

# Consolidated Financial Results of the Year ended March 31, 2006 (Unaudited)

Date of Issue: May 23, 2006

Company Name: CAPCOM Co., Ltd.

Stock Listing: Tokyo, Osaka

Code Number: 9697

Location of Headquarters: Osaka Prefecture

(URL <http://www.capcom.co.jp/>)

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Representative: Kenzo Tsujimoto, C.E.O. & President

Contact Person: Kazuhiko Abe, Managing Corporate Officer

Approval of Financial Results by Board Members; May 23, 2006

Application of US Accounting Standard: None

## 1. Results of the Year ended March 31, 2006 (April 1, 2005-March 31, 2006)

### (1) Financial Results

Note: Numbers are rounded down at Million Yen

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Year Ended March 31, 2006	70,253	6.6	6,580	(15.1)	7,016	(5.2)	6,941	91.6
Year Ended March 31, 2005	65,895	25.1	7,752	452.6	7,399	835.4	3,622	-

	Earnings Per Share of Common Stock	Earnings Per share of Common Stock (Assuming Full Diluted)	Return (net income) on Equity	Return (ordinary income) on Assets	Return (ordinary income) on Sales
	Yen	Yen	%	%	%
Year Ended March 31, 2006	125.19	93.49	19.3	6.9	10.0
Year Ended March 31, 2005	63.37	50.28	11.3	7.4	11.2

Note: Investment Profit/Loss on Equity Method

Year Ended March 31, 2006 (32) Million yen Year Ended March 31, 2005 (9) Million yen

Average Number of Shares of Each Terms (Consolidated Basis)

Year Ended March 31, 2006 54,967,392 Year Ended March 31, 2005 56,218,063

Change in Accounting Policies: Yes

Percentage represents change against corresponding period of the previous year on net sales, operating income, ordinary income and net income

### (2) Financial Position

	Total Assets	Total Shareholder's Equity	Shareholder's Equity Ratio to Total Assets	Shareholder's Equity per Share
	Million Yen	Million Yen	%	Yen
As of March 31, 2006	98,457	39,464	40.1	716.91
As of March 31, 2005	106,361	32,491	30.5	589.99

Note: Number of shares outstanding: Year Ended March 31, 2006 54,694,728 Year Ended March 31, 2005 54,969,432

### (3) Cash Flows

	Cash Flows from Operating activities	Cash Flows from Investing activities	Cash Flows from Financing activities	Cash and Cash Equivalents at end of period
	Million Yen	Million Yen	Million Yen	Million Yen
Year Ended March 31, 2006	13,921	(1,779)	(18,259)	40,652
Year Ended March 31, 2005	7,977	(1,099)	6,251	45,538

### (4) Scope of Consolidation and Equity Method

Number of consolidated subsidiaries: 11

Number of unconsolidated subsidiaries (equity method is applied): 0

Number of affiliated companies (equity method is applied): 1

### (5) Change in Scope of Consolidation and Equity Method

Consolidation: Increase 0, Decrease 1

Equity Method: Increase 0, Decrease 0

## 2. Forecast for the Fiscal Year ending March 31, 2007 (From April 1, 2006 to March 31, 2007)

	Net Sales	Ordinary Income	Net Income
	Million Yen	Million Yen	Million Yen
Six-month period ending Sep. 30, 2006	25,600	1,500	750
For Year ending March 31, 2007	68,400	7,000	3,900

(Reference) Expected Net Income Per Share of Common Stock for Year ending March 31, 2007: 70.95 (Yen)

Note: These forecast are based on the Company's current assumptions and beliefs in light of the information currently available to it, and involve known and unknown risk and uncertainties. The Company's actual results may differ materially from above mentioned forecast.