February 7, 2025

To whom it may concern:

Name of Company: Makino Milling Machine Co., Ltd.

Name of Representative: President, Director

Shotaro Miyazaki

(Securities Code: 6135 (the Prime Market of the Tokyo Stock Exchange, Inc.))

Inquiries: Executive Vice President, Director

Executive Manager of Corporate Service Division

Toshiyuki Nagano

Tel: +81 46-284-1439

Notice Regarding Sending of "Letter of Inquiry (2)" to Nidec Corporation

Makino Milling Machine Co., Ltd. (the "Company") received a proposal (the "Proposal") for a tender offer for the Company's shares with the aim of making the Company a wholly-owned subsidiary of Nidec Corporation ("Nidec") as of December 27, 2024. In response, the Company sent a "Letter of Inquiry" (the "First Letter of Inquiry") to Nidec to confirm the information necessary ("Necessary Information") to make an informed determination regarding whether the Proposal will contribute to the Company's corporate value and the common interests of shareholders on January 28, 2025. As announced in the "Notice Regarding Receipt of Response to the "Letter of Inquiry" to Nidec Corporation" dated February 3, 2025, the Company received a letter from Nidec on January 31, 2025 titled "Regarding the Letter of Inquiry Received from Makino" (the "First Response"), which serves as a response to the First Letter of Inquiry.

However, the First Response includes a number of questions to which Nidec has refrained from responding or given abstract responses. In addition, as stated in the "Notice Regarding Sending of "Letter of Inquiry" to Nidec Corporation" dated January 28, 2025 (the "First Letter of Inquiry Press Release"), the Company has been actively gathering and reviewing information on any potential synergies and dis-synergies that may arise from the Proposal in parallel with the sending of the First Letter of Inquiry. As a result some of the Necessary Information has not been addressed in the First Letter of Inquiry.

Therefore, to confirm matters the Company believes are particularly necessary or useful to make an informed determination regarding whether the Proposal will contribute to the Company's corporate value and the common interests of shareholders — including points for which the Company was unable to receive a sufficient response in the First Response, points for which additional information is necessary, and points we were unable to fully address in the First Letter of Inquiry — the Company hereby announces that it has sent a "Letter of Inquiry (2)" (attached) to Nidec as of today, based on the recommendations of the Special Committee.

As announced in the First Letter of Inquiry Press Release, the Company has been formulating business plans necessary for evaluating the Company's intrinsic value in order to assess the terms of the Proposal.

In addition, in parallel with such evaluation of intrinsic value, the Company and the Special Committee are currently considering all strategic options, including whether the acquisition terms under the Proposal are sufficient and whether there are more favorable alternatives for shareholders. The Company will continue to respond to the Proposal in a sincere and appropriate manner based on such considerations.

Going forward, to ensure that the Company's shareholders can make an informed judgment on the merits of the Proposal, the Company will continue to submit inquiries to Nidec and otherwise gather information, and disclose information obtained in a timely and appropriate manner.

End

(Attachment)

[Translation]

February 7, 2025

To: Mr. Mitsuya Kishida,
Representative Director and President,
NIDEC CORPORATION:

Shotaro Miyazaki,
President, Director
Makino Milling Machine Co., Ltd.

Letter of Inquiry (2)

We are pleased to hear of your company's continued success and prosperity.

Makino Milling Machine Co., Ltd. (the "Company") sent a "Letter of Inquiry" (the "First Letter of Inquiry") to Nidec on January 28, 2025 to ask questions on the information necessary to make an informed determination regarding whether the Proposal will contribute to the Company's corporate value and the common interests of shareholders. Immediately thereafter, the Company received a letter from Nidec on January 31, 2025 titled "Regarding the Letter of Inquiry Received from Makino"[1] (the "First Response"), which serves as a written response to the First Letter of Inquiry. However, we observed in the First Response a number of points to which Nidec has refrained from responding, and the contents of many of the responses remain at an abstract level. As such, we believe that we are unable to fully consider whether the Proposal will contribute to the Company's corporate value and the common interests of shareholders from the responses in the First Response alone. In addition, as stated in the Company's press release dated January 28, 2025 titled "Notice Regarding Sending of "Letter of Inquiry" to Nidec Corporation," since we did not have

[1] We note that (i) the PDF file of the letter we received from you and (ii) the PDF file currently posted on your website (https://www.nidec.com/-/media/www-nidec-com/corporate/news/2025/0131-01/250131-01.pdf?rev=54847992f35a409e93e4cc4155668b2a&sc_lang=ja-JP) appear to be different, at least with respect to the numbers assigned to each of the responses. From the perspective of ensuring ease of understanding for the shareholders, the inquiries in this Letter of Inquiry (2) are based on file (ii) stated above, which is currently accessible to the shareholders. We also note that the contents of file (ii) above appear to be different from the file disclosed by you via the Timely Disclosure Network (TDnet) of the Tokyo Stock Exchange. (https://www.release.tdnet.info/inbs/140120250131560334.pdf). We would appreciate if you would refrain from modifying the contents of information disclosed without notice, as such modifications may cause confusion or misunderstanding among the shareholders and market participants.

sufficient time to consider the Proposal after its receipt from Nidec, there are points we were unable to fully address in the First Letter of Inquiry.

