



HAPPINET CORPORATION

Stock Listing :Tokyo Stock Exchange  
Code Number :7552

# Fiscal Year 2013 Results Briefing

May 23, 2014



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# FY2013 Financial Results

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**Hideo Asatsu**  
**Board Director, CFO**

# Change of business results



(¥ million)

Fiscal period		FY2009	FY2010	FY2011	FY2012	FY2013
Net sales	¥ million	194,246	190,891	198,021	176,757	206,867
Operating income	¥ million	2,327	2,855	4,855	2,973	3,888
Ordinary income	¥ million	2,513	3,013	5,032	3,081	3,917
Net income	¥ million	1,179	1,376	2,458	2,011	2,466
Comprehensive income	¥ million	—	1,179	2,402	2,075	2,654
Net assets	¥ million	18,962	19,802	21,795	23,289	25,694
Total assets	¥ million	49,050	48,507	54,323	53,003	53,879
Book Value per share	¥	1,692.76	1,767.34	972.13	1,036.23	1,128.25
Net income per share	¥	104.60	122.56	109.73	89.75	109.40
Dividends per share (Interim dividends)	¥	30.00 (15.00)	30.00 (15.00)	38.75 (22.50)	22.50 (11.25)	24.75 (11.25)
No. of employees	people	945	923	916	918	972

FY2011: ¥5  
Including a memorial dividend

Notes: 1. Consolidated sales figures do not include consumption tax.

2. 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 assets per share and Net income per share were estimated. Interim dividends per share for the Fiscal Year ended March 31, 2012 was estimated by the figure before the stock split.

3. Happinet Corporation acquired shares of TOYSUNION CO.,LTD. on July 16, 2013, making it a subsidiary.

# Consolidated results for FY2013 (1) Profit & loss statement



(¥ million)

	FY2012			FY2013		
		% of total	YoY		% of total	YoY
Net sales	176,757	100.0	-10.7	206,867	100.0	17.0
Cost of sales*	154,256	87.3	-10.8	182,828	88.4	18.5
Gross profit	22,501	12.7	-10.0	24,039	11.6	6.8
SG&A expenses	19,527	11.0	-3.1	20,150	9.7	3.2
personnel	7,143	4.0	2.0	7,560	3.7	5.8
Contract personnel costs	1,531	0.9	0.3	1,408	0.7	-8.0
Depreciation & amortization	629	0.4	-8.7	573	0.3	-8.9
Depreciation & amortization of goodwill	292	0.2	-13.5	246	0.1	-15.5
Operating income	2,973	1.7	-38.8	3,888	1.9	30.8
Non-operating income	119	0.1	-36.0	77	0.0	-34.8
interest and dividends income	24	0.0	-13.5	30	0.0	25.4
Other	94	0.1	-40.1	46	0.0	-50.3
Non-operating expenses	10	0.0	21.7	49	0.0	350.3
interest expenses	5	0.0	-7.8	21	0.0	331.0
Other	5	0.0	68.4	27	0.0	367.1
Ordinary income	3,081	1.7	-38.8	3,917	1.9	27.1
Extraordinary income	73	0.0	1899.4	417	0.2	467.1
Extraordinary loss	182	0.1	-74.8	628	0.3	244.9
Income before income taxes and minority interests	2,972	1.7	-31.1	3,706	1.8	24.7
Income taxes	960	0.5	-48.2	1,238	0.6	29.0
Income before minority interests	2,012	1.1	-18.2	2,467	1.2	22.6
Minority interests in income (loss)	0	0.0	6.4	0	0.0	-32.9
Net income	2,011	1.1	-18.2	2,466	1.2	22.6

\*including stock clearances of ¥ 2,493m in FY2013, ¥ 2,353m in FY2012.

Net income per share(¥)	89.75	—	-18.2	109.40	—	21.9
NO.of employees at end of period (people)**	918	—	0.2	972	—	5.9

\*\*The number of employees includes employees temporarily transferred from other companies and contract employees, but excludes employees temporarily transferred to other companies and temporary employees.

Capital expenditures	190	—	9.7	458	—	140.5
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## ① Change by business segment

### ■ Net sales

(¥ million,%)

Segment	Period	FY2011		FY2012		FY2013				
		% of total	YoY	% of total	YoY	% of total	YoY			
Toy business		77,313	39.0	11.9	74,660	42.2	-3.4	76,821	37.1	2.9
Visual and Music business		55,719	28.1	-3.5	44,810	25.4	-19.6	42,955	20.8	-4.1
Video-game business		42,704	21.6	-8.1	36,839	20.8	-13.7	63,609	30.7	72.7
Amusement business		22,282	11.3	26.8	20,447	11.6	-8.2	23,481	11.4	14.8
Total		198,021	100.0	3.7	176,757	100.0	-10.7	206,867	100.0	17.0

### ■ Segment income

(¥ million,%)

Segment	Period	FY2011		FY2012		FY2013	
			YoY		YoY		YoY
Toy business		3,009	29.6	2,055	-31.7	2,710	31.8
Visual and Music business		448	—	309	-30.9	307	-0.7
Video-game business		936	-19.0	678	-27.6	79	-88.2
Amusement business		1,801	34.3	1,265	-29.8	2,053	62.4
Eliminations and corporate		-1,341	—	-1,335	—	-1,263	—
Total		4,885	70.0	2,973	-38.8	3,888	30.8

