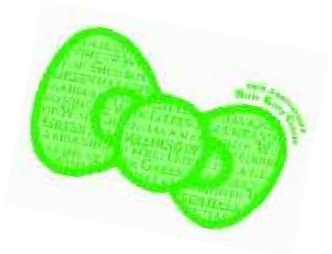
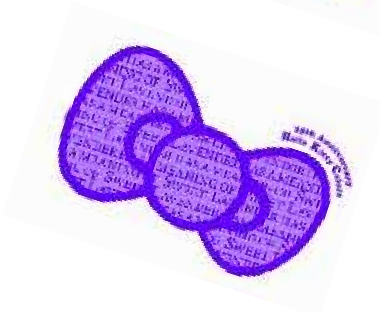
Consolidated Results of Operations

(For the Fiscal Year ended March 31, 2009)





Sanrio Company, Ltd.
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May 19, 2009

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- Plan for the Fiscal Year Ending March 31, 2010
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- **Results for the Fiscal Year Ended March 31, 2009**

Income Statement

(Unit: JPY 100 mn)

	FY3/09 Results	Compared with FY3/08			Compared with Plan		
		FY3/08 Results	Increase (Decrease)	Change	Plan	Increase (Decrease)	Change
Sales	**697**	939	(241)	(25.7%)	704	(7)	(1.0%)
Gross profit	**376**	392	(16)	(4.1%)	387	(10)	(2.7%)
SG&A	**310**	326	(15)	(4.9%)	310	0	0.2%
Operating profit	**65**	66	(0)	(0.6%)	76	(11)	(14.4%)
Non-operating profit/loss	**(6)**	(13)	7	-	(7)	1	-
Ordinary profit	**59**	52	6	13.1%	69	(9)	(13.9%)
Extraordinary profit/loss	**(34)**	(10)	(23)	-	(6)	(28)	-
Income before income taxes	**24**	41	(16)	(40.2%)	63	(38)	(60.4%)
◆ Total of income taxes and adjustment for income taxes	**39**	30	9	29.7%	31	8	26.8%
Net profit	**(14)**	11	(26)	-	31	(46)	-
Gross margin	**54.0%**	41.8%	12.2%	-	54.9%	(0.9%)	-
Operating profit margin	**9.4%**	7.0%	2.4%	-	10.9%	(1.5%)	-

Comparison with FY3/08: **Sales in real terms rose 0.2%,** excluding changes in the sales accounting method and accounting period, and the appreciation of the yen. **Domestic sales declined 4%,** and **overseas sales increased 13%.** **Operating profit slipped just 0.6%,** as expenses were reduced. **A net loss of 1.4 billion yen was recorded** as a result of extraordinary losses (losses on fixed assets of 2.4 billion yen and losses on the valuation of investment securities of 0.8 billion yen) and a reversal of deferred tax assets of 1.7 billion yen.

Sales by Segment

(Unit: JPY 100 mn)

		FY3/09 Results	Compared with FY3/08			Compared with Plan		
			FY3/08 Results	Increase (Decrease)	Change	Plan	Increase (Decrease)	Change
Sales by segment	Domestic product sales	258	261	(3)	(1.2%)	261	(2)	(1.1%)
	Domestic licensing	91	283	(192)	(67.7%)	95	(3)	(4.0%)
	Theme parks	62	76	(14)	(18.9%)	69	(7)	(10.9%)
	Overseas	251	284	(33)	(11.8%)	246	4	1.8%
	Other	131	146	(15)	(10.3%)	138	(6)	(5.0%)
Consolidated cancellations		(98)	(115)	16	-	(107)	9	-
Consolidated net sales		697	939	(241)	(25.7%)	704	(7)	(1.0%)

Special factors for sales

		FY3/09 Results	FY3/08 Results	Change in accounting method	Nine-month fiscal year	Stronger yen	Compared with FY3/08	
							Real increase (Decrease)	Real Rate of Change
Sales by segment	Domestic product sales	258	261	0	0	0	(3)	(1%)
	Domestic licensing	91	283	(183)	0	0	(9)	(9%)
	Theme parks	62	76	0	0	0	(14)	(18%)
	Overseas	251	284	(13)	(26)	(19)	25	11%
	Other	131	146	0	0	0	(15)	(10%)
Consolidated cancellations		(98)	(115)	0	0	0	16	-
Consolidated net sales		697	939	(197)	(26)	(19)	2	0%

Comparison with FY3/08 in real terms: **Sales rose 200 million yen** with falls in Theme Parks, Licensing, and Other more than offset by an increase in Overseas.

Operating Profit by Segment

(Unit: JPY 100 mn)

		FY3/09 Results	Compared with FY3/08			Compared with Plan		
			FY3/08 Results	Increase (Decrease)	Change	Plan	Increase (Decrease)	Change
Direct operating profit by segment	Domestic product sales	**14**	11	3	28.1%	15	(0)	(3.9%)
	Domestic licensing	**68**	74	(6)	(8.2%)	72	(4)	(6.2%)
	Theme parks	**(8)**	(8)	0	-	(10)	2	-
	Theme park support costs	**(5)**	(2)	(3)	-	(1)	(3)	-
	Total theme parks	**(13)**	(11)	(2)	-	(12)	(1)	-
	Overseas	**90**	87	3	3.8%	93	(3)	(3.4%)
	Other	**(5)**	(7)	2	-	(0)	(4)	-
HQ Cost Center expenses and others		**(89)**	(88)	(1)	-	(92)	3	**-**
Consolidated operating profit		**65**	66	(0)	(0.6%)	76	(11)	(14.4%)

Comparison with 3/08: **Operating profit remained unchanged** as declines in Domestic Licensing and Theme Parks were offset by increases in Domestic Product Sales, Overseas, and Other. **Profits in licensing for companies fell** due to the slump in domestic business. In contrast, **profit from domestic product sales for individuals rose** for the second consecutive year (up 28%).

- **Plan for the Fiscal Year Ending March 31, 2010**

Income Statement Plan

(Unit: JPY 100 mn)

	Forecast for FY3/10	Compared with FY3/09			Forecast for H2 of FY3/10	Year-on-year comparison		
		FY3/09 Results	Increase (Decrease)	Change		H2 of FY3/09	Increase (Decrease)	Change
Sales	699	697	2	0.3%	329	344	(15)	(4.4%)
Gross profit	380	376	3	0.9%	182	188	(6)	(3.3%)
SG&A	314	310	3	1.1%	157	155	1	1.1%
Operating profit	65	65	0	0.2%	24	32	(7)	(24.3%)
Non-operating profit/loss	(8)	(6)	(1)	-	(4)	(1)	(2)	-
Ordinary profit	57	59	(1)	(2.9%)	20	30	(10)	(34.1%)
Extraordinary profit/loss	(6)	(34)	27	-	(6)	(5)	(0)	-
Income before income taxes	50	24	25	104.0%	14	24	(10)	(43.6%)
◆ Total of income taxes and adjustment for income taxes	2	39	(36)	(92.7%)	(3)	13	16	-
Net profit	47	(14)	62	-	17	11	5	49.8%
Gross margin	54.3%	54.0%	0.3%	-	55.2%	54.6%	0.6%	-
Operating profit margin	9.4%	9.4%	(0.0%)	-	7.4%	9.4%	(2.0%)	-

Comparison with FY3/09: <u>We expect operating profit to remain level</u> with an increase in expenses offset by a rise in sales.
<u>Net profit should rise significantly</u> because of the improvement of extraordinary profit/loss and tax effects.

