
Results Briefing Session

The First-Half of the Fiscal Year ending March 31, 2009

SQUARE ENIX®

November 7, 2008

Statements made in this document with respect to SQUARE ENIX HOLDINGS CO., LTD. and its consolidated subsidiaries' (together, "SQUARE ENIX GROUP") plans, estimates, strategies and beliefs are forward-looking statements about the future performance of SQUARE ENIX GROUP.

These statements are based on management's assumptions and beliefs in light of information available to it at the time these material were drafted and, therefore, the reader should not place undue reliance on them. Also, the reader should not assume that statements made in this document will remain accurate or operative at a later time.

A number of factors could cause actual results to be materially different from and worse than those discussed in forward-looking statements. Such factors include, but not limited to:

1. changes in economic conditions affecting our operations;
2. fluctuations in currency exchange rates, particularly with respect to the value of the Japanese yen, the U.S. dollar and the Euro;
3. SQUARE ENIX GROUP's ability to continue to win acceptance of our products and services, which are offered in highly competitive markets characterized by the continuous introduction of new products and services, rapid developments in technology, and subjective and changing consumer preferences;
4. SQUARE ENIX GROUP's ability to expand international success with a focus on our businesses; and
5. regulatory developments and changes and our ability to respond and adapt to those changes.

The forward-looking statements regarding earnings contained in these materials were valid at the time these materials were drafted. SQUARE ENIX GROUP assumes no obligation to update or revise any forward-looking statements, including forecasts or projections, whether as a result of new information, subsequent events or otherwise.

The financial information presented in this document is prepared according to generally accepted accounting principles in Japan.

1. Consolidated Financial Results

First-Half of the Fiscal Year ending March 31, 2009

Consolidated Results of the First-Half (April 1, 2008 through September 30, 2008)

Millions of Yen

	As of September 30, 2007		As of March 31, 2008		As of September 30, 2008	
		%		%		%
Current Assets	146,100	69%	155,730	73%	159,303	74%
Non-current Assets	65,122	31%	56,404	27%	56,329	26%
Total	211,223	100%	212,134	100%	215,633	100%
Current Liabilities	24,650	12%	23,082	11%	22,119	10%
Non-current Liabilities	51,159	24%	40,858	19%	40,940	19%
Total Liabilities	75,810	36%	63,940	30%	63,059	29%
Total Net Asset	135,413	64%	148,193	70%	152,573	71%
Total	211,223	100%	212,134	100%	215,633	100%
Number of Employees	3,275	-	2,973	-	3,015	-

Millions of Yen

	April - September 2007		October 2007 - March 2008		April - September 2008	
		%		%		%
Net Sales	72,271	100%	75,245	100%	67,974	100%
Operating Income	9,752	13%	11,768	16%	9,396	14%
Recurring Income	9,303	13%	9,561	13%	9,704	14%
Net Income	5,211	7%	3,985	5%	6,054	9%
Depreciation and Amortization	4,718	-	5,215	-	3,272	-
Capital Expenditure	3,844	-	3,108	-	1,875	-

Consolidated Results – Segment

(April 1, 2008 through September 30, 2008)

1. First-Half Period Ended September 30, 2008

Millions of Yen

	Games (Offline)	Games (Online)	Mobile Phone Content	Publication	Amusement	Others	Eliminations or unallocated	Total
Net Sales	16,622	5,339	3,328	6,180	30,184	7,227	(908)	67,974
Operating Expenses	13,145	2,357	1,627	4,444	30,103	5,141	1,756	58,577
Operating Income	3,477	2,981	1,700	1,735	81	2,085	(2,665)	9,396
Operating Margin	20.9%	55.8%	51.1%	28.1%	0.3%	28.9%	–	13.8%

2. First-Half Period Ended September 30, 2007

Millions of Yen

	Games (Offline)	Games (Online)	Mobile Phone Content	Publication	Amusement	Others	Eliminations or unallocated	Total
Net Sales	20,448	5,413	3,589	5,210	34,520	3,696	–	72,271
Operating Expenses	16,300	2,549	2,926	3,534	33,170	2,362	1,673	62,518
Operating Income	4,147	2,864	663	1,676	1,349	1,334	(2,282)	9,752
Operating Margin	20.3%	52.9%	18.5%	32.2%	3.9%	36.1%	–	13.5%

