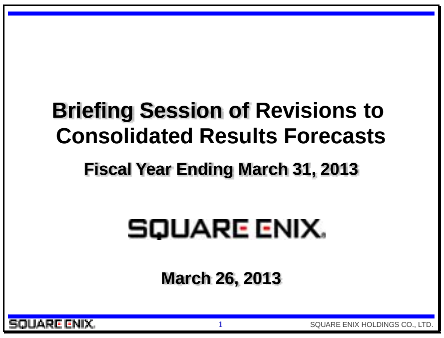
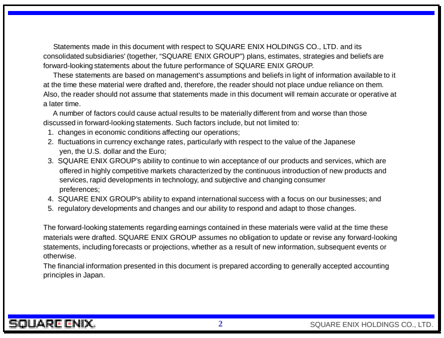
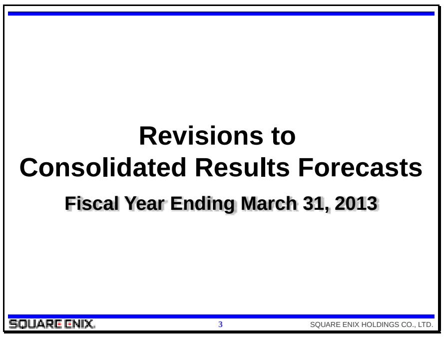


We would now like to begin the SQUARE ENIX HOLDINGS CO., LTD. Briefing Session of Revisions to Consolidated Results Forecasts for the Fiscal Year ending March 2013.

Yoichi Wada, President and Representative Director, and Yosuke Matsuda, Representative Director, are here today to present this session.

Yoichi Wada will open the briefing session with details and clarifications on the recent revisions to consolidated results forecasts.





Thank you for your attendance today; I apologize for the short notice and setting this session at such a busy time of the day.

I recognize that the revisions to consolidated results forecasts for the current FY ending March 2013 are shocking, and I sincerely apologize to our shareholders and investors for the poor performance and not meeting your expectations.

Fiscal Year Ending March 31, 2013 Forecast

Billions of Yen

	Previous forecasts(＊)	%	Revised forecasts	%	Change
Net Sales	150.0	100%	145.0	100%	(5.0)
Operating Income	7.5	5%	(6.0)	–	(13.5)
Recurring Income	6.5	4%	(5.0)	–	(11.5)
Net Income	3.5	2%	(13.0)	–	(16.5)

＊Based on the results forecasts announced on October 30. 2012

(Ref.) Comparisons with the previous fiscal year

Billions of Yen

	Fiscal Year Ended 3/12	%	Fiscal Year Ending 3/13	%	Change
Net Sales	127.9	100%	145.0	100%	17.1
Operating Income	10.7	8%	(6.0)	–	(16.7)
Recurring Income	10.3	8%	(5.0)	–	(15.3)
Net Income	6.1	5%	(13.0)	–	(19.1)

SQUARE ENIX. 4 SQUARE ENIX HOLDINGS CO., LTD.

Forecasts announced at the previous revisions were ¥150 billion in net sales and ¥7.5 billion in operating income, however the revisions made official today are ¥145 billion in net sales and an operating loss of ¥6 billion.

On top of the ¥5 billion recurring loss, we are posting a substantial amount as extraordinary loss, and taking tax effects into consideration, we are looking at a net loss of ¥13 billion against the bottom line.

