

(4) Notes to consolidated financial statements

(Going concern assumptions) Not applicable

(Material changes in shareholders' equity)

Capcom made a resolution to repurchase treasury stock through the board of directors' meeting held on August 25, 2016 in accordance with the articles of incorporation applied under Article 156 and Section 3 of Article 165 of the Companies Act.

As a result, Capcom repurchased its treasury stock of 1,480 thousand shares for 3,299 million yen from August 26, 2016 to September 5, 2016.

(Segment information)

I Previous 6 months (From April 1, 2015 to September 30, 2015)

Information on net sales and operating income (loss)

(Unit: Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Consolidated total (Note 3)
	Digital Contents	Arcade Operations	Amusement Equipments	Total				
Net sales								
(1) Customers	14,304	4,405	12,132	30,842	795	31,638	—	31,638
(2) Inter-segment	—	—	—	—	—	—	—	—
Total	14,304	4,405	12,132	30,842	795	31,638	—	31,638
Operating income	1,533	355	2,551	4,440	253	4,694	(1,850)	2,844

(Note) 1. "Other" incorporates operations not included in reportable segments, including Character Contents business etc.

2. Adjustments of segments (-1,850 million yen) include unallocated corporate operating expenses (-1,850 million yen).

The corporate operating expenses, which do not belong to any reportable segments mainly consist of administrative expenses.

3. Operating income (loss) for segment is adjusted on operating income on the quarterly consolidated statements of income.

II Current 6 months (From April 1, 2016 to September 30, 2016)

Information on net sales and operating income (loss)

(Unit: Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Consolidated total (Note 3)
	Digital Contents	Arcade Operations	Amusement Equipments	Total				
Net sales								
(1) Customers	16,373	4,810	6,530	27,713	962	28,676	—	28,676
(2) Inter-segment	—	—	—	—	—	—	—	—
Total	16,373	4,810	6,530	27,713	962	28,676	—	28,676
Operating income	1,099	478	1,651	3,229	395	3,624	(1,909)	1,715

(Note) 1. "Other" incorporates operations not included in reportable segments, including Character Contents business etc.

2. Adjustments of segments (-1,909 million yen) include unallocated corporate operating expenses (-1,909 million yen).

The corporate operating expenses, which do not belong to any reportable segments mainly consist of administrative expenses.

3. Operating income (loss) for segment is adjusted on operating income on the quarterly consolidated statements of income.