



Fiscal Year 2021 Financial Results Presentation

Capcom Co., Ltd.

May 16, 2022



CAPCOM



Fiscal Year 2021 Financial Results Presentation

Capcom Co., Ltd.

Haruhiro Tsujimoto, President and COO

May 16, 2022

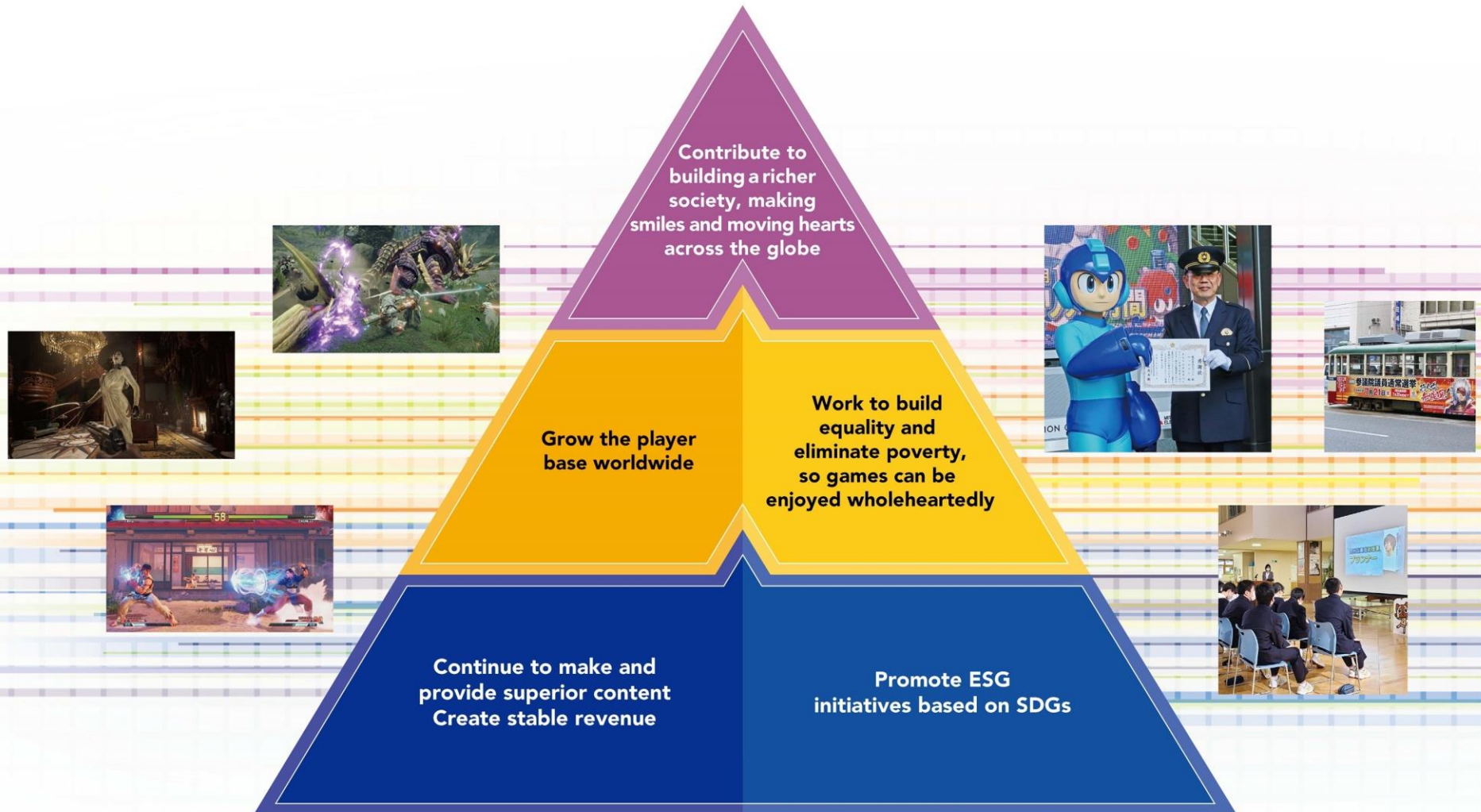


CAPCOM

1. Capcom's Philosophy

1. Capcom's Philosophy

- **Corporate Philosophy:**
We are creators of entertainment culture that stimulates your senses

