

August 4, 2023

FANCL Corporation
TSE Prime Market 4921

FANCL

Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2024 (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 Jun/22			Three Months ended Jun/23		
		amount	% of total	% change	amount	% of total	% change
C o n s u m e	Online and catalogue	7,795	52.4	3.8	8,141	52.9	4.4
	Direct store	3,281	22.0	1.0	3,345	21.7	1.9
	Wholesale	2,364	15.9	18.4	2,501	16.3	5.8
	Overseas	1,443	9.7	(17.6)	1,403	9.1	(2.8)
	Sub total	14,885	58.1	2.6	15,391	56.7	3.4
S u p p l e	Online and catalogue	4,339	47.2	3.9	4,611	44.6	6.3
	Direct store	1,345	14.7	(12.4)	1,839	17.8	36.6
	Wholesale	2,723	29.7	15.9	3,058	29.6	12.3
	Overseas	773	8.4	(16.5)	822	8.0	6.3
	Sub total	9,182	35.9	2.2	10,331	38.0	12.5
O t h e r s	Online and catalogue	1,148	74.5	(11.0)	1,060	74.1	(7.7)
	Direct store	93	6.1	26.9	96	6.7	3.2
	Wholesale	297	19.3	(5.5)	270	19.0	(9.0)
	Overseas	1	0.1	(44.6)	2	0.2	59.4
	Sub total	1,541	6.0	(8.4)	1,430	5.3	(7.2)
T o t a l	Online and catalogue	13,283	51.9	2.4	13,812	50.9	4.0
	Direct store	4,721	18.4	(2.8)	5,280	19.4	11.8
	Wholesale	5,386	21.0	15.5	5,830	21.5	8.3
	Overseas	2,218	8.7	(17.2)	2,228	8.2	0.4
	Sub total	25,610	100.0	1.7	27,152	100.0	6.0

		Three Months ended Jun/22			Three Months ended Jun/23		
		amount	% of total	% change	amount	% of total	% change
R i c e	Online and catalogue	230	46.7	(5.1)	227	49.2	(1.0)
	Direct store	9	1.9	(5.4)	7	1.6	(22.1)
	Wholesale	253	51.4	(4.9)	227	49.2	(10.1)
	Overseas	0	0.0	6.4	0	0.0	100.0
	Sub total	493	1.9	(5.0)	463	1.7	(6.1)
K a i e	Online and catalogue	369	79.1	(6.9)	349	79.0	(5.4)
	Direct store	52	11.2	8.3	47	10.8	(8.1)
	Wholesale	43	9.4	(6.7)	42	9.6	(2.8)
	Overseas	1	0.3	(45.8)	2	0.6	57.5
	Sub total	466	1.8	(5.7)	442	1.6	(5.2)

◆Sales by Segment (Six Months)

(Millions of yen,%)

		Six Months ended Sept/22			Six Months ended Sept/23 (Projection)		
		amount	% of total	% change	amount	% of total	% change
C o n s u m e	Online and catalogue	15,269	53.2	4.7	16,000	54.9	4.8
	Direct store	5,762	20.1	(5.7)	6,110	21.0	6.0
	Wholesale	4,980	17.4	24.6	4,580	15.7	(8.0)
	Overseas	2,682	9.3	(24.4)	2,450	8.4	(8.7)
	Sub total	28,694	56.7	1.6	29,140	55.5	1.6
S u p p l e	Online and catalogue	8,794	46.6	5.0	9,050	44.2	2.9
	Direct store	2,751	14.6	(15.7)	3,400	16.6	23.6
	Wholesale	5,581	29.6	19.3	5,810	28.3	4.1
	Overseas	1,738	9.2	(18.8)	2,240	10.9	28.9
	Sub total	18,866	37.2	2.2	20,500	39.1	8.7
O t h e r s	Online and catalogue	2,307	74.9	(3.4)	2,100	74.0	(9.0)
	Direct store	179	5.9	14.2	180	6.3	0.0
	Wholesale	585	19.0	(5.5)	540	19.0	(7.8)
	Overseas	5	0.2	(10.1)	20	0.7	255.9
	Sub total	3,078	6.1	(2.9)	2,840	5.4	(7.8)
T o t a l	Online and catalogue	26,371	52.1	4.0	27,150	51.7	3.0
	Direct store	8,694	17.2	(8.8)	9,690	18.5	11.5
	Wholesale	11,147	22.0	19.9	10,930	20.8	(2.0)
	Overseas	4,426	8.7	(22.3)	4,710	9.0	6.4
	Sub total	50,639	100.0	1.5	52,480	100.0	3.6

