

January 28, 2021

FANCL Corporation
TSE 1st Section: 4921

FANCL

Consolidated Financial Statements for the Third Quarter of the Fiscal Year Ending 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.

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◆ Sales by Segment (Three Months)

(Millions of yen,%)

		Three Months ended Dec/19			Three Months ended Dec/20		
		amount	% of total	% change	amount	% of total	% change
C o n s u m e	Online and catalogue	7,501	40.1	(3.2)	8,874	49.9	18.3
	Direct Store	6,974	37.2	(5.2)	4,931	27.7	(29.3)
	Wholesale	2,454	13.1	19.3	2,202	12.4	(10.3)
	Overseas	1,801	9.6	(7.3)	1,775	10.0	(1.4)
	Sub total	18,732	57.6	(2.0)	17,783	55.9	(5.1)
S u p p l e	Online and catalogue	4,190	35.3	2.0	4,826	40.7	15.2
	Direct Store	3,251	27.4	(3.6)	2,345	19.8	(27.9)
	Wholesale	3,552	29.9	(2.9)	3,622	30.6	2.0
	Overseas	883	7.4	19.6	1,049	8.9	18.8
	Sub total	11,879	36.5	0.0	11,844	37.2	(0.3)
O t h e r s	Online and catalogue	1,418	74.6	(5.7)	1,734	78.7	22.2
	Direct Store	148	7.8	(0.0)	154	7.0	3.9
	Wholesale	330	17.4	(14.2)	307	14.0	(6.8)
	Overseas	3	0.2	(42.0)	5	0.3	78.3
	Sub total	1,901	5.9	(7.0)	2,202	6.9	15.9
T o t a l	Online and catalogue	13,110	40.3	(1.9)	15,434	48.5	17.7
	Direct Store	10,375	31.9	(4.6)	7,431	23.3	(28.4)
	Wholesale	6,337	19.5	3.9	6,133	19.3	(3.2)
	Overseas	2,688	8.3	(0.0)	2,831	8.9	5.3
	Sub total	32,512	100.0	(1.6)	31,830	100.0	(2.1)

		Three Months ended Dec/19			Three Months ended Dec/20		
		amount	% of total	% change	amount	% of total	% change
R i c e	Online and catalogue	285	51.3	(3.9)	297	52.8	4.1
	Direct store	23	4.1	(2.4)	17	3.2	(22.9)
	Wholesale	248	44.5	0.6	248	44.0	(0.1)
	Overseas	0	0.1	(18.8)	0	0.0	(53.5)
	Sub total	557	1.7	(1.9)	563	1.8	1.1
K a i e	Online and catalogue	453	69.7	(2.0)	512	75.1	12.9
	Direct store	112	17.3	(7.6)	104	15.4	(6.9)
	Wholesale	81	12.5	(40.7)	59	8.7	(27.1)
	Overseas	2	0.5	(44.8)	5	0.8	101.7
	Sub total	650	2.0	(10.5)	682	2.1	4.9

◆ Sales by Segment (Nine Months)

(Millions of yen,%)

		Nine Months ended Dec/19			Nine Months ended Dec/20		
		amount	% of total	% change	amount	% of total	% change
C o n s u m e	Online and catalogue	22,366	38.1	7.3	24,716	51.3	10.5
	Direct store	23,553	40.2	9.2	12,369	25.7	(47.5)
	Wholesale	7,366	12.6	25.9	5,862	12.2	(20.4)
	Overseas	5,349	9.1	(8.4)	5,184	10.8	(3.1)
	Sub total	58,635	59.4	8.4	48,133	55.9	(17.9)
S u p p l e	Online and catalogue	11,946	34.3	8.2	13,482	43.0	12.9
	Direct store	10,192	29.3	(6.5)	5,934	19.0	(41.8)
	Wholesale	10,575	30.3	5.9	9,368	29.9	(11.4)
	Overseas	2,125	6.1	10.4	2,544	8.1	19.7
	Sub total	34,841	35.3	2.9	31,329	36.4	(10.1)
O t h e r s	Online and catalogue	3,858	73.7	1.2	5,287	79.7	37.1
	Direct store	393	7.5	(7.8)	383	5.8	(2.5)
	Wholesale	981	18.7	(11.0)	942	14.2	(3.9)
	Overseas	6	0.1	(43.7)	18	0.3	176.9
	Sub total	5,239	5.3	(2.1)	6,632	7.7	26.6
T o t a l	Online and catalogue	38,170	38.6	6.9	43,486	50.5	13.9
	Direct store	34,139	34.6	3.8	18,687	21.7	(45.3)
	Wholesale	18,923	19.2	11.7	16,174	18.8	(14.5)
	Overseas	7,482	7.6	(3.8)	7,747	9.0	3.5
	Sub total	98,716	100.0	5.8	86,095	100.0	(12.8)

