NIDEC Corporation

NJ LISTED NYSE

Financial Results for the Year Ended March 31, 2005

< U.S. GAAP >

April 26, 2005

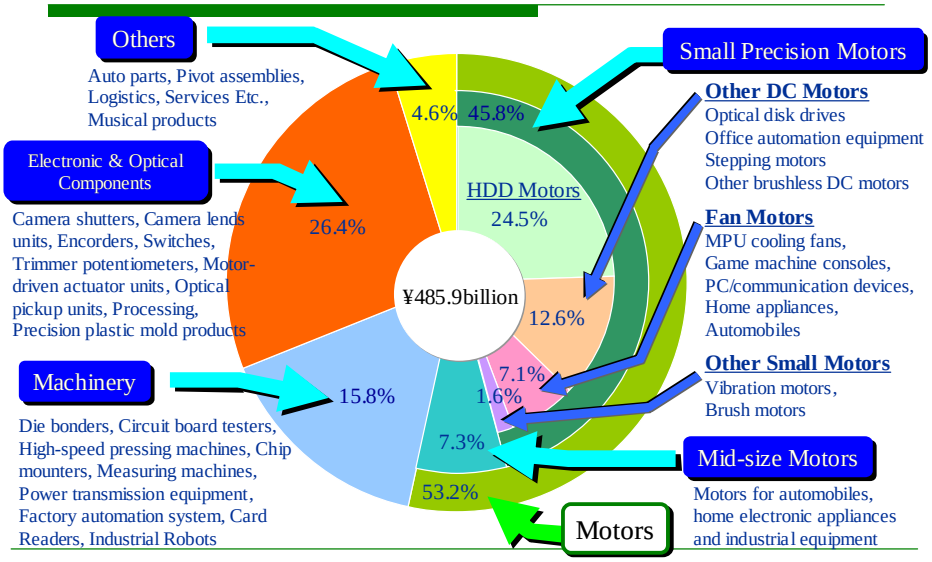
This presentation material and our statements made during the Meeting regarding the Nidec Groups' financial results contain forward-looking statements including expectations, judgement, plans, and strategies. The forward-looking statements are based on management's assumptions and belief in light of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

Summary of FY2004

- Sales, Operating Income and Net Income hit record highs, surpassing original forecasts
- Small Precision Motors Up 29% in Sales, 50% in Operating Income
- Excellent sales and profits from the businesses of "Machinery", "Electronic & Optical Components" and "Others," benefiting from the expanded scope of consolidation
- Sankyo Seiki hit an record-high Operating Income of ¥10.4 bln. A drastic return to profitability from the ¥4.7 bln loss a year ago.

*Financial Results of Sankyo Seiki Mfg. Co., Ltd., Nidec Copal Corporation and Nidec Copal Electronics Corporation have been included in the scope of consolidation since 4Q/FY03

Sales by Business Segment (FY2004)

