

May 12, 2016

Company: SQUARE ENIX HOLDINGS CO., LTD.
(Code: 9684, Tokyo Stock Exchange)
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Notice of Differences between Consolidated Financial Forecasts and Results and Increase in Year-end Dividend

SQUARE ENIX HOLDINGS CO., LTD. (the "Company") announces that its consolidated financial results for the fiscal year ended March 31, 2016 (April 1, 2015 - March 31, 2016), which were announced today, differ from the consolidated financial forecasts for the relevant fiscal year, which were released on May 12, 2015.

The Company also announces that it has revised the projected year-end dividend for the fiscal year ended March 31, 2016 as shown below.

1. Differences between Consolidated Financial Forecasts and Results of the Year Ended March 31, 2016 (April 1, 2015 through March 31, 2016)

(Millions of yen, rate of change in percents and per share data)

		Net sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Earnings per share
Previous forecasts	(A)	200,000 ~220,000	17,000 ~25,000	17,000 ~25,000	11,000 ~18,000	90.21 ~147.62
Actual results	(B)	214,101	26,018	25,322	19,884	163.04
Change	(B-A)	(5,899) ~14,101	1,018 ~9,018	322 ~8,322	1,884 ~8,884	
Rate of change	(%)	(2.7) ~7.1	4.1 ~53.0	1.3 ~49.0	10.5 ~80.8	
[Reference] Results for the fiscal year ended March 31, 2015		167,891	16,426	16,984	9,831	84.34

2. Reasons for the Differences

The Company's actual financial results of operating income and ordinary income exceeded the respective forecast due to following reasons.

During the fiscal year ended March 31, 2016, in the area of content for platforms such as smart devices and PC browser, existing games are continuing to show strong performances, coupled with successful launches of new game titles for smartphones, and revenues from operation and expansion disc sales of massively multiplayer online role playing games such as "FINAL FANTASY XIV" and "DRAGON QUEST X" are sustaining their strong performances.

The Company's actual financial results of the "Profit attributable to owners of parent" exceeded its forecast due to decrease in "Total income taxes" as the result of the completion of liquidation procedures for a UK consolidated subsidiary.

3. Revision of Projected Dividend Per Share for the FY ended March 31, 2016

	Interim	Year-end	Annual
Previous Projections	¥ 10.00	¥ 20.00 ~ 35.00	¥ 30.00 ~ 45.00
Revised Projections	¥ 10.00	¥ 38.00	¥ 48.00
Dividend for the FY ended March 31, 2015	¥ 10.00	¥ 20.00	¥ 30.00

4. Reasons for the Revision

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 by setting a consolidated payout ratio target of approximately 30%, paying attention to stable payment of dividends.

Based on the results of the fiscal year ended March 31, 2016, the Company's Board of Directors' Meeting to be held on May 18, 2016 will pass a resolution to pay the year-end dividends for the fiscal year ended March 31, 2016 of 38 yen per share (together with the interim dividends of 10 yen per share paid in last December, the amount of annual dividends will be 48 yen per share).

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