

CONSOLIDATED FINANCIAL RESULTS FOR THE THREE MONTHS PERIOD ENDED JUNE 30, 2009 (JPNGAAP)

Company Name: Square Enix Holdings Co., Ltd.

Market: Tokyo Stock Exchange, First Section

Code: 9684 URL: <http://www.square-enix.com/>

Representative: Yoichi Wada, President and Representative Director

Contact: Yosuke Matsuda, Director and Executive Officer

Presentation of Financial Report (*Shihanki-Hokokusho*) : August 7, 2009

1. Consolidated Financial Results (April 1, 2009 to June 30, 2009)

1) Consolidated Financial Results (Millions of yen, except percentages and per share data)

	Net Sales		Operating Income		Recurring Income		Net Income	
		%		%		%		%
Three Months Ended								
June 30, 2009	29,399	(1.2)	594	(82.8)	1,529	(66.3)	(1,672)	—
June 30, 2008	29,770	—	3,463	—	4,535	—	2,883	—

	Earnings Per Share (basic)		Earnings Per Share (diluted)	
	Yen		Yen	
Three Months Ended				
June 30, 2009	(14.54)		—	
June 30, 2008	25.10		25.01	

2) Consolidated Financial Position (Millions of yen, except percentages and per share data)

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
			%	Yen
Three Months Ended				
June 30, 2009	224,345	146,513	64.7	1,261.64
Fiscal Year Ended				
March 31, 2009	213,194	148,724	69.1	1,280.92

Note: Total Equity Three months ended June 30, 2009 145,182
(Millions of yen) Fiscal year ended March 31, 2009 147,318

2. Dividends

	Dividend Per Share				
	1Q	2Q	3Q	Year-end	Annual
	yen	yen	yen	yen	yen
Fiscal year ended March 31, 2009	—	10.00	—	20.00	30.00
Fiscal year ending March 31, 2010	—	—	—	—	—
Fiscal year ending March 31, 2010 (Projection)	—	10.00	—	20.00	30.00

Note: Revision for forecasts : None

3. Consolidated Forecasts (April 1, 2009 to March 31, 2010) (Millions of yen, except percentages)

	Net Sales		Operating Income		Recurring Income		Net Income		Earnings Per Share
		%		%		%		%	yen
6 months ending Sept. 2008	90,000	32.4	12,500	33.0	12,500	28.8	7,500	23.9	65.18
Full Year	180,000	32.7	25,000	103.6	25,000	122.0	15,000	136.8	130.35

Note: Revision for consolidated forecasts : Not applicable

4. Others

1) Change in Scope of Consolidation and Application of the Equity Method:

Added : 1 (Eidos Ltd.)

2) Application of simplified accounting as well as specific accounting for preparing the quarterly consolidated financial statements: Not applicable

3) Change in policies of consolidated financial statements preparation

1. Related to changes in accounting standard: Not applicable

2. Other changes: Not applicable

4) Outstanding shares (common stock)

