

MARVELOUS!

Results Briefing Materials

Fiscal Year Ending March 31, 2021

First Half

October 30, 2020

Fiscal Year Ending March 2021, First-Half Results Summary

Segment Results and Future Initiatives

Fiscal Year Ending March 2021, Full-Year Business Forecast

**Fiscal Year Ending March 2021,
First-Half Results Summary**

Earnings Highlights (Statement of Profit and Loss)



- Earnings in the amusement and the audio & visual businesses decreased due to the effect of the novel coronavirus.
- The Group's total profits increased thanks to continued robust performance in the online game and consumer game businesses.

Unit: million yen	1H FY ended March 2020		1H FY ending March 2021		YOY change	
	Actual	Profit ratio	Actual	Profit ratio	(Amount)	(%)
Net sales	10,836	-	9,419	-	-1,417	86.9%
Cost of sales	5,609	-	3,812	-	-1,796	68.0%
SGA expenses	3,962	-	3,907	-	-54	98.6%
Thereof advertising expenses	724	-	556	-	-168	76.8%
Operating profit	1,264	11.7%	1,699	18.0%	434	134.4%
Non-operating profit/loss	-16	-	-20	-	-3	-
Ordinary profit	1,247	11.5%	1,678	17.8%	431	134.5%
Extra ordinary profit/loss	-25	-	-14	-	10	-
Income taxes	478	-	503	-	24	105.2%
Profit attributable to owners of parent	743	6.9%	1,160	12.3%	416	156.0%

Segment Results



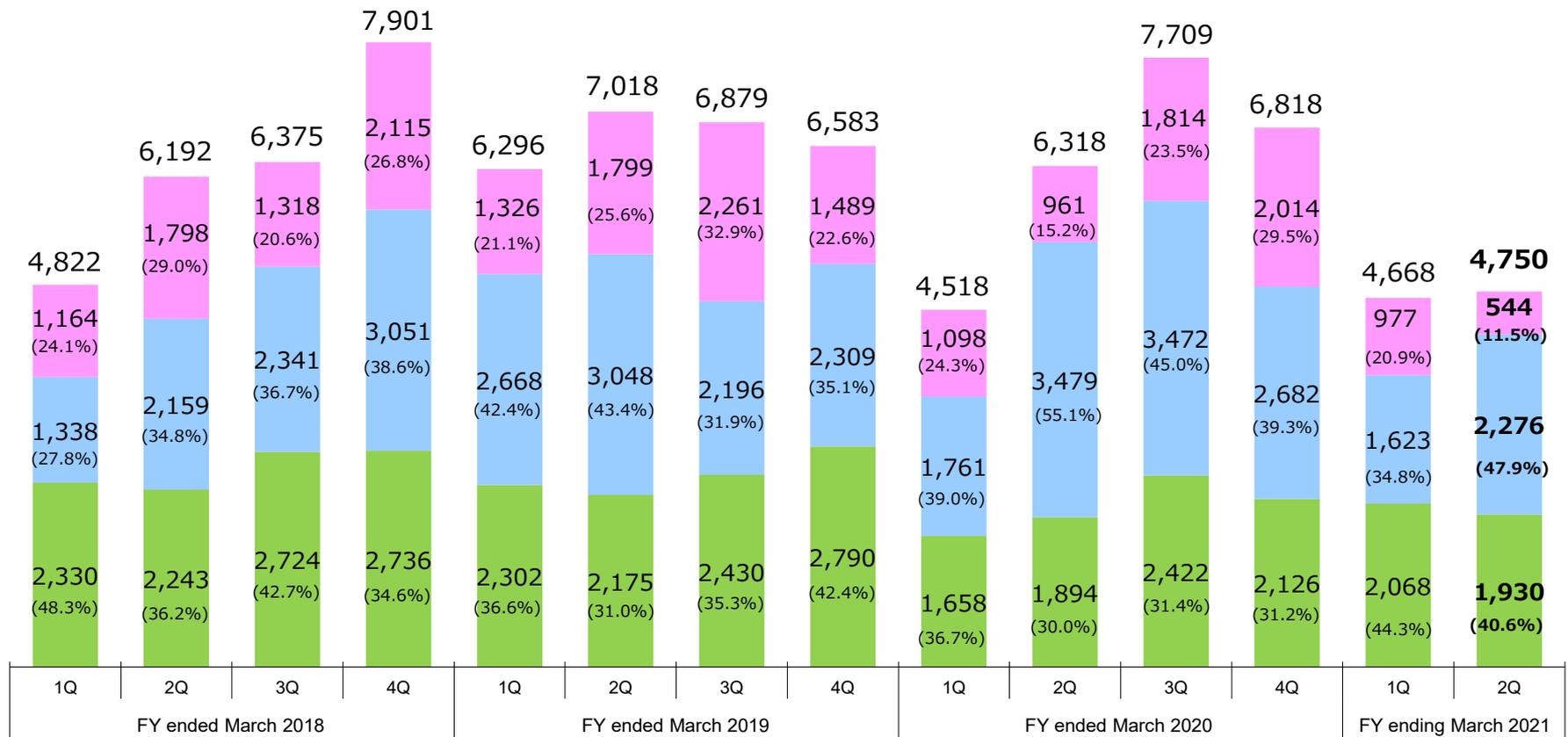
Unit: million yen		1H FY ended March 2020	1H FY ending March 2021	YOY change	
		Actual	Actual	(Amount)	(%)
Net sales	Online Game Business	3,553	3,998	445	112.5%
	Consumer Game Business	5,241	3,900	-1,340	74.4%
	Audio & Visual Business	2,059	1,521	-538	73.9%
	Total	10,836	9,419	-1,417	86.9%
Segment profit	Online Game Business	500	975	474	194.8%
	Consumer Game Business	875	1,111	235	126.9%
	Audio & Visual Business	616	361	-255	58.6%
	Total	1,993	2,447	454	122.8%
Company-level costs, etc.		-728	-748	-19	102.7%
Operating profit total		1,264	1,699	434	134.4%

