

Fact Sheet

Third Quarter of Fiscal Year Ending March 31, 2015

Marvelous Inc.

Stock Exchange Listing: First Section of Tokyo Stock Exchange Stock Code: 7844 URL: <http://www.marv.jp/>
Contact: Corporate Planning Department TEL: +81-3-5769-7447

In line with our management philosophy of the "'Amazement' and 'Emotion' to the world with New Entertainment," Marvelous Inc. is a comprehensive entertainment company which develops online games, game software, games for amusement consoles, audio & visual software, musical performances, and other products and services.

MARVELOUS!

Summary of Consolidated Quarterly financial information (Unit: million yen)

	1Q (3 months)	2Q (6 month)	3Q (9 months)	4Q (full-year)
Net Sales	4,758	11,387	18,208	-
Operating Income	655	1,449	2,925	-
Ordinary Income	649	1,514	3,112	-
Net Income	424	934	1,875	-
Net Income Per Share (yen)	7.93	17.48	35.08	-

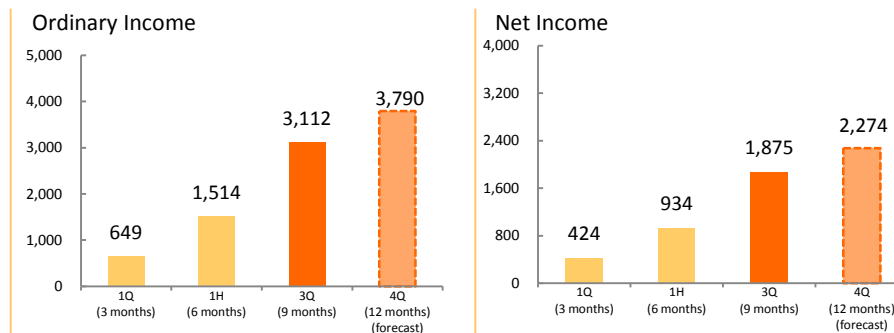
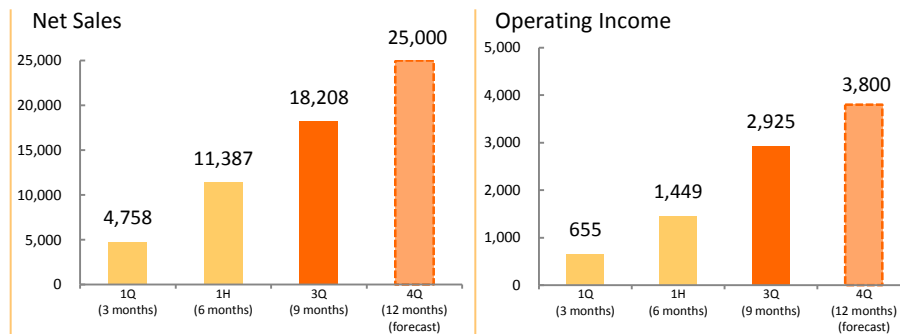
Results of Operations

In the period under review, the entertainment industry saw continued growth in the applications market driven by proliferating smartphones, combined with increased user numbers along with a diversity of titles. The browser game market has lost none of its popularity amid the transition to game playing on smartphone terminals. In the market for home-use games, high-performance dedicated game machines remain highly popular centered on core users. However, market scale has been losing out to the smartphone market and remains under intense pressure, in part also due to the innovative technologies of the cloud. In the market for arcade games, the emergence of a diversity of games for young children has been fanning competition, with a handful of strong contents offerings monopolizing the market. In the audio & visual sectors, sales of package products have been hit by the diffusion of Internet media, higher transmission speeds, and attractive dissemination services, among other factors, contrasted by promising strong demand in the live entertainment business.

