

March 15, 2013

To whom may it concern:

Company Name:	Nidec Copal Electronics Corporation
Stock exchange code:	6883 (TSE, first section)
Representative:	Sho Kikuchi Representative Director and President

Notice of basic agreement regarding Absorption Merger with consolidated subsidiary

Nidec Copal Electronics Corporation (the “Company”) hereby announces that it reached a resolution at a board of directors meeting held on March 15, 2013 to merge and acquire Fujisoku Corporation (“Fujisoku”), its wholly-owned consolidated subsidiary.

1. Purpose of merger

Fujisoku is the Company’s wholly-owned consolidated subsidiary whose primary business is the manufacturing and sale of the switches. Through this merger, the Company aims to concentrate its management resources, improve/speed up the business operation. Additionally it intends to enhance the competitiveness globally and strengthen the management foundation of Electronic & Mechanical Components, which is its one of the main business units.

2. Summary of merger

(1) Schedule of merger

Board of directors' meeting dissolution for the entry into merger memorandum	March 15, 2013
Entry into merger memorandum	March 15, 2013
Board of directors' meeting dissolution for the entry into merger agreement	April 23, 2013
Entry into merger agreement	April 23, 2013
Stock holders’ meeting resolution for the merger (the Company Only)	June 16, 2013
Scheduled date of merger (Effective date)	October 1, 2013

(Note) As this merger constitutes a simple merger based on the provisions of Article 784, paragraph (1) of the Companies Act, it is being executed without obtaining the approval of the shareholders' meeting at Fujisoku concerning the merger agreement.

(2) Method of merger

An absorption-type method in which the Company will be the successor company and Fujisoku will be dissolved.

(3) Details of allotment of shares related to merger

As the Company owns all shares issued by Fujisoku, there will be no new stock or money to be exchanged in this merger.

(4) Handling of subscription rights to shares and bonds with subscription rights to shares related to merger

Not applicable.

3. Overview of companies involved in the merger

	Surviving company	Dissolving company
(1)Trade name	Nidec Copal Electronics Corporation	Fujisoku Corporation
(2)Head Office location	7-5-25 Nishishinjuku, Shinjuku-ku, Tokyo	24-12, Kizukisumiyoshi-cho, Nakahara-ku, Kawasaki-shi, Kanagawa
(3) Name and title of representative	Sho Kikuchi Representative Director and President	Toru Kasai Representative Director and President
(4)Principal business	Manufacturing and sale of electronic components	Manufacturing, processing and sale of electric/electrical equipment and measuring instruments
(5) Capital	2,362 million yen	389 million yen
(6)Date of Establishment	April 1, 1967	August 7, 1947
(7)Number of shares issued	66,452,000 Shares	147,700 Shares
(8)Fiscal year	March 31	February 28
(9)Major shareholders and share holdings ratio (As of September 30, 2012)	Nidec Corporation 65.31% Shigenobu Nagamori 3.08% Hideaki Sasaki 1.85% Suppliers and Distributors Stock Ownership 1.29% Sumitomo Mitsui Banking Corporation 1.28%	Nidec Copal Electronics Corporation 100%
(10) Financial state and operating results of the previous taxable year	Period ended March 2012 (consolidated)	Period ended February 2012 (consolidating)
Net assets	27,237 million yen	308 million yen
Total assets	35,517 million yen	2,851 million yen
Net assets per share	408.13 yen	2,089.94 yen
Net sales	29,118 million yen	3,663 million yen
Operating income	4,194 million yen	427 million yen
Ordinary income	4,197 million yen	410 million yen
Net income	2,706 million yen	607 million yen
Earnings per share	40.82 yen	4,114.91 yen

4. Conditions after merger

There will be no changes to the Company's name, head office location, name and title of the representative, description of business, capital or fiscal year as a result of this merger.

5. Outlook for the future

Since this is a merger with our wholly-owned subsidiary, there will be little impact on consolidated results, however, the Company is currently investigating the potential impacts closely and, if the necessity of revising business forecast and/or any matter to be disclosed arises, such information shall be immediately disclosed.