

Linking HR and financial strategies to maximize corporate value



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Initiatives for sustainable growth incorporating an HR perspective

The Group was able to achieve steady growth in the fiscal year ended March 31, 2025, thanks to the understanding and support of users and other stakeholders. This achievement is also the result of the sincere efforts of our people working diligently every day to execute our business activities and the continued support of all of you. On behalf of Capcom, I would like to express our heartfelt gratitude.

Faced with dramatic changes in the business environment, Capcom has promoted strategies centered on securing and developing human resources, thereby elevating our organizational capabilities. At the same time, we have evolved our financial strategy to achieve sustainable growth and generate cash while continuing work to enhance the stability and flexibility of our business. With the accumulation of net cash, our options for future business reinvestment are expanding, making resource allocation that improves corporate value more important than ever.

We seek to unleash our potential from both a human resources and financial perspective, and will endeavor even more toward the creation of sustainable corporate value by reflecting in our management decisions the commitment to maximize the strengths of our organization. In the future, we will continue to be a company that meets and exceeds expectations by taking a positive approach to change and maintaining a flexible and ambitious approach to business development.

Human Resources Strategy

Our human resources investment strategy: Enhancing employee productivity and organizational strength

The importance of investing in our people

Continuously investing in talented human resources is critical in furthering Capcom's sustainable growth. As the CEO correctly points out, to continue to develop high quality games toward our management target of a 10% or better increase in operating profit each fiscal year, as well as our medium- to long-term management goal of software sales of 100 million units, we need to secure excellent development personnel.

As of the fiscal year ended March 31, 2025, we employed 2,846 development personnel, which marks an increase of approximately 24.6% from the 2,285 personnel at the end of the fiscal year ended March 31, 2021.

Capcom's operating environment

While our development headcount has been steadily increasing, we recognize that securing the necessary talent remains an issue both inside and outside the company. Internally, as platforms evolve, game development is expanding in scale with each passing year, and development lead times are growing longer. Creating world-class games requires cutting-edge technological capabilities, thus we must strengthen our organization to stay ahead of technological

advances. As a result, we believe that further expanding our development headcount and improving the skills of our employees will be all the more important in the future.

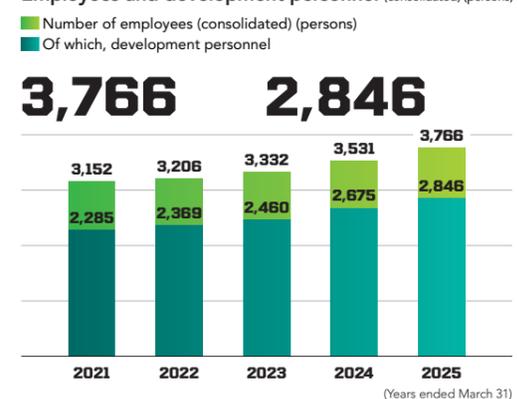
Many of our employees hired between 1993 and 1995 are now in their mid-50s and are working at the forefront of game development. Thus, another important issue for the future is smoothly passing on the knowledge and skills that they have accumulated to the next generation.

On the other hand, looking at the external environment, Japan's labor force is shrinking due to its declining birthrate, and competition in the recruitment market is heating up. There are many people in the younger generation who have been familiar with games since childhood, and we plan to actively recruit them in the future. Yet, the hurdles to attracting talented students who meet the standards required for our game development are getting higher every year.

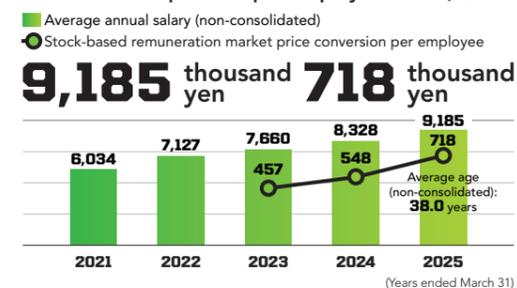
Previous initiatives and outcomes

To address these issues, we have been implementing a human resources investment strategy that focuses on two points: namely, securing and developing human resources to support the future as well as revamping the work environment so that employees can maximize their abilities.

Employees and development personnel (consolidated) (persons)



Average annual salary and stock-based remuneration market value equivalent per employee (thousand yen)



* The special lump-sum payment paid in the fiscal year ended March 31, 2025 is included in the average annual salary. The market price conversion is the monetary conversion of the number of stock-based remuneration points granted per employee based on the Company's closing stock price at the end of the fiscal year. Points are delivered as shares and are not included in the average annual salary until they are paid to the employee.

Securing and developing human resources to support the future

As touched upon in last year's integrated report, we reviewed and made three changes to our remuneration system: (1) an average increase in remuneration for full-time employees of the Company of 30%, (2) the introduction of a bonus system linked to profits, and (3) the introduction of a stock-based compensation system for employees. These systems have created a virtuous cycle in which employees' efforts are directly linked to improved business performance and stock price, which are then reflected in their own compensation.

