

Financial Results Briefing and Conference call for the Year ended March 31, 2025

Summary of President and COO Haruhiro Tsujimoto's Presentation

(May 13, 2025)

I'm Haruhiro Tsujimoto, President of Capcom.

[Part 1] 1. Major Takeaways

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Major Takeaways

FY25/3 Earnings Results

- Achieved 12 consecutive years of OP growth, 10 consecutive years of over 10% OP growth
- Highest consolidated sales and operating income in Capcom history
- Revenue and profit up across all business segments
- Increased year-end dividend to ¥22, full-year dividend totals ¥40, dividend payout ratio 34.5 %

FY26/3 Full-year Plan

- Continue to target over 10% OP growth
- Aim for increased revenue and profit in all business segments
- Dividend forecast: interim ¥20, year-end ¥20, full-year total ¥40

	Results						Plan	
	23/3	YoY	24/3	YoY	25/3	YoY	26/3	YoY
Net sales	1,259	14%	1,524	21%	1,696	11%	1,900	12%
Operating income	508	18%	570	12%	657	15%	730	11%
Operating margin	40.3%	-	37.5%	-	38.8%	-	38.4%	-
Ordinary income	513	16%	594	16%	656	11%	700	7%
Net income attributable to owners of the parent	367	13%	433	18%	484	12%	510	5%

(100 million yen)

*YoY indicates percent change from the previous year.

In our results for fiscal year 2024, net sales were 169.6 billion yen, operating income was 65.7 billion yen and net income was 48.4 billion yen. We achieved 10 consecutive years of over 10% operating income growth and reached all-time highs across all metrics including net sales. Note that, we increased the year-end dividend to 22 yen, bringing the annual dividend to 40 yen.

For fiscal year 2025, we aim to achieve our 11th consecutive year of over 10% operating profit growth by releasing multiple new titles and expanding catalog sales in the Digital Contents business, and by maximizing synergies with Arcade Operations, Amusement Equipments and Other Businesses.

Year on year, we plan to achieve 190 billion yen in net sales, a 12% increase, and 73 billion yen in operating income, an 11% increase.

We also anticipate about 3 billion yen in expenses related to Expo 2025, and so expect 51 billion yen in net income, a 5% increase. Regarding dividends, we plan for 20 yen at mid-term, and 20 yen at year-end, totaling 40 yen for the year.

[Part 1] 2. Performance Trends and Plans (Consolidated/Business Segments)

2		Performance Trends and Plans (Consolidated/Business Segments)											
FY25/3 Results / FY26/3 Plan													
(100 million yen)													
	21/3	YoY	22/3	YoY	23/3	YoY	24/3	YoY	25/3	YoY	26/3 Plan	YoY	Difference
Net sales	953	17%	1,100	16%	1,259	14%	1,524	21%	1,696	11%	1,900	12%	203
■ Digital Contents	753	26%	875	16%	981	12%	1,198	22%	1,251	4%	1,395	12%	143
■ Arcade Operations	98	-18%	124	26%	156	26%	193	24%	227	18%	254	12%	26
■ Amusement Equipments	70	9%	57	-19%	78	36%	90	16%	156	73%	184	18%	27
■ Other Businesses	30	1%	43	43%	43	0%	42	-4%	61	45%	67	10%	5
Operating income	345	52%	429	24%	508	18%	570	12%	657	15%	730	11%	72
■ Digital Contents	370	53%	453	23%	535	18%	598	12%	651	9%	727	12%	75
■ Arcade Operations	1	-88%	6	338%	12	88%	18	52%	24	30%	27	11%	2
■ Amusement Equipments	24	15%	23	-3%	34	46%	41	20%	67	63%	74	10%	6
■ Other Businesses	9	81%	15	54%	14	-6%	8	-38%	24	181%	28	13%	3
Adjustments*	-59	-	-69	-	-87	-	-96	-	-110	-	-126	-	-15
Operating margin	36.3%	-	39.0%	-	40.3%	-	37.5%	-	38.8%	-	38.4%	-	-
Ordinary income	348	52%	443	27%	513	16%	594	16%	656	11%	700	7%	43
Net income attributable to owners of the parent	249	56%	325	31%	367	13%	433	18%	484	12%	510	5%	25

*Adjustments include unallocated corporate operating expenses. The corporate operating expenses, which do not belong to any reportable segment, mainly consist of administrative expenses.
*YoY indicates percent change from the previous year.



Next, our earnings and plan by segment.

For fiscal year 2024, all segments achieved increased revenue and profits due to growth in the Consumer sub-segment of our Digital Contents business, alongside a strong performance in the Arcade Operations and Amusement Equipments businesses.

For fiscal year 2025, we plan to achieve over 10% growth in sales and profits across all businesses.

[Part 1] 3. Digital Contents (1)

3
Digital Contents (1)

Earnings Trend / Plan

FY25/3 Results

- Sales and profits up due to contributions from major new title *Monster Hunter Wilds*
- Strong catalog sales supported full-year earnings ("Catalog" indicates titles that were released in the previous fiscal year or earlier)

FY26/3 Plan

- Maximize global earnings by continuing to release new titles and expand catalog sales growth

	21/3		22/3		23/3		24/3		25/3		26/3 Plan		Difference
	YoY		YoY		YoY		YoY		YoY		YoY		
Net Sales	753	26%	875	16%	981	12%	1,198	22%	1,251	4%	1,395	12%	143
Consumer breakdown													
Package sales	208	61%	300	44%	180	-40%	193	7%	180	-7%	177	-2%	-3
Digital sales (incl. digital license)	480	13%	533	11%	773	45%	969	25%	1,036	7%	1,191	15%	155
Digital license portion	30	15%	9	-70%	70	678%	73	4%	34	-53%	29	-15%	-5
Consumer total	688	24%	833	21%	953	14%	1,162	22%	1,216	5%	1,368	13%	152
Deferred revenue portion	-22	-	-19	-	38	-	47	-	-198	-			
Mobile Contents	65	48%	42	-35%	28	-33%	35	25%	34	-3%	27	-21%	-7
Operating income	370	53%	453	23%	535	18%	598	12%	651	9%	727	12%	75
Operating margin	49.1%	-	51.8%	-	54.5%	-	49.9%	-	52.1%	-	52.1%	-	

(100 million yen)

*Digital license indicates income from providing content etc. to online platforms. *Deferred revenue indicates the variance between deferred revenue and reversed revenue stemming primarily from the release of free downloadable content that typically follows the release of a full game. *YoY indicates percent change from the previous year.

