

Nidec Corporation

First Quarter Fiscal 2024 Results

Three Months Ended June 30, 2024
<IFRS>



Eve Air Mobility eVTOL*
* Electric vertical take-off and landing aircraft

Disclaimer Regarding Forward-looking Statements

These presentation materials and the related discussions contain forward-looking statements including expectations, estimates, projections, plans and strategies. Such forward-looking statements are based on management's targets, assumptions and beliefs in light of the information currently available. Certain risks, uncertainties and other factors could cause actual results to differ materially from those discussed in the forward-looking statements. Such risks and uncertainties include, but are not limited to, changes in customer circumstances and demand, exchange rate fluctuations, and the Nidec Group's ability to design, develop, mass produce and win acceptance of its products and to acquire and successfully integrate companies with complementary technologies and product lines. Please see other disclosure documents filed or published by the Nidec Group companies, including the Japanese securities report, for additional information regarding such risks and uncertainties. Nidec undertakes no obligation to update the forward-looking statements unless required by law.

The first slide features electric vertical take-off and landing (eVTOL) aircraft manufactured by Eve Air Mobility based in the U.S., who plans flight tests by the end of 2024, and acquisition of type certification and start of production in 2026. Nidec will supply electric propulsion systems to Eve Air Mobility. Also, Nidec ASI S.p.A., one of our group company's charger will be featured in Eve's eVTOL ground maintenance manuals as recommended products.

Consolidated Profit/Loss



Billions of Yen, except for percentages, EPS, and FX rates	Q1/FY2023	Q1/FY2024	Change
Net sales	564.4	648.2	+14.8%
Operating profit	60.2	60.3(*)	+0.1%
Operating profit ratio	10.7%	9.3%	-
Profit before income taxes	86.1	78.6	-8.7%
Profit attributable to owners of the parent	64.1	56.0	-12.5%
EPS (Yen)	111.5	97.5	-12.5%
FX rate (Yen/US\$)			
Average:	137.37	155.88	+13.5%
Term end:	144.99	161.07	+11.1%

Note: Based on the current forecast of sales volume, every one yen appreciation or depreciation against the U.S. dollar and the euro for FY2024 is estimated to have an annualized impact of 10.0 billion yen and 1.9 billion yen on net sales, respectively, and 1.1 billion yen and 0.4 billion yen on operating profit, respectively.

* NIDEC acquired a controlling interest in Nidec PSA eMotors SAS, which was an equity-method affiliate of Nidec until FY23 end, and made it a consolidated subsidiary. Correspondingly, Nidec recognized gain on step acquisitions of ¥10.1 billion as a result of remeasuring the shares of the said company held by the end of the previous fiscal year in fair value on the acquisition date. Refer to page 4 for details.

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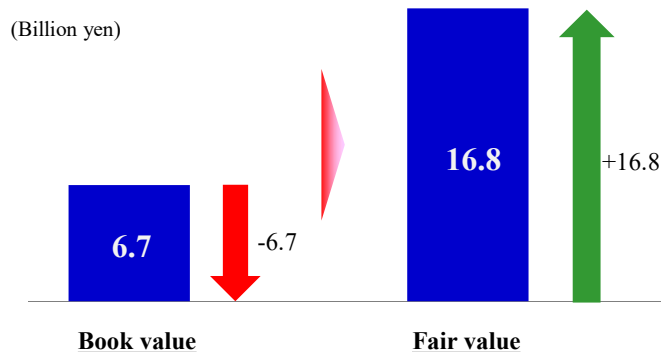
Gain on Step Acquisitions of Nidec PSA emotors



Gain on step acquisitions
¥-6.7 billion + ¥16.8 billion = ¥10.1 billion

[Equity-method associates]

[Consolidated subsidiary]



Nidec acquired a controlling interest in Nidec PSA eMotors SAS, an equity-method affiliate of Nidec, and made it a consolidated subsidiary as of April 1, 2024. Correspondingly, Nidec recognized gain on step acquisitions of ¥10.1 billion as a result of remeasuring the shares of the said company held by the end of the previous fiscal year in fair value on the acquisition date.

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■ Upward Revision to FY2024 Forecast



This slide includes forward-looking statements. See Disclaimer on Page 2.

<Previous Forecast (April 23, 2024)>

Billions of Yen, except for percentages, EPS, dividends and FX rates	1H/FY2024	Full-Year
Net sales	1,140.0	2,400.0
Operating profit	100.0	230.0
Operating profit ratio	8.8%	9.6%
Profit before income taxes	95.0	220.0
Profit attributable to owners of the parent	74.0	165.0
EPS (Yen)	128.79	287.16
Dividends (Yen)	40.00	80.00
FX Rate (Yen/US\$)	145	145
FX Rate (Yen/€)	155	155

<Revised Forecast>

1H/FY2024	Change	Full-Year	Change
1,300.0	+160.0	2,500.0	+100.0
115.0	+15.0	240.0	+10.0
8.8%	-	9.6%	-
130.0	+35.0	250.0	+30.0
97.0	+23.0	185.0	+20.0
168.81	-	(*)321.96	-
40.00	-	(*)2-	-
145	-	145	-
155	-	155	-

Nidec will split each of its common stock shares into two shares. The record date is September 30, 2024 and the date of issue is October 1, 2024.

*1: Our forecast of full-year EPS for FY24 after this stock split is ¥160.98.

*2: Year-end dividend for FY24 will be 20 yen in accordance with the split ratio, but there is no substantial change in the dividend as this revision will be implemented in accordance with the split ratio. The amount of full-year dividend for FY24 is not displayed on this slide as it cannot be simply added up due to the stock split.

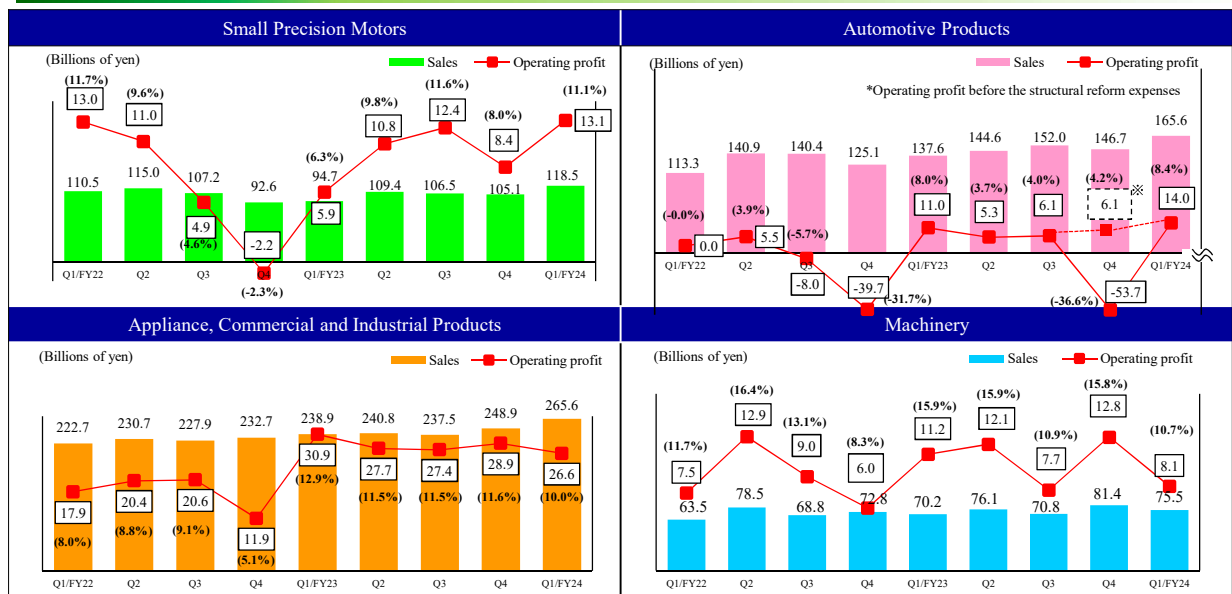
5

■ Product Group Overview

*Please refer to Notes on Page 25.



