



Fiscal Year 2022 Financial Results Presentation

Capcom Co., Ltd.

May 16, 2023

CAPCOM



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Haruhiro Tsujimoto, President and COO

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CAPCOM

1. Capcom's Philosophy

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- Corporate Philosophy:
We are creators of entertainment culture that stimulates your senses



Contribute to building a richer society, making smiles and moving hearts across the globe

Grow the player base worldwide

Work to build equality and eliminate poverty, so games can be enjoyed wholeheartedly

Continue to make and provide superior content
Create stable revenue

Promote ESG initiatives based on SDGs

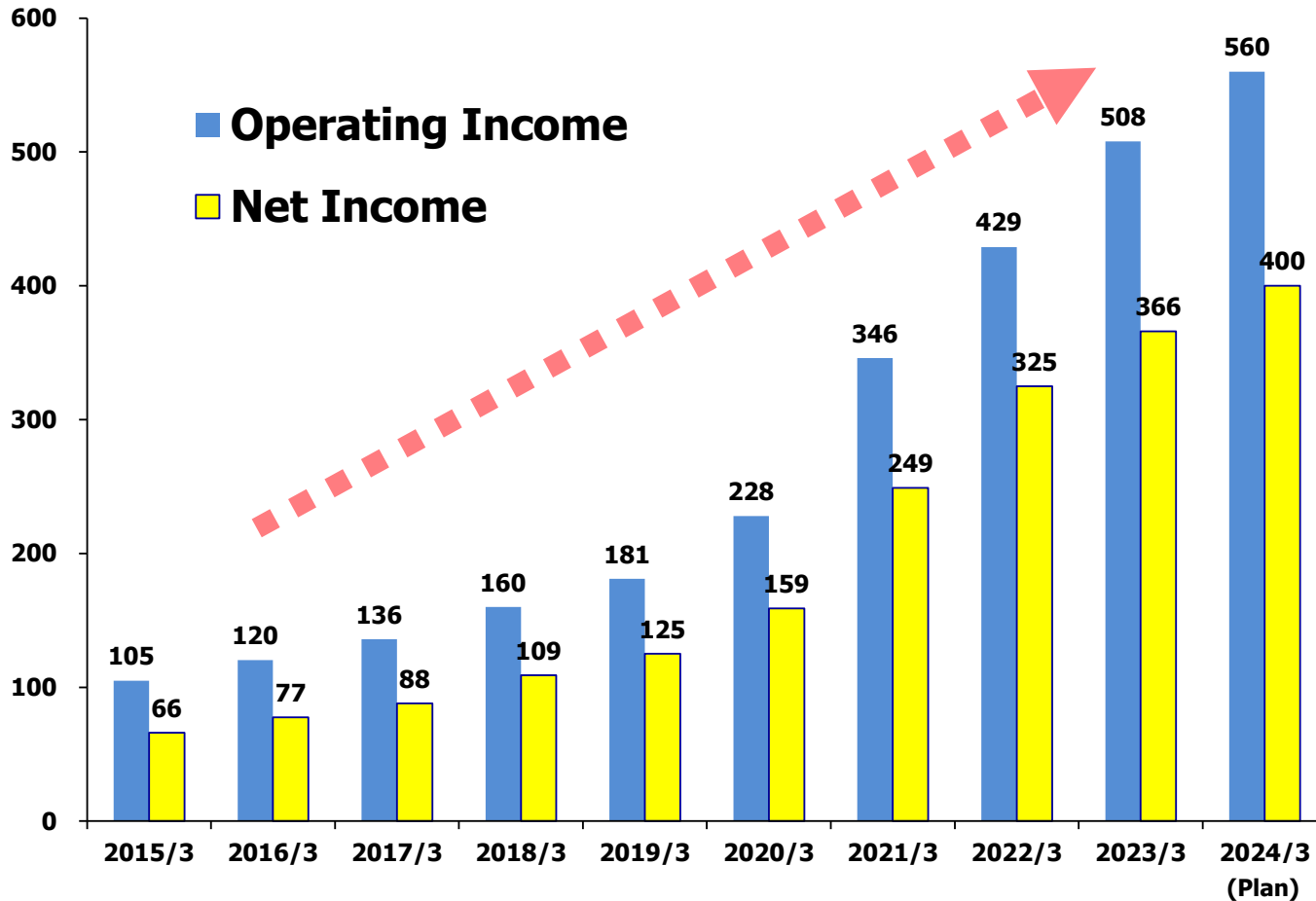
2. Medium-term Goals

2. Medium-Term Goals (1)

■ Medium-term Management Objective

- Maintain goal of annual OP growth (10% or more), driven by strengthened global sales
- Develop peripheral and stable businesses to create synergies with Consumer business

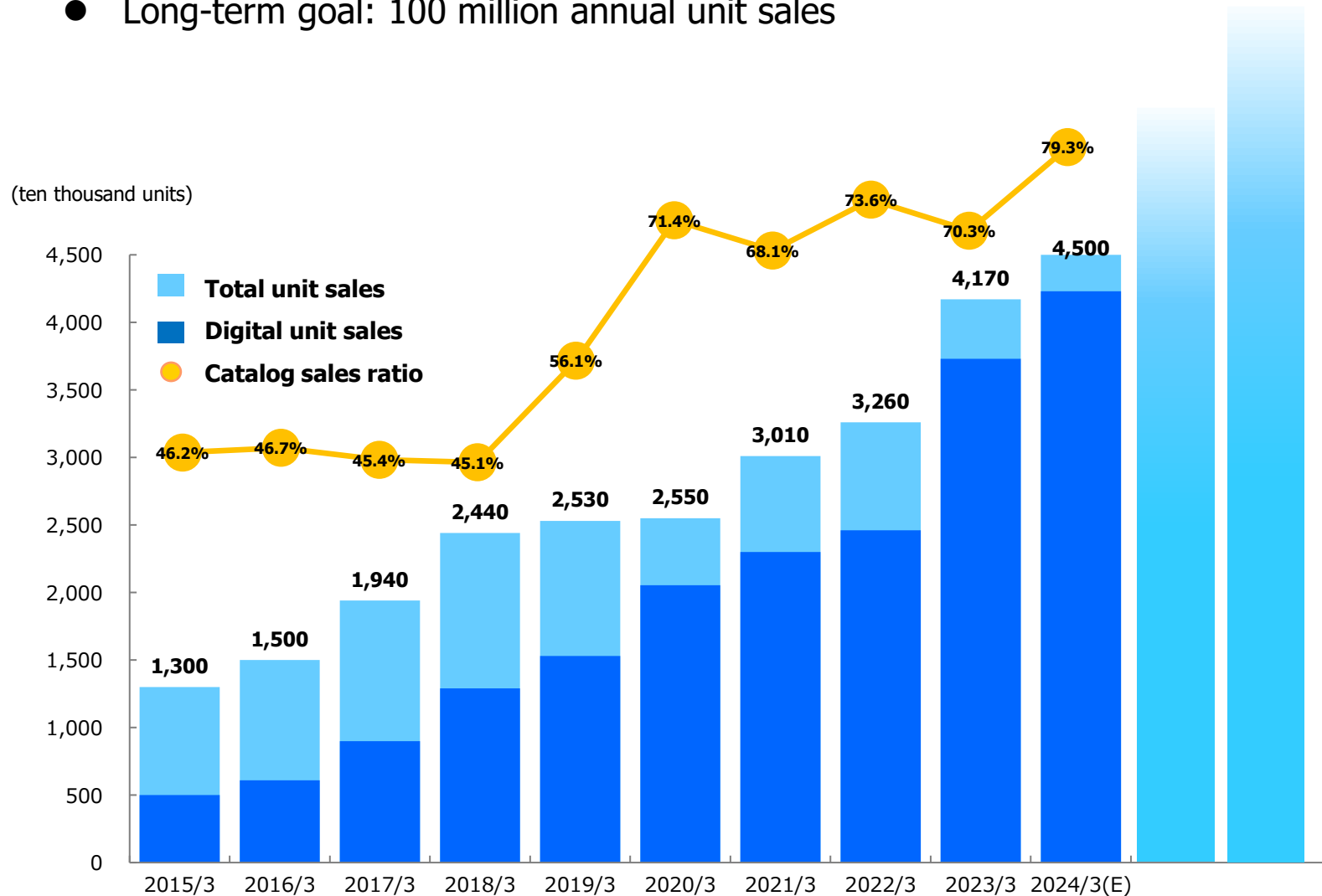
(100 million yen)



