

CONSOLIDATED FINANCIAL STATEMENTS



MEMBERSHIP
May 6, 2010



Nintendo Co., Ltd.
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Minami-ku, Kyoto 601-8501
Japan

Consolidated Results for the Years Ended March 31, 2009 and 2010

(1) Consolidated operating results

(Amounts below one million are rounded down)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2010	1,434,365	(22.0)	356,567	(35.8)	364,324	(18.8)	228,635	(18.1)
Year ended March 31, 2009	1,838,622	9.9	555,263	14.0	448,695	1.8	279,089	8.5

[Note] Percentages for net sales, operating income etc. show increase (decrease) from the last fiscal year.

	Net income per share	Return on equity	Ordinary income on total assets	Operating income to net sales
	yen	%	%	%
Year ended March 31, 2010	1,787.84	17.7	20.4	24.9
Year ended March 31, 2009	2,182.32	22.5	24.8	30.2

(2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2010	1,760,986	1,336,585	75.9	10,450.33
As of March 31, 2009	1,810,767	1,253,931	69.2	9,804.97

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents - ending
	million yen	million yen	million yen	million yen
Year ended March 31, 2010	160,337	(12,728)	(133,847)	931,333
Year ended March 31, 2009	287,800	(174,363)	(227,654)	894,129

Dividends

	Dividend per share			Dividends in total (annual)	Dividend payout ratio (consolidated basis)	Dividends on net assets (consolidated basis)
	End of 2nd quarter	Year-end	Annual			
	yen	yen	yen	million yen	%	%
Year ended Mar. 2009	660.00	780.00	1,440.00	184,154	66.0	14.8
Year ended Mar. 2010	270.00	660.00	930.00	118,930	52.0	9.2
Year ending Mar. 2011 (forecast)	310.00	520.00	830.00		53.1	

Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2011

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Six months ending Sept. 2010	550,000	0.4	120,000	15.0	115,000	4.0	70,000	0.7	547.38
Year ending Mar. 2011	1,400,000	(2.4)	320,000	(10.3)	320,000	(12.2)	200,000	(12.5)	1,563.94

[Notes] Percentages for net sales, operating income etc. show increase (decrease) from previous each period.

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

Others

(1) Changes for important subsidiaries during the fiscal year ended March 31, 2010 : Not applicable

(2) Changes on the basis of consolidated financial statements preparation

① Related to accounting standard revisions etc. : Applicable

② Other changes : Applicable

[Note] Please refer to "Changes on the Basis of Consolidated Financial Statements Preparation" at page 14 for details.

(3) Outstanding shares (common shares)

① Number of shares outstanding (including treasury stock)

As of March 31, 2010 : 141,669,000 shares As of March 31, 2009 : 141,669,000 shares

② Number of treasury stock

As of March 31, 2010 : 13,786,778 shares As of March 31, 2009 : 13,784,279 shares

(Reference) Non-consolidated Results

Non-consolidated Results for the Years Ended March 31, 2009 and 2010

(1) Non-consolidated operating results

	Net sales	Operating income	Ordinary income	Net income
	million yen	million yen	million yen	million yen
Year ended March 31, 2010	1,214,481	293,576	293,982	183,548
Year ended March 31, 2009	1,672,546	509,166	377,428	226,264

	Net income per share
	yen
Year ended March 31, 2010	1,435.27
Year ended March 31, 2009	1,769.26

(2) Non-consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2010	1,444,911	1,083,089	75.0	8,469.43
As of March 31, 2009	1,524,793	1,035,317	67.9	8,095.71

[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).

Operating Results

1. Analysis of Operations

(1)Fiscal year ended March 31, 2010

Nintendo has continued to execute its strategy of expanding the gaming audience by broadening the definition of video games with "Nintendo DS" and "Wii." However, this fiscal year, business performance was negatively impacted by a price reduction on Wii hardware, fewer strong Wii software titles in the first half and appreciation of the yen. As a result, net sales were 1,434.3 billion yen, including overseas sales of 1,206.6 billion yen, which accounted for 84.1% of total sales. Operating income was 356.5 billion yen, ordinary income was 364.3 billion yen and net income was 228.6 billion yen.

With respect to sales by business category within the handheld device segment of the electronic entertainment products division, "Nintendo DSi" (released in Japan last fiscal year) was launched overseas in April 2009. In addition, a new handheld device, "Nintendo DSi LL" (called "Nintendo DSi XL" overseas) which meets the customer's need to have enjoyment "with a larger screen" and "let friends and family members join the fun," was released in Japan in November 2009 and in overseas in March 2010. Sales of the "Nintendo DS" series during this fiscal year in the Americas were 12.29 million units and broke the annual hardware unit sales record in the region. Worldwide unit sales of the "Nintendo DS" hardware series were 27.11 million units during this fiscal year despite the shortfall in Europe compared with last year and have reached 128.89 million units life-to-date. In spite of lower unit sales versus last year, "Nintendo DS" life-to-date unit sales have surpassed the "Game Boy" series, which was released in 1989 and became the biggest selling handheld gaming device worldwide. Regarding "Nintendo DS" software sales, "Pokémon HeartGold Version/ SoulSilver Version" and "The Legend of Zelda: Spirit Tracks" sold 8.4 million units and 2.61 million units respectively. In addition, "Tomodachi Collection," which was released in Japan, has achieved long-term popularity and sold 3.2 million units. As a result, the number of million-seller titles life-to-date (including third-party publisher titles) increased from 91 to 114 compared with last year.