Numbers inside parentheses refer to operating profit.



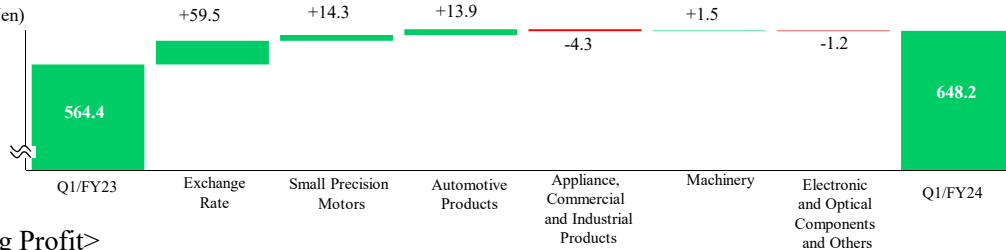
6

Year-on-Year Changes (Three Months Ended June 30, 2024)



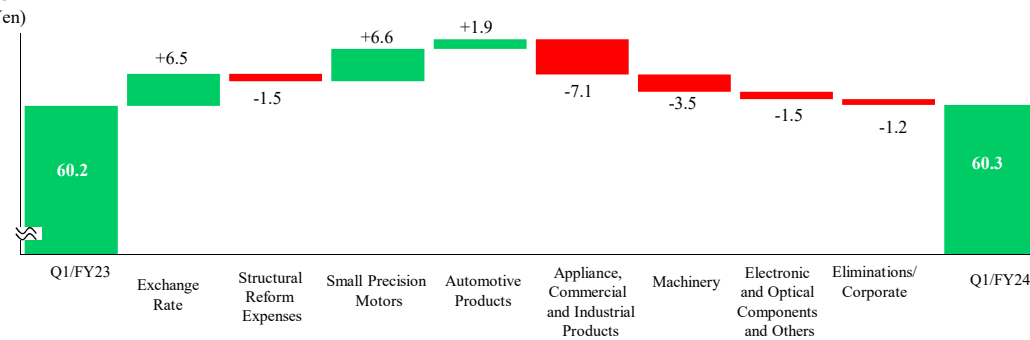
<Net Sales>

(Billions of Yen)



<Operating Profit>

(Billions of Yen)



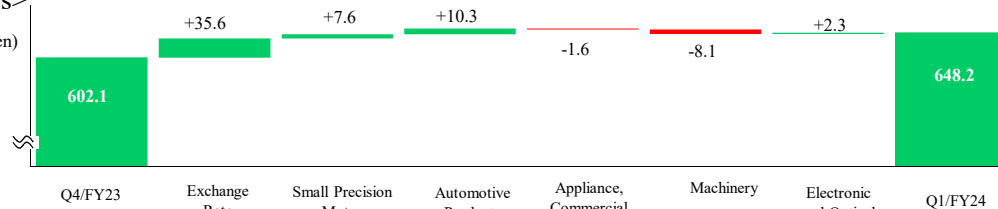
7

Quarter-on-Quarter Changes (Three Months Ended June 30, 2024)



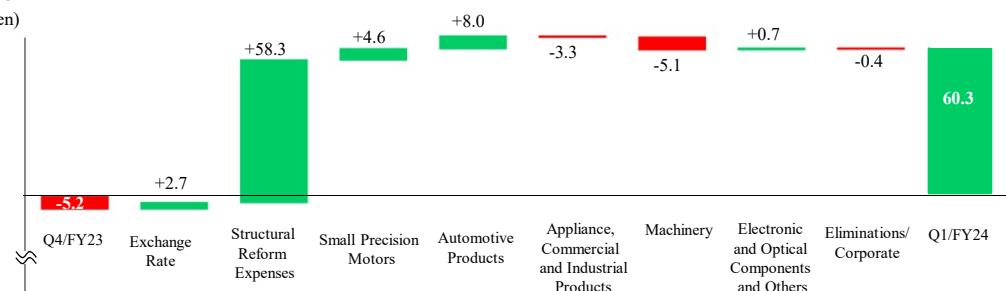
<Net Sales>

(Billions of Yen)



<Operating Profit>

(Billions of Yen)

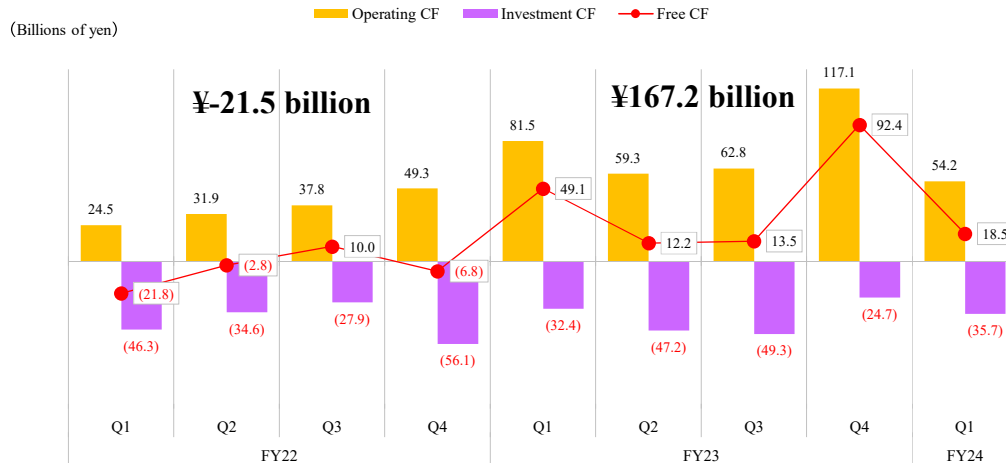


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Promoting Cash Flow Management



Aiming to enhance cash flow generating ability to maximize corporate value
(Allocate generated cash to growth investment, shareholder return as well as interest-bearing debt control)



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Summary of Q1 FY2024



- **Consolidated net sales and operating profit stood at record highs** under the new management
- Operating profit increased due to a shift to a highly profitable business portfolio in the Small Precision Motors, and the recording of gains on revaluation of shares following the consolidation of Nidec PSA eMotors SAS, a joint venture with Stellantis
- **Upward revision** to FY24 Full-year and the 1H forecast

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Topics of Q1

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Strategy Shift in Automotive Products Business

This slide includes forward-looking statements. See Disclaimer on Page 2.



We expand our automotive product range globally capitalizing on our sales experience, local procurement capability and cost competitiveness

Battery EV related business

* GNAD: Guangzhou Nidec Auto Drive System Co., Ltd.

** NPe: Nidec PSA emotors

1. Joint venture: Completed risk minimization in response to slow market growth

►GNAD*

(joint venture in China between Nidec and GAC Component Co., Ltd.)



Limiting orders for unprofitable models



Monetization with local product development in China

►NPe**

(Joint venture in Europe between Nidec and Stellantis)



Having secured production capacity needed in Europe => **High operation rate** regardless of changes in overall demand

2. Components: Supply parts capitalizing on our development and sales capability cultivated since the early days of EV

Technology and cost competitiveness we cultivated in tough markets



Market trends in Europe: Coexisting with Chinese players as a "survival strategy"

Trend of European OEMs : Import and produce in Europe in partnership with emerging Chinese OEMs

European OEMs

Chinese emerging OEMs

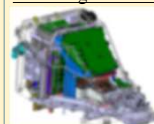
Japanese OEMs

Existing automotive parts business

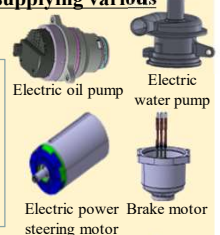
Supporting automotive evolution by supplying various products that meet customers' needs

Power control

Receiving new orders from HEV manufacturers



- Inverter (Photo on the left) FY26 Q2~
- DC-DC converter July 2026~ (new model)



