
FY2007 First-Half Period Results Briefing Session

SQUARE ENIX®

November 19, 2007

Statements made in this document with respect to SQUARE ENIX CO., LTD. and consolidated subsidiaries' (together, "SQUARE ENIX") plans, estimates, strategies and beliefs, including any forecasts or projections, are forward-looking statements about the future performance of SQUARE ENIX.

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. our 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. our ability to expand internationally successfully with a focus on our digital content business, online game business and mobilephone content business; 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 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.

1. FY2007* First-Half Period Financial Results

*FY2007 = Fiscal Year Ending March 31, 2008

FY2007 First-Half Period Results - Consolidated

Millions of Yen

	As of September 30, 2006		As of March 31, 2007		As of September 30, 2007	
		%		%		%
Current Assets	136,924	65%	146,608	68%	146,100	69%
Non-current Assets	75,206	35%	69,071	32%	65,122	31%
Total	212,130	100%	215,679	100%	211,223	100%
Current Liabilities	35,762	17%	32,404	15%	24,650	12%
Non-current Liabilities	53,259	25%	52,635	24%	51,159	24%
Total Liabilities	89,021	42%	85,040	39%	75,810	36%
Total Net Asset	123,109	58%	130,639	61%	135,413	64%
Total	212,130	100%	215,679	100%	211,223	100%
Number of Employees	3,130	-	3,164	-	3,275	-

Millions of Yen

	April 2006 - September 2006		October 2006 - March 2007		April 2007 - September 2007	
		%		%		%
Net Sales	75,959	100%	87,513	100%	72,271	100%
Operating Income	9,169	12%	16,747	19%	9,752	13%
Recurring Income	9,400	12%	16,841	19%	9,303	13%
Net Income	3,319	4%	8,300	9%	5,211	7%
Depreciation and Amortization	5,247	-	5,868	-	4,718	-
Capital Expenditure	5,014	-	6,346	-	3,844	-

FY2007 First-Half Period Results by Segment - Consolidated

1. First-Half Period ended September 30, 2007

Millions of Yen

	Games (Offline)	Games (Online)	Mobile Phone Content	Publication	Amusement	Others	Eliminations or unallocated	Total
Net Sales	20,448	5,413	3,589	5,210	34,520	3,696	(608)	72,271
Operating Expenses	16,300	2,549	2,926	3,534	33,170	2,362	1,673	62,518
Operating Income	4,147	2,864	663	1,676	1,349	1,334	(2,282)	9,752
Operating Margin	20.3%	52.9%	18.5%	32.2%	3.9%	36.1%	—	13.5%

2. First-Half Period ended September 30, 2006

Millions of Yen

	Games (Offline)	Games (Online)	Mobile Phone Content	Publication	Amusement	Others	Eliminations or unallocated	Total
Net Sales	19,186	7,678	2,907	5,426	38,144	2,615	—	75,959
Operating Expenses	14,875	4,367	2,204	3,658	38,472	1,104	2,106	66,790
Operating Income	4,311	3,311	703	1,767	(328)	1,511	(2,106)	9,169
Operating Margin	22.5%	43.1%	24.2%	32.6%	(0.9)%	57.8%	—	12.1%

