



Financial Results Explanatory Material

3rd Quarter of Fiscal Year Ending March 2024

Nintendo Co., Ltd.

February 6, 2024

1. Consolidated Financial Results and Outlook

Consolidated Financial Highlights

| | FY23/Q1-Q3 | FY24/Q1-Q3 | Comparison |
|------------------------|----------------|-----------------------|------------|
| Net sales | 1,295.1 bn yen | 1,394.7 bn yen | +7.7 % |
| Operating profit | 410.5 bn yen | 464.4 bn yen | +13.1 % |
| Operating profit ratio | 31.7 % | 33.3 % | +1.6 pt. |
| Ordinary profit | 482.5 bn yen | 567.3 bn yen | +17.6 % |
| Net profit | 346.2 bn yen | 408.0 bn yen | +17.9 % |
| Net profit ratio | 26.7 % | 29.3 % | +2.6 pt. |

- Net profit: Profit attributable to owners of parent
- FY = Fiscal Year
FY24/Q1-Q3 indicates the period between April 1 and December 31, 2023.

Consolidated Sales

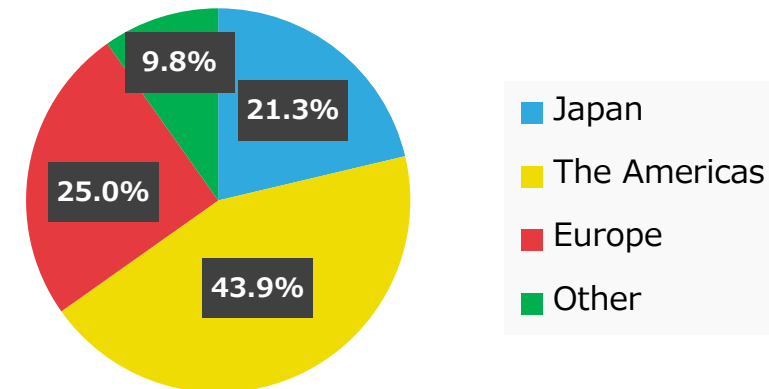
| | FY23/Q1-Q3 | FY24/Q1-Q3 | Comparison |
|-----------------------------------|----------------|-----------------------|------------|
| Net sales | 1,295.1 bn yen | 1,394.7 bn yen | +7.7 % |
| Dedicated video game platform*1 | 1,252.1 bn yen | 1,310.9 bn yen | +4.7 % |
| Mobile, IP related income, etc.*2 | 38.9 bn yen | 75.2 bn yen | +93.4 % |
| Playing cards, etc. | 4.1 bn yen | 8.5 bn yen | +108.8 % |

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

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

Effect of changes in foreign exchange rates on net sales: +66.0 billion yen

FY24/Q1-Q3 Regional Sales Ratio



Proportion of sales outside of Japan: 78.7%

Gross Profit

| | FY23/Q1-Q3 | FY24/Q1-Q3 | Comparison |
|--------------------------------------------|---------------------|----------------------------------------|-------------------------|
| Gross profit | 697.6 bn yen | 778.2 bn yen | +11.5 % |
| Gross profit ratio | 53.9 % | 55.8 % | +1.9 pt. |
| Main Variable Factors | | | |
| | FY23/Q1-Q3 | FY24/Q1-Q3 | Comparison |
| Proportion of hardware sales*1 | 46.2 % | 45.0 % | -1.2 pt. |
| Proportion of first-party software sales*2 | 79.4 % | 82.5 % | +3.1 pt. |
| Proportion of digital sales*2 | 46.0 % | 48.1 % | +2.1 pt. |
| Average exchange rate | 1 USD 136.39 yen | 143.22 yen 155.26 yen | +6.83 yen +14.79 yen |

