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(Securities Code 7974)
June 7, 2021

To Shareholders with Voting Rights:

Shuntaro Furukawa
Representative Director and President
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INFORMATION DISCLOSURE ON THE INTERNET REGARDING THE NOTICE OF THE 81st ANNUAL GENERAL MEETING OF SHAREHOLDERS

Business Report

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These documents have been provided to shareholders on the Company's website (https://www.nintendo.co.jp/ir/en/index.html) pursuant to provisions of laws and regulations as well as Article 16 of the Articles of Incorporation. Moreover, the documents herein were audited by the Audit and Supervisory Committee and Accounting Auditor as a part of the documents subject to audit when they prepared the Audit and Supervisory Committee’s Audit Report and Accounting Auditor’s Audit Report, respectively.

Company's Systems and Policies

1 System to Ensure Proper Business Execution

1) System to ensure that the Company's Directors and employees execute their duties in compliance with the laws and regulations and the Articles of Incorporation

By establishing an Audit and Supervisory Committee, which consists of a majority of Outside Directors, the Company aims to strengthen the supervisory functions of the Board of Directors and further promote corporate governance of the Company. Furthermore, the Company has established a compliance program (legal risk management policy) to define normative systems for compliance and has designed a compliance manual and otherwise implemented measures for promotion of compliance through establishment of a Compliance Committee in order to ensure that Directors' and employees' execution of duties complies with the laws and regulations and the Articles of Incorporation. In addition, the Company has established a whistleblowing policy ("Compliance Hotline") for early discovery and correction of illegal conduct.

In addition to regular audits by the Audit and Supervisory Committee, the Internal Auditing Department, under the direct supervision of the President, audits the business activities of each department and evaluates the effectiveness of internal controls related to financial reporting and proposes and suggests measures to make improvements, etc.

The Company has a system to deal with antisocial forces that threaten social order and security at the company level, having appointed a responsible division for dealing with antisocial forces based on its commitment to taking a tough stance against such forces. The Company has also built a system to collaborate with police, attorneys and other outside expert organizations during ordinary times to prepare for emergencies.

2) System for storage and management of information related to the execution of duties of the Company's Directors

The Company records information related to Directors' execution of duties as minutes of meetings of the Board of Directors, Executive Management Committee and other important meetings, as well as documents such as action memos (including electronic records). Each such record is stored and managed for an appropriate retention period, respectively, based on internal regulations.

3) Regulations or any other systems of the Company for management of risk of loss

As a general rule, each division and department manages risks pertaining to work within its jurisdiction. Furthermore, the Internal Auditing Department monitors the risk management system of each division and department, and proposes and advises on policies for improvement, etc. Further, under the Compliance Committee, thorough compliance efforts are promoted at each division and department. In addition, the Company has established the Information Security Committee to ensure information security and a Product Safety Committee and other structures to guarantee product safety, prevent the occurrence of product accidents and ensure prompt response in the event of an accident.

4) System to ensure that the execution of duties of the Company's Directors is efficient

In addition to the meetings of the Board of Directors held monthly as a general rule, meetings of the Executive Management Committee, which consists of Directors (excluding Audit and Supervisory Committee Members), are held twice a month generally at the Company, to make prompt and efficient decisions.

Furthermore, the Company has introduced the Executive Officer System for the purpose of clarifying the responsibility for the execution of operations through the separation of the management decision-making and supervisory functions from the execution of operations, as well as by accelerating the delegation of authority to execute operations.

With regards to the execution of operations, internal regulations set forth the allocation of duties and authorities to ensure organized and efficient operation of business.

5) System to ensure proper business execution within the Company group

The system seeks to ensure proper business execution within the Company group as a whole by ensuring proper business execution by each subsidiary.

The Company has established internal regulations applicable to its subsidiaries mainly to ensure efficient risk management and business operation by the subsidiaries. Pursuant to the regulations, the responsible divisions and departments of the Company identify and manage such matters as the management status of the respective subsidiaries they are in charge of, obtaining information therefrom as necessary, and subsidiaries are required to obtain the Company's prior approval for significant matters.