Development of Net Sales and Operating Profit by Segment (Quarterly)



- Audio & Visual Business
- Consumer Game Business
- Online Game Business

Unit: million yen



Note: Totals may not tally to 100% due to rounding of sales percentages to the first decimal point.

Segment Results and Future Initiatives

Online Game Business: 1H FY Ending March 2021 Progress Status

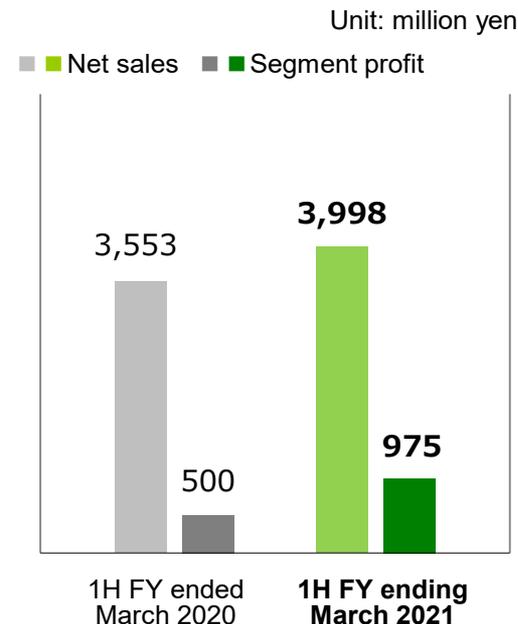


[Results Up Until 1H FY Ending March 2021]

Sales remained robust in Q1 and both revenue and profits increased from the previous year due to the disposal of unprofitable titles in the previous fiscal year.

