



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

CONSOLIDATED FINANCIAL STATEMENTS

Nintendo Co., Ltd. and Consolidated Subsidiaries

FINANCIAL HIGHLIGHTS

Six months ended September 30, 2000 and 2001, and year ended March 31, 2001

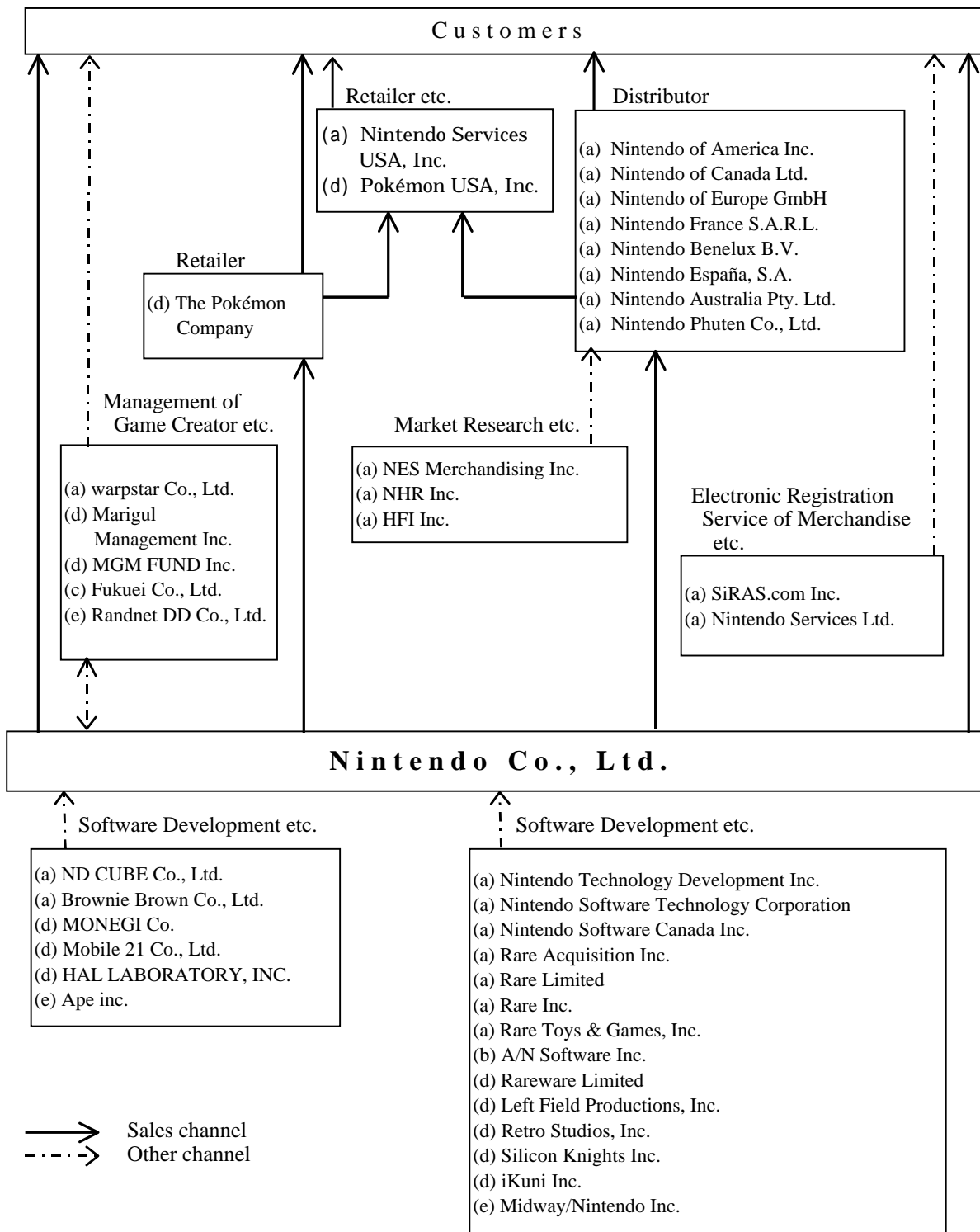
The amounts presented herein are rounded down under one million yen except as otherwise denominated.

Numbers in parentheses are negative.

	Sept. 30 2000	Sept. 30 2001	Yen in Millions Mar. 31 2001
Net sales	190,634	225,722	462,502
Percentage change from previous half year	-	18.4%	
Operating income	39,533	51,221	84,697
Percentage change from previous half year	-	29.6%	
Income before income taxes and extraordinary items	62,729	51,557	192,247
Percentage change from previous half year	-	(17.8%)	
Net income	30,018	34,349	96,603
Percentage change from previous half year	-	14.4%	
Net income per share	¥211.89	¥242.47	¥681.90
Financial position			
Total assets (1)	927,534	1,065,615	1,068,568
Shareholders' equity (2)	765,133	858,411	834,951
Ratio of net worth to total assets (2) / (1)	82.5%	80.6%	78.1%
Shareholders' equity per share	¥5,400.89	¥6,059.41	¥5,893.71
Cash flows			
Cash flows from operating activities	11,640	(18,546)	122,234
Cash flows from investing activities	(2,578)	(65,151)	12,776
Cash flows from financing activities	(8,456)	(8,528)	(16,451)
Cash and cash equivalents - Ending	598,675	680,987	785,992
Scope of consolidation and equity method application			
Consolidated subsidiaries			24
(of which, newly added ... 2 excluded ... 0)			
Non-consolidated subsidiary with equity method applied			1
Affiliates with equity method applied			12
(of which, newly added ... 0 excluded ... 2)			

COMPANY GROUP INFORMATION

Nintendo Co., Ltd. ("the Company") and its related companies, which are composed of the Company, twenty-six subsidiaries, and fifteen affiliates as of September 30, 2001, operate manufacturing and sales 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	-----	24
(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	-----	12
(e) Affiliates with equity method non-applied	-----	3

MANAGEMENT POLICY

1. Basic management policy

Nintendo Co., Ltd. (“the Company”) and its consolidated subsidiaries (together with the Company, “Nintendo”) strive to create new and unique interactive video games, utilizing advanced computer technology in the home entertainment and handheld gaming environments.

