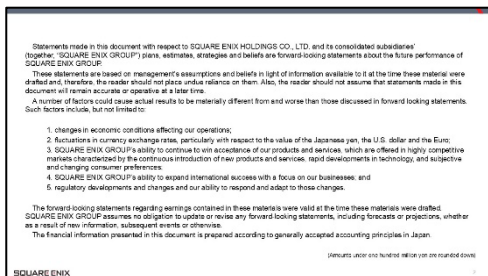


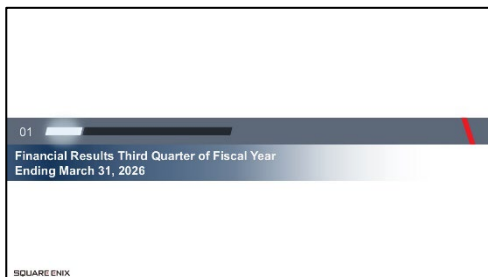


We would now like to begin the Financial Results Briefing session of SQUARE ENIX HOLDINGS (the “Company”) for the first to third quarters of the fiscal year ending March 31, 2026 (“Q1-Q3 FY2026/3”).

Today’s presenter is Takashi Kiryu, President and Representative Director.



President Kiryu will provide an overview of the Company’s financial results for Q1-Q3 FY2026/3, as well as of our progress in each business segment.



We will begin with an explanation of the consolidated results for Q1-Q3 FY2026/3.

**Consolidated Statement of Income Q3 FY2026/3** (Values of ¥100 million)

|   | Fiscal Year Ended March 31, 2025 |                   | Fiscal Year Ending March 31, 2026 |         |  |         |
|---|----------------------------------|-------------------|-----------------------------------|---------|--|---------|
|   | Q1-Q3                            | Full Year Results | Q1-Q3                             | Changes | Revised Full Year Forecasts (Revised on Feb 5) | Changes |
| Net Sales                               | 248.5                            | 324.5             | 215.4                             | (33.1)  | 280.0  | (44.5)  |
| Operating Income                        | 33.3                             | 40.5              | 46.3                              | 13.0    | 49.0   | 8.5     |
| Operating Income Margin                 | 13.4%                            | 12.5%             | 21.5%                             | 8.1pt   | 17.5%  | 5.0pt   |
| Ordinary Income                         | 37.7                             | 40.9              | 53.1                              | 15.4    | 55.0   | 14.1    |
| Ordinary Income Margin                  | 15.2%                            | 12.6%             | 24.7%                             | 9.5pt   | 19.6%  | 7.0pt   |
| Profit attributable to owners of parent | 24.7                             | 24.4              | 25.6                              | 0.9     | 27.0   | 2.6     |

Consolidated results for Q1-Q3 FY2026/3 were as follows: net sales of ¥215.4 billion (down ¥33.1 billion YoY), operating income of ¥46.3 billion (up ¥13.0 billion YoY), ordinary income of ¥53.1 billion (up ¥15.4 billion YoY), and profit attributable to owners of parent of ¥25.6 billion (up ¥0.9 billion YoY).

As stated above, while net sales declined in Q1-Q3 FY2026/3, profit increased at every level below operating income.

In addition, in conjunction with Q1-Q3 FY2026/3 results, we have revised our full-year earnings forecast. Details will be explained later.

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|                                | Fiscal Year Ended March 31, 2026 |              | Fiscal Year Ending March 31, 2025 |              | Changes        |
|--------------------------------|----------------------------------|--------------|-----------------------------------|--------------|----------------|
|                                | Q1-Q3                            | 2026         | Q1-Q3                             | 2025         |                |
| <b>Net sales</b>               |                                  | <b>248.5</b> |                                   | <b>215.4</b> | <b>(33.1)</b>  |
| Digital Entertainment          | 193.5                            |              | 222.3                             |              | (28.8)         |
| Amusement                      | 53.4                             |              | 53.2                              |              | (0.2)          |
| Publication                    | 22.2                             |              | 21.9                              |              | (0.3)          |
| Merchandising                  | 14.0                             |              | 13.3                              |              | 0.7            |
| Limitations or unallocated     | (2.3)                            |              | (1.4)                             |              | (0.9)          |
| <b>Operating income</b>        |                                  | <b>33.3</b>  |                                   | <b>48.3</b>  | <b>(15.0)</b>  |
| Digital Entertainment          | 27.0                             |              | 25.5                              |              | 1.5            |
| Amusement                      | 5.0                              |              | 5.3                               |              | (0.3)          |
| Publication                    | 7.6                              |              | 7.1                               |              | (0.5)          |
| Merchandising                  | 1.6                              |              | 0.5                               |              | 1.1            |
| Limitations or unallocated     | (13.3)                           |              | (13.6)                            |              | 0.3            |
| <b>Operating income margin</b> |                                  | <b>13.4%</b> |                                   | <b>22.4%</b> | <b>(9.0pt)</b> |
| Digital Entertainment          | 17.3%                            |              | 20.0%                             |              | (2.7pt)        |
| Amusement                      | 18.4%                            |              | 19.9%                             |              | (1.5pt)        |
| Publication                    | 29.8%                            |              | 28.2%                             |              | (1.6pt)        |
| Merchandising                  | 33.4%                            |              | 55.0%                             |              | (21.6pt)       |
| Limitations or unallocated     | -                                |              | -                                 |              | -              |

