

Nidec Corporation

Fiscal 2023 Financial Results

Fiscal Year Ended March 31, 2024
<IFRS>



A coolant distribution unit, CDU installed in AI servers cools the heat generated by GPU (graphics processing unit).

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 the coolant distribution unit (CDU), that are mass-produced in Thailand. We plan to increase our production capacity to 2,000 units per month by June 2024 as our products have been adopted by Supermicro, an American AI server manufacturer. The jointly developed products with Supermicro of 100 to 250 kW are manufactured at our Ayutthaya Plant in Thailand.

Consolidated Profit/Loss

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



Millions of Yen, except for percentages, EPS, and FX rates	FY2022	FY2023	Change	FY2024 Forecast
Net sales	2,242,824	2,348,202	+4.7%	2,400,000
Operating profit	100,028	163,106	+63.1%	230,000
<i>Operating profit ratio</i>	4.5%	6.9%	-	9.6%
Profit before income taxes	120,540	202,919	+68.3%	220,000
Profit attributable to owners of the parent	44,964	125,387	+178.9%	165,000
EPS (Yen)	78.12	218.22	+179.3%	287.16
Dividends (Yen)	70.0	75.0	-	80.0
FX rate (Yen/US\$)				<Assumed FX rate>
Average:	135.47	144.62	+6.8%	Yen/US\$: 145
Term end:	133.53	151.41	+13.4%	Yen/Euro: 155

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.

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Summary FY2023



- **FY23 consolidated net sales and profit before income taxes stood at record highs.**
- **FY23 operating profit was 163.1 billion yen, as a result of 59.8 billion yen of structural reform expenses recorded due to strategic shift to improve the financial soundness and profitability of Battery EV related business.**
- **We project 40 yen of interim dividend and 80 yen of aggregate annual dividend for the year ending March 31, 2025.**

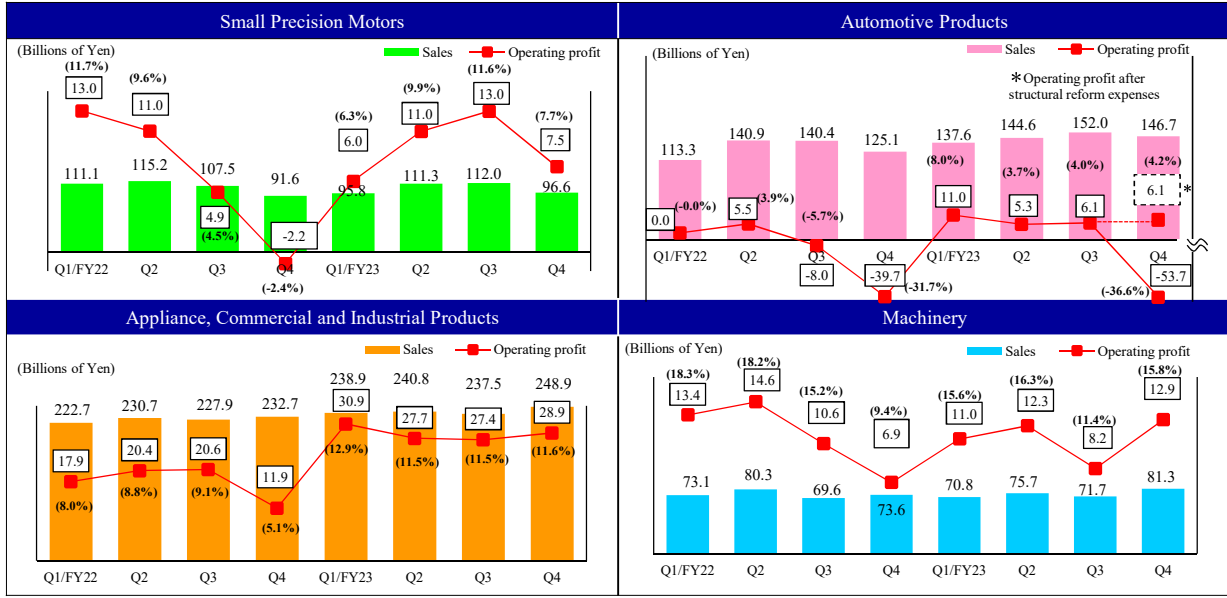
4

Product Group Overview



*Please refer to Notes on Page 35.

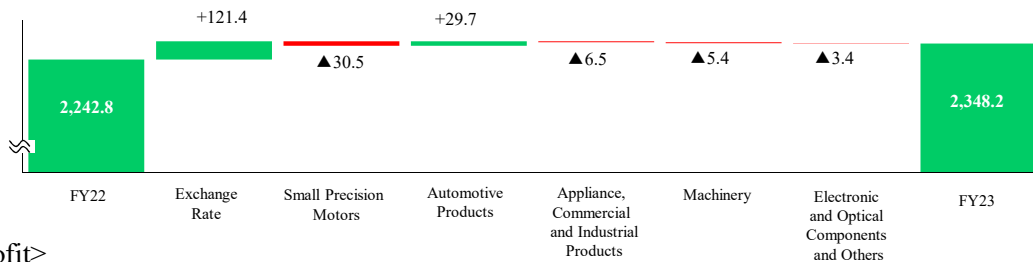
Numbers inside parentheses refer to operating profit.



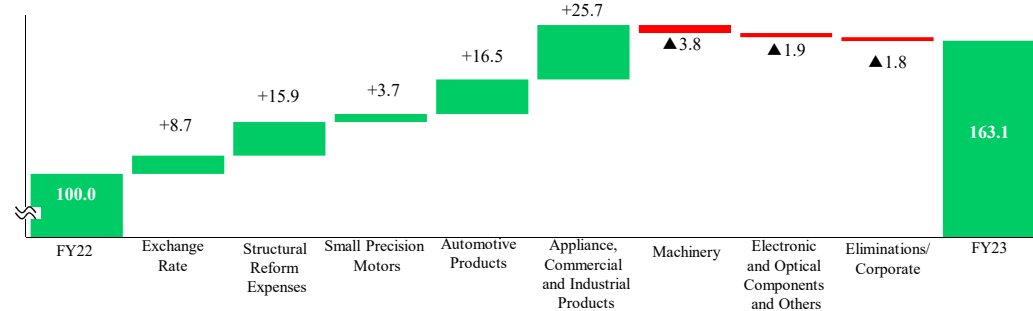
Year-on-Year Changes (Twelve Months Ended Mar. 31, 2024)



<Net Sales>
(Billions of Yen)

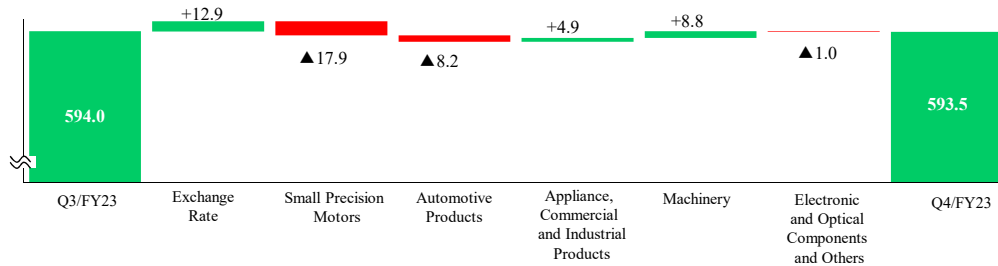


<Operating Profit>
(Billions of Yen)

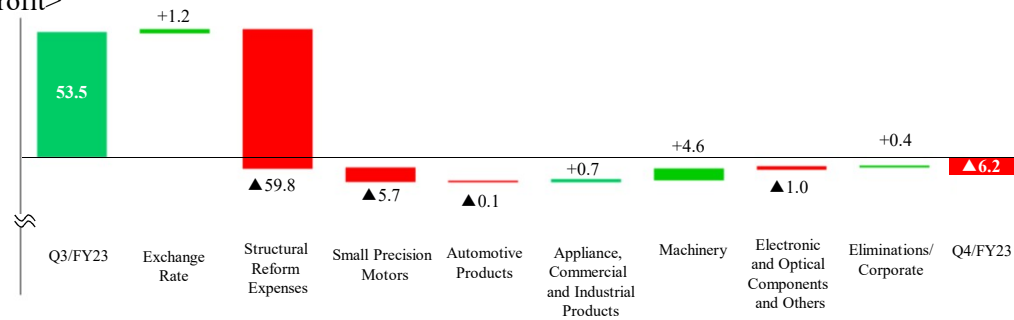


Quarter-on-Quarter Changes (Three Months Ended Mar. 31, 2024)

