



April 24, 2013

# CONSOLIDATED FINANCIAL STATEMENTS



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

## Consolidated Results for the Years Ended March 31, 2012 and 2013

(Amounts below one million are rounded down)

## (1) Consolidated operating results

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2013	635,422	(1.9)	(36,410)	-	10,482	-	7,099	-
Year ended March 31, 2012	647,652	(36.2)	(37,320)	-	(60,863)	-	(43,204)	-

[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, 2013	55.52	0.6	0.7	(5.7)
Year ended March 31, 2012	(337.86)	(3.5)	(4.1)	(5.8)

## (2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2013	1,447,878	1,227,520	84.8	9,598.22
As of March 31, 2012	1,368,401	1,191,025	87.0	9,313.15

## (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, 2013	(40,390)	89,104	(12,873)	469,395
Year ended March 31, 2012	(94,955)	(164,392)	(39,823)	407,186

## 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. 2012	0.00	100.00	100.00	12,787	-	1.0
Year ended Mar. 2013	0.00	100.00	100.00	12,787	180.1	1.1
Year ending Mar. 2014 (forecast)	-	-	260.00		60.5	

[Notes] The end of 2nd quarter (interim) dividend per share for the fiscal year ending March 31, 2014, which is determined based on the policy listed on page 5, is undecided because the financial forecast for the six months ending September, 2013 won't be prepared.

The year-end dividend per share is calculated by subtracting the 2nd quarter dividend per share from the annual dividend.

## Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2014

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending Mar. 2014	920,000	44.8	100,000	-	90,000	758.6	55,000	674.7	430.10

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

With respect to this forecast, please refer to pages 3-4 for the forward-looking conditions and other related matters.

### Others

(1) Changes for important subsidiaries during the fiscal year ended March 31, 2013 : Not applicable

(2) 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] Detailed information is listed on page 13.

(3) Outstanding shares (common shares)

- |   |                    |                             |                    |  |
|---|--------------------|-----------------------------|--------------------|--|
| ① Number of shares outstanding (including treasury stock) |                    |                             |                    |  |
| As of March 31, 2013 :                                    | 141,669,000 shares | As of March 31, 2012 :      | 141,669,000 shares |  |
| ② Number of treasury stock                                |                    |                             |                    |  |
| As of March 31, 2013 :                                    | 13,792,295 shares  | As of March 31, 2012 :      | 13,791,286 shares  |  |
| ③ Average number of shares                                |                    |                             |                    |  |
| Year ended March 31, 2013 :                               | 127,877,217 shares | Year ended March 31, 2012 : | 127,878,407 shares |  |

### (Reference) Non-consolidated Results

Non-consolidated Results for the Years Ended March 31, 2012 and 2013

(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, 2013	607,696	14.3	(35,859)	-	23,038	-	14,028	-
Year ended March 31, 2012	531,709	(34.1)	(34,702)	-	(56,665)	-	(37,923)	-

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

	Net income per share
	yen
Year ended March 31, 2013	109.70
Year ended March 31, 2012	(296.56)

(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, 2013	1,120,462	948,870	84.7	7,420.20
As of March 31, 2012	1,068,462	940,644	88.0	7,355.81

[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).

## Operating Results

### 1. Analysis of Operations

#### (1) Fiscal year ended March 31, 2013

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 fiscal year ended March 31, 2013, for the “Nintendo 3DS” hardware (3DS and 3DS XL), “Nintendo 3DS XL,” with screens approximately 1.9 times larger than those of “Nintendo 3DS,” was launched as a new size variation of “Nintendo 3DS.” As regards the “Nintendo 3DS” software, “New Super Mario Bros. 2” marked a total of 6.42 million units in worldwide sales. In addition, the combined total of the packaged and downloadable versions of “Animal Crossing: New Leaf,” a game in which the player character becomes the mayor of a village and can enjoy customizing the village and communicating with other player characters, marked over three million units in sales in Japan alone. As a result, the “Nintendo 3DS” system established itself as the leading platform in Japan. As for the overseas markets, although evergreen titles such as “New Super Mario Bros. 2” and “Paper Mario: Sticker Star,” released in this fiscal year, and “SUPER MARIO 3D LAND” and “Mario Kart 7,” released in last fiscal year, became hit titles, they did not generate sufficient sales momentum. The global sales of the “Nintendo 3DS” hardware and software were 13.95 million units and 49.61 million units respectively.

