



MEMBERSHIP

May 7, 2014

CONSOLIDATED FINANCIAL STATEMENTS



Nintendo Co., Ltd.
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Minami-ku, Kyoto 601-8501
Japan

Consolidated Results for the Years Ended March 31, 2013 and 2014

(Amounts below one million are rounded down)

(1) Consolidated operating results

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2014	571,726	(10.0)	(46,425)	-	6,086	(41.9)	(23,222)	-
Year ended March 31, 2013	635,422	(1.9)	(36,410)	-	10,482	-	7,099	-

[Note] Percentages for net sales, operating income etc. show increase (decrease) from the last fiscal year.

	Net income per share	Return on equity	Ordinary income on total assets	Operating income to net sales
	yen	%	%	%
Year ended March 31, 2014	(183.59)	(2.0)	0.4	(8.1)
Year ended March 31, 2013	55.52	0.6	0.7	(5.7)

(2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2014	1,306,410	1,118,438	85.6	9,447.00
As of March 31, 2013	1,447,878	1,227,520	84.8	9,598.22

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents - ending
	million yen	million yen	million yen	million yen
Year ended March 31, 2014	(23,114)	(20,084)	(127,163)	341,266
Year ended March 31, 2013	(40,390)	89,104	(12,873)	469,395

Dividends

	Dividend per share			Dividends in total (annual)	Dividend payout ratio (consolidated basis)	Dividends on net assets (consolidated basis)
	End of 2nd quarter	Year-end	Annual			
	yen	yen	yen	million yen	%	%
Year ended Mar. 2013	0.00	100.00	100.00	12,787	180.1	1.1
Year ended Mar. 2014	0.00	100.00	100.00	11,837	-	1.1
Year ending Mar. 2015 (forecast)	-	-	120.00		71.0	

[Notes]

The end of 2nd quarter (interim) dividend per share for the fiscal year ending March 31, 2015, which is determined based on the policy listed on page 5, is undecided because the financial forecast for the six months ending September, 2014 won't be prepared.

The year-end dividend per share is calculated by subtracting the 2nd quarter dividend per share from the annual dividend.

Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2015

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending Mar. 2015	590,000	3.2	40,000	-	35,000	475.0	20,000	-	168.96

[Notes] Percentages for net sales, operating income etc. show increase (decrease) from previous period.

With respect to this forecast, please refer to pages 3-4 for the forward-looking conditions and other related matters.

Others

(1) Changes for important subsidiaries during the fiscal year ended March 31, 2014 : Not applicable

(2) Changes in accounting procedures:

- | | |
|--|------------------|
| 1) Related to accounting standard revisions etc. | : Applicable |
| 2) Other changes | : Not applicable |
| 3) Changes in accounting estimates | : Not applicable |
| 4) Modified restatements | : Not applicable |

[Notes] Detailed information is listed on page 13.

(3) Outstanding shares (common shares)

- | | | | | |
|---|--------------------|-----------------------------|--------------------|--|
| ① Number of shares outstanding (including treasury stock) | | | | |
| As of March 31, 2014 : | 141,669,000 shares | As of March 31, 2013 : | 141,669,000 shares | |
| ② Number of treasury stock | | | | |
| As of March 31, 2014 : | 23,294,719 shares | As of March 31, 2013 : | 13,792,295 shares | |
| ③ Average number of shares | | | | |
| Year ended March 31, 2014 : | 126,496,060 shares | Year ended March 31, 2013 : | 127,877,217 shares | |

(Reference) Non-consolidated Results

Non-consolidated Results for the Years Ended March 31, 2013 and 2014

(1) Non-consolidated operating results

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Year ended March 31, 2014	448,175	(26.3)	(14,776)	-	36,822	59.8	23,333	66.3
Year ended March 31, 2013	607,696	14.3	(35,859)	-	23,038	-	14,028	-

[Note] Percentages for net sales, operating income etc. show increase (decrease) from the last fiscal year.

