

**Consolidated financial results
for the year ended March 31, 2011 (Unaudited)**

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 Code number: 9697
 Representative: Haruhiro Tsujimoto, President and COO
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 Ordinary general shareholders' meeting : June 17, 2011
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Dividend payment date: June 20, 2011
 Yes
 Yes (For institutional investors)

1. Results for the year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

(1) Financial results

Note: Percentage represents change from the same period of the previous fiscal year.

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2011	97,716	46.2	14,295	155.8	12,861	132.6	7,750	257.6
Year ended March 31, 2010	66,837	-27.3	5,587	-61.8	5,530	-59.9	2,167	-73.1

Note: Comprehensive income Year ended March 31, 2011: 6,121 million yen (394.4%) Year ended March 31, 2010: 1,238 million yen (-)

	Earnings per share of common stock	Diluted earnings per share of common stock	Return on equity	Return (ordinary income) on assets	Operating margin
	Yen	Yen	%	%	%
Year ended March 31, 2011	131.18	-	13.8	14.5	14.6
Year ended March 31, 2010	35.71	35.64	3.8	5.7	8.4

Reference: Equity in earnings (losses) of affiliates Year ended March 31, 2011: — million yen Year ended March 31, 2010: — million yen

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio to total assets	Assets shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Year ended March 31, 2011	90,408	58,007	64.2	981.76
Year ended March 31, 2010	86,621	53,956	62.3	913.18

Reference: Shareholders' equity: Year ended March 31, 2011: 58,007 million yen Year ended March 31, 2010: 53,956 million yen

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Ending balance of cash and cash equivalents
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2011	22,392	-2,046	-12,919	35,011
Year ended March 31, 2010	14,320	-1,618	-10,747	29,815

2. Dividends

Record date	Dividend per share					Dividend paid	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
	1st Quarter-end	2nd Quarter-end	3rd Quarter-end	Year-end	Annual			
Year ended March 31, 2010	—	15.00	—	20.00	35.00	2,087	98.0	3.7
Year ended March 31, 2011	—	15.00	—	25.00	40.00	2,363	30.5	4.2
Year ending March 31, 2012 (Forecast)	—	15.00	—	25.00	40.00		33.8	

3. Earnings forecast for the fiscal year ending March 31, 2012 (from April 1, 2011 to March 31, 2012)

Note: Percentage represents change from the same period of the previous fiscal year.

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
6 months ending September 30, 2011	26,000	-36.1	700	-82.2	600	-79.2	200	-88.8	3.38
Year ending March 31, 2012	86,000	-12.0	12,100	-15.4	12,000	-6.7	7,000	-9.7	118.47

4. Others

(1) Changes in significant consolidated subsidiaries during the period: No

(Note: Changes in specified subsidiaries due to changes in the scope of consolidation)

(2) Changes in accounting principles, procedures and presentation for consolidated financial statements

Changes resulting from amendment of the accounting standard: Yes

Changes other than : No

(3) Number of shares outstanding (Common stock):

Number of shares outstanding (including treasury stock)

Year ended March 31, 2011:	67,723,244	Year ended March 31, 2010:	67,723,244
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Number of treasury stock

Year ended March 31, 2011:	8,637,817	Year ended March 31, 2010:	8,636,412
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Average number of shares outstanding

Year ended March 31, 2011:	59,086,160	Year ended March 31, 2010:	60,707,786
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(Explanation about the appropriate usage of business prospects and other special notes)

- The above-mentioned business forecasts were based on the information available as of the date of the release of this report.
- Future events may cause the actual results to be significantly different from the forecasts.
- Please refer to [Qualitative information and Consolidated Financial Statements] on page 2 for more details.

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*We will take place financial results presentation in FY 2010 as follows.

Presentation materials, video and question and answer summery will be quickly put on IR site after this presentation.

• May 10, 2011 Tuesday • • • • financial results presentation in FY2010

1. Operating Results

(1) Qualitative information and Consolidated Financial Statements

Operating Results of the fiscal year ended March 31, 2011

We would like to express our deepest compassion for the people and regions suffering from the Great East Japan Earthquake (Higashi Nihon Dai-Shinsai).

We extend our genuine condolences to those closest to the victims who lost their lives, and sincerely wish the people suffering in the stricken regions an early recovery from the disaster.

Although the Japanese economy during this fiscal year ended March 31, 2011 was on a recovery trend with some fluctuations, it faced unparalleled crisis due to the tremendous damage suffered by the Tohoku and Kanto Regions in the Earthquake of March 2011 that shocked the world, coupled with the economic downturn attributable to the leakage of radiation from the Nuclear Plants in Fukushima and implementation of rolling blackouts in Greater Tokyo area.

The video game industry was to voluntarily cancel events and various sales promotion activities in addition to the retail stores/arcades in the afflicted areas suffering directly from the Earthquake and a series of aftershocks.

Meanwhile, a new trend is washing across the industry with, in addition to the progress of aging population and diversification of entertainment, the rapid growth of social games that allow users to interact on various sites that they can access using devices other than game consoles, such as smartphones and mobile tablets.

Under these circumstances, ten of Capcom's arcades in Tohoku and Kanto region were damaged and/or flooded and many of the equipments were broken down. Suffered arcades were forced to shut down temporarily, and three of the ten subsequently managed to reopen for business.

