



Financial Statements Summary for the Nine Months Ended December 31, 2022 [IFRS](Consolidated)

January 24, 2023

Company name: NIDEC CORPORATION URL <https://www.nidec.com/en/>
 Stock listing: Tokyo Stock Exchange - Prime Market
 Code number: 6594
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 Scheduled date of filing of Japanese quarterly report: February 13, 2023
 Scheduled date of dividend payable: -
 Supplemental materials for quarterly results: Yes
 Quarterly earning presentation held: Yes

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

1. Consolidated Financial Results for the Nine Months ended December 31, 2022 (April 1, 2022 to December 31, 2022)

(1) Consolidated Operating Results

(Percentage represents year-on-year changes)

	Net sales		Operating profit		Profit before income taxes		Profit attributable to owners of the parent		Comprehensive income for the period	
		%		%		%		%		%
For the nine months ended December 31, 2022	1,699,747	20.8	124,404	(6.8)	141,944	9.7	104,077	4.8	184,867	20.8
For the nine months ended December 31, 2021	1,407,210	-	133,487	-	129,410	-	99,312	-	153,008	-
	Earnings per share attributable to owners of the parent-basic (Yen)				Earnings per share attributable to owners of the parent-diluted (Yen)					
For the nine months ended December 31, 2022	180.72								-	
For the nine months ended December 31, 2021	169.73								-	

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

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of total equity attributable to owners of the parent to total assets
As of December 31, 2022	2,876,302	1,412,636	1,388,101	48.3%
As of March 31, 2022	2,678,483	1,316,698	1,292,241	48.2%

2. Dividends

	Dividends per share (Yen)				
	1 st quarter end	2 nd quarter end	3 rd quarter end	Fiscal year end	Total
Year ended March 31, 2022	-	30.00	-	35.00	65.00
Year ending March 31, 2023	-	35.00	-		
Year ending March 31, 2023 (Forecast)				35.00	70.00

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

3. Forecast of Consolidated Financial Performance for the Year ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(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)
Fiscal year end	2,200,000	14.7	110,000	(35.4)	120,000	(29.4)	60,000	(55.8)	104.24

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

Notes

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

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

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

(3) Number of Shares Issued (Ordinary Shares)

1. Number of shares issued at the end of the period (including treasury stock):

As of December 31, 2022: 596,284,468 As of March 31, 2022: 596,284,468

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

As of December 31, 2022: 21,524,166 As of March 31, 2022: 16,023,034

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

For the nine months ended December 31, 2022: 575,897,385 For the nine months ended December 31, 2021: 585,111,113

*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 nine months ended December 31, 2022. Condensed quarterly consolidated financial statements and consolidated financial statements for the year ended March 31, 2022 reflect the revision of the initially allocated amounts of acquisition cost as NIDEC finalized the provisional accounting treatment for the business combination.

Investor presentation materials relating to our financial results for the nine months ended December 31, 2022 are expected to be published on our corporate website on January 24, 2023.

1. Overview of Operating Results, Etc.

(1) Overview of Operating Results for the Nine Months Ended December 31, 2022

1. Overview of Business Environment for the Nine Months Ended December 31, 2022

The IMF expects global economic growth in calendar year 2022 to be +3.2% as of October 2022. During the period from October to December 2022, in financial markets, central banks around the world continued to raise interest rates and reduce monetary easing with a focus on countering inflation. In December, the Bank of Japan reviewed its implementation of yield curve control. Compared with the July to September period, the yen appreciated against the U.S. dollar during the October to December period, reaching 132.70 yen to the U.S. dollar and the macroeconomic environment faced strong headwinds.

The recent business environment surrounding NIDEC continued to be severe, with shipments of IT equipment and home appliances peaking out, global automobile production volume recovery delayed, housing starts in the U.S. continuing to slow down, and demand related to capital investment peaking out. In addition, EV-related products were affected by production slowdown due to the lockdown in China. Reflecting these changes in the business environment, NIDEC recorded restructuring expenses and revised its fiscal 2022 earnings forecast. With regard to changes in the business environment, NIDEC has launched the “WPR-X” activity (under the concept that “costs are built by technology”, the goal is to develop products that can overwhelmingly win with technological strength and to achieve substantial reductions in fixed costs) and is currently working as a group to strengthen competitiveness not only in the short term but also in the medium to long term.

2. Consolidated Operating Results

Consolidated Operating Results for the Nine Months Ended December 31, 2022 (“this nine-month period”), Compared to the Nine Months Ended December 31, 2021 (“the same period of the previous year”)

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2021	2022		
Net sales	1,407,210	1,699,747	292,537	20.8%
Operating profit	133,487	124,404	(9,083)	(6.8)%
Operating profit ratio	9.5%	7.3%	-	-
Profit before income taxes	129,410	141,944	12,534	9.7%
Profit for the period from continuing operations	99,264	104,187	4,923	5.0%
Loss for the period from discontinued operations	(232)	(213)	19	-
Profit attributable to owners of the parent	99,312	104,077	4,765	4.8%

Consolidated net sales from continuing operations increased 20.8% to ¥1,699,747 million for this nine-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥221,300 million. We renewed the highest record of the quarterly consolidated accounting period, despite the continued influences of the Russian invasion of Ukraine, and difficulties in procuring semiconductors and other electronic components among customers.

