



MEMBERSHIP

November 8, 2022

# 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 Six Months Ended September 30, 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	%
Six months ended September 30, 2022	656,974	5.2	220,387	0.2	322,464	36.5	230,451	34.1
Six months ended September 30, 2021	624,272	(18.9)	219,959	(24.5)	236,286	(20.6)	171,834	(19.4)

[Notes]

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

Comprehensive income: Six months ended September 30, 2022: 324,794 million yen [84.0%] Six months ended September 30, 2021: 176,496 million yen [(22.1)%]

	Profit per share	Diluted profit per share
	yen	yen
Six months ended September 30, 2022	197.61	-
Six months ended September 30, 2021	144.69	-

[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 September 30, 2022	2,781,207	2,177,952	78.3
As of March 31, 2022	2,662,384	2,069,310	77.7

[Reference]

Shareholders equity : As of September 30, 2022: 2,177,755 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)	-	-	-	109.00	-

[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 Dividend (end of 2nd quarter) and Dividend Forecast Modifications" announced on November 8, 2022 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	1,650,000	(2.7)	500,000	(15.6)	560,000	(16.5)	400,000	(16.3)	343.28

[Notes]

Percentages for net sales, operating profit etc. show increase (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 Modifications" announced on November 8, 2022 for more details.

**Others**

- (1) Changes for important subsidiaries during the six-month period ended September 30, 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 Sep. 30, 2022:  | 1,298,690,000 shares | As of Mar. 31, 2022: | 1,298,690,000 shares |
| 2) Number of treasury shares                                |                      |                      |                      |
| As of Sep. 30, 2022:  | 134,459,400 shares   | As of Mar. 31, 2022: | 125,470,220 shares   |
| 3) Average number of shares                                 |                      |                      |                      |
| Six months ended  |                      | Six months ended     |                      |
| Sep. 30, 2022:  | 1,166,192,773 shares | Sep. 30, 2021:       | 1,187,636,166 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 to be materially different from the forecasts (earnings forecast, dividend forecast, and other forecasts).

## 1. Consolidated Operating Results

Regarding the Nintendo Switch business during the first half of this fiscal year (April through September 2022), each title released this period has sold well, with *Splatoon 3* getting off to a good start with sales of 7.90 million units, as well as *Nintendo Switch Sports* at 6.15 million units, *Mario Strikers: Battle League* at 2.17 million units, and *Xenoblade Chronicles 3* at 1.72 million units sold. In addition, we saw stable sales in titles released through the end of the previous fiscal years, with *Mario Kart 8 Deluxe* selling 3.07 million units (for cumulative sales of 48.41 million units) and *Kirby and the Forgotten Land* selling 2.61 million units (for cumulative sales of 5.27 million units). Sales of titles from other software publishers also continued to grow steadily, bringing the total number of million-seller titles during this period to 15, including titles from these other software publishers. As a result of these factors, total software sales grew by 1.6% year-on-year to 95.41 million units. On the other hand, hardware units sold decreased by 19.2% year-on-year to 6.68 million units, due to factors such as a shortage of semiconductor and other component supplies.

Turning to our digital business for the dedicated video game platform, Nintendo Switch downloadable versions of packaged software sold well, and Nintendo Switch Online sales also increased. In addition, sales of add-on content rose not only for Nintendo titles, but also for titles from other software publishers, along with the sales of download-only titles, helping push digital sales to 187.8 billion yen, up 30.2% year-on-year.

Royalty income was stable, but income from smart-device content declined, with the result that overall sales in our mobile and IP-related business totaled 23.5 billion yen, down 7.5% year-on-year.

In total, sales reached 656.9 billion yen, with overseas sales of 498.6 billion yen accounting for 75.9% of that total. Operating profit came to 220.3 billion yen. With the depreciation of the yen in foreign exchange markets, we recorded foreign exchange gains of 76.4 billion yen, with the result that ordinary profit totaled 322.4 billion yen and profit attributable to owners of parent totaled 230.4 billion yen.

## 2. Consolidated Financial Forecast

While there is a gradual improvement in semiconductor and other component supplies and a recovery trend in hardware manufacturing for Nintendo Switch, taking into consideration production and sales performances thus far, we have modified the Nintendo Switch hardware sales units forecast for the fiscal year. By continually working to front-load production and selecting appropriate transportation methods in preparation for the holiday season, we will work to deliver as many consoles as possible to consumers in every region of the world. As for software, we have the release of *Bayonetta 3* in October, followed by *Pokémon Scarlet* and *Pokémon Violet* in November, *Fire Emblem Engage* in January 2023, and *Kirby's Return to Dream Land Deluxe* in February 2023. Other software publishers also plan to release a wide variety of compelling titles, and we will work to invigorate the platform with this continuous stream of new titles combined with the popularity of existing titles.