	Net income per share
	yen
Year ended March 31, 2014	184.46
Year ended March 31, 2013	109.70

(2) Non-consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2014	985,250	849,973	86.3	7,180.39
As of March 31, 2013	1,120,462	948,870	84.7	7,420.20

[Notes]

1. This earnings release report is not subject to audit procedures based on the Financial Instruments and Exchange Act. At the time of disclosure of this report, the audit procedures for the financial statements are in progress.

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).

Operating Results

1. Analysis of Operations

(1) Fiscal year ended March 31, 2014

Nintendo Co., Ltd. (“the Company”) and its consolidated subsidiaries (together with the Company, “Nintendo”) continues to pursue its basic strategy of “Gaming Population Expansion” by offering compelling products that anyone can enjoy, regardless of age, gender or gaming experience.

During the fiscal year ended March 31, 2014, for “Nintendo 3DS (3DS, 3DS XL and 2DS),” “Pokémon X/Pokémon Y,” simultaneously released globally in October last year, marked 12.26 million units in sales, while “Animal Crossing: New Leaf,” released in Japan in the previous fiscal year and in June last year in the United States and Europe, marked 3.80 million units (7.66 million units on a cumulative basis) in sales. In addition, key first-party titles such as “Luigi’s Mansion: Dark Moon,” “The Legend of Zelda: A Link Between Worlds” and “Mario & Luigi: Dream Team” showed steady sales, with each title selling more than two million units. Moreover, there have also been hit titles from third-party publishers. As a result, the global sales of the “Nintendo 3DS” hardware and software reached 12.24 million and 67.89 million units respectively.

With respect to “Wii U,” while five key first-party titles, such as “Super Mario 3D World,” “New Super Mario Bros. U” and “New Super Luigi U” became million-seller titles, the “Wii U” business as a whole showed slow growth. The global sales of the “Wii U” hardware and software reached only 2.72 million and 18.86 million units respectively.

Regarding “Nintendo DS (DS, DS Lite, DSi and DSi XL),” the global sales of its hardware and software were 0.13 million and 10.29 million units respectively. Also, the sales of the “Wii” hardware and software were 1.22 million and 26.16 million units respectively.

Net sales as a result were 571.7 billion yen (of which overseas sales were 394.7 billion yen or 69.0% of the total sales). The “Wii U” hardware still has a negative impact on Nintendo’s profits owing mainly to its markdown in the United States and Europe, and unit sales of software, which has high profit margins, did not grow sufficiently, leading to a gross profit of 163.2 billion yen. Total selling, general and administrative expenses exceeded gross profit, resulting in an operating loss of 46.4 billion yen. Also, due to depreciation of the yen at the end of this period compared with the one at the end of the last fiscal year, exchange gains totaled 39.2 billion yen, leading to an ordinary income of 6.0 billion yen. On the other hand, mainly due to the balance of deferred tax assets reduced in relation to the losses carried over in the United States, there is a net loss of 23.2 billion yen.

(2) Outlook for fiscal year ending March 31, 2015

For “Nintendo 3DS,” its consolidated global hardware sales reached 43 million units, which represent a sufficient installed base upon which to expand software sales. In terms of software, “Mario Golf: World Tour” was released in May globally. Also, “Tomodachi Life,” a title that sold 1.85 million units on a cumulative basis in the Japanese market, in which players can enjoy watching over the carefree daily lives of the virtual characters (Miis) of themselves and those close to them, will be released in the United States and Europe in June. Also, “Super Smash Bros. for Nintendo 3DS” will be released globally in the upcoming summer. By continuing to provide key titles throughout the next fiscal year, too, Nintendo will strive to generate robust profits from the “Nintendo 3DS” platform business.

