English translation

Financial Statements Summary for the Three Months Ended June 30, 2019 [IFRS](Consolidated)

July 24, 2019

Company name:	NIDEC CORPORATION	URL https://www.nidec.com/en-Global/
Stock listing:	Tokyo Stock Exchange - First Section	
Code number:	6594	
Representative:	Hiroyuki Yoshimoto, Representative Director, President and COO	
Information on contact:	Masahiro Nagayasu, General Manager of Investor Relations & CSR Promotion Department Tel: +81-75-935-6140 ir@nidec.com	

Scheduled date of filing of Japanese quarterly report:	August 8, 2019
Scheduled date of dividend payable:	-
Supplemental materials for quarterly results:	Yes
Quarterly earning presentation held:	Yes

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

1. Consolidated Financial Results for the Three Months ended June 30, 2019 (April 1, 2019 to June 30, 2019)

(1) Consolidated Operating Results

(Percentage represents year-on-year changes)

	Net sales		Operating profit		Profit before income taxes		Profit attributable to owners of the parent		Comprehensive income for the period	
		%		%		%		%		%
For the three months ended June 30, 2019	360,874	(3.0)	27,959	(38.8)	31,262	(31.9)	3,476	(90.7)	(31,102)	–
For the three months ended June 30, 2018	372,223	–	45,693	–	45,888	–	37,287	–	49,200	–

	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, 2019	11.81	–
For the three months ended June 30, 2018	126.06	–

(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. 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.

(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, 2019	1,864,005	967,411	949,709	50.9
As of March 31, 2019	1,875,068	1,015,714	997,628	53.2

2. Dividends

	Dividends per share (Yen)				
	1st quarter end	2nd quarter end	3rd quarter end	Fiscal year end	Total
Year ended March 31, 2019	–	50.00	–	55.00	105.00
Year ending March 31, 2020	–				
Year ending March 31, 2020 (Forecast)		55.00	–	55.00	110.00

(Note) Revision of previously announced dividend targets during this reporting period: No

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

(Percentage represents year-on-year changes)

	Net sales		Operating profit		Profit before income taxes		Profit attributable to owners of the parent		Earnings per share attributable to owners of the parent-basic
		%		%		%		%	(Yen)
2nd quarter end	750,000	(0.7)	75,000	(22.1)	73,000	(23.8)	37,000	(52.8)	125.72
Fiscal year end	1,650,000	11.8	175,000	34.1	170,000	29.7	135,000	21.8	458.73

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

Notes

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

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

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

(3) Number of Shares Issued (Ordinary Shares)

1. Number of shares issued at the end of the period (including treasury stock):
   As of June 30, 2019: 298,142,234 As of March 31, 2019: 298,142,234

2. Number of treasury stock at the end of the period:
   As of June 30, 2019: 3,848,670 As of March 31, 2019: 3,848,312

3. Weighted-average number of shares outstanding during the period:
   For the three months ended June 30, 2019: 294,293,672 For the three months ended June 30, 2018: 295,779,502

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

*Explanation for appropriate use of forecast and other notes

Forward-looking statements, such as forecast of consolidated financial performance, stated in this document are based on information currently possessed by NIDEC or certain assumptions that NIDEC has deemed as rational. NIDEC cannot make any assurances that the contents mentioned in these forward-looking statements will ever materialize. Actual financial performance could be significantly different from NIDEC's expectations as a result of various factors. For the assumptions used and other notes, please refer to "1. Overview of Operating Results, Etc. (3). Explanation Regarding Future Forecast Information of Consolidated Financial Results" on page 12.

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

NIDEC finalized the provisional accounting treatment for the business combination in the year ended March 31, 2019. Condensed quarterly consolidated financial statements and consolidated financial statements for the year ended March 31, 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.

Investor presentation materials relating to our financial results for the three months ended June 30, 2019 are expected to be published on our corporate website on July 24, 2019.

1. Overview of Operating Results, Etc.

(1) Overview of Operating Results for the Three Months Ended June 30, 2019

1. Overview of Business Environment for the Three Months Ended June 30, 2019

During the three-month 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.

