

Articles of Incorporation

(As of June 17, 2019)

Capcom Co., Ltd.

CHAPTER I GENERAL PROVISIONS

(Trade Name)

Article 1. The Company shall be called *Kabushiki Kaisha CAPCOM* and indicated as CAPCOM CO., LTD. in English.

(Purpose)

Article 2. The Company is to engage in the following businesses.

1. Planning, development, manufacture, sale, import and export and lease of electronic game machines, software and toys
2. Lease, management, dealing, mediation of real estate
3. Financial businesses
4. Management of amusement park
5. Management of amusement arcades
6. Management of golf courses, tennis courts, billiard rooms and bowling alleys;
7. Acquisition of intangible property rights, such as industrial property rights and copyrights, know-how and granting the use thereof
8. Produce and sale of publications
9. Planning and producing of films such as movies and videos
10. Management of restaurants
11. Management of nursery
12. Planning, development, manufacture and sale, leasing, rental and maintenance business of digital electronic equipment such as mobile phones (battery chargers)
13. Management of music copyrights
14. Development of the use of music copyright products
15. Planning and creation of originals for CDs and videos, etc.
16. Publication of music books, and
17. Planning, manufacture and holding of events relating to films, visuals, plays and music, etc. and sale of related products
18. The planning, development, and operation of esports (a competitive sport involving a computer game)
19. Any and all businesses associated with to or incidental to any of the foregoing items

(Location of Head Office)

Article 3. The Company shall have its head office in Osaka City.

(Organizations)

Article 4. The Company shall establish the following organizations in addition to the general meeting of shareholders and the Directors.

1. Board of Directors
2. Audit and Supervisory Committee
3. Accounting Auditors

(Method of Public Notice)

Article 5. The method to make public notices of the Company shall be electronic public notice. Provided, however, that in the event that such public notice can not be made due to an accident or unavoidable reason, the public notice shall be given by publication in the Nihon Keizai Shimbun.

CHAPTER II SHARES

(Aggregate Number of Issuable Shares)

Article 6. The aggregate number of shares that the Company may issue shall be 300,000,000 shares.

(Acquisition of the Company's Own Shares)

Article 7. The Company may acquire its own shares by resolution of the Board of Directors through transactions in the market, etc., in accordance with the provisions of Article 165, Paragraph 2 of the Companies Act.

(Number of Shares of One Unit)

Article 8. The number of shares of one unit of shares of the Company shall be one hundred (100) shares.

(Request to the Company for selling shares constituting less than one unit)

- Article 9. A shareholder holding shares constituting less than one unit of the Company may request the Company to sell specified numbers of shares which shall constitute one unit of shares if combined with the shares constituting less than one unit already held by such shareholder (hereinafter referred to as the “Purchase Request for Additional Shares”). Provided, however, that, the foregoing provision shall not be applicable, if the Company does not hold sufficient number of treasury stock to be sold to such shareholder.
2. The time on which and method in which the shareholder may request the Company to sell shares constituting less than one unit shall be governed by the Share Handling Regulations established by the Board of Directors.

(Administrator of Shareholder’s Register)

- Article 10. The Company shall have an administrator of the shareholders’ register.
2. The administrator of shareholders’ register and its place of business shall be chosen by resolution of the Board of Directors and public notice thereof shall be made.
 3. The preparation and retention of the shareholders’ register and the register of stock acquisition rights of the Company, and other matters relating to shares and stock acquisition rights of the Company shall be entrusted to the administrator of shareholders’ register, but not handled by the Company.

(Share Handling Regulations)

- Article 11. Handling of shares or stock acquisition rights of the Company and fees thereof shall be governed by the Share Handling Regulations established by the Board of Directors, in addition to laws and regulations and the Articles of Incorporation.

CHAPTER III GENERAL MEETING OF SHAREHOLDERS

(Convocation)

- Article 12. Ordinary General Meetings of Shareholders shall be convened in June each year. Extraordinary General Meeting of Shareholders may be held from time to time when necessary.

