



MEMBERSHIP

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# CONSOLIDATED FINANCIAL HIGHLIGHTS



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Japan

## Consolidated Results for the Three Months Ended June 2011 and 2012

(Amounts below one million yen are rounded down)

## (1) Consolidated operating results

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2012	84,813	(9.7)	(10,331)	-	(29,781)	-	(17,231)	-
Three months ended June 30, 2011	93,928	(50.2)	(37,712)	-	(42,551)	-	(25,516)	-

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

	Net income per share
	yen
Three months ended June 30, 2012	(134.75)
Three months ended June 30, 2011	(199.54)

## (2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio
	million yen	million yen	%
As of June 30, 2012	1,295,923	1,141,015	88.0
As of March 31, 2012	1,368,401	1,191,025	87.0

## Dividends

	Dividend per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual
	yen	yen	yen	yen	yen
Year ended Mar. 31, 2012	-	0.00	-	100.00	100.00
Year ending Mar. 31, 2013 (forecast)	-	0.00	-	100.00	100.00

## Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2013

	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. '12	230,000	6.6	(25,000)	-	(30,000)	-	(20,000)	-	(156.40)
Year ending Mar. '13	820,000	26.6	35,000	-	35,000	-	20,000	-	156.40

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

**Others**

(1) Changes for important subsidiaries during the three-month period ended June 30, 2012 : Not applicable

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

[Notes] Please refer to "3. Other Information: Application of peculiar methods for accounting procedures" at page 3 for details.

(3) Changes in accounting procedures:

- |  |                  |
|--|------------------|
| 1) Related to accounting standard revisions etc. | : Applicable     |
| 2) Other changes                                 | : Not applicable |
| 3) Changes in accounting estimates               | : Applicable     |
| 4) Modified restatements                         | : Not applicable |

[Notes] Please refer to "3. Other Information: Changes in accounting procedures" at page 3 for details.

(4) Outstanding shares (common shares)

① Number of shares outstanding (including treasury stock)			
As of June 30, 2012 :	141,669,000 shares	As of March 31, 2012 :	141,669,000 shares
② Number of treasury stock			
As of June 30, 2012 :	13,791,413 shares	As of March 31, 2012 :	13,791,286 shares
③ Average number of shares			
Three months ended		Three months ended	
June 30, 2012 :	127,877,670 shares	June 30, 2011 :	127,878,941 shares

## [Notes]

1. This earnings release report is not subject to audit procedures based on the Financial Instruments and Exchange Act. At the time of disclosure of this report, the audit procedures for the financial statements are in progress.

2. Forecasts announced by the Company (Nintendo Co., Ltd.) 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 first quarter ended June 30, 2012, for the “Nintendo 3DS” system, although the sales in Japan were robust, the “Nintendo 3DS” hardware sales only reached 1.86 million units worldwide. As for the “Nintendo 3DS” software, “Mario Tennis Open” launched during this first quarter, as well as software titles launched last fiscal year, such as “SUPER MARIO 3D LAND” and “Mario Kart 7,” sold well. Hit titles from the third-party developers enriched the software lineup. The worldwide sales of the “Nintendo 3DS” software were 7.39 million units.

For the “Nintendo DS” systems (DS, DS Lite, DSi, and DSi XL), although the hardware sales were only 0.54 million units worldwide, the latest title from the Pokémon series, “Pokémon Black Version 2/Pokémon White Version 2,” sold 2.45 million units. The total Nintendo DS software sold 8.48 million units worldwide.

With the “Wii” system, the worldwide sales of the hardware were 0.71 million units, and those of the software were 8.47 million units, with contributions from software titles such as the latest in the Mario Party series, “Mario Party 9.”

Due to the appreciation of the yen in comparison with the same period of the last fiscal year and the above results, net sales were 84.8 billion yen (of which overseas sales were 51.7 billion yen or 61% of the total sales). The profitability of the “Nintendo 3DS” hardware is improving, but the hardware has been in negative margin. Therefore, although the selling, general and administrative expenses decreased compared to the first quarter of the previous fiscal year, the result was an operating loss of 10.3 billion yen. In addition, due to exchange losses totaling 21.1 billion yen, ordinary loss was 29.7 billion yen and net loss was 17.2 billion yen.

## 2. Consolidated Financial Forecast

The information below was factored in the financial forecast announced on April 26, 2012 and there is no revision of the forecast as of now.

For people who want to play games on larger 3D screens that provide a more dynamic user experience, “Nintendo 3DS XL” will be launched as a new size variation of “Nintendo 3DS.” In addition, a totally new side-scrolling 2D action title in the Super Mario series called “New Super Mario Bros. 2” and the newest title in the “Brain Age” series, with which people can brush up their “working memory” (a brain function of processing or utilizing the incoming information with information kept in the brain) and “concentration power” at the same time, will be released. Together with the release of other titles, our aim is to enhance the strong sales of “Nintendo 3DS” in Japan. Also, in the overseas markets where the sales momentum has been slower than that of Japan, we will strive to take advantage of the release of “Nintendo 3DS XL” to solidly revitalize the “Nintendo 3DS” market from this summer through fall.

