

October 30, 2018

FANCL Corporation
TSE 1st Section: 4921

Notice regarding stock split, partial change to articles of incorporation, and revision to dividend forecast

Yokohama, October 30, 2018— At a board of directors meeting held today, directors of FANCL Corporation (“the Company”) resolved to implement a stock split, a partial change to its articles of incorporation, and a revision to its dividend forecast. Details are as follows.

1. Stock split

(1) Purpose of the stock split

The Company will implement a stock split to improve the environment for investing in its stock by lowering the unit investment amount, with the aim of improving the liquidity of the stock and expand the shareholder base.

(2) Outline of the stock split

1) Method

Each share of common stock held by a shareholder of record listed on the final shareholder registry or recorded in the shareholder registry as of Friday, November 30, 2018, will be split for 2 shares.

2) Number of shares to be increased from stock split

Total number of outstanding shares prior to stock split	65,176,600
Share increase resulting from this stock split	65,176,600
Total number of outstanding shares following stock split	130,353,200
Total number of authorized shares following stock split	467,676,000

(3) Date of stock split

- 1) Public notice of record date: November 15, 2018 (Thursday)
- 2) Record date: November 30, 2018 (Friday)
- 3) Effective date: December 1, 2018 (Saturday)

(4) Other

Please note that this stock split will not result in any change to the common stock amount.

(5) Adjustments to the exercise price of share subscription rights

In accordance with the stock split, the exercise price per share for new subscription rights issued on or after December 1, 2018 will be adjusted as follows.

Name	Exercise price prior to adjustment	Exercise price after adjustment
4th issue of share subscription rights	¥1	¥1 (no change)
5th issue of share subscription rights	¥1	¥1 (no change)
6th issue of share subscription rights	¥1	¥1 (no change)
7th issue of share subscription rights	¥1	¥1 (no change)
8th issue of share subscription rights	¥1	¥1 (no change)
10th issue of share subscription rights	¥1	¥1 (no change)
12th issue of share subscription rights	¥1	¥1 (no change)
13th issue of share subscription rights	¥1	¥1 (no change)
14th issue of share subscription rights	¥1,223	¥612
15th issue of share subscription rights	¥1	¥1 (no change)
16th issue of share subscription rights	¥1	¥1 (no change)
17th issue of share subscription rights	¥1	¥1 (no change)
18th issue of share subscription rights	¥1	¥1 (no change)

2. Partial change to Articles of Incorporation

(1) Reason for partial change to Articles of Incorporation

In accordance with this stock split, the Company will change Article 6 of its Articles of Incorporation, revising the total number of authorized shares based on the provisions of Item 2 of Article 184 of the Companies Act.

(2) Details of partial change to Articles of Incorporation

(Changes underlined below)

Current Articles of Incorporation	After change
(Total authorized shares) Article 6. The total number of shares authorized for issuance by the Company shall be <u>233,838,000</u> .	(Total authorized shares) Article 6. The total number of shares authorized for issuance by the Company shall be <u>467,676,000</u> .

(3) Date of change to Articles of Incorporation

Effective date of change to Articles of Incorporation: December 1, 2018 (Saturday).

3. Revision of dividend forecast

In accordance with the split of each share of common stock for two shares, revisions will be made to the year-end dividend forecast for the fiscal year ending March 31, 2019, originally announced on April 26, 2018, in the Full-Year Financial Results for the Fiscal Year ended March 31, 2018.

This revision is the result of the Stock Split as outlined in 1. above, and there is essentially no

change to the per-share dividend forecasts announced on April 26, 2018.

	Annual dividend per share		
	Interim	Year-end	Total
Previous forecast (announced April 26, 2018)	¥30	¥30	¥60
Revised forecast (Amount prior to share split shown in parentheses)	—	¥15 ^{*2} (¥30)	— ^{*3} (¥60)
Actual amount paid in current fiscal year (fiscal year ending March 31, 2019)	¥30 ^{*1}	—	—
Actual amount paid in previous fiscal year (fiscal year ended March 31, 2018)	¥29	¥29	¥58

Notes: *1. The interim dividend for the fiscal year ending March 31, 2019 is based on standards prior to the share split

*2 The year-end dividend forecast for the fiscal year ending March 31, 2019 will be based on the standards after the share split, and will therefore be ¥15, which is the previous forecast dividend amount of ¥30 divided by 2.

*3 The total per share dividend forecast amount is not shown as it cannot be calculated in simple terms due to the share split.

*****ENDS*****

For further information please contact:

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