

FANCL Corporation
TSE 1st Section: 4921

FANCL

Consolidated Financial Statements for the Fiscal Year Ended March 31, 2018 (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

(Millions of yen,%)

		FY2017			FY2018			FY2019 (Projection)		
		amount	% of total	% change	amount	% of total	% change	amount	% of total	% change
C o s m e	Mail Order	24,748	43.5	4.6	27,408	41.5	10.7	28,830	41.8	5.2
	Retail Store	20,227	35.5	0.0	23,822	36.1	17.8	24,720	35.8	3.8
	Wholesale	5,300	9.3	21.6	6,638	10.0	25.3	6,710	9.7	1.1
	Overseas sales	6,649	11.7	(1.7)	8,179	12.4	23.0	8,740	12.7	6.9
	Sub total	56,926	59.1	3.5	66,048	60.6	16.0	69,000	60.3	4.5
S u p p l e	Mail Order	13,083	40.8	15.5	13,622	37.9	4.1	14,230	37.2	4.5
	Retail Store	7,828	24.4	8.7	10,366	28.9	32.4	11,050	28.8	6.6
	Wholesale	9,595	29.9	10.4	9,925	27.6	3.4	10,720	28.0	8.0
	Overseas sales	1,577	4.9	13.5	2,018	5.6	28.0	2,300	6.0	13.9
	Sub total	32,085	33.3	12.1	35,933	33.0	12.0	38,300	33.4	6.6
O t h e r s	Mail Order	5,204	71.3	2.5	5,175	73.5	(0.6)	5,350	74.3	3.4
	Retail Store	581	8.0	(2.6)	591	8.4	1.7	550	7.7	(7.0)
	Wholesale	1,493	20.5	(2.0)	1,250	17.8	(16.3)	1,290	17.9	3.2
	Overseas sales	15	0.2	(37.5)	21	0.3	34.4	10	0.1	(52.5)
	Sub total	7,294	7.6	1.0	7,037	6.4	(3.5)	7,200	6.3	2.3
T o t a l	Mail Order	43,037	44.7	7.4	46,206	42.4	7.4	48,410	42.3	4.8
	Retail Store	28,637	29.7	2.2	34,780	31.9	21.5	36,320	31.7	4.4
	Wholesale	16,388	17.0	12.5	17,813	16.3	8.7	18,720	16.3	5.1
	Overseas sales	8,242	8.6	0.7	10,219	9.4	24.0	11,050	9.7	8.1
	Sub total	96,305	100.0	6.0	109,019	100.0	13.2	114,500	100.0	5.0

		FY2017			FY2018			FY2019 (Projection)		
		amount	% of total	% change	amount	% of total	% change	amount	% of total	% change
R i c e	Mail Order	1,345	54.0	(3.5)	1,209	53.8	(10.1)	1,160	52.7	(4.1)
	Retail Store	95	3.8	(4.7)	92	4.1	(3.4)	80	3.6	(13.3)
	Wholesale	1,045	42.0	(5.2)	942	41.9	(9.8)	960	43.7	1.8
	Overseas sales	3	0.2	(48.0)	4	0.2	22.3	0	0.0	(100.0)
	Sub total	2,490	2.6	(4.4)	2,248	2.1	(9.7)	2,200	1.9	(2.2)
K a l e	Mail Order	1,822	67.2	(1.9)	1,823	69.7	0.0	1,890	70.0	3.7
	Retail Store	448	16.6	(6.2)	462	17.7	3.0	470	17.4	1.7
	Wholesale	427	15.8	6.4	315	12.1	(26.1)	330	12.2	4.4
	Overseas sales	12	0.4	(33.5)	13	0.5	15.2	10	0.4	(28.4)
	Sub total	2,711	2.8	(1.7)	2,615	2.4	(3.6)	2,700	2.4	3.2

◆Segment Information

(Millions of yen,%)

