English translation

Financial Statements Summary for the Nine Months Ended December 31, 2025 [IFRS] (Consolidated)

September 30, 2026

Company name: NIDEC CORPORATION URL https://www.nidec.com/en/
Stock listing: Tokyo Stock Exchange - Prime Market
Code number: 6594
Representative: Masayuki Minai Representative Director
Information on contact: Kazuo Nakagawa, Vice President and Acting Chief Financial Officer
Department Tel: +81-75-935-6140 Mail address: ir@nidec.com

Scheduled date of dividend payable: -
Supplemental materials for financial results: None
Earning presentation held: None

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

1. Consolidated Financial Results for the Nine Months Ended December 31, 2025 (April 1, 2025 to December 31, 2025)

(1) Consolidated Operating Results (Percentage represents year-on-year changes)

	Net sales		Operating profit		Profit before income taxes		Profit attributable to owners of the parent		Comprehensive income for the period	
		%		%		%		%		%
For the nine months ended December 31, 2025	1,986,357	2.4	115,735	(28.7)	137,436	(17.6)	39,117	(69.3)	161,110	(16.7)
For the nine months ended December 31, 2024 (Restated)	1,940,501	12.2	162,339	1.2	166,890	(8.7)	127,385	16.8	193,300	(4.7)

	Earnings per share attributable to owners of the parent-basic (Yen)	Earnings per share attributable to owners of the parent-diluted (Yen)
For the nine months ended December 31, 2025	34.13	34.13
For the nine months ended December 31, 2024 (Restated)	110.85	110.85

(Notes) 1. "Earnings per share attributable to owners of the parent-basic" have been calculated based on figures of "Profit attributable to owners of the parent".

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of the parent	Ratio of total equity attributable to owners of the parent to total assets
				%
As of December 31, 2025	3,808,461	1,404,234	1,387,919	36.4
As of March 31, 2025 (Restated)	2,919,765	1,266,730	1,239,815	42.5

2. Dividends

	Dividends per share (Yen)				
	1st quarter end	2nd quarter end	3rd quarter end	Fiscal year end	Total
Year ended March 31, 2025	-	40.00	-	20.00	-
Year ending March 31, 2026	-	0.00	-		
Year ending March 31, 2026 (Forecast)				0.00	0.00

(Notes) 1. Revision of previously announced dividend forecast during this reporting period: None.
2. The Company carried out a two-for-one stock split of shares of common stock on October 1, 2024. For this reason, the year-end dividend per share for the fiscal year ending March 31, 2025 is presented in an amount that takes the impact of this stock split into account. The total amount of annual dividends for the fiscal year ending March 31, 2025 is not shown because a simple sum cannot be calculated due to the stock split. The forecast annual dividends per share before the stock split are 40 yen at the end of the fiscal year and 80 yen in total.
3. As stated in the "Notice Regarding the Determination of No Interim Dividend, Revision of Year-End Dividend Forecast, and Revision to the Forecast of Consolidated Financial Performance" announced on October 23, 2025, we have decided not to pay a dividend from interim dividends with a record date of September 30, 2025. In addition, as stated in the "Announcement Regarding Dividend of Surplus (No Year-End Dividend)" announced on March 3, 2026, we have decided not to pay a dividend from year-end dividends with a record date of March 31, 2026.

3. Forecast of Consolidated Financial Performance for the Year ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentage represents year-on-year changes)

	Net sales		Operating profit		Profit before income taxes		Profit attributable to owners of the parent		Earnings per share attributable to owners of the parent-basic
		%		%		%		%	(Yen)
Fiscal year end	-	-	-	-	-	-	-	-	-

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

2. As stated in the "Notice Regarding the Determination of No Interim Dividend, Revision of Year-End Dividend Forecast, and Revision to the Forecast of Consolidated Financial Performance" announced on October 23, 2025, the consolidated earnings forecast has not yet been determined.

*Notes

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

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

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

(3) Number of Shares Issued (Ordinary Shares)

1. Number of shares issued at the end of the period (including treasury stock):
   As of December 31, 2025: 1,192,568,936 As of March 31, 2025: 1,192,568,936

2. Number of treasury stock at the end of the period:
   As of December 31, 2025: 46,259,699 As of March 31, 2025: 46,261,077

3. Weighted-average number of shares outstanding during the period:
   For the nine months ended December 31, 2025: 1,146,309,061 For the nine months ended December 31, 2024: 1,149,215,140

(Note) NIDEC implemented a two-for-one common stock split, effective October 1, 2024. Number of shares issued (ordinary shares) was calculated on the assumption that the relevant stock split had been implemented at the beginning of the year ended March 31, 2025.

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

*Explanation for appropriate use of forecast and other notes

(1) Review by a certified public accountant or auditing firm

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

Due to reasons such as the audit opinions on the Annual Securities Report and the Internal Control Report for the fiscal year ended March 2025, which were submitted to the Kanto Local Finance Bureau on September 26, 2025, pursuant to Article 24, Paragraph 1 and Article 24-4-4, Paragraph 1 of the Financial Instruments and Exchange Act, being a disclaimer of opinion, the condensed quarterly consolidated financial statements and notes, which are presented as "Attached Documents" in the quarterly financial results report, are required to be reviewed mandatory by a certified public accountant or audit firm in accordance with Article 404, Paragraph 3 of the Securities Listing Regulations and Article 405, Paragraph 2 of the Enforcement Regulations of the Securities Listing Regulations.

(2) Improper accounting practices and other related matters

The Company recognized the suspicion of improper accounting treatment, that may have a significant impact on the entire condensed consolidated financial statements, with the involvement or knowledge of its or their management—namely, for example, that those companies could be construed to have arbitrarily considered when to write down certain assets with risk in terms of their asset value. Therefore, the Company recognized the need for objective investigations by the Third-Party Committee independent of the Company. Accordingly, the Company decided to establish the Third-Party Committee in compliance with the "Guidelines for Third-Party Committees in Cases of Corporate Misconduct" established by the Japan Federation of Bar Associations on September 3, 2025.

In the Third-Party Committee's reports, a large number of instances of improper accounting practices through misconduct and errors were pointed out at various operating bases in the Company and the group companies. In light of the final report from the Third-Party Committee, including the results of the self-inspection, and the internal investigations and other internal investigations regarding potential quality issues, the Company decided that it was necessary to retroactively correct misstatements associated with the improper accounting practices and other practices in the consolidated financial statements and other related documents, including corrections of errors related to matters that were not corrected from the viewpoint of materiality in previous years and matters that were additionally identified in the course of the investigation.

Details of investigations by Third-Party Committee and other internal investigations are described in "2. Condensed Quarterly Consolidated Financial Statements and Other Information, (5) Notes to Condensed Quarterly Consolidated Financial Statements (7. Additional information)".

(3) Premises for the Preparation of Condensed Quarterly Consolidated Financial Statements

As described in Note 7, Additional Information, “Improper Accounting Practices and Other Related Matters,” to the condensed quarterly consolidated financial statements, the Company established a Third-Party Committee on September 3, 2025, received the investigation report from the Third-Party Committee on February 27, 2026, and received the investigation report (supplement) as its final report on April 17, 2026. The investigation reports describe numerous instances of improper accounting practices carried out at various operating bases within the Company and its group companies with the involvement or knowledge of management, including premature revenue recognition, understatement of provisions, overstatement of inventories, avoidance of impairment losses on fixed assets, and capitalization of expenses. The reports further identified instances in which management or accounting personnel of the Company and its group companies provided inaccurate or misleading information to the independent auditor, concealed relevant documents, or provided altered records in order to obtain the independent auditor’s concurrence. The improper accounting practices identified by the Third-Party Committee have been corrected in the condensed quarterly consolidated financial statements.

However, the Company has identified certain officers and employees of the Company and its group companies who participated in, directed, or had knowledge of the improper accounting practices, or who provided false explanations to the independent auditor, and is evaluating and taking remedial personnel actions to determine appropriate measures; however, some of those actions have not been completed. As a result, certain officers and employees who participated in, directed, or had knowledge of the improper accounting practices, or who provided false explanations to the independent auditor, continue to hold positions of responsibility within the financial reporting process of the Company and its group companies.

The matters identified in the Third-Party Committee’s reports indicate that material weaknesses existed in the control environment over an extended period and raise substantial concerns regarding whether the Company’s governance and control environment relating to financial reporting is operating effectively, including whether the risk of management override of controls has been sufficiently mitigated. This condition also affects the reliability of records, documents and information submitted to the independent auditor by, or prepared, responded to, or reviewed by, individuals involved in the improper accounting practices, as well as the reliability of management representations provided to the independent auditor.

Although the Company is evaluating and taking remedial personnel actions to determine appropriate measures for individuals involved in the improper accounting practices, some of those remedial personnel actions have not been completed, and it has not been confirmed that successor personnel have assumed responsibility for financial reporting and are appropriately performing their responsibilities. Accordingly, the possible effects of any undetected misstatements on the consolidated financial statements would not be confined to specific line items or disclosures and could be material and pervasive. Such effects, if any, have not been reflected in the consolidated financial statements.

For details, please refer to " Status of the Company’s Remediation Measures Relating to Corporate Governance" in the Notes to Condensed Quarterly Consolidated Financial Statements.

1. Overview of Operating Results, Etc.

(1) Overview of Operating Results for the Nine Months Ended December 31, 2025

As described in Note 7, Additional Information, “Improper Accounting Practices and Other Related Matters,” to the condensed quarterly consolidated financial statements, the Company established the independent Third-Party Committee in accordance with the “Guidelines for Third-Party Committees in Cases of Corporate Misconduct” established by the Japan Federation of Bar Associations on September 3, 2025, and received the investigation report from the Third-Party Committee on February 27, 2026, and the investigation report (supplement) as its final report on April 17 of the same year. In addition, the Company has conducted internal investigations regarding potential quality issues and issues related to trade transactions and tariffs. In these reports, a large number of instances of improper accounting practices through misconduct and errors were pointed out at various operating bases in the Company and the group companies. In light of the final report from the Third-Party Committee, including the results of the self-inspection, the Company decided that it was necessary to retroactively correct misstatements associated with the improper accounting practices and other practices, including corrections of errors related to matters that were not corrected from the viewpoint of materiality in previous years and matters that were additionally identified in the course of the investigation.