CAPCOM

First, our growth driver, the Digital Contents business.

For fiscal year 2024, sales of *Monster Hunter Wilds*, released on February 28, surpassed 10 million units within one month. Catalog sales grew globally, especially major series titles, such as those in the *Monster Hunter* series.

As a result, net sales rose 4% to 125.1 billion yen, and operating income rose 9% to 65.1 billion yen.

For fiscal year 2025, we plan to strengthen our global marketing strategy to increase awareness of our IPs and promote long-term catalog sales, and anticipate net sales of 139.5 billion yen, up 12%, and operating income of 72.7 billion yen, up 12%.

[Part 1] 3. Digital Contents (2)

3 Digital Contents (2)													
Unit sales													
FY25/3 Results						FY26/3 Plan							
<ul style="list-style-type: none"> Growth in both new and catalog unit sales Unit sales growth across all regions 						<ul style="list-style-type: none"> Plan total unit sales growth by releasing new titles and expanding catalog sales 							
(thousand units)													
	21/3		22/3		23/3		24/3		25/3		26/3 Plan	Difference	
Titles sold / sales regions	301 / 216		304 / 219		307 / 230		292 / 235		248 / 227				
Total unit sales	30,100	YoY 18.0%	32,600	YoY 8.3%	41,700	YoY 27.9%	45,893	YoY 10.1%	51,876	YoY 13.0%	54,000	YoY 4.1%	2,124
New units	9,600	31.9% 31.5%	8,600	26.4% -10.4%	12,400	29.7% 44.2%	9,596	20.9% -22.6%	12,381	23.9% 29.0%	8,000	14.8% -35.4%	-4,381
Catalog units	20,500	68.1% 12.6%	24,000	73.6% 17.1%	29,300	70.3% 22.1%	36,297	79.1% 23.9%	39,494	76.1% 8.8%	46,000	85.2% 16.5%	6,506
Digital units	23,150	76.9% 12.7%	24,600	75.5% 6.3%	37,300	89.4% 51.6%	41,352	90.1% 10.9%	46,729	90.1% 13.0%	50,700	93.9% 8.5%	3,971
PC Units (digital)	8,000	26.6% -7.5%	10,900	33.4% 36.3%	17,750	43.6% 62.8%	21,604	47.1% 21.7%	28,211	54.4% 30.6%			
Console units (digital)	15,150	50.3% 27.3%	13,700	42.0% -9.6%	19,550	46.9% 42.7%	19,748	43.0% 1.0%	18,517	35.7% -6.2%			
Physical units	6,950	23.1% 46.4%	8,000	24.5% 15.1%	4,400	10.6% -45.0%	4,541	9.9% 3.2%	5,146	9.9% 13.3%	3,300	6.1% -35.9%	-1,846
Overseas units	24,350	80.9% 13.5%	27,100	83.1% 11.3%	33,500	80.3% 23.0%	38,103	83.0% 13.7%	43,487	83.8% 14.1%	45,500	84.3% 4.6%	2,013
Japan units	5,750	19.1% 42.0%	5,500	16.9% -4.3%	8,200	19.7% 49.1%	7,790	17.0% -5.0%	8,389	16.2% 7.7%	8,500	15.7% 1.3%	111
Unit sales by region	21/3		22/3		23/3		24/3		25/3				
	Share	YoY	Share	YoY	Share	YoY	Share	YoY	Share	YoY			
N. America	10,700	35.5% 18.5%	11,700	35.9% 9.3%	12,600	30.2% 7.7%	13,900	30.3% 10.8%	15,450	29.8% 10.6%			
Asia	3,550	11.8% -18.1%	3,890	11.9% 9.0%	7,700	18.5% 98.8%	9,100	19.8% 17.8%	11,200	21.6% 23.0%			
Europe	7,050	23.4% 13.5%	7,800	23.9% 10.9%	8,000	19.2% 2.6%	9,500	20.7% 18.2%	9,640	18.6% 1.4%			
Japan	5,750	19.1% 42.0%	5,500	16.9% -4.3%	8,200	19.7% 49.1%	7,790	17.0% -5.0%	8,389	16.2% 7.7%			
Gen./S. America	2,300	7.6% 39.4%	2,800	8.6% 21.9%	4,200	10.1% 50.0%	4,450	9.7% 4.5%	5,030	9.7% 13.1%			
M. East	180	0.6% 23.6%	250	0.8% 36.8%	340	0.8% 33.0%	400	0.9% 20.1%	1,410	2.7% 241.9%			
Oceania	350	1.2% -4.8%	480	1.5% 37.3%	600	1.4% 20.9%	650	1.4% 9.0%	760	1.5% 9.9%			
Africa	40	0.1% 5.9%	50	0.2% 9.2%	60	0.1% 22.3%	80	0.2% 33.9%	80	0.2% -1.2%			

*Figures for "Unit sales by region" are approximate and have been rounded. As such, percentage growth versus previous years may not match the displayed figures, and totals for regions may not match annual totals.
 *YoY indicates percent change from the previous year.



We sold 51.87 million units in fiscal year 2024, with a significant increase in PC sales year on year.

In fiscal year 2025, we plan to increase our sales volume to 54 million units.

