



CONSOLIDATED FINANCIAL HIGHLIGHTS



Nintendo Co., Ltd.
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Japan

Consolidated Results for the Three Months Ended June 2010 and 2011

(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, '11	93,928	(50.2)	(37,712)	-	(42,551)	-	(25,516)	-
Three months ended June 30, '10	188,646	(25.6)	23,342	(42.2)	(46,055)	-	(25,216)	-

	Net income per share
	yen
Three months ended June 30, '11	(199.54)
Three months ended June 30, '10	(197.19)

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

(2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio
	million yen	million yen	%
As of June 30, '11	1,449,683	1,210,998	83.5
As of Mar. 31, '11	1,634,297	1,281,861	78.4

Dividends

	Dividend per share			
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end
Year ended Mar. 31, '11	—	140.00	—	310.00
Year ending Mar. 31, '12 (forecast)	—	0.00	—	100.00

	Dividend per share
	Annual
Year ended Mar. 31, '11	450.00
Year ending Mar. 31, '12 (forecast)	100.00

[Note] The forecast herein is changed from the forecast in the report of "Consolidated Financial Statements" released on April 25, 2011.

Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2012

	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. '11	240,000	(33.9)	(50,000)	-	(55,000)	-	(35,000)	-	(273.70)
Year ending Mar. '12	900,000	(11.3)	35,000	(79.5)	35,000	(72.7)	20,000	(74.2)	156.40

[Note]

This forecast is changed from the forecast in the report of "Consolidated Financial Statements" released on April 25, 2011.

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, 2011 : Not applicable

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

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

(3) Changes in accounting procedures

1) Related to accounting standard revisions etc. : Not applicable

2) Other changes : Not applicable

3) Changes in accounting estimates : Not applicable

4) Modified restatements : Not applicable

(4) Outstanding shares (common shares)

1) Number of shares outstanding (including treasury stock)

As of June 30, 2011 : 141,669,000 shares As of Mar. 31, 2011 : 141,669,000 shares

2) Number of treasury stock

As of June 30, 2011 : 13,790,209 shares As of Mar. 31, 2011 : 13,789,931 shares

3) Average number of shares

Three months ended June 30, 2011 : 127,878,941 shares Three months ended June 30, 2010 : 127,881,781 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 its "Gaming Population Expansion" goal 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 2011, for the "Nintendo 3DS," "The Legend of Zelda: Ocarina of Time 3D" was launched and favorably received, but "Nintendo 3DS" had few other hit titles. As a result, the worldwide sales of "Nintendo 3DS" hardware and "Nintendo 3DS" software were 0.71 million units and 4.53 million units respectively. The worldwide sales of "Nintendo DS" series hardware (which represents Nintendo DS, Nintendo DS Lite, Nintendo DSi and Nintendo DSi XL) and "Nintendo DS" software were 1.44 million units and 12.13 million units respectively.

With respect to "Wii," its hardware bundled with "Mario Kart Wii" was launched at a more affordable price in the U.S. and Europe. As a result, "Wii" hardware made worldwide sales of 1.56 million units. "Wii" software sales resulted in 13.44 million units because of few hit titles and a small number of new titles.

In addition to such circumstances, the yen was much stronger against the U.S. dollar compared to the three months ended June 30, 2010, and in view of the impact of absorbing the inventory markdown taken into account in connection with the price reduction of the "Nintendo 3DS" hardware to be made during this September quarter in Japan, the U.S., Europe and Australia, net sales were 93.9 billion yen (of which overseas sales were 77.0 billion yen, or 82.0% of total sales). Furthermore, Nintendo made advertisement and promotional efforts to strongly spread the "Nintendo 3DS," which was released in February 2011 in Japan and in March in the U.S and Europe, throughout the market. There were also expenses for research and development for new products like "Wii U," which will be released in 2012. These factors considerably decreased profits, thus the operating loss was 37.7 billion yen, ordinary loss was 42.5 billion yen, and net loss was 25.5 billion yen.

2. Consolidated Financial Forecast

The consolidated earnings forecast and dividend forecast for the fiscal year ending March 31, 2012 have been modified from the previous forecasts released on April 25, 2011.

Please refer to "Notice of Financial Forecast and Dividend Forecast Modifications" released today.