Furthermore, in addition to audits by the Company's Accounting Auditor, the Audit and Supervisory Committee also conducts audits with respect to subsidiaries as necessary. The Internal Auditing Department likewise conducts audits with respect to subsidiaries as needed in addition to providing guidance and cooperation on internal controls. Major subsidiaries have established internal auditing divisions or departments, and each subsidiary is promoting the establishment of internal control systems suitable to the size of the subsidiary and the law in the region where the subsidiary is located, with the cooperation of relevant divisions and departments of the Company.

In addition to providing guidance and cooperation on compliance to each subsidiary as needed, the Company has established a whistleblowing system at major subsidiaries to render it possible to provide information directly to the Company in order to enhance and promote the compliance of the Company group as a whole. Under the umbrella of the Global Compliance Conference, which comprises top management and other members of the Company and its major subsidiaries, the person in charge of compliance at each company regularly holds meetings.

6) System to ensure that the execution of duties of the Company's Audit and Supervisory Committee is effective

・ Matters related to employees to assist duties of the Company's Audit and Supervisory Committee

The Company has established a special organization, the Audit and Supervisory Committee Office, to assist the duties of the Audit and Supervisory Committee, and the Office has dedicated staff members who work to assist the duties of the Audit and Supervisory Committee under the direction of the Committee.

Employees in the Audit and Supervisory Committee Office are selected and transferred with the agreement of the Audit and Supervisory Committee to ensure independence of such employees and effectiveness of the direction of the Committee to such employees.

・ System for reporting to the Company's Audit and Supervisory Committee

The President of the Company regularly holds meetings with the Company's Audit and Supervisory Committee Members, and provides timely reports regarding the matters designated by law. The Company's Internal Auditing Department reports internal audit results to the Company's Audit and Supervisory Committee in a timely manner and, furthermore, the Company's Directors and other employees report to the Audit and Supervisory Committee as needed matters reported by a Director or another employee of a subsidiary or matters concerning execution of the Company's or a subsidiary's business.

An employee who reports to the Company's Audit and Supervisory Committee will not be treated unfavorably.

・ Other systems to ensure that audits by the Company's Audit and Supervisory Committee are effective

The Company's Audit and Supervisory Committee Members attend the meetings of the Board of Directors as well as participate in important committees and meetings that are deemed necessary in order to ensure that the audits conducted are effective. In the event that an Audit and Supervisory Committee Member requests the payment of costs and expenses in connection with the performance of his/her duties, the request is processed pursuant to relevant laws in accordance with internal regulations.

7) System to ensure fairness and reliability of financial reporting

In order to ensure the fairness and reliability of financial reporting, the Company implements internal controls for financial reporting which it has developed in an appropriate manner in compliance with laws and regulations such as the Financial Instruments and Exchange Act. The Company also assesses implementation of these internal controls, checks their validity on an ongoing basis and takes necessary measures to improve them.

2 Summary of Operational Status of System to Ensure Proper Business Execution

1) System to ensure that the Company's Directors and employees execute their duties in compliance with the laws and regulations and the Articles of Incorporation, and regulations or any other systems of the Company for management of risk of loss

The Company ensures compliance with laws and regulations, etc. through the internal education program and the monitoring of relevant divisions by a person in charge of compliance assigned to each division based on the action plan for compliance established by the Compliance Committee mainly consisting of Directors and the General Manager of each division.

For the management of risk of loss, the Internal Auditing Department monitors the status of risk management performed at each division, and proposes and advises on measures, among others, for improving the risk management system of each division by quantifying residual risks to the extent

possible.

2) System for storage and management of information related to the execution of duties of the Company's Directors, and system to ensure that the execution of duties of the Company's Directors is efficient

The Company operates the meetings of the Board of Directors and Executive Management Committee in accordance with the "Board of Directors Regulations" and "Executive Management Committee Regulations" which set forth standards for handling resolutions and reporting matters at the meetings of the Board of Directors and Executive Management Committee. In addition, it ensures efficient and appropriate execution of duties by Directors through discussing in advance the matters to be proposed at the meetings of the Board of Directors at the Executive Management Committee. Furthermore, the Company adopts the Executive Officer System for the purpose of clarifying the responsibility for the execution of operations, and establishing a more flexible management structure which can appropriately and swiftly respond to the rapidly changing business environment. The foregoing will be enabled through separating the management decision-making and supervisory functions from the execution of operations as well as by accelerating the delegation of authority to execute operations. The Company clarifies the duties and authorities of each Director and Executive Officer in charge of business execution by designating the scope of delegation and the division in charge.

