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Capcom
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We have been focusing on IR activities by providing our shareholders and investors with timely and updated information through our website.



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The Capcom IR App for Smartphones

Get all the latest Capcom IR information including press releases and earnings results on the Capcom IR app. Features an easy-to-use touchscreen interface for your convenience.



VEGETABLE OIL INK

The print of this catalog uses environment-friendly vegetable oil ink.

CAPCOM CO., LTD. INTEGRATED REPORT 2025

CAPCOM

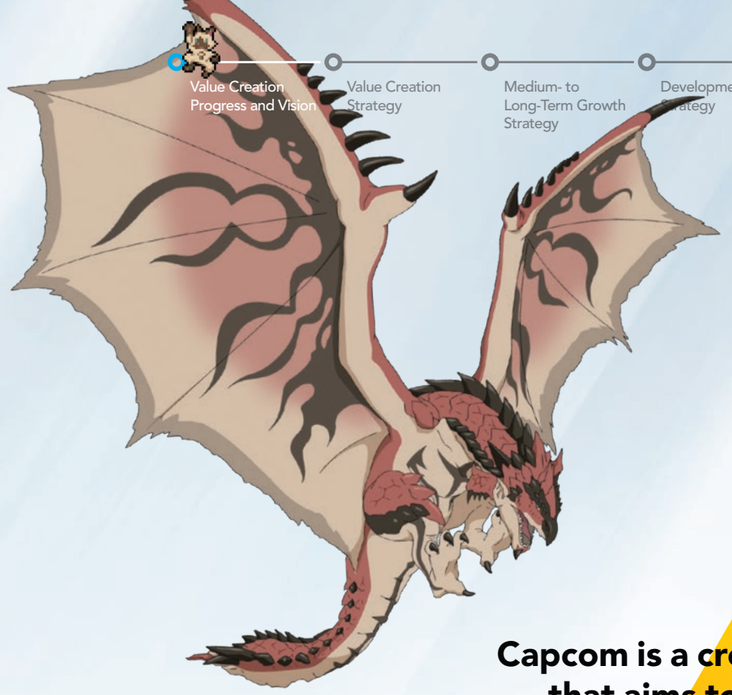


CAPCOM INTEGRATED REPORT 2025

Sustainable Growth, Captivating Content

Code Number: 9697

Code Number: 9697



Our Vision:

To be a company that captivates people around the world with our best-in-class immersive content

Based on our philosophy of "creating an entertainment culture through the medium of games by developing highly creative content that excites and stimulates your senses," Capcom strives to captivate people throughout the world with best-in-class entertainment.

Since Capcom's establishment in 1983, we have leveraged our strength in world-class development capabilities to create a plethora of high-quality content. We are working to achieve stable growth and enhance corporate value while also proactively addressing common environmental and social issues in order to create a world in which everyone can enjoy games with peace of mind.



Mission
Management Philosophy

Capcom is a creator of entertainment culture that aims to develop software content that excites and stimulates the senses.

Vision
To be a company that captivates people around the world with our best-in-class immersive content

Value

Group's management goal
Increase operating profit by 10% each fiscal year
➡ See p.07

Long-term goal
Achieve sales of 100 million units annually
➡ See p.21

Sustainability
Human resources investment strategy, intellectual property, and information security
➡ See p.49

Governance
Management transparency and soundness
➡ See p.63



CONENTS

Value Creation Progress and Vision

01 Vision
03 Table of Contents and Editorial policy
04 Value creation results
05 History of Value Creation
07 Sustainable and consistent growth

Value Creation Strategy



09 CEO Commitment
Captivating people around the world with our best-in-class immersive content
15 Value Creation Model
17 IP-Driven Business Model
19 Features of Our Businesses

Medium- to Long-Term Growth Strategy



21 The COO's Discussion of Growth Strategies
Sustaining our digital strategy and aiming for annual software sales of 100 million units as we grow the Capcom fanbase
29 Market Analysis
31 CHO & CFO discussion on Capcom's HR and financial strategies
Linking HR and financial strategies to maximize corporate value
32 Human Resources Strategy
35 Financial Strategy
39 Financial Highlights



Development Strategy



41 The Head of Development Discusses Strategy
Creating the best content with a passion for creativity and a focus on investment returns
43 Capcom's world-renowned major IP
45 Latest title in the Resident Evil series
47 A closer look at RE ENGINE

Sustainability

49 Basic Sustainability Policy
51 Human Capital
53 Capcom Voices
55 Intellectual Property
56 Information Security
57 Relationships with Customers and the Community
59 Social Initiatives 1
Touring Regional Areas from Osaka: Hosting Capcom Creation
60 Social Initiatives 2
Monster Hunter Bridge Exhibited at Osaka Healthcare Pavilion, Expo 2025 Osaka, Kansai, Japan
61 Environment

Corporate Governance

63 Directors
65 Corporate Governance Structure and Initiatives
73 Key commentary by our external directors

Financial Analysis and Corporate Data

75 11 Year Summary of Consolidated Financial Indicators
81 Segment Information
83 Human Capital Information
85 Stock Data
86 Corporate Data

Editorial policy

Capcom's Integrated Report conveys initiatives aimed at improving corporate value over the medium- to long-term to all stakeholders. This report is issued with the intent of creating opportunities for further dialogue. Furthermore, we aim to express ideas in a simple and easily understood manner and visually represent important items to aid understanding. Details are available online.

Period and scope

This report reviews the fiscal year ended March 31, 2025 (April 1, 2024-March 31, 2025). When necessary, it also includes references to fiscal periods before and after this timeframe. Unless otherwise indicated, the scope of data presented in this report is on a consolidated basis.

Subject index for reference

Growth strategy	▶ p.07-08, p.09-14, p.21-28
Performance and financial condition	▶ p.10, p.19, p.24, p.35-40, p.75-82
World-class development capabilities	▶ p.27-28, p.41-48
Human resources strategy	▶ p.32-34, p.51-54
Environmental initiatives	▶ p.49, p.61-62
Relationship with stakeholders	▶ p.51-54, p.57-60
Governance	▶ p.14, p.63-74

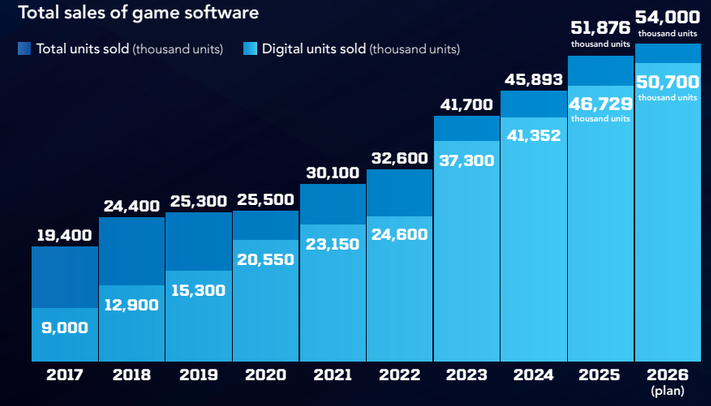
Value creation results

Achieved 12 consecutive years of increased operating profit by captivating people around the world with our best-in-class immersive content

Providing Games in More than 220 Countries and Regions Aiming for 100 Million Units in Sales Volume per Year

Since Capcom's founding in 1983, we have continued to move hearts through the entertainment of games. In recent years, the spread of the internet, PCs, and smartphones has made it possible to enjoy games while at home, or in all corners of the globe, even without a game console. Further, our game software sales volume has been increasing, driven primarily by digital sales, and our titles can be enjoyed in more than 220 counties and regions worldwide. We will continue advancing our business activities in an effort to expand the fanbase around the world by providing high-quality entertainment.

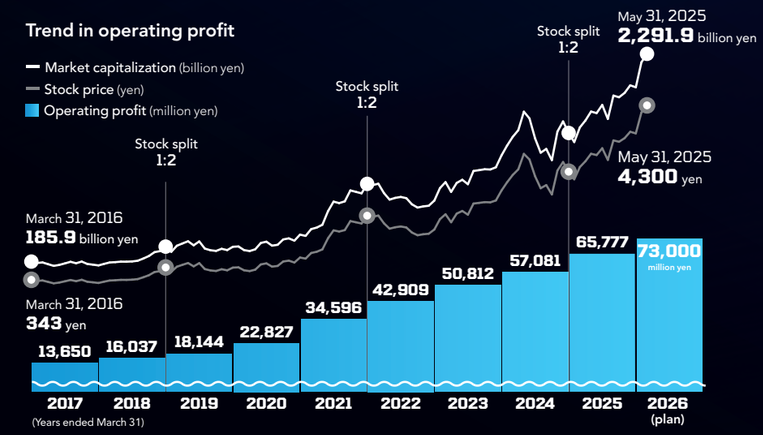
Total sales of game software



Increased Corporate Value by Growing Profit 10% Each Year for Ten Consecutive Years

The game industry is continuously changing, in step with the evolution of AI, networks, and other advanced technologies. At Capcom, we see these changes as an opportunity, and as a result of our efforts to strengthen our development structure and promote digitalization, the fiscal year ended March 2025 marks 12 consecutive years of increased operating profit. Though we split our stock on April 1, 2018, April 1, 2021, and again on April 1, 2024 to improve its liquidity and expand our investor base, as our performance improves, our stock price also continues to rise steadily. We will continue to increase our corporate value (market capitalization) with sustainable business growth so that we can reward our stakeholders' loyalty.

Trend in operating profit



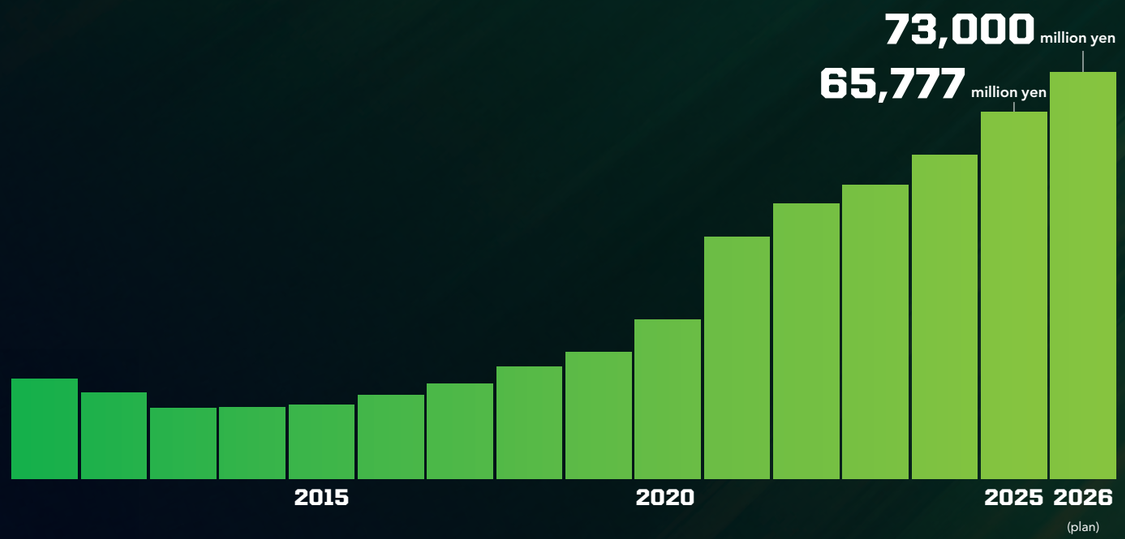
* The stock prices in the above table are figures calculated on the assumption that a stock split was carried out on April 1, 2015.

Four decades of steady growth toward our goal of making the most entertaining games in the world

Trend in operating profit

Note: 1983-1988: Fiscal years ended December 31
1989-2025: Fiscal years ended March 31





Genesis

1983 onward

Capcom Co., Ltd. was established in Osaka in 1983. With the vision of competing globally, Capcom focused its business development on the creation and sales of high-spec arcade games using the proprietary circuit board "CP System" while making its foray into the home video game arena.

Expansion

1991 onward

In the 1990s, the arrival of Super NES prompted Capcom to formally enter home video game development. Capcom created numerous hit titles globally drawing on its arcade game development expertise. The company established its Single Content Multiple Usage strategy in 1994 with the release of a Hollywood movie and animated movie based on *Street Fighter*.

2000 onward

In 2000, Capcom listed its shares on the First Section of the Tokyo Stock Exchange. In the 2000s, Capcom created one hit title after another that gained popularity overseas. Capcom went on to spread its brand throughout the world using IP outside of its games, with one example being the Hollywood movie version of *Resident Evil*, which is now a six-title hit series.

Globalization and the digital shift

2011–2016

As game consoles with online capabilities spread, it became possible to sell titles digitally over longer periods of time. By pivoting to digital sales, Capcom set the stage for the expansion of revenue opportunities with catalog sales.

2017–2020

Established a system where titles contribute to profit over the long term through the synergistic effect of finely detailed, high-quality games and digital sales following the release of *Resident Evil 7 biohazard* in 2017.

2021–

The game market has expanded, growing from a few developed nations into many countries all around the world due to the popularization of the PC platform. As a global corporation, we seek to grow further by using our abundant IP assets and product development capabilities, as well as by increasing the number of our high-skilled, talented creators.

Capcom and Entertainment Culture



1988

CP System

Through leveraging our proprietary, high-performance circuit board we were able to captivate game players with exquisitely depicted, immersive game worlds of the highest quality, allowing us to produce one hit after another in both the arcade and home video game markets.



Little League *1942* *Mega Man*



1991

***Street Fighter II* becomes a major hit**

The game became a sensation in arcades across the country, establishing the fighting game genre. In 1992, a national tournament was held at the Ryogoku Kokugikan arena in what might be called the first ever esports tournament.



Street Fighter II



Resident Evil





© CAPCOM, Shogakukan, ShoPro, TV Tokyo 2002

© 2002 CONSTANTIN FILM PRODUCTION GMBH / NEW LEGACY FILM LTD.

2002

Multi-media roll out of Capcom IP starts in earnest

The Hollywood film adaptation of *Resident Evil*, along with the animated TV show and movie adaptations of the youth-orientated *Mega Man Battle Network*, marked the beginning of Capcom's foray into branding game-based content.



Onimusha *Devil May Cry* *Monster Hunter* *Dead Rising*



2007–

Cooperative gameplay becomes standard

In 2007, *Monster Hunter Freedom 2* became the first game in the series to top a million units sold. Since then, the title has become synonymous with hunting games.



Dragon's Dogma



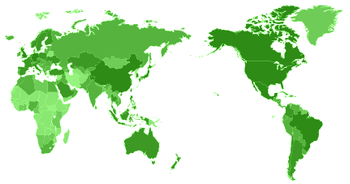
2018–

Capcom officially entered esports, a new form of entertainment

In 2018, Capcom established a dedicated department to promote the spread of esports with measures such as launching new competitions for pros and amateurs.



Monster Hunter: World



2021–

Acceleration of digital game sales

Against the backdrop of the global expansion of the PC platform, digital sales of game software are accelerating. Our extensive library of games, which has been growing for more than 40 years, is available in more than 220 countries and regions around the world.



Street Fighter 6

Striving for sustainable and consistent growth in the entertainment industry

Achieved increased operating profit (10% or better) every year for 10 consecutive years in the hit-driven entertainment industry

We are increasing sales of Consumer games by capitalizing on our medium- and long-term strategies, steadily paving the way for sustainable growth.

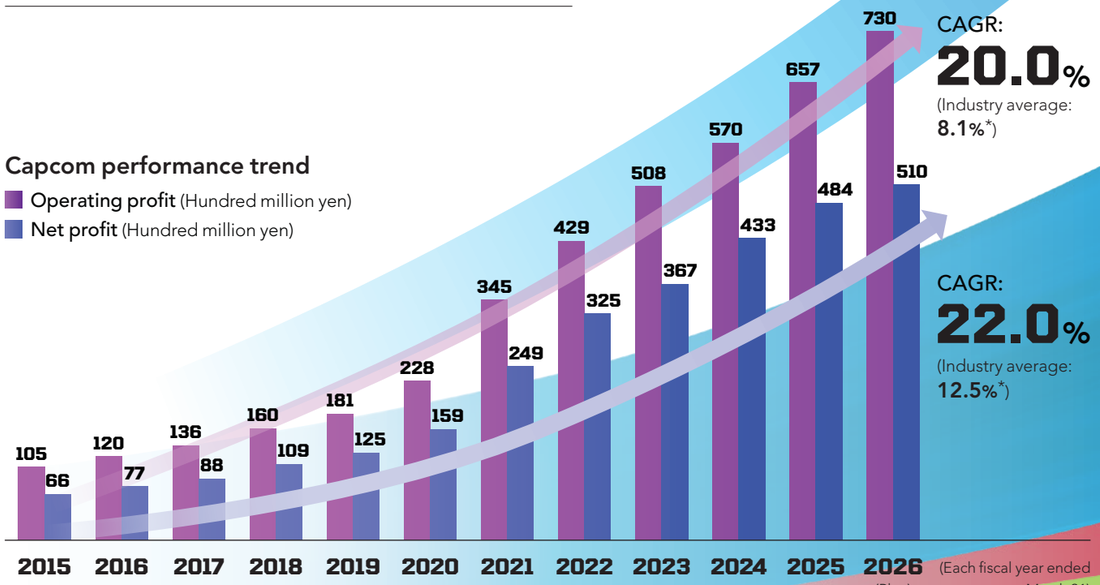
Capcom's advantages underpinning its sustainable growth

- Focus on global growth with an unwavering management vision ➡ For details see p.09
- A business model that maximizes global growth ➡ For details see p.21
- Investments in people to support sustainable long-term growth ➡ For details see p.32
- Outstanding development capabilities and an expansive portfolio of IP beloved worldwide ➡ For details see p.43

Annual sales
51.87 million units
New titles **23.9**%
Catalog titles **76.1**%
(Fiscal year ended March 2025)

Capcom performance trend

Operating profit (Hundred million yen)
Net profit (Hundred million yen)



CAGR: **20.0**%
(Industry average: 8.1%*)

CAGR: **22.0**%
(Industry average: 12.5%*)

*Source: Calculated by Capcom based on the financial disclosures of nine global companies from the fiscal year ended March 2015 to the fiscal year ended March 2025.

Promote digital strategy to reach annual sales of **100 million units**

Increase awareness among a wide range of users

Focus on expanding in the PC and Consumer market of 1.5 billion people

Shore up revenue through efforts linked to the Consumer sub-segment

Aim for sustainable growth through improved productivity and organizational strengths

Brand strategy
Increase Capcom's visibility and brand interactions
Character, Media, eSports, Mobile
Pursuing synergistic effects with Consumer + brand strengthening

Digital strategy
Acquire and increase Capcom fans
New Titles (Consumer)
Growth driver, source of long-term sales

Catalog Titles (Consumer)
Growth driver and focus areas for growing sales

Single Content Multiple Usage
Arcade Operations, Amusement Equipments
Harness IP in peripheral areas, in-person experiences

Human resources strategy
Increase pipeline of new titles
Promote expanding staff and technology growth
➡ For details see p.32



Kenzo Tsujimoto
Chairman and
Chief Executive Officer (CEO)

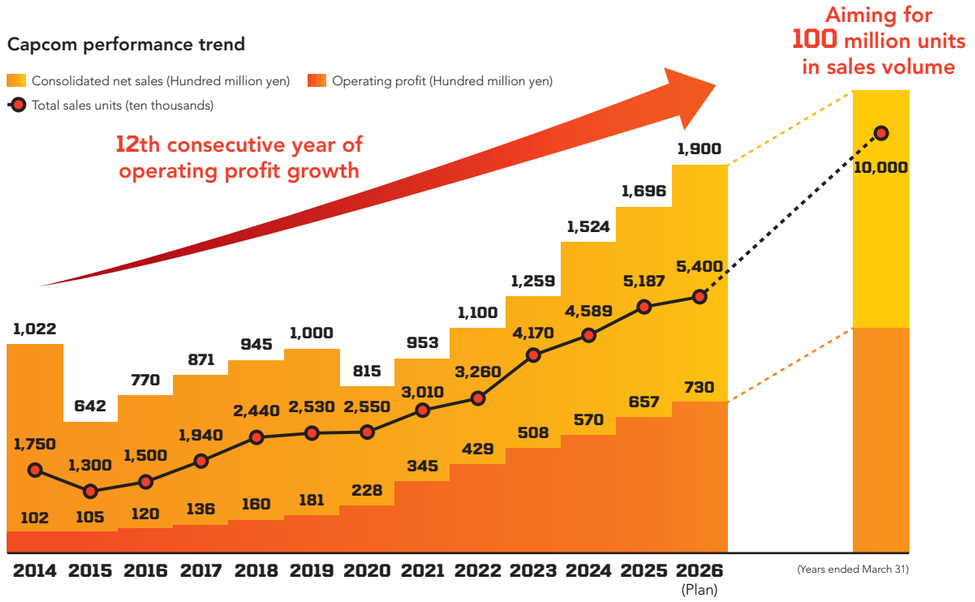
Captivating people around the world with our best-in-class immersive content

Continuing to build corporate value through world-class technical expertise and sound governance

In the fiscal year ended March 31, 2025, Capcom achieved its 12th consecutive year of increased operating profit, 10th consecutive year of 10%-or-better operating profit growth, and 8th consecutive year of record highs across all profit indicators. During this period, our stock price also rose intermittently, and in February 2025, our market capitalization exceeded 2 trillion yen for the first time. We are deeply grateful for the support of our stakeholders, including customers, shareholders, and business partners, that made this possible. We are especially grateful to all our employees who remain committed to delivering the highest quality content to the world.

Since the fiscal year ended March 31, 2020, the Capcom Group has set a management target of increasing operating profit by 10% or more each fiscal year. We will continue to work toward achieving this target while sustainably enhancing corporate value based on our robust philosophy and strategy.

Capcom performance trend



1 Harnessing the power of creativity to inspire the world

The Capcom Group's Management Philosophy is "creating an entertainment culture through the medium of games by developing highly creative content that excites." Forty-two years have passed since our founding, and despite the many adversities we have faced, we have continued to rise to each challenge with ingenuity and passion, never giving up. We have managed to overcome market changes, technological innovation, and upheaval in the global situation thanks to our unwavering philosophy that makes us who we are.

I feel that games are a luxury item, not a necessity—which is precisely why we must maintain world-class brands that captivate users. This embodies our commitment to "play" that goes beyond mere entertainment, our vow to pursue creative endeavors that inspire, and our approach to creating value through ingenuity. These values are now deeply ingrained in the Group's management philosophy and Capcom's corporate culture; under the slogan "From Osaka, to the World," each and every Capcom employee takes pride in always striving for the top.

In addition to our philosophy and values, we have redefined what the Group has achieved so far and the company as envisaged in the future in our medium- to long-term Vision: to be a company that captivates people around the world with our best-in-class immersive content.

This carries with it three main implications. First is our continuing focus on producing the highest quality products, which is one of our strengths.

Second is to spread our content to every corner of the world, so that people all over the world will know about it and enjoy it.

Third is our intent to increase the number of people around the world who are passionate about our content and become enthusiastic fans.

Expanding our user base around the world and cultivating a passionate fan base from there will ultimately lead to Capcom's sustainable growth, and in turn having people engrossed in our games and products will also contribute to the richness and excitement of their lives.

To that end, first, we want as many people as possible around the world to play our games, and have thus set a long-term goal of selling 100 million units per year. In the fiscal year ended March 31, 2025, we achieved our tenth consecutive year of year-on-year unit sales growth, surpassing 50 million units sold. We aim to further increase this to 54 million units in the fiscal year ending March 31, 2026.

2 Ascending to the next stage of growth by harnessing a solid management foundation built on world-class IP and development capabilities

We are unique because we have: (1) numerous popular IP that are globally established brands, and (2) the development and technical capabilities to continuously produce the world's highest quality games. These two points have been and will continue to form Capcom's foundation.

Key policy over the trailing decade

Until the mid-2010s, the Group faced an issue in terms of its business structure where performance fluctuated significantly depending on the release of major new titles. Therefore, we prioritized building a corporate structure that could generate stable, consistent profits, and promoted a shift from a business model centered on physical sales to one centered around digital sales. The shift to digital sales has enabled us to provide content to users around the world for longer periods of time and has also increased our flexibility in pricing. As a result, our games are able to reach a wider range of users. In addition, digital sales do not incur distribution costs, and development costs for catalog titles that have been on the market for a certain period of time will have been fully amortized, so sales centered on these titles is a source of strong revenue and stable profits.

Over the past decade, the Group has strengthened its presence on PC platforms in addition to Consumer devices, accelerating the provision of content geared toward game users around the world. PCs are becoming increasingly widespread globally, and we view this as an extremely important platform for delivering digital content. As a result, we have been able to expand our sales network to more than 220 countries and regions, further accelerating our global expansion. Furthermore, we have established a system for centrally managing and analyzing sales data from around the world, and by using this data to plan marketing initiatives and forecast sales volumes, we are now able to make strategic decisions with greater accuracy. The success of these efforts have enabled the Group to achieve 12 consecutive years of increased operating profit, allowing us to stabilize our management base through improved profitability and achieve sustainable growth. I am convinced that we have evolved to the next stage as a company. We intend to continue the business model we have built over the past decade as the Group's basic policy going forward.

The reason we have been able to continue expanding sales worldwide over such a long period of time is because our games represent globally recognized top brands and are strongly linked to our unique identity. I believe this is a competitive advantage that only the Capcom Group can offer.

Key policy for the next decade

Looking to the decade ahead, my vision is to take the company to the next level. First, my central goal is to spread our brands to every corner of the world, which is in line with our Vision mentioned earlier, and expand our user base. Currently, our games are sold in over 220 countries and regions. However, in some regions, sales volumes and user numbers have yet to take off, and penetration of our IP and corporate brands is limited. Expanding our brands to these regions and growing our user base are important challenges in our next growth phase, and I believe these will become new growth drivers.

Next, we must restructure our manufacturing system, which is the core of the Group and will be the foundation for further growth for the company. Strengthening our organizational structure with an eye to the next 10 years is essential. We will continue to steadily build a foundation that supports sustainable growth, including continuous investment in human resources, reorganization of our development environment, and intellectual property strategy. Finally, as a company advances, its social responsibilities also increase. This is why I believe that building relationships with stakeholders into healthier and stronger ones, along with working to enhance corporate governance systems for greater management transparency and soundness, will become increasingly important in our future corporate activities.

As the pillars for our next decade, I will now explain the above points—brand penetration and user expansion, building a foundation for sustainable growth, building healthy relationships with stakeholders, and enhanced corporate governance systems—in that order.

3 Brand penetration and user expansion to every corner of the world

Strengthening localized approaches to marketing

To further penetrate our brands, it is essential to analyze markets around the world more precisely to better understand the characteristics of each country and region. We must determine what potential user segments exist in each country and region, and what products, prices, sales channels, and promotional measures are optimal for conveying the appeal of our brands to those users. We will improve the precision of our marketing by repeating a cycle of continuous analysis of market data, implementing measures based on that data, and verifying the results.

Additionally, user engagement will become increasingly important in the future. Through communication with users in each country and region, we will carefully understand their expectations and satisfaction levels, as well as their potential needs, and reflect this in our manufacturing and sales strategies.

Strengthening our presence in the PC market

I believe that the PC will further establish itself as the world's leading gaming platform, which will serve to increase the value of the PC market. As mentioned above, the Group has been working on the PC platform from an early stage, but in addition to that, we will work to gain a deeper understanding of the characteristics and trends of the PC market and PC users, and bolster our game development and sales strategies with that in mind.

Investment in movies

To further increase brand penetration, we would like to step up our investment in and utilization of movies. As a more familiar medium than games, movies serve as a means of conveying the worldview and appeal of our content. They also act as a gateway to our IP for people who have never played our games.

Going forward, we will actively invest in the production of movies featuring our IP, and by having them viewed by audiences around the world, we hope to increase the visibility of our games and expand sales.

4 Strengthening foundations for sustainable growth

Sustainability initiatives

I believe that human capital, intellectual property, and information security are important pillars of sustainability in the Group's business activities. Below, I would like to discuss these initiatives in turn.

Investment in our people and reorganizing the development environment

For details see p.32 to 34

The Group believes that proactive investment in human resources is the most important driving force behind sustainable growth. Based on this policy, in recent years we have been working to strengthen our human resources investment strategy as one of our top priorities.

In April 2022, we implemented a variety of reforms, including establishing a new CHO position, restructuring our human resources organizations, revising the remuneration system to improve remuneration, and granting stock-based remuneration to all permanent employees. We are currently working on improving the physical environment, including the construction of a new building to the north of our Head Office to expand our development space. We will continue striving to secure and develop human resources and further improve the work environment. Management will continue to focus on further enhancing employee motivation and morale.

Intellectual property

For details see p.55

As mentioned above, we own many of the world's most iconic IPs. To realize our Group Vision, I believe that utilizing these IPs, content, and other intellectual property we have cultivated is key. For this reason, under the spirit of creative ingenuity, we view intellectual property as an intangible asset and strive to maximize its value. Furthermore, protecting and acquiring intellectual property rights is essential for the global expansion of our businesses. Additionally, systems to support business and development, as well as in-house training, are also important. We will continue to promote these efforts to create compelling content and increase brand penetration and value.

Information security

For details see p.56

In order to promote sales globally and accelerate the diversification of sales channels through digitalization, we must take actions to combat various cyber risks. For this reason, we are working to maintain and strengthen our information security and cybersecurity management systems based on advice from the Security Oversight Committee, an external advisory body. We are also making efforts to raise awareness of information security by providing education and training to our executives and employees.

5 Building healthy relationships with stakeholders

Realizing a world where everyone can enjoy games with peace of mind is both a desire and an important responsibility that is in line with our Management Philosophy. Based on this philosophy, we are sincerely addressing global themes common to all, such as environmental and social issues, and are working to realize a sustainable society. Through these efforts, we aim to create a better future while valuing our relationships of trust with diverse stakeholders, including shareholders, customers, business partners, employees, and local communities.

For details see p.49 to 62

Considerations for the environment

In addition to reducing our environmental impact by increasing digital sales, the Group is working to reduce CO_2 emissions by introducing renewable energy to power its offices. Addressing climate change is a common challenge for all of humanity, and although the Group's business model has a relatively low environmental impact, we will continue to promote initiatives that give consideration to environmental conservations needs.

Social contribution activities

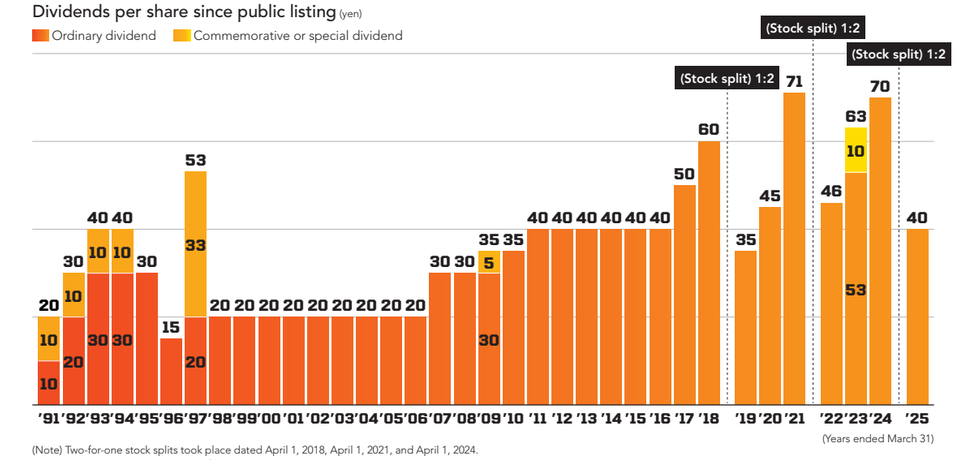
The Group uses a certain percentage of its operating profit to donate funds in support of children who will create the future. Under the slogan "From Osaka, to the World," the Group is working to promote local communities, culture, technology, and sports by sponsoring and participating in the Osaka Healthcare Pavilion, an exhibit organized by Osaka Prefecture and Osaka City at Expo 2025 Osaka, Kansai, Japan.

Returning profits to shareholders

I have been managing Capcom since its founding 42 years ago with the conviction that we should reward our long-term shareholders with consistent dividend increases while steadily growing the company. Based on this, we position returning profits to shareholders as a priority issue for management, and we determine dividends taking into account future business developments and changes in the business environment.

Our basic policy on shareholder returns is, first, to increase corporate value (market capitalization) via growth driven by investment, and second, to continue to pay stable dividends based on a consolidated dividend payout ratio of 30%. Also, we will take a flexible approach to share buybacks, while focusing on understanding the situation of markets in response to our stock price trend and management strategies. We plan to pay an annual dividend of 40 yen for the fiscal year ending March 31, 2026. Looking ahead, we will strive to provide stable returns of profit in line with our corporate growth.

