

HAKUTEN COMMUNICATION DESIGN

# FACTBOOK

For the fiscal year ended March 31, 2013



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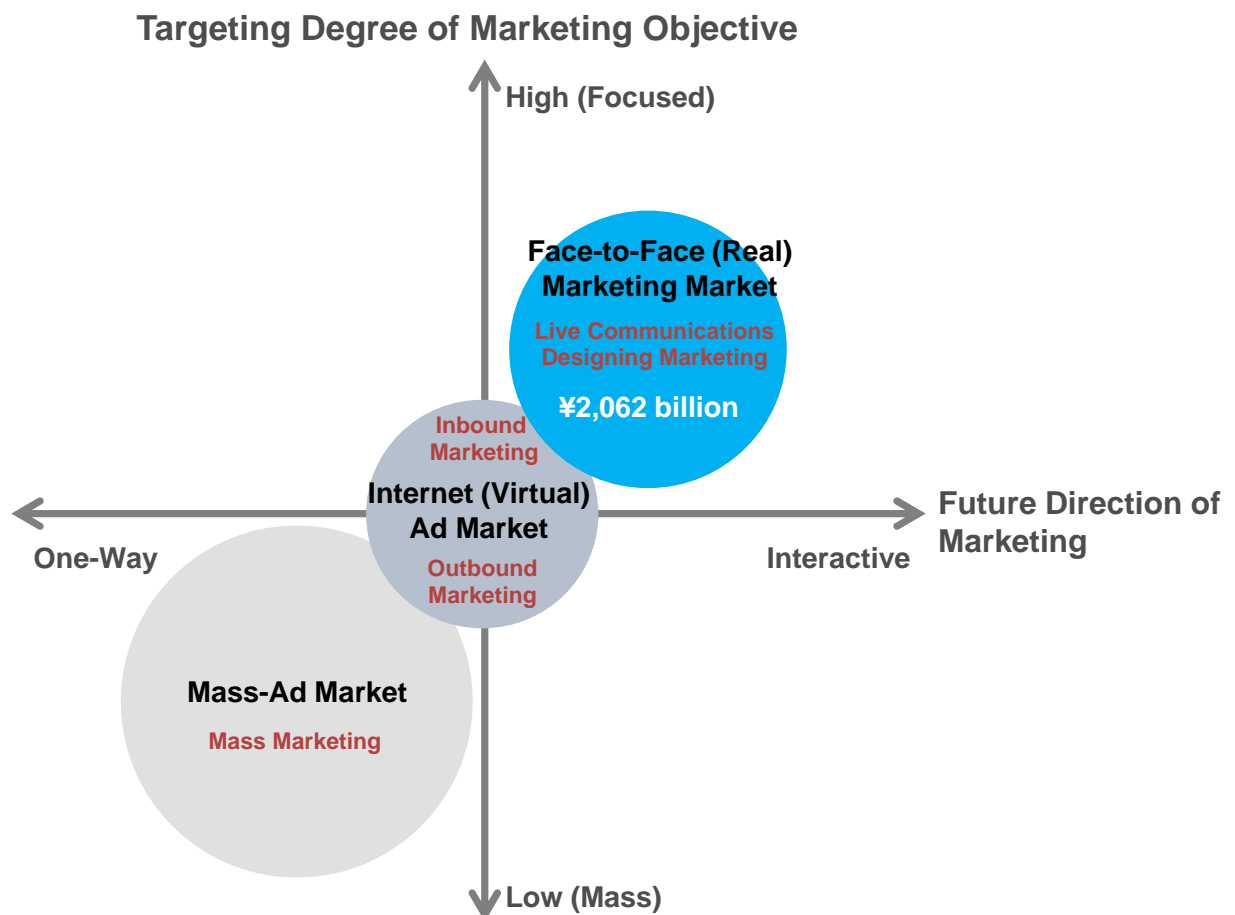
# Corporate Profile



In the 1960s, during the decade we founded our Company, the business utilizing such facility-based marketing events as exhibitions (*hakurankai* in Japanese) and trade fairs (*tenjikai*) came to be known as the *hakuten* industry. The companies in this industry eventually organized the Japan Hakuten Facilities Association, which has since been renamed the Tokyo Display Association.

As our name suggests, Hakuten CO.,LTD. aims to represent the industry itself by strategically focusing on the face-to-face marketing service domain, enabling people to interact with people.

## ► Our Major Operating Domain



Company Name	Hakuten CO.,LTD.
Head Office Location	NBF Higashi Ginza Square 9F, 13-14, Tsukiji 1-Chome, Chuo-ku, Tokyo 104-0045
Established	March 2, 1970
Capital	¥158.5 million (as of March 31, 2013)
Representative	Tokuhisa Taguchi, Representative Director, Chairman, President and CEO Masanori Tanaka, Representative Executive Director
Number of Employees	197 (as of March 31, 2013)

# Corporate Profile

## ► Our Face-to-Face Marketing Services

### 1. Booth Exhibit Support for Joint Exhibitions/Trade Fairs (Exhibitor Support)

Our one-stop service ranges from pre-event promotional activities and invitation of guests to the planning, design, production, construction and operations of booths, as well as after-service programs for invitees, thereby maximizing the effect of displays. Hakuten has been particularly strong in the design field, winning several awards every year for its booth designs. We also provide support services to overseas companies that are participating in exhibitions in Japan.



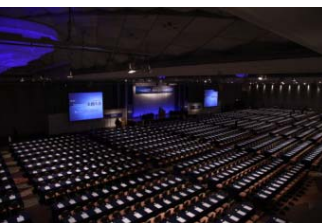
### 2. Single-Company Exhibition/Business Meeting Support Services (Organizer Support)

Hakuten supports single-company promotional events, providing the planning and administration of pre-event preparations to onsite operations and post-event follow-up programs. We also offer a wide range of services that include central administrative support, supervision of booth participants and guests, and overall event planning—services that have significant potential for growth.



### 3. Conference & Convention Support (CCS)

We offer planning, site selection, visitor attraction, operating administration, and follow-up services for seminars, conferences and conventions organized under a client-company's corporate marketing effort.



### 4. Commercial Space Support

Hakuten provides a full gamut of support services, from the selection of showrooms or shops—facilities that represent the “face” of a company for users—to their design and completion, producing an effective point of sales for our client-companies.



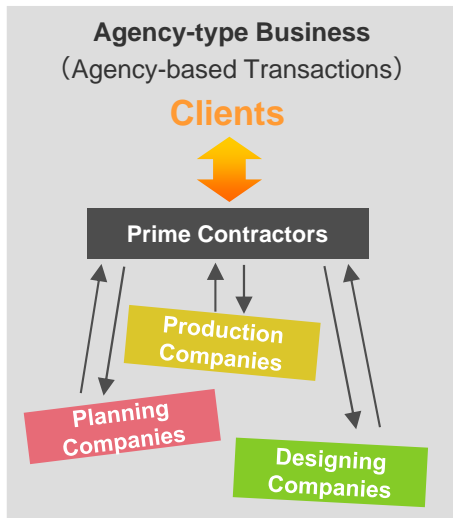
### 5. Digital Marketing Support

By linking IT tools, website, databases and IT solutions to events, we enable our client-companies to visualize guest-related data and thus add new value to their marketing activities.

