



Financial Results Explanatory Material

Fiscal Year Ended March 2024

Nintendo Co., Ltd.
May 7, 2024

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1. Consolidated Financial Results and Outlook

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- We would like to talk about the consolidated financial results for the fiscal year ended March 2024, and the consolidated financial forecast for the fiscal year ending March 2025.

Consolidated Financial Highlights

	FY23	FY24	Comparison
Net sales	1,601.6 bn yen	1,671.8 bn yen	+4.4 %
Operating profit	504.3 bn yen	528.9 bn yen	+4.9 %
Operating profit ratio	31.5 %	31.6 %	+0.1 pt.
Ordinary profit	601.0 bn yen	680.4 bn yen	+13.2 %
Net profit	432.7 bn yen	490.6 bn yen	+13.4 %
Net profit ratio	27.0 %	29.3 %	+2.3 pt.

· Net profit: Profit attributable to owners of parent
 · FY = Fiscal Year
 FY24 indicates the period between April 1, 2023 and March 31, 2024.

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- Year-on-year, sales increased by 4.4% to 1,671.8 billion yen, operating profit rose by 4.9% to 528.9 billion yen, ordinary profit rose by 13.2% to 680.4 billion yen, and profit attributable to owners of parent rose by 13.4% to 490.6 billion yen.

Consolidated Sales

	FY23	FY24	Comparison
Net sales	1,601.6 bn yen	1,671.8 bn yen	+4.4 %
Dedicated video game platform*1	1,544.9 bn yen	1,567.8 bn yen	+1.5 %
Mobile, IP related income, etc.*2	51.0 bn yen	92.7 bn yen	+81.6 %
Other*3	5.6 bn yen	11.2 bn yen	+98.5 %

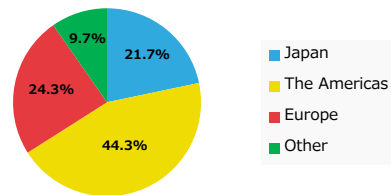
*1 Includes hardware, software (including downloadable versions of packaged software, download-only software, add-on content, and Nintendo Switch Online) and accessories.

*2 Includes income from visual content, smart-device content and royalties.

*3 Includes merchandise sales at official stores such as Nintendo TOKYO as well as playing cards.

Effect of changes in foreign exchange rates on net sales: +94.4 billion yen

FY24 Regional Sales Ratio



Proportion of sales outside of Japan: 78.3%

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- Next, we will give a breakdown of consolidated sales.
- Looking at sales in our dedicated video game platform business, unit sales of Nintendo Switch hardware and software both decreased year-on-year. However, net sales increased by 1.5% to 1,567.8 billion yen, due in part to the continued depreciation of the yen in foreign exchange markets, the increase in proportion of hardware sales accounted for by Nintendo Switch – OLED Model, which has a higher unit price, and the growth in sales of add-on content not counted in software unit sales.
- Also, overall sales in our mobile and IP related business increased by 81.6% year-on-year to 92.7 billion yen, bolstered by movie-related sales and an increase in royalty income.
- Changes in exchange rates over the last fiscal year resulted in a year-on-year increase in the overall sales amount of 94.4 billion yen.

Gross Profit

	FY23	FY24	Comparison
Gross profit	885.4 bn yen	954.3 bn yen	+7.8 %
Gross profit ratio	55.3 %	57.1 %	+1.8 pt.

Main Variable Factors

	FY23	FY24	Comparison
Proportion of hardware sales*1	45.6 %	43.6 %	-2.0 pt.
Proportion of first-party software sales*2	79.1 %	81.2 %	+2.1 pt.
Proportion of digital sales*2	48.2 %	50.2 %	+2.0 pt.
Average exchange rate	1 USD 1 Euro	135.38 yen 140.82 yen	+9.14 yen +15.91 yen

*1 Proportion of sales to total dedicated video game platform sales

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

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- With the increase in sales, gross profit rose by 7.8% year-on-year to 954.3 billion yen.
- Our gross profit margin increased by 1.8 percentage points year-on-year to 57.1%. This was due to factors such as a proportional decrease in hardware sales and a proportional increase in first-party software sales and digital sales relative to overall sales.

