



FOR IMMEDIATE RELEASE

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Tokyo Stock Exchange Code: 6594

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Nidec Submitted Its Reply to the Written Request from the Board of Directors of Makino Milling Machine Co., Ltd. (Securities Code: 6135)

As explained in the press release, “Notice Regarding Scheduled Commencement of Tender Offer for Makino Milling Machine Co., Ltd. (Securities Code: 6135),” dated December 27, 2024, Nidec Corporation (TSE: 6594; OTC US: NJDCY) (“Nidec” or the “Company”), as part of a series of transactions (the “Transaction”) for the purpose of making Makino Milling Machine Co., Ltd. (listed on Tokyo Stock Exchange Inc.’s Prime Market) (the “Target Company”) a wholly owned subsidiary of the Company, decided to acquire the shares of common stock of the Target Company through a tender offer, and on the same day submitted to it a letter of intent regarding the Transaction.

In relation to the aforementioned events, the Company has received a “written request from the Target Company’s Board of Directors addressed to Nidec’s Board of Directors” dated January 31, 2025 from the Target Company’s Board of Directors. In response, Nidec submitted its reply, dated today (Please see the attachment), to the Target Company’s Board of Directors. Within the reply, Nidec requested the Target Company’s Board of Directors, for the third time, for an opportunity of a face-to-face meeting with the Company’s management team.

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Attachment

February 05, 2025

To: The Board of Directors
Makino Milling Machine Co., Ltd.

Mitsuya Kishida
Representative Director, President and Chief Executive Officer
Nidec Corporation

Reply to the Written Request from Makino Milling Machine Co., Ltd.’s Board of Directors

This letter is in response to the written request from the Board of Directors of Makino Milling Machine Co., Ltd. (“Makino” or “your company”) to the Board of Directors of Nidec Corporation (“Nidec” or the “Company”), dated January 31, 2025 (the “Written Request”), stating that Nidec should: (1) postpone the scheduled commencement of its tender offer (the “Tender Offer”) for the shares of common stock of Makino until May 09, 2025; (2) increase the minimum number of the shares to be acquired in the Tender Offer to a number equivalent to two-thirds or more of the voting rights of all of Makino’s shareholders; and (3) refrain from actions, rhetoric, etc. that may make players and others contemplating alliance with Makino hesitate to make a competing proposal to the series of proposals (the “Proposal”) for Nidec to make Makino a wholly owned subsidiary of the Company (collectively, the “Requests”).

As described in the Written Request, the Requests are exactly the same as the points made to Nidec by the special committee that Makino established (the “Makino’s Special Committee”) via the document, “Request Regarding the Scheduled Commencement Timing and Planned Number of Shares to Be Acquired in the Tender Offer,” dated January 15, and another document, “Understanding on Your Company’s Letter dated January 17, 2025 and Our Second Request,” dated January 22, 2025. With respect to the requests from Makino’s Special Committee, Nidec requests Makino’s Board of Directors to check once again the document, “Regarding the Request Letter from Your Committee” dated January 17, 2025, and another document, “Regarding the Response to the Further Request Letter Received from the Special Committee of Makino Milling Machine Co., Ltd. (Securities Code: 6135),” dated January 27, 2025 (collectively, “Nidec’s Documents”), as the documents provide a detailed explanation on Nidec’s knowledge on, and understanding of, the aforementioned requests of Makino’s Special Committee.

The Written Request contains a segment that Makino’s Board of Directors understands that Nidec made a reply “refusing” the third of the aforementioned three requests made by Makino’s Special Committee. However, Nidec’s Documents merely clarify the intention behind the statement by Mr. Shigenobu Nagamori, the Company’s Founder and Chairman of the Board, as there were concerns that Makino’s Special Committee may have a misunderstanding that the intention as of Mr. Nagamori’s interview with the *Nikkei Business*. That is, in the interview, Mr. Nagamori expressed his strong enthusiasm as Nidec’s representative that, based on his belief that your company’s advanced technological capabilities are essential for Japanese companies to prevail in global business battles, it is therefore essential to complete the Tender Offer successfully. Nidec’s Documents specifically explain that Mr. Nagamori had no intention of making other companies hesitate to submit any competing proposal. Thus, Nidec’s Documents simply pointed to correct the misunderstanding of Makino’s Special Committee regarding the past article as of that certain point of the past, and Nidec never submitted any reply “refusing” the third of the three aforementioned requests. Nidec requests once again Makino’s Board of Directors to kindly recheck Nidec’s Documents with no bias or preconceived notion.

