

Financial Statements Summary for the Six Months Ended September 30, 2025 [IFRS] (Consolidated)

November 14, 2025

Company name: NIDEC CORPORATION URL <https://www.nidec.com/en/>
 Stock listing: Tokyo Stock Exchange - Prime Market
 Code number: 6594
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 Scheduled date of filing of Japanese semi-annual report: November 14, 2025
 Scheduled date of dividend payable: -
 Supplemental materials for financial results: Yes
 Earning presentation held: Yes

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2025 (April 1, 2025 to September 30, 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 six months ended September 30, 2025	1,302,303	0.7	21,107	(82.5)	30,344	(69.5)	31,191	(58.6)	55,583	-
For the six months ended September 30, 2024	1,293,811	11.8	120,474	4.5	99,648	(31.2)	75,377	(28.7)	(13,021)	-
			Earnings per share attributable to owners of the parent-basic (Yen)				Earnings per share attributable to owners of the parent-diluted (Yen)			
For the six months ended September 30, 2025			27.21				-			
For the six months ended September 30, 2024			65.59				-			

(Notes)1. "Earnings per share attributable to owners of the parent-basic" and "Earnings per share attributable to owners of the parent-diluted" have been calculated based on figures of "Profit attributable to owners of the parent".
 2. 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.

(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 September 30, 2025	3,489,663	1,775,739	1,759,440	50.4%
As of March 31, 2025	3,315,253	1,743,591	1,716,947	51.8%

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)	-	-	-	-	-

(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 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 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, we have not yet decided on 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
Fiscal year end	-	%	-	%	-	%	-	%	(Yen)
	-	-	-	-	-	-	-	-	-

(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 : Yes
2. Changes in accounting policies due to other reasons : None
3. Changes in accounting estimates : None

(3) Number of Shares Issued (Ordinary Shares)

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

As of September 30, 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 September 30, 2025: 46,259,101 As of March 31, 2025: 46,261,077

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

For the six months ended September 30, 2025: 1,146,308,865 For the six months ended September 30, 2024: 1,149,208,380

(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.

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

*Explanation for appropriate use of forecast and other notes

(1) The Company finalized the provisional accounting treatment for the business combination in the three months ended September 30, 2025. Condensed consolidated financial statements for the year ended March 31, 2025 reflect the revision of the initially allocated amounts of acquisition cost as NIDEC finalized the provisional accounting treatment for the business combination.

(2) Investigations by Third-Party Committee and Other Internal Investigations

The Company recognized the suspicion of inappropriate 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 addition, the Company has conducted internal investigations to the various issues concerning trade transactions and customs.

The investigations by the Third-Party Committee and other internal investigations are ongoing, and if any misstatements are identified as a result of the investigations, they could have a material and pervasive impact on the condensed interim consolidated financial statements. However, as the amounts of such impact may not be limited to specific financial statement line items and notes, such impact has not been reflected in the condensed interim consolidated financial statements.

Details of investigations by Third-Party Committee and other internal investigations are described in the Notes to Condensed Interim Consolidated Financial Statements "Investigations by Third-Party Committee and Other Internal Investigations".

1. Overview of Operating Results, Etc.

(1) Overview of Operating Results for the Six Months Ended September 30, 2025

1. Overview of Business Environment for the Six Months Ended September 30, 2025

We have begun to implement a fundamental conversion in line with our new medium-term management plan (Conversion 2027) targeting FY2027 which was announced at the time of the financial results announcement at the end of the previous fiscal year. Specifically, we have set three "Conversions"; 1) "Convert" to high profit structure, 2) "Convert" to five business pillars to support the future growth, and 3) "Convert" to truly global system as policies to fundamentally transform our cost structure through reviewing our business portfolio, consolidating and closing company bases, workforce optimization primarily.

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 business, 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.

2. Consolidated Operating Results

At present, investigations by the Third-Party Committee regarding suspected inappropriate accounting practices involving the Company and its group, as well as other internal investigations, are ongoing. If any misstatements are identified as a result of the investigations, they could have a material and pervasive impact on the condensed interim consolidated financial statements. However, as the amounts of such impact may not be limited to specific financial statement line items and notes, such impact has not been reflected in the condensed interim consolidated financial statements.

Consolidated Operating Results for the Six Months Ended September 30, 2025 (“this six-month period”), Compared to the six Months Ended September 30, 2024 (“the same period of the previous year”)

(Yen in millions)

	For the six months ended September 30		Increase or decrease	Ratio of change
	2024	2025		
Net sales	1,293,811	1,302,303	8,492	0.7%
Operating profit	120,474	21,107	(99,367)	(82.5)%
Operating profit ratio	9.3%	1.6%	-	-
Profit before income taxes	99,648	30,344	(69,304)	(69.5)%
Profit for the period from continuing operations	73,238	20,148	(53,090)	(72.5)%
Loss for the period from discontinued operations	(141)	(55)	86	-
Profit attributable to owners of the parent	75,377	31,191	(44,186)	(58.6)%

Consolidated net sales from continuing operations increased 0.7% to ¥1,302,303 million for this six-month period compared to the same period of the previous year, and we renewed the highest record of the interim consolidated accounting periods.

Operating profit decreased 82.5% to ¥21,107 million for this six-month period compared to the same period of the previous year.

This is due to the recording of a provision for loss on contract with a customer ¥36,471 million, an impairment loss of Non-financial assets ¥31,674 million, a debt associated with settling claims from suppliers ¥19,495 million in this six-month period, and the gain on step acquisition the consolidation of Nidec PSA emotors in the same period of the previous year.

Profits before income taxes decreased 69.5% to ¥30,344 million, including a positive effect of the fluctuations of the foreign currency exchange rates.

Profit attributable to owners of the parent decreased 58.6% to ¥31,191 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 six-month period was ¥146.04 to the U.S. dollar, which reflected an approximately 4% 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 six-month period was ¥168.06 to the Euro, which reflected an approximately 1% 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 on net sales and operating profit for this six-month period is as follows.

- Net sales: Negative effect by approximately ¥37,900 million compared to the same period of the previous year.
- Operating profit: Negative effect by approximately ¥3,400 million compared to the same period of the previous year.

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

Small precision motors

(Yen in millions)

	For the six months ended September 30,		Increase or decrease	Ratio of change
	2024	2025		
Net sales to external customers	242,588	242,329	(259)	(0.1)%
Spindle motors for hard disk drives (HDDs)	48,723	52,765	4,042	8.3%
Other small precision motors	193,865	189,564	(4,301)	(2.2)%
Operating profit	29,079	34,886	5,807	20.0%
Operating profit ratio	12.0%	14.4%	-	-

Net sales of this category decreased 0.1% to ¥242,329 million for this six-month period compared to the same period of the previous year.

