



Financial Statements Summary for the Year Ended March 31, 2019 [IFRS] (Consolidated)

April 23, 2019

Company name: NIDEC CORPORATION URL <https://www.nidec.com/en-Global/>
 Stock listing: Tokyo Stock Exchange - First Section
 Code number: 6594
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Scheduled date of Regular General Meeting of Shareholders: June 18, 2019

Scheduled date of filing of Japanese annual securities report: June 19, 2019

Scheduled date of dividend payable: June 3, 2019

Supplemental materials: Yes

Earnings presentation held: Yes

(Amount Unit: Yen in Millions, unless otherwise indicated)
 (Amounts are rounded to nearest million yen)

1. Consolidated Financial Results for the Year Ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(1) Consolidated Operating Results

(Percentage represents year-on-year changes)

	Net sales		Operating profit		Profit before income taxes		Profit attributable to owners of the parent		Comprehensive income for the year	
		%		%		%		%		%
Year ended March 31, 2019	1,518,320	2.0	138,620	(16.9)	139,014	(15.1)	110,798	(15.3)	119,766	(0.7)
Year ended March 31, 2018	1,488,090	24.1	166,842	19.7	163,665	15.8	130,834	17.9	120,554	11.4

	Earnings per share attributable to owners of the parent-basic (Yen)	Earnings per share attributable to owners of the parent-diluted (Yen)
Year ended March 31, 2019	375.83	-
Year ended March 31, 2018	441.91	-

(Reference) Share of net profit (loss) from associate accounting using the equity method:

¥ (633) million for the year ended March 31, 2019

¥ 118 million for the year ended March 31, 2018

(Note) "Earnings per share attributable to owners of the parent-basic" and "Earnings per share attributable to owners of the parent-diluted" have been calculated based on figures of "Profit attributable to owners of the parent".

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of total equity attributable to owners of the parent to total assets	Total equity attributable to owners of the parent per share (Yen)
As of March 31, 2019	1,875,068	1,015,714	997,628	53.2	3,389.91
As of March 31, 2018	1,773,199	942,391	932,501	52.6	3,150.77

(3) Consolidated Cash Flows

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of year
As of March 31, 2019	170,233	(160,844)	(32,683)	242,267
As of March 31, 2018	175,568	(113,915)	(116,858)	265,947

2. Dividends

	Dividends per share (Yen)					Dividends for the year (Total)	Dividend payout ratio (consolidated) (%)	Ratio of total dividends to total equity attributable to owners of the parent (consolidated) (%)
	1 st quarter end	2 nd quarter end	3 rd quarter end	Fiscal year end	Total			
Year ended March 31, 2018	-	45.00	-	50.00	95.00	28,121	21.5	3.2
Year ended March 31, 2019	-	50.00	-	55.00	105.00	30,909	27.9	3.2
Year ending March 31, 2020 (Forecast)	-	55.00	-	55.00	110.00		24.1	

3. Forecast of Consolidated Financial Performance for the Year ending March 31, 2020 (April 1, 2019 to March 31, 2020)

(Percentage represents year-on-year changes)

	Net sales		Operating profit		Profit before income taxes		Profit attributable to owners of the parent		Earnings per share attributable to owners of the parent-basic
		%		%		%		%	(Yen)
2nd Quarter end	750,000	(3.5)	75,000	(23.6)	73,000	(25.7)	57,000	(27.4)	193.01
Fiscal year end	1,650,000	8.7	175,000	26.2	170,000	22.3	135,000	21.8	456.14

Notes

(1) Changes in Significant Subsidiaries during This Period (changes in “specified subsidiaries” (tokutei kogaisha) resulting in the change in scope of consolidation) : None

(2) Changes in Accounting Policies and Changes in Accounting Estimates:

1. Changes in accounting policies required by IFRS : Yes
2. Changes in accounting policies due to other reasons : Yes
3. Changes in accounting estimates : None

(3) Number of Shares Issued (Ordinary Shares)

1. Number of shares issued at the end of the period (including treasury stock):
As of March 31, 2019: 298,142,234 As of March 31, 2018: 298,142,234
2. Number of treasury stock at the end of the period:
As of March 31, 2019: 3,848,312 As of March 31, 2018: 2,182,209
3. Weighted-average number of shares outstanding during the period:
For the year ended March 31, 2019: 294,808,542 For the year ended March 31, 2018: 296,064,943

*This annual report is not subject to audit procedures by certified public accountants or an auditing firm.

*Explanation for appropriate use of forecast and other notes

Forward-looking statements, such as forecast of consolidated financial performance, stated in this document are based on information currently possessed by NIDEC or certain assumptions that NIDEC has deemed as rational. NIDEC cannot make any assurances that the contents mentioned in these forward-looking statements will ever materialize. Actual financial performance could be significantly different from NIDEC’s expectations as a result of various factors. For the assumptions used and other notes, please refer to “1. Overview of Operating Results, Etc. (3). Business Forecasts” on page 10.

In this document, the terms “we”, “us”, “our” and “NIDEC” refer to Nidec Corporation and consolidated subsidiaries or, as the context may require, Nidec Corporation on a non-consolidated basis.

NIDEC changed in the accounting policy for government grants and finalized the provisional accounting treatment for the business combination in the year ended March 31, 2019. Consolidated financial statements for the year ended March 31, 2018 reflect the revision of the change in the accounting policy for government grants. In addition, consolidated financial statements for the year ended March 31, 2018 reflect the revision of the initially allocated amounts of acquisition price as NIDEC finalized the provisional accounting treatment for the business combination.

Investor presentation materials relating to our financial results for the year ended March 31, 2019 are expected to be published on our corporate website on April 24, 2019.

1. Overview of Operating Results, Etc.

(1) Overview of Operating Results for the Year Ended March 31, 2019

1. Overview of Business Environment for the Year Ended March 31, 2019

During the year ended March 31, 2019, the global economy saw the U.S. Federal Reserve Board (FRB) forgoes raising interest rates during 2019 despite the country's steady economic growth, due to concerns for a global economic deceleration. In China, the effects of the monetary tightening of local governments in the middle of 2018 and concerns for trade conflicts with the U.S. led to a temporary acceleration of the economic slowdown, and affected the global economy greatly. This year, while economic indicators improved partially due to the Chinese central government's economic stimulus measures and the progress expected in the U.S.-China trade talks, the European economy, which has been affected by the Chinese economic deceleration, continues to struggle, and Japanese companies, likewise, have started seeing the negative effects of China's economic slowdown, including the worsening of business confidence among large manufacturing businesses in the Bank of Japan's quarterly survey of business sentiment (the "tankan" survey).

It was under such an environment that NIDEC continued to pursue our targets for the fiscal year ending March 31, 2021 of consolidated net sales of ¥2 trillion and an operating profit of ¥300 billion based on our mid-term strategic goal, "Vision 2020," and achieved in the year ended March 31, 2019 the highest net sales in our history.

2. Consolidated Operating Results

Consolidated Operating Results for the Year Ended March 31, 2019 ("this fiscal year"), Compared to the Year Ended March 31, 2018 ("the previous fiscal year")

(Yen in millions)

	Year ended March 31, 2018	Year ended March 31, 2019	Increase or decrease	Ratio of change
Net sales	1,488,090	1,518,320	30,230	2.0%
Operating profit	166,842	138,620	(28,222)	(16.9)%
Operating profit ratio	11.2%	9.1%	-	-
Profit before income taxes	163,665	139,014	(24,651)	(15.1)%
Profit attributable to owners of the parent	130,834	110,798	(20,036)	(15.3)%

Consolidated net sales increased 2.0% to ¥1,518,320 million for this fiscal year compared to the previous fiscal year, recording the highest annual net sales in our history. Operating profit decreased 16.9% to ¥138,620 million for this fiscal year compared to the previous fiscal year, due to approximately ¥38,800 million of temporary expenses such as structural reform expense for streamlining of plants and bases in Japan and abroad and other factors, the loss related to launching new products and M&A expense. The average exchange rate between the Japanese yen and the U.S. dollar for this fiscal year was ¥110.91 to the U.S. dollar, which reflected slight depreciation of the Japanese yen against the U.S. dollar, compared to the previous fiscal year. The average exchange rate between the Japanese yen and the Euro for this fiscal year was ¥128.41 to the Euro, which reflected an approximately 1% appreciation of the Japanese yen against the Euro, compared to the previous fiscal year. The fluctuations of the foreign currency exchange rates had a negative effect on net sales by approximately ¥3,800 million and operating profit by approximately ¥1,800 million for this fiscal year compared to the previous fiscal year.

Profit before income taxes decreased 15.1% to ¥139,014 million for this fiscal year compared to the previous fiscal year and profit attributable to owners of the parent decreased 15.3% to ¥110,798 million for this fiscal year compared to the previous fiscal year.

NIDEC finalized the provisional accounting treatment for the business combination in the year ended March 31, 2019. Consolidated financial statements for the year ended March 31, 2018 reflect the revision of the initially allocated amounts of acquisition price as NIDEC finalized the provisional accounting treatment for the business combination.

Operating Results by Product Category for This Fiscal Year Compared to the Previous Fiscal Year

From the year ended March 31, 2019, the product category “Automotive, appliance, commercial and industrial products” has been divided and presented as “Automotive products” and “Appliance, commercial and industrial products”.

Small precision motors

(Yen in millions)

	Year ended March 31, 2018	Year ended March 31, 2019	Increase or decrease	Ratio of change
Net sales to external customers	452,376	441,467	(10,909)	(2.4)%
Spindle motors for hard disk drives (HDDs)	191,497	179,011	(12,486)	(6.5)%
Other small precision motors	260,879	262,456	1,577	0.6%
Operating profit	72,714	54,638	(18,076)	(24.9)%
Operating profit ratio	16.1%	12.4%	-	-

Net sales of this category decreased 2.4% to ¥441,467 million for this fiscal year compared to the previous fiscal year. The fluctuations of the foreign currency exchange rates had a negative effect on net sales of this category by approximately ¥900 million for this fiscal year compared to the previous fiscal year.