Rewarding long-term shareholders with 35 consecutive years of returns since Capcom's listing and record-high dividends



(Note) Two-for-one stock splits took place dated April 1, 2018, April 1, 2021, and April 1, 2024.
The dividends prior to each reference date are listed as the dividends on the stocks prior to the split.

6 Strengthening the corporate governance system

Establishing a sound corporate governance system is essential for our sustainable growth. The Group is working to strengthen the structure of its Board of Directors and improve its effectiveness. At the General Meeting of Shareholders in June 2025, we appointed a new female director, bringing the total number of female directors to three. We are also promoting the establishment of a management system that can handle global expansion by appointing personnel with international perspectives and ensuring the diversity of the Board of Directors.

We have also focused on expanding opportunities for outside directors to actively participate. We have continuously discussed matters such as reviewing the performance-linked remuneration system and introducing a stock-based remuneration system through committees and discussions, where outside directors make up the majority of members. Furthermore, by quantifying the materials that inform management decisions, we are able to "visualize management," enabling dialogue in a common language with outside directors and employees, eliminating arbitrariness and clarifying issues. We will pass on these systems and know-how to our successors, and aim for sustainable growth by combining our management philosophy with sound governance. Furthermore, we view strengthening our risk management system as a key issue and are currently establishing a system with an eye on future growth.

Above, I discussed the elements necessary for sustained improvement in corporate value over the next decade. As an executive manager who has led the game industry for many years, I will continue to aim to unlock greater growth for the Group and meet the expectations of shareholders, investors, and stakeholders by boosting our market capitalization.

Kenzo Tsujimoto
Chairman and
Chief Executive Officer (CEO)

Leveraging our world-class development capabilities, we are working to resolve social issues through our business activities

Guided by our Management Philosophy, we are actively working to resolve social issues by utilizing our accumulated capital and unique business model to create best-in-class content through our business activities and bring happiness to people around the world.

Management Philosophy | Creator of entertainment culture who aims to develop software content that excites and stimulates the senses

Input

Human Capital
- 2,846 talented developers
- Multinational talent from over 30 countries at Japan offices

Intellectual Capital
- 19 popular IPs (million-selling hit series)
- A total of 123 million-selling titles
- Sold in over 220 countries and regions
- Arcade operation know-how
- Pachislo machine cabinet development technology

Capital Investment

Financial Capital
- Net cash position of 160.1 billion yen
- Development spending of 49.4 billion yen

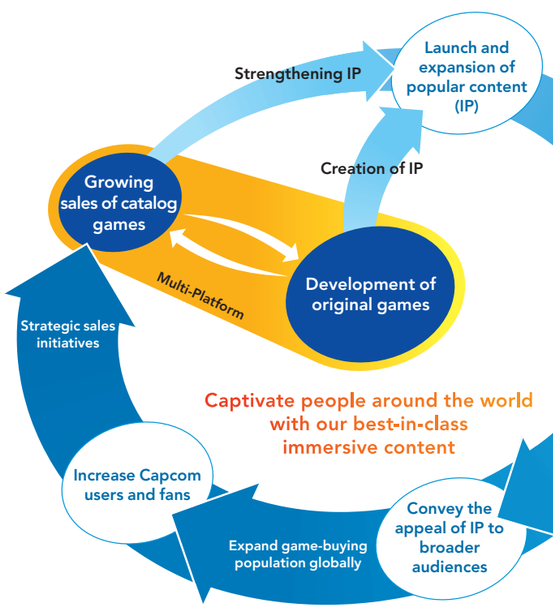
Production Capital
- Development studios, including our Creative Studio with one of Japan's largest motion capture studios
- Efficient development environment using proprietary development engine RE ENGINE
- Amusement machines production center

Social Capital
- Global fan loyalty to our IP
- Relationships with platform providers

Business Activities and Business Foundation

Single Content Multiple Usage strategy

Leveraging our popular content, we expand our IP into various game platforms and media.



Business Foundation

➡ Sustainability, p.49 ➡ Corporate Governance, p.63

Outputs

Leveraging intellectual property to deliver market value



Digital Contents
248 titles
227 countries and regions
51.87 million units
(Sales results as of the fiscal year ended March 31, 2025)



Arcade Operations
53 stores
Operating amusement and other facilities in Japan for a wide range of customers



Amusement Equipments
4 new machines released
50,000 units sold
Utilizing popular IPs for gaming machines
(Sales results for the fiscal year ended March 31, 2025)



Other Businesses (eSports)
14,000 attendees
Over **10** million online views
Combined totals for Capcom Cup 11 and Street Fighter League: World Championship 2024

Outcomes

Social Value

Creating a world where people can enjoy games with peace of mind

Vision

To be a company that captivates people around the world with our best-in-class immersive content

Corporate Value

Creating an environment that utilizes diverse talent

Increasing the international competitiveness of Japanese brands

A business model that aims to maximize IP value

As we utilize our popular proprietary content for multiple game platforms, we are also actively turning it into movies, theater productions, and other non-game media.

This Single Content Multiple Usage strategy allows us to enjoy multi-level profitability. Moreover, we have created a cycle whereby increasing the brand power of each IP promotes sales of new games, which in turn draws user attention back to catalog games as well.



Launch and expansion of popular content (IP)

Strengthening IP

Creation of IP

Growing sales of catalog games

Multi-Platform

Development of original games

Strategic sales initiatives

Capcom IP

Captivate people around the world with our best-in-class immersive content

Increase Capcom users and fans



Expand game-buying population globally

Convey the appeal of IP to broader audiences



People who do not know Capcom



• Amusement facilities (Café collaboration)



• Amusement facilities (Capcom Connect Space)



• Video streaming



• Hollywood movies

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• Mobile game titles *Monster Hunter Now*

Multi-use/ Transmedia Expansion

- Video Media
- Events
- Esports
- Books
- Gaming Machines
- Character Merchandising
- Amusement Facilities
- Mobile License
- In-game collaboration with other companies

Monster Hunter series

Example of Single Content Multiple Usage



• *MONSTER HUNTER* 20th ANNIVERSARY - *Monster Hunter* Grand Exhibition



• Expo 2025, Osaka, Kansai, Japan *Monster Hunter Bridge*



• Smart Slot *Monster Hunter Rise*



• Merchandise

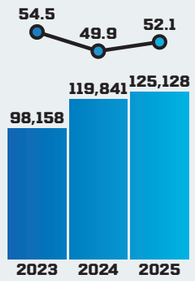


• Apparel line *AND CHIPS*

Creating value with four core businesses

Digital Contents

This business develops and sells digital game content for consumer home video game and PC platforms. It also develops, manages, and licenses its IP out for Mobile Contents. Using our world-class development environment, we deliver high-quality content digitally to more than 220 countries and regions, resulting in long-term and continuous sales that underpin our robust profitability.



Net Sales
125,128 million yen

Operating Margin
52.1%

Strengths
- World-class development and technological capabilities
- Own many original popular titles (IP)
- Expanding markets via increased global reach
- RE ENGINE, our proprietary engine that supports the ongoing evolution of development processes and efficiency improvements.

Non-Financial Capital

Human Capital
- Workforce of about 2,800 in-house developers, one of the largest in the country
- Utilization of in-house department specializing in marketing and data analysis

Intellectual Capital
- Own many original popular titles (IP)
- Global sales database
- Patents for games
- User trust in the Capcom brand

Production Capital
- Global penetration of digital storefronts on game consoles, smartphones, and PCs

Social Capital
- Partnerships with developers in Japan and other countries
- Partnerships with mobile online game companies

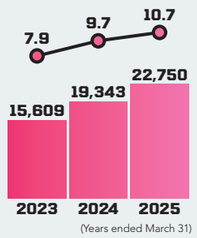
Topics


Monster Hunter Wilds


Kunitsu-Gami: Path of the Goddess

Arcade Operations

We operate amusement facilities, primarily Plaza Capcom arcades, in Japan. We mainly open arcades in large commercial complexes, and in recent years have also expanded into new store formats such as cafés and merchandising. By holding events and other activities, we aim to maximize the appeal of our brick-and-mortar stores and create synergies with our other businesses.



Net Sales
22,750 million yen

Operating Margin
10.7%

Strengths
- Specialize in opening stores in large commercial complexes to secure a stable customer base
- Thorough scrap-and-build strategy focused on investment efficiency to ensure sustainable earnings
- Access to broad revenue streams through diversified store formats

Non-Financial Capital

Human Capital
- Internal store management staff
- Part-time workers hired locally

Intellectual Capital
- Store management know-how cultivated over 40 years
- Intellectual properties (characters and worlds) that can be rolled out in food, drinks and prizes
- Services utilizing virtual reality (VR) Technology

Production Capital
- High foot traffic of large shopping centers
- Developers that design and construct facilities

Social Capital
- Our relationships with local residents
- Arcade game makers around the world

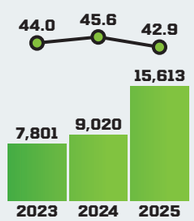
Topics



Capsule Lab Kobe Nankin-machi

Amusement Equipments

This business utilizes the content from our home video games. We focus primarily on the development, manufacture and sales of software, frames and LCD devices for gaming machines.



Net Sales
15,613 million yen

Operating Margin
42.9%

Strengths
- High caliber development capabilities cultivated through home video games
- Leveraging of rich in-house contents
- Diversified sales channels

Non-Financial Capital

Human Capital
- Internal developers in charge of planning and development

Intellectual Capital
- Own many original popular titles (IP)
- Development technology compliant with pachislo certification rules

Production Capital
- Manufacturing plant for machines
- Pachinko/pachislo parlors and video game arcades throughout Japan
- Domestic sales channels including e-commerce website

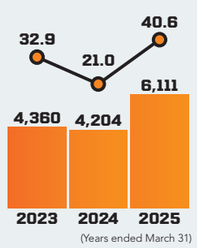
Social Capital
- Cooperation with major specialist companies
- Administrative organ related to pachislo machine permits and licenses

Topics


Smart Slot
Monster Hunter Rise

Other Businesses

Based on our Single Content Multiple Usage strategy of leveraging game IP across different media, we pursue a variety of licensing business opportunities. In addition to adapting game content into movies, animated television programs, music CDs, character merchandise and other products as part of our licensing business, we are also devoting resources to our esports business.



Net Sales
6,111 million yen

Operating Margin
40.6%

Strengths
- Synergetic effect from multifaceted use of rich contents
- Brand value increased through high exposure across various mediums
- High profitability of character content

Non-Financial Capital

Human Capital
- Planners skilled at content development
- Legal staff in charge of alliance agreements and other arrangements
- Talent from our own production company located in Hollywood
- Organizers of esports events

Intellectual Capital
- Own many original popular titles (IP)
- Brand business (strategy for maximizing value of intellectual properties)
- Experience with running esports events

Production Capital
- Legal framework related to intellectual properties in Japan and other countries
- Collaboration partners and manufacturing companies for character merchandise
- Global video platforms

Social Capital
- Event organizers that engage in joint planning
- Relationship with movie studios, including those in Hollywood
- Relationship with pro-gamers and fans
- Relationship with local governments

Topics


Capcom Cup 11

COO COMMITMENT



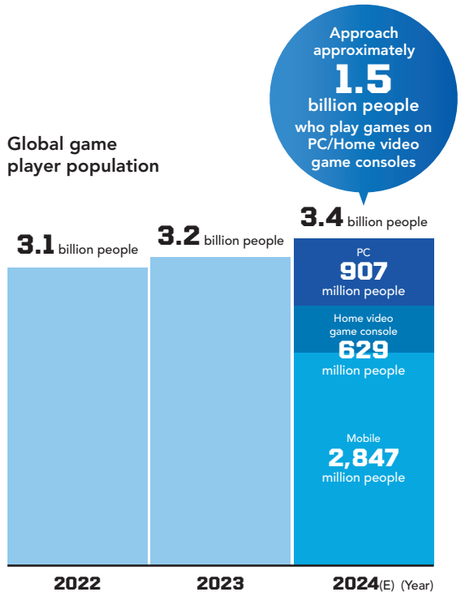
Haruhiro Tsujimoto
President and
Chief Operating Officer (COO)

Sustaining our digital strategy and aiming for annual software sales of 100 million units as we grow the Capcom fanbase

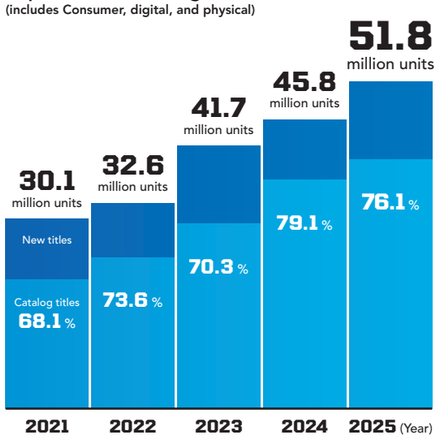
As of the fiscal year ended March 31, 2025, the Capcom Group achieved our 12th consecutive year of increased operating profit and 10th consecutive year of double-digit operating profit growth. Our sales volume also reached a record high of 51.87 million units. This has positioned us for a strong start heading into the next 10 years. I would like to express my sincere gratitude to all our stakeholders for their support.

Since the mid-2010s, Capcom has focused on our Digital Strategy with the aim of expanding globally and establishing stable revenue streams. In the past, traditional sales of physical discs presented numerous challenges, including limits to the amount of retail shelf-space we could secure, control over pricing, and anti-piracy measures. However, the shift to digital sales has enabled us to expand into over 220 countries and regions, with a revenue structure that is not reliant on new releases but rather has been centered on catalog title sales. To achieve sustainable growth, it is essential that we strengthen not only our development capabilities but also our sales and marketing systems. By consistently producing world-class content and increasing brand recognition, we are now one step closer to achieving our long-term goal of annual software sales of 100 million units. This initiative is in line with our corporate philosophy, which is that we are "creator of entertainment culture that excite people and stimulates their senses."

Global game player population



Capcom's worldwide game sales
(includes Consumer, digital, and physical)



*Each fiscal year ended March 31

*Due to overlap between segments, the segment total exceeds the total market.
*E: Estimated
*Source: Newzoo Global Games Market Report, May 2025

1 Our Measures Thus Far

– Grow markets globally with digitalization –

Changing market landscape

In the era when disc sales were the mainstream, the major developed countries in Europe and North America were the focal point of the game market, where game content was mainly enjoyed on dedicated home consoles. Afterwards, the evolution of game consoles and the spread of the Internet have made it possible to play online and cooperatively with others over long distances, as well as to sell game content digitally through downloads. As a result, game content can be sold over the long term even if it has been on the market for many years, without being affected by retail store operating hours or sales floor space. This has also made it possible for game publishers to take the initiative in developing flexible pricing policies.

Strengthening our multi-platform strategy and tapping into demand from PC platforms

Within our Digital Strategy, we have also focused on expanding our support for the PC platform. Since development for dedicated game consoles tends to be limited to major developed countries with well-established infrastructure, we have determined that in order to reach more users, we must actively release content on the PC platform, which allows us to also appeal to developing and emerging markets. By focusing on the PC, we now sell our products in over 220 countries and regions, far exceeding the market for traditional consoles. Currently, the ratio of PC units in our software sales is growing, primarily in emerging countries, reaching a level of over 50% in the fiscal year ended March 31, 2025. Yet, we analyze that there is still room for further growth.

Recently, in appealing to different user demographics in each region, and the various platforms therein, including PC, we have seen that the level of quality being demanded is increasing as technology evolves, and have once again been reminded of the challenge of consistently providing a high-quality entertainment experience to a wide breadth of users.

Within such circumstances, we have strived to listen to the voices of our users and emphasized content creation that reflects their needs. Going forward, we will further strengthen our approach and continue working to provide a higher-quality and more consistent gaming experience for more users, while also strengthening our entire organization, including reviewing our development system.

Data-driven pricing strategy

The digitalization of game sales has made it possible for publishers to lead the way in pricing strategies. We transitioned to digital sales early on and have accumulated extensive data, including by country, price, and sales volume. We have aggregated this data and are now utilizing it in our marketing strategies. Our basic pricing strategy is to sell games for approximately 60 to 70 US dollars when new, and then gradually lower the price according to market value, ultimately down to 10 or even 5 US dollars. The goal is to maximize sales and profits over a five-year period, rather than a single fiscal year. We are typically able to recover development costs within a period of one to two years, contributing to the bottom line even after price reductions. Furthermore, by coordinating price reductions with new title announcements, we can attract new fans and create a virtuous cycle linked to the next title release. A good example is *Monster Hunter: World*. We lowered the price to 9.99 US dollars in conjunction with the announcement of *Monster Hunter Wilds* in the fiscal year ended March 31, 2024. To date, *Monster Hunter: World* has sold more than 28 million units.*

* Including *Monster Hunter World: Iceborne Master Edition*

By selling high-quality titles over a long period of time, catalog titles have come to account for more than 70% of our annual unit sales, making a significant contribution to earnings in our Digital Contents business. This was a major factor in Capcom's ability to establish a stable profit structure over the last 10 years.

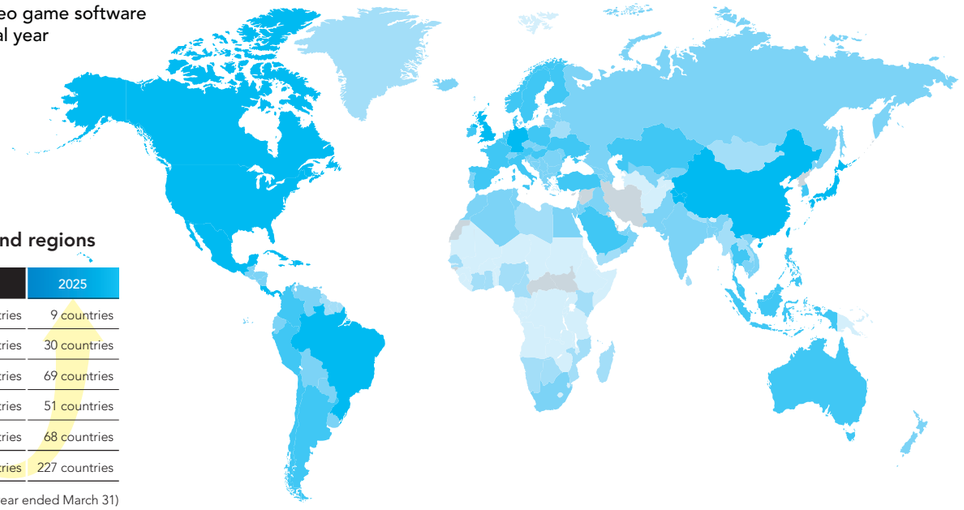
Comparing our sales territory now with 2020, there are countries and regions where annual sales are gradually shifting from less than 100 units annually to more than 100, more than 1,000 more than 100,000, and even more than 1 million units. Indicative of this, as income levels rise due to economic growth in each country and region, we are seeing greater growth of our markets.

Needless to say, there are two factors behind the growth that makes it possible to sell globally over the long term: (1) From the time the company was established with our main business being arcade game circuit boards, Capcom had already started expanding throughout the world, giving us a brand status, and (2) due to the efforts of our development team, Capcom has the technical and developmental abilities to regularly produce high-quality titles.

Maximizing initial sales of new titles

To what extent we increase initial sales will be important in unlocking greater growth. Analysis of sales trends for catalog titles has revealed that the stronger the initial sales, the more robust long-term sales can be, contributing to increased cumulative sales overall. Going forward, we will clearly focus on strengthening initial sales and step up our efforts to improve brand recognition. This will include expanding pre-release promotions and offering past titles globally. Through these measures, we aim to further improve sales performance.

Unit sales of home video game software by country for the fiscal year ended March 2025



248 titles in
227 countries and regions

	2021	2025
1,000,000+	4 countries	9 countries
100,000+	16 countries	30 countries
1,000+	62 countries	69 countries
100+	44 countries	51 countries
Less than 100	88 countries	68 countries
Total	214 countries	227 countries

(Fiscal year ended March 31)

Sales by region

(thousand units)

		2023		2024		2025	
		Sales	Share	Sales	Share	Sales	Share
Total		41,700		45,893		51,876	
	N. America	12,600	30.2%	13,900	30.3%	15,450	29.8%
	Asia	7,700	18.5%	9,100	19.8%	11,200	21.6%
	Europe	8,000	19.2%	9,500	20.7%	9,640	18.6%
	Japan	8,200	19.7%	7,790	17.0%	8,389	16.2%
	Cen./South America	4,200	10.1%	4,450	9.7%	5,030	9.7%
	M. East	340	0.8%	400	0.9%	1,410	2.7%
	Oceania	600	1.4%	650	1.4%	760	1.5%
	Africa	60	0.1%	80	0.2%	80	0.2%

*Each fiscal year ended March 31

2 Looking at the Next 10 Years

– Accelerate sustainable growth with better marketing –

I would like to explain specifically from my perspective as COO the key policies for the next decade as discussed by the CEO.

According to third-party market data, there are approximately 3.4 billion game users worldwide, most of whom are mobile device users. The number of PC and home console users, which are our primary target, is estimated to be around 1.5 billion.

Our software sales volume for the fiscal year ended March 31, 2025 was 51.87 million units. Thus, we believe there is still significant room for growth given the size of the market. To achieve annual sales of 100 million units, it is essential to further expand sales and strengthen our development system to enhance our pipeline of new titles. In addition, we will work to increase brand awareness through enhanced pre-release promotions and other measures to boost initial sales of new titles.

Improved marketing by incorporating local characteristics

We have been using our aggregated sales data in our marketing strategy, but we need to improve the accuracy of this approach. By targeting users with information on our latest titles or updates on catalog title prices based on their purchase trends, it will be possible to conduct promotions that appeal to users even more. However, it is not easy to accumulate detailed data linked to individuals. In addition, the laws and regulations of each country regarding the protection of personal information and the protection of minors must be carefully observed.

In this context, we will continue to accumulate and analyze data on user purchase and play trends by using the CAPCOM ID, which is an account that can be used across our games and services, as well as by using systems to acquire game play data from within games.

We are focusing particularly on the Global South, comprised of emerging countries, including India, as potential growth areas. As part of this focus, we dispatched an internal research team to India in the fall of 2023, and to Brazil, Indonesia, and Thailand in 2024. We also dispatched a team to the Middle East in 2025.

By visiting these countries and seeing firsthand how Capcom games are being received and played, we have been able to determine the measures we need to take now, and steadily advance our strategies for brand building and market formation over the next five years.

With this in mind, we will identify the traits of each country and region, work to expand brand awareness in conjunction with pricing measures, and strengthen our marketing system, including at our overseas subsidiaries. In fact, in emerging countries, lower-priced catalog titles sell better than high-priced new releases, and by analyzing purchase timing, we will develop optimal measures for each region and use this to tap into new markets.

Increased penetration of the Capcom brand using movies

Video content that conveys the world of a game in a short period of time is a powerful tool for increasing Capcom's brand recognition among people who have never played video games or have never played Capcom's titles. This is evident in the past Hollywood movie adaptations of *Resident Evil* and other titles.

In addition to utilizing existing movies based on our games, we are also moving forward with the production of a new live-action *Street Fighter* movie and TV series, as well as several other projects that are under consideration. As an upfront investment to expand game content worldwide, we will aggressively pursue our movie strategy, not only with theatrical releases, but also through video distribution services and other means.

In April 2025, the anime version of *Devil May Cry* began streaming as a Netflix original series. In conjunction with this, we priced *Devil May Cry 5* for 7.99 US dollars, leading to sales of over one million units in a month. While we have held discount sales to coincide with the release of movie content before, the response this time was so large that it really brought home the close affinity between video games and movies.

Capcom has been promoting the digital shift since the mid-2010s. We possess data on the number of users and regional distribution of each title, which we believe will enable efficient promotion through collaboration with streaming and movie production companies, contributing to the business success of both. As such, we will continue actively exploring collaboration possibilities to further enhance synergies.

Increased penetration of the Capcom brand through business deals and sponsorships

In terms of mobile content, *Monster Hunter Now*, which we have licensed out, launched in September 2023. This title is developed and operated by an external partner with strengths in location information and AR technology. By allowing players to easily enjoy *Monster Hunter* as a mobile game, we are further increasing brand awareness globally. We will continue to expand our efforts to raise brand awareness by licensing IP to other companies. One such example is *Monster Hunter Outlanders*, which was announced in 2024.

The Arcade Operations and Amusement Equipments businesses are each expanding their revenues and contributing to the expansion of our game brands in Japan. The Arcade Operations business is a valuable contact point between Capcom and users, including general consumers, and also provides synergies with the Consumer business sub-segment by acting as a physical venue for game demo events and other activities. The Amusement Equipments business is also expanding its user base

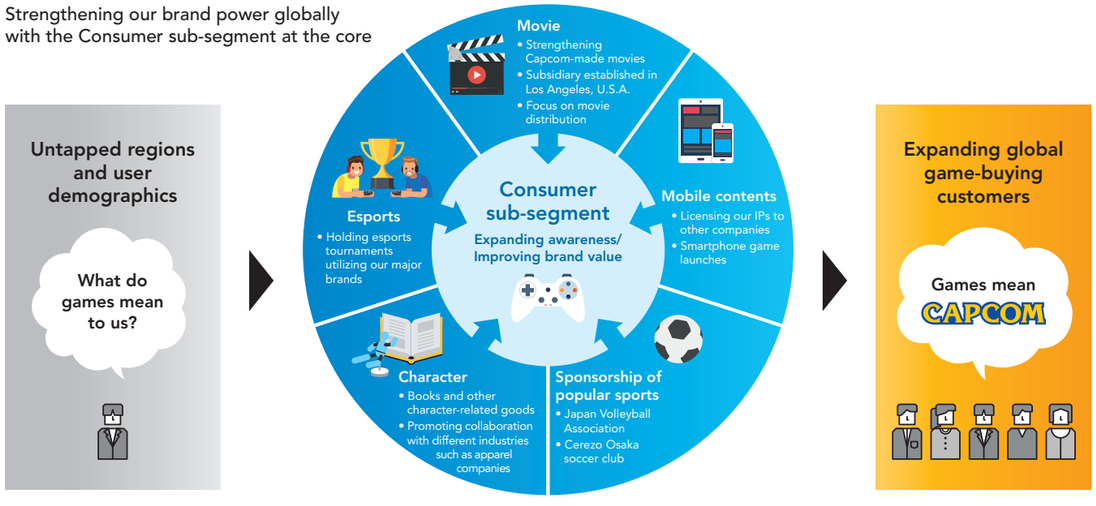
Unlocking long-term sales of high-quality titles

(million units)

	2017/3	2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3	2025/3	Cumulative unit sales*	2026/3 (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 *		**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	

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

Strengthening our brand power globally with the Consumer sub-segment at the core



and functions as a good match between game content and pachislo machines.

Operating profit has reached a new record high in our licensing business thanks to an increase in collaborative products that coincide with the release of new titles and collaborations where Capcom characters appear in other companies' games. Currently our licensing business is conducted mainly in Japan and the Asian region, but we are moving forward with measures to strengthen the business with global expansion in mind.

In the eSports business, we have been holding the CAPCOM Pro Tour in up to 160 countries and regions since 2014. More recently, the CAPCOM Pro Tour 2024 featuring *Street Fighter 6* was held around the world starting in June 2024. In March 2025, Capcom Cup 11 and Street Fighter League: World Championship 2024 were held for the first time in Japan at the Ryogoku Kokugikan Arena. The event garnered a solid response with a total of 14,000 attendees and over 10 million online views. Further, in summer 2025, the eSports World Cup was held and by building cooperative relationships with each tournament, including the CAPCOM Pro Tour 2025, we will increase awareness of *Street Fighter 6* and accelerate its growth in the global market.

In order to encourage more people around the world to become Capcom fans and users, it is essential to further expand and increase penetration of our corporate and content brands. To this end, we are also engaging in social contribution activities for local communities, culture, and technologies. These include sponsorship of the Japan Volleyball Association and the soccer club Cerezo Osaka, which were first announced in May 2022, as well as sponsorship of the Tokyo International Film Festival, an exhibition showcasing our game development process titled Capcom Creation – Moving Hearts Across the Globe, which has been well-received since its start in March 2025, and the exhibition of an interactive attraction titled *Monster Hunter Bridge* at Expo 2025 Osaka, Kansai, Japan.

Strengthening development capabilities to consistently produce world-class content

At Capcom, we aim to sustain our KPI of 10% or better annual operating profit growth along with our long-term goal of annual software sales of 100 million units. To improve our chance of success, we are working to resolve business challenges, issue by issue. Our efforts are focused on core IP such as the *Resident Evil*, *Monster Hunter*, and *Street Fighter* franchises, and mapping out mainline series entries and sequels, remakes, new IP, and ports of content to the latest hardware. We consistently release two to three major new titles each year, but recognize the need to grow our pipeline going forward.

Capcom owns a wealth of globally popular brands, such as *Mega Man*, *Devil May Cry*, and *Ace Attorney*. We aim to expand our user base and improve our performance through new releases, remakes, and ports of titles in these series to new hardware. By enhancing brand power and cultivating loyal fan bases, we will grow these into core IPs.

The people developing this content are our world-class in-house creators. For the past three years, we have made strengthening our human capital a management priority, and to this end, have been training and recruiting personnel to expand our development structure. Previously, we consolidated our game development in Osaka to promote efficiency, however, to further strengthen its structure, we are currently constructing a new development facility next to our head office, slated for completion in 2027. We have also acquired nearby land, with future expansion in mind. In addition, RE ENGINE, which supports our development capabilities, was developed in-house and is continually updated to keep up with new technologies and improve work efficiency.

The game business is likely to change even further in the future with the emergence of new technologies such as AI. We were quick to provide support for VR and cross-play, and we continue to push forward with our multi-platform strategy, such as by releasing titles for the new Nintendo Switch 2 on the first day of its release in June 2025, and will continue to explore new fields while conducting technical verification. The key is to use new technologies to provide users with a new gaming experience. Even cutting-edge innovations are meaningless if the game is not interesting.

Finally, I would like to emphasize that even if the form of our business changes, our top priority will remain refining our world-class content. If our salespeople are properly communicating this, then consumers will always choose our products, even if the platforms or services change. Conversely, if our content or services are deficient, even if we are able to ride the transient wave of a trend, growth will not be sustainable. We are convinced of this based on our experience standing at the forefront of the industry.

Marketing strategy

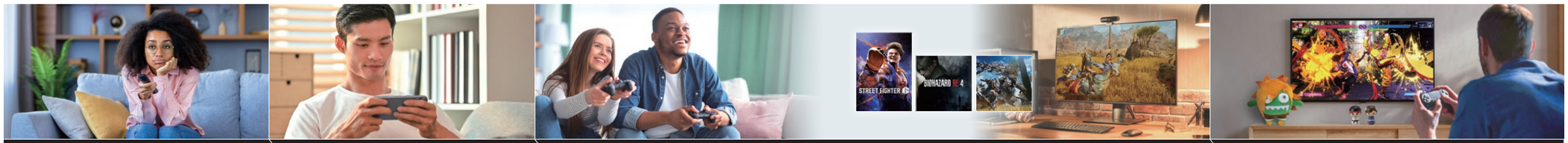
Nurturing Capcom fans through ongoing activities tailored to user groups

New titles We maintain long-term fans of popular IP by releasing high-quality new titles consistently each fiscal year.

Catalog titles By executing our ongoing, long-term pricing strategy, we provide catalog titles at appropriate prices and create opportunities for a wide range of users to try our popular IP.

Licensing By utilizing our IP in mobile game titles and other content, we introduce the world of our IP to potential users and nurture them into Consumer game users.

Branding By expanding into esports and movies/TV, we raise the visibility of our IP and create opportunities for a wider range of people, including existing fans as well as those who do not yet know Capcom, to be exposed to our brands.

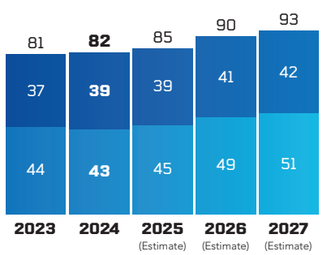


People who do not know Capcom → People who play mobile games → People who play games, including Capcom titles → Capcom fans

Market Analysis

Consumer Market (Console + PC)

Market Size (billion U.S. dollars)



*Source: Newzoo Global Games Market Report, May 2025

Market Trends

The consumer (console + PC) market in 2024 increased year on year to 82.4 billion dollars (0.66% increase), remaining at the same level as 2023. While the console market is in a transitional period ahead of the release of new hardware, causing growth to slow overall, the PC market continues to grow and maintains stable demand. The PC platform accounts for 47% of the total market, making it a significant component.

