

January 28, 2016

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

# FANCL

## Consolidated Financial Statements for the Third Quarter of the Fiscal Year Ending March 31, 2016 (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.

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◆ Sales by Segment (Three Months)

(Millions of yen,%)

|                            |                | Three Months ended 12/14 |            |          | Three Months ended 12/15 |            |          |
|----------------------------|----------------|--------------------------|------------|----------|--------------------------|------------|----------|
|                            |                | amount                   | % of total | % change | amount                   | % of total | % change |
| C<br>o<br>s<br>m<br>e      | Mail Order     | 6,681                    | 49.4       | 3.0      | 7,067                    | 46.5       | 5.8      |
|                            | Retail Store   | 4,601                    | 34.1       | 10.3     | 5,388                    | 35.4       | 17.1     |
|                            | Wholesale      | 991                      | 7.3        | 107.4    | 1,149                    | 7.5        | 16.0     |
|                            | Overseas sales | 1,244                    | 9.2        | (15.5)   | 1,606                    | 10.6       | 29.0     |
|                            | Sub total      | 13,518                   | 62.2       | 7.2      | 15,210                   | 61.4       | 12.5     |
| S<br>u<br>p<br>p<br>l<br>e | Mail Order     | 2,672                    | 42.6       | (2.0)    | 3,154                    | 41.4       | 18.1     |
|                            | Retail Store   | 1,465                    | 23.4       | (0.5)    | 1,838                    | 24.1       | 25.4     |
|                            | Wholesale      | 1,774                    | 28.3       | 5.2      | 2,280                    | 30.0       | 28.5     |
|                            | Overseas sales | 355                      | 5.7        | (19.5)   | 341                      | 4.5        | (4.1)    |
|                            | Sub total      | 6,267                    | 28.8       | (1.0)    | 7,614                    | 30.7       | 21.5     |
| O<br>t<br>h<br>e<br>r<br>s | Mail Order     | 1,401                    | 71.8       | (7.7)    | 1,423                    | 72.3       | 1.6      |
|                            | Retail Store   | 146                      | 7.5        | (20.4)   | 154                      | 7.9        | 5.3      |
|                            | Wholesale      | 400                      | 20.5       | (1.6)    | 384                      | 19.5       | (4.0)    |
|                            | Overseas sales | 4                        | 0.2        | (56.7)   | 5                        | 0.3        | 35.3     |
|                            | Sub total      | 1,952                    | 9.0        | (7.8)    | 1,968                    | 7.9        | 0.8      |
| T<br>o<br>t<br>a<br>l      | Mail Order     | 10,754                   | 49.5       | 0.2      | 11,645                   | 46.9       | 8.3      |
|                            | Retail Store   | 6,214                    | 28.6       | 6.6      | 7,380                    | 29.8       | 18.8     |
|                            | Wholesale      | 3,165                    | 14.5       | 23.1     | 3,814                    | 15.4       | 20.5     |
|                            | Overseas sales | 1,604                    | 7.4        | (16.7)   | 1,953                    | 7.9        | 21.7     |
|                            | Sub total      | 21,739                   | 100.0      | 3.2      | 24,793                   | 100.0      | 14.1     |

|                  |                | Three Months ended 12/14 |            |          | Three Months ended 12/15 |            |          |
|------------------|----------------|--------------------------|------------|----------|--------------------------|------------|----------|
|                  |                | amount                   | % of total | % change | amount                   | % of total | % change |
| R<br>i<br>c<br>e | Mail Order     | 343                      | 52.5       | (24.1)   | 415                      | 57.0       | 20.8     |
|                  | Retail Store   | 20                       | 3.2        | (29.3)   | 29                       | 4.0        | 39.8     |
|                  | Wholesale      | 287                      | 44.0       | 2.0      | 282                      | 38.8       | (1.9)    |
|                  | Overseas sales | 2                        | 0.3        | (58.5)   | 1                        | 0.2        | (17.6)   |
|                  | Sub total      | 654                      | 3.0        | (15.0)   | 728                      | 2.9        | 11.3     |
| K<br>a<br>l<br>e | Mail Order     | 493                      | 68.8       | (11.4)   | 509                      | 69.5       | 3.2      |
|                  | Retail Store   | 123                      | 17.2       | (19.5)   | 122                      | 16.6       | (1.4)    |
|                  | Wholesale      | 98                       | 13.7       | (12.1)   | 97                       | 13.3       | (0.7)    |
|                  | Overseas sales | 2                        | 0.3        | (55.0)   | 4                        | 0.6        | 84.5     |
|                  | Sub total      | 718                      | 3.3        | (13.3)   | 733                      | 3.0        | 2.1      |

