



**Capcom Co., Ltd.**  
**(Tokyo Stock Exchange,**  
**First Section, 9697)**

**Financial Highlights for the**  
**Fiscal Year ended March 31, 2020**

# Contents

page

1. Financial Highlights .....	2
2. Business Segment Results .....	6

## Forward-looking Statements

Strategies, plans, outlooks and other statements that are not historical facts are based on assumptions that use information currently available and reasonable judgments. Actual performance may be significantly different from these statements for a number of reasons.

In the entertainment industry, which includes Capcom, performance may be highly volatile because of diverging user needs and other changes in market conditions.

Factors that can affect Capcom's performance include: (1) the number of hit titles and sales volume in the Home Video Game Business, which accounts for the majority of sales; (2) progress in developing home video games; (3) consumer demand for home video game consoles; (4) sales outside Japan; (5) changes in stock prices and exchange rates; (6) alliances with other companies concerning product development, sales and other operations; and (7) changes in market conditions. Please note that this is not a complete list of factors that can influence Capcom's operating results.

# 1-1. Financial Highlights – Consolidated Business Results (1)

## ■ Results: FY3/19 vs. FY3/20

(million yen)

	2019/3	2020/3	Difference
<b>Net sales</b>	<b>100,031</b>	<b>81,591</b>	<b>-18,440</b>
<b>Operating income</b>	<b>18,144</b>	<b>22,827</b>	<b>4,683</b>
<b>Ordinary income</b>	<b>18,194</b>	<b>22,957</b>	<b>4,763</b>
<b>Net income attributable to owners of the parent</b>	<b>12,551</b>	<b>15,949</b>	<b>3,398</b>

- **Income up from profitability improvements due to focus on digital sales in Consumer despite dip in net sales because of factors such as lower unit prices**
- **Record-high profit and seventh consecutive year of OP growth**
- **Net income per share: ¥149.41**
- **Year-end dividend of ¥25, resulting in an annual dividend of ¥45 (Dividend payout ratio: 30.1%)**
- **ROE: 16.9%, growing sustainably**

# 1-1. Financial Highlights – Consolidated Business Results (2)

## ■ Plan\* vs. Actual for FY3/20

(million yen)

	2020/3 Plan	2020/3	Difference
<b>Net sales</b>	<b>80,000</b>	<b>81,591</b>	<b>1,591</b>
<b>Operating income</b>	<b>22,000</b>	<b>22,827</b>	<b>827</b>
<b>Operating margin</b>	<b>27.5%</b>	<b>28.0%</b>	<b>-</b>
<b>Ordinary income</b>	<b>22,000</b>	<b>22,957</b>	<b>957</b>
<b>Net income attributable to owners of the parent</b>	<b>15,500</b>	<b>15,949</b>	<b>449</b>

\*The consolidated business results forecast for FY3/20 was revised as of February 4, 2020.

- **Results in-line with guidance thanks to performance of Digital Contents business**
- **New title *Monster Hunter World: Iceborne* sold over 5 million units**
- **Sales of *Monster Hunter: World* continued growing, broke 15.5 million units**

# 1-1. Financial Highlights – Consolidated Business Results (3)

## ■ FY3/20 Net Sales/Operating Income Performance

(million yen)

	2019/3	2020/3	Difference
<b>Net sales</b>	100,031	81,591	-18,440
<b>Digital Contents</b>	82,982	59,942	-23,040
<b>Arcade Operations</b>	11,050	12,096	1,046
<b>Amusement Equipments</b>	3,422	6,533	3,111
<b>Other Businesses</b>	2,575	3,018	443
<b>Operating income</b>	18,144	22,827	4,683
<b>Digital Contents</b>	23,315	24,161	846
<b>Arcade Operations</b>	1,096	1,211	115
<b>Amusement Equipments</b>	-2,668	2,085	4,753
<b>Other Businesses</b>	811	544	-267
<b>Adjustments*</b>	-4,410	-5,176	-766

\*Adjustments include unallocated corporate operating expenses. The corporate operating expenses, which do not belong to any reportable segments, mainly consist of administrative expenses.

