

OSE, TSE: 6594 NYSE: NJ  
<http://www.nidec.co.jp/english/>



# Nidec Automotive Motors

by Kazuya Hayafune

Senior Vice President  
Automotive Motor & Electronic Control Business Unit

October 25, 2012



#### Disclaimer Regarding Forward-Looking Statements

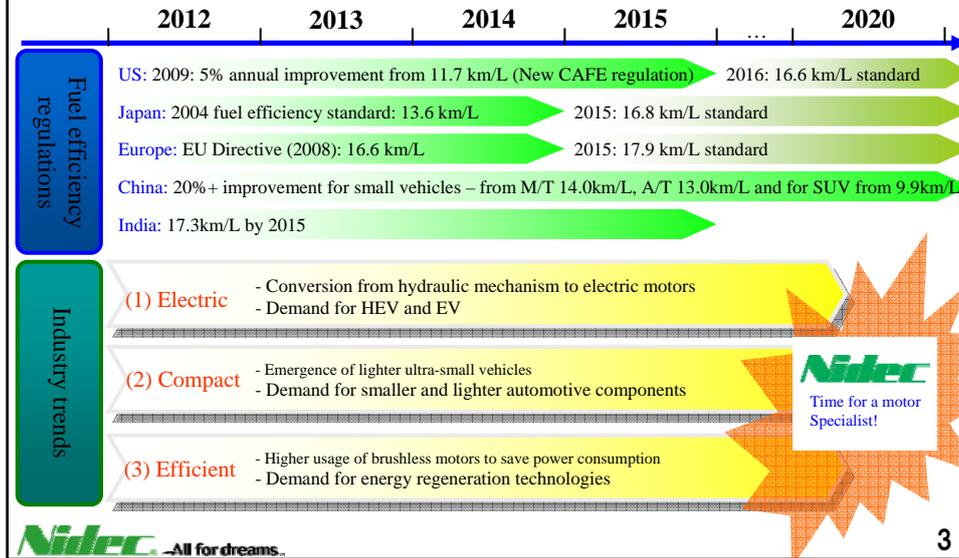
These presentation materials and the subsequent discussions regarding the Nidec Groups' financial results contain forward-looking statements including expectations, judgment, plans, and strategies. The forward-looking statements are based on management's assumptions and belief in light of the information currently available. Certain risks, uncertainties and other factors could cause actual results to differ materially from those discussed in the forward-looking statements. Such factors include, but are not limited to: fluctuation of currency exchange rates, overall supply and customer demand in the motor industry, product development and production capabilities, performance of affiliated companies, and other risks and uncertainties. Nidec undertakes no obligation to update forward-looking statements to reflect events or circumstances that occur after the date the forward-looking statements are made.

## Strategic Focuses



## Regulatory Development Raising Prospects for Nidec Technology

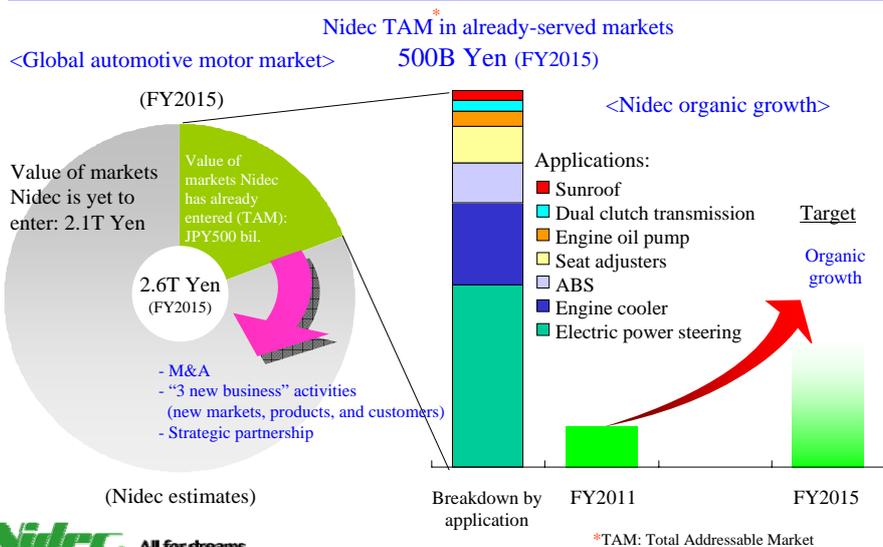
Electric motors highlighted as the key to meeting tougher fuel-economy standards



