



Nidec Corporation

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Financial Results for the Year Ended March 31, 2006

< U.S. GAAP >

April 26, 2006

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

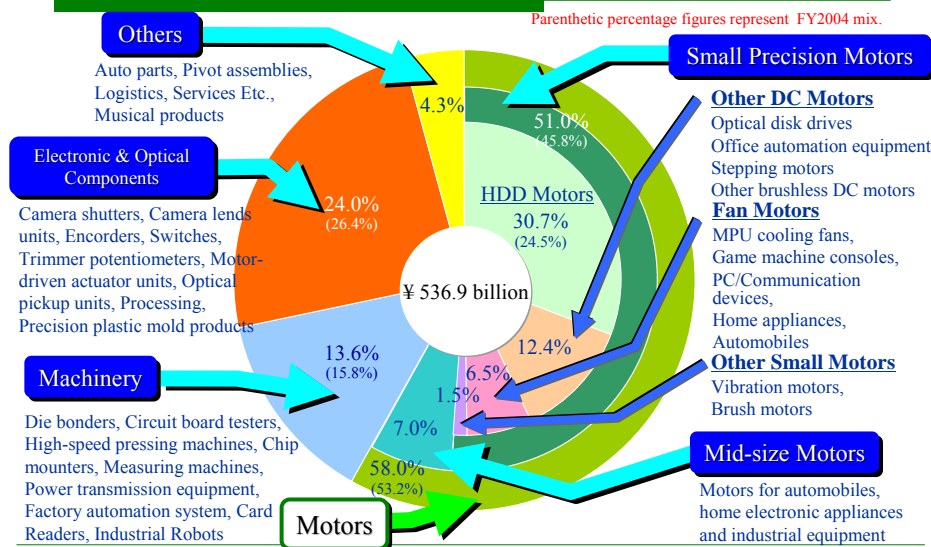


Summary of FY2005

- Sales, EBIT, Net Income and EPS **hit record highs**, surpassing original forecasts
- Annual Dividends per share **up ¥20* to ¥65***
- “Small Precision Motors” Up 23% in Sales, 37% in Operating Income driven by **strong HDD Motor demand**
- “Mid-size Motors” **incurred loss mainly due to increased R&D expenses** on automotive motors
- “Machinery,” “Electronic & Optical Components” and “Others” **lowered profits partly because of delay in new product ramp-up.**

*A two-for-one stock split was implemented for shareholders of record as of Sep. 30, 2005. The data indicate dividends per share on a pre-split basis.

Sales by Business Segment (FY2005)



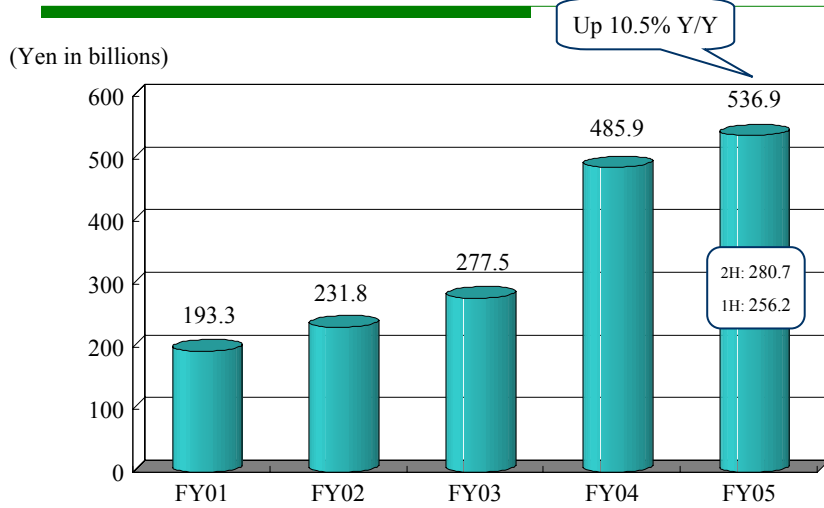
Profit/Loss

(Yen in millions)	FY03	FY04	FY05	Change
Net Sales	277,497	485,861	536,858	+10.5%
Operating income (OP Income ratio)	22,015 (7.9%)	53,665 (11.0%)	53,426 (10.0%)	-0.4%
EBIT	19,639	57,290	64,378	+12.4%
Net Income	16,089	33,455	40,949	+22.4%
EPS (¥)	251.14	479.74	570.94*	+19.0%
FX (¥/\$)				
Average:	113.07	107.55	113.31	+5.4%
Term end:	105.69	107.39	117.47	+9.4%