[Part 1] 3. Digital Contents (3)

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Digital Contents (3)

Title overview

FY25/3 Results



New title *Monster Hunter Wilds*



Catalog title *Resident Evil 4*

- Major new title *Monster Hunter Wilds* surpassed 10 million units
- Growth in *Monster Hunter* / *Resident Evil* series unit sales

FY25/3 Unit Sales ranking

Title	25/3	Lifetime
Monster Hunter Wilds	10,108	10,108
Monster Hunter: World ^{*1}	3,186	28,510
Resident Evil 4	2,734	9,915
Monster Hunter World: Iceborne	2,608	15,209
Monster Hunter Rise	2,440	17,175
Monster Hunter Rise: Sunbreak	2,129	9,876
Resident Evil Village	1,502	11,305
Resident Evil 2	1,436	15,409
Resident Evil 7 biohazard	1,394	14,789
Street Fighter 6	1,368	4,674
Devil May Cry 5 ^{*2}	1,231	9,133
Resident Evil 3	1,133	9,905
Dragon's Dogma 2	1,078	3,701

^{*}Figures in the above list reflect totals that include ports to additional platforms following initial title release.
^{*1} Includes sales of *Monster Hunter: World: Iceborne Master Edition*
^{*2} FY25/3 units include: *Devil May Cry 5 Special Edition*

FY26/3 Plan



Street Fighter 6 for Nintendo Switch™ 2

- Plan to grow catalog unit sales of major IPs
- Capcom Fighting Collection 2* to release on May 16
- Onimusha 2* remaster to release on May 23
- Street Fighter 6* and *Kunitsu-Gami: Path of the Goddess* for Nintendo Switch™ 2 to release on June 5
- Other titles for FY26/3 currently in development



For fiscal year 2024, in addition to the performance of *Monster Hunter Wilds*, growing anticipation for the title also contributed to a continued increase in sales of past entries in the *Monster Hunter* series. The *Resident Evil* series also experienced growth, driven by initiatives such as proactive promotional efforts aimed at expanding the brand’s recognition.

In addition to *Capcom Fighting Collection 2* and *Onimusha 2* in May, the Company will also launch *Street Fighter 6* and *Kunitsu-Gami: Path of the Goddess* for the Nintendo Switch 2 in June.

Additionally, the Company will strive to maximize profits and continuously increase its total unit sales volume by strengthening digital sales and promoting sales measures for catalog titles.

[Part 1] 4. Arcade Operations

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Arcade Operations

Capsule Lab Kobe Nankin-machi

FY25/3 Results

- Opened total of 5 stores, including Capsule Lab Kobe Nankin-machi
- Same store sales (FY cumulative): 110%

FY26/3 Plan

- Plan to open 10 new stores, 63 stores FY total, due to diversification of store formats

Earnings Trend / Plan (100 million yen)

	21/3	YoY	22/3	YoY	23/3	YoY	24/3	YoY	25/3	YoY	26/3 Plan	YoY	Difference
Net sales	98	-18%	124	26%	156	26%	193	24%	227	18%	254	12%	26
Operating income	1	-88%	6	338%	12	88%	18	52%	24	30%	27	11%	2
Operating margin	1.5%	-	5.3%	-	7.9%	-	9.7%	-	10.7%	-	10.6%	-	-
Same store sales	78%	-	119%	-	120%	-	114%	-	110%	-	105%	-	-

*YoY indicates percent change from the previous year.

Number of Stores (stores)

	21/3	YoY	22/3	YoY	23/3	YoY	24/3	YoY	25/3	YoY	26/3 Plan	YoY	Difference
New stores	1	-	2	-	5	-	4	-	5	-	10	-	5
Closed stores	0	-	1	-	2	-	0	-	1	-	0	-	-1
Total	41	3%	42	2%	45	7%	49	9%	53	8%	63	19%	10

*YoY indicates percent change from the previous year.

For fiscal year 2024, we opened 5 new stores, while same store sales grew 10% year-on-year.

As a result, net sales rose 18% to 22.7 billion yen and operating income rose 30% to 2.4 billion.

For fiscal year 2025, in addition to arcades, we will continue diversifying our stores with retail, capsule toys, and cafes. We plan to increase sales and profits by opening 10 new stores, bringing the total to 63 stores.

As such, we anticipate net sales of 25.4 billion yen, up 12%, and operating income of 2.7 billion yen, up 11%.

[Part 1] 5. Amusement Equipments

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Amusement Equipments

Smart Slot
Resident Evil 5

FY25/3 Results

- 50,000 total units sold by releasing 4 new machines including *Monster Hunter Rise* and *Resident Evil 5*
Monster Hunter Rise 21,000 units; *Resident Evil 5* 12,000 units;
Onimusha 3 11,000 Units; *Street Fighter V* 5,500 units

FY26/3 Plan

- Plan 43,000 unit sales via release of 3 new machines and catalog sales
- Devil May Cry 5 Stylish Tribe* to launch in June

Earnings Trend / Plan (100 million yen)

	21/3	YoY	22/3	YoY	23/3	YoY	24/3	YoY	25/3	YoY	26/3 Plan	YoY	Difference
Net sales	70	9%	57	-19%	78	36%	90	16%	156	73%	184	18%	27
Operating income	24	15%	23	-3%	34	46%	41	20%	67	63%	74	10%	6
Operating margin	33.9%	-	40.8%	-	44.0%	-	45.6%	-	42.9%	-	40.2%	-	-

*YoY indicates percent change from the previous year.

Pachislo Sales volume

	21/3	YoY	22/3	YoY	23/3	YoY	24/3	YoY	25/3	YoY	26/3 Plan	YoY	Difference
New titles	3	-	3	-	4	-	3	-	4	-	3	-	-1
Sales (thousand units)	27.0	35%	26.0	-4%	44.0	69%	31.3	-29%	50.0	60%	43.0	-14%	-7.0

*Includes catalog title sales. *YoY indicates percent change from the previous year.

In the Amusement Equipments business, for fiscal year 2024, we released 4 machines, including *Monster Hunter Rise* and *Resident Evil 5*, achieving 50,000 units sold.

As a result, net sales rose 73% to 15.6 billion yen and operating income rose 63% to 6.7 billion yen.

