

Cumulative 3Q of FY3/2026 Financial Results





Summary

- Consolidated net sales and operating profit for the cumulative consolidated and stand-alone third quarter of FY3/2026 marked record highs
- In Japan, Product Sales and the License Business remained firm, despite the end of the Expo Osaka Kansai and a decline in inbound sales that began in November. Growth in mainland China was driven by the expansion of the product sales business, while Europe benefited from increased demand from fast fashion licensees
- Revised our full-year forecast upward to net sales of 190.6 billion yen, operating profit of 75.1 billion yen, and adjusted operating profit of 74.5 billion yen

	Summary For Cumulative Q3 of FY 3/2026 (Japan : Apr – Dec, Overseas : Jan – Sep)	Summary For Q3 of FY 3/2026 (Japan : Oct – Dec, Overseas : Jul – Sep)
Consolidated Financial Results	Sales : 143.1 billion yen (up 36.7% YoY) Operating profit : 62.3 billion yen (up 51.8% YoY) Adjusted operated profit : 60.4 billion yen (up 44.1% YoY)	Sales : 55.5 billion yen (up 32.3% YoY) Operating profit : 23.2 billion yen (up 32.6% YoY) Adjusted Operating Profit : 23.3 billion yen (up 35.9% YoY)
Japan Product Sales	Operating Profit ^(*) +64% Strategic introductions of Sanrio Original Products throughout the year ensured buzz and stable customer relationships, contributing to performance growth.	Operating Profit ^(*) +39% Posted higher sales and profit, despite declining inbound sales beginning in November, with the opening of a new flagship store in Harajuku and the strategic roll-out of Sanrio Original Products throughout the year.
Japan License Business	Operating Profit ^(*) +66% Growth in licensing across a wide range of industries, including apparel and food and beverage, use of a variety of characters, and client-led promotional activities contributed to continued performance growth.	Operating Profit ^(*) +61% Higher sales and profit through the utilization of wide range of Sanrio character licenses across industries, mainly in the Miscellaneous Goods and Toy categories.
Americas	Contribution Profit +2.8% In particular, the toy and apparel categories contributed to business growth. Although SG&A expenses increased year on year due to higher marketing investment, contribution profit increased.	Contribution Profit +0.3% Brand recognition was strengthened through deeper ties with major licensees, etc., securing contribution profit level year on year, despite a difficult market environment due to tariffs.
Asia	Contribution Profit +55% Growth in licensing through expanding brand and supply chain, particularly in the toy category. In mainland China, the expansion of the store network also contributed to the product sales business, resulting in higher revenue and profit.	Contribution Profit +37% Sales and profit increased with higher product sales stemming from rising store sales, as well as License growth driven by ongoing strength in the toy market.
Europe	Contribution Profit +198% Ongoing efforts using wide range of Sanrio characters with major global fast fashion brands resulting in the apparel category contributing to performance growth.	Contribution Profit +180% Sales and profit increased significantly, especially with growth in the apparel and toy categories.

>>> p.20 See the Q&A session for frequently asked questions about financial results.

Notes: Percentages are rounded to the nearest tenth of a percent. Product Sales Business and Licensing Business operating profit shown in the table represent figures before the allocation of overhead expenses. For details on "Adjusted operating profit," please refer to p.29. For details on "Contribution profit," please refer to p.30.

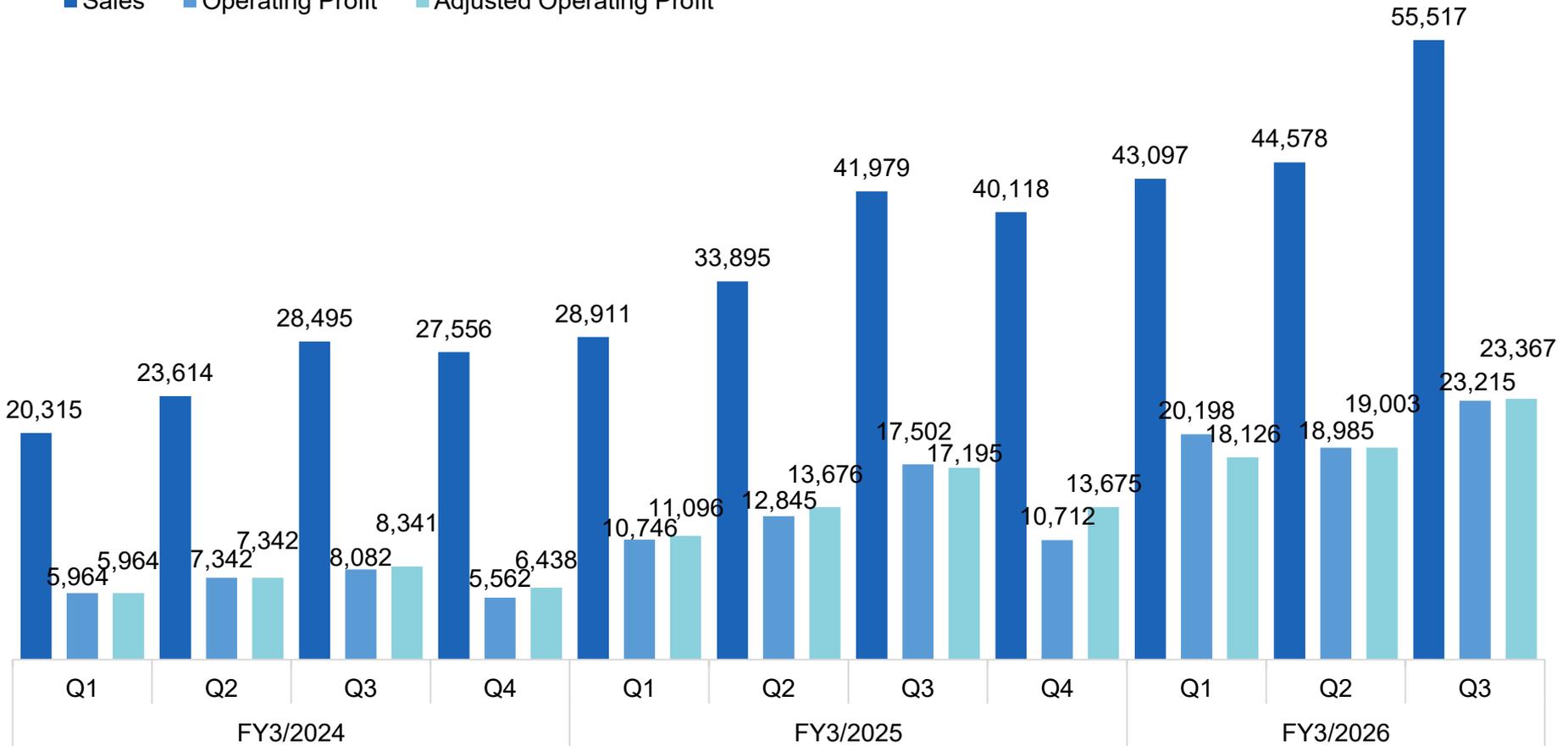


Consolidated Financial Results Trend (Sales, OP, Adjusted OP)

Sales and Adjusted operating profit both reaching record highs for quarterly performance

[JPY: Million]

