

November 7, 2018

Company: SQUARE ENIX HOLDINGS CO., LTD.
(Code: 9684, Tokyo Stock Exchange)
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Notice of Booking of Extraordinary Loss

SQUARE ENIX HOLDINGS CO., LTD. (the “Company”) announces today that it has booked the following extraordinary loss in the financial results for the six-month period ended September 30, 2018.

1. The cause and nature of the extraordinary loss

Having conducted an in-depth review of the business strategy for Luminous Productions Co., Ltd., a wholly-owned subsidiary (the “Subsidiary”), the Company had decided to focus the Subsidiary’s development efforts on large-scale, high-quality AAA game titles, which best leverages the Subsidiary’s strengths. This decision has resulted in the booking of an extraordinary loss amounting to 3,733 million yen, including the disposition of the portion of the content production account related to the game titles under development at the Subsidiary and impairment losses on intangible assets, in the Company’s financial results for the six-month period ended September 30, 2018.

2. Impact on financial results

The aforementioned extraordinary loss has been fully reflected in the financial results announced today as the “Consolidated Financial Results for the Six-Month Period Ended September 30, 2018 (Japan GAAP).”

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