



Consolidated Financial Results

for the Six Months Ended September 30, 2025

November 13, 2025

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Consolidated Financial Results
for the Six Months Ended September 30, 2025 [Japanese GAAP]

Company name: HAPPINET CORPORATION
 Stock listing: Tokyo Stock Exchange
 Securities code: 7552 URL: <https://www.happinet.co.jp/>
 Representative: Toshiyuki Mizutani, Representative Director, President and COO
 Inquiries: Hiroshi Ishimaru, Director, Chief Financial Officer
 Scheduled date to file semi-annual securities report: November 13, 2025
 Scheduled date to commence dividend payments: December 8, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (For institutional investors and analysts)

(Figures are in millions of yen, rounded down)

1. Consolidated financial Results for the Six Months Ended September 30, 2025

(April 1, 2025 - September 30, 2025)

(1) Consolidated Operating Results (Cumulative)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Six months ended September 30, 2025	196,435	16.5	8,710	33.5	8,917	33.9	6,671	52.1
Six months ended September 30, 2024	168,547	4.7	6,523	38.0	6,660	35.9	4,386	6.2

Note: Comprehensive income: Six months ended September 30, 2025 7,476million yen (62.0%)
 Six months ended September 30, 2024 4,614million yen (△0.5%)

	Earnings per share	Earnings per share (diluted)
	¥	¥
Six months ended September 30, 2025	303.88	299.09
Six months ended September 30, 2024	198.06	194.96

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	¥ million	¥ million	%
As of September 30, 2025	133,218	60,804	45.3
As of March 31, 2025	121,452	55,672	45.5

(Reference)

Shareholder's equity: As of September 30, 2025 60,402million yen
 As of March 31, 2025 55,269million yen

2. Dividend

Dividend record dates	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	Fiscal Year-end	Total
	¥	¥	¥	¥	¥
Fiscal year ended March 31, 2025	—	25.00	—	105.00	130.00
Fiscal year ending March 31, 2026	—	25.00			
(Projection) Fiscal year ending March 31, 2026			—	15.00	—

(Note) Revision to the projections: Yes

On November 13, 2025, the Board of Directors passed a resolution to conduct a share split which is scheduled to take effect on January 1, 2026. Each share of common stock will be split into two shares. The projected amounts of the year-end dividend for the fiscal year ending March 31, 2026, is calculated based on the number of shares after the share split.

In addition, concerning the projected amounts of the year-end dividend for the fiscal year ending March 31, 2026, the stable dividend is stated based on the Company's basic policy on the distribution of profits. The year-end dividend will be considered by the Company based on the basic policy on the distribution of profits.

3. Consolidated Projections for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Full year	390,000	7.0	11,800	1.0	12,000	0.3	7,200	6.4	163.28

(Note) Revision to the projections: No

Earnings per share is calculated based on the number of shares after the share split. If the share split is not considered, Earnings per share for the fiscal year ending March 31, 2026 (Projection) will be 326.57 yen.

※ Other Information

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: —

Excluded: 1 company (Happinet Phantom Studios Corporation)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement

a) Changes in accounting policies due to revisions to accounting standards and other regulations: No

b) Changes in accounting policies due to revisions to other reasons: No

c) Changes in accounting estimates: No

d) Restatement: No

(4) Number of issued shares (common shares)

a) Number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025 24,050,000shares

As of March 31, 2025 24,050,000shares

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

As of September 30, 2025 2,092,583shares

As of March 31, 2025 2,104,362shares

c) Average number of shares during the period

Six months ended September 30, 2025 21,954,097shares

Six months ended September 30, 2024 22,149,491shares

*Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

*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 .

*The way to access the Supplement material

We will post the Supplement material in the site (<https://www.happinet.co.jp/english/>) on November 13, 2025.

II. Consolidated Financial Statements

(i) Consolidated Balance Sheets

(¥ million)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	41,005	36,568
Notes and accounts receivable - trade	38,016	46,848
Electronically recorded monetary claims - operating	2,821	5,227
Inventories	8,160	10,567
Other	6,939	8,113
Allowance for doubtful accounts	△4	△6
Total current assets	96,938	107,319
Non-current assets		
Property, plant and equipment	5,629	5,349
Intangible assets		
Goodwill	2,044	1,752
Other	1,867	1,761
Total intangible assets	3,911	3,513
Investments and other assets		
Investment securities	9,136	10,236
Other	5,839	6,802
Allowance for doubtful accounts	△3	△3
Total investments and other assets	14,972	17,035
Total non-current assets	24,514	25,899
Total assets	121,452	133,218
Liabilities		
Current liabilities		
Notes and accounts payable - trade	41,814	50,248
Income taxes payable	2,767	2,562
Provision for bonuses	338	399
Other	13,601	11,549
Total current liabilities	58,522	64,760
Non-current liabilities		
Provision for share awards	315	324
Provision for share awards for directors (and other officers)	343	343
Retirement benefit liability	3,434	3,553
Other	3,163	3,431
Total non-current liabilities	7,257	7,653
Total liabilities	65,780	72,413
Net assets		
Shareholders' equity		
Share capital	2,751	2,751
Capital surplus	3,353	3,353
Retained earnings	47,103	51,413
Treasury shares	△2,996	△2,978
Total shareholders' equity	50,212	54,540
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,066	5,858
Deferred gains or losses on hedges	△8	3
Total accumulated other comprehensive income	5,057	5,862
Share acquisition rights	402	402
Total net assets	55,672	60,804
Total liabilities and net assets	121,452	133,218