3. Change (from the first-half period ended Sep. 30, 2006 to the first-half period ended Sep. 30, 2007)

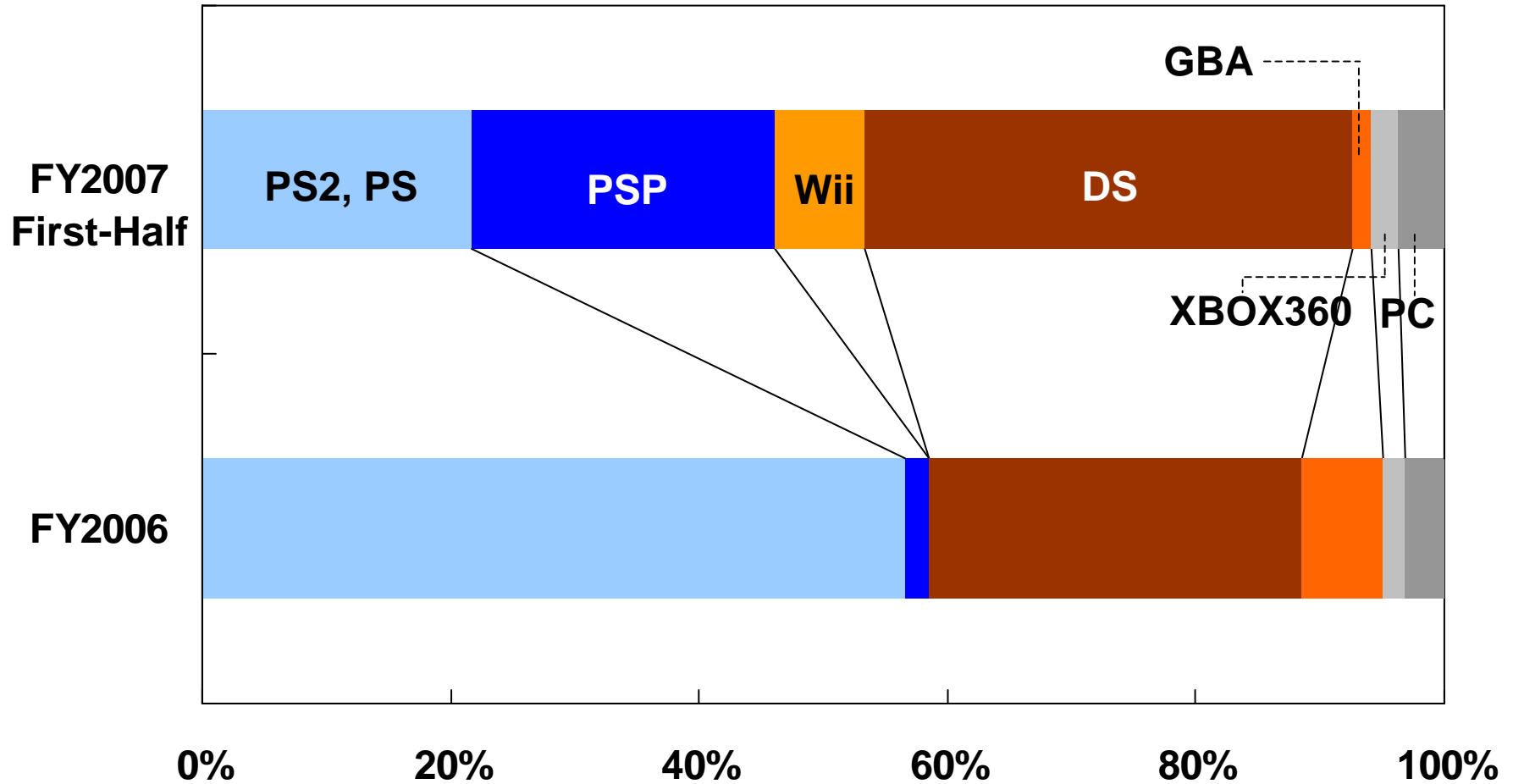
Millions of Yen

	Games (Offline)	Games (Online)	Mobile Phone Content	Publication	Amusement	Others	Eliminations or unallocated	Total
Net Sales	1,262	(2,265)	682	(216)	(3,624)	1,081	(608)	(3,688)
Operating Expenses	1,425	(1,818)	722	(124)	(5,302)	1,258	(433)	(4,272)
Operating Income	(164)	(447)	(40)	(91)	1,677	(177)	(176)	583

