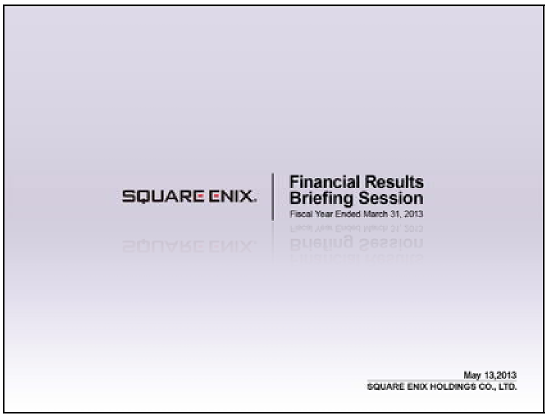


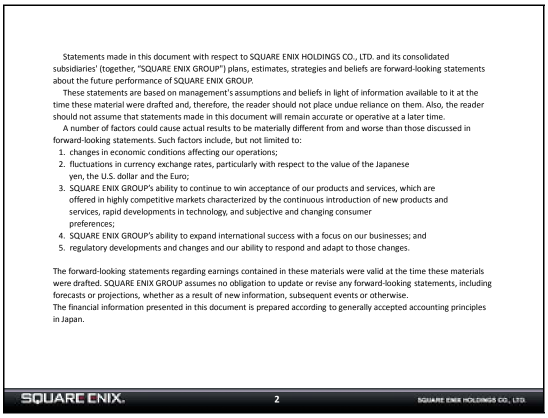
We would now like to begin the Financial Results Briefing Session of SQUARE ENIX HOLDINGS (the “Company”) for the fiscal year ended March 2013.

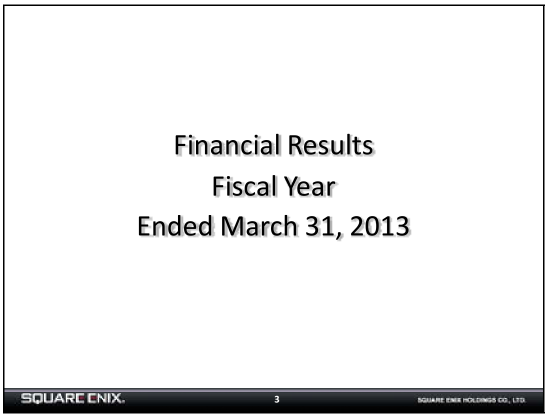
Today’s presenters are:

Yosuke Matsuda
Senior Executive Managing Director and Representative Director
SQUARE ENIX HOLDINGS CO., LTD.

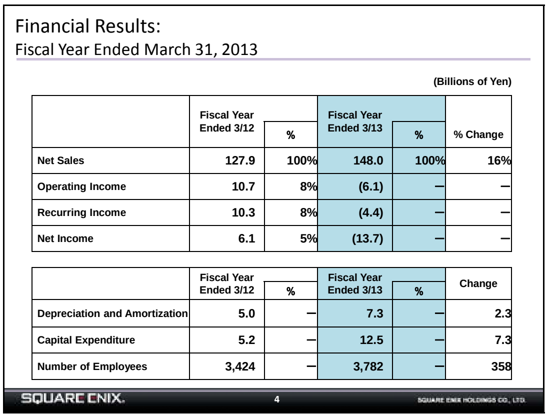
Kazuharu Watanabe
General Manager, Accounting and Finance
SQUARE ENIX CO., LTD.

First, Matsuda will give a summary overview of the financial results of the Company for the fiscal year ended March 2013, and then explain the Company’s business strategy.





Hello. I'm Yosuke Matsuda. I would like to explain the outline of the Company's financial results for the fiscal year ended March 2013, as well as our future business strategy.