Forecast Sales by Segment

(Unit: JPY 100 mn)

		Forecast for FY3/10	Compared with FY3/09			Forecast for H2 of FY3/10	Year-on-year comparison		
			FY3/09 Results	Increase (Decrease)	Change		H2 of FY3/09	Increase (Decrease)	Change
Sales by segment	Domestic product sales	**249**	258	(9)	(3.5%)	**111**	114	(3)	(2.7%)
	Domestic licensing	**89**	91	(2)	(2.4%)	**43**	45	(2)	(6.3%)
	Theme parks	**65**	62	2	4.6%	**35**	37	(1)	(4.3%)
	Overseas	**255**	251	4	1.7%	**120**	133	(13)	(10.2%)
	Other	**138**	131	6	4.8%	**65**	65	(0)	(0.1%)
Consolidated cancellations		**(98)**	(98)	(0)	-	**(46)**	(52)	6	-
Consolidated net sales		**699**	697	2	0.3%	**329**	344	(15)	(4.4%)

Comparison with FY3/09: **We expect sales to increase** with falls in sales in Domestic Product Sales and Domestic Licensing more than offset by rises in sales in Overseas, Theme Parks, and Other.

Forecast for Operating Profit by Segment

(Unit: JPY 100 mn)

		Forecast for FY3/10	Compared with FY3/09			Forecast for H2 of FY3/10	Year-on-year comparison		
			FY3/09 Results	Increase (Decrease)	Change		H2 of FY3/09	Increase (Decrease)	Change
Direct operating profit by segment	Domestic product sales	**16**	14	2	14.2%	**4**	3	1	39.4%
	Domestic licensing	**68**	68	0	0.1%	**32**	34	(1)	(5.3%)
	Theme parks	**(4)**	(8)	3	—	**(0)**	(4)	3	—
	Theme park support costs	**(8)**	(5)	(3)	—	**(6)**	(0)	(5)	—
	Total theme parks	**(13)**	(13)	0	—	**(7)**	(4)	(2)	—
	Overseas	**86**	90	(4)	(4.7%)	**41**	46	(5)	(11.2%)
	Other	**(0)**	(5)	4	—	**(0)**	(2)	1	—
HQ Cost Center expenses and others		**(91)**	(89)	(2)	—	**(45)**	(44)	(1)	—
Consolidated operating profit		**65**	65	0	0.2%	**24**	32	(7)	(24.3%)

Comparison with FY3/09: **We expect operating profit to remain level**, with a decline in Overseas as the yen remains strong and other factors offset by increases in Domestic Product Sales and Other.

- Plans

■ **We will withdraw the present medium-term management plan** because of significant changes in assumptions for the plan (the global recession and the sharp appreciation of the yen, among other changes) and uncertainties.

■ We have reviewed the numerical targets for FY2009, considering aims in the medium-term management plan. We will take rapid action to **streamline Domestic Product Sales and review Theme Parks.**

■ **We plan to develop a new medium-term management plan for FY2010** and subsequent periods, taking changes in the operating environment into consideration.

Changes in operating profit

(100 million yen)	FY3/08 (Results)	FY3/09	FY3/10	FY3/11
Initial plan	66	76	90	107
As of March 31, 2009	66	65	65	—
	(Results)	(Results)	(Revised)	(Withdrawn)
Difference	—	(11)	(25)	—

Redemption of preferred shares:

Because of the sharp deterioration of earnings, **we will defer the redemption of preferred shares** (10 billion yen) to the next fiscal year or thereafter.

■Beginning of FY2008: Planned redemption of 4 billion yen using other capital surplus*

*The shareholders' meeting held in June last year resolved to transfer a capital reserve to capital surplus.

■FY2008: The Company posted a net loss with the posting of extraordinary losses and other losses and allocated the other capital surplus to the payment of dividends.
Consequently, the Company cancelled the redemption of preferred shares.

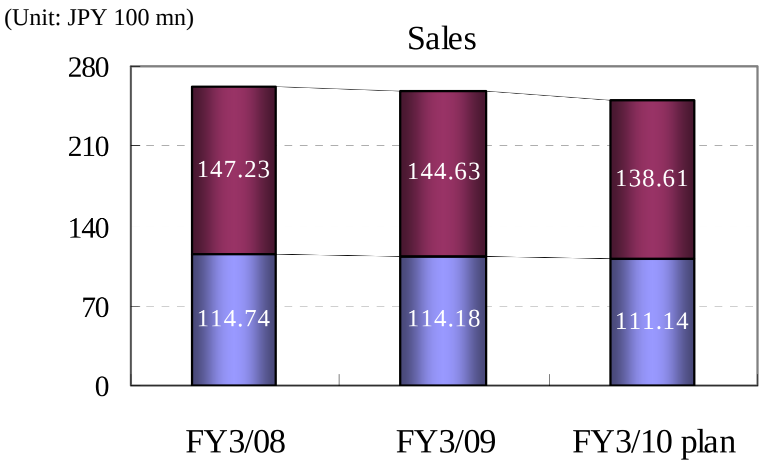
■FY2009: **The Company will continue its efforts to redeem preferred shares.**
In March next year, the holders of preferred shares will have the right to choose between keeping preferred shares and convering preferred shares to common shares.

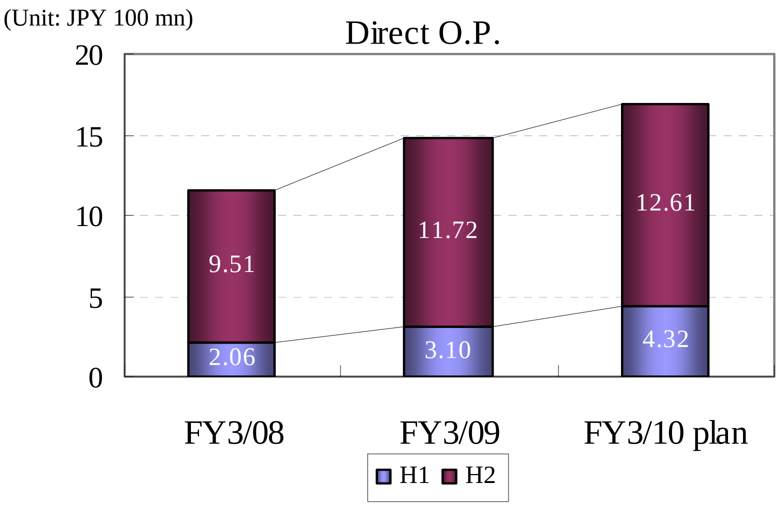
Dividends for the fiscal year under review:

We posted a net loss because of extraordinary losses and a reversal of deferred tax assets, and ordinary profit rose. **We will therefore pay dividends as planned.**
We will appropriate other capital surplus(*) for the payment of dividends.
*The shareholders' meeting held in June last year resolved to transfer a capital reserve to capital surplus.

• Explanation by Segment

Direct operating profit trends and outlook





Results in FY3/09

Sales down 1% and profit up 28% year on year

・**Wholesale sales were sluggish** because of the business slump and unseasonable weather.

・**Retail shops performed well.** The year-on-year profit increase in existing stores was almost the same as the year-ago level for the first time in a number of years.

