



MEMBERSHIP

October 28, 2015

CONSOLIDATED FINANCIAL HIGHLIGHTS



Nintendo Co., Ltd.
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Japan

Consolidated Results for the Six Months Ended September 2014 and 2015

(1) Consolidated operating results

(Amounts below one million yen are rounded down)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended September 30, 2015	204,182	19.1	8,977	-	16,436	(25.9)	11,466	(19.8)
Six months ended September 30, 2014	171,399	(12.8)	(215)	-	22,196	-	14,300	-

[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
Six months ended September 30, 2015	95.46
Six months ended September 30, 2014	120.81

(2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio
	million yen	million yen	%
As of September 30, 2015	1,395,917	1,189,759	85.2
As of March 31, 2015	1,352,944	1,167,556	86.3

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 March 31, 2015	-	0.00	-	180.00	180.00
Year ending March 31, 2016	-	30.00			
Year ending March 31, 2016 (forecast)			-	120.00	150.00

Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2016

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending March 31, 2016	570,000	3.7	50,000	101.9	55,000	(22.0)	35,000	(16.4)	291.35

[Note]

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

Others

(1) Changes for important subsidiaries during the six-month period ended September 30, 2015					: Not applicable
(2) Application of peculiar methods for accounting procedures					: Applicable
(3) Changes in accounting procedures:					
1) Related to accounting standard revisions etc.					: 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 shares)					
As of Sept. 30, 2015 :	141,669,000 shares	As of March 31, 2015 :	141,669,000 shares		
② Number of treasury shares					
As of Sept. 30, 2015 :	21,539,075 shares	As of March 31, 2015 :	23,297,005 shares		
③ Average number of shares					
Six months ended		Six months ended			
Sept. 30, 2015 :	120,121,206 shares	Sept. 30, 2014 :	118,373,742 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

During the six months ended September 30, 2015, for Nintendo 3DS, New Nintendo 3DS and New Nintendo 3DS XL, which were launched during the previous fiscal year as the newest members of the Nintendo 3DS family, continued to expand their sales with new color variations, and the global sales of the Nintendo 3DS hardware reached 2.28 million units. As for the Nintendo 3DS software, *Animal Crossing: Happy Home Designer* became a hit, marking 2.02 million units in sales. In the Japanese market, titles from various genres such as *Rhythm Tengoku (temp.)*, *Fire Emblem Fates: Birthright/Conquest* and *Pokémon Super Mystery Dungeon* became popular with a wide variety of people. In addition, a third-party title sold over a million units as well. In the overseas markets, popular Nintendo titles such as *Super Smash Bros. for Nintendo 3DS* continued to show steady sales. As a result, the global sales of the Nintendo 3DS software reached 19.20 million units.

With respect to Wii U, *Super Mario Maker*, which was released globally in September offering a new taste to the Super Mario series, marked 1.88 million units in sales and got off to a good start. *Splatoon*, which was released in May, marked 2.42 million units in sales and contributed to vitalizing the Wii U platform. The worldwide sales of the Wii U hardware and software were 1.19 million and 12.37 million units respectively.

For amiibo, the newly released card type amiibo showed strong initial sales. At the same time, figure type amiibo have continued to maintain strong momentum and enjoyed robust sales.

As a result, net sales were 204.1 billion yen (of which overseas sales were 144.6 billion yen or 70.9% of the total sales), and operating income was 8.9 billion yen. As a result of non-operating income coming from interest income etc. totaling 7.5 billion yen, ordinary income was 16.4 billion yen and profit attributable to owners of parent was 11.4 billion yen.

2. Consolidated Financial Forecast

For Nintendo 3DS, *The Legend of Zelda: Tri Force Heroes* was released globally in October, *Mario & Luigi: Paper Jam* will be released in December for Japan and Europe, *Pokémon Super Mystery Dungeon* is scheduled for release in November for the United States and in early 2016 for Europe. Furthermore, a number of key titles from third-party publishers are scheduled for release. With such activities, we aim to further expand the Nintendo 3DS business.

For Wii U, by maintaining the attention level of *Super Mario Maker* and *Splatoon*, which have brisk sales, we will strive to further enhance the sales toward the year-end sales season. *Animal Crossing: amiibo Festival*, which is played using amiibo, will be released globally in November, and titles such as *Mario Tennis: Ultra Smash* and *Star Fox Zero* will be released sequentially.

Meanwhile, for amiibo, with its lineup becoming increasingly enhanced, we aim to further grow the sales by releasing a new figure type of Animal Crossing characters, which will be launched simultaneously with *Animal Crossing: amiibo Festival* in November. In Japan, the second series of Animal Crossing amiibo cards will launch in October.

In addition, a gaming application for smart devices is scheduled for release.

As a result, there is no revision to the consolidated financial forecast for this fiscal year announced on May 7, 2015.

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 six-month period ended September 30, 2015 multiplied by reasonably estimated annual effective tax rate with the effects of deferred taxes reflected.

Changes in accounting procedures related to accounting standard revisions etc.