On the other hand, in the consumer online game business, which is a core operational department, the flagship title "Monster Hunter Freedom 3" (for PlayStation Portable) took off with a bang owing to the overwhelming support of users who had long-awaited its release and dominated the year-end sales campaign season and drove the increase in sales. In addition, the four titles targeted at overseas markets, including "Dead Rising 2" (for PlayStation 3 and Xbox 360), sold over one million units each to boost revenues.

In order to address the expansion of social games and other changes in the environment, Capcom focused on the development of online games and games for overseas markets, while rebuilding the development departments comprising our core competence, in an effort to operate business in line with market trends.

Further, in an attempt to diversify revenue streams, Capcom has been promoting the implementation of multifaceted contents, beginning with the distribution of games to "Mobage", a Japanese SNS operated by DeNA Co., Ltd., as well as the distribution of social game software for iPhone/iPod Touch via Facebook (United States), with its 500 million members worldwide, in order to develop the vast overseas market.

As a part of the efforts to establish its global presence at an accelerated pace, Capcom has been aggressively making strategic moves to secure an overseas advantage over others, including acquiring through its Canadian subsidiary a local game development company Blue Castle Games in order to develop appealing software that cater to the preference of overseas users.

The resulting net sales increased to 97,716 million yen (up 46.2 % from the previous year).

As for profits, operating income increased to 14,295 million yen (up 155.8% from the previous year), and ordinary income increased to 12,861 million yen (up 132.6% from the previous year). The net income for this fiscal year increased to 7,750 million yen (up 257.6% from the previous year) in spite of special losses on restructuring (1,453 million yen), disaster (105 million yen) and others.

Status of each operational department

Consumer Online Games

In this business segment, the feature title “Monster Hunter Freedom 3” (for PlayStation Portable), which was released on December 1, 2010 to long lines of customers nationwide, became a big hit with a total shipment of more than 4.6 million units and played the lead role in improving Capcom’s business performance.

Further, the major titles for PlayStation 3 and Xbox 360 targeted at overseas markets fully leveraged their characteristics to achieve market success, selling over one million units each with shipments totaling 2.2 million units for “Dead Rising 2”, 2 million units for “MARVEL VS. CAPCOM 3 Fate of Two Worlds”, 1.6 million units for “Super Street Fighter IV”, and 1.5 million units for “Lost Planet 2”. The result was a history-making milestone of five million-seller titles in total.

Additionally, “Sengoku BASARA: Samurai Heroes” (for PlayStation 3 and Wii), the newest in the series that gained stable popularity, also enjoyed steady growth in sales. “MONHAN NIKKI POKAPOKA AIRU MURA” (for PlayStation Portable), a spin-off from the “Monster Hunter” series, which attracted users with its widely popular character “Airu” (known as “Felyne” in English) became a smash hit.

Meanwhile, the online exclusive title “Monster Hunter Frontier Online” (for PC, Xbox 360) also showed solid performance.

The resulting net sales increased to 70,269 million yen (up 60.8 % from the previous year), and the operating income was 12,499 million yen (up 59.5 % from the previous year).

Mobile Contents

As social games that are highly compatible with mobile phones underwent rapid growth, we were able to reach diverse new users, with members exceeding one million people for “MONHAN NIKKI MOBILE AIRU MURA” distributed exclusively through one of the Japanese mobile SNS “Mobage”.

In addition to “Ghost Trick” that was released for iPhone/iPod touch fared well, “Street Fighter IV” released in the previous term also achieved its projected sales.

Meanwhile, there have been positive surprises as well, such as the number of downloads of “The Smurfs’ Village”, distributed through Facebook, United States, exceeding our projection by far, as well as the steady increase in the membership of “Zombie Cafe”.

The resulting net sales increased to 4,028 million yen (up 13.3 % from the previous year), and the operating income was 1,366 million yen (up 83.2 % from the previous year).

Arcade Operations

With the entire industry focusing on energizing the market through implementing customer appreciation day on a “Game Day” (November 23 each year) to thank arcade fans, customer-oriented efforts were made in operating the arcades in this business segment. Sponsoring a variety of events, renovating arcades, and offering special discount days are just a few examples of such efforts.

Further, Capcom also worked to expand its customer base to include female, family and older-generation customers, while endeavoring to improve the earning capacity by controlling investments, reducing costs, and operating arcades in line with current market conditions.

Meanwhile, ten of Capcom's arcades seriously suffered damages and loss of properties by the Great East Japan Earthquake in March 2011. Although they were forced to shut down temporarily, three of the ten subsequently

managed to reopen for business.

Since we closed one unprofitable arcade, the total number of our arcades became 37 as of the end of this fiscal year.

As a result, while net sales decreased to 11,621 million yen (down 3.0 % from the previous year), the operating income increased to 1,131 million yen (up 91.5 % from the previous year).

Amusement Equipments

While the market conditions remained weak for arcade game machines, this business segment saw the video game machine “Super Street Fighter IV: Arcade Edition” perform solidly.

