

Nintendo profits sink on Wii woes

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Japanese video game giant Nintendo's game character Super Mario is pictured at a showroom in Tokyo. Nintendo Co. has revealed a plunge in profits and slashed its full-year forecasts as sales of its blockbuster Wii video game console take a dive in the absence of hit new games.

Nintendo Co. revealed Thursday a plunge in profits and slashed its full-year forecasts as sales of its blockbuster Wii video game console take a dive in the absence of hit new games.

The company, which was initially relatively resilient to the global economic downturn, said its interim net profit fell more than half to 69.49 billion yen (770 million dollars), from 144.83 billion a year earlier.

[Operating profit](#) slumped 58.6 percent to 104.36 billion yen in the six

months through September as revenue slid 34.5 percent to 548.06 billion yen.

Nintendo, which competes with Sony and Microsoft in the multi-billion dollar [video game industry](#), sold 5.75 million Wii machines worldwide in the period, down from 10.1 million a year earlier.

"There were fewer software titles that briskly drove hardware sales this six-month period," it said in a statement.

Nintendo recently cut the price of the Wii by a fifth in an effort to reinvigorate sales -- a move that also hit its profits.

It was the first time that Nintendo has reduced the price of the family-friendly console since it was launched in 2006 with a motion-sensing controller that can simulate a gun, sword, golf club or orchestra baton.

The Kyoto-based company lowered its forecast for net profit in the full year to March 2010 to 230 billion yen, from an earlier projection of 300 billion yen. That would mark a year-on-year decrease of 17.6 percent.

It reduced its operating profit target to 370 billion yen from 490 billion, and its revenue goal to 1.5 trillion yen from 1.8 trillion.

Nintendo now expects to sell 20 million Wii consoles this year, down from a previous estimate of 26 million.

It has sold 56.1 million Wiis worldwide since the launch in 2006. The console was the fastest to reach the 50 million milestone, trouncing Sony's more powerful [PlayStation 3](#) which targeted mainly hardcore gamers.

Nintendo hopes that new games and software such as [Wii Sports Resort](#)

will energise its sales of the machine during the crucial year-end shopping season.

Demand for its handheld consoles has also cooled recently, with sales of the DS falling to 11.7 million units, from 13.7 million a year earlier.

Nintendo is reportedly set to launch a large-screen version of its DSi hand-held game console in Japan aimed at the elderly in a bid to lift sales.

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