

March 17, 2015



Name of listed company: Nintendo Co., Ltd.
 Representative: Satoru Iwata, Director and President
 (TSE First Section Stock Code: 7974)
 Contact person: Tatsumi Kimishima, Managing Director
 (Tel: 075-662-9600)

Announcement of Disposition of Treasury Shares by Third-Party Allotment

We are pleased to announce that we resolved at the meeting of the Board of Directors held on March 17, 2015 to allot treasury shares in our company by means of a third-party allotment to DeNA Co., Ltd. (headquarters: Shibuya-ku, Tokyo, President and CEO: Isao Moriyasu, “DeNA”) (the “Disposition of Treasury Shares”)

1. Overview of Disposition

(1) Date of disposition	April 2, 2015
(2) Number of shares	1,759,400 shares
(3) Price of disposition	12,497 yen per share
(4) Total amount of disposition	21,987,221,800 yen
(5) Method of subscription or disposition	Third-party allotment
(6) Acquirer of shares	DeNA Co., Ltd.
(7) Other	The above items are conditional upon the taking effect of the statement based on the Financial Instruments and Exchange Act.

2. Purposes and Reasons for Disposition

Our company and DeNA think that a business and capital alliance will enhance the corporate value of both companies by comprehensively combining each other’s strengths, and offering services and content with even higher added value. Also, we determined that a capital alliance taking the form of each company holding shares of stock in the other would provide a significant boost to our business alliance, and be necessary to ensure a strong relationship of trust between us. Accordingly, we entered into an agreement with DeNA for such a business and capital alliance on March 17, 2015 (for details, please refer to our joint press release with DeNA published today, entitled “Announcement of Business and Capital Alliance between Nintendo Co., Ltd. and

DeNA Co., Ltd.”)

Specifically, DeNA is to acquire 1,759,400 of our treasury shares (corresponding to 1.24% of our issued shares, having a total value of about 22.0 billion yen) by means of a third-party allotment. Simultaneously, we are to acquire 15,081,000 of the treasury shares of DeNA (corresponding to 10.00% of its issued shares, having a total value of about 22.0 billion yen) by means of a third-party allotment.

3. Amount and Uses of Funds to be Raised and Expected Timing of Payment

(1) Amount of funds to be raised (in yen)

1) Total amount to be paid	21,987,221,800
2) Estimated issuance expenses	2,500,000
3) Estimated remaining balance	21,984,721,800

(Note 1) Consumption tax, etc. are not reflected in the estimated issuance expenses.

(Note 2) The estimated issuance expenses are broken down into fees for preparing documents such as the securities registration statement.

(2) Specific uses of funds raised and expected timing of payment

The 21,984,721,800 yen estimated remaining balance set forth above is to be allocated for the acquisition of common shares (treasury shares) of DeNA in connection with the capital alliance with DeNA. The expected date of payment for these shares is April 2, 2015.

4. Appropriateness of Uses of Funds

We think that a capital alliance taking the form of each company holding shares of stock in the other would provide a significant boost to the business alliance with DeNA, and be necessary to ensure a strong relationship of trust between our company and DeNA. We think that the alliance will lead to the enhancement of our corporate value and we have determined that this use of the funds raised in the Disposition of Treasury Shares is appropriate.

5. Appropriateness of Disposition Conditions, etc.

(1) Basis for calculation of the payment amount and specific description of the same

The disposition price was determined to be 12,497 yen, a 10.0% discount over 13,885 yen (rounded up to the nearest one yen), which was the closing price of our shares on Tokyo Stock Exchange, Inc. on the business day immediately preceding the date of the resolution of Board of Directors on March 17, 2015 (March 16, 2015).

The disposition price of 12,497 yen represents a 3.1% (rounded to the nearest tenth of a percentage point) discount over 12,891 yen, which is the average of the closing prices (rounded up to the nearest one yen) during the one-month period immediately preceding the date of the board resolution (from February 17, 2015 to March 16, 2015), a 1.2% (rounded to the nearest tenth of a percentage point) premium over 12,346 yen, which is the average of the closing prices (rounded up to the nearest one yen) during the three-month period

immediately preceding the date of the board resolution (from December 17, 2014 to March 16, 2015), and a 1.5% (rounded to the nearest tenth of a percentage point) premium over 12,308 yen, which is the average of the closing prices (rounded up to the nearest one yen) during the six-month period immediately preceding the date of the board resolution (from September 17, 2014 to March 16, 2015).

The disposition price is based on a principle in the Japan Securities Dealers Association's Rules Concerning Handling of Allotment of New Shares to Third Party, Etc. that a payment amount should be 90% or more of the price on the date immediately preceding the date of the board resolution, and following discussions with the expected acquirer, the disposition price was determined in consideration of such aspects as the expected acquirer's policy of holding the acquired shares continuously over the long term and the recent wide fluctuations in the price of our shares, in which the closing price on the date immediately preceding the date of the board resolution (13,885 yen) is approximately a 19% increase on the closing price one month before (11,670 yen on February 16, 2015). Also, for the reason set forth above, the disposition price was judged to be appropriate as a calculation method and not to constitute a particularly favorable disposition price.

