



Financial Statements Summary for the Nine Months Ended December 31, 2023 [IFRS] (Consolidated)

January 24, 2024

Company name: NIDEC CORPORATION URL <https://www.nidec.com/en/>
 Stock listing: Tokyo Stock Exchange - Prime Market
 Code number: 6594
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 Scheduled date of filing of Japanese quarterly report: February 13, 2024
 Scheduled date of dividend payable: -
 Supplemental materials for quarterly results: Yes
 Quarterly earning presentation held: Yes

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

1. Consolidated Financial Results for the Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

(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 period	
		%		%		%		%		%
For the nine months ended December 31, 2023	1,754,688	3.2	169,321	36.1	193,744	36.5	145,908	40.2	242,373	31.1
For the nine months ended December 31, 2022	1,699,747	20.8	124,404	(6.8)	141,944	9.7	104,077	4.8	184,867	20.8
	Earnings per share attributable to owners of the parent-basic (Yen)				Earnings per share attributable to owners of the parent-diluted (Yen)					
For the nine months ended December 31, 2023	253.93				-				-	
For the nine months ended December 31, 2022	180.72				-				-	

(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
As of December 31, 2023	3,107,768	1,581,951	1,553,192	50.0%
As of March 31, 2023	2,872,694	1,373,599	1,354,410	47.1%

2. Dividends

	Dividends per share (Yen)				
	1st quarter end	2nd quarter end	3rd quarter end	Fiscal year end	Total
Year ended March 31, 2023	-	35.00	-	35.00	70.00
Year ending March 31, 2024	-	35.00	-		
Year ending March 31, 2024 (Forecast)				40.00	75.00

(Note) Revision of previously announced dividend forecast during this reporting period: Yes.

3. Forecast of Consolidated Financial Performance for the Year ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(Percentage represents year-on-year changes)

Fiscal year end	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)
	2,300,000	2.5	180,000	80.1	205,000	70.2	135,000	200.6	234.95

(Note) Revision of the previously announced forecast of consolidated financial performance during this reporting period: Yes.

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 : None
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 December 31, 2023: 596,284,468 As of March 31, 2023: 596,284,468

2. Number of treasury stock at the end of the period:

As of December 31, 2023: 21,684,945 As of March 31, 2023: 21,527,674

3. Weighted-average number of shares outstanding during the period:

For the nine months ended December 31, 2023: 574,600,338 For the nine months ended December 31, 2022: 575,897,385

*This quarterly report is not subject to quarterly review 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). Explanation Regarding Future Forecast Information of Consolidated Financial Results” on page 12.

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 revised the provisional accounting treatment for the business combination in the nine months ended December 31, 2023. Consolidated financial statements for the year ended March 31, 2023 reflect the revision of the initially allocated amounts of acquisition cost as NIDEC revised the provisional accounting treatment for the business combination.

Investor presentation materials relating to our financial results for the nine months ended December 31, 2023 are expected to be published on our corporate website on January 24, 2024.

1. Overview of Operating Results, Etc.

(1) Overview of Operating Results for the Nine Months Ended December 31, 2023

1. Overview of Business Environment for the Nine Months Ended December 31, 2023

As of October 2023, the IMF forecasts global economic growth of 3.0% in 2023, which is lower than those of 3.5% in 2022, and many indicators relating to the manufacturing industry in major countries around the world continued to be sluggish in 2023 as well.

Business environment surrounding NIDEC on demands is increasingly uncertain entirely. Especially, extreme price competition in Chinese EV market is likely to progress and it may spoil the market fairness.

In this environment, we promoted strengthening Three-new Strategy (new market, new product, new customer), significant reduction in fixed costs, and thorough reduction in material and processing costs as a entire group.

As a result, regarding net sales, operating profit, profit before income taxes and profit attributable to owners of the parent for this nine-month period, we renewed all the highest record of the quarterly consolidated accounting periods.

2. Consolidated Operating Results

Consolidated Operating Results for the Nine Months Ended December 31, 2023 (“this Nine-month period”), Compared to the Nine Months Ended December 31, 2022 (“the same period of the previous year”)

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2022	2023		
Net sales	1,699,747	1,754,688	54,941	3.2%
Operating profit	124,404	169,321	44,917	36.1%
Operating profit ratio	7.3%	9.6%	-	-
Profit before income taxes	141,944	193,744	51,800	36.5%
Profit for the period from continuing operations	104,187	147,245	43,058	41.3%
Profit for the period from discontinued operations(Loss)	(213)	(21)	192	-
Profit attributable to owners of the parent	104,077	145,908	41,831	40.2%

Consolidated net sales from continuing operations increased 3.2% to ¥1,754,688 million for this nine-month period compared to the same period of the previous year, and we renewed the highest record of the quarterly consolidated accounting periods. This is because we achieved sales enhancement as a group by responding to the demand of each customer carefully and grasping the waves of growth in detail for each business with sales promotion throughout our global sales network, even under the severe environment such as fiercer competition which is over our expectation in Chinese EV market and the continued reconciliation of the demand for home appliances.

Operating profit of this category increased 36.1% to ¥169,321 million for this nine-month period compared to the same period of the previous year, due to taking in the results of continuous reduction in fixed costs steadily in global basis, and steady progress in manufacturing cost and sales price improvement to each component.

Profit before income taxes increased 36.5% to ¥193,744 million, and profit attributable to owners of the parent increased 40.2% to ¥145,908 million compared to the same period of the previous year. We all renewed the highest records of the quarterly consolidated accounting periods.

The average exchange rate between the Japanese yen and the U.S. dollar for this nine-month period was ¥143.29 to the U.S. dollar, which reflected an approximately 5% depreciation of the Japanese yen against the U.S. dollar, compared to the same period of the previous year. The average exchange rate between the Japanese yen and the Euro for this nine-month period was ¥155.29 to the Euro, which reflected an approximately 11% depreciation of the Japanese yen against the Euro, compared to the same period of the previous year.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this nine-month period is as follows.

- Net sales : Positive effect by approximately ¥69,500 million compared to the same period of the previous year.
- Operating profit : Positive effect by approximately ¥5,100 million compared to the same period of the previous year.