Seat



etc.. 12

Products Related to AI Data Centers

*HVAC: Heating, Ventilation and Air Conditioning

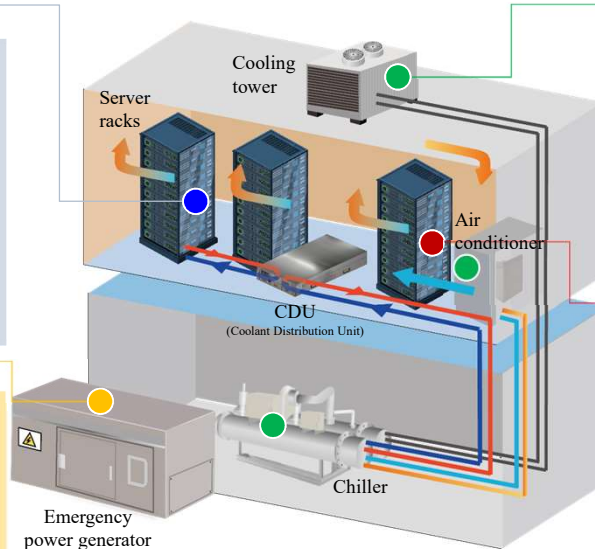
Nidec
—All for dreams

Expanding solution business in response to increasing construction of AI data centers

Water coolant system/cooling fan/
HDD motors



BESS/Alternator for generators



Motors for HVAC*, chiller
and cooling tower



Semiconductor inspection
system/transfer robot



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*Mid- to Long-Term
Direction*

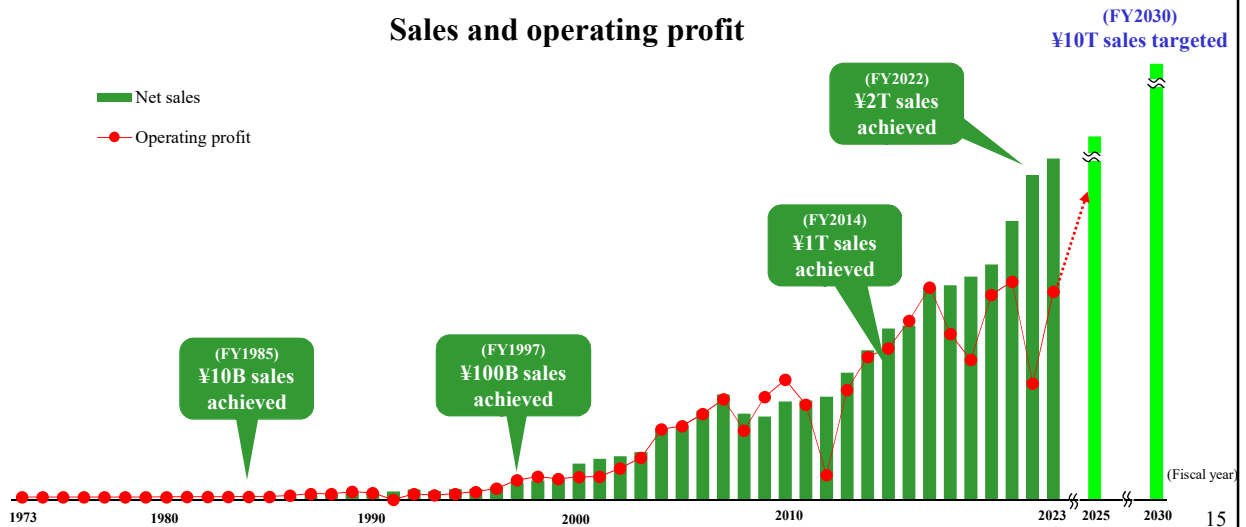
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Mid- to Long-Term Direction

This slide includes forward-looking statements. See Disclaimer on Page 2. **Nidec** —All for dreams

Aiming to achieve ¥10 trillion sales by FY30, with ¥7 trillion through organic growth and ¥3 trillion through new M&As

Sales and operating profit



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Mid- to Long-Term Vision and Indicator

Nidec —All for dreams

With inheriting our strength, enhancing our corporate value through efficient growth in the period of “second-founding”

(1) Vision

- **Global company that grows sustainably for the next 100 years and beyond**

➤ Voice of customers (market trend)	× “Manufacturing”(advanced technology)	= Solution business
➤ Diversity in human resources	× Aligned vector	= Maximized organizational strength
➤ High profitability	× High growth rate	= High stock price

(2) Indicator

“Market capitalization: 10 trillion yen”

(Aiming to update record-high, though it is just a passing point towards further improvement of our corporate value)

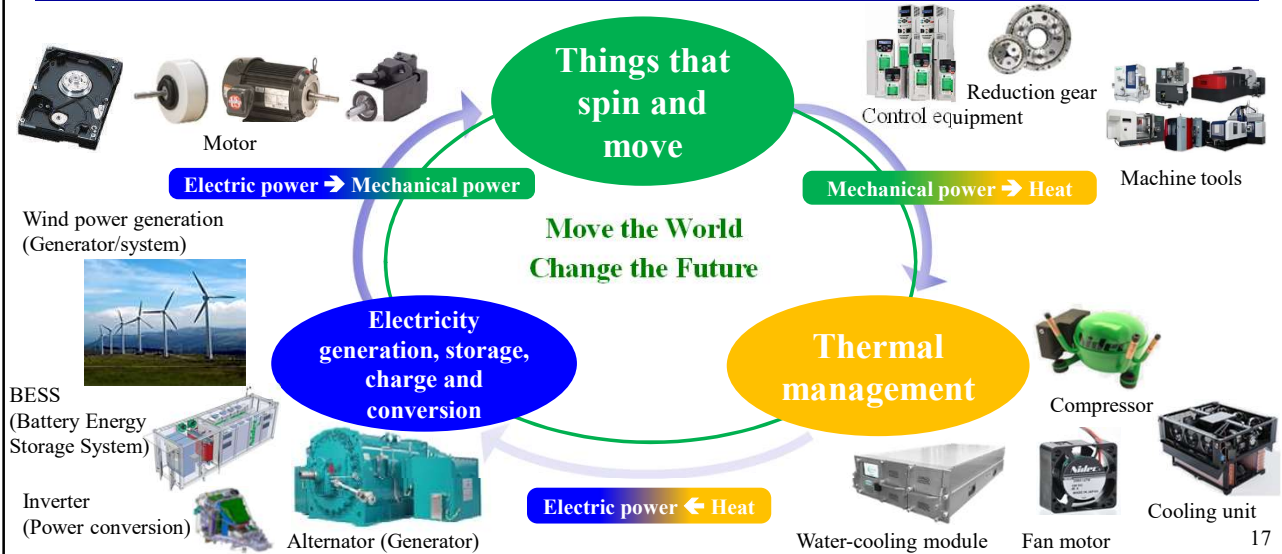
- “Quality” growth
 3Q6S: Quality Worker / Company / Products

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Towards the Realization of Circular Society



