

**SQUARE ENIX HOLDINGS CO., LTD. ANNOUNCES FINANCIAL RESULTS FOR
THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2019**

TOKYO, Japan – November 7, 2019 – SQUARE ENIX HOLDINGS CO., LTD. (the “Company”) today announced consolidated results for the six-month period ended September 30, 2019 (the “Period”). The Company is listed on the First Section of the Tokyo Stock Exchange, with the stock code “9684,” and prepares its financial statements according to the Japan GAAP.

Key Figures

(millions of yen, except percentages and per share data)

<u>6 months actual</u>	<u>6 mos. ended 9/19</u>	<u>6 mos. ended 9/18</u>	<u>YoY change</u>
Net sales	120,762	111,617	+8.2%
Operating income	15,918	9,771	+62.9%
Ordinary income	15,609	14,709	+6.1%
Profit attributable to owners of parent	10,969	8,308	+32.0%
EPS, basic	92.02 yen	69.74 yen	-

<u>Full year</u>	<u>Forecast FY ending 3/20</u>	<u>Actual FY ended 3/19</u>	<u>YoY change</u>
Net sales	270,000	271,276	-0.5%
Operating income	24,000	24,635	-2.6%
Ordinary income	24,000	28,415	-15.5%
Profit attributable to owners of parent	16,800	19,373	-13.3%
EPS, basic	140.97 yen	162.57 yen	-

Due to the changes in accounting policy regarding sales of digital content from the fiscal year ending March 31, 2020, the change in accounting policy has been applied retroactively to the Consolidated Financial Statements for the previous six month period ended September 30, 2018 and the fiscal year ended March 31, 2019. For additional information, please refer to the full-length Consolidated Financial Results document at: <https://www.hd.square-enix.com/eng/20q2earnings.pdf>, or the Company's IR website: <https://www.hd.square-enix.com/eng/ir/>.

In the Digital Entertainment segment, major releases of console games in the Period included “DRAGON QUEST XI S: Echoes of an Elusive Age - Definitive Edition” and Nintendo Switch and Xbox One versions of “FINAL FANTASY X/X-2 HD Remaster.” Net sales declined versus the same period for the previous year, when a high hurdle was set by the release of a major new title. Moreover, weak additional sales of titles released in the previous year led to the HD sub-segment’s operating loss.

In the smart devices and PC browser area, net sales and operating income increased year on year since “Romancing SaGa Re;univerSe” continued to perform well and “DRAGON QUEST WALK” launched in September 2019 made a good start.

In the area of massively multiplayer online role-playing games, revenues from sales of the latest expansion pack of “FINAL FANTASY XIV” and increase of number of paying subscribers boosted

by the expansion generated increased net sales and operating income, compared to the prior fiscal year.

In the Amusement segment, the Period saw no release of new amusement machine, but strong arcade operations resulted in a rise in net sales and operating income versus the same period of the previous year.

In the Publication segment, sales in digital formats, including via the MANGA UP! comic app, in the Period increased sharply. Sales of printed media were also brisk, resulting in higher net sales and operating income than in the same period of the prior year.

In the Merchandising segment, the release of new character goods featuring the Group's own intellectual properties during the Period resulted in higher sales and operating income as compared to the same period of the previous year.

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About Square Enix Holdings Co., Ltd.

Square Enix Holdings Co., Ltd. with headquarters in Tokyo, Japan, is the holding company leading the group of Square Enix companies (the "Square Enix Group") with a diverse range of content and service businesses. The Square Enix Group publishes, distributes and licenses entertainment content around the world under its internationally renowned brands including SQUARE ENIX®, EIDOS® and TAITO®. The Square Enix Group includes a global network of leading development studios located in North America, Europe and Japan. The Square Enix Group also boasts a valuable portfolio of intellectual property including: FINAL FANTASY®, which has sold over 147 million units worldwide; DRAGON QUEST®, which has sold over 78 million units worldwide; TOMB RAIDER®, which has sold over 74 million units worldwide; and the legendary SPACE INVADERS®.

More information on Square Enix Holdings Co., Ltd. can be found at <https://www.hd.square-enix.com/eng/>

*Unit sales are the total number of cumulative package shipment and digital sales. Digital sales are the cumulative unit number in and after April 2015, and include full-game downloads of packaged games and download-only games for console and PC.

Disclaimer

The forward-looking statements in this document are based upon the information currently available, and necessarily include elements that are not entirely predictable. Actual results may differ from the forward-looking statements in this document.

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