Operating Results by Product Category for This Nine-Month Period Compared to the Same Period of the Previous Year

Small precision motors

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2022	2023		
Net sales to external customers	333,782	319,091	(14,691)	(4.4)%
Spindle motors for hard disk drives (HDDs)	61,067	48,096	(12,971)	(21.2)%
Other small precision motors	272,715	270,995	(1,720)	(0.6)%
Operating profit	28,917	30,017	1,100	3.8%
Operating profit ratio	8.7%	9.4%	-	-

Net sales of this category decreased 4.4% to ¥319,091 million for this nine-month period compared to the same period of the previous year.

Net sales of spindle motors for HDDs decreased 21.2% to ¥48,096 million for this nine-month period compared to the same period of the previous year, mainly due to a decrease in the number of units sold. Net sales of other small precision motors decreased 0.6% to ¥270,995 million for this nine-month period compared to the same period of the previous year.

We realized V-shape recovery from the loss in 4Q in previous accounting period, despite the impact of lower sales and changes in product mix, and completed a substantial reduction in fixed costs and manufacturing cost certainly. As a result, operating profit of this category increased 3.8% to ¥30,017 million for this nine-month period compared to the same period of the previous year.

We will launch large number of new profitable products into the market in this business area, and we are confident that we can make this business to recover as high profitable business again.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this nine-month period is as follows.

- Net sales : Positive effect by approximately ¥12,600 million compared to the same period of the previous year.
- Operating profit : Positive effect by approximately ¥800 million compared to the same period of the previous year.

Automotive products

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2022	2023		
Net sales to external customers	394,509	434,166	39,657	10.1%
Operating profit(loss)	(2,562)	22,467	25,029	-
Operating profit ratio	(0.6)%	5.2%	-	-

Net sales of this category increased 10.1% to ¥434,166 million for this nine-month period compared to the same period of the previous year, due to taking in the impact of recovery in automobile production on a global basis steadily, despite the fiercer competition which is over our expectation in Chinese EV market.

In the automotive organic business (existing business), in addition to increased profits due to increased sales, we promoted a significant reduction in fixed costs. In the Battery EV related business, in addition to further significant reduction in fixed costs, we have shifted the strategy to put first priority on our profitability, such as limiting orders for unprofitable models. As a result, operating profit of this category increased ¥25,029 to ¥22,467 million for this nine-month period compared to the same period of the previous year.

Regarding Battery EV related business, we will make "Re-start" in line with the strategic shift, and we will take on the speedy challenges for our future growth that maximizes the our group's inherent strengths by building a new winnable systems in which we can drastically convert human resources from all department as well as management members.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this nine-month period is as follows.

- Net sales : Positive effect by approximately ¥18,900 million compared to the same period of the previous year.
- Operating profit : Positive effect by approximately ¥200 million compared to the same period of the previous year.

Appliance, commercial and industrial products*(Yen in millions)*

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2022	2023		
Net sales to external customers	681,304	717,191	35,887	5.3%
Operating profit	58,923	85,982	27,059	45.9%
Operating profit ratio	8.6%	12.0%	-	-

In the Motion & Energy (MOEN) with a focus on industrial related sector, in addition to capturing the tailwinds of expanding power generator and clean energy markets consistently, we expanded new businesses against the backdrop of strong infrastructure related demand, despite the continued reconciliation of the demand for home appliances. As a result, net sales of this category increased 5.3% to ¥717,191 million for this nine-month period compared to the same period of the previous year.

In the home appliance related sector, we realized a significant increase in profit, due to fundamental cost structure reform such as a substantial reduction in fixed costs, despite the lower sales. In the industrial related sector, we also realized a significant increase in profit, due to the continuous manufacturing cost and sales prices improvement, in addition to the higher sales. As a result, operating profit of this category increased 45.9% to ¥85,982 million for this nine-month period compared to the same period of the previous year.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this nine-month period is as follows.

- Net sales : Positive effect by approximately ¥32,100 million compared to the same period of the previous year.
- Operating profit : Positive effect by approximately ¥3,300 million compared to the same period of the previous year.

Machinery*(Yen in millions)*

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2022	2023		
Net sales to external customers	222,921	218,128	(4,793)	(2.2)%
Operating profit	38,547	31,587	(6,960)	(18.1)%
Operating profit ratio	17.3%	14.5%	-	-

Net sales of this category decreased 2.2% to ¥218,128 million for this nine-month period compared to the same period of the previous year, due to lower sales of semiconductor inspection systems, LCD panel handling robots, and other factors affected by market cycle, despite strenuous efforts in machine tool and press machine related business.

Operating profit of this category decreased 18.1% to ¥31,587 million for this nine-month period compared to the same period of the previous year, due to the lower sales and changes in product mix.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this nine-month period is as follows.

- Net sales : Positive effect by approximately ¥4,600 million compared to the same period of the previous year.
- Operating profit : Positive effect by approximately ¥400 million compared to the same period of the previous year.

Electronic and optical components*(Yen in millions)*

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2022	2023		
Net sales to external customers	64,113	62,754	(1,359)	(2.1)%
Operating profit	12,278	11,058	(1,220)	(9.9)%
Operating profit ratio	19.2%	17.6%	-	-

Net sales of this category decreased 2.1% to ¥62,754 million, and operating profit of this category decreased 9.9% to ¥11,058 million for this nine-month period compared to the same period of the previous year.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this nine-month period is as follows.

- Net sales : Positive effect by approximately ¥1,200 million compared to the same period of the previous year.
- Operating profit : Positive effect by approximately ¥400 million compared to the same period of the previous year.

Other products*(Yen in millions)*

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2022	2023		
Net sales to external customers	3,118	3,358	240	7.7%
Operating profit	308	275	(33)	(10.7)%
Operating profit ratio	9.9%	8.2%	-	-

Net sales of this category increased 7.7% to ¥3,358 million, and operating profit of this category decreased 10.7% to ¥275 million for this nine-month period compared to the same period of the previous year.