■ Sales ■ Operating Profit ■ Adjusted Operating Profit

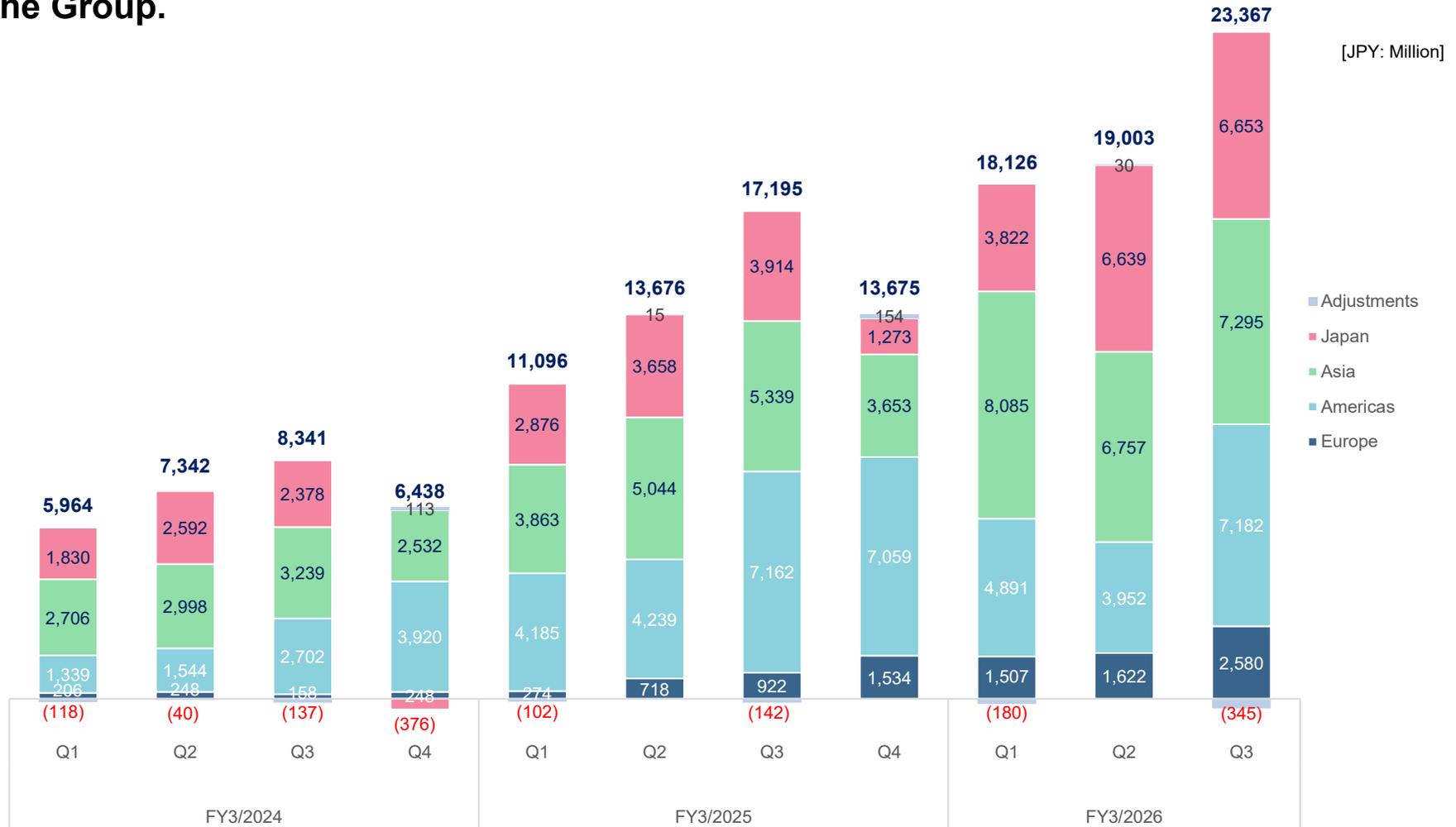


Notes: Figures are rounded down to the nearest one million yen.
For details on "Adjusted operating profit," please refer to p.29.



Contribution Profit Trend

On a year-on-year basis, growth in Japan, Asia, and Europe led overall growth for the Group.



Notes: Figures are rounded down to the nearest one million yen.

Overseas subsidiaries pay fees proportional to their royalty income to the Japanese parent company, the copyright holder, as cost of sales, which is recorded as sales by the parent company. In order to see the actual amount of value created by Overseas Business, Sanrio uses "contribution profit," which is calculated by adding the amount of royalty payments to the HQ to the operating profit of overseas subsidiaries, as an indicator unique to Sanrio.

Beginning Q2 FY3/2026, contribution profit in the financial results materials is presented net of consolidation adjustments related to differences in fiscal periods. Past figures are retrospectively restated.



Consolidated Financial Results for Full Year

[JPY: Million]

(JPY: Million)	Q3 FY3/2025 YTD	Q3 FY3/2026 YTD	YoY	YoY%
Sales	104,786	143,194	+38,407	+36.7%
Gross Profit	80,691	112,274	+31,582	+39.1%
Gross Profit Margin	77.0%	78.4%	+1.4pt	—
EBITDA	42,743	64,421	+21,677	+50.7%
EBITDA Margin	40.8%	45.0%	+4.2pt	—
Adjusted Operating Profit	41,969	60,497	+18,528	+44.1%
Operating Profit	41,093	62,398	+21,304	+51.8%
OP Margin	39.2%	43.6%	+4.4pt	—
Ordinary Profit	42,665	63,456	+20,791	+48.7%
Net Profit attributable to owners of parent	33,790	43,679	+9,889	+29.3%

Notes: Figures are rounded down to the nearest one million yen. Percentages are rounded to the nearest tenth of a percent.
For details on "Adjusted operating profit," please refer to p.29.



Breakdown by Reportable Segment

[JPY: Million]

Segment	Q3 FY3/2025 YTD	Q3 FY3/2026 YTD	YoY	YoY%
Sales	104,786	143,194	+38,407	+36.7%
Japan	82,414	109,645	+27,231	+33.0%
Europe	3,588	8,077	+4,489	+125.1%
Americas	19,549	21,261	+1,712	+8.8%
Asia	22,248	34,897	+12,648	+56.9%
Adjustment	(23,014)	(30,688)	(7,674)	-
Royalty	50,623	70,517	+19,893	+39.3%
Japan	32,835	45,501	+12,666	+38.6%
Europe	3,406	7,850	+4,444	+130.5%
Americas	17,906	19,416	+1,510	+8.4%
Asia	14,292	19,976	+5,683	+39.8%
Adjustment	(17,815)	(22,227)	(4,411)	-
Adjusted Operating Profit	41,969	60,497	+18,528	+44.1%
Japan	27,283	40,600	+13,316	+48.8%
Europe	909	2,396	+1,486	+163.4%
Americas	7,894	7,404	(489)	(6.2%)
Asia	7,283	12,184	+4,901	+67.3%
Adjustment	(1,402)	(2,089)	(686)	-
Contribution Profit	41,969	60,497	+18,528	+44.1%
Japan	10,448	17,115	+6,667	+63.8%
Europe	1,916	5,711	+3,795	+198.1%
Americas	15,586	16,027	+440	+2.8%
Asia	14,247	22,138	+7,891	+55.4%
Adjustment	(229)	(495)	(265)	-

Notes: Figures are rounded down to the nearest one million yen. Percentages are rounded to the nearest tenth of a percent.
For details on "Adjusted operating profit," please refer to p.29. For details on "Contribution profit," please refer to p.30.



Details by Segment: Japan (Sales and Adjusted OP)

Substantial increase in sales and profit in domestic Product Sales and Licensing stemming from improved experience value and the strategic roll-out of original products, including the opening of our Harajuku flagship store in December, as well as the use of wide range of Sanrio characters licenses across various industries

[JPY: Million]

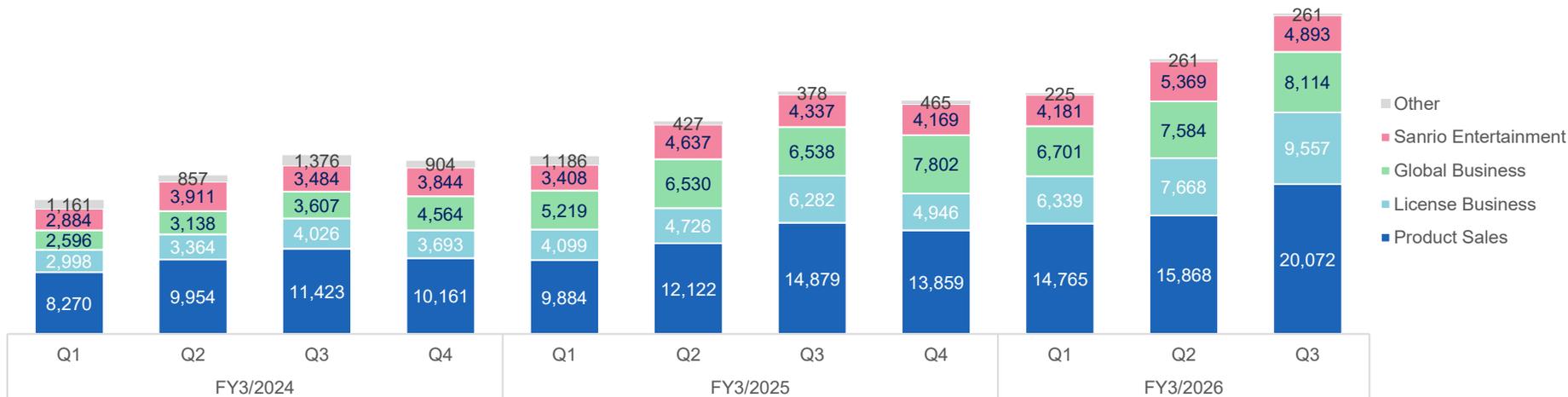
	Sales				Adjusted Operating Profit			
	Q3 FY3/2025 YTD	Q3 FY3/2026 YTD	YoY	YoY%	Q3 FY3/2025 YTD	Q3 FY3/2026 YTD	YoY	YoY%
Sanrio Company (HQ)	70,663	96,666	+26,002	+36.8%	23,321	36,124	+12,803	+54.9%
Product Sales	37,205	50,706	+13,500	+36.3%	5,680	10,454	+4,774	+84.1%
License Business	15,109	23,565	+8,456	+56.0%	12,614	20,892	+8,277	+65.6%
Global Business	18,320	22,400	+4,079	+22.3%	17,413	21,417	+4,004	+23.0%
Other	28	(5)	(33)	(117.8%)	(2,051)	(2,973)	(921)	—
Adjustment (HQ cost center expenses, etc.)	—	—	—	—	(10,334)	(13,665)	(3,330)	—
Sanrio Entertainment	12,383	14,444	+2,060	+16.6%	2,597	2,915	+318	+12.3%
Sanrio Puroland	10,138	11,573	+1,434	+14.1%	2,386	2,516	+130	+5.5%
Harmonyland	2,244	2,871	+626	+27.9%	210	398	+188	+89.3%
Other	1,613	753	(860)	(53.3%)	192	(33)	(225)	(117.4%)
Subtotal	84,661	111,864	+27,203	+32.1%	26,110	39,007	+12,896	+49.4%
Adjustment (Intra-segment)	(2,247)	(2,218)	+28	-	1,172	1,593	+420	+35.8%
Total	82,414	109,645	+27,231	+33.0%	27,283	40,600	+13,316	+48.8%
Adjustment (Inter-segment)	(18,841)	(24,405)	(5,564)	-				
Sales to customers	63,573	85,239	+21,666	+34.1%				

Notes: Figures are rounded down to the nearest million yen. Percentages are rounded to the nearest tenth of a percent.



