

**Consolidated Financial Results
for the Fiscal Year Ended March 31, 2013 (Japan GAAP)**

May 13, 2013

Company name: SQUARE ENIX HOLDINGS CO., LTD.
Shares traded: Tokyo Stock Exchange, First Section
Company code: 9684
Company URL: <http://www.square-enix.com/eng>
Representative: Yoichi Wada, President and Representative Director
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Annual general meeting of shareholders: June 25, 2013 (planned)
Financial report submission: June 26, 2013 (planned)
Cash dividend payment commencement: June 4, 2013 (planned)
Supplementary annual materials prepared: Yes
Annual results presentation held: Yes (for institutional investors and analysts)

(Amounts under one million yen are rounded down)

1. Consolidated Financial Results (April 1, 2012 to March 31, 2013)

(1) Consolidated Financial Results

(Millions of yen and year-on-year changes in percents)

	Net sales		Operating income(loss)		Recurring income(loss)		Net income (loss)	
Fiscal year ended	%		%		%		%	
March 31, 2013	147,981	15.7	(6,081)	-	(4,378)	-	(13,714)	-
March 31, 2012	127,896	2.1	10,713	46.2	10,297	91.0	6,060	-

Note: FY ended March 31, 2013 Comprehensive income:(11,881) million yen (- %)
 FY ended March 31, 2012 Comprehensive income: 5,451 million yen (- %)

	Earnings (loss) per share, basic	Earnings (loss) per share, diluted	Return on equity	Recurring income to total assets	Operating margin
Fiscal year ended	yen	yen	%	%	%
March 31, 2013	(119.19)	-	(10.7)	(2.1)	(4.1)
March 31, 2012	52.66	52.55	4.5	4.9	8.4

Note: FY ended March 31, 2013 Equity in gain (loss) of affiliated companies: - million yen
 FY ended March 31, 2012 Equity in gain (loss) of affiliated companies: - million yen

(2) Consolidated Financial Position

(Millions of yen, ratios in percents and per share data)

	Total assets	Net assets	Equity ratio	Net assets per share
As of			%	yen
March 31, 2013	202,509	121,636	59.3	1,043.62
March 31, 2012	213,981	137,297	63.3	1,177.87

Note: Total equity As of March 31, 2013: 120,087 million yen
 As of March 31, 2012: 135,536 million yen

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	From operating activities	From investing activities	From financing activities	Closing cash and cash equivalents
Fiscal year ended				
March 31, 2013	110	(9,189)	(3,481)	98,822
March 31, 2012	6,786	(5,778)	299	110,116

2. Dividends

	Dividends per share					Total annual dividend payments	Dividend payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q	2Q	3Q	4Q	Total			
	yen	yen	yen	yen	yen	million yen	%	%
Fiscal year ended March 31, 2012	-	10.00	-	20.00	30.00	3,452	57.0	2.6
Fiscal year ended March 31, 2013	-	10.00	-	20.00	30.00	3,452	-	2.7
Fiscal year ending March 31, 2014 (projection)	-	10.00	-	20.00	30.00		-	

3. Consolidated Forecasts (April 1, 2013 to March 31, 2014)

(Millions of yen, year-on-year changes in percents and per share data)

	Net sales		Operating income(loss)		Recurring income(loss)		Net income (loss)		Earnings per share
	%		%		%		%		yen
Six months ending September 30, 2013	59,000	(3.4)	(2,000)	-	(2,000)	-	(1,300)	-	(11.30)
	~63,000	~3.2	~0	-	0	-	0	-	~0.00
Fiscal year ending March 31, 2014	140,000	(5.4)	5,000	-	5,000	-	3,500	-	30.42
	150,000	~1.4	9,000	-	9,000	-	6,000	-	52.14

4. Others

- (1) Significant changes among major subsidiaries during the period: No
- (2) Changes in accounting policies, procedures, and methods of presentation for consolidated financial statements
 1. Changes associated with revision in accounting standards: Yes
 2. Other changes in accounting standards: No
 3. Change in accounting estimate: Yes
 4. Retrospective restatement: No
- (3) Outstanding shares (common stock)
 1. Number of shares issued and outstanding (including treasury stock):

As of March 31, 2013	115,370,596
As of March 31, 2012	115,370,596
 2. Number of treasury stock:

As of March 31, 2013	302,302
As of March 31, 2012	301,247
 3. Average number of shares during the period (cumulative):

Fiscal year ended March 31, 2013	115,069,009
Fiscal year ended March 31, 2012	115,070,185

Disclaimer: (1) This document is a translation of the Japanese language "Kessan Tanshin" prepared in accordance with the guidelines of the Tokyo Stock Exchange. The Japanese language document shall prevail in the event that any differences or discrepancies exist between this English translation and the original. (2) At the time of disclosure of this report, audit procedures for financial statements pursuant to the Financial Instruments and Exchange Law have not been completed. (3) The forward-looking statements in this document are based upon the information currently available and necessarily include elements that are not entirely predictable. The achievement is not promised. Actual results may differ from the forward-looking statements in this document. (4) For additional information about forecasts, please refer to "Consolidated Forecasts" section on page 2.