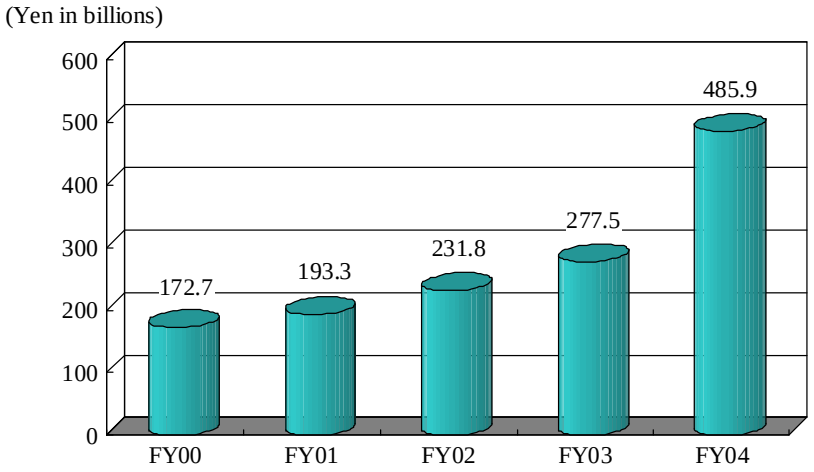


Profit/Loss

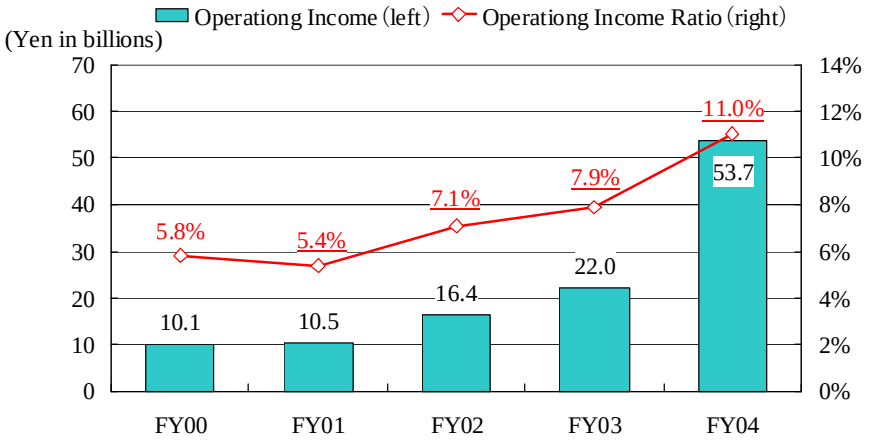
(Yen in millions)	FY02	FY03	FY04	Change
Net sales	231,836	277,497	485,861	+75.1%
Operating income (OP Income ratio)	16,404 (7.1%)	22,015 (7.9%)	53,665 (11.0%)	+143.8%
EBIT	10,911	19,639	57,290	+191.7%
Net Income	10,680	16,089	33,455	+107.9%
EPS (¥)	168.01	251.14	479.74	+91.0%
FX (¥/$) Average: Term end:	 121.95 120.20	 113.07 105.69	 107.55 107.39	 -4.9% +1.6%

Impact of FX rate changes:	(Y/Y)
Net sales:	-8.0 billion
FX gain:	+5.5 billion

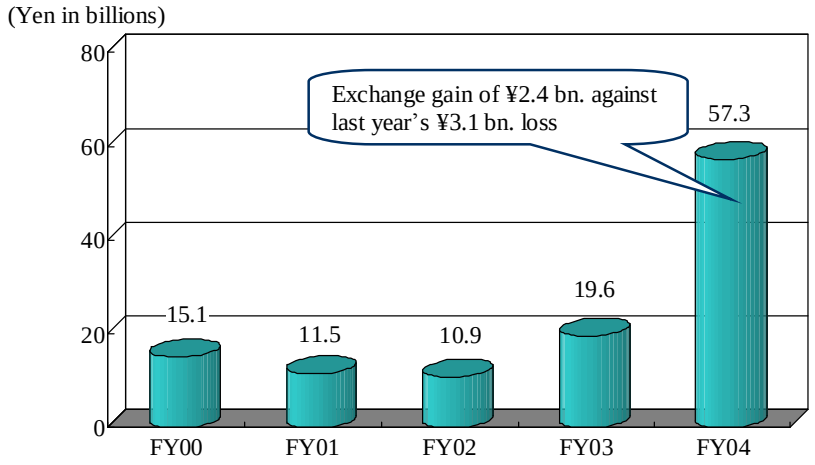
Consolidated Net Sales



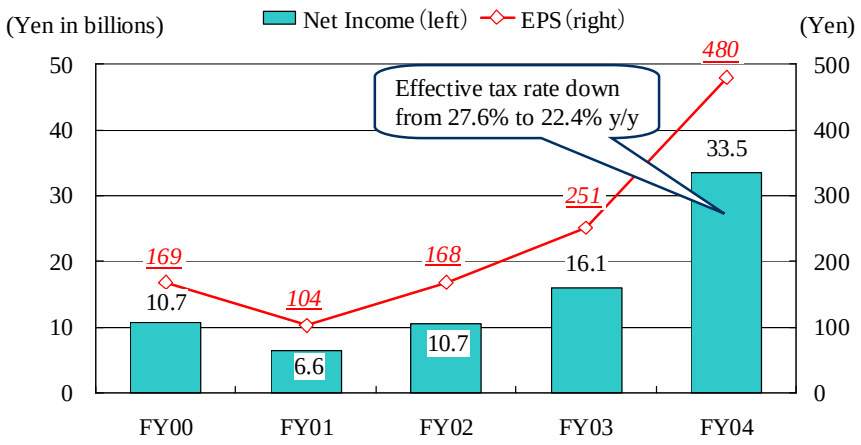
Consolidated Operating Income & Operating Income Ratio