Regarding “Nintendo DS” (DS, DS Lite, DSi and DSi XL), the latest titles from the Pokémon series, “Pokémon Black Version 2/Pokémon White Version 2,” reached a total of 7.81 million units in sales. However, the worldwide sales of the “Nintendo DS” hardware and software were only 2.35 million units and 33.38 million units respectively due to an accelerated generational change to “Nintendo 3DS” in the handheld device segment.

A new home console, “Wii U,” with which people can enjoy two-screen gameplay by utilizing a TV and the Wii U controller, “Wii U GamePad,” was launched as the successor of “Wii.” As for the “Wii U” software, “New Super Mario Bros. U” and “Nintendo Land,” both of which were released simultaneously with the “Wii U” hardware, sold 2.15 million units and 2.6 million units respectively. However, “Wii U” was not able to maintain the initial sales momentum after the beginning of 2013 due to a delay in the development of subsequent software titles. The worldwide sales of the “Wii U” hardware and software were 3.45 million units and 13.42 million units respectively.

With respect to the “Wii” system, although “Mario Party 9” sold over one million units, the worldwide sales of the “Wii” hardware and software were 3.98 million units and 50.61 million units respectively, mainly due to few new title releases.

Net sales were 635.4 billion yen (of which overseas sales were 426.4 billion yen, or 67.1% of the total sales). Owing to the fact that the “Wii U” hardware sales have a negative impact on Nintendo’s profits, the operating loss was 36.4 billion yen. As a result of exchange gains totaling 39.5 billion yen due to the depreciation of the yen, ordinary income was 10.4 billion yen and net income was 7 billion yen.

#### (2) Outlook for fiscal year ending March 31, 2014

For “Nintendo 3DS,” in order to set in the overseas markets the same trend as in the Japanese market, we will concentrate on proactively releasing key Nintendo titles. “Animal Crossing: New Leaf,” a hit title which contributed to sales growth in Japan, will be released in the U.S. and Europe in June 2013, and the latest titles from the Pokémon series, “Pokémon X Version/Pokémon Y Version,” will be released globally in October 2013. In addition, we are planning to more actively support the Japanese software developers in distributing their key titles overseas. In Japan, we continuously strive to stimulate the market by releasing new titles such as “Tomodachi Collection,” launched on April 18, 2013 as a sequel to the popular “Nintendo DS” version of “Tomodachi Collection.” Furthermore, in overseas markets, we will more actively attempt to boost the sales rate of the downloadable format of packaged software, a sales method that we started last summer, in order to increase the number of new sales opportunities and improve our profitability.

For the “Wii U” system, launched in the fiscal year ended March 31, 2013, there were some delays in software development that resulted in intervals between new software title releases at the early stage of this year. Taking this into consideration, for the fiscal year ending March 31, 2014, we plan to concentrate on proactively releasing key Nintendo titles from the second half of this year through next year in order to regain momentum for the platform. Nintendo strives to improve the sales by communicating the compelling nature of our hardware and software to as many people as possible through our new network service called “Miiverse,” which offers an environment where people can empathize with others and share their gaming experiences. We also strive to reduce costs to improve hardware profitability.

With regard to consolidated financial forecasts for the fiscal year ending March 31, 2014, net sales are 920 billion yen, operating income is 100 billion yen, ordinary income is 90 billion yen, and net income is 55 billion yen. The unit sales of the major products used for the forecast are listed on page 15. The exchange rates used for the forecasts are 90 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

### (1) Situation of assets, liabilities, and net assets

Total assets increased by 79.4 billion yen compared to the previous fiscal year-end to 1,447.8 billion yen mainly due to the depreciation of the yen compared to the previous fiscal year-end and an increase in inventories. Primarily due to an increase of notes and accounts payable-trade, total liabilities increased by 42.9 billion yen compared to the previous fiscal year-end to 220.3 billion yen. Owing mainly to the influence of foreign currency translation adjustment, net assets increased by 36.4 billion yen compared to the previous fiscal year-end to 1,227.5 billion yen.