3

## Where Nidec Stands in Global Market

Organic growth in already-served markets and new growth (potentially accompanying M&A) in untapped markets



4

## Strategy Matrix towards FY2015

Product portfolio	Exp Status as of FY2015		Scope for strategic enhancement		
	Mass-production	Market presence	Higher additional value	Smaller & lighter	More advanced technology
Electric power steering	Yes		★	★	
Engine cooler	Yes		★	★	
ABS	Yes			★	
Seat adjuster	Yes			★	
Engine oil pump	Yes			★	
Dual clutch transmission	Yes		★		
Sunroof	Yes			★	
Window lifter	Yes			★	
Wiper	In preparation			★	
Integrated starter & alternator	In preparation			★	
Next generation vehicle-related technology	Yes (for some)		★		★
Others (brake, etc.)	Yes (for some)		★	★	★

■ Strong ■ Moderate

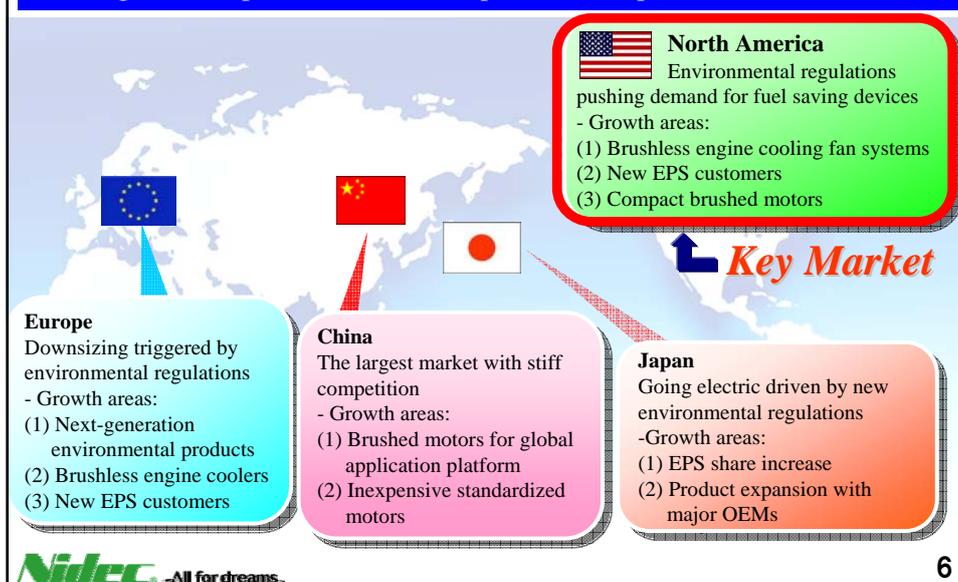
} Already entered markets  
} Yet-to-enter markets