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

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

Selling, General and Administrative Expenses / Operating Profit

| | FY23/Q1-Q3 | FY24/Q1-Q3 | Comparison |
|------------------------------|--------------|---------------------|------------|
| SG&A expenses | 287.1 bn yen | 313.8 bn yen | +9.3 % |
| SG&A expenses-to-sales ratio | 22.2 % | 22.5 % | +0.3 pt. |
| Operating profit | 410.5 bn yen | 464.4 bn yen | +13.1 % |
| Operating profit ratio | 31.7 % | 33.3 % | +1.6 pt. |

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

Effect of changes in foreign exchange rates on operating profit: approx. +13.0 billion yen

| | FY23/Q1-Q3 | FY24/Q1-Q3 | Comparison |
|-----------------------------------|-------------|--------------------|------------|
| Research and development expenses | 78.3 bn yen | 92.3 bn yen | +17.8 % |
| Advertising expenses | 76.3 bn yen | 83.7 bn yen | +9.8 % |

Ordinary Profit and Net Profit

| | FY23/Q1-Q3 | FY24/Q1-Q3 | Comparison |
|---------------------------------|--------------|---------------------|------------|
| Non-operating income | 72.9 bn yen | 103.2 bn yen | +41.6 % |
| included foreign exchange gains | 28.9 bn yen | 34.2 bn yen | +18.5 % |
| Non-operating expenses | 0.9 bn yen | 0.3 bn yen | -62.4 % |
| Ordinary profit | 482.5 bn yen | 567.3 bn yen | +17.6 % |
| Net profit | 346.2 bn yen | 408.0 bn yen | +17.9 % |
| Net profit ratio | 26.7 % | 29.3 % | +2.6 pt. |

• Net profit: Profit attributable to owners of parent

| Exchange rate | FY23 (3/31/2023) | FY24/Q3 (12/31/2023) | Comparison |
|---------------|---------------------|-------------------------|------------|
| 1 USD | 133.00 yen | 141.04 yen | +8.04 yen |
| 1 Euro | 144.67 yen | 155.72 yen | +11.05 yen |

FY24 Consolidated Financial Forecast

We have revised the consolidated earnings forecast (issued on November 7, 2023) on February 6, 2024.

| | Previous Forecast | Modified Forecast | Comparison |
|------------------|-------------------|-------------------|------------|
| Net sales | 1,580.0 bn yen | 1,630.0 bn yen | +3.2 % |
| Operating profit | 500.0 bn yen | 510.0 bn yen | +2.0 % |
| Ordinary profit | 600.0 bn yen | 620.0 bn yen | +3.3 % |
| Net profit | 420.0 bn yen | 440.0 bn yen | +4.8 % |

- Net profit: Profit attributable to owners of parent
- For FY24, the estimated exchange rate for USD remains 1USD = 140 yen, and the rate for Euros has been revised from 1 Euro = 150 yen to 155 yen.

| Nintendo Switch | Previous Forecast | Modified Forecast | Comparison |
|-----------------|-------------------|-------------------|------------|
| Hardware | 15.00 mil units | 15.50 mil units | +3.3 % |
| Software | 185.00 mil units | 190.00 mil units | +2.7 % |

- The revised FY24 software sales unit forecast includes bundled software for the nine months ended December 31, 2023 but does not take into account software bundled with hardware or other products on and after January 1, 2024. (The modified forecast announced on November 7, 2023 includes approximately 0.21 million units, and the modified forecast announced on February 6, 2024 includes approximately 2.80 million units of software bundled with hardware or other products.)

| Dividend | Previous Forecast | Modified Forecast | Comparison |
|----------|-------------------|-------------------|------------|
| Annual | 181 yen | 189 yen | +8 yen |

2. Business Highlights

Sales Status of Nintendo Switch (Sell-In)

| | FY23/Q1-Q3 | | FY24/Q1-Q3 | | Comparison |
|------------------------------|------------|-----------|------------|-----------|------------|
| Hardware | 14.91 | mil units | 13.74 | mil units | -7.8 % |
| Nintendo Switch | 5.22 | mil units | 3.40 | mil units | -34.9 % |
| Nintendo Switch – OLED Model | 7.69 | mil units | 8.17 | mil units | +6.2 % |
| Nintendo Switch Lite | 2.00 | mil units | 2.18 | mil units | +9.1 % |
| Software | 172.11 | mil units | 163.95 | mil units | -4.7 % |



