



Financial Results Explanatory Material

3rd Quarter of Fiscal Year Ending March 2023

Nintendo Co., Ltd.

February 7, 2023

1. Consolidated Financial Results and Outlook

Consolidated Financial Highlights

	FY22/Q1-Q3	FY23/Q1-Q3	Comparison
Net sales	1,320.2 bn yen	1,295.1 bn yen	-1.9 %
Operating profit	472.5 bn yen	410.5 bn yen	-13.1 %
Operating profit ratio	35.8 %	31.7 %	-4.1 pt.
Ordinary profit	513.7 bn yen	482.5 bn yen	-6.1 %
Net profit	367.3 bn yen	346.2 bn yen	-5.8 %
Net profit ratio	27.8 %	26.7 %	-1.1 pt.

- Net profit: Profit attributable to owners of parent
- FY = Fiscal Year
FY23/Q1-Q3 indicates the period between April 1 and December 31, 2022.

Consolidated Sales

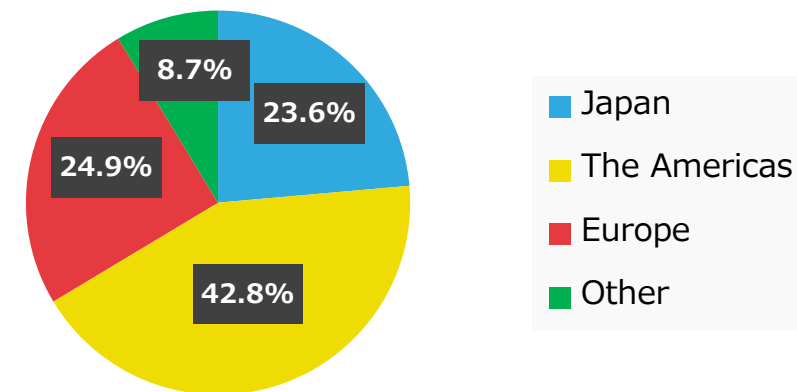
	FY22/Q1-Q3	FY23/Q1-Q3	Comparison
Net sales	1,320.2 bn yen	1,295.1 bn yen	-1.9 %
Dedicated video game platform*1	1,278.2 bn yen	1,252.1 bn yen	-2.0 %
Mobile, IP related income, etc.*2	39.8 bn yen	38.9 bn yen	-2.3 %
Playing cards, etc.	2.1 bn yen	4.1 bn yen	+88.5 %

*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 smart-device content and royalty income.

Effect of changes in foreign exchange rates on net sales: +134.2 billion yen

FY23/Q1-Q3 Regional Sales Ratio



Proportion of overseas sales: 76.4%

Gross Profit

	FY22/Q1-Q3	FY23/Q1-Q3	Comparison
Gross profit	734.0 bn yen	697.6 bn yen	-5.0 %
Gross profit ratio	55.6 %	53.9 %	-1.7 pt.

Main Variable Factors

	FY22/Q1-Q3	FY23/Q1-Q3	Comparison	
Proportion of hardware sales*1	50.4 %	46.2 %	-4.2 pt.	
Proportion of first-party software sales*2	77.7 %	79.4 %	+1.7 pt.	
Proportion of digital sales*2	40.2 %	46.0 %	+5.8 pt.	
Average exchange rate	1 USD 1 Euro	111.06 yen 130.54 yen	136.39 yen 140.47 yen	+25.33 yen +9.93 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

	FY22/Q1-Q3	FY23/Q1-Q3	Comparison
SG&A expenses	261.4 bn yen	287.1 bn yen	+9.8 %
SG&A expenses-to-sales ratio	19.8 %	22.2 %	+2.4 pt.
Operating profit	472.5 bn yen	410.5 bn yen	-13.1 %
Operating profit ratio	35.8 %	31.7 %	-4.1 pt.

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

Effect of changes in foreign exchange rates on operating profit: approx. +46.0 billion yen

	FY22/Q1-Q3	FY23/Q1-Q3	Comparison
Research and development expenses	68.9 bn yen	78.3 bn yen	13.6 %
Advertising expenses	75.1 bn yen	76.3 bn yen	1.5 %

Ordinary Profit and Net Profit

	FY22/Q1-Q3	FY23/Q1-Q3	Comparison
Non-operating income	41.7 bn yen	72.9 bn yen	+74.6 %
included foreign exchange gains	16.8 bn yen	28.9 bn yen	+71.3 %
Non-operating expenses	0.5 bn yen	0.9 bn yen	+71.1 %
Ordinary profit	513.7 bn yen	482.5 bn yen	-6.1 %
Net profit	367.3 bn yen	346.2 bn yen	-5.8 %
Net profit ratio	27.8 %	26.7 %	-1.1 pt.

