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Securities Code: 4921

June 4, 2019

## To Those Shareholders with Voting Rights

Kazuyuki Shimada  
President & CEO, Representative  
Director  
FANCL CORPORATION  
89-1, Yamashita-cho, Naka-ku  
Yokohama, Japan

## NOTICE OF THE 39th ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 39th Ordinary General Meeting of Shareholders (the “Shareholders’ Meeting”). The Shareholders’ Meeting will be held as described below.

If you are unable to attend the Shareholders’ Meeting, you can exercise your voting rights either via Postal Mail or via the Internet. Please review the appended Reference Documents for the Ordinary General Meeting of Shareholders, and exercise your voting rights no later than 5:30 p.m. on Friday, June 21, 2019.

1. **Date and Time:** Saturday, June 22, 2019, at 1:00 p.m. (Reception starts at 11:00 a.m.)
2. **Place:** Yokohama Arena  
3-10, Shin-Yokohama, Kohoku-ku, Yokohama
3. **Agenda of the Meeting:**  
**Matters to be reported:**
  - (1) The Business Report, Consolidated Financial Statements for the 39th Fiscal Term (from April 1, 2018, to March 31, 2019) and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
  - (2) Financial Statements for the 39th Fiscal Term (from April 1, 2018, to March 31, 2019)

**Proposal to be resolved:**

**Proposal:** Election of Nine (9) Directors

**<Matters to be disclosed via the Internet >**

- (1) The materials listed below are not attached to this NOTICE because they are posted on the Company’s website (<https://www.fancl.jp/soukai/>), in accordance with the relevant laws and regulations and Article 14 of the Company’s Articles of Incorporation.
  - 1) Systems to Ensure the Properness of Operations and the Operating Status of the Systems
  - 2) Consolidated Statement of Changes in Net Assets
  - 3) Statement of Changes in Net Assets
  - 4) Notes to the Consolidated Financial Statements
  - 5) Notes to the Financial Statements
- (2) If there are any amendments to the Reference Documents for the Ordinary General Meeting of Shareholders, Business Report, the Consolidated Financial Statements or the Financial Statements, the amended materials will be posted on our website (<https://www.fancl.jp/soukai/>).

## Reference Documents for the Ordinary General Meeting of Shareholders

### **Proposal:** Election of Nine (9) Directors

The Company has in place an Executive Officer system. In order to promote prompt management decision-making and strengthen the management supervisory function of the Board of Directors, the Company is working to solidify the Executive Officer system and pursue delegation of authority from the Board of Directors to the Executive Officers while reducing the number of Directors and increasing the proportion of Outside Directors.

The terms of office of all fifteen (15) Directors will expire at the conclusion of the Shareholders' Meeting. Accordingly, we propose to elect nine (9) Directors (including three (3) Outside Directors) in total.

The candidates for Director are as follows:

Candidate number	Name		Current Position
1	Kenji Ikemori	Reappointed	Chairman & Founder, Representative Director
2	Kazuyoshi Miyajima	Reappointed	Vice Chairman, Director
3	Kazuyuki Shimada	Reappointed	President & CEO, Representative Director
4	Tomochika Yamaguchi	Reappointed	Senior Managing Director
5	Toru Tsurusaki	Reappointed	Executive Managing Director
6	Yukihiro Ishigami	Reappointed	Executive Director
7	Norito Ikeda	Reappointed Outside Director Independent Officer	Director
8	Katsunori Koseki	Reappointed Outside Director Independent Officer	Director
9	Mitsuaki Nakakubo	Newly appointed Outside Director Independent Officer	—

Note: Messrs. Norito Ikeda, Katsunori Koseki and Mitsuaki Nakakubo are candidates for Outside Director. Messrs. Norito Ikeda and Katsunori Koseki have been notified with the Tokyo Stock Exchange as Independent Officers as set forth in the rules of the Tokyo Stock Exchange. In the event that the election of Mr. Mitsuaki Nakakubo is approved, the Company plans to designate him as an Independent Officer.

