

[Abridged Translation for Reference and Convenience Purposes Only]

This document is an abridged translation of the Japanese original of "Notice of Convocation of the 37th Annual Shareholders' Meeting" and "Reference Documents for the Shareholders' Meeting" of SQUARE ENIX HOLDINGS CO., LTD. This translation is intended for reference and convenience purposes only. In the event of any discrepancy between this translation and the Japanese original, the original shall prevail.

Securities Code: 9684

June 1, 2017

To Our Shareholders:

Yosuke Matsuda
President and Representative Director
SQUARE ENIX HOLDINGS CO., LTD.
6-27-30, Shinjuku, Shinjuku-ku, Tokyo

**NOTICE OF CONVOCATION OF
THE 37TH ANNUAL SHAREHOLDERS' MEETING**

You are cordially invited to attend the 37th Annual Shareholders' Meeting of SQUARE ENIX HOLDINGS CO., LTD. (the "Company"), which will be held as described below (the "Meeting").

In the event that you are unable to attend the Meeting, please examine the "Reference Documents for the Shareholders' Meeting" provided below, and you may exercise your voting rights either of the following two methods no later than 6:00 p.m., Thursday, June 22, 2017 (Japan Standard Time).

[Exercise of voting rights in writing (via mailing)]

Please indicate your approval or rejection of the agenda on the Voting Form enclosed herewith, and return the same to be delivered to us by the above deadline.

[Exercise of voting rights via the Internet]

Please exercise your voting rights via the Company's designated electronic voting website (<http://www.evotep.jp/>). You need a log-in ID and a tentative password, which are indicated on the Voting Form enclosed herewith.

If you exercise your voting rights both in writing and via the Internet, only the latter will be valid, and if you exercise your voting rights via the Internet more than once, only the last vote will be counted.

(Note: Voting via the Internet is not available to non-resident shareholders.)

(Note: Nominal shareholders such as trust banks (including custodians) who apply in advance to use the Electronic Voting Platform for Foreign and Institutional Investors operated by ICJ, Inc. may use the platform to exercise their voting rights via electronic method, as provided in the Companies Act.)

- 1. Time:** 10 a.m., Friday, June 23, 2017 (Doors open at 9 a.m.)
- 2. Place:** Century Room, B1 floor, Hyatt Regency Tokyo
2-7-2 Nishi Shinjuku, Shinjuku-ku, Tokyo
- 3. Meeting Agenda:
Reports**
 1. Business Report, Consolidated Financial Statements, and Audit Reports on the Consolidated Financial Statements by Accounting Auditors and by the Audit & Supervisory Board for the 37th Term (April 1, 2016 through March 31, 2017)
 2. Non-Consolidated Financial Statements for the 37th Term (April 1, 2016 through March 31, 2017)

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Items for Resolution

- | | |
|---------------------|---|
| First Item: | Election of Six (6) Directors |
| Second Item: | Election of One (1) Audit & Supervisory Board Member |
| Third Item: | Election of One (1) Substitute Audit & Supervisory Board Member |

- END -

Notes:

Excerpts from the Business Report and Consolidated Financial Statements are to be attached to this NOTICE OF CONVOCATION and are described from page 3 onward.

Should revisions to this document for the Shareholders' Meeting become necessary, such changes will be posted on the Company's website (Japanese: <http://www.hd.square-enix.com/jpn/ir/stock/shareholdersmeeting.html> and summarized translations in English: <http://www.hd.square-enix.com/eng/ir/stock/shareholdersmeeting.html>).

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(Excerpts from Business Report for the 37th Term)

Operating Highlights of the Fiscal Year Ended March 31, 2017

The Square Enix group (the “Group”) is continuing determined efforts to strengthen the competitiveness and profitability of its business segments of Digital Entertainment, Amusement, Publication and Merchandising.