Nintendo seeks to provide consumers with a “world of entertainment”, which is both innovative and fun with elements they have never experienced.

2. Basic policy of profit distribution

It is the Nintendo’s basic policy to internally provide the capital necessary to fund future growth, including capital investments, and to also maintain a strong and liquid financial position. For our shareholders’ perspective, it is our policy to keep the level of dividends stable for a long period of time. In addition, the Company is prepared for possible future share buyback.

Retained earnings are maintained for development of new products, capital investments, and reinforcement of sales system in a most competitive industry.

3. Medium and long term management strategy and challenges

In the current video game market, dramatic improvements have been made in hardware capabilities by utilizing new technologies; however, it is becoming more difficult to create unique and fun games utilizing the full capabilities of the new hardware. Nintendo is focusing much more time and resources on creating and expanding the world of video game entertainment. The Company has expanded and strengthened its R&D functions to promote these changes. Consequently, the Company attempts to constantly increase its profits by innovation and quick response to the rapid changes in business environment.

OPERATING RESULT

1. Review of operations

During the first-half of our fiscal year ended March 31, 2002, the world economy softened and demand was sluggish for information technology (IT) production. In this environment, while continuously developing quality software in order to provide unprecedented fun and excitement which consumers have never experienced, Nintendo launched a new handheld system GAME BOY ADVANCE in the American and European markets and a new home entertainment console NINTENDO GAMECUBE into the domestic market.

As a result, the Company reported consolidated net sales of 225,722 million yen, including foreign sales of 162,502 million yen which accounted for 72% of consolidated net sales. Income before income taxes and extraordinary items was 51,557 million yen. Net income for the six month period ended September 30, 2001 was 34,349 million yen.

With respect to sales by category, in the electronic entertainment products division, GAME BOY ADVANCE was a success with exclusive software titles selling more than one million units since the launch. In overseas markets, GAME BOY COLOR software continued to be successful.

Total net sales in the electronic entertainment products division were 224,730 million yen, while sales in other products division (playing cards, karuta, etc) were 991 million yen.

Net cash used in operating activities was 18,546 million yen, an increase of 30,186 million yen from the previous half fiscal year. This was due principally to the timing of payment of income taxes. Net cash used in investing activities was 65,151 million yen, an increase of 62,573 million yen, due to the increased level of time deposits (over 3 months). Net cash used in financing activities was 8,528 million yen, increasing 72 million yen, including the payment of dividends. At September 31, 2001 cash and cash equivalents totaled 680,987 million yen.

With respect to geographic segment information, net sales in each segment, (Japan, the Americas, and Europe) increased as compared to the previous half-year because of the new GAME BOY ADVANCE sales and the release of NINTENDO GAMECUBE in Japan.

The interim dividend is declared of 60 yen per share.

2. Annual Outlook

Looking ahead to the second-half of fiscal year ending March 31, 2002, the September 11 terrorist attack in the United States is further slowing down that market and is overcasting the world economy.

Under this circumstance, Nintendo will continue to develop software enabling NINTENDO GAMECUBE and GAME BOY ADVANCE to be linked and to provide consumers with yet another new form of entertainment.

CONSOLIDATED BALANCE SHEETS

As of September 30, 2000 and 2001, and March 31, 2001

Yen in Millions

	Sept. 30 2000		Sept. 30 2001		Mar. 31 2001	
[Assets]						
Current assets:						
Cash and deposits	604,266		782,390		824,937	
Notes and trade accounts receivable	68,999		67,210		54,715	
Marketable securities	71,531		5,737		13,087	
Inventories	35,826		42,848		22,560	
Deferred income taxes - current	27,606		34,772		34,766	
Other current assets	16,951		17,879		13,848	
Allowance for doubtful accounts	(4,625)		(5,526)		(5,671)	
	820,556	88.5 %	945,312	88.7 %	958,245	89.7 %
Fixed assets:						
Property, plant and equipment						
Buildings and structures	17,003		25,237		25,936	
Land	39,454		34,090		34,612	
Other property, plant and equipment	9,171		5,488		4,266	
	65,629	7.1 %	64,816	6.1 %	64,815	6.1 %
Intangible assets	200	0.0 %	195	0.0 %	478	0.0 %
Investments and other assets						
Investments in securities	28,988		33,129		28,471	
Deferred income taxes - non-current	9,577		14,186		14,640	
Other investments and other assets	2,693		8,255		2,008	
Allowance for doubtful accounts	(112)		(279)		(92)	
	41,146	4.4 %	55,291	5.2 %	45,028	4.2 %
	106,977	11.5 %	120,303	11.3 %	110,322	10.3 %
Total	927,534	100.0 %	1,065,615	100.0 %	1,068,568	100.0 %