By segment, the decline in net sales was attributable mainly to lower sales in the Digital Entertainment segment. Other segments were flat or posted higher sales, and the overall decline in net sales was therefore largely due to the impact of this segment.

On the other hand, operating income increased. The main factors were a year-on-year increase of ¥7.9 billion in the Digital Entertainment segment and a year-on-year increase of ¥4.9 billion in the Merchandising segment.

Operating margin in the Digital Entertainment segment also improved significantly, reaching 29%, up from 17.3% in the same period of the previous year.

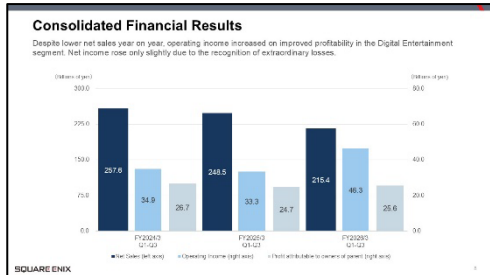
On the consolidated balance sheet, content production account stood at ¥51.8 billion, an increase of ¥4.9 billion from the end of the fiscal year ended March 31, 2025.

For titles launched up to Q1-Q3 FY2026/3, the balance declined as costs were recognized, while development investment related to titles scheduled for launch in the fourth quarter and thereafter accumulated. As a result, the overall balance increased. The content production account remains at a level consistent with development progress.

Next, we will discuss consolidated results and the status of each segment.

| Account                         | Assets       |              |              | Liabilities and Net Assets              |              |              |               |
|---------------------------------|--------------|--------------|--------------|---|--------------|--------------|---------------|
|                                 | 03/2025      | 12/2025      | Changes      | Account                                 | 03/2025      | 12/2025      | Changes       |
| Cash and deposits               | 247.7        | 251.0        | 3.3          | Bank and accounts payable               | 17.4         | 19.7         | 2.3           |
| Notes and accounts receivable   | 33.1         | 38.0         | 4.9          | Income taxes payable                    | 7.5          | 8.5          | 1.0           |
| Inventories                     | 5.6          | 7.7          | 2.1          | Related liabilities                     | 2.7          | 3.0          | (0.3)         |
| Content production account      | 66.0         | 51.8         | (14.2)       | Others                                  | 14.6         | 35.3         | (20.7)        |
| Others                          | 10.9         | 13.3         | (2.4)        | <b>Total Current Liabilities</b>        | <b>42.2</b>  | <b>66.8</b>  | <b>(24.6)</b> |
| <b>Total Current Assets</b>     | <b>363.3</b> | <b>369.8</b> | <b>(6.5)</b> | <b>Non-current Liabilities</b>          | <b>13.4</b>  | <b>14.7</b>  | <b>(1.3)</b>  |
| Property and equipment          | 27.0         | 27.9         | (0.9)        | <b>Total Liabilities</b>                | <b>55.6</b>  | <b>81.5</b>  | <b>(25.9)</b> |
| Intangible Assets               | 4.8          | 4.4          | (0.4)        | Total Shareholders' Equity              | 343.7        | 288.3        | 55.4          |
| Investments and other assets    | 36.9         | 31.8         | (5.1)        | Others                                  | (7.3)        | (0.2)        | (7.1)         |
| <b>Total Non-current Assets</b> | <b>68.7</b>  | <b>66.1</b>  | <b>(2.6)</b> | <b>Total Net Assets</b>                 | <b>336.5</b> | <b>242.2</b> | <b>94.3</b>   |
| <b>Total Assets</b>             | <b>432.0</b> | <b>435.9</b> | <b>(3.9)</b> | <b>Total Liabilities and Net Assets</b> | <b>432.0</b> | <b>435.9</b> | <b>(3.9)</b>  |

| Q2   |  |
|--|--|
| Consolidated Financial Results and Progress in Each Business Segment |  |
| SQUARE ENIX  |  |

