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Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]

July 30, 2025

Company name: CAPCOM Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 9697
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (For institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	45,502	53.7	24,597	90.8	22,883	69.7	17,238	72.8
June 30, 2024	29,597	(32.5)	12,889	(46.4)	13,487	(47.9)	9,975	(45.1)

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ 16,596 million [30.9 %]

Three months ended June 30, 2024: ¥ 12,680 million [(41.2) %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	41.21	41.21
June 30, 2024	23.85	-

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholder equity ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	293,241	233,579	79.6
March 31, 2025	312,982	226,303	72.3

(Reference) Equity: As of June 30, 2025: ¥ 233,392 million

As of March 31, 2025: ¥ 226,148 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2025	Yen -	Yen 18.00	Yen -	Yen 22.00	Yen 40.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		20.00	-	20.00	40.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	190,000	12.0	73,000	11.0	70,000	6.6	51,000	5.3	121.93

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - (Company name: -)

Excluded: - (Company name: -)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

Note: Please refer to 2. Quarterly Consolidated Financial Statements and Primary Notes (4) Notes to consolidated financial statements (Application of special accounting treatment for preparation of quarterly financial statements) on page 10 for more details.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2025: 533,011,246 shares

March 31, 2025: 533,011,246 shares

2) Number of treasury shares at the end of the period:

June 30, 2025: 114,729,192 shares

March 31, 2025: 114,743,194 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 418,276,440 shares

Three months ended June 30, 2024: 418,242,943 shares

Note: The number of treasury shares at the end of the 1st quarter and the number of treasury shares deducted when calculating the average number of shares outstanding during the period under review include the Company's shares held by the Stock Grant ESOP trust.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

* 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 1. Operating results overview (3) Qualitative information regarding the consolidated business forecasts on page 4 for more details.

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1. Operating Results Overview

(1) Operating Results for the Period under Review

In the three months ended June 30, 2025, Capcom Co., Ltd. (the “Company”) actively pursued investments for growth focused on the ongoing enhancement of digital sales in order to further evolve and expand within the global market. In addition, as part of its human resources investment strategy, which is one of the Company’s top priorities, it continued to invest in human capital with the aim of stable and sustainable growth by securing and fostering human resources to support the future, and worked to enhance corporate value over the medium to long term.

Regarding business performance, the Company worked to increase global unit sales in its core Digital Contents business by releasing existing titles on new hardware and strengthening sales of catalog titles. As a result, in the three months ended June 30, 2025, the Digital Contents business contributed to earnings with sales of 243 titles in 228 countries and regions and total unit sales of 14.16 million units, up from the 9.53 million units sold in the same period of the previous fiscal year.

The Company also aimed to enhance the brand value of its intellectual properties (IPs) by coordinating the activities of its major content with esports, film and television productions, and licensing business activities. It also worked to increase earnings: in Arcade Operations this was through the steady operation of its stores and the pursuit of store openings in new formats; in Amusement Equipments, the Company continued to release smart pachislo machines and utilize its popular IPs.

On top of its business activities, the Company also worked to contribute to local, cultural, and technological promotion by sponsoring and participating in the Osaka Healthcare Pavilion, which is being exhibited by the Osaka Prefectural and City governments at Expo 2025 Osaka, Kansai, Japan from April 2025.

As a result, for the three months ended June 30, 2025, consolidated net sales were 45,502 million yen (up 53.7% year on year), operating profit was 24,597 million yen (up 90.8% year on year), ordinary profit was 22,883 million yen (up 69.7% year on year), and profit attributable to owners of parent was 17,238 million yen (up 72.8% year on year).

Status of business by operating segment

① Digital Contents business

In the Digital Contents business, the Company released *Capcom Fighting Collection 2* (for Nintendo Switch, PlayStation 4, Xbox One and PC) and *Onimusha 2: Samurai's Destiny* (for PlayStation 4, Nintendo Switch, Xbox One and PC) in May, garnering support from series fans. Additionally, the Company also released *Street Fighter 6* and *Kunitsu-Gami: Path of the Goddess* for the Nintendo Switch 2 in June.

Regarding catalog titles, although sales were soft for *Monster Hunter Wilds*, the latest title in the series released in February this year, *Monster Hunter Rise*, a previous title in the same series, continued to see sales growth. Moreover, following the announcement of the latest title in the flagship *Resident Evil* series in June, sales of titles in the same series continued to grow, led by *Resident Evil Village* and *Resident Evil 4*. Additionally, efforts to enhance brand value through building wider awareness of the Company’s IPs resulted in strong sales of *Devil May Cry 5* and other titles, driving sales of catalog titles to 13.36 million units, up from the 9.26 million units sold in the same period of the previous year.