Moreover, Nintendo will globally start to sell digitally distributed packaged software of the “Nintendo 3DS” system when “New Super Mario Bros. 2” is launched. The software will be sold in both packaged and digital download formats. By enabling users to choose from the two sales methods, Nintendo will attempt to further expand the “Nintendo 3DS” sales.

Furthermore, Nintendo will release the “Wii U” system, the successor of “Wii,” mainly in Japan, the United States and Europe at the end of this calendar year, and propose a new play style of home entertainment with its unique controller embedding a 6.2 inch touch screen.

## 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 30, 2012 multiplied by reasonably estimated annual effective tax rate with the effects of deferred taxes reflected.

### Changes in accounting procedures

Following the revision of the Corporation Tax Act, Nintendo and its domestic consolidated subsidiaries have computed depreciation by the method on the basis of the revised Corporation Tax Act over property, plant and equipment acquired on or after April 1, 2012 since the three-month period ended June 30, 2012.

Its impact is immaterial on operating loss, ordinary loss and loss before income taxes and minority interests.

## 4. Consolidated Balance Sheets

million yen

Description	As of March 31, 2012	As of June 30, 2012
<b>(Assets)</b>		
<b>Current assets</b>		
Cash and deposits	462,021	422,266
Notes and accounts receivable-trade	43,378	39,745
Short-term investment securities	496,301	444,528
Inventories	78,446	73,290
Other	62,788	88,319
Allowance for doubtful accounts	(2,149)	(368)
<b>Total current assets</b>	<b>1,140,786</b>	<b>1,067,781</b>
<b>Noncurrent assets</b>		
Property, plant and equipment	87,856	85,444
Intangible assets	7,706	7,886
Investments and other assets	132,052	134,809
<b>Total noncurrent assets</b>	<b>227,615</b>	<b>228,141</b>
<b>Total assets</b>	<b>1,368,401</b>	<b>1,295,923</b>
<b>(Liabilities)</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	86,700	71,026
Income taxes payable	1,008	831
Provision	2,565	759
Other	65,164	61,591
<b>Total current liabilities</b>	<b>155,438</b>	<b>134,208</b>
<b>Noncurrent liabilities</b>		
Provision for retirement benefits	14,444	13,724
Other	7,493	6,974
<b>Total noncurrent liabilities</b>	<b>21,937</b>	<b>20,699</b>
<b>Total liabilities</b>	<b>177,376</b>	<b>154,908</b>
<b>(Net assets)</b>		
<b>Shareholders' equity</b>		
Capital stock	10,065	10,065
Capital surplus	11,734	11,734
Retained earnings	1,419,784	1,389,765
Treasury stock	(156,682)	(156,683)
<b>Total shareholders' equity</b>	<b>1,284,901</b>	<b>1,254,881</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,570	(1,039)
Foreign currency translation adjustment	(95,528)	(112,963)
<b>Total accumulated other comprehensive income</b>	<b>(93,957)</b>	<b>(114,002)</b>
<b>Minority interests</b>	<b>81</b>	<b>136</b>
<b>Total net assets</b>	<b>1,191,025</b>	<b>1,141,015</b>
<b>Total liabilities and net assets</b>	<b>1,368,401</b>	<b>1,295,923</b>

## 5. Consolidated Statements of Income

million yen

Description	Three months ended June 30, 2011	Three months ended June 30, 2012
Net sales	93,928	84,813
Cost of sales	82,897	59,937
<b>Gross profit</b>	<b>11,030</b>	<b>24,876</b>
Selling, general and administrative expenses	48,743	35,208
<b>Operating income (loss)</b>	<b>(37,712)</b>	<b>(10,331)</b>
Non-operating income		
Interest income	1,966	1,288
Other	381	644
Total non-operating income	2,348	1,933
Non-operating expenses		
Sales discounts	65	69
Foreign exchange losses	5,065	21,105
Other	2,057	208
Total non-operating expenses	7,187	21,383
<b>Ordinary income (loss)</b>	<b>(42,551)</b>	<b>(29,781)</b>
Extraordinary loss		
Loss on disposal of noncurrent assets	19	3
Total extraordinary loss	19	3
<b>Income (loss) before income taxes and minority interests</b>	<b>(42,571)</b>	<b>(29,785)</b>
Total income taxes	(17,055)	(12,590)
<b>Income (loss) before minority interests</b>	<b>(25,515)</b>	<b>(17,194)</b>
Minority interests in income (loss)	0	36
<b>Net income (loss)</b>	<b>(25,516)</b>	<b>(17,231)</b>

## 6. Consolidated Statements of Comprehensive Income

million yen

Description	Three months ended June 30, 2011	Three months ended June 30, 2012
<b>Income (loss) before minority interests</b>	<b>(25,515)</b>	<b>(17,194)</b>
Other comprehensive income		
Valuation difference on available-for-sale securities	238	(2,610)
Foreign currency translation adjustment	(5,937)	(17,437)
Share of other comprehensive income of associates accounted for using equity method	(0)	0
Total other comprehensive income	(5,699)	(20,047)
<b>Comprehensive income</b>	<b>(31,215)</b>	<b>(37,242)</b>
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	(31,216)	(37,275)
Comprehensive income attributable to minority interests	0	33