As of September 30, 2000 and 2001, and March 31, 2001

Yen in Millions

	Sept. 30 2000		Sept. 30 2001		Mar. 31 2001	
[Liabilities]						
Current liabilities:						
Notes and trade accounts payable -----	73,054		98,737		84,244	
Accrued income taxes -----	22,468		19,291		65,074	
Reserve for bonuses -----	1,388		1,498		1,511	
Other current liabilities -----	59,177		79,043		73,922	
	156,089	16.8 %	198,571	18.6 %	224,753	21.0 %
Non-current liabilities:						
Non-current accounts payable -----	486		402		418	
Reserve for employee retirement and severance benefits -----	1,299		4,198		4,017	
Reserve for directors retirement and severance benefits -----	1,474		1,626		1,581	
	3,260	0.4 %	6,228	0.6 %	6,016	0.6 %
Total liabilities -----	159,349	17.2 %	204,799	19.2 %	230,769	21.6 %
[Minority interests in consolidated subsidiaries]						
Minority interests in consolidated subsidiaries --	3,051	0.3 %	2,404	0.2 %	2,846	0.3 %
[Shareholders' equity]						
Common stock -----	10,065	1.1 %	10,065	1.0 %	10,065	0.9 %
Additional paid-in capital -----	11,584	1.2 %	11,584	1.1 %	11,584	1.1 %
Consolidated retained earnings -----	757,198	81.6 %	841,137	78.9 %	815,457	76.3 %
Unrealized gains on other securities ---	4,223	0.5 %	2,417	0.2 %	2,438	0.2 %
Translation adjustments -----	(17,921)	(1.9) %	(6,723)	(0.6) %	(4,577)	(0.4) %
	765,150	82.5 %	858,480	80.6 %	834,968	78.1 %
Treasury stock, at cost -----	(16)	(0.0) %	(69)	(0.0) %	(16)	(0.0) %
Total shareholders' equity -----	765,133	82.5 %	858,411	80.6 %	834,951	78.1 %
Total -----	927,534	100.0 %	1,065,615	100.0 %	1,068,568	100.0 %

CONSOLIDATED STATEMENTS OF INCOME

Six months ended September 30, 2000 and 2001, and year ended March 31, 2001

Yen in Millions

	Sept. 30 2000		Sept. 30 2001		Mar. 31 2001	
Net sales	190,634	100.0 %	225,722	100.0 %	462,502	100.0 %
Cost of sales	109,356	57.4 %	130,458	57.8 %	278,462	60.2 %
Gross margin	81,278	42.6 %	95,263	42.2 %	184,040	39.8 %
Selling, general and administrative expenses	41,745	21.9 %	44,041	19.5 %	99,342	21.5 %
Operating income	39,533	20.7 %	51,221	22.7 %	84,697	18.3 %
Other income						
Interest income	19,620		12,264		39,133	
Other	4,117		1,237		69,936	
Total other income	23,738	12.5 %	13,502	6.0 %	109,069	23.6 %
Other expenses						
Sales discount	118		219		306	
Equity in losses of non-consolidated subsidiary and affiliates	81		-		731	
Other	342		12,947		482	
Total other expenses	542	0.3 %	13,166	5.9 %	1,520	0.3 %
Income before income taxes and extraordinary items	62,729	32.9 %	51,557	22.8 %	192,247	41.6 %
Extraordinary income	371	0.2 %	3,851	1.7 %	470	0.1 %
Extraordinary loss	14,051	7.4 %	223	0.1 %	24,066	5.2 %
Income before income taxes and minority interests income	49,049	25.7 %	55,186	24.4 %	168,651	36.5 %
Provision for income taxes and enterprise tax	30,758	16.1 %	21,435	9.5 %	93,710	20.3 %
Income taxes deferred	(12,073)	(6.3 %)	(71)	(0.0 %)	(21,358)	(4.6 %)
Minority interests income	346	0.2 %	(527)	(0.3 %)	(303)	(0.1 %)
Net income	30,018	15.7 %	34,349	15.2 %	96,603	20.9 %

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

Six months ended September 30, 2000 and 2001, and year ended March 31, 2001

		Sept. 30 2000	Sept. 30 2001	Yen in Millions Mar. 31 2001
Consolidated retained earnings				
-Beginning	-----	735,850	815,457	735,850
Increase				
Retained earnings increased by addition of equity method companies	-----	-	-	174
Total increase	-----	-	-	174
Decrease				
Cash dividends	-----	8,499	8,500	17,000
Directors' bonuses	-----	170	170	170
Total decrease	-----	8,669	8,670	17,170
Net income	-----	30,018	34,349	96,603
Consolidated retained earnings				
-Ending	-----	757,198	841,137	815,457