The Company appropriately records and manages information related to Directors' execution of duties such as minutes of meetings of the Board of Directors and action memos in accordance with relevant laws and regulations and internal regulations including the "Document Management Rules."

3) System to ensure proper business execution within the Company group

The Company ensures proper business execution of subsidiaries in accordance with the "Rules for Management of Subsidiaries and Affiliates" whereby the responsible divisions and departments of the Company identify and manage such matters including the management status of the respective subsidiaries, and make decisions in accordance with the predetermined decision-making standards for matters that require prior approval of the Company.

Furthermore, the Company's Accounting Auditors and the Audit and Supervisory Committee Members conduct auditing of subsidiaries including on-site audits, and the Internal Auditing Department conducts internal auditing of subsidiaries as appropriate to provide guidance and advice on internal control and risk management as necessary.

The division in charge of compliance of the Company regularly holds meetings with the persons in charge of compliance at major overseas subsidiaries, confirms the status of initiatives taken concerning compliance at each subsidiary, and exchanges opinions on matters including the status of laws at each jurisdiction and challenges for the future.

4) System to ensure that audits by the Company's Audit and Supervisory Committee are effective

The Company's Audit and Supervisory Committee Members receive reports on necessary matters from Directors and employees through attendance at the meetings of the Board of Directors as well as important meetings including Compliance Committee as appropriate. Furthermore, the Company's Audit and Supervisory Committee Members, including Outside Directors, hold quarterly meetings with the President of the Company for information exchange, and cooperate with the Internal Auditing Department to receive reports on internal auditing, etc., performed by the Department.

3 Basic Policy Regarding the Company's Control

The Company's Board of Directors believes that the decision of whether to accept another party's tender or other acquisition offer for the purpose of making large purchases of the Company's stock ultimately should be entrusted to its shareholders, given that the stock of the Company, which is a public company, is freely traded. However, it is likely that certain tender or acquisition offers may harm the Company's corporate value or the common interests of shareholders, depending on the intent of the offer, etc. The Company's Board of Directors maintains that such tender or acquisition offers are inappropriate.

As of now, any specific defensive measure in the event of a tender or acquisition offer has not yet officially been introduced, but the Company has already set up an internal system to deal with such an event. If a tender or acquisition offer is proposed, the Company will carefully judge its potential impact on its corporate value and the common interests of shareholders, and take appropriate measures with due care and prudent management.

Specifically, in addition to evaluating the offer with outside experts and negotiating with the party making the offer, the Company will establish a task force to decide on whether any specific defensive measures are necessary. If the offer is deemed inimical to the Company's corporate value or the common

interests of its shareholders, the defensive measures will be determined and implemented in accordance with relevant laws and regulations.

The Company will continue to consider adoption of any defensive measures for these situations, giving due respect to laws, regulations and case law related to acquisitions, their interpretations by relevant authorities, etc.

Consolidated Statement of Changes in Equity

(April 1, 2020 - March 31, 2021)

(In millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance as of April 1, 2020	10,065	15,041	1,707,119	(156,798)	1,575,428
Changes in items during period					
Dividends of surplus	–	–	(194,171)	–	(194,171)
Profit attributable to owners of parent	–	–	480,376	–	480,376
Purchase of treasury shares	–	–	–	(53)	(53)
Disposal of treasury shares	–	1	–	0	1
Net changes in items other than shareholders' equity	–	–	–	–	–
Total changes during period	–	1	286,205	(52)	286,153
Balance as of March 31, 2021	10,065	15,043	1,993,325	(156,851)	1,861,582