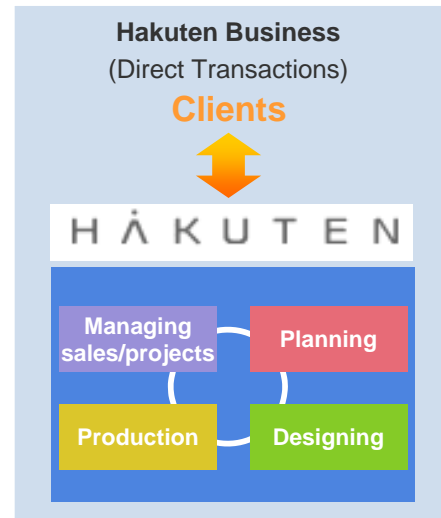
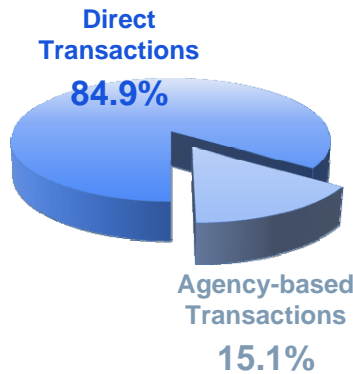
# Corporate Profile

## Our Core Strengths

We provide a comprehensive lineup of services on a one-stop basis, and work with client-companies directly rather than relying on traditional agency-based transactions.

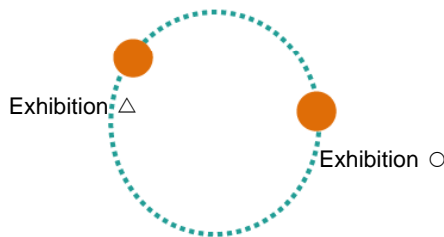


**Sales Breakdown by Transaction Type**  
(as of March 31, 2013)



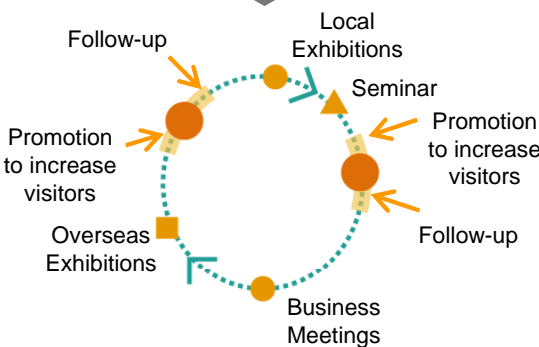
## Evolving Business Model: From Point-to-Line to Line-to-Plane

**At the Time of Establishing~**  
(1970~)



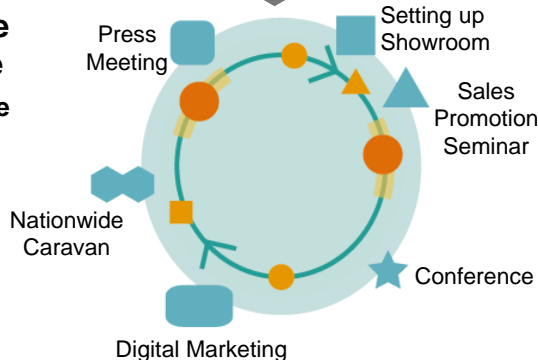
Provided "Point" support for each exhibition and promotion event

**From Past to Present**  
**Point-to-Line**



We offer services on a "Line" basis, supporting a client-company's marketing activities through the entire year in order to make its marketing strategy as efficient and effective as possible.

**Our Future Challenge**  
**Line-to-Plane**



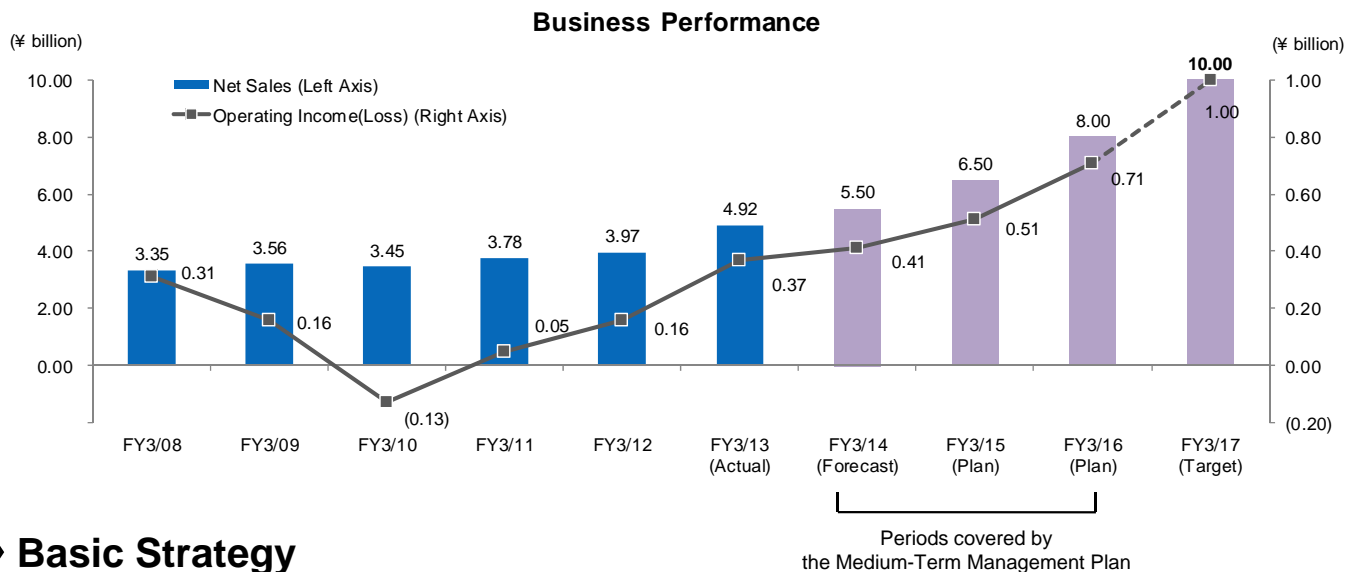
Based on our through-year "Line" services, we now provide an additional dimension of support services on a "Plane" basis, organically crosslinking and coordinating scenario-based communication plans, potential client development, and client database management, thereby further enhancing the efficacy of a client-company's marketing activities.