Net sales of spindle motors for HDDs increased 8.3% to ¥52,765 million for this six-month period compared to the same period of the previous year. Net sales of other small precision motors decreased 2.2% to ¥189,564 million compared to the same period of the previous year.

Operating profit of this category increased 20.0% to ¥34,886 million for this six-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 six-month period is as follows.

- Net sales: Negative effect by approximately ¥6,500 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.

Automotive products

(Yen in millions)

	For the six months ended September 30,		Increase or decrease	Ratio of change
	2024	2025		
Net sales to external customers	330,780	335,928	5,148	1.6%
Operating profit (loss)	19,572	(82,849)	(102,421)	-
Operating profit ratio	5.9%	(24.7)%	-	-

Net sales of this category increased 1.6% to ¥335,928 million for this six-month period compared to the same period of the previous year.

Operating profit (loss) of this category decreased ¥102,421 million to ¥82,849 million loss for this six-month period compared to the same period of the previous year.

This is due to the recording of a provision for loss on contract with a customer ¥36,471 million, an impairment loss of Non-financial assets ¥31,674 million, a debt associated with settling claims from suppliers ¥19,495 million in this six-month period, and the gain on step acquisition 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 six-month period is as follows.

- Net sales: Negative effect by approximately ¥7,500 million compared to the same period of the previous year.
- Operating profit (loss): Negative effect by approximately ¥800 million compared to the same period of the previous year.

Appliance, commercial and industrial products*(Yen in millions)*

	For the six months ended September 30,		Increase or decrease	Ratio of change
	2024	2025		
Net sales to external customers	520,080	530,562	10,482	2.0%
Operating profit	58,253	57,362	(891)	(1.5)%
Operating profit ratio	11.2%	10.8%	-	-

Net sales of this category increased 2.0% to ¥530,562 million for this six-month period compared to the same period of the previous year.

Operating profit of this category decreased 1.5% to ¥57,362 million for this six-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 six-month period is as follows.

- Net sales: Negative effect by approximately ¥21,500 million compared to the same period of the previous year.
- Operating profit: Negative effect by approximately ¥2,500 million compared to the same period of the previous year.

Machinery*(Yen in millions)*

	For the six months ended September 30,		Increase or decrease	Ratio of change
	2024	2025		
Net sales to external customers	153,512	147,757	(5,755)	(3.7)%
Operating profit	16,758	12,853	(3,905)	(23.3)%
Operating profit ratio	10.9%	8.7%	-	-

Net sales of this category decreased 3.7% to ¥147,757 million for this six-month period compared to the same period of the previous year.

Operating profit of this category decreased 23.3% to ¥12,853 million for this six-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 six-month period is as follows.

- Net sales: Negative effect by approximately ¥1,800 million compared to the same period of the previous year.
- Operating profit: Negative effect by approximately ¥100 million compared to the same period of the previous year.

Electronic and optical components*(Yen in millions)*

	For the six months ended September 30,		Increase or decrease	Ratio of change
	2024	2025		
Net sales to external customers	44,972	43,791	(1,181)	(2.6)%
Operating profit	6,356	6,684	328	5.2%
Operating profit ratio	14.1%	15.3%	-	-

Net sales of this category decreased 2.6% to ¥43,791 million for this six-month period compared to the same period of the previous year.

Operating profit of this category increased 5.2% to ¥6,684 million for this six-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 six-month period is as follows.

- Net sales: Negative effect by approximately ¥600 million compared to the same period of the previous year.
- Operating profit: Positive effect by less than ¥100 million compared to the same period of the previous year.

Other products*(Yen in millions)*

	For the six months ended September 30,		Increase or decrease	Ratio of change
	2024	2025		
Net sales to external customers	1,879	1,936	57	3.0%
Operating profit	139	437	298	214.4%
Operating profit ratio	7.4%	22.6%	-	-

Net sales of this category increased 3.0% to ¥1,936 million and operating profit of this category increased 214.4% to ¥437 million for this six-month period compared to the same period of the previous year.

**Consolidated Operating Results for the Three Months Ended September 30, 2025 (“Q2”),
Compared to the Previous Three Months Ended June 30, 2025 (“Q1”)**

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	June 30, 2025	September 30, 2025		
Net sales	638,026	664,277	26,251	4.1 %
Operating profit (loss)	(26,407)	47,514	73,921	-
Operating profit ratio	(4.1)%	7.2%	-	-
Profit (loss) before income taxes	(27,771)	58,115	85,886	-
Profit (loss) for the period from continuing operations	(18,440)	38,588	57,028	-
Loss for the period from discontinued operations	(44)	(11)	34	-
Profit (loss) attributable to owners of the parent	(9,383)	40,574	49,957	-

Consolidated net sales from continuing operations increased 4.1% to ¥664,277 million for Q2 compared to Q1, and we renewed the highest record of the interim consolidated accounting periods.

Operating profit (loss) increased ¥73,921 million to ¥47,514 million for Q2 compared to Q1.

This is due to the recording of a provision for loss on contract with a customer, an impairment loss of Non-financial assets, a debt associated with settling claims from suppliers in the previous three-month period.

Profit (loss) before income taxes increased ¥85,886 million to ¥58,115 million for Q2 compared to Q1. Profit (loss) attributable to owners of the parent increased ¥49,957 million to ¥40,574 million for Q2 compared to Q1.

The average exchange rate between the Japanese yen and the U.S. dollar for Q2 was ¥147.48 to the U.S. dollar, which reflected an approximately 2% depreciation of the Japanese yen against the U.S. dollar, compared to Q1. The average exchange rate between the Japanese yen and the Euro for Q2 was ¥172.32 to the Euro, which reflected an approximately 5% depreciation of the Japanese yen against the Euro compared to Q1.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit (loss) for this three-month period (Q2) is as follows.

- Net sales: Positive effect by approximately ¥7,300 million compared to Q1.
- Operating profit (loss): Positive effect by approximately ¥700 million compared to Q1.

Operating Results by Product Category for Q2 Compared to Q1

Small precision motors

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	June 30, 2025	September 30, 2025		
Net sales to external customers	119,005	123,324	4,319	3.6%
Spindle motors for hard disk drives (HDDs)	25,578	27,187	1,609	6.3%
Other small precision motors	93,427	96,137	2,710	2.9%
Operating profit	17,150	17,736	586	3.4%
Operating profit ratio	14.4%	14.4%	-	-

Net sales of this category increased 3.6% to ¥123,324 million for Q2 compared to Q1.