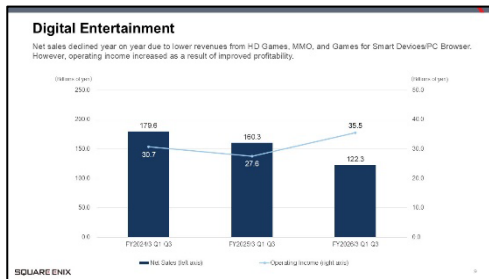


Although net sales declined year on year, both operating income and profit attributable to owners of parent increased. In addition, even when viewed over the past three fiscal years, operating income has grown steadily.

Based on these results, we recognize that improvements in profitability across the Square Enix Group as a whole are becoming visible in the form of operating income.

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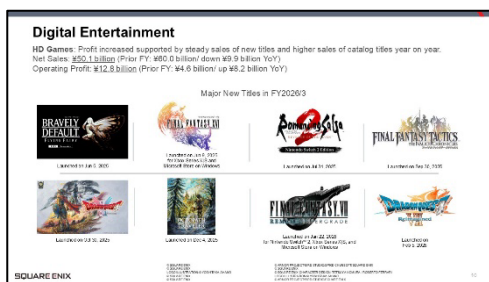
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The Digital Entertainment segment made a significant contribution to overall results in terms of operating income, and that trend is also reflected in this graph.

Net sales were at the lowest level of the past three fiscal years, reflecting our ongoing shift from quantity to quality during the “3-year reboot.”

On the other hand, operating income reached the highest level of the past three fiscal years, indicating steady progress in improving profitability.

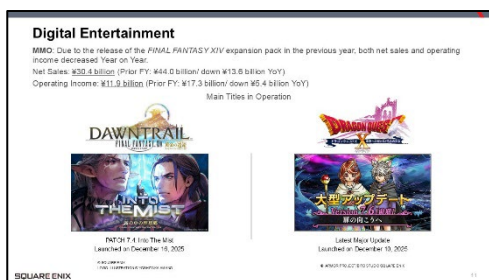


Next, we will explain the status of HD Games.

In HD games, Net sales were ¥50.1 billion, down ¥9.9 billion year on year, while operating income was ¥12.8 billion, up ¥8.2 billion year on year.

Major titles included *FINAL FANTASY TACTICS - The Ivalice Chronicles*, which was released at the end of the second quarter and exceeded 1 million units sold. In addition, mid-tier titles launched during Q1-Q3 FY2026/3, such as *DRAGON QUEST I & II HD-2D Remake* and *OCTOPATH TRAVELER 0*, performed solidly. We also continued initiatives to strengthen catalog title sales in line with the medium-term business plan, and these also remained steady.

As a result, operating income increased substantially to ¥12.8 billion.



Next, we will explain the MMO sub-segment.

Net sales were ¥30.4 billion (down ¥13.6 billion YoY), and operating income was ¥11.9 billion (down ¥5.4 billion YoY).

In the previous fiscal year ended March 31, 2025, *FINAL FANTASY XIV* launched its latest expansion package, *FINAL FANTASY XIV: Dawntrail*, and the current fiscal year has been affected by the reactionary decline from that release. In comparison with the previous fiscal year, the current results were generally in line with expectations.

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In addition, Patch 7.4 was released in December, and user trends have remained favorable.

For *DRAGON QUEST X* as well, a major update was implemented in the same month, and the title has continued to perform steadily.

As stated above, the MMO sub-segment has remained solid even taking into account that this is the year following the release of an expansion package.

Next, we will explain the status of Smart Devices/PC Browser sub-segment.

Net sales from smart devices/PC browser titles were ¥41.7 billion (down ¥14.6 billion YoY), while operating income was ¥10.7 billion (up ¥5.1 billion YoY).

