

	¥ : millions		\$US : thousands (note 1)	
Years ended March 31,	1999	1998	1999	1998

Consolidated Statements of Cash Flows

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers	¥ 569,313	¥ 536,417	\$ 4,705,066	\$ 4,433,201
Cash paid to suppliers and employees	(401,496)	(371,661)	(3,318,147)	(3,071,579)
Interest and dividends received	24,644	16,756	203,671	138,483
Income taxes paid	(101,795)	(77,895)	(841,277)	(643,762)
Other, net	4,908	6,861	40,554	56,700
Net cash provided by operating activities	95,574	110,478	789,867	913,043

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from sales of property	690	692	5,703	5,718
Payments for purchase of property	(9,412)	(4,663)	(77,788)	(38,539)
Proceeds from short-term investments	99,610	1,387	823,224	11,463
Payments for purchase of short-term investments	(121,712)	(31,612)	(1,005,887)	(261,257)
Proceeds from investments in securities	277	591	2,288	4,886
Payments for investments in securities	(5,627)	(1,817)	(46,505)	(15,020)
Other, net	1,242	(216)	10,268	(1,780)
Net cash used in investing activities	(34,932)	(35,638)	(288,697)	(294,529)

CASH FLOWS FROM FINANCING ACTIVITIES

Cash dividends paid	(18,407)	(14,161)	(152,125)	(117,030)
Increase in treasury stock, net	(22)	(25)	(180)	(210)
Net cash used in financing activities	(18,429)	(14,186)	(152,305)	(117,240)
Effect of exchange rate changes on cash and cash equivalents	(8,984)	3,120	(74,246)	25,790
Net increase in cash and cash equivalents	33,229	63,774	274,619	527,064

CASH AND CASH EQUIVALENTS

Beginning of the year	605,353	541,579	5,002,920	4,475,856
End of the year	¥ 638,582	¥ 605,353	\$ 5,277,539	\$ 5,002,920

see notes to consolidated financial statements.

Nintendo Co., Ltd.
and consolidated subsidiaries

Years ended March 31,	¥ : millions		\$US : thousands (note 1)	
	1999	1998	1999	1998
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Net income	¥ 85,817	¥ 83,697	\$ 709,234	\$ 691,710
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Depreciation and amortization	4,926	6,347	40,714	52,454
Increase in retirement and severance benefits	95	103	783	849
Decrease (Increase) in deferred income taxes	534	(6,029)	4,410	(49,820)
Decrease (Increase) in receivables	14,385	(4,157)	118,888	(34,354)
Decrease (Increase) in inventories	5,055	(9,648)	41,771	(79,735)
Increase in payables	5,785	4,925	47,813	40,699
(Decrease) Increase in accrued income taxes	(28,504)	19,561	(235,570)	161,664
Other, net	7,481	15,679	61,824	129,576
Total adjustments	9,757	26,781	80,633	221,333
Net cash provided by operating activities	¥ 95,574	¥ 110,478	\$ 789,867	\$ 913,043

see notes to consolidated financial statements.