Net sales of spindle motors for HDDs increased 6.3% to ¥27,187 million for Q2 compared to Q1.

Net sales of other small precision motors increased 2.9% to ¥96,137 million for Q2 compared to Q1.

Operating profit of this category increased 3.4% to ¥17,736 million for Q2 compared to Q1.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (Q2) is as follows.

- Net sales: Positive effect by approximately ¥1,500 million compared to Q1.
- Operating profit: Positive effect by approximately ¥200 million compared to Q1.

Automotive products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	June 30, 2025	September 30, 2025		
Net sales to external customers	165,647	170,281	4,634	2.8%
Operating profit (loss)	(82,941)	92	83,033	-
Operating profit ratio	(50.1)%	0.1%	-	-

Net sales of this category increased 2.8% to ¥170,281 million for Q2 compared to Q1.

Operating profit (loss) of this category increased ¥83,033 million to ¥92 million for Q2 compared to Q1.

This is due to the recording of a provision for loss on contract with a customer, an impairment loss of Non-financial assets, a debt associated with settling claims from suppliers in the previous three-month period.

Effect of the fluctuations of the foreign currency exchange rates to net sales for this three-month period (Q2) is as follows.

- Net sales: Positive effect by approximately ¥2,400 million compared to Q1.
- Operating profit (loss): Positive effect by approximately ¥100 million compared to Q1.

Appliance, commercial and industrial products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	June 30, 2025	September 30, 2025		
Net sales to external customers	261,551	269,011	7,460	2.9%
Operating profit	29,915	27,447	(2,468)	(8.3)%
Operating profit ratio	11.4%	10.2%	-	-

Net sales of this category increased 2.9% to ¥269,011 million for Q2 compared to Q1.

Operating profit of this category decreased 8.3% to ¥27,447 million for Q2 compared to Q1

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (Q2) is as follows.

- Net sales: Positive effect by approximately ¥2,700 million compared to Q1.
- Operating profit: Positive effect by approximately ¥400 million compared to Q1.

Machinery

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	June 30, 2025	September 30, 2025		
Net sales to external customers	69,592	78,165	8,573	12.3%
Operating profit	9,937	2,916	(7,021)	(70.7)%
Operating profit ratio	14.3%	3.7%	-	-

Net sales of this category increased 12.3% to ¥78,165 million for Q2 compared to Q1.

Operating profit of this category decreased 70.7% to ¥2,916 million for Q2 compared to Q1.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (Q2) is as follows.

- Net sales: Positive effect by approximately ¥700 million compared to Q1.
- Operating profit: Positive effect by less than ¥100 million compared to Q1.

Electronic and optical components

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	June 30, 2025	September 30, 2025		
Net sales to external customers	21,199	22,592	1,393	6.6%
Operating profit	3,632	3,052	(580)	(16.0)%
Operating profit ratio	17.1%	13.5%	-	-

Net sales of this category increased 6.6% to ¥22,592 million for Q2 compared to Q1.

Operating profit of this category decreased 16.0% to ¥3,052 million for Q2 compared to Q1.

Effect of the fluctuations of the foreign currency exchange rates to net sales and operating profit for this three-month period (Q2) is as follows.

- Net sales: Positive effect by approximately ¥100 million compared to Q1.
- Operating profit: Positive effect by less than ¥100 million compared to Q1.

Other products

(Yen in millions)

	For the three months ended		Increase or decrease	Ratio of change
	June 30, 2025	September 30, 2025		
Net sales to external customers	1,032	904	(128)	(12.4)%
Operating profit	269	168	(101)	(37.5)%
Operating profit ratio	26.1%	18.6%	-	-

Net sales of this category decreased 12.4% to ¥904 million for Q2 compared to Q1 and operating profit of this category decreased 37.5% to ¥168 million for Q2 compared to Q1.

(2) Financial Position

(Yen in millions)

	As of March 31, 2025	As of September 30, 2025	Increase or decrease
Total assets	3,315,253	3,489,663	174,410
Total liabilities	1,571,662	1,713,924	142,262
Total equity attributable to owners of the parent	1,716,947	1,759,440	42,493
Interest-bearing debt *1	636,046	712,032	75,986
Net interest-bearing debt *2	389,807	367,577	(22,230)
Debt ratio (%) *3	19.2	20.4	1.2
Debt to equity ratio ("D/E ratio") (times) *4	0.37	0.40	0.03
Net D/E ratio (times) *5	0.23	0.21	(0.02)
Ratio of total equity attributable to owners of the parent to total assets (%) *6	51.8	50.4	(1.4)

(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 ¥174,410 million to ¥3,489,663 million as of September 30, 2025 compared to March 31, 2025. This is mainly due to increases of ¥98,216 million in cash and cash equivalents and increases of ¥44,358 million in inventories.

Total liabilities increased ¥142,262 million to ¥1,713,924 million as of September 30, 2025 compared to March 31, 2025. This is mainly due to increases of ¥77,674 in long term debt and ¥64,585 million in trade and other payables.

As a result, interest-bearing debt increased to ¥712,032 million as of September 30, 2025 from ¥636,046 million as of March 31, 2025. Net interest-bearing debt decreased to ¥367,577 million as of September 30, 2025 from ¥389,807 million as of March 31, 2025. The debt ratio that includes lease liabilities increased to 20.4% as of September 30, 2025 from 19.2% as of March 31, 2025. The D/E ratio increased to 0.40 times as of September 30, 2025 from 0.37 times as of March 31, 2025. The net D/E ratio decreased to 0.21 times as of September 30, 2025 from 0.23 times as of March 31, 2025.

Total equity attributable to owners of the parent increased ¥42,493 million to ¥1,759,440 million as of September 30, 2025 compared to March 31, 2025. This is largely due to increases of ¥9,876 million in retained earnings, mainly resulting from increases of ¥31,191 million in profit for the period and decreases of ¥22,926 million in dividends paid to the owners of the parent, and due to increases of ¥32,319 million in other components of equity, mainly resulting from increases in foreign currency translation adjustments. Ratio of total equity attributable to owners of the parent to total assets decreased to 50.4% as of September 30, 2025 from 51.8% as of March 31, 2025.

NIDEC finalized the provisional accounting treatment for the business combination in the three months ended September 30, 2025. Condensed consolidated financial statements for the year ended March 31, 2025 reflect the revision of the initially allocated amounts of acquisition cost as NIDEC finalized the provisional accounting treatment for the business combination.