Selling, General and Administrative Expenses / Operating Profit

	FY23	FY24	Comparison
SG&A expenses	381.0 bn yen	425.3 bn yen	+11.6 %
SG&A expenses-to-sales ratio	23.8 %	25.4 %	+1.6 pt.
Operating profit	504.3 bn yen	528.9 bn yen	+4.9 %
Operating profit ratio	31.5 %	31.6 %	+0.1 pt.

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

Effect of changes in foreign exchange rates on operating profit: approx. +35.0 billion yen

	FY23	FY24	Comparison
Research and development expenses	110.0 bn yen	137.7 bn yen	+25.2 %
Advertising expenses	94.9 bn yen	104.3 bn yen	+9.8 %

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- Selling, general, and administrative expenses (SG&A expenses) rose by 11.6% year-on-year to 425.3 billion yen, mainly due to an increase in foreign currency-denominated expenses caused by the depreciation of the yen, as well as a rise in advertising expenses and research and development expenses. In addition, the ratio of SG&A expenses to sales increased by 1.6 percentage points to 25.4%.
- Despite the rise in SG&A expenses, operating profit rose by 4.9% year-on-year to 528.9 billion yen and the operating profit margin rose by 0.1 percentage points to 31.6% due to increased gross profit.
- Changes in exchange rates over the last fiscal year resulted in a year-on-year increase in operating profit of approximately 35.0 billion yen.

Ordinary Profit and Net Profit

	FY23	FY24	Comparison
Non-operating income	97.3 bn yen	152.0 bn yen	+56.2 %
included foreign exchange gains	39.7 bn yen	61.5 bn yen	+55.1 %
Non-operating expenses	0.6 bn yen	0.4 bn yen	-22.2 %
Ordinary profit	601.0 bn yen	680.4 bn yen	+13.2 %
Net profit	432.7 bn yen	490.6 bn yen	+13.4 %
Net profit ratio	27.0 %	29.3 %	+2.3 pt.

• Net profit: Profit attributable to owners of parent

Exchange rate	FY23 (3/31/2023)	FY24 (3/31/2024)	Comparison
1 USD	133.00 yen	151.34 yen	+18.34 yen
1 Euro	144.67 yen	163.31 yen	+18.64 yen

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- Ordinary profit increased by 13.2% year-on-year to 680.4 billion yen, lifted by the increase in operating profit and other factors such as foreign exchange gains resulting from the depreciation of the yen year-on-year and a significant increase in interest income due to the rise in interest rates outside of Japan.
- Year-on-year, profit attributable to owners of parent rose by 13.4% to 490.6 billion yen.

Consolidated Financial Forecast

	FY24 (Actual)	FY25 (Forecast)	Comparison
Net sales	1,671.8 bn yen	1,350.0 bn yen	-19.3 %
Operating profit	528.9 bn yen	400.0 bn yen	-24.4 %
Ordinary profit	680.4 bn yen	420.0 bn yen	-38.3 %
Net profit	490.6 bn yen	300.0 bn yen	-38.9 %

· Net profit: Profit attributable to owners of parent
 · Assumed exchange rate for FY25: 1 USD = 140 yen, 1 Euro = 155 yen

	FY24 (Actual)	FY25 (Forecast)	Comparison
Dividend			
Annual	211 yen	129 yen	-82 yen

	FY24 (Actual)	FY25 (Forecast)	Comparison
Nintendo Switch			
Hardware	15.70 mil units	13.50 mil units	-14.0 %
Software	199.67 mil units	165.00 mil units	-17.4 %

· Software sales units for FY24 include the quantity bundled with hardware or other products (2.85 million units).

