



CONSOLIDATED FINANCIAL HIGHLIGHTS



Nintendo Co., Ltd.
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Japan

Consolidated Results for the Nine Months Ended December 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
Nine months ended Dec. 31, '08	1,536,348	501,330	352,488	212,524
Nine months ended Dec. 31, '07	1,316,434	394,036	430,830	258,929

	Net income per share
	yen
Nine months ended Dec. 31, '08	1,661.81
Nine months ended Dec. 31, '07	2,024.51

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	million yen	million yen	%	yen
As of Dec. 31, '08	1,768,030	1,171,996	66.3	9,163.52
As of Mar. 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	-	660.00	—	—
Year ending Mar. 31, '09 (forecast)	—	—	-	710.00

	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 %
Year ending Mar. 31, '09	1,820,000 8.8	530,000 8.8	370,000 (16.1)	230,000 (10.6)

	Net income per share
	yen
Year ending Mar. 31, '09	1,798.46

[Note]

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

Others

- (1) Changes for important subsidiaries during the fiscal year : 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 : Applicable
- 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 Dec. 31, 2008 : | 141,669,000 shares | | As of Mar. 31, 2008 : | 141,669,000 shares |
|-----------------------|--------------------|--|-----------------------|--------------------|
- ② Number of treasury stock
- | | | | | |
|-----------------------|-------------------|--|-----------------------|-------------------|
| As of Dec. 31, 2008 : | 13,783,587 shares | | As of Mar. 31, 2008 : | 13,779,353 shares |
|-----------------------|-------------------|--|-----------------------|-------------------|
- ③ Average number of shares
- | | | | | |
|--------------------------------------|--------------------|--|--------------------------------------|--------------------|
| Nine months ended
Dec. 31, 2008 : | 127,887,319 shares | | Nine months ended
Dec. 31, 2007 : | 127,897,311 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 3 for the forward-looking conditions and other related matters.

1. Consolidated Operating Results

For the nine-month period ended December 31, 2008, net sales were 1,536.3 billion yen and operating income reached 501.3 billion yen. For the same period, income before income taxes and extraordinary items and net income were 352.4 billion yen and 212.5 billion yen, respectively. Both income levels were adversely impacted by a large exchange loss due to the sharp appreciation of the yen.

Within the handheld device segment of the electronic entertainment products division, "Nintendo DSi" was released on November 1, 2008 in Japan. In the third quarter its sales reached 1.66 million units. "Nintendo DS Lite" enjoyed robust sales in the U.S. and Europe compared with the same period a year ago. Worldwide unit sales of "Nintendo DS" hardware were 25.62 million units for the first nine months of this fiscal year and have reached 96.22 million units life-to-date. Regarding "Nintendo DS" software sales in the first three quarters, the "Pokémon Platinum version" (released only in Japan) exceeded two million units and "Kirby: SUPER STAR ULTRA" made a strong contribution to sales in the category in all regions across the world. In addition, there were many licensee titles which sold over one million units during this nine-month period. As a result, worldwide sales of "Nintendo DS" software were 163.78 million units in the first nine months of this year.

In the console business, popularity of "Wii" hardware increased in the U.S. and Europe during the Christmas holiday sales season. "Wii" achieved worldwide sales of 20.52 million units in the first three quarters of this year and has reached 44.96 million units life-to-date. Regarding "Wii" software, sales of "Mario Kart Wii" and "Wii Fit" both reached over 10 million units. "Wii Play" has continued to enjoy robust results, selling 9.4 million units in the first nine months of the year. In addition, "Wii Music", which allows players to enjoy playing simulated musical instruments and "Animal Crossing: City Folk", which allows players to play and chat with their distant friends by using "Wii Speak", were released in the third quarter and had favorable receptions. Similar to "Nintendo DS", sales of "Wii" licensee titles also increased versus last year. Throughout the first three quarters, various genres of software have been well accepted by consumers.

Third quarter net sales in the electronic entertainment products division were 1,533.6 billion yen, while sales in the other products division (playing cards, karuta, etc.) were 2.6 billion yen.

With regard to results by geographic segment, sales in Japan were 1,369 billion yen including inter-segment sales of 1,164.4 billion yen. Operating income was 450.5 billion yen. Sales in the Americas were 629.1 billion yen including inter-segment sales of 1.5 billion yen. Operating income was 33.4 billion yen. Sales in Europe were 636 billion yen including inter-segment sales of 37 million yen. Operating income was 39.5 billion yen.