3. Change (from the first-half period ended Sep. 30, 2007 to the first-half period ended Sep. 30, 2008)

Millions of Yen

	Games (Offline)	Games (Online)	Mobile Phone Content	Publication	Amusement	Others	Eliminations or unallocated	Total
Net Sales	(3,826)	(74)	(261)	970	(4,336)	3,531	(300)	(4,297)
Operating Expenses	(3,155)	(192)	(1,299)	910	(3,067)	2,779	83	(3,941)
Operating Income	(670)	117	1,037	59	(1,268)	751	(383)	(356)

Consolidated Results – Sales by Region

(April 1, 2008 through September 30, 2008)

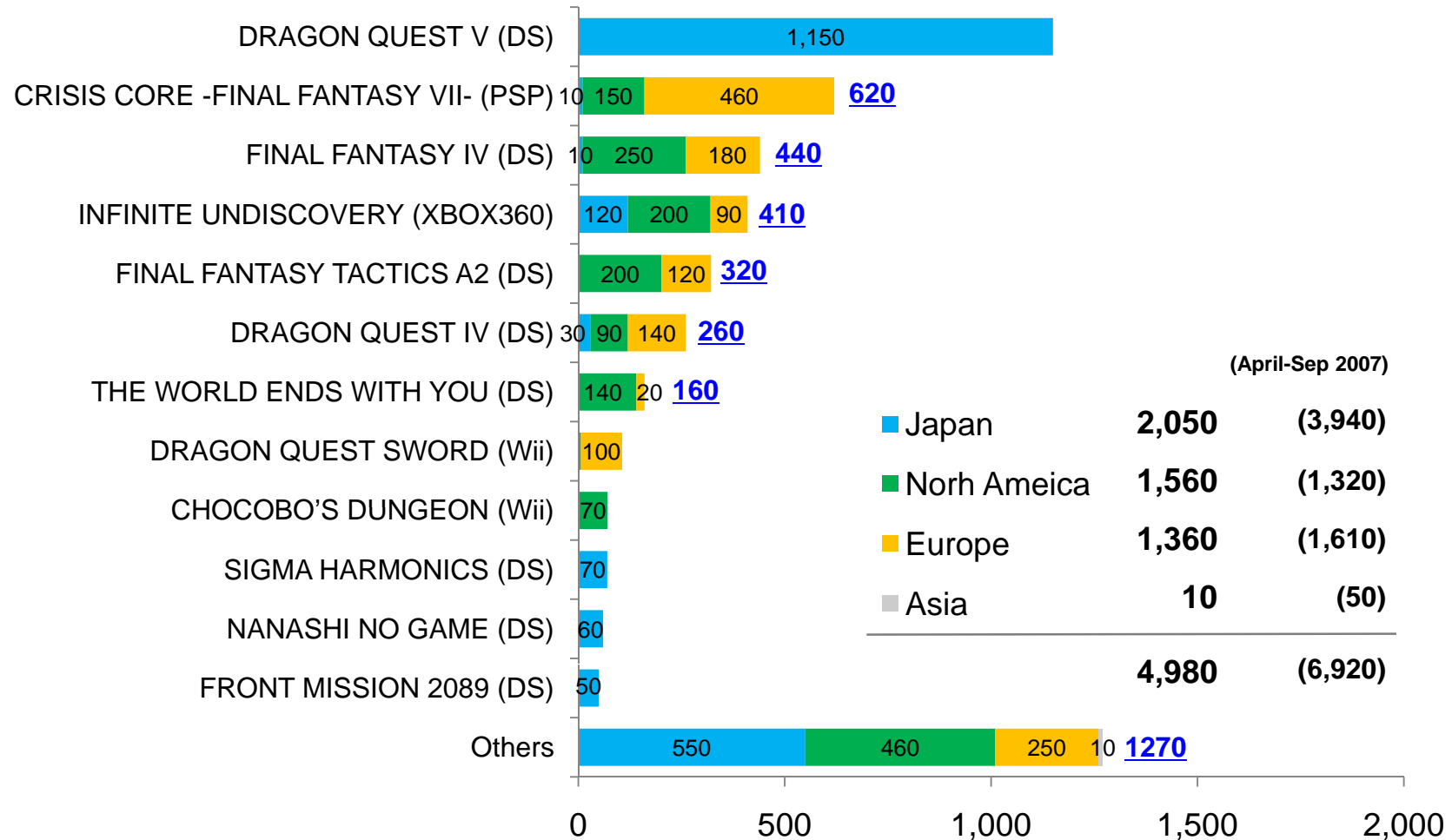
Millions of Yen

Region	April - September 2007		April - September 2008		Change
		%		%	
Japan	62,495	86%	56,016	82%	(6,479)
North America	4,928	7%	7,012	10%	2,084
Europe (PAL)	4,206	6%	4,488	7%	282
Asia, etc.	642	1%	458	1%	(184)
Total	72,271	100%	67,974	100%	(4,297)

