

Fact Sheet

First Half of Fiscal Year Ending March 31, 2013

MarvelousAQL Inc.

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

Contact: Management 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	3,016	7,904	-	-
Operating Income	278	1,105	-	-
Ordinary Income	259	1,021	-	-
Net Income	149	645	-	-
Net Income Per Share (yen)	280.14	1,206.84	-	-

Results of Operations

In the entertainment industry, of which the Group is a part, the market for social games continues to grow at a fast pace, with the wider online games market in calendar year 2011 (January through December 2011) reaching a size of approximately 420 billion yen, according to estimates of the Japan Online Game Association. In the market for home-use games, Nintendo 3DS has been supporting active momentum. In the first half of fiscal year 2012 (April through September 2012), total market size combined for hardware and software increased 106.6% compared with the year-earlier period, marking the first increase in a first-half in six years (according to research of Enterbrain, Inc.). Despite the adverse market environment, bright spots have started to appear also in the music and video sectors, evidenced by a lively market for single CDs and ongoing growth in the Blu-ray disc market.

Under such circumstances, the Group has been operating as a comprehensive entertainment provider based on a "multi-content, multi-use, and multi-device" strategy, unrolling a program of varied entertainment contents for every business environment and a variety of devices. Based on powerful IP initiatives, the Group has been proactively advancing its branding strategies, alliance strategies, and global strategies, and is working to offer contents of high topicality while making efforts to strengthen services.

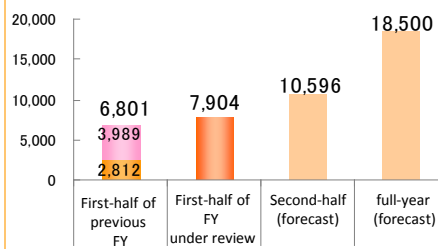
As a result, the Group's net sales in the first half (April 1, 2012 to September 30, 2012) marked 7,904 million yen, with operating income of 1,105 million yen, ordinary income of 1,021 million yen, and net income of 645 million yen.

Important matters concerning the results for the previous fiscal year (FY ended March 31, 2012)

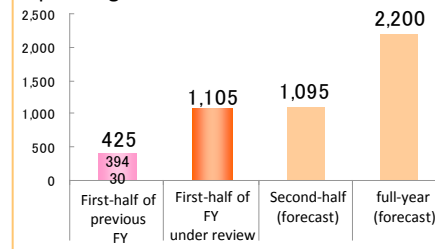
On October 1, 2011, the Company executed an absorption-type merger with AQ Interactive Inc. and Liveware Inc. in which MarvelousAQL Inc. (at that time, company name was Marvelous Entertainment Inc.) became the surviving company. The company changed its name to MarvelousAQL Inc., and modified its reporting segments into three businesses: the Online Game Business, Consumer Game Business, and Audio & Visual Business. On account of this, figures obtained by combining the performance of former Marvelous Entertainment Inc. with that of former AQ Interactive Inc. were listed for the results for the fiscal year ended March 2012.

First Half (six months) Financial Results (Unit: million yen)

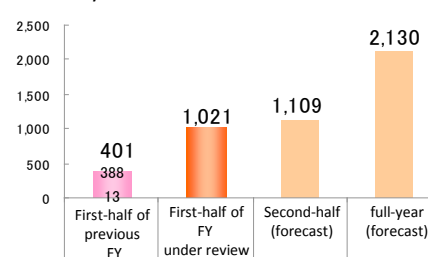
Net Sales



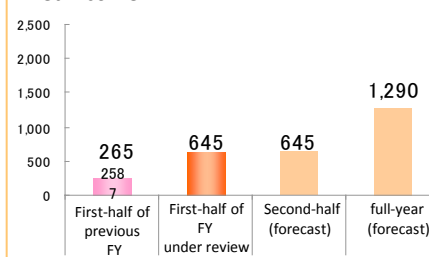
Operating Income



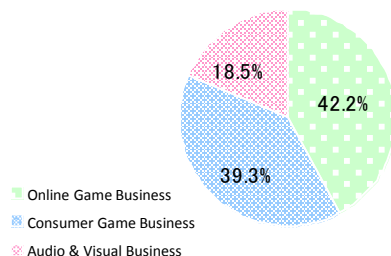
Ordinary Income



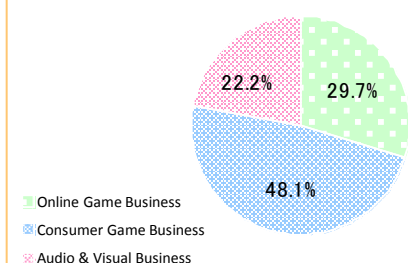
Net Income



Percentage of Net Sales by Segment



Percentage of Operating Income by Segment



Online Game Business

Leading Titles

Browser Sangokushi



©MarvelousAQL Inc.