### (2) Situation of cash flow

The ending balance of "Cash and cash equivalents" (collectively, "Cash") as of March 31, 2013 was 469.3 billion yen with an increase of 62.2 billion yen during the fiscal year. During the previous fiscal year the decrease was 317.1 billion yen. Net increase (decrease) of Cash and contributing factors during the fiscal year ended March 31, 2013 are as follows:

Net cash provided by (used in) operating activities:

Net cash resulted in a decrease of 40.3 billion yen compared to a decrease of 94.9 billion yen last year, mainly due to an increase in inventories.

Net cash provided by (used in) investing activities:

Net cash from investing activities increased by 89.1 billion yen compared to a decrease of 164.3 billion yen last year, mainly due to the amount of proceeds from sales and redemption of short-term and long-term investment securities exceeding the purchase of short-term and long-term investment securities.

Net cash provided by (used in) financing activities:

Net cash from financing activities decreased by 12.8 billion yen compared to a decrease of 39.8 billion yen last year mainly due to payments for cash dividends.

### Cash flow index trend

	As of March 31, 2009	As of March 31, 2010	As of March 31, 2011	As of March 31, 2012	As of March 31, 2013
Capital adequacy ratio	69.2 %	75.9 %	78.4 %	87.0 %	84.8 %
Capital adequacy ratio at market value	200.9	227.3	175.8	116.3	89.3

[Notes] Capital adequacy ratio: The sum of total "Shareholders' equity" and total "Other accumulated comprehensive income" 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 for the first half of the fiscal year 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.

Following this policy, the dividend for the fiscal year ended March 31, 2013 is 30 yen. However, as we announced that the minimum annual dividend per share is 100 yen regardless of the profit levels, the dividend is 100 yen. For the fiscal year ending March 31, 2014, the annual dividend per share will be 260 yen if actual earnings are in line with the financial forecast herein. Since we will not prepare the financial forecast for the six months ending September 2013, the end of 2nd quarter (interim) dividend is undecided; however, our dividend policy is unchanged.

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

### 4. 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 April 25, 2011. 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

In the field of home entertainment, Nintendo strives to create new and unique forms of entertainment while maintaining a robust business structure, and places the highest priority on providing consumers with a "world of fun," which is both innovative and entertaining with creative elements that have never been experienced.

Regarding "Nintendo 3DS," we will continue to offer software and services that take advantage of the unique features of the "Nintendo 3DS" system and strive to establish sales momentum which is strong enough to expand the consumer base in the overseas markets.

In addition to improving the hardware profitability of the "Wii U" system that was launched last year, we will enrich its software library, which can convey the compelling nature of the system, and utilize the new network service called "Miiverse" to widely communicate the unique value of the "Wii U" system and popularize the product.

In addition to the above, to adapt to the changes in the environment surrounding the video game market, increase the number of sales opportunities and improve the profitability, we will expand the digital business by way of distributing paid add-on content and packaged software content in a digital form.

We reorganized the development divisions to increase hardware and software development efficiency, and strive to strengthen medium and long-term competitiveness.

Furthermore, in order to offer various software titles, we will advance joint development with outside software developers and build an environment, such as "Nintendo Web Framework," which enables developers to create software for "Wii U" using web technology.

Nintendo continues to make brand-new and unique proposals, and makes efforts for the growth of the home entertainment industry with a mission that is to pleasantly surprise people and put smiles on the faces of everyone Nintendo touches.