Supplemental Information – Index

	Page
1. Consolidated Results and Consolidated Financial Position for the Fiscal Year Ended March 31, 2013	1
(1) Analysis of consolidated business results	1
(2) Analysis of consolidated financial position	3
(3) Basic policy for profit distribution and dividends	4
2. The Group's Outline of Operations	5
3. Management Policy	7
(1) Management philosophy	7
(2) Management targets	7
(3) Medium- and long-term management strategy	7
(4) Issues facing management	7
4. Consolidated Financial Statements	8
(1) Consolidated Balance Sheets	8
(2) Consolidated Income Statement and Consolidated Statement of Comprehensive Income	10
(3) Consolidated Statements of Changes in Net Assets	13
(4) Consolidated Statements of Cash Flows	15
5. Segment Information	17

1. Consolidated Results and Consolidated Financial Position for the Fiscal Year Ended March 31, 2013

(1) Analysis of consolidated business results

The Square Enix Group (the "Group") is continuing determined efforts to strengthen the competitiveness and profitability of its business segments of Digital Entertainment, Amusement, Publication and Merchandising.

Net sales for the fiscal year ended March 31, 2013 totaled ¥147,981 million (an increase of 15.7% from the prior fiscal year), operating loss amounted to ¥6,081 million (operating income of ¥10,713 million in the prior fiscal year), and recurring loss amounted to ¥4,378 million (recurring income of ¥10,297 million in the prior fiscal year).

In response to the latest environmental changes in the game industry, the Group has implemented various strategic initiatives such as a change in its development policy, organizational reforms, and redesign of some business models. As a result of such initiatives, the Group posts the extraordinary losses, which lead to net loss of ¥13,714 million (net income of ¥6,060 million in the prior fiscal year).

A discussion of results by segment for the fiscal year ended March 31, 2013 follows.

- **Digital Entertainment**

The Digital Entertainment segment plans, develops, distributes and operates digital entertainment content primarily in the form of games. Digital entertainment content is offered to meet customer lifestyles across a variety of usage environments such as consumer game consoles (including handheld game machines), personal computers and mobile phones (including smartphones).

During the fiscal year ended March 31, 2013, the Group's operating income decreased significantly, primarily due to underperformance of major titles for consumer game consoles in North America and Europe.

Regarding content on platforms such as browser and smartphone, "SENGOKU IXA," a browser game, and "FINAL FANTASY BRIGADE," a Mobage-based social game are continuously contributing to the profit of this segment. "Kaku-San-Sei Million Arthur," a social game released in April 2012 has been successful not only in the domestic market, but also in Korea, where the game has become an instant hit since its launch in December 2012. In this manner, new titles are expanding satisfactorily.

"DRAGON QUEST X," the major MMORPG released in August 2012, has been showing steady performance.

Net sales and operating income in the Digital Entertainment segment totaled ¥89,482 million (an increase of 24.5% from the prior fiscal year) and ¥44 million (a decrease of 99.7% from the prior fiscal year), respectively.

- Amusement

The Amusement segment consists of the operation of amusement facilities and the planning, development and distribution of arcade game machines and related products for amusement facilities.

During the fiscal year ended March 31, 2013, amusement facility operations have been showing steady progress. However, negative effects caused by the sluggish performance of arcade game machines that were released during the fiscal year ended March 31, 2013 led to the operating loss of this segment.

Net sales and operating loss in the Amusement segment totaled ¥44,276 million (an increase of 5.6% from the prior fiscal year) and ¥353 million (an operating income of ¥2,552 million in the prior fiscal year), respectively.

- Publication

The Publication segment includes comic books, game strategy books and comic magazines.

During the fiscal year ended March 31, 2013, popular comic book titles showed steady sales supported by media mix exploitations of popular titles.

Net sales and operating income in the Publication segment totaled ¥11,086 million (a decrease of 2.2% from the prior fiscal year) and ¥2,484 million (a decrease of 3.5% from the prior fiscal year), respectively.

- Merchandising

The Merchandising segment includes the planning, production, distribution and licensing of derivative products of titles owned by the Group.

During the fiscal year ended March 31, 2013, the Group continued to distribute and license items such as character goods and soundtracks based on the Group's own IPs while diversifying new opportunities for profit by strengthening its character goods lineup with additional products based on third party content and overseas expansions.