Quarterly Trend by Segment: Japan (Sales and Adjusted OP)

[Sales] [JPY: Million]



[Adjusted Operating Profit] [JPY: Million]



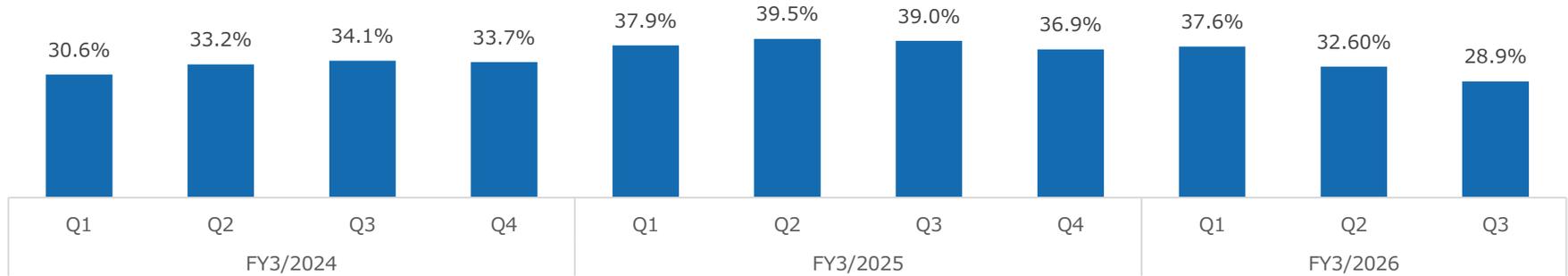
Notes: Figures are rounded down to the nearest one million yen. "Other" includes domestic subsidiaries and new businesses. Figures exclude adjustments. For details on "Adjusted operating profit," please refer to p.29.



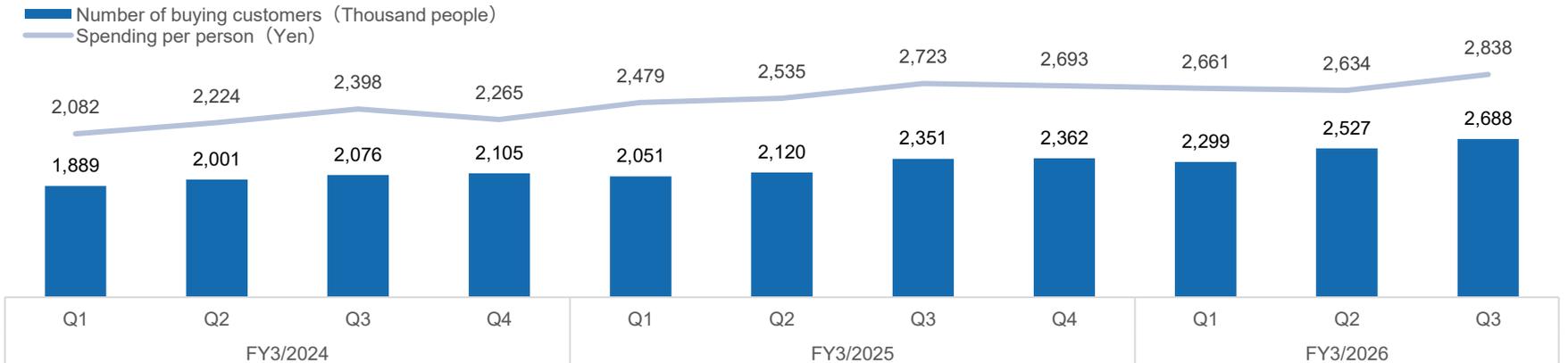
Details by Segment: Japan (Product sales)

Although the ratio of inbound sales declined due to factors such as travelers from mainland China refraining from travel to Japan, Japanese customers increased.

[Ratio of inbound sales to store sales (%)]



Customer traffic for purchasing customers and average spend per customer rose in response to enhanced in-store customer experiences, the introduction of limited-edition products, etc.



Notes: The inbound sales figures were counted from a total of existing stores (directly managed stores and consignment stores) out of stores in Japan (excluding directly managed stores in department stores, etc.) until FY3/2024. However, from FY3/2025 onward, the numbers of directly managed stores and consignment stores include all stores. The number of buying customers and spending per person were counted from all stores in Japan.

137 stores: 69 directly managed stores, 29 consignment stores, 39 directly managed stores in department stores



Details by Segment: Japan (Sanrio Entertainment Co., Ltd.)

Sanrio Puroland maintained a high level of performance, despite a year-on-year decline in the number of operating days due to the parade renewal and other factors. Harmonyland continued to perform well, driven by seasonal events and improved accessibility in surrounding areas.

■ Sanrio Puroland ■ Harmonyland [Number of visitors (Ten thousand people)]



Seasonal and in-park exclusive products contributed to strong sales, and average spend per customer exceeded the same period in the previous fiscal year.

■ Sanrio Puroland ■ Harmonyland [Spending per person (Yen)]





Details by Segment: Overseas (Sales and Adjusted OP)

Overall growth in the Product Sales and Licensing businesses in mainland China was driven by strong store sales centered on Tier 1 cities^(*) and strong momentum in the trendy toy market. We also saw continued success for exposure initiatives in support of wide range of Sanrio characters licensing development in Europe and the United States

[JPY: Million]

	Sales				Adjusted Operating Profit			
	Q3 FY3/2025 YTD	Q3 FY3/2026 YTD	YoY	YoY%	Q3 FY3/2025 YTD	Q3 FY3/2026 YTD	YoY	YoY%
Europe	3,588	8,077	+4,489	+125.1%	909	2,396	+1,486	+163.4%
Royalty	3,406	7,850	+4,444	+130.5%				
Americas	19,549	21,261	+1,712	+8.8%	7,894	7,404	(489)	(6.2%)
Royalty	17,906	19,416	+1,510	+8.4%				
North America	18,337	18,937	+600	+3.3%	7,501	6,779	(721)	(9.6%)
Royalty	16,778	17,160	+382	+2.3%				
South America	1,211	2,324	+1,112	+91.8%	392	624	+231	+59.0%
Royalty	1,127	2,255	+1,127	+100.0%				
Asia	22,248	34,897	+12,648	+56.9%	7,283	12,184	+4,901	+67.3%
Royalty	14,292	19,976	+5,683	+39.8%				

Note 1: Tier 1 cities refer to the leading cities in mainland China which rank at the top domestically in terms of economic scale, infrastructure, population, and international influence. This term generally refers to the four cities of Beijing, Shanghai, Guangzhou, and Shenzhen.

Note 2: Figures are rounded down to the nearest million yen. Percentages are rounded to the nearest tenth of a percent.



Quarterly Trend by Segment: Overseas (Sales)

[JPY: Million]

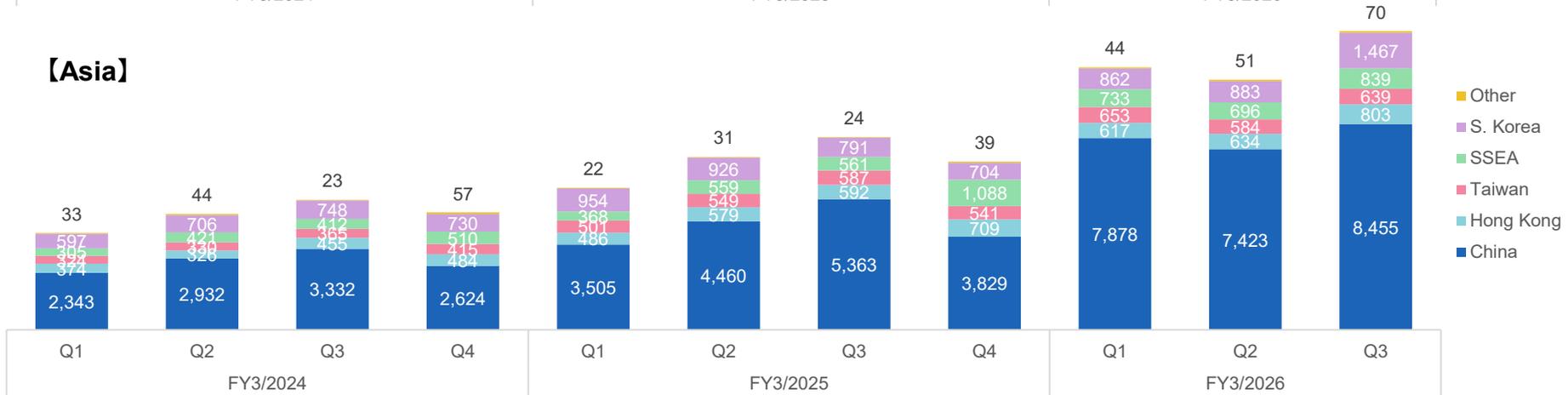
【Europe】



【Americas】



【Asia】



Notes: Figures are rounded down to the nearest one million yen.

Europe includes the results of overseas subsidiaries related to Mr.MEN LITTLE MISS in the U.K., while Germany includes results from Europe, Oceania, and other regions (e.g., Germany, the U.K., and France), excluding the subsidiaries in question.



