

(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 9 months (From April 1, 2015 to December 31, 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	36,080	6,578	13,091	55,750	1,310	57,060	—	57,060
(2) Inter-segment	—	—	—	—	—	—	—	—
Total	36,080	6,578	13,091	55,750	1,310	57,060	—	57,060
Operating income	9,706	459	2,895	13,060	354	13,415	(2,810)	10,604

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

2. Adjustments of segments (-2,810 million yen) include unallocated corporate operating expenses (-2,810 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 9 months (From April 1, 2016 to December 31, 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	28,428	7,069	16,591	52,089	1,418	53,507	—	53,507
(2) Inter-segment	—	—	—	—	—	—	—	—
Total	28,428	7,069	16,591	52,089	1,418	53,507	—	53,507
Operating income	1,461	611	5,422	7,495	562	8,058	(2,938)	5,119

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

2. Adjustments of segments (-2,938 million yen) include unallocated corporate operating expenses (-2,938 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.