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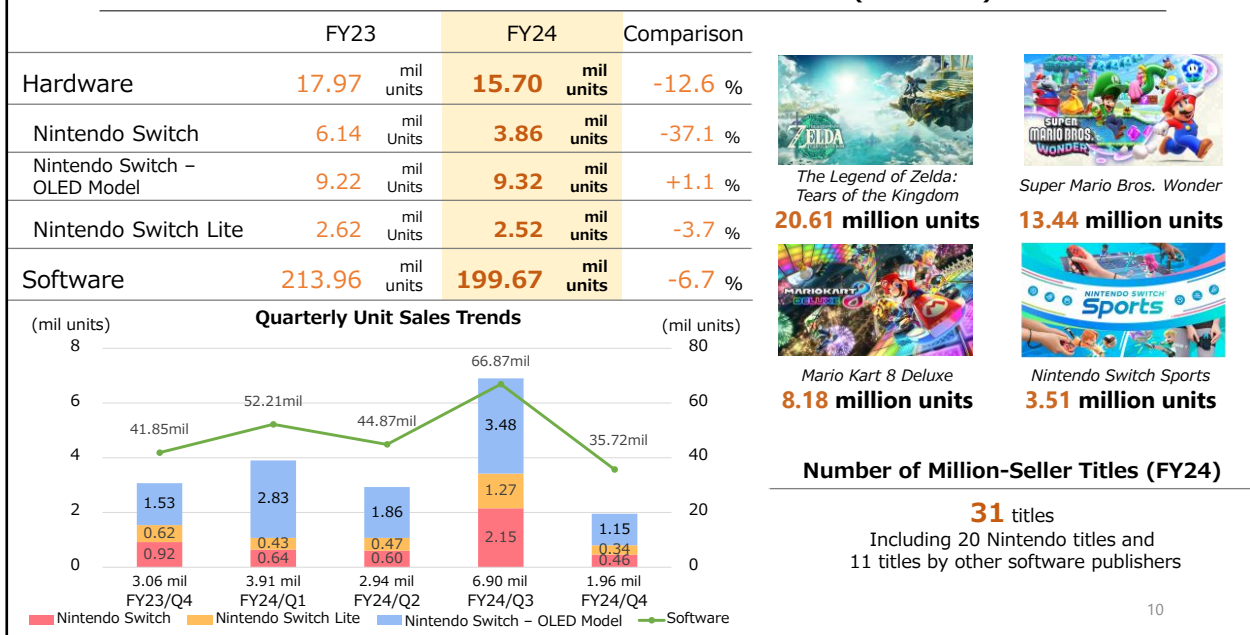
- Next, we would like to talk about the consolidated financial forecast for the fiscal year ending March 2025.
- We forecast net sales of 1,350.0 billion yen, operating profit of 400.0 billion yen, ordinary profit of 420.0 billion yen, and profit attributable to owners of parent of 300.0 billion yen. The assumed exchange rates are 140 yen per U.S. dollar and 155 yen per euro.
- If the financial results are as forecasted, the annual dividend will be 129 yen per share.
- Looking at unit sales for the full fiscal year, we forecast Nintendo Switch hardware sales of 13.50 million units and software sales of 165.00 million units.
- Nintendo Switch has entered its eighth year since launch, and while it will be challenging to sustain the same sales momentum as before, we will work to maintain high user engagement with the hardware and invigorate the platform so that more consumers continue to play Nintendo Switch for longer.

2. Business Highlights

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- We would now like to turn to our business highlights.

Sales Status of Nintendo Switch (Sell-In)