Overview of Cash Flow

(Yen in millions)

	For the six months ended September 30,		Increase or decrease
	2024	2025	
Net cash provided by operating activities	97,817	112,349	14,532
Net cash used in investing activities	(69,803)	(67,125)	2,678
Free cash flow *1	28,014	45,224	17,210
Net cash (used in) provided by financing activities	(5,183)	40,517	45,700

(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 six months ended September 30, 2025 came to a net cash inflow of ¥112,349 million for this period, an increase of ¥14,532 million compared to the same period of the previous fiscal year. This is mainly due to an increase in inventories of ¥40,920 million, profit for the period from continuing operations of ¥20,148 million, the effects of impairment losses and an increase in other provisions, and an increase in accounts payable of ¥41,840 million.

Net cash used in investing activities amounted to ¥67,125 million mainly due to additions to property, plant and equipment of ¥57,931 million and other factors. Net cash used in investing activities decreased by ¥2,678 million year on year.

As a result, we had a positive free cash flow of ¥45,224 million for the six months ended September 30, 2025, an increase of ¥17,210 million compared to the same period of the previous year.

Net cash provided by financing activities for the six months ended September 30, 2025 came to a net cash inflow of ¥40,517 million for this period, an increase of ¥45,700 million compared to the same period of the previous fiscal year. This is mainly due to financing of ¥89,997 million by long-term debt, despite redemption of bonds of ¥30,000 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 September 30, 2025 increased by ¥98,216 million to ¥344,455 million from March 31, 2025.

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

We have begun to implement a fundamental conversion in line with our new medium-term management plan (Conversion 2027) targeting FY2027 and was announced at the time of the financial results announcement at the end of the previous fiscal year. Specifically, we have set three "Conversions"; 1) "Convert" to high profit structure, 2) "Convert" to five business pillars to support the future growth, and 3) "Convert" to truly global system as policies to fundamentally transform our cost structure through reviewing our business portfolio, consolidating and closing company bases, workforce optimization primarily.

Also, we have revised our forecast of consolidated financial performance for fiscal year end under review as follows.

Forecast of Consolidated Financial Performance for the Year Ending March 31, 2026

Net sales	¥ - million	(- % compared to the previous fiscal year)
Operating profit	¥ - million	(- % compared to the previous fiscal year)
Profit before income taxes	¥ - million	(- % compared to the previous fiscal year)
Profit attributable to owners of the parent	¥ - million	(- % compared to the previous fiscal year)

Reason for the Revision

As stated in the Annual Report submitted on September 26, 2025, investigations by the Third-Party Committee regarding suspected inappropriate accounting practices involving the Company and its group, as well as other internal investigations, are ongoing.

As a result of these investigations, should it be discovered that there exists any material misstatement that requires amendment in the Financial Statements of any previous fiscal year, the Company intends to take appropriate measures, including amendments of previous or current securities reports.

In addition to this situation, considering the current status of the Third-Party Committee's investigation, at the Board of Directors meeting held on October 23, 2025, the Company decided not to pay a surplus dividend (interim dividend) with September 30, 2025 as the record date. Furthermore, the year-end dividend forecast and the consolidated financial forecasts remained undetermined.

(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.

1) 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.

2. Condensed Interim Consolidated Financial Statements and Other Information

(1) Condensed Interim Consolidated Statements of Financial Position

(Yen in millions)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and cash equivalents	246,239	344,455
Trade and other receivables	701,987	708,937
Other financial assets	1,286	2,945
Income tax receivables	22,363	12,955
Inventories	556,432	600,790
Other current assets	90,278	106,743
Total current assets	1,618,585	1,776,825
Non-current assets		
Property, plant and equipment	931,059	937,343
Goodwill	405,776	418,240
Intangible assets	281,479	273,361
Investments accounted for using the equity method	1,044	2,193
Other investments	36,338	40,530
Other financial assets	5,973	8,886
Deferred tax assets	16,530	15,589
Other non-current assets	18,469	16,696
Total non-current assets	1,696,668	1,712,838
Total assets	3,315,253	3,489,663

(Yen in millions)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Short term borrowings	93,710	104,058
Long term debt due within one year	163,849	151,813
Trade and other payables	576,546	641,131
Other financial liabilities	4,780	3,348
Income tax payables	30,402	25,351
Provisions	48,701	50,679
Other current liabilities	138,763	128,951
Total current liabilities	1,056,751	1,105,331
Non-current liabilities		
Long term debt	378,487	456,161
Other financial liabilities	3,718	4,661
Income tax payables	254	-
Retirement benefit liabilities	32,505	33,618
Provisions	1,766	33,194
Deferred tax liabilities	87,179	69,708
Other non-current liabilities	11,002	11,251
Total non-current liabilities	514,911	608,593
Total liabilities	1,571,662	1,713,924
Equity		
Common stock	87,784	87,784
Additional paid-in capital	97,445	97,735
Retained earnings	1,331,067	1,340,943
Other components of equity	376,255	408,574
Treasury stock	(175,604)	(175,596)
Total equity attributable to owners of the parent	1,716,947	1,759,440
Non-controlling interests	26,644	16,299
Total equity	1,743,591	1,775,739
Total liabilities and equity	3,315,253	3,489,663

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

For the six months ended September 30, 2024 and 2025

Condensed Interim Consolidated Statements of Income

(Yen in millions)

	For the six months ended September 30,	
	2024	2025
Continuing operations		
Net Sales	1,293,811	1,302,303
Cost of sales	(1,028,057)	(1,066,109)
Gross profit	265,754	236,194
Selling, general and administrative expenses	(104,625)	(169,428)
Research and development expenses	(40,655)	(45,659)
Operating profit	120,474	21,107
Financial income	19,132	17,848
Financial expenses	(12,176)	(11,686)
Derivative gain (loss)	(62)	(244)
Foreign exchange differences	(27,259)	3,853
Share of net profit (loss) from associate accounting using the equity method	(461)	(534)
Profit before income taxes	99,648	30,344
Income tax expenses	(26,410)	(10,196)
Profit for the period from continuing operations	73,238	20,148
Discontinued operations		
Loss for the period from discontinued operations	(141)	(55)
Profit for the period	73,097	20,093
Profit for the period attributable to:		
Owners of the parent	75,377	31,191
Non-controlling interests	(2,280)	(11,098)
Profit for the period	73,097	20,093

