



**Financial Results for the 3rd
Quarter Ended Dec. 31, 2005**
< U.S. GAAP-based >

February 1, 2006

NIDEC CORPORATION
www.nidec.co.jp/english/index.html



Financial Results for the 3rd Quarter Ended Dec. 31, 2005
【U.S. GAAP-based】

Summary of Q3/FY2005

- Record quarter in Sales and Net Income
- HDD motor Sales up 29% Y/Y on record shipments
- Operating Income from “Small Precision Motors” up ¥2.1 billion Y/Y
- Operating Income from “Mid-size Motors”, “Machinery”, “Electronic and Optical Components” and “Others” down ¥1.7 billion in total Y/Y.

This presentation materials and the answers to your questions 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 hereof.

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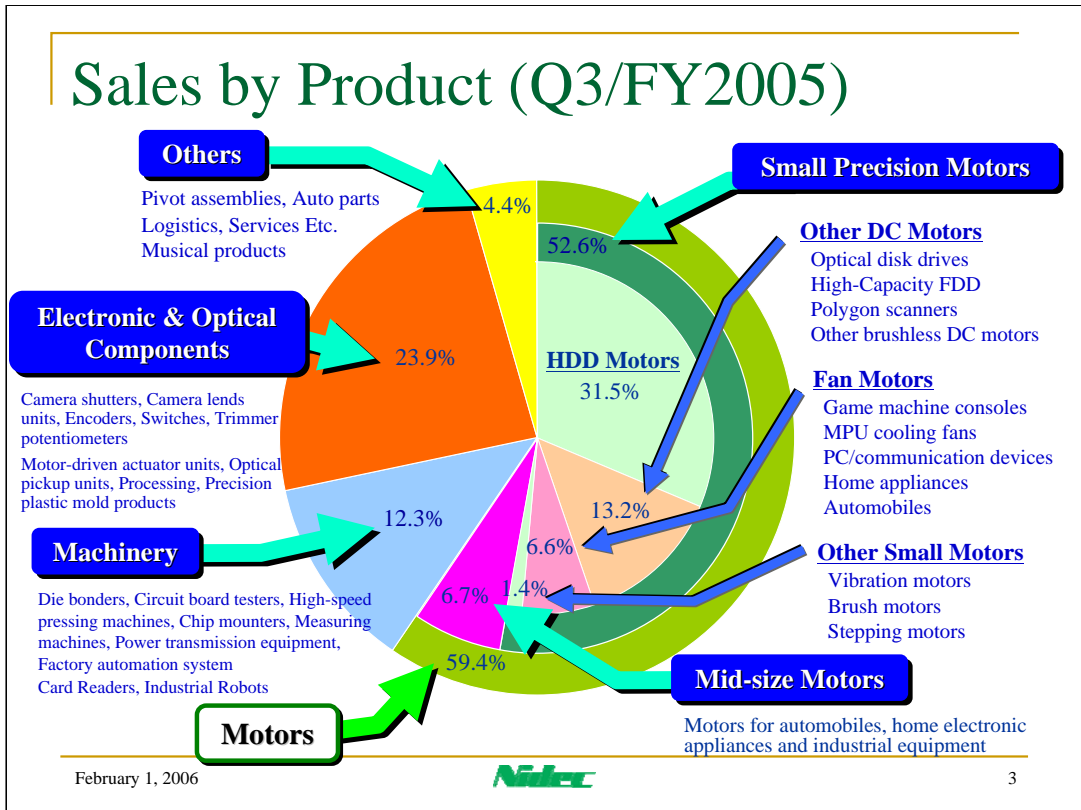


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Summary of Q3/FY2005

Nidec exited the third quarter ended December 31, 2005 (as hereinafter referred to as 3Q) with record quarterly sales and net income.

Sales of HDD motors, our core products, increased 29% Y/Y to a new quarterly high on record shipments, contributing to a ¥2,100 million Y/Y increase in operating income from "Small Precision Motors." Operating income from the remaining four business segments, "Mid-size Motors", "Machinery", "Electronic and Optical Components" and "Others" combined, decreased ¥1,700 million Y/Y.



Sales by Product (Q3/FY2005)

As of the end of the quarter, sales from our motor business consisting of "Small Precision Motors" and "Mid-size Motors" accounted for approximately 59.4% of total sales. Sales from "Machinery", "Electronic and Optical Components" and "Others" represented 12.3%, 23.9%, and 4.4%, respectively.