Net sales of spindle motors for HDDs for this fiscal year decreased 6.5% to ¥179,011 million compared to the previous fiscal year. The number of units sold of spindle motors for HDDs decreased approximately 11.1% compared to the previous fiscal year.

Net sales of other small precision motors for this fiscal year increased 0.6% to ¥262,456 million compared to the previous fiscal year. This increase was mainly due to an increase in sales of small vibration motors in spite of a decrease in sales of DC motors and fan motors.

Operating profit of this category decreased 24.9% to ¥54,638 million for this fiscal year compared to the previous fiscal year. This decrease was mainly due to approximately ¥12,000 million of expenses for structural reform such as the loss related to launching new products and expense for streamlining of plants. The fluctuations of the foreign currency exchange rates had a negative effect on operating profit of this category by approximately ¥1,600 million for this fiscal year compared to the previous fiscal year.

Automotive products

(Yen in millions)

	Year ended March 31, 2018	Year ended March 31, 2019	Increase or decrease	Ratio of change
Net sales to external customers	295,360	297,298	1,938	0.7%
Operating profit	38,973	32,900	(6,073)	(15.6)%
Operating profit ratio	13.2%	11.1%	-	-

Net sales of this category increased 0.7% to ¥297,298 million for this fiscal year compared to the previous fiscal year due to an increase in sales of products of control valves at Nidec Tosok Corporation and other factors. The fluctuations of the foreign currency exchange rates had a negative effect on net sales of this category by approximately ¥1,500 million for this fiscal year compared to the previous fiscal year.

Operating profit of this category decreased 15.6% to ¥32,900 million for this fiscal year compared to the previous fiscal year due to approximately ¥9,100 million expense of the loss related to launching new products and other factors. The fluctuations of the foreign currency exchange rates had a negative effect on operating profit of this category by approximately ¥500 million for this fiscal year compared to the previous fiscal year.

Appliance, commercial and industrial products

(Yen in millions)

	Year ended March 31, 2018	Year ended March 31, 2019	Increase or decrease	Ratio of change
Net sales to external customers	518,642	538,316	19,674	3.8%
Operating profit	39,790	42,217	2,427	6.1%
Operating profit ratio	7.7%	7.8%	-	-

Net sales of this category increased 3.8% to ¥538,316 million for this fiscal year compared to the previous fiscal year. This increase was primarily due to the newly consolidated subsidiaries acquired in the three months ended September 30, 2017 and an increase in sales of industrial motors, generators and other products. The fluctuations of the foreign currency exchange rates had a negative effect on net sales of this category by approximately ¥1,000 million for this fiscal year compared to the previous fiscal year.

Operating profit of this category increased 6.1% to ¥42,217 million for this fiscal year compared to the previous fiscal year mainly due to the increase in sales and cost reduction benefits in spite of approximately ¥9,400 million of temporary expenses such as expense for streamlining of plants and M&A expense. The fluctuations of the foreign currency exchange rates had a positive effect on operating profit of this category by approximately ¥100 million for this fiscal year compared to the previous fiscal year.

Machinery

(Yen in millions)

	Year ended March 31, 2018	Year ended March 31, 2019	Increase or decrease	Ratio of change
Net sales to external customers	146,561	163,966	17,405	11.9%
Operating profit	27,247	23,489	(3,758)	(13.8)%
Operating profit ratio	18.6%	14.3%	-	-

Net sales of this category increased 11.9% to ¥163,966 million for this fiscal year compared to the previous fiscal year due to the newly consolidated subsidiaries, an increase in sales of press machines, speed reducers and LCD panel handling robots and other factors.

Operating profit of this category decreased 13.8% to ¥23,489 million for this fiscal year compared to the previous fiscal year due to approximately ¥3,100 million of temporary expenses such as the disposal of slow moving inventory and other factors in spite of the increase in sales.

Electronic and optical components

(Yen in millions)

	Year ended March 31, 2018	Year ended March 31, 2019	Increase or decrease	Ratio of change
Net sales to external customers	70,976	72,672	1,696	2.4%
Operating profit	9,720	4,870	(4,850)	(49.9)%
Operating profit ratio	13.7%	6.7%	-	-

Net sales of this category increased 2.4% to ¥72,672 million this fiscal year compared to the previous fiscal year. Operating profit of this category decreased 49.9% to ¥4,870 million for this fiscal year compared to the previous fiscal year due to approximately ¥5,100 million of temporary expenses such as the expenses of the disposal of slow moving inventory and the starting up of a factory in Mexico, and other factors in spite of the increase in sales.

Other products*(Yen in millions)*

	Year ended March 31, 2018	Year ended March 31, 2019	Increase or decrease	Ratio of change
Net sales to external customers	4,175	4,601	426	10.2%
Operating profit	574	679	105	18.3%
Operating profit ratio	13.7%	14.8%	-	-

Net sales of this category increased 10.2% to ¥4,601 million and operating profit of this category increased 18.3% to ¥679 million for this fiscal year compared to the previous fiscal year.

Consolidated Operating Results for the Three Months Ended March 31, 2019 (“4Q”), Compared to the Previous Three Months Ended December 31, 2018 (“3Q”)

(Yen in millions)

	Three months ended December 31, 2018	Three months ended March 31, 2019	Increase or decrease	Ratio of change
Net sales	376,702	364,014	(12,688)	(3.4)%
Operating profit	30,914	9,528	(21,386)	(69.2)%
Operating profit ratio	8.2%	2.6%	-	-
Profit before income taxes	32,815	7,991	(24,824)	(75.6)%
Profit attributable to owners of the parent	24,533	7,798	(16,735)	(68.2)%

Consolidated net sales decreased 3.4% to ¥364,014 million for 4Q compared to 3Q. Operating profit decreased 69.2% to ¥9,528 million for 4Q compared to 3Q, because there were approximately ¥23,600 million of temporary expenses such as structural reform expense for streamlining of plants and bases in Japan and abroad, M&A expense, the additional loss related to launching new products and other factors in addition to the decrease in sales. The average exchange rate between the Japanese yen and the U.S. dollar for 4Q was ¥110.20 to the U.S. dollar, which reflected an approximately 2% appreciation of the Japanese yen against the U.S. dollar, compared to 3Q. The average exchange rate between the Japanese yen and the Euro for 4Q was ¥125.15 to the Euro, which reflected an approximately 3% appreciation of the Japanese yen against the Euro, compared to 3Q. The fluctuations of the foreign currency exchange rates had a negative effect on net sales by approximately ¥6,600 million and operating profit by approximately ¥1,400 million for 4Q compared to 3Q.

Profit before income taxes decreased 75.6% to ¥7,991 million for 4Q compared to 3Q and profit attributable to owners of the parent decreased 68.2% to ¥7,798 million for 4Q compared to 3Q.

Operating Results by Product Category for 4Q Compared to 3Q

From the year ended March 31, 2019, the product category “Automotive, appliance, commercial and industrial products” has been divided and presented as “Automotive products” and “Appliance, commercial and industrial products”.

Small precision motors

(Yen in millions)

	Three months ended December 31, 2018	Three months ended March 31, 2019	Increase or decrease	Ratio of change
Net sales to external customers	114,298	98,214	(16,084)	(14.1)%
Spindle motors for hard disk drives (HDDs)	42,050	36,858	(5,192)	(12.3)%
Other small precision motors	72,248	61,356	(10,892)	(15.1)%
Operating profit	14,880	2,660	(12,220)	(82.1)%
Operating profit ratio	13.0%	2.7%	-	-

Net sales of this category decreased 14.1% to ¥98,214 million for 4Q compared to 3Q. The fluctuations of the foreign currency exchange rates had a negative effect on net sales of this category by approximately ¥1,800 million for 4Q compared to 3Q.

Net sales of spindle motors for HDDs decreased 12.3% to ¥36,858 million for 4Q compared to 3Q. The number of units sold of spindle motors for HDDs for 4Q decreased approximately 11.0% compared to 3Q as well as the fluctuations of the foreign currency exchange rate had a negative effect on net sales.

Net sales of other small precision motors for 4Q decreased 15.1% to ¥61,356 million compared to 3Q due to the decrease in sales of fan motors and small vibration motors.

NIDEC finalized a part or all of the provisional accounting treatment for the business combination in the year ended March 31, 2019. Condensed quarterly consolidated financial statements for the three months ended December 31, 2018 reflect the revision of the initially allocated amounts of acquisition price as NIDEC finalized the provisional accounting treatment for the business combination.

Operating profit of this category decreased 82.1% to ¥2,660 million for 4Q compared to 3Q. The reasons of this decrease were that NIDEC recorded approximately ¥7,600 million expenses for structural reform such as the loss related to launching new products and expense for streamlining of overseas parts plants for spindle motors for HDDs, and other factors. In addition, the fluctuations of the foreign currency exchange rates had a negative effect on operating profit of this category by approximately ¥700 million for 4Q compared to 3Q.

Automotive products

(Yen in millions)

	Three months ended December 31, 2018	Three months ended March 31, 2019	Increase or decrease	Ratio of change
Net sales to external customers	71,862	73,532	1,670	2.3%
Operating profit	5,702	4,303	(1,399)	(24.5)%
Operating profit ratio	7.9%	5.9%	-	-

Net sales of this category increased 2.3% to ¥73,532 million for 4Q compared to 3Q mainly due to an increase in sales of products of actuators at Nidec Motors & Actuators and seasonal factors.

Operating profit of this category decreased 24.5% to ¥4,303 million for 4Q compared to 3Q mainly due to the loss related to launching new products.

Appliance, commercial and industrial products

(Yen in millions)

	Three months ended December 31, 2018	Three months ended March 31, 2019	Increase or decrease	Ratio of change
Net sales to external customers	130,596	135,572	4,976	3.8%
Operating profit	7,157	6,844	(313)	(4.4)%
Operating profit ratio	5.5%	5.0%	-	-

Net sales of this category increased 3.8% to ¥135,572 million for 4Q compared to 3Q mainly due to an increase in sales of motors for appliances. The fluctuations of the foreign currency exchange rates had a negative effect on net sales of this category by approximately ¥3,000 million for 4Q compared to 3Q.

