

TSE: 6594 [http:// www.nidec.com/en-Global/](http://www.nidec.com/en-Global/)

Nidec Corporation

Acquisition of Secop Group, German
Compressor Manufacturer



Nidec
All for dreams

April 26, 2017

Disclaimer Regarding Forward-looking Statements

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.

Introduction of Presenter

Valter Taranzano / President & CEO, Nidec Global Appliance Division



1981	1989	Joined SKF
1989	1998	Joined Electrolux Components Division, becoming Senior VP Strategic Planning in motors and compressors
1998	2001	Joined Emerson Electric, becoming President of Emerson Appliance Motor & Control Europe
2002	2009	Founded ACC-Appliances Components Companies, President & CEO
2009	2012	Partner of EIM (Executive Interim Management) acting in restructuring/turnaround of medium-large sized industrial group. Member of several boards on behalf of private equity fund.
2013	-	Joined Nidec Group becoming President & CEO of Nidec Global Appliance Division

- Born in 1956 in Turin, Italy
- Bachelor's degree in Engineering from the Polytechnic of Turin
- MBA Master from SDA Bocconi University of Milan
- From 2005 to 2014 Chairman of the Italian Federation of Production District
- Strong experience in appliance market where he has covered leadership positions

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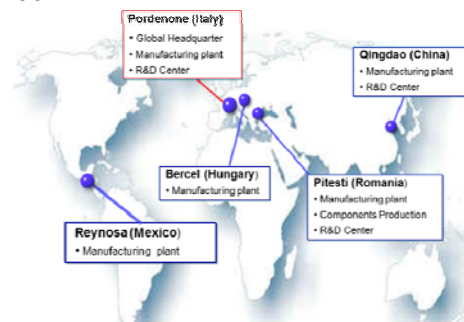
Nidec Global Appliance Division

Company Profile

Business:

Development, manufacturing and sale of motors and controls for home appliances

- Leader of DC motor technology
- Sales Forecast for FY17: \$400M
- Employees: 3100
- Footprint: 5 sites
(Italy, Hungary, Romania, China, Mexico)

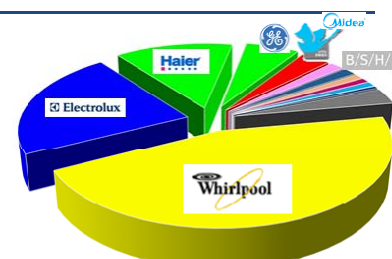


One motor produced every second

Product Lineup



Customers



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Transaction Overview

Target Companies	<ul style="list-style-type: none">■ Secop Group (Secop Holding GmbH and other 3 entities)
Structure	<ul style="list-style-type: none">■ Purchase of 100% equity shares of Secop Group and the shareholder loans<ul style="list-style-type: none">■ Nidec Europe B.V., holding company in Europe, will acquire Secop Holding GmbH, Secop s.r.o., and Secop Compressors (Tinajin) Co. Ltd.■ Nidec Americas Holding Corporation, holding company in the US, will acquire Secop Inc.
Schedule	<ul style="list-style-type: none">■ Signing: April 25, 2017■ Closing: Expected at the end of June 2017 (Subject to change based on approvals from antitrust authorities.)
Purchase Price	<ul style="list-style-type: none">■ €185 million (on enterprise basis) and the consideration will be all cash.
Financial Impact	<ul style="list-style-type: none">■ Nidec intends to make appropriate disclosures regarding the impact of the transaction.

Background and Purpose of the Transaction

Background	<ul style="list-style-type: none">■ Market size of compressors for refrigerators is 170 million units per year<ul style="list-style-type: none">➢ Huge market with stable growth at CAGR 3.7% (2009 – 2019)■ Stricter environmental regulations for energy-efficiency change the current market<ul style="list-style-type: none">➢ Rapidly increasing customer demand for variable-speed compressors■ Advanced technology in variable-speed compressors<ul style="list-style-type: none">➢ Formerly Danfoss Compressor GmbH as well-known technology leader
Purpose	<ul style="list-style-type: none">■ Expect attractive sales growth opportunities by entering huge market■ Product improvement with the combination with Nidec's variable-speed motors<ul style="list-style-type: none">➢ Expand Secop's products with Nidec's advanced technology to meet customer demand change in huge market

Company Profile (1/3)

SECO P

Secop Group
Fiscal Year Ended Dec. 2016 Sales: €356.6 million

Household Business (HH)

Light Commercial Business (LC)