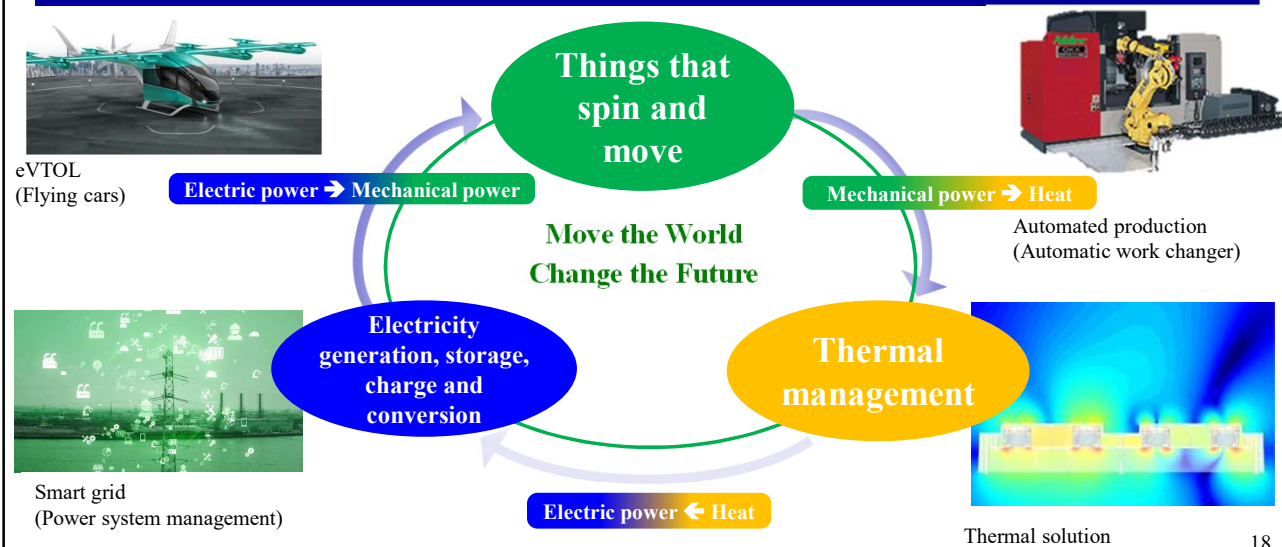
Aiming to become a leading company contributing to sustainable circular society with highly efficient products and environmentally friendly business activities committed to carbon neutrality and CO2 reduction



Towards the Realization of Circular Society








Aiming to become a leading company contributing to sustainable circular society with highly efficient products and environmentally friendly business activities committed to carbon neutrality and CO2 reduction



Five Business Pillars -Five Areas of Focus Based on Market Trends-



Targeting wide range of business areas from cutting-edge AI-related market to everyday life, infrastructure and energy

Better Life	Sustainable Infrastructure and Energy	Base of AI Society	Efficient Manufacturing	Mobility Innovation
-Improving quality of life -Pursuing reliability, safety and health	Contributing to infrastructure maintenance by efficient generation, storage and utilization of energy	Anticipating explosive demand and responding to required evolution	Leading labor-saving, automation, acceleration and high precision in manufacturing	Electrification and automation of eco-friendly vehicles
Home appliances	Power generator	Data center	Machine tools and Press machines	Automotive components
Commercial equipment (HVAC/elevators)	Battery Energy Storage System (BESS)	Semiconductor inspection /wafer transfer robot	Precision reducers	E-bike
				

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Five Business Pillars -Five Areas of Focus Based on Market Trends-



Targeting wide range of business areas from cutting-edge AI-related market to everyday life, infrastructure and energy

Better Life	Sustainable Infrastructure and Energy	Base of AI Society	Efficient Manufacturing	Mobility Innovation
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Home appliances	Power generator	Data center	Machine tools and Press machines	Automotive components
Commercial equipment (HVAC/elevators)	Battery Energy Storage System (BESS)	Semiconductor inspection /wafer transfer robot	Precision reducers	E-bike
Medical/nursing care	Smart grid	AR*/VR**/digital twin	Logistics (Drone)	Electrical bus
Education	EV fast charging station	HAPS (High Altitude Platform Station)	Smart agriculture	Hybridization (Trains/vessels)
Social welfare and disaster risk mitigation	Other types of power storage systems	Humanoid robots equipped with AI	Construction machinery/forklift	eVTOL (Flying cars)
Heat pumps	...	Quantum computer
...		...	*AR: Augmented Reality **VR: Virtual Reality	

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Five Business Pillars -Five Areas of Focus Based on Market Trends-



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Targeting wide range of business areas from cutting-edge AI-related market to everyday life, infrastructure and energy

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Home appliances	Power generator	Data center	Machine tools and Press machines	Automotive components
Commercial products (HVAC/elevators)	Battery Energy Storage System (BESS)	Semiconductor inspection /wafer transfer robot	Precision reducers	E-bike
Sales [Trillion yen]	Sales [Trillion yen]	Sales [Trillion yen]	Sales [Trillion yen]	Sales [Trillion yen]
FY23 FY30	FY23 FY30	FY23 FY30	FY23 FY30	FY23 FY30

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Regional Strategy -Focusing on India due to Its High Growth-



This slide includes forward-looking statements. See Disclaimer on Page 2.

- Developing bases for multiple business units and combining the strength of Nidec group for strategic growth in the Indian market
- Establishing software development center for supporting the whole Nidec group

◆ Developing consolidated bases and combine strength of Nidec group

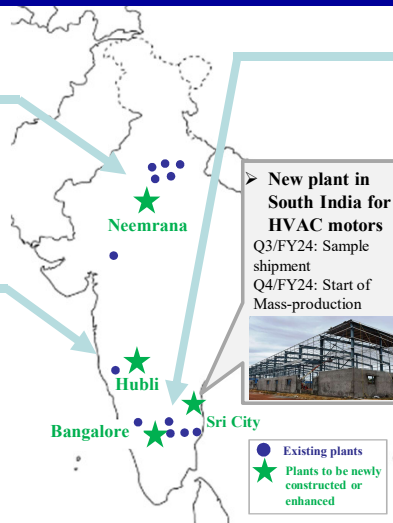
- North India: Motors for appliances, small precision and automotive motors



- South India: Commercial and industrial motors



Accelerate business promotion through strengthening local sales & development



- Planning to establish a base as Nidec group's CoE* for developing software, etc., utilizing the abundant local IT talents

*CoE : Center of Excellence



Utilize know-how and resources as well as enhance software development capabilities

Signed a Memorandum of Understanding (MOU) with Tata Elxsi (July 2024)

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Shareholder Return

This slide includes forward-looking statements. See Disclaimer on Page 2.



Aiming to enhance shareholder return through improving cash flow generation

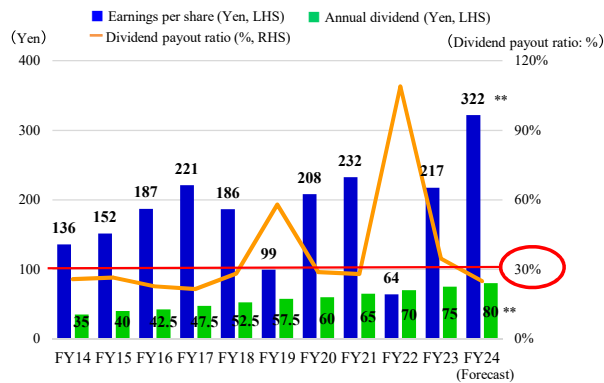
Improving cash flow generation
(ROIC* management)

*ROIC: Return on invested capital

Shareholder return
(capital policy)

In addition to the share repurchase plan announced on 24 May, 2024, we will implement the following shareholder return measures:

Changes in earnings per share, dividends and dividend payout ratio



** The forecast of Earnings per share and Annual dividend for FY24 are before the stock split.

- **Dividend payout ratio**
Stable and continuous dividend payout with a target **dividend payout ratio of 30%**
- **Stock split**
Record date: September 30, 2024
Date of issue: October 1, 2024
Split ratio: 2 for 1 common stock

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Strengthening Organizational Structure for Further Growth



Realizing transformation and growth based on the technology and human capital by combining diverse talents and organizations spread globally



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E-mail: endo.takashi2@nidec.com

Note:

NIDEC adopts the provisions of IFRS 3 “Business Combinations”.

During the three months ended June 30, 2024, NIDEC revised its valuation of the assets acquired and the liabilities assumed upon the share acquisition of Automatic Feed Company, Lasercoil Technologies LLC and Automatic Leasing Company. NIDEC’s consolidated financial statements for the year ended March 31, 2024 reflect the revision of the initially allocated amounts of acquisition price as NIDEC revised the provisional accounting treatment for the business combination.

Of the assets acquired and the liabilities assumed upon the acquisitions of companies in the year ended March 31, 2024, and the three months ended June 30, 2024, the assets and liabilities which are currently under evaluation have been recorded on NIDEC’s consolidated statements of financial position based on provisional management estimation as of June 30, 2024.

Nidec logo is a registered trademark or a trademark of Nidec Corporation in Japan, the United States and/or certain other countries.

