
Financial Results Briefing Session

**Fiscal Year
Ended March 31, 2011**

SQUARE ENIX®

May 13, 2011

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.

Consolidated Results for the Fiscal Year Ended March 2011

Full-Year

Billions of Yen

	Fiscal Year Ended 3/10		Fiscal Year Ended 3/11		Change
		%		%	
Net Sales	192.3	100%	125.3	100%	(67.0)
Operating Income	28.2	15%	7.3	6%	(20.9)
Recurring Income	27.8	14%	5.4	4%	(22.4)
Net Income	9.5	5%	(12.0)	-10%	(21.6)
Depreciation and Amortization	8.0	-	6.6	-	(1.4)
Capital Expenditure	6.9	-	5.4	-	(1.6)
Number of Employees	3,338	-	3,297	-	(41)

Results for the Fiscal Year Ended March 2011 By Business Segment

1. Results for the Fiscal Year ended March 31, 2011

Billions of Yen

	Digital Entertainment	Amusement	Publication	Merchandising	Amortization of goodwill	Eliminations or unallocated	Total
Net Sales	64.2	45.0	13.0	3.0	-	(0.1)	125.3
Operating Income	11.3	2.2	3.2	0.7	(1.5)	(8.5)	7.3
Operating Margin	17.6%	4.8%	24.6%	22.6%	-	-	5.8%

2. Results for the Fiscal Year ended March 31, 2010

Billions of Yen

	Digital Entertainment	Amusement	Publication	Merchandising	Amortization of goodwill	Eliminations or unallocated	Total
Net Sales	120.1	52.3	14.4	5.5	-	(0.0)	192.3
Operating Income	29.1	4.0	4.1	1.8	(1.7)	(9.0)	28.2
Operating Margin	24.2%	7.6%	28.7%	33.4%	-	-	14.7%

3. Change (1 – 2)

Billions of Yen

	Digital Entertainment	Amusement	Publication	Merchandising	Amortization of goodwill	Eliminations or unallocated	Total
Net Sales	(55.9)	(7.3)	(1.3)	(2.5)	-	0.0	(67.1)
Operating Income	(17.8)	(1.8)	(0.9)	(1.1)	0.2	0.5	(20.9)