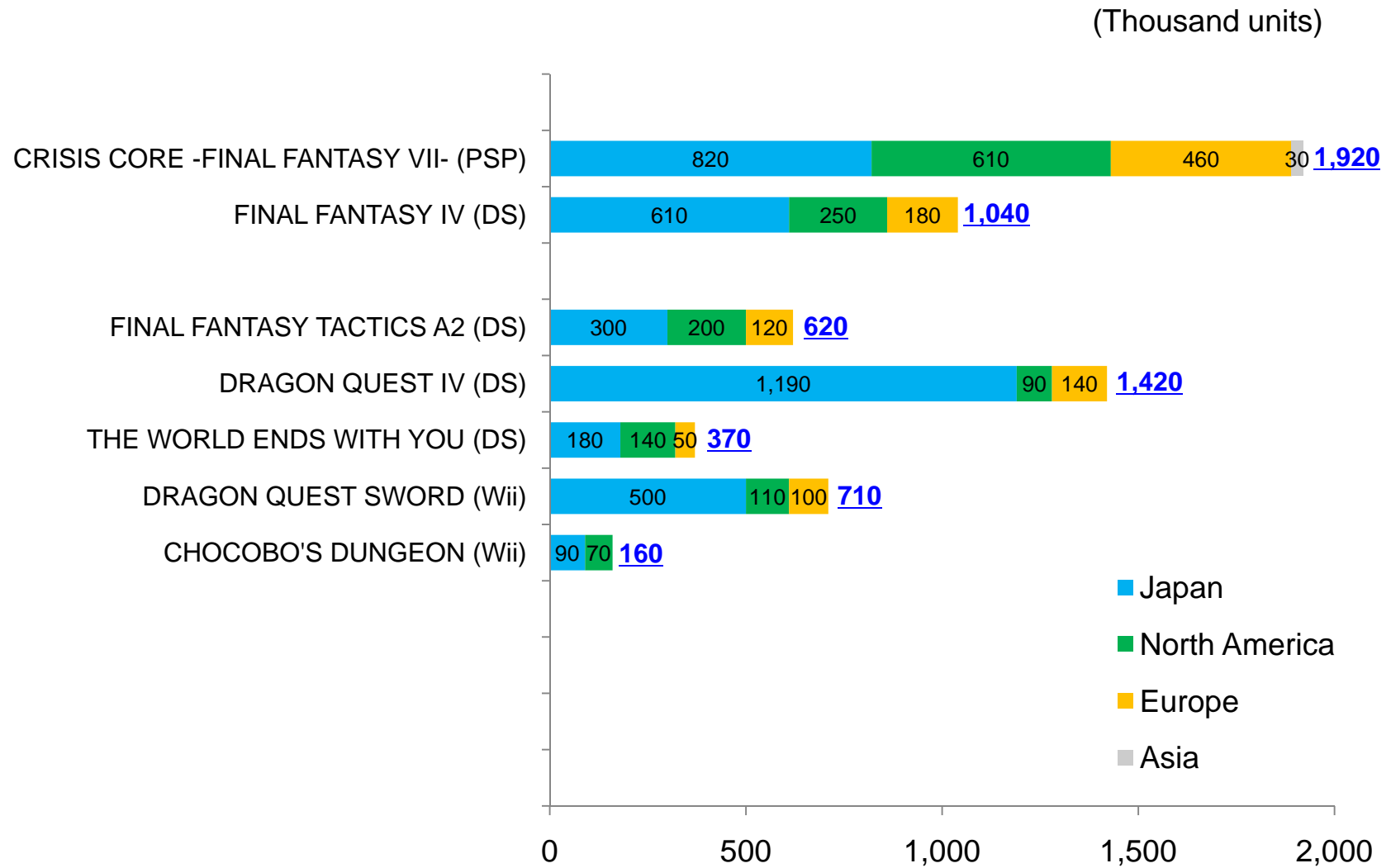
Unit Sales of Game Software

(April 1, 2008 through September 30, 2008)

(Thousand units)