For fiscal year 2025, we plan to continue leveraging popular IPs, and with the launch of 3 new machines and catalog sales, we aim to achieve 43,000 units sold, with increased sales and profits.

We plan for net sales of 18.4 billion yen, up 18%, and operating income of 7.4 billion yen, up 10%.

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[Part 1] 6. Other Businesses

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Other Businesses



The upcoming season's Capcom Cup 12 will again be held at Ryogoku Kokugikan Arena



Original Anime Series *Devil May Cry*

Earnings Trend/Plan

- Continue creating merchandise and carrying out in-game collaborations with peers
- 14,000 attendees and over 10 million online views during Capcom Cup 11/Street Fighter League: World Championship 2024 held in March 2024
- Original Anime series *Devil May Cry* began streaming exclusively on Netflix from April 3

Earnings Trend / Plan

(100 million yen)

	21/3	YoY	22/3	YoY	23/3	YoY	24/3	YoY	25/3	YoY	26/3 Plan	YoY	Difference
Net sales	30	1%	43	43%	43	0%	42	-4%	61	45%	67	10%	5
Character	26	0%	34	31%	39	15%	36	-8%	53	47%	58	9%	5
eSports/Media	3	-25%	9	200%	3	-67%	5	67%	8	60%	9	13%	1
Operating income	9	81%	15	54%	14	-6%	8	-38%	24	181%	28	13%	3
Character	17	-6%	22	29%	28	27%	24	-14%	37	54%	39	5%	2
eSports/Media	-7	-	-7	-	-13	-	-15	-	-12	-	-11	-	1
Operating margin	32.4%	-	34.7%	-	32.9%	-	21.0%	-	40.6%	-	41.8%	-	-

*Beginning FY24/3 1st quarter, business results for Media have been incorporated into eSports/Media. This change has been reflected in the business results for previous years.
*YoY indicates percent change from the previous year.



Finally, in Other Businesses, for fiscal year 2024, we rolled out popular character merchandise and in-game collaborations with peers. Additionally, in eSports, we held the Capcom Pro Tour finals at the Ryogoku Kokugikan Arena to great success. In the Media sub-segment, *Mega Man: Start* was made available for streaming in the Amazon Prime animated series *Secret Level*.

As a result, net sales rose 45% to 6.1 billion yen and operating income rose 181% to 2.4 billion yen.

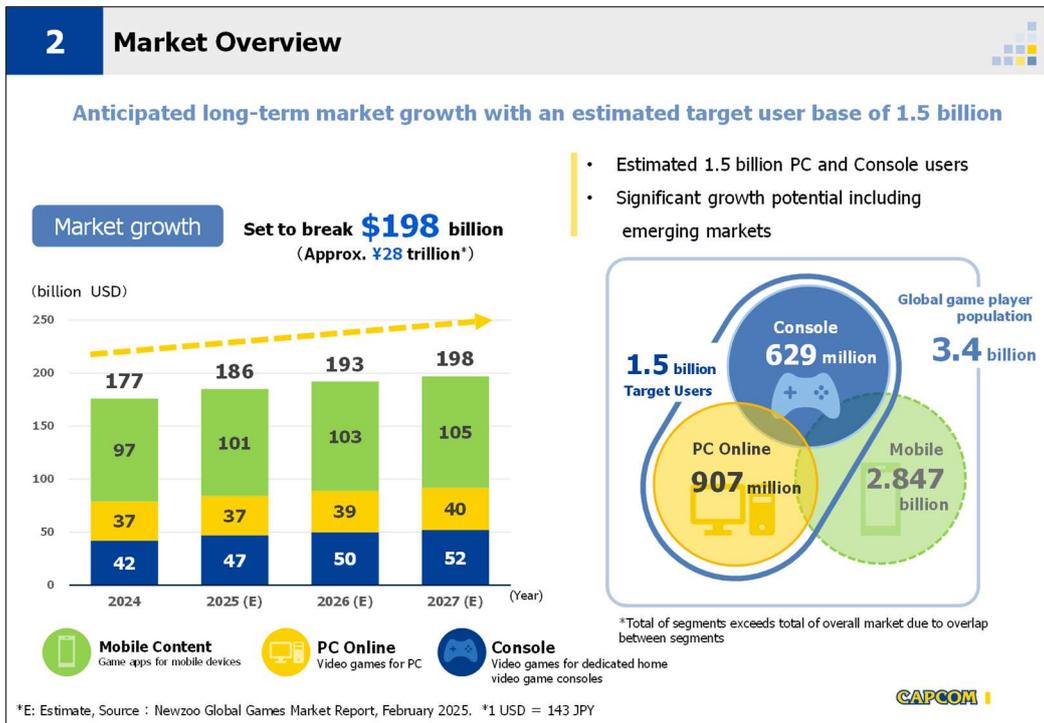
For fiscal year 2025, in eSports we will again hold the finals at the Ryogoku Kokugikan Arena and strive to promote esports both globally and within Japan.

In the Media sub-segment, leveraging the affinity between games and movies, we will work to enhance recognition of our popular content with efforts like the Netflix original anime series *Devil May Cry*, which began streaming worldwide in April.

We plan for net sales of 6.7 billion yen, up 10%, and operating income of 2.8 billion yen, up 13%.

This concludes my overview of earnings for fiscal year 2024 and our plan for fiscal year 2025.

[Part 2] 2. Market Overview



To begin, let me share the latest outlook on the game market.

