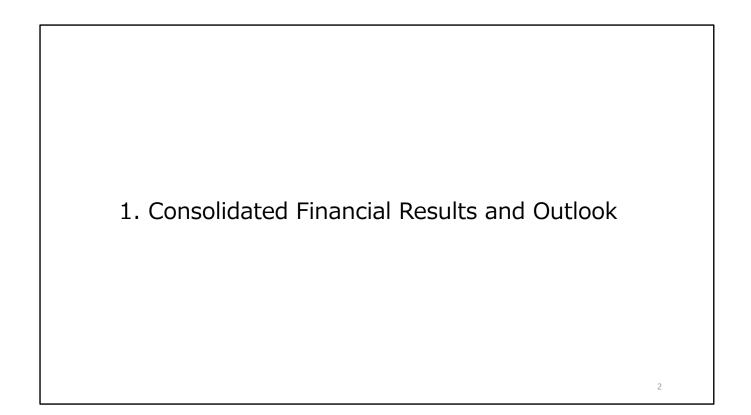


Financial Results Explanatory Material 1st Quarter of Fiscal Year Ending March 2025

Nintendo Co., Ltd. August 2, 2024

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	FY24/Q1	FY25/Q1	Comparison
Net sales	461.3 bn yen	246.6 bn yen	-46.5 %
Operating profit	185.4 bn yen	54.5 bn yen	-70.6 %
Operating profit ratio	40.2 %	22.1 %	-18.1 pt.
Ordinary profit	253.7 bn yen	113.4 bn yen	-55.3 %
Net profit	181.0 bn yen	80.9 bn yen	-55.3 %
Net profit ratio	39.2 %	32.8 %	-6.4 pt.

[•] Net profit: Profit attributable to owners of parent

• For the first quarter of this fiscal year, sales decreased by 46.5% year-on-year to 246.6 billion yen, operating profit decreased 70.6% to 54.5 billion yen, ordinary profit decreased 55.3% to 113.4 billion yen, and profit attributable to owners of parent fell 55.3% to 80.9 billion yen.

FY = Fiscal Year FY25/Q1 indicates the period between April 1, 2024 and June 30, 2024.

	FY24/Q1	FY25/Q1	Comparison			
Net sales	461.3 bn yen	246.6 bn yen	-46.5 %			
Dedicated video game platform*1	427.4 bn yen	229.0 bn yen	-46.4 %			
Mobile, IP related income, etc.*2	31.8 bn yen	14.7 bn yen	-53.8 %			
Others*3	1.9 bn yen	2.8 bn yen	+42.8 %			
*1 Includes hardware, software (including downloadable versions of packaged software, download-only software, add-on content, and Nintendo Switch Online) and accessories. *2 Includes income from visual content, smart-device content and royalties. *3 Includes merchandise sales at official stores such as Nintendo TOKYO as well as playing cards. FY25/Q1 Regional Sales Ratio *3.1% *3.1% *3.1% *4.1% *5.8% *25.8% *21.3% *The Americas Effect of changes in foreign exchange rates						
on net sales: +20.8 billion yen		44.8%	Other			

- Net sales from our dedicated video game business decreased 46.4% year-on-year to 229.0 billion yen. Overall sales declined during this period despite the continued weakness of the yen, due to a year-on-year decline in unit sales for both Nintendo Switch hardware and software.
- In the mobile and IP related business, overall sales decreased by 53.8% year-on-year to 14.7 billion yen, mainly due to the decrease in income from visual content related to *The Super Mario Bros. Movie*.

Gross Profit					
	FY24/Q1	FY25/Q1	Comparison		
Gross profit	281.0 bn yen	152.4 bn yen	-45.8 %		
Gross profit ratio	60.9 %	61.8 %	+0.9 pt.		
	Main Variable Fac	tors			
	FY24/Q1	FY25/Q1	Comparison		
Proportion of hardware sales*1	40.9 %	40.2 %	-0.7 pt.		
Proportion of first-party software sales*2	88.8 %	73.2 %	-15.6 pt.		
Proportion of digital sales*2	47.3 %	58.9 %	+11.6 pt.		
Average 1 USD	137.34 yen 149.48 yen	155.93 yen 167.84 yen	+18.59 yen +18.36 yen		

- With the decrease in net sales, gross profit declined 45.8% year-on-year to 152.4 billion yen.
- While there was a proportional decrease in first-party software sales, the gross profit margin increased by 0.9 percentage points year-on-year to 61.8% due to factors such as a proportional increase in digital sales relative to overall software sales and the depreciation of the yen.

