



MEMBERSHIP

April 27, 2017

CONSOLIDATED FINANCIAL STATEMENTS



Nintendo Co., Ltd.
11-1 Hokotate-cho, Kamitoba,
Minami-ku, Kyoto 601-8501
Japan

Consolidated Results for the Years Ended March 31, 2016 and 2017

(1) Consolidated operating results

(Amounts below one million yen are rounded down)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2017	489,095	(3.0)	29,362	(10.7)	50,364	74.9	102,574	521.5
Year ended March 31, 2016	504,459	(8.2)	32,881	32.7	28,790	(59.2)	16,505	(60.6)

[Note]

Percentages for net sales, operating profit etc. show increase (decrease) from the last fiscal year.

	Profit per share	Return on equity	Ordinary profit on total assets	Operating profit to net sales
	yen	%	%	%
Year ended March 31, 2017	853.87	8.5	3.6	6.0
Year ended March 31, 2016	137.40	1.4	2.2	6.5

(2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2017	1,468,978	1,250,972	85.2	10,412.59
As of March 31, 2016	1,296,902	1,160,901	89.5	9,662.73

(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, 2017	19,101	69,518	(14,435)	330,974
Year ended March 31, 2016	55,190	(71,740)	(2,996)	258,095

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. 2016	30.00	120.00	150.00	18,019	109.2	1.5
Year ended Mar. 2017	0.00	430.00	430.00	51,654	50.4	4.3
Year ending Mar. 2018 (forecast)	-*	-*	190.00		50.7	

[Note]

*Dividends are paid twice a year after the end of the second quarter and at the fiscal year-end based on profit levels achieved in each fiscal year as our basic policy. As for the dividend forecast for the fiscal year ending March 31, 2018, only the annual dividend is described because the financial forecast for the year is prepared only on a full fiscal year basis and the dividend cannot be separately forecasted between the interim and the fiscal year-end.

Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2018

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending Mar. 2018	750,000	53.3	65,000	121.4	60,000	19.1	45,000	(56.1)	374.60

[Notes]

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

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

Others

(1) Changes for important subsidiaries during the fiscal year ended March 31, 2017 : 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 | : Not 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 shares) | | | | |
| As of March 31, 2017 : | 141,669,000 shares | As of March 31, 2016 : | 141,669,000 shares | |
| ② Number of treasury shares | | | | |
| As of March 31, 2017 : | 21,541,341 shares | As of March 31, 2016 : | 21,539,677 shares | |
| ③ Average number of shares | | | | |
| Year ended March 31, 2017 : | 120,128,492 shares | Year ended March 31, 2016 : | 120,125,446 shares | |

(Reference) Non-consolidated Results

Non-consolidated Results for the Years Ended March 31, 2016 and 2017

(1) Non-consolidated operating results

	Net sales		Operating profit		Ordinary profit		Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2017	363,383	(4.4)	(5,304)	-	(7,631)	-	(1,434)	-
Year ended March 31, 2016	379,992	3.6	19,630	(25.9)	10,831	(84.5)	4,516	(89.1)

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

	Profit per share
	yen
Year ended March 31, 2017	(11.94)
Year ended March 31, 2016	37.60

(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, 2017	1,051,811	872,320	82.9	7,261.62
As of March 31, 2016	962,911	881,203	91.5	7,335.46

[Notes]

1. This earnings release report is not subject to audit procedures based on the Financial Instruments and Exchange Act.

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).

Description of Operating Results

1. Operating Results and Financial Positions for the Fiscal Year Ended March 31, 2017

(1) Operating results for the fiscal year ended March 31, 2017

Nintendo Switch, a new home console system that diversifies the ways you can play games, launched during this period on March 3 worldwide and is off to a promising start. In particular, *The Legend of Zelda: Breath of the Wild* has won immense popularity with recorded sales of 2.76 million units (the total units sold including the Wii U version is 3.84 million units) and *1-2-Switch* has been generating buzz. Both of these games were released at the same time as the hardware. The sales volume for hardware and software during this period reached 2.74 million units and 5.46 million units respectively.

