



MEMBERSHIP

July 31, 2013

CONSOLIDATED FINANCIAL HIGHLIGHTS



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Japan

Consolidated Results for the Three Months Ended June 2012 and 2013

(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, 2013	81,548	(3.8)	(4,924)	-	14,817	-	8,624	-
Three months ended June 30, 2012	84,813	(9.7)	(10,331)	-	(29,781)	-	(17,231)	-

[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, 2013	67.44
Three months ended June 30, 2012	(134.75)

(2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio
	million yen	million yen	%
As of June 30, 2013	1,398,793	1,239,754	88.6
As of March 31, 2013	1,447,878	1,227,520	84.8

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, 2013	-	0.00	-	100.00	100.00
Year ending Mar. 31, 2014 (forecast)	-	-	-	-	260.00

[Note]

The basic policy to pay out dividends is based on profit levels achieved in each fiscal year. The end of 2nd quarter (interim) dividend per share for the fiscal year ending March 31, 2014 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
Six months ending Sept. '13	-	-	-	-	-	-	-	-	-
Year ending Mar. '14	920,000	44.8	100,000	-	90,000	758.6	55,000	674.7	430.10

[Note]

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, 2013 : Not applicable

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

[Note] 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. | : 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, 2013 :	141,669,000 shares	As of March 31, 2013 :	141,669,000 shares
② Number of treasury stock			
As of June 30, 2013 :	13,792,858 shares	As of March 31, 2013 :	13,792,295 shares
③ Average number of shares			
Three months ended		Three months ended	
June 30, 2013 :	127,876,483 shares	June 30, 2012 :	127,877,670 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 three months ended June 30, 2013, for “Nintendo 3DS (3DS and 3DS XL),” “Tomodachi Collection” was released in Japan in April, and marked 1.39 million units in sales. “Animal Crossing: New Leaf,” which sold over three million units during the last fiscal year and became a blockbuster title in Japan, was released in the United States and Europe this June. This title sold 1.19 million units overseas and 1.54 million units worldwide. The worldwide unit sales of “Luigi’s Mansion: Dark Moon,” which was released in March, were 1.43 million, and “Donkey Kong Country Returns 3D,” which was released worldwide, has been well received. Along with the domestic sales that have been brisk since the last fiscal year, this Nintendo platform is gaining its sales momentum in the United States and Europe as a result of releasing key titles one after another. The global sales of “Nintendo 3DS” hardware and software were 1.4 million units and 11.01 million units respectively.

With respect to “Wii U,” “New Super Luigi U,” which is add-on content for “New Super Mario Bros. U” released simultaneously with the “Wii U” hardware last year, was released, and “Game & Wario,” released in Japan in March, was released overseas. The worldwide sales of “Wii U” hardware and software were 0.16 million units and 1.03 million units respectively mainly due to the release of few key first-party titles this quarter to strongly drive the hardware sales.

Regarding “Nintendo DS” (DS, DS Lite, DSi and DSi XL), the worldwide sales of its hardware and software were 0.06 million units and 2.15 million units respectively. Also, the sales of the “Wii” hardware and software were 0.21 million units and 3.67 million units respectively worldwide.

Affected by the yen depreciation during this period and the above results, net sales were 81.5 billion yen (of which overseas sales were 51.9 billion yen, or 63.7% of the total sales). Although the “Wii U” hardware sales still have a negative impact on Nintendo’s profits, gross profit was 36.4 billion yen mainly owing to the fact that the proportion of the software sales over the net sales increased and the profitability of the “Nintendo 3DS” hardware improved. The operating loss was 4.9 billion yen because total selling, general and administrative expenses exceeded gross profit due to enhancement of advertising and promotion of “Nintendo 3DS” overseas to increase sales, and research and development for the “Wii U” software. As a result of exchange gains totaling 16.9 billion yen due to depreciation of the yen at the end of this quarter, ordinary income was 14.8 billion yen and net income was 8.6 billion yen.

2. Consolidated Financial Forecast

The information below was factored in the financial forecast announced on April 24, 2013 and there is no revision of the forecast as of now.

