

July 30, 2019

Company: SQUARE ENIX HOLDINGS CO., LTD.
(Code: 9684, Tokyo Stock Exchange)
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NOTICE OF DISPOSITION OF TREASURY SHARES
FOR THE DELIVERY OF SHARES AS STOCK AWARDS

SQUARE ENIX HOLDINGS CO., LTD. (the “Company”) has resolved to dispose its treasury shares for the delivery of shares as stock awards (the “Disposition”) at the Board of Directors Meeting held on July 30, 2019.

1. Outline of Disposition

(1) Disposal Date	August 22, 2019
(2) Class and number of shares to be disposed	Common stock in the Company 2,700 shares
(3) Disposal value	3,600 yen per share
(4) Total disposal value	9,720,000 yen
(5) Recipients of allocation	Director of the subsidiary 1 person 2,000 shares Employee of the subsidiary 1 person 700 shares

2. Purpose and Reason of Disposition

The Company has granted Stock Unit Awards (service-based) (the “Stock Awards”) to one (1) director and one (1) employee of its subsidiaries in accordance with the resolutions at the Board of Directors Meetings held on, respectively, August 7, 2018 and September 28, 2018 for the purpose of motivating directors and employees of its subsidiaries (the “Participants”) to contribute to the improvement of performance and the growth of corporate value of the Company and to work continuously for a mid-long term. Please refer to the Attachment for details.

The delivery of shares under the Stock Awards will be made in three installments. The Disposition is made to the two (2) Participants who meet the conditions to deliver the shares specified in the Attachment in order to deliver the shares in consideration of service during each of the first Vesting Period specified in the Attachment under the Stock Awards. The Company delivers the common stocks in the Company (the “Shares”) to such Participants in exchange of contribution in kind of all monetary claims given to such Participants. There is no restriction on transfer or any other encumbrance on the Shares to be delivered by the Disposition. The resolution of the Disposition is conditioned on the satisfaction by each of the Participants of the conditions to deliver the share until such the expiration of such Vesting Period.

3. Basis of Calculation and Specific Detail of Disposal Value

The Disposition will be made in exchange of contribution in kind of all monetary claims given to the Participants under the Stock Awards. The disposal value has been set at 3,600 yen, which is the

closing price of the Shares at the Tokyo Stock Exchange on July 29, 2019 (the preceding business day to the day of the resolution of the Board of Directors Meeting), in order to exclude arbitrariness. This is not considered to be particularly favorable to the Participants as this is the market stock price immediately prior to the day of the resolution at the Board of Directors Meeting and a reasonable price that properly reflects the Company's corporate value.

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1. Stock Award (resolved at the Board of Directors Meeting held on August 7, 2018)

The “Stock Award” in this section 1 shall mean the stock award granted in accordance with the resolution at the Board of Directors Meeting held on August 7, 2018.

(1) Outline of the Stock Award

The Stock Award is a service-based stock unit award that the Company delivers to the Participants the pre-determined number (the “Number of Shares to Be Delivered” in this section 1) of the Shares, in consideration of service provided for each one (1) year (respectively, the “Vesting Period” in this section 1) of the relevant service period (from August 15, 2018 to August 14, 2021) (the “Service Period” in this section 1) upon expiration of each Vesting Period. If the total number of the issued shares in the Company increases or decreases by consolidation or split of shares (including but not limited to the Allotment of Shares without Contribution provided for in Article 185 of the Companies Act; the same shall apply to references to split of shares hereinafter in this section 1), the Number of Shares to Be Delivered shall be adjusted accordingly by multiplying the rate of consolidation or split of shares.

(2) Conditions to deliver the Shares

The Participants may receive the delivery of the Shares after expiration of each Vesting Period on the conditions that the Participants continuously holds any position of a director or employee of the Company or its subsidiary during such Vesting Period and the Participants meet the absence of any misconduct or any other requirements.

(3) Maximum number of the Shares to be delivered to the Participants

Maximum number of the Shares to be delivered to the Participants with respect to the Stock Award shall be eleven thousand and one hundred (11,100) shares. If the total number of the issued shares in the Company increases or decreases by consolidation or split of shares, such maximum number shall be adjusted accordingly by multiplying the rate of consolidation or split of shares.