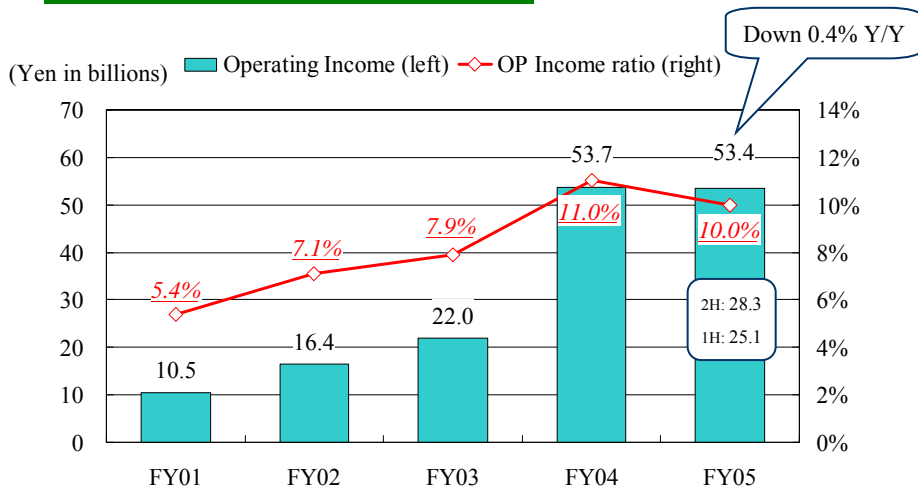
Impact of FX rate change: (Y/Y)
FX gain: +¥5.5 billion

* A two-for-one stock split was implemented for our shareholders of record as of Sep. 30, 2005. The indicated EPS has been calculated on a pre-split basis. On a post-split basis, this translates into 285.47 yen per share.

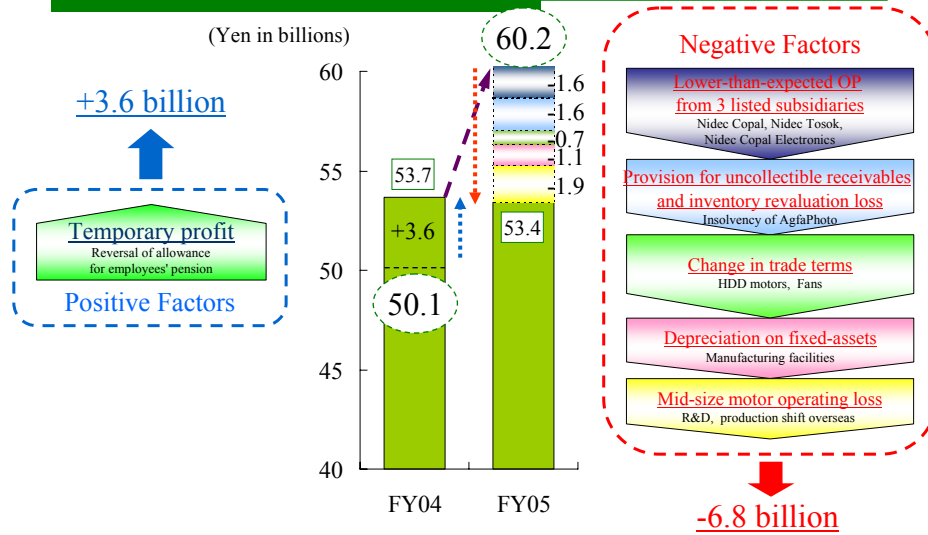
Consolidated Net Sales



Consolidated Operating Income & Operating Income Ratio



Factors in Operating Income change (Y/Y)

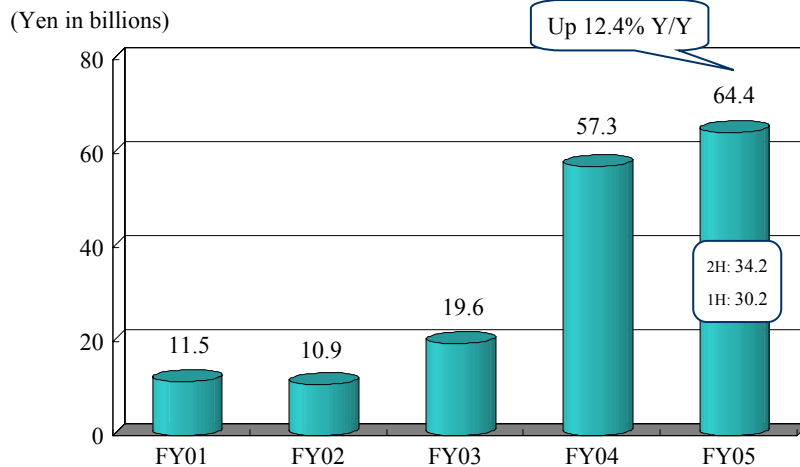


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Consolidated Income Before Tax