Net sales for the consolidated fiscal year under review (the “Fiscal Year”) totaled ¥256,824 million (an increase of 20.0% from the prior fiscal year), operating income amounted to ¥31,295 million (an increase of 20.3% from the prior fiscal year) and ordinary income amounted to ¥31,128 million (an increase of 22.9% from the prior fiscal year).

SQUARE ENIX HOLDINGS CO., LTD. (the “Company”) has decided to withdraw from the business of IO INTERACTIVE A/S, a wholly-owned subsidiary of the Company and a Danish corporation. This decision has resulted in booking of extraordinary loss of ¥4,898 million, including write-down of content production account related to the business, impairment loss of intangible assets and others.

These factors resulted in “Profit attributable to owners of parent” of ¥20,039 million (an increase of 0.8 % from the prior fiscal year).

A discussion of results by segment for the Fiscal Year follows.

Operating Results by Business Segment

1. Digital Entertainment

The Digital Entertainment segment consists of planning, development, distribution, and operation of digital entertainment content primarily in the form of game. Digital entertainment content is offered to meet customer lifestyles across a variety of usage environments such as consumer game consoles (including handheld game machines), personal computers and smart devices.

In the Fiscal Year, major launches of blockbuster series titles such as “FINAL FANTASY XV” and the PlayStation®4 version of “RISE OF THE TOMB RAIDER,” on top of strong download sales of previously released catalogue titles, have led to a material increase of net sales and operating income in the area of console games, compared to the prior fiscal year.

In the area of massively multiplayer online role playing games, revenues from operation has been showing steady performance while net sales and operating income declined significantly compared to the prior fiscal year mainly due to the absence of expansion disk releases during the Fiscal Year.

Net sales and operating income in the area of content for platforms such as smart devices and PC browser, increased significantly compared to the prior fiscal year primarily thanks to the strong performance of existing major titles of native application games on smartphones such as “FINAL FANTASY BRAVE EXVIUS,” “HOSHI NO DRAGON QUEST” and “DRAGON QUEST MONSTERS SUPER LIGHT,” coupled with successful overseas expansion of “FINAL FANTASY BRAVE EXVIUS” and “KINGDOM HEARTS Union χ.”

Net sales and operating income in the Digital Entertainment segment totaled ¥199,016 million (an increase of 25.2% from the prior fiscal year), and ¥33,310 million (an increase of 21.3% from the prior fiscal year), respectively.

2. Amusement

The Amusement segment consists of the operation of amusement facilities and planning, development, and distribution of arcade game machines and related products for amusement facilities.

During the Fiscal Year, sales of amusement machines such as “Gunslinger Stratos3,” and “Love Live! School idol festival – after school ACTIVITY –” have gained favorable results, and operation of the amusement facilities has been showing steady performance through efficient store management efforts.

Net sales and operating income in the Amusement segment totaled ¥42,757 million (an increase of 3.9% from the prior fiscal year), and ¥3,669 million (a decrease of 8.0% from the prior fiscal year), respectively.

3. Publication

The Publication segment consists of publication and licensing of comic magazines, comic books, and game strategy guides.

During the Fiscal Year, sales of comic books and others declined while sales of game strategy guides for blockbuster series titles have gained favorable results compared to the prior fiscal year.

Net sales and operating income in the Publication segment totaled ¥10,041 million (an increase of 0.7% from the prior

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fiscal year) and ¥2,429 million (an increase of 7.1% from the prior fiscal year), respectively.

4. Merchandising

The Merchandising segment consists of planning, production, distribution, and licensing of derivative products of IPs owned by the Group. During the Fiscal Year, sales and licensing performed steadily thanks to character goods and soundtracks derived from the Group's own IPs.

Net sales and operating income in the Merchandising segment totaled ¥6,451 million (an increase of 41.9% from the prior fiscal year), and ¥2,150 million (an increase of 41.7% from the prior fiscal year), respectively.

Capital Expenditures

During the Fiscal Year, capital expenditures totaled ¥6,962 million, consisting mainly of investments in arcade game machines in the Amusement segment, game development tools and networking equipment for data centers in the Digital Entertainment segment.