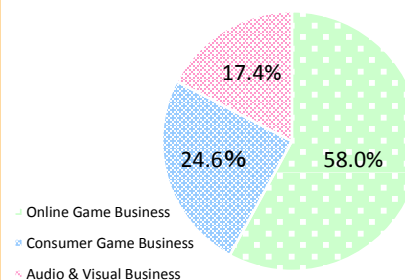
Under these circumstances, the Group has been operating as a comprehensive entertainment provider deploying a "multi-content, multi-use, and multi-device" strategy to deliver diverse entertainment content in all business segments and on a variety of devices. In order to establish robust IPs, the Group has been driving its strategy in the three key areas of branding, alliances, and global business, and is working to offer content that generates "buzz" among today's users while endeavoring to enhance its services.

As a result, the Group's net sales in the third quarter (April 1, 2014 to December 31, 2014) marked 18,208 million yen (up 24.2% compared with the same period of the previous year), with operating income of 2,925 million yen (up 35.4% compared with the same period of the previous year), ordinary income of 3,112 million yen (up 39.5% compared with the same period of the previous year), and net income of 1,875 million yen (up 34.7% compared with the same period of the previous year).

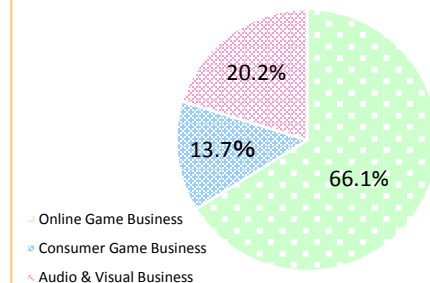
Third Quarter (nine months) Financial Results (Unit: million yen)



Percentage of Net Sales by Segment



Percentage of Operating Income by Segment



Online Game Business

Consumer Game Business

Audio & Visual Business

Leading Titles

Logres of Swords and Sorcery:
Goddess of Ancient



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NBA CLUTCH TIME



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KINKI NO MAGNA



©2014 Marvelous Inc.

PUZZLE & DRAGONS Z
Tamer Battle



© GungHo Online Entertainment, Inc. / Marvelous Inc.

Tokyo Ghoul



©Sui Ishida/Shueisha, Tokyo Ghoul Production Committee

Stage [Yowamushi Pedal]
Ep. HAKOGAKU
The beast on the road



©Wataru Watanabe (Akitashoten) 2008 / Yowamushi Pedal GR Film Partners
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Remarks about Performance

In the online game business, "Sangokushi PHX (Sangokushi Phoenix)" was newly released on November 4, 2014 and existing titles performed well, centered on long-seller "Browser Sangokushi." Likewise in mobile browser games, existing titles flourished, including resurgent sales of "Ikki-Tousen Burst Fight," for which service started two and a half years ago. In native apps, "Logres of Swords and Sorcery: Goddess of Ancient" released in December 2013 continued to show strong performance with further increased sales and significant contributions to earnings. TV commercials for this title also paid off with cumulative downloads surpassing 5 million instances. Additionally, among new titles in game apps, "NBA CLUTCH TIME" was officially launched on November 25, 2014, and "Atsumete! Trump Collection" on December 11, 2014.

As a result, segment net sales totaled 10,561 million yen (up 68.5% compared with the same period of the previous year), with segment operating income of 2,411 million yen (up 490.7% compared with the same period of the previous year).

The Company's sales sector of the Consumer Game Business segment started on November 27, 2014, sales of a package version of "DEKAMORI SENRAN KAGURA (PS Vita)," which used to be on sale as a download version only.

