

Outline of consolidated financial results for the fiscal year ended March 31, 2018 and consolidated earnings forecast for the fiscal year ending March 31, 2019

This outline is based on the documents “Earnings Release,” “Supplementary Information about Earnings Release,” “Notice of Accounting of Non-Operating Expenses (Foreign Exchange Losses),” and “Notice of Dividend” for the fiscal year ended March 31, 2018.

1. Briefing of consolidated financial results for the fiscal year ended March 31, 2018 (year on year)

- Consolidated operating results for the full year

	Previous Fiscal Year	This Fiscal Year	Comparison
Net Sales	489.0 billion yen	1,055.6 billion yen	566.5 billion yen
Gross Profit	198.8 billion yen	403.5 billion yen	204.6 billion yen
(Gross Profit Ratio)	(40.7 %)	(38.2 %)	
Operating Profit	29.3 billion yen	177.5 billion yen	148.1 billion yen
(Operating Profit Ratio)	(6.0 %)	(16.8 %)	
Ordinary Profit	50.3 billion yen	199.3 billion yen	148.9 billion yen
(Ordinary Profit Ratio)	(10.3 %)	(18.9 %)	
Profit Attributable to Owners of Parent	102.5 billion yen	139.5 billion yen	37.0 billion yen
(Profit Attributable to Owners of Parent Ratio)	(21.0 %)	(13.2 %)	

(Net sales)

For Nintendo Switch, the hardware kept selling well worldwide and sold a total of 15.05 million units during this fiscal year. On the software end, *Super Mario Odyssey* has been a major hit with audiences worldwide, and sold 10.41 million units. This is in addition to 9.22 million units sold for *Mario Kart 8 Deluxe*, and 6.02 million units sold for *Splatoon 2*, bringing the total number of million-seller titles during this fiscal year to 12, including the titles of other software publishers. The combined software sales results for this fiscal year reached 63.51 million units.

Nintendo 3DS hardware sales remained solid in each region even after the launch of Nintendo Switch, with sales during this fiscal year reaching 6.40 million units. For the Nintendo 3DS software, *Pokémon Ultra Sun* and *Pokémon Ultra Moon* sold 7.51 million units, while overall sales for this fiscal year totaled 35.64 million units.

Turning to our digital business for dedicated video game platforms, digital sales were very good, especially on Nintendo Switch, which brought digital sales to a combined total of 60.8 billion yen.

In our smart-device business, we released *Animal Crossing: Pocket Camp* during this fiscal year to join *Super Mario Run* and *Fire Emblem Heroes*, which have both been available since before the start of the fiscal year. These applications are being enjoyed by many consumers globally. Our smart devices and IP related income was 39.3 billion yen.

Due to these factors, as well as a positive impact from the depreciation of the yen, our total sales were increased compared to the previous fiscal year.

(Gross profit and gross profit ratio)

Gross profit compared to the previous fiscal year increased by 102.9% to 403.5 billion yen. The gross profit ratio decreased by 2.5% compared to the previous fiscal year. This decrease was because the proportion of hardware sales over the total sales increased due to the strong sales of Nintendo Switch.

(Operating profit and ordinary profit)

Operating profit was increased by 148.1 billion yen compared to the previous fiscal year because of increment in gross profit caused by increase in net sales. Ordinary profit increased by 148.9 billion yen compared to the previous fiscal year due to increase in operating profit.

- Annual dividend for this fiscal year

Based on our dividend policy, the annual dividend per share for this fiscal year has been established at 590 yen.

2. Briefing of consolidated earnings forecast for the fiscal year ending March 31, 2019

The consolidated financial forecast for the full fiscal year ending March 31, 2019 is as follows.

- Consolidated financial forecast

Net Sales	1,200.0 billion yen
Operating Profit	225.0 billion yen
Ordinary Profit	230.0 billion yen
Profit Attributable to Owners of Parent	165.0 billion yen

Assumed exchange rates are 105 yen per US dollar and 125 yen per euro.

- Consolidated unit sales forecast

Nintendo Switch Hardware	20.0 million units
Nintendo Switch Software	100.0 million units
Nintendo 3DS Hardware	4.0 million units
Nintendo 3DS Software	16.0 million units

※ Forecasted software sales units do not include the quantity bundled with hardware.

※ See page 15 of the “Earnings Release for the fiscal year ended March 31, 2018” for more information about the forecast above.

Looking ahead, for Nintendo Switch, we released Nintendo Labo as an offering of a new way to play, and then we are slated to release *Mario Tennis Aces* in June, as well as the latest entry from the popular series, *Super Smash Bros.* (temp.) within the year. Then in September, we will begin offering the Nintendo Switch Online paid service to expand the online functionality of Nintendo Switch. Our goal is to take full advantage of the platform by continuously introducing compelling new software while further increasing sales of popular titles that are already in the market.

With Nintendo 3DS, we will continue to target an ever wider range of consumers. We will work to leverage the platform's rich software library and worldwide total hardware install base and further expand sales of evergreen titles.

Our smart-device business is poised to grow with the release of new gaming applications including *Mario Kart Tour*, alongside the applications consumers continue to enjoy that were released prior to this fiscal year.

With these efforts we hope to establish a reliable new flow for Nintendo's business and maximize overall business.

If we achieve the financial results we are currently forecasting, we expect that the annual dividend per share will be 690 yen.

Forecasts referred to above are based upon management's assumptions with information available at the time the announcement was made and, therefore, involve known and unknown risks and uncertainties. Please note that such risks and uncertainties may cause actual results to be materially different from the forecasts (earnings forecast, dividend forecast and other forecasts).