We have revised the financial forecast originally published on May 10, 2022. For details, please see the Notice of Full-Year Financial Forecast Modifications issued today (November 8, 2022).

## 3. Consolidated Balance Sheets

million yen

Description	As of March 31, 2022	As of September 30, 2022
<b>(Assets)</b>		
<b>Current assets</b>		
Cash and deposits	1,206,506	1,214,278
Notes and accounts receivable-trade	141,087	160,272
Securities	504,385	440,323
Inventories	204,183	295,347
Other	70,147	69,410
Allowance for doubtful accounts	(98)	(87)
<b>Total current assets</b>	<b>2,126,212</b>	<b>2,179,545</b>
<b>Non-current assets</b>		
Property, plant and equipment	85,164	92,728
Intangible assets	17,315	19,614
Investments and other assets		
Investment securities	312,663	351,943
Other	121,028	137,374
Total investments and other assets	433,692	489,317
<b>Total non-current assets</b>	<b>536,172</b>	<b>601,661</b>
<b>Total assets</b>	<b>2,662,384</b>	<b>2,781,207</b>
<b>(Liabilities)</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	150,910	138,395
Provisions	5,459	4,621
Income taxes payable	99,520	108,486
Other	284,836	296,121
<b>Total current liabilities</b>	<b>540,726</b>	<b>547,624</b>
<b>Non-current liabilities</b>		
Provisions	-	97
Retirement benefit liability	25,063	24,254
Other	27,284	31,277
<b>Total non-current liabilities</b>	<b>52,347</b>	<b>55,629</b>
<b>Total liabilities</b>	<b>593,074</b>	<b>603,254</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	2,263,733
Treasury shares	(220,343)	(271,042)
<b>Total shareholders' equity</b>	<b>2,003,469</b>	<b>2,017,836</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	33,199	31,447
Foreign currency translation adjustment	32,373	128,471
<b>Total accumulated other comprehensive income</b>	<b>65,573</b>	<b>159,919</b>
<b>Non-controlling interests</b>	<b>266</b>	<b>197</b>
<b>Total net assets</b>	<b>2,069,310</b>	<b>2,177,952</b>
<b>Total liabilities and net assets</b>	<b>2,662,384</b>	<b>2,781,207</b>

## 4. Consolidated Statements of Income

Description	million yen	
	Six months ended September 30, 2021	Six months ended September 30, 2022
Net sales	624,272	656,974
Cost of sales	251,545	265,363
<b>Gross profit</b>	<b>372,727</b>	<b>391,610</b>
Selling, general and administrative expenses	152,767	171,222
<b>Operating profit</b>	<b>219,959</b>	<b>220,387</b>
Non-operating income		
Interest income	1,415	7,875
Foreign exchange gains	1,797	76,467
Other	13,583	18,877
Total non-operating income	16,796	103,220
Non-operating expenses		
Loss on valuation of investment securities	-	928
Other	469	214
Total non-operating expenses	469	1,143
<b>Ordinary profit</b>	<b>236,286</b>	<b>322,464</b>
Extraordinary income		
Gain on sale of non-current assets	-	33
Settlement income	3,300	-
Total extraordinary income	3,300	33
Extraordinary losses		
Loss on disposal of non-current assets	13	143
Total extraordinary losses	13	143
<b>Profit before income taxes</b>	<b>239,573</b>	<b>322,355</b>
Total income taxes	67,733	91,906
<b>Profit</b>	<b>171,839</b>	<b>230,449</b>
Profit (loss) attributable to non-controlling interests	5	(2)
<b>Profit attributable to owners of parent</b>	<b>171,834</b>	<b>230,451</b>

## 5. Consolidated Statements of Comprehensive Income

million yen

Description	Six months ended September 30, 2021	Six months ended September 30, 2022
<b>Profit</b>	<b>171,839</b>	<b>230,449</b>
Other comprehensive income		
Valuation difference on available-for-sale securities	410	(1,635)
Foreign currency translation adjustment	2,358	86,781
Share of other comprehensive income of entities accounted for using equity method	1,887	9,199
Total other comprehensive income	4,656	94,345
<b>Comprehensive income</b>	<b>176,496</b>	<b>324,794</b>
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	176,491	324,797
Comprehensive income attributable to non-controlling interests	5	(2)

## 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 six months ended September 30, 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 six-month period ended September 30, 2022 multiplied by a reasonably estimated annual effective tax rate with the effects of deferred taxes reflected.

(Significant subsequent events)

(Stock split)

Based on the resolution at the meeting of the Board of Directors held on May 10, 2022, the Company enacted a stock split with an effective date of October 1, 2022.

(1) Purpose of the stock split

To reduce the minimum investment price through the stock split, thereby increasing the liquidity of the Company's shares and further expanding the Company's investor base.