Sales volume for the Nintendo 3DS software also grew favorably. In addition to *Pokémon Sun and Pokémon Moon*, which released worldwide in November and generated a tremendous amount of buzz with recorded sales of 15.44 million units, *Super Mario Maker for Nintendo 3DS* sold 2.34 million units and *Kirby: Planet Robobot* sold 1.36 million units. The release of the smart device application *Pokémon GO* led to increased sales of software in the Pokémon series and drove the Nintendo 3DS family hardware sales growth outside of Japan. The worldwide sales volume for the Nintendo 3DS hardware this period was 7.27 million units (7% increase on a year-on-year basis), while the Nintendo 3DS software sales volume reached 55.08 million units (14% increase on a year-on-year basis).

For Wii U, while *The Legend of Zelda: Breath of the Wild* released worldwide in March and reached sales of 1.08 million units, the Wii U software sales volume during this period was 14.8 million units (46% decrease on a year-on-year basis) and hardware sales were in alignment with our expectations at the start of the fiscal year, decreasing to a sales volume of 760 thousand units (77% decrease on a year-on-year basis).

On the smart device front, we released *Super Mario Run*, a new action game application featuring Mario, in December for the iOS and March for the Android. This title elicited a fantastic response from consumers worldwide. Furthermore, we released *Fire Emblem Heroes*, a full-fledged simulation RPG game application that can be enjoyed casually on smart devices, in February. The game is being enjoyed by both long-time fans of the Fire Emblem series and consumers who have never played the series on dedicated video game systems.

The Nintendo Entertainment System: NES Classic Edition also launched in Japan and overseas in November to widespread popularity. Although the release of some new titles offering amiibo functionality restored some momentum, amiibo sales remained limited to 9.1 million units for figure-type and 9.3 million units for card-type. In addition, there were relatively fewer offerings of downloadable content during this period, so digital sales were also down to a large extent on the same period last year.

These factors resulted in an operating profit of 29.3 billion yen against net sales of 489.0 billion yen (of which 359.0 billion yen, or 73.4% of the total sales, were overseas sales). We have also included 20.2 billion yen share of profit of entities accounted for using the equity method related to The Pokémon Company and other investments, resulting in an ordinary profit of 50.3 billion yen. In addition, due to the sale of part of our equity in the company that manages the Seattle Mariners Major League Baseball team, we recorded gain on sales of investment securities totaling 64.5 billion yen as extraordinary income, meaning that the profit attributable to owners of parent was 102.5 billion yen.

(2) Financial positions as of March 31, 2017

Total assets increased by 172.0 billion yen compared to the prior fiscal year-end to 1,468.9 billion yen mainly due to an increase in cash and deposits as well as notes and accounts receivable-trade. Total liabilities increased by 82.0 billion yen compared to the prior fiscal year-end to 218.0 billion yen mainly due to an increase in notes and accounts payable-trade. Net assets increased by 90.0 billion yen compared to the prior fiscal year-end to 1,250.9 billion yen.

(3) Cash flows for the fiscal year ended March 31, 2017

The ending balance of “Cash and cash equivalents” (collectively, “Cash”) as of March 31, 2017 was 330.9 billion yen, with an increase of 72.8 billion yen during the fiscal year. During the prior fiscal year, there was a decrease of 23.4 billion yen. Net increase (decrease) of Cash and contributing factors during the fiscal year ended March 31, 2017 are as follows:

Net cash provided by (used in) operating activities:

There were decreasing factors contributing to 114.7 billion yen of profit before income taxes such as a record of gain on sales of short-term and long-term investment securities and an increase in notes and accounts receivable - trade. However, due to increasing factors such as a decrease in notes and accounts payable - trade, net cash resulted in an increase of 19.1 billion yen compared to an increase of 55.1 billion yen during the prior year.

Net cash provided by (used in) investing activities:

Net cash from investing activities increased by 69.5 billion yen compared to a decrease of 71.7 billion yen during the prior year mainly due to proceeds from withdrawal of time deposits and sales and redemption of short-term and long-term investment securities exceeding payments into time deposits and purchase of short-term and long-term investment securities.

Net cash provided by (used in) financing activities:

Net cash from financing activities decreased by 14.4 billion yen compared to a decrease of 2.9 billion yen during the prior year mainly due to payments of cash dividends.

