NVE

August 14, 2019

Nasdaq: NVEC

Safe Harbor Statement

Statements in this presentation that relate to future plans, events, financial results or performance are forward-looking statements that are subject to certain risks and uncertainties including, among others, such factors as uncertainties related to the economic environments in the industries we serve, uncertainties related to future contract research and development revenue, uncertainties related to future stock repurchases and dividend payments, uncertainties related to the future impact of Federal tax reform, as well as the risk factors listed from time to time in our filings with the SEC, including our Annual Report on Form 10-K for the fiscal year ended March 31, 2019 and other reports filed with the SEC."

Spintronics

SPINTRONICS: A nanotechnology which utilizes electron spin rather than electron charge to acquire, store and transmit information

- Based on electron spin rather than charge
- Critical dimensions of 1 – 4 nanometers
- Smaller and lower power for the "Internet of Things" (IoT)

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NVE Highlights

- Revolutionary technology
- Best-in-class profitability
- $1/qtr dividend (>$90 million since 2015)
- $75 million in cash and investments
- Supply agreements with Abbott/St. Jude and Sonova AG

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Fiscal 2019 (YE 3/31/19) Highlights

- Record $2.99/shr net income, despite:
  - Q4 revenue headwinds
  - 11% increase in R&D expense, including Smart Sensor development
- Tax rate decreased to 18% from 32%
- Automotive quality conformance
- Several Smart Sensor product launches

Strong Board

- Terry Glarner (Chair), highly-experienced director
- Daniel Baker, Ph.D., NVE President & CEO
- Pat Hollister (Audit Chair), Former CFO, FSI
- Gary Maharaj, Surmodics CEO
- Rich Kramp, Former CEO, Synovis; ATS

NVE History

1989 – Founded with Honeywell technology
1995 – Motorola license option agreement
2000 – Coupler and sensor production
1990 - 2002 – Investments by MOT, NVP, CY, others
2003 – NASDAQ direct listing ($7.85/shr.)
2006 – St. Jude partnership agreement
2009 – Sonova AG supplier agreement
2013 – Major expansion
2015 – 6 kilovolt couplers
2016 – Rotation sensors
2017 – Private-label partnership with major company
2019 – Smart Sensors

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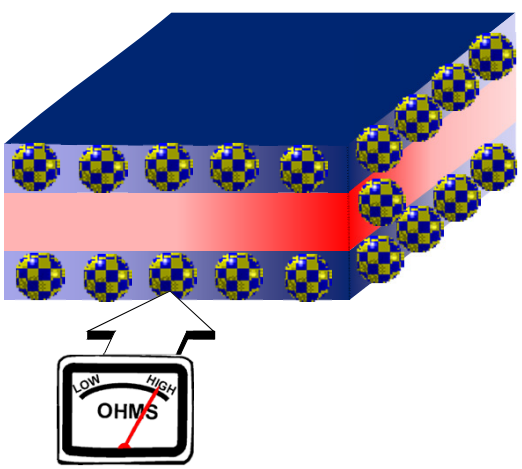
Spintronic Giant MagnetoResistor



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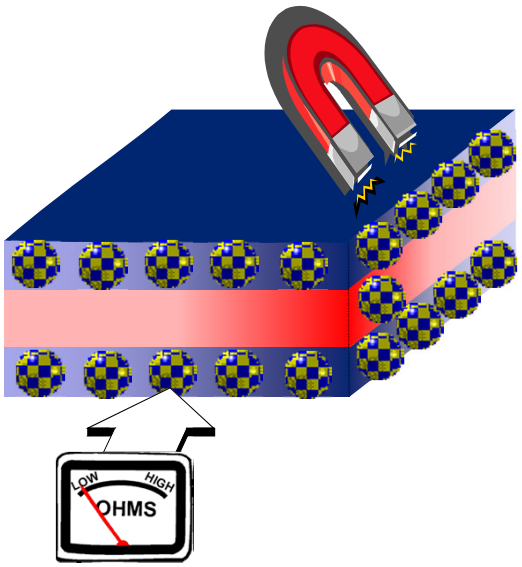
Spintronic Giant MagnetoResistor



