



FOR IMMEDIATE RELEASE

Nidec Corporation

Tokyo Stock Exchange code: 6594

Masahiro Nagayasu
General Manager
Investor Relations
+81-75-935-6140
ir@nidec.com

Released on October 1, 2018, in Kyoto, Japan

Nidec Announces Commencement of Tender Offer for Shares of Chaun-Choung Technology Corp., Taiwan

Nidec Corporation (TSE: 6594; OTC US: NJDCY)(the “Company” or “Nidec”) announced today that its Board of Directors has resolved to acquire 48.0% shares of common stock outstanding of Chaun-Choung Technology Corp. (TWSE: 6230)(“CCI”) in Taiwan by way of Tender Offer (the “Tender Offer”) .

This transaction does not fall under the public tender offer defined in Paragraph 1, Article 27-2 of the Financial Instruments and Exchange Act of Japan.

1. The reason for the stock investment and the Tender Offer

Nidec has dealt with a wide variety of motors including brushless DC motors featuring energy saving, long-life, low-noise, and provided them to customers in various segments including IT communication equipment, office automation appliances, industrial appliances, household electric appliances for a long time. These areas of business are managed by Nidec’s Small Precision Motor Business Unit aiming at sales of 600 billion yen under “Vision 2020”, the Company’s mid-term strategic goal in which the Company plans to achieve two trillion yen in sales for the year ending March 31, 2021.

Recently, customers’ specification requirement relating to heat dissipation and cooling has been stricter than ever before in the foregoing industrial segments. At this point, Nidec has realized to accommodate such customers’ stringent request by enhancing the Company’s own quality for heat dissipation and cooling and by providing add-value proposition to customers with some extra value.

CCI, incorporated in 1973, has manufactured and provided thermal module product which composes of heat sink, heat pipe, vapor chamber etc., mainly to IT communication equipment sectors and CCI has strong expertise in this area.

Through this Tender Offer, the Company aims to improve thermal management technology and its product development capability through collaboration with CCI and to propose a thermal solution by combining motor products with CCI’s thermal module to customers in a wide range of markets.

2. Outline of the Tender Offer

(1)	Tender Offeror	Nidec Corporation
(2)	Target Company	Chaun-Choung Technology Corp.
(3)	Tender Offer Period	October 3, 2018 through November 21, 2018 (“Tender Offer Period”)(tentative) Unless the terms of the Tender Offer are met, the Company may extend the Tender Offer Period for up to 50 days.
(4)	Class of shares for Tender Offer	Common stock
(5)	Tender Offer price	TWD 108 per share Note: The price of the Tender Offer is determined based on considering the outlook for CCI’s business performance and the potential value of owned technology.
(6)	Tender Offer funds	Approximately TWD 4,476 million Note: This number is the amount required to make payment related to the purchase of 48.0% of CCI’s outstanding shares. The Company plans to pay all the required amount with own funds.
(7)	Minimum number of shares to be purchased	If 28,838,695 shares of CCI (which are equivalent to 33.4% of the shares outstanding) are to be sold, the Company will execute the Tender Offer.
(8)	Maximum number of shares to be purchased	The maximum number of shares is set to 41,444,831 shares (which are equivalent to 48.0% of the shares outstanding) to be acquired.
(9)	Terms of Tender Offer	The Tender Offer closing will condition on fulfilling 28,838,695 shares (which are equivalent to 33.4% of the shares outstanding) subscription, obtaining approval from MOEAIC (Investment Commission of the Ministry of Economic Affairs) and FSC (Financial Supervisory Commission) and will be carried out on the premise that the Tender Offer meets various conditions which normally required for similar transactions.
(10)	Others	The Company reached an agreement with 37 shareholders of CCI that all of them subscribe the Tender Offer. The number of shares to be subscribed will be 28,838,695 shares (which are equivalent to 33.4% of the shares outstanding). If this agreement is executed, it will be possible to acquire shares meeting the floor of 28,838,695 shares of the Tender Offer, and condition of the Tender Offer is fulfilled. Moreover, in parallel with the Tender Offer, the Company will apply for obtaining approval from competition regulatory authorities.

