



May 11, 2022

Press Release

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

**Capcom Achieves Record-High Net Sales and
Fifth Consecutive Year of Record-High Profits Driven by Digital Contents Business
in Consolidated Results for the Year Ended March 2022**

- Nine consecutive years of profit growth; operating income up 24.0%, net income up 30.6% -

Capcom Co., Ltd. today announced that in its consolidated business results for the fiscal year ended March 31, 2022, net sales were 110,054 million yen (up 15.5 % from the previous fiscal year), operating income was 42,909 million yen (up 24.0 % from the previous fiscal year), ordinary income was 44,330 million yen (up 27.2 % from the previous fiscal year), and net income attributable to owners of the parent was 32,553 million yen (up 30.6 % from the previous fiscal year).

During the fiscal year ended March 31, 2022, Capcom achieved a 32.6-million-unit record-high annual sales volume for its video games in its core Digital Contents business, driven by the release of new titles in major series, such as *Resident Evil Village* and *Monster Hunter Stories 2: Wings of Ruin*, as well as by the continued success of bolstering sales of catalog titles via promoting digital sales. Further, the company expanded earnings by leveraging these major brands in its character merchandise, media, and eSports businesses, as well as in its Arcade Operations and Amusement Equipments businesses. As a result, Capcom achieved record-high net sales, the fifth consecutive year of record-high profit at all levels, and its ninth consecutive year of operating income growth.

Moving forward, for the fiscal year ending March 31, 2023, Capcom anticipates net sales of 120,000 million yen and operating income of 48,000 million yen, which would result in ten consecutive years of operating income growth and six consecutive years of record high profit at all levels.

1. Consolidated financial results of the year ended March 31, 2022 (April 1, 2021 - March 31, 2022)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Earnings per share
Year ended March 31, 2022	million yen 110,054	million yen 42,909	million yen 44,330	million yen 32,553	yen 152.48
Year ended March 31, 2021	95,308	34,596	34,845	24,923	116.74

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, 2020.

2. Forecast for the fiscal year ending March 31, 2023

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Earnings per share
Year ending March 31, 2023	million yen 120,000	million yen 48,000	million yen 48,000	million yen 34,500	yen 161.59

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

3. Status of business by segment

(1) Digital Contents

(million yen)

	Year ended March 31, 2021	Year ended March 31, 2022	Difference (%)
Net sales	75,300	87,534	16.2%
Operating income	37,002	45,359	22.6%
Operating margin	49.1%	51.8%	-

- a. This business segment gave a solid performance, with global unit sales of *Resident Evil Village* (for PlayStation 5, PlayStation 4, Xbox Series X|S, Xbox One, PC), the latest title in the series, reaching 6.1 million units, while sales of *Monster Hunter Stories 2: Wings of Ruin* (for Nintendo Switch, PC), an RPG title in the *Monster Hunter* series, also topped 1.5 million units worldwide. For FY20 release *Monster Hunter Rise* (for Nintendo Switch), the Company stimulated further growth of its user base by releasing the PC version in January 2022. In addition, the sales growth of catalog titles, such as the 2019 release *Monster Hunter World: Iceborne*, and the 2017 release *Resident Evil 7 Biohazard*, contributed to revenues supported by their consistent popularity.
- b. As a result, annual sales volume reached 32.6 million units, which exceeded the 30.1 million units of the previous fiscal year. In particular, the continued growth of digital sales, which are highly profitable, boosted revenue.
- c. In the Mobile Contents sub-segment, the Company focused on operations of existing titles. Alliance title performance also remained stable. In addition, *Devil May Cry: Peak of Combat* began service in China in June of last year, and its license revenue contributed to profit.

- d. The resulting net sales were 87,534 million yen (up 16.2% from the previous fiscal year) and operating income was 45,359 million yen (up 22.6% from the previous fiscal year).

(2) Arcade Operations

(million yen)

	Year ended March 31, 2021	Year ended March 31, 2022	Difference (%)
Net sales	9,871	12,404	25.7%
Operating income	149	652	336.8%
Operating margin	1.5%	5.3%	-

- a. In this business, some stores were either temporarily closed or operated under reduced business hours during the state of emergency declared in Japan due to COVID-19. However, the number of visitors recovered following the lifting of the declaration, and the Company worked to increase revenue through efficient operations of existing stores and openings of new store formats.
- b. During the fiscal year under review, the Company pursued scrap-and-build and regional community-based store expansion strategies, opening two stores and closing one. Store openings were: Plaza Capcom Mitten Fuchu (Tokyo) and Miraino Aeon Mall Hakusan (Ishikawa Prefecture), which features the interactive amusement facility Crazy Banet, and is part of the Company's efforts to draw in new visitors while being one of the largest amusement complexes in the region.
- c. As a result, the total number of stores was 42, and the resulting net sales were 12,404 million yen (up 25.7% from the previous fiscal year) and operating income was 652 million yen (up 336.8% from the previous fiscal year).

(3) Amusement Equipments

(million yen)

	Year ended March 31, 2021	Year ended March 31, 2022	Difference (%)
Net sales	7,090	5,749	(18.9%)
Operating income	2,407	2,348	(2.5%)
Operating margin	33.9%	40.8%	-

- a. In this business, amidst a challenging market environment, *Monster Hunter: World Gold Hunting* and *Pachislo Devil May Cry 5* both delivered solid sales. The Company also launched *Hyakka Ryoran Samurai Girls* to bolster revenue. Further, repeat sales grew for the previous fiscal year release *Resident Evil 7 Biohazard*, which has enjoyed long-term operation in the market.

- b. The resulting net sales were 5,749 million yen (down 18.9% from the previous fiscal year) and operating income was 2,348 million yen (down 2.5% from the previous fiscal year).

(4) Other Businesses

(million yen)

	Year ended March 31, 2021	Year ended March 31, 2022	Difference (%)
Net sales	3,045	4,366	43.4%
Operating income	987	1,517	53.7%
Operating margin	32.4%	34.7%	-

- a. In Other Businesses, the Company continued to focus on leveraging its flagship intellectual property in screen adaptations and character merchandise to enhance the brand value of its titles. This includes the exclusive global distribution through Netflix of CG animation titles that leverage the Company's flagship intellectual property and the world-wide theatrical release of the live-action movie *Resident Evil: Welcome to Raccoon City*.
- b. In eSports, the Company promoted measures to expand the user base on a global scale. More specifically, Capcom Pro Tour Online 2021 was held in 19 regions around the world in an online format. In addition, heated competitions took place in the team-based Street Fighter League: Pro-JP 2021, which saw the introduction of a new team-ownership system, as well as in Street Fighter League: Pro-US 2021.
- c. The resulting net sales were 4,366 million yen (up 43.4% from the previous fiscal year) and operating income was 1,517 million yen (up 53.7% from the previous fiscal year).