Also, an opinion was obtained from all three auditors who attended our Board of Directors meeting (of whom two are outside auditors) to the effect that the determination of the disposition price on the basis for calculation of the payment amount set forth above is appropriate and reasonable and is based on the Japan Securities Dealers Association's Rules Concerning Handling of Allotment of New Shares to Third Party, Etc., and does not constitute a particularly favorable disposition.

(2) Basis for determining that the number of shares and scale of dilution are appropriate

The number of shares involved in the Disposition of Treasury Shares is 1,759,400 (accompanied by 17,594 voting rights), which constitutes 1.24% of the 141,669,000 total currently issued shares (or 1.49% of the 1,181,575 total voting rights as of September 30, 2014) in our company, so the equity is expected to be diluted thereby.

However, we think that entering into a capital alliance with Nintendo and strengthening our relationship of mutual trust will promote our business alliance and ultimately enhance our corporate value, and we have therefore determined that the number of shares and scale of share dilution are at an appropriate level.

6. Reasons for Selecting Expected Acquirer, etc.

(1) Overview of the expected acquirer

(As of September 30, 2014)

1)	Name	DeNA Co., Ltd.
2)	Address	2-21-1 Shibuya, Shibuya-ku, Tokyo
3)	Name and title of representative	Isao Moriyasu, President and CEO
4)	Description of business	Social media business, Ecommerce business, Other
5)	Stated capital	10,397 million yen
6)	Date established	March 4, 1999
7)	Number of issued shares	150,810,033 shares

8)	Date of fiscal year end	March 31		
9)	Number of employees	2,389 (consolidated)		
10)	Main customers	SoftBank Mobile Corp., KDDI CORPORATION, NTT DOCOMO, INC.		
11)	Main banks	Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Banking Corporation		
12)	Shareholding percentages of major shareholders	Tomoko Namba		13.10%
		Japan Trustee Services, T		6.33%
		Shogo Kawada		2.67%
		Bank of Tokyo-Mitsubishi UFJ		1.95%
		Master Trust Bank of Japan, T.		1.60%
		OM 04 SSB Client Omnibus		1.55%
		Bank Julius Baer		1.05%
		SBI SECURITIES		0.96%
		Daiwa Securities		0.95%
		Mizuho Securities		0.93%
* Treasury shares of the company are excluded from the above table.				
13)	Relationships between the companies			
	Capital relationship	Not applicable		
	Personnel relationship	Not applicable		
	Transactional relationship	Not applicable		
	Circumstances relevant to related parties	Not applicable		
14)	Results of operations and financial condition for most recent three years (consolidated) (in millions of yen; excluding noted items)			
Fiscal year		FY ended Mar. 2012	FY ended Mar. 2013	FY ended Mar. 2014
Total equity attributable to owners of the parent		94,677	119,259	140,600
Total liabilities and equity		153,223	194,784	197,325
Equity per share attributable to owners of the parent (in yen)		653.06	884.89	1,081.10
Revenue		146,501	202,467	181,313
Operating profit		60,262	76,840	53,198
Profit before tax		60,349	79,215	54,920
Profit for the year attributable to owners of the parent		31,137	45,581	31,661
Basic earnings per share for the period attributable to owners of the parent (in yen)		213.13	333.34	242.56
Dividends per share (in yen)		36.00	50.00	37.00

The expected acquirer for the disposition is listed on the first section of the Tokyo Stock Exchange, and we confirmed in the basic policy and status of exclusion of relationships with antisocial forces in a corporate governance report (last updated on June 30, 2014) submitted to Tokyo Stock Exchange, Inc. by the expected

acquirer that it takes a resolute stand against antisocial forces and firmly avoids any links with them; accordingly it is our judgment that neither the acquirer nor its directors have relationships with antisocial forces.

(2) Reasons for selecting the expected acquirer

Please refer to “2. Purposes and Reasons for Disposition.”

(3) Shareholding policy of the expected acquirer

We have confirmed based on the agreement relating to the business and capital alliance entered into with the expected acquirer as of March 17, 2015 that the acquisition of shares in the Disposition of Treasury Shares is an investment for the purpose of strengthening the relationship with our company, and carries with it a policy to hold the shares continuously over the long term.

We expect to receive a written pledge from the expected acquirer agreeing that if, within two years following the disposition date, the acquirer transfers all or a portion of the common shares in our company that were acquired by the third-party allotment, the acquirer must report the details of the same to us in writing, after which we would make a report based on this to the Tokyo Stock Exchange and the details of such report would be accessible to the public.

