



CONSOLIDATED FINANCIAL HIGHLIGHTS



Nintendo Co., Ltd.
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Japan

Consolidated Results for the Three Months Ended June 2007 and 2008

(1) Consolidated operating results

(Amounts below one million are rounded down)

	Net sales	Operating income	Income before income taxes and extraordinary items	Net income
	million yen	million yen	million yen	million yen
Three months ended June 30, '08	423,380	119,192	176,892	107,267
Three months ended June 30, '07	340,439	90,631	131,449	80,251

	Net income per share
	yen
Three months ended June 30, '08	838.75
Three months ended June 30, '07	627.45

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	million yen	million yen	%	yen
As of June 30, '08	1,772,265	1,211,481	68.3	9,471.45
As of March 31, '08	1,802,490	1,229,973	68.2	9,616.69

Dividends

	Dividend per share			
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end
	yen	yen	yen	yen
Year ended Mar. 31, '08	-	140.00	-	1,120.00
Year ending Mar. 31, '09	-	-	-	-
Year ending Mar. 31, '09 (forecast)	-	140.00	-	1,230.00

	Dividend per share
	Annual
	yen
Year ended Mar. 31, '08	1,260.00
Year ending Mar. 31, '09	-
Year ending Mar. 31, '09 (forecast)	1,370.00

Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2009

	Net sales		Operating income		Income before income taxes and extraordinary items		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Six Months ending Sept. 30, '08	760,000	-	210,000	-	215,000	-	125,000	-
Year ending Mar. 31, '09	1,800,000	7.6	530,000	8.8	550,000	24.8	325,000	26.3

	Net income per share
	yen
Six Months ending Sept. 30, '08	977.41
Year ending Mar. 31, '09	2,541.28

[Note]

Percentages for net sales, operating income etc. for the year ending Mar. 31, '09 show increase (decrease) from previous year.

Others

(1) Changes for important subsidiaries during the three-month period ended June 30, 2008 : Not applicable

(2) Application of simplified methods for accounting procedures : Applicable

[Note] Please refer to "4. Other Information" at page 4 for details.

(3) Changes in accounting procedures

① Related to accounting standard revisions etc. : Applicable

② Other changes : Applicable

[Note] Please refer to "4. Other Information" at page 4 for details.

(4) Outstanding shares (common shares)

① Number of shares outstanding (including treasury stock)

As of June 30, 2008 : 141,669,000 shares As of Mar. 31, 2008 : 141,669,000 shares

② Number of treasury stock

As of June 30, 2008 : 13,780,883 shares As of Mar. 31, 2008 : 13,779,353 shares

③ Average number of shares

Three months ended June 30, 2008 : 127,888,995 shares Three months ended June 30, 2007 : 127,901,167 shares

[Note]

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 (earnings forecast, dividend forecast, and other forecasts). With respect to this forecast, please refer to pages 4 for the forward-looking conditions and other related matters.

1. Consolidated Operating Results

During this first quarter ended June 30, 2008, Nintendo continued to pursue expansion of the gaming audience and provided products that offer unique entertainment to people of all ages and genders. Nintendo's hand-held device, "Nintendo DS", and its console gaming system, "Wii", have provided the customers with intuitive operation and have expanded the definition of video games.

Net sales for the quarter were 423.3 billion yen. Operating income, income before income taxes and extraordinary items and net income were 119.1 billion yen, 176.8 billion yen and 107.2 billion yen, respectively. Both sales and profits exceeded last year's results.

With respect to sales by business category within the electronic entertainment products division, "Nintendo DS" continued to enjoy robust sales abroad, however, the sales have decreased in Japan compared with that of the last year's first quarter. Total sales of "Nintendo DS" were 6.94 million units worldwide (77.54 million units life-to-date), a decrease of 0.04 million units from the same quarter last fiscal year. "Nintendo DS" software, "Pokémon Mystery Dungeon: Explorers of darkness/Explorers of time" was released overseas this quarter, making a strong contribution to sales in the category. Total sales of "Nintendo DS" software were 36.59 million units, an increase of 2.33 million units from the June quarter in 2007.

