

= Square Enix =

Square Enix Holdings Co. , Ltd. (????????? ? ????? ? ???????? , Kabushiki @-@ gaisha Sukuwea Enikkusu H?rudingusu) is a Japanese video game developer , publisher , and distribution company that is best known for its role @-@ playing video game franchises , which include Final Fantasy , Dragon Quest , and Kingdom Hearts . Several of its franchises have sold over 10 million copies , with the Final Fantasy franchise selling over 100 million , and the company as a whole made over ¥ 150 billion in revenue in fiscal year 2014 . The Square Enix headquarters are in the Shinjuku Eastside Square Building in Shinjuku , Tokyo , and the company employs over 3800 employees worldwide .

The original Square Enix Co. , Ltd. was formed as the result of a merger between Square Co. , Ltd. and Enix Corporation on April 1 , 2003 . Each share of Square 's common stock was exchanged for 0 @-@ 85 shares of Enix 's common stock . At the time , 80 % of Square Enix staff were made up of former Square employees . As part of the merger , former Square president Yoichi Wada was appointed president of the new corporation , while former Enix president Keiji Honda was named its vice president , and the founder of Enix , Yasuhiro Fukushima , the largest shareholder of the combined corporation , became its honorary chairman .

The company owns Taito , best known for arcade games such as Space Invaders , Bubble Bobble and Bust @-@ a @-@ Move , and game publisher Eidos Interactive , which has been absorbed into Square Enix Europe . Square Enix now publishes all of Eidos 's intellectual property and runs Eidos 's development studios . Eidos was most well known for publishing the Tomb Raider , Hitman , Deus Ex , Legacy of Kain , and Thief series of games .

= = Corporate history = =

= = = Square = = =

Square was founded in Yokohama in September 1983 by Masashi Miyamoto after he graduated from Waseda , one of Japan 's top universities . At that time , Square was a computer game software division of Den @-@ Yu @-@ Sha , a power line construction company owned by Miyamoto 's father . While at the time game development was usually conducted by only one programmer , Miyamoto believed that it would be more efficient to have graphic designers , programmers and professional story writers working together on common projects . In September 1986 , Square spun off from Den @-@ Yu @-@ Sha and became an independent company officially named Square Co. , Ltd. After releasing several unsuccessful games for the Famicom , Square relocated to Ueno , Tokyo in 1987 and developed a role @-@ playing video game titled Final Fantasy , which was inspired by Enix 's success in the genre with Dragon Quest (released in North America as Dragon Warrior until 2005) . With 400 @-@ 000 copies sold , Final Fantasy spawned multiple sequels over the years and became Square 's main franchise .

Buoyed by the success of their Final Fantasy franchise , Square developed many other widely known games such as Chrono Trigger , Chrono Cross , Secret of Mana , Legend of Mana , Xenogears , Brave Fencer Musashi , Parasite Eve , Parasite Eve 2 , Saga Frontier , Romancing Saga , Vagrant Story , Kingdom Hearts (done in collaboration with Disney Interactive) , and Super Mario RPG (done under the guidance of Shigeru Miyamoto) . By late 1994 they had developed a reputation as a producer of high quality role @-@ playing video games (RPGs) . Square was one of the many companies that had planned to develop and publish their games for the Nintendo 64 , but with the cheaper costs associated with developing games on CD @-@ based consoles such as the Sega Saturn and the Sony PlayStation , Square decided to develop titles for the latter system . Final Fantasy VII was one of these games , and it sold 9 @-@ 8 million copies , making it the second @-@ best @-@ selling game for the PlayStation .

= = = Enix = = =

Enix was founded on September 22 , 1975 as Eidansha Boshu Service Center by Japanese architect @-@ turned @-@ entrepreneur Yasuhiro Fukushima . Enix focused on publishing games , often by companies who exclusively partnered with the company , and is perhaps most famous for publishing the Dragon Quest series of console games developed by Chunsoft . Key members of the developer 's staff consisted of director Koichi Nakamura , writer Yuuji Horii , artist Akira Toriyama , and composer Koichi Sugiyama , among others . The first game in the Famicom @-@ based RPG series was released in 1986 , and would eventually sell 1 @.@ 5 million copies in Japan , establishing Dragon Quest as the company 's most profitable franchise . Despite the announcement that Enix 's long @-@ time competitor Square would develop exclusively for Sony PlayStation , Enix announced in January 1997 that it would release games for both Nintendo and Sony consoles . This caused a significant rise in stock for both Enix and Sony . By November 1999 , Enix was listed in the Tokyo Stock Exchange 's 1st section , indicating it as a " large company " .

