



Nidec Corporation
Tokyo Stock Exchange code: 6594

Contact:
Teruaki Urago
General Manager
Investor Relations
+81-75-935-6140
ir@nidec.com

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Notice regarding completion of interim review by a certified public accountant or an auditing firm on financial statements and notes of Financial Statements Summary for the Three Months Ended June 30, 2024 [IFRS] (Consolidated)

We disclosed Financial Statements Summary for the Three Months Ended June 30, 2024 [IFRS] (Consolidated) on July 23, 2024. We are pleased to announce that an interim review by a certified public accountant or an auditing firm on the condensed quarterly consolidated financial statements and notes has been completed.

There are no changes to the condensed quarterly consolidated financial statements and notes announced on July 23, 2024.

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NIDEC CORPORATION

CORPORATE OFFICE: 338 KUZETONOSHIRO-CHO, MINAMI-KU, KYOTO 601-8205 JAPAN

PHONE: KYOTO +81-75-935-6140 FAX: +81-75-935-6141

URL: <https://www.nidec.com/en/>



Financial Statements Summary for the Three Months Ended June 30, 2024 [IFRS](Consolidated)

August 9, 2024

Company name:	NIDEC CORPORATION	URL https://www.nidec.com/en/
Stock listing:	Tokyo Stock Exchange - Prime Market	
Code number:	6594	
Representative:	Mitsuya Kishida, Representative Director and President	
Information on contact:	Teruaki Urago, General Manager of the Investor Relations	
	Department Tel: +81-75-935-6140 Mail address: ir@nidec.com	
Scheduled date of dividend payable:	-	
Supplemental materials for financial results:	Yes	
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 Three Months Ended June 30, 2024 (April 1, 2024 to June 30, 2024)

(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 three months ended June 30, 2024	648,166	14.8	60,259	0.1	78,603	(8.7)	56,044	(12.5)	163,076	(12.8)
For the three months ended June 30, 2023	564,362	6.4	60,176	55.5	86,105	68.8	64,066	75.0	187,008	0.8
	Earnings per share attributable to owners of the parent-basic (Yen)				Earnings per share attributable to owners of the parent-diluted (Yen)					
For the three months ended June 30, 2024	97.54				-					
For the three months ended June 30, 2023	111.50				-					

(Notes) 1. "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. Each of the shares of the Company's common stock held by shareholders included or recorded in the final register of shareholders as of the record date of September 30, 2024 will be split into two shares (Effective date is October 1, 2024). The above "Earnings per share attributable to owners of the parent-basic" and "Earnings per share attributable to owners of the parent-diluted" for the three months ended June 30, 2024 and the three months ended June 30, 2023 do not consider the stock split.

(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 June 30, 2024	3,459,286	1,802,746	1,772,069	51.2%
As of March 31, 2024	3,160,417	1,658,929	1,631,927	51.6%

2. Dividends

	Dividends per share (Yen)				
	1 st quarter end	2 nd quarter end	3 rd quarter end	Fiscal year end	Total
Year ended March 31, 2024	-	35.00	-	40.00	75.00
Year ending March 31, 2025	-	-	-	-	-
Year ending March 31, 2025 (Forecast)	-	40.00	-	20.00	-

(Notes) 1. Revision of previously announced dividend forecast during this reporting period: None.

2. Each of the shares of the Company's common stock held by shareholders included or recorded in the final register of shareholders as of the record date of September 30, 2024 will be split into two shares (Effective date is October 1, 2024). The total amount of annual dividends for Year ending March 31, 2025 (Forecast) is not shown because a simple sum cannot be calculated due to the stock split. The forecast annual dividends per share before the stock split are 40 yen at the end of the fiscal year and 80 yen in total.
3. There are no revisions to dividend forecast from Financial Statements Summary for the Three Months Ended June 30, 2024 [IFRS](Consolidated) announced on July 23, 2024.

3. Forecast of Consolidated Financial Performance for the Year ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(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	1,300,000	12.3	115,000	(0.3)	130,000	(10.3)	97,000	(8.2)	168.81
Fiscal year end	2,500,000	6.5	240,000	47.6	250,000	23.5	185,000	48.1	321.96

(Notes) 1. Revision of the previously announced forecast of consolidated financial performance during this reporting period: None.

2. Each of the shares of the Company's common stock held by shareholders included or recorded in the final register of shareholders as of the record date of September 30, 2024 will be split into two shares (Effective date is October 1, 2024). The "Earnings per share attributable to owners of the parent-basic" in the consolidated performance forecast does not consider the stock split. Assuming that the stock split was conducted at the beginning of the fiscal 2023, the earnings per share attributable to owners of the parent for the fiscal 2024 first-half forecast is ¥84.41 and the fiscal 2024 is ¥160.98.

3. There are no revisions to forecast of consolidated financial performance from Financial Statements Summary for the Three Months Ended June 30, 2024 [IFRS](Consolidated) announced on July 23, 2024.

Notes

(1) Changes in Significant Subsidiaries during This Period (changes in "specified subsidiaries" (*tokutei kogaisha*) resulting in the change in scope of consolidation) :Yes(Newly consolidated) 1 company
Nidec PSA emotors

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

1. Changes in accounting policies required by IFRS : None
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 June 30, 2024: 596,284,468 As of March 31, 2024: 596,284,468

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

As of June 30, 2024: 21,685,324 As of March 31, 2024: 21,685,820

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

For the three months ended June 30, 2024: 574,599,388 For the three months ended June 30, 2023: 574,601,046

*Review by a certified public accountant or an auditing firm of the attached condensed quarterly consolidated financial statements and notes :Yes(mandatory)

*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 13.

(Reason for which review by a certified public accountant or auditing firm is mandatory)

Pursuant to Article 24-4-4, Paragraph 1 of the Financial Instruments and Exchange Act, as described in the internal control report for the fiscal year ended March 2024, which was submitted to the Kanto Local Finance Bureau on June 19, 2024, there were material weakness in our internal controls over financial reporting that should be disclosed. Therefore, in accordance with Article 404, paragraph 3 of the Securities Listing Regulations and Article 405, paragraph 2 of the Enforcement Regulations for the Securities Listing Regulations, review by a certified public accountant or an auditing firm of the attached condensed quarterly consolidated financial statements and notes listed in the "Attachments" of the quarterly financial statement is mandatory.

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 three months ended June 30, 2024. Consolidated financial statements for the year ended March 31, 2024 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 three months ended June 30, 2024 were disclosed on our corporate website on July 23, 2024.

1. Overview of Operating Results, Etc.

(1) Overview of Operating Results for the Three Months Ended June 30, 2024

1. Overview of Business Environment for the Three Months Ended June 30, 2024

On April 1, 2024, Mitsuya Kishida assumed the position of president, marking the start of a new management system. Under the slogan of “One Nidec,” we are strongly promoting various measures, including the integration of technologies and human resources on a global basis, with the aim of realizing group-wide integrated management, that is, group-wide optimal management that achieves growth while generating synergies among group companies.