Net sales and operating income in the Merchandising segment totaled ¥3,264 million (an increase of 18.0% from the prior fiscal year) and ¥667 million (a decrease of 10.2% over the prior fiscal year), respectively.

(Consolidated Forecasts)

The business environment surrounding the Group is in the midst of major changes, where smart devices such as smartphones and tablet PCs are spreading rapidly, while the console game markets in North America and Europe are increasingly competitive and oligopolistic. In light of such environmental changes, the Group is focusing all efforts on a substantial earnings improvement through driving reforms of business structure in order to establish new revenue base.

Given the environmental changes described above, it is expected that the consolidated forecasts for financial results will fluctuate ever-larger. The Group, therefore, has decided to make consolidated forecasts in a range of forecasted figures in lieu of specific figures, starting from the fiscal year ending March 31, 2014.

(2) Analysis of consolidated financial position

(i) Assets, liabilities and net assets

- Assets

As of March 31, 2013 total current assets were ¥159,035 million, a decrease by 7.6% compared to the prior fiscal year. This was mainly due to a decrease in cash and deposits of ¥11,077 million, and a decrease in content production account of ¥9,242 million, and a decrease in income taxes receivable of ¥4,172 million, while notes and accounts receivable-trade increased by ¥11,794 million.

Fixed assets were ¥43,473 million, an increase by 4.0% compared to the prior fiscal year. This was mainly due to a decrease in rental deposits of ¥2,664 million, while buildings and structures increased by ¥2,024 million, and tools and fixtures increased by ¥1,770 million.

As a result, total assets were ¥202,509 million, a decrease by 5.4%.

- Liabilities

As of March 31, 2013, total current liabilities were ¥37,414 million, an increase by 10.8% compared to the prior fiscal year. This was mainly due to a decrease in accrued income taxes of ¥2,535 million, while allowance for sales returns increased by ¥2,773 million, and other current liabilities increased by ¥3,730 million.

Non-current liabilities were ¥43,457 million, an increase by 1.3% compared to the prior fiscal year. This was mainly due to a decrease in deferred tax liabilities of ¥949 million, while allowance for employees' retirement benefits increased by ¥905 million, and asset retirement obligation increased by ¥650 million.

As a result, total liabilities were ¥80,872 million, an increase by 5.5%.

- Net assets

As of March 31, 2013, net assets were ¥121,636 million, a decrease by 11.4% compared to the prior fiscal year. This was mainly due to net loss of ¥13,714 million, dividend payments of ¥3,452 million, and an increase in foreign currency translation adjustments of ¥1,785 million.

(ii) Consolidated Cash Flow

As of March 31, 2013, cash and cash equivalents totaled ¥98,822 million, a decrease of ¥11,293 million compared to the prior fiscal year. Cash flows during the fiscal year ended March 31, 2013 as well as the principal factors behind these cash flows are described below.

- Cash flows from operating activities

Net cash provided by operating activities during the fiscal year ended March 31, 2013 totaled ¥110 million (a decrease of 98.4% compared to the prior fiscal year).

Loss before income taxes and minority interests of ¥14,948 million, an increase in notes and accounts receivables-trade of ¥9,903 million and a decrease in inventories of ¥10,933 million, and depreciation and amortization of ¥7,301 million led to the overall provision of cash from operating activities.

- Cash flows from investing activities

Net cash used in investing activities totaled ¥9,189 million (an increase of 59.0% compared to the prior fiscal year).

Main factors are proceeds from collection of rental deposits of ¥2,928 million, and purchase of property and equipment of ¥10,626 million, and purchase of intangible assets of ¥1,392 million.

- Cash flows from financing activities

Net cash used in financing activities totaled ¥3,481 million (compared to net cash provided by financing activities of ¥299 million in the prior fiscal year). The main factor is cash dividends paid of ¥3,444 million.

(3) Basic policy for profit distribution and dividends

The Group recognizes the return of profits to shareholders as one of its most important management tasks. The Group maintains internal reserves to enable priority to be given to investments that will enhance the value of the Group. Such investments will be made for expansion of existing businesses, new business development, and reforms of the business structure. The Group places a strong emphasis on returns to its shareholders, and will make stable dividend distributions from the internal reserves, taking into account an optimal balance between performance-based payout and stable returns to shareholders.

For the fiscal year ending March 31, 2014, the Group forecasts to make dividends at a consolidated payout ratio target of approximately 30%. However, in case that the amount of net income per share (to be calculated by the number of outstanding shares as of the end of the fiscal year; hereinafter the same shall apply) falls below 100 yen, the annual dividend amount shall be set at 30 yen per share from a viewpoint of stable dividend distribution (the consolidated payout ratio exceeds 30%). In addition, if the amount of net income per share falls below 30 yen, the amount of net income per share shall be the annual dividend amount (payout ratio is fixed at 100%). As a general rule, 10 yen per share is the lower limit of the annual dividend.