- Operating income driven by Consumer sub-segment of the Digital Contents business
- New machine release returns Amusement Equipments to profit

# 1-2. Financial Highlights – Consolidated Balance Sheet

## ■ FY3/20 Balance Sheet (Summary)

(million yen)

Assets	2019/3	2020/3	Difference	Liabilities	2019/3	2020/3	Difference
<b>Current Assets</b>	90,817	108,829	18,012	<b>Current Liabilities</b>	23,212	35,863	12,651
Cash on hand and in banks	53,004	65,657	12,653	Notes and accounts payable - trade			
Notes and accounts receivable - trade	13,970	15,959	1,989	Electronically recorded monetary obligations	5,141	5,844	703
Work in progress for game software	16,926	21,222	4,296	Current portion of long-term borrowings	1,579	4,129	2,550
Other	6,917	5,991	-926	Other	16,492	25,890	9,398
<b>Fixed Assets</b>	32,590	34,636	2,046	<b>Long-term liabilities</b>	11,445	7,868	-3,577
Tangible fixed assets, net of accumulated depreciation	20,359	20,847	488	Long-term borrowings	6,735	2,606	-4,129
Intangible assets	432	351	-81	Other	4,710	5,262	552
Investments and other assets	11,798	13,438	1,640	<b>Total liabilities</b>	34,658	43,731	9,073
<b>Total assets</b>	123,407	143,466	20,059	<b>Shareholders' equity</b>	89,708	101,385	11,677
				<b>Other</b>	-958	-1,650	-692
				<b>Total net assets</b>	88,749	99,735	10,986
				<b>Total liabilities and net assets</b>	123,407	143,466	20,059

- Cash on hand and in banks increased due to growth of net income
- Work in progress for game software increased due to progress on titles in development

## 2-1. Business Segment Results – Digital Contents (1)

**High-margin digital sales grow globally**

**Profit up YoY despite dip in sales**

### ■ FY3/20 Digital Contents Performance

(100 million yen)

	2018/3	2019/3	2020/3	2020/3 Plan
<b>Net sales</b>	<b>741</b>	<b>829</b>	<b>599</b>	<b>580</b>
<b>Breakdown</b>				
<b>Package</b>	<b>383</b>	<b>359</b>	<b>129</b>	<b>119</b>
<b>Digital download contents</b>	<b>269</b>	<b>410</b>	<b>426</b>	<b>421</b>
<b>Consumer total</b>	<b>652</b>	<b>769</b>	<b>555</b>	<b>540</b>
<b>Mobile Contents</b>	<b>41</b>	<b>23</b>	<b>44</b>	<b>40</b>
<b>PC Other *</b>	<b>48</b>	<b>37</b>		
<b>Operating income</b>	<b>191</b>	<b>233</b>	<b>241</b>	<b>236</b>
<b>Operating margin</b>	<b>25.8%</b>	<b>28.1%</b>	<b>40.3%</b>	<b>40.7%</b>

\*The PC Other sub-segment has been merged with Consumer as of FY3/20

## 2-1. Business Segment Results – Digital Contents (2)

**Increase in digital sales keeps unit sales on par with previous year despite fewer new releases**

### ■ FY3/20 Unit Sales (Consumer)

(units in thousands)