In 2025, the overall consumer market is expected to grow to 85.8 billion dollars, driven by the launch of new hardware in the console market and a strong performance in the PC market. In the medium term, the spread of cloud gaming and subscription-based services, as well as an expansion of the user base in emerging regions, are expected to drive growth, leading to stable market expansion.

Major opportunities

- Creation of highly competitive products using new technology
- More channels for product distribution with the appearance of new platforms
- Diversification of supply channels through technological innovation
- Expanded number of sales regions and greater adoption using digital technology
- Market expansion driven by economic growth in emerging and developing countries
- Achievement of extended product life cycles through digital sales
- Reduction of the used market due to penetration of digital sales

Major risks

- Rising development costs with the emergence of new technologies and improvements in hardware capabilities
- Development schedule delays
- Dependence on popular series and shortage of hit titles
- Declining IP value due to brand saturation in long-running series
- Platform adoption trends
- Changes in user purchasing behavior with the next generation of platforms
- Risks in overseas markets due to a country's politics, culture, or religion
- Rising societal concerns about in-game purchasing systems
- Information leakage risk
- Concerns about copyright infringement and damage to brand value due to the spread of AI

Game Industry Characteristics

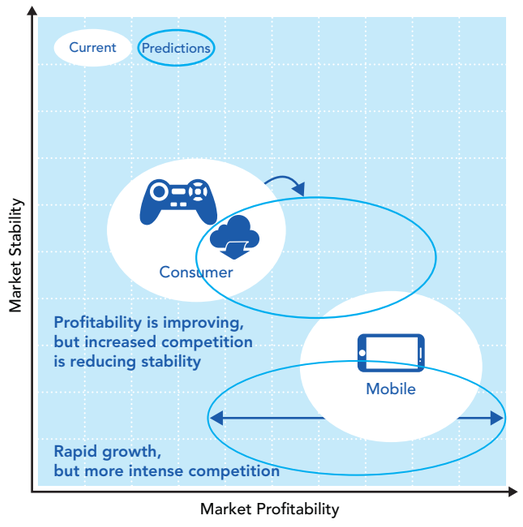
Consumer Market Characteristics (Console + PC)

Console and digital download contents are an 82.4-billion-dollar market, forecast to grow to 93.7 billion dollars by 2027. The customer base is primarily composed of core users who are loyal to game titles. They are seen as having relatively high willingness to purchase sequels and remakes along with low sensitivity to price and economic conditions. In recent years, with the spread of PCs as a game platform and the standardization of digital software sales over the Internet, market growth is expected in Asia and emerging regions. Hereafter, we expect the market to grow at a faster pace with the capture of the casual user segment, which has high sensitivity to price conditions, as well as new users. This will result from expansion of online gaming on consoles, primarily in North America, and diversification of console game distribution models. On the other hand, as barriers to entry fall, the stability of the industry as a whole may be shaken.

Mobile Market Characteristics

This is a 100.3-billion-dollar market, forecast to continue growing to 107.7 billion dollars by 2027. The customer base is primarily composed of casual users, many of whom play games in their spare time, thus they demonstrate the lowest loyalty toward game titles. In contrast to core users, they have a limited willingness to purchase games and have the highest sensitivity to price and economic conditions. Although this is the most profitable market, only a limited number of titles are able to generate stable earnings over the long term even if they become hits. This makes brand establishment a challenge. Furthermore, changes in the regulatory environment are contributing to market uncertainty. However, with advancements in communication technology and device performance driven by next-generation communication standards, we expect smartphones will continue to drive rapid growth as the most pervasive game device.

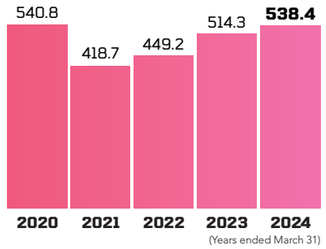
Characteristics of Each Market



Source: Created by Capcom based on data from the Newzoo Global Games Market Report, May 2025.

Arcade Operations Market

Market Size (billion yen)



* Source: JAMMA Survey on the Amusement Industry

Market Trends

The domestic arcade facilities market in the previous fiscal year (ended March 31, 2024) was valued at 538.4 billion yen (a 4.7% increase from the previous fiscal year). With COVID-19 being reclassified as a Class 5 infectious disease (the same category as seasonal flu) by the Japanese government, economic activity has returned to normal, showing signs of recovery to pre-pandemic levels. In the fiscal year under review (ended March 31, 2025), the use of prize games has increased amid increased inbound tourism and the popularity of *oshikatsu* prizes, which allow players to support their favorite entertainers and characters with merchandise. Looking ahead to the next fiscal year (ending March 31, 2026), we expect demand in the market to remain high if crane games continue to grow and inbound tourism remains strong.

Major opportunities

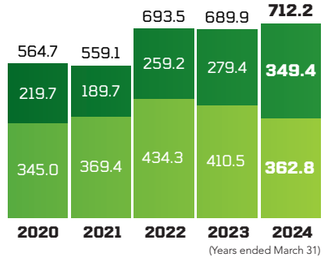
- Acquisition of new customers through multifaceted roll-out of stores including themed venues, merchandise specialty stores, VR experiences, etc.
- Increased awareness with new business formats and new technologies

Major risk

- Popularity of machines
- Changes to the market environment due to the diversification of leisure activities and declining birthrate

Gaming Machines Markets

Market Size (billion yen)



* Source: Manufacturer sales base compiled by Capcom using Pachinko Maker Trends (2024); Yano Research Institute Ltd.

Market Trends

In the previous fiscal year (ended March 31, 2024), gaming machines markets experienced a turnaround, growing year on year to 712.2 billion yen. The pachinko machine market fell below the previous year's level for the second consecutive year, and while the situation remains severe due to increased demand for pachislo machines, improvements in ball output performance and gameplay brought about by smart pachinko are expected to be the starting point for market expansion.

The pachislo market is recovering rapidly with the introduction of Smart Pachislo (Smart Slot) in fiscal 2022. Supported by the arrival of the 6.5 version pachislo machines, there has been an exodus of customers from pachinko to pachislo. Operators are stepping up investment in pachislo, with the trend toward increased machine numbers becoming evident in fiscal 2023. Investment focused on Smart Slot machines is expected to continue, but Smart Pachinko may also become popular depending on new models, and the spread of smart gaming machines could accelerate this market trend.

Major opportunities

- Expanded sales volume by responding to regulations appropriately
- Development of machines using popular IPs created for home video games

Major risk

- Non-compliance with model testing of pachislo machines

Linking HR and financial strategies to maximize corporate value

CHO & CFO COMMITMENT



Satoshi Miyazaki

Representative Director and Executive Vice President, Chief Human Resources Officer (CHO), Chief Financial Officer (CFO)

Initiatives for sustainable growth incorporating an HR perspective

The Group was able to achieve steady growth in the fiscal year ended March 31, 2025, thanks to the understanding and support of users and other stakeholders. This achievement is also the result of the sincere efforts of our people working diligently every day to execute our business activities and the continued support of all of you. On behalf of Capcom, I would like to express our heartfelt gratitude.

Faced with dramatic changes in the business environment, Capcom has promoted strategies centered on securing and developing human resources, thereby elevating our organizational capabilities. At the same time, we have evolved our financial strategy to achieve sustainable growth and generate cash while continuing work to enhance the stability and flexibility of our business. With the accumulation of net cash, our options for future business reinvestment are expanding, making resource allocation that improves corporate value more important than ever.

We seek to unleash our potential from both a human resources and financial perspective, and will endeavor even more toward the creation of sustainable corporate value by reflecting in our management decisions the commitment to maximize the strengths of our organization. In the future, we will continue to be a company that meets and exceeds expectations by taking a positive approach to change and maintaining a flexible and ambitious approach to business development.

Human Resources Strategy

Our human resources investment strategy: Enhancing employee productivity and organizational strength

The importance of investing in our people

Continuously investing in talented human resources is critical in furthering Capcom's sustainable growth. As the CEO correctly points out, to continue to develop high quality games toward our management target of a 10% or better increase in operating profit each fiscal year, as well as our medium- to long-term management goal of software sales of 100 million units, we need to secure excellent development personnel.

As of the fiscal year ended March 31, 2025, we employed 2,846 development personnel, which marks an increase of approximately 24.6% from the 2,285 personnel at the end of the fiscal year ended March 31, 2021.

Capcom's operating environment

While our development headcount has been steadily increasing, we recognize that securing the necessary talent remains an issue both inside and outside the company. Internally, as platforms evolve, game development is expanding in scale with each passing year, and development lead times are growing longer. Creating world-class games requires cutting-edge technological capabilities, thus we must strengthen our organization to stay ahead of technological advances. As a result, we believe that further expanding our development headcount and improving the skills of our employees will be all the more important in the future.

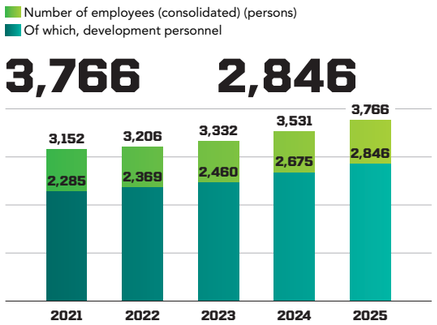
Many of our employees hired between 1993 and 1995 are now in their mid-50s and are working at the forefront of game development. Thus, another important issue for the future is smoothly passing on the knowledge and skills that they have accumulated to the next generation.

On the other hand, looking at the external environment, Japan's labor force is shrinking due to its declining birthrate, and competition in the recruitment market is heating up. There are many people in the younger generation who have been familiar with games since childhood, and we plan to actively recruit them in the future. Yet, the hurdles to attracting talented students who meet the standards required for our game development are getting higher every year.

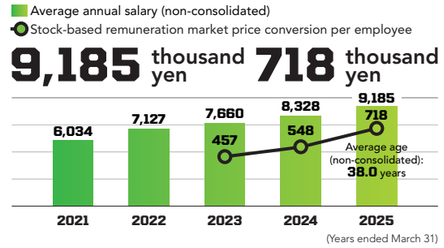
Previous initiatives and outcomes

To address these issues, we have been implementing a human resources investment strategy that focuses on two points: namely, securing and developing human resources to support the future as well as revamping the work environment so that employees can maximize their abilities.

Employees and development personnel (consolidated) (persons)



Average annual salary and stock-based remuneration market value equivalent per employee (thousand yen)



* The special lump-sum payment paid in the fiscal year ended March 31, 2025 is included in the average annual salary. The market price conversion is the monetary conversion of the number of stock-based remuneration points granted per employee based on the Company's closing stock price at the end of the fiscal year. Points are delivered as shares and are not included in the average annual salary until they are paid to the employee.

Securing and developing human resources to support the future

As touched upon in last year's integrated report, we reviewed and made three changes to our remuneration system: (1) an average increase in remuneration for full-time employees of the Company of 30%, (2) the introduction of a bonus system linked to profits, and (3) the introduction of a stock-based compensation system for employees. These systems have created a virtuous cycle in which employees' efforts are directly linked to improved business performance and stock price, which are then reflected in their own compensation.

As a result, the average annual salary of employees (non-consolidated) was 9,185 thousand yen in the fiscal year ended March 31, 2025, an increase of 52.2% from 6,034 thousand yen in the fiscal year ended March 31, 2021. In terms of the stock-based compensation, too, the exchange value of shares granted has increased as the stock price rises, which has boosted employee motivation to grow the company.

In addition to strengthening our competitiveness in terms of compensation, we are also promoting recruitment branding and diversifying our recruitment channels, including accepting interns from prestigious overseas universities. We have made steady progress in mid-career recruitment, and the number of mid-career hires at Capcom has grown to approximately 120 people. In terms of new graduate recruitment, in order to acquire even more talent, we intend to raise the starting salary of new graduates to 300 thousand yen per month from 2025, which is one of the highest in the domestic industry.

In terms of human resource development, we have been hiring more than 100 new graduates every year since 2013, and training them has been a major challenge. In response to this, our frontline operations are taking the lead in training and development, with initiatives such as mentor training for the early development of young employees, which saw an aggregate total of 1,000 development employees participating. In addition, management is also working to create an environment where employees can think independently and grow, such as promoting self-led online learning. We will continue to focus on training young employees so that they can take advantage of their youthful sensibilities while absorbing the valuable know-how of creators currently working on the frontline. In the process, we hope that they can become the next pillars of our game development.

Furthermore, in addition to assessments that encourage early selection of young employees for generalist career-track positions, we are also working on training to improve the management skills of newly appointed managers, with the aim of strengthening the core management layer of talent.

As we pursued these various measures in parallel, it became important to implement measures for development personnel, such as recruitment and training in a unified manner rather than separately. To this end, in 2024 we established and announced CAPCOM-SHIP, a development personnel policy that clearly states the values and standards of behavior that development employees should share.



CAPCOM-SHIP development personnel policy

CAPCOM-SHIP was created through repeated discussions with employees from different generations and organizations. It sets out this common goal for all development staff: "Deliver Capcom-quality experiences to every corner of the world with unparalleled passion, originality, and teamwork." To achieve this goal, we have established three standards of behavior: "Creatorship (Creating Fun)", "Ownership (Engaging Others)", and "Fellowship (Striving Together)."

We are currently in the early stages of introducing CAPCOM-SHIP as a guideline for organizational management and team building. While created primarily by members directly involved in game development, management also believes this is an important set of values. We will continue to carefully work to spread it throughout the company so that it will become firmly established as part of our culture.

Revamping the work environment so that employees can maximize their abilities

In further expanding the number of development personnel in the future, it is important to create an environment in which human resources with diverse backgrounds, i.e., foreign nationals and employees who need to work shorter hours due to childcare or nursing care obligations, can fully maximize their abilities. To this end, we are developing a number of systems tailored to individual circumstances. For example, we have introduced measures for foreign national employees such as a special leave system so they can visit their home countries, as well as Japanese language learning. We have also opened an in-house daycare center in the Osaka area, conducted nursing care seminars, introduced a partnership system that more inclusively recognizes partners/spouses, and rolled out paid menstrual leave.

In addition to providing harassment and line care training for managers, we have also begun addressing customer harassment, which has become a growing social concern in recent years. In this manner, we are promoting the creation of a workplace environment where employees can work with peace of mind. Furthermore, we are also working to reflect the voices of those at the forefront of our operations in our policies by conducting needs surveys for all employees and holding information sessions for employees led by management.

As a result of these measures, employee engagement has remained at a higher level, with a turnover rate that is less than the target of 3%.

Future challenges and initiatives

Securing further human resources is more important than ever for the Group's sustainable growth. In recruiting new graduates, we intend to strengthen our ties with universities and vocational schools and promote human resource development through collaboration with educational institutions. One example is our collaboration with Kindai University, where we offer hands-on classes utilizing our proprietary game development engine, RE ENGINE. As part of our academic-industrial initiatives, we are hosting the Capcom Games Competition. This is a competition using RE ENGINE with the aim of quickly discovering and nurturing young creators capable of competing globally.

This competition not only allows participants to compete against each other, but also provides an opportunity for them to interact with our professional creators, thereby helping to improve their technical skills and creativity. Through these efforts, we hope to discover and develop the talent that will support our next generation of game development and further create opportunities for Capcom to meet talented people.



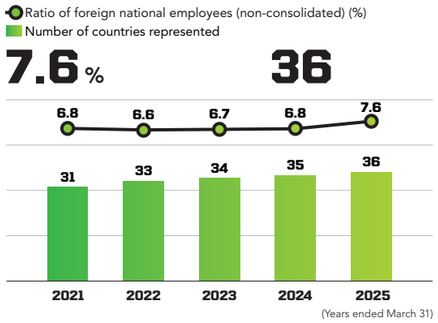
Hands-on class for students using RE ENGINE

We also recognize that further improvement is needed in creating an environment where people with diverse backgrounds can demonstrate their abilities, as mentioned above. We currently have more than 200 foreign national employees from 36 countries and regions, but there are still the issues of gaps in work styles and language barriers.

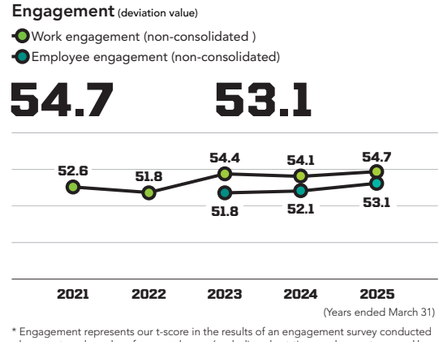
Although we have achieved results to some extent in terms of eliminating the wage gap between men and women and increasing the rate of male employees taking childcare leave, these areas require further initiatives with an eye on the future. We have set a goal of improving the gender wage gap to at least 88%, which is the OECD average, and to raise the percentage of male employees taking childcare leave to at least 85% by fiscal 2028, which is the government's target for fiscal 2030. ➡ For details see p.75-84 Furthermore, for older employees nearing retirement, whose numbers are expected to increase in the future, we will support them in taking stock of their careers and planning their life before and after retirement through training and other means. In the process, we will encourage them to pass on their knowledge and skills to younger employees. I believe that it is necessary to establish a support system to enable these senior employees to play an active role as valuable assets even when they are rehired after retirement.

Currently, by producing results through the human resources investment strategy described above, we are creating a virtuous cycle for greater diversity within the company and increased employee engagement. As CHO, I will accelerate this cycle by discussing the issues identified by each personnel organization at the management level and presenting policies.

Ratio of foreign national employees and number of countries represented



Engagement (deviation value)



* Engagement represents our t-score in the results of an engagement survey conducted by an external vendor of our employees (excluding short-time workers not covered by social insurance).

Financial Strategy

Further investing in user expansion and sustainable growth

Expanding each business segment while evolving profits and capital

Improving financial condition over the past decade

In the fiscal year ended March 31, 2025, operating profit for the Capcom Group increased for the 12th consecutive year, and we achieved record highs in all profit indicators for the eighth consecutive year. As shown in the following table (see p.36), over the past decade, operating profit has increased 6.2 times, net cash has increased 7.6 times, the operating margin has risen 22 points to 38.8%, and ROE for the most recent fiscal year was 23.0%, maintaining a level above 20% for the fifth consecutive year.

Factors behind this strong performance include Capcom's expanded sales reach into new countries and regions driven by our shift to bolster digital sales, our ability to tap into long-term sales of previously released catalog titles, and optimally-timed pricing strategies that factor in the age of our titles, which contributed to increased sales volume.

Additionally, manufacturing and sales costs for physical products also declined significantly, and efforts to rein in increases in expense items (cost of sales plus SG&A expenses) were even more successful than sales growth, resulting in a lower cost of sales ratio and a significant improvement in the operating margin.

Furthermore, the Arcade Operations and Amusement Equipments businesses have overcome their respective challenges and transitioned to a phase of stable growth, contributing to continued profitability and cash generation.

Net cash position

In recent years, Capcom has reviewed its employee compensation system and was able to increase net cash by 42.2 billion yen year over year at the end of fiscal 2024 despite also increasing total personnel costs. Cash is steadily accumulating due to the sustained 10% or better growth in annual operating profit in each of the last ten fiscal years.

In terms of business investment, we monitor and assess ROIC trends at both the consolidated level and for each major business, and over the last three years, consolidated ROIC remained over 50%, and ROIC for our three major business segments has also been improving. At the same time, we manage profitability by checking the ROI (operating profit divided by development investment) of individual titles. Our findings show that the ROI of each title is improving due to the growth of catalog title sales, contributing to our increasing cash position.

Furthermore, given our high equity ratio and low debt, we place importance on ROE. As of the fiscal year ended March 31, 2025, our ROE stood at 23.0%, compared to a CAPM cost of shareholders' equity of 7.3%, ensuring a stable equity spread.



Bolstering investment for sustainable growth

As net cash increases, the Group's options for business reinvestment to achieve sustainable growth are expanding. Going forward, deciding where and how to invest will become an even more important management decision than ever before.

As risks increase due to changes in the business environment, we are focusing on balancing the following three elements when utilizing cash: 1) business reinvestment, 2) returns to shareholders, and 3) employee compensation. Please refer to my earlier discussion of our human resources strategy for our efforts regarding (3) employee compensation.

Cash utilization: current situation of reinvesting in our businesses

In addition to direct investment for business expansion, business reinvestment also includes spending money to improve the working environment for employees and benefit programs that contribute to higher productivity as well as sales expansion measures utilizing sales promotion expenses. These are important means of utilizing cash to support sustainable growth, and we view each as an important part of the Group's medium- to long-term growth strategy.

Addressing increased investment in development

In recent years, our investment in development has increased with each passing year, growing 1.9 times over the past decade. These investments are expected to exceed 50.0 billion yen in our fiscal 2025 plan. Although our development team is working tirelessly to improve the efficiency and productivity of title development, we still believe that higher investment inputs for development of titles is inevitable given the need to increase user satisfaction and respond to the increasing technical capabilities of gaming devices.

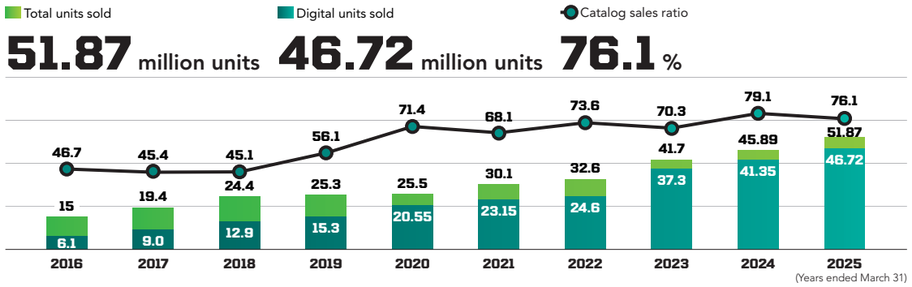
In addition to managing development based on the conventional 60-month map, we are strengthening our investment management by creating a medium- to long-term lineup that includes additional content and checking its progress. When starting production of a title, we consider the scale of development by referencing past sales data, and the process involves application and then approval. Within this, we use the medium- to long-term lineup and title-specific ROI and ROIC management as primary benchmarks. In turn, we formulate sales plans in conjunction with the scale of investment.

We recognize that this investment management is not just about control, but is also an essential initiative for expanding our lineup to support sustainable growth. Even as we increase our investment in development, operating profit per employee has steadily risen, and we view our continued growth as a company as one of our achievements.

Consolidated statements of income items

	2015/3	2020/3	2025/3	Compared to 2015/3	Compared to 2020/3
Net Sales (million yen)	64,277	81,591	169,604	263.9%	207.9%
Operating profit (million yen)	10,582	22,827	65,777	621.6%	288.2%
Operating margin (%)	16.5%	28.0%	38.8%	+22.3pts	+10.8pts
Net profit (million yen)	6,616	15,949	48,453	732.4%	303.8%
ROE (return on equity) (%)	9.8%	16.9%	23.0%	+13.2pts	+6.1pts

Total game software sales and catalog sales ratio (Million, %)



Addressing the need for more office space for development teams

Based on our human resources investment strategy, the pace at which the Group's headcount is rising has continued to increase by about 150 every year, reaching a level 1.4 times that of 10 years ago, and 1.2 times that of 5 years ago. Of particular note, we have increased the number of our developers from 2,460 people in the fiscal year ended March 2023, to 2,846 people in the fiscal year ended March 2025, an increase of 386 people (approximately 15%) over the past three years. We are thus faced with the issue of our current office space nearing capacity and are quickly working to address this.



New building adjacent to headquarters under construction (scheduled for completion in 2027)

We are currently constructing a new building north of our Head Office, which is an example of how we are steadily improving our work environment in anticipation of a medium- to long-term increase in personnel. We aim to secure space that can accommodate the expansion of our development team over the next 10 years and investment in business assets will continue to be one of our most important line items.

M&A opportunities

We are also investing in M&A to ensure that we consistently provide new title content, expecting that these deals will strengthen our development capabilities.

We have acquired two development-related companies since fiscal 2023 (making them subsidiaries) in an effort to expand our development system. Since time is required to train creators, we are stepping up mid-career recruitment and at the same time, actively considering M&A deals that will provide personnel who can produce immediate results.

Furthermore, in order to respond to the diversification of user play styles and technological advances, we believe that the introduction of new technologies, including AI, is essential to strengthening our development capabilities going forward. We will continue to investigate this as an initiative that may help to improve development efficiency as well as the expressiveness of our content.

Initiatives for market expansion: utilizing movies and other content

In order to continue sustainable growth, we need to penetrate our brand throughout the world and expand our user base. As part of this, we are actively promoting investment in licensing and film productions that utilize our IP. In the area of film, especially, we expect that the scale of investment will expand in the future. By actively participating in the movie planning and production stages, Capcom's development team aims to further enhance our brand value.

We are already seeing results from the synergies between anime productions and game sales, creating a virtuous cycle that both increases awareness of IP and promotes sales. As a result, the scale of our marketing activities is growing, and we are making progress in creating opportunities for users to come into contact with our IP through a variety of channels.

Furthermore, appropriate marketing that takes into account the characteristics of each country and region is essential to brand penetration. Therefore, we continue to invest in strengthening our human resources and organizational structure, as well as in building systems and networks to better understand user trends.

Returning profits to shareholders

Based on our basic policy on shareholder returns, we strive to provide regular dividend payouts. We will also maintain watch over our stock price trends and how the market understands our management strategies, and flexibly buyback shares according to the situation.

Regarding dividends for the fiscal year ending March 31, 2026, we plan to pay an annual dividend of 40 yen (dividend payout ratio of 32.8%) to return profits to shareholders.

Our stock price has grown steadily in proportion to the increase in net profit over time, resulting in steady progress in the enhancement of corporate value.

Looking ahead, we will continue to strive to meet and exceed the expectations of our shareholders and investors while maintaining a dialogue with them.

In closing

As I have stated, we believe that it is "people" who support the game business, and that human capital is the driving force behind our growth. By advancing this human resources strategy in conjunction with our financial strategy, we will be able to directly maximize our corporate value. In this way, by continuing to invest in human capital and strengthening the financial base that supports it, the Group will seek out the sustainable enhancement of corporate value over the next decade.

Consolidated balance sheet items

	2015/3	2020/3	2025/3	Compared to 2015/3	Compared to 2020/3
Cash and deposits (million yen)	32,204	65,657	166,783	517.9%	254.0%
Interest-bearing debt (million yen)	10,992	6,735	6,591	60.0%	97.9%
Net cash (million yen)	21,212	58,921	160,192	755.2%	271.9%

R&D investment and productivity

	2015/3	2020/3	2025/3	Compared to 2015/3	Compared to 2020/3
Number of employees (consolidated)	2,681	2,988	3,766	140.5%	126.0%
Annual R&D investment (million yen)	25,301	25,843	49,496	195.6%	191.5%
ROI (operating profit / R&D investment) (%)	41.8%	88.3%	132.9%	+91.1pts	+44.6pts
Operating profit per employee (consolidated) (thousand yen)	3,947	7,639	17,466	442.5%	228.6%

Shareholder returns

	2015/3	2020/3	2025/3	Compared to 2015/3	Compared to 2020/3
Net profit (million yen)	6,616	15,949	48,453	732.4%	303.8%
Fiscal year end stock price (adjusted closing price) (yen)	298.63	847.50	3,664.00	1226.9%	432.3%
Dividend per share (adjusted) (yen)	10.0	22.5	40.0	400.0%	177.8%
Dividend payout ratio (%)	34.0	30.1	34.5	+0.5pts	+4.4pts

* The stock was split on a basis of two shares for every share of common stock on April 1, 2018, April 1, 2021, and April 1, 2024.

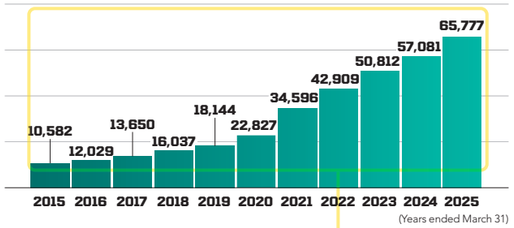
Financial Highlights

Operating Profit / Operating Margins

Operating Profit (million yen)

65,777 million yen

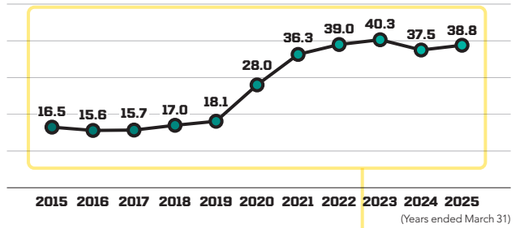
15.2% UP



Operating Margins (%)

38.8%

1.3points UP

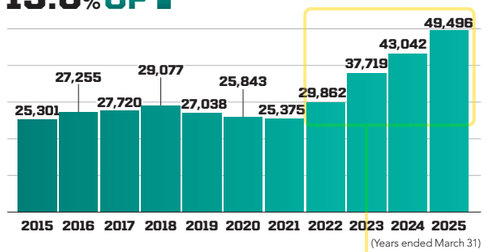


In the fiscal year ended March 2011, we promoted profit structure reforms aimed at more efficient development investment. We promoted business restructuring by transitioning to in-house production and strengthened our digital sales strategy in response to rapid changes in the market beginning in the fiscal year ended March 2013. As a result, since the fiscal year ended March 31, 2014, we have promoted digital and global strategies in the Consumer sub-segment and focused on expanding profitable catalog sales, leading to 12 consecutive years of increased operating profit. In the fiscal year ended March 31, 2025, catalog sales of the *Monster Hunter* series continued to grow thanks to coordinating promotions with *Monster Hunter Wilds*. The game became a huge hit, selling over 10 million units in the first month alone after its release. We increased profit 15.2% over the previous fiscal year, marking our eighth consecutive year of record operating profit.

R&D Investment Costs (million yen)

49,496 million yen

15.0% UP



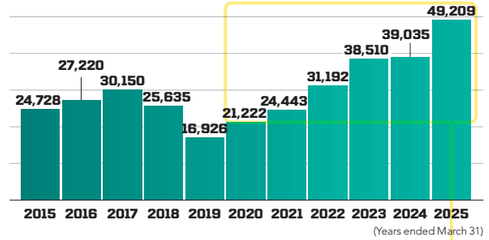
Approximately 90% of our investments in R&D are allocated to the Digital Contents business, which is our source of growth. Aiming for sustainable growth, we have actively been investing in our people and growing our title pipeline since 2022. While R&D investment costs per title is trending upwards as hardware becomes more advanced, we will increase efficiency by building a cutting-edge development environment and improving personnel utilization rates, while also thoroughly managing costs.

Balance of Work-in-Progress for Game Software

(million yen)

49,209 million yen

26.0% UP

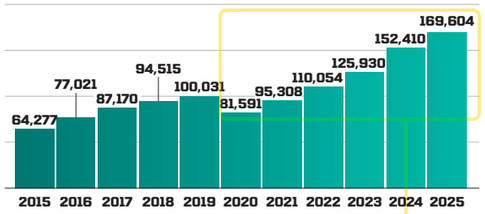


Work-in-progress for game software trended upward for a time beginning in the fiscal year ended March 2015, buoyed by the expansion of our pipeline; however, in the fiscal year ended March 2019, it fell significantly due to the release of major titles, as well as the closure of overseas offices and revaluation of assets. From the fiscal year ended March 2020, it has continued to increase gradually as we aim to increase the release of high-quality, major titles that will support sustainable growth in the future based on our long-term sales plan.

Net Sales (million yen)

169,604 million yen

11.3% UP



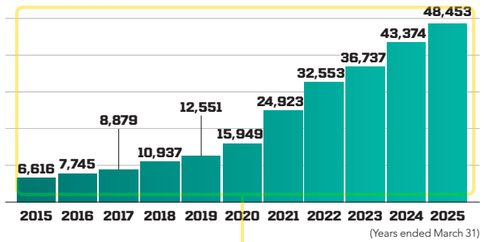
After achieving net sales of 100 billion yen in the fiscal year ended March 2014 for the first time, sales declined in the fiscal year ended March 2015 with the sharper focus on highly profitable titles in the Consumer sub-segment. In addition, the decline in revenue in the fiscal year ended March 2020 over the previous year was due to lowered unit prices accompanying digitalization. However, in recent years, we have been experiencing stable growth as the Consumer sub-segment continues to release multiple major titles each year.