2. Medium-Term Goals (2)

■ Consumer sales volume growth

- Growth via enhanced digital sales, improved catalog title ratio
- Long-term goal: 100 million annual unit sales

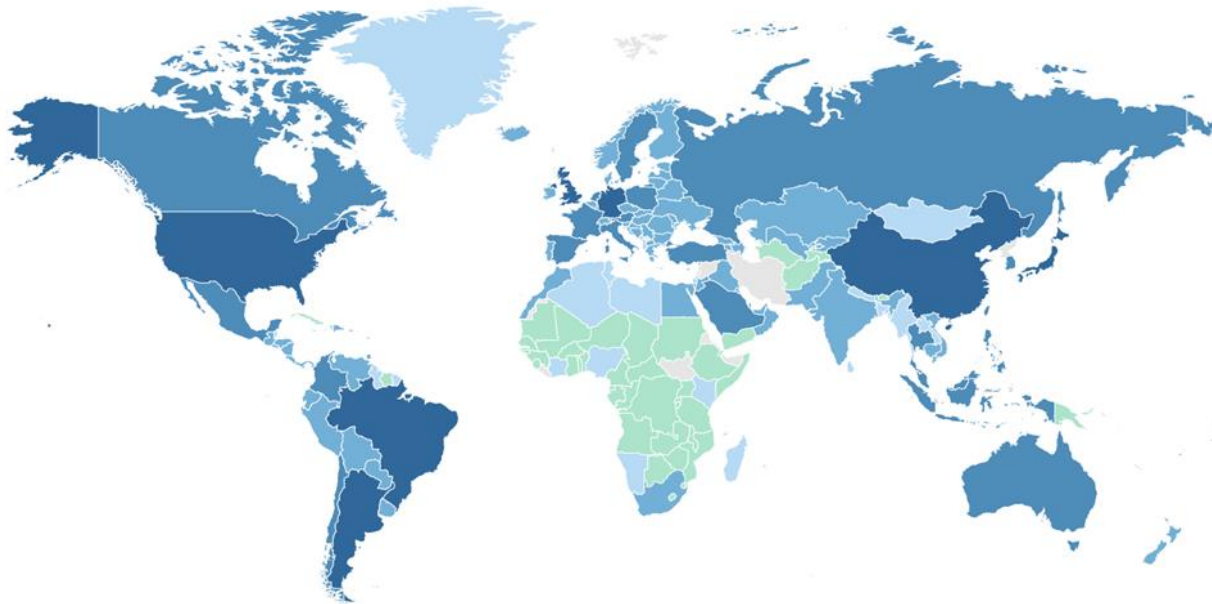


2. Medium-Term Goals (3)

■ Global catalog title growth via PC platform support and digital marketing

- Sold **307 titles in 230 countries/regions** via leveraging the PC platform (*FY22)
Steady growth in sales regions and unit volume over past 5 years
- Promoting sales growth strategy based on analysis of country/regional sales data
- Enhanced promotion by utilizing digital events to communicate new information

◆ FY2022 Home Video Game Unit Sales by Country



(Countries/regions)

Legend	Units sold	FY2017	FY2022
	Over 1 million	2	7
	Over 100,000	15	23
	Over 1,000	63	74
	Over 100	46	48
	Under 100	92	78
	Total	218	230

2. Medium-Term Goals (4)

■ Long-term sales of high-quality titles

- Major IP contribute long-term, both as new titles and on into high-margin catalog sales

(ten thousand units)