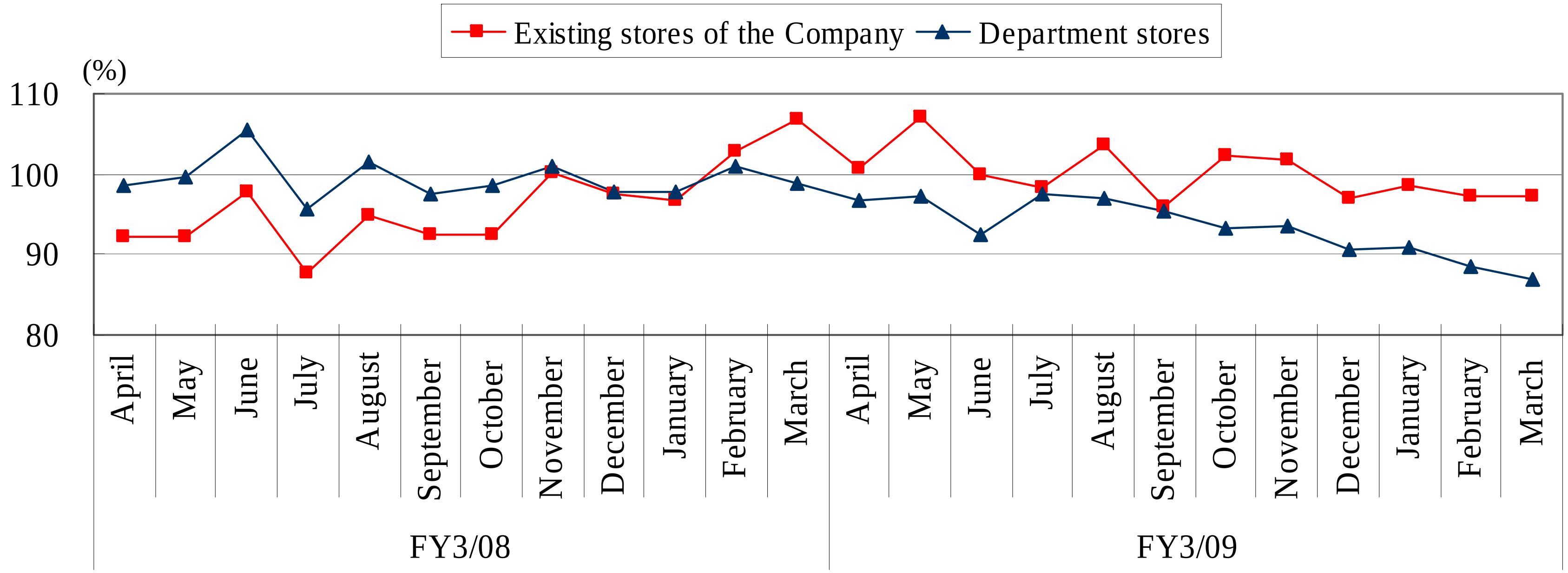
Outlook for FY3/10

Expect sales down 3% and profit up 14% year on year

・**We will continue to cut expenses** (300 million yen) through the closure of 23 low-margined shops and other action.

・Plans marking **the 35th anniversary of Hello Kitty**
The introduction of two new characters
Collaboration with other companies' brands

Monthly Year-on-Year Changes in Existing Stores

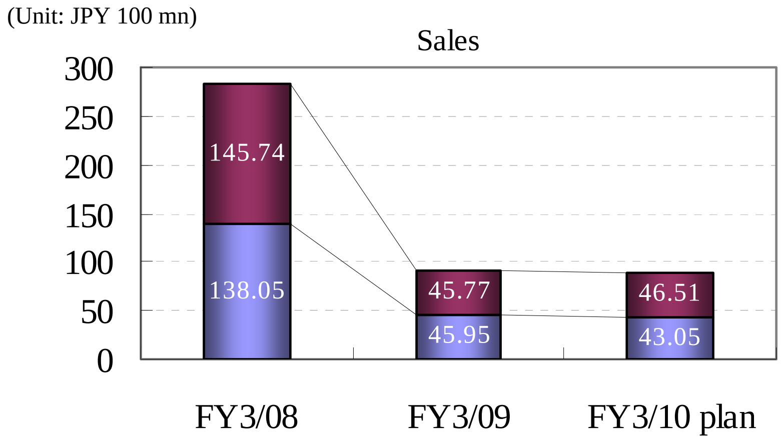


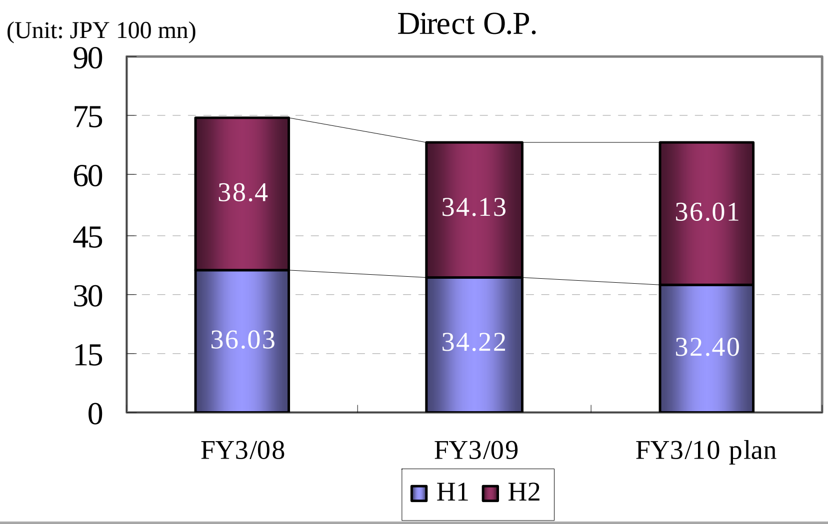
Full year: 96.2%

Full year: 99.7%

Comparison with FY3/08: **The full-year figure was 99.7%,** reaching the year-ago level for the first time in years thanks to the enhancement of high-target product planning and the closure of 17 low-margin shops.

Direct operating profit trends and outlook





Results in FY3/09

Sales down 67% and profit down 8% year on year

- **The main reason of the fall in sales** is the change in sales forms.
- **Transactions with companies registered sluggish growth** due to the business slump and unseasonable weather.

Outlook for FY3/10

Expect sales down 2% and profit up 0.1% year on year

- **Will expand the sales of Jewelpet goods** developed jointly with Sega Toys as the TV animation begins.
- **Will step up collaboration with other companies** (apparel and miscellaneous goods)
  (109 shop brands → Entertainers, traditional handicrafts, and overseas brands)
- **Will bolster the development of high-target products** (confectionery and food products)

Collaboration

Wind chimes of Nousaku

High-grade grease-absorbing paper

Traditional handicrafts and overseas luxury brands

Wind chimes of Nousaku (Toyama)
High-grade grease-absorbing paper (Niigata)

Christian Dior
Courreges
Christofle
ENLIGHTENEDTM Swarovski Elements
HAN AHN SOON
tokidoki
ANTEPRIMA

Yuko Ogura

Entertainers

Ayumi Hamazaki
Yuko Ogura
Aki Hoshino
Hiro Mizushima
Nozomu Sasaki
X JAPAN YOSHIKI

109 shop brands

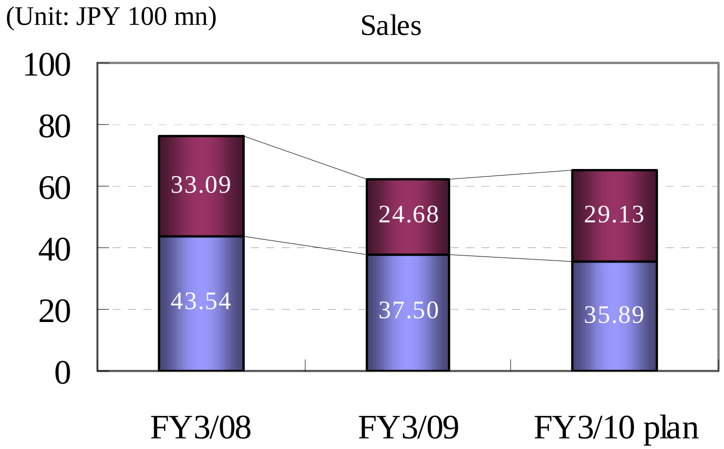
LIZ LISA
CECIL McBEE

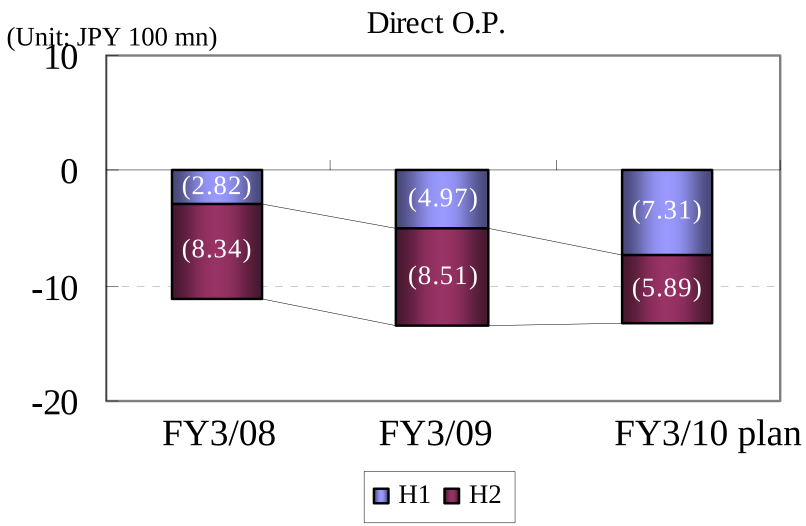
X JAPAN YOSHIKI

Swarovski
Diamond and white topaz are used (15 million yen)