The analytical figures and other information presented below are based on the Condensed Quarterly Consolidated Financial Statements for the Nine Months Ended December 31, 2025, reflecting these restatements.

1. Overview of Business Environment for the Nine Months Ended December 31, 2025

During the nine months ended December 31,2025, the global economy remained resilient overall and gradually recovered by various national policies. On the other hand, outlook remained uncertain due to factors such as the impact of U.S trade and tariff policies, highlighted geopolitical risks in the Middle East, and fluctuations in financial markets.

In this economic situation, the initiatives by product group are as follows:

First, in the Small precision motors, we are working to develop and expand net sales of products that respond to the evolution required to support the explosive growth of the market in our product groups for AI data centers that support the AI society, including water-cooling modules and near-line HDDs. In addition to these efforts, we are also working to further boost profitability by reviewing unprofitable models.

Next, in the Automotive products, we will continue to provide the market with mobility innovations that contribute to the promotion of electrification and automation of mobility through a wide variety of products and related modules. At the same time, we are working to improve profitability by thoroughly reviewing orders for unprofitable models and reducing fixed costs. Also, with the integration of the Automotive organic (existing business) into the Appliance Commercial Industrial Motors Business Unit (ACIM), Nidec Mobility and Nidec Elesys merged their operations, effective April 1, 2025. We will integrate the resources of both companies and accelerate the restructuring of a system that can reorganize business.

In the Appliance, commercial and industrial products, demand continues to grow for backup power generators for data centers, Battery energy storage systems (BESS) accelerated by green innovation. To meet these strong demands, NIDEC is actively investing in enhancing production capacity in India, France, and North and Middle America, and strengthening its recurring business related to maintenance and inspections downstream of the value chain.

Regarding the Machinery, we are steadily receiving orders amid a global trend toward capital investment aimed at "labor-saving and unmanned operations" and "higher speed and precision." We aim to become a leader in global manufacturing by steadily capturing demand for capital investment while creating synergies between the companies we have acquired through M&A in recent years and our group companies.

Our company and our group will continue to leverage our advanced technological capabilities and manufacturing expertise to pursue ongoing high profitability as a leading company contributing to the realization of a sustainable, circular society.

Consolidated Operating Results for the Nine Months Ended December 31, 2025 ("this Nine-month period"), Compared to the Nine Months Ended December 31, 2024 ("the same period of the previous year")

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2024	2025		
	(Restated)			
Net sales	1,940,501	1,986,357	45,856	2.4%
Operating profit	162,339	115,735	(46,604)	(28.7)%
Operating profit ratio	8.4%	5.8%	-	-
Profit before income taxes	166,890	137,436	(29,454)	(17.6)%
Profit for the period from continuing operations	125,818	26,471	(99,347)	(79.0)%
Loss for the period from discontinued operations	(177)	(47)	130	-
Profit attributable to owners of the parent	127,385	39,117	(88,268)	(69.3)%

Consolidated net sales from continuing operations increased 2.4% to ¥1,986,357 million for this nine-month period compared to the same period of the previous year.

Operating profit decreased 28.7% to ¥115,735 million for this nine-month period compared to the same period of the previous year,

This is due to the recording of an impairment loss of Non-financial assets ¥17,569 million and a debt associated with settling claims from suppliers of ¥16,479 million in this nine-month period, and the gain on step acquisition of ¥10,195 million related to the consolidation of Nidec PSA eMotors in the same period of the previous year.

Profit before income taxes decreased 17.6% to ¥137,436 million, including the effect of the fluctuations of the foreign currency exchange rates.

Profit attributable to owners of the parent decreased 69.3% to ¥39,117 million compared to the same period of the previous year.

The average exchange rate between the Japanese yen and the U.S. dollar for this nine-month period was ¥148.74 to the U.S. dollar, which reflected an approximately 3% appreciation of the Japanese yen against the U.S. dollar, compared to the same period of the previous year. The average exchange rate between the Japanese yen and the Euro for this nine-month period was ¥171.83 to the Euro, which reflected an approximately 4% depreciation of the Japanese yen against the Euro, compared to the same period of the previous year.

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

- Net sales: Negative effect by approximately ¥25,200 million compared to the same period of the previous year.
- Operating profit: Negative effect by approximately ¥3,500 million compared to the same period of the previous year.

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

Small precision motors

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2024	2025		
	(Restated)			
Net sales to external customers	367,652	366,928	(724)	(0.2)%
Spindle motors for hard disk drives (HDDs)	74,188	80,544	6,356	8.6%
Other small precision motors	293,464	286,384	(7,080)	(2.4)%
Operating profit	44,792	55,575	10,783	24.1%
Operating profit ratio	12.2%	15.1%	-	-

Net sales of this category decreased 0.2% to ¥366,928 million for this nine-month period compared to the same period of the previous year.

Net sales of spindle motors for HDDs increased 8.6% to ¥80,544 million for this nine-month period compared to the same period of the previous year. Net sales of other small precision motors decreased 2.4% to ¥286,384 million compared to the same period of the previous year.

Operating profit of this category increased 24.1% to ¥55,575 million for this nine-month period compared to the same period of the previous year.

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

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

Automotive products

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2024	2025		
	(Restated)			
Net sales to external customers	496,680	523,060	26,380	5.3%
Operating profit (loss)	23,470	(17,868)	(41,338)	-
Operating profit ratio	4.7%	-	-	-

Net sales of this category increased 5.3% to ¥523,060 million for this nine-month period compared to the same period of the previous year.

Operating profit (loss) of this category decreased ¥41,338 million to a loss of ¥17,868 million for this nine-month period compared to the same period of the previous year.

This is due to the recording of an impairment loss of Non-financial assets ¥9,089 million and a debt associated with settling claims from suppliers of ¥16,479 million in this nine-month period, and the gain on step acquisition of ¥10,195 million related to the consolidation of Nidec PSA eMotors in the same period of the previous year.

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

- Net sales: Negative effect by approximately ¥2,200 million compared to the same period of the previous year.
- Operating profit (loss): Negative effect by approximately ¥1,800 million compared to the same period of the previous year.

Appliance, commercial and industrial products

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2024	2025		
	(Restated)			
Net sales to external customers	779,321	807,061	27,740	3.6%
Operating profit	77,733	74,414	(3,319)	(4.3)%
Operating profit ratio	10.0%	9.2%	-	-

Net sales of this category increased 3.6% to ¥807,061 million for this nine-month period compared to the same period of the previous year.

Operating profit of this category decreased 4.3% to ¥74,414 million for this nine-month period compared to the same period of the previous year.

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

- Net sales: Negative effect by approximately ¥18,400 million compared to the same period of the previous year.
- Operating profit: Negative effect by approximately ¥2,100 million compared to the same period of the previous year.

Machinery

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2024	2025		
	(Restated)			
Net sales to external customers	228,394	221,731	(6,663)	(2.9)%
Operating profit	19,526	13,121	(6,405)	(32.8)%
Operating profit ratio	8.5%	5.9%	-	-

Net sales of this category decreased 2.9% to ¥221,731 million for this nine-month period compared to the same period of the previous year.

Operating profit of this category decreased 32.8% to ¥13,121 million for this nine-month period compared to the same period of the previous year.

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

- Net sales: Positive effect by less than ¥100 million compared to the same period of the previous year.
- Operating profit: Negative effect by less than ¥100 million compared to the same period of the previous year.

Electronic and optical components

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2024	2025		
	(Restated)			
Net sales to external customers	65,736	64,833	(903)	(1.4)%
Operating profit	8,957	9,866	909	10.1%
Operating profit ratio	13.6%	15.2%	-	-

Net sales of this category decreased 1.4% to ¥64,833 million for this nine-month period compared to the same period of the previous year.

Operating profit of this category increased 10.1% to ¥9,866 million for this nine-month period compared to the same period of the previous year.

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

- Net sales: Negative effect by approximately ¥300 million compared to the same period of the previous year.
- Operating profit: Positive effect by approximately ¥100 million compared to the same period of the previous year.

Other products

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease	Ratio of change
	2024	2025		
	(Restated)			
Net sales to external customers	2,718	2,744	26	1.0%
Operating profit	121	433	312	257.9%
Operating profit ratio	4.5%	15.8%	-	-

Net sales of this category increased 1.0% to ¥2,744 million and operating profit of this category increased 257.9% to ¥433 million for this nine-month period compared to the same period of the previous year.

Consolidated Operating Results for the Three Months Ended December 31, 2025 ("Q3"), Compared to the Previous Three Months Ended September 30, 2025 ("Q2")

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2025	December 31, 2025		
	(Restated)			
Net sales	665,665	681,459	15,794	2.4%
Operating profit	53,969	28,427	(25,542)	(47.3)%
Operating profit ratio	8.1%	4.2%	-	-
Profit before income taxes	62,224	42,135	(20,089)	(32.3)%
Profit for the period from continuing operations	11,985	8,116	(3,869)	(32.3)%
Profit for the period from discontinued operations (loss)	(11)	8	19	-
Profit attributable to owners of the parent	13,543	9,722	(3,821)	(28.2)%

Consolidated net sales from continuing operations increased 2.4% to ¥681,459 million for Q3 compared to Q2.

Operating profit decreased 47.3% to ¥28,427 million for Q3 compared to Q2.

