

Nintendo Co., Ltd.

Earnings Release for the Three-Month Period Ended June 2019

Supplementary Information

[Note]

Forecasts announced by Nintendo Co., Ltd. herein are 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).

Consolidated Statements of Income Transition

million yen

	FY3/2016 Apr.-June'15	FY3/2017 Apr.-June'16	FY3/2018 Apr.-June'17	FY3/2019 Apr.-June'18	FY3/2020 Apr.-June'19
Net sales	90,223	61,969	154,069	168,157	172,111
Cost of sales	47,537	31,436	89,339	85,249	88,693
Gross profit	42,685	30,532	64,729	82,907	83,417
(Gross profit ratio)	(47.3%)	(49.3%)	(42.0%)	(49.3%)	(48.5%)
Selling, general and administrative expenses	41,536	35,667	48,520	52,372	55,989
Operating profit	1,149	-5,134	16,208	30,535	27,428
(Operating profit ratio)	(1.3%)	(-8.3%)	(10.5%)	(18.2%)	(15.9%)
Non-operating income	13,173	1,869	15,105	13,389	6,916
(of which foreign exchange gains)	(10,818)	(-)	(7,139)	(7,501)	(-)
Non-operating expenses	35	35,409	353	58	12,112
(of which foreign exchange losses)	(-)	(35,003)	(-)	(-)	(12,062)
Ordinary profit	14,286	-38,674	30,960	43,866	22,232
(Ordinary profit ratio)	(15.8%)	(-62.4%)	(20.1%)	(26.1%)	(12.9%)
Extraordinary income	3	5	409	-	139
Extraordinary losses	5	18	6	366	70
Profit before income taxes	14,285	-38,688	31,363	43,499	22,301
Income taxes	6,003	-14,157	9,568	12,919	5,697
Profit	8,281	-24,530	21,795	30,580	16,603
Profit attributable to non-controlling interests	-2	4	534	-19	-0
Profit attributable to owners of parent	8,284	-24,534	21,260	30,600	16,604
(Profit attributable to owners of parent ratio)	(9.2%)	(-39.6%)	(13.8%)	(18.2%)	(9.6%)

Foreign Currency Transaction Information

Consolidated Net Sales in Foreign Currencies

	FY3/2019				FY3/2020			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
USD	0.6 billion				0.6 billion			
	1.4 billion				—			
	3.7 billion				—			
	4.5 billion				—			
Euro	0.2 billion				0.3 billion			
	0.6 billion				—			
	1.9 billion				—			
	2.3 billion				—			

Non-Consolidated Purchases in U.S. Dollars

	FY3/2019				FY3/2020			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	1.5 billion				0.7 billion			
	3.1 billion				—			
	4.1 billion				—			
	4.5 billion				—			

Average Exchange Rates

	FY3/2019				FY3/2020				yen
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
1 USD	109.07				109.90				
	110.26				—				
	111.14				—				
	110.91				—				
1 Euro	130.06				123.49				
	129.85				—				
	129.49				—				
	128.41				—				

Major Assets and Liabilities in Foreign Currencies (Non-Consolidated)

	FY3/2019 3/31/2019	million dollars/euros			
		FY3/2020 6/30/2019	9/30/2019	12/31/2019	3/31/2020
Cash and deposits (USD)	3,060	2,893	—	—	—
Accounts receivable-trade (USD)	172	427	—	—	—
Accounts payable-trade (USD)	228	621	—	—	—
Borrowings from subsidiaries (USD)	300	300	—	—	—
Cash and deposits (Euro)	837	564	—	—	—
Accounts receivable-trade (Euro)	216	449	—	—	—

Exchange Rates

	FY3/2019 3/31/2019	yen			
		FY3/2020 6/30/2019	9/30/2019	12/31/2019	3/31/2020
1 USD	110.99	107.79	—	—	—
1 Euro	124.56	122.49	—	—	—

Key Indicators

Proportion of Overseas Sales

FY3/2019				FY3/2020			
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
76.6%	78.7%	77.7%	78.7%	76.5%	—	—	—
77.8%				—			
77.7%				—			
77.9%				—			

* Proportion of overseas (outside of Japan) sales to total sales

Proportion of Hardware Sales

FY3/2019				FY3/2020			
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
51.7%	62.4%	61.2%	51.1%	50.5%	—	—	—
57.8%				—			
59.9%				—			
58.4%				—			

* Proportion of hardware (including accessories) sales to total dedicated video game platform sales

Proportion of First-Party Software Sales

FY3/2019				FY3/2020			
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
82.9%	71.0%	89.8%	80.3%	74.1%	—	—	—
76.8%				—			
84.6%				—			
83.8%				—			

* Proportion of first-party software sales to total dedicated video game software sales

Digital Sales Indicators

Digital Sales in Japanese Yen

FY3/2019				FY3/2020			
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
18.5 billion	20.6 billion	45.0 billion	34.6 billion	30.6 billion	—	—	—
39.1 billion				—			
84.2 billion				—			
118.8 billion				—			

* Digital sales include a) downloadable versions of packaged software, b) download-only software, c) add-on content and d) Nintendo Switch Online, etc.