Therefore, the Company kindly requests that Nidec provide a written response by Friday, February 14, 2025 to matters the Company believes are particularly necessary or useful to make an informed determination regarding whether the Proposal will contribute to the Company's corporate value and the common interests of shareholders, including points for which the responses were insufficient, points for which additional information is necessary, and points we were unable to fully address in the First Letter of Inquiry.
In addition, the First Response states that Nidec "strongly wishes" to meet with our management team. Our basic stance is that we are willing to have a meeting with Nidec, but in order to make such meeting meaningful, we will consider the necessity and timing of the meeting in light of Nidec's response to this Letter of Inquiry (2) (the "Second Letter of Inquiry").

*Unless otherwise stated, the defined terms used in the Second Letter of Inquiry have the meanings defined in the First Letter of Inquiry.
*Please note that this document and responses from Nidec may be made public by the Company.

Table of Contents

1. Expected Synergies and Dis-synergies in the Proposal

(1) According to 2 of the First Response, Nidec aims to "build a robust machinery manufacturing group that remains ahead of the rising competition from machinery manufacturers in Asia and other regions" together with the Company. In addition, according to the Letter of Intent, Nidec wants to aim to "become a leading global machine tool manufacturing conglomerate" together with the Company.

However, in line with the Company's management philosophy to "pursue 'quality first' in all our products and services with a strong belief in mutual trust among everyone involving in building, selling, and using Makino products," the Company's primary goal is to steadily address the issues its customers face, and to respond to their needs in depth by focusing on "high speed, high precision, and high quality" as the core of its product development. Managing the Company prioritizing the goal of becoming "a leading global machine tool manufacturing conglomerate" while taking on the risk of compromising such principles do not align with the Company's corporate philosophy. Since establishment, the Company has never intended to become a general machine tool manufacturer, and instead has focused on development as a specialized machine tool manufacturer centered on milling.

As mentioned above, the corporate philosophy of Nidec and the Company seem to differ significantly, and from an objective perspective, we are concerned that if the Company accepts the Proposal and becomes a wholly-owned subsidiary of Nidec, considerable difficulties will arise in the PMI (Post Merger Integration). Based on this point, please explain in detail how Nidec plans to establish the Company's corporate philosophy and management philosophy after the Transaction, and what kind of management policy Nidec intends to implement on the Company.

(2) In relation to (1) above, according to 2 of the First Response, as a general remark of Nidec's responses to questions on the synergies, a key characteristic of Nidec's M&A strategy is "our commitment to allowing the management of the acquired company to continue leading its operations to the greatest extent possible . . . [o]ur approach respects the acquired company's strong technological capabilities and customer base . . . [w]e prioritize open communication with the executives and employees of the acquired company to collaboratively realize synergies," and as a

detailed explanation, for example, the 2(1)(d) of the First Response states that "[w]e fully understand your philosophy . . . and this philosophy will continue unimpaired within our group."

However, according to page 48 of Nidec's securities report for the fiscal year ending March 2024 (the "2024 Nidec Securities Report"), with regard to M&A by Nidec group, Nidec stated that its policy is to "deeply insti[ll] NIDEC's management philosophy and management methods in all employees," and we understand that Nidec prioritizes instilling its management philosophy and methods in the companies acquired through M&A (at least, that is how Nidec has explained it to its shareholders and the like). Based on this point, please explain in detail how Nidec intends to change the Company's corporate philosophy and management philosophy in line with that of Nidec's after the Transaction and what kind of change Nidec intends to implement on the Company's management policy.

(3) In relation to (1) above, the ratio of overseas sales to the Company's total sales is already more than 80%, a sufficiently high level. This is due to the fact that each of the regional headquarters in Asia, the Americas, and Europe have established robust production and sales systems tailored to regional characteristics, and the internationalization of the Company is already progressing. Based on such situation of the Company, please explain in detail what additional added value "international globalization" claimed by Nidec will provide to the Company.

(4) According to the 2024 Nidec Securities Report, Nidec's operating segment is divided into ten segments, and the manufacturing and sale of machine tools appears to be included in the (8) Nidec Machinery and Automation segment. Therefore, we understand that Nidec plans to manage the Company by incorporating the Company into the (8) Nidec Machinery and Automation segment after the Transaction. However, based on the 2024 Nidec Securities Report, the leading company within this segment is identified as the former Nihon Densan Shimpo Corporation (currently Nidec Drive Technology Corporation ("Nidec Drive Technology")). In this regard, Nidec Drive Technology's business is described on its website as power transmissions, press machines, AGVs, measuring instruments and ceramic equipment, which seems to differ significantly from the Company's business domain. In addition, the (8) Nidec Machinery and Automation segment includes the former The Minster Machine Company (currently Nidec Minster

Corporation ("Nidec Minster")). However, Nidec Minster's website describes its business as the manufacturing and sales of forging press machines and precisely pressed products, which also seems to differ significantly from the Company's business domain.

Based on above, please provide detailed responses to the following: (i) whether Nidec intends to manage the Company by incorporating the Company into the (8) Nidec Machinery and Automation segment after the Transaction; (ii) if so, in what kind of specific organizational structure and reporting line Nidec manages the (8) Nidec Machinery and Automation segment; and (iii) what kind of business synergies Nidec expects to occur (please indicate synergies within the Company, not synergies within Nidec) by incorporating the Company into the same operating segment as a company engaging in business similar to that of Nidec Drive Technology and Nidec Minster.