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

	For the six months ended September 30,	
	2024	2025
Profit for the period	73,097	20,093
Other comprehensive income, net of taxation		
Items that will not be reclassified to net profit or loss:		
Remeasurement of defined benefit plans	825	(51)
Fair value movements on FVTOCI equity financial assets	(3,040)	2,663
Items that may be reclassified to net profit or loss:		
Foreign currency translation adjustments	(80,082)	30,384
Effective portion of net changes in fair value of cash flow hedges	(3,679)	2,302
Fair value movements on FVTOCI debt financial assets	(142)	192
Total other comprehensive income for the period, net of taxation	(86,118)	35,490
Comprehensive income for the period	(13,021)	55,583
Comprehensive income for the period attributable to:		
Owners of the parent	(9,922)	66,132
Non-controlling interests	(3,099)	(10,549)
Comprehensive income for the period	(13,021)	55,583

For the three months ended September 30, 2024 and 2025

Condensed Quarterly Consolidated Statements of Income

(Yen in millions)

	For the three months ended September 30, 2024	2025
Continuing operations		
Net Sales	645,645	664,277
Cost of sales	(510,886)	(527,360)
Gross profit	134,759	136,917
Selling, general and administrative expenses	(52,039)	(65,637)
Research and development expenses	(22,308)	(23,766)
Operating profit	60,412	47,514
Financial income	9,468	8,923
Financial expenses	(6,405)	(5,886)
Derivative gain (loss)	259	(340)
Foreign exchange differences	(42,254)	8,190
Share of net profit (loss) from associate accounting using the equity method	(238)	(286)
Profit before income taxes	21,242	58,115
Income tax expenses	(2,407)	(19,527)
Profit for the period from continuing operations	18,835	38,588
Discontinued operations		
Loss for the period from discontinued operations	(28)	(11)
Profit for the period	18,807	38,577
Profit for the period attributable to:		
Owners of the parent	19,390	40,574
Non-controlling interests	(583)	(1,997)
Profit for the period	18,807	38,577

Condensed Quarterly Consolidated Statements of Comprehensive Income

(Yen in millions)

	For the three months ended September 30,	
	2024	2025
Profit for the period	18,807	38,577
Other comprehensive income, net of taxation		
Items that will not be reclassified to net profit or loss:		
Remeasurement of defined benefit plans	60	(28)
Fair value movements on FVTOCI equity financial assets	(2,768)	2,258
Items that may be reclassified to net profit or loss:		
Foreign currency translation adjustments	(190,695)	56,966
Effective portion of net changes in fair value of cash flow hedges	(1,191)	335
Fair value movements on FVTOCI debt financial assets	(136)	(1,992)
Total other comprehensive income for the period, net of taxation	(194,730)	57,539
Comprehensive income for the period	(175,923)	96,116
Comprehensive income for the period attributable to:		
Owners of the parent	(173,502)	97,892
Non-controlling interests	(2,421)	(1,776)
Comprehensive income for the period	(175,923)	96,116

(3) Condensed Interim Consolidated Statements of Changes in Equity

For the six months ended September 30, 2024

(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, 2024	87,784	98,099	1,212,672	400,871	(167,945)	1,631,481	26,740	1,658,221
Comprehensive income								
Profit for the period			75,377			75,377	(2,280)	73,097
Other comprehensive income				(85,299)		(85,299)	(819)	(86,118)
Total comprehensive income						(9,922)	(3,099)	(13,021)
Transactions with owners directly recognized in equity:								
Purchase of treasury stock					(7)	(7)	-	(7)
Dividends paid to the owners of the parent			(22,984)			(22,984)	-	(22,984)
Dividends paid to non-controlling interests						-	(279)	(279)
Share-based payment transactions		(643)			122	(521)	-	(521)
Transfer to retained earnings			(2,222)	2,222		-	-	-
Increase (decrease) by business combination		(61)				(61)	7,522	7,461
Other		101	156	1	2	260	(16)	244
Balance at September 30, 2024	87,784	97,496	1,262,999	317,795	(167,828)	1,598,246	30,868	1,629,114

For the six months ended September 30, 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	87,784	97,445	1,331,067	376,255	(175,604)	1,716,947	26,644	1,743,591
Comprehensive income								
Profit for the period			31,191			31,191	(11,098)	20,093
Other comprehensive income				34,941		34,941	549	35,490
Total comprehensive income						66,132	(10,549)	55,583
Transactions with owners directly recognized in equity:								
Purchase of treasury stock					(1)	(1)	-	(1)
Dividends paid to the owners of the parent			(22,926)			(22,926)	-	(22,926)
Dividends paid to non-controlling interests						-	(655)	(655)
Share-based payment transactions		295				295	-	295
Transfer to retained earnings			2,623	(2,623)		-	-	-
Increase (decrease) by business combination		(5)				(5)	827	822
Other		0	(1,012)	1	9	(1,002)	32	(970)
Balance at September 30, 2025	87,784	97,735	1,340,943	408,574	(175,596)	1,759,440	16,299	1,775,739

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

	For the six months ended September 30,	
	2024	2025
Cash flows from operating activities:		
Profit for the period from continuing operations	73,238	20,148
Profit (loss) for the period from discontinued operations	(141)	(55)
Profit for the period	73,097	20,093
Adjustments to reconcile profit for the period to net cash provided by operating activities		
Depreciation and amortization	68,543	70,074
Loss (gain) from sales, disposal or impairment of property, plant and equipment	(1,624)	30,807
Loss (gain) from discontinued operations	141	55
Financial expenses (income)	(7,255)	(6,771)
Share of net loss (profit) from associate accounting using the equity method	461	534
Deferred income taxes	270	(19,731)
Current income taxes	26,141	29,882
Foreign currency adjustments	6,662	(13,547)
Increase (decrease) in retirement benefit liability	(147)	687
Decrease (increase) in accounts receivable	(16,880)	(597)
Decrease (increase) in inventories	(25,850)	(40,920)
Increase (decrease) in accounts payable	19,180	41,840
Increase (decrease) in other provisions	(6,713)	34,345
Other, net	(4,225)	(16,107)
Interests and dividends received	19,247	17,992
Interests paid	(11,247)	(10,679)
Income taxes paid	(41,984)	(25,608)
Net cash provided by operating activities	97,817	112,349

(Yen in millions)