		Six Months ended Sept/22			Six Months ended Sept/23 (Projection)		
		amount	% of total	% change	amount	% of total	% change
R i c e	Online and catalogue	481	48.3	2.5	480	51.1	(0.3)
	Direct store	18	1.8	(7.9)	15	1.6	(17.4)
	Wholesale	496	49.8	(4.7)	440	46.8	(11.4)
	Overseas	0	0.1	32.3	5	0.5	1,489.6
	Sub total	996	2.0	(1.4)	940	1.8	(5.7)
K a i e	Online and catalogue	766	79.6	(0.7)	700	77.8	(8.7)
	Direct store	102	10.7	(1.2)	90	10.0	(12.5)
	Wholesale	88	9.2	(9.3)	95	10.5	6.9
	Overseas	5	0.5	(11.8)	15	1.7	182.7
	Sub total	964	1.9	(1.7)	900	1.7	(6.6)

◆Sales by Segment (Full Year)

(Millions of yen,%)

		FY Mar/2023			FY Mar/2024 (Projection)		
		amount	% of total	% change	amount	% of total	% change
C o n s u m e	Online and catalogue	31,404	54.7	3.1	33,480	55.0	6.6
	Direct store	11,825	20.6	(10.5)	13,120	21.6	10.9
	Wholesale	8,800	15.3	5.5	8,490	14.0	(3.5)
	Overseas	5,417	9.4	(20.3)	5,750	9.4	6.1
	Sub total	57,448	55.4	(2.3)	60,840	54.8	5.9
S u p p l e	Online and catalogue	18,176	45.6	4.9	18,680	42.5	2.8
	Direct store	5,828	14.6	(11.5)	7,270	16.5	24.7
	Wholesale	11,541	28.9	16.6	12,190	27.7	5.6
	Overseas	4,325	10.9	(7.1)	5,840	13.3	35.0
	Sub total	39,871	38.5	3.6	43,980	39.6	10.3
O t h e r s	Online and catalogue	4,736	75.5	(7.3)	4,635	75.0	(2.2)
	Direct store	389	6.2	2.8	395	6.4	1.4
	Wholesale	1,138	18.1	(5.7)	1,130	18.3	(0.7)
	Overseas	11	0.2	(12.6)	20	0.3	79.3
	Sub total	6,276	6.1	(6.5)	6,180	5.6	(1.5)
T o t a l	Online and catalogue	54,318	52.4	2.7	56,795	51.2	4.6
	Direct store	18,043	17.4	(10.6)	20,785	18.7	15.2
	Wholesale	21,480	20.8	10.5	21,810	19.6	1.5
	Overseas	9,753	9.4	(14.9)	11,610	10.5	19.0
	Sub total	103,595	100.0	(0.4)	111,000	100.0	7.1

		FY Mar/2023			FY Mar/2024 (Projection)		
		amount	% of total	% change	amount	% of total	% change
R i c e	Online and catalogue	981	49.4	(1.1)	1,000	50.8	1.9
	Direct store	36	1.8	(15.4)	35	1.8	(3.1)
	Wholesale	967	48.7	(5.2)	930	47.2	(3.9)
	Overseas	0	0.1	44.1	5	0.2	698.0
	Sub total	1,985	1.9	(3.4)	1,970	1.8	(0.8)
K a l e	Online and catalogue	1,605	80.1	(3.7)	1,560	79.2	(2.8)
	Direct store	223	11.1	(9.8)	200	10.1	(10.3)
	Wholesale	166	8.3	(10.1)	195	9.9	17.4
	Overseas	10	0.5	(14.6)	15	0.8	42.5
	Sub total	2,005	1.9	(5.0)	1,970	1.8	(1.8)

◆Segment Information (Three Months)

(Millions of yen,%)

		Three Months ended Jun/22			Three Months ended Jun/23		
		amount	% of total	% change	amount	% of total	% change
C o s m e	Sales	14,885	58.1	2.6	15,391	56.7	3.4
	Gross Profit	10,550	70.9	4.8	10,843	70.5	2.8
	SGA	9,033	60.7	13.1	8,711	56.6	(3.6)
	Advertising	2,401	16.1	76.3	2,047	13.3	(14.7)
	Operating Income	1,517	10.2	(27.2)	2,132	13.9	40.5
S u p p l e	Sales	9,182	35.9	2.2	10,331	38.0	12.5
	Gross Profit	5,984	65.2	(0.7)	7,030	68.1	17.5
	SGA	5,385	58.6	14.6	5,529	53.5	2.7
	Advertising	1,396	15.2	66.6	1,347	13.0	(3.5)
	Operating Income	599	6.5	(54.9)	1,500	14.5	150.4
O t h e r s	Sales	1,541	6.0	(8.4)	1,430	5.3	(7.2)
	Gross Profit	738	47.9	4.6	670	46.9	(9.2)
	SGA	723	46.9	(1.6)	699	48.9	(3.3)
	Advertising	130	8.4	31.8	84	5.9	(35.4)
	Operating Income	14	1.0	-	(29)	(2.1)	-
Eliminations or Corporate		(394)			(401)		
T o t a l	Sales	25,610	100.0	1.7	27,152	100.0	6.0
	Gross Profit	17,273	67.4	2.8	18,544	68.3	7.4
	SGA	15,536	60.7	12.7	15,342	56.5	(1.3)
	Advertising	3,927	15.3	70.8	3,479	12.8	(11.4)
	Operating Income	1,737	6.8	(42.3)	3,202	11.8	84.3