As a result, the average annual salary of employees (non-consolidated) was 9,185 thousand yen in the fiscal year ended March 31, 2025, an increase of 52.2% from 6,034 thousand yen in the fiscal year ended March 31, 2021. In terms of the stock-based compensation, too, the exchange value of shares granted has increased as the stock price rises, which has boosted employee motivation to grow the company.

In addition to strengthening our competitiveness in terms of compensation, we are also promoting recruitment branding and diversifying our recruitment channels, including accepting interns from prestigious overseas universities. We have made steady progress in mid-career recruitment, and the number of mid-career hires at Capcom has grown to approximately 120 people. In terms of new graduate recruitment, in order to acquire even more talent, we intend to raise the starting salary of new graduates to 300 thousand yen per month from 2025, which is one of the highest in the domestic industry.

In terms of human resource development, we have been hiring more than 100 new graduates every year since 2013, and training them has been a major challenge. In response to this, our frontline operations are taking the lead in training and development, with initiatives such as mentor training for the early development of young employees, which saw an aggregate total of 1,000 development employees participating. In addition, management is also working to create an environment where employees can think independently and grow, such as promoting self-led online learning. We will continue to focus on training young employees so that they can take advantage of their youthful sensibilities while absorbing the valuable know-how of creators currently working on the frontline. In the process, we hope that they can become the next pillars of our game development.

Furthermore, in addition to assessments that encourage early selection of young employees for generalist career-track positions, we are also working on training to improve the management skills of newly appointed managers, with the aim of strengthening the core management layer of talent.

As we pursued these various measures in parallel, it became important to implement measures for development personnel, such as recruitment and

training in a unified manner rather than separately. To this end, in 2024 we established and announced CAPCOM-SHIP, a development personnel policy that clearly states the values and standards of behavior that development employees should share.



CAPCOM-SHIP development personnel policy

CAPCOM-SHIP was created through repeated discussions with employees from different generations and organizations. It sets out this common goal for all development staff: "Deliver Capcom-quality experiences to every corner of the world with unparalleled passion, originality, and teamwork." To achieve this goal, we have established three standards of behavior: "Creatorship (Creating Fun)", "Ownership (Engaging Others)", and "Fellowship (Striving Together)."

We are currently in the early stages of introducing CAPCOM-SHIP as a guideline for organizational management and team building. While created primarily by members directly involved in game development, management also believes this is an important set of values. We will continue to carefully work to spread it throughout the company so that it will become firmly established as part of our culture.

Revamping the work environment so that employees can maximize their abilities

In further expanding the number of development personnel in the future, it is important to create an environment in which human resources with diverse backgrounds, i.e., foreign nationals and employees who need to work shorter hours due to childcare or nursing care obligations, can fully maximize their abilities. To this end, we are developing a number of systems tailored to individual circumstances. For example, we have introduced measures for foreign national employees such as a special leave system so they can visit their home countries, as well as Japanese language learning. We have also opened an in-house daycare center in the Osaka area, conducted nursing care seminars, introduced a partnership system that more inclusively recognizes partners/spouses, and rolled out paid menstrual leave.

In addition to providing harassment and line care training for managers, we have also begun addressing

customer harassment, which has become a growing social concern in recent years. In this manner, we are promoting the creation of a workplace environment where employees can work with peace of mind. Furthermore, we are also working to reflect the voices of those at the forefront of our operations in our policies by conducting needs surveys for all employees and holding information sessions for employees led by management.

As a result of these measures, employee engagement has remained at a higher level, with a turnover rate that is less than the target of 3%.

Future challenges and initiatives

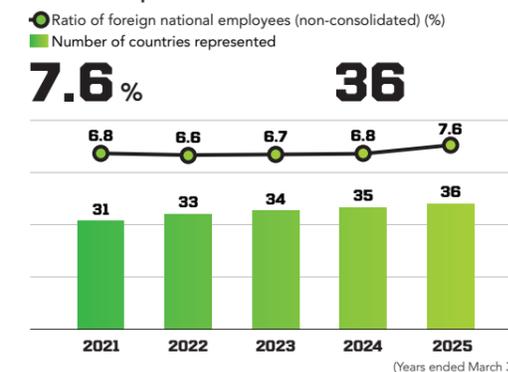
Securing further human resources is more important than ever for the Group's sustainable growth. In recruiting new graduates, we intend to strengthen our ties with universities and vocational schools and promote human resource development through collaboration with educational institutions. One example is our collaboration with Kindai University, where we offer hands-on classes utilizing our proprietary game development engine, RE ENGINE. As part of our academic-industrial initiatives, we are hosting the Capcom Games Competition. This is a competition using RE ENGINE with the aim of quickly discovering and nurturing young creators capable of competing globally.