Household Refrigerators

Commercial Refrigerators

Application



Main Products

■ Compressors for Household Refrigerators

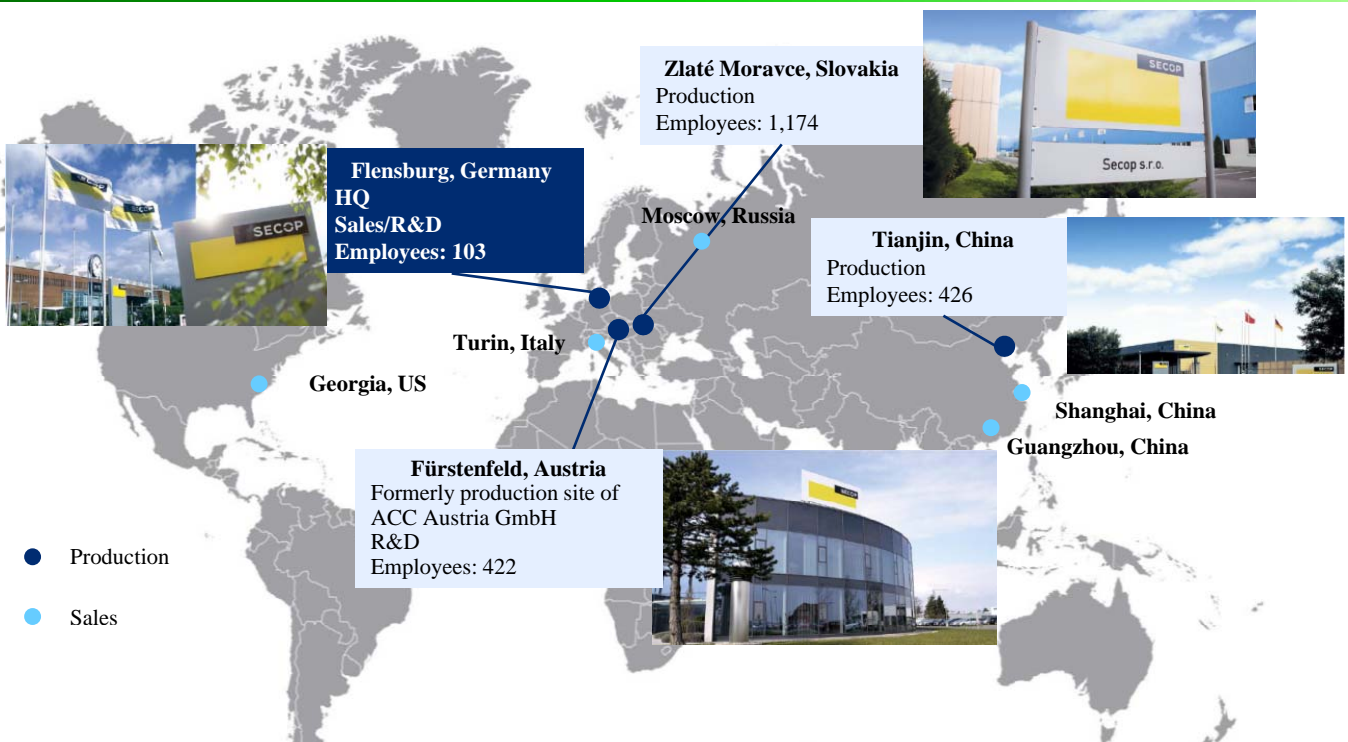
■ Compressors for Commercial Refrigerators



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Company Profile (2/3)

SECO P



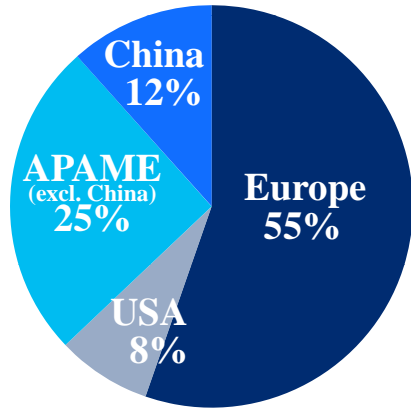
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Company Profile (3/3)



Revenue Breakdown

Geographic Mix



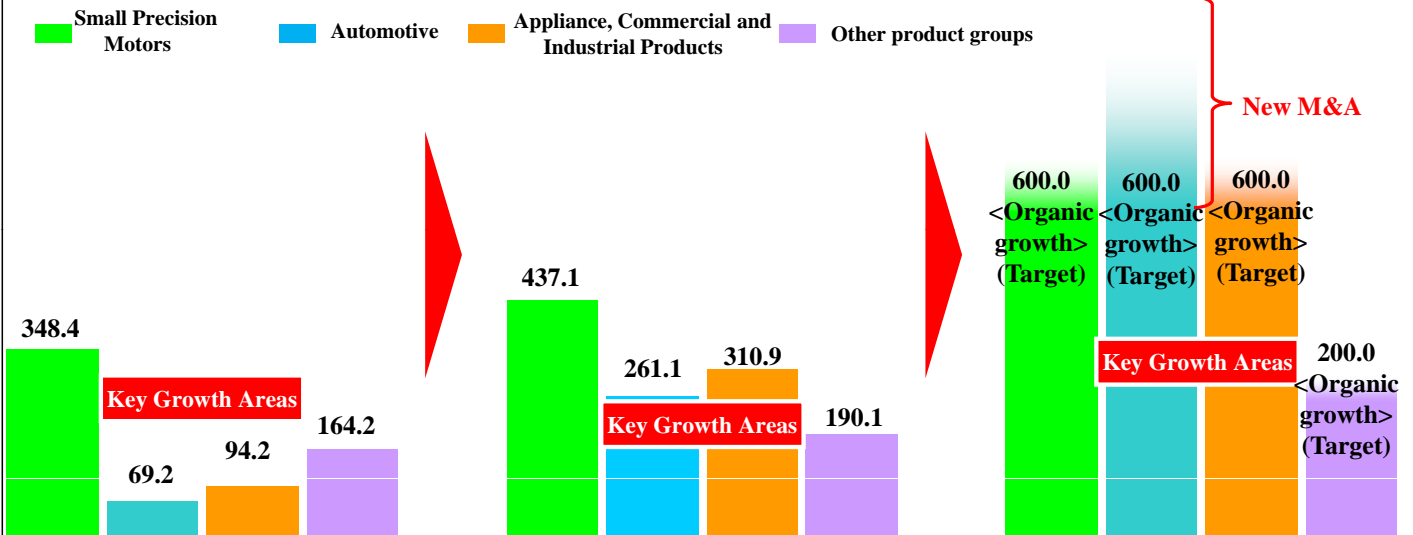
Customer



Three 600 Billion Yen Businesses Are Key to Achieving 2 Trillion Yen Net Sales

FY2010	FY2016	FY2020
Net sales: 676 billion yen	Net sales: 1.199 trillion yen	Net sales: 2 trillion yen (target)

(Sales: Billions of Yen)



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