We continuously improved manufacturing cost and rationalized fixed cost, and at the same time reflected rise in costs to sales prices. As a result of reflecting changes in the business environment by recording approximately ¥17,800 million in restructuring costs in Europe and others with a focus on automotive business for this nine-month period under these circumstances, operating profit decreased 6.8% to ¥124,404 million for this nine-month period compared to the same period of the previous year, including a positive effect of the foreign currency exchange rates by approximately ¥20,700 million.

Profit before income taxes increased 9.7% to ¥141,944 million due to recording approximately ¥18,400 million in foreign exchange gain, profit for the period from continuing operations increased 5.0% to ¥104,187 million, and profit attributable to owners of the parent increased 4.8% to ¥104,077 million compared to the same period of the previous year. They all renewed the highest records of the quarterly consolidated accounting periods.

The average exchange rate between the Japanese yen and the U.S. dollar for this nine-month period was ¥136.51 to the U.S. dollar, which reflected an approximately 23% depreciation of the Japanese yen against the U.S. dollar, compared to the same period of the previous year. The average exchange rate between the Japanese yen and the Euro for this nine-month period was ¥140.59 to the Euro, which reflected an approximately 8% depreciation of the Japanese yen against the Euro, compared to the same period of the previous year.

NIDEC finalized the provisional accounting treatment for the business combination in the nine months ended December 31, 2022. Condensed quarterly consolidated financial statements for the nine months ended December 31, 2021 reflect the revision of the initially allocated amounts of acquisition cost as NIDEC finalized the provisional accounting treatment for the business combination.

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

Small precision motors

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2021	2022		
Net sales to external customers	321,225	333,782	12,557	3.9%
Spindle motors for hard disk drives (HDDs)	76,859	61,067	(15,792)	(20.5)%
Other small precision motors	244,366	272,715	28,349	11.6%
Operating profit	37,126	28,917	(8,209)	(22.1)%
Operating profit ratio	11.6%	8.7%	-	-

Net sales of this category increased 3.9% to ¥333,782 million for this nine-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥53,900 million.

Net sales of spindle motors for HDDs decreased 20.5% to ¥61,067 million for this nine-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥18,300 million, mainly due to a decrease in the number of units sold. Net sales of other small precision motors increased 11.6% to ¥272,715 million for this nine-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥35,600 million.

Operating profit of this category decreased 22.1% to ¥28,917 million for this nine-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥4,200 million, despite continuous manufacturing cost improvement and fixed cost rationalization for the impact of changes in product mix.

Automotive products

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2021	2022		
Net sales to external customers	301,118	394,509	93,391	31.0%
Operating profit (loss)	10,829	(2,562)	(13,391)	-
Operating profit ratio	3.6%	(0.6)%	-	-

Under the impact of the COVID-19 outbreak in China in addition to the influences of the Russian invasion of Ukraine and difficulties in procuring semiconductors and other electronic components among customers, net sales of this category increased 31.0% to ¥394,509 million for this nine-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥36,700 million.

In particular, we successfully improved the business performance of the traction motor system (E-Axle) due to continuous manufacturing cost improvement and fixed cost rationalization as well as reflections to sales prices for rise in costs. As a result of reflecting changes in the business environment by recording approximately ¥13,700 million in restructuring costs in Europe and others for this nine-month period under these circumstances, operating profit (loss) of this category decreased ¥13,391 to ¥2,562 million for this nine-month period compared to the same period of the previous year.

Appliance, commercial and industrial products

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2021	2022		
Net sales to external customers	575,778	681,304	105,526	18.3%
Operating profit	57,916	58,923	1,007	1.7%
Operating profit ratio	10.1%	8.6%	-	-

Net sales of this category increased 18.3% to ¥681,304 million for this nine-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥114,300 million. This was due to an increase in the sales of power generator business for which we received many orders for large-scale projects, despite the continued impact of the Russian invasion of Ukraine.

Operating profit of this category increased 1.7% to ¥58,923 million for this nine-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥13,100 million, as a result of continuous manufacturing cost improvement and fixed cost rationalization as well as reflections to sales prices for rise in costs despite the changes in product mix.

Machinery

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2021	2022		
Net sales to external customers	154,254	222,921	68,667	44.5%
Operating profit	30,079	38,547	8,468	28.2%
Operating profit ratio	19.5%	17.3%	-	-

Net sales of this category increased 44.5% to ¥222,921 million for this nine-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥12,500 million, due to the entry into machine tool business, in addition to higher sales of semiconductor inspection systems in strong demand for 5G, and can making presses due to the trend in deplasticization.

Operating profit of this category increased 28.2% to ¥38,547 million for this nine-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥900 million, mainly due to the higher sales.

Electronic and optical components*(Yen in millions)*

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2021	2022		
Net sales to external customers	51,988	64,113	12,125	23.3%
Operating profit	7,349	12,278	4,929	67.1%
Operating profit ratio	14.1%	19.2%	-	-

Net sales of this category increased 23.3% to ¥64,113 million for this nine-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥3,800 million.

Operating profit of this category increased 67.1% to ¥12,278 million for this nine-month period compared to the same period of the previous year, including a negative effect of the fluctuations of the foreign currency exchange rates by approximately ¥100 million.

Other products*(Yen in millions)*

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2021	2022		
Net sales to external customers	2,847	3,118	271	9.5%
Operating profit	324	308	(16)	(4.9)%
Operating profit ratio	11.4%	9.9%	-	-

Net sales of this category increased 9.5% to ¥3,118 million and operating profit of this category decreased 4.9% to ¥308 million for this nine-month period compared to the same period of the previous year.

