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**Financial Results for the 3rd  
Quarter Ended Dec. 31, 2006  
< U.S. GAAP-based >**

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February 1, 2007

**NIDEC CORPORATION**

[www.nidec.co.jp/english/index.html](http://www.nidec.co.jp/english/index.html)



Consolidated Financial Results for the 3rd Quarter Ended Dec. 31, 2006

< U.S. GAAP-based >

The consolidated financial results of the Company are being reported according to the U.S. GAAP.

## Summary of Q3/FY2006

- Sales hit a record quarterly high, marking double-digit growth for all business segments y/y.
- Record Operating Income driven by “Small Precision Motors” and “Mid-size Motors.”
- HDD motor sales grew 22% on a 26% shipment increase y/y, crossing the ¥50 billion quarterly mark.
- Operating Income Ratio down in “Machinery” and “Electronic and Optical Components.”

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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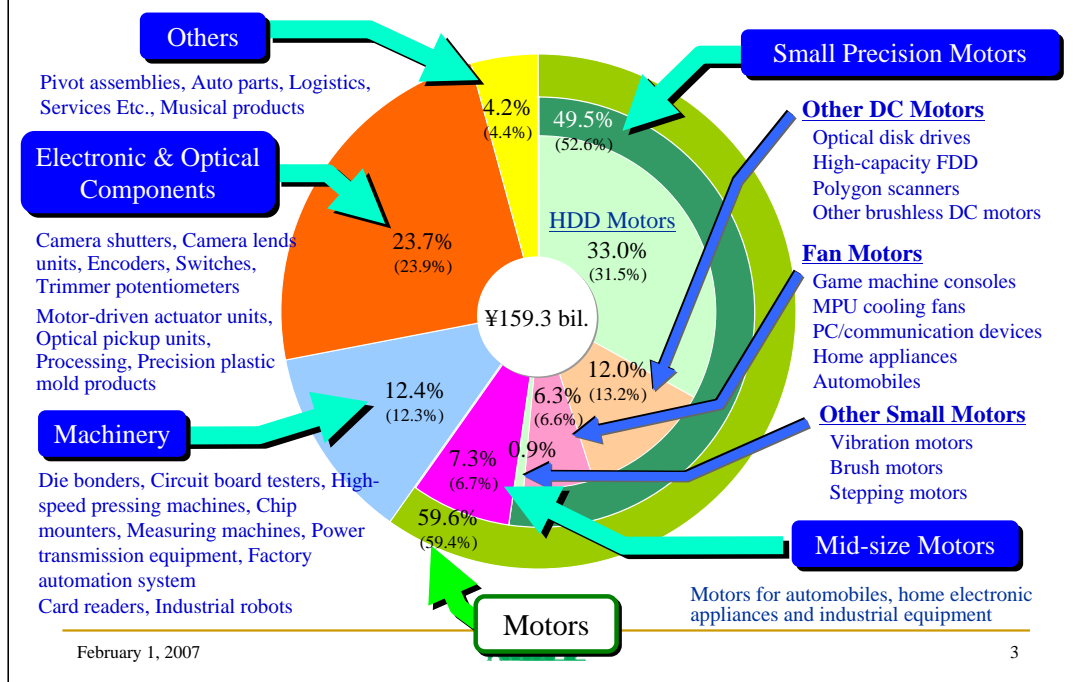
### Summary of Q3/FY2006

Total net sales for the third quarter were up ¥22,575 million, or 16.5%, year-on-year, and all segments including small precision motors business posted double-digit growth.

Operating income for the third quarter was ¥17,031 million, up slightly more than ¥2,000 million, or 13.5%, year-on-year. Most of this growth was in the motors business, with operating income from small precision motors up just over ¥1,500 million and from mid-size motors up nearly ¥800 million.

The details are as follows.

## Sales by Product (Q3/FY2006)



### Sales by Product (Q3/FY2006)

As of the end of Dec. 31, 2006, Nidec's motor business comprised of "Small Precision Motors" and "Mid-size Motors" accounted for 59.6% of the consolidated sales mix. The remaining businesses categorized as "Machinery", "Electronic and Optical Components" and "Others" represented 12.4%, 23.7% and 4.2%, respectively.