## ②Change of sales by channel

(¥ billion,%)

Segment	Period	FY2011			FY2012			FY2013		
			% of total	YoY		% of total	YoY		% of total	YoY
Specialty stores*		62.5	31.6	-4.2	60.4	34.2	-3.5	61.1	29.6	1.2
General Merchandise store		40.3	20.4	9.7	36.9	20.9	-8.5	44.9	21.7	21.8
Convenience stores		26.3	13.3	23.4	22.8	12.9	-13.4	36.9	10.6	92.6
E-commerce		25.0	12.7	3.8	19.2	10.9	-23.4	21.8	17.9	-4.2
Suburban stores		19.3	9.7	4.3	17.2	9.8	-10.5	21.1	10.2	22.6
Wholesalers		15.2	7.7	-1.6	11.5	6.5	-23.8	12.5	6.1	8.2
Other**		9.1	4.6	-1.5	8.5	4.8	-6.8	8.1	3.9	-4.4
Total		198.0	100.0	3.7	176.7	100.0	-10.7	206.8	100.0	17.0

\* Including consumer electronics and camera stores.

\*\*Including department stores.

## ③Main business summary

### ■ Toy business

(¥ billion,%)

Manufacturer	Period	FY2011			FY2012			FY2013		
			% of total	YoY		% of total	YoY		% of total	YoY
Bandai Co.,Ltd		42.3	54.8	13.1	38.8	52.0	-8.3	40.7	53.1	5.0
Tomy Co.,Ltd		6.3	8.1	-10.2	5.3	7.2	-14.7	4.2	5.5	-21.6
Happinet originals		2.2	2.9	53.7	2.5	3.4	12.4	2.0	2.7	-17.7
Other manufacturers		26.4	34.2	14.1	27.9	37.4	5.7	29.7	38.7	6.5
Total		77.3	100.0	11.9	74.6	100.0	-3.4	76.8	100.0	2.9

### ■ Visual and Music business

(¥ billion,%)

Division	Period	FY2011			FY2012			FY2013		
			% of total	YoY		% of total	YoY		% of total	YoY
Wholesale		33.6	60.4	-2.2	25.9	58.0	-22.8	25.2	58.8	-2.7
	Exclusive titles	5.9	10.7	1.0	5.6	12.5	-5.7	6.3	14.8	13.3
Visual		39.6	71.1	-1.8	31.5	70.5	-20.3	31.6	73.6	0.1
Music		16.1	28.9	-7.6	13.2	29.5	-17.9	11.3	26.4	-14.3
Total		55.7	100.0	-3.5	44.8	100.0	-19.6	42.9	100.0	-4.1



## ■ Sales of video game platform

(¥ billion,%)

Platform	Period	FY2011			FY2012			FY2013		
			% of total	YoY		% of total	YoY		% of total	YoY
Nintendo (Wii,Wii U)		3.2	7.7	-30.2	4.4	12.1	35.1	10.7	16.9	142.4
Nintendo (Nintendo DS,3DS)		10.4	24.4	4.7	14.2	38.7	36.7	40.3	63.4	182.8
PlayStation (PS2,PS3,PS4)		6.8	16.0	13.4	5.3	14.4	-22.6	4.8	7.6	-9.1
PlayStation (PSP,PSVita)		12.2	28.8	5.4	7.1	19.4	-41.9	4.7	7.5	-33.1
Other		9.8	23.1	-30.0	5.6	15.4	-42.2	2.9	4.6	-48.8
<b>Total</b>		<b>42.7</b>	<b>100.0</b>	<b>-8.1</b>	<b>36.8</b>	<b>100.0</b>	<b>-13.7</b>	<b>63.6</b>	<b>100.0</b>	<b>72.7</b>

## ■ Breakdown of Nintendo sales

(¥ billion,%)

Item	Period	FY2011			FY2012			FY2013		
			% of total	YoY		% of total	YoY		% of total	YoY
stationary	console	1.1	8.2	-29.5	2.2	11.9	99.9	6.4	12.6	189.5
	game	1.9	14.5	-24.1	1.8	9.8	-8.5	3.4	6.8	89.3
	accessories	0.1	1.3	-64.9	0.3	2.1	117.9	0.8	1.7	120.7
portable	console	4.7	34.6	-0.5	7.1	38.0	49.9	17.6	34.5	147.5
	game	5.3	38.7	8.6	6.3	34.1	20.0	21.4	41.9	236.5
	accessories	0.3	2.7	22.6	0.7	4.1	108.6	1.2	2.5	64.5
<b>Total</b>		<b>13.7</b>	<b>100.0</b>	<b>-6.5</b>	<b>18.7</b>	<b>100.0</b>	<b>36.3</b>	<b>51.0</b>	<b>100.0</b>	<b>173.2</b>

## ■ Breakdown of Play Station sales

(¥ billion,%)