2. Outlook for the Fiscal Year Ending March 31, 2018

Regarding Nintendo Switch, we will maintain buzz about *The Legend of Zelda: Breath of the Wild* and *1-2-Switch*, which are off to a phenomenal start, and release *Mario Kart 8 Deluxe* in April and *ARMS* in June worldwide. We will release *Splatoon 2* in July. *Splatoon 2* exemplifies the concept of Nintendo Switch, enabling consumers to play anywhere, anytime, and with anyone, and will bring competition between consumers to new levels of excitement. In addition, we will maintain favorable conditions surrounding Nintendo Switch by providing a continuous stream of appealing third-party titles across varying genres. We aim to stimulate the platform and expand sales going into the holiday season this year.

Total sales volume for the Nintendo 3DS hardware worldwide has surpassed 66 million units and it has developed into a platform that we can rely on for software sales.

We will release *Fire Emblem Echoes: Shadows of Valentia* overseas in May (April in Japan) and plan to release *Ever Oasis* and *Hey! Pikmin* in June and July. Furthermore, this year is Kirby's 25th anniversary, so we are planning to release downloadable titles and a new multiplayer action game for Nintendo 3DS. Third-party developers have also announced major titles for Nintendo 3DS. During this period we will continue striving to maintain the momentum of the platform and to reach a broader audience, including females and children, across the world.

In the smart-device business, we released three game applications during this period, each with different playstyles and profit models. We were able to present opportunities for consumers who had never played Nintendo games before and those who live in regions we had previously been unable to reach to experience Nintendo's intellectual property (Nintendo IP) and the different worlds featured in Nintendo games. Going forward we will endeavor to expand our smart-device business by making use of the experience we have gained so far to provide new game applications, while also focusing on continued operations for our released applications so that consumers can enjoy playing them for a long time.

Based on these efforts, we project a net sales of 750.0 billion yen, an operating profit of 65.0 billion yen, an ordinary profit of 60.0 billion yen and a net profit attributable to owners of parent of 45.0 billion yen. Unit sales of the major products used for the forecast are listed on page 15 under the heading of "(4) Consolidated sales units, number of new titles, and sales units forecast" in the "Others" section. Exchange rate assumptions for the major currencies used for the forecasts are 105 yen per US dollar and 115 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).

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 profit by the total number of outstanding shares, excluding treasury shares, as of the end of the fiscal year rounded up to the 10 yen digit, and the amount calculated based on the 50% consolidated profit 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 profit by the total number of outstanding shares, excluding treasury shares, as of the end of the six-month period rounded up to the 10 yen digit.

As a result, the dividend for the fiscal year ended March 31, 2017 has been established at 430 yen (interim: no dividend, year-end: 430 yen) and dividend for fiscal year ending March 31, 2018 will be 190 yen if earnings are in line with the financial forecast herein. The end of 2nd quarter dividends are yet to be determined as there are no interim financial forecasts, but there are no changes to our dividend policy.

Retained earnings are maintained for effective use in research of new technology and development of new products and services, capital investments and securing materials, enhancement of selling power including advertisements, strengthening of network infrastructure, and treasury share buyback whenever deemed appropriate.

Management Policy

1. Basic Management Policy

Nintendo strives to create new and unique forms of entertainment while maintaining a robust business structure. Nintendo places the highest emphasis on providing consumers with innovative entertainment that has never been experienced.

2. Targeted Management Index

It is essential for us to provide new and entertaining products and services consistently. Upon accomplishing this, Nintendo aims to improve its corporate value by sustaining robust growth and increasing profit. Because Nintendo deals with entertainment products, which by nature hold many uncertainties in terms of their research & development, and operates in a market which involves intense competition, flexible business decisions are made without being constrained by any specific management index.

3. Mid to Long-Term Corporate Business Strategy and Issues to Address

With the belief in our mission to put smiles on people's faces around the world through products and services, our company group will focus on expanding the population that can experience Nintendo IP by offering products that can be enjoyed by everyone regardless of age, gender or gaming experience.

In accordance with our basic strategy, we will drive continual growth for Nintendo by expanding the dedicated video game business and establishing the smart-device business. For our dedicated video game business, our unique hardware-software integrated business with focus on software will continue to constitute the core business for Nintendo and we will actively seek to invest resources in our Nintendo-specific platform business. In order to expand the scope of our business, we will seek to strengthen our business foundation, generate synergy with our dedicated video game business and maximize business for Nintendo as a whole by building our smart-device business into one of our major pillars of profit.