Browser Pro Yakyu



©MAQL ©NPB

Remarks about Performance

"Browser Sangokushi," "Browser Pro Yakyu," "Logres of Swords and Sorcery," "Browser Sangokushi for Mobile," "BOKUJO MONOGATARI for mobile" and other main titles have continued to do well and contribute to earnings. Moreover, in addition to the three titles released in the first quarter, under the Company's alliance strategies and proactive promotion of its multi-environment concept, services were initiated in July 2012 for online pachinko / pachislo hall "MARUHAN Dream Net," in August 2012 for Super Creators series, including the first stage "NO MORE HEROES WORLD RANKER" and the second stage "Combo Kimaru" and in September 2012 for the third stage "J.J.ROCKETS" On the other hand, service terminations were decided for a number of unprofitable titles. Moreover, the Company recognized termination costs for a number of titles in development as well as investment losses from a number of titles for overseas markets. As a result, segment net sales totaled 3,331 million yen, with segment income of 460 million yen.

Consumer Game Business

"Harvest Moon" series



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"SENTRAN KAGURA" series



©2012 MarvelousAQL Inc.

At the Company's sales sector, strong sales of "Rune Factory 4 (Nintendo 3DS)" launched in July 2012 and "SENTRAN KAGURA Burst (Nintendo 3DS)" launched in August 2012 both exceeded sales of the respective predecessor products of the same series. Additionally, in June 2012 the Company released "ASSAULT GUNNERS," its first title for PS Vita for exclusive purchase by download. At the same time, repeat orders were favorable centered on "Harvest Moon: A New Beginning (Nintendo 3DS)" launched last fiscal year (February 2012). Meanwhile, the Group's development service business registered a steady flow of orders, specifically a large scale order for "SOUL SACRIFICE (PS Vita)" from Sony Computer Entertainment. The amusement division in July 2012 released "Pokémon TRETТА," a new amusement console for children. Sales since the start of operations have been favorable to the extent that sales of a new model initially scheduled for the third quarter were partly moved up. As a result, segment net sales totaled 3,110 million yen, with segment income of 745 million yen.

Audio & Visual Business

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

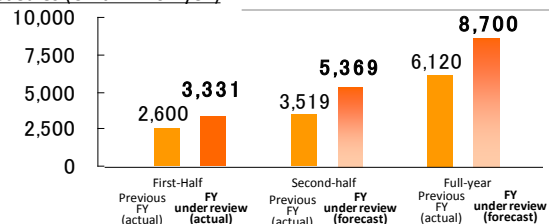
"PRECURE" series



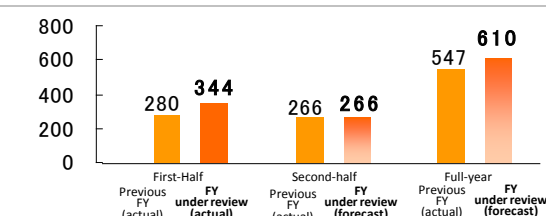
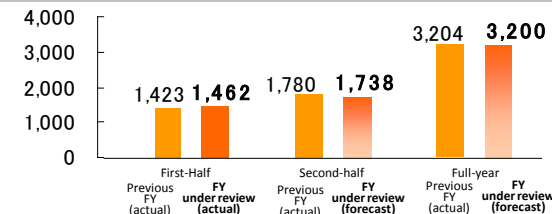
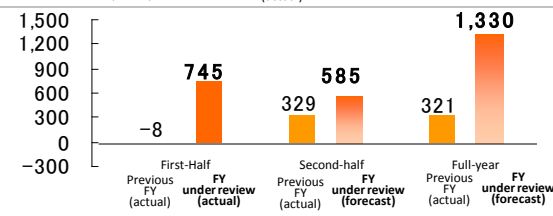
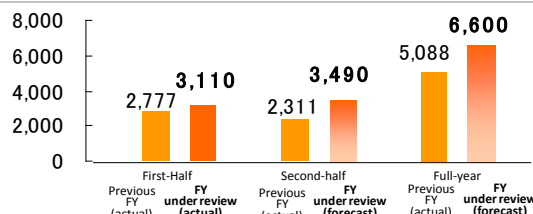
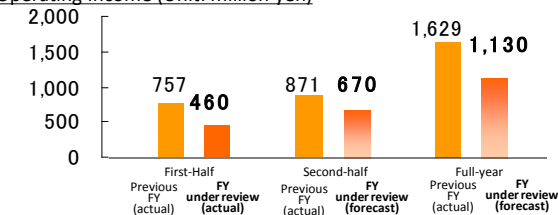
©2012 Toei Animation Co., Ltd.