This competition not only allows participants to compete against each other, but also provides an opportunity for them to interact with our professional



Hands-on class for students using RE ENGINE

Ratio of foreign national employees and number of countries represented



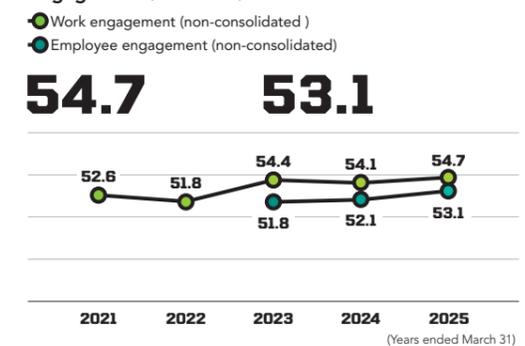
creators, thereby helping to improve their technical skills and creativity. Through these efforts, we hope to discover and develop the talent that will support our next generation of game development and further create opportunities for Capcom to meet talented people.

We also recognize that further improvement is needed in creating an environment where people with diverse backgrounds can demonstrate their abilities, as mentioned above. We currently have more than 200 foreign national employees from 36 countries and regions, but there are still the issues of gaps in work styles and language barriers.

Although we have achieved results to some extent in terms of eliminating the wage gap between men and women and increasing the rate of male employees taking childcare leave, these areas require further initiatives with an eye on the future. We have set a goal of improving the gender wage gap to at least 88%, which is the OECD average, and to raise the percentage of male employees taking childcare leave to at least 85% by fiscal 2028, which is the government's target for fiscal 2030. For details see p.75-84. Furthermore, for older employees nearing retirement, whose numbers are expected to increase in the future, we will support them in taking stock of their careers and planning their life before and after retirement through training and other means. In the process, we will encourage them to pass on their knowledge and skills to younger employees. I believe that it is necessary to establish a support system to enable these senior employees to play an active role as valuable assets even when they are rehired after retirement.

Currently, by producing results through the human resources investment strategy described above, we are creating a virtuous cycle for greater diversity within the company and increased employee engagement. As CHO, I will accelerate this cycle by discussing the issues identified by each personnel organization at the management level and presenting policies.

Engagement (deviation value)



* Engagement represents our t-score in the results of an engagement survey conducted by an external vendor of our employees (excluding short-time workers not covered by social insurance).

Financial Strategy

Further investing in user expansion and sustainable growth

Expanding each business segment while evolving profits and capital

Improving financial condition over the past decade

In the fiscal year ended March 31, 2025, operating profit for the Capcom Group increased for the 12th consecutive year, and we achieved record highs in all profit indicators for the eighth consecutive year. As shown in the following table (see p.36), over the past decade, operating profit has increased 6.2 times, net cash has increased 7.6 times, the operating margin has risen 22 points to 38.8%, and ROE for the most recent fiscal year was 23.0%, maintaining a level above 20% for the fifth consecutive year.

Factors behind this strong performance include Capcom's expanded sales reach into new countries and regions driven by our shift to bolster digital sales, our ability to tap into long-term sales of previously released catalog titles, and optimally-timed pricing strategies that factor in the age of our titles, which contributed to increased sales volume.

Additionally, manufacturing and sales costs for physical products also declined significantly, and efforts to rein in increases in expense items (cost of sales plus SG&A expenses) were even more successful than sales growth, resulting in a lower cost of sales ratio and a significant improvement in the operating margin.

Furthermore, the Arcade Operations and Amusement Equipments businesses have overcome their respective challenges and transitioned to a phase of stable growth, contributing to continued profitability and cash generation.

Net cash position

In recent years, Capcom has reviewed its employee compensation system and was able to increase net cash by 42.2 billion yen year over year at the end of fiscal 2024 despite also increasing total personnel costs. Cash is steadily accumulating due to the sustained 10% or better growth in annual operating profit in each of the last ten fiscal years.

In terms of business investment, we monitor and assess ROIC trends at both the consolidated level and for each major business, and over the last three years, consolidated ROIC remained over 50%, and ROIC for our three major business segments has also been improving. At the same time, we manage profitability by checking the ROI (operating profit divided by development investment) of individual titles. Our findings show that the ROI of each title is improving due to the growth of catalog title sales, contributing to our increasing cash position.

Furthermore, given our high equity ratio and low debt, we place importance on ROE. As of the fiscal year ended March 31, 2025, our ROE stood at 23.0%, compared to a CAPM cost of shareholders' equity of 7.3%, ensuring a stable equity spread.

Bolstering investment for sustainable growth

As net cash increases, the Group's options for business reinvestment to achieve sustainable growth are expanding. Going forward, deciding where and how to invest will become an even more important management decision than ever before.

As risks increase due to changes in the business environment, we are focusing on balancing the following three elements when utilizing cash: 1) business reinvestment, 2) returns to shareholders, and 3) employee compensation. Please refer to my earlier discussion of our human resources strategy for our efforts regarding (3) employee compensation.

Cash utilization: current situation of reinvesting in our businesses

In addition to direct investment for business expansion, business reinvestment also includes spending money to improve the working environment for employees and benefit programs that contribute to higher productivity as well as sales expansion measures utilizing sales promotion expenses. These are important means of utilizing cash to support sustainable growth, and we view each as an important part of the Group's medium-to long-term growth strategy.