Financial Results:
Fiscal Year Ended March 31, 2013

(Billions of Yen)

	Fiscal Year Ended 3/12	%	Fiscal Year Ended 3/13	%	% Change
Net Sales	127.9	100%	148.0	100%	16%
Operating Income	10.7	8%	(6.1)	–	–
Recurring Income	10.3	8%	(4.4)	–	–
Net Income	6.1	5%	(13.7)	–	–

	Fiscal Year Ended 3/12	%	Fiscal Year Ended 3/13	%	Change
Depreciation and Amortization	5.0	–	7.3	–	2.3
Capital Expenditure	5.2	–	12.5	–	7.3
Number of Employees	3,424	–	3,782	–	358

SQUARE ENIX. 4 SQUARE ENIX HOLDINGS CO., LTD.

For the fiscal year ended March 2013, we recorded net sales of ¥147,981 million, operating loss of ¥6,081 million, recurring loss of ¥4,378 million, and net loss of ¥13,714 million, and these results are approximately in line with our financial forecasts disclosed on March 26.

To explain the key points regarding the Income Statement on page 10 (of the English translation version; the same shall apply hereafter) of the Earnings Briefing, the 'Provision for Allowance for Sales Returns' for the fiscal year ended March 2013 was ¥3,927 million, which is a significant increase from the ¥1,502 million recorded for the prior fiscal year. Also, due to the large number of new game titles released, including major ones, 'Advertising Expenses' was ¥12,309 million, which is a sharp increase from ¥7,258 million in the prior fiscal year.

As a result, operating loss, including the amounts just mentioned, was ¥6,081million.

Financial Results:
Fiscal Year Ended March 31, 2013 by Business Segment

1. Results for the Fiscal Year ended March 31, 2013 (Billions of Yen)

	Digital Entertainment	Amusement	Publication	Merchandising	Eliminations or unallocated	Total
Net Sales	89.5	44.3	11.1	3.3	(0.1)	148.0
Operating Income	0	(0.4)	2.5	0.7	(8.9)	(6.1)
Operating Margin	0.0%	(0.8%)	22.4%	20.4%	-	(4.1%)

2. Results for the Fiscal Year ended March 31, 2012 (Billions of Yen)

	Digital Entertainment	Amusement	Publication	Merchandising	Eliminations or unallocated	Total
Net Sales	71.9	41.9	11.3	2.8	(0.0)	127.9
Operating Income	12.6	2.6	2.6	0.7	(7.8)	10.7
Operating Margin	17.5%	6.1%	22.7%	26.8%	-	8.4%

3. Changes (1-2) (Billions of Yen)

	Digital Entertainment	Amusement	Publication	Merchandising	Eliminations or unallocated	Total
Net Sales	17.6	2.4	(0.2)	0.5	(0.1)	20.1
Operating Income	(12.6)	(2.9)	(0.1)	(0.1)	(1.2)	(16.8)

SQUARE ENIX. 5 SQUARE ENIX HOLDINGS CO., LTD.

This slide shows the breakdown by business segment. This is found on page 17 of the Earnings Briefing.

The results for the Digital Entertainment business were quite severe, but the segment secured a small amount of operating profit of ¥44 million.

The Amusement business segment incurred operating loss of ¥353 million, negatively affected by the sluggish sales of arcade game machines released in the first half of the fiscal year ended March 2013.

The Publication business segment recorded operating income of ¥2,484 million against net sales of ¥11,086 million, which is a slight decline from the prior fiscal year, but the segment is steadily making profits.

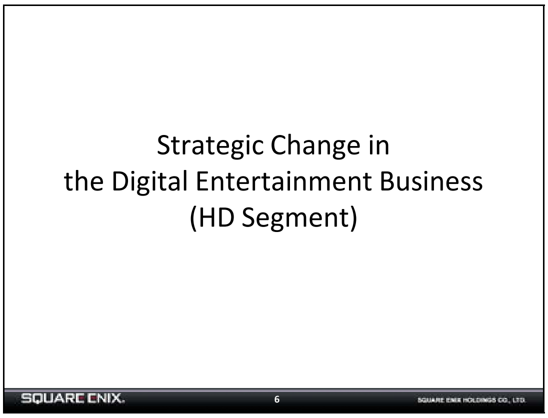
The Merchandising business segment recorded operating income of ¥667 million against net sales of ¥3,264 million, and this segment is also continuing to make stable profits.

