

**Summary of Financial Results for the First Quarter of Fiscal Year Ending March 31, 2019 (FY2018)
(Three Months Ended June 30, 2018)**

[Japanese GAAP]

Company name: Sanrio Company, Ltd. Listed Stock Exchange: TSE 1st Section
 Stock code: 8136 URL: <http://www.sanrio.co.jp/english/corporate/ir/>
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 Scheduled date of filing of Quarterly Report: August 14, 2018
 Starting date of dividend payment: -
 Preparation of supplementary materials for quarterly financial results: Yes
 Holding of quarterly financial results meeting: None

Note: The original disclosure in Japanese was released on July 31, 2018 at 16:00 (GMT +9).

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the First Quarter of FY2018 (April 1, 2018 – June 30, 2018)

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Sales		Operating Profit		Ordinary Profit		Net Profit Attributable to Owners of Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended Jun. 30, 2018	13,907	3.5	1,336	4.5	1,695	28.4	1,066	5.1
Three months ended Jun. 30, 2017	13,437	(10.5)	1,279	(37.0)	1,320	(25.9)	1,014	(18.4)

Note: Comprehensive income (millions of yen) Three months ended Jun. 30, 2018: 130 (down 84.9%)
 Three months ended Jun. 30, 2017: 861 (- %)

	Net Profit per Share	Fully-Diluted Net Profit per Share
	Yen	Yen
Three months ended Jun. 30, 2018	12.57	-
Three months ended Jun. 30, 2017	11.96	-

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio
	Millions of yen	Millions of yen	%
As of Jun. 30, 2018	97,971	51,592	52.4
As of Mar. 31, 2018	98,274	52,734	53.4

Reference: Shareholders' equity (millions of yen) As of Jun. 30, 2018: 51,354 As of Mar. 31, 2018: 52,491

2. Dividends

	Dividend per Share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2017	-	40.00	-	15.00	55.00
FY2018	-	-	-	-	-
FY2018 (forecast)	-	15.00	-	15.00	30.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Forecasts for FY2018 (April 1, 2018 – March 31, 2019)

(Percentages represent year-on-year changes)

	Sales		Operating Profit		Ordinary Profit		Net Profit Attributable to Owners of Parent		Net Profit per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	28,800	1.8	2,100	(12.6)	2,200	(17.4)	900	(53.5)	10.61
Full year	60,600	0.6	5,200	(9.3)	5,400	(10.3)	3,000	(39.1)	35.36

Note: Revisions to the most recently announced consolidated forecasts: None

*** Notes**

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

Newly added: - Excluded: -

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of outstanding shares (common stock)

1) Number of outstanding shares at the end of the period (including treasury stock)

As of Jun. 30, 2018:	89,065,301 shares	As of Mar. 31, 2018:	89,065,301 shares
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2) Number of shares of treasury stock at the end of the period

As of Jun. 30, 2018:	4,218,473 shares	As of Mar. 31, 2018:	4,218,473 shares
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3) Average number of shares outstanding during the period

Three months ended Jun. 30, 2018:	84,846,828 shares	Three months ended Jun. 30, 2017:	84,847,093 shares
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Note 1: The current quarterly financial report is not subject to quarterly review by certified public accountants or auditing firms.

Note 2: Cautionary statement with respect to forward-looking statements and other special items

Forecasts regarding future performance in these materials are based on assumptions judged to be valid and information currently available to the Company. These materials are not promises by the Company regarding future performance. Actual results may differ significantly from these forecasts for a number of factors. Please refer to "1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Forecasts and Other Forward-looking Statements" on page 5 of the attachments for forecast assumptions and notes of caution for usage.

Contents of Attachments

1. Qualitative Information on Quarterly Consolidated Financial Performance	2
(1) Explanation of Results of Operations	2
(2) Explanation of Financial Position	5
(3) Explanation of Consolidated Forecasts and Other Forward-looking Statements	5
2. Quarterly Consolidated Financial Statements and Notes	6
(1) Consolidated Balance Sheets	6
(2) Consolidated Income Statements and Consolidated Comprehensive Income Statements	8
(3) Notes to Quarterly Consolidated Financial Statements	10
Going Concern Assumption	10
Significant Changes in Shareholders' Equity	10
Segment and Other Information	10

1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Explanation of Results of Operations