**Our goal is to become the enterprise of choice among clients and prospective clients as an indispensable partner to achieve their marketing goals, evolving from a provider of individual event services to a solutions provider that successfully resolves long-term challenges for our clients.**

# Medium-Term Management Plan

## “Challenging the ¥10 billion business”

Aiming to become the leading face-to-face “communication design” company, Hakuten is striving to reach net sales of 10 billion yen and an operating margin of 10% in the fiscal year ending in March 2017. In order to achieve these numerical targets, our current Medium-Term Management Plan is as follows:



## Basic Strategy

### • Moving into New Service Domains

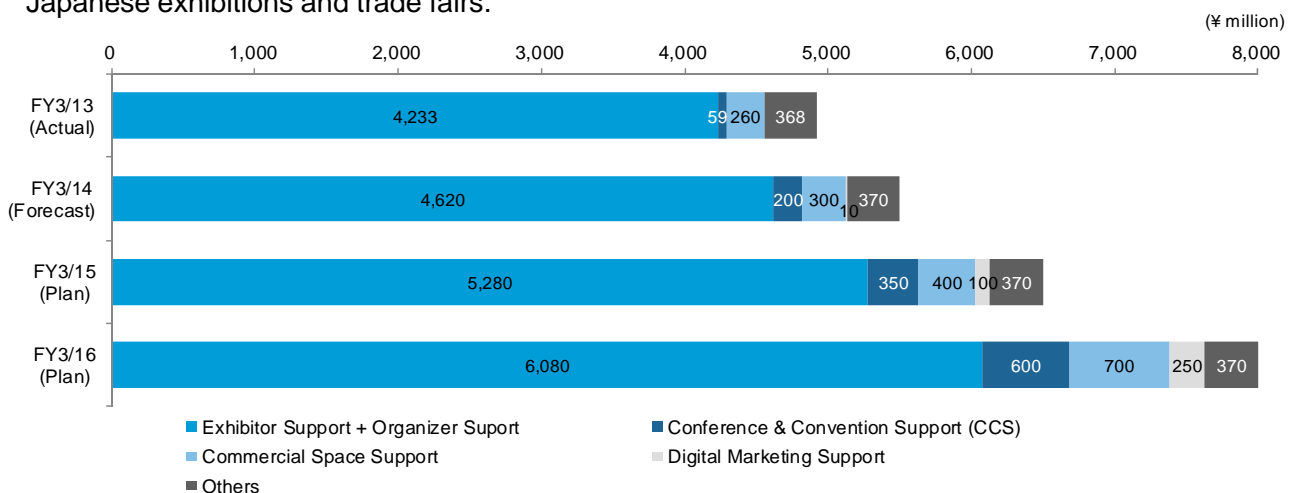
Hakuten is ramping up entry into the CCS, Commercial Space Support and Digital Marketing Support service domains with the aim of expanding them as a core business. Among the steps that may be employed in this ramp-up is the strategic use of mergers and acquisitions.

### • Shift from “Point to Line, Line to Plane” Long-Term Marketing Support

We are shifting from single-event “point” based support services to services that organically unite and coordinate comprehensive marketing activities as acquisition and development of potential visitors and their conversion to customers, services that bring us in closer resonance with a client-company’s marketing strategies.

### • Enhancing Expertise and Efficiency

Hakuten is striving to expand market share through further research and analyses of our client base and the business itself, offering our client-companies more advanced and high value-added solutions as a result of enhancing our core expertise. Internally, we will be redefining the roles and responsibilities of our respective divisions in way of restructuring our corporate organization, while increasing not only the operating efficiency of our design and production units, but also our working relationships with partner-companies—steps that we believe will improve overall productivity on a per-worker basis. In addition, we will be establishing the infrastructure to provide high quality services in support of Japanese companies participating in promotional events abroad and for foreign firms taking part in Japanese exhibitions and trade fairs.



# Nonconsolidated Balance Sheets

(¥ thousand)	FY3/09	FY3/10	FY3/11	FY3/12	FY3/13
<b>Assets</b>					
<b>Total assets</b>	<b>1,716,949</b>	<b>1,766,667</b>	<b>1,671,075</b>	<b>1,984,626</b>	<b>2,498,620</b>
<b>Current assets</b>	<b>1,372,989</b>	<b>1,370,711</b>	<b>1,346,255</b>	<b>1,718,220</b>	<b>2,220,571</b>
Cash and deposits	657,449	476,968	688,896	789,305	990,970
Notes receivable-trade	56,770	66,343	65,442	43,278	64,741
Accounts receivable-trade	528,993	723,832	524,819	760,026	996,621
Work in process	49,831	45,847	29,161	51,205	69,268
Raw materials and supplies	785	933	1,675	1,401	1,928
Prepaid expenses	22,744	21,846	21,857	20,939	16,545
Deferred tax assets	44,417	-	-	45,284	68,930
Deposits paid	-	19,207	-	-	-
Other	13,402	16,778	15,833	17,514	14,584
Allowance for doubtful accounts	(1,405)	(1,045)	(1,433)	(10,735)	(3,019)
<b>Noncurrent assets</b>	<b>343,959</b>	<b>395,955</b>	<b>324,820</b>	<b>266,406</b>	<b>278,048</b>
<b>Property, plant and equipment</b>	<b>165,818</b>	<b>223,990</b>	<b>192,594</b>	<b>155,383</b>	<b>134,288</b>
Buildings	55,610	57,360	56,143	49,332	49,636
Accumulated depreciation	(20,121)	(24,108)	(26,890)	(28,762)	(35,719)
Buildings, net	35,488	33,251	29,253	20,569	13,917
Machinery and equipment	26,978	36,978	36,978	36,978	36,978
Accumulated depreciation	(7,658)	(14,338)	(21,312)	(26,131)	(29,463)
Machinery and equipment, net	19,319	22,640	15,666	10,847	7,515
Tools, furniture and fixtures	91,827	166,918	171,025	156,909	150,516
Accumulated depreciation	(42,874)	(61,334)	(85,407)	(94,556)	(99,272)
Tools, furniture and fixtures, net	48,952	105,583	85,617	62,353	51,244
Land	62,057	62,057	62,057	61,612	61,612
Construction in progress	-	458	-	-	-
<b>Intangible assets</b>	<b>30,406</b>	<b>23,089</b>	<b>19,173</b>	<b>12,250</b>	<b>9,006</b>
Software	16,413	11,507	11,223	7,146	6,647
Lease assets	10,642	8,088	5,533	2,979	425
Other	3,350	3,494	2,415	2,124	1,933
<b>Investments and other assets</b>	<b>147,735</b>	<b>148,875</b>	<b>113,052</b>	<b>98,772</b>	<b>134,753</b>
Investment securities	3,533	4,835	5,729	1,960	2,852
Investments in capital	200	200	200	200	200
Claims provable in bankruptcy, claims provable in rehabilitation and other	41,721	96,110	8,698	2,276	4,831
Deferred tax assets	2,644	-	-	5,605	9,623
Lease deposits	119,085	115,031	105,428	89,618	119,566
Real estate for investment	20,274	19,997	-	-	-
Other	2,000	13,846	1,693	1,388	2,511
Allowance for doubtful accounts	(41,724)	(101,146)	(8,698)	(2,276)	(4,831)