Fiscal Year Ending March 31, 2013 Forecast by Business Segment

①Fiscal Year Ending March 31, 2013 Forecast (Revised)

Billions of Yen

	Digital Entertainment	Amusement	Publication	Merchandising	Eliminations or unallocated	Total
Net Sales	87.0	44.0	11.0	3.0	(0.0)	145.0
Operating Income	1.0	(0.5)	2.2	0.5	(9.2)	(6.0)
Operating Margin	1.1%	–	20.0%	16.7%	–	–

②Fiscal Year Ending March 31, 2013 Forecast (Previous)

Billions of Yen

	Digital Entertainment	Amusement	Publication	Merchandising	Eliminations or unallocated	Total
Net Sales	94.5	43.0	9.5	3.0	(0.0)	150.0
Operating Income	13.8	0.0	1.5	0.5	(8.3)	7.5
Operating Margin	14.6%	–	15.8%	16.7%	–	5.0%

③Changes(①−②)

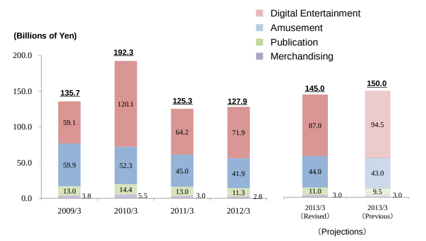
Billions of Yen

	Digital Entertainment	Amusement	Publication	Merchandising	Eliminations or unallocated	Total
Net Sales	(7.5)	1.0	1.5	–	(0.0)	(5.0)
Operating Income	(12.8)	(0.5)	0.7	–	(0.9)	(13.5)

SQUARE ENIX. 5 SQUARE ENIX HOLDINGS CO., LTD.

Here are the results by business segment.

Net Sales by Business Segment

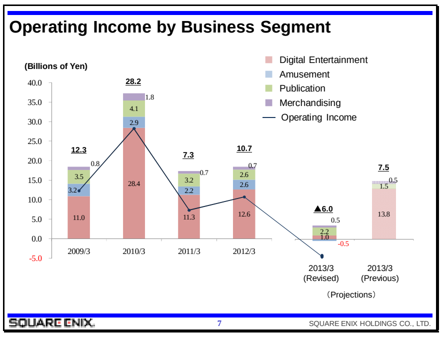


SQUARE ENIX. 6 SQUARE ENIX HOLDINGS CO., LTD.

Looking at net sales for the past four years, you will notice that the current FY is not much different from previous FY results. I would also like to point out that although we see changes in a few areas, the net sales forecast made public today is not significantly lower from the previous forecast announced in October 2012.

One area that did see significant changes was our Digital Entertainment segment; our forecast was ¥94.5 billion in net sales, where we achieved ¥87 billion, resulting in a variance of ¥7.5 billion.

Our presentation today will focus on how this affected our income.



This slide shows operating income for the past four FYs. Operating income is an accumulation of operating incomes from all business segments. Since we still have some unallocated corporate operating expenses, consolidated operating income resulted in the depicted line graph.

Our previous forecast of ¥7.5 billion consolidated operating income did fall short of our standards, however I should point out that this figure was only slightly lower than the previous two FYs. However, as we compiled the figures for the current FY, we saw an enormous variance against previous FYs.

Operating income for the past four FYs in our core business segment, Digital Entertainment was ¥11 billion in FY2009, ¥28.4 billion in FY2010, ¥11.3 billion in FY2011, and ¥12.6 billion in FY2012. Current earnings forecast for FY2013 sees this plunging to ¥1 billion. The announced revision from last October, ¥13.8 billion, was around the range of previous FYs, however the revisions made official today result in a considerable negative variance of ¥12.8 billion.

The first half results for Digital Entertainment was an operating loss of ¥2.1 billion. In order to achieve an operating profit of ¥1 billion in the full-year, Digital Entertainment needed to earn ¥3.1 billion in operating income in the second half. Our forecast for the second half was ¥15.9 billion in operating income, as announced in the previous revisions, which results in a negative variance of ¥12.8 billion in the second half against the previous forecast.

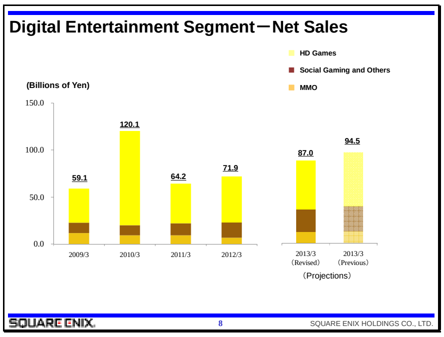
Then, we have the Amusement segment not performing as well as in previous FYs. Operating income in the past were ¥3.2 billon in FY2009, ¥2.9 billion in FY2010, ¥2.2 billion in FY2011, and ¥2.6 billion in

FY2012. We are expecting a loss of ¥500 million for FY2013.

