

Nidec Corporation

First Quarter Fiscal 2021 Results



Three Months Ended June 30, 2021
<IFRS>
July 21, 2021

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 Nidec's Traction Motor System, E-Axle 100kW Model adopted in GAC Aion's new EV, *Aion Y*.

Consolidated Profit/Loss

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

Millions of Yen, except for percentages, EPS, and FX rates	Q1/FY2020	Q1/FY2021	Change	FY2021 Forecast
Net sales	336,876	447,470	+32.8%	1,700,000
Operating profit	27,793	44,555	+60.3%	180,000
<i>Operating profit ratio</i>	8.3%	10.0%	-	10.6%
Profit before income taxes	27,410	43,752	+59.6%	175,000
Profit attributable to owners of the parent	20,058	33,451	+66.8%	140,000
EPS (Yen)	34.24	57.14	+66.9%	239.02
FX rate (Yen/US\$)				Assumed for Q2 onward: Yen/US\$: 105 Yen/Euro: 117
Average:	107.62	109.49	+1.7%	
Term end:	107.74	110.58	+2.6%	

Note: Based on the current forecast of sales volume, every one yen appreciation or depreciation against the U.S. dollar and the euro for FY2021 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.

3

Summary of Q1 FY2021

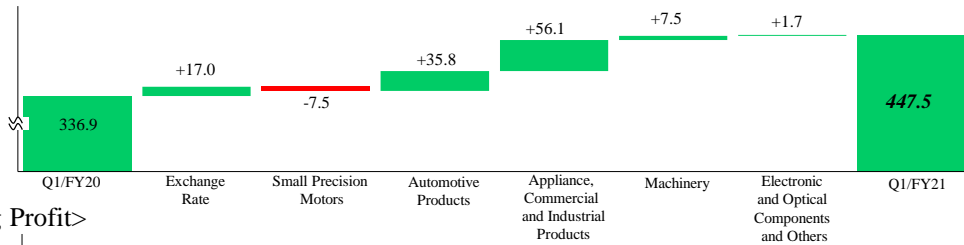
- Net sales stood at a **record high** of ¥447.5 billion, 32.8% higher Y/Y. Operating profit **significantly increased** 60.3% **Y/Y** to ¥44.6 billion.
- Q1 quarterly operating profit ratio was 10.0% due to enhanced profitability through WPR4 program implemented since FY20, and sales recovery. **Double-digit operating profit** ratio was successfully maintained **for four consecutive quarters**.
- Profit attributable to owners of the parent increased 66.8% Y/Y to ¥33.5 billion.

4

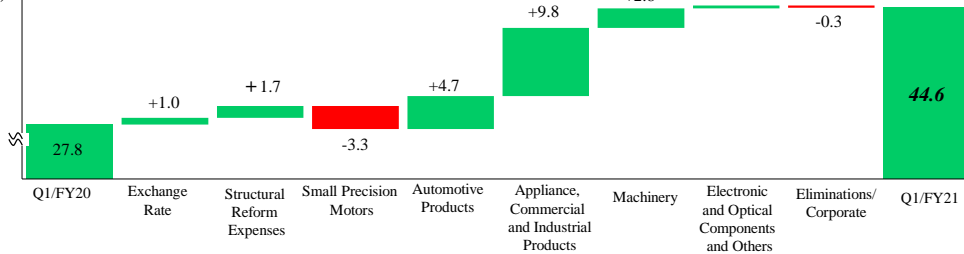
Year-on-Year Changes (Three Months Ended June 30, 2021)



<Net Sales> (Billions of Yen)



<Operating Profit> (Billions of Yen)

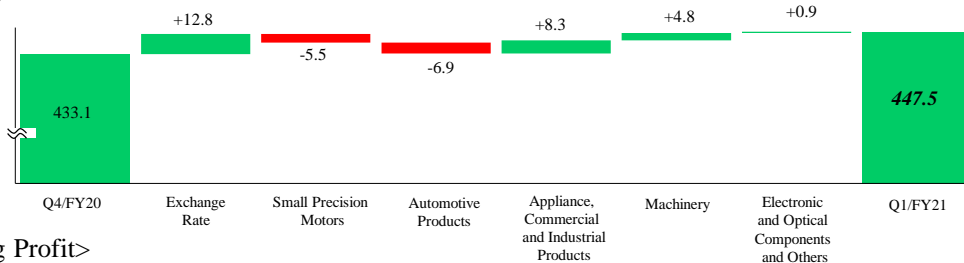


5

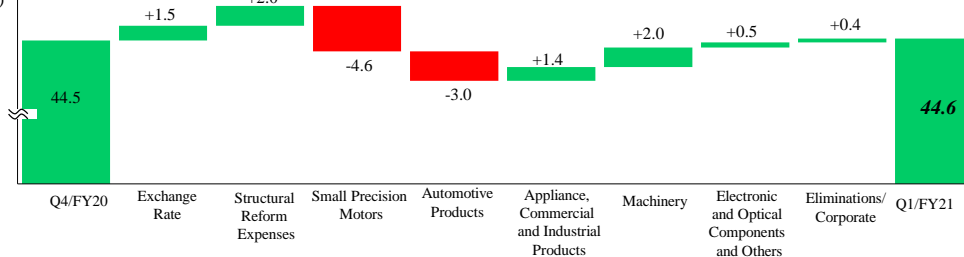
Quarter-on-Quarter Changes (Three Months Ended June 30, 2021)