Segment adjustments for unallocated corporate operating expenses were ¥8,924 million.

Under the original financial forecast, we planned to achieve the target operating income amount by the initially forecasted income from the Digital Entertainment businesses; however, due to the disappointing financial results of the business segment, as a whole, the Company incurred operating loss of ¥6,081million.

With respect to balance sheet items, there are no specific items worth noting, but I would like to comment on one point. With respect to the 'Allowance for Sales Returns' found on page 9 of the Earnings Briefings, the balance as of the end of March 2012 was ¥1,545 million, but the balance increased sharply to ¥4,319 million as of the end of March 2013.

If you go to page 11 of the Earnings Briefing, 'Loss on Disposal of Content' of ¥3,696 million and 'Loss on Evaluation of Content' of ¥4,834 million were incurred, respectively, resulting in an extraordinary loss amounting to ¥11,210 million, and a net loss of ¥13,714 million.



Next, I plan to speak about our forthcoming business plans, in particular our HD Game business within our Digital Entertainment segment.

To put it simply, the packaged games business, and in particular the Western market packaged sales business' operating and earnings efficiency, has been very challenging. In the fiscal year ended March 2013, we released the major titles including *"Sleeping Dogs," "Hitman,"* and *"Tomb Raider."* These titles were lauded by the industry from a creative perspective, achieved very high levels of quality, and I believe that we achieved our primary goal of both reinvigorating existing IPs and creating new IPs.

However, from the perspective of profitability, there was tremendous competition from many other strong titles, and with the diverse amount of entertainment options available, customers have become more selective, resulting in this disappointing outcome.

In particular, net sales to customers is a critical metric (net sales being the actual number of units sold at the retail level beyond the number of sales to the distribution network), and we have seen significant degradation in results. In the packaged sales business, very strong competition in the marketplace has resulted in pricing methods such as price protection (costs incurred to maintain pricing) and back-end rebates (sales incentives) growing in increased importance, and creating a critical increase in pricing method costs.

Furthermore, in the Western markets, while it was assumed that products could be sold across relatively long-term horizons, as a glut of major titles came into the market, sales opportunities and periods tightened, and this caused a critical increase in advertisement spend to lift initial shipments.

As a result, as explained earlier with respect to the Income Statement, the 'Provision for Allowance for Sales Returns' and 'Advertising Expenses' increased, and even though development expenses were covered, these titles did not sufficiently contribute to profits.

I believe that this situation is not a one-time event for the fiscal year ended March 2013, but is a structural issue within the packaged product sales model. As a result, I believe it is difficult to guarantee an appropriate return on our investments within the revenue model of purely packaged software.

It is important to consider how to change business models in light of rigidity from the perspective of pricing, and I believe that the transformation to online titles and the diversification of profit opportunities is the key.

While we have stated this before, we intend to pursue this with further intensity going forward.

I would like to present 3 initiatives to reform our HD game business.

The first initiative is to re-consider long-term, large-scale development.

Long-term, large-scale development makes asset turnover very slow, and the period from investment to sales is too long, so we must consider how to increase turnover.

I recognize that the reasons the results for the fiscal year ended March 2013 were so disappointing were; firstly, from the revenue generation perspective, the rigid nature of the packaged product sales business model turned sour, and secondly, from the development perspective, the increasing investment period resulted in a deterioration of asset turnover.

Therefore, from a development perspective, it will be important to consider how to improve asset turnover.

There is a huge difference from the perspective of business risk between a model where no revenue opportunities take place for several years until the product is completed (upon which investments are recovered at one time), and a model where revenue opportunities exist in some form prior to product completion, even if the amount of money invested is the same. I believe this is a crucial point.