The Legend of Zelda: Tears of the Kingdom

20.28 million units



Super Mario Bros. Wonder

11.96 million units



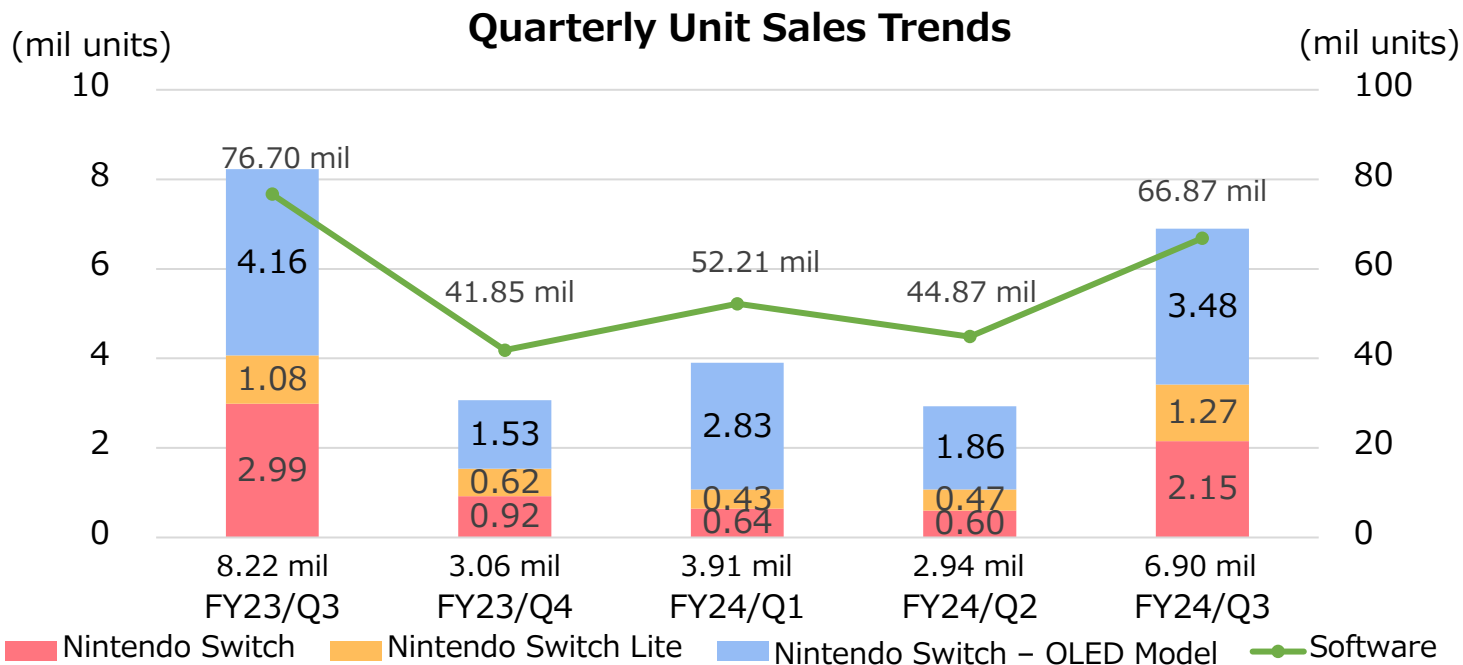
Mario Kart 8 Deluxe

6.79 million units



Pikmin 4

3.33 million units



