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Press Release

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**Profits Hit Record-High for Fourth Consecutive Year Driven by
Digital Contents Business in Consolidated Results for the Year Ended March 2021**

- Eight consecutive years of OP growth; operating income up 51.6%, net income up 56.3% -

Capcom Co., Ltd. today announced that in its consolidated business results for the fiscal year ended March 31, 2021, net sales were 95,308 million yen (up 16.8 % from the previous fiscal year), operating income was 34,596 million yen (up 51.6 % from the previous fiscal year), ordinary income was 34,845 million yen (up 51.8 % from the previous fiscal year), and net income attributable to owners of the parent was 24,923 million yen (up 56.3 % from the previous fiscal year).

During the fiscal year ended March 31, 2021, Capcom's core Digital Contents business drove results with continued success in promoting digital sales in addition to major new releases such as *Monster Hunter Rise* and *Resident Evil 3*, as well as sales growth for catalog titles such as *Monster Hunter World: Iceborne*. Further, following its mainline business strategy of promoting digital sales, Capcom saw growth in overseas revenue due to realizing both expansion of its regional markets and longer product lives for its titles. Altogether, the above factors resulted in the eighth consecutive year of operating income growth, and the fourth consecutive year of record-high profit at all levels in company history.

Moving forward, for the fiscal year ending March 31, 2022, Capcom anticipates net sales of 100,000 million yen and operating income of 42,000 million yen, which would result in nine consecutive years of operating income growth and five consecutive years of record high profit at all levels.

1. Consolidated financial results of the year ended March 31, 2021 (April 1, 2020 - March 31, 2021)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Earnings per share
Year ended March 31, 2021	million yen 95,308	million yen 34,596	million yen 34,845	million yen 24,923	yen 116.74
Year ended March 31, 2020	81,591	22,827	22,957	15,949	74.70

Note: With an effective date of April 1, 2021, Capcom performed a 2-for-1 stock split of its common stock. Capcom calculated earnings per share assuming that the stock split was implemented with an effective date of April 1, 2019.

2. Forecast for the fiscal year ending March 31, 2022

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Earnings per share
Year ending March 31, 2022	million yen 100,000	million yen 42,000	million yen 42,000	million yen 30,000	yen 140.52

Note: 1. Capcom discloses only full year business forecasts, as it manages its business performance on an annual basis.

2. With an effective date of April 1, 2021, Capcom performed a 2-for-1 stock split of its common stock.

For earnings per share for the fiscal year ending March 31, 2022 forecast, Capcom took the stock split into consideration.

3. Status of business by operating segment

(1) Digital Contents

(million yen)

	Year ended March 31, 2020	Year ended March 31, 2021	Difference (%)
Net sales	59,942	75,300	25.6%
Operating income	24,161	37,002	53.1%
Operating margin	40.3%	49.1%	-

- a. In this business segment, new series title *Monster Hunter Rise* (for Nintendo Switch) delivered strong sales of over 4 million units shipped worldwide following its release in March 2021 while *Resident Evil 3* (for PlayStation 4, Xbox One and PC) also saw favorable growth, reaching 3.9 million units shipped. Meanwhile, high-margin catalog titles demonstrated their long product lives and drove up profits, including the continued growth of *Monster Hunter World: Iceborne* (for PlayStation 4, Xbox One and PC), which was released in the previous fiscal year, and *Resident Evil 2* (for PlayStation 4, Xbox One and PC), released prior to the previous fiscal year. Further, *Devil May Cry 5 Special Edition* (for PlayStation 5, Xbox Series X|S) also performed well on next-generation platforms.
- b. In Mobile Contents, in addition to the launch of *Rockman X Dive* (for Android, iOS) in Japan, licensing revenue from the alliance title *Street Fighter: Duel* (for Android, iOS) in China contributed to profits.
- c. The resulting net sales were 75,300 million yen (up 25.6% from the previous fiscal year) and operating income was 37,002 million yen (up 53.1% from the previous fiscal year).

(2) Arcade Operations

(million yen)

	Year ended March 31, 2020	Year ended March 31, 2021	Difference (%)
Net sales	12,096	9,871	(18.4%)
Operating income	1,211	149	(87.7%)
Operating margin	10.0%	1.5%	-

- a. In this business, after the state of emergency was lifted in Japan in May 2020, the Company began to reopen its stores in due order and worked toward the resumption of normal operations. During the fiscal year, the Company pursued the expansion and operation of regionally established stores. This began with opening the Capcom Store Osaka (Osaka Prefecture), a showroom featuring merchandise for popular characters, and included carrying out major renovations of its existing Plaza Capcom Kochi location as well.
- b. As a result, the total number of stores was 41, while net sales were 9,871 million yen (down 18.4% from the previous fiscal year) and operating income was 149 million yen (down 87.7% from the previous fiscal year).

(3) Amusement Equipments

(million yen)

	Year ended March 31, 2020	Year ended March 31, 2021	Difference (%)
Net sales	6,533	7,090	8.5%
Operating income	2,085	2,407	15.4%
Operating margin	31.9%	33.9%	-

- a. In this business, demand was generally weak amid the spread of COVID-19 due to the suspension of operations of amusement halls and the extension of deadlines for the removal of game machines manufactured before the rule revisions of 2017. In such an environment, *Monster Hunter: World* performed well while the release of titles *Ring-ni-Kakero I -World champion carnival version-* and *Resident Evil 7 biohazard* worked to support revenue.
- b. The resulting net sales were 7,090 million yen (up 8.5% from the previous fiscal year) and operating income was 2,407 million yen (up 15.4% from the previous fiscal year).

(4) Other Businesses

(million yen)

	Year ended March 31, 2020	Year ended March 31, 2021	Difference (%)
Net sales	3,018	3,045	0.9%
Operating income	544	987	81.2%
Operating margin	18.0%	32.4%	-

- a. In Other Businesses, the Company focused on promoting film adaptations and the sales of character merchandise using our flagship intellectual property to enhance the brand value of our titles worldwide. This included the first live-action film adaptation in the *Monster Hunter* series, which was released in December 2020 beginning with markets outside of Japan, while in Japan its release was timed for the same day as the launch of the game *Monster Hunter Rise* in March 2021.
- b. In eSports, the Company brought events online due to the spread of COVID-19. Many players participated in heated battles in the 1-on-1 format Capcom Pro Tour Online 2020, which began in June 2020, as well as in the team-based leagues Street Fighter League: Pro-JP 2020 and Street Fighter League: Pro-US 2020, which began in autumn, further expanding the user base.
- c. As a result, net sales were 3,045 million yen (up 0.9% from the previous fiscal year) and operating income was 987 million yen (up 81.2% from the previous fiscal year).