

Fact Sheet

Third Quarter of Fiscal Year Ending March 31, 2014

MarvelousAQL Inc.

Stock Exchange Listing: First Section of Tokyo Stock Exchange Stock Code: 7844 URL: <http://www.maql.co.jp/>

Contact: Corporate Strategy Office TEL: +81-3-5769-7447



In line with our management philosophy of the "'Amazement' and 'Emotion' to the world with New Entertainment," MarvelousAQL 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.

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

	1Q (3 months)	2Q (6 months)	3Q (9 months)	4Q (full-year)
Net Sales	4,410	9,585	14,666	-
Operating Income	849	1,365	2,160	-
Ordinary Income	876	1,385	2,231	-
Net Income	531	860	1,392	-
Net Income Per Share (yen)	9.94	16.10	26.05	-

Results of Operations

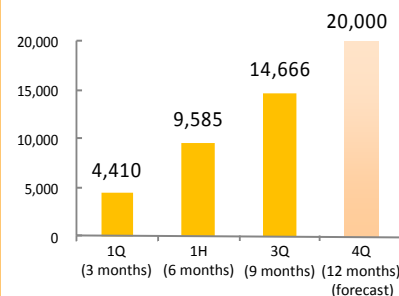
The period under review (April 1, 2013 to December 31, 2013) saw the entertainment industry undergo a deceleration in the growth rate of the social games market. On the other hand, in addition to traditional web browser games, the rapid adoption of smartphones spawned sudden growth in the app game market where users play apps installed on their smartphones. In the market for home-use games, first sales of novel stationary game machines in the U.S. and Europe proved exceedingly strong, again underscoring the demand potential for dedicated game machines. In the audio & visual sectors, the software market remains caught in an adverse environment stymied by plentiful offerings from free-of-charge video sites, etc., that have emerged with the diffusion of smartphones. The market for live entertainment has been showing steady growth driven by the popularity of the venue atmosphere experience and sense of togetherness.

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. Leveraging its robust intellectual property, 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.

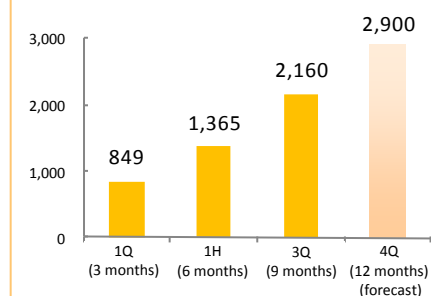
As a result, the Group's net sales in the third quarter marked 14,666 million yen (up 20.8% compared with the same period of the previous year), with operating income of 2,160 million yen (up 25.9% compared with the same period of the previous year), ordinary income of 2,231 million yen (up 33.4% compared with the same period of the previous year), and net income of 1,392 million yen (up 0.5% compared with the same period of the previous year).

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

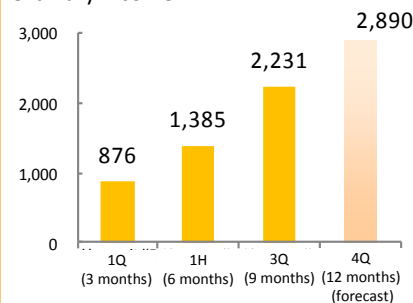
Net Sales



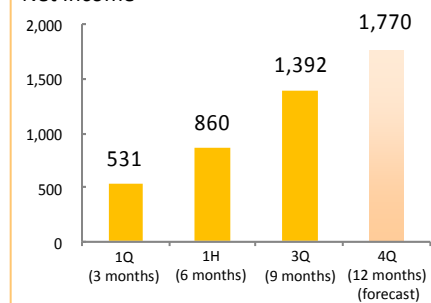
Operating Income



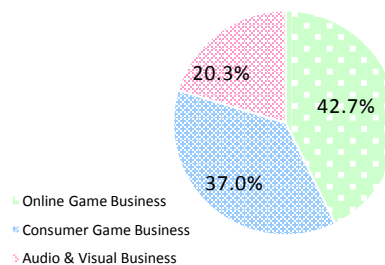
Ordinary Income



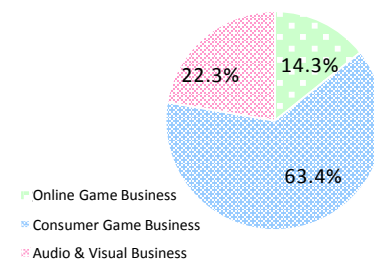
Net Income



Percentage of Net Sales by Segment



Percentage of Operating Income by Segment



Important matters concerning the summary of financial information

On October 1, 2013, the Company executed a stock split of its common shares at the ratio of 100 shares to 1. The net income per share takes into consideration the effects of this stock split.