Playing R&D function for Sanrio Group

Direct operating profit trends and outlook





Results in FY3/09

Sales down 18% and loss increased 200 million yen year on year

Visitors	SPL	(11%)	OHL	(15%)
Average spending per customer	SPL	(3%)	OHL	(1%)
Sales	SPL	(15%)	OHL	(14%)
Expense	SPL	(15%)	OHL	(13%)

Although we introduced new high-level attractions (SPL), **the number of Japanese and foreign visitors plunged**, attributable to soaring gasoline prices, the business slump, and the stronger yen.
In addition, adverse weather, including extremely hot temperatures, held down the number of visitors with infants and toddlers.

Outlook for FY3/10

Sales up 4% and profit remaining level

Visitors	SPL	±0%	OHL	+1%
Average spending per customer	SPL	+1%	OHL	+2%
Sales	SPL	+4%	OHL	+11%
Expense	SPL	(4%)	OHL	+2%

Action

(1) **Reorganization of both theme parks, asset impairment**, and efficient operation

(2) **Introduction of new attractions**
Apr. 2009: "Hello Kitty and the Wizard of Oz" in collaboration with Takarazuka
Apr. 2009: Black Wonder, a hands-on attraction from HK
Autumn 2009: "Marchen of the lake," a new musical

(3) **Cost reduction** (200 million yen) through the shortening of operating hours on the weekend (closing at 20:00 → 18:00) and other means

(4) **Off-site revenues through overseas licensing** (100 million yen)

Reorganization of Theme Parks

■ Description:

Consolidating the Theme Park assets and liabilities owned by head office, SPL, and HL, and operating them together

■ Purpose:

Positioning them as R&D bases of Sanrio GR

Clarifying profitability, speeding up decision making, and **improving business efficiency**(*)

* ･Sharing personnel distribution, office work management, and sales activities
･Escaping taxes on contributions caused by Sanrio leasing facilities to SPLs and HLs free of charge

■ Timing: July 2009

■ Name of new company: Sanrio Entertainment, Co., Ltd.

Impairment

(Unit: JPY 100 mn)

Target assets	Assets at end of FY3/09	Impairment loss	Assets after impairment
Harmony Land	23	23	0
Other fixed assets	1	1	0
Total	24	24	0

■ **The book value of Harmony Land** will become zero.
Depreciation will fall 180 million yen annually from the next fiscal year.

Puroland Overseas Licensing

Janfusun Fancyworld in Taiwan

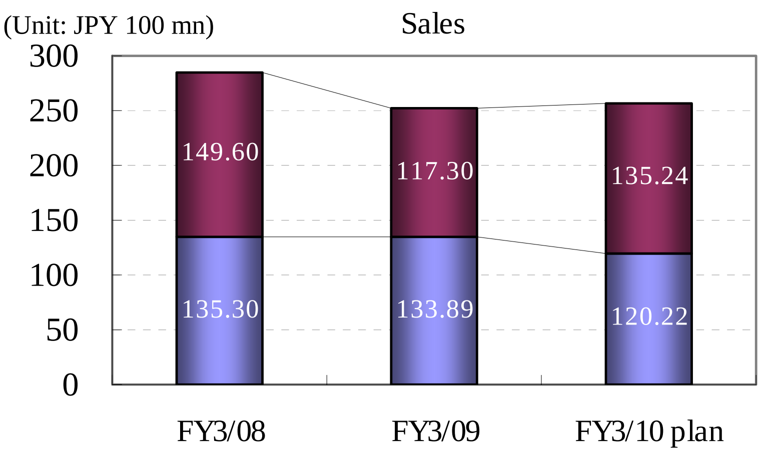
Formed an alliance with the Janfusun Fancyworld theme park in Taiwan, taking advantage of the visibility of Sanrio characters and performances overseas.

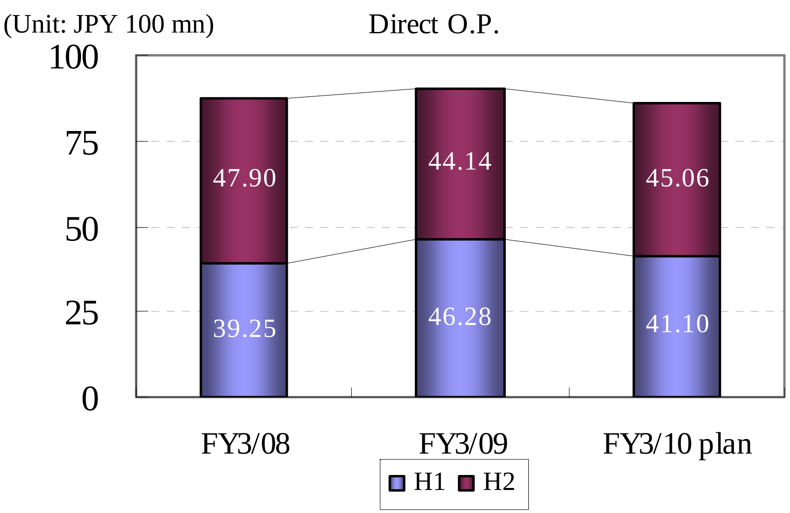
Details of the alliance

- Development and operation of a Hello Kitty theme park
- Development and operation of a Hello Kitty hotel
- Minimum royalties are 280 million yen (for five years from May 2007)

Negotiations for similar alliances are increasing in other countries in Asia.

Direct operating profit trends and outlook





Results in FY3/09

Sales down 11% and profit up 3% year on year

Sales fell due to the global slump, the appreciation of the yen, and nine-month accounting periods for certain subsidiaries. However, **sales rose 31%, and operating profit increased 37% in Europe**, sales in which account for 50%, because of an increase in licensing transactions.

Licensing accounted for a larger percentage in every region. Operating profit overseas accounted for 58%, up 2 percentage points.

Outlook for FY3/10

Expect sales up 1% and profit down 4% year on year

We expect profit to fall given the appreciation of the yen throughout the year and costs for bolstering licensing sales capabilities (primarily personnel costs) in Europe and the United States.

Sales will rise in local currency terms.

Sales Performance by Region

(Unit: JPY 100 mn)

Region		FY3/09 Results	Compared with FY3/08			Forecast for FY3/10	Year-on-year		FY3/09 Ratio of Royalties
			FY3/08 Results	Increase (Decrease)	Change		Increase (Decrease)	Change	
North America	U.S. *	56	77	(21)	(26.7%)	63	7	11.6%	64.9%
Latin America	Brazil *	9	12	(4)	(28.6%)	10	1	15.1%	90.0%
Asia	Hong Kong *	36	62	(26)	(41.1%)	40	4	9.6%	40.6%
	Taiwan *	12	20	(8)	(38.3%)	15	3	25.3%	
	Korea	6	12	(6)	(47.3%)	6	(0)	(0.3%)	
	China	7	6	1	19.2%	8	0	3.1%	
Asia Total		64	102	(39)	(37.8%)	71	7	10.9%	
Europe	Europe	121	91	30	32.2%	109	(11)	(9.4%)	62.5%
Total		251	284	(34)	(11.8%)	255	4	1.7%	58.2%

Sales in the table include transactions among subsidiaries and royalties to the home office in addition to sales to external customers on page 7 of the summary of financial results.