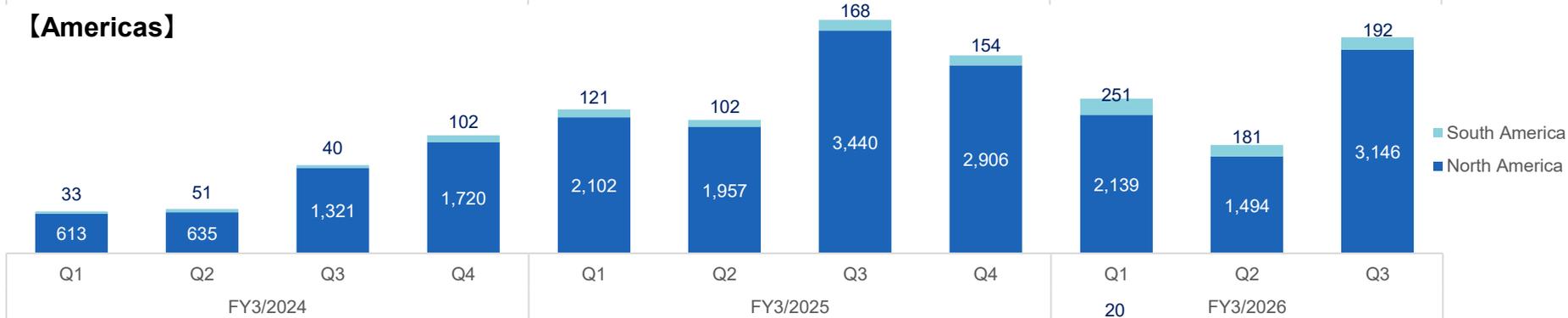
Quarterly Trend by Segment: Overseas (Adjusted OP)

【Europe】

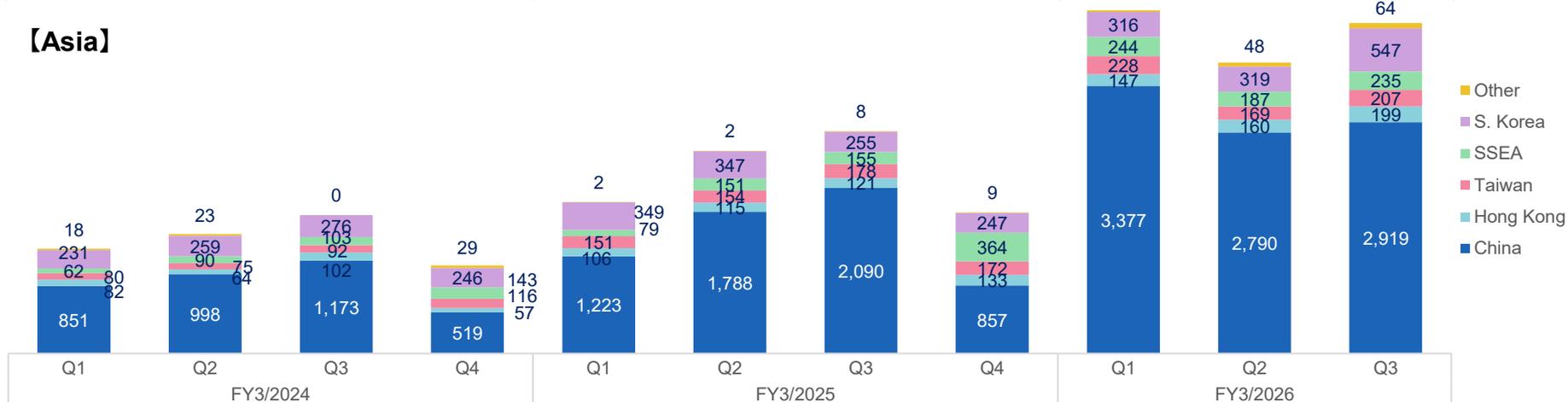
[JPY: Million]



【Americas】



【Asia】



Notes: Figures are rounded down to the nearest one million yen. For details on "Adjusted operating profit," please refer to p.29. Europe includes the results of overseas subsidiaries related to Mr.MEN LITTLE MISS in the U.K., while Germany includes results from Europe, Oceania, and other regions (e.g., Germany, the U.K., and France), excluding the subsidiaries in question.



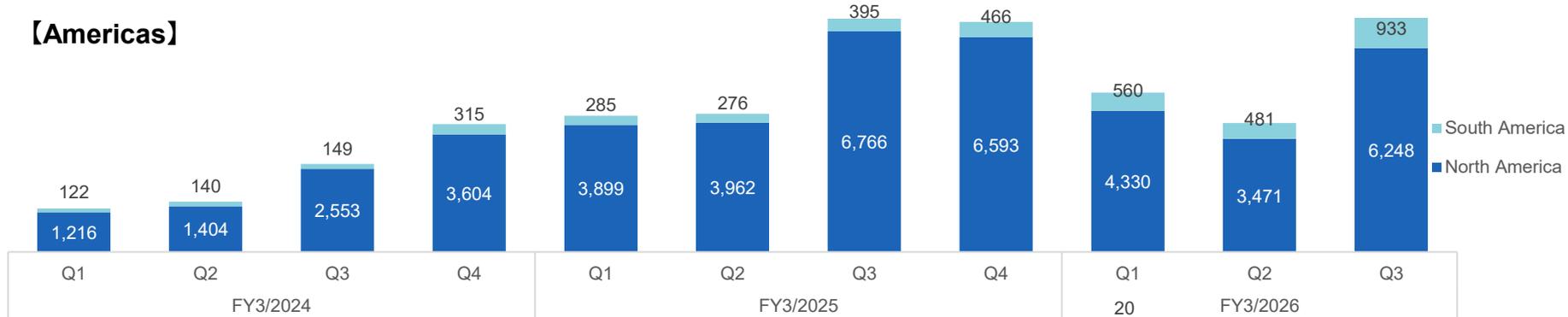
Quarterly Trend by Segment: Overseas (Contribution Profit)

[JPY: Million]

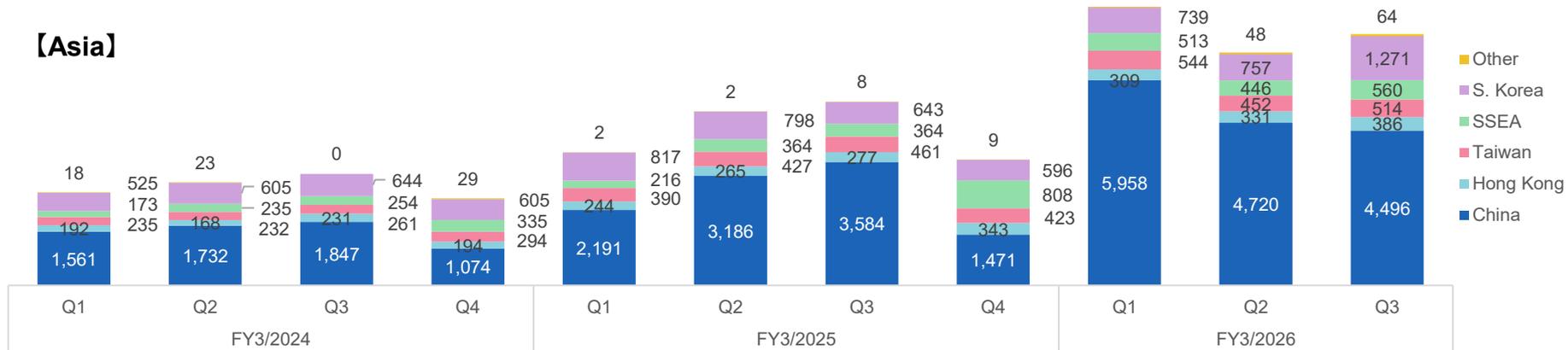
【Europe】



【Americas】



【Asia】



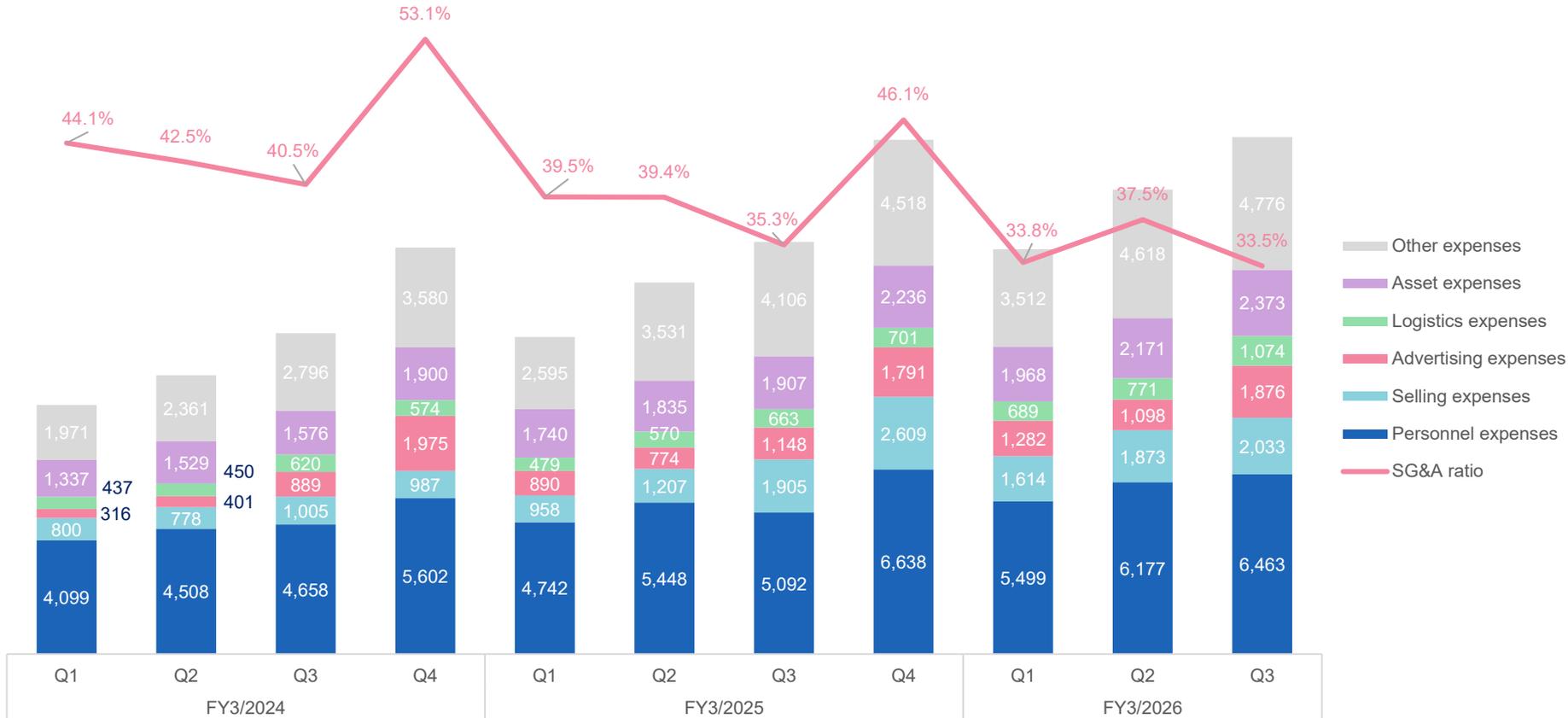
Notes: Figures are rounded down to the nearest one million yen. For details on "Contribution profit," please refer to p.30. Europe includes the results of overseas subsidiaries related to Mr.MEN LITTLE MISS in the U.K., while Germany includes results from Europe, Oceania, and other regions (e.g., Germany, the U.K., and France), excluding the subsidiaries in question.