Profit before income taxes decreased 32.3% to ¥42,135 million for Q3 compared to Q2.

Profit attributable to owners of the parent decreased 28.2% to ¥9,722 million for Q3 compared to Q2.

The average exchange rate between the Japanese yen and the U.S. dollar for Q3 was ¥154.15 to the U.S. dollar, which reflected an approximately 5% depreciation of the Japanese yen against the U.S. dollar, compared to Q2. The average exchange rate between the Japanese yen and the Euro for Q3 was ¥179.39 to the Euro, which reflected an approximately 4% depreciation of the Japanese yen against the Euro compared to Q2.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (Q3) is as follows.

- Net sales: Positive effect by approximately ¥48,200 million compared to Q2.
- Operating profit: Positive effect by approximately ¥4,300 million compared to Q2.

Operating Results by Product Category for Q3 Compared to Q2

Small precision motors

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2025	December 31, 2025		
	(Restated)			
Net sales to external customers	123,018	124,579	1,561	1.3%
Spindle motors for hard disk drives (HDDs)	27,187	27,786	599	2.2%
Other small precision motors	95,831	96,793	962	1.0%
Operating profit	18,193	20,550	2,357	13.0%
Operating profit ratio	14.8%	16.5%	-	-

Net sales of this category increased 1.3% to ¥124,579 million for Q3 compared to Q2.

Net sales of spindle motors for HDDs increased 2.2% to ¥27,786 million for Q3 compared to Q2.

Net sales of other small precision motors increased 1.0% to ¥96,793 million for Q3 compared to Q2.

Operating profit of this category increased 13.0% to ¥20,550 million for Q3 compared to Q2.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (Q3) is as follows.

- Net sales: Positive effect by approximately ¥8,600 million compared to Q2.
- Operating profit: Positive effect by approximately ¥1,400 million compared to Q2.

Automotive products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2025	December 31, 2025		
	(Restated)			
Net sales to external customers	171,740	184,857	13,117	7.6%
Operating profit (loss)	5,861	(5,717)	(11,578)	-
Operating profit ratio	3.4%	-	-	-

Net sales of this category increased 7.6% to ¥184,857 million for Q3 compared to Q2.

Operating profit (loss) of this category decreased ¥11,578 million to a loss of ¥5,717 million for Q3 compared to Q2.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit (loss) for this three-month period (Q3) is as follows.

- Net sales: Positive effect by approximately ¥11,600 million compared to Q2.
- Operating profit (loss): Negative effect by approximately ¥300 million compared to Q2.

Appliance, commercial and industrial products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2025	December 31, 2025		
	(Restated)			
Net sales to external customers	269,028	277,852	8,824	3.3%
Operating profit	26,456	20,235	(6,221)	(23.5)%
Operating profit ratio	9.8%	7.3%	-	-

Net sales of this category increased 3.3% to ¥277,852 million for Q3 compared to Q2.

Operating profit of this category decreased 23.5% to ¥20,235 million for Q3 compared to Q2.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (Q3) is as follows.

- Net sales: Positive effect by approximately ¥23,800 million compared to Q2.
- Operating profit: Positive effect by approximately ¥3,000 million compared to Q2.

Machinery

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2025	December 31, 2025		
	(Restated)			
Net sales to external customers	78,074	72,670	(5,404)	(6.9)%
Operating profit	5,284	639	(4,645)	(87.9)%
Operating profit ratio	6.8%	0.9%	-	-

Net sales of this category decreased 6.9% to ¥72,670 million for Q3 compared to Q2.

Operating profit of this category decreased 87.9% to ¥639 million for Q3 compared to Q2.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (Q3) is as follows.

- Net sales: Positive effect by approximately ¥3,300 million compared to Q2.
- Operating profit: Positive effect by approximately ¥100 million compared to Q2.

Electronic and optical components

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2025	December 31, 2025		
	(Restated)			
Net sales to external customers	22,930	20,622	(2,308)	(10.1)%
Operating profit	2,246	3,906	1,660	73.9%
Operating profit ratio	9.8%	18.9%	-	-

Net sales of this category decreased 10.1% to ¥20,622 million for Q3 compared to Q2.

Operating profit of this category increased 73.9% to ¥3,906 million for Q3 compared to Q2.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (Q3) is as follows.

- Net sales: Positive effect by approximately ¥800 million compared to Q2.
- Operating profit: Positive effect by approximately ¥100 million compared to Q2.

Other products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	September 30, 2025	December 31, 2025		
	(Restated)			
Net sales to external customers	875	879	4	0.5%
Operating profit	159	37	(122)	(76.7)%
Operating profit ratio	18.2%	4.2%	-	-

Net sales of this category increased 0.5% to ¥879 million for Q3 compared to Q2 and operating profit of this category decreased 76.7% to ¥37 million for Q3 compared to Q2.

(2) Financial Position

(Yen in millions)

	As of March 31, 2025	As of December 31, 2025	Increase or decrease
	(Restated)		
Total assets	2,919,765	3,808,461	888,696
Total liabilities	1,653,035	2,404,227	751,192
Total equity attributable to owners of the parent	1,239,815	1,387,919	148,104
Interest-bearing debt *1	639,192	1,200,365	561,174
Net interest-bearing debt *2	392,938	303,556	(89,382)
Debt ratio (%) *3	21.9	31.5	9.6
Debt to equity ratio ("D/E ratio") (times) *4	0.52	0.86	0.35
Net D/E ratio (times) *5	0.32	0.22	(0.10)
Ratio of total equity attributable to owners of the parent to total assets (%) *6	42.5	36.4	(6.0)

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

*2. Net interest-bearing debt: Interest-bearing debt minus "cash and cash equivalents"

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

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

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

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

Total assets increased ¥888,696 million to ¥3,808,461 million as of December 31, 2025 compared to March 31, 2025. This was due to increases of ¥650,555 million in cash and cash equivalents, increases of ¥57,879 million in inventories and increases of ¥64,742 million in property, plant and equipment.

Total liabilities increased ¥751,192 million to ¥2,404,227 million as of December 31, 2025 compared to March 31, 2025. This was due to increases of ¥502,831 million in short term borrowings, increases of ¥65,547 million in trade and other payables and increases of ¥44,753 million in long term debt.

As a result, interest-bearing debt increased to ¥1,200,365 million as of December 31, 2025 from ¥639,192 million as of March 31, 2025. Net interest-bearing debt decreased to ¥303,556 million as of December 31, 2025 from ¥392,938 million as of March 31, 2025. The debt ratio that includes lease liabilities increased to 31.5% as of December 31, 2025 from 21.9% as of March 31, 2025. The D/E ratio increased to 0.86 times as of December 31, 2025 from 0.52 times as of March 31, 2025. The net D/E ratio decreased to 0.22 times as of December 31, 2025 from 0.32 times as of March 31, 2025.

Total equity attributable to owners of the parent increased ¥148,104 million to ¥1,387,919 million as of December 31, 2025 compared to March 31, 2025. This was due to increases of ¥20,982 million in retained earnings, and increases of ¥126,659 million in other components of equity mainly resulted from increases in foreign currency translation adjustments. Ratio of total equity attributable to owners of the parent to total assets decreased to 36.4% as of December 31, 2025 from 42.5% as of March 31, 2025.

Overview of Cash Flow

(Yen in millions)

	For the nine months ended December 31,		Increase or decrease
	2024	2025	
	(Restated)		
Net cash provided by operating activities	171,487	174,824	3,337
Net cash used in investing activities	(102,036)	(102,854)	(818)
Free cash flow *1	69,452	71,970	2,519
Net cash used in financing activities	(43,503)	507,269	550,772

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

Net cash provided by operating activities for the nine months ended December 31, 2025 came to a net cash inflow of ¥174,824 million for this period, an increase of ¥3,337 million compared to the same period of the previous fiscal year. This is mainly due to an increase in inventories of ¥28,033 million, profit for the period from continuing operations of ¥26,471 million, the effects of impairment losses and an increase in other provisions, and an increase in accounts payable of ¥ 45,276 million.

Net cash used in investing activities amounted to ¥102,854 million mainly due to additions to property, plant and equipment of ¥97,675 million and other factors. Net cash used in investing activities increased by ¥818 million year on year.

As a result, we had a positive free cash flow of ¥71,970 million for the nine months ended December 31, 2025, an increase of ¥2,519 million compared to the same period of the previous year.

Net cash provided by financing activities for the nine months ended December 31, 2025 came to a net cash inflow of ¥507,269 million for this period, an increase of ¥550,772 million compared to the same period of the previous fiscal year. This is mainly due to increases in short term borrowings of ¥502,132 million, despite redemption of bonds of ¥50,000 million, and payments of dividends to owners of the parent of ¥22,926 million.

As a result of the aforementioned factors and the impact of foreign exchange rates, the balance of cash and cash equivalents as of December 31, 2025 increased by ¥650,555 million to ¥896,809 million from March 31, 2025.

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

Regarding Forecast of Consolidated Financial Performance for the Year Ending March 31, 2026, we also disclosed Financial Statements Summary for the Year Ended March 31, 2026 [IFRS] (Consolidated) on September 30, 2026, and as we have already announced the consolidated financial results for the year ended March 31, 2026, we are not providing Forecast of Consolidated Financial Performance for the Year Ending March 31, 2026.

(4) Designation as a Security on Special Alert

NIDEC CORPORATION (hereinafter referred to as "the Company") received notification from the Tokyo Stock Exchange, Inc. on October 27, 2025, that its shares would be designated as a Security on special alert starting October 28, 2025, as detailed below.