◆General and Administrative Expenses (Three Months)

(Millions of yen,%)

		Three Months ended Jun/22			Three Months ended Jun/23		
		amount	% of total	% change	amount	% of total	% change
Advertising		3,927	15.3	70.8	3,479	12.8	(11.4)
Sales Promotions		1,699	6.6	(12.0)	1,733	6.4	2.0
Transport		1,351	5.3	(0.9)	1,419	5.2	5.0
Communications		415	1.6	2.1	448	1.7	8.0
Fees/outourcing		2,120	8.3	11.1	2,274	8.4	7.3
Salaries		3,812	14.9	(0.9)	3,842	14.2	0.8
Depreciations		623	2.4	22.7	565	2.1	(9.3)
Others		1,585	6.2	4.0	1,577	5.8	(0.5)
Total		15,536	60.7	12.7	15,342	56.5	(1.3)

◆ **Segment Information (Six Months)**

(Millions of yen,%)

		Six Months ended Sept/22			Six Months ended Sept/23 (Projection)		
		amount	% of total	% change	amount	% of total	% change
C o s m e	Sales	28,694	56.7	1.6	29,140	55.5	1.6
	Gross Profit	20,382	71.0	3.3	20,640	70.8	1.3
	SGA	17,659	61.5	8.9	17,340	59.5	(1.8)
	Advertising	4,559	15.9	44.5	4,200	14.4	(7.9)
	Operating Income	2,722	9.5	(22.5)	3,300	11.3	21.2
S u p p l e	Sales	18,866	37.2	2.2	20,500	39.1	8.7
	Gross Profit	12,376	65.6	1.3	13,770	67.2	11.3
	SGA	10,971	58.2	13.2	11,490	56.0	4.7
	Advertising	3,035	16.1	65.3	2,970	14.5	(2.1)
	Operating Income	1,404	7.4	(44.4)	2,280	11.1	62.3
O t h e r s	Sales	3,078	6.1	(2.9)	2,840	5.4	(7.8)
	Gross Profit	1,487	48.3	6.8	1,320	46.5	(11.3)
	SGA	1,422	46.2	0.6	1,300	45.8	(8.6)
	Advertising	256	8.3	24.6	190	6.7	(26.0)
	Operating Income	65	2.1	-	20	0.7	(69.2)
Eliminations or Corporate		(841)			(800)		
T o t a l	Sales	50,639	100.0	1.5	52,480	100.0	3.6
	Gross Profit	34,245	67.6	2.7	35,730	68.1	4.3
	SGA	30,895	61.0	9.7	30,930	58.9	0.1
	Advertising	7,851	15.5	51.1	7,360	14.0	(6.3)
	Operating Income	3,350	6.6	(35.2)	4,800	9.1	43.3

◆ **General and Administrative Expenses (Six Months)**

(Millions of yen,%)

	Six Months ended Sept/22			Six Months ended Sept/23 (Projection)		
	amount	% of total	% change	amount	% of total	% change
Advertising	7,851	15.5	51.1	7,360	14.0	(6.3)
Sales Promotions	3,382	6.7	(11.7)	3,640	6.9	7.6
Transport	2,700	5.3	2.2	2,750	5.2	1.8
Communications	779	1.5	(1.5)	800	1.5	2.6
Fees/Outsourcing	4,227	8.3	7.7	4,380	8.3	3.6
Salaries	7,686	15.2	0.5	7,790	14.8	1.4
Depreciations	1,276	2.5	8.1	1,120	2.1	(12.3)
Others	2,990	5.9	1.0	3,090	5.9	3.3
Total	30,895	61.0	9.7	30,930	58.9	0.1

◆ **Segment Information (Full Year)**

(Millions of yen,%)

