

CONSOLIDATED FINANCIAL STATEMENTS

May 10, 2022



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

(Amounts below one million yen are rounded down)

Consolidated Results for the Years Ended March 31, 2021 and 2022**(1) Consolidated operating results**

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2022	1,695,344	(3.6)	592,760	(7.5)	670,813	(1.2)	477,691	(0.6)
Year ended March 31, 2021	1,758,910	34.4	640,634	81.8	678,996	88.4	480,376	85.7

[Notes]

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

Comprehensive income: Year ended March 31, 2022: 530,498 million yen [0.5%] Year ended March 31, 2021: 527,951 million yen [123.2%]

	Profit per share	Diluted profit per share	Return on equity	Ordinary profit on total assets	Operating profit to net sales
	yen	yen	%	%	%
Year ended March 31, 2022	4,046.69	-	24.2	26.3	35.0
Year ended March 31, 2021	4,032.60	-	28.1	31.0	36.4

[Reference]

Share of profit of entities accounted for using equity method: Year ended March 31, 2022: 26,672 million yen Year ended March 31, 2021: 6,564 million yen

(2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2022	2,662,384	2,069,310	77.7	17,635.60
As of March 31, 2021	2,446,918	1,874,614	76.6	15,734.79

[Reference]

Shareholders equity: As of March 31, 2022: 2,069,043 million yen As of March 31, 2021: 1,874,371 million yen

(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, 2022	289,661	93,699	(337,010)	1,022,718
Year ended March 31, 2021	612,106	(136,533)	(194,938)	932,079

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 March 31, 2021	810.00	1,410.00	2,220.00	264,453	55.1	15.5
Year ended March 31, 2022	620.00	1,410.00	2,030.00	238,163	50.2	12.2
Year ending March 31, 2023 (forecast)*	-	-	-	-	-	-

[Notes]

*A 10-for-1 split of the Company's common stock is scheduled to take effect on October 1, 2022. Dividends are paid twice per year, following the end of the second quarter and at the fiscal year-end based on profit levels achieved in each fiscal year, in accordance with our basic policy of profit distribution and dividends described on page 4. The dividend forecast for the fiscal year ending March 31, 2023 is undecided at this point in time, and will be announced at the timing of the 2023 fiscal year second quarter earnings release. For details, please refer to "Notification of Common Stock Split and Partial Amendment to the Articles of Incorporation and Change in the Dividend Policy due to Stock Split" released today.

Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2023

	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 March 31, 2023	1,600,000	(5.6)	500,000	(15.6)	480,000	(28.4)	340,000	(28.8)	289.80

[Notes]

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

With respect to the impact of COVID-19, please refer to "2. Outlook for the Fiscal Year Ending March 31, 2023" on page 4.

Profit per share takes into account the effect of the stock split described in the notes of "Dividends".

Others

(1) Changes for important subsidiaries during the fiscal year ended March 31, 2022 : 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 |

(3) Outstanding shares (common shares)

- | | | | | |
|-------------------------------------------------------------|--------------------|----------------------------|--------------------|--|
| 1) Number of shares outstanding (including treasury shares) | | | | |
| As of Mar. 31, 2022 : | 129,869,000 shares | As of Mar. 31, 2021 : | 131,669,000 shares | |
| 2) Number of treasury shares | | | | |
| As of Mar. 31, 2022 : | 12,547,022 shares | As of Mar. 31, 2021 : | 12,546,233 shares | |
| 3) Average number of shares | | | | |
| Year ended Mar. 31, 2022 : | 118,044,880 shares | Year ended Mar. 31, 2021 : | 119,123,333 shares | |

(Reference) Non-consolidated Results

Non-consolidated Results for the Years Ended March 31, 2021 and 2022

(1) Non-consolidated operating results

	Net sales		Operating profit		Ordinary profit		Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2022	1,437,831	(2.1)	499,525	(7.5)	629,958	9.9	462,509	14.7
Year ended March 31, 2021	1,468,563	36.4	540,217	80.0	573,057	93.5	403,339	91.3

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

	Profit per share	Diluted Profit per share
	yen	yen
Year ended March 31, 2022	3,918.08	-
Year ended March 31, 2021	3,385.90	-

(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, 2022	1,857,584	1,410,447	75.9	12,022.02
As of March 31, 2021	1,765,683	1,281,948	72.6	10,761.57

[Reference]

Shareholders equity: As of March 31, 2022: 1,410,447 million yen As of March 31, 2021: 1,281,948 million yen

[Note]

1. This earnings release report is not subject to audit by certified public accountant or audit firm.

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). For details, please refer to "2. Outlook for the Fiscal Year Ending March 31, 2023" on page 4.

