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SQUARE ENIX HOLDINGS CO., LTD. ANNOUNCES FINANCIAL RESULTS FOR THE FISCAL YEAR ENDED MARCH 31, 2022

TOKYO, Japan – May 13, 2022 – SQUARE ENIX HOLDINGS CO., LTD. (the "Company") today announced consolidated financial results for the fiscal year ended March 31, 2022 (this "Fiscal Year").

The Company is listed on the Prime Market 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 3/22</u>	<u>FY ended 3/21</u>	<u>YoY change</u>
Net sales	365,275	332,532	9.8%
Operating income	59,261	47,226	25.5%
Ordinary income	70,704	49,983	41.5%
Profit attributable to owners of parent	51,013	26,942	89.3%
EPS, basic	426.82 yen	225.75 yen	-

Yes change in consolidated forecasts from the previous announcement.

The Company has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29; March 31, 2020) and other standards as of the start of the first quarter of the consolidated fiscal year ending March 31, 2022 and figures for the year ending March 31, 2022 reflect this change of accounting method.

For additional information, please refer to the full-length Consolidated Financial Results document at: <u>https://www.hd.square-enix.com/eng/22q4earnings.pdf</u>, or the Company's IR website: <u>https://www.hd.square-enix.com/eng/ir/</u>.

In the Digital Entertainment segment, the HD (High-Definition) Game sub-segment, the fiscal year ended March 31, 2022 saw the release of such titles as "OUTRIDERS," "NieR Replicant ver.1.22474487139...," and "Marvel's Guardians of the Galaxy," but net sales declined versus the previous fiscal year, which had seen the launch of such titles as "FINAL FANTASY VII REMAKE" and "Marvel's Avengers."

Net sales rose year on year at the MMO (Massively Multiplayer Online) Game sub-segment due not only to a sharp rise in the number of monthly paying subscribers for "FINAL FANTASY XIV," but also to the release of an expansion pack for the title.

The Games for Smart Devices/PC Browser sub-segment saw somewhat weak performances from existing titles, but its net sales rose compared to the previous fiscal year due to the application of revised revenue recognition standards.

The Amusement segment was substantially impacted in the fiscal year ended March 31, 2021 by the temporary closure of amusement facilities in Japan, a move undertaken to combat the spread of COVID-19 in response to the Japanese government's declaration of a state of emergency. As such, the segment's net sales were higher in the fiscal year ended March 31, 2022, and it turned

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to profitability at the operating income line.

In the Publication segment, net sales and operating income rose year on year, which saw not only brisk digital sales, but also a solid trend in print media sales, owing in part to the significant popularity of "My Dress-Up Darling."

In the Merchandising segment, brisk sales of new character merchandise based on the Group's own content resulted in higher net sales and operating income in the fiscal year ended March 31, 2022 than in 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 168 million units worldwide; DRAGON QUEST®, which has sold over 84 million units worldwide; TOMB RAIDER®, which has sold over 88 million units worldwide; and the legendary SPACE INVADERS®.

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

*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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