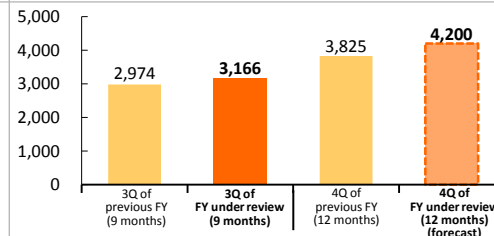
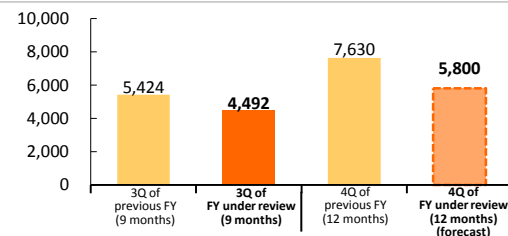
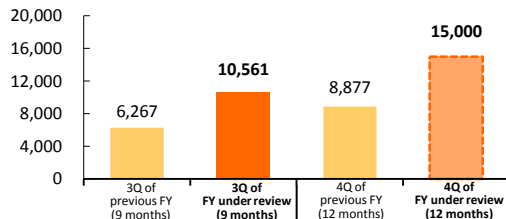
At the amusement division, the performance of the "PUZZLE & DRAGONS Z Tamer Battle" kids' amusement console, launched on June 26, 2014, continues to languish amid strong competition. Likewise, "Pokémon TRETTA" generated results below plan despite showing solid performance.

As a result, segment net sales totaled 4,492 million yen (down 17.2% compared with the same period of the previous year), with segment operating income of 497 million yen (down 72.5% compared with the same period of the previous year).

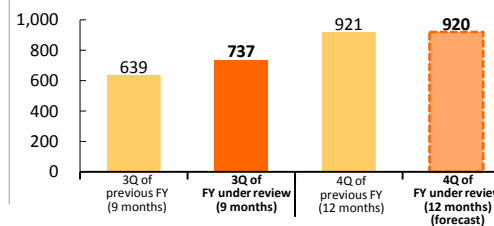
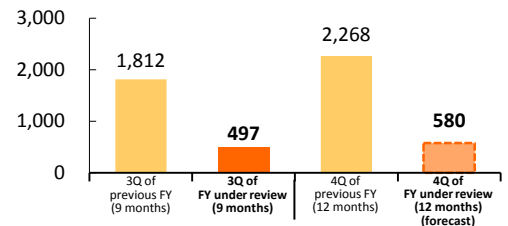
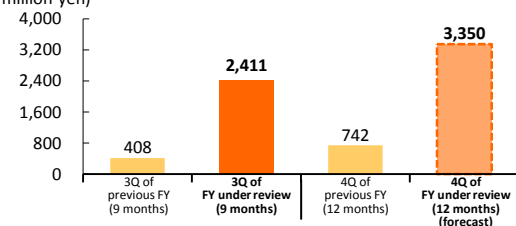
The audio & visual production sector of the Audio & Visual business segment implemented the audio-visual product commercialization of the TV animation products "Samurai Jam -Bakumatsu Rock-" and "Tokyo Ghoul," both lead-managed by the Company.

The stage production division arranged performances of "Stage [Yowamushi Pedal] Ep. HAKOGAKU The beast on the road" in October 2014, "MUSICAL THE PRINCE OF TENNIS Concert Dream Live 2014" in November 2014, and "ULTRA MUSICAL Samurai Jam -Bakumatsu Rock-" in December 2014. In addition to ticket sales, related goods and DVD sales turned out exceedingly strong as all performances proved highly popular with audiences. As a result, segment net sales totaled 3,166 million yen (up 6.5% compared with the same period of the previous year), with segment operating income of 737 million yen (up 15.4% compared with the same period of the previous year).

Net Sales (Unit: million yen)



Operating Income (Unit: million yen)



[Consolidated Statement of Income]

(Unit: million yen)

		2010.3	2011.3	2012.3	2013.3	2014.3	2015.3 3Q (nine months)
Net Sales	Former MMV	8,284	6,965	10,423	17,579	20,330	18,208
	Former AQI	7,197	7,239				
Gross Operating Income	Former MMV	677	1,740	4,491	8,116	9,946	10,406
	Former AQI	2,586	3,644				
Operating Income	Former MMV	-1,668	202	1,044	2,329	3,006	2,925
	Former AQI	58	1,070				
Ordinary Income	Former MMV	-1,725	147	1,025	2,325	3,041	3,112
	Former AQI	63	1,041				
Net Income	Former MMV	-1,623	131	3,533	1,919	1,882	1,875
	Former AQI	58	537				

