February 14, 2008

Summary of Financial Results for the First Nine Months of the Fiscal Year Ending March 31, 2008

Company name:	Sanrio Company, Ltd.	Listed Stock Exchange: TSE 1st Section
Stock code:	8136	(URL: http://www.sanrio.co.jp/english/ir/)
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(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the First Nine Months of FY3/08 (April 1, 2007 - December 31, 2007)

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Sales		Operating Profit		Ordinary Profit		Net Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months of FY3/08	71,606	(4.0)	5,652	(1.9)	4,825	(6.5)	1,256	(48.5)
Nine months of FY3/07	74,556	(2.2)	5,761	(9.8)	5,161	(12.8)	2,441	(43.1)
FY3/07	96,671	-	6,222	-	5,575	-	4,150	-

	Net Profit per Share	Fully-Diluted Net Profit per Share
	Yen	Yen
Nine months of FY3/08	10.25	10.24
Nine months of FY3/07	24.23	24.05
FY3/07	42.58	42.28

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
Nine months of FY3/08	94,053	34,286	36.5	273.76
Nine months of FY3/07	99,286	34,616	34.9	281.55
FY3/07	96,253	36,184	37.6	294.62

(3) Consolidated cash flow

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Nine months of FY3/08	1,896	(854)	(3,305)	13,194
Nine months of FY3/07	3,393	734	(3,340)	15,862
FY3/07	5,658	(349)	(4,795)	15,534

2. Consolidated Forecasts for FY3/08 (April 1, 2007 - March 31, 2008)

We maintain our forecast for the fiscal year ending March 31, 2008 announced on November 14, 2007.

3. Other

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

(2) Application of the simple method for accounting treatment: None

(3) Changes in accounting principles, procedures and presentation methods, etc. for preparation of consolidated financial statements

1) Changes caused by revision of accounting standards: Yes

2) Other changes: Yes

Note: Please refer to “Qualitative Information and Financial Position, 4. Other” on page 5 for further information.

* Cautionary statement with respect to forward-looking statements

Forecasts regarding future performance in these materials are based on estimates and judgments of the Company’s management made in accordance with information available at the time this report was prepared. Actual results may differ significantly from these forecasts for a number of factors. Please refer on page 5 for qualitative information regarding forecasts for consolidated business results.

Qualitative Information and Financial Position (First Nine Months of FY3/08)

1. Qualitative information regarding consolidated business results

To summarize the performance of the global economy over the first nine months of the fiscal year (April 1 to December 31, 2007), the first half saw a strong performance from Europe, a major contribution from economic expansion in emerging countries such as China, and the underlying strength of the US economy, while the second half has seen a considerable adverse impact from such factors as the US subprime loan problem and the decline in global stock markets, which have also affected the Japanese economy. Consumption patterns have become opaque, and the environment for consumer spending surrounding our group remains harsh.

In this environment, the Sanrio Group performed as follows.

Sales fell 4.0% year-on-year to 71.6 billion yen, with domestic sales falling 10.0% to 55.7 billion yen and overseas sales rising 25.7% to 15.9 billion yen. The decline in domestic sales is mainly attributable to an overall decline in domestic business amid a general slump in consumer spending. The rise in overseas sales was led by rapid expansion in Europe, with contributions from Asia and Latin America (Brazil).

Operating profit fell 1.9% to 5.6 billion yen, mainly due to an overall fall in sales from domestic business, which the dramatic rise in overseas business partially offset. Ordinary profit fell 6.5% to 4.8 billion yen, influenced by a rise in non-operating expenses such as foreign exchange translation losses and taxes and public charges.

Net profit before income taxes and other adjustments fell 13.4% to 4.6 billion yen, due to appropriation of reserve for retirement benefits for directors in prior years as extraordinary losses. Income taxes and income taxes deferred swelled to 2.6 billion yen due to a rise in dividends from subsidiaries due to eliminations for consolidation, and net profit fell 48.5% to 1.2 billion yen.

