

Financial Results Explanatory Material

Fiscal Year Ended March 2023

Nintendo Co., Ltd.

May 9, 2023

1. Consolidated Financial Results and Outlook

Consolidated Financial Highlights

	FY22	FY23	Comparison
Net sales	1,695.3 bn yen	1,601.6 bn yen	-5.5 %
Operating profit	592.7 bn yen	504.3 bn yen	-14.9 %
Operating profit ratio	35.0 %	31.5 %	-3.5 pt.
Ordinary profit	670.8 bn yen	601.0 bn yen	-10.4 %
Net profit	477.6 bn yen	432.7 bn yen	-9.4 %
Net profit ratio	28.2 %	27.0 %	-1.2 pt.

[•] Net profit: Profit attributable to owners of parent

[•] FY = Fiscal Year

FY23 indicates the period between April 1, 2022 and March 31, 2023.

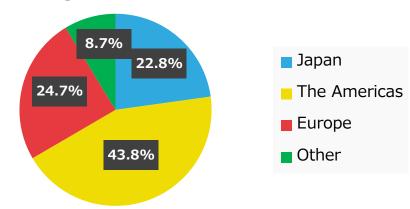
Consolidated Sales

	FY22	FY23	Comparison
Net sales	1,695.3 bn yen	1,601.6 bn yen	-5.5 %
Dedicated video game platform*1	1,639.2 bn yen	1,544.9 bn yen	-5.8 %
Mobile, IP related income, etc.*2	53.3 bn yen	51.0 bn yen	-4.3 %
Playing cards, etc.	2.7 bn yen	5.6 bn yen	+105.1 %

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

Effect of changes in foreign exchange rates on net sales: +157.8 billion yen

FY23 Regional Sales Ratio



Proportion of overseas sales: 77.2%

^{*2} Includes income from smart-device content and royalty income.

Gross Profit

	FY22	FY23	Comparison
Gross profit	946.0 bn yen	885.4 bn yen	-6.4 %
Gross profit ratio	55.8 %	55.3 %	-0.5 pt.

Main Variable Factors					
	FY22	FY23	Comparison		
Proportion of hardware sales*1	48.4 %	45.6 %	-2.8 pt.		
Proportion of first-party software sales*2	78.8 %	79.1 %	+0.3 pt.		
Proportion of digital sales*2	42.6 %	48.2 %	+5.6 pt.		
Average 1 USD exchange rate 1 Euro	112.34 yen 130.50 yen	135.38 yen 140.82 yen	+23.04 yen +10.32 yen		

^{*1} Proportion of sales to total dedicated video game platform sales

^{*2} Proportion of sales to total dedicated video game platform software sales

Selling, General and Administrative Expenses / Operating Profit

	FY22	FY23	Comparison
SG&A expenses	353.2 bn yen	381.0 bn yen	+7.9 %
SG&A expenses-to-sales ratio	20.8 %	23.8 %	+3.0 pt.
Operating profit	592.7 bn yen	504.3 bn yen	-14.9 %
Operating profit ratio	35.0 %	31.5 %	-3.5 pt.

[•] SG&A expenses: Selling, general and administrative expenses

Effect of changes in foreign exchange rates on operating profit: approx. +44.0 billion yen

	FY22	FY23	Comparison
Research and development expenses	102.1 bn yen	110.0 bn yen	+7.6 %
Advertising expenses	93.8 bn yen	94.9 bn yen	+1.2 %

Ordinary Profit and Net Profit

	FY22	FY23	Comparison
Non-operating income	79 7 60	07.2 harves	+23.5 %
	78.7 bn yen	97.3 bn yen	TZ3.5 %
included foreign exchange gains	45.6 bn yen	39.7 bn yen	-12.9 %
Non-operating expenses	0.7 bn yen	0.6 bn yen	-13.1 %
Ordinary profit	670.8 bn yen	601.0 bn yen	-10.4 %
Net profit	477.6 bn yen	432.7 bn yen	-9.4 %
Net profit ratio	28.2 %	27.0 %	-1.2 pt.

