

HAPPINET CORPORATION

Financial Summary

Consolidated Financial Results for the Fiscal Year Ended

March 31, 2013

May 10, 2013

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Consolidated Financial Results
for the Fiscal Year Ended March 31, 2013 [Japanese GAAP]

Company name	HAPPINET CORPORATION		
Stock listing	Tokyo Stock Exchange		
Code No.	7552	URL: http://www.happinet.co.jp/	
Representative	Kazuhiko Note, Representative Director, President and COO		
Contact	Hideo Asatsu, Board Director and CFO		
Date of general meeting of stockholders:	June 22, 2013		
Scheduled filing date of the annual security report:	June 24, 2013		
Scheduled starting date for dividend payments:	June 24, 2013		
The additional materials of the financial results:	Yes		
The information session of the financial results:	Yes (For Analysts)		

* Figures are in millions of yen, rounded down

1. Consolidated Results for the Fiscal Year Ended March 31, 2013 (April 1, 2012 - March 31, 2013)

(1) Consolidated Operating Results

	Net sales		Operating income		Ordinary income	
	¥ million	%	¥ million	%	¥ million	%
Fiscal Year Ended March 31, 2013	176,757	(10.7)	2,973	(38.8)	3,081	(38.8)
Fiscal Year Ended March 31, 2012	198,021	3.7	4,855	70.0	5,032	67.0

Note: Comprehensive income: As of March 31, 2013 2,075million yen [(13.6)%]
As of March 31, 2012 2,402million yen [103.6%]

	Net income		Net income per share	Net income per share (diluted)
	¥ million	%	¥	¥
Fiscal Year Ended March 31, 2013	2,011	(18.2)	89.75	89.55
Fiscal Year Ended March 31, 2012	2,458	78.6	109.73	109.62

(Reference)

Equity in earning of affiliates: FY2013.3 - million yen
FY2012.3 - million yen

Note: A stock split in which two shares were issued for each outstanding common share on December 1, 2011 was carried out.

Therefore, supposing that the stock split was carried out at the beginning of the period of the Fiscal Year ended March 31, 2011, Net income per share and Net income per share (diluted) were estimated.

	Return on Equity (ROE)	Return on Asset (ROA)	Operating income margin
	%	%	%
Fiscal Year Ended March 31, 2013	8.9	5.7	1.7
Fiscal Year Ended March 31, 2012	11.8	9.8	2.5

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net asset per share
	¥ million	¥ million	%	¥
Fiscal Year Ended March 31, 2013	53,003	23,289	43.9	1,036.23
Fiscal Year Ended March 31, 2012	54,323	21,795	40.1	972.13

(Reference)

Shareholder's equity: As of March 31, 2013 23,270 million yen
As of March 31, 2012 21,777 million yen

(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, 2013	(1,505)	(108)	(588)	10,155
Fiscal Year Ended March 31, 2012	4,609	(50)	(421)	12,359

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, 2012	—	22.5	—	16.25	—	616	25.1	3.0
Fiscal Year Ended March 31, 2013	—	11.25	—	11.25	22.50	504	25.1	2.2
(Projection) Fiscal Year Ending March 31, 2014	—	11.25	—	11.25	22.50		25.3	

Note: A breakdown of Dividend for the Fiscal Year Ended March 31, 2012: memorial dividend ¥5.00

2. A stock split in which two shares were issued for each outstanding common share on December 1, 2011 was carried out.

Therefore, End of 2Q Dividend per share for the Fiscal Year ended March 31, 2012 was estimated by the figure before the stock split.

Supposing that the stock split was carried out at the beginning of the period of the Fiscal Year ended March 31, 2011, End of 2Q and Total Dividend per share for the Fiscal Year ended March 31, 2012 was ¥11.25 and ¥27.50 (including memorial dividend ¥5.00).

3. Payout Ratio (Consolidated) and Dividend / Net Assets (Consolidated) were estimated by Dividend per share after the stock split.

3. Consolidated Projections for the Fiscal Year ending March 31, 2014 (April 1, 2013 - March 31, 2014)

	Net sales		Operating Income		Recurring Income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Interim Period	75,000	(1.6)	950	(5.7)	1,000	(6.8)	500	(29.6)	22.27
Full Year	180,000	1.8	3,400	14.4	3,500	13.6	2,000	(0.6)	89.06

4. Other Information

(1) Significant changes in consolidated subsidiaries during the period: No

Note: Changes in specified subsidiaries affecting the scope of consolidation during the period.

(2) Changes in accounting principles, accounting estimation change and error correction.

a) Changes due to changes in accounting standards: Yes

b) Changes due to changes in accounting standard except a): No

c) Changes due to accounting estimation change: Yes

d) Error correction: No

(3) Number of shares issued (common shares)

a) Number of shares issued at the end of the period (including treasury shares)

Fiscal year ended March 31, 2013 24,050,000 shares

Fiscal year ended March 31, 2012 24,050,000 shares

b) Number of treasury shares at the end of the period

Fiscal year ended March 31, 2013 1,593,370 shares

Fiscal year ended March 31, 2012 1,647,990 shares

c) Average number of shares during the period

For the fiscal year ended March 31, 2013 22,412,428 shares

For the fiscal year ended March 31, 2012 22,402,356 shares

A stock split where two shares were issued per each outstanding common share on December 1, 2011 was carried out.

Therefore, suppose such stock split enforced at the beginning of the period of the Fiscal Year ended March 31, 2011, Number of shares issued (common shares) is estimated.

【Reference】 Non-consolidated Financial Statements

1. Non-consolidated Results for the Fiscal Year Ended March 31, 2013 (April 1, 2012 - March 31, 2013)

(1) Non-consolidated Operating Results

	Net sales		Operating income		Ordinary income	
	¥ million	%	¥ million	%	¥ million	%
Fiscal Year Ended March 31, 2013	95,885	(15.8)	(0)	—	25	(98.1)
Fiscal Year Ended March 31, 2012	113,896	(9.6)	1,329	21.6	1,383	19.9

	Net income		Net income per share	Net income per share (diluted)
	¥ million	%	¥	¥
Fiscal Year Ended March 31, 2013	(74)	—	(3.34)	(3.33)
Fiscal Year Ended March 31, 2012	348	(27.0)	15.56	15.54

Note: A stock split in which two shares were issued for each outstanding common share on December 1, 2011 was carried out.

Therefore, supposing that the stock split was carried out at the beginning of the period of the Fiscal Year ended March 31, 2011, Net income per share and Net income per share (diluted) were estimated.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net asset per share
	¥ million	¥ million	%	¥
Fiscal Year Ended March 31, 2013	43,213	18,022	41.7	801.78
Fiscal Year Ended March 31, 2012	45,699	18,637	40.7	831.18

(Reference)

Shareholder's equity: As of March 31, 2013 18,005 million yen
As of March 31, 2012 18,620 million yen

* Information regarding the implementation of review procedures

At the time of release of this report, the review procedures based on “the Financial Instruments and Exchange Act.” have not been completed.