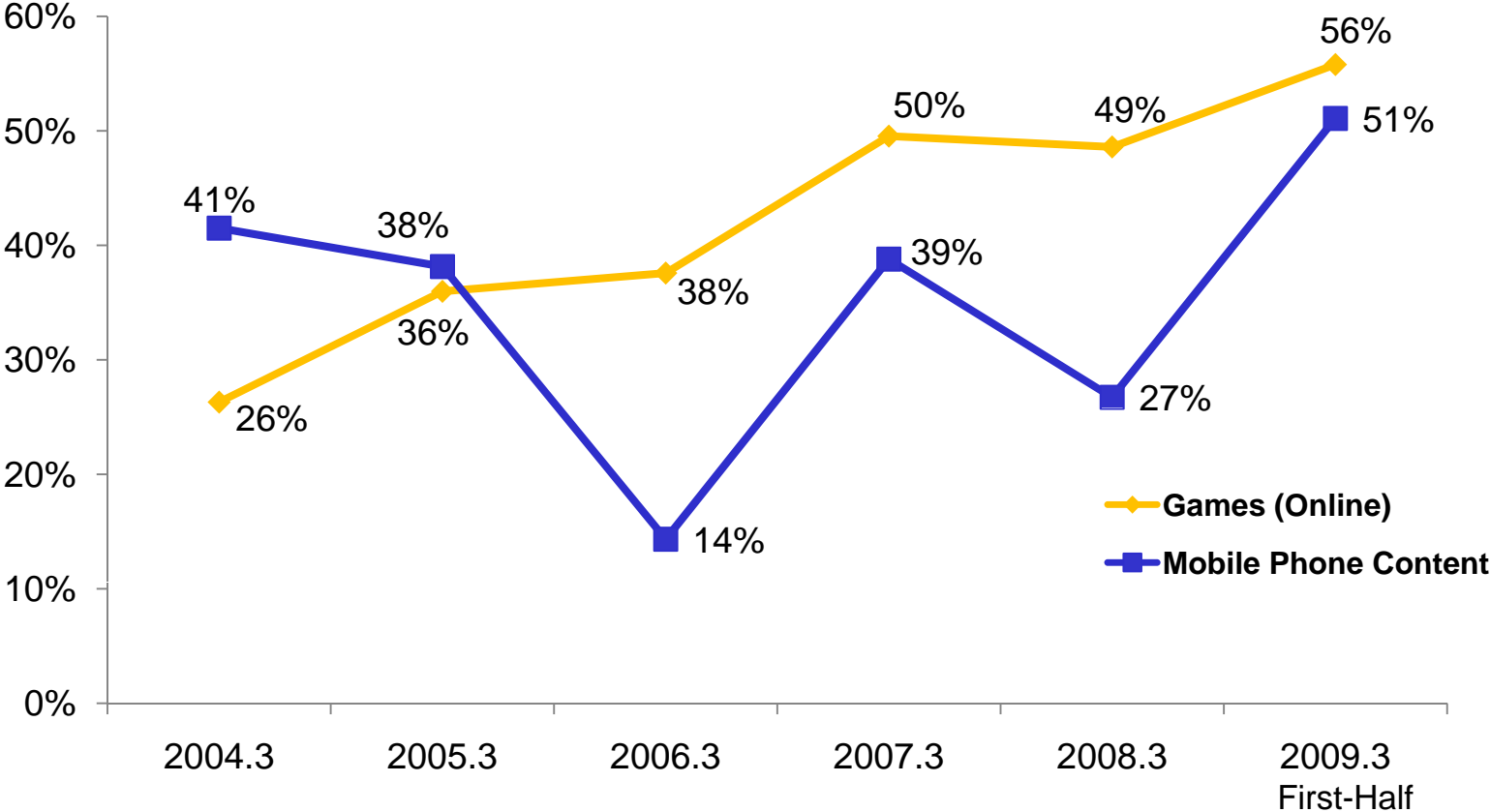


(Reference)



Games (Online) and Mobile Phone Content (April 1, 2008 through September 30, 2008)