Factors causing poor performance in the first half continued to linger in the second half. However, the loss in actual amounts in Amusement is not as great as the loss we expect to incur in Digital Entertainment.

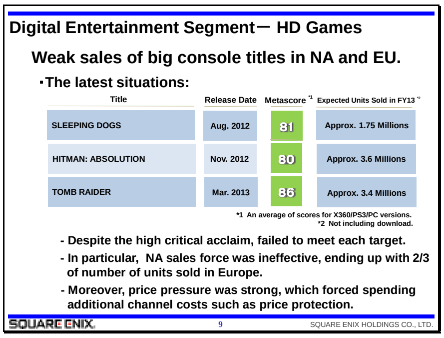
As for Publications, we are estimating ¥2.2 billion in operating income. For your reference, operating income for Publications in the past were ¥3.5 billion in FY2009, ¥4.1 billion in FY2010, ¥3.2 billion in FY2011, and ¥2.6 billion in FY2012. Performance for the current FY does not meet previous FY results, however forecasts proved better than those announced last October.

In summary, the two main points to the current revisions to consolidated forecasts are: even though net sales did not wane considerably, we saw a significant decline in profits; and this variance comes mostly from the Digital Entertainment segment.



This slide shows a breakdown of net sales in Digital Entertainment.

From the top are HD Games, Social Gaming and Others, and MMO. The revised forecast announced last October was ¥94.5 billion; however we are now expecting that to fall short at ¥87 billion. The breakdown is as follows: ¥53 billion in HD Games, ¥23 billion in Social Gaming and Others, and ¥11 billion in MMO.



Of the negative variance of ¥12.8 billion against the operating income forecast, a large portion (more than ¥8 billion) originates from HD Games.

Console games in the current FY focused primarily on core titles developed for the European and North American markets.

Eidos was acquired in 2009; as Eidos contributed greatly to the bottom line in the FY ended March 2010, we have been releasing one or two titles a year ever since. FY2013 was our first big attempt to release hallmark Western titles, such as *Hitman* and *Tomb Raider*, without releasing a blockbuster title in Japan.

We put considerable amount of effort in polishing and perfecting the game content for these titles, receiving extremely high Metacritic scores.

However, we were very disappointed to see that the high scores did not translate to actual sales performance, which is where we see the substantial variance in operation profit/ loss against the forecast.

We do not disclose the number of sales units anticipated in our forecast, and although I cannot mention exact unit numbers, I would like to touch on how we approach these figures.

Let's talk about *Sleeping Dogs*: we were looking at selling roughly 2~2.5 million units in the EUR/ NA market based on its game content, genre and Metacritic scores.

In the same way, game quality and Metacritic scores led us to believe that *Hitman* had potential to sell 4.5~5 million units, and 5~6 million units for *Tomb Raider* in EUR/ NA and Japanese markets combined.

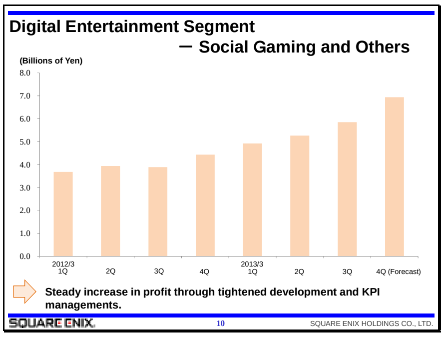
Of course, we want to hedge risk in budgeting these units directly into the forecast, therefore we base the forecast on 80-90% of the total sales potential of each title. However, it is disappointing that our results fell below these marks.

The European market was generally soft, however what affected us the most was the huge slump in North American sales.

Not only were sales sluggish, but we were also hit by additional costs in dealing with distribution channels, such as price protection and rebates, which placed huge pressure on our profit and loss.

A large portion of the variance against forecast comes from the three titles I just mentioned.

As for MMOs, the *Dragon Quest X* Wii U version was released very close to the end of FY2013. Nearly all development costs are being incurred in the current FY, which is also impacting us in a negative way.



I am pleased to report that Social Gaming and Others shows solid performance, where we see continuous growth in net sales, and expect net sales to reach ¥20 billion plus for FY 2013.