**Consolidated Operating Results for the Three Months Ended December 31, 2022 (“3Q”),
Compared to the Previous Three Months Ended September 30, 2022 (“2Q”)**

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2022	December 31, 2022		
Net sales	590,398	568,980	(21,418)	(3.6)%
Operating profit	51,708	28,036	(23,672)	(45.8)%
Operating profit ratio	8.8%	4.9%	-	-
Profit before income taxes	61,386	23,569	(37,817)	(61.6)%
Profit for the period from continuing operations	45,356	16,944	(28,412)	(62.6)%
Loss for the period from discontinued operations	(31)	(42)	(11)	-
Profit attributable to owners of the parent	45,328	17,428	(27,900)	(61.6)%

Under the impact of the COVID-19 outbreak in China in addition to the influences of the Russian invasion of Ukraine and difficulties in procuring semiconductors and other electronic components among customers, consolidated net sales from continuing operations decreased 3.6% to ¥568,980 million for 3Q compared to 2Q, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥16,200 million.

We continuously improved manufacturing cost and rationalized fixed cost, and at the same time reflected rise in costs to sales prices. As a result of reflecting changes in the business environment by recording approximately ¥12,800 million in restructuring costs in Europe and others with a focus on automotive business for 3Q under these circumstances, operating profit decreased 45.8% to ¥28,036 million, including a positive effect of the foreign currency exchange rates by approximately ¥900 million.

Profit before income taxes decreased 61.6% to ¥23,569 million due to recording approximately ¥4,600 million in foreign exchange loss, profit for the period from continuing operations decreased 62.6% to ¥16,944 million, and profit attributable to owners of the parent decreased 61.6% to ¥17,428 million for 3Q compared to 2Q.

The average exchange rate between the Japanese yen and the U.S. dollar for 3Q was ¥141.59 to the U.S. dollar, which reflected an approximately 2% depreciation of the Japanese yen against the U.S. dollar, compared to 2Q. The average exchange rate between the Japanese yen and the Euro for 3Q was ¥144.30 to the Euro, which reflected an approximately 4% depreciation of the Japanese yen against the Euro, compared to 2Q.

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

Small precision motors

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2022	December 31, 2022		
Net sales to external customers	115,189	107,471	(7,718)	(6.7)%
Spindle motors for hard disk drives (HDDs)	21,483	18,661	(2,822)	(13.1)%
Other small precision motors	93,706	88,810	(4,896)	(5.2)%
Operating profit	11,005	4,882	(6,123)	(55.6)%
Operating profit ratio	9.6%	4.5%	-	-

Under the impact of the COVID-19 outbreak in China, net sales of this category decreased 6.7% to ¥107,471 million for 3Q compared to 2Q due to weak demand, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥1,500 million.

Net sales of spindle motors for HDDs decreased 13.1% to ¥18,661 million for 3Q compared to 2Q, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥500 million. Net sales of other small precision motors decreased 5.2% to ¥88,810 million for 3Q compared to 2Q, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥1,000 million.

Operating profit of this category decreased 55.6% to ¥4,882 million for 3Q compared to 2Q, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥100 million, despite continuous manufacturing cost improvement and fixed cost rationalization for the impact of sluggish sales and changes in product mix.

Automotive products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2022	December 31, 2022		
Net sales to external customers	140,870	140,359	(511)	(0.4)%
Operating profit (loss)	5,495	(8,025)	(13,520)	-
Operating profit ratio	3.9%	(5.7)%	-	-

Under the impact of the COVID-19 outbreak in China in addition to the influences of the Russian invasion of Ukraine and difficulties in procuring semiconductors and other electronic components among customers, net sales of this category decreased 0.4% to ¥140,359 million for 3Q compared to 2Q, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥9,300 million.

As a result of reflecting changes in the business environment by recording approximately ¥10,300 million in restructuring costs in Europe and others for 3Q under these circumstances, operating profit (loss) of this category decreased ¥13,520 million to ¥8,025 million for 3Q compared to 2Q, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥200 million,

Appliance, commercial and industrial products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2022	December 31, 2022		
Net sales to external customers	230,710	227,908	(2,802)	(1.2)%
Operating profit	20,389	20,631	242	1.2%
Operating profit ratio	8.8%	9.1%	-	-

Net sales of this category decreased 1.2% to ¥227,908 million for 3Q compared to 2Q, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥4,800 million, due to weak demand for home appliances in addition to the influences of the Russian invasion of Ukraine and the impact of the COVID-19 outbreak in China.

Operating profit of this category increased 1.2% to ¥20,631 million for 3Q compared to 2Q, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥500 million. This was due to continuous manufacturing cost improvement and fixed cost rationalization despite sluggish sales. Operating profit ratio continued to recover after bottoming out at 8.0% for 1Q.

Machinery

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2022	December 31, 2022		
Net sales to external customers	80,275	69,556	(10,719)	(13.4)%
Operating profit	14,606	10,588	(4,018)	(27.5)%
Operating profit ratio	18.2%	15.2%	-	-

Net sales of this category decreased 13.4% to ¥69,556 million for 3Q compared to 2Q, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥500 million, mainly due to a decrease in sales of LCD panel handling robots and semiconductor inspection systems.

Operating profit of this category decreased 27.5% to ¥10,588 million for 3Q compared to 2Q, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥100 million, mainly due to a decreasing sales.

Electronic and optical components

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2022	December 31, 2022		
Net sales to external customers	22,266	22,612	346	1.6%
Operating profit	4,241	4,584	343	8.1%
Operating profit ratio	19.0%	20.3%	-	-

Net sales of this category increased 1.6% to ¥22,612 million for 3Q compared to 2Q, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥100 million.