**Consolidated Operating Results for the Three Months Ended December 31, 2023 (“3Q”),
Compared to the Previous Three Months Ended September 30, 2023 (“2Q”)**

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2023	December 31, 2023		
Net sales	594,607	594,026	(581)	(0.1)%
Operating profit	55,618	53,562	(2,056)	(3.7)%
Operating profit ratio	9.4%	9.0%	-	-
Profit before income taxes	59,266	48,408	(10,858)	(18.3)%
Profit for the period from continuing operations	42,588	40,277	(2,311)	(5.4)%
Profit for the period from discontinued operations(Loss)	(22)	(7)	15	-
Profit attributable to owners of the parent	42,031	39,844	(2,187)	(5.2)%

As business environment surrounding NIDEC on demands is increasingly uncertain entirely, consolidated net sales from continuing operations decreased 0.1% to ¥594,026 million for 3Q compared to 2Q.

Operating profit of this category decreased 3.7% to ¥53,562 million for 3Q compared to 2Q, mainly due to decreased profits from the machineries in spite of the profit growth trend maintained in small precision motors.

Profit before income taxes decreased 18.3% to ¥48,408 million for 3Q compared to 2Q, and profit attributable to owners of the parent decreased 5.2% to ¥39,844 million for 3Q compared to 2Q.

The average exchange rate between the Japanese yen and the U.S. dollar for 3Q was ¥147.89 to the U.S. dollar, which reflected an approximately 2% depreciation of the Japanese yen against the U.S. dollar, compared to 2Q. The average exchange rate between the Japanese yen and the Euro for 3Q was ¥159.11 to the Euro, which reflected an approximately 1% depreciation of the Japanese yen against the Euro, compared to 2Q.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (3Q) is as follows.

- Net sales : Positive effect by approximately ¥10,800 million compared to 2Q.
- Operating profit : Positive effect by approximately ¥1,000 million compared to 2Q.

NIDEC revised the provisional accounting treatment for the business combination in the three months ended December 31, 2023. Condensed quarterly consolidated financial statements for the three months ended September 30, 2023 reflect the revision of the initially allocated amounts of acquisition cost as NIDEC revised the provisional accounting treatment for the business combination.

Operating Results by Product Category for 3Q Compared to 2Q

Small precision motors

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2023	December 31, 2023		
Net sales to external customers	111,318	112,013	695	0.6%
Spindle motors for hard disk drives (HDDs)	18,414	19,041	627	3.4%
Other small precision motors	92,904	92,972	68	0.1%
Operating profit	11,024	12,992	1,968	17.9%
Operating profit ratio	9.9%	11.6%	-	-

Net sales of this category increased 0.6% to ¥112,013 million for 3Q compared to 2Q.

Net sales of spindle motors for HDDs increased 3.4% to ¥19,041 million for 3Q compared to 2Q.

Net sales of other small precision motors increased 0.1% to ¥92,972 million for 3Q compared to 2Q.

Operating profit of this category increased 17.9% to ¥12,992 million for 3Q compared to 2Q, due to continuous V-shape recovery trend as a result of further reduction in fixed costs by productivity improvement, thorough reduction in material and processing costs, and tenacious sales price improvement.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (3Q) is as follows.

- Net sales : Positive effect by approximately ¥2,200 million compared to 2Q.
- Operating profit : Positive effect by approximately ¥200 million compared to 2Q.

Automotive products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2023	December 31, 2023		
Net sales to external customers	144,576	151,990	7,414	5.1%
Operating Profit	5,335	6,104	769	14.4%
Operating profit ratio	3.7%	4.0%	-	-

Net sales of this category increased 5.1% to ¥151,990 million for 3Q compared to 2Q.

In the automotive organic business (existing business), in addition to increased profit by taking in the impact of recovery in automobile production on a global basis steadily, we realized sales price improvement by tenacious negotiations with customers and reduction in fixed costs.

In the Battery EV related business, in addition to the enhancement of development investment to respond to the changes in Chinese EV market, we carried out the significant reduction in fixed costs for "Re-start". As a result, operating profit of this category increased 14.4% to ¥6,104million for 3Q compared to 2Q.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (3Q) is as follows.

- Net sales : Positive effect by approximately ¥2,300 million compared to 2Q.
- Operating profit : Positive effect by approximately ¥200 million compared to 2Q.

Appliance, commercial and industrial products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2023	December 31, 2023		
Net sales to external customers	240,784	237,528	(3,256)	(1.4)%
Operating profit	27,719	27,358	(361)	(1.3)%
Operating profit ratio	11.5%	11.5%	-	-

Net sales of this category decreased 1.4% to ¥237,528 million for 3Q compared to 2Q, due to lower sales in line with seasonal factors under the continued reconciliation of the demand for home appliances.

Operating profit of this category decreased 1.3% to ¥27,358 million for 3Q compared to 2Q, despite keeping operating profit ratio 11.5% due to the continuous manufacturing cost and sales price improvement such as reduction in fixed costs against the lower sales.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (3Q) is as follows.

- Net sales : Positive effect by approximately ¥5,300 million compared to 2Q.
- Operating profit : Positive effect by approximately ¥700 million compared to 2Q.

Machinery

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2023	December 31, 2023		
Net sales to external customers	75,675	71,683	(3,992)	(5.3)%
Operating profit	12,343	8,196	(4,147)	(33.6)%
Operating profit ratio	16.3%	11.4%	-	-

Net sales of this category decreased 5.3% to ¥71,683 million for 3Q compared to 2Q, mainly due to lower sales of semiconductor inspection systems affected by market cycle.

Operating profit of this category decreased 33.6% to ¥8,196 million for 3Q compared to 2Q, due to temporary revenue in 2Q, in addition to the lower sales and changes in product mix.

Effect of the fluctuations of the foreign currency exchange rates to net sales for this three-month period (3Q) is as follows.

- Net sales : Positive effect by approximately ¥700 million compared to 2Q.

Electronic and optical components

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2023	December 31, 2023		
Net sales to external customers	21,128	19,768	(1,360)	(6.4)%
Operating profit	3,620	3,214	(406)	(11.2)%
Operating profit ratio	17.1%	16.3%	-	-

Net sales of this category decreased 6.4% to ¥19,768 million, and operating profit of this category decreased 11.2% to ¥3,214 million for 3Q compared to 2Q.

Effect of the fluctuations of the foreign currency exchange rates to net sales for this three-month period (3Q) is as follows.

- Net sales : Positive effect by approximately ¥200 million compared to 2Q.