As for the Pachislo machine business, in addition “Sengoku BASARA 2” showing strong performance, “Onimusha: Dawn of Dreams” launched during the previous fiscal year remained a long-seller, contributing to improved profit.

Meanwhile, profitability improved, thanks to cost reduction and other business-wide streamlining efforts.

The resulting net sales increased to 7,903 million yen (up 73.9 % from the previous year), and the operating income was 2,638 million yen (the operating loss of the previous year was 347 million yen.).

Other Businesses

The net sales from other businesses, mainly character-related licensing royalties, increased to 3,893 million yen (up 27.7% from the previous year), and the operating income was 1,098 million yen (up 8.0% from the previous year).

Prospects for the Next Fiscal Year

As for future prospects, it is believed that the public and the private sectors will begin working together to launch full-fledged efforts for recovery. However, the situation is expected to remain unpredictable as we face the greatest challenge, with the damages from the great earthquake and possible implementation of rolling blackouts resulting in immeasurable economic losses.

In the video game industry, a downturn in consumer confidence is feared as the consumer mindset voluntarily moves away from spending, such as entertainment and recreation, and leans excessively towards self-restraint, including refraining from going out. Accordingly, it is believed that time will be required for the domestic game market to recover.

Meanwhile, the business environment is beginning to change with the rise of social games fueling the growth of new competitors in the industry, in line with the increase in smartphones and other platforms that are not game consoles.

We will focus more than ever before on our global operations as the environment surrounding the industry rapidly changes, since the promotion of sales overseas, where the market size is larger, is crucial to the realization of our growth strategy. As a result of having generated a series of hit games in European and U.S. markets in recent years, including four overseas million-seller titles during this fiscal year, Capcom’s product line-up is becoming for solid and replete. We will take full advantage of our variety of contents in proactive and aggressive actions.

To this end, we will work on enhancing our sales forces mainly by fostering the personnel of local subsidiaries, as well as by securing competent human resources.

As a Group strategy, we will promote the expansion of our business domain as a means of addressing the rise of new forces, such as smartphones, and cultivating new demands, mainly by leveraging the experience and

know-how acquired through the development, sale and marketing of games in making a full-scale entry into the social game business.

Meanwhile, we will aspire to achieve an early recovery of the arcade operations, which suffered damages from the great earthquake, by aggressively rebuilding the business based on the scrap-and-build concept with due consideration for changes in the market environment.

Considering the Great East Japan Earthquake to be a learning experience, Capcom will endeavor to prevent risks and ensure that appropriate corporate management functions are secured in the event of contingencies by further reinforcing the crisis management system, with the intent to minimize damages, losses and disrepute attributable to natural disasters such as earthquakes, accidents and other emergencies, should they occur, through the prompt implementation of appropriate measures.

(2) Analysis of the Consolidated Financial Position

Analysis of assets, liabilities and net assets

(Assets)

Total assets increased by 3,786 million yen from the previous fiscal year to 90,408 million yen. The primary increases were 5,145 million yen in Cash on hand and in banks and 5,411 million yen in Notes and accounts receivable, trade, and the primary decrease was 3,890 million yen in work-in-progress for game software.

(Liabilities)

Liabilities decreased by 264 million yen from the previous fiscal year to 32,400 million yen. The primary increases were 2,780 million yen in accrued income taxes, 2,188 million yen in notes and accounts payable, trade and 1,160 million yen in accrued bonuses, and the primary decrease was 9500 million yen in short-term borrowings.

(Net assets)

Net assets increased by 4,050 million yen from the previous fiscal year to 58,007 million yen. The primary increase was 7,750 million yen in net income for the current fiscal year, and the primary decreases were 2,068 million yen in cash dividends and 1,553 million yen in cumulative translation adjustments (for the foreign currency translation of the net assets of consolidated overseas subsidiaries).

Analysis of cash flow

Cash and cash equivalents increased by 5,196 million yen from the previous fiscal year to 35,011 million yen. Cash flow positions of each activity and their factors are described below.

(Cash flows from operating activities)

Net cash gained from operating activities increased to 22,392 million yen (14,320 million yen in the previous year). Some of the main contributors to the increase were the following: 10,807 million yen in net income before income taxes (1,124 million yen in the previous year); 3,186 million yen in increase in other current liabilities (decreased by 1,296 million in the previous year); 3,315 million yen in depreciation and amortization (3,368 million yen in the previous year); 3,246 million yen in decrease in work-in-progress for game software (increased by 5,545 million in the previous year); 2,264 million yen in increase in accounts payable, trade (decreased by 5,952 million in the previous year); 1,180 million yen in increase in accrued bonuses (decreased by 755 million in

the previous year). The decrease is attributable mainly to 5,531 million yen in increase in accounts receivable, trade (decreased by 20,897 million in the previous year).

(Cash flows from investing activities)

Net cash spent for investing activities increased to 2,046 million yen (1,618 million yen in the previous year). Some of the main contributors to the increase were the following: 1,734 million yen in payment for acquisitions of tangible fixed assets (1,693 million yen in the previous year); 482 million yen in purchase of investment of subsidiaries; 429 million yen in payment for acquisitions of intangible fixed assets (289 million yen in the previous year). The decrease was attributable mainly to 290 million yen in proceeds from sale of investments in securities.

