(Summary Translation) File Number: 82-2544

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To whom it may concern

FICE OF INTERNATIONAL CORPORATE FINANCE

PROCESSED



Nintendo Co., Ltd. Satoru Iwata President

FED 0 8 2003

Notice of New Product Launch

SUPPL

Nintendo Co., Ltd. hereby announces the launch of "Nintendo DS Lite", a high-grade version of the "Nintendo DS" handheld gaming device.

Nintendo Co., Ltd. (Head Office: Minami-ku, Kyoto, President: Satoru Iwata) is scheduled to launch "Nintendo DS Lite", a high-grade version of the "Nintendo DS" handheld gaming device on March 2, 2006 at a manufacturer's suggested retail price (MSRP) of 16,800 yen (tax included, packed with proprietary AC adapter).

"Nintendo DS", was launched on December 2, 2004 in Japan at a MSRP of 15,000 yen (tax included). Since its launch, "Nintendo DS has gathered strong consumer support, ranging from customers who have always enjoyed playing video games to females and seniors who have never played a video game in their lives. "Nintendo DS" is designed with unique features such as double screen, touch screen, microphone input, and wireless communication (LAN and Wi-Fi). Cumulative retail sales of "Nintendo DS" in Japan exceeded 5 million units within thirteen months of its launch. According to Media Create Co., Ltd., this is the shortest time span for any video game device ever launched in Japan to reach the 5 million mark. As of December 2005, Japanese domestic sales of "Nintendo DS" reached 5.7 million units.

Aside from having the same diverse functions as the "Nintendo DS", "Nintendo DS Lite" has higher portability, with its slimmer casing and lighter weight, and has the ability to adjust for four levels of screen brightness. (The name "Lite" is inspired by its light weight as well as its screen brightness.)

Nintendo will continue to enhance and expand the Nintendo DS software library to

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appeal to a broad range of customers regardless of age, gender, or gaming experience. Nintendo will continue to strengthen the position "Nintendo DS" holds in the handheld marketplace and will achieve a dominant penetration rate with the launch of this highgrade version.

### **Product Description**

Product name:

Nintendo DS Lite

Launch date:

March 2, 2006

MSRP:

16,800 yen (tax included)

Size:

133.0mm(Width) × 73.9mm(Depth) × 21.5mm(Height)[flip-top closed]

×

Original

148.7mm(Width)

84.7mm(Depth)

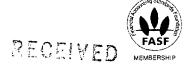
version: 28.9mm(Height)[flip-top closed]

Weight:

218g

Original version: 275g

## **CONSOLIDATED FINANCIAL HIGHLIGHTS**





2006 FEB - 2 Paharaty 26, 2006

Nintendo Co., Ltd. 11-1 Kamitoba hokofate cha RICATIONAL Minami-ku, Kyoto 601-8501 FINANCE Japan

#### Consolidated results for the nine months ended December 2004 and 2005, and year ended March 31, 2005

(1) Consolidated operating results

(Amounts below one million are rounded down)

	Net Sales		Operating Income		Income before Income Taxes and Extraordinary Items		Net Income	
	million yen	%	million yen	%	million yen	%	million yen	%
Nine months ended Dec. 31, '05	412,339	(1.7)	82,783	(19.7)	146,694	27.2	92,185	36.1
Nine months ended Dec. 31, '04	419,373	(4.6)	103,106	0.5	115,359	120.6	67,757	96.1
Year ended Mar. 31, '05	515,292		111,522		145,292		87,416	

	Net Income per Share
	yen
Nine months ended Dec. 31, '05	713.96
Nine months ended Dec. 31, '04	512.94
Year ended Mar. 31, '05	662.96

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

During the nine months ended December 31, 2005, in the handheld game business, three Nintendo DS titles, "Nintendogs", "Brain Training", and "Brain Flex" from the "Touch! Generations" software lineup introduced last spring, each sold more than 1 million units. In this year's fiscal third quarter, "Nintendo Wi-Fi Connection" was introduced as the world's first wireless internet service to offer game play which provides three key elements: "easy, safe, and charge-free". "Mario Kart DS", with its appealing feature of matching up players from around the world using "Nintendo Wi-Fi Connection", sold more than 3 million units during the current third quarter alone. "Animal Crossing: Wild World", another title for which the "Nintendo Wi-Fi Connection" is available, became the fastest Nintendo DS title to achieve sales of 1 million units in the Japanese market. Sales of "Animal Crossing: Wild World" in Japan and the United States combined exceeded 1.8 million units. Nintendo DS hardware also sold exceptionally well, particularly in Japan, as it set a record as the fastest selling gaming device ever to reach retail sales of 5 million units in the domestic market.