Business Results by Segment (100 millions of yen)

	Sales				Operating profit			
	9 months of FY3/07	9 months of FY3/08	Increase/ decrease	Change %	9 months of FY3/07	9 months of FY3/08	Increase/ decrease	Change %
Social communication gifts	679	652	(27)	(4.1)%	64	71	6	10.5%
Theme parks	55	48	(7)	(13.0)%	(1)	(5)	(3)	-
Other business	10	15	5	49.4%	1	(2)	(3)	-
Corporate and eliminations	-	-	-	-	(5)	(6)	(0)	-
Consolidated	745	716	(29)	(4.0)%	57	56	(1)	(1.9)%

1) Social communication gifts: Sales down 4.1% and operating profit up 10.5% year-on-year

The fall in sales is mainly attributable to a decline in product orders for convenience stores and special orders for corporate customers amid a continuing slump in the domestic consumption environment. Other contributing factors are sluggish domestic product sales and reduced orders, which were incurred as the bad weather led to the prioritizing of licensee stock adjustments in apparel and other domestic license businesses in the third quarter. Overseas, however, the product sales and licensing businesses performed well, with growing recognition of “Hello Kitty,” especially within Europe, accompanying the rapid growth of licensing. The result was a sharp rise in operating profit.

On the character side, “Hello Kitty,” which had hits including the Angel and Devil series and the “Made in Japan” souvenir series aimed at overseas tourists, saw an expansion of sales. Moreover, the success of the “Sugar Bunnies,” which rose to second place after the “Cinnamoroll” character, contributed greatly to the synergy effect of the licensing business.

Existing-store sales (based on directly owned stores and directly operated shops within department stores) were 94.1% of the year-ago level in Japan, for a 5.2 point acceleration of growth, but 103.2% of the year-ago level in the U.S., for a 6.0 point deceleration of growth.

2) Theme parks: Sales down 13.0% and increase in operating loss by 0.3 billion yen year-on-year

Sanrio Puroland in Tama City, Tokyo, debuted the new main parade show “Believe” in June and the new musical show “Marchen of the Sea” in December. Both attractions have proved popular. Throughout the period under review, however, a lack of discount initiatives led to a shortfall of kindergarten group visitors, and admission numbers fell 79,000, or 10.9 %, year-on-year to 646,000. Meanwhile at Harmony Land in Oita Prefecture, number of year-end visitors was unable to compensate for the decline caused by the effects of the bad weather during Golden Week and the summer vacation period in the first half of the year. As a result, visitor numbers fell 22,000, or 7.8%, year-on-year to 267,000.

3) Other business: Sales up 49.4% and increase in operating loss by 0.3 billion yen year-on-year

The inclusion of robot producer Kokoro Co., Ltd. as a consolidated subsidiary from the interim period and the opening of sweet shops in the restaurant business contributed to higher sales. Operating costs exceeded operating profit, however, leading to a fall in profits.

Results by Geographic Segment (100 millions of yen)

	Sales				Operating profit			
	9 months of FY3/07	9 months of FY3/08	Increase/ decrease	Change %	9 months of FY3/07	9 months of FY3/08	Increase/ decrease	Change %
Japan	639	578	(61)	(9.5)	44	33	(11)	(24.6)
North America	53	44	(9)	(17.0)	6	6	(0)	(9.3)
Other areas	52	93	40	77.4	11	23	11	107.2
Corporate and eliminations	-	-	-	-	(5)	(6)	(1)	-
Consolidated	745	716	(29)	(4.0)	57	56	(1)	(1.9)

1) Japan: Sales down 9.5% and operating profit down 24.6% year-on-year

The decline is mainly due to domestic factors similar to those for the business category segment described above.

2) North America: Sales down 17.0% and operating profit down 9.3% year-on-year

The US licensing business suffered a remarkable slowdown in sales due to a fall in house prices stemming from soaring gasoline prices and the subprime loan problem, which in turn led to a decline in consumer spending.
The decline in sales and profit is mainly attributable to a flawed Christmas strategy on top of a considerable fall in special orders for mass merchandisers in the first half. An increase in advertising, sales promotion, and other expenses aimed at stimulating the harsh consumption environment led to a decline in operating profit.