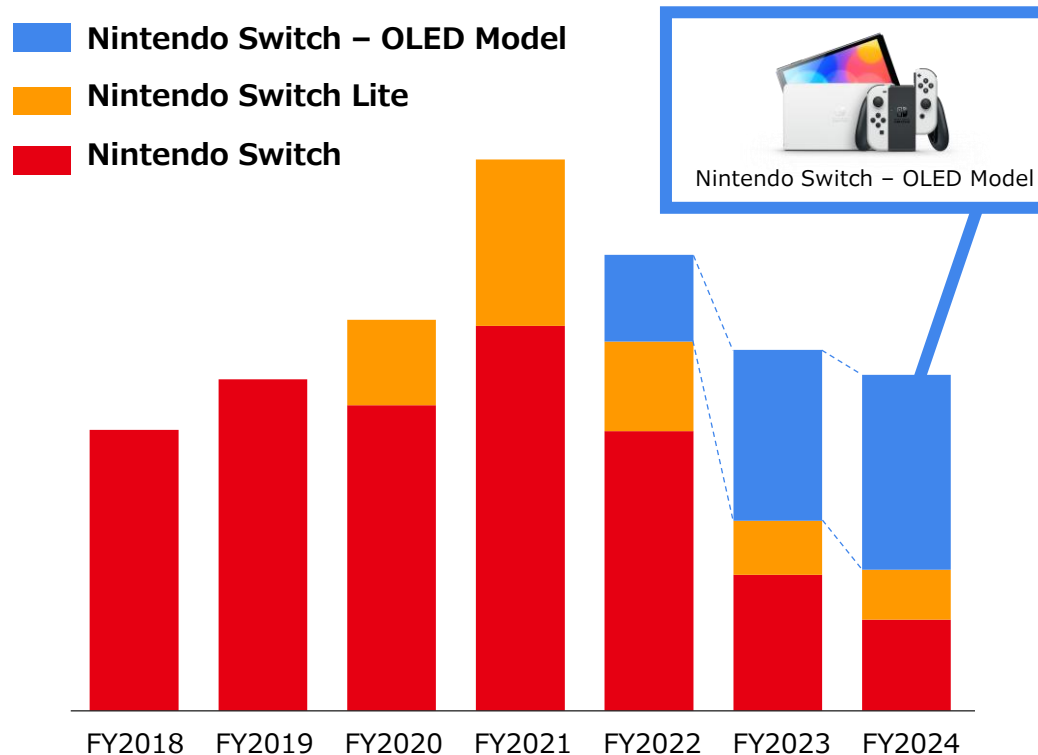
Number of Million-Seller Titles (FY24)

24 titles
(17 Nintendo titles and 7 titles by other software publishers)

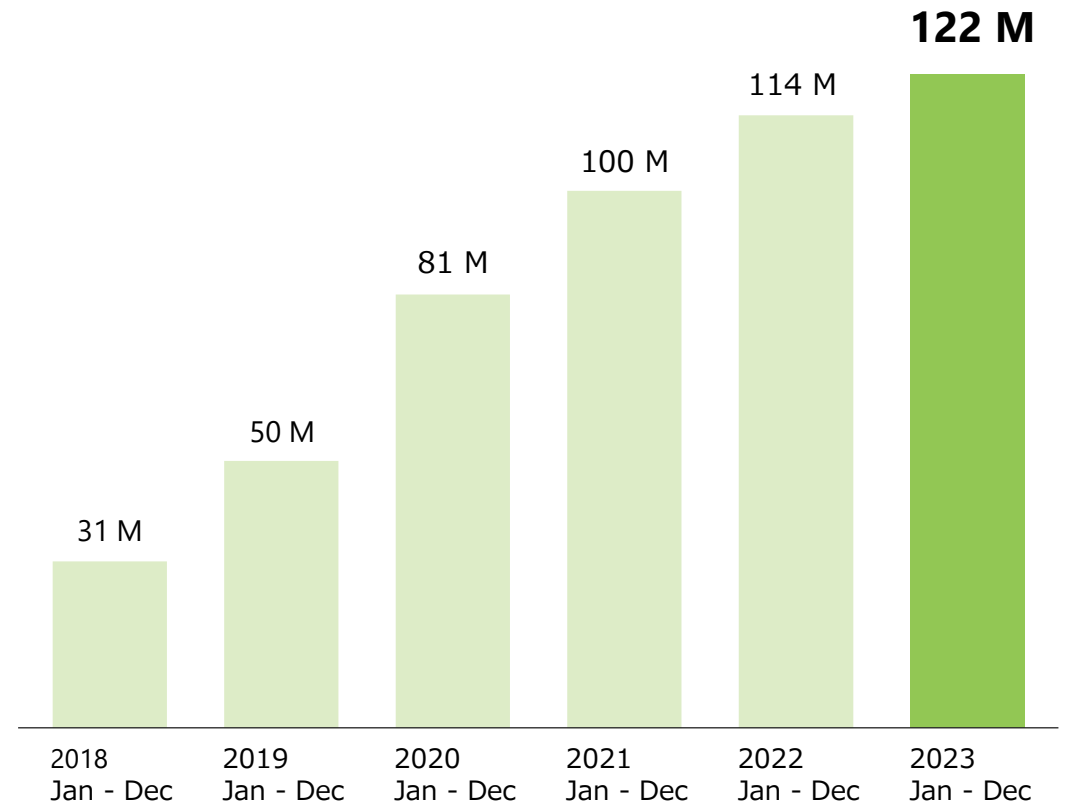
Nintendo Switch: Hardware Sell-through and Annual Playing Users