* The fiscal year ended March 2009 has only nine months because of change in the accounting term.

Comparison with FY3/08: **Sales declined in many regions**, reflecting the slump, the appreciation of the yen, and the accounting term having only nine months, **but rose in Europe (up 32%) and China (up 19%).** (Most of the rises in sales came from licensing transactions.)

Operating Profit Performance by Region

(Unit: JPY 100 mn)

Region		FY3/09	Compared with FY3/08			Forecast for FY3/10	Year-on-year	
			FY3/08	Increase (Decrease)	Change		Increase (Decrease)	Change
North America	U.S. *	18	21	(3)	(15.0%)	17	(1)	(5.3%)
Latin America	Brazil *	4	6	(2)	(34.4%)	4	0	2.6%
Asia	Hong Kong*	6	7	(1)	(13.2%)	7	1	11.9%
	Taiwan *	2	5	(3)	(49.8%)	3	1	38.0%
	Korea	3	5	(2)	(29.0%)	3	(1)	(18.6%)
	China	3	2	1	19.3%	3	0	7.5%
Asia Total		16	21	(5)	(24.0%)	17	1	8.4%
Europe	Europe	51	36	14	39.4%	45	(5)	(10.1%)
Total		90	87	3	3.8%	86	(4)	(4.7%)

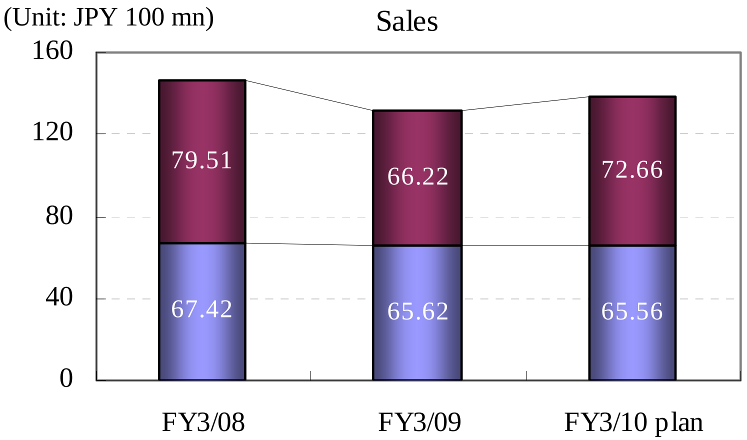
Royalties received from overseas subsidiaries, which are allocated to the head office in accounting, are allotted to the regions that the subsidiaries belong to so that the figures will reflect the actual situation in each region.

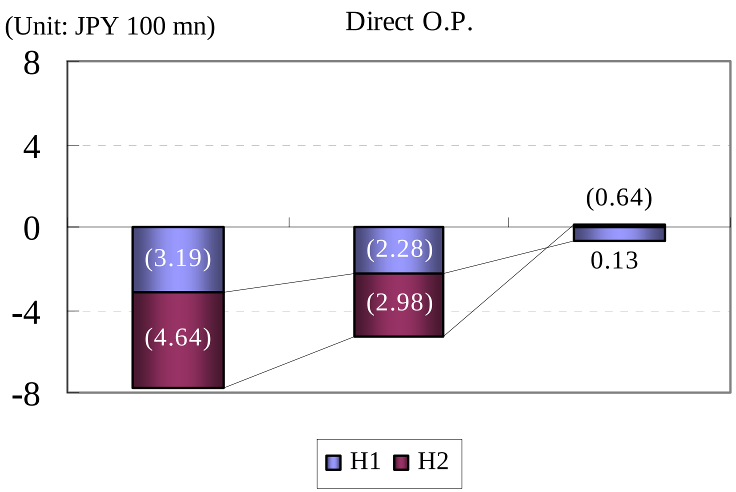
* The fiscal year ended March 2009 has only nine months because of change in the accounting term.

Comparison with FY3/08: **Profit fell in many regions** but **rose in Europe (up 39%) and China (up 19%).**

Review and Outlook by Segment (5) — *Other*

Direct operating profit trends and outlook





Results in FY3/09

Sales down 10% and loss reduced by 200 million yen year on year

Reduction of film production expenses recorded in FY2007 (300 million yen)

Outlook for FY3/10

Sales up 5% and loss reduced by 400 million yen year on year

Posting of transactions overseas (Kokoro Co., Ltd.) (Dinosaur theme park in Dubai: Moved back from FY2008 [200 million yen])

Other (Kokoro Co., Ltd.)

- **Reference Materials**

Balance Sheets,
Statements of Change in Shareholders' Equity

(Unit: JPY 100 mn)

	End of FY3/09	End of FY3/08	Increase (Decrease)
Current assets	309	353	(43)
Cash and deposit	138	129	9
Trade notes and accounts receivable	94	131	(36)
Inventories	50	53	(2)
Deferred income taxes	8	25	(16)
Tangible/intangible fixed assets	205	231	(26)
Investments and other assets	275	304	(28)
Investments in securities	58	76	(17)
Deferred income taxes	86	97	(10)
Guarantees	38	41	(2)
Deferred assets	0	0	0
Total assets	790	889	(98)

	End of FY3/09	End of FY3/08	Increase (Decrease)
Current liabilities	309	382	(72)
Payables	64	84	(20)
Short-term debts, corporate bonds	191	236	(45)
Long-term liabilities	212	177	35
Long-term debts	71	35	35
Corporate bonds	56	55	0
	318	327	(9)
Provision for retirement benefits	68	68	0
Net assets	268	329	(61)
Capital	149	149	0
Capital surplus	192	221	(28)
Net unrealized gains on securities	(18)	(8)	(10)
Foreign currency translation adjustments	(45)	(22)	(23)
Total liabilities and net assets	790	889	(98)

	Beginning balance	Dividends from surplus	Net profit	Others	Total change	Ending balance	Details of others
Capital	149	-	-	-	-	149	
Capital surplus	100	-	-	0	0	100	
Retained earnings	123	(13)	(14)	-	(28)	91	
Treasury stock	(9)	-	-	0	(0)	(9)	
Shareholders' equity	361	(13)	(14)	-	(28)	333	
Net unrealized gains on other securities	(8)	-	-	(10)	(10)	(18)	
Deferred hedge gain/loss	(0)	-	-	0	0	(0)	
Foreign currency translation adjustments	(22)	-	-	(23)	(23)	(45)	
Total of valuation and translation adjustments	(31)	-	-	(33)	(33)	(65)	
Minority interests	0	-	-	0	0	0	
Total net assets	329	(13)	(14)	(33)	(61)	268	

Comparison with FY3/08: Trade notes and accounts receivable fell because of a change in trading forms. Fixed assets declined due to impairment losses. Net assets were down as a result of the net loss, a stronger yen, and lower share prices.

Cash Flow Statement

(Unit: JPY 100 mn)

		FY3/09	FY3/08	Increase (Decrease)
Cash flow from operating activities		68	38	30
	Net profit before income taxes and adjustments (loss)	24	41	△16
	Depreciation	17	16	0
	Increase in allowances	△1	11	△12
	Increase/decrease in inventories, accounts receivable and accounts payable	13	△32	46
	Proceeds from interest income	4	4	△0
	Interest expense	△6	△7	0
	Income taxes paid	△12	△11	△1
Cash flow from investing activities		△20	△23	3
	Net withdrawal from time deposit	1	6	△5
	Payment for purchase of tangible fixed assets (theme park facilities, store interior)	△11	△14	3
	Net proceeds from sale and acquisition of investment securities	△3	△14	11
	Net income from collection of loans	△1	△0	△1
	Proceeds from redemption of guarantee	4	9	△4
Free cash flow		48	14	34
Cash flow from financing activities		△25	△38	12
	Repayment of debt and corporate bonds	△9	△25	16
	Dividends paid	△13	△13	△0
◆Cash and cash equivalents at end of period		135	124	11

Comparison with FY3/08: Cash flow from operating activities rose 3 billion yen, primarily attributable to a fall in purchases of trust beneficiary rights (relating to a notes payable reduction scheme).