**Nidec** -All for dreams-

**5**

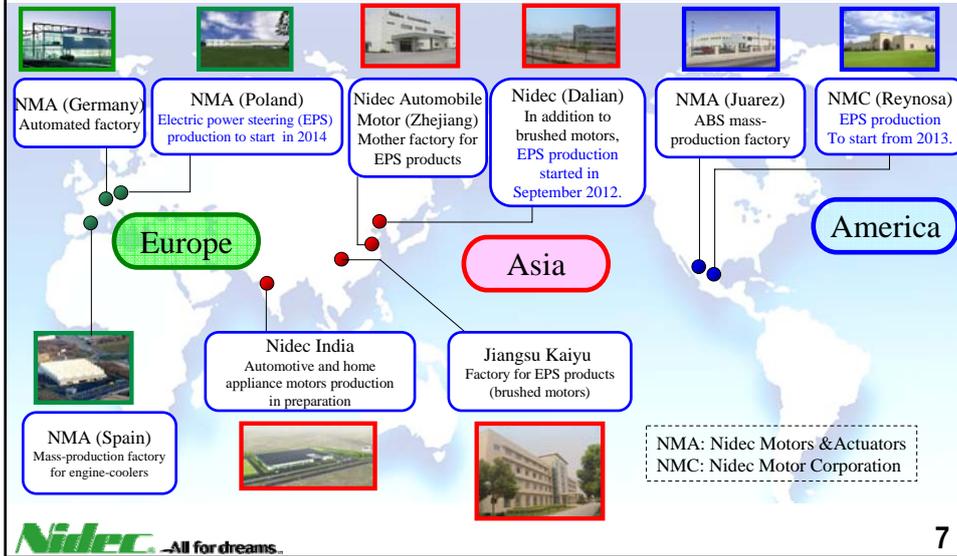
## Global Marketing Strategy

Pursuing market-specific themes with particular emphasis on North America



# Global Production Strategy

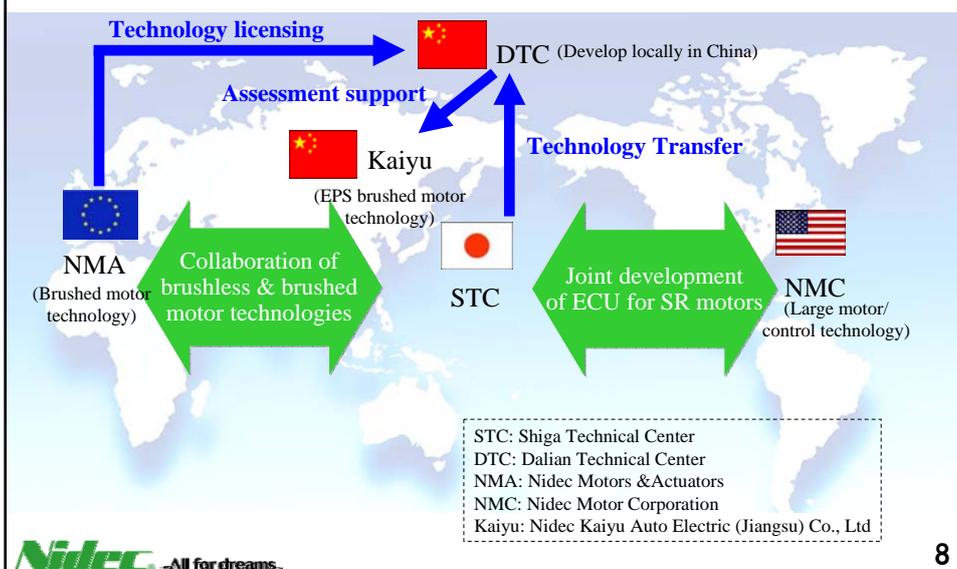
Nidec strength: Capability to produce locally for local consumption in close collaboration with Automotive Tier 1 customers worldwide



7

# Global R&D Strategy

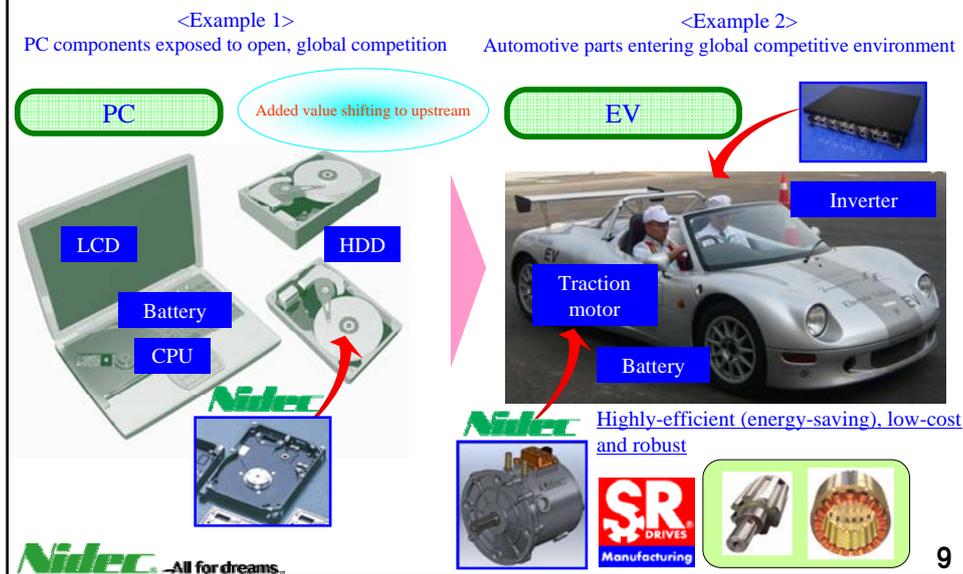
Effective usage of R&D resources to accelerate order intake