About product group, in small precision motors, demand for HDD motors recovered, mainly for near-line applications. In addition, we are accelerating our shift to a highly profitable business portfolio, including the vertical startup of mass production system of water-cooling module in response to demand for water-cooling systems for AI servers, which is expanding rapidly in line with the rush to construct AI data centers. In the automotive business, Nidec swiftly shifted its strategy to put first priority on its profitability in fiscal 2023 to respond to the growth slowdown of the Battery EV market and fierce price competition. Nidec is further straightening cooperation with the joint venture partner, and also focusing on component supply with its technical capabilities and cost competitiveness which were cultivated in the fierce market. We are also focusing on product development in anticipation of global trend toward advanced safety equipment and advanced electrification for autonomous driving, and rising demand for HEVs. For appliance, commercial and industrial products, demand for power generators, which are essential to data centers, is also growing rapidly. We are working to expand production capacity to meet this demand. We also expect significant growth in battery energy storage systems (BESS) as demand related to green innovation expands. For machinery products, business is in the final stage of a downturn in the business cycle. We are working to strengthen our business promotion system by integrating and unifying the management and production systems of each group company so that we can respond quickly to the timing of a shift to a recovery phase.

As a result of the group's concerted efforts to strengthen Three News Activity (exploring new markets, developing new products, and acquiring new customers) under the new management system, we renewed the highest record in net sales and operating profit in the quarterly consolidated accounting period.

Under these circumstances, by clarifying our “medium- to long-term direction,” we aim to become a global “first class company” that will continue to grow for more than 100 years. As a “Second Foundation,” we will enhance our corporate value through growth accompanied by “quality,” while inheriting our unique strengths.

2. Consolidated Operating Results

Consolidated Operating Results for the Three Months Ended June 30, 2024 (“this three-month period”), Compared to the Three Months Ended June 30, 2023 (“the same period of the previous year”)

(Yen in millions)

	For the three months ended June 30,		Increase or decrease	Ratio of change
	2023	2024		
Net sales	564,362	648,166	83,804	14.8%
Operating profit	60,176	60,259	83	0.1%
Operating profit ratio	10.7%	9.3%	-	-
Profit before income taxes	86,105	78,603	(7,502)	(8.7)%
Profit for the period from continuing operations	64,413	54,550	(9,863)	(15.3)%
Profit (Loss) for the period from discontinued operations	8	(113)	(121)	-
Profit attributable to owners of the parent	64,066	56,044	(8,022)	(12.5)%

Consolidated net sales from continuing operations increased 14.8% to ¥648,166 million for this three-month period compared to the same period of the previous year, and we renewed highest record of the quarterly consolidated accounting periods. Although demand varied in each business area and market, sales of spindle motors for HDDs in small precision motors has recovered, mainly for near-line applications, and net sales increased in new fields such as water-cooling modules for rapidly growing AI data centers. In addition, net sales expanded due to the consolidation of Nidec PSA emotors, the joint venture between NIDEC and Stellantis, in automotive products.

Operating profit increased 0.1% to ¥60,259 million for this three-month period compared to the same period of the previous year, and we renewed the highest record of the quarterly consolidated accounting periods due to shift to a highly profitable business portfolio in small precision motors and the gain on step acquisition regarding the consolidation of Nidec PSA emotors. On the other hand, in Appliance, commercial and industrial products and Machinery, costs were incurred in advance because NIDEC promoted rationalization of dispersed production bases and integrated production systems to further improve profitability.

Profit before income taxes decreased 8.7% to ¥78,603 million, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥15,000 million, profit for the period from continuing operations decreased 15.3% to ¥54,550 million, and profit attributable to owners of the parent decreased 12.5% to ¥56,044 million compared to the same period of the previous year.

The average exchange rate between the Japanese yen and the U.S. dollar for this three-month period was ¥155.88 to the U.S. dollar, which reflected an approximately 14% 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 three-month period was ¥167.88 to the Euro, which reflected an approximately 12% 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 three-month period is as follows.

- Net sales : Positive effect by approximately ¥59,500 million compared to the same period of the previous year.
- Operating profit : Positive effect by approximately ¥6,500 million compared to the same period of the previous year.

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

Small precision motors

(Yen in millions)

	For the three months ended June 30,		Increase or decrease	Ratio of change
	2023	2024		
Net sales to external customers	94,670	118,513	23,843	25.2%
Spindle motors for hard disk drives (HDDs)	10,641	23,485	12,844	120.7%
Other small precision motors	84,029	95,028	10,999	13.1%
Operating profit	5,919	13,101	7,182	121.3%
Operating profit ratio	6.3%	11.1%	-	-

Net sales of this category increased 25.2% to ¥118,513 million for this three-month period compared to the same period of the previous year.

Net sales of spindle motors for HDDs increased 120.7% to ¥23,485 million for this three-month period compared to the same period of the previous year, mainly due to higher sales of the high-value-added products mainly for near-line HDDs. Net sales of other small precision motors increased 13.1% to ¥95,028 million to the same period of the previous year. This was mainly due to the mass production of water-cooling modules through the vertical startup in response to the rapid expansion of demand for water-cooling systems for AI servers.

Operating profit of this category increased 121.3% to ¥13,101 million for this three-month period compared to the same period of the previous year due to the impact of increased sales as well as an improved product composition of high gross profit margin products, including spindle motors for HDDs for near-line applications and water-cooling modules for AI data centers.

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

- Net sales : Positive effect by approximately ¥9,500 million compared to the same period of the previous year.
- Operating profit : Positive effect by approximately ¥600 million compared to the same period of the previous year.

Automotive products

(Yen in millions)

	For the three months ended June 30,		Increase or decrease	Ratio of change
	2023	2024		
Net sales to external customers	137,600	165,639	28,039	20.4%
Operating profit	11,028	13,993	2,965	26.9%
Operating profit ratio	8.0%	8.4%	-	-

Net sales of this category increased 20.4% to ¥165,639 million for this three-month period compared to the same period of the previous year, including the influence on the consolidation of Nidec PSA emotors. In the automotive organic business (existing business), Nidec captured demand for motors for electric brake boosters and other products in response to the global trend toward advanced safety devices and advanced electrification for autonomous driving. In the Battery EV related business, Nidec swiftly shifted its strategy to put first priority on its profitability to respond to the growth slowdown of the Battery EV market and fierce price competition. Nidec is further strengthening cooperation with the joint venture partner, and also focusing on component supply with its technical capabilities and cost competitiveness which were cultivated in the fierce market.

Operating profit of this category increased 26.9 % to ¥13,993 million for this three-month period compared to the same period of the previous year, due to implementing strict restrictions on orders for unprofitable models, reduced costs, and significant reduction in fixed costs as part of a strategic shift in the Battery EV related business, the recording of losses resulting from the consolidation of Nidec PSA emotors, which is in the process of building a mass production system, and the recording of the gain on step acquisition.

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

- Net sales : Positive effect by approximately ¥14,100 million compared to the same period of the previous year.
- Operating profit : Positive effect by approximately ¥1,100 million compared to the same period of the previous year.

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

	For the three months ended June 30,		Increase or decrease	Ratio of change
	2023	2024		
Net sales to external customers	238,879	265,626	26,747	11.2%
Operating profit	30,905	26,550	(4,355)	(14.1)%
Operating profit ratio	12.9%	10.0%	-	-

Net sales of this category increased 11.2% to ¥265,626 million for this three-month period compared to the same period of previous year. A demand for power generators, which are essential to data centers, is sharply expanding as the AI data center construction increases. We are actively working to enhance production capacity to meet this demand while focusing significantly on expanding sales of battery energy storage systems (BESS) which are accelerated by expansion of green innovation related demand.