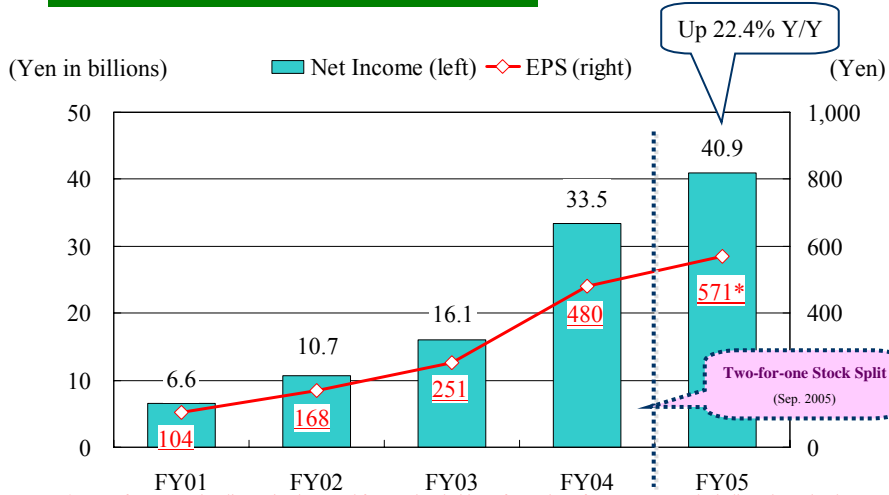


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Consolidated Net Income & EPS



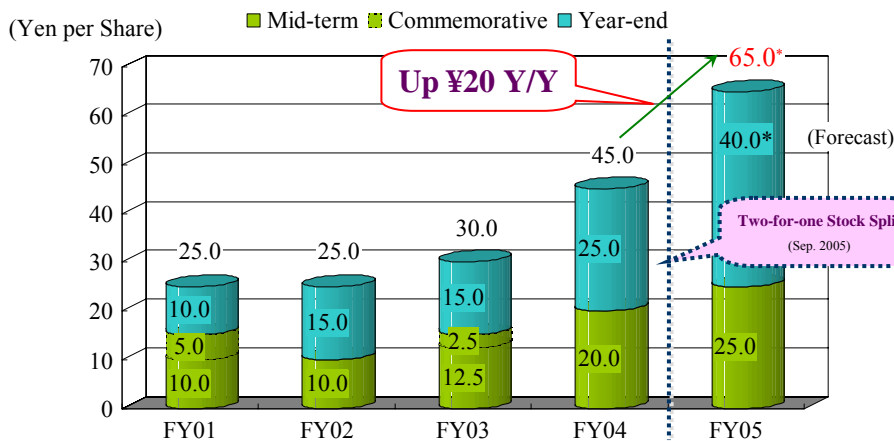
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Annual Dividends Per Share



* A two-for-one stock split was implemented for our shareholders of record as of Sep. 30, 2005. The indicated data indicate dividends per share on a pre-split basis. On a post-split basis, the year-end and annual dividends per share translate into 20 yen, and 45 yen, respectively.

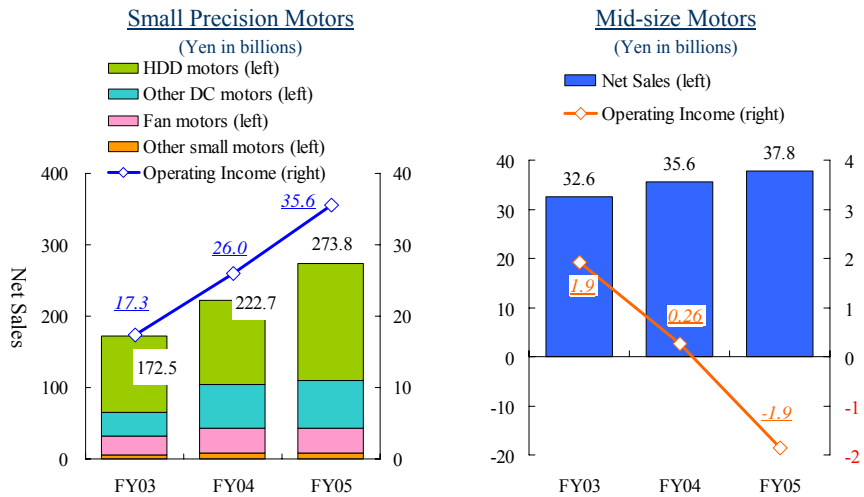
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Business Segment Results ---1