In the console business, sales lagged until the holiday selling season. However, due to the launch of key software titles in the holiday season, "Wii" hardware achieved worldwide sales of 20.53 million units this fiscal year and has now reached 70.93 million units life-to-date. This is the largest cumulative unit sales performance for console hardware in our company's history. Regarding "Wii" software, "Wii Sports Resort," which allows players to enjoy several sports, sold 16.14 million units worldwide. "Wii Fit Plus," which is fitness software that supports your daily health management, sold 12.65 million units worldwide. In addition, "New Super Mario Bros. Wii," which is the newest series of "Super Mario," and allows four players to play at the same time, sold 14.7 million units worldwide. Thus, several software titles sold over 10 million units during this fiscal year. As a result, the number of million-seller titles life-to-date (including third-party publisher titles) increased to 79 versus 54 as of the end of last fiscal year.

Net sales in the electronic entertainment products division were 1,431.5 billion yen, while sales in the other products division (playing cards, karuta, etc.) were 2.7 billion yen.

With regard to results by geographic segment, sales in Japan were 1,217 billion yen including inter-segment sales of 985.6 billion yen. Operating income was 294.1 billion yen. Sales in the Americas were 643.1 billion yen including inter-segment sales of 2.2 billion yen. Operating income was 39.8 billion yen. Sales in Europe were 481.3 billion yen including inter-segment sales of 39 million yen. Operating income was 18 billion yen. Sales in other areas were 81 billion yen including inter-segment sales of 0.2 billion yen. Operating income was 3.7 billion yen.

(2) Outlook for fiscal year ending March 31, 2011

Nintendo has announced a new handheld device, "Nintendo 3DS (tentative name)," which allows 3D gameplay without the need for any special glasses and is compatible with "Nintendo DS" and "Nintendo DSi" software. Nintendo will also release "Pokémon Black Version/ White Version," the newest "Pokémon" release in the series which have sold more than 140 million units cumulatively, and will continue to appeal to a wide range of consumers. Through the expansion of "Nintendo Zone," a service utilizing the wireless function of "Nintendo DS," Nintendo will continue to provide unique content such as free downloadable "Nintendo DS" software and "Nintendo Wi-Fi Connection," which enables players to enjoy games together with their distant friends. In addition, Nintendo's strategy is to achieve the ultimate worldwide objective of "must-have for everyone" rather than "must-have for every family." Nintendo will enrich consumers' daily lives with features such as information services at cultural facilities, commercial establishments, and more.

Regarding the console business, Nintendo will launch new "Wii" software including the latest offering in the Metroid series called "Metroid: Other M," an action game, and "Super Mario Galaxy 2," a new action game featuring Mario's adventures throughout the galaxy. In addition, Nintendo is developing software with a new concept using the "Wii Vitality Sensor" accessory which can measure the player's biological information. This variety of offerings will be useful in people's daily lives as Nintendo attempts to put smiles on more people's faces.

With regard to consolidated performance forecasts for the fiscal year ending March 31, 2011, net sales are 1,400 billion yen, operating income 320 billion yen, ordinary income 320 billion yen, and net income 200 billion yen. Unit sales of the major products used for the forecast are listed at page 23. Exchange rates used for the forecast are 95 yen per U.S. dollar and 120 yen per Euro.

[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).

2. Financial Positions

Total assets decreased overall by 49.7 billion yen compared to the previous fiscal year-end to 1,760.9 billion yen due to the decrease of inventories and investment securities used for the payments of dividends and income taxes, while cash and deposits increased as a result of the robust sales during the year-end holiday season. Total liabilities decreased by 132.4 billion yen compared to the previous fiscal year-end to 424.4 billion yen mainly due to the decrease in notes and accounts payable-trade. Net assets increased by 82.6 billion yen compared to the previous fiscal year-end to 1,336.5 billion yen primarily due to increases in retained earnings.

The ending balance of "Cash and cash equivalents" (collectively, "Cash") as of March 31, 2010 increased by 37.2 billion yen compared to the previous fiscal year-end to 931.3 billion yen. Net increase (decrease) of Cash and contributing factors during the fiscal period ended March 31, 2010 are as follows:

Net cash provided by (used in) operating activities:

Net cash from operating activities increased by 160.3 billion yen primarily due to the fact that income before income taxes and minority interests in income resulted in 367.4 billion yen, whereas payments of income taxes and trade accounts payable decreased.

Net cash provided by (used in) investing activities:

Net cash from investing activities decreased by 12.7 billion yen mainly due to the amount of transfers of cash to time deposits exceeding the maturity of time deposits and payments for the acquisition of property, plant and equipment.

Net cash provided by (used in) financing activities:

Net cash from financing activities decreased by 133.8 billion yen mainly due to payments for cash dividends.