2. Consolidated Financial Position

During the nine-month period ended December 31, 2008, total assets decreased by 34.4 billion yen to 1,768 billion yen, mostly due to the payment of dividends and income taxes. During the same period, total liabilities increased by 23.5 billion yen to 596 billion yen primarily due to the rise of notes and trade accounts payable.

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.

With respect to consolidated earnings forecasts, please refer to "Notice of Financial Forecast Modifications" released today. Assumed exchange rates are as follows: 90 yen per U.S. dollar, and 120 yen per euro. For full-year sales unit forecast, please take a look at page 11.

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.

(Calculating income taxes) With respect to certain consolidated subsidiaries, corporate income tax amount is calculated by multiplying the amount of income before income taxes and minority interests through the nine-month period ended December 2008 by reasonably estimated annual effective tax rate with the effects of deferred taxes reflected.

(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 lease transactions without title transfer were formerly accounted for in accordance with the method used for ordinary lease transactions. Effective with 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) were applied.

Leased assets related to finance lease transactions without title transfer are depreciated on a straight-line basis, with the lease periods used as their useful lives and no residual value. The change in accounting method does not impact operating income, income before income taxes and extraordinary items, or income before income taxes and minority interests.

The accounting treatment for finance lease transactions without title transfer which took place before this new rule was applied remains the same (in accordance with the method applied for ordinary operating lease transactions).

(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 December 31, 2008	As of March 31, 2008
	Amount	Amount
(Assets)		
Current assets		
Cash and deposits	944,366	899,251
Notes and trade accounts receivable	260,259	147,787
Securities	167,775	353,070
Finished goods	98,091	92,617
Goods in process	576	200
Raw materials and supplies	9,022	12,023
Other current assets	140,783	144,060
Allowance for doubtful accounts	(5,882)	(2,176)
Total current assets	1,614,993	1,646,834
Fixed assets		
Property, plant and equipment	68,660	55,150
Intangible assets	1,748	2,009
Investments and other assets	82,629	98,495
Total fixed assets	153,037	155,655
Total assets	1,768,030	1,802,490

million yen

Description	As of December 31, 2008	As of March 31, 2008
	Amount	Amount
(Liabilities)		
Current liabilities		
Notes and trade accounts payable	424,420	335,820
Accrued income taxes	37,419	112,450
Allowances	1,268	1,848
Other current liabilities	124,360	117,103
Total current liabilities	587,469	567,222
Non-current liabilities		
Allowances	4,294	4,506
Other non-current liabilities	4,270	786
Total non-current liabilities	8,564	5,293
Total liabilities	596,034	572,516
(Net assets)		
Owners' equity		
Common stock	10,065	10,065
Additional paid-in capital	11,723	11,640
Retained earnings	1,366,392	1,380,430
Treasury stock	(156,492)	(156,184)
Total owners' equity	1,231,689	1,245,951
Valuation and translation adjustments		
Unrealized gains on other securities	3,848	5,418
Translation adjustments	(63,657)	(21,495)
Total valuation and translation adjustments	(59,808)	(16,077)
Minority interests	116	98
Total net assets	1,171,996	1,229,973
Total liabilities and net assets	1,768,030	1,802,490

6. Consolidated Statement of Income

million yen

Description	Nine months ended December 31, 2008
	Amount
Net sales	1,536,348
Cost of sales	851,283
Gross margin	685,065
Selling, general, and administrative expenses	183,734
Marketing expenses	100,382
Research and development expenses	27,073
Other	56,279
Operating income	501,330
Other income	28,295
Interest income	26,272
Other	2,022
Other expenses	177,137
Sales discount	622
Foreign exchange losses	174,233
Other	2,281
Income before income taxes and extraordinary items	352,488
Extraordinary gains	98
Gains on sales of investments in securities	84
Other	14
Extraordinary losses	6,171
Losses on disposal of fixed assets	55
Unrealized losses on investments in securities	6,115
Income before income taxes and minority interests	346,415
Total income taxes	133,856
Provision for income taxes and enterprise taxes	129,493
Income taxes deferred	4,362
Minority interests	35
Net income	212,524

(Reference)

[Summary] Consolidated Statement of Income

million yen

Description	Nine months ended December 31, 2007
	Amount
Net sales	1,316,434
Cost of sales	761,944
Gross margin	554,489
Selling, general, and administrative expenses	160,453
Operating income	394,036
Other income	37,789
Foreign exchange gains	143
Other	37,646
Other expenses	995
Income before income taxes and extraordinary items	430,830
Extraordinary gains	3,830
Extraordinary losses	2,135
Income before income taxes and minority interests	432,525
Income taxes	173,679
Minority interests	(83)
Net income	258,929

7. Segment Information

A. 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 categories, with no other categories to be reported on the basis of disclosure rules. Therefore, this information is not applicable to Nintendo's business.