Other products*(Yen in millions)*

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2023	December 31, 2023		
Net sales to external customers	1,126	1,044	(82)	(7.3)%
Operating profit	73	36	(37)	(50.7)%
Operating profit ratio	6.5%	3.4%	-	-

Net sales of this category decreased 7.3% to ¥1,044 million, and operating profit of this category decreased 50.7% to ¥36 million for 3Q compared to 2Q.

(2) Financial Position

(Yen in millions)

	As of March 31, 2023	As of December 31, 2023	Increase or decrease
Total assets	2,872,694	3,107,768	235,074
Total liabilities	1,499,095	1,525,817	26,722
Total equity attributable to owners of the parent	1,354,410	1,553,192	198,782
Interest-bearing debt *1	705,349	694,609	(10,740)
Net interest-bearing debt *2	519,251	494,251	(25,000)
Debt ratio (%) *3	24.6	22.4	(2.2)
Debt to equity ratio (“D/E ratio”) (times) *4	0.52	0.45	(0.07)
Net D/E ratio (times) *5	0.38	0.32	(0.06)
Ratio of total equity attributable to owners of the parent to total assets (%) *6	47.1	50.0	2.9

(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 statements 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 ¥235,074 million to ¥3,107,768 million as of December 31, 2023 compared to March 31, 2023. This was mainly due to an effect of the fluctuations of the foreign currency exchange rates. Trade and other receivables increased ¥54,553 million, property, plant and equipment increased ¥50,519 million, and inventories increased ¥42,289 million.

Total liabilities increased ¥26,722 million to ¥1,525,817 million as of December 31, 2023 compared to March 31, 2023. This was mainly due to an effect of the fluctuations of the foreign currency exchange rates. Trade and other payables increased ¥15,413 million. Interest-bearing debt tends to increase due to an effect of the fluctuations of the foreign currency exchange rates. Specifically, short term borrowings decreased ¥19,891 million to ¥139,388 million, long term debt due within one year increased ¥84,051 million to ¥143,816 million and long term debt decreased ¥74,900 million to ¥411,405 million as of December 31, 2023 compared to March 31, 2023.

As a result, net interest-bearing debt decreased to ¥494,251 million as of December 31, 2023 from ¥519,251 million as of March 31, 2023. The debt ratio that includes lease liabilities decreased to 22.4% as of December 31, 2023 from 24.6% as of March 31, 2023. The D/E ratio decreased to 0.45 times as of December 31, 2023 from 0.52 times as of March 31, 2023. The net D/E ratio decreased 0.32 times as of December 31, 2023 from 0.38 times as of March 31, 2023.

Total equity attributable to owners of the parent increased ¥198,782 million to ¥1,553,192 million as of December 31, 2023 compared to March 31, 2023. Ratio of total equity attributable to owners of the parent to total assets increased to 50.0% as of December 31, 2023 from 47.1% as of March 31, 2023. This was mainly due to increases in retained earnings of ¥109,363 million and other components of equity of ¥90,692 million.

NIDEC revised the provisional accounting treatment for the business combination in the nine months ended December 31, 2023. Consolidated financial statements for the year ended March 31, 2023 reflect the revision of the initially allocated amounts of acquisition cost as NIDEC revised the provisional accounting treatment for the business combination.

Overview of Cash Flow

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease
	2022	2023	
Net cash provided by operating activities	94,195	204,280	110,085
Net cash used in investing activities	(108,862)	(128,893)	(20,031)
Free cash flow *1	(14,667)	75,387	90,054
Net cash used in financing activities	(15,650)	(77,505)	(61,855)

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

Net cash provided by operating activities for the nine months ended December 31, 2023 came to a net cash inflow of ¥204,280 million. Compared to the same period of the previous fiscal year, the net cash inflow from provided by operating activities for the nine months ended December 31, 2023 increased ¥110,085 million mainly due to profit for the period from continuing operations increased by ¥43,058 million to ¥147,245 million and promoted efficiency of working capital by reducing inventories and strengthening to collect trade receivables.

Net cash used in investing activities amounted to ¥128,893 million mainly due to additions to property, plant and equipment of ¥86,077 million and acquisitions of mainly Takisawa Machine Tool Co., Ltd. of ¥17,925 million and other factors. Net cash used in investing activities increased by ¥20,031 million year on year.

As a result, we had a positive free cash flow of ¥75,387 million for the nine months ended December 31, 2023, an increase of ¥90,054 million compared to the same period of the previous year.

Net cash used in financing activities for the nine months ended December 31, 2023 came to a net cash out flow of ¥77,505 million for this period, an increase of ¥61,855 million compared to the same period of the previous fiscal year. This is due to repayment for interest-bearing debt of ¥85,228 million, mainly for redemption of corporate bonds and short term borrowings, and the payments of dividends to the owners of the parent of ¥40,227 million, despite the financing of ¥50,000 million by long term-debt.

As a result of the aforementioned factors and the impact of foreign exchange rates, the balance of cash and cash equivalents as of December 31, 2023 increased by ¥14,260 million to ¥200,358 million from March 31, 2023.

(3) Explanation Regarding Future Forecast Information of Consolidated Financial Results

As of October 2023, the IMF forecasts global economic growth of 2.9 % in 2024, which is even lower than those of 3.0% in 2023. The overall business environment has been so uncertain amid sluggish global manufacturing related indicators. As for business environment for each division, severe environment is assumed to be continued, in which it may take some time for demand for IT equipment and home appliances to recover, and extreme price competition in Chinese EV market is likely to continue and it may spoil the market fairness.

In this environment, in addition to the thorough cost reduction represented by "WPR-X" activities, we will strive to secure overall earnings by tenacious negotiations with customers and enhancement of Three-new Strategy (new market, new product, new customer), and have shifted the strategy to put first priority on our profitability to make "Re-start" for our future growth. Accordingly, we have revised our fiscal 2023 earnings forecast in anticipation of recording the restructuring costs to restore the financial soundness and improve the profitability of the Battery EV related business.

The forecasts for the year ending March 31, 2024 described below are prepared based on an assumption that exchange rates are US\$1 = ¥120 and €1 = ¥130.

