

**Summary of Financial Results for the Third Quarter of Fiscal Year Ending March 31, 2010 (FY2009)**  
**(Nine Months Ended December 31, 2009)**

Company name: Sanrio Company, Ltd. Listed Stock Exchange: TSE 1st Section  
 Stock code: 8136 URL: <http://www.sanrio.co.jp/english/corporate/ir/>  
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 Scheduled date of filing of Quarterly Report: February 15, 2010  
 Starting date of dividend payment: -

(All amounts are rounded down to the nearest million yen)

**1. Consolidated Financial Results for the Third Quarter of FY2009 (April 1, 2009 – December 31, 2009)**

(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 ended Dec. 31, 2009	54,285	(1.5)	6,110	5.2	5,336	5.9	2,899	63.2
Nine months ended Dec. 31, 2008	55,117	-	5,808	-	5,038	-	1,777	-

	Net Profit per Share	Fully-Diluted Net Profit per Share
	Yen	Yen
Nine months ended Dec. 31, 2009	29.16	28.50
Nine months ended Dec. 31, 2008	16.13	-

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of Dec. 31, 2009	87,135	29,124	33.4	214.65
As of Mar. 31, 2009	79,087	26,844	33.9	187.08

(Reference) Shareholders' equity (millions of yen) Dec. 31, 2009: 29,092 Mar. 31, 2009: 26,821

**2. Dividends**

	Dividend per Share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2008	-	0.00	-	10.00	10.00
FY2009	-	0.00	-		
FY2009 (forecast)				10.00	10.00

Notes: 1. Revision of dividend forecast during the period: None

2. The dividend figures above show dividends for common stock. Please refer to "Dividends of classified stock" on page 2 for information on dividends for shares whose rights are different from those of the Company's common stock.

**3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2010 (April 1, 2009 – March 31, 2010)**

(Percentages represent year-on-year changes)

	Sales		Operating Profit		Ordinary Profit		Net Profit		Net Profit per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	68,572	(1.7)	6,097	(7.3)	4,947	(16.9)	2,694	-	25.49

Note: Revision of consolidated forecast during the period: None

**4. Others**

- (1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None
- (2) Application of simplified accounting methods and special accounting methods in the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting principles, procedures and presentation methods, etc. for preparation of quarterly consolidated financial statements
- 1) Changes caused by revision of accounting standards: None
  - 2) Other changes: None
- (4) Number of outstanding shares (common stock)
- 1) Number of outstanding shares at the end of period (including treasury stock)
 

Dec. 31, 2009:	88,148,431 shares	Mar. 31, 2009:	88,148,431 shares
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  - 2) Number of treasury stock at the end of period
 

Dec. 31, 2009:	847,460 shares	Mar. 31, 2009:	847,216 shares
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  - 3) Average number of shares outstanding during the period
 

Nine months ended Dec. 31, 2009:	87,301,105 shares	Nine months ended Dec. 31, 2008:	87,301,376 shares
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**\* Cautionary statement with respect to forward-looking statements**

Forecasts regarding future performance in these materials are based on assumptions judged to be valid and information currently available to the Company. Actual results may differ significantly from these forecasts for a number of factors. Please refer to "Qualitative Information and Financial Position, 3. Qualitative information regarding forecasts for consolidated business results" on page 6 for precondition and assumption as the basis of the above forecasts.

**Dividends of classified stock**

Total dividends and breakdown of dividends for classified stock whose rights are different from those of common stock are shown below.

(Record date)	Dividend per Share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Class B preferred stock					
FY2008	-	0.00	-	489.90	489.90
FY2009	-	0.00	-		
FY2009 (forecast)				469.00	469.00

**Qualitative Information and Financial Position (Nine Months Ended December 31, 2009)****1. Qualitative information regarding consolidated business results**

In the first nine months of the current fiscal year (April 1, 2009 to December 31, 2009), the global economy as a whole sustained the recovery trend that began around the start of the fiscal year, led by high growth in China and other newly industrialized countries and supported by individual government initiatives to counter falls in demand. The Japanese economy bottomed out in March and began to recover, but continuing high unemployment rates, both in Japan and overseas, have led to fears of a double-dip recession.