1. Number of shares issued and outstanding (including treasury stock) at end of period

Three months ended June 30, 2009 115,370,596

Fiscal year ended March 31, 2009 115,305,996

2. Number of treasury stock at end of period

Three months ended June 30, 2009 296,242

Fiscal year ended March 31, 2009 295,813

3. Average number of shares during the period

Nine months ended December 31, 2009 115,010,060

Nine months ended December 31, 2008 114,854,298

Disclaimer

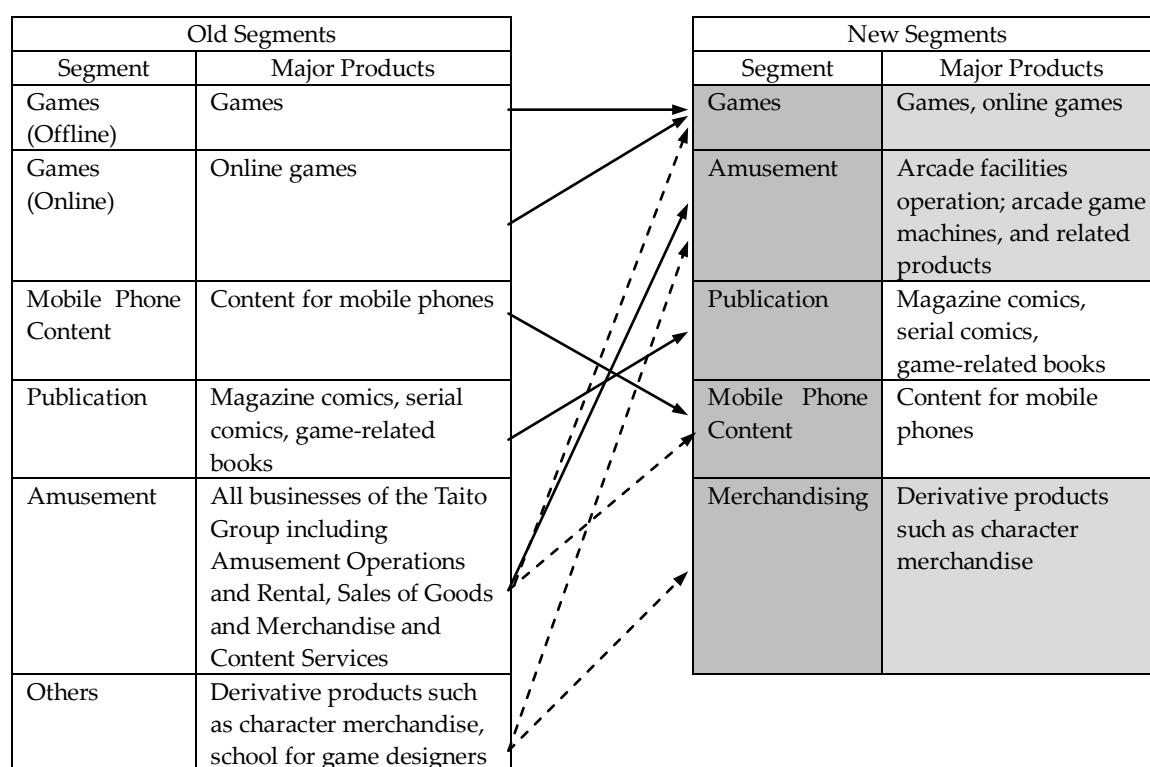
* The forward-looking statements in this document are based upon the information currently available, and necessarily include elements that are not entirely predictable. Actual results may differ from the forward-looking statements in this document.

Percentages in net sales, operating income, recurring income, and net income are percentage changes compared with the same period of the previous fiscal year.

Segment Information

1. Consolidated Business Segment Information

The Square Enix group (the “Group”) has been making determined efforts to strengthen the foundation and profitability of its business segments of Games (Offline), Games (Online), Mobile Phone Content, Publication, Amusement, and Others under the newly established holding company since October 2008. In order to reflect in the business segmentation the organizational restructuring and the Group’s strengthened business foundation, the Group has changed its business segments as follows, starting from the three months ended June 30, 2009 (April 1, 2009 through June 30, 2009).



Total sales for three months ended June 30, 2009 totaled ¥29,399 million (down 1.2% from the same period in the previous fiscal year), operating income amounted to ¥594 million (down 82.8%, *ditto*), recurring income amounted to ¥1,529 million (down 66.3%, *ditto*), and net loss amounted to ¥1,672 million (net income totaled ¥2,883 million for the same period in the previous fiscal year).

Consolidated Business Segment Information

Games

The Group plans, develops, distributes, and operates games for game consoles (including handheld game machines) and personal computers as well as online games. This segment includes amortization of goodwill relating to consolidation of the Eidos group into the Group.

During the three months ended June 30, 2009, the Group delivered several titles such as “KINGDOM HEARTS 358/2 Days” for Nintendo DS and has been operating MMORPG (Massively Multi-player Online

RPG) "FINAL FANTASY XI" on a stable basis.

Consequently, sales in the Games segment totaled ¥8,512 million (up 7.2% from the same period in the previous fiscal year), and operating loss totaled ¥992 million (operating profit totaled ¥1,665 million for the same period in the previous fiscal year).

Amusement

This segment includes operation of amusement facilities, planning, development and distribution of arcade game machines for amusement facilities and related products. Starting from the three months ended June 30, 2009, this segment includes planning, development and distribution of arcade game machines by Square Enix Co. Ltd. This segment also includes amortization of goodwill relating to consolidation of the Taito group into the Group.

Regarding arcade game machines, "DRAGON QUEST Monster Battle Road II" performed well during these three months; however, operation of amusement facilities subsequently remained at low levels under the continued severe market condition.

Consequently, sales in this segment totaled ¥12,037 million (down 21.7% from the same period in the previous fiscal year), and operating profit totaled ¥76 million (down 93.7%, *ditto*).