Selling, General and Administrative Expenses / Operating Profit

	FY24/Q1	FY25/Q1	Comparison
SG&A expenses	95.6 bn yen	97.9 bn yen	+2.4 %
SG&A expenses-to-sales ratio	20.7 %	39.7 %	+19.0 pt.
Operating profit	185.4 bn yen	54.5 bn yen	-70.6 %
Operating profit ratio	40.2 %	22.1 %	-18.1 pt.

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

Effect of changes in foreign exchange rates on operating profit: approx. +6.5 billion yen

	FY24/Q1	FY25/Q1	Comparison
Research and development expenses	29.3 bn yen	34.7 bn yen	+18.2 %
Advertising expenses	21.9 bn yen	17.2 bn yen	-21.3 %

Selling, general, and administrative expenses (SG&A expenses) rose by 2.4% year-on-year to 97.9 billion yen, mainly due to a rise in research and development expenses and an increase in foreign currency-denominated expenses upon conversion to yen, caused by the depreciation of the yen. The ratio of SG&A expenses to sales increased by 19.0 percentage points to 39.7%, due to the year-on-year decline in sales.

• Operating profit decreased by 70.6% year-on-year to 54.5 billion yen, due to the decline in gross profit and the rise in SG&A expenses. The operating profit margin fell 18.1 percentage points to 22.1%.

Ordinary Profit and Net Profit						
	FY25/Q1	Comparison				
Non-operating income	68.4 bn yen	59.1 bn yen	-13.6 %			
included foreign exchange gains	47.2 bn yen	30.6 bn yen	-35.1 %			
Non-operating expenses	0.1 bn yen	0.1 bn yen	+45.2 %			
Ordinary profit	253.7 bn yen	113.4 bn yen	-55.3 %			
Net profit	181.0 bn yen	80.9 bn yen	-55.3 %			
Net profit ratio	39.2 %	32.8 %	-6.4 pt.			
Exchange rate	FY24 (3/31/2024)	FY25 (6/30/2024)	Comparison			
1 USD 1 Euro	151.34 yen 163.31 Yen	160.87 _{yen} 172.43 yen	+9.53 yen +9.12 yen			
			7			

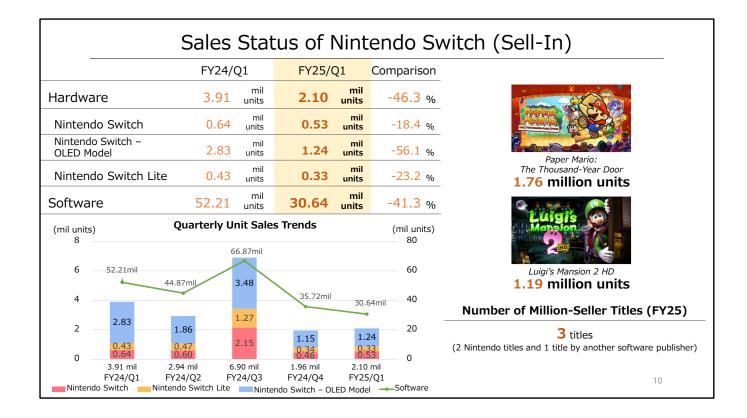
- Ordinary profit declined 55.3% year-on-year to 113.4 billion yen, reflecting the decrease in operating profit as well as the reduction in foreign exchange gains.
- Profit attributable to owners of parent decreased by 55.3% year-on-year to 80.9 billion yen.

	FY24	FY25				
	(Actual)	(Forecast)	Comparison			
Net sales	1,671.8 _{bn yen}	1,350.0 bn yen	-19.3 %			
Operating profit	528.9 bn yen	400.0 bn yen	-24.4 _%			
Ordinary profit	680.4 bn yen	420.0 bn yen	-38.3 %			
Net profit	490.6 _{bn yen}	300.0 bn yen	-38.9 %			
· Assumed exchange rate for FY25: 1 USD = 140 yen, 1 Euro = 155 yen						
Abbarried exertainge rate for 1 1251	1 00D = 110 yell, 1 Euro = 100 yell					
, source exertained rate for the 25	FY24	FY25				
Dividend	,	FY25 (Forecast)	Comparison			
-	FY24	— -	Comparison -82 yen			
Dividend	FY24 (Actual)	(Forecast)	· · · · · · · · · · · · · · · · · · ·			
Dividend Annual	FY24 (Actual) 211 yen	(Forecast) 129 yen FY25	-82 yen			
Dividend	FY24 (Actual) 211 yen	(Forecast) 129 yen	· · · · · · · · · · · · · · · · · · ·			
Dividend Annual	FY24 (Actual) 211 yen	(Forecast) 129 yen FY25	-82 yen			