◆ Sales by Segment (Nine Months)

(Millions of yen,%)

|                            |                | Nine Months ended 12/14 |            |          | Nine Months ended 12/15 |            |          |
|----------------------------|----------------|-------------------------|------------|----------|-------------------------|------------|----------|
|                            |                | amount                  | % of total | % change | amount                  | % of total | % change |
| C<br>o<br>s<br>m<br>e      | Mail Order     | 17,064                  | 48.0       | (1.4)    | 17,952                  | 43.6       | 5.2      |
|                            | Retail Store   | 12,527                  | 35.2       | 6.0      | 15,227                  | 36.9       | 21.6     |
|                            | Wholesale      | 2,361                   | 6.6        | 79.1     | 3,202                   | 7.8        | 35.6     |
|                            | Overseas sales | 3,624                   | 10.2       | (7.2)    | 4,818                   | 11.7       | 32.9     |
|                            | Sub total      | 35,577                  | 61.0       | 3.6      | 41,200                  | 60.6       | 15.8     |
| S<br>u<br>p<br>p<br>l<br>e | Mail Order     | 7,033                   | 40.4       | (8.5)    | 8,332                   | 39.0       | 18.5     |
|                            | Retail Store   | 4,254                   | 24.4       | (6.6)    | 5,376                   | 25.1       | 26.4     |
|                            | Wholesale      | 5,129                   | 29.4       | (0.2)    | 6,666                   | 31.2       | 30.0     |
|                            | Overseas sales | 1,015                   | 5.8        | (42.4)   | 1,008                   | 4.7        | (0.7)    |
|                            | Sub total      | 17,432                  | 29.9       | (8.9)    | 21,383                  | 31.5       | 22.7     |
| O<br>t<br>h<br>e<br>r<br>s | Mail Order     | 3,681                   | 69.8       | (12.9)   | 3,765                   | 69.7       | 2.3      |
|                            | Retail Store   | 443                     | 8.4        | (24.7)   | 456                     | 8.5        | 2.9      |
|                            | Wholesale      | 1,130                   | 21.5       | (23.6)   | 1,162                   | 21.5       | 2.8      |
|                            | Overseas sales | 16                      | 0.3        | (29.0)   | 17                      | 0.3        | 10.2     |
|                            | Sub total      | 5,271                   | 9.1        | (16.5)   | 5,401                   | 7.9        | 2.5      |
| T<br>o<br>t<br>a<br>l      | Mail Order     | 27,778                  | 47.7       | (4.9)    | 30,050                  | 44.2       | 8.2      |
|                            | Retail Store   | 17,225                  | 29.5       | 1.6      | 21,060                  | 31.0       | 22.3     |
|                            | Wholesale      | 8,621                   | 14.8       | 8.6      | 11,030                  | 16.2       | 27.9     |
|                            | Overseas sales | 4,656                   | 8.0        | (18.2)   | 5,844                   | 8.6        | 25.5     |
|                            | Sub total      | 58,281                  | 100.0      | (2.6)    | 67,986                  | 100.0      | 16.7     |

|                  |                | Nine Months ended 12/14 |            |          | Nine Months ended 12/15 |            |          |
|------------------|----------------|-------------------------|------------|----------|-------------------------|------------|----------|
|                  |                | amount                  | % of total | % change | amount                  | % of total | % change |
| R<br>i<br>c<br>e | Mail Order     | 938                     | 51.9       | (19.4)   | 1,057                   | 53.3       | 12.7     |
|                  | Retail Store   | 60                      | 3.3        | (26.0)   | 76                      | 3.9        | 27.4     |
|                  | Wholesale      | 801                     | 44.3       | (8.1)    | 843                     | 42.6       | 5.3      |
|                  | Overseas sales | 8                       | 0.5        | (30.0)   | 4                       | 0.2        | (45.3)   |
|                  | Sub total      | 1,808                   | 3.1        | (15.1)   | 1,982                   | 2.9        | 9.7      |
| K<br>a<br>l<br>e | Mail Order     | 1,381                   | 67.1       | (11.9)   | 1,411                   | 67.4       | 2.2      |
|                  | Retail Store   | 372                     | 18.1       | (22.5)   | 367                     | 17.5       | (1.5)    |
|                  | Wholesale      | 298                     | 14.4       | (15.3)   | 304                     | 14.5       | 2.1      |
|                  | Overseas sales | 7                       | 0.4        | (27.8)   | 13                      | 0.6        | 73.7     |
|                  | Sub total      | 2,060                   | 3.5        | (14.6)   | 2,096                   | 3.1        | 1.8      |