Item	Period	FY2011			FY2012			FY2013		
			% of total	YoY		% of total	YoY		% of total	YoY
stationary	console	1.4	7.6	-41.6	1.3	10.8	-7.6	1.1	12.1	-13.5
	game	5.2	27.2	635.0	3.7	30.0	-28.4	3.4	35.9	-7.6
	accessories	0.1	1.0	-49.7	0.2	1.9	26.9	0.2	2.2	-8.3
portable	console	4.1	21.9	38.1	1.9	15.9	-52.7	1.4	15.3	-25.8
	game	7.6	39.9	-9.4	5.0	40.3	-34.3	3.1	32.4	-38.0
	accessories	0.4	2.4	129.5	0.1	1.1	-69.7	0.1	2.1	41.6
<b>Total</b>		19.1	100.0	8.1	12.4	100.0	-35.0	9.5	100.0	-22.9

# Consolidated results for FY2013 (2)Balance sheet



(¥ million)

	FY2012	FY2013	Change
<b>(Assets)</b>			
Cash and deposits	10,155	9,996	-159
Notes and accounts receivable-trade	27,234	24,104	-3,130
Inventories	6,529	7,404	875
Advance payments-trade	1,389	1,818	429
Deferred tax assets	910	980	70
Other	1,775	2,733	958
Allowance for doubtful accounts	-63	-12	50
<b>Current assets</b>	<b>47,930</b>	<b>47,025</b>	<b>-905</b>
Property, plant and equipment	1,110	1,342	231
Buildings and structures	314	289	-24
Land	464	632	168
Other	331	420	88
Intangible assets	985	446	-538
Investments and other assets	2,976	5,065	2,088
Investment securities	1,439	1,925	485
Deferred tax assets	688	749	60
Other	865	2,488	1,622
Allowance for doubtful accounts	-17	-97	-79
<b>Noncurrent assets</b>	<b>5,072</b>	<b>6,854</b>	<b>1,782</b>
<b>Total assets</b>	<b>53,003</b>	<b>53,879</b>	<b>876</b>

# Consolidated results for FY2013 (2)Balance sheet



(¥ million)

	FY2012	FY2013	Change
<b>(Liabilities)</b>			
Notes and accounts payable-trade	22,672	20,099	-2,573
Accounts payable-other	2,656	2,545	-110
Income taxes payable	678	1,104	425
Provision for bonuses	378	477	99
Other	497	809	311
<b>Current liabilities</b>	<b>26,883</b>	<b>25,036</b>	<b>-1,847</b>
Provision for retirement benefits	1,830	2,103	273
Deferred tax liabilities	5	60	55
Negative goodwill	1	—	-1
Other	992	984	-8
<b>Noncurrent liabilities</b>	<b>2,829</b>	<b>3,148</b>	<b>318</b>
<b>Total liabilities</b>	<b>29,713</b>	<b>28,185</b>	<b>-1,528</b>
<b>(Net assets)</b>			
Capital stock	2,751	2,751	—
Capital surplus	2,775	2,775	—
Retained earnings	18,607	20,562	1,954
Treasury share	-1,055	-948	107
<b>Total shareholder's equity</b>	<b>23,078</b>	<b>25,141</b>	<b>2,062</b>
Valuation difference on available-for-sale securities	189	378	189
Deferred gains or losses on hedges	1	-0	-2
<b>Total accumulated other comprehensive income</b>	<b>191</b>	<b>378</b>	<b>187</b>
Subscription rights to shares	17	175	157
Minority interests	1	—	-1
<b>Total Net assets</b>	<b>23,289</b>	<b>25,694</b>	<b>2,405</b>
<b>total liabilities and Net assets</b>	<b>53,003</b>	<b>53,879</b>	<b>876</b>
<b>Net assets per share(¥)</b>	<b>1,036.23</b>	<b>1,128.25</b>	<b>92.02</b>

# Consolidated results for FY2013 (3) Cash-flow statement



(¥ million)

	FY2012	FY2013	Change
<b>Net cash provided by (used in) operating activities</b>	<b>-1,505</b>	<b>2,547</b>	<b>4,053</b>
Income before income taxes and minority interests	2,972	3,706	733
Depreciation and amortization	644	615	-29
Impairment loss	89	154	65
Advantage of negative goodwill	—	-409	-409
Decrease (increase) in notes and accounts receivable-trade	-477	5,028	5,505
Decrease (increase) in inventories	-360	81	441
Increase (decrease) in notes and accounts payable-trade	-369	-3,725	-3,355
Increase (decrease) in deposit	-657	-182	475
Other	-1,466	-572	-124
Income taxes paid	-1,874	898	976
<b>Net cash provided by (used in) investing activities</b>	<b>-108</b>	<b>-87</b>	<b>20</b>
Purchase of property, plant and equipment and intangible assets	-219	-425	-206
Proceeds from sales of property, plant and equipment	195	276	81
Purchase of investment securities	-8	-12	--3
Proceeds from sales of investment securities	48	0	-48
Other	-125	73	198
<b>Net cash provided by (used in) financing activities</b>	<b>-588</b>	<b>-2,618</b>	<b>-2,029</b>
Decrease (increase) in short-term loans	—	-2,000	-2,000
payments for repayment of long-term loans	—	-194	-194
Cash dividends paid	-615	-506	109
Proceeds from sales of treasury stock	29	86	57
Purchase of treasury stock	-0	-0	0
Other	-2	-4	--2
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>-0</b>	<b>-0</b>	<b>0</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>-2,203</b>	<b>-159</b>	<b>2,044</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>12,359</b>	<b>-10,155</b>	<b>-2,203</b>
<b>Cash and cash equivalents at end of period</b>	<b>10,155</b>	<b>9,996</b>	<b>-159</b>