Cash flow index trend

	As of March 31, 2006	As of March 31, 2007	As of March 31, 2008	As of March 31, 2009	As of March 31, 2010
Capital adequacy ratio	83.9 %	69.9 %	68.2 %	69.2 %	75.9 %
Capital adequacy ratio at market value	194.0	278.0	364.7	200.9	227.3

[Notes] Capital adequacy ratio: Total "Shareholders' equity" and "Valuation and translation adjustments" divided by Total assets

Capital adequacy ratio at market value: Total market value of stocks divided by Total assets

*Percentage figures are calculated on a consolidated basis.

*Total market value of stocks is calculated by multiplying closing price by the number of shares outstanding (excluding treasury stock) at the end of the period.

3. Basic Policy of Profit Distribution and Dividends

It is the Company's basic policy to internally provide the capital necessary to fund future growth, including capital investments, and to maintain a strong and liquid financial position in preparation for changes in the business environment and intensified competition. As for direct profit returns to our shareholders, dividends are paid based on profit levels achieved in each fiscal period.

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 the end of the fiscal year rounded up to the 10 yen digit, and the amount calculated based on the 50% consolidated net income standard rounded up to the 10 yen digit.

The end of 2nd quarter (interim) dividend per share is calculated by dividing 33% of consolidated operating income by the total number of outstanding shares, excluding treasury stock, as of the end of the six-month period rounded up to the 10 yen digit.

As a result, the dividend for the fiscal year ended March 31, 2010 has been established at 930 yen (interim: 270 yen, year-end: 660 yen) and dividend for the fiscal year ending March 31, 2011 will be 830 yen (interim: 310 yen, year-end: 520 yen) if earnings are in line with the financial forecast herein.

Retained earnings are maintained for effective use in research of new technology and development of new products, capital investments and securing materials, enhancement of selling power including advertisement, and common stock buyback whenever deemed appropriate.

Management Policy

(1) Basic Management policy and (2) Targeted Management Index are omitted since nothing significant has changed from the two set forth in the earnings release issued on October 26, 2006. Please refer to the following URL for further information.

(Nintendo homepage)

<http://www.nintendo.co.jp/ir/en/index.html>

(3) Medium and Long Term Management Strategy and Challenges

Nintendo continues to pursue "Gaming Population Expansion" based on the idea of putting smiles on many people's faces by offering brand new entertainment that anyone can enjoy, regardless of age, gender, or gaming experience. Nintendo markets its products worldwide and has been trying to improve the social acceptance of video games similar to the level of other forms of entertainment such as movies, music and sports.

In the handheld market, each model of the "Nintendo DS" series is positioned as "a machine that enriches its owner's daily life." Nintendo's handheld business strategy is to achieve the ultimate target of "must-have for everyone" rather than "must-have for every family."

Nintendo has positioned "Wii" as "a machine that puts smiles on surrounding people's faces." The Nintendo "Wii" encourages communication among family members in the living room and provides enjoyment of their "new life with 'Wii.'" Via the Wii's internet connection, the "Wii Channel" offers a variety of information such as weather, news, shopping and more. Additionally, Nintendo will strive to expand the lineup of "Theater-no-Ma," the service included in the "Wii-no-Ma Channel" whereby the viewer can enjoy entertainment such as movies, animation and classic TV programs. In the United States, Nintendo has contracted with an online DVD rental company to provide streaming movies and TV shows via the Wii's internet connection beginning in April this year.

In the challenging and competitive gaming industry, which consistently requires new and innovative products, Nintendo will strive to expand its business and increase revenue and profit by capitalizing on being the only hardware platform producer with powerful in-house software development teams.

Consolidated Balance Sheets

million yen

Date Description	As of March 31, 2009	As of March 31, 2010
	Amount	Amount
(Assets)		
I Current assets		
1 Cash and deposits	756,201	886,995
2 Notes and accounts receivable-trade	139,174	131,876
3 Short-term investment securities	463,947	365,326
4 Finished goods	132,133	116,055
5 Work in process	439	90
6 Raw materials and supplies	12,180	8,528
7 Deferred tax assets	44,154	35,193
8 Other	104,519	48,389
9 Allowance for doubtful accounts	(4,025)	(1,067)
Total current assets	1,648,725	1,591,388
II Noncurrent assets		
1 Property, plant and equipment		
(1) Buildings and structures, net	16,877	16,037
(2) Machinery, equipment and vehicles, net	2,195	1,797
(3) Tools, furniture and fixtures, net	5,763	5,259
(4) Land	42,841	42,488
(5) Construction in progress	3,386	14,003
Total property, plant and equipment	71,064	79,586
2 Intangible assets		
(1) Software	751	949
(2) Other	1,418	3,162
Total intangible assets	2,169	4,111
3 Investments and other assets		
(1) Investment securities	54,726	44,057
(2) Deferred tax assets	29,565	35,929
(3) Other	4,530	5,926
(4) Allowance for doubtful accounts	(14)	(13)
Total investments and other assets	88,807	85,899
Total noncurrent assets	162,042	169,598
Total assets	1,810,767	1,760,986