< Small Precision Motors, Mid-size Motors >



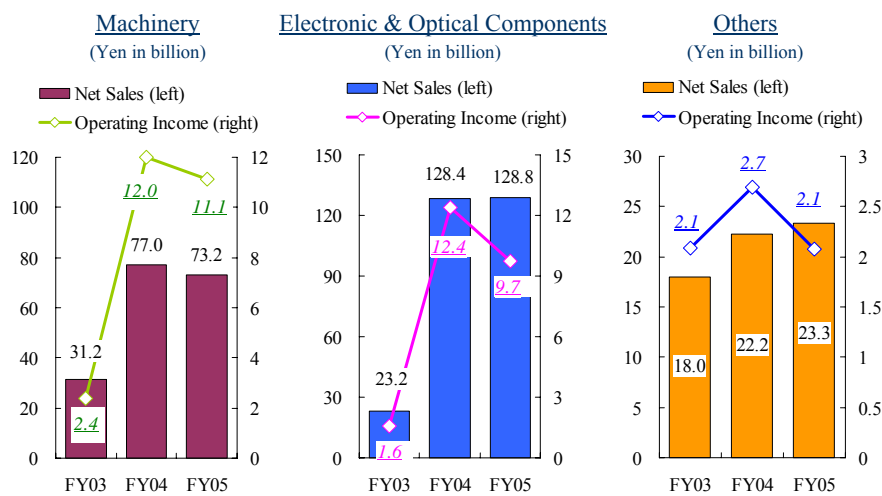
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Business Segment Results---2

< Machinery, Electronic/Optical Components, Others >

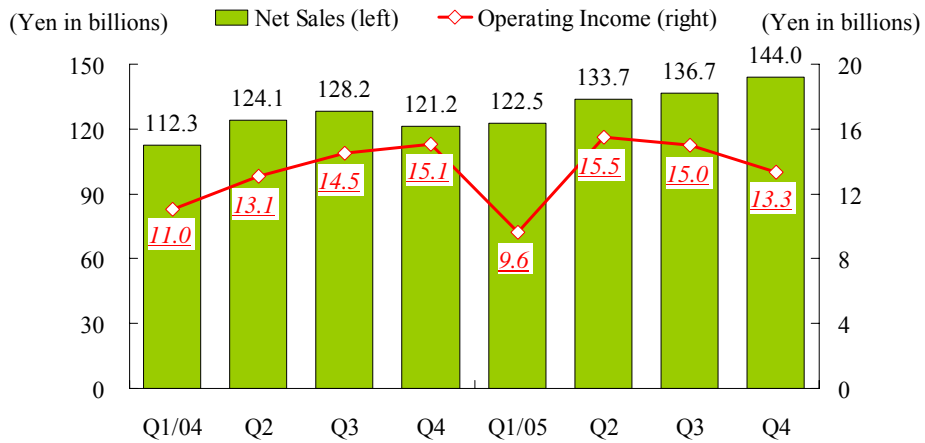


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Consolidated Quarterly Results

