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Press Release

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**Sales for the 6 Months of FY2012 Increased 55.7%, as well as Operating Income
Expanded by 134.2% from the Same Term Last Year**

- Favorable results of “Resident Evil 6” and social game business contributed to the highest records
at all levels for the first half of a fiscal year -

Capcom Co., Ltd. would like to announce that net sales increased to 45,538 million yen (up 55.7% from the same term last year) in the 6 months of fiscal year ending March 31, 2013. As for profits, operating income increased to 6,515 million yen (up 134.2 % from the same term last year), and ordinary income increased to 6,076 million yen (up 218.5 % from the same term last year). Net income for the current period increased to 4,125 million yen (up 355.1 % from the same term last year).

During this 6 months, the flagship title “Resident Evil 6” off to a good start with shipping 3.7 million units at the end of September* in the Digital Contents business. In addition, Capcom’s first open world game “Dragon’s Dogma” enjoyed popularity exceeding expectations in the more profitable domestic market, becoming a million seller. *4.5 million units for the first shipment as of October 4, 2012

Additionally, in the social game market, “Resident Evil: Outbreak Survive”, which started distributing in the previous fiscal year, achieved more than two million registered members, as well as “Minna to Monhan Card Master” continued to maintain steady sales by steadily gaining new users. Furthermore, other social games remained strong under Beeline, our strategic brand. “The Smurfs’ Village”, long-term popular titles, brought Capcom steady fees by obtaining a wide range of users.

Thus, the global growth of the mobile contents business greatly contributed to the favorable results.

As a result, sales and income for this 6 months period broke the record at all levels for the first half, since the announcement of consolidated mid-term financial results started in the fiscal year ended March 31, 2001.

As for the forecast for the fiscal year ending March 31, 2013, there is no change from the financial announcement on May 7, 2012.

1. Consolidated Financial Results for the 6 months ended September 30, 2012

(April 1, 2012 – September 30, 2012)

	Net sales	Operating income	Ordinary income	Net income
	Million Yen	Million Yen	Million Yen	Million Yen
6 months ended Sep. 30, 2012	45,538	6,515	6,076	4,125
6 months ended Sep. 30, 2011	29,252	2,782	1,907	906

2. Forecast for the Fiscal Year ending March 31, 2013

	Net sales	Operating income	Ordinary income	Net income	Earnings per share of Common stock
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Year ending March 31, 2013	105,000	15,800	15,700	9,800	170.19

3. Status of Each Operational Department

(1) Digital Contents

(Unit: Millions of Yen)

	6 months ended Sep. 30, 2011	6 months ended Sep. 30, 2012	Difference (%)
Net sales	20,695	34,993	69.1%
Operating income	3,154	5,777	83.1%
Operating margin	15.2%	16.5%	-

- a. This business segment saw the flagship title “Resident Evil 6” (for PlayStation 3 and Xbox 360) off to a good start. In addition, Capcom’s first open world game “Dragon’s Dogma” (for PlayStation 3 and Xbox 360) enjoyed popularity exceeding expectations in the more profitable domestic market, becoming a million seller unprecedented among recent new brand games developed and published by the Company.
- b. “Resident Evil: Operation Raccoon City” (for PlayStation 3 and Xbox 360), which was launched during the previous fiscal year, also enjoyed steady growth in sales. Additionally, downloadable contents also contributed to improved profit, supported by their stable popularity.
- c. In the meantime, as the platform progressively transitioned from feature phones (conventional mobile phones) to smartphones (high-function mobile phones) in the social game market, “Minna to Monhan Card Master”, which started distributing through Mobage in the previous fiscal year, continued to maintain steady sales and “Resident Evil: Outbreak Survive” for GREE achieved more than two million registered SNS members by steadily gaining new users. In addition “Sengoku BASARA: Card Heroes” started distributing.

- d. Furthermore, other social games remained strong; for example, “The Smurfs’ Village” and “Snoopy’s Street Fair”, long-term popular titles under “Beeline”, our strategic brand, brought Capcom steady fees by obtaining a wide range of users.
- e. “Monster Hunter Frontier Online” series also secured a stable income.
- f. The Resulting net sales were 34,993 million yen (up 69.1% from the same term last year), and operating income was 5,777 million yen (up 83.1% from the same term last year).

(2) Arcade Operations

(Unit: Millions of Yen)

	6 months ended Sep. 30, 2011	6 months ended Sep. 30, 2012	Difference (%)
Net sales	6,054	5,630	-7.0%
Operating income	1,223	986	-19.4%
Operating margin	20.2%	17.5%	-

- a. In Arcade Operations business, efforts were made to develop new customers, secure repeat customers and expand the customers base elaborating activities to attract customers such as various events and discount days in pursuit of the “No. 1 shop in the area”, as well as hands-on tours and implementation of a membership system for older customers, while pressing forward with our efficient store strategy, including the closure of unprofitable facilities.
- b. However, we were unable to avoid the impact of the shortage of alternative products and the backlash of increase in demand after the Great East Japan Earthquake in the same period last year.
- c. Since we closed two unprofitable arcades, the total number of our arcades became 35 as of the end of the current period.
- d. The resulting net sales were 5,630 million yen (down 7.0% from the same term last year), and operating income was 986 million yen (down 19.4% from the same term last year).

(3) Amusement Equipments

(Unit: Millions of Yen)

	6 months ended Sep. 30, 2011	6 months ended Sep. 30, 2012	Difference (%)
Net sales	1,136	3,594	216.3%
Operating income	-216	1,336	-
Operating margin	-19.0%	37.2%	-

- a. In Amusement Equipments business, a new coin-operated game machine “Mario Party Kurukuru! Carnival” was released, and we expanded sales of existing products such as “Monster Hunter Medal Hunting”.
- b. In addition, Capcom endeavored to enhance the contracted product development business for pachislo machines.
- c. The resulting net sales were 3,594 million yen (up 216.3% from the same term last year), and operating income was 1,336 million yen (216 million yen for operating losses in the previous year).

(4) Other Businesses

(Unit: Millions of Yen)

	6 months ended Sep. 30, 2011	6 months ended Sep. 30, 2012	Difference (%)
Net sales	1,366	1,320	-3.4%
Operating income	530	497	-6.3%
Operating margin	38.8%	37.7%	-

Net sales from Other Businesses, mainly character-related licensing royalties, were 1,320 million yen (down 3.4% from the same term last year), and operating income was 497 million yen (down 6.3% from the same term last year).