

SQUARE ENIX®

SQUARE ENIX HOLDINGS CO., LTD. REPORTS FINANCIAL RESULTS FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2016

TOKYO, Japan – February 6, 2017– SQUARE ENIX HOLDINGS CO., LTD. (the “Company”) today announced consolidated results for the nine-month period ended December 31, 2016. The Company is listed on the Tokyo Stock Exchange, First Section with the stock code “9684” and prepares its financial statements according to Japan GAAP.

Key Figures		<i>(millions of yen, except percentages and per share data)</i>		
<u>9 months actual</u>	<u>9 mos. ended 12/16</u>	<u>9 mos. ended 12/15</u>	<u>YoY change</u>	
Net sales	190,084	152,760	+24.4%	
Operating income	21,477	23,778	-9.7%	
Ordinary income	22,050	24,198	-8.9%	
Profit attributable to owners of parent	17,055	13,538	+26.0%	
EPS, basic	139.76 yen	111.01 yen	-	
	Forecast	Actual		
<u>Full year</u>	<u>FY ending 3/17</u>	<u>FY ended 3/16</u>	<u>YoY change</u>	
Net sales	250,000~270,000	214,101	+16.8~26.1%	
Operating income	27,000~33,000	26,018	+3.8~26.8%	
Ordinary income	27,000~33,000	25,322	+6.6~30.3%	
Profit attributable to owners of parent	17,000~21,000	19,884	-14.5~5.6%	
EPS, basic	139.39~172.19 yen	163.04 yen	-	

For additional information, please refer to the full-length Consolidated Financial Results document here: <http://www.hd.square-enix.com/eng/17q3earnings.pdf>, or the Company’s IR website: <http://www.hd.square-enix.com/eng/ir/>

During the nine-month period ended December 31, 2016, launches of blockbuster series titles such as “FINAL FANTASY XV” and the PlayStation®4 version of “RISE OF THE TOMB RAIDER,” on top of strong download sales of catalogue titles released previously, have led to a material increase of net sales and operating income in the area of console games, compared to the same period of the prior fiscal year.

In the area of massively multiplayer online role playing games, revenues from operation has been showing steady performance while net sales and operating income declined significantly compared to the same period of the prior fiscal year mainly due to the absence of expansion disk releases during the nine-month period ended December 31, 2016.

Net sales and operating income, in the area of content for platforms such as smart devices and PC browser, increased significantly compared to the same period of the prior fiscal year primarily thanks to the strong performance of existing major titles of native app games on smartphones



such as “FINAL FANTASY BRAVE EXVIUS,” “HOSHI NO DRAGON QUEST” and “DRAGON QUEST MONSTERS SUPER LIGHT.

In the Amusement segment, the operation of the amusement facilities has been showing steady performance. In addition, amusement machines such as “Gunslinger Stratos3,” “THEATRHYTHM FINAL FANTASY All-star Carnival” and “Love Live! School idol festival – after school ACTIVITY –” were released.

In the Publication segment, sales of comic books declined while sales of game strategy guides and royalty revenues from e-comics licensing increased compared to the same period of the prior fiscal year.

In the Merchandising segment, sales and licensing performed steadily thanks to character goods and soundtracks derived from the Group’s own IPs as well as character goods originated in renowned third-party IPs.

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About Square Enix Holdings Co., Ltd.

Square Enix Holdings Co., Ltd. with headquarters in Tokyo, Japan, is a holding company leading the Square Enix group of companies with a diverse range of content and service businesses. The Square Enix group of companies publishes, distributes and licenses entertainment content around the world under its internationally renowned brands including SQUARE ENIX®, EIDOS® and TAITO®. The group includes a global network of leading development studios located in North America, Europe and Japan. The group also boasts a valuable portfolio of intellectual property including: FINAL FANTASY®, which has sold over 130 million units worldwide; DRAGON QUEST®, which has sold over 70 million units worldwide; TOMB RAIDER®, which has sold over 58 million units worldwide; and the legendary SPACE INVADERS®.

More information on Square Enix Holdings Co., Ltd. can be found at

<http://www.hd.square-enix.com/eng/>

*Unit sales are the total number of cumulative package shipment and digital sales. Digital sales are the cumulative unit number in and after April 2015, and include full-game downloads of packaged games and download-only games for console and PC.

Disclaimer

The forward-looking statements in this document are based upon the information currently available, and necessarily include elements that are not entirely predictable. Actual results may differ from the forward-looking statements in this document.

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