(4) Procedure and date of the delivery

After expiration of each Vesting Period, the Company shall resolve by the board of directors (i) to give the Participants monetary claims and (ii) in exchange of such claims, to deliver the Number of Shares to Be Delivered by means of issuance of new shares or disposition of treasury shares. The subscription price per share of such issuance or disposition shall be determined by the board of directors, to the extent that such price is not particularly-favorable based on the closing price of the Share at Tokyo Stock Exchange on the preceding business day to each day of such resolutions (if no closing price is quoted, the closing price of the immediately preceding trading date to such business day.).

(5) Retirement during the Service Period, etc.

In cases, among other cases, that (i) the Participants retires for a legitimate reason or (ii) the restructuring transaction (including but not limited to a merger agreement in which the Company is the disappearing company or a Share Exchange agreement or Share Transfer plan through which the Company becomes a wholly-owned company) is approved at the

shareholders' meeting, the Company shall deliver such number of the Shares or pay in cash such amount as determined reasonably based on the period before the date of such retirement or the approval date of such restructuring transaction.

2. Stock Award (resolved at the Board of Directors Meeting held on September 28, 2018)

The "Stock Award" in this section 2 shall mean the stock award granted in accordance with the resolution at the Board of Directors Meeting held on September 28, 2018.

(1) Outline of the Stock Award

The Stock Award is a service-based stock unit award that the Company delivers to the Participant the pre-determined number (the "Number of Shares to Be Delivered" in this section 2) of the Shares, in consideration of service provided in each of the following periods, (i) from October 15, 2018 to August 14, 2019, (ii) from August 15, 2019 to August 14, 2020 and (iii) from August 15, 2020 to August 14, 2021 (respectively, the "Vesting Period" in this section 2) of the relevant service period (from October 15, 2018 to August 14, 2021) (the "Service Period" in this section 2) upon expiration of each Vesting Period. If the total number of the issued shares in the Company increases or decreases by consolidation or split of shares (including but not limited to the Allotment of Shares without Contribution provided for in Article 185 of the Companies Act; the same shall apply to references to split of shares hereinafter in this section 2), the Number of Shares to Be Delivered shall be adjusted accordingly by multiplying the rate of consolidation or split of shares.

(2) Conditions to deliver the Shares

The Participant may receive the delivery of the Shares after expiration of each Vesting Period on the conditions that (i) the Participant continuously holds any position of a director or employee of the Company or its subsidiary during such Vesting Period and (ii) the Participant meets the absence of any misconduct or any other requirements.

(3) Maximum number of the Shares to be delivered to the Participant

Maximum number of the Shares to be delivered to the Participant with respect to the Stock Award shall be two thousand and five hundred (2,500) shares. If the total number of the issued shares in the Company increases or decreases by consolidation or split of shares, such maximum number shall be adjusted accordingly by multiplying the rate of consolidation or split of shares.

(4) Procedure and date of the delivery

After expiration of each Vesting Period, the Company shall resolve by the board of directors (i) to give the Participant monetary claims and (ii) in exchange of such claims, to deliver the Number of Shares to Be Delivered by means of issuance of new shares or disposition of treasury shares. The subscription price per share of such issuance or disposition shall be determined by the board of directors, to the extent that such price is not particularly-favorable based on the closing price of the Share at Tokyo Stock Exchange on the preceding business day to each day of such resolutions (if no closing price is quoted, the closing price of the immediately preceding trading date to such business day.).

(5) Retirement during the Service Period, etc.

In cases, among other cases, that (i) the Participant retires for a legitimate reason or (ii) the

restructuring transaction (including but not limited to a merger agreement in which the Company is the disappearing company or a Share Exchange agreement or Share Transfer plan through which the Company becomes a wholly-owned company) is approved at the shareholders' meeting, the Company shall deliver such number of the Shares or pay in cash such amount as determined reasonably based on the period before the date of such retirement or the approval date of such restructuring transaction.

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