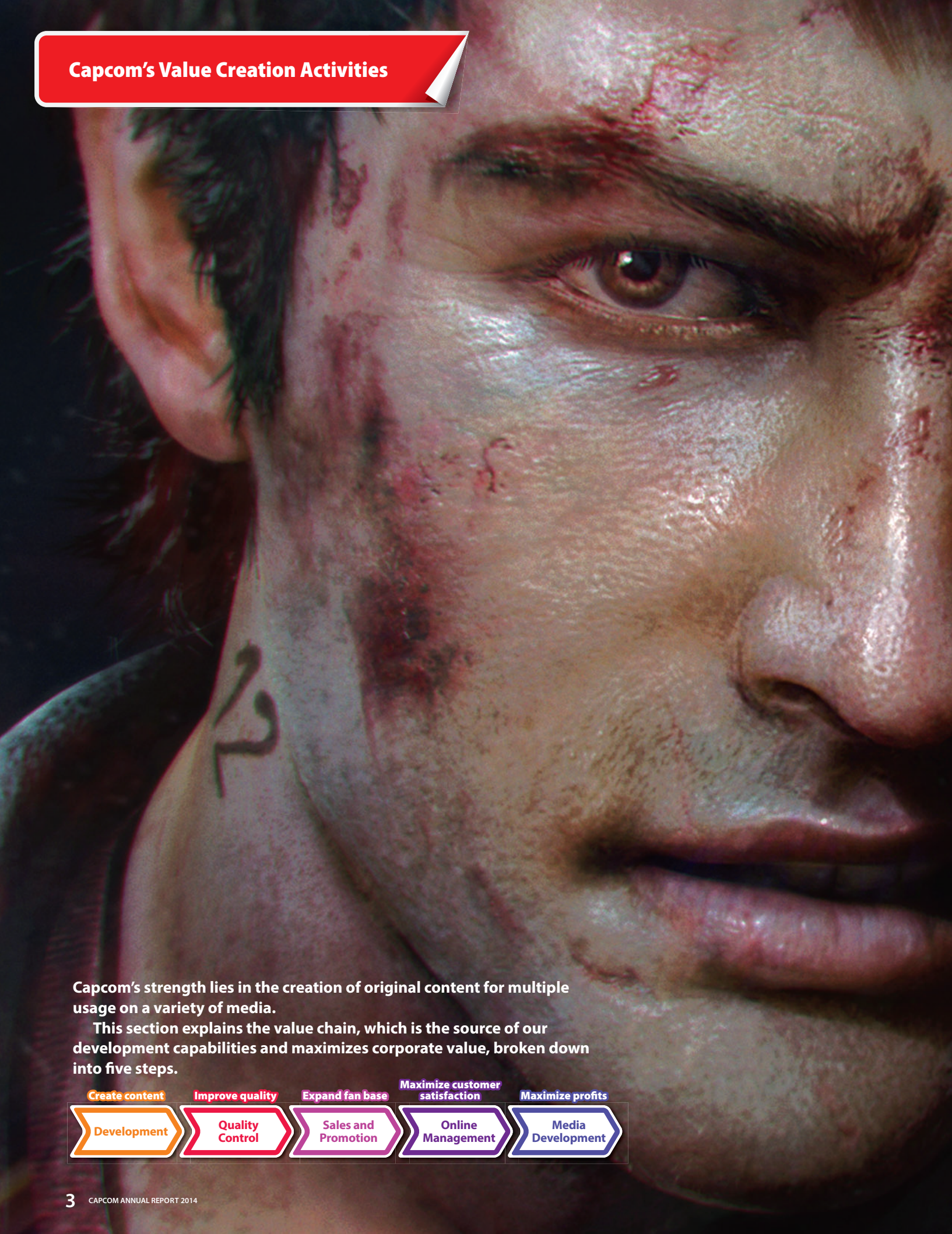
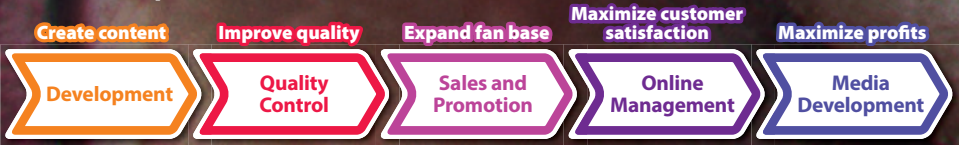


Capcom's Value Creation Activities



Capcom's strength lies in the creation of original content for multiple usage on a variety of media.

This section explains the value chain, which is the source of our development capabilities and maximizes corporate value, broken down into five steps.