Operating profit of this category increased 8.1% to ¥4,584 million for 3Q compared to 2Q, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥100 million.

Other products*(Yen in millions)*

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2022	December 31, 2022		
Net sales to external customers	1,088	1,074	(14)	(1.3)%
Operating profit	145	79	(66)	(45.5)%
Operating profit ratio	13.3%	7.4%	-	-

Net sales of this category decreased 1.3% to ¥1,074 million for 3Q compared to 2Q and operating profit of this category decreased 45.5% to ¥79 million for 3Q compared to 2Q.

(2) Financial Position

(Yen in millions)

	As of March 31, 2022	As of December 31, 2022	Increase or decrease
Total assets	2,678,483	2,876,302	197,819
Total liabilities	1,361,785	1,463,666	101,881
Total equity attributable to owners of the parent	1,292,241	1,388,101	95,860
Interest-bearing debt *1	595,710	689,367	93,657
Net interest-bearing debt *2	396,055	506,913	110,858
Debt ratio (%) *3	22.2	24.0	1.8
Debt to equity ratio (“D/E ratio”) (times) *4	0.46	0.50	0.04
Net D/E ratio (times) *5	0.31	0.37	0.06
Ratio of total equity attributable to owners of the parent to total assets (%) *6	48.2	48.3	0.1

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

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

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

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

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

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

Total assets increased ¥197,819 million to ¥2,876,302 million as of December 31, 2022 compared to March 31, 2022. This was mainly due to increases of ¥73,348 million in inventories, ¥54,913 million in property, plant and equipment and ¥32,736 million in trade and other receivables.

Total liabilities increased ¥101,881 million to ¥1,463,666 million as of December 31, 2022 compared to March 31, 2022. This was mainly due to an increase of ¥93,657 million in interest-bearing debt. Specifically, short term borrowings increased ¥33,041 million to ¥163,676 million, long term debt due within one year decreased ¥83,799 million to ¥59,402 million and long term debt increased ¥144,415 million to ¥466,289 million as of December 31, 2022 compared to March 31, 2022.

As a result, net interest-bearing debt increased to ¥506,913 million as of December 31, 2022 from ¥396,055 million as of March 31, 2022. The debt ratio that includes lease liabilities increased to 24.0% as of December 31, 2022 from 22.2% as of March 31, 2022. The D/E ratio increased to 0.50 times as of December 31, 2022 from 0.46 times as of March 31, 2022. The net D/E ratio increased to 0.37 times as of December 31, 2022 from 0.31 times as of March 31, 2022.

Total equity attributable to owners of the parent increased ¥95,860 million to ¥1,388,101 million as of December 31, 2022 compared to March 31, 2022. Ratio of total equity attributable to owners of the parent to total assets increased to 48.3% as of December 31, 2022 from 48.2% as of March 31, 2022. This was mainly due to an increase in retained earnings of ¥64,612 million and other components of equity of ¥80,195 million.

NIDEC finalized the provisional accounting treatment for the business combination in the nine months ended December 31, 2022. Consolidated financial statements for the year ended March 31, 2022 reflect the revision of the initially allocated amounts of acquisition cost as NIDEC finalized the provisional accounting treatment for the business combination.

Overview of Cash Flow

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease
	2021	2022	
Net cash provided by operating activities	68,477	94,195	25,718
Net cash used in investing activities	(90,603)	(108,862)	(18,259)
Free cash flow *1	(22,126)	(14,667)	7,459
Net cash used in financing activities	(32,000)	(15,650)	16,350

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

Net cash provided by operating activities for the nine months ended December 31, 2022 amounted to ¥94,195 million mainly due to ¥103,974 million in profit for the period and other factors, despite ¥45,601 million decrease in accounts payable, and ¥48,363 million increase in inventories. Net cash provided by operating activities increased by ¥25,718 million year on year.

Net cash used in investing activities amounted to ¥108,862 million mainly due to additions to property, plant and equipment of ¥91,694 million and other factors. Net cash used in investing activities increased by ¥18,259 million year on year.

As a result, we had a negative free cash flow of ¥14,667 million for this period, an increase of ¥7,459 million compared to a negative free cash flow of ¥22,126 million for the same period of the previous year.

Net cash used in financing activities amounted to ¥15,650 million mainly due to ¥135,000 million in redemption of corporate bonds, purchase of treasury stock of ¥46,683 million, and ¥40,426 million in payment of dividends of the parent, despite in proceeds from issuance of bonds of ¥120,000 million and long term debt of ¥66,009 million. Net cash used in financing activities decreased by ¥16,350 million year on year.

As a result of the aforementioned factors and the impact of foreign exchange rates, the balance of cash and cash equivalents as of December 31, 2022 decreased by ¥17,201 million to ¥182,454 million from ¥199,655 million as of March 31, 2022.

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

The IMF expects global economic growth in calendar year 2023 to be +2.7% as of October 2022. The global macroeconomic environment continues to be severe, and there is a possibility that the global economic growth rate will become even more severe in the future. The business environment is expected to remain unpredictable due to factors such as interest rate hikes by the world's major central banks, led by the Federal Reserve, which are designed to curb inflation, continued tapering of monetary easing, continued geopolitical risks in Europe, and the explosive spread of COVID-19 caused by the change in China's zero-COVID policy. In particular, there are concerns about inventory reconciliation in the IT market due to a slowdown in demand for end products such as PCs, smartphones, and data centers. Growth in the Chinese EV market is also expected to slow in calendar year 2023, partly due to the end of subsidies. As a result, it is highly likely that growth will reach a plateau.