• Net profit: Profit attributable to owners of parent

Exchange rate	FY22 (3/31/2022)	FY23/Q3 (12/31/2022)	Comparison
1 USD	121.83 yen	131.10 yen	+9.27 yen
1 Euro	135.41 yen	140.33 yen	+4.92 yen

FY23 Consolidated Financial Forecast

We have revised the consolidated earnings forecast (issued on November 8, 2022) on February 7, 2023.

	Previous Forecast	Modified Forecast	Comparison
Net sales	1,650.0 bn yen	1,600.0 bn yen	-3.0 %
Operating profit	500.0 bn yen	480.0 bn yen	-4.0 %
Ordinary profit	560.0 bn yen	520.0 bn yen	-7.1 %
Net profit	400.0 bn yen	370.0 bn yen	-7.5 %

- Net profit: Profit attributable to owners of parent
- For FY23, the estimated exchange rate for USD has been revised from 1 USD = 135 yen to 125 yen, and the rate for Euros remains 1 Euro = 135 yen.

	Previous Forecast	Modified Forecast	Comparison
Dividend			
Year-end	109 yen	96 yen	-13 yen

	Previous Forecast	Modified Forecast	Comparison
Nintendo Switch			
Hardware	19.00 mil units	18.00 mil units	-5.3 %
Software	210.00 mil units	205.00 mil units	-2.4 %

- The revised FY23 software sales unit forecast includes bundled software for the nine months ended December 31, 2022 but does not take into account software bundled with hardware or other products on and after January 1, 2023.
(The modified forecast announced on November 8, 2022 includes approximately 0.08 million units, and the modified forecast announced on February 7, 2022 includes approximately 1.10 million units of software bundled with hardware or other products.)

2. Business Highlights

Sales Status of Nintendo Switch (Sell-In)

	FY22/Q1-Q3		FY23/Q1-Q3		Comparison
Hardware	18.95	mil units	14.91	mil units	-21.3 %
Nintendo Switch	11.79	mil Units	5.22	mil units	-55.7 %
Nintendo Switch – OLED Model	3.99	mil Units	7.69	mil units	+92.5 %
Nintendo Switch Lite	3.17	mil Units	2.00	mil units	-37.0 %
Software	179.29	mil units	172.11	mil units	-4.0 %