<Net Sales> (Billions of Yen)



<Operating Profit> (Billions of Yen)

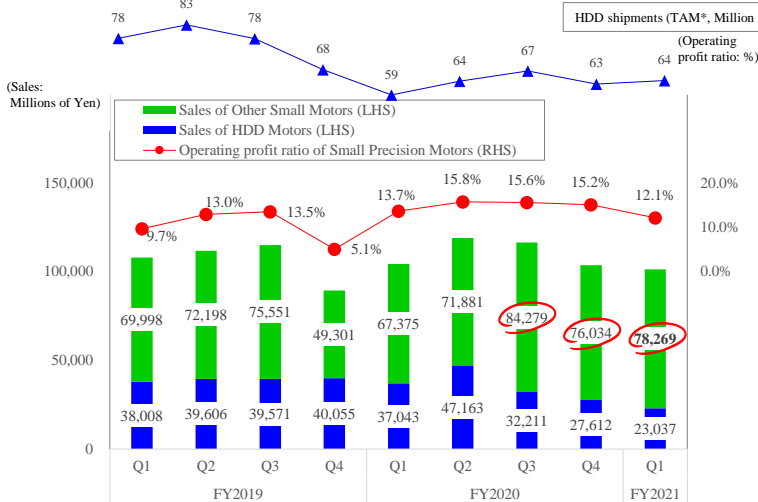


6

Small Precision Motor: Quarterly Results

Implementing business portfolio transformation amid HDD motor market structural change

<Quarterly results of Small Precision Motors>



<Examples of new business areas which will lead mid-term growth>

Mobility

Motors for

- E-bicycle
- E-scooter
- Electric motorcycle, etc.

Mini EV

(Output: Under roughly 30kW)

- Traction motors for Mini EV

5G/Smart phone

Thermal solutions

Image stabilization

Base station

E-commerce/Robot

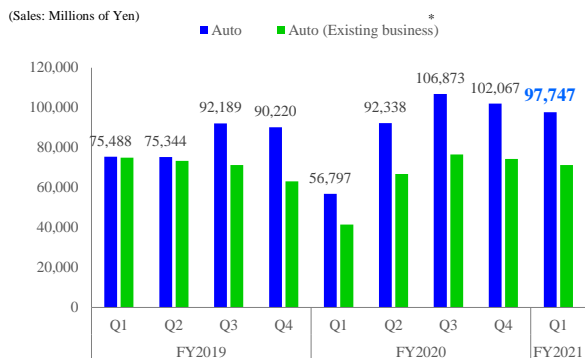
- Drone
- Autonomous delivery robot

*TAM: Total Addressable Market

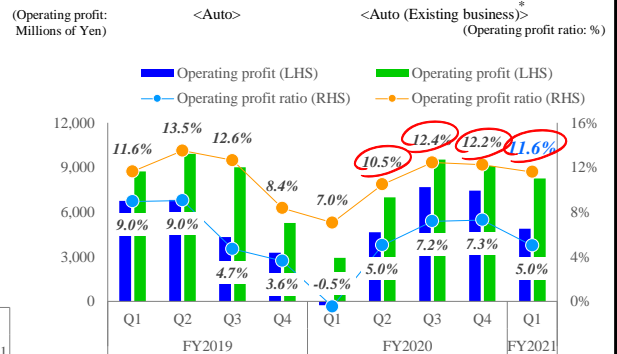
Automotive: Quarterly Results

Automotive existing business kept double-digit operating profit ratio for four consecutive quarters after bottoming out in Q1 FY20

<Quarterly net sales>



<Quarterly operating profit and operating profit ratio>

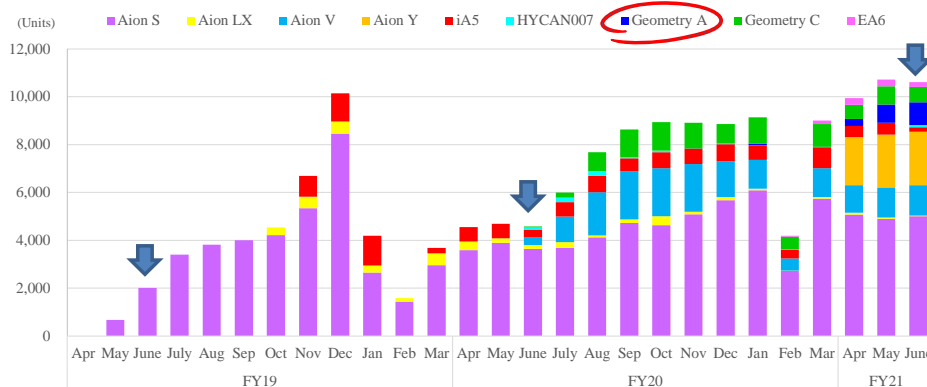


*Existing business: Excluding impact of traction motor related business and Nidec Mobility's business from Auto business

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

The cumulative number of vehicles using our E-Axle (traction motor system) reached 161K units

