OASIS

June 24, 2014

Mr. Satoru Iwata
President and CEO, Nintendo Co., Ltd.
CEO, Nintendo of America
11-1 Kamitoba-hokotate-cho,
Minami-ku Kyoto 601-8501
Japan

Dear Mr. Iwata,

Oasis, a private investment fund management company, is an advisor to entities that are the beneficial owners of shares of Nintendo Co. Ltd. I am following up on my letters to you dated June 11, 2013, and February 26, 2014, and my meeting with your management team in Kyoto on May 15, 2014.

On June 10, 2014, the FSA announced the list of institutional investors who have signed up to the "Principles of Responsible Institutional Investor" to "promote sustainable growth of companies through investment and dialogue", known as Japan's corporate "Stewardship Code".

The institutional investors who accept the Stewardship Code do so publically. These investors have now accepted their responsibly as stewards to monitor investee companies with the aim of enhancing medium and long term corporate value and capital efficiency and support the sustainable growth of the companies through constructive engagement or purposeful dialogue.

Specifically, the Stewardship Code lists relevant factors such as "governance, strategy, performance, capital structure" and expects institutional investors to identify, at an early stage, issues that may result in a material loss in the value of investees' companies.

As shareholders of Nintendo, as we have previously expressed to you, we believe that the Company has been caught in a cycle of losses, and in our view, the Company's current plans do not demonstrate a credible strategy to return to profitability. Additionally, Nintendo continues to hold on to 966 billion Yen in cash and short term investments on its balance sheet.

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In our opinion, Nintendo and its Board need substantial improvement in strategy, performance (as exhibited by three years of losses), and capital allocation. We believe that a change of strategy, or, in Nintendo's language, a "pivot", is necessary.

We respectfully submit to the Board the following proposals for their consideration and for their positive affirmation at the June 27, 2014 Annual General Meeting. We believe the strategy should primarily include the following elements:

1) A return of 580 billion Yen of capital to shareholders;
2) Making games available via App Stores for smart devices; and
3) A clear plan of monetizing Nintendo's IP.

We will describe each of these elements in turn.

1. Return of capital to shareholders via a special dividend

Capital is a helpful cushion for companies to strategize for medium and long term results, while being able to withstand both short term losses and investments. Nintendo has used its capital for both. The capital has become a crutch and no longer a safe cushion. We think a return of 60% of that capital would preserve capital for an additional two year of losses while creating something that we believe has been lacking at Nintendo -- namely an intense focus for profits. Currently the 966 billion Yen on Nintendo's balance sheet is not in productive use. We believe it is not helping Nintendo but is, in fact, hindering it.

2. Enabling gameplay, and distinct games for the mobile users

We agree that playing Nintendo games with a WiiU or a DS provide the best gaming experiences. Likewise, watching a movie is best in a 3D cinema -- however, movie studios have taken the sound decision of not only selling to the 3D cinema but also expanding their market to over a billion screens across the world as delivery devices for their IP. Similarly, we believe that Nintendo should use these one billion mobile screens to deliver its IP globally. This would encompass games that can be modified (and we recognize may need to be rewritten) for use on mobile devices, "Freemium" games using Nintendo IP, and new apps using Nintendo IP created in conjunction with the new generation of smart devices.

Furthermore, if recent news media reports are accurate, producing an emerging market device, that is money losing for Nintendo (on a standalone hardware basis), is another bad idea. In the emerging markets one is already contending with a limited spending budget. Those consumers are already smart device owners, and Nintendo should let them use the processors and screens they already own and spend their entertainment budget on Nintendo software instead. Fight for that wallet share, not the device battle. The online point of sales is ubiquitous, and is of greater value in emerging markets.

3. Monetizing Nintendo IP

Nintendo's media monetization strategy also seems to be near non-existent. We have spoken with movie studios with interest in character rights for movies, shows, and a better and more robust character product offering.

The above are our suggestions to Nintendo management and the Board. Nintendo has a history of pivoting, and we believe the time has come for Nintendo to pivot again.

We have been patient, but we do expect the 49% of Nintendo's current shareholders who have signed on to the Stewardship Code, including the Government Pension Investment Fund, to act as responsible stewards of Nintendo. These shareholders have more at risk, both as an absolute value and, I would submit, as a percentage of their respective Net Asset Values than the current Nintendo Board, who, in aggregate, own less than 100 million Yen of stock, with nine board members (outside of Iwata-san) owning a total of only 1,500 shares in aggregate, less than 2,000,000 Yen each. Each member of the Board owns only 160 shares each on average, with no single board member owning over 200 shares.

We believe that the strategies that we have proposed present a far superior execution of Prime Minister Abe's "Third Arrow" of corporate management and return on capital.

For these reasons, if our suggested strategies are not implemented within the next year, we intend to present a slate of new directors at the next year's Annual General Meeting, and let the 49% of your shareholder base that has signed on to the Stewardship Code decide what they think is in Nintendo's best interest.

Thank you.

Sincerely yours,

Seth Fischer
Chief Investment Officer
Oasis Management Company Ltd.