

[Translation]

# Quarterly Report

(The First Quarter of 47th Business Term)

From April 1, 2019 to June 30, 2019

NIDEC CORPORATION

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This is an English translation of the Quarterly Report filed with the Director-General of the Kanto Local Finance Bureau via Electronic Disclosure for Investors’ NETwork (“EDINET”) pursuant to the Financial Instruments and Exchange Act of Japan.

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 and the “Company” refers to Nidec Corporation on a non-consolidated basis.

References in this document to the “Financial Instruments and Exchange Act” are to the Financial Instruments and Exchange Act of Japan and other laws and regulations amending and/or supplementing the Financial Instruments and Exchange Act of Japan.

# Part I Information on the Company

## I. Overview of the Company

### 1. Key Financial Data

(Yen in millions, unless otherwise indicated)

	For the three months ended June 30,		For the year ended March 31, 2019
	2018	2019	
Net sales	372,223	360,874	1,475,436
Profit before income taxes	45,888	31,262	131,072
Profit attributable to owners of the parent	37,287	3,476	110,798
Comprehensive income attributable to owners of the parent	49,081	(31,028)	119,274
Total equity attributable to owners of the parent	964,160	949,709	997,628
Total assets	1,845,186	1,864,005	1,875,068
Earnings per share attributable to owners of the parent - basic (yen)	126.06	11.81	375.83
Earnings per share attributable to owners of the parent - diluted (yen)	-	-	-
Ratio of total equity attributable to owners of the parent to total assets (%)	52.3	50.9	53.2
Net cash provided by operating activities	44,740	32,723	170,233
Net cash used in investing activities	(36,640)	(42,660)	(160,844)
Net cash provided by (used in) financing activities	15,409	11,483	(32,683)
Cash and cash equivalents at end of period	289,432	235,024	242,267

(Notes) 1. The financial data above are based on the condensed quarterly consolidated financial statements and consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS).

2. As the Company prepares its condensed quarterly consolidated financial statements, its non-consolidated financial data are not presented.
3. Figures shown in yen in millions are rounded to the nearest million.
4. "Net sales" do not include consumption taxes.
5. "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". "Earnings per share attributable to owners of the parent - diluted" are not presented because there were no securities with dilutive effect.
6. NIDEC finalized the provisional accounting treatment for the business combination in the year ended March 31, 2019. Condensed quarterly consolidated financial statements for the year ended March 31, 2019 reflect the revision of the initially allocated amounts of acquisition price as NIDEC finalized the provisional accounting treatment for the business combination. Details regarding for the three months ended June 30, 2019 are stated in "IV. Condensed Quarterly Consolidated Financial Statements and Other Information, 1. Condensed Quarterly Consolidated Financial Statements, Notes to Condensed Quarterly Consolidated Financial Statements, 7. Business combination and loss of control".
7. From the three months ended June 30, 2019, the business of compressor for refrigerator of Secop has been classified as discontinued operations. As a result, the amounts of net sales and profit before income taxes no longer include discontinued operations, presenting only the amounts for continuing operations. The result for the previous year is also reclassified similarly.

## 2. Description of Business

There were no significant changes in NIDEC's businesses during the three months ended June 30, 2019. A change in principal subsidiaries and associates is as follows:

### Nidec Motor segment

Secop that used to be a consolidated subsidiary was excluded from consolidation due to losing control during the three months ended June 30, 2019.

NIDEC has partially changed its operating segment classification during the three months ended June 30, 2019. This was due to reviews of the report materials by NIDEC's chief operating decision maker. All of Nidec Seimitsu group except Nidec Seimitsu Motor Technology (Dongguan) CO., Ltd. that were previously included in Others segment are currently included in Nidec Copal segment from the three months ended June 30, 2019. Nidec Copal segment after the change is as follows:

Name of segment	Outline of segment	Principal companies
Nidec Copal	The Nidec Copal segment comprises Nidec Copal Corporation, a subsidiary in Japan, and other subsidiaries, which primarily produce and sell electronic and optical components, machinery and other small precision motors.	Nidec Copal Corporation, Nidec Seimitsu Corporation

## **II. Business Overview**

### **1. Risk Factors**

There were no new risk factors recognized during the three months ended June 30, 2019. There were no material changes in the risk factors stated in the annual securities report for the previous fiscal year pursuant to the Financial Instruments and Exchange Act of Japan.

### **2. Management Analysis of Financial Position, Operating Results and Cash Flows**

Forward-looking statements below were determined as of June 30, 2019.

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

From the three months ended June 30, 2019, the business of compressor for refrigerator of Secop has been classified as discontinued operations. As a result, the amounts of net sales, operating profit and profit before income taxes no longer include discontinued operations, presenting only the amounts for continuing operations. The result for the same period of the previous year is also reclassified similarly. Details are stated in “IV. Condensed Quarterly Consolidated Financial Statements and Other Information, 1. Condensed Quarterly Consolidated Financial Statements, Notes to Condensed Quarterly Consolidated Financial Statements, 6. Discontinued Operations”.

#### **(1) Operating results**

During the three-month period ended June 30, 2019, the world economy saw the US-China trade dispute and concerns over overseas economic conditions cause the deteriorated business confidence in the US to spread in the manufacturing, construction, and other industries, while, despite expectations for the resumption of US-China trade talks, higher stock prices, and interest rate reduction, concerns remained smoldering over the continued expansion of the US economy, which has been growing for the past 11 years. The US-China trade friction decelerated the Chinese economy as well, prompting some overseas companies to restructure their supply chains in the country, while others tried to transfer business elsewhere. China's economic slowdown affected Europe, while the Brexit and other issues made the continent's future uncertain. Under these circumstances, the uncertainty over the Japanese economy persisted, despite a growing view for a delay in the country's economic downturn.

It was under such an environment that NIDEC (Nidec Corporation and its consolidated subsidiaries) continues to pursue our targets for the fiscal year ending March 31, 2021 of consolidated net sales of ¥2 trillion and an operating profit of ¥300 billion based on our mid-term strategic goal, “Vision 2020”.

In addition, on April 2019, NIDEC entered into a legally binding commitment with the European Commission to appoint a Hold Separate Manager and a Monitoring Trustee so as to confer to them effective operational control over compressor business (Secop). As a result of the binding commitment, NIDEC lost control of Secop and its subsidiaries.

The following table sets forth consolidated operating results for the three months ended June 30, 2019:

	For the three months ended June 30,		Increase or decrease	Ratio of change
	2018	2019		
Net sales	372,223	360,874	(11,349)	(3.0)%
Operating profit	45,693	27,959	(17,734)	(38.8)%
Operating profit ratio	12.3 %	7.7%	-	-
Profit before income taxes	45,888	31,262	(14,626)	(31.9)%
Profit for the period from continuing operations	36,951	23,916	(13,035)	(35.3)%
Profit (loss) for the period from discontinued operations	536	(19,781)	(20,317)	-
Profit attributable to owners of the parent	37,287	3,476	(33,811)	(90.7)%

*(Yen in millions)*

Consolidated net sales from continuing operations decreased 3.0% to ¥360,874 million for the three months ended June 30, 2019 (“this three-month period”). Operating profit decreased 38.8% to ¥27,959 million compared to the same period of the prior year. Profit before income taxes decreased 31.9% to ¥31,262 million and profit for the period from continuing operations decreased 35.3% to ¥23,916 million compared to the same period of the previous year, respectively.

Profit attributable to owners of the parent, including profit for the period from discontinued operations, decreased 90.7% to ¥3,476 million, due to the transfer of the business of compressor for refrigerator of Secop.

The following table sets forth operating results by segment:

(Yen in millions)

	For the three months ended June 30,					
	Net sales			Operating profit (loss)		
	2018	2019	Increase or decrease	2018	2019	Increase or decrease
Nidec Corporation	49,707	40,576	(9,131)	4,983	(867)	(5,850)
Nidec Electronics (Thailand)	34,505	26,572	(7,933)	4,704	2,239	(2,465)
Nidec Singapore	12,381	7,208	(5,173)	208	118	(90)
Nidec (H.K.)	26,621	29,170	2,549	318	277	(41)
Nidec Sankyo	38,508	36,991	(1,517)	5,871	2,476	(3,395)
Nidec Copal	11,281	16,129	4,848	76	960	884
Nidec Techno Motor	25,162	23,513	(1,649)	3,011	3,297	286
Nidec Motor	103,294	100,246	(3,048)	10,171	5,491	(4,680)
Nidec Motors & Actuators	78,800	78,554	(246)	10,515	10,289	(226)
Others	95,667	93,392	(2,275)	11,684	8,497	(3,187)
Elimination/corporate	(103,703)	(91,477)	12,226	(5,848)	(4,818)	1,030
Consolidated total	372,223	360,874	(11,349)	45,693	27,959	(17,734)

(Notes) 1. Net sales are the total of sales to external customers and sales to other operating segments.

2. From the three months ended June 30, 2019, the business of compressor for refrigerator of Secop, which was included in Nidec Motor segment, has been classified as discontinued operations.