Create content

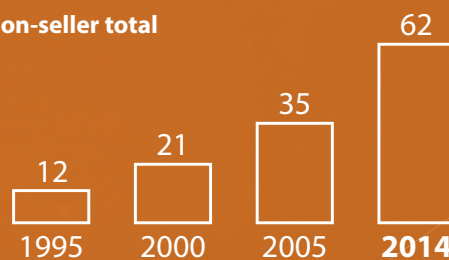


**3 Million-Seller
Titles This Year Brings
Total to 62**

**Creating content overflowing
with originality using the world's
leading development capabilities.**

Capcom boasts the world's leading development capabilities. This is evident by the amount of original content. More than 60 of our titles have sold over one million units, including "Street Fighter", "Resident Evil" and "Monster Hunter". The value chain, which is the source of content creation, maximizes corporate value through the following five steps.

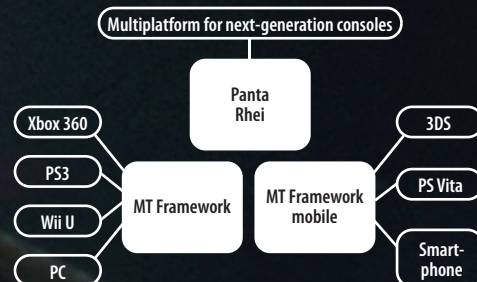
Million-seller total
(units)



(As of March 31, 2014)

We Also Develop Our Game Engines In-House

At Capcom, our proprietary development engines are the technological nuclei of game creation. In addition to our integrated development environment "MT Framework", which facilitates common development for Xbox 360, PS3, PC, Wii U and Nintendo 3DS, we also utilize next-generation engine "Panta Rhei". "Panta Rhei", which maximizes the performance of next-generation consoles, not only improves game quality, it also makes the development process significantly more efficient through parallelization of the traditional serialized development flow.



Improve quality

Quality Control

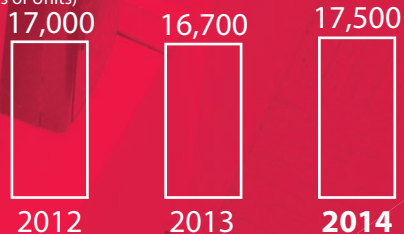
Quality Check 360,000 Hours per Year

Capcom conducts a verification process in the thorough pursuit of increased game value.

The role of Capcom's quality control departments is not simply to check for bugs. The quality of the game is in the degree to which the users find it attractive. The verification process, conducted for 360,000 hours per year, is a thorough check of game content from the users' perspective. If improvements are in order, the development departments are provided with feedback right away. This helps us make games that are as attractive as possible.

Consumer Game Shipments

(Thousands of Units)



(As of March 31, 2014)

Expand fan base

Sales and
Promotion

Monster Hunter Events* Attract 48,500 People

Capcom expands its fan base by delivering game worlds through a variety of events.

To expand the fan base, it is important that games worlds resonate with users. Before launching a new product, Capcom always posts the latest promotional movies online and holds user events across Japan to immerse users in a game's world before it goes on sale. Capcom also attempts to create new fans by developing a wide range of collaborations with other industries, including arcade facilities, magazines and travel agencies.

*"Monster Hunter Festa '13" (Five venues)

Major User Events in the Fiscal Year Ended March 2014

"Monster Hunter Festa '13"

"Monster Hunter the Real 2014"

"Monster Hunter × Shibu hot springs resort in Nagano prefecture"

"Resident Evil the Real"

"BASARA Festival 2014"

Capcom's Value Creation Activities



Maximize customer satisfaction

Online Management

Online Users Exceed **110,000** Thousand

Maximizing customer satisfaction with an integrated system able to respond to user needs.

The key to success in the online business is careful management after content has been delivered. To strengthen Capcom's online business, we are integrating development and management. Using online game characteristics, we will make an effort to maximize customer satisfaction through the timely provision of addition content and events by ascertaining user movements and preferences in real time.

Capcom Online Users (Thousand People)



(As of March 31, 2014)

Maximize profits



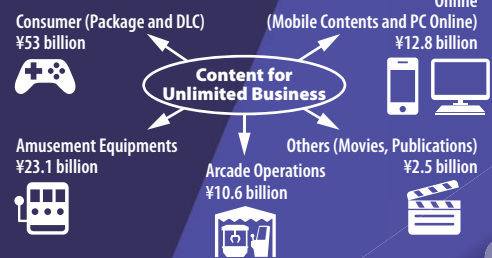
7 Hollywood Films Bring in 1 Billion Dollars* at Box Office

The multiple usage of powerful content maximizes profits.

All the elements that go into creating game content, such as characters, visuals, story, worldview, music are each an independent work of media art. From early on, Capcom has promoted the multiple usage strategy of developing rich intellectual content into a variety of media. Capcom attempts to maximize profits through a variety of copyright businesses involving movies, animation and toys.

* Total box office proceeds from Hollywood films based on Capcom games.

Single Content Multiple Usage Achievements (Fiscal 2013 Net Sales)



BIOHAZARD
REVELATIONS
UNVEILED EDITION

戦国
BASARA 4