2	21.4	2,432	9.3	(0.8)
	Operating Income	3,240	14.1	(17.4)	2,490	10.4	(23.1)	3,408	13.0	36.9

Selling, General and administrative expenses

(Millions of yen, %)

	Three Months Ended December 31, 2003			Three Months Ended December 31, 2004			Three Months Ended December 31, 2005		
	amount	% of total	% change	amount	% of total	% change	amount	% of total	% change
Advertising	2,018	8.8	(23.8)	2,451	10.2	21.4	2,432	9.3	(0.8)
Sales Promotions	2,313	10.1	6.0	2,723	11.3	17.7	2,678	10.2	(1.6)
Transport	1,067	4.7	(8.2)	1,180	4.9	10.6	1,146	4.4	(2.9)
Communications	520	2.3	(31.7)	550	2.3	5.6	603	2.3	9.7
Fees/Outsourcing	1,691	7.4	(7.5)	1,939	8.1	14.6	2,106	8.0	8.6
Salaries	2,450	10.7	4.9	2,737	11.4	11.7	3,074	11.7	12.3
Depreciations	412	1.8	6.2	360	1.5	(12.5)	358	1.4	(0.6)
Others	1,200	5.2	12.1	1,410	5.9	17.5	1,451	5.5	2.9
Total	11,675	51.0	(5.7)	13,352	55.6	14.4	13,852	52.7	3.7

Segment Information

(Millions of yen, %)

	Nine Months Ended December 31, 2003			Nine Months Ended December 31, 2004			Nine Months Ended December 31, 2005			
	amount	% of total	% change	amount	% of total	% change	amount	% of total	% change	
C o s m e	Sales	26,343	41.1	(8.1)	28,028	42.3	6.4	31,029	43.1	10.7
	Gross Profit	19,951	75.7		20,789	74.1		23,218	74.8	
	SGA	14,001	53.1	(9.9)	17,164	61.2	22.6	18,627	60.0	8.5
	Advertising	2,117	8.0	(15.2)	3,784	13.5	78.7	4,094	13.2	8.2
	Operating Income	5,950	22.6	(6.8)	3,625	12.9	(39.1)	4,590	14.8	26.6
S u p p l e	Sales	22,150	34.5	1.1	23,157	35.0	4.5	25,478	35.3	10.0
	Gross Profit	13,980	63.1		15,366	66.3		16,035	62.9	
	SGA	9,620	43.4	7.0	12,096	52.2	25.7	11,704	45.9	(3.2)
	Advertising	1,369	6.2	18.7	2,553	11.0	86.5	1,527	6.0	(40.2)
	Operating Income	4,359	19.7	(19.4)	3,269	14.1	(25.0)	4,330	17.0	32.4
o t h e r s	Sales	15,613	24.4	(13.0)	15,064	22.7	(3.5)	15,541	21.6	3.2
	Gross Profit	8,126	52.1		7,451	49.5		7,985	51.4	
	SGA	8,723	55.9	(11.8)	8,995	59.7	3.1	8,062	51.9	(10.4)
	Advertising	2,306	14.8	(28.3)	2,145	14.2	(7.0)	1,511	9.7	(29.5)
	Operating Income	(596)	(3.8)	-	(1,544)	(10.2)	-	(76)	(0.5)	-
Eliminations or Corporate	(1,582)			(1,567)			(1,264)			
T o t a l	Sales	64,107	100.0	(6.5)	66,251	100.0	3.3	72,050	100.0	8.8
	Gross Profit	42,058	65.6		43,607	65.8		47,238	65.6	
	SGA	33,928	52.9	(4.9)	39,824	60.1	17.4	39,658	55.1	(0.4)
	Advertising	5,793	9.0	(15.6)	8,483	12.8	46.4	7,133	9.9	(15.9)
	Operating Income	8,130	12.7	(14.5)	3,783	5.7	(53.5)	7,580	10.5	100.4

Selling, General and administrative expenses

(Millions of yen, %)

	Nine Months Ended December 31, 2003			Nine Months Ended December 31, 2004			Nine Months Ended December 31, 2005		
	amount	% of total	% change	amount	% of total	% change	amount	% of total	% change
Advertising	5,793	9.0	(15.6)	8,483	12.8	46.4	7,133	9.9	(15.9)
Sales Promotions	5,957	9.3	(9.9)	7,512	11.3	26.1	6,994	9.7	(6.9)
Transport	3,018	4.7	(8.4)	3,237	4.9	7.3	3,173	4.4	(2.0)
Communications	1,804	2.8	(18.0)	1,669	2.5	(7.5)	1,610	2.2	(3.5)
Fees/Outsourcing	5,078	7.9	(2.8)	5,702	8.6	12.3	6,150	8.5	7.9
Salaries	7,362	11.5	5.4	7,962	12.0	8.1	9,105	12.6	14.3
Depreciations	1,255	2.0	12.0	1,056	1.6	(15.8)	1,036	1.4	(1.9)
Others	3,657	5.7	8.2	4,199	6.3	14.8	4,454	6.2	6.1
Total	33,928	52.9	(4.9)	39,824	60.1	17.4	39,658	55.1	(0.4)