[•] Net profit: Profit attributable to owners of parent

Exchange rate	FY22	FY23	Comparison
1USD	121.83 yen	133.00 _{yen}	+11.17 yen
1Euro	135.41 yen	144.67 yen	+9.26 yen

Consolidated Financial Forecast

	FY23 (Actual)	FY24 (Forecast)	Comparison
Net sales	1,601.6 bn yen	1,450.0 bn yen	-9.5 %
Operating profit	504.3 bn yen	450.0 bn yen	-10.8 %
Ordinary profit	601.0 bn yen	480.0 bn yen	-20.1 %
Net profit	432.7 bn yen	340.0 bn yen	-21.4 %

[•] Net profit: Profit attributable to owners of parent

[•] Estimated exchange rate for FY24: 1 USD = 130 yen, 1 Euro = 135 yen.

Dividend	FY23 (Actual)	FY24 (Forecast)	Comparison
Annual	* yen	147 yen	-

^{*}For more details regarding the annual dividend for FY23, please refer to "3. Basic Policy of Profit Distribution and Dividends" on pg. 4 of the Earnings Release.

Nintendo Switch	FY23 (Actual)	FY24 (Forecast)	Comparison
Hardware	17.97 mil units	15.00 mil units	-16.5 %
Software	213.96 mil units	180.00 mil units	-15.9 %

[•] Software sales units for FY23 include the quantity bundled with hardware or other products (1.25 million units).

2. Business Highlights

Sales Status of Nintendo Switch (Sell-In)

_		FY22	2	FY23	3	Comparison
Hardwa	ıre	23.06	mil units	17.97	mil units	-22.1 %
Nintend	do Switch	13.56	mil Units	6.14	mil units	-54.7 %
Nintendo OLED Mo	Switch – odel	5.80	mil Units	9.22	mil units	+58.8 %
Nintend	do Switch Lite	e 3.70	mil Units	2.62	mil units	-29.2 %
Softwar	e	235.07	mil units	213.96	mil units	-9.0 %
(mil units))	Quarterly U	nit Sale	s Trends		(mil units) 100
8 -				76.70mil		80
6 -	55.77mil	5	4.0mil	4.16		60
4 -		41.41mil		1.08	41.85	5mil 40
2 -	1.81 0.53	0.59	2.01	2.99	1.5	20
0 -	1.77 4.11 mil		0.33 0.91 .25 mil	8.22 mil	3.06	0
Nintend	FY22/Q4		′23/Q2	FY23/Q3 endo Switch – O	FY23	/Q4





Pokémon Scarlet/ Pokémon Violet
22.10 million units





Splatoon 3 **10.67 million units**

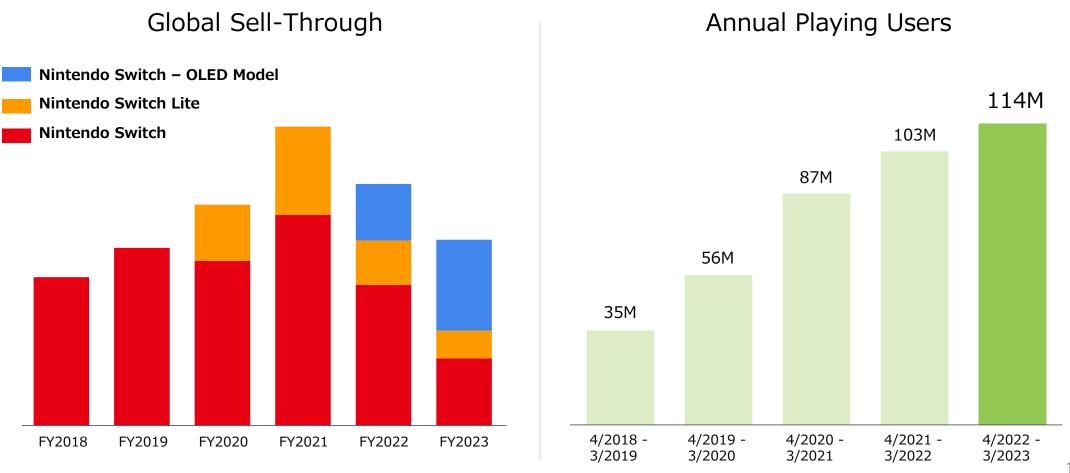
Nintendo Switch Sports
9.60 million units

Number of Million-Seller Titles (FY23)

35 titles
Including 22 Nintendo titles and
13 titles by other software publishers