(Cash flows from financing activities)

Net cash spent for financing activities increased to 12,919 million yen (10,747 million yen in the previous year). This increase was mainly attributable to the following: 12,500 million yen in repayment of short-term borrowings (2,555 million yen in the previous year); 2,064 million yen in dividends paid by parent company (1,829 million yen in the previous year). The decrease was attributable mainly to 3,000 million yen in proceeds from long-term borrowings.

(Reference) Trends of Cash Flow Indicators

	Year ended March 2007	Year ended March 2008	Year ended March 2009	Year ended March 2010	Year ended March 2011
Shareholders' equity ratio to total assets	49.3	57.3	55.9	62.3	64.2
Shareholders' equity ratio to total assets based on fair market value	104.4	221.2	101.5	120.5	103.9
Debt amortization ratio to cash flows	28.6	46.8	-	122.7	32.8
Interest coverage ratio	237.3	103.7	-	86.9	155.8

Shareholders' equity ratio to total assets : Shareholders' equity / Total assets

Shareholders' equity ratio to total assets based on fair market value : Total of the capital stock at market price / Total assets

Debt amortization ratio to cash flows : Interest-bearing debt / Cash flows from operating activities

Interest coverage ratio : Cash flows from operating activities / Interest payments

(Note 1) Total market value of shares is calculated based on the number of shares as of the end of the fiscal year excluding treasury stock.

(Note 2) The interest-bearing debt refers to the debts posted in the consolidated balance sheets for which we are paying interests.

(Note 3) As the cash flows from operating activities fell into red in fiscal year ended March 2009, we have omitted debt amortization ratio to cash flows from operating activities and interest coverage ratio.

(3) Basic policy for profit distribution and dividend for the current and next fiscal year

Capcom considers returning profits to the shareholders be one of the most important management issues. Its

fundamental dividend policy is to provide a stable and continued dividend to the shareholders, taking into account the future business development and changes in operating circumstances.

Capcom plans to pay a year-end dividend for the current fiscal year be 25 yen per share. The annual dividend for the current fiscal year is 40 yen per share, since are paid an ordinary dividend 15 yen per share as an interim dividend. We plans to pay the annual dividend for the next fiscal year of 40 yen per share based on business forecasts. Capcom plans to pay interim dividend of 15 yen per share.

2. Business Policy

There is no significant change in business policy from the Mid-Term Financial Results ended September 30, 2008 disclosed on November 8, 2007. Therefore it is omitted to describe this item.

It is available through following URL:

Capcom Corporate Web

http://www.capcom.co.jp/ir/english/data/result_2008.html

Tokyo Stock Exchange

<http://www.tse.or.jp/listing/ocompanysearch/index.html> (Japanese)

2 . Summary of consolidated financial statements

(1) Consolidated balance sheets

(Unit: Millions of yen)

	Previous fiscal year (as of March 31, 2010)	Current fiscal year (as of March 31, 2011)
Assets		
Current assets		
Cash on hand and in banks	29,865	35,011
Notes and accounts receivable, trade	6,288	11,700
Merchandise and finished goods	849	849
Work-in-progress	183	340
Raw materials and supplies	1,698	1,075
Work-in-progress for game software	14,333	10,443
Deferred tax assets	3,204	5,210
Other	4,927	2,582
Allowance for doubtful accounts	(48)	(37)
Total current assets	61,303	67,176
Fixed assets		
Tangible fixed assets, net of accumulated depreciation		
Buildings and structures, net	5,259	5,455
Machinery and vehicles, net	43	28
Tools, fixtures and furniture, net	823	894
Rental equipment, net	13	0
Equipment for amusement facilities, net	2,251	1,815
Land	4,386	4,408
Leased assets	965	924
Construction-in-progress	305	5
Total intangible fixed assets	14,049	13,532
Intangible fixed assets		
Goodwill	179	412
Other	3,048	2,658
Total intangible fixed assets	3,227	3,071
Investments and other assets		
Investments in securities	957	390
Long-term loans receivable	0	-
Deferred tax assets	1,339	1,150
Claim in bankruptcy and reorganization	909	922
Lease deposits	5,266	4,741
Other	586	392
Allowance for doubtful accounts	(1,019)	(968)
Total investments and other assets	8,040	6,628
Total fixed assets	25,318	23,232
Total assets	86,621	90,408

(Unit: Millions of yen)

	Previous fiscal year (as of March 31, 2010)	Current fiscal year (as of March 31, 2011)
Liabilities		
Current liabilities		
Notes and accounts payable, trade	3,477	5,665
Short-term borrowings	13,211	3,711
Lease obligations	578	507
Accrued income taxes	663	3,443
Deferred tax liabilities	58	30
Accrued bonuses	1,318	2,478
Allowance for sales returns	90	130
Other	5,814	8,982
Total current liabilities	25,211	24,950
Long-term liabilities		
Long-term borrowings	4,355	3,644
Lease obligations	459	461
Deferred tax liabilities	4	232
Accrued retirement benefits for employees	1,388	1,383
Asset retirement obligations	-	340
Other	1,244	1,387
Total long-term liabilities	7,453	7,450
Total liabilities	32,665	32,400
Net assets		
Shareholders' equity		
Common stock	33,239	33,239
Capital surplus	21,328	21,328
Retained earnings	17,262	22,945
Treasury stock	(13,141)	(13,143)
Total shareholders' equity	58,689	64,370
Accumulated other comprehensive income		
Net unrealized gain on securities, net of tax	19	(56)
Cumulative translation adjustments	(4,752)	(6,305)
Total accumulated other comprehensive income	(4,732)	(6,362)
Total net assets	53,956	58,007
Total liabilities and net assets	86,621	90,408

