

**CONSOLIDATED FINANCIAL STATEMENTS**

Nintendo Co., Ltd. and Consolidated Subsidiaries



November 24, 2005

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Minami-Ku, Kyoto, 601-8501  
JapanARIS  
3-31-05**FINANCIAL HIGHLIGHTS****1. Consolidated results for the six months ended September 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 |        |
|--------------------------------|-------------|--------|------------------|--------|--|--------|
|                                | million yen | %      | million yen      | %      | million yen  | %      |
| Six months ended Sept. 30, '05 | 176,364     | (6.2)  | 19,613           | (51.0) | 56,824   | (28.3) |
| Six months ended Sept. 30, '04 | 188,009     | (11.1) | 40,013           | 39.1   | 79,218   | -      |
| Year ended Mar. 31, '05        | 515,292     |        | 111,522          |        | 145,292  |        |

|                                | Net Income  |        | Net Income per Share |
|--------------------------------|-------------|--------|----------------------|
|                                | million yen | %      | yen                  |
| Six months ended Sept. 30, '05 | 36,625      | (21.1) | 282.34               |
| Six months ended Sept. 30, '04 | 46,445      | -      | 349.00               |
| Year ended Mar. 31, '05        | 87,416      |        | 662.96               |



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[Notes] \*Average number of shares outstanding:

Six months ended Sept. 30, '05: 129,722,707 shares, Six months ended Sept. 30, '04: 133,082,949 shares, Year ended Mar. 31, '05: 131,600,201 shares

\*Percentage for net sales, operating income, income before income taxes and extraordinary items, and net income show increase (decrease) from the previous semi-annual accounting period.

## (2) Consolidated financial position

|                     | Total Assets | Shareholders' Equity | Ratio of Net Worth to Total Assets | Shareholders' Equity per Share |
|---------------------|--------------|----------------------|------------------------------------|--------------------------------|
|                     | million yen  | million yen          | %                                  | yen                            |
| As of Sept. 30, '05 | 1,103,618    | 914,533              | 82.9                               | 7,149.40                       |
| As of Sept. 30, '04 | 1,089,221    | 890,999              | 81.8                               | 6,849.54                       |
| As of Mar. 31, '05  | 1,132,492    | 921,466              | 81.4                               | 7,082.68                       |

[Notes] \*Number of shares outstanding (excluding treasury stock):

As of Sept. 30, '05: 127,917,607 shares, As of Sept. 30, '04: 130,081,598 shares, As of Mar. 31, '05: 130,077,389 shares

## (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                        |
| Six months ended Sept. 30, '05 | (63,523)                             | (100,382)                            | (51,150)                             | 603,253                            |
| Six months ended Sept. 30, '04 | 26,361                               | 13,480                               | (52,292)                             | 744,077                            |
| Year ended Mar. 31, '05        | 116,571                              | (11,716)                             | (61,447)                             | 792,727                            |

## (4) Company group information

Consolidated subsidiaries: 18 Non-consolidated company with equity method applied: 1 Affiliates with equity method applied: 7

## (5) Change in scope of consolidation and equity method application

Consolidated subsidiaries: 1 newly added Affiliates with equity method applied: no change

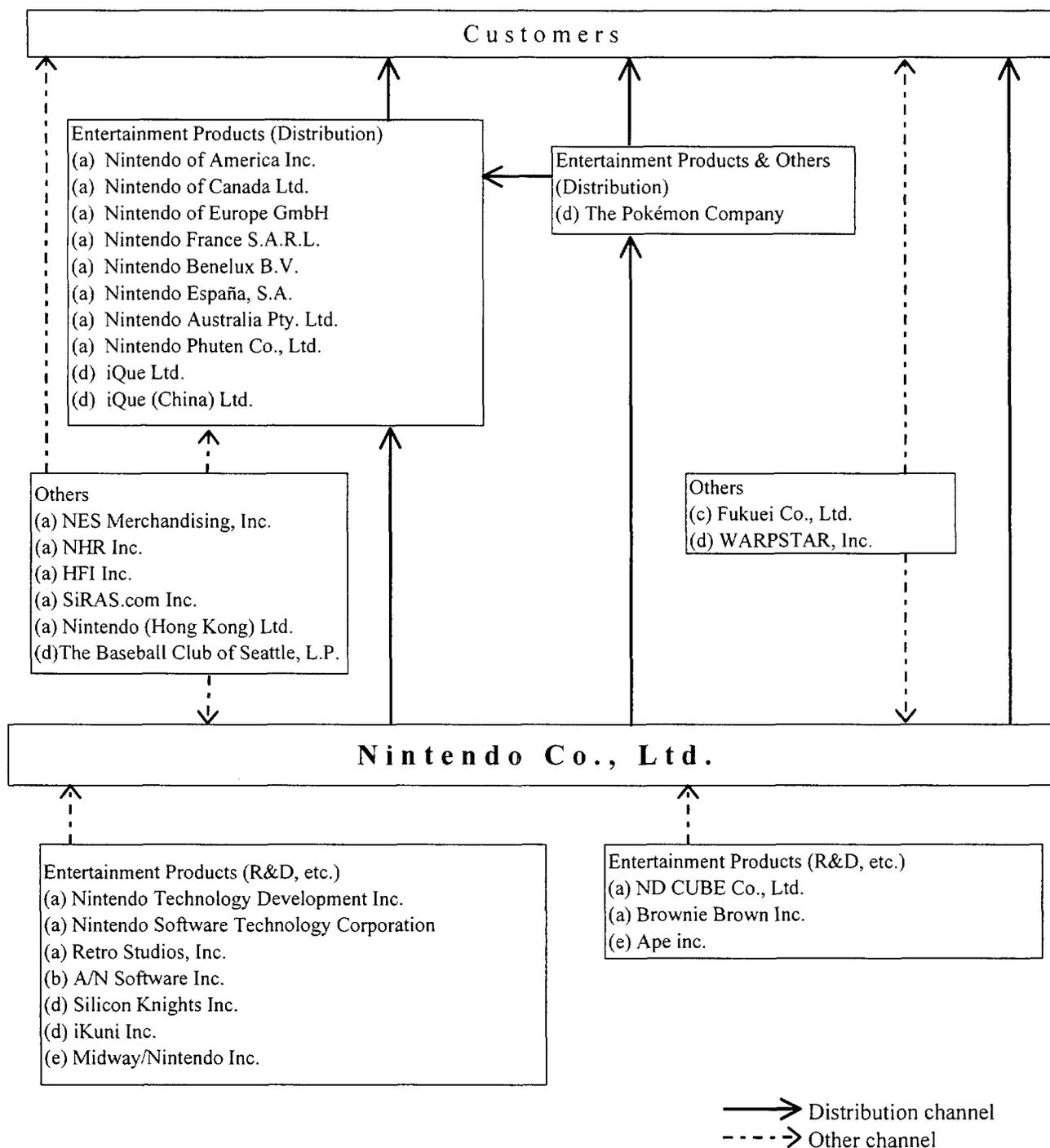
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**2. Forecast for the fiscal year ending March 2006 (April 1, 2005 - March 31, 2006)**

|                          | Net Sales   | Income before Income Taxes and Extraordinary Items | Net Income  |
|--------------------------|-------------|--|-------------|
|                          | million yen | million yen  | million yen |
| Year ending Mar. 31, '06 | 500,000     | 125,000  | 75,000      |

## COMPANY GROUP INFORMATION

Nintendo Co., Ltd. ("the Company") and its related companies, which are composed of the Company, twenty subsidiaries, and nine affiliates as of September 30, 2005, operate manufacturing and distribution of electronic entertainment products as a major business. Chart of business by the Company and its related companies are as follows.



The number of companies

|  |    |
|--|----|
| (a) Consolidated subsidiaries -----                                  | 18 |
| (b) Non-consolidated subsidiary with equity method applied -----     | 1  |
| (c) Non-consolidated subsidiary with equity method non-applied ----- | 1  |
| (d) Affiliates with equity method applied -----                      | 7  |
| (e) Affiliates with equity method non-applied -----                  | 2  |

## **MANAGEMENT POLICY**

### 1. Basic management policy

In the field of home entertainment, Nintendo Co., Ltd. ("the Company") and its consolidated subsidiaries (together with the Company, "Nintendo") strive to create new and unique forms of entertainment while maintaining a robust business structure. Nintendo places the highest emphasis on providing customers with a "world of fun", which is both innovative and entertaining with creative elements that have never been experienced.

### 2. Basic policy of profit distribution

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 sudden changes in the business environment and intensified competition. The Company pays a dividend, however, profit levels are evaluated in each fiscal period to determine the level of direct profit returns to our shareholders.

For the fiscal year ending March 31, 2006, 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 March 31, 2006 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. Although no maximum level is established, the annual minimum dividend per share is kept at 140 yen.

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

### 3. Targeted management index

In the home entertainment industry, it is essential to provide new and entertaining products consistently. Upon accomplishing this, the Company aims to improve its corporate value by sustaining robust growth and increasing profit.

Because the Company deals with entertainment products, which by nature hold many uncertainties in terms of its product development, and operates in a market which involves intense competition, flexible business decisions are made without being constrained by any specific management index.

### 4. Medium and long term management strategy and challenges

More than twenty years have passed since the launch of "Famicom" in 1983. During this time span, the video game industry has shown remarkable growth as one of the few entertainment fields launched and driven by Japan. In recent years, however, the traditional success formula of developing splendid and complex games increasingly has become less productive. Particularly in Japan, it is becoming evident that the market is stagnating due to the "Gamer Drift" phenomenon.

Nintendo's solution to this situation is to broaden the framework or definition of conventional video games. Nintendo will strive to create "games easily accessible to anyone which contain deep and unique content" to expand the market once again. This new generation of video games will attract those who have stopped playing as well as those who have never played a video game before, but will also satisfy veteran game players.

The intuitive, clear and fresh surprise offered by "Nintendo DS", a handheld gaming device launched last year has received high praise from many of our customers due to the innovative nature of this unique product. This same level of excitement and innovation will be provided by a new console-type gaming machine code-named "Revolution" which is planned to launch next year. As an example of the new innovations built into "Revolution", its controller is based upon an unprecedented and unique design concept which will establish a new standard of gaming-input interface.

Nintendo is committed to accepting the innovative ideas of video game developers from around the world, cooperating with them, and, as a result, creating new forms of entertainment. Nintendo will strive to expand its business and increase revenue and profit by introducing a diverse software lineup ranging from simple and less time consuming games to advanced and in-depth games for both handheld and console-type platforms.

## OPERATING RESULTS

### 1. Review of operations

During the six-month period ended September 30, 2005, export sales expanded moderately and capital investments increased, indicating that the Japanese economic recovery is likely to continue. Overseas, the U.S. economy showed steady performance due to moderate expansion of domestic demand such as consumer spending and capital investment. The European economy began to show indications of improvement in the business environment as well. Despite the positive signs, economic recovery has just begun and uncertainty remains with concerns about the effect of the steep rise in prices of raw materials such as crude oil.

In the video game industry, the handheld game market performed well. On the other hand, the market for the current generation of console hardware is becoming saturated and is approaching a transitional phase to next generation consoles. As a result, the overall video game market generally showed a declining tendency.

This past spring, Nintendo introduced a software lineup known as "Touch! Generations" for the handheld-type hardware device "Nintendo DS". "Touch! Generations" titles expand the definition of video games and offer an unprecedented gaming experience that is easily accessible to anyone regardless of age or gender. The lineup includes titles that have attracted many female customers such as "Nintendogs", which allows the player to communicate with virtual puppies on the screen. Also, "Brain Training" and "Brain Flex", two titles that formed a new brain training genre, appealed to users of various ages including seniors. These titles each contributed to expanding a new market and drove a significant lift in sales of "Nintendo DS" hardware.

Consolidated net sales for the six-month period ended September 30, 2005 resulted in 176.3 billion yen, including overseas sales of 124.7 billion yen, which accounted for 70.7% of total sales. Income before income taxes and extraordinary items was 56.8 billion yen, which included a foreign exchange gain of 24.1 billion yen as a result of the revaluation of foreign currency assets. Net income was 36.6 billion yen.

With respect to sales by business category, the "Nintendo DS" software title "Nintendogs" sold 2.59 million units worldwide and helped to drive handheld game products in the electronic entertainment products division. The entire "Touch ! Generations" software lineup consisting of five titles (counting three "Nintendogs" titles as one) sold 4.18 million units worldwide. Other "Nintendo DS" software enjoyed favorable sales as well. In addition, "Game Boy Micro", a new smaller and lighter version of "Game Boy Advance", was launched in Japan. "Game Boy Micro" got off to a good start due to the synergy created by the re-release of the classic "Super Mario Brothers" in celebration of the twentieth anniversary of the launch of "Super Mario". In the console business, software titles for "Nintendo GameCube" such as "Mario Superstar Baseball", (a genuine baseball game with simple operation,) and the role playing game "Pokémon XD: Gale of Darkness", gained popularity, however, overall sales declined. In total, net sales in the electronic entertainment products division were 175.4 billion yen, while sales in the other products division (playing cards, karuta, etc.) were 0.9 billion yen.