= = = Merger = = =

A merger between Square and Enix was in consideration since at least 2000 ; however , the financial failure in 2001 of Square 's first movie , Final Fantasy : The Spirits Within , made Enix reluctant to proceed while Square was losing money . With the company facing its second year of financial losses , Square approached Sony for a capital injection and on October 8 , 2001 , Sony Corp purchased 18 @.@ 6 % stake in Square . Following the success of both Final Fantasy X and Kingdom Hearts , the company 's finances stabilized , and it recorded the highest operating margin in its history in fiscal year 2002 . It was announced on November 25 , 2002 , that Square and Enix 's previous plans to merge were to officially proceed , with the goal to mutually decrease development costs and to compete with foreign developers . As described by Yoichi Wada , Square 's president and CEO : " Square has also fully recovered , meaning this merger is occurring at a time when both companies are at their height . "

Some shareholders expressed concerns about the merger , notably Square 's original founder and largest shareholder , Masashi Miyamoto , who would find himself holding a significantly smaller percentage of the combined companies . Other criticism came from Takashi Oya of Deutsche Securities who expressed doubts about the benefits of such a merger : " Enix outsources game development and has few in @-@ house creators , while Square does everything by itself . The combination of the two provides no negative factors but would bring little in the way of operational synergies . " Miyamoto 's concerns were eventually resolved by altering the exchange ratio of the merger so that each Square share would be exchanged for 0 @.@ 85 Enix shares rather than 0 @.@ 81 shares , and the merger was greenlit . The merger was set for April 1 , 2003 , on which date the newly merged entity Square Enix came into being . At the time of the merger , 80 % of Square Enix staff were made up of former Square employees . As part of the merger , former Square president Yoichi Wada was appointed president of the new corporation , while former Enix president Keiji Honda became its vice president . The founder of Enix and the largest shareholder of the newly combined corporation , Yasuhiro Fukushima , was made its honorary chairman . In July of that year , the Square Enix headquarters were moved to Yoyogi , Shibuya , Tokyo , as part of the process of combining the two companies .

= = = Acquisitions and subsidiaries = = =

Since its foundation , Square Enix has acquired a number of companies , as well as creating several subsidiary companies . To strengthen its wireless market , Square Enix acquired mobile application developer UIEvolution in March 2004 , though it was sold in December 2007 , and the company instead founded its own Square Enix MobileStudio in January 2008 to focus on mobile products . In January 2005 Square Enix founded Square Enix China , expanding their interests in the People 's Republic of China . In September of that year Square Enix bought the gaming developer and publisher Taito , renowned for their arcade hits such as Space Invaders and the

Bubble Bobble series ; Taito 's home and portable console games divisions were merged into Square Enix itself by March 2010 . In August 2008 , Square Enix made plans for a similar expansion by way of a friendly takeover of video game developer Tecmo by purchasing shares at a 30 percent premium , but Tecmo rejected the proposed takeover . Instead , in February 2009 , Square Enix announced a takeover deal for Eidos plc , the holding company for Eidos Interactive , the UK @-@ based publisher of the Tomb Raider , Hitman , Deus Ex , Thief and Legacy of Kain franchises , along with its multiple subsidiary development studios which developed the games . The acquisition of Eidos was completed in April 2009 , and in November the publisher was merged with Square Enix 's European publishing organization to form Square Enix Europe . In March 2011 Square Enix founded another mobile development studio , Hippos Lab , followed by another in 2012 , Square Enix Montreal . A third mobile studio was founded in Indonesia in June 2013 , Smileworks , but was closed in January 2015 . The latest subsidiary company to be created was Shinra Technologies , a cloud gaming company , but it was only in existence from September 2014 to January 2016 . In 2015 , Square created a new studio known as Tokyo RPG Factory to develop what was then dubbed Project Setsuna .

= = Corporate structure = =

On October 1 , 2008 , Square Enix transformed into a holding company and was renamed to Square Enix Holdings . At the same time the gaming , contents and publishing businesses were transferred to a spin @-@ off named Square Enix , sharing the same corporate leadership and offices with the holding . The primary offices for Square Enix and Square Enix Holdings are in the Shinjuku Eastside Square Building in Shinjuku , Tokyo .