Pokémon Scarlet/ Pokémon Violet
20.61 million units

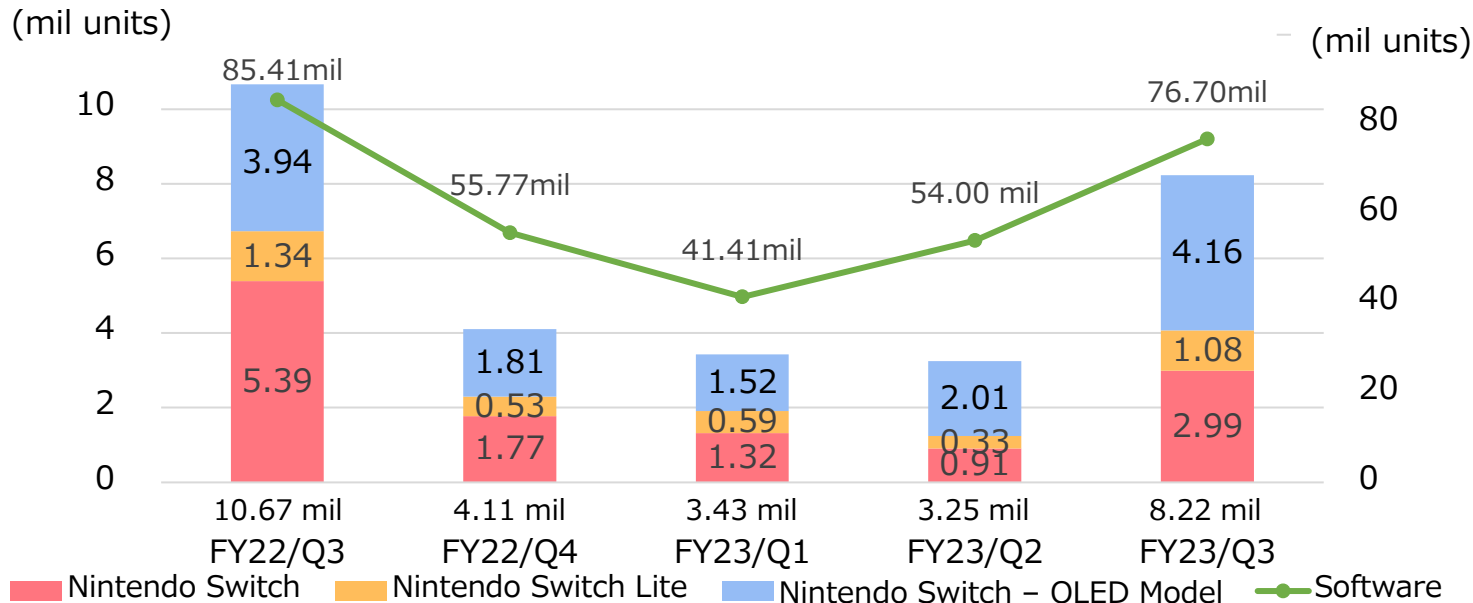


Splatoon 3
10.13 million units



Nintendo Switch Sports
8.61 million units

Quarterly Unit Sales Trends

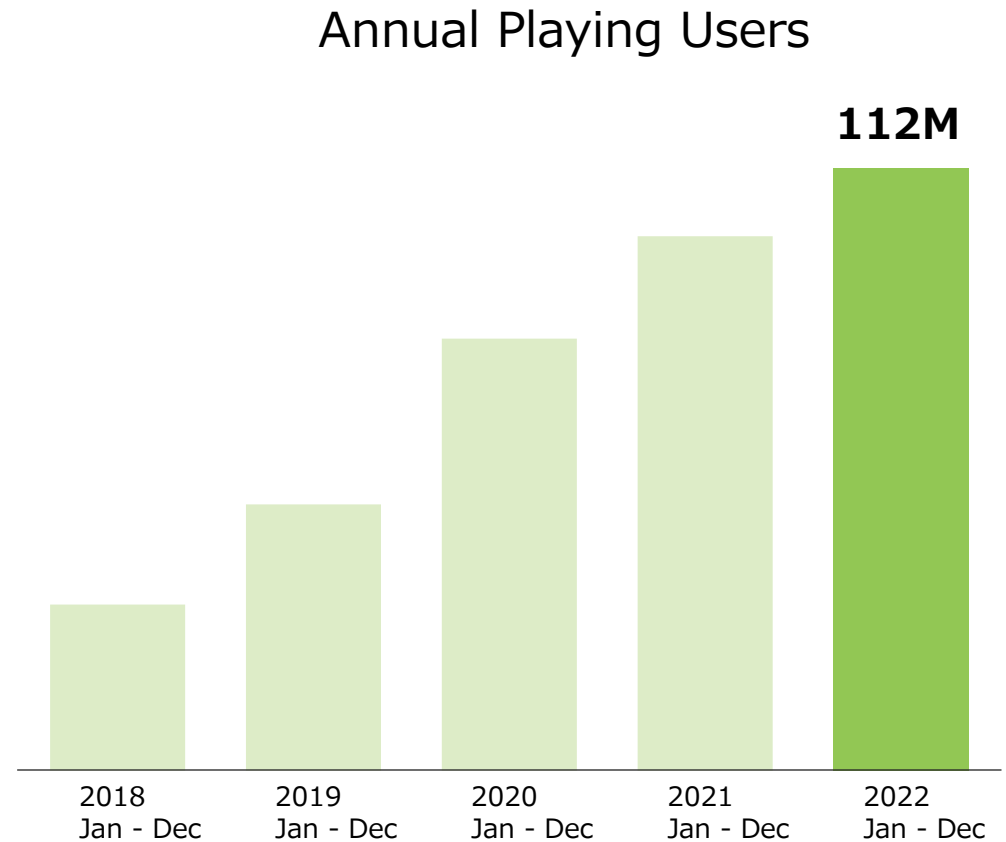
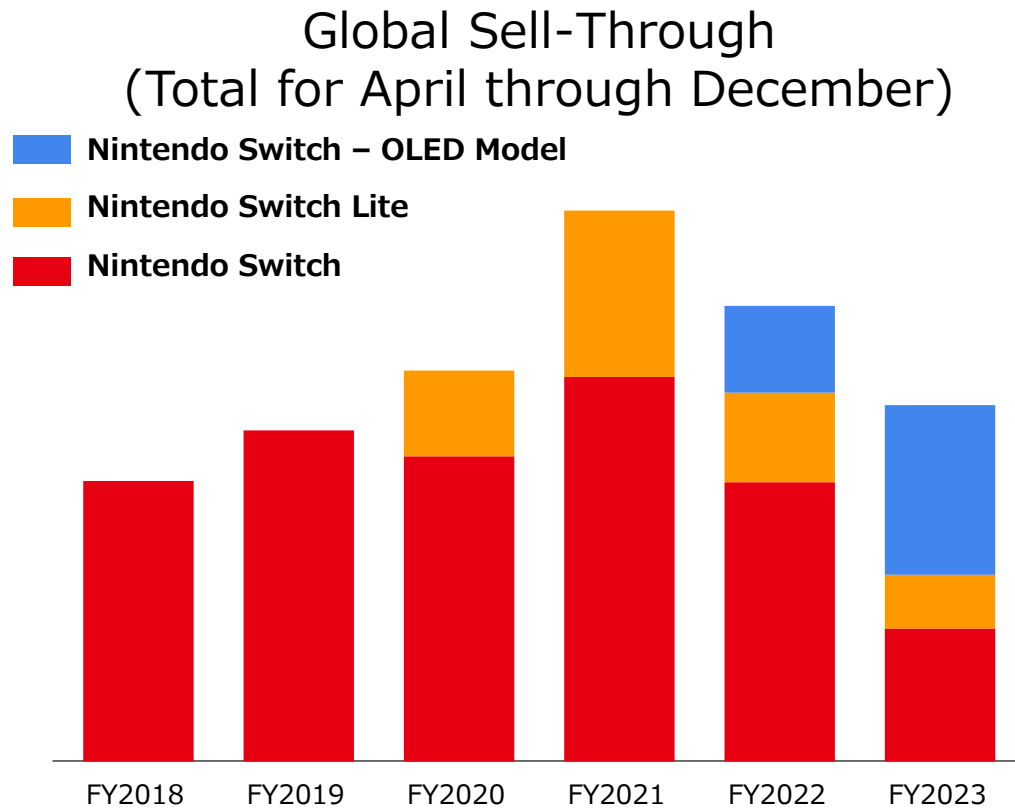