## Consolidated Balance Sheets

million yen

Description	As of March 31, 2012	As of March 31, 2013
<b>(Assets)</b>		
<b>Current assets</b>		
Cash and deposits	462,021	478,761
Notes and accounts receivable-trade	43,378	45,873
Short-term investment securities	496,301	424,540
Inventories	78,446	178,722
Deferred tax assets	16,744	31,693
Other	46,043	33,094
Allowance for doubtful accounts	(2,149)	(434)
<b>Total current assets</b>	<b>1,140,786</b>	<b>1,192,250</b>
<b>Noncurrent assets</b>		
Property, plant and equipment		
Buildings and structures, net	25,739	26,351
Machinery, equipment and vehicles, net	13,526	8,054
Tools, furniture and fixtures, net	4,707	5,309
Land	41,374	42,001
Construction in progress	2,508	4,434
Total property, plant and equipment	87,856	86,152
Intangible assets		
Software	4,801	8,276
Other	2,905	2,586
Total intangible assets	7,706	10,863
Investments and other assets		
Investment securities	66,505	109,634
Deferred tax assets	57,185	37,690
Other	8,361	11,287
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	132,052	158,612
<b>Total noncurrent assets</b>	<b>227,615</b>	<b>255,628</b>
<b>Total assets</b>	<b>1,368,401</b>	<b>1,447,878</b>

million yen

Description	As of March 31, 2012	As of March 31, 2013
<b>(Liabilities)</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	86,700	107,045
Income taxes payable	1,008	3,563
Provision for bonuses	2,565	2,131
Other	65,164	81,735
<b>Total current liabilities</b>	<b>155,438</b>	<b>194,475</b>
<b>Noncurrent liabilities</b>		
Provision for retirement benefits	14,444	16,593
Other	7,493	9,288
<b>Total noncurrent liabilities</b>	<b>21,937</b>	<b>25,882</b>
<b>Total liabilities</b>	<b>177,376</b>	<b>220,358</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	1,414,095
Treasury stock	(156,682)	(156,692)
<b>Total shareholders' equity</b>	<b>1,284,901</b>	<b>1,279,203</b>
<b>Other accumulated comprehensive income</b>		
Valuation difference on available-for-sale securities	1,570	8,599
Foreign currency translation adjustment	(95,528)	(60,414)
<b>Total other accumulated comprehensive income</b>	<b>(93,957)</b>	<b>(51,815)</b>
<b>Minority interests</b>	<b>81</b>	<b>131</b>
<b>Total net assets</b>	<b>1,191,025</b>	<b>1,227,520</b>
<b>Total liabilities and net assets</b>	<b>1,368,401</b>	<b>1,447,878</b>

## Consolidated Statements of Income

million yen

Description	Year ended March 31, 2012	Year ended March 31, 2013
Net sales	647,652	635,422
Cost of sales	493,997	495,068
<b>Gross profit</b>	<b>153,654</b>	<b>140,354</b>
Selling, general and administrative expenses	190,975	176,764
<b>Operating income (loss)</b>	<b>(37,320)</b>	<b>(36,410)</b>
Non-operating income		
Interest income	7,721	5,523
Foreign exchange gains	-	39,506
Other	2,104	3,455
Total non-operating income	9,825	48,485
Non-operating expenses		
Sales discounts	408	555
Loss on redemption of securities	2,517	505
Loss on redemption of investment securities	1,180	319
Foreign exchange losses	27,768	-
Other	1,493	212
Total non-operating expenses	33,368	1,592
<b>Ordinary income (loss)</b>	<b>(60,863)</b>	<b>10,482</b>
Extraordinary income		
Gain on sales of noncurrent assets	84	10
Refund of income taxes for prior periods	-	2,947
Total extraordinary income	84	2,957
Extraordinary loss		
Loss on disposal of noncurrent assets	98	22
Soil removal expenses	-	380
Loss on litigation	-	2,840
Total extraordinary loss	98	3,243
<b>Income (loss) before income taxes and minority interests</b>	<b>(60,877)</b>	<b>10,197</b>
Income taxes-current	(5,140)	(215)
Income taxes-deferred	(12,519)	3,244
Total income taxes	(17,659)	3,029
<b>Income (loss) before minority interests</b>	<b>(43,217)</b>	<b>7,168</b>
Minority interests in income (loss)	(13)	68
<b>Net income (loss)</b>	<b>(43,204)</b>	<b>7,099</b>