= = Development organization = = =

After the merger in 2003 , Square Enix 's development department was organized into eight Square and two Enix Product Development Divisions (????? , kaihatu jigy?bu) , each focused on different groupings of games . The divisions were spread around different offices ; for example , Product Development Division 5 had offices both in Osaka and Tokyo .

According to Yoichi Wada , the development department was reorganized away from the Product Development Division System by March 2007 into a project @-@ based system . Until 2013 , the teams in charge of the Final Fantasy and Kingdom Hearts series were still collectively referred to as the 1st Production Department (?1??? , dai @-@ ichi seisakubu) . The 1st Production Department was formed from the fall 2010 combination of Square Enix 's Tokyo and Osaka development studios , with Shinji Hashimoto as its corporate executive .

As of December 2013 , Square Enix 's development was restructured into several Business Divisions . The former Twitter account of the 1st Production Department is now used to distribute information on the games developed by Business Divisions 1 to 4 . Yoshinori Kitase is the Head of Business Division 1 , Hajime Tabata is the Head of Business Division 2 , Shinji Hashimoto is the Head of Business Division 3 , Ichiro Hazama is the Head of Business Division 4 and Naoki Yoshida is the Head of Business Division 5 @,@

= = = Business model = = =

The business model of Square Enix is centered on the idea of " polymorphic content " , which consists of developing franchises on multiple potential hardware or media rather than being restricted by a single gaming platform . An early example of this strategy is Enix 's Fullmetal Alchemist manga series , which has been adapted into two anime TV series , two movies , and several novels and video games . Other polymorphic projects include Compilation of Final Fantasy VII , Code Age , World of Mana , Ivalice Alliance and as of 2016 the ongoing Fabula Nova Crystallis Final Fantasy series . According to Yoichi Wada , " It 's very difficult to hit the jackpot , as it were . Once we 've hit it , we have to get all the juice possible out of it " . Similar to Sony 's Greatest Hits

program , Square Enix also re @-@ releases their best selling games at a reduced price under a label designated " Ultimate Hits " .

The standard game design model Square Enix employs is to establish the plot , characters and art of the game first . Battle systems , field maps and cutscenes are created next . According to Taku Murata , this process became the company 's model for development after the success of Square 's Final Fantasy VII in 1997 . The team size for Final Fantasy XIII in 2012 peaked at 180 artists , 30 programmers , and 36 game designers , but analysis and restructuring were done to outsource large scale development in the future .

= = Properties = =

= = = Video games = = =

Square Enix 's main concentration is on video gaming , and it is primarily known for its role @-@ playing video game franchises . Of its properties , the Final Fantasy franchise , begun in 1987 , is the best @-@ selling , with a total worldwide sales of over 110 million units as of June 2014 . The Dragon Quest franchise , begun in 1986 , is also high @-@ selling ; it is considered one of the most popular game series in Japan and new installments regularly outsell other games at the times of their release , with a total worldwide sales of over 64 million units as of June 2014 . More recently , the Kingdom Hearts series (developed in collaboration with Disney 's Buena Vista Games beginning in 2002) has become popular , with over 20 million units sold as of March 2014 . Other popular series developed by Square Enix include the SaGa series with nearly 10 million copies sold since 1989 , the Mana series with over 6 million sales since 1991 , and the Chrono series with over 5 million sold since 1995 . In addition to their sales numbers , many Square Enix games have been highly reviewed ; 27 Square Enix games were included in Famitsu magazine 's 2006 " Top 100 Games Ever " , with 7 in the top 10 and Final Fantasy X claiming the number 1 position . The company also won IGN 's award for Best Developer of 2006 for the PlayStation 2 .

Square and Enix initially targeted Nintendo home consoles with their games , but Square Enix currently develops games for a wide variety of systems . In the seventh generation of video game consoles , Square Enix released new installments from its major series across all three systems , including Final Fantasy XIII on both the PlayStation 3 and Xbox 360 , and Dragon Quest X on the Wii . Square Enix has also developed titles for handheld game consoles , including the Game Boy Advance , Nintendo DS , PlayStation Portable , Nintendo 3DS and PlayStation Vita . In addition , they have published games for Microsoft Windows @-@ based personal computers , and for various models of mobile phones and modern smartphones . Square Enix mobile phone games became available in 2004 on the Vodafone network in some European countries , including Germany , United Kingdom , Spain , and Italy .