million yen

Date	As of March 31, 2009	As of March 31, 2010
Description	Amount	Amount
(Liabilities)		
I Current liabilities		
1 Notes and accounts payable-trade	356,774	264,613
2 Income taxes payable	83,551	55,666
3 Provision for bonuses	1,930	2,174
4 Other	98,657	85,082
Total current liabilities	540,914	407,537
II Noncurrent liabilities		
1 Provision for retirement benefits	10,247	9,924
2 Other	5,673	6,939
Total noncurrent liabilities	15,921	16,863
Total liabilities	556,835	424,401
(Net assets)		
I Shareholders' equity		
1 Capital stock	10,065	10,065
2 Capital surplus	11,726	11,733
3 Retained earnings	1,432,958	1,527,315
4 Treasury stock	(156,516)	(156,585)
Total shareholders' equity	1,298,234	1,392,528
II Valuation and translation adjustments		
1 Valuation difference on available-for-sale securities	3,100	1,661
2 Foreign currency translation adjustment	(47,428)	(57,778)
Total valuation and translation adjustments	(44,328)	(56,117)
III Minority interests		
	25	174
Total net assets	1,253,931	1,336,585
Total liabilities and net assets	1,810,767	1,760,986

Consolidated Statements of Income

million yen

Description	Period	Year ended March 31, 2009	Year ended March 31, 2010
		Amount	Amount
I Net sales		1,838,622	1,434,365
II Cost of sales		1,044,981	859,131
Gross Profit		793,641	575,234
III Selling, general and administrative expenses		238,378	218,666
Operating income		555,263	356,567
IV Non-operating income			
1 Interest income		30,181	8,512
2 Other		1,978	2,570
Total non-operating income		32,159	11,082
V Non-operating expenses			
1 Sales discounts		752	587
2 Loss on redemption of securities		2,575	2,131
3 Foreign exchange losses		133,908	204
4 Other		1,491	401
Total non-operating expenses		138,727	3,325
Ordinary income		448,695	364,324
VI Extraordinary income			
1 Reversal of allowance for doubtful accounts		243	1,207
2 Gain on sales of noncurrent assets		13	126
3 Gain on sales of investment securities		82	-
4 Gain on prior periods adjustment		-	※ ¹ 4,065
Total extraordinary income		339	5,399
VII Extraordinary loss			
1 Loss on disposal of noncurrent assets		69	67
2 Loss on valuation of investment securities		832	-
3 Loss on prior periods adjustment		-	※ ² 2,215
Total extraordinary loss		902	2,282
Income before income taxes and minority interests		448,132	367,442
Income taxes-current		179,997	136,319
Income taxes-deferred		(10,863)	2,576
Total income taxes		169,134	138,896
Minority interests in income (loss)		(91)	(89)
Net income		279,089	228,635

Consolidated Statements of Changes in Net Assets

Year ended March 31, 2009(April 1, 2008 - March 31, 2009)

million yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2008	10,065	11,640	1,380,430	(156,184)	1,245,951
Effect of changes in accounting policies applied to foreign subsidiaries	-	-	1,079	-	1,079
Changes of items during the period					
Dividends from surplus	-	-	(227,641)	-	(227,641)
Net income	-	-	279,089	-	279,089
Purchase of treasury stock	-	-	-	(364)	(364)
Disposal of treasury stock	-	86	-	32	118
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes of items during the period	-	86	51,448	(331)	51,202
Balance as of March 31, 2009	10,065	11,726	1,432,958	(156,516)	1,298,234

million yen

	Valuation and translation adjustments			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total valuation and translation adjustments		
Balance as of March 31, 2008	5,418	(21,495)	(16,077)	98	1,229,973
Effect of changes in accounting policies applied to foreign subsidiaries	-	-	-	-	1,079
Changes of items during the period					
Dividends from surplus	-	-	-	-	(227,641)
Net income	-	-	-	-	279,089
Purchase of treasury stock	-	-	-	-	(364)
Disposal of treasury stock	-	-	-	-	118
Net changes of items other than shareholders' equity	(2,317)	(25,933)	(28,251)	(73)	(28,324)
Total changes of items during the period	(2,317)	(25,933)	(28,251)	(73)	22,878
Balance as of March 31, 2009	3,100	(47,428)	(44,328)	25	1,253,931

Consolidated Statements of Changes in Net Assets

Year ended March 31, 2010 (April 1, 2009 - March 31, 2010)

million yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2009	10,065	11,726	1,432,958	(156,516)	1,298,234
Effect of changes in accounting policies applied to foreign subsidiaries	-	-	-	-	-
Changes of items during the period					
Dividends from surplus	-	-	(134,278)	-	(134,278)
Net income	-	-	228,635	-	228,635
Purchase of treasury stock	-	-	-	(74)	(74)
Disposal of treasury stock	-	6	-	5	11
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes of items during the period	-	6	94,356	(68)	94,294
Balance as of March 31, 2010	10,065	11,733	1,527,315	(156,585)	1,392,528

million yen

	Valuation and translation adjustments			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total valuation and translation adjustments		
Balance as of March 31, 2009	3,100	(47,428)	(44,328)	25	1,253,931
Effect of changes in accounting policies applied to foreign subsidiaries	-	-	-	-	-
Changes of items during the period					
Dividends from surplus	-	-	-	-	(134,278)
Net income	-	-	-	-	228,635
Purchase of treasury stock	-	-	-	-	(74)
Disposal of treasury stock	-	-	-	-	11
Net changes of items other than shareholders' equity	(1,439)	(10,349)	(11,788)	148	(11,640)
Total changes of items during the period	(1,439)	(10,349)	(11,788)	148	82,653
Balance as of March 31, 2010	1,661	(57,778)	(56,117)	174	1,336,585

