



CONSOLIDATED FINANCIAL HIGHLIGHTS



Nintendo Co., Ltd.
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Japan

Consolidated Results for the Nine Months Ended December 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	%
Nine months ended Dec. 31, '11	556,166	(31.2)	(16,408)	-	(66,027)	-	(48,351)	-
Nine months ended Dec. 31, '10	807,990	(31.7)	158,795	(46.5)	80,488	(74.4)	49,557	(74.3)

	Net income per share
	yen
Nine months ended Dec. 31, '11	(378.10)
Nine months ended Dec. 31, '10	387.53

[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 December 31, '11	1,459,166	1,163,182	79.7
As of March 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
	yen	yen	yen	yen
Year ended March 31, '11	—	140.00	—	310.00
Year ending March 31, '12	—	0.00	—	
Year ending March 31, '12 (forecast)				100.00

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

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
Year ending March '12	660,000	(34.9)	(45,000)	-	(95,000)	-	(65,000)	-	(508.30)

[Note]

This forecast is changed from the forecast in the report of "Consolidated Financial Highlights" released on October 27, 2011.

Percentages for net sales, operating income, etc. show increase (decrease) from the previous fiscal year.

Others

(1) Changes in important subsidiaries during the nine-month period ended Dec. 31, 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 Dec. 31, 2011 : 141,669,000 shares As of Mar. 31, 2011 : 141,669,000 shares

2) Number of treasury stock

As of Dec. 31, 2011 : 13,790,921 shares As of Mar. 31, 2011 : 13,789,931 shares

3) Average number of shares

Nine months ended Dec. 31, 2011 : 127,878,563 shares Nine months ended Dec. 31, 2010 : 127,881,028 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 basic strategy of "Gaming Population Expansion" by offering compelling products that anyone can enjoy, regardless of age, gender or gaming experience.

During the nine months ended December 31, 2011, for the "Nintendo 3DS," Nintendo made a significant price cut of the "Nintendo 3DS" hardware, in and out of Japan in August 2011, and released attractive software titles one after another in the holiday season to let the "Nintendo 3DS" spread widely. Moreover, Nintendo implemented a new sales promotion called "Nintendo Direct," presenting a new software line-up straight to consumers through the Internet. As a result, the worldwide sales of the "Nintendo 3DS" hardware during the nine months ended December 31, 2011 were 11.43 million units, and the total worldwide sales since its launch exceeded 15 million units. As for the "Nintendo 3DS" software, not only did the popular Nintendo titles such as "SUPER MARIO 3D LAND" and "Mario Kart 7" become million-seller titles, but a third-party title sold over a million units as well. Therefore, the software sales increased in the year-end sales season, which helped the sales momentum of the "Nintendo 3DS" hardware improve to the point of surpassing hardware unit sales of the "Nintendo DS" or the "Wii" for the same period after their respective launches. However, due to slow sales in the first half of this fiscal year, the worldwide sales of the "Nintendo 3DS" software resulted in 28.04 million units. The worldwide sales of the "Nintendo DS" series hardware (which represents Nintendo DS, Nintendo DS Lite, Nintendo DSi and Nintendo DSi XL) and the "Nintendo DS" software were 4.64 million units and 51.2 million units respectively.

With respect to the "Wii," "The Legend of Zelda: Skyward Sword," the newest title of the "Zelda" series with its 25th anniversary, was launched and recorded strong sales, especially in the United States. The worldwide sales of the "Wii" hardware were 8.96 million units and the "Wii" software were 89.06 million units.

In addition to the above, price reductions of the "Nintendo 3DS" hardware and the "Wii" hardware in overseas markets along with the inventory markdown, and the impact of a much stronger yen against foreign currencies, net sales were 556.1 billion yen (of which overseas sales were 435.2 billion yen, or 78.3% of the total sales). The operating loss was 16.4 billion yen. Primarily due to re-evaluation of assets in foreign currencies, exchange losses totaled 53.7 billion yen, the ordinary loss was 66 billion yen, and the net loss was 48.3 billion yen.

2. Consolidated Financial Forecast

The consolidated earnings forecast for the fiscal year ending March 31, 2012 has been modified from the previous forecast released on October 27, 2011.

Please refer to "Notice of Full-Year Financial 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 nine-month period ended December 31, 2011 multiplied by reasonably estimated annual effective tax rate with the effects of deferred taxes reflected.