<Net Sales> (Billions of Yen)



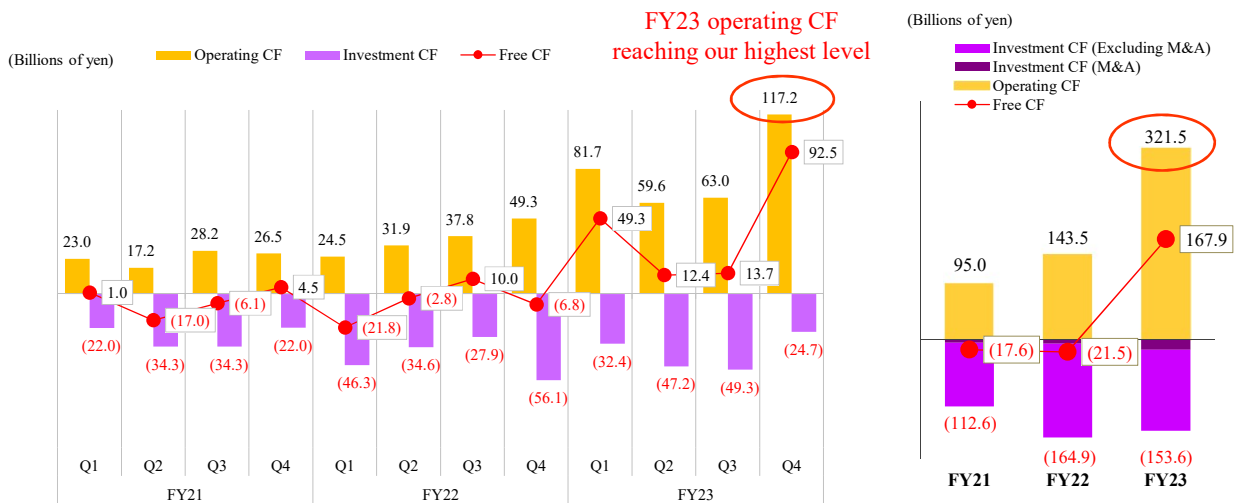
<Operating Profit> (Billions of Yen)



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Promoting Cash Flow Management

Aiming to enhance cash generating ability through improving operating profit ratio and optimizing working capital



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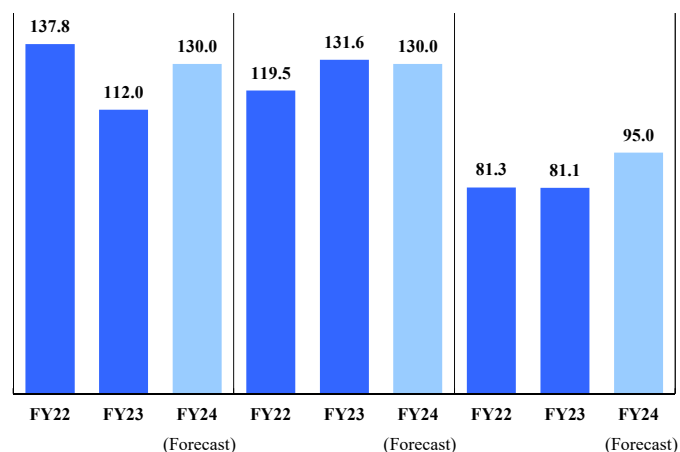
Capital Expenditure, Depreciation and R&D

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



Capital expenditure Depreciation R&D

(Billions of Yen)



Continue active capital investment and R&D to support mid to-long-term growth

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FY2024 Forecast

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



Millions of Yen, except for EPS, dividends and FX rate	1H/FY2024	2H/FY2024	Full-Year
Net sales	1,140,000	1,260,000	2,400,000
Operating profit	100,000	130,000	230,000
<i>Operating profit ratio</i>	<i>8.8%</i>	<i>10.3%</i>	<i>9.6%</i>
Profit before income taxes	95,000	125,000	220,000
Profit attributable to owners of the parent	74,000	91,000	165,000
EPS (Yen)	128.79	158.37	287.16
Dividends (Yen)	40.00	40.00	80.00
FX Rate (Yen/US\$)	145	145	145
FX Rate (Yen/Euro)	155	155	155

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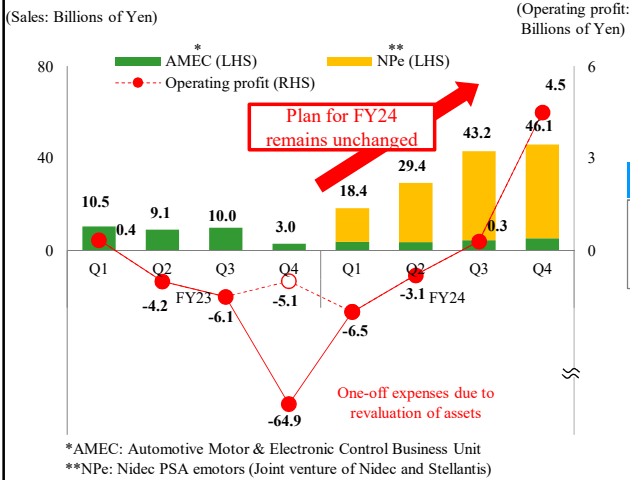
Restart in Battery EV Related Business in FY2024

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

Profitability bottoms out in Q4 FY2023. FY2024 is expected to see improved profitability.

<Profitability Improvement Plan of Battery EV Related Business>

<NPe's projects>



M4 FY23Q4- (210kW) for C-segment

Peugeot e-3008 Peugeot e-5008 **New!**

M3 FY22Q4- (125kW) for B-segment

DS3 E-Tense Jeep Avenger Fiat 600e Peugeot e-2008 Peugeot e-208 Opel Mokka-e

M2 FY24Q1- (80kW) for A-segment

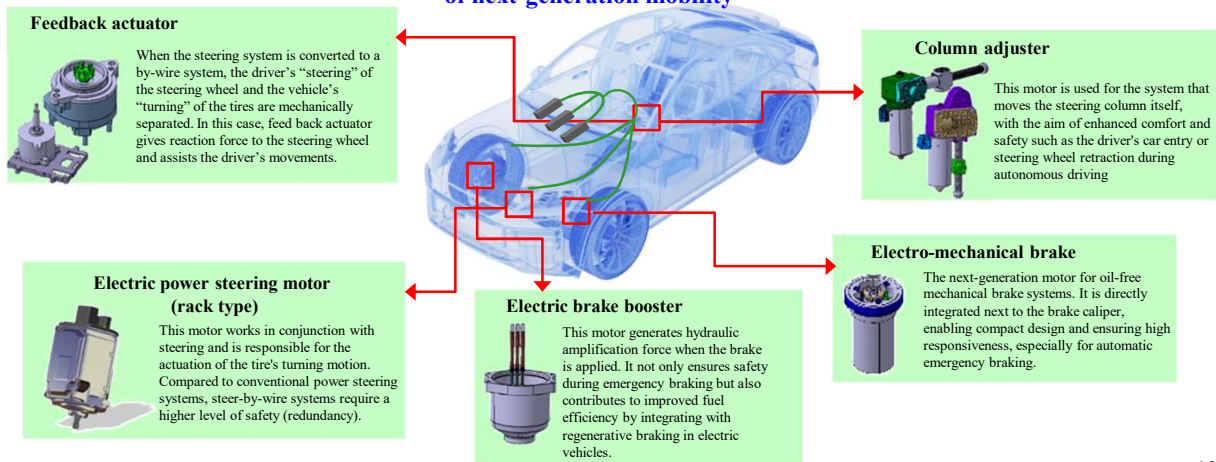
C3 elec Fiat panda C3 Aircross elec Opel Crossland