With respect to geographic segment information, sales in Japan were 179.9 billion yen including inter-segment sales of 125.5 billion yen. Operating income was 28.1 billion yen. Sales in the Americas were 74.6 billion yen including inter-segment sales of 0.8 billion yen. Operating loss was 1.7 billion yen. Sales in Europe were 45.0 billion yen. Operating income was 0.5 billion yen.

## 2. Annual outlook

Nintendo will continue to enhance the "Touch! Generations" initiative which began in Japan this spring, while at the same time expanding this type of software lineup into overseas markets as well. In addition, a completely new approach to online gaming, the "Nintendo Wi-Fi Connection", will kick-off worldwide. "Nintendo Wi-Fi Connection" is a wireless internet service for the Nintendo DS which has three key elements; "easy, safe, and charge-free". Nintendo expects to further expand the Nintendo DS business as customers recognize the outstanding game-play experience.

With regard to consolidated performance forecasts for the fiscal year ending March 31, 2006, net sales are 500.0 billion yen, operating income is 90.0 billion yen, income before income taxes and extraordinary items is 125.0 billion yen, net income is 75.0 billion yen. Estimated exchange rates for the second half of the fiscal year are 110.00 yen to the U.S. dollar and 135.00 yen to the euro.

As for the dividend, based on "2. Basic policy of profit distribution", if the company achieves the current forecast for the fiscal year ending March 31, 2006, the annual cash dividend per share will be 300 yen (70 yen at six-month end, 230 yen at fiscal year-end).

\*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.

## **FINANCIAL POSITION**

Although inventory increased in preparation for the holiday season, total asstes decreased overall by 28.8 billion yen compared to the previous fiscal year-end to 1,103.6 billion yen. The decrease was due in part to reductions in cash and deposits resulting from payments for acquiring treasury stocks. Total liabilities decreased by 21.9 billion yen compared to the previous fiscal year-end primarily due to a decrease in accrued income taxes. Shareholders' equity decreased by 6.9 billion yen compared to the previous fiscal year-end to 914.5 billion yen as the acquisition of treasury stocks and cash dividend payment exceeded net income.

The ending balance of Cash and cash equivalents (collectively, Cash) as of September 30, 2005 was 603.2 billion yen versus 744.0 billion yen as of September 30, 2004. Net increase (decrease) of Cash and contributing factors during the six-month period ended September 30, 2005 are as follows:

### Cash flows from operating activities:

Net Cash used in operating activities was 63.5 billion yen (26.3 billion yen provided during the six-month period ended September 30, 2004) mainly due to payment of 46.4 billion yen for income taxes and other decrease factors such as increases in foreign exchange gain and inventory.

### Cash flows from investing activities:

Net Cash used in investing activities was 100.3 billion yen (13.4 billion yen provided during the six-month period ended September 30, 2004) due to increase in payments into time deposits.

### Cash flows from financing activities:

Net Cash used in financing activities was 51.1 billion yen (52.2 billion yen used during the six-month period ended September 30, 2004) due to payment of 25.1 billion yen for acquiring treasury stocks and increase in dividend payment.

Cash flow index trend:

|   | Year ended<br>March 31, 2002 | Year ended<br>March 31, 2003 | Year ended<br>March 31, 2004 | Year ended<br>March 31, 2005 | Six months ended<br>September 30, 2005 |
|---|------------------------------|------------------------------|------------------------------|------------------------------|--|
| Ratio of net worth to total assets                    | %                            | %                            | %                            | %                            | %                                      |
|   | 80.8                         | 82.0                         | 88.1                         | 81.4                         | <b>82.9</b>                            |
| Ratio of total market value of stocks to total assets | %                            | %                            | %                            | %                            | %                                      |
|   | 240.8                        | 118.8                        | 139.1                        | 134.4                        | <b>153.5</b>                           |

[Notes] \*Percentage figures are calculated on a consolidated basis.

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

## **RISK FACTORS**

Listed below are the various risks that could significantly affect Nintendo's operating performance, share price, and financial condition. However, unpredictable risks may exist other than the risks set forth herein.

Note that matters pertaining to the future presented herein are determined by Nintendo as of semi-annual consolidated fiscal period ended September 30, 2005.

### (1) Risks around economic environment

• Fluctuation in foreign exchange rates

Nintendo distributes its products globally with overseas sales accounting for more than 70% of total sales. The majority of monetary transactions are made in local currencies. In addition, the Company holds a substantial amount of assets including cash deposits denominated in foreign currencies without exchange contracts. Thus, fluctuation in foreign exchange rates would have a direct influence on earnings not only if foreign currencies were converted to Japanese yen but also if revaluated for financial reporting purposes. Japanese yen appreciation against the U.S. dollar or Euro would have a negative impact on Nintendo's profitability.

### (2) Risks around business activities

• Fluctuation of and competition in the market

Nintendo is engaged in a business categorized under the massive entertainment industry. Therefore, the availability of other forms of entertainment affects Nintendo's business. If consumer preferences shift to other forms of entertainment, it is possible that the video game market may shrink. The emergence of new competitors resulting from technological innovation could have a detrimental impact as well.

In the video game industry, it may become even more difficult to generate profit as more research and development expenses and marketing expenses are required and as price competition intensifies with giant enterprises entering into the market. As a result, Nintendo may find difficulty in maintaining or expanding its market share as well as sustaining profitability.

• Development of new products

Although Nintendo continues to develop innovative and appealing products in the field of computer entertainment, the development process is complicated and includes many uncertainties. Various risks involved are as follows:

① Despite the substantial costs and time needed for software development, there is no guarantee that all new products will be accepted by consumers due to ever shifting consumer preferences. As a result, development of certain products may be suspended or aborted.

② Hardware requires a long term development span. While technological advancements occur continuously, it is possible that the Company may be unable to acquire the necessary technology which can be utilized in entertainment. Furthermore, in the case of a delayed launch, it is possible that market share could be adversely affected.

③ Due to the nature of Nintendo products, it may become difficult to sell or develop the products as planned which could lead to significant variances from income projections.

·Product valuation and adequate inventory procurement

Demand for products in the video game industry is significantly impacted by customers' preferences as well as seasonality characterized by short product life cycles and very high demand around the holiday season. Although production is targeted at the equilibrium point of supply and demand, accurate projections are extremely difficult to obtain which may lead to the risk of excessive inventory. In addition, inventory obsolescence could have an adverse effect on Nintendo's operations and financial position.

·Overseas business expansion and international activities

Nintendo engages in business in territories such as The United States, Europe, Australia, and Asia. Expansion of business to these overseas markets involves risks such as ① unpredicted enforcement or amendments to laws or regulations, ② emergence of political or economic factors that prove to be a disadvantage, ③ inconsistency of multilateral taxation systems and diversity of tax law interpretation leading to a disadvantaged position, ④ difficulty of recruiting and securing human resources, ⑤ social disruption resulting from strikes, terrorist attacks, war, and other events.

·Dependency on outside manufacturers

Nintendo commissions a number of certain outside manufacturers to produce key components or assemble finished products. In the event of their commercial failure, these manufacturers may not adequately provide or produce significant components or products. In addition, in periods of high demand, certain manufacturers may not have the capacity to provide the ordered amount of components. A shortage of key components could lead to issues such as margin decline due to higher pricing as well as insufficient product supply, and quality control. This may impair the relationship between Nintendo and its customers.

Furthermore, as there are many production locations overseas used by our suppliers, when production is interfered by events such as riots or natural disasters at the local area, it could have an adverse effect on Nintendo's operations and financial position.

·Business operations affected by seasonal fluctuation

Since a major portion of demand is focused around the holiday season, the demand is influenced by seasonal fluctuations. Should the Company fail to meet the period of high demand in any of its business activities, including but not restricted to the launch of attractive new products and supplying hardware, it would suffer unfavorable operating performance.

(3) Other risks

Other than set forth above, factors such as product liability, limitations of protecting intellectual property, leakage of personal information and confidential information, changes in accounting standards and taxation system, litigation, uncollectibility of trade accounts receivable and notes receivable, failure of financial institutions, and restrictions regarding environmental protection may adversely affect Nintendo's future performance and financial position.

**CONSOLIDATED BALANCE SHEETS**

| Date<br>Description                       | As of September 30,<br>2005 |              | As of September 30,<br>2004 |              | As of March 31,<br>2005 |              |
|---|-----------------------------|--------------|-----------------------------|--------------|-------------------------|--------------|
|   | Amount                      | %            | Amount                      | %            | Amount                  | %            |
|   | million yen                 |              | million yen                 |              | million yen             |              |
| <b>(Assets)</b>                           |                             |              |                             |              |                         |              |
| <b>I Current assets</b>                   |                             |              |                             |              |                         |              |
| 1 Cash and deposits                       | 711,343                     |              | 747,403                     |              | 826,653                 |              |
| 2 Notes and trade accounts receivable     | 56,284                      |              | 50,130                      |              | 51,143                  |              |
| 3 Marketable securities                   | 28,907                      |              | 31,732                      |              | 20,485                  |              |
| 4 Inventories                             | 81,858                      |              | 53,890                      |              | 49,758                  |              |
| 5 Deferred income taxes                   | 25,026                      |              | 31,228                      |              | 19,513                  |              |
| 6 Other current assets                    | 55,006                      |              | 40,054                      |              | 28,217                  |              |
| 7 Allowance for doubtful accounts         | (1,941)                     |              | (1,978)                     |              | (1,880)                 |              |
| <b>Total current assets</b>               | <b>956,487</b>              | <b>86.7</b>  | <b>952,460</b>              | <b>87.4</b>  | <b>993,891</b>          | <b>87.8</b>  |
| <b>II Fixed assets</b>                    |                             |              |                             |              |                         |              |
| 1 Property, plant, and equipment          |                             |              |                             |              |                         |              |
| (1) Buildings and structures              | 18,847                      |              | 19,574                      |              | 18,451                  |              |
| (2) Land                                  | 32,327                      |              | 32,272                      |              | 32,069                  |              |
| (3) Other current assets                  | 4,075                       |              | 3,428                       |              | 3,898                   |              |
| <b>Total fixed assets</b>                 | <b>55,250</b>               | <b>5.0</b>   | <b>55,274</b>               | <b>5.1</b>   | <b>54,420</b>           | <b>4.8</b>   |
| 2 Intangible assets                       | 334                         | 0.0          | 314                         | 0.0          | 354                     | 0.0          |
| 3 Investments and other assets            |                             |              |                             |              |                         |              |
| (1) Investments in securities             | 71,228                      |              | 70,554                      |              | 73,393                  |              |
| (2) Deferred income taxes                 | 8,299                       |              | 10,276                      |              | 10,155                  |              |
| (3) Other investments and other assets    | 12,049                      |              | 383                         |              | 307                     |              |
| (4) Allowance for doubtful accounts       | (30)                        |              | (42)                        |              | (30)                    |              |
| <b>Total investments and other assets</b> | <b>91,546</b>               | <b>8.3</b>   | <b>81,171</b>               | <b>7.5</b>   | <b>83,825</b>           | <b>7.4</b>   |
| <b>Total fixed assets</b>                 | <b>147,131</b>              | <b>13.3</b>  | <b>136,760</b>              | <b>12.6</b>  | <b>138,600</b>          | <b>12.2</b>  |
| <b>Total</b>                              | <b>1,103,618</b>            | <b>100.0</b> | <b>1,089,221</b>            | <b>100.0</b> | <b>1,132,492</b>        | <b>100.0</b> |

