



# SQUARE ENIX

**Financial Results Briefing Session**  
**Six-Month Period Ended September 30, 2024**

November 8, 2024

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.

(Amounts under one hundred million yen are rounded down)

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# Financial Results First Half of Fiscal Year Ending March 31, 2025

# Consolidated Statement of Income FY2025/3 1H

(Billions of Yen)

	Fiscal Year Ended March 31, 2024		Fiscal Year Ending March 31, 2025			
	1H	Full Year Results	1H	Changes	Full Year Forecasts	Changes
Net Sales	172.0	356.3	157.5	(14.5)	310.0	(46.3)
Operating Income	17.3	32.5	21.1	3.8	40.0	7.5
Operating Income Margin	10.1%	9.1%	13.4%	3.3pt	12.9%	3.8pt
Ordinary Income	26.1	41.5	18.1	(8.0)	40.0	(1.5)
Ordinary Income Margin	15.2%	11.7%	11.5%	(3.7pt)	12.9%	1.2pt
Profit attributable to owners of parent	16.6	14.9	11.7	(4.9)	28.0	13.1

# Consolidated Statement of Income Fiscal Year 1H FY2025 by Business Segment

(Billions of Yen)

	Fiscal Year Ended March 31, 2024	Fiscal Year Ending March 31, 2025	
	1H	1H	Changes
<b>Net sales</b>	<b>172.0</b>	<b>157.5</b>	<b>(14.5)</b>
Digital Entertainment	122.0	98.1	(23.9)
Amusement	28.4	36.2	7.8
Publication	14.4	14.8	0.4
Merchandising	8.3	9.6	1.3
Eliminations or unallocated	(1.3)	(1.2)	0.1
<b>Operating income</b>	<b>17.3</b>	<b>21.1</b>	<b>3.8</b>
Digital Entertainment	15.5	16.8	1.3
Amusement	3.2	4.2	1.0
Publication	5.5	5.3	(0.2)
Merchandising	1.8	3.3	1.5
Eliminations or unallocated	(8.8)	(8.6)	0.2
<b>Operating income margin</b>	<b>10.1%</b>	<b>13.4%</b>	<b>3.3pt</b>
Digital Entertainment	12.7%	17.2%	4.5pt
Amusement	11.5%	11.7%	0.2pt
Publication	38.1%	36.3%	(1.8pt)
Merchandising	22.3%	35.2%	12.9pt
Eliminations or unallocated	-	-	-

# Consolidated Balance Sheet as of September 30, 2024

(Billions of Yen)

Account	Assets			Account	Liabilities and Net Assets		
	03/2024	09/2024	Changes		03/2024	09/2024	Changes
Cash and deposits	225.9	222.4	(3.5)	Notes and accounts payable	24.3	22.8	(1.5)
Notes and accounts receivable	44.6	42.3	(2.3)	Income taxes payable	6.9	5.7	(1.2)
Inventories	5.7	7.4	1.7	Refund liabilities	4.4	3.5	(0.9)
Content production account	48.5	52.1	3.6	Others	45.7	38.9	(6.8)
Others	14.3	11.0	(3.3)	<b>Total Current Liabilities</b>	<b>81.5</b>	<b>71.1</b>	<b>(10.4)</b>
<b>Total Current Assets</b>	<b>339.2</b>	<b>335.3</b>	<b>(3.9)</b>	<b>Non-current Liabilities</b>	<b>12.1</b>	<b>14.9</b>	<b>2.8</b>
Property and equipment	23.0	27.9	4.9	<b>Total Liabilities</b>	<b>93.7</b>	<b>86.0</b>	<b>(7.7)</b>
Intangible Assets	5.8	5.8	0.0	Total Shareholders' Equity	325.2	334.0	8.8
Investments and other assets	42.6	43.1	0.5	Others	(8.1)	(7.8)	0.3
<b>Total Non-current Assets</b>	<b>71.6</b>	<b>76.8</b>	<b>5.2</b>	<b>Total Net Assets</b>	<b>317.1</b>	<b>326.2</b>	<b>9.1</b>
<b>Total Assets</b>	<b>410.8</b>	<b>412.2</b>	<b>1.4</b>	<b>Total Liabilities and Net Assets</b>	<b>410.8</b>	<b>412.2</b>	<b>1.4</b>