Regarding dividend payments for the fiscal year ended March 31, 2013, the Group is planning to make a board resolution on May 17, 2013 to distribute year-end dividends of 20 yen per share, as originally forecasted, by which the annual dividend amount will be 30 yen per share, being coupled with the interim dividends of 10 yen per share paid for the first half of the fiscal year ended March 31, 2013.

2. The Group's Outline of Operations

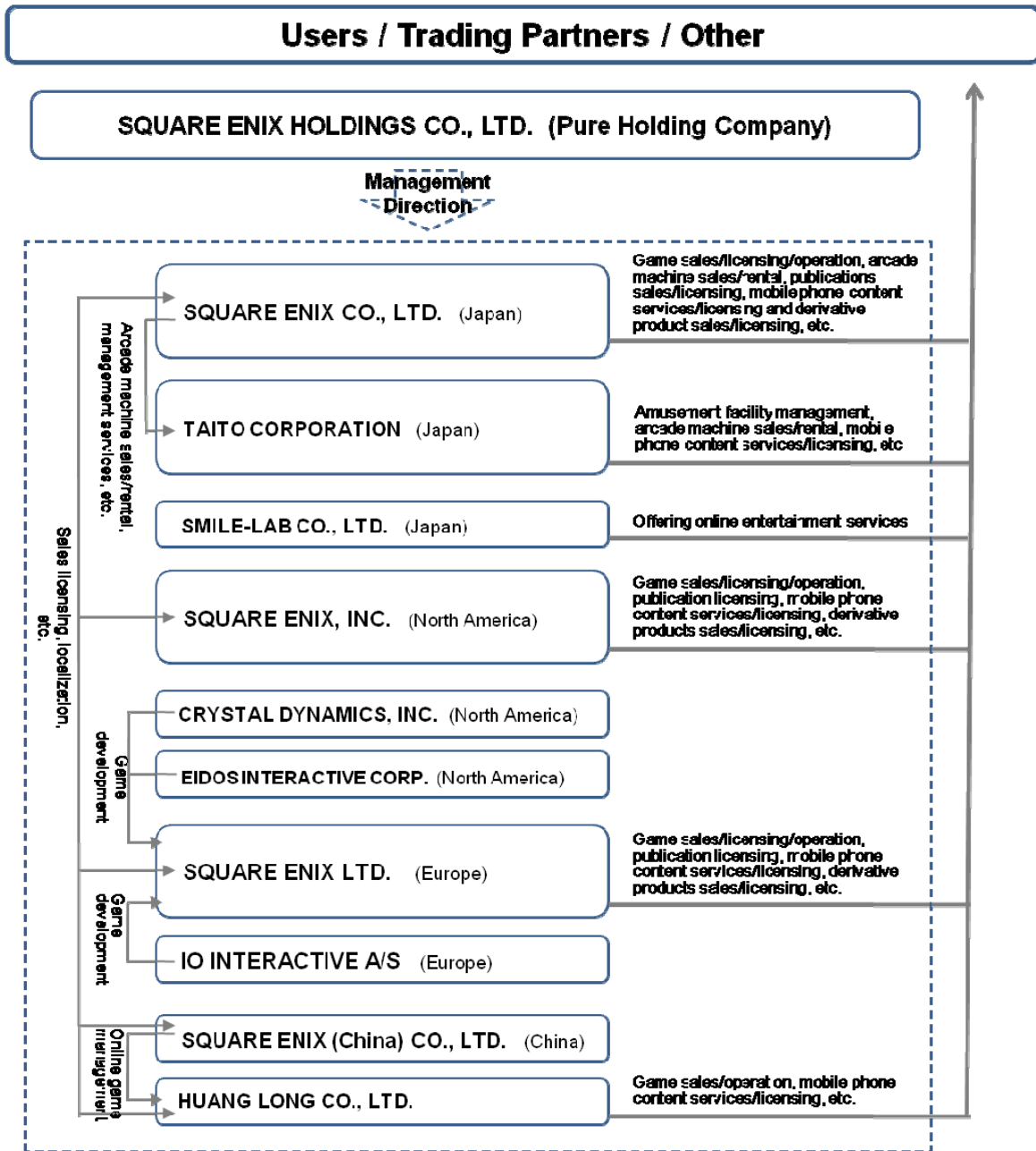
The following outline of operations lists the Group's primary business segments and major subsidiaries.