Effective beginning the three-month period ended June 30, 2015, Nintendo has adopted the "Revised Accounting Standard for Business Combinations (ASBJ Statement No.21 of September 13, 2013; hereafter the "Business Combinations Accounting Standard")," the "Revised Accounting Standard for Consolidated Financial Statements (ASBJ Statement No.22 of September 13, 2013; hereafter the "Consolidation Accounting Standard")," the "Revised Accounting Standard for Business Divestitures (ASBJ Statement No.7 of September 13, 2013; hereafter the "Business Divestitures Accounting Standard")" and other standards. Accordingly, the accounting method was changed to record the difference arising from changes in equity in subsidiaries which Nintendo continues to control as capital surplus, and business acquisition costs as expenses for the fiscal year in which they occurred. Regarding business combinations implemented on or after April 1, 2015, the accounting method was changed to reflect adjustments to the allocation of acquisition cost under provisional accounting treatment on the consolidated financial statements of the quarterly financial period in which the relevant business combinations became or will become effective. In addition, the changes in the presentation of net income and the changes in the presentation from minority interests to non-controlling interests have been implemented. In connection with the changes in the presentation of the consolidated financial statements, reclassifications have been made on the consolidated financial statements of the six-month period ended September 30, 2014, and of the fiscal year ended March 31, 2015.

The Business Combinations Accounting Standard and other standards were applied in accordance with the transitional treatments stated in Article 58-2 (4) of the Business Combinations Accounting Standard, Article 44-5 (4) of the Consolidation Accounting Standard and Article 57-4 (4) of the Business Divestitures Accounting Standard from the beginning of the three-month period ended June 30, 2015.

There is no impact to the consolidated financial statements of the six-month period ended September 30, 2015.

4. Consolidated Balance Sheets

million yen

Description	As of March 31, 2015	As of September 30, 2015
(Assets)		
Current assets		
Cash and deposits	534,706	518,816
Notes and accounts receivable-trade	55,794	54,470
Securities	380,587	360,870
Inventories	76,897	102,945
Other	50,063	52,686
Allowance for doubtful accounts	(451)	(438)
Total current assets	1,097,597	1,089,352
Non-current assets		
Property, plant and equipment	91,488	90,175
Intangible assets	12,430	11,529
Investments and other assets		
Investment securities	96,294	153,583
Other	55,132	51,276
Total investments and other assets	151,426	204,860
Total non-current assets	255,346	306,565
Total assets	1,352,944	1,395,917
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	58,464	95,681
Income taxes payable	16,529	1,899
Provision	2,220	2,546
Other	67,018	65,703
Total current liabilities	144,232	165,831
Non-current liabilities		
Net defined benefit liability	25,416	25,041
Other	15,739	15,285
Total non-current liabilities	41,155	40,327
Total liabilities	185,387	206,158
(Net assets)		
Shareholders' equity		
Capital stock	10,065	10,065
Capital surplus	11,734	13,256
Retained earnings	1,409,764	1,399,924
Treasury shares	(270,986)	(250,552)
Total shareholders' equity	1,160,578	1,172,694
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,671	23,544
Foreign currency translation adjustment	(9,804)	(6,575)
Total accumulated other comprehensive income	6,866	16,968
Non-controlling interests	110	96
Total net assets	1,167,556	1,189,759
Total liabilities and net assets	1,352,944	1,395,917

5. Consolidated Statements of Income

million yen

Description	Six months ended September 30, 2014	Six months ended September 30, 2015
Net sales	171,399	204,182
Cost of sales	90,306	110,495
Gross profit	81,092	93,687
Selling, general and administrative expenses	81,308	84,709
Operating income (loss)	(215)	8,977
Non-operating income		
Interest income	1,976	2,170
Gain on redemption of securities	3,166	2,461
Other	17,366	2,904
Total non-operating income	22,509	7,536
Non-operating expenses		
Sales discounts	55	44
Other	41	32
Total non-operating expenses	97	77
Ordinary income	22,196	16,436
Extraordinary income		
Gain on sales of non-current assets	7	6
Gain on sales of shares of subsidiaries	3,458	-
Total extraordinary income	3,466	6
Extraordinary losses		
Loss on disposal of non-current assets	9	23
Restructuring loss	2,165	-
Total extraordinary losses	2,174	23
Income before income taxes and minority interests	23,488	16,419
Total income taxes	9,190	4,966
Profit	14,297	11,452
Loss attributable to non-controlling interests	(3)	(13)
Profit attributable to owners of parent	14,300	11,466

6. Consolidated Statements of Comprehensive Income

million yen

Description	Six months ended September 30, 2014	Six months ended September 30, 2015
Profit	14,297	11,452
Other comprehensive income		
Valuation difference on available-for-sale securities	598	6,873
Foreign currency translation adjustment	6,916	3,228
Share of other comprehensive income of entities accounted for using equity method	14	(0)
Total other comprehensive income	7,529	10,101
Comprehensive income	21,826	21,554
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	21,831	21,568
Comprehensive income attributable to non-controlling interests	(4)	(13)

