

# HAPPINET CORPORATION

Financial Summary

**Consolidated Financial Results for the Fiscal Year Ended**

**March 31, 2012**

May 10, 2012

## DISCLAIMER

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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.

**Consolidated Financial Results**  
**for the Fiscal Year Ended March 31, 2012 [Japanese GAAP]**

Company name	HAPPINET CORPORATION		
Stock listing	Tokyo Stock Exchange		
Code No.	7552	URL:	<a href="http://www.happinet.co.jp/">http://www.happinet.co.jp/</a>
Representative	Kazuhiko Note, Representative Director, President and COO		
Contact	Hideo Asatsu, Board Director and CFO		
Date of General Meeting of Stockholders	June 23, 2012		
Scheduled filing date of the quarterly report	June 25, 2012		
Scheduled starting date for dividend payments	June 25, 2012		
The additional materials of quarterly results:	Yes		
Quarterly results presentation:	Yes (For Analysts)		

\* Figures are in millions of yen, rounded down

**1. Consolidated Results for the Fiscal Year Ended March 31, 2012 (April 1, 2011 - March 31, 2012)**

**(1) Consolidated Operating Results**

	Net sales		Operating income		Ordinary income	
	¥ million	%	¥ million	%	¥ million	%
<b>Fiscal Year Ended March 31, 2012</b>	198,021	3.7	4,855	70.0	5,032	67.0
Fiscal Year Ended March 31, 2011	190,891	(1.7)	2,855	22.7	3,013	19.9

Note: Comprehensive income: As of March 31, 2012 2,402million yen (103.6%)  
 As of March 31, 2011 1,179million yen ( $\Delta$ 11.4%)

	Net income		Net income per share	Net income per share (diluted)
	¥ million	%	¥	¥
<b>Fiscal Year Ended March 31, 2012</b>	2,458	78.6	109.73	109.62
Fiscal Year Ended March 31, 2011	1,376	16.7	61.28	—

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
	%	%	%
<b>Fiscal Year Ended March 31, 2012</b>	11.8	9.8	2.5
Fiscal Year Ended March 31, 2011	7.1	6.2	1.5

## (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net asset per share
	¥ million	¥ million	%	¥
<b>Fiscal Year Ended March 31, 2012</b>	54,323	21,795	40.1	972.13
Fiscal Year Ended March 31, 2011	48,507	19,802	40.8	883.67

(Reference)

Shareholder's equity: 21,777 million yen (As of March 31, 2012),  
19,796 million yen (As of March 31, 2011)

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 asset per share was estimated.

## (3) Consolidated Statement of Cash Flows

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at year-end
	¥ million	¥ million	¥ million	¥ million
<b>Fiscal Year Ended March 31, 2012</b>	4,609	( 50)	( 421)	12,359
Fiscal Year Ended March 31, 2011	5,083	(315)	(2,852)	8,220

## 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, 2011	—	15	—	15	30	337	24.5	1.7
<b>Fiscal Year Ended March 31, 2012</b>	—	<b>22.5</b>	—	16.25	38.75	616	25.1	3.0
<b>(Projection) Fiscal Year Ending March 31, 2013</b>	—	11.25	—	11.25	22.50		20.2	

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 Dividend per share for the Fiscal Year ended March 31, 2012 was ¥11.25.

Please refer to the “Proper use of earnings projections, and other special matters” on the next page for further details.

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, 2013 (April 1, 2012 - March 31, 2013)

	Net sales		Operating Income		Recurring Income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Interim Period	90,000	1.7	1,900	(18.0)	2,000	(17.4)	1,200	(21.4)	53.57
Full Year	200,000	1.0	4,300	(11.4)	4,500	(10.6)	2,500	1.7	111.60

### 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: No

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, 2012 24,050,000 shares

Fiscal year ended March 31, 2011 24,050,000 shares

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

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

Fiscal year ended March 31, 2011 1,647,410 shares

c) Average number of shares during the period (cumulative from the beginning of the fiscal year)

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

For the fiscal year ended March 31, 2011 22,465,917 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, 2012 (April 1, 2011 - March 31, 2012)**

**(1) Non-consolidated Operating Results**

	Net sales		Operating income		Recurring income	
	¥ million	%	¥ million	%	¥ million	%
<b>Fiscal Year Ended March 31, 2012</b>	<b>113,896</b>	<b>(9.6)</b>	<b>1,329</b>	<b>21.6</b>	<b>1,383</b>	<b>19.9</b>
Fiscal Year Ended March 31, 2011	125,930	2.7	1,092	(42.6)	1,154	(42.5)

	Net income		Net income per share	Net income per share (diluted)
	¥ million	%	¥	¥
<b>Fiscal Year Ended March 31, 2012</b>	<b>348</b>	<b>(27.0)</b>	<b>15.56</b>	<b>15.54</b>
Fiscal Year Ended March 31, 2011	477	(68.0)	21.25	—

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	%	¥
<b>Fiscal Year Ended March 31, 2012</b>	<b>45,699</b>	<b>18,637</b>	<b>40.7</b>	<b>831.18</b>
Fiscal Year Ended March 31, 2011	41,866	18,769	44.8	837.56

(Reference)

Shareholder's equity: 18,620 million yen (FY 2012.3), 18,763 million yen (FY 2011.3)

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 asset per share was estimated.

\* 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.

\*Proper use of earnings projections, and other special matters

(Caution about Projections)

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 various factors in the future.

(About stock splits)

A stock split in which two shares were issued for each outstanding common share held by shareholders registered or recorded in the final shareholders registry as of November 30, 2011 on December 1, 2011 was carried out.

Supposing the stock split was carried at the beginning of the period of the Fiscal Year ended March 31, 2011, Dividend per share is as follows:

(Record Date)

As of September 30, 2010	¥7.50	As of March 31, 2011	¥ 7.50
Annual Dividend	¥15.00		
As of September 30, 2011	¥11.25	As of March 31, 2012	¥16.25
Annual Dividend	¥27.50 (Including memorial dividend ¥5.00)		
(Projections)			
As of September 30, 2012	¥11.25	As of March 31, 2013	¥11.25
Annual Dividend	¥22.50		