# FY2013 Results Summary

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**Kazuhiko Note**  
**President and COO**

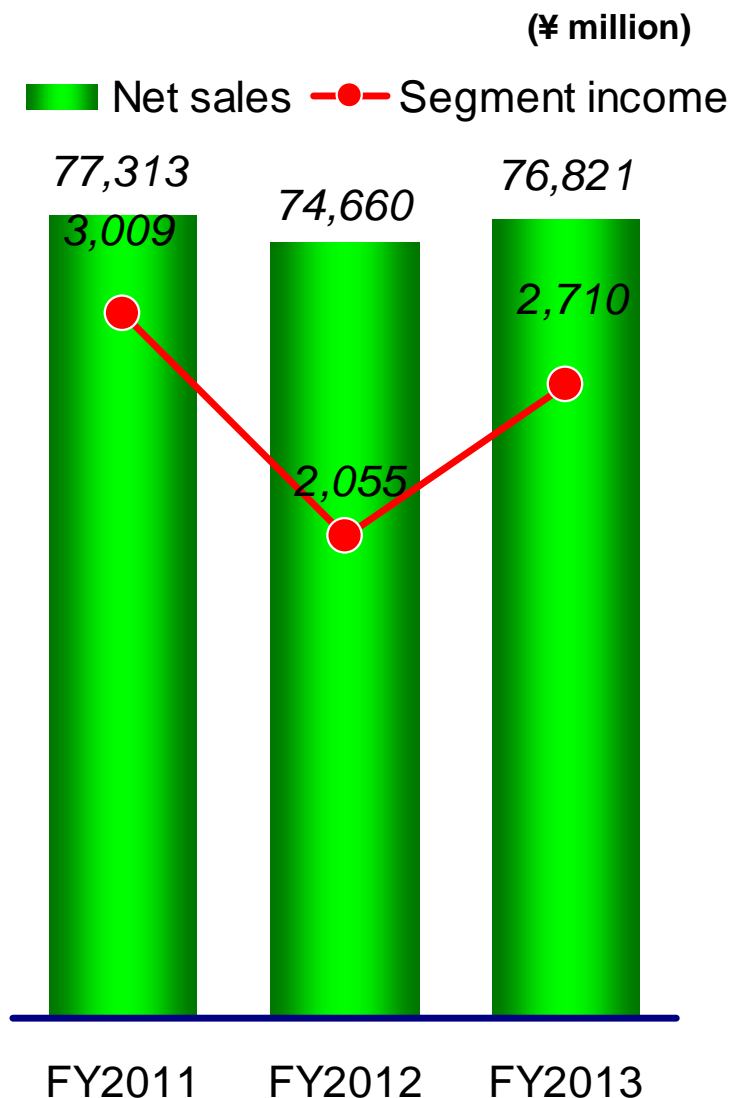
# FY2013 Results Summary



(¥ million)

	FY2012	FY2013	YOY
Net sales	176,757	206,867	17.0%
Operating income	2,973	3,888	30.8%
Ordinary income	3,081	3,917	27.1%
Net income	2,011	2,466	22.6%

## Toy Business



### ■ FY2013 Results Summary

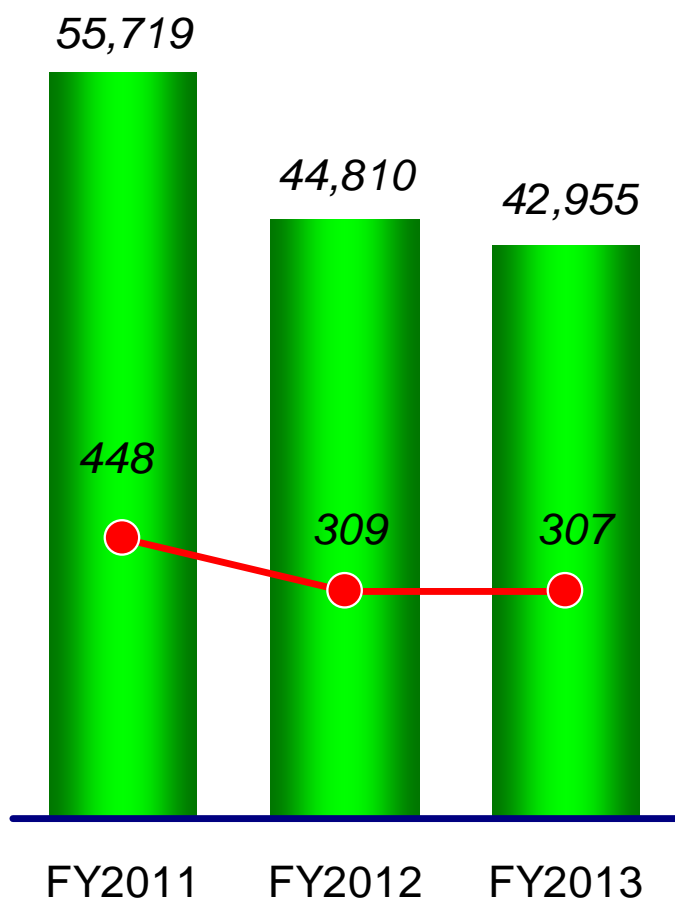
Strong net sales and segment income by blessed to hit *"Kamen Rider Gaimu"* and *"Jyuden sentai Kyouryujya"*, *"Yokai Watch"* in Bandai's character products.

