

NEWS RELEASE



NIDEC CORPORATION

FOR IMMEDIATE RELEASE

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UNAUDITED INTERIM FINANCIAL STATEMENTS (IFRS) (English Translation)

**RESULTS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2016
FROM APRIL 1, 2016 TO SEPTEMBER 30, 2016
CONSOLIDATED**

Released on October 24, 2016

NIDEC CORPORATION

Stock Listings: Tokyo Stock Exchange

Head Office: Kyoto, Japan

Date of Filing of Japanese Quarterly Securities Report (Plan): November 11, 2016

1. Selected Consolidated Financial Performance Information for the Six Months Ended September 30, 2016 (IFRS) (unaudited)

(1) Consolidated Results of Operations

| | Yen in millions | |
|--|-------------------------------|---------|
| | Six months ended September 30 | |
| | 2016 | 2015 |
| Net sales | 564,030 | 587,352 |
| Ratio of change from the same period of previous fiscal year | (4.0)% | - |
| Operating profit | 69,004 | 59,603 |
| Ratio of change from the same period of previous fiscal year | 15.8% | - |
| Profit before income taxes | 66,293 | 62,147 |
| Ratio of change from the same period of previous fiscal year | 6.7% | - |
| Profit attributable to owners of the parent | 50,110 | 46,857 |
| Ratio of change from the same period of previous fiscal year | 6.9% | - |
| Comprehensive income for the period | (25,985) | 30,073 |
| Ratio of change from the same period of previous fiscal year | - | - |

| | Yen | |
|--|-------------------------------|--------|
| | Six months ended September 30 | |
| | 2016 | 2015 |
| Earnings per share attributable to owners of the parent -Basic | 168.95 | 158.17 |
| Earnings per share attributable to owners of the parent -Diluted | 168.95 | 157.10 |

Note:

Earnings per share attributable to owners of the parent -Basic and earnings per share attributable to owners of the parent -Diluted are calculated based on profit attributable to owners of the parent.

(2) Consolidated Financial Position

| | Yen in millions | |
|--|--------------------|----------------|
| | September 30, 2016 | March 31, 2016 |
| Total assets | 1,326,859 | 1,376,636 |
| Total equity | 733,535 | 771,369 |
| Total equity attributable to owners of the parent | 725,437 | 763,023 |
| Ratio of total equity attributable to owners of the parent to total assets | 54.7% | 55.4% |

2. Dividends (unaudited)

| | Yen | |
|-----------------------------|---|--|
| | Year ending March 31, 2017 (target) | Year ended March 31, 2016 (actual) |
| | Interim dividend per share | 40.00 |
| Year-end dividend per share | 45.00 | 40.00 |
| Annual dividend per share | 85.00 | 80.00 |

Note:

Revision of previously announced dividend targets during this reporting period: Yes

3. Forecast of Consolidated Financial Performance (for the fiscal year ending March 31, 2017)

| | Yen in millions | Inc./Dec. ratio of change from the previous fiscal year |
|--|-----------------|--|
| Net sales | 1,200,000 | 1.8% |
| Operating profit | 135,000 | 14.7% |
| Profit before income taxes | 133,000 | 13.5% |
| Profit attributable to owners of the parent | 100,000 | 11.2% |
| Earnings per share attributable to owners of the parent –Basic (Yen) | 337.15 | |

Note:

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

4. Others

(1) Changes in significant subsidiaries (changes in “specified subsidiaries” (*tokutei kogaisha*) accompanying changes in the scope of consolidation) during this period: None

(2) Changes in accounting policies:

1. Changes due to revisions to accounting standards: None
2. Changes due to other reasons: None
3. Changes in accounting estimates: None

(3) Number of shares issued (common stock)

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

298,142,234 shares at September 30, 2016

298,142,234 shares at March 31, 2016

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

1,542,454 shares at September 30, 2016

1,541,210 shares at March 31, 2016

3. Weighted-average number of shares issued at the beginning and end of each period:

296,600,339 shares for the six months ended September 30, 2016

296,249,477 shares for the six months ended September 30, 2015

NIDEC adopts International Financial Reporting Standards (“IFRS”) for its consolidated financial statements from the first quarter of the fiscal year ending March 31, 2017. Accordingly, the consolidated financial statements for the six months ended September 30, 2015 and those for the fiscal year ended March 31, 2016 are also presented in accordance with IFRS.

Pursuant to IFRS 3 “Business Combinations,” NIDEC completed its valuation of the fair values of the assets acquired and the liabilities assumed upon the acquisition in the previous fiscal years during the three months ended September 30, 2016. Accordingly, consolidated financial statements for the previous year have been retrospectively adjusted.

Investor presentation materials relating to our financial results for the six months ended September 30, 2016 are expected to be published on our corporate website on October 25, 2016.

1. Operating and Financial Review and Prospects

(1) Analysis of Operating Results

1. Overview of Business Environment for the Six months ended September 30, 2016

Despite the US economy's moderate expansion, the global economy remained uncertain during the six months ended September 30, 2016 because of the U.S. presidential election in November 2016 and concerns about a possible rise in the FRB interest rates. In the meantime, financial risks that started in Germany caused concerns in Europe, while China's economic slowdown caused by excessive investment continued while the Japanese domestic economy remained affected by the rapid appreciation of the Japanese yen, resulting in a lack of dynamism in the overall global economy.

Under such a business environment, NIDEC (Nidec Corporation and its consolidated subsidiaries) continued to pursue our targets for the fiscal year ending March 31, 2021 of consolidated net sales of ¥2 trillion and an operating profit ratio of 15% based on our mid-term strategic goal, "Vision 2020," and achieved in the six months ended September 30, 2016 the highest first half operating profit, profit before income taxes and profit for the period in our history.

With regard to the results for the three months ended September 30, 2016, the operating profit ratio of our automotive, appliance, commercial and industrial products, the product category that serves as the driving force behind the transformation of our business portfolio, has been improving, and we achieved the highest quarterly operating profit, profit before income taxes and profit for the period in our history.

2. Consolidated Operating Results

NIDEC adopts International Financial Reporting Standards ("IFRS") for its consolidated financial statements instead of U.S. GAAP from the first quarter of the fiscal year ending March 31, 2017. Accordingly, the consolidated financial statements for the fiscal year ended March 31, 2016 are presented in accordance with IFRS for comparative analysis.

Consolidated Operating Results for the six months ended September 30, 2016 ("this six-month period")

Yen in millions

| | Six months ended September 30, 2015 | Six months ended September 30, 2016 | Increase or decrease | Increase or decrease ratio |
|---|-------------------------------------|-------------------------------------|----------------------|----------------------------|
| Net sales | 587,352 | 564,030 | (23,322) | (4.0)% |
| Operating profit | 59,603 | 69,004 | 9,401 | 15.8% |
| Operating profit ratio | 10.1% | 12.2% | - | - |
| Profit before income taxes | 62,147 | 66,293 | 4,146 | 6.7% |
| Profit attributable to owners of the parent | 46,857 | 50,110 | 3,253 | 6.9% |

Consolidated net sales decreased 4.0% to ¥564,030 million for this six-month period compared to the same period of the prior year due to a rapid appreciation of the Japanese yen. On the other hand, operating profit increased 15.8% to ¥69,004 million for this six-month period compared to the same period of the prior year, achieving the highest first half operating profit in our history. The average exchange rate between the Japanese yen and the U.S. dollar for this six-month period was ¥105.29 to the U.S. dollar, which reflected an appreciation of the Japanese yen against the U.S. dollar of approximately 14%, compared to the same period of the prior year. The average exchange rate between the Japanese yen and the Euro for this six-month period was ¥118.15 to the Euro, which reflected an appreciation of the Japanese yen against the Euro of approximately 13% compared to the same period of the prior

year. The fluctuations of the foreign currency exchange rates had a negative effect on our net sales of approximately ¥71,500 million and our operating profit of approximately ¥10,700 million for this six-month period compared to the same period of the prior year.

Profit before income taxes increased 6.7% to ¥66,293 million for this six-month period compared to the same period of the prior year and profit attributable to owners of the parent increased 6.9% to ¥50,110 million for this six-month period compared to the same period of the prior year, respectively achieving the highest first half profit in our history.

Operating Results by Product Category for this six-month period Compared to the same period of the prior year

Small precision motors-

| | Yen in millions | | | |
|--|---|---|-------------------------|-------------------------------------|
| | Six months ended September 30, 2015 | Six months ended September 30, 2016 | Increase or decrease | Increase or decrease ratio |
| Net sales of small precision motors | 222,513 | 211,716 | (10,797) | (4.9)% |
| Hard disk drives spindle motors | 106,806 | 90,366 | (16,440) | (15.4)% |
| Other small precision motors | 115,707 | 121,350 | 5,643 | 4.9% |
| Operating profit of small precision motors | 34,598 | 32,967 | (1,631) | (4.7)% |
| Operating profit ratio | 15.5% | 15.6% | - | - |

Net sales of small precision motors decreased 4.9% to ¥211,716 million for this six-month period compared to the same period of the prior year. The fluctuations of the foreign currency exchange rates had a negative effect on our net sales of small precision motors of approximately ¥26,400 million for this six-month period compared to the same period of the prior year.

Net sales of spindle motors for hard disk drives, or HDDs, for this six-month period decreased 15.4% to ¥90,366 million compared to the same period of the prior year. The number of units sold of spindle motors for HDDs decreased approximately 3% compared to the same period of the prior year.

Net sales of other small precision motors for this six-month period increased 4.9% to ¥121,350 million compared to the same period of the prior year. This increase was due to increases in sales of other small motors.

Operating profit of small precision motors decreased 4.7% to ¥32,967 million for this six-month period compared to the same period of the prior year. The fluctuations of the foreign currency exchange rates had a negative effect on our operating profit of small precision motors of approximately ¥5,600 million for this six-month period compared to the same period of the prior year.

Automotive, appliance, commercial and industrial products-

Yen in millions

| | Six months ended September 30, 2015 | Six months ended September 30, 2016 | Increase or decrease | Increase or decrease ratio |
|---|---|---|-------------------------|-------------------------------------|
| Net sales of automotive, appliance, commercial and industrial products | 276,185 | 265,645 | (10,540) | (3.8)% |
| Appliance, commercial and industrial products | 140,029 | 141,581 | 1,552 | 1.1% |
| Automotive products | 136,156 | 124,064 | (12,092) | (8.9)% |
| Operating profit of automotive, appliance, commercial and industrial products | 20,819 | 27,988 | 7,169 | 34.4% |
| Operating profit ratio | 7.5% | 10.5% | - | - |

Net sales of automotive, appliance, commercial and industrial products decreased 3.8% to ¥265,645 million for this six-month period compared to the same period of the prior year. The fluctuations of the foreign currency exchange rates had a negative effect on our net sales of automotive, appliance, commercial and industrial products of approximately ¥37,300 million for this six-month period compared to the same period of the prior year.

Net sales of appliance, commercial and industrial products for this six-month period increased 1.1% compared to the same period of the prior year. This increase was primarily due to the increase in sales through our “Three-new Strategy” (new products, new markets and new clients), although there was a negative effect of the foreign currency exchange rate fluctuations.

Net sales of automotive products for this six-month period decreased 8.9% compared to the same period of the prior year due to a negative effect of the foreign currency exchange rate fluctuations, although there were increases in sales for automotive motors such as electric power steering motors and products of control valves at Nidec Tosok Corporation.

Operating profit of automotive, appliance, commercial and industrial products increased 34.4% to ¥27,988 million for this six-month period compared to the same period of the prior year mainly due to cost reduction and changes in product mix. The fluctuations of the foreign currency exchange rates had a negative effect on our operating profit of automotive, appliance, commercial and industrial products of approximately ¥4,500 million for this six-month period compared to the same period of the prior year.

Machinery-

Yen in millions

| | Six months ended September 30, 2015 | Six months ended September 30, 2016 | Increase or decrease | Increase or decrease ratio |
|-------------------------------|---|---|-------------------------|-------------------------------------|
| Net sales of machinery | 54,359 | 53,884 | (475) | (0.9)% |
| Operating profit of machinery | 8,212 | 10,200 | 1,988 | 24.2% |
| Operating profit ratio | 15.1% | 18.9% | - | - |

Net sales of machinery decreased 0.9% to ¥53,884 million for this six-month period compared to the same period of the prior year due to a negative effect of the foreign currency exchange rate fluctuations, although there were contributions by the newly consolidated companies and the increases in sales of LCD panel handling robots at Nidec Sankyo Corporation.

Operating profit of machinery increased 24.2% to ¥10,200 million for this six-month period compared to the same period of the prior year mainly due to contributions by the newly consolidated companies and the increase in sales of LCD panel handling robots.

Electronic and optical components-

| Yen in millions | | | | |
|---|-------------------------------------|-------------------------------------|----------------------|----------------------------|
| | Six months ended September 30, 2015 | Six months ended September 30, 2016 | Increase or decrease | Increase or decrease ratio |
| Net sales of electronic and optical components | 32,528 | 31,032 | (1,496) | (4.6)% |
| Operating profit of electronic and optical components | 3,050 | 4,878 | 1,828 | 59.9% |
| Operating profit ratio | 9.4% | 15.7% | - | - |

Net sales of electronic and optical components decreased 4.6% to ¥31,032 million and operating profit of electronic and optical components increased 59.9% to ¥4,878 million for this six-month period compared to the same period of the prior year.

Other products-

| Yen in millions | | | | |
|------------------------------------|-------------------------------------|-------------------------------------|----------------------|----------------------------|
| | Six months ended September 30, 2015 | Six months ended September 30, 2016 | Increase or decrease | Increase or decrease ratio |
| Net sales of other products | 1,767 | 1,753 | (14) | (0.8)% |
| Operating profit of other products | 244 | 287 | 43 | 17.6% |
| Operating profit ratio | 13.8% | 16.4% | - | - |

Net sales of other products decreased 0.8% to ¥1,753 million and operating profit of other products increased 17.6% to ¥287 million for this six-month period compared to the same period of the prior year.