[Consolidated Balance Sheet]

(Unit: million yen)

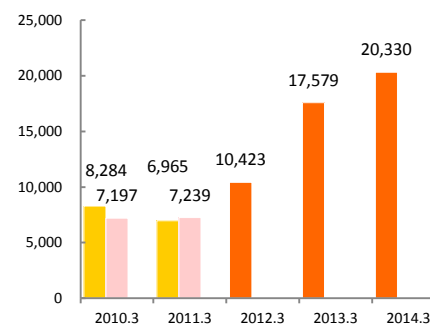
		2010.3	2011.3	2012.3	2013.3	2014.3	2015.3 3Q (nine months)
Current Assets	Former MMV	3,889	3,271	11,932	12,593	14,583	17,160
	Former AQI	6,377	7,231				
Fixed Assets	Former MMV	823	820	1,734	2,748	2,233	2,919
	Former AQI	1,403	1,003				
Total Assets	Former MMV	4,713	4,092	13,667	15,341	16,816	20,079
	Former AQI	7,780	8,235				
Current Liabilities	Former MMV	4,447	3,496	4,361	4,570	4,840	6,881
	Former AQI	1,186	1,320				
Long-Term Liabilities	Former MMV	72	271	202	76	54	57
	Former AQI	169	35				
Net Assets	Former MMV	193	325	9,102	10,694	11,921	13,141
	Former AQI	6,424	6,878				
Shareholders' Equity	Former MMV	193	325	9,102	10,694	11,921	13,141
	Former AQI	6,417	6,878				

[Cash Flow Statement]

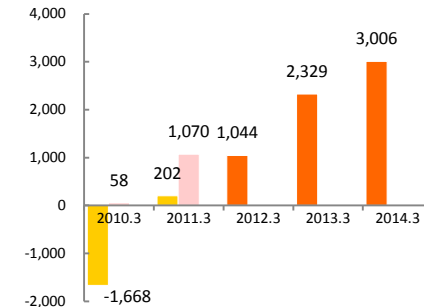
(Unit: million yen)

		2010.3	2011.3	2012.3	2013.3	2014.3	2015.3 3Q (nine months)
Cash flows from Operating activities	Former MMV	-210	1,360	1,399	2,817	3,852	-
	Former AQI	-193	2,904				
Cash flows from Investing activities	Former MMV	-22	-246	435	-2,130	-634	-
	Former AQI	-598	-2,762				
Cash flows from Financing activities	Former MMV	5	-237	-479	-975	-873	-
	Former AQI	104	-216				
Cash and Cash Equivalents at End of Period	Former MMV	874	1,749	5,979	5,723	8,120	-
	Former AQI	2,483	2,401				

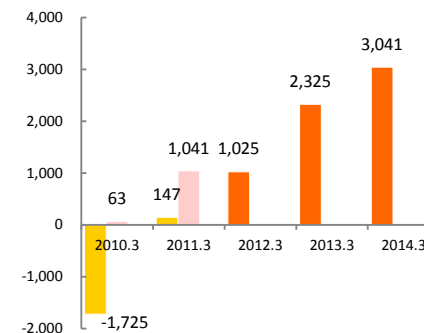
Net Sales (million yen)



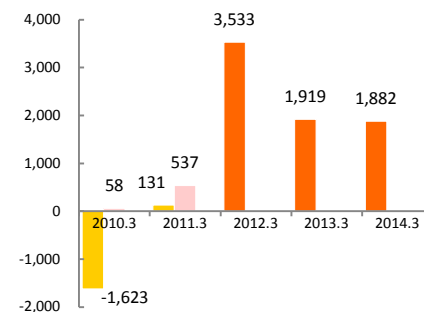
Operating Income (million yen)