## Profit/Loss – year on year -

(Yen in millions)	Q3/FY05	Q3/FY06	Change	April-Dec. 9 Months	FY06 Forecast
Net sales	136,729	159,304	+16.5%	459,141	580,000
Operating income (Operating income ratio)	15,003 (11.0%)	17,031 (10.7%)	+13.5%	49,077 (10.7%)	65,000 (11.2%)
Income before tax	19,638	18,057	-8.1%	50,718	65,000
Net income	12,124	9,299	-23.3%	30,075	40,000
EPS (¥)	84.4	64.28	-23.9%	207.92	276.59
Foreign Exchange (¥/\$)					
Average:	¥117.4	¥117.82	+0.4%	¥116.19	
Term end:	¥118.1	¥119.11	+0.9%	¥119.11	¥115.00

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### Profit/Loss -year on year-

**During the first three quarters of fiscal 2006, net sales grew by approximately ¥66,200 million (17%) year-on-year, and operating income rose by ¥9,000 million (just over 22%).**

Over the first three quarters of fiscal 2006 (the nine-month period April 1, 2006 to December 31, 2006) total consolidated net sales reached ¥459,141 million, rising 16.9% in comparison to the corresponding nine-month period of the previous fiscal year, while consolidated operating income increased by ¥8,996 million, or 22.4%, to ¥49,077 million. However, factors in non-operating areas, including a substantial decline in foreign exchange gain, a drop in gains on sales of marketable securities, and a special income tax of ¥2,875 million associated with transfer pricing taxation, resulted in a 7.5% decline in consolidated net income to ¥30,075 million. Excluding the factor regarding transfer pricing taxation, consolidated net income would have increased by around ¥430 million year-on-year.

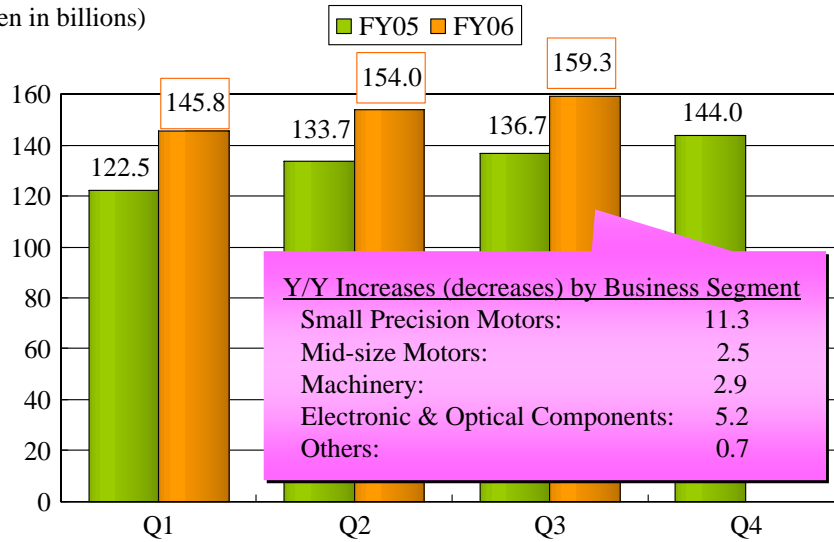
The following discussion, including year-on-year comparisons, refers to the third quarter alone. Net sales for the third quarter were ¥159,304 million, up ¥22,575 million, or 16.5%, in comparison with the third quarter of the previous fiscal year, and operating income rose by ¥2,028 million, or 13.5%, to ¥17,031 million. Income before provision for income taxes, however, fell ¥1,581 million to ¥18,057 million, as a result of a decline in foreign exchange gain and gains on sales of marketable securities. As a result of the above factors and the increase in corporate taxes, net income declined ¥2,825 million year-on-year to ¥9,299 million. However, if the effect of transfer pricing taxation were excluded, net income would actually have increased by ¥50 million over the third quarter of the previous year.

### **Qualitative information regarding forecast of business results**

There are no changes to the forecast of consolidated performance for fiscal 2006 released on October 27, 2006.