The audio & visual production sector in July 2012 started showing its new production of the TV animation "HUMAN BEING DECLINED" and newly launched audio and video products for TV animations such as "SMILE PRECURE!" and "Pretty cure All Stars New Stage Echo of Heart." The stage production division turned out a total of 41 minutes of performance for the "MUSICAL THE PRINCE OF TENNIS." Furthermore, as an event for fans, the division launched the "MUSICAL THE PRINCE OF TENNIS: Sports Day 2012 Spring" which attracted much attention. The division initiated sales of four DVD productions related to the topic. Orders have been strong. Elsewhere at the music and video production division, as a new stage performance production the division hosted "Musical HAKUOKI" based on the popular game, attracting sizeable audiences and generating DVD sales as planned. As a result, segment net sales totaled 1,462 million yen, with segment income of 344 million yen.

Net Sales (Unit: million yen)



Operating Income (Unit: million yen)



Former MMV AQI MarvelousAQL

[Consolidated Statement of Income] (Unit: million yen)

		2008.3	2009.3	2010.3	2011.3	2012.3	2013.3 1H (6 months)
Net Sales	Former MMV	12,387	10,139	8,284	6,965	10,423	7,904
	Former AQI	5,666	6,180	7,197	7,239		
Gross Operating Income	Former MMV	3,422	1,616	677	1,740	4,491	3,802
	Former AQI	2,294	2,032	2,586	3,644		
Operating Income	Former MMV	352	-1,238	-1,668	202	1,044	1,105
	Former AQI	766	-7	58	1,070		
Ordinary Income	Former MMV	326	-1,308	-1,725	147	1,025	1,021
	Former AQI	759	13	63	1,041		
Net Income	Former MMV	791	-1,221	-1,623	131	3,533	645
	Former AQI	517	-468	58	537		

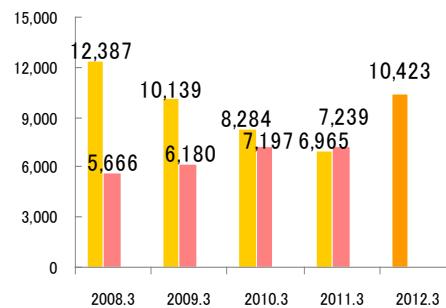
[Consolidated Balance Sheet] (Unit: million yen)

		2008.3	2009.3	2010.3	2011.3	2012.3	2013.3 1H
Current Assets	Former MMV	7,222	5,870	3,889	3,271	11,932	10,986
	Former AQI	6,885	6,364	6,377	7,231		
Fixed Assets	Former MMV	590	860	823	820	1,734	2,499
	Former AQI	862	1,414	1,403	1,003		
Total Assets	Former MMV	7,813	6,731	4,713	4,092	13,667	13,485
	Former AQI	7,748	7,779	7,780	8,235		
Current Liabilities	Former MMV	4,594	5,431	4,447	3,496	4,361	3,956
	Former AQI	736	1,272	1,186	1,320		
Long-Term Liabilities	Former MMV	406	8	72	271	202	104
	Former AQI	—	90	169	35		
Net Assets	Former MMV	2,812	1,291	193	325	9,102	9,424
	Former AQI	7,011	6,416	6,424	6,878		
Shareholders' Equity	Former MMV	2,610	1,276	193	325	9,102	9,424
	Former AQI	6,942	6,364	6,417	6,878		