This problem is not simply a financial issue.

Poor asset turnover means that we have little contact with customers during several years of development of a game title. In a model where a game is developed without customers knowing what it's like for many years, the product is presented to customers only after it has been finished, and all investment is recovered at one time, customers are forced to wait for too long, and opportunities for profit are passed up.

One could go as far as to say that in today's times, making customers wait for years with little to no information is being dishonest to them. We're no longer in an age where customers are left in the dark until a product is completed. We need to shift to a business model where we frequently interact with our customers for our products that are in-development and/or prior to being sold, have our customers understand games under development, and finally make sure we develop games that meet their expectations.

There is a crowdfunding website called 'Kickstarter,' which does not only serve as a method of financing for developers, but I believe should also be seen as a way to unite marketing and development together by allowing us to interact with customers while a game is in development.

Valve's Steam Greenlight and Early Access, are also very interesting, in that they raise the frequency by which we interact with customers, increasing their engagement and reflecting customer needs. We are also looking at what initiatives are possible from this perspective. What should we present to our customers before a game is finished, how can our customers enjoy this, and how do we connect this to profitability, is something we are thinking about implementing, and which can improve our asset turnover in the process.

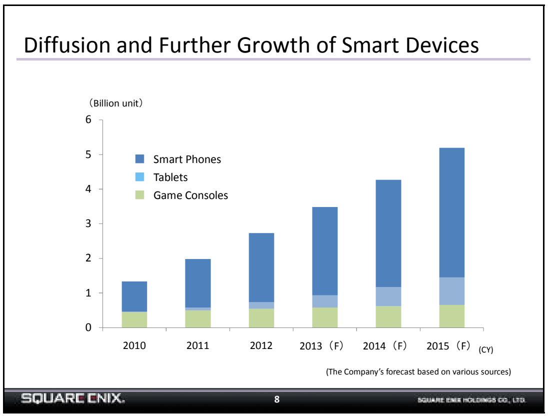
This is what I would like to realize with respect to long-term, large-scale developments. It is not an easy task, but I believe that it has become quite possible under the current environment.

The second initiative relates to "smart devices as game machines."

Put this way, you may think that devices such as smart phones and tablets are at odds with game consoles, but this is not the case. As the Company is developing and selling video games, the selection of game device to develop for is of utmost importance.

While it may not need to be said, smart phones and tablets have evolved at a striking pace, and as devices upon which to play games, their specs are more than sufficient.

On the other hand, game consoles have become smart devices themselves, and whether they ultimately converge or diverge is yet to be seen, but as publishers of content, smart phones and tablets are not devices that we can ignore.



This slide shows the diffusion and further growth of smart devices (including game consoles), and as we publish games, we simply cannot ignore smart phones and tablets.

Within our game portfolio, in particular the portfolio of SQUARE ENIX Japan, we have a structure split between, on the one hand, game console-oriented products (including handheld consoles), within which many games are focused on single-player, carefully played titles, and on the other hand, smart phone, tablet and PC-oriented titles whose focus is on multiplayer and event-driven style social games.

On the basis of the progress of recent devices, moving forward we are thinking to push into publishing games on smart phones and tablets, which we had hitherto only published on game consoles, in particular our strong-point of single-player, story-driven games, etc. I have already given these instructions to our development teams, and we are moving ahead with this effort.

Until now we have published games on these devices such as remakes of our old titles or turning our old franchises into social games, but going forward, in addition to these efforts, we will create new game titles of similar type.

The most difficult part here is the earnings model. The prior packaged software sales model was a simple world calculated by quantity times price. The optimal business structure for this world involved separating development from sales and marketing, and having each specialize in their particular function. From now, we need to move toward a more flexible business structure.

Therefore, it is not enough to simply develop a "good game," we have to think about what kind of game we want to present to our customers, how our customers will enjoy the game, and how we will receive compensation from our customers, which requires development, marketing and sales to unite in the creation of our games. Even in cases where the business model is a simple pay-per-download, we have to think of how to expand.

