

Sales By Segment

(Millions of yen,%)

	Six Months ended 9/05			Six Months ended 9/06			Six Months ended 9/06*		Six Months ended 9/07			
	amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	amount	% of Total	% change	
C o s m e	Mail Order	11,595	58.8	4.8	11,986	55.3	3.4	12,525	55.2	12,352	52.1	(1.4)
	Retail Store	6,458	32.7	18.7	7,552	34.9	16.9	8,050	35.5	8,722	36.8	8.3
	Wholesale	1,683	8.5	24.4	2,116	9.8	25.7	2,116	9.3	2,636	11.1	24.6
	Sub total	19,736	43.1	10.6	21,656	45.2	9.7	22,692	45.3	23,711	49.0	4.5
S u p p l i e	Mail Order	8,453	51.2	7.2	7,026	46.4	(16.9)	7,478	47.2	6,664	44.6	(10.9)
	Retail Store	4,154	25.1	22.1	4,013	26.5	(3.4)	4,282	27.0	4,338	29.1	1.3
	Wholesale	3,916	23.7	10.1	4,090	27.1	4.5	4,090	25.8	3,926	26.3	(4.0)
	Sub total	16,524	36.1	11.3	15,129	31.5	(8.4)	15,852	31.7	14,929	30.8	(5.8)
O t h e r s	Mail Order	7,260	76.4	2.3	8,759	78.2	20.7	9,030	78.4	7,956	81.5	(11.9)
	Retail Store	761	8.0	14.1	779	7.0	2.4	832	7.2	684	7.0	(17.8)
	Wholesale	1,483	15.6	(16.6)	1,654	14.8	11.6	1,654	14.4	1,127	11.5	(31.9)
	Sub total	9,505	20.8	(0.4)	11,194	23.3	17.8	11,517	23.0	9,768	20.2	(15.2)
T o t a l	Mail Order	27,309	59.7	4.8	27,772	57.9	1.7	29,034	58.0	26,973	55.7	(7.1)
	Retail Store	11,374	24.8	19.6	12,345	25.7	8.5	13,165	26.3	13,745	28.4	4.4
	Wholesale	7,083	15.5	5.9	7,862	16.4	11.0	7,862	15.7	7,690	15.9	(2.2)
	Sub total	45,766	100.0	8.3	47,980	100.0	4.8	50,062	100.0	48,410	100.0	(3.3)

(Millions of yen,%)

	Six Months ended 9/05			Six Months ended 9/06			Six Months ended 9/06*		Six Months ended 9/07			
	amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	amount	% of Total	% change	
R i c k e	Mail Order	1,239	57.1	(10.9)	1,375	53.5	11.0	1,473	54.9	1,034	57.1	(29.8)
	Retail Store	178	8.3	13.3	212	8.3	19.1	227	8.5	140	7.7	(38.2)
	Wholesale	751	34.6	(30.3)	983	38.2	31.0	983	36.6	638	35.2	(35.1)
	Sub total	2,169	4.7	(17.4)	2,572	5.4	18.6	2,684	5.4	1,813	3.7	(32.4)
K a l l	Mail Order	888	43.8	25.1	879	45.1	(1.0)	942	46.0	1,053	53.8	11.8
	Retail Store	492	24.3	50.9	505	25.9	2.6	539	26.4	492	25.1	(8.7)
	Wholesale	647	31.9	5.3	565	29.0	(12.6)	565	27.6	413	21.1	(26.9)
	Sub total	2,028	4.4	22.9	1,950	4.1	(3.8)	2,047	4.1	1,959	4.0	(4.3)

*Same accounting standards as the current term

Sales By Segment

(Millions of yen,%)