## Consolidated Statements of Comprehensive Income

million yen

Description	Year ended March 31, 2012	Year ended March 31, 2013
<b>Income (loss) before minority interests</b>	(43,217)	7,168
Other comprehensive income		
Valuation difference on available-for-sale securities	2,511	6,993
Foreign currency translation adjustment	(10,316)	35,111
Share of other comprehensive income of associates accounted for using equity method	(23)	34
Total other comprehensive income	(7,827)	42,139
<b>Comprehensive income</b>	<b>(51,045)</b>	<b>49,307</b>
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	(51,032)	49,242
Comprehensive income attributable to minority interests	(13)	65

**Consolidated Statements of Changes in Net Assets**

Year ended March 31, 2012 (April 1, 2011 - March 31, 2012)

million yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2011	10,065	11,734	1,502,631	(156,663)	1,367,767
Changes of items during the period					
Dividends from surplus	-	-	(39,642)	-	(39,642)
Net income (loss)	-	-	(43,204)	-	(43,204)
Purchase of treasury stock	-	-	-	(19)	(19)
Disposal of treasury stock	-	0	-	0	1
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes of items during the period	-	0	(82,847)	(18)	(82,865)
Balance as of March 31, 2012	10,065	11,734	1,419,784	(156,682)	1,284,901

million yen

	Other accumulated comprehensive income			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total other accumulated comprehensive income		
Balance as of April 1, 2011	(917)	(85,212)	(86,129)	224	1,281,861
Changes of items during the period					
Dividends from surplus	-	-	-	-	(39,642)
Net income (loss)	-	-	-	-	(43,204)
Purchase of treasury stock	-	-	-	-	(19)
Disposal of treasury stock	-	-	-	-	1
Net changes of items other than shareholders' equity	2,488	(10,316)	(7,827)	(142)	(7,970)
Total changes of items during the period	2,488	(10,316)	(7,827)	(142)	(90,836)
Balance as of March 31, 2012	1,570	(95,528)	(93,957)	81	1,191,025

**Consolidated Statements of Changes in Net Assets**

Year ended March 31, 2013 (April 1, 2012 - March 31, 2013)

million yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2012	10,065	11,734	1,419,784	(156,682)	1,284,901
Changes of items during the period					
Dividends from surplus	-	-	(12,787)	-	(12,787)
Net income	-	-	7,099	-	7,099
Purchase of treasury stock	-	-	-	(10)	(10)
Disposal of treasury stock	-	(0)	-	0	0
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes of items during the period	-	(0)	(5,688)	(9)	(5,697)
Balance as of March 31, 2013	10,065	11,734	1,414,095	(156,692)	1,279,203

million yen

	Other accumulated comprehensive income			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total other accumulated comprehensive income		
Balance as of April 1, 2012	1,570	(95,528)	(93,957)	81	1,191,025
Changes of items during the period					
Dividends from surplus	-	-	-	-	(12,787)
Net income	-	-	-	-	7,099
Purchase of treasury stock	-	-	-	-	(10)
Disposal of treasury stock	-	-	-	-	0
Net changes of items other than shareholders' equity	7,028	35,113	42,142	50	42,192
Total changes of items during the period	7,028	35,113	42,142	50	36,495
Balance as of March 31, 2013	8,599	(60,414)	(51,815)	131	1,227,520