FY2007 First-Half Period Results – Unit Sales

Title	Release Date	Platform	Thousand Units	Change	
				Apr – Sep 2006	
FINAL FANTASY	April 2007	PSP	140		
FINAL FANTASY XII REVENANT WINGS	April 2007	DS	530		
FINAL FANTASY Tactics: The War of the Lions	May 2007	PSP	320		
FINAL FANTASY II	June 2007	PSP	90		
Itadaki Street DS	June 2007	DS	410		
DRAGON QUEST SWORD: The Masked Queen and the Tower of Mirrors	July 2007	Wii	490		
THE WORLD ENDS WITH YOU	July 2007	DS	180		
FINAL FANTASY XII : INTERNATIONAL ZODIAC JOB SYSTEM	August 2007	PS2	160		
FINAL FANTASY CRYSTAL CHRONICLES: Ring of Fates	August 2007	DS	360		
CRISIS CORE -FINAL FANTASY VII-	September 2007	PSP	710		
DS Style	July 2007	DS	70		
Ultimate Hits, Legendary Hits, PS one Books	—	—	250		
Others	—	—	230		
Japan	—	—	3,940	2,800	1,140
FF FABLES: CHOCOBO TALES	April 2007	DS	70		
DAWN OF MANA	May 2007	PS2	70		
FINAL FANTASY	June 2007	PSP	130		
FINAL FANTASY II	July 2007	PSP	70		
HEROES OF MANA	August 2007	DS	30		
Others	—	—	950		
North America	—	—	1,320	2,130	(810)
VALKYRIE PROFILE : LENNETH	April 2007	PSP	60		
FINAL FANTASY III	May 2007	DS	450		
FF FABLES: CHOCOBO TALES	May 2007	DS	100		
VALKYRIE PROFILE 2: SILMERIA	September 2007	PS2	170		
HEROES OF MANA	September 2007	DS	50		
Others	—	—	780		
Europe (PAL)	—	—	1,610	1,230	380
Asia, etc.	—	—	50	50	0
TOTAL	—	—	6,920	6,210	710

Global Unit Sales of SQUARE ENIX by Platform



FY2007 First-Half Period Results – Sales by Region

Millions of Yen

Region	April - September 2006		April - September 2007		Change
		%		%	
Japan	60,409	79%	62,495	86%	2,086
North America	10,419	14%	4,928	7%	(5,491)
Europe (PAL)	4,466	6%	4,206	6%	(260)
Asia, etc.	664	1%	642	1%	(22)
Total	75,959	100%	72,271	100%	(3,688)

DRAGON QUEST MONSTER BATTLE ROAD

- Launched full-service in July 2007
(pre-launched on June 20, 2007)
- Aprx **3,500 installation base**
as of July 31, 2007
- Aprx **10,000 yen** of average daily
revenue per unit
(average figure from June 20, 2007 through Sep. 30, 2007)
- Aprx **31.7 million copies** of cards
shipped as of Sep. 30, 2007