Before its launch , Michihiro Sasaki , senior vice president of Square Enix , spoke about the PlayStation 3 , saying " We don 't want the PlayStation 3 to be the overwhelming loser , so we want to support them , but we don 't want them to be the overwhelming winner either , so we can 't support them too much . " Square Enix continued to reiterate their devotion to multi @-@ platform publishing in 2007 , promising more support for the North American and European gaming markets where console pluralism is generally more prevalent than in Japan . Their interest in multi @-@ platform development was made clear in 2008 when the previously PlayStation 3 @-@ exclusive game Final Fantasy XIII was announced for release on the Xbox 360 .

In 2008 , Square Enix released their first game for the iPod , Song Summoner : The Unsung Heroes . Square Enix made a new brand for younger children gaming that same year , known as Pure Dreams . Pure Dreams ' first two games , Snoopy DS : Let 's Go Meet Snoopy and His Friends ! and Pingu 's Wonderful Carnival were released that year . After acquiring Eidos in 2009 , Square Enix combined it with its European publishing wing to create Square Enix Europe , which continues to publish Eidos franchises such as Tomb Raider (45 million sales) , Hitman (15 million) , Deus Ex (4 million) , Thief (2 @.@ 5 million) and Legacy of Kain (3 @.@ 5 million) . Square Enix has also

served as the Japanese publisher for Ubisoft games since 2009 .

== Game engines ==

Square Enix does not usually use other companies ' game engines , preferring to code from scratch . Square Enix has developed two notable in-house game engines . In 2004 , Square Enix began to work on a " common 3D format " which would allow the entire company to develop titles without being restricted to a specific platform : this led to the creation of a game engine named Crystal Tools , which is compatible with the PlayStation 3 , the Xbox 360 , Windows-based PCs and to some extent the Wii . It was first shown off at a tech demo shown off at E3 2005 , and was later used for Final Fantasy XIII based on the demo 's reception . Crystal Tools was also used for Final Fantasy Versus XIII before its re-branding as Final Fantasy XV and shift onto next-gen platforms . Refinement of the engine continued through the development of Final Fantasy XIII-2 , and it underwent a major overhaul for Lightning Returns : Final Fantasy XIII . No new titles have been announced for the engine , and it is believed that development of the engine has halted permanently in favor of the Square Enix Luminous Studio engine .

The second major in-house engine is Luminous Studio , intended for eighth-generation consoles , which was originally unveiled at E3 2012 through a tech demo titled Agni 's Philosophy . The first major console title to be developed with Luminous Studio was Final Fantasy XV ; the engine 's development was done in tandem with the game , and the game 's development helped the programming team optimize the engine .

In addition to their two major cross-platform engines and the custom engines made for individual games and platforms before and since , Square Enix uses and continues to consider other companies ' engines and programming languages for their video game properties . Known examples are licensing Epic Games ' Unreal Engine in 2007 for use in The Last Remnant , and using the Squirrel language for the WiiWare title Final Fantasy Crystal Chronicles : My Life as a King .

== Online gaming ==

Before the merger , Enix published its first online game Cross Gate in Japan , mainland China , and Taiwan in 2001 , and Square released Final Fantasy XI in Japan in 2002 for the PlayStation 2 and later the personal computer . With the huge success of Final Fantasy XI , the game was ported to the Xbox 360 two years later , and was the first MMORPG on the console . All versions of the game used PlayOnline , a cross-platform internet gaming platform and internet service developed by Square Enix . The platform was used as the online service for many games Square Enix developed and published throughout the decade . Due to the success of their MMORPG , Square Enix began a new project called Fantasy Earth : The Ring of Dominion . GamePot , a Japanese game portal , got the license to publish Fantasy Earth in Japan and it was released in Japan as " Fantasy Earth ZERO . " In 2006 , however , Square Enix dropped the Fantasy Earth Zero project , and sold it to GamePot . Square Enix released Concerto Gate , the sequel to Cross Gate , in 2007 .

A next-gen MMORPG code named Rapture was developed by the Final Fantasy XI team using the company 's Crystal Tools engine . It was unveiled at E3 2009 that the MMO , Final Fantasy XIV , for PlayStation 3 and Microsoft Windows , would be released on September 30 , 2010 . Dragon Quest X was announced in September 2011 as an MMORPG being developed for Nintendo 's Wii and Wii U consoles , which released on August 2 , 2012 , and March 30 , 2013 , respectively . Like XIV , it used Crystal Tools .