In addition to our gaming business, we are also making active use of Nintendo IP by providing theme park attractions using our characters, showing off our characters through video content and merchandising, and in collaborations with our partner companies. Through these efforts, we are hoping to pursue every business possibility and add value to our company by actively offering Nintendo IP in a variety of different ways so that not only current players of our video games but all consumers - including those who used to play our games but currently do not and even those who have never played our video games before - can experience Nintendo IP.

We will continue to flexibly transform ourselves by adapting to changing times while constantly valuing the spirit of originality based on the belief that the "true value of entertainment lies in its uniqueness" - and will endeavor to continue providing products and services that people will be surprised and delighted by.

Basic Policy on the Selection of Accounting Standards

Nintendo is preparing for mandatory International Financial Reporting Standards adoption by attending seminars held by outside agencies to collect information, and conducting a deliberation on its adoption. However, the effective date has not been determined.

Consolidated Balance Sheets

million yen

Description	As of March 31, 2016	As of March 31, 2017
(Assets)		
Current assets		
Cash and deposits	570,448	662,763
Notes and accounts receivable-trade	38,731	106,054
Securities	338,892	283,307
Inventories	40,433	39,129
Deferred tax assets	6,597	332
Other	26,401	49,535
Allowance for doubtful accounts	(369)	(379)
Total current assets	1,021,135	1,140,742
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	39,977	38,707
Machinery, equipment and vehicles, net	1,120	1,400
Tools, furniture and fixtures, net	3,791	4,313
Land	42,553	42,133
Construction in progress	309	3
Total property, plant and equipment	87,752	86,558
Intangible assets		
Software	9,408	9,942
Other	568	2,882
Total intangible assets	9,977	12,825
Investments and other assets		
Investment securities	125,774	157,963
Deferred tax assets	32,195	49,453
Net defined benefit asset	7,092	7,680
Other	12,974	13,753
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	178,037	228,851
Total non-current assets	275,766	328,235
Total assets	1,296,902	1,468,978

million yen

Description	As of March 31, 2016	As of March 31, 2017
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	31,857	104,181
Income taxes payable	1,878	11,267
Provision for bonuses	2,294	2,341
Other	62,407	66,319
Total current liabilities	98,437	184,109
Non-current liabilities		
Net defined benefit liability	23,546	19,245
Other	14,017	14,650
Total non-current liabilities	37,563	33,895
Total liabilities	136,001	218,005
(Net assets)		
Shareholders' equity		
Capital stock	10,065	10,065
Capital surplus	13,256	13,256
Retained earnings	1,401,359	1,489,518
Treasury shares	(250,563)	(250,601)
Total shareholders' equity	1,174,118	1,262,239
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,909	18,913
Foreign currency translation adjustment	(25,250)	(30,312)
Total accumulated other comprehensive income	(13,341)	(11,399)
Non-controlling interests	124	132
Total net assets	1,160,901	1,250,972
Total liabilities and net assets	1,296,902	1,468,978

Consolidated Statements of Income

million yen

Description	Year ended March 31, 2016	Year ended March 31, 2017
Net sales	504,459	489,095
Cost of sales	283,494	290,197
Gross profit	220,965	198,898
Selling, general and administrative expenses	188,083	169,535
Operating profit	32,881	29,362
Non-operating income		
Interest income	4,693	6,237
Share of profit of entities accounted for using equity method	1,887	20,271
Other	7,970	2,083
Total non-operating income	14,550	28,593
Non-operating expenses		
Sales discounts	106	3
Loss on redemption of securities	-	2,199
Foreign exchange losses	18,356	5,256
Other	178	131
Total non-operating expenses	18,641	7,591
Ordinary profit	28,790	50,364
Extraordinary income		
Gain on sales of non-current assets	9	185
Gain on sales of investment securities	398	64,589
Total extraordinary income	407	64,775
Extraordinary losses		
Loss on disposal of non-current assets	351	328
Restructuring loss	1,130	80
Total extraordinary losses	1,482	409
Profit before income taxes	27,715	114,730
Income taxes-current	2,482	25,331
Income taxes-deferred	8,714	(13,183)
Total income taxes	11,197	12,147
Profit	16,518	102,582
Profit attributable to non-controlling interests	13	8
Profit attributable to owners of parent	16,505	102,574