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance as of April 1, 2020	10,637	(45,378)	(34,741)	213	1,540,900
Changes in items during period					
Dividends of surplus	–	–	–	–	(194,171)
Profit attributable to owners of parent	–	–	–	–	480,376
Purchase of treasury shares	–	–	–	–	(53)
Disposal of treasury shares	–	–	–	–	1
Net changes in items other than shareholders' equity	22,933	24,596	47,530	29	47,560
Total changes during period	22,933	24,596	47,530	29	333,714
Balance as of March 31, 2021	33,571	(20,782)	12,788	243	1,874,614

Notes to the Consolidated Financial Statements

[Notes to the Basis for Preparation of Consolidated Financial Statements]

1. Scope of consolidation

Number of consolidated subsidiaries	27
Names of principal subsidiaries	Nintendo Sales Co., Ltd. Nintendo of America Inc. Nintendo of Europe GmbH
Names of non-consolidated subsidiaries	Fukuei Co., Ltd.
Reason for excluding from the scope of consolidation	The non-consolidated subsidiary is excluded from the scope of consolidation because it is a small-scale company and does not have a material impact on the consolidated financial statements with respect to total assets, net sales, profit or loss, retained earnings, etc.

2. Application of the equity method

Number of equity-method affiliates	4
Names of principal equity-method affiliates	The Pokémon Company, First Avenue Entertainment, LLLP
Names of non-consolidated subsidiaries not subject to the equity method	Fukuei Co., Ltd.
Names of affiliates not subject to the equity method	Ape Inc.
Reason for not applying the equity method	The non-consolidated subsidiary and affiliate not subject to the equity method are excluded from application of the equity method because the impact of each on profit or loss, retained earnings, etc., is negligible, and neither is material as a whole.
Matters of note with respect to application of the equity method	With respect to equity-method-applied companies whose account closing dates differ from the consolidated account closing date, the financial statements of the companies, based on their fiscal year or based on preliminary accounts closing, are incorporated.

3. Matters concerning accounting procedures

(1) Standards and methods for valuation of important assets

A. Securities

1) Held-to-maturity debt securities — Amortized cost method (straight-line method)

2) Other available-for-sale securities

- Securities with market quotations

  Stated at market based on the market price, etc., on the balance sheet date

  (Valuation difference is reported as a component of net assets. The cost of sales is calculated using the moving-average method.)

- Securities without market quotations

  Stated at cost using the moving-average method

B. Derivatives — Stated at market

C. Inventories — Mainly stated at cost using the moving-average method

(The figures shown in the balance sheet have been calculated by writing them down based on decline in profitability.)

(2) Depreciation or amortization method for important depreciable or amortizable assets

1) Property, plant and equipment (excluding leased assets)

The declining-balance method is applied for the Company and its domestic consolidated subsidiaries, but certain tools, furniture and fixtures are subject to depreciation based on their economic useful lives. However, the straight-line method is applied for buildings, except for facilities attached to buildings, acquired on or after April 1, 1998 and for facilities attached to buildings and structures acquired on or after April 1, 2016. Overseas consolidated subsidiaries are subject to the straight-line method based on the estimated economic useful lives.

Economic useful lives for main assets are as follows:

Buildings and structures 3-60 years

2) Intangible assets (excluding leased assets)

The Company and its consolidated subsidiaries use the straight-line method. Computer software for internal use is amortized over the estimated internal useful life (principally five years).

3) Leased assets (Finance leases that are not deemed to transfer the ownership of the leased assets to the lessee)

The straight-line method with no residual value is applied, regarding the lease term as useful life.

(3) Important standards of accounting for reserves

1) Allowance for doubtful accounts

With respect to the Company and its domestic consolidated subsidiaries, allowance for doubtful accounts is provided based on the historical write-off rate for ordinary receivables, and the estimated amount of irrecoverable debt based on recoverability of individual cases for specified receivables such as doubtful accounts. With respect to overseas consolidated subsidiaries, doubtful debts allowance is provided based on the estimated amount of irrecoverable debt based on recoverability of individual cases for specified receivables such as doubtful accounts.

2) Provision for bonuses

The Company and certain of its consolidated subsidiaries provide reserve for bonuses based on the estimated bonuses to employees.

(4) Accounting treatment of retirement benefits

The Company and certain of its consolidated subsidiaries provide the reserve for employees' retirement benefits based on the estimated benefit obligation and plan assets as of this fiscal year-end.