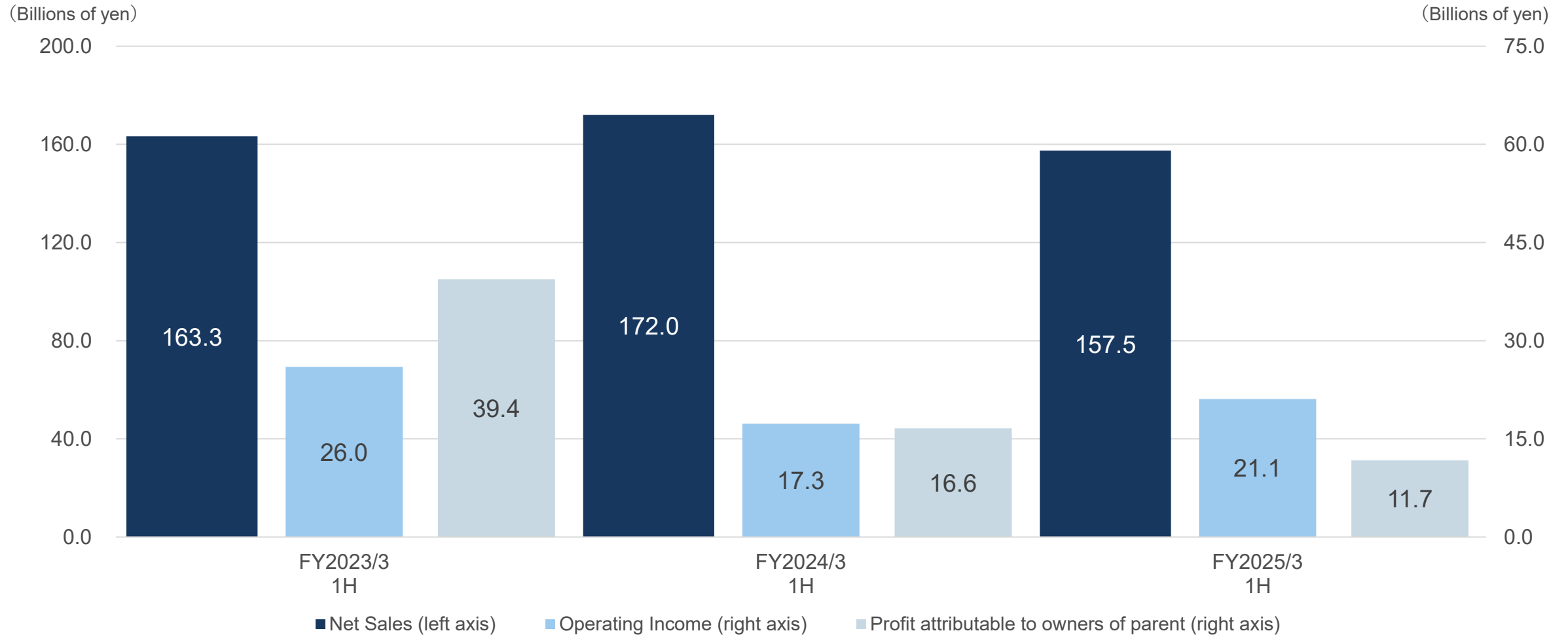
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## Consolidated Financial Results and Progress in Each Business Segment