Consolidated SG&A Expenses Trend

While maintaining the SG&A to sales ratio at a certain level, we will invest flexibly

[JPY: Million]



Notes: Figures are rounded down to the nearest one million yen. Percentages are rounded to the nearest tenth of a percent.



Consolidated SG&A Expenses by segment

[JPY: Million]

	FY3/2025 Results				FY3/2026 Results				YoY	YoY%	Increase/Decrease Factors
	Q1	Q2	Q3	Cumulative	Q1	Q2	Q3	Cumulative			
Consoliated	11,406	13,367	14,822	39,597	14,567	16,710	18,597	49,875	+10,277	+26.0%	
Japan	9,846	11,411	12,319	33,577	12,011	13,874	15,302	41,188	+7,611	+22.7%	· Personnel cost: +1.8 billion yen
Sanrio Company(HQ)	7,704	8,997	10,123	26,825	9,658	11,020	12,739	33,418	+6,592	+24.6%	Strengthening the organizational structure by expanding headcount
Personnel cost	2,717	3,212	3,025	8,955	3,284	3,503	3,991	10,778	+1,823	+20.4%	
Marketing	1,456	1,435	1,936	4,828	1,864	1,695	2,704	6,264	+1,436	+29.7%	· Marketing cost;+1.4 billion yen
Other	3,531	4,350	5,160	13,042	4,510	5,821	6,043	16,374	+3,332	+25.6%	Character branding and recognition initiatives
Other	2,141	2,413	2,195	6,751	2,353	2,854	2,563	7,770	+1,019	+15.1%	· Other : +3.3 billion yen Project expenses and other related costs
Europe	326	431	465	1,223	507	636	631	1,775	+551	+45.1%	
Americas	682	1,050	1,439	3,172	1,300	1,536	1,428	4,265	+1,092	+34.4%	· +0.27 billion yen increase in personnel cost · +0.4 billion yen increase in sales fees
Asia	925	1,045	1,090	3,060	1,208	1,439	1,734	4,383	+1,322	+43.2%	
China	388	393	469	1,251	586	766	967	2,320	+1,069	+85.5%	· +0.28 billion yen increase in advertising fees
Other	536	651	620	1,809	621	673	767	2,062	+253	+14.0%	
Adjustment	(374)	(571)	(491)	(1,436)	(460)	(777)	(500)	(1,737)	(300)	-	

Notes: Figures are rounded down to the nearest one million yen. Percentages are rounded to the nearest tenth of a percent.
Marketing cost : Sales promotion cost
Other costs: Right-of-use-asset, shipping costs, etc.



Consolidated Financial Results (B/S)

[JPY: Million]

	FY3/2025	Q3 FY3/2026	YoY	YoY%	Increase/Decrease Factors
Current assets	151,698	153,479	+1,780	+1.2%	
Cash and deposits	118,976	107,202	(11,774)	(9.9%)	Merchandise and finished goods(+3.9B JPY) Cash and deposits, etc.(-11.7B JPY) Accounts receivable-trade(+7B JPY)
Others	32,721	46,277	+13,555	+41.4%	
Non-current assets	50,707	56,628	+5,921	+11.7%	
Policy ownership	6,671	7,591	+919	+13.8%	
Total assets	202,406	210,108	+7,701	+3.8%	
Current liabilities	49,277	48,057	(1,220)	(2.5%)	
Non-current liabilities	45,521	24,185	(21,336)	(46.9%)	Convertible bond-type bonds with stock acquisition rights (-21B JPY),
Interest-bearing debt	40,291	15,330	(24,960)	(62.0%)	Short-term and long-term borrowings and bonds (including bonds due within one year) (-3.9B JPY), etc.
Total liabilities	94,798	72,242	(22,556)	(23.8%)	
Net asset	107,608	137,866	+30,258	+28.1%	Retained earnings(+28.2B JPY)
Total liabilities and assets	202,406	210,108	+7,701	+3.8%	
Net cash	78,685	91,871	+13,186	+16.8%	
Equity ratio	52.9%	65.5%	12.6pt	-	
Policy ownership / Net assets	6.2%	5.5%	(0.7pt)	-	

Notes: Figures are rounded down to the nearest one million yen. Percentages are rounded to the nearest tenth of a percent.

Policy holdings include unlisted shares.

Interest-bearing debts include convertible bond-type bonds with stock acquisition rights.

Net cash = Cash and deposits - Interest-bearing debts



Revisions to Full-year Forecasts

We revised operating profit upward from 70.2 billion yen to 75.1 billion yen, taking into account strong cumulative third quarter results for FY3/2026 and expected strong performance in Japan domestic license business, mainland China, and Europe in the fourth quarter.

[JPY: Million]

	FY3/2025 (A)			FY3/2026 Forecasts announced on Nov 5, 2025 (B)			FY3/2026 Revised Forecasts announced on February 12, 2026 (C)			Change (C)-(A)	Change (C)-(B)
	1H	2H	Full year	1H	2H	Full year	1H	2H	Full year	Full year	Full year
Sales	62,807	82,097	144,904	87,676	96,623	184,300	87,676	102,923	190,600	+45,695	+6,300
Gross profit	48,365	61,533	109,899	70,461	72,338	142,800	70,461	77,838	148,300	+38,400	+5,500
Gross Profit Margin	77.0%	75.0%	75.8%	80.4%	74.9%	77.5%	80.4%	75.6%	77.8%	+2.0pt	+0.3pt
Adjusted Operating Profit	24,773	30,870	55,644	37,129	32,470	69,600	37,129	37,370	74,500	+18,855	+4,900
Operating profit	23,591	28,214	51,806	39,183	31,016	70,200	39,183	35,916	75,100	+23,293	+4,900
OP Margin	37.6%	34.4%	35.8%	44.7%	32.1%	38.1%	44.7%	34.9%	39.4%	+3.6pt	+1.3pt
Ordinary profit	24,196	29,256	53,453	39,715	31,584	71,300	39,715	36,684	76,400	+22,946	+5,100
Net profit attributable to owners of parent	19,076	22,655	41,731	27,518	21,881	49,400	27,518	24,481	52,000	+10,268	+2,600

Notes: Figures are rounded down to the nearest one million yen. Percentages are rounded to the nearest tenth of a percent.
For details on "Adjusted operating profit," please refer to p.29.



Forecasts for FY3/2026: Consolidated P/L & by Reportable Segment

[JPY: Million]

Sales	FY3/2025 (A)			FY3/2026 Forecasts announced on Nov 5, 2025 (B)			FY3/2026 Revised Forecasts announced on February 12, 2026 (C)			Change (C)-(A)	Change (C)-(B)
	1H	2H	Full year	1H	2H	Full year	1H	2H	Full year	Full year	Full year
	Japan	50,788	62,221	113,009	67,579	72,787	140,366	67,579	76,958	144,537	+31,527
(Royalty)	20,331	25,036	45,368	28,121	28,805	56,926	28,121	31,766	59,887	+14,519	+2,961
Europe	2,042	4,340	6,383	4,662	4,612	9,274	4,662	6,884	11,546	+5,163	+2,272
(Royalty)	1,912	4,197	6,110	4,503	4,539	9,043	4,503	6,775	11,279	+5,168	+2,236
Americas	10,584	18,877	29,461	12,329	18,022	30,351	12,329	18,159	30,488	+1,027	+137
(Royalty)	9,489	17,217	26,707	11,062	16,430	27,492	11,062	16,568	27,630	+923	+137
Asia	13,661	14,341	28,003	22,289	20,855	43,145	22,289	22,590	44,880	+16,877	+1,735
(Royalty)	9,145	8,932	18,077	13,943	10,512	24,456	13,943	11,619	25,563	+7,485	+1,106
Adjustment	(14,270)	(17,683)	(31,953)	(19,184)	(19,653)	(38,838)	(19,184)	(21,668)	(40,853)	(8,899)	(2,015)
(Royalty)	(11,435)	(14,089)	(25,525)	(14,208)	(13,727)	(27,935)	(14,208)	(15,290)	(29,499)	(3,974)	(1,563)
Total	62,807	82,097	144,904	87,676	96,623	184,300	87,676	102,923	190,600	+45,695	+6,300
(Royalty)	29,444	41,294	70,738	43,422	46,560	89,983	43,422	51,439	94,861	+24,123	+4,878