Consolidated Operating Results for the Three Months Ended September 30, 2016 (“this 2Q”), Compared to the Three Months Ended June 30, 2016 (“the previous 1Q”)

| Yen in millions | | | | |
|---|----------------------------------|---------------------------------------|----------------------|----------------------------|
| | Three months ended June 30, 2016 | Three months ended September 30, 2016 | Increase or decrease | Increase or decrease ratio |
| Net sales | 276,206 | 287,824 | 11,618 | 4.2% |
| Operating profit | 31,540 | 37,464 | 5,924 | 18.8% |
| Operating profit ratio | 11.4% | 13.0% | - | - |
| Profit before income taxes | 29,103 | 37,190 | 8,087 | 27.8% |
| Profit attributable to owners of the parent | 22,041 | 28,069 | 6,028 | 27.3% |

Consolidated net sales increased 4.2% to ¥287,824 million for this 2Q compared to the previous 1Q. Operating profit increased 18.8% to ¥37,464 million for this 2Q compared to the previous 1Q, achieving the highest quarterly operating profit in our history.

The average exchange rate between the Japanese yen and the U.S. dollar for this 2Q was ¥102.43 to the U.S.

dollar, which reflected an appreciation of the Japanese yen against the U.S. dollar of approximately 5%, compared to the previous 1Q. The average exchange rate between the Japanese yen and the Euro for this 2Q was ¥114.28 to the Euro, which reflected an appreciation of the Japanese yen against the Euro of approximately 6%, compared to the previous 1Q. The fluctuations of the foreign currency exchange rates had a negative effect on our net sales of approximately ¥13,400 million as well as on our operating profit of approximately ¥2,300 million for this 2Q compared to the previous 1Q.

Profit before income taxes increased 27.8% to ¥37,190 million for this 2Q compared to the previous 1Q and profit attributable to owners of the parent increased 27.3% to ¥28,069 million for this 2Q compared to the previous 1Q, respectively achieving the highest quarterly profit in our history.

Operating Results by Product Category for This 2Q Compared to The previous 1Q

Small precision motors-

| Yen in millions | | | | |
|--|-------------------------------------|---|-------------------------|-------------------------------------|
| | Three months ended June 30, 2016 | Three months ended September 30, 2016 | Increase or decrease | Increase or decrease ratio |
| Net sales of small precision motors | 94,801 | 116,915 | 22,114 | 23.3% |
| Hard disk drives spindle motors | 42,799 | 47,567 | 4,768 | 11.1% |
| Other small precision motors | 52,002 | 69,348 | 17,346 | 33.4% |
| Operating profit of small precision motors | 13,748 | 19,219 | 5,471 | 39.8% |
| Operating profit ratio | 14.5% | 16.4% | - | - |

Net sales of small precision motors increased 23.3% to ¥116,915 million for this 2Q compared to the previous 1Q. The fluctuations of the foreign currency exchange rates had a negative effect on our net sales of small precision motors of approximately ¥5,200 million for this 2Q compared to the previous 1Q.

Net sales of spindle motors for HDDs increased 11.1% to ¥47,567 million for this 2Q compared to the previous 1Q. The number of units sold of spindle motors for HDDs for this 2Q increased approximately 17% compared to the previous 1Q.

Net sales of other small precision motors for this 2Q increased 33.4% to ¥69,348 million compared to the previous 1Q. This increase was due to increases in sales of brushless DC motors, fan motors and other small motors.

Operating profit of small precision motors increased 39.8% to ¥19,219 million for this 2Q compared to the previous 1Q. The fluctuations of the foreign currency exchange rates had a negative effect on our operating profit of small precision motors of approximately ¥1,300 million for this 2Q compared to the previous 1Q.

Automotive, appliance, commercial and industrial products-

Yen in millions

| | Three months ended June 30, 2016 | Three months ended September 30, 2016 | Increase or decrease | Increase or decrease ratio |
|---|-------------------------------------|---|-------------------------|-------------------------------------|
| Net sales of automotive, appliance, commercial and industrial products | 138,250 | 127,395 | (10,855) | (7.9)% |
| Appliance, commercial and industrial products | 74,257 | 67,324 | (6,933) | (9.3)% |
| Automotive products | 63,993 | 60,071 | (3,922) | (6.1)% |
| Operating profit of automotive, appliance, commercial and industrial products | 13,830 | 14,158 | 328 | 2.4% |
| Operating profit ratio | 10.0% | 11.1% | - | - |

Net sales of automotive, appliance, commercial and industrial products decreased 7.9% to ¥127,395 million for this 2Q compared to the previous 1Q. The fluctuations of the foreign currency exchange rates had a negative effect on our net sales of automotive, appliance, commercial and industrial products of approximately ¥6,800 million for this 2Q compared to the previous 1Q.

Net sales of appliance, commercial and industrial products for this 2Q decreased 9.3% compared to the previous 1Q due to the negative effect of the seasonal factors and foreign currency exchange rate fluctuations.

Net sales of automotive products for this 2Q decreased 6.1% compared to the previous 1Q. This decrease was due to the negative effect of the foreign currency exchange rate fluctuations and seasonal factors.

Operating profit of automotive, appliance, commercial and industrial products increased 2.4% to ¥14,158 million for this 2Q compared to the previous 1Q mainly due to cost reduction and changes in product mix. The fluctuations of the foreign currency exchange rates had a negative effect on our operating profit of automotive, appliance, commercial and industrial products of approximately ¥1,000 million for this 2Q compared to the previous 1Q.

Machinery-

Yen in millions

| | Three months ended June 30, 2016 | Three months ended September 30, 2016 | Increase or decrease | Increase or decrease ratio |
|-------------------------------|-------------------------------------|---|-------------------------|-------------------------------------|
| Net sales of machinery | 27,146 | 26,738 | (408) | (1.5)% |
| Operating profit of machinery | 4,895 | 5,305 | 410 | 8.4% |
| Operating profit ratio | 18.0% | 19.8% | - | - |

Net sales of machinery decreased 1.5% to ¥26,738 million for this 2Q compared to the previous 1Q due to the decrease in sales of LCD panel handling robots at Nidec Sankyo Corporation and the negative effect of foreign currency exchange rate fluctuations.

Operating profit of machinery increased 8.4% to ¥5,305 million for this 2Q compared to the previous 1Q mainly due to cost reduction.

Electronic and optical components-

Yen in millions

| | Three months ended June 30, 2016 | Three months ended September 30, 2016 | Increase or decrease | Increase or decrease ratio |
|---|-------------------------------------|---|-------------------------|-------------------------------------|
| Net sales of electronic and optical components | 15,161 | 15,871 | 710 | 4.7% |
| Operating profit of electronic and optical components | 2,110 | 2,768 | 658 | 31.2% |
| Operating profit ratio | 13.9% | 17.4% | - | - |

Net sales of electronic and optical components increased 4.7% to ¥15,871 million for this 2Q compared to the previous 1Q.

Operating profit of electronic and optical components increased 31.2% to ¥2,768 million for this 2Q compared to the previous 1Q.

Other products-

Yen in millions

| | Three months ended June 30, 2016 | Three months ended September 30, 2016 | Increase or decrease | Increase or decrease ratio |
|------------------------------------|-------------------------------------|---|-------------------------|-------------------------------------|
| Net sales of other products | 848 | 905 | 57 | 6.7% |
| Operating profit of other products | 134 | 153 | 19 | 14.2% |
| Operating profit ratio | 15.8% | 16.9% | - | - |

Net sales of other products increased 6.7% to ¥905 million for this 2Q compared to the previous 1Q.

Operating profit of other products increased 14.2% to ¥153 million for this 2Q compared to the previous 1Q.

(2) Financial Position

Yen in millions

| | As of March 31, 2016 | As of September 30, 2016 | Increase or decrease |
|---|-------------------------|-----------------------------|-------------------------|
| Total assets | 1,376,636 | 1,326,859 | (49,777) |
| Total liabilities | 605,267 | 593,324 | (11,943) |
| Total equity attributable to owners of the parent | 763,023 | 725,437 | (37,586) |
| Interest-bearing debt *1 | 300,667 | 268,074 | (32,593) |
| Net interest-bearing debt *2 | (5,275) | (30,860) | (25,585) |
| Debt ratio *3 | 21.8% | 20.2% | (1.6) % |
| Debt to equity ratio (“D/E ratio”) (times) *4 | 0.39 | 0.37 | (0.02) |
| Net D/E ratio (times) *5 | (0.01) | (0.04) | (0.03) |
| Ratio of total equity attributable to owners of the parent to total assets *6 | 55.4% | 54.7% | (0.7) % |

Notes:

- *1: The sum of “short term borrowings,” “long term debt due within one year” and “long term debt” in our consolidated statement of financial position
- *2: “Interest-bearing debt” less “cash and cash equivalents”
- *3: “Interest-bearing debt” divided by “total assets”
- *4: “Interest-bearing debt” divided by “total equity attributable to owners of the parent”
- *5: “Net interest-bearing debt” divided by “total equity attributable to owners of the parent”
- *6: “Total equity attributable to owners of the parent” divided by “total assets”

Total assets decreased approximately ¥49,800 million to ¥1,326,859 million as of September 30, 2016 compared to March 31, 2016. This decrease was mainly due to a decrease of approximately ¥14,900 million in property, plant, and equipment and a decrease of approximately ¥11,700 million in inventories.

Total liabilities decreased approximately ¥11,900 million to ¥593,324 million as of September 30, 2016 compared to March 31, 2016. Our interest-bearing debt decreased approximately ¥32,600 million. Specifically, our short term borrowings decreased approximately ¥27,500 million to approximately ¥53,600 million, our long term debt due within one year increased approximately ¥69,200 million to approximately ¥152,000 million, and our long term debt decreased approximately ¥74,300 million to approximately ¥62,500 million as of September 30, 2016 compared to March 31, 2016. The decrease of ¥74,300 million in our long term debt and the increase of ¥69,200 million in our long term debt due within one year were mainly attributable to the reclassification of approximately ¥65,000 million aggregate principal amount of unsecured straight bonds (ranking *pari passu* with the other series of Bonds) issued in November 2012 from non-current liability to current liability, as the bonds will mature within one year. On the other hand, our trade and other payables increased approximately ¥21,200 million as of September 30, 2016 compared to March 31, 2016.

As a result, our net interest-bearing debt decreased to approximately negative ¥30,900 million as of September 30, 2016 from approximately negative ¥5,300 million as of March 31, 2016. Our debt ratio decreased to 20.2% as of September 30, 2016 from 21.8% as of March 31, 2016. Our D/E ratio decreased to 0.37 as of September 30, 2016 from 0.39 as of March 31, 2016. Our net D/E ratio improved to negative 0.04 as of September 30, 2016 compared to negative 0.01 as of March 31, 2016.

Total equity attributable to owners of the parent decreased approximately ¥37,600 million to ¥725,437 million as of September 30, 2016 compared to March 31, 2016. Ratio of total equity attributable to owners of the parent to total assets decreased to 54.7% as of September 30, 2016 from 55.4% as of March 31, 2016. The decrease of ratio of total equity attributable to owners of the parent to total assets was mainly due to a decrease in other components of equity of approximately ¥76,100 million caused mainly by exchange differences related to foreign

operations, although there was an increase in retained earnings of approximately ¥38,500 million, as of September 30, 2016 compared to March 31, 2016.

Overview of Cash Flow-

| | Yen in millions | | |
|---|----------------------------------|----------|-------------------------|
| | Six months ended September 30 | | Increase or decrease |
| | 2015 | 2016 | |
| Net cash provided by operating activities | 69,639 | 96,493 | 26,854 |
| Net cash used in investing activities | (59,269) | (34,760) | 24,509 |
| Free cash flow *1 | 10,370 | 61,733 | 51,363 |
| Net cash provided by (used in) financing activities | 13,474 | (34,942) | (48,416) |

Note:

*1: Free cash flow is the sum of “net cash provided by operating activities” and “net cash used in investing activities.”

Cash flows from operating activities for the six months ended September 30, 2016 ("this six-month period") were a net cash inflow of ¥96,493 million. Compared to the six months ended September 30, 2015 ("the same period of the previous year"), our cash inflow from operating activities for this six-month period increased approximately ¥26,900 million. This increase was mainly due to an increase of approximately ¥22,900 million in accounts payable and a decrease of approximately ¥10,000 million in inventories.

Cash flows from investing activities for this six-month period were a net cash outflow of ¥34,760 million. Compared to the same period of the previous year, our net cash outflow from investing activities for this six-month period decreased approximately ¥24,500 million mainly due to decreases in additions to property, plant and equipment of approximately ¥17,300 million and in acquisitions of businesses, net of cash acquired of approximately ¥7,500 million.

As a result, we had a positive free cash flow of ¥61,733 million for this six-month period, an increase of approximately ¥51,400 million compared to a positive free cash flow of ¥10,370 million for the same period of the previous year.

Cash flows from financing activities for this six-month period were a net cash outflow of ¥34,942 million. Compared to the same period of the previous year, our net cash outflow from financing activities for this six-month period increased approximately ¥48,400 million mainly due to a decrease in net cash inflow from short term borrowings of approximately ¥59,700 million. On the other hand, outflow from repayments of long term debt decreased approximately ¥11,100 million.

As a result of the foregoing and the impact of foreign exchange fluctuations of approximately negative ¥33,800 million, the balance of cash and cash equivalents as of September 30, 2016 was ¥298,934 million, a decrease of approximately ¥7,000 million from March 31, 2016.

