

Nintendo's profit jumps as Super Mario franchise gets a boost from hit film

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A traveler walks past an advertisement featuring a Nintendo character at Narita airport in Narita near Tokyo on June 10, 2022. Nintendo reported Thursday, Aug. 3, 2023, a 52% increase in net profit for the first fiscal quarter on the back of the success of its Super Mario movie and the new Zelda video game. Credit: AP Photo/Shuji Kajiyama, File

Nintendo reported a 52% increase in net profit for the first fiscal quarter on Thursday following the success of its Super Mario movie and the new Zelda video game.

Demand was strong for Nintendo Switch game software, which received a boost from the release earlier this year of the film about the jumping plumber called "The Super Mario Bros. Movie," according to Nintendo Co.

The film has so far drawn more than 168 million people globally, grossing \$1.3 billion.

That makes it one of the top-selling animation films on record, second only to "Frozen II," and the top animation film based on a video game. The "Lion King" 2019 remake, while it uses computer graphics and was an even a bigger hit, isn't categorized as an animation film.

Also helping lift Nintendo's results was the popularity of "The Legend of Zelda: Tears of the Kingdom" game, released in May, the latest in the hit action-adventure series.

The Japanese video game maker's April-June net profit totaled 181 billion yen (\$1.3 billion), up from nearly 119 billion yen a year ago. Quarterly sales surged 50% to 461.3 billion yen (\$3.2 billion).

Hardware sales jumped nearly 14% to 3.9 million Nintendo Switch machines, while software sales also grew, increasing 26% to 52 million games sold.

Nintendo also got a healthy boost in revenue from its intellectual property business, exemplified by the Super Mario film but also other royalties.

Nintendo has been pushing the idea of having several Nintendo Switch consoles per household, not just one, with family members each working a machine to play together.

Among the popular games for such playing was "Pikmin 4," which went on sale last month. That also came in a downloadable version, an area that's a growing source of income for Nintendo.

Nintendo, based in the ancient Japanese capital of Kyoto, is planning more games in coming months including "Super Mario Bros. Wonder," set to go on sale in October.

Nintendo kept its full year profit forecast unchanged at a 340 billion yen (\$2.4 billion), down 21% on year.

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