



Second Quarter of FY ending 03/2020

Nov 8, 2019
Sanrio Company
Financial Results Briefing

Senior Managing Director
Susumu Emori

1



Theme for FY ending 03/2020⇒1H Result

Overseas

- Asia/China business
- European business
- US business



- Decrease in profit due to unexpected slump in consumption
- Continued decline in profit that is expected to bottom out with new COO taking the helm from December.
- Completed restructuring in the U.S. and also recorded increase in royalty income.

Japan Domestic

- Licensing business
- Retail and wholesale business
- Theme park business



- Digital and facility interior licensing initiatives reduced fall in profit despite challenges in the apparel and miscellaneous merchandise areas among others.
- Successive release of hit products. Sales at existing stores were 111% of levels in the previous year.
- Visitor numbers grew steadily and resulted in establishment of profitable operations.

Others

- Return to shareholders



- Dividend: 30 yen plus 5 yen as commemorative dividend.



1H of FY03/2020 Income Statement

Operating income decreased due to lower sales and an increase in SG&A expenses.
Decrease in extraordinary losses negatively affected net profit attributable to owners of parent.

[JPY 0.1 billion]

	1H FY03/2020 results	Comparison Y-O-Y		Comparison to revised 1H plan (Jul.31)	
		Increase (Decrease)	Change (%)	Increase (Decrease)	Change (%)
Sales	276	*1 (6)	(2.2)	(1)	(0.5%)
Gross profit	178		(4)	(2.5)	
SG&A expenses	165	*3 3	2.0		
Operating profit	13	(7)	(36.3)	(3)	(19.1%)
Non-operating profit	6	0	16.4		
Ordinary profit	20	(6)	(25.3)	(1)	(7.3%)
Extraordinary losses	(11)	*4 (7)	—		
Total income taxes	5	(2)	(32.9)		
Net profit attributable to owners of parent	3	(11)	(78.5)	(2)	(45.6%)
Gross margin	64.6%	*2 (0.3%)	—		

Note: All information in this material is based on data as of Nov 8, 2019



3



*1 (Sales)

Sales decreased due to a decline in overseas sales. Sales in Japan increased.

*2 (Gross margin)

Decreased mainly due to a fall in overseas licensing fees.

*3 (SG&A expenses)

There were increases in advertising expenses, SG&A expenses, and commissions paid.

*4 (Extraordinary income/loss)

Mainly due to loss related to competition-law surcharge imposed by the European Commission.

Note: All information in this material is based on data as of Nov 8, 2019



4



1H of FY03/2020 Sales by Segment

Licensing struggles both in Japan and overseas.
Domestic retail & wholesale business and theme parks continue to increase profits

[JPY 0.1 billion]

	Sales						Operating profit				
	1H FY03/2020 results	Comparison Y-O-Y		Comparison Initial year plan			1H FY03/2020 results	Comparison Y-O-Y		Comparison Initial year plan	
		Increase (Decrease)	Change (%)	Increase (Decrease)	Change (%)			Increase (Decrease)	Change (%)	Increase (Decrease)	Change (%)
Overseas	89	(15)	(14.4)	(12)	(12.4)	Overseas	23 ^{*1}	(8)	(26.0)	(9)	(27.5)
Domestic	230	5	2.5	9	4.3	Domestic	(10)	0	-	5	-
Licensing	44	(2)	(4.5)	(1)	(2.4)	Licensing	30 ^{*2}	(1)	(4.8)	(1)	(5.6)
Retail & wholesale	91	6	7.2	7	8.6	Retail & wholesale	6 ^{*3}	4	174.9	1	38.3
Theme parks	55	5	11.6	4	9.7	Theme parks	3 ^{*4}	1	43.4	3	2900.0
Other	39	(4)	(9.4)	(1)	(3.7)	Other	2	0	11.8	0	72.2
Elimination, etc.	(43)	3	-	1	-	HQ cost center expenses, etc.	(53)	(3)	-	1	-
Consolidated Sales & OP	276	(6)	(2.2)	(1)	(0.5)	Consolidated operating profit	13	(7)	(36.3)	(3)	(19.1)

Note: All information in this material is based on data as of Nov 8, 2019



5



*1 (Overseas)

Refer to page 9 for breakdown by region.

*2 (Domestic license)

Sales and Operating profit decreased in apparel, miscellaneous products and cosmetics.

*3 (Domestic retail & wholesale)

Sales and Operating profit increased due to hit products (including lucky drawing products, hair accessories, products to cheer for idols, and handy fans)

*4 (theme parks)

Refer to page 7 for details.

Note: All information in this material is based on data as of Nov 8, 2019



6



1H of FY03/2020 Sales by Theme parks

Popular seasonal events boosted sales and operating profit.

	Number of visitors					Operating Profit				
	1H of FY03/2020 Total number (10K)	Comparison Y-O-Y		Comparison Initial year plan		1H of FY03/2020 OP(JPY 0.1billion)	Comparison Y-O-Y		Comparison Initial year plan	
		Increase (Decrease) (10K)	Change (%)	Increase (Decrease) (10K)	Change (%)		Increase (Decrease)	Change (%)	Increase (Decrease)	Change (%)
Puroland	77	5	8.2	4	6.5	3 ^{*1}	1	63.1	3	—
Harmony-land	24	0	0.8	(0)	(3.6)	0.6 ^{*2}	0	6.6	(0)	(11.9)

Note: All information in this material is based on data as of Nov 8, 2019



7



*1 (Puroland)

Increased number of visitors related to B2B planning, online discount tickets, and day-of ticket sales.

Number of visitors: +8.2%

Unit price: +6.9%

*2 (Harmonyland)

Although weather was not favorable, a new character was introduced and number of visitors related to both advance and day-of ticket increased.

Number of visitors: +0.8%

Unit price: +3.3%

Note: All information in this material is based on data as of Nov 8, 2019



8



1H of FY03/2020 Sales by Region/Country

Sales in Asia, which have been a mainstay buoy of sales, turned downward following in the footsteps of Europe, however, sales in the Americas are seen as having bottomed out.

[JPY 0.1 billion]

		Sales				Operating Profit					
		1H FY03/2020 results	Comparison Y-O-Y		Comparison to 1H plan		1H FY03/2020 results	Comparison Y-O-Y		Comparison to 1H plan	
			Increase (Decrease)	Change (%)	Increase (Decrease)	Change (%)		Increase (Decrease)	Change (%)	Increase (Decrease)	Change (%)
Europe	Germany	8	(4)	(36.3)	(1)	(17.7)	0	*1 (3)	(83.9)	(0)	(54.5)
	UK	1	(0)	(24.9)	(0)	(8.8)	(1)	(0)	-	0	-
North America	USA	16	(0)	(2.3)	(1)	(8.2)	(0)	*2 1	-	(1)	-
South America	Brazil	3	(0)	(13.8)	(0)	(22.3)	0	(0)	(53.4)	(0)	(61.6)
A s i a	Hong Kong	18	(2)	(13.0)	(2)	(10.6)	7	*3 (1)	(17.5)	(1)	(19.3)
	Taiwan	9	(2)	(22.7)	(1)	(15.7)	3	(1)	(24.6)	(1)	(24.9)
	S.Korea	5	(0)	(12.1)	(1)	(17.9)	1	(0)	(23.2)	(0)	(30.7)
	China	26	(2)	(7.8)	(3)	(10.2)	12	*4 (2)	(15.2)	(3)	(20.2)
	Asia total	59	(8)	(12.4)	(8)	(11.9)	25	(5)	(18.0)	(6)	(21.4)
	Other	0	(0)	(79.3)	(0)	(76.9)	(0)	0	-	0	-
	Total	89	(15)	(14.4)	(12)	(12.4)	23	(8)	(26.0)	(9)	(27.5)

▶Note: In the sales figure of overseas, licensing revenues, etc. received by the parent company from overseas subsidiaries are reallocated back to those companies, in order to more accurately reflect profits by region.

Note: All information in this material is based on data as of Nov 8, 2019



9



*1 (Europe)

Sales decreased in Iberia and middle east due to major clients falling short of minimum guarantee in the previous year.

*2 (North America)

Growth in brand collaboration initiatives and positive effects of restructuring resulted in decrease in losses.

*3 (Hong Kong)

Recorded decline in sales related to health, cosmetics, and convenience store sales promotion.

*4 (China)

Recorded decline in sales related to health, cosmetics, home appliances, and jewelry.

Note: All information in this material is based on data as of Nov 8, 2019



10



FY03/2020, Revised Full-year Plan

Operating profit decreased due to a continued decline in sales and an increase in SG&A expenses related to the medium-term management plan.

Net profit attributable to share holders of parent company is expected to decline related to the gain on sale of real estate recorded in the previous fiscal year as extraordinary gains/losses.

[JPY 0.1 billion]

	FY03/2020 Revised Full-year Plan	Comparison Y-O-Y		Comparison to prior revised plan (July 31)	
		Increase (Decrease)	Change (%)	Increase (Decrease)	Change (%)
Sales	577	*1 (14)	(2.4)	(23)	(3.8)
Gross profit	374	(4)	(1.2)	(28)	(7.0)
SG&A expenses	334	*2 3	1.0	(7)	(2.1)
Operating profit	40	(7)	(16.4)	(21)	(34.4)
Non-operating profit	10	(0)	(4.8)	—	—
Ordinary profit	50	(8)	(14.3)	(21)	(29.6)
Extraordinary losses	(11)	(13)	—	(4)	—
Total income taxes	16	(5)	(25.3)	(7)	(30.4)
Net profit attributable to owners of parent	23	(15)	(40.7)	(18)	(43.9)
Gross margin	64.8%	0.7%	—	(2.2%)	—

Note: All information in this material is based on data as of Nov 8, 2019



11



*1

(Sales forecast)

Overseas: decrease in sales,

Domestic: increase in sales

(Full-year currency fluctuation impact forecast)

[JPY]

	Initial Plan	2H Plan	Full-year Plan	Change VS Initial Plan
USD	110.00	106.00	108.60	1.3%
EUR	125.00	118.00	121.71	2.6%
CNY	16.20	15.00	15.72	3.0%

*2 (SG&A expenses forecast)

Expected to increase mainly due to marketing expenses implemented under the medium-term management plan.