Addressing increased investment in development

In recent years, our investment in development has increased with each passing year, growing 1.9 times over the past decade. These investments are expected to exceed 50.0 billion yen in our fiscal 2025 plan. Although our development team is working tirelessly to improve the efficiency and productivity of title development, we still believe that higher investment inputs for development of titles is inevitable given the need to increase user satisfaction and respond to the increasing technical capabilities of gaming devices.

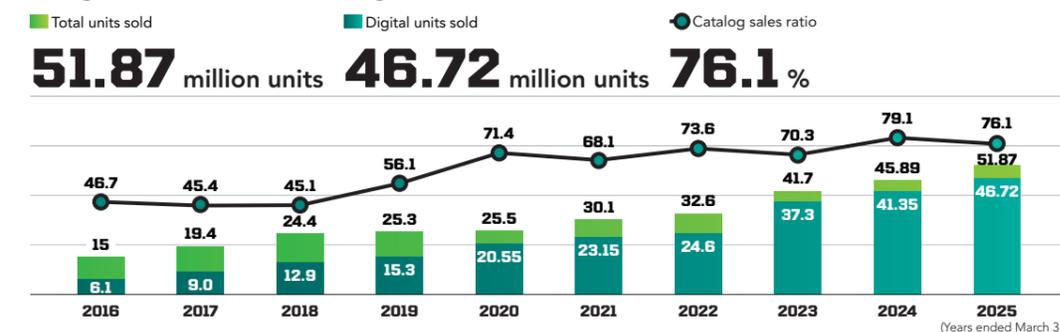
In addition to managing development based on the conventional 60-month map, we are strengthening our investment management by creating a medium-to long-term lineup that includes additional content and checking its progress. When starting production of a title, we consider the scale of development by referencing past sales data, and the process involves application and then approval. Within this, we use the medium- to long-term lineup and title-specific ROI and ROIC management as primary benchmarks. In turn, we formulate sales plans in conjunction with the scale of investment.

We recognize that this investment management is not just about control, but is also an essential initiative for expanding our lineup to support sustainable growth. Even as we increase our investment in development, operating profit per employee has steadily risen, and we view our continued growth as a company as one of our achievements.

Consolidated statements of income items

	2015/3	2020/3	2025/3	Compared to 2015/3	Compared to 2020/3
Net Sales (million yen)	64,277	81,591	169,604	263.9%	207.9%
Operating profit (million yen)	10,582	22,827	65,777	621.6%	288.2%
Operating margin (%)	16.5%	28.0%	38.8%	+22.3pts	+10.8pts
Net profit (million yen)	6,616	15,949	48,453	732.4%	303.8%
ROE (return on equity) (%)	9.8%	16.9%	23.0%	+13.2pts	+6.1pts

Total game software sales and catalog sales ratio (Million, %)



■ Addressing the need for more office space for development teams

Based on our human resources investment strategy, the pace at which the Group's headcount is rising has continued to increase by about 150 every year, reaching a level 1.4 times that of 10 years ago, and 1.2 times that of 5 years ago. Of particular note, we have increased the number of our developers from 2,460 people in the fiscal year ended March 2023, to 2,846 people in the fiscal year ended March 2025,



New building adjacent to headquarters under construction (scheduled for completion in 2027)

an increase of 386 people (approximately 15%) over the past three years. We are thus faced with the issue of our current office space nearing capacity and are quickly working to address this.

We are currently constructing a new building north of our Head Office, which is an example of how we are steadily improving our work environment in anticipation of a medium- to long-term increase in personnel. We aim to secure space that can accommodate the expansion of our development team over the next 10 years and investment in business assets will continue to be one of our most important line items.

■ M&A opportunities

We are also investing in M&A to ensure that we consistently provide new title content, expecting that these deals will strengthen our development capabilities.

We have acquired two development-related companies since fiscal 2023 (making them subsidiaries) in an effort to expand our development system. Since time is required to train creators, we are stepping up mid-career recruitment and at the same time, actively considering M&A deals that will provide personnel who can produce immediate results.

Furthermore, in order to respond to the diversification of user play styles and technological advances, we believe that the introduction of new technologies, including AI, is essential to strengthening our development capabilities going forward. We will continue to investigate this as an initiative that may help to improve development efficiency as well as the expressiveness of our content.

■ Initiatives for market expansion: utilizing movies and other content

In order to continue sustainable growth, we need to penetrate our brand throughout the world and expand our user base. As part of this, we are actively promoting investment in licensing and film productions that utilize our IP. In the area of film, especially, we expect that the scale of investment will expand in the future. By actively participating in the movie planning and production stages, Capcom's development team aims to further enhance our brand value.

We are already seeing results from the synergies between anime productions and game sales, creating a virtuous cycle that both increases awareness of IP and promotes sales. As a result, the scale of our marketing activities is growing, and we are making progress in creating opportunities for users to come into contact with our IP through a variety of channels.

Furthermore, appropriate marketing that takes into account the characteristics of each country and region is essential to brand penetration. Therefore, we continue to invest in strengthening our human resources and organizational structure, as well as in building systems and networks to better understand user trends.