It is critical to provide new titles where various revenue models such as pay-per-download, F2P, PDLC, and hybrids of them, are unified with the game design.

The third initiative is “Regionality.”
While we had been making investments in the game development under the assumption that major titles would sell a lot worldwide, however, we have found it extremely difficult to achieve. We created our budgets on the basis that our games would be sold worldwide. We had not given much consideration of the regionality of each market, and had focused more on how to sell the major titles globally; however, titles fitting this method are limited.

Many of the titles that we decided to cancel or reexamine in the fiscal year ended March 2013 had been based in that way of thinking.

As the sheer amount of and diversification of game and entertainment products is increasing, I believe it is difficult to move forward on the assumption that many products can cover the tastes of the entire world, and sell across the entire world.

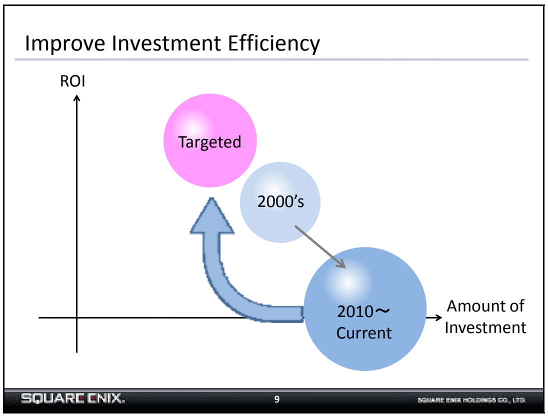
Of course, we will continue to invest in flagship titles that showcase our technological prowess, pursuing high-end game quality, and which can earn profits on a global basis. Regarding a number of these types of titles, we will share information with everyone at this year's E3.

That said, we cannot reasonably finance this direction for every single title, and we have to think about our entire product portfolio.

From a different perspective, the recent game industry is seeing the emergence of blockbuster games from online (PC/browser/etc), smart phones, and tablets. Our strategy of selling AAA titles of 10 IPs around the globe has implicitly assumed Hollywood-style cinematic major games centered on single-player experiences. Going forward, I think it is necessary to review the definition of "AAA Title," and we need to pursue a new type of blockbuster title, in addition to the conventional-type of blockbusters.

Our customers' tastes throughout the globe are as varied as the regions in which they live, and as we think about our product portfolio in various regions, we need to develop our games appropriately.

We have only just started reforming along the three points I mentioned above, so at this point, I can't speak about specific titles. But we are determined to solidly implement these initiatives.



Next, moving on to the efficiency of our investments, this slide shows an image of investment efficiency from the year 2000 to today, and an image for the future.

The current status is the big blue balloon on the lower right-hand side. Although some positive results have been achieved, the investment efficiency is still not sufficient, and therefore we will aim to bring this balloon upward and towards the left. Utilizing the methods mentioned earlier, we will make well-modulated investments by striking a good balance of expanding investments where needed and reducing investments of less importance.

Financial Forecasts
Fiscal Year
Ending March 31, 2014

SQUARE ENIX. 10 SQUARE ENIX HOLDINGS CO., LTD.

Next, we will explain the financial forecast for the fiscal year ending March 2014.

First of all, starting from this forecast, we have decided to disclose our financial forecasts using ranges.

This is because, when considering the changes in the business environment and changes to product mix etc. going forward, it is expected that the financial forecasts as of today would fluctuate extremely broadly.

Under disclosure rules, when using ranges, there are certain permitted plus or minus from the upper limit and the lower limit.