Note: All information in this material is based on data as of Nov 8, 2019



12



FY03/2020, Revised plan by Segment

Both sales and operating profit forecasts were revised from the initial plan due to the unexpected slump in Asia. Revised plan to partially offset the increase in headquarter costs with the increase in profits in each domestic segment

[JPY 0.1 billion]

	Sales				Operating profit		
	FY03/2020 Plan	Comparison Y-O-Y			FY03/2020 Plan	Comparison Y-O-Y	
		Increase (Decrease)	Change (%)			Increase (Decrease)	Change (%)
Overseas	191	(24)	(11.2)	Overseas	53	*1 (12)	(19.4)
Domestic	476	3	0.8	Domestic	(13)	4	(27.4)
Licensing	94	(1)	(1.5)	Licensing	68	*2 3	5.2
Retail & wholesale	188	1	1.0	Retail & wholesale	15	*3 6	76.6
Theme parks	104	6	7.1	Theme parks	4	0	17.5
Other	88	(3)	(3.9)	Other	6	0	12.8
Elimination, etc.	(90)	6	-	HQ cost center expenses, etc.	(108)	*4 (6)	—
Consolidated Sales & OP	577	(14)	(2.4)	Consolidated operating profit	40	(7)	(16.4)

▶Note: "Elimination" is not included in Domestic sales amount.

Note: All information in this material is based on data as of Nov 8, 2019



13



*1 (Overseas)

Refer to page 15 for breakdown by region

*2 (Domestic licenses)

Number of projects for inbound tourists, senior citizens, babies and sports are expected to increase.

Bolstering sales for bus-wrapping decoration nationwide.

*3 (Domestic retail and wholesale)

Cost of goods and SG&A expenses are expected to be reduced in accordance with the medium-term plan

*4 (HQ cost center expenses, etc.)

Expenses related to medium-term plan increased

Note: All information in this material is based on data as of Nov 8, 2019



14



FY03/2020, Revised plan by Region/Country

The consumption decline is expected to be prolonged in Asia, especially in China. The Americas market is expected to bottom out due to the effects of restructuring and an increase in new contracts.

[JPY 0.1 billion]

		Sales			Operating profit		
		FY03/2020 Plan	Comparison Y-O-Y		FY03/2020 Plan	Comparison Y-O-Y	
			Increase (Decrease)	Change (%)		Increase (Decrease)	Change(%)
Europe	Germany	16	(3)	(16.7)	0	*1 (3)	(85.7)
	UK	5	(1)	(19.4)	(1)	(0)	-
North America	USA	35	(0)	(0.3)	0	*2 4	-
South America	Brazil	7	(0)	(8.8)	1	(1)	(54.9)
A s i a	Hong Kong	37	(6)	(14.0)	14	*3 (4)	(24.7)
	Taiwan	19	(3)	(16.0)	7	(2)	(22.4)
	S.Korea	9	(1)	(14.8)	3	*3 (1)	(26.7)
	China	59	(6)	(10.1)	27	*4 (5)	(15.7)
	Asia total	125	(18)	(12.6)	53	(13)	(20.0)
	Other	0	(0)	(87.8)	(1)	1	—
	Total	191	(24)	(11.2)	53	(12)	(19.4)

▶Note: In the sales figure of overseas, licensing revenues, etc. received by the parent company from overseas subsidiaries are reallocated back to those companies, in order to more accurately reflect profits by region.

Note: All information in this material is based on data as of Nov 8, 2019



15



*1 (Europe)

Focus on collaboration with the French and Italian brands

*2 (North America)

Plans to continue to increase sales in collaborative projects with the U.S. brand.

Cost reduction effect of restructuring is about JPY300 million.

*3 (Hong Kong, Korea)

Concerns over sluggish consumer spending due to political instability.

*4 (China)

Concerns over consumption stagnation caused by economic slowdown.

Note: All information in this material is based on data as of Nov 8, 2019



16



Management indicator and shareholder return targeted for the fiscal year ending March 2020

ROE: 10% or more
DOE: 5%

[unit: %]

	FY03/ 2017	FY03/ 2018	FY03/ 2019	FY03/2020	
				Plan	Comparison Y-O-Y
Profit Margin	11.0	9.5	8.1	6.9	(1.2)
ROE	12.1	9.4	7.4	4.4	(3.0)
Dividend(JPY)	80	55	30	35	5
Dividend payout ratio	104.8	94.7	65.6	129.1	63.5
DOE	12.7	8.9	4.9	5.7	0.8

We aim to continue paying dividends in line with long-term stability and profit levels based on dividend on equity (DOE) ratio of 5% to maintain stable dividends, and payout ratios of 60% in line with operating results while maintaining our financial soundness and investment for future growth.

Note: All information in this material is based on data as of Nov 8, 2019



17

Note: All information in this material is based on data as of Nov 8, 2019



18



Supplementary Material

Note: All information in this material is based on data as of Nov 8, 2019



Table of contents (Page and title)

Title	Page	Title	Page
Financial Results for FY03/2019		Fiscal Year ending 03/2020 Forecasts Revised on Oct.31	
1H of FY03/2020 Income Statement (Result and Comparison Y-O-Y and to 1H Plan)	3	Income statement: FY03/2020 Forecast	23
1H of FY03/2020 Income Statement (Result and Comparison Y-O-Y and to 1H Plan)	4	Income Statements (FY03/2016 - FY03/2020)	24
Balance Sheets (FY03/2016 - FY03/2020)	5	Operating profit FY03/2016 – FY03/2020 forecast: Japan and Overseas	25
Sales by Segment: Result and Comparison Y-O-Y and to 1H Plan	6	Operating Profit Trend by Region (FY03/2016 – FY03/2020 forecast)	26
Operating Profit by Segment: Result and Comparison Y-O-Y and to 1H Plan	7	Revised FY03/2020 Sales forecast by Segment	27
Details of HQ cost center expenses	8	Revised FY03/2020 Operating profit forecast by Segment	28
1H FY03/2020 Overseas Sales by Region/Country Result and Comparison Y-O-Y and to Plan	9	Revised Forecast: Details of HQ cost center expenses	29
1H FY03/2020 Overseas Profit by Region/Country Result and Comparison Y-O-Y and to Plan	10	Revised FY03/2020 Forecast: Overseas Sales by Region/Country	30
Detail by Segment(1) Oversea Business	11	Revised FY03/2020 Forecast: Overseas Operating Profit by Region/country	31
First Half Sales and Operating Profit of Overseas Subsidiaries (Local-currency based)	12	Revised Forecast: Sales and Operating Profit of Overseas Subsidiaries (Local-currency based)	32
Currency Fluctuation Impacts (On Overseas' Sales and Operating Profit)	13	Revised Forecast: Currency Fluctuation Impacts	33
Number of Stores in Overseas Market	14	Management Indicator & Return to Stockholders	
Details by Segment (2) Domestic Licensing Business	15	ROE and Ratio of Licensing Revenues (FY03/2016-FY03/2020)	35
Details by Segment (3) Domestic Retail & Wholesale business	16	Shareholder Composition	36
Monthly Y-O-Y Changes in Sales of Existing Stores	17	Total amount of dividend paid (FY03/2016 – FY03/2020 forecast)	37
Numbers of Stores in Japan	18		
Details by Segment (4) Theme Park Business	19		
Sanrio Puroland (SPL)	20		
Oita Harmonyland (OHL)	21		

Note: All information in this material is based on data as of Nov 8, 2019





1H of FY03/2020 Income Statement

(Result and Comparison Y-O-Y and to 1H Plan)

[JPY million]

	1H FY03/2020 results	Comparison Y-O-Y			Comparison to revised 1H Plan		
		1H FY03/2019 results	Increase (Decrease)	Change Y-O-Y (%)	revised-year plan	Difference	Progress (%)
Sales	27,660	28,272	(612)	(2.2)	27,800	(139)	(0.5)
Gross profit	17,877	18,341	(464)	(2.5)			
SG&A expenses	16,502	16,182	319	2.0			
Operating profit	1,374	2,158	(784)	(36.3)	1,700	(325)	(19.1)
Non-operating profit	664	571	93	16.4			
Ordinary profit	2,039	2,730	(690)	(25.3)	2,200	(160)	(7.3)
Extraordinary profit	(1,100)	(311)	(789)	—			
Earnings before taxes	938	2,418	(1,480)	(61.2)			
◆ Taxes and adjustments	591	881	(289)	(32.9)			
Net profit attributable to owners of parent	326	1,516	(1,189)	(78.5)	600	(273)	(45.6)
Gross margin	64.6%	64.9%	(0.3%)				
Operating profit margin	5.0%	7.6%	(2.6%)				
Ordinary profit margin	7.4%	9.7%	(2.3%)				

Note: Figures are rounded down to the nearest 1 million yen. Percentages are rounded to the nearest tenth of a percent.

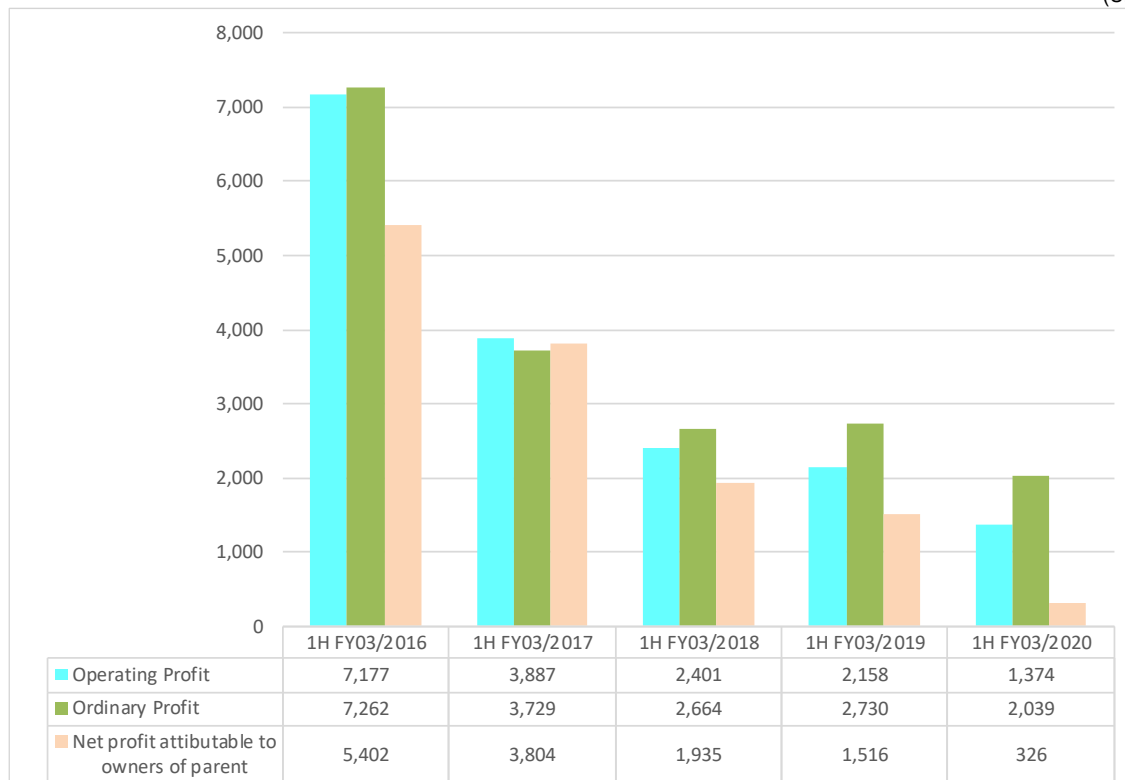
Note: All information in this material is based on data as of Nov 8, 2019



1H of FY03/2020 Income Statement

(Result and Comparison Y-O-Y and to 1H Plan)

(Unit: Million Yen)



Note: Figures are rounded down to the nearest 1 million yen.