| Date<br>Description   | As of September 30,<br>2005 |               | As of September 30,<br>2004 |               | As of March 31,<br>2005 |               |
|---|-----------------------------|---------------|-----------------------------|---------------|-------------------------|---------------|
|   | Amount                      | %             | Amount                      | %             | Amount                  | %             |
|   | million yen                 |               | million yen                 |               | million yen             |               |
| <b>(Liabilities)</b>  |                             |               |                             |               |                         |               |
| <b>I Current liabilities</b>                                  |                             |               |                             |               |                         |               |
| 1 Notes and trade accounts payable                            | 106,849                     |               | 91,550                      |               | 111,045                 |               |
| 2 Accrued income taxes  | 34,759                      |               | 45,939                      |               | 51,951                  |               |
| 3 Reserve for bonuses   | 1,556                       |               | 1,648                       |               | 1,650                   |               |
| 4 Other current liabilities                                   | 41,314                      |               | 51,950                      |               | 40,801                  |               |
| <b>Total current liabilities</b>                              | <b>184,479</b>              | <b>16.7</b>   | <b>191,089</b>              | <b>17.6</b>   | <b>205,449</b>          | <b>18.1</b>   |
| <b>II Non-current liabilities</b>                             |                             |               |                             |               |                         |               |
| 1 Non-current accounts payable                                | 990                         |               | 632                         |               | 461                     |               |
| 2 Reserve for employee retirement<br>and severance benefits   | 3,415                       |               | 4,587                       |               | 3,074                   |               |
| 3 Reserve for directors' retirement<br>and severance benefits | -                           |               | 1,744                       |               | 1,816                   |               |
| <b>Total non-current liabilities</b>                          | <b>4,406</b>                | <b>0.4</b>    | <b>6,965</b>                | <b>0.6</b>    | <b>5,353</b>            | <b>0.5</b>    |
| <b>Total liabilities</b>                                      | <b>188,885</b>              | <b>17.1</b>   | <b>198,054</b>              | <b>18.2</b>   | <b>210,802</b>          | <b>18.6</b>   |
| <b>(Minority interests)</b>                                   |                             |               |                             |               |                         |               |
| <b>Minority interests</b>                                     | <b>198</b>                  | <b>0.0</b>    | <b>167</b>                  | <b>0.0</b>    | <b>222</b>              | <b>0.0</b>    |
| <b>(Shareholders' equity)</b>                                 |                             |               |                             |               |                         |               |
| <b>I Common stock</b>   | <b>10,065</b>               | <b>0.9</b>    | <b>10,065</b>               | <b>0.9</b>    | <b>10,065</b>           | <b>0.9</b>    |
| <b>II Additional paid-in capital</b>                          | <b>11,584</b>               | <b>1.0</b>    | <b>11,584</b>               | <b>1.1</b>    | <b>11,584</b>           | <b>1.0</b>    |
| <b>III Retained earnings</b>                                  | <b>1,043,275</b>            | <b>94.5</b>   | <b>1,001,442</b>            | <b>91.9</b>   | <b>1,032,834</b>        | <b>91.2</b>   |
| <b>IV Unrealized gains on other securities</b>                | <b>9,558</b>                | <b>0.9</b>    | <b>6,040</b>                | <b>0.6</b>    | <b>7,194</b>            | <b>0.7</b>    |
| <b>V Translation adjustments</b>                              | <b>(4,890)</b>              | <b>(0.4)</b>  | <b>(8,288)</b>              | <b>(0.8)</b>  | <b>(10,315)</b>         | <b>(0.9)</b>  |
| <b>VI Treasury stock, at cost</b>                             | <b>(155,059)</b>            | <b>(14.0)</b> | <b>(129,845)</b>            | <b>(11.9)</b> | <b>(129,896)</b>        | <b>(11.5)</b> |
| <b>Total shareholders' equity</b>                             | <b>914,533</b>              | <b>82.9</b>   | <b>890,999</b>              | <b>81.8</b>   | <b>921,466</b>          | <b>81.4</b>   |
| <b>Total</b>  | <b>1,103,618</b>            | <b>100.0</b>  | <b>1,089,221</b>            | <b>100.0</b>  | <b>1,132,492</b>        | <b>100.0</b>  |

**CONSOLIDATED STATEMENTS OF INCOME**

| Description   | Period | Six Months Ended<br>September 30, 2005 |             | Six Months Ended<br>September 30, 2004 |             | Year Ended<br>March 31, 2005 |             |
|---|--------|--|-------------|--|-------------|------------------------------|-------------|
|   |        | Amount                                 | %           | Amount                                 | %           | Amount                       | %           |
|   |        | million yen                            |             | million yen                            |             | million yen                  |             |
| <b>I</b> Net Sales  |        | 176,364                                | 100.0       | 188,009                                | 100.0       | 515,292                      | 100.0       |
| <b>II</b> Cost of Sales   |        | 103,454                                | 58.7        | 98,454                                 | 52.4        | 298,115                      | 57.9        |
| <b>Gross margin</b>   |        | <b>72,910</b>                          | <b>41.3</b> | <b>89,554</b>                          | <b>47.6</b> | <b>217,176</b>               | <b>42.1</b> |
| <b>III</b> Selling, general, and<br>administrative expenses               |        | 53,297                                 | 30.2        | 49,541                                 | 26.3        | 105,653                      | 20.5        |
| <b>Operating income</b>   |        | <b>19,613</b>                          | <b>11.1</b> | <b>40,013</b>                          | <b>21.3</b> | <b>111,522</b>               | <b>21.6</b> |
| <b>IV</b> Other income  |        | 37,342                                 | 21.2        | 42,492                                 | 22.6        | 37,868                       | 7.4         |
| 1 Interest income   |        | 10,502                                 |             | 5,233                                  |             | 13,510                       |             |
| 2 Foreign exchange gain   |        | 24,151                                 |             | 36,102                                 |             | 21,848                       |             |
| 3 Other   |        | 2,689                                  |             | 1,156                                  |             | 2,509                        |             |
| <b>V</b> Other expenses   |        | 131                                    | 0.1         | 3,287                                  | 1.8         | 4,098                        | 0.8         |
| 1 Sales discount  |        | 114                                    |             | 100                                    |             | 304                          |             |
| 2 Equity in losses of non-consolidated<br>subsidiary and affiliates       |        | -                                      |             | 3,153                                  |             | 3,512                        |             |
| 3 Other   |        | 17                                     |             | 33                                     |             | 281                          |             |
| <b>Income before income taxes and<br/>extraordinary items</b>             |        | <b>56,824</b>                          | <b>32.2</b> | <b>79,218</b>                          | <b>42.1</b> | <b>145,292</b>               | <b>28.2</b> |
| <b>VI</b> Extraordinary income  |        | 4,571                                  | 2.6         | 1,478                                  | 0.8         | 1,735                        | 0.3         |
| 1 Reversal of allowance for doubtful accounts                             |        | 44                                     |             | 1,469                                  |             | 1,735                        |             |
| 2 Reversal of loss on investments in securities                           |        | 1,753                                  |             | 8                                      |             | -                            |             |
| 3 Gain on sales of fixed assets   |        | 6                                      |             | -                                      |             | -                            |             |
| 4 Gain on sales of investments in securities                              |        | 1,530                                  |             | -                                      |             | -                            |             |
| 5 Reversal of reserve for directors'<br>retirement and severance benefits |        | 1,236                                  |             | -                                      |             | -                            |             |
| <b>VII</b> Extraordinary loss   |        | 252                                    | 0.1         | 19                                     | 0.0         | 1,625                        | 0.3         |
| 1 Loss on disposal of fixed assets  |        | 18                                     |             | 19                                     |             | 13                           |             |
| 2 Loss on investments in securities                                       |        | -                                      |             | -                                      |             | 1,612                        |             |
| 3 Loss on sales of investments in securities                              |        | 233                                    |             | -                                      |             | -                            |             |
| <b>Income before income taxes and<br/>minority interests</b>              |        | <b>61,144</b>                          | <b>34.7</b> | <b>80,676</b>                          | <b>42.9</b> | <b>145,402</b>               | <b>28.2</b> |
| Provision for income taxes and<br>enterprise taxes                        |        | 29,335                                 | 16.6        | 40,834                                 | 21.7        | 53,766                       | 10.4        |
| Income taxes deferred   |        | (4,793)                                | (2.7)       | (6,537)                                | (3.5)       | 4,195                        | 0.8         |
| Minority interests  |        | (23)                                   | (0.0)       | (65)                                   | (0.0)       | 24                           | 0.0         |
| <b>Net income</b>   |        | <b>36,625</b>                          | <b>20.8</b> | <b>46,445</b>                          | <b>24.7</b> | <b>87,416</b>                | <b>17.0</b> |

**CONSOLIDATED STATEMENTS OF SURPLUS**

| Description  | Period | Six Months Ended<br>September 30, 2005 | Six Months Ended<br>September 30, 2004 | Year Ended<br>March 31, 2005 |
|--|--------|--|--|------------------------------|
|  |        | Amount                                 | Amount                                 | Amount                       |
|  |        | million yen                            | million yen                            | million yen                  |
| <b>(Additional paid-in capital)</b>  |        |  |  |                              |
| <b>I Additional paid-in capital - Beginning</b>  |        | <b>11,584</b>                          | <b>11,584</b>                          | <b>11,584</b>                |
| <b>II Increase</b>   |        | <b>0</b>                               | <b>0</b>                               | <b>0</b>                     |
| 1 Gain on disposal of treasury stock   |        | 0                                      | 0                                      | 0                            |
| <b>III Additional paid-in capital - Ending</b>   |        | <b>11,584</b>                          | <b>11,584</b>                          | <b>11,584</b>                |
| <b>(Retained earnings)</b>   |        |  |  |                              |
| <b>I Retained earnings - Beginning</b>   |        | <b>1,032,834</b>                       | <b>964,524</b>                         | <b>964,524</b>               |
| <b>II Increase</b>   |        | <b>36,625</b>                          | <b>46,445</b>                          | <b>87,416</b>                |
| 1 Net income   |        | 36,625                                 | 46,445                                 | 87,416                       |
| <b>III Decrease</b>  |        | <b>26,185</b>                          | <b>9,527</b>                           | <b>19,105</b>                |
| 1 Cash dividends   |        | 26,015                                 | 9,357                                  | 18,463                       |
| 2 Directors' bonuses   |        | 170                                    | 170                                    | 170                          |
| 3 Decrease in retained earnings due to exclusion of affiliate with equity method applied |        | -                                      | -                                      | 472                          |
| <b>IV Retained earnings - Ending</b>   |        | <b>1,043,275</b>                       | <b>1,001,442</b>                       | <b>1,032,834</b>             |

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

| Description   | Period | Six Months Ended<br>September 30, 2005 | Six Months Ended<br>September 30, 2004 | Year Ended<br>March 31, 2005 |
|---|--------|--|--|------------------------------|
|   |        | Amount                                 | Amount                                 | Amount                       |
|   |        | million yen                            | million yen                            | million yen                  |
| <b>I Cash flows from operating activities:</b>                            |        |  |  |                              |
| Income before income taxes and minority interests                         |        | 61,144                                 | 80,676                                 | 145,402                      |
| Depreciation and amortization   |        | 1,652                                  | 1,405                                  | 2,931                        |
| Increase (decrease) in allowance for doubtful accounts                    |        | (19)                                   | (1,195)                                | (1,226)                      |
| Interest and dividends income   |        | (10,945)                               | (5,516)                                | (14,100)                     |
| Interest expenses   |        | 0                                      | 0                                      | 0                            |
| Foreign exchange loss (gain)  |        | (25,516)                               | (36,035)                               | (27,570)                     |
| Equity in losses (earnings) of non-consolidated subsidiary and affiliates |        | (1,519)                                | 3,153                                  | 3,512                        |
| Decrease (increase) in notes and trade accounts receivable                |        | (3,517)                                | (19,628)                               | (21,062)                     |
| Decrease (increase) in inventories  |        | (29,763)                               | (21,040)                               | (17,734)                     |
| Increase (decrease) in notes and trade accounts payable                   |        | (16,634)                               | 18,111                                 | 48,687                       |
| Increase (decrease) in consumption taxes payable                          |        | (620)                                  | (401)                                  | 189                          |
| Directors' bonuses paid   |        | (170)                                  | (170)                                  | (170)                        |
| Other, net  |        | (2,368)                                | 8,319                                  | (2,335)                      |
| Sub-total   |        | (28,276)                               | 27,680                                 | 116,523                      |
| Interest and dividends received   |        | 11,242                                 | 5,257                                  | 13,533                       |
| Interest paid   |        | (0)                                    | (0)                                    | (0)                          |
| Income taxes paid   |        | (46,489)                               | (6,575)                                | (13,485)                     |
| <b>Net cash provided by (used in) operating activities</b>                |        | <b>(63,523)</b>                        | <b>26,361</b>                          | <b>116,571</b>               |
| <b>II Cash flows from investing activities:</b>                           |        |  |  |                              |
| Increase in time deposits   |        | (170,013)                              | (30,442)                               | (64,830)                     |
| Decrease in time deposits   |        | 63,261                                 | 52,216                                 | 72,973                       |
| Payments for acquisition of marketable securities                         |        | (11,558)                               | (19,144)                               | (31,560)                     |
| Proceeds from sale of marketable securities                               |        | 16,013                                 | 29,848                                 | 39,963                       |
| Payments for acquisition of property, plant and equipment                 |        | (2,373)                                | (724)                                  | (2,061)                      |
| Proceeds from sale of property, plant and equipment                       |        | 88                                     | 4                                      | 12                           |
| Payments for investments in securities                                    |        | (2,164)                                | (12,882)                               | (24,711)                     |
| Proceeds from investments in securities                                   |        | 6,014                                  | -                                      | 2,524                        |
| Payments for investments in affiliates                                    |        | -                                      | (7,371)                                | (7,250)                      |
| Sales of business entities  |        | -                                      | 1,085                                  | 1,072                        |
| Other, net  |        | 348                                    | 890                                    | 2,151                        |
| <b>Net cash provided by (used in) investing activities</b>                |        | <b>(100,382)</b>                       | <b>13,480</b>                          | <b>(11,716)</b>              |
| <b>III Cash flows from financing activities:</b>                          |        |  |  |                              |
| Payments for acquisition of treasury stock                                |        | (25,165)                               | (42,944)                               | (42,995)                     |
| Cash dividends paid   |        | (25,986)                               | (9,350)                                | (18,455)                     |
| Other, net  |        | 1                                      | 2                                      | 3                            |
| <b>Net cash provided by (used in) financing activities</b>                |        | <b>(51,150)</b>                        | <b>(52,292)</b>                        | <b>(61,447)</b>              |
| <b>IV Effect of exchange rate changes on cash and cash equivalents</b>    |        | <b>25,583</b>                          | <b>36,414</b>                          | <b>29,205</b>                |
| <b>V Net increase (decrease) of cash and cash equivalents</b>             |        | <b>(189,473)</b>                       | <b>23,963</b>                          | <b>72,613</b>                |
| <b>VI Cash and cash equivalents - Beginning</b>                           |        | <b>792,727</b>                         | <b>720,114</b>                         | <b>720,114</b>               |
| <b>VII Cash and cash equivalents - Ending</b>                             |        | <b>603,253</b>                         | <b>744,077</b>                         | <b>792,727</b>               |

## **BASIS OF CONSOLIDATED FINANCIAL STATEMENTS**

### **1. Scope of consolidation**

|                           |    |  |                                      |
|---------------------------|----|--|--------------------------------------|
| Consolidated subsidiaries | 18 | Nintendo of America Inc.                 | NES Merchandising, Inc.              |
|                           |    | NHR Inc.                                 | HFI Inc.                             |
|                           |    | Nintendo of Canada Ltd.                  | Nintendo of Europe GmbH              |
|                           |    | Nintendo France S.A.R.L.                 | Nintendo España, S.A.                |
|                           |    | Nintendo Benelux B.V.                    | Nintendo Australia Pty. Ltd.         |
|                           |    | Nintendo Phuten Co., Ltd.                | Nintendo Technology Development Inc. |
|                           |    | Nintendo Software Technology Corporation | SIRAS.com Inc.                       |
|                           |    | Retro Studios, Inc.                      | Nintendo (Hong Kong) Ltd.            |
|                           |    | ND CUBE Co., Ltd.                        | Brownie Brown Inc.                   |

Nintendo (Hong Kong) Ltd. is newly consolidated because of capital investment.

|                               |   |                  |                   |
|-------------------------------|---|------------------|-------------------|
| Non-consolidated subsidiaries | 2 | Fukuei Co., Ltd. | A/N Software Inc. |
|-------------------------------|---|------------------|-------------------|

Above two subsidiaries are both small in size and are excluded from consolidation as they do not have a significant impact on the consolidated financial statements in respect of combined assets, sales, net profit, and retained earnings.

