

February 4, 2022

Company: SQUARE ENIX HOLDINGS CO., LTD.
(Code: 9684, Tokyo Stock Exchange)
Representative: Yosuke Matsuda, President and Representative Director
Contact: Atsushi Matsuda, Chief Accounting Officer

Tel. (03) 5292-8000

Notice of Revisions of Consolidated Financial Forecasts and Year-end Dividend

SQUARE ENIX HOLDINGS CO., LTD. (the "Company") had released consolidated financial forecasts and a projected year-end dividend for the fiscal year through March 31, 2022 (April 1, 2021 - March 31, 2022) on May 13, 2021, but now announces the following revisions made to reflect recent earnings trends.

1. Revisions to Consolidated Financial Forecasts for the Fiscal Year through March 31, 2022 (April 1, 2021 through March 31, 2022)

(Millions of yen, percentage change, and per share data)

		Net sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Earnings per share
Previous forecasts	(A)	340,000	40,000	40,000	24,000	201.10
Revised forecasts	(B)	340,000	50,000	50,000	35,000	292.90
Change	(B-A)	—	10,000	10,000	11,000	
Percentage change	(%)	—	25.0%	25.0%	45.8%	
[Reference] Results for the fiscal year ended March 31, 2021		332,532	47,226	49,983	26,942	225.75

2. Reasons for the Revisions

The Company now expects higher operating income than previously anticipated under its consolidated financial forecasts for the fiscal year through March 31, 2022. Among the factors contributing to this revision are substantial growth in the number of paying subscribers for "FINAL FANTASY XIV" and brisk expansion pack sales in the MMO (Massively Multiplayer Online) Game sub-segment, as well as sales of character merchandise based on the Company's own content exceeding its initial expectations in the Merchandising segment. The Company also expects higher ordinary income and profit attributable to owners of parent than it had previously forecast, in part because the yen has been weaker than the Company had initially assumed. Lastly, the Company's outlook has been updated to reflect the spread of COVID-19, fluctuations in foreign exchange rates, the competitive environment, etc.

*The above forecasts are based on information available at the time of this document's release and are subject to various uncertainties. As such, actual performance may differ from these forecasts.

3. Revision of Projected Dividend Per Share for the Fiscal Year through March 31, 2022

	Interim	Year-end	Annual
Previous Forecasts (May 13, 2021)	–	¥ 51.00	¥ 61.00
Revised Forecasts	–	¥ 78.00	¥ 88.00
Actual Results for the current FY	¥ 10.00	–	–
Actual Results for the previous FY (FY2021/3)	¥ 10.00	¥ 68.00 (ordinary dividend ¥ 58.00) (special dividend ¥ 10.00)	¥ 78.00 (ordinary dividend ¥ 68.00) (special dividend ¥ 10.00)

4. Reasons for the Revision

The Company recognizes the return of profits to shareholders as one of its most important management tasks and has set a consolidated payout ratio target of approximately 30% to guide its shareholder return policy for the fiscal year through March 31, 2022.

Given the aforementioned revisions to its consolidated financial forecasts, the Company revises its projected year-end dividend for the fiscal year to 78 yen per share, which would make for an annual dividend per share of 88 yen.

(EOF)