Number of Million-Seller Titles (FY23)

27 titles
(19 Nintendo titles and 8 titles by other software publishers)

Nintendo Switch: Hardware Sell-through and Annual Playing Users

- The diversification of motives for purchase supported sales of all three models. Overall sales volume declined year-on-year.
- The number of annual playing users is increasing and the business foundation continues to expand.

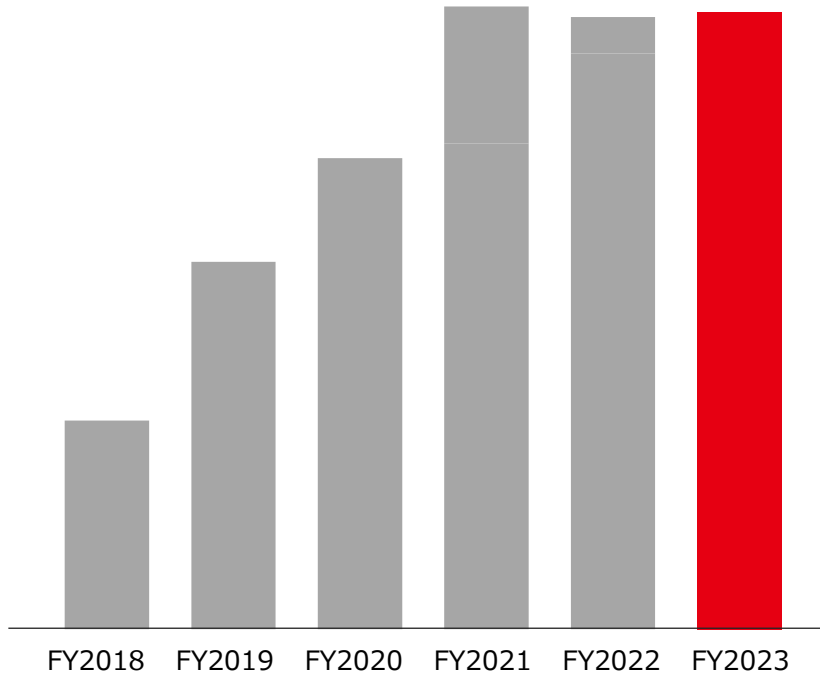


Internal estimates, including Asia, Latin America, and other regions.