Regarding dividends for the fiscal year ending March 31, 2026, we plan to pay an annual dividend of 40 yen (dividend payout ratio of 32.8%) to return profits to shareholders.

Our stock price has grown steadily in proportion to the increase in net profit over time, resulting in steady progress in the enhancement of corporate value.

Looking ahead, we will continue to strive to meet and exceed the expectations of our shareholders and investors while maintaining a dialogue with them.

In closing

As I have stated, we believe that it is "people" who support the game business, and that human capital is the driving force behind our growth. By advancing this human resources strategy in conjunction with our financial strategy, we will be able to directly maximize our corporate value. In this way, by continuing to invest in human capital and strengthening the financial base that supports it, the Group will seek out the sustainable enhancement of corporate value over the next decade.

Returning profits to shareholders

Based on our basic policy on shareholder returns, we strive to provide regular dividend payouts. We will also maintain watch over our stock price trends and how the market understands our management strategies, and flexibly buyback shares according to the situation.

Consolidated balance sheet items

	2015/3	2020/3	2025/3	Compared to 2015/3	Compared to 2020/3
Cash and deposits (million yen)	32,204	65,657	166,783	517.9%	254.0%
Interest-bearing debt (million yen)	10,992	6,735	6,591	60.0%	97.9%
Net cash (million yen)	21,212	58,921	160,192	755.2%	271.9%

R&D investment and productivity

	2015/3	2020/3	2025/3	Compared to 2015/3	Compared to 2020/3
Number of employees (consolidated)	2,681	2,988	3,766	140.5%	126.0%
Annual R&D investment (million yen)	25,301	25,843	49,496	195.6%	191.5%
ROI (operating profit / R&D investment) (%)	41.8%	88.3%	132.9%	+91.1pts	+44.6pts
Operating profit per employee (consolidated) (thousand yen)	3,947	7,639	17,466	442.5%	228.6%

Shareholder returns

	2015/3	2020/3	2025/3	Compared to 2015/3	Compared to 2020/3
Net profit (million yen)	6,616	15,949	48,453	732.4%	303.8%
Fiscal year end stock price (adjusted closing price) (yen)	298.63	847.50	3,664.00	1226.9%	432.3%
Dividend per share (adjusted) (yen)	10.0	22.5	40.0	400.0%	177.8%
Dividend payout ratio (%)	34.0	30.1	34.5	+0.5pts	+4.4pts

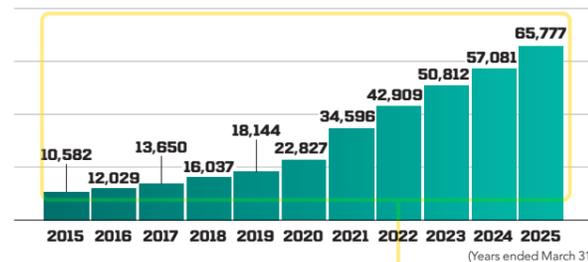
* The stock was split on a basis of two shares for every share of common stock on April 1, 2018, April 1, 2021, and April 1, 2024.

Financial Highlights

Operating Profit / Operating Margins

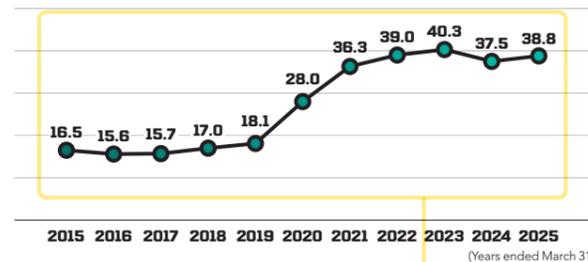
Operating Profit (million yen)

65,777 million yen
15.2% UP↑



Operating Margins (%)

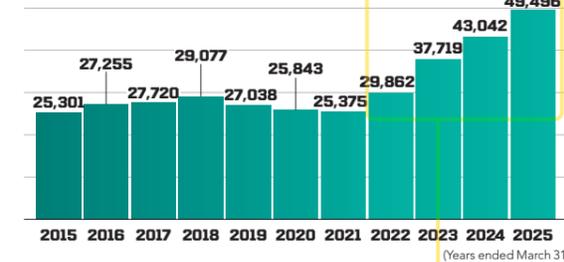
38.8%
1.3points UP↑



In the fiscal year ended March 2011, we promoted profit structure reforms aimed at more efficient development investment. We promoted business restructuring by transitioning to in-house production and strengthened our digital sales strategy in response to rapid changes in the market beginning in the fiscal year ended March 2013. As a result, since the fiscal year ended March 31, 2014, we have promoted digital and global strategies in the Consumer sub-segment and focused on expanding profitable catalog sales, leading to 12 consecutive years of increased operating profit. In the fiscal year ended March 31, 2025, catalog sales of the *Monster Hunter* series continued to grow thanks to coordinating promotions with *Monster Hunter Wilds*. The game became a huge hit, selling over 10 million units in the first month alone after its release. We increased profit 15.2% over the previous fiscal year, marking our eighth consecutive year of record operating profit.