Note: All information in this material is based on data as of Nov 8, 2019





Balance Sheets (FY03/2016 - FY03/2020)

[JPY million]

		2016.3		2017.3		2018.3		2019.3		2020.3
		As of 09/30	As of 03/31	As of 09/30	As of 03/31	As of 09/30	As of 03/31	As of 9/30	As of 03/31	As of 9/30
Assets	I. Current assets	61,751	57,757	55,862	56,295	56,619	57,871	55,102	56,387	59,742
	II. Noncurrent assets	48,825	48,006	44,209	44,967	44,163	40,368	40,575	38,768	37,438
	Property, plant and equipment	18,896	18,744	17,941	18,539	18,234	16,430	16,167	15,912	15,948
	Intangible assets	5,698	5,200	4,517	4,715	4,589	3,905	3,638	3,397	3,181
	Investments and other assets	24,231	24,060	21,750	21,711	21,339	20,033	20,769	19,458	11,505
	III. Deferred assets	83	62	61	49	44	33	38	29	36
	Total assets	110,661	105,826	100,133	101,312	100,827	98,274	95,716	95,185	97,217
Liabilities and net assets	I. Current liabilities	25,183	23,022	23,898	24,824	25,958	24,506	22,826	22,891	24,362
	II. Noncurrent liabilities	25,528	28,070	27,570	23,429	22,974	21,033	20,627	19,896	22,097
	Total liabilities	50,711	51,092	51,469	48,253	48,932	45,539	43,453	42,788	46,459
	I. Shareholders' equity	56,772	57,585	57,995	57,272	55,814	55,413	55,657	56,762	55,815
	II. Accumulated other comprehensive income	2,866	(3,177)	(9,653)	(4,418)	(4,134)	(2,921)	(3,651)	(4,652)	(5,362)
	III. Stock acquisition right	165	162	162	—	—	—	—	—	—
	IV. Minority interest	144	164	160	204	214	243	257	287	298
	Total net assets	59,949	54,733	48,664	53,058	51,895	52,734	52,262	52,396	50,758
	Total liabilities and net assets	110,661	105,826	100,133	101,312	100,827	98,274	95,716	95,185	97,217

Note: All information in this material is based on data as of Nov 8, 2019



Sales by Segment: Result and Comparison Y-O-Y and to 1H Plan

[JPY million]

		1H FY03/2020 results	Comparison Y-O-Y			Comparison to 1H Plan		
			1H FY03/2019 results	Increase (Decrease)	Change Y-O-Y (%)	Initial-year plan	Difference	Change (%)
Sales by segment	Overseas	8,946	10,449	(1,503)	(14.4)	10,210	(1,264)	(12.4)
	Domestic	23,074	22,505	568	2.5	22,119	955	4.3
	Licensing	4,449	4,658	(209)	(4.5)	4,557	(108)	(2.4)
	Retail & Wholesale	9,154	8,542	612	7.2	8,431	723	8.6
	Theme parks	5,519	4,945	574	11.6	5,029	490	9.7
	Other	3,952	4,360	(408)	(9.4)	4,102	(149)	(3.7)
Elimination, etc.		(4,360)	(4,682)	322	—	(4,529)	169	—
Consolidated net sales		27,660	28,272	(612)	(2.2)	27,800	(139)	(0.5)

Note: Figures are rounded down to the nearest 1 million yen. Percentages are rounded to the nearest tenth of a percent.

Note: All information in this material is based on data as of Nov 8, 2019





Operating Profit by Segment:

Result and Comparison Y-O-Y and to 1H Plan

[JPY million]

		1H FY03/2020 results	Comparison Y-O-Y			Comparison to 1H Plan		
			1H FY03/2019 results	Increase (Decrease)	Change Y-O-Y (%)	Initial-year plan	Difference	Change (%)
(Direct) Operating Profit by Segment	Overseas	2,391	3,229	(838)	(26.0)	3,300	(909)	(27.5)
	Domestic	(1,016)	(1,070)	53	—	(1,600)	583	—
	Licensing	3,026	3,179	(153)	(4.8)	3,204	(178)	(5.6)
	Retail & Wholesale	635	231	404	174.9	459	176	38.3
	Theme parks	390	272	118	43.4	13	377	2900.0
	Other	232	207	24	11.8	135	97	72.2
	HQ cost center expenses, etc.	(5,300)	(4,960)	(340)	—	(5,411)	111	—
Consolidated operating profit		1,374	2,158	(784)	(36.3)	1,700	(325)	(19.1)

Note: Figures are rounded down to the nearest 1 million yen. Percentages are rounded to the nearest tenth of a percent.

Note: All information in this material is based on data as of Nov 8, 2019



Details of HQ cost center expenses

[JPY million]

		1H FY03/2020 results	Comparison Y-O-Y			Comparison to 1H Plan		
			Results	Increase (Decrease)	Change Y-O-Y (%)	Initial-year plan	Difference	Change (%)
HQ cost center expenses, etc.	Personal expenses	2,575	2,459	116	4.7	2,635	(59)	(2.3)
	Selling expenses	177	150	26	17.9	199	(22)	(11.2)
	Advertising expenses	512	395	116	29.5	548	(36)	(6.6)
	Logistics expenses	123	103	19	18.9	112	11	9.9
	Asset expenses	685	675	9	1.4	723	(37)	(5.2)
	Other expenses	1,225	1,174	51	4.3	1,192	33	2.8
Total		5,300	4,960	340	6.9	5,411	(111)	(2.1)

Note: Figures are rounded down to the nearest 1 million yen. Percentages are rounded to the nearest tenth of a percent.

Note: All information in this material is based on data as of Nov 8, 2019





1H FY03/2020 Overseas Sales by Region/Country

Result and Comparison Y-O-Y and to Plan

[JPY million]

		1H FY03/2020 results	Comparison Y-O-Y			Comparison to 1H Plan		
			1H FY03/2019 results	Increase (Decrease)	Change Y-O-Y (%)	Initial-year plan	Difference	Progress (%)
Europe	Europe	839	1,317	(478)	(36.3)	1,020	(181)	(17.7)
	UK (Mr. Men)	196	261	(65)	(24.9)	215	(19)	(8.8)
North America	USA	1,613	1,651	(38)	(2.3)	1,758	(145)	(8.2)
South America	Brazil	324	376	(52)	(13.8)	417	(93)	(22.3)
Asia	HK	1,860	2,137	(277)	(13.0)	2,080	(220)	(10.6)
	Taiwan	931	1,204	(273)	(22.7)	1,104	(173)	(15.7)
	S. Korea	508	578	(70)	(12.1)	619	(111)	(17.9)
	China	2,669	2,896	(227)	(7.8)	2,971	(302)	(10.2)
	Asia total	5,968	6,815	(847)	(12.4)	6,774	(806)	(11.9)
other		6	29	(23)	(79.3)	26	(20)	(76.9)
Total		8,946	10,449	(1,503)	(14.4)	10,210	(1,264)	(12.4)

Note: In the sales figure of overseas, licensing revenues, etc. received by the parent company from overseas subsidiaries are reallocated back to those companies, in order to more accurately reflect profits by region.

Note: Other includes amounts not allocatable to region/country of 21million yen for 1H FY03/2019 results.

Note: Figures are rounded down to the nearest 100 million yen. Percentages are rounded to the nearest tenth of a percent.

Note: All information in this material is based on data as of Nov 8, 2019



1H FY03/2020 Overseas Profit by Region/Country

Result and Comparison Y-O-Y and to Plan

[JPY million]

		1H FY03/2020 results	Comparison Y-O-Y			Comparison to 1H Plan		
			1H FY03/2019 results	Increase (Decrease)	Change Y-O-Y (%)	Initial-year plan	Difference	Progress (%)
Europe	Europe	75	466	(391)	(83.9)	165	(90)	(54.5)
	UK (Mr. Men)	(101)	(77)	(24)	—	(116)	15	—
North America	USA	(78)	(202)	124	—	27	(105)	—
South America	Brazil	48	103	(55)	(53.4)	125	(77)	(61.6)
Asia	HK	767	930	(163)	(17.5)	951	(184)	(19.3)
	Taiwan	374	496	(122)	(24.6)	498	(124)	(24.9)
	S.Korea	169	220	(51)	(23.2)	244	(75)	(30.7)
	China	1,232	1,453	(221)	(15.2)	1,543	(311)	(20.2)
	Asia total	2,542	3,099	(557)	(18.0)	3,236	(694)	(21.4)
Other		(95)	(160)	65	—	(137)	42	—
Total		2,391	3,229	(838)	(26.0)	3,300	(909)	(27.5)

Note: In the sales figure of overseas, licensing revenues, etc. received by the parent company from overseas subsidiaries are reallocated back to those companies, in order to more accurately reflect profits by region.

Note: Other includes amounts not allocatable to region/country of 1million yen for 1H FY03/2020 results, of 1 million yen for 1H FY03/2020 plan.

Note: Figures are rounded down to the nearest 100 million yen. Percentages are rounded to the nearest tenth of a percent.

