

**First Quarter Consolidated Financial Results Conference Call
for the Fiscal Year ending March 31, 2026: Q&A Summary
(July 30, 2025)**

- Q How did each business segment perform against your plans in the first quarter?
- A Consolidated operating income exceeded our internal plan. By segment, the Digital Contents business fell slightly short of the plan, however in addition to contributions from Arcade Operations and Other Businesses, the Amusement Equipments business contributed significantly to profits.
- Q It seems that soft sales of *Monster Hunter Wilds* in the Digital Contents business were offset by sales of catalog titles from series such *Devil May Cry* and *Resident Evil*. Is this correct?
- A Sales of *Monster Hunter Wilds* during the first quarter fell short of our initial expectations. On the other hand, sales for the *Devil May Cry* series increased due to promotions tied to the release of a new animated series, while sales for the *Resident Evil* series increased due to promotions carried out in conjunction with the release date announcement for the latest title in the series, *Resident Evil Requiem*.
- Q How have sales been for *Street Fighter 6* and *Kunitsu-Gami: Path of the Goddess*, both of which were released for Nintendo Switch 2 in June?
- A Sales of both titles are progressing in-line with plans.
- Q With a greater diversity in PC system configurations and telecommunications environments in recent years, it seems *Monster Hunter Wilds* was targeted to a wide range of PC users, as well as users on home video game consoles; however, as I understand it, this has resulted in low reviews for the game from certain users. Could you tell me how you plan to respond to this, in terms of your organization and systems for development of major games?
- A As a title that sold 10 million units within the first month of release, this has been a valuable opportunity for us to gain many insights. Taking into account the wide range of feedback and opinions we have received from fans, we are working across the entire company—including development, management, sales and marketing, and other departments—to address issues wherever possible and apply these lessons moving forward. First and foremost, we will focus on swiftly working to improve user satisfaction for the game through upcoming updates.
- Q Will the current work being done on *Monster Hunter Wilds* affect your future title pipeline?
- A Top management and others discuss and formulate our mid-term title lineup schedule with the ongoing aim of achieving an increase of at least 10% in operating income each fiscal year; we do not foresee any particular impact at this time.

Q Could you tell me how the average price of new and catalog titles for the first quarter of this fiscal year compared to the fourth quarter of the previous fiscal year?

A Compared to the previous fiscal year's fourth quarter, during which *Monster Hunter Wilds* was released, the average price for new titles in the first quarter of this fiscal year was lower, as most of the new titles were ports of existing games. The average price for catalog titles during the first quarter of this fiscal year trended comparatively higher due to low-priced titles promoted in the fourth quarter of the previous fiscal year, which had the aim of sowing seeds for future growth.

Q Are you planning to record all deferred revenue within the current fiscal year?

A The current balance of deferred revenue stems mainly from *Monster Hunter Wilds*, which was released in the previous fiscal year. We plan to record it in conjunction with the release of free title updates, etc., for the game. Currently, we plan to release these updates in September and winter of this year and have not announced any plans beyond that point.

Q Could you explain about your strategies to increase future sales of *Monster Hunter Wilds*, as well as other recovery measures for the full-year catalog unit sales plan?

A Overall, sales of catalog titles are progressing smoothly in line with this fiscal year's sales plan. For *Monster Hunter Wilds*, we will aim to encourage sales through free title updates and pricing strategies, while also continuing to focus on expanding sales of other catalog titles.

Q Is there a correlation between the increase in sales of the *Devil May Cry* series and the release of the new anime?

Q Catalog title sales for the series have been growing over the long term. The new animated series, released on Netflix in April, was well received, with viewership for it ranking high on the service; unit sales for the games increased in each region globally thanks to discounting carried out in conjunction with the release of the anime. We believe that this promotion successfully stimulated demand among existing *Devil May Cry* fans while attracting interest from newcomers to the series.

Q Why did both new and catalog pachislo titles perform well in the Amusement Equipments business?

A Following the strong performance of *Monster Hunter Rise*, which was our first immersive machine and was launched in the previous fiscal year, *Resident Evil 5* also continued to perform well, contributing to catalog unit sales in the first quarter of this fiscal year. This positive impact also led to strong sales of our new title released in June, *Devil May Cry 5 Stylish Tribe*.

- Q How was the reaction to the discount sale for *Monster Hunter Wilds* conducted in the first quarter?
- A We conducted this sale as one of our promotional measures following the various feedback we received and were able to see a response, primarily in Asian regions where price sensitivity is high. We plan to continue implementing promotions, including pricing measures, with the aim of expanding catalog sales over the medium to long term.
- Q Will the increase in unit sales for the *Devil May Cry* series continue in the second quarter and beyond, and can we expect similar results from other IPs that are used in movies and animation?
- A Linking promotional activities for the *Devil May Cry* series with the release of the anime led to an increase in sales volume for the games, the results of which we believe have proven more effective than had we conducted these promotions independently. However, we anticipate a slowdown in sales for the series during the second quarter and beyond. While it will also depend on the promotional strategies of the video streaming platforms and distributors, we plan to collaborate our marketing efforts to maximize sales opportunities for other titles as well, including the upcoming *Street Fighter* movie that has been announced.
- Q Could you tell me how the reception for *Monster Hunter Wilds* on home video game consoles has been, as well as the catalog unit sales on these platforms?
- A We do not disclose the breakdown of unit sales by hardware for individual titles, but sales for home video game consoles are generally progressing steadily and the game is receiving favorable reviews on these platforms. At the same time, there also continue to be a certain number of catalog sales for the PC version.