(3) Business Forecasts for the Fiscal Year ending March 31, 2017

Regarding global economic trends, we expect that, while an economic recovery in the United States is anticipated, uncertainties relating to the U.S. presidential election in November 2016, concerns about financial risks in Germany and other parts of Europe, the slowdown in the Chinese economy, and the negative impact of the appreciation of the yen on the Japanese economy will continue to require close monitoring.

In spite of the above, based on our sales and profits for the six months ended September 30, 2016 being stronger than our expectations underlying our previous forecast, we are revising our business performance forecast as follows. Also, in light of the recent appreciation of the Japanese yen, the average exchange rates used for the below forecasts are reset at ¥100 from previous ¥105 for US\$1 and ¥110 from previous ¥115 for €1, each adjusted to reflect the Japanese yen appreciation trend respectively.

In addition, based on this upward revision, we have comprehensively considered our financial condition, profit levels, dividend payout ratio, etc., and revised our year-end dividend target upwards by ¥5 to ¥45 per share compared to the previous target of ¥40. As a result, our annual dividend target is ¥85 per share.

Forecast of consolidated results for the fiscal year ending March 31, 2017

| | | |
|---|--------------------|--|
| Net sales | ¥1,200,000 million | (Up 1.8% from the previous fiscal year) |
| Operating profit | ¥135,000 million | (Up 14.7% from the previous fiscal year) |
| Profit before income taxes | ¥133,000 million | (Up 13.5% from the previous fiscal year) |
| Profit attributable to owners of the parent | ¥100,000 million | (Up 11.2% from the previous fiscal year) |

Note:

1. Consolidated results are based on IFRS.
2. The exchange rates used for the preparation of the foregoing forecasts are US\$1 = ¥100 and €1 = ¥110. The exchange rates between the relevant Asian currencies and the Japanese yen used for the preparation of the foregoing forecasts were determined assuming these exchange rates.

Cautionary Note Regarding Forward-Looking Statements

This report contains forward-looking statements based on the current expectations, assumptions, estimates and projections of the Nidec Group in light of the information currently available to it. The Nidec Group cannot make any assurances that the expectations expressed in these forward-looking statements will prove to be correct. Actual results could be materially different from and worse than the Nidec Group's expectations as a result of various factors.

Percentage changes from the previous fiscal year are calculated by the previous year amounts which have been retrospectively adjusted pursuant to IFRS 3 "Business Combinations".

2. Others

(1) Changes in significant subsidiaries during this period

None

(2) Changes in accounting policy or estimate

None

3. Condensed Quarterly Consolidated Financial Statements

(1) Condensed Quarterly Consolidated Statements of Financial Position

| | The date of transition to IFRS (April 1, 2015) | | March 31, 2016 | | September 30, 2016 | | Increase or decrease |
|--|---|-------|-----------------|-------|--------------------|-------|----------------------------|
| | Amounts | % | Amounts | % | Amounts | % | |
| Assets | Yen in millions | | Yen in millions | | Yen in millions | | Yen in millions |
| Current assets | | | | | | | |
| Cash and cash equivalents | 269,902 | | 305,942 | | 298,934 | | (7,008) |
| Trade and other receivables | 255,470 | | 251,310 | | 253,808 | | 2,498 |
| Other financial assets | 262 | | 2,010 | | 2,281 | | 271 |
| Income tax receivables | 1,551 | | 2,063 | | 1,048 | | (1,015) |
| Inventories | 170,880 | | 170,874 | | 159,163 | | (11,711) |
| Other current assets | 20,018 | | 22,892 | | 25,040 | | 2,148 |
| Total current assets | 718,083 | 53.2 | 755,091 | 54.9 | 740,274 | 55.8 | (14,817) |
| Non-current assets | | | | | | | |
| Property, plant, and equipment | 342,556 | | 346,932 | | 332,000 | | (14,932) |
| Goodwill | 162,959 | | 162,043 | | 152,577 | | (9,466) |
| Intangible assets | 83,931 | | 77,049 | | 67,885 | | (9,164) |
| Investments accounted for using the equity method | 2,167 | | 1,896 | | 1,752 | | (144) |
| Other investments | 21,507 | | 15,998 | | 16,345 | | 347 |
| Other financial assets | 2,274 | | 1,804 | | 1,538 | | (266) |
| Deferred tax assets | 10,749 | | 11,545 | | 10,200 | | (1,345) |
| Other non-current assets | 5,646 | | 4,278 | | 4,288 | | 10 |
| Total non-current assets | 631,789 | 46.8 | 621,545 | 45.1 | 586,585 | 44.2 | (34,960) |
| Total assets | 1,349,872 | 100.0 | 1,376,636 | 100.0 | 1,326,859 | 100.0 | (49,777) |

| | The date of transition to IFRS (April 1, 2015) | | March 31, 2016 | | September 30, 2016 | | Increase or decrease |
|--|---|-------|-----------------|-------|--------------------|--------|----------------------------|
| | Amounts | % | Amounts | % | Amounts | % | |
| Liabilities | Yen in millions | | Yen in millions | | Yen in millions | | Yen in millions |
| Current liabilities | | | | | | | |
| Short term borrowings | 52,401 | | 81,092 | | 53,614 | | (27,478) |
| Long term debt due within one year | 45,432 | | 82,777 | | 151,950 | | 69,173 |
| Trade and other payables | 204,372 | | 186,990 | | 208,195 | | 21,205 |
| Other financial liabilities | 2,941 | | 3,192 | | 1,877 | | (1,315) |
| Income tax payables | 5,913 | | 5,831 | | 5,716 | | (115) |
| Provisions | 18,583 | | 18,886 | | 19,276 | | 390 |
| Other current liabilities | 31,151 | | 40,891 | | 39,648 | | (1,243) |
| Total current liabilities | 360,793 | 26.7 | 419,659 | 30.5 | 480,276 | 36.2 | 60,617 |
| Non-current liabilities | | | | | | | |
| Long term debt | 184,432 | | 136,798 | | 62,510 | | (74,288) |
| Other financial liabilities | 569 | | 1,029 | | 3,616 | | 2,587 |
| Retirement benefit liabilities | 19,834 | | 19,488 | | 18,235 | | (1,253) |
| Provisions | 2,904 | | 3,337 | | 3,209 | | (128) |
| Deferred tax liabilities | 23,467 | | 22,641 | | 23,552 | | 911 |
| Other non-current liabilities | 3,126 | | 2,315 | | 1,926 | | (389) |
| Total non-current liabilities | 234,332 | 17.4 | 185,608 | 13.5 | 113,048 | 8.5 | (72,560) |
| Total liabilities | 595,125 | 44.1 | 605,267 | 44.0 | 593,324 | 44.7 | (11,943) |
| Equity | | | | | | | |
| Common stock | 77,071 | 5.7 | 87,784 | 6.4 | 87,784 | 6.6 | - |
| Additional paid-in capital | 107,732 | 8.0 | 118,341 | 8.6 | 118,340 | 8.9 | (1) |
| Retained earnings | 562,787 | 41.7 | 625,168 | 45.4 | 663,664 | 50.1 | 38,496 |
| Other components of equity | (1,072) | (0.1) | (56,159) | (4.1) | (132,230) | (10.0) | (76,071) |
| Treasury stock | (27) | (0.0) | (12,111) | (0.9) | (12,121) | (0.9) | (10) |
| Total equity attributable to owners of the parent | 746,491 | 55.3 | 763,023 | 55.4 | 725,437 | 54.7 | (37,586) |
| Non-controlling interests | 8,256 | 0.6 | 8,346 | 0.6 | 8,098 | 0.6 | (248) |
| Total equity | 754,747 | 55.9 | 771,369 | 56.0 | 733,535 | 55.3 | (37,834) |
| Total liabilities and equity | 1,349,872 | 100.0 | 1,376,636 | 100.0 | 1,326,859 | 100.0 | (49,777) |

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

Result for the six months ended September 30

Condensed Quarterly Consolidated Statements of Income

| | Six months ended September 30 | | | | Increase or decrease | | Year ended March 31, 2016 | |
|--|-------------------------------|--------|-----------------|--------|----------------------|--------|------------------------------|--------|
| | 2015 | | 2016 | | | | | |
| | Amounts | % | Amounts | % | Amounts | % | Amounts | % |
| | Yen in millions | | Yen in millions | | Yen in millions | | Yen in millions | |
| Net sales | 587,352 | 100.0 | 564,030 | 100.0 | (23,322) | (4.0) | 1,178,290 | 100.0 |
| Cost of sales | (453,364) | (77.2) | (428,547) | (76.0) | 24,817 | (5.5) | (909,953) | (77.2) |
| Gross profit | 133,988 | 22.8 | 135,483 | 24.0 | 1,495 | 1.1 | 268,337 | 22.8 |
| Selling, general and administrative expenses | (48,964) | (8.4) | (40,877) | (7.3) | 8,087 | (16.5) | (98,697) | (8.4) |
| Research and development expenses | (25,421) | (4.3) | (25,602) | (4.5) | (181) | 0.7 | (51,978) | (4.4) |
| Operating profit | 59,603 | 10.1 | 69,004 | 12.2 | 9,401 | 15.8 | 117,662 | 10.0 |
| Financial income | 1,012 | 0.2 | 1,332 | 0.3 | 320 | 31.6 | 2,181 | 0.2 |
| Financial expenses | (895) | (0.1) | (3,853) | (0.7) | (2,958) | 330.5 | (2,527) | (0.3) |
| Foreign exchange differences | 2,422 | 0.4 | (173) | (0.0) | (2,595) | - | (153) | (0.0) |
| Equity in net income (loss) of associates | 5 | 0.0 | (17) | (0.0) | (22) | - | 1 | 0.0 |
| Profit before income taxes | 62,147 | 10.6 | 66,293 | 11.8 | 4,146 | 6.7 | 117,164 | 9.9 |
| Income tax expenses | (14,728) | (2.5) | (15,777) | (2.8) | (1,049) | - | (26,166) | (2.2) |
| Profit for the period | 47,419 | 8.1 | 50,516 | 9.0 | 3,097 | 6.5 | 90,998 | 7.7 |
| Profit attributable to: | | | | | | | | |
| Owners of the parent | 46,857 | 8.0 | 50,110 | 8.9 | 3,253 | 6.9 | 89,945 | 7.6 |
| Non-controlling interests | 562 | 0.1 | 406 | 0.1 | (156) | (27.8) | 1,053 | 0.1 |
| Profit for the period | 47,419 | 8.1 | 50,516 | 9.0 | 3,097 | 6.5 | 90,998 | 7.7 |

Condensed Quarterly Consolidated Statements of Comprehensive Income

| | Six months ended September 30 | | | | Increase or decrease | | Year ended March 31, 2016 | |
|--|-------------------------------|--|-----------------|--|----------------------|-----|------------------------------|--|
| | 2015 | | 2016 | | | | | |
| | Amounts | | Amounts | | Amounts | % | Amounts | |
| | Yen in millions | | Yen in millions | | Yen in millions | | Yen in millions | |
| Profit for the period | 47,419 | | 50,516 | | 3,097 | 6.5 | 90,998 | |
| Other comprehensive income, net of taxation | | | | | | | | |
| Items that will not be reclassified to net profit or loss: | | | | | | | | |
| Remeasurement of defined benefit plans | (72) | | (110) | | (38) | - | (941) | |
| Fair value movements on FVTOCI equity financial assets | (1,836) | | 345 | | 2,181 | - | (2,909) | |
| Items that may be reclassified to net profit or loss: | | | | | | | | |
| Foreign currency translation adjustments | (14,785) | | (76,858) | | (62,073) | - | (56,190) | |
| Effective portion of net changes in fair value of cash flow hedges | (641) | | 121 | | 762 | - | 326 | |
| Fair value movements on FVTOCI debt financial assets | (12) | | 1 | | 13 | - | (6) | |
| Other comprehensive income for the period, net of taxation | (17,346) | | (76,501) | | (59,155) | - | (59,720) | |
| Comprehensive income for the period | 30,073 | | (25,985) | | (56,058) | - | 31,278 | |
| Comprehensive income attributable to: | | | | | | | | |
| Owners of the parent | 30,000 | | (25,711) | | (55,711) | - | 30,983 | |
| Non-controlling interests | 73 | | (274) | | (347) | - | 295 | |
| Comprehensive income for the period | 30,073 | | (25,985) | | (56,058) | - | 31,278 | |

Result for the three months ended September 30

Condensed Quarterly Consolidated Statements of Income

| | Three months ended September 30 | | | | Increase or decrease | |
|--|---------------------------------|--------|-----------------|--------|----------------------|--------|
| | 2015 | | 2016 | | | |
| | Amounts | % | Amounts | % | Amounts | % |
| | Yen in millions | | Yen in millions | | Yen in millions | |
| Net sales | 302,311 | 100.0 | 287,824 | 100.0 | (14,487) | (4.8) |
| Cost of sales | (232,392) | (76.9) | (216,297) | (75.1) | 16,095 | (6.9) |
| Gross profit | 69,919 | 23.1 | 71,527 | 24.9 | 1,608 | 2.3 |
| Selling, general and administrative expenses | (26,408) | (8.7) | (21,121) | (7.4) | 5,287 | (20.0) |
| Research and development expenses | (13,767) | (4.6) | (12,942) | (4.5) | 825 | (6.0) |
| Operating profit | 29,744 | 9.8 | 37,464 | 13.0 | 7,720 | 26.0 |
| Financial income | 452 | 0.2 | 643 | 0.2 | 191 | 42.3 |
| Financial expenses | (505) | (0.2) | (904) | (0.3) | (399) | - |
| Foreign exchange differences | 865 | 0.3 | (21) | (0.0) | (886) | - |
| Equity in net (loss) income of associates | (0) | (0.0) | 8 | 0.0 | 8 | - |
| Profit before income taxes | 30,556 | 10.1 | 37,190 | 12.9 | 6,634 | 21.7 |
| Income tax expenses | (6,788) | (2.2) | (8,938) | (3.1) | (2,150) | - |
| Profit for the period | 23,768 | 7.9 | 28,252 | 9.8 | 4,484 | 18.9 |
| Profit attributable to: | | | | | | |
| Owners of the parent | 23,606 | 7.8 | 28,069 | 9.7 | 4,463 | 18.9 |
| Non-controlling interests | 162 | 0.1 | 183 | 0.1 | 21 | 13.0 |
| Profit for the period | 23,768 | 7.9 | 28,252 | 9.8 | 4,484 | 18.9 |