Regarding “Wii U,” which still faces a challenging sales situation, Nintendo will focus on efforts that seek to stimulate the platform. By providing software that takes advantage of the “Wii U GamePad,” utilizing its built-in functionality as an NFC reader/writer, and adding “Nintendo DS” Virtual Console titles to the “Wii U” software lineup, Nintendo will seek to enrich the value of the “Wii U GamePad,” the most important differentiator of “Wii U,” and as a result expand the sales of the “Wii U” platform. In terms of compatible software, by positioning “Mario Kart 8,” scheduled to be released globally in May, and “Super Smash Bros. for Wii U,” scheduled to be released this winter, as two main drivers, both of which are titles that a wide range of consumers can enjoy either alone or with other players, Nintendo will seek to supply high quality games on a continuous basis. Moreover, Nintendo will also strive to proactively pursue its digital distribution business through the “Nintendo eShop.”

Based on these efforts, we project for the fiscal year ending March 31, 2015 net sales of 590.0 billion yen, an operating income of 40.0 billion yen, an ordinary income of 35.0 billion yen and a net income of 20.0 billion yen. Unit sales of the major products used for the forecast are listed on page 15 under the heading of “(5) Consolidated sales units, number of new titles, and sales units forecast” in the “Others” section. Exchange rate assumptions for the major currencies used for the forecasts are 100 yen per U.S. dollar and 140 yen per euro.

[Note] Forecasts announced by the Company 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).

2. Financial Positions

(1) Situation of assets, liabilities, and net assets

Total assets decreased overall by 141.4 billion yen compared with the previous fiscal year-end to 1,306.4 billion yen mainly due to a decrease in short-term investment securities and inventories. Total liabilities decreased by 32.3 billion yen compared to the previous fiscal year-end to 187.9 billion yen mainly due to a decrease in notes and accounts payable-trade. Net assets decreased by 109.0 billion yen compared to the previous fiscal year-end to 1,118.4 billion yen mainly from the acquisition of treasury stock.

(2) Situation of cash flow

The ending balance of "Cash and cash equivalents" (collectively, "Cash") as of March 31, 2014 was 341.2 billion yen, with a decrease of 128.1 billion yen during the fiscal year. During the previous fiscal year, there was an increase of 62.2 billion yen. Net increase (decrease) of Cash and contributing factors during the fiscal year ended March 31, 2014 are as follows:

Net cash provided by (used in) operating activities:

While there were increasing factors from settlements of notes and accounts receivable-trade, due to a decrease of notes and accounts payable-trade, net cash resulted in a decrease of 23.1 billion yen compared to a decrease of 40.3 billion yen last year.

Net cash provided by (used in) investing activities:

Net cash from investing activities decreased by 20.0 billion yen compared to an increase of 89.1 billion yen last year mainly due to purchases of property, plant and equipment as well as intangible assets pertaining to the construction of the Development Center.

Net cash provided by (used in) financing activities:

Net cash from financing activities decreased by 127.1 billion yen compared to a decrease of 12.8 billion yen last year mainly due to the acquisition of treasury stock.

Cash flow index trend

	As of March 31, 2010	As of March 31, 2011	As of March 31, 2012	As of March 31, 2013	As of March 31, 2014
Capital adequacy ratio	75.9 %	78.4 %	87.0 %	84.8 %	85.6 %
Capital adequacy ratio at market value	227.3	175.8	116.3	89.3	111.1

[Notes] Capital adequacy ratio: The sum of total "Shareholders' equity" and total "Accumulated other comprehensive income" divided by total assets

Capital adequacy ratio at market value: Total market value of stocks divided by total assets

*Percentage figures are calculated on a consolidated basis.

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

3. Basic Policy of Profit Distribution and Dividends

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 changes in the business environment and intensified competition. As for direct profit returns to our shareholders, dividends are paid based on profit levels achieved in each fiscal period.

The annual dividend per share will be established at the higher of the amount calculated by dividing 33% of consolidated operating income by the total number of outstanding shares, excluding treasury stock, as of the end of the fiscal year rounded up to the 10 yen digit, and the amount calculated based on the 50% consolidated net income standard rounded up to the 10 yen digit.

The end of 2nd quarter (interim) dividend per share is calculated by dividing 33% of consolidated operating income by the total number of outstanding shares, excluding treasury stock, as of the end of the six-month period rounded up to the 10 yen digit.