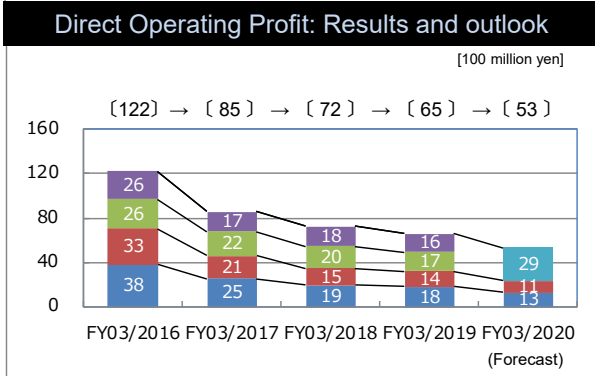
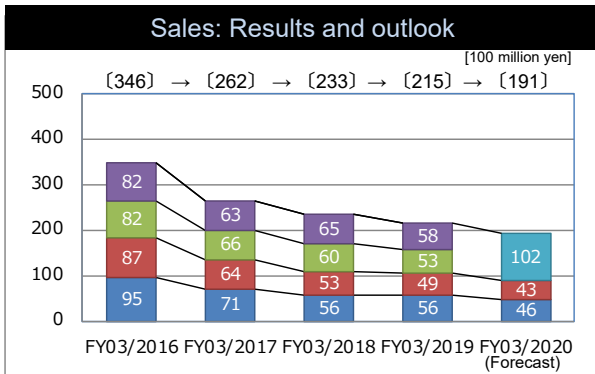
Note: All information in this material is based on data as of Nov 8, 2019





Details by Segment (1)

Overseas Business



Results of 1H FY03/2020

Sales declined 14.4% (¥ 1500M) y-o-y. Profit declined 26.0% (¥ 800M) y-o-y.

In Europe, sales and profits declined significantly, due to the impact of poor sales in Germany and France and a recorded sales shortfall in meeting the minimum guarantee in the same period of the previous year.

In North America, struggled in core categories, but brand collaborations and collaboration with cosmetic chain stores contributed to sales. For product sales, store sales including the e-commerce business performed steadily, but a decline in wholesale sales to Latin America had an adverse effect.

In Latin America, sales and profits rose on a local currency basis but the weakness of the Brazilian real had a significant impact.

In Asia, sales declined due to the significant impact of factors such as U.S.-China trade friction and demonstrations. In China, the number of accessories-related top licensees is declining. Gudetama has made great strides through adoption for corporate promotion and Kero Kero Keroppi has also grown through business with Anta Kids.

Outlook for FY03/2020

Sales decline of 11.2% (¥ 2.4B) y-o-y. Profit decline of 19.4% (¥ 1200M) y-o-y.

European subsidiaries plan to expand Sanrio characters other than Hello Kitty, as well as the Mr. Men Little Miss series, and reinforce key categories such as apparel.

In addition, we will break into new markets such as the Middle East, Eastern Europe, Russia, and India, expand the Mr. Men Little Miss series in China, and develop sectors such as advertising rights and space licensing.

In North America, subsidiaries will boost Sanrio characters other than Hello Kitty. They will also pursue collaborations with brands such as Levi's and Puma, and McDonald's Happy Meal promotions.

In Asia, we will focus particularly on markets in Indonesia and the Philippines, while also actively participating in sales negotiations and exhibitions in Taiwan and Hong Kong. In addition, we will work to attract customers in new businesses and industries through collaborations with other companies' characters and sharing of information via social media.

In mainland China, we will expand Gudetama and work to strengthen the EC business. We will take over the operation of our own product sales business in mainland China and make efforts to rebuild it, including the EC business.

Note: Figures are rounded down to the nearest 100 million yen

Note: All information in this material is based on data as of Nov 8, 2019



First Half Sales and Operating Profit of Overseas Subsidiaries (Local-currency based)

[Jan-Jun. 2019]	Sales			Operating profit	O.P. Margin
	Licensing	Retail & Wholesale	Total		
Europe (Germany) EUR in thousand	4,513	20	4,533	(1,342)	—
Change Y-O-Y (%) Compared to forecast (%)	(28.6) (16.3)	(40.8) (45.5)	(28.6) (16.5)	—	—
UK (Mr. Men) GBP in thousand	1,321	4	1,325	(713)	
Change Y-O-Y (%) Compared to forecast (%)	(22.6) (11.9)	(86.5) —	(24.0) (11.6)	—	—
North America USD in thousand	6,667	3,491	10,159	(4,094)	
Change Y-O-Y (%) Compared to forecast (%)	0.2 (4.5)	(23.0) (22.9)	(9.2) (11.8)	—	—
Brazil BRL in thousand	9,053	128	9,182	430	4.7%
Change Y-O-Y (%) Compared to forecast (%)	3.9 (1.6)	(46.5) (42.8)	2.6 (2.6)	7.8 (4.3)	
Hong Kong HKD in thousand	55,457	28,332	83,790	25,894	30.9%
Change Y-O-Y (%) Compared to forecast (%)	(18.7) (12.1)	(4.8) 7.3	(14.5) (6.4)	(24.1) (14.1)	
Taiwan NTD in thousand	152,751	17,833	170,585	53,766	31.5%
Change Y-O-Y (%) Compared to forecast (%)	(10.9) (16.5)	(60.2) 11.0	(21.1) (14.3)	(14.4) (18.1)	
Korea KRW in thousand	3,687,430	216,674	3,904,104	716,976	18.4%
Change Y-O-Y (%) Compared to forecast (%)	(10.6) (15.1)	14.4 29.0	(9.5) (13.4)	(24.1) (14.2)	
China CNY in thousand	87,273	41,966	129,239	42,971	33.2%
Change Y-O-Y (%) Compared to forecast (%)	(6.5) (15.2)	27.8 40.3	2.4 (2.7)	(1.9) (11.3)	

Note) Operating profit and operating profit margin calculated after payment of master license fee to the HQ.

Note: Figures are rounded down to the nearest 1 thousand in each currency.

Note: All information in this material is based on data as of Nov 8, 2019





Currency Fluctuation Impacts (On Overseas' Sales and Operating Profit)

1H of FY03/2020 (Jan – Jun 2019)	EUR	GBP	USD	HKD	TWD	KRW	CNY	Total
Exchange rate in 1H of FY03/2020 (JPY)	124.49	142.07	110.12	14.05	3.56	0.0966	16.22	—
Exchange rate in 1H of FY03/2019 (JPY)	131.26	149.33	109.14	13.93	3.68	0.1014	17.05	—
Difference (JPY)	(6.77)	(7.26)	0.98	0.12	(0.12)	(0.0048)	(0.83)	—
Fluctuation rate	(5.2)	(4.9)	0.9	0.9	(3.3)	(4.7)	(4.9)	—

Sales denominated in local currency (Million)	4.5	1.3	12.6	83.8	170.6	3,904.1	129.2	—
Currency fluctuation impact (JPY million)	(30)	(9)	12	10	(20)	(18)	(107)	(164)

Operating profit denominated in local currency (Million)	(1.3)	(0.7)	(4.0)	25.9	53.8	717.0	43.0	—
Currency fluctuation impact (JPY million)	9	5	(3)	3	(6)	(3)	(35)	(32)

Currency exchange rate: Average rate during the relevant period (average of month-end TTM for 7 months from December of previous year to June of the relevant year) is used.

Amount pertaining to our subsidiary in Brazil, which is a consolidated subsidiary of our subsidiary in North America, is included in USD.

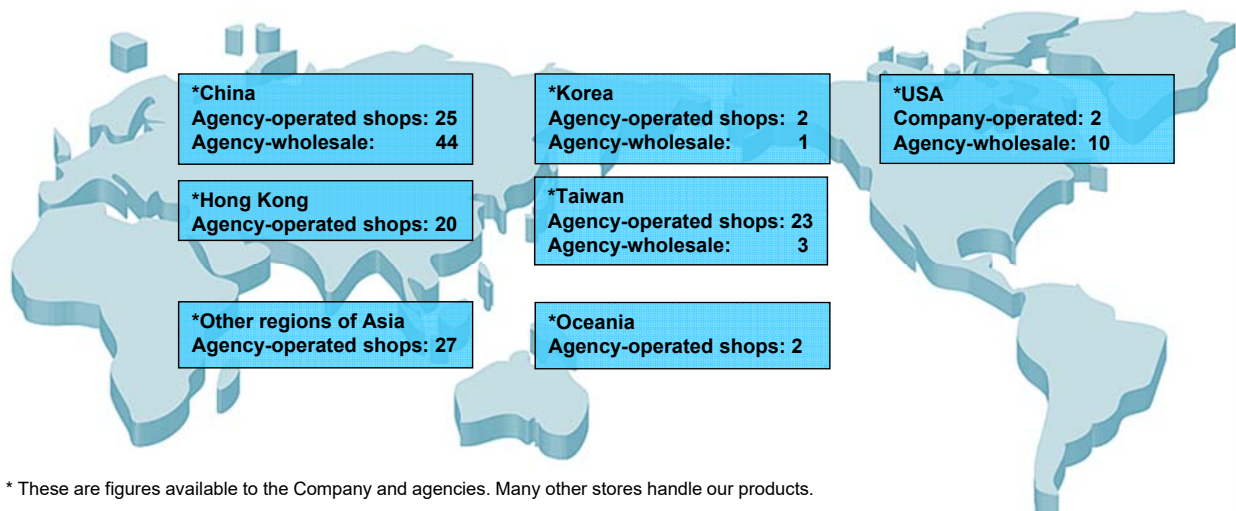
Currency fluctuation impact is difference between operating profit of overseas subsidiaries for the current year converted into JPY at the rate of previous FY and that of current FY.

Note: All information in this material is based on data as of Nov 8, 2019



Number of Stores in Overseas Market

	FY03/2018 (Results)	FY03/2019 (Results)	Change
Company-operated shops	2	2	0
Agency-operated shops	127	99	(28)
Agency-wholesale shops (including franchise)	94	58	(36)
Total	223	159	(64)



* These are figures available to the Company and agencies. Many other stores handle our products.