3) Other areas: Sales up 77.4% and operating profit up 107.2% year-on-year

The dramatic rise in sales and profit is mainly attributable to continuing strong performances in Europe, buoyant over-the-counter sales among agent companies, and the dramatic growth in licensing of apparel goods as new transactions from the current period. Licensing income has also risen due to bullish sales among local agencies in the Brazil region of Latin America. In the Asian region, sales are steadily growing in South Korea and China, and especially in Hong Kong, where accessories and other forms of goods licensing have begun to contribute to the established corporate promotion licenses.

(Reference) Overseas Sales and Profit for the Past Three Nine-month Period by Area (Millions of yen)

Areas		Sales to customers					Operating profit				
		9 months of FY3/06	9 months of FY3/07	Change %	9 months of FY3/08	Change %	9 months of FY3/06	9 months of FY3/07	Change %	9 months of FY3/08	Change %
North America	U.S.A.	5,943	5,338	(10.2)	4,433	(17.0)	549	665	21.3	604	(9.3)
Latin America	Brazil	359	595	65.6	751	26.2	117	279	137.8	293	4.8
Asia	Hong Kong	1,212	1,673	38.1	2,135	27.6	176	202	14.8	297	47.1
	Taiwan	1,040	767	(26.3)	891	16.2	241	224	(7.1)	138	(38.3)
	Korea	389	316	(18.6)	436	37.6	97	58	(39.9)	96	65.6
	China	111	118	6.1	232	95.9	8	9	17.6	49	394.5
Asia subtotal		2,753	2,876	4.5	3,694	28.5	524	495	(5.4)	582	17.5
Europe	Europe	1,618	1,773	9.6	4,856	173.8	292	338	15.6	1,431	323.5
Total		10,675	10,583	(0.9)	13,735	29.8	1,483	1,779	19.9	2,911	63.6

Overseas Sales

Overseas sales amounted to 15.9 billion yen (up 25.7% year-on-year) with an overseas sales ratio of 22.2% (up 5.2 points).

2. Qualitative information regarding consolidated financial position

At the end of the third quarter of the current fiscal year, total assets fell by 2.1 billion yen from the balance at the end of the previous fiscal year to 94.0 billion yen. The main fluctuating items on the assets side were a 3.8 billion yen increase in trade notes and accounts receivable and 1.2 billion yen increase in inventories, which occurred because the end of the third quarter accounts for 30% of annual sales. Meanwhile, cash and deposits fell 3.1 billion yen due to such factors as changes to the payment method from the current fiscal year from a notes-payable to a lump-sum accounts payable trust scheme, purchasing of trust beneficiary rights, and a fall in interest-bearing debt. Investment securities declined 1.4 billion yen due to a partial sale of brand holdings and a fall in valuation gains, and deferred tax assets declined 2.0 billion yen. Liabilities fell by 0.3 billion yen to 59.7 billion yen. The main fluctuating items on the liabilities side were a 1.9 billion yen lowering of interest-bearing debt aimed at improving financials. Net assets fell 1.8 billion yen from the end of the previous fiscal year to 34.2 billion yen due to dividend payments and a decline in net unrealized holding gain (loss) on other securities. The equity ratio was 36.5%, down 1.1 points from the end of the previous fiscal year.

Cash flows from operating activities amounted to a net inflow of 1.8 billion yen (down 1.4 billion yen year-on-year). This was mainly attributable to total inflows of 7.4 billion yen, including operating profit of 5.6 billion yen, and depreciation and provisions of 1.7 billion yen, set against outflows of 4.3 billion yen from an increase in working capital from such as accounts receivable, accounts payable, and inventories, and 1.1 billion yen from interests, income taxes, and other payments. Compared to the previous nine months period, there was a 1.8 billion yen increase in working capital due to the introduction of a lump-sum accounts payable trust scheme.