Operating profit of this category decreased 4.4% to ¥6,844 million for 4Q compared to 3Q due to expense for streamlining of plants, M&A expense and other factors, despite the increase in sales. The fluctuations of the foreign currency exchange rates had a negative effect on operating profit of this category by approximately ¥300 million for 4Q compared to 3Q.

Machinery

(Yen in millions)

	Three months ended December 31, 2018	Three months ended March 31, 2019	Increase or decrease	Ratio of change
Net sales to external customers	39,533	39,020	(513)	(1.3)%
Operating profit	5,633	1,856	(3,777)	(67.1)%
Operating profit ratio	14.2%	4.8%	-	-

Net sales of this category decreased 1.3% to ¥39,020 million for 4Q compared to 3Q due to a decrease in sales of LCD panel handling robots and test systems and other factors.

Operating profit of this category decreased 67.1% to ¥1,856 million for 4Q compared to 3Q due to approximately ¥3,100 million of temporary expenses such as the disposal of slow moving inventory and other factors.

Electronic and optical components*(Yen in millions)*

	Three months ended December 31, 2018	Three months ended March 31, 2019	Increase or decrease	Ratio of change
Net sales to external customers	19,198	16,506	(2,692)	(14.0)%
Operating profit (loss)	2,354	(1,602)	(3,956)	-
Operating profit ratio	12.3%	(9.7)%	-	-

Net sales of this category decreased 14.0% to ¥16,506 million for 4Q compared to 3Q.

Operating profit (loss) of this category decreased ¥3,956 million to ¥1,602 million operating loss for 4Q compared to 3Q because there were approximately ¥3,000 million of temporary expenses such as the disposal of slow moving inventory and the starting up of factory in Mexico and other factors, in addition to the decrease in sales.

Other products*(Yen in millions)*

	Three months ended December 31, 2018	Three months ended March 31, 2019	Increase or decrease	Ratio of change
Net sales to external customers	1,215	1,170	(45)	(3.7)%
Operating profit	182	126	(56)	(30.8)%
Operating profit ratio	15.0%	10.8%	-	-

Net sales of this category decreased 3.7% to ¥1,170 million and operating profit of this category decreased 30.8% to ¥126 million for 4Q compared to 3Q.

(2) Financial Position

(Yen in millions)

	As of March 31, 2018	As of March 31, 2019	Increase or decrease
Total assets	1,773,199	1,875,068	101,869
Total liabilities	830,808	859,354	28,546
Total equity attributable to owners of the parent	932,501	997,628	65,127
Interest-bearing debt *1	345,826	372,761	26,935
Net interest-bearing debt *2	79,879	130,494	50,615
Debt ratio (%) *3	19.5	19.9	0.4
Debt to equity ratio ("D/E ratio") (times) *4	0.37	0.37	0.00
Net D/E ratio (times) *5	0.09	0.13	0.04
Ratio of total equity attributable to owners of the parent to total assets (%) *6	52.6	53.2	0.6

(Notes) *1. Interest-bearing debt: The sum of "short term borrowings", "long term debt due within one year" and "long term debt" on the consolidated statement of financial position

*2. Net interest-bearing debt: Interest-bearing debt less "cash and cash equivalents"

*3. Debt ratio: Interest-bearing debt divided by total assets

*4. D/E ratio: Interest-bearing debt divided by total equity attributable to owners of the parent

*5. Net D/E ratio: Net interest-bearing debt divided by total equity attributable to owners of the parent

*6. Ratio of total equity attributable to owners of the parent to total assets: Total equity attributable to owners of the parent divided by total assets

Total assets increased ¥101,869 million to ¥1,875,068 million as of March 31, 2019 compared to March 31, 2018. This was mainly due to increases of ¥66,991 million in property, plant and equipment, ¥27,890 million in inventories, ¥27,396 million in goodwill. On the other hand, there were decreases of ¥23,680 million in cash and cash equivalents, ¥17,607 million in trade and other receivables.

Total liabilities increased ¥28,546 million to ¥859,354 million as of March 31, 2019 compared to March 31, 2018. This was mainly due to an increase of ¥26,935 million in interest-bearing debt. Specifically, short term borrowings increased ¥15,737 million to ¥17,394 million, long term debt due within one year increased ¥65,801 million to ¥95,339 million, and long term debt decreased ¥54,603 million to ¥260,028 million as of March 31, 2019 compared to March 31, 2018. The decrease of ¥54,603 million in long term debt was mainly due to ¥92,130 million reclassification into long term debt due within one year. The ¥92,130 million reclassification consists of ¥15,000 million Second Series of Domestic Unsecured Bonds, ¥50,000 million Fifth Series of Domestic Unsecured Bonds and ¥27,130 million of long term borrowings. On the other hand, the decrease in long term debt includes an increase of ¥37,368 million due to the issuance of Euro-denominated Senior Unsecured Bonds due 2021 to ensure operating expenditure with the expansion of business scale and the rising demand for fund in Europe.

As a result, net interest-bearing debt increased to ¥130,494 million as of March 31, 2019 from ¥79,879 million as of March 31, 2018. The debt ratio increased to 19.9% as of March 31, 2019 from 19.5% as of March 31, 2018. The D/E ratio remain unchanged as of March 31, 2019 from 0.37 times as of March 31, 2018. The net D/E ratio increased to 0.13 times as of March 31, 2019 from 0.09 times as of March 31, 2018.

Total equity attributable to owners of the parent increased ¥65,127 million to ¥997,628 million as of March 31, 2019 compared to March 31, 2018. Ratio of total equity attributable to owners of the parent to total assets increased to 53.2% as of March 31, 2019 from 52.6% as of March 31, 2018. This increase was mainly due to an increase in retained earnings of ¥79,017 million as of March 31, 2019 compared to March 31, 2018 and an increase in other components of equity of ¥12,077 million caused mainly by foreign currency translation adjustments. On the other hand, treasury stock increased ¥26,145 million.

NIDEC changed in the accounting policy for government grants and finalized the provisional accounting treatment for the business combination in the year ended March 31, 2019. Consolidated financial statements for the year ended March 31, 2018 reflect the revision of the change in the accounting policy for government grants. In addition, consolidated financial statements for the year ended March 31, 2018 reflect the revision of the initially allocated amounts of acquisition price as NIDEC finalized the provisional accounting treatment for the business combination.

Overview of Cash Flow

(Yen in millions)

	Years ended March 31,		Increase or decrease
	2018	2019	
Net cash provided by operating activities	175,568	170,233	(5,335)
Net cash used in investing activities	(113,915)	(160,844)	(46,929)
Free cash flow *1	61,653	9,389	(52,264)
Net cash used in financing activities	(116,858)	(32,683)	84,175

(Note) *1. Free cash flow: The sum of “net cash provided by operating activities” and “net cash used in investing activities”.

Cash flows from operating activities for this fiscal year came to a net cash inflow of ¥170,233 million. Compared to the previous fiscal year, the cash inflow from operating activities for this fiscal year decreased ¥5,335 million. This decrease was mainly due to decreases in accounts payable net changes year on year of ¥75,200 million and in profit for the year ¥20,016 million. On the other hand, there were increases in accounts receivable net changes year on year of ¥63,912 million and in inventories net changes year on year of ¥10,513 million.

Cash flows from investing activities for this fiscal year came to a net cash outflow of ¥160,844 million. Compared to the previous fiscal year, the net cash outflow from investing activities for this fiscal year increased ¥46,929 million mainly due to increases in additions to property, plant and equipment of ¥29,714 million and in acquisitions of business, net of cash acquired of ¥7,604 million.

As a result, we had a positive free cash flow of ¥9,389 million for this fiscal year, a decrease of ¥52,264 million compared to a positive free cash flow of ¥61,653 million for the previous fiscal year.

Cash flows from financing activities for this fiscal year came to a net cash outflow of ¥32,683 million. Compared to the previous fiscal year, the net cash outflow from financing activities for this fiscal year decreased ¥84,175 million mainly due to an increase in short term borrowings net changes year on year of ¥192,746 million and decreases in redemption of corporate bonds of ¥65,000 million and in repayment of long term debt of ¥7,567 million. On the other hand, proceeds from issuance of long term debt decreased ¥84,025 million, proceeds from issuance of corporate bonds decreased ¥75,359 million and purchase of treasury stock increased ¥19,137 million.

As a result of the foregoing factors and the impact of foreign exchange fluctuations, the balance of cash and cash equivalents as of March 31, 2019 decreased ¥23,680 million to ¥242,267 million from March 31, 2018.

Reference:

	As of March 31, 2018	As of March 31, 2019
Ratio of total equity attributable to owners of the parent to total assets (%)(*1)	52.6	53.2
Total market value of NIDEC's shares to total assets (%)(*2)	273.6	220.1
Interest-bearing debt to net cash provided by operating activities (years) (*3)	2.0	2.2
Interest coverage ratio (times) (*4)	26.4	21.2

(Notes) *1. Ratio of total equity attributable to owners of the parent to total assets: Total equity attributable to owners of the parent divided by total assets

*2. Total market value of NIDEC's shares to total assets: Total market value of NIDEC's shares (1) divided by total assets

*3. Interest-bearing debt to net cash provided by operating activities: Interest-bearing debt (2) divided by net cash provided by operating activities

*4. Interest coverage ratio: Net cash provided by operating activities divided by interest payments (3)

(1) Total market value: Closing stock price at fiscal year end (TSE) multiplied by the number of shares issued at fiscal year end (excluding treasury stock)

(2) Interest-bearing debt: The sum of “short term borrowings”, “long term debt due within one year” and “long term debt” on the consolidated statements of financial position

(3) Interest payments: “Interests paid” on the consolidated statements of cash flows

(3) Business Forecasts

In the global economy, while expectations are growing for the U.S. to sustain its steady economic growth, the room for optimism remains limited due to concerns for China's economic recovery, the U.K.'s withdrawal from the EU (Brexit), and the geopolitical risks in the Middle East, among other factors.