Description of Operating Results

1. Operating Results and Financial Positions for the Fiscal Year Ended March 31, 2022

(1) Operating Results and Financial State for the Fiscal Year Ended March 31, 2022

The Nintendo Switch business this fiscal year (April 2021 to March 2022) saw the October 2021 launch of Nintendo Switch – OLED Model and strong hardware sales in each region. Growth in sales of Nintendo Switch, Nintendo Switch – OLED Model and Nintendo Switch Lite demonstrated a good balance between each of the three individual models, and as a result of stable performance among the overall hardware lineup, final sales totaled 23.06 million units. Whereas the March 2020 release of *Animal Crossing: New Horizons* was a major driver of hardware sales last fiscal year, sales this fiscal year were affected by shortages of semiconductor components and other parts, resulting in a 20.0% decrease year-on-year.

Looking at software, among titles released this period, *Pokémon Brilliant Diamond* and *Pokémon Shining Pearl* sold a combined 14.65 million units and *Pokémon Legends: Arceus* sold 12.64 million units, marking sales of more than 10 million units for each. In addition, *Mario Party Superstars* sold 6.88 million units, and *The Legend of Zelda: Skyward Sword HD* sold 3.91 million units. Titles released in previous fiscal years also continued to perform well, with *Mario Kart 8 Deluxe* selling 9.94 million units (for cumulative sales of 45.33 million units) and *Animal Crossing: New Horizons* selling 6.01 million units (for cumulative sales of 38.64 million units). Sales of titles from other software publishers grew as well, and when combined with those published by Nintendo, a total of 39 titles sold over one million units during this period. As a result, software sales grew 1.8% year-on-year to 235.07 million units, making it the highest annual software sales figure ever posted for a Nintendo platform to date.

Turning to the dedicated video game platform digital business, sales were strong for Nintendo Switch downloadable versions of packaged software. Sales also grew for add-on content, including *Animal Crossing: New Horizons – Happy Home Paradise* and *Mario Kart 8 Deluxe – Booster Course Pack*. In addition, sales of download-only titles and sales related to Nintendo Switch Online also performed well, contributing to digital sales of 359.6 billion yen (an increase of 4.5% year-on-year).

For the mobile business, many consumers continued to enjoy our applications, and combined with a steady stream of royalty income, the resulting mobile and IP related income totaled 53.3 billion yen (a decrease of 6.5% year-on-year).

As a result, net sales reached 1,695.3 billion yen, with overseas sales of 1,336.4 billion yen accounting for 78.8% of the total. Operating profit came to 592.7 billion yen, ordinary profit was 670.8 billion yen, and profit attributable to owners of parent totaled 477.6 billion yen.

(2) Financial positions as of March 31, 2022

Total assets increased by 215.4 billion yen compared to the prior fiscal year-end to 2,662.3 billion yen mainly due to an increase in inventories and investment securities. Total liabilities increased by 20.7 billion yen compared to the prior fiscal year-end to 593.0 billion yen mainly due to an increase in notes and accounts payable-trade despite a decrease in taxes payable. Net assets increased by 194.6 billion yen compared to the prior fiscal year-end to 2,069.3 billion yen.

(3) Cash flows for the fiscal year ended March 31, 2022

The ending balance of “Cash and cash equivalents” (collectively, “Cash”) as of March 31, 2022 was 1,022.7 billion yen, with an increase of 90.6 billion yen during the fiscal year. During the prior fiscal year, there was an increase of 310.6 billion yen. Net increase (decrease) of Cash and contributing factors during the fiscal year ended March 31, 2022 are as follows:

Net cash provided by (used in) operating activities:

There were decreasing factors contributing to 674.3 billion yen of profit before income taxes such as payment of income taxes and an increase in inventories. However, due to increasing factors such as an increase in trade payables, net cash resulted in an increase of 289.6 billion yen compared to an increase of 612.1 billion yen during the prior year.

Net cash provided by (used in) investing activities:

Net cash from investing activities increased by 93.6 billion yen compared to a decrease of 136.5 billion 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 being higher than 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 337.0 billion yen compared to a decrease of 194.9 billion yen during the prior year mainly due to payments of cash dividends.

