

HAPPINET CORPORATION

Financial Summary

Consolidated Financial Results for the Fiscal Year Ended

March 31, 2010

May 12, 2010

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This document contains forward-looking statements that are based on management’s estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially from expectation.

May 12, 2010

Consolidated Financial Report for the Fiscal Year Ended March 31, 2010

Representative: Kazuhiko Note, President and COO
 Contact: Hideo Asatsu, Board Director and CFO
 Date of General Meeting of Stockholders: June 19, 2010
 Scheduled starting date for dividend payments: June 21, 2010
 Scheduled filing date of the annual security report: June 21, 2010

1. Consolidated Results for the Fiscal Year Ended March 31, 2010 (April 1, 2009 ~ March 31, 2010)

(1) Consolidated Operating Results

	Net sales		Operating income		Recurring income	
	¥ million	%	¥ million	%	¥ million	%
Fiscal Year Ended March 31, 2010	194,246	16.5	2,327	8.9	2,513	8.2
Fiscal Year Ended March 31, 2009	166,778	(1.3)	2,137	47.3	2,322	48.0

	Net income		Net income per share	Net income per share (diluted)
	¥ million	%	¥	¥
Fiscal Year Ended March 31, 2010	1,179	3.9	104.60	—
Fiscal Year Ended March 31, 2009	1,135	—	97.64	—

	ROE (Net income / Net assets)	ROA (Recurring income / Total assets)	Operating Margin (Operating income / Net sales)
	%	%	%
Fiscal Year Ended March 31, 2010	6.4	4.8	1.2
Fiscal Year Ended March 31, 2009	6.2	4.5	1.3

(Reference)

Gain or loss from the equity method: — million yen (FY 2010.3), — million yen (FY 2009.3)

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net asset per share
	¥ million	¥ million	%	¥
Fiscal Year Ended March 31, 2010	49,050	18,962	38.7	1,692.76
Fiscal Year Ended March 31, 2009	54,661	18,184	33.3	1,599.08

(Reference)

Shareholder's equity: 18,961 million yen (FY 2010.3), 18,184 million yen (FY 2009.3)

(3) Consolidated Statement of Cash Flows

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at year-end
	¥ million	¥ million	¥ million	¥ million
Fiscal Year Ended March 31, 2010	6,232	(391)	(4,481)	6,312
Fiscal Year Ended March 31, 2009	951	(851)	(975)	4,945

2. Dividend

Dividend record dates	Dividend per share					Total dividend payment (Full Year) ¥ million	Payout Ratio (Consolidated) %	Dividend / Net Assets (Consolidated) %
	End of 1Q	End of 2Q	End of 3Q	Fiscal Year-end	Total			
	¥	¥	¥	¥	¥			
Fiscal Year Ended March 31, 2009	—	15	—	15	30	348	30.7	1.9
Fiscal Year Ended March 31, 2010	—	15	—	15	30	336	28.7	1.8
(Projection) Fiscal Year Ending March 31, 2011	—	15	—	15	30	—	—	—

3. Consolidated Projections for Fiscal Year ending March 2011 (April 1, 2010 ~ March 31, 2011)

	Net sales		Operating income		Recurring income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Interim Period	90,000	0.2	950	2.2	1,100	3.9	600	(8.7)	53.56
Full Year	200,000	3.0	2,600	11.7	2,800	11.4	1,400	18.7	124.98

4. Other Information

- (1) Significant changes in scope of consolidation: No
- (2) Changes in accounting policies
- a) Changes due to changes in accounting standard: Yes
- b) Other changes: No
- (3) Number of shares issued (common shares)
- a) Number of shares issued at the fiscal year end (including treasury stocks)
- | | |
|----------------------------------|-------------------|
| Fiscal Year ended March 31, 2010 | 12,025,000 shares |
| Fiscal Year ended March 31, 2009 | 12,025,000 shares |
- b) Number of treasury stocks at the fiscal year end
- | | |
|----------------------------------|----------------|
| Fiscal Year ended March 31, 2010 | 823,385 shares |
| Fiscal Year ended March 31, 2009 | 653,005 shares |

【Reference】 Non-consolidated Financial Statements

1. Non-consolidated Results for the Fiscal Year Ended March 31, 2010 (April 1, 2009 ~ March 31, 2010)

(1) Non-consolidated Operating Results

	Net sales		Operating income		Recurring income	
	¥ million	%	¥ million	%	¥ million	%
Fiscal Year Ended March 31, 2010	122,575	(8.7)	1,905	5.7	2,009	5.1
Fiscal Year Ended March 31, 2009	134,253	(1.1)	1,803	31.4	1,911	28.3

	Net income		Net income per share	Net income per share (diluted)
	¥ million	%	¥	¥
Fiscal Year Ended March 31, 2010	1,492	54.8	132.36	—
Fiscal Year Ended March 31, 2009	964	—	82.91	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net asset per share
	¥ million	¥ million	%	¥
Fiscal Year Ended March 31, 2010	39,393	18,798	47.7	1,678.22
Fiscal Year Ended March 31, 2009	38,959	17,733	45.5	1,559.36

(Reference)

Shareholder's equity: 18,798 million yen (FY 2010.3), 17,733 million yen (FY 2009.3)

*Proper use of earnings projections, and other special matters

The above projections are based on information available to the Company as of the date of the announcement of these materials. Actual business results may differ from the projections due to a number of factors in the future.