(Record Date for Ordinary General Meeting of Shareholders)

- Article 13. The record date for Ordinary General Meeting of Shareholders of the Company shall be March 31 each year.

(Convener and Chairman)

- Article 14. Except for otherwise provided for in laws and regulations, the Representative Director to be appointed by the Board of Directors, with the resolution of the Board of Directors, shall convene and preside over the general meetings of shareholders.
2. In the event that the Representative Director to be appointed by the Board of Directors is prevented from so acting, another Director shall act in his or her place in the order of preference previously fixed by the Board of Directors.

(Disclosure via the Internet and Deemed Provision of Reference Materials for General Meeting of Shareholders)

- Article 15. When convening a general meeting of shareholders, it shall be deemed that the Company has provided shareholders with necessary information that should be described or presented in reference materials for the general meeting of shareholders, business reports, and non-consolidated and consolidated financial statements in the event that they are disclosed via the Internet in accordance with the Ministry of Justice Ordinance.

(Method of Resolution)

- Article 16. Resolutions of general meetings of shareholders shall be adopted by a majority of the voting rights of the shareholders entitled to exercise voting rights who are present at the general meeting of shareholders, except where otherwise provided for in laws and regulations or the Articles of Incorporation.
2. Resolutions of general meetings of shareholders provided in Article 309, Paragraph 2 of the Companies Act shall be adopted by an affirmative vote of two-thirds (2/3) or more of the voting rights of shareholders present at the general meeting of shareholders, a quorum for which shall be the presence of shareholders with one-third (1/3) or more of the voting rights exercisable for such meeting.

(Exercise of Voting Rights by Proxy)

- Article 17. A shareholder may exercise his or her voting rights by proxy by authorizing one shareholder who holds voting rights of the Company as his or her proxy.
2. The shareholder or proxy of the preceding paragraph is required to submit to the Company a document evidencing his/her representation at every general meeting of shareholders.

CHAPTER IV
DIRECTORS, BOARD OF DIRECTORS AND AUDIT AND SUPERVISORY COMMITTEE

(Number of Directors)

- Article 18. The number of Directors (other than Directors who are members of the audit and supervisory committee) shall be ten (10) or less.
2. The number of Directors who are members of the audit and supervisory committee shall be five (5) or less.

(Method of Appointment of Directors)

- Article 19. Directors of the Company who are members of the audit and supervisory committee and Directors other than the above shall be segregated and appointed separately by resolutions of the general meeting of shareholders.
2. Resolution for appointment of Directors shall be adopted by an affirmative vote of the majority of voting rights of shareholders present at the general meeting of shareholders, a quorum for which shall be the presence of shareholders with one-third (1/3) or more of the voting rights exercisable for such meeting.
3. Resolution for appointment of Directors shall not be by cumulative voting.

(Term of Directors)

- Article 20. The term of Directors (other than Directors who are members of the audit and supervisory committee) shall expire at the close of the Ordinary General Meeting of Shareholders last held for the fiscal year ending within one (1) year following the election.
2. The term of Directors who are members of the audit and supervisory committee shall expire at the close of the Ordinary General Meeting of Shareholders last held for the fiscal year ending within two (2) years following the election.
3. The term of substitute Director who is a member of the audit and supervisory committee and elected for substitute for Director who is a member of the audit and supervisory committee resigned prior to the termination of the term shall terminate at the same time as termination of the term of resigned Director who is a member of the audit and supervisory committee.
4. The period during which resolution for election of substitute Director who is a member of the audit and supervisory committee pursuant to Article 329, Paragraph 3 of the Companies Act expire at the close of the Ordinary General Meeting of Shareholders last held for the fiscal year ending within two (2) years following the election.

(Representative Directors)

- Article 21. By resolution of the Board of Directors, Representative Directors shall be chosen from among Directors (other than Directors who are members of the audit and supervisory committee).