3. All of Nidec Seimitsu group except Nidec Seimitsu Motor Technology (Dongguan) CO., Ltd. that were previously included in Others segment are currently included in Nidec Copal segment from the three months ended June 30, 2019.

Net sales of Nidec Corporation decreased ¥9,131 million to ¥40,576 million for this three-month period compared to the same period of the prior year. This decrease was due to a decrease in sales of hard disk drives spindle motors and other small precision motors. Operating profit (loss) was ¥867 million operating loss for this three-month period. This decrease was due to the decrease in sales and an increase in advanced development cost for automotive products.

Net sales of Nidec Electronics (Thailand) decreased ¥7,933 million to ¥26,572 million for this three-month period compared to the same period of the prior year. This decrease was due to a decrease in sales of hard disk drives spindle motors. Operating profit decreased ¥2,465 million to ¥2,239 million for this three-month period compared to the same period of the prior year. This decrease was due to the decrease in sales and temporary expense such as structural reform expense for streamlining of bases.

Net sales of Nidec Singapore decreased ¥5,173 million to ¥7,208 million for this three-month period compared to the same period of the prior year. This decrease was due to a decrease in sales for hard disk drives spindle motors. Operating profit decreased ¥90 million to ¥118 million for this three-month period compared to the same period of the prior year. This decrease was due to the decrease in sales.

Net sales of Nidec (H.K.) increased ¥2,549 million to ¥29,170 million for this three-month period compared to the same period of the prior year. This increase was due to an increase in sales for other small precision motors and automotive motors. However, operating profit decreased ¥41 million to ¥277 million for this three-month period compared to the same period of the prior year. This decrease was due to the negative effect of the changes in the product mix, despite the increase in sales.



Net sales of Nidec Sankyo decreased ¥1,517 million to ¥36,991 million for this three-month period compared to the same period of the prior year. This decrease was due to a decrease in sales for LCD panel handling robots, despite an increase in sales of other small precision motors. Operating profit decreased ¥3,395 million to ¥2,476 million for this three-month period compared to the same period of the prior year. This decrease was due to the decrease in sales and the negative effect of the changes in the product mix.

Net sales of Nidec Copal increased ¥4,848 million to ¥16,129 million for this three-month period compared to the same period of the prior year. This increase was due to an increase in sales for other small precision motors. Operating profit increased ¥884 million to ¥960 million for this three-month period compared to the same period of the prior year. This increase was due to the increase in sales.

Net sales of Nidec Techno Motor decreased ¥1,649 million to ¥23,513 million for this three-month period compared to the same period of the prior year. This decrease was due to a decrease in sales of motors for air conditioning equipment in China and the impact of unfavorable foreign exchange rates. However, operating profit increased ¥286 million to ¥3,297 million for this three-month period compared to the same period of the prior year. This increase was due to cost improvement, despite the decrease in sales.

Net sales of Nidec Motor decreased ¥3,048 million to ¥100,246 million for this three-month period compared to the same period of the prior year. This decrease was due to a decrease in sales of industrial motors and other factors. Operating profit decreased ¥4,680 million to ¥5,491 million for this three-month period compared to the same period of the prior year. This decrease was due to the decrease in sales and the negative effect of delay in the launch of new high-value products in Mexico.

Net sales of Nidec Motors & Actuators decreased ¥246 million to ¥78,554 million for this three-month period compared to the same period of the prior year. This decrease was due to the impact of unfavorable foreign exchange rates, despite an increase in sales of products of actuators at Nidec Motors & Actuators and control valves at Nidec Tosok Corporation. Operating profit decreased ¥226 million to ¥10,289 million for this three-month period compared to the same period of the prior year. This decrease was due to an increase in advanced development cost for automotive products and other factors.

With respect to the Others segment, net sales decreased ¥2,275 million to ¥93,392 million for this three-month period compared to the same period of the prior year. This decrease was due to a decrease in sales of other small precision motors, test systems and other products, despite the impact of newly consolidated subsidiaries. Operating profit decreased ¥3,187 million to ¥8,497 million for this three-month period compared to the same period of the prior year. This decrease was due to the temporary expenses such as structural reform expense and the decrease in sales.

Operating results by product category are as follows:

*(Yen in millions)*

	For the three months ended June 30,					
	Net sales			Operating profit		
	2018	2019	Increase or decrease	2018	2019	Increase or decrease
Small precision motors	106,333	108,006	1,673	16,542	10,610	(5,932)
Automotive products	77,181	75,488	(1,693)	10,905	6,767	(4,138)
Appliance, commercial and industrial products	127,016	123,009	(4,007)	13,163	8,675	(4,488)
Machinery	42,616	38,086	(4,530)	8,200	5,518	(2,682)
Electronic and optical components	17,987	15,170	(2,817)	1,955	1,291	(664)
Other products	1,090	1,115	25	192	188	(4)
Elimination/corporate	-	-	-	(5,264)	(5,090)	174
Consolidated total	372,223	360,874	(11,349)	45,693	27,959	(17,734)

(Note) From the three months ended June 30, 2019, the business of compressor for refrigerator of Secop has been classified as discontinued operations in appliance, commercial and industrial products.

Net sales of small precision motors increased 1.6% to ¥108,006 million for this three-month period compared to the same period of the prior year. The fluctuations of the foreign currency exchange rates had a negative effect on net sales of this category by approximately ¥1,000 million for this three-month period compared to the same period of the prior year. Net sales of spindle motors for HDDs decreased 22.1% to ¥38,008 million for this three-month period compared to the same period of the prior year. The number of units sold of spindle motors for HDDs for this three-month period decreased approximately 23.0% compared to the same period of the prior year. Net sales of other small precision motors for the period increased 21.6% to ¥69,998 million compared to the same period of the prior year. With structural reform expense for streamlining of bases in Japan and abroad of approximately ¥1,500 million operating profit of this category decreased 35.9% to ¥10,610 million for this three-month period compared to the same period of the prior year. The fluctuations of the foreign currency exchange rates had a negative effect on operating profit of this category by approximately ¥1,300 million.

Despite higher sales of products of actuators at Nidec Motors & Actuators and control valves at Nidec Tosok Corporation, net sales of automotive products decreased 2.2% to ¥75,488 million, mainly due to the impact of unfavorable foreign exchange rates of approximately ¥1,900 million. Operating profit of this category decreased by 37.9% to ¥6,767 million, mainly due to additional advanced development cost of approximately ¥4,500 million for new orders exceeding initial plans and the impact of unfavorable foreign exchange rates of approximately ¥700 million.

Net sales of appliance, commercial and industrial products decreased 3.2% to ¥123,009 million, primarily due to lower sales in China and other factors. The impact of foreign exchange rates was a negative impact of approximately ¥500 million. Operating profit of this category decreased 34.1% to ¥8,675 million, mainly due to the lower sales, the negative effect of delay in the launch of new high-value products in Mexico of approximately ¥2,400 million and other factors. The impact of foreign exchange increased earnings by approximately ¥300 million.

Net sales of machinery decreased 10.6% to ¥38,086 million, due to lower sales in LCD panel handling robots and test systems, despite the impact of new consolidated subsidiaries. Operating profit of this category decreased 32.7% to ¥5,518 million, mainly due to the lower sales.

Net sales of electronic and optical components decreased 15.7% to ¥15,170 million. Operating profit of this category decreased 34.0% to ¥1,291 million mainly due to the decrease in sales.

Net sales of other products increased 2.3% to ¥1,115 million and operating profit of this category decreased 2.1% to ¥188 million for this three-month period compared to the same period of the prior year.

## (2) Financial position

Total assets decreased ¥11,063 million to ¥1,864,005 million as of June 30, 2019 compared to March 31, 2019. This was mainly due to decreases of ¥16,226 million in goodwill, ¥7,243 million in cash and cash equivalents, ¥5,898 million in trade and other receivables and ¥5,689 million in inventories. On the other hand, there was an increase of ¥23,016 million in property, plant and equipment. Assets related to Secop classified as discontinued operations are transferred to assets held for sale.

Total liabilities increased ¥37,240 million to ¥896,594 million as of June 30, 2019 compared to March 31, 2019. This was mainly due to an increase of ¥51,974 million in interest-bearing debt. Specifically, short term borrowings increased ¥30,062 million to ¥47,456 million, long term debt due within one year increased ¥53,969 million to ¥149,308 million and long term debt decreased ¥32,057 million to ¥227,971 million as of June 30, 2019 compared to March 31, 2019.

Total equity attributable to owners of the parent decreased ¥47,919 million to ¥949,709 million as of June 30, 2019 compared to March 31, 2019. Ratio of total equity attributable to owners of the parent to total assets decreased to 50.9% as of June 30, 2019 from 53.2% as of March 31, 2019. This was mainly due to a decrease in retained earnings of ¥14,423 million as of June 30, 2019 compared to March 31, 2019 and a decrease in other components of equity of ¥33,207 million caused mainly by foreign currency translation adjustments.