(5) In relation to (4) above, please specify all of the divisions of Nidec, as well as subsidiaries and affiliates of Nidec (regardless of whether they are domestic companies or foreign companies), which make up the (8) Nidec Machinery and Automation segment in the 2024 Nidec Securities Report, and also specify the number of employees in each division, subsidiary, or affiliate categorized by department.

(6) In relation to (4) above, Nidec is aiming to become "a leading global machine tool manufacturing conglomerate" as stated in (1) above; however, comparing the revenue stated on page 68 of the 2024 Nidec Securities Report with the research and development expenses for each division stated on pages 71 through 76, while research and development expenses are 81,055,000,000 yen against a revenue of 2,347,159,000,000 yen on a group-wide basis (approximately 3.45%), research and development expenses are 2,444,000,000 yen against a revenue of 204,388,000,000 yen (approximately 1.19%) for the Nidec Machinery and Automation segment, where the ratio of the research and development expenses to the revenue of the Nidec Machinery and Automation segment is very low compared to the average of Nidec. Based on such facts, please explain how Nidec will provide the Company with specific resources to become "a leading global machine tool manufacturing conglomerate," and whether Nidec thinks that such ratio of research and development expenses is sufficient for a machine tool manufacturing

conglomerate.

In addition, as stated in the Company's securities report dated June 21, 2024, the basic policy of the Company's management strategy is to "strengthen the development system to provide high-quality and high-precision machine tools that are required by the market without delay," and placing emphasis on research and development. Please inform us whether substantial research and development expenses will continue to be allocated to the Company after the Transaction, taking into account the ratio of research and development expenses within the Nidec Machinery and Automation segment mentioned above.

(7) In 2(1)(b) of the First Response, you stated that "sharing the needs of the customers between you[the Company's note: you refers to the Company; the same applies to the quoted parts of the First Response hereinafter.] and us will increase business opportunities for both of us" and that "sharing existing resources will enable both of us to provide value to the customers more widely and more quickly." However, this is still unspecific. Please provide a more detailed explanation regarding the specific aspects of "sharing the needs of the customers," how this will "increase business opportunities for both of us," and how "sharing" which "existing resources" will "enable both of us to provide value to the customers more widely and more quickly."

As you may already be aware, as stated in 2(5)(i) of the First Letter of Inquiry, we strive to deeply understand and respond to the needs of its customers, and in doing so, we are presented with opportunities to engage with a variety of technical challenges and nuances unique to each customer. As stated in the Company's management philosophy, "trust is the foundation of a company's existence." From this perspective, we are concerned that sharing "the needs of the customers" with third parties outside of our organization could potentially harm the trust of our customers. When responding to the inquiry above, we would appreciate it if you could also provide a detailed explanation of how you plan to address these concerns.

(8) In 2(3)(c) of the First Response, you stated that "[w]e have made our best efforts to propose our products to our potential competitors so that they will adopt our products, and as a result, our sales have increased." Does this mean that there have been specific examples in which a company that conducted business with a

company you acquired (the "Acquired Company") and competed with your group's business ("Nidec Group's Competitor") continued to conduct business with the Acquired Company and Nidec Group's Competitor after the acquisition as a result of your persuasion, proposal, or other approach? If this is the case, please provide us with a specific percentage of the number of Nidec Group's Competitors with which Mitsubishi Heavy Industries Machine Tool, OKK, Pama S.p.A. and Takisawa (collectively "MHI Machine Tool and Others") had a business relationship prior to your acquisition and continue to do business after your acquisition (or what percentage of Nidec Group's Competitors that did business with you before your acquisition are still doing business with you), and a comparison of the value of the transaction before your acquisition with the current transaction value (percentage as compared to the transaction value before your acquisition) (in order to avoid disclosing confidential information, please only provide the percentage (e.g., approximately ○%)).

Generally speaking, as machine tool manufacturers expand their business, it will become more difficult to do business with competitors in the expanded business, and this is a structural issue that machine tool manufacturers face, which we recognize as an unavoidable dis-synergy in this Proposal. Therefore, this inquiry is important in verifying the scale of the dis-synergies of the Proposal, so please provide a quantitative information with specific figures.

(9) As stated in (8) above, in 2(3)(c) of the First Response, you stated that "[w]e have made our best efforts to propose our products to our potential competitors so that they will adopt our products, and as a result, our sales have increased." In addition, according to 2(5)(a) of the First Response, for customers and suppliers who insist that they do not want do business with Nidec group, you will "ask them to resume business with us," and "even if there are customers or suppliers that have been lost, we believe we can provide new business that far exceeds the volume of lost transactions."

However, if we add up the sales to customers who have made comments directly to us stating that they would like to refrain from doing business with us if you become our parent company, as described in 2(5)(i) of the First Letter of Inquiry, it will amount to approximately 10% of our total annual sales on a consolidated basis, although this is a rough estimate at the moment.

Considering this percentage, please explain in detail whether you still think that “even if there are customers or suppliers that have been lost, we believe that we can provide new business that far exceeds the volume of lost transactions,” and if so, please provide the specific reason.