(i) Reasons for Designation as a Security on Special Alert

The Company has received the following observations from the Tokyo Stock Exchange, Inc.:

The Company announced on Jun. 27, 2025 that it would extend the submission deadline for the annual securities report for the fiscal year ended Mar. 2025 to Sep. 26 of the same year. This extension was made to allow time for an investigation into issues related to international trade at its Italian subsidiary. Later, on Sep. 3, the Company further disclosed that it had decided to establish the Third-Party Committee to investigate newly discovered concerns about inappropriate accounting practices at its Chinese subsidiary involving a lump-sum payment representing a discount for a purchase from a supplier, as well as concerns that, with the involvement or awareness of their respective management teams, the Company and its Group companies may have arbitrarily decided the timing for writing down the value of certain assets.

Subsequently, on Sep. 26, the Company issued an "Important Notice Regarding Annual Securities Reports, etc." stating that the investigation by the Third-Party Committee was still ongoing, and that it had submitted the annual securities report without the results of the investigation being reflected in the consolidated financial statements or other included information. The notice also stated that there had been a material weakness in internal control over these matters. The annual securities report submitted by the Company included an audit report containing a disclaimer of opinion.

These disclosures, submissions, and other information revealed the following facts:

- Despite extending the submission deadline for the annual securities report by approximately three months, the Company submitted the report with an audit report that included a "disclaimer of opinion." This suggests that the Company has still not been able to disclose accurate financial results, and there remains a possibility that past fiscal year accounts may need to be corrected.
- Since the initial issue was discovered, the scope of the investigation has continued to expand. Even though a considerable amount of time has passed, the completion date of the Third-Party Committee’s investigation remains uncertain. As a result, the Company has not been able to provide investors with a clear outlook on when its financial reporting schedule will return to normal.
- Although the Third-Party Committee’s investigation is still ongoing, deficiencies have already been identified in the Company’s company-wide internal control systems (particularly in areas related to information and communication), as well as in the internal controls related to its accounting and financial closing processes. In light of these findings and considering the likelihood that they could have a significant impact on the Company’s financial reporting, the Company has determined that these deficiencies constitute material weaknesses that should be disclosed.

As described above, the audit report attached to the financial statements in the annual securities report, which forms the basis for appropriate investment decisions, contains a disclaimer of opinion, and TSE deems that improvements to the Company’s internal management system, etc. are highly necessary. As such, TSE designates the stock as a Security on Special Alert.

Furthermore, the investigation by the Company's Third-Party Committee is still ongoing, and its results may reveal new facts or lead to corrections of past fiscal years’ financial statements. In view of this, Japan Exchange Regulation (JPX-R) will continue its examination of the Company regarding its disclosure of corporate information and enforcement measures. Should any new issues come to light, TSE may consider taking additional measures as necessary.

(ii) Date of Designation as a Security on Special Alert

October 28, 2025 (Tuesday)

(iii) Period of Designation as a Security on Special Alert

The designation period will generally be one year from October 28, 2025. After one year, the Company will submit an internal control system confirmation report, and the Tokyo Stock Exchange, Inc. will review the internal control system. If no issues are found with the internal control system, the designation will be lifted. However, if issues are found, the Company will, in principle, be delisted.

If, upon review after one year from the designation, the internal control system is deemed to be appropriately established but not appropriately operated (limited to cases where there is an expectation of appropriate operation), the designation as a Security on Special Alert will continue. In such a case, the Company will be required to improve the operational status of its internal control system by the review following the end of the business year in which the continuation of the designation was decided (or the next business year if the period from the decision date to the end of the business year is less than three months). If the internal control system is deemed to be appropriately established and operated, the designation will be lifted. If the internal control system is not deemed to be appropriately established or if there is no longer an expectation of appropriate operation, the Company will be delisted.

If the internal control system is deemed to be appropriately established but not appropriately operated (limited to cases where there is an expectation of appropriate operation), the designation may continue for a maximum of three business years from the review following the end of the business year in which the continuation of the designation was decided (or the next business year if the period from the decision date to the end of the business year is less than three months), during which time the review will be conducted.

(iv) Progress toward lifting the designation as a Security on Special Alert

The implementation of the improvement measures set forth in the Revised Improvement Plan and the Status Report announced on April 28, 2026 is being carried out as appropriate.

In addition, we received the investigation report from the Third-Party Committee on April 17, 2026, and the investigation by the Third-Party Committee has been completed.

2. Condensed Quarterly Consolidated Financial Statements and Other Information

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Yen in millions)

	As of March 31, 2025	As of December 31, 2025
	(Restated)	
Assets		
Current assets		
Cash and cash equivalents	246,254	896,809
Trade and other receivables	686,589	711,754
Other financial assets	1,297	3,526
Income tax receivables	22,246	16,700
Inventories	530,436	588,315
Other current assets	79,643	110,570
Total current assets	1,566,465	2,327,674
Non-current assets		
Property, plant and equipment	668,502	733,244
Goodwill	355,694	373,955
Intangible assets	222,380	245,222
Investments accounted for using the equity method	1,044	2,033
Other investments	36,337	39,184
Other financial assets	7,614	8,790
Deferred tax assets	50,089	67,046
Other non-current assets	11,640	11,313
Total non-current assets	1,353,300	1,480,787
Total assets	2,919,765	3,808,461

(Yen in millions)

	As of March 31, 2025	As of December 31, 2025
	(Restated)	
Liabilities		
Current liabilities		
Short term borrowings	93,710	596,541
Long term debt due within one year	164,245	177,835
Trade and other payables	615,470	681,017
Other financial liabilities	3,616	3,416
Income tax payables	29,990	27,325
Provisions	72,441	79,276
Other current liabilities	126,946	148,977
Total current liabilities	1,106,418	1,714,387
Non-current liabilities		
Long term debt	381,237	425,990
Other financial liabilities	3,718	3,414
Income tax payables	7	7
Retirement benefit liabilities	33,071	35,692
Provisions	54,883	60,097
Deferred tax liabilities	60,934	151,192
Other non-current liabilities	12,767	13,448
Total non-current liabilities	546,617	689,840
Total liabilities	1,653,035	2,404,227
Equity		
Common stock	87,784	87,784
Additional paid-in capital	97,299	97,756
Retained earnings	895,546	916,528
Other components of equity	334,790	461,449
Treasury stock	(175,604)	(175,598)
Total equity attributable to owners of the parent	1,239,815	1,387,919
Non-controlling interests	26,915	16,315
Total equity	1,266,730	1,404,234
Total liabilities and equity	2,919,765	3,808,461

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

For the nine months ended December 31, 2024 and 2025

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

	For the nine months ended December 31,	
	2024	2025
	(Restated)	
Continuing operations		
Net Sales	1,940,501	1,986,357
Cost of sales	(1,540,739)	(1,583,595)
Gross profit	399,762	402,762
Selling, general and administrative expenses	(177,895)	(201,292)
Research and development expenses	(59,528)	(85,735)
Operating profit	162,339	115,735
Financial income	28,394	26,812
Financial expenses	(18,400)	(18,573)
Derivative gain (loss)	(279)	(712)
Foreign exchange differences	(4,395)	14,767
Share of net profit (loss) from associate accounting using the equity method	(769)	(593)
Profit before income taxes	166,890	137,436
Income tax expenses	(41,072)	(110,965)
Profit for the period from continuing operations	125,818	26,471
Discontinued operations		
Loss for the period from discontinued operations	(177)	(47)
Profit for the period	125,641	26,424
Profit for the period attributable to:		
Owners of the parent	127,385	39,117
Non-controlling interests	(1,744)	(12,693)
Profit for the period	125,641	26,424

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

	For the nine months ended December 31,	
	2024	2025
	(Restated)	
Profit for the period	125,641	26,424
Other comprehensive income, net of taxation		
Items that will not be reclassified to net profit or loss:		
Remeasurement of defined benefit plans	563	(56)
Fair value movements on FVTOCI equity financial assets	(1,070)	5,179
Items that may be reclassified to net profit or loss:		
Foreign currency translation adjustments	72,897	126,978
Effective portion of net changes in fair value of cash flow hedges	(4,737)	2,545
Fair value movements on FVTOCI debt financial assets	6	40
Total other comprehensive income for the period, net of taxation	67,659	134,686
Comprehensive income for the period	193,300	161,110
Comprehensive income for the period attributable to:		
Owners of the parent	194,513	170,908
Non-controlling interests	(1,213)	(9,798)
Comprehensive income for the period	193,300	161,110

For the three months ended December 31, 2024 and 2025

Condensed Quarterly Consolidated Statements of Income

(Yen in millions)

	For the three months ended December 31, 2024	2025
	(Restated)	
Continuing operations		
Net Sales	650,076	681,459
Cost of sales	(525,383)	(540,294)
Gross profit	124,693	141,165
Selling, general and administrative expenses	(63,502)	(72,102)
Research and development expenses	(20,046)	(40,636)
Operating profit	41,145	28,427
Financial income	9,249	8,943
Financial expenses	(5,399)	(6,230)
Derivative gain (loss)	(217)	(468)
Foreign exchange differences	22,055	11,700
Share of net profit (loss) from associate accounting using the equity method	(308)	(237)
Profit before income taxes	66,525	42,135
Income tax expenses	(16,372)	(34,019)
Profit for the period from continuing operations	50,153	8,116
Discontinued operations		
Profit (loss) for the period from discontinued operations	(36)	8
Profit for the period	50,117	8,124
Profit for the period attributable to:		
Owners of the parent	50,076	9,722
Non-controlling interests	41	(1,598)
Profit for the period	50,117	8,124

Condensed Quarterly Consolidated Statements of Comprehensive Income

(Yen in millions)

