

HAPPINET CORPORATION

Financial Summary

**Consolidated Financial Results for the 1st Quarter of
the Fiscal Year Ending March 31, 2012**

August 10, 2011

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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 Report
for the 1st Quarter of the Fiscal Year Ending March 31, 2012 [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 report	August 11, 2011		
Scheduled starting date for dividend payments	—		
The additional materials of quarterly results:	No		
Quarterly results presentation:	No		

1. Consolidated Results for the 1st Quarter of the Fiscal Year Ending March 31, 2012
(April 1, 2011 - June 30, 2011)

(1) Consolidated Operating Results (For the three months Ended June 30, 2011)

	Net sales		Operating income		Ordinary income	
	¥ million	%	¥ million	%	¥ million	%
1st Quarter of the Fiscal Year Ending March 31, 2012	42,434	8.9	1,072	87.4	1,146	86.2
1 st Quarter of the Fiscal Year Ended March 31, 2011	38,955	(2.9)	572	34.3	615	12.5

Note: Comprehensive income: As of June 30, 2011 646million yen (177.3%),
 As of June 30, 2010 233million yen (—%)

	Net income		Net income per share	Net income per share (diluted)
	¥ million	%	¥	¥
1st Quarter of the Fiscal Year Ending March 31, 2012	713	101.6	63.71	—
1 st Quarter of the Fiscal Year Ended March 31, 2011	353	(35.7)	31.60	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	¥ million	¥ million	%
As of June 30, 2011	49,182	20,284	41.2
As of March 31, 2011	48,507	19,802	40.8

(Reference)

Shareholder's equity: 20,275 million yen (As of June 30, 2011), 19,796 million yen (As of March 31, 2011)

2. Dividend

	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	Fiscal Year-end	Total
	¥	¥	¥	¥	¥
Fiscal Year Ended March 31, 2011	—	15.00	—	15.00	30.00
Fiscal Year Ending March 31, 2012	—				
(Projection) Fiscal Year Ending March 31, 2012		22.50	—	22.50	45.00

Note: Revision of the last projections we showed: Yes

3. Consolidated Projections for the Fiscal Year ending March 31, 2012 (April 1, 2011 - March 31, 2012)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Interim Period	86,000	1.1	1,700	37.1	1,800	36.9	1,100	54.3	98.20
Full Year	192,000	0.6	3,100	8.6	3,200	6.2	1,600	16.2	142.84

Note: Revision of the last projections we showed: Yes

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) Application of special accounting methods for quarterly consolidated financial statements: No

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

a) Changes due to changes in accounting standards: No

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

c) Changes due to accounting estimation change: 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)

1st quarter of the fiscal year ending March 31, 2012 12,025,000 shares

Fiscal year ended March 31, 2011 12,025,000 shares

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

1st quarter of the fiscal year ending March 31, 2012 823,705 shares

Fiscal year ended March 31, 2011 823,705 shares

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

For the 1st quarter of the fiscal year ending March 31, 2012 11,201,295 shares

For the 1st quarter of the fiscal year ended March 31, 2011 11,201,587 shares

* Information regarding the implementation of quarterly review procedures

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

*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.