Nintendo Chief Stays On, Health Business Planned

The Associated Press

TOKYO (AP) — Nintendo has been unable to arrest a slide in console sales as more people play games on smartphones and tablets. The company's apparent solution? A move into health care.

Nintendo president Satoru Iwata vowed Thursday to stick to the company's old ways, refused to resign or cut product prices despite its dismal earnings, but said the video game maker will enter the health care industry.
Iwata didn't give details of what he called his "quality of life" business plans, except that it won't be a wearable device.

Kyoto-based Nintendo already offers fitness games. Iwata promised to disclose details later this year.

Iwata displayed his typical stubbornness in brushing off criticism about how the maker of Super Mario and Pokemon games should update itself for the era of smartphone and other mobile devices. The popularity of such devices has been drawing consumers away from consoles devoted to games but Nintendo has resisted changing its business to incorporate tablets and smartphones.

"Nintendo has value because it is different from others," Iwata said at a Tokyo event for analysts and reporters, a day after he and other top executives took a pay cut for the company's poor performance.

Nintendo reported Wednesday a 10.2 billion yen ($99 million) profit for April through December, down from 14.55 billion yen a year earlier as sales of Wii U home consoles and 3DS hand-held devices languished. It did not break down

quarterly numbers.

Nintendo has slashed its annual forecast for Wii U sales from 9 million units to just 2.8 million, fewer than a third of its earlier estimate.

Earlier this month, the company forecast a loss of 25 billion yen ($242 million) for the fiscal year through March 2014. It had earlier forecast a profit of 55 billion yen ($532 million).

Nintendo shares fell 4.3 percent Thursday to 12,325 yen.

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