	2018/3	2019/3	2020/3	2020/3 Plan
<b>New Titles (SKU)</b>	<b>50</b>	<b>61</b>	<b>35</b>	<b>30</b>
<b>Total unit sales</b>	<b>24,400</b>	<b>25,300</b>	<b>25,500</b>	<b>26,300</b>
Overseas units	<b>19,400</b>	<b>21,600</b>	<b>21,450</b>	<b>22,300</b>
Digital units	<b>12,900</b>	<b>15,300</b>	<b>20,550</b>	<b>21,400</b>
Catalog units	<b>11,000</b>	<b>14,200</b>	<b>18,200</b>	<b>18,200</b>
<b>Major titles</b>				
New	Monster Hunter: World Marvel vs. Capcom: Infinite	Resident Evil 2 Devil May Cry 5	Monster Hunter World: Iceborne	Monster Hunter World: Iceborne
Catalog	Resident Evil 7 biohazard Monster Hunter Generations Ultimate	Monster Hunter: World Resident Evil 7 biohazard	Monster Hunter: World Resident Evil 2 Devil May Cry 5 Street Fighter V Resident Evil 7 biohazard	Monster Hunter: World Resident Evil 2 Devil May Cry 5

\*Includes distribution titles

## 2-1. Business Segment Results – Digital Contents (3)

Ratio of digital sales grows from launch of massive expansion and flexible pricing strategies

### ■ FY3/20 Highlights (Consumer)

- Major new release *Monster Hunter World: Iceborne* sold more than 5 million units, primarily on highly-profitable digital format
- Digital sales grew for catalog titles via strategic pricing initiatives
  - Monster Hunter: World* broke 15.5 million units cumulatively
  - Resident Evil 2* surpassed 6.5 million units cumulatively
- Digital sales ratio increases to 76.8%, up 23.5 points YoY



*Monster Hunter World: Iceborne*



*Resident Evil 2*

### ■ FY3/20 Highlights (Mobile Contents)

- *Monster Hunter Riders* (iOS/Android) tops 5 million downloads cumulatively (as of April 15)



*Monster Hunter Riders*

## 2-2. Business Segment Results – Arcade Operations

**Sales and profit up due to improved revenues  
at both new and existing stores**

### ■ FY3/20 Business Results

(100 million yen)

	2018/3	2019/3	2020/3	2020/3 Plan
Net sales	102	110	120	125
Operating income	8	10	12	14
Operating margin	8.6%	9.9%	10.0%	11.2%
Same store sales	+2%	+2%	+3%	+5%

### ■ Number of Stores

(stores)

	2018/3	2019/3	2020/3	2020/3 Plan
New stores	2	2	3	3
Closed stores	2	1	0	0
Total	36	37	40	40

### ■ FY3/20 Highlights

- Same store sales: +3% (cumulative for the 12 months)
- Opened three stores (Jul. 2019: Ikebukuro; Sep. 2019: Fujiidera; Nov. 2019: Capcom Store Tokyo in Shibuya)
- Changed operating hours/temporarily closed some stores to prevent spread of COVID-19

## 2-3. Business Segment Results – Amusement Equipments

Sales and profit up, driven by performance  
of new pachislo model release

### ■ FY3/20 Business Results

(100 million yen)

	2018/3	2019/3	2020/3	2020/3 Plan
Net sales	78	34	65	65
Operating income	-7	-26	20	20
Operating margin	-	-	31.9%	30.8%

### ■ FY3/20 Highlights

- New pachislo model *Shin Onimusha* sold over 20 thousand units following its March 2020 release  
(5 models sold 7.8 thousand units in previous year)



*Shin Onimusha*

## 2-4. Business Segment Results – Other Businesses

**Increased sales driven by Character Contents sub-segment  
Focused on expanding player base in eSports**

### ■ FY3/20 Business Results

(100 million yen)

	2018/3	2019/3	2020/3	2020/3 Plan
Net sales	23	25	30	30
Operating income	11	8	5	2
Operating margin	48.2%	31.5%	18.0%	6.7%



Capcom Cup 2019

### ■ FY3/20 Highlights (Character Contents)

- Biohazard The Extreme ran at Universal Studios Japan
- Held Monster Hunter Festa in Tokyo (Nov. 2019) and Osaka (Jan. 2020)

### ■ FY3/20 Highlights (eSports)

- Looking into tournaments for female players to further grow player base