Operating Margin

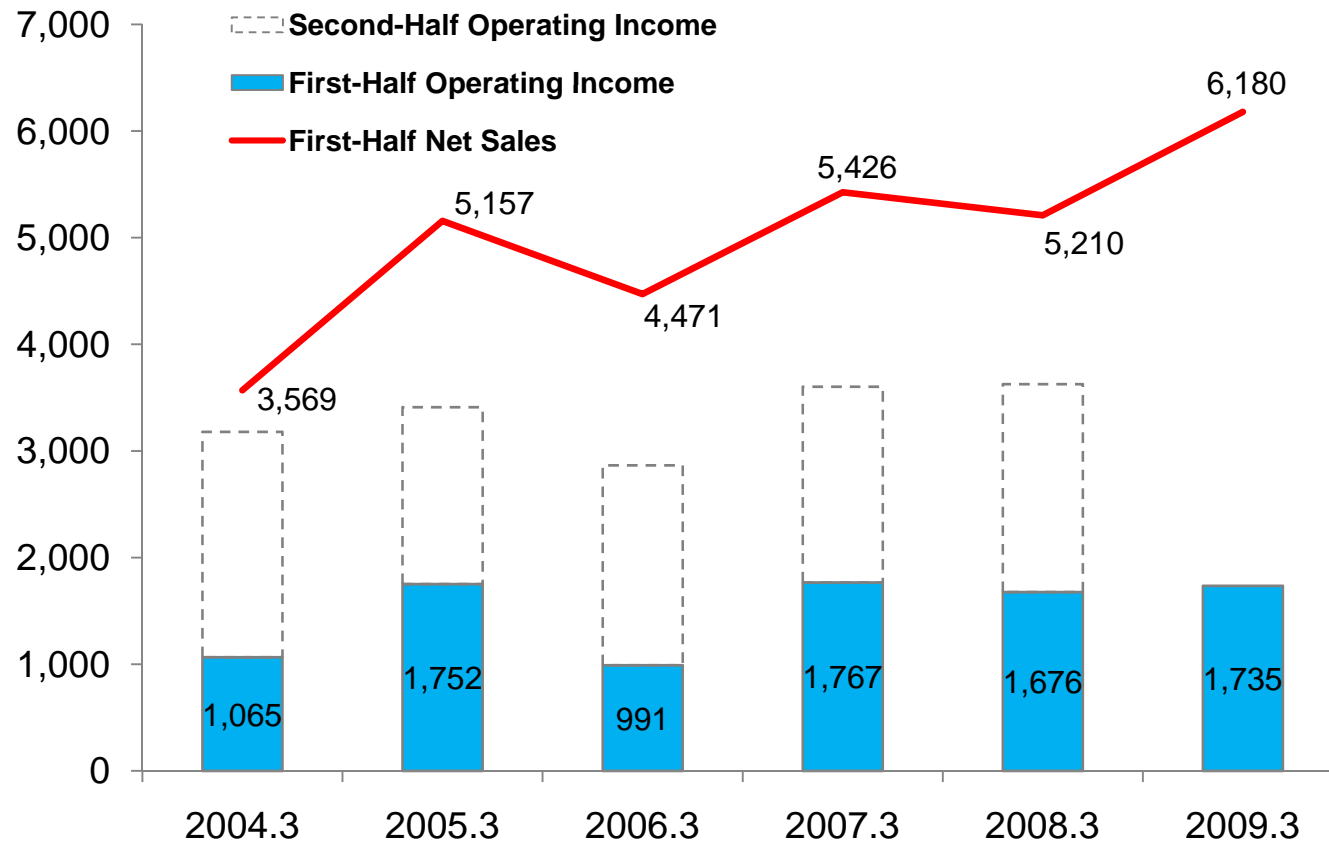


Publication

(April 1, 2008 through September 30, 2008)

Record sales driven by successful media mix strategy

(Millions of yen)