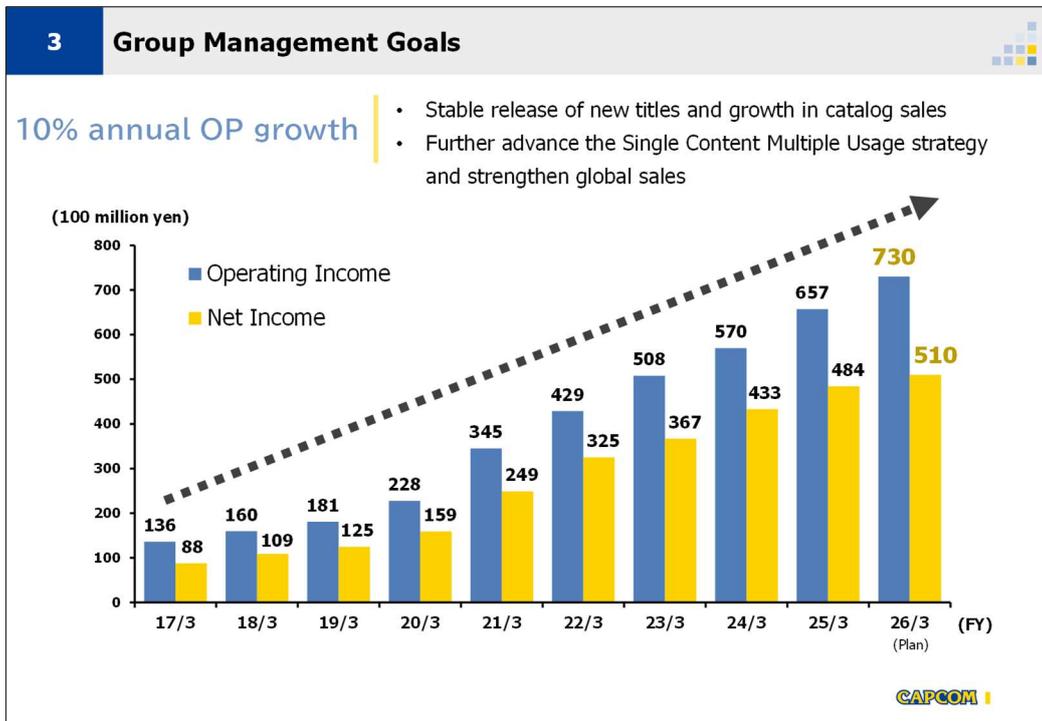
The game market is expected to continue growing, including our primary Consumer segment.

In 2024, the market size reached 177 billion dollars, approximately 25 trillion yen; by 2027, it is projected to grow about 12% compared to 2024, reaching 198 billion dollars, or approximately 28 trillion yen.

The global gaming population is estimated at 3.4 billion people. Of these, PC and console users, our main target, are estimated to be around 1.5 billion people.

While our company has achieved significant growth over the past decade, considering that our annual sales volume in the previous fiscal year was about 51 million units, we believe there is still ample room for further growth.

[Part 2] 3. Group Management Goals

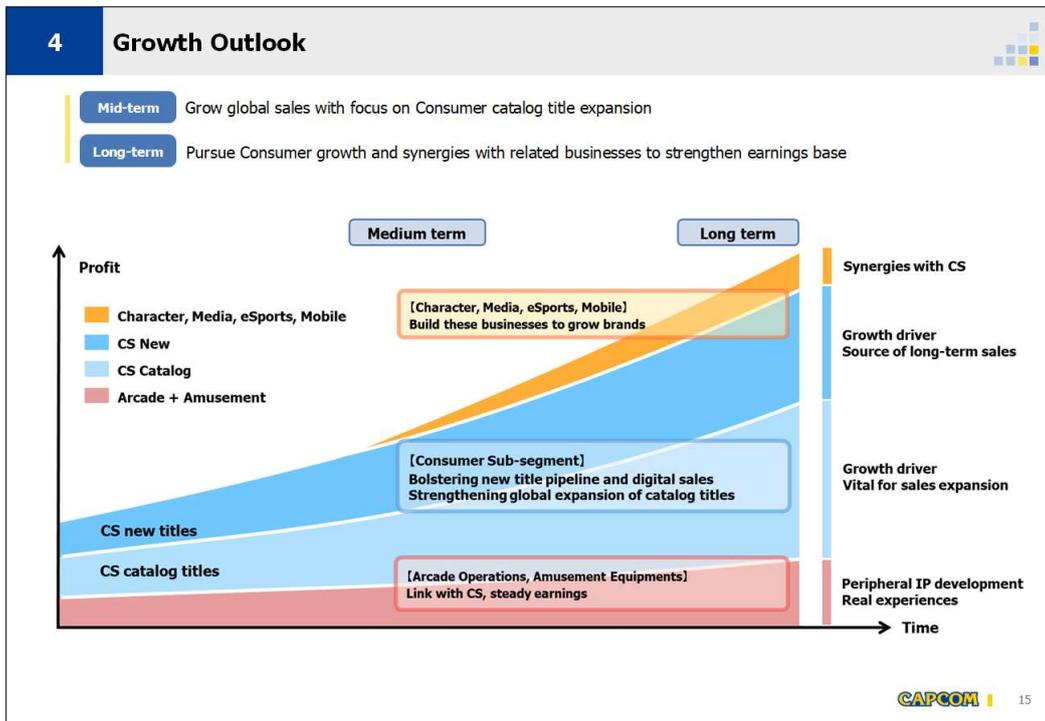


Next, I will discuss our group’s management goals.

Currently, our mid-term management goal is to achieve 10% annual operating income growth, a target we have successfully met for ten consecutive years.

Moving forward, we will maintain this goal and continue to adapt to the rapidly changing market, steadily increasing our operating income.

[Part 2] 4. Growth Outlook



Here I will explain how our growth outlook is aimed at realizing management goals.

Starting from the bottom of the diagram, the Arcade Operations and Amusement Equipments businesses will coordinate with the Consumer sub-segment to serve as real touchpoints with our users, contributing to stable and steady profits.

In the Consumer sub-segment, our main growth driver, we will bolster global expansion of catalog sales based on digital data analysis. At the same time, we will consistently launch new titles and strengthen sales during their initial release period.

We will continue to invest in the Character, Media, and eSports sub-segments as future growth areas while creating synergies with the Consumer sub-segment. This will enhance IP awareness and expand the global user base.