Furthermore, global cumulative sales of *Street Fighter 6* reached 5 million units following ongoing efforts to bolster coordination between the Company’s games and its esports activities in pursuit of wider brand recognition and an expanded user base.

As a result, the segment earned net sales of 29,857 million yen (up 39.4% year on year), and operating profit of 20,057 million yen (up 56.4% year on year).

② Arcade Operations business

In Arcade Operations, consumer lifestyle habits are undergoing change in addition to the growth in inbound tourism. As such, factors such as solid operations at existing stores and store openings in new formats contributed to earnings expansion. Moreover, the Company worked to maximize the appeal of its brick-and-mortar stores to create synergies with other businesses by holding live events and other activities.

During the three months ended June 30, 2025, the Company opened Capsule Lab/Chara Cap LaLaport Anjo (Aichi Prefecture) in April, which combines a character merchandise specialty store with a capsule toy specialty store, as well as Capcom Store Sendai (Miyagi Prefecture), a retail store that sells merchandise featuring the Company's popular characters. Furthermore, in June the Company opened Plaza Capcom/Capsule Lab LaLa terrace Kita-Ayase (Tokyo), combining an arcade with a capsule toy specialty store, bringing the total number of stores to 56.

As a result, the segment earned net sales of 5,606 million yen (up 15.3% year on year), and operating profit of 941 million yen (up 82.3% year on year).

③ Amusement Equipments business

Regarding the Amusement Equipments business, the pachislo market remained solid, driven primarily by smart pachislo machines. *Devil May Cry 5 Stylish Tribe*, released in June 2025, sold 10.9 thousand units, contributing to earnings.

Furthermore, *Monster Hunter Rise*, released in November 2024, and *Resident Evil 5*, released in March 2025, both enjoyed long-term operation in halls due to a positive reception from players, leading to favorable catalog sales.

As a result, the segment earned net sales of 7,812 million yen (up 251.9% year on year), and operating profit of 4,910 million yen (up 353.3% year on year).

④ Other Businesses

The Company utilized its popular title *Street Fighter 6* in its eSports business and began the global Capcom Pro Tour 2025 in May, leading to fierce competitions around the world. In addition to taking measures to expand the esports user base on a global scale, the Company worked to further promote its esports tournaments, such as announcing that it will hold the championship tournament for the 2025 season at Japan's famous National Sumo Arena, *Ryogoku Kokugikan*, following the success of last season's finals at the same venue.

In its Media business, a new *Devil May Cry* animated series was released worldwide on Netflix in April. As for its Character business, the Company focused on developing merchandise for its popular titles, such as the *Monster Hunter* and *Street Fighter* series. Furthermore, the Company has taken measures to enhance the value of its corporate brand, including the exhibition Capcom Creation: Moving Hearts Across the Globe, which began in March 2025 and showcases the Company's game development process, and has since garnered critical acclaim.

As a result, the segment earned net sales of 2,226 million yen (up 102.9% year on year), and operating profit of 1,369 million yen (up 106.1% year on year).

(2) Overview of the Consolidated Financial Position for the Period under Review

Total assets as of the end of the first quarter decreased by 19,740 million yen from the end of the previous fiscal year to 293,241 million yen. The primary increases were 8,830 million yen in property, plant and equipment, other, net, due to an increase of land assets, etc., and 5,274 million yen in work-in-progress for game software. The primary decreases were 18,268 million yen in accounts receivable - trade and 13,513 million yen in cash and deposits.

Total liabilities as of the end of the first quarter decreased by 27,016 million yen from the end of the previous fiscal year to 59,661 million yen. The primary decreases were 9,185 million yen in income taxes payable, 9,024 million yen in deferred revenue, and 4,964 million yen in provision for bonuses.

Net assets as of the end of the first quarter increased by 7,276 million yen from the end of the previous fiscal year to 233,579 million yen. The primary increase was 17,238 million yen in quarterly profit attributable to owners of parent. The primary decreases were 9,376 million yen in dividends from retained earnings, and 652 million yen in foreign currency translation adjustment.