Publication

The Group publishes comic magazines, comic books, and game related books including game strategy guide books.

Through TV broadcasting animation programs of popular titles, comic books contributed well to increase sales figures in this segment.

Consequently, sales in this segment totaled ¥3,820 million (up 28.4% from the same period in the previous fiscal year), and operating profit totaled ¥1,138 million (up 29.0%, *ditto*).

Mobile Phone Content

The Group plans, develops and provides content for mobile phones, and provides a wide range of mobile content services, including ring tones, wallpapers, game and portals. Starting from the three months ended June 30, 2009, this segment includes planning, development and operation of mobile phone contents within the Taito group.

Led by such portal services as "DRAGON QUEST" and "FINAL FANTASY," the service lineup has been continuously leveraging the Group's strength in original content.

Consequently, sales in the Mobile Phone Content segment totaled ¥2,660 million (up 1.2% from the same period of the previous fiscal year), and operating income amounted to ¥1,164 million (up 11.6%, *ditto*).

Merchandising

This segment covers planning, production, distribution and licensing of derivative products of titles owned by the Group. A CG-animated film "FINAL FANTASY VII ADVENT CHILDREN COMPLETE," which was released this April, contributed to the profit.

Sales in this segment totaled ¥2,370 million (up 173.5% from the same period in the previous fiscal year), and operating income amounted to ¥1,130 million (up 317.5%, *ditto*).

Consolidated Geographic Information

Japan

In Japan, the Group operates all of its business segments; Games, Amusement, Publication, Mobile Phone Content, and Merchandising segments. During the three months ended June 30, 2009, the Group delivered “KINGDOM HEARTS 358/2 Days” for Nintendo DS. Merchandising segment delivers a CG-animated film “FINAL FANTASY VII ADVENT CHILDREN COMPLETE” on Blu-ray Disc. Other business segments are also performing largely well in Japan.

Sales in this segment totaled ¥27,300 million (up 5.3% from the same period in the previous fiscal year), and operating income amounted to ¥2,124 million for the three months ended June 30, 2009 (up 4.9%, *ditto*).

North America

In North America, the Group is primarily engaged in the Games business. In this region, SQUARE ENIX, INC., a wholly-owned subsidiary of the Group, handles distribution of game content developed by the Group and titles created by other companies. The Group also provides and operates online game services in this region. Starting from the three months ended June 30, 2009, sales and profit figures of Eidos UK’s game development facilities located in North America are included in this segment.

Sales in this segment totaled ¥1,871 million (down 29.1% from the same period in the previous fiscal year), and operating loss amounted to ¥695 million for three months ended June 30, 2009 (operating profit totaled ¥913 million for the same period in the previous fiscal year).

Europe

In Europe, the Group is primarily engaged in the Games business. In this region, SQUARE ENIX LTD., a wholly-owned subsidiary of the Group handles distribution of game content developed by the Group and titles created by other companies. The Group also provides and operates online game services in this region. Starting from the three months ended June 30, 2009, sales and profit figures of Eidos UK’s game development facilities located in Europe are included in this segment.

Sales in this segment totaled ¥1,478 million (down 42.0% from the same period in the previous fiscal year), and operating loss amounted to ¥846 million for three months ended June 30, 2009 (operating profit totaled ¥500 million for the same period in the previous fiscal year).

Asia

In Asia, the Group is primarily engaged in the Games and Amusement businesses. In the Games business, the Group primarily operates online game services for PC platform in China. In the Amusement business, the Group operates game arcade facilities in South Korea and China. Starting from the three months ended June 30, 2009, sales and profit figures of Eidos UK’s game development facilities located in China are included in this segment.

Sales in this segment totaled ¥103 million (down 24.1% from the same period in the previous fiscal year), and operating income amounted to ¥2 million for three months ended June 30, 2009 (down 91.4%, *ditto*).