Online Game Business

Leading Titles

Browser Sangokushi



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Ikki-Tousen Burst Fight

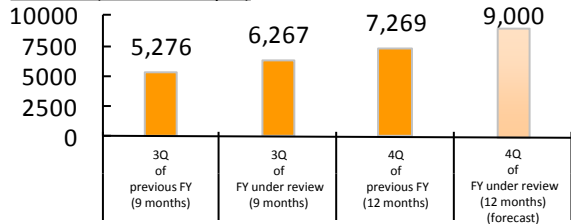


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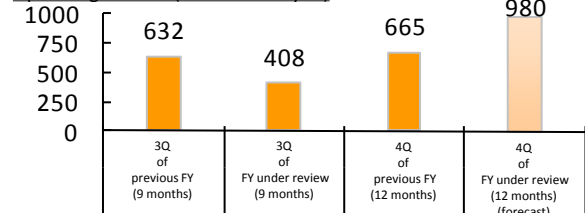
Remarks about Performance

In the field of PC browser games, main titles continue to show strong performance, specifically “Browser Sangokushi,” but earnings declined compared with the year-earlier period given the time elapsed since the title release date and affected by the shrinking of the market itself. Mobile games saw the smooth launch of “High School DxD” released in September 2013 as an addition to “Ikki-Tousen Burst Fight” and “SENTRAN KAGURA New Wave” which have been showing favorable performance since the previous fiscal year. Moreover, in November 2013 the division released “LINE RunRun Hero” as a first LINE title and in December 2013 a native application version of “Logres Swords and Sorcery” which has been enjoying deep-rooted popularity also as a PC game. By contrast, “COIN SAGA” and “DRAGON ORB” performed poorly as the growth in subscriber numbers failed to connect to proportionate gains in charge revenues, resulting in the lump-sum amortization of the development costs through means of service termination. As a result, segment net sales totaled 6,267 million yen (up 18.8% compared with the same period of the previous year), with segment operating income of 408 million yen (down 35.5% compared with the same period of the previous year).

Net Sales (Unit: million yen)



Operating Income (Unit: million yen)



Consumer Game Business

“SENTRAN KAGURA” series



©2013 MarvelousAQL Inc.

Pokémon TRETTA



©2013 Pokémon.
©1995-2013 Nintendo/Creatures Inc./

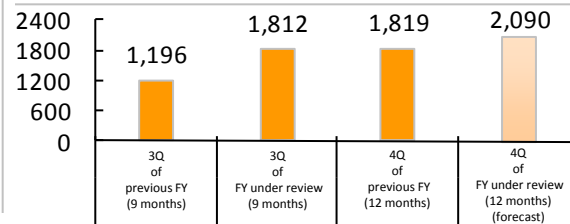
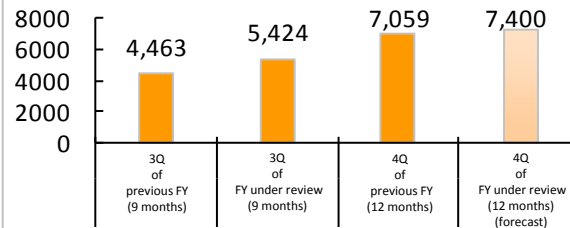


GAME FREAK inc. Developed by T-ARTS and MAQL

At the Company’s sales sector of the Consumer Games Business segment, “VALHALLA KNIGHTS 3 (PS Vita)” brought to market in May 2013 reported favorable conditions. Repeat order receipts were strong also for “SENTRAN KAGURA: SHINOVI VERSUS (PS Vita)” and “OBOROMURAMASA (PS Vita)” launched last fiscal year as well as repeat orders for other existing works. In overseas operations, U.S. subsidiary Marvelous USA, Inc. reported steady sales.

The amusement division made significant contributions to earnings coming from the continued popularity of “Pokémon TRETTA,” the amusement console for children put into operation in July 2012.

As a result, segment net sales totaled 5,424 million yen (up 21.5% compared with the same period of the previous year), with segment operating income of 1,812 million yen (up 51.5% compared with the same period of the previous year).