Net Profit Attributable to Owners of the Parent

(million yen)

48,453 million yen

11.7% UP

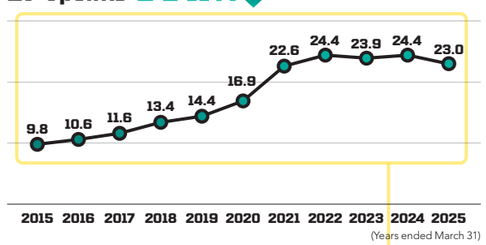


Begininning in the fiscal year ended March 2015, the benefits of the structural reforms implemented prior to that point materialized, with net profit going on to increase for 12 consecutive years, in step with operating profit. This demonstrated the establishment of our business model for creating a sustainable profit base even within a hit-driven market environment.

Return on Equity (ROE) (%)

23.0%

1.4points DOWN



In the fiscal year ended March 2014, ROE was lower due to decreases in net profit from the recognition of special losses on restructuring and business restructuring expenses. However, from the fiscal year ended March 2015, we have maintained a high ROE level following the elimination of special losses and improved profitability mainly due to digitalization.

Dividend per Share / Dividend Payout Ratio

Dividend per Share (yen)

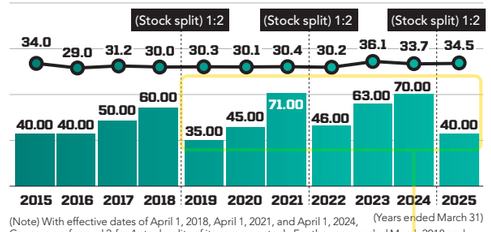
40.0 yen

14.3% UP

Dividend Payout Ratio (%)

34.5%

0.8points UP



(Note) With effective dates of April 1, 2018, April 1, 2021, and April 1, 2024, Capcom performed 2-for-1 stock splits of its common stock. For the years ended March 2018 and earlier, the years ended March 2021 and earlier, and the years ended March 2024 and earlier, dividends paid show the actual amounts prior to the stock splits.

Since the fiscal year ended March 2017, the dividend policy was changed from Capcom's long-standing policy of maintaining stable dividends to striving for a consolidated payout ratio of 30% and stable dividends. As stock splits were carried out in the fiscal years ended March 2019, March 2022, and March 2024, dividend amounts have been adjusted according to the split ratios, but actual dividends paid increased, and we have maintained our unbroken record of paying out dividends since listing publicly.

Creating the best content with a passion for creativity and a focus on investment returns



Ryozo Tsujimoto
Chief Product Officer (CPO)
Director and Executive Corporate Officer

My appointment as CPO

Since joining Capcom in 1996, I have consistently worked in our development divisions, experiencing the evolution of game development at the forefront. In recent years, as the Head of Consumer Games Development Division 2, I led various brands, including the *Monster Hunter* series.

I was appointed as CPO to lead development and intend to carry on where my predecessor left off, adopting the same development style rooted in a passion for the craft and a commitment to quality, structuring our development system to produce titles consistently over the long term, and managing investment returns based on ROI. At the same time, I will utilize my own experience as a game producer to instill a business perspective among core developers, create content that better values the user experience, and strengthen collaboration between business divisions.

General approach

The strengths of Capcom's game development are found in: (1) our unwavering commitment to creativity, (2) the technical prowess to bring our concepts to life, (3) our more than 2,800 development team members who have these two values ingrained in their DNA, (4) our robust structure, in which the game development divisions and the support divisions bolster each other, and (5) the abundant IP that we have created over the past 40 years, including hits such as *Monster Hunter* and *Resident Evil*.

To continue to meet the high expectations of users around the world and earn the trust of stakeholders, I recognize that we must maximize our strengths, refine them to keep up with evolution and scale, and lay the groundwork for the future.

Demonstrating our strengths

Capcom's development has traditionally been based on in-house production, and our development capabilities are among the best in the world. As global game development continues to evolve at an even faster pace, I believe that absorbing changes through in-house production is the best way to maintain and improve our competitiveness. At the same time, reinforcing the cooperation and relationships we have with partner companies is also essential in addressing the wide-ranging challenges that accompany development.

Consumer Games Development Division 1 and 2, which are in charge of title development, are demonstrating their individuality in the titles they each oversee. Aiming for medium- to long-term growth and maximizing profits, we have formulated a title portfolio called the Medium-Term Development Map that looks five to ten years into the future.

By visualizing the release timing and earnings contribution of each title, we aim to optimize annual earnings and sales intervals within a brand, as well as avoid the over-concentration of title releases. Furthermore, the map also plans the creation of new IP and the revival of dormant IP. In operation, the R&D Management Division supports cost management and management discussions based on plans from the divisions carrying out title development, establishing a system for deployment in management and operations.

The technical standards and efficiency of our development is supported by our proprietary, in-house development engine, RE ENGINE. In addition to its technological and efficiency advantages, this unified development environment offers benefits such as technology sharing across titles and flexible allocation of personnel. RE ENGINE is overseen by the Technical Research Division, which is responsible for the research and operation of fundamental technologies, and is also involved in preparations for the next evolutionary stage and testing of AI technology.

Another distinctive feature of our development is the extensive and well-established support system within our support divisions. This includes the Quality Control Division, which provides comprehensive support for quality control through bug fixes and game balance tuning, and the Consumer Games Production Division, which is responsible for services such as localization along with sound and visual production. This system allows us to maximize the performance of our large-scale development team.

Refining approaches to suit today's reality

As the scale of development expands, rigorous cost management is essential. In our Medium-Term Development Map, we improve operational accuracy by first calculating development investment for each title, then the appropriate P/L and ROI based on that scale. To respond to fluctuations in market conditions and individual title factors, we update the map on a rolling basis every six months while continually refining our calculation methods and tools.

Each title is presented at the development and production meeting at each of the following stages: (1) initiation, (2) prototyping, and (3) production. Development progresses after careful scrutiny from both quality and profitability perspectives. In recent years, with the increasing sophistication of sales data analysis, development divisions are increasingly being asked to flexibly add languages and platforms, both before and after release. We are working to enable development executives to make quick decisions and ensure frontline response.

With the spread of digital sales, the lifetime of titles is becoming longer, making it extremely important to continuously maintain and improve user satisfaction. We are, therefore, proactively providing post-launch updates while carrying out two-way communication with our fans. Similarly, it is becoming increasingly important to provide a high-quality experience equally to users in all regions around the world, on platforms with diverse performance and configurations, including PCs.

In order to meet a wide range of needs, we will listen more carefully than ever to user feedback and strive for continuous improvement by collaborating not just within the development divisions, but throughout the company as a whole.

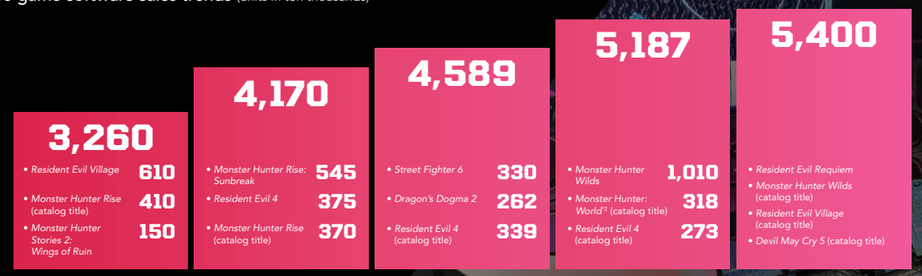
Laying the groundwork for the future

To achieve annual sales of 100 million units, we must accelerate our global expansion and strengthen our pipeline by increasing the number of new titles. The foundation for this is, of course, our people. Since 2013, we have actively hired more than 100 developers each year, and through their practical experience, this diverse talent from around the world enriches the foundation of our game development. In 2024, we established the CAPCOM-SHIP development personnel policy to further instill the values and standards of behavior we strive for in our development teams. To enable the early development of young talent even as production timelines grow longer, we will update our training programs, while continuing to promote improvements such as with compensation and our various personnel systems, striving to enhance our work environment to link worker motivation and ambition to results.

In closing

As CPO and the person in charge of the Development Divisions, my role is to lead and manage our development teams with a five- to ten-year outlook. It is an area filled with uncertainty and challenges, but that is the very essence of the ever-evolving game industry. My mission is to take a long-term perspective and implement appropriate measures to translate actions into achievable targets for our frontline operations. Guided by Capcom's DNA of always striving for the best, I will work in step with our employees, who all share our common aim, and utilize our world-class technical prowess and unique, highly refined operational system to develop games that captivate people around the world.

Home video game software sales trends (units in ten thousands)



*1 Years ended March 31 *2 Includes sales of *Monster Hunter World: Iceborne Master Edition*

Capcom's world-renowned major IP

With a focus on delivering quality products to a wider audience, we have endeavored to bring life to a multitude of IP. In this section, we review some of our most iconic brands.



Resident Evil series

First released in 1996 and one of our most iconic series, *Resident Evil* is a survival horror franchise in which players utilize a variety of weapons and other items to survive nightmarish, desperate situations. Its unprecedented run as a survival horror game has earned strong support from game fans around the world. *Resident Evil* will celebrate its 30th anniversary in 2026, and the announcement of the release of the latest installment in the series, *Resident Evil Requiem*, has generated mass excitement.

Total number of units sold

170 million



Monster Hunter series

The *Monster Hunter* series features action RPG games that pit players against giant monsters in beautiful, natural environments. The series established a new style of communication through cooperative play, in which players cooperate with friends to hunt ferocious monsters, and has steadily gained fans since the first game was released in 2004, growing into a massive hit. The latest installment in the series, *Monster Hunter Wilds*, released in February 2025, set a company record with 10 million units sold in a single month.

Total number of units sold

120 million



Street Fighter series

First released as an arcade game in 1987, *Street Fighter* has grown to become the world's premier fighting game series. The Super Nintendo Entertainment System version of *Street Fighter II*, which debuted in 1992, sold 6.3 million units worldwide. The latest title, *Street Fighter 6*, is enjoyed by a broad fanbase thanks to innovations such as its Modern Control Type, which allow players to perform special moves without complex commands, and audio accessibility settings that supplement gameplay experiences. Further adding to this is the huge success of the Capcom Cup 11 esports tournament.

Total number of units sold

56 million



Mega Man series

Mega Man is a series of action games in which the first title debuted on the Nintendo Entertainment System in 1987. The contrast between its challenging gameplay and memorable character designs helped drive its popularity. The series has made its way into the hearts of fans around the world through not only video games, but also merchandise, comics, animated TV series, movies and several other types of media.

Total number of units sold

43 million



Devil May Cry series

This stylish action game series is popular for its unique characters and thrilling gameplay. The game's wide variety of weapons, including swords and guns, along with its stunning graphics, have earned it acclaim worldwide. A new animated series based on the game was released on Netflix in April 2025 and received over 5.3 million views globally in its first week, ranking fourth.

Total number of units sold

33 million



Dead Rising series

The first *Dead Rising* game, released in 2006, is an action game in which players uncover the truth behind an incident while fighting off a horde of zombies, but its humorous worldview and thrilling controls have captivated players. In September 2024, we released *Dead Rising Deluxe Remaster*, featuring significantly improved graphics and revamped commands and action elements made possible with our proprietary development engine, RE ENGINE.

Total number of units sold

18 million



Ace Attorney series

In the Ace Attorney game series, players take on the role of a defense attorney who fights for the lives of his clients. Since the first game in the series was released in October 2001, Capcom has successfully leveraged this brand in comic books and merchandise, as well as in live-action movie and stage productions, including shows by the Takarazuka Revue Company.

Total number of units sold

13 million



Dragon's Dogma series

Dragon's Dogma is an open-world action game series where players can freely adventure in a classic fantasy world featuring swords and magic. The experience of adventuring with self-directed characters called "Pawns" has been well-received globally. In March 2024, we released the latest installment in the series, *Dragon's Dogma 2*, the first in 12 years, and sold over 2.5 million units in 10 days.

Total number of units sold

13 million



Onimusha series

New release arriving in 2026!

The Onimusha series consists of swordplay action games where players assume the role of warriors with the superhuman powers of the Oni and fight against monsters bent on world domination. Since the first game was released in 2001, the series has gained popularity for its exhilarating swordplay and the emotional yet thrilling stories featured throughout the series.

Total number of units sold

8.7 million



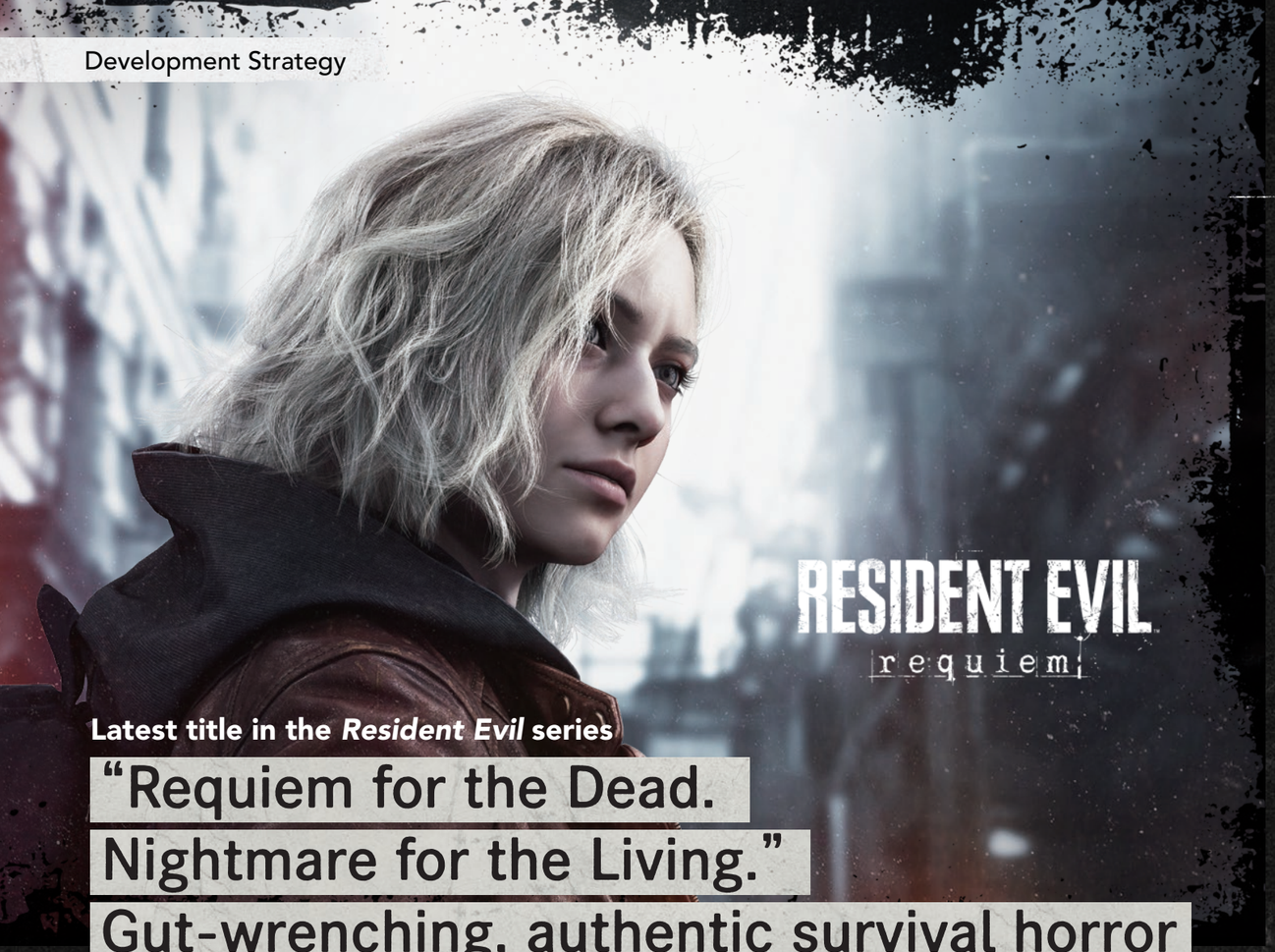
Okami series

Launch of new project!

Set in the world of ancient Japan depicted with a touch reminiscent of Japanese painting, this action-adventure game series sees players take on the role of the deity Amaterasu in the form of a white wolf as they embark on an adventure to bring back countless lives. Featuring a unique game mechanic called the Celestial Brush, *Okami* has garnered strong interest for its original worldview, heartwarming story, and thrilling adventure.

Total number of units sold

4.6 million



Latest title in the *Resident Evil* series

“Requiem for the Dead. Nightmare for the Living.” Gut-wrenching, authentic survival horror

A survival horror game series that continues to evolve even after three decades

“It’s scary, but I just can’t stop.” Battling overwhelming fear, solving mysteries, and surviving by any means necessary—that’s the essence of the *Resident Evil* series. With the first game released back in 1996, the series is set to mark its 30th anniversary. This survival horror game series has continued to evolve over the past three decades, centered on the core concept of “fear.” The unique worldview and gameplay action have captured the hearts and minds of users around the globe. As a result, the series is now synonymous with the survival horror genre, even among people who don't play games, with adaptations including movies and CG animations.

In total, the *Resident Evil series* has sold over 170 million units*, and grown into one of Capcom’s top brands. This is because, without being bound by fixed notions or previous entries, we have flexibly evolved the story, visuals, and game elements for each title, while taking care of the connective throughline of the series. This approach has been widely embraced by users.

*As of March 31, 2025



Resident Evil Requiem is the 30th anniversary title that marks a turning point for the series. The protagonist, FBI analyst Grace Ashcroft, is the daughter of a character from a previous game. This new character leads players into whole new terrifying experiences.

Requiem marks a turning point in the 30-year series

Scheduled for release in February 2026, *Resident Evil Requiem* is the latest installment in a series that began 30 years ago and tells a story that runs through the entirety of its lore. The game is set in Raccoon City, a location introduced in the first game and featured throughout the series, and follows a new character as they unravel the truth behind the Raccoon City Incident, a virus outbreak that shocked the world. While retaining the essence of survival horror, including combat, exploration, and puzzle-solving, this game now offers two modes that allow users to choose their playstyle: first-person and third-person perspectives. Capcom is constantly working to deliver addictive horror with advanced graphics and immersive experience.

Leveraging the potential of *Resident Evil* toward the next stage

There were many hurdles to overcome in sustaining the series for 30 years. The challenges were numerous, including the relentless pursuit of quality, the rapid development of titles in line with management strategy, responding to diversifying platforms, and a promotional strategy aimed at the global market.

We have responded to these challenges by strengthening our technology, quality control, and development system, including RE ENGINE, as well as by collaborating with business divisions such as the marketing team. Furthermore, we are training the next generation of game developers to bring future *Resident Evil* titles to the world. Creators with fresh sensibilities will give life to new forms of fear as we continue to challenge ourselves to capture the imaginations of fans—both long-time and new—in markets around the globe.



Like the first title, the setting is the fictional Midwestern United States city of Raccoon City. Devastated by the government’s sterilization operation, the ruined city is depicted in photorealistic detail.

30 years of *Resident Evil*

1996 — ***Resident Evil***
It all started here. Players attempt to escape from a mansion on the outskirts of Raccoon City.

1998 — ***Resident Evil 2***
Players have to survive in a zombie-infested city after the Mansion Incident. The game established the series reputation with a detailed story.

1999 — ***Resident Evil 3 Nemesis***
A title that pursues a realistic worldview and exposes players to the terror of being constantly chased.

2002 — ***Resident Evil 0***
This story depicts the events that took place on the eve of the Mansion Incident from the first title, *Resident Evil*.

2005 — ***Resident Evil 4***
A complete revamp of the game system, this title introduced over-the-shoulder third-person perspective to enhance the action.

2009 — ***Resident Evil 5***
Set in Africa, players fight bioterrorism against a backdrop that contrasts good and evil.

2012 — ***Resident Evil 6***
Players experience a global bioterrorism outbreak through four standalone stories.

2017 — ***Resident Evil 7 biohazard***
A VR-compatible new *Resident Evil* experience with greatly improved graphics thanks to RE ENGINE.

2019 — ***Resident Evil 2***
A remake of *Resident Evil 2*, bringing back the horror of 20 years ago with the latest technology.

2020 — ***Resident Evil 3***
The second remake, featuring a deep story and action.

2021 — ***Resident Evil Village***
A sequel to the seventh installment. Players enjoy horror and battle-driven action set in a crazed village.

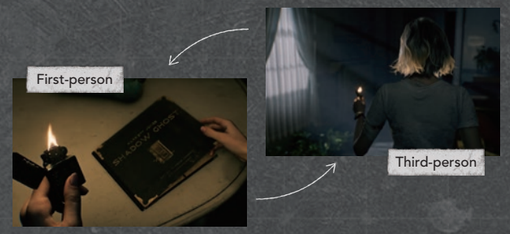
2023 — ***Resident Evil 4***
The third remake. A masterpiece that updates the appeal of the original with the latest technology.

RE ENGINE delivers an unprecedented gaming experience



Immersive horror across multiple platforms

The game offers the best gaming experience for a variety of platforms, including PlayStation 5, Xbox Series X|S, Nintendo Switch 2 , and PC. Visually, RE ENGINE is also responsible for portraying horror in photorealistic detail, including characters’ skin, teary eyes, flowing hair, and the translucency of light.



Two perspectives to choose from

This title allows users to freely switch between two perspectives in gameplay: first-person and third-person. Even in the same scene, you can experience the fear from your own point-of-view in first-person, or enjoy the action from behind the character in third-person. Another appealing feature of this system is that it allows users to face fear in a way that suits their own play style.

RE ENGINE™

A closer look at RE ENGINE: Our in-house game development engine

An evolution in game development: creating high quality content efficiently

The culmination of Capcom's craft

Development engine supporting all titles

RE ENGINE is best described as an in-house game development engine that supports multiple platforms and is perfectly suited for Capcom's approach to crafting games. Today, we use this engine to create all of our titles. From photorealistic games like *Resident Evil Requiem* to anime-style games like *Monster Hunter Stories 3: Twisted Reflection*, this single engine handles everything. As the gaming industry is often dominated by development using commercially available game engines or dedicated engines for each title, Capcom is a rare breed. Because of RE ENGINE, we can quickly incorporate cutting-edge technology into our development, and we were able to release two games, *Street Fighter 6* and *Kunitsu-Gami: Path of the Goddess*, as launch titles for the Nintendo Switch 2 , which debuted in June 2025. This is also the result of highly efficient development using RE ENGINE.

Engine-driven in-house production is an investment in our future

Behind Capcom's move to in-house game engine development was a sense of urgency. About 20 years ago, new game consoles debuted one after another, causing the development process to become more complex and the workload to increase. We felt that if this continued, we would no longer be able to craft games that are uniquely Capcom. This led to the development of MT Framework, the predecessor to RE ENGINE. While MT Framework made it possible to efficiently develop high-quality games, the pace of innovation in IT was rapid and the global gaming environment was changing just as quickly. In order to further improve development efficiency and optimize the environment to accommodate content that was fast becoming larger and more complex, a new foundation for development was urgently needed. Therefore, in order to establish the development environment that creators desired during the development of *Resident Evil 7 biohazard* (released in 2017) the engine development team worked closely with the game development team to create the new RE ENGINE. The "RE" in RE ENGINE embodies our desire to "Reach for the Moon," or the impossible, with this engine.

We will continue to invest in RE ENGINE to further strengthen Capcom's quality in the future.

Finding the right solutions for Capcom's game creation

The best part of RE ENGINE is that it was developed to suit Capcom's game development workflow. Games in the genres of horror, fighting, and hunting can all be developed with this one engine. Everything from rendering to editing, playtesting, and quality control can be completed within RE ENGINE, greatly improving development efficiency. We have taken various measures to make the engine easier to use for development team members, such as enabling assets (images, 3D models, and other materials) once created to be shared across titles.

The R&D Foundational Technology Department, which is responsible for RE ENGINE, has a team of approximately 200 engineers, of which around 160 are in charge of engine development. However, their responsibilities go beyond expanding functions, interface improvement, and maintenance. Aiming to create an engine that makes it easier to develop advanced technology, they are also actively involved in title development. Engine development members are dispatched to each title to gather requests for necessary functions and customizations, which are then implemented after extensive discussions between both sides. This improves game functionality. Rather than discarding past technology, we allow it to coexist with new technology and adjust it to run on compatible platforms.

Furthermore, by developing all titles with RE ENGINE, we have also increased the mobility of our personnel. Even if members who have finished development are transferred to another team, they do not need to relearn the engine, and can immediately start developing a new game. Games are made by people, who are Capcom's greatest asset. We believe that the benefits of in-house development can be seen in a variety of areas.

New engine development making the impossible possible

If RE ENGINE is the foundation for Capcom's title development, then the engine should also be a "guidepost" that stays several steps ahead of title evolution. This is why we are currently developing the next generation of our engine, REX (RE neXt Engine). Rather than completely replacing RE ENGINE, we plan to evolve it step by step, integrating new technologies in line with trends in IT.

We are also incorporating external perspectives, such as those of professional engineers and students who participated in the Capcom Open Conference and Capcom Games Competition. The aim is to create specifications that make development easier for our in-house team. With a commitment to provide a more diverse gaming experience for the world, we are working to make the impossible possible. As the word "engine" implies, RE ENGINE will help drive us as we take on the world.

TOPIC

Students try their hand at development using RE ENGINE at the Capcom Games Competition

Capcom's mission is to also nurture the next generation of game creators and energize the entire game industry. As part of this effort, in 2024, we partnered with Kindai University to hold a hands-on game development class using RE ENGINE. Expanding on this, in 2025, we will host the first Capcom Games Competition, a game creation competition for Japanese students. Participating student teams will develop games using RE ENGINE in a cloud environment. Each team will be supported by RE ENGINE staff as mentors. Students will learn about the latest game development techniques from professionals and Capcom will receive external feedback from students using the engine for the first time, which will be used to improve usability.





Graphics made possible by RE ENGINE

RE ENGINE is a multi-functional engine that not only improves development efficiency but also enables the expression and movement of high-quality graphics in real time. It is designed for stable operation in a variety of environments while incorporating new technologies to bring to life the elements and expressions required for each title.



Innovations in lighting

RE ENGINE supports a variety of lighting methods. These include "light probes*1," which can be expressed with low processing costs, "ray tracing*2," which calculates the path of light according to the required purpose such as shadows and reflections, and "path tracing*3," which is an even more advanced version of ray tracing. RE ENGINE delivers optimal graphics for the platform and the spec of the hardware on which the player is playing.



Realistic horror with path tracing

Resident Evil Requiem uses path tracing for rendering that is much closer to the real world. By expressing multiple shadows generated by numerous fluctuating lights, players are left wondering, "What's that over there?" This vivid depiction of light and darkness adds a new dimension to the horror genre.



Photorealism delivers a truly immersive experience

Improvements in rendering technology have made the texture of characters' skin, eyes, clothing, and more increasingly realistic. In particular, hair is treated as an independent thread ("strand") using a technology called "strand hair," which allows each strand to sway naturally with the character's facial expressions and movements. Combined with light transmission, players can enjoy the game as if they were controlling a live-action movie.

*1 Because they use pre-calculation, light probes do not have any problems in static spaces, but the quality drops when depicting dynamic objects or light sources.
*2 Ray tracing uses direct light from the camera's viewpoint and some reflected light. Because calculations are performed in real time, quality can be guaranteed even in dynamic spaces, but processing costs are higher than with light probes.
*3 Path tracing statistically processes the path of light throughout the entire space, enabling the realistic depiction of complex indirect light, reflection, and refraction. However, path tracing requires a much larger amount of calculation than ray tracing.

Working for sustained enhancement of corporate value through business activities and a world where games can be enjoyed with peace of mind

The Capcom Group supports the creation of a richer society, driven by our principle of being a creator of entertainment culture to deliver joy and excitement to people through the creation of game entertainment. Under this philosophy, we strive for stable, medium- to long-term growth and enhanced corporate value through our business activities. We also actively address common environmental and social challenges with the aim of realizing a world where everyone can enjoy games with peace of mind.

To this end, the Capcom Group has established a basic sustainability policy. By enhancing corporate governance to increase corporate value, we aim to build relationships of trust with our stakeholders—including shareholders, customers, business partners, employees, and local communities—and work toward realizing a better future.

Capcom Group's Basic Sustainability Policy

Social

- We respect human rights and prohibit discrimination based on race, religion, gender, age, sexual orientation, disability, nationality, etc., thoroughly eliminating inequality through the protection of vulnerable individuals.
- We promote the creation of a comfortable working environment for employees, as well as the recruitment and development of talent.
- We strive to build sound relationships with local communities and customers, including through activities that support the healthy development of children facing hardship due to poverty.

Environment

- We will promote the use of renewable energy to minimize the negative impact of our business on climate change (such as CO_2 and GHG, i.e. greenhouse gas, emissions).
- In addition to reducing resource consumption and CO_2 emissions by digitizing sales of content, we will continue initiatives to reduce environmental impact, including energy-saving measures and recycling of certain components, addressing environmental pollution and resource utilization.

Governance Related to Sustainability

Our Board of Directors has established fundamental policies regarding the sustainability of the Capcom Group. For significant matters, it receives reports from the Representative Director or the Corporate Management Council (chaired by the Representative Director and Chairman/CEO) and exercises oversight.

Sustainability Risk Management

The Corporate Management Council deliberates on response policies and measures concerning sustainability risks and opportunities. Based on the results of these deliberations, relevant departments advance initiatives under the direction of the Representative Director or responsible officer, reporting back to the Representative Director or the Corporate Management Council.

Sustainable Development Goals (SDGs)

The SDGs are 17 global goals adopted by over 150 UN member states at the UN Sustainable Development Summit held at UN Headquarters in New York in September 2015. They represent the world's top priorities for ending poverty and achieving a sustainable world.

➡For details, please visit the United Nations website discussing the 2030 Agenda Sustainable Development:
https://sdgs.un.org/2030agenda



Sustainability Initiatives

Key Theme 1

Human Capital

➡For details, please refer to p. 51-54.

Human capital is the source of the Capcom Group's corporate value creation and the driving force behind sustainable growth. We are advancing our talent investment strategy, expanding our development structure, and striving to create a supportive work environment.

- Securing and Developing Talent to Support the Future
- Revamping the Work Environment
- Ensuring Workforce Diversity
- Childcare and Eldercare Support

Key Theme 2

Intellectual Property

➡For details, please refer to p. 55

We continuously create world-class content (IP) and strive to leverage, appropriately manage, and protect intellectual property to expand and deepen brand recognition.

- Investment in Intellectual Property
- Protection and Utilization of Intellectual Property

Key Theme 3

Information Security

➡For details, please refer to p. 56

As we advance business globalization and digitalization, ensuring information security (including information management and cybersecurity measures) has become increasingly critical. We strive to maintain and strengthen appropriate management systems.

- Information Management
- Cybersecurity Measures

Building Relationships with Customers and the Community

➡For details, please refer to p. 57-60.

- Social Welfare Support
- Support for Regional, Cultural, Technical, and Sports Development
- Promotion of a Healthy Gaming Culture

Environmental Initiatives

➡For details, please refer to p. 61-62.

- Reduction of CO_2 Emissions
- Minimizing Environmental Impact in Development, Manufacturing, and Distribution
- Climate Change Governance and Risk Management

Human Capital

The Capcom Group prioritizes initiatives related to human capital, the source of our corporate value creation, as one of our top priorities. We have established a Chief Human Resources Officer (CHO) position to drive our talent investment strategy.

Governance and Risk Management in Human Capital

The Personnel Committee, chaired by the Representative Director and Chairman (CEO), convenes approximately once a month. It focuses on discussing human capital investment strategies and determines policies and measures. Based on the committee's discussions and decisions, the CHO and the Human Resources Division oversee cross-functional collaboration among the R&D Human Resources Department, Tokyo Human Resources Administration, Health and Productivity Management Department, the Corporate Planning Department's People Strategy Team, and Human Resources Department to advance specific initiatives.

Securing and Developing Talent to Support the Future

The Capcom Group has been promoting the growth of our development workforce by over 100 personnel annually. Starting in 2022, we implemented measures for our regular employees, including an average 30% increase in base annual salaries, the introduction of an enhanced performance-based bonus system, as well as a stock compensation system. These efforts have helped us grow the number of development personnel to 2,846 by the end of March 2025.

In April 2025, we raised the starting monthly salary for new graduates to 300,000 yen to enhance our recruitment competitiveness in terms of compensation. We are also striving to secure outstanding talent through initiatives such as industry-academia collaborations aimed at early discovery and development of globally competitive young creators, and expanding mid-career hiring channels. We are also strengthening and training talent to support our future by enhancing OJT/Off-JT programs for young talent development and providing training to improve management skills for managerial candidates.

