



NIDEC CORPORATION

# Establishment of Joint Venture with PSA for EV Traction Motor Business



Nidec Corporation

December 4<sup>th</sup>, 2017

## ■ Note 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 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.

## ■ Outline of the Joint Venture

<b>Company Name</b>	■ To be determined
<b>Business Scope</b>	■ Development, production and sales of automotive electric traction motors
<b>Establishment</b>	■ March - April 2018 (Subject to antitrust filing approval)
<b>Location(Planned)</b>	■ Head office : Carrieres sous Poissy, France (PSA location) ■ R&D facility : Carrieres sous Poissy, France (PSA location) ■ Production facility : Tremery, France (PSA location)
<b>Number of Employees</b>	■ Approximately 60 people initially (Number of employees after mass production is to be determined )
<b>Shareholders</b>	■ Nidec Leroy-Somer Holding : 50% ■ PSA automobiles* : 50% *PSA automobiles is a French company of Groupe PSA
<b>Initial Share Capital</b>	■ €15 million
<b>Total Investment</b>	■ €220 million

# ■ Outline of Nidec Leroy-Somer Holding and Groupe PSA



**Joined Nidec Group from 2017**

**2nd largest  
automobile manufacturer in Europe**

**Main  
Business**

**R&D, manufacturing and sale of  
alternators, motors & drives**

**R&D, manufacturing and sale of  
automobiles**

**Head Office**

**Angouleme, France**

**Paris, France**

**Sales,  
Number of  
employees  
(FY2016)**

**Approx. US\$ 1,000 million  
7,200 employees**

**Approx. €55,000 million  
200,000 employees**

# ■ Groupe PSA : European Champion , Worldwide OEM



200 000 employees

International Footprint with >40 plants and 10 R&D centers

#2 OEM in Europe, #9 OEM Worldwide

#1 / #2 Positions Across Key European Markets

Leader in CO2 Compliance, strongly in action for electrification

5 Complementary Brands (Peugeot, Citroen, DS Automobiles, OPEL, Vauxhall)



**4.3 MM**

Vehicles

**€55 Bn**

Auto Revenue

**€4.8 Bn**

Auto EBITDA

# ■ Nidec Leroy-Somer Holding Track Record in EV\* Market

Good track record in R&D, manufacturing and sales for EV\* traction motor

Car sharing Service

**bluecar**

**blueindy**



\*The meaning of EV is BEV in this slide.

# Acceleration of global EV\* shift

## Leading countries announced sales ban of diesel cars in recent months







	India	From 2030
	France	From 2040
	U.K.	From 2040



**China**  
Proposed regulation obliges OEMs to sell 10% of new car as "New Energy Vehicle" from 2019 in China.

**Low / Zero emission is the key to both solving global warming and air quality issue. OEMs are accelerating to adopt EV\* technologies.**

