

November 28, 2018

Press Release

Company Name: Capcom Co., Ltd.
Representative: Haruhiro Tsujimoto, President and COO
(Code No. 9697 First Section of Tokyo Stock Exchange)
Contact: Public Relations and Investor Relations Section
Phone Number: +81-6-6920-3623

Notice Regarding the Results of Tender Offer for Repurchase of Own Shares and the Completion of Repurchase by the Company of its Own Shares

Capcom Co., Ltd. (the “Company”) resolved at the Board of Directors meeting held on October 29, 2018, that it would repurchase its own shares and implement a tender offer (the “Tender Offer”) beginning October 30, 2018, utilizing the acquisition method specified under Article 156, Paragraph 1 of the Companies Act, as applied pursuant to the provisions of Article 165, Paragraph 3 of the same Act (Act No. 86 of 2005 and including subsequent amendments; hereinafter referred to as the “Companies Act”), and the provisions of the Company’s Articles of Incorporation. The Tender Offer was completed on November 27, 2018. Details are as follows.

In addition, repurchase by the Company of its own shares, which was resolved at the Board of Directors meeting held on October 29, 2018, has been completed with the completion of the Tender Offer.

1. Results of the Tender Offer

1) Summary of the purchases

- ① Name and address of the tender offeror
Capcom Co., Ltd. 3-1-3, Uchihiranomachi, Chuo-ku, Osaka
- ② Class of listed shares repurchased
Common shares
- ③ Tender offer period
 - I. Tender offer period
Tuesday, October 30, 2018 through Tuesday, November 27, 2018 (20 business days)
 - II. Date of public notice of the commencement of the Tender Offer
Tuesday, October 30, 2018
- ④ Tender offer price
2,192 yen per common share
- ⑤ Method of settlement
 - I. Name and head office address of the financial instruments business operator, bank or other institution in charge of settlement of the Tender Offer
(Tender offer agent)
Daiwa Securities Co. Ltd. 9-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo

II. Settlement commencement date
Wednesday, December 19, 2018

III. Method of settlement

Notification of the purchases under the Tender Offer will be sent to the address of tendering shareholders (the “Tendering Shareholders”) (or the standing proxy for foreign shareholders (including institutional shareholders), the “Foreign Shareholders”) after the conclusion of the tender offer period without delay.

Purchases will be settled in cash. Tendering Shareholders will be able to receive the purchase amount for the Tender Offer, less applicable withholding taxes (see note), from the tender offer agent promptly after the settlement commencement date via remittance sent to the location designated by the Tendering Shareholder (or the standing proxy for Foreign Shareholders), or at the head office or the regional branch office of the tender offer agent at which the application of the Tendering Shareholders was accepted.

Note: Regarding taxes on shares purchased under the Tender Offer

*Please make any decisions after consulting a tax advisor or other professional about specific tax questions.

i. Retail shareholders

1. For the Tendering Shareholders who are residents, or non-residents with a permanent establishment in Japan

When the amount of money received for accepting the Tender Offer exceeds the amount of the portion of the Company’s capital (or for a consolidated corporation, its consolidated individual stated capital) attributable to the shares that are the basis for that payment (when the per-share purchase amount is greater than the per-share amount of capital), the amount in excess will be deemed a dividend and taxed accordingly. The amount deemed to be a dividend is subject to a withholding of 20.315%. (15.315% for income tax and special income tax for reconstruction and 5% for resident tax. There will be no special withholding of the 5% resident tax for non-residents with a permanent establishment in Japan.) However, if the shareholder is considered as a principle shareholder as provided for in Article 4-6-2, Paragraph 12 of the Order for Enforcement of the Act on Special Measures Concerning Taxation (Order No. 43 of 1957 and including subsequent amendments), the withholding will be 20.42% (income tax and special income tax for reconstruction only). Furthermore, the amount of the money received for the tendered and delivered shares pursuant to the Tender Offer less the amount deemed to be a dividend shall be income from the transfer of shares. The amount of income from the transfer of shares less acquisition expenses relating to the shares shall be, in principle, subject to separate self-assessment taxation.

In the case where shares in a tax-free account specified in Article 37-14 (Tax exemptions on income from transfers of small-sum listed shares, etc. in tax-free accounts) of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957 and including subsequent amendments) (the “Tax-Free Accounts”) are tendered pursuant to the Tender Offer and the financial instruments business operator with which the Tax-Free Account was opened is Daiwa Securities Co. Ltd., income from the transfer of shares pursuant to the Tender Offer is, in principle, tax-free. If the Tax-Free Account was opened with a financial instruments business operator other than Daiwa Securities Co. Ltd., the treatment described above may not apply.

