

[Translation]

# Amendment Report on Quarterly Report

(The First Quarter of 50th Business Term)

From April 1, 2022 to June 30, 2022

NIDEC CORPORATION

[Cover]	
[Document Filed]	Amendment Report on Quarterly Report (“Shihanki Hokokusho no Teisei Hokokusho”)
[Applicable Law]	Article 24-4-7, Paragraph 4 of the Financial Instruments and Exchange Act of Japan
[Filed with]	Director-General of the Kanto Local Finance Bureau
[Filing Date]	May 24, 2024
[Fiscal Year]	The First Quarter of 50th Business Term (from April 1, 2022 to June 30, 2022)
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[Company Name in English]	NIDEC CORPORATION
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[Place Where Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo)

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

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

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

## **Reason for submitting an amendment report on quarterly report**

### **(1) Details**

It became clear that, at Nidec Drive Technology, a consolidated subsidiary of the Company, the wrong data was identified for part of the adjustment, such as sales accompanied by transactions between consolidated subsidiaries of the Company's business group in its consolidated account closing procedure, resulting in sales recorded in an inflated manner.

We discussed this issue and the amount of the impact with PricewaterhouseCoopers Japan LLC, the accounting auditor of the Company. Considering the importance of the influences, we finally concluded to amend previous years' Securities Reports and Financial Statements Summary. And we also decided to amend Internal Control Report in accordance with Article 24-4-5(1) of the Financial Instruments and Exchange Act.

We have also revised the amount that had been disclosed through provisional accounting by the implementation of business combinations to the amount after the revision of the initial allocation of acquisition costs due to the finalization of the processing.

Moreover, in revising Securities Reports and Financial Statements Summary, we have revised uncorrected matters that were individually immaterial, and properly reflected the revisions in the consolidated financial statements after amendment.

The Company has amended the consolidated financial statements for each quarter from fiscal year 2022 to fiscal year 2023 by correcting above items.

### **(2) Overview**

#### **1) Corrections to accounting treatment related to consolidated adjustments such as sales**

It became clear that, at Nidec Drive Technology, a consolidated subsidiary of the Company, there were errors in the consolidation adjustment, such as sales accompanied by transactions between consolidated subsidiaries of the Company's business group in its consolidated account closing procedure, and as a result, we have corrected them

#### **2) Corrections by self-checking**

We also have revised small errors that were found in our self-checking process and other matters that had not been corrected from the view point of importance.

#### **3) Corrections to income taxes**

Deferred tax assets and liabilities have been revised due to fluctuations in temporary differences by above corrections to accounting treatment for previous fiscal years.

Due to these corrections to the financial results, some of the items stated in the quarterly report on the first quarter of the 50th Business Term (April 1, 2022 to June 30, 2022) submitted on August 9, 2022 had to be corrected. Therefore, the Company submitted amendment report on quarterly report in accordance with Article 24-4-7(4) of the Financial Instruments and Exchange Act.

PricewaterhouseCoopers Japan LLC conducted quarterly review to the condensed quarterly consolidated financial statements after amendment, and its quarterly review report is attached.

# Part I Information on the Company

## I. Overview of the Company

### 1. Key Financial Data

(Yen in millions, unless otherwise indicated)

	For the three months ended June 30,		For the year ended March 31, 2022
	2021	2022	
Net sales	447,470	<u>530,183</u>	1,918,174
Profit before income taxes	43,752	<u>51,025</u>	170,032
Profit attributable to owners of the parent	33,451	<u>36,613</u>	135,759
Comprehensive income attributable to owners of the parent	38,670	<u>184,054</u>	291,328
Total equity attributable to owners of the parent	1,110,766	<u>1,421,829</u>	1,292,241
Total assets	2,281,013	<u>2,896,745</u>	2,678,483
Earnings per share attributable to owners of the parent - basic (yen)	57.14	<u>63.35</u>	232.40
Earnings per share attributable to owners of the parent - diluted (yen)	-	-	-
Ratio of total equity attributable to owners of the parent to total assets (%)	48.7	49.1	48.2
Net cash provided by operating activities	23,048	<u>24,477</u>	94,994
Net cash used in investing activities	(22,047)	(46,326)	(112,597)
Net cash provided by (used in) financing activities	(51,560)	(31,092)	(64,393)
Cash and cash equivalents at end of period	173,619	190,760	199,655

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

2. As the Company prepares its condensed quarterly consolidated financial statements, its non-consolidated financial data are not presented.

3. Figures shown in yen in millions are rounded to the nearest million.

4. “Earnings per share attributable to owners of the parent - basic” and “Earnings per share attributable to owners of the parent - diluted” have been calculated based on figures of “Profit attributable to owners of the parent”. “Earnings per share attributable to owners of the parent - diluted” are not presented because there were no securities with dilutive effect.

5. NIDEC finalized the provisional accounting treatment for the business combination in the three months ended June 30, 2022. Consolidated financial statements for the year ended March 31, 2022 reflect the revision of the initially allocated amounts of acquisition cost as NIDEC finalized the provisional accounting treatment for the business combination. Details regarding for the three months ended June 30, 2022 are stated in “IV. Condensed Quarterly Consolidated Financial Statements and Other Information, 1. Condensed Quarterly Consolidated Financial Statements, Notes to Condensed Quarterly Consolidated Financial Statements, 7. Business combinations”.

## ***2. Description of Business***

There were no significant changes in NIDEC's businesses during the three months ended June 30, 2022. Moreover, there were no changes in principal subsidiaries and associates.

The reporting segment classification was changed. For details, please refer to “ IV. Condensed Quarterly Consolidated Financial Statements and Other Information, 1. Condensed Quarterly Consolidated Financial Statements, Notes to Condensed Quarterly Consolidated Financial Statements 5. Segment Information”.

## **II. Business Overview**

### ***1. Risk Factors***

There were no new risk factors recognized during the three months ended June 30, 2022. There were no material changes in the risk factors stated in the annual securities report for the previous fiscal year pursuant to the Financial Instruments and Exchange Act of Japan.

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

Forward-looking statements below were determined as of June 30, 2022.

NIDEC finalized the provisional accounting treatment for the business combination in the three months ended June 30, 2022. Consolidated financial statements for the year ended March 31, 2022 reflect the revision of the initially allocated amounts of acquisition cost as NIDEC finalized the provisional accounting treatment for the business combination.

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

The IMF expects global economic growth in calendar year 2022 to be +3.6% as of April 2022. In addition to the Federal Reserve Board, the European Central Bank and the Swiss National Bank also raised interest rates during the fiscal year. As a result, the macro demand environment has changed. Demand conditions were severe with the slowdown in the number of housing starts in the United States, a peak in sales of IT equipment and home appliances, and the failure of automobile production to return to a recovery trend. Rising raw material prices and supply chain disruptions continued in the fiscal year due to increased geopolitical risks and the lockdown in China caused by the spread of COVID-19. Moreover, the yen has depreciated against the U.S. dollar to the upper 130 yen in the fiscal period end.