During the first quarter of the fiscal year under review (overseas: January 1 to March 31, 2018; within Japan: April 1 to June 30, 2018), domestically the two theme parks in Tokyo's Tama City and Oita Prefecture performed well. In particular, the Marchen Theater's new production *Kawaii Kabuki-Momotaro* by the Hello Kitty Troupe at Tama City's Sanrio Puroland proved a major hit, contributing greatly to sales and profits. The Hello Kitty Shinkansen Bullet Train, which started operation on JR-West on June 30 has become a hot topic. Overseas, in Asia the strong performance of the previous consolidated fiscal year continued due to such factors as the popularity of the space licensing business in China and a recovery in licenses in the Hong Kong market. In Europe and the U.S., we are steadily implementing measures to improve business performance.

As a result, sales increased 3.5% year-on-year to 13.9 billion yen and operating profit 4.5% to 1.3 billion yen. Ordinary profit also increased 28.4% to 1.6 billion yen mainly due a recording of 0.2 billion yen gain on investments in partnership as non-operating profit. Net profit attributable to owners of parent increased 5.1% to 1.0 billion yen after recording extraordinary gains of 0.3 billion yen as gain on sales of investment securities and extraordinary loss of 0.5 billion yen as loss on valuation of investment securities.

As announced on May 11, 2018, Sanrio started a three-year medium-term management plan "Marketing Innovation Project 2021" in the current fiscal year. We will take various actions in accordance with this plan in order to "become a strategic global company operating a Social Communication Gift Business."

Since the accounting period for all overseas consolidated subsidiaries runs from January to December, the first quarter under review for these subsidiaries covers the period from January to March 2018.

Reportable Segment		(100 millions of yen)							
	First three months of	Sales				Segment profit (operating profit)			
		FY2017	FY2018	Increase/ decrease	Change (%)	FY2017	FY2018	Increase/ decrease	Change (%)
Japan	Product sales/others	76	79	3	4.5	10	11	0	9.3
	Royalties	22	22	0	2.7				
	Total	98	102	4	4.1				
Europe	Product sales/others	0	0	(0)	(12.8)	0	0	(0)	(25.4)
	Royalties	6	6	(0)	(2.0)				
	Total	6	6	(0)	(2.1)				
North America	Product sales/others	2	2	0	2.6	(1)	(1)	(0)	-
	Royalties	4	4	(0)	(2.1)				
	Total	6	6	(0)	(0.5)				
Latin America	Product sales/others	0	0	0	429.5	0	0	(0)	(41.9)
	Royalties	2	1	(0)	(32.5)				
	Total	2	1	(0)	(31.4)				
Asia	Product sales/others	1	2	1	70.1	7	8	0	4.5
	Royalties	18	19	0	3.1				
	Total	20	21	1	8.3				
Adjustment		-	-	-	-	(4)	(4)	(0)	-
Consolidated	Product sales/others	80	84	4	5.8	12	13	0	4.5
	Royalties	54	54	0	0.2				
	Total	134	139	4	3.5				

Note: Regional subsidiaries overseas pay the amount of royalties commensurate as the cost of sales while the Japanese parent company (the copyright holder) calculates this income as sales. Because consolidated transactions are eliminated, however, these are not included in Japan's sales figures stated above (although included in segment profit (operating profit)).

Further, the above sales figures are "sales to customers," and the inter-segment sales, which are not limited to the above-mentioned royalties, are eliminated as internal transaction sales.

i. Japan: Sales rose 4.1% year-on-year to 10.2 billion yen and operating profit rose 9.3% to 1.1 billion yen.

In the product sales business, regional and suburban consumption trends remained challenging but same-store sales (based on directly owned stores and directly operated shops within department stores) exceeded the previous year's level, reaching 100.5% due to growth in flagship stores in metropolitan areas and stores with large numbers of customers from overseas. Specialty shops and wholesale drug stores proved popular with overseas visitors, and initiatives including the opening of the Sanrio Gallery Hakata following relocation and renewal in the Hakata Canal City Opa, where the number of foreign visitors to Japan is growing rapidly, were also successful. In this situation strong performances came from Cinnamoroll, which took first prize at the character awards for the second successive year, and the reappearance of characters active in the 1970s and 1980s. As for the future, since the Gudetama exhibition held at the Seibu Ikebukuro Main Store from the end of June proved very popular, we are working to implement initiatives, create new topics, and increase sales by such means as making proposals to attract customers through store events and environments mainly based on the 5th anniversary of Gudetama and participating in campaigns targeting a further anticipated rise in overseas visitors.