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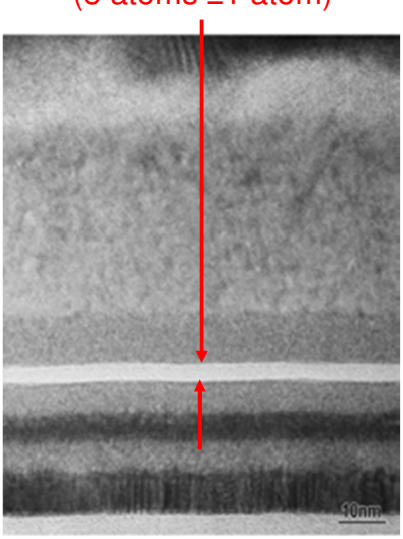
Spintronic Tunnel Junction Critical Dimensions

3.5 nm
(8 atoms ±1 atom)



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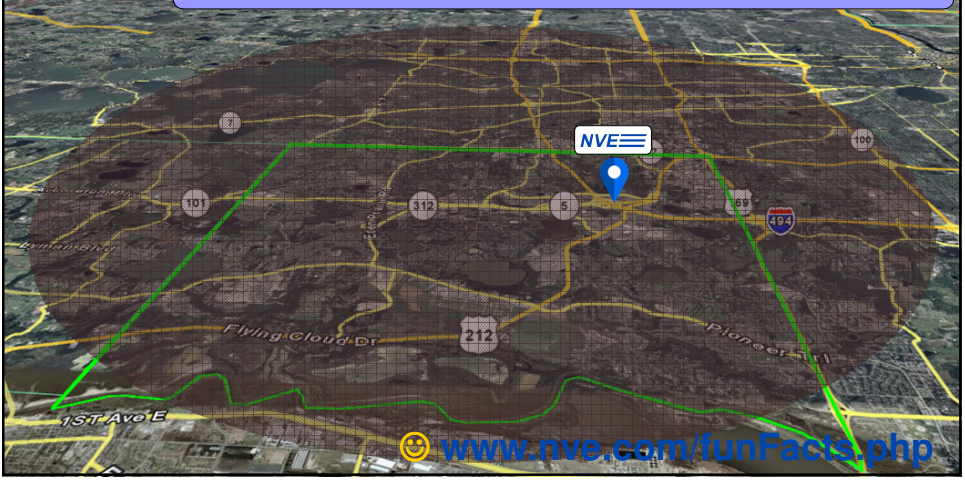
IEEE Trans Mag

Nanoscale Critical Dimensions

A penny rolled to the thickness of the copper in NVE devices would be about twice the area of Eden Prairie. ☺



NVE Overview

- 48 employees
- >50 issued U.S. patents
- >100 patents issued, pending, or licensed
- Unique spintronics factory

The Four "Bs" of NVE Spintronics

Boxes—Miniaturization of medical and other devices

Bullet-proof—Reliable; proven in medical and space

Batteries—Power as low as nanowatts

Brains—Smart sensors for the Internet of Things

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Smart Sensors

Part	Proximity, Current, or Angle	Tech-nology	Accur-acy	Speed (Samples/s)	Features
SM124		GMR	5%	10,000	Low Cost
SM225		TMR	1%	10,000	High Accuracy / Spd
SM324		TMR	0.3%	300	High Accuracy
ASR001		TMR	0.5°	2,500	High Accuracy
ASR002		TMR	2°	12,500	High Speed

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NVE Markets

Near Term

Long Term

Factory Automation

Medical Devices

Internet of Things

Automotive

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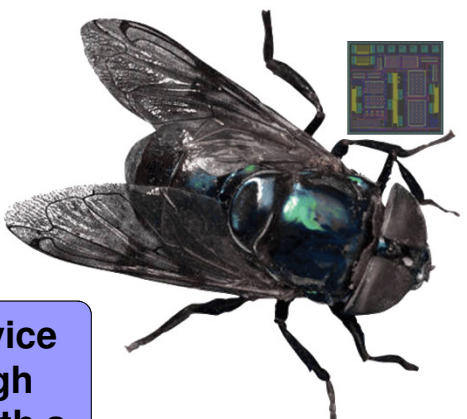
Blue = NVE value added