1) Method of attributing the estimated benefit obligation to periods

Upon calculating the retirement benefit obligation, the estimated benefit obligation is attributed to the period up until the consolidated fiscal year under review on a benefit formula basis.

2) Amortization method of actuarial calculation differences and past service costs

Actuarial calculation differences and past service costs are processed collectively in the accrued year.

3) Application of the simplified method by small-scale companies

In calculating the retirement benefit liability and retirement benefit expenses, certain of the Company's consolidated subsidiaries apply the simplified method where the amount of retirement benefits payable at the end of the fiscal year for voluntary resignations is the retirement benefit obligation.

For this consolidated fiscal year, because plan assets exceed retirement benefit obligations in the Company's defined benefit corporate pension plan, the excess is recorded in "Investments and other assets" as a retirement benefit asset.

(5) Standards of translation of important assets and liabilities denominated in foreign currencies into yen

Foreign currency monetary receivables and payables are translated into yen based on the spot rate of exchange in the foreign exchange market on the balance sheet date, and the foreign exchange gains and losses from translation are recognized in the income statement. Assets and liabilities of overseas consolidated subsidiaries, etc., are translated into yen based on the spot rate of exchange in the foreign exchange market on the balance sheet date, while revenue and expenses are translated into yen based on the average rate of exchange for the fiscal term. The differences resulting from such translations are included in "Foreign currency translation adjustment" under net assets.

(6) Accounting treatment of consumption taxes, etc.

The tax exclusion method is applied.

[Notes Regarding Accounting Estimates]

・ Valuation of inventories

The Company group recorded inventories of 86,817 million yen on the Consolidated Balance Sheet for the fiscal year ended March 31, 2021. Of this amount, finished goods accounted for 70,544 million yen, including a write-down on finished goods of 12,762 million yen.

The moving average cost method is the main method used for the valuation of inventory (the value shown on the Balance Sheet represents book value reduced in accordance with declines in profitability). This method of inventory valuation focuses on factors such as inventory turnover rates based on past sales results, and market conditions, to estimate the possibility of achieving future sales plans. Product lifecycle in the Company group's businesses is relatively short, and there is therefore a degree of uncertainty regarding the probability that finished goods will be sold. The closing balance of inventories and cost of sales for the fiscal period will be affected if net selling price and recoverable amount fall below expectations, or, if sales of products for which a valuation write-down was previously recorded exceed sales plans.

・ Valuation of deferred tax assets

The Company group recorded deferred tax assets of 82,819 million yen for the fiscal year ended March 31, 2021.

Deferred tax assets are recorded for deductible differences that the Company considers are likely to reduce taxable income in the future, based on a rational estimation of future taxable income. The valuation of deferred tax assets is considered in view of estimates of future taxable income based on business plans, after the application of Japanese corporate accounting standards (JGAAP) for the Company and its subsidiaries in Japan, and International Financial Reporting Standards (IFRS) or United States accounting standards (USGAAP) for subsidiaries overseas. The Company generates a stable taxable income, and it is assumed that no substantial change in future business results is anticipated. However, the Company group's businesses represent one part of the broad entertainment sector, and they are affected by the market environment brought about by various entertainment trends. Estimates of future taxable income are therefore subject to the impact of business plans, etc., which are inherently uncertain. If future taxable income results should differ from expectations, then the valuation of deferred tax assets will change, and this will have an impact on income taxes-deferred.

[Notes on Presentation Method]

- Application of "Accounting Standard for Disclosure of Accounting Estimates"

  The Company has adopted "Accounting Standard for Disclosure of Accounting Estimates" (Accounting Standards Board of Japan (ASBJ) Statement No. 31 of March 31, 2020) beginning from the financial statements for the end of the fiscal year ended March 31, 2021, and has disclosed notes on significant accounting estimates on its Consolidated Financial Statements, accordingly.