* "Downloadable versions of packaged software" indicates the downloadable version of software that is offered both physically and digitally.

Proportion of Digital Sales

FY3/2019				FY3/2020			
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
24.2%	26.0%	19.6%	37.2%	38.3%	—	—	—
25.1%				—			
21.8%				—			
24.8%				—			

* Proportion of digital sales to total dedicated video game software sales

Proportion of Downloadable Versions of Packaged Software Sales

FY3/2019				FY3/2020			
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
59.3%	59.1%	78.7%	62.6%	56.4%	—	—	—
59.2%				—			
69.6%				—			
67.6%				—			

* Proportion of downloadable versions of packaged software sales to total digital sales as indicated above: $a/(a+b+c+d)$

[Regarding digital sales recognition]

In principle, sales of Nintendo software are recognized as gross sales while sales of software released by other software publishers recognized as net sales*.

* Sales commissions, which Nintendo receives based on contracts with other software publishers etc., are recognized as revenue.

Million-Seller Titles of Nintendo Products

units in ten thousands

FY3/2020 (Apr.-June'19)			Life-to-date
Global	of which		Global
	Japan	Overseas	

Nintendo Switch

Super Mario Maker 2

242	52	190	242
120	17	103	1,789

Mario Kart 8 Deluxe

[Notes] Software sales units include the quantity bundled with hardware.
Software sales units include their downloadable versions.

Launch Dates of Primary Nintendo Products by Region (Apr. 2019~June 2019)

Nintendo Switch		
Region (Category)	Title	Launch Date
Japan (Software)	Nintendo Labo Toy-Con 04: VR Kit	4/12/2019
	Super Mario Maker 2	6/28/2019
The United States (Software)	Nintendo Labo Toy-Con 04: VR Kit	4/12/2019
	Super Mario Maker 2	6/28/2019
Europe (Software)	Nintendo Labo Toy-Con 04: VR Kit	4/12/2019
	Super Mario Maker 2	6/28/2019

[Notes] Launch dates may differ within the United States and Europe regions depending on territories or countries.

Launch Schedule of Primary Nintendo Products by Region (extracts: July 2019～)

Region	(Category)	Nintendo Switch Title	Launch Date
Japan	(Hardware)	Nintendo Switch Lite	9/20/2019
	(Software)	MARVEL ULTIMATE ALLIANCE 3: The Black Order	7/19/2019
		Fire Emblem: Three Houses	7/26/2019
		TETRIS 99	8/9/2019
		ASTRAL CHAIN	8/30/2019
		The Legend of Zelda: Link's Awakening	9/20/2019
		Luigi's Mansion 3	10/31/2019
		Pokémon Sword	11/15/2019
		Pokémon Shield	11/15/2019
		Animal Crossing: New Horizons	3/20/2020
		Bayonetta 3	TBA
		Metroid Prime 4 (temp.)	TBA
The sequel to The Legend of Zelda: Breath of the Wild (temp.)	TBA		
The United States	(Hardware)	Nintendo Switch Lite	9/20/2019
	(Software)	DRAGON QUEST BUILDERS 2 *	7/12/2019
		MARVEL ULTIMATE ALLIANCE 3: The Black Order	7/19/2019
		Fire Emblem: Three Houses	7/26/2019
		ASTRAL CHAIN	8/30/2019
		TETRIS 99	9/6/2019
		DAEMON X MACHINA *	9/13/2019
		The Legend of Zelda: Link's Awakening	9/20/2019
		DRAGON QUEST XI S: Echoes of an Elusive Age - Definitive Edition *	9/27/2019
		Luigi's Mansion 3	10/31/2019
		Pokémon Sword	11/15/2019
		Pokémon Shield	11/15/2019
		Animal Crossing: New Horizons	3/20/2020
		Bayonetta 3	TBA
Metroid Prime 4 (temp.)	TBA		
The sequel to The Legend of Zelda: Breath of the Wild (temp.)	TBA		
Europe	(Hardware)	Nintendo Switch Lite	9/20/2019
	(Software)	DRAGON QUEST BUILDERS 2 *	7/12/2019
		MARVEL ULTIMATE ALLIANCE 3: The Black Order	7/19/2019
		Fire Emblem: Three Houses	7/26/2019
		ASTRAL CHAIN	8/30/2019
		DAEMON X MACHINA *	9/13/2019
		The Legend of Zelda: Link's Awakening	9/20/2019
		TETRIS 99	9/20/2019
		DRAGON QUEST XI S: Echoes of an Elusive Age - Definitive Edition *	9/27/2019
		Luigi's Mansion 3	10/31/2019
		Pokémon Sword	11/15/2019
		Pokémon Shield	11/15/2019
		Animal Crossing: New Horizons	3/20/2020
		Bayonetta 3	TBA
Metroid Prime 4 (temp.)	TBA		
The sequel to The Legend of Zelda: Breath of the Wild (temp.)	TBA		

