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Japan

## Notice of Financial Forecast and Year-end Dividend Forecast Modifications

Based primarily on foreign exchange rate trends, the Company hereby modifies its financial forecast for the fiscal year ended March 2006 (April 1, 2005 - March 31, 2006), which was announced on November 24, 2005 as stated below. In addition, the Company modifies its year-end dividend per share and annual dividend per share forecasts for the fiscal year ended March 2006 by 100 yen compared to the previous fiscal year to 300 yen and 370 yen, respectively.

### 1. Financial forecast modification for the fiscal year ended March 2006 (April 1, 2005 - March 31, 2006)

#### (1) Forecast modification of consolidated results

Yen in Millions

	Net sales	Income before income taxes and extraordinary items	Net income
Previous forecast(A)	500,000	125,000	75,000
Revised forecast (B)	500,000	160,000	95,000
Net Increase/Decrease((B)-(A))	-	35,000	20,000
Net Increase/Decrease Percentage	-	28.0%	26.7%
Actual result for the fiscal year ended March 2005	515,292	145,292	87,416

Estimated annual earnings per share: 736.13 yen

#### (2) Forecast modification of non-consolidated results

Yen in Millions

	Net sales	Income before income taxes and extraordinary items	Net income
Previous forecast(A)	390,000	95,000	60,000
Revised forecast (B)	410,000	150,000	90,000
Net Increase/Decrease((B)-(A))	20,000	55,000	30,000
Net Increase/Decrease Percentage	5.1%	57.9%	50.0%
Actual result for the fiscal year ended March 2005	443,044	134,123	80,005

Estimated annual earnings per share: 697.32 yen

#### (3) Reason for modification

As a result of the weaker than estimated Japanese yen, a substantially greater amount of foreign exchange gain is expected to be reported compared to the Company's previously announced forecast. The increase in foreign exchange gain is expected to increase income before income taxes and extraordinary items and net income on a consolidated basis. On a non-consolidated basis, in addition to the effect of the increase in foreign exchange gain, favorable sales of "Nintendo DS" in Japan, among others, are expected to increase net sales, income before income taxes and extraordinary items and net income.

Exchange rates per US dollar and Euro against Japanese yen as of March 31, 2006 were 117.47 yen and 142.81 yen, respectively.

2. Year-end dividend forecast modification for the fiscal year ended March 2006 (April 1, 2005 - March 31, 2006)

(1) Dividend per share for the fiscal year ended March 2006 (April 1, 2005 - March 31, 2006)

	Previous forecast announced on November 24, 2005	Revised forecast	Dividend paid for the fiscal year ended March 2005
Interim dividend per share	70 yen	70 yen *	70 yen
Year-end dividend per share	70 yen ~	300 yen	200 yen
Annual dividend per share	140 yen ~	370 yen	270 yen

\* The Company paid 70 yen per share as interim dividend in December 2005.

(2) Reason for modification

It is the Company's basic policy to determine the level of direct profit returns to our shareholders by evaluating profit levels in each fiscal period. For the fiscal year ended March 31, 2006, the annual dividend per share will be established at the higher of the amount calculated by dividing 33% of consolidated operating income by the total number of outstanding shares, excluding treasury stock, as of March 31, 2006 rounded up to the 10 yen digit, or the amount calculated based on the 50% consolidated net income standard rounded up to the 10 yen digit. Although no maximum level is established, the annual minimum dividend per share is being kept at 140 yen.

Based on this policy, if actual financial results are in line with our revised forecasts, the 50% consolidated net income standard rounded up to the 10 yen digit will be adopted. Again, this is primarily due to the effect of foreign exchange gain substantially exceeding the Company's previous forecast. As a result, the annual dividend per share and year-end dividend per share are expected to increase by 100 yen compared to the previous fiscal year to 370 yen and 300 yen, respectively.

Although financial results for the fiscal year ended March 2006 are yet to be finalized, this modification has been made to provide a more accurate dividend forecast.

Note with respect to forecasts

Forecasts announced by the Company referred to above were prepared based on management's assumptions with information available at this time and therefore involve known and unknown risks and uncertainties.

Please note such risks and uncertainties may cause the actual results to be materially different from the forecasts.