Under such an environment that NIDEC continues to pursue our targets for the fiscal year ending March 31, 2021, "Vision 2020".

The forecasts for the year ending March 31, 2020 described below are prepared based on an assumption that exchange rates are US\$1 = ¥105 and €1 = ¥125.

Forecast of Consolidated Financial Performance for the Year Ending March 31, 2020

Net sales	¥1,650,000 million	(108.7% compared to the previous fiscal year)
Operating profit	¥175,000 million	(126.2% compared to the previous fiscal year)
Profit before income taxes	¥170,000 million	(122.3% compared to the previous fiscal year)
Profit attributable to owners of the parent	¥135,000 million	(121.8% compared to the previous fiscal year)

Forecast of Consolidated Financial Performance for the Six Months Ending September 30, 2019

Net sales	¥750,000 million	(96.5% compared to the same period of the previous fiscal year)
Operating profit	¥75,000 million	(76.4% compared to the same period of the previous fiscal year)
Profit before income taxes	¥73,000 million	(74.3% compared to the same period of the previous fiscal year)
Profit attributable to owners of the parent	¥57,000 million	(72.6% compared to the same period of the previous fiscal year)

(Notes) 1. Consolidated performance is based on IFRS.

2. The calculations for the conversion of Asian currencies into Japanese yen also used the exchange rates, US\$1 = ¥105 and €1 = ¥125.

Cautionary Note Regarding Forward-Looking Statements

Forward-looking statements, such as forecast of consolidated financial performance, stated in this document are based on information currently possessed by NIDEC or certain assumptions that NIDEC has deemed as rational. NIDEC cannot make any assurances that the contents mentioned in these forward-looking statements will ever materialize. Actual financial performance could be significantly different from NIDEC's expectations as a result of various factors.

(4) Basic Policy on Profit Distribution and Dividends for This Fiscal Year and the Next Fiscal Year

From the standpoint of upholding shareholder-oriented management, we strive to make the efforts mandated by our shareholders; namely, we aim to maintain and improve over the long term our dynamic growth, large revenues, high share price, advanced technology, and generous treatment of our workers. We also strive to present a vision for the future that is reflective of our constant and vigilant attention to the changing times. Fundamental to this stance of ours is our untiring and enduring commitment to growth. In our policy on profit distribution as well, we place importance on maintaining stable dividends, targeting a dividend payout ratio to around 30% of our consolidated profit for the year, and strive to improve dividends while keeping them commensurate with consolidated profit for the year.

At the same time, we work to improve revenues by utilizing internal reserves to further strengthen our operational structure and invest in business expansion.

1. Dividends for this fiscal year: Year-end dividend of ¥55 per share and annual dividend of ¥105 per share

The dividends for the year ended March 31, 2019 comprises, in addition to the interim dividend of ¥50 per share already paid, the scheduled year-end dividend of ¥55 per share. As a result, annual dividends are ¥105 per share, which makes the dividend payout ratio for this fiscal year, which is obtained by dividing total dividends for the year by profit for the year attributable to owners of the parent, 27.9%.

2. Dividends for the next fiscal year: Forecasted full-year dividend of ¥110 (an interim dividend of ¥55 per share and a year-end dividend of ¥55 per share)

Our current dividend forecast for the year ending March 31, 2020 is an annual dividend of ¥110 per share, comprising an interim dividend of ¥55 per share and a year-end dividend of ¥55 per share. Based on current forecasts, the dividend payout ratio for the fiscal year ending March 31, 2020, which is obtained as described above, is 24.1%.

2. Management Policies, Business Environment, and Challenges

(1) Basic Management Policies

We aim to become the world's leading comprehensive motor manufacturer, maximize shareholder value, and meet the expectations of shareholders by delivering higher technology solutions, offering higher wages, and thus achieving higher growth, profit and stock prices, over the long-term. We seek to uphold the following three management goals and principles:

1. Employment stability based on sustainable business growth;
2. Available supply of highest quality, indispensable, and widely desired products for the common good for all;
3. Pursuit of the top leader position in each of the company's chosen paths.

(2) Management Targets

We endeavor to pursue profitable growth by setting a medium-term strategic target for the fiscal year ending March 31, 2021. Its main components are as follows:

1. Consolidated net sales of ¥2 trillion (including approximately ¥500 billion contributed by new M&A activity);
2. Consolidated net sales of automotive products of ¥700 billion to ¥1 trillion;
3. Consolidated operating profit ratio of at least 15%;
4. ROE (return on shareholders' equity) of at least 18% (assuming shareholders' equity to total assets of 60%);
5. Establishment of a five-pronged global matrix-based business management system

(3) NIDEC's Medium- to Long-term Business Strategies

To achieve the targets set forth in our medium-term strategic target, NIDEC, acting based on "its organic growth strategy" and "M&A strategy" strives to enhance and expand its business portfolio and achieve a unified group matrix management.

We are currently shifting from our current business portfolio to an improved and expanded business portfolio consisting of four core business lines, namely "small precision motors", "automotive products", "appliance, commercial and industrial products", and "other products", and have launched in the fiscal year ended March 31, 2013, a business enhancement system through which we aim to promote a market-oriented approach for each area of operation, particularly in terms of formulating new strategic ideas and operational implementation.

In addition, to strengthen the group's advanced R&D structures, we intend to develop new business and shift to an improved and expanded business portfolio under the leadership of our Chief Technology Officer while actively interacting with external research institutions.

Customer needs are shifting from the conventional, motor-only business to module-oriented business. NIDEC intends to address customer needs by providing both "modularized products" and "solutions" for our customers. It is to this end that we will utilize our group's core technologies and modularize our unique technologies to create high added values and cultivate new markets. In addition, NIDEC will innovate and grow itself as a company by taking in control and other technologies from the outside, and promoting technological application and development, to identify new demands in markets.

As a critical part of the growth strategy of NIDEC, we plan to continue to actively seek M&A opportunities as we aim to achieve growth quickly and efficiently. In the fiscal year ended March 31, 2019, we successfully acquired companies formerly Genmark Automation, Inc., CIMA S.p.A., MS-Graessner GmbH & Co. KG and its group companies, Chaun-Choung Technology Corp., Systeme + Steuerungen GmbH and its group companies, DESCH Antriebstechnik GmbH & Co. KG and its group companies.

Furthermore, to improve our production engineering capabilities, we established Nidec Center for Industrial Science (NCIS) in October 2015 to engage in advanced development of new materials, engineering methods, robots and automation equipment, followed by the completion of NCIS's first-phase building in February 2018. The entire facility is improving as the Nidec group's central site for production engineering.

On another front, Global Learning Center, a training facility completed in March 2017, is now home to Nidec group employees who are trained to be capable of working globally to support Nidec's future global business expansion.

(4) Business Environment

In the global economy, while expectations are growing for the U.S. to sustain its steady economic growth, the room for optimism remains limited due to concerns for China's economic recovery, the U.K.'s withdrawal from the EU (Brexit), and the geopolitical risks in the Middle East, among other factors. Since improved competitiveness is essential for NIDEC's sustainable growth, NIDEC has strived to launch new products with superior competitiveness, improved added value by employing new technologies, and improved cost competitiveness by better productivity and other factors realized through working style reforms.

(5) NIDEC's Challenges

1. Enhancing the Corporate Governance System

For this fiscal year ending March 31, 2019, NIDEC plans to have three independent outside members of the Audit and Supervisory Board and two independent outside members of the Board of Directors, five individuals in total, who will contribute to the carrying out of more lively discussions in the Meetings of the Board of Directors. With this system in the Meetings of the Board of Directors as a prime example, NIDEC is striving to further enhance corporate governance.

2. Building and Strengthening Global Management Infrastructure

NIDEC as a global company will further enhance its group's business management, accounting and financial reporting, and business information disclosure systems in accordance with global standards.

To secure a global sustainable growth and accelerate the pace of the post-merger integration (PMI) process of companies purchased overseas, we are building a "five-pronged global matrix-based business management system" intended to strengthen the foundation of our growth strategy. Specific actions include the establishment and functional expansion of regional management companies, which will be tasked to improve management quality (in the areas of governance, compliance, and internal control), secure good management efficiency (providing high-quality, low-cost shared services for individual regions), and actively support PMI.

We previously maintained a "federate-style" management system, under which individual group companies maintained a high degree of independence and autonomy in their business operations; however, to address globalization needs, we are shifting towards a "unified group matrix management" increasingly quickly.

NIDEC's Corporate Administration & Internal Audit Department, which is responsible for group-wide internal controls, has in place a global auditing system to strengthen auditing of the sphere related to prevention of improprieties as a response to strengthening the global management system. NIDEC is striving to further strengthen internal controls based on the experience and know-how gained through the past audits of our financial statements and the implementation of measures to comply with the U.S. Sarbanes-Oxley Act of 2002. We also seek to improve our information disclosure system and policy through enhanced cooperation between a committee responsible for information disclosure and other relevant specialized departments.

Such specialized departments and offices, including the Compliance Office, the Risk Management Office, and the Investor relations & CSR Promotion Department, also collaborate with one another and other departments as appropriate. We seek to find ways to create and maintain jobs and otherwise contribute to society based on our basic management policy as a good corporate citizen.

3. Basic Rationale for Selection of Accounting Standards

NIDEC has adopted International Financial Reporting Standards (IFRS) since the first quarter in the fiscal year ended March 31, 2017 to strengthen the foundation of financial reporting and make it more efficient.