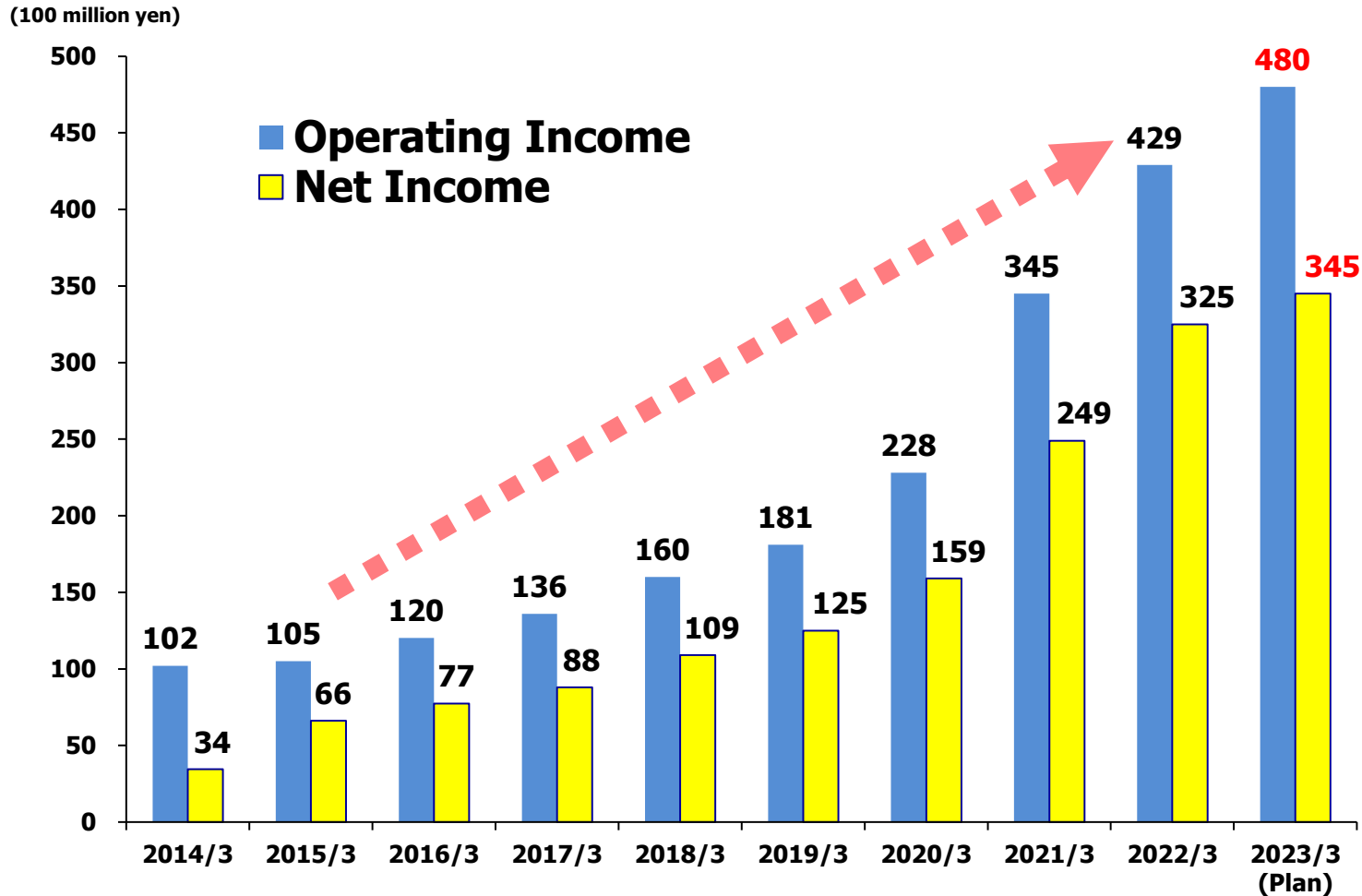


2. Medium-term Goals

2. Medium-Term Goals (1)

■ Medium-term Management Objective