Audio & Visual Business

“PRECURE” series



©2013 Toei Animation Co., Ltd.

MUSICAL THE PRINCE OF TENNIS

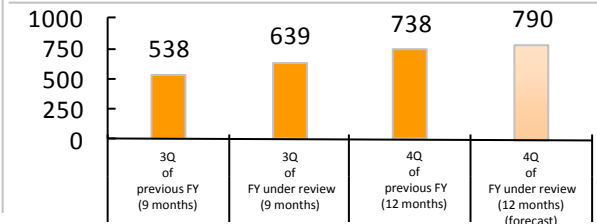
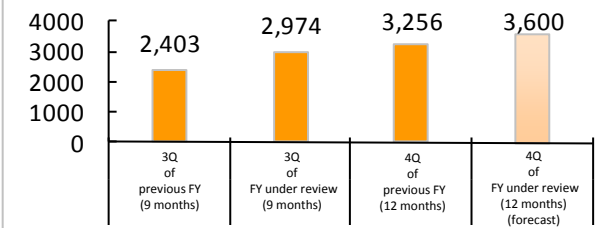


©2009 TAKESHI KONOMI
©2012 NAS, THE PRINCE OF TENNIS II PROJECT
©1999 TAKESHI KONOMI/
2011 MUSICAL THE PRINCE OF TENNIS PROJECT

The audio & visual production sector of the Audio & Visual business segment reported healthy sales from the video commercialization of “DOKIDOKI! PRECURE,” a TV animation production in the “PRECURE” series, and “My Teen Romantic Comedy SNAFU,” a TV animation product lead-managed by the Company.

The stage production division marked a total 134 performances of “MUSICAL THE PRINCE OF TENNIS,” accompanied by releases of six related DVDs. Additionally, contributions to earnings have been coming also from stage performances and related DVD sales of the division’s core series “Stage Yowamushi Pedal” and “Musical HAKUOKI.”

As a result, segment net sales totaled 2,974 million yen (up 23.7% compared with the same period of the previous year), with segment operating income of 639 million yen (up 18.7% compared with the same period of the previous year).



[Consolidated Statement of Income]

(Unit: million yen)

		2009.3	2010.3	2011.3	2012.3	2013.3	2014.3 3Q (nine months)
Net Sales	Former MMV	10,139	8,284	6,965	10,423	17,579	14,666
	Former AQL	6,180	7,197	7,239			
Gross Operating Income	Former MMV	1,616	677	1,740	4,491	8,116	7,256
	Former AQL	2,032	2,586	3,644			
Operating Income	Former MMV	-1,238	-1,668	202	1,044	2,329	2,160
	Former AQL	-7	58	1,070			
Ordinary Income	Former MMV	-1,308	-1,725	147	1,025	2,325	2,231
	Former AQL	13	63	1,041			
Net Income	Former MMV	-1,221	-1,623	131	3,533	1,919	1,392
	Former AQL	-468	58	537			

[Consolidated Balance Sheet]

(Unit: million yen)

		2009.3	2010.3	2011.3	2012.3	2013.3	2014.3 3Q
Current Assets	Former MMV	5,870	3,889	3,271	11,932	12,593	13,812
	Former AQL	6,364	6,377	7,231			
Fixed Assets	Former MMV	860	823	820	1,734	2,748	2,441
	Former AQL	1,414	1,403	1,003			
Total Assets	Former MMV	6,731	4,713	4,092	13,667	15,341	16,254
	Former AQL	7,779	7,780	8,235			
Current Liabilities	Former MMV	5,431	4,447	3,496	4,361	4,570	4,760
	Former AQL	1,272	1,186	1,320			
Long-Term Liabilities	Former MMV	8	72	271	202	76	58
	Former AQL	90	169	35			
Net Assets	Former MMV	1,291	193	325	9,102	10,694	11,435
	Former AQL	6,416	6,424	6,878			
Shareholders' Equity	Former MMV	1,276	193	325	9,102	10,694	11,435
	Former AQL	6,364	6,417	6,878			

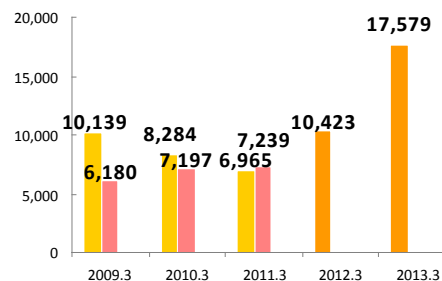
[Cash Flow Statement]