2.Consolidated Operating Results

Consolidated Operating Results for the Three Months Ended June 30, 2019 ("this three-month period"), Compared to the Three Months Ended June 30, 2018

(Yen in millions)

	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)%

Consolidated net sales from continuing operations decreased 3.0% to ¥360,874 million for this three-month period. Operating profit decreased 38.8% to ¥27,959 million compared to the same period of the prior year. The average exchange rate between the Japanese yen and the U.S. dollar for this three-month period was ¥109.90 to the U.S. dollar, which reflected an approximately 1% 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 ¥123.49 to the Euro, which reflected an approximately 5% appreciation of the Japanese yen against the Euro, compared to the same period of the prior year. The fluctuations of the foreign currency exchange rates had a negative effect on net sales by approximately ¥4,200 million and operating profit by approximately ¥1,600 million for this three-month period compared to the same period of the previous 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.

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.

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, 2018	For the three months ended June 30, 2019	Increase or decrease	Ratio of change
Net sales to external customers	106,333	108,006	1,673	1.6%
Spindle motors for hard disk drives (HDDs)	48,782	38,008	(10,774)	(22.1)%
Other small precision motors	57,551	69,998	12,447	21.6%
Operating profit	16,542	10,610	(5,932)	(35.9)%
Operating profit ratio	15.6%	9.8%	−	−

Net sales of this category 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.

Automotive products

(Yen in millions)

	For the three months ended June 30, 2018	For the three months ended June 30, 2019	Increase or decrease	Ratio of change
Net sales to external customers	77,181	75,488	(1,693)	(2.2)%
Operating profit	10,905	6,767	(4,138)	(37.9)%
Operating profit ratio	14.1%	9.0%	−	−

Despite higher sales of products of actuators at Nidec Motors & Actuators and control valves at Nidec Tosok Corporation, net sales of this category 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.

Appliance, commercial and industrial products

(Yen in millions)

	For the three months ended June 30,		Increase or decrease	Ratio of change
	2018	2019		
Net sales to external customers	127,016	123,009	(4,007)	(3.2)%
Operating profit	13,163	8,675	(4,488)	(34.1)%
Operating profit ratio	10.4%	7.1%	−	−

Net sales of this category 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.

Machinery

(Yen in millions)

	For the three months ended June 30,		Increase or decrease	Ratio of change
	2018	2019		
Net sales to external customers	42,616	38,086	(4,530)	(10.6)%
Operating profit	8,200	5,518	(2,682)	(32.7)%
Operating profit ratio	19.2%	14.5%	−	−

Net sales of this category 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.

Electronic and optical components

(Yen in millions)

	For the three months ended June 30,		Increase or decrease	Ratio of change
	2018	2019		
Net sales to external customers	17,987	15,170	(2,817)	(15.7)%
Operating profit	1,955	1,291	(664)	(34.0)%
Operating profit ratio	10.9%	8.5%	−	−

Net sales of this category 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.

Other products

(Yen in millions)

	For the three months ended June 30,		Increase or decrease	Ratio of change
	2018	2019		
Net sales to external customers	1,090	1,115	25	2.3%
Operating profit	192	188	(4)	(2.1)%
Operating profit ratio	17.6%	16.9%	–	–

Net sales of this category 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.

Consolidated Operating Results for the Three Months Ended June 30, 2019 ("1Q"), Compared to the Previous Three Months Ended March 31, 2019 ("4Q")

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	March 31, 2019	June 30, 2019		
Net sales	353,023	360,874	7,851	2.2%
Operating profit	5,721	27,959	22,238	388.7%
Operating profit ratio	1.6%	7.7%	–	–
Profit before income taxes	4,628	31,262	26,634	575.5%
Profit for the period from continuing operations	5,402	23,916	18,514	342.7%
Profit (loss) for the period from discontinued operations	2,460	(19,781)	(22,241)	–
Profit attributable to owners of the parent	7,798	3,476	(4,322)	(55.4)%

Consolidated net sales from continuing operations increased 2.2% to ¥360,874 million for 1Q compared to 4Q. Operating profit increased 388.7% to ¥27,959 million, due to a decrease in one-time costs incurred by structural reform expense, etc. in connection with its continuing operations (approximately ¥23.2 billion to approximately ¥2.5 billion). The average exchange rate between the Japanese yen and the U.S. dollar for 1Q was ¥109.9 to the U.S. dollar, which reflected slight appreciation 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 ¥123.49 to the Euro, which reflected an approximately 1% appreciation of the Japanese yen against the Euro, compared to 4Q. The fluctuations of the foreign currency exchange rates had a negative effect on net sales by approximately ¥2,100 million and operating profit by approximately ¥400 million for 1Q compared to 4Q.