As no new titles have been launched so far in the fiscal year ending March 31, 2026, the portfolio currently consists mainly of existing titles, and net sales are structurally trending downward.

In this environment, we have undertaken initiatives such as diversifying payment methods and optimizing costs for operated titles following the organizational restructuring. In addition, by converting know-how accumulated internally into explicit knowledge and continuing to share it across projects, we have achieved improved profitability.

As the title lineup continues to turn over, we recognize the need to continue closely monitoring the level of net sales. On the other hand, current performance remains solid.

Next, we will explain unit sales by region in the Digital Entertainment segment.

Total unit sales by region for Q1-Q3 FY2026/3 were 18.02 million units (down 1.99 million units year on year).

There were two main factors behind this decline.

The first was the reactionary impact from the release of the *FINAL FANTASY XIV* expansion package in the fiscal year ended March 31, 2025.

**Digital Entertainment**  
 Games for Smart Devices/PC Browser: Operating income increased year on year, mainly as a result of improved profitability stemming from diversification of payment methods.  
 Net Sales: ¥41.7 billion (Prior FY: ¥56.3 billion; down ¥14.6 billion YoY)  
 Operating Income: ¥10.7 billion (Prior FY: ¥5.6 billion; up ¥5.1 billion YoY)

Major Operating Titles (Month and year indicate each title's launch timing)

**Digital Entertainment**  
 -Units Sold by Region-

Units Sold = Packaged + Downloads  
 Packaged: Unit sales of packaged software sold in the fiscal year  
 Downloads: Unit sales of downloaded software sold in the fiscal year

| Region               | FY2025/3 Q1-Q3 |              |              | FY2026/3 Q1-Q3 |             |             |
|----------------------|----------------|--------------|--------------|----------------|-------------|-------------|
|                      | Packaged       | Downloads    | Total        | Packaged       | Downloads   | Total       |
| Japan                | 1.01           | 3.71         | 4.72         | 1.06           | 2.75        | 3.81        |
| North America/Europe | 1.04           | 10.79        | 11.83        | 2.01           | 0.88        | 2.89        |
| Asia, etc.           | 0.25           | 1.96         | 2.21         | 0.28           | 2.94        | 3.22        |
| <b>Total</b>         | <b>2.30</b>    | <b>16.46</b> | <b>18.76</b> | <b>3.35</b>    | <b>6.57</b> | <b>9.92</b> |

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The second was the high level of unit sales in the same period of the previous year, when *DRAGON QUEST III HD-2D Remake* launched in the fiscal year ended March 31, 2025 and achieved strong sales, particularly in Japan.

Absent these factors, unit sales in the fiscal year ending March 31, 2026 declined by 1.99 million units year on year. However, repeat sales of catalog titles have remained solid. By region, Asia posted an increase among overseas markets including Europe/North America and Asia. This also demonstrates the effect of accumulated repeat sales.

Next, we will explain the Amusement segment.

In the fiscal year ended March 31, 2025, the Amusement segment posted strong sales growth due to one-time revenue from amusement machine sales. In contrast, in the fiscal year ending March 31, 2026, despite the absence of the same factor, the segment has maintained net sales at the same level as the previous fiscal year. Operating income also increased by ¥0.3 billion, securing profit growth even as net sales remained roughly flat.

There were periods when concerns arose that inbound demand might be affected by the external environment, particularly Japan-China relations, but same-store sales continued to perform steadily. In addition, measures implemented for prize sales at TAITO STATION contributed to profit growth.

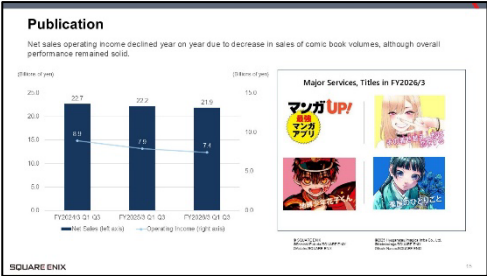
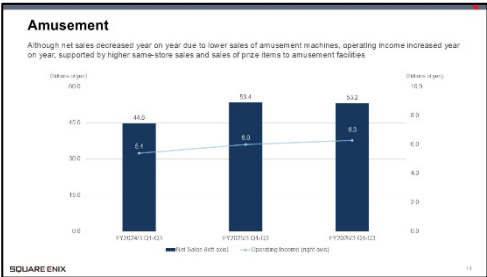
Through these efforts, the segment has been able to underpin earnings despite the absence of the one-time increase in sales from machine sales recorded in the previous fiscal year.

