



**FOR IMMEDIATE RELEASE**

**Nidec Corporation**

Tokyo Stock Exchange code: 6594

Contact:

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

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### **Nidec to Acquire OMRON Automotive Electronics 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 OMRON Automotive Electronics Co. Ltd. (“OMRON Automotive Electronics”) from OMRON Corporation (“OMRON”) (the “Stock Acquisition”). Accordingly, Nidec entered into a stock purchase agreement on April 16, 2019 (Japan time).

#### 1. Purpose and background of the Stock Acquisition

Nidec positions its automotive motor business as one of the Company’s key strategic businesses, and is engaging in active efforts in the business for automotive motor market which is expected to grow rapidly in coming years. Nidec is particularly focusing on module products with electric power steering (EPS) motors, electric brake motors, etc. and electronic control units (ECU) in accordance with the current trends towards electrification and autonomous driving in the automotive industry, as well as EV traction motor systems, etc. for which significant future market growth can be expected. The Company anticipates that the electrification trend will accelerate further in response to the global environmental and energy related problems and will continue to engage in research and development with Elesys, an ECU manufacturer which joined Nidec group in 2014, to create more electrification products going forward.

OMRON Automotive Electronics engages in research and development, manufacturing, and sales of automotive electronics products as a subsidiary of OMRON Group, which has strengths in control equipment, systems, and electronic components based on its sensing and control technologies. In particular, OMRON Automotive Electronics has produced many high-quality

control products for body control system, ECUs for motor control systems, power control systems, and other areas to address the market's electrification needs. Through the Transaction (as defined under "2. Overview of OMRON Automotive Electronics"), the Company will be able to create new module and systems products by combining Nidec group's motors, pumps, gears, etc. with OMRON Automotive Electronics' products including ECUs and other electronics products.

Furthermore, Nidec Elesys and OMRON Automotive Electronics have a complementary relationship in the area of ADAS (Advanced Driver Assistance Systems), creating high expectations for significant synergies. In particular, Nidec Elesys has strengths in wave radar and camera-related products, while OMRON Automotive Electronics has strengths in laser radar and driver monitoring systems, which will allow two companies to collectively provide a full spectrum of sensors required for autonomous driving in the future. Following the Transaction, the Company expects that both companies will cooperate within the Nidec Group to provide a wide variety of sensor products which support autonomous driving technologies.

## 2. Overview of OMRON Automotive Electronics

(1) Company name	OMRON Automotive Electronics Co. Ltd.		
(2) Headquarters	6368, Nenjozaka, Okusa, Komaki, Aichi, Japan		
(3) Representative	Katsuhiro Wada (President and CEO)		
(4) Business description	Manufacture and sale of automotive electronics components and systems		
(5) Capital	JPY 5,000 million (as of September 30, 2018)		
(6) Date established	May 6, 2010		
(7) Major shareholders and ownership	OMRON Corporation (100%)		
(8) Relationship with Nidec	Capital	None	
	Personnel	None	
	Business	None	
(9) Three-year financial summary (JPY in millions)			
Fiscal year end	March 2016	March 2017	March 2018
Net assets	25,176	24,067	26,480
Total assets	38,921	37,314	40,357
Net assets per share (JPY in thousands)	252	241	265
Net sales	39,208	36,727	36,327
Ordinary income	2,834	685	1,092
Net income	552	769	3,610
Net income per share	6	8	36

(JPY in thousands)			
(Reference)	Three-year financial summary of OMRON Automotive Electronic Components Business (JPY in millions)		
Fiscal year end	March 2016	March 2017	March 2018
Net sales	140,546	132,562	133,186
Segment income	7,342	7,127	5,816
Total assets	76,421	81,024	89,048

Through the Stock Acquisition, Nidec will acquire OMRON Automotive Electronics' subsidiaries. At the same time of the Stock Acquisition, Nidec and its subsidiaries will acquire OMRON's subsidiaries, OMRON AUTOMOTIVE ELECTRONICS de Mexico, S. de R.L. de C.V. ("OAX") and OMRON COMPONENTES AUTOMOTIVOS LTDA. ("Target Foreign Subsidiaries"), and automotive electronic components business of OMRON VIETNAM CO., LTD., PT. OMRON MANUFACTURING OF INDONESIA and OMRON HONG KONG LTD. ("Target Overseas Businesses"). The Stock Acquisition, acquisition of Target Foreign Subsidiaries and acquisition of Target Overseas Businesses are collectively defined as the "Transaction".