As we celebrate our 50th anniversary in July, 2023, we plan to realize drastic earning structure reform through "WPR-X" activity in the fourth quarter in response to the recent deterioration in the market environment, and significantly reduce fixed costs with the aim of achieving V-shaped recovery in fiscal year 2023. Due to these restructuring costs, we have revised forecast of consolidated financial performance for the year ending March 31, 2023.

The forecasts for the year ending March 31, 2023 described below are prepared based on an assumption that exchange rates are US\$1 = ¥110 and €1 = ¥125.

Forecast of Consolidated Financial Performance for the Year Ending March 31, 2023

Net sales	¥2,200,000 million	(114.7% compared to the previous fiscal year)
Operating profit	¥110,000 million	(64.6% compared to the previous fiscal year)
Profit before income taxes	¥120,000 million	(70.6% compared to the previous fiscal year)
Profit attributable to owners of the parent	¥60,000 million	(44.2% compared to 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 = ¥110 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, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and cash equivalents	199,655	182,454
Trade and other receivables	572,123	604,859
Other financial assets	4,828	5,336
Income tax receivables	8,290	9,856
Inventories	457,372	530,720
Other current assets	50,396	71,051
Total current assets	1,292,664	1,404,276
Non-current assets		
Property, plant and equipment	764,397	819,310
Goodwill	339,904	354,936
Intangible assets	214,498	224,760
Investments accounted for using the equity method	1,241	3,986
Other investments	20,839	20,018
Other financial assets	6,613	9,141
Deferred tax assets	21,545	22,994
Other non-current assets	16,782	16,881
Total non-current assets	1,385,819	1,472,026
Total assets	2,678,483	2,876,302

(Yen in millions)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Short term borrowings	130,635	163,676
Long term debt due within one year	143,201	59,402
Trade and other payables	526,108	511,160
Other financial liabilities	2,155	8,285
Income tax payables	20,083	25,316
Provisions	36,691	33,209
Other current liabilities	79,917	87,957
Total current liabilities	938,790	889,005
Non-current liabilities		
Long term debt	321,874	466,289
Other financial liabilities	264	1,175
Retirement benefit liabilities	36,566	37,731
Provisions	1,121	1,052
Deferred tax liabilities	58,219	62,729
Other non-current liabilities	4,951	5,685
Total non-current liabilities	422,995	574,661
Total liabilities	1,361,785	1,463,666
Equity		
Common stock	87,784	87,784
Additional paid-in capital	103,216	100,951
Retained earnings	1,118,594	1,183,206
Other components of equity	103,919	184,114
Treasury stock	(121,272)	(167,954)
Total equity attributable to owners of the parent	1,292,241	1,388,101
Non-controlling interests	24,457	24,535
Total equity	1,316,698	1,412,636
Total liabilities and equity	2,678,483	2,876,302

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

Condensed Quarterly Consolidated Statements of Income

(Yen in millions)

	For the nine months ended December 31,	
	2021	2022
Continuing operations		
Net Sales	1,407,210	1,699,747
Cost of sales	(1,102,667)	(1,368,217)
Gross profit	304,543	331,530
Selling, general and administrative expenses	(113,820)	(147,515)
Research and development expenses	(57,236)	(59,611)
Operating profit	133,487	124,404
Financial income	3,464	11,422
Financial expenses	(3,732)	(8,880)
Derivative gain (loss)	136	(736)
Foreign exchange differences	(2,860)	18,438
Share of net profit (loss) from associate accounting using the equity method	(1,085)	(2,704)
Profit before income taxes	129,410	141,944
Income tax expenses	(30,146)	(37,757)
Profit for the period from continuing operations	99,264	104,187
Discontinued operations		
Loss for the period from discontinued operations	(232)	(213)
Profit for the period	99,032	103,974
Profit for the period attributable to:		
Owners of the parent	99,312	104,077
Non-controlling interests	(280)	(103)
Profit for the period	99,032	103,974

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

	For the nine months ended December 31,	
	2021	2022
Profit for the period	99,032	103,974
Other comprehensive income, net of taxation		
Items that will not be reclassified to net profit or loss:		
Remeasurement of defined benefit plans	188	816
Fair value movements on FVTOCI equity financial assets	307	(468)
Items that may be reclassified to net profit or loss:		
Foreign currency translation adjustments	54,591	80,457
Effective portion of net changes in fair value of cash flow hedges	(1,113)	109
Fair value movements on FVTOCI debt financial assets	3	(21)
Total other comprehensive income for the period, net of taxation	53,976	80,893
Comprehensive income for the period	153,008	184,867
Comprehensive income for the period attributable to:		
Owners of the parent	152,542	184,599
Non-controlling interests	466	268
Comprehensive income for the period	153,008	184,867

For the three months ended December 31, 2021 and 2022

Condensed Quarterly Consolidated Statements of Income

(Yen in millions)

	For the three months ended December 31,	
	2021	2022
Continuing operations		
Net Sales	496,542	568,980
Cost of sales	(390,881)	(466,232)
Gross profit	105,661	102,748
Selling, general and administrative expenses	(41,821)	(53,843)
Research and development expenses	(19,497)	(20,869)
Operating profit	44,343	28,036
Financial income	946	5,810
Financial expenses	(1,238)	(3,760)
Derivative gain (loss)	(3)	(753)
Foreign exchange differences	(1,456)	(4,569)
Share of net profit (loss) from associate accounting using the equity method	(285)	(1,195)
Profit before income taxes	42,307	23,569
Income tax expenses	(9,571)	(6,625)
Profit for the period from continuing operations	32,736	16,944
Discontinued operations		
Loss for the period from discontinued operations	(84)	(42)
Profit for the period	32,652	16,902
Profit for the period attributable to:		
Owners of the parent	32,700	17,428
Non-controlling interests	(48)	(526)
Profit for the period	32,652	16,902