4. Consolidated Financial Statements and Other Information

(1) Consolidated Statements of Financial Position

(Yen in millions)

	As of March 31, 2018		As of March 31, 2019		Increase or decrease
	Amounts	%	Amounts	%	
Assets					
Current assets					
Cash and cash equivalents	265,947		242,267		(23,680)
Trade and other receivables	388,741		371,134		(17,607)
Other financial assets	1,718		695		(1,023)
Income tax receivables	2,402		12,173		9,771
Inventories	227,766		255,656		27,890
Other current assets	30,155		37,547		7,392
Total current assets	916,729	51.7	919,472	49.0	2,743
Non-current assets					
Property, plant, and equipment	450,488		517,479		66,991
Goodwill	234,915		262,311		27,396
Intangible assets	124,413		126,504		2,091
Investments accounted for using the equity method	1,112		2,785		1,673
Other investments	22,295		18,444		(3,851)
Other financial assets	5,464		6,514		1,050
Deferred tax assets	11,055		11,968		913
Other non-current assets	6,728		9,591		2,863
Total non-current assets	856,470	48.3	955,596	51.0	99,126
Total assets	1,773,199	100.0	1,875,068	100.0	101,869

(Yen in millions)

	As of March 31, 2018		As of March 31, 2019		Increase or decrease
	Amounts	%	Amounts	%	
Liabilities					
Current liabilities					
Short term borrowings	1,657		17,394		15,737
Long term debt due within one year	29,538		95,339		65,801
Trade and other payables	317,031		310,644		(6,387)
Other financial liabilities	1,557		2,148		591
Income tax payables	7,582		13,434		5,852
Provisions	32,733		28,514		(4,219)
Other current liabilities	61,860		62,521		661
Total current liabilities	451,958	25.5	529,994	28.3	78,036
Non-current liabilities					
Long term debt	314,631		260,028		(54,603)
Other financial liabilities	2,373		1,887		(486)
Retirement benefit liabilities	24,178		28,886		4,708
Provisions	6,577		4,602		(1,975)
Deferred tax liabilities	28,922		31,751		2,829
Other non-current liabilities	2,169		2,206		37
Total non-current liabilities	378,850	21.4	329,360	17.5	(49,490)
Total liabilities	830,808	46.9	859,354	45.8	28,546
Equity					
Common stock	87,784	5.0	87,784	4.7	-
Additional paid-in capital	118,136	6.7	118,314	6.3	178
Retained earnings	822,589	46.4	901,606	48.1	79,017
Other components of equity	(76,857)	(4.4)	(64,780)	(3.5)	12,077
Treasury stock	(19,151)	(1.1)	(45,296)	(2.4)	(26,145)
Total equity attributable to owners of the parent	932,501	52.6	997,628	53.2	65,127
Non-controlling interests	9,890	0.5	18,086	1.0	8,196
Total equity	942,391	53.1	1,015,714	54.2	73,323
Total liabilities and equity	1,773,199	100.0	1,875,068	100.0	101,869

**(2) Consolidated Statements of Income
and Consolidated Statements of Comprehensive Income**
For the years ended March 31, 2018 and 2019

Consolidated Statements of Income

(Yen in millions)

	Years ended March 31,				Increase or decrease	
	2018		2019			
	Amounts	%	Amounts	%	Amounts	%
Net sales	1,488,090	100.0	1,518,320	100.0	30,230	2.0
Cost of sales	(1,131,557)	(76.0)	(1,174,362)	(77.3)	(42,805)	3.8
Gross profit	356,533	24.0	343,958	22.7	(12,575)	(3.5)
Selling, general and administrative expenses	(134,253)	(9.0)	(142,426)	(9.4)	(8,173)	6.1
Research and development expenses	(55,438)	(3.8)	(62,912)	(4.2)	(7,474)	13.5
Operating profit	166,842	11.2	138,620	9.1	(28,222)	(16.9)
Financial income	6,577	0.5	10,563	0.7	3,986	60.6
Financial expenses	(7,007)	(0.5)	(8,874)	(0.6)	(1,867)	26.6
Derivative gain (loss)	(275)	(0.0)	352	0.0	627	-
Foreign exchange differences	(2,590)	(0.2)	(1,014)	(0.0)	1,576	-
Share of net profit (loss) from associate accounting using the equity method	118	0.0	(633)	(0.0)	(751)	-
Profit before income taxes	163,665	11.0	139,014	9.2	(24,651)	(15.1)
Income tax expenses	(32,144)	(2.2)	(27,509)	(1.9)	4,635	(14.4)
Profit for the year	131,521	8.8	111,505	7.3	(20,016)	(15.2)
Profit for the year attributable to:						
Owners of the parent	130,834	8.8	110,798	7.3	(20,036)	(15.3)
Non-controlling interests	687	0.0	707	0.0	20	2.9
Profit for the year	131,521	8.8	111,505	7.3	(20,016)	(15.2)

Consolidated Statements of Comprehensive Income
(Yen in millions)

	Years ended March 31,		Increase or decrease	
	2018	2019		
	Amounts	Amounts	Amounts	%
Profit for the year	131,521	111,505	(20,016)	(15.2)
Other comprehensive income, net of taxation				
Items that will not be reclassified to net profit or loss:				
Remeasurement of defined benefit plans	425	(1,085)	(1,510)	-
Fair value movements on FVTOCI equity financial assets	2,093	(2,540)	(4,633)	-
Items that may be reclassified to net profit or loss:				
Foreign currency translation adjustments	(13,881)	12,463	26,344	-
Effective portion of net changes in fair value of cash flow hedges	399	(584)	(983)	-
Fair value movements on FVTOCI debt financial assets	(3)	7	10	-
Total other comprehensive income for the year, net of taxation	(10,967)	8,261	19,228	-
Comprehensive income for the year	120,554	119,766	(788)	(0.7)
Comprehensive income for the year attributable to:				
Owners of the parent	119,812	119,274	(538)	(0.4)
Non-controlling interests	742	492	(250)	(33.7)
Comprehensive income for the year	120,554	119,766	(788)	(0.7)

(3) Consolidated Statements of Changes in Equity

Year ended March 31, 2018

(Yen in millions)

	Total equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Additional paid-in capital	Retained earnings	Other components of equity	Treasury stock	Total		
Balance at April 1, 2017	87,784	118,340	715,911	(63,320)	(12,143)	846,572	9,234	855,806
Comprehensive income								
Profit for the year			130,834			130,834	687	131,521
Other comprehensive income				(11,022)		(11,022)	55	(10,967)
Total comprehensive income						119,812	742	120,554
Transactions with owners directly recognized in equity:								
Purchase of treasury stock					(7,008)	(7,008)	-	(7,008)
Dividends paid to owners of the parent			(26,670)			(26,670)	-	(26,670)
Dividends paid to non-controlling interests						-	(39)	(39)
Transfer to retained earnings			2,514	(2,514)		-	-	-
Other		(204)		(1)		(205)	(47)	(252)
Balance at March 31, 2018	87,784	118,136	822,589	(76,857)	(19,151)	932,501	9,890	942,391

Year ended March 31, 2019

(Yen in millions)

	Total equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Additional paid-in capital	Retained earnings	Other components of equity	Treasury stock	Total		
Balance at April 1, 2018	87,784	118,136	822,589	(76,857)	(19,151)	932,501	9,890	942,391
Changes in accounting policies			199			199		199
Balance after restatement	87,784	118,136	822,788	(76,857)	(19,151)	932,700	9,890	942,590
Comprehensive income								
Profit for the year			110,798			110,798	707	111,505
Other comprehensive income				8,476		8,476	(215)	8,261
Total comprehensive income						119,274	492	119,766
Transactions with owners directly recognized in equity:								
Purchase of treasury stock					(26,145)	(26,145)	-	(26,145)
Dividends paid to owners of the parent			(29,513)			(29,513)	-	(29,513)
Dividends paid to non-controlling interests						-	(93)	(93)
Share-based payment transactions		164				164	-	164
Transfer to retained earnings			(3,600)	3,600		-	-	-
Changes in equity by purchase of shares of consolidated subsidiaries						-	7,833	7,833
Other		14	1,133	1		1,148	(36)	1,112
Balance at March 31, 2019	87,784	118,314	901,606	(64,780)	(45,296)	997,628	18,086	1,015,714

(4) Consolidated Statements of Cash Flows*(Yen in millions)*

	Years ended March 31,		Increase or decrease
	2018	2019	
Cash flows from operating activities:			
Profit for the year	131,521	111,505	(20,016)
Adjustments to reconcile profit for the year to net cash provided by operating activities			
Depreciation	57,651	59,090	1,439
Amortization	11,089	11,647	558
Loss from sales, disposal or impairment of property, plant and equipment	372	1,498	1,126
Financial income	(23)	(1,942)	(1,919)
Share of net (profit) loss from associate accounting using the equity method	(118)	633	751
Deferred income taxes	(2,349)	(984)	1,365
Current income taxes	34,493	28,493	(6,000)
Foreign currency adjustments	(7,096)	7,007	14,103
Increase in retirement benefit liability	915	4,457	3,542
(Increase) decrease in accounts receivable	(30,632)	33,280	63,912
Increase in inventories	(24,398)	(13,885)	10,513
Increase (decrease) in accounts payable	47,809	(27,391)	(75,200)
Other, net	(8,990)	(11,944)	(2,954)
Interests and dividends received	6,482	10,378	3,896
Interests paid	(6,647)	(8,046)	(1,399)
Income taxes paid	(34,511)	(33,563)	948
Net cash provided by operating activities	175,568	170,233	(5,335)
Cash flows from investing activities:			
Additions to property, plant and equipment	(90,841)	(120,555)	(29,714)
Proceeds from sales of property, plant and equipment	6,856	2,961	(3,895)
Additions to intangible assets	(9,544)	(10,894)	(1,350)
Acquisitions of business, net of cash acquired	(20,071)	(27,675)	(7,604)
Other, net	(315)	(4,681)	(4,366)
Net cash used in investing activities	(113,915)	(160,844)	(46,929)
Cash flows from financing activities:			
(Decrease) increase in short term borrowings	(178,724)	14,022	192,746
Proceeds from issuance of long term debt	84,062	37	(84,025)
Repayments of long term debt	(38,023)	(30,456)	7,567
Proceeds from issuance of corporate bonds	115,001	39,642	(75,359)
Redemption of corporate bonds	(65,000)	-	65,000
Purchase of treasury stock	(7,008)	(26,145)	(19,137)
Dividends paid to owners of the parent	(26,670)	(29,513)	(2,843)
Other, net	(496)	(270)	226
Net cash used in financing activities	(116,858)	(32,683)	84,175
Effect of exchange rate changes on cash and cash equivalents	(428)	(386)	42
Net decrease in cash and cash equivalents	(55,633)	(23,680)	31,953
Cash and cash equivalents at beginning of year	321,580	265,947	(55,633)
Cash and cash equivalents at end of year	265,947	242,267	(23,680)

(5) Notes to Consolidated Financial Statements

Notes Regarding Going Concern Assumption

Not applicable.