Reorganization and Improvement of the Work Environment

The Capcom Group is increasing personnel to facilitate larger-scale development and evolving technology. We are pursuing growth investments, such as acquiring real estate as business assets, to enhance the environment and facilities that support our development structure.

We are also striving to foster a corporate culture that respects human rights and to create a comfortable working environment. This includes promoting awareness among executives and employees through training and implementing various initiatives. Since 2022, we have utilized opportunities for direct dialogue between management and employees to facilitate mutual understanding through communication, such as Q&A sessions and opinion exchanges. By making these sessions regular, we are working to ensure these initiatives take root within the company and to more accurately grasp employee needs.

Moving forward, to prevent employee turnover and enhance engagement, we are continuously expanding welfare programs by implementing measures including an internal recognition program to honor contributions to the company, enhanced harassment prevention training, globally accessible consultation channels, and employee recreational facilities.

Ensuring Workforce Diversity

To further expand our development personnel, we must create an environment where individuals from diverse backgrounds can maximize their abilities. The Capcom Group strives to secure and nurture diverse talent by conducting recruitment and evaluations regardless of gender, nationality, age, or other factors.

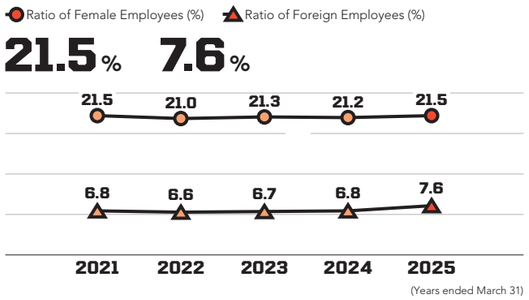
Promoting a diversity-conscious workplace environment

Capcom actively recruits women during the hiring process, provides career development training for managerial candidates, and promotes the active appointment of female managers. To create a more supportive environment for women, we promote maternity leave, childcare leave, and reduced working hours, along with paid menstrual leave and internal training to prevent harassment. Furthermore, to ensure equal treatment in our welfare programs regardless of sexual orientation or gender identity, we have introduced a partnership system.

Initiatives including the active utilization of foreign employees

Capcom actively recruits foreign nationals, supports career advancement for foreign employees, promotes their active appointment to management positions, and provides Japanese language education programs. The company assists with securing housing for those relocating to Japan from overseas, has introduced a special leave system for temporary return visits to their home countries, and holds opinion exchange meetings with management to understand the needs of foreign employees.

Ratio of Female Employees and Ratio of Foreign Employees



As a result, women account for 21.5% of Capcom's employees, with female managers comprising 11.9% of the company's managerial positions. Additionally, our foreign employees come from 36 countries and represent 7.6% of the company's workforce.

Capcom established its General Business Owner Action Plan in April 2024, setting targets of achieving a male childcare leave uptake rate of 85% or higher and a gender pay gap ratio (calculated as the average salary of female regular employees divided by the average salary of male regular employees) of 88% or higher by the end of March 2029.

We will continue to promote various initiatives and expand our systems to foster an environment where individuals from diverse backgrounds can thrive.

Childcare and Caregiving Support

Capcom promotes work-life balance for its employees by encouraging the use of childcare and caregiving leave, establishing the on-site childcare facility Capcom Juku, conducting caregiving seminars, and enhancing childcare and caregiving support systems through telework and other measures.

On-site childcare facility capcom juku

Capcom is aiming to create an environment where employees can raise children with peace of mind and continue working long-term. As part of this effort, alongside standard childcare, Capcom operates Capcom Juku, designed to nurture children who can learn independently and grow on their own.

Capcom Juku provides childcare for preschoolers aged 1-2 years old. For elementary and junior high school students, it offers diverse events during long vacations like summer break, including programming classes and game development experiences, and parent-child lunches. Furthermore, we provide learning spaces that promote children's growth, such as English instruction and individual learning support, working together with our employees to support child-rearing. We also widely accept kindergarteners and elementary school students for after-school care. Currently, we provide monthly care for 23 children and accommodate temporary use for an aggregate total of 495 children (As of the end of March 2025).

Understanding Employee Needs and Enhancing Engagement

Capcom strives to measure engagement metrics to understand employee engagement and utilize this information in various initiatives.

Work engagement, an indicator of proactive behavior and positive feelings toward work, reached the same level as the previous period. Employee engagement, an indicator of attachment to the company, also showed a gradual increase. Furthermore, the turnover rate decreased compared to the previous period, with voluntary resignations at 2.2%, beating the target of approximately 3.0%. We believe this was contributed to by the revised compensation system and efforts to create a more comfortable working environment.

We will continue to improve the working environment to retain talented personnel.

➡For details, please refer to p.75-84

As of March 31, 2025

Fiscal year (ending in March)	2021	2022	2023	2024	2025	Target
Engagement (Non-consolidated) (t-score) (Note 1)						
Work engagement	52.6	51.8	54.4	54.1	54.7	55.0
Employee engagement	—	—	51.8	52.1	53.1	55.0
Turnover (Non-consolidated) (Note 2)	3.9%	5.4%	3.5%	2.9%	2.8%	—
Of which were voluntary resignations	3.6%	4.7%	3.2%	2.5%	2.2%	about 3.0%

*1 Engagement represents our t-score in the results of an engagement survey conducted by an external vendor of our employees (excluding short-time workers not covered by social insurance). For details see the Securities Report for the fiscal year ended March 31, 2025 (Japanese language only).
*2 Turnover is the ratio of the number of employees who left during the period (excluding employees who joined and left during the same period) to the total number of employees at the beginning of the period. Only full-time employees are included in the calculation.

Supporting employee health management

In addition to employee cafeterias offering healthy meals, each of our Tokyo and Osaka locations features a Clinical Room for consultations with occupational physicians and health counseling, alongside a Massage Room staffed by nationally certified massage therapists. Furthermore, we established a dedicated Health Management Promotion Department in 2022 to professionally enhance workplace environments and strengthen communication with employees. These initiatives are part of our commitment to creating a workplace where employees can work safely and healthily.

Fulfilling employee potential in a cutting-edge environment

One of the most important parts of motivating developers working in a creative field such as games is providing access to an environment that allows them to bring their ideas to life. Capcom maintains a cutting-edge development environment that includes 3D scanners, a motion capture studio, a dynamic sound mixing stage, and a Foley stage. In this way, we support our creators in fulfilling their vision. In 2023, we established and launched operations at our new Creative Studio in Osaka City, equipped with one of the largest motion capture studios in Japan. This enables greater expressive freedom and provides a better atmosphere to further unleash creativity on the development floor.

Capcom Voices



Foreign National Employees

Bridging the language barrier to create worlds that resonate with fans

Alexander Erhart | Game Development Section 6, Game Development Department 2, Consumer Games Development Division 1

As a concept artist, I work on the development of both Capcom's flagship series and new IPs. My role involves designing a wide range of elements—from assets to the environment design of key locations—that help enrich the games' world and deepen its narrative.

Growing up in Germany, I've been a fan of Capcom games since childhood. When I moved to Japan and joined Capcom, I didn't have any Japanese language capability. However, it was clear from the beginning that communication and an understanding of the language was essential to creating designs that truly enhance the visual direction and storytelling. I want to express my ideas clearly in meetings and fully grasp the nuances of feedback, so I decided to enroll in Japanese language training. The lessons are held twice a week and are conducted online in a one-on-one format. By integrating the sessions into my weekly schedule, I've been able to continue learning without added stress. Two years since the beginning of the program, I've started enjoying casual conversations with colleagues and can feel my progress.

While there is still a long way to go, I'm committed to continuing my studies, evolving and gradually overcoming the lingual challenges—both in general, as well as regarding industry-specific terminology related to my work. By improving my Japanese skills, I aim to deepen my understanding of the culture and enhance communication within my team. Ultimately, I hope to deliver visually compelling experiences through my concept art—ones that leave a lasting impression on players around the world.



Female Managers

Maximizing character appeal: product planning capabilities born from team information sensitivity

Yuuki Seno | Manager, Product Planning Team, Arcade Product Department, Arcade Operations Business Division

I plan and develop exclusive products for our company's stores like Capcom Store and online services such as Cap Tore and Cap Kuji. As team leader, I also oversee overall product planning.

The character goods industry continues to thrive year after year, while social media—the primary means of product promotion—constantly shifts in trends and techniques. Consequently, products born from unoriginal plans or promotions risk getting lost among other products. To leverage our strength—creating products that capture the enduring appeal of titles beloved by a wide audience—I believe it's crucial for each team member to maintain a broad perspective and engage with diverse information.

I take the initiative to keep my antennae tuned, consciously gathering even information that doesn't seem directly related to my work as a source of ideas. I actively strive to share the information I gain within the team.

The interesting aspect of this role lies in the fact that the user base for a game title and the purchasing demographic for its merchandise don't necessarily align. By approaching audiences beyond the title's target users, there's potential to significantly expand the purchasing demographic depending on the plan, which I find very rewarding.

Together with our team members, we pursue the unique value only our team can create. Guided by the motto "products you'll be eager to share with others," we aim to provide merchandise that allows fans to delve deeper into the worlds of Capcom IPs.

Young Employees

The challenge of creating titles that captivate the world, born from diverse opinions and ideas

Shoko Kemmochi | Game Program Section 1, R&D Department 2, Consumer Games Development Division 2

As a programmer, I have been responsible for implementing players, enemies, gimmicks, and UI programs. In my third to fourth year, I took on the role of training new hires, and by my fifth year, I served as a unit leader. Since then, while advancing pre-prototype verification implementation, I have also been involved in career counseling and evaluations for team members as a group leader.

A significant experience in my management of work tasks was the Mentor Training program. I completed ten one-hour online sessions, learning the qualities necessary for a leader to boost team member motivation. Participants ranged from group leaders to department heads, and discussing diverse perspectives and experiences broadened my horizons. I was particularly inspired by everyone's attitude of "being open to any opinion at first."

In development, members with diverse backgrounds and roles come together to create a single work. While it's a workplace where even junior members actively voice their opinions, failing to grasp the intent behind those varied perspectives would mean we couldn't create games that people worldwide can enjoy. After the training, I became more conscious of first being open to any opinion before engaging in dialogue. As a prerequisite for this, I also put more effort into creating an environment where people feel comfortable consulting others. Now, I find great fulfillment in carefully understanding each member's passion and requests while creating games I love alongside my colleagues.



Male Employees Taking Parental Leave

Contributing to organizational strengthening through a workplace environment supporting personal and professional growth

Yuma Nakanishi | Senior Manager, Corporate Strategy Section, Corporate Planning Department, Planning and Strategy Division

After handling legal affairs at domestic and overseas subsidiaries, I now work in the Corporate Strategy Section, where I steer internal discussions on mid- to long-term strategy and execute dynamic initiatives that affect corporate growth, such as M&A and compensation system revisions. As the senior manager of the section, I engage in these high-impact tasks while also providing directions to a team manager and members and handling daily consultations. At Capcom, which competes globally, I find immense fulfillment in work brimming with growth opportunities.

While holding a position of responsibility, I took one month of childcare leave when my child was born. During this leave, my team manager took charge of my duties, supported by other team members. I am grateful for the supportive atmosphere that made taking childcare leave easy and for the smooth transition back to work. During my childcare leave, I maintained an early-to-bed, early-to-rise routine so that I can handle all household chores except for nighttime feedings. Though limited in time, intensively training myself in each household task allowed me to actively support childcare even after returning to work. I truly appreciate having an environment where I can value time with my family while also giving my all to my job.

To realize our vision to be a company that captivates people around the world with our best-in-class immersive content, I aim to work passionately on my duties. I also want to personally demonstrate how to balance work and private life regardless of position, and dedicate effort to creating an environment where members can easily follow suit.



Intellectual Property

The Capcom Group possesses numerous globally branded, popular IPs, achieved through our development and technological capabilities that continuously produce world-class content (IP).

Leveraging these assets, we create globally recognized, unique IPs through our business activities. Furthermore, we expand our business by leveraging these IPs across various media via our Single Content Multiple Usage strategy.

Moving forward, to achieve the Group's vision and meet our mid-term management goals of sustainable, stable growth and 10% operating profit growth each fiscal year, we believe it is crucial to invest in the continuous creation of IP and to expand and deepen global brand recognition.

Furthermore, the Capcom Group strives to enhance corporate value by effectively utilizing, managing, and protecting intellectual property.

To this end, we are committed to advancing the following intellectual property strategy.

Investment in Intellectual Property

The Capcom Group possesses numerous globally popular brands created through our proprietary advanced technologies and development capabilities, distributing game content to over 220 countries and regions worldwide. Furthermore, to continue creating the world's highest-quality IP, the Capcom Group is actively pursuing growth investments. This includes advancing our talent investment strategy and conducting R&D on cutting-edge technologies like our proprietary development engine, as well as building out our development environment.

Furthermore, we are enhancing synergies between our extensive IP portfolio and peripheral businesses such as esports, video content, and character licensing. By expanding and deepening the reach of our content and corporate brand globally, we are striving to enhance our brand value.

Intellectual Property Investment Status and Results

Fiscal year (ending in March)	2023	2024	2025
Development Investment Amount (Consolidated) (million yen) *1	37,719	43,042	49,496
Number of Titles Sold	307	292	248
Number of Countries/Regions Sold In	230	235	227
Annual Game Software Sales Volume (thousand units)	41,700	45,893	51,876

*1 Includes amounts for content-related portions. (As of March 31, 2025)

Protection and Utilization of Intellectual Property

Protection and securing rights for intellectual property

The Capcom Group is actively pursuing patent and trademark applications and striving to protect and secure rights for intellectual property, thereby further deepening our global business expansion.

By actively utilizing these secured patents through cross-licensing agreements and other means, we enhance freedom in game development and promote the creation of compelling content. Furthermore, to protect the Capcom Group's intellectual property rights, we strive for appropriate management and protection by promoting countermeasures against infringing acts and taking actions such as removal when infringing acts are detected. Additionally, we strengthen our development support system through measures like introducing AI checks for trademarks on in-game material data. We also conduct internal awareness campaigns to prevent infringement of other companies' intellectual property rights.

Creation and utilization of intellectual property

The Capcom Group has established an Intellectual Property Department. In addition to conducting internal training, we support the management of intellectual property risks and the continuous creation of new intellectual property through a system that works closely with business and development departments. Furthermore, through industry-academia collaborations and implementation of copyright seminars, we strive to cultivate future talent. Moreover, by adopting the Single Content Multiple Usage strategy, we expand intellectual property into goods and services. We view intellectual property as intangible assets encompassing ideas, promoting the maximization of its value and its proactive utilization.

Response to Copyright Infringement and Status of Patent and Trademark Holding

Fiscal year (ending in March)	2023	2024	2025
Response to Copyright Infringement Removal Number of Cases (Cases) *1	6,940	7,110	6,176
Number of Patents Held (Patents)	912	1,060	1,164
Number of Trademarks Held (Trademarks)*2	5,523	5,885	6,343

(As of March 31, 2025)

*1 Number of responses to requests for removal of pirated versions of the Capcom Group's content or images/videos suspected of infringing intellectual property rights.
*2 Includes pending requests.

Awarded the Commissioner of Japan Patent Office Award for Corporate Utilization of Intellectual Property (Trademarks)

Capcom has been awarded the Commissioner of Japan Patent Office Award for Corporate Utilization of Intellectual Property (Trademarks) in the 2025 Intellectual Property Merit Awards hosted by the Japan Patent Office, Ministry of Economy, Trade and Industry. This recognition was granted for the company's outstanding achievements in global game software sales and its effective utilization of trademarks both domestically and internationally. The award primarily recognized Capcom's Single Content Multiple Usage strategy—expanding trademarks born from games into merchandise and services—and its pioneering introduction of AI trademark checks within the industry. Additionally, in January 2025, Capcom received the "Special Award" in the "Intellectual Property and Intangible Asset Governance Awards," recognized for its high profitability and enhanced corporate value achieved through the utilization of intellectual property and intangible assets.

Information Security

The Capcom Group operates globally in the game content industry and recognizes that information significantly impacts corporate activities. To further accelerate the promotion of digital sales worldwide and diversify and streamline sales through business digitalization, we believe ensuring information security—including appropriate security measures for personal information, information management, and cybersecurity countermeasures—is essential.

Information Security Framework

Capcom regularly convenes its Security Oversight Committee, an external advisory body, to share various information regarding technologies and trends related to information security and cybersecurity. Based on the committee's advice, we strive to maintain and strengthen our information security and cybersecurity management framework through the PDCA cycle. Furthermore, we endeavor to raise awareness of information security among the Capcom Group's officers and employees by conducting regular education and training programs and reporting the results to the Board of Directors.

Information Management

The Capcom Group appropriately manages various confidential information, such as personal information and trade secrets, based on regulations and guidelines including the General Information Management Rules. Regarding the handling of personal information, based on the Personal Information Protection Policy, we have established and operate a management system to ensure that personal information handling operations are conducted appropriately. This includes compliance with personal information protection laws and regulations, raising awareness and educating executives and employees, and conducting regular inventory checks to confirm basic matters such as the storage locations of personal information. Furthermore, if any areas requiring improvement are identified, corrective measures are implemented. In addition, we similarly protect and utilize the Capcom Group's information assets—which constitute our competitive strengths—under an appropriate management system. These include data related to the development of game content, programs, development engines, and other intellectual property that collectively form the Capcom Group's intellectual assets, as well as accumulated know-how and sales data.

Furthermore, to expand game content sales, the Capcom Group is strengthening compliance with laws and regulations being established in various countries, such as those protecting minors. Considering recent technological advancements, we are also developing and disseminating guidelines for generative AI usage. From the perspective of information management accompanying the active use of technology, we are advancing the establishment and strengthening of internal operational systems.

Cybersecurity Measures

Recognizing that countermeasures against various domestic and international cyber risks are essential, the Capcom Group is working to strengthen its framework while complying with laws and regulations concerning cybersecurity.

We have consistently strived to establish systems for continuous system operation and monitoring, as well as for early response and recovery in the event of emergencies such as the materialization of security risks like cyberattacks.

Specifically, we implement cybersecurity measures, including enhanced permission management, software updates, and system simplification. In addition to EDR*1 for early detection of unauthorized device activity, we operate a SOC*3 based on XDR*2 for continuous monitoring across multiple security domains such as networks, systems, and cloud environments.

This enables centralized investigation and response to cybersecurity threats. We are also striving to ensure security by implementing more rapid and advanced countermeasures, such as introducing generative AI to support efficient threat detection and analysis.

*1 Abbreviation for Endpoint Detection and Response. A system that installs software on user devices such as PCs and servers to detect suspicious behavior and support rapid response.
*2 Abbreviation for Extended Detection and Response. A system that continuously monitors multiple security domains, including networks, systems, and cloud environments.
*3 Abbreviation for Security Operation Center. SOC operation refers to the organizational structure that continuously monitors systems and networks, detecting, analyzing, and responding to attacks.

Relationships with Customers and the Community

Healthy Development of Entertainment

Compliance with the CERO rating system and endorsement of guidelines

The Computer Entertainment Rating Organization (CERO), a Specified Nonprofit Corporation, was created to provide age-appropriate ratings for video games. Capcom complies with the CERO rating system and rules.

The rating system is an initiative for the healthy development of young people that calls for voluntary restrictions on home video game content and sales methods to limit access by young people to sexual or violent content. In addition, recent game platforms include a parental control function that enables parents to limit the online purchase and use of certain games according to their ratings.

Furthermore, Capcom endorses the various guidelines established by the Computer Entertainment Supplier's Association (CESA). We promote voluntary regulation and initiatives for sound operations to ensure our users can enjoy games with peace of mind.

Addressing the WHO's recognition of gaming disorder

In 2019, the World Health Organization (WHO) included gaming disorder as a new mental health condition characterized by excessive use of games to the point where it has a negative impact on health and social life. In March 2025, the Gaming Disorder Research Study Group released the Gaming Disorder Cross-Sectional Survey Report based on findings published in 2023 and commissioned by industry organizations in response to social demand. We are taking the appropriate steps to raise awareness of the issue and are cooperating with industry organizations that promote further detailed analysis and discussions based on published papers.

Addressing addiction to pachinko and pachislo

Pachinko and pachislo are a form of entertainment that has taken root in society. At the same time, however, there is concern over players becoming addicted.

In 2017, the Pachinko and Pachislo Industry Association for the 21st Century, which consists of 13 organizations from the amusement industry, announced the Declaration on Pachinko and Pachislo Addiction, strengthening measures such as the regular disclosure of the Pachinko/Pachislo Addiction Countermeasures Implementation Status Report. Capcom endorses and cooperates with these initiatives to contribute to healthy development of the industry.

The Recovery Support Network (RSN), a pachinko addiction consultation hotline supported by industry organizations, provides free telephone consultations and displays posters at all pachinko hall locations nationwide to raise awareness of addiction among players and employees, establishing a system in which pachinko and pachislo advisors (specialist staff) are stationed at each location to provide customers with appropriate information on addiction, and preparing guidelines for addressing addiction at pachinko parlors. Additionally, we include warnings about overindulgence in posters and brochures used in our product promotion activities.

Considerations in Game Development

In-game purchases

In the Japanese game market, discussions have been taking place for some time on the problem of *gacha*, or high-priced lottery-style game mechanics, primarily in mobile games. Overseas, *gacha*-like "loot boxes" have been banned in some countries.

As a creator of entertainment culture, Capcom believes that games should be enjoyed for the entertainment value they provide with gameplay, not for thrills associated with winning a lottery. We do not want to see games that are supposed to make people happy having the opposite effect as a result of excessive charges. For that reason, we are working to ensure that all users can enjoy our games fairly and safely. In principle, we minimize gacha elements in the mobile games we develop; in our home video games, we provide any content required to enjoy the full game free of charge, while offering some additional content at low cost.

Localization and culturalization

Capcom games are enjoyed worldwide. In the fiscal year ended March 2025, the percentage of home video games sold overseas was 83.8%. Naturally, translation (localization) of video games developed in Japanese is required so that game players around the world can enjoy them. The volume and importance of localization is increasing year after year due to factors such as improvements in game machine performance, support for online gameplay, and an increase in the number of languages accompanying a more diversified, global audience. As such, Capcom's localization team is involved in game development from the initial stages.

By carrying out localization concurrently with development, rather than following completion of the Japanese language version as had been done in the past, Capcom is able to launch games simultaneously around the globe. What is more, depending on the country, simply translating games developed under Japanese norms can end up hurting users unexpectedly due to historical, religious, or cultural differences.

As such, we focus on employing staff from around the world to culturize the games so that they can be enjoyed by all, regardless of locale.

The Journey of Educational Support Activities Bridging Games and Education

More than 15 years of on-site classes for children in school

Games are a relatively new cultural phenomenon with little academic research, and discussions tend to focus on the detrimental effects rather than the educational aspects. However, the job of video game creator has been a popular future career choice among children for many years.

Given this, with a desire to promote social understanding of games, we accept visits to our offices from primarily elementary and junior high school students and conduct on-site classes at schools to help promote sustainable economic growth and social development. Class programs have three sessions: Career Education, Game Literacy Education, and Capcom: Work × Mathematics.

Altogether, Capcom has welcomed 3,546 children as part of 414 different field trips to its offices (as of March 31, 2025). Capcom has also held 260 on-site classes for 20,237 students (as of March 31, 2025).

Enhancing Customer Support

User support and utilizing feedback

At Capcom, we have dedicated support teams for each product to ensure that customers can fully enjoy the services they purchase. We also strive to quickly respond to customer questions by providing FAQs on the Capcom Customer Support Center website, while each person in charge regularly engages in information exchanges with other teams, working to improve customer satisfaction. The questions and feedback our game support teams receive are condensed and analyzed to be incorporated in development of new products.

Additionally, we have formulated and disclosed our Customer Harassment Response Guidelines based on the Ministry of Health, Labour and Welfare's Customer Harassment Countermeasures Company Manual.

Providing an Entertaining Experience for All Ages

Opening interactive amusement facilities for families

Recently, amusement facilities have gained popularity as places for seniors to socialize with friends and staff, and as experiential venues for families. Capcom aims to create stores where a wide range of customers can enjoy themselves with peace of mind. This is achieved by having staff certified as service assistants provide customer service and support, ensuring a comfortable environment for senior patrons, and by developing stores equipped with children's play equipment.



Plaza Capcom Ikebukuro Store (Tokyo)



Capcom Store Annex Marine Pia Kobe Store (Hyogo Prefecture)

Furthermore, in recent years, responding to the recovery of inbound demand and out-of-home consumption following the COVID-19 pandemic, as well as changes in consumer behavior, we are also advancing new business formats such as retail stores selling popular character goods and capsule toy specialty shops.

Support for Social Welfare and the Promotion of Regional, Cultural, Technological, and Sports Initiatives

Support for youth development and disaster-affected areas

The Capcom Group focuses on supporting children who will shape the future through activities such as donations. During the fiscal year ended March 2025, we continued donations to organizations dedicated to the healthy development of youth, including Save the Children Japan (public interest incorporated association). We also entrusted funds to related organizations for disaster recovery efforts following earthquakes and other disasters, as well as for global refugee support.

Supporting development and promotion as an osaka-based entertainment company

The Capcom Group, under the slogan "From Osaka, to the World," is committed to promoting regional, cultural, technological, and competitive athletic development. We contribute to the advancement of local communities and sports through initiatives such as exhibiting *Monster Hunter Bridge* at the Osaka Healthcare Pavilion during the Expo 2025 Osaka, Kansai, Japan, the marketing partner deal with the Japan Volleyball Association, and our top partner agreement with Cerezo Osaka Co., Ltd.

Expanding gaming opportunities through esports

Capcom views esports as a new-era sport where anyone can compete regardless of age, gender, or physical ability. Since 2014, we have hosted tournaments utilizing the *Street Fighter* series across up to 160 countries and regions. In fiscal year 2024, we held finals and other events at the Ryogoku Kokugikan Arena, achieving great success. Furthermore, we have decided on a three-year partnership with the Esports World Cup, an esports event held in Saudi Arabia starting in fiscal year 2025. We will continue to contribute not only to the global revitalization of the esports market but also to its further spread within Japan.

Contributions to Regional Revitalization

Empowering local governments using popular game brand recognition

Capcom has been engaged in the following four regional revitalization activities across Japan: 1) supporting local tourism; 2) enhancing education on local history and culture; 3) working with police on crime prevention education; and 4) encouraging voter participation with election committees. Via a partnership agreement with Kashihara City, Nara Prefecture, bronze statues of *Street Fighter* characters have been installed throughout the city.



CAPCOM CREATION
MOVING HEARTS ACROSS THE GLOBE

Social Initiatives 1

Touring Regional Areas from Osaka: Hosting

Capcom Creation

Capcom Creation - Moving Hearts Across the Globe began running in March 2025. This exhibition showcases the ingenuity and creativity of game development, along with the imagination and execution skills of creators, spanning 40 years since our founding in 1983, through hand-drawn concept art and original artwork by developers, displays utilizing the latest technology, and interactive content. Starting in Osaka, it is touring to Nagoya, Tottori, Tokyo, and Niigata, widely promoting the appeal of Japan's renowned game culture.



Characters
Development materials such as illustrations of characters and images of game settings that appear in major titles are on display.



Motion Capture Mirrors
This section features motion capture technology essential for game development, accessible without special suits or equipment. Step into the shoes of our popular characters and perform actions.



History of Capcom
A chronological overview of our company's history, from its founding to the present. This section features game footage and nostalgic hardware exhibits, offering a retrospective on the gaming industry's evolution.



Facial Expression Tracking Mirrors
This section introduces facial tracking technology, widely used in modern character creation. Your expressions are reflected in real-time on the face of our popular character, creating a sense of becoming one with them.

Project Personnel Comments

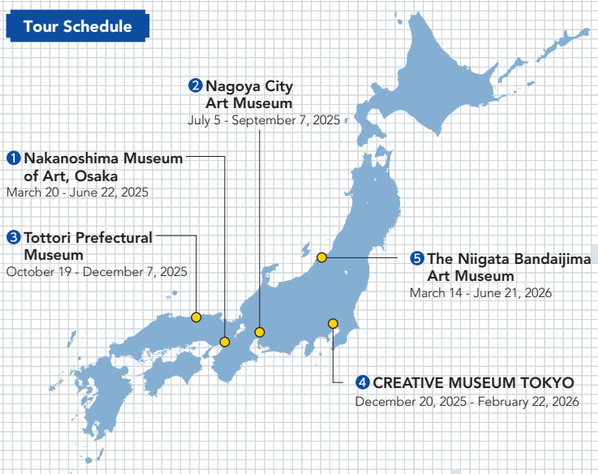
To let people experience firsthand the sheer brilliance of Capcom creators



Yasuyuki Makino
Art Production Section, Production Department,
Consumer Games Production Division

Ever since joining as a mid-career professional, I've been deeply impressed by the sheer brilliance and creativity of Capcom's creators. I spent countless hours thinking about how to clearly showcase this brilliance and fun to as many people as possible. With extensive cooperation from both inside and outside the company, we built the exhibition sections, exploring every possible approach: avoiding industry jargon and technical terms whenever possible, focusing on experiential interaction rather than just viewing, and making full use of illustrations and videos.

Tour Schedule





Social Initiatives 2

Monster Hunter Bridge Exhibited at Osaka Healthcare Pavilion, Expo 2025 Osaka, Kansai, Japan

The world's only content where dreams and reality become one

We exhibited *Monster Hunter Bridge* at the Osaka Healthcare Pavilion's XD HALL during the Expo 2025 Osaka, Kansai, Japan, held from April 13 to October 13, 2025.

This new, spectacular entertainment experience was born from the fusion of the pavilion's theme "REBORN" and the *Monster Hunter* series' wonder of nature, creatures, and the splendor of life, combined with cutting-edge technology.

It provided visitors with an immersive experience into its grand world, featuring interactions with Felyne and incredible monster encounters, and was very well received.

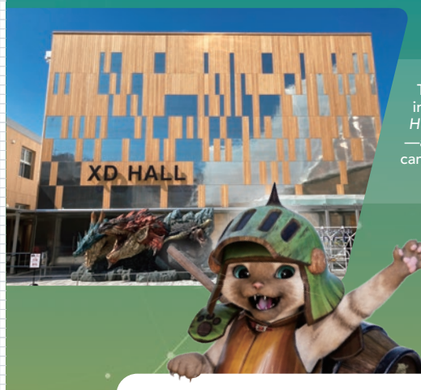
Visitor comments



I was able to really feel the evolution of technology by interacting with characters through AR devices, alongside friends who shared the experience! (20s / China)

The sound, the floor vibrations, the visuals—it all had such impact, like monsters were leaping right into reality! The immersion was incredible! (30s / Japan)





The feeling of stepping into the world of *Monster Hunter* was truly amazing—a special experience you can't get from the game. (30s / U.S.)



A life-sized Felyne came running to my feet and responded to my petting. When I crouched down to its height, we made eye contact—it was just too adorable. (20s / Japan)

* Including comments from certain stakeholders

Capcom Project Member Comment

Providing a one-of-a-kind experience where dreams and reality become one

Kaname Fujioka
Director, Management Department,
Consumer Games Development Division 2

My initial vision was an experience where games and reality seamlessly connect. My focus was on providing an interactive visual experience. To achieve this, beyond real-time image generation, a combination of elements was essential: AR devices for interacting with characters and immersing in the world, a 360-degree theater, floor vibrations, and spatial audio. Everything was trial and error, from selecting equipment from scratch to designing new devices. Yet, through the passionate challenges and dedicated efforts of the Bridge Team, we were able to complete this one-of-a-kind experience where dreams and reality become one.

Osaka Governor's Comment

An unparalleled entertainment experience found only here



Hirofumi Yoshimura
Governor of Osaka Prefecture
Chairperson, 2025 Japan International Exposition
Osaka Pavilion Promotion Committee

During the 184-day Expo 2025 Osaka, Kansai, Japan, the local Osaka community united industry, government, academia, and citizens to present the Osaka Healthcare Pavilion. Under the theme "REBORN," we showcased Osaka's appeal through various exhibits and events focused on the perspectives of life and health.

At *Monster Hunter Bridge*, an astounding entertainment experience available only here, we have welcomed a cumulative total of over 100,000 visitors.

We sincerely thank you for your tremendous efforts in supporting the operation of our pavilion during this period. We wholeheartedly wish your company continued growth and success.

Environment

Environmental Initiatives as an Entertainment Company

Capcom's Digital Contents business accounts for approximately 75% of the Group's consolidated net sales and primarily entails the development and sale of software. Because we recognize that the environmental impact and climate-related risks are lower than those of general manufacturing, we have determined that the impact of risks and opportunities related to climate change on Capcom's business activities and revenue is minor.