		Nine Months ended Dec/19			Nine Months ended Dec/20		
		amount	% of total	% change	amount	% of total	% change
R i c e	Online and catalogue	757	49.5	(1.2)	848	52.3	12.0
	Direct store	68	4.4	0.2	46	2.9	(31.6)
	Wholesale	703	46.0	(3.4)	727	44.8	3.4
	Overseas	1	0.1	(34.2)	0	0.0	(48.3)
	Sub total	1,529	1.5	(2.2)	1,622	1.9	6.1
K a i e	Online and catalogue	1,259	68.4	(1.5)	1,404	75.2	11.5
	Direct store	300	16.3	(11.8)	230	12.3	(23.5)
	Wholesale	275	15.0	(25.3)	214	11.5	(22.0)
	Overseas	5	0.3	(45.3)	18	1.0	222.1
	Sub total	1,840	1.9	(7.9)	1,867	2.2	1.5

◆ Sales by Segment (Full Year)

(Millions of yen,%)

		FY Mar/2020			FY Mar/2021 (Projection)		
		amount	% of total	% change	amount	% of total	% change
C o n s u m e	Online and catalogue	29,081	38.3	7.0	32,220	50.0	10.8
	Direct store	29,666	39.1	2.3	17,100	26.5	(42.4)
	Wholesale	9,096	12.0	20.7	7,900	12.2	(13.2)
	Overseas	8,047	10.6	2.1	7,280	11.3	(9.5)
	Sub total	75,891	59.8	6.0	64,500	56.1	(15.0)
S u p p l e	Online and catalogue	15,710	35.7	7.3	18,160	43.3	15.6
	Direct store	12,501	28.4	(11.0)	7,980	19.0	(36.2)
	Wholesale	13,176	29.9	3.5	12,660	30.2	(3.9)
	Overseas	2,617	6.0	4.4	3,150	7.5	20.3
	Sub total	44,006	34.7	0.2	41,950	36.5	(4.7)
O t h e r s	Online and catalogue	5,104	73.9	2.5	6,730	78.7	31.8
	Direct store	519	7.5	(7.7)	470	5.5	(9.5)
	Wholesale	1,277	18.5	(9.5)	1,330	15.6	4.1
	Overseas	10	0.1	(52.8)	20	0.2	84.7
	Sub total	6,911	5.5	(0.9)	8,550	7.4	23.7
T o t a l	Online and catalogue	49,896	39.3	6.6	57,110	49.7	14.5
	Direct store	42,687	33.7	(2.1)	25,550	22.2	(40.1)
	Wholesale	23,549	18.6	8.6	21,890	19.0	(7.0)
	Overseas	10,675	8.4	2.6	10,450	9.1	(2.1)
	Sub total	126,810	100.0	3.5	115,000	100.0	(9.3)

		FY Mar/2020			FY Mar/2021 (Projection)		
		amount	% of total	% change	amount	% of total	% change
R i c e	Online and catalogue	1,018	50.1	2.0	1,090	50.2	7.0
	Direct store	88	4.4	(3.5)	60	2.8	(31.9)
	Wholesale	923	45.4	(2.4)	1,020	47.0	10.5
	Overseas	2	0.1	9.0	0	0.0	(100.0)
	Sub total	2,031	1.6	(0.3)	2,170	1.9	6.8
K a i e	Online and catalogue	1,663	68.7	(1.8)	1,850	74.0	11.2
	Direct store	398	16.5	(11.4)	320	12.8	(19.6)
	Wholesale	350	14.5	(24.3)	310	12.4	(11.5)
	Overseas	8	0.3	(50.5)	20	0.8	141.2
	Sub total	2,420	1.9	(7.7)	2,500	2.2	3.3

◆ Segment Information(Three Months)

(Millions of yen,%)