Cash flows from investing activities resulted in a net outflow of 0.8 billion yen (down 1.5 billion yen year-on-year). This was mainly attributable to 0.7 billion yen in income from the withdrawal of time deposits, set against 1.3 billion yen in payment for the purchase of tangible fixed assets, including the establishment of new shops and interior decorating. A year-on-year decline in income occurred from the purchase and sale of investment securities.

Cash flows from financing activities resulted in a net outflow of 3.3 billion yen. This was mainly attributable to a 2.0 billion yen repayment of interest-bearing debt, and cash dividends paid of 1.3 billion yen by the Company.

3. Qualitative information regarding forecasts for consolidated business results

Fears of recession in the US economy now seem closer to reality, and it is difficult to predict how the future ripple effect on the global economy will impact the Sanrio Group. There is also concern that corporate profit growth in the Japanese economy, which was previously considered healthy, is slowing, and that this will affect the consumption environment surrounding the Group.

Amid this situation, continued overseas growth in the social communication gift business, especially in Europe, is expected to compensate for domestic stagnation. Domestic business is also set to recover overall in the fourth quarter due to such factors as the arrival of the big season of kindergarten and school enrolment, high unit price products related to apparel goods including clothing and bags aimed at high-end targets, and the strong performance of products for overseas tourists, not just from Asia but also from Europe and North America. In the licensing business, licensing inventory adjustment is proceeding gradually due to weather and seasonal factors, and is expected to follow a steady recovery path.

In the theme park business, fourth quarter results are expected to continue on the same basis as before due to snowfalls and other instances of bad weather, although sales remained firm with a variety of events planned for the vacation season, including spring vacation events such as Valentine's Day, White Day, and "Cinnamon's Birthday."

We also anticipate good results from the spring campaign in the restaurant business.

As a result of the above, regarding the consolidated full-year results, we are making no changes to the projected performance and dividend figures released with the interim financial report on November 14, 2007.

4. Other

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation)

Not applicable.

(2) Application of the simple method for accounting treatment

Not applicable

(3) Changes in accounting principles from the recent consolidated fiscal year

(Change in depreciation method of tangible fixed assets)

The Company and its domestic consolidated subsidiaries depreciate assets acquired on or after April 1, 2007 using the depreciation method stipulated in the revised Corporate Tax Law, in line with revisions to the Corporate Tax Law including Law No. 6 to Partially Revise the Income Tax and Other Laws (March 30, 2007) and Government Ordinance No. 83 to Partially Revise Corporate Tax Law Ordinances (March 30, 2007).

Following the revised Corporate Tax Law, depreciate assets acquired on or before March 31, 2007 equally over five years, and book as a depreciation expense, the difference between the memorandum value, and 5% of the acquisition value, beginning in the fiscal year following the fiscal year in which the asset's value reaches 5% of the acquisition value based on depreciation methods prior to corporate tax law revisions.

(Reserve for retirement benefits for directors)

The Company, Harmony Land Co., Ltd. and Sanrio Far East Co., Ltd. Have adopted "Treatment for Auditing of Reserve under Special Taxation Measures Law, Allowance or Reserve under Special Laws and Allowance for Retirement Benefits to Directors" (JICPA Audit and Assurance Practice Committee Report No. 42) from the current fiscal year, and recorded the amount of 445 million yen, which is to be paid at the end of the period based on the internal rule, as reserve for retirement benefits for directors. The amount is recognized as the provision of reserve for retirement benefits for directors, which is further classified as selling, general and administrative expenses of 13 million yen incurred during the first nine months of the current fiscal year, and extraordinary loss of 432 million yen corresponding to the prior fiscal years.