# Consolidated Quarterly Sales

(Yen in billions)



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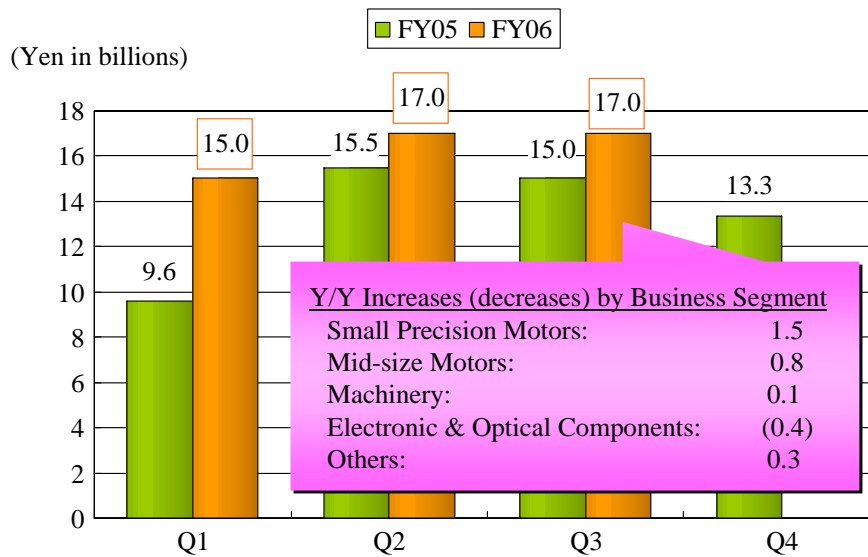
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## Consolidated Quarterly Sales

Net sales for the third quarter were ¥159,304 million, up ¥22,575 million, or 16.5%, in comparison with the third quarter of the previous fiscal year.

Compared to the second quarter of fiscal 2006, third quarter net sales increased ¥5,286 million, or 3.4%

## Consolidated Quarterly Operating Income



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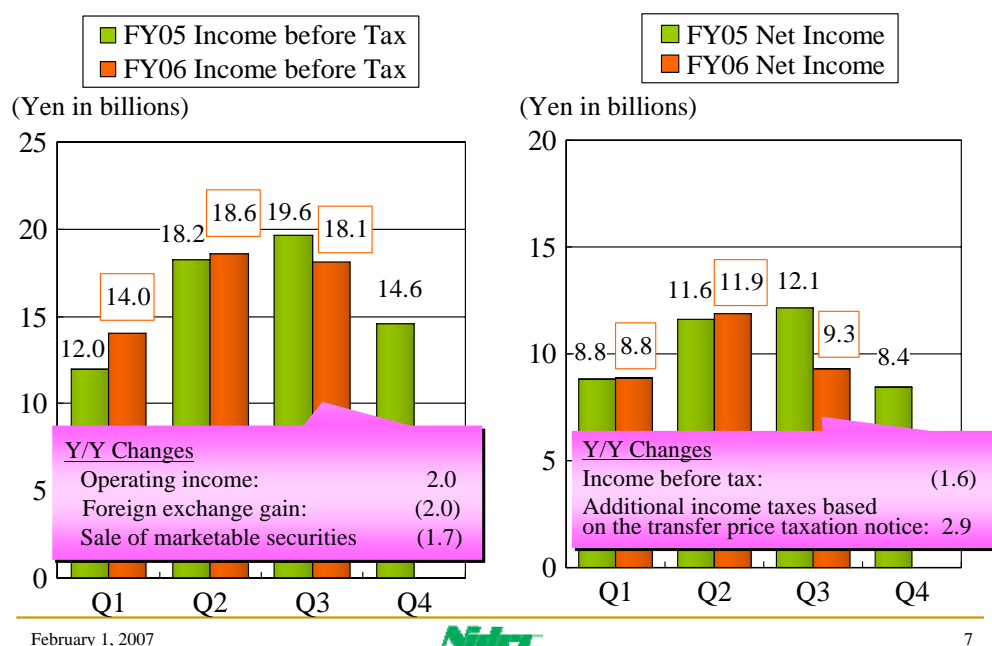
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### Consolidated Quarterly Operating Income

Operating income rose by ¥2,028 million, or 13.5%, to ¥17,031 million. Most of this growth was in the motors business, with operating income from small precision motors up just over ¥1,500 million and from mid-size motors up nearly ¥800 million.

Compared to the second quarter of fiscal 2006, third quarter operating income rose only a slight ¥19 million.