According to this policy, there would be no annual dividend per share this fiscal year. However, on the basis of our dividends paid in the last two years, the annual dividend per share is 100 yen (no interim dividends, and an annual dividend of 100 yen per share).

If the actual consolidated financial results for the fiscal year ending March 31, 2015 are as projected in our forecasts, the annual dividend per share will be 120 yen. The end of 2nd quarter dividends are yet to be determined as there are no interim financial forecasts, but there are no changes to our dividend policy.

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

4. Management Policy

(1) Basic management policy

In the field of home entertainment, Nintendo strives to create new and unique forms of entertainment while maintaining a robust business structure.

Nintendo places the highest emphasis on providing consumers with innovative entertainment that has never been experienced.

(2) Targeted management index

In the home entertainment industry, it is essential to provide new and entertaining products consistently. Upon accomplishing this, Nintendo aims to improve its corporate value by sustaining robust growth and increasing profit. Because Nintendo deals with entertainment products, which by nature hold many uncertainties in terms of their product development, and operates in a market which involves intense competition, flexible business decisions are made without being constrained by any specific management index.

(3) Medium and long-term management strategy and challenges

In the belief that the true value of entertainment lies in individuality, Nintendo continues to provide unique products and services by positioning as its core management strategy the dedicated video game platform business of hardware and software integration, in which Nintendo can best leverage its strengths. In addition, by introducing Nintendo Network IDs and taking advantage of smart devices, for example, Nintendo strives to strengthen its efforts to build a long-term relationship with its consumers and expand the market of its own platforms.

Moreover, by redefining entertainment as something that improves people's QOL (Quality of Life) in enjoyable ways, Nintendo aims to deploy a new platform business that improves people's QOL in enjoyable ways in a new field that is different from that of dedicated video game systems. The first theme will be health, and Nintendo plans to capitalize on being an entertainment company in devising a unique approach of its own. In addition, Nintendo strives to utilize its abundance of character IP more actively, providing its IP with more exposure in places other than video games, while achieving a certain level of profit from its licensing business at the same time.

With its mission to pleasantly surprise consumers and put smiles on the faces of everyone it touches, Nintendo will continue to offer new and unique propositions and contribute to the development of the home entertainment industry.

Consolidated Balance Sheets

million yen

Description	As of March 31, 2013	As of March 31, 2014
(Assets)		
Current assets		
Cash and deposits	478,761	474,297
Notes and accounts receivable-trade	45,873	28,754
Short-term investment securities	424,540	320,918
Inventories	178,722	160,801
Deferred tax assets	31,693	17,637
Other	33,094	21,841
Allowance for doubtful accounts	(434)	(114)
Total current assets	1,192,250	1,024,136
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	26,351	26,340
Machinery, equipment and vehicles, net	8,054	1,620
Tools, furniture and fixtures, net	5,309	4,249
Land	42,001	42,859
Construction in progress	4,434	19,120
Total property, plant and equipment	86,152	94,190
Intangible assets		
Software	8,276	10,559
Other	2,586	1,908
Total intangible assets	10,863	12,467
Investments and other assets		
Investment securities	109,634	122,885
Deferred tax assets	37,690	34,214
Net defined benefit asset	-	4,746
Other	11,287	13,769
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	158,612	175,616
Total noncurrent assets	255,628	282,274
Total assets	1,447,878	1,306,410

million yen

Description	As of March 31, 2013	As of March 31, 2014
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	107,045	47,665
Income taxes payable	3,563	14,803
Provision for bonuses	2,131	2,183
Other	81,735	90,999
Total current liabilities	194,475	155,652
Noncurrent liabilities		
Provision for retirement benefits	16,593	-
Net defined benefit liability	-	18,558
Other	9,288	13,760
Total noncurrent liabilities	25,882	32,318
Total liabilities	220,358	187,971
(Net assets)		
Shareholders' equity		
Capital stock	10,065	10,065
Capital surplus	11,734	11,734
Retained earnings	1,414,095	1,378,085
Treasury stock	(156,692)	(270,958)
Total shareholders' equity	1,279,203	1,128,927
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,599	13,628
Foreign currency translation adjustment	(60,414)	(24,274)
Total accumulated other comprehensive income	(51,815)	(10,645)
Minority interests	131	157
Total net assets	1,227,520	1,118,438
Total liabilities and net assets	1,447,878	1,306,410