2. Outlook for the Fiscal Year Ending March 31, 2023

Regarding Nintendo Switch, we will continue to convey the appeal of all three hardware models to maintain a high level of sales momentum and expand the install base. As for software, along with the release of *Nintendo Switch Sports* in April, we have planned the global releases of *Xenoblade 3* (July) and *Splatoon 3* (September). In addition, the latest entries in the Pokémon series, *Pokémon Scarlet* and *Pokémon Violet*, are slated for release in late 2022. Other software publishers also plan to release a wide variety of titles, and we will work to strengthen sales through the combination of existing popular titles and a continuous stream of new titles.

Through these initiatives, we expect to see results of 1,600.0 billion yen in net sales, 500.0 billion yen in operating profit, 480.0 billion yen in ordinary profit, and 340.0 billion yen in profit attributable to owners of parent during the next fiscal year.

The unit sales forecasts for key products on which these calculations are based can be found on page 15 under the heading “Others (4) Consolidated sales units, number of new titles, and sales units forecast” Assumed exchange rates for the major currencies are 115 yen per U.S. dollar, and 125 yen per euro.

If COVID-19 interferes with production or transportation in the future, this might impact the supply of products. Other unpredictable risks to the development and marketing of products and services also continue to exist.

In addition, the production of products might be affected by obstacles to the procurement of parts, such as the increase in global demand for semiconductor components. The consolidated earnings forecast is based on the premise that we will be able to secure the parts needed for the manufacture of products in line with our sales plans.

The Nintendo group will take the necessary measures and continue business operations to provide an environment in which consumers can continue to enjoy Nintendo products and services.

[Note] Appropriate Use of Earnings Forecasts

Statements relating to future projections represent the judgments made by Nintendo management based on information that was available at the time it is written, and for that reason include certain potential risks and uncertainties. Please note that such risks and uncertainties may cause actual results to be materially different from these forecasts (earnings forecasts, dividend forecasts, or other such 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, 2022 has been established at 2,030 yen (interim: 620 yen, year-end: 1,410 yen).

A 10-for-1 split of the Company’s common stock is scheduled to take effect on October 1, 2022. The Company has not announced a dividend forecast for the next fiscal year. The dividend policy will be changed in accordance with the stock split. However, this change is an adjustment due to the stock split, and there will be no substantive change in comparison with the existing policy. The revised policy will be applied starting with the year-end dividend for the fiscal year ending March 31, 2023, as it is the first dividend to which the shares are subject to after the stock split. For details, please refer to “Notification of Common Stock Split and Partial Amendment to the Articles of Incorporation and Change in the Dividend Policy due to Stock Split” released today.

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.

Basic Policy on the Selection of Accounting Standards

In light of the comparability of consolidated financial statements over different fiscal years, Nintendo has a policy of preparing its consolidated financial statements in accordance with accounting principles generally accepted in Japan, which has been designed for convergence with International Financial Reporting Standards (IFRS), for the time being. Taking into account the possible adoption of IFRS in the future, Nintendo continues to collect information and conduct various studies, participating in seminars hosted by external organizations.

Consolidated Balance Sheets

million yen

Description	As of March 31, 2021	As of March 31, 2022
(Assets)		
Current assets		
Cash and deposits	1,185,151	1,206,506
Notes and accounts receivable-trade	140,570	141,087
Securities	557,238	504,385
Inventories	86,817	204,183
Other	50,692	70,147
Allowance for doubtful accounts	(94)	(98)
Total current assets	2,020,375	2,126,212
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	42,230	42,571
Tools, furniture and fixtures, net	4,783	4,498
Machinery, equipment and vehicles, net	1,591	1,477
Land	34,785	35,337
Construction in progress	178	1,280
Total property, plant and equipment	83,569	85,164
Intangible assets		
Software	11,106	10,241
Other	3,815	7,073
Total intangible assets	14,922	17,315
Investments and other assets		
Investment securities	214,832	312,663
Retirement benefit asset	8,205	8,597
Deferred tax assets	82,819	87,996
Other	22,194	24,434
Total investments and other assets	328,051	433,692
Total non-current assets	426,543	536,172
Total assets	2,446,918	2,662,384

