TSE: 6594 OTC US: NJDCY https://www.nidec.com/en/

### **Nidec Corporation**

### Fiscal First-Half 2025 Financial Results and Business Update

Three Months Ended September 30, 2025 <IFRS>



### **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.

# Financial Results Summary

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### Highlights of Fiscal First-Half 2025 Financial Results



**Net Sales** 

**1,302.3** Billion Yen +**0.7**% YoY Changes

Operating Profit

**21.1** Billion Yen (OP Ratio 1.6%) **A82.5**% YoY Changes

#### Key Points of Performance

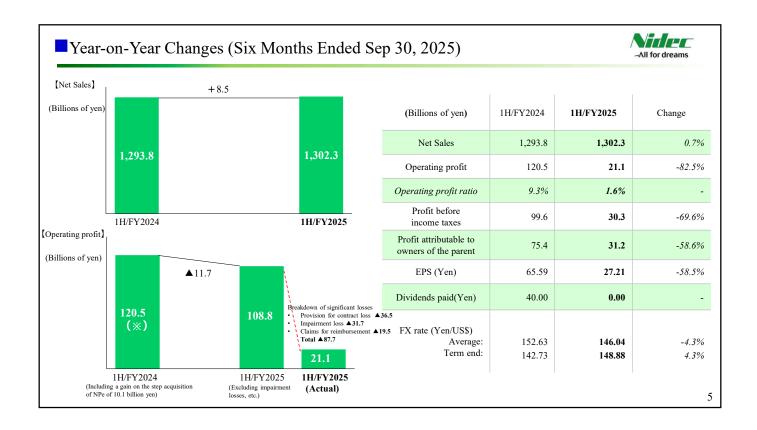
- Sales: increased by 8.5 billion yen compared to the previous year, due to sales increase in the Automotive products business and the Appliance, Commercial and Industrial products business, though sales in the Machinery business struggled.
- ✓ Operating profit: decreased by 99.4 billion yen compared to the previous year due to a significant negative impact from specific factors in the Automotive products, including costs related to provision for contracts loss with customers, impairment losses in the Automotive products business, and settlement costs for claims for reimbursement from suppliers.
- Cash Generation: remains healthy, with cumulative net cash provided by operating activities of 112.3 billion yen and free cash flow of 45.2 billion yen for the first half of the fiscal year.

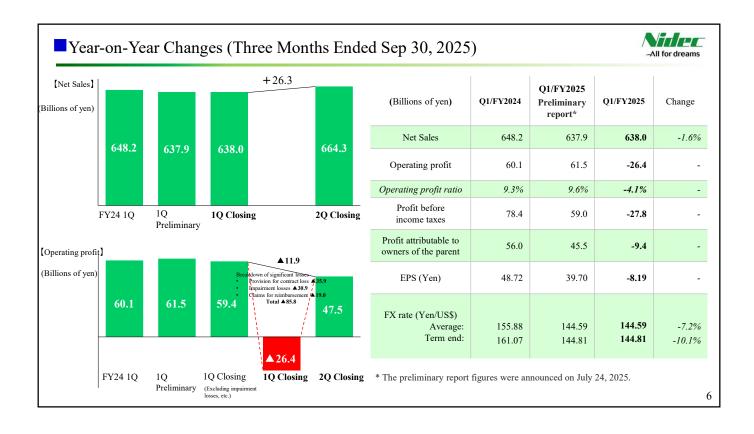
#### Points to Note

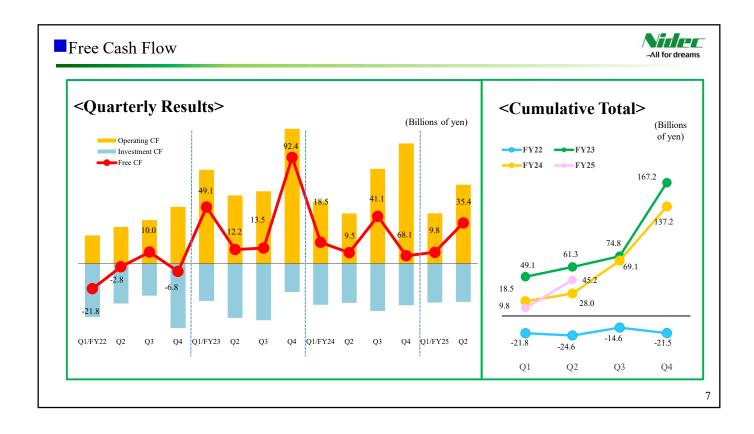
- The Third-Party Committee is still investigating suspected improper accounting.\*\*
- · Received an interim-review report containing disclaimer of opinion from the accounting auditors.
- The significant negative impact from specific factors on the Automotive products was disclosed in the first quarter as an adjusted subsequent events.

