

February 28, 2020

Name of company: Meidensha Corporation

Name of Representative: President Takeshi Miida

Code Number: 6508 First Section of Tokyo Stock Exchange, First Section of Nagoya Stock
Exchange

Contact: Kazuhiko Furukawa, general manager of the Public & Investor Relations Division
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To whom it may concern,

Notice regarding Meiden's capital investment to enhance production capability for EV drive products (motors and inverters)

Meidensha Corporation (Meiden) decided at a Board of Directors meeting held on February 28, 2020, to make a capital investment of approximately 5.1 billion yen for building a new plant and introducing new equipment at its Nagoya Works to increase its production capability for inverter-integrated motors for electric vehicles. The details are as follows.

1. Purpose and background of the investment

In its Medium-term Management Plan 2020, Meiden set the EV-related businesses, including the production of drive motors and inverters for electric vehicles, as a growth business field in anticipation of a growing demand for these products with the global trend toward protecting the environment and tightening environmental regulations. To pursue success in the field, Meiden decided in July 2018 to make a combined capital investment of approximately 7 billion yen in EV-related businesses at three domestic works and decided in May 2019 to provide a capital increase of 4.1 billion yen to a subsidiary established in China for EV production.

Further, with the prospect of receiving more orders for inverter-integrated motors for electric vehicles, Meiden will build a new plant at the Nagoya Works for constructing another production line to increase production capability at the site.

This will enable the Nagoya Works to manufacture 340,000 units of inverter-integrated motors for electric vehicles annually, combined with that of the existing production line.

Meiden will continue to consider further investments as the market expands.

2. Outline of the capital investment

Construction of a new plant and introduction of new equipment at Nagoya Works	
Investment amount	About ¥5.1 billion
Address	496 Ittangosewari, Nishi-Biwajima-cho, Kiyosu-shi, Aichi Prefecture
Products to be produced	Inverter-integrated motors to drive EVs
Start of construction	Scheduled for August 2020
Start of operation	Scheduled for December 2021
Total floor space	5,229 m ²
Maximum production capacity	170,000 units annually

3. Future outlook

The impact of this capital investment on Meiden's consolidated business results for the fiscal year ending March 2020 is expected to be minor. We will swiftly provide notification of any development deemed necessary to make public.