Notes to Consolidated Financial Statements

1. Reporting entity

Nidec Corporation (the “Company”) is a corporation located in Japan, whose shares are listed on the Tokyo Stock Exchange. The registered addresses of headquarters and principal business offices are available on the Company’s website (<https://www.nidec.com/en-Global/>).

Consolidated financial statements as of March 31, 2019 and for the fiscal year then ended consist of the Company and its consolidated subsidiaries (“NIDEC”) and interests in associates of NIDEC.

NIDEC mainly designs, develops, produces, and sells products as described below:

- 1) Small precision motors, which include spindle motors for hard disk drives, brushless motors, fan motors, vibration motors, brush motors and motor applications.
- 2) Automotive products, which include automotive motors and components.
- 3) Appliance, commercial and industrial products, which include home appliance, commercial and industrial motors and related products.
- 4) Machinery, which includes industrial robots, card readers, test systems, press machines and power transmission drives.
- 5) Electronic and optical components, which include switches, trimmer potentiometers, lens units and camera shutters.
- 6) Others, which include services.

2. Basis of preparation of consolidated financial statements

(1) Compliance with International Financial Reporting Standards (IFRS)

The consolidated financial statements of NIDEC have been prepared in accordance with IFRS pursuant to the provision of Article 93 of Regulations on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements, as the Company meets the criteria of a “Designated IFRS Specified Company” defined in Article 1-2 of the Regulations.

(2) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for some assets and liabilities, including derivative and other financial instruments measured at fair value.

(3) Presentation currency and level of rounding

The consolidated financial statements are presented in Japanese Yen, which is also the Company’s functional currency, and figures are rounded to the nearest million yen, unless otherwise indicated.

3. Significant accounting policies

With the exception of the item explained below, significant accounting policies adopted in preparation of the annual consolidated financial statements are consistent with those used in the preparation of the NIDEC’s consolidated financial statements for the year ended March 31, 2018.

(Share-Based Payment)

NIDEC has adopted a performance-linked share-based compensation plan (the “Plan”) from the year ended March 31, 2019. NIDEC has adopted equity-settled share-based payments and cash-settled share-based payments.

(1) Equity-settled share-based payments

Equity-settled share-based payments measured with the Plan is measured the received services by fair value of the shares of the company at the grant date, and is recognized as expenses over the vesting period, and an equivalent amount is recognized as an increase in additional paid-in capital.

(2) Cash-settled share-based payments

Cash-settled share-based payments measured with the Plan is measured the received services by the fair value of the liabilities, and is recognized as expenses over the vesting period, and an equivalent amount is recognized as an increase in the liabilities. The fair value of the liabilities are remeasured at the end of the period and the settlement date, with changes in the fair value recognized in profit or loss.

(Revenue Recognition)

NIDEC has adopted the following standard from the year ended March 31, 2019.

IFRS		Summary of new standard and amendment
IFRS15	Revenue from Contracts with Customers	Revised accounting standard for revenue recognition

IFRS 15 replaces IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognized when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards.

In applying IFRS 15, NIDEC adopts the methods where cumulative effect is applied retrospectively to contracts that have not been completed as of the initial application date (April 1, 2018) and the cumulative effect is recognized as an adjustment to the opening balance of retained earnings, as permitted as a transition method (modified retrospective approach).

As a result of the adoption of IFRS 15, revenues are recognized based on the following five-step approach. This will result in the following main change in accounting policies and impact on consolidated financial statements.

Step 1: Identify the contract(s) with a customer.

Step 2: Identify the performance obligation in the contract.

Step 3: Calculate the transaction price.

Step 4: Allocate the transaction price to each performance obligation in the contract.

Step 5: An entity recognizes revenue when a performance obligation is satisfied.

(i) Sales of goods

NIDEC manufactures and sells small precision motors, automotive products, certain appliance, commercial and industrial products, certain machinery, and electronic and optical components. In selling such goods, NIDEC deems its performance obligations to be satisfied upon completion of delivery of the goods, the point at which the customer acquires control of the goods. NIDEC accordingly recognizes revenue from sales of goods at the time of the goods delivery.

(ii) Construction contracts

Additionally, for certain appliance, commercial and industrial products and certain machinery, NIDEC transfers control of a good or service over time and therefore, satisfies a performance obligation and recognizes revenue over time. NIDEC is able to reasonably measure progress toward complete satisfaction of its performance obligations. Accordingly, NIDEC recognizes revenue from sales of certain appliance, commercial and industrial products and certain machinery based on the degree of progress toward complete satisfaction of its performance obligations as of the end of the reporting period.

Of costs incurred in fulfilling contracts with customers, NIDEC recognizes costs as assets when those costs are not within the scope of another accounting standard, are directly related to a contract or an anticipated contract that NIDEC can specifically identify, are expected to be recovered, and generate or enhance resources of NIDEC that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.

As a result of the adoption of IFRS 15, compared with reported figures under the standard NIDEC applied previously, at the beginning of the year ended March 31, 2019, inventories decreased by ¥72 million and other non-current assets, deferred tax liabilities and retained earnings increased by ¥350 million, ¥79 million and ¥199 million, respectively. The impact of this change on income for the year ended March 31, 2019 is immaterial.

(Government grants)

In this fiscal year, NIDEC changed the accounting policy for government grants, which were previously presented in “Other current liabilities” and “Other non-current liabilities”, to offset corresponding “Property, plant and equipment” in accordance with the nature of each grant. This is to clarify the assets and to provide more relevant information regarding classification of assets and liabilities.

As a result of this change applied retrospectively, “Property, plant and equipment”, “Other current liabilities” and “Other non-current liabilities” decreased by ¥810 million, ¥55 million and ¥755 million, respectively, in the Consolidated Statement of Financial Position for the year ended March 31, 2018. This change did not have an effect on the operating profit.

4. Significant accounting estimates, judgments and assumptions

The preparation of the consolidated financial statements requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of income and expenses during the reporting period. Actual results may differ from those estimates.

The estimates and assumptions are reviewed on an ongoing basis, and the effects resulting from the revisions of accounting estimates are recognized in the period in which the estimates are revised and in future periods.

Judgments and estimates with accompanying significant risks of causing material adjustments to the carrying amounts of assets and liabilities in next fiscal year are the same as those for the financial statements for the year ended March 31, 2018.

5. Business combinations

NIDEC adopts the provisions of IFRS 3 “Business Combinations”. During the three months ended June 30, 2018, NIDEC completed its valuation of the assets acquired and the liabilities assumed upon the acquisition in the previous fiscal year of Secop Holding GmbH (currently, Nidec Global Appliance Compressors GmbH), Secop s.r.o. (currently, Nidec Global Appliance Slovakia s.r.o.), Secop Compressors (Tianjin) Co., Ltd. (currently, Nidec Compressors (Tianjin) Co., Ltd.) and Secop Inc. (currently, Nidec Global Appliance USA Inc.) and LGB Elettropompe S. r. l. In addition, during the three months ended September 30, 2018, NIDEC completed its valuation of the assets acquired and the liabilities assumed upon the acquisition in the previous fiscal year of SV Probe Pte. Ltd. NIDEC’s consolidated financial statements for the year ended March 31, 2018 reflect the revision of the initial allocated amounts of acquisition price as NIDEC finalized the provisional accounting treatment for the business combination.

During the three months ended March 31, 2019, NIDEC completed its valuation of the assets acquired and the liabilities assumed upon the acquisition of Genmark Automation, Inc. in this fiscal year. In addition, NIDEC partly completed its valuation of the assets acquired and the liabilities assumed upon the share acquisition of Chaun-Choung Technology Corp. and the acquisition of MS-Graessner GmbH & Co. KG and its group companies in this fiscal year. Consolidated financial statements for the quarterly financial data in the fiscal year ended March 31, 2019 reflect the revision of the initially allocated amounts of acquisition price as NIDEC finalized the provisional accounting treatment for the business combination.

Of the assets acquired and the liabilities assumed upon the acquisitions of companies in the year ended March 31, 2019, the assets and liabilities which are currently under evaluation have been recorded on NIDEC’s consolidated statements of financial position based on provisional management estimation as of March 31, 2019.