Operating profit of this category decreased 14.1% to ¥26,550 million for this three-month period compared to the same period of the previous year due to a temporary cost increase related to promoting rationalization of dispersed bases mainly in Europe with the aim of further improvement of profitability.

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

- Net sales : Positive effect by approximately ¥31,000 million compared to the same period of the previous year.
- Operating profit : Positive effect by approximately ¥4,300 million compared to the same period of the previous year.

Machinery*(Yen in millions)*

	For the three months ended June 30,		Increase or decrease	Ratio of change
	2023	2024		
Net sales to external customers	70,167	75,489	5,322	7.6%
Operating profit	11,176	8,065	(3,111)	(27.8)%
Operating profit ratio	15.9%	10.7%	-	-

Net sales of this category increased 7.6% to ¥75,489 million for this three-month period compared to the same period of the previous year, mainly due to the impact of the new consolidation and higher sales of LCD panel handling robots.

Operating profit of this category decreased 27.8% to ¥8,065 million for this three-month period compared to the same period of the previous year. This is because Nidec had lower sales of highly profitable semiconductor inspection systems due to the economic cycle, a temporary production capacity decline caused by the consolidation of production systems in the machine tool related business, and cost increase.

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

- Net sales : Positive effect by approximately ¥3,800 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 three months ended June 30,		Increase or decrease	Ratio of change
	2023	2024		
Net sales to external customers	21,858	21,997	139	0.6%
Operating profit	4,213	2,877	(1,336)	(31.7)%
Operating profit ratio	19.3%	13.1%	-	-

Net sales of this category increased 0.6% to ¥21,997 million and operating profit of this category decreased 31.7% to ¥2,877 million for this three-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 three-month period is as follows.

- Net sales : Positive effect by approximately ¥1,000 million compared to the same period of the previous year.
- Operating profit : Positive effect by approximately ¥100 million compared to the same period of the previous year.

Other products

(Yen in millions)

	For the three months ended June 30,		Increase or decrease	Ratio of change
	2023	2024		
Net sales to external customers	1,188	902	(286)	(24.1)%
Operating profit	166	72	(94)	(56.6)%
Operating profit ratio	14.0%	8.0%	-	-

Net sales of this category decreased 24.1% to ¥902 million and operating profit of this category decreased 56.6% to ¥72 million for this three-month period compared to the same period of the previous year.

**Consolidated Operating Results for the Three Months Ended June 30, 2024 (“1Q”),
Compared to the Previous Three Months Ended March 31, 2024 (“4Q”)**

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	March 31, 2024	June 30, 2024		
Net sales	602,086	648,166	46,080	7.7%
Operating profit (loss)	(5,224)	60,259	65,483	-
Operating profit ratio	(0.9)%	9.3%	-	-
Profit before income taxes	10,166	78,603	68,437	673.2%
Profit (Loss) for the period from continuing operations	(19,927)	54,550	74,477	-
Loss for the period from discontinued operations	(23)	(113)	(90)	-
Profit (Loss) attributable to owners of the parent	(19,790)	56,044	75,834	-

Consolidated net sales from continuing operations increased 7.7% to ¥648,166 million for 1Q compared to 4Q, and we renewed the highest record of the quarterly consolidated accounting periods, due to an increase in demand in new fields, including the rapidly growing water-cooling modules for AI data centers, and the consolidation of Nidec PSA emotors.

Operating profit increased ¥65,483 million to ¥60,259 million for 1Q compared to 4Q, and we renewed the highest record of the quarterly consolidated accounting periods, due to the reversal effect of approximately ¥59,800 million recorded in restructuring costs to strengthen profitability in EV traction motor operations in 4Q, shift to a highly profitable business portfolio in small precision motors and the gain on step acquisition regarding the consolidation of Nidec PSA emotors.

Profit before income taxes increased 673.2% to ¥78,603 million for 1Q compared to 4Q, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥15,000 million, profit for the period from continuing operations increased ¥74,477 million to ¥54,550 million for 1Q compared to 4Q, and profit attributable to owners of the parent increased ¥75,834 million to ¥56,044 million for 1Q compared to 4Q.

The average exchange rate between the Japanese yen and the U.S. dollar for 1Q was ¥155.88 to the U.S. dollar, which reflected an approximately 8% depreciation of the Japanese yen against the U.S. dollar, compared to 4Q. The average exchange rate between the Japanese yen and the Euro for 1Q was ¥167.88 to the Euro, which reflected an approximately 7% depreciation of the Japanese yen against the Euro, compared to 4Q.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating loss for this three-month period (1Q) is as follows.

- Net sales : Positive effect by approximately ¥35,600 million compared to 4Q.
- Operating profit : Positive effect by approximately ¥2,700 million compared to 4Q.

NIDEC revised the provisional accounting treatment for the business combination in the three months ended June 30, 2024. Condensed quarterly consolidated financial statements for the three months ended March 31, 2024 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 1Q Compared to 4Q

Small precision motors

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	March 31, 2024	June 30, 2024		
Net sales to external customers	105,118	118,513	13,395	12.7%
Spindle motors for hard disk drives (HDDs)	22,512	23,485	973	4.3%
Other small precision motors	82,606	95,028	12,422	15.0%
Operating profit	8,427	13,101	4,674	55.5%
Operating profit ratio	8.0%	11.1%	-	-

Net sales of this category increased 12.7% to ¥118,513 million for 1Q compared to 4Q.

Net sales of spindle motors for HDDs increased 4.3% to ¥23,485 million for 1Q compared to 4Q, mainly due to higher sales of the high-value-added products for near-line HDDs. Net sales of other small motors increased 15.0% to ¥95,028 million for 1Q compared to 4Q, including a positive effect of the mass production of water-cooling modules through the vertical startup in response to the rapid expansion of demand for water-cooling systems for AI servers.

Operating profit of this category increased 55.5% to ¥13,101 million for 1Q compared to 4Q, including a positive effect of sales promotions of existing products, making significant progress in transforming our portfolio into a highly profitable one, including water-cooling modules for AI data centers.

Effect of the fluctuations of the foreign currency exchange rates to net sales for this three-month period (1Q) is as follows.

- Net sales : Positive effect by approximately ¥5,800 million compared to 4Q.

Automotive products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	March 31, 2024	June 30, 2024		
Net sales to external customers	146,743	165,639	18,896	12.9%
Operating profit (loss)	(53,659)	13,993	67,652	-
Operating profit ratio	(36.6)%	8.4%	-	-

Net sales of this category increased 12.9% to ¥165,639 million for 1Q compared to 4Q, including the influence on the consolidation of Nidec PSA emotors. In the automotive organic business (existing business), NIDEC captured demand for motors for electric brake boosters and other products in response to the global trend toward advanced safety devices and advanced electrification for autonomous driving. In the Battery EV related business, Nidec swiftly shifted its strategy to put first priority on its profitability to respond to the growth slowdown of the Battery EV market and fierce price competition. NIDEC is further strengthening cooperation with the joint venture partner, and also focusing on component supply with its technical capabilities and cost competitiveness which were cultivated in the fierce market.

