



November 25, 2004

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



## CONSOLIDATED FINANCIAL STATEMENTS

Nintendo Co., Ltd. and Consolidated Subsidiaries

### FINANCIAL HIGHLIGHTS

Six months ended September 30, 2003 and 2004, and year ended March 31, 2004

The amounts presented herein are rounded down under one million yen except as otherwise denominated.

Numbers in parentheses are negative.

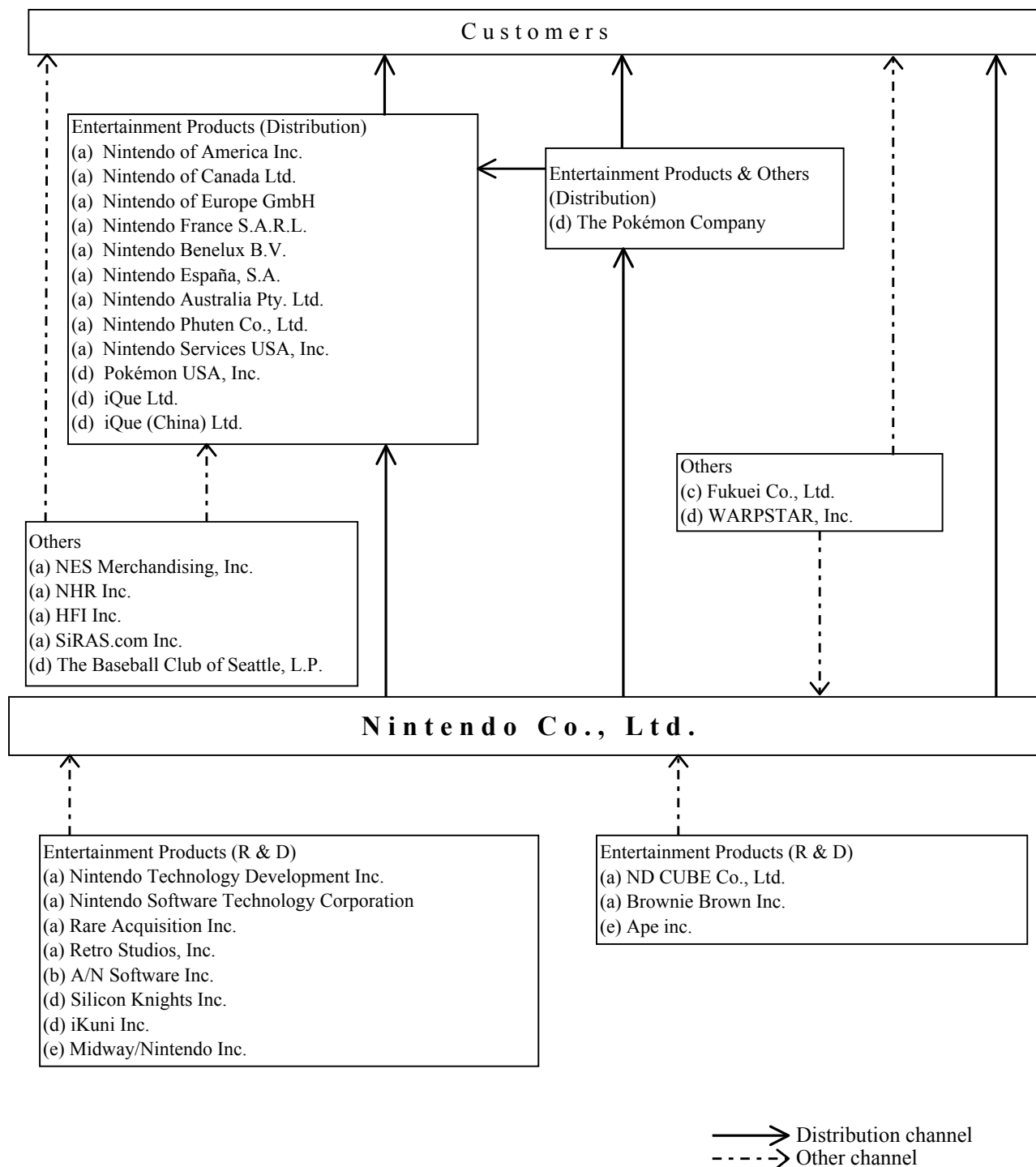
	Sept. 30 2004	Sept. 30 2003	Yen in Millions Mar. 31 2004
<b>Net sales</b>	<b>188,009</b>	211,382	514,805
Percentage change from previous half year	(11.1%)	1.6%	
<b>Operating income</b>	<b>40,013</b>	28,771	107,683
Percentage change from previous half year	39.1%	3.0%	
<b>Income before income taxes and extraordinary items</b>	<b>79,218</b>	(5,849)	50,140
Percentage change from previous half year	-	-	
<b>Net income</b>	<b>46,445</b>	(2,885)	33,194
Percentage change from previous half year	-	-	
<b>Net income per share</b>	<b>¥349.00</b>	(¥21.57)	¥246.93
<b>Financial position</b>			
Total assets (1)	<b>1,089,221</b>	1,017,651	1,010,031
Shareholders' equity (2)	<b>890,999</b>	867,957	890,247
Ratio of net worth to total assets (2) / (1)	<b>81.8%</b>	85.3%	88.1%
Shareholders' equity per share	<b>¥6,849.54</b>	¥6,492.47	¥6,658.05
<b>Cash flows</b>			
Cash flows from operating activities	<b>26,361</b>	1,662	120,072
Cash flows from investing activities	<b>13,480</b>	(36,176)	(67,025)
Cash flows from financing activities	<b>(52,292)</b>	(14,719)	(24,088)
Cash and cash equivalents - Ending	<b>744,077</b>	660,091	720,114
<b>Scope of consolidation and equity method application</b>			
Consolidated subsidiaries			19
(of which, newly added ... 0 excluded ... 0)			
Non-consolidated subsidiary with equity method applied			1
Affiliates with equity method applied			8
(of which, newly added ... 1 excluded ... 0)			
<b>Forecast for the fiscal year ending March 2005 (April 1, 2004 - March 31, 2005) ※</b>			
Net sales			540,000
Income before income taxes and extraordinary items			150,000
Net income			90,000

Estimated annual earnings per share: 690.57 yen

※ With respect to this forecast, please refer to page 4 for the forward-looking conditions and other related matters.

## COMPANY GROUP INFORMATION

Nintendo Co., Ltd. ("the Company") and its related companies, which are composed of the Company, twenty-one subsidiaries, and ten affiliates as of September 30, 2004, operate manufacturing and distribution of electronic entertainment products as a major business. Chart of business by the Company and its related companies are as follows.



The number of companies

(a) Consolidated subsidiaries -----	19
(b) Non-consolidated subsidiary with equity method applied -----	1
(c) Non-consolidated subsidiary with equity method non-applied -----	1
(d) Affiliates with equity method applied -----	8
(e) Affiliates with equity method non-applied -----	2

## **MANAGEMENT POLICY**

### 1. Basic management policy

In the field of home entertainment, Nintendo Co., Ltd. ("the Company") and its consolidated subsidiaries (together with the Company, "Nintendo") strive to create new and unique forms of entertainment while maintaining a robust business structure. Nintendo places the highest emphasis on providing customers with a "world of fun", which is both innovative and entertaining with creative elements that have never been experienced.