Profit before income taxes increased 575.5% to ¥31,262 million and profit for the period from continuing operations increased 342.7% to ¥23,916 million compared to 4Q, respectively.

Profit attributable to owners of the parent, including profit for the period from discontinued operations, decreased 55.4% to ¥3,476 million, due to the transfer of Secop compressor business for refrigerators.

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 4Q is also reclassified similarly.

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, 2019	June 30, 2019		
Net sales to external customers	98,214	108,006	9,792	10.0%
Spindle motors for hard disk drives (HDDs)	36,858	38,008	1,150	3.1%
Other small precision motors	61,356	69,998	8,642	14.1%
Operating profit	2,660	10,610	7,950	298.9%
Operating profit ratio	2.7%	9.8%	−	−

Net sales of this category increased 10.0% to ¥108,006 million and the impact of foreign exchange decreased sales by approximately ¥600 million from 4Q.

Net sales of spindle motors for HDDs increased 3.1% to ¥38,008 million for 1Q compared to 4Q. The number of units sold of spindle motors for HDDs for 1Q decreased approximately 2.1% compared to 4Q. Net sales of other small precision motors for 1Q increased 14.1% to ¥69,998 million compared to 4Q.

Operating profit of this category increased 298.9% to ¥10,610 million for 1Q compared to 4Q, primarily due to higher sales and a decline in one-time costs for structural reform expense (approximately ¥7.6 billion to approximately ¥1.5 billion). The fluctuations of the foreign currency exchange rates had a negative effect on operating profit of this category by approximately ¥200 million for 1Q compared to 4Q.

Automotive products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	March 31, 2019	June 30, 2019		
Net sales to external customers	73,532	75,488	1,956	2.7%
Operating profit	4,303	6,767	2,464	57.3%
Operating profit ratio	5.9%	9.0%	−	−

Net sales of this category increased 2.7% to ¥75,488 million mainly due to an increase in sales of products of motors for electric power steering systems. The impact of foreign exchange rates was a negative impact of approximately ¥600 million compared to 4Q.

Operating profit of this category increased 57.3% to ¥6,767 million for 1Q compared to 4Q mainly due to a decline in one-time costs of structural reform expenses etc. (approximately ¥4,700 million to approximately ¥500 million), despite additional advanced development cost for new orders exceeding initial plans and other factors. The fluctuations of the foreign currency exchange rates had a negative effect on operating profit of this category by approximately ¥200 million for 1Q compared to 4Q.

Appliance, commercial and industrial products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	March 31, 2019	June 30, 2019		
Net sales to external customers	124,581	123,009	(1,572)	(1.3)%
Operating profit	3,037	8,675	5,638	185.6%
Operating profit ratio	2.4%	7.1%	–	–

Net sales of this category decreased 1.3% to ¥123,009 million, mainly due to seasonal factors. The fluctuations of the foreign currency exchange rates had a negative effect on net sales of this category by approximately ¥600 million for 1Q compared to 4Q.

Operating profit of this category increased 185.6% to ¥8,675 million, as a result of decrease in factory integration and merger and acquisition costs etc. of approximately ¥4,800 million recorded in 4Q, in spite of the decrease of sales, the effect of the delayed launching high profitable model in Mexico and other factors. The impact of foreign exchange increased profits by approximately ¥20 million from 4Q.

Machinery

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	March 31, 2019	June 30, 2019		
Net sales to external customers	39,020	38,086	(934)	(2.4)%
Operating profit	1,856	5,518	3,662	197.3%
Operating profit ratio	4.8%	14.5%	–	–

Net sales of this category decreased 2.4% to ¥38,086 million due to lower sales in LCD panel handling robots and other factors, despite the impact of new consolidated companies.

Operating profit of this category increased 197.3% to ¥5,518 million compared to 4Q, as a result of recording a one-time charge of approximately ¥3,100 million, primarily for the disposal of slow moving inventory in 4Q.