R&D Investment Costs (million yen)

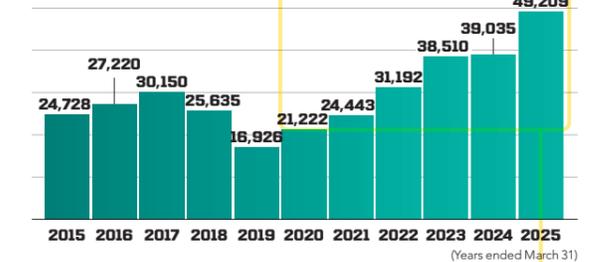
49,496 million yen
15.0% UP↑



Approximately 90% of our investments in R&D are allocated to the Digital Contents business, which is our source of growth. Aiming for sustainable growth, we have actively been investing in our people and growing our title pipeline since 2022. While R&D investment costs per title is trending upwards as hardware becomes more advanced, we will increase efficiency by building a cutting-edge development environment and improving personnel utilization rates, while also thoroughly managing costs.

Balance of Work-in-Progress for Game Software (million yen)

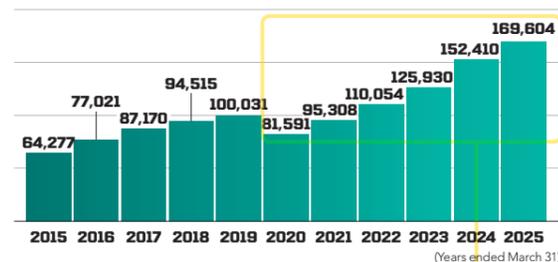
49,209 million yen
26.0% UP↑



Work-in-progress for game software trended upward for a time beginning in the fiscal year ended March 2015, buoyed by the expansion of our pipeline; however, in the fiscal year ended March 2019, it fell significantly due to the release of major titles, as well as the closure of overseas offices and revaluation of assets. From the fiscal year ended March 2020, it has continued to increase gradually as we aim to increase the release of high-quality, major titles that will support sustainable growth in the future based on our long-term sales plan.

Net Sales (million yen)

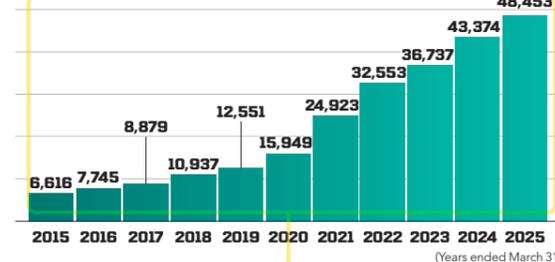
169,604 million yen
11.3% UP↑



After achieving net sales of 100 billion yen in the fiscal year ended March 2014 for the first time, sales declined in the fiscal year ended March 2015 with the sharper focus on highly profitable titles in the Consumer sub-segment. In addition, the decline in revenue in the fiscal year ended March 2020 over the previous year was due to lowered unit prices accompanying digitalization. However, in recent years, we have been experiencing stable growth as the Consumer sub-segment continues to release multiple major titles each year.

Net Profit Attributable to Owners of the Parent (million yen)

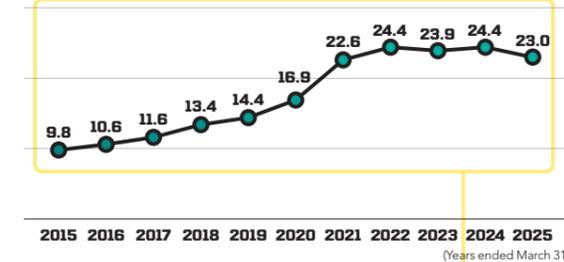
48,453 million yen
11.7% UP↑



Beginning in the fiscal year ended March 2015, the benefits of the structural reforms implemented prior to that point materialized, with net profit going on to increase for 12 consecutive years, in step with operating profit. This demonstrated the establishment of our business model for creating a sustainable profit base even within a hit-driven market environment.

Return on Equity (ROE) (%)

23.0%
1.4points DOWN↓



In the fiscal year ended March 2014, ROE was lower due to decreases in net profit from the recognition of special losses on restructuring and business restructuring expenses. However, from the fiscal year ended March 2015, we have maintained a high ROE level following the elimination of special losses and improved profitability mainly due to digitalization.

Dividend per Share / Dividend Payout Ratio

40.0 yen **34.5%**
14.3% UP↑ **0.8points UP↑**



(Note) With effective dates of April 1, 2018, April 1, 2021, and April 1, 2024, Capcom performed 2-for-1 stock splits of its common stock. For the years ended March 2018 and earlier, the years ended March 2021 and earlier, and the years ended March 2024 and earlier, dividends paid show the actual amounts prior to the stock splits.

Since the fiscal year ended March 2017, the dividend policy was changed from Capcom's long-standing policy of maintaining stable dividends to striving for a consolidated payout ratio of 30% and stable dividends. As stock splits were carried out in the fiscal years ended March 2019, March 2022, and March 2024, dividend amounts have been adjusted according to the split ratios, but actual dividends paid increased, and we have maintained our unbroken record of paying out dividends since listing publicly.