### 2. Basic policy of profit distribution

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 sudden changes in the business environment and intensified competition, while in regard to direct profit returns to our shareholders, stable dividend payouts are to be sustained, taking into account profit levels and payout ratios of each accounting period.

In terms of profit appropriation for the current period, in accordance with the policy stated above, annual cash dividend per share is to be paid out within the range of 140 yen to a maximum of 270 yen. Please note the dividend within this range is determined in accordance with actual consolidated net income, based on the consolidated payout ratio of 50%.

Retained earnings are maintained for effective use in research of new technology and development of new products, capital investments, enhancement of selling power, and common stock buyback whenever deemed appropriate.

### 3. Targeted management index

In the home entertainment industry, it is essential to provide new and entertaining products consistently. Upon accomplishing this, the Company aims to improve its corporate value by sustaining robust growth and increasing profit.

Because the Company deals with entertainment products, which by nature hold many uncertainties in terms of its product development, and operates in a market which involves intense competition, flexible business decisions are made without being constrained by any specific management index.

### 4. Medium and long term management strategy

Since the birth of the "Family Computer System" in 1983, the video game industry has experienced growth through continuous incorporation of new technology. Today, it has become significantly more difficult than before to develop software that can satisfy demanding customers around the world. In recent years, the Japanese video game market is showing a tendency to shrink with no sign of recovery. The traditional formula for success, that is, securing sales by creating graphically stunning and complicated games utilizing the most advanced technology is not as effective as it used to be. Particularly, the so called "light users or casual gamers" are shifting away from games. Furthermore, the momentum in overseas market growth is not as forceful as it was before.

Nintendo's solution to this phenomenon exists in providing profound game play which is at the same time, easily accessible to anyone. New product development initiatives are based on the idea "putting everyone on the same starting line". Various approaches will be made to provide an open door to anyone who walked away from video games or feel that they have become too difficult and complicated.

Nintendo will utilize the wide variety of franchise characters and excellence in development built up over the years, enhance the R&D framework including collaboration with third party developers, seek out new talent through the Nintendo Game Seminar, and dedicate itself to expanding future revenue by creating more unique products that cannot be created with extensions of existing concepts.

## **OPERATING RESULTS**

### 1. Review of operations

Looking at the Japanese economy during the six-month period ended September 30, 2004, steady exports contributed to the improvement in corporate revenue and the increase in capital investments. Consumer spending, despite the adverse effect by numerous landings of typhoons on the Japanese islands, remained steady due to persisting demand for digital electric appliances. As for overseas economies, the U.S. economy experienced continuing expansion due to improvements in the employment situation and favorable consumer spending. The European economy experienced steady recovery as well. However, with crude oil costs boosting prices, uncertainty over future prospects remains.

The expansion of the video game industry has been driven by continuous incorporation of new technology. Ironically enough, technological advancements have made today's video games too complex and time consuming for everyone to enjoy.

As we look at the video game industry for the six-month period ended September 30, 2004, handheld related hardware and software sales were strong throughout the world. As for the console market, while competitive hardware pricing has become increasingly intense, software sales concentrated around only a few popular sports games and movie-based titles that take advantage of the latest technology. With markets around the world beginning to experience a slowdown in growth, the business environment is yet in a difficult state.

Under such circumstances, Nintendo has utilized the wide variety of franchise characters and excellence in development built up over the years to develop software that can easily be understood and enjoyed by anyone in the world, while at the same time, satisfy various consumer preferences.

As a result, consolidated net sales for the six-month period ended September 30, 2004 were 188.0 billion yen, including overseas sales of 140.4 billion yen, which accounted for 74.7% of total sales. Income before income taxes and extraordinary items was 79.2 billion yen resulting from revaluation of foreign currency assets generating 36.1 billion yen in foreign exchange gain. Net income was 46.4 billion yen.

With respect to sales by business category, in the electronic entertainment products division, the "FAMICOM MINI" series, which enables players to enjoy FAMICOM software on the GAME BOY ADVANCE, enjoyed solid sales worldwide. In September, "Pokémon FireRed/LeafGreen", which provide a whole new gaming experience through the wireless adapter, were released in the U.S. and Europe. The title was previously launched this spring in Japan, already selling a cumulative domestic total of more than 2 million units. Furthermore, "Pokémon Emerald", which is a new version of the smash hit "Pokémon Ruby/Sapphire" that sold more than 13 million units worldwide, hit the shelves in Japan. In addition to the release of these powerful titles, a price cut was initiated on the flagship hardware GAME BOY ADVANCE SP, boosting its sales globally.

As for console related products, "Pikmin 2" was released in Japan and the U.S. It features new elements added to the original "Pikmin" which had already been recognized as an innovative game. "Pokémon Colosseum", which was previously released in Japan and the U.S., was released in Europe. Both of these titles were highly acclaimed.

Total consolidated net sales in the electronic entertainment products division were 186.9 billion yen, while sales in the other products division (playing cards, karuta, etc.) were 1.0 billion yen.

With respect to geographic segment information, sales in Japan were 183.0 billion yen including inter-segment sales of 134.3 billion yen. Operating income was 47.1 billion yen. Sales in the Americas were 97.3 billion yen including inter-segment sales of 0.7 billion yen. Operating income was 2.4 billion yen. Sales in Europe were 40.4 billion yen including inter-segment sales of 0.0 billion yen. Operating income was 1.0 billion yen.

During the six-month period ended September 30, 2004, the Company bought back 3,600,000 shares of treasury stocks for 42.9 billion yen.

## 2. Annual Outlook

Looking ahead, cultivating a new frontier of game play that can be enjoyed by anyone from novice players to experienced players is essential in order to overcome the "shifting away from games" phenomenon and have the industry further prosper.

Under such circumstances, Nintendo will launch NINTENDO DS, a brand-new device equipped with completely new features that no one has ever seen, "putting everyone on the same starting line" regardless of age, gender, and prior gaming experience. No previous handheld device was ever equipped with features like dual screens, touch screen technology, wireless network, and microphone port. NINTENDO DS and a variety of appealing software that takes advantage of the unique capabilities will no doubt provide an unprecedented experience. NINTENDO DS is scheduled to make its U.S. debut in November. Thereafter, it will launch in Japan this December, followed by Europe next spring.

In regard to consolidated performance forecasts for the fiscal year ending March 31, 2005, net sales are 540.0 billion yen, income before income taxes and extraordinary items is 150.0 billion yen, net income is 90.0 billion yen. Estimated exchange rates as at March 31, 2005 are 110.00 yen to the U.S. dollar and 135.00 yen to the euro. In addition, annual cash dividend per share is to be within the range of 140 yen and 270 yen (70 yen at six-month end, 70~200 yen at fiscal year-end).

\*Note that forecasts announced by the company referred to above were prepared based on information available at this time and therefore involve known and unknown risks and uncertainties. Such risks and uncertainties may cause the actual results to be different from the forecasts. See "2. Basic policy of profit distribution" on page 2 for information on cash dividends.

## FINANCIAL POSITION

Total assets increased by 79.1 billion yen compared to the previous fiscal year-end to 1,089.2 billion yen due to increases in both inventory in preparation for the holiday season and notes and trade accounts receivable. Total liabilities increased by 78.5 billion yen compared to the previous fiscal year-end due to increases in accrued income taxes and accounts payable. Shareholders' equity increased by 0.7 billion yen compared to the previous fiscal year-end due to net income exceeding decrease factors caused by acquisition of treasury stocks.