Automotive (Existing Business): Increasing Demand for Automotive Motors with a Tailwind from Drive-By-Wire Technology

Nidec -All for dreams

Drive-by-wire technology develops with autonomous driving. Nidec's products contribute to evolution of automobiles

Increasing demand for motors that contribute to safety and reliability of next-generation mobility

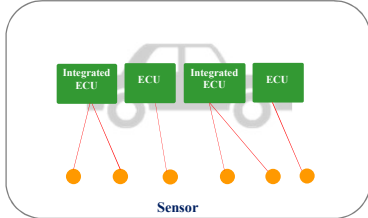


■ Automotive (Existing Business): Aiming to Receive Orders for the Whole Body through Integration with ECU*

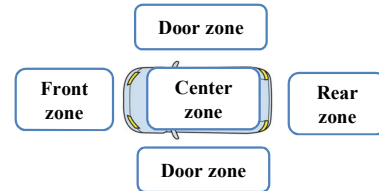
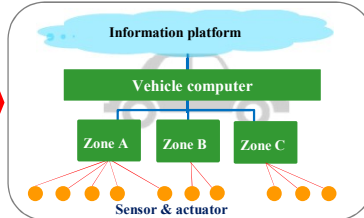


Vehicle architectures will change from current distributed/integrated control to zone control

<Current> Distributed/integrated control



<Future> Zone control



<Example> Whole car seat strategy (center zone)



*ECU: Electronic Control Unit

■ Machinery and Others: Precision Gears

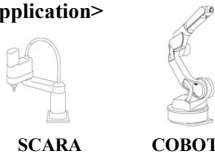


We cover all types of gears needed for the axis of industrial robots from SCARA* to large-sized 6-axis articulated robots

Strain wave reducers

FLEXWAVE

<Application>

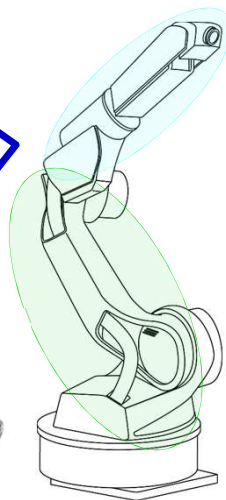
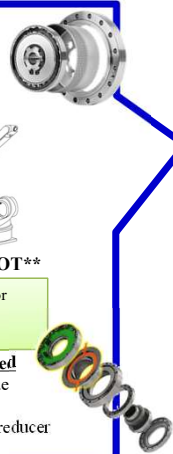


"World's first" built-in Multi-sensor
Smart-FLEXWAVE

Three sensors seamlessly integrated

Torque sensor: Detects output torque
Temperature sensor: Detects internal temperature of the reducer
Angle sensor: Detects input angle

Realizing super space saving, light weight and reasonable price by integrating sensors into reducer's existing space

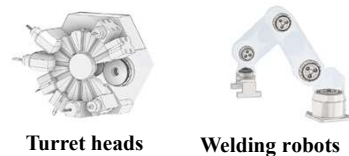


Application example:
Middle-sized 6 axis robot

Cycloidal reducers

KINEX

<Application>



Turret heads

Welding robots

*SCARA: Selective Compliance Assembly Robot Arms
**COBOT: Collaborative Robot

Machinery and Others: Press Machines



With more M&As in sight, we aim to become the world's No.1 press machine manufacturer by completing comprehensive product lineups



Beverage cans



MINSTER ARISA KYORI
SYS VAMCO CHS

Products lineups from Japanese, US and Spanish press machine manufacturers

Servo press



Car body panel

High-speed servo roll feeder



High speed precision press for motor core



Motor core



Battery

We offer customers full-support from manufacturing, sales, maintenance from our global three footprints

10t-4,500t press machines to peripheral equipment
One of the widest product lineups in the world



Home appliances, Car parts



Electronic Parts, Auto parts, Connectors



Semiconductors (Lead frame)

Servo roll feeds



Servo feeder



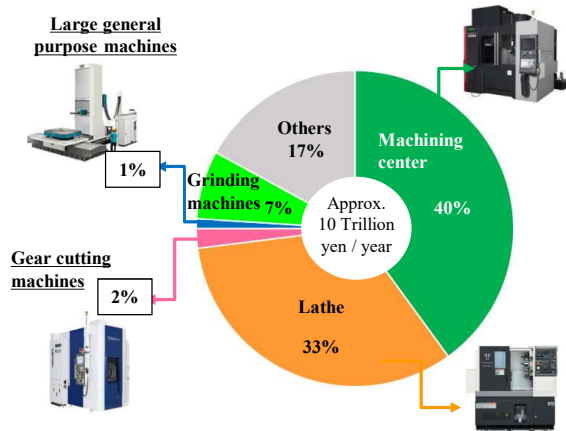
Machinery and Others: Machine Tools



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

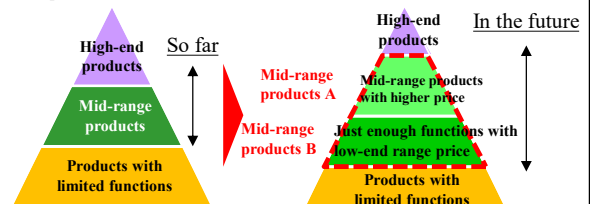
We aim to expand product lineups to become global comprehensive machine tool manufacturer

<Global machine tool market share by product type>



Aim to become the world's No.1 global comprehensive machine tool manufacturer by FY30

1. Provide functions and services that are really needed by end users (avoid excessive specification and quality for reasonable pricing)
2. Local production for local customers and speedy management (provide products within relatively short delivery time)
3. Complement product lineups and business areas with M&As to expand business scale



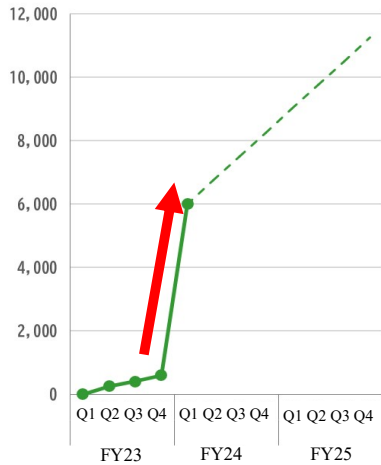
Small Precision Motors: Water-Cooling Modules (1)

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

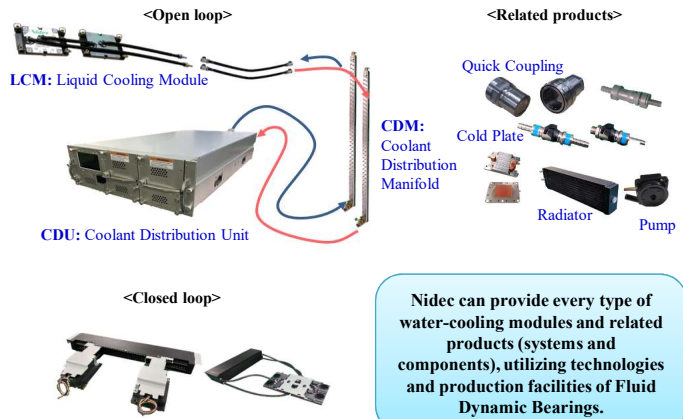


We plan to increase production capacity to address the increasing demand for water-cooling modules for GPUs* and CPUs** for AI servers generating significant heat

(Unit/Quarter) <Plan for production capacity expansion of CDU>



<Nidec's water-cooling modules and related products>



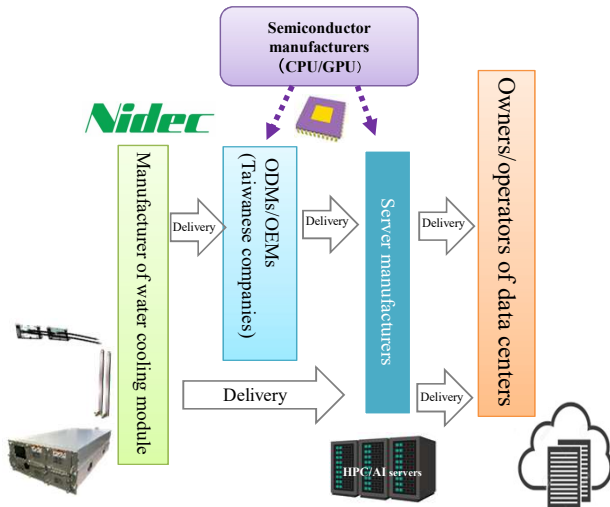
*GPU: Graphics Processing Unit
**CPU: Central Processing Unit