Consolidated Statements of Income

million yen

Description	Year ended March 31, 2013	Year ended March 31, 2014
Net sales	635,422	571,726
Cost of sales	495,068	408,506
Gross profit	140,354	163,219
Selling, general and administrative expenses	176,764	209,645
Operating income (loss)	(36,410)	(46,425)
Non-operating income		
Interest income	5,523	5,279
Foreign exchange gains	39,506	39,287
Other	3,455	8,570
Total non-operating income	48,485	53,136
Non-operating expenses		
Sales discounts	555	440
Loss on redemption of securities	505	-
Loss on redemption of investment securities	319	-
Other	212	184
Total non-operating expenses	1,592	624
Ordinary income	10,482	6,086
Extraordinary income		
Gain on sales of noncurrent assets	10	3,502
Reversal of loss on litigation	-	1,420
Refund of income taxes for prior periods	2,947	-
Total extraordinary income	2,957	4,922
Extraordinary loss		
Loss on disposal of noncurrent assets	22	79
Soil removal expenses	380	-
Loss on litigation	2,840	-
Total extraordinary loss	3,243	79
Income before income taxes and minority interests	10,197	10,929
Income taxes-current	(215)	16,781
Income taxes-deferred	3,244	17,350
Total income taxes	3,029	34,132
Income (loss) before minority interests	7,168	(23,202)
Minority interests in income	68	20
Net income (loss)	7,099	(23,222)

Consolidated Statements of Comprehensive Income

million yen

Description	Year ended March 31, 2013	Year ended March 31, 2014
Income (loss) before minority interests	7,168	(23,202)
Other comprehensive income		
Valuation difference on available-for-sale securities	6,993	4,833
Foreign currency translation adjustment	35,111	36,145
Share of other comprehensive income of associates accounted for using equity method	34	196
Total other comprehensive income	42,139	41,174
Comprehensive income	49,307	17,971
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	49,242	17,946
Comprehensive income attributable to minority interests	65	25

Consolidated Statements of Changes in Net Assets

Year ended March 31, 2013 (April 1, 2012 - March 31, 2013)

million yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2012	10,065	11,734	1,419,784	(156,682)	1,284,901
Changes of items during the period					
Dividends from surplus	-	-	(12,787)	-	(12,787)
Net income	-	-	7,099	-	7,099
Purchase of treasury stock	-	-	-	(10)	(10)
Disposal of treasury stock	-	(0)	-	0	0
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes of items during the period	-	(0)	(5,688)	(9)	(5,697)
Balance as of March 31, 2013	10,065	11,734	1,414,095	(156,692)	1,279,203

million yen

	Accumulated other comprehensive income			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance as of April 1, 2012	1,570	(95,528)	(93,957)	81	1,191,025
Changes of items during the period					
Dividends from surplus	-	-	-	-	(12,787)
Net income	-	-	-	-	7,099
Purchase of treasury stock	-	-	-	-	(10)
Disposal of treasury stock	-	-	-	-	0
Net changes of items other than shareholders' equity	7,028	35,113	42,142	50	42,192
Total changes of items during the period	7,028	35,113	42,142	50	36,495
Balance as of March 31, 2013	8,599	(60,414)	(51,815)	131	1,227,520

