

# Overseas Growth Strategy

Vice President's Office



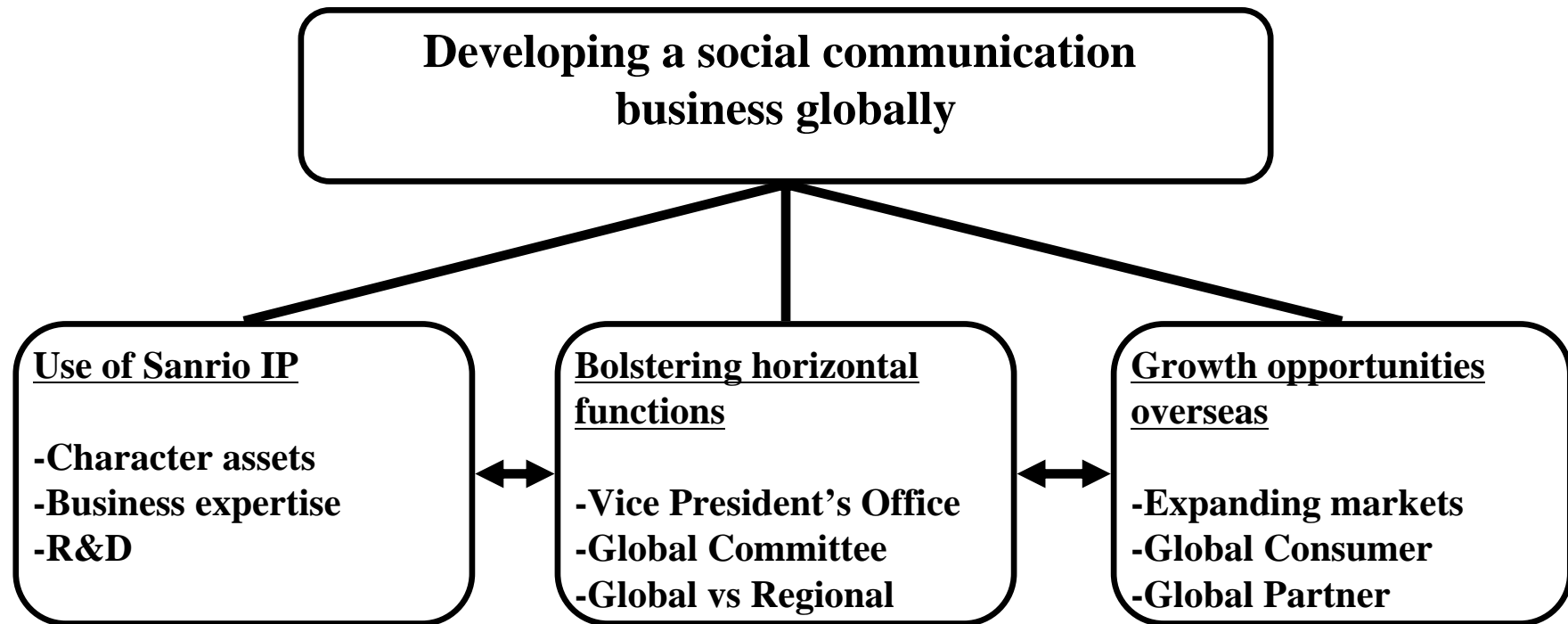
# Global Strategy Update

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## Vision

### *Transforming Sanrio into a Global Company*



\*Recap of information meeting materials for 2Q FY3/09 (November 2008)



## Global Strategy

### *Progress*

#### Optimizing global opportunities

- Establishing a global licensing business system (committee)
- Making global deals with global brands including MAC, ZARA, and Swarovski
- Developing deals in multiple countries

→ Continue to get global license deals

#### Bolstering licensing business

- Optimizing licensees in each area
- Developing licensing fields other than miscellaneous goods and toys
- Bolstering co-branding like that with MAC

→ Continue to bolster the licensing business

#### Optimizing regional opportunities

- Making the licensing business independent and expanding in Europe
- Making the design business independent in Europe and the United States
- Analyzing and measuring growth potential in European countries

→ Strengthen local structures and pursue localization

#### Bolstering new businesses

- Stepping up digitization
- Providing applications globally for SNS
- Redesigning .com; bolstering information transmission