B. Segment Information by Seller's Location

Nine months ended December 31, 2008

million yen

	Japan	The Americas	Europe	Other	Total	Eliminations or corporate	Consolidated
Net sales							
(1) Sales to third parties	204,606	627,580	635,979	68,180	1,536,348	-	1,536,348
(2) Inter-segment sales	1,164,434	1,589	37	243	1,166,304	(1,166,304)	-
Total	1,369,041	629,170	636,017	68,424	2,702,652	(1,166,304)	1,536,348
Operating income	450,560	33,491	39,520	3,307	526,880	(25,549)	501,330

C. Overseas sales

Nine months ended December 31, 2008

million yen

	The Americas	Europe	Other	Total
I Overseas sales	628,838	635,990	74,303	1,339,133
II Consolidated net sales				1,536,348
III Ratio of overseas sales to consolidated net sales	40.9%	41.4%	4.9%	87.2%

8. Others

(1) Consolidated sales information

million yen

Business Category	Main products	Nine months ended December 31, 2007	Nine months ended December 31, 2008
Electronic entertainment products	Hardware	854,164	966,185
	Software	459,454	567,498
	Electronic entertainment products total	1,313,618	1,533,683
Other	Playing cards, Karuta, etc.	2,815	2,665
	Total	1,316,434	1,536,348

(2) Reference

million yen

	Nine months ended December 31, 2008	Year ending March 31, '09 (forecast)
Depreciation expenses of tangible assets	5,486	7,600
Research and development expenses	27,092	40,000
Number of employees (at period end)	4,059	—

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

			Actual		Sales units in ten thousands Number of new titles released	
			Actual Apr.-Dec. '07	Actual Apr.-Dec. '08	Life-to-date	Forecast Apr. '08-Mar. '09
Game Boy Advance	Hardware	Japan	11	6	1,695	
		The Americas	55	(0)	4,164	
		Other	60	32	2,285	
		Total	126	39	8,144	
	Software	Japan	30	22	7,294	
		The Americas	759	35	21,724	
		Other	170	2	8,706	
		Total	959	59	37,724	
	New titles	Japan	-	-	786	
		The Americas	27	-	1,021	
Other		17	-	921		
Nintendo DS	Hardware	Japan	564	329	2,567	
		The Americas	844	954	3,193	
		Other	1,042	1,279	3,862	
		Total	2,450	2,562	9,622	3,150
	of which Nintendo DSi	Japan	-	166	166	
		The Americas	-	-	-	
		Other	-	0	0	
		Total	-	166	166	
	Software	Japan	3,334	2,711	14,212	
		The Americas	5,114	6,455	18,775	
Other		6,241	7,211	20,352		
Total		14,689	16,378	53,338	19,300	
New titles	Japan	345	332	1,235		
	The Americas	239	303	870		
	Other	253	418	1,022		
Wii	Hardware	Japan	299	189	780	
		The Americas	647	980	2,040	
		Other	483	883	1,676	
		Total	1,429	2,052	4,496	2,650
	Software	Japan	1,071	1,104	3,210	
		The Americas	4,641	9,029	16,966	
		Other	2,723	6,246	11,047	
		Total	8,435	16,378	31,222	19,300
	New titles	Japan	84	91	244	
		The Americas	149	219	460	
Other		117	184	413		

[Notes]

- 1 New titles-Other include new titles in the European and Australian markets.
- 2 Sales units, number of new titles figures for Nintendo DS do not include quantity of the Nintendo Dsi Ware titles.
- 3 Sales units, number of new titles figures for Wii do not include quantity of the Virtual Console and WiiWare titles.
- 4 Software forecast figures do include quantity bundled with hardware for the results ended December 31, 2008, however, software forecast figures in and after January 2009 do not include quantity bundled with hardware.

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

		million U.S. dollars/euros			
		Ending balance as of Dec. 31, '08	Ave. exchange rate Apr.-Dec. '08	Exchange rate as of Dec. 31, '08	Est. exchange rate Jan.-Mar. '09 & as of Mar. 31, '09
US\$	Cash and deposits	2,719	US\$1.00 =	US\$1.00 =	US\$1.00 =
US\$	Trade accounts receivable	1,732	¥102.84	¥91.03	¥90.00
US\$	Trade accounts payable	433			
EUR	Cash and deposits	3,195	EUR1.00 =	EUR1.00 =	EUR1.00 =
EUR	Trade accounts receivable	1,279	¥150.70	¥127.96	¥120.00