Sanrio Puroland (SPL)

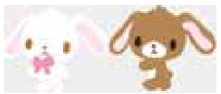
SPL			FY3/09 Results	Compared with FY3/08			FY3/10 Plan	Compared with FY3/09	
				FY3/08 Results	Increase (Decrease)	Change		Increase (Decrease)	Change
Sales (100 million yen)			47.7	55.9	(8.1)	(14.6%)	49.5	1.8	3.8%
	Off-site revenues (100 million yen)		12.2	14.5	(2.3)	(16.0%)	13.7	1.6	13.0%
	In-site revenues (100 million yen)		35.5	41.4	(5.9)	(14.1%)	35.8	0.2	0.6%
	Number of visitors (10 thousand persons)		74.3	83.5	(9.2)	(11.0%)	74.0	(0.3)	(0.4%)
	Total spending (yen)		4,783	4,955	(172)	(3.5%)	4,832	49	1.0%
	Spending per customer	Entrance fee (yen)	2,152	2,184	(32)	(1.5%)	2,159	7	0.3%
		Product sales (yen)	1,733	1,859	(126)	(6.8%)	1,755	22	1.3%
		Foods, beverage (yen)	898	912	(14)	(1.5%)	918	20	2.2%
Gross profit (100 million yen)			30.8	35.9	(5.1)	(14.4%)	32.2	1.3	4.5%
SG&A expenses (100 million yen)			36.7	43.1	(6.3)	(14.8%)	35.2	(1.5)	(4.1%)
Operating profit (100 million yen)			(5.9)	(7.1)	1.2	-	(3.1)	2.8	-
Cost rate			35.4%	35.6%	(0.2%)	-	34.9%	(0.5%)	-

Plan for FY3/10: We expect operating profit to increase 280 million yen, reflecting a 30 million increase in in-site revenues as a result of a 0.4% fall in the number of visitors and a 1% rise in spending per customer, a 160 million rise in off-site revenues including revenue from overseas licensing, and a 150 million yen reduction in cost.

HL				FY3/09 Results	Compared with FY3/08: FY3/08 Results	Compared with FY3/08: Increase (Decrease)	Compared with FY3/08: Change	FY3/10 Plan	Compared with FY3/09: Increase (Decrease)	Compared with FY3/09: Change
Sales (100 million yen)				13.8	16.1	(2.2)	13.9%	15.4	1.5	10.9%
	Off-site revenues (100 million yen)			2.1	2.2	(0.1)	(3.5%)	3.3	1.2	54.1%
	In-site revenues (100 million yen)			11.7	13.9	(2.2)	(15.6%)	12.1	0.4	3.0%
		Number of visitors (10 thousand persons)		27.3	31.9	(4.7)	(14.6%)	27.6	0.3	1.2%
		Total spending (yen)		4,304	4,356	(52)	(1.2%)	4,380	76	1.8%
		Spending per customer	Entrance fee (yen)	1,962	2,034	(72)	(3.5%)	1,982	20	1.0%
			Product sales (yen)	1,555	1,559	(4)	(0.3%)	1,601	46	3.0%
			Foods, beverage (yen)	787	763	24	3.2%	797	10	1.3%
Gross profit (100 million yen)				9.6	11.3	(1.6)	(14.8%)	10.9	1.2	12.8%
SG&A expenses (100 million yen)				11.4	13.2	(1.7)	(13.3%)	11.6	0.2	1.7%
Operating profit (100 million yen)				(1.8)	(1.8)	0.0	-	(0.7)	1.1	-
Cost rate				30.4%	29.7%	0.7%	-	29.2%	(1.2%)	-

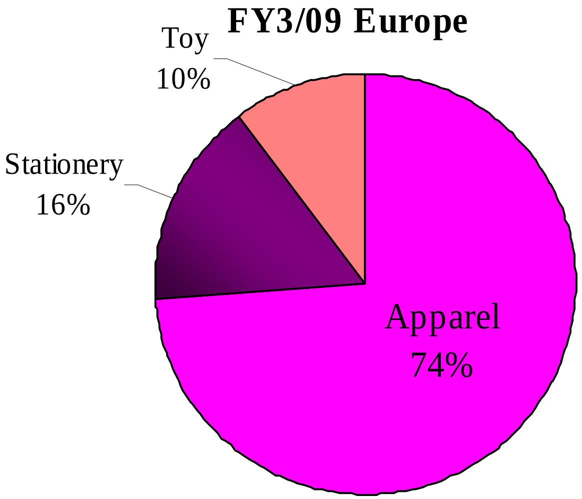
Plan for FY3/10: We expect in-site revenues to grow 40 million yen as a result of a 1% rise in the number of visitors and a 1% increase in spending per customer. Off-site revenues will climb 120 million yen. Consequently, operating loss will improve 110 million yen.

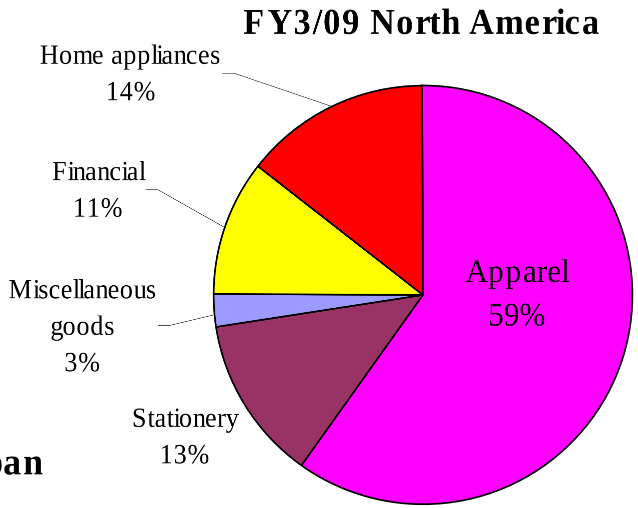
(Full titles abbreviated)

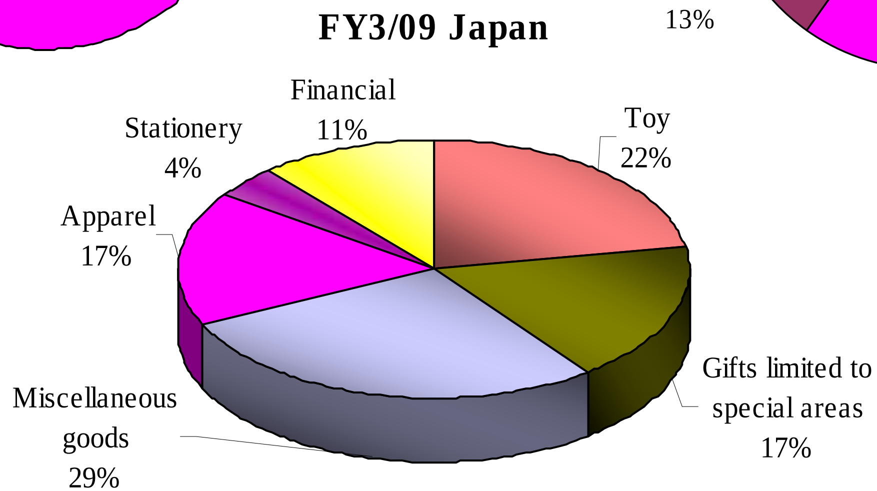
Character	Development year	Industry	Main licencees
Hello Kitty 	**1974**	**Financial AV & Home appliances Health & Cosmenience Apparel/accessories Toy & miscellaneous goods Confectionery & food products Vehicles . . . . . . etc.**	**Credit Saison, Cedyna, Fukokushinrai Life, Fukoku Mutual Life Insurance, Mizuho Bank, Citizen Watch, Softbank Mobile, Toshiba Home Appliances, Fujifilm, Hisamitsu Pharmaceutical, Pfizer, Unilever Asahi Corporation, Naigai, Bridgestone Sports, Wacoal, Segatoys Itoham Foods, Ezaki Glico, Kibun Foods, McDonald's Japan, Morinaga, Mitsubishi Motors**
Cinnamoroll 	**2002**		**Asahi Shimbun, Asahi Mutual Life Insurance, Showa Note, Taisei Housing Corporation, Tokyo Tomin Bank, McDonald's Japan, Bandai, Yamaha**
My Melody (& Kuromi)  	**1975 (Kuromi 2005)**		**Agatsuma, Asahi Corporation, Imagineer, Nichiban, Bandai Networks, Fukusuke**
Sugar Bunnies 	**2004**		**Takara Tomy (master license)**
Shinkansen 	**1999**		**Asahi Corporation, Sakura Color Products, Naigai**

Comparison with FY3/08: Sales of Sugar Bunnies, which were developed five years ago, are rising. However, Hello Kitty still accounts an overwhelming percentage of licensing transactions.