# Consolidated Financial Results

Net sales down, operating income up YoY

Net income down partly due to foreign exchange losses

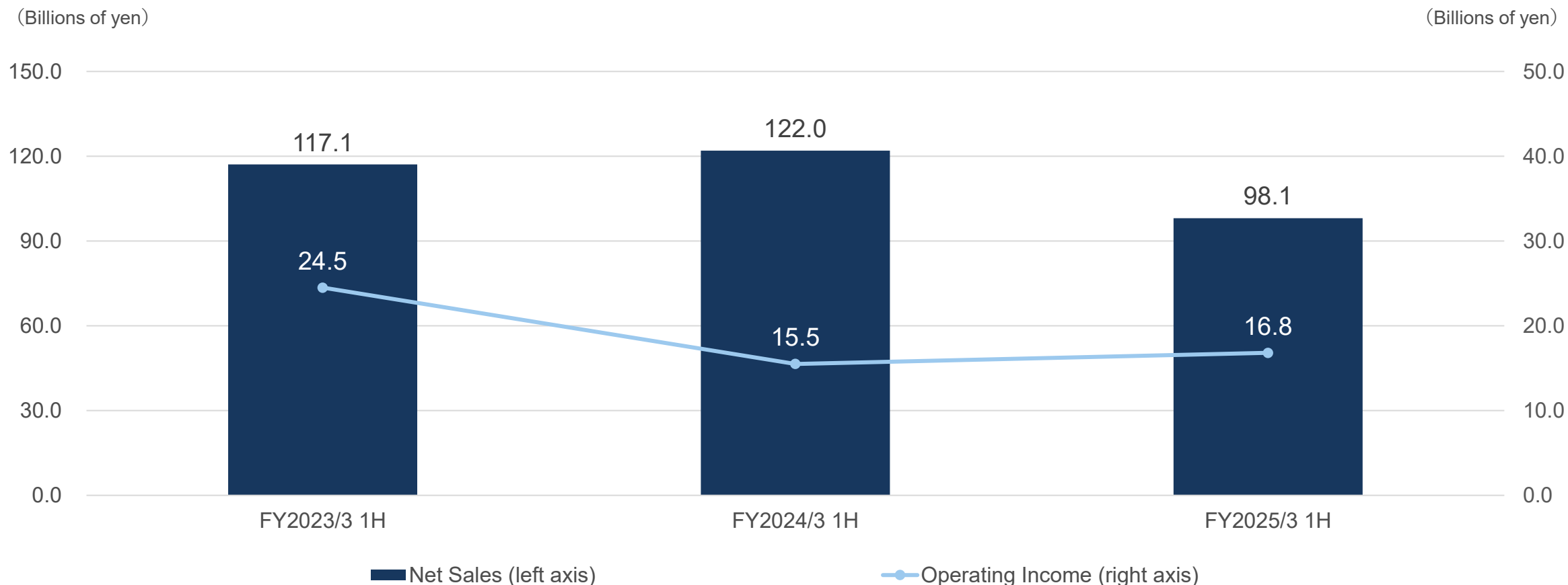




# Digital Entertainment

Net sales down YoY mainly due to lack of major title launches in the HD Game sub-segment

Operating income up YoY due to lower development cost amortization and advertising expenses, as well as to the expansion pack release in the MMO sub-segment



# Digital Entertainment

**HD Games:** Plan to launch new titles, some featuring key IP

Net Sales: ¥27.5 billion (Prior FY: ¥43.7 billion/ down ¥16.2 billion YoY)

Operating loss: ¥1.2 billion (¥2.4 billion YoY improvement vs. ¥3.6 billion loss in 1H FY2024/3)

## Major new titles in FY2025/3



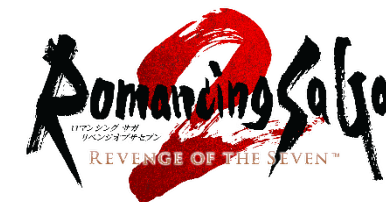
Launched on Apr 25, 2024



Launched on Jun 14, 2024



Launched on Aug 29, 2024



Launched on Oct 24, 2024



Launched on Oct 30, 2024



To be Launched on Nov 14, 2024



To be Launched on Dec 5, 2024

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# Digital Entertainment

MMO: Launching latest “FINAL FANTASY XIV” expansion pack in Q2

Net Sales: ¥32.4 billion (Prior FY: ¥23.9 billion/ up ¥8.5 billion YoY)

Operating Income: ¥13.1 billion (Prior FY: ¥9.3 billion/ up ¥3.8 billion YoY)

Main titles in operation



“FINAL FANTASY XIV: DAWNTRAIL”