### (3) Cash flows

#### (Cash flows from operating activities)

Net cash provided by operating activities decreased ¥12,017 million to ¥32,723 million for this three-month period compared to the same period of the prior year. This decrease in net cash provided by operating activities was mainly due to decreases in profit for the period ¥33,352 million and in accounts receivable net changes year on year of ¥13,779 million. On the other hand, there were increases in recognized loss due to measuring assets held for sale at fair value less costs to sell of ¥18,207 million, in account payable net changes year on year of ¥10,140 million and in inventories net changes year on year of ¥8,429 million.

For the three months ended June 30, 2019, NIDEC had ¥32,723 million of net cash inflows provided by operating activities primarily due to profit for the period of ¥4,135 million and a increase in accounts payable of ¥2,012 million. However, net cash provided by operating activities was negatively impacted by an increase in accounts receivable of ¥10,384 million and an increase in inventories of ¥4,199 million. Accounts receivable increased primarily due to an increase in sales for the three months ended June 30, 2019 compared to the previous three months ended March 31, 2019.

For the three months ended June 30, 2018, NIDEC had ¥44,740 million of net cash inflows provided by operating activities primarily due to profit for the period of ¥37,487 million and a decrease in accounts receivable of ¥3,395 million. However, net cash provided by operating activities was negatively impacted by an increase in inventories of ¥12,628 million and a decrease in accounts payable of ¥8,128 million. Inventories increased primarily due to an increase in customers demand as of June 30, 2018 compared to March 31, 2018.

#### (Cash flows from investing activities)

Net cash used in investing activities increased ¥6,020 million to ¥42,660 million for this three-month period compared to the same period of the prior year. The increase in net cash used in investing activities was mainly due to increase in additions to property, plant and equipment of ¥9,215 million. On the other hand, there was a decrease in acquisitions of businesses, net cash acquired of ¥3,205 million.

For the three months ended June 30, 2019, NIDEC had ¥42,660 million of net cash outflows in investing activities mainly due to additions to property, plant and equipment of ¥39,296 million.

For the three months ended June 30, 2018, NIDEC had ¥36,640 million of net cash outflows in investing activities mainly due to additions to property, plant and equipment of ¥30,081 million and acquisition of business, net of cash acquired of ¥3,205 million.

#### (Cash flows from financing activities)

Net cash provided by financing activities decreased ¥3,926 million to ¥11,483 million for this three-month period compared to the same period of the prior year. This decrease was mainly due to an decrease in net cash inflow from short term borrowings of ¥3,264 million.

For the three months ended June 30, 2019, NIDEC had ¥11,483 million of net cash inflows from financing activities mainly due to an increase in short term borrowings of ¥30,251 million partially offset by dividends paid to the owner of the parent of ¥16,186 million.

For the three months ended June 30, 2018, NIDEC had ¥15,409 million of net cash inflows from financing activities mainly due to an increase in short term borrowings of ¥33,515 million partially offset by dividends paid to the owner of the parent of ¥14,798 million.

As a result of the foregoing factors and the effect of exchange rate changes, NIDEC's total outstanding balance of cash and cash equivalents decreased ¥7,243 million from ¥242,267 million as of March 31, 2019 to ¥235,024 million as of June 30, 2019.

The main currencies we had as of June 30, 2019 were U.S. dollars, Chinese yuan, Thai baht, Japanese yen and Euros. All the above amounts include discontinued operations.

### (4) Research and development

NIDEC's research and development expenses for the three months ended June 30, 2019 were ¥18,654 million. There were no significant changes in research and development activities for the period.

### (5) Major property, plant and equipment

In the three months ended June 30, 2019, among the new construction plans of major property, plant and equipment as of March 31, 2019, the scheduled completion date and total planned investment of construction of the manufacturing factory of Nidec Tosok (Zhejiang) Corporation which is to manufacture automotive products have been updated to August 2019 and ¥2,136 million, respectively. And the scheduled completion date of construction of the manufacturing factory of Nidec Seimitsu Motor Technology (Dongguan) Co., Ltd. which is to manufacture small precision motor products has been updated to August 2019.

### 3. Material Agreements, etc.

The material agreement executed during the three months ended June 30, 2019 is as follows:

Share purchase and transfer agreement

(OMRON Automotive Electronics Co.Ltd.)

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

#### 1. Purpose of the Transaction

NIDEC positions its automotive motor business as one of NIDEC’s key strategic businesses, and is engaging in active efforts in the business for automotive motor market which is expected to grow rapidly in coming years. NIDEC is particularly focusing on module products with electric power steering (EPS) motors, electric brake motors, etc. and electronic control units (ECU) in accordance with the current trends towards electrification and autonomous driving in the automotive industry, as well as EV traction motor systems, etc. for which significant future market growth can be expected. NIDEC anticipates that the electrification trend will accelerate further in response to the global environmental and energy related problems and will continue to engage in research and development with Nidec Elesys, an ECU manufacturer which joined NIDEC group in 2014, to create more electrification products going forward.

OMRON Automotive Electronics engages in research and development, manufacturing, and sales of automotive electronics products as a subsidiary of OMRON Group, which has strengths in control equipment, systems, and electronic components based on its sensing and control technologies. In particular, OMRON Automotive Electronics has produced many high-quality control products for body control system, ECUs for motor control systems, power control systems, and other areas to address the market’s electrification needs. Through the Transaction, NIDEC will be able to create new module and systems products by combining NIDEC group’s motors, pumps, gears, etc. with OMRON Automotive Electronics’ products including ECUs and other electronics products.

Furthermore, Nidec Elesys and OMRON Automotive Electronics have a complementary relationship in the area of ADAS (Advanced Driver Assistance Systems), creating high expectations for significant synergies. In particular, Nidec Elesys has strengths in wave radar and camera-related products, while OMRON Automotive Electronics has strengths in laser radar and driver monitoring systems, which will allow two companies to collectively provide a full spectrum of sensors required for autonomous driving in the future. Following the Transaction, NIDEC expects that both companies will cooperate within the NIDEC Group to provide a wide variety of sensor products which support autonomous driving technologies.

#### 2. Funds for the Transaction

Own funds and debt finance for funding

#### 3. Information on OMRON Automotive Electronics

Company Name: OMRON Automotive Electronics Co.Ltd.

Headquarters: 6368, Nenjozaka, Okusa, Komaki, Aichi, Japan

Foundation: 2010

Business: Manufacture and sale of automotive electronics components and systems

#### 4. Execution date of the share purchase and transfer agreement

April 16, 2019

#### 5. Date of the completion of the share acquisition

Scheduled for October, 2019

(Compressor Business)

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

1. Purpose of the Transaction

NIDEC is actively moving forward with the development of new growth platforms with particular emphasis on appliance, commercial and industrial motors and solutions. As Secop develops, manufactures and sells products of compressors for consumer and commercial type refrigerators, from the acquisition of Secop in 2017, our appliance motor business in Global Appliance Division has expanded further into the refrigeration market. However, the Transaction is made following NIDEC's commitment to the European Commission to sell certain of its compressor business lines to a suitable purchaser as condition for the European Commission's approval of NIDEC's acquisition of Embraco from Whirlpool Corporation, which was obtained on April 12, 2019.

2. The purchaser

ESSVP IV

3. Schedule for the Transaction

End of August, 2019 (expected)

4. The reporting segment in which the business is included

Nidec Motor

Joint Venture Agreement

(Joint Venture with a Subsidiary of Guangzhou Automobile Group Company)

The Company announced that it has adopted at a meeting of the Board of Directors held on August 1, 2019 a resolution to execute a contract with GAC Components Co., Ltd., a member of China-based Guangzhou Automobile Group Co., Ltd., to establish a joint venture to manufacture automotive traction motors. Details of the agreement are stated in "IV. Condensed Quarterly Consolidated Financial Statements and Other Information, Notes to Condensed Quarterly Consolidated Financial Statements, 17. Events after the reporting period".

### **III. Information on the Company**

#### **1. Information on the Company's Shares, etc.**

(1) Total number of shares, etc.

1) Total Number of Shares

Class	Total number of shares authorized to be issued (Shares)
Ordinary share	960,000,000
Total	960,000,000

2) Issued Shares

Class	Number of shares issued as of the end of first quarter (Shares) (June 30, 2019)	Number of shares issued as of the filing date (Shares) (August 8, 2019)	Stock exchange on which the Company is listed or authorized financial instruments firms association where the Company is registered	Description
Ordinary share	298,142,234	298,142,234	Tokyo Stock Exchange, Inc. (the first section)	This is our standard share. There is no restriction on contents of the right of the share. The number of shares per one unit of shares is 100 shares.
Total	298,142,234	298,142,234	-	-

(2) Information on the share acquisition rights, etc.

1) Details of share option plans

Not applicable.

2) Other information about share acquisition rights

Not applicable.

(3) Information on moving strike convertible bonds, etc.

Not applicable.

(4) Changes in the total number of issued shares, common stock, etc.