Financial Forecasts:
Fiscal Year Ending March 31, 2014

(Billions of Yen)

	Fiscal Year Ended 3/13	Fiscal Year Ending 3/14	Change
Net Sales	148.0	140.0～150.0	(8.0)～2.0
Operating Income	(6.1)	5.0～9.0	11.1～15.1
Recurring Income	(4.4)	5.0～9.0	9.4～13.4
Net Income	(13.7)	3.5～6.0	17.2～19.7

	Fiscal Year Ended 3/13	Fiscal Year Ending 3/14	Change
Depreciation and Amortization	7.3	7.0	(0.3)
Capital Expenditure	12.5	7.0	(5.5)

(Ref.) First-Half Year ending September 30, 2013 (Billions of Yen)

	Fiscal Year Ended 3/13	Fiscal Year Ending 3/14	Change
Net Sales	61.1	5.9～6.3	(2.1)～1.9
Operating Income	(5.2)	(2.0)～0.0	3.2～5.2
Recurring Income	(6.3)	(2.0)～0.0	4.3～6.3
Net Income	(5.5)	(1.3)～0.0	4.2～5.5

SQUARE ENIX. 11 SQUARE ENIX HOLDINGS CO., LTD.

With respect to our financial forecast for the fiscal year ending March 2014, we have forecasted net sales of ¥140-150 billion, operating income of ¥ 5-9 billion, and net income of ¥ 3.5-6.0 billion.

Financial Forecasts:
Fiscal Year Ending March 31, 2014 by Business Segment

Each business segment's forecast number for Fiscal Year ending March 31, 2014 corresponds to the intermediate scenario in the forecast range (consolidated net sales of Yen145B, and consolidated operating income of Yen7B).

1. Forecast for the Fiscal Year ending March 31, 2014 (Billions of Yen)

	Digital Entertainment	Amusement	Publication	Merchandising	Eliminations or unallocated	Total
Net Sales	88.0	44.0	10.0	3.0	(0.0)	145.0
Operating Income	10.5	3.0	1.5	0.5	(8.5)	7.0
Operating Margin	11.9%	6.8%	15.0%	16.7%	-	4.8%

2. Results for the Fiscal Year ended March 31, 2013 (Billions of Yen)

	Digital Entertainment	Amusement	Publication	Merchandising	Eliminations or unallocated	Total
Net Sales	89.5	44.3	11.1	3.3	(0.1)	148.0
Operating Income	0	(0.4)	2.5	0.7	(8.9)	(6.1)
Operating Margin	0.0%	(0.8%)	22.4%	20.4%	-	(4.1%)

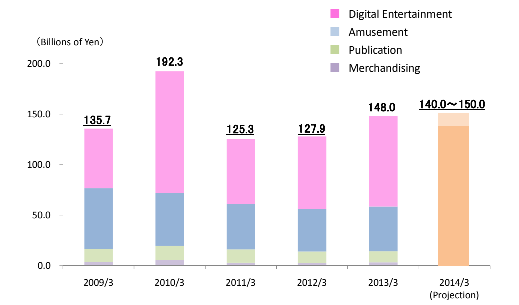
3. Changes (1—2) (Billions of Yen)

	Digital Entertainment	Amusement	Publication	Merchandising	Eliminations or unallocated	Total
Net Sales	(1.5)	(0.3)	(1.1)	(0.3)	0.1	(3.0)
Operating Income	10.5	3.4	(1.0)	(0.2)	0.4	13.1

SQUARE ENIX. 12 SQUARE ENIX HOLDINGS CO., LTD.

This slide shows the forecast by business segments, for which we take the medium value within each range of the forecast for the fiscal year ending March 2014.

Net Sales by Business Segment

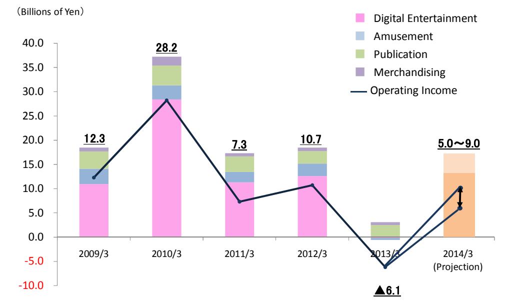


SQUARE ENIX. 13 SQUARE ENIX HOLDINGS CO., LTD.