Profit/Loss - year on year -

| (Yen in millions) | FY04Q3 | FY05Q3 | Change | April-Dec. 9 Months | FY05 Forecast |
|---------------------------------------|-------------------|-------------------|--------|------------------------|------------------|
| Net sales | 128,224 | 136,729 | +6.6% | 392,903 | 520,000 |
| Operating income (OP Income ratio) | 14,481 (11.3%) | 15,003 (11.0%) | +3.6% | 40,081 (10.2%) | 55,000 10.6% |
| EBIT | 12,182 | 19,638 | +61.2% | 49,825 | 60,000 |
| Net income | 8,096 | 12,124 | +49.8% | 32,525 | 40,000 |
| EPS (¥) | 57.3* | 84.4 | +47.3% | 227.3 | 279.8 |
| Foreign Exchange (¥/\$) | | | | | |
| Average: | ¥106.0 | ¥117.4 | +10.7% | | |
| Term end: | ¥104.2 | ¥118.1 | +13.3% | | ¥105.0 |

* Restated to retroactively reflect the effect of two-for-one stock split for shareholders of record as of Sep. 30, 2005

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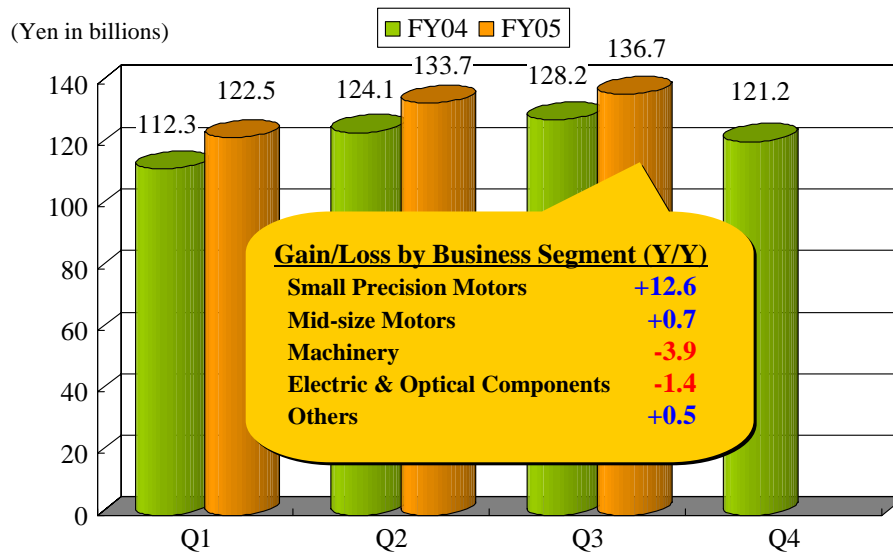
Profit/Loss –year on year-

Consolidated results for the nine months ended December 31, 2005 continued to show increase in sales and profits as compared to the same period of the previous year, following increases in the interim results. Accumulated net sales were ¥392,903 million, an increase of 7.8% as compared to the same period of the previous year and operating income was ¥40,081 million, an increase of 3.9%. Consolidated net income also increased by 34.7% to ¥32,525 million.

Net sales for the three months ended December 31, 2005 were ¥136,729 million, an increase of ¥8,505 million, or 6.6%, as compared to the three months ended December 31, 2004. Operating income increased by ¥522 million, or 3.6%, to ¥15,003 million while income before provision for income tax increased by ¥7,456 million to ¥19,638 million. As a result, net income increased by ¥4,028 million to ¥12,124 million.

As compared to the results for the three months ended September 30, 2005, net sales increased by ¥3,054 million, or 2.3%. Operating income decreased by ¥473 million, or 3.1%. Net income increased by ¥517 million, or 4.5%.