• There are no changes to the consolidated financial forecast for the fiscal year ending March 31, 2025 that was announced on May 7, 2024.

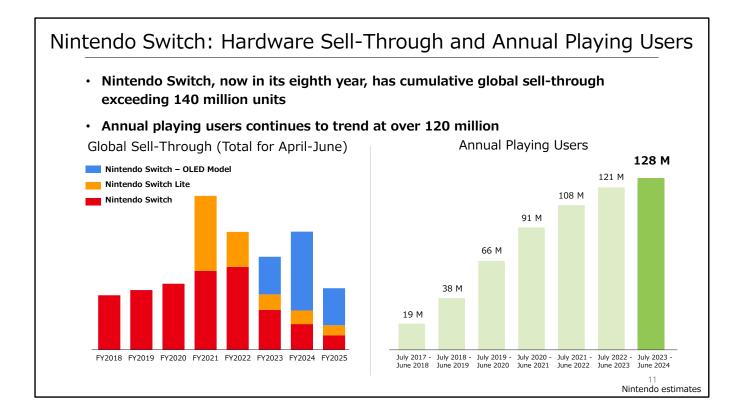
Note: Appropriate Use of Earnings Forecasts: Statements relating to future projections represent the judgments made by Nintendo management based on information that was available at the time it is written, and for that reason includes certain potential risks and uncertainties. Please understand that such risks and uncertainties may cause actual results to be materially different from these forecasts (earnings forecasts, dividend forecasts, or other such forecasts).





- Unit sales for the entire Nintendo Switch family of systems declined 46.3% year-on-year to 2.10 million units. Unit sales of software declined 41.3% year-on-year to 30.64 million units.
- During the first quarter of the previous fiscal year, unit sales of both hardware and software were extremely high for a first quarter, when *The Super Mario Bros. Movie* energized our dedicated video game platform business and *The Legend of Zelda: Tears of the Kingdom* was released, together with specially designed hardware based on that title. There were no such special factors in the first quarter of this fiscal year, and with Nintendo Switch now in its eighth year since launch, unit sales of both hardware and software decreased significantly year-on-year.
- Unit sales of hardware in the first quarter of this year held at the same level as the previous quarter, showing that sales are stable. Looking at software, our newly released titles got off to a good start. *Paper Mario: The Thousand-Year Door,* released in May, has sold 1.76 million units, and *Luigi's Mansion 2 HD,* released in June, has sold 1.19 million units.

Note: *Sell-in* refers to sales by the Nintendo group to outside entities. In addition to units sold to corporate business partners, this number also includes units sold to individual consumers through Nintendo's direct-sales sites or as downloadable software.



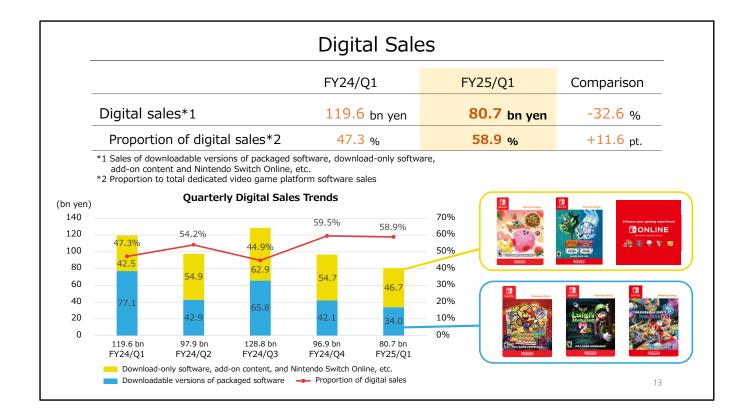
- So far, we have been talking about sell-in, or unit sales by the Nintendo group to its business partners. Now let's turn the discussion to sell-through, which is the number of units purchased by consumers, and to the number of consumer accounts that have actually played software on their Nintendo Switch.
- The graph on the left shows global hardware sell-through for April to June.
 Nintendo Switch, launched in March of 2017, now in its eighth year, and the
 Nintendo Switch family's cumulative global sell-through has surpassed 140 million
 units.
- The graph on the right shows the trend in the number of annual playing users for the Nintendo Switch family of systems. The number of annual playing users between July 2023 and June 2024 exceeded 128 million users, and many consumers continued to play Nintendo Switch in its eighth year.