In the console game business, the Nintendo GameCube party game "Mario Party 7" and the role playing game "Pokémon XD: Gale of Darkness" each sold more than 1 million units.

Consolidated net sales resulted in 412.3 billion yen, operating income was 82.7 billion yen, income before income taxes and extraordinary items was 146.6 billion yen including foreign exchange gain of 45.2 billion yen, and net income was 92.1 billion yen.

#### (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 Dec. 31, '05	1,180,069	967,986	82.0	7,567.36	
As of Dec. 31, '04	1,130,286	899,150	79.6	6,912.34	
Year ended Mar. 31, '05	1,132,492	921,466	81.4	7,082.68	

#### [Consolidated cash flows]

	Cash Flows from	Cash Flows from	Cash Flows from	Cash and Cash
	Operating Activities	Investing Activities	Financing Activities	Equivalents - Ending
	million yen	million yen	million yen	million yen
Nine months ended Dec. 31, '05	(749)	(52,427)	(59,355)	726,805
Nine months ended Dec. 31, '04	89,540	16,817	(60,623)	776,570
Year ended Mar. 31, '05	116,571	(11,716)	(61,447)	792,727

Through the nine months ended December 31, 2005, total assets increased by 47.5 billion yen compared to the previous fiscal yearend to 1,180 billion yen mainly due to the increase in notes and trade accounts receivable resulting from favorable sales during the holiday season.

As for consolidated cash flows, net cash used in operating activities was 0.7 billion yen due to factors such as an increase in notes and trade accounts receivable, foreign exchange gain, and the payment of 70.3 billion yen for income taxes. Net cash used in investing activities was 52.4 billion yen primarily due to the increase of the transfer to time deposits. Net cash used in financing activities was 59.3 billion yen due to the payment of 25.1 billion yen for acquisition of treasury stock and the increased dividend payment. As a result, net cash and cash equivalents during the nine month period ended December 31, 2005 decreased by 65.9 billion yen compared to the beginning balance of this year's fiscal accounting period to 726.8 billion yen.

#### [Reference]

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	

Estimated annual earnings per share: 580.88 yen

No modification has been made to annual financial forecasts for the fiscal year ending March 31, 2006 announced on November 24, 2005.

Estimated exchange rates for the end of the fiscal year are 110.00 yen to the U.S. dollar and 135.00 yen to the Euro.

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.

# 1. Summary of Consolidated Balance Sheets

(Yen in Millions, %)

_						(Yen in Millions, %)
Description		As of December 31, 2005	As of March 31, 2005	Increase (D	ecrease)	As of December 31, 2004
		Amount	Amount	Amount	%	Amount
	(Assets)					!
I	Current assets					
	Cash and deposits	795,172	826,653	(31,480)		782,699
	Notes and trade accounts receivable	112,071	51,143	60,928		101,153
	Inventories	37,425	49,758	(12,333)		31,868
	Other current assets	99,915	68,216	31,698		81,259
	Allowance for doubtful accounts	(2,131)	(1,880)	(251)		(1,978)
	Total current assets	1,042,454	993,891	48,562	4.9	995,002
П	Fixed assets	137,615	138,600	(985)	(0.7)	135,284
	Total	1,180,069	1,132,492	47,577	4.2	1,130,286
	(Liabilities)					
I	Current liabilities					
	Notes and trade accounts payable	108,224	111,045	(2,821)		128,007
	Accrued income taxes	46,494	51,951	(5,457)		42,016
	Other current liabilities	52,607	42,452	10,155		54,022
	Total current liabilities	207,326	205,449	1,876	0.9	224,046
п	Non-current liabilities	4,567	5,353	(785)	(14.7)	6,958
	Total liabilities	211,894	210,802	1,091	0.5	231,005
	(Minority interests)					
	Minority interests	188	222	(34)	(15.4)	130
	(Shareholders' equity)					
I	Common stock	10,065	10,065	-	-	10,065
П	Additional paid-in capital	11,584	11,584	0	0.0	11,584
1	Retained earnings	1,089,881	1,032,834	57,046	5.5	1,013,649
IV	Unrealized gains on other securities	10,614	7,194	3,419	47.5	6,824
$ \mathbf{v} $	Translation adjustments	921	(10,315)	11,237	(108.9)	(13,096)
VI	Treasury stock, at cost	(155,079)	(129,896)	(25,182)	19.4	(129,877)
L	Total shareholders' equity	967,986	921,466	46,520	5.0	899,150
	Total	1,180,069	1,132,492	47,577	4.2	1,130,286