[Notes to Consolidated Balance Sheet]

1. Breakdown of inventories

Finished goods	70,544 million yen
Work in process	3,718 million yen
Raw materials and supplies	12,554 million yen

2. Accumulated depreciation of property, plant and equipment 72,872 million yen

[Notes to Consolidated Statement of Changes in Equity]

1. Total number of outstanding shares as of this fiscal year-end

   Common stock 131,669,000 shares

2. Dividends

   (1) Dividend amount

Resolution	Type of stock	Total dividends (million yen)	Dividend per share (yen)	Record date	Effective date
General Meeting of Shareholders on June 26, 2020	Common stock	97,681	820	March 31, 2020	June 29, 2020
Board of Directors Meeting on November 5, 2020	Common stock	96,489	810	September 30, 2020	December 1, 2020
Total		194,171			

   (2) Dividends whose record date is during this fiscal year, but whose effective date is after the end of this fiscal year

   The following dividend on common stock is proposed as a resolution of the General Meeting of Shareholders on June 29, 2021.

Total dividends	167,963 million yen
Dividend per share	1,410 yen
Record date	March 31, 2021
Effective date	June 30, 2021

   Dividends will be paid from retained earnings.

[Notes on Financial Instruments]

1. Status of Financial Instruments

   The Company invests in financial assets such as deposits that are highly secure.

   Customer credit risk concerning notes and accounts receivable-trade is reduced by establishing or revising the transaction limit based on the assessment of the financial position and past record of the relevant customer.

   The risk regarding bonds included in short-term investment securities and investment securities is negligible, since they are mainly the bonds of correspondent financial institutions, international organizations and other entities with strong credit that are held to maturity. These bonds are also subject to the risk of fluctuations in exchange rates and the risk of fluctuations in market price, which are continuously monitored through regular checks of current market values and financial positions of the issuers. Stocks included in investment securities are principally those of companies with which the Company group has business relations. Although they are subject to the risk of fluctuations in market price, the balance thereof bears little significance.

   Notes and accounts payable-trade, as well as income taxes payable, are due within one year.

   Derivative transactions mainly consist of forward exchange contracts, non-deliverable forward foreign exchange transactions and currency option transactions, that are mainly intended to reduce the risk of fluctuations in exchange rates associated with foreign currency deposits and trade receivables. These transactions are conducted solely within the limit for that period of the balance of foreign currency deposits made available by the Finance Department, in the case of the Company, and the respective department in charge of financial affairs, in the case of its consolidated subsidiaries, subject to the approval of the Director and President or the Executive Officer in charge. The Company and its subsidiaries do not conduct speculative transactions.

2. Current Value, etc., of Financial Instruments

The amounts posted on the consolidated balance sheet, the market values, and the differences thereof as of March 31, 2021 are as follows:

(In millions of yen)

	Consolidated balance sheet amount	Market value	Difference
Cash and deposits	1,185,151	1,185,151	–
Notes and accounts receivable-trade	140,570	140,570	–
Short-term investment securities and investment securities			
Held-to-maturity debt securities	379,832	379,833	0
Other available-for-sale securities	332,501	332,501	–
Total assets	2,038,055	2,038,056	0
Notes and accounts payable-trade	114,677	114,677	–
Income taxes payable	157,307	157,307	–
Total liabilities	271,984	271,984	–
Derivative transactions	(143)	(143)	–

(Notes) 1. Calculation method of the market value of financial instruments, and securities and derivative transactions

Cash and deposits, Notes and accounts receivable-trade, Notes and accounts payable-trade, and Income taxes payable:

Since the settlement periods for the foregoing are short, the market values thereof are essentially equal to the book values. Therefore, the corresponding book value is used as the market value.

Short-term investment securities and investment securities:

The share price on the exchange is used as the market value in the case of stocks, and the price presented by a correspondent financial institution is used in the case of bonds.

Derivative transactions:

The receivables and payables resulting from derivative transactions are indicated in net amounts. In the case that the net total is a payable, the amount is shown in parentheses.

The price presented by the correspondent financial institution is used as the current value.

2. Unlisted stocks (consolidated balance sheet amount of 6,225 million yen) are not included in “Short-term investment securities and investment securities,” since the identification of their market values is deemed extremely difficult, due to the absence of market values and the inability to estimate future cash flows.

[Notes to Per Share Information]

Net assets per share	15,734.79 yen
Profit per share	4,032.60 yen

(Note) Figures are rounded down to the nearest million yen.