In the console business, "Wii" hardware, which displayed increasing popularity in North America and Europe, sold a total of 5.17 million units worldwide (29.62 million units life-to-date), an increase of 1.74 million units from the same three-month period last year. Regarding "Wii" software, "Mario Kart Wii", which allows players to feel as if they were actually driving with a wheel shaped, "Wii Wheel", controller was launched worldwide. In addition, "Wii Fit", which has been widely accepted by audiences in Japan since last fiscal year, was released overseas. A total of 6.42 million units of "Mario Kart Wii" and 3.42 million units of "Wii Fit" were sold worldwide. Furthermore, long-term selling titles "Wii Sports" and "Wii Play" have continued to enjoy robust sales worldwide. Thus, total sales of "Wii" software were 40.41 million units, an increase of 24.42 million units from the same quarter in 2007.

Net sales in the electronic entertainment products division were 422.6 billion yen versus 339.6 billion yen the same quarter a year earlier, while sales in the other products division (playing cards, karuta, etc.) were 0.7 billion yen versus 0.7 billion yen during the same period in 2007.

With respect to results by geographic segment, sales in Japan were 386.9 billion yen including inter-segment sales of 337.1 billion yen. Operating income was 118.1 billion yen. Sales in the Americas were 167.7 billion yen including inter-segment sales of 0.5 billion yen. Operating income was 7.9 billion yen. Sales in Europe were 181.0 billion yen including inter-segment sales of 2 million yen. Operating income was 8.6 billion yen.

2. Consolidated Financial Position

During this first quarter ended June 30, 2008, cash and deposits decreased mostly due to the payment of dividends and income taxes. Total assets decreased by 30.2 billion yen compared to the previous fiscal year-end to 1,772.2 billion yen. Total liabilities also decreased by 11.7 billion yen compared to the previous fiscal year-end to 560.7 billion yen primarily due to the decrease in accrued income taxes.

3. Consolidated Financial Forecast

Nintendo will continue to pursue expansion of the gaming audience and provide products that offer unique entertainment that puts smiles on the faces of people of all ages and genders.

Nintendo has positioned "Wii" as "a machine that puts smiles on surrounding people's faces" by encouraging positive interaction among family members in the living room. In addition to existing software lineups, Nintendo will develop entertainment which is relevant to our daily lives. "Nintendo DS" remains positioned as "a machine that enriches the owners' daily lives". Nintendo's strategy is to accelerate current sales momentum from "must-have for every family" to "must-have for everyone" by continuously introducing new and unique software and introducing new services which take advantage of its expanded installed base.

Consolidated earnings forecasts for the fiscal year ending March 31, 2009 are unchanged from the "Consolidated Results for the Years Ended March 31, 2007 and 2008" which was previously announced.

4. Other Information

(Application of simplified method for accounting procedures)

(Calculating corporate income taxes etc.)

In computing corporate income taxes, only major items are taken into account in terms of additions and deductions for the income and tax credits.

With respect to certain consolidated subsidiaries, corporate income tax amount is calculated by multiplying reasonably estimated annual effective tax rate through the first quarter ended June 2008, with the effects of deferred taxes reflected, by the amount of year-to-date income before income taxes and minority interests.

(Changes in accounting procedures)

(Application of accounting standard for quarterly financial reporting)

Effective from the fiscal year ending March 31, 2009, the "Accounting Standard for Quarterly Financial Reporting" (ASBJ Statement No. 12) and its implementation guidance, "Guidance on Accounting Standard for Quarterly Financial Reporting" (ASBJ Guidance No. 14) have been applied. Quarterly consolidated financial statements have been prepared in accordance with "Regulation for Quarterly Consolidated Financial Reporting".

(A valuation basis and method for important assets)

Previously, lower of cost or market method based on the weighted-average method was adopted for measuring inventories held for sales in the ordinary course of business. Effective from the first quarter ended June 30, 2008, the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9) has been applied, and now these inventories are measured by means of the cost method based on the weighted-average method, which evaluates the amount of the inventories shown on the balance sheet by writing them down based on their decrease in profitability.

The impact on operating income, income before income taxes and extraordinary items, and income before income taxes and minority interests is minor.

(Application of accounting standard for lease transactions)

Finance leases transactions without title transfer were formerly accounted for in accordance with the method conforming to that regarding ordinary leasing transactions. Effective from the first quarter ended June 30, 2008, the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13) and "Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No. 16) have been applied.