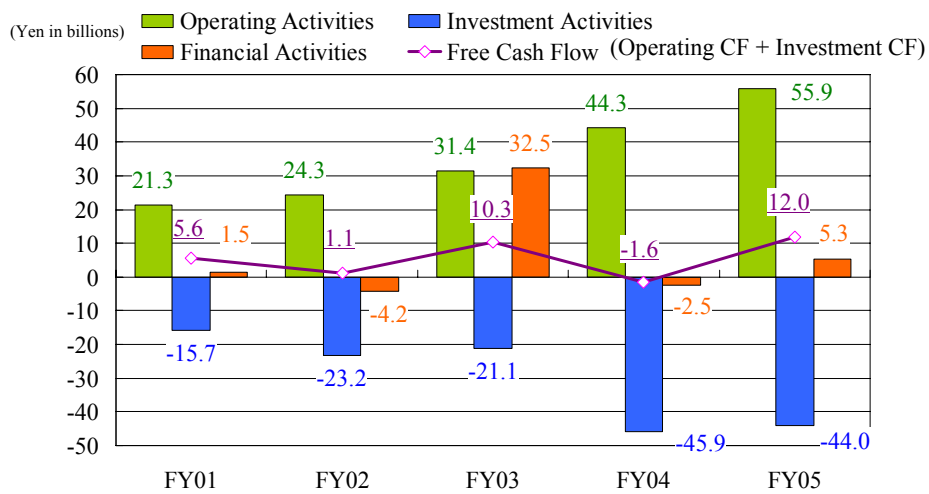


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Consolidated Cash Flow



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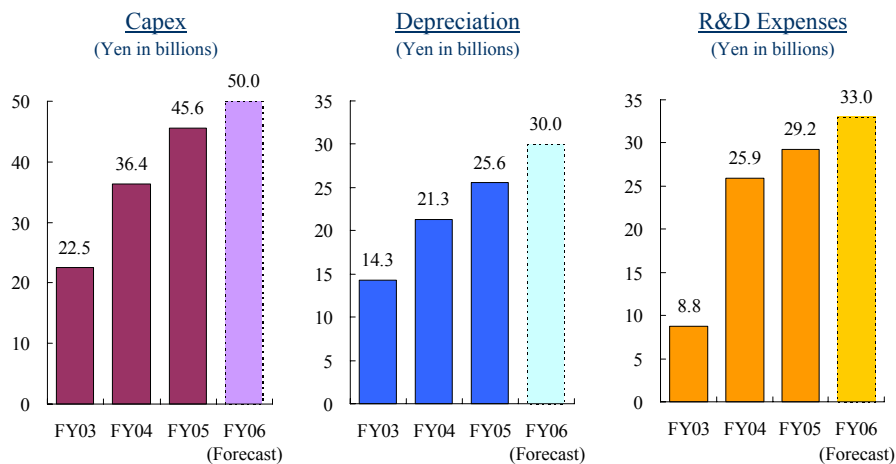
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FY2006 Forecasts

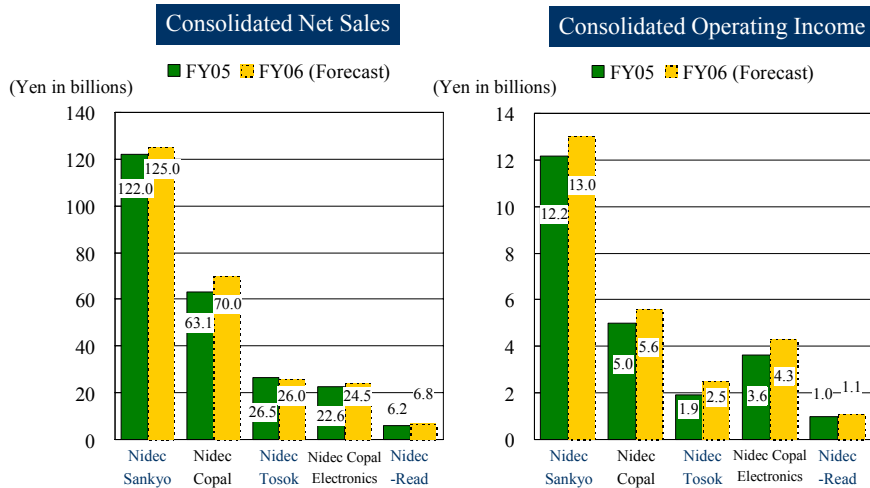
(Yen in billions)	FY2005		FY2006		Change
	1H results	Year results	1H forecasts	Year forecasts	
Net Sales	256,174	536,858	280,000	580,000	+8.0%
Operating Income (OP Income ratio)	25,078 (9.8%)	53,426 (10.0%)	30,000 (10.7%)	65,000 (11.2%)	+21.7%
EBIT	30,187	64,378	30,000	65,000	+1.0%
Net Income	20,401	40,949	18,500	40,000	-2.3%
EPS (¥)*	142.83*	285.47	127.92	276.59	-3.1%
FX (¥/\$): Average	109.48	113.31	115.00	115.00	+1.5%

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

Capital Expenditures, Depreciation and R&D Expenses



Results and Forecasts (1) -Consolidated Subsidiaries-



*All numbers in the above charts have been prepared under the generally accepted accounting standard in Japan