- This fiscal year is the seventh year since the launch of Nintendo Switch, but sell-through has remained steady and there are more annual playing users than ever before

Global Sell-Through (Total for April-December)



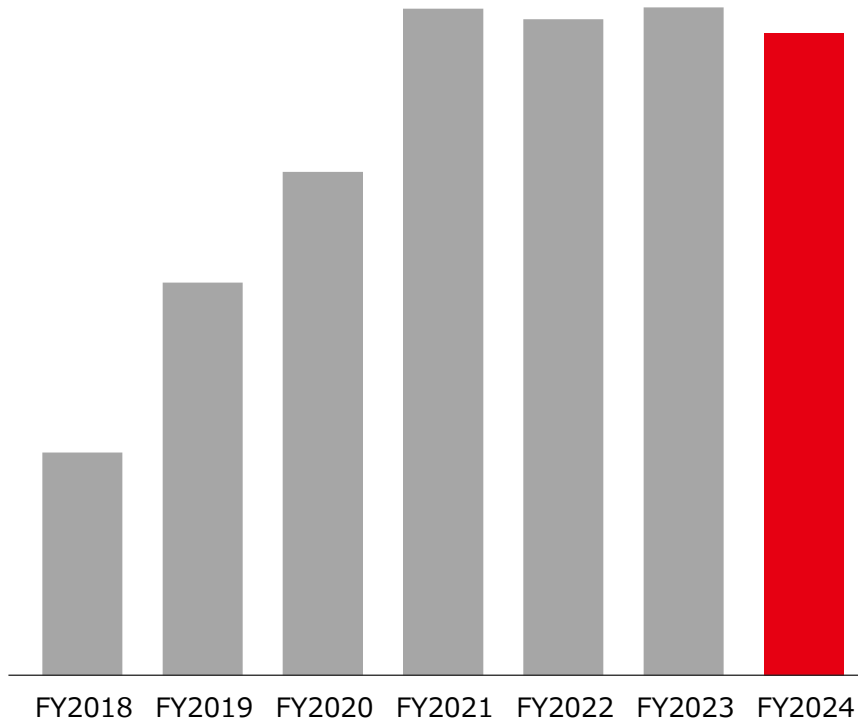
Annual Playing Users



Nintendo Switch First-Party Software Sell-Through

- Solid showing for both new and evergreen titles in an environment where many people continue to play Nintendo Switch
- Steady growth in sales for *Super Mario Bros. Wonder*, released in October 2023

First-Party Software Global Sell-Through
(April-December)



