



Taking on the global market as a Japanese hit maker armed with world-class quality.

Yoichi Egawa

Director and Executive Corporate Officer
In charge of Consumer Games Development
and Pachinko & Pachislo Business Divisions
of the Company

Bolstering Development Personnel

Top core members

Repeated achievements

Core members

Selected to direct rereleases or other titles

Mid-career and younger employees (core training framework)

Training programs Support from more senior members

New graduates



Outfitting Our Development Environment

Enhancing our development studios

Concentrate development divisions,
increase mobility and leadership

Proprietary development tools

RE Engine enhances quality
and development efficiency

Adoption of latest technologies

World-class, cutting-edge 3D
scanning, motion capture and VR



The world's
most entertaining
games



**Bolstered
title lineup**



Development Policy

Aiming for sustainable growth by creating and developing popular IPs

In the past three years of overseeing development, my goal has been to ensure the world's highest quality, working under the philosophy of standing up and facing whatever may come. The missions we focused on achieving this fiscal year were (1) producing both world-class quality and profitability, (2) creating hit mobile titles, (3) supporting development in pursuing esports and a long-term sales model, and (4) strengthening network technology for multi-player competition and the like.

Regarding item (1), following *Monster Hunter: World (MH:W)*, *Resident Evil 2* and *Devil May Cry 5* were also highly acclaimed. Our Mobile Department, which integrated in 2017, has taken the lead on (2), promoting development both within Capcom and with partner companies, and creating a foothold ahead of upcoming title releases. For (3), the *Street Fighter* League has begun and various esports activities are underway with *Street Fighter V* as the primary point of focus. In terms of long-term sales, we are building a track record of sustained sales with the growth of digital sales for *MH:W*, which achieved 12.4 million units cumulatively. Regarding (4), we are strengthening our technology, including boosting our pool of talent. The results of our efforts have contributed to two consecutive years of record high profits.

Going forward, in addition to traditional models, it will be important to work with diversified platforms, given the rise in cloud gaming service providers and the expansion of PC store channels. To that end, we are striving to establish a foundation and enhance and improve our network environment for these new services and next-generation game consoles.

IP creation and development are also consistently subjects of discussion, and we will continue to evolve to meet the players' expectations.

In development, it is crucial that we not cut corners in our craftsmanship while maintaining strict control over expenses. We are constantly scrutinizing our work to safeguard against ineffectual investment, while at the same time analyzing the market as we look for new global opportunities.

Development Organization Characteristics

Game development engines evolve in-step with games; maintaining an environment that enables the pinnacle of craftsmanship

One of Capcom's greatest game development strengths is that we have a proprietary game development engine, the RE Engine. Because we can update specifications according to our titles' evolving requirements, this toolset allows us to operate a flexible and effective work environment optimized for our games, while creating photorealistic graphics. In addition, we maintain world class, cutting-edge facilities and have been actively investing in our development equipment and R&D buildings. When creators and engineers team up in an environment such as this, they can achieve the highest quality in the world. ➔ For details, see p. 38 of the 2017 Integrated Report.

Training Developers

Assigning younger employees to work on popular IPs; carrying on Capcom's tradition of craftsmanship

Since 2011, Capcom has hired more than 100 new graduates as developers each year with the aim of building an organization of 2,500 developers by 2021. In order for us to both pass down the DNA we have cultivated on 20- and even 30-year-old IPs to the next generation of creators, while at the same time providing a catalyst for the evolution of our technology and world-class development prowess through these same young developers, we deemed it necessary to focus on in-house development.

In training young employees, we sometimes assign them to development teams working on major IP, where they can grow while gaining experience and know-how right at the cutting edge of the industry. We have also established a system to train highly capable young employees under the supervision of a supportive team, with the aim of training them up to core member status, where they would then take the overall lead on their next assignment.

This is how the development mechanism we have cultivated and the intellect of the creators we have trained crystallize to generate games that delight players the world over. It is the very essence of Capcom's craftsmanship.

Main Pipeline (Plan for Fiscal Years 2016–2019)

Excludes unannounced titles as of August 31, 2019

Brand	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019	Fiscal year ending March 31, 2020 (plan)
Resident Evil	- Resident Evil 7 biohazard - Resident Evil 4* - Resident Evil 5* - Umbrella Corps	- Resident Evil Revelations* - Resident Evil Revelations (NSW) - Resident Evil Revelations 2 (NSW) - Resident Evil 7: biohazard Gold Edition	- Resident Evil 7: biohazard Cloud Version (NSW) - Resident Evil 2	- Resident Evil (NSW) - Resident Evil 0 (NSW) - Resident Evil 4 (NSW) - Resident Evil 5 (NSW) - Resident Evil 6 (NSW)
Monster Hunter	- Monster Hunter XX (Double Cross) - Monster Hunter Stories	- Monster Hunter: World - Monster Hunter Generations Ultimate (NSW) - Monster Hunter Stories (ver. 1.2)	Monster Hunter: World (PC)	Monster Hunter World: Iceborne
Street Fighter		- Ultra Street Fighter II: The Final Challengers - Street Fighter V: Arcade Edition	Street Fighter 30th Anniversary Collection	
Devil May Cry		Devil May Cry HD Collection*	Devil May Cry 5	Devil May Cry (NSW)
Mega Man		Mega Man Legacy Collection 2	- Mega Man 11 - Mega Man X Legacy Collection - Mega Man X Legacy Collection 2 - Mega Man Legacy Collection (NSW) - Mega Man Legacy Collection 2 (NSW)	Mega Man Zero/ZX Legacy Collection
Total	6 titles	11 titles	10 titles	Over 8 titles

Notes 1. *Indicates rereleases for current generation game consoles 2. NSW: Nintendo Switch