3. Other Information

Application of peculiar methods for accounting procedures

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 2011 multiplied by reasonably estimated annual effective tax rate with the effects of deferred taxes reflected.

4. Consolidated Balance Sheets

million yen

Description	As of March 31, 2011	As of June 30, 2011
	Amount	Amount
(Assets)		
Current assets		
Cash and deposits	812,870	797,467
Notes and accounts receivable-trade	135,689	43,720
Short-term investment securities	358,206	248,194
Inventories	92,713	101,034
Other	69,982	72,330
Allowance for doubtful accounts	(756)	(464)
Total current assets	1,468,706	1,262,282
Noncurrent assets		
Property, plant and equipment	80,864	86,619
Intangible assets	5,539	5,864
Investments and other assets	79,187	94,916
Total noncurrent assets	165,591	187,401
Total assets	1,634,297	1,449,683
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	214,646	144,916
Income taxes payable	32,301	1,854
Provision	2,431	715
Other	83,922	73,122
Total current liabilities	333,301	220,608
Noncurrent liabilities		
Provision	11,647	10,785
Other	7,486	7,290
Total noncurrent liabilities	19,134	18,076
Total liabilities	352,435	238,685
(Net assets)		
Shareholders' equity		
Capital stock	10,065	10,065
Capital surplus	11,734	11,734
Retained earnings	1,502,631	1,437,471
Treasury stock	(156,663)	(156,669)
Total shareholders' equity	1,367,767	1,302,602
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	(917)	(679)
Foreign currency translation adjustment	(85,212)	(91,149)
Total other accumulated comprehensive income	(86,129)	(91,829)
Minority interests	224	225
Total net assets	1,281,861	1,210,998
Total liabilities and net assets	1,634,297	1,449,683

5. Consolidated Statements of Income

Nintendo Co., Ltd.

million yen

Description	Three months ended June 30, 2010	Three months ended June 30, 2011
	Amount	Amount
Net sales	188,646	93,928
Cost of sales	118,298	82,897
Gross profit	70,348	11,030
Selling, general and administrative expenses	47,005	48,743
Operating income (loss)	23,342	(37,712)
Non-operating income		
Interest income	1,510	1,966
Other	659	381
Total non-operating income	2,169	2,348
Non-operating expenses		
Sales discounts	80	65
Loss on redemption of securities	578	1,817
Foreign exchange losses	70,594	5,065
Other	313	239
Total non-operating expenses	71,567	7,187
Ordinary income (loss)	(46,055)	(42,551)
Extraordinary income		
Reversal of allowance for doubtful accounts	134	-
Total extraordinary income	134	-
Extraordinary loss		
Loss on disposal of noncurrent assets	1	19
Loss on valuation of investment securities	15	-
Total extraordinary loss	17	19
Income (loss) before income taxes and minority interests	(45,938)	(42,571)
Total income taxes	(20,687)	(17,055)
Income (loss) before minority interests	(25,250)	(25,515)
Minority interests in income (loss)	(33)	0
Net income (loss)	(25,216)	(25,516)

6. Consolidated Statements of Comprehensive Income

million yen

Description	Three months ended June 30, 2010	Three months ended June 30, 2011
	Amount	Amount
Income before minority interests	(25,250)	(25,515)
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,608)	238
Foreign currency translation adjustment	(26,251)	(5,937)
Share of other comprehensive income of associates accounted for using equity method	(0)	(0)
Total other comprehensive income	(27,860)	(5,699)
Comprehensive income	(53,111)	(31,215)
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	(53,077)	(31,216)
Comprehensive income attributable to minority interests	(33)	0

7. Others

(1) Consolidated sales information

million yen

Category		Three months ended June 30, 2010	Three months ended June 30, 2011
Electronic entertainment products	Hardware	109,114	52,617
	Software	79,100	40,973
Electronic entertainment products total		188,215	93,591
Other	Playing cards, Karuta, etc.	431	337
Total		188,646	93,928

(2) Geographical sales breakdown

million yen

		Japan	The Americas	Europe	Other	Total
Three months ended June 30, 2011	Net sales	16,928	28,727	38,680	9,591	93,928
	Component ratio	18.0%	30.6%	41.2%	10.2%	100.0%
Three months ended June 30, 2010	Net sales	25,431	93,041	54,953	15,218	188,646
	Component ratio	13.5%	49.3%	29.1%	8.1%	100.0%