Consolidated Statements of Comprehensive Income

million yen

Description	Year ended March 31, 2016	Year ended March 31, 2017
Profit	16,518	102,582
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,663)	7,147
Foreign currency translation adjustment	(15,446)	(5,916)
Share of other comprehensive income of entities accounted for using equity method	(97)	711
Total other comprehensive income	(20,208)	1,942
Comprehensive income	(3,689)	104,525
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	(3,703)	104,517
Comprehensive income attributable to non-controlling interests	13	8

Consolidated Statements of Changes in Equity

Year ended March 31, 2016 (April 1, 2015 - March 31, 2016)

million yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance as of April 1, 2015	10,065	11,734	1,409,764	(270,986)	1,160,578
Changes of items during period					
Dividends from surplus	-	-	(24,910)	-	(24,910)
Profit attributable to owners of parent	-	-	16,505	-	16,505
Purchase of treasury shares	-	-	-	(42)	(42)
Disposal of treasury shares	-	1,522	-	20,465	21,987
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes of items during period	-	1,522	(8,405)	20,422	13,539
Balance as of March 31, 2016	10,065	13,256	1,401,359	(250,563)	1,174,118

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance as of April 1, 2015	16,671	(9,804)	6,866	110	1,167,556
Changes of items during period					
Dividends from surplus	-	-	-	-	(24,910)
Profit attributable to owners of parent	-	-	-	-	16,505
Purchase of treasury shares	-	-	-	-	(42)
Disposal of treasury shares	-	-	-	-	21,987
Net changes of items other than shareholders' equity	(4,761)	(15,446)	(20,208)	13	(20,194)
Total changes of items during period	(4,761)	(15,446)	(20,208)	13	(6,655)
Balance as of March 31, 2016	11,909	(25,250)	(13,341)	124	1,160,901

Consolidated Statements of Changes in Equity

Year ended March 31, 2017 (April 1, 2016 - March 31, 2017)

million yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance as of April 1, 2016	10,065	13,256	1,401,359	(250,563)	1,174,118
Changes of items during period					
Dividends from surplus	-	-	(14,415)	-	(14,415)
Profit attributable to owners of parent	-	-	102,574	-	102,574
Purchase of treasury shares	-	-	-	(38)	(38)
Disposal of treasury shares	-	-	-	-	-
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes of items during period	-	-	88,159	(38)	88,121
Balance as of March 31, 2017	10,065	13,256	1,489,518	(250,601)	1,262,239

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance as of April 1, 2016	11,909	(25,250)	(13,341)	124	1,160,901
Changes of items during period					
Dividends from surplus	-	-	-	-	(14,415)
Profit attributable to owners of parent	-	-	-	-	102,574
Purchase of treasury shares	-	-	-	-	(38)
Disposal of treasury shares	-	-	-	-	-
Net changes of items other than shareholders' equity	7,004	(5,061)	1,942	8	1,950
Total changes of items during period	7,004	(5,061)	1,942	8	90,071
Balance as of March 31, 2017	18,913	(30,312)	(11,399)	132	1,250,972