### <Recent trend of OEMs>

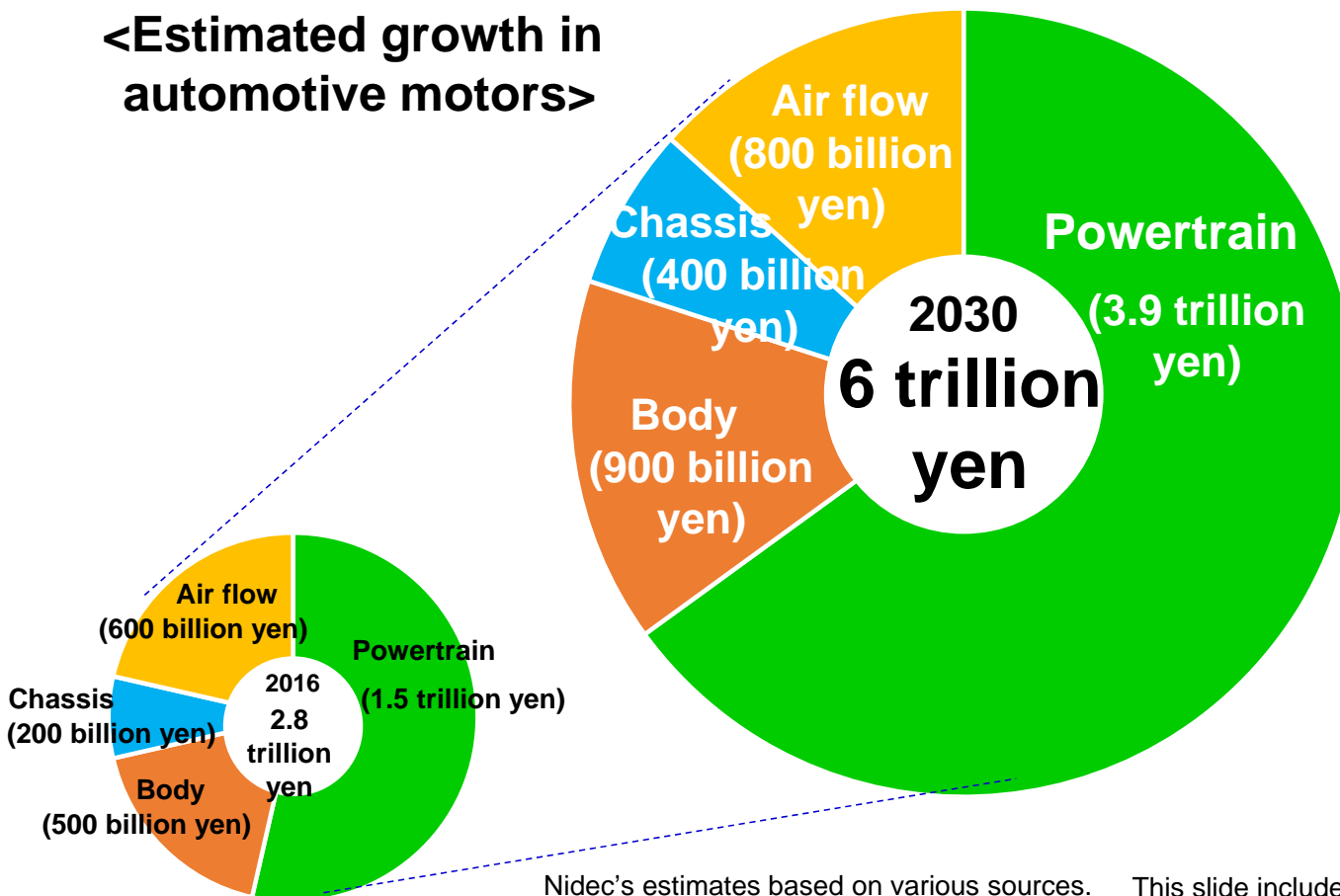
	<b>PSA</b>	20 or more BEV or 80% PHEV by 2021. 80% of the portfolio electrified by 2023.
	<b>V</b>	All vehicles sold 2019 onwards to be EV or HV.
	<b>G</b>	20 or more EV and FCV models to be released by 2023.
	<b>V</b>	50 or more EV models to be released by 2025. Target annual shipment of 3 million units.
	<b>D</b>	EV or HV model introduced to all categories by 2022.
	<b>T</b>	EV mass production by 2020.

\*The meaning of EV is HEV & BEV in this slide.

# Expansion of Automotive Motor Market

**Innovations and regulations accelerate automotive electrification**

<Estimated growth in automotive motors>



**Automotive electric motor market is expected to grow more than twice by 2030 due to acceleration in electrification**

Nidec's estimates based on various sources. This slide includes forward-looking statements. See Disclaimer on Page 1.



