



NJ  
LISTED  
NYSE

## Fiscal First-half 2008 Results

Six Months Ended September 30, 2008

< U.S. GAAP >

October 28, 2008

Nidec Corporation

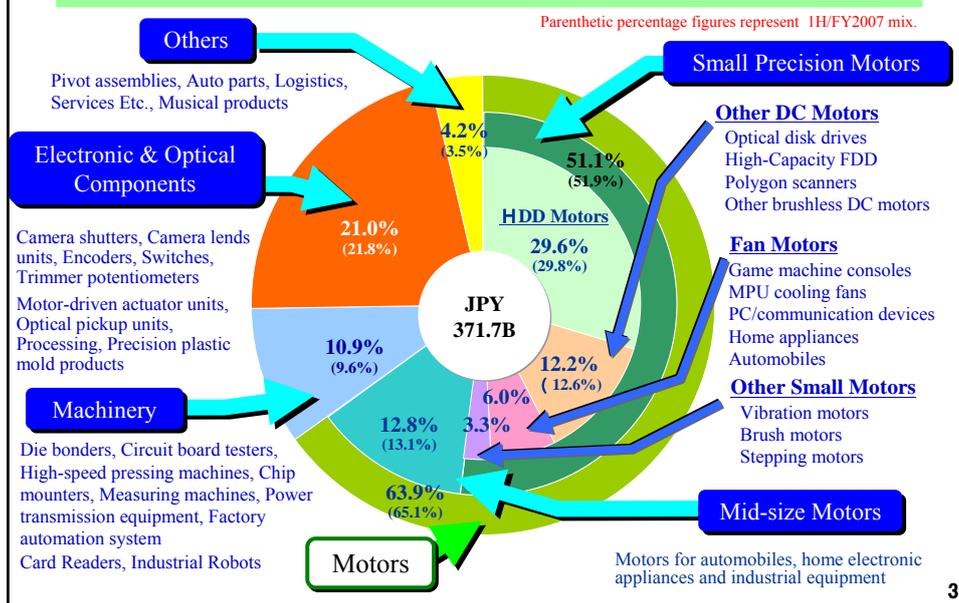
This presentation material and our statements made during the Meeting regarding the Nidec Groups' financial results contain forward-looking statements including expectations, judgement, plans, and strategies. The forward-looking statements are based on management's assumptions and belief in light of 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.

## Summary of 1H/FY08



- **Record** 1H Sales & Operating Income
- **Double-digit** Y/Y Operating Income Growth in All Business Segments
- Net Income **up 37%** Y/Y to **Record High**
- Interim Dividend: **30 yen per Share** (up 5 yen)

## Sales by Business Segment ( April-September 2008 )



3

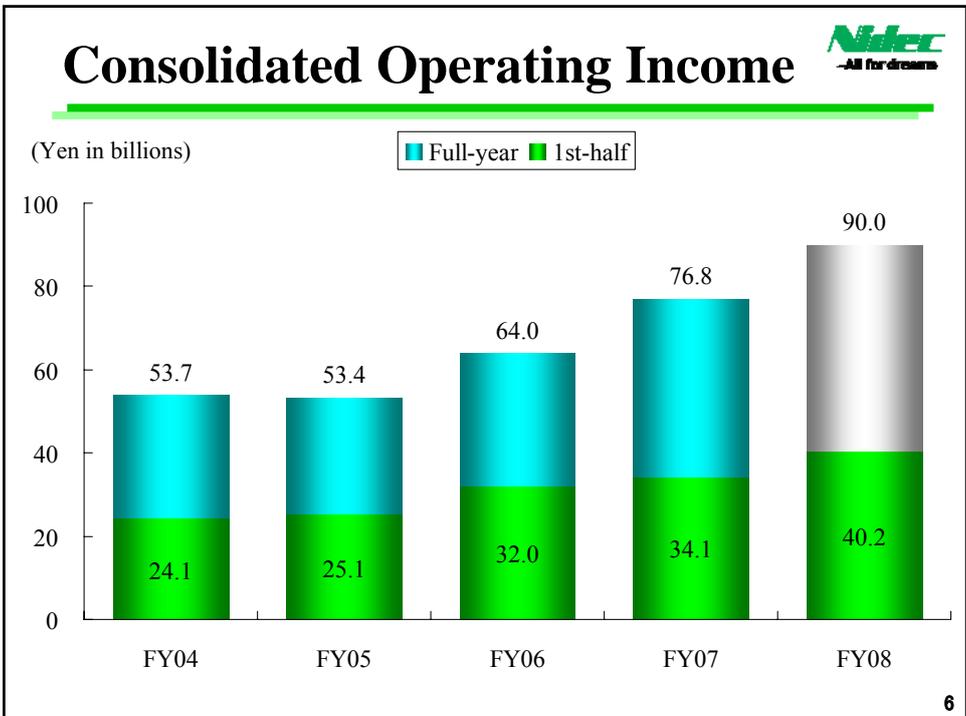
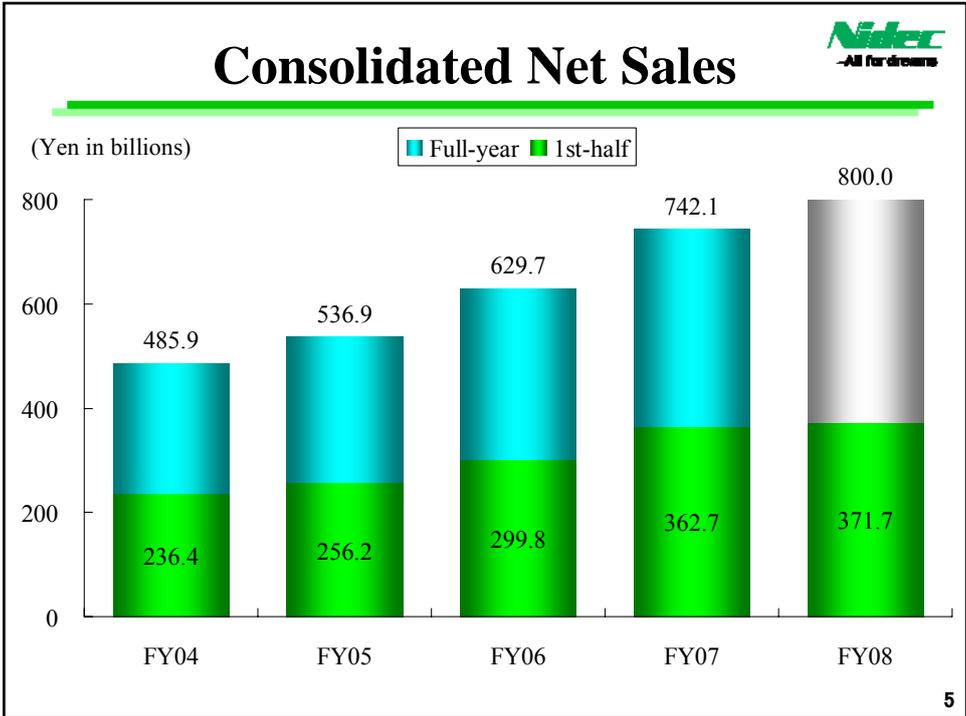
## Consolidated Profit/Loss