# Nonconsolidated Balance Sheets

(¥ thousand)	FY3/09	FY3/10	FY3/11	FY3/12	FY3/13
<b>Liabilities</b>					
<b>Total liabilities</b>	<b>920,987</b>	<b>1,204,350</b>	<b>1,083,857</b>	<b>1,199,432</b>	<b>1,526,500</b>
<b>Current liabilities</b>	<b>702,098</b>	<b>740,206</b>	<b>611,261</b>	<b>840,748</b>	<b>1,065,372</b>
Accounts payable-trade	139,626	282,714	141,728	298,075	320,606
Current portion of long-term loans payable	344,636	314,957	274,357	276,271	308,153
Lease obligations	2,623	2,678	2,734	2,791	470
Accounts payable-other	32,470	36,568	22,843	30,759	46,406
Accrued expenses	26,649	22,904	27,851	39,877	45,896
Income taxes payable	58,896	3,483	3,791	38,732	168,859
Accrued consumption taxes	5,946	-	30,362	24,729	23,721
Deposits received	9,653	7,681	6,766	17,844	19,799
Provision for bonuses	80,823	66,442	98,002	95,145	118,362
Provision for warranties for construction	19	442	41	204	65
Provision for loss on construction contracts	-	-	-	-	8,099
Other	752	2,333	2,782	16,315	4,930
<b>Noncurrent liabilities</b>	<b>218,889</b>	<b>464,144</b>	<b>472,595</b>	<b>358,683</b>	<b>461,128</b>
Long-term loans payable	209,983	457,887	469,308	358,213	461,128
Lease obligations	8,676	5,997	3,262	470	-
Deferred tax liabilities	-	29	24	-	-
Other	230	230	-	-	-
<b>Net assets</b>					
<b>Total net assets</b>	<b>795,961</b>	<b>562,316</b>	<b>587,218</b>	<b>785,194</b>	<b>972,120</b>
<b>Shareholders' equity</b>	<b>797,210</b>	<b>563,335</b>	<b>588,392</b>	<b>783,834</b>	<b>969,404</b>
Capital stock	156,013	156,073	157,123	158,203	158,533
Capital surplus	136,013	136,073	137,123	138,203	138,533
Legal capital surplus	136,013	136,073	137,123	138,203	138,533
Retained earnings	505,184	271,189	294,146	487,428	672,338
Legal retained earnings	4,600	4,600	4,600	4,600	4,600
Other retained earnings					
General reserve	110,000	110,000	110,000	110,000	110,000
Retained earnings brought forward	390,584	156,589	179,546	372,828	557,738
Valuation and translation adjustments	(1,248)	(1,018)	(1,174)	119	567
Valuation difference on available-for-sale securities	(1,248)	(1,018)	(1,174)	119	567
Subscription rights to shares	-	-	-	1,240	2,148
<b>Total liabilities and net assets</b>	<b>1,716,949</b>	<b>1,766,667</b>	<b>1,671,075</b>	<b>1,984,626</b>	<b>2,498,620</b>

# Nonconsolidated Statements of Income

( ¥ thousand)	FY3/09	FY3/10	FY3/11	FY3/12	FY3/13
<b>Net sales</b>	<b>3,565,192</b>	<b>3,455,944</b>	<b>3,787,418</b>	<b>3,970,687</b>	<b>4,922,498</b>
<b>Cost of sales</b>	<b>2,242,900</b>	<b>2,310,318</b>	<b>2,558,018</b>	<b>2,627,700</b>	<b>3,286,502</b>
Material costs	126,106	126,445	147,358	126,070	134,043
Labor costs	354,749	369,557	409,540	335,112	344,472
Subcontract costs	1,615,294	1,627,542	1,826,221	2,009,608	2,640,083
Costs	146,749	186,772	174,897	156,908	159,803
<b>Gross profit</b>	<b>1,322,292</b>	<b>1,145,625</b>	<b>1,229,400</b>	<b>1,342,986</b>	<b>1,635,995</b>
<b>Selling, general and administrative expenses</b>	<b>1,156,068</b>	<b>1,283,613</b>	<b>1,177,284</b>	<b>1,178,726</b>	<b>1,260,876</b>
Directors' compensations	88,325	80,680	112,640	128,388	99,291
Salaries and allowances	458,532	520,584	507,842	494,688	524,681
Bonuses	52,669	29,796	29,789	62,137	78,683
Provision for bonuses	50,462	35,479	63,248	55,581	64,143
Welfare expenses	110,441	127,315	137,849	141,880	148,514
Depreciation	13,849	13,713	14,341	10,080	7,917
Rent expenses	112,716	95,053	97,366	76,418	76,014
Provision of allowance for doubtful accounts	2,506	97,501	4,095	9,227	-
Other	266,565	283,488	210,111	200,324	261,631
<b>Operating income (loss)</b>	<b>166,223</b>	<b>(137,987)</b>	<b>52,115</b>	<b>164,260</b>	<b>375,118</b>
<b>Non-operating income</b>	<b>2,401</b>	<b>2,506</b>	<b>2,885</b>	<b>39,694</b>	<b>11,051</b>
Interest income	414	76	64	16	33
Dividends income	116	90	165	151	76
Penalty income	-	-	-	-	2,122
Reversal of allowance for doubtful accounts	-	-	-	-	5,161
Rent income	1,320	1,424	794	-	-
Subsidy income	-	-	580	28,253	-
Gain on bad debts recovered	-	-	-	6,366	1,219
Gain on sales of scrap	-	-	387	-	-
Insurance return	106	104	-	-	-
Vending machine income	-	315	355	-	-
Miscellaneous income	443	494	536	4,906	2,437
<b>Non-operating expenses</b>	<b>13,455</b>	<b>10,609</b>	<b>13,114</b>	<b>11,188</b>	<b>8,662</b>
Interest expenses	11,757	9,822	12,148	11,058	8,096
Cost of lease revenue	581	612	408	-	-
Miscellaneous loss	1,115	174	557	130	566
<b>Ordinary income</b>	<b>155,169</b>	<b>(146,090)</b>	<b>41,885</b>	<b>192,766</b>	<b>377,507</b>
<b>Extraordinary income</b>	<b>203</b>	<b>148</b>	<b>-</b>	<b>-</b>	<b>-</b>
Gain on sales of investment securities	-	148	-	-	-
Gain on sales of noncurrent assets	203	-	-	-	-
<b>Extraordinary loss</b>	<b>4,442</b>	<b>2,041</b>	<b>18,108</b>	<b>15,365</b>	<b>13,744</b>
Loss on sales of noncurrent assets	-	6	5,993	3,847	-
Loss on sales of investment securities	-	-	-	825	-
Loss on retirement of noncurrent assets	2,291	2,034	4,951	9,275	7,334
Office relocation expenses	-	-	1,317	-	-
Loss on valuation of investment securities	2,151	-	255	-	-
Loss on cancellation of lease contracts	-	-	502	1,417	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	-	5,087	-	-
Impairment loss	-	-	-	-	6,410
<b>Income (loss) before income taxes</b>	<b>150,931</b>	<b>(147,984)</b>	<b>23,777</b>	<b>177,400</b>	<b>363,762</b>
<b>Total income taxes</b>	<b>76,158</b>	<b>49,125</b>	<b>820</b>	<b>(15,881)</b>	<b>144,773</b>
Income taxes-current	65,012	2,005	820	35,087	172,515
Income taxes-deferred	11,145	47,120	-	(50,968)	(27,742)
<b>Net income (loss)</b>	<b>74,773</b>	<b>(197,109)</b>	<b>22,957</b>	<b>193,281</b>	<b>218,989</b>