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
1	Kenji Ikemori (June 1, 1937) Reappointed  Attendance at the Board of Directors' meetings 16/16 (100%)	<p>April 1980      Founded a cosmetics business individually</p> <p>August 1981    Established the Company as President, Representative Director</p> <p>June 2003      Chairman, Representative Director of the Company</p> <p>June 2004      Chairman of the Board of the Company</p> <p>June 2005      Honorary Chairman of the Company</p> <p>January 2013    Honorary Chairman, Executive Officer of the Company</p> <p>April 2013      Chairman, Executive Director of the Company</p> <p>June 2013      Chairman &amp; Group CEO, Representative Director of the Company</p> <p>April 2017      Chairman &amp; Founder, Representative Director of the Company (Current position)</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Kenji Ikemori is the founder of the Company and currently serves as Chairman, Representative Director. He has played a leading role in the management of the Company with his strong leadership and decisiveness to move things forward based on his ample experience and achievements. In managing the Group, he has adhered to its Founding Philosophy—Eliminate the “Negatives” with a Sense of Justice—and Corporate Philosophy—“Can Achieve More”—believing that these are the nucleus of FANCL’s management and fulfilled his roles of making decisions on important managerial matters and overseeing the execution of business operations. To enable him to continue to lead the management of the FANCL Group and ensure its sustainable growth, he is again nominated for Director.</p>	11,434,160

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
2	Kazuyoshi Miyajima (January 28, 1950) Reappointed  Attendance at the Board of Directors' meetings 16/16 (100%)	<p>January 2001 Entered the Company</p> <p>June 2001 Director, General Manager of Office of the President of the Company</p> <p>April 2003 Managing Director in charge of Office of the President, General Manager of Office of the President of the Company</p> <p>June 2004 Executive Managing Director in charge of Office of the President, General Manager of Office of the President of the Company</p> <p>March 2007 President, Representative Director of the Company</p> <p>June 2008 Chairman, Representative Director of the Company</p> <p>April 2013 President, Representative Director of the Company</p> <p>April 2017 Vice Chairman, Director of the Company (Current position)</p> <p>[Important positions concurrently held at other corporations]</p> <p>Part-time Director of the Sagami Shinkin Bank</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Kazuyoshi Miyajima has acquired ample experience and knowledge from his position as an officer mainly in charge of public relations, the secretariat and IR-related matters. He served as Representative Director for 10 years starting in 2007 with overall control of the business operations. Currently he widely promotes CSR activities as a public relations official, contributing to enhancement of corporate value of the Company. He is aware of overall matters on the management of the Company and fully understands the Group's Founding Philosophy—Eliminate the “Negatives” with a Sense of Justice—and Corporate Philosophy—“Can Achieve More” and has fulfilled his roles of making decisions on important managerial matters and overseeing the execution of business operations. Therefore, he is again nominated for Director.</p>	107,908

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
3	Kazuyuki Shimada (December 20, 1955) Reappointed  Attendance at the Board of Directors' meetings 16/16 (100%)	<p>July 2003 Entered the Company</p> <p>February 2004 Division Manager of New Business Dept. of Management Strategy Div. of the Company</p> <p>April 2006 Division Manager of Corporate Planning Dept. and New Business Dept. of Management Strategy Div. of the Company</p> <p>April 2007 Executive Officer, General Manager of Management Strategy Div. and Division Manager of Corporate Planning Dept. of the Company</p> <p>June 2007 Executive Director, General Manager of Management Strategy Div. and Division Manager of Corporate Planning Dept. of the Company</p> <p>May 2010 Executive Director, General Manager of Administration Dept. of the Company</p> <p>June 2011 Executive Managing Director, General Manager of Administration Dept. of the Company</p> <p>June 2015 Senior Managing Director, General Manager of Group Support Center of the Company</p> <p>April 2017 President &amp; CEO, Representative Director and General Manager of Marketing Div. of the Company (Current position)</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Kazuyuki Shimada has long had overall control of the management of the Group businesses, mainly corporate planning, accumulating considerable experience and expertise. He is currently responsible for executing business operations as President &amp; CEO, Representative Director of the Company and overseeing proceedings as Chairman of the Board of Directors. With great trust from the officers and employees, he has played a leading role in the management of the Company toward the achievement of Group strategies. He is aware of overall matters on the management of the Company and fully understands the Group's Founding Philosophy—Eliminate the “Negatives” with a Sense of Justice—and Corporate Philosophy—“Can Achieve More” and has fulfilled his roles of making decisions on important managerial matters and overseeing the execution of business operations. Therefore, he is again nominated for Director.</p>	13,100