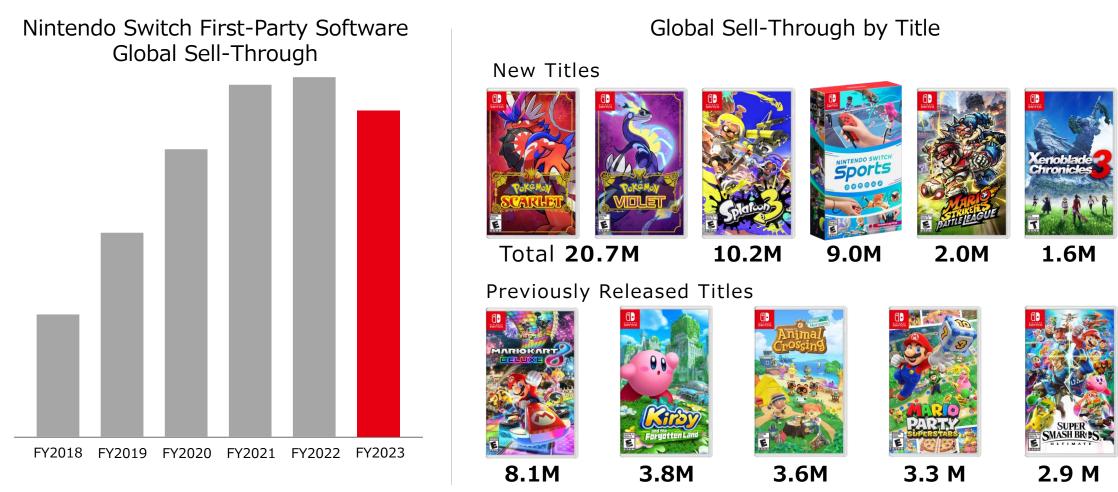
Nintendo Switch: Hardware Sell-through and Annual Playing Users

- Cumulative global Nintendo Switch family sell-through has surpassed 120 million units
- Annual playing users continue to rise



Nintendo Switch First-Party Software Sell-Through

- Unit sales of first-party software are at the third-highest level since the launch of Nintendo Switch
- Sales were strong for a number of new titles, and evergreen titles also saw solid performance

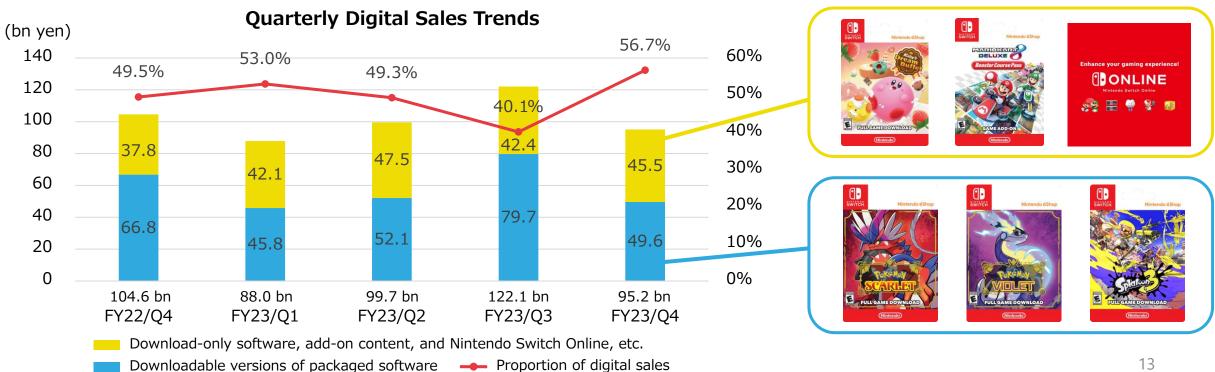


Digital Sales

	FY22	FY23	Comparison
Digital sales*1	359.6 bn yen	405.2 bn yen	+12.7 %
Proportion of digital sales*2	42.6 %	48.2 %	+5.6 pt.

^{*1} Sales of downloadable versions of packaged software, download-only software, add-on content and Nintendo Switch Online, etc.