(3) Qualitative Information regarding the Consolidated Business Forecasts

The forecast for the consolidated business results for the current fiscal year ending March 31, 2026, remains the same as what was projected at the financial results announcement on May 13, 2025.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	166,783	153,269
Accounts receivable - trade	33,341	15,072
Merchandise and finished goods	2,798	2,631
Work in process	917	866
Raw materials and supplies	1,115	506
Work-in-progress for game software	49,209	54,484
Other	7,917	6,529
Allowance for doubtful accounts	(0)	(3)
Total current assets	262,082	233,356
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,745	10,556
Other, net	22,809	31,639
Total property, plant and equipment	33,554	42,195
Intangible assets	1,436	1,459
Investments and other assets		
Other	15,930	16,252
Allowance for doubtful accounts	(23)	(23)
Total investments and other assets	15,907	16,229
Total non-current assets	50,899	59,884
Total assets	312,982	293,241
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,117	1,880
Electronically recorded obligations - operating	2,505	2,894
Short-term borrowings	3,591	3,591
Income taxes payable	15,053	5,868
Provision for bonuses	9,480	4,515
Deferred revenue	20,590	11,566
Other	15,138	11,834
Total current liabilities	69,478	42,151
Non-current liabilities		
Long-term borrowings	3,000	3,000
Retirement benefit liability	4,758	4,811
Provision for share awards	3,169	3,454
Provision for share-based payments	49	72
Other	6,222	6,172
Total non-current liabilities	17,200	17,509
Total liabilities	86,678	59,661

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Net assets		
Shareholders' equity		
Share capital	33,239	33,239
Capital surplus	30,259	30,259
Retained earnings	204,233	212,094
Treasury shares	(49,963)	(49,939)
Total shareholders' equity	217,768	225,653
Accumulated other comprehensive income		
Foreign currency translation adjustment	8,602	7,950
Remeasurements of defined benefit plans	(222)	(212)
Total accumulated other comprehensive income	8,380	7,738
Share award rights	155	187
Non-controlling interests	-	-
Total net assets	226,303	233,579
Total liabilities and net assets	312,982	293,241

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the three months ended June 30, 2025

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	29,597	45,502
Cost of sales	11,099	14,495
Gross profit	18,497	31,006
Selling, general and administrative expenses	5,608	6,408
Operating profit	12,889	24,597
Non-operating income		
Interest income	272	276
Dividend income	0	-
Foreign exchange gains	620	-
Other	53	29
Total non-operating income	946	305
Non-operating expenses		
Interest expenses	17	22
Foreign exchange losses	-	733
Social contribution activity-related expenses (*)	291	1,223
Other	39	39
Total non-operating expenses	348	2,019
Ordinary profit	13,487	22,883
Extraordinary income		
Gain on sale of non-current assets	143	0
Total extraordinary income	143	0
Extraordinary losses		
Loss on sale and retirement of non-current assets	1	49
Total extraordinary losses	1	49
Profit before income taxes	13,629	22,834
Income taxes	3,653	5,602
Profit	9,975	17,232
Loss attributable to non-controlling interests	-	(6)
Profit attributable to owners of parent	9,975	17,238

Quarterly Consolidated Statement of Comprehensive Income
For the three months ended June 30, 2025

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	9,975	17,232
Other comprehensive income		
Foreign currency translation adjustment	2,729	(646)
Remeasurements of defined benefit plans, net of tax	(24)	10
Total other comprehensive income	2,705	(635)
Comprehensive income	12,680	16,596
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,680	16,596
Comprehensive income attributable to non-controlling interests	-	-

(3) Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	13,629	22,834
Depreciation	1,062	1,144
Amortization of goodwill	8	21
Increase (decrease) in allowance for doubtful accounts	(0)	2
Increase (decrease) in provision for bonuses	(4,891)	(4,962)
Increase (decrease) in provision for share awards	282	284
Increase (decrease) in provision for share-based payments	-	22
Interest and dividend income	(272)	(276)
Interest expenses	17	22
Foreign exchange losses (gains)	(295)	(103)
Loss (gain) on sale and retirement of non-current assets	(141)	49
Decrease (increase) in trade receivables	11,811	18,271
Decrease (increase) in inventories	(512)	818
Decrease (increase) in work-in-progress for game software	(5,886)	(5,271)
Increase (decrease) in trade payables	(532)	(833)
Increase (decrease) in deferred income	(126)	(9,018)
Other, net	(313)	(4,269)
Subtotal	13,840	18,736
Interest and dividends received	359	433
Interest paid	(15)	(22)
Income taxes paid	(4,776)	(13,974)
Net cash provided by (used in) operating activities	9,407	5,172
Cash flows from investing activities		
Payments into time deposits	(11,598)	(17,983)
Proceeds from withdrawal of time deposits	11,598	15,106
Purchase of property, plant and equipment	(847)	(8,364)
Proceeds from sale of property, plant and equipment	338	0
Purchase of intangible assets	(151)	(163)
Other, net	(139)	0
Net cash provided by (used in) investing activities	(800)	(11,404)
Cash flows from financing activities		
Purchase of treasury shares	(1)	(0)
Dividends paid	(9,164)	(9,378)
Other, net	(295)	(372)
Net cash provided by (used in) financing activities	(9,461)	(9,750)
Effect of exchange rate change on cash and cash equivalents	2,015	(106)
Net increase (decrease) in cash and cash equivalents	1,160	(16,089)
Cash and cash equivalents at beginning of period	109,091	150,426
Cash and cash equivalents at end of period	110,252	134,336

(4) Notes to Consolidated Financial Statements

(Going concern assumptions)

Not applicable

(Application of special accounting treatment for preparation of quarterly financial statements)

(Calculation of income taxes)

Income taxes are calculated by multiplying the net income before income taxes by the forecasted effective tax rate, which is computed by matching the forecasted yearly income taxes with the forecasted yearly income before taxes.