	For the three months ended December 31,	
	2024	2025
	(Restated)	
Profit for the period	50,117	8,124
Other comprehensive income, net of taxation		
Items that will not be reclassified to net profit or loss:		
Remeasurement of defined benefit plans	(262)	(112)
Fair value movements on FVTOCI equity financial assets	2,116	2,338
Items that may be reclassified to net profit or loss:		
Foreign currency translation adjustments	148,018	101,027
Effective portion of net changes in fair value of cash flow hedges	(1,059)	242
Fair value movements on FVTOCI debt financial assets	2	(12)
Total other comprehensive income for the period, net of taxation	148,815	103,483
Comprehensive income for the period	198,932	111,607
Comprehensive income for the period attributable to:		
Owners of the parent	197,344	111,776
Non-controlling interests	1,588	(169)
Comprehensive income for the period	198,932	111,607

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

For the nine months ended December 31, 2024

(Yen in millions)

(Restated)	Total equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common Stock	Additional paid-in capital	Retained earnings	Other components of equity	Treasury stock	Total		
Balance at April 1, 2024	87,784	96,864	856,239	356,606	(167,945)	1,229,548	28,894	1,258,442
Comprehensive income								
Profit (loss) for the period			127,385			127,385	(1,744)	125,641
Other comprehensive income				67,128		67,128	531	67,659
Total comprehensive income						194,513	(1,213)	193,300
Transactions with owners directly recognized in equity:								
Purchase of treasury stock					(11)	(11)	-	(11)
Dividends paid to the owners of the parent			(45,969)			(45,969)	-	(45,969)
Dividends paid to non-controlling interests						-	(721)	(721)
Share-based payment transactions		(436)			123	(313)	-	(313)
Transfer to retained earnings			(516)	516		-	-	-
Increase (decrease) by business combination		676				676	5,848	6,524
Other		87	(3)		2	86	48	134
Balance at December 31, 2024	87,784	97,191	937,136	424,250	(167,831)	1,378,530	32,856	1,411,386

For the nine months ended December 31, 2025

(Yen in millions)

	Total equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common Stock	Additional paid-in capital	Retained earnings	Other components of equity	Treasury stock	Total		
Balance at April 1, 2025 (Restated)	87,784	97,299	895,546	334,790	(175,604)	1,239,815	26,915	1,266,730
Comprehensive income								
Profit (loss) for the period			39,117			39,117	(12,693)	26,424
Other comprehensive income				131,791		131,791	2,895	134,686
Total comprehensive income						170,908	(9,798)	161,110
Transactions with owners directly recognized in equity:								
Purchase of treasury stock					(2)	(2)	-	(2)
Dividends paid to the owners of the parent			(22,926)			(22,926)	-	(22,926)
Dividends paid to non-controlling interests						-	(1,408)	(1,408)
Share-based payment transactions		462				462	-	462
Transfer to retained earnings			5,132	(5,132)		-	-	-
Increase (decrease) by business combination		(5)				(5)	843	838
Other			(341)		8	(333)	(237)	(570)
Balance at December 31, 2025	87,784	97,756	916,528	461,449	(175,598)	1,387,919	16,315	1,404,234

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Yen in millions)

	For the nine months ended December 31,	
	2024	2025
	(Restated)	
Cash flows from operating activities:		
Profit for the period from continuing operations	125,818	26,471
Loss for the period from discontinued operations	(177)	(47)
Profit for the period	125,641	26,424
Adjustments to reconcile profit for the period to net cash provided by operating activities		
Depreciation and amortization	77,626	75,645
Loss (gain) from sales, disposal or impairment of property, plant and equipment	8,075	13,360
Loss (gain) from discontinued operations	177	47
Financial expenses (income)	(11,134)	(10,061)
Share of net loss (profit) from associate accounting using the equity method	769	593
Deferred income taxes	(5,330)	65,666
Current income taxes	46,401	45,246
Foreign currency adjustments	4,866	(37,593)
Increase (decrease) in retirement benefit liability	(198)	715
Decrease (increase) in accounts receivable	(11,395)	11,488
Decrease (increase) in inventories	(12,251)	(28,033)
Increase (decrease) in accounts payable	30,110	45,276
Other, net	(24,709)	(1,889)
Interests and dividends received	27,407	26,135
Interests paid	(16,329)	(15,453)
Income taxes paid	(68,239)	(42,742)
Net cash provided by operating activities	171,487	174,824

(Yen in millions)

	For the nine months ended December 31,	
	2024	2025
	(Restated)	
Cash flows from investing activities:		
Additions to property, plant and equipment	(84,195)	(97,675)
Proceeds from sales of property, plant and equipment	4,202	11,228
Additions to intangible assets	(13,468)	(13,057)
Acquisitions of business, net of cash acquired	(3,777)	(5,243)
Other, net	(4,798)	1,893
Net cash used in investing activities	(102,036)	(102,854)
Cash flows from financing activities:		
Increase (decrease) in short term borrowings	77,945	502,132
Proceeds from issuance of long term debt	71,562	90,008
Repayments of long term debt	(13,133)	(11,384)
Redemption of bonds	(130,000)	(50,000)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(3,385)	(23)
Purchase of treasury stock	(11)	(2)
Dividends paid to the owners of the parent	(45,969)	(22,926)
Other, net	(512)	(536)
Net cash used in financing activities	(43,503)	507,269
Effect of exchange rate changes on cash and cash equivalents	2,698	71,316
Net increase (decrease) in cash and cash equivalents	28,646	650,555
Cash and cash equivalents at beginning of period	217,022	246,254
Cash and cash equivalents at beginning of period of newly consolidated subsidiaries	8,973	-
Cash and cash equivalents at end of period	254,641	896,809

(5) Notes to Condensed Quarterly Consolidated Financial Statements

（Status of the Company's Remediation Measures Relating to Corporate Governance）

As described in the Condensed Quarterly Consolidated Financial Statements Note 7, Additional Information, "Improper Accounting Practices and Other Related Matters," the Company established a Third-Party Committee on September 3, 2025, received the investigation report from the Third-Party Committee on February 27, 2026, and received the investigation report (supplement) as its final report on April 17, 2026. The investigation reports describe numerous instances of improper accounting practices carried out at various operating bases within the Company and its group companies with the involvement or knowledge of management, including premature revenue recognition, understatement of provisions, overstatement of inventories, avoidance of impairment losses on fixed assets, and capitalization of expenses. The reports further identified instances in which management or accounting personnel of the Company and its group companies provided inaccurate or misleading information to the independent auditor, concealed relevant documents, or provided altered records in order to obtain the independent auditor's concurrence. The improper accounting practices identified by the Third-Party Committee have been corrected in the condensed quarterly consolidated financial statements.

However, the Company has identified certain officers and employees of the Company and its group companies who participated in, directed, or had knowledge of the improper accounting practices, or who provided false explanations to the independent auditor, and is evaluating and taking remedial personnel actions to determine appropriate measures; however, some of those actions have not been completed. As a result, certain officers and employees who participated in, directed, or had knowledge of the improper accounting practices, or who provided false explanations to the independent auditor, continue to hold positions of responsibility within the financial reporting process of the Company and its group companies.

The matters identified in the Third-Party Committee's reports indicate that material weaknesses existed in the control environment over an extended period and raise substantial concerns regarding whether the Company's governance and control environment relating to financial reporting is operating effectively, including whether the risk of management override of controls has been sufficiently mitigated. This condition also affects the reliability of records, documents and information submitted to the independent auditor by, or prepared, responded to, or reviewed by, individuals involved in the improper accounting practices, as well as the reliability of management representations provided to the independent auditor.

Although the Company is evaluating and taking remedial personnel actions to determine appropriate measures for individuals involved in the improper accounting practices, some of those remedial personnel actions have not been completed, and it has not been confirmed that successor personnel have assumed responsibility for financial reporting and are appropriately performing their responsibilities. Accordingly, the possible effects of any undetected misstatements on the consolidated financial statements would not be confined to specific line items or disclosures and could be material and pervasive. Such effects, if any, have not been reflected in the condensed quarterly consolidated financial statements.

1. Material accounting policies

With the exception of the item explained below, material accounting policies adopted in preparation of the condensed quarterly consolidated financial statements are consistent with those used in the preparation of the NIDEC's annual consolidated financial statements for the year ended March 31, 2026.

Income tax expenses for the nine months ended December 31, 2025 are computed using the estimated average annual effective tax rate.

IFRS Accounting		Summaries of new standards and amendments
IAS 21	The Effects of Changes in Foreign Exchange Rates	Providing accounting and disclosure of currencies that are not convertible for other currencies.

There are no material impacts of the above statement on NIDEC's condensed quarterly consolidated financial statements.

2. Significant accounting estimates, judgments and assumptions

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

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

Significant accounting estimates and judgments that accompany estimates for the condensed quarterly consolidated financial statements as of December 31, 2025 are same as those estimates and judgments for the consolidated financial statements for the year ended March 31, 2025.

3. Segment Information

(Operating segment information)

The operating segments reported below are defined as components of NIDEC about which separate financial information is available that is evaluated regularly by management in deciding how to allocate resources and in assessing performance. Business units and domestic group companies that are currently profit management units of NIDEC are identified as its reportable segments. The operating segments have not been aggregated.