Small Precision Motors: Water-Cooling Modules (2)

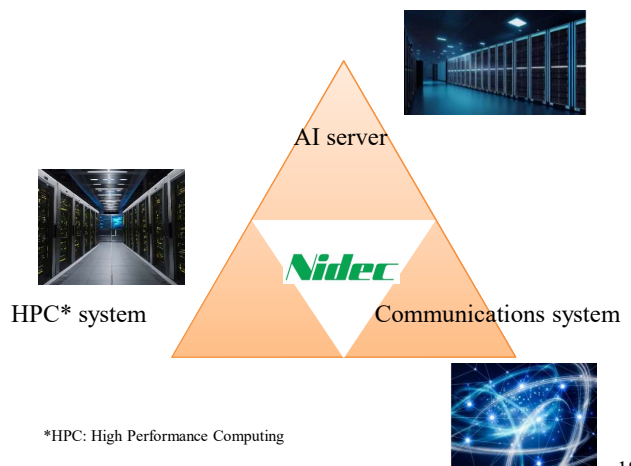


Aiming to receive more orders by capitalizing on the business track record for different tiers we cultivated through fan motor business

<Supply chain of water cooling module>














<Expanding end applications of water cooling modules>



Appliance, Commercial and Industrial: Products by Sub-segment



Nidec Techno Motor	<Home air conditioners> 		<Commercial air conditioners> 		<Industrial machinery> 	
	<Home appliances> 		<Commercial products> 		<Industrial products> 	
	<Medium- and large-sized motors> 		<Generators> 	<Drives & Controls> 	<Elevators> 	<Robotics> 

*ACIM: Appliance, Commercial and Industrial Motors. Sub-segment of Appliance, Commercial and Industrial as a main segment.
 **MOEN: Motion & Energy

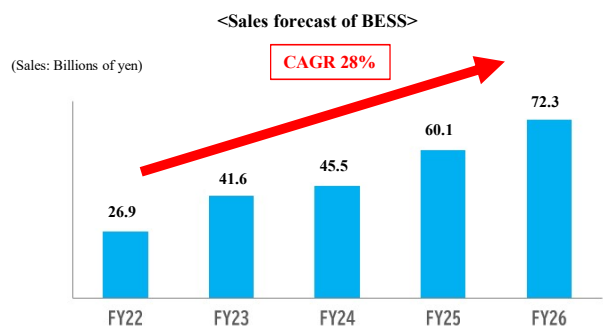
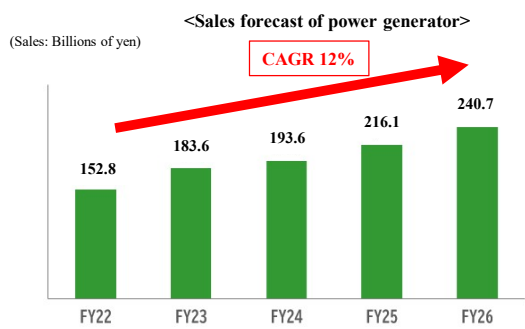
Appliance, Commercial and Industrial: Growth Area of MOEN Business (1)



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

Expanding production capacity to respond to increasing demand from North American data center manufacturer

Starting sales expansion to the U.S. and Chinese markets from European market where Nidec has a strong presence



Data center



Generators for auxiliary power supply unit



BESS(Battery Energy Storage System)

- ✓ MOEN takes the lead in high added-value energy infrastructure related business
- ✓ Fitting needs of decarbonization



Nidec received order of pump drive motors for TAL Pipeline

- Nidec joined efficiency enhancement project for Transalpine Pipeline (TAL) that transports oil from Trieste, Italy to Austria, Germany and The Czech Republic.
- Nidec's high-efficiency motors ensured the efficiency of the pipeline's pumping centers and enabled low starting current and a reduction in vibration.
- Nidec's large-sized motors play an important role in TAL, one of the most important oil transportation infrastructures in Europe.

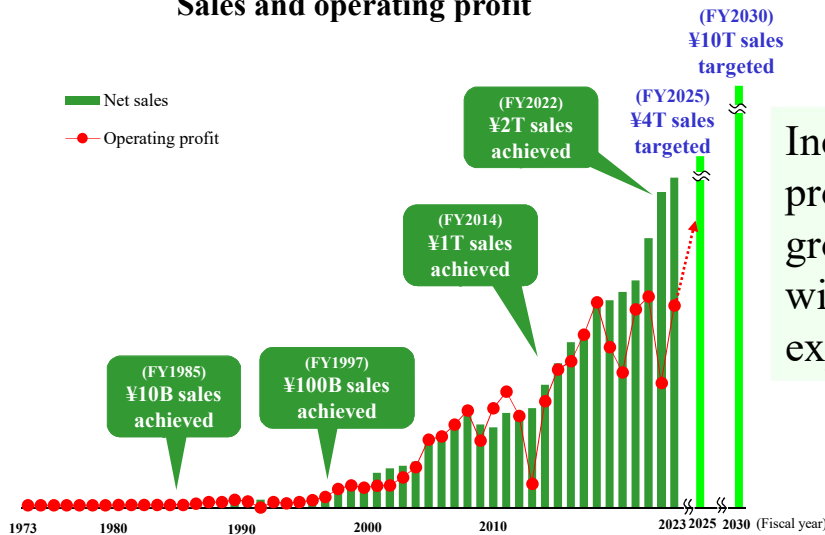


Nidec received order of motors for natural gas production systems in Qatar

- In production of LNG (liquefied natural gas), compressors are used in process of natural gas compression and liquefaction.
- Power source of compressors is shifting from gas turbine etc. to electric motors.
- Nidec's large-sized motors are playing an important role in the situation of transformation of customers' needs in line of decarbonization.

Mid-Term Strategic Goal

Sales and operating profit



Increase sales and profit through organic growth and M&As with a focus on expanding markets

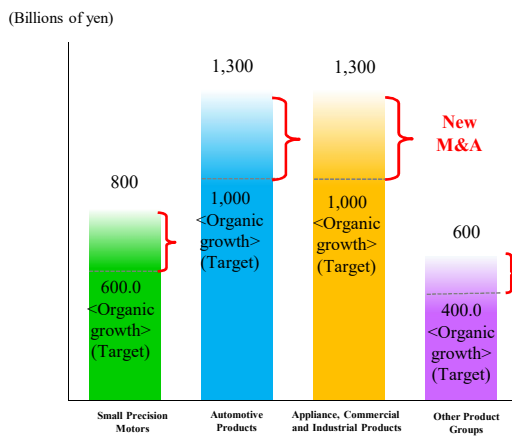
This slide includes forward-looking statements. See Disclaimer on Page 2.

Mid-Term Strategic Goals Vision2025

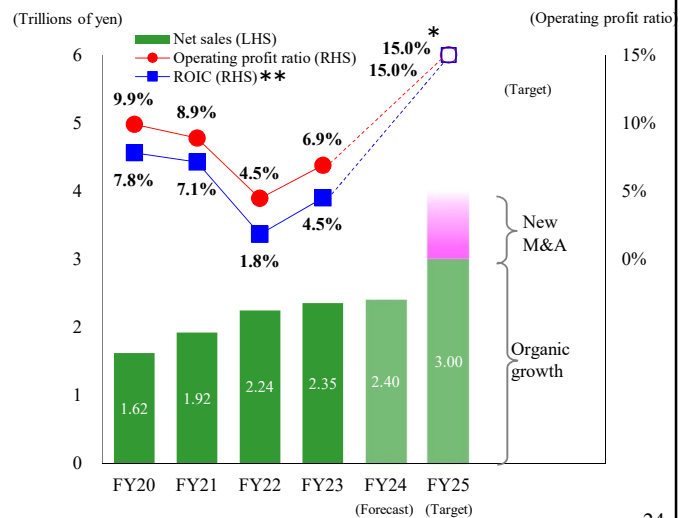
This slide includes forward-looking statements. See Disclaimer on Page 2.