Consolidated Balance Sheet for the Three Months Ended June 30, 2009

(Millions of yen)

	As of June 30, 2009	As of March 31, 2009
Assets		
Current assets		
Cash and deposits	88,146	111,981
Notes and accounts receivable	14,702	15,432
Merchandises and finished goods	5,250	4,917
Work in progress	430	291
Raw materials and supplies	526	581
Content production account	26,051	18,392
Other current assets	13,613	7,061
Allowance for doubtful accounts	(433)	(270)
Total current assets	148,287	158,387
Non-current assets		
Property and equipment	20,594	19,082
Intangible assets		
Goodwill	24,589	17,771
Other	13,516	925
Total intangible assets	38,106	18,697
Investments and other assets	17,357	17,027
Total non-current assets	76,058	54,806
Total assets	224,345	213,194

(Millions of yen)

	As of June 30, 2009	As of March 31, 2009
Liabilities		
Current liabilities		
Notes and accounts payable	8,953	10,097
Short-term loans	26	26
Accrued income taxes	7,877	3,239
Reserve for bonuses	647	1,413
Allowance for sales returns	3,897	1,598
Allowance for game arcade closings	438	445
Other	11,909	6,656
Total current liabilities	33,749	23,477
Non-current liabilities		
Corporate bond	37,000	37,000
Allowances for retirement benefits	1,835	1,644
Allowances for directors' retirement benefits	238	236
Allowance for game arcade closings	702	721
Other	4,307	1,390
Total non-current liabilities	44,082	40,992
Total liabilities	77,832	64,469
Net assets		
Shareholders' equity		
Common stock	15,204	15,134
Capital surplus reserve	44,445	44,375
Retained earnings	88,806	93,220
Treasury stock	(853)	(852)
Total shareholders' equity	147,602	151,879
Valuation and translation adjustment		
Unrealized gain on revaluation of other investment securities	5	(71)
Foreign currency translation adjustment	(2,425)	(4,488)
Total valuation and translation adjustment	(2,419)	(4,560)
Stock acquisition rights	476	410
Minority interests in consolidated subsidiaries	854	995
Total net assets	146,513	148,724
Total liabilities and net assets	224,345	213,194

Consolidated Statements of Income for Three Months Ended June 30, 2009

	(Millions of yen)	
	Three months ended June 30, 2008	Three months ended June 30, 2009
Net sales	29,770	29,399
Cost of sales	16,401	16,918
Gross profit	13,368	12,481
Reversal of allowance for sales returns	1,135	4,863
Provision for allowance for sales returns	1,155	3,897
Net gross profit	13,348	13,446
Selling, general and administrative expenses	9,885	12,852
Operating income	3,463	594
Non-operating income		
Interest income	112	39
Dividends received	1	13
Amortization of negative goodwill	—	68
Foreign exchange gain	917	773
Miscellaneous income	57	67
Total non-operating income	1,089	961
Non-operating expenses		
Interest expenses	0	0
Investment loss on equity method	12	1
Commissions paid	—	18
Miscellaneous loss	5	6
Total non-operating expenses	17	26
Recurring income	4,535	1,529
Extraordinary gain		
Gain on sale of property and equipment	—	31
Reversal of allowance for doubtful account	158	5
Other	0	—
Total extraordinary gain	158	36
Extraordinary loss		
Loss on disposal of property and equipment	43	54
Loss on sale of investment securities	20	—
Acquisition expenses	—	830
Other	9	78
Total extraordinary loss	72	963
Income before income taxes and distribution of loss in partnership (tokumei-kumiai)	4,621	602
Distribution of loss in partnership (tokumei-kumiai)	(15)	8
Income before income taxes	4,636	594
Income taxes - current	480	1,181
Income taxes - prior year adjustment	—	1,109
Income taxes - deferred	1,271	(23)
Total income taxes	1,751	2,267
Minority interest in consolidated subsidiaries	1	(0)
Net (loss) income	2,883	(1,672)