Condensed Quarterly Consolidated Statements of Comprehensive Income

(Yen in millions)

	For the three months ended December 31,	
	2021	2022
Profit for the period	32,652	16,902
Other comprehensive income, net of taxation		
Items that will not be reclassified to net profit or loss:		
Remeasurement of defined benefit plans	53	(45)
Fair value movements on FVTOCI equity financial assets	90	(328)
Items that may be reclassified to net profit or loss:		
Foreign currency translation adjustments	42,662	(127,255)
Effective portion of net changes in fair value of cash flow hedges	(66)	1,189
Fair value movements on FVTOCI debt financial assets	1	3
Total other comprehensive income for the period, net of taxation	42,740	(126,436)
Comprehensive income for the period	75,392	(109,534)
Comprehensive income for the period attributable to:		
Owners of the parent	74,842	(108,468)
Non-controlling interests	550	(1,066)
Comprehensive income for the period	75,392	(109,534)

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

For the nine months ended December 31, 2021

(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, 2021	87,784	105,179	1,016,559	(49,633)	(63,869)	1,096,020	17,915	1,113,935
Comprehensive income								
Profit for the period			99,312			99,312	(280)	99,032
Other comprehensive income				53,230		53,230	746	53,976
Total comprehensive income						152,542	466	153,008
Transactions with owners directly recognized in equity:								
Purchase of treasury stock					(14,258)	(14,258)	-	(14,258)
Dividends paid to the owners of the parent			(35,132)			(35,132)	-	(35,132)
Dividends paid to non-controlling interests						-	(112)	(112)
Share-based payment transactions		537				537	-	537
Transfer to retained earnings			456	(456)		-	-	-
Changes in equity by purchase of shares of consolidated subsidiaries		(2,330)				(2,330)	726	(1,604)
Other		18	(1)	(1)	94	110	93	203
Balance at December 31, 2021	87,784	103,404	1,081,194	3,140	(78,033)	1,197,489	19,088	1,216,577

For the nine months ended December 31, 2022

(Yen in millions)

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

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

	For the nine months ended December 31,	
	2021	2022
Cash flows from operating activities:		
Profit for the period from continuing operations	99,264	104,187
Loss for the period from discontinued operations	(232)	(213)
Profit for the period	99,032	103,974
Adjustments to reconcile profit for the period to net cash provided by operating activities		
Depreciation and amortization	76,766	89,080
Loss (gain) from sales, disposal or impairment of property, plant and equipment	(2,855)	1,815
Loss from sales of discontinued operations	232	213
Financial expenses (income)	394	(2,950)
Share of net loss (profit) from associate accounting using the equity method	1,085	2,704
Deferred income taxes	2,325	1,167
Current income taxes	27,820	36,589
Foreign currency adjustments	(6,990)	3,240
Increase (decrease) in retirement benefit liability	664	(670)
Decrease (increase) in accounts receivable	(54,049)	(7,867)
Decrease (increase) in inventories	(98,418)	(48,363)
Increase (decrease) in accounts payable	67,062	(45,601)
Other, net	(15,798)	(8,725)
Interests and dividends received	2,576	9,853
Interests paid	(3,408)	(6,980)
Income taxes paid	(27,961)	(33,284)
Net cash provided by operating activities	68,477	94,195

(Yen in millions)

For the nine months ended December 31,

	2021	2022
Cash flows from investing activities:		
Additions to property, plant and equipment	(75,488)	(91,694)
Proceeds from sales of property, plant and equipment	7,115	4,096
Additions to intangible assets	(12,269)	(13,106)
Acquisitions of business, net of cash acquired	(9,015)	-
Other, net	(946)	(8,158)
Net cash used in investing activities	(90,603)	(108,862)
Cash flows from financing activities:		
Increase (decrease) in short term borrowings	80,147	31,299
Proceeds from issuance of long term debt	-	66,009
Repayments of long term debt	(21,463)	(7,654)
Proceeds from issuance of bonds	-	120,000
Redemption of bonds	(38,940)	(135,000)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(4,012)	(2,687)
Purchase of treasury stock	(14,258)	(46,683)
Dividends paid to the owners of the parent	(35,132)	(40,426)
Other, net	1,658	(508)
Net cash (used in) provided by financing activities	(32,000)	(15,650)
Effect of exchange rate changes on cash and cash equivalents	22,502	13,116
Net increase (decrease) in cash and cash equivalents	(31,624)	(17,201)
Cash and cash equivalents at beginning of period	219,524	199,655
Cash and cash equivalents at end of period	187,900	182,454

(5) Notes to Condensed Quarterly Consolidated Financial Statements

Notes Regarding Going Concern Assumption

Not applicable.

Notes to Condensed Quarterly Consolidated Financial Statements

1. Reporting entity

Nidec Corporation (the “Company”) is a corporation located in Japan, whose shares are listed on the Tokyo Stock Exchange.

The registered addresses of headquarters and principal business offices are available on the Company’s website (<https://www.nidec.com/en/>).

Condensed quarterly consolidated financial statements as of December 31, 2022 and for the nine months then ended consist of the Company and its consolidated subsidiaries (“NIDEC”) and interests in associates of NIDEC.