[Title Performance]

- Existing titles such as “SHINOVI MASTER -SENTRAN KAGURA NEW LINK-” and “Logres of Swords and Sorcery: Goddess of Ancient,” etc. remained robust.
- Sales of “Ikki-Tousen Extra Burst,” which launched in May, fell short of expectations.
- Start to distribute “Fate/EXTELLA” and “Fate/EXTELLA LINK” as game apps for iOS and Android in July



[Title Rollouts]

**SHINOVI MASTER
-SENTRAN KAGURA
NEW LINK-**
(F2P app)



Launched on Nov. 29, 2017

©Marvelous Inc.
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**Logres of Swords and
Sorcery:
Goddess of Ancient**
(F2P app)



Launched on Dec. 17, 2013

©Marvelous Inc. Aiming Inc.

Ikki-Tousen Extra Burst
(F2P app)



Launched on May 25, 2020

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**Fate/EXTELLA
Fate/EXTELLA LINK**
(Paid app)



Launched on July 22, 2020

©TYPE-MOON ©2020 Marvelous Inc.

Online Game Business: Initiatives Starting in 3Q FY Ending March 2021

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- Aim at maintaining sales of existing titles with efforts to continue stable operation.
- Enhance promotion of “Ikki-Tousen Extra Burst” toward the end of the year.
- Pre-registration for “The Thousand Musketeers: Rhodoknight” started (official service launch day is yet to be determined).

Logres of Swords and Sorcery: Goddess of Ancient (F2P app)



Launched on Dec. 17, 2013

©Marvelous Inc. Aiming Inc.

SHINOVI MASTER -SENTRAN KAGURA NEW LINK- (F2P app)



Launched on Nov. 29, 2017

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Ikki-Tousen Extra Burst (F2P app)



Launched on May 25, 2020

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The Thousand Musketeers: Rhodoknight (F2P app)



Official service launch day is
yet to be determined.

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Consumer Game Business: 1H FY Ending March 2021 Progress Status

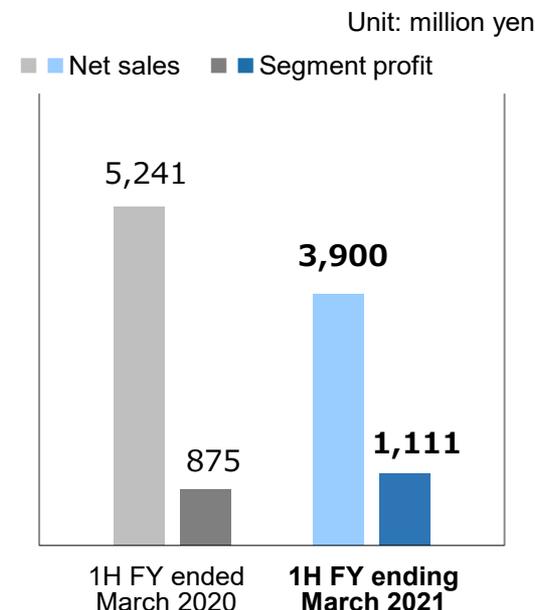


[Results Up Until 1H FY Ending March 2021]

- Profit increased thanks to repeat sales of game software and strong sales of “BOKUJO MONOGATARI SAIKAI NO MINERAL TOWN” overseas versions and PC versions.
- On the other hand, sales of amusement machines declined due to the impact of novel coronavirus, and consequently, segment sales decreased while profit increased from the previous year.

[Title Performance]

- “BOKUJO MONOGATARI SAIKAI NO MINERAL TOWN” North America/European version and Windows PC (Steam) version released by our overseas subsidiaries in July, which shows strong sales.
- The new Pokémon amusement machine “Pokémon MEZASTAR” launched on September 17, which recorded a strong start surpassing the start-up of the previous model “Pokémon Ga-Olé.”



[Title Rollouts]

**STORY OF SEASONS:
Friends of Mineral Town**
(Nintendo Switch/Windows PC)



European version: Released on Jul. 10, 2020
North American and PC versions: Released on Jul. 14 (Jul. 15 Japan time), 2020

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Nintendo Switch is a trademark of Nintendo.
*Image is of North America version.