In addition, as has been stated repeatedly, Nidec strongly wishes for Makino to urgently arrange a face-to-face meeting with the representative directors and other members of your company’s management team, so that Nidec can explain its thoughts further in detail, and discuss business strategies for the two companies’ mutual benefit. Please kindly explain as to why not your company has yet to agree to this request. On Page 16 of “Guidelines for Corporate Takeovers — Enhancing Corporate Value and Securing Shareholders’ Interests — ,” issued by Japan’s Ministry of Economy, Trade and Industry on August 31, 2023 (the “Guideline”), it is strongly recommended that the board of directors, in proceeding with its “sincere consideration” of an acquisition proposal is expected to obtain additional information from the acquiring party about the acquisition proposal”. Further, on Page 17, the Guideline also states that, when proceeding with “sincere consideration, “it is advisable for the board of directors to thoroughly compare, from a quantitative perspective, the differences between the purchase price and measures to enhance corporate value through acquisitions proposed by the acquirer, and the measures to enhance corporate value if the incumbent management team were to continue to manage the company, and, for such comparison and consideration, the target company critically needs to obtain information from the acquisition party actively. In Nidec’s view, descriptions on the Guideline such as (t)he acquisition party and the target



→All for dreams

company should “disclose the information necessary to continue the consideration and discussion of the acquisition proposal” (Page 17), and “an acquiring party provides a target company with information necessary to consider or evaluate its proposal” (Page 37) are based on the assumption that, for the target company to proceed with a “sincere consideration,” it needs to actively obtain additional information from the acquisition party. Based on the Guideline, Nidec once again strongly requests Makino’s Board of Directors to give affirmative consideration to urgently arranging the aforementioned opportunity and have such opportunities frequently, so that your company sincerely consider whether the Proposal will secure or improve Makino’s corporate value and its shareholders’ common interests.

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[Restrictions on solicitation] This press release is intended to announce the Tender Offer to the public and has not been prepared for the purpose of soliciting an offer to sell shares. If shareholders wish to make an offer to sell their shares, they should first read the Tender Offer Explanation Statement concerning the Tender Offer and make an offer to sell their shares at their own discretion. This press release shall neither be, nor constitute a part of, an offer to sell or purchase, or solicitation to sell or purchase, any securities, and neither this press release (or a part of this press release) nor its distribution shall be interpreted to constitute the basis of any agreement in relation to the Tender Offer, and this press release may not be relied upon at the time of entering into any such agreement.

[Future Forecasts] This press release may contain forward-looking statements, including those related to the future business of Nidec Corporation (the "Tender Offeror" or the "Offeror") and other companies, such as "anticipate," "expect," "intend," "plan," "believe," and "assume." Such statements are based on the Tender Offeror's current business prospects and may change as a result of future developments. The Tender Offeror is under no obligation to update any forward-looking statements in this information to reflect actual business performance or changes in various circumstances or conditions. This press release contains "forward-looking statements" as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the Securities Exchange Act. The actual results may be grossly different from the projections implied or expressly stated as "forward-looking statements" due to known or unknown risks, uncertainties or other factors. None of the Offeror or its affiliates assures that such express or implied projections set forth herein as "forward-looking statements" will eventually prove to be correct. "Forward-looking statements" contained herein were prepared based on the information available to the Tender Offeror as of the date of this press release and, unless required by laws and regulations, neither Tender Offeror nor its related parties including related companies shall have the obligation to update or correct the statements made herein in order to reflect the future events or circumstances.

[U.S. Regulations]

The Tender Offer shall be implemented in compliance with the procedures and information disclosure standards provided by the Financial Instruments and Exchange Act of Japan, which procedures and standards are not necessarily identical to the procedures and information disclosure standards applied in the United States. Specifically, Section 13(e) or Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended; "Securities Exchange Act") or the rules promulgated under such Sections do not apply to the Tender Offer, and the Tender Offer is not necessarily in compliance with the procedures and standards thereunder. It is not necessarily the case that all financial information in this press release is equivalent to financial statements of companies in the United States. It may be difficult to enforce any right or claim arising under U.S. federal securities laws because the Offeror and Makino Milling Machine Co., Ltd. ("the Target") are incorporated outside the United States and their directors are non-U.S. residents. Shareholders may not be able to sue a company outside the United States and its directors in a non-U.S. court for violations of the U.S. securities laws. Furthermore, there is no guarantee that shareholders will be able to compel a company outside the United States or its subsidiaries and affiliates to subject themselves to the jurisdiction of a U.S. court.

The financial advisors of the Offeror or Target and their respective affiliates may, within their ordinary course of business, purchase, or conduct any act toward the purchase of, the shares of the common stock of the Target for their own account or for their customers' accounts outside the Tender Offer prior to the commencement of, or during, the period of the Tender Offer, etc. in accordance with the requirements of Rule 14e-5(b) under the Securities Exchange Act to the extent permissible under the financial instruments and exchange laws and other applicable laws and regulations in Japan. If any information concerning such purchase is disclosed in Japan, the disclosure of such information will be made in the United States in a similar manner.

All the procedures in connection with the Tender Offer shall be taken in the Japanese language. While a part or all of the documents in connection with the Tender Offer may be prepared in English, the Japanese documents shall prevail in case of any discrepancies between Japanese documents and corresponding English documents.

[Other Countries] Some countries or regions may impose restrictions on the announcement, issue or distribution of this press release. In such cases, please take note of such restrictions and comply with them. In countries or regions where the implementation of the Tender Offer is illegal, even upon receiving this press release, such receipt shall not constitute a solicitation of an offer to sell or an offer to buy shares relating to the Tender Offer and shall be deemed a distribution of materials for informative purposes only.