“All for dreams” logo is a registered trademark of Nidec Corporation in Japan, and a trademark in the United States and/or certain other countries.

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Appendix

Performance Trends & Product Group Overview

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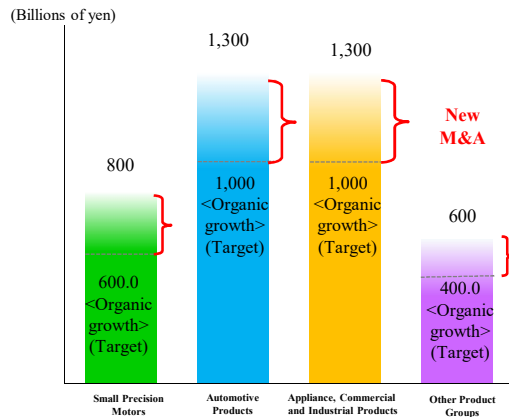
Mid-Term Strategic Goals *Vision2025*

This slide includes forward-looking statements. See Disclaimer on Page 2.

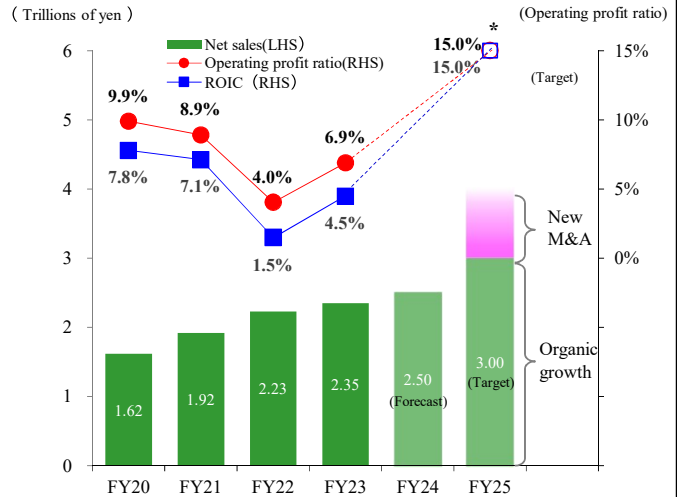


FY2025
Net sales: 4 trillion yen (Target)

Breakdown of ¥4 trillion sales target
by product group



4 trillion yen sales:
3T yen (operating profit ratio of 15%) + 1T yen through M&A



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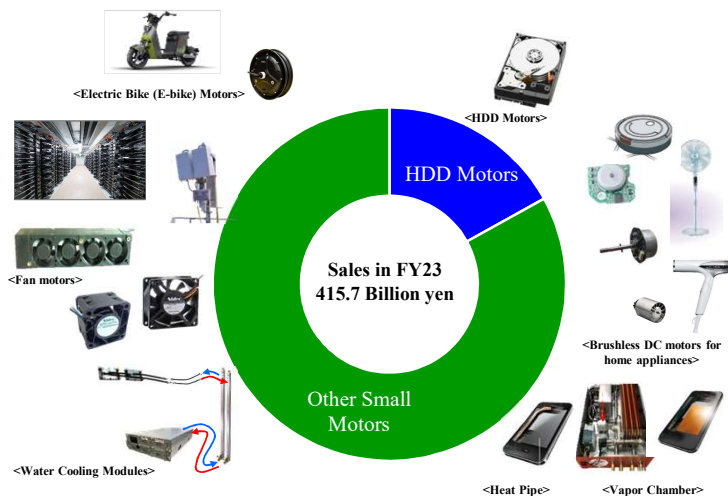
Small Precision Motors: Sub-Segment Results and Year-on-Year Changes

This slide includes forward-looking statements. See Disclaimer on Page 2.

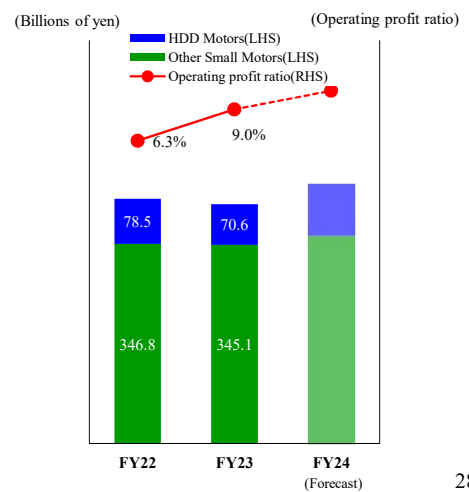


Demand for IT-related products has been slowly recovering since mid-FY23.
We are starting a new business in generative AI area.

<Sales by sub-segments of Small Precision Motors>



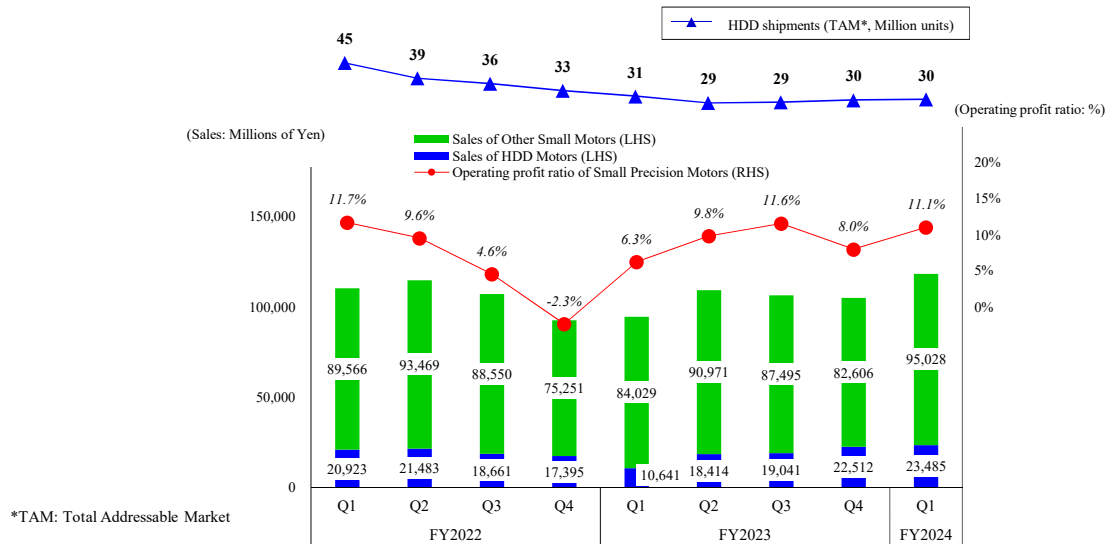
<Changes of sales and operating profit of Small Precision Motors>



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Small Precision Motors: Quarterly Results

Preparing for mid-term growth while implementing **WPR-X** for short-term recovery



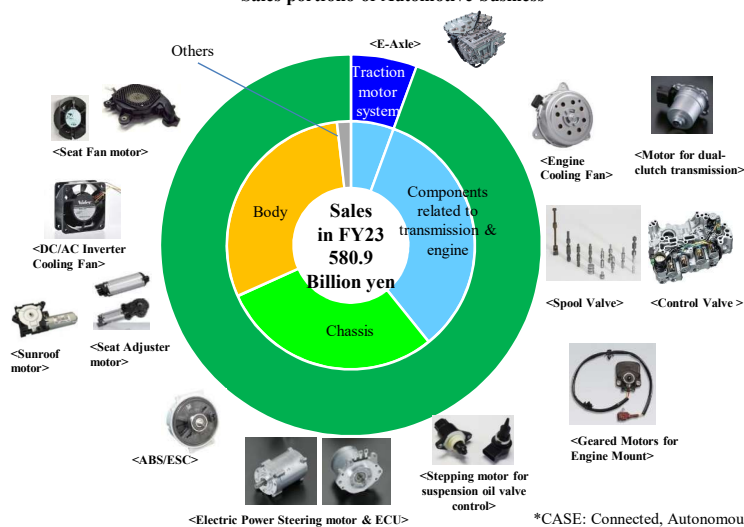
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Automotive: Wide Variety of Products Ranging from Motors to Other Components

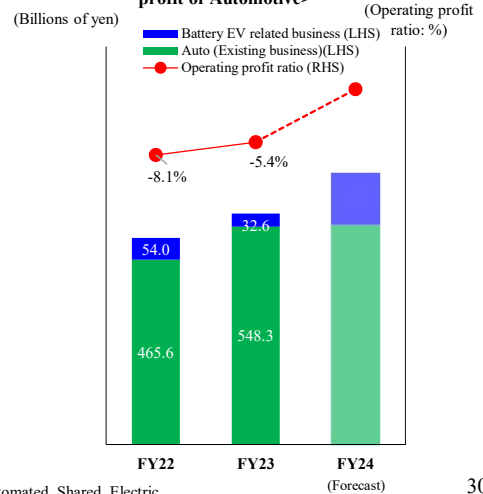
This slide includes forward-looking statements. See Disclaimer on Page 2.