Breakdown of License Products in Each Region Overseas







Apparel accounts for the largest percentage in Europe, where the sales of license products are larger than in Japan or in North America. The key to future growth there is the diversification of product categories as in Japan and North America, where Sanrio established a presence earlier.

Effects of Exchange Fluctuations on Operating Profits at Overseas Subsidiaries

(FY3/09 Results)

	EUR	USD	CNY	KRW	TWD	HKD	Total
Exchange rate in FY3/08 (JPY)	161.56	114.13	15.47	0.1268	3.52	14.64	–
Exchange rate in FY3/09 (JPY)	153.19	102.25	14.91	0.0972	3.26	13.14	–
Difference (JPY)	(8.37)	(11.88)	(0.56)	(0.0296)	(0.26)	(1.50)	–
Operating profit denominated in local currency (unit: million)	18	7	6	755	15	15	–
Amount affect by exchange fluctuations (unit: million yen)	(150)	(83)	(3)	(22)	(3)	(22)	(283)

(FY3/10 Plan) Estimate

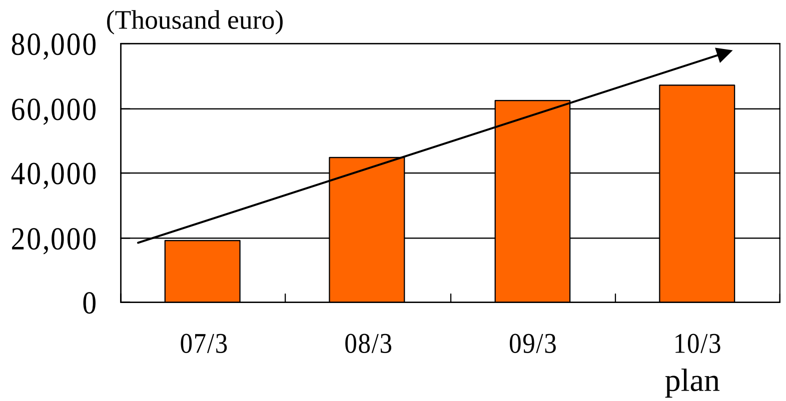
	EUR	USD	CNY	KRW	TWD	HKD	Total
Exchange rate in FY3/09 (JPY)	153.19	102.25	14.91	0.0972	3.26	13.14	–
Exchange rate in FY3/10 (JPY)	124.39	94.16	13.73	0.0680	2.78	12.15	–
Difference (JPY)	(28.80)	(8.09)	(1.18)	(0.03)	(0.48)	(0.99)	–
Operating profit denominated in local currency (unit: million)	18	8	8	308	26	26	–
Amount affect by exchange fluctuations (unit: million yen)	(518)	(64)	(9)	(8)	(12)	(25)	(636)

The assumed rates for the next fiscal year (¥124 against the euro, ¥94 against the U.S. dollar, etc.) will reduce operating profit by around ¥600 from a year ago.

Sales at Overseas Subsidiaries (in Local Currencies) (1)

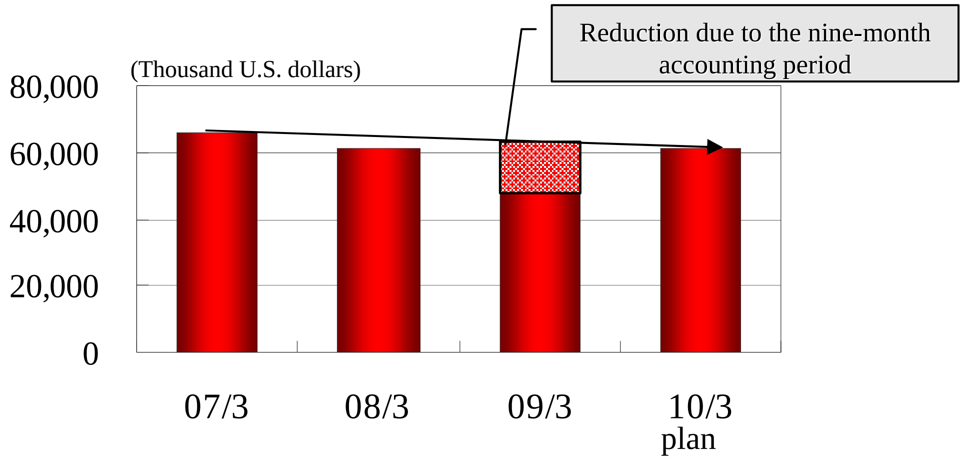
Europe

(Sales in fiscal year under review: ¥9,500 million)



North America (including South America)

(Sales in fiscal year under review: ¥4,800 million)

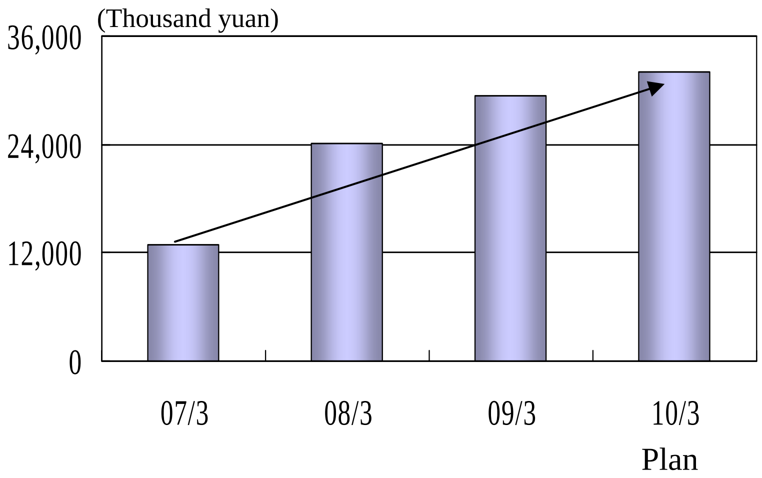


Plan for FY03/10: The popularity of Hello Kitty is solid despite destabilizing factors such as the business slump and swine flu. We therefore expect sales to rise in each region in the fiscal year ending March 2010.