Electronic and optical components

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	March 31, 2019	June 30, 2019		
Net sales to external customers	16,506	15,170	(1,336)	(8.1)%
Operating (loss) profit	(1,602)	1,291	2,893	–
Operating profit ratio	(9.7)%	8.5%	–	–

Net sales of this category decreased 8.1% from 4Q to ¥15,170 million and operating profit of this category increased ¥2,893 million to ¥1,291 million, reflecting a decrease (approximately ¥3,000 million to approximately ¥400 million) in temporary expenses such as the disposal of slow moving inventory and the start-up costs of the Mexican plant that was recorded in 4Q.

Other products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	March 31, 2019	June 30, 2019		
Net sales to external customers	1,170	1,115	(55)	(4.7)%
Operating profit	126	188	62	49.2%
Operating profit ratio	10.8%	16.9%	−	−

Net sales of this category decreased 4.7% from 4Q to ¥1,115 million and operating profit of this category increased 49.2% to ¥188 million.

(2) Financial Position

(Yen in millions)

	As of March 31, 2019	As of June 30, 2019	Increase or decrease
Total assets	1,875,068	1,864,005	(11,063)
Total liabilities	859,354	896,594	37,240
Total equity attributable to owners of the parent	997,628	949,709	(47,919)
Interest-bearing debt *1	372,761	424,735	51,974
Net interest-bearing debt *2	130,494	189,711	59,217
Debt ratio (%) *3	19.9	22.8	2.9
Debt to equity ratio (“D/E ratio”) (times) *4	0.37	0.45	0.08
Net D/E ratio (times) *5	0.13	0.20	0.07
Ratio of total equity attributable to owners of the parent to total assets (%) *6	53.2	50.9	(2.3)

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

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

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

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

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

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

Total assets 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.

As a result, net interest-bearing debt increased to ¥189,711 million as of June 30, 2019 from ¥130,494 million as of March 31, 2019. The debt ratio increased to 22.8% as of June 30, 2019 from 19.9% as of March 31, 2019. The D/E ratio increased to 0.45 times as of June 30, 2019 from 0.37 times as of March 31, 2019. The net D/E ratio increased to 0.20 times as of June 30, 2019 from 0.13 times as of 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.

Overview of Cash Flow

(Yen in millions)

	For the three months ended June 30,		Increase or decrease
	2018	2019	
Net cash provided by operating activities	44,740	32,723	(12,017)
Net cash used in investing activities	(36,640)	(42,660)	(6,020)
Free cash flow *1	8,100	(9,937)	(18,037)
Net cash (used in) provided by financing activities	15,409	11,483	(3,926)

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

Cash flows from operating activities for this three-month period came to a net cash inflow of ¥32,723 million. Compared to the same period of the prior year, the cash inflow from operating activities for this three-month period decreased ¥12,017 million. This decrease 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.

Cash flows from investing activities for this three-month period came to a net cash outflow of ¥42,660 million. Compared to the same period of the prior year, the net cash outflow from investing activities for this three-month period increased ¥6,020 million mainly due to an 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.

As a result, we had a negative free cash flow of ¥9,937 million for this three-month period, a decrease of ¥18,037 million compared to a positive free cash flow of ¥8,100 million for the same period of the prior year.

Cash flows from financing activities for this three-month period came to a net cash inflow of ¥11,483 million. Compared to the same period of the prior year, the net cash inflow from financing activities for this three-month period decreased ¥3,926 million mainly due to a decrease in short term borrowings net changes year on year of ¥3,264 million.

As a result of the foregoing factors and the impact of foreign exchange fluctuations, the balance of cash and cash equivalents as of June 30, 2019 decreased ¥7,243 million to ¥235,024 million from March 31, 2019. All the above amounts include discontinued operations.

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

While expectations are high for the US economy to remain strong, the concerns over the future recovery of the Chinese economy, the Brexit, geopolitical risks with Iran and other parts of the Middle East, and other issues will not leave much space for optimism in the world economy.