Note: All information in this material is based on data as of Nov 8, 2019

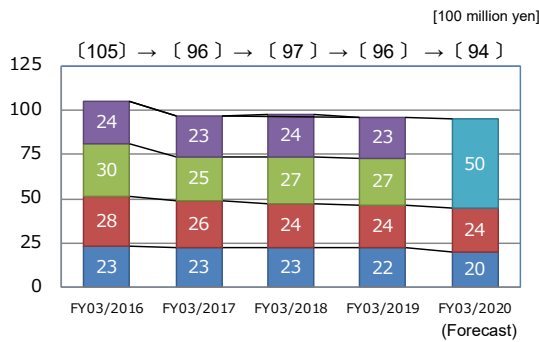




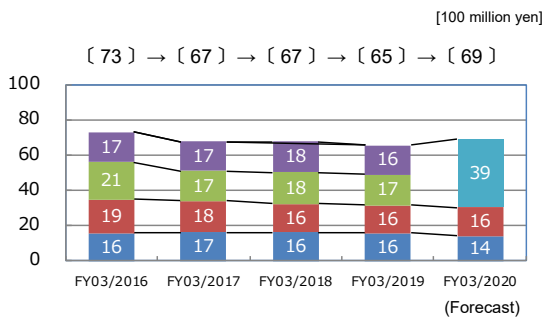
Details by Segment (2)

Domestic Licensing Business

Sales: Results and outlook



Direct Operating Profit: Results and outlook



Results of 1H FY03/2020

Sales decline of 2.4% (-¥ 100M) y-o-y. Profit decline of 4.8% (-¥100M) y-o-y.

For product licensing, unseasonable weather had an adverse effect on sales of all apparel-related items, but a design that includes several Sanrio characters, collaborative planning with other companies' anime content, and new collaboration with major food and drink manufacturers proved popular.

In enterprise planning, a design that includes several Sanrio characters used on the Pasmio IC card ticket for foreign visitors to Japan, original 7-Eleven lucky draws, and on other products contributed significantly to sales. Moreover, in an initiative with Shiseido Company, Limited, Hello Kitty character products created in collaboration with photographer and film director Mika Ninagawa were provided in Shiseido Parlour and developed with cosmetics. The Skylark Group's Cinnamoroll campaign and the 3M Japan Group's kitchen sponge campaign also proved popular.

Outlook for FY03/2020

Sales decline of 1.5% (-¥ 100M) y-o-y. Profit growth of 5.2% (+¥ 300M) y-o-y.

In product licensing, we are endeavoring to expand events commemorating the 45th anniversary of Hello Kitty. We will enhance 45th-anniversary promotions for My Melody and Little Twin Stars and 15th-anniversary collaborations for Kuromi, as well as product development. Ahead of the release of the animation in the spring, we will expand the Mewklee Dreamy product line. In addition, we will strengthen our initiatives for the launch of the Sanrio baby brand, along with sports and cheering-related products.

In terms of plans targeting companies, we will pursue contracts with local governments all over Japan, promote the use of characters in corporate facilities and events, such as the interiors of employee cafeterias, and develop a "referral business" in which partner companies serve as sales agents. In addition to expanding the use of characters in accommodation facilities, we will also propose their use in senior facilities and the staffing market.

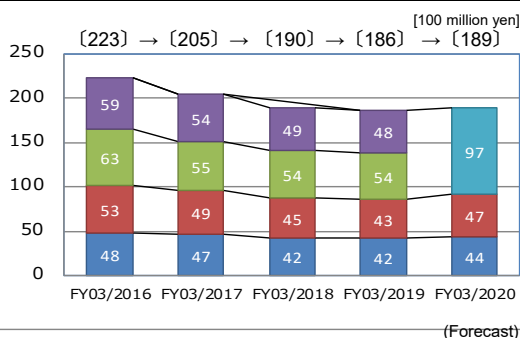
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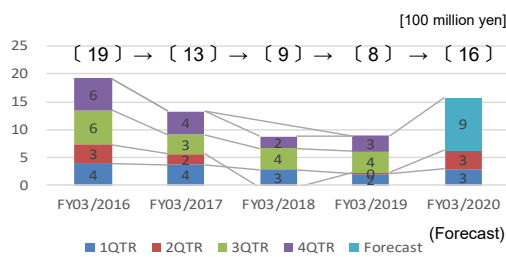


Details by Segment (3) Domestic Retail & Wholesale business

Sales: Results and outlook



Direct Operating Profit: Results and outlook



Results of 1H FY03/2020

Sales growth 7.2% (+¥ 600M) y-o-y. Profit growth 174.9% (+¥ 400M) y-o-y.

Products for several Sanrio characters (including PET bottle series and pouches) and lucky draws were supported by a customer base with a wide age range even after July. Furthermore, with the launch of the Enjoy Idol series of products, the Company has managed to incorporate a new customer base, the idol fans, for the first time. Customer numbers have risen to 117.0% of the figure for the same period of the previous year, and same-store sales (based on directly owned stores and directly operated shops within department stores) exceeded the previous year's level, reaching 110.6%. Department stores also opened shops for a limited period to commemorate the 45th anniversary of Hello Kitty and sales promotion initiatives were well received, leading to still greater recognition.

Sales in the wholesale division rose 5.5% year-on-year, with strong sales to partner Aeon and Don Quijote and to e-commerce partner Amazon. Going forward, we will strengthen sales to acquire promising channels that will become the next pillar following on from existing suppliers.

Outlook for FY03/2020

Sales growth of 1.0% (+¥ 100M) y-o-y. Profit growth of 76.6% (+¥ 600M) y-o-y.

As initiatives targeting inbound tourists, we are working to attract customers with posts on Chinese social media, push notifications in Japan, and an increase in word-of-mouth promotion. In addition, we will strive to attract customers and boost sales with a focus on in-store events.

In the wholesale sector, we will reinforce deliveries to strong sellers and expand new stores handling our products, as well as new sales channels.

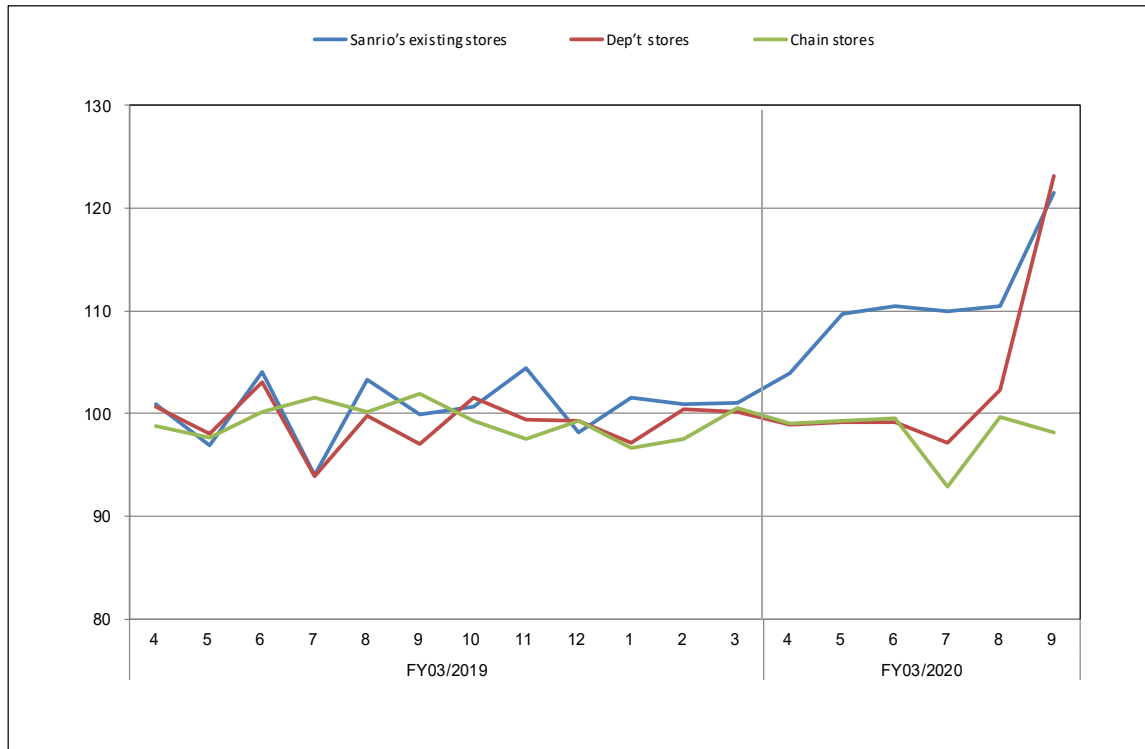
Note: Figures are rounded down to the nearest 100 million yen

Note: All information in this material is based on data as of Nov 8, 2019





Monthly Y-O-Y Changes in Sales of Existing Stores



Note: All information in this material is based on data as of Nov 8, 2019



Numbers of Stores in Japan

		As of Sep.30,2018		As of Sep.30,2019		Increase (Decrease)
Retail	Gift gate (Company-operated shop)	186	112	172	106	(6)
	Department store (Company-operated shop)		74		66	(8)
Wholesale	Department store (Inventory basis)	89	31	79	31	0
	Speciality stores		58		48	(10)
Total		275		251		(24)

Note) Regarding Department stores, shift to inventory basis from Company-operated store is also counted as closure.
Regarding Wholesale stores, we indicate numbers excluding the number of chain stores.

Note: All information in this material is based on data as of Nov 8, 2019

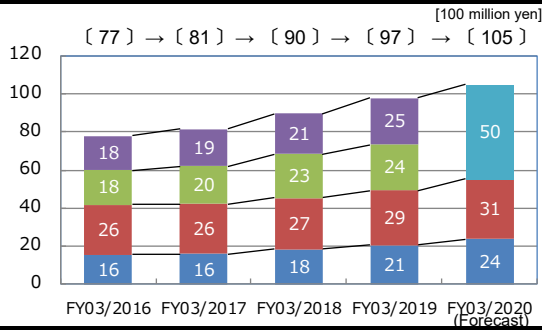




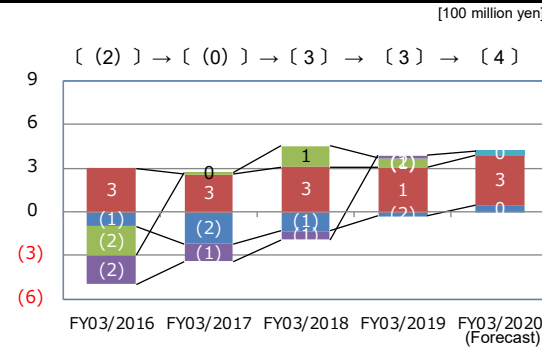
Details by Segment (4)

Theme Park Business Sanrio Puroland (SPL) & Oita Harmonyland (OHL)

Sales: Results and outlook



Direct Operating Profit: Results and outlook



Note: Figures are rounded to the nearest 100 million yen.

Note: All information in this material is based on data as of Nov 8, 2019



Results of 1H FY03/2020

Sales growth 11.6% (+¥ 500M) y-o-y. Profit growth by 43.4%(+¥ 0.1B) y-o-y.