Non-Consolidated Statement of Changes in Equity

(April 1, 2020 - March 31, 2021)

(In millions of yen)

		Shareholders' equity							
		Capital surplus			Retained earnings				
						Other retained earnings			
	Share capital	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Reserve for advanced depreciation of non-current assets	General reserve	Retained earnings brought forward	Total retained earnings
Balance as of April 1, 2020	10,065	11,584	–	11,584	2,516	28	860,000	313,042	1,175,587
Changes in items during period									
Reversal of reserve for tax purpose reduction entry of non-current assets	–	–	–	–	–	(1)	–	1	–
Dividends of surplus	–	–	–	–	–	–	–	(194,171)	(194,171)
Profit	–	–	–	–	–	–	–	403,339	403,339
Purchase of treasury shares	–	–	–	–	–	–	–	–	–
Disposal of treasury shares	–	–	1	1	–	–	–	–	–
Net changes in items other than shareholders' equity	–	–	–	–	–	–	–	–	–
Total changes during period	–	–	1	1	–	(1)	–	209,169	209,168
Balance as of March 31, 2021	10,065	11,584	1	11,585	2,516	27	860,000	522,211	1,384,755

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance as of April 1, 2020	(156,798)	1,040,438	10,709	10,709	1,051,147
Changes in items during period					
Reversal of reserve for tax purpose reduction entry of non-current assets	–	–	–	–	–
Dividends of surplus	–	(194,171)	–	–	(194,171)
Profit	–	403,339	–	–	403,339
Purchase of treasury shares	(53)	(53)	–	–	(53)
Disposal of treasury shares	0	1	–	–	1
Net changes in items other than shareholders' equity	–	–	21,683	21,683	21,683
Total changes during period	(52)	209,116	21,683	21,683	230,800
Balance as of March 31, 2021	(156,851)	1,249,555	32,392	32,392	1,281,948

Notes to the Non-Consolidated Financial Statements

[Notes to Significant Accounting Policies]

1. Standards and methods of valuation of assets

(1) Securities

1) Held-to-maturity debt securities — Amortized cost method (by straight-line method)

2) Stocks of subsidiaries and affiliates — Stated at cost using the moving-average method

3) Other available-for-sale securities

- Securities with market quotations

Stated at market based on the market price, etc., on the balance sheet date

(Valuation difference is reported as a component of net assets. The cost of sales is calculated using the moving-average method.)

- Securities without market quotations

Stated at cost using the moving-average method

(2) Derivatives — Stated at market

(3) Inventories — Mainly stated at cost using the moving-average method

(The figures shown in the balance sheet have been calculated by writing them down based on decline in profitability.)

2. Depreciation method for non-current assets

(1) Property, plant and equipment (excluding leased assets)

Declining-balance method

(Certain tools, furniture and fixtures are subject to depreciation based on their economic useful lives.)

However, the straight-line method is applied for buildings, except for facilities attached to buildings, acquired on or after April 1, 1998 and for facilities attached to buildings and structures acquired on or after April 1, 2016.

Economic useful lives for main assets are as follows:

Buildings 3-50 years

(2) Intangible assets (excluding leased assets)

Straight-line method

Computer software for internal use is amortized over the estimated internal useful life (principally five years).

(3) Leased assets

Finance leases that are not deemed to transfer the ownership of the leased assets to the lessee are depreciated by the straight-line method with no residual value, regarding the lease term as useful life.

3. Standards of accounting for reserves

(1) Allowance for doubtful accounts

Allowance for doubtful accounts is provided based on the historical write-off rate for ordinary receivables, and the estimated amount of irrecoverable debt is recorded based on recoverability of individual cases for specified receivables such as doubtful accounts.

(2) Provision for bonuses

Provision for bonuses is provided based on the estimated bonuses to employees.

(3) Provision for retirement benefits

Provision for retirement benefits is provided based on the estimated benefit obligation and plan assets as of this fiscal year-end.

1) Method of attributing the estimated benefit obligation to periods

Upon calculating the retirement benefit obligation, the estimated benefit obligation is attributed to the period up until the fiscal year under review on a benefit formula basis.