Nintendo Switch First-Party Software Sell-Through

- The consumer base is growing, creating an environment where many people are purchasing software.
- Unit sales of first-party software continue at the highest levels seen since the launch of Nintendo Switch.

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



Global Sell-Through by Title (April-December)

New Titles



Previously Released Titles



Pokémon Scarlet and Pokémon Violet

- ***Pokémon Scarlet* and *Pokémon Violet*, released on November 18 of last year, got off to the fastest start of any title for a Nintendo dedicated video game platform.**



18.2 million units combined

(Sell-through in seven weeks after release)

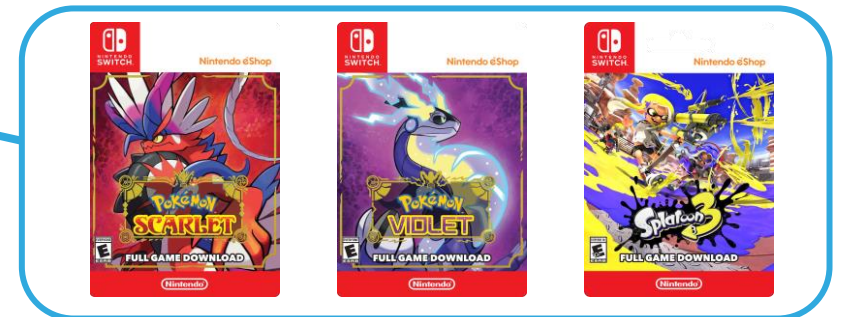
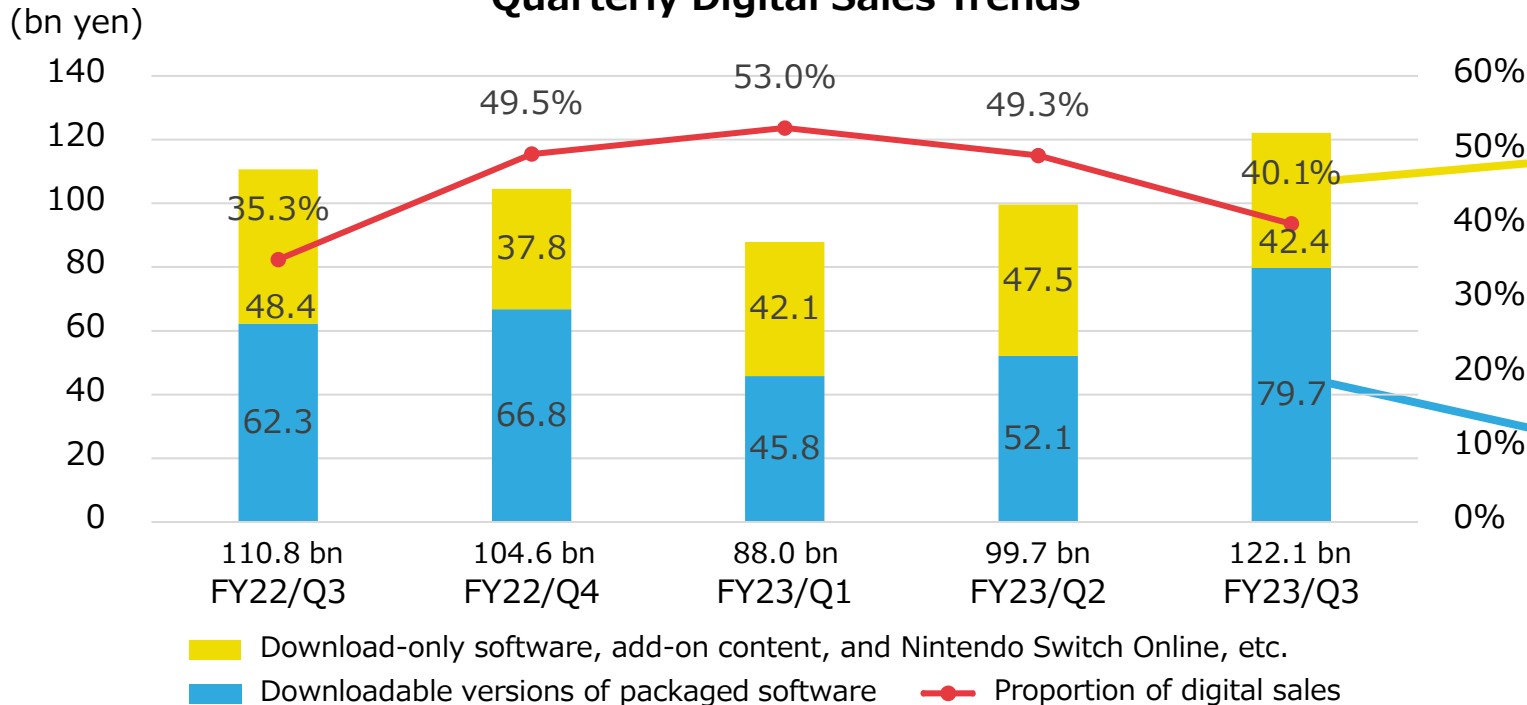
Digital Sales