(Consolidated subsidiaries)

Domain	Primary Business Description	Region	Company Name
Digital Entertainment	Plans, develops, distributes, and operates games digital entertainment primarily in the form of computer games	Japan	SQUARE ENIX CO., LTD. TAITO CORPORATION SMILE-LAB CO., LTD.
		North America	SQUARE ENIX, INC. CRYSTAL DYNAMICS, INC. EIDOS INTERACTIVE CORP.
		Europe	SQUARE ENIX LTD. IO INTERACTIVE A/S
		Asia	SQUARE ENIX (China) CO., LTD. HUANG LONG CO., LTD.
Amusement	Operation of amusement facilities and planning, development and distribution of arcade game machines for amusement facilities and related products	Japan	TAITO CORPORATION SQUARE ENIX CO., LTD.
Publication	Comic books, game strategy books, comic magazines, etc.	Japan	SQUARE ENIX CO., LTD.
		North America	SQUARE ENIX, INC.
		Europe	SQUARE ENIX LTD.
Merchandising	Planning, production, distribution and licensing of derivative products of titles owned by the Group	Japan	SQUARE ENIX CO., LTD. TAITO CORPORATION
		North America	SQUARE ENIX, INC.
		Europe	SQUARE ENIX LTD.

(Note) The above table lists major consolidated subsidiaries only.

The Group's Business Diagram:



Note: Above business diagram only includes key consolidated subsidiaries.

3. Management Policy

(1) Management philosophy

With a philosophy "to spread happiness across the globe by providing unforgettable experiences," the Group offers advanced, high-quality content and services. In order to reward shareholders and achieve sustained growth, the Group strives to maximize profits through efficient management of various resources in the right combination.

(2) Management targets

The Group recognizes the utmost importance of achieving growth underpinned by profitability. The Group pursues targets of generating earnings per share growth rate of over 10% and a recurring income to sales ratio of above 20%.

(3) Medium- and long-term management strategy

Management's key task is to create advanced, high-quality content and services that allow the Group to grow in the medium- and long-term while maintaining profitability. As the development and popularization of information technology (IT) and network environments rapidly advance, the Group anticipates a major transformation in the structure of the digital entertainment industry. The Group believes that this will be driven by factors such as increased consumer needs in the area of network-compliant entertainment and growing access to a diverse range of content by users of multi-function devices. The Group strives to respond to these changes, and has adopted a medium- to long-term management strategy that focuses on pioneering a new era in digital entertainment.

(4) Issues facing management

In order to achieve the Group's medium- to long-term strategy, it is imperative to expand its global business and meet customers' diverse content needs. To do so, it is critically important that the Group acquires and develops ideally suited human resources.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
Assets		
Current assets		
Cash and deposits	111,495	100,418
Notes and accounts receivable	18,431	30,226
Merchandise and finished goods	2,343	2,376
Work in progress	738	47
Raw materials and supplies	573	357
Content production account	25,047	15,805
Deferred tax assets	5,022	5,438
Income taxes receivable	6,396	2,223
Other	2,236	2,279
Allowance for doubtful accounts	(124)	(136)
Total current assets	172,161	159,035
Non-current assets		
Property and equipment		
Buildings and structures	16,645	17,875
Accumulated depreciation	(12,414)	(11,619)
Buildings and structures (net)	4,231	6,256
Tools and fixtures	11,147	12,558
Accumulated depreciation	(9,245)	(8,885)
Tools and fixtures (net)	1,902	3,672
Amusement equipment	19,601	20,014
Accumulated depreciation	(17,008)	(17,804)
Amusement equipment (net)	2,593	2,209
Other	193	169
Accumulated depreciation	(127)	(109)
Other (net)	65	59
Land	8,102	7,964
Construction in progress	288	5
Total property and equipment	17,183	20,169
Intangible assets		
Other	10,121	10,940
Total intangible assets	10,121	10,940
Investments and other assets		
Investment securities	598	493
Rental deposits	12,785	10,121
Deferred tax assets	460	1,229
Other	1,341	1,150
Allowance for doubtful accounts	(672)	(631)
Total investments and other assets	14,514	12,363
Total non-current assets	41,819	43,473
Total assets	213,981	202,509

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
Liabilities		
Current liabilities		
Notes and accounts payable	9,220	8,653
Short-term loans	5,253	5,726
Accrued income taxes	4,034	1,499
Reserve for bonuses	1,200	966
Allowance for sales returns	1,545	4,319
Allowance for game arcade closings	260	256
Asset retirement obligation	2	3
Other	12,258	15,989
Total current liabilities	33,778	37,414
Non-current liabilities		
Corporate bonds	35,000	35,000
Allowance for employees' retirement benefits	3,808	4,714
Allowance for directors' retirement benefits	234	244
Allowance for game arcade closings	584	468
Deferred tax liabilities	2,605	1,655
Asset retirement obligation	149	800
Other	523	574
Total non-current liabilities	42,906	43,457
Total liabilities	76,684	80,872
Net assets		
Shareholders' equity		
Common stock	15,204	15,204
Capital surplus	44,444	44,444
Retained earnings	85,320	68,153
Treasury stock	(861)	(862)
Total shareholders' equity	144,108	126,940
Accumulated other comprehensive income		
Unrealized loss on revaluation of other investment securities	124	57
Foreign currency translation adjustments	(8,696)	(6,911)
Total accumulated other comprehensive income	(8,572)	(6,853)
Stock acquisition rights	977	652
Minority interests in consolidated subsidiaries	783	897
Total net assets	137,297	121,636
Total liabilities and net assets	213,981	202,509