Consolidated Quarterly Sales



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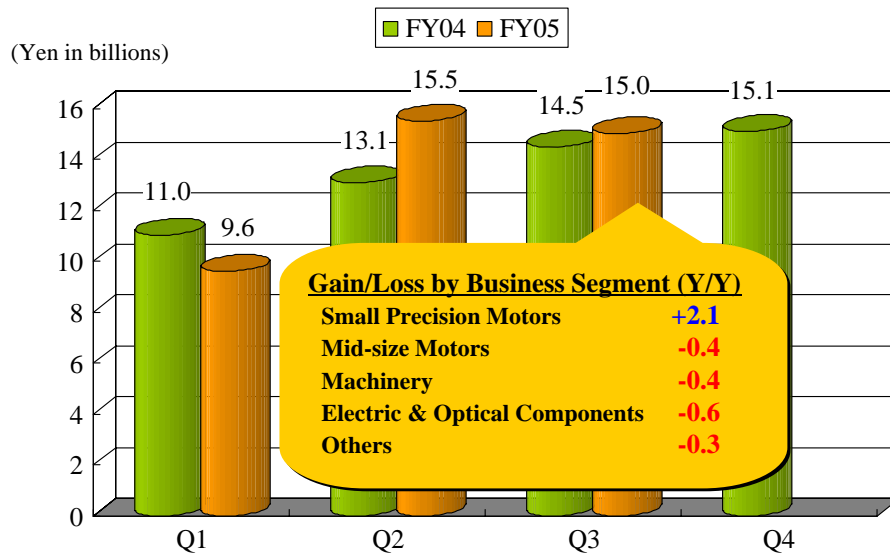


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Consolidated Quarterly Sales

Net sales of the entire group increased by ¥8,505 million, or 6.6% for the three months ended December 31, 2005, but the results were unbalanced as net sales of small precision motors increased ¥12,619 million, while net sales of machinery and electronic and optical components decreased as compared to the same period of the previous year.

Consolidated Quarterly Operating Income



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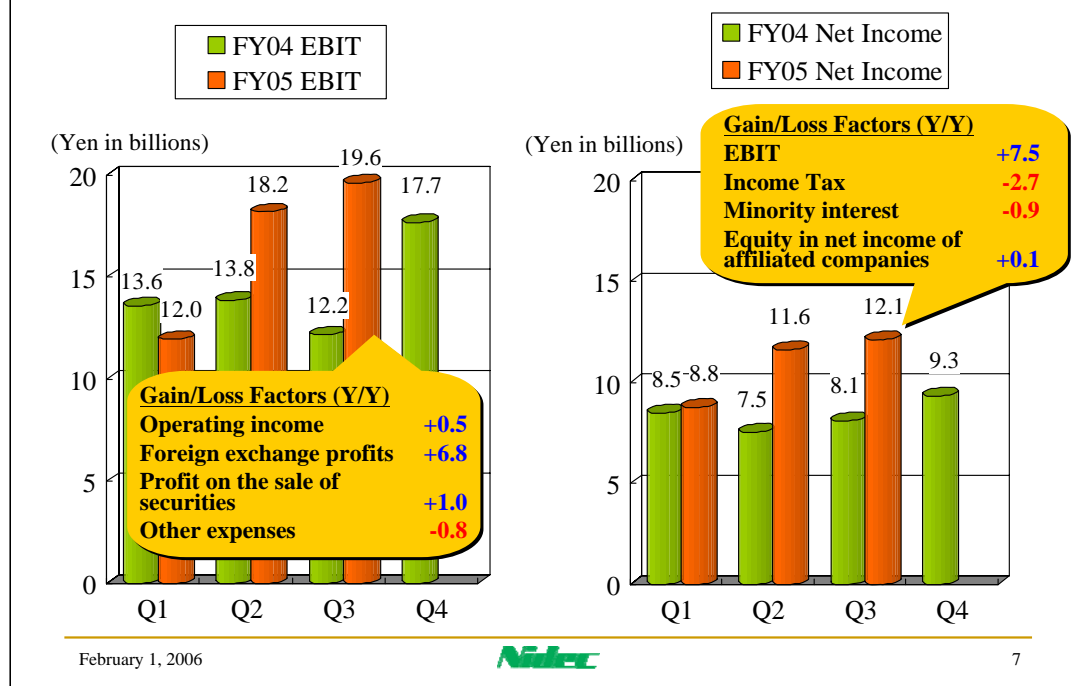


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Consolidated Quarterly Operating Income

As for income, operating income for the three months ended December 31, 2005 increased by slightly more than ¥500 million, or 3.6%, to ¥15,003 million as compared to the three months ended December 31, 2004. We recorded unbalanced results, as profit from small precision motors increased by slightly more than ¥2,100 million, while all the other segments recorded a decrease in profit.