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



*Operating profit ratio of 15% is only applicable to sales target of 3 trillion yen in FY25.

**ROIC: Return on invested capital

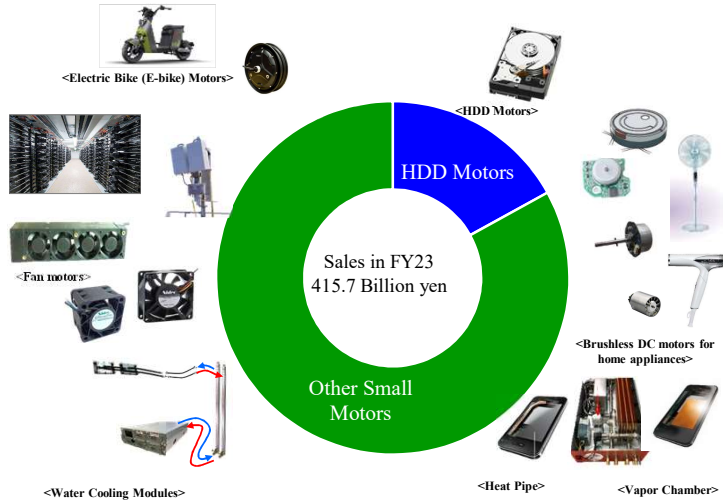
Small Precision Motors: Sub-Segment Results and Year-on-Year Changes

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

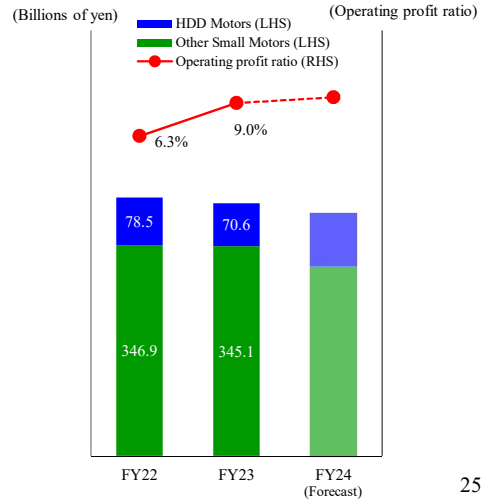


Demand for IT-related products has been slowly recovering since mid-FY23.
We are starting a new business in generative AI area.

<Sales by sub-segments of Small Precision Motors>



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

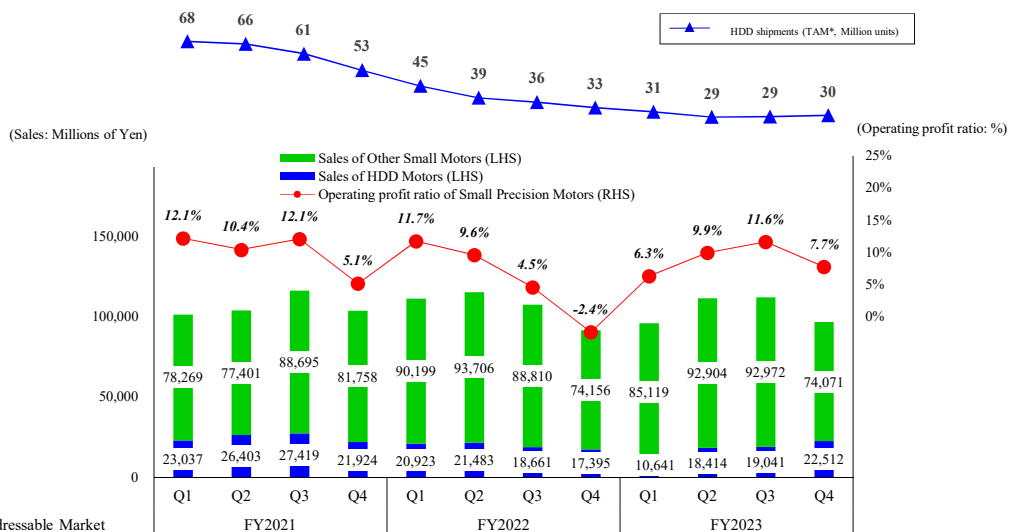


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Small Precision Motors: Quarterly Results



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



*TAM: Total Addressable Market

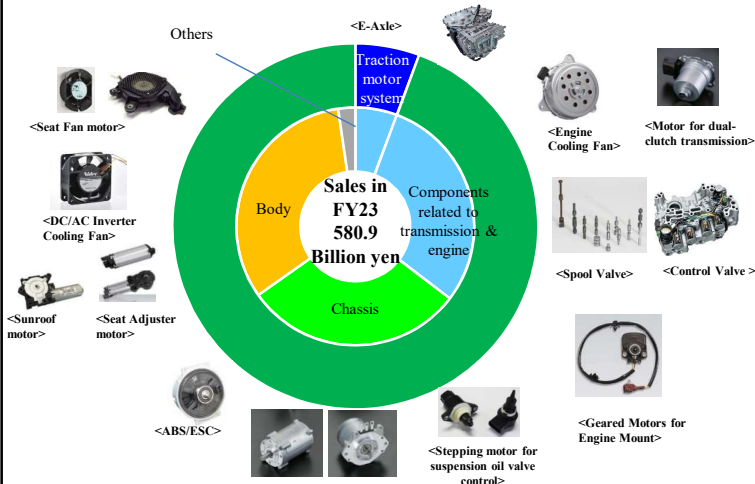
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Automotive: Wide Variety of Products Ranging from Motors to Other Components

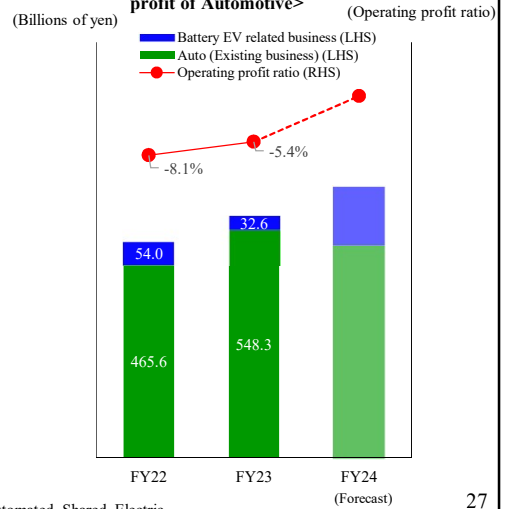
This slide includes forward-looking statements. See Disclaimer on Page 2. *-All for dreams*

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>

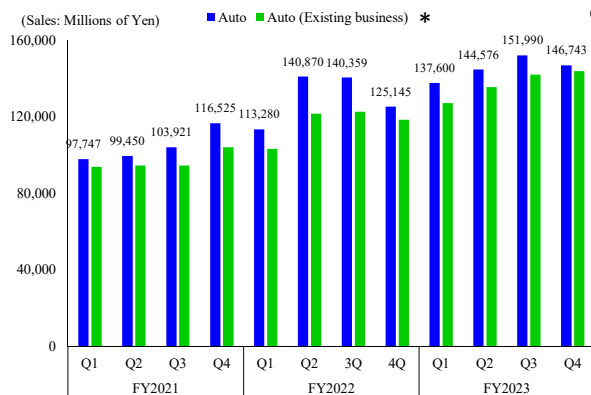


*CASE: Connected, Autonomous/Automated, Shared, Electric

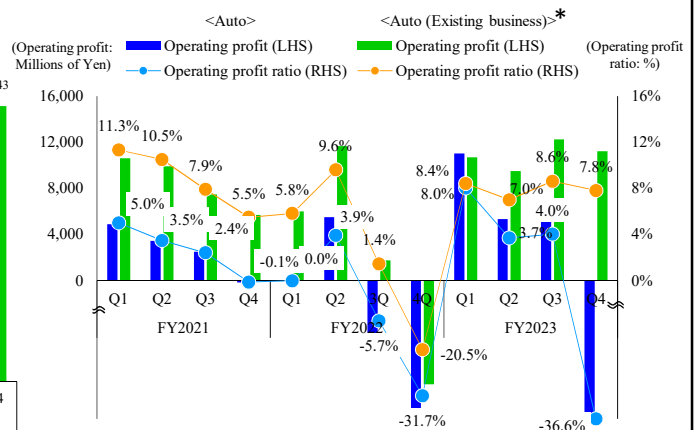
Automotive: Quarterly Results

Establishing structure to improve profitability after posting structural reform expenses in FY23.

