Stock Listing :Tokyo Stock Exchange
Code Number :7552

HAPPINET CORPORATION

Financial Highlights
for the First Half of the Fiscal Year Ending March 31, 2027

Changes in business results

		1st Half of FY2022	1st Half of FY2023	1st Half of FY2024	1st Half of FY2025	1st Half of FY2026	FY2022	FY2023	FY2024	FY2025
Net sales	¥million	140,370	160,957	168,547	196,435	**228,666**	307,253	350,461	364,418	439,052
Operating profit	¥million	3,278	4,728	6,523	8,710	**13,730**	5,842	8,679	11,677	15,590
Ordinary profit	¥million	3,495	4,901	6,660	8,917	**13,672**	6,194	8,974	11,963	15,701
Profit attributable to owners of parent	¥million	2,254	4,129	4,386	6,671	**8,832**	3,561	6,581	6,764	10,096
Comprehensive income	¥million	2,260	4,639	4,614	7,476	**9,912**	3,157	7,547	8,350	9,382
Net assets	¥million	44,880	48,955	52,497	60,804	**66,634**	45,213	51,299	55,672	60,285
Total assets	¥million	97,180	112,918	115,715	133,218	**164,216**	94,275	113,415	121,452	144,003
Net assets per share	¥	999.77	1,088.63	1,186.98	1,375.44	**1,528.37**	1,007.13	1,140.95	1,259.24	1,382.59
Earnings per share	¥	50.97	92.80	99.03	151.94	**203.86**	80.38	147.73	153.41	230.91
Dividends per share (Interim dividends)	¥	(12.50)	(12.50)	(12.50)	(12.50)	**(15.00)**	32.50 (12.50)	62.50 (12.50)	65.00 (12.50)	92.50 (12.50)
No. of employees	people	959	946	1,115	1,141	**1,141**	940	1,081	1,123	1,113

Notes: 1. With August 31, 2023, as the deemed acquisition date, Broccoli Co., Ltd. became a consolidated subsidiary.
(The results of the acquired company were included in the Consolidated Profit & loss statement from the 3rd quarter of FY2023.)
2. On January 1, 2026, the Company conducted a two-for-one share split of its common shares. The calculation of net assets per share, earnings per share and dividends per share (Interim dividends) is done under the assumption that the share split occurred in prior fiscal years.

Consolidated results (1)Profit & loss statement

(¥million,%)

	1st Half of FY2025 (from Apr.1,2025 to Sep.30,2025)			1st Half of FY2026 (from Apr.1,2026 to Sep.30,2026)		
		% of total	YoY		% of total	YoY
Net sales	**196,435**	**100.0**	**16.5**	**228,666**	**100.0**	**16.4**
Cost of sales *	**171,396**	**87.3**	**16.7**	**196,262**	**85.8**	**14.5**
Gross profit	**25,039**	**12.7**	**15.5**	**32,403**	**14.2**	**29.4**
SG&A expenses	**16,328**	**8.3**	**7.7**	**18,673**	**8.2**	**14.4**
logistics cost	3,939	2.0	18.0	5,125	2.2	30.1
Personnel cost	5,500	2.8	4.0	5,658	2.5	2.9
Depreciation cost	662	0.3	20.5	523	0.2	-21.0
Amortization of goodwill	292	0.1	-	292	0.1	-
Operating profit	**8,710**	**4.4**	**33.5**	**13,730**	**6.0**	**57.6**
Non-operating income	**233**	**0.1**	**-2.5**	**304**	**0.1**	**30.6**
Interest and dividend income	150	0.1	23.5	209	0.1	38.9
Foreign exchange gains	4	0.0	-	-	-	-
Other	78	0.0	-33.2	95	0.0	21.5
Non-operating expenses	**26**	**0.0**	**-74.3**	**361**	**0.2**	**-**
Interest expenses	0	0.0	322.0	0	0.0	27.2
Foreign exchange losses	-	-	-	27	0.0	-
Provision of allowance for doubtful accounts	1	-	-	292	0.1	-
Other	24	0.0	-9.0	40	0.0	68.9
Ordinary profit	**8,917**	**4.5**	**33.9**	**13,672**	**6.0**	**53.3**
Extraordinary income	**12**	**0.0**	**-87.9**	**0**	**0.0**	**-99.7**
Extraordinary losses	**4**	**0.0**	**-95.3**	**27**	**0.0**	**537.8**
Profit before income taxes	**8,925**	**4.5**	**33.7**	**13,645**	**6.0**	**52.9**
Income taxes	**2,254**	**1.1**	**-1.4**	**4,812**	**2.1**	**113.5**
Profit attributable to owners of parent	**6,671**	**3.4**	**52.1**	**8,832**	**3.9**	**32.4**
Earnings per share (¥)	**151.94**	**-**	**53.4**	**203.86**	**-**	**34.1**
No.of employees at end of period (people)	**1,141**	**-**	**2.3**	**1,141**	**-**	**-**
Capital expenditures	**271**	**-**	**-77.9**	**316**	**-**	**16.5**