However, we view addressing climate change as a challenge that requires the cooperation of everyone living on this planet. At our Group, we have continuously worked to reduce our environmental impact by promoting digital sales of content and other such efforts. This is in-line with our management philosophy of creating an entertainment culture through the medium of games by developing highly creative content that excites and stimulates your senses.

We will continue actively working to solve issues common to society such as climate change while referring to indicators and frameworks such as the TCFD recommendations.

Governance and Risk Management in Relation to Climate Change

(1) The Corporate Management Council (chaired by the Chairman/Chief Executive Officer) deliberates on policies and measures to address risks and opportunities related to climate change.
(2) Based on the results of these deliberations, the relevant departments promote initiatives under the direction of the Representative Director or Director in charge and report the results to the Representative Director or the Corporate Management Council.
(3) The Board of Directors receives reports from and oversees the Representative Director or the Corporate Management Council on important matters related to climate change.

Reducing Environmental Impact

The Capcom Group is working to reduce CO_2 emissions and optimize resource utilization through strategies that address the risks and opportunities outlined below. These include promoting digital sales, introducing renewable energy, and pursuing energy-saving and recycling measures.

Risks
- Increased business costs due to the introduction of carbon taxes
- Higher raw material, production, and procurement costs resulting from carbon regulations and restrictions on plastic use
- Disruption of business continuity caused by intensified extreme weather events from natural disasters and global warming, along with impacts on employees' workstyles, health, and daily lives

Opportunities
- Reduced plastic use and lower transportation costs through the promotion of digital content sales
- Reduced carbon taxes through the use of renewable energy
- Lower procurement costs through recycling of certain amusement equipment parts
- Further acceleration of digitalization driven by changing consumer preferences

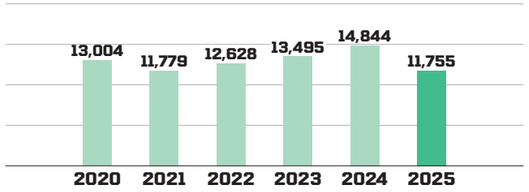
Metrics and Targets

Japan's 2050 Carbon Neutral Declaration sets a goal of achieving a decarbonized society and net-zero greenhouse gas emissions by 2050.

The Capcom Group will continue to pursue medium- to long-term goals to reduce emissions across the entire Group as we move toward decarbonization. At the same time, we aim to achieve net-zero CO_2 emissions by 2050 and contribute to the realization of a sustainable society.

CO_2 emissions from the Company's energy use (non-consolidated) (t)

11,755 t



(Years ended March 31)

* Figures are based on adjusted greenhouse gas emissions reported in accordance with the Act on the Rational Use of Energy and Conversion to Non-fossil Energy (the Energy Conservation Act).
* From the fiscal year ending March 31, 2025, a zero-emission factor has been applied to electricity derived from renewable energy. The impact of this change in emission factors is a reduction of 4,455 t-CO_2.

Utilizing Electricity Sourced from Renewable Energy

The introduction of renewable energy that does not emit CO_2 is seen as critical to achieving carbon neutrality. At the Company as well, we have introduced CO_2-free electricity derived from renewable energy at our owned buildings in the Kansai region. This accounts for roughly 30% of the Company's electricity usage in Japan.

In addition, we are expanding the use of CO_2-free electricity, including the introduction of green power at our Tokyo branch and other business sites. Alongside measures such as utilizing our own data center with energy-saving features, we also rely on major cloud service providers and data center operators that promote the use of renewable energy, thereby further reducing our environmental impact. These initiatives reflect the Company's responsible stance toward achieving a sustainable society, and we will continue to strive for ongoing improvement and development.



Promoting energy-saving measures, such as switching to LED lighting at each business site

Towards Continuous Reduction in Energy Intensity

Despite the current increase in energy use due to the opening of new places of business and amusement facilities, our energy intensity has remained stable. Going forward, we will continue working to reduce our overall consumption by introducing energy-efficient game machines in our amusement facilities, improving air conditioning efficiency through repairs, and actively using renewable energy to increase our use of non-fossil energy sources.

(Non-consolidated)

FY	Energy Intensity*1	Vs. Previous FY
2020	0.05583	95.1%
2021	0.05186	92.9%
2022	0.05497	106.0%
2023	0.05803	105.6%
2024	0.05259	103.7%*2
2025	0.0537	102.1%

(Years ended March 31)

*1 Calculated using the method defined by the Agency for Natural Resources and Energy. The Agency for Natural Resources and Energy website: https://www.enecho.meti.go.jp/en/
*2 The 2024 figures are calculated using a new formula due to revisions in relevant laws and regulations, while the year-on-year comparison is based on the figures prior to these revisions.

Reducing Scope 3 Emissions

As part of our efforts to reduce CO_2 emissions, the Company has begun calculating Scope 3 emissions. Using data from the fiscal year ending March 31, 2025, we first identified and disclosed three major emission sources out of the 15 categories. Going forward, we plan to calculate the remaining related non-consolidated categories, and expand these to a consolidated basis. Through these initiatives, we will continue to strengthen overall visibility and disclosure of emissions, including Scope 3 in addition to Scope 1 and 2.

Capcom's Scope 3 CO_2 emissions in the year ended March 31, 2025 (non-consolidated)

Item	Category		Emissions (t-CO_2)*
Scope 3	**Category 1**	Purchased goods and services	85,905
	Category 2	Capital goods	16,313
	Category 12	End-of-life treatment of sold goods	2,240
Total			104,458

* Emission intensity is based on the Emission Intensity Database (Ver. 3.5) published by the Ministry of the Environment.
* Scope 3 calculation method for CO_2 emissions
Category 1: Calculated by multiplying the emissions intensity with the purchased amount.
Category 2: Calculated by multiplying the emissions intensity with the capital investment amount.
Category 3: Calculated by multiplying the emissions intensity with the volume of sold products.

Reducing Environmental Impact Through Digital Sales

In the past, game software was packaged with printed instruction manuals. In recent years, however, these have been built into the software as digital data, reducing paper usage and saving the equivalent of approximately 51.87 million units annually. Furthermore, with the growing shift to digital downloads, resources such as discs, semiconductors, and cases are also being conserved. In the fiscal year ending March 31, 2025, digital sales reduced resources equivalent to approximately 46.72 million units.

With digital sales, there is no need to transport products from factories to stores or warehouses, allowing for a reduction in both costs and CO_2 emissions. We will continue to promote digital sales of game software and work to conserve resources and reduce CO_2 emissions associated with disc production and transportation.

Reducing the Environmental Impact of Pachislo Machines

We are also working to reduce environmental impact in the manufacture and sale of pachislo machines through initiatives such as energy-saving measures and partial recycling of parts. In solidarity with the efforts of the Japan Pachislo Machine Industry Association (Nichidenkyo), Capcom manufactures and sells pachislo machines partially made from recycled parts and equipped with standardized "green devices" aimed at controlling power usage.

Status of disposal of used arcade game machines

Year	Amount recycled	Thermal recycling*1
2020*2	0.0%	0.0%
2021	99.8%	0.0%
2022	91.6%	8.2%
2023	75.8%	24.0%
2024	75.8%	24.0%
2025	74.1%	25.7%

(Years ended March 31)

*1 Volume used as heat source for hot water, heating, etc.
*2 Capcom switched to new cabinets in fiscal year ended March 2020, so there was no collection of used arcade game machines.

Directors (As of June 23, 2025) Internal External



Kenzo Tsujimoto
Chairman and Chief Executive Officer (CEO)

Jun. 1983 President and Representative Director of the Company
Apr. 1997 Chairman of the Association of Copyright for Computer Software
Apr. 2001 Chief Executive Officer (CEO) of the Company (to present)
Jul. 2007 Chairman and Representative Director of the Company (to present)
Dec. 2007 CEO of Kenzo Estate, Inc. (to present)
Feb. 2010 Representative Director of Kenzo Estate Winery Japan Co., Ltd. (to present)
Sep. 2024 Honorary Advisor of Japan Volleyball Association (to present)



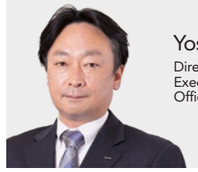
Haruhiro Tsujimoto
President and Chief Operating Officer (COO)

Apr. 1987 Entered the Company
Jun. 1997 Director of the Company
Feb. 1999 Managing Director of the Company
Apr. 2001 Senior Managing Director of the Company
Jul. 2004 Director and Executive Corporate Officer of the Company
Apr. 2006 Director and Executive Vice President of the Company
Jul. 2007 President and Representative Director, Chief Operating Officer (COO) of the Company (to present)
Aug.2016 President and Representative Director, and Director in charge of Global Marketing Business and Arcade Operations Business of the Company
Jun. 2022 President and Representative Director, and Director in charge of Arcade Operations Business of the Company
May 2023 Chairman of the Computer Entertainment Supplier's Association (to present)
Apr. 2025 President and Representative Director, in charge of Arcade Operations Business and Pachinko & Pachislo Business of the Company (to present)



Satoshi Miyazaki
Representative Director
Executive Vice President and Chief Human Resources Officer (CHO)
Chief Financial Officer (CFO)

Apr. 1983 Entered The Industrial Bank of Japan, Ltd. (now Mizuho Bank, Ltd.)
Apr. 2011 Executive Officer, General Manager of Corporate Banking Division No.6 of the Mizuho Corporate Bank, Ltd. (now Mizuho Bank, Ltd.)
Apr. 2013 Managing Executive Officer in charge of Sales of Mizuho Corporate Bank, Ltd. (now Mizuho Bank, Ltd.)
Apr. 2016 Executive Officer and Deputy President in charge of Western Japan of Mizuho Financial Group, Inc.
Representative Director and Deputy President & Executive Officer in charge of Western Japan of Mizuho Bank, Ltd.
Apr. 2020 Representative Director and Deputy President of Mizuho Bank, Ltd.
Apr. 2021 Resigned from the post above
May 2021 Executive Vice President of the Company (to present)
Jun. 2021 Director of the Company
Apr. 2022 Director, Chief Human Resources Officer (CHO)
In charge of Corporate Management of the Company (to present)
Apr. 2024 Representative Director of the Company (to present)
Apr. 2025 Representative Director, Chief Human Resources Officer (CHO), and Chief Financial Officer (CFO) of the Company (to present)



Yoshinori Ishida
Director
Executive Corporate Officer

Apr. 1992 Entered the Company
Apr. 2005 General Manager of Sales Promotion Division of the Company
Mar. 2011 Deputy Head of Consumer Games Business Division of the Company
Apr. 2013 Corporate Officer, Head of Consumer Games Business Division of the Company
Apr. 2016 Corporate Officer, Head of Japan & Asia Business Division of the Company
Jun. 2017 Corporate Officer, Head of Japan & Asia Business and Deputy Head of Mobile Online Development Division of the Company
Apr. 2019 Managing Corporate Officer, Head of Japan & Asia Business Division and Deputy Head of Mobile Online Development Division of the Company
Sep. 2021 Managing Corporate Officer, Head of Global Business Division of the Company
Apr. 2022 Executive Corporate Officer of the Company (to present)
Jun. 2022 Director, in charge of Global Business Division of the Company (to present)
Apr. 2024 Director, Head of Global Business Division and E-Character License Business Division of the Company (to present)



Ryozo Tsujimoto
Director
Executive Corporate Officer
and Chief Product Officer (CPO)

Apr. 1996 Entered the Company
Sep. 2013 General Manager of Development Division 3 of the Company
Apr. 2014 Corporate Officer, Head of Consumer Games Development Division 3 of the Company
Jun. 2017 Corporate Officer, Head of Consumer Games Development Division 3 and Mobile Online Development Division of the Company
Apr. 2018 Managing Corporate Officer, Head of Consumer Games Development Division 2 and Mobile Online Development Division of the Company
Oct. 2020 Managing Corporate Officer, Head of Consumer Games Development Division 2 (to present)
Apr. 2022 Executive Corporate Officer (to present)
Jun. 2022 Director, Deputy in charge of Development Divisions of the Company
Apr. 2025 Director, Chief Product Officer (CPO), in charge of Development Divisions of the Company (to present)



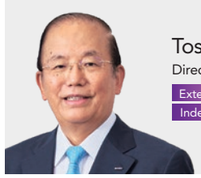
Yoshinobu Sasahara
Director
Executive Corporate Officer

Aug.2008 Entered the Company
Jan. 2009 Deputy General Manager of Accounting Department of the Company
Apr. 2011 General Manager of Accounting Department of the Company
Oct. 2015 Seconded to CAPCOM TAIWAN CO., LTD.
Jan. 2016 Representative Director and CEO, CAPCOM TAIWAN CO., LTD.
Jan. 2019 General Manager of Corporate Planning Department of the Company
Sep. 2019 General Manager of Corporate Planning Department and Business Planning Department of the Company
Apr. 2020 Corporate Officer of the Company
Apr. 2022 Managing Corporate Officer
Head of Planning and Strategy Divisions of the Company (to present)
Apr. 2025 Executive Corporate Officer, Deputy in charge of Corporate Management Divisions of the Company (to present)
Jun. 2025 Director of the Company (to present)



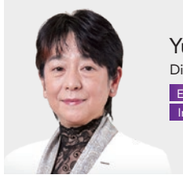
Yutaka Mizukoshi
Director
External
Independent Director

Sep. 1990 Entered The Boston Consulting Group
Jun. 1997 Vice President of The Boston Consulting Group
Jan. 2005 Japan Co-chair of The Boston Consulting Group
Jan. 2016 Senior Partner and Managing Director of The Boston Consulting Group
Jun. 2016 External Director of Lifenet Insurance Company
External Director of Asagami Corporation (to present)
Jan. 2018 Senior Advisor of The Boston Consulting Group, Tokyo
Jun. 2018 External Director of the Company (to present)
Jun. 2019 Director of Japan Rugby Football Union
Jun. 2022 Vice Chairman of Japan Rugby Football Union (to present)
Jan. 2023 Senior Partner Emeritus of The Boston Consulting Group (to present)



Toshiro Muto
Director
External
Independent Director

Apr. 1966 Entered the Ministry of Finance
Jul. 1999 Director-General of the Budget Bureau of the Ministry of Finance
Jun. 2000 Vice Minister of the Ministry of Finance
Jan. 2003 Adviser to the Minister of Finance
Mar. 2003 Deputy Governor of the Bank of Japan
Jul. 2008 Chairman of Daiwa Institute of Research Ltd.
Jun. 2009 External Corporate Auditor of Sumitomo Metal Corporation (now Nippon Steel Corporation)
Jun. 2010 External Director of Mitsui & Co., Ltd.
Jan. 2014 CEO of the General Incorporated Foundation Tokyo Organizing Committee of Olympic and Paralympic Games (later Public Interest Incorporated Foundation Tokyo Organizing Committee of Olympic and Paralympic Games, being dissolved in June 2022)
Jul. 2018 Honorary Chairman of Daiwa Institute of Research Ltd. (to present)
Jun. 2022 External Director of the Company (to present)



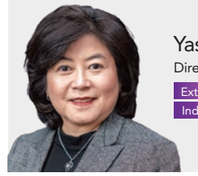
Yumi Hirose
Director
External
Independent Director

Apr. 1979 Entered the Tokyo Regional Taxation Bureau
Jul. 2012 National Tax Agency Commissioner's Secretariat Internal Inspector
Jul. 2015 District Director of Yukigaya Tax Office
Jul. 2016 Director of Personnel Division 2, General Affairs Department of Tokyo Regional Taxation Bureau
Jul. 2017 Director of General Affairs Division of National Tax College
Jul. 2018 Research Coordination Director of Tokyo Regional Taxation Bureau Research Division 3
Jul. 2019 Deputy Director of Regional Taxation Bureau Research Division 2
Jul. 2020 District Director of Shiba Tax Office
Aug.2021 Tax Accountant of Hirose Tax Accountant Office (to present)
Dec. 2021 Spokesperson for the village of Mikura-island (to present)
Jun. 2022 External Director of the Company (to present)
External Director (Audit and Supervisory Committee Member) TOREX SEMICONDUCTOR LTD. (to present)



Main Kohda
Director
External
Independent Director

Sep 1995 Started as an independent Novelist, to the present
Jan. 2003 Member of Fiscal System Council, Ministry of Finance
Apr. 2004 Visiting Professor, Faculty of Economics of Shiga University
Mar. 2005 Member of the Council for Transport Policy, Ministry of Land, Infrastructure, Transport and Tourism
Nov. 2006 Member of Government Tax Commission
Jun. 2010 Member of the Board of Governors, Japan Broadcasting Corporation
Jun. 2012 Outside Director of Japan Tobacco Inc.
Jun. 2013 Outside Director of LIXIL Group Corporation
Jun. 2016 Outside Director of Japan Exchange Group
Jun. 2018 Outside Director of MITSUBISHI MOTORS CORPORATION (to present)
Jun. 2024 External Director of the Company (to present)



Yasuko Metcalf
Director
External
Independent Director

May. 1989 Passed the Uniform CPA Examination (U.S.)
Sep. 1990 Entered the Chicago office of KPMG LLP
Nov. 1990 Registered as a U.S. CPA (Illinois)
Dec. 1990 Posted to KPMG Thailand
Oct. 2000 Partner at KPMG LLP
Oct. 2003 Finished posting at KPMG Thailand
Returned to the Chicago office of KPMG LLP
Partner at KPMG LLP, overseeing client services for Japanese businesses across the U.S. Midwest
Sep. 2024 Retired from KPMG LLP
Jun. 2025 External Director of the Company (to present)



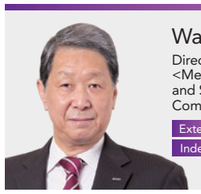
Kazushi Hirao
Director
<Full-time member of the Audit and Supervisory Committee>

Jun. 1988 Entered the Company
Apr. 1997 General Manager of Overseas Business Dept. of the Company
Jul. 1999 Corporate Officer, General Manager of Overseas Business Dept. of the Company
Oct. 2002 General Manager of General Affairs Dept. of the Company
Apr. 2004 Senior Manager of Investor Relations Section of the Company
Jun. 2004 Corporate Auditor of the Company (full-time)
Jun. 2016 Director (Full-time member of the Audit and Supervisory Committee) of the Company (to present)



Mutsuhiko Koro
Director
<Full-time member of the Audit and Supervisory Committee>
External
Independent Director

Apr. 1989 Entered National Tax Agency
Jul. 2018 Director, Commissioner's Secretariat of National Tax Agency
Jul. 2019 Assistant Regional Commissioner (Management and Co-ordination) of Osaka Regional Taxation Bureau
Jul. 2020 Director, Collection Division, Collection Department of National Tax Agency
Oct. 2020 Director, Individual Taxation Division, Taxation Department of National Tax Agency
Jul. 2021 Director, Taxation Management Division, Taxation Department of National Tax Agency
Jul. 2022 Regional Commissioner of Sapporo Regional Taxation Bureau
Jul. 2023 Deputy Commissioner of National Tax Agency
Jun. 2024 External Director (Full-time member of the Audit and Supervisory Committee) of the Company (to present)



Wataru Kotani
Director
<Member of the Audit and Supervisory Committee>
External
Independent Director

Apr. 1980 Entered the National Police Agency
Aug.2002 Chief of Ehime Prefectural Police Headquarters
Apr. 2004 Chief of the Cybercrime Division, Community Safety Bureau, National Police Agency
Jul. 2008 Chief of Nagano Prefectural Police Headquarters
Aug.2010 Chief of the Organized Crime Department, Criminal Affairs Bureau, National Police Agency
Jan. 2013 Deputy Superintendent General and acting Chief of the Crime Prevention Task Force, Tokyo Metropolitan Police Department
Jan. 2014 President, National Police Academy
Nov.2014 Special Advisor, Japan Post Bank Co., Ltd.
Jun. 2021 Director of Japan Center for Examination Research (to present)
External Director of the Company
Jun. 2024 External Director (Member of the Audit and Supervisory Committee) of the Company (to present)

Directors' Skill Matrix

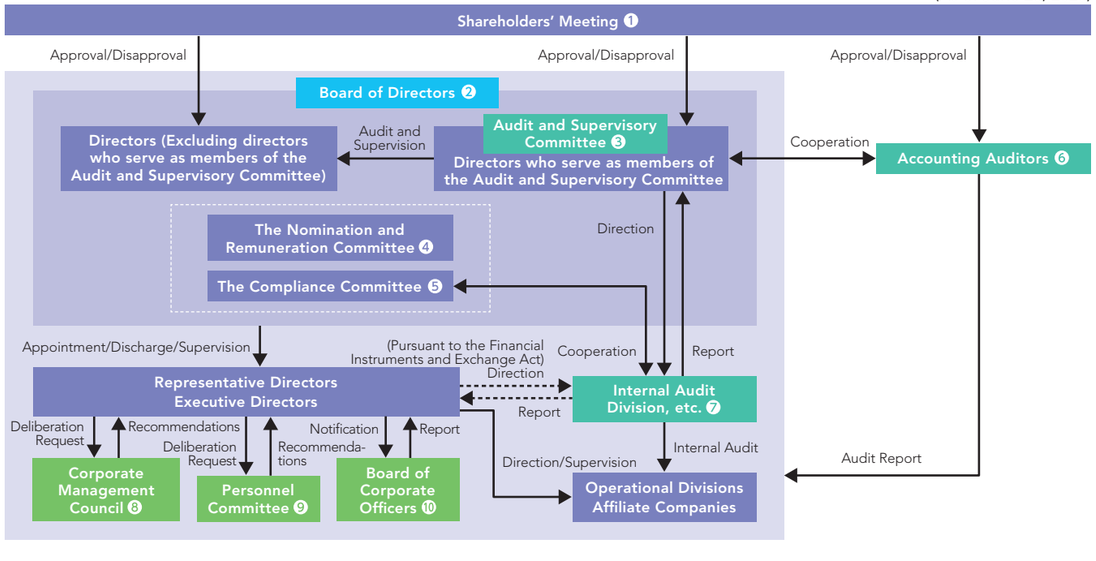
	Fields of Particular Expectation to Achieve the Medium-Term Growth Strategy							
	Company Management	Management Strategy	Gaming Industry	Digital Transformation/ IT/Technology	R&D	Global sensibility/ International awareness	Finance/ Accounting/Tax	Legal/ Risk management
Kenzo Tsujimoto	●	●	●	●		●		
Haruhiro Tsujimoto	●	●	●	●	●	●		
Satoshi Miyazaki	●	●	●	●		●	●	●
Yoshinori Ishida		●	●	●		●		
Ryozo Tsujimoto			●	●	●	●		
Yoshinobu Sasahara		●	●	●		●	●	●
Yutaka Mizukoshi	●	●				●		
Toshiro Muto	●					●	●	
Yumi Hirose	●						●	
Main Kohda	●					●	●	
Yasuko Metcalf	●	●				●	●	
Kazushi Hirao		●	●			●	●	●
Mutsuhiko Koro							●	●
Wataru Kotani				●				●

* The table above is not an exhaustive list of all the knowledge of the directors.

Corporate Governance Structure and Initiatives

The Capcom Group aims to become the sort of group as laid out in our Vision, per our Management Philosophy, to achieve stable medium- to long-term growth and enhance corporate value through our business activities. To that end, we are focused on increasing management transparency and soundness, building a system that can adapt to environmental changes, and continuously improving our corporate governance.
In this section, Capcom will explain the corporate governance structure and systems that it has initiated so far.

(As of June 23, 2025)



Composition of Board of Directors and voluntary committees

Internal External

❷ Board of Directors (14 members)

(Convened 10 times in the year ended March 31, 2025)

Chairman

Kenzo Tsujimoto (Attendance: 100%)	Haruhiro Tsujimoto (Attendance: 100%)	Satoshi Miyazaki (Attendance: 100%)	Yoshinori Ishida (Attendance: 100%)
Ryozo Tsujimoto (Attendance: 100%)	Yoshinobu Sasahara (Attendance:—)	Yutaka Mizukoshi (Attendance: 100%)	Toshiro Muto (Attendance: 90%)
Yumi Hirose (Attendance: 100%)	Main Kohda (Attendance: 88%)	Yasuko Metcalf (Attendance:—)	

❸ Audit and Supervisory Committee (three members)

(Convened 9 times in the year ended March 31, 2025)

Chairman

Wataru Kotani (Attendance: 100%) (Attendance: 100%)*	Kazushi Hirao (Attendance: 100%) (Attendance: 90%)*	Mutsuhiko Koro (Attendance: 100%) (Attendance: 100%)*

* Second line indicates attendance at meetings of the Board of Directors.

❹ The Nomination and Remuneration Committee (seven members)

(Convened 5 times in the year ended March 31, 2025)

Chairman

Yutaka Mizukoshi (Attendance: 100%)	Satoshi Miyazaki (Attendance: 100%)	Yoshinobu Sasahara (Attendance:—)	Main Kohda (Attendance: 100%)	Kazushi Hirao (Attendance: 80%)
Mutsuhiko Koro (Attendance: 100%)	Wataru Kotani (Attendance: 100%)			

❺ The Compliance Committee (13 members)

(Convened 4 times in the year ended March 31, 2025)

Chairman

Satoshi Miyazaki (Attendance: 100%)	Haruhiro Tsujimoto (Attendance: 100%)	Yoshinori Ishida (Attendance: 100%)	Ryozo Tsujimoto (Attendance: 100%)	Yoshinobu Sasahara (Attendance:—)
Yutaka Mizukoshi (Attendance: 100%)	Toshiro Muto (Attendance: 100%)	Yumi Hirose (Attendance: 100%)	Main Kohda (Attendance: 100%)	Yasuko Metcalf (Attendance:—)
Kazushi Hirao (Attendance: 75%)	Mutsuhiko Koro (Attendance: 100%)	Wataru Kotani (Attendance: 100%)		

* Attendance rates use the figures from the periods of appointment of each director for the year ended March 31, 2025.

Corporate Governance Structure

Enhancing management soundness and transparency while responding to changes in the environment

The Capcom Group established the Corporate Governance Guidelines as the basic policy on corporate governance to achieve stable growth and increase corporate value over the medium to long term. We work to enhance our corporate governance.

➡See the "Capcom Corporate Governance Guidelines" available on Capcom's IR website for details.
https://www.capcom.co.jp/ir/english/assets/pdf/governance/governance_01.pdf

❶ Shareholders' Meeting

(Convened on June 20, 2025)

Determines important matters as the highest decision-making body

The general shareholders' meeting serves as Capcom's highest decision-making body and determines important matters prescribed by laws, regulations, and the Company's Articles of Incorporation, as well as serves as a place for communicating the audit results of divisional reports and consolidated financial statements.

Invitations to the general shareholders' meeting are issued approximately three weeks before convening the session, and efforts are made to allow for greater attendance by having the session before the date on which most other companies hold their meetings. We have also made it possible for shareholders to exercise their voting rights over the internet using a computer, smartphone or tablet as well as on paper. In addition, we participate in an electronic voting rights exercise platform for institutional investors so that they will have sufficient time to review the proposals.

Additionally, to further enhance dialogue with shareholders, we have been implementing a "Hybrid Participatory Virtual General Meeting of Shareholders". This allows shareholders to view the meeting and submit comments online on the day of the event through a dedicated shareholder-only website.

➡See the "Resolutions of the Ordinary General Meeting of Shareholders" available on Capcom's IR website for details on the voting results of the General Meeting of Shareholders and the requirements for passage of each resolution.
https://www.capcom.co.jp/ir/english/assets/pdf/stock/2025capcom_e.pdf

❷ Board of Directors — Supervision

(Convened 10 times in the year ended March 31, 2025)

Sustainable growth and increasing long-term corporate value

The Board of Directors is composed of 14 directors, with seven of the directors being external directors. A dedicated department for the Board of Directors has been established with the Corporate Planning Department serving as the secretariat.

The Board deliberates on important matters stipulated by laws, regulations, and the Rules of the Board of Directors as well as on growth strategies based on the Group's corporate philosophy, and strives to strengthen supervisory functions through the guidance, suggestions, and active comments of external directors.

❸ Audit and Supervisory Committee — Audit

(Convened nine times in the year ended March 31, 2025)

Cooperating with accounting auditors and the internal audit department to audit and supervise

The Audit and Supervisory Committee is composed of three directors (two of whom are full-time members), with two of the three directors being external directors.

In principle, the committee meets before a Board of Directors' meeting is convened. The committee deliberates on important matters stipulated by the Rules for the Audit and Supervisory Committee and strives to strengthen audits and supervision.

The Audit and Supervisory Committee audits the status of directors' execution of duties and the adequacy of the internal control system, formulates audit policies and plans following the general shareholders' meetings, and appoints Audit and Supervisory Committee representatives, full-time committee members, selected committee members, and the chairman of the committee. Selected Audit and Supervisory Committee members attend key meetings such as those of business divisions, business offices, and domestic and overseas subsidiaries, as well as Corporate Management Meetings, to gather information and share it with Audit and Supervisory Committee members.

In addition, to conduct organizational audits, the Committee instructs the Internal Audit Department, which is under its direct control, to investigate the effectiveness and operational status of the internal control system, and receives reports.

The Audit and Supervisory Committee discusses management risks and other issues based on audit results reported by selected Audit and Supervisory Committee members and the Internal Audit Division to examine ways to enhance governance from the perspective of legal compliance and appropriateness.

❹ The Nomination and Remuneration Committee

(Convened five times in the year ended March 31, 2025)

Selection of candidates for director and deliberating and recommending details of director compensation

The voluntary Nomination and Remuneration Committee is composed of seven directors (three of whom are internal directors and four of whom are external directors), with a majority of members being external directors. Each committee member is selected based on the Board of Directors' appraisal of his or her knowledge, insight, experience, and other qualities.

The Nomination and Remuneration Committee deliberates on the nomination and remuneration of directors and submits reports in response to inquiries from the Board of Directors.

The main matters reviewed upon receiving an inquiry are as follows:

a. Matters related to nominations
   (i) Policy for selecting candidates for director to be submitted to the General Meeting of Shareholders
   (ii) Selection of candidates for director to be submitted to the General Meeting of Shareholders
   (iii) Selection of corporate officers and corporate officers with titles
   (iv) Succession plan
   (v) Other matters related to the above
b. Matters related to remuneration
   (i) Decision-making policy on director remuneration
   (ii) Fixed remuneration and performance linked remuneration
   (iii) Evaluations related to individual remuneration
   (iv) Other matters related to the above

⑤ The Compliance Committee

(Convened four times in the year ended March 31, 2025)

Focusing on Compliance as an Important Management Issue

The Compliance Committee is composed of 13 directors (seven of whom are external directors, constituting a majority).

In principle, the committee convenes once per quarter. Its primary activities are to analyze and assess risks to the Capcom Group. In addition, the committee provides recommendations and advice for the prevention of legal violations or inappropriate conduct by finding internal risks and reporting their probability of materializing to the Board of Directors.

⑥ Accounting Auditors — Audit

Ensuring and Verifying Accounting Transparency

Capcom has concluded an auditing contract with KPMG AZSA LLC for financial audits as prescribed by the Companies Act and financial audits as prescribed by the Financial Instruments and Exchange Law. There is no special relationship involving financial or other interests between Capcom and this audit corporation or the engagement partners at this firm who perform audits at Capcom.

Auditor Remuneration (Year ended March 31, 2025)

	Compensation for Audit Operations	Compensation for Non-Audit Operations
Delivery company	60 million yen	—
Consolidated subsidiary	—	—
Total	60 million yen	—

Note: In addition to the above, 1 million yen is paid to KPMG AZSA LLC as additional remuneration for audits during the fiscal year ended March 2024.

Auditing Company	Names of Certified Public Accountants	
KPMG AZSA LLC, a limited liability audit corporation	Designated Limited Liability Partners	Tomoya Kurokawa
		Tomohiro Yamanaka

Note: The financial audit team was composed of: certified public accountants (6 members), and candidates for CPA who passed the new CPA exam, plus associates in charge of system audits (26 members).

⑦ Internal Audit Division — Audit

Auditing and reporting under the direction of the Audit and Supervisory Committee

In order for effective audits to be carried out, Capcom has established an Internal Audit Division to serve as the department of internal audits, assisting the Audit and Supervisory Committee. This determines auditing policies, schedules, methods, and the allocation of duties after the end of the shareholders' meeting.

The main activities of the Internal Audit Division are verifying and evaluating the status of employees' execution of duties and the efficacy (and status of operation) of internal control systems, and reporting to the Audit and Supervisory Committee. When needed, division members also accompany selected Audit and Supervisory Committee members and carry out on-site audits of offices and subsidiaries inside and outside Japan. In addition, we have established an internal audit department to support the Audit and Supervisory Committee.