Operating profit of this category increased ¥67,652 million to ¥13,993 million for 1Q compared to 4Q, due to the reversal effect of approximately ¥59,800 million recorded in restructuring costs to shift the strategy in the Battery EV related business in 4Q, the recording of losses resulting from the consolidation of Nidec PSA emotors, which is in the process of building a mass production system, and the recording of the gain on step acquisition.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (1Q) is as follows.

- Net sales : Positive effect by approximately ¥8,600 million compared to 4Q.

- Operating profit : Negative effect by approximately ¥100 million compared to 4Q.

Appliance, commercial and industrial products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	March 31, 2024	June 30, 2024		
Net sales to external customers	248,891	265,626	16,735	6.7%
Operating profit	28,892	26,550	(2,342)	(8.1)%
Operating profit ratio	11.6%	10.0%	-	-

Net sales of this category increased 6.7% to ¥265,626 million for 1Q compared 4Q. A demand for power generators, which are essential to data centers, is sharply expanding as the AI data center construction increases. We are actively working to enhance production capacity to meet this demand while focusing significantly on expanding sales of battery energy storage systems (BESS) which are accelerated by expansion of green innovation related demand.

Operating profit of this category decreased 8.1% to ¥26,550 million for 1Q compared 4Q due to a temporary cost increase related to promoting rationalization of dispersed bases mainly in Europe with the aim of further improvement of profitability.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (1Q) is as follows.

- Net sales : Positive effect by approximately ¥18,400 million compared to 4Q.
- Operating profit : Positive effect by approximately ¥2,500 million compared to 4Q.

Machinery

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	March 31, 2024	June 30, 2024		
Net sales to external customers	81,362	75,489	(5,873)	(7.2)%
Operating profit	12,821	8,065	(4,756)	(37.1)%
Operating profit ratio	15.8%	10.7%	-	-

Net sales of this category decreased 7.2% to ¥75,489 million for 1Q compared to 4Q, due to lower sales of machine tools and LCD panel handling robots due to the downturn in the business cycle.

Operating profit of this category decreased 37.1% to ¥8,065 million for 1Q compared to 4Q, due to a temporary production capacity decrease and cost increase resulting from the relocation and consolidation of production facilities and personnel, while it recorded a gain on sales of plant sites and other fixed assets because the restructuring of the production system for machine tools has started from the 4Q of the previous fiscal year.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (1Q) is as follows.

- Net sales : Positive effect by approximately ¥2,200 million compared to 4Q.
- Operating profit : Positive effect by approximately ¥300 million compared to 4Q.

Electronic and optical components*(Yen in millions)*

	For the three months ended		Increase or decrease	Ratio of change
	March 31, 2024	June 30, 2024		
Net sales to external customers	19,085	21,997	2,912	15.3%
Operating profit	2,188	2,877	689	31.5%
Operating profit ratio	11.5%	13.1%	-	-

Net sales of this category increased 15.3% to ¥21,997 million for 1Q compared to 4Q.

Operating profit of this category increased 31.5% to ¥2,877 million for 1Q compared to 4Q.

Effect of the fluctuations of the foreign currency exchange rates to net sales for this three-month period (1Q) is as follows.

- Net sales : Positive effect by approximately ¥600 million compared to 4Q.

Other products*(Yen in millions)*

	For the three months ended		Increase or decrease	Ratio of change
	March 31, 2024	June 30, 2024		
Net sales to external customers	887	902	15	1.7%
Operating profit	74	72	(2)	(2.7)%
Operating profit ratio	8.3%	8.0%	-	-

Net sales of this category increased 1.7% to ¥902 million for 1Q compared to 4Q and operating profit of this category decreased 2.7% to ¥72 million for 1Q compared to 4Q.

(2) Financial Position

(Yen in millions)

	As of March 31, 2024	As of June 30, 2024	Increase or decrease
Total assets	3,160,417	3,459,286	298,869
Total liabilities	1,501,488	1,656,540	155,052
Total equity attributable to owners of the parent	1,631,927	1,772,069	140,142
Interest-bearing debt *1	600,899	679,267	78,368
Net interest-bearing debt *2	383,894	412,994	29,100
Debt ratio (%) *3	19.0	19.6	0.6
Debt to equity ratio (“D/E ratio”) (times) *4	0.37	0.38	0.01
Net D/E ratio (times) *5	0.24	0.23	(0.01)
Ratio of total equity attributable to owners of the parent to total assets (%) *6	51.6	51.2	(0.4)

(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 ¥298,869 million to ¥3,459,286 million as of June 30, 2024 compared to March 31, 2024. This was mainly due to an effect of the fluctuations of the foreign currency exchange rates. Property, plant and equipment increased ¥89,414 million, trade and other receivables increased ¥50,359 million, and cash and cash equivalents increased ¥49,268 million.

Total liabilities increased ¥155,052 million to ¥1,656,540 million as of June 30, 2024 compared to March 31, 2024. This was mainly due to increases of ¥120,992 million in long term debt and increases of ¥62,283 million in trade and other payables. On the other hand, short term borrowings decreased ¥42,018 million to ¥936 million.

As a result, interest-bearing debt increased to ¥679,267 million as of June 30, 2024 from ¥600,899 million as of March 31, 2024. Net interest-bearing debt increased to ¥412,994 million as of June 30, 2024 from ¥383,894 million as of March 31, 2024. The debt ratio that includes lease liabilities increased to 19.6% as of June 30, 2024 from 19.0% as of March 31, 2024. The D/E ratio increased to 0.38 times as of June 30, 2024 from 0.37 times as of March 31, 2024. The net D/E ratio decreased 0.23 times as of June 30, 2024 from 0.24 times as of March 31, 2024.

Total equity attributable to owners of the parent increased ¥140,142 million to ¥1,772,069 million as of June 30, 2024 compared to March 31, 2024. This was resulted from increases of ¥107,129 million in other components of equity mainly due to increases of foreign currency translation adjustments. Ratio of total equity attributable to owners of the parent to total assets decreased to 51.2% as of June 30, 2024 from 51.6% as of March 31, 2024.

NIDEC revised the provisional accounting treatment for the business combination in in the three months ended June 30, 2024. Consolidated financial statements for the year ended March 31, 2024 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 three months ended June 30,		Increase or decrease
	2023	2024	
Net cash provided by operating activities	81,515	54,227	(27,288)
Net cash used in investing activities	(32,397)	(35,713)	(3,316)
Free cash flow *1	49,118	18,514	(30,604)
Net cash used in financing activities	(52,236)	(9,524)	42,712

(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 three months ended June 30, 2024 came to a net cash inflow of ¥54,227 million for this period, a decrease of ¥27,288 million compared to the same period of the previous fiscal year. This is due to profit for the period from continuing operations decreased by ¥9,863 million to ¥54,550 million, despite the promoted efficiency of working capital by reducing inventories and strengthening activities to collect trade receivables.

Net cash used in investing activities amounted to ¥35,713 million mainly due to additions to property, plant and equipment of ¥30,482 million and other factors. Net cash used in investing activities increased by ¥3,316 million year on year.

As a result, we had a positive free cash flow of ¥18,514 million for the three months ended June 30, 2024, a decrease of ¥30,604 million compared to the same period of the previous year.