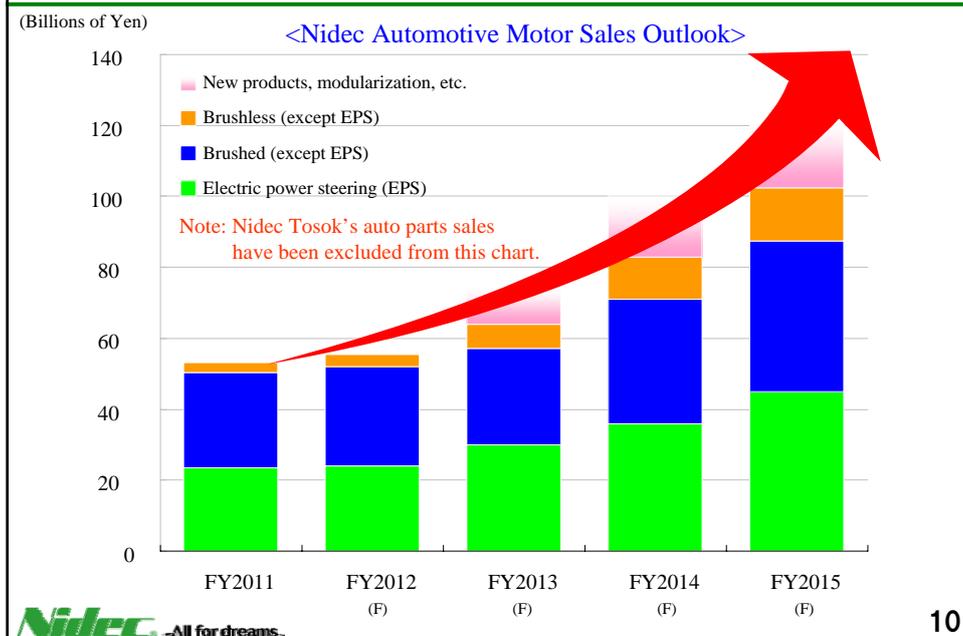
8

## Structural Shift from Keiretsu to Global Competition

Focus on motors and other electronic components as vehicles go electric



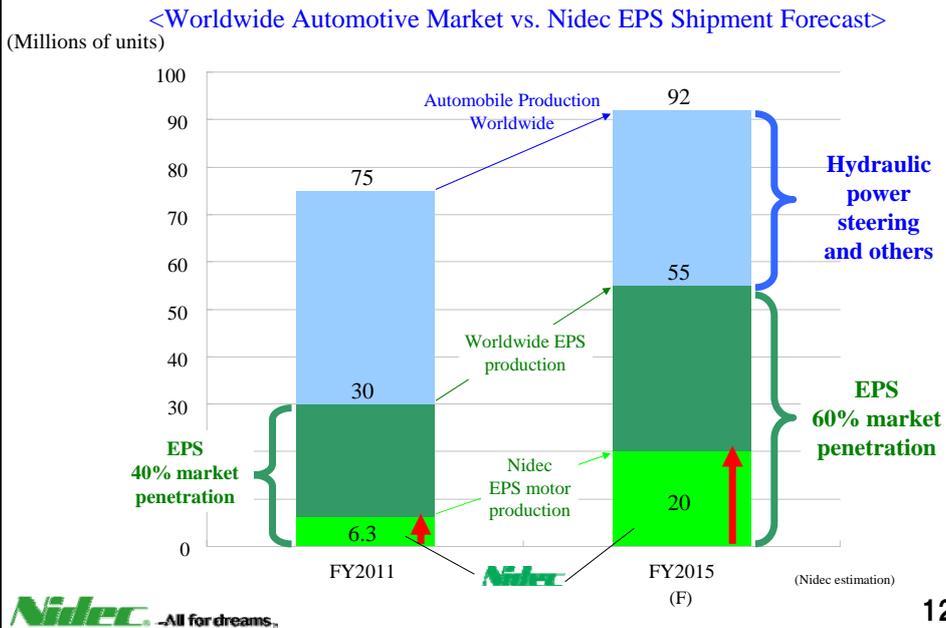
## Automotive Motor Business Mid-term Plan (Organic Growth)