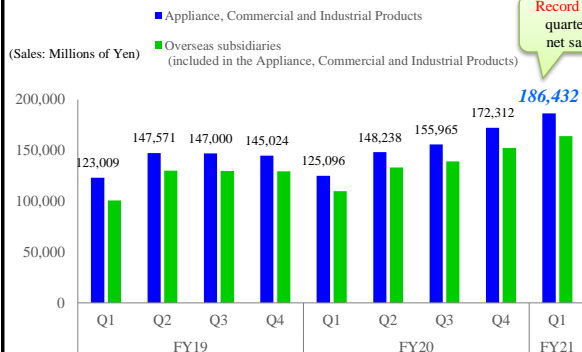
<Auto sales of cars adopting Nidec's E-Axle>
(Source: MarkLines)



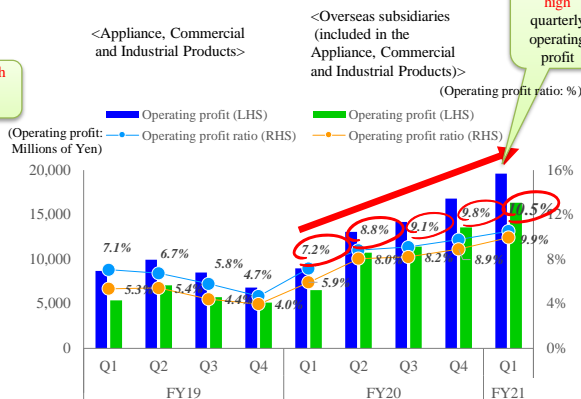
Appliance, Commercial & Industrial: Quarterly Results

Operating profit ratio steadily improved after bottoming out in Q4 FY19

<Quarterly net sales>

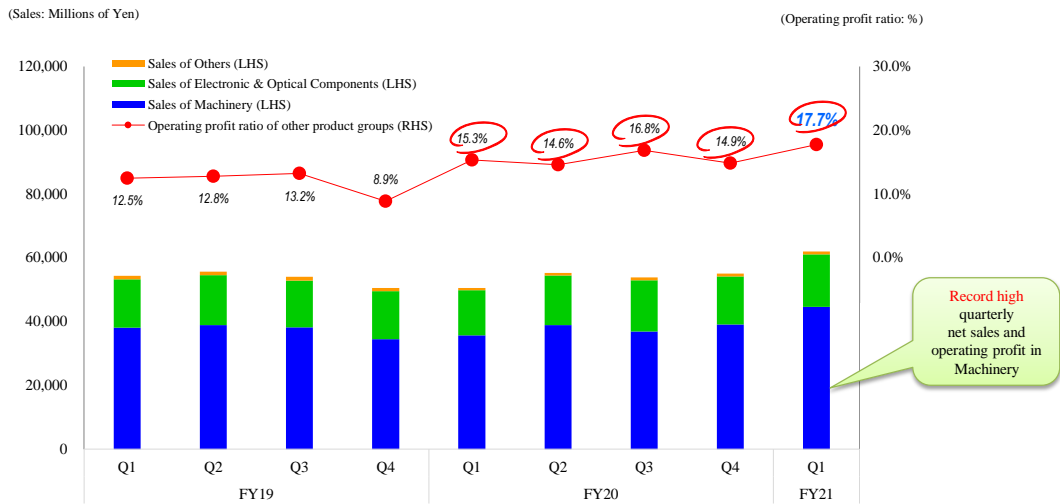


<Quarterly operating profit and operating profit ratio>



Other Product Groups: Quarterly Results

Operating profit ratio of Other Product Groups maintained 15% level after bottoming out in Q4 FY19