Leased assets related to finance lease transactions without title transfer are depreciated on a straight-line basis, with the lease periods as their useful lives and no residual value.

The impact on operating income, income before income taxes and extraordinary items, and income before income taxes and minority interests is minor.

(Application of practical solution on unification of accounting policies applied to foreign subsidiaries for consolidated financial statements)

Effective from the first quarter ended June 30, 2008, the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ PITF No. 18) has been applied. Accordingly, some revisions are made to the consolidated accounts as necessary.

The impact on operating income, income before income taxes and extraordinary items, and income before income taxes and minority interests is minor.

5. Consolidated Balance Sheets

million yen

Description	As of June 30, 2008	As of March 31, 2008
	Amount	Amount
(Assets)		
I Current assets		
Cash and deposits	715,628	899,251
Notes and trade accounts receivable	190,289	147,787
Securities	444,861	353,070
Finished goods	113,602	92,617
Goods in process	327	200
Raw materials and supplies	10,237	12,023
Other current assets	139,495	144,060
Allowance for doubtful accounts	(2,106)	(2,176)
Total current assets	1,612,337	1,646,834
II Fixed assets		
Property, plant and equipment	56,875	55,150
Intangible assets	1,983	2,009
Investments and other assets	101,069	98,495
Total fixed assets	159,927	155,655
Total assets	1,772,265	1,802,490

Description	As of June 30, 2008	As of March 31, 2008
	Amount	Amount
(Liabilities)		
I Current liabilities		
Notes and trade accounts payable	344,139	335,820
Accrued income taxes	82,896	112,450
Allowances	821	1,848
Other current liabilities	123,126	117,103
Total current liabilities	550,984	567,222
II Non-current liabilities		
Allowances	4,649	4,506
Other non-current liabilities	5,150	786
Total non-current liabilities	9,799	5,293
Total liabilities	560,783	572,516
(Net assets)		
I Owners' equity		
Common stock	10,065	10,065
Additional paid-in capital	11,644	11,640
Retained earnings	1,345,540	1,380,430
Treasury stock	(156,276)	(156,184)
Total owners' equity	1,210,973	1,245,951
II Valuation and translation adjustments		
Unrealized gains on other securities	5,516	5,418
Translation adjustments	(5,203)	(21,495)
Total valuation and translation adjustments	312	(16,077)
III Minority interests	194	98
Total net assets	1,211,481	1,229,973
Total liabilities and net assets	1,772,265	1,802,490

6. Consolidated Statement of Income

million yen

Description	Three months ended June 30, 2008
	Amount
I Net sales	423,380
II Cost of sales	243,691
Gross margin	179,688
III Selling, general, and administrative expenses	60,496
Operating income	119,192
IV Other income	58,251
Interest income	9,700
Foreign exchange gains	47,844
Other	706
V Other expenses	551
Sales discount	145
Losses on redemption of securities	390
Other	15
Income before income taxes and extraordinary items	176,892
VI Extraordinary gains	3,625
VII Extraordinary losses	52
Income before income taxes and minority interests	180,464
Provision for income taxes and enterprise taxes	77,398
Income taxes deferred	(4,297)
Minority interests	96
Net income	107,267

[Note] Reference Information

million yen

	Three months ended June 30, 2008
	Depreciation expenses of tangible assets
Research and development expenses	8,847
Marketing expenses	33,643

(Reference)

[Summary] Consolidated Statement of Income

million yen

Description	Three months ended June 30, 2007
	Amount
I Net sales	340,439
II Cost of sales	201,336
Gross margin	139,103
III Selling, general, and administrative expenses	48,471
Operating income	90,631
IV Other income	41,144
Foreign exchange gains	29,032
Other	12,112
V Other expenses	326
Income before income taxes and extraordinary items	131,449
VI Extraordinary gains	649
VII Extraordinary losses	15
Income before income taxes and minority interests	132,084
Income taxes	51,898
Minority interests	(66)
Net income	80,251

Segment Information

1. Segment Information by Business Categories

Considering similarities of categories, characteristics, manufacturing method, or sales market of what Nintendo deals in, the electronic entertainment product segment accounts for over 90% of total sales and operating income of all business category segments, with no other segments to be reported on the basis of disclosure rules. Therefore, this information is not applicable to Nintendo's business.