Date	Change in the total number of issued shares (Shares)	Balance of the total number of issued shares (Shares)	Change in common stock (Yen in millions)	Balance of common stock (Yen in millions)	Change in capital reserve (Yen in millions)	Balance of capital reserve (Yen in millions)
From April 1, 2019 to June 30, 2019	-	298,142,234	-	87,784	-	92,005

(5) Major shareholders

Not applicable.

(6) Information on voting rights

Information on voting rights as of March 31, 2019 is stated in this item because the Company cannot identify the number of voting rights as of June 30, 2019 due to the lack of information on the details entered in the shareholders registry as of June 30, 2019.

1) Issued shares

(As of June 30, 2019)

Classification	Number of shares (Shares)	Number of voting rights	Description
Shares without voting rights	-	-	-
Shares with restricted voting rights (treasury stock, etc.)	-	-	-
Shares with restricted voting rights (others)	-	-	-
Shares with full voting rights (treasury stock, etc.)	Ordinary share 3,766,800	-	-
Shares with full voting rights (others)	Ordinary share 293,909,400	2,939,094	-
Shares less than one unit	Ordinary share 466,034	-	-
Number of issued shares	298,142,234	-	-
Total number of voting rights	-	2,939,094	-

(Notes) 1. The “Shares with full voting rights (others)” row includes 35,500 shares registered in the name of Japan Securities Depository Center (“JASDEC”) and the “Number of voting rights” column includes 355 voting rights for those shares. The “Shares with full voting rights (others)” row includes 200 shares registered in the name of Nidec-Shimpo Corporation (shares that were not registered when the shares were exchanged with the Company on October 1, 2003) and the “Number of voting rights” column includes 2 voting rights for those shares. Nidec-Shimpo Corporation does not substantially own the 200 shares (2 voting rights) registered in its name.

2. Ordinary shares in the “Shares less than one unit” row include 12 shares of the Company’s treasury stock.

3. Ordinary shares in the “Shares with full voting rights (others)” row includes 59,800 shares (598 voting rights) of the BIP Trust and 21,700 shares (217 voting rights) of the ESOP Trust.

2) Treasury stock, etc.

(As of June 30, 2019)

Name of shareholder	Address	Number of shares held under own name (Shares)	Number of shares held under the name of others (Shares)	Total number of shares held (Shares)	Ownership percentage to the total number of issued shares (%)
Nidec Corporation	338 Kuzetonoshiro-cho, Minami-ku, Kyoto	3,766,800	-	3,766,800	1.26
Total	-	3,766,800	-	3,766,800	1.26

(Notes) 1. The number of shares held under own name (except for shares less than one unit) is 3,767,000, as of June 30, 2019.

2. The Company’s shares owned by the BIP Trust and the ESOP Trust are not included in the above treasury stock.

**2. Members of the Board of Directors and Members of the Audit & Supervisory Board**

There were no changes in Members of the Board of Directors and the Members of the Audit & Supervisory Board of Nidec Corporation from the filing date of the Annual Securities Report for the previous fiscal year pursuant to the Financial Instruments and Exchange Act of Japan to June 30, 2019.

#### **IV. Condensed Quarterly Consolidated Financial Statements and Other Information**

##### ***1. Condensed Quarterly Consolidated Financial Statements***

###### **(1) Condensed Quarterly Consolidated Statements of Financial Position**

*(Yen in millions)*

	Note	As of March 31, 2019	As of June 30, 2019
Assets			
Current assets			
Cash and cash equivalents		242,267	235,024
Trade and other receivables		371,134	365,236
Other financial assets	14	695	816
Income tax receivables		12,173	13,183
Inventories		255,656	249,967
Other current assets		37,547	37,043
Subtotal		919,472	901,269
Assets held for sale	8	—	9,295
Total current assets		919,472	910,564
Non-current assets			
Property, plant and equipment		517,479	540,495
Goodwill	9	262,311	246,085
Intangible assets	9	126,504	119,861
Investments accounted for using the equity method		2,785	2,444
Other investments	14	18,444	17,919
Other financial assets	14	6,514	5,949
Deferred tax assets		11,968	12,152
Other non-current assets		9,591	8,536
Total non-current assets		955,596	953,441
Total assets		1,875,068	1,864,005



*(Yen in millions)*

	Note	As of March 31, 2019	As of June 30, 2019
<b>Liabilities</b>			
Current liabilities			
Short term borrowings	14	17,394	47,456
Long term debt due within one year	14	95,339	149,308
Trade and other payables		310,644	292,892
Other financial liabilities	14	2,148	5,147
Income tax payables		13,434	13,344
Provisions		28,514	28,745
Other current liabilities		62,521	62,804
Total current liabilities		<u>529,994</u>	<u>599,696</u>
Non-current liabilities			
Long term debt	14	260,028	227,971
Other financial liabilities	14	1,887	2,438
Retirement benefit liabilities		28,886	29,346
Provisions		4,602	4,192
Deferred tax liabilities		31,751	30,650
Other non-current liabilities		2,206	2,301
Total non-current liabilities		<u>329,360</u>	<u>296,898</u>
Total liabilities		<u>859,354</u>	<u>896,594</u>
<b>Equity</b>			
Common stock		87,784	87,784
Additional paid-in capital		118,314	118,030
Retained earnings		901,606	887,183
Other components of equity		(64,780)	(97,987)
Treasury stock		(45,296)	(45,301)
Total equity attributable to owners of the parent		<u>997,628</u>	<u>949,709</u>
Non-controlling interests		18,086	17,702
Total equity		<u>1,015,714</u>	<u>967,411</u>
Total liabilities and equity		<u><u>1,875,068</u></u>	<u><u>1,864,005</u></u>

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

For the three months ended June 30, 2018 and 2019

Condensed Quarterly Consolidated Statements of Income

*(Yen in millions)*

	Note	For the three months ended June 30, 2018	2019
Continuing operations			
Net Sales	5	372,223	360,874
Cost of sales		(278,593)	(280,984)
Gross profit		93,630	79,890
Selling, general and administrative expenses		(32,793)	(33,277)
Research and development expenses		(15,144)	(18,654)
Operating profit	5	45,693	27,959
Financial income		2,421	2,991
Financial expenses		(1,959)	(2,301)
Derivative gain (loss)		1,383	(1,054)
Foreign exchange differences		(1,489)	3,962
Share of net profit (loss) from associate accounting using the equity method		(161)	(295)
Profit before income taxes		45,888	31,262
Income tax expenses		(8,937)	(7,346)
Profit for the period from continuing operations		36,951	23,916
Discontinued operations			
Profit (loss) for the period from discontinued operations	6	536	(19,781)
Profit for the period		37,487	4,135
Profit for the period attributable to:			
Owners of the parent		37,287	3,476
Non-controlling interests		200	659
Profit for the period		37,487	4,135
Earnings (loss) per share attributable to owners of the parent			
Basic (yen)			
Continuing operations		124.25	79.03
Discontinued operations		1.81	(67.22)
Total		126.06	11.81

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

	Note	For the three months ended June 30, 2018	2019
Profit for the period		37,487	4,135
Other comprehensive income, net of taxation			
Items that will not be reclassified to net profit or loss:			
Remeasurement of defined benefit plans		0	(983)
Fair value movements on FVTOCI equity financial assets		(603)	(315)
Items that may be reclassified to net profit or loss:			
Foreign currency translation adjustments		13,081	(33,820)
Effective portion of net changes in fair value of cash flow hedges		(769)	(120)
Fair value movements on FVTOCI debt financial assets		4	1
Total other comprehensive income for the period, net of taxation		11,713	(35,237)
Comprehensive income for the period		49,200	(31,102)
Comprehensive income for the period attributable to:			
Owners of the parent		49,081	(31,028)
Non-controlling interests		119	(74)
Comprehensive income for the period		49,200	(31,102)

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

For the three months ended June 30, 2018

(Yen in millions)

	Note	Total equity attributable to owners of the parent						Non-controlling interests	Total equity
		Common Stock	Additional paid-in capital	Retained earnings	Other components of equity	Treasury stock	Total		
Balance at April 1, 2018		87,784	118,136	822,589	(76,857)	(19,151)	932,501	9,890	942,391
Changes in accounting policies				199			199		199
Balance after restatement		87,784	118,136	822,788	(76,857)	(19,151)	932,700	9,890	942,590
Comprehensive income									
Profit for the period				37,287			37,287	200	37,487
Other comprehensive income					11,794		11,794	(81)	11,713
Total comprehensive income							49,081	119	49,200
Transactions with owners directly recognized in equity:									
Purchase of treasury stock						(2,905)	(2,905)	-	(2,905)
Dividends paid to the owners of the parent	12			(14,798)			(14,798)	-	(14,798)
Dividends paid to non-controlling interests							-	(71)	(71)
Share-based payment transactions			81				81	-	81
Transfer to retained earnings				(603)	603		-	-	-
Other				1			1	(22)	(21)
Balance at June 30, 2018		87,784	118,217	844,675	(64,460)	(22,056)	964,160	9,916	974,076

