



FOR IMMEDIATE RELEASE

Nidec Corporation

New York Stock Exchange symbol: NJ
Stock exchange code (Tokyo, Osaka): 6594

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Nidec Sankyo Acquires Majority Interest in SCD Co., Ltd., South Korea

Nidec Corporation (NYSE:NJ) today announced that one of its subsidiaries, Nidec Sankyo Corporation (the “Company”), has agreed to purchase 51.42% of shares of stock in SCD Co., Ltd. (“SCD”), a South Korean motor drive unit manufacturer, from KoFC Skylake Growth Champ2010-5 Private Equity Fund, a private investment company of Skylake Incuvest & Co. The Company and SCD have entered into a share purchase agreement as of July 24, 2012.



For Immediate Release

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Released on July 24, 2012, in Nagano, Japan

Nidec Sankyo Acquires Majority Interest in SCD Co., Ltd., South Korea

Nidec Sankyo Corporation (the “Company”) today announced that it has agreed to purchase 51.42% of shares of stock in SCD Co., Ltd. (“SCD”), a South Korean motor drive unit manufacturer, from KoFC Skylake Growth Champ2010-5 Private Equity Fund, a private investment company of Skylake Incuvest & Co. The Company and SCD have entered into a share purchase agreement as of July 24, 2012.

1. Purpose of the stock acquisition

As a member of the Nidec Group, the Company is globalizing itself, and, under the “3-New Business Strategy (the strategy to develop new products, enter new markets, and acquire new customers),” working to the best extent possible to grow larger as a company. In particular, as the Company is strongly promoting its strategy to acquire new customers, the portion of the Company’s sales from domestic companies in newly emerging economies and global companies focused on them is becoming increasingly higher as a result of the countries’ economic development and the subsequent globalization of the Company’s customers.

Companies of newly emerging economies are growing rapidly in the business of so-called white goods, and the countries’ growth is leading the expansion of the market. Given the strengthening presence of South Korean white goods manufacturers in the newly emerging economies’ markets, enhancing collaborative business ties with the companies who are strong in the markets is becoming increasingly important.

SCD, whose stocks the Company will acquire, develops, manufactures, and sells motor drive units for refrigerators and motors for air conditioners, and has strong business relations with South Korean white-goods manufactures that have a strong presence in newly emerging economies. On the other hand, the Company’s motor drive unit business involves the development, manufacturing, and sale of a variety of motor drive units, ranging from such units for white goods including refrigerators, washing machines, and air conditioners, valve drive units for water heaters for housing and facility equipment, as well as various types of sanitary units, and has a wide range of product lineup of high-end and other models. However, with its main customers being people in Japan, Europe and the U.S., China, and ASEAN nations, the Company has had a weak access to South Korean white goods manufacturers.

The latest stock acquisition gives the Company a chance to enter business with South Korean white goods manufacturers that have a strong presence in newly emerging economies, and helps the Company to further expand its already wide product lineup. Specifically, the Company and SCD will work collaboratively in the area of business dealing with various units for white goods (excluding refrigerators), housing accommodations, and sanitary products, sell the units to South Korean white goods manufacturers.

In addition, this stock acquisition enables the Company to have SCD products in its product lineup, enhance its lineup of low-cost products for newly emerging economies, and sell SCD products globally by utilizing the Company’s sales routes. Since the products and markets of the Company and SCD do not overlap, strengthened ties between the two companies is expected to bring large-scale synergy effects.

2. Overview of SCD (whose stocks the Company will purchase)

- (1) Name: SCD Co., Ltd.
- (2) Head office: 31-6 Buk-ri, Namsa-myeon, Cheoin-gu, Youngin, Gyeonggi, Korea
- (3) Established: 1987
- (4) Main places of business: Head office (South Korea) and Guangzhou, China
- (5) Main areas of business: Development, manufacturing, and sale of motor drive units for refrigerators and motors for air conditioners
- (6) Capital: KRW24,165 million
- (7) Workforce: 328
- (8) Sales of the most recent fiscal year (ended December 2011):
KRW67,487 million
- (9) Asset components of the most recent fiscal year (ended December 2011):
Current assets: KRW27,328 million
Property and equipment: KRW38,315 million

3. Overview of the latest acquisition of SCD stocks

- (1) Number of stocks acquired;
24,851,645 (Ratio to the outstanding stocks: 51.42%), of which 4,078,334 stocks were paid back.
- (2) Consideration: Cash
- (3) Settlement and financing method: Cash on hand will be appropriated.
- (4) Structure of acquire the ownership of SCD:
The Company, a party to the stock purchase agreement, will receive SCD's stocks.
- (5) Schedule from now on:
Closing: October 2012 (planned)

4. Overview of Skylake (from which the Company will purchase SCD's stocks)

- (1) Name: Skylake Incuvest & Co.
- (2) Address: 4th Floor., KAIST Digital Media Lab., 517-10 Dogok-dong, Gangnam-gu, Seoul, Korea
- (3) Representative: Mr. Dae-je Chin
- (4) Established: October 2006
- (5) Relationship between the Company and Skylake:
No direct or indirect investment is made to Skylake by anyone of the Company, affiliated thereto, or of affiliated companies. In addition, no particular capital, personal, or business relations exist between the Company, those affiliated with the Company, or affiliated companies, and the investors of the Skylake (including original investors).

5. Effect of this stock acquisition to the Company's performance during the fiscal year ending March 31, 2013

This stock acquisition is expected to have only minute effect to the Company's performance during the fiscal year ending March 31, 2013, but any such effect, if identified, will be properly announced.

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