Under such conditions, total sales fell 1.5% year-on-year to 54.2 billion yen. Domestic sales fell 4.1% year-on-year to 37.6 billion yen while overseas sales up 4.9% to 16.6 billion yen, despite the appreciating yen, due to strong expansion in the European region. Both domestic and overseas sales showed a higher year-on-year increase over the first three quarters than they did over the first two quarters. The overseas sales ratio was 30.7%. Operating profit rose 5.2% to 6.1 billion yen, as brisk business overseas reduced the impact of weak performances from theme parks and domestic licensing in the social communication gifts segment. Curtailment of personnel and asset costs were also contributing factors.

Ordinary profit rose 5.9% year-on-year to 5.3 billion yen, despite a fall in interest and dividend income, and a rise in withholding tax processing costs for overseas licensing income, which has grown remarkably. Non-operating profit and loss remained around the level of the same period of the previous fiscal year due to reduced interest expenses and foreign exchange loss. Net profit before income taxes and other adjustments rose 13.8% year-on-year to 4.6 billion yen due to valuation loss on investment securities and restructuring loss of the theme parks business, while net profit rose 63.2% to 2.8 billion yen due to a reduction in income taxes-deferred.

Since the fiscal year-end for all overseas consolidated subsidiaries is December, the first nine months under review covers the period from January to September 2009.

**Business Results by Segment**

(100 millions of yen)

Nine months ended	Sales				Operating Profit			
	Dec. 2008	Dec. 2009	Increase/ decrease	Change %	Dec. 2008	Dec. 2009	Increase/ decrease	Change %
Social communication gifts	492	487	(5)	(1.2)%	73	73	(0)	(0.6)%
Theme parks	39	38	(1)	(2.7)%	(8)	(6)	2	-
Other business	18	16	(1)	(8.2)%	(2)	(2)	(0)	-
Eliminations and corporate	-	-	-	-	(4)	(3)	0	-
Consolidated	551	542	(8)	(1.5)%	58	61	3	5.2%

## i. Social communication gifts:

Sales fell 1.2% year-on-year to 48.7 billion yen, and operating profit fell 0.6% to 7.3 billion yen

Overseas licensing performed well in the European region, while the product sales business for domestic chain stores and the domestic licensing business for toys and gifts sold in limited areas faltered. Exports, especially to the Asian region, performed weakly.

Nevertheless, domestic same-store sales (based on directly owned stores and directly operated shops within department stores) performed strongly, achieving 102.2% of the previous year's level. In the thriving European sector, the sustained growth of the licensing accelerated in the third quarter despite the soaring yen, covering the fall in domestic licensing and other income, and maintaining sales and operating profit at around the level of the same period of the previous fiscal year.

On the product and character side, product development centered on "Hello Kitty" and introduced at events to commemorate Hello Kitty's 35<sup>th</sup> anniversary had a great reception (especially in the second quarter), both domestically and internationally. The popular TV cartoon character "Jewelpet" contributed greatly to sales. Moreover, license transactions focused on collaborations for apparel, bags, and other products within Japan compensated for the poor performance of gifts sold in limited areas.

## ii. Theme parks:

Sales fell 2.7% year-on-year to 3.8 billion yen, and operating loss stood at 0.6 billion yen, an improvement of 0.2 billion yen

The fall in sales is mainly attributable to the slowdown at Sanrio Puroland in Tama City, Tokyo. Visitor numbers of 538,000 (down 46,000 year-on-year) failed to match those of the same period of the previous fiscal year, despite the introduction of new musical and events. Profits improved, however, due to a reduction in costs.

Harmony Land in Oita Prefecture performed well thanks to such factors as cheaper expressway tolls, advance ticket discount campaigns at Sanrio stores, and the staging of events. Visitor numbers reached 241,000 (a year-on-year rise of 24,000), despite the fall in group visitors from Taiwan and South Korea due to the impact of the strong yen and swine flu. This contributed to a reduction in operating losses.

## iii. Other business:

Sales fell 8.2% year-on-year to 1.6 billion yen, and operating loss fell slightly at 0.2 billion yen

The fall in sales is mainly attributable to the closure of sweet shops undertaken as a new store format and the effect of special orders acquired the previous year in the Kentucky Fried Chicken franchise.

On the profit side, income from real estate leasing declined, but the closure of the sweet shops business enabled profits to recover, and operating loss remained at around the level of the same period of the previous fiscal year.