Launched on Jul 2, 2024



Latest Major Update

Launched on Jul 10, 2024



# Digital Entertainment

-Units Sold by Region-

**Units Sold** = Packaged + Downloads

**Packaged:** Unit sales of packaged software sold in the fiscal year

**Downloads:** Unit sales of downloaded software sold in the fiscal year

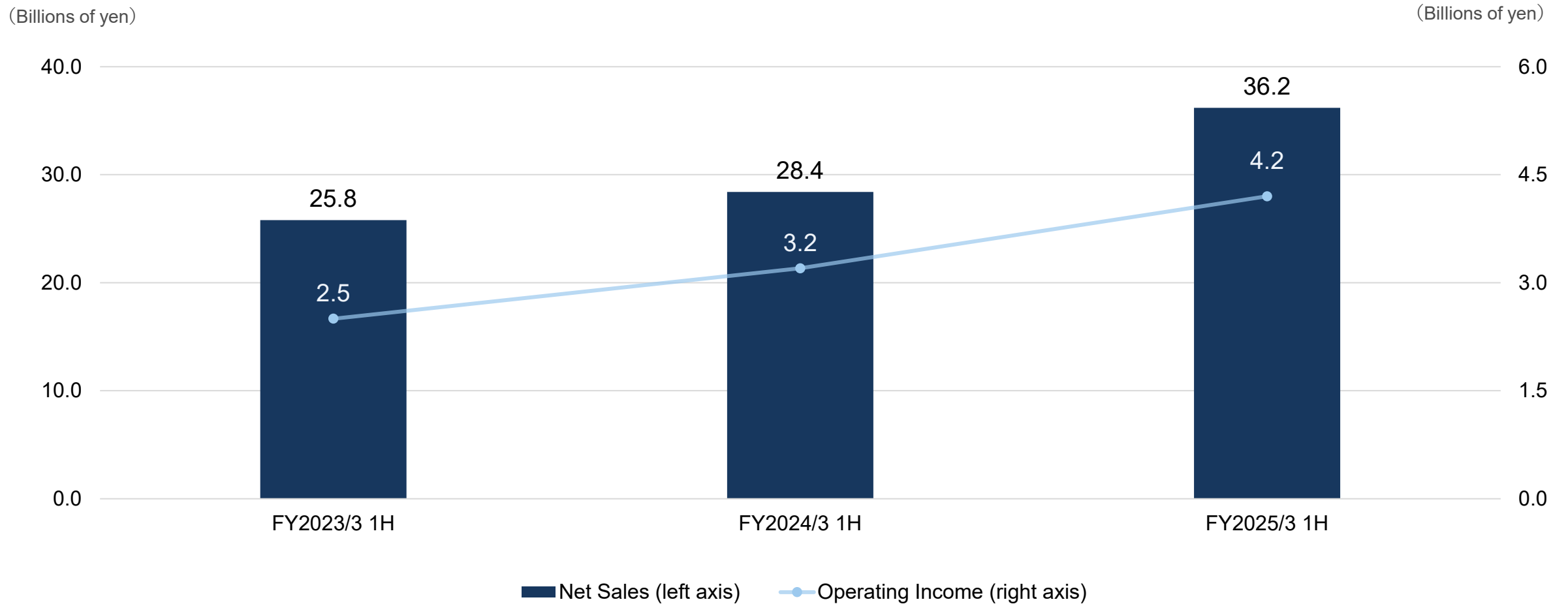
(Millions of Units Sold)

Region	FY2024/3 1H			FY2025/3 1H		
	Packaged	Download	Total	Packaged	Download	Total
Japan	0.68	2.23	2.91	0.29	1.87	2.16
North America/ Europe	1.66	6.11	7.77	0.93	6.35	7.28
Asia, etc.	0.38	1.11	1.49	0.08	1.18	1.25
<b>Total</b>	<b>2.72</b>	<b>9.44</b>	<b>12.17</b>	<b>1.30</b>	<b>9.39</b>	<b>10.69</b>

\* The above numbers cover both HD and MMO games, and includes titles for which Square Enix is the distributor and titles sold episodically.