Our Three Strategic Pillars

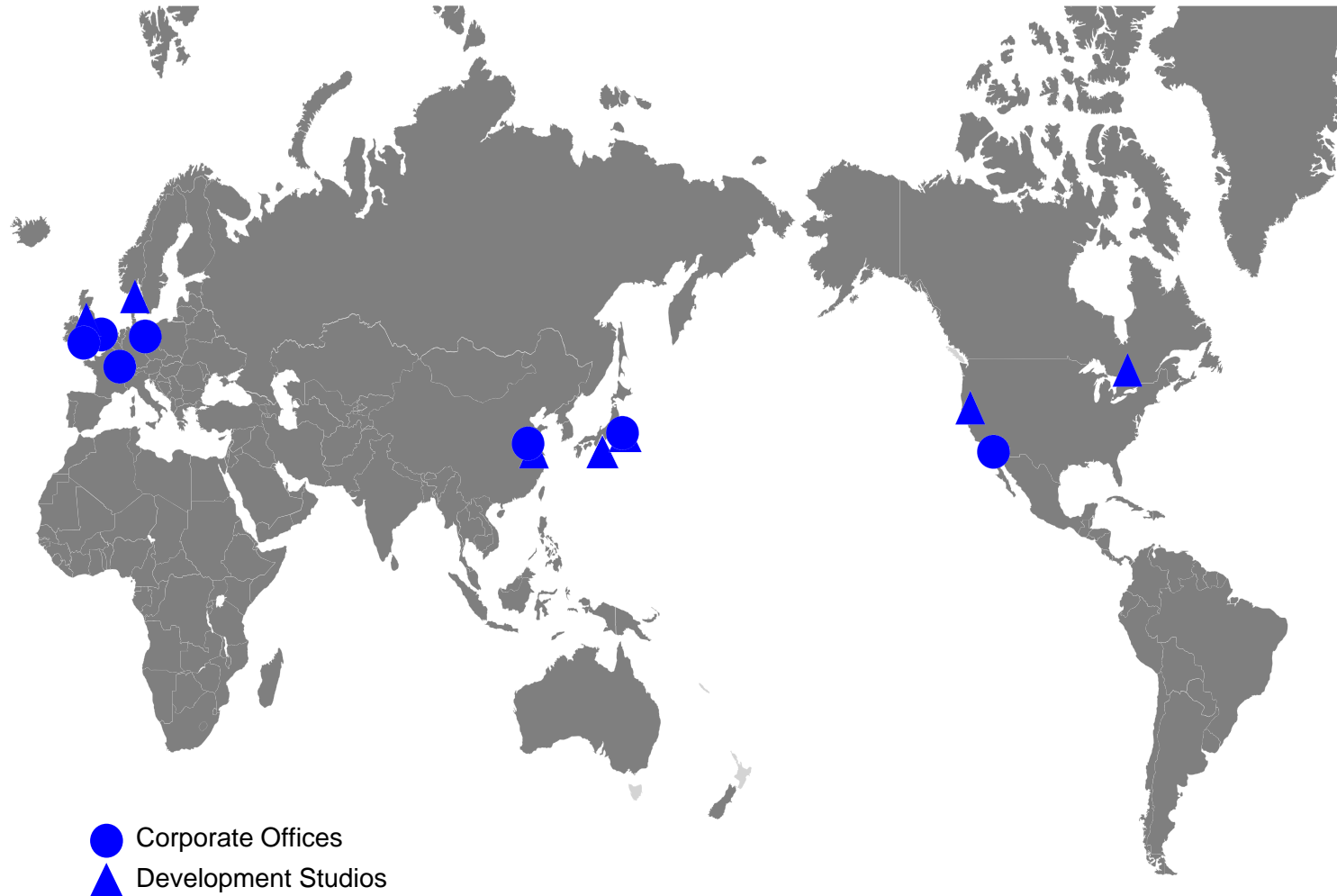
1. Globalization

2. Becoming “Network Centric”

3. Strengthening Own-IPs

1. Globalization:

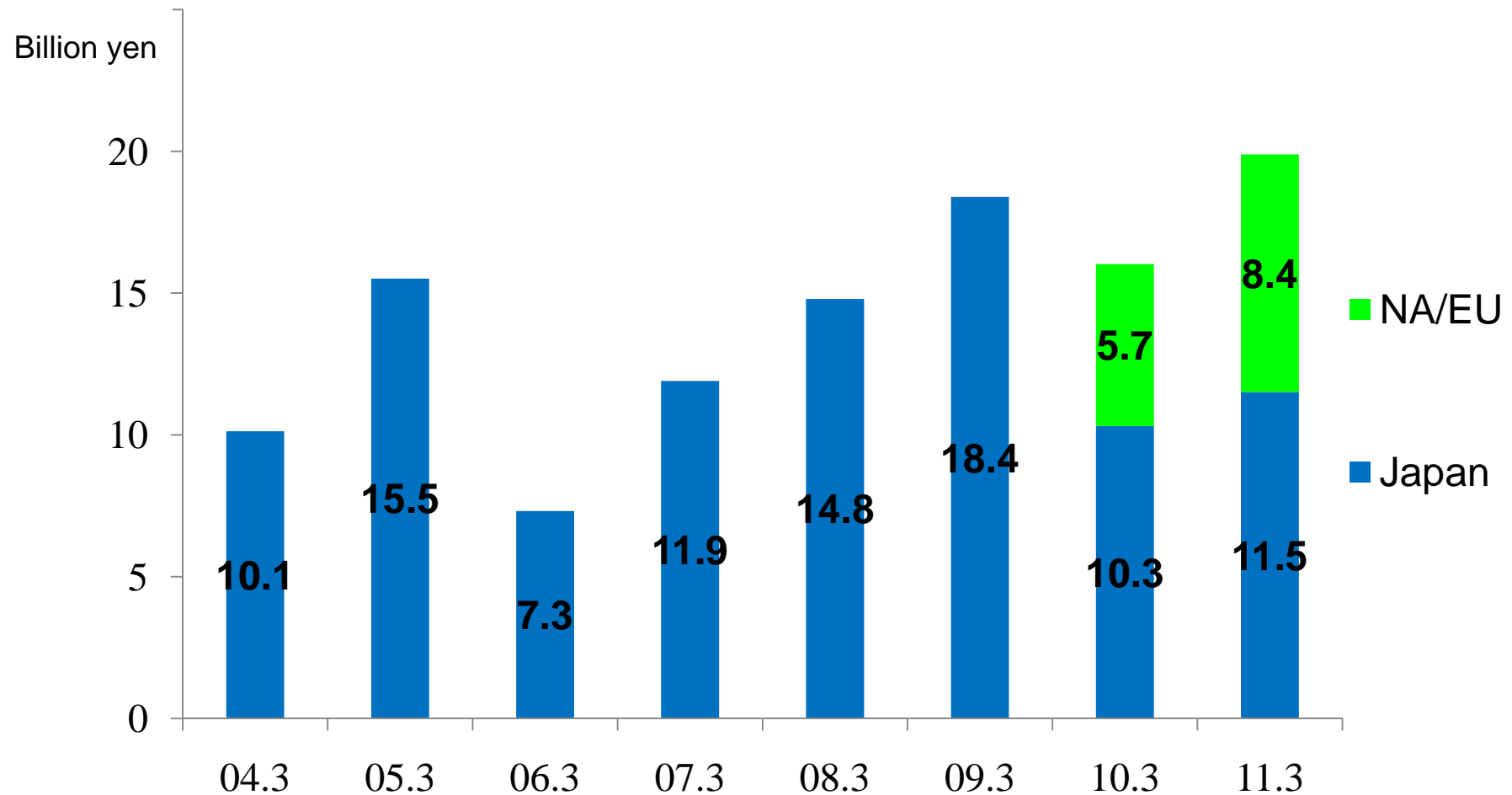
Established Footholds in Japan, North America and Europe