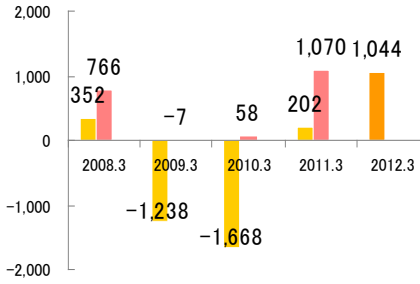
[Cash Flow Statement] (Unit: million yen)

		2008.3	2009.3	2010.3	2011.3	2012.3	2013.3 1H
Cash flows from operating activities	Former MMV	-210	-1,038	-210	1,360	1,399	
	Former AQI	-448	-35	-193	2,904		
Cash flows from investing activities	Former MMV	2,580	-153	-22	-246	435	
	Former AQI	-1,221	-114	-598	-2,762		
Cash flows from financing activities	Former MMV	-1,954	937	5	-237	-479	
	Former AQI	3,242	-40	104	-216		
Cash and Cash Equivalents at End of Period	Former MMV	1,334	1,109	874	1,749	5,979	
	Former AQI	3,374	3,187	2,483	2,401		

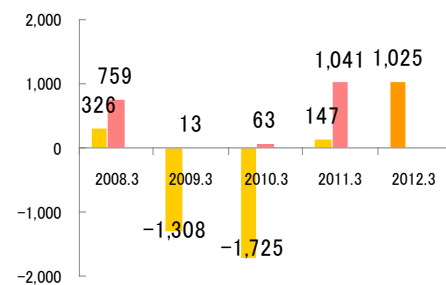
Net Sales (million yen)



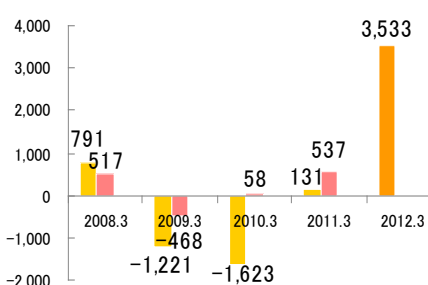
Operating Income (million yen)



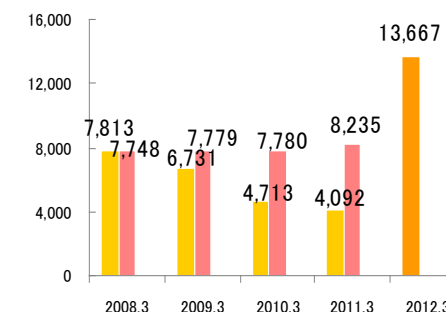
Ordinary Income (million yen)



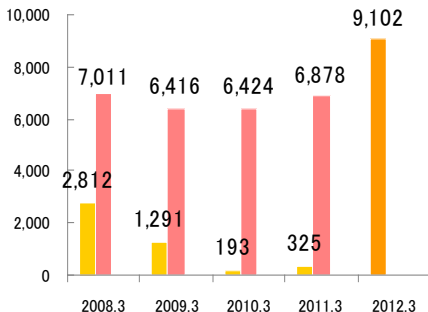
Net Income (million yen)



Total Assets (million yen)



Net Assets (million yen)



[Per Share Indices]

		2008.3	2009.3	2010.3	2011.3	2012.3	2013.3 1H (6 months)
Net income per share (yen)	Former MMV	9,368.63	-14,567.14	-13,617.65	1,075.82	10,762.44	1,206.84
	Former AQL	10,109.90	-8,625.05	1,076.48	9,872.84		
Net assets per share (yen)	Former MMV	30,897.97	15,363.97	1,583.30	2,665.21	17,028.50	17,630.36
	Former AQL	127,737.45	117,115.79	118,061.49	126,194.64		

[Profitability]

		2008.3	2009.3	2010.3	2011.3	2012.3	2013.3 1H (6 months)
Gross profit rate (%)	Former MMV	27.6	15.9	8.2	25.0	43.1	48.1
	Former AQL	40.5	32.9	35.9	50.3		
Operating profit ratio (%)	Former MMV	2.8	-12.2	-20.1	2.9	10.0	14.0
	Former AQL	13.5	-0.1	0.8	14.8		
Ordinary profit ratio (%)	Former MMV	2.6	-12.9	-20.8	2.1	9.8	12.9
	Former AQL	13.4	0.2	0.9	14.4		
Net profit ratio (%)	Former MMV	6.4	-12.0	-19.6	1.9	33.9	8.2
	Former AQL	9.1	-7.6	0.8	7.4		