## Results by Geographic Segment

(100 millions of yen)

Nine months ended	Sales				Operating Profit			
	Dec. 2008	Dec. 2009	Increase/ decrease	Change %	Dec. 2008	Dec. 2009	Increase/ decrease	Change %
Japan	410	388	(21)	(5.3)%	30	27	(2)	(7.6)%
Europe	71	80	8	12.0%	22	25	3	14.2%
North America	37	34	(3)	(9.2)%	4	5	1	29.5%
Other areas	31	39	8	27.2%	5	5	(0)	(4.8)%
Eliminations and corporate	-	-	-	-	(4)	(3)	1	-
Consolidated	551	542	(8)	(1.5)%	58	61	3	5.2%

Since the fiscal year-end for the consolidated subsidiaries in America (including Brazil), Taiwan, and Hong Kong was changed from March to December in the previous fiscal year, the year-on-year comparative figures for regions including North America, Brazil, Taiwan, and Hong Kong compare the April to December 2008 period with the January to September 2009 period, while figures for Europe and other regions compare January to September 2008 with January to September 2009.

## i. Japan: Sales fell 5.3% year-on-year to 38.8 billion yen, and operating profit fell 7.6% to 2.7 billion yen

The fall in sales is mainly attributable to the slowdown in the domestic consumer environment, which has affected product sales for chain stores and licensing, together with weak exports, especially to the Asian region. The fall in profit is mainly due to lower profit in the domestic licensing.

## ii. Europe: Sales rose 12.0% year-on-year to 8.0 billion yen, and operating profit rose 14.2% to 2.5 billion yen

Sales and profits continued to perform well despite the yen's sharp appreciation against the euro, especially in the third quarter when licensing income soared still higher. The product sales business battled a listless consumer environment and rising costs from falling currency values in the still-developing East European region. The licensing business remained strong as the demand from new licensees continued to grow, and the market expanded in the north and east of Europe.

## iii. North America:

Sales fell 9.2 % year-on-year to 3.4 billion yen, and operating profit rose 29.5% to 0.5 billion yen

US economic indicators showed a gradual recovery trend despite the high unemployment rate. In this environment, the continuing review of global licenses begun last year has borne fruit. Licensing has performed strongly, compensating for the slump in wholesale figures, and profits have risen despite a falling sales influenced by the strong yen.

## iv. Other areas (mainly Brazil and Asia):

Sales rose 27.2% year-on-year to 3.9 billion yen, and operating profit fell 4.8% to 0.5 billion yen

In Brazil, sales performed well on a local currency basis, and sales rose after declining until the second quarter due to the impact of the strong yen. Operating profit also rose due to cost-cutting measures. In the Asian region, the Sanrio Group posted an operating loss in Taiwan due to the poor performance of the San-Byte Taiwan's movie distribution and copyright agency business for other companies in a generally weak consumer spending. In Hong Kong, sales and profits rose as Europe-bound exports continued to increase while reducing costs. In South Korea, sales and profits fell despite local joint ventures in the licensing business improving on the previous fiscal year's performances. The falls were due to the strong appreciation of the yen and corresponding depreciation of the won combined with a rise in costs incurred by the staging of events and promotions. In China, sales and profits fell due to continuing caution over licensee inventory investment.

## 2. Qualitative information regarding consolidated financial position

At the end of the third quarter, total assets stood at 87.1 billion yen, a rise of 8.0 billion yen from the end of the previous fiscal year. The major positive factors included 3.1 billion yen in cash and deposits, 3.2 billion yen in trade notes and accounts receivable, 1.1 billion yen in inventories, and 0.5 billion yen in long-term loans. Meanwhile liabilities grew 5.7 billion yen to 58.0 billion yen. The major positive factors included 3.5 billion yen in trade notes and accounts payable, 1.5 billion yen in corporate bonds, 0.9 billion yen in other accounts payable and 0.4 billion yen in accrued income taxes. The major negative factors included 0.6 billion yen in short-term borrowings (excluding current portion of long-term loans payable). Net assets rose 2.2 billion yen to 29.1 billion yen due to such factors as a rise of 2.8 billion yen from net profit, a rise of 0.4 billion yen from net unrealized gain on other securities, a rise of 0.3 billion yen from foreign currency translation adjustment, and a 1.3 billion yen fall due to dividends paid. The equity ratio was 33.4%, down 0.5 percentage points from the end of the previous fiscal year.