(10) In relation to (9) above, pages 43-44 of the 2024 Nidec Securities Report indicates that you recognize the risks related to M&A as particularly important risks related to its business, and according to Nidec’s press release dated December 27, 2024, titled “Notice Regarding Scheduled Commencement of Tender Offer for Makino Milling Machine Co., Ltd.(Securities Code: 6135)” , you have passed a resolution regarding the Proposal at your board of directors meeting on December 26, 2024. In this regard, has your board of directors conducted a risk assessment of the Proposal? If so, please provide the specific details (including whether you assessed the risk of losing our customers as described in (9) above, and how you assessed and dealt with dis-synergies caused by the risk of losing our customers). If you have assessed the risk of the Proposal but were not aware of or assessed the risk of losing our customers as described in (9) above, please specify how you plan to handle the risk.

(11) According to the public notice of the non-consolidated financial results disclosed by Nidec OKK (formerly OKK), after your acquisition, the company’s financial condition appears to be deteriorating, with an ordinary loss of more than 1 billion yen in the fiscal year ending March 2024.

Public Notice of Financial Results for the 166th Fiscal Year

June 4, 2024

8-10-1, Kita-itami, Itami-shi, Hyogo
Nidec OKK Corporation
Haruhiko Niitani
President and CEO, Representative Director

Summary of the Balance Sheet

(As of March 31, 2024) (Unit: million yen)

Assets		Liabilities and net assets	
Account	Amount	Account	Amount
Current assets	28,724	Current liabilities	9,251
Fixed assets	4,055	(Bonus reserves)	(152)
Property, plant, and equipment	456	(Product warranty reserves)	(30)
Intangible assets	35	Non-current liabilities	3,496
Investments and other assets	3,563	(Retirement benefit reserves)	(3,091)
		Total liabilities	**12,747**
		Shareholders' equity	19,982
		Share capital	9,023
		Capital surplus	4,195
		Capital reserves	4,195
		Retained earnings	6,764
		Retained earnings reserves	152
		Other retained earnings	6,612
		Valuation and adjustments	50
		Valuation difference on available-for-sale securities	46
		Revaluation reserve for land	4
		Total net assets	**20,032**
Total assets	**32,779**	**Total liabilities and net assets**	**32,779**

Summary of the Income Statement

(From April 1, 2023 to March 31, 2024) (Unit: million yen)

Account	Amount	Account	Amount
Net sales	22,227	Ordinary loss	1,026
Cost of sales	17,616	Extraordinary profit	8,954
Gross profit	4,611	Extraordinary loss	964
Selling, general, and administrative expenses	5,741	Profit before income taxes	6,964
Operating loss	1,130	Income taxes - current	3,747
Non-operating income	142	Income taxes - deferred	-4,861
Non-operating expenses	38	Net income	8,078

In this regard, in Nidec's press release dated January 17, 2025, titled "Announcement regarding Nikkei xTech's January 16, 2025 Article," you state that "[f]or example, Nidec OKK Corporation has already started generating profit on a consolidated basis." By "consolidated" here, does it mean (i) the consolidated profit and loss of the (8) Nidec Machinery and Automation segment in the 2024 Nidec Securities Report, (ii) the consolidated profit and loss of a consolidated group with Nidec OKK as its consolidated parent company, or (iii) the consolidated profit and loss of the sub-consolidated group within the (8) Nidec Machinery and Automation segment in the 2024 Nidec Securities Report? If it means either (ii) or (iii), please provide the consolidated balance sheet, consolidated income statement, and consolidated cash flow statement of the (sub)consolidated group, respectively, for the period after the acquisition of OKK.

(12) According to the public notice of the non-consolidated financial results disclosed by Nidec Machine Tool (formerly Mitsubishi Heavy Industries Machine Tool), ordinary income for the fiscal year ending March 2024 decreased by 60% (from 1,988 million yen to 789 million yen) compared to the previous fiscal year. This suggests that the company's financial condition has been deteriorating recently.

Public Notice of Financial Results for the 3rd Fiscal Year

June 4, 2024

130, Rokujizo, Ritto-shi, Shiga
Nidec Machine Tool Corporation
Haruhiko Niitani
President and CEO Representative Director

Summary of the Balance Sheet

(As of March 31, 2024) (Unit: million yen)

Assets		**Liabilities and net assets**	
Account	Amount	Account	Amount
Current assets	22,409	Current liabilities	13,996
Fixed assets	20,384	(Reserves for loss on construction contracts)	(7)
Property, plant, and equipment	6,386	(Construction warranty reserves)	(29)
Intangible assets	599	Non-current liabilities	6,899
Investments and other assets	13,399	(Retirement benefits reserves)	(955)
		(Retirement benefits reserves for directors (and other officers))	(39)
		Total liabilities	**20,895**
		Shareholders' equity	21,898
		Share capital	3,000
		Capital surplus	15,698
		Capital reserves	3,154
		Other capital surplus	12,544
		Retained earnings	3,200
		Retained earnings reserves	55
		Other retained earnings	3,145
		Total net assets	**21,898**
Total assets	**42,793**	**Total liabilities and net assets**	**42,793**

Summary of the Income Statement

(From April 1, 2023 to March 31, 2024) (Unit: million yen)

Account	Amount	Account	Amount
Net sales	39,536	Ordinary loss	789
Cost of sales	31,684	Extraordinary profit	12
Gross profit	7,853	Profit before income taxes	801
Selling, general, and administrative expenses	7,204	Income taxes - current	-141
Operating profit	649	Income taxes - deferred	51
Non-operating income	140	Net income	711

In this regard, please tell us specifically the reasons and background of the recent change in the profit and loss situation of Nidec Machine Tool.