Forecast of Consolidated Financial Performance for the Year Ending March 31, 2024

Net sales	¥2,300,000 million	(102.5% compared to the previous fiscal year)
Operating profit	¥180,000 million	(180.1% compared to the previous fiscal year)
Profit before income taxes	¥205,000 million	(170.2% compared to the previous fiscal year)
Profit attributable to owners of the parent	¥135,000 million	(300.6% compared to the previous fiscal year)

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

2. The calculations for the conversion of Asian currencies into Japanese yen also used the exchange rates, US\$1 = ¥120 and €1 = ¥130.

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 consolidated financial performance could be significantly different from NIDEC's expectations as a result of various factors.

2. Condensed Quarterly Consolidated Financial Statements and Other Information

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Yen in millions)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	186,098	200,358
Trade and other receivables	592,948	647,501
Other financial assets	3,811	4,408
Income tax receivables	10,536	12,125
Inventories	519,348	561,637
Other current assets	71,877	91,761
Total current assets	1,384,618	1,517,790
Non-current assets		
Property, plant and equipment	835,669	886,188
Goodwill	363,139	379,874
Intangible assets	222,368	235,437
Investments accounted for using the equity method	3,097	10,089
Other investments	25,943	30,158
Other financial assets	9,610	17,050
Deferred tax assets	11,929	11,357
Other non-current assets	16,321	19,825
Total non-current assets	1,488,076	1,589,978
Total assets	2,872,694	3,107,768

(Yen in millions)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Short term borrowings	159,279	139,388
Long term debt due within one year	59,765	143,816
Trade and other payables	493,980	509,393
Other financial liabilities	4,473	5,642
Income tax payables	27,363	27,456
Provisions	50,815	35,900
Other current liabilities	104,930	120,584
Total current liabilities	900,605	982,179
Non-current liabilities		
Long term debt	486,305	411,405
Other financial liabilities	485	4,711
Retirement benefit liabilities	32,337	34,357
Provisions	1,377	2,342
Deferred tax liabilities	71,210	79,155
Other non-current liabilities	6,776	11,668
Total non-current liabilities	598,490	543,638
Total liabilities	1,499,095	1,525,817
Equity		
Common stock	87,784	87,784
Additional paid-in capital	97,670	97,420
Retained earnings	1,129,119	1,238,482
Other components of equity	206,754	297,446
Treasury stock	(166,917)	(167,940)
Total equity attributable to owners of the parent	1,354,410	1,553,192
Non-controlling interests	19,189	28,759
Total equity	1,373,599	1,581,951
Total liabilities and equity	2,872,694	3,107,768

**(2) Condensed Quarterly Consolidated Statements of Income
and Condensed Quarterly Consolidated Statements of Comprehensive Income**

Condensed Quarterly Consolidated Statements of Income

(Yen in millions)

	For the nine months ended December 31,	
	2022	2023
Continuing operations		
Net Sales	1,699,747	1,754,688
Cost of sales	(1,368,217)	(1,370,502)
Gross profit	331,530	384,186
Selling, general and administrative expenses	(147,515)	(153,220)
Research and development expenses	(59,611)	(61,645)
Operating profit	124,404	169,321
Financial income	11,422	26,325
Financial expenses	(8,880)	(16,237)
Derivative gain (loss)	(736)	(137)
Foreign exchange differences	18,438	19,586
Share of net profit (loss) from associate accounting using the equity method	(2,704)	(5,114)
Profit before income taxes	141,944	193,744
Income tax expenses	(37,757)	(46,499)
Profit for the period from continuing operations	104,187	147,245
Discontinued operations		
Loss for the period from discontinued operations	(213)	(21)
Profit for the period	103,974	147,224
Profit for the period attributable to:		
Owners of the parent	104,077	145,908
Non-controlling interests	(103)	1,316
Profit for the period	103,974	147,224

Condensed Quarterly Consolidated Statements of Comprehensive Income
(Yen in millions)

	For the nine months ended December 31,	
	2022	2023
Profit for the period	103,974	147,224
Other comprehensive income, net of taxation		
Items that will not be reclassified to net profit or loss:		
Remeasurement of defined benefit plans	816	823
Fair value movements on FVTOCI equity financial assets	(468)	2,921
Items that may be reclassified to net profit or loss:		
Foreign currency translation adjustments	80,457	91,032
Effective portion of net changes in fair value of cash flow hedges	109	308
Fair value movements on FVTOCI debt financial assets	(21)	65
Total other comprehensive income for the period, net of taxation	80,893	95,149
Comprehensive income for the period	184,867	242,373
Comprehensive income for the period attributable to:		
Owners of the parent	184,599	240,372
Non-controlling interests	268	2,001
Comprehensive income for the period	184,867	242,373

For the three months ended December 31, 2022 and 2023

Condensed Quarterly Consolidated Statements of Income

(Yen in millions)

	For the three months ended December 31,	
	2022	2023
Continuing operations		
Net Sales	568,980	594,026
Cost of sales	(466,232)	(463,721)
Gross profit	102,748	130,305
Selling, general and administrative expenses	(53,843)	(55,943)
Research and development expenses	(20,869)	(20,800)
Operating profit	28,036	53,562
Financial income	5,810	9,931
Financial expenses	(3,760)	(6,791)
Derivative gain (loss)	(753)	289
Foreign exchange differences	(4,569)	(6,440)
Share of net profit (loss) from associate accounting using the equity method	(1,195)	(2,143)
Profit before income taxes	23,569	48,408
Income tax expenses	(6,625)	(8,131)
Profit for the period from continuing operations	16,944	40,277
Discontinued operations		
Loss for the period from discontinued operations	(42)	(7)
Profit for the period	16,902	40,270
Profit for the period attributable to:		
Owners of the parent	17,428	39,844
Non-controlling interests	(526)	426
Profit for the period	16,902	40,270

Condensed Quarterly Consolidated Statements of Comprehensive Income

(Yen in millions)