million yen

Description	As of March 31, 2021	As of March 31, 2022
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	114,677	150,910
Provision for bonuses	5,227	5,459
Income taxes payable	157,307	99,520
Other	249,119	284,836
Total current liabilities	526,331	540,726
Non-current liabilities		
Retirement benefit liability	21,001	25,063
Other	24,970	27,284
Total non-current liabilities	45,972	52,347
Total liabilities	572,304	593,074
(Net assets)		
Shareholders' equity		
Share capital	10,065	10,065
Capital surplus	15,043	15,041
Retained earnings	1,993,325	2,198,706
Treasury shares	(156,851)	(220,343)
Total shareholders' equity	1,861,582	2,003,469
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	33,571	33,199
Foreign currency translation adjustment	(20,782)	32,373
Total accumulated other comprehensive income	12,788	65,573
Non-controlling interests	243	266
Total net assets	1,874,614	2,069,310
Total liabilities and net assets	2,446,918	2,662,384

Consolidated Statements of Income

million yen

Description	Year ended March 31, 2021	Year ended March 31, 2022
Net sales	1,758,910	1,695,344
Cost of sales	788,437	749,299
Gross profit	970,472	946,044
Selling, general and administrative expenses	329,838	353,283
Operating profit	640,634	592,760
Non-operating income		
Interest income	5,723	3,317
Share of profit of entities accounted for using equity method	6,564	26,672
Foreign exchange gains	24,039	45,626
Other	3,385	3,169
Total non-operating income	39,713	78,786
Non-operating expenses		
Interest expenses	177	281
Commission for purchase of treasury shares	0	250
Other	1,174	201
Total non-operating expenses	1,351	733
Ordinary profit	678,996	670,813
Extraordinary income		
Gain on sale of non-current assets	2,516	1
Gain on sale of investment securities	40	347
Settlement income	-	3,300
Total extraordinary income	2,556	3,648
Extraordinary losses		
Loss on disposal of non-current assets	247	73
Total extraordinary losses	247	73
Profit before income taxes	681,305	674,389
Income taxes-current	220,348	200,469
Income taxes-deferred	(19,463)	(3,794)
Total income taxes	200,884	196,674
Profit	480,420	477,714
Profit attributable to non-controlling interests	44	22
Profit attributable to owners of parent	480,376	477,691

Consolidated Statements of Comprehensive Income

million yen

Description	Year ended March 31, 2021	Year ended March 31, 2022
Profit	480,420	477,714
Other comprehensive income		
Valuation difference on available-for-sale securities	23,137	(417)
Foreign currency translation adjustment	25,405	49,777
Share of other comprehensive income of entities accounted for using equity method	(1,013)	3,424
Total other comprehensive income	47,530	52,784
Comprehensive income	527,951	530,498
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	527,907	530,476
Comprehensive income attributable to non-controlling interests	44	22

Consolidated Statements of Changes in Equity

Year ended March 31, 2021 (April 1, 2020 - March 31, 2021)

million yen

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance as of April 1, 2020	10,065	15,041	1,707,119	(156,798)	1,575,428
Changes during period					
Dividends of surplus	-	-	(194,171)	-	(194,171)
Profit attributable to owners of parent	-	-	480,376	-	480,376
Purchase of treasury shares	-	-	-	(53)	(53)
Disposal of treasury shares	-	1	-	0	1
Cancellation of treasury shares	-	-	-	-	-
Net changes in items other than shareholders' equity	-	-	-	-	-
Total changes during period	-	1	286,205	(52)	286,153
Balance as of March 31, 2021	10,065	15,043	1,993,325	(156,851)	1,861,582

	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, 2020	10,637	(45,378)	(34,741)	213	1,540,900
Changes during period					
Dividends of surplus	-	-	-	-	(194,171)
Profit attributable to owners of parent	-	-	-	-	480,376
Purchase of treasury shares	-	-	-	-	(53)
Disposal of treasury shares	-	-	-	-	1
Cancellation of treasury shares	-	-	-	-	-
Net changes in items other than shareholders' equity	22,933	24,596	47,530	29	47,560
Total changes during period	22,933	24,596	47,530	29	333,714
Balance as of March 31, 2021	33,571	(20,782)	12,788	243	1,874,614