NIDEC's operating segments are as follows:

Name	Main products
1. SPMS	Hard disk drives spindle motors and other small precision motors
2. AMEC	Automotive products
3. MOEN	Appliance, commercial and industrial products
4. ACIM	Appliance, commercial and industrial products
5. Nidec Machinery and Automation	Machinery, machine tools
6. Group Company Business	Automotive products, appliance, commercial and industrial products, machinery, electronic components, other small precision motors and others

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

-Net sales to external customers:

(Yen in millions)

	For the nine months ended December 31,	
	2024	2025
	(Restated)	
SPMS	295,971	295,264
AMEC	263,966	270,057
MOEN	419,215	500,686
ACIM	342,216	325,329
Nidec Machinery and Automation	153,611	148,987
Group Company Business	465,522	446,034
Consolidated net sales	1,940,501	1,986,357

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

-Net sales to other operating segments:

(Yen in millions)

	For the nine months ended December 31,	
	2024	2025
	(Restated)	
SPMS	3,192	2,361
AMEC	3,424	5,022
MOEN	2,927	3,088
ACIM	4,761	1,683
Nidec Machinery and Automation	5,295	5,592
Group Company Business	35,932	32,039
Total	55,531	49,785
Intersegment elimination	(55,531)	(49,785)
Consolidated net sales	-	-

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

-Segment profit/loss:

(Yen in millions)

	For the nine months ended December 31,	
	2024	2025
	(Restated)	
SPMS	32,333	45,361
AMEC	4,653	(5,517)
MOEN	50,433	27,852
ACIM	23,774	14,585
Nidec Machinery and Automation	5,039	155
Group Company Business	58,169	53,030
Total	174,401	135,466
Elimination and Corporate (Note)	(12,062)	(19,731)
Operating profit	162,339	115,735
Financial income (expenses)	9,994	8,239
Derivative gain (loss)	(279)	(712)
Foreign exchange differences	(4,395)	14,767
Share of net profit (loss) from associate accounting using the equity method	(769)	(593)
Profit before income taxes	166,890	137,436

(Notes) 1. "Elimination and Corporate" includes corporate expenses, which do not belong to any operating segment, of ¥19,943 million and ¥12,502 million for the nine months ended December 31, 2025 and 2024, respectively. The corporate expenses include basic research expenses and head office expenses.
2. The above amounts no longer include discontinued operations.
3. The company has recorded debts associated with settling claims from suppliers ¥16,479 million in the "MOEN" segment for the nine months ended December 31, 2025.

4.Trade and other payables

The company has recorded debts associated with settling claims from suppliers ¥16,479 million in the "MOEN" segment for the nine months ended December 31, 2025.

5. Notes on Going Concern Assumption

Not applicable.

6. Business combinations

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

During the three months ended September 30, 2025, NIDEC completed its valuation of the assets acquired and the liabilities assumed upon the share acquisition of Linear Transfer Automation Inc., Linear Automation USA Inc., and Presstrader Limited. NIDEC's consolidated financial statements for the year ended March 31, 2025 reflect the revision of the initially allocated amounts of acquisition price as NIDEC finalized the provisional accounting treatment for the business combination.

During the three months ended June 30, 2026, NIDEC completed its valuation of the assets acquired and the liabilities assumed upon the share acquisition of Changzhou Xecom Energy Technologies Co., Ltd. (currently, Nidec Scroll Technology (Changzhou) Co., Ltd. "Scroll"). NIDEC's consolidated financial statements for the year ended March 31, 2026 reflect the revision of the initially allocated amounts of acquisition price as NIDEC finalized the provisional accounting treatment for the business combination.

7. Additional information

(Improper accounting practices and other related matters)

(1)Investigations by Third-Party Committee

The Company identified that suspected improper accounting practices involving or recognized by the management of the Company and the group companies were found for the fiscal year ended March 31, 2026, and these practices, including arbitrarily adjusting the timing of write-downs of certain assets with risk in terms of their asset value, may impose a material impact on the Company's overall consolidated financial statements. Thus, the Company determined that it would need to launch an objective investigations by the independent Third-Party Committee, and established such a committee on September 3, 2025, in accordance with the "Guidelines for Third-Party Committees in Cases of Corporate Misconduct" established by the Japan Federation of Bar Associations. The Company commissioned the Third-Party Committee: fact-finding investigations into suspected improper accounting practices; calculation of the amount of impact if improper accounting practices is found; root cause investigations and recommendation of recurrence prevention measures if improper accounting practices is found; and other matters deemed necessary by the Third-Party Committee.)

In addition, while ensuring a mechanism that an external expert confirms the details of each procedure to ensure objectivity under the management and supervision of the Third-Party Committee, the Company conducted a self-inspection to investigate the appropriateness of the accounting treatment from the fiscal year ended March 31, 2020 to the first quarter of fiscal year ended March 31, 2026 for 288 companies, including the Company and group companies, excluding certain bases not subject to performance management by the Company, such as regional headquarters, dormant companies, companies in liquidation, and shared services. For this inspection, the Company created a procedure checklist that considers types of improper accounting practices, such as premature revenue recognition, understatement of provisions, overstatement of inventories, and avoidance of fixed asset impairment losses and capitalization of expenses, which were identified in the Third-Party Committee's investigation, issues of improper accounting practices generally assumed, and improper accounting practices based on methods used in past cases of accounting fraud or improper accounting practices in the Nidec Group. Based on this checklist, personnel in charge at each base conducted an inspection, which was cross-checked by personnel in charge of other bases, and confirmed by an external expert. The inspection took a conservative approach and covered a period of one year earlier than that of the Third-Party Committee investigation (from the fiscal year ended March 31, 2021 to the first quarter of fiscal year ended March 31, 2026). In addition, the Company corrected misstatements in the consolidated financial statements and other disclosures for the fiscal year ended March 31, 2026.

The Company received the investigation report from the Third-Party Committee on February 27, 2026, and the investigation report (supplement) as its final report on April 17 of the same year.

In these reports, a large number of instances of improper accounting practices through misconduct and errors were pointed out at various operating bases in the Company and the group companies. In light of the final report from the Third-Party Committee, including the results of the self-inspection, and the internal investigations and other internal investigations regarding potential quality issues, the Company decided that it was necessary to retroactively correct misstatements associated with the improper accounting practices and other practices in the consolidated financial statements and other related documents included in the past annual securities reports, semi-annual reports and quarterly reports, including corrections to errors related to matters that were not corrected from the viewpoint of materiality in previous years and matters that were additionally identified in the course of the investigation, and has submitted amendment reports, including annual securities amendment reports.

The impact of prior-year accounting corrections on operating profit was a positive effect of ¥66,201 million for the nine months ended December 31, 2025, and a negative effect of ¥ 12,146 million for the nine months ended December 31, 2024.

In addition, considering the impact of these corrections on our financial statements, it was revealed that the acquisition of treasury shares executed in the fiscal year ended March 31, 2022 (¥31,413 million), and the total amount of dividends of surplus and acquisition of treasury shares executed in the fiscal year ended March 31, 2023 (¥94,014 million), the fiscal year ended March 31, 2024 (¥41,244 million), and the fiscal year ended March 31, 2025 (¥53,793 million), as well as the dividends of surplus executed in the fiscal year ended March 31, 2026 (¥22,960 million), all exceeded the distributable amount calculated in accordance with the Companies Act of Japan and the Regulation on Corporate Accounting.

(2) Impact of the Restatement

(Yen in millions, unless otherwise stated)

	For the nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)		Impact
	Before Restatement	After Restatement	
Net sales	1,945,964	1,940,501	(5,463)
Operating profit	174,485	162,339	(12,146)
Profit before income taxes	181,481	166,890	(14,591)
Profit attributable to owners of the parent	134,127	127,385	(6,742)
Earnings per share attributable to owners of the parent - basic (yen)	116.72	110.85	(5.87)
Earnings per share attributable to owners of the parent - diluted (yen)	–	110.85	–

(Yen in millions, unless otherwise stated)

	As of March 31, 2025		Impact
	Before Restatement	After Restatement	
Total asset	3,315,253	2,919,765	(395,488)
Equity attributable to owners of the parent	1,716,947	1,239,815	(477,132)
Equity ratio attributable to owners of the parent	51.8	42.5	(9.3)

(3) Major cumulative impacts on periods prior to the periods presented

The cumulative effect of correcting these improper accounting practices for periods prior to the beginning of the fiscal year ended March 31, 2024 (including 46 business terms, which was subject to the self-assessment) was reflected in the opening balance of retained earnings for the nine months ended December 31, 2024. Consequently, the opening balance of retained earnings for the previous nine months ended December 31, 2024 decreased by ¥356,433 million.

8. Events after the Reporting Period

(1) Determination of No Year-End Dividend

On March 3, 2026, the Company's Board of Directors resolved not to pay surplus dividend (year-end dividend) with March 31, 2026.

(2) Amendment of Contract Terms in the Automotive Inverter Business

In September 2026, the Company entered into a memorandum of understanding with a customer to amend the terms of a contract attributable to the inverter business in the AMEC segment, including an agreement to shorten the supply period and reduce the number of units that the Company is obligated to supply. As a result of the contract modification, the provision for contract losses recognized in connection with the contract is expected to decrease in financial statements for periods ending after March 31, 2026. Meanwhile, the Company expects to recognize a provision in connection with claims from suppliers from which it procures raw materials. As of the filing date of the annual securities report, the Company is still assessing the financial impact of the decrease in and recognition of these provisions.

As the contract modification was agreed upon after December 31,2025, its impact has not been reflected in the quarterly consolidated financial statements for the nine months ended December 31, 2025.

(3) Commencement of Tariff Refund Claim Procedures in the U.S.

Following the U.S. Supreme Court decision ruling that tariffs imposed under the International Emergency Economic Powers Act (IEEPA) were invalid, certain U.S. subsidiaries of the Company have commenced procedures to claim refunds for such tariffs, amounting to approximately USD 70 million.

As these procedures are ongoing and the eligibility and amount of any refund are subject to review by U.S. Customs and Border Protection (CBP), the final refund amount and the timing of receipt remain undetermined.