# Tactics by Theme



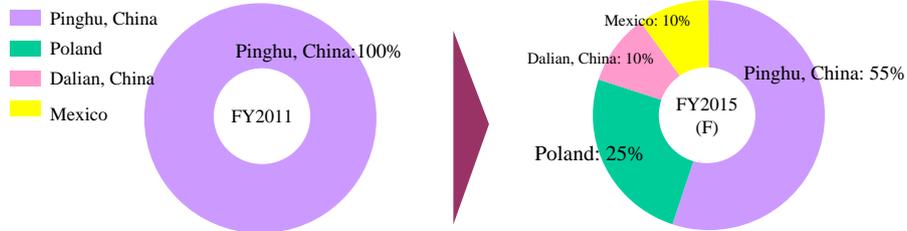
## Nidec Electric Power Steering (EPS) Motors Share to Increase



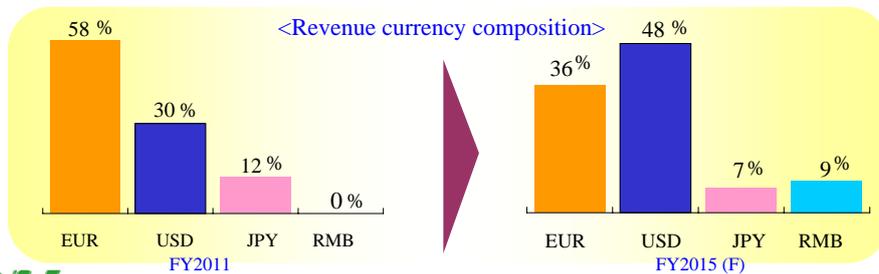
# Globalization and Currency Balance

Local production for local consumption to reduce FX mismatch (EPS motors)

<Nidec EPS motors production locations>



<Revenue currency composition>

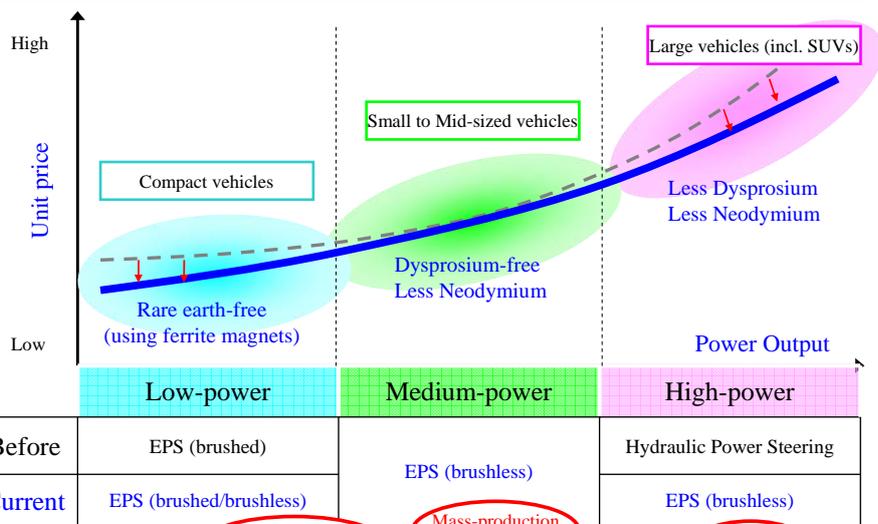


Nidec - All for dreams.

13

# Reduction of Rare Earths for EPS Motors

Nidec rare earth-free motors geared toward all vehicle platforms



Nidec - All for dreams.

Mass-production in preparation

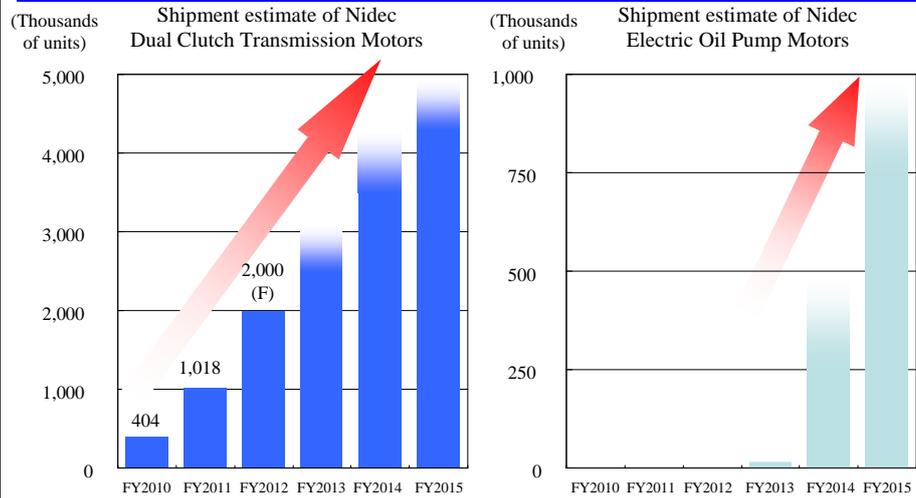
Mass-production underway

Design Win received

14

## Other Brushless Motor Business to Follow EPS

Shipment of Nidec brushless motors on steady increase due to fuel efficiency regulations