1. Globalization:

Rebalancing our Game Development Investments

Change in development amounts



1. Globalization:

Key Themes for 2011 and Beyond

- **Entering Emerging Markets**
 - ✓ Focus on SNS and Smartphone Gaming

- **Enhancing business lines of our North American and European operations**

2. Becoming “Network Centric”

- **Developing games for “growth” genres**
 - ✓ Diversification through multiple business units
 - ✓ Sengoku IXA, Nicotto Town, and Taito’s Renai Jijo series have already shown results of over 1.5BN Yen
- **Revitalizing our major MMO titles**
- **Strengthening our PDLC for console games**
- **Digitalizing our catalog titles**

3. Strengthening Own-IPs

Focusing on the establishment of 10 strong IPs

Studio	Current	Target Additions
Tokyo	Final Fantasy Dragon Quest Kingdom Hearts	Two Original IPs
Crystal Dynamics	Tomb Raider	
Eidos Montreal	Deus Ex	One Original IP
IO Interactive	Hitman	One Original IP
Wimbledon		One Original IP

Appendix: Fiscal Year March 2012 Planning

Full-Year

Billions of Yen

	Fiscal Year Ended 3/11		Fiscal Year Ending 3/12		Change
		%		%	
Net Sales	125.3	100%	130.0	100%	4.7
Operating Income	7.3	6%	10.0	8%	2.7
Recurring Income	5.4	4%	10.0	8%	4.6
Net Income	-12.0	-10%	5.0	4%	17.0
Depreciation and Amortization	6.6	-	6.0	-	(0.6)
Capital Expenditure	5.4	-	6.0	-	0.6

(Ref.) First-Half Year ending September 30, 2011

Billions of Yen

	Fiscal Year Ended 3/11		Fiscal Year Ending 3/12		Change
		%		%	
Net Sales	68.1	100%	56.0	100%	(12.1)
Operating Income	5.7	8%	3.5	6%	(2.2)
Recurring Income	3.5	5%	3.5	6%	(0.0)
Net Income	1.7	3%	1.5	3%	(0.2)

Appendix: Fiscal Year March 2012 Planning By Business Segment

1. Projections for the Fiscal Year ending March 31, 2012

Billions of Yen

	Digital Entertainment	Amusement	Publication	Merchandising	Amortization of goodwill	Eliminations or unallocated	Total
Net Sales	70.0	47.0	10.0	3.0	-	-	130.0
Operating Income	14.0	2.5	1.8	0.7	-	(9.0)	10.0
Operating Margin	20.0%	5.3%	18.0%	23.3%	-	-	7.7%

2. Results for the Fiscal Year ended March 31, 2011

Billions of Yen

	Digital Entertainment	Amusement	Publication	Merchandising	Amortization of goodwill	Eliminations or unallocated	Total
Net Sales	64.2	45.0	13.0	3.0	-	(0.0)	125.3
Operating Income	11.3	2.2	3.2	0.7	(1.5)	(8.5)	7.3
Operating Margin	17.6%	4.8%	24.6%	22.6%	-	-	5.8%

3. Change (1 - 2)

Billions of Yen

	Digital Entertainment	Amusement	Publication	Merchandising	Amortization of goodwill	Eliminations or unallocated	Total
Net Sales	5.8	2.0	(3.0)	(0.0)	-	0.0	4.7
Operating Income	2.7	0.3	(1.4)	0.0	1.5	(0.5)	2.7

Appendix: Fiscal Year March 2012 Planning

Key Title Lineup (only previously announced titles)

Title	Region	Platform	Release Date (Scheduled)
DUNGEON SIEGE III	JP,NA ,EU	PS3/Xbox 360/PC	6/17 (EU), 6/21 (NA), 7/28 (JP)
DRAGON QUEST 25th: Anniversary Famicom & Super Famicom DRAGON QUEST I/II/III	JP	Wii	2011/9 (JP)
FINAL FANTASY TYPE-0	JP	PSP	Summer 2011 (JP)
DEUS EX: Human Revolution	JP,NA ,EU	PS3/Xbox 360/PC	8/23 (NA), 8/26 (EU), Fall 2011 (JP)
Slime MoriMori DRAGON QUEST 3: Dai Kaizoku to Shippo Dan	JP	3DS	Winter 2011 (JP)
FINAL FANTASY XIII - 2	JP,NA ,EU	PS3/Xbox 360	2011 (JP), This Winter (NA, EU)

⋮

Appendix: Change in Units Sold by Region

Years Ending March 31

(Millions of Units Sold)

Region	2004	2005	2006	2007	2008	2009	2010	2011	2012E
Japan	4.93	6.30	7.86	7.21	7.52	5.19	11.70	6.49	5.30
N. America	5.85	3.76	3.51	6.15	3.79	3.96	7.59	4.74	4.10
Europe	2.74	0.92	0.82	3.50	3.02	2.38	7.20	5.43	5.10
Asia, etc.	0.10	0.07	0.04	0.07	0.08	0.08	0.17	0.19	0.00
Total	13.62	11.05	12.23	16.93	14.41	11.61	26.66	16.85	14.50

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Ended March 31, 2011**

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May 13, 2011