The ending balance of Cash and cash equivalents (collectively, Cash) as of September 30, 2004 was 744.0 billion yen (660.0 billion yen as of September 30, 2003). Net increase (decrease) of Cash and contributing factors during the six-month period ended September 30, 2004 are as follows:

Cash flows from operating activities:

Net Cash provided by operating activities was 26.3 billion yen (1.6 billion yen provided in the previous semi-annual fiscal period). The overall increase was caused by increase factors such as income before income taxes and minority interests and increase in notes and trade accounts payable outbalancing decrease factors such as foreign exchange gain, increase in notes and trade accounts receivable, and inventories.

Cash flows from investing activities:

Net Cash provided by investing activities was 13.4 billion yen (36.1 billion yen provided in the previous semi-annual fiscal period). The overall increase was caused by proceeds from withdrawal of time deposits and sale of marketable securities outbalancing payments for acquisition of time deposits and marketable securities.

Cash flows from financing activities:

Net Cash used in financing activities was 52.2 billion yen (14.7 billion yen used in the previous semi-annual fiscal period) with payments for acquisition of treasury stock and dividend payout accounting for a significant portion.

Cash flow index trend:

	Year ended Mar 2001	Year ended Mar 2002	Year ended Mar 2003	Year ended Mar 2004	Six-month period ended Sep 2004
Ratio of net worth to total assets	78.1	80.8	82.0	88.1	<b>81.8</b>
Ratio of total market value of stocks to total assets	271.9	240.8	118.8	139.1	<b>161.0</b>

[Notes] \*Percentage figures are calculated on a consolidated basis.

\*Total market value of stocks is calculated by multiplying closing price and number of outstanding stocks (excluding treasury stocks) at the end of the period.

**CONSOLIDATED BALANCE SHEETS**

As of September 30, 2003 and 2004, and March 31, 2004

Yen in Millions

	Sept. 30 2004		Sept. 30 2003		Mar. 31 2004
[Assets]					
<b>Current assets:</b>		%		%	%
Cash and deposits -----	747,403		696,242		767,270
Notes and trade accounts receivable -----	50,130		45,453		28,493
Marketable securities -----	31,732		1,535		17,375
Inventories -----	53,890		83,362		30,955
Deferred income taxes -----	31,228		37,781		24,911
Other current assets -----	40,054		34,844		24,784
Allowance for doubtful accounts -----	(1,978)		(4,214)		(3,028)
	<b>952,460</b>	<b>87.4</b>	<b>895,005</b>	<b>87.9</b>	<b>890,761</b>
					<b>88.2</b>
<b>Fixed assets:</b>					
Property, plant and equipment					
Buildings and structures -----	19,574		21,200		19,918
Land -----	32,272		32,616		31,925
Other property, plant and equipment -----	3,428		3,853		3,240
	<b>55,274</b>	<b>5.1</b>	<b>57,670</b>	<b>5.7</b>	<b>55,084</b>
					<b>5.5</b>
Intangible assets -----	<b>314</b>	<b>0.0</b>	232	0.0	245
					<b>0.0</b>
Investments and other assets					
Investments in securities -----	70,554		50,567		53,866
Deferred income taxes -----	10,276		12,128		9,189
Other investments and other assets -----	383		2,104		926
Allowance for doubtful accounts -----	(42)		(56)		(43)
	<b>81,171</b>	<b>7.5</b>	<b>64,743</b>	<b>6.4</b>	<b>63,939</b>
					<b>6.3</b>
	<b>136,760</b>	<b>12.6</b>	<b>122,646</b>	<b>12.1</b>	<b>119,269</b>
					<b>11.8</b>
<b>Total</b> -----	<b>1,089,221</b>	<b>100.0</b>	<b>1,017,651</b>	<b>100.0</b>	<b>1,010,031</b>
					<b>100.0</b>

As of September 30, 2003 and 2004, and March 31, 2004

Yen in Millions

	Sept. 30 2004		Sept. 30 2003		Mar. 31 2004	
[Liabilities]						
<b>Current liabilities:</b>		%		%		%
Notes and trade accounts payable -----	<b>91,550</b>		77,706		57,945	
Accrued income taxes -----	<b>45,939</b>		12,829		11,165	
Reserve for bonuses -----	<b>1,648</b>		1,601		1,712	
Other current liabilities -----	<b>51,950</b>		49,185		42,423	
	<b>191,089</b>	<b>17.6</b>	141,322	13.9	113,246	11.3
<b>Non-current liabilities:</b>						
Non-current accounts payable -----	<b>632</b>		125		602	
Reserve for employee retirement and severance benefits -----	<b>4,587</b>		6,434		3,992	
Reserve for directors retirement and severance benefits -----	<b>1,744</b>		1,638		1,709	
	<b>6,965</b>	<b>0.6</b>	8,197	0.8	6,304	0.6
<b>Total liabilities</b> -----	<b>198,054</b>	<b>18.2</b>	149,520	14.7	119,550	11.9
[Minority interests]						
Minority interests -----	<b>167</b>	<b>0.0</b>	174	0.0	232	0.0
[Shareholders' equity]						
Common stock -----	<b>10,065</b>	<b>0.9</b>	10,065	1.0	10,065	1.0
Additional paid-in capital -----	<b>11,584</b>	<b>1.1</b>	11,584	1.1	11,584	1.1
Retained earnings -----	<b>1,001,442</b>	<b>91.9</b>	937,803	92.2	964,524	95.5
Unrealized gains on other securities -----	<b>6,040</b>	<b>0.6</b>	5,458	0.5	6,650	0.7
Translation adjustments -----	<b>(8,288)</b>	<b>(0.8)</b>	(10,078)	(1.0)	(15,677)	(1.6)
Treasury stock, at cost -----	<b>(129,845)</b>	<b>(11.9)</b>	(86,875)	(8.5)	(86,898)	(8.6)
<b>Total shareholders' equity</b> -----	<b>890,999</b>	<b>81.8</b>	867,957	85.3	890,247	88.1
<b>Total</b> -----	<b>1,089,221</b>	<b>100.0</b>	1,017,651	100.0	1,010,031	100.0