Consolidated Statements of Cash Flows

million yen

Description	Period	Year Ended March 31, 2009	Year Ended March 31, 2010
		Amount	Amount
I Net cash provided by (used in) operating activities:			
Income before income taxes and minority interests		448,132	367,442
Depreciation and amortization		8,102	7,098
Increase (decrease) in allowance for doubtful accounts		2,149	(2,867)
Increase (decrease) in provision for retirement benefits		5,960	41
Interest and dividends income		(30,430)	(8,767)
Foreign exchange losses (gains)		98,557	(16,888)
Equity in (earnings) losses of affiliates		(164)	58
Decrease (increase) in notes and accounts receivable-trade		(4,535)	3,833
Decrease (increase) in inventories		(57,623)	13,380
Increase (decrease) in notes and accounts payable-trade		8,182	(50,731)
Increase (decrease) in accrued consumption taxes		(3,003)	1,061
Other, net		(12,629)	(1,825)
Sub-total		462,697	311,837
Interest and dividends income received		31,477	9,595
Interest expenses paid		(1)	(2)
Income taxes paid		(206,373)	(161,091)
Net cash provided by (used in) operating activities		287,800	160,337
II Net cash provided by (used in) investing activities:			
Payments into time deposits		(247,431)	(288,968)
Proceeds from withdrawal of time deposits		147,391	247,925
Purchase of short-term investment securities		(496,475)	(566,926)
Proceeds from sales and redemption of securities		455,346	619,400
Purchase of property, plant and equipment		(22,956)	(17,127)
Proceeds from sales of property, plant and equipment		28	135
Purchase of investment securities		(12,742)	(1,075)
Other, net		2,475	(6,092)
Net cash provided by (used in) investing activities		(174,363)	(12,728)
III Net cash provided by (used in) financing activities:			
Purchase of treasury stock		(364)	(74)
Cash dividends paid		(227,458)	(134,137)
Other, net		168	364
Net cash provided by (used in) financing activities		(227,654)	(133,847)
IV Effect of exchange rate change on cash and cash equivalents		(95,194)	23,442
V Net increase (decrease) in cash and cash equivalents		(209,412)	37,203
VI Cash and cash equivalents at beginning of period		1,103,542	894,129
VII Cash and cash equivalents at end of period		894,129	931,333

Changes on the Basis of Consolidated Financial Statements Preparation

(Changes in accounting procedures)

(Application of "Accounting Standard for Financial Instruments")

Effective with the fiscal year ended March 31, 2010, the "Accounting Standard for Financial Instruments" (Accounting Standards Board of Japan Statement No.10 dated January 22, 1999 and its last amendment was March 10, 2008) and "Guidance on Disclosures about Fair Value of Financial Instruments" (Accounting Standards Board of Japan Guidance No.19 dated March 10, 2008) have been adopted.

There is no impact on ordinary income or income before income taxes and minority interests in income.

(Change in valuation method of investment securities)

Unrealized gains or losses on other securities with marketable value had been accounted for using the partial net asset recording method. Effective from this fiscal year ended March 31, 2010, in order to improve comparability with other companies, the accounting method has been changed to the whole net asset recording method. The impact of this change increases Ordinary income and Income before income taxes and minority interests in income by 4,966 million yen and 2,669 million yen, respectively, compared to the previous method.

(Application of "Partial Amendments to Accounting Standard for Retirement Benefits (Part 3)")

Effective with the fiscal year ended March 31, 2010, the "Partial Amendments to Accounting Standard for Retirement Benefits (Part 3)" (Accounting Standards Board of Japan Statement No.19 dated July 31, 2008) has been adopted.

The impact on operating income, ordinary income and income before income taxes and minority interests in income is not material.

Notes Pertaining to Consolidated Financial Statements

a. Notes pertaining to consolidated balance sheets, statements of income, statements of net assets, and statements of cash flows

(Consolidated balance sheets information)	million yen As of March 31, 2009	million yen As of March 31, 2010
Accumulated depreciation of property, plant, and equipment	48,394	51,637

(Consolidated statements of income information)

As of March 31, 2009 ... Not applicable

As of March 31, 2010 ... ※1 "Gain on prior periods adjustment" is the amount of refund for the penalties of a law suit paid in prior years.
 ※2 "Loss on prior periods adjustments" is the amount of adjustments related to prior years in connection with redeemable points (by Club Nintendo points etc.). Effective from this fiscal consolidated year, the granted points have been treated as deferred sales. Prior to the period, they were expensed.