Consolidated Statements of Changes in Equity

Year ended March 31, 2022 (April 1, 2021 - March 31, 2022)

million yen

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance as of April 1, 2021	10,065	15,043	1,993,325	(156,851)	1,861,582
Changes during period					
Dividends of surplus	-	-	(240,702)	-	(240,702)
Profit attributable to owners of parent	-	-	477,691	-	477,691
Purchase of treasury shares	-	-	-	(95,100)	(95,100)
Disposal of treasury shares	-	-	-	-	-
Cancellation of treasury shares	-	(1)	(31,607)	31,608	-
Net changes in items other than shareholders' equity	-	-	-	-	-
Total changes during period	-	(1)	205,380	(63,492)	141,887
Balance as of March 31, 2022	10,065	15,041	2,198,706	(220,343)	2,003,469

	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, 2021	33,571	(20,782)	12,788	243	1,874,614
Changes during period					
Dividends of surplus	-	-	-	-	(240,702)
Profit attributable to owners of parent	-	-	-	-	477,691
Purchase of treasury shares	-	-	-	-	(95,100)
Disposal of treasury shares	-	-	-	-	-
Cancellation of treasury shares	-	-	-	-	-
Net changes in items other than shareholders' equity	(371)	53,156	52,784	22	52,807
Total changes during period	(371)	53,156	52,784	22	194,695
Balance as of March 31, 2022	33,199	32,373	65,573	266	2,069,310

Consolidated Statements of Cash Flows

million yen

Description	Year Ended March 31, 2021	Year Ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	681,305	674,389
Depreciation	10,798	10,527
Increase (decrease) in allowance for doubtful accounts	(552)	(37)
Interest and dividend income	(6,770)	(4,525)
Foreign exchange losses (gains)	(24,625)	(57,324)
Share of loss (profit) of entities accounted for using equity method	(6,564)	(26,672)
Decrease (increase) in trade receivables	(527)	8,134
Decrease (increase) in inventories	7,244	(84,563)
Increase (decrease) in trade payables	22,002	25,125
Increase (decrease) in retirement benefit liability	254	2,575
Increase (decrease) in accrued consumption taxes	(4,613)	(1,824)
Other, net	58,752	3,307
Sub-total	736,703	549,112
Interest and dividends received	8,702	4,862
Interest paid	(177)	(281)
Income taxes paid	(133,122)	(264,031)
Net cash provided by (used in) operating activities	612,106	289,661
Cash flows from investing activities		
Purchase of short-term and long-term investment securities	(952,783)	(943,319)
Proceeds from sale and redemption of short-term and long-term investment securities	803,058	1,015,200
Purchase of property, plant and equipment and intangible assets	(7,011)	(7,587)
Proceeds from sale of property, plant and equipment and intangible assets	4,853	7
Payments into time deposits	(468,817)	(354,500)
Proceeds from withdrawal of time deposits	480,712	383,921
Other, net	3,454	(21)
Net cash provided by (used in) investing activities	(136,533)	93,699
Cash flows from financing activities		
Purchase of treasury shares	(67)	(95,350)
Dividends paid	(194,021)	(240,560)
Other, net	(848)	(1,099)
Net cash provided by (used in) financing activities	(194,938)	(337,010)
Effect of exchange rate change on cash and cash equivalents	30,042	44,288
Net increase (decrease) in cash and cash equivalents	310,676	90,638
Cash and cash equivalents at beginning of period	621,402	932,079
Cash and cash equivalents at end of period	932,079	1,022,718

Notes Pertaining to Consolidated Financial Statements

(Changes in accounting procedures)

(Application of the Accounting Standard for Revenue Recognition)

Effective at the beginning of the fiscal year ended March 31, 2022, Nintendo has adopted the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020). Under this standard, revenue is recognized at the amount expected to be received for the goods or services and at the time control of the promised goods or services is transferred to the customer.

Under the new standard, if the seller is obligated to buy back goods included in paid-for transactions, those goods are no longer recognized as extinguished when they are paid for. As a result, at the end of the consolidated fiscal year ended March 31, 2022, inventories and other current liabilities increased by 36,559 million yen. These were previously recognized as the extinguishment of paid-for services.

The application of the Accounting Standard for Revenue Recognition is subject to the transitional treatment stipulated in paragraph 84, but because there is no cumulative impact on profit or loss, the balance of retained earnings at the beginning of the period has not been adjusted. The impact on the consolidated financial statements is immaterial.

