



Capcom Co., Ltd.
(TSE Prime, 9697)

**Financial Highlights for the
Fiscal Year ended March 31, 2023**

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Forward-looking Statements

Strategies, plans, outlooks and other statements that are not historical facts are based on assumptions that use information currently available and reasonable judgments. Actual performance may be significantly different from these statements for a number of reasons.

In the entertainment industry, which includes Capcom, performance may be highly volatile because of diverging user needs and other changes in market conditions.

Factors that can affect Capcom's performance include: (1) the number of hit titles and sales volume in the Home Video Game Business, which accounts for the majority of sales; (2) progress in developing home video games; (3) consumer demand for home video game consoles; (4) sales outside Japan; (5) changes in stock prices and exchange rates; (6) alliances with other companies concerning product development, sales and other operations; and (7) changes in market conditions; (8) natural disasters, disease outbreaks, economic crises and other unforeseeable events. Please note that this is not a complete list of factors that can influence Capcom's operating results.

1-1. Financial Highlights – Consolidated Business Results (1)

■ Results: FY3/22 vs. FY3/23

(million yen)

	2022/3	2023/3	Difference
Net sales	110,054	125,930	15,876
Operating income	42,909	50,812	7,903
Ordinary income	44,330	51,369	7,039
Net income attributable to owners of the parent	32,553	36,737	4,184

- Sales and profit up due primarily to increased sales volume in the Consumer sub-segment
- All profit items reach record highs; tenth consecutive year of OP growth
- Earnings per share: ¥174.73
- Year-end dividend: ¥40
(Breakdown: ordinary dividend: ¥30, commemorative dividend: ¥10)
Annual dividend: ¥63 (Dividend payout ratio: 36.1%)
- ROE: 23.9%

1-1. Financial Highlights – Consolidated Business Results (2)

■ Plan vs. Actual for FY3/23

(million yen)

	2023/3 Plan	2023/3	Difference
Net sales	125,000	125,930	930
Operating income	50,000	50,812	812
Operating margin	40.0%	40.3%	-
Ordinary income	50,000	51,369	1,369
Net income attributable to owners of the parent	36,500	36,737	237

*The consolidated business results forecast for FY3/23 was revised upward as of October 26, 2022.

■ Performance overall in-line with revised plan

1-1. Financial Highlights – Consolidated Business Results (3)

■ FY3/23 Net Sales/Operating Income (by segment)

(million yen)

	2022/3	2023/3	Difference
Net sales	110,054	125,930	15,876
Digital Contents	87,534	98,158	10,624
Arcade Operations	12,404	15,609	3,205
Amusement Equipments	5,749	7,801	2,052
Other Businesses	4,366	4,360	-6
Operating income	42,909	50,812	7,903
Digital Contents	45,359	53,504	8,145
Arcade Operations	652	1,227	575
Amusement Equipments	2,348	3,433	1,085
Other Businesses	1,517	1,433	-84
Adjustments*	-6,967	-8,787	-1,820

*Adjustments include unallocated corporate operating expenses. The corporate operating expenses, which do not belong to any reportable segments, mainly consist of administrative expenses.

■ Growth driven by Consumer sub-segment of the Digital Contents business

1-2. Financial Highlights – Consolidated Financial Position

■ FY3/23 Balance Sheet/Statement of Cashflows (Summary)

Balance Sheet

(million yen)

Assets	2022/3	2023/3	Difference
Current Assets	151,312	171,402	20,090
Cash on hand and in banks	107,262	102,116	-5,146
Notes receivable - trade	7,932	25,097	17,165
Accounts receivable - trade			
Work in progress for game software	31,192	38,510	7,318
Other	4,926	5,679	753
Fixed Assets	36,053	45,963	9,910
Total assets	187,365	217,365	30,000
Liabilities			
Current Liabilities	30,742	46,043	15,301
Notes and accounts payable - trade			
Electronically recorded monetary liabilities	3,601	5,529	1,928
Deferred revenue	8,932	5,455	-3,477
Other	18,209	35,059	16,850
Long-term liabilities	10,147	10,193	46
Total liabilities	40,890	56,236	15,346
Net Assets			
Shareholders' equity	144,765	156,979	12,214
Other	1,710	4,149	2,439
Total net assets	146,475	161,129	14,654
Total liabilities and net assets	187,365	217,365	30,000

Statement of Cashflows

(million yen)

	2022/3	2023/3	Difference
Cash flows from operating activities	46,947	21,789	-25,158
Net income before income taxes	44,322	51,143	6,821
Increase (decrease) in notes and accounts payable - trade	17,208	-17,155	-34,363
Decrease (increase) in work in progress for game software	-6,744	-7,320	-576
Increase (decrease) in deferred revenue	2,008	-3,729	-5,737
Cash flows from investing activities	-7,426	-7,679	-253
Cash flows from financing activities	-9,980	-22,485	-12,505
Effect of exchange rate changes on cash and cash equivalents	2,050	2,209	159
Net change in cash and cash equivalents	31,592	-6,165	-37,757
Cash and cash equivalents at beginning of year	64,043	95,635	31,592
Cash and cash equivalents at end of year	95,635	89,470	-6,165

*Deferred revenue of ¥5.4 billion under current liabilities consists primarily of revenue from *Resident Evil 4* and *Monster Hunter Rise: Sunbreak* etc., that was deferred until the release of free DLC. We anticipate this revenue will gradually be recognized in net sales by the end of FY2023.