3. Summary of CCI

(1)	Company name	Chaun-Choung Technology Corp.
(2)	Headquarters	12F, No.123-1, Xingde Road. Sanchung, New Taipei City, Taiwan, R.O.C.
(3)	Name and title of representative	Chairman, Wu Shih Ling
(4)	Description of business	Development, manufacturing, and sales of thermal module products
(5)	Capital	TWD 863,433,960
(6)	Date of establishment	December 14, 1973

(7)	Number of employees	2,265 (As of March 1, 2018)		
(8)	Major shareholders and ownership	Mr. Chang Rui Min 7.53%		
		Mr. Wu Hui Ran 4.88%		
(9)	Relationship between the Company and CCI	Capital relationship	Not applicable.	
		Personnel relationship	Not applicable.	
		Business relationship	Not applicable.	
(10)	Consolidated financial results and financial conditions of CCI			
	Accounting period	December 2015	December 2016	December 2017
	Net assets	TWD 3,494M	TWD 3,782M	TWD 3,599M
	Total assets	TWD 6,215M	TWD 6,730M	TWD 6,489M
	Book-value per share	TWD 40.47	TWD 43.80	TWD 41.68
	Sales	TWD 6,044M	TWD 7,297M	TWD 7,067M
	Operating profit	TWD 801M	TWD 1,194M	TWD 767M
	Net profit	TWD 671M	TWD 946M	TWD 500M
	Earnings per share	TWD 7.77	TWD 10.95	TWD 5.79

4. Number of shares acquired, cost of investment and stockholding before and after investment

(1)	Number of shares prior to the Tender Offer	0 shares (Number of voting rights: 0) (Voting rights ownership: 0.0%)
(2)	Shares to be acquired	41,444,831 shares (*) (Number of voting rights: 41,444,831)
(3)	Cost of Investment	Approximately TWD 4,476 million (*)
(4)	Number of shares after the Tender Offer	41,444,831 shares (*) (Number of voting rights: 41,444,831) (Voting rights ownership: 48.0%)

(*) The figure represents the number of shares acquired if 48% of shares in CCI are acquired through the Tender Offer.

5. Schedule

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| (1) | Date of the resolution of the Board of Directors meeting | October 1, 2018 |
| (2) | Commencement of Tender Offer Period | October 3, 2018 (tentative) |
| (3) | Expiration of Tender Offer Period | November 21, 2018 (tentative) (*) |
| (4) | Date of stock transfer (*) | November 30, 2018 (tentative) (*) |

(*) There are possibilities of schedule change or extension due to the status of procedures for approval from competition regulatory authorities.

6. Future Outlook

Once the result of the Tender Offer comes out, Nidec will disclose the results of the Tender Offer as promptly as possible. In addition, Nidec expects the the impact of the Tender Offer on the Company's consolidated financial results ending March 31, 2019 will be minor, but if some impact affects the Company's results outlook, Nidec intends to make appropriate disclosures in accordance with the applicable rules of the Tokyo Stock Exchange.

Cautionary Statement Concerning Forward-Looking Information

This press release contains forward-looking statements regarding the intent, belief, strategy, plans or expectations of the Nidec Group or other parties. Such forward-looking statements are not guarantees of future performance or events and involve risks and uncertainties. Actual results may differ materially from those described in such forward-looking statements as a result of various factors, including, but not limited to, the risks to successfully integrating the acquired business with the Nidec Group, the anticipated benefits of the Transaction not being realized, changes in general economic conditions, shifts in technology or user preferences for particular technologies and changes in business and regulatory environments. The Nidec Group does not undertake any obligation to update the forward-looking statements contained herein or the reasons why actual results could differ from those projected in the forward-looking statements except as may be required by law.

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NIDEC CORPORATION

CORPORATE OFFICE: 338 KUZETONOSHIRO-CHO, MINAMI-KU, KYOTO 601-8205 JAPAN

PHONE: KYOTO +81-75-935-6140 FAX: +81-75-935-6141

URL: <http://www.nidec.com/en-Global/>