**Global sell-through of over
10.70 million units
(Released on October 20, 2023)**

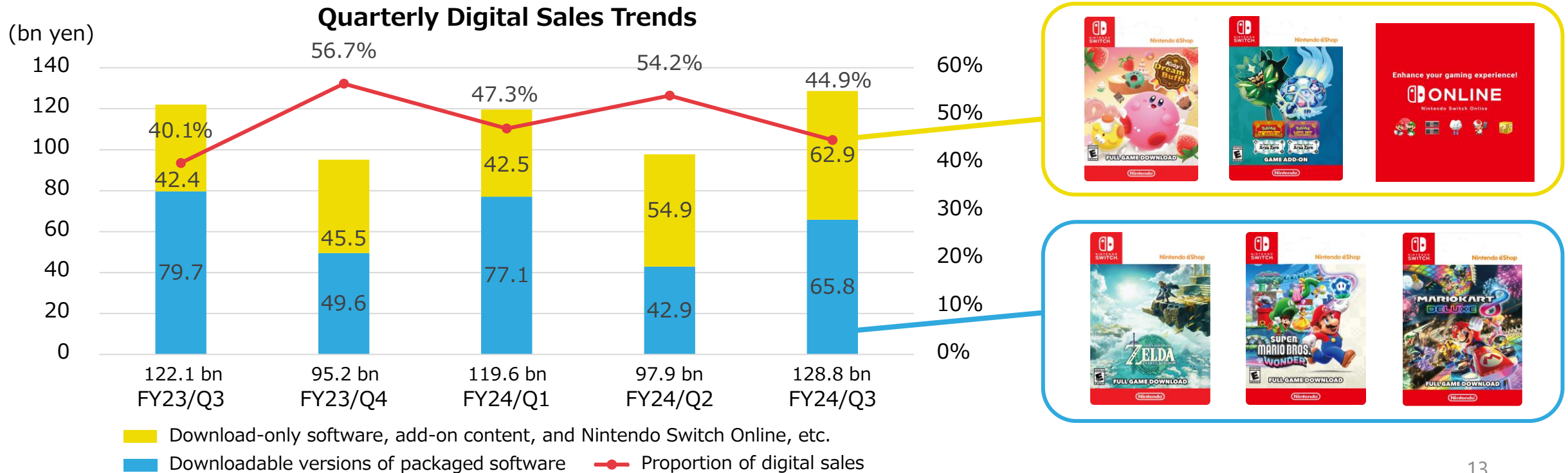
Nintendo estimates

Digital Sales

| | FY23/Q1-Q3 | FY24/Q1-Q3 | Comparison |
|-------------------------------|--------------|--------------|------------|
| Digital sales*1 | 310.0 bn yen | 346.4 bn yen | +11.7 % |
| Proportion of digital sales*2 | 46.0 % | 48.1 % | +2.1 pt. |

*1 Sales of downloadable versions of packaged software, download-only software, add-on content and Nintendo Switch Online, etc.

*2 Proportion to total dedicated video game platform software sales



First-Party Titles Releasing January-March 2024



January 19



February 16



March 22

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

Donkey Kong Country, an area that will expand SUPER NINTENDO WORLD, will open at Universal Studios Japan this spring



SUPER NINTENDO WORLD will open at the upcoming Universal Epic Universe in Orlando, Florida in 2025



Note: This is a concept for the area entrance.

3. Reference

Million-Seller Nintendo First-Party Titles

units in ten thousands

Nintendo Switch

| | FY24 (Apr. '23 ~ Dec. '23) | | | Life-to-date |
|-------------------------------------------|----------------------------|-------------|----------------|--------------|
| | Global | incl. Japan | incl. Overseas | Global |
| The Legend of Zelda: Tears of the Kingdom | 2,028 | 364 | 1,664 | 2,028 |
| Super Mario Bros. Wonder | 1,196 | 254 | 943 | 1,196 |
| Mario Kart 8 Deluxe | 679 | 77 | 603 | 6,058 |
| Pikmin 4 | 333 | 182 | 151 | 333 |
| Super Mario RPG | 314 | 84 | 230 | 314 |
| Nintendo Switch Sports | 288 | 28 | 260 | 1,248 |
| Animal Crossing: New Horizons | 258 | 49 | 209 | 4,479 |
| Super Smash Bros. Ultimate | 257 | 52 | 206 | 3,367 |
| Pokémon Scarlet/ Pokémon Violet | 226 | 69 | 156 | 2,436 |