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

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

Net sales	¥1,650,000	million	(111.8% compared to the previous fiscal year)
Operating profit	¥175,000	million	(134.1% compared to the previous fiscal year)
Profit before income taxes	¥170,000	million	(129.7% compared to the previous fiscal year)
Profit attributable to owners of the parent	¥135,000	million	(121.8% compared to the previous fiscal year)

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

Net sales	¥750,000	million	(99.3% compared to the same period of the previous fiscal year)
Operating profit	¥75,000	million	(77.9% compared to the same period of the previous fiscal year)
Profit before income taxes	¥73,000	million	(76.2% compared to the same period of the previous fiscal year)
Profit attributable to owners of the parent	¥37,000	million	(47.2% compared to the same period of the previous fiscal year)

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

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

Cautionary Note Regarding Forward-Looking Statements

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

2. Condensed Quarterly Consolidated Financial Statements and Other Information

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Yen in millions)

	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	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	–	9,295
Total current assets	919,472	910,564
Non-current assets		
Property, plant and equipment	517,479	540,495
Goodwill	262,311	246,085
Intangible assets	126,504	119,861
Investments accounted for using the equity method	2,785	2,444
Other investments	18,444	17,919
Other financial assets	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)

	As of March 31, 2019	As of June 30, 2019
Liabilities		
Current liabilities		
Short term borrowings	17,394	47,456
Long term debt due within one year	95,339	149,308
Trade and other payables	310,644	292,892
Other financial liabilities	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	529,994	599,696
Non-current liabilities		
Long term debt	260,028	227,971
Other financial liabilities	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	329,360	296,898
Total liabilities	859,354	896,594
Equity		
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	997,628	949,709
Non-controlling interests	18,086	17,702
Total equity	1,015,714	967,411
Total liabilities and equity	1,875,068	1,864,005

(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, 2018	For the three months ended June 30, 2019
Continuing operations		
Net Sales	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	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	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

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

	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)

	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			(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)

	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			(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			(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)

	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	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)

	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	(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

(5) Notes to Condensed Quarterly Consolidated Financial Statements

Notes Regarding Going Concern Assumption

Not applicable.

Notes to Condensed Quarterly Consolidated Financial Statements

1. Reporting entity

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

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

The condensed quarterly consolidated financial statements of NIDEC have been prepared in accordance with IAS 34 "Interim Financial Reporting" pursuant to the provision of article 93 of Regulations for Quarterly Consolidated Financial Statements, as the Company meets the criteria of a "Designated IFRS Specified Company" defined under 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) Change 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 and condensed quarterly consolidated statements of cash flows 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 consolidated statement 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 inception date. 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, 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 inception of the 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, 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 assumptions are reviewed on an ongoing basis, and the effects resulting from 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. Business combinations and loss of control

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

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

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

6. Events after the reporting period

Completion of Acquisition of Embraco, Whirlpool Corporation's Compressor Business

On July 1, 2019, Brazil time, NIDEC has acquired the compressor business ("Embraco") of Whirlpool Corporation (the "Transaction").

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, NIDEC 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	NIDEC 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

3. Others (unaudited)

(1) Information by Product Category

For the three months ended June 30, 2018

(Yen in millions)

	Small precision motors	Automotive Products	Appliance, commercial and industrial products	Machinery	Electronic and optical components	Others	Total	Eliminations/ Corporate	Consolidated
Net sales:									
External sales	106,333	77,181	127,016	42,616	17,987	1,090	372,223	–	372,223
Intersegment	751	446	1,668	3,544	1,490	447	8,346	(8,346)	–
Total	107,084	77,627	128,684	46,160	19,477	1,537	380,569	(8,346)	372,223
Operating expenses	90,542	66,722	115,521	37,960	17,522	1,345	329,612	(3,082)	326,530
Operating profit	16,542	10,905	13,163	8,200	1,955	192	50,957	(5,264)	45,693

For the three months ended June 30, 2019

(Yen in millions)

	Small precision motors	Automotive Products	Appliance, commercial and industrial products	Machinery	Electronic and optical components	Others	Total	Eliminations/ Corporate	Consolidated
Net sales:									
External sales	108,006	75,488	123,009	38,086	15,170	1,115	360,874	–	360,874
Intersegment	1,915	461	1,277	4,136	1,323	503	9,615	(9,615)	–
Total	109,921	75,949	124,286	42,222	16,493	1,618	370,489	(9,615)	360,874
Operating expenses	99,311	69,182	115,611	36,704	15,202	1,430	337,440	(4,525)	332,915
Operating profit	10,610	6,767	8,675	5,518	1,291	188	33,049	(5,090)	27,959

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

2. Major products of each product category:

(1) Small precision motors: Spindle motors for HDDs, brushless motors, fan motors, vibration motors, brush motors and motor applications, etc.