2. Segment Information by Seller's Location

Three months ended June 30, 2008

million yen

	Japan	The Americas	Europe	Other	Total	Eliminations or corporate	Consolidated
I Net sales							
(1) Sales to third parties	49,834	167,259	181,005	25,281	423,380	-	423,380
(2) Inter-segment sales	337,134	531	2	93	337,761	(337,761)	-
Total	386,968	167,790	181,007	25,374	761,141	(337,761)	423,380
Operating income	118,162	7,932	8,691	2,100	136,886	(17,694)	119,192

3. Overseas sales

Three months ended June 30, 2008

million yen

	The Americas	Europe	Other	Total
I Overseas sales	167,639	181,010	27,853	376,502
II Consolidated net sales				423,380
III Ratio of overseas sales to consolidated net sales	39.6%	42.8%	6.5%	88.9%

7. Others

(1) Consolidated sales information

million yen

Business category	Main products	Three months ended June 30, 2007	Three months ended June 30, 2008
Electronic entertainment products	Hardware	224,374	262,206
	Software	115,322	160,429
	Electronic entertainment products total	339,697	422,636
Other	Playing cards, Karuta, etc.	742	743
Total		340,439	423,380

(2) Consolidated sales units, number of new titles, and sales unit forecast

			Actual		Sales units in ten thousands Number of new titles released	
			Actual Apr.-June '07	Actual Apr.-June '08	Life-to-date	Forecast Apr. '08-Mar. '09
Game Boy Advance	Hardware	Japan	2	1	1,689	
		The Americas	32	(0)	4,164	
		Other	21	18	2,271	
		Total	56	19	8,124	
	Software	Japan	14	4	7,276	
		The Americas	288	23	21,713	
		Other	67	1	8,705	
		Total	369	28	37,694	
	New titles	Japan	-	-	786	
		The Americas	7	-	1,021	
Other		9	-	921		
Nintendo DS	Hardware	Japan	208	58	2,297	
		The Americas	239	271	2,511	
		Other	250	365	2,947	
		Total	698	694	7,754	2,800
	Software	Japan	979	493	11,993	
		The Americas	1,129	1,433	13,753	
		Other	1,318	1,733	14,873	
		Total	3,426	3,659	40,619	18,700
	New titles	Japan	92	100	1,003	
		The Americas	45	66	633	
Other		56	89	693		
Nintendo GameCube	Hardware	Japan	0	(0)	404	
		The Americas	4	(0)	1,294	
		Other	0	(0)	477	
		Total	4	(0)	2,174	
	Software	Japan	4	1	2,753	
		The Americas	102	6	13,848	
		Other	7	2	4,255	
		Total	112	9	20,856	
	New titles	Japan	-	-	275	
		The Americas	2	-	552	
Other		-	-	453		
Wii	Hardware	Japan	95	53	643	
		The Americas	144	250	1,311	
		Other	104	215	1,008	
		Total	343	517	2,962	2,500
	Software	Japan	278	390	2,496	
		The Americas	870	1,934	9,871	
		Other	450	1,716	6,517	
		Total	1,598	4,041	18,885	17,700
	New titles	Japan	16	16	169	
		The Americas	25	42	283	
Other		23	41	270		

[Notes]

- 1 New titles-Other include new titles in the European and Australian markets.
- 2 Sales units, number of new titles figures for Wii do not include quantity of the Virtual Console and WiiWare titles.
- 3 The software forecast figures do not include quantity bundled with hardware.

(3) Balance of assets and liabilities in major foreign currencies without exchange contract (non-consolidated)

		million U.S. dollars/euros			
		Ending balance as of Jun. 30, '08	Ave. exchange rate Apr.-Jun. '08	Exchange Rate as of Jun. 30, '08	Est. exchange rate as of Mar. 31, '09
US\$	Cash and deposits	1,843	US\$1.00=	US\$1.00=	US\$1.00=
US\$	Trade accounts receivable	1,388	¥104.55	¥106.42	¥100.00
US\$	Trade accounts payable	510			
EUR	Cash and deposits	1,330	EUR1.00=	EUR1.00=	EUR1.00=
EUR	Trade accounts receivable	1,025	¥163.43	¥168.07	¥155.00