

CONSOLIDATED FINANCIAL HIGHLIGHTS



July 28, 2005



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Japan

Consolidated results for the three months ended June 2004 and 2005, and year ended March 31, 2005

(1) Consolidated operating results

(Amounts below one million are rounded down)

	Net Sales		Operating Income		Income before Income Taxes and Extraordinary Items		Net Income	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended Jun. 30, '05	70,684	(14.0)	3,754	(78.5)	21,386	(41.4)	14,115	(37.6)
Three months ended Jun. 30, '04	82,153	(2.0)	17,467	141.1	36,505	106.1	22,635	97.7
Year ended Mar. 31, '05	515,292		111,522		145,292		87,416	

	Net Income per Share	
	yen	
Three months ended Jun. 30, '05	108.52	
Three months ended Jun. 30, '04	169.32	
Year ended Mar. 31, '05	662.96	

[Note] Percentage for net sales, operating income etc. show increase (decrease) from previous year's first quarter.

During the three months ended June 30, 2005, two key Nintendo DS titles in the electronic entertainment products division, "Nintendogs" and "Noh o Kitaeru Otona no DS Training (DS Training for Adults: Work Your Brain)", were launched in Japan and gained wide popularity. Both provide a new game play experience unlike any previous or existing video game. Nintendo DS hardware sales in Japan were driven by these strong titles and by reaching broader demographics including new comers such as women and seniors. As for overseas markets, Game Boy Advance SP hardware continued to sell steadily and the software title "Pokémon Emerald", which is a new version of "Pokémon Ruby/Sapphire", was launched in the United States. Combined sales of "Pokémon Emerald" in Japan and the United States exceeded 1.2 million units during the current first quarter alone.

As for console-type game products, unit sales of both hardware and software declined compared to last year's first quarter.

As a result, net sales decreased by 11.4 billion yen compared to last year's first quarter, to 70.6 billion yen.

Operating income was 3.7 billion yen due to factors such as a higher mix of the less profitable hardware sales, driven by the launch of Nintendo DS at the end of last calendar year, and an increase in research and development costs in comparison with last year's first quarter.

*Please note that the business of the company is affected by seasonal fluctuations. The first quarter is a period where demand is relatively low. In addition, the existence of high quality software is another factor which affects overall operating performance.

(2) Consolidated financial position

	Total Assets	Shareholders' Equity	Ratio of Net Worth to Total Assets	Shareholders' Equity per Share
	million yen	million yen	%	yen
Three months ended Jun. 30, '05	1,047,917	911,286	87.0	7,005.76
Three months ended Jun. 30, '04	1,037,956	907,967	87.5	6,791.92
Year ended Mar. 31, '05	1,132,492	921,466	81.4	7,082.68

【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
Three months ended Jun. 30, '05	(66,600)	(13,356)	(23,200)	703,496
Three months ended Jun. 30, '04	41	(10,895)	(8,362)	717,043
Year ended Mar. 31, '05	116,571	(11,716)	(61,447)	792,727

During the three months ended June 30, 2005, total assets decreased by 84.5 billion yen compared to the previous fiscal year-end mainly due to the decrease in cash and deposits resulting from payment of income taxes, and notes and trade accounts payable.

As for consolidated cash flows, net cash used in operating activities decreased by 66.6 billion yen due to factors such as a decrease in notes and trade accounts payable, and an increase in income taxes paid. Net cash used in investing activities decreased by 13.3 billion yen primarily due to the increase of the payment for *gensaki* transactions. Net cash used in financing activities decreased by 23.2 billion yen mainly due to the payment of a cash dividend. As a result, net cash and cash equivalents during the three month period ended June 30, 2005 decreased by 89.2 billion yen compared to the amount at the end of the previous accounting period.

[Reference]

Forecast for the fiscal year ending March 2006 (April 1, 2005 - March 31, 2006)

Presently, no modification will be made to semi-annual nor annual financial forecasts for the fiscal year ending March 31, 2006 announced on May 26, 2005. Therefore, such information is omitted from this release.