# Nonconsolidated Statements of Changes in Net Assets

(¥ thousand)	FY3/12	FY3/13
<b>Shareholders' equity</b>		
<b>Capital stock</b>		
Balance at the beginning of current period	157,123	158,203
Changes of items during the period		
Issuance of new shares	1,080	330
Total changes of items during the period	1,080	330
Balance at the end of current period	158,203	158,533
<b>Capital surplus</b>		
<b>Legal capital surplus</b>		
Balance at the beginning of current period	137,123	138,203
Changes of items during the period		
Issuance of new shares	1,080	330
Total changes of items during the period	1,080	330
Balance at the end of current period	138,203	138,533
<b>Total capital surplus</b>		
Balance at the beginning of current period	137,123	138,203
Changes of items during the period		
Issuance of new shares	1,080	330
Total changes of items during the period	1,080	330
Balance at the end of current period	138,203	138,533
<b>Retained earnings</b>		
<b>Legal retained earnings</b>		
Balance at the beginning of current period	4,600	4,600
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	4,600	4,600
<b>Other retained earnings</b>		
<b>General reserve</b>		
Balance at the beginning of current period	110,000	110,000
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	110,000	110,000
<b>Retained earnings brought forward</b>		
Balance at the beginning of current period	179,546	372,828
Changes of items during the period		
Dividends from surplus	-	(34,080)
Net income	193,281	218,989
Total changes of items during the period	193,281	184,909
Balance at the end of current period	372,828	557,738
<b>Total retained earnings</b>		
Balance at the beginning of current period	294,146	487,428
Changes of items during the period		
Dividends from surplus	-	(34,080)
Net income	193,281	218,989
Total changes of items during the period	193,281	184,909
Balance at the end of current period	487,428	672,338
<b>Total shareholders' equity</b>		
Balance at the beginning of current period	588,392	783,834
Changes of items during the period		
Issuance of new shares	2,160	660
Dividends from surplus	-	(34,080)
Net income	193,281	218,989
Total changes of items during the period	195,441	185,569
Balance at the end of current period	783,834	969,404

(¥ thousand)	FY3/12	FY3/13
<b>Valuation and translation adjustments</b>		
<b>Valuation difference on available-for-sale securities</b>		
Balance at the beginning of current period	(1,174)	119
Changes of items during the period		
Net changes of items other than shareholders' equity	1,293	448
Total changes of items during the period	1,293	448
Balance at the end of current period	119	567
<b>Total valuation and translation adjustments</b>		
Balance at the beginning of current period	(1,174)	119
Changes of items during the period		
Net changes of items other than shareholders' equity	1,293	448
Total changes of items during the period	1,293	448
Balance at the end of current period	119	567
<b>Subscription rights to shares</b>		
Balance at the beginning of current period	-	1,240
Changes of items during the period		
Net changes of items other than shareholders' equity	1,240	908
Total changes of items during the period	1,240	908
Balance at the end of current period	1,240	2,148
<b>Total net assets</b>		
Balance at the beginning of current period	587,218	785,194
Changes of items during the period		
Issuance of new shares	2,160	660
Dividends from surplus	-	(34,080)
Net income	193,281	218,989
Net changes of items other than shareholders' equity	2,534	1,356
Total changes of items during the period	197,975	186,926
Balance at the end of current period	785,194	972,120

# Nonconsolidated Statements of Cash Flows

(¥ thousand)	FY3/09	FY3/10	FY3/11	FY3/12	FY3/13
<b>Cash flows provided by (used in) operating activities</b>					
<b>Net cash provided by (used in) operating activities</b>	<b>113,644</b>	<b>(266,072)</b>	<b>248,083</b>	<b>197,012</b>	<b>147,442</b>
Income (loss) before income taxes	150,931	(147,984)	23,777	177,400	363,762
Depreciation and amortization	30,888	39,890	49,043	37,600	28,777
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	-	5,087	-	-
Increase (decrease) in allowance for doubtful accounts	621	59,060	3,490	2,880	(5,161)
Increase (decrease) in provision for bonuses	(18,117)	(14,381)	31,560	(2,856)	23,217
Increase (decrease) in provision for warranties for construction	(146)	422	(400)	162	(139)
Increase (decrease) in provision for loss on construction contracts	-	-	-	-	8,099
Interest and dividends income	(531)	(167)	(230)	(168)	(110)
Interest expenses	11,757	9,822	12,148	11,058	8,096
Loss (gain) on sales of property, plant and equipment	-	-	5,993	3,847	-
Loss (gain) on sales of noncurrent assets	(203)	6	-	-	-
Loss on retirement of noncurrent assets	2,291	2,034	4,951	9,275	7,334
Impairment loss	-	-	-	-	6,410
Loss (gain) on sales of investment securities	-	(148)	-	825	-
Loss (gain) on valuation of investment securities	2,151	-	255	-	-
Decrease (increase) in notes and accounts receivable-trade	114,062	(204,411)	199,912	(213,042)	(258,058)
Decrease (increase) in inventories	(22,723)	3,836	15,943	(21,769)	(18,590)
Increase (decrease) in notes and accounts payable-trade	(41,967)	143,088	(140,986)	156,347	22,531
Increase (decrease) in accounts payable-other	4,065	8,322	(11,275)	5,135	14,283
Increase (decrease) in accrued expenses	3,102	(3,738)	4,943	12,020	5,236
Other, net	(30,513)	(97,928)	56,210	29,646	(6,821)
<b>Subtotal</b>	<b>205,669</b>	<b>(202,272)</b>	<b>260,426</b>	<b>208,363</b>	<b>198,867</b>
Interest and dividends income received	531	167	230	168	110
Interest expenses paid	(11,427)	(9,572)	(12,042)	(10,703)	(8,305)
Income taxes paid	(81,127)	(54,395)	(530)	(815)	(49,564)
Income taxes refund	-	-	-	-	6,333
<b>Cash flows provided by (used in) investing activities</b>					
<b>Net cash provided by (used in) investing activities</b>	<b>(51,898)</b>	<b>(93,346)</b>	<b>(6,370)</b>	<b>12,694</b>	<b>(48,211)</b>
Purchase of property, plant and equipment	(33,373)	(93,373)	(13,644)	(5,524)	(14,464)
Proceeds from sales of property, plant and equipment	1,789	71	36	3,522	-
Purchase of intangible assets	(1,771)	(4,039)	(7,638)	(915)	(1,664)
Purchase of investment securities	(1,223)	(1,216)	(1,310)	(950)	(364)
Proceeds from sales of investment securities	-	264	-	5,241	-
Payments for lease and guarantee deposits	(18,417)	(9,510)	(5,685)	(4,756)	(36,039)
Proceeds from collection of lease and guarantee deposits	69	13,367	7,517	16,301	4,263
Proceeds from sales of investments in real estates	-	-	14,079	-	-
Other, net	1,029	1,089	274	(222)	57
<b>Net cash provided by (used in) financing activities</b>					
<b>Net cash provided by (used in) financing activities</b>	<b>(150,646)</b>	<b>178,937</b>	<b>(29,784)</b>	<b>(109,298)</b>	<b>102,434</b>
Proceeds from long-term loans payable	200,000	600,000	320,000	190,000	430,000
Repayment of long-term loans payable	(316,590)	(381,775)	(349,179)	(299,181)	(295,203)
Proceeds from issuance of common stock	3,510	120	2,100	2,160	660
Cash dividends paid	(32,430)	(36,784)	(26)	(156)	(30,230)
Other, net	(5,136)	(2,623)	(2,678)	(2,120)	(2,791)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(88,899)</b>	<b>(180,481)</b>	<b>211,928</b>	<b>100,408</b>	<b>201,665</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>746,349</b>	<b>657,449</b>	<b>476,968</b>	<b>688,896</b>	<b>789,305</b>
<b>Cash and cash equivalents at end of period</b>	<b>657,449</b>	<b>476,968</b>	<b>688,896</b>	<b>789,305</b>	<b>990,970</b>