This department conducts regular monitoring across all divisions and gathers and analyzes information related to legality, appropriateness, and efficiency, including for our group companies. The audit results are reported to the Audit and Supervisory Committee, which then shares the findings with the Board of Directors. Furthermore, in the event of an unforeseen situation, the Audit Committee quickly investigates and analyzes the causes and effects to assist in making informed management decisions. The committee then reports its findings and provides advice and recommendations to the Board of Directors to help minimize losses.

⑧ Corporate Management Council — Implementation

(Convened 12 times in the year ended March 31, 2025)

Supporting the Board of Directors' decisions

The Corporate Management Council (chaired by the Representative Director and Chairman of the Board) is composed of seven internal directors and, in principle, is convened several days before a meeting of the Board of Directors, or whenever necessary.

In addition to meeting to carry out preliminary deliberations of Board of Directors agenda items, it also deliberates other important items.

⑨ Human Resources Committee — Implementation

(Convened 12 times in the year ended March 31, 2025)

Supporting decision-making by the Board of Directors on investment in human capital

The Human Resources Committee (chaired by the Representative Director and Chairman of the Board) is composed of seven internal directors and the corporate officer in charge of the HR Divisions.

In principle, it is convened several days before a meeting of the Board of Directors, or whenever necessary.

It meets to carry out preliminary deliberations of Board of Directors agenda items related to human resources and discussions on matters such as the human resources investment strategy.

⑩ Board of Corporate Officers — Implementation

(Convened 12 times in the year ended March 31, 2025)

Executing operations based on management policy

Capcom utilizes a Corporate Officer System. In addition to clarifying the roles and responsibilities of directors focused on management and corporate officers focused on business execution, the system boosts management efficiency by allowing officers to swiftly execute business following instructions from executive directors regarding important matters determined at the Board of Directors.

The Board of Corporate Officers is composed of 12 corporate officers (five of whom serve concurrently as directors), and in principle, convenes once a month. Each corporate officer reports on the status of business execution and works to ensure that information is shared, while also exchanging opinions on business items and issues that require resolution.

External Directors

Using external perspectives to ensure effective governance

External directors ensure the effectiveness of the corporate governance function by playing key roles in the Nomination and Remuneration Committee and the Compliance Committee.

They also focus efforts on compliance and the prevention of corrupt or illegal activities, and openly exchange opinions and provide counsel at Board of Directors meetings in an effort to strengthen the management audit function. The Secretariat staff helps with the work of the external directors who are not members of the Audit and Supervisory Committee. For external directors who are members of the Audit and Supervisory Committee, the full-time staff of the Internal Audit Division helps with their work.

Since all seven of the external directors meet the criteria of independent directors, they have been notified to Tokyo Stock Exchange, Inc. as independent directors. In addition, the Company has established Criteria for Independence of External Directors, and considers individuals who do not conflict with these standards to be independent external directors.

➡For the "Criteria for Independence of External Directors," please refer to the "Notice of Convocation of the 2025 Annual General Meeting of Shareholders" available on the "General Meeting of Shareholders" page of Capcom's Investor Relations website.
https://www.capcom.co.jp/ir/english/assets/pdf/stock/2025capcom_a.pdf

Reasons for Selection of External Directors

● **External Directors**

Name	Reasons for selection
Yutaka Mizukoshi	Due to expectations for his ability to contribute to the auditing and supervision of the Board of Directors based on an external perspective, including his enthusiastic provision of opinions and advice from an independent standpoint based on his familiarity with management analysis and establishment of management strategies as well as his deep insight into economic trends and international sensibilities that comes from his experience and knowledge from his many years in the consulting industry.
Toshiro Muto	Due to expectations for his ability to contribute to the auditing and supervision of the Board of Directors by providing objective opinions and advice on general management from an independent standpoint with a broad perspective based on his extensive knowledge and experience as he possesses a high level of insight related to fiscal and monetary affairs, general economics, and corporate governance cultivated at the Ministry of Finance, the Bank of Japan, and operating companies.
Yumi Hirose	Due to expectations for her ability to contribute to the auditing and supervision of the Board of Directors and improvement of the human resources strategy by actively providing opinions and advice from an outside perspective based on her knowledge and experience, which include specialized knowledge and extensive experience from her many years as a tax administrator of tax agency offices, her considerable knowledge of finance and accounting, and her high level of knowledge related to health management.
Main Kohda	In addition to possessing extensive insights into international finance, her experience serving as a member of various governmental advisory councils and her rich background as an external director for publicly listed companies have given her a deep understanding of the business world, allowing her to actively offer opinions and proposals from an independent and impartial standpoint. Given her wealth of knowledge, experience, and the profound insights and objective perspective demonstrated through her writing activities, she is expected to contribute to enhancing the Board of Directors' auditing and supervision.
Yasuko Metcalf	As a U.S. Certified Public Accountant (USCPA), she possesses extensive expertise in international corporate management and governance, along with substantial knowledge in finance and accounting, gained from years of experience in auditing, tax, and consulting at U.S. audit firms. Her rich expertise, experience, and global perspective are expected to contribute to enhancing the Board of Directors' auditing and supervision.

● **External Directors (Audit and Supervisory Committee)**

Name	Reasons for selection
Mutsuhiko Koro	In addition to his specialized knowledge and extensive experience in tax administration, he possesses considerable expertise in finance and accounting. Thus, based on this high level of insight, he provides advice and counsel from an external perspective. He is expected to contribute to enhancing the Board of Directors' auditing and supervision from an independent and objective standpoint.
Wataru Kotani	Due to expectations for his ability to contribute to the auditing and supervision of the Board of Directors based on the perspective of risk management and legal compliance, as he possesses broad expertise and extensive experience in IT security and legal affairs from his many years of involvement in police administration and provides opinions and advice from a neutral and objective standpoint.

Evaluation of the Effectiveness of the Board of Directors

The Company evaluates the effectiveness of the Board of Directors by means of individual questionnaires, interviews, and other methods that facilitate getting individual opinions from all directors. The evaluation for the fiscal year ended March 31, 2025, using such criteria as the following initiatives, was generally positive, confirming that the Board of Directors is functionally effectively.

- Considering the remuneration system for directors and executive officers as a way improve corporate value over the medium to long term
- Promoting mutual understanding among directors through continuing to hold meetings to exchange opinions with outside directors and other measures

In the fiscal year ending March 31, 2026, the following issues will continue to be focused on.

- Deepening discussions on medium- to long-term key issues and strategies within the Board of Directors
- Enhancing the company-wide risk management framework and strengthening oversight by the Board of Directors

Capcom's Board of Directors will continue to strive to improve its effectiveness in light of the results of this evaluation.

Basic Policy on Strategic Shareholdings

Capcom does not engage in strategic shareholdings based on customary reciprocal holdings or personal relationships. When holding shares, Capcom comprehensively considers the potential gains and losses from a medium- to long-term perspective, including whether these shares will contribute to future business relationships and the sustainable enhancement of corporate value. As of the end of the fiscal year ended March 31, 2025, we did not hold any such shares, having completed the sale of all such shareholdings during the fiscal year ended March 2024.

Officer Remuneration

Revised Remuneration System Aimed at Enhancing Corporate Value and Alignment with Shareholders

The Company reviewed the remuneration system for Directors (excluding External Directors and Members of the Audit and Supervisory Committee. Hereinafter "Eligible Directors") at the General Meeting of Shareholders held in June 2024 with the aim of further strengthening efforts to increase the Company's corporate value over the medium- to long-term, granting incentives to help the Group achieve stable profit growth, and sharing value with shareholders.

(1) Revision of Monetary Compensation Framework
Establishment of a performance-based bonus separate from base compensation, which varies in accordance with the Group's business performance growth and other factors

(2) Introduction of Stock Compensation System
Introduction of a performance-linked stock compensation system that uses the achievement level of growth targets of business performance among other factors as a benchmark

Guidelines for Determining the Remuneration, etc. of Individual Directors

1. Determination Guidelines for Remuneration, etc. of Directors (excluding members of the Audit and Supervisory Committee)

In order to ensure objectivity and transparency regarding remuneration for Directors (excluding members of the Audit and Supervisory Committee), the Board of Directors consults the Nomination and Remuneration Committee, which is chaired by an External Director (with External Directors comprising the majority of its members), and determines remuneration within the remuneration limit resolved at the General Meeting of Shareholders based on the deliberation and recommendations of the Committee regarding the following guidelines.

(1) Remuneration, etc. for Directors (excluding External Directors and members of the Audit and Supervisory Committee) is composed of basic remuneration (fixed remuneration) to encourage steady performance of duties commensurate with positions, responsibilities, etc., as well as performance-linked remuneration (variable remuneration) which consists of short-term incentives such as bonuses and medium- to long-term incentives such as stock remuneration, as a remuneration system and composition that is highly linked to business performance and focuses on increasing corporate value and shareholder value over the medium- to long-term.

(2) In view of their role of supervising the management of the Company from an objective and independent standpoint, remuneration for External Directors (excluding members of the Audit and Supervisory Committee) is not linked to business performance, and consists only of basic remuneration (fixed remuneration).

2. Determination Guidelines for Remuneration, etc. of Directors who are members of the Audit and Supervisory Committee

In order to ensure independence, individual remuneration, etc. for Directors who are members of the Audit and Supervisory Committee is not linked to business performance, and consists only of basic remuneration (fixed remuneration). The amount is determined within the total amount approved at the General Meeting of Shareholders through consultation among Directors who are members of the Audit and Supervisory Committee, taking into account full-time and part-time positions.

➡See the Annual Securities Report available on Capcom's IR website for details on director remuneration. (Japanese language only)
https://www.capcom.co.jp/ir/data/pdf/yuuka/2025/yuuka_2025_full_01.pdf

Remuneration system for Eligible Directors

Type of remuneration				Overview
Fixed remuneration		Monetary	Basic remuneration	● A fixed amount of remuneration based on positions, responsibilities, etc. is paid proportionately each month
Performance-linked remuneration (variable remuneration)	Short-term	Monetary	Bonuses	● Short-term incentives to raise awareness of improving company performance by steadily achieving the Group's management goal of 10% increased operating profit per fiscal year ● The amount calculated by linking the rate of change in consolidated operating profit from the previous fiscal year to the rate of change in the total monetary remuneration (basic remuneration and bonuses) of Eligible Directors, minus the basic remuneration amount, is paid ● In principle, paid at a fixed time every year
	Medium-to long-term	Stock	Performance-linked stock remuneration	● Medium- to long-term incentives to sustainably improve company performance and corporate value, and share an awareness of profit with shareholders ● Evaluation indicators are (i) the degree of achievement of the Company's net profit attributable to owners of the parent growth target and (ii) the Company's stock price growth rate [total shareholder return (TSR) ÷ Tokyo Stock Price Index (TOPIX) growth rate] during the Target Evaluation Period (3 years) ● After the Target Evaluation Period has passed, depending on the degree of achievement of the above evaluation indicators, common shares of the Company with a transfer restriction period until retirement from the position of Director or other position determined by the Company's Board of Directors (hereinafter "restricted stock") are allocated

(Notes) 1. TSR: Abbreviation for Total Shareholder Return. Total investment return for shareholders, including capital gains and dividends. Hereinafter referred to as "TSR."
2. Performance-linked remuneration (variable remuneration) will not be paid or will be returned in the following cases.
(a) The right to receive remuneration will be lost if the relevant parties engage in specific misconduct as determined by the Company's Board of Directors, or resign from office due to specific reasons determined by the Company's Board of Directors.
(b) As determined by the Company's Board of Directors based on the results of deliberation and recommendations by the Nomination and Remuneration Committee, relevant parties may be asked to return all, or part of the remuneration received if financial statements were adjusted due to serious misconduct, fraud, or a serious accounting error.

Calculation Method for Performance-linked Remuneration

(1) Bonuses
[Calculation formula]

Total amount of bonuses = Total monetary remuneration for the previous fiscal year × (1 + Rate of change in consolidated operating profit for Evaluation Period compared to the previous fiscal year) × Total basic remunera-tion compared to the previous fiscal year − Total amount of basic remunera-tion for the Evaluation Period

(Notes) 1. The Evaluation Period is one fiscal year, running from April 1 of each year to March 31 of the following year.
2. The calculation formula has been changed as above, effective for bonuses covering the Evaluation Period from April 1, 2025 to March 31, 2026.

(2) Performance-linked stock remuneration
[Calculation formula]

Number of restricted shares (RS) to be delivered to each Director = Standard number of shares (1) × Degree of achievement of growth targets such as business performance (2)

1) "Standard number of shares" is the number of shares calculated using the following formula.

Standard number of shares (1) = Standard amount (a) × Coefficient based on the positions, responsibilities, etc. of the Eligible Directors (b) ÷ Base stock price (c)

(a) "Standard amount" is 50% of the total basic remuneration of Eligible Directors.
(b) "Coefficient based on the positions, responsibilities, etc. of the Eligible Directors" is determined by the Company's Board of Directors according to the positions, responsibilities, etc. of the Eligible Directors.
(c) "Base stock price" is the average closing price of Company common shares on the Tokyo Stock Exchange for the month preceding the start of the Target Evaluation Period (Note).

(Note) The Target Evaluation Period will be three consecutive fiscal years from April 1 of each year to March 31 three years later.

2) "Degree of achievement of growth targets such as business performance" is an evaluation coefficient that varies from 0% to 150%, and is calculated according to (i) the degree of achievement of the growth target for net income attributable to owners of the parent and (ii) Company stock growth rate results of a relative comparison of the Company's TSR with the Tokyo Stock Price Index (TOPIX)'s TSR during the Target Evaluation Period.

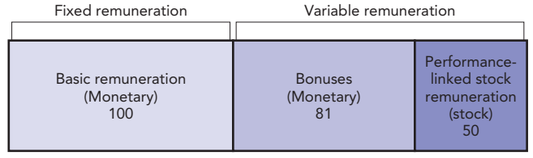
Evaluation indicator	Evaluation percentage (weight)	Evaluation coefficient fluctuation range	Evaluation method
(i) net profit attributable to owners of the parent	50%	0% - 150%	Compare to the cumulative amount if 10% growth is achieved each fiscal year during the Target Evaluation Period, and if the degree of achievement is 41% or more, the evaluation coefficient will be in the range of 50% to 150%.
(ii) TSR (TOPIX comparison)	50%	0% - 150%	Compare the Company's TSR during the Target Evaluation Period with the TOPIX growth rate for the same period, and if the growth rate is 50% or more, the evaluation coefficient will be in the range of 50% to 150%.
Total	100%	0% - 150%	—

Remuneration Composition

The ratio of base remuneration, bonuses, and performance-linked stock remuneration for Eligible Directors is not set because the composition ratio changes depending on business performance and other factors. However, it is the Company's policy that an appropriate remuneration system and structure should be in place to continuously improve business performance and corporate value over the medium- to long-term and to align profit interests with shareholders.

Reference: Image of Remuneration Composition for Eligible Directors (Year ending March 31, 2026)

Amount of payment for bonuses and standard amount for the performance-linked stock compensation system when the management objective of 10% growth in consolidated operating income is achieved
(percentage in the case that basic remuneration is 100)



(Note) The above diagram is an illustration of the remuneration of Eligible Directors for the fiscal year ending March 31, 2026, calculated based on certain company performances and the unit price of Company shares. The above percentages will vary depending on the Company's performance and changes in the stock price of Company shares.

Officer Remuneration (Year ended March 31, 2025)

Total remuneration, total amount by type of remuneration, and number of directors the remuneration was paid to, by type of director of delivery company

Type of director	Total remuneration (million yen)	Total of remuneration by type (million yen)				Number of Basic directors paid
		Basic remuneration	Bonus	Performance-linked stock remuneration	Severance	
Director (excluding Audit and Supervisory Committee and external directors)	1,271	745	371	155	—	7
Member of Audit and Supervisory Committee (excluding external directors)	23	23	—	—	—	1
External directors	61	61	—	—	—	6
Member of Audit and Supervisory Committee (external directors)	36	36	—	—	—	4

(Note) Performance-linked stock remuneration is an expense recorded for the fiscal year ended March 2025. For compensation for the evaluation period from April 1, 2024, to March 31, 2027, certain estimates or assumptions are made about how much each indicator has been achieved, and the amount is calculated by setting the achievement rate of performance growth targets at 1.25 and dividing that amount by the three-year evaluation period.

Policies Regarding IR Activities

1. Disclosure policies

Capcom is aware that comprehensive corporate governance ranks among management' s most important priorities. As such, in addition to increasing corporate value by enhancing management soundness and transparency, we are building a relationship of trust with our stakeholders, such as shareholders, business partners, employees and regional societies.

2. Disclosure criteria

Capcom provides timely disclosure in accordance with the Securities and Exchange Law and other regulations including the "Rules on Timely Disclosure of Corporate Information by Issuer of Listed Security" (hereinafter Timely Disclosure Rules) stipulated by the Financial Instruments and Exchange Act and the Tokyo Stock Exchange.

It is our policy to disclose as much information as possible, including the disclosure of information not required by the Timely Disclosure Rules and other regulations, to accommodate our investors' needs. We also disclose information through our corporate website in an attempt to provide quick and fair disclosure. Shareholders are informed of operating results and business conditions through shareholder letters and the convocation notice for the shareholders' meetings.

3. Quiet period

To prevent the unauthorized disclosure of quarterly earnings information prior to official announcements, Capcom has established a quiet period starting the day following the end of a fiscal period and ending on the day that financial information for that period is announced. During this period, we refuse all inquiries relating to our business performance. However, if significant changes to our earnings outlook are anticipated during the quiet period, we will disclose information pursuant to the Timely Disclosure Rules and other regulations.

Past Initiatives to Strengthen Governance

1999 ● Introduction of the Corporate Officer System

2001 ● First appointment of two external directors
● Addition of one and appointment of three external auditors

2002 ● Establishment of the Remuneration Committee

2003 ● Addition of one external director and appointment of three external directors
● Establishement of the Compliance Committee

2014 ● Shortening of director tenure from 2 years to 1 year
● Disclosure of key discussions at Board of Directors' meetings in Annual Report

2016 ● Transition to a company with an Audit and Supervisory Committee, addition of external director
• Establishment of the Nomination Committee

2018 ● Establishment of the Nomination and Remuneration Committee

2021 ● Individual remuneration, etc. of directors (excluding Audit and Supervisor Committee members) to be determined by the Board of Directors

2022 ● Establishment of dedicated department for the Board of Directors
● Appointment of one female director
● Addition of external directors
● Meetings for the exchange of opinions between directors and executive officers made regular

2024 ● Addition of one female director
● Improvements to linkage of executive directors' remuneration to business performance
● Introduction of stock-based remuneration system for executive directors

2025 ● Addition of one female director
—Women make up 21.4% of all directors, and 50% of all external directors

Inclusion as an index constituent, etc.

* As of the end of September 2025.

JPXプライム150指数 2025年度選定

The JPX Prime 150 Index Selected in 2025

JPX-NIKKEI 400 2025年度選定

The JPX-Nikkei Index 400 Selected in 2025

MSCI ESG RATINGS AA

CCC B BB BBB A AA AAA

The MSCI ESG Rating

The JPX Prime 150 Index is a stock index composed of stocks listed on the Tokyo Stock Exchange Prime Market with the highest market capitalization, selected based on two criteria for measuring value creation: return on capital based on financial performance, and market valuation which incorporates future information and non-financial information. These stocks are positioned as representative Japanese companies that are expected to create value.

The JPX-Nikkei Index 400 is a stock index composed of companies that are highly attractive to investors and fulfill the various requirements demanded by global standards such as a management perspective that is aware of investors and the effective use of capital.

It is calculated jointly by JPX Market Innovation & Research Inc. and Nikkei Inc.

The MSCI ESG Rating is an assessment and ranking of a company's ESG initiatives on a seven-point scale, from the highest rank, AAA, to the lowest rank, CCC.

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Third-Party Assessment of IR Activities

High praise for proactive IR initiatives

In recognition of our ongoing pursuit of timely and appropriate information disclosure, our IR activities and various IR tools have received a number of awards from third-party organizations. With an awareness of the importance of accountability, we will continue our efforts to earn the trust of investors and improve timely disclosure.

Third Party Evaluations for Fiscal Year Ended March 2025

Integrated Report	Selected as a "Highly Improved Integrated Report" by GPIF's Domestic Equity Managers
IR Website	Daiwa Investor Relations Co., Ltd. (Daiwa IR), "Internet IR Award 2024," Excellence Award
	Nikko Investor Relations Co., Ltd., "Fiscal 2024 Listed Company Website Quality Ranking," Overall Ranking: Grade AAA

Making Use of Shareholder and Investor Opinions

Reflecting results of dialogues with investors and analysts in management

Through meetings with investors and analysts, Capcom's IR Department attempts to promote an understanding of management policies, strategies and future outlook. Furthermore, their opinions are gathered and provided to management, and are utilized for corporate management going forward. These proactive IR meetings enable us to minimize asymmetric information as we strive to achieve appropriate corporate value.

During the fiscal year ended March 2025, we conducted approximately 400 meetings with an aggregate total of 899 investors. These included individual and group meetings with domestic and international institutional investors and analysts, conferences hosted by securities firms, and overseas roadshows. In addition, we held our Presentation of Financial Results in a hybrid online/in-person format, and provided video conferences in an effort to communicate with our many investors and analysts.

IR Measures for Fiscal Year Ended March 2025

By category	Number
Interviews accepted	847
Visited domestic investors	21
Visited overseas investors	31
Total	899

IR Events

Event	Details
Hybrid Presentation of Financial Result	Explanation of management strategies and performance overview by top management and response to questions from investors and analysists
Supplementary Earnings Call	Earnings call after results announcements to explain earnings
Online Individual Investor Briefing	Holds an online company briefing for individual investors

Focus on Discussions of Management Strategies and Proposals for the General Meeting of Shareholders

Capcom also conducts meetings with the individuals responsible for exercising voting rights. These meetings are attended by the Representative Director (CHO and CFO), the Director in charge of Management Divisions, other directors, and a representative from the department dedicated to the Board of Directors. The purpose is to provide an understanding of the Group's management strategy and engage in dialogue with a focus on human resource investment strategies and proposals for the General Meeting of Shareholders. Requests, opinions, questions, and other feedback obtained through this dialogue are reported to the Chairman of the Board (CEO), the President (COO), and relevant parties as appropriate, and are presented at meetings of the Board of Directors and other gatherings as necessary to ensure they are reflected in management decisions.

Number of Shareholder Relations (SR) Interactions in Fiscal Year Ended March 2025	20

Excerpt from Dialogue with Investors and Analysts

Q. Is there any progress in the use of AI in development?

A. We have already utilized AI in bug checking for quality control and the RE ENGINE, contributing to the efficiency of development. However, there are a number of concerns regarding the use of generative AI, including training and securing specialist personnel, in addition to measures for data security and copyright infringement. We are continuing to study it, including how it could be used in the various development processes.

Q. Please tell us about your future development expenses trends.

A. Working to improve user satisfaction in line with the increasing sophistication of hardware capabilities, as well as rising personnel expenses, will unavoidably lead to future increases in development investment. However, Capcom is monitoring the creation and progress of our future title lineup while managing investment over the medium to long term. We aim to improve our ROI (operating profit ÷ development investment) by expanding sales.

Key commentary by our external directors

Growth strategies to enhance corporate value, utilization of net cash, and strengthening corporate governance

Capcom is striving to enhance medium- to long-term corporate value by strengthening its corporate governance functions.

In addition, we promote information sharing and mutual understanding by holding discussions at the Nomination and Remuneration Committee, led primarily by external directors, and organizing round table meetings for opinion exchange. Through active exchanges of views and advice, we are strengthening corporate governance by ensuring transparency and soundness.

As part of these efforts, this page introduces some of the comments shared by external directors at those meetings during the fiscal year ended March 31, 2025.

External External director comments **Internal** Internal director comments

1 Sales strategy for achieving 100 million units

➡For details on our sales strategy, see p. 22–28

Internal Capcom aims to reach 100 million units in annual sales of our titles in the medium-to-long term while we construct an organizational structure that allows us to propose measures that suit each country and region and work on strengthening sales in developing nations for our global sales network that distributes game content.

External With digital sales now the norm, there may be a way to construct separate sales organizations for each title rather than for each country and region. In addition, we consider that it is vital to have local personnel who can survey sales trends and legal systems when opening up new areas.

External Is progress being made in identifying the economic conditions, infrastructure status, and effective promotional methods in each region? It is essential to organize the challenges and clarify the sales strategies for formulating and implementing measures that will steadily lead to an increase in unit sales.

External In expanding sales globally, it is important that an effective promotion system and environment have been established within the company as part of our ongoing surveys and understanding of local culture, rather than just considering the legal systems of each country and region or what languages to support. We believe that going beyond in-name-only responses to take a new look at the effectiveness of this system will lead to an increase in the number of units.

Internal To further capture potential purchasing power, we will continue to analyze markets and so on, and implement a range of measures that include local surveys of the gaming culture and living standards in each region, as well as move towards establishing a sales organization that starts with the construction of systems for cooperating with local partners.

Internal To support culturalization, we are strengthening recruitment in regions where we aim to grow unit sales, and we prioritize translation by native speakers who understand the cultural background while reinforcing our Localization Department. We will continue to formulate strategies tailored to regional characteristics.

External For language support, we should estimate potential user numbers by language based on speaker populations in the future in addition to our actual sales basis.

External In terms of strengthening our Media Business to increase unit sales, Capcom must work to grow through active market development that includes accurately understanding the media channels in each country and developing them using the most appropriate methods for each.

Internal We will continue our research and enhance language support tailored to each game's unique characteristics, while taking a holistic approach that considers language populations, support costs, and potential market needs in each country.

2 Utilization of net cash and investment measures

➡For details on our financial strategy, see p. 35–38

External With net cash accumulating, we should take dividend decisions into account. It is vital to clearly communicate to investors our policy on shareholder returns including dividends.

External Capcom currently maintains a high equity ratio and a strong level of capital efficiency; these figures are important indicators of management's stance, and now that we have ample cash, it is crucial to deploy it proactively for future growth and to generate new profits, rather than simply accumulating it. Sustained earnings growth will remain essential to continue appropriate distributions that serve shareholders' interests.

External The Board of Directors should continue discussions on how to use net cash, with pillars that include shareholder returns centered on a 30% payout ratio, reinvestment in the business (such as further strengthening development and M&A), and returns to employees. From the standpoint of fulfilling external accountability, it is also crucial to clearly and carefully explain our cash management policy, its uses, and objectives to stakeholders.

Internal We are deploying cash to invest in new areas of technology, personnel, and to develop and expand our development environment, including the new development building currently under construction. We will continue to invest in the business while closely monitoring cash utilization. In addition, to ensure stable profit distribution in line with our dividend policy, we will work to establish a business model capable of generating cash and consider future uses strategically.

3 Director remuneration system

➡For details on officer remuneration, see p. 69–70

➡FY 2024 Integrated Report
Refer to "Election of directors and revision of the remuneration system at the 2024 General Meeting of Shareholders" (p.74)

External Since the Corporate Governance Code was established, performance-linked executive remuneration has become the social norm, and we introduced a stock-based remuneration system in 2024. Performance-linked remuneration for executive directors should be reviewed annually, and adjustments or revisions should be made as needed to ensure appropriate incentives, with due regard to consistency with the core scheme discussed to date.

External Revising the executive remuneration system to increase the performance-linked ratio has become a marked trend in recent years. At the same time, discussions tend to focus on executive directors in charge of business execution, with external directors and Audit and Supervisory Committee members at risk of being left behind. From the perspective that they all share the responsibility for the Company's growth, we should continue to hold discussions on the shape of the remuneration system.

Internal In revising the current remuneration system for executive directors, we reflected the views of key institutional investors obtained through SR meetings. On the other hand, recently, ideas regarding performance-linked remuneration or stock compensation have become an issue with respect to remuneration for external directors and members of the Audit and Supervisory Committee.
We will continue to scrutinize the current remuneration system while holding ongoing dialogues with institutional investors regarding how the remuneration system for directors should work, based sharing a common understanding of interests with shareholders.



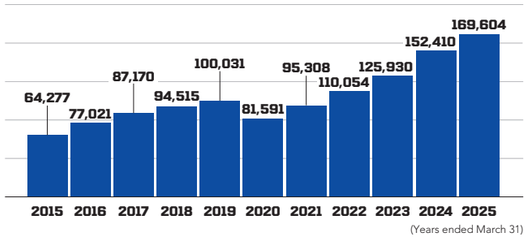




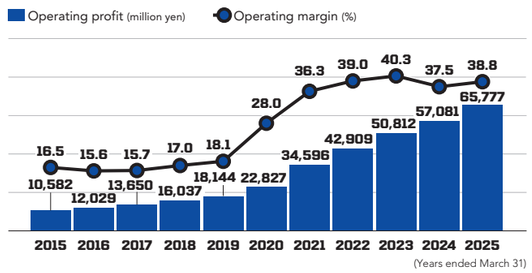

11 Year Summary of Consolidated Financial Indicators

➡See the Capcom's IR website for details.
https://www.capcom.co.jp/ir/english/

Net sales (million yen)

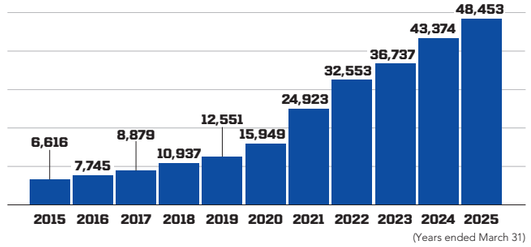


Operating profit/Operating margin

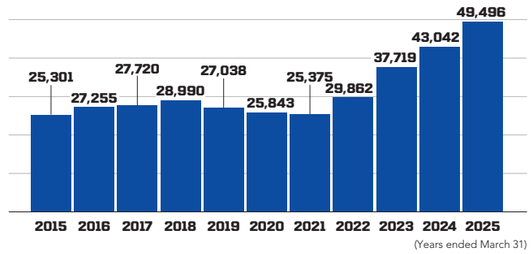


Net profit attributable to owners of the parent

(million yen)



R&D investment costs (million yen)



CAPCOM CO., LTD. and its consolidated subsidiaries. Years ended March 31

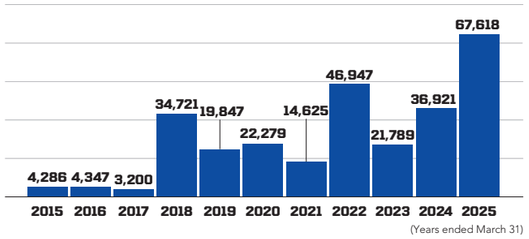
Item	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	**2025**
For the Year (million yen)											
Net sales	64,277	77,021	87,170	94,515	100,031	81,591	95,308	110,054	125,930	152,410	**169,604**
Cost-of-sales ratio (%)	59.7	61.2	64.7	63.4	62.8	49.8	44.7	44.3	41.4	44.5	**41.8**
SG&A expenses ratio (%)	24.0	23.1	19.6	19.7	19.1	22.2	19.0	16.7	18.3	18.1	**19.4**
Operating profit	10,582	12,029	13,650	16,037	18,144	22,827	34,596	42,909	50,812	57,081	**65,777**
Operating margin (%)	16.5	15.6	15.7	17.0	18.1	28.0	36.3	39.0	40.3	37.5	**38.8**
Ordinary margin (%)	16.9	14.7	14.4	16.1	18.2	28.1	36.6	40.3	40.8	39.0	**38.7**
Net profit attributable to owners of the parent	6,616	7,745	8,879	10,937	12,551	15,949	24,923	32,553	36,737	43,374	**48,453**
Return on sales (%)	10.3	10.1	10.2	11.6	12.5	19.5	26.1	29.6	29.2	28.5	**28.6**
Depreciation and amortization	3,535	5,712	5,980	4,706	3,228	2,795	2,791	3,385	3,438	4,221	**4,675**
Capital expenditures	10,177	8,274	3,767	3,041	2,568	2,576	3,597	3,788	9,624	6,654	**8,313**
R&D investment costs	25,301	27,255	27,720	28,990	27,038	25,843	25,375	29,862	37,719	43,042	**49,496**
Capital investment (Tangible fixed assets, net of accumulated depreciation)	5,564	5,937	2,622	2,918	2,439	2,504	2,570	2,965	9,192	6,440	**7,900**
Promotional expenses	2,798	3,832	4,764	5,579	5,490	4,253	3,178	3,540	5,293	7,393	**10,292**
At Year-End (million yen)											
Net cash	21,212	15,821	8,426	36,750	44,689	58,921	65,633	102,384	94,273	117,974	**160,192**
Work in progress for game software, Online contents in progress	24,728	27,220	30,150	25,635	16,926	21,222	24,443	31,192	38,510	39,035	**49,209**
Interest-bearing debt	10,992	12,608	16,111	9,788	8,315	6,735	5,606	4,878	7,843	7,217	**6,591**

* Effective from the beginning of FY2018, Capcom has applied Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, February 16, 2018). Certain financial information for the FY2017 has undergone retrospective application.
* Effective from the beginning of FY2021, the Accounting Standard for Revenue Recognition (ASBJ Statement No.29, March 31, 2020) has been applied. Certain financial information for FY2021 reflects the application of the standard.

