



February 2, 2016

CONSOLIDATED FINANCIAL HIGHLIGHTS



Nintendo Co., Ltd.
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Japan

Consolidated Results for the Nine Months Ended December 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	%
Nine months ended December 31, 2015	425,664	(3.9)	42,485	34.4	55,295	(40.1)	40,558	(31.9)
Nine months ended December 31, 2014	442,920	(11.3)	31,604	-	92,356	66.2	59,515	483.7

[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
Nine months ended December 31, 2015	337.64
Nine months ended December 31, 2014	502.78

(2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio
	million yen	million yen	%
As of December 31, 2015	1,409,735	1,206,957	85.6
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 nine-month period ended December 31, 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 Dec. 31, 2015 :	141,669,000 shares	As of March 31, 2015 :	141,669,000 shares		
② Number of treasury shares					
As of Dec. 31, 2015 :	21,539,345 shares	As of March 31, 2015 :	23,297,005 shares		
③ Average number of shares					
Nine months ended		Nine months ended			
Dec. 31, 2015 :	120,124,098 shares	Dec. 31, 2014 :	118,373,372 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 nine month period ended December 31, 2015, for Nintendo 3DS, "New Nintendo 3DS and New Nintendo 3DS XL," both of which launched during the previous period as the newest members of the Nintendo 3DS family, made up the bulk of the Nintendo 3DS hardware sales. As for the Nintendo 3DS software, *Animal Crossing: Happy Home Designer* became a hit by selling 2.93 million units globally, while in overseas markets, popular titles such as *Pokémon Omega Ruby/Pokémon Alpha Sapphire* and *Super Smash Bros. for Nintendo 3DS* which were released during the previous fiscal year showed steady sales. In the Japanese market, titles such as *Rhythm Tengoku* (Japanese title) and *Fire Emblem Fates: Birthright/Conquest* gained popularity. In addition, some third-party titles sold over a million units as well. As a result, the global sales of the Nintendo 3DS hardware and software were 5.88 million and 38.87 million units respectively.

With respect to Wii U, *Splatoon* sold 4.06 million units and *Super Mario Maker* sold 3.34 million units, making both titles blockbusters that vitalized the Wii U platform. In addition, *Yoshi's Woolly World*, which was released during this period, and evergreen titles released in the previous period such as *Mario Kart 8* and *Super Smash Bros. for Wii U* showed steady sales. The global sales of the Wii U hardware and software reached 3.06 million and 22.62 million units respectively.

For amiibo, the figure-type and the card-type sold approximately 20.50 million units and approximately 21.50 million units, respectively, and the platform showed strong performance globally without losing momentum. Furthermore, sales of additional download content for Nintendo 3DS and Wii U increased and total download sales reached 30.5 billion yen.

As a result, net sales were 425.6 billion yen (of which overseas sales were 308.9 billion yen or 72.6% of the total sales) and operating income was 42.4 billion yen. Ordinary income was 55.2 billion yen and profit attributable to owners of parent was 40.5 billion yen.

2. Consolidated Financial Forecast

For Nintendo 3DS, we will globally release a special edition hardware pre-installed with Pokémon title(s) from the original Pokémon series on February 27 which marks the 20th year since the original Pokémon series release. Furthermore, *Mario & Sonic at the Rio 2016 Olympic Games* and key titles from third-party publishers are scheduled for release.

For Wii U, we will strive to maintain the attention level of *Splatoon* and *Super Mario Maker*, which are continuing to show steady sales, while introducing new titles such as *The Legend of Zelda: Twilight Princess HD*.

Meanwhile, for amiibo, we will continue to expand the product lineup in order to maintain momentum. At the same time, we will aim to further expand sales by offering new gaming experiences with the use of amiibo. In addition, the first application for smart devices, *Miitomo*, is scheduled for release.

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 nine-month period ended December 31, 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 nine-month period ended December 31, 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 nine-month period ended December 31, 2015.

4. Consolidated Balance Sheets

million yen

Description	As of March 31, 2015	As of December 31, 2015
(Assets)		
Current assets		
Cash and deposits	534,706	558,433
Notes and accounts receivable-trade	55,794	103,823
Securities	380,587	345,721
Inventories	76,897	51,458
Other	50,063	33,086
Allowance for doubtful accounts	(451)	(433)
Total current assets	1,097,597	1,092,090
Non-current assets		
Property, plant and equipment	91,488	89,496
Intangible assets	12,430	11,155
Investments and other assets		
Investment securities	96,294	163,884
Other	55,132	53,108
Total investments and other assets	151,426	216,992
Total non-current assets	255,346	317,645
Total assets	1,352,944	1,409,735
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	58,464	83,211
Income taxes payable	16,529	4,922
Provision	2,220	835
Other	67,018	72,802
Total current liabilities	144,232	161,772
Non-current liabilities		
Net defined benefit liability	25,416	25,302
Other	15,739	15,703
Total non-current liabilities	41,155	41,005
Total liabilities	185,387	202,777
(Net assets)		
Shareholders' equity		
Capital stock	10,065	10,065
Capital surplus	11,734	13,256
Retained earnings	1,409,764	1,425,412
Treasury shares	(270,986)	(250,557)
Total shareholders' equity	1,160,578	1,198,177
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,671	17,289
Foreign currency translation adjustment	(9,804)	(8,625)
Total accumulated other comprehensive income	6,866	8,664
Non-controlling interests	110	115
Total net assets	1,167,556	1,206,957
Total liabilities and net assets	1,352,944	1,409,735