	FY22/Q1-Q3	FY23/Q1-Q3	Comparison
Digital sales*1	255.0 bn yen	310.0 bn yen	+21.5 %
Proportion of digital sales*2	40.2 %	46.0 %	+5.8 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

Quarterly Digital Sales Trends



Announced Nintendo Products (2023)



January 20



February 24



March 17



May 12



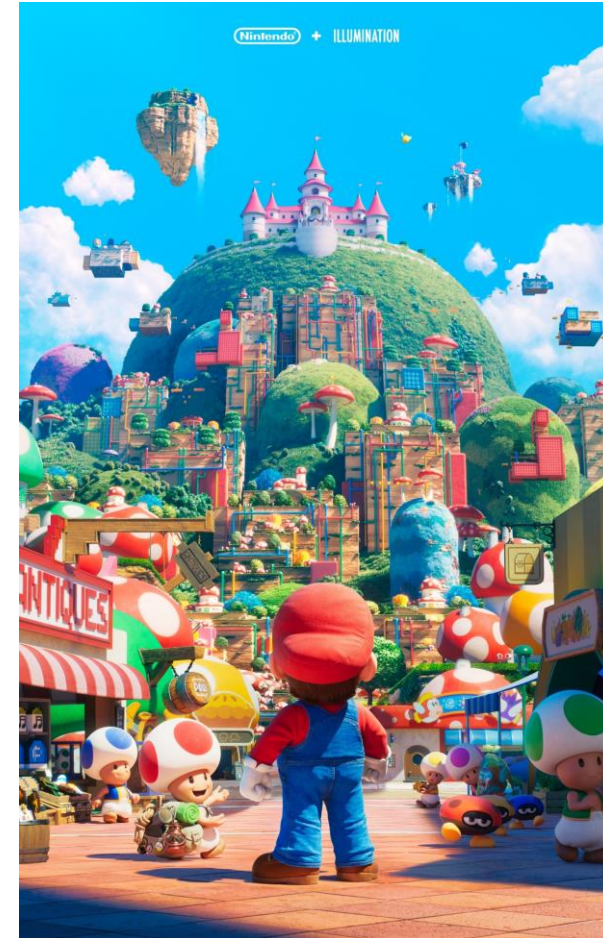
2023

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

SUPER NINTENDO WORLD at Universal Studios Hollywood will have its grand opening on February 17.



***The Super Mario Bros. Movie* premieres in the U.S. on April 7 and in Japan on April 28.**



3. Reference

Million-Seller Nintendo First-Party Titles

units in ten thousands

Nintendo Switch

	FY23 (Apr. '22 ~ Dec. '22)			Life-to-date
	Global	incl. Japan	incl. Overseas	Global
Pokémon Scarlet/ Pokémon Violet	2,061	694	1,367	2,061
Splatoon 3	1,013	632	380	1,013
Nintendo Switch Sports	861	159	702	861
Mario Kart 8 Deluxe	666	95	571	5,200
Kirby and the Forgotten Land	347	77	270	612
Animal Crossing: New Horizons	295	43	252	4,159
Mario Party Superstars	250	34	216	938
Mario Strikers: Battle League	247	17	230	247
The Legend of Zelda: Breath of the Wild	243	34	209	2,900
Super Smash Bros. Ultimate	227	48	179	3,044

	FY23 (Apr. '22 ~ Dec. '22)			Life-to-date
	Global	incl. Japan	incl. Overseas	Global
Pokémon Legends: Arceus	199	16	183	1,463
Xenoblade Chronicles 3	181	50	131	181
SUPER MARIO ODYSSEY	162	19	143	2,512
New Super Mario Bros. U Deluxe	145	13	132	1,475
Super Mario 3D World + Bowser's Fury	139	17	122	1,082
Ring Fit Adventure	113	33	80	1,522
Bayonetta 3	104	15	88	104
Luigi's Mansion 3	102	13	89	1,244
Super Mario Party	101	13	88	1,879

[Note] Software sales units include the quantity bundled with hardware and other products. Software sales units include their downloadable versions.

