



MEMBERSHIP

November 5, 2020

## CONSOLIDATED FINANCIAL HIGHLIGHTS



Nintendo Co., Ltd.  
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Japan

(Amounts below one million yen are rounded down)

### Consolidated Results for the Six Months Ended September 30, 2019 and 2020

#### (1) Consolidated operating results

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended September 30, 2020	769,524	73.3	291,424	209.3	297,496	249.3	213,123	243.6
Six months ended September 30, 2019	443,967	14.2	94,222	53.4	85,173	(7.4)	62,018	(4.0)

[Notes]

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

Comprehensive income: Six months ended September 30, 2020: 226,680 million yen [353.2%] Six months ended September 30, 2019: 50,013 million yen [(44.3%)]

	Profit per share		Diluted profit per share	
	yen	yen	yen	yen
Six months ended September 30, 2020	1,789.10	-	-	-
Six months ended September 30, 2019	520.62	-	-	-

#### (2) Consolidated financial positions

	Total assets		Net assets		Capital adequacy ratio	
	million yen	million yen	million yen	million yen	%	%
As of September 30, 2020	2,211,580	1,669,872	1,669,872	1,540,900	75.5	79.7
As of March 31, 2020	1,934,087	1,540,900	1,540,900	1,540,900	79.7	79.7

[Reference]

Shareholders equity: As of September 30, 2020: 1,669,641 million yen As of March 31, 2020: 1,540,687 million yen

### Dividends

	Dividend per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual
Year ended March 31, 2020	-	270.00	-	820.00	1,090.00
Year ending March 31, 2021	-	810.00	-	-	-
Year ending March 31, 2021 (forecast)	-	-	-	450.00	1,260.00

[Note]

Revisions to previously announced dividend forecast: Applicable

Please refer to "Notice of Dividend (end of 2nd quarter) and Dividend Forecast Modifications" announced on November 5, 2020 for more details.

### Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2021

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share	
	million yen	%	million yen	%	million yen	%	million yen	%	yen	yen
Year ending March 31, 2021	1,400,000	7.0	450,000	27.7	440,000	22.1	300,000	16.0	2,518.40	2,518.40

[Notes]

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

Revisions to previously announced financial forecast: Applicable

Please refer to "Notice of Full-Year Financial Forecast Modifications" announced on November 5, 2020 for more details.

**Others**

(1) Changes for important subsidiaries during the six-month period ended September 30, 2020				: Not applicable
(2) Application of peculiar methods for accounting procedures				: 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 Sep. 30, 2020 :	131,669,000 shares	As of Mar. 31, 2020 :		131,669,000 shares
2) Number of treasury shares				
As of Sep. 30, 2020 :	12,545,630 shares	As of Mar. 31, 2020 :		12,545,354 shares
3) Average number of shares				
Six months ended		Six months ended		
Sep. 30, 2020 :	119,123,528 shares	Sep. 30, 2019 :		119,124,450 shares

[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. Please note such risks and uncertainties may cause the actual results to be materially different from the forecasts (earnings forecast, dividend forecast, and other forecasts).

## 1. Consolidated Operating Results

During the six months ended September 30, 2020, for Nintendo Switch, *Paper Mario: The Origami King*, released in July, selling 2.82 million units and *Super Mario 3D All-Stars*, released in September as part of the Super Mario Bros. 35th Anniversary campaign, is off to a good start, recording sales of 5.21 million units. Titles released in previous fiscal years have also continued to sell well, with no loss of momentum. Of particular note within this group is *Animal Crossing: New Horizons*, with sales growing to 14.27 million units (for cumulative sales of 26.04 million units), contributing significantly to the overall growth in software sales and driving hardware sales. Sales of titles from other software publishers also continued to grow steadily. There is a total of 20 million-seller titles (including titles from other software publishers) this fiscal year. As a result of these factors, hardware and software sales both rose on a year-on-year basis, with hardware sales reaching 12.53 million units (80.9% increase on a year-on-year basis), and software sales reaching 100.25 million units (71.4% increase on a year-on-year basis).

Turning to our digital business for dedicated video game platforms, the growth in sales of downloadable versions of packaged software for Nintendo Switch, as well as the steady sales of download-only software, add-on content, and Nintendo Switch Online, helped to bring overall digital sales to 171.5 billion yen (139.4% increase on a year-on-year basis).

For the mobile business, many consumers continue to enjoy applications that were released in previous fiscal years, and our mobile, IP related income reached 26.7 billion yen (33.9% increase on a year-on-year basis).

As a result of these factors, total sales reached 769.5 billion yen, with overseas sales of 596.4 billion yen accounting for 77.5% of the total. Operating profit came to 291.4 billion yen, ordinary profit was 297.4 billion yen, and net profit attributable to owners of parent totaled 213.1 billion yen.