		Three Months ended Dec/19			Three Months ended Dec/20		
		amount	% of total	% change	amount	% of total	% change
C o s m e	Sales	18,732	57.6	(2.0)	17,783	55.9	(5.1)
	Gross Profit	13,858	74.0	(3.9)	13,227	74.4	(4.6)
	SGA	11,384	60.8	(0.7)	10,849	61.0	(4.7)
	Advertising	2,095	11.2	(13.2)	1,726	9.7	(17.6)
	Operating Income	2,474	13.2	(16.4)	2,377	13.4	(3.9)
S u p p l e	Sales	11,879	36.5	0.0	11,844	37.2	(0.3)
	Gross Profit	8,130	68.4	0.1	8,410	71.0	3.4
	SGA	6,430	54.1	(6.5)	6,445	54.4	0.2
	Advertising	1,441	12.1	(25.5)	1,379	11.6	(4.3)
	Operating Income	1,700	14.3	36.3	1,964	16.6	15.6
O t h e r s	Sales	1,901	5.9	(7.0)	2,202	6.9	15.9
	Gross Profit	866	45.6	4.8	964	43.8	11.3
	SGA	910	47.9	9.0	1,010	45.9	11.0
	Advertising	233	12.3	108.5	142	6.5	(38.8)
	Operating Income	(43)	(2.3)	-	(45)	(2.1)	-
Eliminations or Corporate		(554)			(489)		
T o t a l	Sales	32,512	100.0	(1.6)	31,830	100.0	(2.1)
	Gross Profit	22,855	70.3	(2.2)	22,602	71.0	(1.1)
	SGA	19,279	59.3	(2.6)	18,794	59.0	(2.5)
	Advertising	3,770	11.6	(15.5)	3,248	10.2	(13.8)
	Operating Income	3,576	11.0	(0.2)	3,807	12.0	6.5

◆ General and Administrative Expenses(Three Months)

(Millions of yen,%)

	Three Months ended Dec/19			Three Months ended Dec/20		
	amount	% of total	% change	amount	% of total	% change
Advertising	3,770	11.6	(15.5)	3,248	10.2	(13.8)
Sales Promotions	3,759	11.6	3.0	4,430	13.9	17.8
Transport	1,399	4.3	(7.2)	1,582	5.0	13.1
Communications	503	1.5	(1.6)	473	1.5	(5.9)
Fees/Outsourcing	3,502	10.8	0.5	3,309	10.4	(5.5)
Salaries	4,224	13.0	0.7	3,865	12.1	(8.5)
Depreciations	530	1.6	13.7	556	1.7	4.9
Others	1,589	4.9	5.2	1,327	4.2	(16.5)
Total	19,279	59.3	(2.6)	18,794	59.0	(2.5)

◆ Segment Information(Nine Months)

(Millions of yen,%)

		Nine Months ended Dec/19			Nine Months ended Dec/20		
		amount	% of total	% change	amount	% of total	% change
C o s m e	Sales	58,635	59.4	8.4	48,133	55.9	(17.9)
	Gross Profit	44,254	75.5	7.5	35,562	73.9	(19.6)
	SGA	34,249	58.4	6.1	30,093	62.5	(12.1)
	Advertising	6,417	10.9	(1.3)	5,058	10.5	(21.2)
	Operating Income	10,005	17.1	12.6	5,469	11.4	(45.3)
S u p p l e	Sales	34,841	35.3	2.9	31,329	36.4	(10.1)
	Gross Profit	24,015	68.9	3.3	21,960	70.1	(8.6)
	SGA	20,132	57.8	1.8	17,585	56.1	(12.6)
	Advertising	5,294	15.2	(4.4)	3,676	11.7	(30.6)
	Operating Income	3,883	11.1	11.8	4,375	14.0	12.7
O t h e r s	Sales	5,239	5.3	(2.1)	6,632	7.7	26.6
	Gross Profit	2,355	45.0	13.3	2,881	43.4	22.3
	SGA	2,272	43.4	0.8	2,699	40.7	18.8
	Advertising	453	8.7	36.3	414	6.2	(8.6)
	Operating Income	83	1.6	-	182	2.7	118.7
Eliminations or Corporate		(1,498)			(1,340)		
T o t a l	Sales	98,716	100.0	5.8	86,095	100.0	(12.8)
	Gross Profit	70,625	71.5	6.2	60,405	70.2	(14.5)
	SGA	58,152	58.9	4.2	51,718	60.1	(11.1)
	Advertising	12,165	12.3	(1.7)	9,149	10.6	(24.8)
	Operating Income	12,472	12.6	17.0	8,686	10.1	(30.4)

◆ General and Administrative Expenses(Nine Months)

(Millions of yen,%)

	Nine Months ended Dec/19			Nine Months ended Dec/20		
	amount	% of total	% change	amount	% of total	% change
Advertising	12,165	12.3	(1.7)	9,149	10.6	(24.8)
Sales Promotions	10,754	10.9	9.8	11,405	13.2	6.1
Transport	4,131	4.2	0.5	4,498	5.2	8.9
Communications	1,436	1.5	1.6	1,389	1.6	(3.3)
Fees/Outsourcing	10,787	10.9	5.2	8,548	9.9	(20.8)
Salaries	12,354	12.5	2.8	10,912	12.7	(11.7)
Depreciations	1,508	1.5	11.2	1,583	1.8	4.9
Others	5,013	5.1	11.3	4,230	4.9	(15.6)
Total	58,152	58.9	4.2	51,718	60.1	(11.1)

