



May 11, 2022

Nidec to Establish a Semiconductor Solutions Center

Nidec Corporation (TSE: 6594; OTC US: NJDCY) (the “Company” or “Nidec”) announced today that it will establish a semiconductor solutions center (“Nidec Semiconductor Solutions Center”) on May 16.

Outlook of Nidec Semiconductor Solutions Center:

- Address: 2-8, Shin-Kawasaki, Saiwai-ku, Kawasaki-shi, Kanagawa, 212-0032 Japan (inside Nidec Research and Development Center, Japan)
- Director: Ryuji Omura
- Businesses:
 - 1) Building a strong partnership with semiconductor suppliers;
 - 2) Establishing a sustainable supply chain of semiconductors inside and outside the Nidec Group in anticipation of geopolitical risks and other contingencies; and
 - 3) Creating synergies between semiconductors and motors to provide high-value-added solutions.

Background and purpose of establishing Nidec Semiconductor Solutions Center:

The global semiconductor shortage, which evolved from the current unstable state of the world, the pandemic, and natural disasters, is expected to improve somewhat in 2022. Nonetheless, in the wake of the global increase in demand and the COVID-incurred effects to production among other reasons, the future of the environment surrounding the semiconductor industry is more uncertain than ever. Nidec Semiconductor Solutions Center, to be established newly, will build a strategic partnership with suppliers and a sustainable supply chain of semiconductors that is capable of responding to all risks, to secure a stable production and delivery of our company’s products. Further, by producing main semiconductors in-house (including their development and licensed manufacturing), we will provide high-value-added intelligent motor solutions that contribute to the conservation of the global environment.

Shigenobu Nagamori, Founder, Representative Director, Chairman and Chief Executive Officer:

“A stable supply of semiconductors is truly critical to Nidec as we aim to achieve our sales target of 10 trillion yen. Going forward, we will meet our customers’ expectations by actively promoting a comprehensive strategy that covers the entire process of developing through stably supplying semiconductors. As the world’s leading comprehensive motor manufacturer, Nidec will generate synergies by combining its existing motor business with Nidec Semiconductor Solutions Center’s solutions, to provide more efficient and safer products than before, contribute to the conservation of the global environment, and enhance our corporate value.”

Jun Seki, Representative Director, President and Chief Operating Officer:

“Semiconductors are the critical key to achieving the in-house production of components and materials. With a successful in-house production of semiconductors, we will be able to achieve the “super-vertical integration” of the E-Axle business, a pillar for our company’s future growth. In addition, I am convinced that such integration will enable us to secure excellent quality, cost, delivery lead time, speed, service, and uniqueness, operate business sustainably, and lead our products to better contribute to social development. Thus, we will build a firm partnership with our customers who use our products.”

Ryuji Omura, Vice President and Deputy Chief Technology Officer:

“I joined Nidec this past February based on the conviction that improving the level of the company’s motor business with semiconductors would be critical in the company’s pursuit of the 10-trillion-yen sales target. Now, after realizing the scale of the Nidec Group’s internal expectations on semiconductor solutions, I feel full of hope and a sense of mission with this new organization, which is the first step to promote the solutions under the spirit, “Do your job right away, without hesitation, and never give up until it is completed” based on the “One Nidec” initiative. Going forward, I will proactively advance this project with passion, enthusiasm, and tenacity, to build a global ecosystem with our customers, business partners, and suppliers.”

As the world’s leading comprehensive motor manufacturer, Nidec stays committed to giving the world socially indispensable products.

Cautionary Statement Concerning Forward-Looking Information

This press release contains forward-looking statements regarding the intent, belief, strategy, plans or expectations of the Nidec Group or other parties. Such forward-looking statements are not guarantees of future performance or events and involve risks and uncertainties. Actual results may differ materially from those described in such forward-looking statements as a result of various factors, including, but not limited to, the risks to successfully integrating the acquired business with the Nidec Group, the anticipated benefits of the Transaction not being realized, changes in general economic conditions, shifts in technology or user preferences for particular technologies and changes in business and regulatory environments. The Nidec Group does not undertake any obligation to update the forward-looking statements contained herein or the reasons why actual results could differ from those projected in the forward-looking statements except as may be required by law.

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