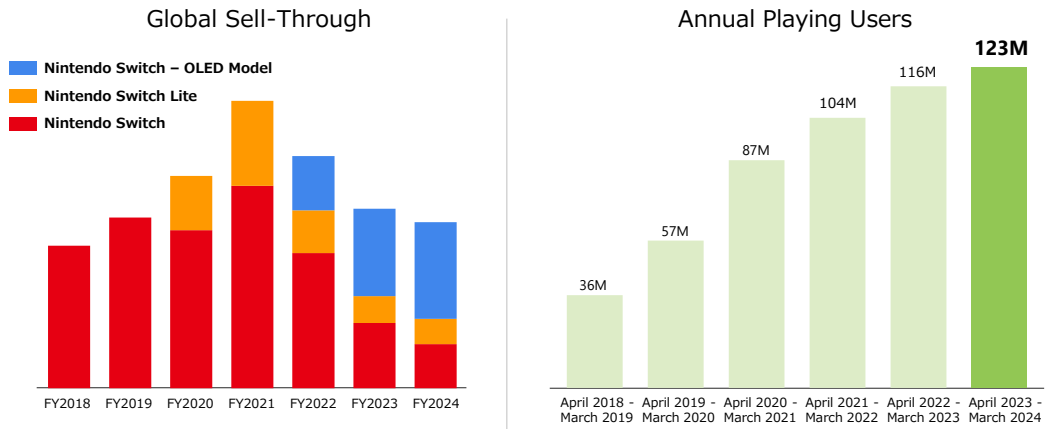


- To describe the sales status for Nintendo Switch, we use sell-in, which is unit sales by the Nintendo group to its business partners.
- Unit sales for the entire Nintendo Switch family of systems declined 12.6% year-on-year to 15.70 million units. This breaks down to 3.86 million units of Nintendo Switch, 9.32 million units of Nintendo Switch – OLED Model, and 2.52 million units of Nintendo Switch Lite. Although unit sales decreased year-on-year, sales were stable for a platform in its seventh year since launch.
- Unit sales of software declined 6.7% year-on-year to 199.67 million units. Sales increased for new titles released this fiscal year, with *The Legend of Zelda: Tears of the Kingdom*, *Super Mario Bros. Wonder*, and *Pikmin 4* each seeing growth. In addition, *The Super Mario Bros. Movie*, released in April 2023, had a positive impact on sales of Mario related titles. As a result, there were 31 titles that sold over a million copies during the period, including titles from other software publishers.

Note: *Sell-in* refers to sales by the Nintendo group to outside entities. In addition to units sold to corporate business partners, this number also includes units sold to individual consumers through Nintendo's direct-sales sites or as downloadable software.

Nintendo Switch Hardware Sell-Through and Annual Playing Users

- **OLED Model sales rose amid a downtrend in overall hardware sales**
- **Annual Playing User numbers were the highest seen since Nintendo Switch was launched**



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Nintendo estimates

- Next, we would like to talk about hardware sell-through.
- The graph on the left shows global hardware sell-through (in other words, units purchased by individual consumers) for the full year. Red indicates Nintendo Switch, orange is Nintendo Switch Lite, and blue is Nintendo Switch – OLED Model. Hardware sell-through overall trended downward, but looking at individual models, Nintendo Switch – OLED Model had greater sell-through than last fiscal year and Nintendo Switch Lite held steady.
- The graph on the right shows the trend in the number of Nintendo Switch annual playing users, which is the number of users who launched a game on one of the systems in the Nintendo Switch family of systems during the 12-month period. The number of annual playing users between April 2023 and March 2024 was the highest ever, exceeding 123 million users.

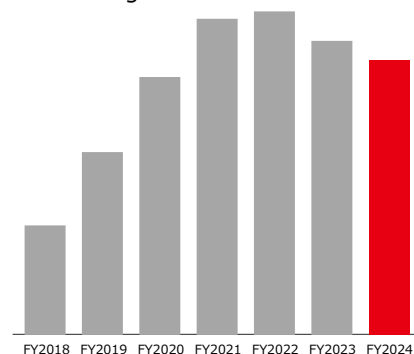
Note: *Sell-through* refers to sales to individual consumers. In addition to units sold by retailers, this number also includes units sold to individual consumers through Nintendo's direct-sales websites and as downloadable software.

Note: The number of Nintendo Switch annual playing users refers to the number of Nintendo Accounts, out of all Nintendo Accounts registered to a Nintendo Switch system, that used Nintendo Switch software one or more times during the 12-month data aggregation period. Only users connected to the internet are counted, and those who have not agreed to share their user information are excluded. The count does not include use of services such as Nintendo eShop.

Nintendo Switch First-Party Software Sell-Through

- Sales were strong for new titles in the Legend of Zelda, Mario, and Pikmin series
- Evergreen titles, including those released several years ago, showed steady sales

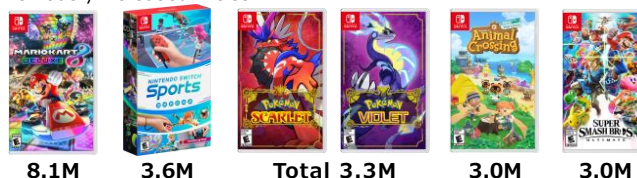
Global First-Party Software Sell-Through