We will now explain the Publication segment.

Net sales in the Publishing segment were generally flat year on year.

In the fiscal year ended March 31, 2024, there was a major hit associated with the anime broadcast of *The Apothecary Diaries*.

Even as the reactionary impact from that hit has subsided, we have



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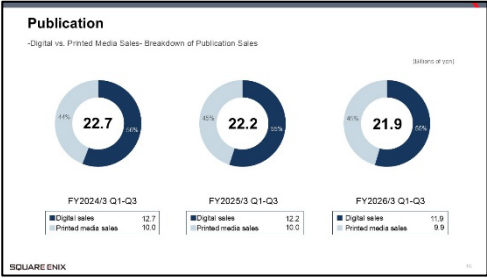
maintained sales at a similar level through the continuous release of new volumes and efforts to strengthen sales of backlist titles.

As for operating income, the Publishing segment remains in an investment phase toward the next stage of growth, and we are making strategic investments in initiatives for future growth.

Through these efforts, we are building the foundation for growth in the next fiscal year and beyond.

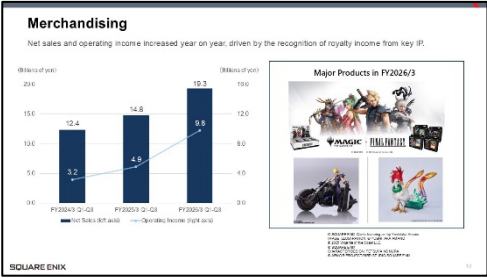
There has been no major change in the sales mix between digital and print media in the Publishing segment.

This indicates that business momentum continues to remain solid. In addition, without relying excessively on new hit titles, we are maintaining net sales through steady sales of backlist titles and new volumes of serialized works, while absorbing investment for the next phase of growth and building a foundation for future expansion.



Next, we will explain the Merchandising segment.

From the second quarter through Q1-Q3 FY2026/3, we recorded substantial royalty income from the collaboration between *Magic: The Gathering* and *FINAL FANTASY*. In Q1-Q3 FY2026/3 as well, although not on the same scale as in the second quarter, we continued to record royalty income. As a result, net sales reached ¥19.3 billion and operating income reached ¥9.8 billion, representing a substantial increase year on year in both sales and profit.



However, due to the nature of the product, the contribution from this collaboration is particularly large in the current fiscal year and is not the type of contribution that will continue in the same way in the next fiscal year and beyond. The strong performance this time was largely driven by the impact of this collaboration.

Looking ahead to the next fiscal year and beyond, it will be important to build earnings sources outside of *Magic: The Gathering*. We will work to achieve continued growth by steadily

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expanding merchandise development for our existing IP, including figures of Cloud and Ramia.

Consolidated Financial Forecasts: Fiscal Year ending March 31, 2026

|   | Fiscal Year Ending March 31, 2026    |                                      | Change |
|---|--------------------------------------|--------------------------------------|--------|
|   | Revised Full-Year Plan (Nov 6, 2025) | Revised Full-Year Plan (Feb 5, 2026) |        |
| Net Sales                               | 280.0                                | 280.0                                | —      |
| Operating Income                        | 41.0                                 | 49.0                                 | 8.0    |
| Operating Income Margin                 | 14.6%                                | 17.5%                                | —      |
| Ordinary Income                         | 41.0                                 | 55.0                                 | 14.0   |
| Ordinary Income Margin                  | 14.6%                                | 19.6%                                | —      |
| Profit attributable to owners of parent | 18.9                                 | 27.0                                 | 10.1   |
| <b>Dividends per share (Yen)</b>        |                                      |                                      |        |
| Interim (Before/After Stock Split)      | 54 / 18                              | 54 / 18                              | —      |
| Year-end (Before/After Stock Split)     | 75 / 25                              | 75 / 25                              | —      |
| Total (Before/After Stock Split)        | 129 / 43                             | 129 / 43                             | —      |

SQUARE ENIX

Finally, I will explain the consolidated financial forecasts for the fiscal year ending March 31, 2026.