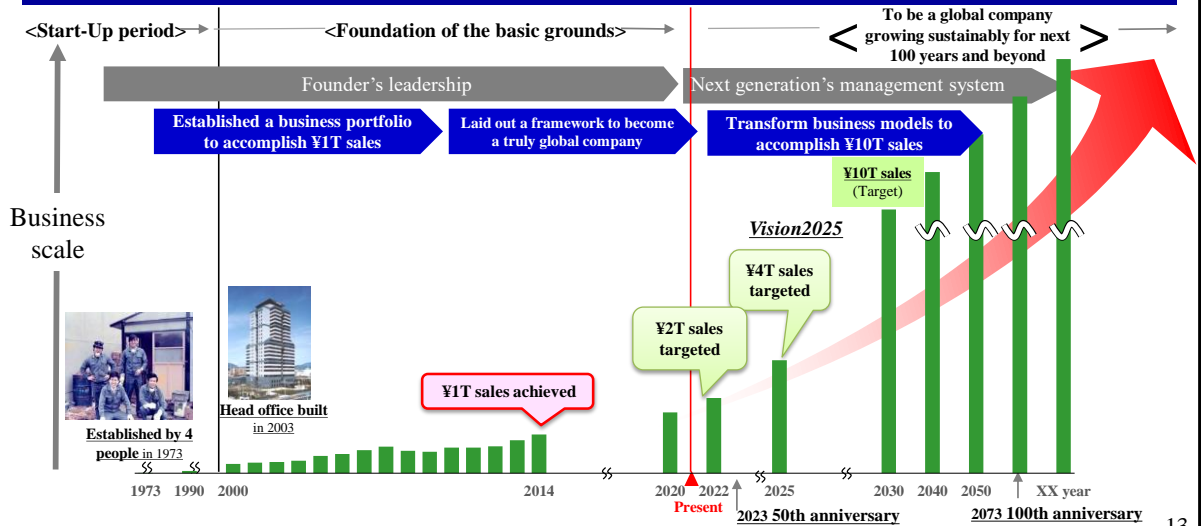
Mid-Term Strategic Goal

Vision2025

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

Vision2025: Further Innovative Changes, Management to Realize the Visions

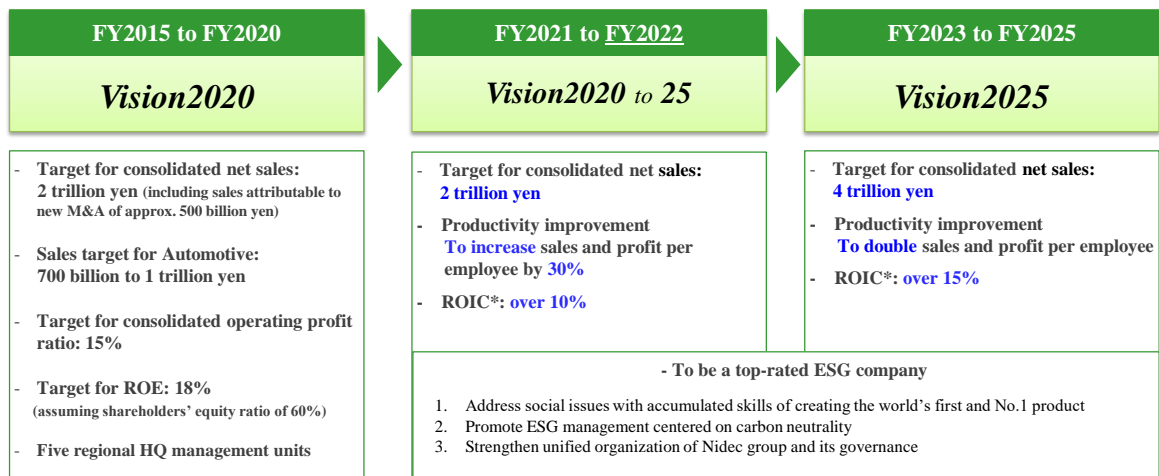
The next generation management system gets launched on the basic grounds formed by the founder's leadership



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

Review on Vision2020 and Road to Vision2025

Try again to accomplish ¥2 trillion sales in FY22



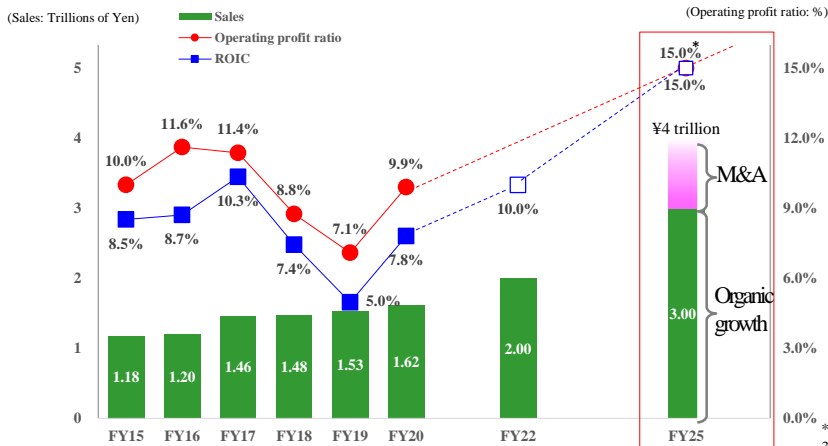
This slide includes forward-looking statements. See Disclaimer on Page 2.

*ROIC: Return on Invested Capital

Vision2025 Framework for the New Mid-Term Strategic Goals (1):
Commitment to Profitable Growth

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

Tackle both growth strategy (organic + M&A) and enhancement of profitability on capital



Enhance corporate value continuously

Management in a business and geographic scope (applying the PDCA cycle)**

Implement a continuous growth strategy

Pursuing optimization of capital efficiency

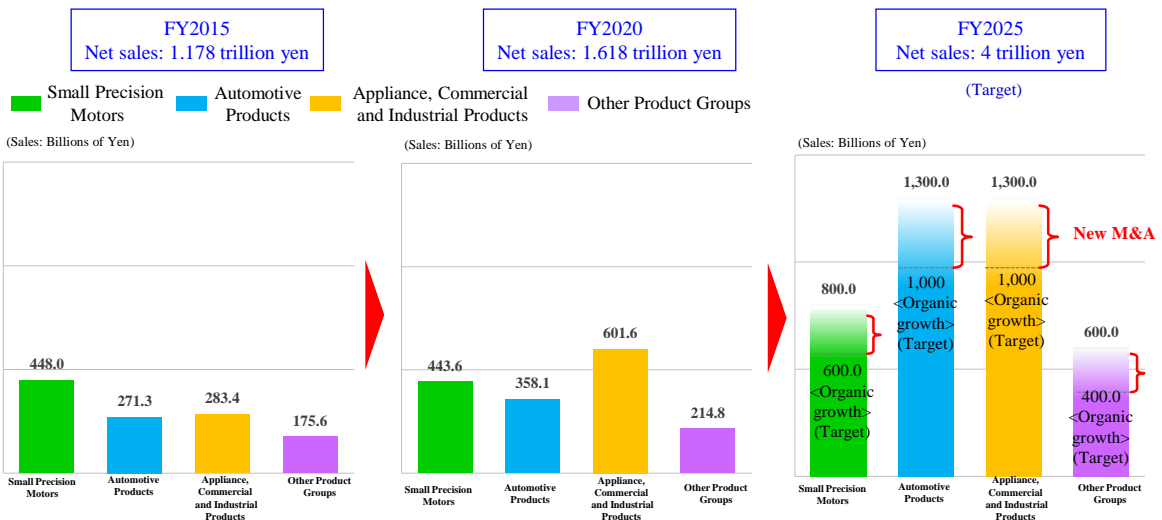
ROIC= NOPAT/ Invested Capital (Interest-bearing debt + Total equity attributable to owners of the parent + Non-controlling interests)
NOPAT (Net Operating Profit After Tax) = Operating profit x (1-Tax Rate)