The following table sets forth consolidated operating results for the three months ended June 30, 2022:

(Yen in millions)

	For the three months ended June 30,		Increase or decrease	Ratio of change
	2021	2022		
Net sales	447,470	<u>530,183</u>	<u>82,713</u>	<u>18.5%</u>
Operating profit	44,555	<u>38,696</u>	<u>(5,859)</u>	<u>(13.2)%</u>
Operating profit ratio	10.0%	<u>7.3%</u>	-	-
Profit before income taxes	43,752	<u>51,025</u>	<u>7,273</u>	<u>16.6%</u>
Profit for the period from continuing operations	33,384	<u>37,179</u>	<u>3,795</u>	<u>11.4%</u>
Loss for the period from discontinued operations	(39)	(140)	(101)	-
Profit attributable to owners of the parent	33,451	<u>36,613</u>	<u>3,162</u>	<u>9.5%</u>

Consolidated net sales from continuing operations increased 18.5% to ¥530,183 million for this three-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥67,200 million. We renewed the highest record of the quarterly consolidated accounting period, despite the continued influences of the lockdown caused by COVID-19, the Russian invasion of Ukraine, and difficulties in procuring semiconductors and other electronic components among customers.

Operating profit decreased 13.2% to ¥38,696 million for this three-month period compared to the same period of the previous year, including a positive effect of the foreign currency exchange rates by approximately ¥8,700 million, due to continuous manufacturing cost improvement, fixed cost rationalization, and reflections to sales prices for global rise in costs.

Profit before income taxes increased 16.6% to ¥51,025 million and profit for the period from continuing operations increased 11.4% to ¥37,179 million. Both renewed the highest records of the quarterly consolidated accounting periods. Profit attributable to owners of the parent increased 9.5% to ¥36,613 million compared to the same period of the previous year.

The following table sets forth operating results by segment:

(Yen in millions)

	For the three months ended June 30,					
	Net sales			Operating profit (loss)		
	2021	2022	Increase or decrease	2021	2022	Increase or decrease
SPMS	81,106	<u>88,187</u>	<u>7,081</u>	9,360	<u>10,073</u>	<u>713</u>
AMEC	52,585	64,337	11,752	(966)	(6,246)	(5,280)
MOEN	74,456	89,644	15,188	8,593	8,599	6
ACIM	92,206	111,805	19,599	7,701	5,881	(1,820)
Nidec Sankyo	36,985	42,205	5,220	3,704	4,706	1,002
Nidec Techno Motor	24,544	25,799	1,255	3,316	3,406	90
Nidec Mobility	22,844	26,065	3,221	2,321	2,676	355
Nidec Shimpo	20,625	<u>30,012</u>	<u>9,387</u>	3,373	<u>(516)</u>	<u>(3,889)</u>
Nidec Read	12,097	17,869	5,772	3,321	5,165	1,844
Others	50,200	51,910	1,710	7,134	8,210	1,076
Elimination/corporate	(20,178)	(17,650)	2,528	(3,302)	(3,258)	44
Consolidated total	447,470	<u>530,183</u>	<u>82,713</u>	44,555	<u>38,696</u>	<u>(5,859)</u>

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

2. NIDEC has changed its reporting segment classification in the three months ended June 30, 2022. For details, please refer to “ IV. Condensed Quarterly Consolidated Financial Statements and Other Information, 1. Condensed Quarterly Consolidated Financial Statements, Notes to Condensed Quarterly Consolidated Financial Statements 5. Segment Information”.

Net sales of SPMS increased ¥7,081 million to ¥88,187 million for this three-month period compared to the same period of the prior year. This increase was due to strong sales of IT fan motors, high-efficiency motors for home appliance, and thermal solution products for game consoles and other products and a positive effect of the fluctuations of the foreign currency exchange rates despite a decrease in the number of HDD motors sold. Operating profit increased ¥713 million to ¥10,073 million for this three-month period compared to the same period of the prior year. This increase was due to continuous manufacturing cost improvement, fixed cost rationalization, and reflections to sales prices for global rise in costs.

Net sales of AMEC increased ¥11,752 million to ¥64,337 million for this three-month period compared to the same period of the prior year. This increase was due to a positive effect of the fluctuations of the foreign currency exchange rates. Operating profit (loss) was ¥6,246 million operating loss for this three-month period. This decrease of loss was due to continuous recording development costs and others for the traction motor system (E-Axle) in high demand.

Net sales of MOEN increased ¥15,188 million to ¥89,644 million for this three-month period compared to the same period of the prior year. This increase was due to an increase in sales for power generator business and a positive effect of the fluctuations of the foreign currency exchange rates. Operating profit increased ¥6 million to ¥8,599 million for this three-month period compared to the same period of the prior year. This increase was due to an increase in sales.

Net sales of ACIM increased ¥19,599 million to ¥111,805 million for this three-month period compared to the same period of the prior year. This increase was due to an increase in sales for commercial and industrial motors and a positive effect of the fluctuations of the foreign currency exchange rates. Operating profit decreased ¥1,820 million to ¥5,881 million for this three-month period compared to the same period of the prior year. This decrease was due to global rise in costs.

Net sales of Nidec Sankyo increased ¥5,220 million to ¥42,205 million for this three-month period compared to the same period of the prior year. This increase was due to an increase in sales of LCD panel handling robots, semiconductor robots and electronic and optical components. Operating profit increased ¥1,002 million to ¥4,706 million for this three-month period compared to the same period of the prior year. This increase was due to an increase in sales.

Net sales of Nidec Techno Motor increased ¥1,255 million to ¥25,799 million for this three-month period compared to the same period of the prior year. This increase was due to a positive effect of the fluctuations of the foreign currency exchange rates. Operating profit increased ¥90 million to ¥3,406 million for this three-month period compared to the same period of the prior year. This increase was due to an increase in sales.

Net sales of Nidec Mobility increased ¥3,221 million to ¥26,065 million for this three-month period compared to the same period of the prior year. This increase was due to a positive effect of the fluctuations of the foreign currency exchange rates. Operating profit increased ¥355 million to ¥2,676 million for this three-month period. This increase was due to an increase in sales.

Net sales of Nidec Shimo increased ¥9,387 million to ¥30,012 million for this three-month period compared to the same period of the prior year. This increase was due to the entry into machine tool business and can making presses moving towards deplasticization. Operating profit(loss) decreased ¥3,889 million to ¥516 million for this three-month period compared to the same period of the prior year. This increase was due to an increase in sales.

Net sales of Nidec Read increased ¥5,772 million to ¥17,869 million for this three-month period compared to the same period of the prior year. This increase was due to higher sales of semiconductor inspection systems in strong demand for 5G. Operating profit increased ¥1,844 million to ¥5,165 million for this three-month period compared to the same period of the prior year. This increase was due to an increase in sales.

With respect to the Others segment, net sales increased ¥1,710 million to ¥51,910 million for this three-month period compared to the same period of the prior year. Operating profit increased ¥1,076 million to ¥8,210 million for this three-month period compared to the same period of the prior year.