Issues Facing Management

Management's key task is to create advanced, high-quality content and services that allow the Group to grow in the medium- and long-term while maintaining profitability. As the development and popularization of information technology (IT) and network environments rapidly advance, the Group anticipates a major transformation in the structure of the digital entertainment industry. The Group believes that this will be driven by factors such as increased consumer needs in the area of network-compliant entertainment and growing access to a diverse range of content by users of multi-function devices. The Group strives to respond to these changes, and has adopted a medium- to long-term management strategy that focuses on pioneering a new era in digital entertainment.

In order to achieve the Group's medium- to long-term strategy, it is imperative to expand its global business and meet customers' diverse needs for entertainment content/services. It is critically important that the Group acquires and develops ideally suited human resources to that end.

Basic Policy for Profit Distribution and Dividends

The Group recognizes the return of profits to shareholders as one of its most important management tasks. The Group maintains internal reserves to place priority on investments that will enhance the value of the Group. Such investments will be made in order to increase the Group's value through expansion of existing businesses, new business development, and reform of the business structure. With retaining an appropriate amount of internal reserves, the Group attaches continued importance to the shareholder returns, primarily by means of cash dividend, in an optimal balance between the performance-based payout and the stable returns. The amount of dividends is determined upon the comprehensive consideration of the balance of the investments and the return of profits to shareholders, using consolidated payout ratio of approximately 30% as a guide.

[Distribution of Surplus for the Fiscal Year Ended March 31, 2017]

The Company has decided to distribute dividends from surplus at the rate of 40 yen per share of common stock by the resolution of the Board of Directors' Meeting held on May 17, 2017.

The aggregate amount of annual dividends is 50 yen per share (including the interim dividends of 10 yen per share paid in December, 2016).

The Company will begin paying dividends on Friday, June 2, 2017. Please receive the above-mentioned dividends by using the enclosed dividends receipt during the payment period (from June 2, 2017 through July 31, 2017).

For shareholders who have designated a payment method, the Company has arranged payment accordingly.

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Consolidated Balance Sheets

As of March 31, 2017

(Millions of Yen)

Items	Amount	Items	Amount
(ASSETS)		(LIABILITIES)	
Current assets	209,038	Current liabilities	55,445
Cash and deposits	129,364	Notes and accounts payable-trade	14,220
Notes and accounts receivable-trade	26,053	Short-term loans payable	8,437
Merchandise and finished goods	2,820	Income taxes payable	1,665
Work in progress	11	Provision for bonuses	2,358
Raw materials and supplies	302	Provision for sales returns	6,197
Content production account	34,548	Provision for game arcade closings	64
Deferred tax assets	7,029	Asset retirement obligations	17
Other	9,222	Other	22,482
Allowance for doubtful accounts	(314)	Non-current liabilities	6,510
Non-current assets	34,820	Provision for directors' retirement benefits	88
Property, plant and equipment	14,234	Provision for loss on game arcade closings	83
Buildings and structures	5,412	Net defined benefit liability	2,546
Tools, furniture and fixtures	3,067	Deferred tax liabilities	573
Amusement equipment	1,792	Asset retirement obligations	2,450
Land	3,798	Other	767
Construction in progress	62	Total liabilities	61,955
Other	101	(NET ASSETS)	
Intangible assets	4,735	Shareholders' equity	185,763
Investments and other assets	15,850	Capital stock	23,828
Investment securities	780	Capital surplus	53,067
Guarantee deposits	9,204	Retained earnings	109,764
Net defined benefit asset	120	Treasury stock	(897)
Deferred tax assets	2,572	Accumulated other comprehensive income	(4,440)
Other	3,394	Valuation difference on available-for-sale securities	364
Allowance for doubtful accounts	(222)	Foreign currency translation adjustment	(4,640)
		Remeasurements of defined benefit plans	(165)
		Subscription rights to shares	453
		Non-controlling interests	128
		Total net assets	181,904
Total assets	243,859	Total liabilities and net assets	243,859

(Note: Amounts are rounded down to the nearest million yen.)