*We target operating profit ratio of 15% for the sales target of 3 trillion yen in FY25 attributable to organic growth.
**The Plan-Do-Check-Act (PDCA) cycle is a management tool for continuous improvement of a business's products or processes.

Vision2025 Framework for the New Mid-Term Strategic Goals (2):
Business Portfolio Management

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

Achieve high growth with aggressive investment on key growth areas

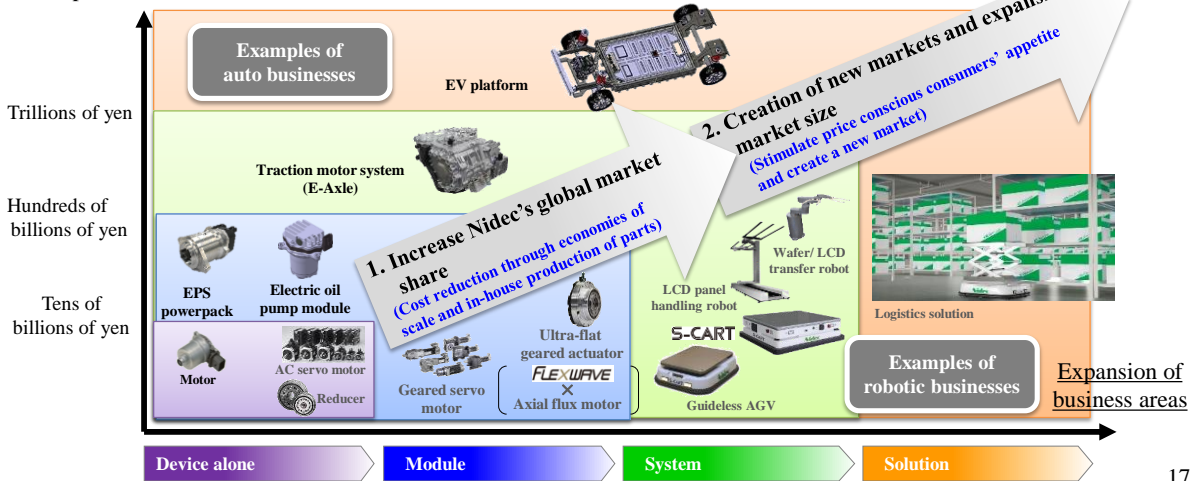


**Vision2025 Framework for the New Mid-Term Strategic Goals (3):
Measures for Boosting Top-Line Growth**

Aim to change business models and business areas to accomplish ¥10 trillion sales

Expansion of expected market size

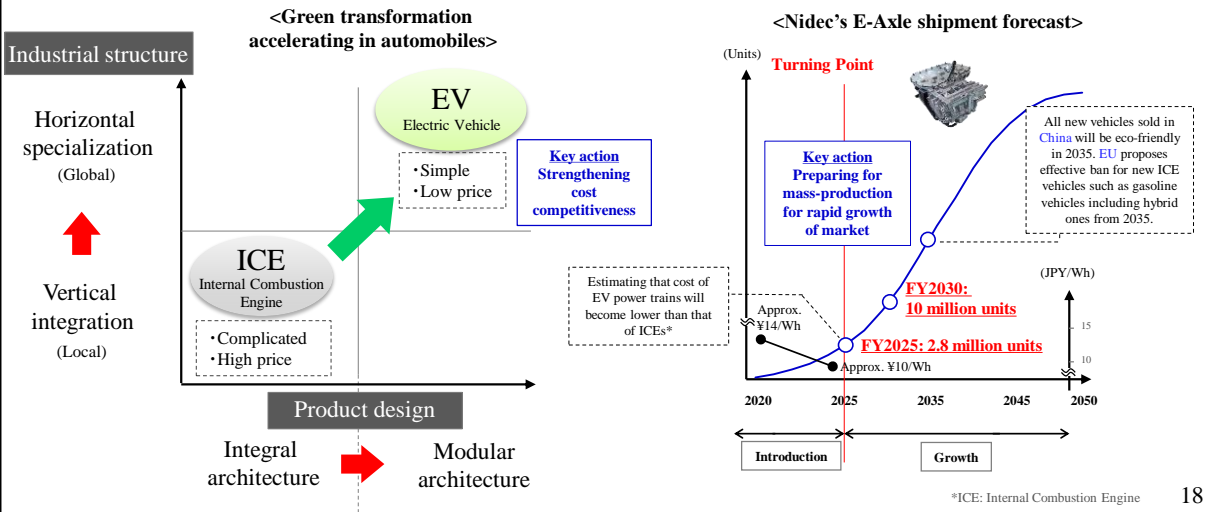
<Image diagram of business model shift in auto and robotic areas>



**Vision2025 Framework for the New Mid-Term Strategic Goals (4):
Basic Policy for EV Traction Motors**

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

Lead EV era as a company who triggers creative disruption and goes beyond the industry tradition



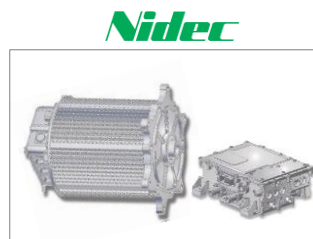
*ICE: Internal Combustion Engine

■ **Vision2025** Topics: Examples of Horizontal Specialization Business

Nidec's traction motor and inverter to be used in EVs developed by ASF

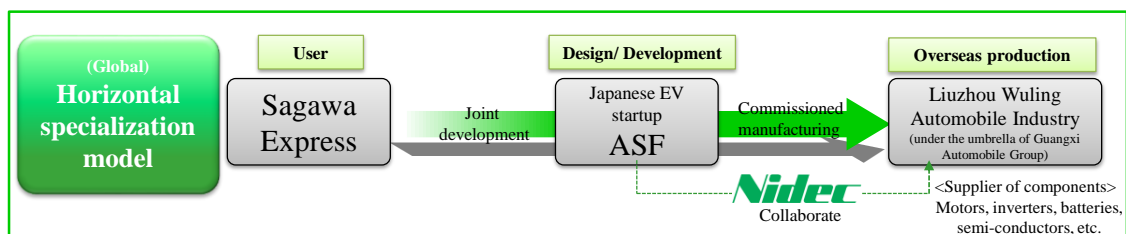


ASF's G050



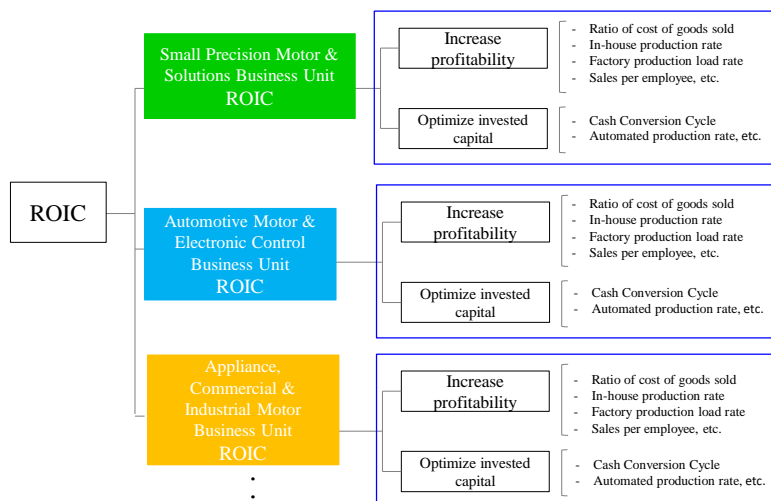
Traction motor and inverter

Propose innovative solutions at an unbeatable speed to contribute to an evolution of auto industry



■ **Vision2025** Framework for the New Mid-Term Strategic Goals (5):
ROIC Management

Set ROIC target in line with each business unit's strategy and conduct improvement activities

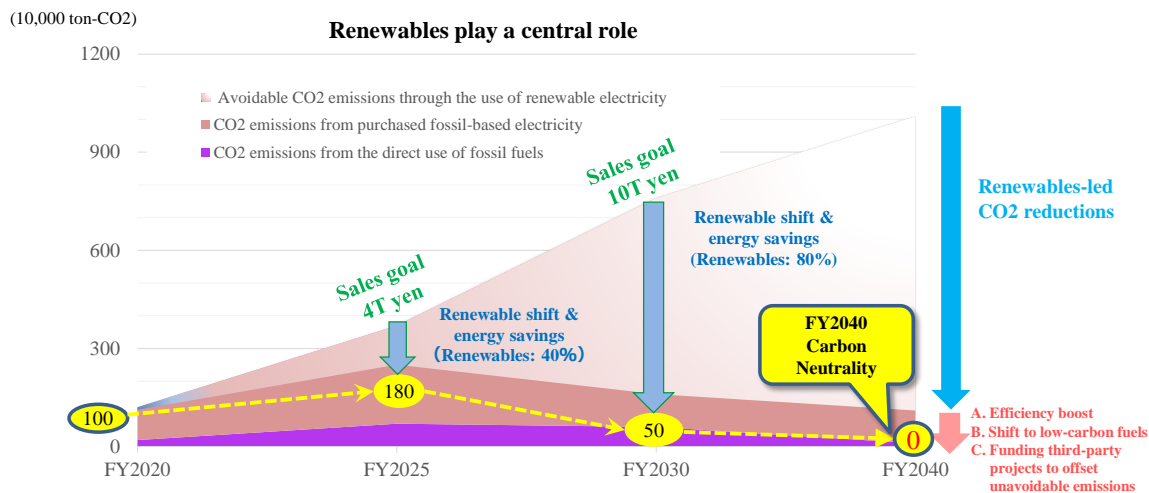


In 5 years from FY21 to FY25,

- ✓ Invest over total ¥1 trillion (CAPEX and M&A) and accelerate growth
- ✓ On the other hand, aim to reduce CAPEX to sales ratio to optimize the balance