5. (Summary) Consolidated Financial Statements

(1) (Summary) Consolidated Balance Sheets

(Millions of yen, %)

Account	Nine months of FY3/07 (As of Dec. 31, 2006)	Nine months of FY3/08 (As of Dec. 31, 2007)	Increase/decrease		(Reference) FY3/07 (As of Mar. 31, 2007)
	Amount	Amount	Amount	%	Amount
Assets					
I Current assets					
1. Cash and deposit	16,298	13,693	(2,605)		16,796
2. Trade notes and accounts receivable	16,893	16,633	(259)		12,832
3. Inventories	6,858	6,950	92		5,692
4. Other accounts receivable	461	632	171		827
5. Deferred tax assets	2,328	2,409	81		2,685
6. Other	1,096	959	(137)		948
7. Allowance for doubtful accounts	(210)	(171)	38		(242)
Total current assets	43,728	41,108	(2,619)	(6.0)	39,540
II Fixed assets					
1. Tangible fixed assets					
(1) Buildings and structures	10,109	9,881	(227)		10,329
(2) Machinery and equipment	818	999	180		855
(3) Land	11,608	11,557	(50)		11,599
(4) Construction in progress	57	19	(37)		68
(5) Other	631	717	85		570
Total tangible fixed assets	23,225	23,175	(49)	(0.2)	23,423
2. Intangible fixed assets	256	387	130	51.2	259
3. Investments and other assets					
(1) Investments securities	8,711	7,182	(1,529)		8,671
(2) Long-term loans	4,832	4,674	(158)		4,917
(3) Guarantees	5,557	4,302	(1,254)		4,671
(4) Deferred tax assets	9,828	9,109	(718)		10,872
(5) Other	3,498	4,885	1,387		4,359
Allowance for doubtful accounts	(446)	(821)	(375)		(520)
Total investments and other assets	31,982	29,332	(2,649)	(8.3)	32,973
Total fixed assets	55,463	52,895	(2,568)	(4.6)	56,656
III Deferred assets					
1. Stock issuance costs	19	-	(19)		-
2. Corporate bond issuance costs	75	49	(25)		55
Total deferred assets	94	49	(45)	(47.7)	55
Total assets	99,286	94,053	(5,233)	(5.3)	96,253

(Millions of yen, %)

Account	Nine months of FY3/07 (As of Dec. 31, 2006)	Nine months of FY3/08 (As of Dec. 31, 2007)	Increase/decrease		(Reference) FY3/07 (As of Mar. 31, 2007)
	Amount	Amount	Amount	%	Amount
Liabilities					
I Current liabilities					
1. Trade notes and accounts payable	15,461	12,128	(3,332)		11,614
2. Short-term borrowings	19,577	21,433	1,855		19,059
3. Current portion of corporate bonds to be redeemed	2,068	2,277	209		2,068
4. Accrued income taxes	354	791	437		430
5. Allowance for bonuses	94	116	21		374
6. Reserve for adjustment of returned goods	134	70	(64)		117
7. Deferred tax liabilities	-	4	4		-
8. Other	4,467	5,028	560		4,666
Total current liabilities	42,157	41,849	(307)	(0.7)	38,329
II Long-term liabilities					
1. Corporate bonds	7,021	5,744	(1,277)		6,837
2. Long-term borrowings	8,075	3,875	(4,200)		7,314
3. Reserve for retirement benefits for employees	6,422	6,772	349		6,509
4. Reserve for retirement benefits for directors	-	445	445		-
5. Long-term deposits received	652	733	81		679
6. Long-term accounts payable	179	196	16		192
7. Other	162	150	(11)		206
Total long-term liabilities	22,513	17,917	(4,595)	(20.4)	21,739
Total liabilities	64,670	59,767	(4,902)	(7.6)	60,069
Net assets					
I Shareholders' equity					
1. Capital	14,999	14,999	-	0.0	14,999
2. Capital surplus	10,094	10,095	0	0.0	10,095
3. Retained earnings	10,948	12,176	1,228	11.2	12,657
4. Treasury stock	(968)	(954)	13	(1.4)	(960)
Total shareholder's equity	35,074	36,317	1,243	3.5	36,792
II Valuation and translation adjustment					
1. Net unrealized gain (loss) on other securities	583	(779)	(1,363)		459
2. Deferred hedge gain (loss)	(59)	(73)	(13)		(56)
3. Foreign currency translation adjustments	(1,022)	(1,202)	(179)		(1,042)
Total valuation and translation adjustment	(498)	(2,055)	(1,556)	-	(638)
III Minority interests	40	24	(16)	(40.5)	30
Total net assets	34,616	34,286	(330)	(1.0)	36,184
Total liabilities and net assets	99,286	94,053	(5,233)	(5.3)	96,253

