Financial Results Conference Call for the First Half of the Fiscal Year ending March 31, 2026: Q&A Summary (October 29, 2025)

- Q Please provide an overview of each business segment's performance during the first half of the fiscal year.
- A The Digital Content business progressed largely in line with expectations. The Arcade Operations business also performed well, supported by an increase in average customer spending at existing locations. Additionally, the Amusement Equipments business saw growth driven by repeat sales and strong performance of new machines, resulting in overall revenue and profit growth.
- Q What measures do you have planned for Monster Hunter Wilds?
- A We will continue working sincerely to address user feedback on an ongoing basis by implementing system updates and other improvements in addition to releasing additional content.
- Q What are your expectations for *Resident Evil Requiem* and *Pragmata*?
- A *Resident Evil Requiem*, the upcoming latest installment in the series, has received high praise at various game shows. To begin, we aim to exceed the initial sales performance of the previous title, *Resident Evil Village*. *Pragmata*, a completely new IP, has also been well received at events such as Tokyo Game Show, and we will continue promotional efforts to expand awareness among a broad user base.
- Q What drove the strong catalog sales in the first half of the fiscal year?
- A The announcement of *Resident Evil Requiem* led to increased sales of previous titles in the series, surpassing our initial projections.
- Q Are there any promotional plans tied to the release of the live-action *Street Fighter* movie?
- A While we have no specific details to share at this time, we are considering several promotional measures.
- Q What are your expectations for the mobile title *Monster Hunter Outlanders*?
- A The development and operations of this title are being handled by TiMi Studio Group (a subsidiary of Tencent Games) via a licensing agreement for the *Monster Hunter* brand. We expect the game to further enhance brand recognition both domestically and internationally.
- Q Is there a risk that *Resident Evil Requiem* will experience technical issues similar to those seen with *Monster Hunter Wilds*?
- A *Resident Evil Requiem* differs from *Monster Hunter Wilds* in terms of gameplay, system architecture, and network features. At present, we do not anticipate similar risks. We are developing the game to provide a smooth gaming experience across a wide range of PC specifications.

- Q How did new and catalog titles perform compared to the first-half fiscal year plan?
- A New titles performed in line with the plan. Catalog titles, particularly past entries in the *Resident Evil* series, have performed strongly.
- Q Why has the Amusement Equipments business performed so well?
- A strong reception in pachislo halls for the immersive pachislo machines we released in the previous fiscal year—*Monster Hunter Rise* and *Resident Evil 5*—contributed to healthy sales of *Devil May Cry 5 Stylish Tribe*, which was released this fiscal year. In addition, *Shin Onimusha 3*, which began operation in October, is the latest release in the highly popular *Onimusha* series of pachislo machines. This led to orders exceeding our initial plans, the majority of which contributed to revenue in the second quarter of this fiscal year.
- Q To what degree have the development costs for *Monster Hunter Wilds* been amortized and is there any risk of an asset impairment?
- A While we do not disclose details regarding the amortization status of individual titles, *Monster Hunter Wilds* is currently being amortized, and we do not foresee any risk of impairment at this time.
- Q How many new machines are planned for release in the second half of the fiscal year in the Amusement Equipments business?
- A We plan to release one new machine in the second half.
- Q Following its release in the previous fiscal year, *Monster Hunter Wilds* sales seem to have slowed. Are other catalog titles performing well?
- A Catalog titles released two years ago and earlier, including those in the *Resident Evil* series, continue to perform well. We do not have concerns about the growth potential of catalog sales.
- Q Given that the release of *Pragmata* had previously been delayed, how much of its development costs have already been accounted for?
- A We have already recorded impairments and other adjustments as appropriate. We do not expect the title to place a significant burden on future earnings.
- Q Excluding *Monster Hunter Wilds*, how has the sales performance been for *Monster Hunter* series catalog titles?
- A Catalog sales of the *Monster Hunter* series have been growing, especially *Monster Hunter Rise*. We believe there is further room for expansion, particularly in emerging markets.

- Q Do you expect Street Fighter 6 sales to grow through esports-related initiatives?
- A Collaboration with the Esports World Cup in Saudi Arabia has significantly boosted global awareness of Street Fighter 6. Through tournaments such as the CAPCOM Pro Tour and Capcom Cup, we aim to further strengthen its presence in the esports scene. These initiatives are expected to expand the user base and drive long-term sales growth.