| | FY24 (Apr. '23 ~ Dec. '23) | | | Life-to-date |
|-----------------------------------------|----------------------------|-------------|----------------|--------------|
| | Global | incl. Japan | incl. Overseas | Global |
| Mario Party Superstars | 214 | 34 | 180 | 1,231 |
| SUPER MARIO ODYSSEY | 190 | 20 | 170 | 2,765 |
| The Legend of Zelda: Breath of the Wild | 180 | 30 | 150 | 3,161 |
| Super Mario 3D World + Bowser's Fury | 179 | 15 | 164 | 1,317 |
| New Super Mario Bros. U Deluxe | 178 | 15 | 163 | 1,720 |
| Super Mario Party | 120 | 18 | 102 | 2,034 |
| Luigi's Mansion 3 | 115 | 14 | 102 | 1,398 |
| Splatoon 3 | 104 | 45 | 60 | 1,171 |

[Note] Software unit sales include the quantity bundled with hardware and other products, as well as downloadable versions.

Key Indicators

Proportion of Sales Outside of Japan

| FY24 | | | |
|-------|-------|-------|----|
| Q1 | Q2 | Q3 | Q4 |
| 80.0% | 76.0% | 79.2% | |
| 78.3% | | | |
| 78.7% | | | |
| | | | |

Proportion of Hardware Sales

| FY24 | | | |
|-------|-------|-------|----|
| Q1 | Q2 | Q3 | Q4 |
| 40.9% | 41.5% | 50.0% | |
| 41.1% | | | |
| 45.0% | | | |
| | | | |

Proportion of First-Party Software Sales

| FY24 | | | |
|-------|-------|-------|----|
| Q1 | Q2 | Q3 | Q4 |
| 88.8% | 72.1% | 82.6% | |
| 82.4% | | | |
| 82.5% | | | |
| | | | |

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

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

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

*Proportion of sales outside of Japan to total sales

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

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

Digital Sales Indicators

Digital Sales

(yen)

| FY24 | | | |
|----------|---------|----------|----|
| Q1 | Q2 | Q3 | Q4 |
| 119.6 bn | 97.9 bn | 128.8 bn | |
| 217.5 bn | | | |
| 346.4 bn | | | |
| | | | |

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

*Digital sales include (a) downloadable version of packaged software (the downloadable version of software that is offered both physically and digitally), (b) download-only software, (c) add-on content and (d) Nintendo Switch Online, etc.

Proportion of Digital Sales

| FY24 | | | |
|-------|-------|-------|----|
| Q1 | Q2 | Q3 | Q4 |
| 47.3% | 54.2% | 44.9% | |
| 50.2% | | | |
| 48.1% | | | |
| | | | |

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

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

Proportion of Downloadable Versions of Packaged Software Sales

| FY24 | | | |
|-------|-------|-------|----|
| Q1 | Q2 | Q3 | Q4 |
| 64.5% | 43.8% | 51.1% | |
| 55.2% | | | |
| 53.7% | | | |
| | | | |

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

*Proportion of downloadable versions of packaged software sales to total digital sales as indicated on the left: $a/(a+b+c+d)$

Launch Dates of Primary Nintendo Products by Region (April 2023~December 2023)