<Quarterly net sales>



<Quarterly operating profit and operating profit ratio>



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

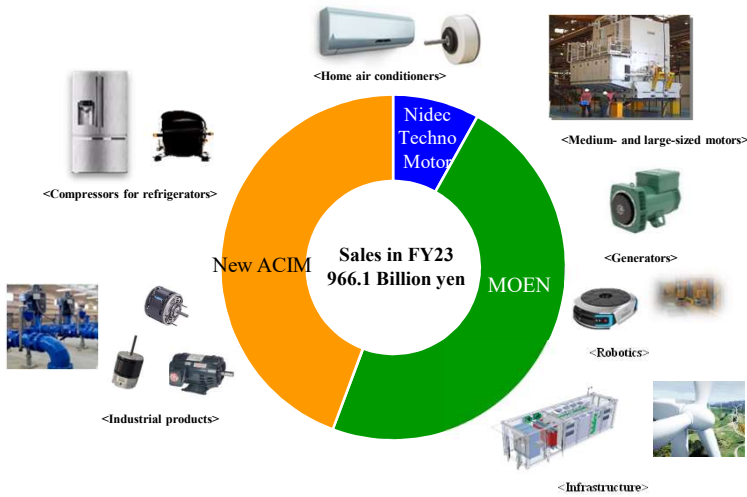
Appliance, Commercial and Industrial: Sub-Segment Results and Changes



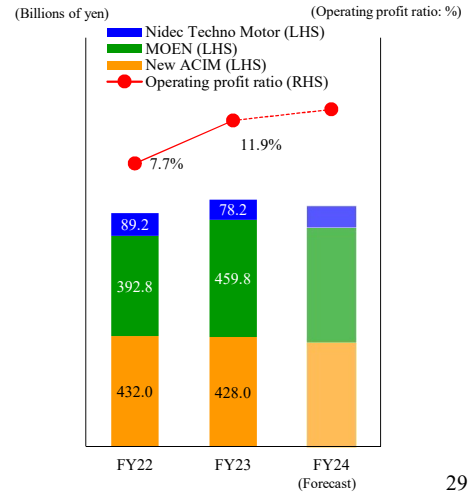
This slide includes forward-looking statements. See Disclaimer on Page 2. **-All for dreams**

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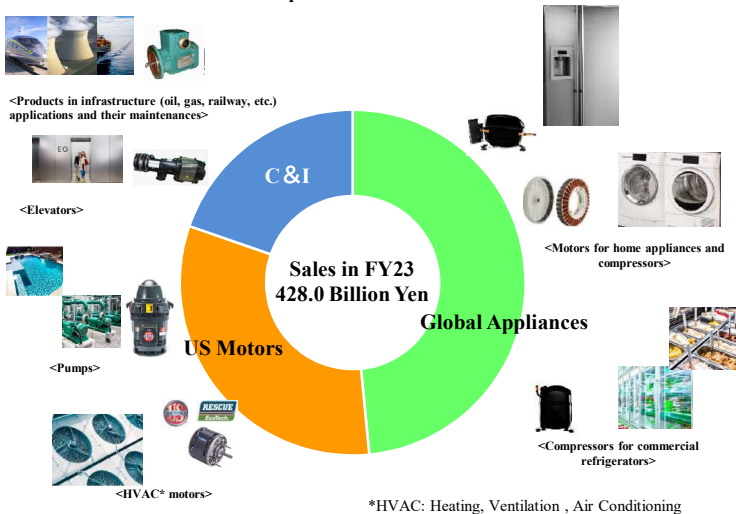
Appliance, Commercial and Industrial: Sales Breakdown and Results Changes of New ACIM



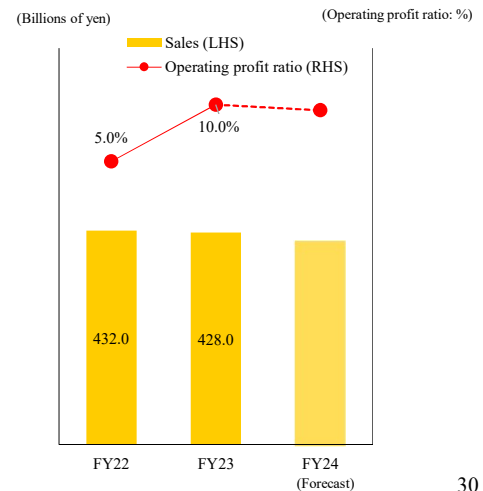
This slide includes forward-looking statements. See Disclaimer on Page 2. **-All for dreams**

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>

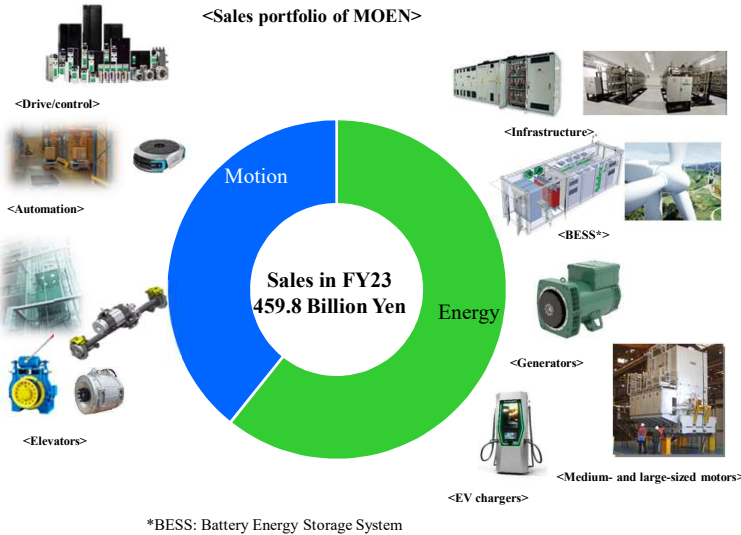


<Changes of sales and operating profit of New ACIM>

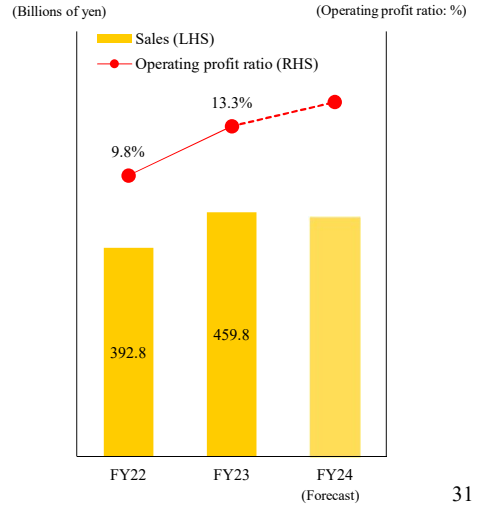


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Steady demand for commercial and infrastructure related products continues.
We aim to achieve steady improvement of profitability.