CONSOLIDATED STATEMENT OF CASH FLOWS

Six months ended September 30, 2000 and 2001, and year ended March 31, 2001

	Sept. 30 2000	Sept. 30 2001	Yen in Millions Mar. 31 2001
I Cash flows from operating activities:			
Income before income taxes	49,049	55,186	168,651
Depreciation and amortization	1,850	2,730	4,537
Increase in allowance for doubtful accounts	704	209	1,077
Interest and dividends income	(19,688)	(12,335)	(39,245)
Interest expenses	-	0	0
Foreign exchange losses (gains)	(4,889)	10,594	(66,563)
Reversal of unrealized loss on investment in securities	-	(2,864)	-
Unrealized loss on investment in securities	11,536	203	13,562
Decrease (increase) in notes and trade accounts receivables	5,621	(13,361)	25,648
Decrease (increase) in inventories	(5,735)	(20,607)	9,701
Increase (decrease) in notes and trade accounts payables	(16,129)	10,265	(5,027)
Increase in consumption taxes payables	1,113	540	1,293
Directors' bonuses paid	(170)	(170)	(170)
Other, net	(376)	5,762	19,780
Sub-total	22,886	36,154	133,246
Interest and dividends received	17,766	12,419	39,464
Interest paid	-	(0)	(0)
Income taxes paid	(29,012)	(67,119)	(50,475)
Net cash provided by (used in) operating activities	11,640	(18,546)	122,234
II Cash flows from investing activities:			
Increase in time deposits, net	(5,800)	-	-
Increase in time deposits	-	(103,295)	(58,980)
Decrease in time deposits	-	44,492	17,429
Payments for purchases of marketable securities	(74,506)	(30,666)	(134,796)
Proceeds from sales of marketable securities	79,812	35,762	206,048
Payments for purchases of property, plant and equipment	(3,175)	(9,800)	(10,836)
Proceeds from sales of property, plant and equipment	91	822	134
Payments for investments in securities	-	(12,000)	(6,005)
Proceeds from investments in securities	-	9,998	-
Other, net	999	(465)	(216)
Net cash provided by (used in) investing activities	(2,578)	(65,151)	12,776
III Cash flows from financing activities:			
Proceeds from stock issued to minority interests of a subsidiary	-	5	501
Payments for purchases of treasury stock	(130)	(150)	(230)
Proceeds from sale of treasury stock	169	113	266
Cash dividends paid	(8,495)	(8,496)	(16,988)
Net cash provided by (used in) financing activities	(8,456)	(8,528)	(16,451)
IV Effect of exchange rate changes on cash and cash equivalents	4,007	(12,777)	73,369
V Net increase (decrease) of cash and cash equivalents	4,613	(105,004)	191,929
VI Cash and cash equivalents - Beginning	594,062	785,992	594,062
VII Cash and cash equivalents - Ending	598,675	680,987	785,992

BASIS OF CONSOLIDATED FINANCIAL STATEMENTS

1. Scope of consolidation

Consolidated subsidiaries	24	Nintendo of America Inc. SiRAS.com Inc. Nintendo France S.A.R.L. Nintendo Australia Pty. Ltd. Nintendo Software Technology Corporation Nintendo Services Ltd. Rare Limited ND CUBE Co., Ltd.	NES Merchandising Inc. Nintendo of Canada Ltd. Nintendo Benelux B.V. Nintendo Technology Development Inc. Nintendo Software Canada Inc. Nintendo Services USA, Inc. Rare Inc. Rare Toys & Games, Inc. Brownie Brown Co., Ltd.	NHR Inc. Nintendo of Europe GmbH Nintendo España, S.A. Nintendo Services USA, Inc. warpstar Co.,Ltd.	HFI Inc. Rare Acquisition Inc. Nintendo Phuten Co., Ltd. warpstar Co., Ltd.
Nintendo Services USA, Inc. and warpstar Co.,Ltd. are newly consolidated because of share acquisition.					
Non-consolidated subsidiaries	2	Fukuei Co., Ltd.	A/N Software Inc.	Above two companies are excluded from consolidation as they are not considered to be significant.	

2. Scope of equity method companies

Equity method non-consolidated subsidiary	1	A/N Software Inc.			
Equity method affiliates	12	Marigul Management Inc. MONEGI Co. Rareware Limited Silicon Knights Inc.	MGM Fund Inc. Mobile 21 Co., Ltd. Left Field Productions, Inc. iKuni Inc.	The Pokémon Company HAL LABORATORY, INC. Retro Studios, Inc. Pokémon USA, Inc.	
The Pokémon Company LLC had completed its liquidation as of August 30, 2001, while Randnet DD Co., Ltd. has been placed into liquidation since June 30, 2001. Consequently, these companies are excluded from the scope of equity method affiliates.					
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 as they are.					

3. Fiscal six-month end of consolidated subsidiaries

Although financial six-month end of Nintendo Phuten Co., Ltd., Rare Limited, Rare Inc., and Rare Toys & Games, Inc. are June 30, which is different from consolidated six-month end, their financial statements are used for consolidation as the variance of six-month end is within three months (so-called three month rule applicable). 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 (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 fixed assets

(A) Tangible assets

The Company to file consolidated financial statements and domestic consolidated subsidiaries

Declining balance method (Some equipments are depreciated over economic useful life.)

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. Major durability period is as follows.

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).

(3) Allowance and reserve

(A) Allowance for doubtful accounts

The Company to file consolidated financial statements and 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 probable bad debts. Overseas consolidated subsidiaries are calculating the allowance for each doubtful account with an estimated amount of probable bad debts.

(B) Reserve for bonuses

The Company to file consolidated financial statements is calculating the reserve for bonuses with estimated prorated amounts to be paid.

(C) Reserve for employee retirement and severance benefits

The Company to file consolidated financial statements and part of consolidated subsidiaries are calculating the reserve for employee retirement and severance benefits with estimated amounts to be required at the end of this interim fiscal year, on the basis of the cost of retirement benefits and pension

(D) Reserve for directors retirement and severance benefits

The Company to file consolidated financial statements is calculating the reserve for directors retirement and severance benefits with estimated amounts to be paid at the end of this interim fiscal year, based on the Company's internal rules.