Consolidated Statements of Cash Flows

million yen

Description	Year Ended March 31, 2016	Year Ended March 31, 2017
Cash flows from operating activities		
Profit before income taxes	27,715	114,730
Depreciation	9,139	8,366
Increase (decrease) in allowance for doubtful accounts	(55)	23
Increase (decrease) in net defined benefit liability	(707)	(4,053)
Interest and dividend income	(5,134)	(6,904)
Foreign exchange losses (gains)	14,527	6,066
Loss (gain) on sales of short-term and long-term investment securities	(439)	(64,617)
Share of (profit) loss of entities accounted for using equity method	(1,887)	(20,271)
Decrease (increase) in notes and accounts receivable-trade	15,444	(65,706)
Decrease (increase) in inventories	34,501	(155)
Increase (decrease) in notes and accounts payable-trade	(21,556)	51,528
Increase (decrease) in accrued consumption taxes	(95)	1,212
Other, net	(5,355)	9,231
Sub-total	66,097	29,451
Interest and dividends income received	5,963	6,332
Interest expenses paid	(0)	(1)
Income taxes (paid) refund	(16,869)	(16,680)
Net cash provided by (used in) operating activities	55,190	19,101
Cash flows from investing activities		
Payments into time deposits	(674,717)	(537,674)
Proceeds from withdrawal of time deposits	659,857	500,936
Purchase of property, plant and equipment and intangible assets	(4,670)	(10,458)
Proceeds from sales of property, plant and equipment and intangible assets	1,574	544
Purchase of short-term and long-term investment securities	(1,072,852)	(680,408)
Proceeds from sales and redemption of short-term and long-term investment securities	1,019,443	804,571
Other, net	(374)	(7,992)
Net cash provided by (used in) investing activities	(71,740)	69,518
Cash flows from financing activities		
Cash dividends paid	(24,929)	(14,384)
Purchase of treasury shares	(42)	(38)
Proceeds from sales of treasury shares	21,987	-
Other, net	(12)	(12)
Net cash provided by (used in) financing activities	(2,996)	(14,435)
Effect of exchange rate change on cash and cash equivalents	(3,898)	(1,306)
Net increase (decrease) in cash and cash equivalents	(23,443)	72,878
Cash and cash equivalents at beginning of period	281,539	258,095
Cash and cash equivalents at end of period	258,095	330,974

Notes Pertaining to Consolidated Financial Statements

Changes in accounting procedures

Application of accounting standard for business

Effective beginning the fiscal year ended March 31, 2017, Nintendo has adopted the "Practical Solution on Accounting for Changes in Depreciation Method related to the 2016 Tax Law Changes (PITF No.32 of June 17, 2016)," following the revision of the Corporation Tax Act. Accordingly, the depreciation method of structures and facilities attached to buildings acquired on and after April 1, 2016 was changed from declining-balance method to straight-line method.

There is a minimal impact on the consolidated financial statements for the fiscal year ended March 31, 2017.

Additional Information

Effective beginning the fiscal year ended March 31, 2017, Nintendo has adopted the "Revised Implementation Guidance on Recoverability of Deferred Tax Assets (ASBJ Guidance No.26 of March 28, 2016)."

Notes pertaining to consolidated balance sheets and statements of cash flows

(Consolidated balance sheets information)	million yen As of March 31, 2016	million yen As of March 31, 2017
Accumulated depreciation	67,211	67,257

(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, 2016 and 2017 as follows:

	million yen Year ended March 31, 2016	million yen Year ended March 31, 2017
Cash and deposits	570,448	662,763
Time deposits with maturities of more than three months	(335,174)	(362,801)
Short-term investments with an original maturity of three months or less	22,821	31,011
Cash and cash equivalents	258,095	330,974

Others

(1)Consolidated sales information

million yen

		Japan	The Americas	Europe	Other	Total
		Year ended March 31, 2017	Dedicated video game platform (*1)	117,458	193,707	127,060
	of which Nintendo 3DS platform	71,999	91,983	70,359	13,607	247,949
	of which Wii U platform	13,627	31,431	17,867	1,456	64,383
	of which Nintendo Switch platform	21,637	52,415	29,186	7,712	110,951
	of which the others (*2)	10,194	17,877	9,646	2,127	39,846
	Smart devices, IP related income, etc. (*3)	11,785	9,345	2,353	766	24,250
	Playing cards, etc.	770	901	42	-	1,714
	Total	130,014	203,954	129,455	25,671	489,095

		Japan	The Americas	Europe	Other	Total
		Year ended March 31, 2016	Dedicated video game platform (*1)	133,046	221,579	126,394
	of which Nintendo 3DS platform	79,212	86,537	61,391	8,743	235,885
	of which Wii U platform	42,852	104,122	47,459	4,198	198,362
	of which Nintendo Switch platform	-	-	-	-	-
	of which the others (*2)	11,251	30,918	17,543	3,185	62,899
	Smart devices, IP related income, etc. (*3)	1,623	3,513	489	107	5,734
	Playing cards, etc.	792	744	33	7	1,577
	Total	135,461	225,837	126,916	16,243	504,459

[Note] Download sales:

Year ended March 31, 2016: 43.9 billion yen

Year ended March 31, 2017: 32.5 billion yen

*1 Each platform includes hardware, software (including downloadable versions of packaged software, download-only software and extra content) and accessories.