[Notes] Launch dates and titles etc. are subject to change.

Launch dates may differ within the United States and Europe regions depending on territories or countries.

*This title is licensed to be sold as a Nintendo product.

Upcoming Software Publishers' Title Lineup (extracts: July. 2019~)

Region	Nintendo Switch Title	Publisher
Japan	Dead by Daylight	3goo/Behaviour Interactive
	NinjaBox	BANDAI NAMCO Entertainment
	Disney TSUMTUM FESTIVAL	BANDAI NAMCO Entertainment
	Wolfenstein: Youngblood	Bethesda Softworks
	Utano Prince Sama Repeat LOVE for Nintendo Switch	BROCCOLI
	RESIDENT EVIL 5	CAPCOM
	RESIDENT EVIL 6	CAPCOM
	EA SPORTS FIFA 20 Legacy Edition	Electronic Arts
	Atelier Ryza: Ever Darkness & the Secret Hideout	KOEI TECMO GAMES
	Ni no Kuni: Wrath of the White Witch	LEVEL-5
	DAEMON X MACHINA	Marvelous
	BOKUJOMONOGATARI SAIKAI NO MINERALTOWN	Marvelous
	Mario & Sonic at the Olympic Games Tokyo 2020	SEGA Games
	The Witcher 3 Wild Hunt Complete Edition	Spike Chunsoft
	DRAGON QUEST XI S: Echoes of an Elusive Age – Definitive Edition	SQUARE ENIX
	ONINAKI	SQUARE ENIX
The United States	NBA 2K20	2K
	Spyro Reignited Trilogy	Activision Publishing
	Ni no Kuni: Wrath of the White Witch	BANDAI NAMCO Entertainment America
	RAD	BANDAI NAMCO Entertainment America
	Dead by Daylight	Behaviour Interactive
	Wolfenstein: Youngblood	Bethesda
	Stranger Things 3: The Game	BonusXP
	EA SPORTS FIFA 20 Legacy Edition	Electronic Arts
	Creature in the Well	Flight School
	Killer Queen Black	Liquid Bit
	ONINAKI	SQUARE ENIX
	CONTRA: ROGUE CORPS	Konami Digital Entertainment
	New Super Lucky's Tale	Playful Studios
Europe	NBA 2K20	2K
	Spyro Reignited Trilogy	Activision Publishing
	Lord of the Rings: Adventure Card Game	Asmodee Digital
	Ni no Kuni: Wrath of the White Witch	Bandai Namco Entertainment Europe
	RAD	Bandai Namco Entertainment Europe
	Baldur's Gate and Baldur's Gate II: Enhanced Editions	Beamdog
	Dead by Daylight	Behaviour Interactive
	Wolfenstein: Youngblood	Bethesda
	Stranger Things 3: The Game	BonusXP
	EA SPORTS FIFA 20 Legacy Edition	Electronic Arts
	Creature in the Well	Flight School
	VAMPYR	Focus Home Interactive
	Killer Queen Black	Liquid Bit
	KILL la KILL - IF	PQube
	Northgard	Shiro Games
	Automachef	Team17
PC Building Simulator	The Irregular Corporation	
Pillars Of Eternity: Complete Edition	Versus Evil	

[Notes] Software titles are based on the information as of July 30, 2019.
 Launch schedules, software names etc. are subject to change.
 Launch titles are listed by publisher alphabetically.
 This list includes titles that are released in a downloadable format only.