



CONSOLIDATED FINANCIAL HIGHLIGHTS



Nintendo Co., Ltd.
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Japan

Consolidated Results for the Three Months Ended June 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	%
Three months ended June 30, '10	188,646	(25.6)	23,342	(42.2)	(46,055)	-	(25,216)	-
Three months ended June 30, '09	253,498	(40.1)	40,401	(66.1)	64,824	(63.4)	42,316	(60.6)

	Net income per share
	yen
Three months ended June 30, '10	(197.19)
Three months ended June 30, '09	330.90

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

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	million yen	million yen	%	yen
As of June 30, '10	1,491,593	1,199,045	80.4	9,375.14
As of Mar. 31, '10	1,760,986	1,336,585	75.9	10,450.33

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, '10	—	270.00	—	660.00
Year ending Mar. 31, '11 (forecast)		310.00	—	520.00

	Dividend per share
	Annual
	yen
Year ended Mar. 31, '10	930.00
Year ending Mar. 31, '11 (forecast)	830.00

[Note] The forecast herein is unchanged from the forecast in the report of "Consolidated Financial Statements" released on May 6, 2010.

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. '10	550,000	0.4	120,000	15.0	115,000	4.0	70,000	0.7	547.38
Year ending Mar. '11	1,400,000	(2.4)	320,000	(10.3)	320,000	(12.2)	200,000	(12.5)	1,563.94

[Note]

This forecast is unchanged from the forecast in the report of "Consolidated Financial Statements" released on May 6, 2010.

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

Others

(1) Changes for important subsidiaries during the three-month period ended June 30, 2010 : Not applicable

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

[Note] Please refer to "2. Other Information" at page 3 for details.

(3) Changes in accounting procedures

1) Related to accounting standard revisions etc. : Applicable

2) Other changes : Not applicable

[Note] Please refer to "2. Other Information" at page 3 for details.

(4) Outstanding shares (common shares)

1) Number of shares outstanding (including treasury stock)

As of June 30, 2010 : 141,669,000 shares As of Mar. 31, 2010 : 141,669,000 shares

2) Number of treasury stock

As of June 30, 2010 : 13,787,694 shares As of Mar. 31, 2010 : 13,786,778 shares

3) Average number of shares

Three months ended June 30, 2010 : 127,881,781 shares Three months ended June 30, 2009 : 127,884,495 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).

1. Consolidated Operating Results

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.

During the three months ended June 2010, within the handheld device segment of the electronic entertainment products division, "Pokémon HeartGold Version/SoulSilver Version" and "Tomodachi Collection" which were launched last fiscal year sold well. However, fewer new software titles contributed to driving hardware sales, resulting in 3.15 million units of "Nintendo DS" hardware sales and 22.42 million units of its software worldwide.

In the console business, a new action game featuring Mario's adventures throughout the galaxy called "Super Mario Galaxy 2" sold 4.09 million units worldwide. Other titles such as "New Super Mario Bros. Wii," which were launched last fiscal year, continued to sell steadily in the June quarter. Sales of "Wii" hardware were 3.04 million units worldwide, while "Wii" software reached worldwide sales of 28.17 million units.

Appreciation of the yen and the lowering of the price of "Nintendo DS" hardware in Japan and in Europe adversely impacted net sales and operating income. First quarter net sales were 188.6 billion yen (of which overseas sales were 163.2 billion yen, or 86.5% of total sales), operating income was 23.3 billion yen. Foreign exchange losses were 70.5 billion yen, ordinary loss was 46.0 billion yen, and net loss was 25.2 billion yen.

2. Other Information

(1) Application of simplified or peculiar method for accounting procedures

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 taking the amount of income before income taxes through the three-month period ended June 2010 multiplied by reasonably estimated annual effective tax rate with the effects of deferred taxes reflected.

(2) Changes in accounting procedures

(Application of "Accounting Standard for Equity Method of Accounting for Investments")

Effective with the quarter ended June 30, 2010, the "Accounting Standard for Equity Method of Accounting for Investments" (Accounting Standards Board of Japan Statement No.16 published on March 10, 2008) and "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method" (Practical Issues Task Force" No.24 dated March 10, 2008) have been applied.

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

(Application of "Accounting Standard for Asset Retirement Obligations")

Effective with the quarter ended June 30, 2010, the "Accounting Standard for Asset Retirement Obligations" (Accounting Standards Board of Japan Statement No. 18 dated March 31, 2008) and the "Implementation Guidance on Accounting Standard for Asset Retirement Obligations" (Accounting Standards Board of Japan Statement Guidance No.21 dated March 31, 2008) have been applied.

There is no impact on operating income, ordinary loss, and loss before income taxes and minority interests.