**CONSOLIDATED STATEMENTS OF INCOME**

Six months ended September 30, 2003 and 2004, and year ended March 31, 2004

Yen in Millions

	Sept. 30 2004		Sept. 30 2003		Mar. 31 2004	
		%		%		%
Net sales -----	188,009	100.0	211,382	100.0	514,805	100.0
Cost of sales -----	98,454	52.4	135,722	64.2	307,233	59.7
<b>Gross margin</b> -----	<b>89,554</b>	<b>47.6</b>	<b>75,659</b>	<b>35.8</b>	<b>207,572</b>	<b>40.3</b>
Selling general and administrative expenses -----	49,541	26.3	46,888	22.2	99,888	19.4
<b>Operating income</b> -----	<b>40,013</b>	<b>21.3</b>	<b>28,771</b>	<b>13.6</b>	<b>107,683</b>	<b>20.9</b>
Other income						
Interest income -----	5,233		4,724		8,999	
Foreign exchange gain -----	36,102		-		-	
Other -----	1,156		1,209		2,391	
Total other income -----	42,492	22.6	5,934	2.8	11,391	2.2
Other expenses						
Sales discount -----	100		182		396	
Equity in losses of non-consolidated subsidiary and affiliates -----	3,153		14		-	
Foreign exchange loss -----	-		40,303		67,876	
Other -----	33		54		661	
Total other expenses -----	3,287	1.8	40,555	19.2	68,934	13.4
<b>Income before income taxes and extraordinary items</b> -----	<b>79,218</b>	<b>42.1</b>	<b>(5,849)</b>	<b>(2.8)</b>	<b>50,140</b>	<b>9.7</b>
Extraordinary income						
Reversal of allowance for doubtful accounts ---	1,469		1,406		2,575	
Reversal of loss on investments in securities ---	8		130		63	
Gain on sales of fixed assets -----	-		841		861	
Total extraordinary income -----	1,478	0.8	2,378	1.1	3,499	0.7
Extraordinary loss						
Loss on disposal of fixed assets -----	19		41		100	
Loss on investments in securities -----	-		27		573	
Total extraordinary loss -----	19	0.0	68	0.0	674	0.1
<b>Income before income taxes and minority interests</b> -----	<b>80,676</b>	<b>42.9</b>	<b>(3,539)</b>	<b>(1.7)</b>	<b>52,965</b>	<b>10.3</b>
Provision for income taxes and enterprise taxes -----	40,834	21.7	6,549	3.1	12,298	2.4
Income taxes deferred -----	(6,537)	(3.5)	(7,224)	(3.4)	7,393	1.5
Minority interests -----	(65)	(0.0)	20	0.0	79	0.0
<b>Net income</b> -----	<b>46,445</b>	<b>24.7</b>	<b>(2,885)</b>	<b>(1.4)</b>	<b>33,194</b>	<b>6.4</b>

**CONSOLIDATED STATEMENTS OF SURPLUS**

Six months ended September 30, 2003 and 2004, and year ended March 31, 2004

Yen in Millions

	Sept. 30 2004	Sept. 30 2003	Mar. 31 2004
<b>(Additional paid-in capital)</b>			
<b>Additional paid-in capital - Beginning</b> -----	<b>11,584</b>	11,584	11,584
<b>Increase</b>			
Gain on disposal of treasury stock -----	<b>0</b>	-	-
Total increase -----	<b>0</b>	-	-
<b>Additional paid-in capital - Ending</b> -----	<b>11,584</b>	11,584	11,584
<b>(Retained earnings)</b>			
<b>Retained earnings - Beginning</b> -----	<b>964,524</b>	950,262	950,262
<b>Increase</b>			
Net income -----	<b>46,445</b>	-	33,194
Total increase -----	<b>46,445</b>	-	33,194
<b>Decrease</b>			
Cash dividends -----	<b>9,357</b>	9,403	18,761
Directors' bonuses -----	<b>170</b>	170	170
Loss on disposal of treasury stock -----	-	0	0
Net loss -----	-	2,885	-
Total decrease -----	<b>9,527</b>	12,459	18,932
<b>Retained earnings - Ending</b> -----	<b>1,001,442</b>	937,803	964,524

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

Six months ended September 30, 2003 and 2004, and year ended March 31, 2004

	Sept. 30 2004	Sept. 30 2003	Yen in Millions Mar. 31 2004
<b>Cash flows from operating activities:</b>			
Income (loss) before income taxes and minority interests -----	80,676	(3,539)	52,965
Depreciation and amortization -----	1,405	1,612	3,328
Increase (decrease) in allowance for doubtful accounts -----	(1,195)	(925)	(1,955)
Interest and dividends income -----	(5,516)	(4,985)	(9,514)
Interest expenses -----	0	0	0
Foreign exchange loss (gain) -----	(36,035)	38,515	54,166
Unrealized loss on investments in securities -----	-	27	573
Equity in losses (earnings) of non-consolidated subsidiary and affiliates -----	3,153	14	(181)
Decrease (increase) in notes and trade accounts receivable -----	(19,628)	(35)	16,070
Decrease (increase) in inventories -----	(21,040)	17,627	70,805
Increase (decrease) in notes and trade accounts payable -----	18,111	(21,281)	(33,527)
Increase (decrease) in consumption taxes payable -----	(401)	(490)	(221)
Directors' bonuses paid -----	(170)	(170)	(170)
Other, net -----	8,319	1,348	(1,886)
Sub-total	27,680	27,718	150,452
Interest and dividends received -----	5,257	5,034	9,566
Interest paid -----	(0)	(0)	(0)
Income taxes paid -----	(6,575)	(31,090)	(39,945)
Net cash provided by (used in) operating activities	26,361	1,662	120,072
<b>Cash flows from investing activities:</b>			
Payments for acquisition of time deposits -----	(30,442)	(38,307)	(106,587)
Proceeds from withdrawal of time deposits -----	52,216	-	56,192
Payments for acquisition of marketable securities -----	(19,144)	(2,927)	(21,446)
Proceeds from sale of marketable securities -----	29,848	9,432	10,650
Payments for acquisition of property, plant and equipment -----	(724)	(817)	(1,909)
Proceeds from sale of property, plant and equipment -----	4	1,469	1,680
Payments for investments in securities -----	(12,882)	(6,502)	(13,500)
Proceeds from investments in securities -----	-	13	5,014
Payments for investments in affiliates -----	(7,371)	-	-
Sales of business entities -----	1,085	1,052	1,008
Other, net -----	890	410	1,873
Net cash provided by (used in) investing activities	13,480	(36,176)	(67,025)
<b>Cash flows from financing activities:</b>			
Payments for acquisition of treasury stock -----	(42,944)	(5,326)	(5,346)
Cash dividends paid -----	(9,350)	(9,396)	(18,745)
Other, net -----	2	2	3
Net cash provided by (used in) financing activities	(52,292)	(14,719)	(24,088)
<b>Effect of exchange rate changes on cash and cash equivalents</b> -----	<b>36,414</b>	<b>(39,274)</b>	<b>(57,444)</b>
<b>Net increase (decrease) of cash and cash equivalents --</b>	<b>23,963</b>	<b>(88,508)</b>	<b>(28,486)</b>
<b>Cash and cash equivalents - Beginning</b> -----	<b>720,114</b>	<b>748,600</b>	<b>748,600</b>
<b>Cash and cash equivalents - Ending</b> -----	<b>744,077</b>	<b>660,091</b>	<b>720,114</b>

## **BASIS OF CONSOLIDATED FINANCIAL STATEMENTS**

### **1. Scope of consolidation**

Consolidated subsidiaries	19	Nintendo of America Inc. Nintendo of Canada Ltd. Nintendo España, S.A. Rare Acquisition Inc. Nintendo Technology Development Inc. SiRAS.com Inc. ND CUBE Co., Ltd.	NES Merchandising, Inc. Nintendo of Europe GmbH Nintendo Benelux B.V. Nintendo Phuten Co., Ltd. Nintendo Software Technology Corporation Nintendo Services USA, Inc. Brownie Brown Inc.	NHR Inc. Nintendo France S.A.R.L. Nintendo Australia Pty. Ltd. Retro Studios, Inc.	HFI Inc.
Non-consolidated subsidiaries	2	Fukuei Co., Ltd.	A/N Software Inc.	Above two subsidiaries are both small in size and are excluded from consolidation as they do not have a significant impact on the consolidated financial statements in respect of combined assets, sales, net profit, and retained earnings.	

### **2. Scope of equity method companies**

Non-consolidated subsidiary with equity method applied	1	A/N Software Inc.			
Affiliates with equity method applied	8	The Pokémon Company iKuni Inc. iQue (China) Ltd.	WARPSTAR, Inc. Pokémon USA, Inc. The Baseball Club of Seattle, L.P.	Silicon Knights Inc. iQue Ltd.	