◆ Sales by Segment (Full Year)

(Millions of yen,%)

|                            |                | FY2015 |            |          | FY2016<br>(Projection) |            |          |
|----------------------------|----------------|--------|------------|----------|------------------------|------------|----------|
|                            |                | amount | % of total | % change | amount                 | % of total | % change |
| C<br>o<br>s<br>m<br>e      | Mail Order     | 22,376 | 47.2       | (6.0)    | 23,600                 | 43.1       | 5.5      |
|                            | Retail Store   | 16,949 | 35.7       | 3.3      | 20,400                 | 37.3       | 20.4     |
|                            | Wholesale      | 3,146  | 6.6        | 80.6     | 4,100                  | 7.5        | 30.3     |
|                            | Overseas sales | 4,998  | 10.5       | (10.3)   | 6,600                  | 12.1       | 32.0     |
|                            | Sub total      | 47,471 | 61.1       | (0.1)    | 54,700                 | 60.8       | 15.2     |
| S<br>u<br>p<br>p<br>l<br>e | Mail Order     | 9,361  | 40.2       | (9.6)    | 11,200                 | 39.6       | 19.6     |
|                            | Retail Store   | 5,778  | 24.8       | (5.4)    | 7,200                  | 25.4       | 24.6     |
|                            | Wholesale      | 6,746  | 29.0       | 2.1      | 8,600                  | 30.4       | 27.5     |
|                            | Overseas sales | 1,398  | 6.0        | (39.6)   | 1,300                  | 4.6        | (7.0)    |
|                            | Sub total      | 23,285 | 30.0       | (8.3)    | 28,300                 | 31.4       | 21.5     |
| O<br>t<br>h<br>e<br>r<br>s | Mail Order     | 4,807  | 69.9       | (13.2)   | 4,870                  | 69.5       | 1.3      |
|                            | Retail Store   | 582    | 8.5        | (24.7)   | 600                    | 8.6        | 3.0      |
|                            | Wholesale      | 1,464  | 21.3       | (21.6)   | 1,510                  | 21.6       | 3.1      |
|                            | Overseas sales | 22     | 0.3        | (24.9)   | 20                     | 0.3        | (11.6)   |
|                            | Sub total      | 6,876  | 8.9        | (16.2)   | 7,000                  | 7.8        | 1.8      |
| T<br>o<br>t<br>a<br>l      | Mail Order     | 36,545 | 47.1       | (7.9)    | 39,670                 | 44.1       | 8.6      |
|                            | Retail Store   | 23,310 | 30.0       | 0.1      | 28,200                 | 31.3       | 21.0     |
|                            | Wholesale      | 11,356 | 14.6       | 11.2     | 14,210                 | 15.8       | 25.1     |
|                            | Overseas sales | 6,419  | 8.3        | (18.9)   | 7,920                  | 8.8        | 23.4     |
|                            | Sub total      | 77,632 | 100.0      | (4.3)    | 90,000                 | 100.0      | 15.9     |

|                  |                | FY2015 |            |          | FY2016<br>(Projection) |            |          |
|------------------|----------------|--------|------------|----------|------------------------|------------|----------|
|                  |                | amount | % of total | % change | amount                 | % of total | % change |
| R<br>i<br>c<br>e | Mail Order     | 1,240  | 52.3       | (19.9)   | 1,370                  | 53.1       | 10.4     |
|                  | Retail Store   | 84     | 3.5        | (23.0)   | 105                    | 4.1        | 24.2     |
|                  | Wholesale      | 1,038  | 43.8       | (10.0)   | 1,100                  | 42.6       | 5.9      |
|                  | Overseas sales | 8      | 0.4        | (46.8)   | 5                      | 0.2        | (43.7)   |
|                  | Sub total      | 2,372  | 3.1        | (16.2)   | 2,580                  | 2.9        | 8.7      |
| K<br>a<br>l<br>e | Mail Order     | 1,794  | 67.0       | (14.8)   | 1,830                  | 67.3       | 2.0      |
|                  | Retail Store   | 485    | 18.1       | (23.5)   | 485                    | 17.8       | (0.0)    |
|                  | Wholesale      | 386    | 14.4       | (13.7)   | 390                    | 14.3       | 0.9      |
|                  | Overseas sales | 13     | 0.5        | 2.3      | 15                     | 0.6        | 9.1      |
|                  | Sub total      | 2,679  | 3.5        | (16.3)   | 2,720                  | 3.0        | 1.5      |