Condensed Quarterly Consolidated Statements of Comprehensive Income

| | Three months ended September 30 | | | | Increase or decrease | |
|--|---------------------------------|--|-----------------|-----------------|----------------------|------|
| | 2015 | | 2016 | | | |
| | Amounts | | Amounts | | Amounts | % |
| | Yen in millions | | Yen in millions | Yen in millions | | |
| Profit for the period | 23,768 | | 28,252 | | 4,484 | 18.9 |
| Other comprehensive income, net of taxation | | | | | | |
| Items that will not be reclassified to net profit or loss: | | | | | | |
| Remeasurement of defined benefit plans | (2) | | 3 | | 5 | - |
| Fair value movements on FVTOCI equity financial assets | (1,898) | | 1,307 | | 3,205 | - |
| Items that may be reclassified to net profit or loss: | | | | | | |
| Foreign currency translation adjustments | (26,125) | | (11,100) | | 15,025 | - |
| Effective portion of net changes in fair value of cash flow hedges | (642) | | (36) | | 606 | - |
| Fair value movements on FVTOCI debt financial assets | (12) | | 0 | | 12 | - |
| Other comprehensive income for the period, net of taxation | (28,679) | | (9,826) | | 18,853 | - |
| Comprehensive income for the period | (4,911) | | 18,426 | | 23,337 | - |
| Comprehensive income attributable to: | | | | | | |
| Owners of the parent | (4,610) | | 18,205 | | 22,815 | - |
| Non-controlling interests | (301) | | 221 | | 522 | - |
| Comprehensive income for the period | (4,911) | | 18,426 | | 23,337 | - |

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

Six months ended September 30, 2015

| | 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 | | |
| | Yen in millions | Yen in millions | Yen in millions | Yen in millions | Yen in millions | Yen in millions | Yen in millions | Yen in millions |
| As of April 1, 2015 | 77,071 | 107,732 | 562,787 | (1,072) | (27) | 746,491 | 8,256 | 754,747 |
| Comprehensive income | | | | | | | | |
| Profit for the period | | | 46,857 | | | 46,857 | 562 | 47,419 |
| Other comprehensive income | | | | (16,857) | | (16,857) | (489) | (17,346) |
| Total comprehensive income | | | | | | 30,000 | 73 | 30,073 |
| Transactions with owners directly recognized in equity: | | | | | | | | |
| Purchase of treasury stock | | | | | (25) | (25) | - | (25) |
| Conversion of convertible bonds | 10,713 | 10,620 | | | 23 | 21,356 | - | 21,356 |
| Dividends paid to the owners of the parent | | | (11,764) | | | (11,764) | - | (11,764) |
| Dividends paid to non-controlling interests | | | | | | - | (67) | (67) |
| Transfer to retained earnings | | | (1,896) | 1,896 | | - | - | - |
| Other | | 42 | | | | 42 | (86) | (44) |
| As of September 30, 2015 | 87,784 | 118,394 | 595,984 | (16,033) | (29) | 786,100 | 8,176 | 794,276 |

Six months ended September 30, 2016

| | 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 | | |
| | Yen in millions | Yen in millions | Yen in millions | Yen in millions | Yen in millions | Yen in millions | Yen in millions | Yen in millions |
| As of April 1, 2016 | 87,784 | 118,341 | 625,168 | (56,159) | (12,111) | 763,023 | 8,346 | 771,369 |
| Comprehensive income | | | | | | | | |
| Profit for the period | | | 50,110 | | | 50,110 | 406 | 50,516 |
| Other comprehensive income | | | | (75,821) | | (75,821) | (680) | (76,501) |
| Total comprehensive income | | | | | | (25,711) | (274) | (25,985) |
| Transactions with owners directly recognized in equity: | | | | | | | | |
| Purchase of treasury stock | | | | | (11) | (11) | - | (11) |
| Dividends paid to the owners of the parent | | | (11,864) | | | (11,864) | - | (11,864) |
| Dividends paid to non-controlling interests | | | | | | - | (18) | (18) |
| Transfer to retained earnings | | | 250 | (250) | | - | - | - |
| Other | | (1) | | | 1 | 0 | 44 | 44 |
| As of September 30, 2016 | 87,784 | 118,340 | 663,664 | (132,230) | (12,121) | 725,437 | 8,098 | 733,535 |

(4) Condensed Quarterly Consolidated Statements of Cash Flows

| | Yen in millions | | | Yen in millions |
|---|-------------------------------|----------|----------------------|-----------------|
| | Six months ended September 30 | | Increase or decrease | Year ended |
| | 2015 | 2016 | | March 31 |
| | | | | 2016 |
| Cash flows from operating activities: | | | | |
| Profit for the period | 47,419 | 50,516 | 3,097 | 90,998 |
| Adjustments to reconcile profit for the period to net cash provided by operating activities | | | | |
| Depreciation and amortization | 30,491 | 28,856 | (1,635) | 64,950 |
| Gain from sales, disposal or impairment of property, plant and equipment | (227) | (1,289) | (1,062) | (155) |
| Financial (income) loss | (32) | (149) | (117) | 420 |
| Equity in net (income) loss of associates | (5) | 17 | 22 | (1) |
| Deferred income taxes | 2,166 | 2,605 | 439 | 2,148 |
| Current income taxes | 12,562 | 13,172 | 610 | 24,019 |
| Foreign currency adjustments | (596) | 1,106 | 1,702 | (368) |
| (Decrease) increase in retirement benefit liability | (79) | 305 | 384 | 217 |
| Increase in accounts receivable | (13,367) | (16,408) | (3,041) | (5,163) |
| Increase in inventories | (11,802) | (1,768) | 10,034 | (6,176) |
| Increase (decrease) in accounts payable | 9,960 | 32,814 | 22,854 | (6,897) |
| Other, net | 3,832 | (933) | (4,765) | 8,028 |
| Interests and dividends received | 953 | 1,207 | 254 | 1,904 |
| Interests paid | (910) | (1,651) | (741) | (1,797) |
| Income taxes paid | (10,726) | (11,907) | (1,181) | (24,468) |
| Net cash provided by operating activities | 69,639 | 96,493 | 26,854 | 147,659 |
| Cash flows from investing activities: | | | | |
| Additions to property, plant and equipment | (47,814) | (30,483) | 17,331 | (81,898) |
| Proceeds from sales of property, plant and equipment | 805 | 642 | (163) | 1,417 |
| Proceeds from sales or redemption of marketable securities | 1,276 | 224 | (1,052) | 1,319 |
| Acquisitions of business, net of cash acquired | (9,721) | (2,242) | 7,479 | (9,665) |
| Other, net | (3,815) | (2,901) | 914 | (6,550) |
| Net cash used in investing activities | (59,269) | (34,760) | 24,509 | (95,377) |
| Cash flows from financing activities: | | | | |
| Increase (decrease) in short term borrowings | 38,324 | (21,425) | (59,749) | 32,412 |
| Repayments of long term debt | (12,977) | (1,861) | 11,116 | (26,210) |
| Purchase of treasury stock | (25) | (11) | 14 | (12,133) |
| Dividends paid to the owner of the parent | (11,764) | (11,864) | (100) | (23,690) |
| Other, net | (84) | 219 | 303 | 37,396 |
| Net cash provided by (used in) financing activities | 13,474 | (34,942) | (48,416) | 7,775 |
| Effect of exchange rate changes on cash and cash equivalents | (7,140) | (33,799) | (26,659) | (24,017) |
| Net increase (decrease) in cash and cash equivalents | 16,704 | (7,008) | (23,712) | 36,040 |
| Cash and cash equivalents at beginning of period | 269,902 | 305,942 | 36,040 | 269,902 |
| Cash and cash equivalents at end of period | 286,606 | 298,934 | 12,328 | 305,942 |

(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 address of headquarters and principal business offices are available on the Company's website (<http://www.nidec.com/en-Global/>).

Condensed Quarterly Consolidated Financial Statements as of September 30, 2016 consist of the Company and its consolidated subsidiaries (NIDEC), and shares of associates of NIDEC.

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

- i. Small precision motors, which include spindle motors for hard disk drives, brushless motors, fan motors, vibration motors, brush motors and motor applications.
- ii. Automotive, appliance, commercial and industrial products, which includes automotive motors and components, home appliance, commercial and industrial motors and related products.
- iii. Machinery, which includes industrial robots, card readers, test systems, pressing machines and power transmission drives.
- iv. Electronic and optical components, which include switches, trimmer potentiometers, lens units and camera shutters.
- v. 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.

NIDEC adopts IFRS for the first time this financial year (commencing on April 1, 2016 and ending on March 31, 2017), and so the annual consolidated financial statements for the year are the first ones prepared in conformity with IFRS. The date of transition of NIDEC to IFRS is April 1, 2015. Explanations of how the first time adoption of, and the transition to, IFRS have affected NIDEC's financial position, business results and cash flows are provided in "Note 6. First-Time Adoption of IFRS".

(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 Unit of currency

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, except as otherwise indicated.

(4) Early adoption of new IFRS standards

NIDEC has early adopted IFRS 9 "Financial instruments" (amended in July 2014).

3. Significant accounting policies

Significant accounting policies are applied to all periods mentioned in the condensed quarterly consolidated financial statements, including the consolidated statement of financial position on the transition date of IFRS.

Significant accounting policies adopted in preparation of the consolidated financial statements are stated in notes to NIDEC's condensed quarterly consolidated financial statements for the three months ended June 30, 2016.

4. Significant accounting estimates, judgments and assumptions

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

The estimates and underlying 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 affected by the revision.

Judgments and estimates accompanying significant risks that may cause material adjustments to the carrying amounts of assets and liabilities in the current and next fiscal years are the same as those for the condensed consolidated financial statements for the first quarter of the current fiscal year, covering the period from April 1, 2016 to June 30, 2016.

5. Business Combinations

Pursuant to IFRS 3 "Business Combinations," during the three months ended September 30, 2016, NIDEC completed its valuation of the assets acquired and the liabilities assumed upon the acquisition of KB Electronics, Inc. (merged into Nidec Motor Corporation in March 2016) Consolidated financial statements for the previous fiscal year and condensed quarterly consolidated financial statements for the three months ended June 30, 2016 have been retrospectively adjusted to reflect NIDEC's valuation of the fair values of the assets and liabilities of KB Electronics, Inc. NIDEC has been evaluating the fair values of the assets acquired and the liabilities assumed upon the acquisitions of companies in the six months ended September 30, 2016. The assets and liabilities which are currently under evaluation have been recorded on NIDEC's consolidated statement of financial position based on preliminary management estimation as of September 30, 2016. These evaluations do not have material impacts on NIDEC's consolidated financial position, results of operations or liquidity.

6. First-Time Adoption of IFRS

NIDEC discloses the consolidated financial statements under IFRS for the first time for the fiscal year ending March 31, 2017. The latest consolidated financial statements under accounting principles generally accepted in the United States (“U.S. GAAP”) were prepared for the fiscal year ended March 31, 2016 and the date of transition to IFRS is April 1, 2015.

(1) Exemptions to retrospective application of IFRS

IFRS 1 stipulates that an entity adopting IFRS for the first time shall apply IFRS retrospectively to prior periods. However, IFRS 1 allows certain exemptions from the retrospective application of certain aspects of IFRS, and accordingly NIDEC has applied the following exemptions:

Business combinations:

IFRS 1 permits an entity not to apply IFRS 3 “Business Combinations” retrospectively to business combinations that occurred prior to the date of transition to IFRS. NIDEC elected to apply this exemption and did not apply IFRS 3 retrospectively to business combinations that occurred before the date of transition to IFRS. As a result, the goodwill recognized prior to the transition date is recorded based on the U.S. GAAP book value of the transition date. NIDEC performed an impairment test on goodwill at the date of transition to IFRS regardless of whether there was any indication that the goodwill may be impaired.

Use of fair value as deemed cost:

IFRS 1 permits an entity to measure items of property, plant and equipment, investment property or intangible assets at the date of transition to IFRS at its fair value and use that fair value as deemed cost at that date. NIDEC elected to use the fair value at the date of transition to IFRS as deemed cost at the date of transition to IFRS for certain items of property, plant and equipment. Further, NIDEC elected to use the cost model for items of property, plant and equipment and intangible assets under IFRS, thus the revaluation model is not applied.

Exchange differences on translating foreign operations:

IFRS 1 permits the cumulative amount of exchange differences on translating foreign operations to be deemed to be zero at the date of transition to IFRS. NIDEC elected to apply this exemption and deemed all cumulative exchange differences on translating foreign operations as zero at the date of transition to IFRS.

(2) Reconciliations

The reconciliations required to be disclosed in the first IFRS financial statements are described in the reconciliations below. “Re-classification” includes items that do not affect retained earnings and comprehensive income, while “Recognition and measurement, etc.” includes items that affect retained earnings and comprehensive income.

