



## FOR IMMEDIATE RELEASE

### Nidec Corporation

Tokyo Stock Exchange code: 6594

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Released on July 2, 2019, in Kyoto, Japan

### **Nidec Completes Acquisition of Embraco, Whirlpool Corporation's Compressor Business**

Nidec Corporation (TSE: 6594) (OTC US: NJDCY) (the “Company” or “Nidec”) announced today that the Company completed the acquisition of the compressor business (“Embraco”) of Whirlpool Corporation (“Whirlpool”) on July 2, 2019 (July 1, 2019 local time in Brazil) following the European Commission’s approval granted on June 26, 2019. This acquisition was performed in line with the acquisition plan announced on April 24, 2018 in the Company’s press release titled “Nidec to Acquire Whirlpool Corporation’s Compressor Business.”

As a result of this acquisition, Embraco and their subsidiaries became Nidec’s subsidiaries. The details of the acquired companies are as follows. In addition, certain customary post-closing filings and registrations related to the acquisition of two subsidiaries in China of Embraco are expected to be completed by September 30, 2019.

#### 1. Outline of the Acquired Companies

##### 1) Change of Company Names

Locations	Current Company Names	Planned New Company Names
Joinville, Brazil	Embraco Indústria de Compressores e Soluções em Refrigeração Ltda.	Nidec Global Appliance Compressores e Soluções em Refrigeração Ltda.
Delaware, USA	Embraco US LLC	Nidec Global Appliance US LLC

Georgia, USA	Embraco North America Inc.	Nidec Global Appliance North America Inc.
García, Mexico	Embraco Mexico Servicios, S. DE R.L. DE C.V.	Nidec Global Appliance Mexico Services, S.DE R.L. DE C.V.
Apodaca, Mexico	Embraco Mexico, S. DE R.L. DE C.V.	Nidec Global Appliance Mexico, S.DE R.L. DE C.V.
Moscow, Russia	Embraco RUS LLC	Nidec Global Appliance RUS LLC
Spišská Nová Ves, Slovakia	Embraco Slovakia s.r.o.	Nidec Global Appliance Slovakia s.r.o.
Turin, Italy	Embraco Eurosales S.r.l.	Nidec Global Appliance Italy S.r.l.

## 2) New Directors

Planned New Company Name	Planned New Directors
Nidec Global Appliance Compressores e Soluções em Refrigeração Ltda.	Director Valter Taranzano Director Marcio Luiz Schissatti Director Jose Lainor Driessen Director Adolpho Cyriaco Nunes de Souza Neto
Nidec Global Appliance US LLC	Director Valter Taranzano Director Katia Drusian Director Jose Lainor Driessen
Nidec Global Appliance North America Inc.	Director Valter Taranzano Director Katia Drusian
Nidec Global Appliance Mexico Services, S.DE R.L. DE C.V.	Member Valter Taranzano Member Adolpho Cyriaco Nunes de Souza Neto Member Jose Lainor Driessen
Nidec Global Appliance Mexico, S.DE R.L. DE C.V.	Member Valter Taranzano Member Adolpho Cyriaco Nunes de Souza Neto Member Jose Lainor Driessen
Nidec Global Appliance RUS LLC	Director Katia Drusian Director Valter Taranzano Director Alexey Kostantinovic Bulgakov
Nidec Global Appliance Slovakia s.r.o.	Director Katia Drusian Director Valter Taranzano Director Marcelo Borba
Nidec Global Appliance Italy S.r.l.	Director Valter Taranzano Director Katia Drusian

## 2. Purpose of the Transaction and Future Operation Policy

Nidec has been actively developing a new growth platform with particular focus on appliance, commercial and industrial business. As part of this strategy, the Company is pursuing

strategic acquisitions in the appliance industry. For this purpose, Nidec has created a new division named Nidec Global Appliance Division, which mainly consists of Nidec Sole Motor Corporation S.R.L. acquired in January 2010 and the appliance business of Nidec Motor Corporation acquired in September 2010. In July 2017, Nidec acquired Secop group (currently Nidec Global Appliance Compressors GmbH, etc.), which enabled the Company to enter into the household and commercial refrigeration compressor market. Combining with Embraco's business, Nidec aimed to expand further its refrigeration compressor business.

However, as announced in its press release titled "Nidec to Sell Its Secop Compressor Business to ESSVP IV Advised by Orlando Management" dated April 22, 2019, Nidec through two Nidec's subsidiaries will sell its compressor business, Secop, to ESSVP IV L.P., ESSVP IV (Structured) L.P., and Silenos GmbH & Co. KG, advised by Orlando Management AG, as condition for the European Commission's approval of Nidec's acquisition of Embraco.

Although Nidec will sell Secop group, the Company believes the acquisition of Embraco will allow Nidec to expand further into the global refrigeration compressor market. Embraco's strength lies in industry-leading compressors for household and commercial refrigerators. Nidec has confidence in further strengthening its refrigeration compressor business through expanding its product portfolio and sales areas. In addition, ever stricter environmental regulations in major regions like Europe, the Americas and China are stimulating customer demand for eco-conscious and space-saving refrigeration compressors. Embraco's advanced compressors meet such customer requirements. Nidec also believes its best in class brushless DC motor technology will complement Embraco's compressors. Furthermore, because motors and compressors have similarities in terms of the nature of components used, Embraco expects to reduce procurement costs by taking advantage of synergies of the Nidec group's purchase capabilities

The Company believes that this acquisition will bring Nidec Group closer to its FY2020 sales target of two trillion yen as both parties' technological capabilities, brands, and customer base come to blend well together.

### 3. Effect on Financial Performance for the Current Fiscal Year

Once the Company determines the impact of this acquisition on its forecast of financial performance for the current fiscal year, it will make appropriate disclosure pursuant to the 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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