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Press Release

Company Name : Capcom Co., Ltd.
 Representative: Haruhiro Tsujimoto, President and COO
 (Code No. 9697 First Section of Tokyo Stock Exchange)
 Contact: Public Relations and Investor Relations Office
 Phone Number: +81-6-6920-3623

**Financial Results for the 9 Months ended December 31, 2015 Increased by 19.3% in Net Sales,
 by 9.0% in Operating Income from the Previous Term**

- Favorable Consumer business, including “Monster Hunter X (Cross)” and
 overseas digital download sales contributed to the earnings -

Capcom Co., Ltd. (Capcom) today announced that net sales increased to 57,060 million yen (up 19.3% from the same term last year) in the 9 months of fiscal year ending March 31, 2016. As for profits, operating income increased to 10,604 million yen (up 9.0 % from the same term last year), and ordinary income increased to 10,640 million yen (up 5.2% from the same term last year). Net income for the current period increased to 7,006 million yen (up 7.1 % from the same term last year).

During the 9 months ended December 31, 2015, the latest title in the featured series “Monster Hunter X (Cross)” was a major hit and contributed to significant sales of more than 3 million units, surpassing the initially-planned 2.5 million units. In addition, sales of repeat titles and digital download contents were firm, particularly in overseas markets, in the Digital Contents business.

Regarding online games, “Dragon's Dogma Online”, an online open-world action game, was strong, while mobile contents sales improved as downloads of “Monster Hunter Explore” surpassed 3 million. Meanwhile, in the growing Chinese market, distribution of the PC online game “Monster Hunter Online” by Tencent Holdings Limited in cooperation with Capcom, which began in December, was off to a good start.

The resulting consolidated net sales were 57,060 yen (up 19.3 % from the same term last year), operating income was 10,604 million yen (up 9.0% from the same term last year), and all profits exceeded the same term last year.

The forecast for the consolidated business results for the current fiscal year ending March 31, 2016 remains the same as what was projected at the financial results announcement on May 7, 2015.

1. Results for the 9 months ended December 31, 2015 (from April 1, 2015 to December 31, 2015)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent
	Million Yen	Million Yen	Million Yen	Million Yen
9 months ended December 31, 2015	57,060	10,604	10,640	7,006
9 months ended December 31, 2014	47,830	9,727	10,114	6,540

2. Earnings forecast for the fiscal year ending March 31, 2016

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Earnings per share of common stock
	Million Yen	Million Yen	Million Yen	Million Yen	Yen
Year ending March 31, 2016	76,000	12,000	11,700	7,700	136.94

3. Status of Each Operational Department

(1) Digital Contents

(Unit: Million Yen)

	9 months ended December 31, 2014	9 months ended December 31, 2015	Difference (%)
Net sales	32,408	36,080	11.3%
Operating income	8,469	9,706	14.6%
Operating margin	26.1%	26.9%	-

- a. In the Digital Contents business, the latest title in the featured series, “Monster Hunter X (Cross)” (for the Nintendo 3DS system), was a major hit due to its overwhelming popularity among users who had highly anticipated its release which contributed to significant sales of more than 3 million units, surpassing the initially-planned 2.5 million units. Additionally, while sales of “Sengoku BASARA 4 SUMERAGI” (for PlayStation 4 and PlayStation 3) were solid thanks to its well-established brand power, “DAIGYAKUTENSAIBAN” (for the Nintendo 3DS system) remained slow.
- b. On the other hand, sales of repeat titles and digital download sales were firm, particularly in overseas markets.
- c. Regarding online games, “Dragon's Dogma Online” (for PlayStation 4, PlayStation 3 and PC), an online open-world action game where players can freely experience a host of adventures, were strong, while mobile contents sales improved as downloads of “Monster Hunter Explore” (for Android and iOS) surpassed 3 million.
- d. The resulting net sales were 36,080 million yen (up 11.3% from the same term last year), and operating income was 9,706 million yen (up 14.6% from the same term last year).

(2) Arcade Operations

(Unit: Million Yen)

	9 months ended December 31, 2014	9 months ended December 31, 2015	Difference (%)
Net sales	6,952	6,578	-5.4%
Operating income	763	459	-39.8%
Operating margin	11.0%	7.0%	-

- a. In the Arcade Operations business, with the market continuing to be weak, the Company strived to expand its customer base by attracting customers including women and families through such measures as holding various events and service days for the middle-aged and seniors by offering “free game experience tours” and the setting up of additional “Asobi Oukoku peekaboo” sites and “Kids' Corner” sections targeting younger children.
- b. Nonetheless, the segment results were soft, partly because of the lack of a high-performance product as well as sluggish demand due to the dispersion of entertainment, resulting from the overlapping of arcade game players with smartphone users.
- c. During the period under review, “Amuse Factory Tokoname” (Aichi Prefecture) and the unique “Capcom Cafe” (Saitama Prefecture) were opened, while one arcade was closed, bringing the total number of arcades to 34.
- d. The resulting net sales were 6,578 million yen (down 5.4% from the same term last year), and operating income was 459 million yen (down 39.8% from the same term last year).

(3) Amusement Equipments

(Unit: Million Yen)

	9 months ended December 31, 2014	9 months ended December 31, 2015	Difference (%)
Net sales	7,002	13,091	87.0%
Operating income	2,789	2,895	3.8%
Operating margin	39.8%	22.1%	-

- a. In the Pachinko & Pachislo sub-segment, unit sales of “Resident Evil 6” strongly increased with the support of loyal fans, which has backed the improvement in revenue as it contributed to the increase in sales. However, sales of “Asura's Wrath” remained weak.
- b. Meanwhile, in the Arcade Games Sales sub-segment, sales of “Luigi Mansion Arcade” were weak reflecting the sluggish market, while “crossbeats REV.” for arcades also below expectations.
- c. The resulting net sales were 13,091 million yen (up 87.0% from the same term last year), and operating income was 2,895 million yen (up 3.8% from the same term last year).

(4) Other Businesses

(Unit: Million Yen)

	9 months ended December 31, 2014	9 months ended December 31, 2015	Difference (%)
Net sales	1,466	1,310	-10.7%
Operating income	458	354	-22.7%
Operating margin	31.2%	27.0%	-

The net sales from Other Businesses, mainly consisting of publication of game guidebooks and sale of related goods, were 1,310 million yen (down 10.7% from the same term last year), and operating income was 354 million yen (down 22.7% from the same term last year).