Note: Sell-through refers to sales to individual consumers. In addition to units sold by retailers, this number also includes units sold to individual consumers through Nintendo's direct-sales websites and as downloadable software.

Note: The number of Nintendo Switch annual playing users refers to the number of Nintendo Accounts, out of all Nintendo Accounts registered to a Nintendo Switch system, that used Nintendo Switch software one or more times during the 12-month data aggregation period. Users who did not agree to share their information are excluded, and certain services such as Nintendo eShop do not count towards annual playing users. Due to reasons such as play data being aggregated only when users are connected to the internet, results for past periods may be retroactively updated.

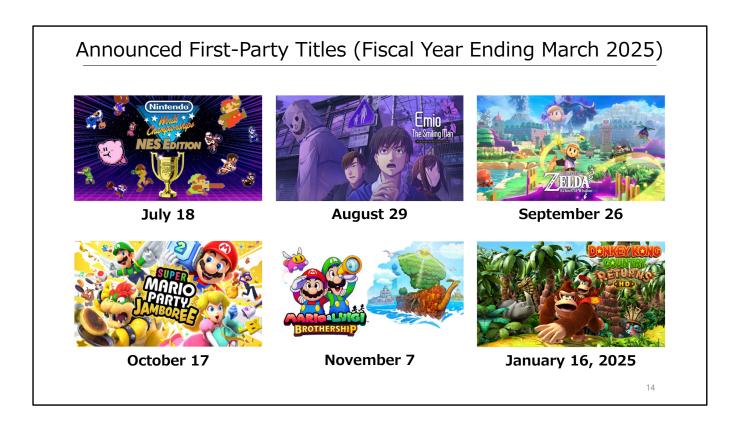
Although overall sell-through is below the level of the past few years, sales have been stable for *Princess Peach: Showtime!* and the new *Paper Mario: The Thousand-Year Door*Global First-Party Software Sell-Through (Totals for April-June) Released March 22 Released May 23 Global First-Party Software Sell-Through (Totals for April-June) The Legend of Zeida: Tears of the Kingdom FY2018 FY2019 FY2020 FY2021 FY2022 FY2023 FY2024 FY2025

- Sell-through for first-party software for Nintendo Switch in the first quarter was lower than the levels of the past few years, including the same period fiscal last year, when *The Legend of Zelda: Tears of the Kingdom* recorded strong sales. However, sales of *Paper Mario: The Thousand-Year Door* released on May 23 were solid, selling more than 1.3 million units in the six weeks after release.
- In addition, *Princess Peach: Showtime!*, which was released on March 22 during the previous fiscal year, has posted cumulative sell-through of over 1.3 million units. Sell-through during this fiscal year has accounted for approximately half of that total. This title can be also enjoyed by people who don't usually play action games, and we expect sales to continue to grow in the long term.



- Digital sales in the first quarter decreased 32.6% year-on-year to 80.7 billion yen.
 Digital sales accounted for 58.9% of total software sales for our dedicated video game platform.
- Digital sales declined year-on-year mainly because of a decrease in sales of downloadable versions of package software for Nintendo Switch and add-on content.
- Overall software sales declined in accordance with the decrease in unit sales of packaged and downloadable versions of packaged software, but sales of download-only software and revenue related to Nintendo Switch Online remained stable, with the result that the proportion of digital sales increased year-on-year.

Note: When calculating digital sales, sales of Nintendo software are recognized as gross sales, while sales of software released by other software publishers are recognized as net sales. For software released by other publishers, the sales commissions that Nintendo receives based on contracts with the software publishers or other parties are recognized as revenue.