(13) In 2(7) of the First Response, you stated with regard to "the integration of companies we have acquired in the past, . . . the collaboration between business units has resulted in synergies, new business creation, and new product development." Please provide us with a specific information about new businesses, new products, and other synergies that have been created through the integration with Mitsubishi Heavy Industries Machine Tool, OKK, Pama S.p.A., and Takisawa, in a way that appropriately indicates the specific name and its impact on sales and profit and loss. Although we have seen the "Supplement to our Letter of Intent dated December 27, 2024" disclosed by you on January 23, 2025, we understand that only some of the items listed above have been disclosed in the document. Therefore, we kindly request that you provide this additional information.

(14) In the First Response, you stated regarding synergies arising from the expansion of manufacturing and production bases after the Transaction that "[w]e would like to have constructive discussions with you" (2(2)(a) of the First Response) and "we will discuss this matter with the people in charge at you" (2(2)(d) of the same); regarding the treatment of suppliers, that "we also need to take confidential information into consideration, and we would appreciate the opportunity to meet with your management . . ." (2(2)(h) of the same); regarding distributor sales, that "[w]e would like to exchange information and discuss . . ." (2(3)(a) of the same); and regarding the complementarity of support operations, that "[w]e would like to discuss . . . you to implement the necessary measures to expand service business" (2(3)(e) of the same). We believe that your response to our inquiries about synergies arising from the Transaction (not synergies within Nidec, but synergies within the Company in particular) is abstract.

In addition, regarding the treatment of employees after the Transaction, which is important in determining synergies (not synergies within Nidec, but synergies within the Company in particular), as well as "business plan, financial and capital plan, investment plan, and capital and dividend policies," you responded that you cannot respond without a discussion with us, stating that "[w]e will consult with you to determine the specific treatment policy" and "[w]e . . . would appreciate a separate opportunity to discuss the details."

Based on these responses, does this mean that at this stage, you have not specifically predicted synergies (not synergies within Nidec, but synergies within our organization, in particular) in numerical terms? Since we had understood that you had calculated specific synergy effects (including profit and loss impacts) in making the Proposal, if such figures for synergy effects (profit and loss impacts) are available, we kindly request that you provide them, along with the conditions on which these calculations were based.

(15) In relation to (14) above, since Nidec is a listed company on the Tokyo Stock Exchange Prime Market, we believe that Nidec has a responsibility to explain to its shareholders that the Proposal will generate synergies and investment effects that exceed the investment amount of 11,000 yen per share of the Company (General Principle 4 of the Corporate Governance Code). Please share with us in detail of how Nidec explains the significance, synergies, investment effects, etc. of the Proposal to its shareholders or investors, and what kind of comments you have received from your shareholders or investors in response.

(16) In relation to (14) above, please share with us the issues Nidec is facing that Nidec hopes to resolve with the technology, equipment, production/sales system, and other know-how, information, material support, etc. provided by the Company after the Transaction.

(17) According to Nidec's press release dated March 25, 2024, "Notice Regarding the Recommendation from the Japan Fair Trade Commission to Nidec Group Companies," it has been reported that Nidec's subsidiary has been engaging in acts in violation of the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (so-called Subcontract Act) to 44 business partners since May 1, 2022 at the latest, and has received a recommendation from the Japan Fair Trade

Commission.

As stated in our corporate governance report dated June 21, 2024, we consider corporate governance to be an important issue for improving corporate value over the medium- to long-term, and we aim to build effective and efficient corporate governance given the extremely large fluctuations in performance in the machine tool industry. We are concerned about the impact on our business if a group company, including our parent company, breaches any law or regulation. Please explain to us of the internal control system for Nidec's subsidiaries, and also explain tous in detail of whether there is any possibility that any other companies in Nidec group are violating the Subcontract Act or other laws and regulations in addition to the above.

2. Human Capital

(1) According to 3(1) of the First Response, Nidec said "at our major group in Japan, . . . in terms of compensation, we have set a goal of a 30% increase in annual salary . . ." Please share with us the average annual salary increase/decrease rate of employees at Mitsubishi Heavy Industries Machine Tool, OKK, PAMA S.p.A., and Takisawa before and after the acquisition by Nidec.

(2) According to 4(5) of the First Response, Nidec said "we do not disclose our turnover rate." However, since 4(5) of the First Letter of Inquiry is an inquiry that we are ask in order to accurately understand the contents stated on Nidec OKK's website, we request once again that you respond, from the perspective of ensuring transparency for shareholders and investors, which you have repeatedly emphasized in making the Proposal.

(3) In response to questions 4(1) to (5) of the First Letter of Inquiry, Nidec has provided the (a) average length of service, (b) average age, (c) average monthly overtime hours, (d) paid holiday utilization rate, and (e) average annual salary *on a non-consolidated basis*. However, according to the Proposal, after the Transaction, the Company will not be absorbed by Nidec, but will become a group company of Nidec. Therefore, in addition to the information on a non-consolidated basis, please share with us specific data for items (a) to (e) above for each of Mitsubishi Heavy Industries Machine Tool, OKK, PAMA S.p.A., and Takisawa.