[Part 2] 4. Growth Outlook – Consumer Sales Volume Growth



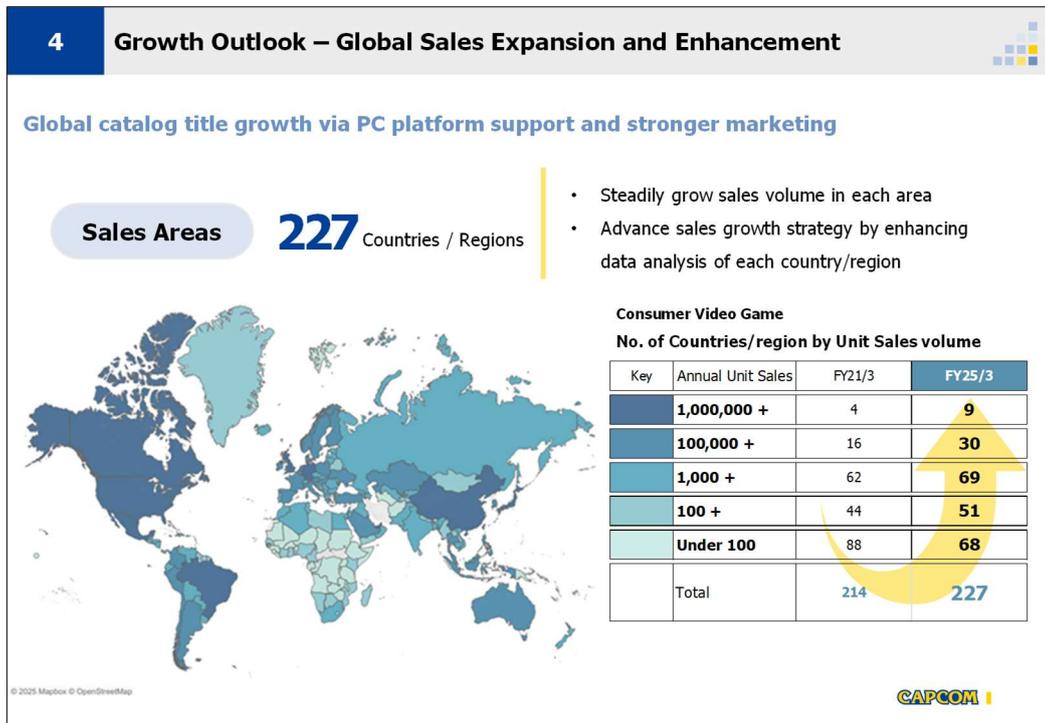
Unit sales growth in the Consumer business is supporting our ongoing profit growth.

As you can see, unit sales volume has increased since fiscal year 2014 for 10 consecutive years due to promoting catalog title sales, and more recently, the steady release of major hit titles.

In conjunction with the shift to digital, selling our catalog titles became possible and we have maintained a ratio of over 70% catalog title sales in recent years.

We will continue to focus on expanding globally, particularly in rapidly growing emerging markets and are aiming to achieve our long-term goal of 100 million units in annual sales.

[Part 2] 4. Growth Outlook – Global Sales Expansion and Enhancement



Next, I'll discuss global sales.

We will continue to expand and deepen our sales regions by actively supporting the PC platform.

As shown by this map, we have widened our sales regions in recent years thanks to greater adaption of digital sales on PC, which has enabled us to sell our games even in countries and regions where dedicated game consoles are not available.

Looking ahead, we will raise the level of sales volume in lower performing countries and regions, specifically in emerging countries, by strengthening our brands globally through further enhancing the accuracy of our data analysis and marketing for each country and region.

[Part 2] 4. Growth Outlook – Expanding the Sales Volume of High-Quality Titles

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Growth Outlook – Expanding the Sales Volume of High-Quality Titles

Implement measures to stably release new titles and increase first year sales
Promote measures to support long-term catalog sales

	17/3	18/3	19/3	20/3	21/3	22/3	23/3	24/3	25/3	Cummulative unit sales	26/3 (Plan)
Resident Evil 7 biohazard	350	160	120	100	150	180	120	130	130	1,470	Continue to contribute as catalog titles
Monster Hunter: World ^d		790	450	450	230	170	140	280	310	2,850	
Resident Evil 2			420	240	160	140	220	200	140	1,540	
Monster Hunter World: Iceborne				520	240	140	100	230	260	1,520	
Resident Evil 3					390	110	190	170	110	990	
Monster Hunter Rise					480	410	370	190	240	1,710	
Resident Evil Village						610	180	180	150	1,130	
Monster Hunter Rise: Sunbreak							540	220	210	980	
Resident Evil 4							370	330	270	990	
Street Fighter 6								330	130	460	
Dragon's Dogma 2								260	100	370	
Monster Hunter Wilds									1,010	1,010	

(ten thousand units)
Includes sales of Monster Hunter World: Iceborne Master Edition
*Sales numbers rounded down to 10 thousand units. As of March 31, 2025

Now I'll explain long-term sales.

Capcom has achieved long-term sales of titles through strategic pricing measures and other initiatives. As a result, we have created new fans of our brands, leading to a virtuous cycle where these fans eagerly anticipate the next release in the series.

For example, with *Resident Evil 7*, which was released in fiscal year 2016, we have achieved annual sales of over one million units for nine consecutive years. As shown in this table, we have continued to maintain an annual sales volume of over one million units for other major titles released thereafter.

Additionally, by strengthening pre-release promotions we believe we can further extend long-term sales, such as with *Monster Hunter Wilds*, which achieved ten million units sold within one month. We will continue to consistently and continuously release high-quality titles with our mid-to-long term title lineup

We believe that maintaining this cycle will be the driving force to our company's new growth stage.

[Part 2] 4. Growth Outlook – Evolving World-Class Game Development Capabilities



Going further, let me discuss our strengths: our development capabilities and technology.

Our development studios have long been centralized around Osaka, enhancing the efficiency of our development organization.