# Information by Business Segment and Others

## <By Business Segment>

(¥ thousand)	FY3/09	FY03/10	FY3/11	FY3/12	FY3/13
<b>By Business Segment</b>					
Net sales	<b>3,565,192</b>	<b>3,455,944</b>	<b>3,787,418</b>	<b>3,970,687</b>	<b>4,922,498</b>
Exhibitor Support	2,363,504	2,111,819	2,124,772	2,299,392	2,826,804
Organizer Support	771,608	830,256	1,126,526	1,142,393	1,406,811
Conference & Convention Support (CCS)	0	0	0	0	59,289
Commercial Space Support	234,560	284,724	216,630	194,854	260,624
Others	195,520	229,143	319,489	334,047	368,968
Composition ratio	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Exhibitor Support	66.3%	61.1%	56.1%	57.9%	57.4%
Organizer Support	21.6%	24.0%	29.7%	28.8%	28.6%
Conference & Convention Support (CCS)	0.0%	0.0%	0.0%	0.0%	1.2%
Commercial Space Support	6.6%	8.2%	5.7%	4.9%	5.3%
Others	5.5%	6.6%	8.4%	8.4%	7.5%
Orders received	<b>3,690,645</b>	<b>3,409,854</b>	<b>3,500,406</b>	<b>4,552,757</b>	<b>5,158,257</b>
Exhibitor Support	2,318,538	2,067,423	1,978,198	2,663,482	2,785,525
Organizer Support	781,486	967,590	973,560	1,363,086	1,596,484
Conference & Convention Support (CCS)	0	0	0	0	62,085
Commercial Space Support	366,288	144,227	231,530	195,431	327,687
Others	224,333	230,614	317,118	330,758	386,476

## <Unit Prices · Number of Projects>

	FY3/09	FY03/10	FY3/11	FY3/12	FY3/13
<b>Unit Prices · Number of Projects</b>					
Unit Price by Project (¥ thousand)	1,844	1,845	1,952	2,118	2,686
Unit Price by Client (¥ thousand)	4,672	4,336	5,003	5,301	7,260
Number of Large Projects	59	56	72	78	110

# Profitability Indicators

(¥ million)	FY3/09	FY3/10	FY3/11	FY3/12	FY3/13
Net Sales	3,565	3,455	3,787	3,970	4,922
Gross Profit	1,322	1,145	1,229	1,342	1,635
SG&A Expenses	1,156	1,283	1,177	1,178	1,260
Operating Income	166	(137)	52	164	375
Ordinary Income	155	(146)	41	192	377
Net Income	74	(197)	22	193	218

(%)	FY3/09	FY3/10	FY3/11	FY3/12	FY3/13
Gross Profit Margin	37.1	33.1	32.5	33.8	33.2
SG&A Expenses Ratio	32.4	37.1	31.1	29.7	25.6
Operating Income Margin	4.7	-4.0	1.4	4.1	7.6
Ordinary Income Margin	4.4	-4.2	1.1	4.9	7.7
Net Income Margin	2.1	-5.7	0.6	4.9	4.4
Free Cash Flow (¥ million)	61	(359)	241	209	99

Gross Profit Margin = Gross Profit / Net Sales

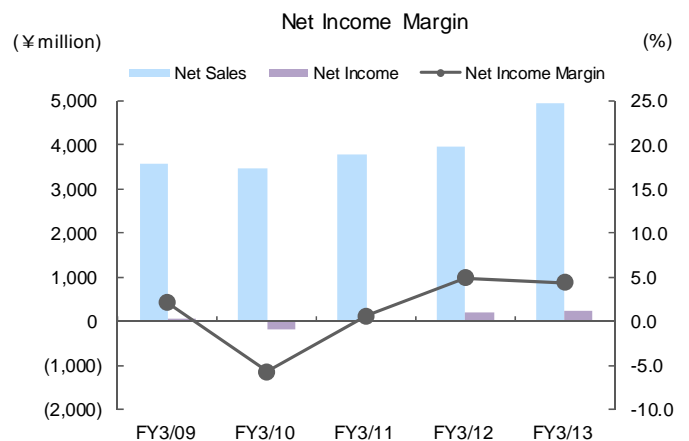
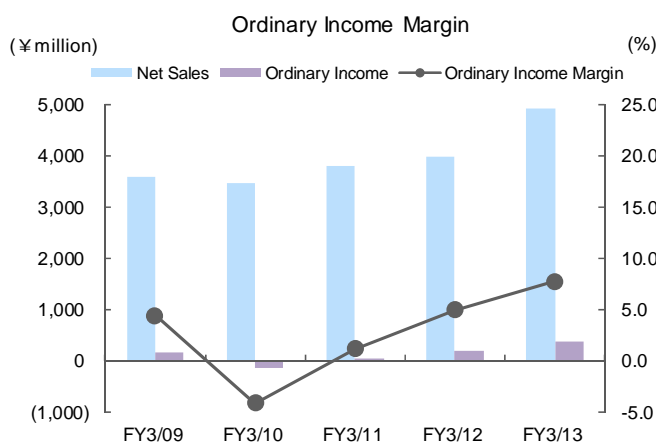
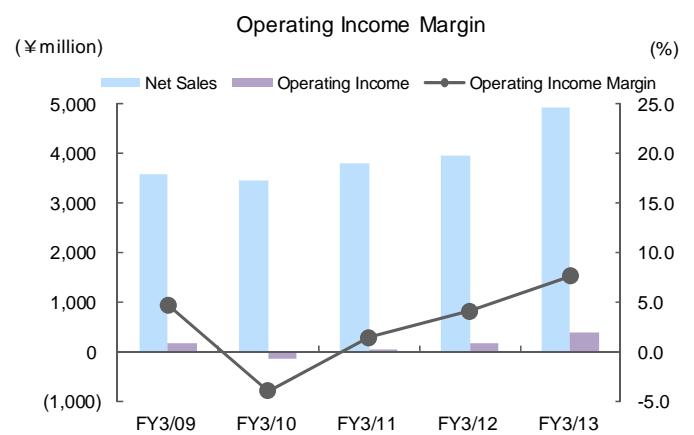
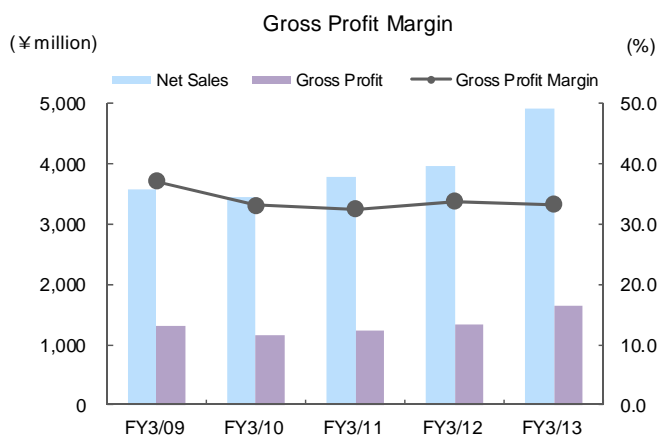
SG&A Expenses Ratio = SG&A Expenses / Net Sales