# Amusement

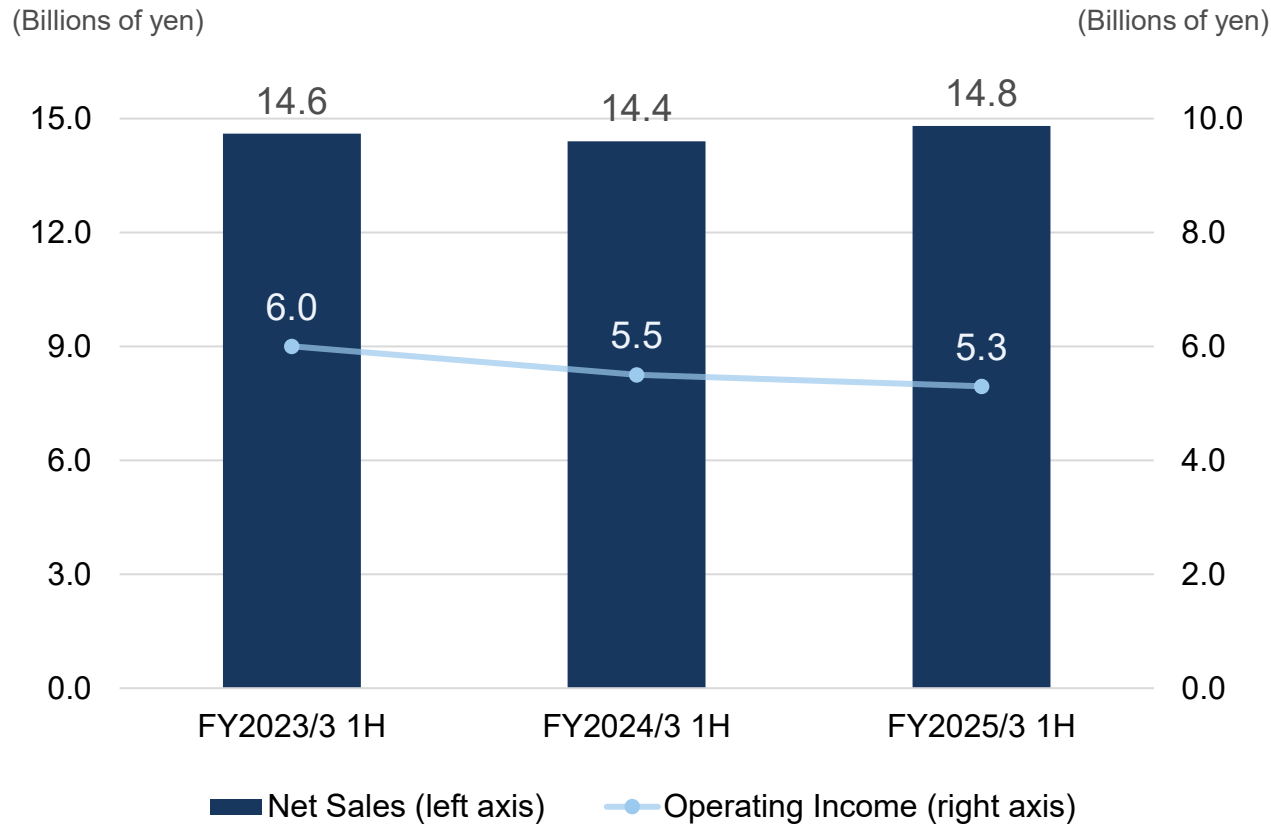
Net sales and operating income up YoY due to rise in same - store sales





# Publication

Net sales up YoY on brisk digital and print sales of comics, but operating income down partly on changes in product breakdown within sales

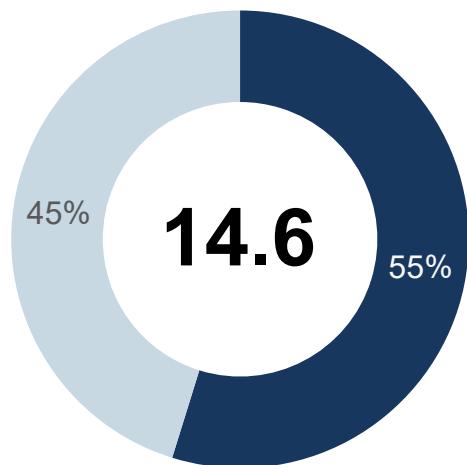


### Major Service, Titles in FY2025/3

# Publication

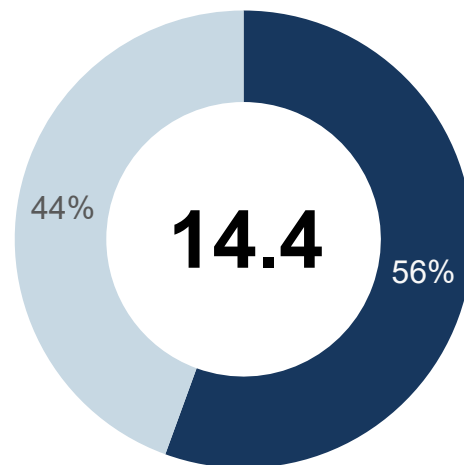
-Digital vs. Printed Media Sales- Breakdown of Publication sales

(Billions of yen)