## Consolidated Quarterly Income before Tax & Net Income



### Consolidated Quarterly Income before Tax & Net Income

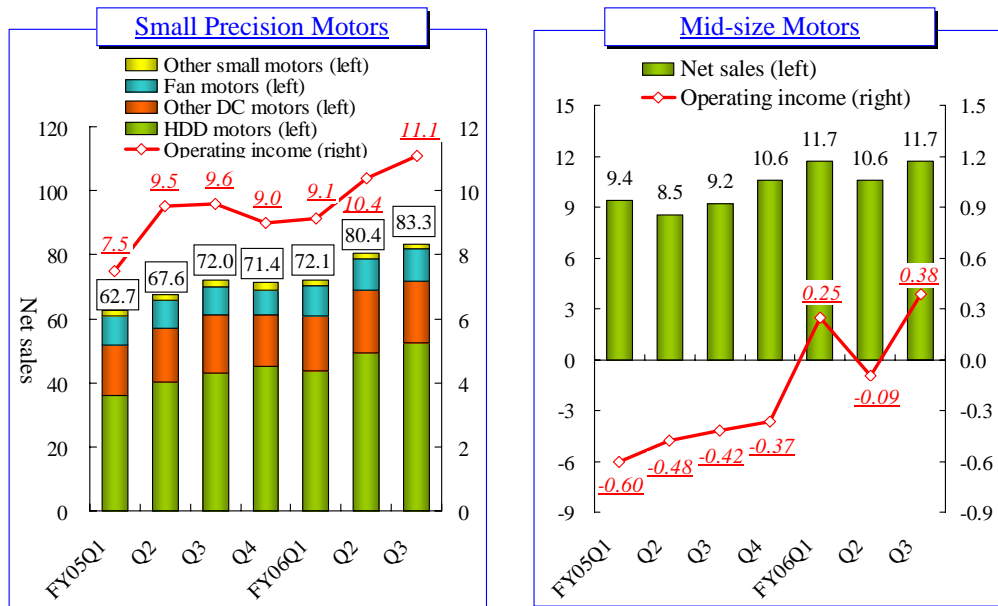
Despite the ¥2,000 million growth in operating income to reach ¥18,057 million, income before provision for income taxes was down ¥1,581 million year-on-year. This was due to factors in non-operating areas, including a decline of approximately ¥2,000 million in foreign exchange gain, and a drop of just over ¥1,700 million in gains on sales of marketable securities.

As a result of the above factors and the increase in corporate taxes, net income declined ¥2,825 million year-on-year to ¥9,299 million. However, if the effect of transfer pricing taxation were excluded, net income would actually have increased by ¥50 million over the third quarter of the previous year.

Compared to the second quarter of fiscal 2006, third quarter net income for the quarter declined ¥2,628 million, or 22.0%, as a result of the fall in foreign exchange gain and the increase in corporate taxes. If the effect of the transfer pricing taxation on third-quarter income were excluded, net income would have increased by approximately ¥250 million.

## Business Segment Results---1

(Yen in billions)



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### Business Segment Results---1

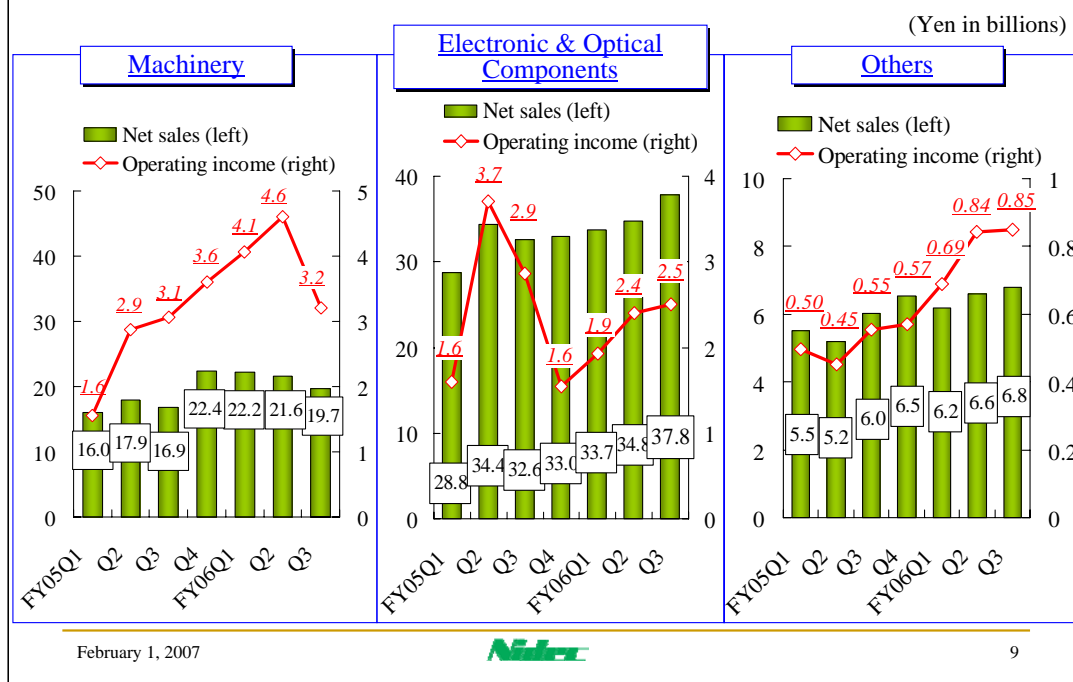
Sales for each business segment were as follows.