(Consolidated statements of cash flows information)

Reconciliation between cash and cash equivalents - ending and the amount shown on consolidated balance sheets

	million yen As of March 31, 2009	million yen As of March 31, 2010
Cash and deposits account	756,201	886,995
Time deposits (over 3 months)	(138,854)	(176,035)
Short-term investments due within 3 months after acquisition	276,782	220,373
Cash and cash equivalents - Ending	894,129	931,333

b. 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

Year ended March 31, 2009

million yen

	Japan	The Americas	Europe	Other	Total	Eliminations or corporate	Consolidated
I Net sales							
(1) Sales to third parties	237,688	793,562	726,362	81,009	1,838,622	-	1,838,622
(2) Inter-segment sales	1,435,135	2,196	36	327	1,437,696	(1,437,696)	-
Total	1,672,824	795,758	726,399	81,336	3,276,319	(1,437,696)	1,838,622
Operating expenses	1,163,053	755,474	692,450	79,015	2,689,993	(1,406,633)	1,283,359
Operating income	509,770	40,284	33,949	2,321	586,326	(31,063)	555,263
II Assets	1,493,668	356,140	201,013	28,185	2,079,007	(268,240)	1,810,767

Year ended March 31, 2010

million yen

	Japan	The Americas	Europe	Other	Total	Eliminations or corporate	Consolidated
I Net sales							
(1) Sales to third parties	231,424	640,879	481,270	80,791	1,434,365	-	1,434,365
(2) Inter-segment sales	985,649	2,225	39	273	988,189	(988,189)	-
Total	1,217,074	643,104	481,310	81,065	2,422,554	(988,189)	1,434,365
Operating expenses	922,928	603,303	463,298	77,292	2,066,822	(989,023)	1,077,798
Operating income	294,145	39,801	18,011	3,773	355,732	834	356,567
II Assets	1,413,259	324,238	185,136	32,106	1,954,740	(193,753)	1,760,986

3. Overseas sales

Year ended March 31, 2009

million yen

	<u>The Americas</u>	<u>Europe</u>	<u>Other</u>	<u>Total</u>
I Overseas sales	795,677	726,376	87,571	1,609,625
II Consolidated net sales				1,838,622
III Ratio of overseas sales to consolidated net sales	43.3%	39.5%	4.7%	87.5%

Year ended March 31, 2010

million yen

	<u>The Americas</u>	<u>Europe</u>	<u>Other</u>	<u>Total</u>
I Overseas sales	642,523	477,931	86,208	1,206,663
II Consolidated net sales				1,434,365
III Ratio of overseas sales to consolidated net sales	44.8%	33.3%	6.0%	84.1%

Non-Consolidated Balance Sheets

million yen

Description	Date	As of March 31, 2009	As of March 31, 2010
		Amount	Amount
(Assets)			
I Current assets			
1	Cash and deposits	513,269	656,775
2	Notes receivable-trade	51	41
3	Accounts receivable-trade	289,565	212,586
4	Short-term investment securities	426,117	335,436
5	Finished goods	10,910	11,676
6	Work in process	269	77
7	Raw materials and supplies	8,882	4,159
8	Deferred tax assets	26,543	21,547
9	Other	87,321	42,572
10	Allowance for doubtful accounts	(4)	(2)
Total current assets		1,362,926	1,284,872
II Noncurrent assets			
1	Property, plant and equipment		
(1)	Buildings, net	11,513	10,903
(2)	Structures, net	278	246
(3)	Machinery and equipment, net	361	272
(4)	Vehicles, net	33	31
(5)	Tools, furniture and fixtures, net	2,650	1,920
(6)	Land	37,405	37,337
(7)	Construction in progress	-	44
Total property, plant and equipment		52,244	50,755
2	Intangible assets		
(1)	Software	458	495
(2)	Other	66	2,143
Total intangible assets		524	2,639
3	Investments and other assets		
(1)	Investment securities	48,084	38,116
(2)	Stocks of subsidiaries and affiliates	25,394	27,725
(3)	Investments in capital of subsidiaries and affiliates	10,419	10,419
(4)	Claims provable in bankruptcy, claims provable in rehabilitation and other	14	13
(5)	Deferred tax assets	24,663	29,789
(6)	Other	536	593
(7)	Allowance for doubtful accounts	(14)	(13)
Total investments and other assets		109,098	106,644
Total noncurrent assets		161,867	160,039
Total assets		1,524,793	1,444,911

million yen

Description	Date	As of March 31, 2009	As of March 31, 2010
		Amount	Amount
(Liabilities)			
I Current liabilities			
1	Notes payable-trade	7,273	5,582
2	Accounts payable-trade	340,087	254,960
3	Accounts payable-other	22,193	21,434
4	Income taxes payable	78,573	51,612
5	Advances received	3,121	5,465
6	Provision for bonuses	1,930	2,097
7	Other	32,105	17,654
Total current liabilities		485,285	358,807
II Noncurrent liabilities			
1	Provision for retirement benefits	3,176	1,920
2	Other	1,014	1,094
Total noncurrent liabilities		4,191	3,014
Total liabilities		489,476	361,821
(Net assets)			
I Shareholders' equity			
1	Capital stock	10,065	10,065
2	Capital surplus		
(1)	Legal capital surplus	11,584	11,584
(2)	Other capital surplus	142	148
Total capital surpluses		11,726	11,733
3	Retained earnings		
(1)	Legal retained earnings	2,516	2,516
(2)	Other retained earnings		
	Reserve for advanced depreciation of noncurrent assets	36	34
	General reserve	860,000	860,000
	Retained earnings brought forward	304,388	353,660
Total retained earnings		1,166,941	1,216,211
4	Treasury stock	(156,516)	(156,585)
Total shareholders' equity		1,032,217	1,081,424
II Valuation and translation adjustments			
1	Valuation difference on available-for-sale securities	3,099	1,664
Total valuation and translation adjustments		3,099	1,664
Total net assets		1,035,317	1,083,089
Total liabilities and net assets		1,524,793	1,444,911