Net cash used in financing activities for the three months ended June 30, 2024 came to a net cash out flow of ¥9,524 million for this period, a decrease of ¥42,712 million compared to the same period of the previous fiscal year. This is due to repayment for interest-bearing debt of ¥48,392 million, mainly for short term borrowings, and the payments of dividends to the owners of the parent of ¥22,984 million, despite the financing of ¥64,225 million by long term-debt.

Cash and cash equivalents at beginning of period of newly consolidated subsidiaries includes ¥8,973 million of Nidec PSA emotors, which became a consolidated subsidiary from an equity-method affiliate on April 1, 2024.

As a result of the aforementioned factors and the impact of foreign exchange rates, the balance of cash and cash equivalents as of June 30, 2024 increased by ¥40,295 million to ¥266,273 million from March 31, 2024.

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

The IMF expects global economic growth to be 3.2% in 2024 and 2025, roughly flat with 2023. In this circumstance, NIDEC launched a new management system on April 1, 2024. Under the slogan of “One Nidec,” we are strongly promoting various measures, including the integration of technologies and human resources on a global basis with the aim of realizing group-wide integrated management, that is, group-wide optimal management that enables growth while generating synergies among the group companies.

About product group, in small precision motors, demand for HDD motors is on a recovery trend, mainly for near-line applications. Demand for water-cooling modules for AI servers is also expanding rapidly in line with the rush to construct AI data centers. We are accelerating our shift to a highly profitable business portfolio by pursuing the potential to grow into a major pillar in both net sales and profits. For automotive products, in the BEV market, we were quick to detect a slowdown in expansion and intensifying price competition, and in the last fiscal year we took the lead in changing our strategy to prioritize profitability. We further strengthened our cooperation with our joint venture partners to minimize risks, and we are focusing on promoting the supply of components that take advantage of the technology and cost competitiveness that we have built up in the challenging market. In addition, we are steadily winning orders and increasing sales through product development in anticipation of global trend toward advanced safety equipment and advanced electrification for autonomous driving, and rising demand for HEVs. For appliance, commercial and industrial products, demand for power generators, which are essential to data centers, is also growing rapidly. In addition, strong infrastructure-related replacement demand is expected to continue over the long term. We will take advantage of these business opportunities to significantly expand sales and profits. For machinery products, business is in the final stage of a downturn in the business cycle. We are working to strengthen our business promotion system by integrating and unifying the management and production systems of each group company so that we can respond quickly to the timing of a shift to a recovery phase.

As a result of these efforts, the consolidated financial results for the three months ended June 30, 2024 exceeded the assumptions in the forecasts previously announced on April 23, 2024. Accordingly, we have revised our forecast of consolidated financial performance for fiscal year end and 2nd quarter end under review as follows.

The forecasts for the year ending March 31, 2025 described below are prepared based on an assumption that exchange rates are US\$1 = ¥145 and €1 = ¥155.

Forecast of Consolidated Financial Performance for the Year Ending March 31, 2025

Net sales	¥2,500,000 million	(106.5% compared to the previous fiscal year)
Operating profit	¥240,000 million	(147.6% compared to the previous fiscal year)
Profit before income taxes	¥250,000 million	(123.5% compared to the previous fiscal year)
Profit attributable to owners of the parent	¥185,000 million	(148.1% compared to the previous fiscal year)

Forecast of Consolidated Financial Performance for the Six Months Ending September 30, 2024

Net sales	¥1,300,000 million	(112.3% compared to the same period of the previous fiscal year)
Operating profit	¥115,000 million	(99.7% compared to the same period of the previous fiscal year)
Profit before income taxes	¥130,000 million	(89.7% compared to the same period of the previous fiscal year)
Profit attributable to owners of the parent	¥97,000 million	(91.8% compared to the same period of 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 = ¥145 and €1 = ¥155.

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.

2. Condensed Quarterly Consolidated Financial Statements and Other Information

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Yen in millions)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and cash equivalents	217,005	266,273
Trade and other receivables	672,655	723,014
Other financial assets	3,762	1,987
Income tax receivables	12,457	11,242
Inventories	560,365	606,177
Other current assets	72,439	92,545
Total current assets	1,538,683	1,701,238
Non-current assets		
Property, plant and equipment	877,284	966,698
Goodwill	394,540	424,454
Intangible assets	250,307	281,239
Investments accounted for using the equity method	8,352	1,578
Other investments	36,448	36,126
Other financial assets	18,649	8,640
Deferred tax assets	16,255	18,777
Other non-current assets	19,899	20,536
Total non-current assets	1,621,734	1,758,048
Total assets	3,160,417	3,459,286

(Yen in millions)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Short term borrowings	42,954	936
Long term debt due within one year	143,128	142,522
Trade and other payables	527,952	590,235
Other financial liabilities	14,001	4,585
Income tax payables	44,343	37,115
Provisions	63,457	63,163
Other current liabilities	120,667	142,998
Total current liabilities	956,502	981,554
Non-current liabilities		
Long term debt	414,817	535,809
Other financial liabilities	5,115	6,077
Retirement benefit liabilities	34,344	36,052
Provisions	2,062	2,121
Deferred tax liabilities	78,239	83,749
Other non-current liabilities	10,409	11,178
Total non-current liabilities	544,986	674,986
Total liabilities	1,501,488	1,656,540
Equity		
Common stock	87,784	87,784
Additional paid-in capital	98,099	97,489
Retained earnings	1,213,116	1,246,734
Other components of equity	400,873	508,002
Treasury stock	(167,945)	(167,940)
Total equity attributable to owners of the parent	1,631,927	1,772,069
Non-controlling interests	27,002	30,677
Total equity	1,658,929	1,802,746
Total liabilities and equity	3,160,417	3,459,286

**(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 three months ended June 30,	
	2023	2024
Continuing operations		
Net Sales	564,362	648,166
Cost of sales	(438,867)	(517,240)
Gross profit	125,495	130,926
Selling, general and administrative expenses	(46,174)	(52,320)
Research and development expenses	(19,145)	(18,347)
Operating profit	60,176	60,259
Financial income	7,693	9,664
Financial expenses	(4,786)	(5,771)
Derivative gain (loss)	151	(321)
Foreign exchange differences	24,347	14,995
Share of net loss from associate accounting using the equity method	(1,476)	(223)
Profit before income taxes	86,105	78,603
Income tax expenses	(21,692)	(24,053)
Profit for the period from continuing operations	64,413	54,550
Discontinued operations		
Profit (loss) for the period from discontinued operations	8	(113)
Profit for the period	64,421	54,437
Profit for the period attributable to:		
Owners of the parent	64,066	56,044
Non-controlling interests	355	(1,607)
Profit for the period	64,421	54,437

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

	For the three months ended June 30,	
	2023	2024
Profit for the period	64,421	54,437
Other comprehensive income, net of taxation		
Items that will not be reclassified to net profit or loss:		
Remeasurement of defined benefit plans	838	765
Fair value movements on FVTOCI equity financial assets	2,335	(272)
Items that may be reclassified to net profit or loss:		
Foreign currency translation adjustments	118,866	110,640
Effective portion of net changes in fair value of cash flow hedges	549	(2,488)
Fair value movements on FVTOCI debt financial assets	(1)	(6)
Total other comprehensive income for the period, net of taxation	122,587	108,639
Comprehensive income for the period	187,008	163,076
Comprehensive income for the period attributable to:		
Owners of the parent	185,915	163,652
Non-controlling interests	1,093	(576)
Comprehensive income for the period	187,008	163,076