	FY2006			FY2007			FY2007*		FY2008 (Projection)			
	amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	amount	% of Total	% change	
C o s m e	Mail Order	24,060	58.3	5.4	24,525	55.3	1.9	25,572	55.1	26,100	52.7	2.1
	Retail Store	13,721	33.2	19.4	15,542	35.0	13.3	16,504	35.6	18,000	36.4	9.1
	Wholesale	3,504	8.5	26.2	4,298	9.7	22.7	4,298	9.3	5,400	10.9	25.6
	Sub total	41,286	43.3	11.3	44,366	45.7	7.5	46,376	45.9	49,500	49.3	6.7
S u p p l i e	Mail Order	16,822	50.6	0.7	13,927	46.0	(17.2)	14,799	46.8	13,700	44.6	(7.4)
	Retail Store	8,393	25.2	17.0	8,225	27.2	(2.0)	8,748	27.6	9,000	29.3	2.9
	Wholesale	8,030	24.2	10.8	8,117	26.8	1.1	8,117	25.6	8,000	26.1	(1.4)
	Sub total	33,246	34.9	6.8	30,270	31.2	(9.0)	31,665	31.3	30,700	30.5	(3.1)
O t h e r s	Mail Order	16,353	78.7	9.0	18,048	80.5	10.4	18,548	80.6	16,650	82.0	(10.2)
	Retail Store	1,492	7.2	6.6	1,465	6.5	(1.8)	1,561	6.8	1,300	6.4	(16.8)
	Wholesale	2,943	14.1	(10.9)	2,912	13.0	(1.0)	2,912	12.6	2,350	11.6	(19.3)
	Sub total	20,789	21.8	5.5	22,426	23.1	7.9	23,023	22.8	20,300	20.2	(11.8)
T o t a l	Mail Order	57,237	60.0	4.9	56,501	58.2	(1.3)	58,921	58.3	56,450	56.2	(4.2)
	Retail Store	23,607	24.8	17.6	25,233	26.0	6.9	26,814	26.5	28,300	28.1	5.5
	Wholesale	14,477	15.2	8.6	15,329	15.8	5.9	15,329	15.2	15,750	15.7	2.7
	Sub total	95,322	100.0	8.4	97,064	100.0	1.8	101,065	100.0	100,500	100.0	(0.6)

(Millions of yen,%)

	FY2006			FY2007			FY2007*		FY2008 (Projection)			
	amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	amount	% of Total	% change	
R i c k e	Mail Order	2,639	58.0	(7.0)	2,545	55.8	(3.5)	2,721	57.2	2,100	56.0	(22.8)
	Retail Store	361	7.9	8.8	382	8.4	5.9	407	8.5	300	8.0	(26.4)
	Wholesale	1,549	34.1	(16.5)	1,632	35.8	5.3	1,632	34.3	1,350	36.0	(17.3)
	Sub total	4,549	4.8	(9.5)	4,560	4.7	0.2	4,760	4.7	3,750	3.7	(21.2)
K a l l	Mail Order	1,858	46.1	19.4	1,897	49.0	2.1	2,017	49.7	2,250	56.3	11.5
	Retail Store	963	23.9	32.8	967	25.0	0.4	1,029	25.4	900	22.5	(12.6)
	Wholesale	1,207	30.0	(2.8)	1,008	26.0	(16.5)	1,008	24.9	850	21.3	(15.7)
	Sub total	4,029	4.2	14.3	3,872	4.0	(3.9)	4,055	4.0	4,000	4.0	(1.4)

*Same accounting standards as the current term

Number of Active Customers

(people)

		As of September 30, 2005	As of September 30, 2006	As of September 30, 2007	Increase (decrease)
F A N C L	Cosmetics	1,262,218	1,409,655	1,364,074	(45,581)
	Cosmetics Mail Order	660,178	662,074	605,385	(56,689)
	Cosmetics Retail Stores	711,025	870,606	875,602	4,996
	Nutritional Supple	1,168,339	1,105,914	1,027,247	(78,667)
	Supple Mail Order	639,184	571,826	508,976	(62,850)
	Supple Retail Stores	590,434	592,359	569,138	(23,221)
	Rice Mail Order	214,060	260,381	185,837	(74,544)
	Kale Mail Order	108,779	107,349	109,759	2,410
	Mail order	1,184,304	1,186,460	1,078,060	(108,400)
	Retail Stores	1,098,842	1,249,009	1,224,445	(24,564)
ATTENIR cosme mail order		413,600	474,239	470,103	(4,136)

Unit Prices (FANCL)

(Yen,%)

	Six Months ended 9/05	Six Months ended 9/06	Six Months ended 9/07	% change
Cosmetics Mail Order	5,560	5,874	5,967	1.6
Supple Mail Order	5,944	5,944	6,104	2.7
Retail Stores	3,304	3,378	3,554	5.2

Existing Stores Year-on-year-change

Six Months ended 9/05	Six Months ended 9/06	Six Months ended 9/07
106.9%	97.0%	104.3%

Capital Investment and Depreciation

(Millions of yen)

	Six Months ended 9/06	Six Months ended 9/07	FY2007	FY2008 (Projection)
Capital Investment	1,930	1,156	3,974	3,000
Depreciation	1,260	1,444	2,669	2,900

Segment Information

(Millions of yen,%)