(Unit: million yen)

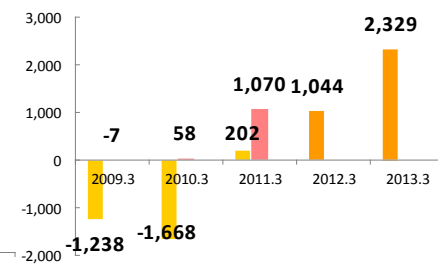
		2009.3	2010.3	2011.3	2012.3	2013.3	2014.3 3Q
Cash flows from Operating activities	Former MMV	-1,038	-210	1,360	1,399	2,817	-
	Former AQL	-35	-193	2,904			
Cash flows from Investing activities	Former MMV	-153	-22	-246	435	-2,130	-
	Former AQL	-114	-598	-2,762			
Cash flows from financing activities	Former MMV	937	5	-237	-479	-975	-
	Former AQL	-40	104	-216			
Cash and Cash Equivalents at End of Period	Former MMV	1,109	874	1,749	5,979	5,723	-
	Former AQL	3,187	2,483	2,401			

Former MMV AQL MarvelousAQL

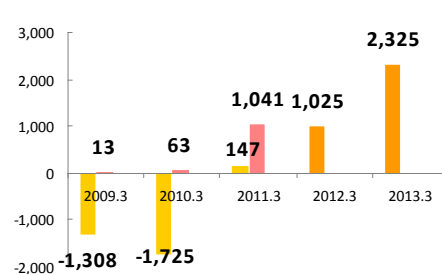
Net Sales (million yen)



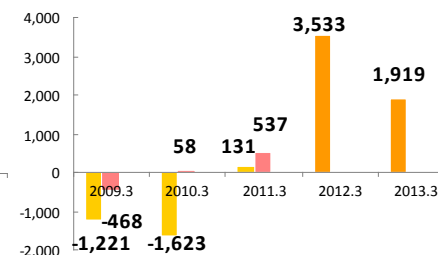
Operating Income (million yen)



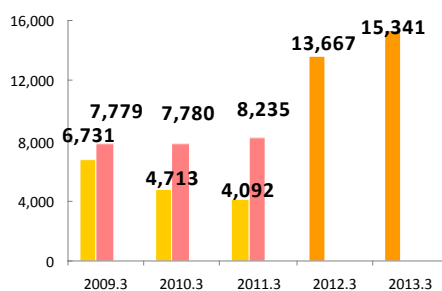
Ordinary Income (million yen)



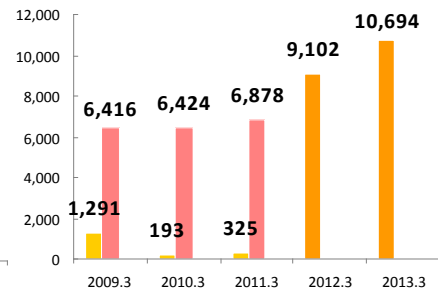
Net Income (million yen)



Total Assets (million yen)



Net Assets (million yen)



[Per Share Indices]

		2009.3	2010.3	2011.3	2012.3	2013.3	2014.3 3Q (nine months)
Net income per share (yen)	Former MMV	-145.67	-136.18	10.76			
	Former AQI	-86.25	10.76	98.73	107.62	35.90	26.05
Net assets per share (yen)	Former MMV	153.64	15.83	26.65			
	Former AQI	1,171.16	1,180.61	1,261.95	170.29	200.07	213.92

[Profitability]

		2009.3	2010.3	2011.3	2012.3	2013.3	2014.3 3Q (nine months)
Gross profit rate (%)	Former MMV	15.9	8.2	25.0			
	Former AQI	32.9	35.9	50.3	43.1	46.2	49.5
Operating profit ratio (%)	Former MMV	-12.2	-20.1	2.9			
	Former AQI	-0.1	0.8	14.8	10.0	13.3	14.7
Ordinary profit ratio (%)	Former MMV	-12.9	-20.8	2.1			
	Former AQI	0.2	0.9	14.4	9.8	13.2	15.2
Net profit ratio (%)	Former MMV	-12.0	-19.6	1.9			
	Former AQI	-7.6	0.8	7.4	33.9	10.9	9.5