	2017/3	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	Cummulative unit sales*	2024/3 (Plan)
Resident Evil 7 biohazard	350	160	120	100	150	180	120	1200	Continue to contribute as catalog titles
Monster Hunter: World		790	450	320	140	90	80	1880	
Resident Evil 2			420	240	160	140	220	1190	
Monster Hunter World: Iceborne				520	240	140	100	1020	
Resident Evil 3					390	110	190	700	
Monster Hunter Rise					480	410	370	1270	
Resident Evil Village						610	180	790	
Monster Hunter Rise: Sunbreak							540	540	
Resident Evil 4							370	370	

*As of March 31, 2023



January 2017 release
Resident Evil 7 biohazard
7 consecutive years of over 1 million units in sales



January 2018 release
Monster Hunter: World
Highest-selling title in Capcom history



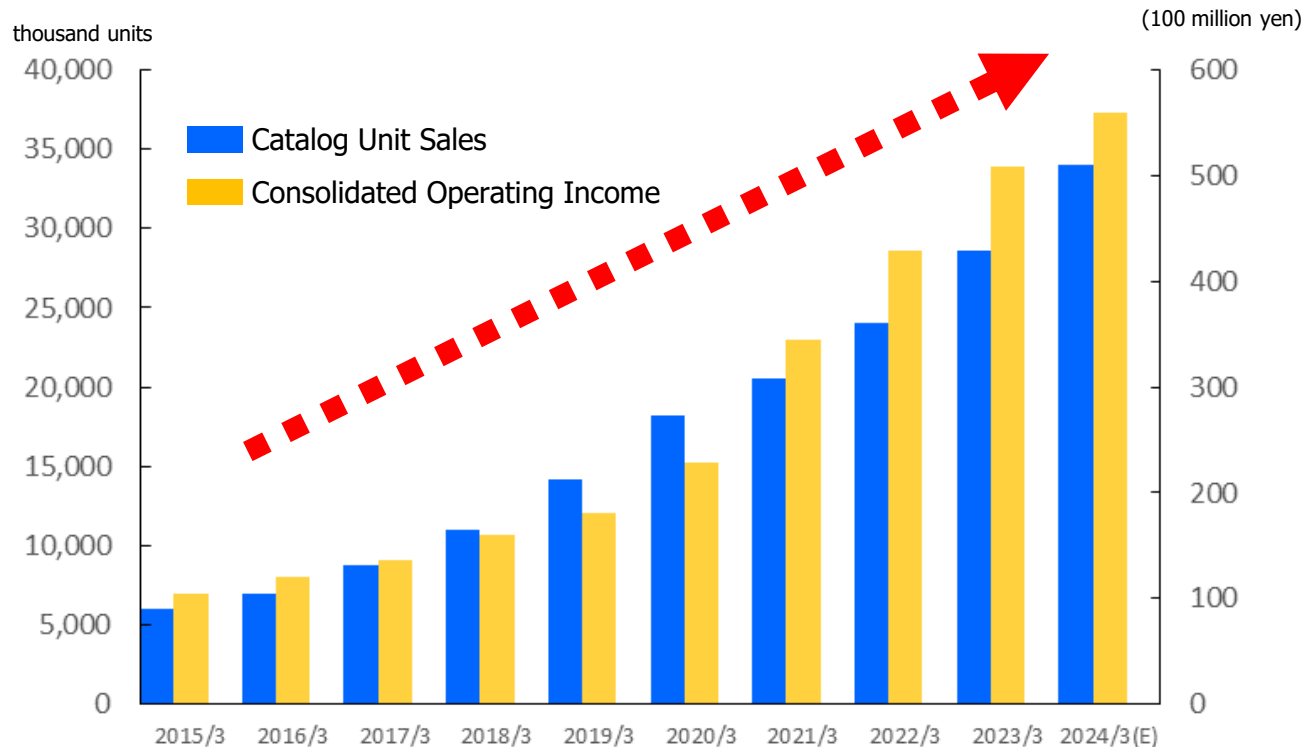
March 2023 release
Resident Evil 4
Anticipate ongoing sales, next year and beyond