## ■ Background Behind the Establishment of Joint Venture

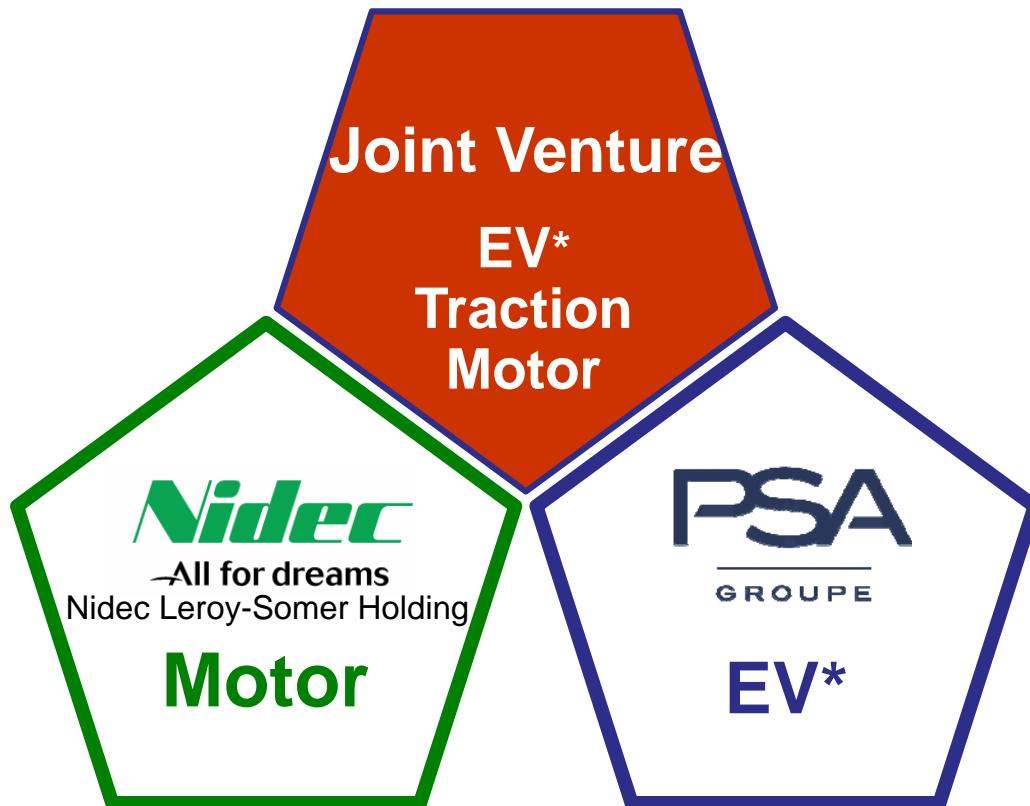


Long term business relationship and business basis being in France lead to formation of joint venture



## Objective of Joint Venture

### Accelerate evolution in EV\* traction motor together



- ✓ Collaborate to minimize cost and maximize time efficiency on product development
- ✓ Develop the right product by combining PSA knowledge and Nidec's technical capability to cater customer requirement
- ✓ Manufacture the product in competitive plants.
- ✓ Sell the electric motors to PSA and other OEMs.

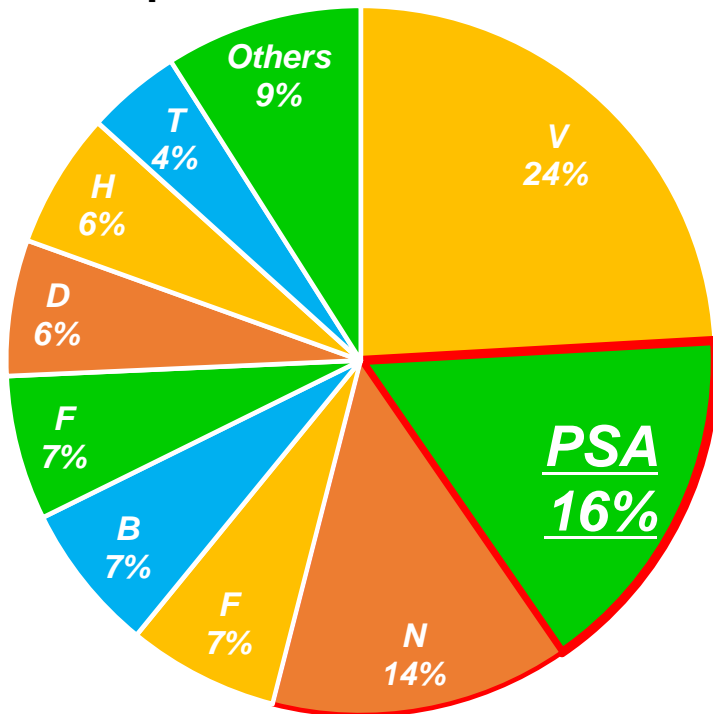
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# ■ Meaning of establishing Joint Venture Direct supply to OEM Customers



