

**SQUARE ENIX HOLDINGS CO., LTD. ANNOUNCES FINANCIAL RESULTS FOR
THE FISCAL YEAR ENDED MARCH 31, 2019**

TOKYO, Japan – May 13, 2019 – SQUARE ENIX HOLDINGS CO., LTD. (the “Company”) today announced consolidated financial results for the fiscal year ended March 31, 2019 (this “Fiscal Year”).

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>FY ended 3/19</u>	<u>FY ended 3/18</u>	<u>YoY change</u>
Net sales	271,048	250,394	+8.2%
Operating income	24,531	38,176	-35.7%
Ordinary income	28,312	36,124	-21.6%
Profit attributable to owners of parent	18,463	25,821	-28.5%
EPS, basic	154.93 yen	215.33 yen	—

For additional information, please refer to the full-length Consolidated Financial Results document at: <https://www.hd.square-enix.com/eng/19q4earnings.pdf>, or the Company’s IR website: <https://www.hd.square-enix.com/eng/ir/>.

In the Digital Entertainment segment for this fiscal year, “KINGDOM HEARTS III,” “SHADOW OF THE TOMB RAIDER,” and “JUST CAUSE 4” drove a rise in net sales compared to the prior fiscal year. Operating income meanwhile fell versus the prior fiscal year due to higher costs associated with the release of the new titles.

In the smart devices and PC browser area, many of the titles newly launched in the prior fiscal year and first half of this fiscal year performed below expectations and failed to generate additional revenue on top of that from existing games. A decrease in licensing income also resulted in a year-on-year decline in net sales and operating income.

In the area of massively multiplayer online role-playing games, net sales and operating income decreased compared to the prior fiscal year, which had seen the launch of expansion packages for “FINAL FANTASY XIV” and “DRAGON QUEST X,” but recurring subscription revenue remained brisk.

In the Amusement segment, net sales rose compared to the prior fiscal year thanks to the release of new amusement machines and solid amusement facility operations. Operating income meanwhile fell versus the prior fiscal year due to higher depreciation charges associated with the installation of new machines at amusement facilities.

In the Publication segment, net sales in digital formats grew sharply while comics in print format were on par with the prior fiscal year. In addition, the MANGA UP! comic app posted an increase in sales, resulting in this segment's higher net sales and operating income year-on-year.

In the Merchandising segment, net sales and operating income fell versus the prior fiscal year due to a high hurdle set by the release of new merchandise based on key IP a year earlier and to strategic investments aimed at developing new businesses.

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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 144 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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