For “Nintendo 3DS,” we continuously strive to stimulate the Japanese market. As for the overseas markets, in June, “Animal Crossing: New Leaf” was released and made a good start in the United States and Europe, where “Nintendo 3DS” is gaining sales momentum. Furthermore, we are concentrating on proactively releasing key first-party titles in order to further accelerate the sales momentum created in the first half of this year and put the platform in the best position at the start of the year-end sales season. “Mario & Luigi: Dream Team” was released in Europe in July and will be released in the United States in August, and the latest titles from the Pokémon series, “Pokémon X/Pokémon Y,” will be released globally in October. In addition, we are planning to more actively support the Japanese software developers in distributing their key titles overseas. We are also more actively attempting 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, we will attempt to concentrate on proactively releasing key first-party titles from the second half of this year through next year to regain momentum for the platform. Starting with “Pikmin 3,” which was released in Japan and Europe in July and will be released in the United States in August, we plan on releasing key titles such as “The Legend of Zelda: The Wind Waker HD,” “Wii Party U,” “Donkey Kong Country: Tropical Freeze,” “Super Mario 3D World,” and “Wii Fit U.” Moreover, 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 improve hardware profitability by reducing its costs.

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, 2013 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, 2013	As of June 30, 2013
(Assets)		
Current assets		
Cash and deposits	478,761	492,334
Notes and accounts receivable-trade	45,873	32,783
Short-term investment securities	424,540	374,796
Inventories	178,722	183,909
Other	64,787	62,622
Allowance for doubtful accounts	(434)	(297)
Total current assets	1,192,250	1,146,150
Noncurrent assets		
Property, plant and equipment	86,152	85,577
Intangible assets	10,863	11,923
Investments and other assets	158,612	155,141
Total noncurrent assets	255,628	252,642
Total assets	1,447,878	1,398,793
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	107,045	53,695
Income taxes payable	3,563	1,448
Provision	2,131	790
Other	81,735	74,760
Total current liabilities	194,475	130,695
Noncurrent liabilities		
Provision for retirement benefits	16,593	16,734
Other	9,288	11,609
Total noncurrent liabilities	25,882	28,344
Total liabilities	220,358	159,039
(Net assets)		
Shareholders' equity		
Capital stock	10,065	10,065
Capital surplus	11,734	11,734
Retained earnings	1,414,095	1,409,932
Treasury stock	(156,692)	(156,698)
Total shareholders' equity	1,279,203	1,275,034
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,599	9,441
Foreign currency translation adjustment	(60,414)	(44,848)
Total accumulated other comprehensive income	(51,815)	(35,406)
Minority interests	131	125
Total net assets	1,227,520	1,239,754
Total liabilities and net assets	1,447,878	1,398,793

5. Consolidated Statements of Income

million yen

Description	Three months ended June 30, 2012	Three months ended June 30, 2013
Net sales	84,813	81,548
Cost of sales	59,937	45,144
Gross profit	24,876	36,404
Selling, general and administrative expenses	35,208	41,329
Operating income (loss)	(10,331)	(4,924)
Non-operating income		
Interest income	1,288	1,890
Foreign exchange gains	-	16,934
Other	644	1,444
Total non-operating income	1,933	20,269
Non-operating expenses		
Sales discounts	69	76
Equity in losses of affiliates	-	435
Foreign exchange losses	21,105	-
Other	208	13
Total non-operating expenses	21,383	526
Ordinary income (loss)	(29,781)	14,817
Extraordinary loss		
Loss on disposal of noncurrent assets	3	1
Total extraordinary loss	3	1
Income (loss) before income taxes and minority interests	(29,785)	14,816
Total income taxes	(12,590)	6,198
Income (loss) before minority interests	(17,194)	8,617
Minority interests in income (loss)	36	(6)
Net income (loss)	(17,231)	8,624

6. Consolidated Statements of Comprehensive Income

million yen

Description	Three months ended June 30, 2012	Three months ended June 30, 2013
Income (loss) before minority interests	(17,194)	8,617
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,610)	841
Foreign currency translation adjustment	(17,437)	15,567
Share of other comprehensive income of associates accounted for using equity method	0	1
Total other comprehensive income	(20,047)	16,409
Comprehensive income	(37,242)	25,027
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	(37,275)	25,033
Comprehensive income attributable to minority interests	33	(5)

