

# Nintendo's Q1 net profit drops 46% on forex losses

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Nintendo said net profit shrank "as a result of foreign exchange losses of 12 billion yen and other factors"

Japanese entertainment giant Nintendo said Tuesday its net profit in the first quarter dropped 46 percent due to exchange rate losses, but reported steady sales of its Switch gaming platform.

Net profit for the April-June period fell 45.7 percent from a year earlier to 16.6 billion yen (\$150 million), but the Kyoto-based consumer gaming juggernaut kept full-year forecasts unchanged.

"Hardware and software sales increased 13.2 percent and 25.9 percent respectively," the [company](#) said, with "Super Mario Maker 2" and "Mario Kart 8 Deluxe" both selling well.

But [net profit](#) shrank "as a result of foreign exchange losses of 12 billion yen and other factors," it said.

Sales rose 2.4 percent to 172 billion yen while operating profit fell 10.2 percent to 27.4 billion yen.

For the [fiscal year](#) to March 2020, Nintendo forecasts a 7.2 percent decline in bottom-line [profit](#) but the company has set a higher sales target.

Nintendo said in April that sales of its portable Switch console were projected to rise six percent to 18 million units for the current fiscal year, with the release of new titles in its popular Super Mario, Pokemon and Zelda franchises.

The Switch has become a huge global seller, helped by innovative, family-friendly titles that have wowed critics and gamers alike.

Nintendo announced earlier this month the release of a scaled back, cheaper version of the console, with an expected release in September ahead of the key holiday shopping season.

Switch Lite, which will sell for \$199.99, will be a strictly handheld device that can't be connected to television sets.

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