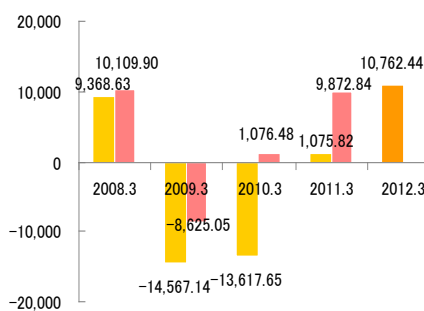
[Efficiency & Security]

		2008.3	2009.3	2010.3	2011.3	2012.3	2013.3 1H (6 months)
ROE (%)	Former MMV	35.4	-62.8	-220.9	50.6	75.0	-
	Former AQL	10.2	-	0.9	8.1		
ROA (%)	Former MMV	3.8	-18.0	-30.2	3.4	11.6	-
	Former AQL	13.1	0.2	0.8	13.0		
Capital ratio (%)	Former MMV	33.4	19.0	4.1	7.9	66.6	69.9
	Former AQL	89.6	81.8	82.5	83.5		
D/E ratio (%)	Former MMV	64.7	210.1	1,099.6	559.7	15.2	8.5
	Former AQL	0.0	5.5	6.9	1.1		

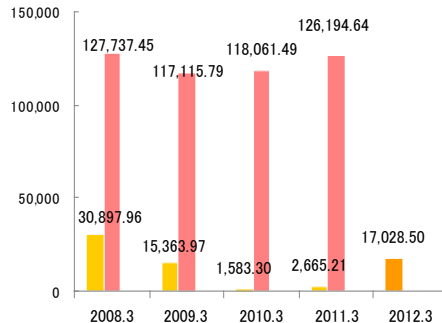
[Return to shareholders]

		2008.3	2009.3	2010.3	2011.3	2012.3	2013.3 1H
Dividend (million yen)	Former MMV	63	0	0	0	323	-
	Former AQL	108	0	81	201		
DOE (%)	Former MMV	2.8	0.0	0.0	0.0	6.1	-
	Former AQL	1.6	0.0	1.3	2.9		
Dividend payout ratio (%)	Former MMV	8.0	0.0	0.0	0.0	5.6	-
	Former AQL	21.0	0.0	139.3	37.5		

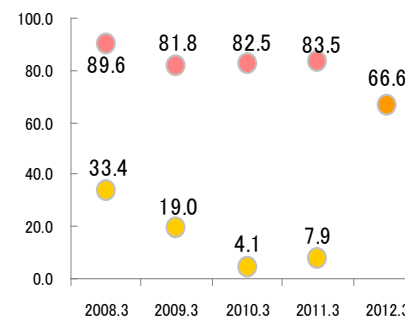
Net income per share (yen)



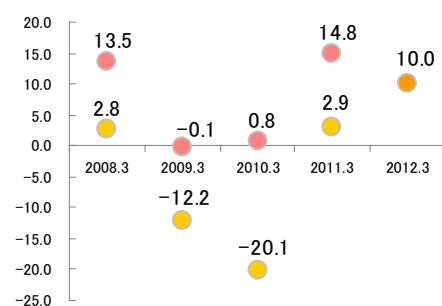
Net assets per share (yen)



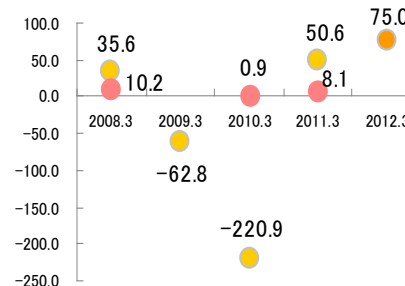
Capital ratio (%)