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Results and Forecasts (2) -Consolidated Subsidiaries-

(Yen in million)	Net Sales			Operating Income			Net Income		
	FY04 Results	FY05 Result	FY06 Forecasts	FY04 Results	FY05 Results	FY06 Forecasts	FY04 Results	FY05 Results	FY06 Forecasts
Nidec Sankyo	122,311	121,994	125,000	10,353	12,151	13,000	17,795	12,672	10,000
Nidec Copal	69,042	63,094	70,000	6,408	5,006	5,600	4,975	2,660	3,100
Nidec Tosok	28,678	26,518	26,000	2,830	1,905	2,500	1,647	1,095	1,500
Nidec Copal Electronics	23,865	22,599	24,500	4,254	3,628	4,300	2,760	2,560	2,800
Nidec-Read	4,897	6,181	6,800	715	984	1,100	399	628	650
Total	248,793	240,386	252,300	24,560	23,674	26,500	27,576	19,615	18,050

*All numbers in the above tables have been prepared under the generally accepted accounting standard in Japan

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Business Segment Information

Small Precision Motors

(HDD Motors
Other DC Motors
Fan Motors)

Mid-size Motors

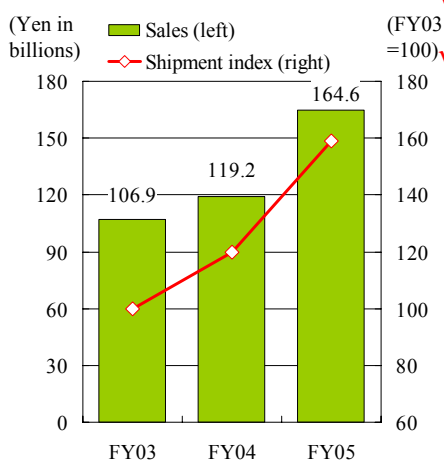
Machinery

Electronic & Optical Components

Others

HDD Motors: FY2005 Results

Sales & Shipment index



Record Sales and Shipments
Strong Demand for Market-leading Sub-2.5" HDD Motor

- Sales
 - ◆ Up 38% Y/Y
- Shipment
 - ◆ Up 32% Y/Y
- Yen-based ASP
 - ◆ Up 4% Y/Y

HDD Motors: Strategy---1

- Groundwork to meet a 15%-plus annual demand growth
 - ◆ Capacity Increase in China and Philippines



Nidec (Zhejiang) Corp.
Clean-room Expansion in Apr. 06

Up 3M units per month !



Nidec Philippines Corp.
Nidec Subic Philippines Corp.
Clean-room betterment in Apr. 06

Up 3.5M units per month !

- ◆ New Thailand factory Start-up in Oct. 2006



6M units per month planned !

Closely geared to Perpendicular Recording Technology

Automatized production lines

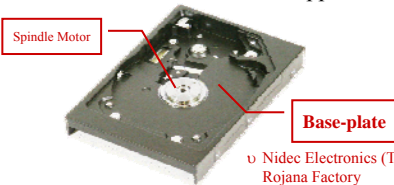


HDD Motors: Strategy---2

- Boost up HDD component Production

Base-plate

- ∪ Machining capacity: 2.5" HDD base-plate
- ∪ Plant expansion: Nidec Precision Thailand and Nidec Precision Philippines



- ∪ Nidec Electronics (Thailand) Corp. Rojana Factory
- ∪ Nidec Precision Thailand Corp.
- ∪ Nidec Philippines Corp.
- ∪ Nidec Subic Philippines Corp.
- ∪ Nidec Precision Philippines Corp.

Sintered-alloy FDB

- ∪ Capacity building: NTN-Nidec Zhejiang
- ∪ Start-up: NTN-Nidec Thailand (Jun. 2006)



