

May 9, 2007

SQUARE ENIX CO., LTD.  
Yoichi Wada  
President and Representative Director  
(Code: 9684, Tokyo Stock Exchange, First Section)  
Contact: Michihiro Sasaki  
General Manager, Corporate Strategy Division

## Revision of Forecasts for Fiscal Year 2006 ended March 31, 2007

SQUARE ENIX CO., LTD. (the "Company") announced today a revision to the Company's consolidated results forecasts for the fiscal year ended March 31, 2007 announced on January 30, 2007.

### 1. Revision to Consolidated Results Forecasts

Fiscal year 2006 (April 1, 2006 through March 31, 2007)

		(Millions of Yen)		
		Net Sales	Recurring Income	Net Income
Previous forecast (announced on Jan. 30, 2007)	(A)	160,000	22,000	11,000
Revised forecasts	(B)	163,000	26,200	11,500
Change	(B-A)	3,000	4,200	500
Rate of change	(%)	1.9	19.1	4.5
[Reference] Results of the previous fiscal year (ended March 31, 2006)		124,473	15,547	17,076

### 2. Revision to Non- Consolidated Results Forecasts

Fiscal year 2006 (April 1, 2006 through March 31, 2007)

		(Millions of Yen)		
		Net Sales	Recurring Income	Net Income
Previous forecast (announced on Jan. 30, 2007)	(A)	59,000	16,000	10,000
Revised forecasts	(B)	63,000	19,500	18,000
Change	(B-A)	4,000	3,500	8,000
Rate of change	(%)	6.8	21.9	80.0
[Reference] Results of the previous fiscal year (ended March 31, 2006)		70,283	13,633	20,691

### 3. Causes of the Revision to Consolidated Results Forecasts

The Company achieved favorable results in Games (Offline), Games (Online), Mobile Phone Content, Publishing and Others segments, and consolidated and non-consolidated forecasts are projected to exceed the figures previously announced.

As a result of the revisions, the Company expects that recurring income for the fiscal year ended March 31, 2007 reaches record high. More information is to be disclosed at the earnings announcement to be made on May 23.

Regarding the profit distribution, the Company targets at consolidated dividend payout ratio of 30%, with due consideration of an optimal balance between profit-linked payout and stable returns. Given the increase in results forecasts, the Board of Directors of the Company has approved to submit to the general meeting of shareholders a proposition that dividend per share for the fiscal year ended March 31, 2007 is increased by ¥5 to annual dividend of ¥35 (interim dividend of ¥10, and year-end dividend of ¥25). For more information, please see the Company's announcement of "Increase in Projected Year-end Dividend for Fiscal Year 2006" made today.

In addition, the Company posts unordinary loss of ¥8 billion (allowance for doubtful accounts of ¥2.1 billion, losses due to closure of outlets of ¥2.7 billion, and others including increased retirement benefits and losses due to discontinuing businesses of ¥3.2 billion) caused by restructuring of the Amusement business segment (TAITO CORPORATION).

#### 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.

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