Operating results by product category are as follows:

(Yen in millions)

	For the three months ended June 30,					
	Net sales			Operating profit (loss)		
	2021	2022	Increase or decrease	2021	2022	Increase or decrease
Small precision motors	101,306	<u>110,489</u>	<u>9,183</u>	12,305	<u>12,956</u>	<u>651</u>
Automotive products	97,747	113,280	15,533	4,892	(32)	(4,924)
Appliance, commercial and industrial products	186,432	222,686	36,254	19,619	17,903	(1,716)
Machinery	44,651	<u>63,537</u>	<u>18,886</u>	8,609	<u>7,463</u>	<u>(1,146)</u>
Electronic and optical components	16,417	19,235	2,818	2,302	3,453	1,151
Other products	917	956	39	88	84	(4)
Elimination/corporate	-	-	-	(3,260)	(3,131)	129
Consolidated total	447,470	<u>530,183</u>	<u>82,713</u>	44,555	<u>38,696</u>	<u>(5,859)</u>

Net sales of small precision motors increased 9.1% to ¥110,489 million for this three-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥14,800 million. Net sales of spindle motors for HDDs decreased 9.2% to ¥20,923 million for this three-month period compared to the same period of the previous year, mainly due to a decrease in the number of units sold. On the other hand, net sales of other small precision motors increased 14.4% to ¥89,566 million for this three-month period compared to the same period of the previous year, due to strong sales of IT fan motors, high-efficiency motors for home appliance, and thermal solution products for game consoles and other products. Operating profit of this category increased 5.3% to ¥12,956 million for this three-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥2,000 million, due to continuous manufacturing cost improvement, fixed cost rationalization, and reflections to sales prices for global rise in costs.

Under the continued influences of the lockdown caused by COVID-19, the Russian invasion of Ukraine, and difficulties in procuring semiconductors and other electronic components among customers, net sales of automotive products increased 15.9% to ¥113,280 million for this three-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥13,100 million. Operating profit (loss) of this category decreased ¥4,924 million to ¥32 million for this three-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥3,900 million, due to continuing development costs and others for the traction motor system (E-Axle) in high demand in addition to the above factors.

Under the continued influences of the lockdown caused by COVID-19 and the Russian invasion of Ukraine, net sales of appliance, commercial and industrial products increased 19.4% to ¥222,686 million for this three-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥32,900 million, due to higher sales of power generator business that has received lots of large orders. Operating profit of this category decreased 8.7% to ¥17,903 million for this three-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥2,300 million. This was mainly due to the changes in product mix, despite continuous manufacturing cost improvement, fixed cost rationalization, and reflections to sales prices for global rise in costs.

Net sales of machinery significantly increased 42.3% to ¥63,537 million for this three-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥4,400 million, due to the entry into machine tool business in addition to higher sales of semiconductor inspection systems in strong demand for 5G, and can making presses moving towards deplasticization. Operating profit of this category decreased 13.3% to ¥7,463 million for this three-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥300 million.

Net sales of electronic and optical components increased 17.2% to ¥19,235 million for this three-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥2,000 million. Operating profit of this category increased 50.0% to ¥3,453 million for this three-month period compared to the same period of the previous year, including a positive effect of the fluctuations of the foreign currency exchange rates by approximately ¥300 million.

Net sales of other products increased 4.3% to ¥956 million and operating profit of this category decreased 4.5% to ¥84 million for this three-month period compared to the same period of the previous year.

## (2) Financial position

Total assets increased ¥218,262 million to ¥2,896,745 million as of June 30, 2022 compared to March 31, 2022. This was mainly due to increases of ¥81,573 million in inventories, ¥29,037 million in trade and other receivables, and ¥67,209 million in property, plant and equipment.

Total liabilities increased ¥87,167 million to ¥1,448,952 million as of June 30, 2022 compared to March 31, 2022. This was mainly due to an increase of ¥17,840 million in trade and other payables and ¥33,661 million in interest-bearing debt. Specifically, short term borrowings increased ¥27,881 million to ¥158,516 million, long term debt due within one year increased ¥50,558 million to ¥193,759 million and long term debt decreased ¥44,778 million to ¥277,096 million as of June 30, 2022 compared to March 31, 2022.

Total equity attributable to owners of the parent increased ¥129,588 million to ¥1,421,829 million as of June 30, 2022 compared to March 31, 2022. Ratio of total equity attributable to owners of the parent to total assets increased to 49.1% as of June 30, 2022 from 48.2% as of March 31, 2022. This was mainly due to increases in retained earnings of ¥17,440 million and other components of equity of ¥146,353 million.

## (3) Cash flows

### (Cash flows from operating activities)

Net cash provided by operating activities for the three months ended June 30, 2022 amounted to ¥24,477 million mainly due to ¥37,039 million in profit for the period and ¥6,587 million decrease in accounts receivable and other factors, despite ¥42,984 million increase in inventories and ¥24,067 million decrease in accounts payable. Net cash provided by operating activities increased by ¥1,429 million year on year.

### (Cash flows from investing activities)

Net cash used in investing activities for the three months ended June 30, 2022 amounted to ¥46,326 million mainly due to additions to property, plant and equipment of ¥36,842 million and other factors. Net cash used in investing activities increased by ¥24,279 million year on year.

### (Cash flows from financing activities)

Net cash used in financing activities for the three months ended June 30, 2022 amounted to ¥31,092 million mainly due to purchase of treasury stock of ¥34,357 million and other factors. Net cash used in financing activities decreased by ¥20,468 million year on year.

As a result of aforementioned factors and the impact of foreign exchange rates, the balance of cash and cash equivalents as of June 30, 2022 decreased by ¥8,895 million to ¥190,760 million from March 31, 2022.

The main currencies we had as of June 30, 2022 were U.S. dollars, Chinese yuan, Japanese yen, Korean won, and Euros. All the above amounts include discontinued operations.

#### (4) Management targets

We have set a medium-term strategic target for fiscal year 2025 (Vision2025) and aim to be a growing company that is strongly adapted to changes in the environment.

The outline is as follows.

##### FY2021 to FY2022

- 1) Target for consolidated net sales : ¥2 trillion
- 2) Productivity improvement : To increase sales and profit per employee by 30% compared to FY2020
- 3) ROIC (Return On Invested Capital) : over 10%
- 4) To be a top-rated ESG company

##### FY2023 to FY2025

- 1) Target for consolidated net sales : ¥4 trillion
- 2) Productivity improvement : To double sales and profit per employee compared to FY2020
- 3) ROIC (Return On Invested Capital) : over 15%
- 4) To be a top-rated ESG company

#### (5) Research and development

NIDEC's research and development expenses for the three months ended June 30, 2022 were ¥17,745 million. There were no significant changes in research and development activities for the period.

#### (6) Production, Orders Received and Sales

Production, orders received and sales in the "MOEN / Nidec Shimpo / Nidec Read" segments mainly for the three months ended June 30, 2022 increased compared to the three months ended June 30, 2021.