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

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

2. Basis of preparation

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

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

The condensed quarterly consolidated financial statements do not include all the information that must be disclosed in the annual consolidated financial statements, and therefore should be used in conjunction with the consolidated financial statements for the year ended March 31, 2022.

(2) Basis of measurement

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

(3) Presentation currency and level of rounding

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

3. Significant accounting policies

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 annual consolidated financial statements for the year ended March 31, 2022.

Income taxes for the nine months ended December 31, 2022 are computed using the estimated annual effective tax rate.

4. Significant accounting estimates, judgments and assumptions

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

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

Significant accounting estimates and judgments that accompany estimates for the condensed quarterly consolidated financial statements as of December 31, 2022 are same as those estimates and judgments for the consolidated financial statements for the year ended March 31, 2022.

5. Business combinations

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

During the three months ended June 30, 2022, NIDEC completed its valuation of the assets acquired and the liabilities assumed upon the share acquisition of Mitsubishi Heavy Industries Machine Tool Co., Ltd. (currently, "Nidec Machine Tool"); all the Mitsubishi Heavy Industries Group-owned shares of three overseas subsidiaries specialized in machine tool business; and the machine tool business run by overseas subsidiaries in the previous fiscal year. NIDEC's consolidated financial statements for the year ended March 31, 2022 reflect the revision of the initially allocated amounts of acquisition price as NIDEC finalized the provisional accounting treatment for the business combination.

During the three months ended December 31, 2022, NIDEC completed its valuation of the assets acquired and the liabilities assumed upon the share acquisition of OKK Co., Ltd. (currently, "Nidec OKK").

6. Events after the Reporting Period

No items to report

3. Others

(1) Quarterly Financial Data for the three months ended December 31, 2022 and September 30, 2022 and June 30, 2022

(Yen in millions)

	For the three months ended		
	June 30, 2022	September 30, 2022	December 31, 2022
Net sales	540,369	590,398	568,980
Operating profit	44,660	51,708	28,036
Profit before income taxes	56,989	61,386	23,569
Profit for the period	41,747	45,325	16,902
Profit attributable to owners of the parent	41,321	45,328	17,428

(2) Information by Product Category

For the nine months ended December 31, 2021

(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	321,225	301,118	575,778	154,254	51,988	2,847	1,407,210	-	1,407,210
Intersegment	4,018	882	5,858	16,566	5,255	856	33,435	(33,435)	-
Total	325,243	302,000	581,636	170,820	57,243	3,703	1,440,645	(33,435)	1,407,210
Operating expenses	288,117	291,171	523,720	140,741	49,894	3,379	1,297,022	(23,299)	1,273,723
Operating profit	37,126	10,829	57,916	30,079	7,349	324	143,623	(10,136)	133,487

For the nine months ended December 31, 2022

(Yen in millions)

	Small precision motors	Automotive Products	Appliance, commercial and industrial products	Machinery	Electronic and optical components	Others	Total	Eliminations/ Corporate	Consolidated
Net sales:									
External sales	333,782	394,509	681,304	222,921	64,113	3,118	1,699,747	-	1,699,747
Intersegment	3,816	174	6,078	12,817	3,769	737	27,391	(27,391)	-
Total	337,598	394,683	687,382	235,738	67,882	3,855	1,727,138	(27,391)	1,699,747
Operating expenses	308,681	397,245	628,459	197,191	55,604	3,547	1,590,727	(15,384)	1,575,343
Operating profit (loss)	28,917	(2,562)	58,923	38,547	12,278	308	136,411	(12,007)	124,404

For the three months ended December 31, 2021

(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	116,114	103,921	197,757	58,889	18,842	1,019	496,542	-	496,542
Intersegment	1,351	325	1,690	5,636	1,814	241	11,057	(11,057)	-
Total	117,465	104,246	199,447	64,525	20,656	1,260	507,599	(11,057)	496,542
Operating expenses	103,434	101,754	182,059	53,892	17,753	1,127	460,019	(7,820)	452,199
Operating profit	14,031	2,492	17,388	10,633	2,903	133	47,580	(3,237)	44,343

For the three months ended December 31, 2022

(Yen in millions)

	Small precision motors	Automotive Products	Appliance, commercial and industrial products	Machinery	Electronic and optical components	Others	Total	Eliminations/ Corporate	Consolidated
Net sales:									
External sales	107,471	140,359	227,908	69,556	22,612	1,074	568,980	-	568,980
Intersegment	1,554	28	1,995	3,796	1,358	212	8,943	(8,943)	-
Total	109,025	140,387	229,903	73,352	23,970	1,286	577,923	(8,943)	568,980
Operating expenses	104,143	148,412	209,272	62,764	19,386	1,207	545,184	(4,240)	540,944
Operating profit (loss)	4,882	(8,025)	20,631	10,588	4,584	79	32,739	(4,703)	28,036

(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, and traction motor system.
- (3) Appliance, commercial and industrial products: Home appliance, commercial and industrial motors and related products.
- (4) Machinery: Industrial robots, card readers, test systems, press machines, power transmission drives and machine tools, etc.
- (5) Electronic and optical components: Switches, sensors, lens units and camera shutters, etc.
- (6) Others: Music boxes and services, etc.