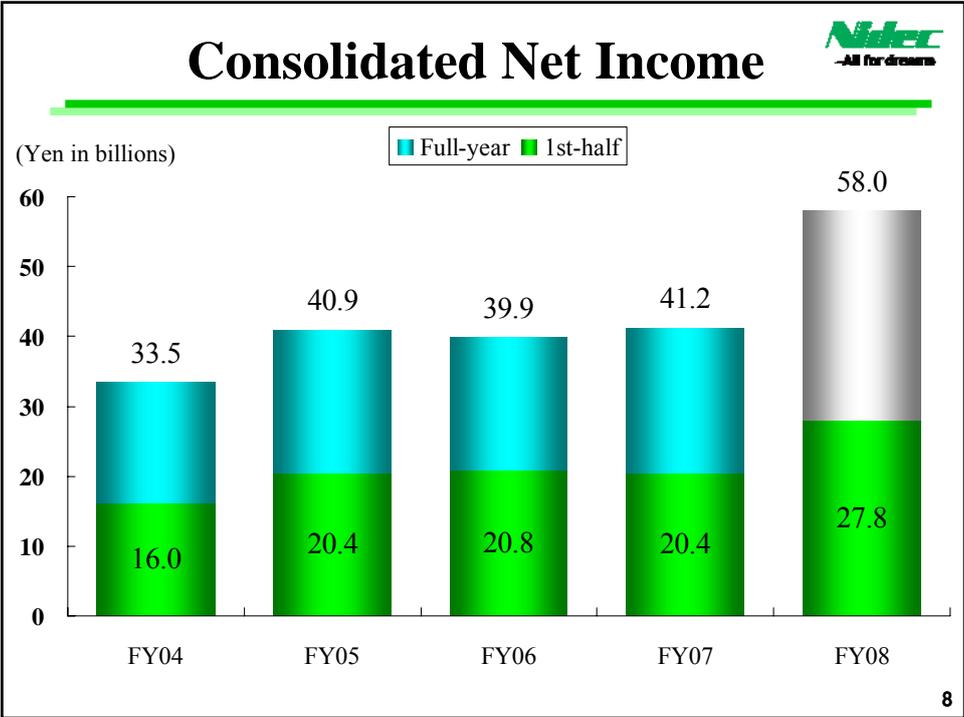
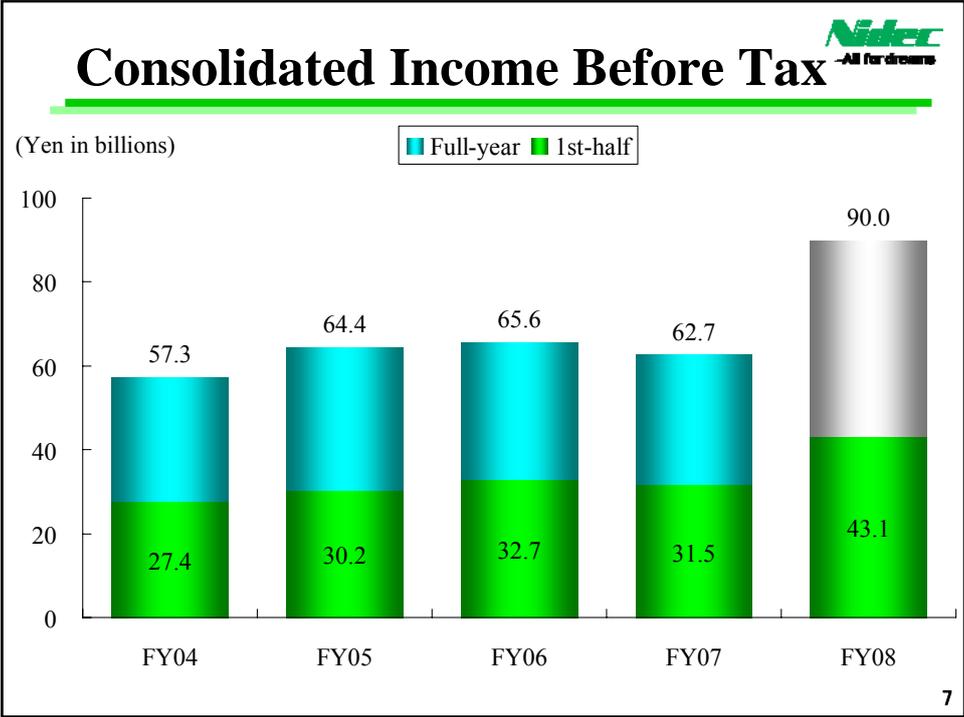


(Yen in millions)	1H/FY07	1H/FY08	Change (%)	FY08 Forecast
Net Sales	362,701	371,658	+2.5%	800,000
Operating Income	34,076	40,218	+18.0%	90,000
Operating Income Ratio	9.4%	10.8%		11.3%
Income before Tax	31,506	*43,057	+36.7%	90,000
Net Income	20,357	27,840	+36.8%	58,000
EPS	140.50	192.06	+36.7%	400.03
FX (Yen/US\$) Ave.				
Average---	119.33円	106.11円	-11.1%	
Term-end---	115.43円	103.57円	-10.3%	