(4) Confirmation of existence of financial assets for payment by the expected acquirer

We have confirmed based on the Condensed Consolidated Statement of Financial Position (as of December 31, 2014) in the expected acquirer’s third quarter quarterly report for the 17th fiscal term ending March 2015 that the expected acquirer holds cash and deposits necessary and sufficient to make payment for the Disposition of Treasury Shares.

7. Major Shareholders and Shareholding Percentages Following Disposition

Before disposition (as of Sep. 30, 2014)		After disposition	
State Street Bank and Trust Company	9.14%	State Street Bank and Trust Company	9.14%
JP Morgan Chase Bank 380055	8.94%	JP Morgan Chase Bank 380055	8.94%
The Bank of Kyoto, Ltd.	4.39%	The Bank of Kyoto, Ltd.	4.39%
The Nomura Trust and Banking Co., Ltd. (The Bank of Tokyo-Mitsubishi UFJ, Ltd. Retiree Allowance Trust Account)	3.36%	The Nomura Trust and Banking Co., Ltd. (The Bank of Tokyo-Mitsubishi UFJ, Ltd. Retiree Allowance Trust Account)	3.36%
Japan Trustee Services Bank, Ltd. (Trust Account)	2.51%	Japan Trustee Services Bank, Ltd. (Trust Account)	2.51%
Katsuhito Yamauchi	1.98%	Katsuhito Yamauchi	1.98%
The Master Trust Bank of Japan, Ltd. (Trust Account)	1.98%	The Master Trust Bank of Japan, Ltd. (Trust Account)	1.98%
Banjo Yamauchi	1.40%	Banjo Yamauchi	1.40%
The Bank of New York, Treaty JASDEC Account	1.25%	The Bank of New York, Treaty JASDEC Account	1.25%

Northern Trust Co. (AVFC) Sub A/C Non Treaty	1.06%	DeNA Co., Ltd.	1.25%
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(Note 1) Treasury shares of the company are excluded from the above table.

(Note 2) The shareholding percentages represent ratios of shares held to the total number of issued shares.

(Note 3) The major shareholders and shareholding percentages following the disposition consider the effect of the Disposition of Treasury Shares, based on the shareholders registry as of September 30, 2014.

8. Future Outlook

This business and capital alliance with DeNA is expected to have no effect on business performance for the current fiscal year. The expected impact upon future business performance is to be reflected in the forecasts of financial results for the next fiscal year onwards.

9. Matters Relating to Corporate Code of Conduct Procedures

Neither the obtaining of an opinion from independent third parties nor procedures to confirm the intent of shareholders as provided for in Article 432 of the Tokyo Stock Exchange's Securities Listing Rules will be necessary for the Disposition of Treasury Shares, because (a) the dilution percentage is less than 25% and (b) there is no accompanying change in controlling shareholders.

10. Operating Results and Equity Financing Over the Previous Three Years

(1) Operating results over the previous three years (consolidated) (in millions of yen; excluding noted items)

	FY ended Mar. 2012	FY ended Mar. 2013	FY ended Mar. 2014
Consolidated net sales	647,652	635,422	571,726
Consolidated operating income (loss)	(37,320)	(36,410)	(46,425)
Consolidated ordinary income (loss)	(60,863)	10,482	6,086
Consolidated net income (loss)	(43,204)	7,099	(23,222)
Consolidated net income (loss) per share (in yen)	(337.86)	55.52	(183.59)
Dividends per share (in yen)	100	100	100
Net assets per share (in yen)	9,313.15	9,598.22	9,447.00

(2) Current status of issued shares and dilutive shares

	Number of shares	Percentage of issued shares
Number of issued shares	141,669,000	100%
Number of dilutive shares at current conversion value (exercise price)	-	-
Number of dilutive shares at minimum conversion value (exercise price)	-	-

Number of dilutive shares at maximum conversion value (exercise price)	-	-
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(3) Recent share prices

1) Share prices over the last three years (in yen)

	FY ended Mar. 2012	FY ended Mar. 2013	FY ended Mar. 2014
Opening price	22,400	12,600	10,030
High price	22,570	12,690	16,150
Low price	9,910	8,070	9,070
Closing price	12,450	10,110	12,260

2) Share prices over the last six months (in yen)

	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.
Opening price	11,685	11,905	12,560	13,850	12,515	11,350
High price	12,470	11,995	13,775	14,460	12,845	12,920
Low price	11,610	10,530	11,990	12,345	11,140	11,150
Closing price	11,930	11,910	13,760	12,605	11,430	12,780

3) Share prices on the business day preceding the date of the resolution for issuance (in yen)

	Mar. 16, 2015
Opening price	13,720
High price	14,215
Low price	13,710
Closing price	13,885

(4) Equity financing over the last three years

Not applicable