From 5M To 7M units/month

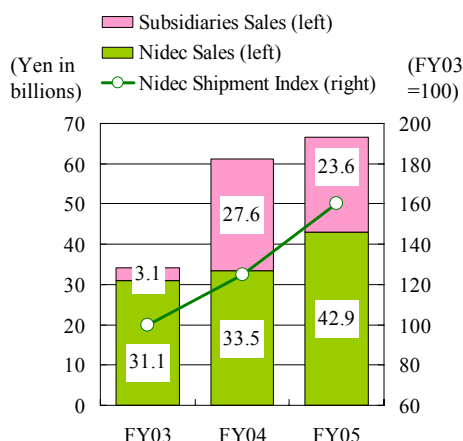
First-stage capacity: 3M units/month



NTN-Nidec (Thailand) Corp. under construction

Other DC Motors: FY2005 Results

Sales & Shipment index

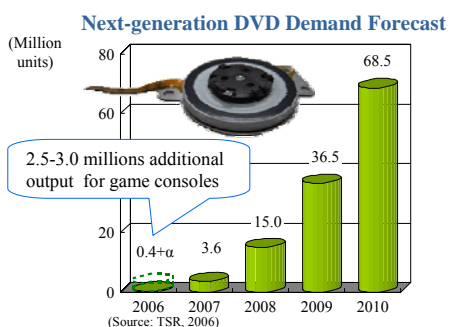


v Record Sales and Shipments
 v Strong Demand for Notebook-directed Slim-type ODD Motor

- Sales
 - ◆ Up 9% Y/Y
 - ◆ Up 28% Y/Y (Nidec)
- Shipment
 - ◆ Up 28% Y/Y (Nidec)

Other DC Motors: Strategy

Conformance to Next-generation DVD Standards (Blu-Ray/ HD-DVD)



Dominant position in growth market

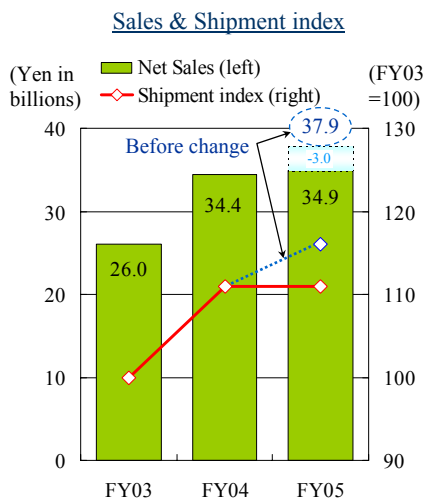
Share-up with dual-use motors

Transformation to **Highly profitable Market**

Greater competitiveness through **Technical differentiation**

New products for OA equipment and sales boost for standard motors

Fan Motors: FY2005 Results



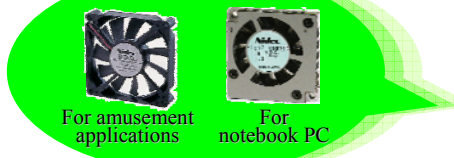
v **Record sales**
 v **Modest increase resulting from a change in trade terms**

- Sales
 - ◆ Up 1% Y/Y
- Shipment
 - ◆ Flat Y/Y
- Yen-based ASP
 - ◆ Up 1% Y/Y

Fan Motors: Strategy

■ **Three-New Strategy (New Market, New Product, New Customer)**

<Japan>
Win and Retain major customers



<Overseas>
Win top-five U.S. customers



Production Base

- New footing after Dalian and Dongguan
- Greater tax advantages

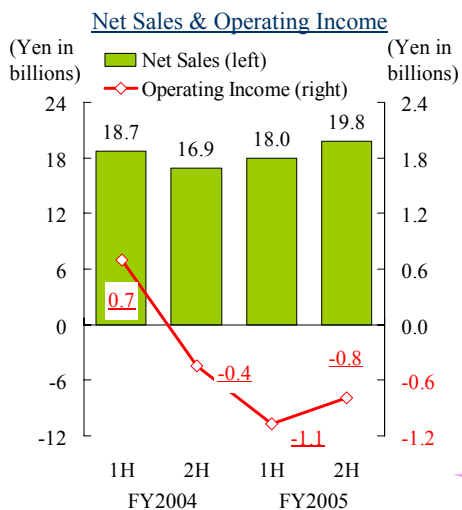


Nidec Vietnam under construction (Start-up in Jun. 06')

R&D

- Standardization of high-end fan motors
- Focus on quality, cost, time to market

Mid-size Motor: Strategy



- For Automobiles
 - ◆ New orders for EPS motors → production hike
 - ◆ Development of high performance motors for hybrid-cars (over 10kW)
- For Home Appliances and Industry Equipment
 - ◆ Complete production shift to China
 - ◆ New product development and sales

↓

Back in the Black

Machinery, Electronic & Optical Components and Others: FY2005 Results <Sales by subsidiaries>