- These are the announced Nintendo titles with scheduled release dates through March 2025.
- On July 18, we released *Nintendo World Championship: NES Edition*, a game featuring over 150 challenges, taken from NES games, which players compete with each other to complete as quickly as possible.
- Looking ahead, we plan to release Emio The Smiling Man: Famicom Detective Club on August 29, The Legend of Zelda: Echoes of Wisdom on September 26, Super Mario Party Jamboree on October 17, Mario & Luigi: Brothership on November 7, and Donkey Kong Country Returns HD on January 16, 2025.

Example of an Announced Nintendo Product







Nintendo Switch Lite Hyrule Edition - September 26

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- We plan to launch Nintendo Switch Lite Hyrule Edition, designed with the Hylian Crest symbol that appears in the Legend of Zelda series, on September 26 with release of *The Legend of Zelda: Echoes of Wisdom*.
- Going forward, we will continue to work to maximize software sales as well as hardware sales in an environment where many people continue to play Nintendo Switch.

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

The new Super Mario animated film being produced with Illumination is set for release in Japan on April 24, 2026





Chris Meledandri

Shigeru Miyamoto

Donkey Kong Country is scheduled to open at Universal Studios Japan in the second half of 2024



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- Next, we would like to introduce some of our initiatives to expand the number of people who have access to the Nintendo IP, which is one of our basic strategies for continually invigorating our dedicated video game platform business.
- The new Super Mario animated film, which we are producing in cooperation with Illumination, is set for release in Japan on April 24, 2026. The film is planned to be released on April 3, 2026 in the U.S. and many additional markets globally with select territories releasing throughout the month of April. We are also collaborating with Arad Productions Inc. to develop a live-action film of The Legend of Zelda.
- And in addition to that, preparations are underway to open Donkey Kong Country, an area that will expand SUPER NINTENDO WORLD at Universal Studios Japan in the second half of 2024.

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

The Nintendo Museum is scheduled to open this fall in Uji City, Kyoto

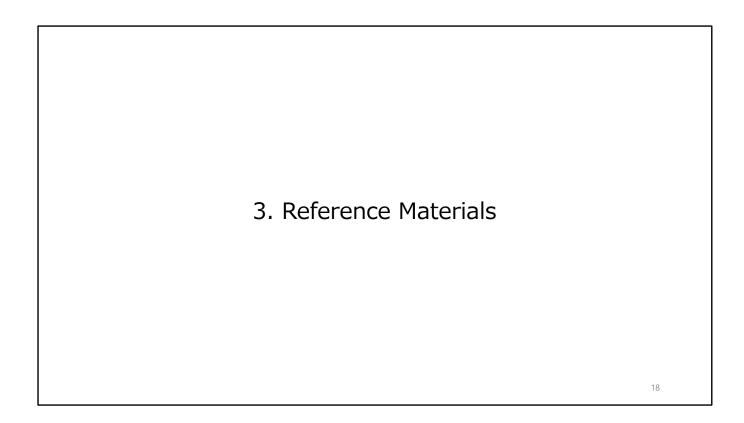


Nintendo SAN FRANCISCO is scheduled to open in 2025



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- The Nintendo Museum is scheduled to open in the fall of this year in Uji City, Kyoto. Through this facility we aim to share Nintendo's product development history and philosophy with the public. In addition to exhibiting products from our history, we are also preparing a variety of enjoyable experiences for visitors.
- In addition, Nintendo SAN FRANCISCO is scheduled to open in 2025 in San Francisco's Union Square, becoming our second Nintendo-run official store in the United States.
- Going forward, we will continue to create points of contact with consumers by promoting various initiatives that utilize Nintendo IP in a wide range of fields.



[Disclaimers]

The contents of these materials are based upon the information available and the judgments which can be made at the time of the announcement. Nintendo is not responsible for updating or changing these materials if the information presented changes due to future circumstances or for other reasons.

Also, forecasts referred to in these materials involve known and unknown risks and uncertainties. Please note that such risks and uncertainties may cause actual results to be materially different from the forecasts.