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Consolidated Income Statements

From April 1, 2016 to March 31, 2017

(Millions of Yen)

Items	Amount	
Net sales		256,824
Cost of sales		141,123
Gross profit		115,701
Reversal of provision for sales returns		3,227
Provision for sales returns		6,014
Net gross profit		112,914
Selling, general and administrative expenses		81,618
Operating income		31,295
Non-operating income		
Interest income	75	
Dividend income	9	
Rent income	16	
Reversal of allowance for doubtful accounts	2	
Subsidy income	33	
Gain on forgiveness of payable for group tax	62	
Miscellaneous income	93	293
Non-operating expenses		
Interest expenses	52	
Commission fee	6	
Office transfer related expenses	31	
Foreign exchange losses	358	
Miscellaneous loss	11	459
Ordinary income		31,128
Extraordinary income		
Gain on sales of non-current assets	4	
Gain on reversal of subscription rights to shares	20	
Gain on liquidation of subsidiaries	69	
Foreign currency gain on subsidiary liquidation	105	
Gain on reversal of debts	82	
other	20	302
Extraordinary losses		
Loss on retirement of non-current assets	210	
Impairment loss	437	
Loss on liquidation of subsidiaries and associates	4,898	
Loss on valuation of shares of subsidiaries and associates	0	
Other	37	5,584
Profit before income taxes		25,846
Income taxes-current	5,331	
Income taxes-deferred	472	5,804
Profit		20,042
Profit attributable to non-controlling interests		3
Profit attributable to owners of parent		20,039

(Note: Amounts are rounded down to the nearest million yen.)

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Consolidated Statements of Changes in Net Assets

From April 1, 2016 to March 31, 2017

Dividends from retained earnings			(5,855)		(5,855)
Profit attributable to owners of parent			20,039		20,039
Purchase of treasury stock				(8)	(8)
Disposal of treasury stock		0		0	0
Net changes of items other than shareholders' equity					
Total changes during the period	74	74	14,183	(8)	14,323
Balance at the end of current period	23,828	53,067	109,764	(897)	185,763

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of current period	341	(3,207)	(607)	(3,474)	374	443	168,783
Changes during the period							
Issuance of new shares							149
Dividends from retained earnings							(5,855)
Profit attributable to owners of parent							20,039
Purchase of treasury stock							(8)
Disposal of treasury stock							0
Net changes of items other than shareholders' equity	23	(1,432)	442	(966)	78	(315)	(1,203)
Total changes during the period	23	(1,432)	442	(966)	78	(315)	13,120
Balance at the end of current period	364	(4,640)	(165)	(4,440)	453	128	181,904

(Note: Amounts are rounded down to the nearest million yen.)

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Reference Documents for the Shareholders' Meeting

First Item: Election of Six (6) Directors

The Company proposes to elect six (6) directors, since the term of office of all the incumbent directors will expire at the close of this Annual Shareholders' Meeting.

The proposed candidates are the following:

No.	Name (Date of Birth)	Brief Personal History, Positions and Responsibilities in the Company and Significant Positions Concurrently Held	Number of the Company's Shares Held
1	Yosuke Matsuda (April 27, 1963)	<p>Oct. 2001 <i>Senior Vice President</i> SQUARE CO., LTD. (currently SQUARE ENIX HOLDINGS CO., LTD.)</p> <p>Apr. 2003 <i>Senior Vice President and General Manager</i> Accounting and Finance Division</p> <p>Jun. 2004 <i>Director, Accounting and Finance</i></p> <p>Mar. 2013 <i>Senior Executive Managing Director and Representative Director</i></p> <p>Jun. 2013 <i>President and Representative Director (incumbent)</i> (Significant positions concurrently held) <i>President and Representative Director, SQUARE ENIX CO., LTD.</i> <i>Director, Taito Corporation</i> <i>President and Director, SQUARE ENIX OF AMERICA HOLDINGS, INC. (the Group's intermediate holding company in the Americas)</i> <i>Director, SQUARE ENIX LTD. (the Group's operating and intermediate holding company in Europe and other regions)</i> <i>Deputy Chairman of the Board, SQUARE ENIX (China) CO., LTD. (the Group's operating company in China)</i></p>	200 shares
2	Philip Timo Rogers (June 2, 1969)	<p>Jan. 2008 <i>Director and CEO</i> EIDOS PLC</p> <p>Nov. 2009 <i>Director and CEO</i> SQUARE ENIX LTD. (incumbent)</p> <p>May 2013 <i>Director, President and CEO</i> SQUARE ENIX, INC. (the Group's operating company in the Americas) (incumbent)</p> <p>Jun. 2013 <i>Director (incumbent)</i> (Significant positions concurrently held) <i>Director and CEO, SQUARE ENIX LTD.</i> <i>Director, President and CEO, SQUARE ENIX, INC.</i> <i>Director, SQUARE ENIX OF AMERICA HOLDINGS, INC.</i></p>	None

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No.	Name (Date of Birth)	Brief Personal History, Positions and Responsibilities in the Company and Significant Positions Concurrently Held	Number of the Company's Shares Held
3	Keiji Honda (December 29, 1957)	<p>Jun. 1998 <i>Director and General Manager</i> Software Planning Division, Product Planning ENIX CORPORATION (currently SQUARE ENIX HOLDINGS CO., LTD.)</p> <p>Oct. 2000 <i>Representative Director, President and COO</i></p> <p>Apr. 2003 <i>Executive Vice President and Representative Director</i> SQUARE ENIX CO., LTD.</p> <p>Jun. 2013 <i>Director (incumbent)</i> (Significant positions concurrently held) <i>Director, SQUARE ENIX CO., LTD.</i> <i>Director, SQUARE ENIX OF AMERICA HOLDINGS, INC.</i> <i>Chairman of the Board, SQUARE ENIX (China) CO., LTD.</i></p>	5,625 Shares
4	Yukinobu Chida (September 29, 1950)	<p>Apr. 1989 <i>Managing Director and General Manager</i> Product Planning Division ENIX CORPORATION (currently SQUARE ENIX HOLDINGS CO., LTD.)</p> <p>Apr. 1993 <i>Executive Director and General Manager</i> Product Planning Division</p> <p>Oct. 2000 <i>Vice Chairman and Director</i></p> <p>Oct. 2002 <i>Director</i></p> <p>Apr. 2003 <i>Director</i> SQUARE ENIX CO., LTD. (currently SQUARE ENIX HOLDINGS CO., LTD.) (incumbent)</p> <p>Jun. 2014 <i>Director</i> SQUARE ENIX CO., LTD. (incumbent) (Significant position concurrently held) <i>Director, SQUARE ENIX CO., LTD.</i></p>	200,688 Shares
5	Yukihiro Yamamura (October 30, 1963)	<p>Apr. 1997 <i>Director, Deputy General Manager</i> Business Development Division Transcosmos Inc.</p> <p>Oct. 1997 <i>President and Representative Director</i> DoubleClick Japan Inc.</p> <p>Jan. 1999 <i>President and Representative Director</i> Excite Japan Co., Ltd.</p> <p>Aug. 2008 <i>Representative Director and CEO</i> Glam Media Japan Corp. (currently Mode Media Japan Corporation)</p> <p>Jun. 2013 <i>Outside Director (incumbent)</i></p> <p>Sep. 2014 <i>Representative Director</i> Puzzle Ring Inc. (incumbent)</p> <p>May. 2015 <i>Director</i> Project8 Inc. (incumbent)</p> <p>Aug. 2015 <i>Director</i> Visionary Works Co., Ltd. (incumbent) (Significant positions concurrently held) <i>Representative Director, Puzzle Ring Inc.</i> <i>Director, Project8 Inc.</i> <i>Director, Visionary Works Co., Ltd.</i></p>	None