New Titles



Previously Released Titles



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Nintendo estimates

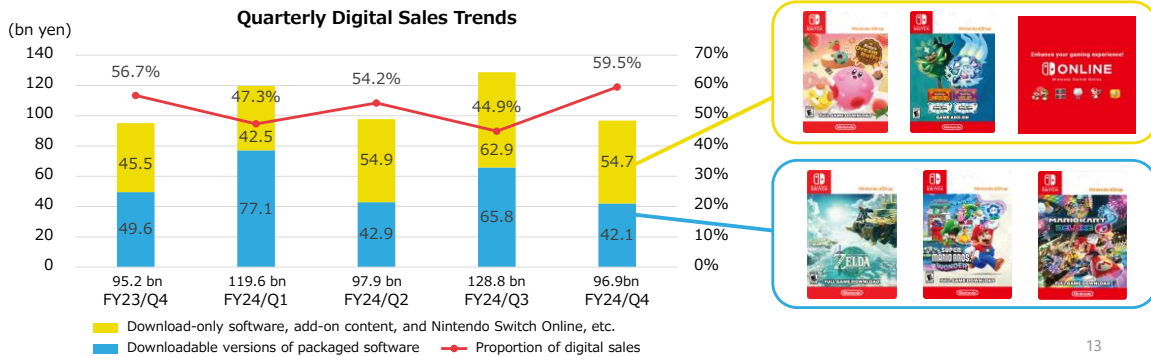
- Let's move on to a discussion of sell-through of first-party software.
- The graph on the left shows global sell-through of first-party software for Nintendo Switch for the full year. This fiscal year, a number of new titles enjoyed solid sales throughout the year. *The Legend of Zelda: Tears of the Kingdom*, *Super Mario Bros. Wonder*, and *Pikmin 4* all saw sell-through grow at a faster pace than any past titles released on Nintendo Switch in their respective series.
- Evergreen titles that were released a number of years ago like *Mario Kart 8 Deluxe* (released in 2017) and *Super Smash Bros. Ultimate* (released in 2018), also saw steady sales, thanks in large part to purchases by consumers who acquired Nintendo Switch comparatively recently.

Digital Sales

	FY23	FY24	Comparison
Digital sales*1	405.2 bn yen	443.3 bn yen	+9.4 %
Proportion of digital sales*2	48.2 %	50.2 %	+2.0 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



- Digital sales for the fiscal year increased by 9.4% year-on-year to 443.3 billion yen and accounted for 50.2% of total software sales for our dedicated video game platform.
- Sales related to Nintendo Switch Online and add-on content for titles such as *Pokémon Scarlet* and *Pokémon Violet*, *Mario Kart 8 Deluxe*, and *Splatoon 3* performed well this fiscal year. While overall unit sales for software decreased, sales of downloadable versions of packaged software remained at the same level as last fiscal year, since more consumers are opting to purchase downloadable versions in recent years. With the additional effect of a rise in the foreign-currency-denominated sales amount due to the depreciation of the yen, digital sales for the full year reached the highest level to date and the digital sales ratio surpassed 50%.

Note: When calculating digital sales, sales of Nintendo software are recognized as gross sales, while sales of software released by other software publishers are recognized as net sales. For software released by other publishers, the sales commissions that Nintendo receives based on contracts with the software publishers or other parties are recognized as revenue.

Announced First-Party Titles (April - June 2024)



May 2



May 23



June 27

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- Shown here are Nintendo first-party titles for the first quarter of the fiscal year ending March 2025, which covers the three months of April through June 2024.
- The latest title in the diving and undersea exploration Endless Ocean series, *Endless Ocean Luminous*, was released on May 2. In addition, *Paper Mario: The Thousand-Year Door* is planned for release on May 23, and *Luigi's Mansion 2 HD* on June 27.
- Moving forward, we will continue to work to maximize software sales in an environment where many people continue playing Nintendo Switch.

Examples of Initiatives to Expand the Number of People Who Have Access to Nintendo IP

A new Super Mario animated film is in production with Illumination, aiming for worldwide release in April 2026



Chris Meledandri



Shigeru Miyamoto

Donkey Kong Country is scheduled to open at Universal Studios Japan in the second half of 2024



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- Next, we would like to describe the main initiatives in our strategy to expand the number of people who have access to the Nintendo IP, the goal of which is to continually invigorate our dedicated video game platform business.
- On March 10, "MAR10 Day," we announced that a new Super Mario animated film is in production. We are working together with Illumination to create this film, which we're aiming to release in theaters in April 2026. In addition, we are collaborating with Arad Productions Inc. to develop a live-action film of The Legend of Zelda.
- Donkey Kong Country, an area that will expand SUPER NINTENDO WORLD at Universal Studios Japan, is in the final stages of completion. However, to ensure an even better experience for guests, it has been determined that additional time is needed for the final period of preparations and adjustments, resulting in the change of its opening to the second half of 2024.