(Consolidated statements of income)

* Social contribution activity-related expenses

Previous 3 months (From April 1, 2024 to June 30, 2024)

The breakdown of “Social contribution activity-related expenses” is “2025 Osaka Expo-related expenses” of 261 million yen, and “Donation” of 29 million yen.

Current 3 months (From April 1, 2025 to June 30, 2025)

The breakdown of “Social contribution activity-related expenses” is “2025 Osaka Expo-related expenses” of 1,216 million yen, and “Donation” of 7 million yen.

(Segment Information)

I Previous 3 months (From April 1, 2024 to June 30, 2024)

Information on net sales and operating profit (loss)

(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								
Customers	21,416	4,864	2,220	28,500	1,097	29,597	—	29,597
Inter-segment	—	—	—	—	—	—	—	—
Total	21,416	4,864	2,220	28,500	1,097	29,597	—	29,597
Operating profit (loss)	12,821	516	1,083	14,421	664	15,085	(2,196)	12,889

Note:

1. “Other” incorporates operations not included in business segments reported, including the Character Contents business, etc.
2. Adjustments of operating profit (loss) of -2,196 million yen include unallocated corporate operating expenses of -2,196 million yen. The corporate operating expenses, which do not belong to any reportable segments mainly consist of administrative expenses.
3. Operating profit (losses) for segments are adjusted on operating profit on the consolidated statements of income.

II Current 3 months (From April 1, 2025 to June 30, 2025)

Information on net sales and operating profit (loss)

(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								
Customers	29,857	5,606	7,812	43,276	2,226	45,502	—	45,502
Inter-segment	—	—	—	—	—	—	—	—
Total	29,857	5,606	7,812	43,276	2,226	45,502	—	45,502
Operating profit (loss)	20,057	941	4,910	25,909	1,369	27,278	(2,680)	24,597

Note:

1. “Other” incorporates operations not included in business segments reported, including Character License business etc.
2. Adjustments of operating profit (loss) of -2,680 million yen include unallocated corporate operating expenses of -2,680 million yen. The corporate operating expenses, which do not belong to any reportable segments mainly consist of administrative expenses.
3. Operating profit (losses) for segments are adjusted on operating profit on the consolidated statements of income.

(Material changes in shareholders' equity)

Not applicable

(Additional Information)

(Employee Stock Ownership Plan)

In June 2022, the Company established a Stock Grant ESOP trust as an employee incentive plan (the Plan, below) for its permanent employees (excludes employees not living in Japan; eligible employees, below).

(1) Overview

The Company established the Plan with the aim of increasing employee motivation and interest in contributing to the enhancement of earnings.

Under the Plan, the Company established a Stock Grant ESOP (Employee Stock Ownership Plan) trust (the ESOP trust, below). The ESOP trust is an employee incentive plan similar to ESOP plans in the U.S. and will grant the Company's stock that has been acquired by the ESOP trust to eligible employees who have satisfied certain requirements, based on predetermined stock transfer rules.

Further, the Company will provide all funds for acquisition of the aforementioned stock by the ESOP trust, so none of the cost falls upon the eligible employees.

The Company anticipates that by establishing the ESOP trust eligible employees will be able to reap the economic benefits of increases in the value of the Company's stock, resulting in increasing workplace motivation while at the same time enhancing work performance.

Further, voting rights for the Company's stock held in the ESOP trust will be exercised within a structure that reflects the will of eligible employees who are candidate beneficiaries, and is an effective way to improve corporate value by promoting participation in management planning.

The remuneration of corporate officers of the Company (excluding those concurrently serving as directors) has been changed to a performance-linked stock remuneration system like the one that was introduced for the Company's directors (excluding external directors and members of the Audit and Supervisory Committee) by a resolution of the Company's 45th Annual General Meeting of Shareholders on June 20, 2024, to promote the sharing of values from the same perspective as shareholders. As such, corporate officers of the Company (excluding those concurrently serving as directors) who were previously eligible for the Plan are therefore no longer eligible.

(2) The Company's Stock that Remains in the Trust

The Company's stock that remains in the trust is recorded as treasury stock in net assets based on the book value in the trust (excluding associated expenses). Total book value and the number of shares at the end of the previous fiscal year and at the end of the 1st quarter are 13,740 million yen and 7,953,888 shares, and 13,715 million yen and 7,939,780 shares, respectively.