We have revised the full-year financial forecast for the fiscal year ending March 31, 2026. Based on progress through Q1-Q3 FY2026/3 and the outlook for the fourth quarter, we have revised operating income upward by ¥8.0 billion to ¥49.0 billion. Ordinary income has been revised upward by ¥14.0 billion to ¥55.0 billion. The increase in ordinary income exceeds that of operating income due to the impact of foreign exchange. In line with this, profit attributable to owners of parent has also been revised upward by ¥10.1 billion to ¥27.0 billion. While net sales remain unchanged, all profit line items below that level have been revised upward. We plan to release multiple new titles in the fourth quarter, and although results may vary depending on their performance, our current forecast is based on these assumptions.

In addition, we also announced the introduction of a shareholder benefit program. The shareholder benefits consist of two main components.

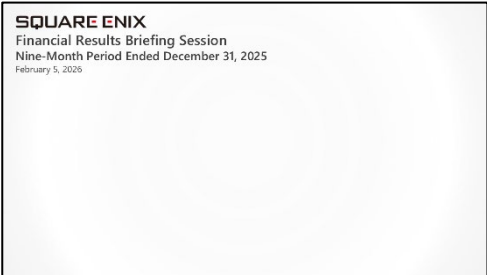
The first is the provision of coupons for use on the Square Enix e-STORE, based on the number of shares held and the length of continuous shareholding.

The second is a commemorative medal to be awarded by lottery as a shareholder-exclusive item marking the 40th anniversary of *DRAGON QUEST*.

Through the introduction of the shareholder benefit program, we aim to broaden the base of shareholders who hold our shares over the medium to long term.

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This concludes my explanation of Q1-Q3 FY2026/3 results, the revision to our earnings forecast, and the introduction of the shareholder benefit program.

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SQUARE ENIX HOLDINGS CO., LTD.

Q1-Q3 FY2026/3 Financial Results Briefing Session Q&A

Date/Time: February 5, 2026 (Thu); 7:00-8:00 pm (JST)

Main Speaker: Takashi Kiryu, President and Representative Director

## Q&A

**Q: Compared with the cumulative results through the Third Quarter, the fourth-quarter profit level implied by the revised full-year forecast appears relatively low. What assumptions underpin this level?**

A: In presenting the full-year forecast of ¥49.0 billion, we mainly took into account two factors.

The first is the performance of HD titles scheduled for release in the fourth quarter.

*DRAGON QUEST VII Reimagined* was released today, February 5, and we need to closely monitor its initial sales performance. In contrast to the solid performance of *DRAGON QUEST I & II HD-2D Remake*, *FINAL FANTASY TACTICS - The Ivalice Chronicles*, and *OCTOPATH TRAVELER 0*, this title carries relatively large development costs and has a limited period over which revenue can be recognized, and we are therefore taking a cautious view. In addition, *Life is Strange Reunion* is scheduled for release on March 27. Given the poor performance of the previous title, we have revised the pricing strategy and taken other measures, but because the title will launch at fiscal year-end, uncertainty remains high, and we believe it is necessary to assess it cautiously. Furthermore, *KILLER INN* is scheduled to begin early access, but as it is a challenge involving a new IP, we are similarly factoring in uncertainty. These fourth-quarter title trends are the first factor.

The second factor is the possibility of a certain amount of write-downs.

Although we believe the content production account is under control, we have factored in the possibility that some write-downs may occur in the fourth quarter.

We set the current earnings forecast based on these HD title trends and the potential for write-downs, taking them into account as risk factors, or so-called swing factors.

**Q: The operating margin of the Digital Entertainment segment appears to be the highest level for a third quarter in the past seven to eight years. Do you view this improvement as the result of structural reforms, or is it mainly attributable to factors such as title mix, release timing, development costs, and advertising expenses?**

A: In the HD business, a major factor behind the improvement in operating margin was a favorable title mix, including release timing. At the same time, under our shift from quantity to quality, we have been improving our marketing and publishing functions, and multiple titles have performed solidly. In that sense, the results of our structural reforms are beginning to emerge to a certain extent.

In the smart devices business, in addition to the diversification of payment methods, including out-of-app payments, improved operating efficiency resulting from the consolidation of the development structure has also contributed.

By consolidating development projects into a Creative Studio, formalizing know-how, and sharing it across projects, we have improved profitability even as sales of existing titles decline. This, too, is one result of our structural reforms.

