

HAPPINET CORPORATION

Financial Summary

Consolidated Financial Results for the 2nd Quarter of the Fiscal Year Ending March 31, 2014

November 12, 2013

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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 2nd Quarter of the Fiscal Year Ending March 31, 2014 [Japanese GAAP]

Company name HAPPINET CORPORATION

Stock listing Tokyo Stock Exchange

Code No. 7552 URL: http://www.happinet.co.jp/

Representative Kazuhiko Note, President and COO
Contact Hideo Asatsu, Board Director and CFO

Scheduled filing date of the quarterly repor November 13, 2013
Scheduled starting date for dividend payments December 5, 2013

The additional materials of quarterly results:

Quarterly results presentation: Yes (For analysts)

(Figures are in millions of yen, rounded down)

1. Consolidated Results for the 2nd Quarter of the Fiscal Year Ending March 31, 2014 (April 1, 2013 - September 30, 2013)

(1) Consolidated Operating Results (For the six months Ended September 30, 2013)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
2nd Quarter of the Fiscal Year Ending March 31, 2014	87,371	14.6	1,551	54.0	1,579	47.3	1,375	93.8
2nd Quarter of the Fiscal Year Ended March 31, 2013	76,211	(13.9)	1,007	(56.5)	1,072	(55.7)	709	(53.5)

Note: Comprehensive income: As of September 30, 2013 1,434million yen [105.2%]
As of September 30, 2012 698million yen [(50.6)%]

	Earnings per share	Earnings per share (diluted)
	¥	¥
2nd Quarter of the Fiscal Year Ending March 31, 2014	61.13	61.06
2nd Quarter of the Fiscal Year Ended March 31, 2013	31.68	31.58

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio		
	¥ million	¥ million	%		
As of September 30, 2013	60,264	24,522	40.7		
As of March 31, 2013	53,003	23,289	43.9		

(Reference)

Shareholder's equity: As of September 30, 2013 24,514million yen As of March 31, 2013 23,270million yen

2. Dividend

	Dividend per share					
	End of 1Q	End of 2Q	End of 3Q	Fiscal Year-end	Total	
	¥	¥	¥	¥	¥	
Fiscal Year Ended March 31,2013	_	11.25	_	11.25	22.50	
Fiscal Year Ending March 31, 2014	_	11.25				
(Projection) Fiscal Year Ending March 31, 2014			ı	11.25	22.50	

Note: Revision of the last projections we showed: No

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

(Percentages indicate year-on-year changes)

	Net sales		Operating i	ncome	Ordinary income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Full Year	205,000	16.0	3,400	14.4	3,500	13.6	2,000	(0.6)	88.88

Note: Revision of the last projections we showed: No

※ Other Information

(1) Significant changes in consolidated subsidiaries during the period: Yes Newly consolidated: One company TOYS UNION Co., Ltd.

- (2) Application of special accounting methods for quarterly consolidated financial statements: No
- (3) Changes in accounting principles, accounting estimation change and error correction.
 - a) Changes in accounting principles due to revisions to accounting standards and other regulations: No
 - b) Changes in accounting principles due to revisions to other reasons: No
 - c) Changes in accounting estimation: No
 - d) Error correction: No
- (4) Number of shares issued (common shares)
 - a) Number of shares issued at the end of the period (including treasury shares)

2nd quarter of the fiscal year ending March 31, 2014 24,050,000shares Fiscal year ended March 31, 2013 24,050,000shares

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

2nd quarter of the fiscal year ending March 31, 2014 1,493,290shares Fiscal year ended March 31, 2013 1,593,370shares

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

For the 2nd quarter of the fiscal year ending March 31, 2014 22,505,866shares
For the 2nd quarter of the fiscal year ended March 31, 2013 22,402,026shares

This Report was exempt from quarterly review which was based on "Financial Instruments and Exchange Act.' At the time of release of this report, the quarterly review procedures based on "Financial Instruments and Exchange Act." have not been completed.

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.

^{*} Information regarding the implementation of quarterly review proced

^{*}Proper use of earnings projections, and other special matter: