



Mitsuya Kishida  
Representative Director and  
President CEO  
(Chief Executive Officer)

We view the present as our second foundation period and aim to become a global top-notch company that continues to grow beyond 100 years.

#### The Vision We Aim for

Since taking office as a president on April 1, 2024, I have been working hard to achieve a collective management structure that brings the 100,000 employees of the NIDEC Group together. In order to become a global top-notch company that continues to grow beyond 100 years, each and every employee of the NIDEC Group must achieve growth with quality, viewing this as our second foundation period, without relying on the charisma of the founder, while inheriting the strengths of the past. I believe that the future of achieving a market capitalization of 10 trillion yen will not come until we realize the ideal we should aspire to, i.e. catering to our customers' needs with high technology, maintaining a high stock price through high growth and high profitability, and forming a strong organization where a diverse workforce work hard toward the same goal.

One of the most important initiatives for the future is to create a steady cash flow and increase it. Rather than focusing solely on sales growth to achieve our goals, we will enhance our ability to generate cash flow. By using the cash generated in this way for new businesses and investment in growth strategies including M&A, we intend to achieve accelerated growth with quality.

Another key word in creating the future is Circular Society. Our philosophy has always been to "contribute to the global environment with things that turn and move," in other words, to solve social issues and contribute to the preservation of the global environment by supplying high-performance motors. I believe that we can develop innovative businesses by viewing society as a whole as one big cycle and focusing on energy conversion.



## Toward the Realization of Circular Society

The NIDEC Group has produced a wide variety of motors as the world's No. 1 comprehensive motor manufacturer. By supplying a diverse range of products that accommodate from the very small world including inside of PCs, smartphones to the extremely large world such as huge vessels, industrial pumps, we have created motive power around the world to turn and move things. We have, so to speak, provided the energy itself to drive objects.

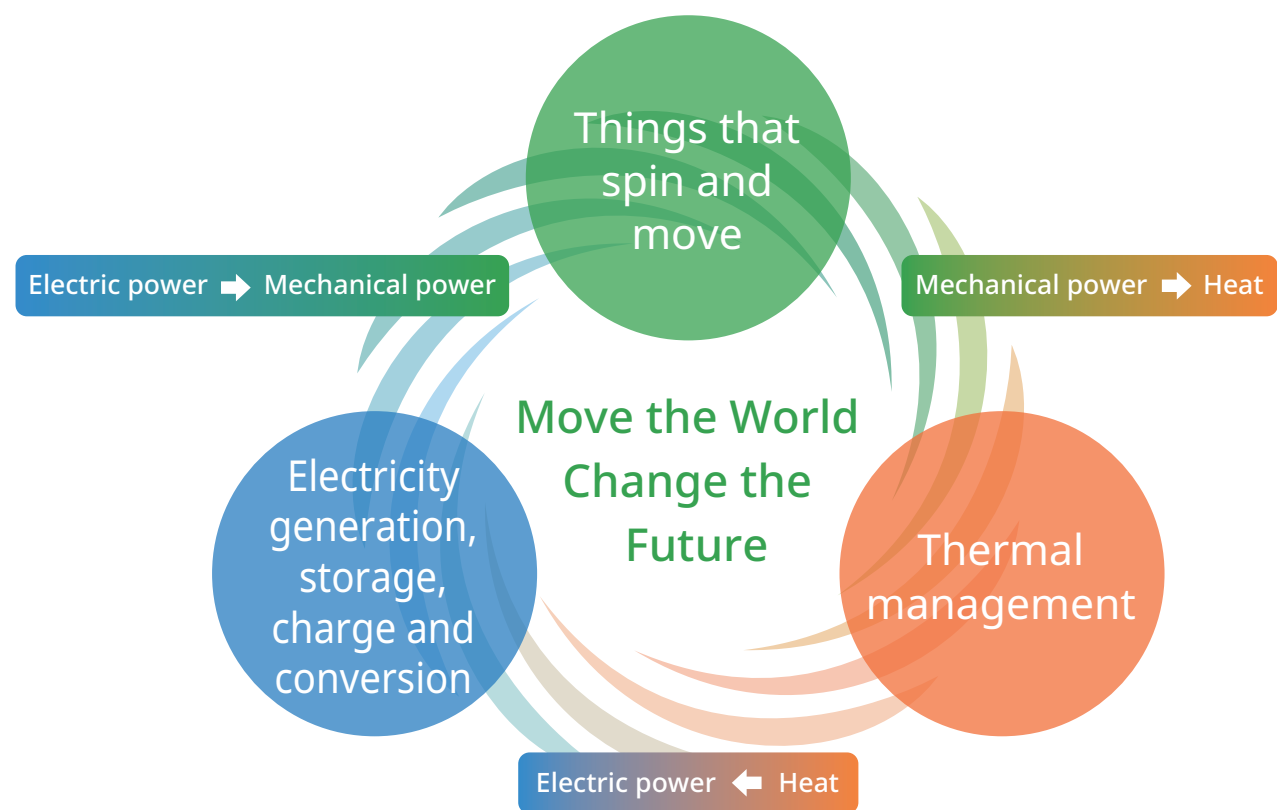
In addition to energy to drive objects, motors generate heat at the same time. It is inevitable that heat will be generated from electric power and motive power, and the Nidec Group has tackled the challenge of how to control heat for 50 years as a motor specialist. Examples include product lines and technologies related to heat management, such as cooling systems and fan motors. In particular, the demand for water-cooling modules has been growing rapidly in recent years due to the enormous amount of heat generated by servers used in AI data centers, and heat management technology has

begun to develop from air-cooling to water-cooling.

Another important factor related to motors is electric power. Electricity is the most important energy source for the world in the future, as it is used to generate motive power through motors as well as heat. I believe that a future will come in which controlling electricity can be synonymous with controlling the social infrastructure itself.

For example, if heat generated as a by-product of motive power is controlled and used for electricity generation, and the generated electricity is stored in a battery system, a stable supply of clean electricity can be achieved. Needless to say, the electricity thus supplied will become a source from which our products will generate additional motive power.

In this way, in our society, energy is being converted from one form to another, i.e. from motive power to heat, from heat to electricity, and from electricity to motive power. Through our products and technologies, the Nidec Group will contribute to the realization of a sustainable, Circular Society in which energy is converted with high efficiency.



## Five Businesses That Will Be the Pillars of the Future

There are five business areas of the NIDEC Group that are particularly important for a sustainable, Circular Society in which clean energy is circulated smoothly. We intend to expand our business, setting our eyes on these five business areas as focused

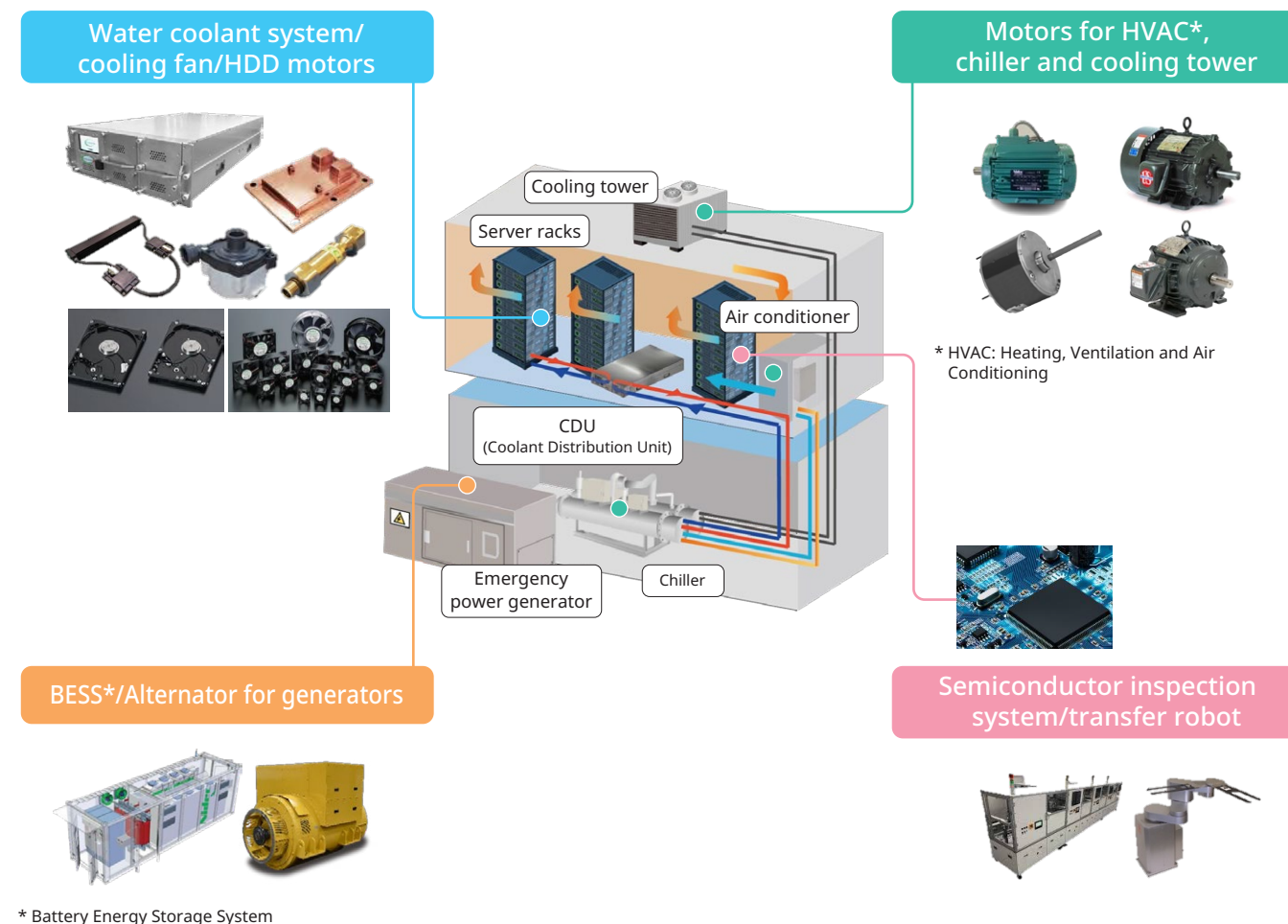
business areas, from the AI-related area where cutting-edge technologies are concentrated and the home appliances area rooted in our daily lives to the large-scale social infrastructure and mobility areas.

### 1 Base of AI Society

As generative AI is installed in mobile phones and PCs, the presence of AI will become commonplace in all industries and scenes of daily life in the near future. In conjunction with this, demand for products related to servers that store the explosively increasing data and data centers, and the need for heat management and technologies that do not interrupt power supply, in particular, is expanding day by day.

Starting with motors for HDDs, our original business, we have produced air-cooling fans and water-cooling modules to meet the needs of our

customers, and server cooling systems that leverage our strengths in precision machining technology and miniaturization technology, which we have developed in line with the growth of the IT industry. On top of these, we have further enhanced our product line through M&As to accommodate the diverse demands of data centers. Going forward, we will support the realization of an AI society by providing various solutions, such as VR solutions, digital twin solutions, and motors for high-altitude platform stations (HAPS), flying communication base stations.

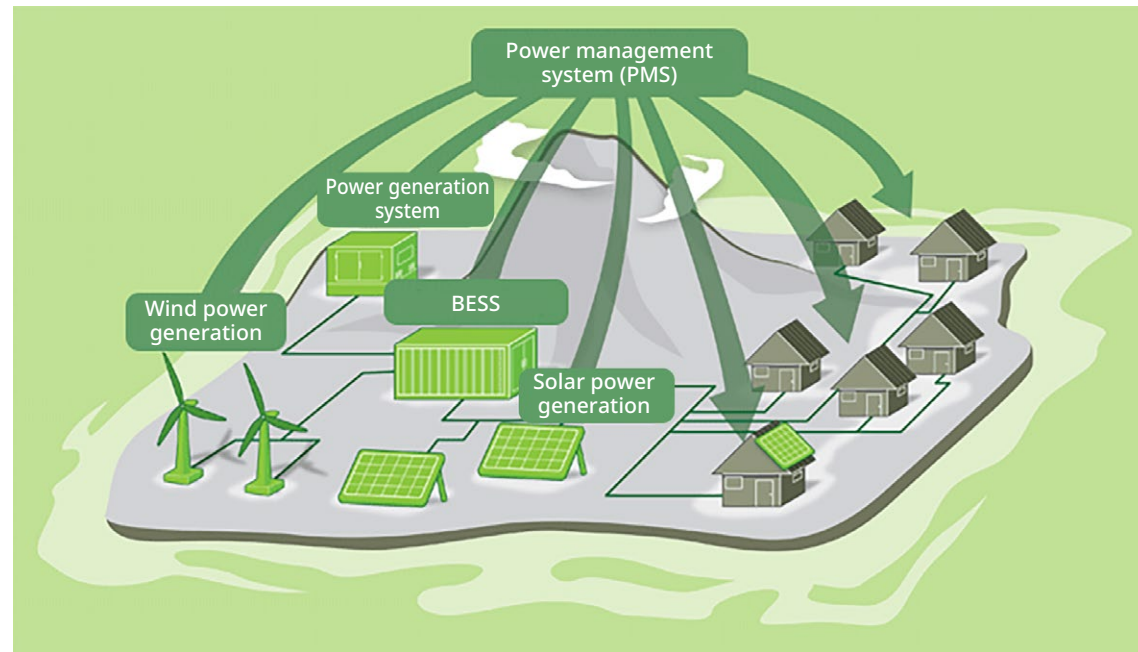


## 2 Sustainable Infrastructure and Energy

Amid increasing global demand for electricity, we are required to conserve energy and improve energy efficiency. Countries are making efforts to do so, including policy shift towards the use of renewable energy. However, renewable energies are characterized by unstable power generation, and in order to maximize their use, it is necessary to develop infrastructure to efficiently control the supply-demand balance.

It is said that about 50% of the world's electricity is consumed by motors. High-efficiency motors, one of our strengths, contribute to energy conservation and power saving in social power infrastructure. In

the area of generators and battery energy storage systems (BESS), which enable a stable supply of electricity and power leveling by storing efficiently produced electricity from renewable energy sources and taking out only the necessary amount of electricity when needed, we will also demonstrate our accumulated system control technology, storage battery technology, and power management technology to achieve high efficiency, thereby contributing to the maintenance of the world's infrastructure and the realization of a Circular Society from the aspects of power generation, storage and use.



## 3 Efficient Manufacturing

Due to the decline in the working population, labor shortages in all industries have become a social issue, and the need for labor-saving and unmanned operations through the introduction of robots and mechanical equipment is rapidly increasing as a solution. In addition, work that depends on individual skills and requires a high degree of accuracy is being replaced with high-precision machines to improve labor productivity.

We offer a full line of products in this field, including reducers, press machines, and machine tools. Reducers manufactured with our world-class gear machining technology are used in many

high-precision automated robots. Furthermore, for machine tools that are indispensable to factories, we have realized labor saving by offering multi-tasking machines that combine multiple machining methods with different functions and features in a single machine. One of our strengths is our ability to provide these products as total solutions from close proximity to our customers by utilizing our global bases.

The potential for improving production efficiency is expanding to all industries, including the use of drones in the agricultural sector. We will work on this issue by bringing together our global network of bases and technologies.

## 4 Better Life

From smart home appliances to commercial air conditioners, the devices that support people's lives are evolving at an ever-increasing pace. Also, as the Global South moves toward higher living standards, we believe that our products will have even more opportunities to play an active role, propelled by expanding demand for air conditioners and other factors.

For nearly half a century since its foundation, the Company has, as a good partner for manufacturers of home appliances and other finished products,

supported the improvement of the quality of life through providing them with key devices, such as thinner and smaller motors that offer greater design flexibility, and high-efficiency compressors that contribute to energy conservation. In the future, we will further accumulate technologies such as high-precision reducers for medical and nursing care robots and heat pump solutions in the air conditioning and hot water supply fields, thereby contributing to the realization of a better life from in new areas such as security, safety and health.

## 5 Mobility Innovation

We are seeing a rapid shift to electrification of cars, motorcycles and other vehicles that move people and goods. Such a shift in this field is expected to reduce environmental impact and improve safety and convenience. To realize electrification, it is essential to install motors that convert electric power into motive power.

As a result of the development of products and technologies indispensable for electrification, including motors for automotive applications, inverters and other power source-related products,

and technologies that contribute to the realization of CASE, we have a large share of the market for several automotive products. In addition to EVs, which have been the focus of attention for their rapid market growth, business opportunities are also expanding to include large vehicles, flying vehicles (eVTOL\*), railroads and ships. By contributing to the electrification of various vehicles, we will create a future where carbon neutrality and a high degree of safety and freedom of movement are realized.



\* eVTOL: Abbreviation of electric vertical take-off and landing



### Three Committees

In order for the Nidec Group to become a global top-notch company under new management, organizational restructuring is as essential as business strategy. The new Nidec Group will focus on consolidation of its technological capabilities, establishment of a global personnel structure,

#### ① Technology Strategy Committee

The NIDEC Group has an array of technologies that we have cultivated over the 50 years since its establishment. We have accumulated extensive know-how, not only in motor-related technologies, but also in elemental technologies, processing technologies, and software technologies. However, unfortunately, we have not had a system in place to fully share this know-how across the boundaries of businesses and Group companies. In order to break out of this situation as quickly as possible, we set

#### ② Global HR Strategy Committee

The NIDEC Group currently operates in approximately 40 countries with over 100,000 employees. It goes without saying that diverse human resources of different races, nationalities, and backgrounds are the Nidec's valuable asset, but it has remained difficult to incorporate such diversity into management

#### ③ All for Dreams Committee

While the changes in management structure and the formulation of new business strategies discussed above are absolutely necessary for the NIDEC Group to carry out its business, it is also necessary for employees to consider the significance of working for the NIDEC Group. As we have inherited the management philosophy of the Founder Shigenobu Nagamori and corporate culture, I feel that there

and transmission of the Nidec-ism. Upon assuming the position of president, I set up a completely new committee for each of these matters and have been engaged in serious discussions with all members of the committees and related departments on a daily basis.

up a cross-Group Technology Strategy Committee as the first step. The purpose of this committee is, of course, to bring together all of the technical capabilities that are unevenly distributed within the Nidec Group, but it also aims to discover our core competences. The entire Group is committed to exploring robust technological strengths that are backed by our success to date and will enable us to open the door to new business opportunities in the future.

perspectives. The Global HR Strategy Committee, which was just recently launched, is an attempt to reform the very mechanism of business management in order to analyze and discover the diverse human resources possessed by the NIDEC Group and to help employees interact with each other.

have been fewer opportunities for each employee to ponder deeply about why he/she works for Nidec. Now that we have entered our second foundation period, the All for Dreams Committee is an initiative to explore the significance of working for the Nidec Group, in other words, the NIDEC Group's purpose, together with all 100,000 employees.



Management Message

### Corporate Culture Transmission and Leap into the Future

I recognize that it is my critical mission to pass on to future generations the culture and spirit that the Nidec Group has cultivated over the years, as well as to change to a new management structure for the next 50 years. The three technological elements of a Circular Society mentioned above (Things that spin and move, Thermal management, and Electricity generation, storage, charge and conversion) and the five business areas that will be the pillars of

the future will all be supported and developed by the people and technologies of the NIDEC Group. I believe that corporate culture is the foundation that backs up the people and technologies that are essential to the Group. Building on the foundation laid by the Founder Nagamori for 50 years, we will continue to work hard every day to ensure that the NIDEC Group will remain a global leader in the future.



Mitsuya Kishida

Representative Director and President CEO  
(Chief Executive Officer)



## 50 Years of History Driving the Next 100 Years of Revolution

I founded NIDEC in 1973, when uncertainties were shrouding Japan's rapid economic growth. Nonetheless, with a cheerful spirit and big dreams, I was determined to make NIDEC a global company. The history of our passion for motors, and of overcoming difficulties together to turn our dreams into reality, is the history which has become the foundation of NIDEC today. Now, as a global business enterprise, NIDEC leads technological innovation, engaging in not only its initial business of motors but drive technology and many other fields as well.

To commemorate its 50th anniversary, we changed our company's Japanese name from "Nihon Densan corporation" to "Nidec corporation" on April 01, 2023, to make a fresh start for our next target of the 100th anniversary. Going forward, to achieve our plan of doing in business in 100 countries or

more around the world, and constantly take on challenges to make NIDEC the true global company, I will continue to monitor NIDEC's new management as a Representative Member of the company's Board of Directors and the global representative of the NIDEC Group, to ensure that the new group management system functions smoothly. By delegating day-to-day operations to Kishida, the company's Chief Executive Officer, I, as NIDEC's founder, will dedicate my efforts to instructing others to ensure that the corporate culture we have nurtured for the past 50 years will be passed on to future generations throughout the NIDEC Group.

Shigenobu Nagamori  
Founder and Chairman of the Board

## Aiming for V-shaped Business Performance Recovery

In FY2023, net sales increased 5.3% year on year to 23,472 million yen, and operating profit soared 81.0% year on year to 1,626 million yen. Net sales hit a record high, and despite the recording of restructuring expenses under operating profit, I believe it will lead to financial soundness and stronger profitability in the future. In FY2024, we will shift our focus to profitability and aim for a V-shaped business performance recovery.

Since the company's establishment, I have funneled my efforts into the growth of the NIDEC Group primarily

from a sales standpoint. I will continue to support the new management structure by keeping in touch with our more than 100,000 employees worldwide and many other stakeholders and by striving to train younger employees. Mr. Nagamori, Founder and Chairman of the Board, will continue to lead our M&A activities, which are indispensable to the Company's growth. In this area as well, I would like to contribute to building bridges between new companies joining the NIDEC Group and our management team, as well as to spreading our corporate culture.

Hiroshi Kobe  
Member of the Board of Directors and Chairman