	For the six months ended September 30,	
	2024	2025
Cash flows from investing activities:		
Additions to property, plant and equipment	(53,475)	(57,931)
Proceeds from sales of property, plant and equipment	3,379	7,051
Additions to intangible assets	(16,197)	(10,430)
Acquisitions of business, net of cash acquired	-	(3,414)
Other, net	(3,510)	(2,401)
Net cash used in investing activities	(69,803)	(67,125)
Cash flows from financing activities:		
Increase (decrease) in short term borrowings	56,309	9,994
Proceeds from issuance of long term debt	72,583	89,997
Repayments of long term debt	(8,572)	(6,726)
Redemption of bonds	(100,000)	(30,000)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(2,456)	(23)
Purchase of treasury stock	(7)	(1)
Dividends paid to the owners of the parent	(22,984)	(22,926)
Other, net	(56)	202
Net cash (used in) provided by financing activities	(5,183)	40,517
Effect of exchange rate changes on cash and cash equivalents	(33,185)	12,475
Net increase (decrease) in cash and cash equivalents	(10,354)	98,216
Cash and cash equivalents at beginning of period	217,005	246,239
Cash and cash equivalents at beginning of period of newly consolidated subsidiaries	8,973	-
Cash and cash equivalents at end of period	215,624	344,455

(5) Notes to Condensed Interim Consolidated Financial Statements

Notes to Condensed Interim Consolidated Financial Statements

(Investigations by Third-Party Committee and Other Internal Investigations)

(1) Investigations by Third-Party Committee

The Company recognized the suspicion of inappropriate accounting treatment, that may have a significant impact on the entire condensed interim 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. Matters such as fact-finding investigations into suspected improper accounting, calculation of the amount of impact if improper accounting is found, root cause investigations and recommendation of recurrence prevention measures if improper accounting is found, and other matters deemed necessary by the Third-Party Committee are commissioned to the Third-Party Committee.

(2) Other internal investigations

The Company has conducted internal investigations including orders to external experts to the following issues concerning trade transactions and customs.

- (i) The Company has recognized trade transactions issues and customs issues arising from the occurrence of additional unpaid duties due to an error in the country of origin declaration in accordance with the customs laws and regulations of the United States in the consolidated fiscal year including the previous fiscal year at NIDEC FIR INTERNATIONAL S. R. L. (“FIR”), an Italian consolidated subsidiary of the Company. An internal investigation has been conducted with external experts, and the impact of unpaid customs duties etc, recognized at this point as a result of the investigation by the external experts is reflected in the condensed interim consolidated financial statements. Actions in response to the assessment of the parties involved, which are currently under internal investigation, the impact on internal control, and the necessity of additional unpaid customs duties, etc. will be taken based on the results of the investigation by the Third-Party Committee.
- (ii) During the course of the internal investigations on the trade transactions issues and customs issues described in (i), it has been discovered that, with respect to free-of-charge export transactions involving used goods to China during the previous fiscal years at Nidec Elesys Corporation (currently, the Inverter Business Division, the Automotive Motor & Electronic Control Business Unit, Nidec Corporation), there are suspicious cases where the reported value for customs purposes was declared to be lower than the appropriate amount without legitimate reason. The Company has conducted an additional investigation into these cases to external experts as part of an internal investigation.
- (iii) Furthermore, during the course of the internal investigations on the trade transactions issues and customs issues described in (i), the Company has discovered suspicions that appropriate measures were not taken for cases in which a Swiss consolidated subsidiary of the Company engaged in export transactions without conducting the necessary registration. The Company has conducted an additional investigation into these cases to external experts as part of an internal investigation. The Company also identified, through a whistleblowing report, suspicions that a Chinese consolidated subsidiary of the Company conducted intentional underreporting of withholding tax. The Company has commissioned an additional investigation into these cases to external experts as part of an internal investigation.

(3) Others

As stated in “5. Impairment of non-financial assets” and “7. Provisions” in the Notes to Condensed Interim Consolidated Financial Statements, the Company recorded impairment losses on non-financial assets and provisions for contract losses in the "AMEC" segment in the six months ended September 30, 2025. In addition, as stated in “6. Trade and other payables”, the Company recorded liabilities arising from the settlement of claims for indemnification from suppliers in the "MOEN" segment in trade payables and other liabilities. However, regarding the existence of any inappropriate adjustments in amount, timing of recognition, and notes for the impairment losses, contract loss provisions, trade and other payables, the Company shared information with the Third-Party Committee in early November 2025 concerning the matters on Battery EV related business in the "AMEC" segment and those related to the "MOEN" segment, confirming that these are included within the scope of investigation by the Third-Party Committee. In addition, regarding the matters on automotive inverter business in the "AMEC" segment, there is a possibility of being included in the scope of investigation by the Third-Party Committee hereafter. Therefore, misstatements on amount, timing of recognition and notes may be identified in the investigation by the Third-Party Committee.

The investigations by the Third-Party Committee and other internal investigations are ongoing, and if any misstatements are identified as a result of the investigations, they could have a material and pervasive impact on the condensed interim consolidated financial statements. However, as the amounts of such impact may not be limited to specific financial statement line items and notes, such impact has not been reflected in the condensed interim 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 interim consolidated financial statements as of September 30, 2025 and for the six 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, water-cooling modules and motor applications.
- 2) Automotive products, which include automotive motors and components, and traction motor system.
- 3) Appliance, commercial and industrial products, which include home appliance, commercial and industrial motors and related products.
- 4) Machinery, which includes industrial robots, card readers, test systems, press machines, power transmission drives and machine tools.
- 5) Electronic and optical components, which include switches, sensors, lens units and camera shutters.
- 6) Others, which include music boxes and services.

2. Material accounting policies

With the exception of the item explained below, material accounting policies adopted in preparation of the condensed interim 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, 2025.

Income tax expenses for the six months ended September 30, 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 interim consolidated financial statements.

Change in Presentation

(Condensed Interim Consolidated Statements of Cash Flows)

In the six months ended September 30, 2024, "Increase (decrease) in other provisions" was included in "Other, net" under "Net cash provided by operating activities". However, due to an increase in monetary materiality, this item is presented separately from the six months ended September 30, 2025. Accordingly, the condensed interim consolidated statements of cash flows for the six months ended September 30, 2024 have been reclassified to reflect this change in presentation.

As a result, in the condensed interim consolidated statements of cash flows for the six months ended September 30, 2024, the amount of ¥(10,938) million, which was previously presented under "Other, net" in "Net cash provided by operating activities," has been reclassified as ¥(6,713) million for "Increase (decrease) in other provisions" and ¥(4,225) million for "Other, net".

3. Significant accounting estimates, judgments and assumptions

The preparation of the condensed interim 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 interim consolidated financial statements as of September 30, 2025 are same as those estimates and judgments for the consolidated financial statements for the year ended March 31, 2025.