Nintendo Museum in Uji City, Kyoto is scheduled to open this fall



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- Lastly, we would like to give an update on the status of Nintendo Museum in Uji City, Kyoto.
- The museum building is already complete and we are currently getting ready for opening. Since we anticipate these preparations will take some time, we have set the opening for Fall 2024.
- Going forward, we will continue to create points of contact with consumers by promoting various initiatives that utilize Nintendo IP in a wide range of fields.

3. Reference

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[Disclaimers]

The contents of these materials are based upon the information available and the judgments which can be made at the time of the announcement. Nintendo is not responsible for updating or changing these materials if the information presented changes due to future circumstances or for other reasons. Also, forecasts referred to in these materials 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.

Million-Seller Nintendo First-Party Titles

Nintendo Switch	FY24 (Apr. '23 ~ Mar. '24)			Life-to-date	units in ten thousands				
	Global	Japan	Outside of Japan	Global	Global	Japan	Outside of Japan	Global	
	The Legend of Zelda: Tears of the Kingdom	2,061	371	1,690	2,061	SUPER MARIO ODYSSEY	220	25	195
Super Mario Bros. Wonder	1,344	268	1,075	1,344	Super Mario 3D World + Bowser's Fury	210	17	192	1,347
Mario Kart 8 Deluxe	818	93	725	6,197	The Legend of Zelda: Breath of the Wild	204	34	170	3,185
Nintendo Switch Sports	351	38	313	1,311	New Super Mario Bros. U Deluxe	203	16	188	1,745
Pikmin 4	348	187	161	348	Super Mario Party	152	23	129	2,066
Super Mario RPG	331	86	245	331	Luigi's Mansion 3	142	17	125	1,425
Animal Crossing: New Horizons	315	60	255	4,536	Splatoon 3	129	55	74	1,196
Super Smash Bros. Ultimate	313	60	253	3,422	Princess Peach: Showtime!	122	21	101	122
Pokémon Scarlet/ Pokémon Violet	282	84	198	2,492	Mario vs. Donkey Kong	112	21	91	112
Mario Party Superstars	272	41	232	1,289	Kirby and the Forgotten Land	106	18	88	752

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

Key Indicators

Proportion of Sales Outside of Japan

FY24			
Q1	Q2	Q3	Q4
80.0%	76.0%	79.2%	76.4%
78.3%			
78.7%			
78.3%			

Proportion of Hardware Sales

FY24			
Q1	Q2	Q3	Q4
40.9%	41.5%	50.0%	36.6%
41.1%			
45.0%			
43.6%			

Proportion of First-Party Software Sales

FY24			
Q1	Q2	Q3	Q4
88.8%	72.1%	82.6%	74.9%
82.4%			
82.5%			
81.2%			

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

FY23			
Q1	Q2	Q3	Q4
43.8%	39.8%	50.9%	42.7%
41.7%			
46.2%			
45.6%			

FY23			
Q1	Q2	Q3	Q4
76.3%	72.7%	85.0%	77.9%
74.3%			
79.4%			
79.1%			

*Proportion of sales outside of Japan to total sales

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

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

Digital Sales Indicators

Digital Sales

(yen)

FY24			
Q1	Q2	Q3	Q4
119.6 bn	97.9 bn	128.8 bn	96.9 bn
217.5 bn			
346.4 bn			
443.3 bn			

Proportion of Digital Sales

FY24			
Q1	Q2	Q3	Q4
47.3%	54.2%	44.9%	59.5%
50.2%			
48.1%			
50.2%			

Proportion of Downloadable Versions of Packaged Software Sales

FY24			
Q1	Q2	Q3	Q4
64.5%	43.8%	51.1%	43.5%
55.2%			
53.7%			
51.5%			

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

FY23			
Q1	Q2	Q3	Q4
53.0%	49.3%	40.1%	56.7%
51.0%			
46.0%			
48.2%			

FY23			
Q1	Q2	Q3	Q4
52.1%	52.3%	65.3%	52.2%
52.2%			
57.4%			
56.1%			

*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.