For the three months ended June 30, 2019

(Yen in millions)

	Note	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, 2019		87,784	118,314	901,606	(64,780)	(45,296)	997,628	18,086	1,015,714
Changes in accounting policies	3			(407)			(407)		(407)
Balance after restatement		87,784	118,314	901,199	(64,780)	(45,296)	997,221	18,086	1,015,307
Comprehensive income									
Profit for the period				3,476			3,476	659	4,135
Other comprehensive income					(34,504)		(34,504)	(733)	(35,237)
Total comprehensive income							(31,028)	(74)	(31,102)
Transactions with owners directly recognized in equity:									
Purchase of treasury stock						(6)	(6)	-	(6)
Dividends paid to the owners of the parent	12			(16,186)			(16,186)	-	(16,186)
Dividends paid to non-controlling interests							-	(72)	(72)
Share-based payment transactions			66				66	-	66
Transfer to retained earnings				(1,297)	1,297		-	-	-
Changes in equity by purchase of shares of consolidated subsidiaries			(357)				(357)	(156)	(513)
Other			7	(9)		1	(1)	(82)	(83)
Balance at June 30, 2019		87,784	118,030	887,183	(97,987)	(45,301)	949,709	17,702	967,411

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Yen in millions)

	Note	For the three months ended June 30, 2018	2019
Cash flows from operating activities:			
Profit for the period from continuing operations		36,951	23,916
Profit for the period from discontinued operations	6	536	(19,781)
Profit for the period		37,487	4,135
Adjustments to reconcile profit for the period to net cash provided by operating activities			
Depreciation and amortization		16,527	19,056
Loss (gain) from sales, disposal or impairment of property, plant and equipment		4	755
Recognized loss due to measuring assets held for sale at fair value less costs to sell		-	18,207
Financial expenses (income)		(476)	(685)
Share of net loss (profit) from associate accounting using the equity method		161	295
Deferred income taxes		641	1,899
Current income taxes		8,717	7,089
Foreign currency adjustments		5,881	(834)
Increase (decrease) in retirement benefit liability		1,217	1,566
Decrease (increase) in accounts receivable		3,395	(10,384)
Decrease (increase) in inventories		(12,628)	(4,199)
Increase (decrease) in accounts payable		(8,128)	2,012
Other, net		921	650
Interests and dividends received		1,784	2,424
Interests paid		(675)	(1,384)
Income taxes paid		(10,088)	(7,879)
Net cash provided by operating activities		44,740	32,723

*(Yen in millions)*

	Note	For the three months ended June 30, 2018	2019
Cash flows from investing activities:			
Additions to property, plant and equipment		(30,081)	(39,296)
Proceeds from sales of property, plant and equipment		876	165
Additions to intangible assets		(2,794)	(2,095)
Acquisitions of business, net of cash acquired		(3,205)	-
Other, net		(1,436)	(1,434)
Net cash used in investing activities		(36,640)	(42,660)
Cash flows from financing activities:			
Increase (decrease) in short term borrowings		33,515	30,251
Proceeds from issuance of long term debt		-	55
Repayments of long term debt		(332)	(2,104)
Purchase of treasury stock		(2,905)	(5)
Dividends paid to the owners of the parent	12	(14,798)	(16,186)
Other, net		(71)	(528)
Net cash (used in) provided by financing activities		15,409	11,483
Effect of exchange rate changes on cash and cash equivalents		(24)	(8,789)
Net increase (decrease) in cash and cash equivalents		23,485	(7,243)
Cash and cash equivalents at beginning of period		265,947	242,267
Cash and cash equivalents at end of period		289,432	235,024

## **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-Global>).

Condensed quarterly consolidated financial statements as of June 30, 2019 and for the three 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.
- 3) Appliance, commercial and industrial products, which include home appliance, commercial and industrial motors and related products.
- 4) Machinery, which includes industrial robots, card readers, test systems, press machines and power transmission drives.
- 5) Electronic and optical components, which include switches, trimmer potentiometers, lens units and camera shutters.
- 6) Others, which include services.

### **2. Basis of preparation of condensed quarterly consolidated financial statements**

#### **(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 the 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, 2019.

#### **(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.

#### **(4) Changes in presentation**

Profit or loss from business classified as discontinued operations are presented on the condensed quarterly consolidated statements of income, net of income tax expense, separately from the profit from continuing operations. Regarding business classified as discontinued operations, reclassification were made on the condensed quarterly consolidated statements of income, condensed quarterly consolidated statements of cash flows, and relevant notes to condensed quarterly consolidated financial statements for the three months ended June 30, 2018. Cash flows from operating activities, investing activities and financial activities are presented in the total amount of continuing operations and discontinued operations cash flows in the condensed quarterly consolidated statements of cash flows.

### 3. Significant accounting policies

With the exception of the item explained below, significant accounting policies adopted in preparation of the condensed quarterly consolidated financial statements are consistent with those used in the preparation of the NIDEC's consolidated financial statements for the year ended March 31, 2019.

Income taxes for the three months ended June 30, 2019 are computed using the estimated annual effective tax rate.

(Leases)

IFRS		Summary of new standard and amendment
IFRS 16	Leases	Revised accounting standard for leases

From the three months ended June 30, 2019, NIDEC adopted IFRS 16 "Leases".

A contract is considered to be a lease or to contain a lease if the right to control the use of an asset identified at the inception of the contract is conveyed over a period of time in exchange for consideration. If the contract is a lease or contains a lease, the right-of-use assets and lease liabilities are included in the condensed quarterly consolidated financial statements at the commencement date of lease. In the measurement of the right-of-use assets, NIDEC adopts a cost model and indicates acquisition costs by the amount deducting the accumulated depreciation and the accumulated impairment loss. Acquisition costs include the initial measurement of lease liabilities, lease payments made at or before the commencement date of lease, and initial direct costs. The right-of-use assets are depreciated using the straight-line method over the estimated useful lives or lease terms, whichever is shorter. Lease liabilities are initially measured as the present value of the unsettled lease payments at the commencement date of lease. The lease term is determined with considering an option to extend the lease and an option to terminate the lease under the non-cancelable contract period.

Leases with a lease term of 12 months or less and leases that have a small amount of underlying assets are not recognized as the right-of-use assets and lease liabilities and are recognized over the lease term as expenses on a straight-line basis.

In applying IFRS 16, NIDEC has adopted a method whereby cumulative effects that are allowed as transitional measures are recognized as an adjustment to the opening balance of retained earnings at the date of the initial application. With regard to whether leases are contained in contracts concluded prior to the previous consolidated fiscal year, NIDEC has elected the practical expedient of IFRS 16 C3 and continues under IAS 17 "Leases" and IFRIC 4 "Determining whether an arrangement contains a Lease". After the effective date, NIDEC determines whether leases are contained in contracts in accordance with IFRS 16. The weighted-average incremental borrowing rate for the lessee is 3.05% which is applied to the lease liabilities recognized in the consolidated statement of financial position as of the effective date.

Leases that were classified as operating leases under IAS 17 are also accounted for by the following interim measures:

- \*Apply a single discount rate to a portfolio of leases with reasonably similar characteristics
- \*Apply a recognition exemption for leases for which the lease term ends within 12 months
- \*Exclude initial direct costs from the measurement of the right-of-use assets at the date of initial application

As a result of the adoption of IFRS 16, assets and liabilities increased by 25,211 million and 25,618 million, respectively. There was immaterial effect on operating profit and its quarterly earnings.

The following is a reconciliation of the lease liabilities recognized in the consolidated statement of financial position as of the effective date and the non-cancelable operating lease agreement disclosed by applying IAS 17 at the end of the previous consolidated fiscal year.

*(Yen in millions)*

Non-cancelable operating lease agreements (March 31, 2019)	10,778
Finance lease liabilities recognized at the end of the previous fiscal year	1,120
Cancelable operating lease contracts, etc.	13,720
The amount of lease liabilities recognized in the consolidated statement of financial position as of the effective date	25,618



#### **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 and disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of income and expenses during the reporting period. Actual results may differ from those estimates.

The estimates and 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, 2019 are same as those estimates and judgments for the consolidated financial statements for the year ended March 31, 2019.

## 5. 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. Companies and company groups that are currently profit management units of NIDEC are identified as its reportable segments.

As noted in “6. Discontinued operations,” from the three months ended June 30, 2019, the business of compressor for refrigerator of Secop has been classified as discontinued operations. As a result, the amounts of net sales and operating profit of the business of compressor for refrigerator of Secop, which was included in Nidec Motor segment, have been reclassified as discontinued operations. In addition, NIDEC has partially changed its operating segment classification during the three months ended June 30, 2019. This was due to reviews of the report materials by NIDEC’s chief operating decision maker. All of Nidec Seimitsu group except Nidec Seimitsu Motor Technology (Dongguan) CO., Ltd. that were previously included in Others segment are currently included in Nidec Copal segment from the three months ended June 30, 2019.