\*FX Impact (Y/Y): +4,635 million yen

4



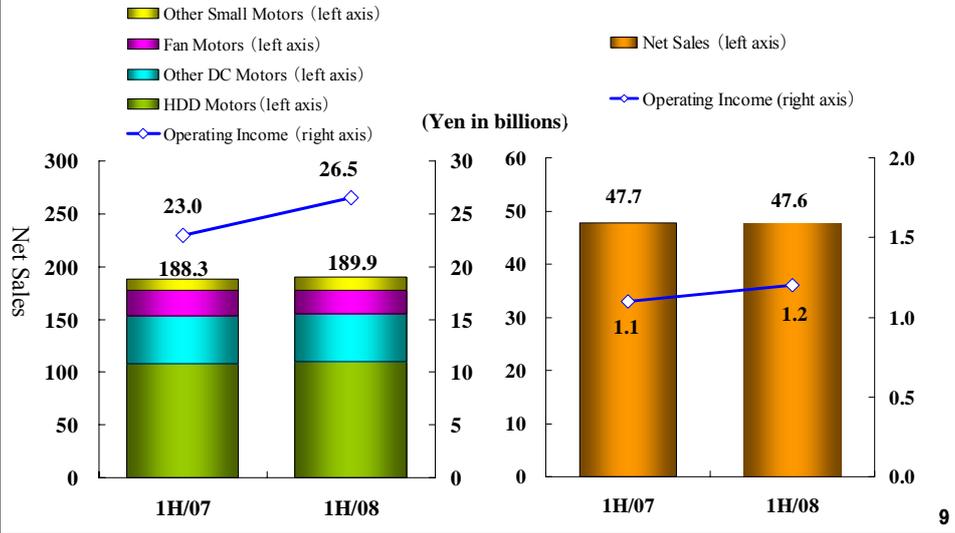


# Business Segment Results---1



## Small Precision Motors

## Mid-size Motors



9

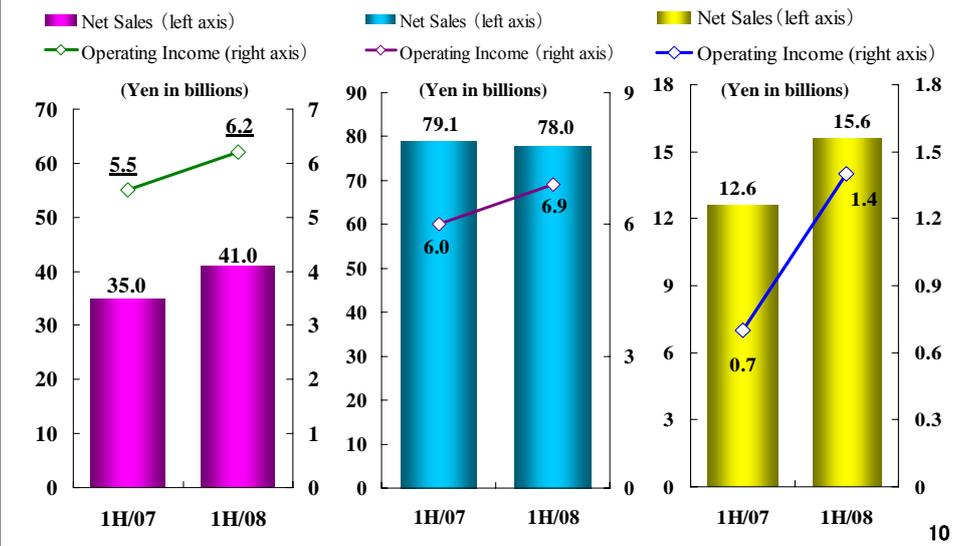
# Business Segment Results---2



## Machinery

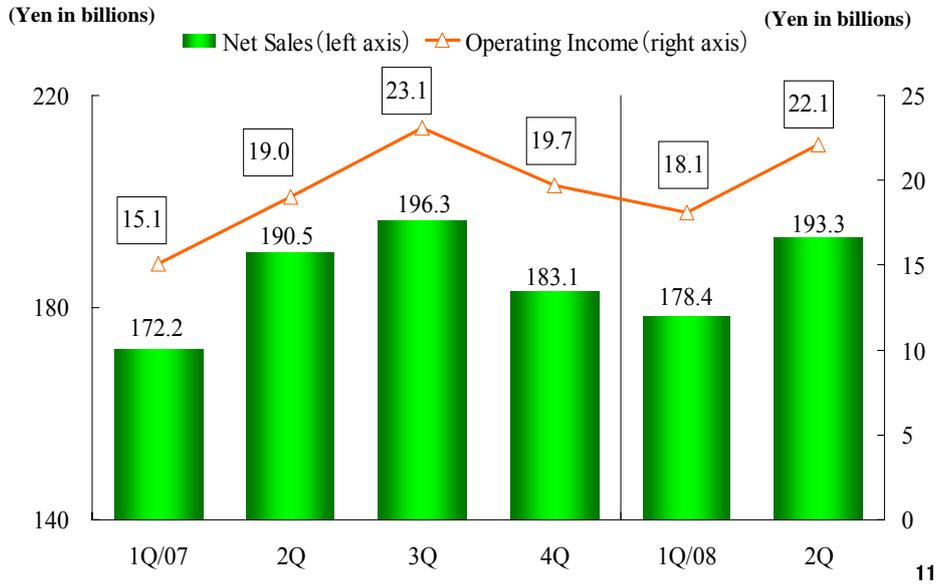
## Electronic/Optical Components

## Others

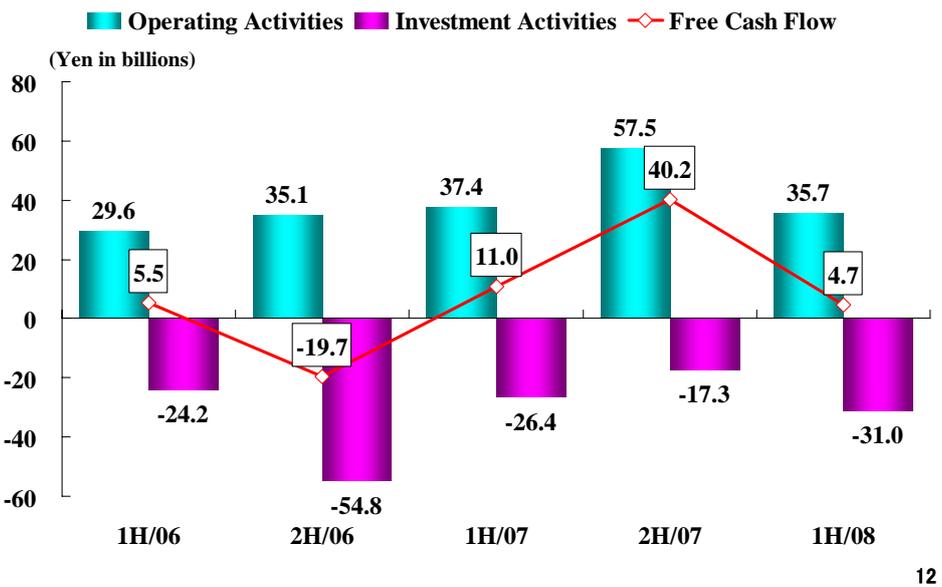


10

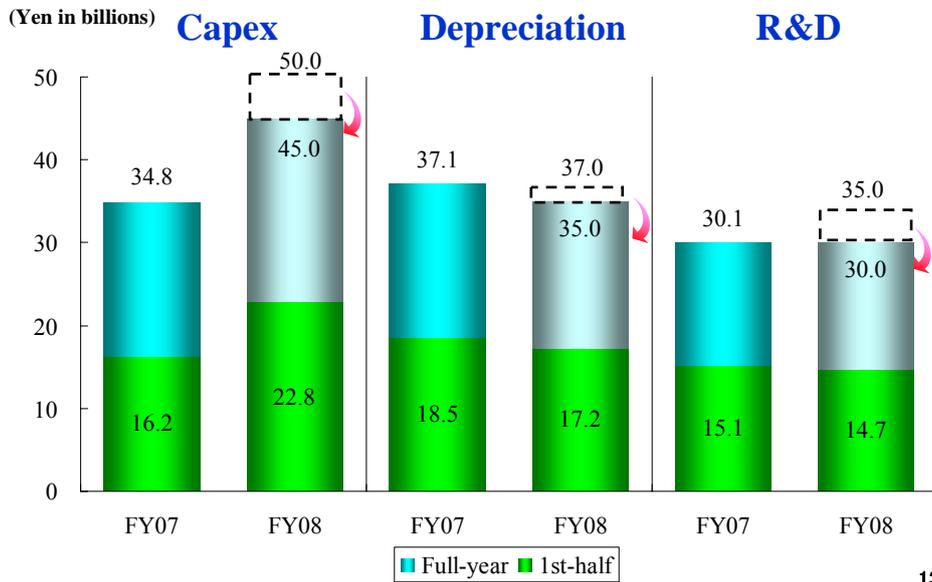
# Consolidated Quarterly Results



# Consolidated Cash Flow



## Capex, Depreciation and R&D



13

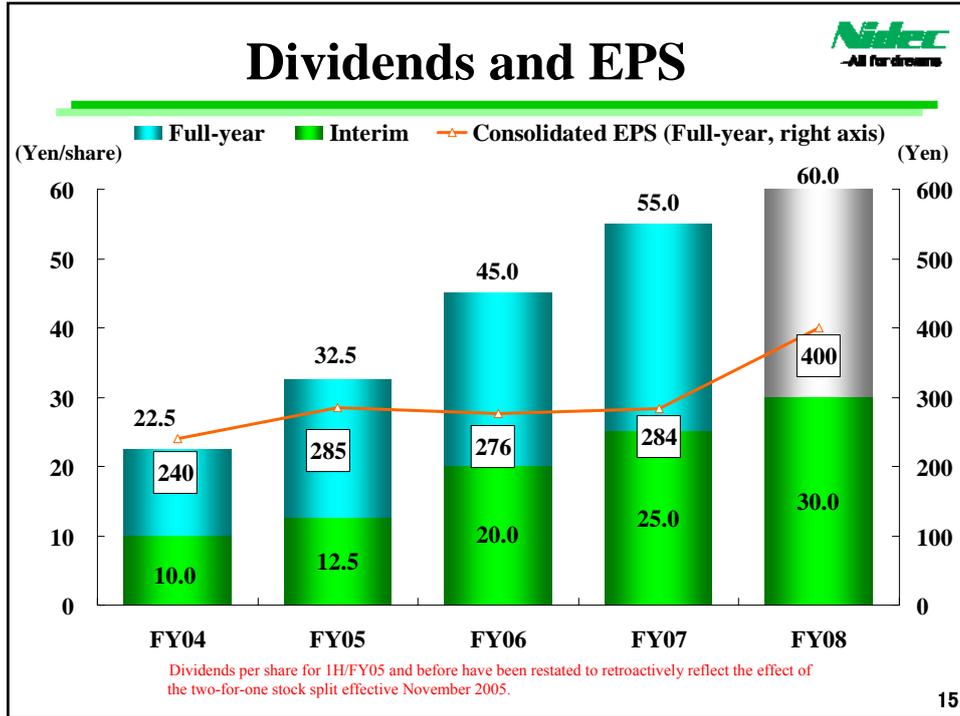
## FY2008 Forecast



(Yen in millions)

	1H Forecast	1H Actual	Full-year Forecast
Net Sales	375,000	371,658	800,000
Operating Income	40,000	40,218	90,000
Income before Tax	40,000	43,057	90,000
Net Income	26,000	27,840	58,000
EPS (Yen)	179.38	192.06	400.03
FX (Yen/US\$)	100.00	106.11	100.00

14



## Listed Subsidiaries -Results & Forecasts-

(Yen in millions)	Net Sales			Operating Income			Net Income		
	1H/2007 Actual	1H/2008 Actual	FY2008 Forecast	1H/2007 Actual	1H/2008 Actual	FY2008 Forecast	1H/2007 Actual	1H/2008 Actual	FY2008 Forecast
Nidec Sankyo	53,038	58,135	113,000	4,139	5,037	10,000	3,261	4,902	6,000
Nidec Copal	43,067	45,011	90,000	3,472	4,008	8,200	2,644	2,774	5,350
Nidec Tosok	12,346	13,477	27,000	808	1,191	2,500	464	713	1,400
Nidec Copal Electronics	16,375	15,667	33,400	1,772	1,887	4,500	1,074	1,063	2,600
Nidec Servo	17,491	15,474	28,000	425	1,225	2,100	357	1,007	1,700
Nidec-Read	4,507	5,557	10,000	812	1,170	2,000	501	714	1,250
<b>Total</b>	146,824	153,321	301,400	11,428	14,518	29,300	8,301	11,173	18,300

Financial data in the above table have been prepared under the generally accepted accounting standard in Japan.