Non-Consolidated Statements of Income

million yen

Description	Period	Year Ended March 31, 2009	Year Ended March 31, 2010
		Amount	Amount
I Net sales		1,672,546	1,214,481
II Cost of sales		1,059,231	819,611
Gross profit		613,314	394,869
III Selling, general and administrative expenses		104,148	101,292
Operating income		509,166	293,576
IV Non-operating income			
1 Interest income		17,721	4,244
2 Interest on securities		4,702	3,002
3 Other		2,101	1,767
Total non-operating income		24,525	9,014
V Non-operating expenses			
1 Sales discounts		1,910	694
2 Loss on redemption of securities		2,575	2,131
3 Foreign exchange losses		151,611	5,516
4 Other		164	265
Total non-operating expenses		156,262	8,608
Ordinary income		377,428	293,982
VI Extraordinary income			
1 Reversal of allowance for doubtful accounts		-	1
2 Gain on sales of noncurrent assets		-	126
3 Gain on prior periods adjustment		-	4,065
Total extraordinary income		-	4,193
VII Extraordinary loss			
1 Loss on disposal of noncurrent assets		61	55
2 Loss on valuation of investment securities		832	-
3 Loss on prior periods adjustment		-	1,684
Total extraordinary loss		894	1,739
Income before income taxes		376,534	296,436
Income taxes-current		152,530	112,038
Income taxes-deferred		(2,260)	849
Total income taxes		150,269	112,888
Net income		226,264	183,548

Non-Consolidated Statements of Changes in Net Assets

Year ended March 2009 (April 1, 2008 - March 31, 2009)

million yen

	Shareholders' equity			
	Capital stock	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance as of March 31, 2008	10,065	11,584	56	11,640
Changes of items during the period				
Reversal of reserve for advanced depreciation of noncurrent assets	-	-	-	-
Dividends from surplus	-	-	-	-
Net income	-	-	-	-
Purchase of treasury stock	-	-	-	-
Disposal of treasury stock	-	-	86	86
Net changes of items other than shareholders' equity	-	-	-	-
Total changes of items during the period	-	-	86	86
Balance as of March 31, 2009	10,065	11,584	142	11,726

million yen

	Shareholders' equity							Valuation and translation adjustments	Total net assets
	Retained earnings					Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	
	Legal retained earnings	Other retained earnings			Total retained earnings				
		Reserve for advanced depreciation of noncurrent assets	General reserve	Retained earnings brought forward					
Balance as of March 31, 2008	2,516	38	860,000	305,763	1,168,318	(156,184)	1,033,839	5,417	1,039,256
Changes of items during the period									
Reversal of reserve for advanced depreciation of noncurrent assets	-	(1)	-	1	-	-	-	-	-
Dividends from surplus	-	-	-	(227,641)	(227,641)	-	(227,641)	-	(227,641)
Net income	-	-	-	226,264	226,264	-	226,264	-	226,264
Purchase of treasury stock	-	-	-	-	-	(364)	(364)	-	(364)
Disposal of treasury stock	-	-	-	-	-	32	118	-	118
Net changes of items other than shareholders' equity	-	-	-	-	-	-	-	(2,317)	(2,317)
Total changes of items during the period	-	(1)	-	(1,374)	(1,376)	(331)	(1,621)	(2,317)	(3,939)
Balance as of March 31, 2009	2,516	36	860,000	304,388	1,166,941	(156,516)	1,032,217	3,099	1,035,317

Non-Consolidated Statements of Changes in Net Assets

Year ended March 2009 (April 1, 2009 - March 31, 2010)

million yen

	Shareholders' equity			
	Capital stock	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance as of March 31, 2009	10,065	11,584	142	11,726
Changes of items during the period				
Reversal of reserve for advanced depreciation of noncurrent assets	-	-	-	-
Dividends from surplus	-	-	-	-
Net income	-	-	-	-
Purchase of treasury stock	-	-	-	-
Disposal of treasury stock	-	-	6	6
Net changes of items other than shareholders' equity	-	-	-	-
Total changes of items during the period	-	-	6	6
Balance as of March 31, 2010	10,065	11,584	148	11,733

