

October 25, 2018

Company: SQUARE ENIX HOLDINGS CO., LTD.
(Code: 9684, Tokyo Stock Exchange)
Representative: Yosuke Matsuda, President and Representative Director
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NOTICE OF GRANT OF STOCK UNIT AWARD (PERFORMANCE-BASED)
TO EMPLOYEE OF THE SUBSIDIARY

SQUARE ENIX HOLDINGS CO., LTD. (the “Company”) has resolved to grant Stock Unit Award (performance-based) (the “Stock Award”) to employee of its subsidiary (the “Participant”) identified by the Company at the Board of Directors Meeting held on October 25, 2018.

1. Purpose of the Stock Award

The Company grants the Stock Award for the purpose of incentivizing the Participant to enhance the corporate value of the Company and promoting it to share values with the shareholders of the Company.

2. Contents of the Stock Award

(1) Outline of the Stock Award

The Stock Award is a performance-based stock unit award that the Company delivers to the Participant each pre-determined numbers (the “Number of Shares to Be Delivered”) of the common stocks in the Company (the “Shares”), on the conditions of achievement of the performance goal in each of the fiscal years ended (i) March 2019, (ii) March 2020 and (iii) March 2021 (respectively, the “Fiscal Year”) of the relevant performance evaluation period (from November 1, 2018 to March 31, 2021). If the total number of the issued shares in the Company increases or decreases by consolidation or split of shares (including but not limited to the Allotment of Shares without Contribution provided for in Article 185 of the Companies Act; the same shall apply to references to split of shares hereinafter), the Number of Shares to Be Delivered shall be adjusted accordingly by multiplying the rate of consolidation or split of shares.

(2) Conditions to deliver the Shares

The Participant may receive the delivery of the Shares after expiration of each Fiscal Year on the conditions that (i) the performance goal of such Fiscal Year set out by the board of directors has been achieved and (ii) the Participant continuously holds any position of the subsidiary of the Company set out by the board of directors during such Fiscal Year and (iii) the Participant meets any other requirements including the absence of any misconduct.

(3) Maximum number of the Shares to be delivered to the Participant

Maximum number of the Shares to be delivered to the Participant with respect to the Stock Award shall be two thousand and seven hundred (2,700) shares. If the total number of the issued shares in the Company increases or decreases by consolidation or split of shares, such maximum number shall be adjusted accordingly by multiplying the rate of consolidation or split of shares.

(4) Procedure and date of the delivery

If the performance goal of the Fiscal Year has been achieved, the Company shall resolve by the

board of directors (i) to give the Participant monetary claims and (ii) in exchange of such claims, to deliver the Number of Shares to Be Delivered by means of issuance of new shares or disposition of treasury shares.

The subscription price per share of such issuance or disposition shall be determined by the board of directors, to the extent that such price is not particularly-favorable based on the closing price of the Share at Tokyo Stock Exchange on the preceding business day to each day of such resolutions (if no closing price is quoted, the closing price of the immediately preceding trading date to such business day.).

(5) Retirement during the Fiscal Year, etc.

In cases of the retirement of the Participant during the Fiscal Year or occurrence of any other event set out by the board of directors, the Company shall not deliver any Shares for such Fiscal Year to the Participant.

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