(2) Automotive products: Automotive motors and components.

(3) Appliance, commercial and industrial products: Home appliance, commercial and industrial motors and related products.

(4) Machinery: Industrial robots, card readers, test systems, press machines and power transmission drives, etc.

(5) Electronic and optical components: Switches, trimmer potentiometers, lens units and camera shutters, etc.

(6) Others: Services, etc.

(2) Sales by Geographic Segment

(Yen in millions)

	For the three months ended June 30,				Increase or decrease	
	2018		2019			
	Amounts	%	Amounts	%	Amounts	%
Japan	77,166	20.7	69,018	19.1	(8,148)	(10.6)
U.S.A.	69,637	18.7	68,574	19.0	(1,063)	(1.5)
Singapore	13,951	3.8	8,476	2.4	(5,475)	(39.2)
Thailand	35,506	9.6	29,386	8.1	(6,120)	(17.2)
Germany	29,526	7.9	31,656	8.8	2,130	7.2
China	85,314	22.9	82,994	23.0	(2,320)	(2.7)
Others	61,123	16.4	70,770	19.6	9,647	15.8
Total	372,223	100.0	360,874	100.0	(11,349)	(3.0)

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

(3) Sales by Region

(Yen in millions)

	For the three months ended June 30,				Increase or decrease	
	2018		2019			
	Amounts	%	Amounts	%	Amounts	%
North America	74,811	20.1	81,935	22.7	7,124	9.5
Asia	176,279	47.3	162,537	45.1	(13,742)	(7.8)
Europe	63,133	17.0	63,494	17.6	361	0.6
Others	4,495	1.2	5,143	1.4	648	14.4
Overseas total	318,718	85.6	313,109	86.8	(5,609)	(1.8)
Japan	53,505	14.4	47,765	13.2	(5,740)	(10.7)
Total	372,223	100.0	360,874	100.0	(11,349)	(3.0)

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

4. Overview of Consolidated Financial Results

July 24, 2019

(1) Summary of Consolidated Financial Performance

(Yen in millions)

	For the three months ended June 30, 2018	For the three months ended June 30, 2019	Increase or decrease
Net Sales	372,223	360,874	(3.0)%
Operating profit	45,693 12.3%	27,959 7.7%	(38.8)%
Profit before income taxes	45,888 12.3%	31,262 8.7%	(31.9)%
Profit attributable to owners of the parent	37,287 10.0%	3,476 1.0%	(90.7)%
Earnings per share attributable to owners of the parent - basic (Yen)	126.06	11.81	
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, 2018	As of June 30, 2019	As of March 31, 2019
Total assets	1,845,186	1,864,005	1,875,068
Total equity attributable to owners of the parent	964,160	949,709	997,628
Ratio of equity attributable to owners of the parent to total asset	52.3%	50.9%	53.2%
	For the three months ended June 30, 2018	For the three months ended June 30, 2019	For the year ended March 31, 2019
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 (used in) provided by financing activities	15,409	11,483	(32,683)
Cash and cash equivalents at end of period	289,432	235,024	242,267

(3) Dividends

(Yen)

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

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

Number of consolidated subsidiaries	307
Number of associates accounted for under the equity method	4

	Change from March 31, 2019	Change from June 30, 2018
Number of companies newly consolidated	1	23
Number of companies excluded from consolidation	16	33
Number of companies newly accounted for by the equity method	-	-
Number of companies excluded from accounting by the equity method	-	1

(Notes) 1. The amounts of percentage in "(1) Summary of Consolidated Financial Performance" represent percentage of sales.
2. "Earnings per share attributable to owners of the parent-basic" and "Earnings per share attributable to owners of the parent-diluted" have been calculated based on figures of "Profit attributable to owners of the parent".
3. NIDEC finalized the provisional accounting treatment for the business combination in the year ended March 31, 2019. Condensed quarterly consolidated financial statements and consolidated financial statements for the year ended March 31, 2019 reflect the revision of the initially allocated amounts of acquisition price as NIDEC finalized the provisional accounting treatment for the business combination.
4. 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.