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

For the three months ended June 30, 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	1,121,191	206,837	(166,917)	1,346,565	19,189	1,365,754
Comprehensive income								
Profit for the period			64,066			64,066	355	64,421
Other comprehensive income				121,849		121,849	738	122,587
Total comprehensive income						185,915	1,093	187,008
Transactions with owners directly recognized in equity:								
Purchase of treasury stock					(1,015)	(1,015)	-	(1,015)
Dividends paid to the owners of the parent			(20,116)			(20,116)	-	(20,116)
Dividends paid to non-controlling interests						-	(89)	(89)
Share-based payment transactions		(565)				(565)	-	(565)
Transfer to retained earnings			3,203	(3,203)		-	-	-
Other		(23)	5			(18)	166	148
Balance at June 30, 2023	87,784	97,082	1,168,349	325,483	(167,932)	1,510,766	20,359	1,531,125

For the three months ended June 30, 2024

(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, 2024	87,784	98,099	1,213,116	400,873	(167,945)	1,631,927	27,002	1,658,929
Comprehensive income								
Profit for the period			56,044			56,044	(1,607)	54,437
Other comprehensive income				107,608		107,608	1,031	108,639
Total comprehensive income						163,652	(576)	163,076
Transactions with owners directly recognized in equity:								
Purchase of treasury stock					(4)	(4)	-	(4)
Dividends paid to the owners of the parent			(22,984)			(22,984)	-	(22,984)
Dividends paid to non-controlling interests						-	(77)	(77)
Share-based payment transactions		(614)				(614)	-	(614)
Transfer to retained earnings			479	(479)		-	-	-
Increase (decrease) by business combination						-	4,172	4,172
Other		4	79		9	92	156	248
Balance at June 30, 2024	87,784	97,489	1,246,734	508,002	(167,940)	1,772,069	30,677	1,802,746

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

	For the three months ended June 30,	
	2023	2024
Cash flows from operating activities:		
Profit for the period from continuing operations	64,413	54,550
Profit (loss) for the period from discontinued operations	8	(113)
Profit for the period	64,421	54,437
Adjustments to reconcile profit for the period to net cash provided by operating activities		
Depreciation and amortization	30,226	34,939
Loss (gain) from sales, disposal or impairment of property, plant and equipment	(797)	(1,023)
Loss (gain) from discontinued operations	(8)	113
Financial expenses (income)	(3,084)	(4,059)
Share of net loss (profit) from associate accounting using the equity method	1,476	223
Deferred income taxes	5,177	2,849
Current income taxes	16,515	21,203
Foreign currency adjustments	(2,617)	(4,002)
Increase (decrease) in retirement benefit liability	(568)	(145)
Decrease (increase) in accounts receivable	(5,090)	(6,023)
Decrease (increase) in inventories	(10,270)	(15,831)
Increase (decrease) in accounts payable	20,467	28,835
Other, net	(21,301)	(33,308)
Interests and dividends received	7,338	9,882
Interests paid	(4,338)	(5,789)
Income taxes paid	(16,032)	(28,074)
Net cash provided by operating activities	81,515	54,227

(Yen in millions)

	For the three months ended June 30,	
	2023	2024
Cash flows from investing activities:		
Additions to property, plant and equipment	(28,918)	(30,482)
Proceeds from sales of property, plant and equipment	1,950	1,208
Additions to intangible assets	(3,205)	(6,578)
Acquisitions of business, net of cash acquired	(1,346)	-
Other, net	(878)	139
Net cash used in investing activities	(32,397)	(35,713)
Cash flows from financing activities:		
Increase (decrease) in short term borrowings	(27,756)	(42,211)
Proceeds from issuance of long term debt	50,000	64,225
Repayments of long term debt	(3,259)	(6,181)
Redemption of bonds	(50,000)	-
Payments for acquisition of interests in subsidiaries from non-controlling interests	(0)	(2,303)
Purchase of treasury stock	(1,015)	(4)
Dividends paid to the owners of the parent	(20,116)	(22,984)
Other, net	(90)	(66)
Net cash used in financing activities	(52,236)	(9,524)
Effect of exchange rate changes on cash and cash equivalents	21,863	31,305
Net increase (decrease) in cash and cash equivalents	18,745	40,295
Cash and cash equivalents at beginning of period	186,098	217,005
Cash and cash equivalents at beginning of period of newly consolidated subsidiaries	-	8,973
Cash and cash equivalents at end of period	204,843	266,273

(5) Notes to Condensed Quarterly Consolidated Financial Statements

1. Material accounting policies

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, 2024.

Income tax expenses for the three months ended June 30, 2024 are computed using the estimated annual effective tax rate.

2. 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 June 30, 2024 are same as those estimates and judgments for the consolidated financial statements for the year ended March 31, 2024.

3. Segment Information

(Operating segment information)

The operating segments reported below are defined as components of NIDEC about which separate financial information is available that is evaluated regularly by management in deciding how to allocate resources and in assessing performance. Business units and domestic group companies that are currently profit management units of NIDEC are identified as its reportable segments.

NIDEC's operating segments are as follows:

Name	Main products
1. SPMS	Hard disk drives spindle motors and other small precision motors
2. AMEC	Automotive products
3. MOEN	Appliance, commercial and industrial products
4. ACIM	Appliance, commercial and industrial products
5. Nidec Instruments	Machinery, automotive products, electronic components and other small precision motors
6. Nidec Techno Motor	Appliance, commercial and industrial products
7. Nidec Mobility	Automotive products
8. Nidec Machinery and Automation	Machinery, machine tools
9. Nidec Advance Technology	Machinery
10. Others	Automotive products, machinery, electronic components, other small precision motors and others

The following tables show net sales to external customers and other financial information by operating segment:

Net sales to external customers:

(Yen in millions)

	For the three months ended June 30,	
	2023	2024
SPMS	73,739	95,569
AMEC	81,871	91,216
MOEN	111,609	136,536
ACIM	104,746	117,472
Nidec Instruments	35,956	42,593
Nidec Techno Motor	22,479	23,128
Nidec Mobility	32,152	33,450
Nidec Machinery and Automation	46,898	49,940
Nidec Advance Technology	11,357	9,172
Others	43,555	49,090
Consolidated net sales	564,362	648,166

(Note) The above amounts no longer include discontinued operations.

Net sales to other operating segments:

(Yen in millions)

	For the three months ended June 30,	
	2023	2024
SPMS	653	996
AMEC	298	427
MOEN	1,055	967
ACIM	3,170	1,455
Nidec Instruments	1,932	2,058
Nidec Techno Motor	3,225	2,235
Nidec Mobility	516	1,015
Nidec Machinery and Automation	231	1,687
Nidec Advance Technology	2	247
Others	9,040	8,397
Total	20,122	19,484
Intersegment elimination	(20,122)	(19,484)
Consolidated net sales	-	-

(Note) The above amounts no longer include discontinued operations.