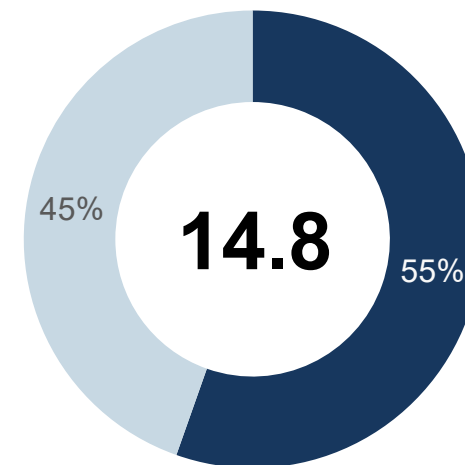
FY2023/3 1H

■ Digital sales	8.0
■ Printed media sales	6.6



FY2024/3 1H

■ Digital sales	8.0
■ Printed media sales	6.4



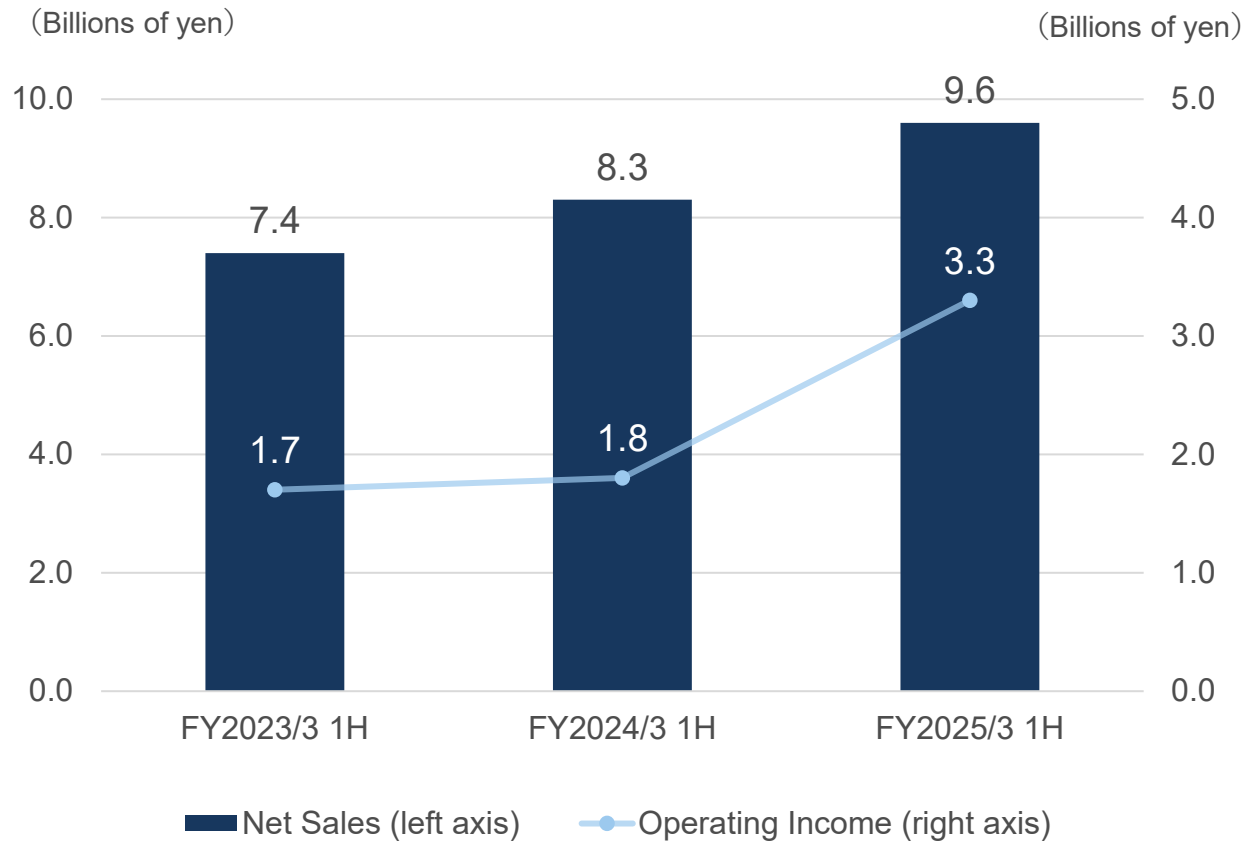
FY2025/3 1H

■ Digital sales	8.2
■ Printed media sales	6.6



# Merchandising

Net sales and operating income up YoY mainly driven by strong sales of new character merchandise featuring key IP



## Major Products in FY2025/3



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