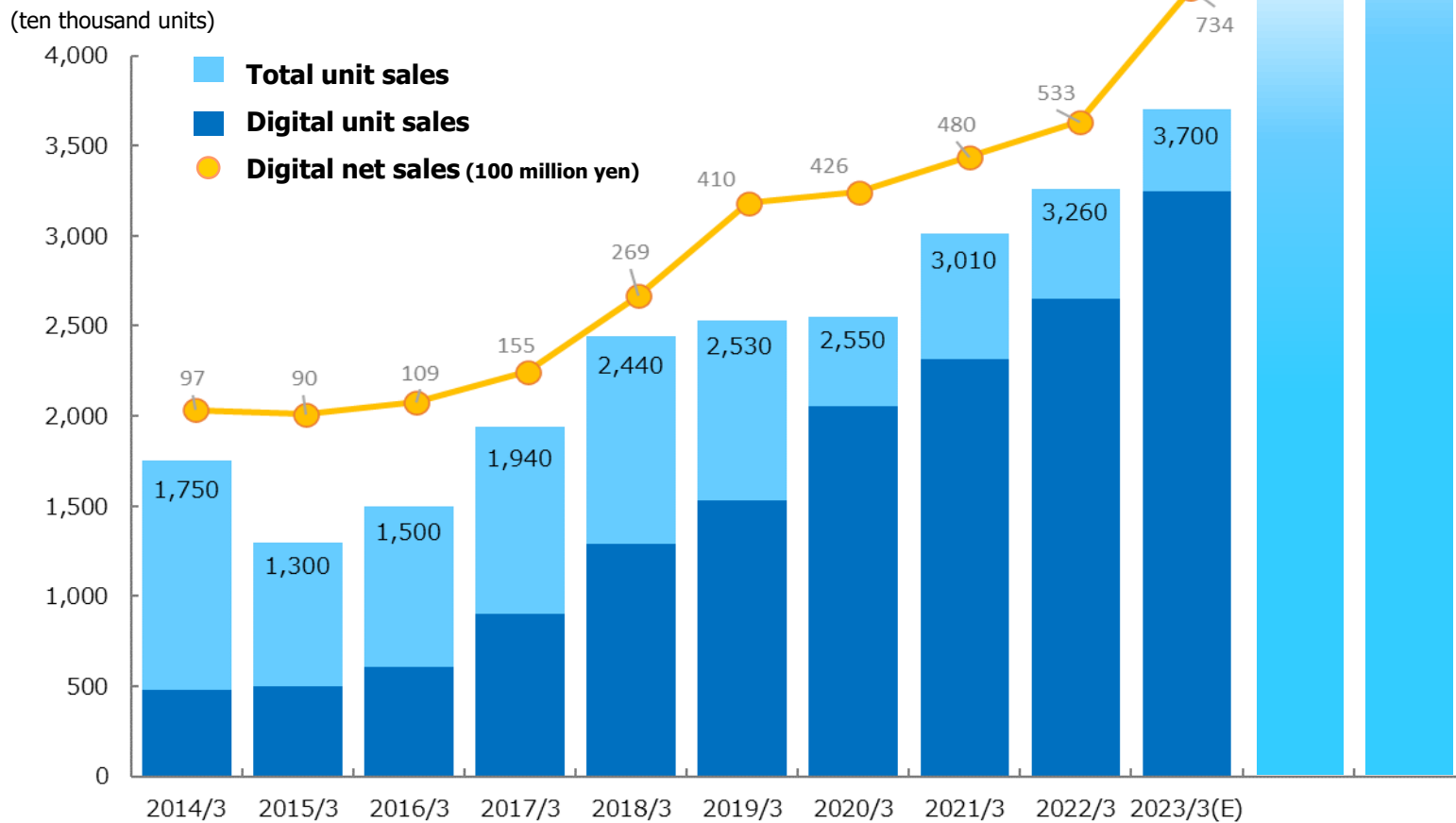
- Aim for annual OP growth (of 10% or more), driven by strengthened global sales