In the licensing business, product licensing rights sold well for miscellaneous goods focused on a wide deployment of Sanrio characters, collaboration planning with animated content, summer categories such as planning for bedding that is cool to the touch, and Mr. Men and Little Miss apparel. In business planning, in addition to strong sales in areas such as insect repellent products from Fumakilla Limited and Kobayashi Pharmaceutical Co., Ltd. hygiene products, McDonald's Japan's Gudetama dessert and Japan Post Co., Ltd.'s Hello Kitty stamps contributed greatly. Moreover, we carried out store purchase promotion campaigns with major food and drink manufacturers such as Pokka Sapporo Food & Beverage Co., Ltd., Asahi Soft Drinks Co., Ltd., and Ajinomoto Frozen Foods Co., Inc. and won an advertising promotion contract for make-up products with Kanebo Cosmetics Inc.

In the theme parks business, the number of visitors to Harmony Land in Oita prefecture rose 10.0%, or 8,000, year-on-year to 92,000. Visitor numbers increased due to such factors as steady growth from outside the prefecture, mainly during the Golden Week period; new acquisitions of corporate membership plans; and the holding of special events. Operating profit rose despite higher expenses from attraction renewal (developing Character Hills) to upgrade the appeal of facilities ahead of Golden Week. For the summer season, we will work on strengthening visitor numbers for the pool areas and shows that impart a sense of coolness; extending opening hours for days when there is no night opening; and promoting evening visits. We will also work to increase visitor numbers in such ways as acquiring new membership plans and planning initiatives such as distributing summer discount tickets in limited numbers to families with children in the northern Kyushu area.

At Sanrio Puroland in Tokyo's Tama City, visitor numbers rose 16.4%, or 42,000, year-on-year to 303,000. The Marchen Theater's new production, *Kawaii Kabuki—Momotaro* by the Hello Kitty Troupe, produced in collaboration with Shochiku Co., Ltd. from March 2018, proved a hit. In addition, following on from previous work at the Fairyland Theater, a new musical production with male actors only called *Memory Boys—Store Selling Memories* was launched in June in collaboration with Nelke Planning Co., Ltd. An increase in number of visitors led to double-digit growth year-on-year for ticket sales, product sales such as souvenirs, and restaurant sales while event- and corporate-related sales rose by 40%. Operating profit increased due to the rise in visitor numbers, which compensated for the increase in personnel expenses from the holding of events.

Regarding the robot business, delivery of custom-made robots for museums, as humanoid hotel reception guides, and for other purposes contributed to sales.

ii. Europe: Sales fell 2.1% year-on-year to 0.6 billion yen and operating profit fell 25.4% to 17 million yen.

Sales in the major European countries remain in a severe situation, with most licensing categories showing a downward trend. Meanwhile, the Middle East and Eastern Europe grew steadily and global development with major chocolate makers in Easter-related businesses led to good results. In addition, with regard to Mr. Men and Little Miss, French publications led the market with strong sales. Operating profit declined due to the impact of shifting some areas of responsibility to Asian subsidiaries and increased personnel expenses from the strengthening of the London office structure.

We will continue to collaborate with high-end brands, strengthen collaboration with fast fashion, and conduct marketing using famous You Tubers and other influencers.

iii. North America: Sales fell 0.5% year-on-year to 0.6 billion yen and operating loss stood at 0.1 billion yen, a fall of 30 million yen.

In the United States, income from real estate leasing ceased with the sale of the U.S. subsidiary head office and warehouse in San Francisco but growth in e-commerce and other factors supported business results. A spillover effect from the success of brand collaboration with Puma is also anticipated. In addition, we are pursuing business negotiations for shop-in-shops with specialty stores and will continue to aim for bottoming out of results during the current term.

iv. Latin America: Sales fell 31.4% year-on-year to 0.1 billion yen and operating profit fell 41.9% to 27 million yen.

In Brazil, Easter-related foods, apparel, and household goods performed well but poor results in areas including health and beauty products in Mexico affected overall performance. In the region as a whole, the categories of food, shoes, and home goods performed well while the core categories of health and beauty, toys, and sports were affected by poor sales.

v. Asia: Sales rose 8.3% year-on-year to 2.1 billion yen and operating profit rose 4.5% to 0.8 billion yen

In Taiwan, the major product licensing categories of apparel, accessories, and household goods performed well.