In the theme parks business, at Sanrio Puroland in Tokyo's Tama City, visitor numbers rose 8.2%, or 58,000, year-on-year to 775,000. The effect of using social media to disseminate information aimed at young women was the primary reason for the rise in numbers. The higher visitor numbers by means of some kinds of discounts tickets led to a double-digit increase in ticket sales, product sales such as souvenirs, and restaurant sales year-on-year.

At Harmony Land in Oita Prefecture, visitor numbers rose 0.8%, or nearly 2,000, year-on-year to 248,000. Visitor numbers increased due to long holidays and large-scale member plans. Individual customer numbers exceeded those of the previous year due to various measures such as plan and tie-up discounts, and the number of foreign visitors to Japan also grew strongly. However customer numbers were greatly impacted by prolonged rainfall and typhoons, resulting in lower-than-expected figures. Sales and profits both increased due to strong sales including products and souvenirs

Outlook for FY03/2020

Sales growth 7.1% (¥ 0.6B) y-o-y. Profit growth by 17.5% (¥ 600M) y-o-y.

At Sanrio Puroland, character boat rides have been suspended for major repairs until mid-July 2020. We will ensure that customers are satisfied despite these circumstances by offering seasonal events on Halloween, Christmas, and Easter, and augmenting the My Melody 45th-anniversary events and events for adult women, as well as attracting customers with corporate tie-up measures.

At Harmony Land, we will continue efforts undertaken in the first half of the fiscal year to curb drops in attendance on rainy days, increase appearances by characters, particularly greetings, and strengthen the expansion of Wish Me Mell.



Sanrio Puroland (SPL)

S P L	1H FY03/2020 Results	Y-O-Y			
		1H FY03/2019 Results	Increase (Decrease)	Change	
Sales (million yen)	4,379	3,826	553	14.4%	
Off-site revenues (million yen)	383	369	13	3.6%	
In-site revenues (million yen)	3,995	3,456	5	15.6%	
Number of visitors (10K persons)	77.6	71.7	5.9	8.2%	
Total spending/person (yen)	5,151	4,819	331	2.0%	
Spending per person	Entrance fee (yen)	2,023	1,983	40	2.0%
	Retail & wholesale (yen)	2,171	1,939	231	11.9%
	Food and beverage (yen)	957	897	60	6.7%
Gross profit (million yen)	2,950	2,629	321	12.2%	
SG&A (million yen)	2,639	2,439	200	8.2%	
Operating profit (million yen)	311	191	120	63.1%	
COGS (%)	32.6%	31.3%	1.3%	—	

Note: Figures are rounded down to the nearest 1 million yen. Percentages are rounded to the nearest tenth of a percent.

Note: All information in this material is based on data as of Nov 8, 2019





Oita Harmonyland (OHL)

OHL	1H FY03/2020 Results	Y-O-Y		
		1H FY03/2019 Results	Increase (Decrease)	Change
Sales (million yen)	1,056	1,016	40	4.0%
Off-site revenues (million yen)	99	96	2	2.2%
In-site revenues (million yen)	957	919	38	4.1%
Number of visitors (10K persons)	24.9	24.7	0.2	0.8%
Total spending/person (yen)	3,849	3,726	123	3.3%
Spending per person				
Entrance fee (yen)	1,625	1,606	20	1.2%
Retail & wholesale (yen)	1,517	1,417	100	7.0%
Food and beverage (yen)	707	704	4	0.5%
Gross profit (million yen)	791	771	20	2.6%
SG&A (million yen)	727	711	16	2.2%
Operating profit (million yen)	64	60	4	6.6%
COGS (%)	25.1%	24.1%	1.0%	—

Note: Figures are rounded down to the nearest 1 million yen. Percentages are rounded to the nearest tenth of a percent.

Note: All information in this material is based on data as of Nov 8, 2019



Fiscal Year ending 03/2020 Forecast Revised on Oct.31

Note: All information in this material is based on data as of Nov 8, 2019





Income statement: FY03/2020 Forecast

[JPY million]

	FY03/2020 Revised forecast	Comparison y-o-y			Comparison to Revised Forecast (Jul.31)		
		FY03/2019 results	Increase (Decrease)	Change y-o-y	FY03/2020 Rev.Forecast	Increase (Decrease)	Change y-o-y
Sales	57,700	59,120	(1,420)	(2.4)	60,000	(2,300)	(3.8)
Gross profit	37,400	37,871	(471)	(1.2)	40,200	(2,800)	(7.0)
SG&A expenses	33,400	33,084	315	1.0	34,100	(700)	(2.1)
Operating profit	4,000	4,786	(786)	(16.4)	6,100	(2,100)	(34.4)
Non-operating profit	1,000	1,050	(50)	(4.8)	1,000	—	—
Ordinary profit	5,000	5,836	(836)	(14.3)	7,100	(2,100)	(29.6)
Extraordinary profit	(1,100)	234	(1,334)	—	(700)	(400)	—
Earnings before taxes	3,900	6,070	(2,170)	(35.8)	6,400	(2,500)	(39.1)
◆Taxes and adjustments	1,600	2,141	(541)	(25.3)	2,300	(700)	(30.4)
Net profit attributable to owners of parent	2,300	3,880	(1,580)	(40.7)	4,100	(1,800)	(43.9)
Gross margin	64.8%	64.1%	0.7%		67.0%	(2.2%)	
Operating profit margin	6.9%	8.1%	(1.2%)		10.2%	(3.3%)	
Ordinary profit margin	8.7%	9.9%	(1.2%)		11.8%	(3.1%)	

Note: Figures are rounded down to the nearest 1 million yen. Percentages are rounded to the nearest tenth of a percent.

Note: All information in this material is based on data as of Nov 8, 2019



Income Statements (FY03/2016 - FY03/2020)

[JPY million]

	2016.3		2017.3		2018.3		2019.3		2020.3	
	1H result	Full-year result	1H result	Full-year result	1H result	Full-year result	1H result	Full-year result	1H result	Full-year Forecast
Sales	35,458	72,476	31,451	62,695	28,299	60,220	28,272	59,120	27,660	57,700
Ratio of royalties	42.8%	40.8%	38.9%	38.0%	37.1%	36.7%	36.7%	36.7%	34.2%	34.8%
Gross profit	24,171	47,306	20,552	40,470	18,500	38,718	18,341	37,871	17,877	37,400
Operating profit	7,177	12,675	3,887	6,904	2,401	5,734	2,158	4,786	1,374	4,000
Ordinary profit	7,262	13,178	3,729	7,255	2,664	6,020	2,730	5,836	2,039	5,000
Net income attributable to shareholders of parent company	5,402	9,609	3,804	6,475	1,935	4,928	1,516	3,880	326	2,300
Operating profit margin	20.2%	17.5%	12.4%	11.0%	8.5%	9.5%	7.6%	8.1%	5.0%	6.9%
Net profit margin	15.2%	13.3%	12.1%	10.3%	6.8%	8.2%	5.4%	6.6%	1.2%	4.0%

Exchange Rate

[JPY]

E U R	135.65	134.68	125.42	121.49	122.28	126.87	131.26	130.39	124.49	121.71
G B P	184.78	184.95	161.77	149.77	142.42	145.20	149.33	147.19	142.07	136.60
U S D	120.49	120.99	113.05	110.30	112.76	112.39	109.14	110.57	110.12	108.60
H K D	15.54	15.61	14.56	14.21	14.50	14.42	13.93	14.11	14.05	13.85
T W D	3.87	3.81	3.45	3.41	3.67	3.69	3.68	3.67	3.56	3.50
K R W	0.1098	0.1072	0.0961	0.0950	0.0986	0.0998	0.1014	0.1009	0.0966	0.0931
C N Y	19.36	19.21	17.22	16.56	16.42	16.64	17.05	16.69	16.22	15.72

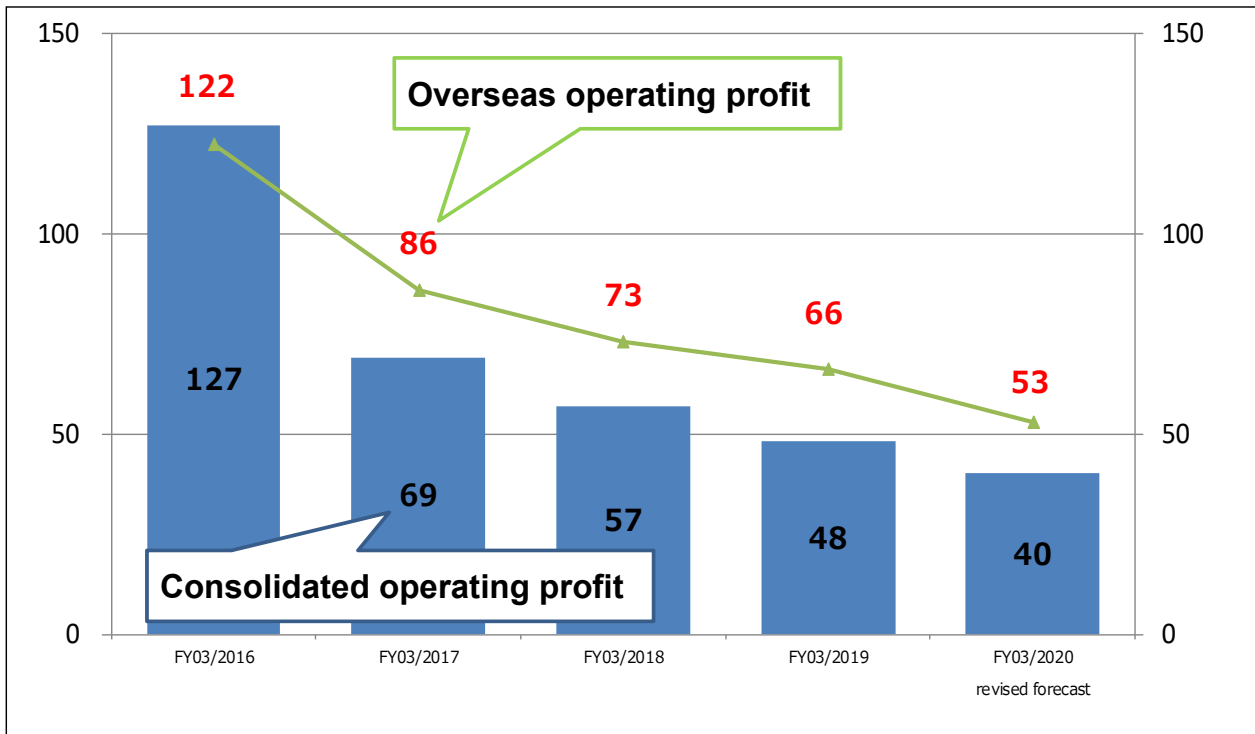
Note: All information in this material is based on data as of Nov 8, 2019