■ **Vision2025:** Pathways to Carbon Neutrality (2040)

- ✓ Going carbon-neutral by FY2040 (Scope 1 and 2)
- ✓ Supply chain (Scope 3) action plans to be laid out by FY2025



Nidec IR Contacts

Japan	Tel: +81-75-935-6140	E-mail: ir@nidec.com
EMEA	Tel: +31-06-8393-1827	E-mail: iwai.yuji@nidec.com
U.S.	Tel: +1-212-703-7988	E-mail: nagase.kiyoshi@nidec.com

Notes:

Nidec Corporation adopts the provisions of IFRS 3 "Business Combinations." During the three months ended June 30, 2021, Nidec Corporation completed its valuation of the assets acquired and the liabilities assumed upon the acquisition of Metal Stamping Support Group, LLC and its group companies in the previous fiscal year. Nidec Corporation's consolidated financial statements for the year ended March 31, 2021 reflect the revision of the initially allocated amounts of acquisition price as Nidec Corporation finalized the provisional accounting treatment for the business combination.

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.

Performance Trends & Product Group Overview

New 5 Big Waves in a Post-Pandemic World



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

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

Decarbonization
(Keywords: Drive/Turn/Brake, safety/comfort and thermal management)

Manpower saving
(Keywords: Industrial robots, servicing robots and logistics)

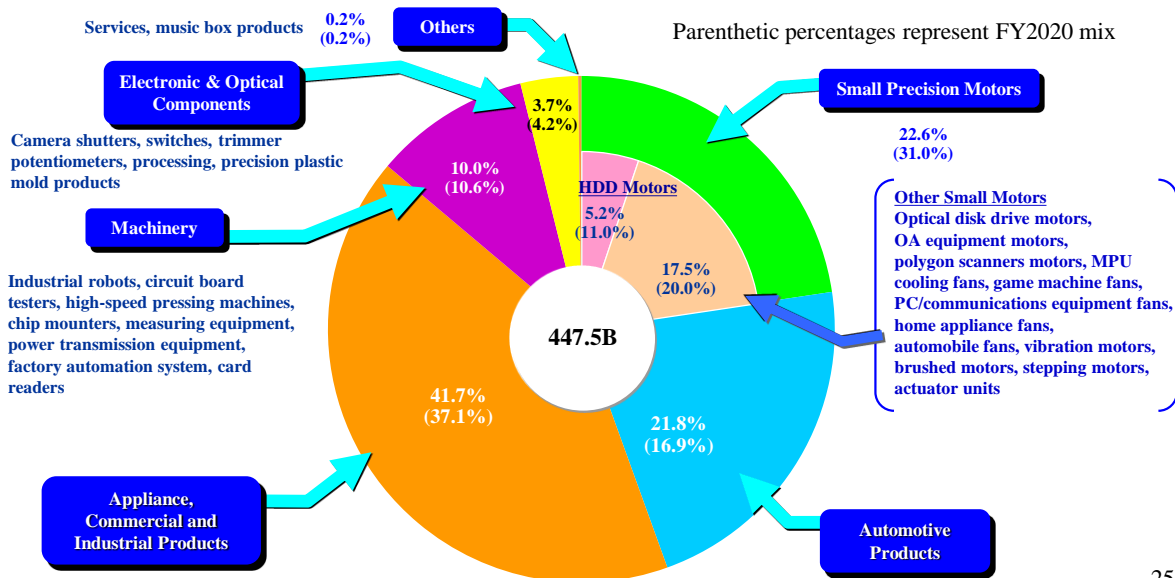
Digital data explosion
(Keywords: High speed / large data, GAFA* and "Stay Home")

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

Products shown include: Fan, Vapor chamber, Heat pipe, ADAS related product, Traction motor, Traction motor system (E-Axle), Reducer, Motor for drones, Home appliance motor, Refrigerator compressor, Nearline HDD motor, Automated guided vehicle, and server racks.

* GAFA: Google, Apple, Facebook and Amazon

Sales by Product Group (Apr-Jun FY2021)