Square Enix also made browser games and Facebook games , like Legend World , Chocobo 's Crystal Tower and Knights of the Crystals , and online games for Yahoo ! Japan , such as Monster x Dragon , Sengoku Ixa , Bravely Default : Praying Brage , Star Galaxy and Crystal Conquest .

On May 8 , 2012 , Square Enix announced a collaboration with Bigpoint Games to create a free-to-play cloud gaming platform that " throws players into ' limitless game worlds ' directly through their web browser " . The service was launched under the name CoreOnline in August 2012 . Claiming " limited commercial take-up " , the service was cancelled on November 29 , 2013 .

Square Enix launched another online game service in Japan called Dive In on October 9 , 2014 that allowed players to stream console games to their iOS or Android devices . The service was monetized by the amount of time players spent playing , with each game offered for free for thirty minutes . The service was cancelled on September 13 , 2015 .

== = Arcade == =

With the merger of Taito businesses into Square Enix , the company gained possession of Taito 's arcade infrastructure and facilities , and entered the arcade market in 2005 . In 2010 Taito revealed NESiCAxLive , a cloud @-@ based system of storing games and changing them through the internet instead of acquiring physical copies . This system was added to its many arcade gaming locations . The company continues to cater to the arcade audience in Japan with arcade @-@ only titles , with game producers in 2015 stating that Square Enix as it has a loyal fan base that values the arcade gaming experience .

== = Film == =

The company has made two forays into the film industry . The first , Final Fantasy : The Spirits Within (2001) , was produced by Square subsidiary Square Pictures prior to the merger with Enix ; Square Pictures is now a consolidated subsidiary of Square Enix . Its box @-@ office failure caused Enix to delay the merger , which was already under consideration before the creation of the film , until Square became profitable once again . In 2005 , Square Enix released Final Fantasy VII Advent Children , a CGI @-@ animation movie based on the PlayStation game Final Fantasy VII , set two years after the events of the game . A Deus Ex film is currently in pre @-@ production and as of 2014 is undergoing rewrites . In 2016 Square Enix revealed a new movie called Kingsglaive : Final Fantasy XV based in the world of Final Fantasy XV and a new web series released on YouTube and Crunchyroll entitled Brotherhood : Final Fantasy XV .

== = Manga == =

The company has a manga publishing division in Japan (originally from Enix) called Gangan Comics , which publishes content for the Japanese market only . However , in 2010 , Square Enix launched a digital manga store for North American audiences via its Members services , which contains several notable series published in Gangan anthologies . Titles published by Gangan Comics include Fullmetal Alchemist , Soul Eater , and many others . Other titles include manga adaptations of various Square Enix games , like Dragon Quest , Kingdom Hearts and Star Ocean . Some of these titles have also been adapted into anime series . Fullmetal Alchemist is the most successful title of Square Enix 's manga branch , with more than 64 million volumes sold worldwide . It is licensed in North America by Viz Media , while its two anime adaptations are licensed by Funimation Entertainment in the United States .

== = Merchandise == =

Square Enix has created merchandise for virtually all of their video game franchises , though many items are available only in Japan . Square Enix 's former online gaming portal PlayOnline sold merchandise from game franchises including Parasite Eve , Vagrant Story , Chocobo Racing , Front Mission , Chrono Cross , and Final Fantasy . Mascots from game franchises are a popular focus for merchandise , such as the Chocobo from Final Fantasy which has been seen as a rubber duck , a plush baby Chocobo , and on coffee mugs . Square Enix also designed a Chocobo character costume for the release of Chocobo Tales . The Slime character from Dragon Quest has also been frequently used in Square Enix merchandise , especially in Japan . On the Japanese Square Enix shopping website there is also a Smile @-@ focused section called " Smile Slime " . Slime merchandise includes plush toys , pencil cases , keychains , game controllers , a stylus , and

several boardgames including one titled Dragon Quest Slime Racing . In Japan , pork filled steam buns shaped like slimes have been sold . For Dragon Quest 's 25th anniversary , special items were sold including business cards , tote bags , and crystal figurines . Rabites from the Mana series have appeared in several pieces of Square Enix merchandise , including plush dolls , cushions , lighters , mouse pads , straps , telephone cards , and T @-@ shirts . Square Enix has also made merchandise for series they do not own , including figures Mass Effect and Halo .

= = Subsidiaries = =