Operating profit FY03/2016 – FY03/2020 forecast: Japan and Overseas

[JPY 100million]



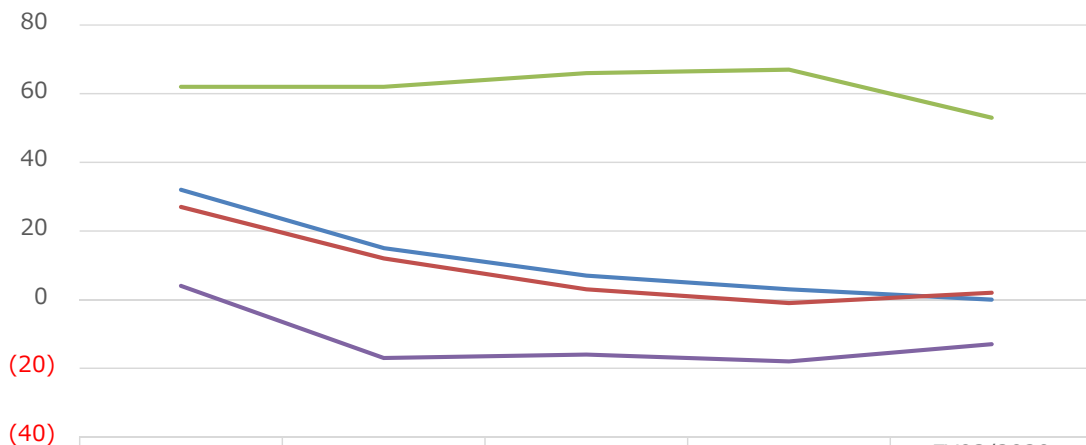
Note: Figures are rounded to the nearest 100 million yen.

Note: All information in this material is based on data as of Nov 8, 2019



Operating Profit Trend by Region (FY03/2016 – FY03/2020 forecast)

[JPY 100million]



	FY03/2016	FY03/2017	FY03/2018	FY03/2019	FY03/2020 Revised Forecast
Europe	32	15	7	3	(0)
Americas	27	12	3	(1)	2
Asia	62	62	66	67	53
Japan	4	(17)	(16)	(18)	(13)

In the operating profits stated above, licensing revenues, etc. received by the parent company from overseas subsidiaries are reallocated back to those companies, in order to more accurately reflect profits by region.

Note) UK (Mr. Men) is included in Europe.

Note: All information in this material is based on data as of Nov 8, 2019





Revised FY03/2020 Sales forecast by Segment

[JPY million]

	FY03/2020 2H forecast	Comparison y-o-y			Revised FY03/2020 Full-year forecast	Comparison y-o-y			
		FY03/2019 2H results	Increase (Decrease)	Change y-o-y(%)		FY03/2019 Full-year results	Increase (Decrease)	Change y-o-y(%)	
Sales by segment	Overseas	10,178	11,079	(901)	(8.1)	19,124	21,528	(2,404)	(11.2)
	Domestic	24,584	24,784	(200)	(0.8)	47,659	47,290	369	0.8
	Licensing	5,037	4,975	62	1.2	9,486	9,633	(147)	(1.5)
	Retail & Wholesale	9,696	10,129	(433)	(4.3)	18,850	18,671	179	1.0
	Theme parks	4,954	4,832	122	2.5	10,473	9,777	696	7.1
	Other	4,897	4,848	49	1.0	8,850	9,209	(359)	(3.9)
Elimination, etc.	(4,723)	(5,016)	293	—	(9,083)	(9,698)	615	—	
Consolidated net sales	30,039	30,847	(808)	(2.6)	57,700	59,120	(1,420)	(2.4)	

Note: Figures are rounded down to the nearest 1 million yen. Percentages are rounded to the nearest tenth of a percent.

Note: All information in this material is based on data as of Nov 8, 2019



Revised FY03/2020 Operating profit forecast by Segment

[JPY million]

	FY03/2020 2H forecast	Comparison y-o-y			FY03/2020 Revised Full-year forecast	Comparison y-o-y			
		FY03/2019 2H results	Increase (Decrease)	Change y-o-y(%)		FY03/2019 Full-year results	Increase (Decrease)	Change y-o-y(%)	
(Direct) Operating Profit by Segment	Overseas	2,919	3,362	(443)	(13.2)	5,310	6,591	(1,281)	(19.4)
	Domestic	(293)	(734)	441	(60.1)	(1,310)	(1,804)	494	(27.4)
	Licensing	3,871	3,380	491	14.5	6,897	6,559	338	5.2
	Retail & Wholesale	937	659	278	42.2	1,572	890	682	76.6
	Theme parks	33	88	(55)	(62.5)	423	360	63	17.5
	Other	392	346	46	13.4	625	554	70	12.8
	HQ cost center expenses, etc.	(5,527)	(5,208)	(319)	—	(10,827)	(10,168)	(659)	—
Consolidated operating profit	2,625	2,627	(1)	(0.1)	4,000	4,786	(786)	(16.4)	

Note: Figures are rounded down to the nearest 1 million yen. Percentages are rounded to the nearest tenth of a percent.

Note: All information in this material is based on data as of Nov 8, 2019





Revised FY03/2020 Forecast:

Details of HQ cost center expenses

[JPY million]

	2H FY03/2020 Forecast	Comparison y-o-y			FY03/2020 Revised Full-year Forecast	Comparison y-o-y			
		Results	Increase (Decrease)	Change Y-O-Y (%)		FY03/2019 Full-year results	Increase (Decrease)	Change y-o-y(%)	
HQ cost center expenses, etc.	Personal expenses	2,693	2,521	171	6.8	5,269	4,981	288	5.8
	Selling expenses	227	188	38	20.3	404	339	65	19.2
	Advertising expenses	512	443	69	15.6	1,024	838	185	22.1
	Logistics expenses	140	154	(13)	(8.9)	263	257	5	2.3
	Asset expenses	745	700	45	6.5	1,430	1,376	54	4.0
	Other expenses	1,207	1,200	7	0.7	2,433	2,374	58	2.5
Total	5,527	5,208	319	6.1	10,827	10,168	659	6.5	

Note: Figures are rounded down to the nearest 1 million yen. Percentages are rounded to the nearest tenth of a percent.

Note: All information in this material is based on data as of Nov 8, 2019



Revised FY03/2020 Forecast:

Overseas Sales by Region/Country [JPY million]

	FY03/2020 2H forecast	Comparison y-o-y			FY03/2020 Full-year forecast	Comparison y-o-y			
		FY03/2019 2H results	Increase (Decrease)	Change y-o-y(%)		FY03/2019 Full-year results	Increase (Decrease)	Change y-o-y	
Europe	Germany	839	697	142	20.4	1,678	2,014	(336)	(16.7)
	UK (MR.MEN)	322	382	(60)	(15.7)	518	643	(125)	(19.4)
North America	USA	1,985	1,959	26	1.3	3,598	3,610	(12)	(0.3)
South America	Brazil	409	428	(19)	(4.4)	733	804	(71)	(8.8)
Asia	HK	1,913	2,248	(335)	(14.9)	3,773	4,385	(612)	(14.0)
	Taiwan	992	1,086	(94)	(8.7)	1,923	2,290	(367)	(16.0)
	S. Korea	470	570	(100)	(17.5)	978	1,148	(170)	(14.8)
	China	3,248	3,689	(441)	(12.0)	5,917	6,585	(668)	(10.1)
	Asia total	6,623	7,593	(970)	(12.8)	12,591	14,408	(1,817)	(12.6)
Other	—	20	(20)	—	6	49	(43)	(87.8)	
Total	10,178	11,079	(901)	(8.1)	19,124	21,528	(2,404)	(11.2)	

Note: In the sales figure of overseas, licensing revenues, etc. received by the parent company from overseas subsidiaries are reallocated back to those companies, in order to more accurately reflect profits by region.

Note: Amount classified as "Other" in FY03/2019 2H results include -21M yen, which cannot be allocated to a region/country.

Note: Figures are rounded down to the nearest 1 million yen. Percentages are rounded to the nearest tenth of a percent.

Note: All information in this material is based on data as of Nov 8, 2019





Revised FY03/2020 Forecast:

Overseas Operating Profit by Region/Country

[JPY million]

		FY03/2020 2H forecast	Comparison y-o-y			FY03/2020 Full-year forecast	Comparison y-o-y		
			FY03/2019 2H results	Increase (Decrease)	Change y-o-y(%)		FY03/2019 Full-year results	Increase (Decrease)	Change y-o-y(%)
Europe	Germany	(17)	(61)	44	—	58	405	(347)	(85.7)
	UK (MR.MEN)	(3)	(17)	14	—	(104)	(94)	(10)	—
North America	USA	150	(169)	319	—	72	(371)	443	—
South America	Brazil	62	141	(79)	(56.0)	110	244	(134)	(54.9)
Asia	HK	687	1,003	(316)	(31.5)	1,455	1,933	(478)	(24.7)
	Taiwan	390	490	(100)	(20.4)	765	986	(221)	(22.4)
	S. Korea	157	225	(68)	(30.2)	326	445	(119)	(26.7)
	China	1,567	1,868	(301)	(16.1)	2,799	3,321	(522)	(15.7)
	Asia total	2,801	3,586	(785)	(21.9)	5,345	6,685	(1,340)	(20.0)
Other		(74)	(118)	44	—	(171)	(278)	107	—
Total		2,919	3,362	(443)	(13.2)	5,310	6,591	(1,281)	(19.4)

Note: In the sales figure of overseas, licensing revenues, etc. received by the parent company from overseas subsidiaries are reallocated back to those companies, in order to more accurately reflect profits by region.

Note: Amount classified as "Other" in FY03/2020 Full-year Forecast includes -1M yen, which cannot be allocated to a region/country.

Note: Figures are rounded down to the nearest 1 million yen. Percentages are rounded to the nearest tenth of a percent.