## 7. Others

## (1) Consolidated sales information

million yen

Category		Three months ended June 30, 2011	Three months ended June 30, 2012
Electronic entertainment products	Hardware	52,617	41,985
	Software	40,973	42,505
	Electronic entertainment products total	93,591	84,491
Other	Playing cards, Karuta, etc.	337	322
Total		93,928	84,813

## (2) Geographical sales breakdown

million yen

		Japan	The Americas	Europe	Other	Total
Three months ended June 30, 2012	Net sales	33,055	25,602	21,859	4,294	84,813
	Component ratio	39.0%	30.2%	25.8%	5.0%	100.0%
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%

## (3) Other consolidated information

million yen

		Three months ended June 30, 2011	Three months ended June 30, 2012	Year ending March 31, 2013 (Forecast)
Depreciation of property, plant and equipment		2,077	2,426	12,000
Research and development expenses		14,112	11,837	55,000
Advertising expenses		20,602	10,020	80,000
Average exchange rates	1 USD =	81.74 yen	80.20 yen	80.00 yen
	1 Euro =	117.40 yen	102.91 yen	105.00 yen

Consolidated net sales in U.S. dollars	0.3 billion	0.2 billion	-
Consolidated net sales in Euros	0.3 billion	0.2 billion	-
Non-consolidated purchases in U.S. dollars	0.5 billion	0.2 billion	-

## (4) Balance of major assets and liabilities in foreign currencies influenced by exchange rate fluctuations (non-consolidated)

million U.S. dollars/euros

		As of March 31, 2012		As of June 30, 2012		As of March 31, 2013
		Balance	Exchange rate	Balance	Exchange rate	Estimated exchange rate
USD	Cash and deposits	1,226	1 USD = 82.19 yen	1,288	1 USD = 79.31 yen	1 USD = 80.00 yen
	Accounts receivable-trade	295		95		
	Accounts payable-trade	312		318		
Euro	Cash and deposits	1,576	1 Euro = 109.80 yen	1,568	1 Euro = 98.74 yen	1 Euro = 105.00 yen
	Accounts receivable-trade	262		216		

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

			Actual		Sales Units in Ten Thousands Number of New Titles Released	
			Actual Apr. - Jun. '11	Actual Apr. - Jun. '12	Life-to-date Jun. '12	Forecast Apr. '12-Mar. '13
Nintendo DS	Hardware	Japan	11	1	3,299	
		The Americas	55	40	5,815	
		Other	78	13	6,091	
		Total	144	54	15,205	250
	Software	Japan	174	281	20,973	
		The Americas	550	308	37,684	
		Other	489	259	32,223	
		Total	1,213	848	90,879	3,700
	New titles	Japan	21	6	1,834	
		The Americas	33	15	1,686	
Other		40	21	2,037		
Nintendo 3DS	Hardware	Japan	21	92	676	
		The Americas	11	42	641	
		Other	40	53	582	
		Total	71	186	1,900	1,850
	Software	Japan	103	296	1,626	
		The Americas	184	247	1,905	
		Other	167	196	1,749	
		Total	453	739	5,281	7,300
	New titles	Japan	19	25	138	
		The Americas	16	16	122	
Other		13	22	131		
Wii	Hardware	Japan	11	6	1,252	
		The Americas	53	21	4,591	
		Other	92	44	3,813	
		Total	156	71	9,656	1,050
	Software	Japan	94	95	7,047	
		The Americas	644	390	45,409	
		Other	607	362	30,237	
		Total	1,344	847	82,693	7,000
	New titles	Japan	5	2	449	
		The Americas	34	13	1,188	
Other		34	18	1,175		

## [Notes]

- 1 Nintendo DS means Nintendo DS, Nintendo DS Lite, Nintendo DSi, and Nintendo DSi XL.
- 2 The figures in actual sales units and number of new titles for Nintendo DS do not include the quantity of the Nintendo DSiWare titles.
- 3 The figures in actual sales units and number of new titles for Nintendo 3DS do not include the quantity of downloadable games in the Nintendo eShop.
- 4 The figures in actual sales units and number of new titles for Wii do not include the quantities of Virtual Console and the WiiWare titles.
- 5 Actual sales units of software include the quantity bundled with hardware.
- 6 Forecasted software sales units do not include the quantity bundled with hardware.
- 7 New titles-Other includes new titles released in the European and Australian markets.
- 8 Forecasted Nintendo 3DS hardware sales units include the quantity of the Nintendo 3DS XL hardware.
- 9 Forecasted Wii hardware and software sales units include the quantity of the Wii U hardware and software.
- 10 Forecasted software sales units of Nintendo 3DS and Wii U contained in Wii include the quantity of downloadable version.