3. Others

(1) Quarterly Financial Data for the Three Months Ended December 31 2025, September 30, 2025 and June 30, 2025

(*Yen in millions*)

	For the three months ended		
	June 30, 2025	September 30, 2025	December 31, 2025
	(Restated)	(Restated)	
Net sales	639,233	665,665	681,459
Operating profit	33,339	53,969	28,427
Profit before income taxes	33,077	62,224	42,135
Profit for the period	6,326	11,974	8,124
Profit attributable to owners of the parent	15,852	13,543	9,722

(2) Information by Product Category

For the nine months ended December 31, 2024

(Yen in millions)

(Restated)	Small precision motors	Automotive Products	Appliance, commercial and industrial products	Machinery	Electronic and optical components	Others	Total	Eliminations/ Corporate	Consolidated
Net sales:									
External sales	367,652	496,680	779,321	228,394	65,736	2,718	1,940,501	-	1,940,501
Intersegment	4,282	2,297	4,741	12,344	2,310	434	26,408	(26,408)	-
Total	371,934	498,977	784,062	240,738	68,046	3,152	1,966,909	(26,408)	1,940,501
Operating expenses	327,142	475,507	706,329	221,212	59,089	3,031	1,792,310	(14,148)	1,778,162
Operating profit	44,792	23,470	77,733	19,526	8,957	121	174,599	(12,260)	162,339

For the nine months ended December 31, 2025

(Yen in millions)

	Small precision motors	Automotive Products	Appliance, commercial and industrial products	Machinery	Electronic and optical components	Others	Total	Eliminations/ Corporate	Consolidated
Net sales:									
External sales	366,928	523,060	807,061	221,731	64,833	2,744	1,986,357	-	1,986,357
Intersegment	4,088	3,301	3,734	7,591	1,863	556	21,133	(21,133)	-
Total	371,016	526,361	810,795	229,322	66,696	3,300	2,007,490	(21,133)	1,986,357
Operating expenses	315,441	544,229	736,381	216,201	56,830	2,867	1,871,949	(1,327)	1,870,622
Operating profit (loss)	55,575	(17,868)	74,414	13,121	9,866	433	135,541	(19,806)	115,735

For the three months ended December 31, 2024

(Yen in millions)

	Small precision motors	Automotive products	Appliance, commercial and industrial products	Machinery	Electronic and optical components	Others	Total	Eliminations/ Corporate	Consolidated
Net sales:									
External sales	124,809	164,493	259,600	79,110	21,141	923	650,076	-	650,076
Intersegment	2,142	906	1,274	4,122	865	139	9,448	(9,448)	-
Total	126,951	165,399	260,874	83,232	22,006	1,062	659,524	(9,448)	650,076
Operating expenses	113,333	168,230	236,381	77,683	18,655	1,010	615,292	(6,361)	608,931
Operating profit	13,618	(2,831)	24,493	5,549	3,351	52	44,232	(3,087)	41,145

For the three months ended December 31, 2025

(Yen in millions)

	Small precision motors	Automotive products	Appliance, commercial and industrial products	Machinery	Electronic and optical components	Others	Total	Eliminations/ Corporate	Consolidated
Net sales:									
External sales	124,579	184,857	277,852	72,670	20,622	879	681,459	-	681,459
Intersegment	1,214	1,093	1,166	2,517	669	193	6,852	(6,852)	-
Total	125,793	185,950	279,018	75,187	21,291	1,072	688,311	(6,852)	681,459
Operating expenses	105,243	191,667	258,783	74,548	17,385	1,035	648,661	4,371	653,032
Operating profit (loss)	20,550	(5,717)	20,235	639	3,906	37	39,650	(11,223)	28,427

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

2. Major products of each product category:

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

(2) Automotive products: Automotive motors, components, and traction motor system.

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

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

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

(6) Others: Music boxes and services, etc.

(3) Sales by Geographic Segment

(Yen in millions)

	For the nine months ended December 31,				Increase or decrease	
	2024		2025			
	(Restated)					
	Amounts	%	Amounts	%	Amounts	%
Japan	292,218	15.0	293,534	14.8	1,316	0.5
China	423,185	21.8	423,299	21.3	114	0.0
Other Asia	263,593	13.6	261,953	13.2	(1,640)	(0.6)
U.S.A.	437,901	22.6	447,034	22.5	9,133	2.1
Europe	437,778	22.6	484,522	24.4	46,744	10.7
Others	85,826	4.4	76,015	3.8	(9,811)	(11.4)
Total	1,940,501	100.0	1,986,357	100.0	45,856	2.4

(Yen in millions)

	For the three months ended December 31,				Increase or decrease	
	2024		2025			
	(Restated)					
	Amounts	%	Amounts	%	Amounts	%
Japan	100,631	15.5	94,482	13.9	(6,149)	(6.1)
China	148,177	22.8	151,213	22.2	3,036	2.0
Other Asia	86,520	13.3	91,185	13.4	4,665	5.4
U.S.A.	141,103	21.7	149,208	21.9	8,105	5.7
Europe	145,887	22.4	169,817	24.9	23,930	16.4
Others	27,758	4.3	25,554	3.7	(2,204)	(7.9)
Total	650,076	100.0	681,459	100.0	31,383	4.8

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

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

Other Asia : Thailand, South Korea, India

Europe : France, Germany, Italy

Others : Brazil, Mexico, Canada

(4) Sales by Region

(Yen in millions)

	For the nine months ended December 31,				Increase or decrease	
	2024		2025			
	(Restated)					
	Amounts	%	Amounts	%	Amounts	%
Japan	198,855	10.3	192,225	9.7	(6,630)	(3.3)
China	432,021	22.3	428,498	21.6	(3,523)	(0.8)
Other Asia	311,167	16.0	314,634	15.8	3,467	1.1
U.S.A.	388,903	20.0	401,297	20.2	12,394	3.2
Europe	402,384	20.7	464,789	23.4	62,405	15.5
Others	207,171	10.7	184,914	9.3	(22,257)	(10.7)
Total	1,940,501	100.0	1,986,357	100.0	45,856	2.4

(Yen in millions)

	For the three months ended December 31,				Increase or decrease	
	2024		2025			
	(Restated)					
	Amounts	%	Amounts	%	Amounts	%
Japan	67,892	10.5	61,421	9.0	(6,471)	(9.5)
China	151,431	23.3	151,402	22.2	(29)	(0.0)
Other Asia	102,199	15.7	107,957	15.8	5,758	5.6
U.S.A.	127,041	19.5	141,668	20.8	14,627	11.5
Europe	133,681	20.6	163,332	24.0	29,651	22.2
Others	67,832	10.4	55,679	8.2	(12,153)	(17.9)
Total	650,076	100.0	681,459	100.0	31,383	4.8

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

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

Other Asia : Thailand, South Korea, India

Europe : France, Germany, Italy

Others : Brazil, Mexico, Canada

4. Overview of Consolidated Financial Results

September 30, 2026

(1) Summary of Consolidated Financial Performance *(Yen in millions)*

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025	Increase or decrease	For the three months ended December 31, 2024	For the three months ended December 31, 2025	Increase or decrease
	(Restated)			(Restated)		
Net Sales	1,940,501	1,986,357	2.4 %	650,076	681,459	4.8 %
Operating profit	162,339 8.4 %	115,735 5.8 %	(28.7) %	41,145 6.3 %	28,427 4.2 %	(30.9) %
Profit before income taxes	166,890 8.6 %	137,436 6.9 %	(17.6) %	66,525 10.2 %	42,135 6.2 %	(36.7) %
Profit attributable to owners of the parent	127,385 6.6 %	39,117 2.0 %	(69.3) %	50,076 7.7 %	9,722 1.4 %	(80.6) %
Earnings per share attributable to owners of the parent - basic (Yen)	110.85	34.13		43.57	8.48	
Earnings per share attributable to owners of the parent - diluted (Yen)	110.85	34.13		43.57	8.48	

(2) Summary of Consolidated Financial Position and Cash Flows *(Yen in millions)*

	As of December 31, 2024	As of December 31, 2025	As of March 31, 2025
	(Restated)		(Restated)
Total assets	3,144,258	3,808,461	2,919,765
Total equity attributable to owners of the parent	1,378,530	1,387,919	1,239,815
Ratio of total equity attributable to owners of the parent to total asset	43.8%	36.4%	42.5%
	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025	For the year ended March 31, 2025
Net cash provided by operating activities	171,487	174,824	272,471
Net cash used in investing activities	(102,036)	(102,854)	(135,628)
Net cash used in financing activities	(43,503)	507,269	(80,387)
Cash and cash equivalents at end of period	254,641	896,809	246,254

(3) Dividends *(Yen)*

	2nd quarter end	Fiscal year end	Total
Year ended March 31, 2025	40.00	20.00	-
Year ending March 31, 2026	0.00	-	-
Year ending March 31, 2026 (forecast)	-	0.00	-

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

Number of consolidated subsidiaries	340
Number of associates accounted for using the equity method	4

	Change from March 31, 2025	Change from December 31, 2024
Number of companies newly consolidated	4	4
Number of companies excluded from consolidation	6	8
Number of companies newly accounted for using the equity method	0	1
Number of companies excluded from using the equity method	0	0

(Notes)1. The amounts of percentage in "(1) Summary of Consolidated Financial Performance" represent percentage of sales.
2. "Earnings per share attributable to owners of the parent-basic" and "Earnings per share attributable to owners of the parent-diluted" have been calculated based on figures of "Profit attributable to owners of the parent".
3. NIDEC implemented a two-for-one common stock split, effective October 1, 2024. Earnings per share attributable to owners of the parent-basic and Earnings per share attributable to owners of the parent-diluted were calculated on the assumption that the relevant stock split had been implemented at the beginning of the year ended March 31, 2025.
4. The Company carried out a two-for-one stock split of shares of common stock on October 1, 2024. For this reason, the year-end dividend per share for the fiscal year ended March 31, 2025 is presented in an amount that takes the impact of this stock split into account. The total amount of annual dividends for the fiscal year ended March 31, 2025 is not shown because a simple sum cannot be calculated due to the stock split. The annual dividends per share before the stock split are 40 yen at the end of the fiscal year and 80 yen in total.