(ii) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

(¥ million)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	168,547	196,435
Cost of sales	146,868	171,396
Gross profit	21,679	25,039
Selling, general and administrative expenses	15,156	16,328
Operating profit	6,523	8,710
Non-operating income		
Interest income	3	36
Dividend income	118	113
Other	117	82
Total non-operating income	239	233
Non-operating expenses		
Interest expenses	0	0
Foreign exchange losses	75	—
Other	26	25
Total non-operating expenses	102	26
Ordinary profit	6,660	8,917
Extraordinary income		
Gain on sale of non-current assets	10	2
Gain on sale of investment securities	—	10
Gain on liquidation of subsidiaries and associates	95	—
Total extraordinary income	106	12
Extraordinary losses		
Loss on retirement of non-current assets	10	4
Loss on valuation of investment securities	81	—
Total extraordinary losses	92	4
Profit before income taxes	6,674	8,925
Income taxes - current	1,892	2,469
Income taxes - deferred	394	△215
Total income taxes	2,287	2,254
Profit	4,386	6,671
Profit attributable to owners of parent	4,386	6,671

(Consolidated Statements of Comprehensive Income)

(¥ million)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	4,386	6,671
Other comprehensive income		
Valuation difference on available-for-sale securities	269	792
Deferred gains or losses on hedges	△41	12
Total other comprehensive income	228	804
Comprehensive income	4,614	7,476
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,614	7,476
Comprehensive income attributable to non-controlling interests	—	—

(iii) Consolidated Statements of Cash Flows

(¥ million)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	6,674	8,925
Depreciation	811	692
Amortization of goodwill	292	292
Increase (decrease) in allowance for doubtful accounts	△0	2
Increase (decrease) in provision for bonuses	73	61
Increase (decrease) in retirement benefit liability	96	118
Interest and dividend income	△122	△150
Interest expenses	0	0
Loss (gain) on sale and retirement of non-current assets	0	1
Loss (gain) on sale of investment securities	—	△10
Loss (gain) on valuation of investment securities	81	—
Foreign exchange losses (gains)	3	6
Decrease (increase) in trade receivables	2,306	△11,238
Decrease (increase) in inventories	△1,715	△2,407
Increase (decrease) in trade payables	3,809	8,434
Other, net	△2,668	△3,737
Subtotal	9,641	990
Interest and dividends received	121	153
Interest paid	△0	△0
Income taxes paid	△2,773	△2,661
Income taxes refund	—	29
Net cash provided by (used in) operating activities	6,988	△1,488
Cash flows from investing activities		
Purchase of property, plant and equipment	△993	△192
Proceeds from sale of property, plant and equipment	14	3
Purchase of intangible assets	△236	△79
Purchase of investment securities	△4	△4
Proceeds from sale of investment securities	—	67
Loan advances	△241	△377
Other, net	△17	△3
Net cash provided by (used in) investing activities	△1,479	△585
Cash flows from financing activities		
Purchase of treasury shares	△1,142	△0
Dividends paid	△2,287	△2,362
Net cash provided by (used in) financing activities	△3,430	△2,362
Effect of exchange rate change on cash and cash equivalents	△0	△0
Net increase (decrease) in cash and cash equivalents	2,078	△4,436
Cash and cash equivalents at beginning of period	29,652	40,977
Cash and cash equivalents at end of period	31,731	36,540

III. Consolidated Financial Results by Business Segments

(1) Six months ended September 30, 2024 (April 1, 2024 - September 30, 2024)

Information on net sales and profits or losses by reported segment

(¥ million)

	Segments					Adjustment *1	Consolidated Total *2
	Toy business	Visual and Music business	Video-game business	Amusement business	Total		
Net sales							
To external customers	78,011	28,743	36,383	25,408	168,547	—	168,547
Inter-segment sales and transfers	—	—	—	—	—	—	—
Total	78,011	28,743	36,383	25,408	168,547	—	168,547
Segment income	4,505	746	198	1,706	7,157	△ 634	6,523

*1 The △634 million yen adjustment to segment income includes unallocated operating expenses.

The expenses cannot be assigned to any particular segment and are mostly administrative expenses incurred by the administration sector of the HAPPINET CORPORATION.

*2 Segment income is adjusted to be consistent with operating income shown on the consolidated statements of income.

(2) Six months ended September 30, 2025 (April 1, 2025 - September 30, 2025)

Information on net sales and profits or losses by reported segment

(¥ million)

	Segments					Adjustment *1	Consolidated Total *2
	Toy business	Visual and Music business	Video-game business	Amusement business	Total		
Net sales							
To external customers	86,007	30,492	48,783	31,152	196,435	—	196,435
Inter-segment sales and transfers	—	—	—	—	—	—	—
Total	86,007	30,492	48,783	31,152	196,435	—	196,435
Segment income	5,046	434	1,109	2,808	9,399	△ 689	8,710

*1 The △689 million yen adjustment to segment income includes unallocated operating expenses.

The expenses cannot be assigned to any particular segment and are mostly administrative expenses incurred by the administration sector of the HAPPINET CORPORATION.

*2 Segment income is adjusted to be consistent with operating income shown on the consolidated statements of income.