

April 25, 2024

Press Release

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## Capcom Announces Revision of Full-Year Consolidated Earnings Forecast, Variances Between its Non-Consolidated Estimated Earnings and the Previous Fiscal Year's Actual Results, and a Dividend Forecast Revision (Upward)

Based on recent operational results, Capcom Co., Ltd. (Capcom) has revised the full-year consolidated earnings forecast for the year ended March 31, 2024 (April 1, 2023 – March 31, 2024) that was announced on May 10, 2023. Further, while the company's non-consolidated earnings forecast is not disclosed, it expects a variance between its non-consolidated estimated earnings and the actual results of the previous fiscal year.

Additionally, the company has revised the dividend forecast for the fiscal year ended March 31, 2024 (April 1, 2023 – March 31, 2024) due to factors including its business performance. Details are as follows:

### 1. Regarding revisions to the consolidated earnings forecast

- i. Revisions to the consolidated earnings forecast for the fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(million yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Earnings per share (yen)
Previous forecast (A)	140,000	56,000	56,000	40,000	95.64
Revised forecast (B)	152,400	57,000	59,400	43,300	103.53
Variance (B) - (A)	12,400	1,000	3,400	3,300	-
Variance (%)	8.9	1.8	6.1	8.3	-
(Reference) Previous year's results (FY ended Mar. 31, 2023)	125,930	50,812	51,369	36,737	87.36

- ii. Reason for the revision

In our core Digital Contents business, in addition to *Street Fighter 6*, the latest title in the *Street Fighter* series, being met with broad acclaim globally, *Dragons Dogma 2* was released in the fourth

quarter and has performed favorably. Further, sales grew for catalog titles consisting primarily of past titles from major series due to their steady popularity. Altogether, this has led us to expect earnings for this business to exceed our plan.

As a result, we expect net sales, operating income, ordinary income, and net income attributable to owners of the parent to all outperform our previously announced forecast.

## 2. Regarding variances between non-consolidated estimates and the previous fiscal year's actual results

- i. Variances between non-consolidated estimated earnings for the fiscal year ended March 31, 2024 and the previous fiscal year's actual results (April 1, 2023 to March 31, 2024)

(million yen)

	Net sales	Operating income	Ordinary income	Net income	Earnings per share (yen)
Previous year's results (A) (FY ended Mar. 31, 2023)	118,524	47,621	47,305	33,244	79.06
Current year's estimate (B)	144,100	54,200	55,200	40,700	97.31
Variance (B) - (A)	25,576	6,579	7,895	7,456	-
Variance (%)	21.6	13.8	16.7	22.4	-

- ii. Reason for the variances

The reasons for the variances are the same as those for the revision to the consolidated earnings forecast.

## 3. Regarding revision to the dividend forecast

- i. Dividend forecast revision

Record date	Dividend per share		
	Interim dividend End of 2nd quarter	Year-end dividend End of fiscal year	Full-year dividend (Total)
Previous forecast (March 6, 2024)		¥38	¥65
Revised forecast		¥43	¥70
Current year actual	¥27		
Previous year actual (FY ended Mar. 31, 2023)	¥23	¥40	¥63

Note:

- With an effective date of April 1, 2024, Capcom implemented a stock split in which each share of common stock was split into two shares; however, the year-end dividend for the fiscal year ended March 31, 2024 has a record date of March 31, 2024 and will be paid on the basis of the number of shares prior to the stock split.
- The year-end dividend of ¥40 for the fiscal year ended March 31, 2023 includes an ordinary dividend of ¥30 and a 40th anniversary commemorative dividend of ¥10.

ii. Reason for the revision

Capcom management sees returning profits to shareholders as an issue of the utmost importance; thus, with consideration given to future business developments and changes in the management environment, we strive to pay stable dividends with a consolidated dividend payout ratio of 30% as our basic policy.

Based on the above-stated policy and in consideration of having secured both the necessary investment for enhancing corporate value as well as a healthy financial position based on revisions to the full-year consolidated earnings forecast, from the perspective of shareholder returns based on cash flow we have decided to revise the year-end dividend forecast for the fiscal year ended March 31, 2024, and increase the dividend by ¥5 per share compared to the ¥38 per share amount of the previous forecast, resulting in a year-end dividend of ¥43 per share.

With this change, and together with the interim dividend (¥27 per share), the full-year dividend forecast is ¥70 per share, and the expected consolidated dividend payout ratio is 33.8%.

This matter is scheduled to be brought up for resolution at the 45th Ordinary General Meeting of Shareholders, scheduled to convene in June 2024.

Note:

1. Calculations for the average number of shares outstanding during the period used in determining earnings per share include the treasury shares deducted from Capcom's stock held by The Master Trust Bank of Japan, Ltd. (Stock Grant ESOP Trust Account 76744). Additionally, with an effective date of April 1, 2024, 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 the beginning of the fiscal year ended March 31, 2023.
2. The forecasts presented in this document are based on information that was available to the Company on the announcement date of this release and certain assumptions that are judged to be reasonable. Actual results may significantly differ from this forecast for a number of reasons.