TRANSLATION

Following is an English translation of the Independent Auditor's Interim Review Report on the Quarterly Consolidated Financial Statements. This report is presented merely as supplemental information.

Independent Auditor's Interim Review Report on the Quarterly Consolidated Financial Statements
(filed with the quarterly financial results)

September 30, 2026

To the Board of Directors of
NIDEC CORPORATION:

PricewaterhouseCoopers Japan LLC
Kyoto Office
Designated Limited Liability Partner, Engagement Partner,
Certified Public Accountant: Yoshihisa Chiyoda

Designated Limited Liability Partner, Engagement Partner,
Certified Public Accountant: Yuichiro Amano

Designated Limited Liability Partner, Engagement Partner,
Certified Public Accountant: Toshio Soeno

Designated Limited Liability Partner, Engagement Partner,
Certified Public Accountant: Makoto Shimizuike

Disclaimer of Conclusion

We have reviewed the condensed quarterly consolidated financial statements of NIDEC CORPORATION (the "Company") and its consolidated subsidiaries (collectively, the "Group") included in the "Attachments" to the quarterly financial results, which comprise the condensed quarterly consolidated statement of financial position, condensed quarterly consolidated statements of income and comprehensive income, condensed quarterly consolidated statement of changes in equity, condensed quarterly consolidated statement of cash flows, and notes to the condensed quarterly consolidated financial statements for the third-quarter consolidated accounting period from October 1, 2025 to December 31, 2025 and the nine-month period from April 1, 2025 to December 31, 2025 of the consolidated fiscal year from April 1, 2025 to March 31, 2026.

Given the significance of the possible effects on the condensed quarterly consolidated financial statements of the matters described in the "Basis for Disclaimer of Conclusion," we were unable to obtain sufficient appropriate evidence to provide a basis for a conclusion as to whether anything had come to our attention that caused us to believe that the condensed quarterly consolidated financial statements had not been prepared, in all material respects, in accordance with Article 5, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. prescribed by the Tokyo Stock Exchange, Inc. (with the omission of disclosures permitted under Article 5, Paragraph 5 of those standards). Accordingly, we do not express a conclusion on the condensed quarterly consolidated financial statements.

Basis for Disclaimer of Conclusion

Corporate Governance

As described in Note 7, Additional Information, "Improper Accounting Practices and Other Related Matters," to the condensed quarterly consolidated financial statements, the Company established a Third-Party Committee on September 3, 2025, received the investigation report from the Third-Party Committee on February 27, 2026, and received the investigation report (supplement) as its final report on April 17, 2026. The investigation reports describe numerous instances of improper accounting practices carried out at various operating bases within the Company and its group companies with the involvement or knowledge of management, including premature revenue recognition, understatement of provisions, overstatement of inventories, avoidance of impairment losses on fixed assets, and capitalization of expenses. The reports further identified instances in which management or accounting personnel of the Company and its group companies provided inaccurate or misleading information to the independent auditor, concealed relevant documents, or provided altered records in order to obtain the independent auditor's concurrence. The improper accounting practices identified by the Third-Party Committee have been corrected in the condensed quarterly consolidated financial statements.

However, as described in the note "Status of the Company's Remediation Measures Relating to Corporate Governance," the Company has identified certain officers and employees of the Company and its group companies who participated in, directed, or had knowledge of the improper accounting practices, or who provided false explanations to the independent auditor, and is evaluating and

taking remedial personnel actions to determine appropriate measures; however, some of those actions have not been completed. As a result, certain officers and employees who participated in, directed, or had knowledge of the improper accounting practices, or who provided false explanations to the independent auditor, continue to hold positions of responsibility within the financial reporting process of the Company and its group companies.

The matters identified in the Third-Party Committee's reports indicate that material weaknesses existed in the control environment over an extended period and raise substantial concerns regarding whether the Company's governance and control environment relating to financial reporting is operating effectively, including whether the risk of management override of controls has been sufficiently mitigated. This condition also affects the reliability of records, documents and information submitted to the independent auditor by, or prepared, responded to, or reviewed by, individuals involved in the improper accounting practices, as well as the reliability of management representations provided to the independent auditor.

During the course of our interim review, we concluded that information obtained from officers and employees involved in these improper accounting practices had a significant effect on the reliability of management representations as evidence and on the persuasiveness of the evidence as a whole. Because some remedial personnel actions had not been completed as of the date the condensed quarterly consolidated financial statements were prepared and individuals involved in the improper accounting practices continue to participate in the financial reporting process, we were unable to obtain sufficient appropriate evidence as to whether the improper accounting practices corrected or determined by the Company to require correction were complete, or whether undetected misstatements arising from the risk of management override existed as a result of those individuals' involvement in the financial reporting process and, if so, the nature, extent and effects thereof.

Accordingly, as described in the note "Status of the Company's Remediation Measures Relating to Corporate Governance," although the Company is evaluating and taking remedial personnel actions to determine appropriate measures for individuals involved in the improper accounting practices, some of those remedial personnel actions have not been completed, and it has not been sufficiently demonstrated that successor personnel have assumed responsibility for financial reporting and are appropriately performing their responsibilities. We therefore concluded that the possible effects of any undetected misstatements on the condensed quarterly consolidated financial statements would not be confined to specific line items or disclosures and could be material and pervasive. As a result, we were unable to determine whether any adjustments to the condensed quarterly consolidated financial statements were necessary.

Impairment

Under IAS 36, Impairment of Assets, an impairment loss is required to be recognized for non-financial assets presented in the condensed quarterly consolidated statement of financial position when the recoverable amount falls below the carrying amount.

The Company groups assets based on the smallest identifiable group of assets that generates cash inflows that are largely independent (a cash-generating unit). Goodwill acquired in a business combination is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination, and impairment losses are measured based on estimated future cash flows and other assumptions. As a result, the Company recognized impairment losses during the nine-month period. However, as of the date of this report, we have not obtained sufficient appropriate evidence regarding the reasonableness of the accounting estimates relating to the amount and period allocation of impairment losses for certain cash-generating units or groups of cash-generating units.

IAS 36, Impairment of Assets, requires future cash flow projections to be based on reasonable and supportable assumptions. However, as described under "Corporate Governance," information obtained from individuals who may have been involved in the improper accounting practices has a significant effect on the persuasiveness of evidence relating to impairment of assets submitted to us and on the reliability of management representations.

In addition, the Company has restated the comparative information because the opening balances of non-financial assets of certain cash-generating units or groups of cash-generating units had been overstated in light of the improper accounting practices. Under IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, a prior-period restatement must be based on information that was available when the original consolidated financial statements were authorized for issue, without using facts or outcomes identified subsequently. Specifically, revised cash flow projections and significant assumptions included in the underlying business plans are required to reflect information available at the relevant dates and not information or assumptions developed subsequently. Because we did not obtain sufficient necessary explanations from the Company as to whether prior-period corrections were based on information available at the relevant dates without using hindsight, we were unable to obtain sufficient appropriate evidence supporting that the restatement had been measured based on information available at those dates.

Accordingly, we were unable to determine whether the impairment losses recognized by the Company complied with the requirements of IAS 36 and IAS 8.

Comparative Information

The Company received the investigation reports from the Third-Party Committee, considered the improper accounting practices based on those reports, completed its own investigation and the investigation relating to trade transactions and tariffs, and restated the comparative information based on the results. However, for the reasons described under "Corporate Governance" and "Impairment," because individuals involved in the improper accounting practices continue to hold positions of responsibility within the financial reporting process of the Company and its group companies, we were unable to determine the appropriateness and completeness of the restated amounts and disclosures included in the consolidated financial statements for the fiscal year from April 1, 2024 to March 31,

2025 and the condensed quarterly consolidated financial statements for the third quarter of the fiscal year ended March 31, 2025, which are presented as comparative information.

We were unable to obtain evidence to provide a basis for expressing a conclusion on the condensed quarterly consolidated financial statements for the third-quarter consolidated accounting period and the nine-month period of the current consolidated fiscal year. In addition, we concluded that the possible effects on the condensed quarterly consolidated financial statements of potentially required additional adjustments described under "Corporate Governance," the amount and period allocation of impairment losses described under "Impairment," and the disclosures relating to comparative information described under "Comparative Information" could be material and pervasive. If undetected misstatements exist, their possible effects would not be confined to specific line items or disclosures and could be material and pervasive to the condensed quarterly consolidated financial statements as a whole. Accordingly, we were unable to determine whether any adjustments to the condensed quarterly consolidated financial statements were necessary.

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

Management is responsible for the preparation of the condensed quarterly consolidated financial statements in accordance with Article 5, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. prescribed by the Tokyo Stock Exchange, Inc. (with the omission of disclosures permitted under Article 5, Paragraph 5 of those standards), and for such internal control as management determines is necessary to enable the preparation of condensed quarterly consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the condensed quarterly consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the condensed quarterly consolidated financial statements on a going concern basis and for disclosing, when required under Article 5, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. prescribed by the Tokyo Stock Exchange, Inc. (with the omission of disclosures permitted under Article 5, Paragraph 5 of those standards), matters related to going concern.

The Audit and Supervisory Committee is responsible for overseeing the directors' execution of their duties in designing and operating the financial reporting process.

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

Our responsibility is to conduct an interim review in accordance with interim review standards generally accepted in Japan and to express a conclusion on the condensed quarterly consolidated financial statements from an independent standpoint in our interim review report. However, as described in the "Basis for Disclaimer of Conclusion" section of our report, we were unable to obtain evidence to provide a basis for expressing a conclusion on the condensed quarterly consolidated financial statements. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements in Japan, including provisions applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

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

End

Notes: 1. The original of the interim review report above is kept separately by the Company, which is the company disclosing the quarterly financial results.

2. XBRL data and HTML data are not included in the scope of the interim review.

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