



FOR IMMEDIATE RELEASE

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Nidec Completes the Acquisition of the Shares of Italian Machine Tool Manufacturer PAMA and its Affiliates

Nidec Corporation (TSE: 6594; OTC US: NJDCY) (the “Company” or “Nidec”) announced today that, in accordance with its November 30, 2022 press release, “Nidec to Execute a Share Transfer Agreement on Italian Machine Tool Manufacturer PAMA and Its Affiliates,” it has completed the acquisition of all the shares of PAMA S.p.A (“PAMA”) on February 1, 2023.

Accordingly, PAMA will become a wholly owned subsidiary of the Company as outlined below together with Nidec’s business strategy going forward.

1. Outline of the New Subsidiary

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| (1) | Company name | PAMA S.p.A. |
| (2) | Head quarter | The city of Rovereto, Trentino-Alto Adige, Italy |
| (3) | Foundation | 1926 |
| (4) | New management | Director & Chairperson: Tatsuya Nishimoto (Newly appointed)
Director & General Manager: Alessandro Batisti (Reelected)
Director: Takeshi Motohashi (Newly elected) |
| (5) | Business bases | Manufacturing and sales bases: Italy and China
Sales bases: The US, Germany, India, and others |
| (6) | Affiliates | Nine companies in China, the US, Germany, India, and others |
| (7) | Principal businesses | Manufacturing and sale of machine tools (boring and milling machines and machining centers, among others) |
| (8) | Number of employees | Approximately 430 |
| (9) | Sales | Forecast as of the end of the fiscal year ended December 31, 2022 |
| | | 135.6 million euro
(approximately 19.12 billion yen) |

2. PAMA’s Strengths

A company, PAMA, with a broad product portfolio and high technological capabilities in the fields of 5-face milling machine, boring and milling machines, and large machine tools, boasts the world’s largest market share as a boring and milling machine manufacturer, whose end users include major press machine, construction equipment, heavy machine for energy, earthmoving machine, shipbuilding and aerospace aircraft manufacturers. In addition, PAMA enjoys stable annual sales in Europe, North America, and China – the country where PAMA has been in business since 1988.

3. Creating Synergies with the Nidec Group

Nidec Machine Tool Corporation and Nidec OKK Corporation, two Nidec Group companies whose main products are gear cutting machines, large machine tools and machining centers, have been in need of further

developing the multitasking and 5-axis machining technology as well as expanding its lineup of boring and milling machines in the large machine tools space. Also, both companies' main sales area has been in Japan and, compared with other major Japanese machine tool manufacturers, the two companies have generated less sales from overseas markets such as European and American markets and Chinese market, where the future growth is expected.

PAMA's joining the Nidec Group will enable the Company to pursue synergies in all the areas of sale, manufacturing, and product development, including:

- (1) expanding sales in the Asian, European and American markets based on a wide range of product lineup and cross selling;
- (2) developing new products and components by combining the three companies' technological expertise; and
- (3) reducing lead time for delivery and manufacturing cost based on a global production optimization in Europe, the US, and Asia.

4. What Nidec Aims to Accomplish with Its Machine Tool Business

The annual sales of Nidec Machine Tool, Nidec OKK, and PAMA combined are approximately 87 billion yen. By generating synergies between these three companies and other Nidec Group companies, and implementing new M&As, the Company plans to achieve sales of more than 260 billion yen in its machine tool business in the fiscal year of 2025 (and 500 billion yen in the fiscal year of 2030). Nidec stays committed to actively investing in the industry of machine tools, which are dubbed as "machines of machine" or "mother machines," and contributing to the development of Japan's machinery sector.

5. Effects on Financial Performance for the Current and Next Fiscal Years

The Stock Acquisition is expected to have no significant impact on the Company's consolidated financial performance for this fiscal year ending March 31, 2023. If necessary, the Company will make additional disclosure on a timely basis in accordance with the rules of the Tokyo Stock Exchange upon determination of further details.

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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