In Hong Kong, a market recovery in personal consumption and other factors led to a strong performance, especially through the contribution of body care goods and a sales promotion campaign by a consumer electronics chain. The situation in Thailand, which experienced high growth in the previous consolidated fiscal year, is a little severe but we are working on promotional licenses in areas such as hotels and sports events. In the Philippines and Indonesia, where the market is still small, we aim to build a brand position with event licensing and expand product licensing.

In China, we are struggling in some areas due to the decline of accessory-related sales arising from the stagnation of the jewelry and gold industries and cosmetic-related policy changes among major licensees. To compensate for this, we are focusing on new product development for Gudetama and other characters and cultivating new leading licensees on a still more sustainable basis.

Among characters, the growth of Bad Badtz-Maru in China, Rilu Rilul Fairilu in South Korea, and Cinnamoroll in other regions contributed to raise the composition ratio of characters other than Hello Kitty.

Reference: Sales and operating profit by overseas subsidiaries (local currency basis: unconsolidated figures before consolidation eliminations)

(Unit: thousand)	Sales			Operating profit
	Royalties	Product sales	Total	
Germany (EUR)	3,680	17	3,697	355
Year-on-year change (%)	(10.0)	(45.1)	(10.3)	284.9
Britain (GBP)	961	7	968	(157)
Year-on-year change (%)	(31.6)	(92.7)	(35.6)	-
North America (USD)	4,108	2,210	6,319	(1,692)
Year-on-year change (%)	2.4	7.3	4.0	-
Brazil (BRL)	5,302	109	5,412	839
Year-on-year change (%)	(26.3)	259.4	(25.1)	(30.8)
Chile (CLP)	-	-	-	(5,695)
Year-on-year change (%)	-	-	-	-
Hong Kong (HKD)	35,237	11,604	46,842	14,614
Year-on-year change (%)	4.3	5.1	4.5	(0.9)
Taiwan (NTD)	96,730	34,437	131,168	40,044
Year-on-year change (%)	1.9	348.0	27.8	14.6
South Korea (KRW)	2,262,382	86,044	2,348,426	621,020
Year-on-year change (%)	(4.6)	(45.6)	(7.1)	(6.2)
China (CNY)	48,005	16,715	64,720	22,946
Year-on-year change (%)	9.0	(16.5)	1.0	9.2

(2) Explanation of Financial Position

At the end of the first quarter of the current fiscal year, total assets stood at 97.9 billion yen, a decrease of 0.3 billion yen from the end of the previous fiscal year. The main increase was 1.5 billion yen in cash and deposit. The main decrease was 1.5 billion yen in trade notes and accounts receivable.

Liabilities increased 0.8 billion yen from the end of the previous fiscal year to 46.3 billion yen. The main increase was 1.6 billion yen in interest-bearing debt (including current portion of corporate bonds to be redeemed). The main decrease was 0.4 billion yen in trade notes and accounts payable. Net assets decreased 1.1 billion yen from the end of the previous fiscal year to 51.5 billion yen. The main increase was 0.5 billion yen in net unrealized gain on other securities and the main decrease was 1.6 billion yen in foreign currency translation adjustments. The equity ratio was 52.4%, down 1.0 percentage points from the end of the previous fiscal year.

(3) Explanation of Consolidated Forecasts and Other Forward-looking Statements

Regarding the results for the first quarter, it is generally in line with the plan. We are progressing with every measure of the medium-term management plan in order to achieve the performance targets for the current first year and then the final year.

Accordingly, there is no change to the first-half and full-year consolidated forecasts, which were announced on May 11, 2018. The dividend will be in line with the initial plan in the current fiscal year, paying out interim and year-end dividends of 15 yen per share each, to maintain an annual total of 30 yen per share.