The Baseball Club of Seattle, L.P. is included within the scope of equity method affiliates because of investment for this consolidated accounting period.

With respect to (equity method applied) companies with different six-month end from consolidated six-month end (i.e., September 30), their financial statements are used either as they are or based on appropriate provisional financial information.

### **3. Semi-annual consolidated accounting period**

Although six-month periods of Nintendo Phuten Co., Ltd. and Retro Studios, Inc. end on June 30, which are different from consolidated six-month end, their financial statements through that period are used for consolidation as the variance of six-month end are within three months (so-called three month rule applied). Important transactions between their six-month end and September 30 are reconciled for consolidation.

### **4. Accounting policies**

(1) A valuation basis and method of important assets

(A) Securities

Held-to-maturity bonds	Amortized cost method (by straight-line method)
Other securities	
Marketable other securities	Market price method, based on the market value at balance sheet date (Losses are charged to income, and unrealized gains, net of tax are charged to shareholders' equity.)
Non-marketable other securities	Cost, determined by the moving average method

(B) Derivatives

Market price method

(C) Inventories

Lower of cost, determined by the moving average method, or market

(2) Depreciation method for important fixed assets

(A) Tangible assets

The Company and its domestic consolidated subsidiaries

Declining balance method (Some equipment is depreciated over economic useful lives.)

Buildings (exclusive of structures) acquired on or after April 1, 1998 are depreciated using the straight-line method.

Overseas consolidated subsidiaries

Straight-line method over the estimated useful lives of the assets

Estimated useful lives of the principal assets:

Buildings and structures: 3 to 60 years

(B) Intangible assets

Straight-line method

As for software for the in-house use, straight-line method based on usable period (mainly five years) is applied.

(3) Allowance and reserve

(A) Allowance for doubtful accounts

The Company and its domestic consolidated subsidiaries are calculating the allowance for general accounts receivables with actual percentage of credit losses to provide against losses on bad debts, as well as calculating the allowance for each doubtful account with an estimated amount of potential bad debts. Overseas consolidated subsidiaries are calculating the allowance for each doubtful account with an estimated amount of potential bad debts.

(B) Reserve for bonuses

The Company is calculating the reserve for bonuses with estimated prorated amount to be paid.

(C) Reserve for employee retirement and severance benefits

The Company and certain consolidated subsidiaries are calculating the reserve for employee retirement and severance benefits with actuarially projected amount at the end of the six month period, on the basis of the cost of retirement benefits and plan assets at the end of the current fiscal year.

(D) Reserve for directors retirement and severance benefits

The Company is calculating the reserve for directors retirement and severance benefits with estimated amount to be paid at the end of this six month period, based on the Company's internal rules.

(4) Translation basis of assets and/or liabilities denominated in foreign currencies

Receivables and/or payables denominated in foreign currencies are translated into Japanese yen by the spot exchange rates at the end of semi-annual fiscal year. Exchange gains or losses are charged to income. With respect to financial statements of overseas consolidated subsidiaries, balance sheets are translated into Japanese yen at exchange rates in effect at the balance sheet date for assets and liabilities. The average exchange rates for the semi-annual fiscal year are used for translation of revenue and expenses. The difference resulting from translation in this manner are shown as Minority Interests and Translation Adjustments in Shareholders' equity.

(5) Lease transactions

Finance leases that are deemed to transfer ownership of the leased assets to lessees are to be capitalized, while other finance leases are accounted for as operating lease transactions. Other finance leases are disclosed in the notes to Lease transactions information.

(6) Consumption tax

The consumption tax and the provincial consumption tax are recorded as asset / liability when they are paid / received.

**5. Funds in consolidated statements of cash flows**

Funds (cash and cash equivalents) in consolidated statements of cash flows cover cash on hand, deposits which are able to be withdrawn at any time, and short-term investments which are able to be cashed easily, with little risk of value fluctuation, for which the term of redemption come within three months from the acquisition date.

**SUPPLEMENTAL INFORMATION**

(Presentation of the "pro forma standard taxation" portion of enterprise tax on corporation in Consolidated Statements of Income)

In line with announcement of Practice Report No. 12 "Practical Treatment Concerning Presentation of Pro Forma Standard Taxation Portion of Enterprise Tax on Corporation in Statements of Income" issued by Accounting Standards Board of Japan, the enterprise taxes levied in proportion to added value and capital, amounting to 500 million yen, were recognized as 'Selling, general and administrative expenses' effective this six month period under this report.

**NOTES**

**Consolidated balance sheets information:**

	<b>Sept. 30 2004</b>	Sept. 30 2003	Yen in Millions Mar. 31 2004
Accumulated depreciation of tangible assets	<b>36,336</b>	35,679	35,775

**Consolidated statements of cash flows information:**

Reconciliation between cash and cash equivalents - ending and the amount shown on consolidated balance sheets

	<b>Sept. 30 2004</b>	Sept. 30 2003	Yen in Millions Mar. 31 2004
Cash and deposits account	<b>747,403</b>	696,242	767,270
Bonds etc. due within three months period	<b>24,209</b>	-	-
Time deposits (over 3 months)	<b>(27,534)</b>	(36,150)	(47,156)
Cash and cash equivalents - Ending	<b>744,077</b>	660,091	720,114

## **SEGMENT INFORMATION**

### **1. Segment information by business categories**

Because the company operates predominantly in one industry segment which is accounted for over 90% of total sales, operating income, this information is not applicable to our business.

### **2. Segment information by seller's location**

Yen in Millions

<b><u>Six months ended Sept 30, 2004</u></b>	Domestic	The Americas	Europe	Other	Total	Eliminations or unallocated assets	
						Consolidated	
Net sales and operating income							
Net sales							
(1) Sales to third parties	<b>48,688</b>	<b>96,639</b>	<b>40,415</b>	<b>2,265</b>	<b>188,009</b>	-	<b>188,009</b>
(2) Inter segment sales	<b>134,346</b>	<b>748</b>	<b>7</b>	<b>63</b>	<b>135,165</b>	<b>(135,165)</b>	-
Total	<b>183,035</b>	<b>97,387</b>	<b>40,422</b>	<b>2,329</b>	<b>323,175</b>	<b>(135,165)</b>	<b>188,009</b>
Cost of sales and selling, general and administrative expenses	<b>135,924</b>	<b>94,950</b>	<b>39,420</b>	<b>2,580</b>	<b>272,876</b>	<b>(124,880)</b>	<b>147,996</b>
Operating income	<b>47,111</b>	<b>2,436</b>	<b>1,001</b>	<b>(251)</b>	<b>50,298</b>	<b>(10,285)</b>	<b>40,013</b>

<b><u>Six months ended Sept 30, 2003</u></b>	Domestic	The Americas	Europe	Other	Total	Eliminations or unallocated assets	
						Consolidated	
Net sales and operating income							
Net sales							
(1) Sales to third parties	58,032	100,953	48,732	3,663	211,382	-	211,382
(2) Inter segment sales	115,253	900	0	-	116,154	(116,154)	-
Total	173,286	101,854	48,733	3,663	327,537	(116,154)	211,382
Cost of sales and selling, general and administrative expenses	142,706	98,840	47,653	3,645	292,845	(110,234)	182,611
Operating income	30,579	3,013	1,080	18	34,692	(5,920)	28,771