7. Others

(1) Consolidated sales information

million yen

Category		Six months ended Sept. 30, 2014	Six months ended Sept. 30, 2015
Electronic entertainment products	Hardware	79,553	103,002
	Software	91,208	100,462
	Total electronic entertainment products	170,762	203,465
Other	Playing cards, Karuta, etc.	636	716
Total		171,399	204,182

[Note] Download sales

Six months ended September 30, 2014: 10.7 billion yen

Six months ended September 30, 2015: 21.0 billion yen

(2) Geographical sales breakdown

million yen

		Japan	The Americas	Europe	Other	Total
Six months ended September 30, 2015	Net sales	59,504	88,408	48,288	7,981	204,182
	Component ratio	29.1%	43.3%	23.6%	4.0%	100.0%
Six months ended September 30, 2014	Net sales	45,806	69,953	49,008	6,630	171,399
	Component ratio	26.7%	40.8%	28.6%	3.9%	100.0%

(3) Other consolidated information

million yen

		Six months ended September 30, 2014	Six months ended September 30, 2015	Year ending March 31, 2016 (Forecast)
Depreciation of property, plant and equipment		2,810	3,251	6,000
Research and development expenses		29,427	28,872	65,000
Advertising expenses		20,665	21,482	57,000
Average exchange rates	1 USD =	103.04 yen	121.80 yen	120.00 yen
	1 Euro =	138.92 yen	135.07 yen	125.00 yen

Consolidated net sales in U.S. dollars	0.6 billion	0.6 billion	-
Consolidated net sales in Euros	0.3 billion	0.3 billion	-
Non-consolidated purchases in U.S. dollars	0.2 billion	0.6 billion	-

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

million U.S. dollars/euros

		As of March 31, 2015		As of September 30, 2015		As of March 31, 2016
		Balance	Exchange rate	Balance	Exchange rate	Estimated exchange rate
USD	Cash and deposits	2,038	1 USD = 120.17 yen	2,204	1 USD = 119.96 yen	1 USD = 120.00 yen
	Accounts receivable-trade	233		387		
	Accounts payable-trade	159		374		
Euro	Cash and deposits	778	1 Euro = 130.32 yen	461	1 Euro = 134.97 yen	1 Euro = 125.00 yen
	Accounts receivable-trade	108		284		

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

			Sales Units in Ten Thousands Number of New Titles Released			
			Actual	Actual	Life-to-date	Forecast
			Apr. - Sept. '14	Apr. - Sept. '15	Sept. '15	Apr. '15-Mar. '16
Nintendo 3DS	Hardware	Japan	72	83	1,979	
		The Americas	69	75	1,827	
		Other	68	70	1,629	
		Total	209	228	5,434	760
	of which Nintendo 3DS XL	Japan	61	1	702	
		The Americas	51	11	647	
		Other	40	3	574	
		Total	151	16	1,923	
	of which Nintendo 2DS	Japan	-	-	-	
		The Americas	18	9	186	
		Other	25	8	206	
		Total	42	16	392	
	of which New Nintendo 3DS	Japan	-	16	75	
		The Americas	-	5	5	
		Other	-	20	42	
Total		-	40	122		
of which New Nintendo 3DS XL	Japan	-	60	193		
	The Americas	-	50	118		
	Other	-	36	80		
	Total	-	146	391		
Software	Japan	979	912	9,437		
	The Americas	707	548	8,227		
	Other	644	460	6,822		
	Total	2,330	1,920	24,486	5,600	
New titles	Japan	42	50	490		
	The Americas	33	29	379		
	Other	48	32	426		
Wii	Hardware	Japan	(0)	-	1,275	
		The Americas	8	(0)	4,864	
		Other	9	8	4,019	
		Total	17	7	10,159	10
	Software	Japan	17	15	7,558	
		The Americas	284	196	49,834	
		Other	317	197	33,710	
		Total	618	408	91,103	400
	New titles	Japan	1	1	463	
		The Americas	5	4	1,258	
Other		10	7	1,262		
Wii U	Hardware	Japan	17	32	266	
		The Americas	63	55	521	
		Other	32	31	287	
		Total	112	119	1,073	340
	Software	Japan	134	205	1,100	
		The Americas	560	669	3,828	
		Other	246	364	1,977	
		Total	940	1,237	6,905	2,300
	New titles	Japan	14	10	90	
		The Americas	14	15	134	
Other		15	16	126		

[Notes]

- 1 Software sales units and the number of new titles for Nintendo 3DS are those of Nintendo 3DS card software (packaged and downloadable versions).
- 2 Software sales units and the number of new titles for Wii do not include those of Virtual Console and WiiWare.
- 3 Software sales units and the number of new titles for Wii U are those of Wii U disc software (packaged and downloadable versions).
- 4 Actual software sales units of each platform include the quantity bundled with hardware.
- 5 Forecasted software sales units do not include the quantity bundled with hardware.

(6) Role changes of directors

Nintendo released "Notice Regarding Personnel Change of a Representative Director and Role Changes of Directors" on September 14, 2015.