Reference: Overseas Sales and Profits for the Past Three-month Periods by Area (Millions of yen)

Three months ended		Sales to customers					Operating profit				
		Jun. 2016	Jun. 2017	Change (%)	Jun. 2018	Change (%)	Jun. 2016	Jun. 2017	Change (%)	Jun. 2018	Change (%)
North America	U.S.A.	1,165	690	(40.8)	686	(0.5)	(1)	(153)	-	(184)	-
Latin America	Brazil/Chile	256	264	3.1	181	(31.4)	77	46	(39.7)	27	(41.9)
Asia	Hong Kong	835	689	(17.5)	634	(7.9)	255	238	(6.4)	209	(12.4)
	Taiwan	397	349	(12.1)	461	32.1	139	127	(8.3)	148	16.5
	South Korea	305	248	(18.5)	239	(3.9)	66	65	(1.4)	63	(2.8)
	China	846	737	(12.9)	857	16.2	334	346	3.8	392	13.1
	Subtotal	2,385	2,025	(15.1)	2,192	8.3	794	778	(2.0)	813	4.5
Europe	Germany	810	496	(38.7)	490	(1.2)	148	11	(92.5)	47	323.6
	Britain	130	123	(5.3)	116	(5.7)	10	12	25.5	(29)	-
	Subtotal	941	620	(34.1)	607	(2.1)	158	23	(85.1)	17	(25.4)
Total		4,748	3,600	(24.2)	3,668	1.9	1,028	694	(32.5)	674	(3.0)

2. Quarterly Consolidated Financial Statements and Notes**(1) Consolidated Balance Sheets**

	(Millions of yen)	
	FY2017 (As of Mar. 31, 2018)	First quarter of FY2018 (As of Jun. 30, 2018)
Assets		
Current assets		
Cash and deposit	44,290	45,834
Trade notes and accounts receivable	7,824	6,227
Merchandise and finished goods	4,069	3,827
Work in process	26	52
Raw materials and supplies	116	126
Other accounts receivable	880	803
Other	737	739
Allowance for doubtful accounts	(74)	(84)
Total current assets	57,871	57,525
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	5,876	5,798
Land	8,487	8,482
Other, net	2,065	2,018
Total tangible fixed assets	16,430	16,299
Intangible fixed assets	3,905	3,735
Investments and other assets		
Investment securities	11,513	12,103
Deferred tax assets	2,890	2,746
Other	6,934	6,769
Allowance for doubtful accounts	(1,305)	(1,250)
Total investments and other assets	20,033	20,368
Total fixed assets	40,368	40,402
Deferred assets	33	43
Total assets	98,274	97,971
Liabilities		
Current liabilities		
Trade notes and accounts payable	4,563	4,121
Short-term borrowings	6,737	7,401
Accrued income taxes	1,564	1,557
Allowance for bonuses	491	756
Reserve for adjustment of returned goods	94	65
Provision for shareholder benefit program	50	30
Provision for point card certificates	90	90
Other	10,914	10,315
Total current liabilities	24,506	24,337
Long-term liabilities		
Corporate bonds	3,263	2,782
Long-term borrowings	7,523	9,433
Net defined benefit liability	6,149	5,775
Other	4,097	4,050
Total long-term liabilities	21,033	22,041
Total liabilities	45,539	46,379

	(Millions of yen)	
	FY2017 (As of Mar. 31, 2018)	First quarter of FY2018 (As of Jun. 30, 2018)
Net assets		
Shareholders' equity		
Capital	10,000	10,000
Capital surplus	3,423	3,423
Retained earnings	53,779	53,573
Treasury stock	(11,789)	(11,789)
Total shareholder's equity	55,413	55,207
Accumulated other comprehensive income		
Net unrealized gain (loss) on other securities	(219)	332
Deferred hedge gain (loss)	(2)	0
Foreign currency translation adjustments	247	(1,410)
Remeasurements of defined benefit plans	(2,947)	(2,775)
Total accumulated other comprehensive income	(2,921)	(3,852)
Non-controlling interests	243	237
Total net assets	52,734	51,592
Total liabilities and net assets	98,274	97,971

(2) Consolidated Income Statements and Consolidated Comprehensive Income Statements**Consolidated Income Statements
(For the Three-month Period)**