Sales Breakdown (by Region)

million yen

FY25/Q1	Japan	The Americas	Europe	Other	Total
Dedicated video game platform	55,483	101,853	51,631	20,108	229,077
of which Nintendo Switch platform (*1)	51,186	100,854	50,946	19,837	222,824
of which the others (*2)	4,297	999	685	271	6,252
Mobile, IP related income, etc. (*3)	5,544	8,092	791	280	14,709
Other (*4)	2,509	460	-	-118	2,851
Total	63,538	110,406	52,423	20,271	246,638

FY24/Q1	Japan	The Americas	Europe	Other	Total
Dedicated video game platform	85,345	180,818	104,006	57,315	427,486
of which Nintendo Switch platform (*1)	81,997	179,657	102,783	56,522	420,961
of which the others (*2)	3,347	1,161	1,222	793	6,525
Mobile, IP related income, etc. (*3)	5,443	24,416	1,499	498	31,857
Other (*4)	1,491	499	-	5	1,996
Total	92,280	205,734	105,506	57,819	461,341

- *1 Nintendo Switch platform includes hardware, software (including downloadable versions of packaged software, download-only software, add-on content and Nintendo Switch Online) and accessories.
- *2 Includes platforms other than Nintendo Switch and also amiibo.
- *3 Includes income from visual content, smart-device content and royalties.
- *4 Includes merchandise sales at official stores such as Nintendo TOKYO as well as playing cards.

Supplementary Information

million yen

		FY24/Q1	FY25/Q1	FY25 (Forecast)
Depreciation of property, plant and equi	pment	1,662	1,940	9,000
Research and development expenses		29,385	34,745	135,000
Advertising expenses		21,904	17,233	85,000
Average exchange rate	1 USD =	137.34 yen	155.93 yen	140.00 yen
	1 Euro =	149.48 yen	167.84 yen	155.00 yen
Consolidated net sales in U.S. dollars		1.4 billion	0.6 billion	-
Consolidated net sales in Euros		0.7 billion	0.3 billion	-
Non-consolidated purchases in U.S. dolla	ars	1.0 billion	0.7 billion	-

Balance of Major Assets and Liablities in Foreign Currencies held by Nintendo Co., Ltd. (Japan)

million U.S. dollars/Euros

		March	March 31, 2024 June 30, 2024		March 31, 2025	
		riarci	131, 2021	Julie	30, 202 1	(Forecast)
		Balance	Exchange rate	Balance	Exchange Rate	Assumed Exchange Rate
USD	Cash and deposits	2,307	1 USD=	2,417	1 USD=	1 USD=
	Accounts receivable-trade	391	151.34 yen	423		140.00 yen
	Accounts payable-trade	208	131.34 yen	599	100.67 yell	140.00 yen
Euro	Cash and deposits	201	1 Euro=	234	1 Euro=	1 Euro=
	Accounts receivable-trade	171	163.31 yen	315	172.43 yen	155.00 yen

Digital Sales

Digital Sales

Proportion of Digital Sales

Proportion of Downloadable Versions of Packaged Software Sales

billion yen

FY25							
Q1	Q1 Q2 Q3						
80.7							

FY25								
Q1	Q1 Q2 Q3							
58.9%								

FY25						
Q1 Q2 Q3 Q4						
42.2%						

FY24							
Q1	1 Q2 Q3						
119.6	97.9	96.9					
21	217.5						
346.4							
	44	3.3					

FY24					
Q1	Q3	Q4			
47.3%	44.9%	59.5%			
50.2%					
48.1%					
50.2%					
·	· ·	•	·		

FY24						
Q1	Q4					
64.5%	4.5% 43.8% 51.1%					
55.2%						
53.7%						
51.5%						

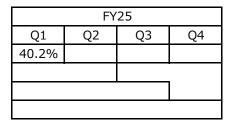
- [Notes] · Digital Sales: Includes (a) downloadable version of packaged software (the downloadable version of software that is offered both physically and digitally), (b) download-only software, (c) add-on content and (d) Nintendo Switch Online, etc.
 - Proportion of Digital Sales: Proportion of digital sales to total dedicated video game platform software sales
 - · Proportion of Downloadable Versions of Packaged Software Sales: Proportion of downloadable versions of packaged software sales to total digital sales [= a/(a+b+c+d)]

Key Indicators

Proportion of Sales Outside of Japan

FY25									
Q1	Q2	Q2 Q3							
74.2%									
	<u> </u>								

Proportion of Hardware Sales



Proportion of First-Party Software Sales

	FY25								
Q1									
73.2%									
,									
	•								

FY24						
Q1	Q1 Q2 Q3					
80.0%	76.0%	79.2%	76.4%			
78.	78.3%					
78.7%						
	78.	3%				

	FY24						
Q1	Q2	Q3	Q4				
40.9%	40.9% 41.5% 50.0%						
41.	1%						
43.6%							

	FY24					
Q1 Q2 Q3 Q4						
88.8%	88.8% 72.1% 82.6%					
82.	82.4%					
	82.5%					
	81.2%					

- [Notes] Proportion of Sales Outside of Japan: Proportion of sales outside of Japan to total sales
 - Proportion of Hardware Sales: Proportion of hardware (including accessories) sales to total dedicated video game platform sales
 - Proportion of First-Party Software Sales: Proportion of first-party software sales to total dedicated video game platform software sales