^{*2} Proportion to total dedicated video game platform software sales



Examples of Announced Nintendo Products (2023) - 1



May 12



Part 1: Fall 2023
(Part 2: Planned for release in the Winter of 2023)



July 21



Waves 5 & 6: 2023

Examples of Announced Nintendo Products (2023) - 2



Nintendo Switch – OLED Model - The Legend of Zelda: Tears of the Kingdom Edition April 29

• The Super Mario Bros. Movie began its global theatrical release on April 5





Grand opening of SUPER NINTENDO WORLD at Universal Studios Hollywood on February 17, 2023



Official Nintendo Store Nintendo KYOTO is scheduled to open on October 17, 2023



3. Reference

Million-Seller Nintendo First-Party Titles

units in ten thousands

	FY23 (A	Apr. '22 ~ Ma	ar. ′23)	Life-to-date
Nintendo Switch	Global	incl. Japan	incl. Overseas	Global
Pokémon Scarlet/ Pokémon Violet	2,210	735	1,475	2,210
Splatoon 3	1,067	654	413	1,067
Nintendo Switch Sports	960	172	788	960
Mario Kart 8 Deluxe	845	122	723	5,379
Kirby and the Forgotten Land	381	81	300	646
Animal Crossing: New Horizons	358	52	305	4,221
Mario Party Superstars	329	44	285	1,017
The Legend of Zelda: Breath of the Wild	324	48	276	2,981
Super Smash Bros. Ultimate	292	60	232	3,109
Mario Strikers: Battle League	254	17	237	254
SUPER MARIO ODYSSEY	225	22	203	2,576
SUPER MARIO ODYSSEY	225	22	203	2,576

	units in ten thousands			
	FY23 (Apr. '22 ~ Mar. '23)		Life-to-date	
	Global	incl. Japan	incl. Overseas	Global
Pokémon Legends: Arceus	219	18	202	1,483
New Super Mario Bros. U Deluxe	211	17	194	1,541
Super Mario 3D World + Bowser's Fury	195	21	174	1,138
Xenoblade Chronicles 3	186	52	134	186
Fire Emblem Engage	161	43	118	161
Kirby's Return to Dream Land Deluxe	146	54	92	146
Luigi's Mansion 3	140	16	124	1,282
Super Mario Party	136	16	120	1,914
Ring Fit Adventure	129	38	90	1,538
Metroid Prime Remastered	109	5	104	109
Bayonetta 3	107	16	91	107

[Note] Software sales units include the quantity bundled with hardware or other products. Software sales units include their downloadable versions.

Key Indicators

Proportion of Overseas Sales

FY23					
Q1	Q2	Q3	Q4		
79.9%	72.4%	76.8%	80.6%		
75.	75.9%				
76.4%					
77.2%					

Proportion of Hardware Sales

FY23						
Q1	Q2	Q3	Q4			
43.8%	39.8%	50.9%	42.7%			
41.						
45.6%						

Proportion of First-Party Software Sales

	FY23					
	Q1	Q2	Q3	Q4		
7	76.3%	72.7%	85.0%	77.9%		
	74.					
	79.1%					

FY22					
Q1	Q2	Q3	Q4		
77.9%	78.7%	79.6%	78.2%		
78.					
78.8%					

^{*}Proportion of overseas (outside of Japan) sales to total sales

	FY22				
Q1	Q2	Q3	Q4		
47.6%	45.2%	53.9%	41.5%		
46.	46.5%				
48.4%					

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

FY22					
Q1	Q2	Q3	Q4		
72.3%	68.9%	84.1%	82.3%		
70.					
78.8%					

^{*}Proportion of first-party software sales to total dedicated video game platform software sales

Digital Sales Indicators

Digital Sales

(yen)

FY23					
Q1	Q2	Q3	Q4		
88.0 bn	99.7 bn	122.1 bn	95.2 bn		
187.	187.8 bn				
405.2 bn					

Proportion of Digital Sales

FY23					
Q1	Q2	Q3	Q4		
53.0%	49.3%	40.1%	56.7%		
51.					
48.2%					

Proportion of Downloadable Versions of Packaged Software Sales

FY23					
Q1	Q2	Q3	Q4		
52.1%	52.3%	65.3%	52.2%		
52.					
56.1%					

FY22					
Q1	Q2	Q3	Q4		
75.9 bn	68.2 bn	68.2 bn 110.8 bn			
144.					
359.6 bn					

^{*}Digital sales include (a) downloadable version of packaged software (the downloadable version of software that is offered both physically and digitally), (b) download-only software, (c) add-on content and (d) Nintendo Switch Online, etc.