All prior period segment information has been reclassified in accordance with current period presentation.

NIDEC’s operating segments are as follows:

Name	Outline of operating segment
1. Nidec Corporation	Nidec Corporation in Japan, which primarily develops and sells hard disk drives spindle motors, other small precision motors, automotive products and machinery.
2. Nidec Electronics (Thailand)	Nidec Electronics (Thailand) Co., Ltd., a subsidiary in Thailand, and its consolidated subsidiaries, which primarily produce and sell hard disk drives spindle motors. This segment also includes other subsidiaries in Asia which produce components for hard disk drives.
3. Nidec Singapore	Nidec Singapore Pte. Ltd., a subsidiary in Singapore, which primarily sells hard disk drives spindle motors, and other small precision motors.
4. Nidec (H.K.)	Nidec (H.K.) Co., Ltd., a subsidiary in Hong Kong, and its consolidated subsidiaries, which primarily sell hard disk drives spindle motors and other small precision motors.
5. Nidec Sankyo	Nidec Sankyo Corporation, a subsidiary in Japan, and its consolidated subsidiaries, which primarily produce and sell machinery, automotive products, electronic components and other small precision motors.
6. Nidec Copal	Nidec Copal Corporation, a subsidiary in Japan, and other consolidated subsidiaries, which primarily produce and sell electronic and optical components and machinery and other small precision motors.
7. Nidec Techno Motor	Nidec Techno Motor Corporation, a subsidiary in Japan, and its consolidated subsidiaries, which primarily produce and sell commercial and industrial products.
8. Nidec Motor	Nidec Motor Corporation and other subsidiaries in North America, which are subsidiaries of Nidec Americas Holding Corporation, an intermediate holding company in the United States, as well as other subsidiaries in Latin America, Asia and Europe, which primarily produce and sell home appliance, commercial and industrial products.
9. Nidec Motors & Actuators	Nidec Motors & Actuators (Germany) GmbH in Germany, other subsidiaries in Europe, North America and South America, and other manufacturing subsidiaries in Japan and Asia, which primarily produce and sell automotive products.
10. Others	Subsidiaries that are operating segments but not designated as reportable segments due to their immateriality.

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,	
	2018	2019
Nidec Corporation	7,849	7,632
Nidec Electronics (Thailand)	29,757	23,792
Nidec Singapore	12,237	7,080
Nidec (H.K.)	26,146	28,751
Nidec Sankyo	38,063	35,003
Nidec Copal	9,167	8,985
Nidec Techno Motor	23,754	22,299
Nidec Motor	102,908	100,139
Nidec Motors & Actuators	71,719	69,881
Others	50,623	57,312
Consolidated net sales	372,223	360,874

(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,	
	2018	2019
Nidec Corporation	41,858	32,944
Nidec Electronics (Thailand)	4,748	2,780
Nidec Singapore	144	128
Nidec (H.K.)	475	419
Nidec Sankyo	445	1,988
Nidec Copal	2,114	7,144
Nidec Techno Motor	1,408	1,214
Nidec Motor	386	107
Nidec Motors & Actuators	7,081	8,673
Others	45,044	36,080
Total	103,703	91,477
Intersegment elimination	(103,703)	(91,477)
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,	
	2018	2019
Nidec Corporation	4,983	(867)
Nidec Electronics (Thailand)	4,704	2,239
Nidec Singapore	208	118
Nidec (H.K.)	318	277
Nidec Sankyo	5,871	2,476
Nidec Copal	76	960
Nidec Techno Motor	3,011	3,297
Nidec Motor	10,171	5,491
Nidec Motors & Actuators	10,515	10,289
Others	11,684	8,497
Total	51,541	32,777
Elimination and Corporate (Note)	(5,848)	(4,818)
Operating profit (loss)	45,693	27,959
Financial income	462	690
Derivative gain (loss)	1,383	(1,054)
Foreign exchange differences	(1,489)	3,962
Share of net profit (loss) from associate accounting using the equity method	(161)	(295)
Profit before income taxes	45,888	31,262

(Notes) 1. "Elimination and Corporate" includes corporate expenses, which do not belong to any operating segment, of ¥4,718 million and ¥4,957 million for the three months ended June 30, 2019 and 2018, respectively. The corporate expenses include basic research expenses and head office expenses.

2. The above amounts no longer include discontinued operations.

(Supplemental Information)

Net sales by type of product are as follows:

As noted in “6. Discontinued operations,” from the three months ended June 30, 2019, the business of compressor for refrigerator of Secop has been classified as discontinued operations. As a result, the amounts of net sales of the business of compressor for refrigerator of Secop, which was included in Appliance, commercial and industrial products, have been reclassified as discontinued operations.

All prior period net sales have been reclassified in accordance with current period presentation.

Net sales by type of product

*(Yen in millions)*

	For the three months ended June 30,	
	2018	2019
Small precision motors:		
Hard disk drives spindle motors	48,782	38,008
Other small precision motors	57,551	69,998
Subtotal	106,333	108,006
Automotive products	77,181	75,488
Appliance, commercial and industrial products	127,016	123,009
Machinery	42,616	38,086
Electronic and optical components	17,987	15,170
Other products	1,090	1,115
Consolidated net sales	372,223	360,874

(Notes) 1. “Small precision motors” consists of “hard disk drives spindle motors” and “other small precision motors”. “Other small precision motors” consists of brushless motors, fan motors, vibration motors, brush motors, motor and applications, etc.

“Automotive products” consists of automotive motors and components.

“Appliance, commercial and industrial products” consists of home appliance, commercial and industrial motors and related products.

“Machinery” consists of industrial robots, card readers, test systems, press machines and power transmission drives, etc.

“Electronic and optical components” consists of switches, trimmer potentiometers, lens units and camera shutters, etc.

“Other products” consists of services, etc.

2. The above amounts no longer include discontinued operations.

## 6. Discontinued Operations

On April 12, 2019, NIDEC entered into a legally binding commitment with the European Commission to appoint a Hold Separate Manager and a Monitoring Trustee so as to confer to them effective operational control over Secop. As a result of the binding commitment, NIDEC lost control of Secop and its subsidiaries. Therefore NIDEC has classified Secop as discontinued operations. NIDEC will sell Secop to ESSVP IV L.P., ESSVP IV (Structured) L.P., and Silenos GmbH & Co. KG (collectively “ESSVP IV”), advised by Orlando Management AG (the “Transaction”).

### (1) Main reason for the Transaction

NIDEC is actively moving forward with the development of new growth platforms with particular emphasis on appliance, commercial and industrial motors and solutions. As Secop develops, manufactures and sells products of compressors for consumer and commercial type refrigerators, from the acquisition of Secop in 2017, NIDEC's appliance motor business in Global Appliance Division has expanded further into the refrigeration market. However, on April 12, 2019, NIDEC acquired a conditional approval of the European Commission in connection with NIDEC's acquisition of Embraco from Whirlpool Corporation and NIDEC decided to sell Secop. In addition, NIDEC acquired an approval of the European Commission that ESSVP IV is the appropriate purchaser of Secop and acquired the European Commission's approval of the acquisition of Embraco on June 26, 2019. The Transaction is made following NIDEC's commitment to the European Commission to sell Secop to a suitable purchaser as a condition for the European Commission's approval.

### (2) Name of the transferee company and date of the Transaction

Name of the transferee company	ESSVP IV
Date of the Transaction	End of August, 2019 (expected)

### (3) Name of the company to be transferred, major business and name of operating segment

Name of the company	Secop
Major business	Compressor business for refrigerator
Name of operating segment	Nidec Motor

### (4) Transition of ownership ratio for the company to be transferred

Ownership ratio before the transfer	100%
Ownership ratio transferred	100%
Ownership ratio after the transfer	-

(5) Profit (loss) for the period from discontinued operations

	For the three months ended June 30,	
	2018	2019
Net Sales	11,542	1,143
Recognized loss due to measuring assets held for sale at fair value less costs	-	(18,207)
Other profit (loss)	(10,585)	(1,075)
Profit (loss) before income taxes from discontinued operations	957	(18,139)
Income tax expenses	(421)	(1,501)
Recognized loss due to measuring assets held for sale at fair value less costs and amounts related to the sales	-	(141)
Total income tax expenses	(421)	(1,642)
Profit (loss) for the period from discontinued operations	536	(19,781)

(Notes)1. On April 12, 2019, Secop was excluded from consolidation due to losing control.

2. Various conditions for sales of Secop are based on the forecasts as of June 30, 2019, therefore the final loss amount on the sales may change in the future.

(6) Cash flows from the discontinued operations

	For the three months ended June 30,	
	2018	2019
Net cash provided by (used in) operating activities	546	(0)
Net cash used in investing activities	(865)	-
Net cash used in financing activities	(92)	-
Total	(411)	(0)

(Note)On April 12, 2019, Secop was excluded from consolidation due to losing control.