Consolidated Quarterly EBIT & Net Income



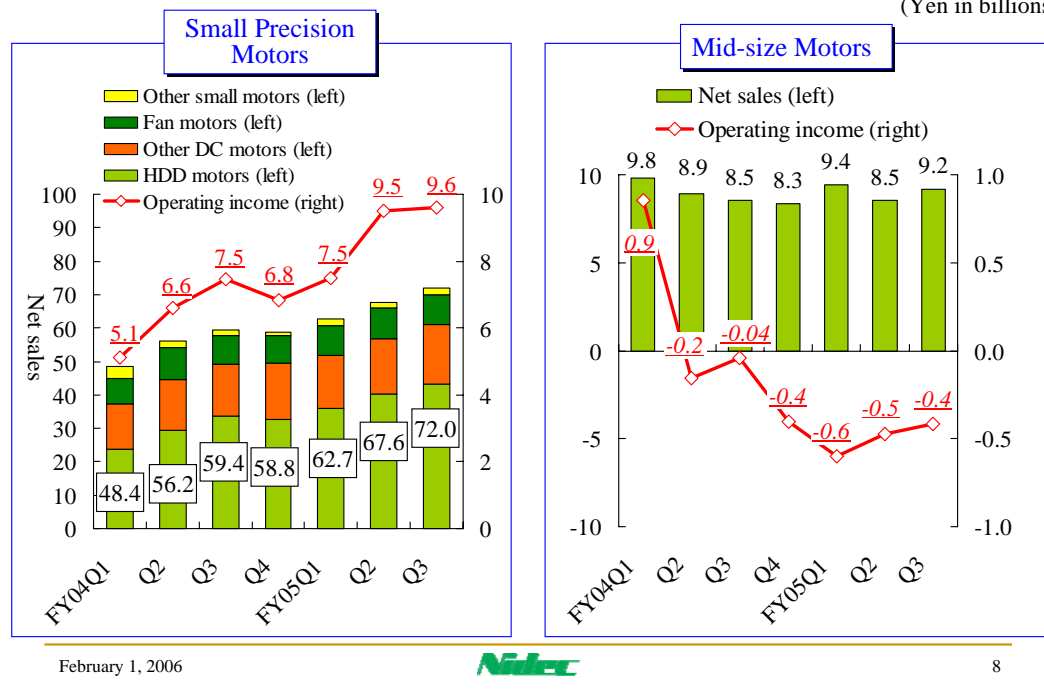
Consolidated Quarterly EBIT & Net Income

Income before provision for income tax for the three months ended December 31, 2005 increased by ¥7,456 million to ¥19,638 million as compared to the three months ended December 31, 2004, as a result of an increase of ¥6,752 million in foreign exchange profits (together with a decrease in foreign exchange losses in the previous period) in non-operating income and an increase of ¥1,025 million of profit on the sale of securities.

Net income for the three months ended December 31, 2005 increased by ¥4,028 million to ¥12,124 million as compared to the three months ended December 31, 2004. Provision for income tax increased ¥2,679 million and minority interest in income of consolidated subsidiaries increased approximately ¥865 million. An increase in income taxes was due to an increase in taxable income in Japan as a result of increases in foreign exchange profits and profit on the sale of securities. In addition, the increase in minority interest in income was due to the increase in income of Nidec Sankyo.

Business Segment Results---1

(Yen in billions)



Business Segment Results—1<Small Precision Motors and Mid-size Motors>

Net sales of the “small precision motors” segment for the three months ended December 31, 2005 increased by ¥12,619 million, or 21.3%, to ¥71,971 million, as compared to the three months ended December 31, 2004.