## 2. Consolidated Financial Forecast

For Nintendo Switch, we have *Pikmin 3 Deluxe* and *Mario Kart Live: Home Circuit* slated for October, with *Super Mario 3D World + Bowser's Fury* scheduled for release in February as part of the Super Mario Bros. 35th Anniversary campaign. In addition to the second round of add-on content available with *Pokémon Sword Expansion Pass* and *Pokémon Shield Expansion Pass*, *The Crown Tundra*, coming in October, there is also a robust variety of appealing titles from other software publishers scheduled to be released. We will work to keep the platform active with new titles and by reinforcing sales of popular titles that have already been released.

In our mobile business, we will focus on operations that encourage more consumers to continue to enjoy playing the applications that have been previously released.

Also, as part of our Super Mario Bros. 35th Anniversary celebrations, the handheld game series Game & Watch (originally launched in 1980) is being brought back as part of a collaboration with Super Mario Bros., in the November launch of *Game & Watch: Super Mario Bros*. We have various campaigns and collaborations related to Super Mario planned.

We have revised the financial forecast originally published on May 7, 2020. For details, please see the Notice of Full-Year Financial Forecast and Dividend Forecast Modifications issued today (November 5, 2020).

## 3. Consolidated Balance Sheets

million yen

Description	As of March 31, 2020	As of September 30, 2020
<b>(Assets)</b>		
<b>Current assets</b>		
Cash and deposits	890,402	992,665
Notes and accounts receivable-trade	133,051	167,251
Securities	326,382	397,168
Inventories	88,994	140,691
Other	63,268	70,871
Allowance for doubtful accounts	(515)	(177)
<b>Total current assets</b>	<b>1,501,583</b>	<b>1,768,470</b>
<b>Non-current assets</b>		
Property, plant and equipment	82,866	83,252
Intangible assets	15,017	14,403
Investments and other assets		
Investment securities	237,710	239,619
Other	96,909	105,834
Total investments and other assets	334,619	345,454
<b>Total non-current assets</b>	<b>432,504</b>	<b>443,109</b>
<b>Total assets</b>	<b>1,934,087</b>	<b>2,211,580</b>
<b>(Liabilities)</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	98,074	200,344
Provisions	4,394	3,486
Income taxes payable	66,411	97,398
Other	186,801	196,737
<b>Total current liabilities</b>	<b>355,683</b>	<b>497,967</b>
<b>Non-current liabilities</b>		
Retirement benefit liability	20,450	20,731
Other	17,052	23,008
<b>Total non-current liabilities</b>	<b>37,503</b>	<b>43,740</b>
<b>Total liabilities</b>	<b>393,186</b>	<b>541,707</b>
<b>(Net assets)</b>		
<b>Shareholders' equity</b>		
Share capital	10,065	10,065
Capital surplus	15,041	15,041
Retained earnings	1,707,119	1,822,562
Treasury shares	(156,798)	(156,812)
<b>Total shareholders' equity</b>	<b>1,575,428</b>	<b>1,690,857</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	10,637	27,556
Foreign currency translation adjustment	(45,378)	(48,772)
<b>Total accumulated other comprehensive income</b>	<b>(34,741)</b>	<b>(21,216)</b>
<b>Non-controlling interests</b>	<b>213</b>	<b>231</b>
<b>Total net assets</b>	<b>1,540,900</b>	<b>1,669,872</b>
<b>Total liabilities and net assets</b>	<b>1,934,087</b>	<b>2,211,580</b>

## 4. Consolidated Statements of Income

million yen

Description	Six months ended September 30, 2019	Six months ended September 30, 2020
Net sales	443,967	769,524
Cost of sales	230,864	335,455
<b>Gross profit</b>	<b>213,103</b>	<b>434,068</b>
Selling, general and administrative expenses	118,880	142,644
<b>Operating profit</b>	<b>94,222</b>	<b>291,424</b>
Non-operating income		
Interest income	8,469	3,817
Share of profit of entities accounted for using equity method	1,830	4,443
Other	1,660	2,031
Total non-operating income	11,960	10,293
Non-operating expenses		
Foreign exchange losses	20,503	3,625
Other	506	596
Total non-operating expenses	21,009	4,221
<b>Ordinary profit</b>	<b>85,173</b>	<b>297,496</b>
Extraordinary income		
Gain on sales of non-current assets	1	2,516
Gain on sales of investment securities	138	40
Total extraordinary income	139	2,556
Extraordinary losses		
Loss on disposal of non-current assets	24	87
Loss on sales of investment securities	56	-
Total extraordinary losses	81	87
<b>Profit before income taxes</b>	<b>85,231</b>	<b>299,965</b>
Total income taxes	23,225	86,809
<b>Profit</b>	<b>62,005</b>	<b>213,155</b>
Profit (loss) attributable to non-controlling interests	(12)	31
<b>Profit attributable to owners of parent</b>	<b>62,018</b>	<b>213,123</b>

