

Nintendo logs record pandemic profit but outlook cautious

6 May 2021



In the past, Nintendo's new console sales have tended to peak in the third year after release, and then taper off

Nintendo reported a record annual profit Thursday after virus lockdowns caused sales of its blockbuster Switch console to soar, but the Japanese gaming giant warned that its bumper pandemic year would be hard to repeat.

The firm said net profit jumped 85.7 percent from a year earlier to 480.4 billion yen (\$4.4 billion) for the [fiscal year](#) to March—beating its prediction of earnings of 400 billion yen.

It broke its previous [profit](#) record set in 2008-09, when it was generating massive revenue driven by the success of its Wii and DS consoles.

Sales for the previous fiscal year surged 34.4 percent to 1.76 trillion yen on the strong results, including the runaway success of its Switch console and the game "Animal Crossing", which became a virus lockdown hit.

While fresh waves of infections have dashed economic recovery hopes in many industries, successive rounds of restrictions have helped

extend a run of good fortune for gaming companies.

But Nintendo forecast a tougher outlook for the current 2021-22 fiscal year, projecting [net profit](#) at 340 billion yen on sales of 1.6 trillion yen.

"Regarding the risk associated with COVID-19... the supply of products might be affected if production and shipments are hindered," Nintendo said in a statement.

"Other [risk factors](#) which are difficult to predict also continue to exist, involving areas such as development and marketing of products and services," it said.

The lower target also comes as the Switch, launched in 2017, enters its crucial fifth year. In the past, Nintendo's new console sales have tended to peak in the third year after release, and then taper off.

© 2021 AFP

APA citation: Nintendo logs record pandemic profit but outlook cautious (2021, May 6) retrieved 1 July 2022 from <https://techxplore.com/news/2021-05-nintendo-pandemic-profit-outlook-cautious.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.