(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 rate at the end of this interim 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 fiscal period are used for translation of revenue and expenses. The difference resulting from translation in this manner are shown as Minority Interests in Consolidated Subsidiaries and Translation Adjustments in Shareholders' equity.

(5) Lease transactions

Leases, other than those leases deemed to transfer the ownership of the leased assets to lessees, are accounted for as operating leases. Part of overseas consolidated companies are treating such transactions pursuant to normal buy-sell transactions.

(6) Consumption tax

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

5. Funds in consolidated statement of cash flows

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

NOTES

Consolidated balance sheets information;

	Sept. 30 2000	Sept. 30 2001	Yen in Millions Mar. 31 2001
Accumulated depreciation of tangible assets	32,129	32,120	30,052

Consolidated statements of cash flows information;

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

	Sept. 30 2000	Sept. 30 2001	Mar. 31 2001
Cash and deposits account	604,266	782,390	824,937
Bonds etc. due within three months period	-	350	4,497
Time deposits (over 3 months)	(5,591)	(101,752)	(43,443)
Cash and cash equivalents - Ending	598,675	680,987	785,992

Lease transaction information

1. Finance lease

	Sept. 30 2000	Sept. 30 2001	Mar. 31 2001
(1) Notional acquisition cost, accumulated depreciation and balance			
Acquisition cost	474	529	580
Accumulated depreciation	240	240	342
Balance	233	289	237
(2) Future lease payments			
Within a year	103	138	107
Over a year	130	150	130
Total	233	289	237
(3) Lease expense and notional depreciation expense			
Lease expense	69	78	135
Depreciation expense	69	78	135
(4) Calculation method of depreciation cost			
Straight-line method over lease period, with zero residual value.			

2. Operating lease

Future lease payments

Within a year	79	151	89
Over a year	300	403	334
Total	379	554	424

SEGMENT INFORMATION

1. Segment information by business categories

Since the company operates predominantly in one industry segment which is accounted for over 90% of total sales, operating income and assets, this information is left out.

2. Segment information by seller's location

	Yen in Millions						
	The					Eliminations or unallocated	
<u>Six months ended Sept 30, 2000</u>	Domestic	Americas	Europe	Other	Total	assets	Consolidated
Net sales and operating income							
Net sales							
(1)Sales to third parties	56,030	88,871	41,486	4,246	190,634	-	190,634
(2)Sales to inter segments	84,030	307	6,686	0	91,024	(91,024)	-
Total	140,060	89,179	48,172	4,246	281,659	(91,024)	190,634
Cost of sales and operating expenses	118,541	77,641	41,486	4,121	241,790	(90,688)	151,101
Operating income	21,519	11,538	6,686	124	39,869	(336)	39,533
<u>Six months ended Sept 30, 2001</u>	Domestic	The Americas	Europe	Other	Total	Eliminations or unallocated assets	Consolidated
Net sales and operating income							
Net sales							
(1)Sales to third parties	73,435	97,020	52,040	3,224	225,722	-	225,722
(2)Sales to inter segments	109,332	544	2,447	0	112,325	(112,325)	-
Total	182,768	97,564	54,488	3,225	338,047	(112,325)	225,722
Cost of sales and operating expenses	150,850	83,347	48,334	3,047	285,580	(111,080)	174,500
Operating income	31,917	14,217	6,153	178	52,467	(1,245)	51,221
<u>Year ended March 31, 2001</u>	Domestic	The Americas	Europe	Other	Total	Eliminations or unallocated assets	Consolidated
Net sales and operating income							
Net sales							
(1)Sales to third parties	142,166	237,864	73,842	8,630	462,502	-	462,502
(2)Sales to inter segments	209,037	684	8,854	6	218,582	(218,582)	-
Total	351,204	238,548	82,696	8,636	681,085	(218,582)	462,502
Cost of sales and operating expenses	300,472	209,165	74,051	8,233	591,922	(214,117)	377,804
Operating income	50,731	29,382	8,645	403	89,162	(4,464)	84,697

3. Sales to overseas customers

	Yen in Millions			
<u>Six months ended Sept 30, 2000</u>	The Americas	Europe	Other	Total
Sales to overseas customers	89,352	54,210	7,013	150,577
Consolidated net sales				190,634
Percentage of sales to overseas customers to consolidated net sales	46.9%	28.4%	3.7%	79.0%
<u>Six months ended Sept 30, 2001</u>	The Americas	Europe	Other	Total
Sales to overseas customers	97,520	59,126	5,855	162,502
Consolidated net sales				225,722
Percentage of sales to overseas customers to consolidated net sales	43.2%	26.2%	2.6%	72.0%
<u>Year ended March 31, 2001</u>	The Americas	Europe	Other	Total
Sales to overseas customers	238,779	96,788	13,270	348,839
Consolidated net sales				462,502
Percentage of sales to overseas customers to consolidated net sales	51.6%	20.9%	2.9%	75.4%

SECURITIES INFORMATION

I As of September 30, 2000

Yen in Millions

1. Marketable other securities

	Cost	Book Value	Difference
Stocks	5,062	12,252	7,189
Bonds	25,507	14,063	(11,444)
Total	30,570	26,315	(4,254)

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

Yen in Millions

(1)Held-to-maturity bonds		
Commercial paper		71,531
(2)Other securities		
Unlisted securities	<except over-the-counter stock>	1,250