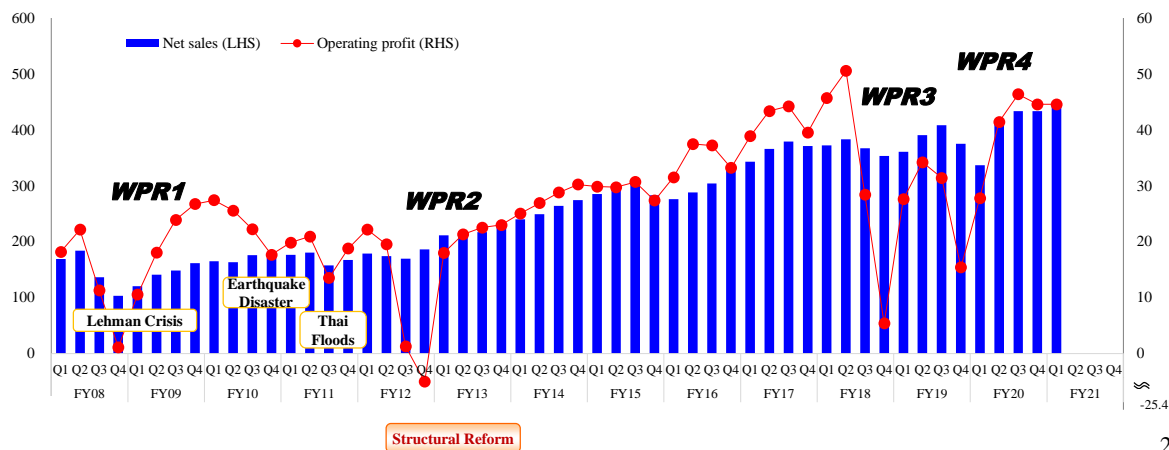


Consolidated Quarterly Net Sales and Operating Profit

Profitability has recovered due to successful **WPR4** cost restructuring

(Net sales in Billions of Yen)

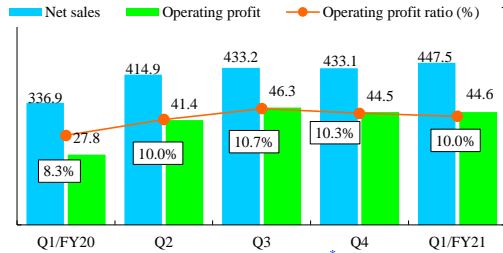
(Operating profit in Billions of Yen)



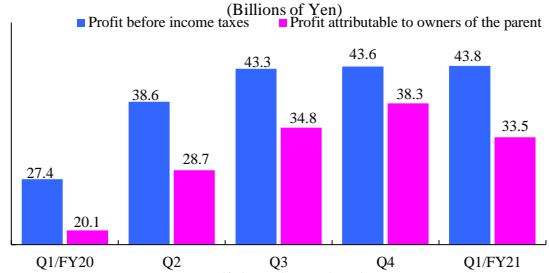
Financial Highlights

*Please refer to Notes on Page 22.

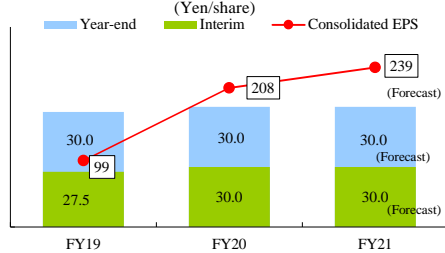
<Consolidated Net Sales and Operating Profit> (Billions of Yen)



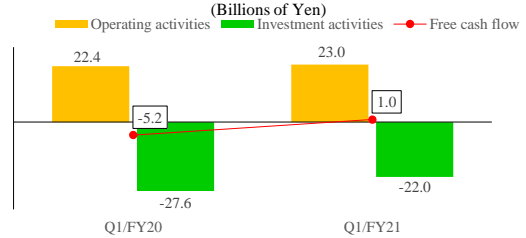
<Profit Before Income Taxes and Profit Attributable to Owners of the Parent> (Billions of Yen)



<Dividends and EPS> (Yen/share)



<Consolidated Cash Flow> (Billions of Yen)

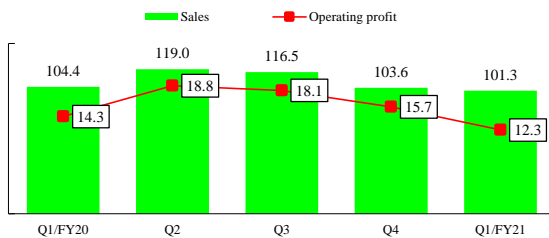


*Adjusted based on the 2-for-1 split implemented as of April 1, 2020. "EPS" and "Dividends" are expressed assuming that the stock split occurred at the beginning of FY2019.

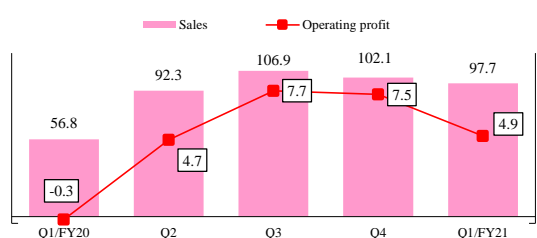
Product Group Overview

*Please refer to Notes on Page 22.

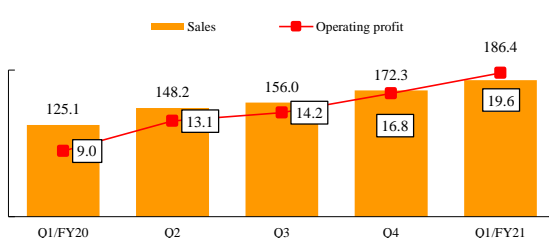
<Small Precision Motors> (Billions of Yen)



<Automotive Products> (Billions of Yen)



<Appliance, Commercial and Industrial Products> (Billions of Yen)



<Machinery> (Billions of Yen)