<b><u>Year ended March 31, 2004</u></b>	Domestic	The Americas	Europe	Other	Total	Eliminations or unallocated assets	
						Consolidated	
Net sales and operating income							
Net sales							
(1) Sales to third parties	137,636	250,273	120,128	6,765	514,805	-	514,805
(2) Inter segment sales	224,084	1,750	4	-	225,839	(225,839)	-
Total	361,721	252,024	120,132	6,765	740,644	(225,839)	514,805
Cost of sales and selling, general and administrative expenses	268,797	238,851	117,145	6,742	631,536	(224,415)	407,121
Operating income	92,924	13,172	2,987	23	109,107	(1,423)	107,683

**3. Sales to overseas customers**

Yen in Millions

**Six months ended Sept 30, 2004**

	The Americas	Europe	Other	Total
Sales to overseas customers	<b>97,056</b>	<b>40,424</b>	<b>3,003</b>	<b>140,484</b>
Consolidated net sales				<b>188,009</b>
Percentage of sales to overseas customers to consolidated net sales	<b>51.6%</b>	<b>21.5%</b>	<b>1.6%</b>	<b>74.7%</b>

**Six months ended Sept 30, 2003**

	The Americas	Europe	Other	Total
Sales to overseas customers	101,444	48,736	6,293	156,475
Consolidated net sales				211,382
Percentage of sales to overseas customers to consolidated net sales	48.0%	23.0%	3.0%	74.0%

**Year ended March 31, 2004**

	The Americas	Europe	Other	Total
Sales to overseas customers	251,143	120,136	11,208	382,488
Consolidated net sales				514,805
Percentage of sales to overseas customers to consolidated net sales	48.8%	23.3%	2.2%	74.3%



## LEASE TRANSACTIONS INFORMATION

This information is omitted, since it is disclosed on EDINET.

## SECURITIES INFORMATION

As of September 30, 2004

Yen in Millions

1. Marketable other securities

	Acquisition Cost	Book Value	Difference
Stocks	<b>19,708</b>	<b>29,476</b>	<b>9,768</b>
Bonds	<b>19,824</b>	<b>20,122</b>	<b>297</b>
Sub-Total	<b>39,533</b>	<b>49,599</b>	<b>10,066</b>

2. Contents and book value of major non-marketable securities

(1) Held-to-maturity bonds		
Commercial paper		<b>29,522</b>
(2) Other securities		
Preferred subscription certificate		<b>11,000</b>
Unlisted bonds		<b>3,665</b>

As of September 30, 2003

Yen in Millions

1. Marketable other securities

	Acquisition Cost	Book Value	Difference
Stocks	19,675	28,859	9,183
Sub-Total	19,675	28,859	9,183

2. Contents and book value of major non-marketable securities

(1) Held-to-maturity bonds		
Commercial paper		1,535
(2) Other securities		
Preferred subscription certificate		11,000
Unlisted bonds		6,000

As of March 31, 2004

Yen in Millions

1. Marketable other securities

	Acquisition Cost	Book Value	Difference
Stocks	19,675	30,842	11,166
Bonds	4,364	4,353	(10)
Sub-Total	24,039	35,195	11,156

2. Contents and book value of major non-marketable securities

(1) Held-to-maturity bonds		
Commercial paper		17,375
(2) Other securities		
Preferred subscription certificate		11,000
Unlisted bonds		3,536

## DERIVATIVE TRANSACTIONS INFORMATION

This information is omitted, since it is disclosed on EDINET.

**PRODUCTION, ORDER AND SALES INFORMATION**

Six months ended September 30, 2003 and 2004, and year ended March 31, 2004

Yen in Millions

**1. Production**

	<b>Sept. 30 2004</b>	Sept. 30 2003	Mar. 31 2004
<b>Electronic entertainment products</b>			
(Hardware)			
Handheld -----	<b>88,503</b>	125,433	200,502
Console -----	<b>20,687</b>	2,487	14,368
Others -----	<b>12,593</b>	11,378	24,835
	<b>121,784</b>	139,298	239,707
(Software)			
Handheld -----	<b>69,805</b>	66,465	119,746
Console -----	<b>33,605</b>	32,252	94,727
	<b>103,410</b>	98,718	214,474
Sub-Total	<b>225,195</b>	238,017	454,181
<b>Other products</b>	<b>739</b>	586	1,506
Total	<b>225,934</b>	238,604	455,687

**2. Order**

	<b>Sept. 30 2004</b>		Sept. 30 2003		Mar. 31 2004	
	<b>Orders received</b>	<b>Orders in hand</b>	Orders received	Orders in hand	Orders received	Orders in hand
<b>Electronic entertainment products</b>						
Handheld -----	<b>28,681</b>	<b>9,648</b>	28,170	11,336	50,852	3,369
Console -----	<b>8,647</b>	<b>1,121</b>	9,819	1,911	22,727	161
Total	<b>37,329</b>	<b>10,770</b>	37,990	13,247	73,580	3,531

**3. Sales**

	<b>Sept. 30 2004</b>	Sept. 30 2003	Mar. 31 2004
<b>Electronic entertainment products</b>			
(Hardware)			
Handheld -----	<b>61,321</b>	89,304	185,175
Console -----	<b>16,145</b>	9,847	54,366
Others -----	<b>16,316</b>	23,640	49,679
	<b>93,783</b>	122,792	289,220
(Software)			
Handheld -----	<b>65,117</b>	59,210	132,911
Console -----	<b>26,750</b>	26,298	86,262
Royalty income and content income -----	<b>1,310</b>	1,744	3,015
Others -----	<b>0</b>	254	881
	<b>93,177</b>	87,508	223,070
Sub-Total	<b>186,961</b>	210,300	512,291
<b>Other products</b>	<b>1,048</b>	1,082	2,513
Total	<b>188,009</b>	211,382	514,805

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



## NON-CONSOLIDATED FINANCIAL STATEMENTS

### FINANCIAL HIGHLIGHTS

Six months ended September 30, 2003 and 2004, and year ended March 31, 2004

The amounts presented herein are rounded down under one million yen except as otherwise denominated.

Numbers in parentheses are negative.

	Sept. 30 2004	Sept. 30 2003	Yen in Millions Mar. 31 2004
<b>Net sales</b> -----	<b>183,035</b>	172,891	360,961
Percentage change from previous half year -----	5.9%	(22.8%)	
<b>Operating income</b> -----	<b>47,270</b>	30,447	92,533
Percentage change from previous half year -----	55.3%	39.9%	
<b>Income before income taxes and extraordinary items</b> -----	<b>88,527</b>	(5,291)	31,694
Percentage change from previous half year -----	-	-	
<b>Net income</b> -----	<b>53,608</b>	(2,922)	16,020
Percentage change from previous half year -----	-	-	
<b>Net income per share</b> -----	<b>¥402.82</b>	(¥21.84)	¥118.52
<b>Cash dividends per share</b>			
Interim -----	<b>¥70.00</b>	¥70.00	-
Annual -----	-	-	¥140.00
<b>Financial position</b>			
Total assets (1) -----	<b>959,898</b>	898,925	892,960
Shareholders' equity (2) -----	<b>803,355</b>	792,077	802,830
Ratio of net worth to total assets (2)/(1) -----	<b>83.7%</b>	88.1%	89.9%
Shareholders' equity per share -----	<b>¥6,175.78</b>	¥5,924.88	¥6,004.14

### **Forecast for the fiscal year ending March 2005 (April 1, 2004 - March 31, 2005)**

Net sales -----		440,000
Income before income taxes and extraordinary items -----		125,000
Net income -----		75,000
Year-end dividends per share -----	¥70.00 ~	¥200.00
Annual dividends per share -----	¥140.00 ~	¥270.00
Estimated annual earnings per share: 575.25 yen		

With respect to this forecast, please refer to page 4 for the forward-looking conditions and other related matters.