(2) Consolidated statements of income and comprehensive income
Consolidated statements of income

	(Unit: Millions of yen)	
	Previous fiscal year from April 1, 2009 to March 31, 2010	Current fiscal year from April 1, 2010 to March 31, 2011
Net sales	66,837	97,716
Cost of sales	42,339	60,371
Gross profit	24,497	37,344
Reversal of allowance for sales returns	222	-
Provision for allowance for sales returns	-	40
Net gross profit	24,720	37,304
Selling, general and administrative expenses	19,133	23,009
Operating income	5,587	14,295
Non-operating income		
Interest income	411	122
Dividend income	26	19
Other	193	89
Total non-operating income	631	231
Non-operating expenses		
Interest expense	165	143
Exchange loss, net	171	1,102
Provision for allowance of doubtful accounts	2	-
Commission	119	60
Loss on closing amusement facilities	121	-
Donations	-	141
Other	106	217
Total non-operating expenses	687	1,664
Ordinary income	5,530	12,861
Special gains		
Reversal of allowance for doubtful accounts	70	38
Reversal of accrued bonuses	162	-
Gain on sales of investments in securities	-	45
Gain on abolishment of retirement benefit plan	-	139
Other	-	4
Total special gains	233	226
Special losses		
Loss on sales and/or disposal of fixed assets	76	95
Loss on revaluation of investments in securities	5	259
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	204
Impairment loss	223	149
Loss on settlement of litigation	152	-
Loss on restructuring	4,182	1,453
Loss on disaster	-	105
Other	-	13
Total special losses	4,639	2,281
Net income before income taxes	1,124	10,807
Income taxes-current	1,299	4,654
Income taxes-from previous fiscal year	(1,761)	-
Income taxes-deferred	(582)	(1,598)
Total income taxes	(1,043)	3,056
Net income before minority interests in gain or loss	-	7,750
Net income	2,167	7,750

Consolidated statements of comprehensive income

(Unit: Millions of yen)

	Previous fiscal year from April 1, 2009 to March 31, 2010	Current fiscal year from April 1, 2010 to March 31, 2011
Income before minority interests	-	7,750
Other comprehensive income		
Net unrealized gain on securities, net of tax	-	(76)
Cumulative translation adjustments	-	(1,553)
Total other comprehensive income	-	(1,629)
Comprehensive income	-	6,121
Comprehensive income attributable to:		
Parent company	-	6,121
Minority interests	-	-

(3) Consolidated statements of changes in net assets

	(Unit: Millions of yen)	
	Previous fiscal year from April 1, 2009 to March 31, 2010	Current fiscal year from April 1, 2010 to March 31, 2011
Shareholders' equity		
Common stock		
Opening balance	33,039	33,239
Changes of items during the fiscal year		
Issuance of new stocks	200	-
Total changes of items during the fiscal year	200	-
Ending balance	33,239	33,239
Capital surplus		
Opening balance	21,129	21,328
Changes of items during the fiscal year		
Issuance of new stocks	199	-
Disposition of treasury stock	0	(0)
Total changes of items during the fiscal year	199	(0)
Ending balance	21,328	21,328
Retained earnings		
Opening balance	17,000	17,262
Decrease by change in accounting policies for foreign subsidiaries	(74)	-
Changes of items during the fiscal year		
Cash dividends	(1,831)	(2,068)
Net income	2,167	7,750
Total changes of items during the fiscal year	336	5,682
Ending balance	17,262	22,945
Treasury stock		
Opening balance	(8,015)	(13,141)
Changes of items during the fiscal year		
Repurchase of treasury stock	(5,125)	(2)
Disposition of treasury stock	0	0
Total changes of items during the fiscal year	(5,125)	(2)
Ending balance	(13,141)	(13,143)
Total shareholders' equity		
Opening balance	63,152	58,689
Decrease by change in accounting policies for foreign subsidiaries	(74)	-
Changes of items during the fiscal year		
Issuance of new stocks	400	-
Cash dividends	(1,831)	(2,068)
Net income	2,167	7,750
Repurchase of treasury stock	(5,125)	(2)
Disposition of treasury stock	0	0
Total changes of items during the fiscal year	(4,389)	5,680
Ending balance	58,689	64,370

(Unit: Millions of yen)