* Including loss on disposal of inventories ¥476m in FY2025, ¥577m in FY2026.

Notes : On January 1, 2026, the Company conducted a two-for-one share split of its common shares.
The calculation of earnings per share is done under the assumption that the share split occurred at the past fiscal year.

Consolidated results (1)Profit & loss statement

① Changes by business segment

■ Net sales

(¥million,%)

	1st Half of FY2025 (from Apr.1,2025 to Sep.30,2025)			1st Half of FY2026 (from Apr.1,2026 to Sep.30,2026)			FY2025 (from Apr.1,2025 to Mar.31,2026)		
		% of total	YoY		% of total	YoY		% of total	YoY
Toy business	86,007	43.8	10.2	109,061	47.7	26.8	192,417	43.8	13.5
Visual and Music business	30,492	15.5	6.1	29,601	13.0	-2.9	62,216	14.2	-3.6
Video-game business	48,783	24.8	34.1	43,957	19.2	-9.9	119,019	27.1	52.5
Amusement business	31,152	15.9	22.6	46,044	20.1	47.8	65,398	14.9	24.9
Total	196,435	100.0	16.5	228,666	100.0	16.4	439,052	100.0	20.5

■ Segment income

(¥million,%)

	1st Half of FY2025 (from Apr.1,2025 to Sep.30,2025)			1st Half of FY2026 (from Apr.1,2026 to Sep.30,2026)			FY2025 (from Apr.1,2025 to Mar.31,2026)		
		% of total	YoY		% of total	YoY		% of total	YoY
Toy business	5,046	57.9	12.0	7,329	53.4	45.2	11,317	72.6	24.1
Visual and Music business	434	5.0	-41.8	-222	-1.6	-	-1,115	-7.2	-
Video-game business	1,109	12.7	458.1	1,704	12.4	53.6	2,201	14.1	772.5
Amusement business	2,808	32.3	64.6	5,600	40.8	99.4	5,192	33.3	71.7
Eliminations and corporate	-689	-7.9	-	-681	-5.0	-1.1	-2,005	-12.8	18.5
Total	8,710	100.0	33.5	13,730	100.0	57.6	15,590	100.0	33.5

Consolidated results (1)Profit & loss statement

② Main business summary

■ Toy business (Net Sales)

(¥billion,%)

	1st Half of FY2025 (from Apr.1,2025 to Sep.30,2025)			1st Half of FY2026 (from Apr.1,2026 to Sep.30,2026)			FY2025 (from Apr.1,2025 to Mar.31,2026)		
		% of total	YoY		% of total	YoY		% of total	YoY
BANDAI CO.,Ltd BANDAI SPIRITS CO., LTD.	44.3	51.5	14.8	55.8	51.2	26.1	91.2	47.4	10.4
TOMY COMPANY,LTD	4.4	5.2	34.6	4.8	4.5	9.4	9.6	5.0	19.5
Happinet originals	3.1	3.6	8.6	3.4	3.1	9.2	7.9	4.1	14.6
Other manufacturers	34.1	39.7	2.7	44.9	41.2	31.6	83.6	43.5	16.4
Total	86.0	100.0	10.2	109.0	100.0	26.8	192.4	100.0	13.5