Note: All information in this material is based on data as of Nov 8, 2019



Revised Forecast:

Sales and Operating Profit of Overseas Subsidiaries (Local-currency based)

FY03/2020 [Jan-Dec. 2019]		Sales			Operating profit	O.P. Margin (%)
		Licensing	Retail & Wholesale	Total		
Germany	1,000EUR	9,684	40	9,725	(3,036)	—
(Change Y-O-Y)		(7.8)	(43.4)	(8.1)	—	
UK	1,000GBP	3,724	4	3,729	(764)	—
(Change Y-O-Y)		(10.2)	(86.5)	(10.9)	—	
North America	1,000USD	15,811	8,335	24,146	(6,034)	—
(Change Y-O-Y)		4.8	(8.0)	(0.0)	—	
Brazil	1,000BRL	16,560	335	16,895	(326)	—
(Change Y-O-Y)		(7.8)	(32.4)	(8.5)	—	
Hong Kong	1,000HKD	119,653	58,501	178,154	52,822	29.6
(Change Y-O-Y)		(13.2)	(18.1)	(14.9)	(29.8)	
Taiwan	1,000NTD	296,695	32,192	328,888	93,494	28.4
(Change Y-O-Y)		(11.7)	(47.4)	(17.2)	(22.9)	
Korea	1,000KRW	7,093,213	313,501	7,406,715	1,145,302	15.5
(Change Y-O-Y)		(10.6)	0.8	(10.1)	(30.9)	
China	1,000CNY	192,492	96,830	289,323	95,996	33.2
(Change Y-O-Y)		(10.3)	21.6	(1.7)	(9.2)	

Note: Operating profit and operating profit margin calculated after payment of master license fee to the HQ.

Note: Figures are rounded down to the nearest 1 thousand yen. Note: Overseas subsidiaries' fiscal year ends at the end of December.

Note: All information in this material is based on data as of Nov 8, 2019





Forecast: Currency Fluctuation Impacts

(On Overseas' Sales and Operating Profit)

FY03/2020 (Jan – Dec 2019)	EUR	GBP	USD	HKD	TWD	KRW	CNY	Total
Exchange rate in FY03/2019 (JPY)	121.71	136.60	108.60	13.85	3.50	0.0931	15.72	—
Exchange rate in FY03/2018 (JPY)	130.39	147.19	110.57	14.11	3.67	0.1009	16.69	—
Difference (JPY)	(8.68)	(10.59)	(1.97)	(0.26)	(0.17)	(0.0078)	(0.97)	—
Fluctuation rate	(6.7)	(7.2)	(1.8)	(1.8)	(4.6)	(7.7)	(5.8)	—

Sales denominated in local currency (Million)	9.7	3.7	28.5	178.2	328.9	7,406.7	289.3	—
Currency fluctuation impact (JPY million)	(84)	(39)	(56)	(46)	(55)	(57)	(280)	(620)

Operating profit denominated in local currency (Million)	(3.0)	(0.8)	(6.1)	52.8	93.5	1,145.3	96.0	—
Currency fluctuation impact (JPY million)	26	8	12	(13)	(15)	(8)	(93)	(85)

Currency exchange rate: Average rate during the relevant period (average of month-end TTM for 13 months from December of previous year to December of the relevant year) is used.

Amount pertaining to our subsidiary in Brazil, which is a consolidated subsidiary of our subsidiary in North America, is included in USD.

Currency fluctuation impact is difference between operating profit of overseas subsidiaries for the current year converted into JPY at the rate of previous FY and that of current FY.

Note: All information in this material is based on data as of Nov 8, 2019



Management Indicator & Return to Stockholders

Note: All information in this material is based on data as of Nov 8, 2019

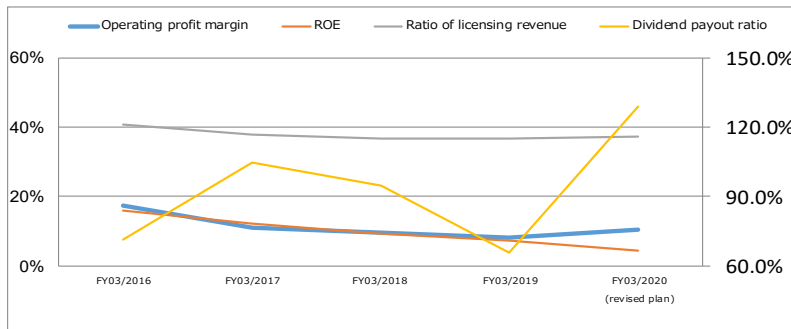




ROE and Ratio of Licensing Revenues (FY03/2016-FY03/2020)

Dividend for the current period : ¥ 35 / year (plan)
Dividend payout ratio: 129.1% ROE: 4.4%

	03/2016	03/2017	03/2018	03/2019	03/2020 (revised plan)
Operating profit margin	17.5	11.0	9.5	8.1	6.9
ROE	16.0	12.1	9.4	7.4	4.4
Ratio of licensing revenues	40.8	38.0	36.7	36.7	34.8
Dividend payout ratio	71.4	104.8	94.7	65.6	129.1
Corporate tax burden ratio	30.3	17.6	53.5	35.3	41.0
DOE	11.5	11.8	8.3	4.9	5.7



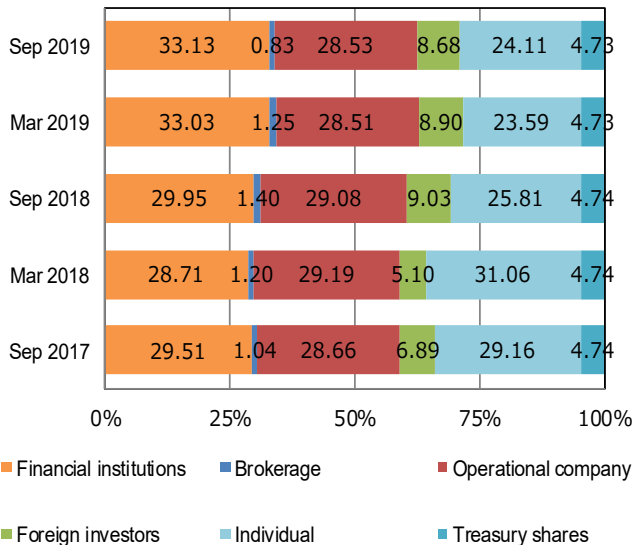
(Dividend) In FY03/2020, we plan to pay interim dividend of 15 yen and year-end dividend of 20 yen, totaling 35 yen.

Note: All information in this material is based on data as of Nov 8, 2019

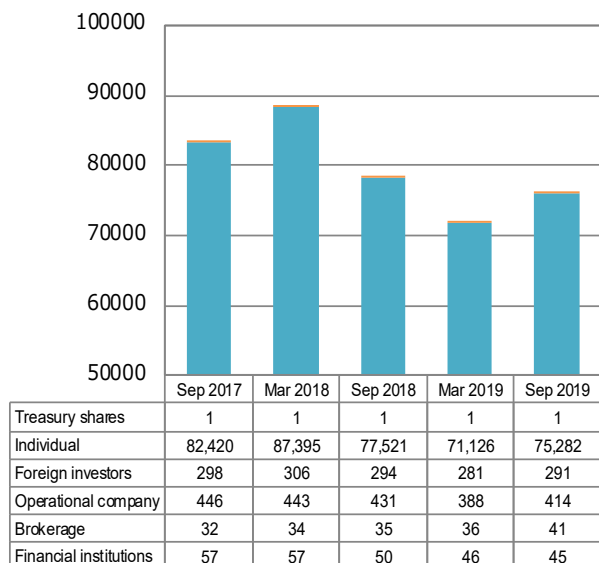


Shareholder Composition

Shareholder composition by number of stocks held



Shareholder composition by number of shareholders



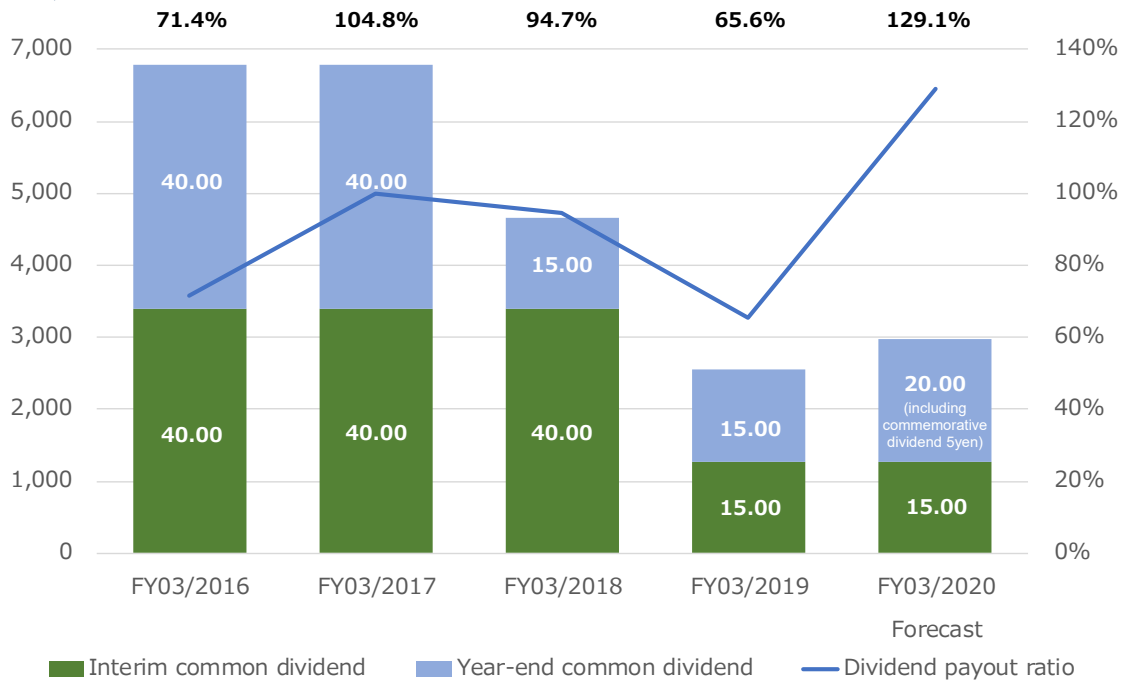
Note: All information in this material is based on data as of Nov 8, 2019





[JPY Million]

Total amount of dividend paid (FY03/2016 – FY03/2020 forecast)



Note) Figures in the chart are amount of dividend per share (JPY)

Note: All information in this material is based on data as of Nov 8, 2019



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