#### [Notes]

Average number of shares issued and outstanding for the six months ended September 30, 2004 : 133,082,949 shares  
Number of shares issued and outstanding as of September 30, 2004 (excluding treasury stock) : 130,081,598 shares  
Number of treasury stocks as of September 30, 2004 : 11,587,402 shares  
Stock trading unit : 100 shares  
Change of accounting policies : None

**NON-CONSOLIDATED BALANCE SHEETS**

As of September 30, 2003 and 2004, and March 31, 2004

Yen in Millions

	Sept. 30 2004		Sept. 30 2003		Mar. 31 2004	
[Assets]		%		%		%
<b>Current assets:</b>						
Cash and deposits -----	<b>650,178</b>		584,554		662,944	
Notes receivable -----	<b>616</b>		1,341		562	
Trade accounts receivable -----	<b>80,899</b>		60,798		33,631	
Inventories -----	<b>13,195</b>		22,773		13,241	
Deferred income taxes -----	<b>19,448</b>		27,105		16,965	
Other current assets -----	<b>39,279</b>		54,847		21,374	
Allowance for doubtful accounts -----	<b>(136)</b>		(205)		(56)	
	<b>803,480</b>	<b>83.7</b>	751,215	83.6	748,664	83.8
<b>Fixed assets:</b>						
Property, plant and equipment						
Buildings -----	<b>13,893</b>		14,697		14,294	
Land -----	<b>25,249</b>		25,596		25,249	
Other property, plant and equipment -----	<b>1,457</b>		1,608		1,380	
	<b>40,600</b>	<b>4.2</b>	41,902	4.7	40,925	4.6
Intangible assets -----	<b>241</b>	<b>0.0</b>	137	0.0	170	0.0
Investments and other assets						
Investments in securities -----	<b>63,961</b>		48,306		51,600	
Investments in affiliates -----	<b>39,788</b>		44,841		39,788	
Deferred income taxes -----	<b>11,553</b>		10,546		10,989	
Other investments and other assets -----	<b>2,897</b>		5,330		4,155	
Allowance for doubtful accounts -----	<b>(2,625)</b>		(3,355)		(3,334)	
	<b>115,575</b>	<b>12.1</b>	105,669	11.7	103,199	11.6
	<b>156,418</b>	<b>16.3</b>	147,710	16.4	144,295	16.2
<b>Total -----</b>	<b>959,898</b>	<b>100.0</b>	898,925	100.0	892,960	100.0

As of September 30, 2003 and 2004, and March 31, 2004

Yen in Millions

	Sept. 30 2004		Sept. 30 2003		Mar. 31 2004	
[Liabilities]						
<b>Current liabilities:</b>		%		%		%
Notes payable -----	7,926		6,118		4,868	
Trade accounts payable -----	81,345		68,521		51,644	
Other accounts payable -----	10,082		12,113		8,934	
Accrued income taxes -----	38,899		2,724		4,123	
Reserve for bonuses -----	1,648		1,601		1,712	
Other current liabilities -----	12,666		10,770		15,062	
	<b>152,567</b>	<b>15.9</b>	101,850	11.3	86,345	9.7
<b>Non-current liabilities:</b>						
Non-current accounts payable -----	632		125		602	
Reserve for employee retirement and severance benefits -----	1,597		3,233		1,472	
Reserve for directors retirement and severance benefits -----	1,744		1,638		1,709	
	<b>3,975</b>	<b>0.4</b>	4,997	0.6	3,784	0.4
<b>Total liabilities</b> -----	<b>156,542</b>	<b>16.3</b>	106,848	11.9	90,129	10.1
[Shareholders' equity]						
Common stock -----	10,065	1.1	10,065	1.1	10,065	1.1
Additional paid-in capital -----	11,584	1.2	11,584	1.3	11,584	1.3
Retained earnings -----	905,510	94.3	851,845	94.8	861,429	96.5
Legal reserve -----	2,516		2,516		2,516	
Optional reserve -----	760,046		660,049		660,049	
Unappropriated -----	142,947		189,279		198,864	
Unrealized gains on other securities -----	6,040	0.6	5,458	0.6	6,650	0.7
Treasury stock, at cost -----	(129,845)	(13.5)	(86,875)	(9.7)	(86,898)	(9.7)
<b>Total shareholders' equity</b> -----	<b>803,355</b>	<b>83.7</b>	792,077	88.1	802,830	89.9
<b>Total</b> -----	<b>959,898</b>	<b>100.0</b>	898,925	100.0	892,960	100.0

**NON-CONSOLIDATED STATEMENTS OF INCOME**

Six months ended September 30, 2003 and 2004, and year ended March 31, 2004

	Yen in Millions					
	Sept. 30 2004		Sept. 30 2003		Mar. 31 2004	
		%		%		%
Net sales -----	183,035	100.0	172,891	100.0	360,961	100.0
Cost of sales -----	111,225	60.8	121,604	70.3	227,826	63.1
<b>Gross margin</b> -----	<b>71,810</b>	<b>39.2</b>	51,286	29.7	133,134	36.9
Selling, general and administrative expenses -----	24,539	13.4	20,839	12.1	40,601	11.3
<b>Operating income</b> -----	<b>47,270</b>	<b>25.8</b>	30,447	17.6	92,533	25.6
Other income						
Interest income -----	4,086		4,440		8,098	
Foreign exchange gain -----	36,301		-		-	
Other -----	999		904		1,579	
Total other income -----	<b>41,387</b>	<b>22.6</b>	5,344	3.1	9,678	2.7
Other expenses						
Sales discount -----	125		185		410	
Foreign exchange loss -----	-		40,886		69,718	
Other -----	5		12		388	
Total other expenses -----	<b>131</b>	<b>0.0</b>	41,083	23.8	70,517	19.5
<b>Income before income taxes and extraordinary items</b> -----	<b>88,527</b>	<b>48.4</b>	(5,291)	(3.1)	31,694	8.8
Extraordinary income -----	871	0.4	2,109	1.2	2,110	0.5
Extraordinary loss -----	-	-	207	0.1	5,835	1.6
<b>Income before income taxes</b> -----	<b>89,398</b>	<b>48.8</b>	(3,389)	(2.0)	27,968	7.7
Provision for income taxes and enterprise tax -----	38,418	21.0	2,560	1.5	6,095	1.7
Income taxes deferred -----	(2,629)	(1.5)	(3,028)	(1.8)	5,853	1.6
<b>Net income</b> -----	<b>53,608</b>	<b>29.3</b>	(2,922)	(1.7)	16,020	4.4
Retained earnings brought forward -----	89,338		192,202		192,202	
Loss on disposal of treasury stock -----	-		0		0	
Interim cash dividends -----	-		-		9,358	
<b>Unappropriated retained earnings</b> -----	<b>142,947</b>		189,279		198,864	

## **BASIS OF NON-CONSOLIDATED FINANCIAL STATEMENTS**

### **1. A valuation basis and method of assets**

#### (A) Securities

Held-to-maturity bonds	Amortized cost method (by straight-line method)
Securities of subsidiaries and affiliates	Cost, determined by the moving average method
Other securities	
Marketable other securities	Market price method, based on the market value at balance sheet date (Losses are charged to income, and unrealized gains, net of tax are charged to shareholders' equity.)
Non-marketable other securities	Cost, determined by the moving average method

#### (B) Derivatives

Market price method

#### (C) Inventories

Lower of cost, determined by the moving average method, or market

### **2. Depreciation method of fixed assets**

#### (A) Tangible assets

Declining balance method (Some equipment is depreciated over economic useful lives.)