	Six Months ended 9/05			Six Months ended 9/06			Six Months ended 9/06*		Six Months ended 9/07			
	amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	amount	% of Total	% change	
C o m e	Sales	19,736	43.1	10.6	21,656	45.2	9.7	22,692	45.3	23,711	49.0	4.5
	Gross Profit	14,639	74.2		16,006	73.9		17,042	75.1	17,962	75.8	
	SGA	12,277	62.2	10.0	13,522	62.4	10.1	14,599	64.3	14,591	61.5	(0.1)
	Advertising	2,862	14.5	11.7	2,736	12.6	(4.4)	2,736	12.1	2,565	10.8	(6.3)
s u p p l i e	Operating Income	2,361	12.0	14.9	2,483	11.5	5.2	2,443	10.8	3,371	14.2	38.0
	Sales	16,524	36.1	11.3	15,129	31.5	(8.4)	15,852	31.7	14,929	30.8	(5.8)
	Gross Profit	10,384	62.8		9,472	62.6		10,194	64.3	9,828	65.8	
	SGA	7,603	46.0	(6.4)	7,458	49.3	(1.9)	8,208	51.8	8,014	53.7	(2.4)
o t h e r s	Advertising	877	5.3	(54.1)	794	5.3	(9.5)	794	5.0	1,083	7.3	36.4
	Operating Income	2,780	16.8	60.8	2,014	13.3	(27.6)	1,985	12.5	1,814	12.2	(8.6)
	Sales	9,505	20.8	(0.4)	11,194	23.3	17.8	11,517	23.0	9,768	20.2	(15.2)
	Gross Profit	4,954	52.1		5,536	49.5		5,860	50.9	4,851	49.7	
T o t a l	SGA	5,093	53.6	(17.4)	6,472	57.8	27.1	6,808	59.1	5,715	58.5	(16.1)
	Advertising	960	10.1	(38.3)	1,613	14.4	67.9	1,613	14.0	1,164	11.9	(27.8)
	Operating Income	(138)	(1.5)	-	(936)	(8.4)	-	(948)	(8.2)	(863)	(8.8)	-
	Eliminations or Corporate	(831)			(884)			(884)		(961)		
T o t a l	Sales	45,766	100.0	8.3	47,980	100.0	4.8	50,062	100.0	48,410	100.0	(3.3)
	Gross Profit	29,977	65.5		31,015	64.6		33,097	66.1	32,643	67.4	
	SGA	25,806	56.4	(2.5)	28,338	59.1	9.8	30,501	60.9	29,282	60.5	(4.0)
	Advertising	4,700	10.3	(22.1)	5,144	10.7	9.4	5,144	10.3	4,813	9.9	(6.4)
Operating Income	4,171	9.1	222.7	2,676	5.6	(35.8)	2,595	5.2	3,360	6.9	29.5	

General and administrative expenses

(Millions of yen,%)

	Six Months ended 9/05			Six Months ended 9/06			Six Months ended 9/06*		Six Months ended 9/07		
	amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	amount	% of Total	% change
Advertising	4,700	10.3	(22.1)	5,144	10.7	9.4	5,144	10.3	4,813	9.9	(6.4)
Sales Promotions	4,315	9.4	(9.9)	5,079	10.6	17.7	7,242	14.5	5,908	12.2	(18.4)
Transport	2,026	4.4	(1.5)	2,050	4.3	1.2	2,050	4.1	1,977	4.1	(3.6)
Communications	1,007	2.2	(10.0)	1,163	2.4	15.5	1,163	2.3	1,031	2.1	(11.3)
Fees/Outsourcing	4,043	8.8	7.5	4,210	8.8	4.1	4,210	8.4	4,427	9.1	5.1
Salaries	6,030	13.2	15.4	6,915	14.4	14.7	6,915	13.8	6,986	14.4	1.0
Depreciations	678	1.5	(2.6)	747	1.6	10.2	747	1.5	910	1.9	21.9
Others	3,003	6.6	7.7	3,026	6.3	0.8	3,026	6.0	3,225	6.7	6.6
Total	25,806	56.4	(2.5)	28,338	59.1	9.8	30,501	60.9	29,282	60.5	(4.0)

*Same accounting standards as the current term

Segment Information

(Millions of yen,%)