2. Medium-Term Goals (5)

■ Catalog title growth drives profit growth

- (1) Sales region expansion + (2) Long-term sales of high-quality titles
- Catalog title sales volume **grew 7X in 10 years**
(29.3 million units in FY22 vs. 3.9 million units in FY12)
- Growth of high-margin catalog titles has become a driver of consolidated operating income

◆ Catalog Unit Sales & Consolidated OP Trend



3. Strategy for Sustainable Growth

3. Strategy for Sustainable Growth (1)

■ Personnel Investment Strategy

- Pursuing personnel investment strategy under direction of CHO in working toward mid-to-long term sustainable growth

(Carried out in FY22)

(1) Increased average annual employee salary by 30%, introduced stock-grant ESOP program (*for permanent employees), heightened link between bonus system and business performance

➤ Will continue to raise compensation levels via link with business performance

(2) Carried out company-wide briefings with employees

(3) Established diversity for Board of Directors

- Will improve productivity by providing an even more comfortable work environment for employees and pursuing talent acquisition and training while increasing employee contributions and motivation
- Look to further bolster 2,500-person strong developer workforce



3. Strategy for Sustainable Growth (2)

■ Strengthening our brands worldwide

- Accelerating reach of our brands into more than 200 countries/regions by pursuing **in-house movie production, esports promotions and sponsorships**



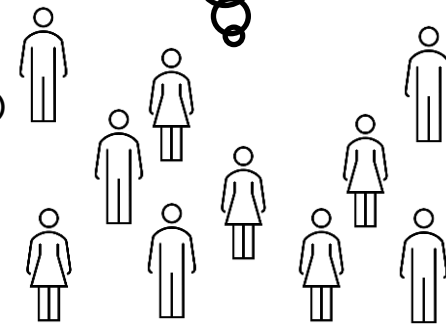
Established Capcom Pictures
Producing new live-action
Street Fighter film



Resident Evil: Death Island
CG film in July



Monster Hunter Now (licensed)
new mobile app in September



Expand game sales
demographics globally



Esports promotions



Sponsorships in popular sports



3. Strategy for Sustainable Growth (3)

■ Bolstering related businesses

- Building base support for consolidated earnings by bolstering related businesses such as Arcade Operations and Amusement Equipments