2. Medium-Term Goals (2)

■ Consumer sales volume growth

- Releasing major new titles each year
- Expanding sales regions and platforms via digital sales



2. Medium-Term Goals (3)

■ Long-term sales of high-quality titles

- Major IP contribute long-term, both as new titles and on into high-margin catalog sales

(ten thousand units)

	2017/3	2018/3	2019/3	2020/3	2021/3	2022/3	Cummulative unit sales*	2023/3 (Plan)
Resident Evil 7 biohazard	350	160	120	100	150	180	1,080	Continue to contribute as catalog titles
Monster Hunter: World		790	450	320	140	90	1,800	
Resident Evil 2			420	240	160	140	960	
Monster Hunter World: Iceborne				520	240	140	920	
Resident Evil 3					390	110	520	
Monster Hunter Rise					480	410	900	
Resident Evil Village						610	610	

*As of March 31, 2022



January 2017 release
Resident Evil 7 biohazard
6 consecutive years of over 1 million units in sales



January 2018 release
Monster Hunter: World
Highest-selling title in Capcom history



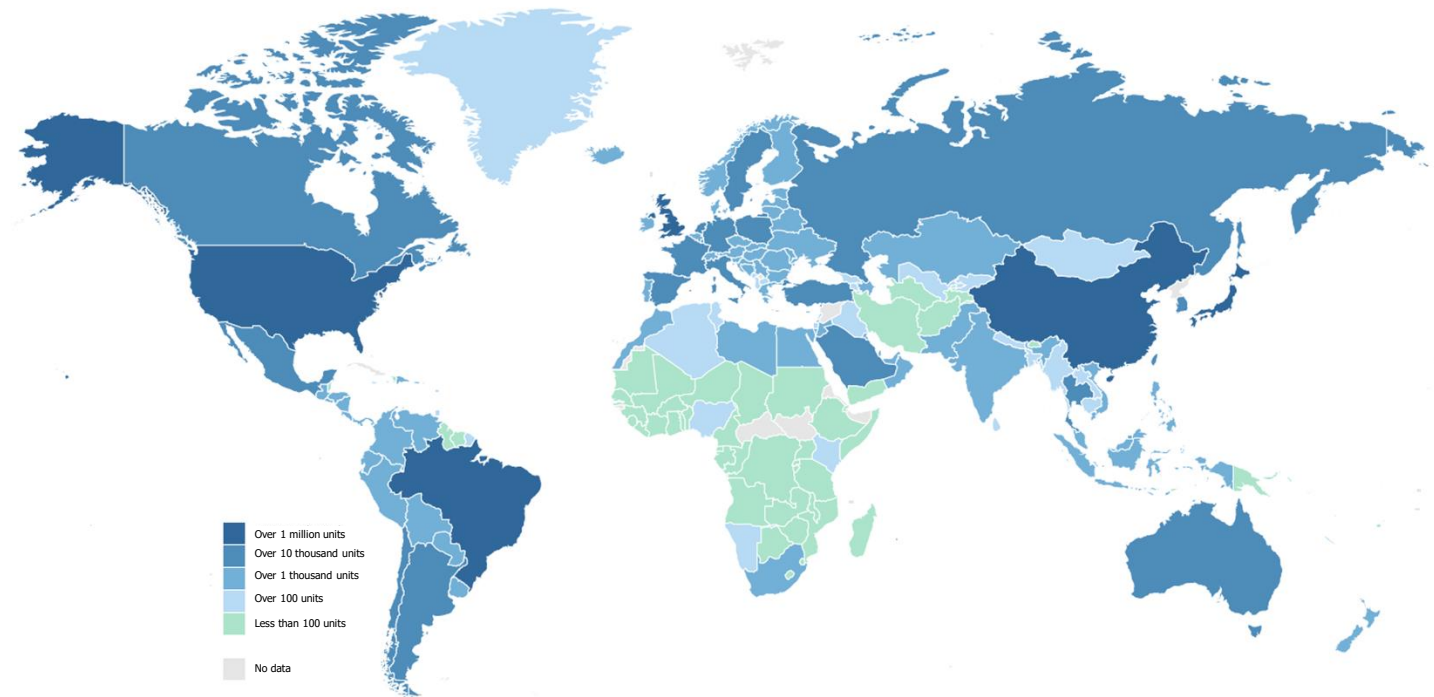
May 2021 release
Resident Evil Village
Anticipate ongoing sales, next year and beyond