Cash flows from operating activities amounted to an inflow of 5.4 billion yen (down 1.1 billion yen year-on-year). This is mainly attributable to inflows comprising 6.1 billion yen of operating profit (up 0.3 billion yen year-on-year), depreciation and provisions of 0.9 billion yen (up 0.1 billion yen year-on-year), net increase of other assets, other liabilities and consumption tax payable of 1.8 billion yen (up 1.8 billion yen year-on-year), set against outflows comprising a 1.5 billion yen increase in working capital (down 3.1 billion yen year-on-year) due to factors such as fluctuations in accounts receivable, accounts payable, and inventories, and 1.6 billion yen (up slightly year-on-year) for interest, income tax, and other payments.

Cash flows from investing activities resulted in an outflow of 1.2 billion yen (down 0.3 billion yen year-on-year). This was mainly attributable to payments of 1.3 billion yen for the purchase of tangible fixed assets.

Cash flows from financing activities resulted in an outflow of 1.1 billion yen (down 2.6 billion yen year-on-year). This is mainly attributable to an inflow comprising 2.4 billion yen of issuance of corporate bonds set against outflows comprising 1.3 billion yen of dividends paid, 0.9 billion yen of redemption of corporate bonds, and 1.0 billion yen of decrease in short-term and long-term borrowings.

As a result of the above, cash and cash equivalents at the end of the third quarter increased 3.0 billion yen from the end of the previous fiscal year to 16.6 billion yen.

### 3. Qualitative information regarding forecasts for consolidated business results

In the Japanese economy and elsewhere indicators have begun to point to recovery, and the employment environment shows signs of bottoming out. Full recovery is still a long way off, however, and a turnaround in deflation is not anticipated as the end of the fiscal year approaches.

Under these conditions, the social communication gifts business is anticipated to continue expanding overseas, led by licensing in the European region, while domestic product sales are anticipated to remain unchanged. Recovery prospects for domestic licensing are harsh, however, due to the slowdown in the department stores and chain stores that provide the bulk of licensed product sales and the strong trend toward low-end products.

The Sanrio Group aims to reduce operating losses in the theme parks business by endeavoring to step up the cost-cutting drive of the first three quarters. We anticipate that the harsh conditions will continue into the fourth quarter and beyond, however, due to the continuing economy trend influenced by the uncertain employment environment.

In light of the situation above, considering uncertain elements such as fears of a further appreciation of the yen, political uncertainty, and the exhaustion of front-loaded consumption stimulated by government policies (including Eco-point), we have made no changes the full-year forecast released on October 30, 2009.

#### (Reference) Overseas Sales and Profit for the Past Nine-month Periods by Area

(Millions of yen)

Nine months ended		Sales to customers					Operating profit				
		Dec. 2007	Dec. 2008	Change (%)	Dec. 2009	Change (%)	Dec. 2007	Dec. 2008	Change (%)	Dec. 2009	Change (%)
North America	U.S.A.	4,433	3,775	(14.8)	3,427	(9.2)	604	406	(32.7)	526	29.5
Latin America	Brazil	751	672	(10.5)	706	5.0	293	233	(20.2)	261	11.7
Asia	Hong Kong	2,135	1,360	(36.3)	2,429	78.5	297	192	(35.2)	225	16.9
	Taiwan	891	594	(33.3)	495	(16.7)	138	(38)	-	(7)	-
	Korea	436	177	(59.3)	93	(47.2)	96	74	(23.4)	12	(82.8)
	China	232	329	42.0	263	(20.0)	49	91	85.7	35	(61.4)
Asia subtotal		3,694	2,462	(33.3)	3,281	33.3	582	319	(45.1)	265	(16.9)
Europe	Europe	4,856	7,147	47.2	8,006	12.0	1,431	2,268	58.4	2,591	14.2
Total		13,735	14,057	2.3	15,421	9.7	2,911	3,229	10.9	3,645	12.9

#### (Reference) Comparison of equivalent period (January to September) for overseas subsidiaries whose fiscal year-end was changed from March to December

(Millions of yen)

		Sales to customers				Operating profit			
		Jan-Sep 2008	Apr-Dec 2009	Increase/decrease	Change (%)	Jan-Sep 2008	Apr-Dec 2009	Increase/decrease	Change (%)
North America	U.S.A.	3,788	3,427	(361)	(9.5)	428	526	97	22.8
Latin America	Brazil	626	706	79	12.7	240	261	21	8.8
Asia	Hong Kong	1,307	2,429	1,121	85.8	91	225	133	146.4
	Taiwan	671	495	(176)	(26.3)	(21)	(7)	14	-

#### 4. Others

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

Not applicable.