	Previous fiscal year from April 1, 2009 to March 31, 2010	Current fiscal year from April 1, 2010 to March 31, 2011
Accumulated other comprehensive income		
Net unrealized gain on securities, net of tax		
Opening balance	(12)	19
Changes of items during the fiscal year		
Net changes of items other than shareholders' equity, net	32	(76)
Total changes of items during the fiscal year	32	(76)
Ending balance	19	(56)
Cumulative translation adjustments		
Opening balance	(3,790)	(4,752)
Changes of items during the fiscal year		
Net changes of items other than shareholders' equity, net	(962)	(1,553)
Total changes of items during the fiscal year	(962)	(1,553)
Ending balance	(4,752)	(6,305)
Total accumulated other comprehensive income		
Opening balance	(3,803)	(4,732)
Changes of items during the fiscal year		
Net changes of items other than shareholders' equity, net	(929)	(1,629)
Total changes of items during the fiscal year	(929)	(1,629)
Ending balance	(4,732)	(6,362)
Total net assets		
Opening balance	59,349	53,956
Decrease by change in accounting policies for foreign subsidiaries	(74)	-
Changes of items during the fiscal year		
Issuance of new stocks	400	-
Cash dividends	(1,831)	(2,068)
Net income	2,167	7,750
Repurchase of treasury stock	(5,125)	(2)
Disposition of treasury stock	0	0
Net changes of items other than shareholders' equity, net	(929)	(1,629)
Total changes of items during the fiscal year	(5,318)	4,050
Ending balance	53,956	58,007

(4) Consolidated statements of cash flows

(Unit: Millions of yen)

	Previous fiscal year from April 1, 2009 to March 31, 2010	Current fiscal year from April 1, 2010 to March 31, 2011
Cash flows from operating activities		
Net income before income taxes	1,124	10,807
Depreciation and amortization	3,368	3,315
Impairment loss	223	149
Amortization of goodwill	229	239
Decrease in allowance for doubtful accounts	(351)	(56)
Increase (decrease) in accrued bonuses	(755)	1,180
Increase (decrease) in allowance for sales returns	(222)	40
Decrease (increase) in accrued retirement benefits for employees	216	(4)
Decrease in accrued retirement benefits for directors	(406)	-
Interest and dividend income	(438)	(142)
Interest expense	165	143
Exchange loss, net	162	1,039
Loss on sales and/or disposal of fixed assets	76	95
Gain on sales of investment in securities	-	(45)
Loss on revaluation of investments in securities	5	259
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	204
Loss on settlement of litigation	152	-
Loss on restructuring	4,182	1,453
Loss on disaster	-	105
Increase (decrease) in accounts receivable, trade	20,897	(5,531)
Decrease in inventories	1,095	409
Decrease (increase) in work-in-progress for game software	(5,545)	3,246
Increase (decrease) in accounts payable, trade	(5,952)	2,264
Decrease (increase) in other current assets	(230)	57
Increase (decrease) in other current liabilities	(1,296)	3,186
Bonuses to directors	(84)	-
Other	225	913
Sub total	16,839	23,331
Interest and dividends received	335	141
Interest paid	(167)	(144)
Payment for settlement of litigation	-	(161)
Income taxes paid	(2,687)	(774)
Net cash provided by operating activities	14,320	22,392
Cash flows from investing activities		
Payment for acquisitions of tangible fixed assets	(1,693)	(1,734)
Proceeds from sales of tangible fixed assets	0	1
Payment for acquisitions of intangible fixed assets	(289)	(429)
Payment for purchase of investments in securities	(12)	(12)
Proceeds from sales of investments in securities	-	290
Collection of loans receivable	44	1
Purchase of investment of subsidiaries	-	(482)
Payment for other investing activities	(225)	(166)
Proceeds from other investing activities	557	485
Net cash used in investing activities	(1,618)	(2,046)
Cash flows from financing activities		
Repayments of short-term borrowings	(2,555)	(12,500)
Proceeds from long-term borrowings	-	3,000
Repayments of long-term borrowings	(711)	(711)
Repayments of lease obligations	(525)	(640)
Payment for repurchase of treasury stock	(5,125)	(2)
Proceeds from sales of treasury stock	0	0
Dividends paid by parent company	(1,829)	(2,064)
Net cash used in financing activities	(10,747)	(12,919)
Effect of exchange rate changes on cash and cash equivalents	(751)	(2,230)
Net increase in cash and cash equivalents	1,203	5,196
Cash and cash equivalents at beginning of year	28,611	29,815
Cash and cash equivalents at end of year	29,815	35,011

(5) Going concern assumptions: Not applicable

(6) Segment Information

1. Outline of business segment reported

The business segments the Company reports are the business units for which the Company is able to obtain individual financial information separately in order for the board of directors to conduct periodic investigation to determine distribution of management resources and evaluate their business performance.

The Company has several operational headquarters, which plan comprehensive business strategies in domestic and overseas markets for their products and services, and develops its business activities.

Therefore the Company's business segments reported are based on the products and services its operational headquarters deal in and are composed of the following 4 units; "Consumer online games", "Mobile contents", "Arcade operations" and "Amusement equipments".

"Consumer online games" develops and distributes video games for consumers.

"Mobile contents" develops mobile games to be distributed to mobile phone users.

"Arcade operations" operates amusement stores which install amusement equipments.

"Amusement equipments" manufactures arcade game machines etc. to be distributed to arcade operators.

2. Method of calculating sales and income (loss), identifiable assets, and other items by business segment reported

The accounting procedure for the business segment reported is based on "Significant accounting policies" (disclosed in Japanese only).

Income by business segment reported is calculated based on operating income on the consolidated statement of income.