4. 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'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 six months ended September 30,	
	2024	2025
SPMS	195,340	194,496
AMEC	176,659	172,511
MOEN	276,174	317,847
ACIM	231,650	219,201
Nidec Machinery and Automation	103,249	98,084
Group Company Business	310,739	300,164
Consolidated net sales	1,293,811	1,302,303

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

Net sales to other operating segments:

(Yen in millions)

	For the six months ended September 30,	
	2024	2025
SPMS	1,982	1,625
AMEC	1,137	2,374
MOEN	1,927	2,172
ACIM	3,626	3,242
Nidec Machinery and Automation	3,335	3,685
Group Company Business	25,153	22,847
Total	37,160	35,945
Intersegment elimination	(37,160)	(35,945)
Consolidated net sales	-	-

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

Segment profit/loss:

(Yen in millions)

	For the six months ended September 30,	
	2024	2025
SPMS	20,300	27,343
AMEC	36	(71,718)
MOEN	37,746	14,048
ACIM	18,931	15,573
Nidec Machinery and Automation	6,965	2,552
Group Company Business	45,997	41,523
Total	129,975	29,321
Elimination and Corporate (Note)	(9,501)	(8,214)
Operating profit	120,474	21,107
Financial income (expenses)	6,956	6,162
Derivative gain (loss)	(62)	(244)
Foreign exchange differences	(27,259)	3,853
Share of net profit (loss) from associate accounting using the equity method	(461)	(534)
Profit before income taxes	99,648	30,344

- (Notes) 1. "Elimination and Corporate" includes corporate expenses, which do not belong to any operating segment, of ¥8,314 million and ¥9,722 million for the six months ended September 30, 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 impairment losses of Non-financial assets ¥31,674 million and provisions for loss on contract ¥36,471 million in the "AMEC" segment and has recorded debts associated with settling claims from suppliers ¥19,495 million in the "MOEN" segment for the six months ended September 30, 2025. However, misstatements on amount, timing of recognition and notes may be identified in the investigation by the Third-Party Committee.

5. Impairment of non-financial assets

The company has recorded impairment losses of ¥31,674 million considering their future recoverability in the traction motor business and Automotive Inverter business in the "AMEC" segment for the six months ended September 30, 2025. This impairment losses consists of ¥14,271 million in property, plant and equipment, ¥16,592 million in intangible assets, and ¥811 million in other non-current assets. However, misstatements on amount, timing of recognition and notes may be identified in the investigation by the Third-Party Committee.

6. Trade and other payables

The company has recorded debts associated with settling claims from suppliers ¥19,495 million in the "MOEN" segment for the six months ended September 30, 2025. However, misstatements on amount, timing of recognition and notes may be identified in the investigation by the Third-Party Committee.

7. Provisions

The company has recorded provisions for loss on contract when the inevitable costs required for executing a contract exceed the economic benefits expected to be received from the contract with the customer.

The company has recorded provisions for loss on contract ¥36,471 million in the Inverter Automotive business in the "AMEC" segment for the six months ended September 30, 2025. However, misstatements on amount, timing of recognition and notes may be identified in the investigation by the Third-Party Committee.

8. Notes on Going Concern Assumption

Not applicable.

9. 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.

Of the assets acquired and the liabilities assumed upon the acquisitions of companies in the six months ended September 30, 2025, the assets and liabilities which are currently under evaluation have been recorded on NIDEC's condensed interim consolidated statements of financial position based on provisional management estimation as of September 30, 2025.

10. Events after the Reporting Period

Determination of No Interim Dividend

On October 23, 2025, the Company's Board of Directors resolved not to pay surplus dividend (interim dividend) with September 30, 2025. For further details, please refer to "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.

Discontinuation of the Share Repurchase

On October 23, 2025, the Company's Board of Directors decided to discontinue the share repurchase based on the Board of Directors resolution held on May 27, 2025. This decision was made in consideration of the current situation that as stated in the Annual Report submitted on September 26, 2025, investigations by the Third-Party Committee regarding suspected inappropriate accounting practices involving the Company and its group, as well as other internal investigations, are ongoing.

Conclusion of Commitment Line Agreement

On November 4, 2025, NIDEC entered into a commitment line agreement as follows.

1. Purpose of Commitment Line Agreement

To secure flexible and stable funding capacity and strengthen our solid financial foundation.

2. Overview of Commitment Line Agreement

Contracting party	MUFG Bank, Ltd.	Sumitomo Mitsui Banking Corporation
Borrowing limit	300 billion yen	300 billion yen
Contract execution date	November 4, 2025	November 4, 2025
Form of contract	Bilateral	Bilateral
Contract period	November 7, 2025 to November 6, 2026 (1 year)	November 7, 2025 to November 6, 2026 (1 year)
Collateral and guarantee	Unsecured and unguaranteed	Unsecured and unguaranteed
Main financial covenants	The main financial covenants are as follows: (1) To maintain the total equity recorded in the consolidated financial statements as of the end of the fiscal year ending March 31, 2026, at 75% or more of the total equity recorded in the consolidated financial statements as of the end of the fiscal year ended March 31, 2025. (2) However, in the event that the total equity recorded in the consolidated financial statements as of the end of the fiscal year ended March 31, 2025, are restated as a result of the investigation by the Third-Party Committee decided to be established on September 3, 2025, the minimum threshold shall be maintained at 75% or more of the restated total equity.	
Others	A report on the remedial measures and internal control enhancement measures based on the investigation results of the Third-Party Committee must be submitted to the lenders, the content of which must be satisfactory to them.	

3. Others

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

(Yen in millions)

	For the three months ended	
	June 30, 2025	September 30, 2025
Net sales	638,026	664,277
Operating profit (loss)	(26,407)	47,514
Profit (loss) before income taxes	(27,771)	58,115
Profit (loss) for the period	(18,484)	38,577
Profit (loss) attributable to owners of the parent	(9,383)	40,574

(2) Information by Product Category

For the six months ended September 30, 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	242,588	330,780	520,080	153,512	44,972	1,879	1,293,811	-	1,293,811
Intersegment	2,140	285	3,640	8,222	1,445	295	16,027	(16,027)	-
Total	244,728	331,065	523,720	161,734	46,417	2,174	1,309,838	(16,027)	1,293,811
Operating expenses	215,649	311,493	465,467	144,976	40,061	2,035	1,179,681	(6,344)	1,173,337
Operating profit	29,079	19,572	58,253	16,758	6,356	139	130,157	(9,683)	120,474

For the six months ended September 30, 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	242,329	335,928	530,562	147,757	43,791	1,936	1,302,303	-	1,302,303
Intersegment	2,874	1,103	2,567	5,045	1,194	363	13,146	(13,146)	-
Total	245,203	337,031	533,129	152,802	44,985	2,299	1,315,449	(13,146)	1,302,303
Operating expenses	210,317	419,880	475,767	139,949	38,301	1,862	1,286,076	(4,880)	1,281,196
Operating profit (loss)	34,886	(82,849)	57,362	12,853	6,684	437	29,373	(8,266)	21,107