### **2. Scope of equity method companies**

|  |   |   |                             |   |
|--|---|---|-----------------------------|---|
| Non-consolidated subsidiary with equity method applied | 1 | A/N Software Inc.   |                             |   |
| Affiliates with equity method applied                  | 7 | The Pokémon Company<br>iKuni Inc.<br>The Baseball Club of Seattle, L.P. | WARPSTAR, Inc.<br>iQue Ltd. | Silicon Knights Inc.<br>iQue (China) Ltd. |

With respect to (equity method applied) companies with different six-month end from consolidated six-month end (i.e., September 30), their financial statements are used either as they are or based on appropriate provisional financial information.

### **3. Semi-annual consolidated accounting period**

Although six-month periods of Nintendo Phuten Co., Ltd. and Retro Studios, Inc. end on June 30, which are different from consolidated six-month end, their financial statements through that period are used for consolidation as the variance of six-month end are within three months (so-called three month rule applied). Important transactions between their six-month end and September 30 are reconciled for consolidation.

### **4. Accounting policies**

#### **(1) A valuation basis and method of important assets**

##### **(A) Securities**

|                                 |   |
|---------------------------------|---|
| Held-to-maturity bonds          | Amortized cost method (by straight-line method)   |
| Other securities                |   |
| Marketable other securities     | Market price method, based on the market value at balance sheet date<br>(Losses are charged to income, and unrealized gains, net of tax are charged to shareholders' equity.) |
| Non-marketable other securities | Cost, determined by the moving average method   |

##### **(B) Derivatives**

Market price method

##### **(C) Inventories**

Lower of cost, determined by the moving average method, or market

(2) Depreciation method for important fixed assets

(A) Tangible assets

The Company and its domestic consolidated subsidiaries

Declining balance method (Some equipment is depreciated over economic useful lives.)

Buildings (exclusive of structures) acquired on or after April 1, 1998 are depreciated using the straight-line method.

Overseas consolidated subsidiaries

Straight-line method over the estimated useful lives of the assets  
Estimated useful lives of the principal assets:

Buildings and structures: 3 to 60 years

(B) Intangible assets

Straight-line method

As for software for the in-house use, straight-line method based on usable period (mainly five years) is applied.

(3) Allowance and reserve

(A) Allowance for doubtful accounts

The Company and its domestic consolidated subsidiaries are calculating the allowance for general accounts receivables with actual percentage of credit losses to provide against losses on bad debts, as well as calculating the allowance for each doubtful account with an estimated amount of potential bad debts. Overseas consolidated subsidiaries are calculating the allowance for each doubtful account with an estimated amount of potential bad debts.

(B) Reserve for bonuses

The Company is calculating the reserve for bonuses with estimated prorated amount to be paid.

(C) Reserve for employee retirement and severance benefits

The Company and certain consolidated subsidiaries are calculating the reserve for employee retirement and severance benefits with actuarially projected amount at the end of the six month period, on the basis of the cost of retirement benefits and plan assets at the end of the current fiscal year.

Actuarial calculation difference are processed collectively, mainly in the accrued year.

(Change in accounting procedure)

As of the semi-annual consolidated accounting period under review, the Company adopted the partial amendment of "Corporate Accounting Standard No. 6 regarding Employee Retirement and Severance Benefits and its application guidelines No. 7", issued on March 16, 2005. The impact on operating income, income before income taxes and extraordinary items, and income before income taxes and minority interests is minor.

(D) Reserve for directors' retirement and severance benefits

In order to prepare for granting retirement allowances to directors and auditors, provisions based on regulations regarding payment of retirement allowances to directors and auditors have been recognized by the reporting company. At the Annual General Meeting of Shareholders held on June 29, 2005, the discontinuance of the directors and auditors retirement allowance system was approved along with payment of a final allowance to directors and auditors who took office until that time. Since the final allowances are to be paid at the time of retirement based on each director or auditor's tenure as of June 29, 2005, the amount is booked as part of non-current accounts payable.

(4) Translation basis of assets and/or liabilities denominated in foreign currencies

Receivables and/or payables denominated in foreign currencies are translated into Japanese yen by the spot exchange rates at the end of semi-annual fiscal year. Exchange gains or losses are charged to income. With respect to financial statements of overseas consolidated subsidiaries, balance sheets are translated into Japanese yen at exchange rates in effect at the balance sheet date for assets and liabilities. The average exchange rates for the semi-annual fiscal year are used for translation of revenue and expenses. The difference resulting from translation in this manner are shown as Minority Interests and Translation Adjustments in Shareholders' equity.

(5) Lease transactions

Finance leases that are deemed to transfer ownership of the leased assets to lessees are to be capitalized, while other finance leases are accounted for as operating lease transactions. Other finance leases are disclosed in the notes to Lease transactions information.

(6) Consumption tax

The consumption tax and the provincial consumption tax are recorded as asset / liability when they are paid / received.

**5. Funds in consolidated statements of cash flows**

Funds (cash and cash equivalents) in consolidated statements of cash flows cover cash on hand, deposits which are able to be withdrawn at any time, and short-term investments which are able to be cashed easily, with little risk of value fluctuation, for which the term of redemption come within three months from the acquisition date.

**NOTES**

**Consolidated balance sheets information:**

|   | <b>As of Sept. 30,<br/>2005</b> | As of Sept. 30,<br>2004 | Yen in Millions<br>As of Mar. 31,<br>2005 |
|---|---------------------------------|-------------------------|---|
| Accumulated depreciation of tangible assets | <b>36,429</b>                   | 36,336                  | 36,821                                    |

**Consolidated statements of cash flows information:**

Reconciliation between cash and cash equivalents - ending  
and the amount shown on consolidated balance sheets

|  | <b>As of Sept. 30,<br/>2005</b> | As of Sept. 30,<br>2004 | Yen in Millions<br>As of Mar. 31,<br>2005 |
|--|---------------------------------|-------------------------|---|
| Cash and deposits account                                      | <b>711,343</b>                  | 747,403                 | 826,653                                   |
| Time deposits (over 3 months)                                  | <b>(136,455)</b>                | (27,534)                | (39,784)                                  |
| Short-term investment due within 3 months<br>after acquisition | <b>28,365</b>                   | 24,209                  | 5,858                                     |
| <hr/> Cash and cash equivalents - Ending                       | <b>603,253</b>                  | 744,077                 | 792,727                                   |

## SEGMENT INFORMATION

### 1. Segment information by business categories

Because the company operates predominantly in one industry segment which is accounted for over 90% of total sales, operating income and total assets, this information is not applicable to our business.

### 2. Segment information by seller's location

Six months ended September 30, 2005

Yen in Millions

|   | Japan   | The Americas | Europe | Other | Total   | Eliminations or unallocated assets | Consolidated |
|---|---------|--------------|--------|-------|---------|------------------------------------|--------------|
| Net Sales   |         |              |        |       |         |                                    |              |
| (1) Sales to third parties                                      | 54,400  | 73,764       | 45,041 | 3,158 | 176,364 | -                                  | 176,364      |
| (2) Inter-segment sales   | 125,529 | 878          | 6      | 32    | 126,446 | (126,446)                          | -            |
| Total   | 179,929 | 74,642       | 45,047 | 3,191 | 302,811 | (126,446)                          | 176,364      |
| Cost of sales and selling, general, and administrative expenses | 151,739 | 76,398       | 44,450 | 3,241 | 275,830 | (119,078)                          | 156,751      |
| Operating income (loss)   | 28,190  | (1,755)      | 596    | (50)  | 26,981  | (7,367)                            | 19,613       |

Six months ended September 30, 2004

Yen in Millions

|   | Japan   | The Americas | Europe | Other | Total   | Eliminations or unallocated assets | Consolidated |
|---|---------|--------------|--------|-------|---------|------------------------------------|--------------|
| Net Sales   |         |              |        |       |         |                                    |              |
| (1) Sales to third parties                                      | 48,688  | 96,639       | 40,415 | 2,265 | 188,009 | -                                  | 188,009      |
| (2) Inter-segment sales   | 134,346 | 748          | 7      | 63    | 135,165 | (135,165)                          | -            |
| Total   | 183,035 | 97,387       | 40,422 | 2,329 | 323,175 | (135,165)                          | 188,009      |
| Cost of sales and selling, general, and administrative expenses | 135,924 | 94,950       | 39,420 | 2,580 | 272,876 | (124,880)                          | 147,996      |
| Operating income (loss)   | 47,111  | 2,436        | 1,001  | (251) | 50,298  | (10,285)                           | 40,013       |

Year ended March 31, 2005

Yen in Millions

|   | Japan   | The Americas | Europe  | Other | Total   | Eliminations or unallocated assets | Consolidated |
|---|---------|--------------|---------|-------|---------|------------------------------------|--------------|
| Net Sales   |         |              |         |       |         |                                    |              |
| (1) Sales to third parties                                      | 131,102 | 256,119      | 121,353 | 6,717 | 515,292 | -                                  | 515,292      |
| (2) Inter-segment sales   | 311,941 | 1,880        | 9       | 99    | 313,931 | (313,931)                          | -            |
| Total   | 443,043 | 257,999      | 121,363 | 6,817 | 829,224 | (313,931)                          | 515,292      |
| Cost of sales and selling, general, and administrative expenses | 343,430 | 250,684      | 117,882 | 6,867 | 718,865 | (315,095)                          | 403,769      |
| Operating income (loss)   | 99,613  | 7,314        | 3,480   | (50)  | 110,359 | 1,163                              | 111,522      |

### 3. Overseas sales

Six months ended September 30, 2005

Yen in Millions

|   | The Americas | Europe | Other | Total   |
|---|--------------|--------|-------|---------|
| I Overseas sales                                      | 74,137       | 45,048 | 5,548 | 124,733 |
| II Consolidated net sales                             |              |        |       | 176,364 |
| III Ratio of overseas sales to consolidated net sales | 42.0%        | 25.5%  | 3.2%  | 70.7%   |

Six months ended September 30, 2004

Yen in Millions

|   | The Americas | Europe | Other | Total   |
|---|--------------|--------|-------|---------|
| I Overseas sales                                      | 97,056       | 40,424 | 3,003 | 140,484 |
| II Consolidated net sales                             |              |        |       | 188,009 |
| III Ratio of overseas sales to consolidated net sales | 51.6%        | 21.5%  | 1.6%  | 74.7%   |

Year ended March 31, 2005

Yen in Millions

|   | The Americas | Europe  | Other | Total   |
|---|--------------|---------|-------|---------|
| I Overseas sales                                      | 256,968      | 121,371 | 9,883 | 388,223 |
| II Consolidated net sales                             |              |         |       | 515,292 |
| III Ratio of overseas sales to consolidated net sales | 50.0%        | 23.5%   | 1.9%  | 75.4%   |

## **LEASE TRANSACTIONS INFORMATION**

This information is omitted, since it is disclosed on EDINET.