3. Consolidated Balance Sheets

million yen

Description	As of June 30,	As of March 31,
	2010	2010
	Amount	Amount
(Assets)		
Current assets		
Cash and deposits	811,695	886,995
Notes and accounts receivable-trade	80,441	131,876
Short-term investment securities	214,919	365,326
Finished goods	111,696	116,055
Work in process	94	90
Raw materials and supplies	6,786	8,528
Other	104,503	83,582
Allowance for doubtful accounts	(824)	(1,067)
Total current assets	1,329,314	1,591,388
Noncurrent assets		
Property, plant and equipment	79,616	79,586
Intangible assets	3,840	4,111
Investments and other assets	78,823	85,899
Total noncurrent assets	162,279	169,598
Total assets	1,491,593	1,760,986
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	194,140	264,613
Income taxes payable	3,714	55,666
Provision	727	2,174
Other	78,162	85,082
Total current liabilities	276,744	407,537
Noncurrent liabilities		
Provision	9,574	9,924
Other	6,229	6,939
Total noncurrent liabilities	15,803	16,863
Total liabilities	292,548	424,401
(Net assets)		
Shareholders' equity		
Capital stock	10,065	10,065
Capital surplus	11,733	11,733
Retained earnings	1,417,695	1,527,315
Treasury stock	(156,611)	(156,585)
Total shareholders' equity	1,282,882	1,392,528
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	52	1,661
Foreign currency translation adjustment	(84,030)	(57,778)
Total valuation and translation adjustments	(83,977)	(56,117)
Minority interests	140	174
Total net assets	1,199,045	1,336,585
Total liabilities and net assets	1,491,593	1,760,986

4. Consolidated Statements of Income

million yen

Description	Three months ended June 30, 2009	Three months ended June 30, 2010
	Amount	Amount
Net sales	253,498	188,646
Cost of sales	161,940	118,298
Gross profit	91,558	70,348
Selling, general and administrative expenses		
Advertising expenses	22,391	19,351
Research and development expenses	10,404	12,820
Other	18,360	14,833
Total selling, general and administrative expenses	51,156	47,005
Operating income	40,401	23,342
Non-operating income		
Interest income	3,656	1,510
Foreign exchange gains	20,088	-
Other	1,017	659
Total non-operating income	24,761	2,169
Non-operating expenses		
Sales discounts	71	80
Foreign exchange losses	-	70,594
Other	266	892
Total non-operating expenses	338	71,567
Ordinary income (loss)	64,824	(46,055)
Extraordinary income		
Reversal of allowance for doubtful accounts	1,161	134
Gain on prior periods adjustment	4,065	-
Total extraordinary income	5,227	134
Extraordinary loss		
Loss on disposal of noncurrent assets	80	1
Loss on valuation of investment securities	-	15
Loss on prior periods adjustment	2,227	-
Total extraordinary loss	2,308	17
Income (loss) before income taxes and minority interests	67,743	(45,938)
Income taxes-current	31,844	349
Income taxes-deferred	(6,477)	(21,036)
Total income taxes	25,367	(20,687)
Income (loss) before minority interests	-	(25,250)
Minority interests in income (loss)	58	(33)
Net income (loss)	42,316	(25,216)

5. Consolidated Statements of Cash Flows

million yen

Description	Period	Three months Ended June 30, 2009	Three months Ended June 30, 2010
		Amount	Amount
I Net cash provided by (used in) operating activities			
Income (loss) before income taxes and minority interests		67,743	(45,938)
Depreciation and amortization		1,876	1,596
Interest and dividends income		(3,804)	(1,653)
Foreign exchange losses (gains)		(20,974)	70,786
Decrease (increase) in notes and accounts receivable-trade		38,073	43,715
Decrease (increase) in inventories		(46,724)	(9,290)
Increase (decrease) in notes and accounts payable-trade		(54,239)	(63,333)
Increase (decrease) in accrued consumption taxes		(685)	(2,457)
Other, net		(8,780)	(16,625)
Sub-total		(27,514)	(23,202)
Interest and dividends income received		4,151	1,876
Interest expenses paid		(0)	(0)
Income taxes paid		(81,197)	(52,858)
Net cash provided by (used in) operating activities		(104,560)	(74,183)
II Net cash provided by (used in) investing activities			
Payments into time deposits		(81,806)	(93,459)
Proceeds from withdrawal of time deposits		125,077	114,712
Purchase of short-term investment securities		(100,155)	(104,816)
Proceeds from sales and redemption of securities		123,324	125,096
Purchase of property, plant and equipment		(5,161)	(2,397)
Purchase of investment securities		(1,075)	(5,796)
Other, net		(5,238)	(31)
Net cash provided by (used in) investing activities		54,964	33,307
III Net cash provided by (used in) financing activities			
Cash dividends paid		(88,491)	(75,370)
Other, net		221	(61)
Net cash provided by (used in) financing activities		(88,270)	(75,432)
IV Effect of exchange rate change on cash and cash equivalents		20,342	(67,143)
V Net increase (decrease) in cash and cash equivalents		(117,523)	(183,451)
VI Cash and cash equivalents at beginning of period		894,129	931,333
VII Cash and cash equivalents at end of period		776,606	747,881

6. Segment Information

(1) Three months ended June 30, 2009

(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.

