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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 ended March 31, 2022 (April 1, 2021 – March 31, 2022) that was announced on May 10, 2021. 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 ended March 31, 2022 (April 1, 2021 – March 31, 2022). Details are as follows:

1. Regarding revisions to the earnings forecast

- i. Revisions to the consolidated forecast for the fiscal year ended March 31, 2022
(April 1, 2021 to March 31, 2022)

(million yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Earnings per share (yen)
Previous forecast (A)	100,000	42,000	42,000	30,000	140.52
Revised forecast (B)	110,000	42,800	44,300	32,500	152.23
Variance (B) - (A)	10,000	800	2,300	2,500	-
Variance (%)	10.0	1.9	5.5	8.3	-
(Reference) Previous year's results (FY ended Mar. 31, 2021)	95,308	34,596	34,845	24,923	116.74

Note: With an effective date of April 1, 2021, Capcom performed a 2-for-1 split of its common stock. Capcom calculated earnings per share assuming that the stock split was implemented with an effective date of April 1, 2020.

ii. Reason for the revision

In our core Digital Contents business, we saw favorable performances from titles such as *Resident Evil Village*, which is the latest game in the series, as well as *Monster Hunter Stories 2: Wings of Ruin*, an RPG in the *Monster Hunter* series. Further, in addition to the January release of the PC version of *Monster Hunter Rise*, a title that was originally released in March 2021, sales grew due to the stable popularity of catalog titles—primarily past titles in major series—and due to the synergetic effects of discount sales held in the fourth quarter. Altogether, this has led us to expect net sales to exceed our previous forecast.

Additionally, we expect operating income, ordinary income and net income attributable to owners of the parent to all outperform our plan.

2. Regarding variances between non-consolidated estimates and the previous fiscal year's actual results

- i. Variances between non-consolidated estimated earnings for the fiscal year ended March 31, 2022 and the previous fiscal year's actual results
(April 1, 2021 to March 31, 2022)

(million yen)

	Net sales	Operating income	Ordinary income	Net income	Earnings per share (yen)
Previous year's results (A)	83,585	30,372	31,298	22,949	107.49
Current year's estimate (B)	101,600	40,100	40,800	29,200	136.77
Variance (B) - (A)	18,015	9,728	9,502	6,251	-
Variance (%)	21.6	32.0	30.4	27.2	-

Note: With an effective date of April 1, 2021, Capcom performed a 2-for-1 split of its common stock. Capcom calculated earnings per share assuming that the stock split was implemented with an effective date of April 1, 2020.

ii. Reason for the variances

Beginning in April 2021 we integrated our world-wide digital sales functions into Capcom and pursued activities such as pricing strategies driven by sales data analysis. As a result, we expect net sales, operating income, ordinary income and net income to all increase from the previous fiscal year's actual results.

3. 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 (May 10, 2021)		¥18	¥36
Revised forecast		¥28	¥46
Current year actual	¥18		
Previous year actual (FY ended Mar. 31, 2021)	¥25	¥46	¥71

Note: With an effective date of April 1, 2021, Capcom performed a 2-for-1 split of its common stock. For dividends for the year ended March 31, 2021, the above dividends paid were the actual amounts before the stock split.

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 ended March 31, 2022, and based on the above-stated policy, we have decided to increase the year-end dividend for the year ended March 31, 2022, from the previous forecast of ¥18 per share by ¥10 per share, for a dividend of ¥28 per share.

With this change, and together with the interim dividend (¥18 per share), the full-year dividend will be ¥46 per share, with a consolidated dividend payout ratio of 30.2%.

We plan to raise this matter at the upcoming 43rd Annual General Meeting of Shareholders that is scheduled to be held in June 2022.

* 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.