2. Medium-Term Goals (4)

■ Catalog title growth via digital sales (1)

- Through leveraging the PC platform, **353 titles in 237 countries and regions** contribute to stable earnings (*latest 5-year-cumulative total)
- Promoting sales growth strategy based on analysis on country/regional sales data

◆ FY2021 Home Video Game Unit Sales by Country

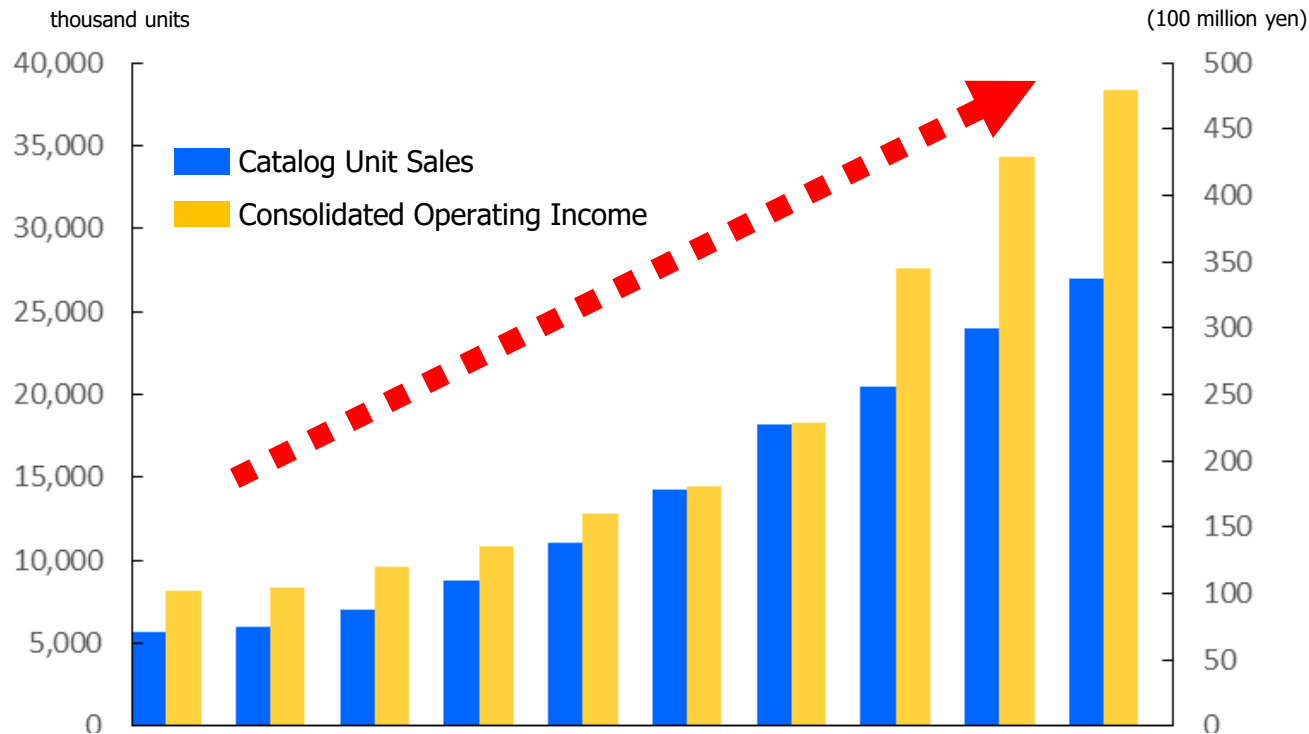


2. Medium-Term Goals (5)

■ Catalog title growth via digital sales (2)

- As a result of 1) long-term sales of high-quality titles, and 2) expansion of sales regions, catalog title unit sales have **grown 6X in 10 years**
(24 million units in FY21 vs. 3.9 million units in FY11)
- Growth of high-margin catalog titles has become a driver of consolidated operating income

◆ Catalog Unit Sales & Consolidated OP Trend



3. Strategy for Sustainable Growth

3. Strategy for Sustainable Growth (1)

■ Personnel Investment Strategy

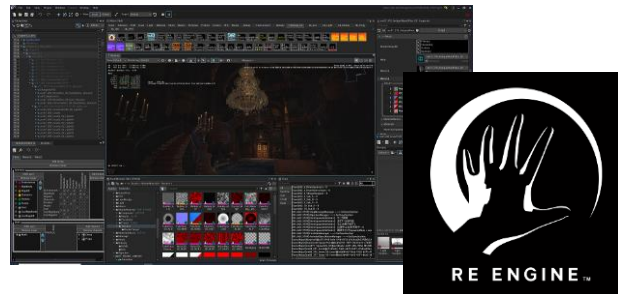
- Personnel investment now highest priority issue for management's strategy toward achieving mid-to-long term sustainable growth

(Carried out April 2022)

(1) Reorganized human resources operations, established Chief Human Resources Officer position