## **SECURITIES INFORMATION**

**As of September 30, 2005**

Yen in Millions

1. Marketable other securities

|        | <u>Acquisition Cost</u> | <u>Book Value</u> | <u>Difference</u> |
|--------|-------------------------|-------------------|-------------------|
| Stocks | 14,990                  | 29,793            | 14,802            |
| Bonds  | 32,319                  | 33,601            | 1,281             |
| Total  | 47,309                  | 63,394            | 16,084            |

2. Contents and book value of major non-marketable securities

|                                    |        |  |
|------------------------------------|--------|--|
| (1) Held-to-maturity bonds         |        |  |
| Commercial paper                   | 15,421 |  |
| (2) Other securities               |        |  |
| Preferred subscription certificate | 11,000 |  |

**As of September 30, 2004**

Yen in Millions

1. Marketable other securities

|        | <u>Acquisition Cost</u> | <u>Book Value</u> | <u>Difference</u> |
|--------|-------------------------|-------------------|-------------------|
| Stocks | 19,708                  | 29,476            | 9,768             |
| Bonds  | 19,824                  | 20,122            | 297               |
| Total  | 39,533                  | 49,599            | 10,066            |

2. Contents and book value of major non-marketable securities

|                                    |        |  |
|------------------------------------|--------|--|
| (1) Held-to-maturity bonds         |        |  |
| Commercial paper                   | 29,522 |  |
| (2) Other securities               |        |  |
| Preferred subscription certificate | 11,000 |  |
| Unlisted bonds                     | 3,665  |  |

**As of March 31, 2005**

Yen in Millions

1. Marketable other securities

|        | <u>Acquisition Cost</u> | <u>Book Value</u> | <u>Difference</u> |
|--------|-------------------------|-------------------|-------------------|
| Stocks | 19,708                  | 30,656            | 10,948            |
| Bonds  | 32,455                  | 31,945            | (509)             |
| Total  | 52,163                  | 62,602            | 10,438            |

2. Contents and book value of major non-marketable securities

|                                    |        |  |
|------------------------------------|--------|--|
| (1) Held-to-maturity bonds         |        |  |
| Commercial paper                   | 11,933 |  |
| (2) Other securities               |        |  |
| Preferred subscription certificate | 11,000 |  |

## **DERIVATIVE TRANSACTIONS INFORMATION**

This information is omitted, since it is disclosed on EDINET.

**PRODUCTION, ORDERS, AND SALES INFORMATION**

**Production**

Yen in Millions

| Business Category                       | Main Products              | Six Months Ended<br>September 30, 2005 | Six Months Ended<br>September 30, 2004 | Year Ended<br>March 31, 2005 |
|---|----------------------------|--|--|------------------------------|
| Electronic<br>Entertainment<br>Products | Hardware                   |  |  |                              |
|   | Handheld                   | 109,922                                | 88,503                                 | 227,586                      |
|   | Console                    | 10,927                                 | 20,687                                 | 48,130                       |
|   | Others                     | 5,232                                  | 12,593                                 | 27,100                       |
|   | Hardware Total             | 126,082                                | 121,784                                | 302,817                      |
|   | Software                   |  |  |                              |
|   | Handheld                   | 63,495                                 | 69,805                                 | 148,744                      |
| Console                                 | 25,931                     | 33,605                                 | 85,240                                 |                              |
|   | Software Total             | 89,426                                 | 103,410                                | 233,984                      |
|   | Total                      | 215,509                                | 225,195                                | 536,801                      |
| Other                                   | Playing Cards, Karuta etc. | 557                                    | 739                                    | 1,340                        |
|   | Total                      | 216,066                                | 225,934                                | 538,142                      |

**Orders**

Yen in Millions

| Business Category                       | Main Products | Six Months Ended<br>September 30, 2005 |                   | Six Months Ended<br>September 30, 2004 |                   | Year Ended<br>March 31, 2005 |                   |
|---|---------------|--|-------------------|--|-------------------|------------------------------|-------------------|
|   |               | Orders<br>received                     | Orders<br>in hand | Orders<br>received                     | Orders<br>in hand | Orders<br>received           | Orders<br>in hand |
| Electronic<br>Entertainment<br>Products | Handheld      | 30,131                                 | 11,076            | 28,681                                 | 9,648             | 49,931                       | 2,663             |
|   | Console       | 6,784                                  | 1,464             | 8,647                                  | 1,121             | 19,803                       | 113               |
|   | Total         | 36,916                                 | 12,541            | 37,329                                 | 10,770            | 69,734                       | 2,777             |

**Sales**

Yen in Millions

| Business Category                       | Main Products              | Six Months Ended<br>September 30, 2005 | Six Months Ended<br>September 30, 2004 | Year Ended<br>March 31, 2005 |
|---|----------------------------|--|--|------------------------------|
| Electronic<br>Entertainment<br>Products | Hardware                   |  |  |                              |
|   | Handheld                   | 74,888                                 | 61,321                                 | 206,697                      |
|   | Console                    | 8,590                                  | 16,145                                 | 41,989                       |
|   | Others                     | 11,043                                 | 16,316                                 | 41,690                       |
|   | Hardware Total             | 94,522                                 | 93,783                                 | 290,378                      |
|   | Software                   |  |  |                              |
|   | Handheld                   | 59,063                                 | 65,117                                 | 145,604                      |
|   | Console                    | 20,723                                 | 26,750                                 | 74,429                       |
|   | Royalty and content income | 1,143                                  | 1,310                                  | 2,671                        |
|   | Others                     | 10                                     | 0                                      | 0                            |
|   | Software Total             | 80,940                                 | 93,177                                 | 222,705                      |
|   | Total                      | 175,462                                | 186,961                                | 513,084                      |
| Other                                   | Playing Cards, Karuta etc. | 902                                    | 1,048                                  | 2,208                        |
|   | Total                      | 176,364                                | 188,009                                | 515,292                      |

# NON-CONSOLIDATED FINANCIAL STATEMENTS

Nintendo Co., Ltd.



November 24, 2005



Nintendo Co., Ltd.  
11-1 Kamitoba hokotate-cho,  
Minami-ku, Kyoto 601-8501  
Japan

## FINANCIAL HIGHLIGHTS

### 1. Non-consolidated results for the six months ended September 2004 and 2005, and year ended March 31, 2005

#### (1) Non-consolidated operating results

(Amounts below one million are rounded down)

|                                | Net Sales   |       | Operating Income |        | Income before Income Taxes and Extraordinary Items |        |
|--------------------------------|-------------|-------|------------------|--------|--|--------|
|                                | million yen | %     | million yen      | %      | million yen  | %      |
| Six months ended Sept. 30, '05 | 179,919     | (1.7) | 28,116           | (40.5) | 61,651   | (30.4) |
| Six months ended Sept. 30, '04 | 183,035     | 5.9   | 47,270           | 55.3   | 88,527   | -      |
| Year ended Mar. 31, '05        | 443,044     |       | 99,554           |        | 134,123  |        |

|                                | Net Income  |        | Net Income per Share |
|--------------------------------|-------------|--------|----------------------|
|                                | million yen | %      | yen                  |
| Six months ended Sept. 30, '05 | 39,607      | (26.1) | 305.33               |
| Six months ended Sept. 30, '04 | 53,608      | -      | 402.82               |
| Year ended Mar. 31, '05        | 80,005      |        | 606.65               |

[Note] Percentage for net sales, operating income, income before income taxes and extraordinary items, and net income show increase (decrease) from the previous semi-annual accounting period.

#### (2) Cash dividend

|                                | Interim Cash Dividend per Share | Annual Cash Dividend per Share |
|--------------------------------|---------------------------------|--------------------------------|
|                                | yen                             | yen                            |
| Six months ended Sept. 30, '05 | 70.00                           | -                              |
| Six months ended Sept. 30, '04 | 70.00                           | -                              |
| Year ended Mar. 31, '05        | -                               | 270.00                         |

#### (3) Non-consolidated financial position

|                     | Total Assets | Shareholders' Equity | Ratio of Net Worth to Total Assets | Shareholders' Equity per Share |
|---------------------|--------------|----------------------|------------------------------------|--------------------------------|
|                     | million yen  | million yen          | %                                  | yen                            |
| As of Sept. 30, '05 | 964,262      | 812,372              | 84.2                               | 6,350.75                       |
| As of Sept. 30, '04 | 959,898      | 803,355              | 83.7                               | 6,175.78                       |
| As of Mar. 31, '05  | 998,208      | 821,749              | 82.3                               | 6,316.08                       |

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

|                          | Net Sales   | Income before Income Taxes and Extraordinary Items | Net Income  | Annual Cash Dividend per Share |         |
|--------------------------|-------------|--|-------------|--------------------------------|---------|
|                          |             |  |             | Year-End                       |         |
|                          | million yen | million yen  | million yen | yen                            | yen     |
| Year ending Mar. 31, '06 | 390,000     | 95,000   | 60,000      | 70.00~                         | 140.00~ |

Estimated annual earnings per share: 464.44 yen

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

**NON-CONSOLIDATED BALANCE SHEETS**

| Date<br>Description                       | As of September 30,<br>2005 |              | As of September 30,<br>2004 |              | As of March 31,<br>2005 |              |
|---|-----------------------------|--------------|-----------------------------|--------------|-------------------------|--------------|
|   | Amount                      | %            | Amount                      | %            | Amount                  | %            |
|   | million yen                 |              | million yen                 |              | million yen             |              |
| <b>(Assets)</b>                           |                             |              |                             |              |                         |              |
| <b>I Current assets</b>                   |                             |              |                             |              |                         |              |
| 1 Cash and deposits                       | 624,706                     |              | 650,178                     |              | 717,758                 |              |
| 2 Notes receivable                        | 113                         |              | 616                         |              | 1,393                   |              |
| 3 Trade accounts receivable               | 84,988                      |              | 80,899                      |              | 69,786                  |              |
| 4 Inventories                             | 21,717                      |              | 13,195                      |              | 16,039                  |              |
| 5 Deferred income taxes                   | 15,049                      |              | 19,448                      |              | 12,989                  |              |
| 6 Other current assets                    | 65,463                      |              | 39,279                      |              | 33,358                  |              |
| 7 Allowance for doubtful accounts         | (85)                        |              | (136)                       |              | (65)                    |              |
| <b>Total current assets</b>               | <b>811,953</b>              | <b>84.2</b>  | <b>803,480</b>              | <b>83.7</b>  | <b>851,259</b>          | <b>85.3</b>  |
| <b>II Fixed assets</b>                    |                             |              |                             |              |                         |              |
| 1 Property, plant and equipment           |                             |              |                             |              |                         |              |
| (1) Buildings and structures              | 13,254                      |              | 13,893                      |              | 13,575                  |              |
| (2) Land                                  | 25,182                      |              | 25,249                      |              | 25,249                  |              |
| (3) Other current assets                  | 1,721                       |              | 1,457                       |              | 1,744                   |              |
| <b>Total fixed assets</b>                 | <b>40,158</b>               | <b>4.2</b>   | <b>40,600</b>               | <b>4.2</b>   | <b>40,569</b>           | <b>4.1</b>   |
| 2 Intangible assets                       | 285                         | 0.0          | 241                         | 0.0          | 296                     | 0.0          |
| 3 Investments and other assets            |                             |              |                             |              |                         |              |
| (1) Investments in securities             | 63,883                      |              | 63,961                      |              | 67,908                  |              |
| (2) Investments in affiliates             | 29,440                      |              | 39,788                      |              | 29,342                  |              |
| (3) Deferred income taxes                 | 6,623                       |              | 11,553                      |              | 8,614                   |              |
| (4) Other investments and other assets    | 14,513                      |              | 2,897                       |              | 2,864                   |              |
| (5) Allowance for doubtful accounts       | (2,596)                     |              | (2,625)                     |              | (2,647)                 |              |
| <b>Total investments and other assets</b> | <b>111,864</b>              | <b>11.6</b>  | <b>115,575</b>              | <b>12.1</b>  | <b>106,082</b>          | <b>10.6</b>  |
| <b>Total fixed assets</b>                 | <b>152,308</b>              | <b>15.8</b>  | <b>156,418</b>              | <b>16.3</b>  | <b>146,948</b>          | <b>14.7</b>  |
| <b>Total</b>                              | <b>964,262</b>              | <b>100.0</b> | <b>959,898</b>              | <b>100.0</b> | <b>998,208</b>          | <b>100.0</b> |