II As of September 30, 2001

Yen in Millions

1. Marketable other securities

	Cost	Book Value	Difference
Stocks	5,003	8,626	3,622
Bonds	25,507	16,200	(9,306)
Total	30,511	24,827	(5,684)

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

Yen in Millions

(1)Held-to-maturity bonds		
Commercial paper		2,999
Unlisted foreign bonds		2,388
(2)Other securities		
Unlisted foreign bonds		7,000

III As of March 31, 2001

Yen in Millions

1. Marketable other securities

	Cost	Book Value	Difference
Stocks	5,141	9,037	3,895
Bonds	25,507	13,098	(12,409)
Total	30,649	22,136	(8,513)

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

Yen in Millions

(1)Held-to-maturity bonds		
Commercial paper		9,109
Unlisted foreign bonds		3,478
(2)Other securities		
Unlisted foreign bonds		5,000

DERIVATIVE TRANSACTIONS INFORMATION

Six months ended September 30, 2000 and 2001, and year ended March 31, 2001

Yen in Millions

	Sept. 30 2000			Sept. 30 2001		
	Contract amount <Option fee>	Fair market value	Unrealized Gain(loss)	Contract amount <Option fee>	Fair market value	Unrealized Gain(loss)
Option contracts:						
Written						
Call:						
U.S. dollars	-			61,839		
	< - >	-	-	< 565 >	634	(69)
Purchased						
Put:						
U.S. dollars	-			61,839		
	< - >	-	-	< 565 >	439	(126)
Total	-	-	-	-	-	(195)

	Mar. 31 2001		
	Contract amount <Option fee>	Fair market value	Unrealized Gain(loss)
Option contracts:			
Written			
Call:			
U.S. dollars	72,090		
	< 828 >	2,782	(1,953)
Purchased			
Put:			
U.S. dollars	72,090		
	< 828 >	637	(191)
Total	-	-	(2,144)

SIGNIFICANT SUBSEQUENT EVENTS

Not applicable

PRODUCTION, ORDER AND SALES INFORMATION

Six months ended September 30, 2000 and 2001, and year ended March 31, 2001

Yen in Millions

1. Production

		Sept. 30 2000	Sept. 30 2001	Mar. 31 2001
Electronic entertainment products				
(Hardware)				
Handheld	-----	59,906	97,338	139,908
Console	-----	6,503	19,305	17,981
Others	-----	8,512	9,926	16,435
		74,922	126,570	174,324
(Software)				
Handheld	-----	49,676	81,352	143,617
Console	-----	63,560	18,635	136,416
Others	-----	219	-	219
		113,456	99,988	280,253
Sub-Total		188,379	226,558	454,578
Others	-----	1,733	749	2,638
Total		190,112	227,308	457,217

[Note]

Amounts shown above are calculated from selling prices which are excluding consumption tax.

2. Order

		Sept. 30 2000		Sept. 30 2001		Mar. 31 2001	
		Orders received	Back orders	Orders received	Back orders	Orders received	Back orders
Electronic entertainment products							
(Hardware)							
Handheld	-----	24,542	12,018	44,971	17,350	49,528	3,095
Console	-----	13,668	8,154	3,469	884	20,699	286
Total		38,211	20,172	48,441	18,234	70,228	3,381

3. Sales

		Sept. 30 2000	Sept. 30 2001	Mar. 31 2001
Electronic entertainment products				
(Hardware)				
Handheld	-----	62,508	92,874	123,396
Console	-----	8,730	16,002	29,694
Others	-----	9,290	12,365	21,642
		80,529	121,241	174,733
(Software)				
Handheld	-----	45,593	80,432	139,468
Console	-----	51,945	17,860	129,392
Royalty income and rental income	-----	9,872	5,152	14,629
Others	-----	-	43	284
		107,411	103,488	283,775
Sub-Total		187,941	224,730	458,508
Others	-----	2,693	991	3,993
Total		190,634	225,722	462,502

[Note]

Amounts shown above 2 and 3 are ones excluding consumption tax.

Nintendo Co., Ltd.

11-1 Kamitoba hokotate-cho,
Minami-ku, Kyoto 601-8501
Japan

NON-CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL HIGHLIGHTS

Six months ended September 30, 2000 and 2001, and year ended March 31, 2001

The amounts presented herein are rounded down under one million yen except as otherwise denominated.

Numbers in parentheses are negative.

	Yen in Millions		
	Sept. 30 2000	Sept. 30 2001	Mar. 31 2001
Net sales -----	140,060	182,723	351,066
Percentage change from previous half year -----	(26.4%)	30.5%	
Operating income -----	21,575	31,999	50,741
Percentage change from previous half year -----	(56.4%)	48.3%	
Income before income taxes and extraordinary items -----	51,792	41,409	164,533
Percentage change from previous half year -----	156.8%	(20.0%)	
Net income -----	25,835	30,355	86,777
Percentage change from previous half year -----	50.5%	17.5%	
Net income per share -----	¥182.37	¥214.27	¥612.54
Cash dividends per share			
Interim -----	¥60.00	¥60.00	-
Annual -----	-	-	¥120.00
Financial position			
Total assets (1) -----	844,449	939,875	947,921
Shareholders' equity (2) -----	734,880	807,201	785,536
Ratio of net worth to total assets (2)/(1) -----	87.0%	85.9%	82.9%
Shareholders' equity per share -----	¥5,187.30	¥5,697.80	¥5,544.87

[Notes]