	FY2006			FY2007			FY2007*		FY2008 (Projection)			
	amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	amount	% of Total	% change	
C o m e	Sales	41,286	43.3	11.3	44,366	45.7	7.5	46,376	45.9	49,500	49.3	6.7
	Gross Profit	30,655	74.2		32,856	74.1		34,866	75.2	37,700	76.2	
	SGA	25,087	60.8	9.8	25,865	58.3	3.1	27,732	59.8	29,500	59.6	6.4
	Advertising	5,464	13.2	7.7	4,528	10.2	(17.1)	4,527	9.8	5,200	10.5	14.9
s u p p l i e	Operating Income	5,567	13.5	17.3	6,991	15.8	25.6	7,133	15.4	8,200	16.6	14.9
	Sales	33,246	34.9	6.8	30,270	31.2	(9.0)	31,665	31.3	30,700	30.5	(3.1)
	Gross Profit	20,829	62.7		19,313	63.8		20,708	65.4	20,300	66.1	
	SGA	15,424	46.4	(3.5)	15,509	51.2	0.6	16,806	53.1	16,500	53.7	(1.8)
o t h e r s	Advertising	1,835	5.5	(44.2)	2,128	7.0	16.0	2,129	6.7	2,400	7.8	12.7
	Operating Income	5,405	16.3	16.5	3,803	12.6	(29.6)	3,902	12.3	3,800	12.4	(2.6)
	Sales	20,789	21.8	5.5	22,426	23.1	7.9	23,023	22.8	20,300	20.2	(11.8)
	Gross Profit	10,597	51.0		10,999	49.0		11,595	50.4	10,050	49.5	
T o t a l	SGA	11,359	54.6	(2.5)	11,939	53.2	5.1	12,493	54.3	11,600	57.1	(7.2)
	Advertising	2,492	12.0	(9.1)	2,735	12.2	9.8	2,736	11.9	2,150	10.6	(21.4)
	Operating Income	(761)	(3.7)	-	(940)	(4.2)	-	(897)	(3.9)	(1,550)	(7.6)	-
	Eliminations or Corporate	(1,636)			(1,768)			(1,768)		(1,800)		
T o t a l	Sales	95,322	100.0	8.4	97,064	100.0	1.8	101,065	100.0	100,500	100.0	(0.6)
	Gross Profit	62,082	65.1		63,169	65.1		67,170	66.5	68,050	67.7	
	SGA	53,507	56.1	2.0	55,082	56.7	2.9	58,800	58.2	59,400	59.1	1.0
	Advertising	9,792	10.3	(11.8)	9,393	9.7	(4.1)	9,393	9.3	9,750	9.7	3.8
Operating Income	8,574	9.0	57.9	8,087	8.3	(5.7)	8,370	8.3	8,650	8.6	3.3	

General and administrative expenses

(Millions of yen,%)

	FY2006			FY2007			FY2007*		FY2008 (Projection)		
	amount	% of Total	% change	amount	% of Total	% change	amount	% of Total	amount	% of Total	% change
Advertising	9,792	10.3	(11.8)	9,393	9.7	(4.1)	9,393	9.3	9,750	9.7	3.8
Sales Promotions	9,319	9.8	(1.6)	9,784	10.1	5.0	13,502	13.4	12,450	12.4	(7.8)
Transport	4,214	4.4	(0.6)	4,008	4.1	(4.9)	4,008	4.0	4,000	4.0	(0.2)
Communications	2,205	2.3	0.3	2,208	2.3	0.1	2,208	2.2	2,150	2.1	(2.6)
Fees/Outsourcing	8,050	8.4	7.6	8,384	8.6	4.1	8,384	8.3	8,900	8.9	6.2
Salaries	12,393	13.0	15.9	13,635	14.0	10.0	13,635	13.5	13,900	13.8	1.9
Depreciations	1,440	1.5	(0.7)	1,562	1.6	8.5	1,562	1.5	1,900	1.9	21.6
Others	6,091	6.4	4.4	6,106	6.3	0.2	6,106	6.0	6,350	6.3	4.0
Total	53,507	56.1	2.0	55,082	56.7	2.9	58,800	58.2	59,400	59.1	1.0

*Same accounting standards as the current term

Number of Shops by Region

As of September 30, 2007

	Hokkaido	Tohoku	Kanto (except Tokyo)	TOKYO	Tokai, Hokuriku & Shinetsu	Kinki	Chugoku, Shikoku	Kyusyu, Okinawa	Total
Fancl Ginza Square	-	-	-	1	-	-	-	-	1
Fancl House	1	5	23	21	16	25	7	7	105
Fancl House J	3	4	27	17	6	14	8	8	87
Genki Station	2	-	-	3	1	1	-	1	8
ATTENIR Shop	-	-	2	2	1	4	1	-	10
Others	-	-	2	2	-	-	-	-	4
Total	6	9	54	46	24	44	16	16	215

Number of Shops

	As of March 31, 2003	As of March 31, 2004	As of March 31, 2005	As of March 31, 2006	As of March 31, 2007	As of September 30, 2007	As of March 31, 2008 (Projection)
Fancl Ginza Square	-	1	1	1	1	1	1
Fancl House	119	114	110	113	107	105	105
Fancl House J	1	10	37	71	88	87	87
Genki Station	8	9	9	9	8	8	8
ATTENIR Shop	5	6	9	10	10	10	10
Others	11	3	3	4	4	4	4
Total	144	143	169	208	218	215	215