16

## Business Segment Information

### Small Precision Motors

HDD Motors  
Other DC Motors  
Fan Motors

### Mid-size Motors

### Machinery

### Electronic & Optical Components

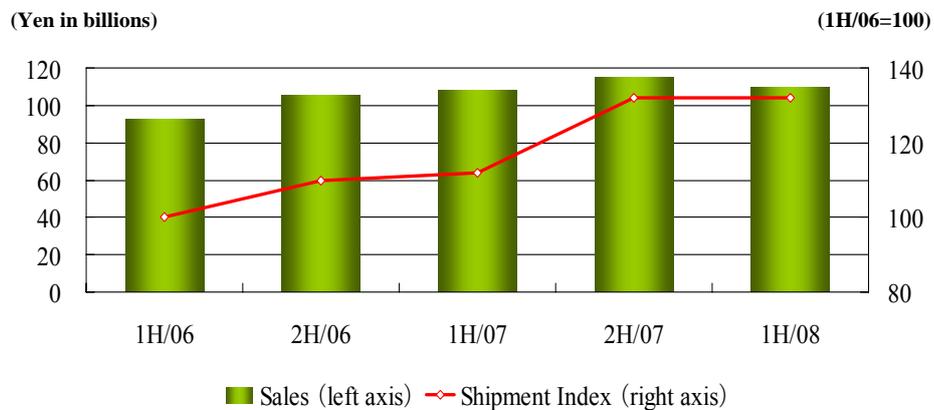
### Others

## HDD Motors: Results



### Shipments up 17% y/y; Sales up 2% y/y

- ▶ Sales growth unimpeded by a 11% yen appreciation
- ▶ Sales and shipments up  $\geq 40\%$  in the 2.5" form factor



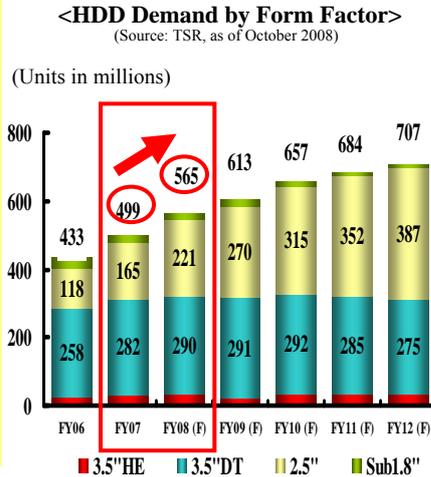
18

# HDD Motors: Strategy-1



## Double-digit Sales Growth Driven by Netbook

- HDD market maintaining a 13% annual growth on the strength of Netbook PCs and external drives
- Netbook 2.5" HDD Motors pushing up Nidec market share growth and product mix improvement
- Unrivalled market position built on decisive technical advantages



# HDD Motors: Strategy-2



## In-house Production & Competitive R&D

- **Cost Improvements**
  - ▶ Falling metal prices
  - ▶ Purchasing cost reductions
- **In-house Manufacturing**
  - ▶ Capacity buildup in base plate machining and die casting
- **Standardization & Automatization**
  - ▶ Model standardization
  - ▶ Parts commonallization
  - ▶ R&D focused on highly cost competitive models



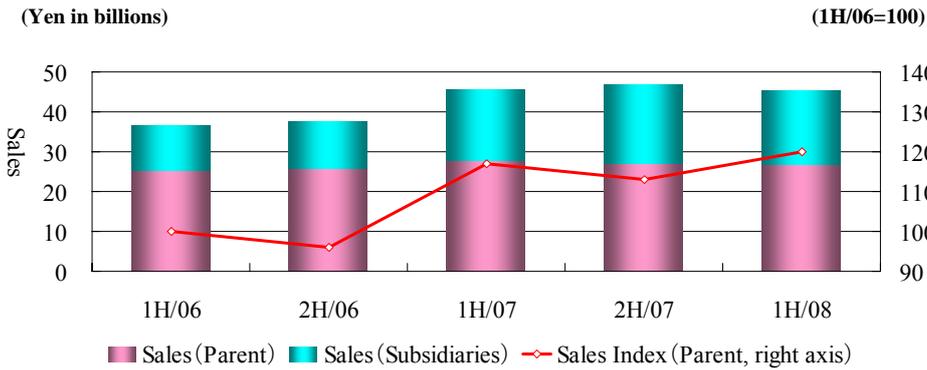
Completion: March 2009

# Other DC Motors: Results



## Sales down y/y due to yen's appreciation

- ▶ Record Nidec (parent) shipments
- ▶ Shipments up 2% y/y; Sales down 4% y/y



21

# Other DC Motors: Strategy



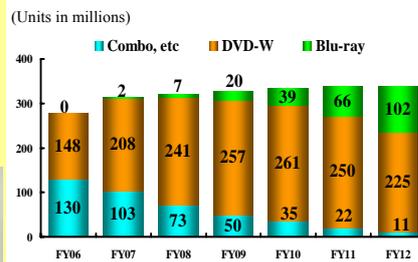
## Technical Lead & Patent Strength

- **Optical Disk Drive Motors**
  - ▶ Patent-backed competitive strength
  - ▶ New models directed to DVD-W/Blu-ray format
- **OA Equipment Motor**
  - ▶ Market share gains and mix shift toward high-value added models



- **Standard-type Motors**
  - ▶ Home appliances: -Steam oven  
-Induction heating cooker
  - ▶ OA Equipment: -Toner stirrer  
-Paper feed unit
  - ▶ Industrial/hobby-related

### <Optical Disk Motor Demand>



(Source: TSR)