Aiming to become No.1 automotive system company
by anticipating the strong electrification demand boosted by CASE* mobility trends

<Sales portfolio of Automotive business>



<Changes of sales and operating profit of Automotive>



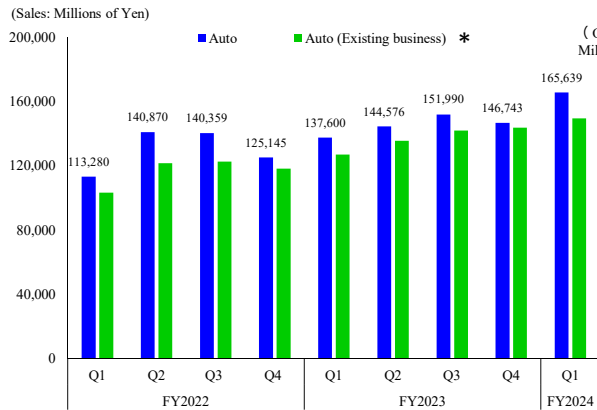
*CASE: Connected, Autonomous/Automated, Shared, Electric

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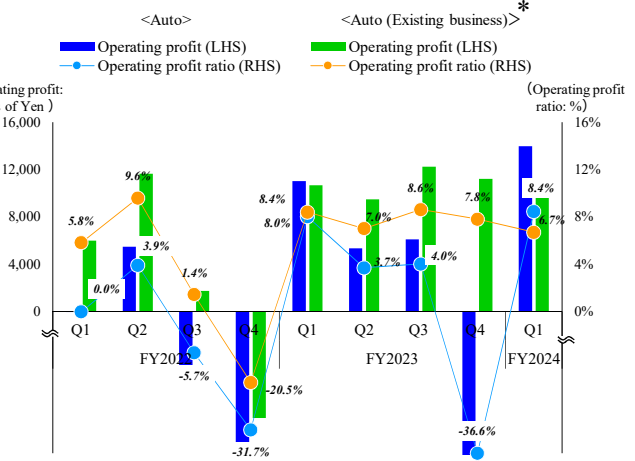
Automotive: Quarterly Results

Establishing structure to improve profitability after the structural reform in FY23

<Quarterly net sales>



<Quarterly operating profit and operating profit ratio>



* Existing business: Excluding impact of Battery EV related business from Auto business

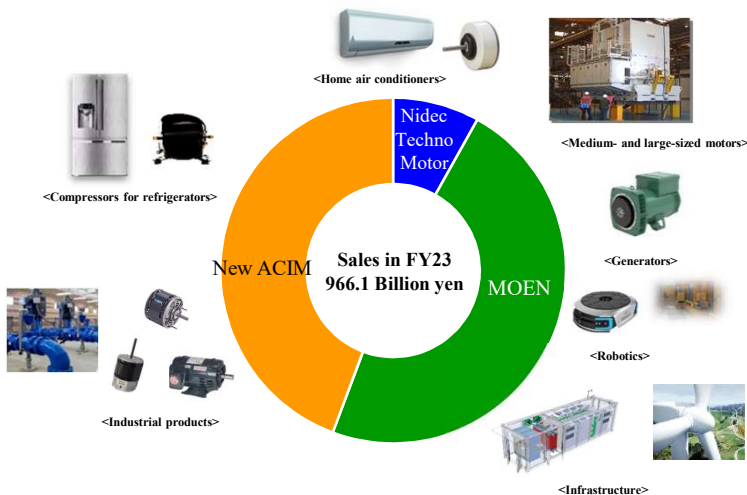
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Appliance, Commercial and Industrial: Sub-Segment Results and Changes

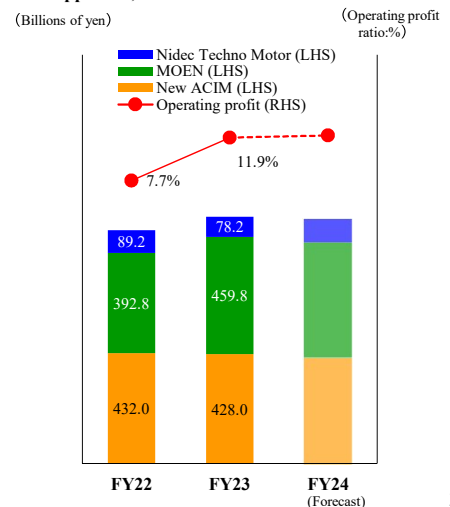
This slide includes forward-looking statements. See Disclaimer on Page 2.

The growth drivers of New ACIM and MOEN enable Appliance, Commercial and Industrial to aim for OPM of 15% going forward after solidified double-digit OPM

<Sales portfolio of Appliance, Commercial and Industrial>



<Changes of sales and operating profit of Appliance, Commercial and Industrial>



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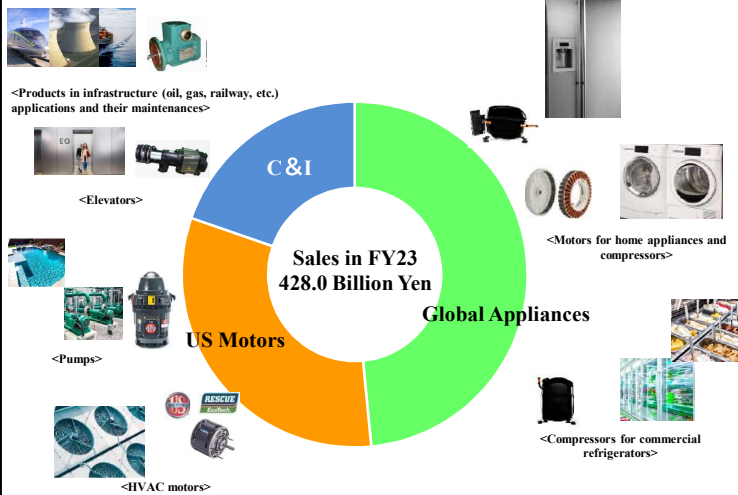
■ Appliance, Commercial and Industrial: Sales Breakdown and Results Changes of New ACIM



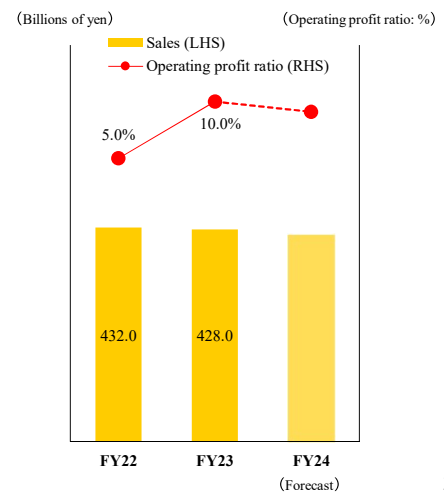
This slide includes forward-looking statements. See Disclaimer on Page 2.

