



MEMBERSHIP

February 7, 2023

# CONSOLIDATED FINANCIAL HIGHLIGHTS



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 Nine Months Ended December 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	%
Nine months ended December 31, 2022	1,295,178	(1.9)	410,541	(13.1)	482,580	(6.1)	346,227	(5.8)
Nine months ended December 31, 2021	1,320,219	(6.0)	472,551	(9.3)	513,794	(2.7)	367,387	(2.5)

[Notes]

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

Comprehensive income: Nine months ended December 31, 2022: 393,581 million yen [2.0%] Nine months ended December 31, 2021: 385,895 million yen [(0.9%)]

	Profit per share	Diluted profit per share
	yen	yen
Nine months ended December 31, 2022	297.05	-
Nine months ended December 31, 2021	310.60	-

[Notes]

The Company enacted a 10-for-1 stock split of its common stock with an effective date of October 1, 2022.

Profit per share is calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

### (2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio
	million yen	million yen	%
As of December 31, 2022	2,785,812	2,173,058	78.0
As of March 31, 2022	2,662,384	2,069,310	77.7

[Reference]

Shareholders equity : As of December 31, 2022: 2,172,829 million yen As of March 31, 2022: 2,069,043 million yen

## Dividends

	Dividend per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual
	yen	yen	yen	yen	yen
Year ended March 31, 2022	-	620.00	-	1,410.00	2,030.00
Year ending March 31, 2023	-	630.00	-		
Year ending March 31, 2023 (forecast)				96.00	-

[Notes]

Revisions to previously announced dividend forecast: Applicable

The Company enacted a 10-for-1 stock split of its common stock with an effective date of October 1, 2022.

The dividend for the 2nd quarter of the fiscal year ending March 31, 2023 presents the amount prior to the stock split.

The dividend for the year-end of the fiscal year ending March 31, 2023 (forecast) presents the amount after the stock split.

Please refer to "Notice of Full-Year Financial Forecast and Dividend Forecast Modifications" announced on February 7, 2023 for more details.

## 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)	480,000	(19.0)	520,000	(22.5)	370,000	(22.5)	317.54

[Notes]

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

Revisions to previously announced financial forecast: Applicable

The Company enacted a 10-for-1 stock split of its common stock with an effective date of October 1, 2022. Profit per share presents the amount after the stock split.

Please refer to "Notice of Full-Year Financial Forecast and Dividend Forecast Modifications" announced on February 7, 2023 for more details.

**Others**

(1) Changes for important subsidiaries during the nine-month period ended December 31, 2022					: Not applicable
(2) Application of accounting procedures specific to the preparation of quarterly consolidated financial statements					: Applicable
(3) Changes in accounting procedures:					
1) Related to accounting standard revisions etc.					: Not applicable
2) Other changes					: Not applicable
3) Changes in accounting estimates					: Not applicable
4) Modified restatements					: Not applicable
(4) Outstanding shares (common shares)					
1) Number of shares outstanding (including treasury shares)					
As of Dec. 31, 2022:	1,298,690,000 shares	As of Mar. 31, 2022:		1,298,690,000 shares	
2) Number of treasury shares					
As of Dec. 31, 2022:	134,460,570 shares	As of Mar. 31, 2022:		125,470,220 shares	
3) Average number of shares					
Nine months ended		Nine months ended			
Dec. 31, 2022:	1,165,536,002 shares	Dec. 31, 2021:		1,182,814,293 shares	

[Notes]

The Company enacted a 10-for-1 stock split of its common stock with an effective date of October 1, 2022.

Outstanding shares (common shares) are calculated based on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

[Notes]

1. This earnings release report is not subject to quarterly review procedures by a 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 such as fluctuation in foreign exchange rates, spread of COVID-19, and other changes in the market environment. Please note such risks and uncertainties may cause the actual results (earnings, dividend, and other results) to be materially different from the forecasts.