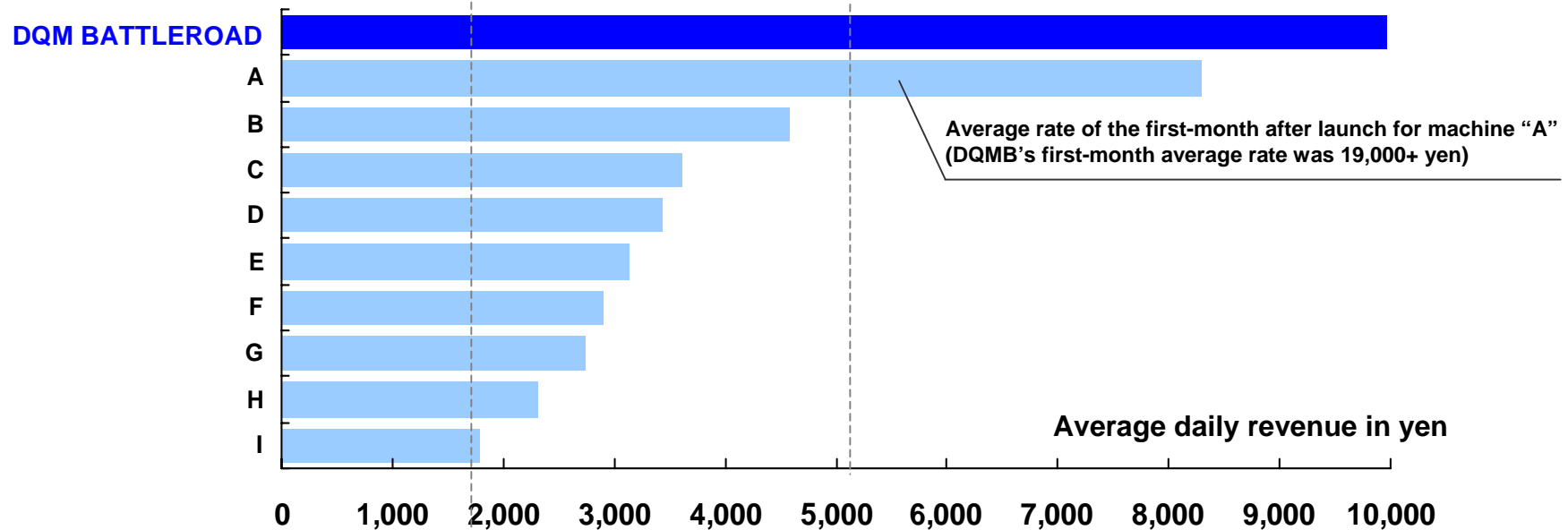


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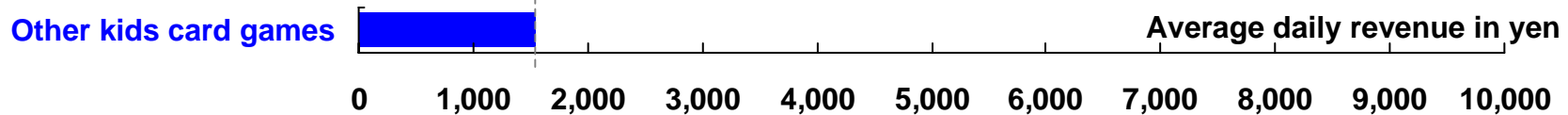
Kids Card Games Operation

Source: TAITO operated outlets

TOP 10 average daily revenue (Apr. 2007 through Sep. 2007)

