

Nov 6, 2025

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Notice Regarding Recognition of Extraordinary Loss and Revisions to Full-Year Consolidated Financial Forecasts

SQUARE ENIX HOLDINGS CO., LTD. (the “Company”) hereby announces that, at a meeting of its Board of Directors held on November 6, 2025, it resolved to record an extraordinary loss for the six-month period ended September 30, 2025 (the second quarter of the fiscal year ending March 31, 2026), and to revise the consolidated financial forecast for the fiscal year ending March 31, 2026, which was previously announced on May 14, 2025, as outlined below.

1. Details of the Extraordinary Loss

The Company has determined that it is necessary to fundamentally review its development and marketing processes in response to significant changes in the operating environment, including the increasing importance of overseas markets, the advancement of transmedia development, the ongoing digital shift, and the rapid evolution of artificial intelligence (AI). In order to address these changes and strengthen its competitiveness, the Company is promoting data-driven strategic development and advancing a shift from a product-out approach to a market-in approach. As part of these efforts, the Company decided, at the meeting of its Board of Directors held on September 30, 2025, on a basic policy to reorganize its overseas organizations to enhance the efficiency and agility of its operations, in order to strengthen the development structure of the Digital Entertainment segment and to promote a globally integrated marketing strategy. The specific measures related to this reorganization were approved at the Board meeting held on November 6, 2025.

In connection with this reorganization, the Company recorded an extraordinary loss of approximately ¥9.8 billion as restructuring costs in the second quarter of the fiscal year ending March 31, 2026, and expects to record an additional extraordinary loss of approximately ¥2.0 billion in or after the third quarter of the same fiscal year.

2. Impact on Financial Results

The aforementioned extraordinary loss has already been reflected in the “Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)” for the fiscal year ending March 31, 2026, announced today.

3. Revisions to Consolidated Financial Forecasts for the Fiscal Year through March 31, 2026

“(April 1, 2025 – March 31, 2026)

(Millions of yen, percentage change, and per share data)

		Net sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Earnings per share
Previous forecasts	(A)	280,000	41,000	41,000	28,700	79.70
Revised forecasts	(B)	280,000	41,000	41,000	16,900	46.88
Change	(B-A)	0	0	0	(11,800)	
Percentage change	(%)	0.0%	0.0%	0.0%	(41.1%)	
[Reference] Results for the fiscal year ended March 31, 2025		324,506	40,580	40,939	24,414	203.38

Note:

Earnings per share (EPS) for the fiscal year ending March 31, 2026, reflect the effect of a three-for-one stock split.

4. Reasons for the Revision

As a result of reflecting the aforementioned extraordinary loss, profit attributable to owners of parent is expected to fall below the previously announced forecast.

Meanwhile, there are no changes from the previous forecast with respect to net sales, operating income, and ordinary income. In addition, there are no changes to the previously announced dividend forecast (interim dividend: ¥18 per share, year-end dividend: ¥25 per share, both reflecting the three-for-one stock split).

If the stock split is not taken into account, the interim and year-end dividends would be ¥54 and ¥75 per share, respectively.

*The above forecasts are based on information available at the time of this document’s release and are subject to various uncertainties. As such, actual performance may differ from these forecasts.

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