## Consolidated Statements of Cash Flows

million yen

Description	Year Ended March 31, 2012	Year Ended March 31, 2013
<b>Net cash provided by (used in) operating activities</b>		
Income (loss) before income taxes and minority interests	(60,877)	10,197
Depreciation and amortization	12,523	12,637
Increase (decrease) in allowance for doubtful accounts	1,410	(1,718)
Increase (decrease) in provision for retirement benefits	2,810	574
Interest and dividends income	(7,957)	(5,757)
Foreign exchange losses (gains)	21,477	(29,825)
Equity in (earnings) losses of affiliates	596	(420)
Decrease (increase) in notes and accounts receivable-trade	85,500	1,691
Decrease (increase) in inventories	9,811	(83,608)
Increase (decrease) in notes and accounts payable-trade	(107,128)	20,738
Increase (decrease) in accrued consumption taxes	(390)	(465)
Other, net	(13,309)	7,106
Sub-total	(55,534)	(68,850)
Interest and dividends income received	8,212	6,556
Interest expenses paid	(5)	(2)
Income taxes (paid) refund	(47,628)	21,906
<b>Net cash provided by (used in) operating activities</b>	<b>(94,955)</b>	<b>(40,390)</b>
<b>Net cash provided by (used in) investing activities</b>		
Payments into time deposits	(177,093)	(165,056)
Proceeds from withdrawal of time deposits	260,328	186,142
Purchase of property, plant and equipment	(19,979)	(5,788)
Proceeds from sales of property, plant and equipment	170	65
Purchase of short-term and long term investment securities	(1,368,101)	(1,730,716)
Proceeds from sales and redemption of short-term and long term investment securities	1,145,894	1,809,615
Other, net	(5,611)	(5,158)
<b>Net cash provided by (used in) investing activities</b>	<b>(164,392)</b>	<b>89,104</b>
<b>Net cash provided by (used in) financing activities</b>		
Cash dividends paid	(39,644)	(12,801)
Other, net	(179)	(71)
<b>Net cash provided by (used in) financing activities</b>	<b>(39,823)</b>	<b>(12,873)</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>(18,007)</b>	<b>26,368</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(317,179)</b>	<b>62,208</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>724,366</b>	<b>407,186</b>
<b>Cash and cash equivalents at end of period</b>	<b>407,186</b>	<b>469,395</b>

## Notes Pertaining to Consolidated Financial Statements

### 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 fiscal year ended March 31, 2013.

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

### Notes pertaining to consolidated balance sheets and statements of cash flows

(Consolidated balance sheets information)	million yen As of March 31, 2012	million yen As of March 31, 2013
Accumulated depreciation	57,885	67,835

### (Consolidated statements of cash flows information)

"Cash and cash equivalents at end of period" were reconciled to "Cash and deposits" in the accompanying consolidated balance sheets as of March 31, 2012 and 2013 as follows:

	million yen Year ended March 31, 2012	million yen Year ended March 31, 2013
Cash and deposits	462,021	478,761
Time deposits with maturities of more than three months	(64,239)	(42,826)
Short-term investments with an original maturity of three months or less	9,404	33,460
Cash and cash equivalents	407,186	469,395

## Others

(1) Consolidated sales information million yen

Category		Year ended March 31, 2012	Year ended March 31, 2013
Electronic entertainment products	Hardware		
	Handheld	234,604	227,224
	Home console	116,022	136,852
	Others	36,881	32,270
	Hardware total	387,508	396,347
	Software		
	Handheld	128,009	144,588
	Home console	117,360	77,156
Content income, etc.	13,223	15,793	
Software total	258,592	237,539	
Electronic entertainment products total	646,100	633,887	
Other	Playing cards, Karuta, etc.	1,551	1,535
Total		647,652	635,422

[Note] Download sales

Year ended March 31, 2012: 7.8 billion yen

Year ended March 31, 2013: 16.4 billion yen

(2) Geographical sales breakdown million yen

		Japan	The Americas	Europe	Other	Total
Year ended March 31, 2013	Net Sales	208,944	236,665	169,887	19,925	635,422
	Component ratio	32.9%	37.2%	26.7%	3.2%	100.0%
Year ended March 31, 2012	Net Sales	148,216	250,981	217,382	31,072	647,652
	Component ratio	22.9%	38.8%	33.6%	4.7%	100.0%

