

SQUARE ENIX®

**Reference Materials
Three-Month Period**

Ended June 30, 2016

August 5, 2016

SQUARE ENIX HOLDINGS CO., LTD.

Statements made in this document with respect to SQUARE ENIX HOLDINGS CO., LTD. and its consolidated subsidiaries' (together, "SQUARE ENIX GROUP") plans, estimates, strategies and beliefs are forward-looking statements about the future performance of SQUARE ENIX GROUP.

These statements are based on management's assumptions and beliefs in light of information available to it at the time these material were drafted and, therefore, the reader should not place undue reliance on them. Also, the reader should not assume that statements made in this document will remain accurate or operative at a later time.

A number of factors could cause actual results to be materially different from and worse than those discussed in forward-looking statements. Such factors include, but not limited to:

1. changes in economic conditions affecting our operations;
2. fluctuations in currency exchange rates, particularly with respect to the value of the Japanese yen, the U.S. dollar and the Euro;
3. SQUARE ENIX GROUP's ability to continue to win acceptance of our products and services, which are offered in highly competitive markets characterized by the continuous introduction of new products and services, rapid developments in technology, and subjective and changing consumer preferences;
4. SQUARE ENIX GROUP's ability to expand international success with a focus on our businesses; and
5. regulatory developments and changes and our ability to respond and adapt to those changes.

The forward-looking statements regarding earnings contained in these materials were valid at the time these materials were drafted. SQUARE ENIX GROUP assumes no obligation to update or revise any forward-looking statements, including forecasts or projections, whether as a result of new information, subsequent events or otherwise.

The financial information presented in this document is prepared according to generally accepted accounting principles in Japan.

Results for the Three-Month Period Ended June 30, 2016

Billions of Yen

	April-June, 2015		April-June, 2016		Change
		%		%	
Net Sales	42.3	100%	51.2	100%	8.9
Operating Income	7.9	19%	8.9	19%	1.0
Ordinary income	9.5	23%	6.4	23%	(3.1)
Profit attributable to owners of parent	6.0	14%	5.3	14%	(0.6)

(Ref.) Full-Year Forecasts (Consolidated)

Billions of Yen

	Fiscal Year Ended 3/16	Fiscal Year Ending 3/17	Change
Net Sales	214.1	250.0~270.0	35.9~55.9
Operating Income	26.0	27.0~33.0	1.0~7.0
Ordinary income	25.3	27.0~33.0	1.7~7.7
Profit attributable to owners of parent	19.9	17.0~21.0	(2.8)~1.2

Results for the Three-Month Period Ended June 30, 2016 by Business Segment

1. Results for the Three-Month Period Ended June 30, 2016 (Billions of Yen)

	Digital Entertainment	Amusement	Publication	Merchandising	Eliminations or unallocated	Total
Net Sales	37.5	10.4	2.3	1.4	(0.4)	51.2
Operating Income	9.5	0.8	0.5	0.6	(2.4)	8.9
Operating Margin	25.2%	8.0%	23.5%	39.5%	-	17.5%

2. Results for the Three-Month Period Ended June 30, 2015 (Billions of Yen)

	Digital Entertainment	Amusement	Publication	Merchandising	Eliminations or unallocated	Total
Net Sales	30.3	8.5	2.7	1.2	(0.3)	42.3
Operating Income	8.2	0.9	0.7	0.4	(2.3)	7.9
Operating Margin	27.0%	11.1%	24.4%	36.1%	-	18.7%

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

	Digital Entertainment	Amusement	Publication	Merchandising	Eliminations or unallocated	Total
Net Sales	7.2	1.9	(0.4)	0.3	(0.0)	8.9
Operating Income	1.3	(0.1)	(0.1)	0.1	(0.1)	1.0

Transition of Results by Business Segment

Net Sales (consolidated)

(Billions of yen)

	FY 2017/3	(Ref.) FY 2016/3				
	Apr-Jun	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Full-year
Digital Entertainment	37.5	30.3	29.9	50.0	48.8	159.0
Amusement	10.4	8.5	10.5	12.7	9.4	41.1
Publication	2.3	2.7	2.3	2.7	2.3	10.0
Merchandising	1.4	1.2	1.4	1.1	0.9	4.5
Eliminations or unallocated	(0.4)	(0.3)	(0.1)	(0.0)	(0.1)	(0.5)
Total	51.2	42.3	44.1	66.4	61.3	214.1

Operating Income (consolidated)

(Billions of yen)

	FY 2017/3	(Ref.) FY 2016/3				
	Apr-Jun	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Full-year
Digital Entertainment	9.5	8.2	4.7	10.2	4.3	27.5
Amusement	0.8	0.9	1.2	2.2	(0.4)	4.0
Publication	0.5	0.7	0.4	0.9	0.4	2.3
Merchandising	0.6	0.4	0.5	0.3	0.3	1.5
Eliminations or unallocated	(2.4)	(2.3)	(2.2)	(2.4)	(2.4)	(9.2)
Total	8.9	7.9	4.7	11.2	2.2	26.0

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