(2) (Summary) Consolidated Income Statement

(Millions of yen, %)

Account	Nine months of FY3/07 (Apr. 1, 2006 - Dec. 31, 2006)	Nine months of FY3/08 (Apr. 1, 2007 - Dec. 31, 2007)	Increase/decrease		(Reference) FY3/07 (Apr. 1, 2006 - Mar. 31, 2007)
	Amount	Amount	Amount	%	Amount
I Sales	74,556	71,606	(2,949)	(4.0)	96,671
II Cost of sales	44,457	41,669	(2,788)	(6.3)	57,961
Gross profit	30,098	29,937	(161)	(0.5)	38,709
Provision of reserve for adjustment of returned goods	53	-	(53)	-	36
Reversal from reserve for adjustment of returned goods	-	47	47	-	-
Net gross profit on sales	30,045	29,984	(61)	(0.2)	38,673
III Selling, general and administrative expenses	24,284	24,332	47	0.2	32,451
Operating profit	5,761	5,652	(108)	(1.9)	6,222
IV Non-operating profit	398	542	143	36.0	771
1. Interest income	230	334	104		351
2. Dividend income	63	74	10		99
3. Other income	104	133	29		320
V Non-operating expenses	997	1,369	371	37.3	1,418
1. Interest expense	611	586	(24)		802
2. Other expenses	386	782	396		615
Ordinary profit	5,161	4,825	(336)	(6.5)	5,575
VI Extraordinary gains	707	430	(277)	(39.2)	1,005
VII Extraordinary losses	493	598	105	21.3	620
Net profit before income taxes and other adjustments	5,375	4,656	(719)	(13.4)	5,960
Income taxes - current	605	736	131	21.6	845
Income taxes - deferred	2,325	2,669	344	14.8	971
Minority interests in income (loss) of consolidated subsidiaries	3	(6)	(9)	-	(6)
Net profit	2,441	1,256	(1,185)	(48.5)	4,150

(3) (Summary) Consolidated Cash Flow Statement

(Millions of yen)

	Nine months of FY3/07 (Apr. 1, 2006 - Dec. 31, 2006)	Nine months of FY3/08 (Apr. 1, 2007 - Dec. 31, 2007)	(Reference) FY3/07 (Apr. 1, 2006 - Mar. 31, 2007)
Account	Amount	Amount	Amount
I Cash flow from operating activities			
1. Net profit before income taxes and other adjustments	5,375	4,656	5,960
2. Depreciation	1,007	1,128	1,366
3. Amortization of long-term prepaid expenses	82	72	107
4. Increase (decrease) in allowance for doubtful accounts	(34)	221	67
5. Increase (decrease) in reserve for bonuses	(273)	(258)	6
6. Increase in reserve for retirement benefits for employees	268	211	355
7. Increase (decrease) in reserve for adjustment of returned goods	53	(47)	36
8. Increase in reserve for retirement benefits for directors	-	445	-
9. Interest and dividend income	(294)	(408)	(451)
10. Interest expense	611	586	802
11. Loss on disposal of fixed assets	43	63	73
12. Impairment loss	78	24	86
13. Gain on sale of investment securities	(703)	(413)	(1,014)
14. Valuation loss on investment securities	265	8	290
15. Increase in accounts receivable	(5,149)	(3,506)	(1,075)
16. Increase in inventories	(1,297)	(1,063)	(116)
17. Decrease (increase) in other assets	197	(165)	20
18. Increase (decrease) in accounts payable	3,737	395	(10)
19. Increase (decrease) in consumption tax payable	41	(74)	(91)
20. Increase in other liabilities	218	743	212
21. Other	121	9	326
Subtotal	4,348	2,629	6,949
22. Interests and dividends received	298	411	455
23. Interests paid	(504)	(511)	(821)
24. Income taxes paid	(749)	(633)	(925)
Cash flow from operating activities	3,393	1,896	5,658
II Cash flow from investing activities			
1. Payments for time deposits	(424)	(524)	(1,259)
2. Withdrawal of time deposits	1,247	1,280	1,268
3. Payments for purchase of tangible fixed assets	(831)	(1,381)	(1,085)
4. Payments for purchase of investment securities	(2,526)	(3,158)	(3,784)
5. Proceeds from sale of investment securities	3,906	3,041	5,524
6. Payments for loans receivable	(670)	(174)	(706)
7. Collection of loans receivable	390	107	406
8. Payments for other investing activities	(1,398)	(1,414)	(2,691)
9. Proceeds from other investing activities	1,041	1,369	1,978
Cash flows from investing activities	734	(854)	(349)