This slide shows the transition in forecasted net sales by business segment.

The forecast of net sales for the fiscal year ending March 2014 amounts to ¥140-150 billion.

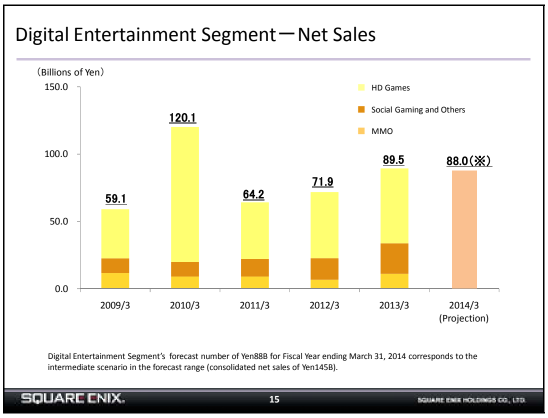
Operating Income by Business Segment



SQUARE ENIX. 14 SQUARE ENIX HOLDINGS CO., LTD.

This slide shows the transition in forecasted operating income by business segment.

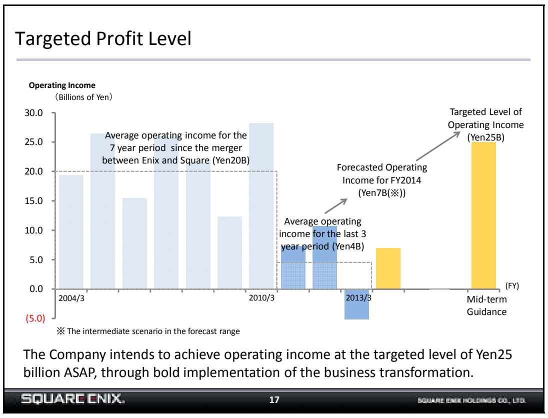
The forecasted operating income for the fiscal year 2014 amounts to ¥5-9 billion.



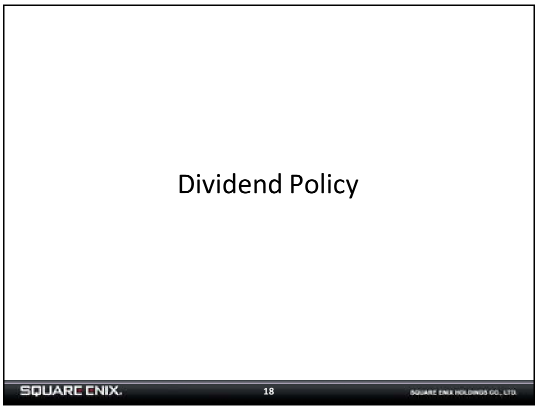
This slide shows the transition in net sales of the Digital Entertainment Segment. The forecast figure for the fiscal year ending March 2014 has taken the medium value within the forecast range.

With respect to MMOs, one of the two major titles *"Final Fantasy XIV: A Realm Reborn"* is scheduled to be launched in the fiscal year ending March 2014. The beta test has been received favorably, and the team's morale is rising, and we expect to see good results.

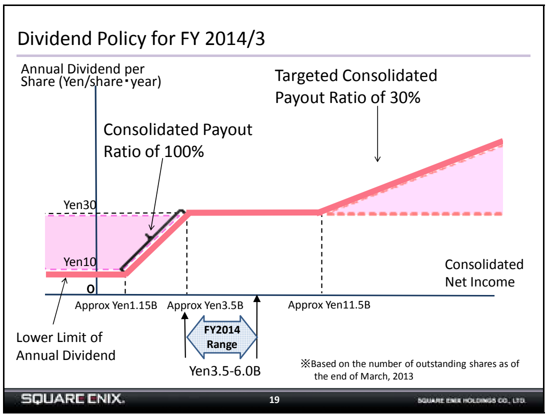
Next, I will explain about our targeted future profit level.