Net sales in the small precision motors business rose ¥11,331 million, or 15.7%, to ¥83,302 million. Operating income climbed ¥1,528 million to ¥11,128 million, supported by strong demand for spindle motors for HDDs and motors for optical disk drives. The profit ratio recovered to around 13%, almost the level seen in the third quarter of the previous fiscal year. The 16% increase in sales over the third quarter of the previous year contributed to the increase in profits. Compared to the second quarter of fiscal 2006, the profit ratio also improved by around 0.5%, boosted by the growth in sales.

Net sales in the mid-size motor business rose by ¥11,699 million, or 27.2%. Of that increase, sales of motors for automobiles contributed approximately ¥600 million, around one and a half times the sales for the same period last year. In addition, motors for home appliances and industrial use both increased, with sales of the former in particular growing nearly 30%. The mid-size motors segment moved into the black, posting profits of ¥383 million. This was due chiefly to adjustments in the sales prices of motors for home appliances to allow for the absorption of escalating raw materials prices, and to substantial growth in sales of motors for consumer electronics and automotive.



## Business Segment Results---2



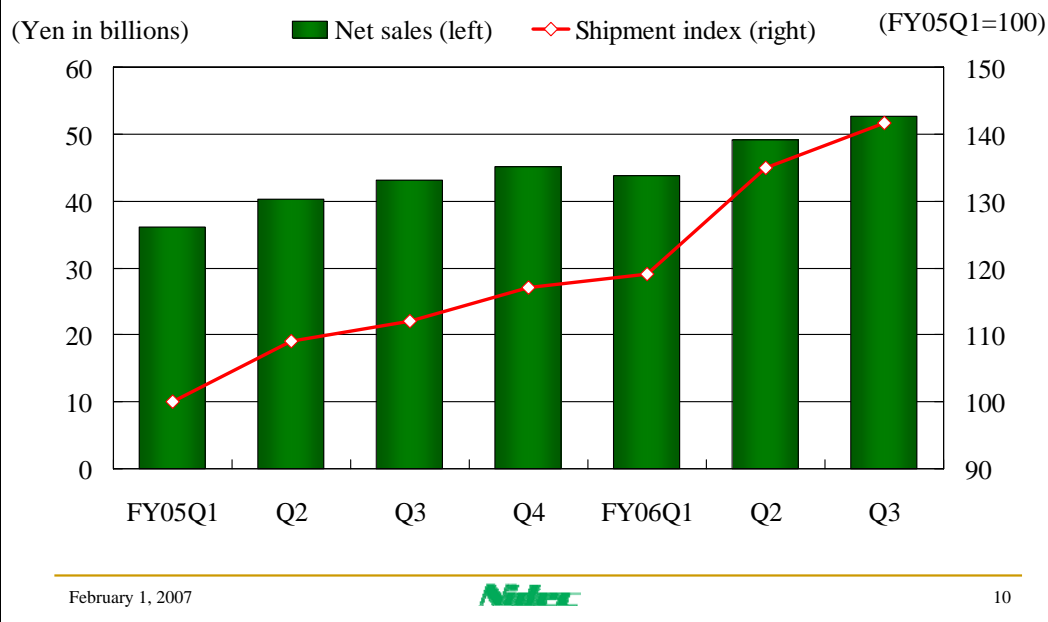
### Business Segment Results---2

Net sales in the machinery business were ¥19,743 million, a ¥2,857 million, or 16.9%, year-on-year increase. The rate of growth slowed in the third quarter compared with the 29% growth rate of the first half, due to lackluster growth in Nidec Sankyo's machinery-related sales. The machinery business posted operating income of ¥3,219 million, an increase of around ¥150 million. Strong demand for capital investment overall drove increased sales. However, sales of Nidec Sankyo's robot systems and other machinery were already at high levels in the third quarter of the previous fiscal year, explaining the relatively slight increase in revenue achieved in the third quarter. This, in turn, held profit growth in the sector to a low level. Notably, factors including the deferment of capital investment in the LCD industry resulted in a decline in third-quarter operating income of around ¥1,400 million in the robot systems business in comparison with the second quarter of fiscal 2006.