(i) Reconciliation of equity as of the date of transition to IFRS (April 1, 2015)

Yen in millions

| U.S. GAAP | U.S. GAAP | Re- classification | Recognition and measurement differences, etc. | IFRS | Note | IFRS |
|---|-----------|-----------------------|---|-----------|------|--|
| Assets | | | | | | Assets |
| Current assets | | | | | | Current assets |
| Cash and cash equivalents | 269,902 | - | - | 269,902 | | Cash and cash equivalents |
| | - | 255,470 | - | 255,470 | | Trade and other receivables |
| Trade note receivable | 15,221 | (15,221) | - | - | | |
| Trade accounts receivable | 222,396 | (222,396) | - | - | | |
| | - | 262 | - | 262 | D | Other financial assets |
| | - | 1,551 | - | 1,551 | | Income tax receivables |
| Inventories | 170,874 | - | 6 | 170,880 | | Inventories |
| Other current assets | 50,622 | (30,180) | (424) | 20,018 | | Other current assets |
| Total current assets | 729,015 | (10,514) | (418) | 718,083 | | Total current assets |
| | - | 342,122 | 434 | 342,556 | | Non-current assets |
| | - | 342,122 | 434 | 342,556 | | Property, plant, and equipment |
| Land | 47,427 | (47,427) | - | - | | |
| Buildings | 189,742 | (189,742) | - | - | | |
| Machinery and equipment | 430,019 | (430,019) | - | - | | |
| Construction in progress | 33,831 | (33,831) | - | - | | |
| Accumulated depreciation | (358,897) | 358,897 | - | - | | |
| Goodwill | 162,959 | - | - | 162,959 | | Goodwill |
| | - | 83,931 | - | 83,931 | | Intangible assets |
| | - | 2,167 | - | 2,167 | | Investments accounted for using the equity method |
| | - | 21,507 | - | 21,507 | | Other investments |
| Marketable securities and other securities investments | 21,516 | (21,516) | - | - | | |
| Investments in and advances to affiliated companies | 2,167 | (2,167) | - | - | | |
| | - | 2,274 | - | 2,274 | D | Other financial assets |
| | - | 13,869 | (3,120) | 10,749 | B | Deferred tax assets |
| | - | 10,010 | (4,364) | 5,646 | | Other non-current assets |
| Other tangible assets | 99,561 | (99,561) | - | - | | |
| Total non-current assets | 628,325 | 10,514 | (7,050) | 631,789 | | Total non-current assets |
| Total assets | 1,357,340 | - | (7,468) | 1,349,872 | | Total assets |

| U.S. GAAP | U.S. GAAP | Re- classification | Recognition and measurement differences, etc. | IFRS | Note | IFRS |
|--|-----------|-----------------------|--|-----------|------|---|
| Liabilities and equity | | | | | | Liabilities and equity |
| Liabilities | | | | | | Liabilities |
| Current liabilities | | | | | | Current liabilities |
| Short-term borrowings | 52,401 | - | - | 52,401 | | Short term borrowings |
| Current portion of long-term debt | 45,485 | - | (53) | 45,432 | | Long term debt due within one year |
| | - | 204,328 | 44 | 204,372 | | Trade and other payables |
| Trade notes and accounts payable | 194,998 | (194,998) | - | - | | |
| | - | 2,941 | - | 2,941 | | Other financial liabilities |
| | - | 5,855 | 58 | 5,913 | | Income tax payables |
| | - | 18,583 | - | 18,583 | | Provisions |
| Accrued expenses | 33,375 | (33,375) | - | - | | |
| Other current liabilities | 36,689 | (5,538) | - | 31,151 | | Other current liabilities |
| Total current liabilities | 362,948 | (2,204) | 49 | 360,793 | | Total current liabilities |
| Long term liabilities | | | | | | Non-current liabilities |
| Long-term debt | 184,612 | - | (180) | 184,432 | | Long term debt |
| | - | 569 | - | 569 | | Other financial liabilities |
| | - | 19,565 | 269 | 19,834 | A | Retirement benefit liabilities |
| Accrued pension and severance costs | 19,576 | (19,576) | - | - | | |
| | - | 2,904 | - | 2,904 | | Provisions |
| | - | 32,721 | (9,254) | 23,467 | B | Deferred tax liabilities |
| | - | 3,126 | - | 3,126 | | Other non-current liabilities |
| Other long term liabilities | 37,105 | (37,105) | - | - | | |
| Total long term liabilities | 241,293 | 2,204 | (9,165) | 234,332 | | Total non-current liabilities |
| Total liabilities | 604,241 | - | (9,116) | 595,125 | | Total liabilities |
| Equity | | | | | | Equity |
| Common stock | 77,071 | - | - | 77,071 | | Common stock |
| Additional paid-in capital | 105,459 | - | 2,273 | 107,732 | | Additional paid-in capital |
| Retained earnings | 427,641 | - | 135,146 | 562,787 | C | Retained earnings |
| | - | 134,828 | (135,900) | (1,072) | A | Other components of equity |
| Accumulated other comprehensive income | 134,828 | (134,828) | - | - | C | |
| Treasury stock | (27) | - | - | (27) | | Treasury stock |
| Total Nidec Corporation shareholders' equity | 744,972 | - | 1,519 | 746,491 | | Total equity attributable to owners of the parent |
| Noncontrolling interests | 8,127 | - | 129 | 8,256 | | Non-controlling interests |
| Total equity | 753,099 | - | 1,648 | 754,747 | | Total equity |
| Total liabilities and equity | 1,357,340 | - | (7,468) | 1,349,872 | | Total liabilities and equity |

Notes to reconciliation of equity as of the date of transition to IFRS (April 1, 2015)

The major items of the reconciliation of equity as of the date of transition to IFRS are as follows:

A. Retirement benefit liabilities

Under U.S. GAAP, the actuarial gain and loss, and prior service costs resulted from defined benefit plan or lump-sum indemnities which incurred during the fiscal year but not recognized as the same periodic pension cost are recognized as accumulated other comprehensive income (loss) by the amount after tax. The amount recognized as accumulated other comprehensive income (loss) is amortized into net periodic pension costs over the certain future periods.

Under IFRS, actuarial gain and loss are recognized in other comprehensive income by the amount after tax and the prior service costs are expensed as incurred. The actuarial gain and loss are transferred from other components of equity to retained earnings directly without going through net profit or loss.

As a result of the factors described above, the amount that was reclassified from accumulated other comprehensive income (loss) to a decrease in "Retained earnings" at the IFRS transition date was ¥2,844 million.

B. Deferred tax

(a) Under U.S. GAAP, when taxes on intercompany profits arising from transfer of assets between entities within NIDEC were paid by sellers, the taxes were deferred as prepaid expenses (¥4,185 million). Under IFRS, however, these temporary differences are recognized as deferred tax assets using the purchasers' tax rates.

(b) Temporary differences resulting from the transition to IFRS are recognized as additional deferred tax assets and liabilities.

(c) Deferred tax assets and liabilities are offset if a legally enforceable right exists to offset current tax assets with current tax liabilities and the deferred taxes relate to income taxes levied by the same taxation authority on the same taxable entity.

As a result, deferred tax assets and liabilities (net) decreased by ¥6,134 million at the date of transition to IFRS.

C. Translation adjustment of foreign operations

As noted in (1) above, IFRS 1 permits the cumulative amount of exchange differences on translating foreign operations to be deemed to be zero at the date of transition to IFRS. NIDEC elected to apply this exemption and deemed all cumulative exchange differences on translating foreign operations as zero at the date of transition to IFRS. As a result, translation adjustments reclassified from accumulated other comprehensive income to "Retained earnings" was ¥131,332 million at the date of transition to IFRS.

D. Reclassification on consolidated statement of financial position

Certain reclassifications have been made to consolidated statement of financial position to conform to provisions under IFRS. The major reclassifications on consolidated statement of financial position are as follows:

(a) Under U.S. GAAP, deferred tax assets and deferred tax liabilities are presented as current assets/non-current assets and current liabilities/non-current liabilities. Under IFRS, as deferred tax assets and deferred tax liabilities are not allowed to be presented as current assets/current liabilities, all of them are reclassified to non-current assets/non-current liabilities.

(b) Financial assets and financial liabilities are disclosed separately based on a provision for presentation under IFRS.

(ii) Reconciliation of equity as of September 30, 2015

Yen in millions

| U.S. GAAP | U.S. GAAP | Re- classification | Recognition and measurement differences, etc. | IFRS | Note | IFRS |
|---|-----------|-----------------------|---|----------------|------|--|
| Assets | | | | Assets | | |
| Current assets | | | | Current assets | | |
| Cash and cash equivalents | 286,606 | - | - | 286,606 | | Cash and cash equivalents |
| | - | 270,233 | 107 | 270,340 | | Trade and other receivables |
| Trade note receivable | 19,226 | (19,226) | - | - | | |
| Trade accounts receivable | 233,661 | (233,661) | - | - | | |
| | - | 415 | - | 415 | D | Other financial assets |
| | - | 434 | - | 434 | | Income tax receivables |
| Inventories | 183,868 | - | 592 | 184,460 | | Inventories |
| Other current assets | 49,869 | (30,146) | 12 | 19,735 | | Other current assets |
| Total current assets | 773,230 | (11,951) | 711 | 761,990 | | Total current assets |
| | - | 361,037 | 640 | 361,677 | | Non-current assets |
| | - | 361,037 | 640 | 361,677 | | Property, plant, and equipment |
| Land | 47,950 | (47,950) | - | - | | |
| Buildings | 193,486 | (193,486) | - | - | | |
| Machinery and equipment | 447,003 | (447,003) | - | - | | |
| Construction in progress | 40,863 | (40,863) | - | - | | |
| Accumulated depreciation | (368,265) | 368,265 | - | - | | |
| Goodwill | 169,243 | - | (994) | 168,249 | E | Goodwill |
| | - | 82,533 | 215 | 82,748 | E | Intangible assets |
| | - | 1,937 | - | 1,937 | | Investments accounted for using the equity method |
| | - | 17,997 | - | 17,997 | | Other investments |
| Marketable securities and other securities investments | 18,003 | (18,003) | - | - | | |
| Investments in and advances to affiliated companies | 1,937 | (1,937) | - | - | | |
| | - | 1,588 | - | 1,588 | D | Other financial assets |
| | - | 19,475 | (8,067) | 11,408 | B | Deferred tax assets |
| | - | 6,752 | (175) | 6,577 | | Other non-current assets |
| Other tangible assets | 98,391 | (98,391) | - | - | | |
| Total non-current assets | 648,611 | 11,951 | (8,381) | 652,181 | | Total non-current assets |
| Total assets | 1,421,841 | - | (7,670) | 1,414,171 | | Total assets |

| U.S. GAAP | U.S. GAAP | Re- classification | Recognition and measurement differences, etc. | IFRS | Note | IFRS |
|---|-----------|-----------------------|---|-----------|------|--|
| Liabilities and equity | | | | | | Liabilities and equity |
| Liabilities | | | | | | Liabilities |
| Current liabilities | | | | | | Current liabilities |
| Short-term borrowings | 91,830 | - | - | 91,830 | | Short term borrowings |
| Current portion of long-term debt | 12,704 | - | - | 12,704 | | Long term debt due within one year |
| | - | 214,103 | 46 | 214,149 | | Trade and other payables |
| Trade notes and accounts payable | 203,186 | (203,186) | - | - | | |
| | - | 3,862 | - | 3,862 | | Other financial liabilities |
| | - | 6,610 | - | 6,610 | | Income tax payable |
| | - | 20,390 | - | 20,390 | | Provisions |
| Accrued expenses | 36,604 | (36,604) | - | - | | |
| Other current liabilities | 43,691 | (8,262) | 174 | 35,603 | | Other current liabilities |
| Total current liabilities | 388,015 | (3,087) | 220 | 385,148 | | Total current liabilities |
| Long term liabilities | | | | | | Non-current liabilities |
| Long-term debt | 183,606 | - | (145) | 183,461 | | Long term debt |
| | - | 860 | - | 860 | | Other financial liabilities |
| | - | 19,490 | 530 | 20,020 | A | Retirement benefit liabilities |
| Accrued pension and severance costs | 19,501 | (19,501) | - | - | | |
| | - | 2,960 | 81 | 3,041 | | Provisions |
| | - | 33,729 | (9,471) | 24,258 | B | Deferred tax liabilities |
| | - | 3,107 | - | 3,107 | | Other non-current liabilities |
| Other long term liabilities | 37,558 | (37,558) | - | - | | |
| Total long term liabilities | 240,665 | 3,087 | (9,005) | 234,747 | | Total non-current liabilities |
| Total liabilities | 628,680 | - | (8,785) | 619,895 | | Total liabilities |
| Equity | | | | | | Equity |
| Common stock | 87,784 | - | - | 87,784 | | Common stock |
| Additional paid-in capital | 116,134 | - | 2,260 | 118,394 | | Additional paid-in capital |
| Retained earnings | 463,485 | - | 132,499 | 595,984 | C | Retained earnings |
| | - | 117,728 | (133,761) | (16,033) | A | Other components of equity |
| Accumulated other comprehensive income | 117,728 | (117,728) | - | - | C | |
| Treasury stock | (29) | - | - | (29) | | Treasury stock |
| Total Nidec Corporation shareholders' equity | 785,102 | - | 998 | 786,100 | | Total equity attributable to owners of the parent |
| Noncontrolling interests | 8,059 | - | 117 | 8,176 | | Non-controlling interests |
| Total equity | 793,161 | - | 1,115 | 794,276 | | Total equity |
| Total liabilities and equity | 1,421,841 | - | (7,670) | 1,414,171 | | Total liabilities and equity |

Notes to reconciliation of equity as of September 30, 2015

The major items of the reconciliation of equity as of September 30, 2015 are as follows:

A. Retirement benefit liabilities

Under U.S. GAAP, the actuarial gain and loss, and prior service costs resulted from defined benefit plan or lump-sum indemnities which incurred during the fiscal year but not recognized as the same periodic pension cost are recognized as accumulated other comprehensive income (loss) by the amount after tax. The amount recognized as accumulated other comprehensive income (loss) is amortized into net periodic pension costs over the certain future periods.