Average number of shares issued and outstanding for the six months ended September 30, 2001 : 141,669,000 shares

Number of shares issued and outstanding as of September 30, 2001: 141,669,000 shares

Change of accounting policies : None

NON-CONSOLIDATED BALANCE SHEETS

As of September 30, 2000 and 2001, and March 31, 2001

	Yen in Millions					
	Sept. 30 2000		Sept. 30 2001		Mar. 31 2001	
[Assets]						
Current assets:						
Cash and deposits -----	568,938		661,178		622,264	
Notes receivable -----	2,875		2,975		2,202	
Trade accounts receivable -----	99,720		74,844		153,297	
Marketable securities -----	-		5,387		6,475	
Inventories -----	18,189		21,335		6,601	
Deferred income taxes - current -----	14,543		18,813		18,702	
Other current assets -----	14,268		15,329		10,855	
Allowance for doubtful accounts -----	(1,007)		(598)		(1,037)	
	717,527	85.0 %	799,265	85.0 %	819,360	86.4 %
Fixed assets:						
Property, plant and equipment						
Buildings -----	9,383		16,751		17,277	
Land -----	31,584		25,596		25,596	
Other property, plant and equipment -----	7,061		3,169		2,371	
	48,029	5.7 %	45,517	4.9 %	45,245	4.8 %
Intangible assets -----	149	0.0 %	138	0.0 %	442	0.1 %
Investments and other assets						
Investments in subsidiaries and affiliates--	39,573		41,215		39,472	
Deferred income taxes - non-current -----	9,302		13,942		14,270	
Other investments and other assets -----	35,588		44,533		33,682	
Allowance for doubtful accounts -----	(5,720)		(4,736)		(4,551)	
	78,743	9.3 %	94,954	10.1 %	82,873	8.7 %
	126,922	15.0 %	140,610	15.0 %	128,561	13.6 %
Total -----	844,449	100.0 %	939,875	100.0 %	947,921	100.0 %

As of September 30, 2000 and 2001, and March 31, 2001

	Yen in Millions					
	Sept. 30 2000		Sept. 30 2001		Mar. 31 2001	
[Liabilities]						
Current liabilities:						
Notes payable -----	26,546		27,202		36,734	
Trade accounts payable -----	45,759		67,612		45,151	
Other accounts payable -----	5,215		5,486		7,418	
Accrued income taxes -----	16,725		11,441		56,033	
Advances received -----	1,320		498		692	
Reserve for bonuses -----	1,388		1,498		1,511	
Other current liabilities -----	9,353		15,451		11,069	
	106,309	12.6 %	129,192	13.7 %	158,611	16.7 %
Non-current liabilities:						
Non-current accounts payable -----	486		402		418	
Reserve for employee retirement and severance benefits -----	1,299		1,452		1,773	
Reserve for directors retirement and severance benefits -----	1,474		1,626		1,581	
	3,260	0.4 %	3,482	0.4 %	3,773	0.4 %
Total liabilities -----	109,569	13.0 %	132,674	14.1 %	162,385	17.1 %
[Shareholders' equity]						
Common stock -----	10,065	1.2 %	10,065	1.1 %	10,065	1.1 %
Additional paid-in capital -----	11,584	1.4 %	11,584	1.2 %	11,584	1.2 %
Legal reserve -----	2,516	0.3 %	2,516	0.3 %	2,516	0.3 %
Retained earnings -----	706,490	83.6 %	780,617	83.1 %	758,932	80.1 %
Optional reserve -----	660,055		660,053		660,055	
Unappropriated -----	46,434		120,564		98,876	
Unrealized gains on other securities -----	4,223	0.5 %	2,417	0.2 %	2,438	0.2 %
Total shareholders' equity -----	734,880	87.0 %	807,201	85.9 %	785,536	82.9 %
Total -----	844,449	100.0 %	939,875	100.0 %	947,921	100.0 %

NON-CONSOLIDATED STATEMENTS OF INCOME

Six months ended September 30, 2000 and 2001, and year ended March 31, 2001

	Yen in Millions					
	Sept. 30 2000		Sept. 30 2001		Mar. 31 2001	
Net sales -----	140,060	100.0 %	182,723	100.0 %	351,066	100.0 %
Cost of sales -----	100,912	72.0 %	130,260	71.3 %	259,224	73.8 %
Gross margin -----	39,148	28.0 %	52,463	28.7 %	91,842	26.2 %
Selling, general and administrative expenses -----	17,572	12.6 %	20,463	11.2 %	41,100	11.7 %
Operating income -----	21,575	15.4 %	31,999	17.5 %	50,741	14.5 %
Other income -----	30,685	21.9 %	21,508	11.8 %	114,124	32.5 %
Other expenses -----	468	0.3 %	12,099	6.6 %	333	0.1 %
Income before income taxes and extraordinary items -----	51,792	37.0 %	41,409	22.7 %	164,533	46.9 %
Extraordinary income -----	368	0.2 %	3,274	1.7 %	2,123	0.6 %
Extraordinary loss -----	14,280	10.2 %	243	0.1 %	24,036	6.9 %
Income before income taxes -----	37,880	27.0 %	44,440	24.3 %	142,620	40.6 %
Provision for income taxes and enterprise tax -----	20,497	14.6 %	13,852	7.6 %	72,128	20.5 %
Income taxes deferred -----	(8,451)	(6.0 %)	232	0.1 %	(16,286)	(4.6 %)
Net income -----	25,835	18.4 %	30,355	16.6 %	86,777	24.7 %
Retained earnings brought forward -----	20,598		90,209		20,598	
Interim cash dividends -----	-		-		8,500	
Unappropriated retained earnings -----	46,434		120,564		98,876	

BASIS OF NON-CONSOLIDATED FINANCIAL STATEMENTS

1. A valuation basis and method of important assets

(A) 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 (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 fixed assets

(A) Tangible assets

Declining balance method (Some equipments are depreciated over economic useful life.)

