



Capcom Co., Ltd.
(Tokyo and Osaka Exchanges, 1st section, 9697)

Financial Highlights
in Fiscal Year ended March 31, 2011

Forward-looking Statements

Information in these materials concerning strategies, plans, outlooks and all other items except historical facts are forward-looking statements. These statements are based on certain assumptions that use reasonable judgments in accordance with information that is currently available. Actual performance may differ significantly from these statements for a variety of reasons.

The operating results of all companies in the video and arcade game business may be highly volatile due to shifts in market conditions caused by changing user needs and other factors. Factors that may affect operating results include: 1) the ability to introduce hit products, and the volume of sales, in the home video games business, which accounts for the majority of sales; 2) progress in developing new home video games; 3) the popularity of home video game players; 4) sales outside Japan; 5) changes in stock prices and foreign exchange rates; 6) alliances with other companies concerning product development, sales and other operations; and 7) changes in market conditions.

Please note that there are many other unforeseeable factors that can have an effect on operating results.



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1. Consolidated Income Statements

Fiscal Year 2010 (Apr. 10-Mar. 11)

FY 2010 Consolidated Financial Summary

Results in FY3/11 vs. FY3/10

(Million yen)

	2010/3	2011 /3	Difference
Net sales	66,837	97,716	30,879
Operating income	5,587	14,295	8,708
Ordinary income	5,530	12,861	7,331
Net income	2,167	7,750	5,583

Sales and earnings were much higher mainly because of strong sales of major titles in Consumer Online Games business.

Sales set a new record.

FY 2010 Consolidated Financial Summary

FY3/11 Plan vs. Results

(Million yen)

	2011/3Plan	2011/3	Difference
Net sales	91,000	97,716	6,716
Operating income	13,000	14,295	1,295
Ordinary income	11,000	12,861	1,861
Net income	6,500	7,750	1,250

Sales and earnings at all levels exceeded the revised forecast that was announced on October 4, 2010.

Highlights of FY 2010 Consolidated Performance (1)

(Million yen)

	2010/3	2011/3	Difference
Net sales	66,837	97,716	30,879

Sales set a new record because of strong sales in the Consumer Online Games business, which had major titles like “Monster Hunter Freedom 3”, “Dead Rising 2” and “Marvel vs. Capcom 3 Fate of Two Worlds.”

Highlights of FY 2010 Consolidated Performance (2)

(Million yen)

	2010/3	2011/3	Difference
Operating income	5,587	14,295	8,708

Big increase in earnings mainly due to success of major titles in the Consumer Online Games business.

The performance of other business segments was also generally strong.

(Million yen)

	2010/3	2011/3	Difference
Ordinary income	5,530	12,861	7,331

Posted foreign exchange loss on assets denominated in foreign currencies.

Highlights of FY 2010 Consolidated Performance (3)

(Million yen)

	2010/3	2011/3	Difference
Net income	2,167	7,750	5,583

Special losses: 2,281 million yen

· **Business reorganization expenses: 1,453 million yen**

Reexamined the lineup of titles under development in the Consumer Online Games business based on recent market conditions.

Terminated development of some titles with poor profitability.

