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Nidec Instruments Develops Tokenization-ready Security-Authentication Card Reader

- to reduce risks of credit card-based information leak risks and help ensure secure settlements -

Nidec Instruments Corporation (“Nidec Instruments” or the “Company”), a Nidec Group company, announced today that it has **developed a security authentication card reader equipped with tokenization technology.**



Nidec Instruments’ New, Tokenization-ready Security Card Reader

Amid increasingly sophisticated cyberattacks, recent years have witnessed a rise in the risks of leak of credit card information via a network. Such information leakage risks exist with conventional card readers, which read card numbers directly from IC chips and magnetic strips to send the information to a settlement server.

Against this background, to solve this information leak problem, Nidec Instruments has adopted in this new product a **tokenization technology, which does not handle card information directly on a network.** This technology enhances card readers’ safety by replacing card numbers and other confidential information with temporarily generated random numbers known as one-time tokens. Further, by using a separately available PIN number input device (PIN Pad) as well, the card reader can convert into tokens both (i) card information and (ii) the information from entered Pin numbers and card information that has been read, forming more sophisticated security measures.

The newly launched card reader works on both the IC chips and magnetic strips of credit cards, and is expected to be installed in outdoor POS systems such as kiosks’ terminals at gas stations and airports in North America, Europe, and other places outside Japan.

With its certification obtained based on collaboration with a US settlement server manufacturer, this card reader can accept tokens only in the US market at present. However, going forward, by acquiring certification to meet its market’s and customers’ needs in Japan, the Company intends to provide services in the country’s domestic market as well.

For more details on the above product, please contact:

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