1. Summary of Consolidated Balance Sheets

(Yen in Millions, %)

Description	As of June 30, 2005	As of March 31, 2005	Increase (Decrease)		As of June 30, 2004
	Amount	Amount	Amount	%	Amount
(Assets)					
I Current assets					
Cash and deposits	742,917	826,653	(83,735)		767,097
Notes and trade accounts receivable	32,156	51,143	(18,986)		35,143
Inventories	63,286	49,758	13,527		33,533
Other current assets	75,150	68,216	6,934		70,966
Allowance for doubtful accounts	(1,838)	(1,880)	41		(1,929)
Total current assets	911,671	993,891	(82,219)	(8.3)	904,811
II Fixed assets					
Total fixed assets	136,245	138,600	(2,354)	(1.7)	133,144
Total	1,047,917	1,132,492	(84,574)	(7.5)	1,037,956
(Liabilities)					
I Current liabilities					
Notes and trade accounts payable	76,781	111,045	(34,264)		56,015
Accrued income taxes	13,400	51,951	(38,550)		23,160
Other current liabilities	42,205	42,452	(246)		43,998
Total current liabilities	132,388	205,449	(73,061)	(35.6)	123,174
II Non-current liabilities					
Total non-current liabilities	4,031	5,353	(1,321)	(24.7)	6,604
Total liabilities	136,420	210,802	(74,382)	(35.3)	129,779
(Minority interests)					
Minority interests	211	222	(10)	(4.8)	209
(Shareholders' equity)					
Common stock	10,065	10,065	-	-	10,065
Additional paid-in capital	11,584	11,584	-	-	11,584
Retained earnings	1,020,765	1,032,834	(12,069)	(1.2)	977,632
Unrealized gains on other securities	7,293	7,194	98	1.4	8,378
Translation adjustments	(8,516)	(10,315)	1,799	(17.4)	(12,784)
Treasury stock, at cost	(129,906)	(129,896)	(9)	0.0	(86,909)
Total shareholders' equity	911,286	921,466	(10,180)	(1.1)	907,967
Total	1,047,917	1,132,492	(84,574)	(7.5)	1,037,956

2. Summary of Consolidated Statements of Income

(Yen in Millions, %)

Description	Three Months Ended June 30, 2005	Three Months Ended June 30, 2004	Increase (Decrease)		Year Ended March 31, 2005
	Amount	Amount	Amount	%	Amount
I Net sales	70,684	82,153	(11,468)	(14.0)	515,292
II Cost of sales	41,842	42,239	(397)		298,115
Gross margin	28,842	39,913	(11,071)	(27.7)	217,176
III Selling, general and administrative expenses	25,087	22,446	2,641		105,653
Operating income	3,754	17,467	(13,712)	(78.5)	111,522
IV Other income	17,724	19,084	(1,360)		37,868
Foreign exchange gain	11,405	16,232	(4,826)		21,848
Other	6,318	2,852	3,465		16,020
V Other expenses	92	45	46		4,098
Income before income taxes and extraordinary items	21,386	36,505	(15,119)	(41.4)	145,292
VI Extraordinary income	1,978	1,297	681		1,735
VII Extraordinary loss	1	309	(308)		1,625
Income before income taxes and minority interests	23,363	37,494	(14,130)	(37.7)	145,402
Income taxes	9,258	14,881	(5,622)		57,962
Minority interests	(10)	(22)	11		24
Net income	14,115	22,635	(8,519)	(37.6)	87,416

3. Summary of Consolidated Statements of Cash Flows

(Yen in Millions)

	Three Months Ended June 30, 2005	Three Months Ended June 30, 2004	Year Ended March 31, 2005
Description	Amount	Amount	Amount
I Cash flows from operating activities			
Income before income taxes and minority interests	23,363	37,494	145,402
Foreign exchange loss (gain)	(14,541)	(16,231)	(27,570)
Decrease (increase) in notes and trade accounts receivable	18,568	(5,786)	(21,062)
Decrease (increase) in inventories	(12,916)	(2,222)	(17,734)
Increase (decrease) in notes and trade accounts payable	(32,064)	(6,393)	48,687
Other, net	(10,596)	(4,597)	(11,199)
Sub-total	(28,186)	2,262	116,523
Income taxes paid	(44,165)	(4,526)	(13,485)
Other, net	5,750	2,305	13,533
Net cash provided by (used in) operating activities	(66,600)	41	116,571
II Cash flows from investing activities			
Proceeds from (payment for) time deposits	(1,272)	(1,696)	8,143
Proceeds from sale (payment for acquisition) of marketable securities	724	2,499	8,403
Proceeds from (payment for) investments in securities	(1,075)	(11,804)	(22,187)
Proceeds from collections (payment for lending) of loans	(10,326)	514	2,632
Other, net	(1,406)	(407)	(8,708)
Net cash provided by (used in) investing activities	(13,356)	(10,895)	(11,716)
III Cash flows from financing activities			
Cash dividends paid	(23,190)	(8,352)	(18,455)
Other, net	(10)	(10)	(42,992)
Net cash provided by (used in) financing activities	(23,200)	(8,362)	(61,447)
IV Effect of exchange rate changes on cash and cash equivalents	13,927	16,146	29,205
V Net increase (decrease) of cash and cash equivalents	(89,230)	(3,070)	72,613
VI Cash and cash equivalents - Beginning	792,727	720,114	720,114
VII Cash and cash equivalents - Ending	703,496	717,043	792,727