Consolidated Statements of Cash Flows for Three Months Ended June 30, 2009

	(Millions of yen)	(Millions of yen)
	Three months ended	Three months ended
	June 30, 2009	June 30, 2009
Cash flows from operating activities		
Income before income taxes	4,636	594
Depreciation and amortization	1,588	1,689
Amorization of goodwill	273	356
(Decrease) in allowance for doubtful accounts	(231)	(303)
(Decrease) in reserve for bonuses	(1,037)	(766)
(Decrease) increase in allowance for sales returns	55	(1,064)
Increase in allowance for retirement benefits	9	190
Increase in allowance for directors' retirement benefits	9	2
(Decrease) in allowance for game arcade closings	(27)	(25)
Interest and dividends received	(114)	(52)
Interest expenses	0	0
Foreign exchange loss (gain)	(857)	102
Investmennt loss on equity method	12	1
Decrease in accounts receivable	2,926	2,734
(Increase) in inventories	(2,926)	(2,831)
(Decrease) increase in purchase liabilities	238	(3,778)
Other	(1,446)	613
Subotal	3,107	(2,538)
Interest and dividends received	116	43
Interest paid	(2)	(2)
Income taxes paid	(746)	(3,411)
Net cash used for operating activities	2,475	(5,908)
Cash flows from investing activities		
Payments for acquiring property and equipment	(849)	(1,930)
Proceeds from sale of property and equipment	1	138
Payments for acquiring intangible assets	(44)	(131)
Proceeds from sale of investment securities	2	—
Investments in time deposits	—	(1,069)
Proceeds from time deposits	—	106
Payments for acquisition of shares in consolidated subsidiary	—	(11,791)
Payments for loans	(62)	(4)
Proceeds from recovery of loans	3	1
Other	104	(25)
Net cash used in investing activities	(843)	(14,705)
Cash flows from financing activities		
Repayments of long-term loans	—	(3,039)
Proceeds from issuances of shares of common stock	124	139
Payments for acquisition of treasury stock	(2)	(1)
Payments for dividends	(2,205)	(2,192)
Payments for dividends for minority interests	(2)	—
Other	(0)	0
Net cash used in financing activities	(2,086)	(5,094)
Effect of exchange rate changes on cash and cash equivalents	1,190	1,317
Net (decrease) increase in cash and cash equivalents	736	(24,390)
Cash and cash equivalents at beginning of period	111,479	111,875
Increase in cash and cash equivalents due to increase in consolidated subsidiaries	—	65
Decrease in cash and cash equivalents due to exclusion of consolidated subsidiaries	(66)	(495)
Cash and cash equivalent at end of period	112,148	87,055

Segment Information

1. Consolidated Business Segment Information

Three months ended June 30, 2008

(Millions of yen)

	Games (Offline)	Games (Online)	Mobile Phone Content	Publication	Amusement	Other	Total	Eliminations or Unallocated	Consolidated Total
Sales and operating income									
Net sales									
(1) Sales to outside customers	5,082	2,684	1,605	2,975	13,886	3,536	29,770	—	29,770
(2) Intersegment sales	—	10	8	—	364	70	453	(453)	—
Total	5,082	2,694	1,614	2,975	14,250	3,606	30,224	(453)	29,770
Operating income	76	1,569	886	882	198	1,070	4,684	(1,221)	3,463

Notes: 1. The classification of business segments is made according to the types of products and services.

2. Major products offered by each business segment

Segment	Major Products
Games (Offline)	Games
Games (Online)	Online games
Mobile Phone Content	Content for mobile phones
Publication	Magazine comics, serial comics, game-related books
Amusement	All the businesses of the TAITO Group including Amusement operation and Rental, Sales of Goods and Merchandise and Content Services
Other	Derivative products such as character merchandise, school for game designers

3. Changes in accounting procedures

Effective from the current fiscal year ending March 31, 2009, the “Accounting Standard for Measurement for Inventories” (ASBJ Statement No. 9; July 5, 2006) has been applied. In conjunction with application of the accounting standard, operating income declined 2 million yen for Games (Offline), 24 million yen for Games (Online) and 116 million yen for Amusement compared to the figures in accordance with prior accounting standard.

Three months ended June 30, 2009

(Millions of yen)

	Games	Amusement	Publication	Mobile Phone Content	Merchandising	Total	Eliminations or Unallocated	Consolidated Total
Sales and operating income								
Net sales								
(1) Sales to outside customers	8,512	12,037	3,820	2,660	2,368	29,399	—	29,399
(2) Intersegment sales	—	—	—	0	1	1	(1)	—
Total	8,512	12,037	3,820	2,660	2,370	29,401	(1)	29,399
Operating income	(992)	76	1,138	1,164	1,130	2,518	(1,923)	594

Notes: 1. The classification of business segments is made according to the types of products and services.

2. Major products offered by each business segment

Segment	Major Products
Games	Games, online games
Amusement	Amusement facility operation and rental, sales of amusement game machines
Publication	Magazine comics, serial comics, game-related books
Mobile Phone Content	Content for mobile phones
Other	Derivative products such as character merchandise

3. The Square Enix group (the "Group") has been making determined effort to strengthen the foundation and profitability of its business segments of Games (Offline), Games (Online), Mobile Phone Content, Publication, Amusement, and Others under this new established holding company since October 2008. Based on the changes in corporate structure as well as adjustment and strengthening its business foundation, the Group has decided to change its business segments to Games, Amusement, Publication, Mobile Phone Content and Merchandising, starting from the three months ended June 30, 2009 (April 1, 2009 through June 30, 2009).