Segment profit/loss:*(Yen in millions)*

	For the three months ended June 30,	
	2023	2024
SPMS	2,590	9,223
AMEC	4,229	266
MOEN	15,195	22,492
ACIM	11,755	7,009
Nidec Instruments	4,757	6,186
Nidec Techno Motor	3,995	3,272
Nidec Mobility	3,998	4,434
Nidec Machinery and Automation	5,268	2,861
Nidec Advance Technology	3,430	1,606
Others	8,306	7,246
Total	63,523	64,595
Elimination and Corporate (Note)	(3,347)	(4,336)
Operating profit	60,176	60,259
Financial income (expenses)	2,907	3,893
Derivative gain (loss)	151	(321)
Foreign exchange differences	24,347	14,995
Share of net profit (loss) from associate accounting using the equity method	(1,476)	(223)
Profit before income taxes	86,105	78,603

(Notes) 1. "Elimination and Corporate" includes corporate expenses, which do not belong to any operating segment, of ¥4,371 million and ¥3,896 million for the three months ended June 30, 2024 and 2023, respectively. The corporate expenses include basic research expenses and head office expenses.

2. The above amounts no longer include discontinued operations.

4. Notes on Going Concern Assumption

Not applicable.

5. Business combinations

NIDEC adopts the provisions of IFRS 3 “Business Combinations”.

(1) Purchase price allocation to the assets and the liabilities

During the three months ended June 30, 2024, NIDEC revised its valuation of the assets acquired and the liabilities assumed upon the share acquisition of Automatic Feed Company, Lasercoil Technologies LLC and Automatic Leasing Company. NIDEC’s consolidated financial statements for the year ended March 31, 2024 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, 2024, and the three months ended June 30, 2024, 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 June 30, 2024.

(2) Gain on step acquisitions

NIDEC acquired a controlling interest in Nidec PSA emotors, an equity-method affiliate of NIDEC, and made it a consolidated subsidiary as of April 1, 2024. Correspondingly, NIDEC recognized gain on step acquisitions of ¥10,088 million as a result of remeasuring the shares of the said company held by the end of the previous fiscal year in fair value on the acquisition date. Gain on step acquisitions are included in “selling, general and administrative expenses” in the condensed quarterly consolidated statements of income.

6. Events after the Reporting Period

Stock split and modification to share repurchase program

On July 23, 2024, the Company’s Board of Directors resolved to implement a stock split and to modify the Company’s share of repurchase program resolved on May 24, 2024.

(1) Purposes of the stock split

The purposes of the stock split is to enhance the liquidity of the Company’s common stock and expand its investor base by reducing the trading price per share of the Company’s common stock.

(2) Outline of the stock split

1. Method of the stock split

Each shares of the Company’s common stock held by shareholders included or recorded in the final register of shareholders as of the record date of September 30, 2024 will be split into two shares.

2. Increase in number of shares in connection with the stock split

Total issued shares prior to stock split:	596,284,468 shares
Increase in shares in connection with stock split:	596,284,468 shares
Total issued shares following stock split:	1,192,568,936 shares
Total number of shares authorized to be issued following stock split:	1,920,000,000 shares

3. Schedule for the stock split

Public notice of record date	September 13, 2024
Record date	September 30, 2024
Effective date	October 1, 2024

(3) Effect on per share data

Per share data for the previous and current year calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year is as follows:

	For the three months ended June 30,	
	2023	2024
Earnings per share attributable to owners of the parent- basic		
Earnings per share from continuing operations (Yen)	55.74	48.87
Earnings (loss) per share from discontinued operations (Yen)	0.01	(0.10)

	For the three months ended June 30,	
	2023	2024
Earnings per share attributable to owners of the parent- diluted		
Earnings per share from continuing operations (Yen)	-	-
Earnings per share from discontinued operations (Yen)	-	-

(4) Modification to the Company's share repurchase program

1. The reason for modification

The total number of shares authorized to be repurchased under the Company's share repurchase program shall be modified in connection with the planned stock split on September 30, 2024.

2. The contents of modification

Before modification	After modification
Total number of shares to be repurchased: Up to 5,000,000 shares	Total number of shares to be repurchased: Up to 10,000,000 shares

The contents of the Company's share of repurchase program resolved by the Company's Board of Directors on May 24, 2024.

Class of shares:	Common stock
Total number of shares to be repurchased:	Up to 5,000,000 shares (0.87% of total number of shares issued excluding treasury stock)
Total repurchasable amount:	Up to 35 billion yen
Period of repurchase:	From May 27, 2024 to May 26, 2025

3. Others

(1) Information by Product Category

For the three months ended June 30, 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	94,670	137,600	238,879	70,167	21,858	1,188	564,362	-	564,362
Intersegment	1,552	21	3,394	1,434	1,152	176	7,729	(7,729)	-
Total	96,222	137,621	242,273	71,601	23,010	1,364	572,091	(7,729)	564,362
Operating expenses	90,303	126,593	211,368	60,425	18,797	1,198	508,684	(4,498)	504,186
Operating profit	5,919	11,028	30,905	11,176	4,213	166	63,407	(3,231)	60,176

For the three months ended June 30, 2024

(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	118,513	165,639	265,626	75,489	21,997	902	648,166	-	648,166
Intersegment	1,335	174	2,216	4,148	1,020	143	9,036	(9,036)	-
Total	119,848	165,813	267,842	79,637	23,017	1,045	657,202	(9,036)	648,166
Operating expenses	106,747	151,820	241,292	71,572	20,140	973	592,544	(4,637)	587,907
Operating profit	13,101	13,993	26,550	8,065	2,877	72	64,658	(4,399)	60,259

(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 and services, etc.

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

	For the three months ended June 30,				Increase or decrease	
	2023		2024			
	Amounts	%	Amounts	%	Amounts	%
Japan	89,390	15.8	94,273	14.5	4,883	5.5
China	135,418	24.0	138,328	21.3	2,910	2.1
Other Asia	60,872	10.8	88,822	13.7	27,950	45.9
U.S.A.	132,981	23.6	145,743	22.5	12,762	9.6
Europe	119,132	21.1	150,768	23.3	31,636	26.6
Others	26,569	4.7	30,232	4.7	3,663	13.8
Total	564,362	100.0	648,166	100.0	83,804	14.8

(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, South Korea, India

Europe : Germany, France, Italy

Others : Brazil, Mexico, Canada

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

	For the three months ended June 30,				Increase or decrease	
	2023		2024			
	Amounts	%	Amounts	%	Amounts	%
Japan	65,108	11.5	65,053	10.0	(55)	(0.1)
China	137,199	24.4	141,637	21.9	4,438	3.2
Other Asia	77,346	13.7	105,189	16.2	27,843	36.0
U.S.A.	119,183	21.1	127,141	19.6	7,958	6.7
Europe	108,605	19.2	135,262	20.9	26,657	24.5
Others	56,921	10.1	73,884	11.4	16,963	29.8
Total	564,362	100.0	648,166	100.0	83,804	14.8