(Millions of yen)

	Nine months of FY3/07 (Apr. 1, 2006 - Dec. 31, 2006)	Nine months of FY3/08 (Apr. 1, 2007 - Dec. 31, 2007)	FY3/07 Summary (Apr. 1, 2006 - Mar. 31, 2007)
Account	Amount	Amount	Amount
III Cash flows from financing activities			
1. Increase in short-term borrowings	1,668	351	1,905
2. Decrease in short-term borrowings	(964)	(933)	(1,610)
3. Increase in long-term borrowings	300	1,800	300
4. Decrease in long-term borrowings	(1,902)	(2,317)	(2,771)
5. Proceeds from issuance of corporate bonds	656	977	656
6. Payment for redemption of corporate bonds	(1,850)	(1,884)	(2,034)
7. Payment for purchase of treasury stock	(0)	(0)	(0)
8. Proceeds from sale of treasury stock	38	6	47
9. Dividends paid	(1,287)	(1,306)	(1,288)
Cash flows from financing activities	(3,340)	(3,305)	(4,795)
IV Effect of exchange rate changes on cash and cash equivalents	126	(110)	71
V Increase (decrease) in cash and cash equivalents	913	(2,374)	584
VI Cash and cash equivalents at beginning of period	14,906	15,534	14,906
VII Increase in cash and cash equivalents from new consolidation	42	34	42
VIII Cash and cash equivalents at end of period	15,862	13,194	15,534

(4) Segment Information

Business segment information

Nine months of FY3/07 (Apr. 1, 2006 – Dec. 31, 2006) (Millions of yen)

	Social communication gifts	Theme parks	Other	Total	Corporate and eliminations	Consolidated
I. Sales and operating profit (loss)						
Sales						
(1) Customers	67,969	5,528	1,058	74,556	-	74,556
(2) Inter-segment	869	890	-	1,759	(1,759)	-
Total	68,838	6,418	1,058	76,316	(1,759)	74,556
Operating expenses	62,401	6,613	952	69,967	(1,172)	68,795
Operating profit (loss)	6,437	(195)	106	6,348	(587)	5,761

Nine months of FY3/08 (Apr. 1, 2007 – Dec. 31, 2007) (Millions of yen)

	Social communication gifts	Theme parks	Other	Total	Corporate and eliminations	Consolidated
I. Sales and operating profit (loss)						
Sales						
(1) Customers	65,214	4,810	1,581	71,606	-	71,606
(2) Inter-segment	634	947	118	1,699	(1,699)	-
Total	65,848	5,758	1,699	73,306	(1,699)	71,606
Operating expenses	58,734	6,312	1,971	67,018	(1,064)	65,954
Operating profit (loss)	7,114	(553)	(271)	6,288	(635)	5,652

(Reference) FY3/07 (Apr. 1, 2006 – Mar. 31, 2007) (Millions of yen)