(Reference) Overview of OAX: The Company describes the overview of OAX since OAX's net sales are larger than those of other OMRON Automotive Electronics' subsidiaries.

(1) Company name	OMRON AUTOMOTIVE ELECTRONICS de Mexico, S. de R.L. de C.V.		
(2) Headquarters	Av. Paraiso No.344 Parque Industrial y de Negocios Las Colinas Silao, Guanajuato C.P. 36270 Mexico		
(3) Representative	Randy Wara (President and CEO)		
(4) Business description	Manufacture of automotive electronic components and systems		
(5) Capital	MXN 1,115 million		
(6) Date established	February 25, 2008		
(7) Major investors and capital contribution ratio	OMRON Mexico, S.A. de C.V. (99%) OMRON Automotive Electronics Co. Ltd. (1%)		
(8) Relationship with Nidec	Capital	None	
	Personnel	None	
	Business	None	
(9) Three-year financial summary (MXN in millions)			
Fiscal year end	December 2015	December 2016	December 2017
Net assets	219	688	1,166
Total assets	403	1,649	1,798
Net sales	488	2,959	3,767
Ordinary income	18	10	130

Net income	14	(50)	119
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### 3. Overview of OMRON

(1) Company name	OMRON Corporation		
(2) Headquarters	Shiokoji Horikawa Higashi-iru, Shimogyo-ku, Kyoto, Japan		
(3) Representative	Yoshihito Yamada (President and CEO)		
(4) Business description	Research and development, manufacture and sale of control equipment, FA system, electronic components and healthcare products		
(5) Capital	JPY 64,100 million (as of December 31, 2018)		
(6) Date established	May 19, 1948		
(7) Consolidated total equity	JPY 515,837 million (as of December 31, 2018)		
(8) Consolidated total assets	JPY 732,983 million (as of December 31, 2018)		
(9) Major shareholders and ownership (as of September 30, 2018)	<p>Japan Trustee Services Bank, Ltd. (trust account) (5.85%)</p> <p>The Master Trust Bank of Japan, Ltd. (trust account) (4.44%)</p> <p>STATE STREET BANK AND TRUST COMPANY 505223 (3.37%)</p> <p>The Bank of Kyoto, Ltd. (3.37%)</p> <p>MUFG Bank, Ltd. (2.45%)</p> <p>Japan Trustee Services Bank, Ltd. (trust account 5) (1.98%)</p> <p>JP MORGAN CHASE BANK 385151 (1.95%)</p> <p>MOXLEY AND CO LLC (1.95%)</p> <p>JP MORGAN CHASE BANK 385632 (1.83%)</p> <p>Japan Trustee Services Bank, Ltd. (trust account 7) (1.80%)</p>		
(10) Relationship with Nidec	Capital	None	
	Personnel	None	
	Business	None	
	Related party relationship	None	

### 4. Number of shares to be acquired, acquisition price, and shares held before and after the acquisition

Under the stock purchase agreement, Nidec will acquire all shares of

OMRON Automotive Electronics (number of shares held after the acquisition: 100,000, number of voting rights: 100,000, ownership: 100%), and all shares of Target Foreign Subsidiaries including all equities of OAX owned directly and indirectly by OMRON and OMRON Automotive Electronics.

Acquisition price (total consideration of the Transaction including the consideration for Stock Acquisition, acquisition of Target Foreign Subsidiaries and acquisition of Target Overseas Businesses) is expected to be JPY 100 billion <sup>(1)</sup>.

Note: (1) The acquisition price would be finalized subject to the condition described in the stock purchase agreement including the financials.

## 5. Schedule

(1) Board of Directors resolution	April 16, 2019 (Japan time)
(2) Contract signed	April 16, 2019 (Japan time)
(3) Closing	Expected around the end of October 2019 (The Transaction may be deferred with the status of approval of antitrust authorities)

## 6. Future Outlook

Nidec intends to make appropriate disclosures regarding the impact of the Transaction described herein on its consolidated financial performance for the current fiscal year and announce any changes to its financial performance in accordance with the applicable rules of the Tokyo Stock Exchange once such details are determined.

### **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.

## **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: <https://www.nidec.com/en-Global/>