Net sales in the electronic and optical components business rose approximately ¥5,200 million, or 15.8%, to ¥37,807 million. This was primarily due to steady growth in sales of Nidec Copal's camera shutters, lens units and other optical equipment, as well as expansion in sales of Nidec Copal Electronics' electronic circuit components. Operating income in the electronic and optical components business was ¥2,513 million, a ¥350 million year-on-year decline. The principal cause of this was a decline in sales of precision components by Nidec Nisshin, Nidec Pigeon, and other Nidec Sankyo Group members. Operating profits at other Group companies were substantially unchanged from the third quarter of the previous fiscal year.

Net sales in "other" businesses totaled ¥6,753 million, an increase of ¥716 million. Around ¥500 million of this increase was due to growth in sales of pivot assemblies. "Other" businesses recorded operating income of ¥850 million, up around ¥300 million. This was due to improved profitability in Nidec Tosok's auto parts business and Nidec's pivot assemblies business.

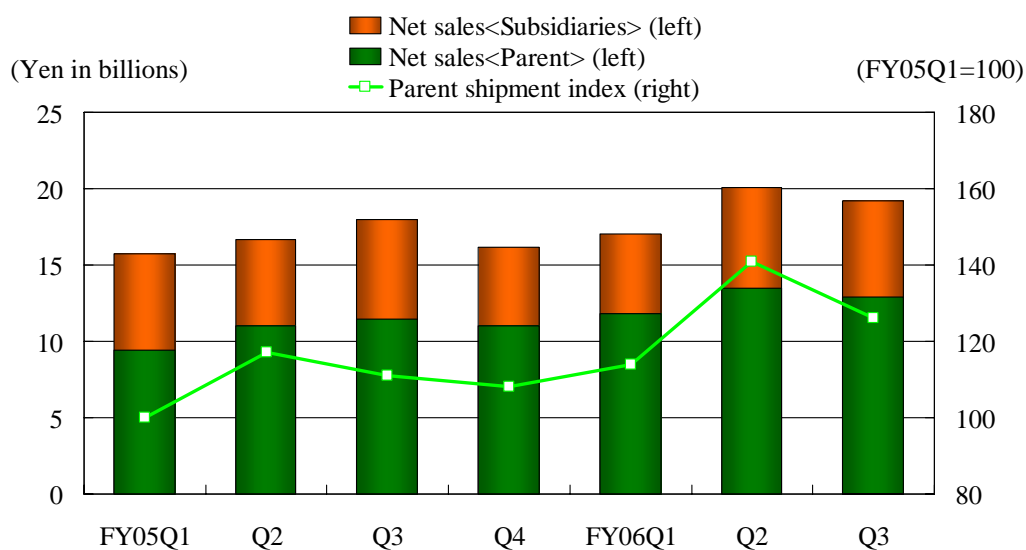
## Quarterly Sales & Shipment <HDD Motors>



### Quarterly Sales & Shipment <HDD Motors>

Sales of spindle motors for hard disk drives (HDDs) grew approximately ¥9,500 million, or 22%, and by volume increased 26%. Average selling prices were down approximately 3% on a yen basis, and, because the exchange rate was almost unchanged from the third quarter of the previous fiscal year, dollar-denominated sales prices were also about 3% lower. In comparison with the second quarter, sales volume rose approximately 5%, representing growth of approximately 4 million HDD spindle motors.