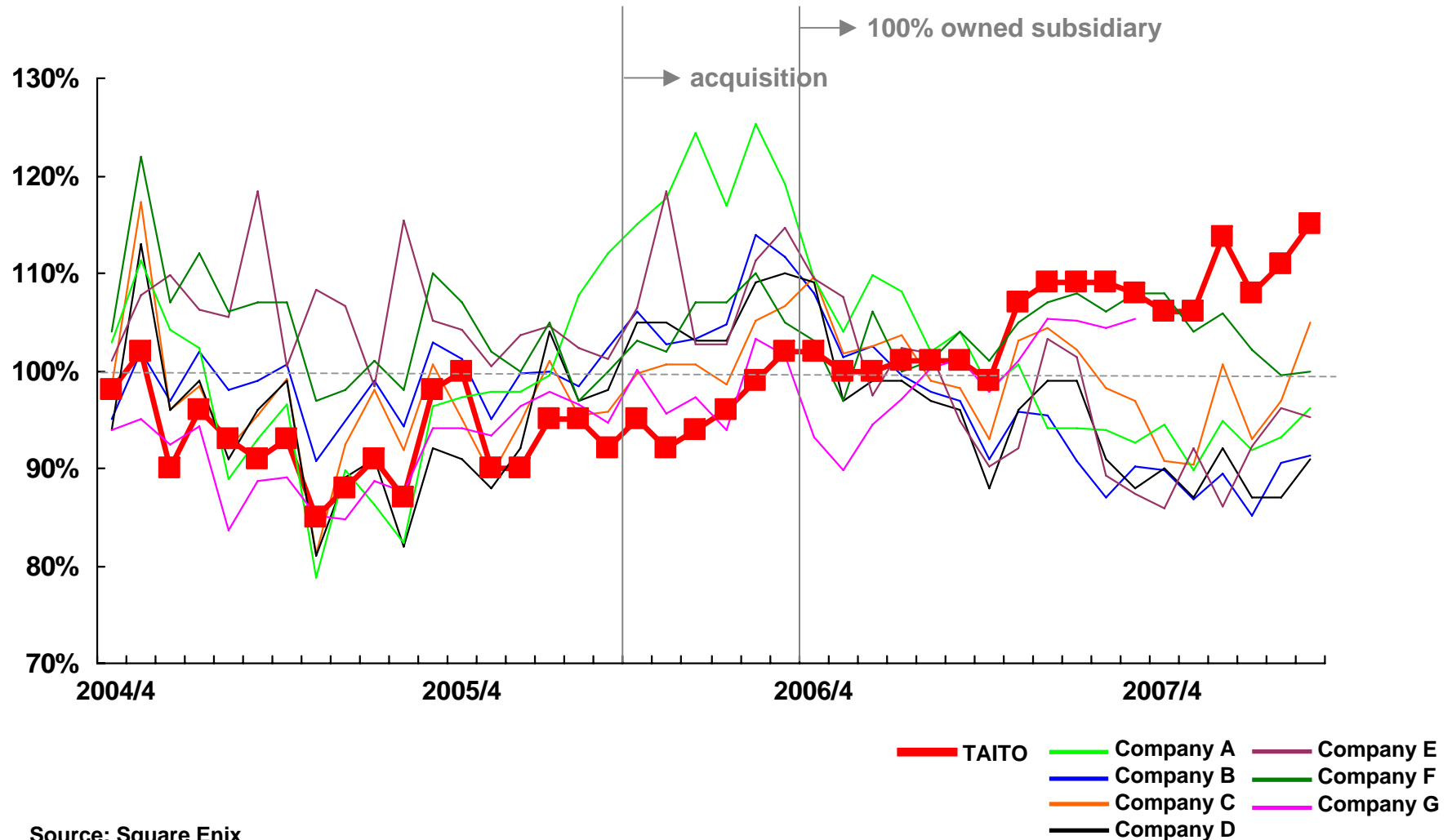


*Average daily revenue of other kids card games (Apr. 2007 through Sep. 2007)



TAITO's Game Arcade Operation

Ratio of Revenues from Existing Outlets
(in comparison to the same month of previous year)



Source: Square Enix

2. FY2007* Projections

*FY2007 = Fiscal Year Ending March 31, 2008

FY2007 Projections – Consolidated

Millions of Yen

	FY2006		FY2007 projections		Change
		%		%	
Net Sales	163,472	100%	162,500	100%	(972)
Operating Income	25,916	16%	21,000	13%	(4,916)
Ordinary Income	26,241	16%	20,000	12%	(6,241)
Net Income	11,619	7%	12,000	7%	381
Depreciation and Amortization	11,115	-	10,000	-	(1,115)
Capital Expenditure	11,360	-	8,000	-	(3,360)

FY2007 Projections by Segment – Consolidated

1. FY2007 Projections

Millions of Yen

	Games (Offline)	Games (Online)	Mobile Phone Content	Publication	Amusement	Others	Eliminations or unallocated	Total
Net Sales	43,500	14,000	8,800	9,500	81,000	6,500	(800)	162,500
Operating Expenses	34,500	7,000	6,800	7,000	77,500	4,400	4,300	141,500
Operating Income	9,000	7,000	2,000	2,500	3,500	2,100	(5,100)	21,000
Operating Margin	20.7%	50.0%	22.7%	26.3%	4.3%	32.3%	-	12.9%

Currency rate : USD1=JPY115.00, EUR1=JPY150.00,CNY1=JPY15.00

2. FY2006 Results

Millions of Yen

	Games (Offline)	Games (Online)	Mobile Phone Content	Publication	Amusement	Others	Eliminations or unallocated	Total
Net Sales	51,316	13,660	7,767	11,208	75,702	3,978	(161)	163,472
Operating Expenses	34,968	6,893	4,753	7,604	76,054	2,666	4,614	137,555
Operating Income	16,348	6,767	3,013	3,603	(351)	1,311	(4,776)	25,916
Operating Margin	31.9%	49.5%	38.8%	32.1%	(0.5)%	33.0%	-	15.9%

3. Change (from FY2005 to FY 2006)

Millions of Yen

	Games (Offline)	Games (Online)	Mobile Phone Content	Publication	Amusement	Others	Eliminations or unallocated	Total
Net Sales	(7,816)	340	1,033	(1,708)	5,298	2,522	(639)	(972)
Operating Expenses	(468)	107	2,047	(604)	1,446	1,734	(314)	3,945
Operating Income	(7,348)	233	(1,013)	(1,103)	3,851	789	(324)	(4,916)

FY2007 Projections – Unit Sales

Thousand Units

	Japan	North America	Europe (PAL)	Asia, etc.	Total
FY2007 Projections	7,250	3,100	3,050	100	13,500
%	54%	23%	23%	1%	100%
FY2006	7,210	6,150	3,500	70	16,930
%	43%	36%	21%	0%	100%
Change	40	(3,050)	(450)	30	(3,430)

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November 19, 2007

The financial statements in this material have been reflected the changes disclosed on December 14, 2007,
which were due to a subsequent event occurred after the disclosure of financial results as of November 19, 2007.