Profit margins also continue to improve steadily. While we are making prior investments, we are seeing a confident rise in profit size.

The social gaming industry is generally known for its roller-coaster situation, where a title could be a mega hit at one moment and then suddenly plunge to the ground.

However, we are proud that not only do we own competent IPs, but our teams are now sharing KPIs and exchanging expertise on a daily level, which is certainly paying off since we relocated to our new office, strengthening our organization and development resources.

Instead of uniting the organization into one team, we had multiple units running side by side while having them share and exchange the skills and proficiencies they each possess. This management style has proved successful in balancing diversity and structure, and played an important role in stimulating confident growth in this segment.

Although we have yet to come up with a powerful title that can turn around the entire gaming industry, we are pleased to see extremely strong and steady growth in this area.

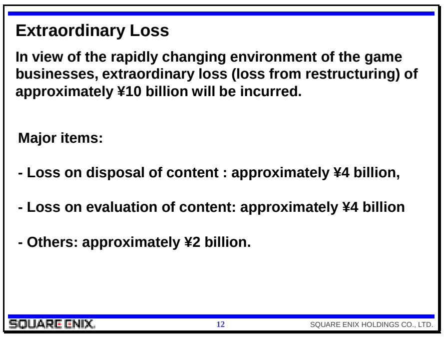
Let me cite two best practices in this segment:

Adapting browser games to smartphones generally requires rehashing mobile phone games to smartphones. One successful example in FY2013 following this method was *Sengoku IXA,* adapting PC browser games to smartphones.

Then we have *Million Arthur*, a megahit title in Japan, which began service in Korea at the end of last year. This game has never dropped from its top-ranking status since release, and is still one of the best selling games in Korea.

In the next FY, we will focus on providing social media games to Korea, China and gradually expanding our services to the entire Asian region. I believe we are already off to an excellent start.

This roughly summarizes the factors that led to the variance against forecast within the Digital Entertainment segment.



Let me move on to our another major factor in the revisions announced today: incurring an extraordinary loss.

We have seen certain degrees of success in globalizing high-quality game development focused mainly in Europe and North America, however on top of our revenue model being outdated, our selling capacity has been far weaker than we ever imagined. In the end, we simply failed to sell the required number of units.

For this reason, we are incurring an extraordinary loss in an effort to sort out items not achieving expected revenue levels, through scrapping those items and terminating production.

Here is an overview: ¥2 billion plus, out of the Loss on Disposal of Content of ¥4 billion, originates from studios in Japan, in which we have already halted productions and scrapped WIP.

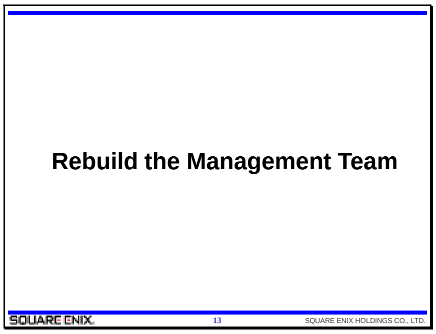
Our subsidiary in the US launched a new division to develop casual games for smartphones, however seeing that this did not go well, we have shut down all functions in relation to this area. A ¥1 billion plus loss is expected for its closure.

We also have some Loss on Disposal of Content in our European studios that amounts to a few hundred million yen, which brings to a total of ¥4 billion loss.

Although the current accounting period has not yet ended, in line with making downward revisions in prospective yields for every game title and overhauling business models, we are expecting to post a Loss on Evaluation of Content. The amount we expect to write down would be roughly ¥2 billion for Japan and approximately ¥1.5 billion for Europe and North America.

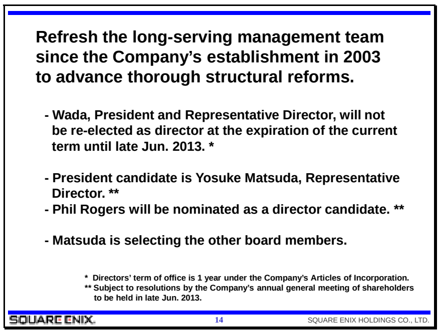
We also anticipate a company-wide ¥2 billion loss in relation to restructuring the organization.