## 5. Consolidated Statements of Comprehensive Income

million yen

Description	Six months ended September 30, 2019	Six months ended September 30, 2020
<b>Profit</b>	<b>62,005</b>	<b>213,155</b>
Other comprehensive income		
Valuation difference on available-for-sale securities	6,002	17,109
Foreign currency translation adjustment	(17,285)	(3,077)
Share of other comprehensive income of entities accounted for using equity method	(709)	(506)
Total other comprehensive income	(11,992)	13,525
<b>Comprehensive income</b>	<b>50,013</b>	<b>226,680</b>
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	50,026	226,648
Comprehensive income attributable to non-controlling interests	(12)	31

## 6. Notes Pertaining to Consolidated Financial Statements

Application of peculiar methods for accounting procedures

With respect to certain consolidated subsidiaries, corporate income tax amount is calculated by taking the amount of profit before income taxes through the six-month period ended September 30, 2020 multiplied by 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
Six months ended September 30, 2020	Dedicated video game platform	161,108	300,112	186,200	94,487	741,909
	of which Nintendo Switch platform (*1)	156,657	296,663	183,973	93,618	730,913
	of which the others (*2)	4,450	3,448	2,227	869	10,995
	Mobile, IP related income, etc. (*3)	11,090	11,698	2,698	1,239	26,727
	Playing cards, etc.	852	31	0	3	887
Total		173,051	311,842	188,899	95,730	769,524

		Japan	The Americas	Europe	Other	Total
Six months ended September 30, 2019	Dedicated video game platform	93,255	184,673	108,443	36,582	422,955
	of which Nintendo Switch platform (*1)	89,670	175,041	105,292	35,583	405,588
	of which the others (*2)	3,584	9,632	3,151	998	17,367
	Mobile, IP related income, etc. (*3)	9,477	7,965	1,113	1,408	19,964
	Playing cards, etc.	384	661	0	1	1,047
Total		103,117	193,300	109,556	37,993	443,967

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

Six months ended September 30, 2020: 171.5 billion yen      Six months ended September 30, 2019: 71.6 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

		Six months ended September 30, 2019	Six months ended September 30, 2020	Year ending March 31, 2021 (Forecast)
Depreciation of property, plant and equipment		2,816	2,644	6,000
Research and development expenses		36,244	42,165	85,000
Advertising expenses		30,131	30,750	85,000
Average exchange rates	1 USD =	108.63 yen	106.84 yen	105.92 yen
	1 Euro =	121.42 yen	121.24 yen	118.12 yen

Consolidated net sales in U.S. dollars	1.6 billion	2.8 billion	-
Consolidated net sales in Euros	0.8 billion	1.5 billion	-
Non-consolidated purchases in U.S. dollars	2.4 billion	3.0 billion	-

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

million U.S. dollars/Euros

		As of March 31, 2020		As of September 30, 2020		As of March 31, 2021
		Balance	Exchange rate	Balance	Exchange rate	Estimated exchange rate
USD	Cash and deposits	3,034		3,195		
	Accounts receivable-trade	665	1 USD=	1,580	1 USD=	1 USD=
	Accounts payable-trade	449	108.83 yen	1,296	105.58 yen	105.00 yen
	Borrowings from subsidiaries	200		200		
Euro	Cash and deposits	436		506		
	Accounts receivable-trade	437	1 Euro=	1,129	1 Euro=	1 Euro=
	Borrowings from subsidiaries	-	119.55 yen	275	123.79 yen	115.00 yen

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

				Sales Units in Ten Thousands		Number of New Titles Released	
				Actual	Actual	Life-to-date	Forecast
				Apr. '19-Sep. '19	Apr. '20-Sep. '20	Sep. '20	Apr. '20-Mar. '21
Nintendo Switch	Hardware	Japan	177	273	1,617		
		The Americas	263	446	2,658		
		Europe	177	331	1,773		
		Other	76	204	781		
		Total	693	1,253	6,830	2,400	
of which Nintendo Switch	Japan	138	193	1,337			
	The Americas	183	259	2,238			
	Europe	123	216	1,525			
	Other	54	168	693			
	Total	498	836	5,793			
of which Nintendo Switch Lite	Japan	39	80	280			
	The Americas	80	187	420			
	Europe	54	114	248			
	Other	22	36	88			
	Total	195	417	1,036			
Software	Japan	1,030	1,778	8,498			
	The Americas	2,591	4,559	20,418			
	Europe	1,868	2,853	13,444			
	Other	360	834	3,288			
	Total	5,849	10,025	45,649	17,000		
New titles	Japan	114	118	676			
	The Americas	158	171	869			
	Europe	170	173	883			

## [Notes]

- 1 Software sales units include both packaged and downloadable versions of software, not include download-only software and add-on content.
- 2 Each title available in both packaged and downloadable versions is counted as one new title.
- 3 Actual software sales units include the quantity bundled with hardware.
- 4 While forecasted software sales units include the quantity bundled with hardware for six months ended September 30, 2020, they do not include the quantity to be bundled with hardware on and after October 1, 2020.