7. Others

(1) Consolidated sales information million yen

Category		Three months ended June 30, 2012	Three months ended June 30, 2013
Electronic entertainment products	Hardware	41,985	35,083
	Software	42,505	46,115
	Total electronic entertainment products	84,491	81,198
Other	Playing cards, Karuta, etc.	322	349
Total		84,813	81,548

[Note] Download sales

Three months ended June 30, 2012: 2.3 billion yen

Three months ended June 30, 2013: 5.7 billion yen

(2) Geographical sales breakdown million yen

		Japan	The Americas	Europe	Other	Total
Three months ended June 30, 2013	Net sales	29,563	28,018	21,299	2,667	81,548
	Component ratio	36.3%	34.4%	26.1%	3.2%	100.0%
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%

(3) Other consolidated information million yen

		Three months ended June 30, 2012	Three months ended June 30, 2013	Year ending March 31, 2014 (Forecast)
Depreciation of property, plant and equipment		2,426	2,149	10,000
Research and development expenses		11,837	13,704	55,000
Advertising expenses		10,020	12,374	70,000
Average exchange rates	1 USD =	80.20 yen	98.76 yen	90.00 yen
	1 Euro =	102.91 yen	128.95 yen	120.00 yen

Consolidated net sales in U.S. dollars	0.2 billion	0.2 billion	-
Consolidated net sales in Euros	0.2 billion	0.1 billion	-
Non-consolidated purchases in U.S. dollars	0.2 billion	0.2 billion	-

(4) Balance of major assets and liabilities in foreign currencies (non-consolidated)

million U.S. dollars/euros

		As of March 31, 2013		As of June 30, 2013		As of March 31, 2014
		Balance	Exchange rate	Balance	Exchange rate	Estimated exchange rate
USD	Cash and deposits	2,549	1 USD = 94.05 yen	2,551	1 USD = 98.59 yen	1 USD = 90.00 yen
	Accounts receivable-trade	477		148		
	Accounts payable-trade	374		162		
Euro	Cash and deposits	488	1 Euro = 120.73 yen	594	1 Euro = 128.53 yen	1 Euro = 120.00 yen
	Accounts receivable-trade	316		173		

(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. '12	Actual Apr. - Jun. '13	Life-to-date Jun. '13	Forecast Apr. '13-Mar. '14
Nintendo DS	Hardware	Japan	1	(0)	3,299	
		The Americas	40	4	5,991	
		Other	13	2	6,103	
		Total	54	6	15,393	-
	Software	Japan	281	13	21,211	
		The Americas	308	114	39,253	
		Other	259	88	33,120	
		Total	848	215	93,584	1,000
	New titles	Japan	6	-	1,845	
		The Americas	15	2	1,720	
Other		21	6	2,096		
Nintendo 3DS of which Nintendo 3DS XL	Hardware	Japan	92	64	1,218	
		The Americas	42	36	1,062	
		Other	53	40	969	
		Total	186	140	3,248	1,800
	of which Nintendo 3DS XL Hardware	Japan	-	43	357	
		The Americas	-	24	239	
		Other	-	31	281	
		Total	-	99	877	
	Software	Japan	296	431	3,878	
		The Americas	247	347	3,622	
		Other	196	322	3,104	
		Total	739	1,101	10,604	8,000
	New titles	Japan	25	22	232	
		The Americas	16	18	201	
		Other	22	17	210	
	Wii	Hardware	Japan	6	2	1,273
The Americas			21	10	4,785	
Other			44	9	3,946	
Total			71	21	10,004	200
Software		Japan	95	41	7,425	
		The Americas	390	175	47,907	
		Other	362	150	31,941	
		Total	847	367	87,273	2,000
New titles		Japan	2	-	458	
		The Americas	13	3	1,225	
	Other	18	3	1,216		
Wii U	Hardware	Japan	-	9	101	
		The Americas	-	6	158	
		Other	-	1	102	
		Total	-	16	361	900
	Software	Japan	-	18	191	
		The Americas	-	52	780	
		Other	-	33	473	
		Total	-	103	1,444	3,800
	New titles	Japan	-	4	24	
		The Americas	-	7	51	
Other		-	8	45		

[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.