Production, orders received and sales in the "Nidec Shimpo" segment for the three months ended June 30, 2022 increased compared to the three months ended June 30, 2021 with the acquisitions of Mitsubishi Heavy Industries Machine Tool Co., Ltd. (currently, "Nidec Machine Tool") in the three months ended September 30, 2021, and OKK Co., Ltd. (currently, "Nidec OKK") in the three months ended March 31, 2022 and others.

### 3. *Material Agreements, etc.*

During the three months ended June 30, 2022, there were no decisions or executions regarding material agreements, etc.

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

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

(1) Total number of shares, etc.

1) Total number of shares

Class	Total number of shares authorized to be issued (Shares)
Ordinary share	1,920,000,000
Total	1,920,000,000

2) Issued shares

Class	Number of shares issued as of the end of first quarter (Shares) (June 30, 2022)	Number of shares issued as of the filing date (Shares) (August 9, 2022)	Stock exchange on which the Company is listed or authorized financial instruments firms association where the Company is registered	Description
Ordinary share	596,284,468	596,284,468	Tokyo Stock Exchange, Inc. (Prime Market)	This is our standard share. There is no restriction on contents of the right of the share. The number of shares per one unit of shares is 100 shares.
Total	596,284,468	596,284,468	-	-

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

1) Details of share option plans

Not applicable.

2) Other information about share acquisition rights

Not applicable.

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

Not applicable.

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

Date	Change in the total number of issued shares (Shares)	Balance of the total number of issued shares (Shares)	Change in common stock (Yen in millions)	Balance of common stock (Yen in millions)	Change in capital reserve (Yen in millions)	Balance of capital reserve (Yen in millions)
From Apr 1, 2022 to June 30, 2022	-	596,284,468	-	87,784	-	92,005

(5) Major shareholders

Not applicable.

(6) Information on voting rights

Information on voting rights as of March 31, 2022 is stated in this item because the Company cannot identify the number of voting rights as of June 30, 2022 due to the lack of information on the details entered in the shareholders registry as of June 30, 2022.

1) Issued shares

(As of June 30, 2022)

Classification	Number of shares (Shares)	Number of voting rights	Description
Shares without voting rights	-	-	-
Shares with restricted voting rights (treasury stock, etc.)	-	-	-
Shares with restricted voting rights (others)	-	-	-
Shares with full voting rights (treasury stock, etc.)	Ordinary share 15,547,500	-	-
Shares with full voting rights (others)	Ordinary share 580,146,500	5,801,465	-
Shares less than one unit	Ordinary share 590,468	-	-
Number of issued shares	596,284,468	-	-
Total number of voting rights	-	5,801,465	-

- (Notes) 1. The “Shares with full voting rights (others)” row includes 71,000 shares registered in the name of Japan Securities Depository Center (“JASDEC”) and the “Number of voting rights” column includes 710 voting rights for those shares. The “Shares with full voting rights (others)” row includes 400 shares registered in the name of Nidec-Shimpo Corporation (shares that were not registered when the shares were exchanged with the Company on October 1, 2003) and the “Number of voting rights” column includes 4 voting rights for those shares. Nidec-Shimpo Corporation does not substantially own the 400 shares (4 voting rights) registered in its name.
2. Ordinary shares in the “Shares less than one unit” row include 6 shares of the Company’s treasury stock.
3. Ordinary shares in the “Shares with full voting rights (others)” row include 317,000 shares (3,170 voting rights) of the BIP Trust and 158,400 shares (1,584 voting rights) of the ESOP Trust.

2) Treasury stock, etc.

(As of June 30, 2022)

Name of shareholder	Address	Number of shares held under own name (Shares)	Number of shares held under the name of others (Shares)	Total number of shares held (Shares)	Ownership percentage to the total number of issued shares (%)
Nidec Corporation	338 Kuzetonoshiro-cho, Minami-ku, Kyoto	15,547,500	-	15,547,500	2.60
Total	-	15,547,500	-	15,547,500	2.60

- (Notes) 1. The number of shares held under own name (except for shares less than one unit) is 19,647,800, as of June 30, 2022.
2. The Company’s shares owned by the BIP Trust and the ESOP Trust are not included in the above treasury stock.

**2. Members of the Board of Directors**

There were no changes in Members of the Board of Directors of Nidec Corporation from the filing date of the Annual Securities Report for the previous fiscal year pursuant to the Financial Instruments and Exchange Act of Japan to June 30, 2022.

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

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

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

*(Yen in millions)*

	Note	As of March 31, 2022	As of June 30, 2022
Assets			
Current assets			
Cash and cash equivalents		199,655	190,760
Trade and other receivables		572,123	<u>601,160</u>
Other financial assets	13	4,828	3,240
Income tax receivables		8,290	<u>12,594</u>
Inventories		457,372	<u>538,945</u>
Other current assets		50,391	<u>51,233</u>
Total current assets		1,292,659	<u>1,397,932</u>
Non-current assets			
Property, plant and equipment		764,397	831,606
Goodwill	8	339,904	363,427
Intangible assets	8	214,498	231,858
Investments accounted for using the equity method		1,241	5,556
Other investments	13	20,839	21,266
Other financial assets	13	6,613	6,563
Deferred tax assets		21,545	21,746
Other non-current assets		16,787	16,791
Total non-current assets		1,385,824	1,498,813
Total assets		2,678,483	<u>2,896,745</u>

*(Yen in millions)*

	Note	As of March 31, 2022	As of June 30, 2022
<b>Liabilities</b>			
Current liabilities			
Short term borrowings	13	130,635	158,516
Long term debt due within one year	13	143,201	193,759
Trade and other payables		526,108	<u>543,948</u>
Other financial liabilities	13	2,155	6,143
Income tax payables		20,083	30,489
Provisions		36,691	41,857
Other current liabilities		79,917	91,005
Total current liabilities		<u>938,790</u>	<u>1,065,717</u>
Non-current liabilities			
Long term debt	13	321,874	277,096
Other financial liabilities	13	264	256
Retirement benefit liabilities		36,566	38,394
Provisions		1,121	1,093
Deferred tax liabilities		58,219	<u>59,351</u>
Other non-current liabilities		4,951	7,045
Total non-current liabilities		<u>422,995</u>	<u>383,235</u>
Total liabilities		<u>1,361,785</u>	<u>1,448,952</u>
<b>Equity</b>			
Common stock		87,784	87,784
Additional paid-in capital		103,216	103,368
Retained earnings		1,118,594	<u>1,136,034</u>
Other components of equity		103,919	<u>250,272</u>
Treasury stock		(121,272)	(155,629)
Total equity attributable to owners of the parent		<u>1,292,241</u>	<u>1,421,829</u>
Non-controlling interests		24,457	25,964
Total equity		<u>1,316,698</u>	<u>1,447,793</u>
Total liabilities and equity		<u>2,678,483</u>	<u>2,896,745</u>

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

For the three months ended June 30, 2021 and 2022

Condensed Quarterly Consolidated Statements of Income

(Yen in millions)