(2) Overview of the stock split

1) Stock split method

The record date for the stock split was Friday, September 30, 2022. Each share of the Company's common stock held by shareholders who are registered or recorded in the final shareholder registry as of the record date has been split into 10 shares.

2) Increase in the number of shares as a result of the stock split

Number of shares outstanding prior to the stock split	129,869,000 shares
Increase in the number of shares as a result of the stock split	1,168,821,000 shares
Number of shares outstanding after the stock split	1,298,690,000 shares
Number of authorized shares after the stock split	4,000,000,000 shares

3) Stock split schedule

Date of public notice of the record date	Wednesday, September 14, 2022
Record date	Friday, September 30, 2022
Effective date	Saturday, October 1, 2022

(3) Impact on per share information

Impact on per share information is described in the relevant parts.

## 7. Others

## (1) Consolidated sales information

million yen

		Japan	The Americas	Europe	Other	Total
Six months ended September 30, 2022	Dedicated video game platform	148,499	272,857	148,801	61,254	631,412
	of which Nintendo Switch platform (*1)	141,826	267,277	146,846	60,193	616,143
	of which the others (*2)	6,673	5,579	1,954	1,061	15,269
	Mobile, IP related income, etc. (*3)	8,703	11,939	2,173	764	23,581
	Playing cards, etc.	1,165	814	-	0	1,979
Total		158,367	285,611	150,975	62,019	656,974

		Japan	The Americas	Europe	Other	Total
Six months ended September 30, 2021	Dedicated video game platform	125,475	259,814	148,349	63,826	597,465
	of which Nintendo Switch platform (*1)	119,226	254,403	145,904	62,273	581,808
	of which the others (*2)	6,248	5,410	2,444	1,553	15,657
	Mobile, IP related income, etc. (*3)	9,147	12,754	2,298	1,300	25,501
	Playing cards, etc.	898	406	-	1	1,306
Total		135,521	272,975	150,647	65,128	624,272

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

Six months ended September 30, 2022: 187.8 billion yen      Six months ended September 30, 2021: 144.2 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, 2021	Six months ended September 30, 2022	Year ending March 31, 2023 (Forecast)
Depreciation of property, plant and equipment		2,909	3,069	7,000
Research and development expenses		44,108	51,321	110,000
Advertising expenses		38,220	39,069	110,000
Average exchange rates	1 USD =	109.78 yen	133.93 yen	134.47 yen
	1 Euro =	130.83 yen	138.66 yen	136.84 yen

Consolidated net sales in U.S. dollars	2.4 billion	2.0 billion	-
Consolidated net sales in Euros	1.1 billion	1.0 billion	-
Non-consolidated purchases in U.S. dollars	3.1 billion	1.9 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 September 30, 2022		As of March 31, 2023
		Balance	Exchange rate	Balance	Exchange rate	Estimated exchange rate
USD	Cash and deposits	3,125		2,699		
	Accounts receivable-trade	828	1 USD=	713	1 USD=	1 USD=
	Accounts payable-trade	827	121.83 yen	602	144.61 yen	135.00 yen
Euro	Cash and deposits	381	1 Euro=	185	1 Euro=	1 Euro=
	Accounts receivable-trade	575	135.41 yen	668	141.70 yen	135.00 yen



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

		Sales Units in Ten Thousands			
		Actual		Number of New Titles Released	
		Actual	Actual	Life-to-date	Forecast
		Apr. '21-Sep. '21	Apr. '22-Sep. '22	Sep. '22	Apr. '22-Mar. '23
<b>Nintendo Switch</b>					
Hardware (Total)		Japan	203	173	2,696
		The Americas	304	256	4,459
		Europe	202	169	2,929
		Other	119	70	1,349
		Total	828	668	11,433
of which Nintendo Switch		Japan	158	44	1,922
		The Americas	215	91	3,299
		Europe	161	72	2,287
		Other	106	15	1,059
		Total	640	223	8,567
of which Nintendo Switch – OLED Model		Japan	-	114	274
		The Americas	-	112	307
		Europe	2	79	191
		Other	3	49	162
		Total	6	353	934
of which Nintendo Switch Lite		Japan	45	15	499
		The Americas	89	52	853
		Europe	39	18	451
		Other	10	6	129
		Total	182	92	1,932
Software		Japan	1,613	2,073	17,509
		The Americas	4,513	3,770	40,697
		Europe	2,563	2,846	26,639
		Other	700	853	6,915
		Total	9,389	9,541	91,759
New titles		Japan	152	151	1,327
		The Americas	199	252	1,659
		Europe	202	227	1,644

## [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 six months ended September 30, 2022, they do not include the quantity to be bundled with hardware on and after October 1, 2022.