

Summary of Q&A at the Conference Call
First-Quarter Consolidated Financial Results of the
Year ending March 31, 2013
(July 30, 2012)

Q. How far do your consolidated financial results for the first quarter of the fiscal year ending March 2013 progress to your company plans?

A. Overall, our results for this three months showed a favorable performance. While net sales of packaged software in our Digital Content business and our Arcade Operations business were slightly below our forecasts, net sales of online content (DLC, mobile content, PC, etc.) were higher than projected. Operating income was also higher than forecasted and is progressing on target.

Q. How do you assess the performance of “Dragon’s Dogma”?

A. “Dragon’s Dogma” was a bigger-than-expected hit domestically, while overseas, it was slightly below our initial forecasts. However, in both domestic and international markets, unit sales increased with a steady expansion of repeat sales. Under current market conditions, we consider the sale of one million units for brand new titles to be a relative success. Given this, we are in a position to favorably consider subsequent titles.

Q. With what degree of certainty will you reach your target of shipping 7 million units of “Resident Evil 6”?

A. We actively showcased “Resident Evil 6” at E3 and other game shows to overall positive reviews, and we believe we are in a position to positively achieve our 7 million target.

Q. How many cumulative units of “Monster Hunter 3 (Tri) G” have been shipped?

A. In Japan and Asia, we shipped 1.63 million units cumulatively.

Q. When do you plan to release “Monster Hunter 4”?

A. We are currently planning for a “Spring 2013” release. Details will be announced at the appropriate timing.

- Q. How are each of Beeline's social game titles performing?
- A. "Smurfs' Village" continues to be solid worldwide. Downloads of "Shrek's Fairytale Kingdom", which began distribution in June, have increased steadily but its App Store ranking has fallen since its initial release. We consider this as a gap between user preferences and the game's characteristics, which we plan to remedy in future updates. While sales and profit for the Beeline brand were about the same as the preceding fourth quarter, we anticipate growth in the second quarter and beyond with an increase in titles.
- Q. What is the situation regarding your PC browser game?
- A. "Browser Sengoku BASARA" was just released in June and its contribution to first quarter financial results was very small, but we believe it is a title to watch.
- Q. How will government regulations in and the trend toward voluntary industry restraint of "complete gacha" features in the domestic social game market affect Capcom's social game operations?
- A. Currently, none of Capcom's social games contains "complete gacha" and hence, we do not foresee any impact on our financial results or future business operations.
- Q. With the introduction of several major packaged software titles this term, are you not concerned there will be a significant drop for the next fiscal year? What major titles will be in your lineup for the year ending March 2014?
- A. While we are unable to disclose specific titles in our future lineup at this time, with improved development efficiencies, we are working to provide a full lineup of home video games.
- Q. Given the economic crisis in Europe and other problems, how are your overseas markets?
- A. We consider that macroeconomic trends have only a negligible effect on consumer purchasing behavior. However, distribution problems in Europe may negatively affect unit sales of packaged software.
- Q. What is the growth potential of Capcom's proprietary game machines in the Pachinko and Pachislo (P&S) business division?
- A. Utilizing our accumulated know-how and with ongoing quality improvements, our proprietary game machines business is growing steadily and we have high expectations for upcoming machines to be released this fiscal year. In addition, with strong repeat sales of "Monster Hunter" in our subcontracted business, we are performing well above forecasts. By continuing to develop both areas, we will focus on making P&S a pillar of the company's operations.

Q. In the Mobile Content business, what are the factors behind its growth compared to the same term in the previous fiscal year?

A. Social games primarily in the domestic market, most notably “Minna to Monhan Card Master”, “Resident Evil: Outbreak Survive”, and “Monhan Tankenki Maboroshi no Shima”, contributed to a significant increase in profits.

Q. What is your second quarter forecast for the Mobile Content business?

A. With an enhanced title lineup from both Capcom and Beeline, we anticipate an increase in sales and profits.