Q1	Q2	Q3	Q4	
46.9%	43.2%	35.3%	49.5%	
45.				
42.6%				

^{*}Proportion of digital sales to total dedicated video game platform software sales

FY22				
Q1	Q2	Q3	Q4	
52.1%	49.1%	56.3%	63.9%	
50.				
56.2%				

^{*}Proportion of downloadable versions of packaged software sales to total digital sales as indicated on the left: a/(a+b+c+d)

Launch Dates of Primary Nintendo Products by Region (April 2022~ March 2023)

Japan		The United States		Europe	
Title	Launch Date	Title	Launch Date	Title	Launch Date
Nintendo Switch					
(Software)		(Software)		(Software)	
Nintendo Switch Sports	4/29/2022	Nintendo Switch Sports	4/29/2022	Nintendo Switch Sports	4/29/2022
Mario Strikers: Battle League	6/10/2022	Mario Strikers: Battle League	6/10/2022	Mario Strikers: Battle League Football	6/10/2022
Xenoblade Chronicles 3	7/29/2022	Fire Emblem Warriors: Three Hopes **	6/24/2022	Fire Emblem Warriors: Three Hopes **	6/24/2022
Kirby's Dream Buffet *	8/17/2022	LIVE A LIVE **	7/22/2022	LIVE A LIVE **	7/22/2022
Splatoon 3	9/9/2022	Xenoblade Chronicles 3	7/29/2022	Xenoblade Chronicles 3	7/29/2022
Bayonetta 3	10/28/2022	Kirby's Dream Buffet *	8/17/2022	Kirby's Dream Buffet *	8/17/2022
Pokémon Scarlet	11/18/2022	Splatoon 3	9/9/2022	Splatoon 3	9/9/2022
Pokémon Violet	11/18/2022	Bayonetta 3	10/28/2022	Bayonetta 3	10/28/2022
Mario + Rabbids Sparks of Hope **	12/2/2022	Pokémon Scarlet	11/18/2022	Pokémon Scarlet	11/18/2022
Fire Emblem Engage	1/20/2023	Pokémon Violet	11/18/2022	Pokémon Violet	11/18/2022
Metroid Prime Remastered	2/9/2023 ***	Fire Emblem Engage	1/20/2023	Fire Emblem Engage	1/20/2023
Kirby's Return to Dream Land Deluxe	2/24/2023	Metroid Prime Remastered	2/8/2023 ***	Metroid Prime Remastered	2/8/2023 ***
Bayonetta Origins: Cereza and the Lost Demon	3/17/2023	Kirby's Return to Dream Land Deluxe	2/24/2023	Kirby's Return to Dream Land Deluxe	2/24/2023
	J	Bayonetta Origins: Cereza and the Lost Demon	3/17/2023	Bayonetta Origins: Cereza and the Lost Demon	3/17/2023

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

Packaged version released on March 3, 2023 in Japan and Europe, on February 22, 2023 in United States.

^{*}This title is available in downloadable format only.

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

^{***}Release date of downloadable version.

Launch Schedule of Primary Nintendo Products by Region (extracts: April 2023~)

Japan		The United States		Europe	
Title	Launch Date	Title	Launch Date	Title	Launch Date
Nintendo Switch					
(Software)		(Software)		(Software)	
The Legend of Zelda: Tears of the Kingdom	5/12/2023	Advance Wars 1+2: Re-Boot Camp	4/21/2023	Advance Wars 1+2: Re-Boot Camp	4/21/2023
Pikmin 4	7/21/2023	The Legend of Zelda: Tears of the Kingdom	5/12/2023	The Legend of Zelda: Tears of the Kingdom	5/12/2023
Metroid Prime 4 (temp.)	TBA	Pikmin 4	7/21/2023	Pikmin 4	7/21/2023
		Metroid Prime 4 (temp.)	ТВА	Metroid Prime 4 (temp.)	ТВА

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

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

Upcoming Software Publishers' Title Lineup (extracts: April 2023 \sim) Nintendo Switch