	(Millions of yen)	
	First three months of FY2017 (Apr. 1, 2017 – Jun. 30, 2017)	First three months of FY2018 (Apr. 1, 2018 – Jun. 30, 2018)
Sales	13,437	13,907
Cost of sales	4,421	4,831
Gross profit	9,015	9,075
Reversal from reserve for adjustment of returned goods	19	29
Net gross profit on sales	9,034	9,104
Selling, general and administrative expenses	7,755	7,768
Operating profit	1,279	1,336
Non-operating profit		
Interest income	134	106
Dividend income	13	22
Foreign exchange gains	-	44
Gain on investments in partnership	-	221
Other	55	36
Total non-operating profit	203	431
Non-operating expenses		
Interest expense	43	26
Foreign exchange loss	9	-
Commission fee	37	38
Loss on investments in partnership	59	-
Other	11	7
Total non-operating expenses	162	72
Ordinary profit	1,320	1,695
Extraordinary gains		
Gain on sales of fixed assets	0	-
Gain on sales of investment securities	128	335
Total extraordinary gains	128	335
Extraordinary losses		
Loss on disposal of fixed assets	9	1
Loss on valuation of investment securities	-	508
Impairment loss	12	9
Other	-	2
Total extraordinary losses	21	521
Net profit before income taxes	1,426	1,509
Income taxes – current	545	601
Income taxes – deferred	(142)	(168)
Total income taxes	403	433
Net profit	1,023	1,075
Net profit attributable to non-controlling interests	9	9
Net profit attributable to owners of parent	1,014	1,066

Consolidated Comprehensive Income Statements
(For the Three-month Period)

(Millions of yen)

	First three months of FY2017 (Apr. 1, 2017 – Jun. 30, 2017)	First three months of FY2018 (Apr. 1, 2018 – Jun. 30, 2018)
Net profit	1,023	1,075
Other comprehensive income		
Net unrealized gain (loss) on other securities	482	551
Deferred hedge gain (loss)	0	3
Foreign currency translation adjustments	(806)	(1,672)
Remeasurements of defined benefit plans, net of tax	160	171
Total other comprehensive income	(162)	(945)
Comprehensive income	861	130
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	859	135
Comprehensive income attributable to non-controlling interests	1	(5)

(3) Notes to Quarterly Consolidated Financial Statements**Going Concern Assumption**

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Segment and Other Information**I. First three months of FY2017 (Apr. 1, 2017 – Jun. 30, 2017)****1. Information related to sales and profit or loss for each reportable segment**

(Millions of yen)

	Reportable segment						Adjustment (Note 1)	Amounts shown on consolidated income statements (Note 2)
	Japan	Europe	North America	Latin America	Asia	Total		
Sales								
Customers	9,836	620	690	264	2,025	13,437	-	13,437
(Royalty income)	(2,218)	(616)	(456)	(264)	(1,867)	(5,423)	(-)	(5,423)
Inter-segment	1,421	6	1	0	368	1,797	(1,797)	-
(Royalty income)	(1,380)	(6)	(-)	(-)	(0)	(1,387)	((1,387))	(-)
Total	11,258	627	691	265	2,393	15,234	(1,797)	13,437
Segment profit (loss)	1,010	23	(153)	46	778	1,705	(425)	1,279

Notes: 1. The minus 425 million yen adjustment to segment profit (loss) is the sum of eliminations for inter-segment transactions and unallocated operating expenses that are mostly general and administrative expenses that cannot be assigned to any particular segment.

2. Segment profit (loss) is adjusted to be consistent with operating profit shown on the consolidated income statements.

2. Information related to impairment losses on fixed assets, goodwill, etc. for each reportable segment

Detailed explanations are omitted due to immateriality of the amount.

II. First three months of FY2018 (Apr. 1, 2018 – Jun. 30, 2018)**1. Information related to sales and profit or loss for each reportable segment**

(Millions of yen)

	Reportable segment						Adjustment (Note 1)	Amounts shown on consolidated income statements (Note 2)
	Japan	Europe	North America	Latin America	Asia	Total		
Sales								
Customers	10,238	607	686	181	2,192	13,907	-	13,907
(Royalty income)	(2,277)	(604)	(447)	(178)	(1,924)	(5,432)	(-)	(5,432)
Inter-segment	1,391	6	1	0	299	1,698	(1,698)	-
(Royalty income)	(1,324)	(6)	(-)	(-)	(0)	(1,330)	((1,330))	(-)
Total	11,629	613	687	181	2,492	15,605	(1,698)	13,907
Segment profit (loss)	1,103	17	(184)	27	813	1,777	(441)	1,336

Notes: 1. The minus 441 million yen adjustment to segment profit (loss) is the sum of eliminations for inter-segment transactions and unallocated operating expenses that are mostly general and administrative expenses that cannot be assigned to any particular segment.

2. Segment profit (loss) is adjusted to be consistent with operating profit shown on the consolidated income statements.

2. Information related to impairment losses on fixed assets, goodwill, etc. for each reportable segment

Detailed explanations are omitted due to immateriality of the amount.

This financial report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.