Sales Units and Sales Units Forecast

units in ten thousands

		FY24/Q1	FY25/Q1	Life-to-date	Forecast FY25
Nintendo Switch	Japan	120	79	3,480	
Hardware (Total)	The Americas	118	65	5,517	
	Europe	94	41	3,689	
	Other	58	25	1,656	
	Total	391	210	14,342	1,350
of which Nintendo Switch	Japan	16	12	2,045	
	The Americas	15	25	3,669	
	Europe	21	14	2,569	
	Other	13	2	1,113	
	Total	64	53	9,397	
of which Nintendo Switch	Japan	88	55	805	
 OLED Model 	The Americas	88	28	775	
	Europe	66	20	589	
	Other	41	22	390	
	Total	283	124	2,558	
of which Nintendo Switch Lite	Japan	16	13	630	
	The Americas	15	12	1,073	
	Europe	7	7	532	
	Other	4	2	153	
	Total	43	33	2,387	
Software	Japan	902	684	24,676	
	The Americas	2,271	1,280	55,299	
	Europe	1,332	861	36,693	
	Other	716	239	9,979	
	Total	5,221	3,064	126,646	16,500

- [Notes] · Software sales units include both packaged and downloadable versions of software, and do not include download-only software or add-on content.
 - Actual software sales units include the quantity bundled with hardware or other products.
 - · Forecasted software sales units do not include the quantity to be bundled with hardware or other products.

Million-Seller Nintendo First-Party Titles

units in ten thousands

	FY25/Q1			Life-to-date
Nintendo Switch	Global	Japan	Outside of	Global
			Japan	
Paper Mario: The Thousand-Year Door	176	38	137	176
Luigi's Mansion 2 HD	119	19	100	119

[[]Notes] • Software sales units include those bundled with hardware or other products and downloadable versions of packaged software.

Launch Dates of Primary Nintendo Products by Region (April through June 2024)

Nintendo Switch	Release Date
Endless Ocean Luminous	5/2/2024
Paper Mario: The Thousand-Year Door	5/23/2024
Luigi's Mansion 2 HD	6/27/2024

[Note] • Release dates may differ by region. Please refer to the offical site of each region for further details.

Launch Schedule of Primary Nintendo Products by Region (extracts: July 2024 onwards)

Nintendo Switch	Release Date
Nintendo World Championships: NES Edition	7/18/2024
Emio - The Smiling Man: Famicom Detective Club	8/29/2024
The Legend of Zelda: Echoes of Wisdom	9/26/2024
Super Mario Party Jamboree	10/17/2024
Mario & Luigi: Brothership	11/7/2024
Donkey Kong Country Returns HD	1/16/2025
Pokémon Legends: Z-A	2025
Metroid Prime 4: Beyond	2025

[[]Notes] · Launch dates and titles etc. are subject to change.

 $[\]cdot$ Release dates may differ by region. Please refer to the offical site of each region for further details.

Supplementary Information on Our Website

Earnings Releases, etc.

- · Earning Releases
- · Timely Disclosure of Information, etc.

Financial Results Announcement/IR Events

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

Financial Highlights

Consolidated Statements of Income
 Consolidated Balance Sheet
 Consolidated Cash Flows
 Key Figures per Share
 Geographical Sales Breakdown
 (Annual)
 (Annual)
 (Annual)
 (Annual)

Dedicated Video Game Sales Units

Sales Breakdown by Category

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

Top Selling Title Sales Units

• Top selling Nintendo software sales units on an accumulated basis

Historical Data (Updated at fiscal year-end)

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

Upcoming Software Title Lineup (<u>Japan</u> / <u>United States</u> / <u>Europe</u>)

· Upcoming Software Publishers' Title Lineup

[Notes] · Corresponding pages on our website can be accessed by clicking on the titles above.

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

(Annual/ Quarterly)