Pokémon MEZASTAR
(Amusement)



Launched on September 17, 2020

©2020 Pokémon. ©1995-2020 Nintendo/Creatures Inc. / GAME FREAK inc.
Developed by T-ARTS and MARV ポケモン・Pokémonは任天堂・クリーチャー・ゲームフリークの登録商標です。

Consumer Game Business: Initiatives Starting in 3Q of FY Ending March 2021



- Japanese style action RPG “TENSUI NO SAKUNAHIME” is to be released in November.
- The series' first completely new title for Nintendo Switch “BOKUJO MONOGATARI OLIVE TOWN TO KIBO NO DAICHI” will be released.
- The release of “Rune Factory 5,” originally scheduled to be released by the end of this year is postponed until May next year in order to improve the quality.
- Focus is put on the operation of the new model “Pokémon MEZASTAR.”
- “Pokémon Ga-Olé” will be promoted in China.

**TENSUI NO
SAKUNAHIME**
(PlayStation®4/ Nintendo
Switch/ Windows PC)



Japanese and Asian versions: To be released on
Nov. 12, 2020
North American and PC versions: To be released on
Nov. 10, 2020
European version: To be released on Nov. 20, 2020

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**BOKUJO
MONOGATARI
OLIVE TOWN TO
KIBO NO DAICHI**
(Nintendo Switch)



Japanese and Asian versions: To be released on February
25, 2021
North American version : To be released on March 23, 2021
European version: To be released on March 26, 2021

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Pokémon MEZASTAR
(Amusement)



Launched on September 17, 2020

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Developed by T-ARTS and MARV ポケモン・Pokémonは任天堂・クリエーターズ・ゲームフリークの登録商標です。

Pokémon Ga-Olé
(Amusement)



To launch in China in this winter

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*Logos and images of the models above are for the Japanese version.

Audio & Visual Business: 1H FY Ending March 2021 Progress Status

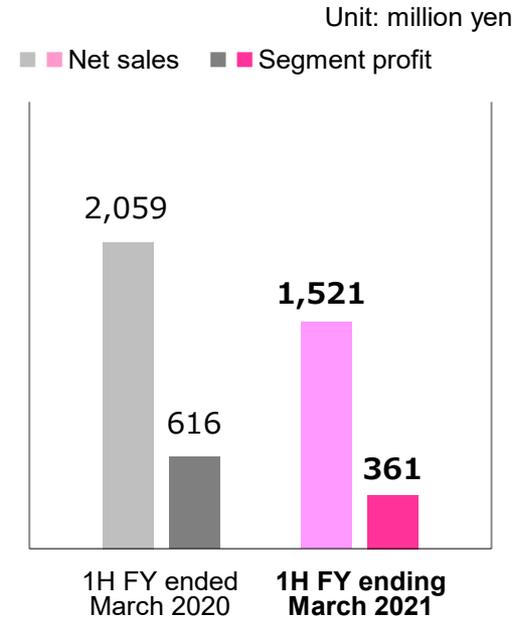


[Results Up Until 1H FY Ending March 2021]

- Some stage performances, which had been canceled due to the effect of the novel coronavirus, resumed in July in accordance with the social distancing policies of the national and local governments as well as the related guidelines of the Association of Public Theaters.
- Sales and profits were secured to a certain extent in Q1 thanks mainly to the revenue recognition of some titles from the previous year's performances and the release of packaged goods.

[Title Performance]

- Packaged products of the TV animated programs "HEALIN' GOOD♥PRECURE" and "Star☆Twinkle Pretty Cure Thanks Festival" were commercialized.
- "My Teen Romantic Comedy SNAFU Climax" began airing in July and related packaged goods were commercialized.
- The new plays "Touken Ranbu the Stage" and "MUSICAL『MORIARTY THE PATRIOT』" were performed from July to August.