Region	Title	Publisher	Title	Publisher
	LEGO 2K Drive	2K	FANTASY LIFE i: The Girl Who Steals Time	LEVEL-5
	Etrian Odyssey Origins Collection	ATLUS	Loop8: Summer of Gods	Marvelous
	We Love Katamari REROLL+ Royal Reverie	Bandai Namco Entertainment	Fashion Dreamer	Marvelous
	Baten Kaitos I & II HD Remaster	Bandai Namco Entertainment	Fae Farm	Phoenix Labs
lanan	Ghost Trick: Phantom Detective	CAPCOM	Samba de Amigo: Party Central	SEGA
Japan	FRONT MISSION 2: Remake	Forever Entertainment	Master Detective Archives: RAIN CODE	Spike Chunsoft
	CRYMACHINA	FURYU	natsumon !	Spike Chunsoft
	Atelier Marie Remake: The Alchemist of Salburg	KOEI TECMO GAMES	Elements with Emotions	SQUARE ENIX
	SUPER BOMBERMAN R 2	KONAMI	Disney Illusion Island	Disney Games
	Momotaro Dentetsu World \sim Chikyuu wa Kibou de Mawatteru! \sim	KONAMI		
	LEGO 2K Drive	2K	CONVERGENCE: A League of Legends Story	Riot Forge
	We Love Katamari REROLL+ Royal Reverie	Bandai Namco Entertainment	The MageSeeker: A League of Legends Story	Riot Forge
	Mega Man Battle Network Legacy Collection	Capcom	Etrian Odyssey Origins Collection	SEGA
The United	Gunbrella	Devolver Digital	Master Detective Archives: RAIN CODE	Spike Chunsoft US
States	Disney Speedstorm	Gameloft	FINAL FANTASY PIXEL REMASTER	SQUARE ENIX
	Teslagrad 2 Teslagrad Remastered	Maximum Games	Five Nights At Freddy's: Security Breach	Steel Wool Studios
	Minecraft Legends	Mojang	STORY OF SEASONS: A Wonderful Life	XSEED Games / Marvelous USA
	Omega Strikers	Odyssey Interactive		
	LEGO 2K Drive	2K	Omega Strikers	Odyssey Interactive
	We Love Katamari REROLL+ Royal Reverie	Bandai Namco Entertainment	CONVERGENCE: A League of Legends Story	Riot Forge
	Mega Man Battle Network Legacy Collection	Capcom	The MageSeeker: A League of Legends Story	Riot Forge
Europo	Gunbrella	Devolver Digital	Etrian Odyssey Origins Collection	SEGA
Europe	Disney Speedstorm	Gameloft	Master Detective Archives: RAIN CODE	Spike Chunsoft
	STORY OF SEASONS: A Wonderful Life	Marvelous Europe	FINAL FANTASY PIXEL REMASTER	SQUARE ENIX
	Teslagrad 2 Teslagrad Remastered	Maximum Games	Five Nights At Freddy's: Security Breach	Steel Wool Studios
	Minecraft Legends	Mojang		
	·		-	

[Note] Launch schedules, software names etc. are subject to change. Launch titles are listed by publisher alphabetically. This list includes download-only software and add-on content.

Supplementary Information on Our Website

Earnings Releases, etc.

- Earning Releases
- Timely Disclosure of Information, etc.

Financial Highlights

Consolidated Statements of Income

Consolidated Balance Sheet

Consolidated Cash Flows

Key Figures per Share

Geographical Sales Breakdown

Sales Breakdown by Category

(Annual/ Quarterly)

(Annual/ Quarterly)

(Annual)

(Annual)

(Annual/ Quarterly)

(Annual/ Quarterly)

Financial Results Announcement/IR Events

- Corporate Management Policy Briefing Presentation Materials
- Financial Results Explanatory Materials, etc.

Dedicated Video Game Sales Units

Total Unit Sales

Unit Sales

Number of Titles Released

(Life-to-date)

(Annual/ Quarterly)

(Annual)

Top Selling Title Sales Units

 Top selling Nintendo software sales units on an accumulated basis

<u>Historical Data</u> (Updated at fiscal year-end)

- · Consolidated Statements of Income Transition
- Consolidated Sales Transition by Region
- Number of Software Titles Released

^{*}Corresponding pages on our website can be accessed by clicking on the titles above.

^{*}Financial Highlights will be updated within 2 business days of our financial announcement.