6. Operating Segment Information

(Yen in millions)

		Years ended March 31				Increase or decrease	
		2018		2019			
		Amounts	%	Amounts	%	Amounts	%
Net Sales	Nidec Corporation	222,689	11.5	215,685	11.0	(7,004)	(3.1)
	Nidec Electronics (Thailand)	130,832	6.8	123,498	6.3	(7,334)	(5.6)
	Nidec Singapore	50,853	2.6	47,603	2.4	(3,250)	(6.4)
	Nidec (H.K.)	125,980	6.5	126,129	6.4	149	0.1
	Nidec Sankyo	150,282	7.7	153,935	7.9	3,653	2.4
	Nidec Copal	51,028	2.6	47,378	2.4	(3,650)	(7.2)
	Nidec Techno Motor	88,599	4.6	86,416	4.4	(2,183)	(2.5)
	Nidec Motor	435,586	22.5	457,012	23.3	21,426	4.9
	Nidec Motors & Actuators	302,824	15.6	306,334	15.6	3,510	1.2
	Others	380,552	19.6	397,272	20.3	16,720	4.4
	Sub-total	1,939,225	100.0	1,961,262	100.0	22,037	1.1
	Adjustments and Elimination/Corporate	(451,135)	-	(442,942)	-	8,193	-
Consolidated total	1,488,090	-	1,518,320	-	30,230	2.0	
Operating profit (loss)	Nidec Corporation	25,381	13.5	19,400	12.0	(5,981)	(23.6)
	Nidec Electronics (Thailand)	18,380	9.7	14,922	9.2	(3,458)	(18.8)
	Nidec Singapore	797	0.4	764	0.5	(33)	(4.1)
	Nidec (H.K.)	1,248	0.7	861	0.5	(387)	(31.0)
	Nidec Sankyo	21,661	11.5	13,739	8.5	(7,922)	(36.6)
	Nidec Copal	4,674	2.5	(624)	(0.4)	(5,298)	-
	Nidec Techno Motor	9,363	5.0	10,082	6.2	719	7.7
	Nidec Motor	30,506	16.2	32,199	19.9	1,693	5.5
	Nidec Motors & Actuators	34,932	18.5	34,832	21.6	(100)	(0.3)
	Others	41,395	22.0	35,617	22.0	(5,778)	(14.0)
	Sub-total	188,337	100.0	161,792	100.0	(26,545)	(14.1)
	Adjustments and Elimination/Corporate	(21,495)	-	(23,172)	-	(1,677)	-
Consolidated total	166,842	-	138,620	-	(28,222)	(16.9)	

(Notes) 1. The operating segments are the segments of NIDEC for which separate financial information is available and for which operating income or loss amounts are evaluated regularly by executive management in deciding how to allocate resources and in assessing performance.

2. Nidec Global Appliance Compressors which was consolidated in the three months ended September 30, 2017 have been included in the Nidec Motor segment.

7. Earnings per share

The basis for calculating earnings per share attributable to owners of the parent - basic is as follows:

There were no potentially dilutive common shares outstanding.

	Years ended March 31,	
	2018	2019
Profit attributable to owners of the parent (Yen in millions)	130,834	110,798
Weighted average shares (Shares)	296,064,943	294,808,542
Earnings per share attributable to owners of the parent - basic (Yen)	441.91	375.83

8. Events after the Reporting Period

(1) A share purchase agreement of OMRON Automotive Electronics Co. Ltd. and the other agreements

NIDEC has agreed to acquire the share of OMRON Automotive Electronics Co. Ltd. (“OMRON Automotive Electronics”) and some foreign subsidiaries which OMRON Corporation (“OMRON”) owns, and the automotive electronic components business (the “Transaction”). For this purpose, NIDEC entered into a share purchase agreement and other agreements with OMRON on April 16, 2019.

1. Purpose	OMRON Automotive Electronics manufactures and sells automotive electronics components and systems. Through the Transaction, NIDEC will be able to create new module and system products by combining NIDEC group’s motors, pumps, gears, etc. with OMRON Automotive Electronics’ products including ECUs and other electronics products. Furthermore, OMRON Automotive Electronics, which has strengths in laser radar and driver monitoring systems, and Nidec Elesys will cooperate to provide a wide variety of sensor products which support autonomous driving technologies.
2. Acquisition method and schedule	NIDEC utilizes its cash on hand and debt finance for funding. Closing of the Transaction is to be completed by the end of October 2019. (The schedule is subject to defer based on approvals from antitrust authorities.)
3. Purchase price	Approximately JPY100,000 million Total consideration of the Transaction includes the consideration for Share Acquisition, acquisition of the target foreign subsidiaries and acquisition of the target overseas businesses. The acquisition price would be finalized subject to the condition described in the share purchase agreement including the financials.

(2) Sale of the Compressor Business to ESSVP IV

On April 12, 2019, NIDEC’s Board of Directors has resolved that Nidec Europe B.V. and Nidec Americas Holding Corporation which are NIDEC’s subsidiaries, will sell NIDEC’s entire compressor business (“Secop”), to ESSVP IV L.P., ESSVP IV (Structured) L.P., and Silenos GmbH & Co. KG (collectively “ESSVP IV”), advised by Orlando Management AG (the “Transaction”). For this purpose, NIDEC entered into a share purchase agreement and other agreements.

1. Purpose	NIDEC is actively moving forward with the development of new growth platforms with particular emphasis on appliance, commercial and industrial motors and solutions. As Secop develops, manufactures and sells products of compressors for consumer and commercial type refrigerators, from the acquisition of Secop in 2017, our appliance motor business in Global Appliance Division has expanded further into the refrigeration market. Whereas the Transaction is made following NIDEC’s commitment to the European Commission to sell certain of its compressor business lines to a suitable purchaser as condition for the European Commission’s approval of NIDEC’s acquisition of Embraco from Whirlpool Corporation, which was obtained on April 12, 2019.
2. The purchaser	ESSVP IV
3. Schedule for the Transaction	The specific schedule is not yet determined
4. The reporting segment in which the business is included	Nidec Motor

5. Others

(1) Changes in Directors

1. Proposed changes regarding Representative Directors

Not applicable.

2. Proposed changes regarding other Members of the Board of Directors and Audit & Supervisory Board Members

1) Candidate to the Audit & Supervisory Board (effective as of June 18, 2019)

Takeshi Nakane (current post: Special Assistant to the Ministry of Foreign Affairs of Japan;
current post: Director, Nagamori Gakuen Educational Foundation)

(Note) Mr. Takeshi Nakane is a candidate for the post of Outside Audit & Supervisory Board Member (Independent Officer).

Mr. Takeshi Nakane is expected to resign from the post of Director of Nagamori Gakuen Educational Foundation on June 17, 2019.

2) Outgoing Audit & Supervisory Board Member (effective as of June 18, 2019)

Ryuichi Tanabe (current post: Fulltime Member of the Audit & Supervisory Board)

(Note) Mr. Ryuichi Tanabe is expected to assume office as a Non-fulltime Executive Consultant as of the above date.

**(2) Condensed Quarterly Consolidated Statements of Income
and Condensed Quarterly Consolidated Statements of Comprehensive Income
For the Three Months Ended March 31, 2018 and 2019**

Condensed Quarterly Consolidated Statements of Income

(Yen in millions)

	For the three months ended March 31,				Increase or decrease	
	2018		2019			
	Amounts	%	Amounts	%	Amounts	%
Net sales	382,169	100.0	364,014	100.0	(18,155)	(4.8)
Cost of sales	(293,126)	(76.7)	(298,291)	(81.9)	(5,165)	1.8
Gross profit	89,043	23.3	65,723	18.1	(23,320)	(26.2)
Selling, general and administrative expenses	(33,929)	(8.9)	(38,478)	(10.6)	(4,549)	13.4
Research and development expenses	(14,432)	(3.8)	(17,717)	(4.9)	(3,285)	22.8
Operating profit	40,682	10.6	9,528	2.6	(31,154)	(76.6)
Financial income	1,980	0.5	2,873	0.8	893	45.1
Financial expenses	(1,888)	(0.5)	(2,490)	(0.7)	(602)	31.9
Derivative loss	(968)	(0.2)	(640)	(0.1)	328	-
Foreign exchange differences	5,096	1.4	(1,020)	(0.3)	(6,116)	-
Share of net profit (loss) from associate accounting using the equity method	7	0.0	(260)	(0.1)	(267)	-
Profit before income taxes	44,909	11.8	7,991	2.2	(36,918)	(82.2)
Income tax expenses	(7,909)	(2.1)	(129)	(0.0)	7,780	(98.4)
Profit for the period	37,000	9.7	7,862	2.2	(29,138)	(78.8)
Profit for the period attributable to:						
Owners of the parent	36,850	9.6	7,798	2.1	(29,052)	(78.8)
Non-controlling interests	150	0.1	64	0.1	(86)	(57.3)
Profit for the period	37,000	9.7	7,862	2.2	(29,138)	(78.8)

Condensed Quarterly Consolidated Statements of Comprehensive Income

(Yen in millions)

	For the three months ended March 31,		Increase or decrease	
	2018	2019		
	Amounts	Amounts	Amounts	%
Profit for the period	37,000	7,862	(29,138)	(78.8)
Other comprehensive income, net of taxation				
Items that will not be reclassified to net profit or loss:				
Remeasurement of defined benefit plans	497	(1,105)	(1,602)	-
Fair value movements on FVTOCI equity financial assets	(1,452)	1,041	2,493	-
Items that may be reclassified to net profit or loss:				
Foreign currency translation adjustments	(50,259)	2,190	52,449	-
Effective portion of net changes in fair value of cash flow hedges	28	578	550	-
Fair value movements on FVTOCI debt financial assets	(2)	3	5	-
Total other comprehensive income for the period, net of taxation	(51,188)	2,707	53,895	-
Comprehensive income for the period	(14,188)	10,569	24,757	-
Comprehensive income for the period attributable to:				
Owners of the parent	(13,943)	10,381	24,324	-
Non-controlling interests	(245)	188	433	-
Comprehensive income for the period	(14,188)	10,569	24,757	-

(3) Quarterly Financial Data for This Fiscal Year

(Yen in millions)

	For the three months ended					
	June 30, 2018		September 30, 2018		December 31, 2018	
	Amounts	%	Amounts	%	Amounts	%
Net sales	383,765	100.0	393,839	100.0	376,702	100.0
Operating profit	46,545	12.1	51,633	13.1	30,914	8.2
Profit before income taxes	46,845	12.2	51,363	13.0	32,815	8.7
Profit for the period	37,487	9.8	41,378	10.5	24,778	6.6
Profit attributable to owners of the parent	37,287	9.7	41,180	10.5	24,533	6.5

(4) Information by Product Category

Year ended March 31, 2018

(Yen in millions)