## 1. Consolidated Operating Results

Looking at the Nintendo Switch business during the nine months ended December 31, 2022, *Pokémon Scarlet* and *Pokémon Violet* got off to a strong start, recording total sales of 20.61 million units during the period. Other new titles released during this fiscal year also performed well, with *Splatoon 3* selling 10.13 million units, and *Nintendo Switch Sports* selling 8.61 million units. In addition, among the titles released through the end of the previous fiscal year, *Mario Kart 8 Deluxe* sold 6.66 million units (for cumulative sales of 52.00 million units) and *Kirby and the Forgotten Land* sold 3.47 million units (for cumulative sales of 6.12 million units). As a result of these factors, the total number of million-seller titles during this period was 27, including titles from other software publishers.

As for hardware, units sold declined 21.3% year-on-year to 14.91 million units, mainly due to a shortage of semiconductors and other component supplies that impacted production until around late summer. Total software sales declined 4.0% year-on-year to 172.11 million units, affected to some extent by the decline in hardware sales.

Turning to the digital business for our dedicated video game platform, sales of downloadable versions of packaged software for Nintendo Switch performed well, and revenue related to Nintendo Switch Online increased, helping to push digital sales to 310.0 billion yen, up 21.5% year-on-year.

For the mobile and IP-related business, royalty income was stable but income from smart-device content declined, with the result that overall sales declined 2.3% year-on-year to 38.9 billion yen.

The end result is that total sales reached 1,295.1 billion yen, with overseas sales of 988.8 billion yen accounting for 76.4% of the total. Operating profit was 410.5 billion yen, ordinary profit was 482.5 billion yen, and net profit attributable to owners of parent totaled 346.2 billion yen.

## 2. Consolidated Financial Forecast

Based on the sales trend through the nine months ended December 31, 2022 as well as our future outlook, we have modified our Nintendo Switch hardware and software unit sales forecast for the fiscal year. Regarding hardware, we aim to maintain sales momentum by continuing to convey the appeal of the Nintendo Switch family of systems. On the software front, the January release of *Fire Emblem Engage* will be followed by the scheduled February release of *Kirby's Return to Dream Land Deluxe* and March release of *Bayonetta Origins: Cereza and the Lost Demon*. A rich variety of appealing titles are also planned for release by other software publishers. We will work to energize the platform by continuously adding new titles to those already available and encouraging even more people to continue to enjoy playing Nintendo Switch.

We have revised the financial forecast originally published on November 8, 2022. For details, please see the Notice of Full-Year Financial Forecast and Dividend Forecast Modifications issued today (February 7, 2023).

## 3. Consolidated Balance Sheets

million yen

Description	As of March 31, 2022	As of December 31, 2022
<b>(Assets)</b>		
<b>Current assets</b>		
Cash and deposits	1,206,506	1,285,323
Notes and accounts receivable-trade	141,087	240,983
Securities	504,385	440,327
Inventories	204,183	203,828
Other	70,147	71,704
Allowance for doubtful accounts	(98)	(307)
<b>Total current assets</b>	<b>2,126,212</b>	<b>2,241,859</b>
<b>Non-current assets</b>		
Property, plant and equipment	85,164	97,640
Intangible assets	17,315	18,018
Investments and other assets		
Investment securities	312,663	298,694
Other	121,028	129,599
Total investments and other assets	433,692	428,293
<b>Total non-current assets</b>	<b>536,172</b>	<b>543,953</b>
<b>Total assets</b>	<b>2,662,384</b>	<b>2,785,812</b>
<b>(Liabilities)</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	150,910	192,426
Provisions	5,459	2,436
Income taxes payable	99,520	40,252
Other	284,836	324,401
<b>Total current liabilities</b>	<b>540,726</b>	<b>559,517</b>
<b>Non-current liabilities</b>		
Provisions	-	114
Retirement benefit liability	25,063	23,260
Other	27,284	29,862
<b>Total non-current liabilities</b>	<b>52,347</b>	<b>53,236</b>
<b>Total liabilities</b>	<b>593,074</b>	<b>612,754</b>
<b>(Net assets)</b>		
<b>Shareholders' equity</b>		
Share capital	10,065	10,065
Capital surplus	15,041	15,079
Retained earnings	2,198,706	2,305,835
Treasury shares	(220,343)	(271,049)
<b>Total shareholders' equity</b>	<b>2,003,469</b>	<b>2,059,930</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	33,199	25,816
Foreign currency translation adjustment	32,373	87,082
<b>Total accumulated other comprehensive income</b>	<b>65,573</b>	<b>112,899</b>
<b>Non-controlling interests</b>	<b>266</b>	<b>228</b>
<b>Total net assets</b>	<b>2,069,310</b>	<b>2,173,058</b>
<b>Total liabilities and net assets</b>	<b>2,662,384</b>	<b>2,785,812</b>