		FY2017			FY2018			FY2019 (Projection)		
		amount	% of total	% change	amount	% of total	% change	amount	% of total	% change
C o s m e	Sales	56,926	59.1	3.5	66,048	60.6	16.0	69,000	60.3	4.5
	Gross Profit	42,805	75.2	4.7	49,755	75.3	16.2	52,000	75.4	4.5
	SGA	37,551	66.0	8.5	40,605	61.5	8.1	42,500	61.6	4.7
	Advertising	7,656	13.5	19.4	8,030	12.2	4.9	7,940	11.5	(1.1)
	Operating Income	5,253	9.2	(16.3)	9,150	13.9	74.2	9,500	13.8	3.8
S u p p l e	Sales	32,085	33.3	12.1	35,933	33.0	12.0	38,300	33.4	6.6
	Gross Profit	21,728	67.7	11.0	24,546	68.3	13.0	26,360	68.8	7.4
	SGA	22,594	70.4	5.8	23,681	65.9	4.8	24,940	65.1	5.3
	Advertising	6,601	20.6	(1.2)	6,669	18.6	1.0	6,790	17.7	1.8
	Operating Income	(865)	(2.7)	-	864	2.4	-	1,420	3.7	64.2
O t h e r s	Sales	7,294	7.6	1.0	7,037	6.4	(3.5)	7,200	6.3	2.3
	Gross Profit	3,275	44.9	(4.0)	3,129	44.5	(4.5)	3,140	43.6	0.4
	SGA	3,874	53.1	(25.3)	2,979	42.3	(23.1)	2,980	41.4	0.0
	Advertising	558	7.7	(71.2)	465	6.6	(16.7)	520	7.2	11.8
	Operating Income	(599)	(8.2)	-	149	2.1	-	160	2.2	6.7
Eliminations or Corporate		(1,544)			(1,717)			(1,580)		
T o t a l	Sales	96,305	100.0	6.0	109,019	100.0	13.2	114,500	100.0	5.0
	Gross Profit	67,810	70.4	6.2	77,431	71.0	14.2	81,500	71.2	5.3
	SGA	65,565	68.1	4.6	68,983	63.3	5.2	72,000	62.9	4.4
	Advertising	14,816	15.4	(1.5)	15,164	13.9	2.4	15,250	13.3	0.6
	Operating Income	2,244	2.3	86.3	8,448	7.7	276.4	9,500	8.3	12.5

◆General and Administrative Expenses

(Millions of yen,%)

	FY2017			FY2018			FY2019 (Projection)		
	amount	% of total	% change	amount	% of total	% change	amount	% of total	% change
Advertising	14,816	15.4	(1.5)	15,164	13.9	2.4	15,250	13.3	0.6
Sales Promotions	12,833	13.3	8.0	12,839	11.8	0.0	14,600	12.8	13.7
Transport	4,075	4.2	15.5	4,717	4.3	15.8	5,300	4.6	12.3
Communications	2,037	2.1	14.4	1,779	1.6	(12.6)	2,030	1.8	14.1
Fees/Outsourcing	10,590	11.0	5.7	11,816	10.8	11.6	11,700	10.2	(1.0)
Salaries	13,321	13.8	3.0	14,959	13.7	12.3	15,050	13.1	0.6
Depreciations	2,284	2.4	(0.5)	1,843	1.7	(19.3)	1,900	1.7	3.1
Others	5,606	5.8	7.8	5,861	5.4	4.5	6,170	5.4	5.3
Total	65,565	68.1	4.6	68,983	63.3	5.2	72,000	62.9	4.4

◆Capital Investment and Depreciation

(Millions of yen)

	FY2017	FY2018	FY2019 (Projection)
Capital Investment	4,074	2,476	3,280
Depreciation*	3,185	2,826	3,250

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

◆Number of Shops by Region

As of 31 March, 2018

	Hokkaido	Tohoku	Kanto (except Tokyo)	TOKYO	Tokai, Hokuriku & Shinetsu	Kinki	Chugoku, Shikoku	Kyusyu, Okinawa	Total
FANCL beauty&health	-	-	-	3	-	-	-	-	3
(NEW) Fancl Shop	1	2	5	4	1	1	-	-	14
FANCL Hybrid Shop	4	7	40	28	17	36	13	17	162
FANCL Beauty Shop(Ginza Square 3F)	-	-	-	1	-	-	-	-	1
FANCL Health House(Ginza Square 6F)	-	-	-	1	-	-	-	-	1
Fancl Shop	-	-	2	-	2	-	1	1	6
Fancl House	1	-	-	1	-	1	1	-	4
Fancl House J	-	-	2	-	-	-	-	-	2
Fancl Ginza Square	-	-	-	1	-	-	-	-	1
Others	-	-	2	1	-	-	-	-	3
Total	6	9	51	40	20	38	15	18	197
ATTENIR Shop	1	-	4	3	1	5	1	1	16

◆Number of Shops

	As of March 31, 2013	As of March 31, 2014	As of March 31, 2015	As of March 31, 2016	As of March 31, 2017	As of March 31, 2018	As of March 31, 2019 (Projection)
FANCL beauty&health	-	-	-	-	2	3	7
(NEW) Fancl Shop	-	-	-	-	-	14	45
FANCL Hybrid Shop	-	1	21	77	168	162	139
FANCL Beauty Shop	-	2	4	1	1	1	1
FANCL Health House	-	2	3	3	3	1	1
Fancl Shop	83	83	77	52	10	6	1
Fancl House	59	56	42	31	9	4	-
Fancl House J	26	19	15	10	6	2	-
Fancl Ginza Square	1	1	1	1	1	1	1
Others	6	3	1	1	1	3	3
Total	175	167	164	176	201	197	198
ATTENIR Shop	16	16	15	16	16	16	16