**Nidec** -All for dreams-

15

## R&D of Brushed Compact Motors

Low-cost, Small and Light Motors in development for standardized series



**Nidec** -All for dreams-

16

# Application Expansion for Compact Motors

Products to be offered to emerging markets and to gain share in the US market

<Multiple usage of standardized motors>



<Modularization>

**For engine cooling fan systems**



**Nidec** -All for dreams-

17

# ECU and Peripheral Technologies

<Product examples>

<Themes for product development>

<Targets>

ECU for engine cooling fans



Sensorless vector control

To receive orders during FY2012

ECU for electric power steering motors



Internally produced ECU, ECU verification

To receive orders during FY2013

ECU for window lifters & sunroofs



Anti-Pinch control model

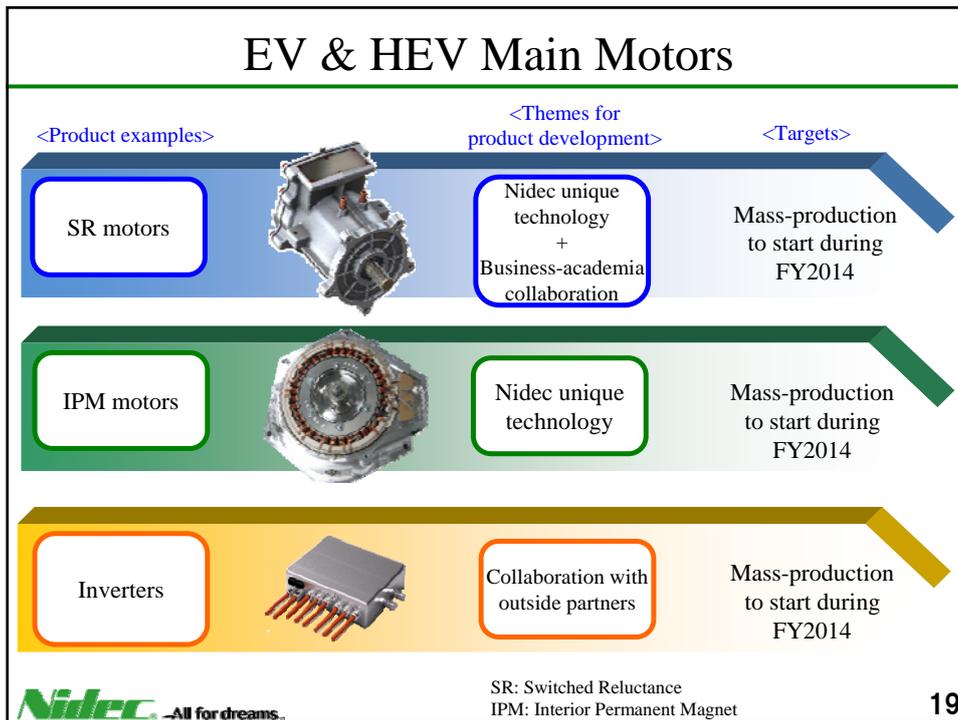
To receive orders during FY2012

**Nidec** -All for dreams-

ECU: Electronic Control Unit

18

## EV & HEV Main Motors



## Summary

1. Target full-scale business expansion in North America.  
New business inquiries pouring in, reflecting tighter environmental regulations.
2. Add higher value via modularization.  
Transition from motor-only business to modular business.
3. Make full-scale entry into Emerging Markets with brushed motors.  
Not to avoid competition in low-end product markets  
→ New partner strategy involving Jiangsu Kaiyu, China.
4. Explore new, large business opportunities.  
Conversion from Keiretsu to Global competition  
→ Large-scale collaboration with major OEMs.



Nidec logo is a registered trademark or a trademark of Nidec Corporation in Japan, the United States and/or certain other countries. All for dreams logo is a registered trademark of Nidec Corporation in Japan, and a trademark in the United States and/or certain other countries.