# 2. Summary of Consolidated Statements of Income

(Yen in Millions, %)

	· · · · · · · · · · · · · · · · · · ·					(1 ch hi whilions, 70)	
Description		Nine Months Ended December 31, 2005	Nine Months Ended December 31, 2004	Increase (Decrease)		Year Ended March 31, 2005	
		Amount	Amount	Amount	%	Amount	
I	Net sales	412,339	419,373	(7,033)	(1.7)	515,292	
П	Cost of sales	237,322	232,495	4,827		298,115	
	Gross margin	175,017	186,877	(11,860)	(6.3)	217,176	
ш	Selling, general and administrative expenses	92,233	83,771	8,462		105,653	
	Operating income	82,783	103,106	(20,323)	(19.7)	111,522	
IV	Other income	64,268	15,229	49,039		37,868	
	Foreign exchange gain	45,226	4,778	40,447		21,848	
	Other	19,042	10,450	8,592		16,020	
v	Other expenses	357	2,976	(2,619)		4,098	
	Income before income taxes and extraordinary items	146,694	115,359	31,335	27.2	145,292	
VI	Extraordinary income	6,888	1,433	5,455		1,735	
VII	Extraordinary loss	255	1,865	(1,609)		1,625	
	Income before income taxes and minority interests	153,327	114,927	38,399	33.4	145,402	
	Income taxes	61,176	47,260	13,915		57,962	
	Minority interests	(34)	(91)	56		24	
	Net income	92,185	67,757	24,427	36.1	87,416	

# 3. Summary of Consolidated Statements of Cash Flows

(Yen in Millions)

			(Yen in Millions)
Description	Nine Months Ended December 31, 2005	Nine Months Ended December 31, 2004	Year Ended March 31, 2005
	Amount	Amount	Amount
Cash flows from operating activities			
• •	153,327	114,927	145,402
Foreign exchange loss (gain)	(46,085)	(9,160)	(27,570)
Decrease (increase) in notes and trade accounts receivable	(56,315)	(71,487)	(21,062)
Decrease (increase) in inventories	15,408	(652)	(17,734)
Increase (decrease) in notes and trade accounts payable	454	53,016	48,687
Other, net	(14,042)	5,063	(11,199)
Sub-total	52,746	91,708	116,523
Income taxes paid	(70,322)	(10,891)	(13,485)
Other, net	16,826	8,723	13,533
Net cash provided by (used in) operating activities	(749)	89,540	116,571
Cash flows from investing activities			
Proceeds from (payment for) time deposits	(74,531)	31,241	8,143
Proceeds from sale (payment for acquisition) of marketable securities	13,193	7,918	8,403
Proceeds from (payment for) investments in securities	10,663	(16,019)	(22,187)
Other, net	(1,752)	(6,322)	(6,075)
Net cash provided by (used in) investing activities	(52,427)	16,817	(11,716)
Cash flows from financing activities			****
Payments for acquisition of treasury stock	(25,186)	(42,985)	(42,995)
Cash dividends paid	(34,171)	(17,641)	(18,455)
Other, net	2	3	3
Net cash provided by (used in) financing activities	(59,355)	(60,623)	(61,447)
Effect of exchange rate changes on cash and cash equivalents	46,609	10,722	29,205
Net increase (decrease) of cash and cash equivalents	(65,921)	56,456	72,613
Cash and cash equivalents - Beginning	792,727	720,114	720,114
Cash and cash equivalents - Ending	726,805	776,570	792,727
	Cash flows from operating activities Income before income taxes and minority interests Foreign exchange loss (gain) Decrease (increase) in notes and trade accounts receivable Decrease (increase) in inventories Increase (decrease) in notes and trade accounts payable Other, net Sub-total Income taxes paid Other, net Net cash provided by (used in) operating activities Cash flows from investing activities Proceeds from (payment for) time deposits Proceeds from (payment for) investments in securities Other, net Net cash provided by (used in) investing activities Cash flows from financing activities Proceeds from (payment for) investing activities Other, net Net cash provided by (used in) investing activities Cash flows from financing activities Payments for acquisition of treasury stock Cash dividends paid Other, net Net cash provided by (used in) financing activities Effect of exchange rate changes on cash and cash equivalents Net increase (decrease) of cash and cash equivalents Cash and cash equivalents - Beginning	Description  December 31, 2005  Amount  Cash flows from operating activities Income before income taxes and minority interests Foreign exchange loss (gain)  Decrease (increase) in notes and trade accounts receivable  Decrease (increase) in inventories  Increase (decrease) in notes and trade accounts payable  Other, net  Other, net  Other, net  Other, net  Other, net  Other accounts payable  Other, net  Other, n	Description   December 31, 2005   December 31, 2004