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

Major durability period is as follows:

Buildings : 3 to 50 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).

3. Allowance and reserve

(A) Allowance for doubtful accounts

The allowance for general accounts receivables is calculated with actual percentage of credit losses to provide against losses on bad debt. And that for each doubtful account is calculated with an estimated amount of probable bad debts.

(B) Reserve for bonuses

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

(C) Reserve for employee retirement and severance benefits

The reserve for employee retirement and severance benefits is calculated with estimated amounts to be required at the end of this interim fiscal year, on the basis of the cost of retirement benefits and pension plan assets at the end of this fiscal year.

(D) Reserve for directors retirement and severance benefits

The reserve for directors retirement and severance benefits is calculated with estimated amounts to be paid at the end of this interim fiscal year, based on the Company's internal rules.

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 rate at the end of this interim fiscal year. Exchange gains or losses are charged to income.

5. Lease transactions

Leases, other than those leases deemed to transfer the ownership of the leased assets to lessees, are accounted for as operating leases.

6. Consumption tax

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

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

Balance sheets information;

Yen in Millions

	Sept. 30 2000	Sept. 30 2001	Mar. 31 2001
1. Accumulated depreciation of tangible assets	20,523	19,669	18,227
2. Guaranteed liabilities	242	279	279
<i><DM in thousands></i>	<i><DM5,000></i>	<i><DM5,000></i>	<i><DM5,000></i>

Statements of income information;

Yen in Millions

	Sept. 30 2000	Sept. 30 2001	Mar. 31 2001
Major items included in other income are as follows:			
Interest income	15,534	8,283	31,205
Dividend income	11,533	12,370	11,582

Lease transaction information;

Yen in Millions

	Sept. 30 2000	Sept. 30 2001	Mar. 31 2001
Finance lease			
1. Notional acquisition cost, accumulated depreciation and balance			
Acquisition cost	315	336	272
Accumulated depreciation	173	134	132
Balance	141	201	139
2. Future lease payments			
Within a year	67	92	62
Over a year	74	108	77
Total	141	201	139
3. Lease expense and notional depreciation expense			
Lease expense	42	54	83
Depreciation expense	42	54	83
4. Calculation method of depreciation expense			
Straight-line method over lease period, with zero residual value.			

Securities information;

Any securities of subsidiaries and affiliates do not have market value in this interim fiscal year.

SIGNIFICANT SUBSEQUENT EVENTS

Not applicable

1. CONSOLIDATED ACTUAL SALES UNITS AND NUMBER OF NEW TITLESSales Units in Ten Thousands
Number of New Titles Released

		Sept. 30, 2000 Six months	Sept. 30, 2001 Six months	Life-to-Date
[Domestic]				
GAME BOY	Hardware	139	48	3,199
	Software	543	290	15,467
	New titles	79	55	1,220
GAME BOY ADVANCE	Hardware	-	276	382
	Software	-	483	754
	New titles	-	47	72
NINTENDO 64	Hardware	6	2	552
	Software	375	42	3,946
	New titles	15	3	195
NINTENDO GAMECUBE	Hardware	-	51	51
	Software	-	71	71
	New titles	-	3	3
[Overseas]				
GAME BOY	Hardware	877	178	8,399
	Software	2,289	1,617	31,807
	New titles	73	46	928
GAME BOY ADVANCE	Hardware	-	575	576
	Software	-	1,425	1,426
	New titles	-	56	56
NINTENDO 64	Hardware	73	27	2,719
	Software	1,050	400	18,151
	New titles	27	5	294
NINTENDO GAMECUBE	Hardware	-	0	0
	Software	-	0	0
	New titles	-	-	-
[Total]				
GAME BOY	Hardware	1,016	225	11,598
	Software	2,832	1,907	47,274
GAME BOY ADVANCE	Hardware	-	850	958
	Software	-	1,907	2,180
Total	Hardware	1,016	1,076	12,555
	Software	2,832	3,815	49,454
NINTENDO 64	Hardware	80	29	3,271
	Software	1,425	442	22,097
NINTENDO GAMECUBE	Hardware	-	51	51
	Software	-	71	71

[Notes] 1. Overseas titles include solely new titles in the United States market.
2. GAME BOY domestic titles include Nintendo Power titles.

2. BALANCE OF MAJOR FOREIGN CURRENCY CASH / DEPOSITS AND ACCOUNTS RECEIVABLE WITHOUT EXCHANGE CONTRACT (NON-CONSOLIDATED)

	As of Mar. 31, 2001		As of Sept. 30, 2001	
	Amount in foreign currency	Year-end exchange rate	Amount in foreign currency	Year-end exchange rate
Cash and Deposits	US\$ 1,926million DM 1,537million	US\$ 1.00=¥ 123.90	US\$ 2,513million DM 2,367million	US\$ 1.00=¥ 119.40
Accounts Receivable	US\$ 840million DM 613million	DM 1.00 =¥ 55.90	US\$ 298million DM 466million	DM 1.00=¥ 55.88