We have done everything we can do to adapt and respond to the drastically changing environment; however we have not been able to accomplish satisfactory results since FY2011. I intended to do what had to be done but these results came despite my best efforts. We are performing negatively in the Amusement sector, negative in EUR/NA console games, and although Social Media Games are doing well, MMO is not performing to the level we anticipated.



The seeds that we have planted have by chance, or by necessity, all worked in synch negatively resulting in a huge loss for FY2013.

Consequently, we are currently planning some fundamental management reforms.



Since Square and Enix merged and formed Square Enix, our board of directors has remained unchanged. It is now time for us to refresh the management team.

The Articles of Incorporation of the company specify a director's term to be one year. Therefore, every director will end their term at the annual general meeting of shareholders in June.

In the past, directors have been repeatedly reappointed at the shareholder's meeting, however as for me, Yoichi Wada, I will no longer be reappointed. I will not be a director candidate, which automatically means that I will no longer be the President following the annual general meeting of shareholders.

Chairman of the Board Wada cannot allow President Wada to continue after plunging the company into a huge loss. Therefore, I will step down from my current position in late June of this year.

In order to drastically transform the organization, I have named Yosuke Matsuda as my successor.

From this time forward, Matsuda will take on reform initiatives, however since this was decided at such short notice, we are not in a position to present full details on new board members and future business plans. Matsuda will begin reviews on these issues immediately.

As we also face fundamental restructuring in Europe, Matsuda proposed to include Phil Rogers (CEO, Square Enix Europe) as a board candidate, in which I am in full agreement.

Matsuda will immediately begin to select director candidates for the new board, which will be centered around Matsuda himself and Phil Rogers.

Obviously, what I have been sharing is based on the assumption that nominated board member candidates will be elected by resolutions at the Shareholder's Meeting in June.

Now, I would like to turn over the mic to Matsuda for a few words.

"Thank you, I am Yosuke Matsuda. Provided that it will be approved at the Shareholder's Meeting in June, I will be handed over the immensely significant role of President of Square Enix Holdings from Wada. Upon taking the Presidency, I intend to perform a fundamental and zero-base review of all businesses, operations, and

assets across the group.

In the light of extreme changes in the industry, we must dig in deep on what really works and what doesn't, invest a good amount of resources in areas we decide to strengthen, and thoroughly constrain the areas that we don't see working for us.

Details and plans are now being hammered out, which should be ready in time for the FY2013 results briefings. In the meantime, I appreciate your continuing patience and support. Thank you."

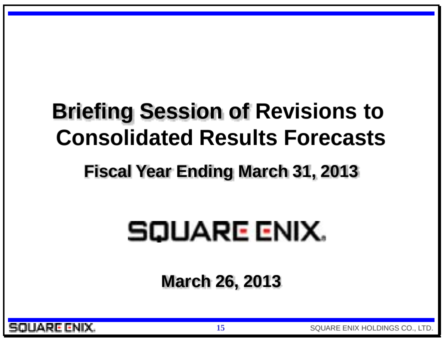
As Matsuda mentioned, information on new board members, business plans and specific budget and forecast will be put together and announced at the FY2013 results briefing session.

I, personally, would have liked to wait and hand over the firm when it is at its best, however the huge loss was like a voice from the heavens telling me *it's time to move on*. After given much thought, I have judged that it would be best to support the company in other ways as I hand over my roles and responsibilities. For this reason, I have decided to step down.

In terms of turning around the business, I believe Matsuda is the most eligible candidate. Matsuda is not new to the board; he has long been our CFO and has always looked at our business from a different angle than I, who looked after all aspects of the business. I strongly believe and have high hopes that Matsuda will carry out fundamental and drastic reforms in the organization. In addition, I highly value his tough-mindedness, his ability to persist in a logical manner and make sound decisions.

You might be wondering what role I will take in the company after I step down, so I will tell you before you ask me: I will be completely gone from Square Enix Holdings. I will no longer be the President, Director nor a staff member of Square Enix Holdings. That means I will not have a say in the future management.

However, I believe it is my duty as an employee to support the firm in my own ways, including exploiting new businesses, and to yield sound results and performances. Although I will step down from management, I will continue to work hard to give back to a company that granted me so much.



Thank you for your attention as we have announced revisions to consolidated results forecast and reported details on our management reforms.