### 4. Consolidated Sales Information

Yen in Millions

¥139.83

¥136.91

Business Category	Main Products	Nine Months Ended December 31, 2005	Nine Months Ended December 31, 2004
Electronic	Hardware	232,467	233,674
Entertainment	Software	178,263	184,011
Products	Sub-Total	410,731	417,685
Other	Playing Cards, Karuta, etc.	1,608	1,687
Total		412,339	419,373

### 5. Supplementary Information

### (1) Consolidated sales units, number of new titles, and sales unit forecast

	r	·····			ts in Ten Thousands
		Nine months	Nine months		New Titles Released
		AprDec. '05	AprDec. '04	Life-to-date Dec. '05	Forecast Apr. '05-Mar. '06
Game Boy Advance	Hardware Japan	92	228	1,647	Tipi: 05 Mai: 00
Game Boy Mavanee	The Americas	417	801	3,755	
	Other	236	406	2,023	
	Total	746	1,434	7,425	1,100
of which Game Boy Adv	ance SP Japan	35	226	635	
	The Americas	371	735	2,040	
	Other	154	397	1,064	
	Total	561	1,358	3,740	
of which Game Boy Mic	ro Japan	57	-	57	
	The Americas	47	_	47	
	Other	78	-	78	
	Total	182	-	182	
	Software Japan	635	1,412	6,889	
	The Americas	3,031	4,311	17,754	
	Other	1,429	1,534	7,288	
	Total	5,095	7,257	31,931	5,500
	New titles Japan	61	147	755	
	The Americas	151	153	847	
	Other	144	109	769	
Nintendo DS	Hardware Japan	358	145	570	
	The Americas	243	136	463	
	Other	315	3	410	
	Total	916	284	1,443	1,200
	Software Japan	1,468	210	1,850	
	The Americas	1,238	289	1,713	
	Other	885	2	1,076	
	Total	3,590	501	4,640	4,000
	New titles Japan	100	14	126	
	The Americas	74	11	92	
	Other	59		75	
Nintendo GameCube	Hardware Japan	18	33	398	
	The Americas	155	226	1,200	
	Other	40	87	464	
	Total	212	346	2,061	240
	Software Japan	265	421	2,664	
	The Americas	2,030	2,791	11,806	
	Other	513	818	3,967	
	Total	2,807	4,030	18,436	3,000
	New titles Japan	33	29	264	
	The Americas	76 53	80	501	
	Other	53	58	410	

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

Accounts Receivable

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

			[U.S	Dollars/Euros in Millions)
		As of Dec. 31, '05	As of Dec. 31, '05 Average Exchange Rate	
		Ending Balance	AprDec. '05	as of Dec. 31, '05
US\$	Cash and Deposits	3,082	US\$1.00=	
	Accounts Receivable	363	¥112.11	¥118.07
EUR	Cash and Deposits	896	EUR1.00=	