	Note	For the three months ended June 30, 2021	2022
Continuing operations			
Net Sales	5	447,470	<u>530,183</u>
Cost of sales		(347,761)	<u>(426,970)</u>
Gross profit		99,709	<u>103,213</u>
Selling, general and administrative expenses		(35,933)	(46,772)
Research and development expenses		(19,221)	(17,745)
Operating profit	5	44,555	<u>38,696</u>
Financial income		1,081	2,184
Financial expenses		(1,229)	(2,267)
Derivative gain (loss)		(2)	-
Foreign exchange differences		(256)	13,450
Share of net profit (loss) from associate accounting using the equity method		(397)	(1,038)
Profit before income taxes		43,752	<u>51,025</u>
Income tax expenses		(10,368)	<u>(13,846)</u>
Profit for the period from continuing operations		33,384	<u>37,179</u>
Discontinued operations			
Loss for the period from discontinued operations	6	(39)	(140)
Profit for the period		33,345	<u>37,039</u>
Profit for the period attributable to:			
Owners of the parent			<u>36,613</u>
Non-controlling interests		33,451	426
Profit for the period		(106)	<u>37,039</u>
		33,345	
Earnings (loss) per share attributable to owners of the parent-basic (yen)	12		
Continuing operations		57.20	<u>63.59</u>
Discontinued operations		(0.07)	(0.24)
Total		57.14	<u>63.35</u>



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

	Note	For the three months ended June 30, 2021	2022
Profit for the period		33,345	<u>37,039</u>
Other comprehensive income, net of taxation			
Items that will not be reclassified to net profit or loss:			
Remeasurement of defined benefit plans		125	819
Fair value movements on FVTOCI equity financial assets		(453)	278
Items that may be reclassified to net profit or loss:			
Foreign currency translation adjustments		5,515	<u>148,670</u>
Effective portion of net changes in fair value of cash flow hedges		164	(1,227)
Fair value movements on FVTOCI debt financial assets		2	(2)
Total other comprehensive income for the period, net of taxation		5,353	<u>148,538</u>
Comprehensive income for the period		38,698	<u>185,577</u>
Comprehensive income for the period attributable to:			
Owners of the parent		38,670	<u>184,054</u>
Non-controlling interests		28	1,523
Comprehensive income for the period		38,698	<u>185,577</u>

### (3) Condensed Quarterly Consolidated Statements of Changes in Equity

For the three months ended June 30, 2021

(Yen in millions)

	Note	Total equity attributable to owners of the parent						Non-controlling interests	Total equity
		Common Stock	Additional paid-in capital	Retained earnings	Other components of equity	Treasury stock	Total		
Balance at April 1, 2021		87,784	105,179	1,016,559	(49,633)	(63,869)	1,096,020	17,915	1,113,935
Comprehensive income									
Profit for the period				33,451			33,451	(106)	33,345
Other comprehensive income					5,219		5,219	134	5,353
Total comprehensive income							38,670	28	38,698
Transactions with owners directly recognized in equity:									
Purchase of treasury stock						(4,833)	(4,833)	-	(4,833)
Dividends paid to the owners of the parent				(17,572)			(17,572)	-	(17,572)
Dividends paid to non-controlling interests							-	(41)	(41)
Share-based payment transactions			104				104	-	104
Transfer to retained earnings				(334)	334		-	-	-
Changes in equity by purchase of shares of consolidated subsidiaries			(1,711)				(1,711)	(1,020)	(2,731)
Other			(1)	10		79	88	8	96
Balance at June 30, 2021		87,784	103,571	1,032,114	(44,080)	(68,623)	1,110,766	16,890	1,127,656

For the three months ended June 30, 2022

(Yen in millions)

	Note	Total equity attributable to owners of the parent						Non-controlling interests	Total equity
		Common Stock	Additional paid-in capital	Retained earnings	Other components of equity	Treasury stock	Total		
Balance at April 1, 2022		87,784	103,216	1,118,594	103,919	(121,272)	1,292,241	24,457	1,316,698
Comprehensive income									
Profit for the period				<u>36,613</u>			<u>36,613</u>	426	<u>37,039</u>
Other comprehensive income					<u>147,441</u>		<u>147,441</u>	1,097	<u>148,538</u>
Total comprehensive income							<u>184,054</u>	1,523	<u>185,577</u>
Transactions with owners directly recognized in equity:									
Purchase of treasury stock						(34,357)	(34,357)	-	(34,357)
Dividends paid to the owners of the parent				(20,309)			(20,309)	-	(20,309)
Dividends paid to non-controlling interests							-	(78)	(78)
Share-based payment transactions			163				163	-	163
Transfer to retained earnings				1,087	(1,087)		-	-	-
Changes in equity by purchase of shares of consolidated subsidiaries			(11)				(11)	(29)	(40)
Other			0	49	(1)		48	91	139
Balance at June 30, 2022		87,784	103,368	<u>1,136,034</u>	<u>250,272</u>	(155,629)	<u>1,421,829</u>	25,964	<u>1,447,793</u>

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Yen in millions)

	Note	For the three months ended June 30,	
		2021	2022
Cash flows from operating activities:			
Profit for the period from continuing operations		33,384	<u>37,179</u>
Loss for the period from discontinued operations	6	(39)	(140)
Profit for the period		33,345	<u>37,039</u>
Adjustments to reconcile profit for the period to net cash provided by operating activities			
Depreciation and amortization		25,050	28,630
Loss (gain) from sales, disposal or impairment of property, plant and equipment		(1,839)	(46)
Loss from sales of discontinued operations		39	140
Financial expenses (income)		288	(255)
Share of net loss (profit) from associate accounting using the equity method		397	1,038
Deferred income taxes		589	<del>(4,089)</del>
Current income taxes		9,779	<u>17,935</u>
Foreign currency adjustments		(5,916)	(6,357)
Increase (decrease) in retirement benefit liability		450	(691)
Decrease (increase) in accounts receivable		(21,053)	<u>6,587</u>
Decrease (increase) in inventories		(38,265)	<del>(42,984)</del>
Increase (decrease) in accounts payable		23,501	<del>(24,067)</del>
Other, net		8,684	<u>23,778</u>
Interests and dividends received		226	2,036
Interests paid		(965)	(1,512)
Income taxes paid		(11,262)	(12,705)
Net cash provided by operating activities		23,048	24,477

*(Yen in millions)*

	Note	For the three months ended June 30,	
		2021	2022
Cash flows from investing activities:			
Additions to property, plant and equipment		(21,179)	(36,842)
Proceeds from sales of property, plant and equipment		3,557	1,051
Additions to intangible assets		(4,203)	(4,925)
Other, net		(222)	(5,610)
Net cash used in investing activities		(22,047)	(46,326)
Cash flows from financing activities:			
Increase (decrease) in short term borrowings		(23,362)	26,514
Repayments of long term debt		(2,341)	(2,827)
Payments for acquisition of interests in subsidiaries from non-controlling interests		(3,079)	(35)
Purchase of treasury stock		(4,833)	(34,357)
Dividends paid to the owners of the parent	11	(17,572)	(20,309)
Other, net		(373)	(78)
Net cash (used in) provided by financing activities		(51,560)	(31,092)
Effect of exchange rate changes on cash and cash equivalents		4,654	44,046
Net increase (decrease) in cash and cash equivalents		(45,905)	(8,895)
Cash and cash equivalents at beginning of period		219,524	199,655
Cash and cash equivalents at end of period		173,619	190,760

## **Notes to Condensed Quarterly Consolidated Financial Statements**

### **1. Reporting entity**

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

The registered addresses of headquarters and principal business offices are available on the Company’s website

(<https://www.nidec.com/en/>).