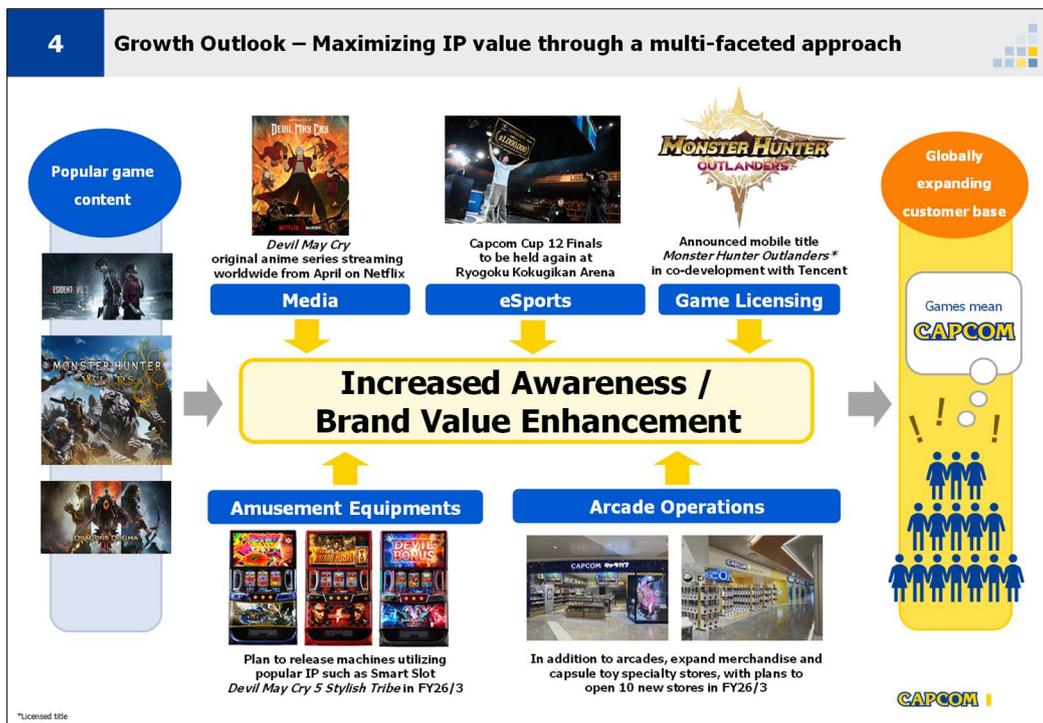
To further strengthen this organization, we are currently constructing a new development building adjacent to our headquarters, scheduled for completion in 2027.

Additionally, we have acquired land near our headquarters for the future construction of another development building. These efforts aim to create an environment where creators can fully utilize their talents.

Moreover, our development capabilities are supported by our proprietary RE ENGINE. We continuously update the engine to adapt to new technologies and improve work efficiency.

Recently, we have utilized Capcom's engine in academic collaborations and game competitions, contributing to the creation of next-generation talent.

[Part 2] 4. Growth Outlook – Maximizing IP value through a multi-faceted approach



Next, I will discuss our Single Content, Multiple Usage strategy to further enhance awareness of our IPs.

Movie and television shows are very effective for brand penetration as they can quickly convey the world of our games.

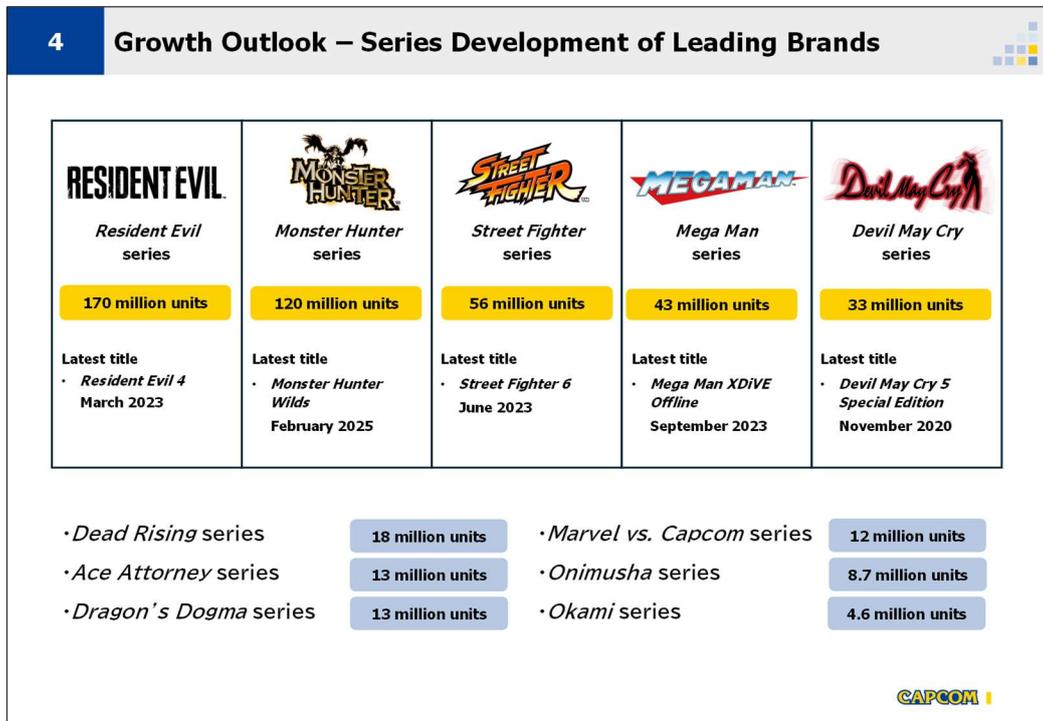
Recently, streaming of the *Mega Man* animation on Amazon Prime and the *Devil May Cry* anime on Netflix has contributed to the expansion of our catalog title sales. We will continue to maximize the high promotional effects of this type of media.

Additionally, we expect game licensing such as *Monster Hunter Now* and *Monster Hunter Outlanders* to contribute to increased brand awareness.

Furthermore, in eSports, we will continue initiatives such as offering large-scale prize money and holding finals at the Ryogoku Kokugikan Arena with the aim of expanding our global reach.