### ECU-equipped Optical Disk Drive Motor (Slim-type)



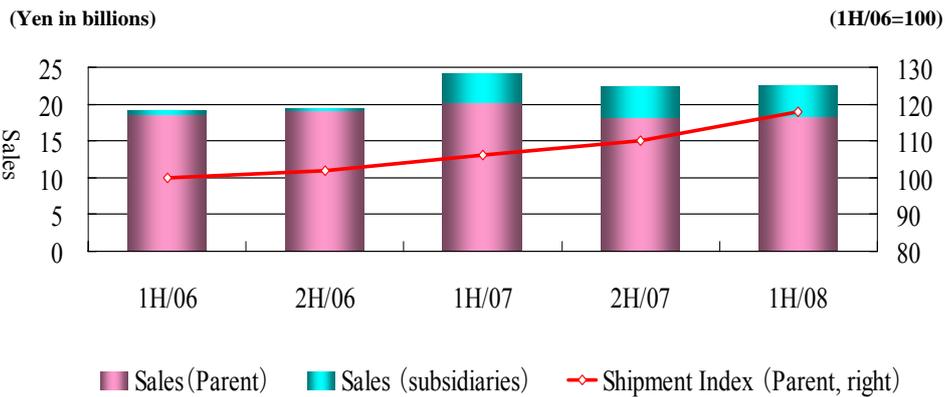
22

# Fan Motors: Results



## Sales down 7% y/y due to yen's appreciation

- ▶ Record Nidec (parent) shipments
- ▶ Mix shift toward standard-type fan and high-value lines

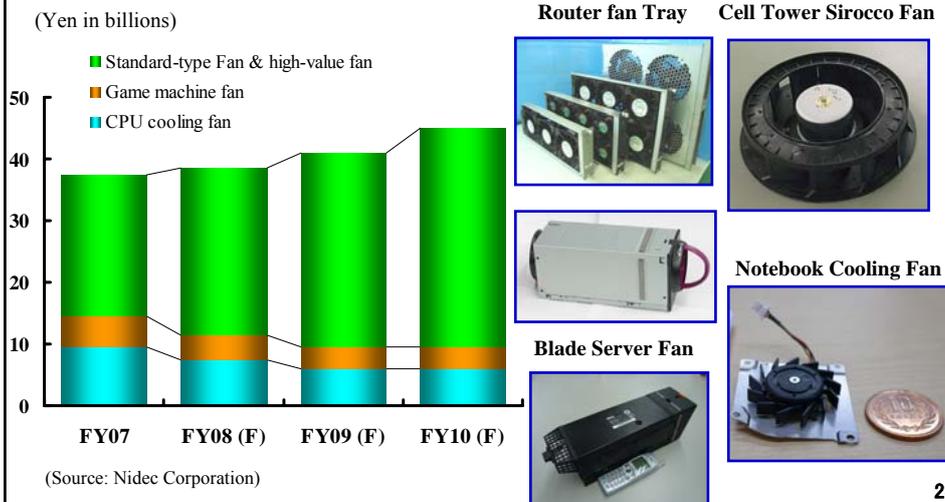


23

# Fan Motors: Strategy



## Mix Shift towards High-value Products



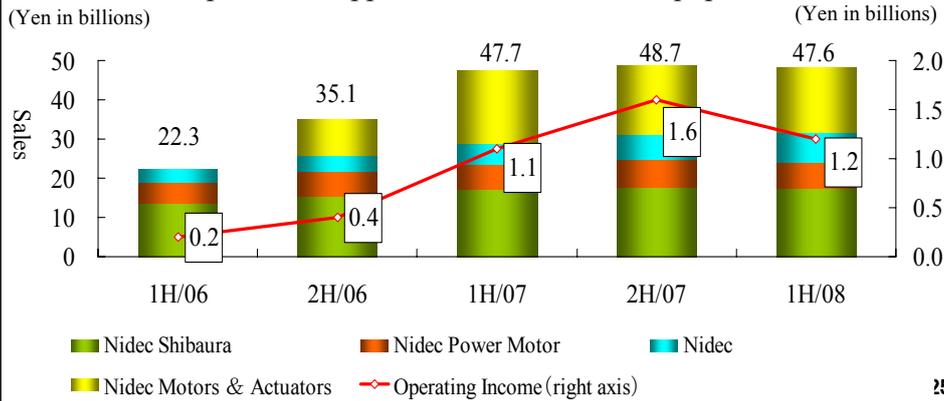
24

# Mid-size Motors: Results



## Sales down slightly y/y; Operating income up 10% y/y

- ▶ EPS (Electric Power Steering) motor sales up 30% y/y
- ▶ NMA (Nidec Motors & Actuators) sales pulled down by weakness in the E.U. market.
- ▶ Sales up in home appliances and industrial equipment



25

# Mid-size Motors: Strategy-1



## Automotive Brushless Motors

### ■ EPS Motors

- ▶ Customer adoption picking up across car brands
- ▶ Anti-cog technology
- ▶ Industry-leading compactness and lightness

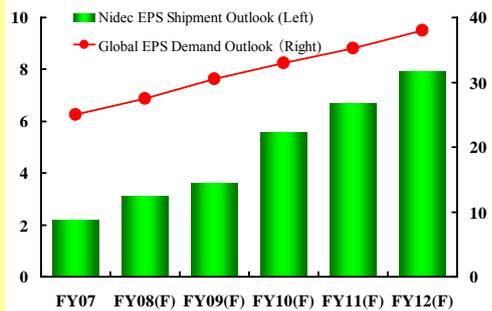
### ■ New Applications

- ▶ Dual-clutch Transmission (DCT) motor extending reach beyond the existing 2 backlog customers
- ▶ Need for better fuel-economies and eco-friendliness turning auto components makers Brushless motors seeking new drive solutions

R&D Center (Shiga, Japan) increasing engineers to 1,500 by FY2012

## <Nidec EPS Motor Demand Outlook>

(Units in millions)



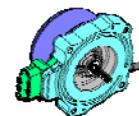
DCT Motor



Hybrid-Car Oil Pump Motors



Biofuel Pump Motors



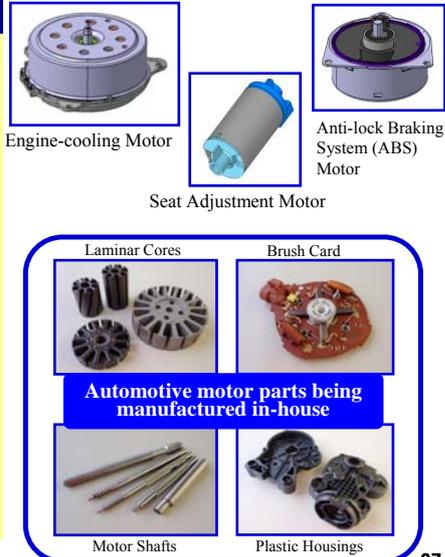
26

## Mid-size Motors: Strategy-2



### Nidec Motors & Actuators (“NMA”)

- **New product rollouts leveraging Nidec expertise**
  - ▶ Lighter, smaller magnetic circuit using own design
- **In-house parts production driving profitability**
  - ▶ Competitive molding/process technology (Nidec Dalian, China)
  - ▶ Pressed/plastic-molded/machined parts supplied to NMA’s manufacturing plants