Soul Eater



©Atsushi Ohkubo

Nabari no Ou



© Yuhki Kamatani

Sekirei

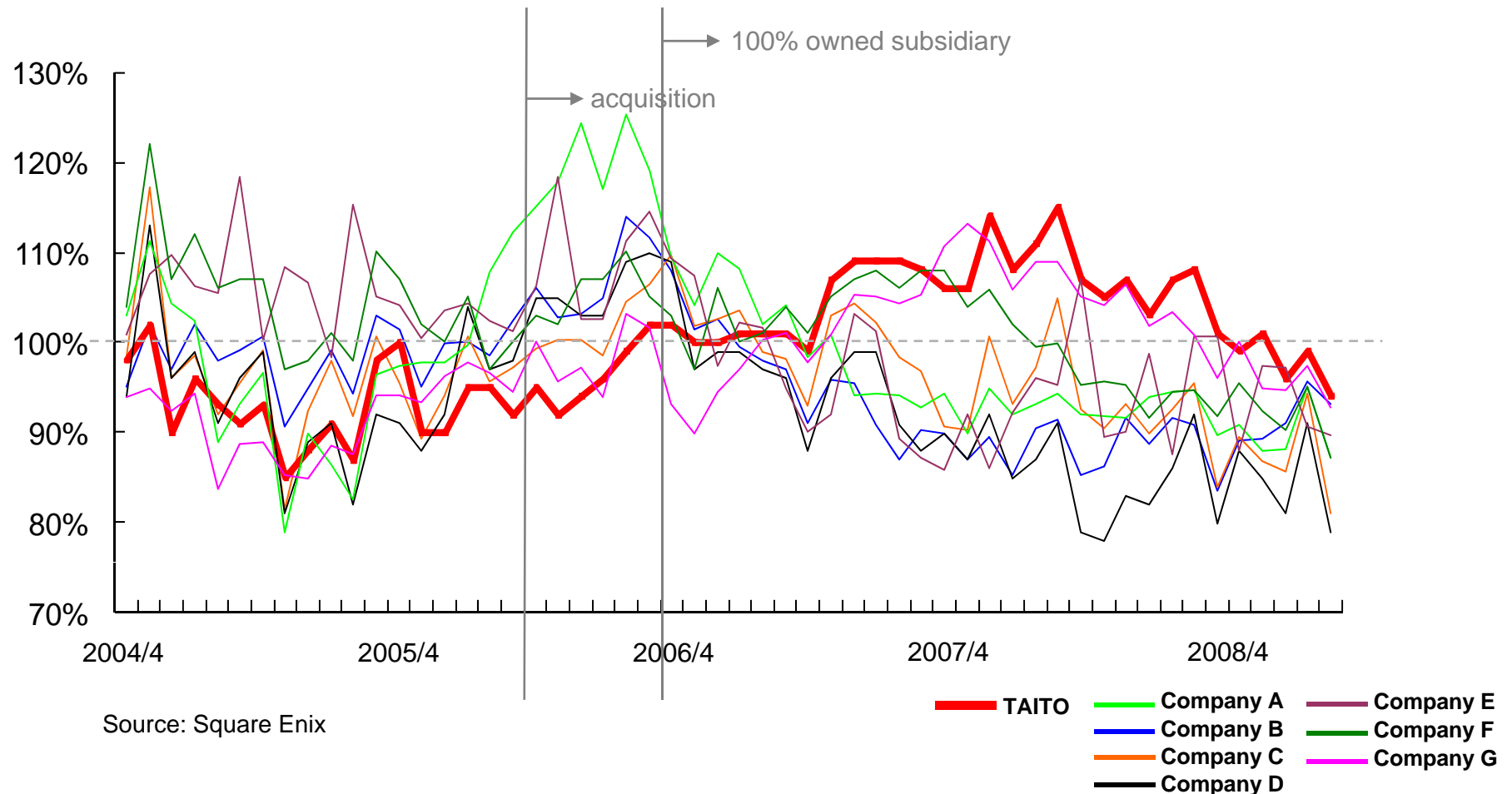


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Game Arcade Operation

Year-over-year Comparison of Monthly Revenues from Existing Outlets

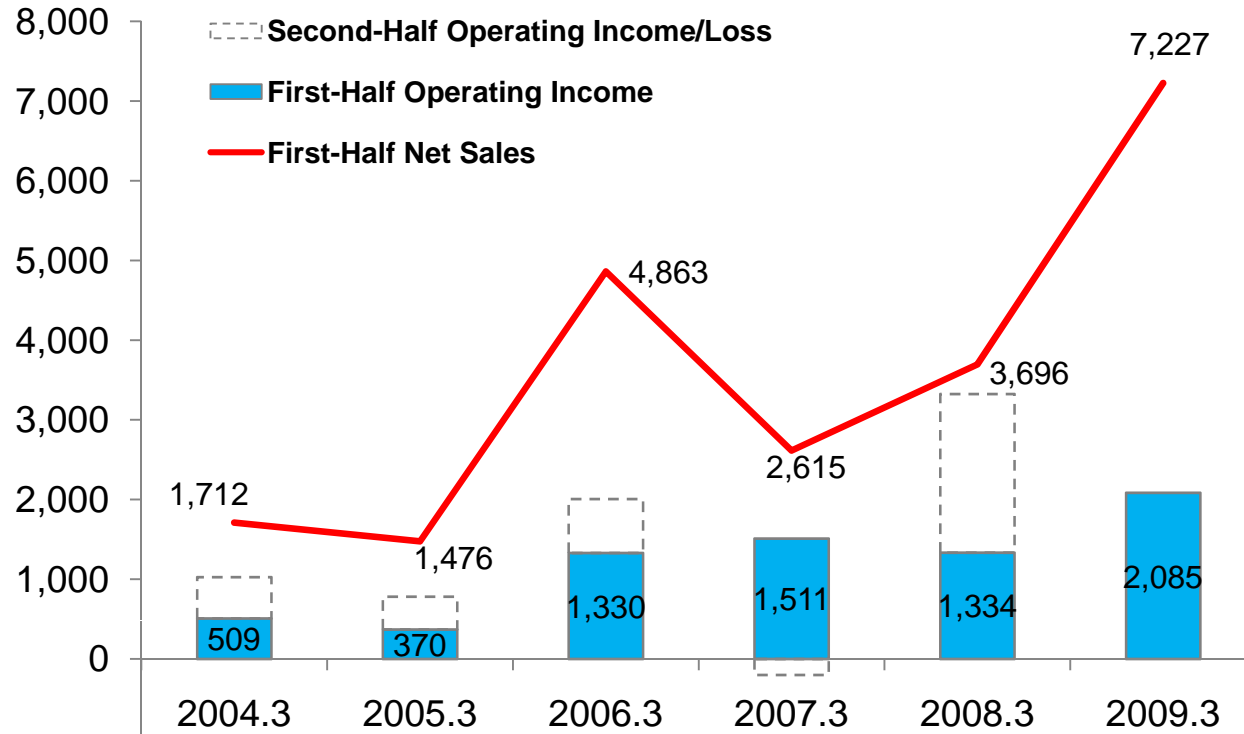
While outperforming the industry, sales and profit declined in severe business climate