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No.	Name (Date of Birth)	Brief Personal History, Positions and Responsibilities in the Company and Significant Positions Concurrently Held	Number of the Company's Shares Held
6	Yuji Nishiura (January 3, 1953)	<p>Apr. 1993 <i>Director, Executive Vice President and Partner</i> Booz Allen Hamilton Inc. (currently PwC Consulting LLC)</p> <p>Feb. 2000 <i>Representative Director, President and Partner</i></p> <p>Oct. 2002 <i>Representative Director, CEO and Managing Partner</i> Roland Berger and Partner Japan Ltd. (currently Roland Berger Ltd.)</p> <p>Jan. 2006 <i>Japan Representative and Managing Director</i> AlixPartners Asia, LLC</p> <p>Jan. 2011 <i>Vice Chairman and Managing Director</i> AlixPartners, LLP</p> <p>Dec. 2012 <i>Director</i> AXA Japan Holding Co., Ltd. (currently AXA Life Insurance Co., Ltd.) <i>Chairman and Director</i> AXA Life Insurance Co., Ltd.</p> <p>Mar. 2013 <i>Chairman and Director</i> AXA General Insurance Co., Ltd.</p> <p>Jun. 2014 <i>Outside Director (incumbent)</i></p> <p>Oct. 2014 <i>Chairman and Director</i> AXA Life Insurance Co., Ltd.</p> <p>Dec. 2015 <i>Chairman and Representative Director</i> Sumitomo Mitsui Trust Club Co., Ltd. (incumbent) (Significant position concurrently held) <i>Chairman and Representative Director, Sumitomo Mitsui Trust Club Co., Ltd.</i></p>	None

- Notes:
1. There is no special interest between any candidate and the Company.
 2. The candidates Yukihiro Yamamura and Yuji Nishiura are nominated as Outside Directors.
 3. The reasons for the nomination of each candidate as Director are as listed below.
 - (1) Since becoming Director of the Company, Yosuke Matsuda, Philip Timo Rogers, and Keiji Honda have produced a track record as executive Director characterized by producing stable revenues through corporate strategy planning in line with the changes in the Group's business environment and steady implementation of the strategy, and are, therefore, expected to realize further enhancement of the Group's corporate value.
 - (2) Since becoming Director of the Company, Yukinobu Chida has produced a track record as non-executive Director of the Company characterized by taking on the functions of supervision and check on executive Directors' execution of operations, taking advantage of abundant experiences from years of management of the Company.
 - (3) Since becoming Outside Director of the Company, Yukihiro Yamamura and Yuji Nishiura have produced a track record characterized by taking on the functions of supervision and check on executive Directors' execution of operations, taking advantage of abundant experiences and broad-ranging insights as a corporate executive.
 4. The candidates Yukihiro Yamamura and Yuji Nishiura are currently serving as Outside Directors of the Company, and their tenure will be 4 years and 3 years, respectively, at the close of this Annual Shareholders' Meeting.
 5. The Company has entered into a liability limitation agreement with each of Yukihiro Yamamura and Yuji Nishiura that limits their liability to a maximum of ¥10 million or the amount prescribed by law, whichever is greater. If they are re-elected, the Company will extend the term of the agreements.
 6. The Company has reported to the Tokyo Stock Exchange Yukihiro Yamamura and Yuji Nishiura as Independent Executives. If they are re-elected, the Company will continue to recognize them as Independent Executives.

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Second Item: Election of One (1) Audit & Supervisory Board Member

The Company proposes to elect one (1) Audit & Supervisory Board Member, as the terms of office of Masaji Tomiyama will expire at the close of this Annual Shareholders' Meeting.

The Audit & Supervisory Board has given consent to the proposal of this item.