[Efficiency & Security]

		2009.3	2010.3	2011.3	2012.3	2013.3	2014.3 3Q (nine months)
ROE (%)	Former MMV	-62.8	-220.9	50.6			
	Former AQI	-	0.9	8.1	75.0	19.4	-
ROA (%)	Former MMV	-18.0	-30.2	3.4			
	Former AQI	0.2	0.8	13.0	11.6	16.0	-
Capital ratio (%)	Former MMV	19.0	4.1	7.9			
	Former AQI	81.8	82.5	83.5	66.6	69.7	70.4
D/E ratio (%)	Former MMV	210.1	1,099.6	559.7			
	Former AQI	5.5	6.9	1.1	15.2	7.9	6.2

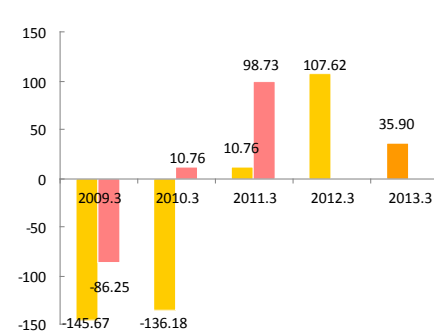
[Return to shareholders]

		2009.3	2010.3	2011.3	2012.3	2013.3	2014.3 3Q
Dividend (million yen)	Former MMV	0	0	0			
	Former AQI	0	81	201	323	668	-
DOE (%)	Former MMV	0.0	0.0	0.0			
	Former AQI	0.0	1.3	2.9	6.1	6.8	-
Dividend payout ratio (%)	Former MMV	0.0	0.0	0.0			
	Former AQI	0.0	139.3	37.5	5.6	34.8	-

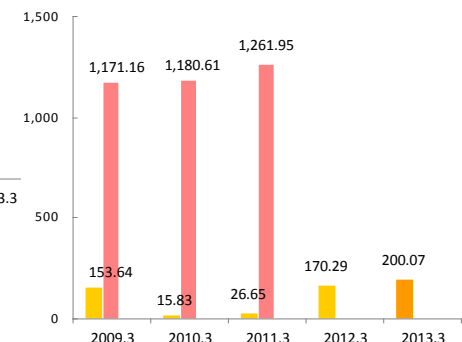
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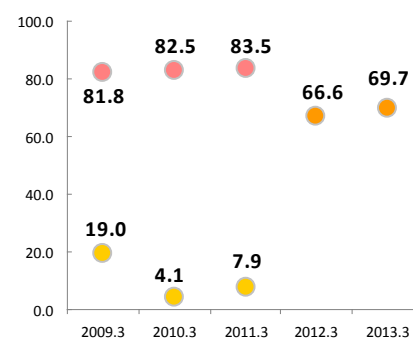
Net income per share (yen)



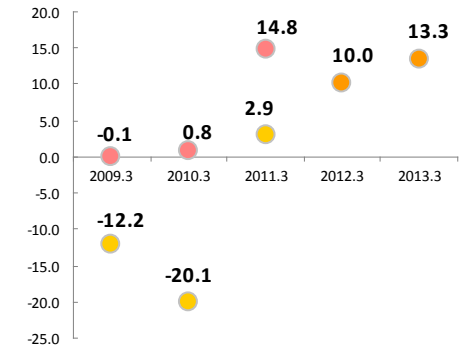
Net assets per share (yen)



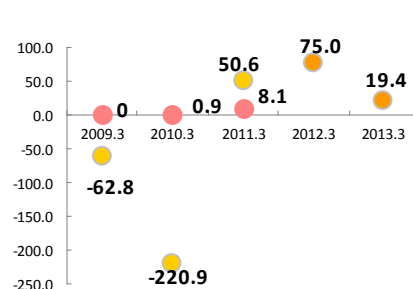
Capital ratio (%)



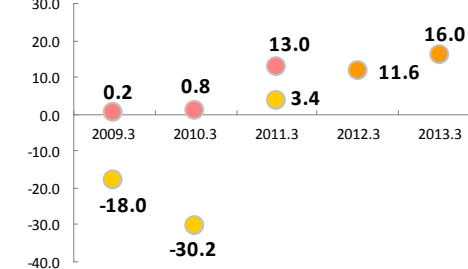
Operating profit ratio (%)



ROE (%)



ROA (%)



Future Developments & Outlook for Current Fiscal Year

On November 1, 2012, approximately one year after the management integration, the Company listed its shares on the Tokyo Stock Exchange, first Section, marking a new milestone in the development of the Company.