| Japan | | The United States | | Europe | |
|-------------------------------------------|-------------|-------------------------------------------|-------------|-------------------------------------------|-------------|
| Title | Launch Date | Title | Launch Date | Title | Launch Date |
| Nintendo Switch | | | | | |
| (Software) | | (Software) | | (Software) | |
| The Legend of Zelda: Tears of the Kingdom | 5/12/2023 | Advance Wars 1+2: Re-Boot Camp | 4/21/2023 | Advance Wars 1+2: Re-Boot Camp | 4/21/2023 |
| Pikmin 1 * | 6/22/2023 | The Legend of Zelda: Tears of the Kingdom | 5/12/2023 | The Legend of Zelda: Tears of the Kingdom | 5/12/2023 |
| Pikmin 2 * | 6/22/2023 | Pikmin 1 * | 6/21/2023 | Pikmin 1 * | 6/21/2023 |
| Pikmin 1+2 ** | 6/22/2023 | Pikmin 2 * | 6/21/2023 | Pikmin 2 * | 6/21/2023 |
| Everybody 1-2-Switch! | 6/30/2023 | Pikmin 1+2 ** | 6/21/2023 | Pikmin 1+2 ** | 6/21/2023 |
| Pikmin 4 | 7/21/2023 | Everybody 1-2-Switch! | 6/30/2023 | Everybody 1-2-Switch! | 6/30/2023 |
| Detective Pikachu Returns | 10/6/2023 | Pikmin 4 | 7/21/2023 | Pikmin 4 | 7/21/2023 |
| Super Mario Bros. Wonder | 10/20/2023 | Detective Pikachu Returns | 10/6/2023 | Detective Pikachu Returns | 10/6/2023 |
| WarioWare: Move It! | 11/3/2023 | Super Mario Bros. Wonder | 10/20/2023 | Super Mario Bros. Wonder | 10/20/2023 |
| Super Mario RPG | 11/17/2023 | WarioWare: Move It! | 11/3/2023 | WarioWare: Move It! | 11/3/2023 |
| | | Super Mario RPG | 11/17/2023 | Super Mario RPG | 11/17/2023 |

[Notes] Launch dates may differ within the United States and European regions depending on territories or countries.

*This title is available in downloadable format only.

**Release date of downloadable version. Packaged version released on September 22, 2023.

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

| Japan | | The United States | | Europe | |
|-------------------------------------|-------------|-------------------------------------|-------------|-------------------------------------|-------------|
| Title | Launch Date | Title | Launch Date | Title | Launch Date |
| Nintendo Switch | | | | | |
| (Software) | | (Software) | | (Software) | |
| Another Code: Recollection | 1/19/2024 | Another Code: Recollection | 1/19/2024 | Another Code: Recollection | 1/19/2024 |
| Mario vs. Donkey Kong | 2/16/2024 | Mario vs. Donkey Kong | 2/16/2024 | Mario vs. Donkey Kong | 2/16/2024 |
| Princess Peach: Showtime! | 3/22/2024 | Princess Peach: Showtime! | 3/22/2024 | Princess Peach: Showtime! | 3/22/2024 |
| Luigi's Mansion 2 HD | Summer 2024 | Luigi's Mansion 2 HD | Summer 2024 | Luigi's Mansion 2 HD | Summer 2024 |
| Paper Mario: The Thousand-Year Door | 2024 | Paper Mario: The Thousand-Year Door | 2024 | Paper Mario: The Thousand-Year Door | 2024 |
| Metroid Prime 4 (temp.) | TBA | Metroid Prime 4 (temp.) | TBA | Metroid Prime 4 (temp.) | TBA |

[Notes] Launch dates and titles etc. are subject to change.
 Launch dates may differ within the United States and European regions depending on territories or countries.

Upcoming Software Publishers' Title Lineup

Please refer to the URLs below for upcoming software publishers' titles.

Japan

<https://www.nintendo.co.jp/schedule/#switch>

The United States

<https://www.nintendo.com/store/games/coming-soon/#sort=df>

Europe

<https://www.nintendo.co.uk/Search/Search-299117.html?f=147394-14-73>

※In addition to software publishers' titles, other information, such as Nintendo titles, is also included in the URL above.

Supplementary Information on Our Website

[Earnings Releases, etc.](#)

- Earning Releases
- Timely Disclosure of Information, etc.

[Financial Highlights](#)

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

[Top Selling Title Sales Units](#)

- Top selling Nintendo software sales units on an accumulated basis

[Financial Results Announcement/IR Events](#)

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

[Dedicated Video Game Sales Units](#)

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

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

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

*Corresponding pages on our website can be accessed by clicking on the titles above.

*Financial Highlights will be updated **within 2 business days** of our financial announcement.