NEWS RELEASE

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"Devil May Cry" coming to Hollywood live action movie!!

CAPCOM Co., Ltd. ("CAPCOM") and GAGA Communications Inc. ("GAGA") are pleased to make an announcement about its basic licensing agreement over filming live-action movie of "Devil May Cry", of which software sales are amounting to 4,270 thousand units on worldwide basis.

CAPCOM ever granted an exclusive optional right of filming "Onimusha" to GAGA and this transaction is following to such licensing activities to broaden its contents to wider entertainments. GAGA will canvass its filming opportunities of "Devil May Cry" in Hollywood live-action movie as blockbuster one based on this licensing agreement.

"Devil May Cry" is one of popular action games themed for fighting against the devils by its main character called "Dante", whose father is a devil and its mother is a human being, together with a mysterious beautiful lady "Trish". The popularities of the game software is not limited to North America, but also well received in other regions as well.

GAGA is excited to organize its filming project of "Devil May Cry".

GAGA is under consideration of total production cost as 40 million US dollars, which might be ever highest cost for the live-action film based on the game.

Details such as producer, director, distributing agency and movie cast will be decided in the process of finding out appropriate staff for the movie by GAGA.

The filming of "Devil May Cry" may start around CY2005.

CAPCOM is the original creating company and the owner of copyrights with respect to such popular contents such as "Resident Evil", "Onimusha", and "Devil May Cry", out of which "Resident Evil" movie was successfully released all over the world, starting in U.S. It is a proven record for CAPCOM. (16.8 billion yen at the box office on a worldwide basis)

CAPCOM is trying to maximize its contents as much as possible to open up new business opportunities in tie with licensing out to the Hollywood world.

As a new growth strategy for film contents, GAGA tries to pursue "film business" which means that GAGA receives the license of the movie right and canvasses filming opportunity of Japanese competitive contents in the world.

GAGA will also pursue "producing business" actively, such as the live-action film "Tekken" (collaboration with Namco and Crystal Sky), and "Onimusha" (collaboration with CAPCOM).