(2) Consolidated Income Statement and Consolidated Statement of Comprehensive Income
Consolidated Income Statement

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Net sales	127,896	147,981
Cost of sales	76,268	98,788
Gross profit	51,627	49,192
Reversal of allowance for sales returns	1,706	1,551
Provision for allowance for sales returns	1,502	3,927
Net gross profit	51,831	46,817
Selling, general and administrative expenses		
Packaging freight charge	1,812	1,867
Advertising expense	7,258	12,309
Sales promotion expense	63	100
Provision for allowance for doubtful accounts	67	-
Compensation for directors	541	607
Salaries	12,195	14,105
Provision of reserve for bonuses	1,814	1,483
Net periodic pension costs	1,288	1,484
Provision to reserve for directors' retirement benefits	13	12
Welfare expense	1,523	1,710
Rental expense	1,616	1,554
Commissions paid	4,621	7,588
Depreciation and amortization	1,000	2,091
Other	7,298	7,984
Total selling, general and administrative expenses	41,118	52,899
Operating income (loss)	10,713	(6,081)
Non-operating income		
Interest income	136	100
Dividends received	4	9
Rental income	17	14
Foreign exchange loss	-	1,620
Miscellaneous income	127	114
Total non-operating income	286	1,858
Non-operating expenses		
Interest expenses	61	98
Commissions paid	100	53
Foreign exchange loss	536	-
Miscellaneous loss	3	3
Total non-operating expenses	701	155
Recurring income (loss)	10,297	(4,378)

Consolidated Income Statement

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Extraordinary gain		
Gain on sale of property and equipment	-	2
Gain on sale of investment securities	48	8
Gain on sale of stocks of subsidiaries and affiliates	192	-
Gain on liquidation of subsidiaries and affiliates	-	76
Gain on reversal of subscription rights to shares	46	445
Other	18	120
Total extraordinary gain	305	653
Extraordinary loss		
Loss on sale of property and equipment	30	58
Loss on disposal of property and equipment	352	213
Loss on evaluation of investment securities	0	0
Impairment loss	130	939
Provision of allowance for game arcade closings	78	60
Loss on disposal of content	93	3,696
Loss on evaluation of content	-	4,834
Other	55	1,406
Total extraordinary loss	741	11,210
Income (loss) before dividends distribution from silent partnership, income taxes (tokumei-kumiai)	9,862	(14,934)
Dividends distribution from silent partnership (tokumei-kumiai)	(4)	13
Income (loss) before income taxes and minority interests	9,866	(14,948)
Income taxes-current	3,763	957
Refunded income taxes	(50)	-
Deferred income taxes	79	(2,208)
Total income taxes	3,792	(1,250)
Income (loss) before minority interests	6,074	(13,697)
Minority interests income	13	17
Net income (loss)	6,060	(13,714)

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Income (loss) before minority interests	6,074	(13,697)
Other comprehensive income		
Valuation difference on available-for-sale securities	139	(66)
Foreign currency translation adjustment	(761)	1,882
Other comprehensive income	(622)	1,815
Comprehensive income	5,451	(11,881)
(Breakdown)		
Comprehensive income attributable to owners of the parent	5,431	(11,995)
Comprehensive income attributable to minority interests	19	113

(3) Consolidated Statements of Changes in Net Assets

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Shareholders' equity		
Common stock		
Balance at the end of previous period	15,204	15,204
Changes during the period		
Total changes during the period	-	-
Balance at the end of current period	15,204	15,204
Capital surplus		
Balance at the end of previous period	44,444	44,444
Changes during the period		
Disposal of treasury stock	(0)	(0)
Total changes during the period	(0)	(0)
Balance at the end of current period	44,444	44,444
Retained earnings		
Balance at the end of previous period	82,711	85,320
Changes during the period		
Dividends from retained earnings	(3,452)	(3,452)
Net income (loss)	6,060	(13,714)
Change of scope of consolidation	1	-
Total changes during the period	2,609	(17,166)
Balance at the end of current period	85,320	68,153
Treasury stock		
Balance at the end of previous period	(859)	(861)
Changes during the period		
Purchase of treasury stock	(2)	(1)
Disposal of treasury stock	0	0
Total changes during the period	(2)	(0)
Balance at the end of current period	(861)	(862)
Total shareholders' equity		
Balance at the end of previous period	141,501	144,108
Changes of during the period		
Dividends from retained earnings	(3,452)	(3,452)
Net income (loss)	6,060	(13,714)
Purchase of treasury stock	(2)	(1)
Disposal of treasury stock	0	0
Change of scope of consolidation	1	-
Total changes during the period	2,606	(17,168)
Balance at the end of current period	144,108	126,940