27

## Mid-size Motors: Strategy-3



### Home Appliance/Industrial Motors

- **Home Appliance Motors**
  - ▶ Air-conditioning motor driving deeper into the overseas markets
  - ▶ All-seasons models extending sales reach
- **Industrial Motors**
  - ▶ Gaining a firm foothold in the green products market
  - ▶ Standard-type motor targeted at overseas customers



28

# Machinery: Results

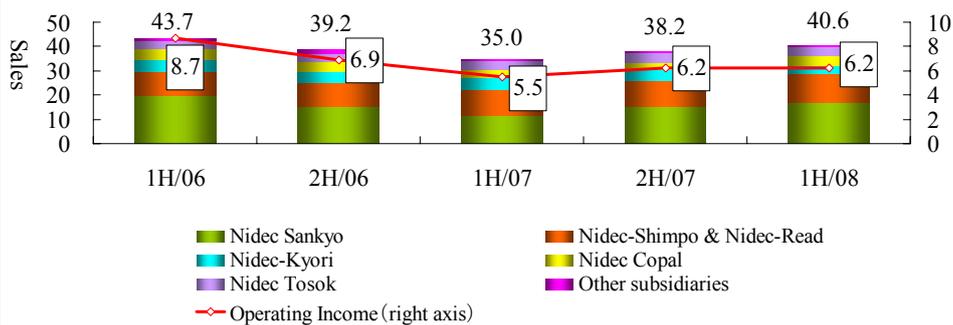


## Sales up 16% y/y; Operating Income up 12% y/y

- ▶ Nidec Sankyo industrial robots spearheading sales increase
- ▶ Nidec Copal industrial equipment sales up 30% y/y

(Yen in billions)

(Yen in billions)



29

# Machinery: Strategy



## Industrial Robots

### Large-size LCD Panel Handling & Clean-room Operations

- ▶ New order intake starting on the  $\geq 10G$  platform
- ▶ Own design for operations in a vacuum environment

## Inspection Equipment

### New Markets, New Customers

- ▶ Testers and jigs targeted at the Chinese and ASEAN markets
- ▶ Entry into the market for optical testing equipment and solar cell-associated products



11G-adaptable LCD Panel Handling Robot



Semiconductor wafer handling robot



Thin-film solar panel handling robot



Print Circuit Board Tester



Solar Cell Tester

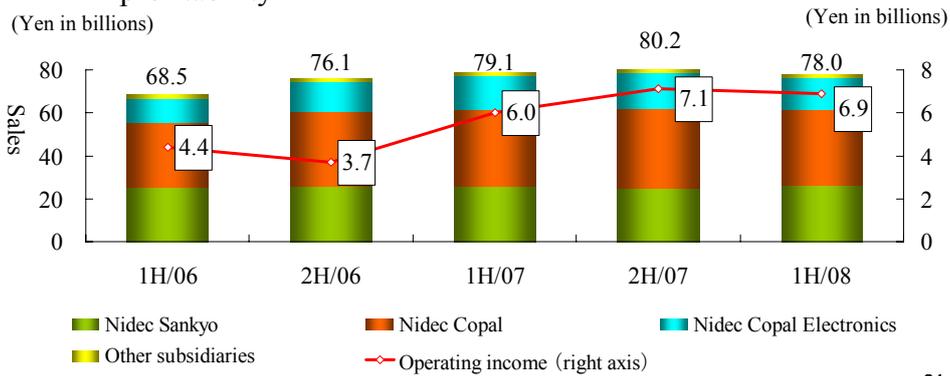
30

## Electronic & Optical Components: Results



### Sales down 2% y/y; Operating Income up 15% y/y

- ▶ Precision press parts marking double-digit sales growth; Optical components sales slow down.
- ▶ Improved yield of camera shutter production pushing profitability



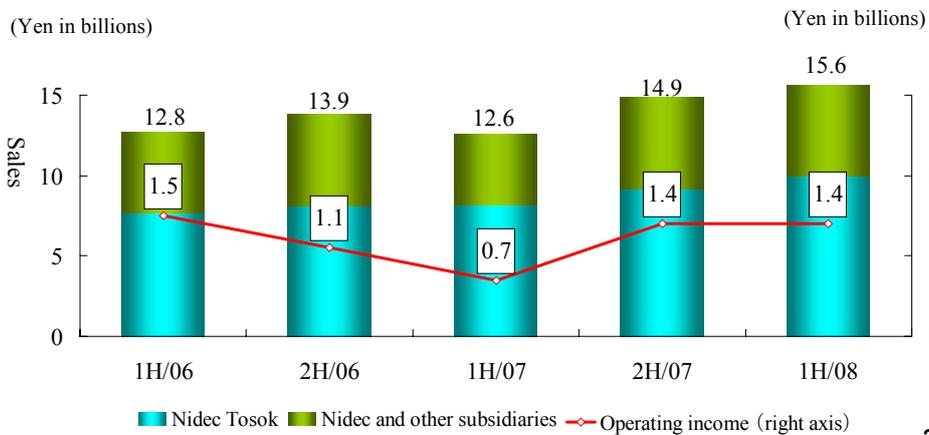
31

## Others: Results



### Record Sales

- ▶ Auto parts and pivot assemblies up 20% y/y in sales
- ▶ Improved productivity of auto parts



32

## Electronic/Optical Components & Others: Strategy

### Electronic/Optical Components

- DSC Shutters/Lens Unit & Cellphone Lens Unit

Technical differentiation

High-value added applications

- Home Appliance Unit

Production capacity increase  
R&D shift to high-value added products

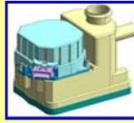
Overseas sales expansion & profit growth



Camera Shutter  
(with Image Stabilizer)