◆ Segment Information (Full Year)

(Millions of yen,%)

		FY Mar/2020			FY Mar/2021 (Projection)		
		amount	% of total	% change	amount	% of total	% change
C o s t s	Sales	75,891	59.8	6.0	64,500	56.1	(15.0)
	Gross Profit	57,085	75.2	4.8	47,550	73.7	(16.7)
	SGA	45,316	59.7	4.5	40,150	62.2	(11.4)
	Advertising	8,224	10.8	(0.1)	6,400	9.9	(22.2)
	Operating Income	11,768	15.5	6.0	7,400	11.5	(37.1)
S u p p l y	Sales	44,006	34.7	0.2	41,950	36.5	(4.7)
	Gross Profit	30,397	69.1	0.8	29,300	69.8	(3.6)
	SGA	26,301	59.8	(1.2)	23,800	56.7	(9.5)
	Advertising	6,606	15.0	(8.0)	5,050	12.0	(23.6)
	Operating Income	4,095	9.3	16.4	5,500	13.1	34.3
O t h e r s	Sales	6,911	5.5	(0.9)	8,550	7.4	23.7
	Gross Profit	3,061	44.3	10.4	3,750	43.9	22.5
	SGA	2,970	43.0	(3.3)	3,510	41.1	18.2
	Advertising	572	8.3	12.2	550	6.4	(3.9)
	Operating Income	90	1.3	-	(240)	2.8	163.9
Eliminations or Corporate		(1,829)			(1,640)		
T o t a l	Sales	126,810	100.0	3.5	115,000	100.0	(9.3)
	Gross Profit	90,543	71.4	3.6	80,600	70.1	(11.0)
	SGA	76,417	60.3	1.9	69,100	60.1	(9.6)
	Advertising	15,402	12.1	(3.2)	12,000	10.4	(22.1)
	Operating Income	14,125	11.1	14.0	11,500	10.0	(18.6)

◆ General and Administrative Expenses (Full Year)

(Millions of yen,%)

	FY Mar/2020			FY Mar/2021 (Projection)		
	amount	% of total	% change	amount	% of total	% change
Advertising	15,402	12.1	(3.2)	12,000	10.4	(22.1)
Sales Promotions	14,542	11.5	8.3	15,530	13.5	6.8
Transport	5,375	4.2	1.3	5,850	5.1	8.8
Communications	1,934	1.5	0.7	1,860	1.6	(3.9)
Fees/Outsourcing	14,018	11.1	2.1	11,500	10.0	(18.0)
Salaries	16,341	12.9	0.7	14,650	12.7	(10.4)
Depreciations	2,062	1.6	10.5	2,160	1.9	4.7
Others	6,738	5.3	2.3	5,550	4.8	(17.6)
Total	76,417	60.3	1.9	69,100	60.1	(9.6)

◆ Capital Investment and Depreciation (Full Year)

(Millions of yen)

	FY Mar/2020	FY Mar/2021 (Projection)
Capital Investment	11,233	8,610
Depreciation *	3,307	3,460

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

◆Number of Shops by Region

As of 31 December,2020

	Hokkaido	Tohoku	Kanto (except Tokyo)	TOKYO	Shinetsu Tokai,Hokuriku& Shinetsu	Kinki	Chugoku,Shikoku	Kyusyu, Okinawa	Total
Fancl Shop	4	6	24	22	18	18	9	12	113
FANCL beauty&health	-	-	4	5	1	6	-	2	18
FANCL New me	-	2	1	1	1	2	4	2	13
FANCL Spot	-	-	1	-	2	-	-	-	3
FANCL Beauty Salon	-	-	-	-	-	1	-	-	1
FANCL Hybrid Shop	1	3	22	12	5	13	5	6	67
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
Total	5	11	53	43	27	40	18	22	219
ATTENIR Shop	1	1	2	9	2	7	1	2	25

◆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 December 31, 2020	As of March 31, 2021 (Projection)
Fancl Shop	-	-	14	59	107	113	115
FANCL beauty&health	-	2	3	12	16	18	19
FANCL New me	-	-	-	-	6	13	15
FANCL Spot	-	-	-	-	1	3	4
FANCL Beauty Salon	-	-	-	-	1	1	1
FANCL Hybrid Shop	77	168	162	125	76	67	53
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
Total	176	201	197	204	212	219	211
ATTENIR Shop	16	16	16	17	24	25	26