→ Bolster the development of applications for the Web and mobile phones



# Update on Progress in Europe and the United States

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# Update on Progress in Europe

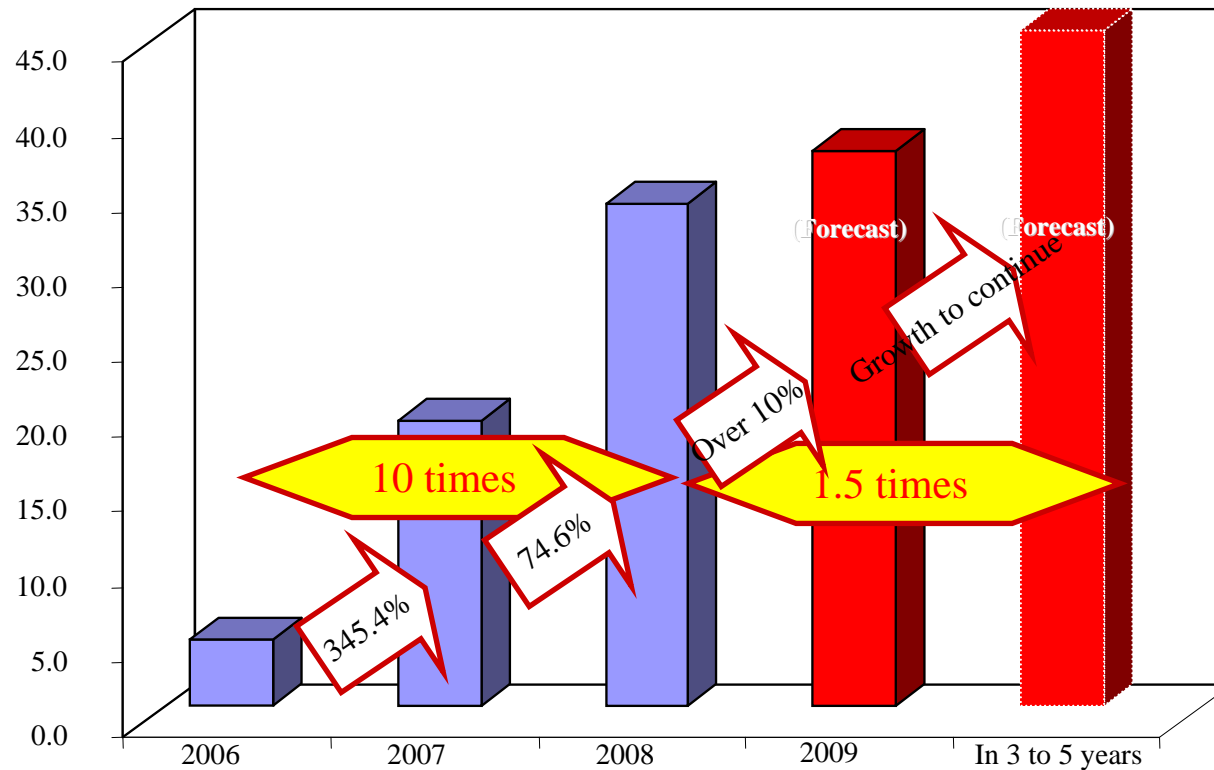
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## European Market 2009 Sales Projections in Licensing Business

### *High growth in licensing business*

- The visibility of Hello Kitty is increasing substantially.
- There is still a great deal of growth potential, not only in the five major countries but also in Eastern Europe and emerging markets.
- Bolstering marketing/branding and the sales system has produced results.



