

## PRESS RELEASE

Rueil-Malmaison, December 4<sup>th</sup> 2017**Groupe PSA and Nidec to set-up a leading joint venture for automotive electric traction motor**

Groupe PSA and Nidec Corporation (the “Nidec”), through Nidec Leroy-Somer Holding (the “Nidec Leroy-Somer”), intend to work together in the field of electric traction motor. For this purpose, Nidec Leroy-Somer and Groupe PSA entered into a joint venture agreement on December 4, 2017. Closing of such transaction remains subject to antitrust clearance and employee representative consultation. Groupe PSA makes the strategic choice to anchor in France the design and production of the main components of the electric traction powertrain.

Nidec Leroy-Somer and Groupe PSA have acknowledged the strategic importance of traction motor in coming electrification age and agreed mutual cooperation for developing state of the art high-performance and competitive electric traction motor range for electrified vehicles (Mild-hybrid (MHEV), Electric Vehicles (“EV”) and Plug-in Hybrid (“PHEV”)) to meet the needs of Groupe PSA and other OEMs.

The aim of the partnership is to design, develop, manufacture and sell a range of efficient electric traction machines. The joint venture will then engage R&D, manufacturing and sales for high-performance electric traction motor mainly to Groupe PSA, and to other OEMs, by combining PSA’s automotive OEM strengths and Nidec Leroy-Somer’s leading expertise of motor and related electrical equipment.

**1. Purpose and Background of the Transaction**

As an anticipation of energy transition towards a cleaner mobility, electrification is the key to both solving global warming and controlling air quality with a well to wheel approach. Given the above trend, OEMs are accelerating their shift towards electrified vehicle technologies. Along with this trend, electrification of automobiles has been expanding and the market of electric motor for automotive is foreseen to double its size to JPY 6 trillion (€ 45 billion) in 2030. Nidec has been also active in this trend and developing products with its superior motor expertise.

Nidec has been actively developing a new growth platform with particular focus on automotive business. In its midterm strategic goal Vision 2020 it has targeted to achieve JPY 700 billion to 1 trillion (€ 5,4 to 7,6 billion) of sales in automotive sector in 2020.

Nidec Leroy-Somer, acquired by Nidec on February 2017, is the leading electric motor company in France serving all industry sector and renowned for its high quality products providing the best value to customers.

Groupe PSA, which is a European champion with the second position on the European market, has been actively accelerating its shift to electrified vehicles (MHEV, PHEV, EV). As part of the energy transition process and in line with the technological offensive spelled out in its “Push to Pass” strategic plan, Groupe PSA is focused on diversifying its technological offering with plug-in hybrid petrol engines and next-generation electric powertrains.

## 2. Information on the joint venture:

Foundation: 1er quarter 2018, subject to closing

Headquarters: Carrières sous Poissy, Paris region, France

R&D facilities: Carrières sous Poissy, Paris region, France

Production facilities: Trémery, Metz region, France

Shareholders: 50% Nidec Leroy-Somer Holding /50% Groupe PSA

Investment: € 220 Million

## 3. Effect on Financial Performance for the Current Fiscal Year

The Transaction is expected to have no significant impact on Nidec's consolidated financial performance for the fiscal year ending March 31, 2018. Nidec will make additional disclosure on a timely basis in accordance with the rules of the Tokyo Stock Exchange upon determination of further details.

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### **About Groupe PSA**

*The Groupe PSA designs unique automotive experiences and delivers mobility solutions to meet all client expectations. The Group has five car brands, Peugeot, Citroën, DS, Opel and Vauxhall, as well as a wide array of mobility and smart services under its Free2Move brand, aiming to become a great carmaker and the preferred mobility provider. It is an early innovator in the field of autonomous and connected cars. It is also involved in financing activities through Banque PSA Finance and in automotive equipment via Faurecia. Find out more at [groupe-psa.com/en](http://groupe-psa.com/en).*

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### **About Nidec Corporation**

*Nidec is the World's No.1 manufacturer of small precision motors.*

*And with aiming to be **the World's No.1 Comprehensive Motor manufacturer,***

*Nidec is creating the next generation of driving technology to meet the needs of society,*

*for "Everything that spins and moves"*

### **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.*