Aug 2, 2024

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Notice Regarding Revisions to Forecasts for First Half and Full Year for the Fiscal Year Ending March 31, 2025

In light of recent performance trends, we have revised our earnings forecasts for the first half and full year for the fiscal year ending March 31, 2025 and dividend forecasts, announced on May 14, 2024, as noted below.

1. Revision to the forecasts for first half of FY3/2025 (April 1, 2024 to September 30, 2024)

	Sales	Operating Profit	Ordinary Profit	Net Profit Attributable to Owners of Parent	Net Profit per Share
	(million yen)	(million yen)	(million yen)	(million yen)	(yen)
Prior Forecasts (A) Published on May 14,2024	52,200	12,600	13,100	8,700	36.84
Revised Forecasts (B)	57,000	18,300	19,800	16,100	68.17
Differences (B-A)	4,800	5,700	6,700	7,400	
Differences (%)	9.2	45.2	51.1	85.1	
(Reference) Results for the First Half Results of Fiscal Year Ended 3/2024	43,930	13,307	14,201	10,506	43.42

Note: The Company conducted a 3-for-1 common stock split effective on April 1, 2024. Net profit per share is calculated as if this stock split had taken place at the beginning of the previous fiscal year.

2. Revision to the forecasts for full FY3/2025 (April 1, 2024 to March 31, 2025)

	Sales	Operating Profit	Ordinary Profit	Net Profit Attributable to Owners of Parent	Net Profit per Share
	(million yen)	(million yen)	(million yen)	(million yen)	(yen)
Prior Forecasts (A) Published on May 14,2024	110,300	30,000	30,400	20,800	88.07
Revised Forecasts (B)	119,300	37,100	38,700	28,700	121.50
Differences (B-A)	9,000	7,100	8,300	7,900	
Differences (%)	8.2	23.7	27.3	38.0	
(Reference) Results for the Fiscal Year Ended 3/2024	99,981	26,952	28,265	17,584	73.08

Note: The Company conducted a 3-for-1 common stock split effective on April 1, 2024. Net profit per share is calculated as if this stock split had taken place at the beginning of the previous fiscal year.

3. Reasons for Revisions to Forecasts for First Half and Full Year for the Fiscal Year Ending March 31, 2025

(1) Reasons for Revisions to forecasts for first half of the fiscal year ending March 31, 2025

In the first quarter of the consolidated fiscal year, brick-and-mortar store and theme park sales exceeded our initial earnings forecasts at the beginning of the fiscal year thanks to the steady progress of internal measures and a significant increase in customer numbers due to the brisk flow of both domestic customers and foreign tourists. In the License business too, strategic measures such as developing products and services with a wide range of Sanrio characters continued to prove successful in Japan and overseas. Sales exceeded our forecast at the beginning of the fiscal year, driven primarily by our performance in North America and China. Operating profit for the first quarter came in far above the level for the same period last year due to factors such as progress against sales forecasts that substantially exceeded our initial forecast in Japan and overseas, an improvement in profitability resulting from a higher proportion of sales from the License business, and lower SG&A expenses than forecast at the beginning of the fiscal year.

Ordinary profit exceeded initial forecast mainly due to increasing operating profit. Also, net profit attributable to owners of parent exceeded initial forecast mainly due to increasing ordinary profit.

We have revised the consolidated earnings forecasts for the first half of the fiscal year, announced on May 14, 2024, as we expect the growth in sales to continue in the second quarter, together with the persistence of robust profits.

(2) Reasons for revisions to forecasts for the full fiscal year ending on March 31, 2025

In the consolidated fiscal year under review, we have decided to revise our full-year consolidated earnings forecasts to reflect our upward revisions to the consolidated earnings forecasts for the first half of this fiscal year in the full-year earnings forecasts, and also because we anticipate solid progress both in sales and profit in the third quarter and beyond.

The above forecasts are based on the information available to the Company at this point and on certain assumptions deemed reasonable, and are not a guarantee that such results will be achieved. Actual results may differ significantly due to a variety of factors.