(Application of the Accounting Standard for Fair Value Measurement)

Effective at the beginning of the fiscal year ended March 31, 2022, Nintendo has adopted the Accounting Standard for Fair Value Measurement (ASBJ Statement No. 30, July 4, 2019). Requirements of this accounting standard will be applied prospectively, subject to the transitional treatment stipulated in paragraph 19 of the standard as well as Article 44-2 of the Accounting Standards for Financial Instruments (ASBJ Statement 10, July 4, 2019). There is no impact on the consolidated financial statements.

(Consolidated balance sheets information)

	million yen As of March 31, 2021	million yen As of March 31, 2022
Accumulated depreciation	72,872	78,988

(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, 2021 and 2022 as follows:

	million yen Year ended March 31, 2021	million yen Year ended March 31, 2022
Cash and deposits	1,185,151	1,206,506
Time deposits with maturities of more than three months	(310,315)	(304,527)
Short-term investments with an original maturity of three months or less	57,243	120,739
Cash and cash equivalents	932,079	1,022,718

(Segment information)

Segment information is omitted as Nintendo (the Company and its consolidated subsidiaries) operates as a single business segment.

(Per share information)

	Year ended March 31, 2021	Year ended March 31, 2022
Net assets per share	yen 15,734.79	yen 17,635.60
Profit per share	4,032.60	4,046.69

[Notes]

- Diluted profit per share is omitted as no residual securities were outstanding as of March 31, 2021 and 2022
- The basis of calculation of profit per share is as follows:

	Year ended March 31, 2021	Year ended March 31, 2022
Profit attributable to owners of parent	million yen 480,376	million yen 477,691
Amount not attributable to common shareholders	-	-
Profit attributable to owners of parent related to common shares	480,376	477,691
Average number of shares	thousands of shares 119,123	thousands of shares 118,044

(Significant subsequent events)

(Acquisition of treasury shares)

At the meeting of the Board of Directors held on May 10, 2022, the Company resolved to acquire its own shares pursuant to Article 156 and Article 165-3 of the Japanese Companies Act and decided the specific method of acquisition. For details, please refer to "Notification of Acquisition of Treasury Shares through Off-Auction Own Share Repurchase Trading (ToSTNeT-3)" released today.

(Stock split)

At the meeting of the Board of Directors held on May 10, 2022, the Company resolved to authorize a stock split of shares of its common stock and a partial amendment to the Articles of Incorporation and change in the Dividend Policy due to the stock split. For details, please refer to "Notification of Common Stock Split and Partial Amendment to the Articles of Incorporation and Change in the Dividend Policy due to Stock Split" released today.

(Introduction of a restricted stock compensation plan)

At the meeting of the Board of Directors held on May 10, 2022, the Company reviewed the compensation plan for Directors and Executive Officers and resolved to introduce a restricted stock compensation plan. A proposal of the Plan will be discussed at the 82nd Annual General Meeting of Shareholders scheduled to be held on June 29, 2022. For details, please refer to "Notification of the Introduction of a Restricted Stock Compensation Plan" released today.

Others

(1) Consolidated sales information million yen

Year ended March 31, 2022		Japan	The Americas	Europe	Other	Total
	Dedicated video game platform	338,166	708,382	419,012	173,666	1,639,227
of which Nintendo Switch platform (*1)	324,877	694,890	412,482	170,475	1,602,725	
of which the others (*2)	13,289	13,492	6,529	3,191	36,502	
Mobile, IP related income, etc. (*3)	18,907	27,467	4,773	2,193	53,342	
Playing cards, etc.	1,783	987	-	2	2,773	
Total	358,857	736,837	423,786	175,862	1,695,344	

Year ended March 31, 2021		Japan	The Americas	Europe	Other	Total
	Dedicated video game platform	373,814	703,611	435,804	186,820	1,700,050
of which Nintendo Switch platform (*1)	361,824	691,498	428,258	184,823	1,666,405	
of which the others (*2)	11,989	12,112	7,545	1,997	33,645	
Mobile, IP related income, etc. (*3)	22,046	27,366	5,293	2,373	57,080	
Playing cards, etc.	1,583	190	0	5	1,779	
Total	397,443	731,168	441,097	189,200	1,758,910	

[Note] Digital sales in dedicated video game platform (*4):

Year ended March 31, 2022: 359.6 billion yen

Year ended March 31, 2021: 344.1 billion yen

*1 Nintendo Switch platform includes hardware, software (including downloadable versions of packaged software, download-only software, add-on content and Nintendo Switch Online) and accessories.

