February 14, 2018

To Whom It May Concern,

Company Name: Sanrio Company, Ltd.
President and Chief Executive Officer: Shintaro Tsuji
Securities Code: 8136, First Section of Tokyo Stock Exchange
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Notice Concerning Revision of Earnings Forecasts

Sanrio Company, Ltd. has announced a revision to earnings forecasts published earlier by the company on October 10, 2017. These revisions are in response to recent company earnings trends.

1. Revised Earnings Forecast

Consolidated Earnings Forecast for the Fiscal Year Ending March 2018

	Sales	Operating Income	Ordinary Income	Profit Attributable to Owners of Parent	Earnings per Share
	(million yen)	(million yen)	(million yen)	(million yen)	(yen)
Prior Forecast (A) (October 10, 2017)	60,300	6,300	6,600	4,800	56.57
Revised Forecast (B)	59,300	5,300	5,900	5,800	68.36
Difference (B-A)	(1,000)	(1,000)	(700)	1,000	―
Change (%)	(1.7)	(15.9)	(10.6)	20.8	―
(Reference) FYE March 2017 Results	62,695	6,904	7,255	6,475	76.32

Non-Consolidated Earnings Forecast for the Fiscal Year Ending March 2018

	Sales	Ordinary Income	Profit Attributable to Owners of Parent	Earnings per Share
	(million yen)	(million yen)	(million yen)	(yen)
Prior Forecast (A) (October 10, 2017)	42,500	3,700	2,700	31.82
Revised Forecast (B)	42,100	5,800	4,100	48.32
Difference (B-A)	(400)	2,100	1,400	―
Change (%)	(0.9)	56.8	51.9	―
(Reference) FYE March 2017 Results	44,722	12,658	12,732	150.07

2. Reasons for the Revised Earnings Forecast

(Consolidated)

On December 19, 2017, U.S. subsidiary Sanrio, Inc. transferred ownership of its head office, warehouse, and leased facilities in South San Francisco, California. This decision was based on real estate market conditions and the business environment, considering the best use of business resources and strengthening the company's financial condition. Sanrio, Inc. has leased certain of these assets (assets used by the company to date) under a leaseback agreement (seven-year lease; option to extend by five years). As a result of this transaction, Sanrio Company, Ltd. expects to record JPY4.5 billion in gain on sales of fixed assets as extraordinary gains for the consolidated fourth quarter. The company has revised earnings forecasts in consideration of this transaction and earnings trends.

(Non-Consolidated)

Sanrio Company, Ltd. expects to record JPY2.7 billion in dividends from U.S. subsidiary Sanrio, Inc. in the fourth quarter. Accordingly, the company has revised its forecasts for non-consolidated earnings.