· **Earthquake affected losses: 294 million yen**

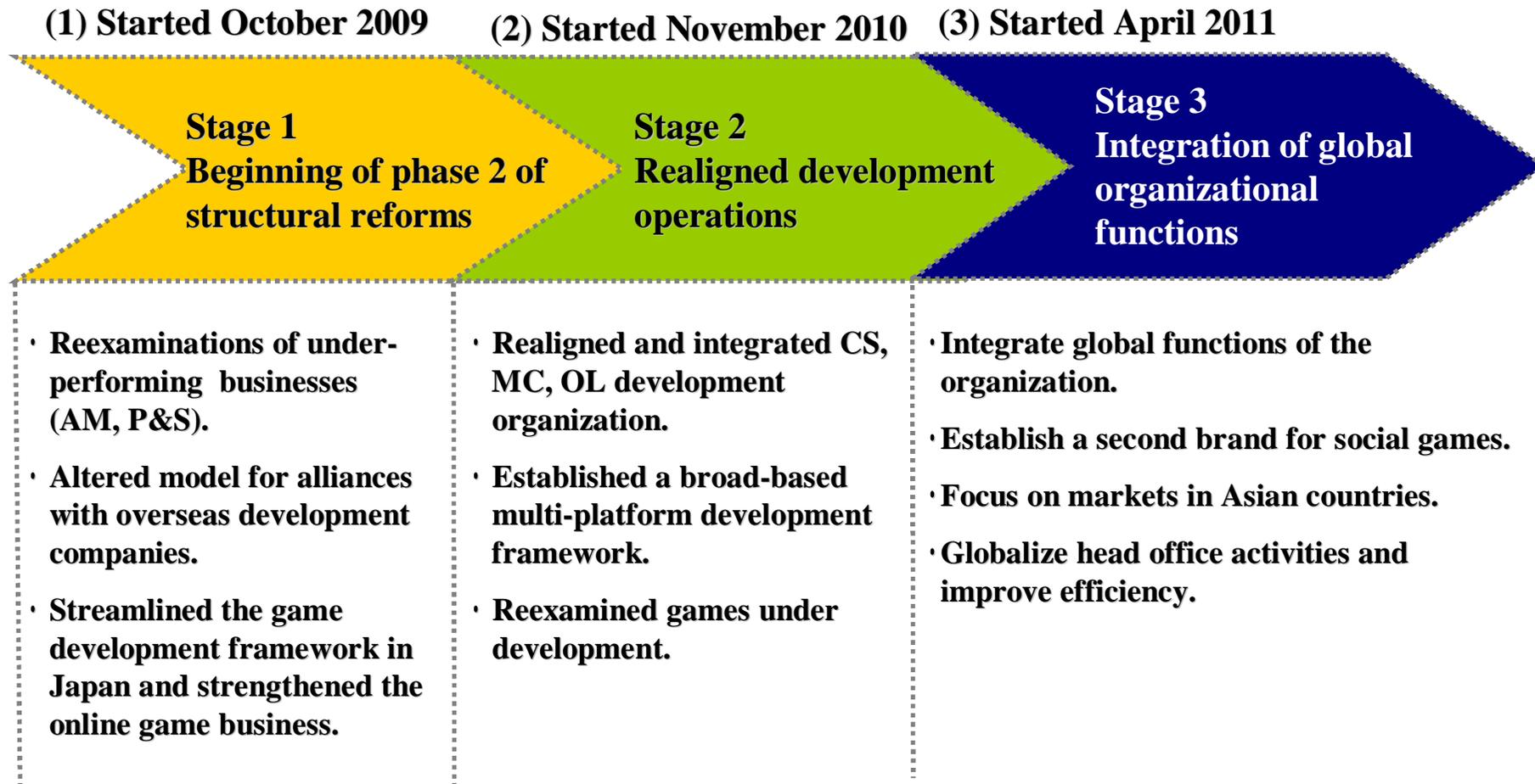
Disposal and repair expenses for damaged equipment and facilities : 105 million yen

Suspension of “Monster Hunter Festa” : 189 million yen

*Donations : 141 million yen (Non-operating expenses)

Highlights of FY 2010 Consolidated Performance (4)

Stages of Phase 2 of Structural Reforms





2. Consolidated Balance Sheet Fiscal Year 2010 (Apr. 10-Mar. 11)

FY 2010 Summary Consolidated Balance Sheet

(Million yen)

	2010/3	2011/3	Difference
Current assets	61,303	67,176	5,873
Fixed assets	25,318	23,232	-2,086
Total assets	86,621	90,408	3,787
Current liabilities	25,211	24,950	-261
Long-term liabilities	7,453	7,450	-3
Total liabilities	32,665	32,400	-265
Total net assets	53,956	58,007	4,051
Total liabilities and net assets	86,621	90,408	3,787
(Reference)			
Net cash	12,298	27,655	15,357

Highlights of FY 2010 Consolidated Balance Sheet (1)

(Million yen)

	2010/3	2011/3	Difference
Cash on hand and in banks	29,865	35,011	5,146
Notes and accounts receivable, trade	6,288	11,700	5,412
Work-in-progress for game software	14,333	10,443	-3,890

(1) Cash on hand and in banks

- Higher mostly because of sales from “Monster Hunter Freedom 3”.

(2) Notes and accounts receivable, trade

- Higher receivables in the Amusement Equipment business.

(3) Work-in-progress for game software

- Decreased due to the release of five major titles.
- Decreased due to reexamination of titles under development based on recent market conditions.

Highlights of FY 2010 Consolidated Balance Sheet (2)

(Million yen)

	2010/3	2011/3	Difference
Short-term borrowings	13,211	3,711	-9,500
Long-term borrowings	4,355	3,644	-711

(4) Short-term borrowings

- Decreased due to repayments.

(5) Long-term borrowings

- Decreased mainly because of transfers to short-term borrowings.



3. Consolidated Cash Flows

Fiscal Year 2010 (Apr. 10-Mar. 11)

FY 2010 Consolidated Statements of Cash Flow

(Million yen)

	2010/3	2011/3	Difference
Cash flows from operating activities	14,320	22,392	8,072
Cash flows from investing activities	-1,618	-2,046	-428
Cash flows from financing activities	-10,747	-12,919	-2,172

(1) Cash flows from operating activities

- Cash was provided mainly by net income before income taxes (10,807 million yen).

(2) Cash flows from investing activities

- The main use of cash was payment for acquisitions of tangible fixed assets (-1,734 million yen).

(3) Cash flows from financing activities

- The main use of cash was repayments of short-term borrowings (-12,500 million yen).