*2 Includes amiibo, Virtual Console and platforms other than Nintendo 3DS, Wii U or Nintendo Switch.

*3 Includes income from smart-device content and royalty income.

(2)Other consolidated information

million yen

	Year ended March 31, 2016	Year ended March 31, 2017	Year ending March 31, 2018 (Forecast)
Capital investments	10,414	15,158	10,000
Depreciation of property, plant and equipment	6,180	5,543	6,000
Research and development expenses	69,066	59,197	65,000
Advertising expenses	46,636	48,726	65,000
Number of employees (at year-end)	5,064	5,166	-
Average exchange rates			
1 USD =	120.14 yen	108.38 yen	105.00 yen
1 Euro =	132.58 yen	118.79 yen	115.00 yen

Consolidated net sales in U.S. dollars	1.7 billion	1.7 billion	-
Consolidated net sales in Euros	0.9 billion	1.0 billion	-
Non-consolidated purchases in U.S. dollars	1.1 billion	1.5 billion	-

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

million U.S. dollars/euros

	As of March 31, 2016		As of March 31, 2017		As of March 31, 2018
	Balance	Exchange rate	Balance	Exchange rate	Estimated exchange rate
USD					
Cash and deposits	2,196		2,181		
Accounts receivable-trade	149	1 USD=	500	1 USD=	1 USD=
Accounts payable-trade	66	112.68 yen	531	112.19 yen	105.00 yen
Loans payable to subsidiaries	-		300		
Euro					
Cash and deposits	665	1 Euro=	495	1 Euro=	1 Euro=
Accounts receivable-trade	111	127.70 yen	333	119.79 yen	115.00 yen

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

			Actual		Sales Units in Ten Thousands Number of New Titles Released		
			Apr. '15-Mar. '16	Apr. '16-Mar. '17	Life-to-date Mar. '17	Forecast Apr. '17-Mar. '18	
Nintendo 3DS	Hardware	Japan	236	199	2,331		
		The Americas	225	255	2,232		
		Other	218	273	2,050		
		Total	679	727	6,612	600	
		of which Nintendo 3DS XL	Japan	3	(0)	704	
		The Americas	28	(0)	663		
		Other	20	6	596		
		Total	51	6	1,964		
		of which Nintendo 2DS	Japan	10	49	59	
		The Americas	45	77	299		
		Other	62	124	384		
		Total	117	249	742		
		of which New Nintendo 3DS	Japan	45	12	116	
		The Americas	11	40	50		
	Other	47	13	83			
	Total	103	65	249			
	of which New Nintendo 3DS XL	Japan	158	138	430		
	The Americas	141	139	347			
	Other	85	125	255			
	Total	384	402	1,032			
	Software	Japan	2,034	1,784	12,343		
	The Americas	1,487	1,905	11,070			
	Other	1,331	1,820	9,512			
	Total	4,852	5,508	32,925	4,000		
	New titles	Japan	94	71	605		
	The Americas	60	39	449			
	Other	67	35	496			
Wii U	Hardware	Japan	80	20	334		
		The Americas	154	29	649		
		Other	91	26	374		
		Total	326	76	1,356	-	
	Software	Japan	453	186	1,535		
		The Americas	1,479	778	5,416		
		Other	805	516	2,934		
		Total	2,736	1,480	9,885	300	
	New titles	Japan	22	10	112		
		The Americas	31	16	166		
Other		30	14	154			
Nintendo Switch	Hardware	Japan	-	60	60		
		The Americas	-	120	120		
		Other	-	94	94		
		Total	-	274	274	1,000	
	Software	Japan	-	89	89		
		The Americas	-	286	286		
		Other	-	171	171		
		Total	-	546	546	3,500	
	New titles	Japan	-	9	9		
		The Americas	-	10	10		
Other		-	9	9			

[Notes]

- 1 Software sales units include both packaged and downloadable versions of software.
- 2 Each title available in both packaged and downloadable versions is counted as one new title.
- 3 Actual software sales units for each platform include the quantity bundled with hardware.
- 4 Forecasted software sales units for each platform do not include the quantity bundled with hardware.