(2) Application of simplified accounting methods and special accounting methods in the preparation of quarterly consolidated financial statements

1) Simplified accounting methods

Not applicable.

2) Special accounting methods in the preparation of quarterly consolidated financial statements

Not applicable.

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

1) Changes caused by revision of accounting standards

Not applicable.

2) Other changes

Not applicable.

## 5. Quarterly Consolidated Financial Statements

### (1) Consolidated Balance Sheets

	(Millions of yen)	
	Third quarter of FY2009 (As of Dec. 31, 2009)	FY2008 Summary (As of Mar. 31, 2009)
<b>Assets</b>		
Current assets		
Cash and deposit	17,020	13,891
Trade notes and accounts receivable	12,693	9,431
Merchandise and finished goods	5,868	4,703
Work in process	111	73
Raw materials and supplies	238	240
Other	3,872	2,714
Allowance for doubtful accounts	(111)	(71)
Total current assets	39,693	30,983
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	7,586	7,372
Land	11,285	11,290
Other, net	1,527	1,401
Total tangible fixed assets	20,399	20,063
Intangible fixed assets	537	448
Investments and other assets		
Deferred tax assets	7,418	8,694
Other	19,963	19,726
Allowance for doubtful accounts	(958)	(881)
Total investments and other assets	26,423	27,539
Total fixed assets	47,361	48,052
Deferred assets	80	51
Total assets	87,135	79,087
<b>Liabilities</b>		
Current liabilities		
Trade notes and accounts payable	10,010	6,453
Short-term borrowings	16,420	17,947
Accrued income taxes	1,103	677
Allowance for bonuses	93	370
Reserve for adjustment of returned goods	145	105
Other	7,394	5,411
Total current liabilities	35,167	30,964
Long-term liabilities		
Corporate bonds	6,656	5,607
Long-term borrowings	7,560	7,127
Reserve for retirement benefits for employees	6,963	6,884
Reserve for retirement benefits for directors	406	457
Other	1,256	1,201
Total long-term liabilities	22,843	21,278
Total liabilities	58,011	52,243

(Millions of yen)

	Third quarter of FY2009 (As of Dec. 31, 2009)	FY2008 Summary (As of Mar. 31, 2009)
Net assets		
Shareholders' equity		
Capital	14,999	14,999
Capital surplus	8,732	10,095
Retained earnings	12,088	9,189
Treasury stock	(954)	(954)
Total shareholder's equity	34,866	33,330
Valuation and translation adjustment		
Net unrealized gain (loss) on other securities	(1,473)	(1,893)
Deferred hedge gain (loss)	(55)	(51)
Foreign currency translation adjustments	(4,245)	(4,563)
Total valuation and translation adjustment	(5,774)	(6,508)
Minority interests	31	22
Total net assets	29,124	26,844
Total liabilities and net assets	87,135	79,087

**(2) Consolidated Income Statements**  
**(For the Nine-month Period)**

(Millions of yen)

	First nine months of FY2008 (Apr. 1, 2008 – Dec. 31, 2008)	First nine months of FY2009 (Apr. 1, 2009 – Dec. 31, 2009)
Sales	55,117	54,285
Cost of sales	25,547	24,821
Gross profit	29,569	29,464
Reversal from reserve for adjustment of returned goods	37	40
Net gross profit on sales	29,532	29,424
Selling, general and administrative expenses	23,724	23,313
Operating profit	5,808	6,110
Non-operating profit		
Interest income	299	196
Other	273	262
Total non-operating profit	572	458
Non-operating expenses		
Interest expense	537	469
Tax and public charges	325	356
Foreign exchange loss	287	222
Other	192	184
Total non-operating expenses	1,343	1,232
Ordinary profit	5,038	5,336
Extraordinary gains		
Gain on sales of fixed assets	-	2
Gain on sales of investment securities	14	6
Reversal of allowance for doubtful accounts	24	-
Other	0	-
Total extraordinary gains	39	8
Extraordinary losses		
Valuation loss on investment securities	669	276
Restructuring loss	-	373
Valuation loss on inventories	79	-
Other	248	52
Total extraordinary losses	997	701
Net profit before income taxes and other adjustments	4,080	4,642
Income taxes - current	1,056	1,575
Income taxes - deferred	1,235	158
Total income taxes	2,291	1,733
Minority interests in income of consolidated subsidiaries	11	9
Net profit	1,777	2,899