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

## Launch Dates of Primary NINTENDO Products by Region (Apr. - Dec. 2005)

		Game Boy Advance		Nintendo DS		Nintendo GameCube	
Region	Category	Title	Launch Date		Launch Date		Launch Date
Towns.	(IId)	Como Dou Misso	C 12 105		<del>.</del>		
Japan		Game Boy Micro	Sept. 13, '05		. =		
	(Software)	The Tower SP		Electroplankton	•	Fire Emblem: Path of Radiance	Apr. 20, '05
		Donkey Kong: King of Swing Nonono Puzzle Chairian		Nintendogs Dachshund & Friends Nintendogs Chihuahua & Friends	•		May 26, '05 Jun. 23, '05
						į vardas saltas sa	
		Dr. Mario & Puzzle League	•	Brain Training	•	Mario Superstar Baseball	Jul. 21, '05
		Mario Tennis: Power Tour	•	DS Rakubikijiten	•	Pokémon XD: Gale of Darkness	
		Drill Dozer	Sept. 22, '05	Advance Wars: Dual Strike	Jun. 23, '05	Battalion Wars	Oct. 27, '05
		Polarium Micro	Oct. 13, '05	Brain Flex	Jun. 30, '05	Mario Party 7	Nov. 10, '05
		Pokémon Fushigino Dungeon Akano Kyujotai	Nov. 17, '05	Osu! Tatakae! Oendan!	Jul. 28, '05	Densetsu no Kuizuo Ketteisen	Dec. 8, '05
		Donkey Kong Country 3	Dec. 1, '05	JUMP SUPER STARS	Aug. 8, '05		
				Pokémon Toroze	Oct. 20, '05		
				Super Princess Peach	Oct. 20, '05		
				Daredemo Asobi Taizen	Nov. 3, '05		
				True Swing Golf	Nov. 10, '05		
				Pokémon Fushigino Dungeon Aono Kyujotai	Nov. 17, '05		
				Animal Crossing: Wild World	Nov. 23, '05		
				Hamtaro NazoNazoQ Kumonoueno? Jo Mario Kart DS	Dec. 1, '05 Dec. 8, '05		
				Mario & Luigi: Partners in Time			
				Brain Training 2	Dec. 29, '05		
The	(Hardware)	Game Boy Micro	Sept. 19, '05				
United States		Pokémon Emerald	May 1, '05		Apr 18 '05	Donkey Konga 2	May 9, '05
	(Software)	Fire Emblem: The Sacred Stones	•		Jun. 13, '05		Aug. 15, '05
		WarioWare: Twisted!	May 23, '05			Mario Superstar Baseball	Aug. 29, '05
		Yoshi Topsy-Turvy		Advance Wars: Dual Strike		Battalion Wars	Sept. 19, '05
		Dynasty Warriors Advance	Aug. 29, '05	Nintendogs Dachshund & Friends	Aug. 22, '05	Pokémon XD: Gale of Darkness	Oct. 3, '05
		Donkey Kong: King of Swing		Nintendogs Chihuahua & Friends		Fire Emblem: Path of Radiance	Oct. 17, '05
		Donkey Kong Country 3	-	Nintendogs Lab & Friends	-	Dance Dance Revolution with MARIO	
		Dr. Mario & Puzzle League Mario Tennis: Power Tour		Trace Memory Metroid Prime Pinball	•	Mario Party 7	Nov. 7, '05
		Final Fantasy IV		Mario Kart DS	Nov. 14, '05	Super Mario Strikers	Dec. 5, '05
		That Funday 17	Dec. 12, 03	Mario & Luigi: Partners in Time			
				Animal Crossing: Wild World	Dec. 5, '05		
Europe	(Hardware)	Game Boy Micro	Nov. 4, '05				
	(Software)	Yoshi's Universal Gravitation	Apr. 22, '05	Yoshi Touch & Go	May 6, '05	Star Fox Assault	Apr. 29, '05
	ĺ	Kingdom Hearts: Chain of Memories		Ridge Racer DS	•	Donkey Konga 2	Jun. 3, '05
		Mario Party Advance		Another Code: Two Memories	Jun. 24, '05		Oct. 7, '05
		Pokémon Emerald	Oct. 21, '05		• .	Dance Dance Revolution with MARIO	
		Fire Emblem: The Sacred Stones	· · · · · · · · · · · · · · · · · · ·	Advance Wars: Dual Strike	•	Fire Emblem: Path of Radiance	Nov. 4, '05
		Donkey Kong Country 3	,	Nintendogs Dachshund & Friends Nintendogs Chihuahua & Friends		Mario Superstar Baseball	Nov. 11, '05
		Dr. Mario & Puzzle League Mario Power Tennis		Nintendogs Lab & Friends	Oct. 7, '05 Oct. 7, '05	Pokémon XD: Gale of Darkness Mario Smash Football	Nov. 18, 05
		Dynasty Warriors Advance		Nintendo Touch Golf: Birdie Challenge			Dec. 9, '05
		_ ,	200. <b>2</b> , 00	Mario Kart DS	Nov. 25, '05		200.7, 00
				Kirby: Power Paintbrush	Nov. 25, '05		
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Notes: Launch dates may be different within the United States and Europe regions depending on territories or countries.