■ Visual and Music business (Net Sales)

(¥billion,%)

	1st Half of FY2025 (from Apr.1,2025 to Sep.30,2025)			1st Half of FY2026 (from Apr.1,2026 to Sep.30,2026)			FY2025 (from Apr.1,2025 to Mar.31,2026)		
		% of total	YoY		% of total	YoY		% of total	YoY
Wholesale	12.8	42.3	7.0	11.5	39.0	-10.5	24.0	38.6	-10.6
Production	5.1	16.8	32.5	5.3	18.0	4.0	11.5	18.6	27.0
Visual	18.0	59.1	13.2	16.8	57.0	-6.4	35.5	57.2	-1.1
Music	12.4	40.9	-2.7	12.7	43.0	2.1	26.6	42.8	-6.7
Total	30.4	100.0	6.1	29.6	100.0	-2.9	62.2	100.0	-3.6

Consolidated results (1)Profit & loss statement

■ Video-game business (Net Sales)

(¥billion,%)

	1st Half of FY2025 (from Apr.1,2025 to Sep.30,2025)			1st Half of FY2026 (from Apr.1,2026 to Sep.30,2026)			FY2025 (from Apr.1,2025 to Mar.31,2026)		
		% of total	YoY		% of total	YoY		% of total	YoY
Nintendo	40.7	83.5	59.3	35.5	80.8	-12.8	102.0	85.7	92.7
S I E *	4.7	9.8	-34.9	4.8	11.0	1.3	9.9	8.4	-43.4
Other	3.2	6.7	-6.1	3.5	8.2	10.6	6.9	5.9	-6.8
Total	48.7	100.0	34.1	43.9	100.0	-9.9	119.0	100.0	52.5

* S I E・・・ Sony Interactive Entertainment LLC

■ Amusement business (Net Sales)

(¥billion,%)

	1st Half of FY2025 (from Apr.1,2025 to Sep.30,2025)			1st Half of FY2026 (from Apr.1,2026 to Sep.30,2026)			FY2025 (from Apr.1,2025 to Mar.31,2026)		
		% of total	YoY		% of total	YoY		% of total	YoY
Capsule toy	25.0	80.5	31.5	38.2	83.1	52.6	52.8	80.8	33.0
Kid's card game	1.7	5.5	-0.2	2.4	5.3	42.4	3.6	5.6	9.3
Other	4.3	14.0	-5.6	5.3	11.6	22.5	8.8	13.6	-4.0
Total	31.1	100.0	22.6	46.0	100.0	47.8	65.3	100.0	24.9

Consolidated results (2)Balance sheet

(¥million)

	FY2025		FY2026	
	1st Half (As of Sep.30,2025)	Full year (As of Mar.31,2026)	1st Half (As of Sep.30,2026)	Change
(Assets)				
Cash and deposits	36,568	50,825	58,261	7,435
Notes and accounts receivable - trade	46,848	50,860	59,673	8,813
Electronically recorded monetary claims - operating	5,227	4,065	4,942	876
Inventories	10,567	8,689	11,941	3,252
Advance payments to suppliers	5,667	3,899	2,933	-966
Other	2,445	2,551	2,411	-140
Allowance for doubtful accounts	-6	-4	-6	-1
Total current assets	107,319	120,888	140,157	19,269
Property, plant and equipment	5,349	5,172	5,044	-127
Buildings and structures	1,852	1,865	1,835	-29
Machinery, equipment and vehicles	1,637	1,488	1,366	-122
Land	1,564	1,564	1,564	-
Other	295	254	277	23
Intangible assets	3,513	3,046	2,642	-403
Goodwill	1,752	1,460	1,168	-292
Other	1,761	1,586	1,474	-111
Investments and other assets	17,035	14,895	16,371	1,476
Investment securities	10,236	7,997	9,612	1,615
Deferred tax assets	1,735	1,696	1,313	-382
Other	5,066	5,617	6,153	535
Allowance for doubtful accounts	-3	-416	-707	-291
Total non-current assets	25,899	23,114	24,059	944
Total assets	133,218	144,003	164,216	20,213