While global home appliance market downturn still continues, we focus on improving profitability with expecting recovery in the latter half of FY2024

<Sales portfolio of New ACIM>



<Changes of sales and operating profit of New ACIM>



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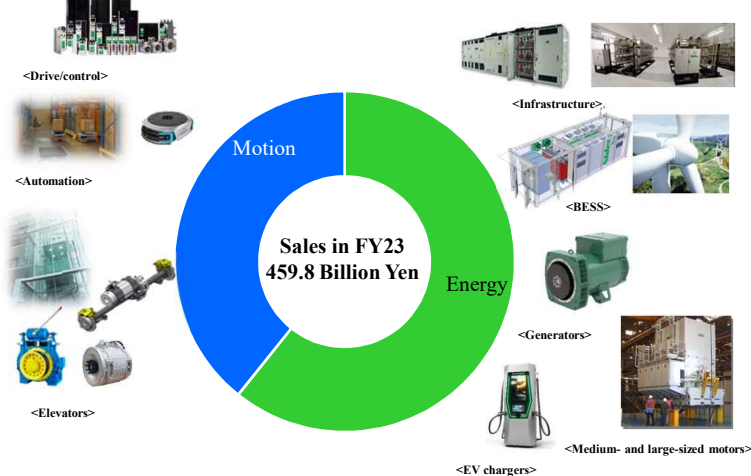
■ Appliance, Commercial and Industrial: Sales Breakdown and Results Changes of MOEN



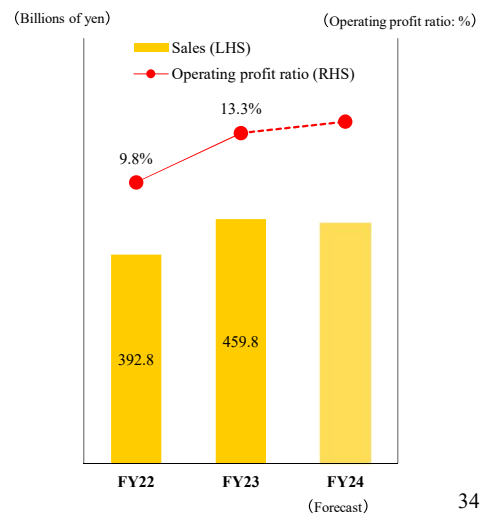
This slide includes forward-looking statements. See Disclaimer on Page 2.

Steady demand for commercial and infrastructure related products continues.
We aim to achieve steady improvement of profitability

<Sales portfolio of MOEN>



<Changes of sales and operating profit of MOEN>



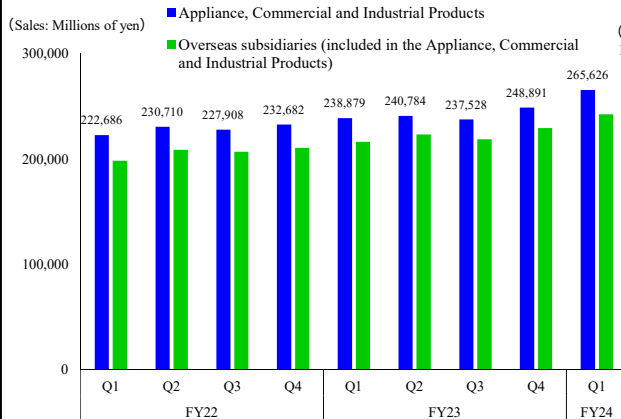
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Appliance, Commercial and Industrial: Quarterly Results

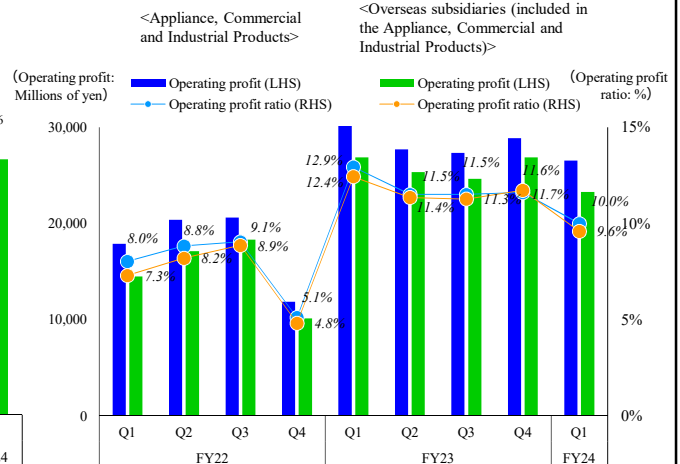


Profitability of overseas subsidiaries improved
with a tailwind from generator and green energy markets

<Quarterly net sales>



<Quarterly operating profit and operating profit ratio>



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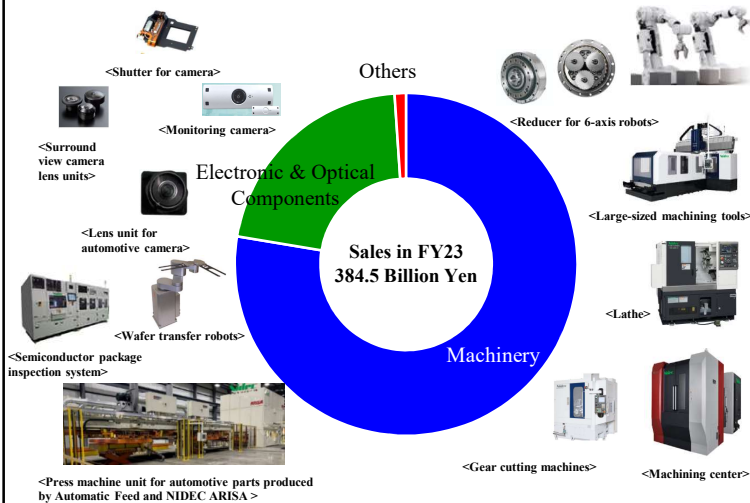
Other Product Group: Segment Results and Changes



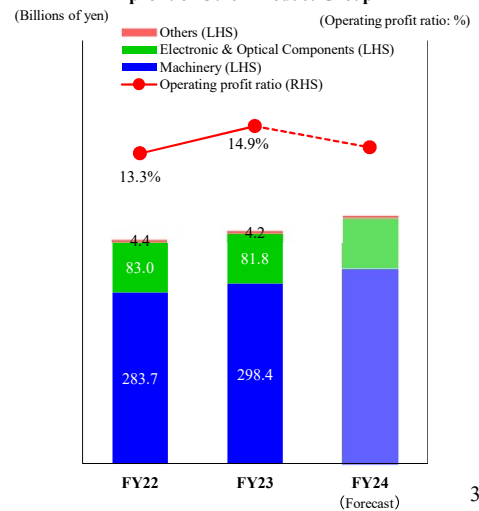
This slide includes forward-looking statements. See Disclaimer on Page 2.

Launching Machinery and Automation Business Unit in FY23
handling reducers, press machines and machine tools to drive the growth of machinery business

<Sales portfolio of Other Product Group>



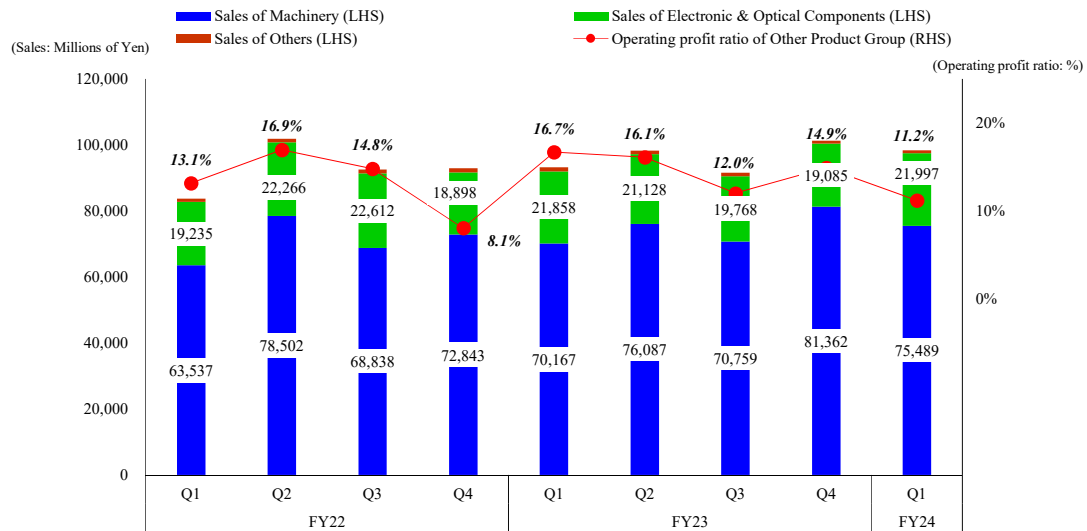
<Changes of sales and operating profit of Other Product Group>