	Social communication gifts	Theme parks	Other	Total	Corporate and eliminations	Consolidated
I. Sales and operating profit (loss)						
Sales						
(1) Customers	88,133	7,094	1,443	96,671	-	96,671
(2) Inter-segment	1,072	1,173	-	2,245	(2,245)	-
Total	89,206	8,267	1,443	98,917	(2,245)	96,671
Operating expenses	81,731	8,735	1,420	91,886	(1,437)	90,449
Operating profit (loss)	7,474	(467)	23	7,030	(808)	6,222

Geographical segment information

Nine months of FY3/07 (Apr. 1, 2006 – Dec. 31, 2006) (Millions of yen)

	Japan	North America	Other areas	Total	Corporate and eliminations	Consolidated
I. Sales and operating profit (loss)						
Sales						
(1) Customers	63,972	5,338	5,245	74,556	-	74,556
(2) Inter-segment	2,341	96	1,733	4,170	(4,170)	-
Total	66,313	5,434	6,978	78,727	(4,170)	74,556
Operating expenses	61,823	4,769	5,864	72,457	(3,662)	68,795
Operating profit	4,490	665	1,113	6,269	(508)	5,761

Nine months of FY3/08 (Apr. 1, 2007 – Dec. 31, 2007) (Millions of yen)

	Japan	North America	Europe	Asia	Other areas	Total	Corporate and eliminations	Consolidated
I. Sales and operating profit (loss)								
Sales								
(1) Customers	57,870	4,433	4,856	3,694	751	71,606	-	71,606
(2) Inter-segment	3,655	165	4	1,577	-	5,403	(5,403)	-
Total	61,526	4,599	4,860	5,272	751	77,010	(5,403)	71,606
Operating expenses	58,141	3,994	3,428	4,690	457	70,713	(4,759)	65,954
Operating profit	3,385	604	1,431	582	293	6,296	(644)	5,652

(Reference) FY3/07 (Apr. 1, 2006 – Mar. 31, 2007) (Millions of yen)

	Japan	North America	Other areas	Total	Corporate and eliminations	Consolidated
I. Sales and operating profit (loss)						
Sales						
(1) Customers	82,416	6,818	7,436	96,671	-	96,671
(2) Inter-segment	3,610	103	2,114	5,828	(5,828)	-
Total	86,027	6,921	9,551	102,500	(5,828)	96,671
Operating expenses	81,171	6,111	8,265	95,548	(5,099)	90,449
Operating profit	4,856	810	1,285	6,951	(729)	6,222

Overseas sales

Nine months of FY3/07 (Apr. 1, 2006 – Dec. 31, 2006) (Millions of yen)

	North America	Other areas	Total
I Overseas sales	5,338	7,313	12,652
II Consolidated sales	-	-	74,556
III Percentage of overseas sales over consolidated sales (%)	7.2	9.8	17.0

Nine months of FY3/08 (Apr. 1, 2007 – Dec. 31, 2007) (Millions of yen)

	North America	Other areas	Total
I Overseas sales	4,436	11,469	15,905
II Consolidated sales	-	-	71,606
III Percentage of overseas sales over consolidated sales (%)	6.2	16.0	22.2

(Reference) FY3/07 (Apr. 1, 2006 – Mar. 31, 2007) (Millions of yen)

	North America	Other areas	Total
I Overseas sales	6,818	10,244	17,062
II Consolidated sales	-	-	96,671
III Percentage of overseas sales over consolidated sales (%)	7.1	10.6	17.7

Notes: 1. Countries and/or regions are classified by geographical proximity.

2. Major areas included in each segment except for Japan are as follows:

North America: U.S.A.

Other areas: Hong Kong, Taiwan, Korea, Thailand, Europe, Brazil, China

3. Overseas sales is a sum of exports of the Company and domestic consolidated subsidiaries and sales of consolidated subsidiaries based in the U.S.A., Hong Kong, Taiwan, Korea, Germany, Brazil and China (excluding internal transactions).

This financial report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.