11 Year Summary of Consolidated Financial Indicators

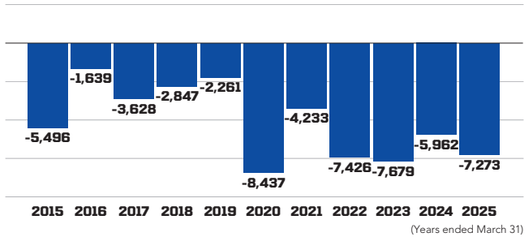
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Cash flows from operating activities (million yen)



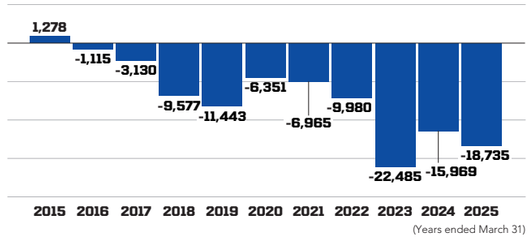
(Years ended March 31)

Cash flows from investing activities (million yen)



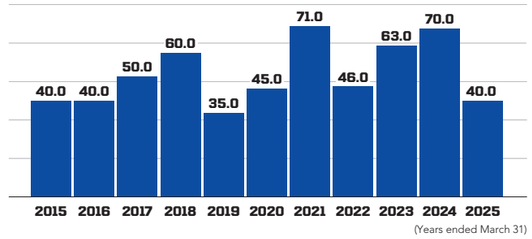
(Years ended March 31)

Cash flows from financing activities (million yen)



(Years ended March 31)

Dividend per share (Yen)



(Years ended March 31)

CAPCOM CO., LTD. and its consolidated subsidiaries. Years ended March 31

Item	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	**2025**
Cash Flows (million yen)											
Cash flows from operating activities	4,286	4,347	3,200	34,721	19,847	22,279	14,625	46,947	21,789	36,921	**67,618**
Cash flows from investing activities	(5,496)	(1,639)	(3,628)	(2,847)	(2,261)	(8,437)	(4,233)	(7,426)	(7,679)	(5,962)	**(7,273)**
Cash flows from financing activities	1,278	(1,115)	(3,130)	(9,577)	(11,443)	(6,351)	(6,965)	(9,980)	(22,485)	(15,969)	**(18,735)**
Net increase (decrease) in cash and cash equivalents	1,879	431	(4,091)	22,201	6,464	6,667	4,371	31,592	(6,165)	19,620	**41,334**
Cash and cash equivalents at end of year	27,998	28,429	24,337	46,539	53,004	59,672	64,043	95,635	89,470	109,091	**150,426**
Per Share Data (Yen)											
Net profit (loss) per share	14.71	17.22	20.04	24.97	28.86	37.35	58.37	76.24	87.36	103.71	**115.85**
Dividend per share	40.0	40.0	50.0	60.0	35.0	45.0	71.0	46.0	63.0	70.0	**40.0**
Net assets per share	158.57	167.11	177.58	195.04	207.84	233.57	282.39	343.04	385.27	466.44	**540.68**
Dividend Data (%)											
Dividend payout ratio	34.0	29.0	31.2	30.0	30.3	30.1	30.4	30.2	36.1	33.7	**34.5**
Dividend yield	1.7	1.5	2.3	2.6	1.4	1.3	1.0	1.5	1.3	1.3	**1.1**
Stock Information											
Price earnings ratio (times)	20.3	19.9	13.5	23.0	21.5	22.7	30.8	19.5	27.1	27.0	**31.6**
Number of issued shares (shares)	67,723,244	67,723,244	67,723,244	67,723,244	135,446,488	135,446,488	135,446,488	270,892,976	266,505,623	266,505,623	**533,011,246**
Shareholdings held by foreign investors (%)	36.87	39.35	31.19	35.01	36.83	35.14	38.24	35.09	33.98	37.04	**36.99**

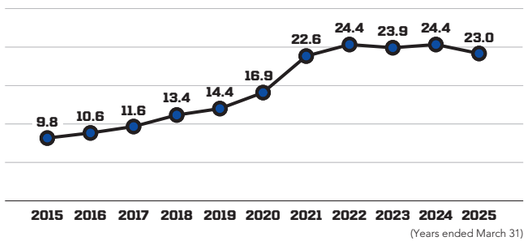
* Effective from the beginning of FY2018, Capcom has applied Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, February 16, 2018). Certain financial information for the FY2017 has undergone retrospective application.
* Effective from the beginning of FY2021, the Accounting Standard for Revenue Recognition (ASBJ Statement No.29, March 31, 2020) has been applied. Certain financial information for FY2021 reflects the application of the standard.

* The stock was split on a basis of two shares for every share of common stock on April 1, 2018, April 1, 2021, and April 1 2024. For convenience, the figures presented for earnings per share and net assets per share assume the relevant stock splits were performed on April 1, 2014.

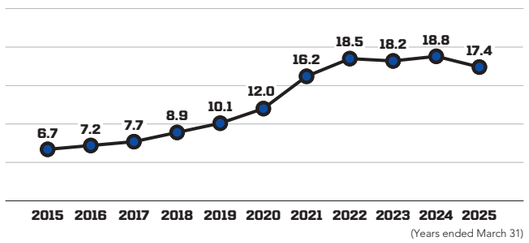
11 Year Summary of Consolidated Financial Indicators

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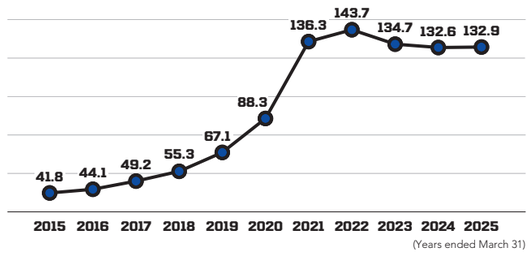
Return on equity (ROE) (%)



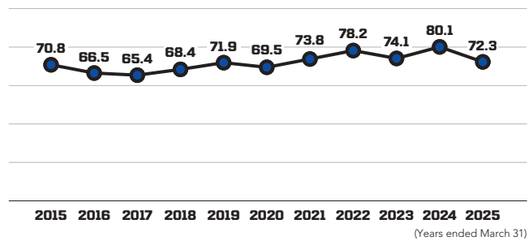
Return on assets (ROA) (%)



ROI (Operating profit ÷ R&D investment costs) (%)



Net worth ratio (%)

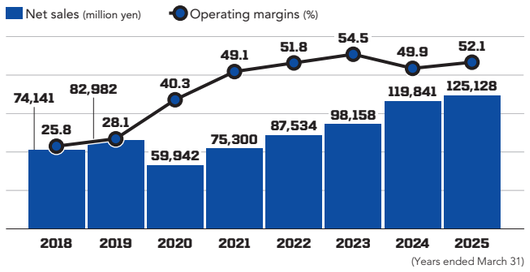


CAPCOM CO., LTD. and its consolidated subsidiaries. Years ended March 31

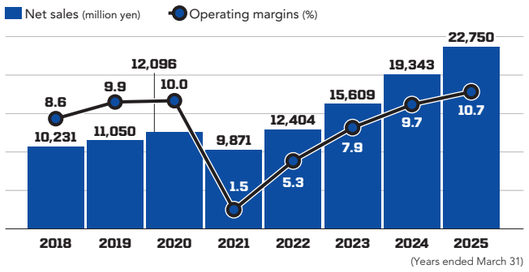
Item	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	**2025**
Financial Index (%)											
Total assets (million yen)	100,773	113,057	118,897	124,829	123,407	143,466	163,712	187,365	217,365	243,476	**312,982**
Net assets (million yen)	71,331	75,168	77,774	85,421	88,749	99,735	120,794	146,475	161,129	195,081	**226,303**
Return on equity (ROE)	9.8	10.6	11.6	13.4	14.4	16.9	22.6	24.4	23.9	24.4	**23.0**
Return on assets (ROA)	6.7	7.2	7.7	8.9	10.1	12.0	16.2	18.5	18.2	18.8	**17.4**
Return on Investment (ROI) (Operating profit ÷ R&D investment costs)	41.8	44.1	49.2	55.3	67.1	88.3	136.3	143.7	134.7	132.6	**132.9**
Net worth ratio	70.8	66.5	65.4	68.4	71.9	69.5	73.8	78.2	74.1	80.1	**72.3**
Current ratio	380.7	339.6	285.0	354.0	391.2	303.5	390.9	492.2	372.3	595.6	**377.2**
Quick ratio (Acid-test ratio)	233.1	171.4	149.1	220.0	288.5	227.6	295.6	374.7	276.3	453.4	**288.0**
Cash equivalent ratio	186.7	127.2	81.8	172.1	228.3	183.1	218.6	348.9	221.8	376.9	**240.1**
Interest coverage ratio (times)	50.2	36.5	22.8	337.2	249.3	302.5	201.6	955.9	489.8	613.4	**835.1**
Fixed ratio	49.2	49.4	43.0	35.0	36.7	34.7	30.1	24.6	28.5	23.4	**22.5**
Debt-equity ratio	41.3	50.4	52.9	47.0	39.1	43.8	35.5	27.9	34.9	24.8	**38.3**
Efficiency Indicators (times)											
Total assets turnover	0.7	0.7	0.7	0.8	0.8	0.6	0.6	0.6	0.6	0.6	**0.5**
Sales-equity ratio	0.9	1.0	1.1	1.1	1.1	0.8	0.8	0.8	0.8	0.8	**0.7**
Receivables turnover	8.0	7.8	4.3	7.3	7.2	5.1	3.8	13.9	5.0	6.0	**5.1**
Accounts payable turnover	9.4	9.5	7.9	17.3	12.2	7.0	11.5	13.1	9.4	15.6	**12.6**
Inventory turnover	3.1	2.5	2.4	3.2	5.2	3.4	3.4	3.3	3.0	3.6	**3.1**
Fixed asset turnover ratio	1.8	2.1	2.6	3.2	3.1	2.4	2.6	3.1	2.7	3.3	**3.3**

➡See the Capcom's IR website for details.
https://www.capcom.co.jp/ir/english/

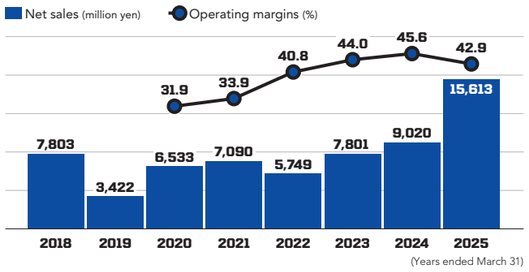
Digital Contents
Net Sales and Operating Margin



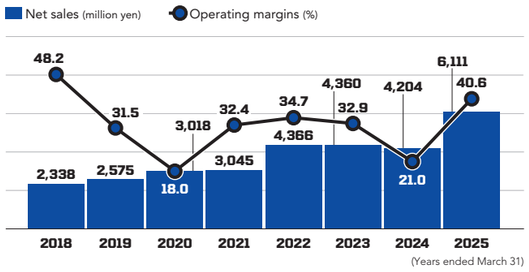
Arcade Operations
Net Sales and Operating Margin



Amusement Equipments
Net Sales and Operating Margin



Other Businesses
Net Sales and Operating Margin



CAPCOM CO., LTD. and its consolidated subsidiaries. Years ended March 31

Item	2018	2019	2020	2021	2022	2023	2024	**2025**
Digital Contents								
Net sales (million yen)	74,141	82,982	59,942	75,300	87,534	98,158	119,841	**125,128**
Consumer (100 million yen)	652	769	555	688	833	953	1,162	**1,216**
Package (100 million yen)	383	359	129	208	300	180	193	**180**
Digital (100 million yen)	269	410	426	480	533	773	969	**1,036**
Mobile Content (100 million yen)	41	23	44	65	42	28	35	**34**
Operating profit (million yen)	19,103	23,315	24,161	37,002	45,359	53,504	59,831	**65,172**
Operating margin (%)	25.8	28.1	40.3	49.1	51.8	54.5	49.9	**52.1**
Assets (million yen)	61,641	54,109	53,117	73,551	51,895	83,054	84,255	**101,746**
Return on total assets (ROA) (%)	31.0	43.1	45.5	50.3	87.4	64.4	71.0	**64.1**
Consumer Game Sales (Package Software and Full-game Digital Content)								
Total number of units (Thousands)	24,400	25,300	25,500	30,100	32,600	41,700	45,893	**51,876**
Sales of major titles (Thousands)	Monster Hunter: World 7,900 Resident Evil 7 biohazard (catalog) 1,600 Marvel VS. Capcom: Infinite 1,000	Monster Hunter: World (catalog) 4,500 Resident Evil 2 4,200 Devil May Cry 5 2,100	Monster Hunter World: Iceborne 5,200 Monster Hunter: World (catalog) 3,200 Resident Evil 2 (catalog) 2,400	Monster Hunter Rise 4,800 Resident Evil 3 3,900 Monster Hunter World: Iceborne (catalog) 2,400	Resident Evil Village 6,100 Monster Hunter Rise (catalog) 4,100 Monster Hunter Stories 2: Wings of Ruin 1,500	Monster Hunter Rise: Sunbreak 5,450 Resident Evil 4 3,750 Monster Hunter Rise (catalog) 3,700	Resident Evil 4 (catalog) 3,392 Street Fighter 6 3,305 Monster Hunter: World *1 (catalog) 2,810	Monster Hunter Wilds **10,108** Monster Hunter: World *1 (catalog) **3,186** Resident Evil 4 (catalog) **2,734**
Market Information (Billion USD)*2								
Total								
Mobile Content	65	71	92	102	95	95	100	**103 (Forecast)**
Console	38	37	47	45	43	44	43	**45 (Forecast)**
PC	31	30	33	36	35	37	39	**39 (Forecast)**

CAPCOM CO., LTD. and its consolidated subsidiaries. Years ended March 31

Item	2018	2019	2020	2021	2022	2023	2024	**2025**
Arcade Operations								
Net sales (million yen)	10,231	11,050	12,096	9,871	12,404	15,609	19,343	**22,750**
Operating profit (million yen)	879	1,096	1,211	149	652	1,227	1,868	**2,432**
Operating margin (%)	8.6	9.9	10.0	1.5	5.3	7.9	9.7	**10.7**
Assets (million yen)	7,471	7,730	7,624	7,709	8,491	9,879	11,547	**12,422**
Return on total assets (ROA) (%)	11.8	14.2	15.9	1.9	7.7	12.4	16.2	**19.6**
Amusement Equipments								
Net sales (million yen)	7,803	3,422	6,533	7,090	5,749	7,801	9,020	**15,613**
Operating profit (million yen)	(764)	(2,668)	2,085	2,407	2,348	3,433	4,117	**6,701**
Operating margin (%)	—	—	31.9	33.9	40.8	44.0	45.6	**42.9**
Assets (million yen)	10,002	6,420	13,100	6,346	7,651	8,913	10,108	**14,140**
Return on total assets (ROA) (%)	—	—	15.9	37.9	30.7	38.5	40.7	**47.4**
Other Businesses								
Net sales (million yen)	2,338	2,575	3,018	3,045	4,366	4,360	4,204	**6,111**
Operating profit (million yen)	1,126	811	544	987	1,517	1,433	883	**2,484**
Operating margin (%)	48.2	31.5	18.0	32.4	34.7	32.9	21.0	**40.6**
Assets (million yen)	3,600	617	554	1,420	1,650	2,253	1,521	**1,922**
Return on total assets (ROA) (%)	31.3	131.4	98.2	69.5	91.9	63.6	58.1	**129.2**
Market Information (100 million yen)								
Arcade Operations Market size*3	4,859	5,201	5,408	4,187	4,492	5,143	5,384	**—**
Gaming Machines Market*4 Pachislo	2,434	1,685	2,197	1,897	2,592	2,794	3,494	**—**
Pachinko	5,157	5,046	3,450	3,694	4,343	4,105	3,628	**—**

*1 Includes sales of *Monster Hunter World: Iceborne Master Edition*
*2 Source: Newzoo Global Games Market Report May 2025
*3 Source: JAMMA Survey on the Amusement Industry
*4 Source: Manufacturer sales base complied by Capcom using Pachinko Maker Trends (2024); Yano Research Institute Ltd.

Human Capital Information

➡See the Capcom's IR website for details.
https://www.capcom.co.jp/ir/english/

CAPCOM CO., LTD. and its consolidated subsidiaries. Years ended March 31

Item	2018	2019	2020	2021	2022	2023	2024	**2025**
Human capital (Note 1)								
Number of employees (consolidated) (persons)	2,952	2,832	2,988	3,152	3,206	3,332	3,531	**3,766**
Of which, development personnel (consolidated)	2,141	2,032	2,142	2,285	2,369	2,460	2,675	**2,846**
Number of employees (Non-consolidated) (persons)	2,426	2,530	2,688	2,841	2,904	3,027	3,186	**3,379**
Of which, development personnel (non-consolidated)	—	1,910	2,024	2,150	2,224	2,321	2,515	**2,658**
Average age (non-consolidated) (age)	—	36.8	37.1	37.1	37.3	37.6	37.8	**38.0**
Of which, development personnel	—	35.7	36.0	36.0	36.3	36.6	37.1	**37.4**
Age distribution of development personnel (non-consolidated) (%) (Note 2)								
29 years or younger	—	30.2	30.5	31.2	31.9	31.8	28.8	**26.9**
30s	—	36.3	35.4	35.0	33.2	32.6	33.8	**34.7**
40s	—	30.6	30.2	27.8	26.2	25.2	25.6	**25.5**
50s	—	2.9	4.0	6.0	8.7	10.4	11.8	**12.9**
Number of new graduate hires (non-consolidated) (persons)	—	145	138	198	163	163	154	**168**
Of which, development personnel	—	115	109	160	139	133	107	**126**
Average annual salary (non-consolidated) (thousand yen) (Note 3)	—	5,885	5,998	6,034	7,127	7,660	8,328	**9,185**
Of which, development personnel	—	5,843	5,948	5,991	7,137	7,657	8,403	**9,225**
Stock compensation points per employee (Note 4)	—	—	—	—	—	194	196	**196**
Market price converted (thousand yen)	—	—	—	—	—	457	548	**718**
Average salary by age group (thousand yen)								
20s	—	—	4,132	4,079	5,015	5,624	5,873	**6,337**
30s	—	—	5,763	5,903	7,011	7,604	8,142	**8,888**
40s	—	—	7,442	7,540	8,740	9,054	9,918	**10,870**
50s	—	—	8,031	8,213	9,606	9,705	10,583	**11,957**

(Notes) 1. All of the figures in this table are based on full-time employees only. 2. No specific targets are set for the age distribution, but we monitor it as an indicator of the degree of workforce aging. Employees aged 60 years and older are excluded from aggregation because, upon reaching mandatory retirement, they change from full-time employees to contract employees. 3. The one-time special payment granted to employees in the fiscal year ended March 31, 2025 is included in the above average annual salary. 4. Stock compensation points per employee represent the average number of points granted annually per eligible person under the ESOP trust, with one point corresponding to one share. On April 1, 2024, the Company conducted a two-for-one stock split of its common shares. For convenience, the figures presented for stock compensation points per employee assume the relevant stock split was performed on April 1, 2023, with the number of points corresponding to the post-split shares. The market price conversion represents the monetary value of the points, calculated based on the Company's closing share price at fiscal year-end. These points are not included in the average annual salary until they are delivered as shares and granted to employees. Executive officers of the Company (excluding those concurrently serving as directors) were subject to the ESOP trust until the fiscal year ended March 31, 2024. From the fiscal year ended March 31, 2025, however, they have been excluded from the ESOP trust as they shifted to a system aligned with the performance-linked stock compensation system introduced for directors of the Company (excluding outside directors and Audit and Supervisory Committee members).

CAPCOM CO., LTD. and its consolidated subsidiaries. Years ended March 31

Item	2018	2019	2020	2021	2022	2023	2024	**2025**
Ratio of female employees (non-consolidated) (%)	21.0	21.3	21.6	21.5	21.0	21.3	21.2	**21.5**
Ratio of female managers (non-consolidated) (%)	10.3	9.5	9.2	10.6	10.7	11.6	12.0	**11.9**
Ratio women in core roles (non-consolidated) (%)	—	—	7.0	8.2	7.9	11.9	13.6	**15.2**
Average annual salary (Capcom Co., Ltd.) (thousand yen)								
Male employees	—	6,182	6,316	6,329	7,393	7,904	8,626	**9,539**
Female employees	—	4,794	4,848	5,028	6,130	6,751	7,226	**7,899**
Gender wage gap (%)	—	—	76.8	79.4	82.9	85.4	83.8	**82.8**
Ratio of foreign national employees (non-consolidated) (%)	4.3	4.9	6.0	6.8	6.6	6.7	6.8	**7.6**
Number of countries represented	—	24	28	31	33	34	35	**36**
Ratio of foreign national managers (non-consolidated) (%)	2.5	0.8	1.6	1.3	1.7	1.2	1.4	**1.4**
Ratio of managers hired mid-career (non-consolidated) (%)	—	55.4	56.6	53.3	53.3	56.0	54.3	**53.5**
Use rate of childcare leave (%)	—	27.1	24.7	35.1	48.7	52.5	76.9	**82.1**
Male employees	—	10.3	12.5	21.5	34.5	45.5	66.7	**79.7**
Female employees	—	100.0	100.0	94.4	90.0	85.7	114.3	**89.5**
Average number of childcare leave days taken by male employees (non-consolidated) (days)	—	38.3	65.7	61.0	87.6	74.5	63.2	**90.0**
Work engagement (non-consolidated) (deviation value)	—	51.2	51.5	52.6	51.8	54.4	54.1	**54.7**
Ref. Survey responses (*ratio of responses for: applies and somewhat applies)								
I'm able to use my own creative ingenuity at work	—	—	—	—	—	88.7	88.3	**89.3**
I work beyond my assigned role if required for work	—	—	—	—	—	76.0	76.4	**77.0**
I feel enjoyment in my current role at work	—	—	—	—	—	70.9	69.6	**70.7**
Employee engagement (non-consolidated) (deviation value)	—	—	—	—	—	51.8	52.1	**53.1**
I feel a sense of familiarity and attachment to the company	—	—	—	—	—	77.5	78.1	**79.9**
I feel fortunate to be able to work for the company	—	—	—	—	—	85.6	86.2	**87.6**
Working for the company is a positive in my life	—	—	—	—	—	86.2	85.4	**87.5**
Turnover rate (non-consolidated) (deviation value) (%)	—	4.9	4.3	3.9	5.4	3.5	2.9	**2.8**
Of which, for personal reasons (%)	—	4.3	4.0	3.6	4.7	3.2	2.5	**2.2**
Paid annual leave utilization rate (non-consolidated) (%)	—	77.5	78.1	74.4	87.0	88.2	84.6	**82.8**
Average overtime hours (beyond statutory) (non-consolidated) (hours/month)	—	11.7	11.3	8.2	9.5	10.1	10.1	**11.4**

(Notes) 1. Engagement represents the Company's deviation value in the results of an engagement survey conducted by an external organization, targeting Company employees (excluding part-time employees not covered by social insurance). Work engagement is a figure based on survey responses regarding voluntary actions and positive emotions toward work, while employee engagement is a figure based on survey responses regarding attachment to the Company. For the survey conducted in the current fiscal year, employees responded to multiple questions by selecting from "Does not apply at all," "Does not really apply," "Somewhat applies," or "Applies very much." The external organization then compared the results with those of other companies to calculate deviation values. 2. The turnover rate represents the percentage of employees who left during the fiscal year relative to the total number of employees at the beginning of the period (excluding employees who both joined and left during the year). The scope of aggregation is limited to full-time employees. 3. The paid annual leave utilization rate is calculated by dividing the total number of days of annual paid leave taken during the fiscal year by the total number of days granted. The scope of aggregation includes all employees (including temporary employees). 4. Average overtime hours (beyond statutory) represent the monthly average statutory overtime working hours of employees (full-time only) subject to overtime calculation. Department manager level and above, who are deemed supervisors under the Labor Standards Act, are excluded. Until the fiscal year ended March 31, 2024, employees in development positions whose base compensation excluding variable bonuses exceeded 7.4 million yen were subject to a discretionary labor system and therefore excluded from overtime calculations.

Stock Data

(As of March 31, 2025)

Stock Data

Number of Shares Authorized ..... 1,200,000,000 shares
Number of Shares Issued ..... 533,011,246 shares
Number of Shareholders 40,278

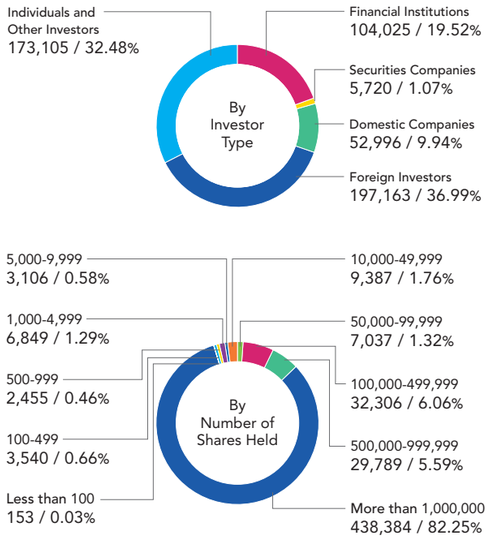
Major Shareholders (Top 10)

Major Shareholders	Number of Shares Held (in thousands)	Percentage of Shareholding (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	61,020	14.32
Crossroad Co., Ltd.	43,734	10.26
JP Morgan Chase Bank 380815	35,188	8.26
Custody Bank of Japan, Ltd. (Trust Account)	26,110	6.13
Yoshiyuki Tsujimoto	15,927	3.74
STATE STREET BANK AND TRUST COMPANY 505001	13,683	3.21
Haruhiro Tsujimoto	10,052	2.36
Ryozo Tsujimoto	9,937	2.33
Kenzo Tsujimoto	8,079	1.90
The Master Trust Bank of Japan, Ltd. (Stock Grant ESOP Trust Account 76744)	7,953	1.87

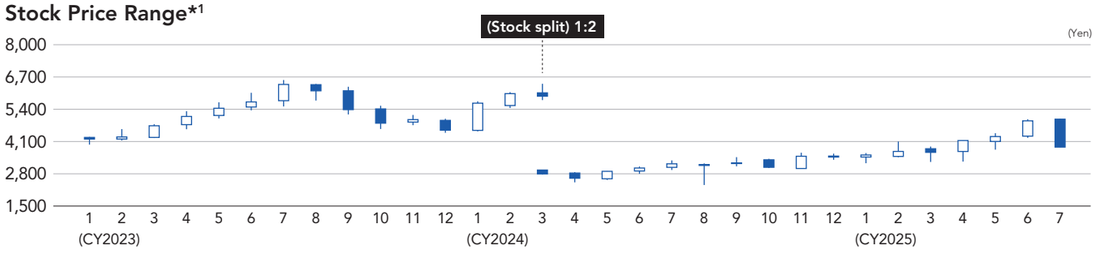
Note:1. Capcom owns 106,789 thousand shares as treasury stocks.
The stocks owned by the company are excluded from the above list.
2. The Master Trust Bank of Japan, Ltd. (Stock Grant ESOP Trust Account 76,744) is a trust established in conjunction with the introduction of the Stock Grant ESOP Trust. Note that such shares are not included in the number of treasury stock above.

Shareholders Breakdown

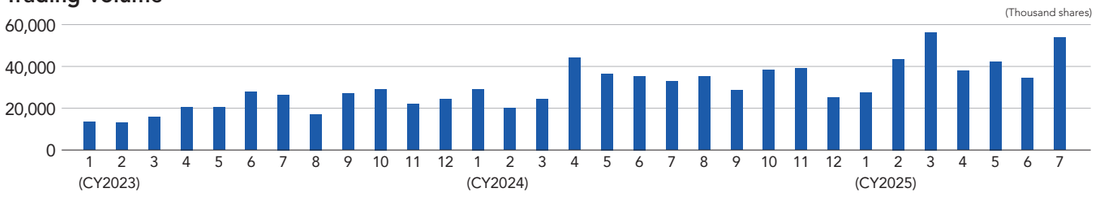
Number of shares held (in thousands) / (%)



Stock Price Range*1



Trading Volume



11-Year Trend of Stock Price and Trading Volume*2

(Yen)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Stock Price	298.63	343.13	271.38	574.75	620.00	847.50	1,797.50	1,484.00	2,367.50	2,795.00	**3,664.00**
High	301.63	384.38	359.63	646.25	761.25	891.25	1,892.50	1,900.00	2,397.50	2,959.00	**4,100.00**
Low	192.63	243.00	240.88	263.38	475.75	508.00	802.50	1,210.50	1,456.50	2,766.00	**2,348.50**
Trading Volume	143,234,700	162,642,100	183,455,500	171,969,350	258,438,800	183,399,500	180,877,400	275,620,400	215,342,700	288,160,900	**442,159,000**

(Years Ended March 31)

*1 With an effective date of April 1, 2024, Capcom performed a 2-for-1 split of its common stock.
*2 The stock was split on a basis of two shares for every share of common stock on April 1, 2018, 2021 and 2024. Consequently, for convenience the figures presented here assume that the relevant stock splits were performed on April 1, 2014.

Corporate Data

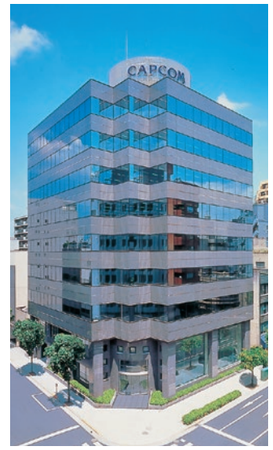
(As of March 31, 2025)

Corporate Profile

Name of Company ..... CAPCOM CO., LTD.
Date of Establishment ... May 30, 1979
Date of Initiation ..... June 11, 1983
Business Segments ..... Planning, development, manufacture, sale and distribution of home video games, mobile games and arcade games etc., as well as management of amusement arcades.
Paid-in Capital ..... ¥ 33,239 million
End of Term ..... March 31
Number of Employees ... 3,766 (consolidated)
3,379 (CAPCOM CO., LTD.)

Major Offices

Head Office ... 3-1-3 Uchihirano-machi, Chuo-ku, Osaka, 540-0037, Japan
R&D Building ... 3-2-8 Uchihirano-machi, Chuo-ku, Osaka, 540-0037, Japan
R&D Building #2 ... 3-1-10 Uchihirano-machi, Chuo-ku, Osaka, 540-0037, Japan
Tokyo Branch ... Shinjuku Mitsui Building 2-1-1 Nishi Shinjuku, Shinjuku-ku, Tokyo, 163-0448, Japan
Ueno Facility ... 3902 Hatta, Iga, Mie, 518-1155, Japan



Head Office


R&D Building


R&D Building #2

Capcom's Subsidiaries (As of March 31, 2025)

K2 CO., LTD. / Enterrise CO., LTD. / CAPCOM Maintenance Service CO., Ltd./ Adelion CO., LTD. / Swordcanes Studio Co., Ltd. / Leostar Co., Ltd. / CAPCOM U.S.A., INC. / CAPCOM ASIA CO., LTD. / CE EUROPE LTD. / CAPCOM ENTERTAINMENT GERMANY GmbH / CAPCOM ENTERTAINMENT FRANCE, SAS / CAPCOM TAIWAN CO., LTD. / CAPCOM SINGAPORE PTE. LTD. / Capcom Pictures, Inc. / Minimum Studios Co., Ltd.

* Adelion CO., LTD. and Leostar Co., Ltd. are wholly owned subsidiary of Enterrise CO., LTD.
* CAPCOM ASIA CO., LTD. is a wholly owned subsidiary of CAPCOM SINGAPORE PTE. LTD.
* CAPCOM ENTERTAINMENT GERMANY GmbH and CAPCOM ENTERTAINMENT FRANCE, SAS are both wholly owned subsidiaries of CE EUROPE LTD.