| Date<br>Description   | As of September 30,<br>2005 |               | As of September 30,<br>2004 |               | As of March 31,<br>2005 |               |
|---|-----------------------------|---------------|-----------------------------|---------------|-------------------------|---------------|
|   | Amount                      | %             | Amount                      | %             | Amount                  | %             |
|   | million yen                 |               | million yen                 |               | million yen             |               |
| <b>(Liabilities)</b>  |                             |               |                             |               |                         |               |
| <b>I Current liabilities</b>                                  |                             |               |                             |               |                         |               |
| 1 Notes payable   | 2,748                       |               | 7,926                       |               | 4,063                   |               |
| 2 Trade accounts payable                                      | 101,250                     |               | 81,345                      |               | 102,434                 |               |
| 3 Other accounts payable                                      | 10,909                      |               | 10,082                      |               | 11,994                  |               |
| 4 Accrued income taxes  | 27,545                      |               | 38,899                      |               | 44,724                  |               |
| 5 Reserve for bonuses   | 1,556                       |               | 1,648                       |               | 1,650                   |               |
| 6 Other current liabilities                                   | 6,889                       |               | 12,666                      |               | 9,312                   |               |
| <b>Total current liabilities</b>                              | <b>150,899</b>              | <b>15.7</b>   | <b>152,567</b>              | <b>15.9</b>   | <b>174,180</b>          | <b>17.5</b>   |
| <b>II Non-current liabilities</b>                             |                             |               |                             |               |                         |               |
| 1 Non-current accounts payable                                | 990                         |               | 632                         |               | 461                     |               |
| 2 Reserve for employee retirement<br>and severance benefits   | -                           |               | 1,597                       |               | -                       |               |
| 3 Reserve for directors' retirement<br>and severance benefits | -                           |               | 1,744                       |               | 1,816                   |               |
| <b>Total non-current liabilities</b>                          | <b>990</b>                  | <b>0.1</b>    | <b>3,975</b>                | <b>0.4</b>    | <b>2,278</b>            | <b>0.2</b>    |
| <b>Total liabilities</b>                                      | <b>151,889</b>              | <b>15.8</b>   | <b>156,542</b>              | <b>16.3</b>   | <b>176,459</b>          | <b>17.7</b>   |
| <b>(Shareholders' equity)</b>                                 |                             |               |                             |               |                         |               |
| <b>I Common stock</b>   | <b>10,065</b>               | <b>1.0</b>    | <b>10,065</b>               | <b>1.1</b>    | <b>10,065</b>           | <b>1.0</b>    |
| <b>II Additional paid-in capital</b>                          |                             |               |                             |               |                         |               |
| 1 Capital reserve   | 11,584                      |               | 11,584                      |               | 11,584                  |               |
| 2 Other additional paid-in capital                            | 0                           |               | 0                           |               | 0                       |               |
| <b>Total additional paid-in capital</b>                       | <b>11,584</b>               | <b>1.2</b>    | <b>11,584</b>               | <b>1.2</b>    | <b>11,584</b>           | <b>1.2</b>    |
| <b>III Retained earnings</b>                                  |                             |               |                             |               |                         |               |
| 1 Legal reserve   | 2,516                       |               | 2,516                       |               | 2,516                   |               |
| 2 Optional reserve  | 810,044                     |               | 760,046                     |               | 760,046                 |               |
| 3 Unappropriated  | 123,662                     |               | 142,947                     |               | 160,238                 |               |
| <b>Total retained earnings</b>                                | <b>936,223</b>              | <b>97.1</b>   | <b>905,510</b>              | <b>94.3</b>   | <b>922,801</b>          | <b>92.4</b>   |
| <b>IV Unrealized gains on other securities</b>                | <b>9,557</b>                | <b>1.0</b>    | <b>6,040</b>                | <b>0.6</b>    | <b>7,194</b>            | <b>0.7</b>    |
| <b>V Treasury stock, at cost</b>                              | <b>(155,059)</b>            | <b>(16.1)</b> | <b>(129,845)</b>            | <b>(13.5)</b> | <b>(129,896)</b>        | <b>(13.0)</b> |
| <b>Total shareholders' equity</b>                             | <b>812,372</b>              | <b>84.2</b>   | <b>803,355</b>              | <b>83.7</b>   | <b>821,749</b>          | <b>82.3</b>   |
| <b>Total</b>  | <b>964,262</b>              | <b>100.0</b>  | <b>959,898</b>              | <b>100.0</b>  | <b>998,208</b>          | <b>100.0</b>  |

**NON-CONSOLIDATED STATEMENTS OF INCOME**

| Description   | Period | Six Months Ended<br>September 30, 2005 |             | Six Months Ended<br>September 30, 2004 |             | Year Ended<br>March 31, 2005 |             |
|---|--------|--|-------------|--|-------------|------------------------------|-------------|
|   |        | Amount                                 | %           | Amount                                 | %           | Amount                       | %           |
|   |        | million yen                            |             | million yen                            |             | million yen                  |             |
| I Net Sales   |        | 179,919                                | 100.0       | 183,035                                | 100.0       | 443,044                      | 100.0       |
| II Cost of Sales  |        | 122,027                                | 67.8        | 111,225                                | 60.8        | 294,661                      | 66.5        |
| <b>Gross margin</b>   |        | <b>57,892</b>                          | <b>32.2</b> | <b>71,810</b>                          | <b>39.2</b> | <b>148,382</b>               | <b>33.5</b> |
| III Selling, general, and<br>administrative expenses          |        | 29,775                                 | 16.6        | 24,539                                 | 13.4        | 48,828                       | 11.0        |
| <b>Operating income</b>                                       |        | <b>28,116</b>                          | <b>15.6</b> | <b>47,270</b>                          | <b>25.8</b> | <b>99,554</b>                | <b>22.5</b> |
| IV Other income   |        | 33,717                                 | 18.8        | 41,387                                 | 22.6        | 34,988                       | 7.9         |
| 1 Interest income   |        | 8,584                                  |             | 4,086                                  |             | 10,755                       |             |
| 2 Foreign exchange gain                                       |        | 23,817                                 |             | 36,301                                 |             | 22,118                       |             |
| 3 Other   |        | 1,316                                  |             | 999                                    |             | 2,114                        |             |
| V Other expenses  |        | 182                                    | 0.1         | 131                                    | 0.0         | 419                          | 0.1         |
| 1 Sales discount  |        | 171                                    |             | 125                                    |             | 400                          |             |
| 2 Other   |        | 11                                     |             | 5                                      |             | 18                           |             |
| <b>Income before income taxes and<br/>extraordinary items</b> |        | <b>61,651</b>                          | <b>34.3</b> | <b>88,527</b>                          | <b>48.4</b> | <b>134,123</b>               | <b>30.3</b> |
| VI Extraordinary income                                       |        | 4,527                                  | 2.5         | 871                                    | 0.4         | 1,432                        | 0.3         |
| VII Extraordinary loss  |        | 252                                    | 0.2         | -                                      | -           | 1,820                        | 0.4         |
| <b>Income before income taxes and<br/>minority interests</b>  |        | <b>65,926</b>                          | <b>36.6</b> | <b>89,398</b>                          | <b>48.8</b> | <b>133,736</b>               | <b>30.2</b> |
| Provision for income taxes and<br>enterprise taxes            |        | 28,003                                 | 15.6        | 38,418                                 | 21.0        | 47,751                       | 10.8        |
| Income taxes deferred   |        | (1,683)                                | (1.0)       | (2,629)                                | (1.5)       | 5,979                        | 1.3         |
| <b>Net income</b>   |        | <b>39,607</b>                          | <b>22.0</b> | <b>53,608</b>                          | <b>29.3</b> | <b>80,005</b>                | <b>18.1</b> |
| Retained earnings brought forward                             |        | 84,055                                 |             | 89,338                                 |             | 89,338                       |             |
| Interim dividend  |        | -                                      |             | -                                      |             | 9,105                        |             |
| <b>Unappropriated retained earnings</b>                       |        | <b>123,662</b>                         |             | <b>142,947</b>                         |             | <b>160,238</b>               |             |

## **BASIS OF NON-CONSOLIDATED FINANCIAL STATEMENTS**

### **1. A valuation basis and method of assets**

#### (1) Securities

|   |   |
|---|---|
| Held-to-maturity bonds                    | Amortized cost method (by straight-line method)   |
| Securities of subsidiaries and affiliates | Cost, determined by the moving average method   |
| Other securities                          |   |
| Marketable other securities               | Market price method, based on the market value at balance sheet date<br>(Losses are charged to income, and unrealized gains, net of tax are charged to shareholders' equity.) |
| Non-marketable other securities           | Cost, determined by the moving average method   |

#### (2) Derivatives

Market price method

#### (3) Inventories

Lower of cost, determined by the moving average method, or market

### **2. Depreciation method of fixed assets**

#### (1) Tangible assets

Declining balance method (Some equipment is depreciated over economic useful lives.)

Buildings (exclusive of structures) acquired on or after April 1, 1998 are depreciated using the straight-line method.

Estimated useful lives of the principal assets are as follows:

Buildings : 3 to 50 years

#### (2) Intangible assets

Straight-line method

As for software for the in-house use, straight-line method based on usable period (mainly five years) is applied.

### **3. Allowance and reserve**

#### (1) Allowance for doubtful accounts

The allowance for general accounts receivables is calculated with actual percentage of credit losses to provide against losses on bad debts, as well as calculating the allowance for each doubtful account with an estimated amount of potential bad debts.

#### (2) Reserve for bonuses

The reserve for bonuses is calculated with estimated prorated amount to be paid.

#### (3) Reserve for employee retirement and severance benefits

The reserve for employee retirement and severance benefits is calculated with actuarially projected amount at the end of the six-month period, on the basis of the cost of retirement benefits and plan assets at the end of the current fiscal year.

Actuarial calculation difference are processed collectively, mainly in the accrued year.

(Change in accounting procedure)

As of the semi-annual consolidated accounting period under review, the Company adopted the partial amendment of Corporate Accounting Standard No. 6 regarding Employee Retirement and Severance Benefits and its application guidelines No. 7, issued on March 16, 2005. The impact on operating income, income before income taxes and extraordinary items, and income before income taxes and minority interests is minor.

#### (4) Reserve for directors' retirement and severance benefits

In order to prepare for granting retirement allowances to directors and auditors, provisions based on regulations regarding payment of retirement allowances to directors and auditors have been recognized. At the Annual General Meeting of Shareholders held on June 29, 2005, the discontinuance of the directors and auditors retirement allowance system was approved along with payment of a final allowance to directors and auditors who took office until that time. Since the final allowances are to be paid at the time of retirement based on each director or auditor's tenure as of June 29, 2005, the amount is booked as part of non-current accounts payable.

### **4. Translation basis of assets and/or liabilities denominated in foreign currencies**

Receivables and/or payables denominated in foreign currencies are translated into Japanese yen by the spot exchange rates at the end of the semi-annual fiscal year. Exchange gains or losses are charged to income.

**5. Lease transactions**

Finance leases that are deemed to transfer ownership of the leased assets to lessees are to be capitalized, while other finance leases are accounted for as operating lease transactions.

**6. Other**

Consumption tax

The consumption tax and the provincial consumption tax are recorded as asset / liability when they are paid / received.

**NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS**

Yen in Millions

**Balance sheets information:**

|   | <u>As of Sept. 30<br/>2005</u> | <u>As of Sept. 30<br/>2004</u> | <u>As of Mar. 31<br/>2005</u> |
|---|--------------------------------|--------------------------------|-------------------------------|
| Accumulated depreciation of tangible assets   | 22,631                         | 22,853                         | 23,529                        |
| Guaranteed liabilities<br><US\$ in thousands> | 3,413<br><US\$30,155>          | -                              | 3,377<br><US\$31,450>         |

**Statements of income information:**

Yen in Millions

|                               | <u>Six Months Ended<br/>Sep. 30, 2005</u> | <u>Six Months Ended<br/>Sep. 30, 2004</u> | <u>Year Ended<br/>Mar. 31, 2005</u> |
|-------------------------------|---|---|-------------------------------------|
| Depreciation and amortization |   |   |                                     |
| Tangible assets               | 924                                       | 656                                       | 1,518                               |
| Intangible assets             | 42  | 32  | 69                                  |

**LEASE TRANSACTIONS INFORMATION**

This information is omitted, since it is disclosed on EDINET.

**SECURITIES INFORMATION**

None of shares of subsidiaries or affiliates have market value as of September 30, 2004 and 2005 and year ended March 31, 2005.