\*If material misstatements that should be corrected are identified in the financial statements for the previous years and current fiscal year, those material misstatements will be made corrections appropriately, including corrections to the securities reports for the previous years and current fiscal year. Therefore, this financial information may also be revised.

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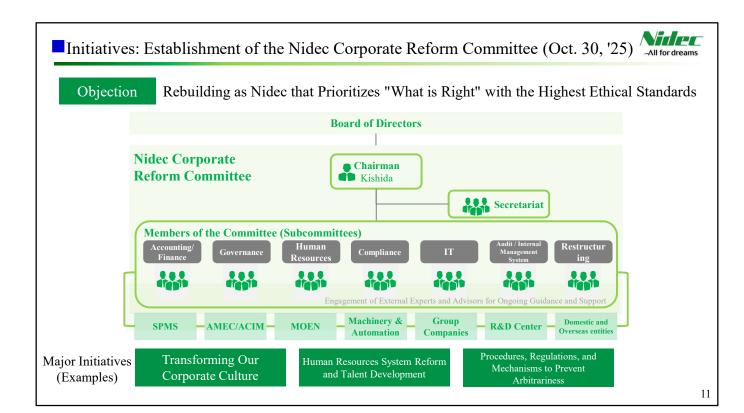
# **Background and Initiatives**

2025							
_	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>	<b>A</b>	$\longrightarrow$
27-Jun	3-Sep	26-Sep	23-Oct	28-Oct	30-Oct	4-Nov	14-Nov
Deadline extension for securities report for the Fiscal Year Ended March 31, 2025	Establishment of Third-Party Committee	Submission of the Securities Report for the Fiscal Year Ended March 31, 2025	Revision of Year-End Dividend Forecast and the Forecast of Consolidated Financial Performance Determination of No Interim Dividend	Tokyo Stock Exchange designates Nidec's stock as a security on special alert	Establishment of Nidec Corporate Reform Committee	Conclusion of Commitment Line Agreement Disclosure of Letter to Valued Business Partners	Submission of the Policy for Developing the Improvement Plan Disclosure of the Financial Results for the First & Second Quarter

### Corrective Measures Implemented up-to-Date



- ◆ Promotion of Recurrence Prevention Measures Triggered by Trade Transactions Issues of FIR
  - (1) Foster a mindset and corporate culture that prioritize compliance above all else
    - ➤ Deliver clear messages from the Company's board of directors to the Company group
    - ➤ Communication of Clear Messages from the CEO/President to Global Executives
    - > Strengthen the power and authority and enhance the capabilities of the legal and compliance departments. Strengthen Whistleblower Response and Investigation Systems through the Appointment of New In-House Counsel
  - (2) Strengthen organization and structure
    - > Strengthen the global governance structure
      - ✓ Establish the position of CLO (Chief Legal Officer)
      - ✓ Deploy a legal compliance expert in North America



### Policy on Internal Management System



- ◆ Nidec submitted and disclosed the Improvement Plan Development Policy on 14<sup>th</sup> November
- ◆ Nidec will continue to fully cooperate with the Third-Party Committee's investigation to ensure a thorough investigation and root cause analysis. We will sincerely accept the Third-Party Committee's investigation report and formulate effective recurrence prevention measures.
- ◆ The Nidec Corporate Reform Committee will sequentially initiate the formulation and implementation of recurrence prevention measures.
- ◆ Nidec will formulate and Submit the Improvement Plan of Internal Management System (Scheduled for late January 2026)
- ◆ Nidec will submit the Written Confirmation of Internal Management, etc., and TSE will review De-designation of Nidec stocks as a Security on Special Alert (Scheduled for October 2026)

## Q&A

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### **Appendix**

# Performance Trends & & Product Group Overview

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