

**SQUARE ENIX HOLDINGS CO., LTD. ANNOUNCES FINANCIAL RESULTS FOR
THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2020**

TOKYO, Japan – February 3, 2021 – SQUARE ENIX HOLDINGS CO., LTD. (the “Company”) today announced consolidated results for the nine-month period ended December 31, 2020 (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>9 months actual</u>	<u>9 mos. ended 12/20</u>	<u>9 mos. ended 12/19</u>	<u>YoY change</u>
Net sales	253,643	189,715	+33.7%
Operating income	41,022	27,770	+47.7%
Ordinary income	38,703	27,995	+38.3%
Profit attributable to owners of parent	18,371	19,190	-4.3%
EPS, basic	153.96 yen	160.96 yen	—
	<i>Forecast</i>	<i>Actual</i>	
<u>Full year</u>	<u>FY ending 3/21</u>	<u>FY ended 3/20</u>	<u>YoY change</u>
Net sales	290,000	260,527	+11.3%
Operating income	40,000	32,759	+22.1%
Ordinary income	40,000	32,095	+24.6%
Profit attributable to owners of parent	24,000	21,346	+12.4%
EPS, basic	201.14 yen	179.02 yen	-

For additional information, please refer to the full-length Consolidated Financial Results document at: <https://www.hd.square-enix.com/eng/21q3earnings.pdf>, or the Company’s IR website: <https://www.hd.square-enix.com/eng/ir/>.

In the Digital Entertainment segment, the HD (High-Definition) Game sub-segment saw the release of major titles including “FINAL FANTASY VII REMAKE” and “Marvel’s Avengers,” growth in digital sales of catalog titles, and licensing income that resulted in higher net sales than in the same period of the previous fiscal year, as well as a turn to profit at the operating line.

Net sales declined at the MMO (Massively Multiplayer Online) Game sub-segment due to the release of the “FINAL FANTASY XIV” and “DRAGON QUEST X” expansion packs in the previous fiscal year, but operating income rose in part due to the growth of recurring revenue from the same titles compared with the previous fiscal year.

Both net sales and operating income rose in comparison to the previous fiscal year in the Games for Smart Devices/PC Browser sub-segment not only because of solid performances from existing titles such as “DRAGON QUEST WALK” and “WAR OF THE VISIONS: FINAL FANTASY BRAVE EXVIUS,” but also earnings from “DRAGON QUEST TACT” and “OCTOPATH TRAVELER: Tairiku no Hasha,” both of which were launched in the current fiscal year.

The Amusement segment saw a sharp decline in net sales compared to the previous fiscal year and booked an operating loss due to the temporary closure of amusement facilities in Japan during the first quarter of this fiscal year. The closures were designed to combat the spread of COVID-19 in response to the Japanese government's declaration of a state of emergency. In the Publication segment, sales in digital formats, including via the "MANGA UP!" comic app and of e-books, rose sharply. This, combined with brisk sales of printed media, resulted in higher net sales and operating income than in the same period of the previous fiscal year. In the Merchandising segment, brisk sales of character merchandise, soundtracks, and other products based on the Group's own content resulted in growth in net sales and operating income versus the same period of the previous fiscal 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 159 million units worldwide; DRAGON QUEST®, which has sold over 82 million units worldwide; TOMB RAIDER®, which has sold over 81 million units worldwide; and the legendary SPACE INVADERS®.

More information on Square Enix Holdings Co., Ltd. can be found at <http://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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