*2 Includes platforms other than Nintendo Switch and also amiibo.

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

*4 Includes downloadable versions of packaged software, download-only software, add-on content and Nintendo Switch Online.

(2) Other consolidated information million yen

	Year ended March 31, 2021	Year ended March 31, 2022	Year ending March 31, 2023 (Forecast)
Capital investments	17,912	16,766	38,000
Depreciation of property, plant and equipment	5,529	6,046	7,000
Research and development expenses	93,253	102,199	100,000
Advertising expenses	84,450	93,838	100,000
Number of employees (at year-end)	6,574	6,717	-
Average exchange rates			
1 USD =	106.03 yen	112.34 yen	115.00 yen
1 Euro =	123.68 yen	130.50 yen	125.00 yen

Consolidated net sales in U.S. dollars	6.6 billion	6.3 billion	-
Consolidated net sales in Euros	3.4 billion	3.1 billion	-
Non-consolidated purchases in U.S. dollars	5.6 billion	5.8 billion	-

(3) Balance of major assets and liabilities in foreign currencies (non-consolidated) million U.S. dollars/Euros

	As of March 31, 2021		As of March 31, 2022		As of March 31, 2023
	Balance	Exchange rate	Balance	Exchange rate	Estimated exchange rate
USD					
Cash and deposits	3,575	1 USD=	3,125	1 USD=	1 USD=
Accounts receivable-trade	769	110.70 yen	828	121.83 yen	115.00 yen
Accounts payable-trade	555		827		
Euro					
Cash and deposits	423	1 Euro=	381	1 Euro=	1 Euro=
Accounts receivable-trade	522	129.82 yen	575	135.41 yen	125.00 yen
Borrowings from subsidiaries	375		325		

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

			Actual		Sales Units in Ten Thousands	
			Apr. '20-Mar. '21	Apr. '21-Mar. '22	Number of New Titles Released	
					Life-to-date Mar. '22	Forecast Apr. '22-Mar. '23
Nintendo Switch (Total)	Hardware	Japan	660	519	2,523	
		The Americas	1,115	876	4,203	
		Europe	715	602	2,760	
		Other	393	309	1,279	
		Total	2,883	2,306	10,765	2,100
of which Nintendo Switch		Japan	478	256	1,878	
		The Americas	707	522	3,208	
		Europe	502	404	2,215	
		Other	345	174	1,044	
		Total	2,032	1,356	8,345	
of which Nintendo Switch – OLED Model		Japan	—	161	161	
		The Americas	—	194	194	
		Europe	—	112	112	
		Other	—	113	113	
		Total	—	580	580	
of which Nintendo Switch Lite		Japan	181	102	484	
		The Americas	409	159	801	
		Europe	213	86	433	
		Other	48	22	123	
		Total	851	370	1,840	
Software		Japan	4,502	4,214	15,436	
		The Americas	10,242	10,827	36,927	
		Europe	6,624	6,578	23,793	
		Other	1,720	1,888	6,062	
		Total	23,088	23,507	82,218	21,000
New titles		Japan	291	327	1,176	
		The Americas	348	361	1,407	
		Europe	325	382	1,417	

[Notes]

1. Software sales units include both packaged and downloadable versions of software, and do not include download-only software or add-on content.
2. The number of new titles is the number of packaged software.
3. Actual software sales units include the quantity bundled with hardware.
4. Forecasted software sales units do not include the quantity to be bundled with hardware.

(5) Changes of Directors (as of June 29, 2022)

① Anticipated new Director

Director (Audit and Supervisory Committee Member)	Takuya Yoshimura	(Current: Deputy General Manager, General Affairs Division General Manager, Legal Department and Tokyo Branch Office)
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② Retirement of a Director

Director (Audit and Supervisory Committee Member)	Naoki Noguchi
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(6) Changes of Executive Officers (as of June 29, 2022)

Role Change of an Executive Officer

Director, Managing Executive Officer	Satoru Shibata	(Current: Director, Senior Executive Officer General Manager, Marketing Division and Licensing Division In charge of Global Communications Division)
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*The areas of responsibility are shown to the right.

*The management changes will be effective upon approval at the 82nd Annual General Meeting of Shareholders to be held on June 29, 2022 and the subsequent Board of Directors meeting.