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
4	Tomochika Yamaguchi (March 5, 1958) Reappointed  Attendance at the Board of Directors' meetings 16/16 (100%)	<p>October 2003 Entered the Company</p> <p>March 2005 Executive Officer, General Manager of Direct Sales Headquarter and Division Manager of Internet Promotion Div.</p> <p>January 2008 Director of Attenir CORPORATION</p> <p>March 2013 Executive Officer, General Manager of Store Channel Unit of the Company</p> <p>June 2014 Executive Director, General Manager of Store Channel Unit of the Company</p> <p>June 2016 Executive Managing Director, in charge of Stores &amp; Wholesale, and General Manager of Store Sales Division of the Company</p> <p>June 2017 Senior Managing Director, in charge of Stores &amp; Wholesale, General Manager of Store Sales Division and Department Manager of Store Sales Promotion Department of the Company</p> <p>April 2018 Senior Managing Director, in charge of Stores &amp; Wholesale and General Manager of Store Sales Division of the Company (Current position)</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Tomochika Yamaguchi has long engaged in the store and mail-order sales businesses of the Company. Currently, he supervises the store sales business, aiming to develop stores that strike a chord with many customers and improve customer-service skills, thereby accumulating ample experience and knowledge. In addition, he fully understands the Group's Founding Philosophy—Eliminate the “Negatives” with a Sense of Justice—and Corporate Philosophy—“Can Achieve More” and has fulfilled his roles of making decisions on important managerial matters and overseeing the execution of business operations. Therefore, he is again nominated for Director.</p>	3,800

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
5	Toru Tsurusaki (November 21, 1960) Reappointed  Attendance at the Board of Directors' meetings 15/16 (94%)	<p>February 2005 Entered the Company</p> <p>March 2005 Deputy General Manager of Marketing Div. and Division Manager of Public Relations and Advertising Dept. of the Company</p> <p>December 2007 General Manager of Sales, Public Relations and Advertising Unit of the Company</p> <p>June 2008 Executive Officer, General Manager of Sales, Public Relations and Advertising Unit of the Company</p> <p>June 2010 Executive Director, General Manager of Business and Product Strategy Div. and Division Manager of Supplements Business Dept. of the Company</p> <p>March 2013 Executive Director, President of International Business Company of the Company</p> <p>April 2014 Executive Director, General Manager of International Business Division of the Company</p> <p>June 2017 Executive Managing Director, General Manager of International Business Division of the Company (Current position)</p> <p>[Important positions concurrently held at other corporations] Managing Director of FANCL ASIA (PTE) LTD.</p> <p>[Reason for nomination as a candidate for Director] Toru Tsurusaki has long engaged in the public relations and advertising businesses. Having experienced the execution of businesses related to business and product strategies, he is currently in charge of overseas businesses centering on Asia and the United States, while serving as President and Representative Director of FANCL ASIA (PTE) LTD, a foreign subsidiary of the Company, thereby accumulating ample experience and knowledge. In addition, he fully understands the Group's Founding Philosophy—Eliminate the “Negatives” with a Sense of Justice—and Corporate Philosophy—“Can Achieve More” and has fulfilled his roles of making decisions on important managerial matters and overseeing the execution of business operations. Therefore, he is again nominated for Director.</p>	9,000

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
6	Yukihiro Ishigami (February 27, 1958) Reappointed  Attendance at the Board of Directors' meetings 16/16 (100%)	<p>December 1999 Entered the Company</p> <p>October 2004 Department Manager, Financial Dept., Administration Dept. of the Company</p> <p>April 2006 Department Manager, Control Administration Dept., Control Dept. of FANCL B&amp;H Co., Ltd.</p> <p>May 2008 Deputy General Manager, Corporate Planning and New Business Unit of the Company</p> <p>May 2010 Deputy General Manager, Administration Dept. and Division Manager, Corporate Planning Div. of the Company</p> <p>March 2013 Executive Officer, Deputy General Manager, Group Support Center and Division Manager, Corporate Planning Div. of the Company</p> <p>June 2017 Executive Director, General Manager, Group Support Center of the Company</p> <p>March 2019 Executive Director, General Manager, Corporate Planning Division of the Company (Current position)</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Yukihiro Ishigami has long engaged in accounting and finance related businesses and been involved in a broad range of general affairs, legal affairs, human resources, purchasing and quality assurance related businesses. He currently supervises accounting, finance and corporate planning related businesses. In addition, he fully understands the Group's Founding Philosophy—Eliminate the “Negatives” with a Sense of Justice—and Corporate Philosophy—“Can Achieve More” and has fulfilled his roles of making decisions on important managerial matters and overseeing the execution of business operations. Therefore, he is again nominated for Director.</p>	4,300



Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
7	Norito Ikeda (December 9, 1947) Reappointed Outside Director Independent Officer  Attendance at the Board of Directors' meetings 15/16 (94%)	<p>April 2001 Representative Director and Chief Financial Officer (CFO) of the Bank of Yokohama, Ltd.</p> <p>April 2002 Representative Director and Chief Personnel Officer (CPO) of the Bank of Yokohama, Ltd.</p> <p>June 2003 Director of the Bank of Yokohama, Ltd. and Representative Director and Chairman of Yokohama Capital Co. Ltd.</p> <p>December 2003 President (Representative Director) of The Ashikaga Bank, Ltd.</p> <p>June 2009 Director of the Company (Current position)</p> <p>February 2012 President and CEO of The Corporation for Revitalizing Earthquake-Affected Business</p> <p>June 2016 President and Representative Executive Officer of JAPAN POST BANK Co., Ltd. (Current position)</p> <p>[Important positions concurrently held at other corporations]</p> <p>President and Representative Executive Officer of JAPAN POST BANK Co., Ltd.</p> <p>Director of Japan Post Holdings Co., Ltd.</p> <p>[Reason for nomination as a candidate for Outside Director]</p> <p>Norito Ikeda is a candidate for Outside Director. He has served as a Director of financial institutions over many years and is currently utilizing his wealth of experience and knowledge as a manager for the supervision of the management of the Company on the Board of Directors. He is therefore again nominated for Outside Director.</p>	3,700
8	Katsunori Koseki (February 7, 1948) Reappointed Outside Director Independent Officer  Attendance at the Board of Directors' meetings 16/16 (100%)	<p>January 1984 Audit &amp; Supervisory Board Member of FANCL Biken Corporation (currently FANCL CORPORATION)</p> <p>June 1986 Registered with the Tokyo-Chiho Certified Public Tax Accountants Association</p> <p>November 1989 Established the Katsunori Koseki Certified Tax Account Office (Current position)</p> <p>April 1996 Audit &amp; Supervisory Board Member of the Company</p> <p>June 2016 Director of the Company (Current position)</p> <p>[Important positions concurrently held at other corporations]</p> <p>Certified Tax Accountant, President of Katsunori Koseki Certified Tax Accountant Office</p> <p>[Reason for nomination as a candidate for Outside Director]</p> <p>Katsunori Koseki is a candidate for Outside Director. He has utilized his expertise and wealth of experience in accounting matters as a tax accountant and his auditing experience developed during the period of his service as an Outside Audit &amp; Supervisory Board Member of the Company for supervising the management on the Board of Directors. He is therefore again nominated for Outside Director.</p>	104,920

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
9	Mitsuaki Nakakubo (November 24, 1966) Newly appointed Outside Director Independent Officer	<p>April 1995 Registered as an attorney (under Daini Tokyo Bar Association) (Current registration)</p> <p>April 2001 Partner of Asahi Law Offices (Current position)</p> <p>April 2008 Member, Regular Meeting, Daini Tokyo Bar Association</p> <p>[Important positions concurrently held at other corporations]</p> <p>Attorney, Partner of Asahi Law Offices</p> <p>Outside Audit &amp; Supervisory Board Member of Nikkiso Co., Ltd.</p> <p>Outside Company Auditor of Nippon Kodo Holdings Corporation</p> <p>[Reason for nomination as a candidate for Outside Director]</p> <p>Mitsuaki Nakakubo is a candidate for Outside Director. He possesses a wealth of experience and knowledge regarding the legal matters as an attorney. He has not been involved in corporate management with the exception of being an outside officer. Nevertheless, for the reasons mentioned above the Company has judged that he will be able to appropriately perform his duty as an Outside Director. He is therefore nominated for Outside Director.</p>	-

- Notes:
1. No conflict of interest exists between the Company and each candidate.
  2. The points to note regarding the candidates for Outside Director are as follows.
    - (1) Independent Officers
 