Creating the best content with a passion for creativity and a focus on investment returns

My appointment as CPO

Since joining Capcom in 1996, I have consistently worked in our development divisions, experiencing the evolution of game development at the forefront. In recent years, as the Head of Consumer Games Development Division 2, I led various brands, including the *Monster Hunter* series.

I was appointed as CPO to lead development and intend to carry on where my predecessor left off, adopting the same development style rooted in a passion for the craft and a commitment to quality, structuring our development system to produce titles consistently over the long term, and managing investment returns based on ROI. At the same time, I will utilize my own experience as a game producer to instill a business perspective among core developers, create content that better values the user experience, and strengthen collaboration between business divisions.

General approach

The strengths of Capcom's game development are found in: (1) our unwavering commitment to creativity, (2) the technical prowess to bring our concepts to life, (3) our more than 2,800 development team members who have these two values ingrained in their DNA, (4) our robust structure, in which the game development divisions and the support divisions bolster each other, and (5) the abundant IP that we have created over the past 40 years, including hits such as *Monster Hunter* and *Resident Evil*.

To continue to meet the high expectations of users around the world and earn the trust of stakeholders, I recognize that we must maximize our strengths, refine them to keep up with evolution and scale, and lay the groundwork for the future.

Demonstrating our strengths

Capcom's development has traditionally been based on in-house production, and our development capabilities are among the best in the world. As global game development continues to evolve at an even faster pace, I believe that absorbing changes through in-house production is the best way to maintain and improve our competitiveness. At the same time, reinforcing the cooperation and relationships we have with partner companies is also essential in addressing the wide-ranging challenges that accompany development.

Consumer Games Development Division 1 and 2, which are in charge of title development, are demonstrating their

individuality in the titles they each oversee. Aiming for medium- to long-term growth and maximizing profits, we have formulated a title portfolio called the Medium-Term Development Map that looks five to ten years into the future.

By visualizing the release timing and earnings contribution of each title, we aim to optimize annual earnings and sales intervals within a brand, as well as avoid the over-concentration of title releases. Furthermore, the map also plans the creation of new IP and the revival of dormant IP. In operation, the R&D Management Division supports cost management and management discussions based on plans from the divisions carrying out title development, establishing a system for deployment in management and operations.

The technical standards and efficiency of our development is supported by our proprietary, in-house development engine, RE ENGINE. In addition to its technological and efficiency advantages, this unified development environment offers benefits such as technology sharing across titles and flexible allocation of personnel. RE ENGINE is overseen by the Technical Research Division, which is responsible for the research and operation of fundamental technologies, and is also involved in preparations for the next evolutionary stage and testing of AI technology.

Another distinctive feature of our development is the extensive and well-established support system within our support divisions. This includes the Quality Control Division, which provides comprehensive support for quality control through bug fixes and game balance tuning, and the Consumer Games Production Division, which is responsible for services such as localization along with sound and visual production. This system allows us to maximize the performance of our large-scale development team.

Refining approaches to suit today's reality

As the scale of development expands, rigorous cost management is essential. In our Medium-Term Development Map, we improve operational accuracy by first calculating development investment for each title, then the appropriate P/L and ROI based on that scale. To respond to fluctuations in market conditions and individual title factors, we update the map on a rolling basis every six months while continually refining our calculation methods and tools.

Each title is presented at the development and production meeting at each of the following stages: (1) initiation, (2) prototyping, and (3) production. Development progresses after careful scrutiny from both quality and profitability perspectives. In recent years, with the increasing sophistication of sales data

analysis, development divisions are increasingly being asked to flexibly add languages and platforms, both before and after release. We are working to enable development executives to make quick decisions and ensure frontline response.

With the spread of digital sales, the lifetime of titles is becoming longer, making it extremely important to continuously maintain and improve user satisfaction. We are, therefore, proactively providing post-launch updates while carrying out two-way communication with our fans. Similarly, it is becoming increasingly important to provide a high-quality experience equally to users in all regions around the world, on platforms with diverse performance and configurations, including PCs.

In order to meet a wide range of needs, we will listen more carefully than ever to user feedback and strive for continuous improvement by collaborating not just within the development divisions, but throughout the company as a whole.

Laying the groundwork for the future

To achieve annual sales of 100 million units, we must accelerate our global expansion and strengthen our pipeline by increasing the number of new titles. The foundation for this is, of course, our people. Since 2013, we have actively hired more than 100 developers each year, and through their practical experience, this diverse talent from around the world enriches the foundation of our game development. In 2024, we established the CAPCOM-SHIP development personnel policy to further instill the values and standards of behavior we strive for in our development teams. To enable the early development of young talent even as production timelines grow longer, we will update our training programs, while continuing to promote improvements such as with compensation and our various personnel systems, striving to enhance our work environment to link worker motivation and ambition to results.

