

May 23, 2022

**Nidec Holds a Signing Ceremony to Construct a Flagship E-Axle (Traction Motor System) Factory in Pinghu, Zhejiang Province in China**

Nidec Corporation (TSE: 6594; OTC US: NJDCY) (the “Company” or “Nidec”) announced today that it has decided to build a flagship factory to produce its traction motor system, E-Axle, in the city of Pinghu, Zhejiang Province in China, and held a signing ceremony with the city’s government.

Time & date: 15:00 - 16:00 on Tuesday, May 17, 2022 (Japan time)

Places:

- 1) Building No. 3, the Pinghu Municipal Government, Zhejiang Province, the People’s Republic of China
- 2) Nidec Corporation’s head office (connected online)
- 3) Nidec Corporation Shiga Technical Center (connected online)

Main participants include:

Representing the Nidec Group:

Nidec Corporation

Yoshihisa Kitao, First Senior Vice President

Kazuya Hayafune, Senior Vice President

Representing the city of Pinghu:

Government of Pinghu

Mr. Zhong Xudong, Secretary

Mr. Zhou Junbo, Mayor



**Photos from the signing ceremony**

As Nidec aims to achieve its 2030 sales target of 10 trillion yen, its automotive business, the traction motor business in particular, plays a pivotal role in the effort. We have sold a total of more than 370,000 units of E-Axel, the traction motor system that Nidec started producing in April 2019 as the first company to do so in the world. In addition, based on the forecast that the fiscal year of 2025 will be the “critical turning point” to see a surge in the demand for traction motors, we plan to sell 3.6 million units of E-Axel with a planned production capacity of 7 million units for the same fiscal year.

The new factory to be built is expected to be the fifth traction motor-related production site, and the fourth E-Axle assembly plant, in China. Based on the concept as Nidec’s “flagship factory” for its E-Axle business, not only will the facility assemble and produce E-Axle units, but it will also operate as an EV-dedicated plant that consolidates the Nidec Group’s component businesses, with a maximum annual production capacity of one million units.

As the world’s leading comprehensive motor manufacturer, Nidec will stay committed to utilizing its technologies of making light, thin, short, and small products, enhancing product efficiency, and controlling products accurately, to offer, at an overwhelming speed, revolutionary solutions that contribute to the evolution of vehicles.



**Rendering of the flagship E-Axle factory**

**Details on the flagship E-Axle factory:**

Location: Pinghu, Zhejiang Province, the People's Republic of China

Products: E-Axle (traction motor system) and related products including inverters and gears

Workforce: App. 2,500 people (at full capacity)

Site area: 72,800m<sup>2</sup>

Buildings' projected area: 39,400m<sup>2</sup>

Production area's total floor space: 109,600m<sup>2</sup>

Annual production capacity: One million units (as of FY2024)

Construction planned to start in: October 2022, and production planned to start in: October 2023