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

*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 2023~March 2024)

Japan		United States		Europe	
Title	Launch Date	Title	Launch Date	Title	Launch Date
Nintendo Switch					
<i>(Software)</i>		<i>(Software)</i>		<i>(Software)</i>	
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 1 *	6/22/2023	The Legend of Zelda: Tears of the Kingdom	5/12/2023	The Legend of Zelda: Tears of the Kingdom	5/12/2023
Pikmin 2 *	6/22/2023	Pikmin 1 *	6/21/2023	Pikmin 1 *	6/21/2023
Pikmin 1+2 **	6/22/2023	Pikmin 2 *	6/21/2023	Pikmin 2 *	6/21/2023
Everybody 1-2-Switch!	6/30/2023	Pikmin 1+2 **	6/21/2023	Pikmin 1+2 **	6/21/2023
Pikmin 4	7/21/2023	Everybody 1-2-Switch!	6/30/2023	Everybody 1-2-Switch!	6/30/2023
Detective Pikachu Returns	10/6/2023	Pikmin 4	7/21/2023	Pikmin 4	7/21/2023
Super Mario Bros. Wonder	10/20/2023	Detective Pikachu Returns	10/6/2023	Detective Pikachu Returns	10/6/2023
WarioWare: Move It!	11/3/2023	Super Mario Bros. Wonder	10/20/2023	Super Mario Bros. Wonder	10/20/2023
Super Mario RPG	11/17/2023	WarioWare: Move It!	11/3/2023	WarioWare: Move It!	11/3/2023
Another Code: Recollection	1/19/2024	Super Mario RPG	11/17/2023	Super Mario RPG	11/17/2023
Mario vs. Donkey Kong	2/16/2024	Another Code: Recollection	1/19/2024	Another Code: Recollection	1/19/2024
Princess Peach: Showtime!	3/22/2024	Mario vs. Donkey Kong	2/16/2024	Mario vs. Donkey Kong	2/16/2024
		Princess Peach: Showtime!	3/22/2024	Princess Peach: Showtime!	3/22/2024

[Notes] Launch dates may differ within the United States and European regions depending on territories or countries.
 *This title is available in downloadable format only.
 **Release date of downloadable version. Packaged version released on September 22, 2023.

Launch Schedule of Primary Nintendo Products by Region (extracts: April 2024~)

Japan		United States		Europe	
Title	Launch Date	Title	Launch Date	Title	Launch Date
Nintendo Switch					
<i>(Software)</i>		<i>(Software)</i>		<i>(Software)</i>	
Endless Ocean Luminous	5/2/2024	Endless Ocean Luminous	5/2/2024	Endless Ocean Luminous	5/2/2024
Paper Mario: The Thousand-Year Door	5/23/2024	Paper Mario: The Thousand-Year Door	5/23/2024	Paper Mario: The Thousand-Year Door	5/23/2024
Luigi's Mansion 2 HD	6/27/2024	Luigi's Mansion 2 HD	6/27/2024	Luigi's Mansion 2 HD	6/27/2024
Pokémon Legends: Z-A	2025	Pokémon Legends: Z-A	2025	Pokémon Legends: Z-A	2025
Metroid Prime 4 (temp.)	TBA	Metroid Prime 4 (temp.)	TBA	Metroid Prime 4 (temp.)	TBA

[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.

Supplementary Information on Our Website

[Earnings Releases, etc.](#)

- Earning Releases
- Timely Disclosure of Information, etc.

[Financial Results Announcement/IR Events](#)

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

[Financial Highlights](#)

- Consolidated Statements of Income (Annual/ Quarterly)
- Consolidated Balance Sheet (Annual/ Quarterly)
- Consolidated Cash Flows (Annual)
- Key Figures per Share (Annual)
- Geographical Sales Breakdown (Annual/ Quarterly)
- Sales Breakdown by Category (Annual/ Quarterly)

[Dedicated Video Game Sales Units](#)

- Total Unit Sales (Life-to-date)
- Unit Sales (Annual/ Quarterly)
- Number of Titles Released (Annual)

[Top Selling Title Sales Units](#)

- Top selling Nintendo software sales units on an accumulated basis

[Historical Data](#) (Updated at fiscal year-end)

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

[Upcoming Software Title Lineup \(\[Japan\]\(#\)/\[United States\]\(#\)/\[Europe\]\(#\)\)](#)

- Upcoming Software Publishers' Title Lineup

*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.