	FY2011	FY2012	FY2013
Segment income	3.0 billion yen	2.0 billion yen	2.7 billion yen
Clearance amounts	1.3 billion yen	1.3 billion yen	1.0 billion yen
Inventory amounts	2.3 billion yen	2.4 billion yen	2.4 billion yen
Inventory turnover rate	33.6	30.7	31.0



## Visual and Music Business

(¥ million)  
■ Net sales ● Segment income

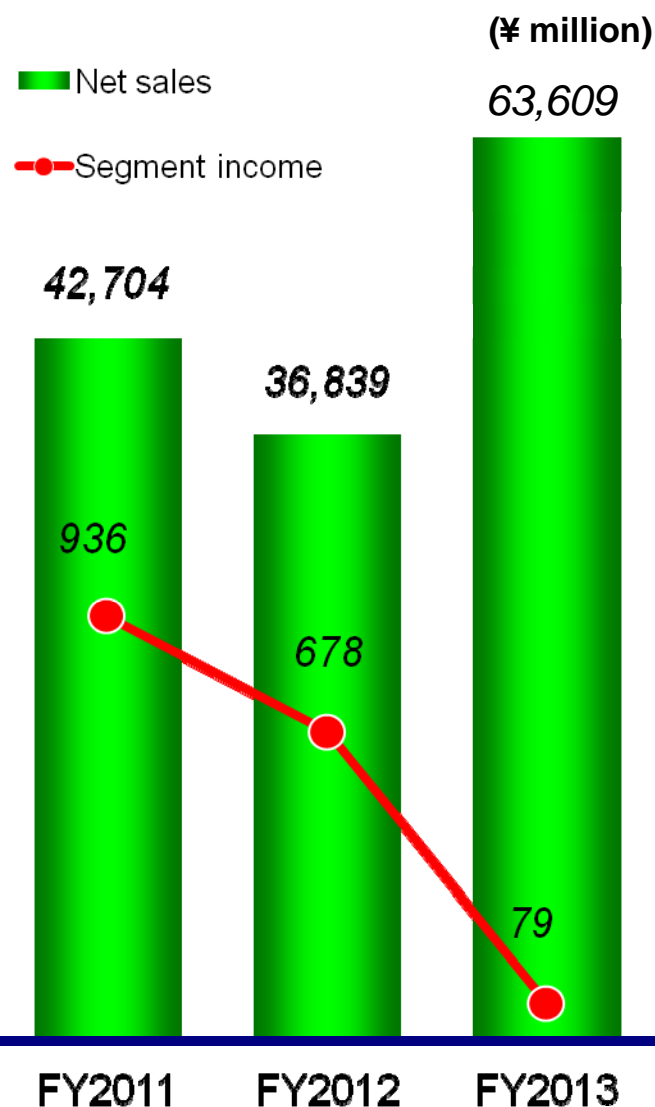


### ■ FY2013 Results Summary

Although certain co-produced titles, "Nobounoshiro" and "Zoid", the Group struggled due to the stagnation of the package market caused by growth in online content distribution

	FY2011	FY2012	FY2013
Segment income	0.4 billion yen	0.3 billion yen	0.3 billion yen
Rejection rate	6.2%	4.7%	4.7%
Inventory amounts	1.8 billion yen	1.7 billion yen	1.5 billion yen
Inventory turnover rate	24.6	24.5	26.0

## Video-Game Business



### ■ FY2013 Results Summary

Despite the stagnation of the package market, net sales were significantly higher than the previous year by making TOYS UNION CO.,LTD. a subsidiary. However segment income was significantly lower than the previous year by clearance of excess inventory for some products.