Key Indicators

Proportion of Overseas Sales

FY23			
Q1	Q2	Q3	Q4
79.9%	72.4%	76.8%	
75.9%			
76.4%			

Proportion of Hardware Sales

FY23			
Q1	Q2	Q3	Q4
43.8%	39.8%	50.9%	
41.7%			
46.2%			

Proportion of First-Party Software Sales

FY23			
Q1	Q2	Q3	Q4
76.3%	72.7%	85.0%	
74.3%			
79.4%			

FY22			
Q1	Q2	Q3	Q4
77.9%	78.7%	79.6%	78.2%
78.3%			
79.0%			
78.8%			

FY22			
Q1	Q2	Q3	Q4
47.6%	45.2%	53.9%	41.5%
46.5%			
50.4%			
48.4%			

FY22			
Q1	Q2	Q3	Q4
72.3%	68.9%	84.1%	82.3%
70.6%			
77.7%			
78.8%			

*Proportion of overseas (outside of Japan) sales 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)

FY23			
Q1	Q2	Q3	Q4
88.0 bn	99.7 bn	122.1 bn	
187.8 bn			
310.0 bn			

Proportion of Digital Sales

FY23			
Q1	Q2	Q3	Q4
53.0%	49.3%	40.1%	
51.0%			
46.0%			

Proportion of Downloadable Versions of Packaged Software Sales

FY23			
Q1	Q2	Q3	Q4
52.1%	52.3%	65.3%	
52.2%			
57.4%			

FY22			
Q1	Q2	Q3	Q4
75.9 bn	68.2 bn	110.8 bn	104.6 bn
144.2 bn			
255.0 bn			
359.6 bn			

FY22			
Q1	Q2	Q3	Q4
46.9%	43.2%	35.3%	49.5%
45.1%			
40.2%			
42.6%			

FY22			
Q1	Q2	Q3	Q4
52.1%	49.1%	56.3%	63.9%
50.7%			
53.1%			
56.2%			

*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 to total dedicated video game platform software sales

*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 2022~December 2022)

Japan		The United States		Europe	
Title	Launch Date	Title	Launch Date	Title	Launch Date
Nintendo Switch					
(Software)		(Software)		(Software)	
Nintendo Switch Sports	4/29/2022	Nintendo Switch Sports	4/29/2022	Nintendo Switch Sports	4/29/2022
Mario Strikers: Battle League	6/10/2022	Mario Strikers: Battle League	6/10/2022	Mario Strikers: Battle League Football	6/10/2022
Xenoblade Chronicles 3	7/29/2022	Fire Emblem Warriors: Three Hopes **	6/24/2022	Fire Emblem Warriors: Three Hopes **	6/24/2022
Kirby's Dream Buffet *	8/17/2022	LIVE A LIVE **	7/22/2022	LIVE A LIVE **	7/22/2022
Splatoon 3	9/9/2022	Xenoblade Chronicles 3	7/29/2022	Xenoblade Chronicles 3	7/29/2022
Bayonetta 3	10/28/2022	Kirby's Dream Buffet *	8/17/2022	Kirby's Dream Buffet *	8/17/2022
Pokémon Scarlet	11/18/2022	Splatoon 3	9/9/2022	Splatoon 3	9/9/2022
Pokémon Violet	11/18/2022	Bayonetta 3	10/28/2022	Bayonetta 3	10/28/2022
Mario + Rabbids Sparks of Hope **	12/2/2022	Pokémon Scarlet	11/18/2022	Pokémon Scarlet	11/18/2022
		Pokémon Violet	11/18/2022	Pokémon Violet	11/18/2022

[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.
 **This title is licensed to be released and sold as a Nintendo product.