Consolidated Statements of Changes in Net Assets

Year ended March 31, 2014 (April 1, 2013 - March 31, 2014)

million yen

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2013	10,065	11,734	1,414,095	(156,692)	1,279,203
Changes of items during the period					
Dividends from surplus	-	-	(12,787)	-	(12,787)
Net income (loss)	-	-	(23,222)	-	(23,222)
Purchase of treasury stock	-	-	-	(114,266)	(114,266)
Disposal of treasury stock	-	0	-	0	0
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes of items during the period	-	0	(36,010)	(114,266)	(150,276)
Balance as of March 31, 2014	10,065	11,734	1,378,085	(270,958)	1,128,927

million yen

	Accumulated other comprehensive income			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance as of April 1, 2013	8,599	(60,414)	(51,815)	131	1,227,520
Changes of items during the period					
Dividends from surplus	-	-	-	-	(12,787)
Net income (loss)	-	-	-	-	(23,222)
Purchase of treasury stock	-	-	-	-	(114,266)
Disposal of treasury stock	-	-	-	-	0
Net changes of items other than shareholders' equity	5,029	36,140	41,169	25	41,194
Total changes of items during the period	5,029	36,140	41,169	25	(109,081)
Balance as of March 31, 2014	13,628	(24,274)	(10,645)	157	1,118,438

Consolidated Statements of Cash Flows

million yen

Description	Year Ended March 31, 2013	Year Ended March 31, 2014
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	10,197	10,929
Depreciation and amortization	12,637	9,918
Increase (decrease) in allowance for doubtful accounts	(1,718)	(358)
Increase (decrease) in provision for retirement benefits	574	-
Increase (decrease) in net defined benefit liability	-	734
Interest and dividends income	(5,757)	(5,575)
Foreign exchange losses (gains)	(29,825)	(41,943)
Equity in (earnings) losses of affiliates	(420)	(2,627)
Decrease (increase) in notes and accounts receivable-trade	1,691	20,374
Decrease (increase) in inventories	(83,608)	35,529
Increase (decrease) in notes and accounts payable-trade	20,738	(56,940)
Increase (decrease) in accrued consumption taxes	(465)	174
Other, net	7,106	78
Sub-total	(68,850)	(29,708)
Interest and dividends income received	6,556	6,923
Interest expenses paid	(2)	(0)
Income taxes (paid) refund	21,906	(329)
Net cash provided by (used in) operating activities	(40,390)	(23,114)
Net cash provided by (used in) investing activities		
Payments into time deposits	(165,056)	(210,503)
Proceeds from withdrawal of time deposits	186,142	50,250
Purchase of property, plant and equipment and intangible assets	(9,488)	(19,540)
Proceeds from sales of property, plant and equipment and intangible assets	65	6,530
Purchase of short-term and long term investment securities	(1,730,716)	(1,071,026)
Proceeds from sales and redemption of short-term and long term investment securities	1,809,615	1,224,457
Other, net	(1,457)	(252)
Net cash provided by (used in) investing activities	89,104	(20,084)
Net cash provided by (used in) financing activities		
Cash dividends paid	(12,801)	(12,802)
Purchase of treasury stock	(10)	(114,266)
Other, net	(61)	(93)
Net cash provided by (used in) financing activities	(12,873)	(127,163)
Effect of exchange rate change on cash and cash equivalents	26,368	42,233
Net increase (decrease) in cash and cash equivalents	62,208	(128,128)
Cash and cash equivalents at beginning of period	407,186	469,395
Cash and cash equivalents at end of period	469,395	341,266

Notes Pertaining to Consolidated Financial Statements

Changes in accounting procedures

Application of accounting principles for retirement benefits

Effective beginning at the end of the current consolidated fiscal year, Nintendo is applying the Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan (ASBJ) Statement No.26, issued on May 17, 2012) and Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No.25, issued on May 17, 2012)(subject to provisions stated in Clause 35 of the Accounting Standard for Retirement Benefits and Clause 67 of the Guidance on Accounting Standard for Retirement Benefits).

The Company has adopted the method of deducting the amount of pension assets from the retirement benefit obligation and reporting it as net defined benefit liability or net defined benefit asset. As a result, the company accounted 18,558 million yen in net defined benefit liability, and 4,746 million yen in net defined benefit asset. This change did not affect the accumulated other comprehensive income at the end of the current consolidated fiscal year.