(3) Other consolidated information million yen

	Year ended March 31, 2012	Year ended March 31, 2013	Year ending March 31, 2014 (Forecast)
Capital investments	25,005	15,429	26,000
Depreciation of property, plant and equipment	9,533	11,093	10,000
Research and development expenses	52,675	53,483	55,000
Advertising expenses	74,599	61,104	70,000
Number of employees (at year-end)	4,928	5,080	-
Average exchange rates			
1 USD =	79.08 yen	83.10 yen	90.00 yen
1 Euro =	108.98 yen	107.14 yen	120.00 yen

Consolidated net sales in U.S. dollars	2.9 billion	2.6 billion	-
Consolidated net sales in Euros	2.0 billion	1.5 billion	-
Non-consolidated purchases in U.S. dollars	2.8 billion	3.7 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 March 31, 2013		As of March 31, 2014
		Balance	Exchange rate	Balance	Exchange rate	Estimated exchange rate
USD	Cash and deposits	1,226		2,549		
	Accounts receivable-trade	295	1 USD=	477	1 USD=	1 USD=
	Accounts payable-trade	312	82.19 yen	374	94.05 yen	90.00 yen
Euro	Cash and deposits	1,576	1 Euro=	488	1 Euro=	1 Euro=
	Accounts receivable-trade	262	109.80 yen	316	120.73 yen	120.00 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. '11-Mar. '12	Apr. '12-Mar. '13	Mar. '13	Apr. '13-Mar. '14	
Nintendo DS	Hardware	Japan	23	1	3,299		
		The Americas	262	211	5,987		
		Other	225	23	6,101		
		Total	510	235	15,387	-	
	Software	Japan	777	506	21,198		
		The Americas	3,295	1,763	39,140		
		Other	2,011	1,068	33,031		
		Total	6,082	3,338	93,369	1,000	
	New titles	Japan	72	17	1,845		
		The Americas	117	47	1,718		
Other		130	74	2,090			
Nintendo 3DS	Hardware	Japan	479	569	1,154		
		The Americas	467	427	1,026		
		Other	406	400	929		
		Total	1,353	1,395	3,109	1,800	
	of which Nintendo 3DS XL	Hardware	Japan	-	314	314	
			The Americas	-	214	214	
			Other	-	250	250	
			Total	-	778	778	
	Software	Japan	1,113	2,116	3,447		
		The Americas	1,264	1,617	3,275		
Other		1,222	1,228	2,781			
Total		3,600	4,961	9,503	8,000		
New titles	Japan	92	97	210			
	The Americas	86	77	183			
	Other	89	84	193			
Wii	Hardware	Japan	86	26	1,271		
		The Americas	453	205	4,775		
		Other	445	168	3,937		
		Total	984	398	9,984	200	
	Software	Japan	900	432	7,384		
		The Americas	5,369	2,713	47,732		
		Other	3,968	1,915	31,790		
		Total	10,237	5,061	86,906	2,000	
	New titles	Japan	32	11	458		
		The Americas	129	47	1,222		
Other		137	56	1,213			
Wii U	Hardware	Japan	-	92	92		
		The Americas	-	152	152		
		Other	-	101	101		
		Total	-	345	345	900	
	Software	Japan	-	173	173		
		The Americas	-	728	728		
		Other	-	440	440		
		Total	-	1,342	1,342	3,800	
	New titles	Japan	-	20	20		
		The Americas	-	44	44		
Other		-	37	37			

## [Notes]

- 1 Nintendo DS means Nintendo DS, Nintendo DS Lite, Nintendo DSi and Nintendo DSi XL.
- 2 Software sales units and the number of new titles for Nintendo DS do not include those of Nintendo DSiWare.
- 3 Software sales units and the number of new titles for Nintendo 3DS are those of Nintendo 3DS card software (packaged and downloadable versions).
- 4 Software sales units and the number of new titles for Wii do not include those of Virtual Console and WiiWare.
- 5 Software sales units and the number of new titles for Wii U are those of Wii U disc software (packaged and downloadable versions).
- 6 Actual software sales units of each platform include the quantity bundled with hardware.
- 7 Forecasted software sales units do not include the quantity bundled with hardware.
- 8 "New titles - Other" sections count the number of new titles released only in Europe on and after April 1, 2012.