Consolidated Balance Sheets

Marvelous Inc.

(Unit: million yen)

	FY2016 End of consolidated accounting period (As of March 31, 2016)	FY2017 2nd quarter consolidated accounting period (As of September 30, 2016)
Consolidated quarterly balance sheets		
Assets		
Current assets		
Cash and deposits	8,786	7,149
Notes and accounts receivable-trade	4,558	3,487
Electronically recorded monetary claims-operating	39	111
Securities	567	506
Inventories	1,134	1,018
Other	1,133	1,696
Allowance for doubtful accounts	(15)	(14)
Total current assets	16,204	13,954
Noncurrent assets		
Property, plant and equipment	461	1,688
Intangible assets		
Goodwill	761	665
Other	1,257	1,255
Total intangible assets	2,019	1,921
Investments and other assets	1,782	1,766
Allowance for doubtful accounts	(98)	(97)
Total noncurrent assets	4,165	5,278
Total assets	20,370	19,233
Liabilities		
Current liabilities		
Accounts payable-trade	876	621
Short-term loans payable	160	160
Accounts payable - other	2,796	2,753
Accrued royalties	965	989
Income taxes payable	497	263
Provision	192	94
Other	933	1,200
Total current liabilities	6,421	6,083
Noncurrent liabilities		
Asset retirement obligations	26	62
Other	1	1
Total noncurrent liabilities	27	63
Total liabilities	6,448	6,147
Net assets		
Shareholders' equity		
Capital stock	1,128	1,128
Capital surplus	6,382	6,261
Retained earnings	8,456	7,704
Treasury stock	(2,057)	(1,936)
Total shareholders' equity	13,909	13,157
Accumulated other comprehensive income		
Foreign currency translation adjustment	(5)	(82)
Total accumulated other comprehensive income	(5)	(82)
stock acquisition rights	15	8
Non-controlling interests	1	1
Total net assets	13,921	13,085
Total liabilities and net assets	20,370	19,233

Consolidated Statements of Income　　　　　　　　　　　　　Marvelous Inc.

(Unit: million yen)

	FY2016 2nd quarter consolidated cumulative period (April 1, 2015- September 30,	FY2017 2nd quarter consolidated cumulative period (April 1, 2016- September 30, 2016)
Consolidated quarterly statements of (comprehensive) income		
Net sales	16,447	12,999
Cost of sales	6,212	6,105
Gross profit	10,235	6,893
Selling, general and administrative expenses	7,393	5,575
Operating income	2,841	1,317
Non-operating income		
Interest income	4	11
Foreign exchange gains	-	-
Rent income	3	4
Reversal of allowance for doubtful accounts	2	1
Other	3	0
Total non-operating income	13	17
Non-operating expenses		
Interest expenses	1	0
Foreign exchange losses	13	276
Office transfer expenses	44	-
Other	1	3
Total non-operating expenses	61	280
Ordinary income	2,793	1,055
Extraordinary income		
Gain on liquidation of subsidiaries	-	16
Gain on sales of subsidiaries and affiliates' stocks	30	-
Gain on reversal of subscription rights to shares	-	6
Total extraordinary income	30	22
Extraordinary loss		
Loss on retirement of non-current assets	1	-
Provision of allowance for doubtful accounts	83	-
Total extraordinary losses	84	-
Profit before income taxes	2,739	1,077
Income taxes	828	278
Profit	1,910	799
(Profit attributable to)		
Profit attributable to owners of parent	1,910	799
Profit attributable to non-controlling interests	0	0
Other comprehensive income		
Foreign currency translation adjustment	(3)	(76)
Total other comprehensive income	(3)	(76)
Comprehensive income	1,907	722
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	1,906	722
Comprehensive income attributable to non-controlling interests	0	0

Consolidated Statements of Cash Flows   Marvelous Inc.

(Unit: million yen)

	FY2015 End of consolidated accounting period (April 1, 2014- March 31, 2015)	FY2016 End of consolidated accounting period (April 1, 2015- March 31, 2016)
Cash flows from operating activities	4,031	5,986
Cash flows from investing activities	(2,218)	(2,874)
Cash flows from financing activities	(1,146)	(3,086)
Cash and cash equivalents at end of period	8,937	8,786

・The consolidated statement of cash flows is updated on a full-year basis.