Most recently, because there have been no new title launches, we have not yet incurred amortization burden for development costs. On the other hand, we plan to launch new titles from 2026 onward, and amortization burden is expected to increase accordingly. However, we also expect incremental sales from these new titles, and we intend to translate that into growth in both sales and profit.

**Q: In the HD business, profitability has been improving strongly. How do you position the next fiscal year? In addition to cost optimization, do you expect earnings growth accompanied by top-line growth driven by major title launches?**

A: In our medium-term business plan, we have defined the three years through the fiscal year ending March 31, 2027 as the “3-year reboot,” with the highest priority being the shift from quantity to quality. This is intended to move away from a situation in which prioritizing net sales growth results in lower profitability, and instead establish a structure that can continuously provide titles with high value for customers.

Accordingly, we will continue to pursue initiatives based on this policy in the fiscal year ending March 31, 2027 as well. At the same time, we are steadily preparing for growth beyond that point. Development of titles including AAA titles is progressing, and preparations for top-line growth are steadily being put in place.

That said, we also need to take account of the external environment. Therefore, the timing of the shift to top-line-driven growth will be determined appropriately based on both the pipeline situation and external conditions.

**Q: In the Merchandising segment, the collaboration with *Magic: The Gathering* drove performance, but it was explained that it is not the kind of contribution that will continue in the same way in the next fiscal year and beyond. In light of this, how do you view the potential to continue expanding royalty and licensing income? Also, if possible, please comment on regions or merchandise categories where you see particular opportunity.**

A: We believe that royalty contribution on the scale seen this time will come to an end in the current fiscal year. At the same time, this was an opportunity to reaffirm that our IP, particularly in the North American market, is highly valued.

We hold multiple strong IP assets beyond *FINAL FANTASY*, and across the Group, including Publishing and TAITO, we possess a diverse range of IP. How to monetize these in ways beyond games, in other words, how to expand earnings opportunities beyond primary works through the Merchandising segment, is a key theme for us.

We regard this as one of the growth drivers beyond the “3-year reboot,” and efforts are already underway. We intend to indicate the timing of specific results as progress is made.

In terms of merchandise, opportunities exist across IP utilization as a whole. In terms of geography, in addition to Japan, we believe there is room for expansion in North America and emerging markets as well. In particular, in markets where there is demand for our IP but where we have not yet sufficiently delivered products, we will seek to create new earnings opportunities by expanding merchandising and broadening distribution channels.

**Q: Regarding the next medium-term business plan, as you aim for top-line growth, how do you view the likelihood of a step-up in earnings, taking into account changes in the composition of the content production account and progress in cost control for AAA titles? Also, how are you thinking at this point about target margin levels?**

A: The question of what we seek to achieve beyond the “3-year reboot” has been a consistent focus since the formulation of the current medium-term business plan. In the next phase, the key issue will be how to balance top-line growth and profitability. These three years have been positioned as a period in which we achieve a shift from quantity to quality and transition to a leaner business structure with a strong focus on profitability. In the next phase, we will move toward concretely combining that with top-line growth.

Regarding cost control, as you pointed out, there are certain limits when it comes to AAA titles. Under a multi-platform strategy, there are structural constraints on significantly increasing operating margins through cost control alone. Accordingly, we intend to realize a highly profitable business structure by absorbing the costs of AAA titles through expanded repeat sales and broader earnings opportunities across the Group, including Publishing and Amusement.

In addition, rather than focusing only on games, we will continue to expand contact points and build earnings across the Group through Rights and Properties, Publishing, Amusement, and collaboration with external partners.

**Q: It was explained that repeat sales of catalog titles remain strong. Compared with peers, there still appears to be room for further progress in these efforts. On that basis, how much growth potential do you see over the next three to five years?**

A: We recognize that, in comparison with other companies, there remains room for further expansion in repeat sales.

The move to multi-platform releases, which we have advanced since the first year of the medium-term business plan, is a measure that contributes significantly to expanding repeat sales. In fact, the release of *OCTOPATH TRAVELER 0* has expanded sales of past series titles across multiple platforms.

Going forward, by advancing multi-platform releases, including for AAA titles, we will be able to reach user segments that we could not previously reach because of hardware constraints, and the thickness of catalog sales will steadily increase.

These initiatives are areas in which the measures under the current three-year plan will generate effects over the medium to long term, and we position them as one of the next growth drivers.