**(3) Consolidated Cash Flow Statements**

(Millions of yen)

	First nine months of FY2008 (Apr. 1, 2008 – Dec. 31, 2008)	First nine months of FY2009 (Apr. 1, 2009 – Dec. 31, 2009)
Cash flows from operating activities		
Net profit before income taxes and other adjustments	4,080	4,642
Depreciation	1,247	1,006
Amortization of long-term prepaid expenses	75	67
Increase (decrease) in allowance for doubtful accounts	(231)	109
Increase (decrease) in reserve for bonuses	(321)	(276)
Interest and dividend income	(363)	(227)
Interest expense	537	469
Decrease (increase) in accounts receivable	259	(3,908)
Decrease (increase) in inventories	(1,022)	(1,187)
Decrease (increase) in other assets	(17)	558
Increase (decrease) in accounts payable	2,419	3,571
Increase (decrease) in consumption tax payable	106	43
Increase (decrease) in other liabilities	(67)	1,284
Other	1,096	699
Subtotal	7,796	6,853
Interests and dividends received	395	264
Interests paid	(480)	(384)
Income taxes paid	(1,124)	(1,269)
Cash flows from operating activities	6,587	5,463
Cash flows from investing activities		
Payments for time deposits	(318)	(293)
Withdrawal of time deposits	420	261
Payments for purchase of tangible fixed assets	(891)	(1,367)
Payments for purchase of investment securities	(352)	(99)
Proceeds from sale of investment securities	201	59
Payments for loans receivable	(319)	(68)
Collection of guarantees	396	327
Other	(784)	(100)
Cash flows from investing activities	(1,647)	(1,280)
Cash flows from financing activities		
Increase in short-term borrowings	1,025	43
Decrease in short-term borrowings	(1,195)	(689)
Increase in long-term borrowings	4,020	2,200
Decrease in long-term borrowings	(5,184)	(2,651)
Proceeds from issuance of corporate bonds	1,185	2,456
Payment for redemption of corporate bonds	(2,093)	(931)
Dividends paid	(1,349)	(1,361)
Other	(200)	(177)
Cash flows from financing activities	(3,792)	(1,110)
Effect of exchange rate changes on cash and cash equivalents	(738)	12
Increase (decrease) in cash and cash equivalents	409	3,083
Cash and cash equivalents at beginning of period	12,445	13,599
Cash and cash equivalents at end of period	12,855	16,683

**(4) Going Concern Assumption**

Not applicable.

**(5) Segment Information**

Business segment information

First nine months of FY2008 (Apr. 1, 2008 – Dec. 31, 2008)

(Millions of yen)

	Social communication gifts	Theme parks	Other	Total	Eliminations and corporate	Consolidated
Sales						
(1) Customers	49,282	3,983	1,850	55,117	-	55,117
(2) Inter-segment	532	961	93	1,587	( 1,587)	-
Total	49,815	4,945	1,944	56,704	( 1,587)	55,117
Operating profit (loss)	7,380	(888)	(269)	6,222	( 414)	5,808

Notes: 1. Method of business classification

Business classification is based on categories adopted for purpose of internal management.

2. Main businesses belonging to each category

Segment	Sub-segment	Major businesses
Social communication gifts	Social communication gift products	Stationeries, kitchen and tableware, bathroom goods, interior decorative goods, sundries, portable goods, apparel goods
	Greeting cards	Birthday cards, Christmas cards
	Publications	Gift books, poetries, general publication, magazines
	Movies, videos	Video software sales
	Copyright management	Management of licenses
Theme parks	Theme park services	Attraction facility operation, goods sales, restaurants
	Tie-up commissions	Commissions from collaborating companies
	Dramas	Planning and play of musicals and others
Other	Restaurants	Restaurants, Kentucky Fried Chickens
	Real estate leasing	Real estate rent leasing
	Production and rental of robots	Production and rental of robots
	Film production and distribution	Production associations

3. Inventory was computed primarily by the moving-average cost method in prior years, but effective from the first quarter of the fiscal year inventory is valued primarily by the moving-average cost method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins). Given this change, operating profit in the social communication gifts business for the first nine months of the fiscal year has decreased by 23 million yen.