In closing

As CPO and the person in charge of the Development Divisions, my role is to lead and manage our development teams with a five- to ten-year outlook. It is an area filled with uncertainty and challenges, but that is the very essence of the ever-evolving game industry. My mission is to take a long-term perspective and implement appropriate measures to translate actions into achievable targets for our frontline operations. Guided by Capcom's DNA of always striving for the best, I will work in step with our employees, who all share our common aim, and utilize our world-class technical prowess and unique, highly refined operational system to develop games that captivate people around the world.

Ryozo Tsujimoto

Chief Product Officer (CPO)
Director and Executive Corporate Officer

Home video game software sales trends (units in ten thousands)



*1 Years ended March 31 *2 Includes sales of *Monster Hunter World: Iceborne Master Edition*

Capcom's world-renowned major IP

With a focus on delivering quality products to a wider audience, we have endeavored to bring life to a multitude of IP. In this section, we review some of our most iconic brands.



Resident Evil series

First released in 1996 and one of our most iconic series, *Resident Evil* is a survival horror franchise in which players utilize a variety of weapons and other items to survive nightmarish, desperate situations. Its unprecedented run as a survival horror game has earned strong support from game fans around the world. *Resident Evil* will celebrate its 30th anniversary in 2026, and the announcement of the release of the latest installment in the series, *Resident Evil Requiem*, has generated mass excitement.

Total number of units sold
170 million



Monster Hunter series

The *Monster Hunter* series features action RPG games that pit players against giant monsters in beautiful, natural environments. The series established a new style of communication through cooperative play, in which players cooperate with friends to hunt ferocious monsters, and has steadily gained fans since the first game was released in 2004, growing into a massive hit. The latest installment in the series, *Monster Hunter Wilds*, released in February 2025, set a company record with 10 million units sold in a single month.

Total number of units sold
120 million



Street Fighter series

First released as an arcade game in 1987, *Street Fighter* has grown to become the world's premier fighting game series. The Super Nintendo Entertainment System version of *Street Fighter II*, which debuted in 1992, sold 6.3 million units worldwide. The latest title, *Street Fighter 6*, is enjoyed by a broad fanbase thanks to innovations such as its Modern Control Type, which allow players to perform special moves without complex commands, and audio accessibility settings that supplement gameplay experiences. Further adding to this is the huge success of the Capcom Cup 11 esports tournament.

Total number of units sold
56 million



Mega Man series

Mega Man is a series of action games in which the first title debuted on the Nintendo Entertainment System in 1987. The contrast between its challenging gameplay and memorable character designs helped drive its popularity. The series has made its way into the hearts of fans around the world through not only video games, but also merchandise, comics, animated TV series, movies and several other types of media.

Total number of units sold
43 million



Devil May Cry series

This stylish action game series is popular for its unique characters and thrilling gameplay. The game's wide variety of weapons, including swords and guns, along with its stunning graphics, have earned it acclaim worldwide. A new animated series based on the game was released on Netflix in April 2025 and received over 5.3 million views globally in its first week, ranking fourth.

Total number of units sold
33 million



Dead Rising series

The first *Dead Rising* game, released in 2006, is an action game in which players uncover the truth behind an incident while fighting off a horde of zombies, but its humorous worldview and thrilling controls have captivated players. In September 2024, we released *Dead Rising Deluxe Remaster*, featuring significantly improved graphics and revamped commands and action elements made possible with our proprietary development engine, RE ENGINE.

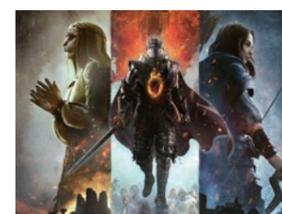
Total number of units sold
18 million



Ace Attorney series

In the *Ace Attorney* game series, players take on the role of a defense attorney who fights for the lives of his clients. Since the first game in the series was released in October 2001, Capcom has successfully leveraged this brand in comic books and merchandise, as well as in live-action movie and stage productions, including shows by the Takarazuka Revue Company.

Total number of units sold
13 million



Dragon's Dogma series

Dragon's Dogma is an open-world action game series where players can freely adventure in a classic fantasy world featuring swords and magic. The experience of adventuring with self-directed characters called "Pawns" has been well-received globally. In March 2024, we released the latest installment in the series, *Dragon's Dogma 2*, the first in 12 years, and sold over 2.5 million units in 10 days.

Total number of units sold
13 million



Onimusha series New release arriving in 2026!

The *Onimusha* series consists of swordplay action games where players assume the role of warriors with the superhuman powers of the Oni and fight against monsters bent on world domination. Since the first game was released in 2001, the series has gained popularity for its exhilarating swordplay and the emotional yet thrilling stories featured throughout the series.

Total number of units sold
8.7 million



Okami series Launch of new project!

Set in the world of ancient Japan depicted with a touch reminiscent of Japanese painting, this action-adventure game series sees players take on the role of the deity Amaterasu in the form of a white wolf as they embark on an adventure to bring back countless lives. Featuring a unique game mechanic called the Celestial Brush, *Okami* has garnered strong interest for its original worldview, heartwarming story, and thrilling adventure.

Total number of units sold
4.6 million