## Quarterly Sales & Shipment <Other DC Motors>



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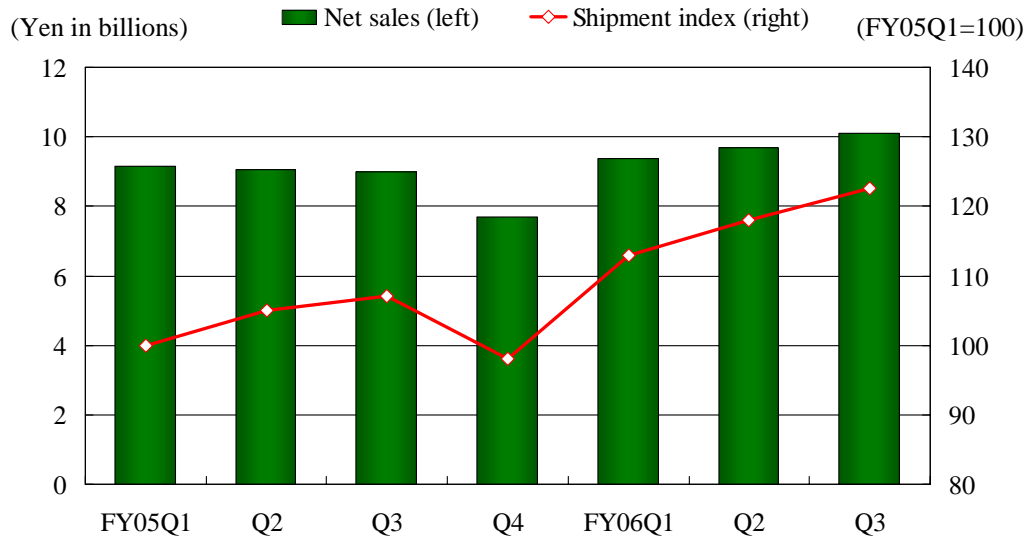


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### Quarterly Sales & Shipment<Other DC Motors>

Net sales of DC motors increased approximately ¥1,200 million, or 6.5%, but this included the sales contributed by group companies such as Nidec Sankyo, which showed a 4% decline. Accordingly, sales for Nidec in DC motors, chiefly DC motors for optical disk drives, rose approximately 13%.

## Quarterly Sales & Shipment <Fan Motors>



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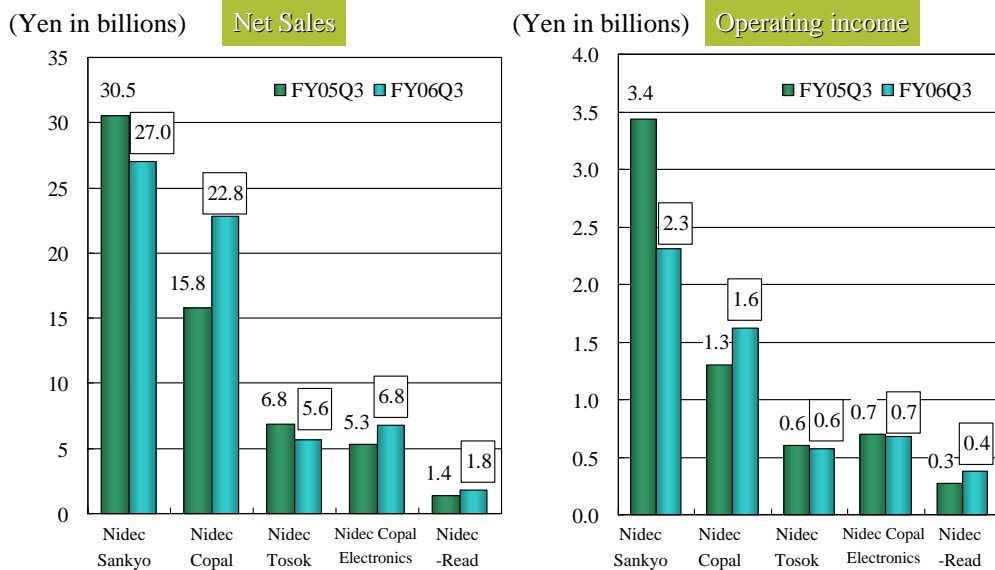


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### Quarterly Sales & Shipment <Fan Motors>

Sales for brushless DC fans grew by around ¥1,100 million, or 12%, year-on-year.

## Financial Results -Consolidated Subsidiaries-



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

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### Financial Results -Consolidated Subsidiaries>

Nidec group has five listed subsidiaries (Nidec Sankyo, Nidec Copal, Nidec Tosok, Nidec Copal Electronics, Nidec-Read). During the Quarter, Nidec Copal and Nidec-Read achieved increased sales and operating income over the same period of the previous fiscal year. Nidec Copal Electronics increased sales but declined operating income. Nidec Sankyo and Nidec Tosok declines sales and operating income.