	For the three months ended December 31,	
	2022	2023
Profit for the period	16,902	40,270
Other comprehensive income, net of taxation		
Items that will not be reclassified to net profit or loss:		
Remeasurement of defined benefit plans	(45)	(27)
Fair value movements on FVTOCI equity financial assets	(328)	135
Items that may be reclassified to net profit or loss:		
Foreign currency translation adjustments	(127,255)	(75,371)
Effective portion of net changes in fair value of cash flow hedges	1,189	469
Fair value movements on FVTOCI debt financial assets	3	66
Total other comprehensive income for the period, net of taxation	(126,436)	(74,728)
Comprehensive income for the period	(109,534)	(34,458)
Comprehensive income for the period attributable to:		
Owners of the parent	(108,468)	(34,531)
Non-controlling interests	(1,066)	73
Comprehensive income for the period	(109,534)	(34,458)

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

For the nine months ended December 31, 2022

(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, 2022	87,784	103,216	1,118,594	103,919	(121,272)	1,292,241	24,457	1,316,698
Comprehensive income								
Profit for the period			104,077			104,077	(103)	103,974
Other comprehensive income				80,522		80,522	371	80,893
Total comprehensive income						184,599	268	184,867
Transactions with owners directly recognized in equity:								
Purchase of treasury stock					(46,683)	(46,683)	-	(46,683)
Dividends paid to the owners of the parent			(40,426)			(40,426)	-	(40,426)
Dividends paid to non-controlling interests						-	(268)	(268)
Share-based payment transactions		424				424	-	424
Transfer to retained earnings			327	(327)		-	-	-
Changes in equity by purchase of shares of consolidated subsidiaries		(2,692)				(2,692)	234	(2,458)
Other		3	634		1	638	(156)	482
Balance at December 31, 2022	87,784	100,951	1,183,206	184,114	(167,954)	1,388,101	24,535	1,412,636

For the nine months ended December 31, 2023

(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, 2023	87,784	97,670	1,129,119	206,754	(166,917)	1,354,410	19,189	1,373,599
Comprehensive income								
Profit for the period			145,908			145,908	1,316	147,224
Other comprehensive income				94,464		94,464	685	95,149
Total comprehensive income						240,372	2,001	242,373
Transactions with owners directly recognized in equity:								
Purchase of treasury stock					(1,023)	(1,023)	-	(1,023)
Dividends paid to the owners of the parent			(40,227)			(40,227)	-	(40,227)
Dividends paid to non-controlling interests						-	(156)	(156)
Share-based payment transactions		(250)				(250)	-	(250)
Transfer to retained earnings			3,772	(3,772)		-	-	-
Changes in equity by purchase of shares of consolidated subsidiaries						-	7,564	7,564
Other		0	(90)			(90)	161	71
Balance at December 31, 2023	87,784	97,420	1,238,482	297,446	(167,940)	1,553,192	28,759	1,581,951

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

	For the nine months ended December 31,	
	2022	2023
Cash flows from operating activities:		
Profit for the period from continuing operations	104,187	147,245
Loss for the period from discontinued operations	(213)	(21)
Profit for the period	103,974	147,224
Adjustments to reconcile profit for the period to net cash provided by operating activities		
Depreciation and amortization	89,080	95,645
Loss (gain) from sales, disposal or impairment of property, plant and equipment	1,815	(4,727)
Loss from sales of discontinued operations	213	21
Financial expenses (income)	(2,950)	(10,364)
Share of net loss (profit) from associate accounting using the equity method	2,704	5,114
Deferred income taxes	1,167	2,785
Current income taxes	36,589	43,714
Foreign currency adjustments	3,240	(1,244)
Increase (decrease) in retirement benefit liability	(670)	(111)
Decrease (increase) in accounts receivable	(7,867)	(14,360)
Decrease (increase) in inventories	(48,363)	(6,593)
Increase (decrease) in accounts payable	(45,601)	(532)
Other, net	(8,725)	(17,428)
Interests and dividends received	9,853	25,487
Interests paid	(6,980)	(14,455)
Income taxes paid	(33,284)	(45,896)
Net cash provided by operating activities	94,195	204,280

(Yen in millions)

	For the nine months ended December 31,	
	2022	2023
Cash flows from investing activities:		
Additions to property, plant and equipment	(91,694)	(86,077)
Proceeds from sales of property, plant and equipment	4,096	6,409
Additions to intangible assets	(13,106)	(10,780)
Acquisitions of business, net of cash acquired	—	(17,925)
Other, net	(8,158)	(20,520)
Net cash used in investing activities	(108,862)	(128,893)
Cash flows from financing activities:		
Increase (decrease) in short term borrowings	31,299	(21,204)
Proceeds from issuance of long term debt	66,009	50,000
Repayments of long term debt	(7,654)	(14,024)
Proceeds from issuance of bonds	120,000	—
Redemption of bonds	(135,000)	(50,000)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(2,687)	(869)
Purchase of treasury stock	(46,683)	(1,023)
Dividends paid to the owners of the parent	(40,426)	(40,227)
Other, net	(508)	(158)
Net cash used in financing activities	(15,650)	(77,505)
Effect of exchange rate changes on cash and cash equivalents	13,116	16,378
Net increase (decrease) in cash and cash equivalents	(17,201)	14,260
Cash and cash equivalents at beginning of period	199,655	186,098
Cash and cash equivalents at end of period	182,454	200,358

(5) Notes to Condensed Quarterly Consolidated Financial Statements

Notes Regarding Going Concern Assumption

Not applicable.

Notes to Condensed Quarterly 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/>).

Condensed quarterly consolidated financial statements as of December 31, 2023 and for the nine months 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, and traction motor system.
- 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, power transmission drives and machine tools.
- 5) Electronic and optical components, which include switches, sensors, lens units and camera shutters.
- 6) Others, which include music boxes and services.

2. Basis of preparation

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

The condensed quarterly consolidated financial statements of NIDEC have been prepared in accordance with IAS 34 “Interim Financial Reporting” pursuant to the provision of article 93 of Regulations for Quarterly Consolidated Financial Statements, as the Company meets the criteria of a “Designated IFRS Specified Company” defined in article 1-2 of the regulations.

The condensed quarterly consolidated financial statements do not include all the information that must be disclosed in the annual consolidated financial statements, and therefore should be used in conjunction with the consolidated financial statements for the year ended March 31, 2023.

(2) Basis of measurement

The condensed quarterly 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 condensed quarterly 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. Material accounting policies

With the exception of the item explained below, material accounting policies adopted in preparation of the condensed quarterly consolidated financial statements are consistent with those used in the preparation of the NIDEC's annual consolidated financial statements for the year ended March 31, 2023.