## ◆Segment Information(Three Months)

(Millions of yen,%)

|                            |                  | Three Months ended 12/14 |            |          | Three Months ended 12/15 |            |          |
|----------------------------|------------------|--------------------------|------------|----------|--------------------------|------------|----------|
|                            |                  | amount                   | % of total | % change | amount                   | % of total | % change |
| C<br>o<br>s<br>m<br>e      | Sales            | 13,518                   | 62.2       | 7.2      | 15,210                   | 61.4       | 12.5     |
|                            | Gross Profit     | 9,926                    | 73.4       | 6.7      | 11,439                   | 75.2       | 15.2     |
|                            | SGA              | 7,716                    | 57.1       | (4.6)    | 9,150                    | 60.2       | 18.6     |
|                            | Advertising      | 1,081                    | 8.0        | (25.7)   | 1,575                    | 10.4       | 45.7     |
|                            | Operating Income | 2,210                    | 16.4       | 82.4     | 2,288                    | 15.0       | 3.5      |
| s<br>u<br>p<br>p<br>l<br>e | Sales            | 6,267                    | 28.8       | (1.0)    | 7,614                    | 30.7       | 21.5     |
|                            | Gross Profit     | 4,348                    | 69.4       | (0.9)    | 5,255                    | 69.0       | 20.9     |
|                            | SGA              | 4,514                    | 72.0       | 9.8      | 5,555                    | 73.0       | 23.0     |
|                            | Advertising      | 1,014                    | 16.2       | 26.2     | 1,755                    | 23.0       | 73.0     |
|                            | Operating Income | (166)                    | (2.7)      | —        | (299)                    | (3.9)      | —        |
| o<br>t<br>h<br>e<br>r<br>s | Sales            | 1,952                    | 9.0        | (7.8)    | 1,968                    | 7.9        | 0.8      |
|                            | Gross Profit     | 894                      | 45.8       | (8.6)    | 929                      | 47.2       | 4.0      |
|                            | SGA              | 793                      | 40.6       | (20.7)   | 1,240                    | 63.0       | 56.4     |
|                            | Advertising      | 51                       | 2.6        | (37.4)   | 393                      | 20.0       | 669.3    |
|                            | Operating Income | 100                      | 5.2        | —        | (310)                    | (15.8)     | —        |
| Eliminations or Corporate  |                  | (440)                    |            |          | (412)                    |            |          |
| T<br>o<br>t<br>a<br>l      | Sales            | 21,739                   | 100.0      | 3.2      | 24,793                   | 100.0      | 14.1     |
|                            | Gross Profit     | 15,169                   | 69.8       | 3.4      | 17,624                   | 71.1       | 16.2     |
|                            | SGA              | 13,465                   | 61.9       | (1.5)    | 16,358                   | 66.0       | 21.5     |
|                            | Advertising      | 2,146                    | 9.9        | (8.3)    | 3,723                    | 15.0       | 73.5     |
|                            | Operating Income | 1,703                    | 7.8        | 69.9     | 1,266                    | 5.1        | (25.7)   |