Through such multifaceted approaches, we will continue striving to enhance the value of our IPs.

[Part 2] 4. Growth Outlook – Series Development of Leading Brands



Here, I will explain our brand strategy.

In addition to flagship brands like *Resident Evil*, *Monster Hunter*, and *Street Fighter*, we have numerous globally popular brands.

Through the release of new series titles, remakes, and ports to new hardware, we aim to expand our user base and further enhance business results.

By strengthening our brands and expanding our loyal fanbase, we aim to nurture our major IPs over time.

[Part 2] 4. Growth Outlook – Investment in Human Capital to Support Expansion (1)

4

Growth Outlook – Investment in Human Capital to Support Expansion (1)

Investment in human capital to enhance sustainable growth

- Further investment in human capital to enhance sustainable corporate value
- Aim to increase developer workforce by over 100 people annually

Overall compensation (non-consolidated, permanent employees) (100 million yen, people, years)

	22/3		23/3		24/3		25/3		26/3 Plan		Avg.
	Amt.	YoY	Amt.	YoY	Amt.	YoY	Amt.	YoY	Amt.	YoY	
Net sales*	1,100	16%	1,259	14%	1,524	21%	1,696	11%	1,900	12%	15%
Operating income*	429	24%	508	18%	570	12%	657	15%	730	11%	16%
Salary + Bonus	214	19%	248	16%	286	15%	317	11%	359	13%	15%
Avg. number of employees	2,967	3%	3,043	3%	3,187	5%	3,364	6%	3,589	7%	5%
Average age	37.3	1%	37.6	1%	37.8	1%	38.0	1%			1%

*Consolidated

Average annual salary (non-consolidated, permanent employees) (thousand yen)

	22/3		23/3		24/3		25/3		26/3 Plan		Avg.
	Amt.	YoY	Amt.	YoY	Amt.	YoY	Amt.	YoY	Amt.	YoY	
Operating income per employee*	14,463	20%	16,699	16%	17,910	7%	19,558	9%	20,340	4%	11%
Annual salary per employee (salary + bonus)	7,187	15%	8,259	15%	8,995	9%	9,433	5%	10,029	6%	10%
Stock-based compensation per employee (Points)	-	-	193	-	196	1%	196	0%	201	2%	1%

Stock-based compensation is 1 point = 1 share.
Bonuses recognized on accrual basis. Includes compensation for new employees for each year.
YoY indicates percent change from the previous year.
*Consolidated

Lastly, I will explain our human resource investment strategy.

In order to ensure more reliable mid-to-long term growth, we see our human resource investment strategy as one of the most important issues in our management strategy.

Currently, the average age of our employees is 38 years, and due to strong business results, the average annual salary per employee is approximately 9.4 million yen. If we achieve this year’s plan, it is expected to exceed 10 million yen.

Additionally, starting this fiscal year, we have raised the starting monthly salary for new graduates to 300,000 yen, introduced mentor training programs for the early development of young employees, and promoted self-study through online learning. We will continue to invest further in human capital.

Regarding our development organization, we aim to increase our workforce by about 100 people annually. To expand our new title pipeline and global sales, we will further strengthen human resources, who are an essential growth driver.

[Part 2] 4. Growth Outlook – Investment in Human Capital to Support Expansion (2)

4

Growth Outlook – Investment in Human Capital to Support Expansion (2)

Promoting diversity and providing a comfortable working environment

- Aim to achieve 88% or better ratio in male-to-female wage gap, 85% or better paternity leave ratio by 2029

Trends related to Workforce Diversity (non-consolidated, permanent employees)

	21/3	22/3	23/3	24/3	25/3
Ratio of female employees	21.5%	21.0%	21.3%	21.2%	21.5%
Ratio of females in core positions	8.2%	7.9%	11.9%	13.6%	15.2%
Gender wage gap*	79.4%	82.9%	85.4%	83.8%	82.8%
Paternity leave utilization rate	21.5%	34.5%	45.5%	66.7%	79.7%
Ratio of foreign employees	6.8%	6.6%	6.7%	6.8%	7.4%
Number of countries of origin	31	33	34	35	36

*Calculated based on the provisions of the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015). The paternity leave utilization rate is calculated for all employees, including temporary employees.

Employee Engagement Survey Results (non-consolidated, permanent employees)

Indicator	23/3	24/3	25/3
Work engagement (proactiveness/positive feelings for job) (deviation value)	54.4	54.1	54.7
•I bring ingenuity to my work	88.7%	88.3%	89.3%
•If needed, I go beyond my assigned responsibilities for work	76.0%	76.4%	77.0%
•I enjoy myself while doing my current job	70.9%	69.6%	70.7%
Employee engagement (attachement to my company, etc.) (deviation value)	51.8	52.1	53.1
•I feel an attachement/familiarity with my company	77.5%	78.1%	79.9%
•Being able to work at my company has been good for me	85.6%	86.2%	87.6%
•Working for my company has been positive for my life	86.2%	85.4%	87.5%

The figures for work engagement and employee engagement are our company's deviation values based on the results of a survey conducted by external agencies. The percentages indicate the ratio of employees who provided "somewhat applies to me" or more positive response.

Capcom is committed to promoting diversity and creating a comfortable work environment. As part of our future goals, we aim to achieve a male-to-female wage gap of over 88% and increase the ratio of paternity leave use to over 85% by 2029.

Additionally, as of the end of the previous fiscal year, Capcom employed individuals from 36 different countries, and we will continue to foster an environment where people from diverse backgrounds can thrive.

Moreover, we are increasing opportunities for direct dialogue between management and employees. Moving forward, we will focus on creating a better work environment to prevent employee turnover and enhance engagement.

Thus concludes my presentation.

This fiscal year, following our growth strategies, we will again focus on global digital sales and aim to achieve steady growth as well as record-high profit.

We are committed to enhancing corporate value by coming together as one in collaboration with all our stakeholders. I humbly ask for your continued support.