(4) According to an article published on the Diamond Online's website dated September 29, 2022, "Nippon Densan's 'mass exodus of elite executives' crisis, including former Nissan, Mitsubishi Corporation, and Sharp employees as well as successful long-term employees of Nippon Densan," it is said that around the spring of 2020, the executive officer who was in charge of internal management such as human resources and compliance, as well as the executive officer who was the president of Nidec, resigned one after another. Please explain whether there is any risk of a similar situation occurring within Nidec group (particularly within the Nidec Machinery and Automation segment) or the Company after the Transaction, along with specific reasons.

3. Postponement of the Commencement Date of the Tender Offer

(1) As described in 1(14) above, in the First Response, you stated regarding synergies arising from the expansion of manufacturing and production bases after the Transaction that "[w]e would like to have constructive discussions with you" (2(2)(a) of the First Response) and "we will discuss this matter with the people in charge at you" (2(2)(d) of the same); regarding the treatment of suppliers, that "we also need to take confidential information into consideration, and we would appreciate the opportunity to meet with your management . . ." (2(2)(h) of the same); regarding distributor sales, that "[w]e would like to exchange information and discuss . . ." (2(3)(a) of the same); and regarding the complementarity of support operations, that "[w]e would like to discuss . . . you to implement the necessary measures to expand service business" (2(3)(e) of the same). We believe that your response to our inquiries about synergies arising from the Transaction (not synergies within Nidec, but synergies within the Company in particular) is abstract.

In addition, regarding the treatment of employees after the Transaction, which is important in determining synergies (not synergies within Nidec, but synergies within the Company in particular), as well as "business plan, financial and capital plan, investment plan, and capital and dividend policies," you responded that you cannot respond without a discussion with us, stating that "[w]e will consult with you to determine the specific treatment policy" (4(6) of the First Response) and "[w]e . . . would appreciate a separate opportunity to discuss the details"(5(2) of the

First Response).

We have no objection to the fact that the consideration of synergies requires disclosure of corporate information of both parties, which requires consideration of confidential information and further discussions between the management of both parties, and we believe that this is a necessary process to provide shareholders with the information necessary to make a decision on the merits of the Proposal.

It is our understanding that in a normal acquisition proposal, the acquiring party and the target company discuss in advance the matters that should not be disclosed from the perspective of management of trade secrets and competition law considerations, etc. In this case, however, since the Company was unable to secure time for such discussions prior to you making the Proposal, we respectfully request that you postpone the commencement date of the Tender Offer in order to secure time to conduct such discussions, sort out the existence or non-existence of specific synergies (not synergies within Nidec, but synergies within the Company in particular), organize the content and reasonings of such discussions, and disclose the results of such discussions to our shareholders. If you do not agree, please respond with specific reasons why it is not reasonable to proceed in the manner described above.

(2) In 6(3) of the First Response, Nidec stated that "even assuming that you must complete your review before the commencement of the tender offer, you have been given more than 60 business days, which we believe constitutes a sufficient period to evaluate this proposal." The Letter of Intent also states that the board of the directors and the Company's special committee (the "Special Committee"), as well as the shareholders, will be given sufficient time to consider the Proposal. In order to ensure sufficient information and time for the board of directors and the Special Committee and shareholders to fully consider the Proposal, Nidec states that "to provide the Target Company and its shareholders with sufficient time to properly determine whether the Transaction is appropriate and whether the shareholders should tender their shares in the Tender Offer. Therefore, the Tender Offeror has decided to secure more than two months for such period." In reality, the review period for the Proposal has been only approximately two and a half months from the beginning of the year until April 4 (or about three months, even if based on the statement in 6(3) of the First Response).

However, as stated on page 10 of the "Requests to Nidec Corporation and Corresponding Reasons" (the "Supplementary Explanation to Request Letter") released by the Company on January 31, 2025, in major recent cases of tender offer without consent in Japan, a period of at least approximately six months is secured from the date of proposal of the acquisition, capital and business alliance, or other management improvement by the tender offeror to the commencement date of the tender offer. Therefore, a period of approximately two and a half months (approximately three months) from the acquisition proposal to the commencement date of the Tender Offer seems to be too short of a consideration period compared to recent cases. As such, we respectfully request once again that you postpone the commencement date of the Tender Offer in order to secure a consideration period equivalent to that of recent cases for our shareholders. If you are unable to accept, please respond with specific reasons why it is not reasonable to postpone the commencement date.

4. Lower Limit of the Tender Offer and Squeeze-Out Policy

(1) In 7(1) of the First Response, you stated that the reason for setting the lower limit on the planned numbers of shares to be purchased in the Tender Offer at 50% of the total number of voting rights of the Company's shares is that 50% is "a level at which a proposal for a reverse stock split as a squeeze-out procedure after the TOB can be reasonably expected to be passed."

However, we have received copies of letters submitted to the Financial Service Agency by several major shareholders expressing their intention not to tender their shares in the Tender Offer and not to vote in favor of the proposal for the subsequent squeeze-out at the general meeting of shareholders.

As stated above, in light of the current situation where several major shareholders of the Company have expressed their intention not to tender their shares in the Tender Offer and not to support the proposal for the subsequent squeeze-out at the general meeting of shareholders, do you still consider the lower limit of 50% of the total voting rights to be sufficient as "a level at which a proposal for a reverse stock split as a squeeze-out procedure after the TOB can be reasonably expected to be passed"? If so, please explain in detail the reasons for this.