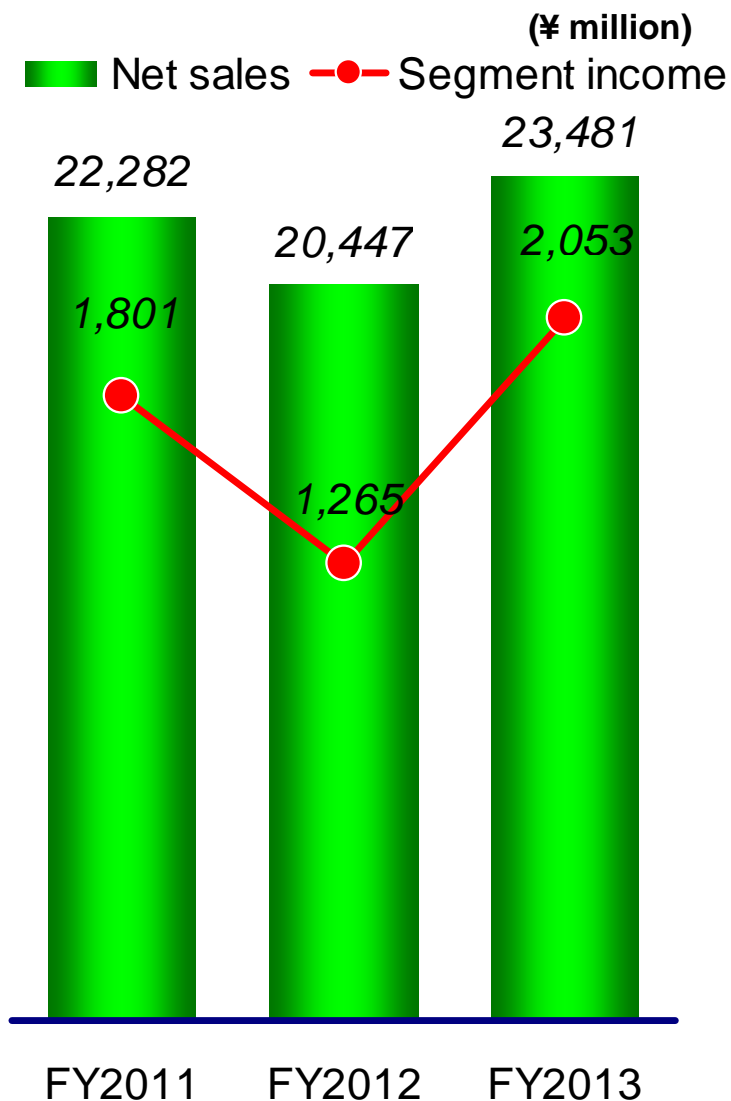
TOYS UNION CO.,LTD.

Net sale : 27,282 million yen

(July 1st 2013~March 31th 2014)

	FY2011	FY2012	FY2013
Segment income	0.9 billion yen	0.67 billion yen	0.07 billion yen
Clearance amounts	0.1 billion yen	0.1 billion yen	0.8 billion yen
Inventory amounts	0.4 billion yen	0.8 billion yen	1.7 billion yen
Inventory turnover rate	100.1	57.6	49.5

## Amusement Business



### ■ FY2013 Results Summary

Both net sales and segment income were significantly higher than the previous year by strong sales of "Aikatsu!" and "Yokai Watch", "Dragon Ball" in toy vending machine products, also "Kamen Rider Gaimu" and "Yokai Watch" in kids card games.

#### Project investment

**System for acquiring data on a single item(POS)**, Cost to Purchase and install, upgrade toy vending machines and card game machines

**FY2013 0.9 billion yen FY2014(plan) 1.4 billion yen**

	FY2011	FY2012	FY2013
Segment income	1.8 billion yen	1.26 billion yen	2.05 billion yen
Fixed cost productivity	152%	139%	159%
Inventory amounts	1.4 billion yen	1.4 billion yen	1.6 billion yen
Inventory turnover rate	17.3	14.3	15.4

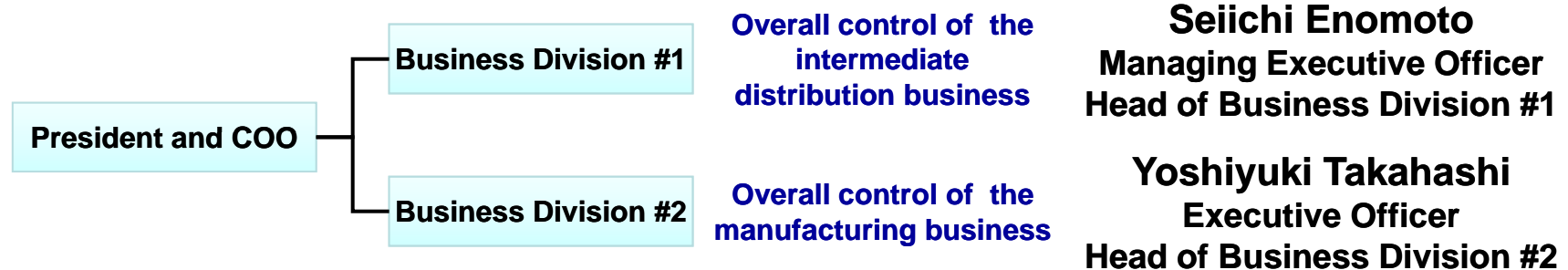
# Main Group-Wide Policy for FY2014

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**Kazuhiko Note**  
**President and COO**

## Aiming to grow further by establishing a manufacturing infrastructure and evolving our framework for the intermediate distribution business

### ■ Changing the organizational structure



### ■ Main Policy for Each Business

#### Intermediate distribution business (Business Division #1)

Increase market share further and secure more profits by responding flexibly to changes in the environment

#### Manufacturing business (Business Division #2)

Establish a new business system which will enable the Happinet Group to create hit products

# FY2014 Measures for the Intermediate Distribution Business

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**Seiichi Enomoto**  
Managing Executive Officer  
Head of Business Division #1

## Toy business

## Noteworthy products

### Youkai Watch



©L5/YWP, TX

Promoted with a cross-media strategy involving anime broadcasting, games, comics, and anime.