I believe our first goal is to achieve operating income level of ¥25 billion as soon as possible, based on the measures and policies that I have just explained. From here, we will aim for higher profit levels, but the first step is to recover a level of operating income of ¥25 billion.



Next is our dividend policy.



With respect to year-end dividend payments for the fiscal year ended March 2013, a board resolution is expected to be passed on May 17 to make dividend payments of ¥20 per share, as originally forecasted.

This slide shows a summary of the policy for dividend payments for the fiscal year ending March 2014.

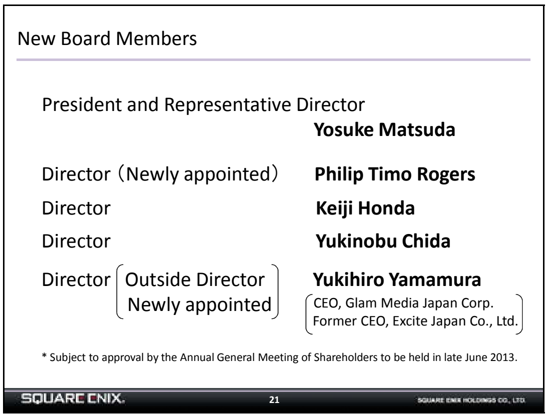
Given the recent significant fluctuation in earnings, we have considered how to realize stable dividend payments, while maintaining a dividend payout ratio of 30%.

In the case where consolidated net income exceeds ¥11.5 billion, dividends will be paid at a targeted dividend payout ratio of 30%. However, if the consolidated net income is at a level in the range of ¥3.5-11.5 billion, or in other words, if the net income per share is in the range of ¥30-100 per share, the dividend payment amount per share will be ¥30 per year.

If the consolidated net income is less than ¥3.5 billion, or in other words, if the net income per share is less than ¥30, the dividend payout ratio shall be 100%, however, in such a case the lower limit of the dividend payment will be set to ¥10 per share per year.

Our goal is to achieve consolidated net income of at least ¥11.5 billion, and we would like to realize this target level as soon as possible.

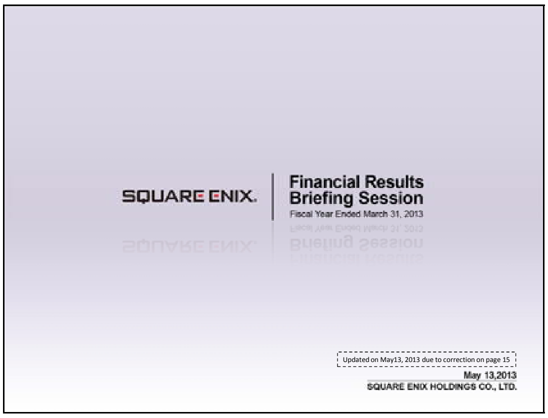
Finally, I will explain about the new management team.



The new members of our management team shown in this slide will be submitted for approval to the annual general meeting of shareholders of the Company to be held on June 25.

In addition to myself and Phil Rogers, who were introduced at the Briefing session on March 26, Keiji Honda and Yukinobu Chida will be re-elected.

Also, we would like to invite in Yukihiro Yamamura as a new external board member. Mr. Yamamura is the former president of Excite Japan Co. Ltd., and has a deep understanding of and experience in online businesses. We requested Mr. Yamamura to take up the position as we believe that he can bring very meaningful insight and experience upon the Company pursuing online businesses going forward. Mr. Yamamura has kindly accepted our offer, and therefore, today I am happy to introduce him to you, as a board member candidate.



Finally, I believe that there is no surprise strategy or magic bullet that can recover business performance.

We provide entertainment content to our customers. I believe it is important to go back to the basics, to provide our customers with content they enjoy, and to establish a long-term relationship with our customers. In the end, that is the shortest way to serve the best interest of our shareholders. Our creators are growing to become capable of taking on such roles.

The Company as a whole will continue to advance forward towards business performance recovery, and I would appreciate your continued cooperation and support.