(7) Details of the sales

Estimated consideration for the sales	
Conditional consideration	9,295
Total estimated consideration for the sales	9,295
Equity to be transferred	(27,502)
Income tax expenses	(141)
Estimated loss from the sales after income tax	(18,348)

(Note)Various conditions for sales of Secop are based on the forecasts as of June 30, 2019, therefore the final loss amount on the sales may change in the future.

**7. Business combination and loss of control**

Purchase price allocation to the assets and the liabilities

Of the assets acquired and the liabilities assumed upon the acquisitions of companies in the fiscal year ended March 31, 2019, the assets and liabilities which are currently under evaluation have been recorded on NIDEC's consolidated statement of financial position based on preliminary management estimation as of June 30, 2019.

Loss of control

On April 12, 2019, NIDEC entered into a legally binding commitment with the European Commission to appoint a Hold Separate Manager and a Monitoring Trustee so as to confer to them effective operational control over compressor business (Secop). As a result of the binding commitment, NIDEC lost control of Secop and its subsidiaries on the same date. Various conditions for sales of Secop are based on the forecasts as of June 30, 2019, therefore the final loss amount on the sales may change in the future.

The loss amount on the sales recognized with the loss of control is ¥18,207 million. The loss amount on the sales is included in "Loss for the period from discontinued operations" in the condensed quarterly consolidated statement of income.

NIDEC did not receive the consideration for this transfer as of June 30, 2019.



The breakdown of Secop's assets and liabilities as of the date when NIDEC lost control over it are as follows:

*(Yen in millions)*

Current assets	
Cash and cash equivalents	601
Trade and other receivables	9,655
Other financial assets	2,661
Income tax receivables	12
Inventories	4,347
Other current assets	1,664
Non-current assets	
Property, plant and equipment	13,394
Goodwill	9,946
Intangible assets	2,945
Total assets	45,225
Current liabilities	
Long term debt due within one year	1,284
Trade and other payables	8,090
Income tax payables	287
Provisions	1,094
Other current liabilities	1,197
Non-current liabilities	
Long term debt	2,024
Other financial liabilities	21
Retirement benefit liabilities	501
Provisions	405
Deferred tax liabilities	2,819
Other non-current liabilities	1
Total liabilities	17,723

For further information on the changes in goodwill, refer to "9. Goodwill and intangible assets".

## 8. Assets held for sale

During the three months ended June 30, 2019, assets classified as assets held for sale are accounts receivable related to the business of compressor for refrigerator of Secop classified as discontinued operations. The details of discontinued operations are stated in "6. Discontinued Operations".

## 9. Goodwill and intangible assets

Changes in the carrying amounts of goodwill are as follows:

(Yen in millions)

	For the three months ended June 30,	
	2018	2019
Balance at beginning of period		
Goodwill	234,915	262,311
Acquisitions through business combinations	1,263	-
Sales or disposals	-	(9,946)
Translation adjustments and others	2,351	(6,280)
Balance at end of period		
Goodwill	238,529	246,085

Intangible assets subject to amortization are as follows:

(Yen in millions)

	As of March 31, 2019		
	Gross carrying amounts	Accumulated amortization	Carrying amounts
Customer relationships	79,990	(29,439)	50,551
Proprietary technology	18,911	(7,004)	11,907
Software	29,568	(18,698)	10,870
Capitalized development costs	15,793	(910)	14,883
Others	9,040	(5,270)	3,770
Total	153,302	(61,321)	91,981

(Yen in millions)

	As of June 30, 2019		
	Gross carrying amounts	Accumulated amortization	Carrying amounts
Customer relationships	69,638	(23,632)	46,006
Proprietary technology	16,643	(5,219)	11,424
Software	30,809	(19,423)	11,386
Capitalized development costs	15,548	(1,044)	14,504
Others	6,640	(4,064)	2,576
Total	139,278	(53,382)	85,896

Total amortization of intangible assets for the year ended March 31, 2019 and for the three months ended June 30, 2019 amounted to ¥10,206 million and ¥2,481 million, respectively. Total indefinite lived intangible assets amounted to ¥34,523 million and ¥33,965 million as of March 31, 2019 and June 30, 2019, respectively.

## 10. Employee benefits

The amounts of net periodic benefit cost in pension and severance plans for the three months ended June 30, 2018 and 2019 are as follows:

(Yen in millions)

	For the three months ended June 30,	
	2018	2019
Net periodic pension cost for defined benefit plans:		
Current service cost	595	928
Interest cost (net)	211	165
Net periodic pension cost for defined benefit plans	806	1,093
Payments to defined contribution pension plans	713	802
Payments to multi-employer plans	0	-

## 11. Related party transactions

Transactions with related parties for the three months ended June 30, 2018 and 2019 are as follows:

### Sales of goods and services

(Yen in millions)

	For the three months ended June 30,	
	2018	2019
Related parties		
S.N. Kosan, LLC.*1	-	-
Nagamori Foundation*2	3	3
Nagamori Gakuen Educational Foundation*3,*4	-	13

(Notes)\*1. NIDEC's directors and other officers, and their close relatives own a majority of voting rights of S.N. Kosan, LLC.

\*2. A director of NIDEC concurrently serves as president of Nagamori Foundation.

\*3. A director of NIDEC concurrently serves as chairman of the board of trustees of Nagamori Gakuen Educational Foundation.

\*4. Kyoto Gakuen Educational Foundation has changed the name to Nagamori Gakuen Educational Foundation on April 1, 2019.

Sales of goods and services to related parties are entered into on terms consistent with third-party transactions and considering market prices.

### Purchase of goods and services

(Yen in millions)

	For the three months ended June 30,	
	2018	2019
Related parties		
S.N. Kosan, LLC.	4	3
Green Kosan, LLC.*5	27	-

(Note)\*5. A director of NIDEC concurrently serves as representative member of Green Kosan, LLC.

Purchase of goods and services from related parties are entered into on terms consistent with third-party transactions and considering market prices.

Outstanding balances arising from sales and purchases of goods and services*(Yen in millions)*

	March 31, 2019	June 30, 2019
Receivables from related parties		
S.N. Kosan, LLC.	1	1
Nagamori Foundation	0	0
Nagamori Gakuen Educational Foundation	4	4
Payables to related parties		
S.N. Kosan, LLC.	-	1
Green Kosan, LLC.	-	-

No expected credit loss allowance for receivables from related parties was recognized at March 31, 2019 and June 30, 2019. In addition, there were no expenses recognized during the years ended March 31, 2019 and the three months ended June 30, 2019 in respect of receivables from related parties.

**12. Dividends**

Dividends declared and paid to the ordinary shareholders are as follows:

For the three months ended June 30, 2018

Resolution date	Class of shares	Total amount of dividends (Yen in millions)	Dividends per share (Yen)	Record date	Effective date
May 28, 2018 Board of directors	Ordinary shares	14,798	50	March 31, 2018	June 4, 2018

For the three months ended June 30, 2019

Resolution date	Class of shares	Total amount of dividends (Yen in millions)	Dividends per share (Yen)	Record date	Effective date
May 24, 2019 Board of directors	Ordinary shares	16,191	55	March 31, 2019	June 3, 2019

(Note) In the above table, total dividends resolved at the board of directors on May 24, 2019 included dividends of ¥4 million paid to the treasury shares held by the BIP Trust and the ESOP Trust.

### 13. Earnings per share

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

“Earnings per share attributable to owners of the parent - diluted” are not presented because there were no securities with dilutive effect outstanding.

	For the three months ended June 30,	
	2018	2019
Profit attributable to owners of the parent (Yen in millions)	37,287	3,476
Profit from continuing operations attributable to owners of the parent (Yen in millions)	36,751	23,257
Profit (loss) from discontinued operations attributable to owners of the parent (Yen in millions)	536	(19,781)
Weighted average shares (Shares)	295,779,502	294,293,672
Earnings per share attributable to owners of the parent - basic (Yen)	126.06	11.81
Earnings per share from continuing operations (Yen)	124.25	79.03
Earnings (loss) per share from discontinued operations (Yen)	1.81	(67.22)

(Note) In the calculation of “Earnings per share attributable to owners of the parent - basic” for the three months ended June 30, 2019, the Company’s shares owned by the BIP Trust and the ESOP Trust are included in treasury stock. Therefore, the number of those shares is deducted from calculating the number of “Weighted average shares”.

## 14. Fair values

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The levels of the fair value hierarchy are as follows:

- Level 1: Quoted prices for identical assets or liabilities in active markets;
- Level 2: Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, inputs that are corroborated by observable market data by correlation or other means; and
- Level 3: Unobservable inputs for the asset or liability.

For recurring fair value measurements of assets and liabilities, NIDEC reviews whether there are transfers between levels of the fair value hierarchy at the end of the period by reassessing the level to be applied to the asset or liability for measuring its fair value.