(2) Revised compensation system

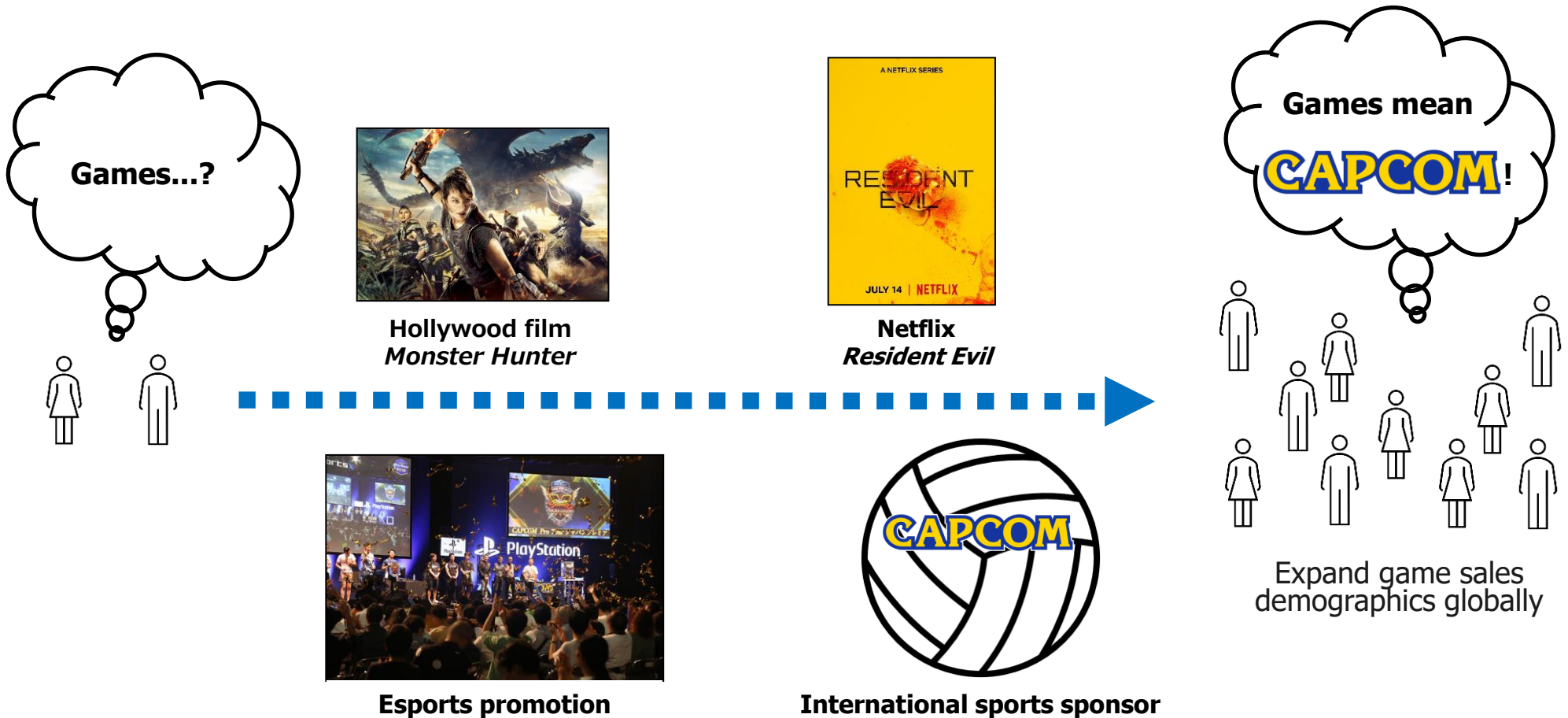
- Will improve productivity by providing an even more comfortable work environment for employees and pursuing talent acquisition and training
- Look to further bolster 2,500-person strong developer workforce



3. Strategy for Sustainable Growth (2)

■ Strengthening our brands worldwide

- Accelerating reach of our brands into more than 200 countries/regions by pursuing **in-house movie production, esports promotions and sponsorships**