Adjusted Operating profit	FY3/2025 (A)			FY3/2026 Forecasts announced on Nov 5, 2025 (B)			FY3/2026 Revised Forecasts announced on February 12, 2026 (C)			Change (C)-(A)	Change (C)-(B)
	1H	2H	Full year	1H	2H	Full year	1H	2H	Full year	Full year	Full year
	Japan	16,584	20,017	36,602	25,431	19,798	45,229	25,431	23,588	49,020	+12,418
Europe	445	1,155	1,600	1,216	910	2,126	1,216	1,656	2,872	+1,271	+745
Americas	4,285	6,670	10,955	4,066	6,458	10,524	4,066	5,929	9,996	(959)	(528)
Asia	4,474	4,593	9,068	8,011	6,686	14,697	8,011	7,485	15,496	+6,428	+799
Adjustment	(1,015)	(1,566)	(2,581)	(1,595)	(1,383)	(2,978)	(1,595)	(1,290)	(2,886)	(304)	92
Total	24,773	30,870	55,644	37,129	32,470	69,600	37,129	37,370	74,500	+18,855	+4,900

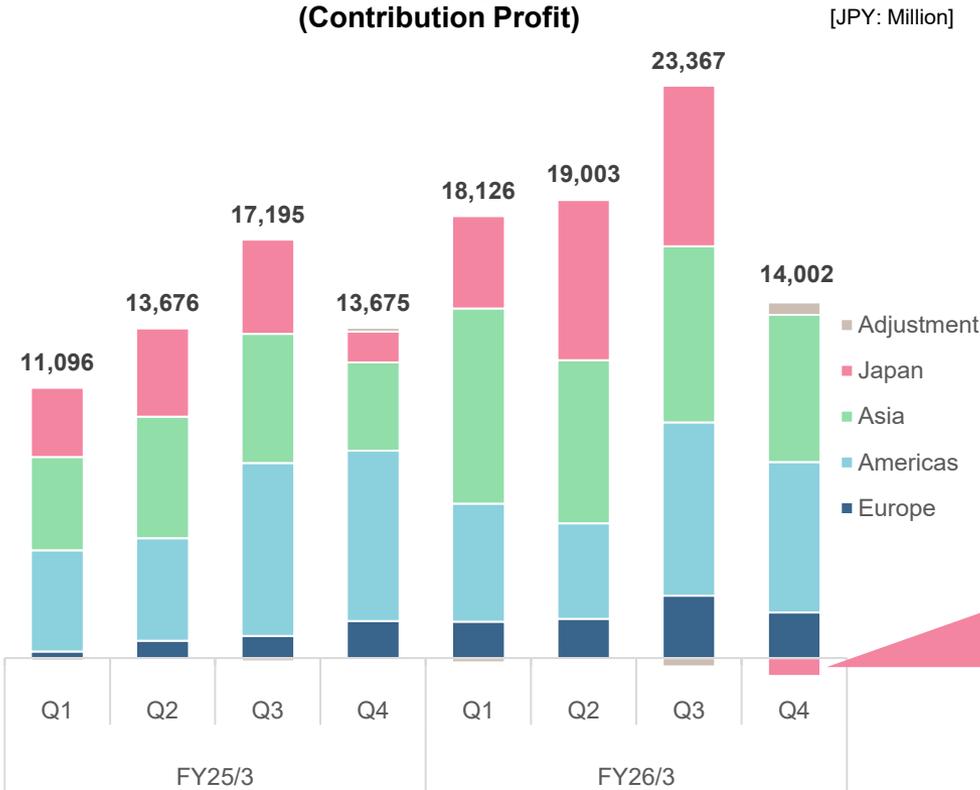
Notes: Figures are rounded down to the nearest one million yen. Percentages are rounded to the nearest tenth of a percent.
For details on "Adjusted operating profit," please refer to p.29.



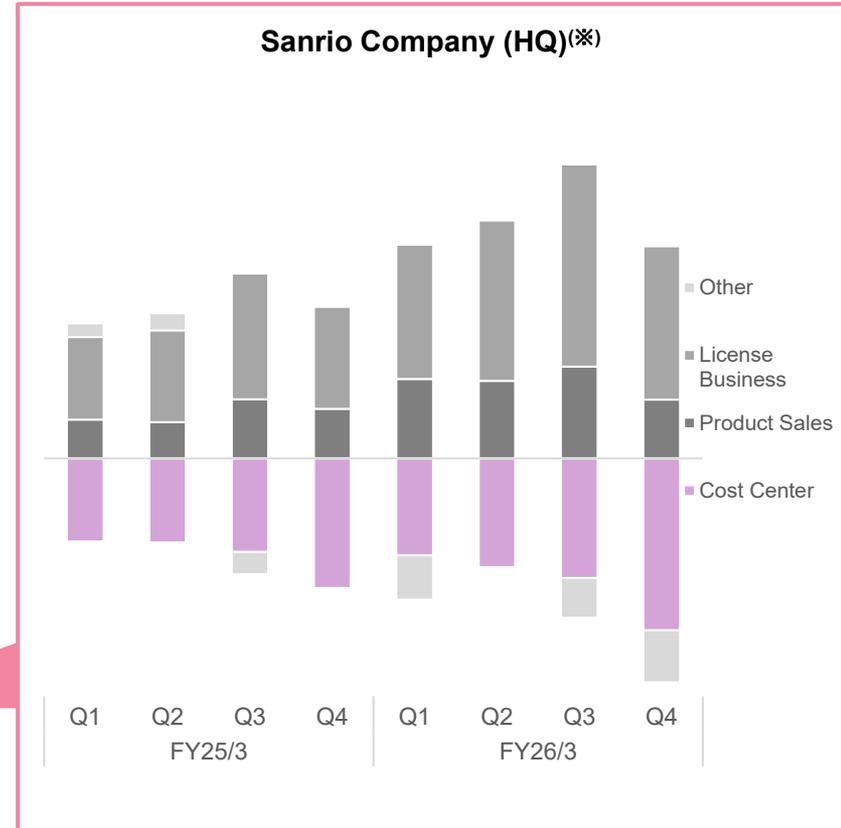
Revisions to Full-year Forecasts · Quarterly Trend (Contribution Profit)

Compared with our previous announcement (first half results for FY3/2026), we have increased SG&A expenses strategically over the second half, including brand investments. Our assumptions for the fourth quarter in mainland China business no longer anticipate the seasonal weakness seen in the previous year.

Quarterly Trend by Segment: Overseas (Contribution Profit)



Sanrio Company (HQ)(*)



Notes: Figures are rounded down to the nearest one million yen
Royalties received from overseas, net of deductions



Q&A on our financial results

No	Q	A															
1	<p>What was the impact of travelers from mainland China refraining from travel to Japan?</p>	<ul style="list-style-type: none"> ■ In the third quarter of FY3/2026 (Oct-Dec), the Sanrio non-consolidated Product Sales Business generated sales of 20 billion yen. Approximately 40% of this comes from store sales, of which about 30% was inbound demand. We estimate that Chinese customers account for approximately 30% of inbound demand. In the third quarter (Oct-Dec), the percentage of inbound travelers declined due to the impact of fewer travelers from mainland China and other factors. However, Japanese customer traffic continued to increase, store sales increased by 20%, and Sanrio non-consolidated sales rose 35.5% year on year to 37.7 billion yen, indicating limited impact of fewer visitors from mainland China. ■ December is the fiscal year-end for overseas consolidated subsidiaries, so the Q3 (Jul-Sep) performance for our business in mainland China has been unaffected as well. At the same time, we do not expect Q4 (Oct-Dec) License Business results to be as weak as the fourth quarter of the previous fiscal year. Meanwhile, the Product Sales Business has shown year-on-year growth, not only from new stores, but also from existing stores. As a result, we expect both businesses to outperform the previous fiscal year, while the impact on the mainland China business should be limited at this time. ■ While we will continue to monitor the impact in Japan and mainland China, we aim to optimize our overall global operations, ensure profitability, and spread happiness throughout the world to create as many smiles as possible under our philosophy <i>Minna nakayoku</i> “Getting Along Together” and our vision of <i>One World, Connecting Smiles</i>. In mainland China, we intend to focus on future business expansion. 															
2	<p>The Product Sales Business in mainland China is growing. What has been the contribution of each sub-segment to earnings?</p>	<ul style="list-style-type: none"> ■ The Q3 cumulative (Jan-Sep) sales composition for the mainland China business was 55% license business sales, 27% product sales, and 18% manufacturing. Contribution profit ratio to sales settled at 63.9%. We have been raising our visibility in mainland China through digital channels, etc., and we continue to build our Product Sales Business by expanding our store network to 55 stores* (+32 stores year on year) to further strengthen engagement with Sanrio fans. In mainland China, we began building a membership base under a customer ID strategy, and we plan to begin CRM activities in earnest. Our efforts will strengthen the framework through which Product Sales Business engagement spills over into License Business sales. Accordingly, we are pursuing strategic initiatives toward expanding the highly profitable License Business in the future while securing current profit margin levels. ■ Alifish is the master licensee for our merchandise licensing, and while we have a revenue sharing contract in place, the contribution profit from the Licensing Business alone is comparable to that of other overseas regions. <div data-bbox="1450 865 1889 1196" style="text-align: right;"> <p>China Business Revenue Composition</p> <table border="1"> <thead> <tr> <th>Segment</th> <th>Q3 FY3/2025 YTD</th> <th>Q3 FY3/2026 YTD</th> </tr> </thead> <tbody> <tr> <td>License Business</td> <td>8,892</td> <td>13,009</td> </tr> <tr> <td>Product Sales</td> <td>1,666</td> <td>6,459</td> </tr> <tr> <td>Original Product manufacturing business</td> <td>2,721</td> <td>4,288</td> </tr> <tr> <td>Total</td> <td>13,279</td> <td>23,756</td> </tr> </tbody> </table> <p>Contribution profit ratio: 67.2% (2025) to 63.9% (2026)</p> </div>	Segment	Q3 FY3/2025 YTD	Q3 FY3/2026 YTD	License Business	8,892	13,009	Product Sales	1,666	6,459	Original Product manufacturing business	2,721	4,288	Total	13,279	23,756
Segment	Q3 FY3/2025 YTD	Q3 FY3/2026 YTD															
License Business	8,892	13,009															
Product Sales	1,666	6,459															
Original Product manufacturing business	2,721	4,288															
Total	13,279	23,756															