## ◆General and Administrative Expenses(Three Months)

(Millions of yen,%)

|                  | Three Months ended 12/14 |            |          | Three Months ended 12/15 |            |          |
|------------------|--------------------------|------------|----------|--------------------------|------------|----------|
|                  | amount                   | % of total | % change | amount                   | % of total | % change |
| Advertising      | 2,146                    | 9.9        | (8.3)    | 3,723                    | 15.0       | 73.5     |
| Sales Promotions | 2,832                    | 13.0       | (0.1)    | 3,327                    | 13.4       | 17.4     |
| Transport        | 843                      | 3.9        | (2.5)    | 965                      | 3.9        | 14.4     |
| Communications   | 408                      | 1.9        | 2.9      | 453                      | 1.8        | 10.9     |
| Fees/outourcing  | 2,300                    | 10.6       | 3.2      | 2,660                    | 10.7       | 15.7     |
| Salaries         | 3,228                    | 14.9       | 1.2      | 3,354                    | 13.5       | 3.9      |
| Depreciations    | 543                      | 2.5        | (0.1)    | 581                      | 2.3        | 7.0      |
| Others           | 1,160                    | 5.3        | (8.1)    | 1,292                    | 5.2        | 11.4     |
| Total            | 13,465                   | 61.9       | (1.5)    | 16,358                   | 66.0       | 21.5     |

## ◆ Segment Information(Nine Months)

(Millions of yen,%)

|                            |                  | Nine Months ended 12/14 |            |          | Nine Months ended 12/15 |            |          |
|----------------------------|------------------|-------------------------|------------|----------|-------------------------|------------|----------|
|                            |                  | amount                  | % of total | % change | amount                  | % of total | % change |
| C<br>o<br>s<br>m<br>e      | Sales            | 35,577                  | 61.0       | 3.6      | 41,200                  | 60.6       | 15.8     |
|                            | Gross Profit     | 26,272                  | 73.8       | 4.4      | 30,721                  | 74.6       | 16.9     |
|                            | SGA              | 22,760                  | 64.0       | 2.0      | 25,843                  | 62.7       | 13.5     |
|                            | Advertising      | 3,776                   | 10.6       | 4.7      | 4,675                   | 11.3       | 23.8     |
|                            | Operating Income | 3,511                   | 9.9        | 23.5     | 4,877                   | 11.8       | 38.9     |
| s<br>u<br>p<br>p<br>l<br>e | Sales            | 17,432                  | 29.9       | (8.9)    | 21,383                  | 31.5       | 22.7     |
|                            | Gross Profit     | 12,154                  | 69.7       | (5.9)    | 14,706                  | 68.8       | 21.0     |
|                            | SGA              | 12,439                  | 71.4       | (0.8)    | 15,384                  | 71.9       | 23.7     |
|                            | Advertising      | 2,743                   | 15.7       | (3.6)    | 4,556                   | 21.3       | 66.1     |
|                            | Operating Income | (285)                   | (1.6)      | —        | (678)                   | (3.2)      | —        |
| o<br>t<br>h<br>e<br>r<br>s | Sales            | 5,271                   | 9.1        | (16.5)   | 5,401                   | 7.9        | 2.5      |
|                            | Gross Profit     | 2,416                   | 45.8       | (15.2)   | 2,581                   | 47.8       | 6.8      |
|                            | SGA              | 2,242                   | 42.5       | (22.6)   | 4,168                   | 77.2       | 85.9     |
|                            | Advertising      | 190                     | 3.6        | (46.3)   | 1,760                   | 32.6       | 822.6    |
|                            | Operating Income | 173                     | 3.3        | —        | (1,587)                 | (29.4)     | —        |
| Eliminations or Corporate  |                  | (1,395)                 |            |          | (1,228)                 |            |          |
| T<br>o<br>t<br>a<br>l      | Sales            | 58,281                  | 100.0      | (2.6)    | 67,986                  | 100.0      | 16.7     |
|                            | Gross Profit     | 40,843                  | 70.1       | (0.2)    | 48,008                  | 70.6       | 17.5     |
|                            | SGA              | 38,838                  | 66.6       | (1.0)    | 46,625                  | 68.6       | 20.1     |
|                            | Advertising      | 6,710                   | 11.5       | (1.5)    | 10,992                  | 16.2       | 63.8     |
|                            | Operating Income | 2,004                   | 3.4        | 17.0     | 1,382                   | 2.0        | (31.0)   |