Buildings (exclusive of structures) acquired on or after April 1, 1998 are depreciated using the straight-line method.

Estimated useful lives of the principal assets are as follows:

Buildings : 3 to 50 years

#### (B) Intangible assets

Straight-line method

As for software for the in-house use, straight-line method based on usable period (mainly five years) is applied.

### **3. Allowance and reserve**

#### (A) Allowance for doubtful accounts

The allowance for general accounts receivables is calculated with actual percentage of credit losses to provide against losses on bad debts, as well as calculating the allowance for each doubtful account with an estimated amount of potential bad debts.

#### (B) Reserve for bonuses

The reserve for bonuses is calculated with estimated prorated amount to be paid.

#### (C) Reserve for employee retirement and severance benefits

The reserve for employee retirement and severance benefits is calculated with actuarially projected amount at the end of the six-month period, on the basis of the cost of retirement benefits and plan assets at the end of the current fiscal year.

#### (D) Reserve for directors retirement and severance benefits

The reserve for directors retirement and severance benefits is calculated with estimated amount to be paid at the end of this six-month period, based on the Company's internal rules.

### **4. Translation basis of assets and/or liabilities denominated in foreign currencies**

Receivables and/or payables denominated in foreign currencies are translated into Japanese yen by the spot exchange rates at the end of the semi-annual fiscal year. Exchange gains or losses are charged to income.

### **5. Lease transactions**

Finance leases that are deemed to transfer ownership of the leased assets to lessees are to be capitalized, while other finance leases are accounted for as operating lease transactions.

### **6. Other**

Consumption tax

The consumption tax and the provincial consumption tax are recorded as asset / liability when they are paid / received.

## **SUPPLEMENTAL INFORMATION**

(Presentation of the "pro forma standard taxation" portion of enterprise tax on corporation in Non-Consolidated Statements of Income)

In line with announcement of Practice Report No. 12 "Practical Treatment Concerning Presentation of Pro Forma Standard Taxation Portion of Enterprise Tax on Corporation in Statements of Income", the enterprise taxes levied in proportion to added value and capital, amounting to 499 million yen, were recognized as 'Selling, general and administrative expenses' effective this six month period under this report.

## **NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS**

Yen in Millions

### **Balance sheets information:**

	<b>Sept. 30 2004</b>	Sept. 30 2003	Mar. 31 2004
1. Accumulated depreciation of tangible assets	<b>22,853</b>	23,279	23,540
2. Guaranteed liabilities	-	387	386
<i>&lt;EUR in thousands&gt;</i>	-	<i>&lt;EUR3,000&gt;</i>	<i>&lt;EUR3,000&gt;</i>

### **Statements of income information:**

Yen in Millions

	<b>Sept. 30 2004</b>	Sept. 30 2003	Mar. 31 2004
Depreciation and amortization			
Tangible assets	<b>656</b>	845	1,642
Intangible assets	<b>32</b>	21	46

## **LEASE TRANSACTIONS INFORMATION**

This information is omitted, since it is disclosed on EDINET.

## **SECURITIES INFORMATION**

None of shares of subsidiaries or affiliates have market value as of September 30, 2003 and 2004 and year ended March 31, 2004.



**1. CONSOLIDATED SALES UNITS AND NUMBER OF NEW TITLES**

Sales Units in Ten Thousands  
Number of New Titles Released

		Six months Apr.-Sept. '03	Six months Apr.-Sept. '04	Life-to-Date Sept. '04	Twelve months Apr. '03-Mar. '04	Forecast Apr. '04-Mar. '05
GAME BOY ADVANCE	Hardware					
	Japan	166	135	1,456	315	
	The Americas	428	380	2,861	945	
	Other	240	158	1,496	500	
	Total	834	673	5,813	1,759	1,600
	of which GAME BOY ADVANCE SP					
	Japan	151	134	502	286	
	The Americas	350	368	1,246	795	
	Other	193	151	621	424	
	Total	693	653	2,368	1,505	1,500
	Software					
	Japan	619	920	5,620	1,712	
	The Americas	1,791	2,179	11,826	4,243	
Other	581	691	4,724	1,535		
Total	2,991	3,790	22,169	7,489	7,700	
New titles						
Japan	68	86	615	156		
The Americas	69	103	618	145		
Other	66	52	542	142		
NINTENDO GAMECUBE	Hardware					
	Japan	20	14	360	99	
	The Americas	55	99	884	272	
	Other	15	26	353	132	
	Total	89	140	1,597	502	450
	Software					
	Japan	322	204	2,094	850	
	The Americas	808	1,243	7,701	2,835	
	Other	321	362	2,801	1,052	
	Total	1,450	1,809	12,596	4,737	4,500
	New titles					
	Japan	39	16	204	89	
	The Americas	50	50	376	125	
Other	57	33	310	127		
NINTENDO DS	Hardware	-	-	-	-	500
	Software	-	-	-	-	1,500

[Note 1] Sales units are rounded to the nearest ten thousand.

[Note 2] New titles-Other represent new titles released in the European and Australian markets.

**2. OTHER CONSOLIDATED INFORMATION**

Yen in Millions

		Six months Apr.-Sept. '03	Six months Apr.-Sept. '04	Twelve months Apr. '03-Mar. '04	Forecast Apr. '04-Mar. '05
Capital investments		1,220	1,454	2,277	4,000
Depreciation expenses of tangible assets		1,552	1,335	3,182	3,500
Research and development costs		7,937	10,882	15,825	22,000
Marketing expenses		22,807	22,532	53,488	58,000
		As of Sept. 30, 2003	As of Sept. 30, 2004	As of Mar. 31, 2004	
Number of Employees		3,015	3,018	2,985	
		Six months Apr.-Sept. '03	Six months Apr.-Sept. '04	Twelve months Apr. '03-Mar. '04	
Average Exchange Rate	US\$1.00 =	¥118.05	¥109.86	¥113.07	
	€1.00 =	¥133.46	¥133.32	¥132.61	

**3. BALANCE OF ASSETS IN MAJOR FOREIGN CURRENCIES**

**WITHOUT EXCHANGE CONTRACT (NON-CONSOLIDATED)**

US\$ / EUR in Millions

		As of Sept. 30, 2003	As of Sept. 30, 2004	As of Mar. 31, 2004	Exchange rate Mar. 31, 2004	Exchange rate Sept. 30, 2004	Mar. 31, 2005 Est. exchange rate
US\$	Cash and Deposits	4,580	4,191	5,212	US\$1.00 =		
	Accounts Receivable	320	492	213	¥105.69	¥111.05	¥110.00
EUR	Cash and Deposits	339	565	394	€1.00 =		
	Accounts Receivable	288	155	61	¥128.88	¥137.04	¥135.00