Notes: Number of Stores as of the End of September 2025 : total 55 stores: 5 directly managed stores, 50 franchised store



Q&A on our financial results

No	Q	A
3	What are the current trends in the U.S. and what is the outlook for the future?	<ul style="list-style-type: none"> ■ Our previous financial results announcement (Q2 FY3/2026) disclosed that the impact of tariffs on our business in North America in the second half of the year was approximately 2.5 billion yen on a contribution profit basis. And, the impact was generally within our expectations. We expect the U.S. market to remain uncertain for the time being due to tariffs and other factors. However, we are making steady progress along our value creation cycle and toward achieving a 10% share of the U.S. market by the fiscal year ending March 31, 2035. ■ More recently, we have maintained favorable momentum through continuing wins in licensing deals that contribute to brand value enhancement, including deals with Starbucks Coffee, F1 Academy, and McDonald's, showing our progress in the use of wide range of Sanrio characters. In October, we worked with major licensees such as Hot Topic, Roblox, and Crocs on a month-long Halloween-themed event for the first time. The event was titled <i>Kuromi's Mischief Mansion</i> and featured a strong affinity with the Kuromi character. This initiative was based on a strategy of building systems for fans to enjoy a brand in the same worldview wherever they are—both online and offline. We intend to nurture this initiative as an annual event supporting our continued growth. We also maintained strong business relationships with major retailers for the mass market during the quarter, making progress in direct interactions with retailers. These efforts resulted in raising our exposure in all directions toward the formation of an even more stable business foundation. ■ Our basic strategy in the U.S. remains unchanged: maximize brand value through the use of social media and our more than 94 million followers globally, while raising awareness and creating brand value through collaborations with game and video platforms, as well as licensing development with leading brands and sports domains. Furthermore, we continue to strengthening the value creation cycle toward sustainable growth by standardizing product development through mass retailers. ■ To achieve this 10% share of the U.S. market by FY3/2035, we are developing Kuromi, Cinnamoroll, and other characters in addition to Hello Kitty, strengthening collaborations with major licensees and IPs, introducing products in new categories, enhancing brand experience in the digital domain, and other measures to support future growth—all measures we believe are moving forward smoothly. We expect these measures to further expand opportunities for growth over the medium to long term.



Q&A on our financial results

No	Q	A
4	You established a joint venture in Southeast Asia in 2020 and held a 70% stake. What has been the impact of converting that joint venture into a wholly owned subsidiary?	<ul style="list-style-type: none"> ■ We acquired an additional 30% stake in SANRIO SOUTHEAST ASIA PTE. LTD. ("SSEA") from Avex Inc. for US\$10.7 million in December 2025, making SSEA a wholly owned subsidiary. There is no impact on consolidated operating profit as a result of this transaction, since SSEA has been a consolidated subsidiary for some time. We expect SSEA to report net profit of approximately 900 million yen for FY12/2025, and the conversion of SSEA to a wholly owned subsidiary will allow us to capture 30% of that amount in the future.
5	You have proposed a policy to convert Harmonyland in Oita into a resort. What do you expect for a return on investment?	<ul style="list-style-type: none"> ■ On December 8, we announced the Park in the Sky concept, which will take advantage of Harmonyland's magnificent topography for a new resort experience that aims to be the world's most calming getaway. We are considering a 10 billion yen investment with other licensees in the initial phase. We intend to clarify the total investment and details of the resort conversion through a master plan and the formation of a consortium in the future. In addition to profit from the resort business alone, the Company expects the project will contribute to the Licensing Business in the future through heightened user engagement. We intend to make a comprehensive investment decision that includes this factor as well. We plan to announce the specific scale of this project at a later date.
6	How is the game business progressing?	<ul style="list-style-type: none"> ■ We are making steady progress with plans to launch two or so games during FY3/2027. Depending on how well the games sell, we expect the game business to post a loss on a stand-alone basis in FY3/2027, as included in our budget, since we expect to launch in the second half of the fiscal year. ■ Our medium-term management plan through FY3/2027 includes a pipeline of more than six games and 10 billion yen in development and sales promotion expenses. Since development costs for most projects are around 2 billion yen each (depending on the game, we share development costs with partners at a certain ratio), we do not currently expect losses that would have a significant impact on consolidated results.



Q&A on our financial results

No	Q	A
7	Events leading to the stock split	<ul style="list-style-type: none"> ■ We believe in the importance of diversifying our shareholder composition, cultivating not only institutional investors, but also individual investors. The stock split is not intended to have a short-term impact on the Company's stock price, but rather make it easier for individual investors to purchase our shares, reflecting the Tokyo Stock Exchange's guideline of a minimum investment of 100,000 yen. In addition, the Company offers special benefits to shareholders, including complimentary theme park entry pass, shareholder gift certificates that can be exchanged for a 1,000 yen discount coupon at Sanrio stores, and a long-term shareholding program (for shareholders who have held shares for three consecutive years or more, consisting of a special shareholder-exclusive acrylic stand or plush toy, depending on the number of shares held). We will continue to increase the number of fan shareholders through various initiatives.
8	What is your policy for shareholder returns?	<ul style="list-style-type: none"> ■ As of the end of December, we completed all 15 billion yen of the share buyback purchase limit announced on November 20. Going forward, we will continue to emphasize investments for growth, focusing on maintaining a robust financial structure that includes a net cash position and net asset value level that will allow us to execute our investments. Provided these conditions are met, we will consider implementing flexible shareholder returns for any surplus, balanced by share price levels. ■ We have established an investment framework of 50 billion yen or more in our medium-term management plan through FY3/2027, and we continue to consider M&A and minority investments. In the event we do not find any attractive deals, we will consider shareholder returns of up to 30 billion yen as a component separate from the November 2025 share buybacks.
9	Performance forecast for FY3/2027	<ul style="list-style-type: none"> ■ We are currently in the budgeting stage and are not in a position to disclose specific figures at this time. However, our long-term vision states our aim for a CAGR of 10% or more in operating profit for FY3/2035, 10 years from now. At the same time, we are considering a policy of roughly 10% year-on-year growth in operating profit in our budget for FY3/2027. ■ We plan to disclose our performance forecast during our business results announcement in May 2026. Our forecasts will consider the strengths of Sanrio characters as of May 2026, our efforts in major measures looking to the long term, the launch of our game business in the second half of FY3/2027 (expecting a net loss for the business), as well as the impact of the tariff policy in the U.S. and visitors from mainland China refraining from travel to Japan.



Appendix



Medium-Term Roadmap

	FY25/3	FY26/3	FY27/3	FY28/3	FY29/3
Character Anniversaries	<p>50th Anniversary HELLO KITTY 50TH ANNIVERSARY </p> <p>35th Anniversary </p>	<p>50th Anniversary </p> <p>20th Anniversary </p> <p>50th Anniversary </p>	<p>30th Anniversary </p> <p>55th Anniversary </p> <p>30th Anniversary </p>	<p>25th Anniversary </p> <p>40th Anniversary </p>	<p>15th Anniversary </p> <p>35th Anniversary </p>
Sanrio character ranking	Sanrio character ranking	Sanrio character ranking	Sanrio character ranking	Sanrio character ranking	Sanrio character ranking
Games			In-House 2 Title Launch	Ongoing Launches	
	Ongoing Launches of Licensed Games				
Animation		My Melody Kuromi on Netflix	Co-Production with Alifish	In-House Animation	
	Licensed Animation				
Social media		Launch of a YouTube Channel for Pre-School-Age Children	Release of Cinnamoroll YouTube Anime		
	Continuous Release of Original Contents on Platforms like YouTube and TikTok				
Movie			Release of co-produced films	Appear in WB licensed works	
	MR. MEN LITTLE MISS THE MOVIE (Timeline: TBD)				
Digital		Make V-Puroland a permanent virtual park	Expand large-scale IP worlds	Provide new user experiences through Sanrio+	
		Integrate ID platforms with other companies	Develop VTuber streaming functions	Enhance services for loyal customers	
Real-Life			New parade at Puroland		
			Full-Scale Launch of Harmonyland Entertainment Resort		
	Continuous Events at Sports Venues, Cafes, and Other Locations				

Notes: WB = Warner Bros.



Initiatives for the fiscal year ending March 2026

April 11, 2025

Hello Kitty Night at Dodger Stadium

We presented the first 40,000 attendees to this year's Hello Kitty Night in Los Angeles with a Hello Kitty plush toy as a special giveaway



April 13 –
October 13

Expo 2025 Osaka

Hello Kitty appointed a special supporter

Hello Kitty was appointed as a Special Supporter for Expo 2025 Osaka Kansai and is taking part in various promotional activities targeting Japan and overseas. The Japan Pavilion at Expo 2025 Osaka features 32 unique versions of Hello Kitty, each transformed into a different form of algae. In addition, the United Nations, which collaborates with Hello Kitty on the #HelloGlobalGoals project, joined forces with more than 30 UN agencies to present the UN Pavilion.



April 13 –
October 13

Launched Oita Hello Kitty Airport

Oita Prefecture and Sanrio Entertainment jointly rebranded Oita Airport with the new nickname Oita Hello Kitty Airport as part of a tourism campaign timed with Expo 2025 Osaka (April 13 to October 13, 2025).

June 13

Released new Chiikawa x Sanrio characters products

A new product series featuring a collaborative design with Chiikawa, a popular character that originated on social media, was launched under the title Chiikawa x Sanrio characters. In response to high demand in Japan and abroad, we have decided to offer made-to-order sales.



June 17

Signed a Capital and Business Alliance Agreement with IG Port, Inc.