(2) In 7(2) of the First Response, you expressed the view that, based on the sufficient economic terms of the Transaction, it can be reasonably expected that all passive

index management funds that own the Company's shares will exercise their voting rights in favor. In this regard, the Company recognizes that when institutional investors exercise their voting rights, not only the "economic terms" but also factors such as the "fairness of the process" will be taken into consideration in determining their position. In fact, we are aware that in the voting recommendation reports by proxy advisory firms, which are referred to by certain domestic institutional investors when making voting decisions, there have been cases where the "fairness of the process" was cited as one of the reasons for recommending opposition to corporate restructuring-related proposals. In light of the above, please explain the reasons why it has been determined that the exercise of voting rights in favor is reasonably expected for all passive index funds that own the Company's shares.

(3) If opinions contrary to the assumptions presented by Nidec (if the Company expresses an opinion other than that of the Company in favor of the Tender Offer, the Company will respect the opinion of the board of directors and refrain from tendering their shares. On the other hand, if the Tender Offer is successful and Nidec becomes the new parent company of the Company, we are expected to understand the management policies of your company and, in principle, approve the proposal for the share consolidation at the extraordinary general shareholders' meeting) are expressed or heard from related parties of the Company and cross-shareholding partners of the Company, does Nidec intend to revise the lower limit? If not, please explain in detail the reasons.

(4) In 7(4) of the First Response, you responded to the question regarding the assumptions underlying your estimates of the passive index management funds. However, regarding the "base date" of domestic passive index funds we have requested a response on, we would like to confirm the specific points in time (the most recent and earliest point in time) that are being referenced for each fund's shareholding data. (We assume that the total amount of shares held by passive index management funds, as estimated by Nidec, are derived by aggregating data from multiple funds. We also recognize that the base date for shareholdings may often differ across different funds.) Furthermore, Nidec has declined to respond to certain questions, due to confidentiality obligations to QUICK Company. May we understand that this decision was made after confirming with QUICK Company regarding whether or not the requested information can be provided? We recognize that the information we have requested to be very important from the perspective of providing information to general shareholders concerning the setting of the

lower limit for the Tender Offer. As such, we are considering requesting QUICK Company to provide the necessary information, to the extent possible, if deemed appropriate.

(5) In 7(5) of the First Response, you stated that even if there are changes in the Company's shareholder structure, the approval of the proposal for share consolidation can still be reasonably expected. The rationale provided was that "[w]e reasonably assume that the reason for the acquisition of shares by your new shareholders during the period between the above announcement and the commencement of the TOB is the expectation that a counteroffer, etc. will be announced in response to the TOB and that the share price will rise further." Like Nidec, we also anticipate the possibility of a competing proposal to be announced in response to this Tender Offer. Based on this expectation, we speculate that several investors have newly acquired shares in the Company since the announcement of your Tender Offer. On the other hand, we believe that there is a possibility that these shareholders, depending on the process of Nidec's tender offer and the contents of any competing proposal, may vote against the proposals for share consolidation for the squeeze-out procedure at the general meeting of shareholders in order to exercise their "right to exercise appraisal rights". In this regard, may we understand that Nidec holds the view that no such shareholders exist? Alternatively, could you provide your estimate of the proportion of such shareholders, if any?

(6) In 7(6) of the First Response, you explained the rationale behind the lower limit set in the TAKISAWA case as "the cross-holding shareholders that were financial institutions were not financial institutions of the registrar group (SMBC group), unlike this case. In the case where the cross shareholder that is a financial institution has no relationship with the registrar group and the cross shareholder is listed, we believe that the possibility of the cross shareholder applying for the tender offer cannot be completely excluded depending on the terms of the tender offer." From this explanation, we understand that Nidec has set the lower limit for the Tender Offer under the assumption of an existence of an interested relationship whereby the decision on whether or not to tender shares in the Tender Offer will be affected by the cross-shareholder, who is a financial institution and is the shareholder registry administrator for the Company. "Mitsubishi UFJ Trust and Banking Corporation" and "MUFG Bank, Ltd." would fall under the cross-shareholders that are financial institutions you indicated in 7(6) of the First

Response. Could you confirm whether the aforementioned assumption was made based on publicly available information regarding these financial institutions? If so, please provide the information you referenced. Furthermore, if the assumption was not based on publicly available information, may we understand that your company has independently concluded that "the existence of an interested relationship would influence the decision of the financial institutions with respect to the selling and purchasing of shares"? If this is the case, please provide a detailed explanation of the reason underlying this independent conclusion.

(7) In the Letter of Intent and in the response to the "Request Regarding Scheduled Commencement Date and Planned Number of Shares to be Purchased for Tender Offer" from our Special Committee to your company dated January 15, 2025 ("Regarding the Request Letter Received from Your Committee" dated January 17, 2025), you stated that "[i]f the aggregate number of tendered shares reaches the minimum purchase threshold (50% of the total voting rights of your company) during the tender offer period, we will promptly disclose this fact and extend the tender offer period by 10 business days, starting from the next business day after such disclosure" whereby significantly mitigating coercion.