2-1. Business Segment Results – Digital Contents (1)

Sales and profits up due primarily to contributions of major new titles and growth of digital sales in the Consumer sub-segment

■ FY3/23 Digital Contents Performance

(100 million yen)

	2021/3	2022/3	2023/3	Difference
Net sales	753	875	981	106
Consumer Breakdown				
Package sales	208	300	180	-120
Digital sales (incl. digital license)	480	533	773	240
Digital license portion	30	9	70	61
Consumer total	688	833	953	120
Deferred revenue portion	-22	-19	38	57
Mobile Contents	65	42	28	-14
Operating income	370	453	535	82
Operating margin	49.1%	51.8%	54.5%	-

*Digital license indicates income from providing content etc. to online platforms

*Deferred revenue primarily indicates the variance between deferred revenue and reversed revenue stemming from the release of free download content that typically follows the release of a full game

2-1. Business Segment Results – Digital Contents (2)

Sales volume reaches record-high due primarily to growth of digital, overseas and catalog sales

■ FY3/23 Unit Sales (Consumer)

(units in thousands)

	2021/3		2022/3		2023/3		Difference	
New Titles (SKU)	14		24		35		11	
Number of titles sold / sales regions	301 / 216		304 / 219		307 / 230		3 / 11	
Total unit sales	30,100		32,600		41,700		9,100	
Overseas units	24,350	80.9%	27,100	83.1%	33,500	80.3%	6,400	-
Japan units	5,750	19.1%	5,500	16.9%	8,200	19.7%	2,700	-
Digital units	23,150	76.9%	24,600	75.5%	37,300	89.4%	12,700	-
Physical units	6,950	23.1%	8,000	24.5%	4,400	10.6%	-3,600	-
Catalog units	20,500	68.1%	24,000	73.6%	29,300	70.3%	5,300	-
New units	9,600	31.9%	8,600	26.4%	12,400	29.7%	3,800	-
Major titles								
New	Monster Hunter Rise Resident Evil 3		Resident Evil Village Monster Hunter Stories 2: Wings of Ruin		Monster Hunter Rise: Sunbreak Resident Evil 4 (remake)			
Catalog	Monster Hunter World: Iceborne Resident Evil 7 biohazard Resident Evil 2 Monster Hunter: World		Monster Hunter Rise Resident Evil 7 biohazard Resident Evil 2 Monster Hunter World: Iceborne Resident Evil 3		Monster Hunter Rise Resident Evil 2 Resident Evil 3 Devil May Cry 5 Resident Evil Village Resident Evil 7 biohazard (7 titles total)			

*New titles: titles released in the current fiscal year; Catalog titles: titles released in the previous fiscal year or earlier

*Includes distribution titles

2-1. Business Segment Results – Digital Contents (3)

Focused on launch of new titles in major brands
and long-term catalog title sales growth via pricing strategies

■ FY3/23 Highlights (Consumer)

- New title *Resident Evil 4* released on March 24, 2023

● FY22 Top Title Unit Sales

(10 thousand units)

Title	FY22	Lifetime
Monster Hunter Rise: Sunbreak	545	545
Resident Evil 4	375	375
Monster Hunter Rise	370	1,270
Resident Evil 2	225	1,190
Resident Evil 3	195	705
⋮		
Resident Evil 7 biohazard	120	1,205



Resident Evil 4

■ FY3/23 Highlights (Mobile Contents)

- Continued operating existing titles.

2-2. Business Segment Results – Arcade Operations

**Sales and profit up from contributions of new stores
and post-pandemic recovery at existing stores**

■ FY3/23 Business Results

(100 million yen)

	2021/3	2022/3	2023/3	Difference
Net sales	98	124	156	32
Operating income	1	6	12	6
Operating margin	1.5%	5.3%	7.9%	-
Same store sales	-22%	+19%	+20%	-

■ Number of Stores

(stores)

	2021/3	2022/3	2023/3	Difference
New stores	1	2	5	3
Closed stores	0	1	2	1
Total	41	42	45	3



Miraino Aeon Mall
Toyokawa Store

■ FY3/23 Highlights

- Same store sales: +20% (cumulative for the 12 months)
- Opened 5 stores including the Miraino Aeon Mall Toyokawa Store, featuring an interactive amusement facility

2-3. Business Segment Results – Amusement Equipments

Sales and profits up via steady
release of four new pachislo titles

■ FY3/23 Business Results

(100 million yen)

	2021/3	2022/3	2023/3	Difference
Net sales	70	57	78	21
Operating income	24	23	34	11
Operating margin	33.9%	40.8%	44.0%	-

■ FY3/23 Pachislo Sales Volume

	2021/3	2022/3	2023/3	Difference
New titles	3	3	4	1
Sales (thousand units)	27	26	44	18

*Includes catalog title sales

■ FY3/23 Highlights

- Released 4 new pachislo titles, including *Monster Hunter World: Iceborne*; total 44,000 units sold



Monster Hunter World:
Iceborne

2-4. Business Segment Results – Other Businesses

Leveraged synergies with game software sales to promote Single Content Multiple Usage Strategy

■ FY3/23 Business Results

(100 million yen)

	2021/3	2022/3	2023/3	Difference
Net sales	30	43	43	-0
Character/Media	29	40	41	1
eSports	1	3	2	-1
Operating income	9	15	14	-1
Character/Media	18	23	26	3
eSports	-9	-8	-12	-4
Operating margin	32.4%	34.7%	32.9%	-

■ FY3/23 Highlights (Character/Media)

- Signed production deal for new live-action *Street Fighter* movie and television series

■ FY3/23 Highlights (eSports)

- Held tournaments globally, including **Street Fighter League: Pro-JP 2022 Grand Final**



Street Fighter League: Pro-JP 2022 Grand Final