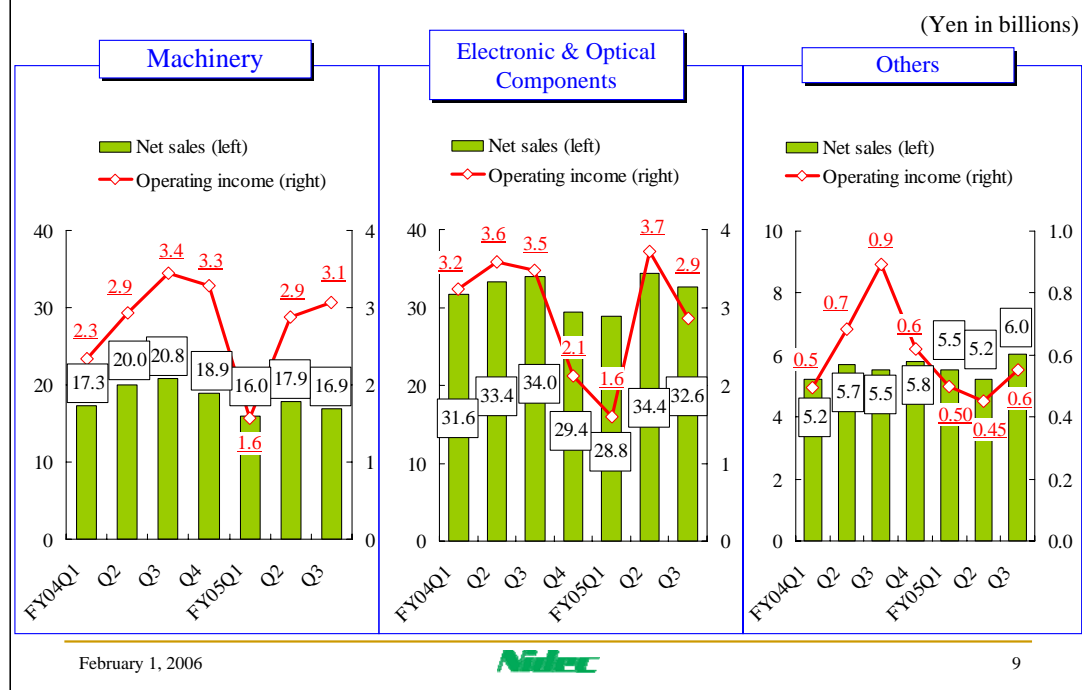
In the “small precision motors” segment which recorded a profit increase, profit for the three months ended December 31, 2005 expanded as a result of strong demand for hard disk drives spindle motors and optical disk drives motors. Therefore, while sales and profits continued to increase, towards the end of the period, acceptance by clients of hard disk drives spindle motors, our core product, slowed down, particularly 2.5-inch motors, a profit-earning model and there was a sales decrease of 1-inch micro drive spindle motors, which impacted income. As the sales and income for the three months ended December 31, 2004 remained at a rather high level, the margin of improvement in income was smaller than we expected.

Net sales of the “mid-size motors” segment for the three months ended December 31, 2005 increased by 7.7% to ¥9,195 million as compared to the three months ended December 2004.

Net sales of automobile-directed motors accounted for approximately ¥500 million, or approximately 60% of the increase. Sales of motors both for home appliances and industrial use also increased slightly.

In the “mid-size motors” segment, we vigorously promoted improvement activities for achieving restoration of profitability in the three months ended December 31, 2005, but we were unable to fully absorb the cost increase of steel materials and copper wires, which continued until the first quarter of this fiscal year, as well as the research and development expenses for motors for automobiles and the burden of investment in expansion of production capacity in China.

Business Segment Results---2



Business Segment Results—2 <Machinery, Electronic & Optical Components and Other>