## 4. Consolidated Statements of Income

million yen

Description	million yen	
	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	1,320,219	1,295,178
Cost of sales	586,187	597,512
<b>Gross profit</b>	<b>734,032</b>	<b>697,666</b>
Selling, general and administrative expenses	261,480	287,124
<b>Operating profit</b>	<b>472,551</b>	<b>410,541</b>
Non-operating income		
Interest income	2,053	15,423
Share of profit of entities accounted for using equity method	19,497	24,335
Foreign exchange gains	16,883	28,914
Other	3,346	4,285
Total non-operating income	41,781	72,959
Non-operating expenses		
Loss on valuation of investment securities	-	621
Other	538	298
Total non-operating expenses	538	920
<b>Ordinary profit</b>	<b>513,794</b>	<b>482,580</b>
Extraordinary income		
Gain on sale of non-current assets	-	42
Settlement income	3,300	-
Total extraordinary income	3,300	42
Extraordinary losses		
Loss on disposal of non-current assets	35	154
Total extraordinary losses	35	154
<b>Profit before income taxes</b>	<b>517,059</b>	<b>482,469</b>
Total income taxes	149,640	136,213
<b>Profit</b>	<b>367,418</b>	<b>346,256</b>
Profit attributable to non-controlling interests	31	29
<b>Profit attributable to owners of parent</b>	<b>367,387</b>	<b>346,227</b>

## 5. Consolidated Statements of Comprehensive Income

million yen

Description	Nine months ended December 31, 2021	Nine months ended December 31, 2022
<b>Profit</b>	<b>367,418</b>	<b>346,256</b>
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,265)	(7,233)
Foreign currency translation adjustment	17,434	42,025
Share of other comprehensive income of entities accounted for using equity method	2,307	12,533
Total other comprehensive income	18,476	47,325
<b>Comprehensive income</b>	<b>385,895</b>	<b>393,581</b>
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	385,864	393,552
Comprehensive income attributable to non-controlling interests	31	29

## **6. Notes to Consolidated Financial Statements**

(Going Concern Assumption)

There are no applicable items.

(Significant changes in shareholders' equity)

Based on the resolution at the meeting of the Board of Directors held on May 10, 2022, the Company acquired 8,995,000 shares as its treasury shares. As a result, for the nine months ended December 31, 2022, treasury shares increased by 50,695 million yen.

The Company enacted a 10-for-1 stock split of its common stock with an effective date of October 1, 2022. The number of shares described above presents the amount after the stock split.

(Application of accounting procedures specific to the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

With respect to certain consolidated subsidiaries, corporate income tax amount is calculated by taking the amount of profit before income taxes through the nine-month period ended December 31, 2022 multiplied by a reasonably estimated annual effective tax rate with the effects of deferred taxes reflected.