## SUPPLEMENTARY INFORMATION

*Nintendo Co., Ltd.*

### 1. Consolidated Sales Information

Consolidated sales units, number of new titles, and forecast

|                  |                              |              | Sales Units in Ten Thousands |                |                   |                               |                   |
|------------------|------------------------------|--------------|------------------------------|----------------|-------------------|-------------------------------|-------------------|
|                  |                              |              |                              |                |                   | Number of New Titles Released |                   |
|                  |                              |              | Six Months                   | Six Months     | Twelve Months     | Life-to-Date                  | Forecast          |
|                  |                              |              | Apr.-Sept. '05               | Apr.-Sept. '04 | Apr. '04-Mar. '05 | Sept. '05                     | Apr. '05-Mar. '06 |
| Game Boy Advance | Hardware                     | Japan        | 57                           | 135            | 234               | 1,612                         |                   |
|                  |                              | The Americas | 168                          | 380            | 856               | 3,505                         |                   |
|                  |                              | Other        | 100                          | 158            | 449               | 1,887                         |                   |
|                  |                              | Total        | 325                          | 673            | 1,540             | 7,004                         | 1,100 *           |
|                  | of which Game Boy Advance SP | Japan        | 16                           | 134            | 232               | 616                           |                   |
|                  |                              | The Americas | 139                          | 368            | 791               | 1,808                         |                   |
|                  |                              | Other        | 98                           | 151            | 440               | 1,008                         |                   |
|                  |                              | Total        | 253                          | 653            | 1,464             | 3,432                         |                   |
|                  | of which Game Boy Micro      | Japan        | 41                           | -              | -                 | 41                            |                   |
|                  |                              | The Americas | 29                           | -              | -                 | 29                            |                   |
|                  |                              | Other        | 0                            | -              | -                 | 0                             |                   |
|                  |                              | Total        | 70                           | -              | -                 | 70                            |                   |
|                  | Software                     | Japan        | 353                          | 920            | 1,554             | 6,607                         |                   |
| The Americas     |                              | 1,758        | 2,179                        | 5,077          | 16,482            |                               |                   |
| Other            |                              | 665          | 691                          | 1,826          | 6,524             |                               |                   |
| Total            |                              | 2,776        | 3,790                        | 8,457          | 29,612            | 5,500                         |                   |
| New Titles       | Japan                        | 38           | 86                           | 165            | 732               |                               |                   |
|                  | The Americas                 | 90           | 103                          | 181            | 786               |                               |                   |
|                  | Other                        | 83           | 52                           | 135            | 708               |                               |                   |
|                  | Total                        | 211          | 241                          | 481            | 2,226             |                               |                   |
| Nintendo DS      | Hardware                     | Japan        | 150                          | -              | 212               | 363                           |                   |
|                  |                              | The Americas | 68                           | -              | 219               | 287                           |                   |
|                  |                              | Other        | 139                          | -              | 95                | 234                           |                   |
|                  |                              | Total        | 357                          | -              | 527               | 883                           | 1,200             |
|                  | Software                     | Japan        | 531                          | -              | 382               | 913                           |                   |
|                  |                              | The Americas | 456                          | -              | 475               | 932                           |                   |
|                  |                              | Other        | 343                          | -              | 192               | 535                           |                   |
|                  |                              | Total        | 1,330                        | -              | 1,049             | 2,380                         | 4,000             |
|                  | New Titles                   | Japan        | 45                           | -              | 26                | 71                            |                   |
|                  |                              | The Americas | 34                           | -              | 18                | 52                            |                   |
|                  |                              | Other        | 26                           | -              | 16                | 42                            |                   |
|                  |                              | Total        | 105                          | -              | 60                | 165                           |                   |
|                  | Nintendo GameCube            | Hardware     | Japan                        | 4              | 14                | 34                            | 384               |
| The Americas     |                              |              | 63                           | 99             | 261               | 1,109                         |                   |
| Other            |                              |              | 14                           | 26             | 98                | 438                           |                   |
| Total            |                              |              | 81                           | 140            | 392               | 1,931                         | 240               |
| Software         |                              | Japan        | 134                          | 204            | 509               | 2,532                         |                   |
|                  |                              | The Americas | 975                          | 1,243          | 3,318             | 10,752                        |                   |
|                  |                              | Other        | 213                          | 362            | 1,015             | 3,667                         |                   |
|                  |                              | Total        | 1,322                        | 1,809          | 4,842             | 16,951                        | 3,000             |
| New Titles       |                              | Japan        | 16                           | 16             | 43                | 247                           |                   |
|                  |                              | The Americas | 40                           | 50             | 99                | 465                           |                   |
|                  |                              | Other        | 25                           | 33             | 80                | 382                           |                   |
|                  |                              | Total        | 81                           | 99             | 222               | 1,094                         |                   |

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

\* This forecast is the combined total of Game Boy Advance, Game Boy Advance SP, and Game Boy Micro.

### 2. Other Consolidated Information

|  |           |  |                |                |                   | Yen in Millions   |
|--|-----------|--|----------------|----------------|-------------------|-------------------|
|  |           |  | Six Months     | Six Months     | Twelve Months     | Forecast          |
|  |           |  | Apr.-Sept. '05 | Apr.-Sept. '04 | Apr. '04-Mar. '05 | Apr. '05-Mar. '06 |
| Capital investments                      |           |  | 2,447          | 1,454          | 4,502             | 6,300             |
| Depreciation expenses of tangible assets |           |  | 1,577          | 1,335          | 2,783             | 3,700             |
| Research and development costs           |           |  | 14,815         | 10,882         | 20,513            | 33,000            |
| Marketing expenses                       |           |  | 21,171         | 22,532         | 53,756            | 54,000            |
| Number of employees                      |           |  | 3,151          | 3,018          | 3,013             |                   |
| Average exchange rate                    | US\$1.00= |  | ¥109.48        | ¥109.86        | ¥107.55           |                   |
|  | EUR1.00=  |  | ¥135.64        | ¥133.32        | ¥135.19           |                   |

### 3. Balance of assets in major foreign currencies without exchange contract (non-consolidated)

|                                |                     | U.S. Dollars/Euros in Millions |                |                    |
|--------------------------------|---------------------|--------------------------------|----------------|--------------------|
|                                |                     | Sept. 30, '05                  | Sept. 30, '04  | Mar. 31, '05       |
|                                |                     | Ending Balance                 | Ending Balance | Ending Balance     |
| US\$                           | Cash and Deposits   | 2,887                          | 4,191          | 5,168              |
|                                | Accounts Receivable | 460                            | 492            | 345                |
| EUR                            | Cash and Deposits   | 728                            | 565            | 400                |
|                                | Accounts Receivable | 165                            | 155            | 172                |
| Exchange rate at end of period |                     | US\$1.00= ¥113.19              | ¥111.05        | ¥107.39            |
|                                |                     | EUR1.00= ¥126.12               | ¥127.04        | ¥128.87            |
|                                |                     |                                |                | Mar. 31, 2006      |
|                                |                     |                                |                | Est. exchange rate |
|                                |                     |                                |                | ¥110.00            |
|                                |                     |                                |                | ¥125.00            |

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OFFICE OF INTERNATIONAL  
CORPORATE FINANCE

# **Financial Result Briefing for the Six-month Period Ended September 2005**



**2005/11/25**

## Nintendo IR Reference Material of the Six-month Period Ended September 2005

### Highlights of the Six-month Period Ended September 2005

\*Among software titles for the handheld-type device "Nintendo DS", titles known as "Touch! Generations" (i.e. "Nintendogs", "Brain Training", "Brain Flex", "DS Rakubikijiten", and "Electroplankton") sold 4.18 million units. "Nintendogs", which launched in Japan, The United States, and Australia during April, August, and September respectively, sold exceptionally well, with sales in these three territories reaching a total of 2.59 million units. In Europe, "Nintendogs" was launched during October.

\*The "Game Boy Advance" software title "Pokémon Emerald", which launched in Japan during September 2004, and in the United States this May, enjoyed extremely favorable sales. Worldwide cumulative sales were 3.27 million units.

\*\*"Game Boy Micro", Nintendo's first ever handheld-type game device to have an aluminum body, is ultimately small in size and weight and plays all existing "Game Boy Advance" software. Launched in Japan on September 13, 2005 with a suggested retail price of 12,000 yen, "Game Boy Micro" got off to a good start due to the synergy created by the re-release of the classic "Super Mario Brothers", in celebration of the twentieth anniversary of the launch of "Super Mario".

\*In conformity with the Board of Directors resolution, the Company bought back approximately 2.15 million shares of treasury stocks worth about 25.1 billion yen.

\*Due to the effect of the depreciated yen against the U.S. dollar and Euro, foreign exchange gain was about 24.1 billion yen.

### Total Sales Units of Major Software Titles (Six-month Period Ended September 2005)

|                  |                 | Sales Units In Ten Thousands  |
|------------------|-----------------|-------------------------------|
|                  |                 | Worldwide<br>Apr. - Sept. '05 |
| Game Boy Advance | Pokémon Emerald | 165                           |
| Nintendo DS      | Nintendogs      | 259                           |

### Total Software Sales by Franchise Character

|                            |                            | Sales Units in Ten Thousands                |
|----------------------------|----------------------------|---|
|                            |                            | Worldwide Life-to-Date<br>through Sept. '05 |
| Super Mario Series         | Handheld Games (11 Titles) | 6,098                                       |
|                            | Console Games (10 Titles)  | 12,201                                      |
|                            | Total                      | 18,299                                      |
| The Legend of Zelda Series | Handheld Games (8 Titles)  | 1,551                                       |
|                            | Console Games (7 Titles)   | 3,137                                       |
|                            | Total                      | 4,688                                       |
| Donkey Kong Series         | Handheld Games (10 Titles) | 1,672                                       |
|                            | Console Games (13 Titles)  | 3,044                                       |
|                            | Total                      | 4,716                                       |
| Pokémon Series             | Handheld Games (12 Titles) | 10,341                                      |

## Launch Dates of Primary NINTENDO Products by Region (Apr. 2005– Sept. 2005)

| Region       | Game Boy Advance |                                   | Nintendo DS   |                                | Nintendo GameCube |                                   |               |
|--------------|------------------|-----------------------------------|---------------|--------------------------------|-------------------|-----------------------------------|---------------|
|              | Category         | Title                             | Launch Date   | Title                          | Launch Date       | Title                             | Launch Date   |
| Japan        | (Hardware)       | Game Boy Micro                    | Sept. 13, '05 |                                |                   |                                   |               |
|              | (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  |
|              |                  | Super Mario Brothers (re-release) | Sept. 13, '05 | Nintendogs Shiba Inu & Friends | Apr. 21, '05      | Dance Dance Revolution with MARIO | Jul. 14, '05  |
|              |                  | Dr. Mario & Puzzle League         | Sept. 13, '05 | Brain Training                 | May 19, '05       | Mario Superstar Baseball          | Jul. 21, '05  |
|              |                  | Mario Tennis: Power Tour          | Sept. 13, '05 | DS Rakubikijiten               | Jun. 16, '05      | Pokémon XD: Gale of Darkness      | Aug. 4, '05   |
|              |                  | Drill Dozer                       | Sept. 22, '05 | Advance Wars: Dual Strike      | Jun. 23, '05      |                                   |               |
|              |                  |                                   |               | Brain Flex                     | Jun. 30, '05      |                                   |               |
|              |                  |                                   |               | Osu! Tatakae! Oendan!          | Jul. 28, '05      |                                   |               |
|              |                  | JUMP SUPER STARS                  | Aug. 8, '05   |                                |                   |                                   |               |
| -----        |                  |                                   |               |                                |                   |                                   |               |
| The Americas | (Hardware)       | Game Boy Micro                    | Sept. 19, '05 |                                |                   |                                   |               |
|              | (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      | Geist                             | Aug. 15, '05  |
|              |                  | WarioWare: Twisted!               | May 23, '05   | Meteos                         | Jun. 27, '05      | Mario Superstar Baseball          | Aug. 29, '05  |
|              |                  | Yoshi Topsy-Turvy                 | Jun. 13, '05  | Advance Wars: Dual Strike      | Aug. 22, '05      | Battalion Wars                    | Sept. 19, '05 |
|              |                  | Dynasty Warriors Advance          | Aug. 29, '05  | Nintendogs Dachshund & Friends | Aug. 22, '05      |                                   |               |
|              |                  | Donkey Kong: King of Swing        | Sept. 19, '05 | Nintendogs Chihuahua & Friends | Aug. 22, '05      |                                   |               |
|              |                  |                                   |               | Nintendogs Lab & Friends       | Aug. 22, '05      |                                   |               |
|              |                  | Trace Memory                      | Sept. 26, '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      |                                   |               |
|              |                  |                                   |               | Meteos                         | Sept. 23, '05     |                                   |               |
|              |                  |                                   |               | Advance Wars: Dual Strike      | Sept. 30, '05     |                                   |               |

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

Launch Schedule of Primary NINTENDO Software by Region (Oct. 2005 - )