Toys, capsule vending machines, and kids' card games are also very popular.

### Ressha Sentai Tokkyuujin



©2014 TV Asahi, TOEI AG, TOEI

This Anime was first broadcast in February 2014 on the TV Asahi network.

### Kamen Rider Gaimu



The first broadcast was in October 2013 on TV Asahi. Toys are promoted in capsule vending machines

©2013 Ishimori Production, TV Asahi, ADK, TOEI

### Ultraman Ginga



©Tsuburaya Production

Commemorating the 50<sup>th</sup> anniversary of Tsuburaya Productions.

### Aikatsu!



Card game sales and anime started in October 2012. Popular among a wide range of people, especially young girls.

©SUNRISE/BANDAI, DENTSU, TV TOKYO

**Expand sales proactively to accelerate the popularity of toys featuring characters from TV anime and other dramatic personae.**

## Toy business

### Happinet's measures

- Proactive expansion and use of store fixtures dedicated to particular characters



Superhero corner 330 stores → 500 stores  
 Superheroine corner 150 stores → 300 stores

Makes use of images of the worlds surrounding our characters to emotionally reach end users and advance sales promotions

Previous year	Net sales	¥76,821 million
	Income	¥2,710 million



- Business meetings in regional areas hosted by Happinet

\* Business meeting in Osaka (Jul. 24, 2013)

- Exhibiting manufacturers: 55 people from 15 companies
- Number of visitors: 167 people from 47 companies

\* Joint business meeting in Hokkaido (Oct. 22, 2013)



Create opportunities to give manufacturers' information directly to retailers in each area

Current year	Net sales (projection)	¥77,000 million
	Income (projection)	¥2,800 million



## Movie and Music business

## Happinet's measures

- Increasing our market share in terms of sales and our income by expanding sales of original products and exclusive products



Putting together various movie and music titles and proposing them to retailers

Increasing our market share in terms of sales by winning accounts.  
Aiming to increase profitability by increasing the original and exclusive products we distribute.

Previous year	Net sales	¥42,955 million	▶	Current year	Net sales (projection)	¥42,000 million
	Income	¥307 million			Income (projection)	¥400 million

## Video-Game business Happinet's measures and noteworthy products in FY2014

### ■ Streamlining through the merger of two subsidiaries

**TOYS UNION CO., LTD.**  
Ranked 3<sup>rd</sup> in distribution of Nintendo's products

**MORI GAMES CO., LTD.**  
Ranked 4<sup>th</sup> in distribution of Nintendo's products

July 1, 2014



**MAXGAMES Corporation**  
Ranked 2<sup>nd</sup> in distribution of Nintendo's products

- \* Sharing stock  
→ Consolidation of stock surplus, reducing clearance items
- \* Integrating logistics operations  
→ Reducing logistics cost

**Xbox One [Game console]**

**To be released on Sept. 4, 2014**

**Dairanto Smash Brothers [Software]**

Product for Nintendo 3DS: To be released in the summer of 2014

Product for Wii U: To be released in the winter of 2014

To be released by: Nintendo

**Youkai Watch 2 (3DS) [Software]**



To be released on July 10, 2014

One million units of the first title will be distributed!

To be released by: LEVEL-5

Previous year	Net sales	<b>¥63,609</b> million
	Income	<b>¥79</b> million



Current year	Net sales (projection)	<b>¥68,000</b> million
	Income (projection)	<b>¥400</b> million

## Amusement business **Happinet's measures**

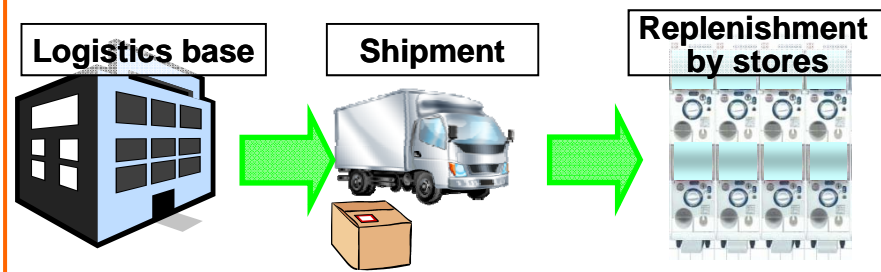
### ■ System for acquiring data on a single item

**[Patent pending]**

- Remote checking of sales quantities and stock status
- Identifying dead stock based on data



#### Operations without routine runs



#### Streamlining of sales operations



**FY2013**  
Introduced to 2,000 locations mainly in Tohoku (Rate of increase in sales from sales at existing stores: Approx.150%)

**FY2014**  
To be introduced to 20,000 locations across the country

Previous year	Net sales	¥23,481 million
	Income	¥2,053 million

Current year	Net sales (projection)	¥23,000 million
	Income (projection)	¥1,700 million