Under IFRS, actuarial gain and loss are recognized in other comprehensive income by the amount after tax and the prior service costs are expensed as incurred. The actuarial gain and loss are transferred from other components of equity to retained earnings directly without going through net profit or loss.

As a result of the factors described above, the amount that was reclassified from accumulated other comprehensive income (loss) to a decrease in "Retained earnings" as of September 30, 2015 was ¥2,855 million.

B. Deferred tax

(a) Under U.S. GAAP, when taxes on intercompany profits arising from transfer of assets between entities within NIDEC were paid by sellers, the taxes were deferred as prepaid expenses (¥4,171 million). Under IFRS, however, these temporary differences are recognized as deferred tax assets using the purchasers' tax rates.

(b) Temporary differences resulting from the transition to IFRS are recognized as additional deferred tax assets and liabilities.

(c) Deferred tax assets and liabilities are offset if a legally enforceable right exists to offset current tax assets with current tax liabilities and the deferred taxes relate to income taxes levied by the same taxation authority on the same taxable entity.

As a result, deferred tax assets and liabilities (net) decreased by ¥1,404 million as of September 30, 2015.

C. Translation adjustment of foreign operations

As noted in (1) above, IFRS 1 permits the cumulative amount of exchange differences on translating foreign operations to be deemed to be zero at the date of transition to IFRS. NIDEC elected to apply this exemption and deemed all cumulative exchange differences on translating foreign operations as zero at the date of transition to IFRS. As a result, translation adjustments reclassified from accumulated other comprehensive income to "Retained earnings" was ¥131,332 million at the date of transition to IFRS.

D. Reclassification on condensed quarterly consolidated statement of financial position

Certain reclassifications have been made to consolidated statement of financial position to conform to provisions under IFRS. The major reclassifications on consolidated statement of financial position are as follows:

(a) Under U.S. GAAP, deferred tax assets and deferred tax liabilities are presented as current assets/non-current assets and current liabilities/non-current liabilities. Under IFRS, as deferred tax assets and deferred tax liabilities are not allowed to be presented as current assets/current liabilities, all of them are reclassified to non-current assets/non-current liabilities.

(b) Financial assets and financial liabilities are disclosed separately based on a provision for presentation under IFRS.

E. Retrospective adjustment on business combinations

During the six months ended September 30, 2016, NIDEC completed some of its valuation of the fair values of the assets acquired and the liabilities assumed upon the acquisition in the previous years. Accordingly, retrospective adjustments are included in "Recognition and measurement differences, etc."

(iii) Reconciliation of equity as of March 31, 2016

Yen in millions

| U.S. GAAP | U.S. GAAP | Re- classification | Recognition and measurement differences, etc. | IFRS | Note | IFRS |
|---|-----------|-----------------------|---|----------------|------|--|
| Assets | | | | Assets | | |
| Current assets | | | | Current assets | | |
| Cash and cash equivalents | 305,942 | - | - | 305,942 | | Cash and cash equivalents |
| | - | 251,209 | 101 | 251,310 | | Trade and other receivables |
| Trade note receivable | 16,589 | (16,589) | - | - | | |
| Trade accounts receivables | 218,680 | (218,680) | - | - | | |
| | - | 2,010 | - | 2,010 | D | Other financial assets |
| | - | 2,063 | - | 2,063 | | Income tax receivables |
| Inventories | 170,951 | - | (77) | 170,874 | | Inventories |
| Other current assets | 53,150 | (30,380) | 122 | 22,892 | | Other current assets |
| Total current assets | 765,312 | (10,367) | 146 | 755,091 | | Total current assets |
| | - | 347,729 | (797) | 346,932 | | Non-current assets |
| | - | | | | | Property, plant, and equipment |
| Land | 47,477 | (47,477) | - | - | | |
| Buildings | 190,362 | (190,362) | - | - | | |
| Machinery and equipment | 450,860 | (450,860) | - | - | | |
| Construction in progress | 33,340 | (33,340) | - | - | | |
| Accumulated depreciation | (374,310) | 374,310 | - | - | | |
| Goodwill | 162,963 | - | (920) | 162,043 | E | Goodwill |
| | - | 76,859 | 190 | 77,049 | E | Intangible assets |
| | - | 1,896 | - | 1,896 | | Investments accounted for using the equity method |
| | - | 15,998 | - | 15,998 | | Other investments |
| Marketable securities and other securities investments | 16,004 | (16,004) | - | - | | |
| Investments in and advances to affiliated companies | 1,896 | (1,896) | - | - | | |
| | - | 1,804 | - | 1,804 | D | Other financial assets |
| | - | 13,554 | (2,009) | 11,545 | B | Deferred tax assets |
| | - | 8,724 | (4,446) | 4,278 | | Other non-current assets |
| Other tangible assets | 90,568 | (90,568) | - | - | | |
| Total non-current assets | 619,160 | 10,367 | (7,982) | 621,545 | | Total non-current assets |
| Total assets | 1,384,472 | - | (7,836) | 1,376,636 | | Total assets |

| U.S. GAAP | U.S. GAAP | Re- classification | Recognition and measurement differences, etc. | IFRS | Note | IFRS |
|---|-----------|-----------------------|---|-----------|------|--|
| Liabilities and equity | | | | | | Liabilities and equity |
| Liabilities | | | | | | Liabilities |
| Current liabilities | | | | | | Current liabilities |
| Short-term borrowings | 81,092 | - | - | 81,092 | | Short term borrowings |
| Current portion of long-term debt | 82,796 | - | (19) | 82,777 | | Long term debt due within one year |
| | - | 186,946 | 44 | 186,990 | | Trade and other payables |
| Trade notes and accounts payable | 177,254 | (177,254) | - | - | | |
| | - | 3,192 | - | 3,192 | | Other financial liabilities |
| | - | 5,831 | - | 5,831 | | Income tax payable |
| | - | 18,886 | - | 18,886 | | Provisions |
| Accrued expenses | 34,948 | (34,948) | - | - | | |
| Other current liabilities | 44,388 | (3,832) | 335 | 40,891 | | Other current liabilities |
| Total current liabilities | 420,478 | (1,179) | 360 | 419,659 | | Total current liabilities |
| Long term liabilities | | | | | | Non-current liabilities |
| Long-term debt | 136,894 | - | (96) | 136,798 | | Long term debt |
| | - | 1,029 | - | 1,029 | | Other financial liabilities |
| | - | 19,158 | 330 | 19,488 | A | Retirement benefit liabilities |
| Accrued pension and severance costs | 19,169 | (19,169) | - | - | | |
| | - | 3,283 | 54 | 3,337 | | Provisions |
| | - | 29,989 | (7,348) | 22,641 | B | Deferred tax liabilities |
| | - | 2,315 | - | 2,315 | | Other non-current liabilities |
| Other long term liabilities | 35,426 | (35,426) | - | - | | |
| Total long term liabilities | 191,489 | 1,179 | (7,060) | 185,608 | | Total non-current liabilities |
| Total liabilities | 611,967 | - | (6,700) | 605,267 | | Total liabilities |
| Equity | | | | | | Equity |
| Common stock | 87,784 | - | - | 87,784 | | Common stock |
| Additional paid-in capital | 116,058 | - | 2,283 | 118,341 | | Additional paid-in capital |
| Retained earnings | 495,761 | - | 129,407 | 625,168 | C | Retained earnings |
| | - | 76,729 | (132,888) | (56,159) | A | Other components of equity |
| Accumulated other comprehensive income | 76,729 | (76,729) | - | - | C | |
| Treasury stock | (12,111) | - | - | (12,111) | | Treasury stock |
| Total Nidec Corporation shareholders' equity | 764,221 | - | (1,198) | 763,023 | | Total equity attributable to owners of the parent |
| Noncontrolling interests | 8,284 | - | 62 | 8,346 | | Non-controlling interests |
| Total equity | 772,505 | - | (1,136) | 771,369 | | Total equity |
| Total liabilities and equity | 1,384,472 | - | (7,836) | 1,376,636 | | Total liabilities and equity |

Notes to reconciliation of equity as of March 31, 2016

The major items of the reconciliation of equity as of March 31, 2016 are as follows:

A. Retirement benefit liabilities

Under U.S. GAAP, the actuarial gain and loss, and prior service costs resulted from defined benefit plan or lump-sum indemnities which incurred during the fiscal year but not recognized as the same periodic pension cost are recognized as accumulated other comprehensive income (loss) by the amount after tax. The amount recognized as accumulated other comprehensive income (loss) is amortized into net periodic pension costs over the certain future periods.

Under IFRS, actuarial gain and loss are recognized in other comprehensive income by the amount after tax and the prior service costs are expensed as incurred. The actuarial gain and loss are transferred from other components of equity to retained earnings directly without going through net profit or loss.

As a result of the factors described above, the amount that was reclassified from accumulated other comprehensive income (loss) to a decrease in "Retained earnings" as of March 31, 2016 was ¥3,847 million.

B. Deferred tax

(a) Under U.S. GAAP, when taxes on intercompany profits arising from transfer of assets between entities within NIDEC were paid by sellers, the taxes were deferred as prepaid expenses (¥4,111 million). Under IFRS, however, these temporary differences are recognized as deferred tax assets using the purchasers' tax rates.

(b) Temporary differences resulting from the transition to IFRS are recognized as additional deferred tax assets and liabilities.

(c) Deferred tax assets and liabilities are offset if a legally enforceable right exists to offset current tax assets with current tax liabilities and the deferred taxes relate to income taxes levied by the same taxation authority on the same taxable entity.

As a result, deferred tax assets and liabilities (net) decreased by ¥5,635 million as of March 31, 2016.

C. Translation adjustment of foreign operations

As noted in (1) above, IFRS 1 permits the cumulative amount of exchange differences on translating foreign operations to be deemed to be zero at the date of transition to IFRS. NIDEC elected to apply this exemption and deemed all cumulative exchange differences on translating foreign operations as zero at the date of transition to IFRS. As a result, translation adjustments reclassified from accumulated other comprehensive income to "retained earnings" was ¥131,332 million at the date of transition to IFRS.

D. Reclassification on consolidated statement of financial position

Certain reclassifications have been made to consolidated statement of financial position to conform to provisions under IFRS. The major reclassifications on consolidated statement of financial position are as follows:

(a) Under U.S. GAAP, deferred tax assets and deferred tax liabilities are presented as current assets/non-current assets and current liabilities/non-current liabilities. Under IFRS, as deferred tax assets and deferred tax liabilities are not allowed to be presented as current assets/current liabilities, all of them are reclassified to non-current assets/non-current liabilities.

(b) Financial assets and financial liabilities are disclosed separately based on a provision for presentation under IFRS.

E. Retrospective adjustment on business combinations

During the six months ended September 30, 2016, NIDEC completed some of its valuation of the fair values of the assets acquired and the liabilities assumed upon the acquisition in the previous years. Accordingly, retrospective adjustments are included in "Recognition and measurement differences, etc."

(iv) Reconciliation of income and comprehensive income for the six months ended September 30, 2015

Yen in millions

| U.S. GAAP | U.S. GAAP | Re- classification | Recognition and measurement differences, etc. | IFRS | Note | IFRS |
|---|-----------|-----------------------|---|-----------|------|--|
| Quarterly consolidated statement of income | | | | | | Condensed quarterly consolidated statement of income |
| Net sales | 587,352 | - | - | 587,352 | | Net sales |
| Cost of products sold | (453,058) | (6) | (300) | (453,364) | A,D | Cost of sales |
| Gross profit | 134,294 | (6) | (300) | 133,988 | | Gross profit |
| Selling, general and administrative expenses | (47,043) | (1,935) | 14 | (48,964) | A | Selling, general and administrative expenses |
| Research and development expenses | (25,421) | - | - | (25,421) | | Research and development expenses |
| Operating income | 61,830 | (1,941) | (286) | 59,603 | | Operating profit |
| | - | 1,932 | (920) | 1,012 | C | Financial income |
| | - | (854) | (41) | (895) | C | Financial expenses |
| | - | 2,422 | - | 2,422 | | Foreign exchange differences |
| | - | 5 | - | 5 | | Equity in net income (loss) of associates |
| Interest and dividend income | 896 | (896) | - | - | | |
| Interest expense | (790) | 790 | - | - | | |
| Foreign exchange (loss) gain, net | 2,422 | (2,422) | - | - | | |
| Gain on marketable securities, net | 920 | (920) | - | - | B | |
| Other, net | (1,889) | 1,889 | - | - | | |
| Income before income tax | 63,389 | 5 | (1,247) | 62,147 | | Profit before income taxes |
| Income taxes | (15,212) | - | 484 | (14,728) | | Income tax expenses |
| Equity in net income of affiliated companies | 5 | (5) | - | - | | |
| Consolidated net income | 48,182 | - | (763) | 47,419 | | Profit for the period |
| Net income attributable to: | | | | | | Profit attributable to: |
| Nidec Corporation | 47,608 | - | (751) | 46,857 | | Owners of the parent |
| Noncontrolling interests | 574 | - | (12) | 562 | | Non-controlling interests |

| U.S. GAAP | U.S. GAAP | Re- classification | Recognition and measurement differences, etc. | IFRS | Note | IFRS |
|--|-----------|-----------------------|---|----------|------|--|
| Quarterly consolidated statement of comprehensive income | | | | | | Condensed quarterly consolidated statement of comprehensive income |
| Consolidated net income | 48,182 | - | (763) | 47,419 | | Profit for the period |
| Pension liability adjustments | (23) | - | (49) | (72) | A | Remeasurement of defined benefit plans |
| Net unrealized gains and losses on securities | (2,384) | 12 | 536 | (1,836) | B | Fair value movements on FVTOCI equity financial assets |
| Foreign currency translation adjustments | (14,541) | - | (244) | (14,785) | | Foreign currency translation adjustments |
| Net gains and losses on derivative instruments | (641) | - | - | (641) | | Effective portion of net changes in fair value of cash flow hedges |
| | - | (12) | - | (12) | | Fair value movements on FVTOCI debt financial assets |
| Total other comprehensive income | (17,589) | - | 243 | (17,346) | | Other comprehensive income for the period, net of taxation |
| Total comprehensive income | 30,593 | - | (520) | 30,073 | | Comprehensive income for the period |
| (Breakdown) | | | | | | Comprehensive income attributable to: |
| Comprehensive income (loss) attributable to Nidec Corporation | 30,508 | - | (508) | 30,000 | | Owners of the parent |
| Comprehensive income (loss) attributable to noncontrolling interests | 85 | - | (12) | 73 | | Non-controlling interests |

Notes to reconciliation of income and comprehensive income for the six months ended September 30, 2015

The major items of the reconciliation of income and comprehensive income for the six months ended September 30, 2015 are as follows:

A. Retirement benefit liabilities

Under U.S. GAAP, the actuarial gain and loss, and prior service costs resulted from defined benefit plan or lump-sum indemnities which incurred during the fiscal year but not recognized as the same periodic pension cost are recognized as accumulated other comprehensive income (loss) by the amount after tax. The amount recognized as accumulated other comprehensive income (loss) is amortized into net periodic pension costs over the certain future periods.

