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Press Release

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**Capcom Announces Revision of Consolidated Full-Year Earnings Forecast,
Variances Between its Non-Consolidated Estimated Earnings and the Previous Fiscal
Year's Actual Results, and a Dividend Forecast Revision (Upward)**

Based on recent operational results, Capcom Co., Ltd. (Capcom) has revised the full-year consolidated earnings forecast for the year ending March 31, 2021 (April 1, 2020 – March 31, 2021) that was announced on May 8, 2020. Further, while the company's non-consolidated earnings forecast is not disclosed, it expects a variance between its non-consolidated estimated earnings and the actual results of the previous fiscal year.

Additionally, the company has revised the dividend forecast for the fiscal year ending March 31, 2021 (April 1, 2020 – March 31, 2021) that was announced on October 29, 2020. Details are as follows:

1. Regarding revisions to the earnings forecast

- i. Revisions to the consolidated forecast for the fiscal year ending March 31, 2021
(April 1, 2020 to March 31, 2021)

(million yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Earnings per share (yen)
Previous forecast (A)	85,000	25,500	25,500	18,000	168.62
Revised forecast (B)	92,000	30,500	30,000	21,000	196.72
Variance (B) - (A)	7,000	5,000	4,500	3,000	-
Variance (%)	8.2	19.6	17.6	16.7	-
(Reference) Previous year's results (FY ended Mar. 31, 2020)	81,591	22,827	22,957	15,949	149.41

ii. Reason for the revision

Following our recent success in proactively growing digital sales in our core Digital Contents business we have seen a solid performance by new title *Resident Evil 3*, along with continued growth in high-margin catalog titles with long sales cycles, such as *Monster Hunter World: Iceborne*, which was released in the previous fiscal year. Additionally, orders for *Monster Hunter Rise*, a major new title scheduled for release in March of this year, are off to a promising start. Altogether, this has led us to expect this business to outperform our plan.

Further, in our Amusement Equipments business, in addition to a strong performance from *Monster Hunter: World*, a new model released in November, we now plan to release three models total rather than the initially planned one model, which has led us to expect to beat our initial plan.

As a result, we expect net sales, operating income, ordinary income and net income attributable to owners of the parent to all exceed our previous forecast.

iii. Variances between non-consolidated estimated earnings for the fiscal year ending March 31, 2021 and the previous fiscal year's actual results
(April 1, 2020 to March 31, 2021)

(million yen)

	Net sales	Operating income	Ordinary income	Net income	Earnings per share (yen)
Previous year's results (A)	68,206	19,105	18,820	16,947	158.76
Current year's estimate (B)	80,000	27,000	27,500	19,000	177.99
Variance (B) - (A)	11,793	7,894	8,679	2,052	-
Variance (%)	17.3	41.3	46.1	12.1	-

iv. Reason for the variances

The reasons for the variances are the same as those for the revision to the consolidated forecast.

2. Regarding revision to the dividend forecast

i. Dividend forecast revision

Record date	Dividend per share		
	Interim dividend End of 2nd quarter	Year-end dividend End of fiscal year	Full-year dividend (Total)
Previous forecast (October 29, 2020)		¥25	¥50
Revised forecast		¥35	¥60
Current year actual	¥25		
Previous year actual (FY ended Mar. 31, 2020)	¥20	¥25	¥45

ii. Reason for the revision

Capcom management sees returning profits to shareholders as an issue of the utmost importance; thus, with consideration given to future business developments and changes in the management environment, we strive to pay stable dividends with a consolidated dividend payout ratio of 30% as our basic policy.

In considering the revision to our full-year consolidated earnings forecast for the fiscal year ending March 31, 2021, and based on the above-stated policy, we have decided to increase the year-end dividend for the year ending March 31, 2021 from the previous forecast of ¥25 per share by ¥10 per share, for a dividend of ¥35 per share.

With this change, and together with the interim dividend (¥25 per share), the full-year dividend will be ¥60 per share, with a consolidated dividend payout ratio of 30.5%.

We plan to raise this matter at the upcoming 42nd Annual General Meeting of Shareholders that is scheduled to be held in June 2021.

* The forecasts presented in this document are based on information that was available on the announcement date of this release. Actual results may differ from this forecast for a number of reasons.