Additional Information

Following the promulgation on March 31, 2014 of "Act for Partial Amendment of the Income Tax Act, etc."(Act No. 10 of 2014), the Company is no longer subject to Special Reconstruction Corporation Tax for the consolidated fiscal year starting on or after April 1, 2014.

Following the act, the effective statutory tax rate used to measure deferred tax assets and liabilities was changed from 37.9% to 35.5% for temporary differences expected to be eliminated in the fiscal year beginning on April 1, 2014. As a result, deferred tax assets after offsetting deferred tax liabilities decreased by 2,065 million yen and valuation difference on available-for-sale securities increased by 120 million yen. Income taxes-deferred increased by 2,185 million yen.

Notes pertaining to consolidated balance sheets and statements of cash flows

(Consolidated balance sheets information)	million yen	million yen
	As of March 31, 2013	As of March 31, 2014
Accumulated depreciation	67,835	63,136

(Consolidated statements of cash flows information)

"Cash and cash equivalents at end of period" were reconciled to "Cash and deposits" in the accompanying consolidated balance sheets as of March 31, 2013 and 2014 as follows:

	million yen	million yen
	Year ended March 31, 2013	Year ended March 31, 2014
Cash and deposits	478,761	474,297
Time deposits with maturities of more than three months	(42,826)	(202,488)
Short-term investments with an original maturity of three months or less	33,460	69,458
Cash and cash equivalents	469,395	341,266

Others

(1) Consolidated sales information million yen

Category		Year ended March 31, 2013	Year ended March 31, 2014
Electronic entertainment products	Hardware		
	Handheld	227,224	201,767
	Home console	136,852	89,569
	Others	32,270	24,688
	Hardware total	396,347	316,026
	Software		
	Handheld	144,588	167,268
	Home console	77,156	64,788
Content income, etc.	15,793	21,768	
Software total	237,539	253,826	
Electronic entertainment products total	633,887	569,852	
Other	Playing cards, Karuta, etc.	1,535	1,874
Total		635,422	571,726

[Note] Download sales

Year ended March 31, 2013: 16.4 billion yen

Year ended March 31, 2014: 24.0 billion yen

(2) Geographical sales breakdown million yen

		Japan	The Americas	Europe	Other	Total
Year ended March 31, 2014	Net Sales	176,957	219,606	158,562	16,599	571,726
	Component ratio	31.0%	38.4%	27.7%	2.9%	100.0%
Year ended March 31, 2013	Net Sales	208,944	236,665	169,887	19,925	635,422
	Component ratio	32.9%	37.2%	26.7%	3.2%	100.0%

(3) Other consolidated information million yen

	Year ended March 31, 2013	Year ended March 31, 2014	Year ending March 31, 2015 (Forecast)
Capital investments	15,429	38,529	10,000
Depreciation of property, plant and equipment	11,093	8,116	7,000
Research and development expenses	53,483	71,736	57,000
Advertising expenses	61,104	70,264	62,000
Number of employees (at year-end)	5,080	5,222	-
Average exchange rates			
1 USD =	83.10 yen	100.24 yen	100.00 yen
1 Euro =	107.14 yen	134.37 yen	140.00 yen

Consolidated net sales in U.S. dollars	2.6 billion	1.9 billion	-
Consolidated net sales in Euros	1.5 billion	1.1 billion	-
Non-consolidated purchases in U.S. dollars	3.7 billion	1.7 billion	-

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

million U.S. dollars/euros

		As of March 31, 2013		As of March 31, 2014		As of March 31, 2015
		Balance	Exchange rate	Balance	Exchange rate	Estimated exchange rate
USD	Cash and deposits	2,549		2,341		
	Accounts receivable-trade	477	1 USD=	82	1 USD=	1 USD=
	Accounts payable-trade	374	94.05 yen	105	102.92 yen	100.00 yen
Euro	Cash and deposits	488	1 Euro=	532	1 Euro=	1 Euro=
	Accounts receivable-trade	316	120.73 yen	99	141.65 yen	140.00 yen