## 7. Others

### (1) Consolidated sales information

million yen

		Japan	The Americas	Europe	Other	Total
Nine months ended December 31, 2022	Dedicated video game platform	289,690	533,056	319,162	110,263	1,252,174
	of which Nintendo Switch platform (*1)	278,317	526,885	316,643	108,787	1,230,634
	of which the others (*2)	11,373	6,170	2,519	1,476	21,540
	Mobile, IP related income, etc. (*3)	13,905	20,512	3,368	1,117	38,903
	Playing cards, etc.	2,694	1,399	-	7	4,100
Total		306,291	554,968	322,531	111,388	1,295,178

		Japan	The Americas	Europe	Other	Total
Nine months ended December 31, 2021	Dedicated video game platform	261,557	544,009	346,056	126,595	1,278,219
	of which Nintendo Switch platform (*1)	251,092	534,391	341,045	123,951	1,250,479
	of which the others (*2)	10,465	9,618	5,011	2,644	27,739
	Mobile, IP related income, etc. (*3)	14,210	20,353	3,493	1,768	39,825
	Playing cards, etc.	1,404	767	-	2	2,175
Total		277,173	565,130	349,549	128,366	1,320,219

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

Nine months ended December 31, 2022: 310.0 billion yen      Nine months ended December 31, 2021: 255.0 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

	Nine months ended December 31, 2021	Nine months ended December 31, 2022	Year ending March 31, 2023 (Forecast)
Depreciation of property, plant and equipment	4,441	4,745	7,000
Research and development expenses	68,969	78,378	110,000
Advertising expenses	75,159	76,317	100,000
Average exchange rates			
1 USD =	111.06 yen	136.39 yen	133.54 yen
1 Euro =	130.54 yen	140.47 yen	139.11 yen

Consolidated net sales in U.S. dollars	4.9 billion	3.7 billion	-
Consolidated net sales in Euros	2.6 billion	2.2 billion	-
Non-consolidated purchases in U.S. dollars	4.6 billion	3.2 billion	-

### (3) Balance of major assets and liabilities in foreign currencies (non-consolidated)

million U.S. dollars/Euros

		As of March 31, 2022		As of December 31, 2022		As of March 31, 2023
		Balance	Exchange rate	Balance	Exchange rate	Estimated exchange rate
USD	Cash and deposits	3,125		2,707		
	Accounts receivable-trade	828	1 USD= 121.83 yen	1,182	1 USD= 131.10 yen	1 USD= 125.00 yen
	Accounts payable-trade	827		1,037		
Euro	Cash and deposits	381	1 Euro= 135.41 yen	261	1 Euro= 140.33 yen	1 Euro= 135.00 yen
	Accounts receivable-trade	575		819		



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

		Actual		Sales Units in Ten Thousands		
				Number of New Titles Released		
		Apr. '21-Dec. '21	Apr. '22-Dec. '22	Life-to-date Dec. '22	Forecast Apr. '22-Mar. '23	
<b>Nintendo Switch</b>						
Hardware (Total)		Japan	432	382	2,905	
		The Americas	684	563	4,766	
		Europe	540	411	3,171	
		Other	238	135	1,415	
		Total	1,895	1,491	12,255	1,800
of which Nintendo Switch		Japan	235	88	1,967	
		The Americas	411	221	3,429	
		Europe	375	181	2,396	
		Other	159	31	1,075	
		Total	1,179	522	8,867	
of which Nintendo Switch – OLED Model		Japan	107	248	409	
		The Americas	141	232	426	
		Europe	91	195	308	
		Other	61	93	206	
		Total	399	769	1,349	
of which Nintendo Switch Lite		Japan	91	45	529	
		The Americas	133	110	910	
		Europe	75	34	467	
		Other	18	10	133	
		Total	317	200	2,040	
Software		Japan	3,098	3,826	19,262	
		The Americas	8,464	6,810	43,737	
		Europe	5,085	5,154	28,947	
		Other	1,283	1,422	7,484	
		Total	17,929	17,211	99,430	20,500
New titles		Japan	251	264	1,440	
		The Americas	279	349	1,756	
		Europe	285	299	1,716	

## [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. While forecasted software sales units include the quantity bundled with hardware for nine months ended December 31, 2022, they do not include the quantity to be bundled with hardware on and after January 1, 2023.