Operating Income Margin = Operating Income / Net Sales

Ordinary Income Margin = Ordinary Income / Net Sales

Net Income Margin = Net Income / Net Sales

Free Cash Flow = Cash Flow from Operating Activities + Cash Flow from Investing Activities



# Stability Indicators

(¥ million)	FY3/09	FY3/10	FY3/11	FY3/12	FY3/13
Equity	795	562	587	783	969
Total Assets	1,716	1,766	1,671	1,984	2,498
Noncurrent Assets	343	395	324	266	278
Current Assets	1,372	1,370	1,346	1,718	2,220
Current Liabilities	702	740	611	840	1,065
Interest-Bearing Debt	554	772	743	634	769

(%)	FY3/09	FY3/10	FY3/11	FY3/12	FY3/13
Equity Ratio	46.4	31.8	35.1	39.5	38.8
D/E Ratio	69.7	137.4	126.6	80.9	79.3
Fixed Ratio	43.2	70.4	55.3	34.0	28.7
Current Ratio	195.6	185.2	220.2	204.4	208.4
Return on Assets (ROA)	4.2	-11.3	1.3	10.6	9.8
Return on Equity (ROE)	9.7	-29.0	4.0	28.2	25.0

Equity Ratio = Equity / Total Assets

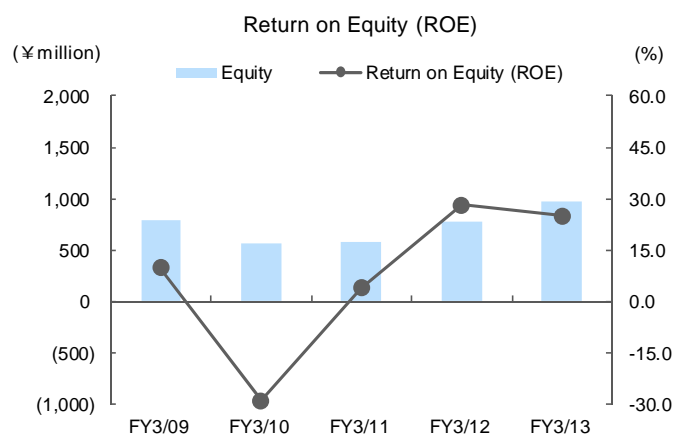
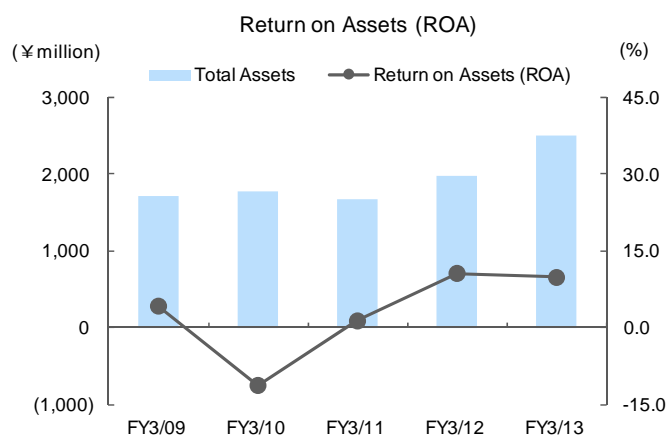
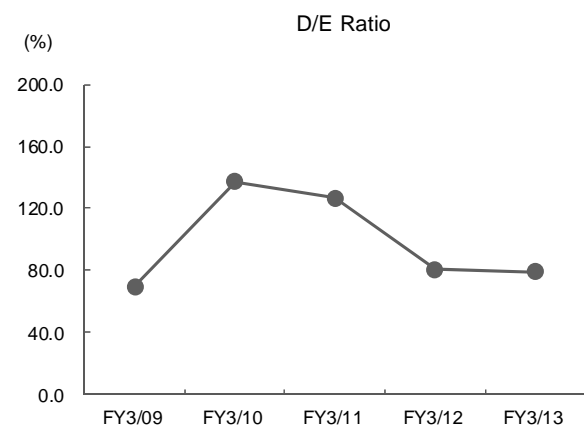
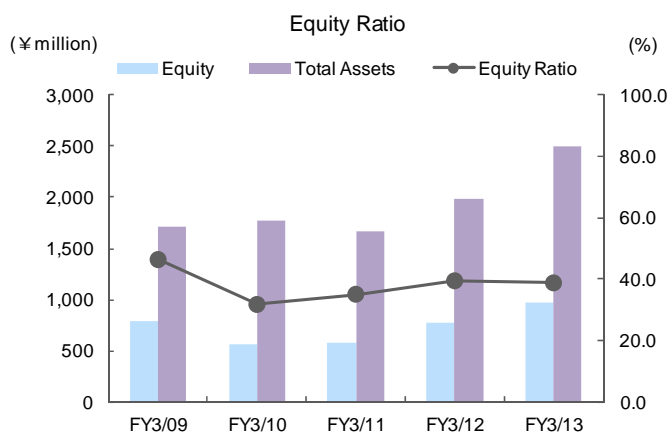
ROA = Net Income / Average Total Assets

D/E Ratio = Interest-Bearing Debt / Equity

ROE = Net Income / Average Equity

Fixed Ratio = Noncurrent Assets / Equity

Current Ratio = Current Assets / Current Liabilities



# Efficiency and Other Indicators

(times)	FY3/09	FY3/10	FY3/11	FY3/12	FY3/13
Total Assets Turnover	2.1	2.0	2.3	2.0	2.0
Noncurrent Assets Turnover	10.4	8.7	11.7	14.9	17.7
Current Assets Turnover	2.6	2.5	2.8	2.3	2.2
Inventories Turnover	70.4	73.9	122.8	75.5	69.1
Accounts Receivable Turnover	6.1	4.4	6.4	4.9	4.6
Accounts Payable Turnover	25.5	12.2	26.7	13.3	15.4

	FY3/09	FY3/10	FY3/11	FY3/12	FY3/13
Number of Employees (persons)	183	210	204	199	197
Net Sales per Employee (¥ thousand)	19,481	16,456	18,565	19,953	24,987
Operating Income per Employee (¥ thousand)	908	(657)	255	825	1,904
EBITDA (¥ million)	197	(98)	101	201	403