Launch Schedule of Primary Nintendo Products by Region (extracts: January 2023~)

Japan		The United States		Europe	
Title	Launch Date	Title	Launch Date	Title	Launch Date
Nintendo Switch					
(Software)		(Software)		(Software)	
Fire Emblem Engage	1/20/2023	Fire Emblem Engage	1/20/2023	Fire Emblem Engage	1/20/2023
Kirby's Return to Dream Land Deluxe	2/24/2023	Kirby's Return to Dream Land Deluxe	2/24/2023	Kirby's Return to Dream Land Deluxe	2/24/2023
Bayonetta Origins: Cereza and the Lost Demon	3/17/2023	Bayonetta Origins: Cereza and the Lost Demon	3/17/2023	Bayonetta Origins: Cereza and the Lost Demon	3/17/2023
The Legend of Zelda: Tears of the Kingdom	5/12/2023	The Legend of Zelda: Tears of the Kingdom	5/12/2023	The Legend of Zelda: Tears of the Kingdom	5/12/2023
Pikmin 4	2023	Pikmin 4	2023	Pikmin 4	2023
Metroid Prime 4 (temp.)	TBA	Metroid Prime 4 (temp.)	TBA	Metroid Prime 4 (temp.)	TBA
		Advance Wars 1+2: Re-Boot Camp	TBA	Advance Wars 1+2: Re-Boot Camp	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 (extracts: January 2023~)

Nintendo Switch

Region	Title	Publisher	Title	Publisher
Japan	MY HERO ULTRA RUMBLE	Bandai Namco Entertainment	Rune Factory 3 Special	Marvelous
	SD Shin Kamen Rider Rumble	Bandai Namco Entertainment	Minecraft Legends	Mojang/Microsoft Japan
	Tales of Symphonia Remastered	Bandai Namco Entertainment	Ib	PLAYISM
	Mega Man Battle Network Legacy Collection	CAPCOM	Arcana of Paradise —The Tower—	SHUEISHA GAMES
	ONI : Road to be the Mightiest Oni	Clouded Leopard Entertainment	ARK: Survival Evolved	Spike Chunsoft
	Dokapon Kingdom Connect	IDEA FACTORY	Master Detective Archives: RAIN CODE	Spike Chunsoft
	Atelier Ryza 3: Alchemist of the End & the Secret Key	KOEI TECMO GAMES	Elements with Emotions	SQUARE ENIX
	FATAL FRAME / PROJECT ZERO: Mask of the Lunar Eclipse	KOEI TECMO GAMES	OCTOPATH TRAVELER II	SQUARE ENIX
	Winning Post 10	KOEI TECMO GAMES	THEATRHYTHM FINAL BAR LINE	SQUARE ENIX
	Loop8: Summer of Gods	Marvelous	Hogwarts Legacy	WB Games
The United States	Storyteller	Annapurna Interactive	The Legend of Heroes: Trails to Azure	NIS America
	Tales of Symphonia Remastered	Bandai Namco Entertainment	Omega Strikers	Odyssey Interactive
	Mega Man Battle Network Legacy Collection	Capcom	Persona 3 Portable	SEGA
	Disney Speedstorm	Gameloft	Persona 4 Golden	SEGA
	Blanc	Gearbox Publishing	Life is Strange 2	SQUARE ENIX
	Have a Nice Death	Gearbox Publishing	OCTOPATH TRAVELER II	SQUARE ENIX
	Risk of Rain Returns	Gearbox Publishing	PowerWash Simulator	SQUARE ENIX
	Atelier Ryza 3: Alchemist of the End & the Secret Key	KOEI TECMO GAMES	THEATRHYTHM FINAL BAR LINE	SQUARE ENIX
	MLB: The Show 23	MLB	Spongebob Squarepants: The Cosmic Shake	THQ Nordic
	Minecraft Legends	Mojang	OddBallers	Ubisoft
Europe	Storyteller	Annapurna Interactive	The Legend of Heroes: Trails to Azure	NIS America
	Tales of Symphonia Remastered	Bandai Namco Entertainment	Omega Strikers	Odyssey Interactive
	Mega Man Battle Network Legacy Collection	Capcom	Persona 3 Portable	SEGA
	Disney Speedstorm	Gameloft	Persona 4 Golden	SEGA
	Blanc	Gearbox Publishing	Life is Strange 2	SQUARE ENIX
	Have a Nice Death	Gearbox Publishing	OCTOPATH TRAVELER II	SQUARE ENIX
	Risk of Rain Returns	Gearbox Publishing	PowerWash Simulator	SQUARE ENIX
	Atelier Ryza 3: Alchemist of the End & the Secret Key	KOEI TECMO GAMES	THEATRHYTHM FINAL BAR LINE	SQUARE ENIX
	MLB: The Show 23	MLB	Spongebob Squarepants: The Cosmic Shake	THQ Nordic
	Minecraft Legends	Mojang	OddBallers	Ubisoft

[Note] Launch schedules, software names etc. are subject to change. Launch titles are listed by publisher alphabetically. This list includes download-only software and add-on content.

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.