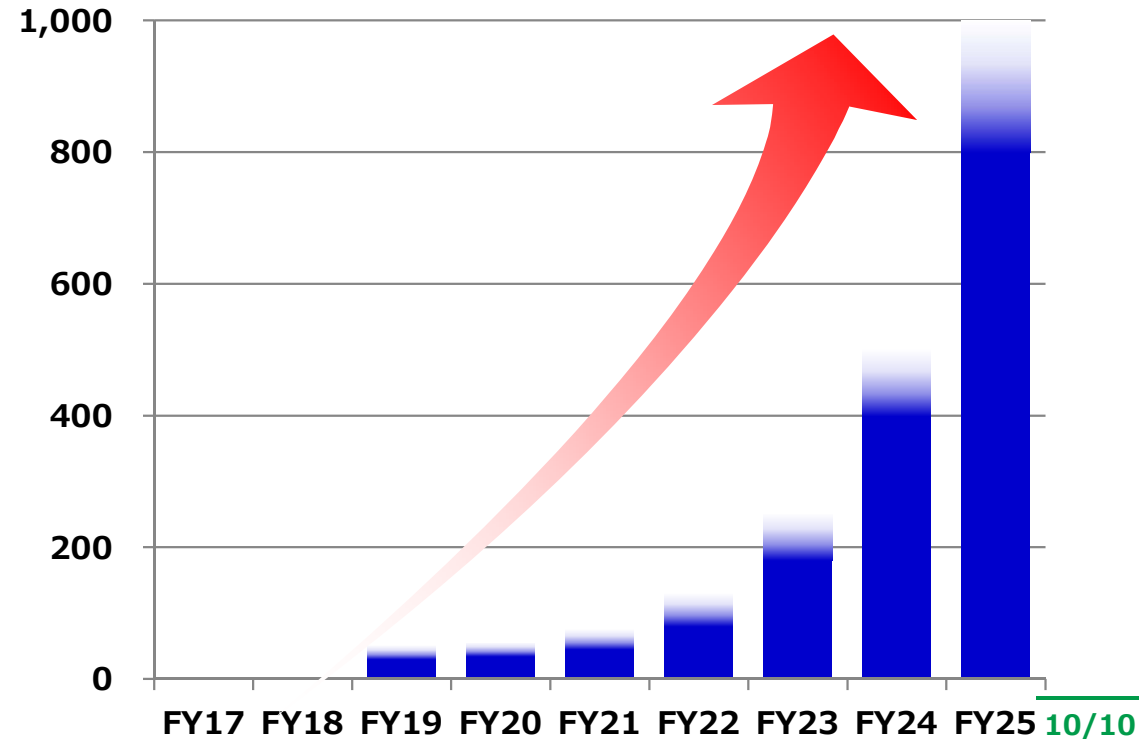
**JV to become No.1 in automotive traction motor market:  
JV to supply EV\* traction motors to PSA group**

**<2016 Market Share of European Car Manufacturers>**



**<Nidec Sales Target for Traction Related Products\*>**

(Billions of Yen)



10/10

Source: European share information calculated by PSA  
\*The meaning of EV is HEV & BEV in this slide.

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\*Quote from Fiscal First-Half 2017 Financial Results

***Nidec***

**All for dreams**