5. Consolidated Statements of Income

million yen

Description	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Net sales	442,920	425,664
Cost of sales	269,976	242,364
Gross profit	172,944	183,299
Selling, general and administrative expenses	141,339	140,814
Operating income	31,604	42,485
Non-operating income		
Interest income	2,970	3,372
Gain on redemption of securities	3,942	5,221
Other	54,036	4,398
Total non-operating income	60,949	12,993
Non-operating expenses		
Sales discounts	161	85
Loss on sales of securities	1	46
Other	35	51
Total non-operating expenses	197	183
Ordinary income	92,356	55,295
Extraordinary income		
Gain on sales of non-current assets	20	5
Gain on sales of investment securities	-	398
Gain on sales of shares of subsidiaries	3,587	-
Total extraordinary income	3,608	404
Extraordinary losses		
Loss on disposal of non-current assets	27	28
Restructuring loss	2,266	911
Total extraordinary losses	2,294	940
Income before income taxes and minority interests	93,669	54,759
Total income taxes	34,164	14,196
Profit	59,505	40,563
Profit (loss) attributable to non-controlling interests	(10)	4
Profit attributable to owners of parent	59,515	40,558

6. Consolidated Statements of Comprehensive Income

million yen

Description	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Profit	59,505	40,563
Other comprehensive income		
Valuation difference on available-for-sale securities	3,337	617
Foreign currency translation adjustment	31,218	1,178
Share of other comprehensive income of entities accounted for using equity method	37	1
Total other comprehensive income	34,593	1,797
Comprehensive income	94,099	42,361
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	94,110	42,356
Comprehensive income attributable to non-controlling interests	(11)	4

7. Others

(1) Consolidated sales information

million yen

Category		Nine months ended Dec. 31, 2014	Nine months ended Dec. 31, 2015
Electronic entertainment products	Hardware	234,835	239,033
	Software	207,128	185,410
	Total electronic entertainment products	441,963	424,443
Other	Playing cards, Karuta, etc.	957	1,220
Total		442,920	425,664

[Note] Download sales

Nine months ended December 31, 2014: 21.1 billion yen

Nine months ended December 31, 2015: 30.5 billion yen

(2) Geographical sales breakdown

million yen

		Japan	The Americas	Europe	Other	Total
Nine months ended December 31, 2015	Net sales	116,685	186,087	109,865	13,025	425,664
	Component ratio	27.4%	43.7%	25.8%	3.1%	100.0%
Nine months ended December 31, 2014	Net sales	119,715	183,408	124,906	14,889	442,920
	Component ratio	27.0%	41.4%	28.2%	3.4%	100.0%

(3) Other consolidated information

million yen

		Nine months ended December 31, 2014	Nine months ended December 31, 2015	Year ending March 31, 2016 (Forecast)
Depreciation of property, plant and equipment		4,595	4,747	6,000
Research and development expenses		44,799	45,166	65,000
Advertising expenses		44,070	39,756	57,000
Average exchange rates	1 USD =	106.87 yen	121.70 yen	120.00 yen
	1 Euro =	140.30 yen	134.36 yen	125.00 yen

Consolidated net sales in U.S. dollars	1.5 billion	1.4 billion	-
Consolidated net sales in Euros	0.8 billion	0.8 billion	-
Non-consolidated purchases in U.S. dollars	0.7 billion	1.0 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 December 31, 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	2,235	1 USD = 120.61 yen	1 USD = 120.00 yen
	Accounts receivable-trade	233		325		
	Accounts payable-trade	159		278		
Euro	Cash and deposits	778	1 Euro = 130.32 yen	538	1 Euro = 131.77 yen	1 Euro = 125.00 yen
	Accounts receivable-trade	108		280		

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

			Actual		Sales Units in Ten Thousands	
			Apr. - Dec. '14	Apr. - Dec. '15	Life-to-date	Number of New Titles Released
					Dec. '15	(Ref.) Initial Forecast
						Apr. '15-Mar. '16
Nintendo 3DS	Hardware	Japan	281	201	2,097	
		The Americas	219	198	1,950	
		Other	208	188	1,747	
		Total	708	588	5,794	760
	of which Nintendo 3DS XL	Japan	75	3	704	
		The Americas	160	29	664	
		Other	98	21	591	
		Total	333	52	1,959	
	of which Nintendo 2DS	Japan	-	-	-	
		The Americas	59	40	218	
		Other	90	51	250	
		Total	149	92	467	
	of which New Nintendo 3DS	Japan	56	40	100	
		The Americas	-	5	5	
Other		2	44	66		
Total		58	89	171		
of which New Nintendo 3DS XL	Japan	119	140	274		
	The Americas	-	124	192		
	Other	6	70	114		
	Total	126	334	580		
Software	Japan	2,126	1,747	10,273		
	The Americas	1,724	1,072	8,751		
	Other	1,454	1,067	7,429		
	Total	5,304	3,887	26,453	5,600	
New titles	Japan	80	82	522		
	The Americas	61	46	396		
	Other	76	56	450		
Wii	Hardware	Japan	(0)	-	1,275	
		The Americas	15	(0)	4,864	
		Other	22	11	4,023	
		Total	38	11	10,163	10
	Software	Japan	28	18	7,562	
		The Americas	466	265	49,904	
		Other	511	334	33,847	
		Total	1,005	618	91,313	400
	New titles	Japan	1	1	463	
		The Americas	8	7	1,261	
Other		13	12	1,267		
Wii U	Hardware	Japan	49	75	308	
		The Americas	164	145	610	
		Other	90	87	342	
		Total	303	306	1,260	340
	Software	Japan	285	372	1,268	
		The Americas	1,227	1,217	4,376	
		Other	547	673	2,286	
		Total	2,059	2,262	7,930	2,300
	New titles	Japan	26	18	98	
		The Americas	22	28	147	
Other		23	28	138		

[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.