Air-conditioner  
Filter Cleaning Unit



Drum-type Washing Machine  
Water Pump Unit

### Others

- CVT control valve

Volume boost for compact car use

Continued drive for the auto parts business

- HDD pivot assembly

Aggressive cost-cutting  
Productivity improvement

Profit growth



CVT Control Valve



HDD Pivot Assemblies

33

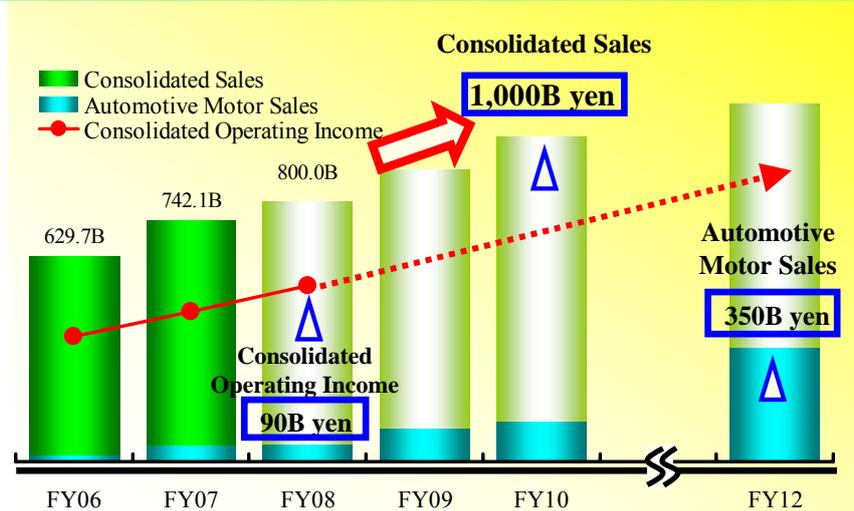
## Mid-term Outlook

34

# Mid-term Target



## M&A Driving Top-line Growth Further Forward



35

# M&A Proposals



## Fuji Electric Holdings (“FHC”)

Memorandum of Understanding signed on October 1, 2008

- **Capital Alliance Agreement**  
**Middle of December 2008**
- **Joint Venture Company**  
**Nidec Fuji Motor**  
(formerly Fuji Electric Motor Group)
- **Date of Establishment**  
**January 1, 2009**
- **Ownership Ratio**  
**Nidec: 60%**  
**Fuji Electric Systems: 40%**  
(FHC Subsidiary)

## Toyo Denki Seizo K.K. (“TDS”)

Capital Alliance Proposal sent to TDS in September 2008

TDS Profile (as of May 31, 2008)

- **Establishment**  
**June 20, 1918**
- **Paid-in Capital**  
**4,483 million yen**
- **Number of Shares Outstanding**  
**46,575 thousand shares**
- **Number of Shareholders**  
**8,222**
- **Number of Employees**  
**669**

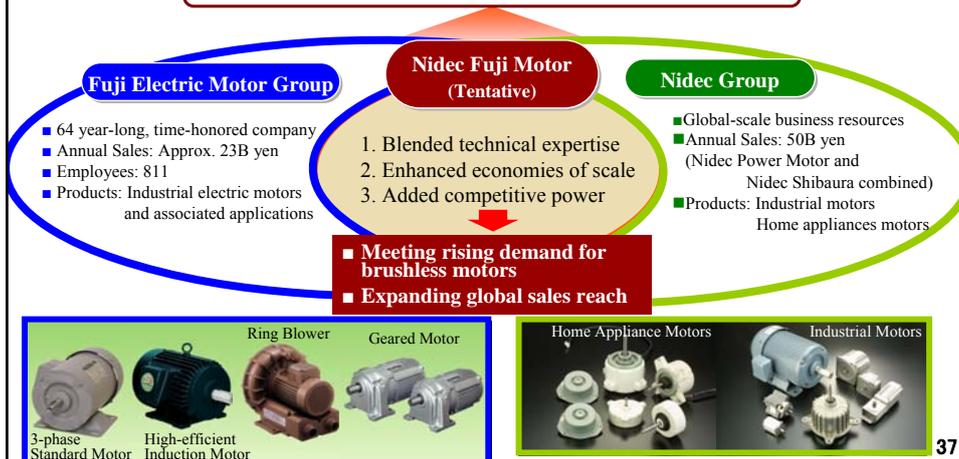
36

# New Edge for Industrial Motor Business



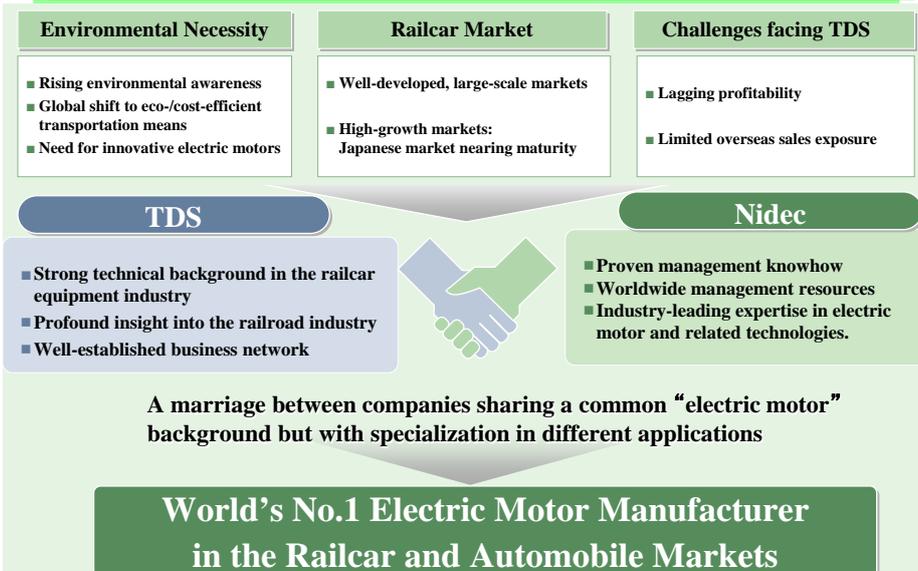
## Launching into Global Market with Added Strength

Home Appliances Motors & Industrial Motors  
**FY2010 Combined Target Sales :100B Yen**



37

# Prospective Synergy with TDS



38



All for dreams

---

**Nidec IR**

<TEL>           **075-935-6140**  
<E-mail>       **ir@jp.nidec.com**  
<Website>      **<http://www.nidec.co.jp/>**