Building on our strengths as a comprehensive entertainment company, we will push ahead with the lateral expansion and enhancement of each business division and the creation of flagship titles, and unleash further comprehensive synergies. Moreover, through the expansion and enhancement of mobile operations and the strengthening of overseas operations and other measures focused on our times, we will aim to achieve steady growth and work to evolve into a global content provider that amazes the world.

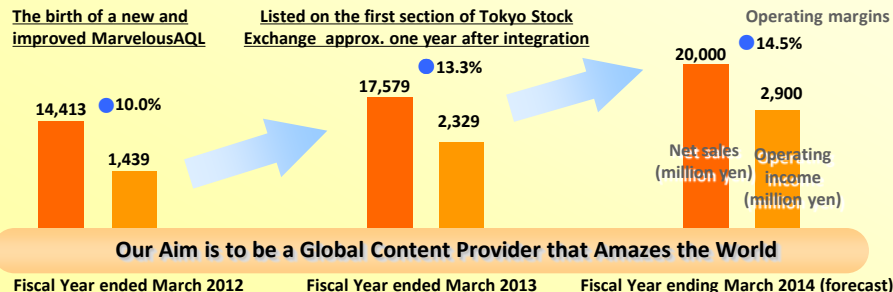
As to business initiatives in the fiscal year ending March 2014, the Group will keep up the favorable performances of the Consumer Game Business division and the Audio & Visual Business division, with Online Game Business operations remaining at the center of efforts. In the mobile games field in particular, measures will be further strengthened to launch titles that have the potential to develop into new pillars of operations.

As a result of the aforementioned efforts, consolidated results for the next term are forecast to achieve net sales of 20,000 million yen, operating income of 2,900 million yen, ordinary income of 2,890 million yen, and net income of 1,770 million yen.

We aim to expand our business and improve profitability by “creating and developing powerful IPs” and strengthening, expanding, and accelerating our strategy which utilizes our advantages as a “comprehensive entertainment company.”

Strengthening, expanding, accelerating
Initiatives centered on powerful IP
Activation of further integration effects

Next Stage



Basic Information

Company Profile (As of September 30, 2013)

• Company Name:	MarvelousAQL	
• Head Office:	5F Shinagawa Seaside East Tower, 4-12-8 Higashi-Shinagawa, Shinagawa-ku, Tokyo, Japan	
• Established:	June 25, 1997	
• Capital:	¥1,128 million	
• Officers:	Representative director and chairman	Haruki Nakayama
	President	Shuichi Motoda
	Vice President	Toshinori Aoki
	Director	Yoshiaki Matsumoto
	Director	Nobuyuki Yamakaku
	Director	Yoshiteru Yamaguchi
	Director (External)	Shunichi Nakamura
	Director (External)	Ken Kutaragi
	Standing Statutory Auditor (External)	Isamu Tsuji
	Corporate Auditor (External)	Iwao Nishi
	Corporate Auditor (External)	Katsuhiko Nishimura

Stock Information (As of October 1, 2013)

- End of term: March 31
- Shares per unit: 100
- Total number of authorized shares: 90,000,000
- Total shares outstanding: 53,593,100
- Number of shareholders: 10,629 (as of September 30, 2013)

[Major Shareholders / Ratio of Shares Owned] (As of September 30, 2013)

• Hayao Nakayama	18.32 %
• Amuse Capital Inc.	12.50 %
• Haruki Nakayama	10.22 %
• Trust & Custody Services Bank, Ltd. (securities investment trust account)	5.20 %
• Japan Trustee Services Bank Ltd. (trust account)	3.47 %
• Amuse Capital Investment, K.K.	3.43 %
• DEUTSCHE BANK AG LONDON-PB NON-TREATY CLIENTS 613	3.37 %
• Japan Securities Finance Co., Ltd.	2.66 %
• TOHOKUSHINSHA FILM CORPORATION	1.45 %
• Nomura PB Nominees TK 1 Limited	1.16 %

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 & Video 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 Quote] (As of February 5, 2014)

- Stock Quote: 598 yen
- Market Cap 32,048 million yen