\*Million euros; figures based on the occurrence of licensing (slightly different from accounting data)



## European Market 2009

### *Features of growth in Europe*

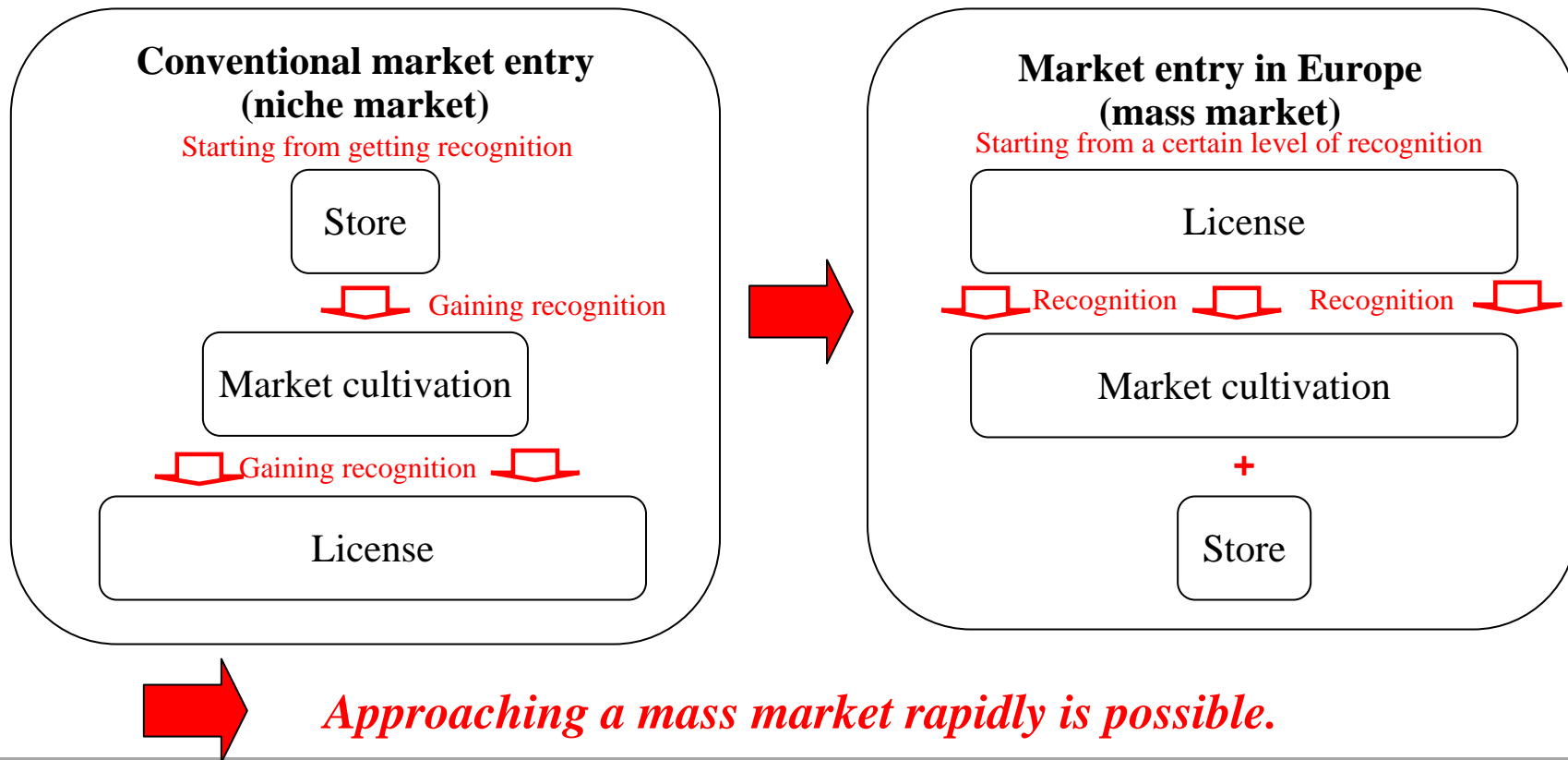
- **Short launch period**
  - **Positioning (gifts + fashion)**
  - **Broad market base**
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## European Market 2009