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

	For the nine months ended December 31,				Increase or decrease	
	2021		2022			
	Amounts	%	Amounts	%	Amounts	%
Japan	251,373	17.8	299,847	17.6	48,474	19.3
China	388,256	27.6	446,405	26.3	58,149	15.0
Other Asia	179,722	12.8	206,845	12.2	27,123	15.1
U.S.A.	301,480	21.4	381,452	22.4	79,972	26.5
Europe	240,060	17.1	302,092	17.8	62,032	25.8
Others	46,319	3.3	63,106	3.7	16,787	36.2
Total	1,407,210	100.0	1,699,747	100.0	292,537	20.8

(Yen in millions)

	For the three months ended December 31,				Increase or decrease	
	2021		2022			
	Amounts	%	Amounts	%	Amounts	%
Japan	90,472	18.2	97,905	17.2	7,433	8.2
China	143,345	28.9	150,430	26.4	7,085	4.9
Other Asia	67,871	13.7	69,618	12.2	1,747	2.6
U.S.A.	101,886	20.5	124,851	22.0	22,965	22.5
Europe	76,649	15.4	106,415	18.7	29,766	38.8
Others	16,319	3.3	19,761	3.5	3,442	21.1
Total	496,542	100.0	568,980	100.0	72,438	14.6

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

2. From the three months ended June 30, 2022, segments are changed. Accordingly, previous period amounts have been reclassified.

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

Other Asia : Thailand, South Korea, India

Europe : Italy, Germany, France

Others : Brazil, Mexico, Canada

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

	For the nine months ended December 31,				Increase or decrease	
	2021		2022			
	Amounts	%	Amounts	%	Amounts	%
Japan	163,024	11.6	194,610	11.4	31,586	19.4
China	389,332	27.7	447,602	26.3	58,270	15.0
Other Asia	238,338	16.9	271,627	16.0	33,289	14.0
U.S.A.	267,531	19.0	342,303	20.1	74,772	27.9
Europe	227,921	16.2	289,784	17.1	61,863	27.1
Others	121,064	8.6	153,821	9.1	32,757	27.1
Total	1,407,210	100.0	1,699,747	100.0	292,537	20.8

(Yen in millions)

	For the three months ended December 31,				Increase or decrease	
	2021		2022			
	Amounts	%	Amounts	%	Amounts	%
Japan	58,018	11.7	65,980	11.6	7,962	13.7
China	139,974	28.2	150,498	26.5	10,524	7.5
Other Asia	88,404	17.8	90,027	15.8	1,623	1.8
U.S.A.	89,756	18.1	107,496	18.9	17,740	19.8
Europe	77,398	15.6	101,302	17.8	23,904	30.9
Others	42,992	8.6	53,677	9.4	10,685	24.9
Total	496,542	100.0	568,980	100.0	72,438	14.6

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

2. From the three months ended June 30, 2022, segments are changed. Accordingly, previous period amounts have been reclassified.

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

Other Asia : Thailand, South Korea, India

Europe : Italy, Germany, France

Others : Brazil, Mexico, Canada



4. Overview of Consolidated Financial Results

January 24, 2023

(1) Summary of Consolidated Financial Performance

(Yen in millions)

	For the nine months ended December 31, 2021	For the nine months ended December 31, 2022	Increase or decrease	For the three months ended December 31, 2021	For the three months ended December 31, 2022	Increase or decrease
Net Sales	1,407,210	1,699,747	20.8 %	496,542	568,980	14.6 %
Operating profit	133,487 9.5 %	124,404 7.3 %	(6.8) %	44,343 8.9 %	28,036 4.9 %	(36.8) %
Profit before income taxes	129,410 9.2 %	141,944 8.4 %	9.7 %	42,307 8.5 %	23,569 4.1 %	(44.3) %
Profit attributable to owners of the parent	99,312 7.1 %	104,077 6.1 %	4.8 %	32,700 6.6 %	17,428 3.1 %	(46.7) %
Earnings per share attributable to owners of the parent - basic (Yen)	169.73	180.72		55.94	30.32	
Earnings per share attributable to owners of the parent - diluted (Yen)	-	-		-	-	

(2) Summary of Consolidated Financial Position and Cash Flows

(Yen in millions)

	As of December 31, 2021	As of December 31, 2022	As of March 31, 2022
Total assets	2,527,328	2,876,302	2,678,483
Total equity attributable to owners of the parent	1,197,489	1,388,101	1,292,241
Ratio of total equity attributable to owners of the parent to total asset	47.4%	48.3%	48.2%
	For the nine months ended December 31, 2021	For the nine months ended December 31, 2022	For the year ended March 31, 2022
Net cash provided by operating activities	68,477	94,195	94,994
Net cash used in investing activities	(90,603)	(108,862)	(112,597)
Net cash (used in) provided by financing activities	(32,000)	(15,650)	(64,393)
Cash and cash equivalents at end of period	187,900	182,454	199,655

(3) Dividends

(Yen)

	3rd quarter end	Fiscal year end	Total
Year ended March 31, 2022	30.00	35.00	65.00
Year ending March 31, 2023	35.00	-	-
Year ending March 31, 2023 (forecast)	-	35.00	70.00

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

Number of consolidated subsidiaries	335
Number of associates accounted for using the equity method	4

	Change from March 31, 2022	Change from December 31, 2021
Number of companies newly consolidated	4	10
Number of companies excluded from consolidation	9	10
Number of companies newly accounted for using the equity method	0	0
Number of companies excluded from using the equity method	0	0

(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 nine months ended December 31, 2022. Condensed quarterly consolidated financial statements and consolidated financial statements for the year ended March 31, 2022 reflect the revision of the initially allocated amounts of acquisition cost as NIDEC finalized the provisional accounting treatment for the business combination.