First nine months of FY2009 (Apr. 1, 2009 – Dec. 31, 2009)

(Millions of yen)

	Social communication gifts	Theme parks	Other	Total	Eliminations and corporate	Consolidated
Sales						
(1) Customers	48,709	3,877	1,698	54,285	-	54,285
(2) Inter-segment	534	930	105	1,570	( 1,570)	-
Total	49,244	4,807	1,804	55,855	( 1,570)	54,285
Operating profit (loss)	7,338	(616)	(273)	6,448	( 338)	6,110

Notes: 1. Method of business classification

Business classification is based on categories adopted for purpose of internal management.

2. Main businesses belonging to each category

Segment	Sub-segment	Major businesses
Social communication gifts	Social communication gift products	Stationeries, kitchen and tableware, bathroom goods, interior decorative goods, sundries, portable goods, apparel goods
	Greeting cards	Birthday cards, Christmas cards
	Publications	Gift books, poetries, general publication, magazines
	Movies, videos	Video software sales
	Copyright management	Management of licenses
Theme parks	Theme park services	Attraction facility operation, goods sales, restaurants
	Tie-up commissions	Commissions from collaborating companies
	Dramas	Planning and play of musicals and others
Other	Restaurants	Restaurants, Kentucky Fried Chickens
	Real estate leasing	Real estate rent leasing
	Production and rental of robots	Production and rental of robots
	Film production and distribution	Production associations

## Geographical segment information

First nine months of FY2008 (Apr. 1, 2008 – Dec. 31, 2008)

(Millions of yen)

	Japan	Europe	Other areas	Total	Eliminations and corporate	Consolidated
Sales						
(1) Customers	41,059	7,147	6,910	55,117	-	55,117
(2) Inter-segment	3,523	27	1,462	5,014	( 5,014)	-
Total	44,583	7,175	8,373	60,131	( 5,014)	55,117
Operating profit	3,017	2,268	960	6,246	( 438)	5,808

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

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

Europe: Italy, France, Spain, Germany, etc.

Other areas: U.S.A., Hong Kong, Taiwan, South Korea, Brazil, China

3. Inventory was computed primarily by the moving-average cost method in prior years, but effective from the first quarter of the fiscal year inventory is valued primarily by the moving-average cost method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins). Given this change, operating profit of "Japan" for the first nine months of the fiscal year has decreased by 23 million yen.

First nine months of FY2009 (Apr. 1, 2009 – Dec. 31, 2009)

(Millions of yen)

	Japan	Europe	Other areas	Total	Eliminations and corporate	Consolidated
Sales						
(1) Customers	38,863	8,006	7,415	54,285	-	54,285
(2) Inter-segment	4,545	21	1,202	5,770	( 5,770)	-
Total	43,409	8,027	8,618	60,055	( 5,770)	54,285
Operating profit	2,788	2,591	1,054	6,433	( 323)	6,110

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

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

Europe: Italy, France, Spain, Germany, etc.

Other areas: U.S.A., Hong Kong, Taiwan, South Korea, Brazil, China

**Overseas sales**

First nine months of FY2008 (Apr. 1, 2008 – Dec. 31, 2008)

(Millions of yen)

	Europe	Other areas	Total
I Overseas sales	7,262	8,607	15,869
II Consolidated sales	-	-	55,117
III Percentage of overseas sales over consolidated sales (%)	13.2	15.6	28.8

Notes: 1. Regions are classified by geographical proximity.

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

Europe: Italy, France, Spain, Germany, etc.

Other areas: U.S.A., Hong Kong, Taiwan, South Korea, Thailand, Brazil, China

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

First nine months of FY2009 (Apr. 1, 2009 – Dec. 31, 2009)

(Millions of yen)

	Europe	Other areas	Total
I Overseas sales	8,028	8,616	16,644
II Consolidated sales	-	-	54,285
III Percentage of overseas sales over consolidated sales (%)	14.8	15.9	30.7

Notes: 1. Regions are classified by geographical proximity.

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

Europe: Italy, France, Spain, Germany, etc.

Other areas: U.S.A., Hong Kong, Taiwan, South Korea, Thailand, Brazil, China

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

**(6) Significant Changes in Shareholders' Equity**

Not applicable.

*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.*