Condensed quarterly consolidated financial statements as of June 30, 2022 and for the three months then ended consist of the Company and its consolidated subsidiaries (“NIDEC”) and interests in associates of NIDEC.

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

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

### **2. Basis of preparation**

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

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

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

#### **(2) Basis of measurement**

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

#### **(3) Presentation currency and level of rounding**

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

### **3. Significant accounting policies**

Significant accounting policies adopted in preparation of the condensed quarterly consolidated financial statements are consistent with those used in the preparation of the NIDEC's annual consolidated financial statements for the year ended March 31, 2022.

Income taxes for the three months ended June 30, 2022 are computed using the estimated annual effective tax rate.

#### 4. Significant accounting estimates, judgments and assumptions

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

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

Significant accounting estimates and judgments that accompany estimates for the condensed quarterly consolidated financial statements as of June 30, 2022 are same as those estimates and judgments for the consolidated financial statements for the year ended March 31, 2022.

Any unexpected situations of the COVID-19, such as the spread of the new variants of the COVID-19, could have a negative impact on NIDEC's business, operating results and financial position. The Russian invasion of Ukraine could also have a negative impact on NIDEC's business, operating results and financial position. Regarding them, based on the business results for the three months ended June 30, 2022, we have judged that they will not have a significant impact on NIDEC's business results, and we assume that they will not affect accounting estimates as of August 9, 2022, the publication date of the financial results report.

#### 5. Segment information

(Operating segment information)

The operating segments reported below are defined as components of NIDEC about which separate financial information is available that is evaluated regularly by management in deciding how to allocate resources and in assessing performance. Business units and domestic group companies that are currently profit management units of NIDEC are identified as its reportable segments.

NIDEC has changed its operating segment classification in the three months ended June 30, 2022. This was due to review of the report materials by NIDEC's chief operating decision maker. "ACIM" segment is divided into "ACIM" segment and "MOEN" segment. Also Nidec-Read Group, which was previously included in "Other" segment, has been disclosed as "Nidec Read" segment due to its increasing importance from the three months ended June 30, 2022.

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

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 Sankyo	Machinery, automotive products, electronic components and other small precision motors
6. Nidec Techno Motor	Appliance, commercial and industrial products
7. Nidec Mobility	Automotive products
8. Nidec Shimpo	Machinery
9. Nidec Read	Machinery
10. Others	Automotive 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 three months ended June 30,	
	2021	2022
SPMS	80,115	<u>87,639</u>
AMEC	52,243	64,166
MOEN	73,349	88,409
ACIM	90,123	109,336
Nidec Sankyo	36,085	40,584
Nidec Techno Motor	22,320	24,195
Nidec Mobility	22,451	25,597
Nidec Shimpo	17,645	<u>29,605</u>
Nidec Read	12,097	17,869
Others	41,042	42,783
Consolidated net sales	447,470	<u>530,183</u>

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

Net sales to other operating segments:

(Yen in millions)

	For the three months ended June 30,	
	2021	2022
SPMS	991	548
AMEC	342	171
MOEN	1,107	1,235
ACIM	2,083	2,469
Nidec Sankyo	900	1,621
Nidec Techno Motor	2,224	1,604
Nidec Mobility	393	468
Nidec Shimpo	2,980	407
Nidec Read	0	-
Others	9,158	9,127
Total	20,178	17,650
Intersegment elimination	(20,178)	(17,650)
Consolidated net sales	-	-

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



Segment profit/loss:*(Yen in millions)*

	For the three months ended June 30,	
	2021	2022
SPMS	9,360	<u>10,073</u>
AMEC	(966)	(6,246)
MOEN	8,593	8,599
ACIM	7,701	5,881
Nidec Sankyo	3,704	4,706
Nidec Techno Motor	3,316	3,406
Nidec Mobility	2,321	2,676
Nidec Shimpo	3,373	<u>(516)</u>
Nidec Read	3,321	5,165
Others	7,134	8,210
Total	47,857	<u>41,954</u>
Elimination and Corporate (Note)	(3,302)	(3,258)
Operating profit	44,555	<u>38,696</u>
Financial income (expenses)	(148)	(83)
Derivative gain (loss)	(2)	-
Foreign exchange differences	(256)	13,450
Share of net profit (loss) from associate accounting using the equity method	(397)	(1,038)
Profit before income taxes	43,752	<u>51,025</u>

(Notes) 1. "Elimination and Corporate" includes corporate expenses, which do not belong to any operating segment, of ¥3,173 million and ¥3,030 million for the three months ended June 30, 2022 and 2021, respectively. The corporate expenses include basic research expenses and head office expenses.

2. The above amounts no longer include discontinued operations.

(Supplemental Information)

Net sales by type of product are as follows:

Net sales by type of product

(Yen in millions)

	For the three months ended June 30,	
	2021	2022
Small precision motors:		
Hard disk drives spindle motors	23,037	20,923
Other small precision motors	78,269	<u>89,566</u>
Subtotal	101,306	<u>110,489</u>
Automotive products	97,747	113,280
Appliance, commercial and industrial products	186,432	222,686
Machinery	44,651	<u>63,537</u>
Electronic and optical components	16,417	19,235
Other products	917	956
Consolidated net sales	447,470	<u>530,183</u>

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

“Automotive products” consists of automotive motors and components.

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

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

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

“Other products” consists of music boxes and services, etc.

2. The above amounts no longer include discontinued operations.

## 6. Discontinued Operations

NIDEC was ordered sales of the business of compressor for refrigerator of Secop as the condition of acquisition of the compressor business (“Embraco”) of Whirlpool Corporation by European Commission. In accordance with this order, on April 12, 2019, NIDEC conferred effective operational control over Secop on a Hold Separate Manager and a Monitoring Trustee. As a result, NIDEC excluded Secop from consolidation and classified the loss related to this as discontinued operations on consolidated statements of income. NIDEC sold Secop to ESSVP IV L.P., ESSVP IV (Structured) L.P., and Silenos GmbH & Co. KG (collectively “ESSVP IV”), advised by Orlando Management AG (the “Transaction”) on September 9, 2019. Some costs to sell will occur in the future. NIDEC has negotiated the purchase price adjustment and the other factors of the consideration for the sales with Orlando Management AG and ESSVP IV, but NIDEC did not reach an agreement. As the result, NIDEC submitted the request for an arbitration to the German Arbitration Institute (DIS) on January 12, 2021 and the request has been registered at DIS on the same day. It usually takes 18 to 24 months to finalize the arbitration.