Sanrio acquired 1,008,000 shares, representing 4.98% of the total number of issued shares (approximately 1.76 billion yen), through a third-party allotment and a share transfer from President and CEO Ishikawa. We aim to create new content and accelerate global expansion by combining the strengths of Sanrio and IG port in IP development, IP cultivation, and video production capabilities.

June 29

Achieved record-high number of votes in the 2025 Sanrio character ranking

The 2025 Sanrio character ranking marked the 40th edition of the annual popularity vote. This year, the event recorded a record-high 63.16 million votes. Pompompurin, who placed fourth last year, won first place





Initiatives for the fiscal year ending March 2026

July 18 –
July 30

Held experiential game event *MY MELODY*♥*KUROMI* GAME PLAZA

We held a limited-time, special experiential game event, *MY MELODY*♥*KUROMI* GAME PLAZA, at SHIBUYA TSUTAYA to celebrate the joint anniversary of My Melody(50th anniversary) and Kuromi (20th anniversary). The event featured interactive games and photo spots in a game center–themed space inspired by the *Melo-Kuro* relationship, expressing the idea that the two characters are the perfect pair because they are complete opposites. We plan to bring this event to audiences worldwide.



July 24

My Melody & Kuromi streaming exclusively on Netflix worldwide

This 12-episode original stop-motion animation is set in Mariland, where My Melody and Kuromi live. The story follows the two characters as they confront a crisis that puts their town in danger. The series ranked second globally in the platform’s Weekly Top 10 for non-English series in its first week after release and appeared in the Top 10 in 59 countries. The theme song *Kawaii* is performed by the popular group LE SSERAFIM and produced by Gen Hoshino.

Director: Tomoki Misato Writer: Shuko Nemoto Production: TORUKU from WIT STUDIO



July 28

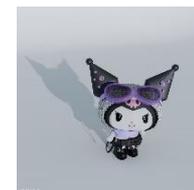
Acquisition of shares in Gugenka Co., Ltd. (became a subsidiary)

We acquired shares in Gugenka Co., Ltd. (Head Office: Chuo-ku, Niigata Prefecture; CEO: Masafumi Mikami), making the company a subsidiary. This acquisition is part of our focused investment in touchpoints, a core initiative to achieve our vision. Through this partnership, we aim to build capabilities for producing and distributing XR and other digital content, strengthen mutual sales capabilities with IP holders, and drive cross-selling between real and digital businesses. We will continue to value diverse partnerships, leverage the unique strengths Gugenka possesses in IP development and XR technology, and accelerate further growth.

July 30

KUROMI announces major debut as a music artist

Kuromi, celebrating her 20th anniversary this year, announced her major debut in October as KUROMI under the music label TOY’S FACTORY, home to many leading artists. Her song *Greedy Greedy*, released for the first phase of the #GlobalKuromiProject, has surpassed 14 million views on YouTube. KUROMI will release her first EP *KUROMI IN MY HEAD* on October 22, 2025.



August 22

Agreement reached with Moonbug for a master license of the global kids’ animation *CoComelon*

We reached an agreement with Moonbug Entertainment Ltd., a leading global kids’ entertainment company producing and distributing video content, to sign a master license for CoComelon in Japan. CoComelon is one of Moonbug’s flagship titles, and we plan to release new videos on YouTube and other platforms featuring Sanrio-designed CoComelon characters alongside Sanrio Characters starting in early 2026.





Initiatives for the fiscal year ending March 2026

Aug 2 –
Aug 3

Sanrio Festival (Hi! Sanrio) in mainland China with Alifish

For a second-consecutive year, we held the Sanrio Festival (Hi! Sanrio) in mainland China in collaboration with Alifish (master licensee). The event attracted more than 20,000 visitors. Sanrio characters appeared in stage performances and fans enjoyed events that included designer signings, character-specific exhibitions, extensive amusement facilities, and on-site merchandise sales.



Aug 5

My Melody and Kuromi Make a First-Ever Appearance at Dodger Stadium

In the past, Hello Kitty Night at Dodger Stadium was confined to Hello Kitty only. We upgraded the event to the LA Dodgers Hello Kitty & Friends Night with the addition of My Melody and Kuromi, celebrating the anniversary of these characters. In addition to the novelties (body bags), Hello Kitty designs appeared on popcorn and drink containers for in-stadium food and beverage products at this year's game.



Oct 22

FRAGARIAMEMORIES: Color of Wishes (First Smartphone Game Under Development)

The smartphone game under development represents the long-awaited adaptation of FRAGARIAMEMORIES, a new generation of authentic fantasy featuring human characters from Sanrio. FRAGARIAMEMORIES Color of Wishes is our first-ever smartphone game, a chivalrous fantasy combining story and music. Further information on the game will be announced some time in 2026.



Dec 8

Continuing Evolution in Permanent VR Theme Park, Grand Opening of Virtual Sanrio Puroland

Virtual Sanrio Puroland will open on the VR Chat social VR platform as an evolving VR theme park available for 24/7/365 access from anywhere around the world. Sanrio is stepping up our presence in the digital domain as an IP platformer to broaden our entertainment base for deeper fan engagement. The Sanrio Virtual Festival, which began in 2021, has attracted more than 10 million visitors in total(*1) over the past four events, featuring content co-created with various IP and creators. The park has now evolved into a permanent VR theme park, reflecting our desire to continue offering a space for this cycle of co-creation. *1 Data collection: December 11, 2021 to September 28, 2025

Dec 11

Full-Scale Launch of Harmonyland Entertainment Resort

Sanrio unveiled the basic concept behind converting Harmonyland—celebrating its 35th anniversary—into a resort, launching full-scale development. We announced the Park in the Sky concept, which will take advantage of Harmonyland's magnificent topography for a new resort experience that aims to be the world's most calming getaway. Our plans consider a number of elements, including an enormous roof that opens to the sky, offering year-round comfort in any weather, a ropeway, electric mobility, and other means to enhance ease of transportation. The project will include new and upgraded facilities and attractions. We are also considering the construction of a new hotel adjacent to the the park that will serve as the nucleus of the resort.





Sanrio Proprietary Performance Indicators

■ Adjusted Operating Profit

Adjusted operating profit is a proprietary indicator defined by the Company, referring to operating profit excluding the impact of consolidation adjustments arising from the difference in fiscal year-ends between the parent company in Japan (fiscal year ending in March) and overseas subsidiaries (fiscal year ending in December)

- ✓ Under Japanese accounting standards, a difference of up to three months is allowed between the accounting periods of the parent company and its subsidiaries. In the case of Q3 in FY3/2026, the figures for the parent company (in Apr.–Dec.) and overseas subsidiaries (in Jan.–Sep.) are added together, and then consolidated eliminations are made based on the transaction volume on the parent company side. During this process, any material discrepancies (significant variances) are reviewed and adjusted in consultation with the audit firm.
- ✓ Operating profit at overseas subsidiaries in North America and mainland China increased significantly, creating a gap with actual business performance of the Company and resulting in a larger consolidation adjustment. To address this gap, the Company began disclosing adjusted operating profit, a proprietary indicator that represents operating profit before reflecting adjustments for fiscal period differences, starting from the second quarter of FY3/2026.

[JPY: Million]

ex) 1H of FY3/2026(Consolidated)	Operating Profit (Financial Accounting)	Adjusted Operating Profit (Managerial Accounting)
Total before consolidation adjustments	60,992	60,992
+ Adjustments	1,406	(495)
(Adjustment for differences in fiscal year-ends)	1,901	-
(Other consolidation entries)	(495)	(495)
Profit	62,398	60,497

【Consolidated Adjustment Amount due to differences in fiscal year-ends】 [JPY: Billion]

	FY 3 / 2024		FY 3 / 2025				FY 3 / 2026 (2/12)		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
	cumulative	Cumulative	cumulative						
North America (License)	(1.1)	(1.4)	(0.9)	(1.9)	(2.2)	(1.5)	0.6	(0.1)	(0.8)
China (License)	0.1	0	0	0	0	(2.5)	0.4	0.9	1.1
China (Product sales)	0.7	0.3	0.5	0.7	1.4	0.2	0.9	1.2	1.6
Total Consolidated Adjustment	(0.2)	(1.1)	(0.3)	(1.1)	(0.8)	(3.8)	2	2	1.9



Glossary for this presentation

➤ **Contribution Profit**

Overseas subsidiaries pay fees proportional to their royalty income to the Japanese parent company, the copyright holder, as cost of sales, which is recorded as sales by the parent company. In order to see the actual amount of value created by Overseas Business, Sanrio uses “contribution profit,” which is calculated by adding the amount of royalty payments to the HQ to the operating profit of overseas subsidiaries, as an indicator unique to Sanrio. Beginning Q2 FY3/2026, contribution profit in the financial results materials is presented net of consolidation adjustments related to differences in fiscal periods. Past figures are retrospectively restated.



Integrated Report 2025

This report provides an overview of the Sanrio long-term vision for the next 10 years, the framework surrounding the love for Sanrio IP by our fans, and the results and prospects of the first year of our medium-term management plan.



Please see the Sanrio corporate website for the latest investor relations materials

<https://corporate.sanrio.co.jp/en/ir/>



Disclaimer on forward-looking statements and other matters

This material is prepared for the purpose of providing information to investors only and is not designed to solicit investment. Forward-looking statements contained in this material are based on plans and forecasts and the Company does not guarantee their accuracy or certainty. When using this material, please keep in mind that actual results could differ materially from any forecasts herein.

Statements on industries and others are based on reliable data but the Company does not guarantee their accuracy or certainty. This material is presented on the premise that users will take full responsibility for the final decision regarding investment on their own and the Company will not be liable for their decisions in any case.

All information in this material is based on data as of Feb 12, 2026