(3) Other consolidated information

million yen

	Three months ended June 30, 2010	Three months ended June 30, 2011	(Forecast) Year ending March 31, 2012
Depreciation of property, plant and equipment	1,358	2,077	12,000
Research and development expenses	12,829	14,112	55,000
Advertising expenses	19,351	20,602	95,000
Average exchange rates			
1 US \$ =	92.01 yen	81.74 yen	80.44 yen
1 Euro =	116.99 yen	117.40 yen	115.60 yen
Consolidated net sales in U.S. dollars	US\$ 0.9 billion	US\$ 0.3 billion	-
Consolidated net sales in Euros	€ 0.4 billion	€ 0.3 billion	-
Non-consolidated purchases in U.S. dollars	US\$ 0.3 billion	US\$ 0.5 billion	-

(4) Major assets and liabilities in foreign currencies influenced by exchange fluctuations (non-consolidated)

million U.S. dollars/euros

		As of June 30, 2010		As of June 30, 2011		As of March 31, 2012
		Balance	Exchange rate	Balance	Exchange rate	Estimated exchange rate
US\$	Cash and deposits	2,654	1 US\$=	3,633	1 US\$=	1 US\$=
	Accounts receivable-trade	826	88.48 yen	309	80.73 yen	80.00 yen
	Accounts payable-trade	171		409		
EUR	Cash and deposits	3,023	1 Euro=	1,597	1 Euro=	1 Euro=
	Accounts receivable-trade	414	107.81 yen	477	116.84 yen	115.00 yen

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

				Sales Units in Ten Thousands			
				Actual		Number of New Titles Released	
				Actual	Actual	Life-to-date	Forecast
				Apr.-June '10	Apr. -June. '11	June. '11	Apr. '11-Mar. '12
Nintendo DS	Hardware	Japan	45	11	3,287		
		The Americas	126	55	5,569		
		Other	144	78	5,930		
		Total	315	144	14,786	900	
	of which Nintendo DSi	Japan	14	6	585		
		The Americas	39	14	1,000		
		Other	48	39	922		
	of which Nintendo DSi XL	Total	100	59	2,507		
		Japan	27	5	227		
		The Americas	60	15	424		
	Nintendo DS	Software	Other	70	30	407	
Total			157	50	1,058		
Japan			502	174	20,088		
The Americas			1,072	550	34,632		
New titles		Other	669	489	30,442		
		Total	2,242	1,213	85,162	6,500	
		Japan	44	21	1,777		
Nintendo 3DS		Hardware	The Americas	61	33	1,587	
			Other	63	40	1,926	
			Total	-	21	127	
			The Americas	-	11	143	
	Software	Other	-	40	163		
		Total	-	71	432	1,600	
		Japan	-	103	321		
	New titles	The Americas	-	184	578		
		Other	-	167	497		
		Total	-	453	1,396	7,000	
	Wii	Hardware	Japan	-	19	40	
The Americas			-	16	36		
Other			-	13	33		
Total			-	156	8,757	1,200	
Software		Japan	202	94	6,146		
		The Americas	1,531	644	40,294		
		Other	1,083	607	26,514		
New titles		Total	2,817	1,344	72,953	11,000	
		Japan	18	5	420		
		The Americas	47	34	1,080		
Wii		Software	Other	47	34	1,054	
	Total		-	-	-	-	

[Notes]

- 1 Nintendo DS means Nintendo DS, Nintendo DS Lite, Nintendo DSi, and Nintendo DSi XL.
- 2 New titles-Other includes new titles in the European and Australian markets.
- 3 The figures in sales units, and number of new titles for Nintendo DS do not include the quantity of the Nintendo DSiWare titles.
- 4 The figures in sales units, and number of new titles for Nintendo 3DS do not include the quantity of downloadable games in the Nintendo eShop.
- 5 The figures in sales units, and number of new titles for Wii do not include the quantities of Virtual Console and the WiiWare titles.
- 6 Actual sales units of software include the quantity bundled with hardware.
- 7 Software forecast figures include the quantity bundled with hardware for three months ended June 30, '11. However, software forecast figures do not include the quantity bundled with hardware in and after July 2011.