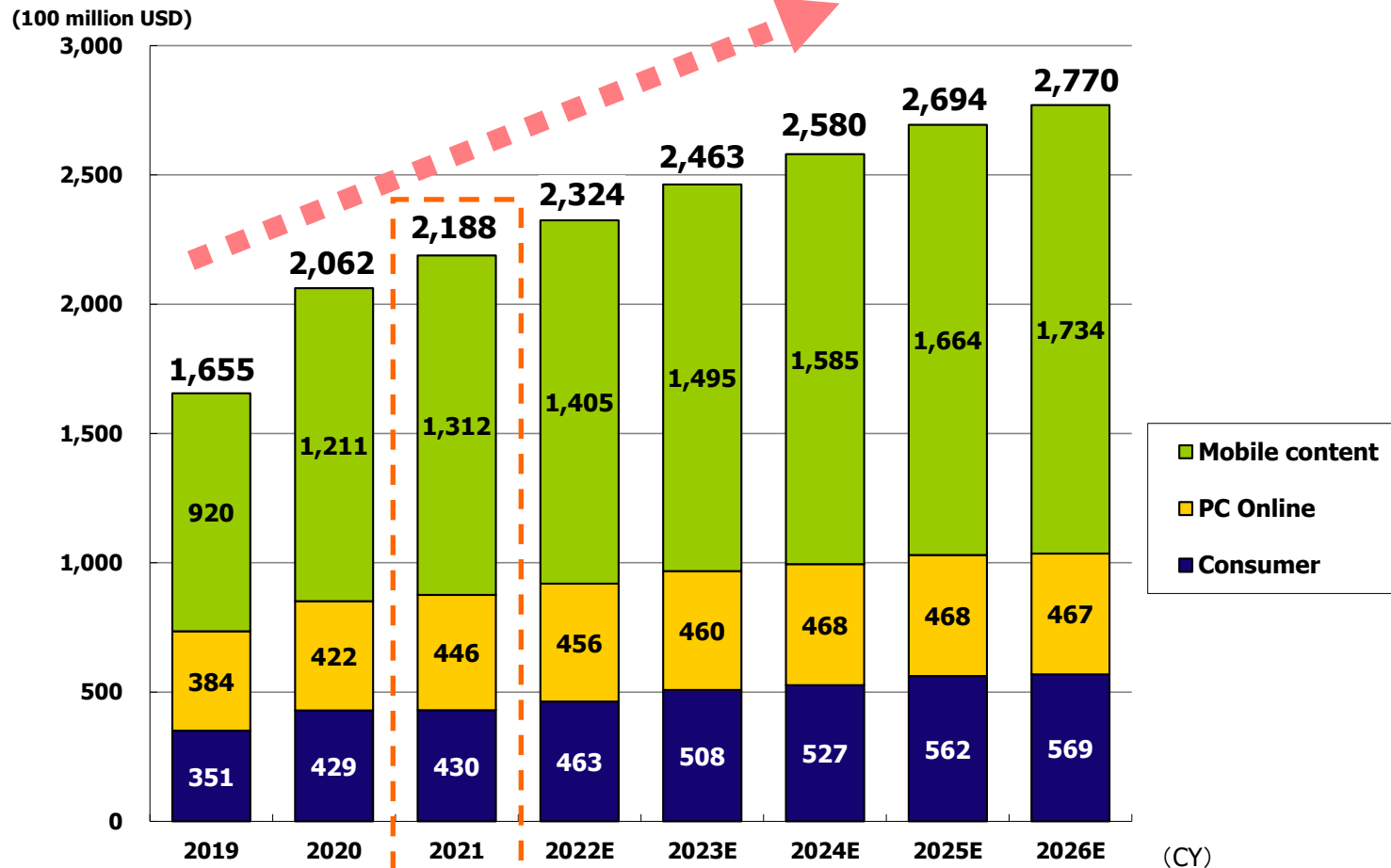


4. Market Overview

4. Market Overview

Global game market
continuing to expand

■ Video Game Market



E: Estimate *Source : Data prepared from International Development Group

5. Forecasts for FY3/23

5. Forecasts for FY3/23 (1)

Aim for ten consecutive years of increased operating income driven by stable growth of the Digital Contents business

(million yen)

	2022/3	2023/3 Plan	Difference
Net sales	110,054	120,000	9,946
Operating income	42,909	48,000	5,091
Operating margin	39.0%	40.0%	-
Ordinary income	44,330	48,000	3,670
Net income attributable to owners of the parent	32,553	34,500	1,947

- Expect increased sales and profit YoY due primarily to growth of digital sales in the Consumer sub-segment
- Earnings per share forecast: ¥161.59
- Dividend forecast: interim dividend of ¥23 and year-end dividend of ¥23 resulting in a ¥46 dividend for the fiscal year

5. Forecasts for FY3/23 (2)

Consumer sub-segment of Digital Contents business overall driver

(million yen)

	2021/3	2022/3	2023/3 Plan	Difference
Digital Contents				
Net sales	75,300	87,534	94,200	6,666
Operating income	37,002	45,359	51,100	5,741
Unit sales (thousand units)	30,100	32,600	37,000	4,400
Arcade Operations				
Net sales	9,871	12,404	15,000	2,596
Operating income	149	652	1,000	348
Amusement Equipments				
Net sales	7,090	5,749	6,000	251
Operating income	2,407	2,348	2,400	52
Other Businesses				
Net sales	3,045	4,366	4,800	434
Operating income	987	1,517	1,300	-217

- New title *Monster Hunter Rise: Sunbreak* scheduled for June 30, 2022
- Plan to release multiple major new titles
- Anticipate record unit sales. Will expand catalog sales globally via digital strategy



CAPCOM