### (1) Main reason for the Transaction

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

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

Name of the transferee company	ESSVP IV
Date of the Transaction	September 9, 2019

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

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

### (4) Transition of ownership ratio for the company

Ownership ratio before the transfer	100%
Transferred ownership ratio	100%
Ownership ratio after the transfer	-

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

(Yen in millions)

	For the three months ended June 30,	
	2021	2022
Other loss	(39)	(140)
Loss before income taxes from discontinued operations	(39)	(140)
Loss for the period from discontinued operations	(39)	(140)

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

2. Various conditions for sales of Secop are based on the forecasts as of June 30, 2022, therefore the final loss amount on the sales may change in the future due to the purchase price adjustment and other factors.

(6) Cash flows from the discontinued operations

(Yen in millions)

	For the three months ended June 30,	
	2021	2022
Net cash provided by (used in) operating activities	-	-
Net cash (used in) provided by investing activities	(25)	(97)
Net cash used in financing activities	-	-
Total	(25)	(97)

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

2. Net cash (used in) provided by investing activities includes net cash related to sales of Secop.

## 7. Business combinations

### Purchase price allocation to the assets and the liabilities

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

The amount of impact on the Consolidated Statements of Financial Position for fiscal year 2022 due to the corrections of assets acquired and liabilities assumed through acquisitions in fiscal 2022 is as follows:

*(Yen in millions)*

	Retrospective amendment
Non-current assets	
Property, plant and equipment	(1,589)
Deferred tax assets	483
Other non-current assets	(5)
Acquired assets at fair value	(1,111)
Negative Goodwill	1,111

The amount of impact on the Consolidated Statements of Income for fiscal year 2022 due to the corrections of assets acquired and liabilities assumed through acquisitions in fiscal 2022 is as follows:

*(Yen in millions)*

	Retrospective amendment
Operating profit	(1,113)
Profit before income taxes	(1,113)
Profit for the year attributable to owners of the parent	(1,111)

## 8. Goodwill and intangible assets

Changes in the carrying amounts of goodwill are as follows:

(Yen in millions)

	For the three months ended June 30,	
	2021	2022
Balance at beginning of period		
Goodwill	319,926	339,904
Acquisitions through business combinations	-	-
Sales or disposals	-	-
Translation adjustments and others	734	23,523
Balance at end of period		
Goodwill	320,660	363,427

Intangible assets subject to amortization are as follows:

(Yen in millions)

	As of March 31, 2022		
	Gross carrying amounts	Accumulated amortization	Carrying amounts
Customer relationships	127,861	(44,620)	83,241
Proprietary technology	19,778	(9,019)	10,759
Software	40,045	(23,694)	16,351
Capitalized development costs	45,249	(9,470)	35,779
Others	8,700	(5,218)	3,482
Total	241,633	(92,021)	149,612

(Note) The carrying amounts of software include the right-of-use assets of ¥312 million.

(Yen in millions)

	As of June 30, 2022		
	Gross carrying amounts	Accumulated amortization	Carrying amounts
Customer relationships	138,803	(49,651)	89,152
Proprietary technology	22,298	(9,867)	12,431
Software	42,686	(25,512)	17,174
Capitalized development costs	48,597	(10,741)	37,856
Others	9,204	(5,994)	3,210
Total	261,588	(101,765)	159,823

(Note) The carrying amounts of software include the right-of-use assets of ¥266 million.

Total amortization of intangible assets for the year ended March 31, 2022 and for the three months ended June 30, 2022 amounted to ¥14,906 million and ¥4,133 million, respectively. Total indefinite lived intangible assets amounted to ¥64,886 million and ¥72,035 million as of March 31, 2022 and June 30, 2022, respectively.

## 9. Employee benefits

The amounts of net periodic benefit cost in pension and severance plans for the three months ended June 30, 2021 and 2022 are as follows:

*(Yen in millions)*

	For the three months ended June 30,	
	2021	2022
Net periodic pension cost for defined benefit plans:		
Current service cost	905	782
Interest cost (net)	106	96
Net periodic pension cost for defined benefit plans	1,011	878
Payments to defined contribution pension plans	938	1,446

## 10. Related party transactions

Transactions with related parties for the three months ended June 30, 2021 and 2022 are as follows:

### Sales of goods and services

(Yen in millions)

	For the three months ended June 30,	
	2021	2022
Related parties		
S.N. Kosan, LLC.*1	-	-
Nagamori Foundation*2	3	3
Nagamori Gakuen Educational Foundation*3	0	8
Nagamori Culture Foundation*4	7	6

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

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

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

\*4. A director of NIDEC concurrently serves as president of Nagamori Culture Foundation.

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

### Purchase of goods and services

(Yen in millions)

	For the three months ended June 30,	
	2021	2022
Related parties		
S.N. Kosan, LLC.	3	3
Nagamori Gakuen Educational Foundation	57	2
Nagamori Culture Foundation	-	-

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

### Outstanding balances arising from sales and purchases of goods and services

(Yen in millions)

	March 31, 2022	June 30, 2022
Receivables from related parties		
S.N. Kosan, LLC.	1	1
Nagamori Foundation	0	0
Nagamori Gakuen Educational Foundation	3	2
Nagamori Culture Foundation	0	0
Payables to related parties		
S.N. Kosan, LLC.	-	-
Nagamori Gakuen Educational Foundation	19	-
Nagamori Culture Foundation	0	0

No expected credit loss allowance for receivables from related parties was recognized at March 31, 2022 and June 30, 2022. In addition, there were no expenses recognized during the years ended March 31, 2022 and the three months ended June 30, 2022 in respect of receivables from related parties.



## 11. Dividends

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

For the three months ended June 30, 2021

Resolution date	Class of shares	Total amount of dividends (Yen in millions)	Dividends per share (Yen)	Record date	Effective date
May 27, 2021 Board of directors	Ordinary shares	17,577	30	March 31, 2021	June 1, 2021

(Note) Total dividends resolved at the board of directors on May 27, 2021 included dividends of ¥5 million paid to the treasury shares held by the BIP Trust and the ESOP Trust.

For the three months ended June 30, 2022

Resolution date	Class of shares	Total amount of dividends (Yen in millions)	Dividends per share (Yen)	Record date	Effective date
May 26, 2022 Board of directors	Ordinary shares	20,326	35	March 31, 2022	June 1, 2022

(Note) Total dividends resolved at the board of directors on May 26, 2022 included dividends of ¥16 million paid to the treasury shares held by the BIP Trust and the ESOP Trust.