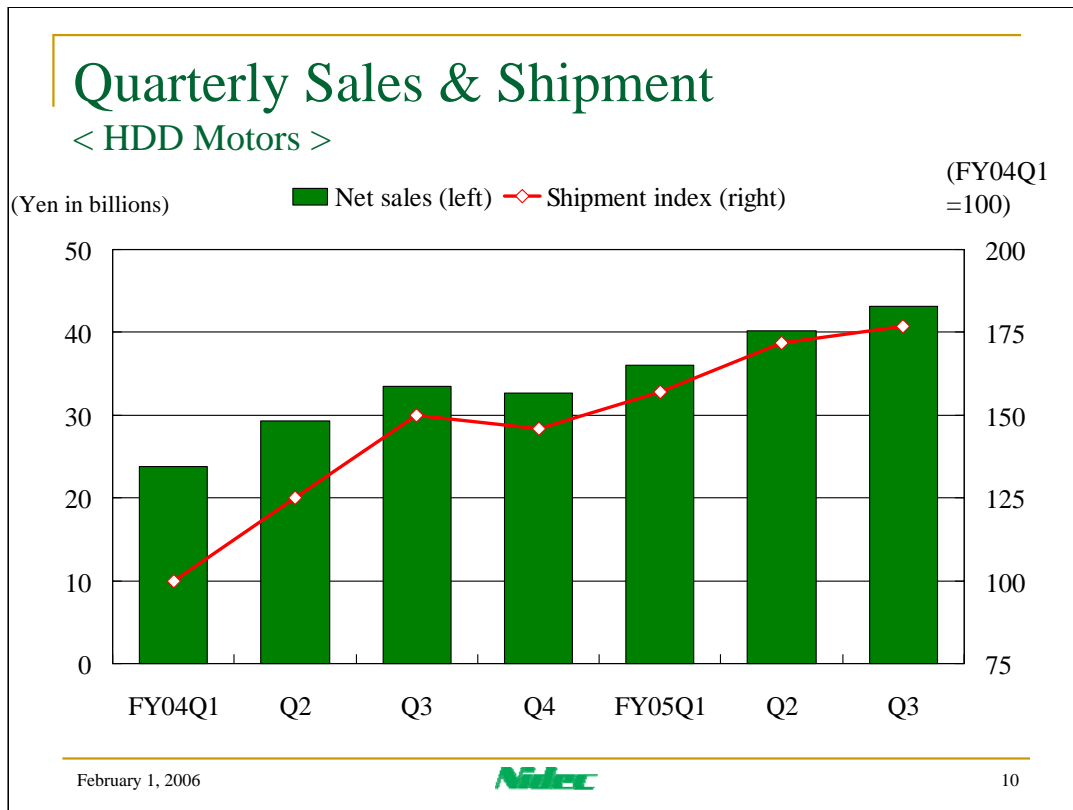
Net sales of the “machinery” segment for the three months ended December 31, 2005 largely decreased by approximately ¥3,909 million to ¥16,886 million as compared to the three months ended December 31, 2004. In this business segment, net sales also decreased in the interim period as compared to the same interim period of the previous year and in the three months ended December 31, 2005, recovery was generally slow. The largest factor for a decrease in the three months ended December 31, 2005 as compared to the three months ended December 31, 2004 was the decrease in the sales of robot-related products of Nidec Sankyo.

A decrease in operating income in the “machinery” segment for the three months ended December 31, 2005 as compared to the three months ended December 31, 2004 was mainly due to the decrease in sales of laboratory systems of Nidec Copal and the decline in profit of power transmissions of Nidec-Shimpo. While the decrease in sales of robot systems of Nidec Sankyo was significant, it was not a factor for a decrease in profit.

Net sales of the “electronic and optical components” segment for the three months ended December, 2005 decreased by ¥1,386 million to ¥32,640 million, as compared to the three months ended December 2004. The decrease of approximately ¥1,200 million, or 42%, in controlling rotating equipment made by Nidec Copal Electronics was the largest factor for a decrease in this segment. Net sales of lens unit-related products also decreased by approximately ¥800 million, or 16%, due to the delay in the start-up of new products.

Decrease in income as a result of a sales decrease in the highly profitable controlling rotating equipment of Nidec Copal Electronics was the largest factor in the decrease in operating income of “electronic and optical components.” In the lens units of Nidec Copal, a significant income decrease was also recorded.

Net sales of the “other” segment for the three months ended December 31, 2005 increased by ¥524 million to ¥6,037 million as compared to the three months ended December 31, 2004. The increase was mainly due to the sales increase of automobile parts of Nidec Tosok and pivot assemblies.