(Segment Information by Seller's Location)

	Japan	The Americas	Europe	Other	Total	Eliminations or corporate	Consolidated
Net sales							
(1) Sales to third parties	33,114	103,053	90,649	26,681	253,498	-	253,498
(2) Inter-segment sales	272,328	558	1	68	272,957	(272,957)	-
Total	305,442	103,612	90,650	26,749	526,455	(272,957)	253,498
Operating income	72,207	473	(534)	2,037	74,183	(33,781)	40,401

(2) Three months ended June 30, 2010

The main business of Nintendo (Nintendo Co., Ltd. (the "Company") and its consolidated subsidiaries) is developing, manufacturing, and distributing handheld and console hardware machines and related software. Development and manufacturing of products for worldwide use are primarily done by the Company. The Company distributes products in Japan while distribution in overseas markets is done by each local subsidiary.

Nintendo operates as a single business segment with each major geographic subsidiary solely responsible for distributing handheld and console hardware machines and related software to its local market and there is no difference by product in terms of distribution channels or markets. While analysis of product sales results is made by product category or by region, decision for allocation of the management resources and evaluation of business results are made on a company-wide basis, not based on a product category or region basis.

7. Others

(1) Consolidated sales information million yen

Category		Three months ended June 30, 2009	Three months ended June 30, 2010
Electronic entertainment products	Hardware	147,355	109,114
	Software	105,473	79,100
Electronic entertainment products total		252,828	188,215
Other	Playing cards, Karuta, etc.	669	431
Total		253,498	188,646

(2) Geographical sales breakdown million yen

	Japan	The Americas	Europe	Other	Total
Three months ended June 30, 2009	32,304	103,570	90,171	27,452	253,498
Three months ended June 30, 2010	25,431	93,041	54,953	15,218	188,646

(3) Other consolidated information million yen

	Three months ended June 30, 2009	Three months ended June 30, 2010
Depreciation expenses of property, plant and equipment	1,717	1,358
Research and development expenses	10,408	12,829
Number of employees (at period end)	4,306	4,582

Consolidated Net Sales in U.S. Dollars	US\$ 0.9 billion	US\$ 0.9 billion
Consolidated Net Sales in Euros	€0.6 billion	€0.4 billion
Non-Consolidated Purchases in U.S. Dollars	US \$ 0.5 billion	US \$ 0.3 billion

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

		million U.S. dollars/euros			
		Balance	Ave. exchange rate	Exchange rate	Estimated exchange rate
		as of June 30, 2010	Apr.-June 2010	as of June 30, 2010	as of Mar.31, 2011
US\$	Cash and deposits	2,654	US\$1.00=	US\$1.00=	US\$1.00=
US\$	Accounts receivable-trade	826	¥92.01	¥88.48	¥95.00
US\$	Accounts payable-trade	171			
EUR	Cash and deposits	3,023	EUR1.00=	EUR1.00=	EUR1.00=
EUR	Accounts receivable-trade	414	¥116.99	¥107.81	¥120.00

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

			Actual		Sales Units in Ten Thousands		
			Actual	Actual	Number of New	Titles Released	
			Apr.-June '09	Apr.-June '10	Life-to-date	Forecast	
					June '10	Apr. '10-Mar. '11	
Nintendo DS	Hardware	Japan	61	45	3,086		
		The Americas	251	126	4,800		
		Other	285	144	5,318		
		Total	597	315	13,204	3,000	
	of which Nintendo DSi	Japan	53	14	490		
		The Americas	156	39	735		
		Other	157	48	657		
	of which Nintendo DSi XL	Total	365	100	1,882		
		Japan	-	27	131		
		The Americas	-	60	103		
Other		-	70	132			
Wii	Software	Japan	717	502	18,250		
		The Americas	1,129	1,072	28,929		
		Other	1,062	669	26,914		
		Total	2,909	2,242	74,093	15,000	
	New titles	Japan	66	44	1,637		
		The Americas	78	61	1,350		
		Other	134	63	1,678		
	Wii	Hardware	Japan	21	19	1,052	
			The Americas	88	180	3,520	
			Other	114	105	2,824	
Total			223	304	7,397	1,800	
Software		Japan	175	202	5,110		
		The Americas	1,527	1,531	31,261		
		Other	1,404	1,083	20,930		
		Total	3,107	2,817	57,300	16,500	
New titles		Japan	20	18	377		
		The Americas	57	47	848		
	Other	72	47	830			

[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.