Preopening of Miraino Aeon Mall
Toyokawa Store in March 2023



Establish Crazy Banet interactive
amusement facilities



Enhance online claw crane games



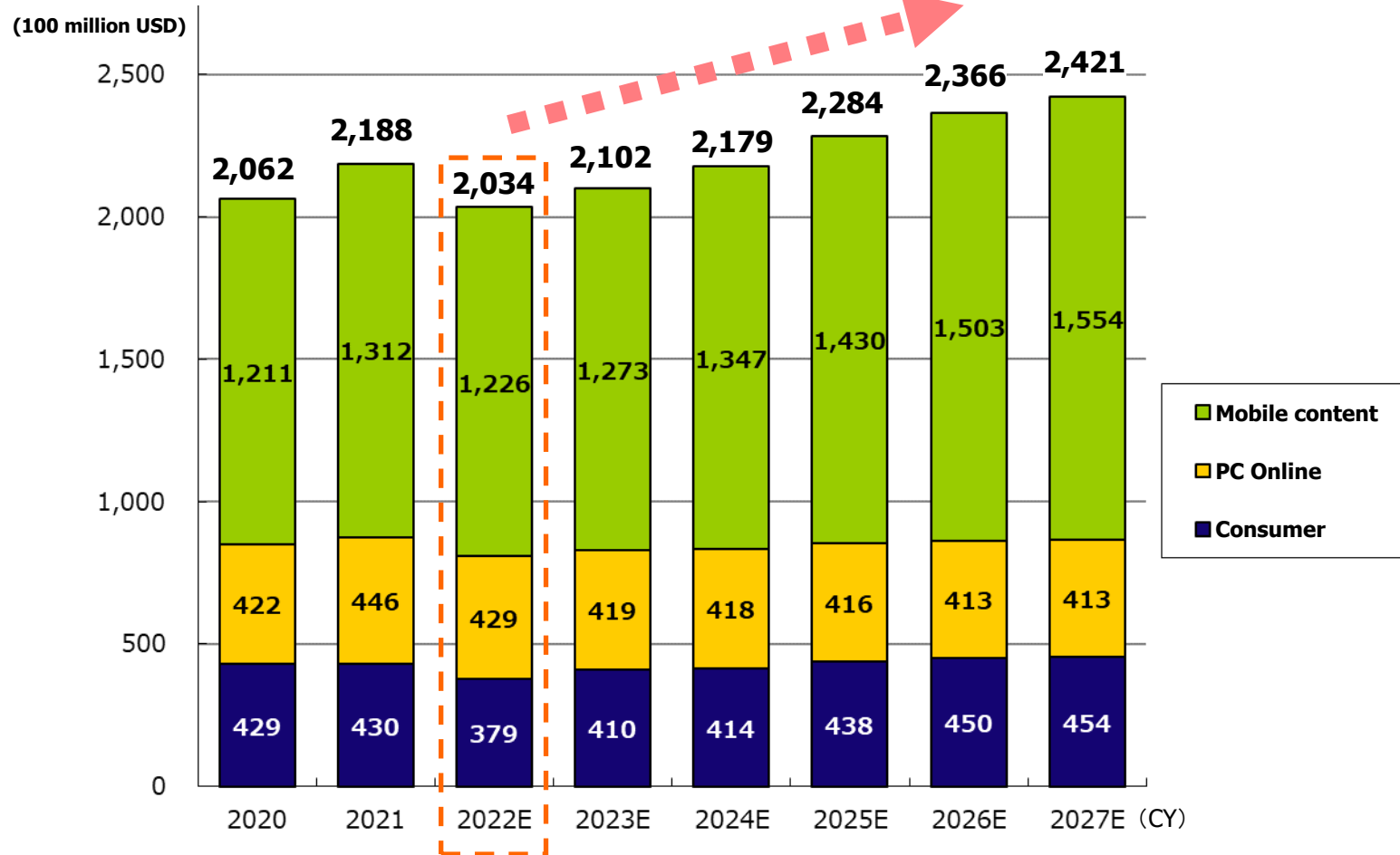
Smart Slot Sengoku BASARA GIGA
Scheduled for August 2023 release

4. Market Overview

4. Market Overview

Global game market
expected to grow

■ Video Game Market



E: Estimate *Source : Data prepared from International Development Group

5. Forecasts for FY3/24

5. Forecasts for FY3/24 (1)

Aim for 11 consecutive years of increased operating income driven by stable growth of the Digital Contents business

(million yen)

	2023/3	2024/3 Plan	Difference
Net sales	125,930	140,000	14,070
Operating income	50,812	56,000	5,188
Operating margin	40.3%	40.0%	-
Ordinary income	51,369	56,000	4,631
Net income attributable to owners of the parent	36,737	40,000	3,263

- Expect increased sales and profit YoY due primarily to growth of digital sales in the Consumer sub-segment
- Earnings per share forecast: ¥191.28
- Dividend forecast: interim dividend of ¥27 and year-end dividend of ¥27 resulting in a ¥54 dividend for the fiscal year

5. Forecasts for FY3/24 (2)

Digital Contents business drives growth

Anticipate increased sales and profit across all business segments

(million yen)

	2022/3	2023/3	2024/3 Plan	Difference
Digital Contents				
Net sales	87,534	98,158	106,300	8,142
Operating income	45,359	53,504	58,900	5,396
Unit sales (thousand units)	32,600	41,700	45,000	3,300
Arcade Operations				
Net sales	12,404	15,609	18,000	2,391
Operating income	652	1,227	1,300	73
Amusement Equipments				
Net sales	5,749	7,801	10,000	2,199
Operating income	2,348	3,433	3,700	267
Other Businesses				
Net sales	4,366	4,360	5,700	1,340
Operating income	1,517	1,433	1,600	167

- New title *Street Fighter 6* scheduled for June 2, 2023
- Plan to release multiple major new titles
- Anticipate record unit sales. Will expand catalog sales globally via digital strategy



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