Others

(April 1, 2008 through September 30, 2008)

(Millions of yen)



DRAGON QUEST Monster Battleroad (Rental)



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LORD of VERMILION (Sales)



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2. Projections

Fiscal Year ending March 31, 2009

Consolidated Projections

(Fiscal Year ending March 31, 2009)

Millions of Yen

	Fiscal year ended March 31, 2008		Fiscal year ending Mach 31, 2009 (projections)		Change
		%		%	
Net Sales	147,516	100%	160,000	100%	12,484
Operating Income	21,520	15%	21,000	13%	(520)
Ordinary Income	18,864	13%	20,000	13%	1,136
Net Income	9,196	6%	12,000	8%	2,804
Depreciation and Amortization	9,933	-	9,000	-	(933)
Capital Expenditure	6,952	-	7,000	-	48

*Assumed currency rates (average rates during the period) : USD1=JPY105, EUR1=JPY150

*Average rates for the first-half period ended Sep. 30, 2008: USD1=JPY106.23, EUR1=JPY162.12

Consolidated Projections – Segment (Fiscal Year ending March 31, 2009)

1. Projection for the Fiscal Year Ending March 31, 2009

Millions of Yen

	Games (Offline)	Games (Online)	Mobile Phone Content	Publication	Amusement	Others	Eliminations or unallocated	Total
Net Sales	40,000	11,000	7,000	10,000	82,000	11,000	(1,000)	160,000
Operating Expenses	32,500	6,000	4,000	7,500	76,500	8,000	4,500	139,000
Operating Income	7,500	5,000	3,000	2,500	5,500	3,000	(5,500)	21,000
Operating Margin	18.8%	45.5%	42.9%	25.0%	6.7%	27.3%	-	13.1%

Currency rate : USD1=JPY105.00, EUR1=JPY150.00

2. Results for the Fiscal Year Ended March 31, 2008

Millions of Yen

	Games (Offline)	Games (Online)	Mobile Phone Content	Publication	Amusement	Others	Eliminations or unallocated	Total
Net Sales	41,588	12,098	6,579	11,158	69,104	9,005	(2,017)	147,516
Operating Expenses	32,705	6,218	4,820	7,532	65,974	5,681	3,064	125,996
Operating Income	8,882	5,880	1,758	3,626	3,129	3,324	(5,082)	21,520
Operating Margin	21.4%	48.6%	26.7%	32.5%	4.5%	36.9%	-	14.6%

3. Change (from the fiscal year ended Mar. 31, 2008 to the fiscal year ending Mar. 31, 2009)

Millions of Yen

	Games (Offline)	Games (Online)	Mobile Phone Content	Publication	Amusement	Others	Eliminations or unallocated	Total
Net Sales	(1,588)	(1,098)	421	(1,158)	12,896	1,995	1,017	12,484
Operating Expenses	(205)	(218)	(820)	(32)	10,526	2,319	1,436	13,004
Operating Income	(1,382)	(880)	1,242	(1,126)	2,371	(324)	(418)	(520)