## 12. Earnings per share

The basis for calculating “Earnings (loss) per share attributable to owners of the parent - basic” is as follows:

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

	For the three months ended June 30,	
	2021	2022
Profit attributable to owners of the parent (Yen in millions)	33,451	<u>36,613</u>
Profit from continuing operations attributable to owners of the parent (Yen in millions)	33,490	<u>36,753</u>
Loss from discontinued operations attributable to owners of the parent (Yen in millions)	(39)	(140)
Weighted average shares (Shares)	585,465,018	577,927,912
Earnings (loss) per share attributable to owners of the parent - basic (Yen)	57.14	<u>63.35</u>
Continuing operations	57.20	<u>63.59</u>
Discontinued operations	(0.07)	(0.24)

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

### 13. Fair values

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

The levels of the fair value hierarchy are as follows:

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

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

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

(Yen in millions)

	As of March 31, 2022		As of June 30, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Short term investments	260	260	297	297
Long term investments	23	25	40	39
Short term loans receivable	14	14	14	14
Long term loans receivable	158	152	170	157
Short term borrowings	(130,635)	(130,635)	(158,516)	(158,516)
Long term debt (including long term debt due within one year and excluding the lease liabilities and corporate bonds)	(20,960)	(20,755)	(20,904)	(20,655)
Corporate bonds (including corporate bonds due within one year)	(402,962)	(399,277)	(405,992)	(399,045)

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

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

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

#### (2) Long term investments

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

#### (3) Long term loans receivable

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

#### (4) Long term debt

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

#### (5) Corporate bonds

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

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

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

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

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

As of March 31, 2022

(Yen in millions)

	Level 1	Level 2	Level 3	Total
Assets				
Marketable securities and other investment securities				
FVTPL equity financial assets	1,940	-	-	1,940
FVTOCI equity financial assets	18,611	-	2,154	20,765
FVTOCI debt financial assets	-	73	-	73
Derivatives	549	1,158	-	1,707
Total financial assets	21,100	1,231	2,154	24,485
Liabilities				
Derivatives	-	151	-	151
Total financial liabilities	-	151	-	151

(Note) There were no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2022.

As of June 30, 2022

(Yen in millions)

	Level 1	Level 2	Level 3	Total
Assets				
Marketable securities and other investment securities				
FVTPL equity financial assets	1,757	-	-	1,757
FVTOCI equity financial assets	18,868	-	2,325	21,193
FVTOCI debt financial assets	-	73	-	73
Derivatives	-	1,029	-	1,029
Total financial assets	20,625	1,102	2,325	24,052
Liabilities				
Derivatives	1,002	112	-	1,114
Total financial liabilities	1,002	112	-	1,114

(Note) There were no transfers between Level 1, Level 2 and Level 3 during the three months ended June 30, 2022.

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

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

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

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

*(Yen in millions)*

	For the three months ended June 30,	
	2021	2022
Balance at beginning of period	1,445	2,154
Gains or losses:		
Recognized in other comprehensive income (Note)	9	171
Balance at end of period	1,454	2,325

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

#### 14. Contingent liabilities

NIDEC has guaranteed ¥10,376 million for bank borrowing by equity method affiliates at June 30, 2022. No material claims have been made against guarantees and NIDEC does not anticipate any material claims.

NIDEC was aware of total contingent liabilities of ¥15,434 million relating to bid bonds, advance payment bonds, performance bonds, warranty bonds and payment bonds at June 30, 2022. Such contingencies relate to the performance of the undergoing projects or projects in its warranty periods. No material claims have been made against the guarantees and NIDEC has not found any event that may result in material claims.

NIDEC held discussions with a certain automobile manufacturer regarding product warranties in the automotive business, and discussed the necessity of bearing costs at June 30, 2022. As there is a possibility that NIDEC's position may be significantly unfavorable, detailed disclosure is not made in accordance with Article 92 of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets.”

#### 15. Commitments

Commitments for expenditures after the closing date are as follows:

*(Yen in millions)*

	As of March 31, 2022	As of June 30, 2022
Property, plant and equipment and other assets	33,764	23,894

## 16. Events after the reporting period

### **Determination of Terms of Thirteenth and Fourteenth Series of Domestic Unsecured Bonds**

On July 6, 2022, NIDEC determined the terms of tranche of straight bonds (which rank pari passu among themselves) (the “Bonds”) in the principal amount of ¥50 billion to be issued in Japan under a shelf registration statement filed in Japan valid until April 8, 2024, for the issuance from time to time of up to ¥600 billion aggregate principal amount of domestic bonds. The payment of the Bonds has been completed as of the date of this report.

	The Thirteenth series unsecured bonds
1. Total principal amount	¥30 billion
2. Book-Entry Transfer of Corporate bonds	The provisions of the Act on Book-Entry Transfer of Corporate Bonds and Shares, etc. apply to the bonds.
3. Denomination of each bond	¥100 million
4. Interest rate	0.250% per annum
5. Issue price	100% of the principal amount
6. Redemption price	100% of the principal amount
7. Maturity date	July 11, 2025
8. Offering period	July 6, 2022
9. Payment date	July 12, 2022
10. Method of offering	Public offering in Japan
11. Security or guarantee	The bonds are unsecured and not guaranteed. There is no assets reserved as security for the bonds.
12. Financial covenants	The bonds are subject to certain negative pledge restrictions.
13. Redemption prior to maturity	NIDEC may, at any time on or after the day following the issue date, repurchase the bonds and cause such repurchased bonds to be canceled, unless otherwise required by Japan Securities Depository Center, Inc.
14. Use of the bonds	Repayment of short-term borrowings

	The Fourteenth series unsecured bonds
1. Total principal amount	¥20 billion
2. Book-Entry Transfer of Corporate bonds	The provisions of the Act on Book-Entry Transfer of Corporate Bonds and Shares, etc. apply to the bonds.
3. Denomination of each bond	¥100 million
4. Interest rate	0.549% per annum
5. Issue price	100% of the principal amount
6. Redemption price	100% of the principal amount
7. Maturity date	July 12, 2032
8. Offering period	July 6, 2022
9. Payment date	July 12, 2022
10. Method of offering	Public offering in Japan
11. Security or guarantee	The bonds are unsecured and not guaranteed. There is no assets reserved as security for the bonds.
12. Financial covenants	The bonds are subject to certain negative pledge restrictions.
13. Redemption prior to maturity	NIDEC may, at any time on or after the day following the issue date, repurchase the bonds and cause such repurchased bonds to be canceled, unless otherwise required by Japan Securities Depository Center, Inc.
14. Use of the bonds	Repayment of short-term borrowings

We evaluated subsequent events by the publication date of the uncorrected financial statements summary (August 9, 2022).

## 17. Authorization of condensed quarterly consolidated financial statements

NIDEC's condensed quarterly consolidated financial statements were authorized for issue on August 9, 2022 by Shigenobu Nagamori, Representative Director, Chairman and Chief Executive Officer, Jun Seki, Representative Director, President and Chief Operating Officer and Akinobu Samura, Senior Vice President and Chief Financial Officer.

Consolidated financial statements in the amendment report were authorized by Shigenobu Nagamori, Founder and Executive Chairman and Akinobu Samura, Senior Vice President and Chief Financial Officer on May 24, 2024.

## 2. Other

On May 26, 2022, the Company's Board of Directors resolved to pay cash dividends to shareholders as of March 31, 2022 as follows:

- (1) Total amount of dividends: .....¥20,326 million
- (2) Amount per share: .....¥35.00
- (3) Effective date of claim of payment and start date of payment: .....June 1, 2022

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

Not applicable.