



NEWS RELEASE

Sep 30, 2020

R&I Affirms AA-/a-1+, Stable: Nidec Corp.

Rating and Investment Information, Inc. (R&I) has announced the following:

ISSUER: Nidec Corp.
Issuer Rating: AA-, Affirmed
Rating Outlook: Stable

Commercial Paper: a-1+, Affirmed

RATIONALE:

Nidec Corp. is the world's largest comprehensive manufacturer of motors. It develops a wide variety of motors and related products, ranging from small motors for digital devices and automotive motors to motors for home appliance, commercial and industrial applications. The portfolio also includes finished products such as robots for transportation and pressing machines. The earnings sources are well diversified in terms of products, applications, and sales territories. Nidec boasts strong cost competitiveness, supported by excellent mass-production technologies, as well as groupwide efforts to increase joint purchases and internal production. With a development and production structure that enables greater customer responsiveness, the company has established a competitive edge for many of its products. The company's earnings base is robust.

The novel coronavirus pandemic occurred as tensions between the U.S. and China were heightening uncertainty about the global economic outlook. Many industries have been hit by a huge slump in demand. Despite the severe demand environment, Nidec's products and subsidiaries acquired in the past fiscal years have generated a relatively high level of profits thanks to a radical reform of its cost structure. In light of this and the competitiveness of each product, R&I believes that the company's earning and cash flow generating capacities will rise with economic recovery.

The company's net debt has considerably increased due to growth investments in electric car-related areas as well as mergers and acquisitions in the past fiscal years, leaving room for improvement in its financial balance. Since the aggressive growth investments are expected to continue, R&I is paying close attention to improvements in the company's debt-equity structure. Eyes are on whether the company can shore up its financial base through greater cash flow generating capacity.

The primary rating methodologies applied to this rating are provided at "R&I's Basic Methodology for Corporate Credit Ratings", " Electronic Devices", "Automobile Components" and "Capital Equipment, etc." The methodologies are available at the web site listed below, together with other rating methodologies that are taken into consideration when assigning the rating.

https://www.r-i.co.jp/en/rating/about/rating_method.html

R&I RATINGS:

ISSUER: Nidec Corp. (Sec. Code: 6594)
Issuer Rating
RATING: AA-, Affirmed
RATING OUTLOOK: Stable

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Shelf Registration (Bonds)

ISSUE AMOUNT (mn): JPY 300,000
ISSUE PERIOD: From Apr 09, 2020 to Apr 08, 2021
RATING: **AA-, Affirmed (Preliminary)**

Unsec. Str. Bonds No.3	Issue Date	Maturity Date	Issue Amount (mn)
	Nov 13, 2012	Sep 20, 2022	JPY 20,000
RATING:	AA-, Affirmed		

Unsec. Str. Bonds No.7	Issue Date	Maturity Date	Issue Amount (mn)
	Aug 30, 2017	Aug 30, 2022	JPY 65,000
RATING:	AA-, Affirmed		

Unsec. Str. Bonds No.8	Issue Date	Maturity Date	Issue Amount (mn)
	Jul 19, 2019	Jul 19, 2024	JPY 100,000
RATING:	AA-, Affirmed		

Unsec. Str. Bonds No.9 (Green Bonds)	Issue Date	Maturity Date	Issue Amount (mn)
	Nov 28, 2019	Nov 28, 2022	JPY 50,000
RATING:	AA-, Affirmed		

Unsec. Str. Bonds No.10 (Green Bonds)	Issue Date	Maturity Date	Issue Amount (mn)
	Nov 28, 2019	Nov 28, 2024	JPY 30,000
RATING:	AA-, Affirmed		

Unsec. Str. Bonds No.11 (Green Bonds)	Issue Date	Maturity Date	Issue Amount (mn)
	Nov 28, 2019	Nov 27, 2026	JPY 20,000
RATING:	AA-, Affirmed		

Unsec. Str. Bonds No.12	Issue Date	Maturity Date	Issue Amount (mn)
	Jun 10, 2020	Jun 09, 2023	JPY 50,000
RATING:	AA-, Affirmed		

Commercial Paper

ISSUE LIMIT (mn): JPY 100,000
SUPPORT: Unsecured
RATING: a-1+, Affirmed

A preliminary rating is assigned when a provisional credit rating is needed for an individual obligation on which final terms have not been determined. A credit rating finally assigned may differ from the preliminary rating depending on, among others, the details of the actual contract of the individual obligation.

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