Income tax expenses for the nine months ended December 31, 2023 are computed using the estimated annual effective tax rate.

(Income Taxes)

IFRS		Summaries of new standards and amendments
IAS 12	Income Taxes	Clarified accounting processing for deferred taxes on leases and disposal obligations.
IAS 12	Income Taxes	Requirements for disclosure on specific information relating corporate income tax arising from the application of the Pillar 2 Model Rules.

There are no material impacts of the above statement on NIDEC's condensed quarterly consolidated financial statements.

4. Significant accounting estimates, judgments and assumptions

The preparation of the condensed quarterly consolidated financial statements requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, 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 the 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.

Significant accounting estimates and judgments that accompany estimates for the condensed quarterly consolidated financial statements as of December 31, 2023 are same as those estimates and judgments for the consolidated financial statements for the year ended March 31, 2023.

5. Business combinations

NIDEC adopts the provisions of IFRS 3 "Business Combinations".

During the three months ended December 31, 2023, NIDEC revised its valuation of the assets acquired and the liabilities assumed upon the share acquisition of PAMA S.p.A.. NIDEC's consolidated financial statements for the year ended March 31, 2023 reflect the revision of the initially allocated amounts of acquisition price as NIDEC revised 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, 2023 and the nine months ended December 31, 2023, 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 December 31, 2023.

6. Events after the Reporting Period

Resolution for Approval of TAKISAWA Machine Tool Co., Ltd.'s Share Consolidation

At the Extraordinary General Meeting of Shareholders of Takisawa Machine Tool Co., Ltd. ("TAKISAWA") held on January 12, 2024, TAKISAWA submitted a proposal regarding the consolidation of shares, and the proposal was approved. As a result, common shares of TAKISAWA (the "TAKISAWA shares") fall under the delisting criteria set forth in the Security Listing Regulations of the Tokyo Stock Exchange, Inc. It is expected that Takisawa shares will be designated as a security to be delisted from the Tokyo Stock Exchange from January 12, 2024 until January 30, 2024, and will be delisted on January 31, 2024.

1. The Share Consolidation

(1) Purpose	As part of the series of transactions to make TAKISAWA a wholly-owned subsidiary of the Company.
(2) Class of shares to be consolidated	Common shares
(3) Consolidation ratio	As of February 2, 2024 (scheduled), 900,000 shares of TAKISAWA shares owned by shareholders listed or recorded in the final register of shareholders as of February 1, 2024 (scheduled) will be consolidated into one share.
(4) Total number of issued shares to be reduced	6,387,803 shares
(5) Total number of issued shares before effectuation	6,387,810 shares (after cancellation of treasury shares)
(6) Total number of issued shares after effectuation	7 shares
(7) Total number of authorized shares as of the effective date	28 shares
(8) Method of handling cases where fractions of less than one share occur, and the amount of money expected to be delivered to shareholders as a result of such handling	As a result of the share consolidation, the number of TAKISAWA shares held by shareholders other than the Company will be a fraction of less than one share. With respect to fractions of less than one share, TAKISAWA sells the number of shares corresponding to the total number in accordance with the provisions of Article 235 of the Companies Act and other relevant laws and regulations in Japan and delivers the proceeds from the sale to the shareholders in proportion to the fraction. Price: An amount of money that is economically equivalent to the Tender Offer Price of 2,600 yen per a TAKISAWA share Payment Method: Cash Payment date: Late May 2024 (scheduled)

2. Schedule of the Share Consolidation

(1) Date of the Extraordinary General Meeting	January 12, 2024
(2) Designation of shares to be delisted	January 12, 2024
(3) Last day of trading of the TAKISAWA shares	January 30, 2024 (scheduled)
(4) Delisting date of the TAKISAWA shares	January 31, 2024 (scheduled)
(5) Effective date of the consolidation of shares	February 2, 2024 (scheduled)

3. Others

(1) Quarterly Financial Data for the three months ended December 31, 2023, September 30, 2023 and June 30, 2023

(Yen in millions)

	For the three months ended		
	June 30, 2023	September 30, 2023	December 31, 2023
Net sales	566,055	594,607	594,026
Operating profit	60,141	55,618	53,562
Profit before income taxes	86,070	59,266	48,408
Profit for the period	64,388	42,566	40,270
Profit attributable to owners of the parent	64,033	42,031	39,844

(2) Information by Product Category

For the nine months ended December 31, 2022

(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	333,782	394,509	681,304	222,921	64,113	3,118	1,699,747	-	1,699,747
Intersegment	3,816	174	6,078	12,817	3,769	737	27,391	(27,391)	-
Total	337,598	394,683	687,382	235,738	67,882	3,855	1,727,138	(27,391)	1,699,747
Operating expenses	308,681	397,245	628,459	197,191	55,604	3,547	1,590,727	(15,384)	1,575,343
Operating profit (loss)	28,917	(2,562)	58,923	38,547	12,278	308	136,411	(12,007)	124,404

For the nine months ended December 31, 2023

(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	319,091	434,166	717,191	218,128	62,754	3,358	1,754,688	-	1,754,688
Intersegment	4,437	229	6,759	6,873	3,668	704	22,670	(22,670)	-
Total	323,528	434,395	723,950	225,001	66,422	4,062	1,777,358	(22,670)	1,754,688
Operating expenses	293,511	411,928	637,968	193,414	55,364	3,787	1,595,972	(10,605)	1,585,367
Operating profit	30,017	22,467	85,982	31,587	11,058	275	181,386	(12,065)	169,321

For the three months ended December 31, 2022

(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	107,471	140,359	227,908	69,556	22,612	1,074	568,980	-	568,980
Intersegment	1,554	28	1,995	3,796	1,358	212	8,943	(8,943)	-
Total	109,025	140,387	229,903	73,352	23,970	1,286	577,923	(8,943)	568,980
Operating expenses	104,143	148,412	209,272	62,764	19,386	1,207	545,184	(4,240)	540,944
Operating profit (loss)	4,882	(8,025)	20,631	10,588	4,584	79	32,739	(4,703)	28,036

For the three months ended December 31, 2023

(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	112,013	151,990	237,528	71,683	19,768	1,044	594,026	-	594,026
Intersegment	1,972	148	1,589	3,227	1,146	169	8,251	(8,251)	-
Total	113,985	152,138	239,117	74,910	20,914	1,213	602,277	(8,251)	594,026
Operating expenses	100,993	146,034	211,759	66,714	17,700	1,177	544,377	(3,913)	540,464
Operating profit	12,992	6,104	27,358	8,196	3,214	36	57,900	(4,338)	53,562

(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, components, and traction motor system.
- (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, power transmission drives and machine tools, etc.
- (5) Electronic and optical components: Switches, sensors, lens units and camera shutters, etc.
- (6) Others: Music boxes, services, etc.