3. Information on sales and income (loss), identifiable assets, and other items by business segment reported

Previous fiscal year (from April 1, 2009 to March 31, 2010)

(Unit: Millions of yen)

	Business segment reported					Other (Note 1)	Total	Adjustment (Note 2)	Consolidated total (Note 3)
	Consumer online games	Mobile contents	Arcade operations	Amusement equipments	Total				
Sales									
(1) Customers	43,702	3,554	11,985	4,545	63,787	3,049	66,837	-	66,837
(2) Inter-segment	-	-	-	-	-	-	-	-	-
Total	43,702	3,554	11,985	4,545	63,787	3,049	66,837	-	66,837
Operating income (loss)	7,835	745	590	(347)	8,824	1,016	9,841	(4,253)	5,587
Identifiable assets	31,185	1,161	9,797	6,418	48,563	2,294	50,857	35,764	86,621
Other items									
Depreciation and amortization	488	134	1,744	242	2,610	249	2,859	509	3,368
Increase in tangible and intangible fixed assets	508	26	800	115	1,451	284	1,736	469	2,205

(Note) 1. "Other" incorporates operations not included in business segments reported, including character contents business etc.

2. Adjustments are as follows.

- (1) Adjustments of operating income (loss) (-4,253 million yen) include unallocated corporate operating expenses (-4,253 million yen). The corporate operating expenses mainly consist of administrative expenses.
- (2) Adjustments of identifiable assets (35,764 million yen) include unallocated corporate identifiable assets (35,872 million yen).
- (3) Adjustments of increase in tangible and intangible fixed assets (469 million yen) are capital investment by headquarters.

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

Current fiscal year (from April 1, 2010 to March 31, 2011)

(Unit: Millions of yen)

	Business segment reported					Other (Note 1)	Total	Adjustment (Note 2)	Consolidated total (Note 3)
	Consumer online games	Mobile contents	Arcade operations	Amusement equipments	Total				
Sales									
(1) Customers	70,269	4,028	11,621	7,903	93,823	3,893	97,716	-	97,716
(2) Inter-segment	-	-	-	-	-	-	-	-	-
Total	70,269	4,028	11,621	7,903	93,823	3,893	97,716	-	97,716
Operating income	12,499	1,366	1,131	2,638	17,636	1,098	18,734	(4,439)	14,295
Identifiable assets	30,038	1,936	8,668	9,136	49,779	2,767	52,547	37,861	90,408
Other items									
Depreciation and amortization	591	52	1,708	127	2,480	263	2,743	571	3,315
Increase in tangible and intangible fixed assets	1,404	86	926	171	2,588	115	2,703	54	2,758

(Note) 1. "Other" incorporates operations not included in business segments reported, including character contents business etc.

2. Adjustments are as follows.

(1) Adjustments of operating income (-4,439 million yen) include unallocated corporate operating expenses (-4,439 million yen).

The corporate operating expenses mainly consist of administrative expenses.

(2) Adjustments of identifiable assets (37,861 million yen) include unallocated corporate identifiable assets (37,966 million yen).

(3) Adjustments of increase in tangible and intangible fixed assets (54 million yen) are capital investment by headquarters.

3. Operating income for segment is adjusted on operating income on the consolidated statements of income.

(Additional information)

Effective from the 1st quarter ended June 30, 2010, Capcom has adopted the "Revised accounting standard for disclosures about segments of an enterprise and related information" (ASBJ statement No. 17 of March 27, 2009) and "Guidance on accounting standard for disclosures about segments of an enterprise and related information" (ASBJ Guidance No. 20 of March 21, 2009).

(Segment related information)

Current fiscal year (from April 1, 2010 to March 31, 2011)

1. Information by product and service

The information is omitted as the same information is disclosed on the previous page.

2. Information by country or region

(1) Sales

(Unit: Millions of yen)

Japan	North America	Europe	Other regions	Total
65,017	20,986	9,106	2,606	97,716

(Note) The sales amounts are classified by country or region where customers are located.

(2) Tangible fixed assets

The information is omitted as the balance of tangible fixed assets for Japan has exceeded 90% or more of the total balance of tangible fixed assets for the consolidated balance sheet.

3. Information by major customer

The information is omitted as Capcom does not have any major customers the sales amount of which has accounted for 10% or more of the total sales amount of the consolidated statement of income.

[Impairment loss by business segment reported]

Current fiscal year (from April 1, 2010 to March 31, 2011)

(Unit: Millions of yen)

	Business segment reported		Other	Corporate or elimination	Total
	Arcade operations	Sub-total			
Impairment loss	149	149	-	-	149

[Amortization and balance of goodwill by business segment reported]

Current fiscal year (from April 1, 2010 to March 31, 2011)

(Unit: Millions of yen)

	Business segment reported		Other	Corporate or elimination	Total
	Consumer online games	Sub-total			
Amortization	239	239	-	-	239
Balance	412	412	-	-	412

[Negative goodwill by business segment reported]

Current fiscal year (from April 1, 2010 to March 31, 2011)

Not applicable

(Reference) Business segments

Previous fiscal year (From April 1, 2009 to March 31, 2010)

(Unit: Millions of yen)