Under IFRS, actuarial gain and loss are recognized in other comprehensive income by the amount after tax and the prior service costs are expensed as incurred. The actuarial gain and loss are transferred from other components of equity to retained earnings directly without going through net profit or loss.

As a result of the factors described above, retirement benefit costs have increased by ¥211 million on the condensed quarterly consolidated statement of income for the six months ended September 30, 2015.

B. Equity financial assets

Under U.S. GAAP, gains and losses from the sales of investment securities and impairment of the securities are recognized through profit or loss. Under IFRS, however, NIDEC adopts IFRS 9 and accordingly any gain or loss arising from a difference between the carrying value and fair value of equity financial assets designated as measured at fair value through other comprehensive income ("FVTOCI equity financial assets") are recognized in other comprehensive income without reclassification.

C. Reclassifications on the condensed quarterly consolidated statement of income

Certain reclassifications are made on the consolidated statement of income in order to comply with the IFRS provisions. The major reclassification on the condensed quarterly consolidated statement of income is as follows:

(a) Based on an IFRS provision concerning presentations, the financial income and financial expenses are presented separately.

D. Retrospective adjustment on business combinations

During the six months ended September 30, 2016, NIDEC completed some of its valuation of the fair values of the assets acquired and the liabilities assumed upon the acquisition in the previous years. Accordingly, retrospective adjustments are included in "Recognition and measurement differences, etc."

(v) Reconciliation of income and comprehensive income for the three months ended September 30, 2015

Yen in millions

| U.S. GAAP | U.S. GAAP | Re- classification | Recognition and measurement differences, etc. | IFRS | Note | IFRS |
|---|-----------|-----------------------|---|-----------|------|--|
| Quarterly consolidated statement of income | | | | | | Condensed quarterly consolidated statement of income |
| Net sales | 302,311 | - | - | 302,311 | | Net sales |
| Cost of products sold | (232,206) | (15) | (171) | (232,392) | A,D | Cost of sales |
| Gross profit | 70,105 | (15) | (171) | 69,919 | | Gross profit |
| Selling, general and administrative expenses | (25,245) | (1,051) | (112) | (26,408) | A | Selling, general and administrative expenses |
| Research and development expenses | (13,767) | - | - | (13,767) | | Research and development expenses |
| Operating income | 31,093 | (1,066) | (283) | 29,744 | | Operating profit |
| | - | 636 | (184) | 452 | C | Financial income |
| | - | (486) | (19) | (505) | C | Financial expenses |
| | - | 865 | - | 865 | | Foreign exchange differences |
| | - | (0) | - | (0) | | Equity in net income (loss) of associates |
| Interest and dividend income | 411 | (411) | - | - | | |
| Interest expense | (445) | 445 | - | - | | |
| Foreign exchange (loss) gain, net | 865 | (865) | - | - | | |
| Gain on marketable securities, net | 184 | (184) | - | - | B | |
| Other, net | (1,066) | 1,066 | - | - | | |
| Income before income tax | 31,042 | (0) | (486) | 30,556 | | Profit before income taxes |
| Income taxes | (7,054) | - | 266 | (6,788) | | Income tax expenses |
| Equity in net income of affiliated companies | (0) | 0 | - | - | | |
| Consolidated net income | 23,988 | - | (220) | 23,768 | | Profit for the period |
| Net income attributable to: | | | | | | Profit attributable to: |
| Nidec Corporation | 23,818 | - | (212) | 23,606 | | Owners of the parent |
| Noncontrolling interests | 170 | - | (8) | 162 | | Non-controlling interests |

| U.S. GAAP | U.S. GAAP | Re- classification | Recognition and measurement differences, etc. | IFRS | Note | IFRS |
|--|-----------|-----------------------|---|----------|------|--|
| Quarterly consolidated statement of comprehensive income | | | | | | Condensed quarterly consolidated statement of comprehensive income |
| Consolidated net income | 23,988 | - | (220) | 23,768 | | Profit for the period |
| Pension liability adjustments | 100 | - | (102) | (2) | A | Remeasurement of defined benefit plans |
| Net unrealized gains and losses on securities | (2,001) | 12 | 91 | (1,898) | B | Fair value movements on FVTOCI equity financial assets |
| Foreign currency translation adjustments | (25,957) | - | (168) | (26,125) | | Foreign currency translation adjustments |
| Net gains and losses on derivative instruments | (642) | - | - | (642) | | Effective portion of net changes in fair value of cash flow hedges |
| | - | (12) | 0 | (12) | | Fair value movements on FVTOCI debt financial assets |
| Total other comprehensive income | (28,500) | - | (179) | (28,679) | | Other comprehensive income for the period, net of taxation |
| Total comprehensive income | (4,512) | - | (399) | (4,911) | | Comprehensive income for the period |
| (Breakdown) | | | | | | Comprehensive income attributable to: |
| Comprehensive income (loss) attributable to Nidec Corporation | (4,219) | - | (391) | (4,610) | | Owners of the parent |
| Comprehensive income (loss) attributable to noncontrolling interests | (293) | - | (8) | (301) | | Non-controlling interests |

Notes to reconciliation of income and comprehensive income for the three months ended September 30, 2015

The major items of the reconciliation of income and comprehensive income for the three months ended September 30, 2015 are as follows:

A. Retirement benefit liabilities

Under U.S. GAAP, the actuarial gain and loss, and prior service costs resulted from defined benefit plan or lump-sum indemnities which incurred during the fiscal year but not recognized as the same periodic pension cost are recognized as accumulated other comprehensive income (loss) by the amount after tax. The amount recognized as accumulated other comprehensive income (loss) is amortized into net periodic pension costs over the certain future periods.

Under IFRS, actuarial gain and loss are recognized in other comprehensive income by the amount after tax and the prior service costs are expensed as incurred. The actuarial gain and loss are transferred from other components of equity to retained earnings directly without going through net profit or loss.

As a result of the factors described above, retirement benefit costs have increased by ¥93 million on the condensed quarterly consolidated statement of income for the three months ended September 30, 2015.

B. Equity financial assets

Under U.S. GAAP, gains and losses from the sales of investment securities and impairment of the securities are recognized through profit or loss. Under IFRS, however, NIDEC adopts IFRS 9 and accordingly any gain or loss arising from a difference between the carrying value and fair value of equity financial assets designated as measured at fair value through other comprehensive income ("FVTOCI equity financial assets") are recognized in other comprehensive income without reclassification.

C. Reclassifications on the condensed quarterly consolidated statement of income

Certain reclassifications are made on the consolidated statement of income in order to comply with the IFRS provisions. The major reclassification on the condensed quarterly consolidated statement of income is as follows:

(a) Based on an IFRS provision concerning presentations, the financial income and financial expenses are presented separately.

D. Retrospective adjustment on business combinations

During the six months ended September 30, 2016, NIDEC completed some of its valuation of the fair values of the assets acquired and the liabilities assumed upon the acquisition in the previous years. Accordingly, retrospective adjustments are included in "Recognition and measurement differences, etc."

(vi) Reconciliation of income and comprehensive income for the year ended March 31, 2016

Yen in millions

| U.S. GAAP | U.S. GAAP | Re-classification | Recognition and measurement differences, etc. | IFRS | Note | IFRS |
|--|-----------|-------------------|---|-----------|------|--|
| Consolidated statement of income | | | | | | Consolidated statement of income |
| Net sales | 1,178,290 | - | - | 1,178,290 | | Net sales |
| Cost of products sold | (908,311) | (131) | (1,511) | (909,953) | A,D | Cost of sales |
| Gross profit | 269,979 | (131) | (1,511) | 268,337 | | Gross profit |
| Selling, general and administrative expenses | (93,463) | (5,580) | 346 | (98,697) | A | Selling, general and administrative expenses |
| Research and development expenses | (51,978) | - | - | (51,978) | | Research and development expenses |
| Operating income | 124,538 | (5,711) | (1,165) | 117,662 | | Operating profit |
| | - | 3,127 | (946) | 2,181 | C | Financial income |
| | - | (2,473) | (54) | (2,527) | C | Financial expenses |
| | - | (153) | - | (153) | | Foreign exchange differences |
| | - | 1 | - | 1 | | Equity in net income (loss) of associates |
| Interest and dividend income | 1,913 | (1,913) | - | - | | |
| Interest expense | (2,228) | 2,228 | - | - | | |
| Foreign exchange (loss) gain, net | (153) | 153 | - | - | | |
| Gain on marketable securities, net | 946 | (946) | - | - | B | |
| Other, net | (5,688) | 5,688 | - | - | | |
| Income before income tax | 119,328 | 1 | (2,165) | 117,164 | | Profit before income taxes |
| Income taxes | (26,466) | - | 300 | (26,166) | | Income tax expenses |
| Equity in net income of affiliated companies | 1 | (1) | - | - | | |
| Consolidated net income | 92,863 | - | (1,865) | 90,998 | | Profit for the period |
| Net income attributable to: | | | | | | Profit attributable to: |
| Nidec Corporation | 91,810 | - | (1,865) | 89,945 | | Owners of the parent |
| Noncontrolling interests | 1,053 | - | - | 1,053 | | Non-controlling interests |

| U.S. GAAP | U.S. GAAP | Re- classification | Recognition and measurement differences, etc. | IFRS | Note | IFRS |
|--|-----------|-----------------------|---|----------|------|--|
| Consolidated statement of comprehensive income | | | | | | Consolidated statement of comprehensive income |
| Consolidated net income | 92,863 | - | (1,865) | 90,998 | | Profit for the period |
| Pension liability adjustments | (981) | - | 40 | (941) | A | Remeasurement of defined benefit plans |
| Net unrealized gains and losses on securities | (3,714) | - | 805 | (2,909) | B | Fair value movements on FVTOCI equity financial assets |
| Foreign currency translation adjustments | (54,491) | - | (1,699) | (56,190) | | Foreign currency translation adjustments |
| Net gains and losses on derivative instruments | 326 | - | - | 326 | | Effective portion of net changes in fair value of cash flow hedges |
| | - | - | (6) | (6) | | Fair value movements on FVTOCI debt financial assets |
| Total other comprehensive income | (58,860) | - | (860) | (59,720) | | Other comprehensive income for the period, net of taxation |
| Total comprehensive income | 34,003 | - | (2,725) | 31,278 | | Comprehensive income for the period |
| (Breakdown) | | | | | | Comprehensive income attributable to: |
| Comprehensive income (loss) attributable to Nidec Corporation | 33,711 | - | (2,728) | 30,983 | | Owners of the parent |
| Comprehensive income (loss) attributable to noncontrolling interests | 292 | - | 3 | 295 | | Non-controlling interests |

Notes to reconciliation of income and comprehensive income for the year ended March 31, 2016

The major items of the reconciliation of income and comprehensive income for the year ended March 31, 2016 are as follows:

A. Retirement benefit liabilities

Under U.S. GAAP, the actuarial gain and loss, and prior service costs resulted from defined benefit plan or lump-sum indemnities which incurred during the fiscal year but not recognized as the same periodic pension cost are recognized as accumulated other comprehensive income (loss) by the amount after tax. The amount recognized as accumulated other comprehensive income (loss) is amortized into net periodic pension costs over the certain future periods.

Under IFRS, actuarial gain and loss are recognized in other comprehensive income by the amount after tax and the prior service costs are expensed as incurred. The actuarial gain and loss are transferred from other components of equity to retained earnings directly without going through net profit or loss.

As a result of the factors described above, retirement benefit costs have increased by ¥378 million on the consolidated statement of income for the year ended March 31, 2016.

B. Equity financial assets

Under U.S. GAAP, gains and losses from the sales of investment securities and impairment of the securities are recognized through profit or loss. Under IFRS, however, NIDEC adopts IFRS 9 and accordingly any gain or loss arising from a difference between the carrying value and fair value of equity financial assets designated as measured at fair value through other comprehensive income ("FVTOCI equity financial assets") are recognized in other comprehensive income without reclassification.

C. Reclassifications on the consolidated statement of income

Certain reclassifications are made on the consolidated statement of income in order to comply with the IFRS provisions. The major reclassification on the consolidated statement of income is as follows:

(a) Based on an IFRS provision concerning presentations, the financial income and financial expenses are presented separately.

D. Retrospective adjustment on business combinations

During the six months ended September 30, 2016, NIDEC completed some of its valuation of the fair values of the assets

acquired and the liabilities assumed upon the acquisition in the previous years. Accordingly, retrospective adjustments are included in “Recognition and measurement differences, etc.”

(vii) Disclosure of material items of reconciliation of the consolidated statements of cash flows for the six months ended September 30, 2015 and the year ended March 31, 2016

There are no material differences between the consolidated statement of cash flows presented under IFRS and the consolidated statement of cash flows presented under U.S. GAAP.