4. Consolidated Sales Information

(Yen in Millions)

Business Category	Main Products	Three Months Ended June 30, 2005	Three Months Ended June 30, 2004
Electronic Entertainment Products	Hardware	35,888	39,470
	Software	34,321	42,045
	Sub-total	70,209	81,515
Other	Playing Cards, Karuta etc.	474	637
Total		70,684	82,153

5. Supplementary Information

(1) Consolidated sales units, number of new titles

		Sales Units in Ten Thousands Number of New Titles Released		
		Three Months Ended June 30, 2005	Three Months Ended June 30, 2004	Life-to-Date through Jun. '05
Game Boy Advance (Game Boy Advance SP included)	Hardware	98	232	6,777
	Software	1,167	1,747	28,003
	New titles Japan	16	37	710
	The Americas	27	52	723
	Other	41	17	666
Nintendo DS	Hardware	138	-	665
	Software	532	-	1,582
	New titles Japan	22	-	48
	The Americas	12	-	30
	Other	12	-	28
Nintendo GameCube	Hardware	26	65	1,876
	Software	431	736	16,060
	New titles Japan	6	4	237
	The Americas	7	16	432
	Other	8	12	365

[Note] New titles-Other include new titles in the European and Australian markets.

(2) Balance of assets in major foreign currencies without exchange contract (non-consolidated)

		(U.S. Dollars/Euros in Millions)		
		As of Jun. 30, '05 Ending Balance	Average Exchange Rate Apr.-Jun. '05	Exchange Rate as of Jun. 30, '05
US\$	Cash and Deposits	4,457	US\$1.00 =	
	Accounts Receivable	207	¥107.69	¥110.62
EUR	Cash and Deposits	584	EUR1.00 =	
	Accounts Receivable	159	¥135.57	¥133.63

(3) Launch Dates of Primary Nintendo Products by Region (Apr. - Jun. 2005)

Region	Category	Game Boy Advance		Nintendo DS		Nintendo GameCube	
		Title	Launch Date	Title	Launch Date	Title	Launch Date
Japan	(Software)	The Tower SP	Apr. 28, '05	Electroplankton	Apr. 7, '05	Fire Emblem: Path of Radiance	Apr. 20, '05
		Donkey Kong: King of Swing	May 19, '05	Nintendogs Dachshund & Friends	Apr. 21, '05	Metroid Prime 2 Dark Echoes	May 26, '05
		Nonono Puzzle Chairian	Jun. 16, '05	Nintendogs Chihuahua & Friends	Apr. 21, '05	Chibi-Robo!	Jun. 23, '05
				Nintendogs Shiba Inu & Friends	Apr. 21, '05		
				Noh o Kitaeru Otona no DS Training Supervised by Prof. Ryuta Kawashima of Touhoku University Future Science and Technology Joint Research Center	May 19, '05		
				DS Rakubikijiten	Jun. 16, '05		
				Advance Wars: Dual Strike	Jun. 23, '05		
				Yawaraka Atama Juku	Jun. 30, '05		
The Americas	(Software)	Pokémon Emerald	May 1, '05	Polarium	Apr. 18, '05	Donkey Konga 2	May 9, '05
		Fire Emblem: The Sacred Stones	May 23, '05	Kirby: Canvas Curse	Jun. 13, '05		
		WarioWare: Twisted!	May 23, '05	Meteos	Jun. 27, '05		
		Yoshi Topsy-Turvy	Jun. 13, '05				
Europe	(Software)	Yoshi's Universal Gravitation	Apr. 22, '05	Yoshi Touch & Go	May 6, '05	Star Fox Assault	Apr. 29, '05
		Kingdom Hearts: Chain of Memories	May 6, '05	Ridge Racer DS	Jun. 3, '05	Donkey Konga 2	Jun. 3, '05
		Mario Party Advance	Jun. 10, '05	Another Code: Two Memories	Jun. 24, '05		

Notes: Launch dates may be different within the Americas and Europe regions depending on territories or countries.