

**Overview of Q&A at Briefing on Consolidated Financial Results
of the Year ended March 31, 2009**

Q.

You mentioned that Capcom will focus on developing products for the Wii in the Home Video Games business for the year ending March 31, 2010. Why Capcom didn't originally produce as many titles for the Wii as it did for the other consoles. Likewise, what are your future platform strategies?

A.

Capcom has been releasing video game titles for the Wii as well. With our multi-platform strategy, our basic policy is to choose the console that best fits the game. Ultimately, our goal is to provide game titles in the context our customers can enjoy most.

Q.

Are market conditions in North America and Europe deteriorating? How does Capcom intend to overcome these economic hurdles?

A.

Sales of our major leading titles released in the end of FY 2008, including "Resident Evil 5" and "Street Fighter IV," were better than we expected, so we really don't feel that the markets are slowing down. That being said, there was the indication that sales were sluggish for small and medium scale games, as well as games aimed at the casual gamer.

Q.

Please tell us about Capcom's anticipated impact of the exchange rate on the business plan for the year ending March 31, 2010.

A.

We forecast that the effects on operating income will be around 70 million yen for one dollar and 35 million yen for one euro.

Q.

What do you think the final exchange rate for the year ending March 31, 2010?

A.

We predict 95 yen per dollar and 115 yen per euro.

Q.

I would like to know why the investment amount in Capcom's R&D investment plan for FY 2009 will increase considerably over the previous term.

A.

We plan to invest 24 billion yen in R&D in this fiscal year, but the actual amount will probably be decreased a little less than that. In FY 2008, we invested 16.6 billion yen, though our initial investment plan called for 24.7 billion yen. Our R&D investment in FY 2009 will most likely fall below the planned amount, as we are currently reviewing which contents will receive investment funds.

Q.

More than 10 billion yen is reported as work-in-progress for game software at the end of March 2009. Do you expect this amount will continue to increase in the future?

A.

We reported around 12 billion yen for work-in-progress for game software at the end of the third quarter of the year ended March 31, 2009, but the actual amount decreased because part of it was recorded as expenses for "Resident Evil 5," "Street Fighter IV" and other titles released in the fourth quarter. That being said, we are developing other big-name titles such as "Lost Planet 2" and "Monster Hunter 3 (Tri)" this term. That's essentially why we recorded around 10 billion yen as of the end of this March. Once those titles are released the amount will decrease. Thus there won't be a major increase in the work-in-progress amount at the end of FY 2009, so there is no need to worry.

Q.

What kind of marketing promotions will Capcom perform in order to achieve your sales target of 2 million for "Monster Hunter 3 (Tri)"?

A.

"Monster Hunter 3 (Tri)" is one of our major titles for this term. Therefore, particularly in Japan, we plan to conduct a series of promotional activities with game console manufacturers to help ensure its success. At this moment I would like to refrain from mentioning the details as they are still under consideration.

Q.

What are Capcom's plans for boosting the name recognition of "Monster Hunter Freedom Unite," within your overseas operations?

A.

After analyzing the success of the "Monster Hunter" series in Japan, first of all, we shall hold events and give overseas customers the chance to experience to find out what "Monster Hunter" is all about. I can't really disclose all the details at this time, but we would like to work with video-game console manufacturers to help make these promotions a success.

Q.

Could you tell us the release dates of your leading game titles for FY 2009?

A.

We haven't yet settled on any specific release dates at this time. Taking into consideration factors such as product development progress and the release dates of our competitor's titles, we'll try to select the best timing for releasing our games.

Q.

Could you tell us the sales ratio of in-house game machines to contracted development models in the Pachinko & Pachislo business of the Contents Expansion business?

A.

Though we are unable to give a detailed breakdown, we plan to release 14,000 units of three in-house game machine models and one contracted development model onto the market. In order to better establish Capcom's brand name, there is a chance we may slightly lower the price of our second in-house game machine "Vampire," which will be launched in July 2009.

Q.

Could you give us a rundown of the projected Contents Expansion business profits for the year ending March 31, 2010?

A.

We expect to earn 40% from the Pachinko&Pachislo business and 60% from the Mobile Contents business.

Q.

Why does Capcom's plan indicate such a significant drop in the Arcade Games Sales business performance for the year ending March 31, 2010?

A.

The reason we anticipate decreases in both sales and profits for this term is because there are no plans to launch any new arcade video game machines to help bolster this business's performance. Rather, our main focus will be *mass-medal* machines, a medal game in which multiple players can interact. In addition, considering the current market situation, we are under process of transferring personnel from developing arcade game machines and having them work on home video game software.

Q.

Do you think, looking at Capcom's sales by region, that the proportion of domestic sales to overall sales will decline in the future?

A.

For the most part we expect the domestic sales ratio to decline, namely because we had the Home Video Game business's "Monster Hunter Freedom 2G" was so successful in FY 2008 combined, and also because sales were sluggish in the Arcade Games Sales and Arcade Operation businesses. However, that doesn't mean we expect the domestic home video game software market ratio to decline continuously; we more or less see the markets continuing to level-off. Likewise, should the market contract in the future, we will strive to improve our overall business performance by expanding our market share.