(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, South Korea, India

Europe : Germany, France, Italy

Others : Brazil, Mexico, Canada



4. Overview of Consolidated Financial Results

August 9, 2024

(1) Summary of Consolidated Financial Performance

(Yen in millions)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024	Increase or decrease
Net Sales	564,362	648,166	14.8 %
Operating profit	60,176 10.7 %	60,259 9.3 %	0.1 %
Profit before income taxes	86,105 15.3 %	78,603 12.1 %	(8.7) %
Profit attributable to owners of the parent	64,066 11.4 %	56,044 8.6 %	(12.5) %
Earnings per share attributable to owners of the parent - basic (Yen)	111.50	97.54	
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 June 30, 2023	As of June 30, 2024	As of March 31, 2024
Total assets	3,076,404	3,459,286	3,160,417
Total equity attributable to owners of the parent	1,510,766	1,772,069	1,631,927
Ratio of total equity attributable to owners of the parent to total asset	49.1%	51.2%	51.6%
	For the three months ended June 30, 2023	For the three months ended June 30, 2024	For the year ended March 31, 2024
Net cash provided by operating activities	81,515	54,227	320,766
Net cash used in investing activities	(32,397)	(35,713)	(153,553)
Net cash used in financing activities	(52,236)	(9,524)	(181,557)
Cash and cash equivalents at end of period	204,843	266,273	217,005

(3) Dividends

(Yen)

	2nd quarter end	Fiscal year end	Total
Year ended March 31, 2024	35.00	40.00	75.00
Year ending March 31, 2025			
Year ending March 31, 2025 (forecast)	40.00	20.00	-

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

Number of consolidated subsidiaries	343
Number of associates accounted for using the equity method	3

	Change from March 31, 2024	Change from June 30, 2023
Number of companies newly consolidated	2	20
Number of companies excluded from consolidation	3	18
Number of companies newly accounted for using the equity method	0	0
Number of companies excluded from using the equity method	1	2

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

- “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”.
- Each of the shares of the Company’s common stock held by shareholders included or recorded in the final register of shareholders as of the record date of September 30, 2024 will be split into two shares (Effective date is October 1, 2024). The above “Earnings per share attributable to owners of the parent-basic” and “Earnings per share attributable to owners of the parent-diluted” for the three months ended June 30, 2024 and the three months ended June 30, 2023 do not consider the stock split.
- Each of the shares of the Company’s common stock held by shareholders included or recorded in the final register of shareholders as of the record date of September 30, 2024 will be split into two shares (Effective date is October 1, 2024). The total amount of annual dividends for Year ending March 31, 2025 (Forecast) is not shown because a simple sum cannot be calculated due to the stock split. The forecast annual dividends per share before the stock split are 40 yen at the end of the fiscal year and 80 yen in total.
- NIDEC revised the provisional accounting treatment for the business combination in the three months ended June 30, 2024. Consolidated financial statements for the year ended March 31, 2024 reflect the revision of the initially allocated amounts of acquisition cost as NIDEC revised the provisional accounting treatment for the business combination.

TRANSLATION

Following is an English translation of the Independent Auditors' report filed under the Financial Instrument and Exchange Act of Japan. This report is presented merely as supplemental information.

Independent Auditors' Report on Interim Review of the Quarterly Consolidated Financial Statements
(filed under the Financial Instruments and Exchange Act of Japan)

August 8, 2024

To the Board of Directors of
NIDEC CORPORATION:

PricewaterhouseCoopers Japan LLC
Kyoto Office
Designated limited liability and Engagement Partner,
Certified Public Accountant: Tsuyoshi Yamamoto

Designated limited liability and Engagement Partner,
Certified Public Accountant: Tatsuro Iwai

Designated limited liability and Engagement Partner,
Certified Public Accountant: Yuichiro Amano

Designated limited liability and Engagement Partner,
Certified Public Accountant: Kyohei Yamaguchi

Auditor's Conclusion

We conducted an interim review of the condensed quarterly consolidated financial statements of Nidec Corporation (the "Company") for the first quarterly consolidated accounting period (from April 1, 2024 to June 30, 2024) and the first quarterly consolidated cumulative period (from April 1, 2024 to June 30, 2024) of the fiscal year from April 1, 2024 to March 31, 2025 listed in the "Attachments" of the quarterly financial statements summary, namely, the condensed quarterly consolidated statements of financial position, the condensed quarterly consolidated statements of income, the condensed quarterly consolidated statements of comprehensive income, the condensed quarterly consolidated statements of changes in equity, the condensed quarterly consolidated statements of cash flows, and the notes to condensed quarterly consolidated financial statements.

As a result of the interim review conducted by us, there were no findings in all material respects that would have led one to believe that the above-mentioned condensed quarterly consolidated financial statements had not been prepared in accordance with Article 5, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. (However, the omission specified in Article 5, Paragraph 5 of the Standards for Preparation of Quarterly Financial Statements is applied.)

Basis for Conclusion

We conducted our interim review in accordance with generally considered acceptable in Japan. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for Interim Review of the Condensed Quarterly Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that we have obtained interim review evidence to provide a basis for our conclusion.

Responsibilities of the Management and the Audit and Supervisory Committee for the Condensed Quarterly Consolidated Financial Statements

Management is responsible for the preparation of the condensed quarterly consolidated financial statements in accordance with Article 5, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. (However, the omission specified in Article 5, Paragraph 5 of the Standards for Preparation of Quarterly Financial Statements is applied.) This includes the development and operation of internal control as management deems necessary to prepare condensed quarterly consolidated financial statements that are free from material misstatements due to fraudulent acts or error.

In preparing the condensed quarterly consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern in accordance with Article 5, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. (However, the omission specified in Article 5, Paragraph 5 of the Standards for Preparation of Quarterly Financial Statements is applied.)

The Audit and Supervisory Committee is responsible for monitoring the execution of the duties of Directors related to designing and operating the financial reporting process.

Auditor's Responsibilities for Interim Review of the Condensed Quarterly Consolidated Financial Statements

Our objectives are to independently express its conclusion to the condensed quarterly consolidated financial statements in the interim review report based on the interim review performed by us.

As part of an interim review in accordance with standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the interim review. We also:

- Mainly ask questions to management and persons responsible for finance and accounting matters, and conduct analytical procedures and other interim review procedures. The interim review procedure is a more limited procedure than an annual audit of financial statements conducted in accordance with auditing standards generally accepted in Japan.
- Conclude whether nothing has come to our attention that causes us to believe that the condensed quarterly consolidated financial statements do not present fairly in accordance with Article 5, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and based on the evidence obtained, when a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern (However, the omission specified in Article 5, Paragraph 5 of the Standards for Preparation of Quarterly Financial Statements is applied.) The interim review report is also required to draw attention to the condensed quarterly consolidated financial statements notes when material uncertainties regarding the going concern assumption are identified, or to express a qualified opinion or an adverse opinion to the condensed quarterly consolidated financial statements if the condensed quarterly consolidated financial statements notes on material uncertainties are not appropriate. Our conclusions are based on the evidence obtained up to the date of our interim review. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether there are matters that would lead one to believe that the condensed quarterly consolidated financial statements' presentation and notes have not been prepared in accordance with Article 5, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. (However, the omission specified in Article 5, Paragraph 5 of the Standards for Preparation of Quarterly Financial Statements is applied.)
- Obtain evidence regarding the financial information of the Company and its consolidated subsidiaries to form the basis of our conclusion to the condensed quarterly consolidated financial statements. We are responsible for the direction, supervision and inspection of the interim review of the condensed quarterly consolidated financial statements. We remain solely responsible for the conclusion.

We shall report to the Audit and Supervisory Committee on the scope and timing of the planned interim review and the significant findings of the interim review.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, safeguards applied to reduce the disincentive to an acceptable level.

Interest

Our firm and its designated engagement partners do not have any interest in the Company for which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.