# FY2014 Measures for the Manufacturing Business

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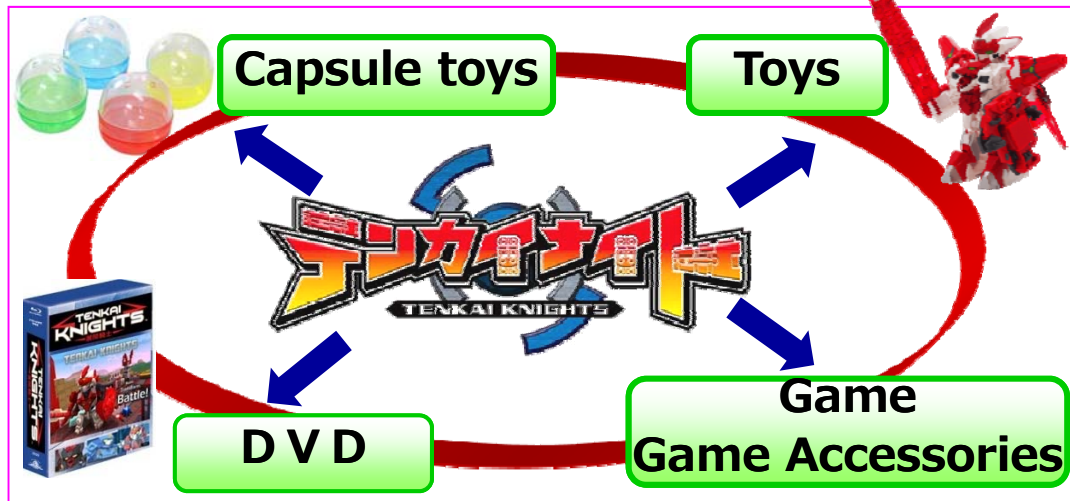
**Yoshiyuki Takahashi**  
Executive Officer  
Head of Business Division #2

## Toy Business

### Focus Products

Character products animated TV work  
**"TENKAI NIGHT"**

#### Image of business deployment



#### "TENKAI NIGHT" Brief Overview

##### Production :

Japan: Shogakukan Shueisha Production Co., Ltd.

North America: SPIN MASTER Ltd.

##### Broadcasting :

North America: since August 2014

Japan: 9 AM form April 5th 2014

##### Toys launching :

North America: SPIN MASTER Ltd.

JAPAN: Happinet Corp.

#### Advertisement: Shogakukan / Cooperation with Shogakukan Shueisha production

##### ◆ Magazine



##### ◆ TV Program



##### ◆ Event



**Challenge to character business!! Promote by taking an advantage of group synergy by mainly toys !!**

Visual and Music Business

Focus products of first half of fiscal



Our secretary products First release at theater on June 2014  
 Original Piece won Naoki prize and sold over 400,000 copies as the bestselling book  
 Actor/Actress:Tadanobu Asano/Fumi Nikaido



DVD Release on May 2<sup>nd</sup> 2014  
 The duo making  
 “*BoukokunoAegis*” Original Piece  
 Harutoshi Fukui  
 ×  
 Film Director  
 Jyunji Sakamoto  
 Collaborate again!!



Co-produced title  
 DVD Release  
 on April 2<sup>nd</sup> 2014

25 Film  
 Awards-winning  
 on 2013



Nominated for 10 Academy Awards on 86<sup>th</sup> Academy Award. DVD Release July 2<sup>nd</sup> 2014



Product which was big hit the first and second film.  
 First release at theater on April 12<sup>th</sup> 2014

# FY2014 Full-Year Projection

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**Kazuhiko Note**  
**President and COO**

# FY2014 Full-Year Projection



(¥ million)

	FY2013	FY2014 Projection	YOY
Net sales	206,867	210.000	1.5%
Operating income	3,888	4,000	2.9%
Ordinary income	3,917	4,000	2.1%
Net income	2,466	2,600	5.4%



# FY2014 Full-Year Projection



## ■ Sales projection by business segment

(¥ million)

Segment	Period	FY2013			FY2014		
			% of total	YoY		% of total	YoY
Toy business		76,821	37.1	2.9	77,000	36.7	0.2
Visual and Music business		42,955	20.8	-4.1	42,000	20.0	-2.2
Video-Game business		63,609	30.7	72.7	68,000	32.4	6.9
Amusement business		23,481	11.4	14.8	23,000	10.9	-2.0
Total		206,867	100.0	17.0	210,000	100.0	1.5

## ■ Income projection by business segment

(¥ million)

Segment	Period	FY2013			FY2014		
			% of total	YoY		% of total	YoY
Toy business		2,710	69.7	31.8	2,800	70.0	3.3
Visual and Music business		307	7.9	-0.7	400	10.0	30.0
Video-Game business		79	2.1	-88.2	400	10.0	400.5
Amusement business		2,053	52.8	62.4	1,700	42.5	-17.2
Eliminations and corporate		-1,263	-32.5	-	-1,300	-32.5	-
Total		3,888	100.0	30.8	4,000	100.0	2.9