Messrs. Norito Ikeda and Katsunori Koseki have been notified with the Tokyo Stock Exchange as Independent Officers as set forth in the rules of the Tokyo Stock Exchange. If they are reappointed at the Shareholders' Meeting, the Company intends to designate them again as Independent Officers. Additionally, in the event that the election of Mr. Mitsuaki Nakakubo is approved, the Company plans to designate him as an Independent Officer.
    - (2) Period of service as Outside Officer
      - i) Mr. Norito Ikeda is currently an Outside Director of the Company and will have served for ten years at the conclusion of the Shareholders' Meeting.
      - ii) Mr. Katsunori Koseki is currently an Outside Director of the Company and will have served for three years at the conclusion of the Shareholders' Meeting. In the past, Mr. Koseki served as an Outside Audit & Supervisory Board Member of the Company for 20 years.
    - (3) Liability limitation agreements
 

The Company holds with each of Mr. Ikeda and Mr. Koseki a liability limitation agreement stipulating that the limit of their liabilities for damages shall be one (1) million yen or an amount set by law, whichever is the greater, with respect to the liabilities stipulated in Article 423, Paragraph 1 of the Companies Act. If they are reappointed at Shareholders' Meeting, the Company plans to continue this agreement. In the event that the election of Mr. Mitsuaki Nakakubo is approved, the Company plans to conclude a liability limitation agreement that has the same contents mentioned above with him.

## Reference: Strengthening Supervisory Function of the Board of Directors and Speeding up Business Execution

The Company strengthens the management supervisory function of the Board of Directors. At the same time, the Company pursues delegation of authority from the Board of Directors to Executive Officers and promotes prompt management decision-making.

In the event that the election of Directors is approved as originally proposed, those listed below will serve as Executive Officers. Six out of seven Directors retiring from office will become responsible for the execution of business operations as newly appointed Senior Executive Officers and continue to promote the management plan.

### [ New Business Execution Framework ]

Position	Name	Assignments in the Company and important positions concurrently held at other corporations
Chairman & Founder, Representative Director	Kenji Ikemori	-
Vice Chairman, Director	Kazuyoshi Miyajima	-
President & CEO, Representative Director	Kazuyuki Shimada	General Manager of Marketing Division
Senior Managing Director	Tomochika Yamaguchi	In charge of Stores & Wholesale and General Manager of Store Sales Division
Executive Managing Director	Toru Tsurusaki	General Manager of International Business Division Managing Director of FANCL ASIA (PTE) LTD.
CFO, Executive Director	Yukihiro Ishigami	General Manager of Corporate Planning Division
Senior Executive Officer	Yasushi Sumida	General Manager of FANCL Research Institute
Senior Executive Officer	Yoshihisa Hosaka	General Manager of Direct Sales Division
Senior Executive Officer	Kazumasa Wakayama	Deputy General Manager of Marketing Division and Department Manager of Health Food Department
Senior Executive Officer	Yuna Akashi	Deputy General Manager of Marketing Division and Department Manager of Cosmetics Department
Senior Executive Officer	Akihiro Yanagisawa	President and Representative Director of FANCL B&H CORPORATION
Senior Executive Officer	Gen Inomata	President and CEO of FANCL INTERNATIONAL, INC. President of boscia, LLC
Executive Officer	Akiko Matsugaya	General Manager of FANCL College
Executive Officer	Nobuyuki Uematsu	General Manager of Information Technology Center
Executive Officer	Junji Nagasaka	General Manager of Group Support Center
Executive Officer	Hiromichi Aoto	Department Manager of Health Management Promotion Department
Executive Officer	Koichi Matsumoto	General Manager of the Office of the President
Executive Officer	Syoko Matsukuma	Deputy General Manager of FANCL Research Institute and General Manager of Beauty Science Research Center
Executive Officer	Yoko Mamizuka	General Manager of FANCL Ginza Square, Store Sales Division
Executive Officer	Tomoko Saito	President and Representative Director of ATTENIR CORPORATION
Executive Officer	Hiroaki Hori	General Manager of Wholesale Division

Position	Name	Assignments in the Company and important positions concurrently held at other corporations
Executive Officer	Jun Saito	General Manager of Customer Service Center and Department Manager of Customer Service Department