million yen

	Shareholders' equity							Valuation and translation adjustments	Total net assets
	Retained earnings					Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	
	Legal retained earnings	Other retained earnings			Total retained earnings				
		Reserve for advanced depreciation of noncurrent assets	General reserve	Retained earnings brought forward					
Balance as of March 31, 2009	2,516	36	860,000	304,388	1,166,941	(156,516)	1,032,217	3,099	1,035,317
Changes of items during the period									
Reversal of reserve for advanced depreciation of noncurrent assets	-	(1)	-	1	-	-	-	-	-
Dividends from surplus	-	-	-	(134,278)	(134,278)	-	(134,278)	-	(134,278)
Net income	-	-	-	183,548	183,548	-	183,548	-	183,548
Purchase of treasury stock	-	-	-	-	-	(74)	(74)	-	(74)
Disposal of treasury stock	-	-	-	-	-	5	11	-	11
Net changes of items other than shareholders' equity	-	-	-	-	-	-	-	(1,434)	(1,434)
Total changes of items during the period	-	(1)	-	49,271	49,269	(68)	49,206	(1,434)	47,772
Balance as of March 31, 2010	2,516	34	860,000	353,660	1,216,211	(156,585)	1,081,424	1,664	1,083,089

Others

(1) Consolidated sales information

million yen

Business category	Main products	Year ended March 31, 2009	Year ended March 31, 2010
Electronic entertainment products	Hardware		
	Handheld	426,151	380,879
	Console	617,326	378,462
	Others	116,270	104,524
	Hardware total	1,159,748	863,866
	Software		
	Handheld	260,288	208,171
	Console	400,398	340,032
	Royalty, content income, etc.	14,909	19,520
	Software total	675,596	567,724
	Electronic entertainment products total	1,835,344	1,431,590
Other	Playing cards, Karuta, etc.	3,277	2,774
	Total	1,838,622	1,434,365

(2) Other consolidated information

million yen

	Year ended March 31, 2009	Year ended March 31, 2010	(Forecast) Year ending March 31, 2011
Capital investments	28,494	25,310	13,000
Depreciation expenses of property, plant and equipment	7,188	6,236	7,000
Research and development expenses	42,254	45,471	50,000
Advertising expenses	117,308	100,217	110,000
Number of employees (At year-end)	4,130	4,425	-
Average exchange rates			
1 US \$ =	100.54 yen	92.85 yen	95.00 yen
1 Euro =	143.48 yen	131.15 yen	120.00 yen

Consolidated Net Sales in U.S. Dollars	US\$ 7.3 billion	US\$ 6.3 billion
Consolidated Net Sales in Euros	€5.0 billion	€3.6 billion
Non-Consolidated Purchases in U.S. Dollars	US\$ 3.3 billion	US\$ 2.1 billion

(3) Balance of assets and liabilities in major foreign currencies without exchange contracts (non-consolidated) million U.S. dollars / euros

		As of March 31, 2009		As of March 31, 2010		As of March 31, 2011
		Balance	Exchange rate	Balance	Exchange rate	Estimated exchange rates
US \$	Cash and deposits	1,251	1 US \$ =	2,740	1 US \$ =	1 US \$ =
	Accounts receivable-trade	1,708	98.23 yen	1,127	93.04 yen	95.00 yen
	Accounts payable-trade	336		221		
Euro	Cash and deposits	1,815	1 Euro =	2,776	1 Euro =	1 Euro =
	Accounts receivable-trade	754	129.84 yen	638	124.92 yen	120.00 yen

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

				Sales Units in Ten Thousands		Number of New Titles Released	
				Year ended	Year ended	Life-to-date	Forecast
				Apr. '08-Mar. '09	Apr. '09-Mar. '10	Mar. '10	Apr. '10-Mar. '11
Nintendo DS	Hardware	Japan	401	401	3,040		
		The Americas	1,207	1,229	4,674		
		Other	1,511	1,081	5,174		
		Total	3,118	2,711	12,889	3,000	
	of which Nintendo DSi	Japan	222	254	476		
		The Americas	33	664	697		
		Other	48	562	610		
	of which Nintendo DSi XL	Total	302	1,480	1,782		
		Japan	-	104	104		
		The Americas	-	42	42		
		Other	-	62	62		
	Wii	Software	Japan	3,194	3,054	17,749	
			The Americas	8,175	7,362	27,856	
Other			8,362	4,743	26,245		
Total			19,731	15,159	71,850	15,000	
New titles		Japan	420	270	1,593		
		The Americas	373	349	1,289		
		Other	535	476	1,615		
Hardware		Japan	206	238	1,034		
		The Americas	1,293	986	3,340		
		Other	1,096	830	2,719		
	Total	2,595	2,053	7,093	1,800		
	Software	Japan	1,303	1,498	4,907		
		The Americas	11,364	10,429	29,729		
		Other	7,791	7,254	19,846		
Total		20,458	19,181	54,483	16,500		
New titles	Japan	118	88	359			
	The Americas	268	292	801			
	Other	253	301	783			

[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 DSiWare titles.
- 3 Sales units, number of new titles figures for Wii do not include quantity of the Virtual Console and the WiiWare titles.
- 4 Software forecast figures do not include quantity bundled with hardware.
- 5 Hardware and software unit forecast figures for Nintendo DS include forecast units for Nintendo 3DS (Temp.).