## ◆ General and Administrative Expenses(Nine Months)

(Millions of yen,%)

|                  |  | Nine Months ended 12/14 |            |          | Nine Months ended 12/15 |            |          |
|------------------|--|-------------------------|------------|----------|-------------------------|------------|----------|
|                  |  | amount                  | % of total | % change | amount                  | % of total | % change |
| Advertising      |  | 6,710                   | 11.5       | (1.5)    | 10,992                  | 16.2       | 63.8     |
| Sales Promotions |  | 7,113                   | 12.2       | (0.5)    | 8,748                   | 12.9       | 23.0     |
| Transport        |  | 2,355                   | 4.0        | (4.3)    | 2,646                   | 3.9        | 12.3     |
| Communications   |  | 1,237                   | 2.1        | 1.8      | 1,227                   | 1.8        | (0.8)    |
| Fees/Outsourcing |  | 6,544                   | 11.2       | (0.9)    | 7,537                   | 11.1       | 15.2     |
| Salaries         |  | 9,456                   | 16.2       | 1.4      | 9,816                   | 14.4       | 3.8      |
| Depreciations    |  | 1,588                   | 2.7        | 0.2      | 1,682                   | 2.5        | 5.9      |
| Others           |  | 3,832                   | 6.6        | (5.6)    | 3,974                   | 5.8        | 3.7      |
| Total            |  | 38,838                  | 66.6       | (1.0)    | 46,625                  | 68.6       | 20.1     |

## ◆ Segment Information (Full Year)

(Millions of yen,%)

|                            |                  | FY2015  |            |          | FY2016<br>(Projection) |            |          |
|----------------------------|------------------|---------|------------|----------|------------------------|------------|----------|
|                            |                  | amount  | % of total | % change | amount                 | % of total | % change |
| C<br>o<br>s<br>m<br>e      | Sales            | 47,471  | 61.1       | (0.1)    | 54,700                 | 60.8       | 15.2     |
|                            | Gross Profit     | 34,976  | 73.7       | 1.2      | 40,800                 | 74.6       | 16.6     |
|                            | SGA              | 29,419  | 62.0       | (1.6)    | 34,800                 | 63.6       | 18.3     |
|                            | Advertising      | 4,277   | 9.0        | (7.4)    | 6,400                  | 11.7       | 49.6     |
|                            | Operating Income | 5,557   | 11.7       | 19.2     | 6,000                  | 11.0       | 8.0      |
| s<br>u<br>p<br>p<br>l<br>e | Sales            | 23,285  | 30.0       | (8.3)    | 28,300                 | 31.4       | 21.5     |
|                            | Gross Profit     | 16,140  | 69.3       | (5.4)    | 19,500                 | 68.9       | 20.8     |
|                            | SGA              | 16,144  | 69.3       | 1.3      | 20,750                 | 73.3       | 28.5     |
|                            | Advertising      | 3,321   | 14.3       | 4.2      | 6,900                  | 24.4       | 107.7    |
|                            | Operating Income | (4)     | (0.0)      | —        | (1,250)                | (4.4)      | —        |
| o<br>t<br>h<br>e<br>r<br>s | Sales            | 6,876   | 8.9        | (16.2)   | 7,000                  | 7.8        | 1.8      |
|                            | Gross Profit     | 3,178   | 46.2       | (15.4)   | 3,300                  | 47.1       | 3.8      |
|                            | SGA              | 3,025   | 44.0       | (19.6)   | 4,950                  | 70.7       | 63.6     |
|                            | Advertising      | 308     | 4.5        | (32.8)   | 1,940                  | 27.7       | 529.7    |
|                            | Operating Income | 152     | 2.2        | —        | (1,650)                | (23.6)     | —        |
| Eliminations or Corporate  |                  | (1,704) |            |          | (1,600)                |            |          |
| T<br>o<br>t<br>a<br>l      | Sales            | 77,632  | 100.0      | (4.3)    | 90,000                 | 100.0      | 15.9     |
|                            | Gross Profit     | 54,295  | 69.9       | (2.0)    | 63,600                 | 70.7       | 17.1     |
|                            | SGA              | 50,294  | 64.8       | (2.2)    | 62,100                 | 69.0       | 23.5     |
|                            | Advertising      | 7,907   | 10.2       | (4.3)    | 15,240                 | 16.9       | 92.7     |
|                            | Operating Income | 4,001   | 5.2        | 1.5      | 1,500                  | 1.7        | (62.5)   |