The proposed candidate is the following:

Name (Date of Birth)	Brief Personal History and Positions in the Company and Significant Positions Concurrently Held	Number of the Company's Shares Held
※ Tadao Toyoshima (April 23, 1955)	Mar. 1979 Pricewaterhouse Sep. 1987 Asahi Shinwa & Co. (currently, KPMG AZSA LLC) Oct. 1987 Registration of Certified Public Accountant Jun. 2004 Representative Partner, AZSA & CO. (currently, KPMG AZSA LLC). Jul. 2010 Partner, KPMG AZSA LLC. May 2014 Outside Company Auditor, CAREERLINK CO., LTD. May 2015 Full-time Auditor, CAREERLINK CO., LTD. Mar. 2016 Supervisory Director, Mitsui Fudosan Logistics Park Inc. (incumbent) (Significant Positions Concurrently Held) Supervisory Director, Mitsui Fudosan Logistics Park Inc.	None

Notes: 1. ※ indicates the candidate to be newly elected as an Audit & Supervisory Board Member.

2. There is no special interest between the candidate and the Company.

3. The candidate Tadao Toyoshima is nominated as an Outside Audit & Supervisory Board Member.

4. The candidate Tadao Toyoshima is nominated as an Outside Audit & Supervisory Board Member with the objective of reflecting his sophisticated expertise as Certified Public Accountant (CPA) to benefit the Company's audit function. Although he does not have experience of corporate management except for duties as Outside Director or Audit & Supervisory Board Member at several companies, he was nominated as an Outside Audit & Supervisory Board Member based on his qualification as a CPA as well as his extensive expertise in finance and accounting-related matters. The Company, therefore, judges that he is capable of properly executing duties as an Outside Audit & Supervisory Board Member.

5. If Tadao Toyoshima assumes the office of Outside Audit & Supervisory Board Member, the Company will enter into a liability limitation agreement with him that limits his liability to a maximum of ¥10 million or the amount prescribed by law, whichever is greater.

6. If Tadao Toyoshima assumes the office of Audit & Supervisory Board Member, he satisfies the requirements for an Independent Auditor as stipulated in the provisions of the Tokyo Stock Exchange (TSE), and the Company plans to notify the TSE of him as an Independent Auditor.

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Third Item: Election of One (1) Substitute Audit & Supervisory Board Member

The Company has received a request from Toshiaki Tarumi, who was elected as Substitute Audit & Supervisory Board Member at the 36th Annual Shareholders' Meeting, that he will resign from the position at the close of this Annual Shareholders' Meeting.

In preparation for the situation where the Company fails to meet the minimum number of Audit & Supervisory Board Members required by the relevant laws and regulations, the Company proposes to elect one (1) Substitute Audit & Supervisory Board Member.

The election of the Substitute Audit & Supervisory Board Member may be cancelled by resolution of the Board of Directors' Meeting with approval of the Audit & Supervisory Board, only where the elected Substitute Audit & Supervisory Board Member has not assumed office yet.

The Audit & Supervisory Board has given consent to the proposal of this item.

The proposed candidate is the following:

Name (Date of Birth)	Brief Personal History and Positions in the Company and Significant Positions Concurrently Held	Number of the Company's Shares Held
Satoshi Fujii (October 11, 1960)	Apr. 1985 The Mitsui Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation) Dec. 2001 Senior Vice President, Asia Pacific Department Dec. 2002 Senior Vice President, China Business Promotion Department Apr. 2008 Joint General Manager, Global Advisory Department Apr. 2011 Senior Auditor, Internal Audit Department Aug. 2016 General Manager, Internal Audit Office, SQUARE ENIX HOLDINGS CO., LTD. (incumbent) General Manager, Internal Audit Office, SQUARE ENIX CO., LTD. (incumbent)	None

- Notes: 1. There is no special interest between the candidate and the Company.
 2. The Company proposes to elect the candidate as Substitute Audit & Supervisory Board Member since he has abundant expertise and experiences in the area of internal audit.

- END -