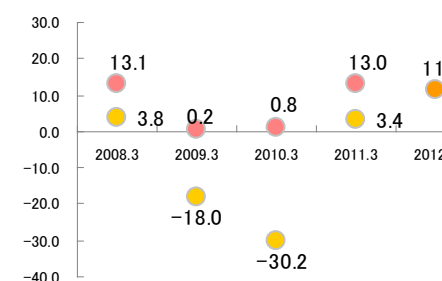
Operating profit ratio (%)



ROE (%)



ROA (%)



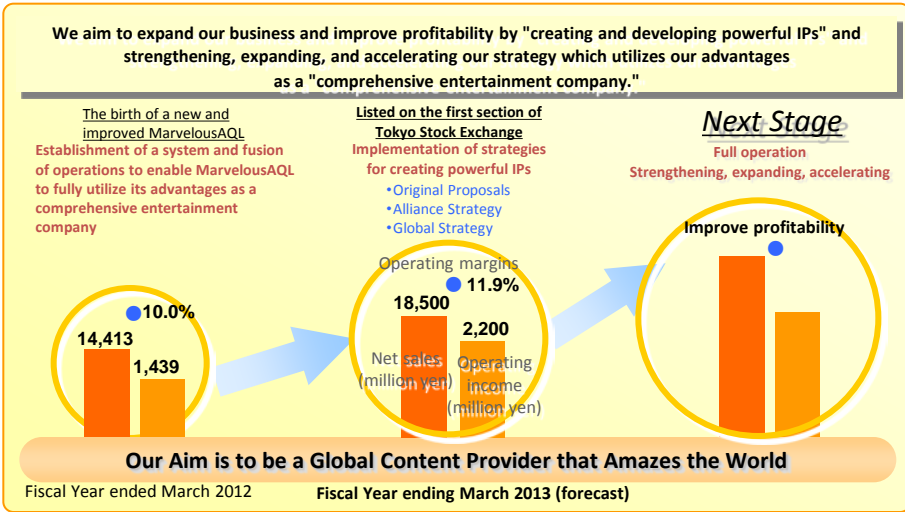
Future Developments & Outlook for Next Fiscal Year

On October 1, 2011, the Company executed an absorption-type merger with AQ Interactive Inc. and Liveware Inc. in which MarvelousAQL Inc. became the surviving company, and made its new start as a comprehensive entertainment company whose business domain is “multi-content, multi-use and multi-device.” The Company will effectively utilize the enormous customer base and abundant content library acquired through this merger, and will expanded its versatile entertainment content toward new devices in a variety of business sectors.

In addition, the Company will execute its “Branding Strategy,” “Alliance Strategy” and “Global Strategy,” and will not limit itself to Japan as it increases the number of users enjoying the Company’s intellectual property.

As a first step, the strategies will be executed with the target number of users enjoying the Company’s content on various platforms set at 10 million.

Consolidated results for the next term are forecast to achieve net sales of 18,500 million yen, operating income of 2,200 million yen, ordinary income of 2,130 million yen, and net income of 1,290 million yen.



Basic Information

Company Profile (As of September 30, 2012)

- 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:

Chairman of the Board	Haruki Nakayama
President	Shuichi Motoda
Vice President	Toshinori Aoki
Director	Yoshiaki Matsumoto
Director	Nobuyuki Yamakaku
Director (External)	Shunichi Nakamura
Director (External)	Hiroshi Fujiwara
Standing Statutory 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 & 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 Information (as of September 30, 2012)

- End of term: March 31
- Number of shareholders: 8,431
- Total number of authorized shares: 900,000
- Total shares outstanding: 535,931
- Shares per unit: 1

[Major Shareholders / Ratio of Shares Owned]

• Hayao Nakayama	18.32 %
• Amuse Capital Inc.	12.50 %
• Haruki Nakayama	10.22 %
• DEUTSCHE BANK AG LONDON-PB NON-TREATY CLIENTS 613	3.73 %
• Yoji Ishii	3.52 %
• Amuse Capital Investment, K.K.	3.43 %
• Mizuho Trust & Banking co., Ltd. / Securities Administration Trust 0700018	1.76 %
• Nomura PB Nominees TK 1 Limited	1.74 %
• JAPAN SECURITIES FINANCE CO., LTD.	1.54 %
• TOHOKUSHINSHA FILM CORPORATION	1.45 %

[Stock Quote] (As of November 9, 2012) • Stock Quote: 26,970 yen
• Market Cap 14,454 million yen