4. Supplementary Information

(1) Quarterly Financial Data for the three months ended September 30, 2016 and June 30, 2016

| | Three months ended | | | |
|---|--------------------|-------|--------------------|-------|
| | June 30, 2016 | | September 30, 2016 | |
| | Amounts | % | Amounts | % |
| | Yen in millions | | Yen in millions | |
| Net sales | 276,206 | 100.0 | 287,824 | 100.0 |
| Operating profit | 31,540 | 11.4 | 37,464 | 13.0 |
| Profit before income taxes | 29,103 | 10.5 | 37,190 | 12.9 |
| Profit for the period | 22,264 | 8.1 | 28,252 | 9.8 |
| Profit attributable to owners of the parent | 22,041 | 8.0 | 28,069 | 9.7 |

(2) Information by Product Category

Six months ended September 30, 2015

Yen in millions

| | Small precision motors | Automotive, appliance, commercial and industrial products | Machinery | Electronic and optical components | Others | Total | Eliminations/Corporate | Consolidated |
|--------------------|------------------------|---|-----------|-----------------------------------|--------|---------|------------------------|--------------|
| Net sales: | | | | | | | | |
| External sales | 222,513 | 276,185 | 54,359 | 32,528 | 1,767 | 587,352 | - | 587,352 |
| Intersegment | 1,256 | 2,378 | 7,076 | 2,514 | 872 | 14,096 | (14,096) | - |
| Total | 223,769 | 278,563 | 61,435 | 35,042 | 2,639 | 601,448 | (14,096) | 587,352 |
| Operating expenses | 189,171 | 257,744 | 53,223 | 31,992 | 2,395 | 534,525 | (6,776) | 527,749 |
| Operating profit | 34,598 | 20,819 | 8,212 | 3,050 | 244 | 66,923 | (7,320) | 59,603 |

Six months ended September 30, 2016

Yen in millions

| | Small precision motors | Automotive, appliance, commercial and industrial products | Machinery | Electronic and optical components | Others | Total | Eliminations/Corporate | Consolidated |
|--------------------|------------------------|---|-----------|-----------------------------------|--------|---------|------------------------|--------------|
| Net sales: | | | | | | | | |
| External sales | 211,716 | 265,645 | 53,884 | 31,032 | 1,753 | 564,030 | - | 564,030 |
| Intersegment | 1,018 | 2,549 | 4,071 | 2,642 | 712 | 10,992 | (10,992) | - |
| Total | 212,734 | 268,194 | 57,955 | 33,674 | 2,465 | 575,022 | (10,992) | 564,030 |
| Operating expenses | 179,767 | 240,206 | 47,755 | 28,796 | 2,178 | 498,702 | (3,676) | 495,026 |
| Operating profit | 32,967 | 27,988 | 10,200 | 4,878 | 287 | 76,320 | (7,316) | 69,004 |

Three months ended September 30, 2015

Yen in millions

| | Small precision motors | Automotive, appliance, commercial and industrial products | Machinery | Electronic and optical components | Others | Total | Eliminations/Corporate | Consolidated |
|--------------------|------------------------|---|-----------|-----------------------------------|--------|---------|------------------------|--------------|
| Net sales: | | | | | | | | |
| External sales | 118,455 | 138,868 | 27,364 | 16,705 | 919 | 302,311 | - | 302,311 |
| Intersegment | 592 | 2,242 | 3,894 | 1,226 | 431 | 8,385 | (8,385) | - |
| Total | 119,047 | 141,110 | 31,258 | 17,931 | 1,350 | 310,696 | (8,385) | 302,311 |
| Operating expenses | 101,740 | 130,749 | 27,132 | 16,287 | 1,224 | 277,132 | (4,565) | 272,567 |
| Operating profit | 17,307 | 10,361 | 4,126 | 1,644 | 126 | 33,564 | (3,820) | 29,744 |

Three months ended September 30, 2016

Yen in millions

| | Small precision motors | Automotive, appliance, commercial and industrial products | Machinery | Electronic and optical components | Others | Total | Eliminations/Corporate | Consolidated |
|--------------------|------------------------|---|-----------|-----------------------------------|--------|---------|------------------------|--------------|
| Net sales: | | | | | | | | |
| External sales | 116,915 | 127,395 | 26,738 | 15,871 | 905 | 287,824 | - | 287,824 |
| Intersegment | 481 | 1,327 | 2,349 | 1,383 | 365 | 5,905 | (5,905) | - |
| Total | 117,396 | 128,722 | 29,087 | 17,254 | 1,270 | 293,729 | (5,905) | 287,824 |
| Operating expenses | 98,177 | 114,564 | 23,782 | 14,486 | 1,117 | 252,126 | (1,766) | 250,360 |
| Operating profit | 19,219 | 14,158 | 5,305 | 2,768 | 153 | 41,603 | (4,139) | 37,464 |

Notes:

- Product categories are classified based on similarities in product type, product attributes, and production and sales methods.
- Major products of each product category:
 - Small precision motors: Spindle motors for HDDs, brushless motors, fan motors, vibration motors, brush motors and motor applications, etc.
 - Automotive, appliance, commercial and industrial products: Automotive motors and components, home appliance, commercial and industrial motors and related products.
 - Machinery: Industrial robots, card readers, test systems, pressing machines and power transmission drives, etc.
 - Electronic and optical components: Switches, trimmer potentiometers, lens units and camera shutters, etc.
 - Others: Services, etc.
- NIDEC adopts IFRS for its consolidated financial statements from the fiscal year ending March 31, 2017 and previous period amounts are also presented in accordance with IFRS.

(3) Sales by Geographic Segment

Yen in millions

| | Six months ended September 30, 2015 | | Six months ended September 30, 2016 | | Increase or decrease | |
|-----------|--|--------|--|--------|----------------------|---------|
| | Amounts | % | Amounts | % | Amounts | % |
| Japan | 140,069 | 23.9% | 136,517 | 24.2% | (3,552) | (2.5)% |
| U.S.A. | 103,646 | 17.6% | 94,145 | 16.7% | (9,501) | (9.2)% |
| Singapore | 37,625 | 6.4% | 28,103 | 5.0% | (9,522) | (25.3)% |
| Thailand | 52,163 | 8.9% | 48,591 | 8.6% | (3,572) | (6.8)% |
| Germany | 44,491 | 7.5% | 44,397 | 7.9% | (94) | (0.2)% |
| China | 139,713 | 23.8% | 138,037 | 24.5% | (1,676) | (1.2)% |
| Others | 69,645 | 11.9% | 74,240 | 13.1% | 4,595 | 6.6% |
| Total | 587,352 | 100.0% | 564,030 | 100.0% | (23,322) | (4.0)% |

Yen in millions

| | Three months ended September 30, 2015 | | Three months ended September 30, 2016 | | Increase or decrease | |
|-----------|--|--------|--|--------|----------------------|---------|
| | Amounts | % | Amounts | % | Amounts | % |
| Japan | 70,461 | 23.3% | 68,067 | 23.6% | (2,394) | (3.4)% |
| U.S.A. | 51,306 | 17.0% | 45,470 | 15.8% | (5,836) | (11.4)% |
| Singapore | 20,553 | 6.8% | 14,546 | 5.0% | (6,007) | (29.2)% |
| Thailand | 27,658 | 9.1% | 25,512 | 8.9% | (2,146) | (7.8)% |
| Germany | 24,235 | 8.0% | 21,222 | 7.4% | (3,013) | (12.4)% |
| China | 74,072 | 24.5% | 74,223 | 25.8% | 151 | 0.2% |
| Others | 34,026 | 11.3% | 38,784 | 13.5% | 4,758 | 14.0% |
| Total | 302,311 | 100.0% | 287,824 | 100.0% | (14,487) | (4.8)% |

Note:

1. The sales are classified by domicile of the seller, and the figures exclude intra-segment transactions.
2. From the three months ended March 31, 2016, the sales by the Germany segment are separated from the Others segment as an individual segment whilst the sales by the Philippines segment are combined into the Others segment. Accordingly, previous period amounts have been reclassified.

(4) Sales by Region

Yen in millions

| | Six months ended September 30, 2015 | | Six months ended September 30, 2016 | | Increase or decrease | |
|----------------|--|--------|--|--------|----------------------|--------|
| | Amounts | % | Amounts | % | Amounts | % |
| North America | 117,726 | 20.1% | 114,792 | 20.4% | (2,934) | (2.5)% |
| Asia | 297,050 | 50.6% | 276,266 | 49.0% | (20,784) | (7.0)% |
| Europe | 74,149 | 12.6% | 72,969 | 12.9% | (1,180) | (1.6)% |
| Others | 6,067 | 1.0% | 9,269 | 1.6% | 3,202 | 52.8% |
| Overseas total | 494,992 | 84.3% | 473,296 | 83.9% | (21,696) | (4.4)% |
| Japan | 92,360 | 15.7% | 90,734 | 16.1% | (1,626) | (1.8)% |
| Total | 587,352 | 100.0% | 564,030 | 100.0% | (23,322) | (4.0)% |

Yen in millions

| | Three months ended September 30, 2015 | | Three months ended September 30, 2016 | | Increase or decrease | |
|----------------|--|--------|--|--------|----------------------|--------|
| | Amounts | % | Amounts | % | Amounts | % |
| North America | 59,687 | 19.7% | 57,074 | 19.8% | (2,613) | (4.4)% |
| Asia | 153,830 | 50.9% | 144,842 | 50.3% | (8,988) | (5.8)% |
| Europe | 38,974 | 12.9% | 35,519 | 12.4% | (3,455) | (8.9)% |
| Others | 3,107 | 1.0% | 4,653 | 1.6% | 1,546 | 49.8% |
| Overseas total | 255,598 | 84.5% | 242,088 | 84.1% | (13,510) | (5.3)% |
| Japan | 46,713 | 15.5% | 45,736 | 15.9% | (977) | (2.1)% |
| Total | 302,311 | 100.0% | 287,824 | 100.0% | (14,487) | (4.8)% |

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

5. Other information (unaudited)

24 October, 2016

(1) Summary of Consolidated Financial Performance

| | Six months ended September 30, 2015 | Increase or decrease | Six months ended September 30, 2016 | Three months ended September 30, 2015 | Increase or decrease | Three months ended September 30, 2016 |
|--|---|-------------------------|---|---|-------------------------|---|
| | Yen in millions | % | Yen in millions | Yen in millions | % | Yen in millions |
| Net Sales | 587,352 | (4.0) | 564,030 | 302,311 | (4.8) | 287,824 |
| Operating profit | 59,603 10.1% | 15.8 | 69,004 12.2% | 29,744 9.8% | 26.0 | 37,464 13.0% |
| Profit before income taxes | 62,147 10.6% | 6.7 | 66,293 11.8% | 30,556 10.1% | 21.7 | 37,190 12.9% |
| Profit attributable to owners of the parent | 46,857 8.0% | 6.9 | 50,110 8.9% | 23,606 7.8% | 18.9 | 28,069 9.7% |
| Earnings per share attributable to owners of the parent -Basic | Yen 158.17 | | Yen 168.95 | Yen 79.38 | | Yen 94.64 |
| Earnings per share attributable to owners of the parent -Diluted | 157.10 | | 168.95 | 79.13 | | 94.64 |

(2) Summary of Consolidated Financial Position and Cash Flows

| | September 30, 2015 | September 30, 2016 | March 31, 2016 |
|---|--|--|------------------------------|
| | Yen in millions | Yen in millions | Yen in millions |
| Total assets | 1,414,171 | 1,326,859 | 1,376,636 |
| Total equity attributable to owners of the parent | 786,100 | 725,437 | 763,023 |
| Ratio of equity attributable to owners of the parent to total asset | % 55.6 | % 54.7 | % 55.4 |
| | Six months ended September 30, 2015 | Six months ended September 30, 2016 | Year ended March 31, 2016 |
| | Yen in millions | Yen in millions | Yen in millions |
| Net cash provided by operating activities | 69,639 | 96,493 | 147,659 |
| Net cash used in investing activities | (59,269) | (34,760) | (95,377) |
| Net cash provided by (used in) financing activities | 13,474 | (34,942) | 7,775 |
| Cash and cash equivalents at end of period | 286,606 | 298,934 | 305,942 |

(3) Dividends

| | Interim dividend per share | Year-end dividend per share | Annual dividend per share |
|-------------------------------------|----------------------------|-----------------------------|---------------------------|
| | Yen | Yen | Yen |
| Year ended March 31, 2016 (actual) | 40.00 | 40.00 | 80.00 |
| Year ending March 31, 2017 (actual) | 40.00 | - | - |
| Year ending March 31, 2017 (target) | - | 45.00 | 85.00 |

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

| | |
|--|-----|
| Number of consolidated subsidiaries | 228 |
| Number of associates accounted for under the equity method | 5 |

| | | Change from March 31, 2016 | Change from September 30, 2015 |
|--|------------|-------------------------------|-----------------------------------|
| Number of consolidated subsidiaries | (Increase) | 4 | 5 |
| | (Decrease) | 1 | 16 |
| Number of associates accounted for under the equity method | (Increase) | 1 | 1 |
| | (Decrease) | - | - |

Note:

- NIDEC adopts IFRS for its consolidated financial statements from the first quarter of the fiscal year ending March 31, 2017. Accordingly, the consolidated financial statements for the six months ended September 30, 2015 and those for the fiscal year ended March 31, 2016 are also in accordance with IFRS.
- The amounts of percentage in "(1) Summary of Consolidated Financial Performance" represent percentage of sales.
- Earnings per share attributable to owners of the parent - Basic and - Diluted are calculated based on profit attributable to owners of the parent.
- Pursuant to IFRS 3 "Business Combinations," previous fiscal year amounts have been retrospectively adjusted.