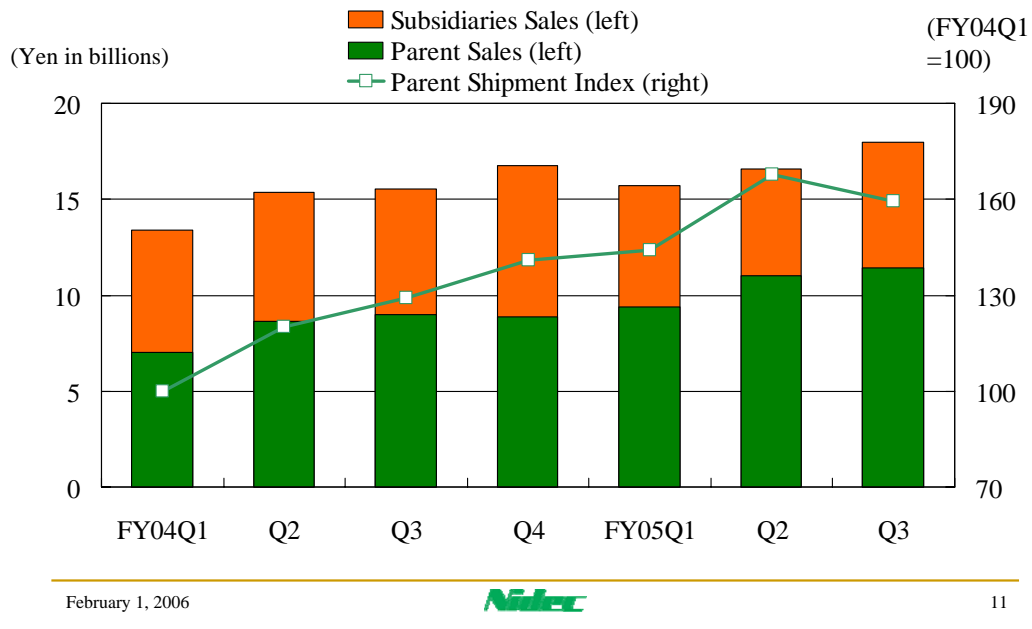
Quarterly Sales & Shipment <HDD Motors>

Net sales of hard disk drives spindle motors increased by approximately ¥9,600 million, or approximately 29%, and unit shipments increased by slightly more than 18%. The average sales price increased by approximately 9% in yen-based sales, but the price decreased by around 2% in a dollar-based sales, coupled with a depreciation in the yen.

Additionally, sales of hard disk drives spindle motors generally progressed steadily in the current quarter, but towards the end of the period, unit shipments rapidly decreased at JIT warehouses due to a shortage of certain materials experienced by customers and adjustments related to transition to new models as well as a sales decrease of micro drive spindle motors during the three months ended December 31, 2005. As a result, sales quantity increased by approximately 3% as compared to the last quarter. The shortage of materials and adjustments also significantly affected sales of 2.5-inch motors, and there was a considerable impact not only on net sales but also on income.

Quarterly Sales & Shipment

< Other DC Motors >

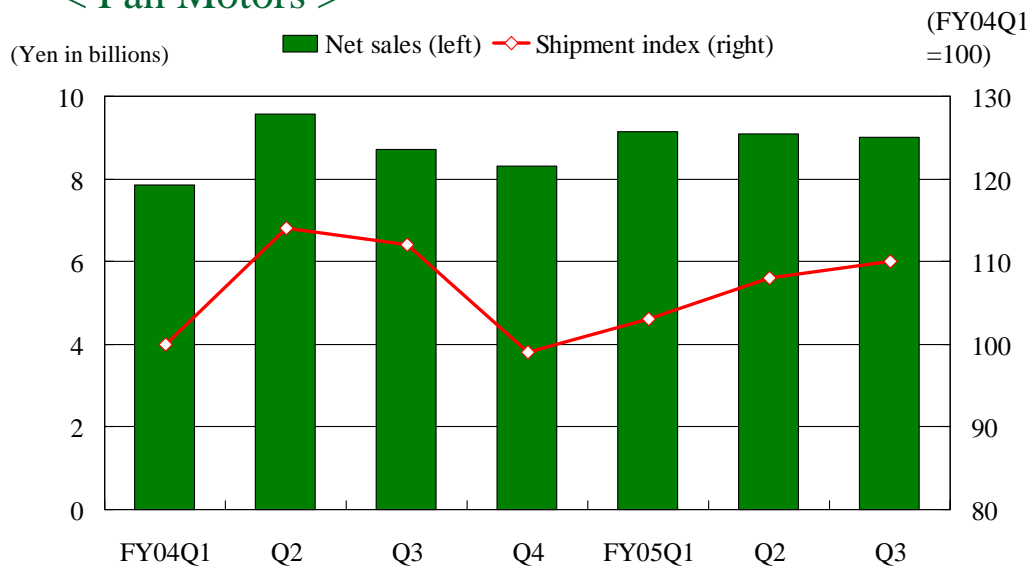


Quarterly Sales & Shipment <Other DC Motors>

Net sales of DC motors increased by approximately ¥2,500 million, or 16%. This increase was due to a sales increase of the products of Nidec Corporation and its direct-line subsidiaries, and DC motors traded by Nidec Sankyo leveled off. Therefore, only DC motors traded by Nidec Corporation and its direct-line subsidiaries, mainly consisting of optical disc motors, increased by slightly more than 27%.

Quarterly Sales & Shipment

< Fan Motors >



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Quarterly Sales & Shipment <Fan Motors>

Net sales of fan motors increased approximately ¥300 million, or 3%.