		FY Mar/2023			FY Mar/2024 (Projection)		
		amount	% of total	% change	amount	% of total	% change
C o s e	Sales	57,448	55.4	(2.3)	60,840	54.8	5.9
	Gross Profit	40,564	70.6	(1.4)	42,660	70.1	5.2
	SGA	34,659	60.3	3.3	34,840	57.3	0.5
	Advertising	8,325	14.5	17.4	8,100	13.3	(2.7)
	Operating Income	5,905	10.3	(22.1)	7,820	12.9	32.4
S u p p l e	Sales	39,871	38.5	3.6	43,980	39.6	10.3
	Gross Profit	25,717	64.5	3.2	28,230	64.2	9.8
	SGA	22,288	55.9	6.0	22,650	51.5	1.6
	Advertising	6,093	15.3	22.4	5,630	12.8	(7.6)
	Operating Income	3,429	8.6	(12.1)	5,580	12.7	62.7
O t h e r s	Sales	6,276	6.1	(6.5)	6,180	5.6	(1.5)
	Gross Profit	2,931	46.7	(3.8)	2,850	46.1	(2.8)
	SGA	2,838	45.2	(7.6)	2,700	43.7	(4.9)
	Advertising	449	7.2	(11.8)	370	6.0	(17.6)
	Operating Income	92	1.5	-	150	2.4	62.3
Eliminations or Corporate		(1,584)			(1,550)		
T o t a l	Sales	103,595	100.0	(0.4)	111,000	100.0	7.1
	Gross Profit	69,213	66.8	0.1	73,740	66.4	6.5
	SGA	61,370	59.2	3.4	61,740	55.6	0.6
	Advertising	14,868	14.4	18.2	14,100	12.7	(5.2)
	Operating Income	7,843	7.6	(19.7)	12,000	10.8	53.0

◆ **General and Administrative Expenses (Full Year)**

(Millions of yen,%)

	FY Mar/2023			FY Mar/2024 (Projection)		
	amount	% of total	% change	amount	% of total	% change
Advertising	14,868	14.4	18.2	14,100	12.7	(5.2)
Sales Promotions	6,887	6.6	(9.9)	7,400	6.7	7.4
Transport	5,478	5.3	0.5	5,740	5.2	4.8
Communications	1,711	1.7	1.3	1,650	1.5	(3.6)
Fees/Outsourcing	8,525	8.2	2.7	9,010	8.1	5.7
Salaries	15,171	14.6	0.0	15,540	14.0	2.4
Depreciations	2,612	2.5	0.0	2,290	2.1	(12.3)
Others	6,115	5.9	3.6	6,010	5.4	(1.7)
Total	61,370	59.2	3.4	61,740	55.6	0.6

◆ **Capital Investment and Depreciation**

	FY Mar/2023	FY Mar/2024 (Projection)
Capital Investment	2,026	2,600
Depreciation*	4,377	4,000

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

◆Number of Shops by Region

As of 30 June,2023

	Hokkaido	Tohoku	Kanto (except Tokyo)	TOKYO	Tokai,Hokuriku& Shinetsu	Kinki	Chugoku,Shikoku	Kyusyu,Okinawa	Total
Fancl Shop	4	5	25	24	17	18	8	13	114
FANCL beauty&health	-	-	1	4	-	4	1	1	11
FANCL New me	-	1	1	1	-	-	3	3	9
FANCL Beauty Salon	-	-	-	-	-	1	-	-	1
FANCL Hybrid Shop	-	1	10	6	4	5	3	4	33
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
Total	4	7	37	38	21	28	15	21	171
ATTENIR Shop	1	1	3	9	2	7	1	2	26

◆Number of Shops

	As of March 31, 2019	As of March 31, 2020	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023	As of June 30, 2023	As of March 31, 2024 (Projection)
Fancl Shop	59	107	115	113	115	114	111
FANCL beauty&health	12	16	19	18	11	11	11
FANCL New me	-	6	15	14	9	9	7
FANCL Spot	-	1	4	4	-	-	-
FANCL Beauty Salon	-	1	1	1	1	1	1
FANCL Hybrid Shop	125	76	53	45	33	33	30
FANCL Beauty Shop	1	1	1	1	1	1	1
FANCL Supplement Shop (FANCL Health House)	1	1	1	1	1	1	1
(Old) Fancl Shop	1	-	-	-	-	-	-
Fancl House	1	-	-	-	-	-	-
Fancl House J	-	-	-	-	-	-	-
FANCL International Shop (Ginza Square 1F)	1	1	1	1	1	1	1
Others	3	2	1	-	-	-	-
Total	204	212	211	198	172	171	163
ATTENIR Shop	17	24	26	26	26	26	26