



FOR IMMEDIATE RELEASE

Nidec Corporation

Tokyo Stock Exchange code: 6594

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Nidec to Acquire Mitsubishi Heavy Industries Machine Tool Co., Ltd.

Nidec Corporation (TSE: 6594; OTC US: NJDCY) (the “Company” or “Nidec”) announced today that its Board of Directors has approved a resolution to acquire: the shares of Mitsubishi Heavy Industries Machine Tool Co., Ltd. (“Mitsubishi Heavy Industries Machine Tool”), a company that designs, manufactures, and sells machine tools, cutting tools, and related products, from Mitsubishi Heavy Industries, Ltd. (“Mitsubishi Heavy Industries”); all the Mitsubishi Heavy Industries Group-owned shares of three overseas subsidiaries specialized in machine tool business; and the machine tool business run by nine overseas subsidiaries (the “Stock Acquisition”). Accordingly, Nidec entered into a stock purchase agreement on February 5, 2021 (Japan time).

1. Outline of Mitsubishi Heavy Industries Machine Tool

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| (1) Company Name: | Mitsubishi Heavy Industries Machine Tool Co., Ltd. |
| (2) Headquarter: | 130, Roku-jizo, Ritto, Shiga, 520-3080, Japan |
| (3) Foundation: | October 1, 2015 |
| (4) Capital: | JPY 3 billion |
| (5) Director: | Kenichi Wakabayashi, President and CEO (with positions remaining unchanged after the Stock Acquisition) |
| (6) Production Bases: | Japan (Ritto, Shiga), USA, China, and India |
| (7) Principal Businesses: | A) Design, manufacture, sales and consulting services associated with machine tools, cutting tools, and other related products
B) Installation, technical guidance, and after-sales services related to the above products |
| (8) Number of Employees: | Approximately 1,400 (as of April 2020) |
| (9) Sales: | JPY 40.3 billion (fiscal year ended March 31, 2020)
JPY 23.1 billion (estimated, fiscal year ending March 31, 2021) |

2. Purpose of the Stock Acquisition

The acquisition of machine tool business achieves a mutual complement with our existing businesses. Nidec has been actively engaged in manufacture, sales and services associated with reduction gearboxes and pressing machines through its subsidiary, Nidec-Shimpo Corporation. After completion of the acquisition, Mitsubishi Heavy Industries Machine Tool will become the Nidec-Shimpo's third main business. Furthermore, we expect utilizing Mitsubishi Heavy Industries Machine Tool's technology for our future insourcing plan. The Company is expecting further demand increase for E-Axle, the electric vehicle traction unit that Nidec is most focused on at present. Thus, as the Company aims to expand the sales of this product which combines a motor, an inverter and a reducer, it is imperative for us to strengthen manufacturing capabilities of gears, the core component of the traction unit. In this regard, this latest Stock Acquisition will serve as an important effort to help the Company acquire personnel who are well-versed in the development of gears of Mitsubishi Heavy Industries Machine Tool and these people's high technological skills in line with the Nidec Group's strategy for electric vehicle traction unit.

Mitsubishi Heavy Industries Machine Tool started its business in 1936 for manufacturing of lathe in Hiroshima, Japan. Since then, Mitsubishi Heavy Industries Machine Tool has been a group company of Mitsubishi Heavy Industries and has grown its business, while supporting Japanese manufacturing for many years. Mitsubishi Heavy Industries Machine Tool, which designs, manufactures and sells machine tools, cutting tools and related products and provides after-sales services for the products, owns highly professional personnel in addition to its long-nurtured technologies. Mitsubishi Heavy Industries Machine Tool has products related to automotive transmissions and reducers businesses, such as a gear cutting machine and a gear grinding machine with high accuracy and efficiency. The company has top market share in Japan with this product. The company also has laser and semiconductor manufacturing equipment with unique cutting-edge technologies.

After this acquisition is completed, Nidec has a view of further expansion of machine tool business with Mitsubishi Heavy Industries Machine Tool, and believes that, with necessary investment, the business will be able to play a major global role in our group. It is our intention to mutually leverage the Nidec Group's and Mitsubishi Heavy Industries Machine Tool's respective technological capabilities, brand strength, and customer bases, to contribute to the further development of the global machine tool market.

3. Schedule

(1) Board of Directors resolution	February 4, 2021 (Japan time)
(2) Contract signed	February 5, 2021 (Japan time)
(3) Closing	Expected in May 2021 (The transaction may be deferred with the status of approval of antitrust authorities and license of each country)

4. Effect on Financial Performance for the Current and Next Fiscal Year

The transaction is expected to have no impact on the Company's consolidated financial performance for this fiscal year ending March 31, 2021 and no significant impact for coming fiscal year ending March 31, 2022. 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 planned transaction not being realized, changes in general economic conditions, shifts in technology or user preferences for particular technologies, whether and when required regulatory approvals are obtained, other risks relating to the successful consummation of the planned transaction, 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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