### *Features of growth in Europe*

- **Short launch period**
- Positioning (gifts + fashion)
- Broad market base





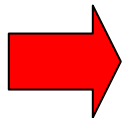
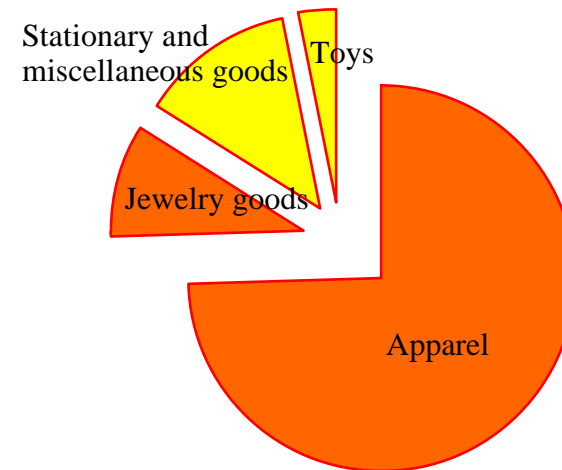
## European Market 2009

### *Features of growth in Europe*

- Short launch period
- **Positioning (gifts + fashion)**
- Broad market base

#### Market size in Europe

Toys	3 trillion yen
Miscellaneous goods	13 trillion yen
Jewelry goods	9.5 trillion yen
Apparel	75 trillion yen



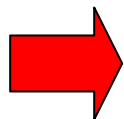
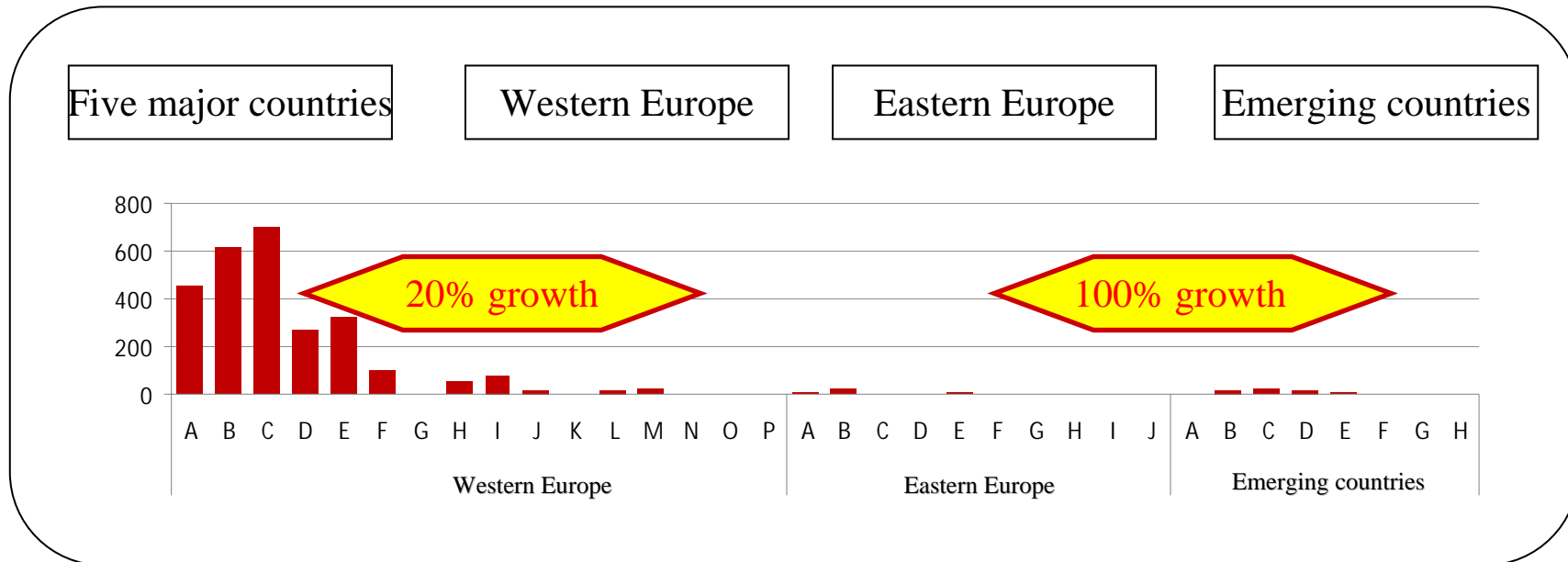
*We have changed our position and broadened our target to a wider market.*