(5) 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. '12-Mar. '13	Apr. '13-Mar. '14	Mar. '14	Apr. '14-Mar. '15	
Nintendo DS	Hardware	Japan	1	(0)	3,299		
		The Americas	211	7	5,993		
		Other	23	6	6,107		
		Total	235	13	15,399	-	
	Software	Japan	506	111	21,309		
		The Americas	1,763	538	39,677		
		Other	1,068	381	33,412		
		Total	3,338	1,029	94,398	-	
	New titles	Japan	17	-	1,845		
		The Americas	47	16	1,734		
Other		74	38	2,128			
Nintendo 3DS	Hardware	Japan	569	435	1,589		
		The Americas	427	433	1,458		
		Other	400	356	1,285		
		Total	1,395	1,224	4,333	1,200	
	of which Nintendo 3DS XL	Hardware	Japan	314	312	625	
			The Americas	214	259	473	
			Other	250	217	467	
			Total	778	787	1,565	
	of which Nintendo 2DS	Hardware	Japan	-	-	-	
			The Americas	-	114	114	
			Other	-	106	106	
			Total	-	220	220	
	Software	Japan	2,116	2,677	6,124		
		The Americas	1,617	2,273	5,548		
		Other	1,228	1,839	4,620		
		Total	4,961	6,789	16,292	6,700	
New titles	Japan	97	129	339			
	The Americas	77	89	272			
	Other	84	109	302			
Wii	Hardware	Japan	26	4	1,275		
		The Americas	205	71	4,846		
		Other	168	48	3,985		
		Total	398	122	10,106	50	
	Software	Japan	432	128	7,511		
		The Americas	2,713	1,365	49,097		
		Other	1,915	1,124	32,914		
		Total	5,061	2,616	89,522	900	
	New titles	Japan	11	3	461		
		The Americas	47	24	1,246		
Other		56	29	1,242			
Wii U	Hardware	Japan	92	89	181		
		The Americas	152	129	281		
		Other	101	55	156		
		Total	345	272	617	360	
	Software	Japan	173	389	562		
		The Americas	728	970	1,698		
		Other	440	527	967		
		Total	1,342	1,886	3,228	2,000	
	New titles	Japan	20	30	50		
		The Americas	44	50	94		
Other		37	47	84			

[Notes]

- 1 Nintendo DS means Nintendo DS, Nintendo DS Lite, Nintendo DSi and Nintendo DSi XL.
- 2 Software sales units and the number of new titles for Nintendo DS do not include those of Nintendo DSiWare.
- 3 Software sales units and the number of new titles for Nintendo 3DS are those of Nintendo 3DS card software (packaged and downloadable versions).
- 4 Software sales units and the number of new titles for Wii do not include those of Virtual Console and WiiWare.
- 5 Software sales units and the number of new titles for Wii U are those of Wii U disc software (packaged and downloadable versions).
- 6 Actual software sales units of each platform include the quantity bundled with hardware.
- 7 Forecasted software sales units do not include the quantity bundled with hardware.

Notice Regarding Changes of Officers

(1) Anticipated New Director

Director Naoki Mizutani
(Current: Outside Auditor)
(Current: Director, Mizutani Law and Patent Office)
(Current: Visiting Professor, Graduate School of the Tokyo Institute of Technology)

* Mr. Naoki Mizutani is a candidate for Outside Director.

* To be effective after receiving approval at the 74th Annual General Meeting of Shareholders that the company is planning to hold on June 27, 2014. If approved, Mr. Naoki Mizutani shall resign from the office of Auditor as of the adjournment of the General Meeting of Shareholders.

(2) Retiring Director

Kaoru Takemura, Director
(Current: General Manager of Personnel Division)

* To be effective upon expiration of his term of office on June 27, 2014.