The segment information of the same period in the previous fiscal year applied to the new business segmentation is as follows.

Three months ended June 30, 2008

(Millions of yen)

	Games	Amusement	Publication	Mobile Phone Content	Merchandising	Total	Eliminations or Unallocated	Consolidated Total
Sales and operating income								
Net sales								
(1) Sales to outside customers	7,941	15,363	2,975	2,622	866	29,770	—	29,770
(2) Intersegment sales	—	—	—	7	—	7	(7)	—
Total	7,941	15,363	2,975	2,630	866	29,777	(7)	29,770
Operating income	1,665	1,205	882	1,044	270	5,069	(1,605)	3,463

Notes: 1. The classification of business segments is made according to the types of products and services.

2. Major products offered by each business segment

Segment	Major Products
Games	Games, online games
Amusement	Amusement facility operation and rental, sales of amusement game machines
Publication	Magazine comics, serial comics, game-related books
Mobile Phone Content	Content for mobile phones
Other	Derivative products such as character merchandise

2. Consolidated Geographic Segment Information

Three months ended June 30, 2008

(Millions of yen)

	Japan	North America	Europe	Asia	Total	Eliminations or Unallocated	Consolidated Total
Sales and operating income							
Net sales							
(1) Sales to outside customers	24,558	2,605	2,469	136	29,770	—	29,770
(2) Intersegment sales	1,366	33	81	—	1,482	(1,482)	—
Total	25,925	2,639	2,551	136	31,252	(1,482)	29,770
Operating income	2,025	913	500	26	3,465	(1)	3,463

Notes: 1. The classification of geographic segments is made according to geographical distances.
2. Main countries included in each segment:
(1)North America.....the United States of America
(2)Europe.....United Kingdom
(3)Asia.....China, South Korea
3. Changes in accounting procedures
Effective from the current fiscal year ending March 31, 2009, the "Accounting Standard for Measurement for Inventories" (ASBJ Statement No. 9; July 5, 2006) has been applied. In conjunction with application of the accounting standard, operating income declined 143 million yen for "Japan" compared to the figures in accordance with prior accounting standard.

Three months ended June 30, 2009

(Millions of yen)

	Japan	North America	Europe	Asia	Total	Eliminations or Unallocated	Consolidated Total
Sales and operating income							
Net sales							
(1) Sales to outside customers	26,750	1,294	1,271	82	29,399	—	29,399
(2) Intersegment sales	550	576	206	20	1,354	(1,354)	—
Total	27,300	1,871	1,478	103	30,754	(1,354)	29,399
Operating income	2,124	(695)	(846)	2	584	10	594

Notes: 1. The classification of geographic segments is made according to geographical distances.
2. Main countries included in each segment:
(1)North America.....the United States of America, Canada
(2)Europe.....United Kingdom, France, Germany, others
(3)Asia.....China, South Korea

3. Consolidated Oversea Sales

Three months ended June 30, 2008

(Millions of yen)

	North America	Europe	Asia	Total
Oversea sales	2,767	2,595	181	5,544
Consolidated sales	—	—	—	29,770
Percentage of overseas sales to consolidated sales	9.3%	8.7%	0.6%	18.6%

- Notes:
1. The classification of geographic segments is made according to geographical distances.
 2. Main countries included in each segment:
 - (1)North America.....the United States of America, Canada
 - (2)Europe.....United Kingdom, France, Germany, others
 - (3)Asia.....China, South Korea, Taiwan, others
 3. Oversea sales represent sales of the Company and its consolidated subsidiaries to countries and areas outside of Japan.

Three months ended June 30, 2009

(Millions of yen)

	North America	Europe	Asia	Total
Oversea sales	1,510	1,346	287	3,144
Consolidated sales	—	—	—	29,399
Percentage of overseas sales to consolidated sales	5.1%	4.6%	1.0%	10.7%

- Notes:
1. The classification of geographic segments is made according to geographical distances.
 2. Main countries included in each segment:
 - (1)North America.....the United States of America, Canada
 - (2)Europe.....United Kingdom, France, Germany, others
 - (3)Asia.....China, South Korea, Taiwan, others
 3. Oversea sales represent sales of the Company and its consolidated subsidiaries to countries and areas outside of Japan.