Additional information

Following the promulgation on December 2, 2011 of "Act for Partial Revision of the Income Tax Act, etc. for the Purpose of Creating Taxation System Responding to Changes in Economic and Social Structures" (Act No. 114 of 2011) and "Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction following the Great East Japan Earthquake" (Act No. 117 of 2011), the effective statutory tax rate used to measure deferred tax assets and liabilities was changed from 40.6% to 37.9% for temporary differences expected to be eliminated in the fiscal year beginning on or after April 1, 2012, and the rate was changed to 35.5% for temporary differences expected to be eliminated in the fiscal year beginning on or after April 1, 2015. As a result, deferred tax assets after offsetting deferred tax liabilities and valuation difference on available-for-sale securities decreased by 5,597 million yen and 89 million yen respectively, and income taxes-deferred increased by 5,507 million yen.

4. Consolidated Balance Sheets

million yen

Description	As of March 31,2011	As of December 31,2011
(Assets)		
Current assets		
Cash and deposits	812,870	566,759
Notes and accounts receivable-trade	135,689	164,534
Short-term investment securities	358,206	360,863
Inventories	92,713	67,618
Other	69,982	71,398
Allowance for doubtful accounts	(756)	(994)
Total current assets	1,468,706	1,230,179
Noncurrent assets		
Property, plant and equipment	80,864	87,867
Intangible assets	5,539	8,241
Investments and other assets	79,187	132,878
Total noncurrent assets	165,591	228,986
Total assets	1,634,297	1,459,166
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	214,646	197,528
Income taxes payable	32,301	1,777
Provision	2,431	854
Other	83,922	77,567
Total current liabilities	333,301	277,728
Noncurrent liabilities		
Provision	11,647	11,154
Other	7,486	7,102
Total noncurrent liabilities	19,134	18,256
Total liabilities	352,435	295,984
(Net assets)		
Shareholders' equity		
Capital stock	10,065	10,065
Capital surplus	11,734	11,734
Retained earnings	1,502,631	1,414,637
Treasury stock	(156,663)	(156,678)
Total shareholders' equity	1,367,767	1,279,759
Other accumulated comprehensive income		
Valuation difference on available-for-sale securities	(917)	(1,844)
Foreign currency translation adjustment	(85,212)	(114,811)
Total other accumulated comprehensive income	(86,129)	(116,655)
Minority interests	224	78
Total net assets	1,281,861	1,163,182
Total liabilities and net assets	1,634,297	1,459,166

5. Consolidated Statements of Income

Nintendo Co., Ltd.

million yen

Description	Nine months ended Dec. 31, 2010	Nine months ended Dec 31, 2011
Net sales	807,990	556,166
Cost of sales	487,575	425,064
Gross profit	320,415	131,101
Selling, general and administrative expenses	161,619	147,509
Operating income (loss)	158,795	(16,408)
Non-operating income		
Interest income	5,043	5,975
Other	2,284	1,393
Total non-operating income	7,327	7,369
Non-operating expenses		
Sales discounts	334	340
Foreign exchange losses	84,403	53,725
Other	896	2,922
Total non-operating expenses	85,635	56,988
Ordinary income (loss)	80,488	(66,027)
Extraordinary income		
Reversal of allowance for doubtful accounts	9	-
Gain on sales of noncurrent assets	90	49
Gain on sales of investment securities	15	-
Total extraordinary income	115	49
Extraordinary loss		
Loss on disposal of noncurrent assets	12	72
Loss on valuation of investment securities	21	-
Total extraordinary loss	33	72
Income (loss) before income taxes and minority interests	80,569	(66,051)
Total income taxes	31,019	(17,674)
Income (loss) before minority interests	49,550	(48,376)
Minority interests in income (loss)	(7)	(25)
Net income (loss)	49,557	(48,351)

6. Consolidated Statements of Comprehensive Income
Nintendo Co., Ltd.

million yen

Description	Nine months ended Dec. 31, 2010	Nine months ended Dec. 31, 2011
Income (loss) before minority interests	49,550	(48,376)
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,864)	(926)
Foreign currency translation adjustment	(40,814)	(29,599)
Share of other comprehensive income of associates accounted for using equity method	3	(0)
Total other comprehensive income	(43,675)	(30,525)
Comprehensive income	5,874	(78,902)
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	5,882	(78,876)
Comprehensive income attributable to minority interests	(7)	(25)