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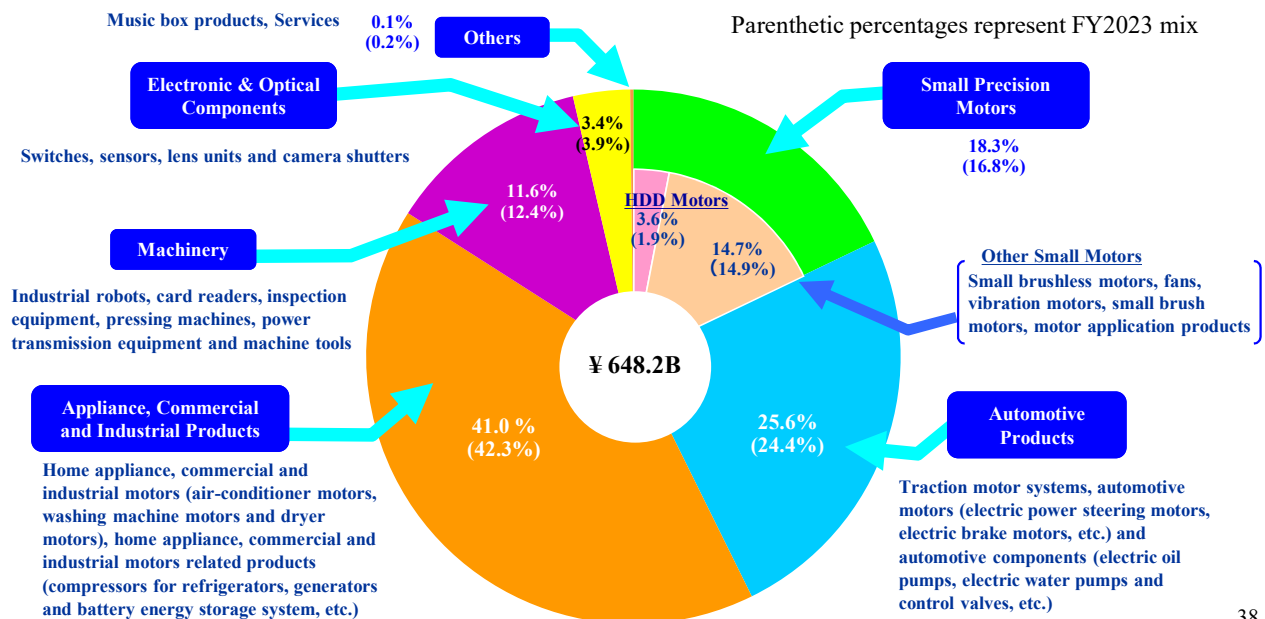
Other Product Group: Quarterly Results

Pursuing synergy effect and higher profitability through expanding product lineups and cross-selling



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Sales by Product Group (Apr-Jun FY2024)

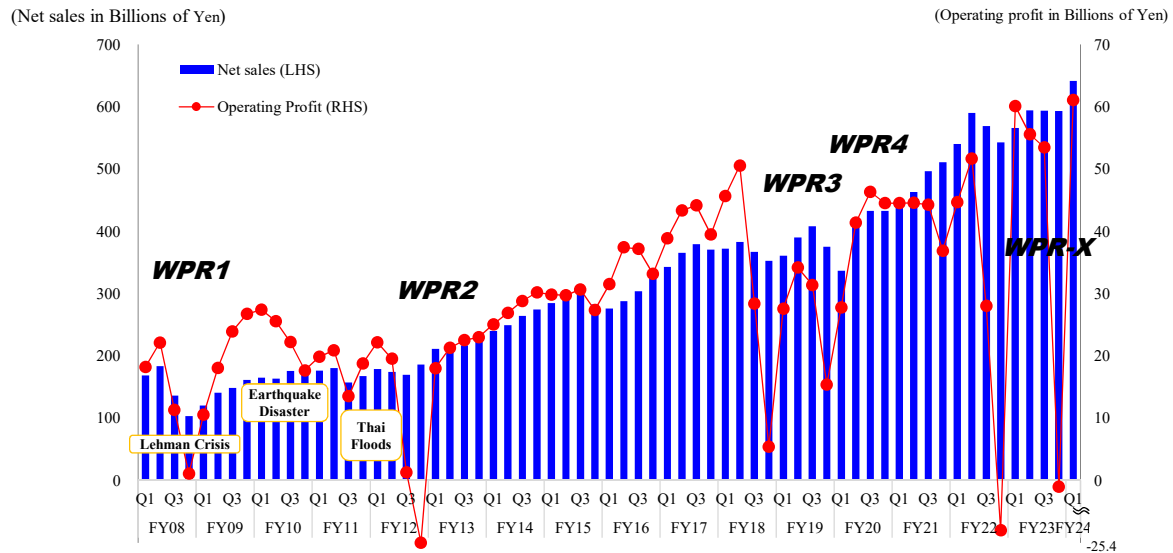


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Consolidated Quarterly Net Sales and Operating Profit



Aiming to improve profitability after structural reform in FY23



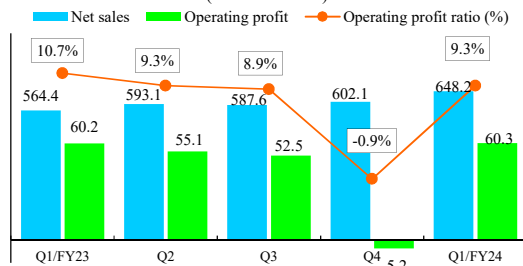
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Financial Highlights

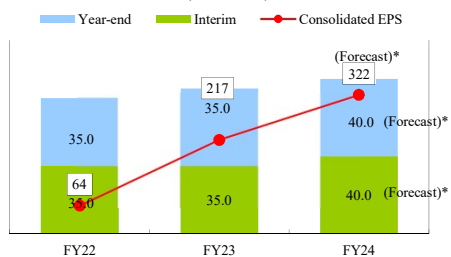
*Please refer to Notes on Page 25.



<Consolidated Net Sales and Operating Profit> (Billions of Yen)

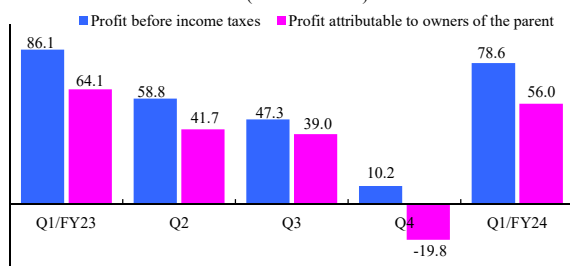


<Dividends and EPS> (Yen/share)

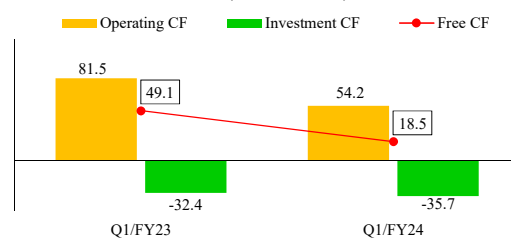


*Consolidated EPS and dividends are the numbers before the stock split.

<Profit Before Income Taxes and Profit Attributable to Owners of the Parent> (Billions of Yen)



<Consolidated Cash Flow> (Billions of Yen)



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