## European Market 2009

### Features of growth in Europe

- Short launch period
- Positioning (gifts + fashion)
- **Broad market base**



*There is a broad market base and still large growth potential.*



## European Market 2009

### *Key Brand Marketing Initiatives*

- Large contracts with major companies

**Zara**

**Chupa  
Chups**

**Renault**

**Swatch**

**Nestlè**

**Unilever**

**Sony  
Ericsson**



## European Market 2009

### *Key Brand Marketing Initiatives*

- **Unprecedented initiatives in Europe**

Arranging  
a Hello Kitty  
Ski Cup

Arranging  
a Hello Kitty  
golf tournament

Arranging a Hello Kitty  
entertainment show

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## Update on Progress in the United States

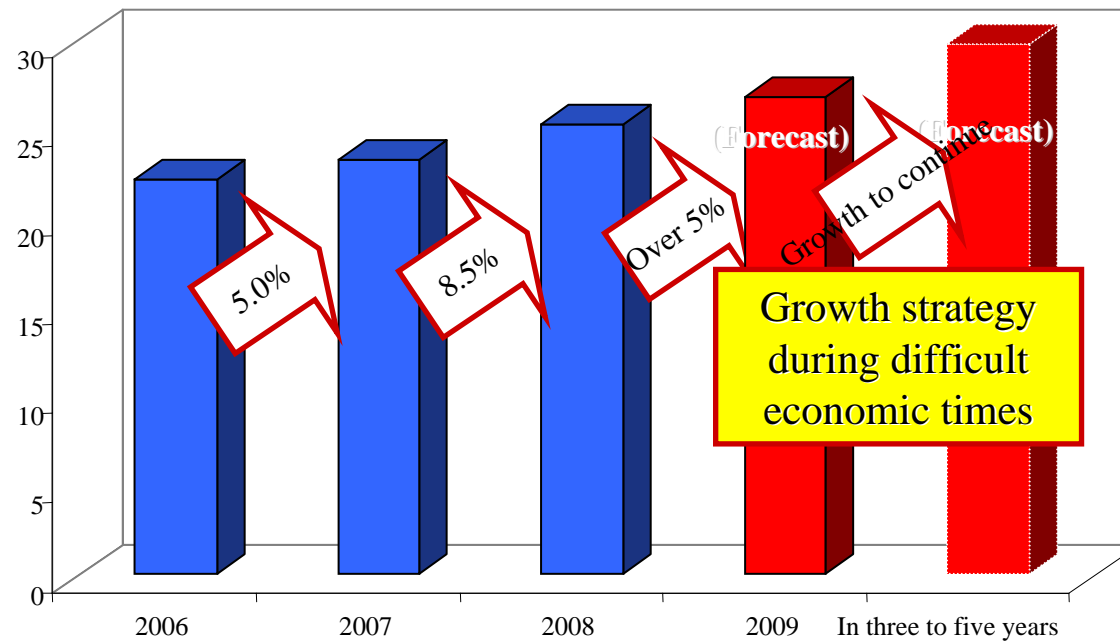
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## U.S. Market 2009 Sales Projections in Licensing Business

*In a flagging licensing industry, the strength of Hello Kitty is outstanding*

- **Expansion strategy for a difficult business environment**  
(The overall licensing industry contacted 19% in 2008 (performance) and will fall 31% in 2009 (forecast).)
- **Improving marketing/branding has produced results.**
- **Marketing of licensing for characters other than Hello Kitty is being bolstered.**





## U.S. Market 2009

### *Collaboration with MAC Cosmetics*

- The collaboration started in February 2009 and has been developed worldwide.
- It has been most successful among the collaborations with MAC Cosmetics.
- Long lines of customers have formed in multiple countries, making headlines.





## U.S. Market 2009

*Nominated in four segments,  
including the Overall Best Licensed Program segment,  
of the 2009 International Licensing Excellence Awards.*

**LICENSING**  
International Expo



JUNE 2-4 2009  
Mandalay Bay Convention Center  
LAS VEGAS



Sanrio - Hello Kitty  
Overall Best Licensed Program of the Year



Kodak Gallery - Hello Kitty Photo Book  
Best Licensee Hard Goods



Mighty Fine -  
Hello Kitty Junior and Tween Apparel  
Best Licensee Soft Goods



Age Group - Hello Kitty Junior  
Intimates, Sleepwear, Loungewear  
Best Licensee Soft Goods