| Game Boy Advance                            |              | Nintendo DS  |              | Nintendo GameCube                     |              |
|---|--------------|--|--------------|---------------------------------------|--------------|
| Title                                       | Launch Date  | Title  | Launch Date  | Title                                 | Launch Date  |
| <b>Japan</b>                                |              |  |              |                                       |              |
| Tsukin Hitofude                             | Oct. 13, '05 | Super Princess Peach                               | Oct. 20, '05 | Battalion Wars                        | Oct. 27, '05 |
| Pokémon Fushigino Dungeon<br>Akano Kyujotai | Nov. 17, '05 | Pokémon Toroze                                     | Oct. 20, '05 | Mario Party 7                         | Nov. 10, '05 |
| Donkey Kong Country 3                       | Dec. 1, '05  | Daredemo Asobi Taizen                              | Nov. 3, '05  | Densetsu no Kuizuo Ketteisen          | Dec. 8, '05  |
| Earth Bound 3                               | Spring/2006  | True Swing Golf                                    | Nov. 10, '05 | Super Mario Strikers                  | Jan. 19, '06 |
| New Series (7 titles)                       | 2006         | Pokémon Fushigino Dungeon<br>Aono Kyujotai         | Nov. 17, '05 | Baten Kaitos 2                        | Feb. 23, '06 |
|   |              | Animal Crossing: Wild World                        | Nov. 23, '05 | Kirby (tentative title)               | 2006         |
|   |              | Hamtaro NazoNazoQ Kumonoue? Jo                     | Dec. 1, '05  | The Legend of Zelda (tentative title) | 2006         |
|   |              | Mario Kart DS                                      | Dec. 8, '05  | Odama                                 | 2006         |
|   |              | Mario & Luigi: Partners in Time                    | Dec. 29, '05 | Eye Shield 21 (tentative title)       | TBD          |
|   |              | Brain Training 2                                   | Dec. 29, '05 | Geist (tentative title)               | TBD          |
|   |              | Metroid Prime Pinball                              | Jan. 19, '06 |                                       |              |
|   |              | English Training                                   | Jan. 26, '06 |                                       |              |
|   |              | Eye Shield 21 Max Devil Power!                     | Feb. 2006    |                                       |              |
|   |              | Magical Vacation Itsutsuno Hoshi ga<br>Narabu Toki | 2006         |                                       |              |
|   |              | New Super Mario Brothers                           | 2006         |                                       |              |
|   |              | Metroid Prime Hunters (tentative title)            | 2006         |                                       |              |
|   |              | Pokémon Diamond                                    | 2006         |                                       |              |
|   |              | Pokémon Pearl                                      | 2006         |                                       |              |
|   |              | Pokémon Ranger                                     | 2006         |                                       |              |
|   |              | Mario Basketball 3 on 3 (tentative title)          | 2006         |                                       |              |
|   |              | Custom Robo DS (tentative title)                   | 2006         |                                       |              |
|   |              | Densetsu-no-Stafy 4 (tentative title)              | 2006         |                                       |              |
|   |              | Kaito Wario (tentative title)                      | 2006         |                                       |              |
| <b>The Americas</b>                         |              |  |              |                                       |              |
| Donkey Kong Country 3                       | Nov. 7, '05  | Metroid Prime Pinball                              | Oct. 24, '05 | Pokémon XD: Gale of Darkness          | Oct. 3, '05  |
| Dr. Mario & Puzzle League                   | Dec. 5, '05  | Mario Kart DS                                      | Nov. 14, '05 | Fire Emblem: Path of Radiance         | Oct. 17, '05 |
| Mario Tennis: Power Tour                    | Dec. 5, '05  | Mario & Luigi: Partners in Time                    | Nov. 28, '05 | Dance Dance Revolution with MARIO     | Oct. 24, '05 |
| Final Fantasy IV                            | Dec. 12, '05 | Animal Crossing: Wild World                        | Dec. 5, '05  | Mario Party 7                         | Nov. 7, '05  |
| Drill Dozer                                 | Feb. 6, '06  | Electroplankton                                    | Jan. 9, '06  | Super Mario Strikers                  | Dec. 5, '05  |
| Tales of Phantasia                          | Mar. 6, '06  | True Swing Golf                                    | Jan. 23, '06 | Chibi-Robo!                           | Feb. 6, '06  |
|   |              | Super Princess Peach                               | Feb. 27, '06 | Odama                                 | Mar. 6, '06  |
|   |              | Metroid Prime Hunters (tentative title)            | Mar. 20, '06 | The Legend of Zelda (tentative title) | 2006         |
|   |              | New Super Mario Brothers                           | 2006         | Kirby (tentative title)               | TBD          |
|   |              | Brain Training                                     | 2006         |                                       |              |
|   |              | Brain Flex   | 2006         |                                       |              |
| <b>Europe</b>                               |              |  |              |                                       |              |
| Pokémon Emerald                             | Oct. 21, '05 | Nintendogs Dachshund & Friends                     | Oct. 7, '05  | Dance Dance Revolution with MARIO     | Oct. 28, '05 |
| Fire Emblem: The Sacred Stones              | Nov. 4, '05  | Nintendogs Chihuahua & Friends                     | Oct. 7, '05  | Fire Emblem: Path of Radiance         | Nov. 4, '05  |
| Donkey Kong Country 3                       | Nov. 4, '05  | Nintendogs Lab & Friends                           | Oct. 7, '05  | Mario Superstar Baseball              | Nov. 11, '05 |
| Dr. Mario & Puzzle League                   | Nov. 4, '05  | Nintendo Touch Golf: Birdie Challenge              | Nov. 25, '05 | Pokémon XD: Gale of Darkness          | Nov. 18, '05 |
| Mario Power Tennis                          | Nov. 18, '05 | Mario Kart DS                                      | Nov. 25, '05 | Mario Smash Football                  | Nov. 18, '05 |
| Dynasty Warriors Advance                    | Dec. 2, '05  | Kirby: Power Paintbrush                            | Nov. 25, '05 | Battalion Wars                        | Dec. 9, '05  |
| WarioWare: Twisted!                         | Feb. 24, '06 | Mario & Luigi: Partners in Time                    | Jan. 27, '06 | Mario Party 7                         | Jan. 27, '06 |
|   |              | Animal Crossing: Wild World                        | Mar. 31, '06 | Odama                                 | Mar. 31, '06 |
|   |              | Trauma Centre: Under the Knife                     | Mar. 2006    | The Legend of Zelda (tentative title) | 2006         |
|   |              | Brain Training                                     | 2006         |                                       |              |
|   |              | Brain Flex   | 2006         |                                       |              |

## Upcoming Third-Party Software Lineup

| Game Boy Advance  |                       |              |  |                       |             |
|---|-----------------------|--------------|--|-----------------------|-------------|
| Japan   |                       |              | Overseas   |                       |             |
| Title   | Third-Party Publisher | Launch Date  | Title  | Third-Party Publisher | Launch Date |
| Kuniokun Nekketsu Collection 2                            | Atlus                 | Oct. 27, '05 | Gunstar Super Heroes   | Sega                  | Oct. 2005   |
| Frontier Stories  | Marvelous Interactive | Oct. 27, '05 | Fantastic 4: Flame On  | Activision            | Nov. 2005   |
| Rockman Exe 6: Dennouju Gureiga                           | Capcom                | Nov. 23, '05 | Disney/Walden Media's The Chronicles of Narnia: The Lion, The Witch and the Wardrobe | Buena Vista Games     | Nov. 2005   |
| Rockman Exe 6: Dennouju Faruza                            | Capcom                | Nov. 23, '05 | Hi Hi Puffy AmiYumi: Kaznapped   | D3                    | Nov. 2005   |
| Konijikinogasshuberu!! Yujonodengeki Dream Tag Tournament | Banpresto             | Nov. 24, '05 | Harry Potter and the Goblet of Fire  | Electronic Arts       | Nov. 2005   |
| Sugar Sugar Rune Heart ga Ippai!                          | Bandai                | Dec. 8, '05  | Need for Speed Most Wanted   | Electronic Arts       | Nov. 2005   |
| Summon Night Kurafuto Sword Story Hajimari no Ishi        | Banpresto             | Dec. 8, '05  | Kong: The 8th Wonder of the World  | Ubisoft               | Nov. 2005   |
| Chicken Little  | D3                    | Dec. 15, '05 | Dragon Ball Z: Legacy of Goku 1 & 2  | Atari                 | Dec. 2006   |
| Final Fantasy 4   | Square Enix           | Dec. 2005    | Shrek and Shark Tale: 2 Movies in 1  | Majesco               | 2005/Q4     |
|   |                       |              | Winx Club (TM)   | Konami                | Jan. 2006   |
|   |                       |              | Curious George   | Namco                 | Feb. 2006   |
|   |                       |              | Sudoku   | Mastiff               | Mar. 2006   |

| Nintendo DS   |                       |              |  |                       |             |
|---|-----------------------|--------------|--|-----------------------|-------------|
| Japan   |                       |              | Overseas   |                       |             |
| Title   | Third-Party Publisher | Launch Date  | Title  | Third-Party Publisher | Launch Date |
| Viewtiful Joe Scratch!  | Capcom                | Nov. 2, '05  | Tony Hawk's American Sk8Land   | Activision            | Nov. 2005   |
| Sonic Rush  | Sega                  | Nov. 23, '05 | Dragon Ball Z: Supersonic Warriors 2   | Atari                 | Nov. 2005   |
| Harry Potter and the Goblet of Fire                           | Electronic Arts       | Nov. 26, '05 | Disney/Walden Media's The Chronicles of Narnia: The Lion, The Witch and the Wardrobe | Buena Vista Games     | Nov. 2005   |
| Pawapurokun Pocket 8  | Konami                | Dec. 1, '05  | Viewtiful Joe Double Trouble   | Capcom                | Nov. 2005   |
| Suraimu Morimori Dragon Quest 2 Daisenshyadan to Shippogundan | Square Enix           | Dec. 1, '05  | Harry Potter and the Goblet of Fire  | Electronic Arts       | Nov. 2005   |
| Super Monkey Ball DS  | Sega                  | Dec. 1, '05  | Need for Speed: Most Wanted  | Electronic Arts       | Nov. 2005   |
| Zoid Saga DS legend of arcadia                                | Tomy                  | Dec. 1, '05  | Peter Jackson's King Kong  | Ubisoft               | Nov. 2005   |
| Futari ha Purikyua Chikara o Awasete Daibatoru                | Bandai                | Dec. 1, '05  | Dragon Booster (TM)  | Konami                | Dec. 2005   |
| Dragon Ball Z Bukuu Ressen                                    | Bandai                | Dec. 1, '05  | Battles of Prince of Persia  | Ubisoft               | Dec. 2005   |
| The Sims 2 Hachamecha Hotel Life                              | Electronic Arts       | Dec. 8, '05  | ATV Quad Frenzy  | Majesco               | 2005/Q4     |
| Kochuoja Mushi King Greatest Champion eno Michi               | Sega                  | Dec. 8, '05  | Top Gun  | Mastiff               | Feb. 2006   |
| Bokujo Monogatari Korobokkuru Station for Girl                | Marvelous Interactive | Dec. 8, '05  | Feel The Magic 2   | Sega                  | Feb. 2006   |
| Puyo Puyo Fever 2 (chu!)                                      | Sega                  | Dec. 24, '05 | Hi Hi Puffy AmiYumi: Kaznapped   | D3                    | Mar. 2006   |
|   |                       |              | Tamagotchi   | Bandai                | 2006/Q1     |
|   |                       |              | MageKnight Destiny's Soldier   | Namco                 | 2006/Q1     |

| Nintendo GameCube                            |                       |              |  |                       |             |
|--|-----------------------|--------------|--|-----------------------|-------------|
| Japan  |                       |              | Overseas   |                       |             |
| Title  | Third-Party Publisher | Launch Date  | Title  | Third-Party Publisher | Launch Date |
| Zoids Full Metal Crush                       | Tomy                  | Oct. 27, '05 | Lego Star Wars: The Video Game   | Eidos                 | Oct. 2005   |
| Bokujo Monogatari Shiawaseno Uta for World   | Marvelous Interactive | Nov. 10, '05 | True Crime New York City   | Activision            | Nov. 2005   |
| NARUTO-Gekitou Ninja Taisen! 4               | Tomy                  | Nov. 21, '05 | Call of Duty 2: Big Red One  | Activision            | Nov. 2005   |
| One Piece Pirates Carnival                   | Bandai                | Nov. 23, '05 | Disney/Walden Media's The Chronicles of Narnia: The Lion, The Witch and the Wardrobe | Buena Vista Games     | Nov. 2005   |
| SSX On Tour with Mario                       | Electronic Arts       | Nov. 24, '05 | Harry Potter and the Goblet of Fire  | Electronic Arts       | Nov. 2005   |
| Harry Potter and the Goblet of Fire          | Electronic Arts       | Nov. 26, '05 | James Bond: From Russia With Love  | Electronic Arts       | Nov. 2005   |
| SD Gundam Gachapon Wars                      | Bandai                | Dec. 1, '05  | Need for Speed Most Wanted   | Electronic Arts       | Nov. 2005   |
| Crash Bandicoot Gacchanko World              | Vivendi Universal     | Dec. 1, '05  | Shadow the Hedgehog  | Sega                  | Nov. 2005   |
| Bleach GC Tasogareni Mamieru Shinigami       | Sega                  | Dec. 8, '05  | The Incredibles: Rise of the Underminer  | THQ                   | Nov. 2005   |
| Shadow the Hedgehog                          | Sega                  | Dec. 15, '05 | Peter Jackson's King Kong  | Ubisoft               | Nov. 2005   |
| Konijikinogasshuberu!! Go!Go! Mamono Fight!! | Bandai                | Dec. 15, '05 | Mega Man X Collection  | Capcom                | Dec. 2005   |
| Chicken Little                               | D3                    | Dec. 15, '05 | Prince of Persia: The Two Thrones  | Ubisoft               | Dec. 2005   |
| Need for Speed Most Wanted                   | Electronic Arts       | Dec. 22, '05 | Teenage Mutant Ninja Turtles (R) 3: Mutant Nightmare (TM)                            | Konami                | 2005/Q4     |
|  |                       |              | Curious George   | Namco                 | Feb. 2006   |
|  |                       |              | Teen Titans  | Majesco               | 2006/Q1     |

November 24, 2005

To our shareholders

Nintendo Co., Ltd.  
Satoru Iwata  
President

**Notice of Resolutions made by Board of Directors for Interim Dividend Payment**

At the board of directors meeting held on November 24, 2005, the following resolution was made with respect to interim dividend payment for the fiscal year ending March 31, 2006.

1. Interim dividend payment: 70 yen per share
2. Payment to begin: on December 9, 2005

December 1, 2005

To Kanto Finance Bureau

Nintendo Co., Ltd.  
Satoru Iwata  
President

**Report as to Acquisition of its own Shares by the Company**

Type of shares: The Company's common shares

**1. Acquisition**

(1) Shares acquired in conformity with the Annual General Meeting of Shareholders' resolution

Not applicable

(2) Shares acquired from subsidiaries

Not applicable

(3) Shares acquired in conformity with the Board of Directors resolution stipulated in the articles of incorporation

As of November 30, 2005

|   | Number of Shares (shares) | Total Amount (yen) |
|---|---------------------------|--------------------|
| Board of Directors' resolution<br>(passed on August 26, 2005) | 2,200,000                 | 25,630,000,000     |
| Acquisition during reporting month                            | -                         | -                  |
| Total   | -                         | -                  |
| Acquired own shares (cumulative basis)                        | 2,157,400                 | 25,133,710,000     |
| Acquisition in progress (%)                                   | 98.1                      | 98.1               |

**2. Processing state**

Not applicable

3. Share holdings

As of November 30, 2005

|                          | Number of Shares |
|--------------------------|------------------|
| Total shares outstanding | 141,669,000      |
| Treasury shares          | 13,708,200       |