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Accumulated other comprehensive income		
Unrealized gain on revaluation of other investment securities		
Balance at the end of previous period	(14)	124
Changes during the period		
Net changes in items other than shareholders' equity	139	(66)
Total changes during the period	139	(66)
Balance at the end of current period	124	57
Foreign currency translation adjustments		
Balance at the end of previous period	(7,929)	(8,696)
Changes during the period		
Net changes in items other than shareholders' equity	(767)	1,785
Total changes during the period	(767)	1,785
Balance at the end of current period	(8,696)	(6,911)
Total accumulated other comprehensive income		
Balance at the end of previous period	(7,943)	(8,572)
Changes during the period		
Net changes in items other than shareholders' equity	(628)	1,719
Total changes during the period	(628)	1,719
Balance at the end of the current period	(8,572)	(6,853)
Stock acquisition rights		
Balance at the end of previous period	814	977
Changes during the period		
Net changes in items other than shareholders' equity	163	(325)
Total changes during the period	163	(325)
Balance at the end of current period	977	652
Minority interests in consolidated subsidiaries		
Balance at the end of previous period	771	783
Changes during the period		
Net changes in items other than shareholders' equity	12	113
Total changes during the period	12	113
Balance at the end of current period	783	897
Total net assets		
Balance at the end of previous period	135,143	137,297
Changes during the period		
Dividends from retained earnings	(3,452)	(3,452)
Net income (loss)	6,060	(13,714)
Purchase of treasury stock	(2)	(1)
Disposal of treasury stock	0	0
Change of scope of consolidation	1	-
Net changes in items other than shareholders' equity	(453)	1,507
Total changes during the period	2,153	(15,660)
Balance at the end of current period	137,297	121,636

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Cash flows from operating activities		
Income (loss) before income taxes and minority interest	9,866	(14,948)
Depreciation and amortization	5,039	7,301
Impairment loss	130	939
Increase (decrease) in allowance for doubtful accounts	(1)	(38)
Increase (decrease) in provision for bonuses	(232)	(245)
Increase (decrease) in provision for sales returns	(203)	2,375
Increase (decrease) in provision for retirement benefits	747	905
Increase (decrease) in provision for directors' retirement benefits	(31)	10
Increase (decrease) in provision for loss on store closing	(186)	(84)
Interest and dividends income	(141)	(110)
Interest expenses paid	61	98
Foreign exchange losses (gains)	399	(780)
Loss (gain) on sales of investment securities	(48)	(8)
Loss (gain) on sales of stocks of subsidiaries and affiliates	(192)	-
Loss (gain) on valuation of investment securities	0	0
Loss on retirement of noncurrent assets	352	213
Loss on sales of noncurrent assets	30	58
Decrease (increase) in notes and accounts receivable-trade	(3,008)	(9,903)
Decrease (increase) in inventories	(5,137)	10,933
Increase (decrease) in notes and accounts payable-trade	1,102	(927)
Decrease (increase) in other current assets	547	(599)
Decrease (increase) in other noncurrent assets	56	36
Increase (decrease) in other current liabilities	(1,078)	2,213
Other, net	(26)	1,151
Subtotal	8,048	(1,409)
Interest and dividends income received	108	691
Interest expenses paid	(39)	(109)
Income taxes paid	(1,842)	(3,617)
Income taxes refund	961	4,555
Income taxes paid for prior periods	(450)	-
Net cash provided by operating activities	6,786	110

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Cash flows from investing activities		
Payments into time deposits	(748)	(2,366)
Proceeds from withdrawal of time deposits	747	2,353
Proceeds from sales of investment securities	49	10
Purchase of property and equipment	(4,620)	(10,626)
Proceeds from sales of property and equipment	180	157
Purchase of intangible assets	(842)	(1,392)
Purchase of investments in subsidiaries	(9)	(73)
Proceeds from the sale of stocks of subsidiaries and affiliates	192	-
Proceeds from the liquidation of subsidiaries and affiliates	-	113
Payments for rental deposits	(1,492)	(152)
Proceeds from collection of rental deposits	1,084	2,928
Other, net	(319)	(139)
Net cash provided by (used in) investing activities	(5,778)	(9,189)
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	3,791	-
Purchase of treasury stock	(2)	(1)
Cash dividends paid	(3,446)	(3,444)
Other, net	(42)	(35)
Net cash provided by (used in) financing activities	299	(3,481)
Effect of exchange rate change on cash and cash equivalents	(879)	1,267
Net increase (decrease) in cash and cash equivalents	428	(11,293)
Cash and cash equivalents at the beginning of the year	109,751	110,116
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(64)	-
Cash and cash equivalents at end of the year	110,116	98,822