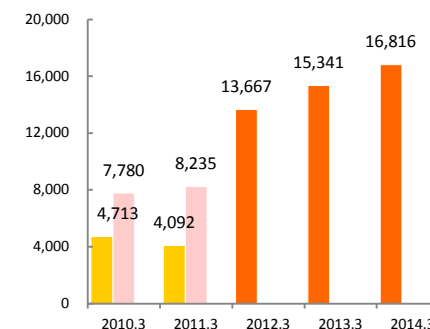
Ordinary Income (million yen)



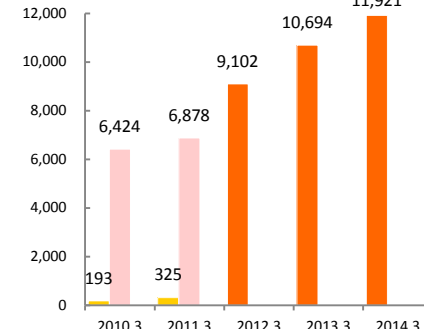
Net Income (million yen)



Total Assets (million yen)



Net Assets (million yen)



[Per Share Indices]

		2010.3	2011.3	2012.3	2013.3	2014.3	2015.3 3Q (nine months)
Net income per share (yen)	Former MMV	-136.18	10.76	107.62	35.90	35.21	35.08
	Former AQI	10.76	98.73				
Net assets per share (yen)	Former MMV	15.83	26.65	170.29	200.07	223.02	245.76
	Former AQI	1,180.61	1,261.95				

[Profitability]

		2010.3	2011.3	2012.3	2013.3	2014.3	2015.3 3Q (nine months)
Gross profit rate (%)	Former MMV	8.2	25.0	43.1	46.2	48.9	57.2
	Former AQI	35.9	50.3				
Operating profit ratio (%)	Former MMV	-20.1	2.9	10.0	13.3	14.8	16.1
	Former AQI	0.8	14.8				
Ordinary profit ratio (%)	Former MMV	-20.8	2.1	9.8	13.2	15.0	17.1
	Former AQI	0.9	14.4				
Net profit ratio (%)	Former MMV	-19.6	1.9	33.9	10.9	9.3	10.3
	Former AQI	0.8	7.4				

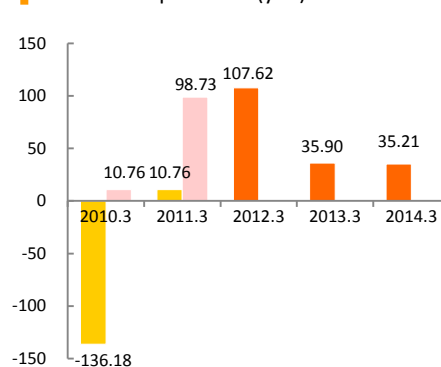
[Efficiency & Security]

		2010.3	2011.3	2012.3	2013.3	2014.3	2015.3 3Q (nine months)
ROE (%)	Former MMV	-220.9	50.6	75.0	19.4	16.6	-
	Former AQI	0.9	8.1				
ROA (%)	Former MMV	-30.2	3.4	11.6	16.0	18.9	-
	Former AQI	0.8	13.0				
Capital ratio (%)	Former MMV	4.1	7.9	66.6	69.7	70.9	65.4
	Former AQI	82.5	83.5				
D/E ratio (%)	Former MMV	1,099.6	559.7	15.2	7.9	5.5	3.2
	Former AQI	6.9	1.1				

[Return to shareholders]