	Small precision motors	Automotive products	Appliance, commercial and industrial products	Machinery	Electronic and optical components	Others	Total	Eliminations/ Corporate	Consolidated
Net sales:									
External sales	452,376	295,360	518,642	146,561	70,976	4,175	1,488,090	-	1,488,090
Intersegment	2,706	1,276	5,863	15,141	8,239	1,816	35,041	(35,041)	-
Total	455,082	296,636	524,505	161,702	79,215	5,991	1,523,131	(35,041)	1,488,090
Operating expenses	382,368	257,663	484,715	134,455	69,495	5,417	1,334,113	(12,865)	1,321,248
Operating profit	72,714	38,973	39,790	27,247	9,720	574	189,018	(22,176)	166,842

Year ended March 31, 2019

(Yen in millions)

	Small precision motors	Automotive products	Appliance, commercial and industrial products	Machinery	Electronic and optical components	Others	Total	Eliminations/ Corporate	Consolidated
Net sales:									
External sales	441,467	297,298	538,316	163,966	72,672	4,601	1,518,320	-	1,518,320
Intersegment	3,469	2,608	6,125	18,167	6,126	1,888	38,383	(38,383)	-
Total	444,936	299,906	544,441	182,133	78,798	6,489	1,556,703	(38,383)	1,518,320
Operating expenses	390,298	267,006	502,224	158,644	73,928	5,810	1,397,910	(18,210)	1,379,700
Operating profit	54,638	32,900	42,217	23,489	4,870	679	158,793	(20,173)	138,620

For the three months ended March 31, 2018

(Yen in millions)

	Small precision motors	Automotive products	Appliance, commercial and industrial products	Machinery	Electronic and optical components	Others	Total	Eliminations/ Corporate	Consolidated
Net sales:									
External sales	107,337	78,450	137,324	40,692	17,281	1,085	382,169	-	382,169
Intersegment	721	465	1,347	3,739	2,310	468	9,050	(9,050)	-
Total	108,058	78,915	138,671	44,431	19,591	1,553	391,219	(9,050)	382,169
Operating expenses	92,048	68,871	128,113	36,568	17,944	1,411	344,955	(3,468)	341,487
Operating profit	16,010	10,044	10,558	7,863	1,647	142	46,264	(5,582)	40,682

For the three months ended March 31, 2019

(Yen in millions)

	Small precision motors	Automotive products	Appliance, commercial and industrial products	Machinery	Electronic and optical components	Others	Total	Eliminations/ Corporate	Consolidated
Net sales:									
External sales	98,214	73,532	135,572	39,020	16,506	1,170	364,014	-	364,014
Intersegment	1,814	754	1,300	7,173	984	469	12,494	(12,494)	-
Total	100,028	74,286	136,872	46,193	17,490	1,639	376,508	(12,494)	364,014
Operating expenses	97,368	69,983	130,028	44,337	19,092	1,513	362,321	(7,835)	354,486
Operating profit (loss)	2,660	4,303	6,844	1,856	(1,602)	126	14,187	(4,659)	9,528

(Notes) 1. Product categories are classified based on similarities in product type, product attributes, and production and sales methods.

2. Major products of each product category:

- (1) Small precision motors: Spindle motors for HDDs, brushless motors, fan motors, vibration motors, brush motors and motor applications, etc.
- (2) Automotive products: Automotive motors and components.
- (3) Appliance, commercial and industrial products: Home appliance, commercial and industrial motors and related products.
- (4) Machinery: Industrial robots, card readers, test systems, press machines and power transmission drives, etc.
- (5) Electronic and optical components: Switches, trimmer potentiometers, lens units and camera shutters, etc.
- (6) Others: Services, etc.

3. From the year ended March 31, 2019, the product category "Automotive, appliance, commercial and industrial products" has been divided and presented as "Automotive products" and "Appliance, commercial and industrial products".

(5) Sales by Geographic Segment*(Yen in millions)*

	Year ended March 31, 2018		Year ended March 31, 2019		Increase or decrease	
	Amounts	%	Amounts	%	Amounts	%
Japan	306,445	20.6	297,469	19.6	(8,976)	(2.9)
U.S.A.	253,643	17.0	258,753	17.0	5,110	2.0
Singapore	57,255	3.9	53,234	3.5	(4,021)	(7.0)
Thailand	130,756	8.8	129,824	8.6	(932)	(0.7)
Germany	129,771	8.7	135,870	8.9	6,099	4.7
China	351,155	23.6	354,732	23.4	3,577	1.0
Others	259,065	17.4	288,438	19.0	29,373	11.3
Total	1,488,090	100.0	1,518,320	100.0	30,230	2.0

(Yen in millions)

	For the three months ended March 31, 2018		For the three months ended March 31, 2019		Increase or decrease	
	Amounts	%	Amounts	%	Amounts	%
Japan	77,173	20.2	67,893	18.6	(9,280)	(12.0)
U.S.A.	67,666	17.7	65,474	18.0	(2,192)	(3.2)
Singapore	14,233	3.7	11,166	3.1	(3,067)	(21.5)
Thailand	34,209	9.0	27,523	7.6	(6,686)	(19.5)
Germany	37,869	9.9	36,591	10.1	(1,278)	(3.4)
China	83,575	21.9	77,333	21.2	(6,242)	(7.5)
Others	67,444	17.6	78,034	21.4	10,590	15.7
Total	382,169	100.0	364,014	100.0	(18,155)	(4.8)

(Note) The sales are classified by domicile of the seller, and the figures exclude intra-segment transactions.

(6) Sales by Region*(Yen in millions)*

	Year ended March 31, 2018		Year ended March 31, 2019		Increase or decrease	
	Amounts	%	Amounts	%	Amounts	%
North America	278,995	18.8	303,561	20.0	24,566	8.8
Asia	705,570	47.4	705,864	46.5	294	0.0
Europe	259,471	17.4	276,203	18.2	16,732	6.4
Others	29,874	2.0	21,529	1.4	(8,345)	(27.9)
Overseas total	1,273,910	85.6	1,307,157	86.1	33,247	2.6
Japan	214,180	14.4	211,163	13.9	(3,017)	(1.4)
Total	1,488,090	100.0	1,518,320	100.0	30,230	2.0

(Yen in millions)

	For the three months ended March 31, 2018		For the three months ended March 31, 2019		Increase or decrease	
	Amounts	%	Amounts	%	Amounts	%
North America	71,850	18.8	78,242	21.5	6,392	8.9
Asia	176,821	46.3	164,915	45.3	(11,906)	(6.7)
Europe	72,619	19.0	71,091	19.5	(1,528)	(2.1)
Others	7,027	1.8	1,467	0.4	(5,560)	(79.1)
Overseas total	328,317	85.9	315,715	86.7	(12,602)	(3.8)
Japan	53,852	14.1	48,299	13.3	(5,553)	(10.3)
Total	382,169	100.0	364,014	100.0	(18,155)	(4.8)

(Note) The sales are classified by domicile of the buyer, and the figures exclude intra-segment transactions.



6. Overview of Consolidated Financial Results

April 23, 2019
(Yen in millions)

(1) Summary of Consolidated Financial Performance

	Year ended March 31, 2018	Year ended March 31, 2019	Increase or decrease	For the three months ended March 31, 2018	For the three months ended March 31, 2019	Increase or decrease
Net Sales	1,488,090	1,518,320	2.0%	382,169	364,014	(4.8)%
Operating profit	166,842 11.2%	138,620 9.1%	(16.9)%	40,682 10.6%	9,528 2.6%	(76.6)%
Profit before income taxes	163,665 11.0%	139,014 9.2%	(15.1)%	44,909 11.8%	7,991 2.2%	(82.2)%
Profit attributable to owners of the parent	130,834 8.8%	110,798 7.3%	(15.3)%	36,850 9.6%	7,798 2.1%	(78.8)%
Earnings per share attributable to owners of the parent - basic (Yen)	441.91	375.83		124.48	26.50	
Earnings per share attributable to owners of the parent - diluted (Yen)	-	-		-	-	

(2) Summary of Consolidated Financial Position and Cash Flows

(Yen in millions)

	As of March 31, 2018	As of March 31, 2019
Total assets	1,773,199	1,875,068
Total equity attributable to owners of the parent	932,501	997,628
Ratio of equity attributable to owners of the parent to total asset	52.6%	53.2%
	Year ended March 31, 2018	Year ended March 31, 2019
Net cash provided by operating activities	175,568	170,233
Net cash used in investing activities	(113,915)	(160,844)
Net cash used in financing activities	(116,858)	(32,683)
Cash and cash equivalents at end of year	265,947	242,267

(3) Dividends

(Yen)

	2nd quarter end	Fiscal year end	Total
Year ended March 31, 2018 (actual)	45.00	50.00	95.00
Year ended March 31, 2019 (actual)	50.00	55.00	105.00
Year ending March 31, 2020 (forecast)	55.00	55.00	110.00

(4) Scope of Consolidation and Application of the Equity Method

Number of consolidated subsidiaries	322
Number of associates accounted for under the equity method	4

	Change from March 31, 2018
Number of companies newly consolidated	29
Number of companies excluded from consolidation	17
Number of companies newly accounted for by the equity method	1
Number of companies excluded from accounting by the equity method	1

(Notes) 1. The amounts of percentage in "(1) Summary of Consolidated Financial Performance" represent percentage of sales.

2. "Earnings per share attributable to owners of the parent-basic" and "Earnings per share attributable to owners of the parent-diluted" have been calculated based on figures of "Profit attributable to owners of the parent".

3. NIDEC changed in the accounting policy for government grants and finalized the provisional accounting treatment for the business combination in the year ended March 31, 2019. Condensed quarterly consolidated financial statements and consolidated financial statements for the year ended March 31, 2018 reflect the revision of the change in the accounting policy for government grants. In addition, condensed quarterly consolidated financial statements and consolidated financial statements for the year ended March 31, 2018 reflect the revision of the initially allocated amounts of acquisition price as NIDEC finalized the provisional accounting treatment for the business combination.