



July 31, 2019

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## Notice Regarding Revision of Financial Forecast

Given recent business performance trends, Sanrio Company, Ltd. has revised its consolidated forecast for the fiscal year ending March 2020 as follows. This revision amends the forecast as originally announced on May 14, 2019. Please note that dividend forecasts have not been amended as a result of this announcement.

### 1. Revision of Consolidated Forecast

#### Forecast for the 1<sup>st</sup> half of the Fiscal Year Ending March 2020 (April 1, 2019 to September 30, 2019)

	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 Forecast (A) Published on May 14, 2019	27,800	1,700	2,200	1,400	16.50
Revised Forecast (B)	—	—	—	600	7.07
Difference (B-A))	—	—	—	(800)	—
Difference (%)	—	—	—	(42.9%)	—
(Reference) Results for 1 <sup>st</sup> Half of Fiscal Year Ended 03/2019.	28,272	2,158	2,730	1,516	17.87

#### Forecast for the Fiscal Year Ending March 2020 (April 1, 2019 to March 31, 2020)

	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 Forecast (A) Published on May 14, 2019	60,000	6,100	7,100	4,900	57.74
Revised Forecast (B)	—	—	—	4,100	48.32
Difference (B-A))	—	—	—	(800)	—
Difference (%)	—	—	—	(16.3%)	—
(Reference) Results for Fiscal Year Ended 03/2019.	59,120	4,786	5,836	3,880	45.73

## **2. Reasons for Revision of Consolidated Forecast**

As announced on 10 July 2019, Sanrio Company Ltd. and its subsidiaries received notification of a decision by the European Commission imposing a fine in relation to the Commission's antitrust investigation into Sanrio's licensing practices in Europe. The fine of 0.7 billion yen will be recorded as extraordinary loss in the consolidated first quarter financial statements for the year ending 31 March 2020, and to this end the company has revised its consolidated forecast for the first half and full fiscal year.

Moreover, in addition to this, a 0.3-billion-yen investment securities valuation loss was recorded as an extraordinary loss in the consolidated first quarter financial statements. The company plans to compensate for this using such measures as share sales while closely watching future stock price trends.