2. For the Tendering Shareholders who are non-residents without a permanent establishment in Japan

The amount deemed to be a dividend will be subject to a withholding of 15.315% (income tax and special income tax for reconstruction only). If the shareholder is considered as a principle shareholder, the withholding will be 20.42% (income tax and special income tax for reconstruction only). As a general rule, income arising from the transfer will not be subject to taxation.

ii. Institutional shareholders

When the amount of money received for accepting the Tender Offer exceeds the amount of capital per share, the amount in excess will be deemed a dividend and subject to a withholding of 15.315% (income tax and special income tax for reconstruction only).

2) Results of the Tender Offer

① Number of shares purchased

Share class	Total number of shares to be purchased	Number of excess shares to be purchased	Number of shares tendered	Number of shares repurchased
Common shares	2,737,100 shares	— shares	2,901,161 shares	2,737,100 shares

② Calculation where pro rata method is employed

As the number of shares tendered exceeded the total number of shares to be purchased (2,737,100 shares), all or part of tendered shares exceeding such number will not be purchased, and the tender offeror will implement the delivery and other settlement for purchasing shares on a pro rata basis as provided for in Article 27-13, Paragraph 5 of the Financial Instruments and Exchange Act (Act No. 25 of 1948 and including subsequent amendments; hereinafter referred to as the “Act”) as applied pursuant to Article 27-22-2, Paragraph 2 of the same Act and Article 21 of the Cabinet Office Order on Disclosure Required for Tender Offer for Listed Share Certificates, etc. by Issuer (Order No. 95 of 1994 and including subsequent amendments) (if the number of shares tendered contains shares less than one unit (100 shares), the number of shares repurchased, which is calculated by the pro rata method, will be up to the number of shares tendered).

As the number of shares repurchased from all Tendering Shareholders, as calculated on a pro rata basis whereby shares constituting less than one unit are rounded, was to be less than the total number of shares to be purchased, the tender offeror purchased an additional unit of shares from each Tendering Shareholder, in descending order, beginning with the Tendering Shareholder that owned the largest number of rounded-off shares, until the number of shares repurchased was equal to or exceeded the total number of shares to be purchased (in the case that repurchase of one additional unit exceeds the number of shares tendered, the repurchase will be up to the number of shares tendered).

- 3) Locations where copies of the tender offer report are available for inspection
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|----------------------------|---|
| Capcom Co., Ltd. | 3-1-3, Uchihiranomachi, Chuo-ku, Osaka |
| Tokyo Stock Exchange, Inc. | 2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo |

2. Completion by the Company of the repurchase of its own shares

1) Details of the repurchase

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|--------------------------------------|---|
| ① Class of shares repurchased | Common shares |
| ② Total number of shares repurchased | 2,737,100 shares |
| | Note: Ratio to the total number of shares outstanding: 2.02% (rounded to the second decimal place) |
| ③ Aggregate repurchase price | 5,999,723,200 yen |
| | Note: The above amount does not include any fees payable to the tender offer agent or various other expenses. |
| ④ Repurchase period | Tuesday, October 30, 2018 through Tuesday, November 27, 2018 |
| ⑤ Method of repurchase | Tender offer |

The repurchase by the Company of its own shares, which was resolved at the Board of Directors meeting held on October 29, 2018, utilizing the acquisition method specified under Article 156, Paragraph 1 of the Companies Act, as applied pursuant to the provisions of Article 165, Paragraph 3 of the same Act and the provisions of the Company's Articles of Incorporation, has been completed with the completion of the Tender Offer.

3. Other

The Company hereby notifies that as a result of the Tender Offer, the Company will repurchase a portion of the shares tendered by Crossroad Co., Ltd., the major shareholder who is also a principle shareholder (hereinafter referred to as “Crossroad”), and that as of December 19, 2018 (the settlement commencement date for the Tender Offer), of the number of voting rights held by all shareholders of the Company (1,066,680 rights), Crossroad will hold 10.01% (digits after third decimal place omitted) (106,826 rights), and therefore there will be no change in the major shareholder who is also a principle shareholder of the Company.

Note 1: Number of shares outstanding as of September 30, 2018: 135,446,488 shares

Note 2: The ratio to the total number of voting rights held by all shareholders is calculated based on a denominator of 1,066,680 voting rights, which is derived by subtracting the 27,371 voting rights related to the 2,737,100 shares of common stock of the Company acquired by the Company through the Tender Offer from the 1,094,051 voting rights of all shareholders as of September 30, 2018.

(Reference)

Resolution adopted at the Board of Directors meeting held on October 29, 2018 relating to the repurchase by the Company of its own shares

① Class of shares to be repurchased

Common shares

② Aggregate number of shares to be repurchased

Up to 2,737,200 shares

Note: Ratio to the total number of shares outstanding: 2.02% (rounded to the second decimal place)

③ Aggregate repurchase price

Up to 5,999,942,400 yen

④ Repurchase period

Tuesday, October 30, 2018 through Friday, December 28, 2018