	Home video games	Arcade operations	Arcade games sales	Contents expansion	Other businesses	Total	Elimination and corporate	Consolidated total
. Net sales and operating income								
Net sales								
(1) Customers	44,015	11,985	2,280	5,819	2,736	66,837	(-)	66,837
(2) Inter-segment	-	-	-	-	-	-	(-)	-
Total	44,015	11,985	2,280	5,819	2,736	66,837	(-)	66,837
Operating expenses	36,168	11,394	2,483	5,310	1,639	56,996	4,253	61,250
Operating income (loss)	7,846	590	(203)	509	1,097	9,840	(4,253)	5,587
. Assets, depreciation and capital expenditures								
Total assets	31,257	9,797	3,241	4,339	2,221	50,857	35,764	86,621
Depreciation	509	1,744	136	239	228	2,859	509	3,368
Impairment loss	-	161	47	9	-	218	5	223
Capital expenditures	543	800	59	83	249	1,736	469	2,205

- (Note)
- Business segments above are split based upon for internal management disposition.
 - Principal products and operations of each business segment
 - Home video games..... This division develops and distributes home video game software as well as develops and operates online game software.
 - Arcade operations..... This division operates amusement facilities.
 - Arcade games sales..... This division develops, manufactures, and distributes commercial game equipment and integrated circuit boards.
 - Contests expansion..... This division develops and distributes mobile contents as well as develops, manufactures and distributes pachinko and pachislot machines.
 - Other businesses..... Other businesses include licensing business and other businesses.
 - Unallocated corporate operating expenses included in "Elimination and corporate" amounted to 4,253 million yen. The major part of this expense is related to the corporate division of Capcom.
 - Corporate assets in the column "Elimination and corporate" were 35,872 million yen. Corporate assets mainly represent surplus operating funds (cash and cash equivalents, available-for-sale securities), long-term investment funds (investments in securities
 - Depreciation and capital expenditures include long-term prepaid expenses and amortization of them.

(Reference) Geographic areas

Previous fiscal year (From April 1, 2009 to March 31, 2010)

(Unit: Millions of yen)

	Japan	North America	Europe	Other regions	Total	Elimination and corporate	Consolidated total
Net sales and operating income							
Net Sales							
(1) Customers	47,269	10,825	7,813	928	66,837	(-)	66,837
(2) Inter-segment	6,690	1,717	119	54	8,581	(8,581)	-
Total	53,960	12,543	7,933	982	75,419	(8,581)	66,837
Operating expenses	42,185	14,615	7,796	828	65,426	(4,176)	61,250
Operating income	11,775	(2,072)	136	153	9,992	(4,405)	5,587
Total assets	41,632	6,431	4,841	734	53,640	32,981	86,621

- (Note)
- The segmentation of country or region is based on the geographical proximity.
 - Major countries and regions that are not in Japan
 - North America..... United States of America
 - Europe..... European countries
 - Other regions..... Asia and others
 - Unallocated corporate operating expenses included in "Elimination and corporate" amounted to 4,253 million yen. The major part of this expense is related to the corporate division of the Companies.
 - Corporate assets in the column "Elimination and corporate" were 35,872 million yen. Corporate assets mainly represent surplus operating funds (cash and cash equivalents, available-for-sale securities), long-term investment funds (investments in securities) and assets held by the corporate division of Capcom.

Current fiscal year (From April 1, 2010 to March 31, 2011)

(Unit: Millions of yen)

	Japan	North America	Europe	Other regions	Total	Elimination and corporate	Consolidated total
Net sales and operating income							
Net Sales							
(1) Customers	67,033	19,340	9,966	1,376	97,716	(-)	97,716
(2) Inter-segment	9,316	7,637	193	37	17,185	(17,185)	-
Total	76,350	26,978	10,160	1,413	114,902	(17,185)	97,716
Operating expenses	61,315	23,811	9,509	1,094	95,731	(12,309)	83,421
Operating income	15,034	3,166	650	319	19,171	(4,876)	14,295
Total assets	42,585	11,589	5,795	1,023	60,995	29,413	90,408

- (Note)
- Same with the previous fiscal year
 - Same with the previous fiscal year
 - Unallocated corporate operating expenses included in "Elimination and corporate" amounted to 4,439 million yen. The major part of this expense is related to the corporate division of the Companies.
 - Corporate assets in the column "Elimination and corporate" were 37,966 million yen. Corporate assets mainly represent surplus operating funds (cash and cash equivalents, available-for-sale securities), long-term investment funds (investments in securities) and assets held by the corporate division of Capcom.

(Reference) Overseas sales
 Previous fiscal year (From April 1, 2009 to March 31, 2010)

(Unit: Millions of yen)

	North America	Europe	Other regions	Total
Overseas sales	11,773	7,014	2,331	21,120
Consolidated net sales				66,837
Percentage of overseas sales included in consolidated net sales (%)	17.6	10.5	3.5	31.6

- (Note)
1. The segmentation of country or region is based on the geographical proximity.
 2. Major countries and regions that are not in Japan.
 - (1) North America..... United States of America
 - (2) Europe..... European countries
 - (3) Other regions..... Asia and others
 3. Foreign net sales represents the total of all the sales outside Japan by Capcom.