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

	For the nine months ended December 31,				Increase or decrease	
	2022		2023			
	Amounts	%	Amounts	%	Amounts	%
Japan	299,847	17.6	267,146	15.2	(32,701)	(10.9)
China	446,405	26.3	424,396	24.2	(22,009)	(4.9)
Other Asia	206,845	12.2	226,768	12.9	19,923	9.6
U.S.A.	381,452	22.4	398,750	22.7	17,298	4.5
Europe	302,092	17.8	363,056	20.7	60,964	20.2
Others	63,106	3.7	74,572	4.3	11,466	18.2
Total	1,699,747	100.0	1,754,688	100.0	54,941	3.2

(Yen in millions)

	For the three months ended December 31,				Increase or decrease	
	2022		2023			
	Amounts	%	Amounts	%	Amounts	%
Japan	97,905	17.2	78,972	13.3	(18,933)	(19.3)
China	150,430	26.4	150,336	25.3	(94)	(0.1)
Other Asia	69,618	12.2	95,929	16.1	26,311	37.8
U.S.A.	124,851	22.0	116,298	19.6	(8,553)	(6.9)
Europe	106,415	18.7	124,200	20.9	17,785	16.7
Others	19,761	3.5	28,291	4.8	8,530	43.2
Total	568,980	100.0	594,026	100.0	25,046	4.4

(Notes) 1. The sales are classified by domicile of the seller, and the figures exclude intra-segment transactions.

2. Major countries which belong to segments are as follows:

Other Asia : Thailand, India, South Korea

Europe : Germany, Italy, France

Others : Brazil, Mexico, Canada

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

	For the nine months ended December 31,				Increase or decrease	
	2022		2023			
	Amounts	%	Amounts	%	Amounts	%
Japan	194,610	11.4	196,026	11.2	1,416	0.7
China	447,602	26.3	433,098	24.7	(14,504)	(3.2)
Other Asia	271,627	16.0	253,232	14.4	(18,395)	(6.8)
U.S.A.	342,303	20.1	359,862	20.5	17,559	5.1
Europe	289,784	17.1	333,641	19.0	43,857	15.1
Others	153,821	9.1	178,829	10.2	25,008	16.3
Total	1,699,747	100.0	1,754,688	100.0	54,941	3.2

(Yen in millions)

	For the three months ended December 31,				Increase or decrease	
	2022		2023			
	Amounts	%	Amounts	%	Amounts	%
Japan	65,980	11.6	62,872	10.6	(3,108)	(4.7)
China	150,498	26.5	148,547	25.0	(1,951)	(1.3)
Other Asia	90,027	15.8	90,453	15.2	426	0.5
U.S.A.	107,496	18.9	114,975	19.4	7,479	7.0
Europe	101,302	17.8	115,456	19.4	14,154	14.0
Others	53,677	9.4	61,723	10.4	8,046	15.0
Total	568,980	100.0	594,026	100.0	25,046	4.4

(Notes) 1. The sales are classified by domicile of the buyer, and the figures exclude intra-segment transactions.

2. Major countries which belong to segments are as follows:

Other Asia : Thailand, India, South Korea

Europe : Germany, Italy, France

Others : Brazil, Mexico, Canada



4. Overview of Consolidated Financial Results

January 24, 2024

(1) Summary of Consolidated Financial Performance

(Yen in millions)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023	Increase or decrease	For the three months ended December 31, 2022	For the three months ended December 31, 2023	Increase or decrease
Net Sales	1,699,747	1,754,688	3.2 %	568,980	594,026	4.4 %
Operating profit	124,404 7.3 %	169,321 9.6 %	36.1 %	28,036 4.9 %	53,562 9.0 %	91.0 %
Profit before income taxes	141,944 8.4 %	193,744 11.0 %	36.5 %	23,569 4.1 %	48,408 8.1 %	105.4 %
Profit attributable to owners of the parent	104,077 6.1 %	145,908 8.3 %	40.2 %	17,428 3.1 %	39,844 6.7 %	128.6 %
Earnings per share attributable to owners of the parent - basic (Yen)	180.72	253.93		30.32	69.34	
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 December 31, 2022	As of December 31, 2023	As of March 31, 2023
Total assets	2,876,302	3,107,768	2,872,694
Total equity attributable to owners of the parent	1,388,101	1,553,192	1,354,410
Ratio of total equity attributable to owners of the parent to total asset	48.3%	50.0%	47.1%
	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023	For the year ended March 31, 2023
Net cash provided by operating activities	94,195	204,280	143,485
Net cash used in investing activities	(108,862)	(128,893)	(164,943)
Net cash used in financing activities	(15,650)	(77,505)	(19,238)
Cash and cash equivalents at end of period	182,454	200,358	186,098

(3) Dividends

(Yen)

	3rd quarter end	Fiscal year end	Total
Year ended March 31, 2023	35.00	35.00	70.00
Year ending March 31, 2024	35.00	-	-
Year ending March 31, 2024 (forecast)	-	40.00	75.00

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

Number of consolidated subsidiaries	348
Number of associates accounted for using the equity method	4

	Change from March 31, 2023	Change from December 31, 2022
Number of companies newly consolidated	16	28
Number of companies excluded from consolidation	11	15
Number of companies newly accounted for using the equity method	1	1
Number of companies excluded from using the equity method	1	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 revised the provisional accounting treatment for the business combination in the nine months ended December 31, 2023.

Consolidated financial statements for the year ended March 31, 2023 reflect the revision of the initially allocated amounts of acquisition cost as NIDEC revised the provisional accounting treatment for the business combination.