[Title Rollouts]

HEALIN' GOOD♥PRECURE



DVD Volume 1 released in July 2020

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Star☆Twinkle Pretty Cure Thanks Festival



BD/DVD released in July 2020

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My Teen Romantic Comedy SNAFU: Climax



TV broadcast started in July 2020
BD/DVD Volume 1 released in September 2020

©WATARU WATARI, SHOGAKUKAN/OREGAIU3 PRODUCTION COMMITTEE

Touken Ranbu the Stage



Performances scheduled for July - August 2020

©Touken Ranbu the Stage Production Committee
©2015-2020 DMM GAMES/Nitroplus

Musical
『MORIARTY THE PATRIOT』
OP.2 -A SCANDAL IN
BRITISH EMPIRE-



Performances scheduled for July - August 2020

©Ryosuke Takeuchi,Hikaru Miyoshi/SHUEISHA
©MUSICAL『MORIARTY THE PATRIOT』PROJECT

Audio & Visual Business: Initiatives Starting in 3Q FY Ending March 2021



- In the music & video division, the animated TV program “Akudama Drive” began airing on October 8, and “Pretty Cure Miracle Leap the Movie,” which was originally scheduled to be released in March, was released on October 31.
- An original comedy Drama “Hansamu Senkyo,” which is a new initiative in the stage division, began airing on October 7.
- A new play of “PERSONA 5 the Stage” was performed in October, with new works and series to be performed in November and beyond.

Akudama Drive



TV broadcast started in October 2020

©Pierrot, TookyoGames/Akudama Drive Production Committee

**Pretty Cure Miracle Leap
the Movie**



Released in October 2020

©2020 Pretty Cure Miracle Leap the Movie Production Committee

Drama “Hansamu Senkyo”



TV broadcast started in October 2020

© Hansamsenkyo Management Committee

PERSONA 5 the Stage #2



Performed in October 2020

©ATLUS ©SEGA ©SEGA/PERSONA 5 the Stage Project

**“Katekyo Hitman Reborn!” the STAGE
-SECRET BULLET-**



To be performed in November 2020

© Akira Amano・Hidesaki Koyasu / Shueisha
© REBORN! THE STAGE PROJECT

**MUSICAL THE PRINCE OF TENNIS II
The First Stage**



To be performed from December 2020
to February 2021

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**Fiscal Year Ending March 2021,
Full-Year Business Forecast**

Fiscal Year Ending March 2021, Full-Year Business Forecast



Results forecasts

Full-year forecasts for FY 2021 are reported in a range format due to the possibility that the financial performance will be significantly affected by the continued uncertain business environment resulting from the spread of the novel coronavirus.

Unit: million yen	FY ended March 2020 Actual	FY ending March 2021 Forecast	YOY change (%)
Net sales	25,365	21,000 - 23,400	82.8% - 92.3%
Operating profit	2,449	2,450 - 3,000	100.0% - 122.5%
Ordinary profit	2,502	2,450 - 3,000	97.9% - 119.9%
Profit attributable to owners of parent	1,797	1,800 - 2,100	100.1% - 116.8%

Dividends forecasts

The year-end dividend forecast for the fiscal year ending March 2021 will be reported together with the consolidated forecasts in specific values when they become available.

Securing necessary internal reserves for expanding future businesses and strengthening the financial position, the Group distributes continuous and stable dividends targeting 30% or more of payout ratio as a basic policy.

Thank you very much for your attention.

Inquiries

Corporate Communication Division, Corporate Planning Department

E-mail:ir@marv.jp

URL:<https://corp.marv.jp>

This document contains forward-looking statements which are based on information currently available to the Company and which may change as a result of numerous factors including the macroeconomic environment and industry trends relevant to the Company. Therefore, these forward-looking statements are made subject to certain risks and uncertainties which could cause results including actual business performance to differ materially from those presented.