7. Others

(1) Consolidated sales information

million yen

Category		Nine months ended December 31, 2010	Nine months ended December 31, 2011
Electronic entertainment products	Hardware	481,563	339,469
	Software	325,022	215,466
	Electronic entertainment products total	806,586	554,935
Other	Playing cards, Karuta, etc.	1,404	1,230
Total		807,990	556,166

(2) Geographical sales breakdown

million yen

		Japan	The Americas	Europe	Other	Total
Nine months ended December 31, 2011	Net sales	120,927	214,684	194,328	26,226	556,166
	Component ratio	21.7%	38.6%	34.9%	4.8%	100.0%
Nine months ended December 31, 2010	Net sales	128,904	378,156	256,851	44,078	807,990
	Component ratio	16.0%	46.8%	31.8%	5.4%	100.0%

(3) Other consolidated information

million yen

		Nine months ended Dec. 31, 2010	Nine months ended Dec. 31, 2011	(Forecast) Year ending March 31, 2012
Depreciation of property, plant and equipment		3,771	6,962	10,000
Research and development expenses		38,485	38,892	55,000
Advertising expenses		73,056	62,866	80,000
Average exchange rates	1 US \$ =	86.85 yen	79.01 yen	78.50 yen
	1 Euro =	113.31 yen	110.64 yen	107.49 yen

Consolidated net sales in U.S. dollars	US\$ 4.0 billion	US\$ 2.5 billion	-
Consolidated net sales in Euros	€2.2 billion	€1.7 billion	-
Non-consolidated purchases in U.S. dollars	US\$ 1.3 billion	US\$ 2.4 billion	-

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

million U.S. dollars/euros

		As of March 31, 2011		As of December 31, 2011		As of March 31, 2012
		Balance	Exchange rate	Balance	Exchange rate	Estimated exchange rate
US\$	Cash and deposits	3,541		2,348		
	Accounts receivable-trade	776	1 US\$= 83.15 yen	1,151	1 US\$= 77.74 yen	1 US\$= 77.00 yen
	Accounts payable-trade	112		1,096		
Euro	Cash and deposits	1,996	1 Euro= 117.57 yen	1,594	1 Euro= 100.71 yen	1 Euro= 98.00 yen
	Accounts receivable-trade	661		679		

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

					Sales Units in Ten Thousands Number of New Titles Released	
			Actual Apr.-Dec. '10	Actual Apr. -Dec. '11	Life-to-date Dec. '11	Forecast Apr. '11-Mar. '12
Nintendo DS	Hardware	Japan	220	21	3,296	
		The Americas	754	235	5,748	
		Other	596	208	6,061	
		Total	1,570	464	15,106	550
	of which Nintendo DSi	Japan	94	10	589	
		The Americas	252	86	1,072	
		Other	226	111	994	
		Total	572	207	2,655	
	of which Nintendo DSi XL	Japan	112	11	233	
		The Americas	333	101	509	
		Other	289	78	456	
		Total	735	190	1,198	
	Software	Japan	1,921	605	20,520	
The Americas		5,121	2,780	36,862		
Other		2,857	1,735	31,687		
Total		9,899	5,120	89,069	5,900	
New titles	Japan	140	54	1,810		
	The Americas	233	107	1,661		
	Other	229	113	1,999		
Nintendo 3DS	Hardware	Japan	-	360	466	
		The Americas	-	415	547	
		Other	-	368	491	
		Total	-	1,143	1,503	1,400
	Software	Japan	-	810	1,028	
		The Americas	-	997	1,391	
		Other	-	997	1,328	
		Total	-	2,804	3,746	3,800
	New titles	Japan	-	67	88	
		The Americas	-	74	94	
Other		-	68	88		
Wii	Hardware	Japan	111	84	1,243	
		The Americas	713	408	4,525	
		Other	548	404	3,728	
		Total	1,372	896	9,497	1,000
	Software	Japan	1,026	840	6,892	
		The Americas	8,844	4,649	44,299	
		Other	5,185	3,418	29,324	
		Total	15,054	8,906	80,515	10,000
	New titles	Japan	50	31	446	
		The Americas	214	123	1,169	
Other		202	116	1,136		

[Notes]

- 1 Nintendo DS means Nintendo DS, Nintendo DS Lite, Nintendo DSi, and Nintendo DSi XL.
- 2 New titles-Other includes new titles released 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 the nine months ended December 31, 2011. However, software forecast figures do not include the quantity bundled with hardware in and after January 2012.