2) Amortization method of actuarial calculation differences and past service costs

Actuarial calculation differences and past service costs are processed collectively in the accrued year.

For this fiscal year, because plan assets exceed retirement benefit obligations in the defined benefit corporate pension plan, the excess is recorded in "Other" in "Investments and other assets" as a prepaid pension cost.

4. Standards of translation of assets and liabilities denominated in foreign currencies into yen

Foreign currency monetary receivables and payables are translated into yen based on the spot rate of exchange in the foreign exchange market on the balance sheet date, and the foreign exchange gains and losses from translation are recognized in the income statement.

5. Accounting treatment of consumption taxes, etc.

The tax exclusion method is applied.

[Notes Regarding Accounting Estimates]

・ Valuation of deferred tax assets

The Company recorded deferred tax assets of 69,963 million yen for the fiscal year ended March 31, 2021. Details are presented under "[Notes Regarding Accounting Estimates]" under "Valuation of deferred tax assets" in the Notes to the Consolidated Financial Statements.

[Notes on Presentation Method]

・ Application of "Accounting Standard for Disclosure of Accounting Estimates"

The Company has adopted "Accounting Standard for Disclosure of Accounting Estimates" (ASBJ Statement No. 31 of March 31, 2020) beginning from the financial statements for the end of the fiscal year ended March 31, 2021, and has disclosed notes on significant accounting estimates on its Non-

Consolidated Financial Statements, accordingly.

[Notes to Non-Consolidated Balance Sheet]

1. Breakdown of inventories

Finished goods	1,680 million yen
Work in process	3,718 million yen
Raw materials and supplies	9,533 million yen

2. Accumulated depreciation of property, plant and equipment 39,871 million yen

3. Guarantee liability

Guarantee of payment of real property rent

NES Merchandising, Inc.	2,497 million yen

4. Monetary receivables from and payables to affiliates

Short-term monetary asset	232,273 million yen
Short-term monetary liability	74,401 million yen

[Notes to Non-Consolidated Statement of Income]

Transactions with affiliates

Net sales	1,216,703 million yen
Other operating transactions	75,089 million yen
Transactions other than operating transactions	2,808 million yen

[Notes to Non-Consolidated Statement of Changes in Equity]

Number of treasury shares as of the fiscal year-end

Common stock 12,546,233 shares

[Notes to Tax Effect Accounting]

The main contributing factors to the deferred tax assets include research and development expenses. The amount of valuation allowances deducted from the deferred tax assets was 3,248 million yen.

[Notes to Transactions with Affiliates]

Affiliates, etc. (In millions of yen)

Type	Name of company, etc.	Percentage of voting rights, etc., held (or held of the Company)	Relationship with affiliate	Transaction details	Transaction amount	Description	Fiscal year-end balance
Subsidiary	Nintendo of America Inc.	Directly holds 100%	Sales of the Company products	Sales of the Company products (*1)	523,507	Accounts receivable-trade	83,700
				Loan payable (*2)	10,429	Other current liabilities (short-term loans payable)	11,069
				Repayment of loan	20,859		
				Payment of interest (*2)	329	Accounts payable-other	14
Subsidiary	Nintendo of Europe GmbH	Directly holds 100%	Sales of the Company products	Sales of the Company products (*1)	322,473	Accounts receivable-trade	67,594
				Loan payable (*2)	29,929	Other current liabilities (short-term loans payable)	32,454
				Payment of interest (*2)	0	Accounts payable-other	0
Subsidiary	Nintendo Sales Co., Ltd.	Directly holds 100%	Sales of the Company products	Sales of the Company products (*1)	247,443	Accounts receivable-trade	24,866

Transaction terms and policies regarding determination of transaction terms

(*1) Terms of product sales are determined through mutual consultation upon consideration of the market price.

(*2) The purpose of loan payable is to enhance the operational efficiency of the Company group’s funds, and the interest rate on the loan payable was reasonably determined upon consideration of the market interest rate.

[Notes to Per Share Information]

Net assets per share	10,761.57 yen
Profit per share	3,385.90 yen

(Note) Figures are rounded down to the nearest million yen.