Unit Sales of Game Software

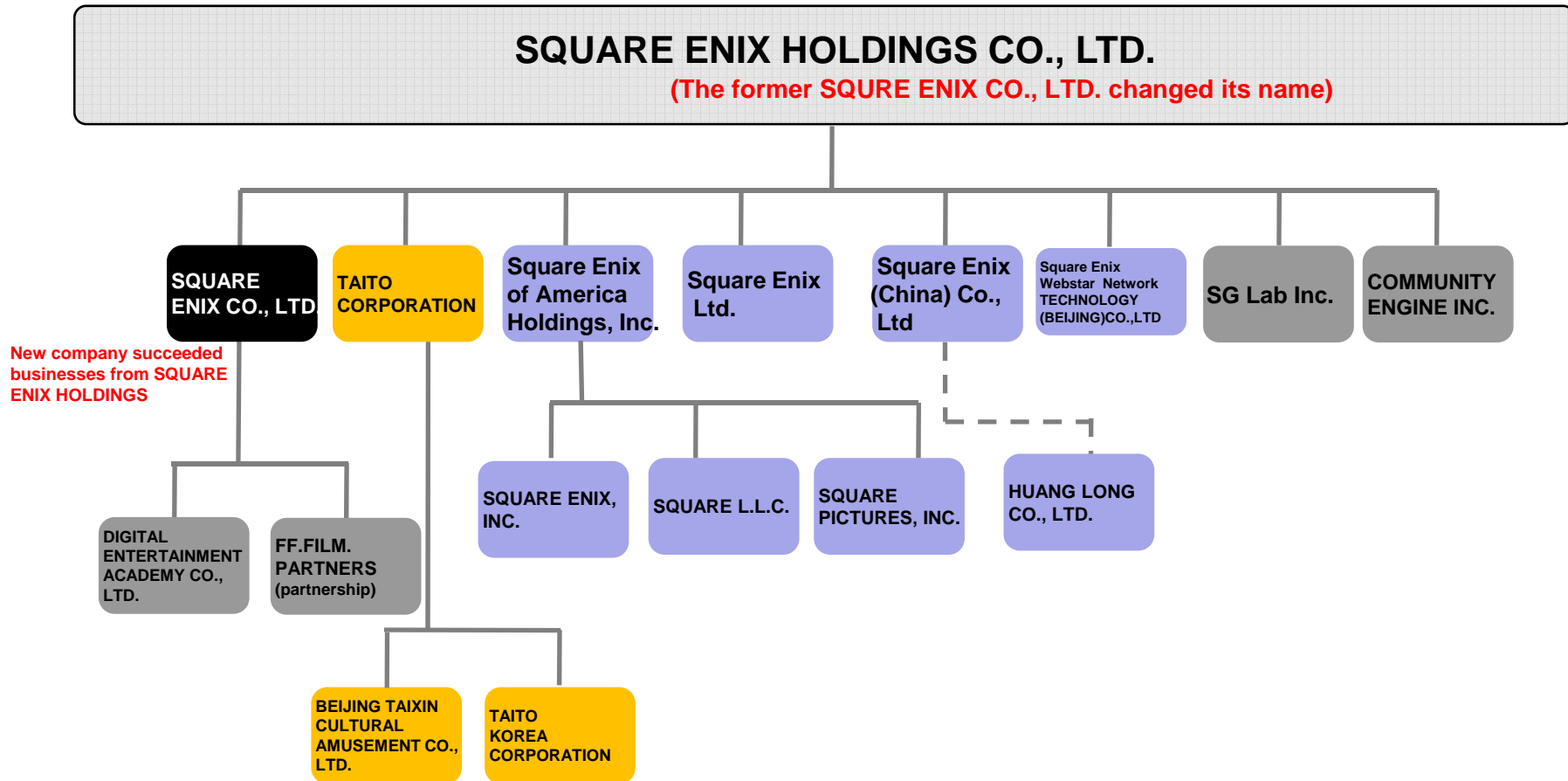
(Fiscal Year ending March 31, 2009)

Thousand Units

	Japan	North America	Europe (PAL)	Asia, etc.	Total
Fiscal Year Ending March 31, 2009 (Projections)	6,600	2,700	2,200		11,500
%	57%	24%	19%		100%
Fiscal Year Ended March 31, 2008	7,520	3,790	3,020	80	14,410
%	52%	26%	21%	1%	100%
Change	(920)	(1,090)	(820)	(80)	(2,910)

Implementation of Holding Company System (from October 1, 2008)

Current Structure



Results Briefing Session

First-Half of the Fiscal Year
ending March 31, 2009

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