November 18, 2025

338 Kuzetonoshiro-cho, Minami-ku,
Kyoto 601-8205 Japan

Dear Valued Business Partners,

Following onto my letter dated November 4, 2025, I would like to provide an update on matters related to the Nidec Group.

On November 14, our company disclosed the first and second quarter financial results for the fiscal year ending March 2026, which had previously been postponed. Regarding the first-quarter financial results, we recorded an impairment loss of 85.8 billion yen, resulting in an operating profit of 21.1 billion yen for the half-year period, which is a decrease of 99.4 billion yen compared to the same period last year[1].
In the Interim Review Report Concerning Financial Statements Summary for the Three Months Ended June 30, 2025 and the Interim Review Report Concerning the Semi-annual Report for the ix months ended September 30, 2025, the audit corporation expressed Disclaimer of Conclusion.[2]

As stated in the September 3, 2025 notice titled "Establishment of a Third-Party Committee," multiple documents suggesting improper accounting practices were discovered within our company and group companies. Therefore, in order to conduct an investigation with independence and objectivity from our[3] company, we requested a third-party committee, established in accordance with the Third-Party Committee Guidelines" " set by the Japan Federation of Bar Associations, to carry out the investigation.

While the investigation by the third-party committee is ongoing, our company took the further action on October 30th of establishing the Nidec Corporate Reform Committee with myself as the chairman. Through this committee and by other actions, we have embarked on efforts such as reforming governance and organizational culture, aiming to restore trust as soon as possible and regenerate the company as one that prioritizes doing what is "right" with a high ethical standard.

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1 The investigations by the Third-Party Committee and other internal investigations are ongoing, and if any misstatements are identified as a result of the investigations, they could have a material and pervasive impact on the condensed interim consolidated financial statements. However, as the amounts of such impact may not be limited to specific financial statement line items and notes, such impact has not been reflected in the condensed interim consolidated financial statements.
2 Please refer to the "Notice Regarding Disclaimer of Conclusion in the Interim Review Report Concerning Financial Statements Summary for the Three Months Ended June30, 2025" and the "Notice Regarding Disclaimer of Conclusion in the Interim Review Report Concerning the Semi-annual Report for the Six Months Ended September 30, 2025."
（https://nidec.g.kuroco-img.app/v=1763103238/files/topics/18938_ext_2_0.pdf）(https://nidec.g.kuroco-img.app/v=1763103327/files/topics/18943_ext_2_0.pdf)

Furthermore, in response to our company's stock being designated as a security on special alert by the Tokyo Stock Exchange (“TSE”), on November 14th we announced the "Policy for Developing the Improvement Plan" as the first step toward lifting that designation. Based on this policy, we plan to formulate an improvement plan to address issues with our company’s internal management system and prepare effective recurrence prevention measures, and to submit the plan to the TSE in late January 2026. As the third-party committee's investigation is ongoing, we also plan to reconsider and review the improvement plan based on the committee's investigation report.

We continue to reflect on the great concern this situation has caused to our business partners and other stakeholders, and will sincerely respond as an entire company to restore everyone's trust as soon as possible.

We greatly appreciate your continued understanding and support.

Sincerely yours,



Mitsuya Kishida
Representative Director, President and Chief Executive Officer
Nidec Corporation

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