## ◆ General and Administrative Expenses (Full Year)

(Millions of yen,%)

|                  | FY2015 |            |          | FY2016<br>(Projection) |            |          |
|------------------|--------|------------|----------|------------------------|------------|----------|
|                  | amount | % of total | % change | amount                 | % of total | % change |
| Advertising      | 7,907  | 10.2       | (4.3)    | 15,240                 | 16.9       | 92.7     |
| Sales Promotions | 9,451  | 12.2       | 0.3      | 11,600                 | 12.9       | 22.7     |
| Transport        | 3,034  | 3.9        | (5.9)    | 3,400                  | 3.8        | 12.0     |
| Communications   | 1,616  | 2.1        | (0.7)    | 1,650                  | 1.8        | 2.0      |
| Fees/Outsourcing | 8,580  | 11.1       | (3.1)    | 9,800                  | 10.9       | 14.2     |
| Salaries         | 12,451 | 16.0       | (0.1)    | 13,000                 | 14.4       | 4.4      |
| Depreciations    | 2,145  | 2.8        | 1.2      | 2,300                  | 2.6        | 7.2      |
| Others           | 5,106  | 6.6        | (6.4)    | 5,110                  | 5.7        | 0.1      |
| Total            | 50,294 | 64.8       | (2.2)    | 62,100                 | 69.0       | 23.5     |

◆Number of Shops by Region

As of 31 December, 2015

|                    | Hokkaido | Tohoku   | Kanto<br>(except Tokyo) | TOKYO     | Tokai, Hokuriku &<br>Shinetsu | Kinki     | Chugoku, Shikoku | Kyusyu, Okinawa | Total      |
|--------------------|----------|----------|-------------------------|-----------|-------------------------------|-----------|------------------|-----------------|------------|
| FANCL Beauty Shop  | —        | —        | —                       | 1         | —                             | —         | —                | —               | 1          |
| FANCL Health House | —        | —        | 1                       | 2         | —                             | —         | —                | —               | 3          |
| FANCL Hybrid Shop  | 2        | 3        | 11                      | 12        | 6                             | 12        | 3                | 7               | 56         |
| Fancl Shop         | —        | 3        | 14                      | 14        | 5                             | 9         | 6                | 8               | 59         |
| Fancl House        | 1        | 2        | 10                      | 1         | 8                             | 9         | 4                | 1               | 36         |
| Fancl House J      | —        | —        | 7                       | 2         | —                             | 3         | 2                | —               | 14         |
| Fancl Ginza Square | —        | —        | —                       | 1         | —                             | —         | —                | —               | 1          |
| Others             | —        | —        | 1                       | —         | —                             | —         | —                | —               | 1          |
| <b>Total</b>       | <b>3</b> | <b>8</b> | <b>44</b>               | <b>33</b> | <b>19</b>                     | <b>33</b> | <b>15</b>        | <b>16</b>       | <b>171</b> |
| ATTENIR Shop       | 1        | —        | 4                       | 3         | 1                             | 5         | 1                | 1               | 16         |

◆Number of Shops

|                    | As of<br>March<br>31, 2011 | As of<br>March<br>31, 2012 | As of<br>March<br>31, 2013 | As of<br>March<br>31, 2014 | As of<br>March<br>31, 2015 | As of<br>December<br>31, 2015 | As of March<br>31, 2016<br>(Projection) |
|--------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|---|
| FANCL Beauty Shop  | —                          | —                          | —                          | 2                          | 4                          | 1                             | 1                                       |
| FANCL Health House | —                          | —                          | —                          | 2                          | 3                          | 3                             | 3                                       |
| FANCL Hybrid Shop  | —                          | —                          | —                          | 1                          | 21                         | 56                            | 77                                      |
| Fancl Shop         | 43                         | 61                         | 83                         | 83                         | 77                         | 59                            | 52                                      |
| Fancl House        | 75                         | 70                         | 59                         | 56                         | 42                         | 36                            | 31                                      |
| Fancl House J      | 54                         | 39                         | 26                         | 19                         | 15                         | 14                            | 10                                      |
| Genki Station      | 3                          | 3                          | 3                          | 2                          | —                          | —                             | —                                       |
| Fancl Ginza Square | 1                          | 1                          | 1                          | 1                          | 1                          | 1                             | 1                                       |
| Others             | 3                          | 3                          | 3                          | 1                          | 1                          | 1                             | 1                                       |
| <b>Total</b>       | <b>179</b>                 | <b>177</b>                 | <b>175</b>                 | <b>167</b>                 | <b>164</b>                 | <b>171</b>                    | <b>176</b>                              |
| ATTENIR Shop       | 16                         | 16                         | 16                         | 16                         | 15                         | 16                            | 16                                      |