### Fair values of financial instruments measured at amortized cost

*(Yen in millions)*

	As of March 31, 2019		As of June 30, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Short term investments	96	96	98	98
Long term investments	27	27	31	31
Short term loans receivable	36	36	71	71
Long term loans receivable	143	138	152	147
Short term borrowings	(17,394)	(17,394)	(47,456)	(47,456)
Long term debt (including long term debt due within one year and excluding the lease liabilities and corporate bonds)	(116,902)	(117,194)	(113,038)	(113,347)
Corporate bonds (including corporate bonds due within one year)	(237,345)	(238,151)	(236,727)	(237,659)

The following are explanatory notes relating to fair value estimation of the financial instruments.

#### (1) Short term investments, short term loans receivable and short term borrowings

In the normal course of business, substantially all short term investments (time deposits), short term loans receivable and short term borrowings are highly liquid and are carried at amounts that approximate their fair values.

#### (2) Long term investments

NIDEC's long term investments are mainly trust funding which is contributed for the performance-linked share-based compensation plan and are classified as Level 2. The fair value of long term investments is estimated by discounting expected future cash flows to their present values.

#### (3) Long term loans receivable

The fair value of long term loans receivable is estimated by discounting expected future cash flows to their present values and classified as Level 2.

#### (4) Long term debt

The fair value of long term debt (including long term debt due within one year and excluding the lease liabilities and corporate bonds) is estimated based on the present value of future repayment amounts by discounting at NIDEC's expected incremental borrowing rates for similar liabilities and classified as Level 2.

#### (5) Corporate bonds

The fair value of bonds issued by NIDEC (including corporate bonds due within one year) is estimated based on the quoted market price for the NIDEC's bonds in markets that are not active and classified as Level 2.

The fair values of “cash and cash equivalents”, “trade and other receivables” and “trade and other payables” approximate their carrying amounts because of the short maturity of these instruments. Therefore, the table described above excludes these financial instruments.

Breakdown of financial instruments measured at fair value on a recurring basis by levels of the fair value hierarchy

The following is an analysis of financial instruments measured at fair value after they are initially recognized.

The breakdown of financial assets and financial liabilities categorized by the levels of the fair value hierarchy used in the analysis is as follows:

As of March 31, 2019

*(Yen in millions)*

	Level 1	Level 2	Level 3	Total
Assets				
Marketable securities and other investment securities				
FVTOCI equity financial assets	16,122	-	1,672	17,794
FVTOCI debt financial assets	-	150	-	150
Derivatives	231	2,600	-	2,831
Total financial assets	16,353	2,750	1,672	20,775
Liabilities				
Derivatives	50	503	-	553
Total financial liabilities	50	503	-	553

(Note) There were no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2019

As of June 30, 2019

*(Yen in millions)*

	Level 1	Level 2	Level 3	Total
Assets				
Marketable securities and other investment securities				
FVTOCI equity financial assets	15,614	-	1,657	17,271
FVTOCI debt financial assets	-	148	-	148
Derivatives	10	2,279	-	2,289
Total financial assets	15,624	2,427	1,657	19,708
Liabilities				
Derivatives	157	967	-	1,124
Total financial liabilities	157	967	-	1,124

(Note) There were no transfers between Level 1, Level 2 and Level 3 during the three months ended June 30, 2019.

Level 1 securities and derivatives including commodity futures are valued using an unadjusted quoted market price in active markets with sufficient volume and frequency of transactions.

Level 2 securities are valued using non-active market prices for identical assets. Level 2 derivatives including foreign exchange forward contracts are valued using quotes obtained from counterparties or third parties, which are periodically validated by pricing models using observable market inputs, such as foreign currency exchange rates and interest rates.

Level 3 securities are composed mainly of unlisted shares. Fair values of those unlisted shares are calculated by discounted cash flow method, etc. For securities of level 3, no significant changes in fair value are expected to occur as a result of changing unobservable inputs to other alternative assumptions that are considered reasonable.

The reconciliation of financial instruments categorized as Level 3 is as follows:

*(Yen in millions)*

	For the three months ended June 30,	
	2018	2019
Balance at beginning of period	1,390	1,672
Gains or losses:		
Recognized in other comprehensive income (Note)	39	(15)
Balance at end of period	1,429	1,657

(Note) Those are included in “fair value movements on FVTOCI equity financial assets” and “foreign currency translation adjustments” in the condensed quarterly consolidated statements of other comprehensive income.

## 15. Events after the reporting period

### **Completion of Acquisition of Embraco, Whirlpool Corporation’s Compressor Business**

On July 1, 2019, Brazil time, NIDEC has acquired 100% of equity shares of the compressor business (“Embraco”) of Whirlpool Corporation (the “Transaction”). The fair value of the consideration paid is \$1,130 million. Since the initial accounting for the business combination has not been completed at the time of the approval of the condensed quarterly financial statement, further details have not yet been disclosed.

1) Purpose of the Transaction	Embraco develops, manufactures and sells refrigeration compressors and electronic components. Through the Transaction, NIDEC is able to strengthen its refrigeration compressor business through expanding its product portfolio and sales areas. Ever stricter environmental regulations in major regions like Europe, the Americas and China are stimulating customers demand for DC compressors. In addition to Embraco’s excellent technologies for DC compressors, NIDEC’s best in class brushless DC motor technology is expected to be utilized widely. Furthermore, because motors and compressors have similarities in terms of the nature of components used, Embraco expects to reduce procurement costs by taking advantage of synergies of the Nidec group’s purchase capabilities and give customers additional value.
2) Funds for the Transaction	NIDEC utilizes its cash on hand and debt finance for funding.



**Determination of Terms of Eighth Series of Domestic Unsecured Bonds**

On July 12, 2019, the Company determined the terms of tranche of straight bonds (which rank pari passu among themselves) (the “Bonds”) in the principal amount of ¥100 billion to be issued in Japan under a shelf registration statement filed in Japan valid until April 4, 2020, for the issuance from time to time of up to ¥300 billion aggregate principal amount of domestic bonds. The issuance of the Bonds has completed as of the date of this report.

	The Eighth series unsecured bonds
1) Total principal amount	¥100 billion
2) Book-entry bonds	The provisions of the Law Concerning Book-Entry Transfer of Corporate Bonds and Shares, etc. apply to the bonds.
3) Denomination of each bond	¥100 million
4) Interest rate	0.100% per annum
5) Issue price	100% of the principal amount
6) Redemption price	100% of the principal amount
7) Maturity date	July 19, 2024
8) Offering period	July 12, 2019
9) Payment date	July 19, 2019
10) Method of offering	Public offering in Japan
11) Security or guarantee	The bonds are unsecured and not guaranteed. There is no assets reserved as security for the bonds.
12) Financial covenants	The bonds are subject to certain negative pledge restrictions.
13) Redemption prior to maturity	The Company may, at any time on or after the day following the issue date, repurchase the bonds and cause such repurchased bonds to be canceled, unless otherwise required by Japan Securities Depository Center, Inc.
14) Use of the bonds	Repayment of short-term borrowings and redemption of the bonds

### **A joint venture agreement with China-Based Guangzhou Automobile Group**

The Company has agreed to establish a joint venture to manufacture automotive traction motors with GAC Components Co., Ltd. (“GAC Components”), a member of China-based Guangzhou Automobile Group Co., Ltd (the “Transaction”). For this purpose, the Company entered into a joint venture agreement on August 1, 2019.

1) Purpose of the Transaction	Both companies have realized the strategic importance of traction motors in the future automobile industry, and agreed to collaborate to produce low-cost, high-efficiency traction motors for Guangzhou Automobile Group. The joint venture company will exploit Guangzhou Automobile Group’s collective know-how on finished vehicles mechanism and NIDEC’s drive and electronics technologies to develop, manufacture, and sell low-cost, high-efficiency traction motors mainly for Guangzhou Automobile Group, and later, other car manufacturers as well. Further, the joint venture company will hire development engineers locally in China, which is abundant in such resources, to accelerate the pace of product development and design, while utilizing Guangzhou Automobile Group’s local purchasing capabilities to promote cost reduction.
2) Company name	Guangzhou Nidec Auto Drive System Co., Ltd. (tentative)
3) Headquarters	Guangzhou, Guangdong Province, China
4) Establishment date	September – October 2019 (plan)
5) Main business	Development, production, sale, and after-sales service of automotive traction motor systems and components
6) Registered capital	600 million yuan (plan)
7) Investment	NIDEC 51% GAC Components 49%
8) Representative (CEO)	To be determined

### **16. Authorization of condensed quarterly consolidated financial statements**

NIDEC’s condensed quarterly consolidated financial statements were authorized for issue on August 8, 2019 by Hiroyuki Yoshimoto, Representative Director, President and Chief Operating Officer and Takeaki Ishii, Senior Vice President and Chief Financial Officer.

### **2. Other**

On May 24, 2019, the Company’s Board of Directors resolved to pay cash dividends to shareholders as of March 31, 2019 as follows:

- (1) Total amount of dividends: .....¥16,191 million
- (2) Amount per share: .....¥55.00
- (3) Effective date of claim of payment and start date of payment: .....June 3, 2019

## **Part II Information on Guarantors, etc. for the Company**

Not applicable.