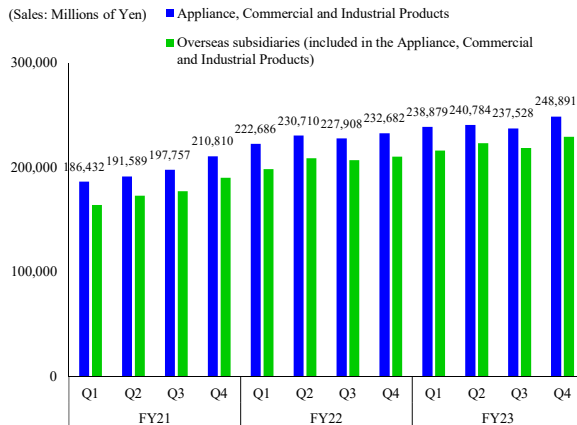


<Changes of sales and operating profit of MOEN>

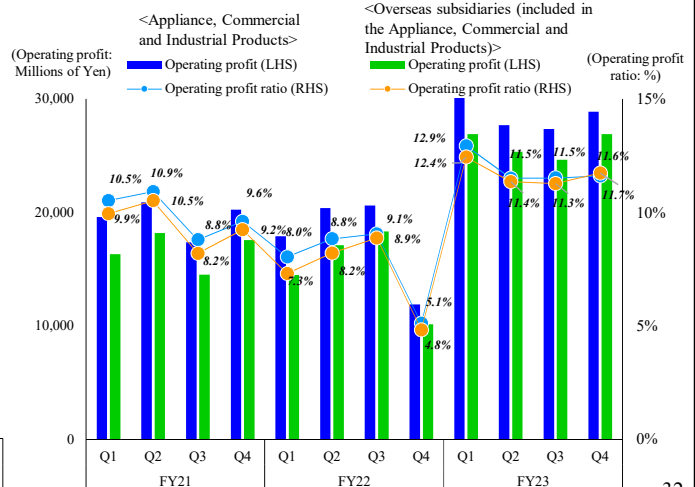


Profitability of overseas subsidiaries improved
with a tailwind from generator and green energy markets

<Quarterly net sales>



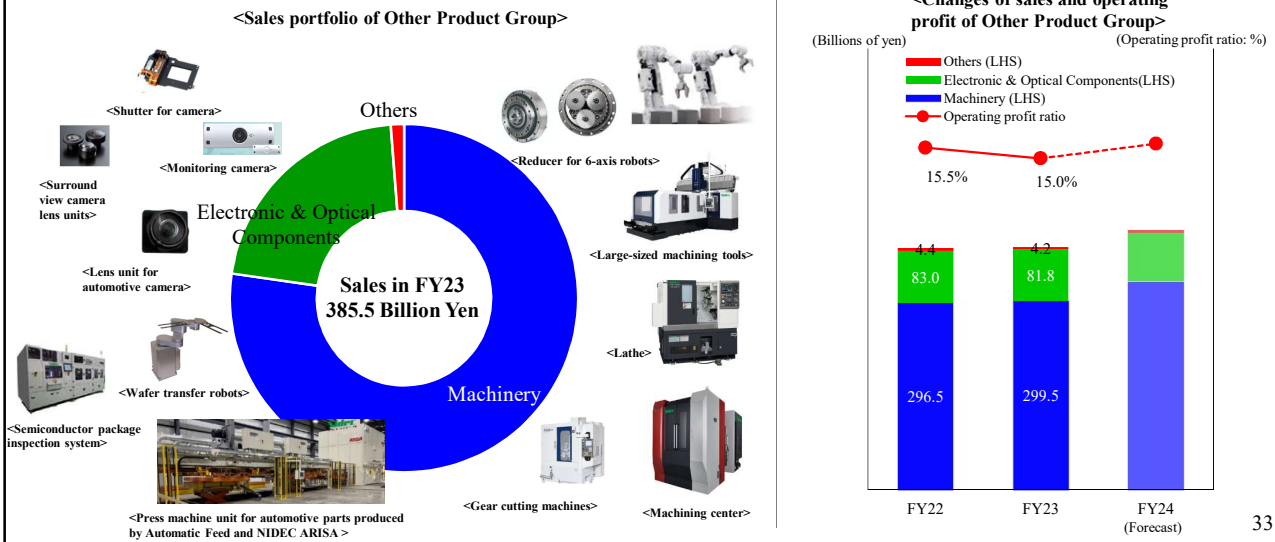
<Quarterly operating profit and operating profit ratio>



Other Product Group: Segment Results and Changes

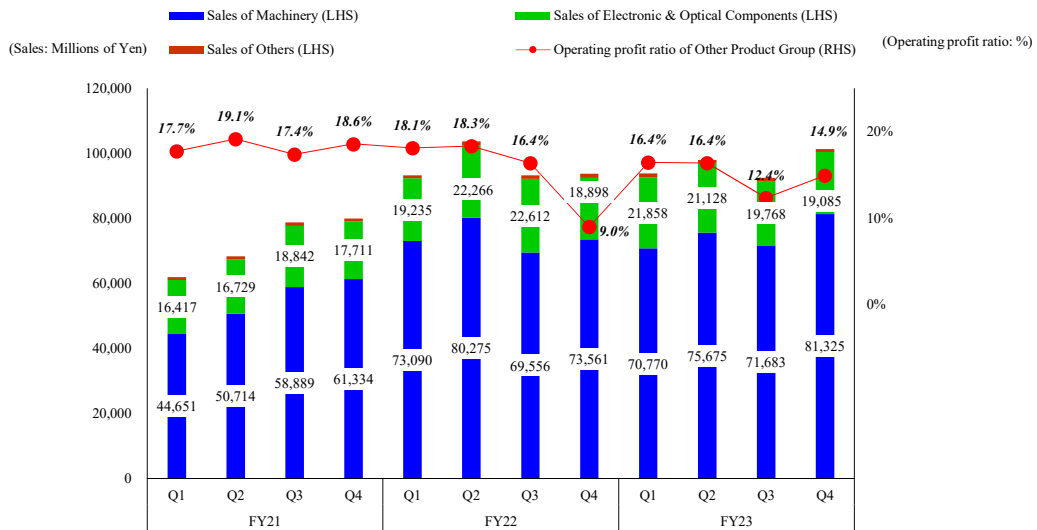
This slide includes forward-looking statements. See Disclaimer on Page 2. -All for dreams

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



Other Product Group: Quarterly Results

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





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U.S. Tel: +1-212-703-7988 E-mail: nagase.kiyoshi@nidec.com

Notes:

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

During the three months ended March 31, 2024, NIDEC completed its valuation of the assets acquired and the liabilities assumed upon the share acquisition of PAMA S.p.A.. NIDEC’s consolidated financial statements for the year ended March 31, 2023 reflect the revision of the initially allocated amounts of acquisition price as NIDEC finalized the provisional accounting treatment for the business combination.

During the three months ended March 31, 2024, NIDEC completed its valuation of the assets acquired and the liabilities assumed upon the share acquisition of Midori Precisions Co., Ltd.. NIDEC’s consolidated financial statements for the year ended March 31, 2023 reflect the revision of the initially allocated amounts of acquisition price as NIDEC finalized 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, 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 March 31, 2024.

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Appendix

Performance Trends & Product Group Overview

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New 5 Big Waves in a Post-Pandemic World

Nidec's business solutions that solve the common problems of humankind

Fan **5G & Thermal solutions**
(Keywords: Tactile sense, image stabilization and heat ventilation module)

Nearline HDD motor **Digital data explosion**
(Keywords: High speed / large data, GAFA* and "Stay Home")

Automated guided vehicle **Manpower saving**
(Keywords: Industrial robots, servicing robots and logistics)

eVTOL (electric Vertical Take-Off Landing vehicles) **Decarbonization**
(Keywords: Drive/Turn/Brake, safety/comfort and thermal management)

Refrigerator compressor **Power saving**
(Keywords: Sterilization, hygiene and "Stay Home")

Home appliance motor

Automotive motor

Traction motor system (E-Axle)