However, unlike the tender offer systems in the U.K., Germany and other countries where shareholders of the target company who tendered their shares during the initial tender offer period are not allowed to withdraw their shares from the TOB during the additional tender offer period, under the Japanese tender offer system, shareholders are free to withdraw their respective tenders from the tender offer during the additional tender offer period (pursuant to Article 27-12, Paragraph 1 of the Financial Instruments and Exchange Act). Therefore, it is not guaranteed that the total number of tendered shares will exceed the lower limit on shares to be purchased (i.e., that the Tender Offer will be completed) during the extended 10 business days (the additional tender offer period). In this regard, extending the tender offer period for an additional 10 business days cannot be said to fully eliminate the coercion. In particular, taking into account: (i) in this case, since the Proposal was initiated without prior consultation, it is expected that the shareholders will continue to consider whether or not to accept the Tender Offer until the end of the Tender Offer Period, (ii) the statement of opposition from the China Die and Mould Industry Association following the Proposal as outlined in 2(5)(iv) and 3(4) of the First Letter of Inquiry; and (iii) several major shareholders expressing their intention not to tender their shares in the Tender Offer and not to vote in favor of the proposal for the subsequent squeeze-out at the general meeting of shareholders, alongside numerous media coverage and the volume of information influencing shareholders decisions is continuously increasing, even during the extended 10 business days, shareholders will remain in an extremely unstable position and the coercion will not be sufficiently mitigated.

In light of the nature of this matter, do you believe that extending the tender offer period by 10 business days after reaching the lower limit of the target number of shares, rather than raising the lower limit of shares to be purchased to the equivalent of two-thirds of the total voting rights, would sufficiently mitigate the coercive nature of the Tender Offer? If so, please provide a detailed explanation of the reasons.

(8) In the Letter of Intent, you stated that the consideration for the squeeze-out will be "be a price that is evaluated to be economically equivalent to the Tender Offer Price for the shareholders who sell their shares in response to such additional acquisition [Company note: the squeeze-out] (unless the Target Company takes any action that requires adjustment of the consideration to be paid, such as a share consolidation or stock split, the consideration per share will be the same as the Tender Offer Price.)." However, given that the privatization process by your company may progress by the time the squeeze-out procedure is implemented, the market price of the Company's shares may be higher than the purchase price of the Tender Offer (the "Tender Offer Price"). Please share with us whether Nidec intends to set the squeeze-out consideration equal to the Tender Offer Price. Furthermore, if Nidec anticipates setting the squeeze-out consideration higher than the Tender Offer Price in this scenario, would Nidec also intend to compensate shareholders who tendered their shares in the tender offer for the difference between the squeeze-out consideration and the Tender Offer Price?

5. Scheme of the Proposal

(1) According to 2(6) of the First Response, the reason for proposing to make the Company a wholly-owned subsidiary in the Proposal is "[m]aking rapid management decisions, creating more synergies, and maximizing corporate value," and "[i]n the case of a capital and business alliance agreement, depending on its content, it is often considered that the feasibility of realizing synergies is not as fully secured as in the case of a wholly-owned subsidiary." However, as described in 1(14)

above, there are many aspects that require discussion and coordination between your company and our Company to consider synergies (not synergies in your company, but those especially in our Company). Therefore, it is a viable option to start the collaboration and management integration between Nidec and our Company in phases, starting with a capital and business alliance and exploring the most efficient form of integration for both companies.

Taking into account your company's current assessment as described in 1(14) above, please reconsider whether making our Company a wholly-owned subsidiary of your company is more appropriate than adopting a scheme for this Transaction in which you acquire 20%, 33.4% or 50.1% of our shares and form a capital and business alliance with us. If you still believe that making our Company a wholly-owned subsidiary of your company is the more appropriate scheme, please explain to us the specific reasons.

(2) In the Letter of Intent, you claim that you aim to become "a leading global machine tool manufacturing conglomerate" through the acquisition of our company, a machine tool manufacturer. However, in light of such goal, we believe that carving out the machine tool business (including, but no limited to, the machine tool business of Mitsubishi Heavy Industries, Ltd.) from your company and group companies (after spinning off the machine tool business department from your Company), conducting a business integration of that carved out business with our Company, and establishing a merged company specializing in machine tools would be a more effective option, from the perspectives of "selection and concentration" and strengthening international competitiveness. As such, please explain your company's thoughts in detail with respect to this option.

In this regard, according to an interview with Mr. Tatsuya Nishimoto, Executive Vice President of Nidec Corporation ("Makino side may lead the machine tool business in the future" – Executive Vice President of Nidec Corporation) dated January 20, 2025 on the Nihon Keizai Shimbun's electronic edition, he also touched on "a former Makino Milling Machine employee being in charge of supervising Nidec's entire machine tool business." From these statements, we believe that the aforementioned carveout of the machine tool business from your company group and business integration with our Company is rather in alignment with your company's intentions, and as such we would appreciate if you could consider this point in your response above.

(3) In response to the “Request from Our Board of Directors to Your Board of Directors” dated January 31, 2025 that our board of directors had sent to your board of directors, we received a response from your company on February 5, 2025 (“February 5 Response”). While we had asked your company’s board of directors in the request above to carefully consider the contents of such request and to provide specific reasons if such requests could not be accepted, the February 5 Response was signed by your company (the Representative Director, President and Chief Executive Officer) instead of your company’s board of directors, and its contents appear to be exactly as stated on past letters our Company and Special Committee received from you company containing the executive teams’ view.

As such, please confirm whether the February 5 Response was issued responsibly under such signatory, after sincere deliberation by your board of directors, including independent and external directors, of the requests made by our board of directors and Special Committee.

End