Total Assets Turnover = Net Sales / Total Assets

Noncurrent Assets Turnover = Net Sales / Noncurrent Assets

Current Assets Turnover = Net Sales / Current Assets

Inventories Turnover = Net Sales / Inventories

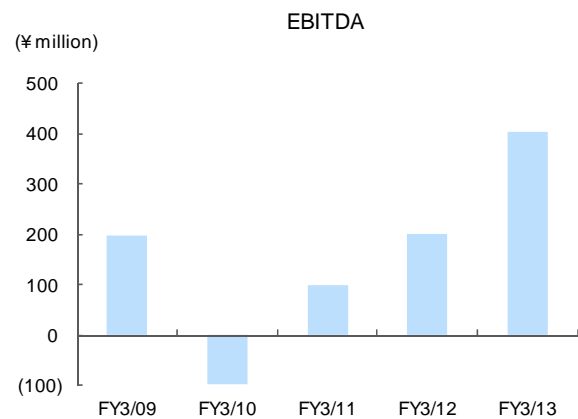
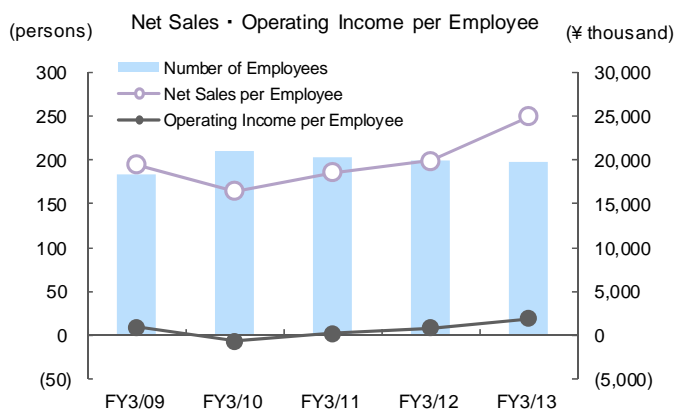
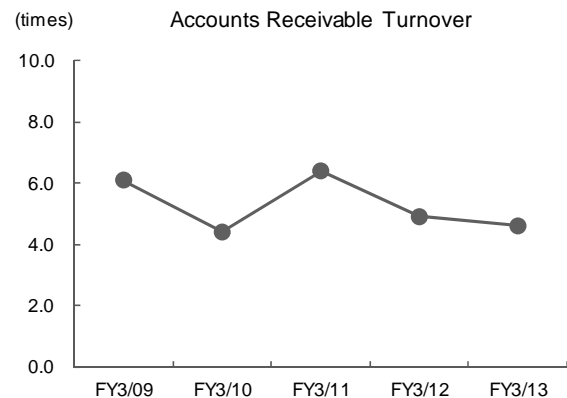
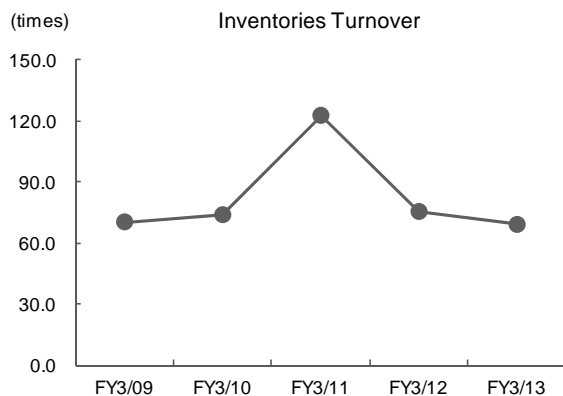
Accounts Receivable Turnover = Net Sales / Accounts Receivable

Accounts Payable Turnover = Net Sales / Accounts Payable

Net Sales per Employee = Net Sales / Number of Employees

Operating Income per Employee = Operating Income / Number of Employees

EBITDA = Operating Income + Depreciation



# Stock Information

## Per Share Indicators

(¥)	FY3/09	FY3/10	FY3/11	FY3/12	FY3/13
Stock Price at Term-End (adjusted)	214	170	143	430	512
Closing Stock Price Range for the Last 12 Months	118-700	135-277	123-228	142-661	233-534
Earnings per Share (EPS)	4,504.62	(11,752.33)	6.83 <sup>(*2)</sup>	57.09	64.23
Book-value per Share (BPS)	47,474.76	33,523.13	173.65 <sup>(*2)</sup>	230.03	283.92
Dividend per Share (DPS)	2,200.00	-	-	2,000.00	12.00 <sup>(*1)</sup>

(\*1) The Company conducted a 200 for 1 stock split, effective on April 1, 2012.

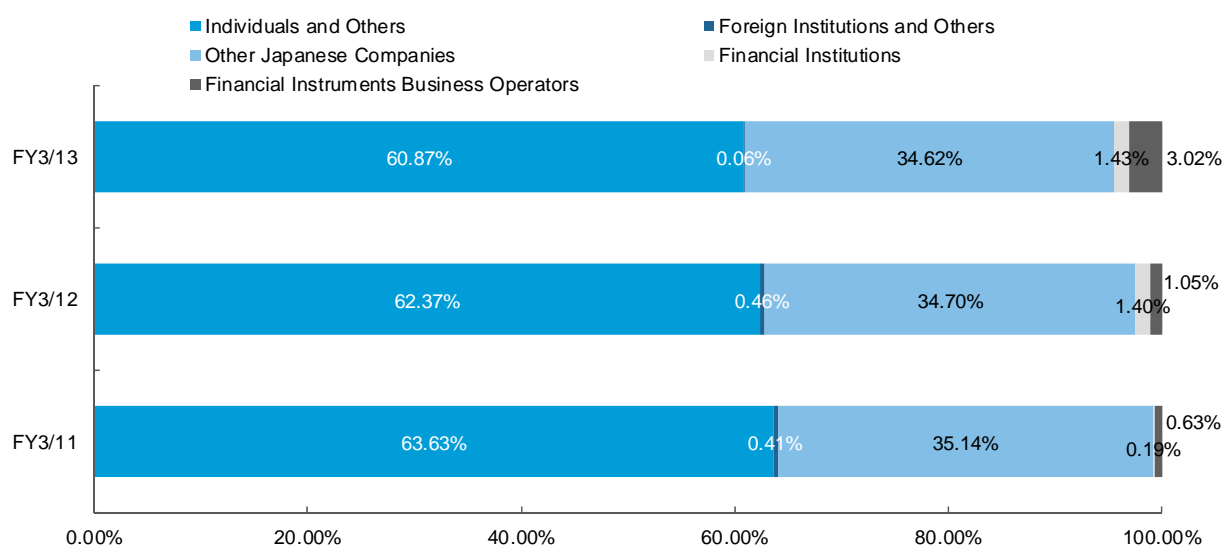
(\*2) The calculations of "Earnings per share" and "Book-value per share" are based on the assumption that the 200 for 1 stock split was conducted at the beginning of the fiscal year ended March 31, 2011.

## Status of Major Shareholders

as of March 31, 2013

Top 10	Number of Shares (shares)	Shareholding Ratio (%)
T&P Holdings	1,000,000	29.27
Tokuhisa Taguchi	687,500	20.12
TKP Corporation	155,000	4.53
Masanori Tanaka	120,700	3.53
Employee's shareholding	89,900	2.63
SBI SECURITIES Co., Ltd.	60,700	1.77
Yoshitaka Mikami	42,300	1.23
Osaka Securities Finance Co., Ltd.	36,800	1.07
Noriko Tanno	35,800	1.04
Masataka Fukudome	31,400	0.91

## Breakdown of Types of Shareholders



H A K U T E N

**Hakuten CO.,LTD.**

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