# New Automotive Motor Subsidiaries

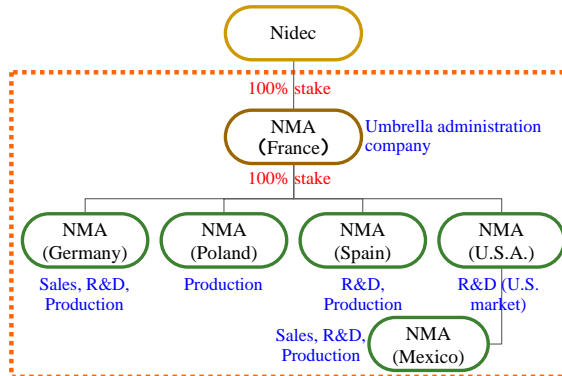
< NMA: Nidec Motors & Actuators >

**Acquired business:** Motors & Actuators business of Valeo S.A., France

**Completion of Acquisition:** December 27, 2006

**Acquisition price:** 142 million euros (22 billion yen)

## Capital configuration



**Brand name (NMA Logo):**

**Nidec-Valeo**

\*Effective period: 12 months

**NMA address:**

2, rue Andre Boulle BP150-94017 Creteil Cedex, France

capital : 538 thousand euros (¥83 million)

**Number of employees:**

1,700 on a six-company combined basis

**NMA executives:**

Director and Chairman: Kenji Sawamura (Executive Vice President of Nidec)

Director and President: Jean-Jacques Giambi

Director and CFO: Stephane Bourhis

Director: Shigenobu Nagamori (President and CEO of Nidec)

Director: Shin Akutagawa

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## New Automotive Motor Subsidiaries <NMA: Nidec Motors & Actuators>

Nidec completed the acquisition of the Motors & Actuators business of Valeo S.A., France, on December 27, 2006, for approximately 142 million euros (22 billion yen). As a result, Nidec has included six additional companies (collectively "Nidec Motors & Actuators" or "NMA") in its scope of subsidiaries. With its umbrella administration function based in France, NMA has operating arms in Germany, Poland, Spain, U.S.A. and Mexico, employing a total of approximately 1,700 people. While strengthening NMA's competitive positions in its key European and North American markets, Nidec intends to expand NMA's market reach to Japan and other Asian countries.

Nidec expects NMA to deliver sales contribution of approximately ¥10 billion and breakeven operating profit performance for the year ending March 31, 2007.

# New Edge of HDD Motor Business

## Tender Offer for “Brilliant Manufacturing Limited”

### Brilliant Manufacturing Limited

Head office Location: Singapore  
 Production Bases: Singapore, China, Indonesia, Thailand  
 Establishment: 1984  
 Listed Exchange: Singapore Exchange  
 Number of employees: 3,000  
 Products: HDD parts (base plates, top covers and brackets)  
 Capital: S\$ 89 million (¥ 6.7 billion)  
 Annual Sales: S\$ 129 million (¥ 10 billion)  
 Shares outstanding: 466,133,000

### Objectives of the tender offer:

Manufacturing skill acquisition  
 (mould design, die casting, electroplating, precision machining, pressing, etc.)  
 Production synergy building  
 →supply power enhancement  
 Internal manufacturing capability expansion  
 →market competitiveness

### Number of Brilliant shares planned to acquire:

Common Stock 466,133,000  
 Subscription Rights 150,000

### Tender offer prices:

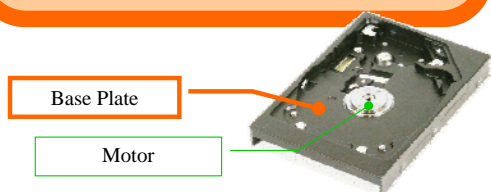
S\$0.418 per share  
 S\$0.1332 per subscription right

### Level of acceptance as of January 26, 2007:

85.79%

### Expiration date for the Tender Offer:

February 8, 2007



February 1, 2007



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## New Edge of HDD Motor Business

### Tender Offer for Brilliant Manufacturing Limited

Our tender offer for Brilliant Manufacturing Limited in Singapore is scheduled to complete on February 8, 2007. As of January 25, 2007, we obtained an 85.79% acceptance of the offer.