5. Segment Information

1. Outline of reporting segments

The Group's reporting segments are business units for which discrete financial data is available and periodically reviewed by the Board of Directors in the determination of resource allocation as well as the evaluation of business performance.

To this end, the Group offers entertainment content and services in a variety of forms including: (1) interactive digital content for game consoles (including handheld game machines), personal computers and mobile phones (including smartphones) in the "Digital Entertainment" segment; (2) amusement facility operation as well as the sales and rental of arcade game machines in the "Amusement" segment; (3) publication of comic books, game strategy books and comic magazines in the "Publication" segment; and (4) planning, production, distribution and licensing of derivative products in the "Merchandising" segment. These four classifications serve as the Group's reporting segments.

2. Information on sales and income by reporting segment

Fiscal Year Ended March 31, 2012

	Reporting Segments					Adjustment (Note 1)	(Millions of yen) Consolidated total (Note 2)
	Digital Entertainment	Amusement	Publication	Merchandising	Total		
Sales and operating income							
Net sales							
(1) Sales to outside customers	71,871	41,921	11,335	2,767	127,896	-	127,896
(2) Intersegment sales	-	-	-	0	0	(0)	-
Total	71,871	41,921	11,335	2,767	127,896	(0)	127,896
Segment operating income	12,602	2,552	2,575	742	18,472	(7,759)	10,713
Segment assets	49,401	23,916	5,492	2,957	81,767	132,213	213,981
Other items							
Depreciation and amortization	1,589	3,363	22	16	4,991	48	5,039
Increases in property, plant and equipment and intangible assets	936	3,932	1	-	4,870	339	5,209

- Notes:
- (1) Segment adjustments (¥7,759 million) include unallocated corporate general and administrative expenses (¥7,784 million).
 - (2) Segment assets adjustment of ¥132,213 million includes unallocated assets of ¥132,329 million. These assets mainly consist of surplus funds (including cash and deposits).
 - (3) Depreciation and amortization adjustment of ¥48 million relates to unallocated corporate assets.
 - (4) The adjustment increase of ¥339 million in property, plant and equipment and intangible assets relates to unallocated corporate assets.
2. Segment operating income is adjusted in operating income on the consolidated income statement.

Fiscal Year Ended March 31, 2013

	Reporting Segments					Adjustment (Note 1)	(Millions of yen) Consolidated total (Note 2)
	Digital Entertainment	Amusement	Publication	Merchandising	Total		
Sales and operating income							
Net sales							
(1) Sales to outside customers	89,482	44,276	11,086	3,137	147,981	-	147,981
(2) Intersegment sales	0	-	0	127	127	(127)	-
Total	89,482	44,276	11,086	3,264	148,109	(127)	147,981
Segment operating income	44	(353)	2,484	667	2,842	(8,924)	(6,081)
Segment assets	57,927	19,192	5,337	3,065	85,522	116,677	202,199
Other items							
Depreciation and amortization	2,235	4,384	88	23	6,730	570	7,301
Increases in property, plant and equipment and intangible assets	3,339	4,934	199	84	8,558	3,950	12,508

- Notes:
- (1) Segment adjustments (¥8,924 million) include unallocated corporate general and administrative expenses (¥8,965 million).
 - (2) Segment assets adjustment of ¥116,677 million includes unallocated assets of ¥117,043 million. These assets mainly consist of surplus funds (including cash and deposits).
 - (3) Depreciation and amortization adjustment of ¥570 million relates to unallocated corporate assets.
 - (4) The adjustment increase of ¥3,950 million in property, plant and equipment and intangible assets relates to unallocated corporate assets.
2. Segment operating income is adjusted in operating income on the consolidated income statement.

3. Information on sales by region

Fiscal Year Ended March 31, 2012

	Reporting Segments				Total
	Japan	North America	Europe	Asia	
Consolidated sales	101,686	10,614	13,180	2,415	127,896

Note: The classification of geographic segments is based on location of customer.

Fiscal Year Ended March 31, 2013

	Reporting Segments				Total
	Japan	North America	Europe	Asia	
Consolidated sales	109,524	14,936	21,588	1,931	147,981

Note: The classification of geographic segments is based on location of customer.