Sales at Overseas Subsidiaries (in Local Currencies) (2)

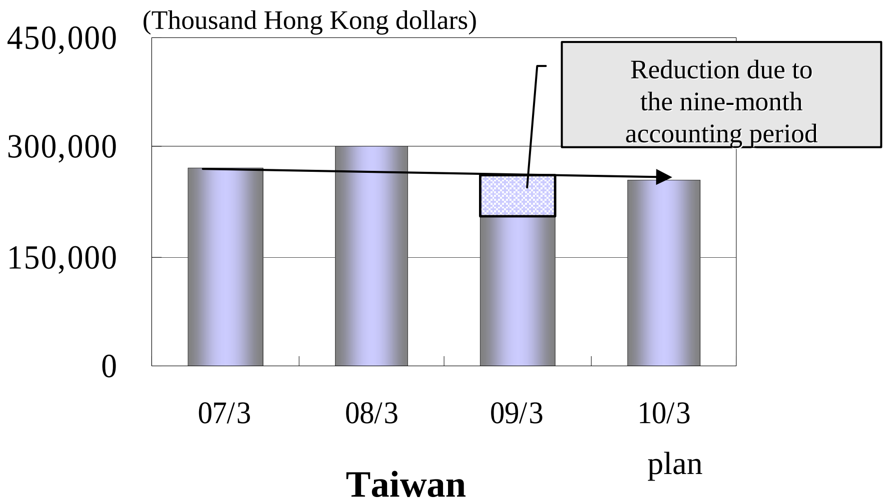
Shanghai

(Sales in fiscal year under review: ¥400 million)



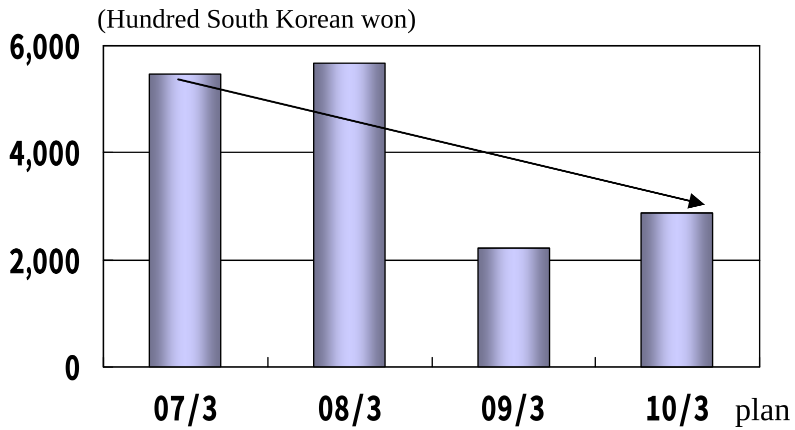
Hong Kong

(Sales in fiscal year under review: ¥2,600 million)



Korea

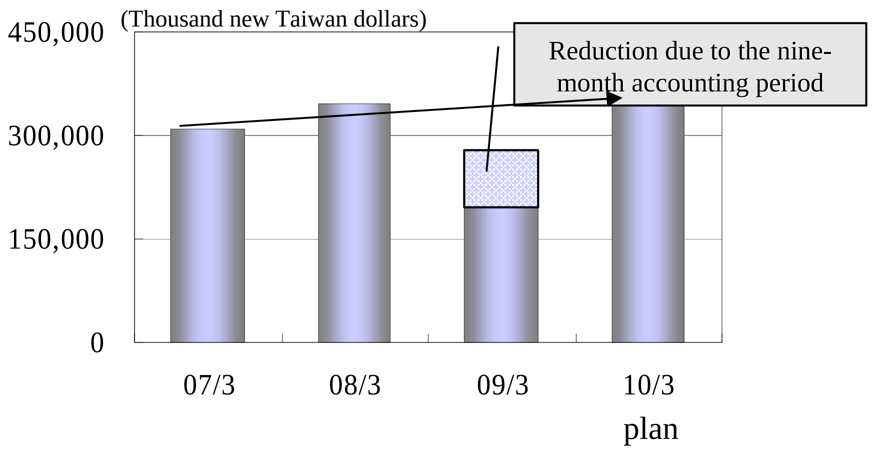
(Sales in fiscal year under review: ¥200 million)



*Some sales were transferred to joint ventures with local companies in the fiscal year ended March 2009 and thereafter.

Taiwan

(Sales in fiscal year under review: ¥500 million)



		Fiscal year ended March 2009		Fiscal year ended March 2008	Increase/decrease
*Retail	GIFTGATE (Company-operated shops)	268	140	147	(7)
	Department stores (Company-operated shops)		128	124	+4
Wholesale	Department stores (inventory basis)	1,140	56	56	0
	Chain stores		1,005	1,005	0
	Specialty stores		79	85	(6)
Total		1,408		1,416	(8)

*** Number of shops closed**

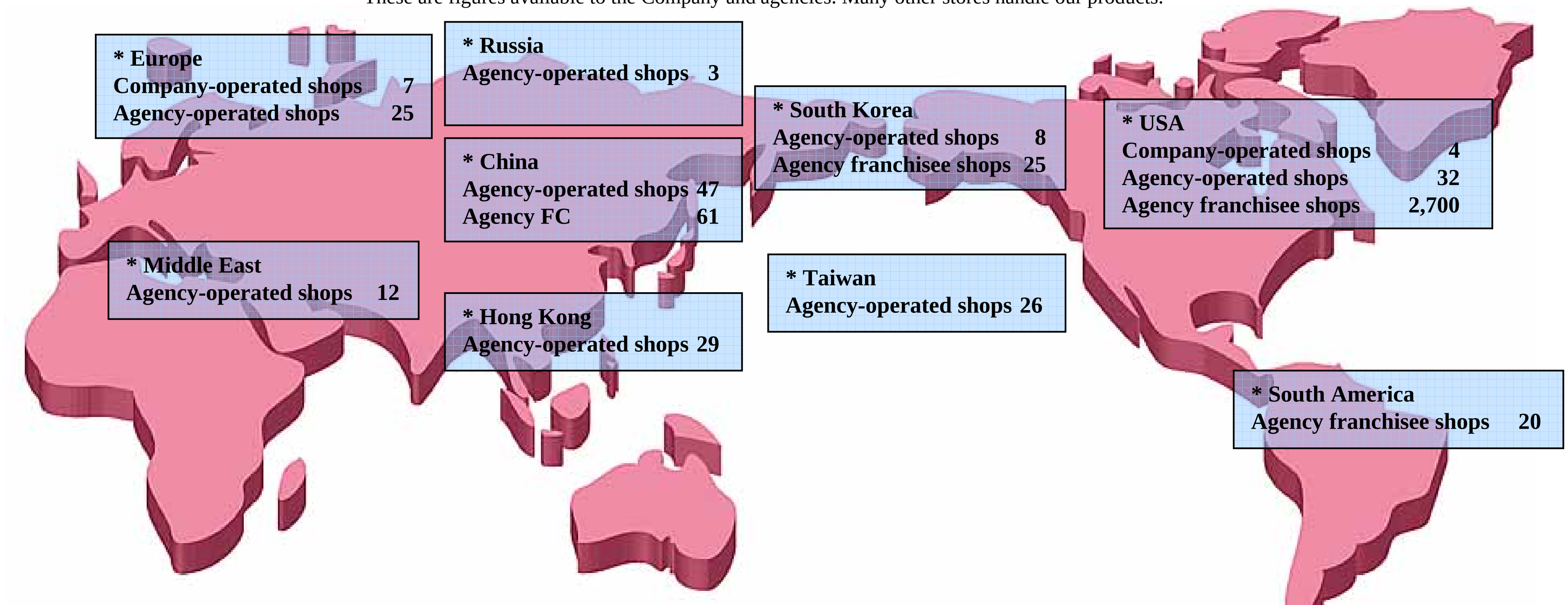
FY3/07	**FY3/08**	**FY09**	**FY3/10 (plan)**
19	**23**	**17**	**23**

(Note) The Company-operated shops in department stores that became outlets in department stores on an inventory basis are counted as shops closed.

Overseas Shops

Number of shops	FY3/08 (Results)	FY3/09 (Results)	Increase/ decrease	FY3/10 (Plan)	Increase/ decrease
Company-operated shops	11	11	0	9	(2)
Agency-operated shops	171	182	+11	214	+32
Agency franchisee shops	2,737	2,806	+69	1,992	(814)
Total	2,919	2,999	+80	2,215	(784)

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



*An agency-operated shop in India was closed in March 2009 as a recovery in the business environment is not expected in the near future.

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