Consolidated results (2)Balance sheet

(¥million)

	FY2025		FY2026	
	1st Half (As of Sep.30,2025)	Full year (As of Mar.31,2026)	1st Half (As of Sep.30,2026)	Change
(Liabilities)				
Notes and accounts payable-trade	50,248	55,154	70,463	15,309
Accounts payable-other	9,234	12,876	10,701	-2,175
Income taxes payable	2,562	4,179	4,529	349
Provision for bonuses	399	316	361	44
Other	2,315	3,734	3,178	-555
Total current liabilities	64,760	76,261	89,234	12,973
Provision for share awards	324	473	544	71
Provision for share awards for directors (and other officers)	343	748	748	-
Retirement benefit liability	3,553	3,502	3,554	52
Deferred tax liabilities	1,140	197	721	523
Other	2,290	2,534	2,779	244
Total non-current liabilities	7,653	7,456	8,348	891
Total liabilities	72,413	83,717	97,582	13,865
(Net assets)				
Share capital	2,751	2,751	2,751	-
Capital surplus	3,353	3,353	3,353	-
Retained earnings	51,413	54,275	59,509	5,233
Treasury shares	-2,978	-4,840	-4,806	34
Total shareholders' equity	54,540	55,539	60,808	5,268
Valuation difference on available-for-sale securities	5,858	4,336	5,432	1,096
Deferred gains or losses on hedges	3	7	-8	-16
Total accumulated other comprehensive income	5,862	4,343	5,424	1,080
Share acquisition rights	402	402	402	-
Total net assets	60,804	60,285	66,634	6,348
Total liabilities and net assets	133,218	144,003	164,216	20,213
Net assets per share(¥)	1,375.44	1,382.59	1,528.37	145.78

Notes : On January 1, 2026, the Company conducted a two-for-one share split of its common shares. The calculation of net assets per share is done under the assumption that the share split occurred at the past fiscal year.

Consolidated results (3) Statements of Cash Flows

(¥ million)

	1st half of FY2025	1st half of FY2026	Change
Profit before income taxes	8,925	13,645	4,719
Depreciation	692	554	-138
Amortization of goodwill	292	292	-
Decrease (increase) in trade receivables	-11,238	-9,688	1,550
Decrease (increase) in inventories	-2,407	-3,252	-844
Increase (decrease) in trade payables	8,434	15,309	6,875
Increase (decrease) in accounts payable - other	-1,487	-2,152	-664
Decrease (increase) in accounts receivable - other	529	165	-364
Decrease (increase) in guarantee deposits	-201	-8	193
Other, net	-2,394	1,088	3,483
Income taxes paid	-2,661	-4,048	-1,387
Income taxes refund	29	0	-28
Net cash provided by (used in) operating activities	**-1,488**	**11,905**	**13,393**
Purchase of property, plant and equipment and intangible assets	-271	-316	-44
Proceeds from sales of property, plant and equipment and intangible assets	3	0	-3
Purchase of investment securities	-4	-4	-0
Proceeds from sale of investment securities	67	-	-67
Loan advances	-377	-534	-156
Other, net	-3	-16	-12
Net cash provided by (used in) investing activities	**-585**	**-871**	**-285**
Purchase of treasury shares	-0	-	-0
Dividends paid	-2,362	-3,598	-1,235
Net cash provided by (used in) financing activities	**-2,362**	**-3,598**	**-1,235**
Effect of exchange rate change on cash and cash equivalents	**-0**	**0**	**0**
Net increase (decrease) in cash and cash equivalents	**-4,436**	**7,435**	**11,872**
Cash and cash equivalents at beginning of period	**40,977**	**50,825**	**9,848**
Cash and cash equivalents at end of period	**36,540**	**58,261**	**21,721**

Notes

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■ **For inquiries regarding this matter, please contact the following.**
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