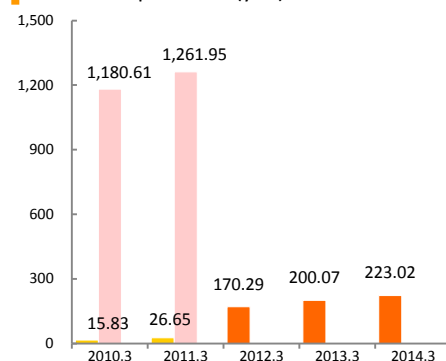
		2010.3	2011.3	2012.3	2013.3	2014.3	2015.3 3Q (nine months)
Dividend (million yen)	Former MMV	0	0	323	668	694	-
	Former AQI	81	201				
DOE (%)	Former MMV	0.0	0.0	6.1	6.8	6.1	-
	Former AQI	1.3	2.9				
Dividend payout ratio (%)	Former MMV	0.0	0.0	5.6	34.8	36.9	-
	Former AQI	139.3	37.5				

Net income per share (yen)

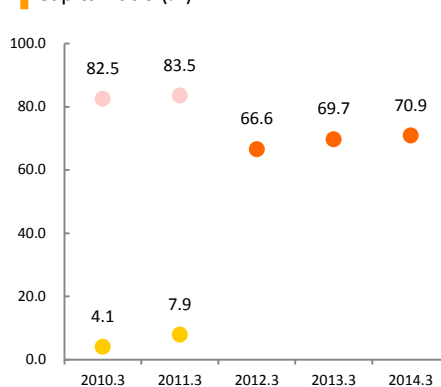


Former MMV Former AQI Marvelous

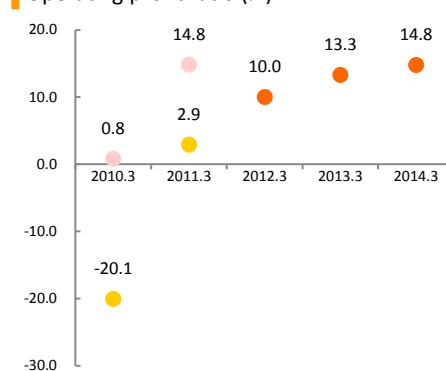
Net assets per share (yen)



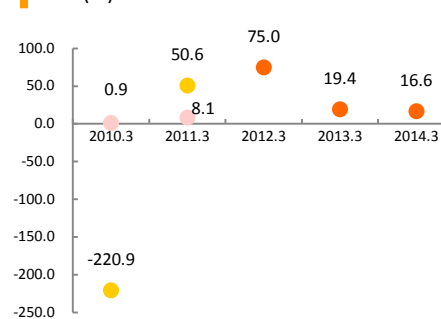
Capital ratio (%)



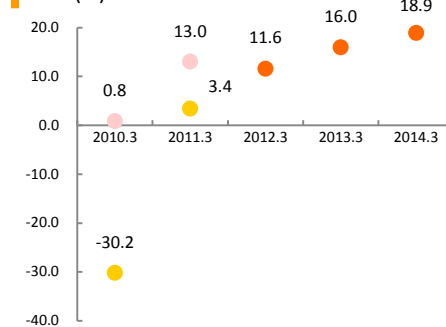
Operating profit ratio (%)



ROE (%)



ROA (%)



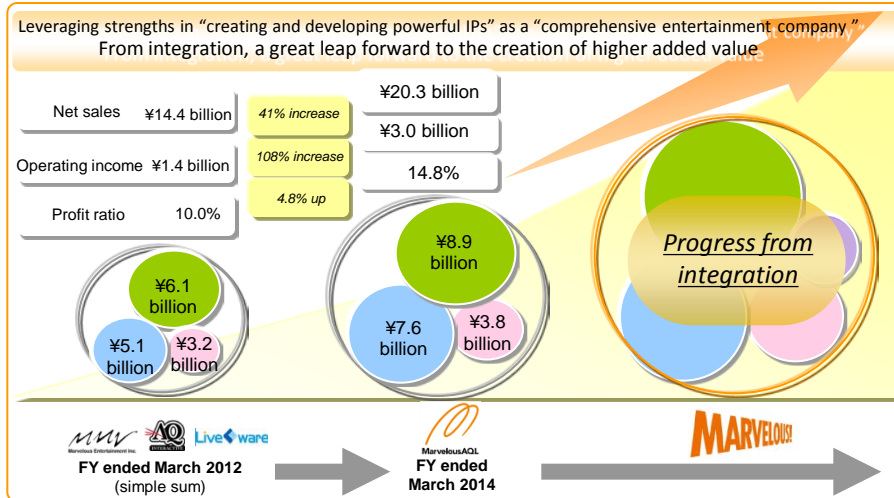
Future Developments & Outlook for Current Fiscal Year