(Directors with Executive Power)

- Article 22. By resolution of the Board of Directors, one Chairman and Director and one President and Director each shall be appointed from among Directors (other than Directors who are members of the audit and supervisory committee).

(Convener and Chairman of the Board of Directors)

- Article 23. The Representative Director to be appointed by the Board of Directors shall convene and preside over the meetings of the Board of Directors.
2. In the event that the Representative Director to be appointed by the Board of Directors is prevented from so acting, another Director shall act in his or her place in the order of preference previously fixed by the Board of Directors.

(Full time Member of the Audit and Supervisory Committee)

- Article 24. The audit and supervisory committee shall be able to appoint full time member of the audit and supervisory committee by its resolution.

(Notice of Convocation of the Board of Directors)

- Article 25. A notice of convocation of the meeting of the Board of Directors shall be sent to each Director on or before three (3) days prior to the date of such meeting. Provided, however, that in case of urgency, such period may be shortened.
2. In the event that all Directors give unanimous consent, the meetings of the Board of Directors may be held without the formal convocation procedures.

(Notice of Convocation of the Audit and Supervisory Committee)

- Article 26. A notice of convocation of the meeting of the Audit and Supervisory Committee shall be sent to each member on or before three (3) days prior to the date of such meeting. Provided, however, that in case of urgency, such period may be shortened.
2. In the event that all Directors give unanimous consent, the meetings of the Board of Directors may be held without the formal convocation procedures.

(Omission of Resolution of the Board of Directors)

Article 27. In the event that all the Directors consent to matters required to be resolved upon by the Board of Directors in writing or electronic record, the matters so required will be deemed resolved at the Board of Directors.

(Commission of important Business Execution to Director)

Article 28. Pursuant to Article 399-13, Paragraph 6 of the Companies Act, the Company may commission to Director a part or all of the important business execution (other than the items stated in each Item of Paragraph 5) by resolution of the Board of Directors.

(Regulations of the Board of Directors)

Article 29. Any matter relating to the Board of Directors shall be governed by the Regulations of the Board of Directors established by the Board of Directors except as otherwise provided for in laws and regulations or the Articles of Incorporation.

(Regulations of the Audit and Supervisory Committee)

Article 30. Affairs related to the Audit and Supervisory Committee shall be governed by the Regulations of the Audit and Supervisory Committee except as otherwise provided for in the laws and ordinances as well as Articles of Incorporation of the Company.

(Remuneration, etc. for Directors)

Article 31. The remuneration, bonuses and any other benefit on assets received from the Company in consideration of execution of the duties of the Director who are audit and supervisory committee members shall be determined separately from those of the Director other than the aforementioned by resolution of a general meeting of shareholders.

(Exemption of Director's Liability)

Article 32. The Company may exempt Director including ex-Director from liability provided for in Article 426, Paragraph 1 of the Companies Act to the extent provided for in Article 423, Paragraph 1 of the same Act, and other laws and ordinances by resolution of the Board of Directors.

2. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into the liability limit agreement with Director (other than Executive Director) as provided for in Article 423, Paragraph 1 of the same Act. Provided, however, that the limited amount of compensation liability is the minimum liability limit provided for in the laws and ordinances.

CHAPTER V ACCOUNTS

(Business Year)

Article 33. The business year of the Company shall be one (1) year commencing from April 1 of each year to March 31 of the following year.

(Year-end Dividends and Record Date)

Article 34. By resolution of the Board of Directors, the Company shall pay dividends on retained earnings as year-end dividends to the shareholders or registered pledgees whose names have been entered or recorded in the shareholders' register, etc. on March 31 of each year as a record date.

(Interim Dividends and Record Date)

Article 35. By resolution of the Board of Directors, the Company may pay interim dividends on retained earnings to the shareholders or registered pledgees on September 30 of each year as a record date.

(Period of Limitation of Dividends)

Article 36. In case of cash dividends, where any dividend is not received after elapse of three (3) full years from the date of offer of payment, the Company shall be discharged from liability for payment of such dividends and interim dividends.