Segment Information

(Millions of yen, %)

		FY2004			FY2005			FY2006(projection)		
		amount	% of total	% change	amount	% of total	% change	amount	% of total	% change
C o s m e	Sales	34,925	41.1	(6.0)	37,098	42.2	6.2	40,800	42.9	10.0
	Gross Profit	26,394	75.6		27,592	74.4		30,200	74.0	
	SGA	20,111	57.6	(1.0)	22,846	61.6	13.6	24,500	60.0	7.2
	Advertising	3,932	11.3	18.2	5,073	13.7	29.0	5,250	12.9	3.5
	Operating Income	6,283	18.0	(22.4)	4,745	12.8	(24.5)	5,700	14.0	20.1
S u p p l e	Sales	29,655	34.9	1.5	31,131	35.4	5.0	34,000	35.8	9.2
	Gross Profit	19,047	64.2		20,623	66.2		21,400	62.9	
	SGA	13,675	46.1	11.3	15,985	51.3	16.9	16,200	47.6	1.3
	Advertising	2,501	8.4	37.0	3,291	10.6	31.6	2,450	7.2	(25.6)
	Operating Income	5,371	18.1	(21.9)	4,638	14.9	(13.6)	5,200	15.3	12.1
o t h e r s	Sales	20,375	24.0	(13.9)	19,706	22.4	(3.3)	20,200	21.3	2.5
	Gross Profit	10,254	50.3		9,689	49.2		10,400	51.5	
	SGA	12,075	59.2	(7.5)	11,656	59.2	(3.5)	10,800	53.5	(7.3)
	Advertising	3,430	16.8	(16.5)	2,740	13.9	(20.1)	2,200	10.9	(19.7)
	Operating Income	(1,820)	(8.9)	-	(1,967)	(10.0)	-	(400)	(2.0)	-
Eliminations or Corporate		(2,064)			(1,988)			(1,800)		
T o t a l	Sales	84,956	100.0	(5.6)	87,937	100.0	3.5	95,000	100.0	8.0
	Gross Profit	55,696	65.5		57,905	65.8		62,000	65.3	
	SGA	47,926	56.4	1.0	52,476	59.7	9.5	53,300	56.1	1.6
	Advertising	9,864	11.6	6.5	11,105	12.6	12.6	9,900	10.4	(10.9)
	Operating Income	7,769	9.1	(32.6)	5,428	6.2	(30.1)	8,700	9.2	60.3

Selling, General and administrative expenses

(Millions of yen, %)

		FY2004			FY2005			FY2006(projection)		
		amount	% of total	% change	amount	% of total	% change	amount	% of total	% change
	Advertising	9,864	11.6	6.5	11,105	12.6	12.6	9,900	10.4	(10.9)
	Sales Promotions	7,997	9.4	(7.2)	9,475	10.8	18.5	9,200	9.7	(2.9)
	Transport	3,995	4.7	(8.5)	4,240	4.8	6.1	4,200	4.4	(0.9)
	Communications	2,430	2.9	(17.3)	2,199	2.5	(9.5)	1,900	2.0	(13.6)
	Fees/Outsourcing	7,179	8.5	2.5	7,482	8.5	4.2	8,500	8.9	13.6
	Salaries	9,837	11.6	4.2	10,689	12.2	8.7	12,400	13.1	16.0
	Depreciations	1,674	2.0	17.3	1,450	1.6	(13.4)	1,500	1.6	3.4
	Others	4,947	5.8	12.3	5,834	6.6	17.9	5,700	6.0	(2.3)
	Total	47,926	56.4	1.0	52,476	59.7	9.5	53,300	56.1	1.6

Number of Shops by Region

As of December 31, 2005

		Hokkai do	Tohoku	Kanto (except Tokyo)	TOKYO	Shikoku Shikoku	Chugoku, Shikoku	Kinki	Kyushu, Okinawa	Total
Fanci House	Directly Managed Stores	1	5	28	23	17	22	6	5	107
	FC	1	-	-	-	-	-	-	1	2
Fanci House J		2	1	17	14	3	10	6	7	60
Genki Station		2	-	-	3	1	2	-	1	9
ATTENIR Shop		-	-	2	2	1	4	1	-	10
Others		-	-	1	2	-	-	-	-	3
Total		6	6	48	44	22	38	13	14	191

Number of Shops

	As of March 31 , 2001	As of March 31 , 2002	As of March 31 , 2003	As of March 31 , 2004	As of March 31 , 2005	As of December 31 , 2005	As of March 31 , 2006 (projection)
Fanci House	121	114	119	114	110	109	113
Fanci House J	-	-	1	10	37	60	73
Genki Station	7	8	8	9	9	9	9
ATTNIER Shop	5	5	5	6	9	10	10
Others	5	6	11	3	3	3	3
Total	138	133	144	142	168	191	208