To improve business competitiveness, the Company changed its management structure to a CEO system on April 1, 2014. Also, the Company changed its name on July 1 from Marvelous AQL Inc. to Marvelous Inc.

From its start in 2012 until today, the three-company integration has achieved solid progress from numerous measures undertaken to reap the immediate benefits of consolidation. We now aim for a leap forward through the concerted efforts of the entire company under the banner of "Marvelous reborn."

In its business initiatives in the fiscal year ending March 2015, the Group intends to maintain the favorable performances of the Consumer Game Business division and the Audio & Visual Business division. In the Online Game Business, it will place a large effort on strengthening its operations in best-selling titles and developing new app games.

As a result of the aforementioned efforts, consolidated results for the next term are forecast to achieve net sales of 25,000 million yen, operating income of 3,800 million yen, ordinary income of 3,790 million yen, and net income of 2,274 million yen.



Basic Information

Company Profile (As of September 30, 2014)

- Company Name: Marvelous Inc.
- Head Office: Shinagawa Seaside East Tower, 4-12-8 Higashi-Shinagawa, Shinagawa-ku, Tokyo, Japan
- Established: June 25, 1997
- Capital: ¥1,128 million
- Officers:

Chairman and CEO	Haruki Nakayama
President and COO	Shuichi Motoda
Executive Vice President and DeptCOO	Toshinori Aoki
Director	Yoshiaki Matsumoto
Director	Yoshiteru Yamaguchi
Director and CFO	Seiichiro Kato
Director (External)	Shunichi Nakamura
Director (External)	Ken Kutaragi
Standing Statutory Auditor	Toshio Nago
Corporate Auditor (External)	Isamu Tsuji
Corporate Auditor (External)	Iwao Nishi
Corporate Auditor (External)	Katsuhiko Nishimura

Business Activities

- Online Game Business**: Developing apps and games capitalizing on the Company's proprietary intellectual property and other companies' promising intellectual property for various platforms
- Consumer Game Business**: Proposing, developing, producing and marketing game software for home game consoles and game machines for amusement facilities
- Audio & Visual Business**: Proposing, producing, and marketing a variety of contents including audio and visual, as well as proposing, producing, and exhibiting stage and musical performances

Stock Information (As of September 30, 2014)

- End of term: March 31
- Total number of authorized shares: 90,000,000
- Total shares outstanding: 53,593,100
- Number of shareholders: 16,249
- Shares per unit: 100

[Major Shareholders / Ratio of Shares Owned]

• Hayao Nakayama	18.32 %
• Amuse Capital Inc.	12.50 %
• Haruki Nakayama	10.22 %
• Amuse Capital Investment, K.K.	3.43 %
• SBI SECURITIES Co., Ltd.	2.45 %
• The Master Trust Bank of Japan, Ltd. (trust account)	2.35 %
• Japan Trustee Services Bank Ltd. (trust account)	1.86 %
• JPMCB NA ITS LONDON CLIENTS AC MORGAN STANLEY AND CO INTERNATIONAL LIMITED	1.74 %
• JAPAN SECURITIES FINANCE CO., LTD.	1.68 %
• TOHOKUSHINSHA FILM CORPORATION	1.45 %

[Stock Quote] (As of February 4, 2015)

- Stock Quote: 1,615 yen
- Market Cap: 86,552 million yen