Reducer

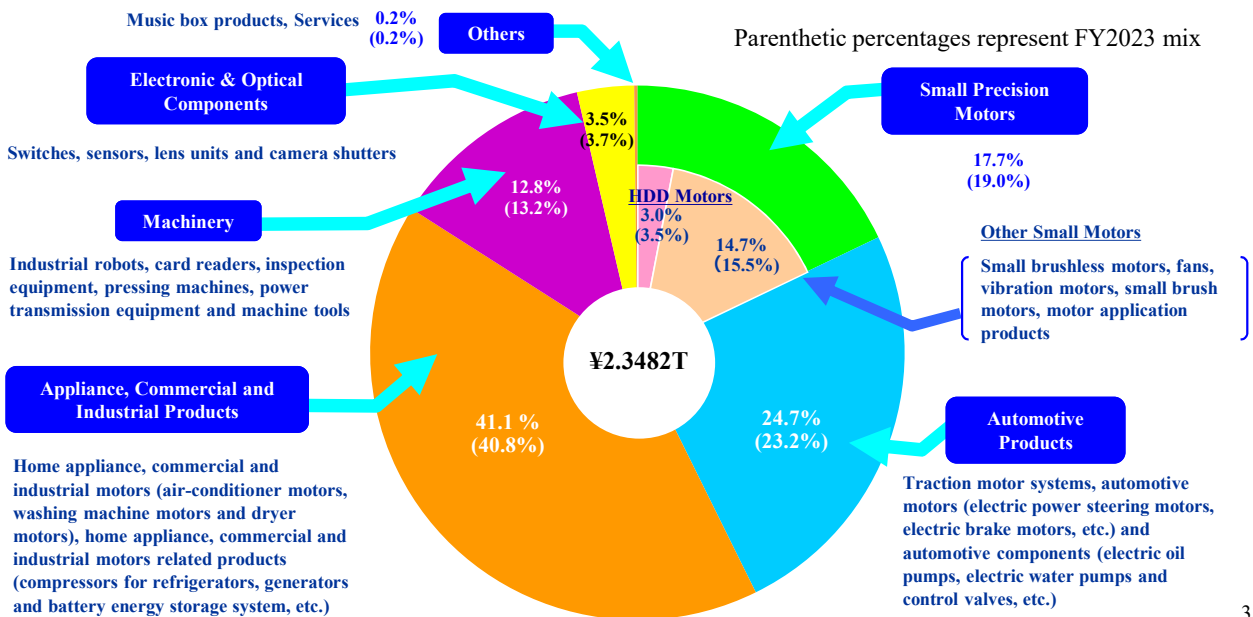
Motor for drones

Vapor chamber

Heat pipe

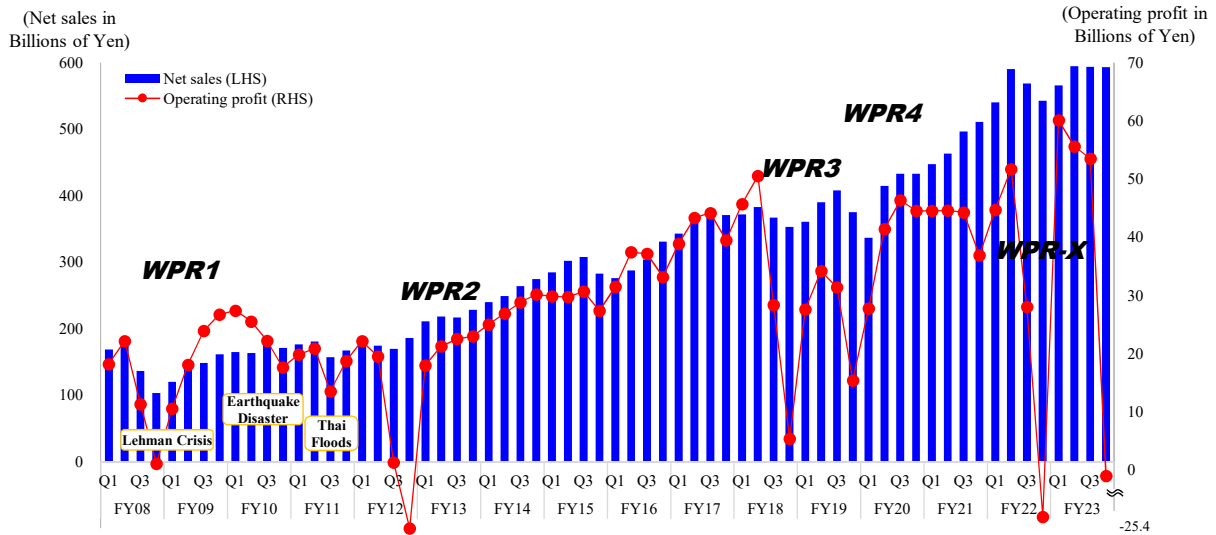
* GAFA: Google, Apple, Facebook and Amazon

Sales by Product Group (FY2023)



Consolidated Quarterly Net Sales and Operating Profit

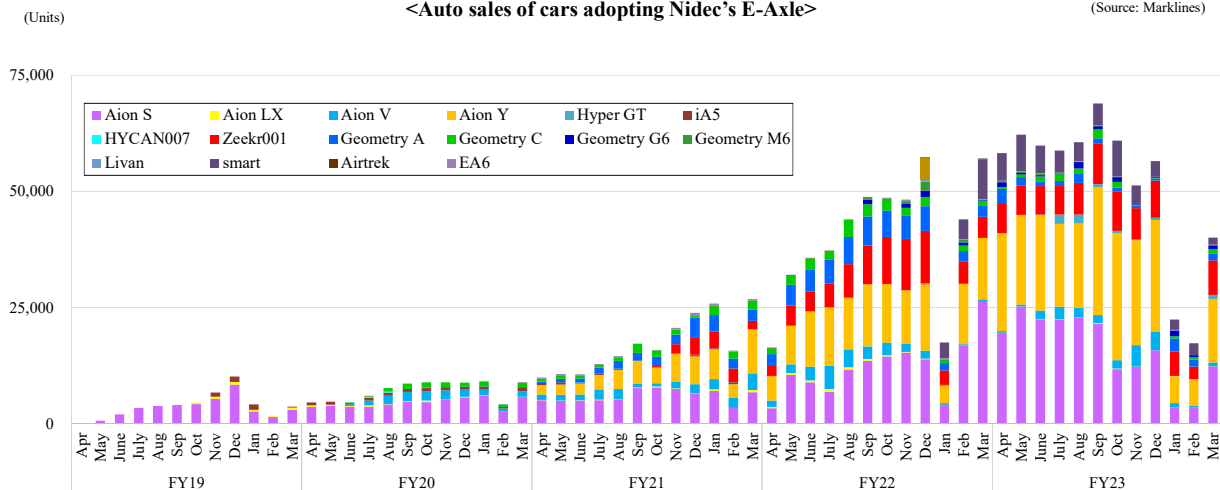
Aiming to improve profitability after structural reform in FY23



Automotive: Sales of Vehicles with Nidec's E-Axle

Sales of vehicles using our E-Axle grew 140% in FY21, 138% in FY22 and 27% in FY23 YoY

<Auto sales of cars adopting Nidec's E-Axle> (Source: Marklines)

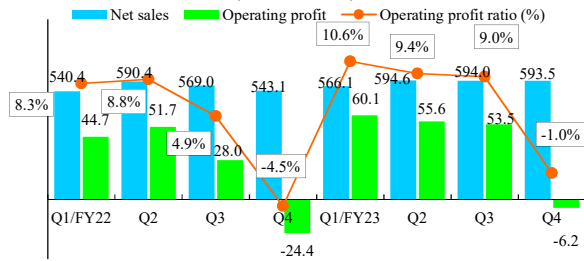


Financial Highlights

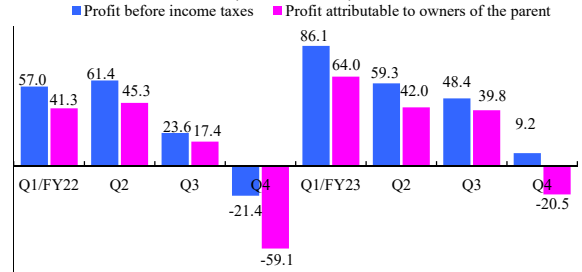


*Please refer to Notes on Page 35.

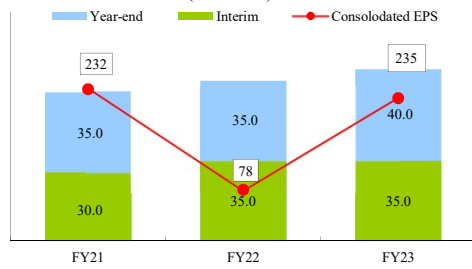
<Consolidated Net Sales and Operating Profit>
(Billions of Yen)



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



<Dividends and EPS>
(Yen/share)



<Consolidated Cash Flow>
(Billions of Yen)