Spintronic Medical Sensors



NVE Medical Device Sensor die weigh less than one-tenth a typical housefly. ☺

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☺ **www.nve.com/funFacts.php**

Spintronic Medical Sensor

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"Internet of Things"—the 4th Industrial Revolution

1st Wave	2nd Wave	3rd Wave	4th Wave
1770	1870	1970	Now
Mechanization; Steam Power	Mass Production; Electricity	Robotics; Computers	Industrial IoT; Ubiquitous Sensors

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The Burgeoning Internet of Things

- By 2020 for every human there are expected to be 26 smart devices (200 billion connected things)[1]
- The *Industrial Internet of Things* will have a $14.2 trillion impact on the global economy by 2030.[2]
- IIoT market to expand to $933 billion by 2025 at a CAGR of 27.8%[3]
- [IoT] growth is likely sufficient to drive sensor growth to a trillion units by 2025.[4]

[1]Intel,forecast *New Electronics*, 9/10/18
[2]Accenture via *Visual Capitalist*, 1/9/18
[3]Million Insights via *Design Engineering*, 3/11/19
[4]*Sensors*, 7/3/18

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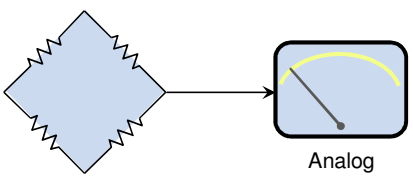
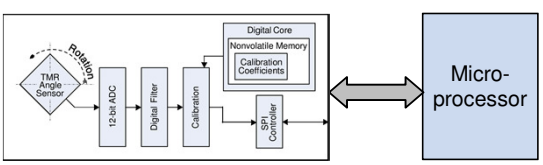
Traditional Sensor vs. Smart Sensor



Traditional Sensor



Smart Sensor

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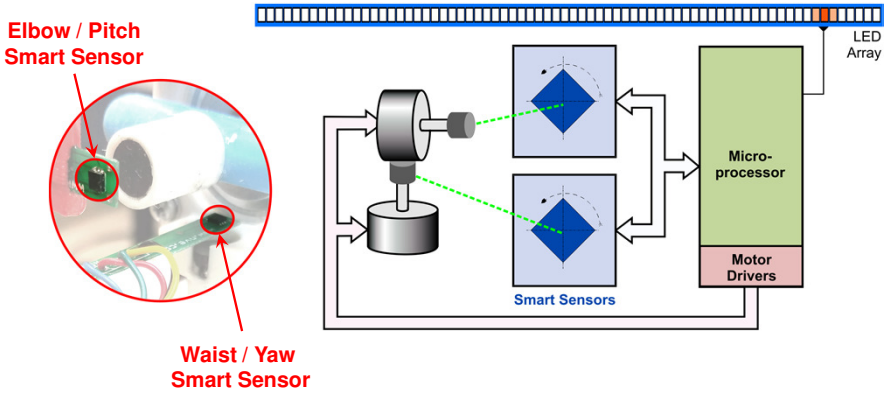
Smart Sensor Robotics Demonstration



Smart Sensor Robotics Demonstration

ASR002 Smart Angle Sensor

youtube.com/NveCorporation

Use Case: Smart Tape Measure

Application:
Production garment inspection

Key Component:
NVE ASR002 Smart Angle Sensor

Benefits:

- 3 months from concept to production
- Accuracy and sensor speed
- Fast prototyping using demo board and sample software

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Strong Balance Sheet

Cash plus Marketable Securities	$ 74,651,170
Total Assets	$ 83,505,696
Shareholders' equity	$ 82,111,683

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Why NVE?

- Revolutionary technology
- World-class customers and partnerships
- Best-in class margins
- Historic market opportunity

closing