For the three months ended September 30, 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	124,075	165,141	254,454	78,023	22,975	977	645,645	-	645,645
Intersegment	805	111	1,424	4,074	425	152	6,991	(6,991)	-
Total	124,880	165,252	255,878	82,097	23,400	1,129	652,636	(6,991)	645,645
Operating expenses	108,902	159,407	224,175	73,473	19,921	1,062	586,940	(1,707)	585,233
Operating profit	15,978	5,845	31,703	8,624	3,479	67	65,696	(5,284)	60,412

For the three months ended September 30, 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	123,324	170,281	269,011	78,165	22,592	904	664,277	-	664,277
Intersegment	1,313	697	1,318	2,524	655	199	6,706	(6,706)	-
Total	124,637	170,978	270,329	80,689	23,247	1,103	670,983	(6,706)	664,277
Operating expenses	106,901	170,886	242,882	77,773	20,195	935	619,572	(2,809)	616,763
Operating profit	17,736	92	27,447	2,916	3,052	168	51,411	(3,897)	47,514

(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)*

(Yen in millions)

	For the six months ended September 30,				Increase or decrease	
	2024		2025			
	Amounts	%	Amounts	%	Amounts	%
Japan	194,429	15.0	197,035	15.1	2,606	1.3
China	275,394	21.3	270,200	20.7	(5,194)	(1.9)
Other Asia	176,939	13.7	170,774	13.1	(6,165)	(3.5)
U.S.A.	297,204	23.0	298,989	23.0	1,785	0.6
Europe	291,426	22.5	314,676	24.2	23,250	8.0
Others	58,419	4.5	50,629	3.9	(7,790)	(13.3)
Total	1,293,811	100.0	1,302,303	100.0	8,492	0.7

(Yen in millions)

(Per in millions)

	For the three months ended September 30,				Increase or decrease	
	2024		2025			
	Amounts	%	Amounts	%	Amounts	%
Japan	100,156	15.5	101,192	15.2	1,036	1.0
China	137,066	21.2	136,141	20.5	(925)	(0.7)
Other Asia	88,117	13.6	86,008	13.0	(2,109)	(2.4)
U.S.A.	151,461	23.5	154,365	23.2	2,904	1.9
Europe	140,658	21.8	160,427	24.2	19,769	14.1
Others	28,187	4.4	26,144	3.9	(2,043)	(7.2)
Total	645,645	100.0	664,277	100.0	18,632	2.9

(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)

(In millions)

	For the six months ended September 30,				Increase or decrease	
	2024		2025			
	Amounts	%	Amounts	%	Amounts	%
Japan	133,811	10.4	128,799	9.9	(5,012)	(3.7)
China	280,977	21.7	275,209	21.1	(5,768)	(2.1)
Other Asia	208,835	16.1	206,683	15.9	(2,152)	(1.0)
U.S.A.	262,150	20.3	260,786	20.0	(1,364)	(0.5)
Europe	268,349	20.7	301,424	23.2	33,075	12.3
Others	139,689	10.8	129,402	9.9	(10,287)	(7.4)
Total	1,293,811	100.0	1,302,303	100.0	8,492	0.7

(Yen in millions)

(Ten in millions)

	For the three months ended September 30,				Increase or decrease	
	2024		2025			
	Amounts	%	Amounts	%	Amounts	%
Japan	68,758	10.6	65,610	9.9	(3,148)	(4.6)
China	139,340	21.6	141,303	21.3	1,963	1.4
Other Asia	103,646	16.1	103,497	15.6	(149)	(0.1)
U.S.A.	135,009	20.9	136,042	20.5	1,033	0.8
Europe	133,087	20.6	151,374	22.7	18,287	13.7
Others	65,805	10.2	66,451	10.0	646	1.0
Total	645,645	100.0	664,277	100.0	18,632	2.9

(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

November 14, 2025

(1) Summary of Consolidated Financial Performance

(Yen in millions)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025	Increase or decrease	For the three months ended September 30, 2024	For the three months ended September 30, 2025	Increase or decrease
Net Sales	1,293,811	1,302,303	0.7 %	645,645	664,277	2.9 %
Operating profit	120,474 9.3 %	21,107 1.6 %	(82.5) %	60,412 9.4 %	47,514 7.2 %	(21.4) %
Profit before income taxes	99,648 7.7 %	30,344 2.3 %	(69.5) %	21,242 3.3 %	58,115 8.7 %	173.6 %
Profit attributable to owners of the parent	75,377 5.8 %	31,191 2.4 %	(58.6) %	19,390 3.0 %	40,574 6.1 %	109.3 %
Earnings per share attributable to owners of the parent - basic (Yen)	65.59	27.21		16.87	35.39	
Earnings per share attributable to owners of the parent - diluted (Yen)	-	-		-	-	

(2) Summary of Consolidated Financial Position and Cash Flows

(Yen in millions)

	As of September 30, 2024	As of September 30, 2025	As of March 31, 2025
Total assets	3,184,009	3,489,663	3,315,253
Total equity attributable to owners of the parent	1,598,246	1,759,440	1,716,947
Ratio of total equity attributable to owners of the parent to total asset	50.2%	50.4%	51.8%
	For the six months ended September 30, 2024	For the six months ended September 30, 2025	For the year ended March 31, 2025
Net cash provided by operating activities	97,817	112,349	284,428
Net cash used in investing activities	(69,803)	(67,125)	(147,255)
Net cash used in financing activities	(5,183)	40,517	(80,193)
Cash and cash equivalents at end of period	215,624	344,455	246,239

(3) Dividends

(Yen)

	2nd quarter end	Fiscal year end	Total
Year ended March 31, 2024	40.00	20.00	-
Year ending March 31, 2025	0.00		
Year ending March 31, 2025 (forecast)		-	-

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

4) Scope of Consolidation and Application of the Equity Method		
Number of consolidated subsidiaries	341	
Number of associates accounted for using the equity method	4	
	Change from March 31, 2025	Change from September 30, 2024
Number of companies newly consolidated	3	6
Number of companies excluded from consolidation	4	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..
5. The Company finalized the provisional accounting treatment for the business combination in the three months ended September 30, 2025. Condensed consolidated financial statements for the year ended March 31, 2025 reflect the revision of the initially allocated amounts of acquisition cost as NIDEC finalized the provisional accounting treatment for the business combination.
6. 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, we have not yet decided on a dividend from year-end dividends with a record date of March 31, 2026.