<Machinery>

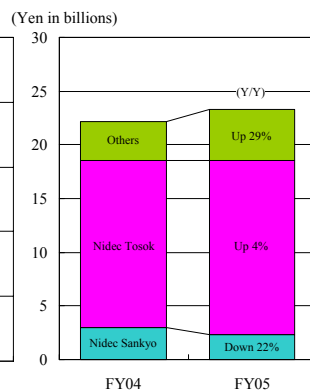
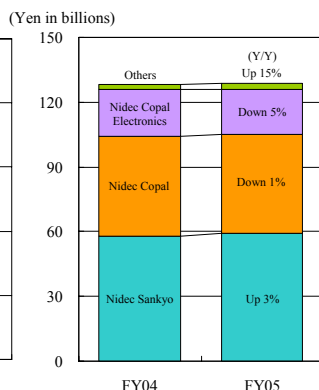
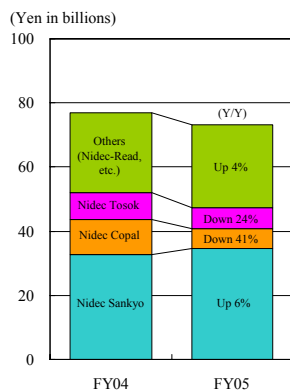
<Electronic & Optical Components>

<Others>

Slowdown in SC Equipment (Nidec Tosok) and Laboratory Systems (Nidec Copal)

Slowdown in Optical Components (Nidec Copal) and Electronic components (Nidec Copal Eles)

Automobile Parts (Nidec Tosok) under metal-price pressure

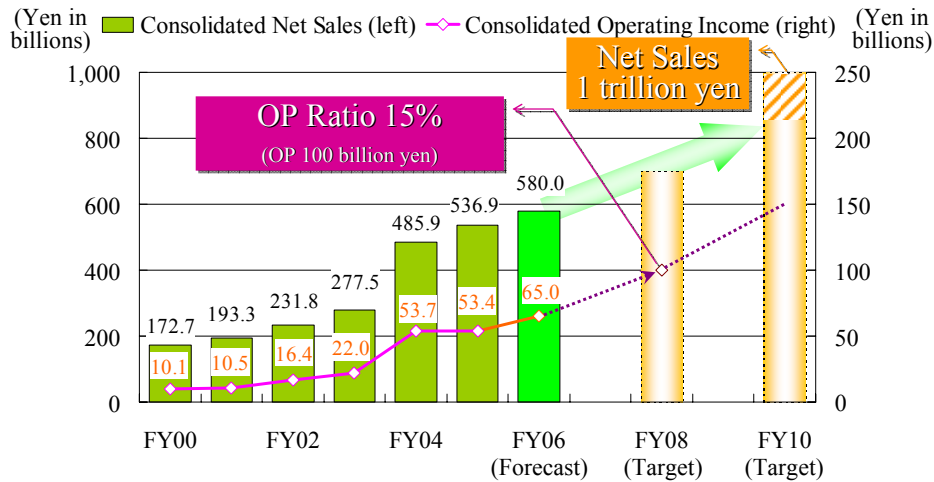


Machinery, Electronic & Optical Components and Others: Strategy

- Machinery
 - ◆ Industrial Robot
 - 8th-9th generation LCD-panel handling robot ⇒ Big volume production
 - Semiconductor-wafer handling robot ⇒ Production capacity increase
(The 4th factory in Japan)
- Electronic & Optical Components
 - ◆ Optical Pickup
 - High-value-added models ⇒ Yield improvement
 - ◆ Digital Camera Lens Unit, Cellphone Lens and Shutter
 - New models ⇒ Volume production
- Others
 - ◆ Automotive Components
 - Cooling Fan motors ⇒ Production shift to a specialized factory
(Nidec Tosok Vietnam)

Mid-term Target and Strategy (~ FY2010)

Mid-term Target



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Toward 1 trillion yen sales in FY2010



M&A Strategy Unit

- ◆ Corporate Strategy Office in Tokyo
Outside experts invited for Nidec's M&A activity
- ◆ Group of professionals in foreign company acquisition
- ◆ Headed by Mr. Juntaro Fujii
(to be nominated as Executive Vice President on June 22)

Mr. Juntaro Fujii (Profile)

- June 1998 President, Tokyo-Mitsubishi International Plc.
- May 2000 Managing Director, The Bank of Tokyo-Mitsubishi Ltd.
- June 2001 President, Tokyo-Mitsubishi Securities Co., Ltd.

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Nidec Everywhere



Nidec Corporation

<http://www.nidec.co.jp/english/index.html>

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