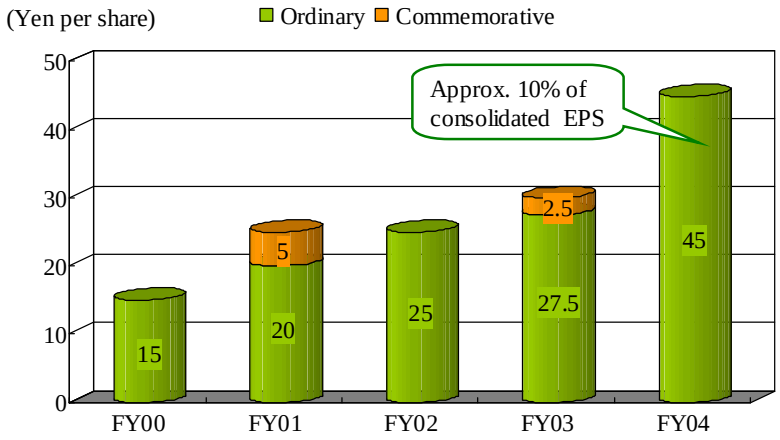
Consolidated Income Before Tax



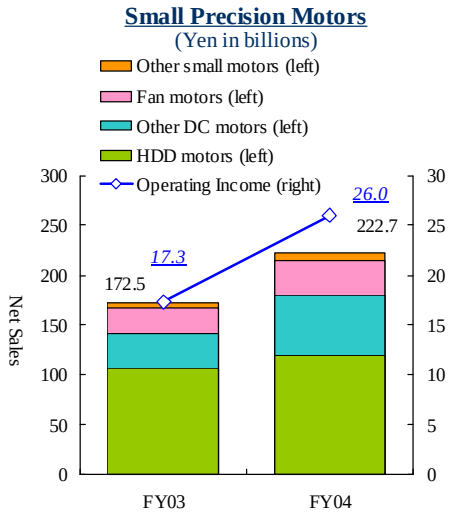
Consolidated Net Income & EPS

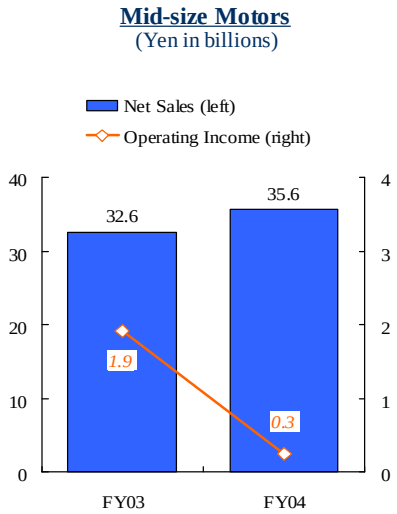


Annual Dividend Per Share



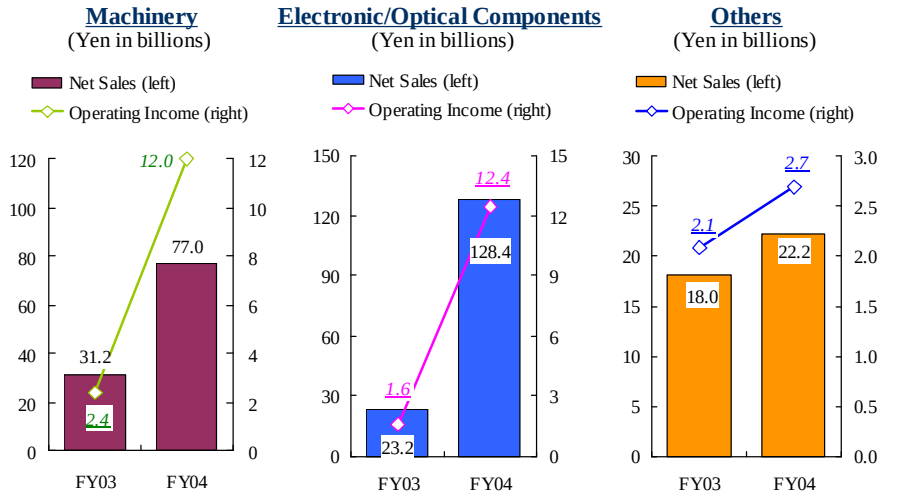
Business Segment Results---1
< Small Precision Motors, Mid-size Motors >



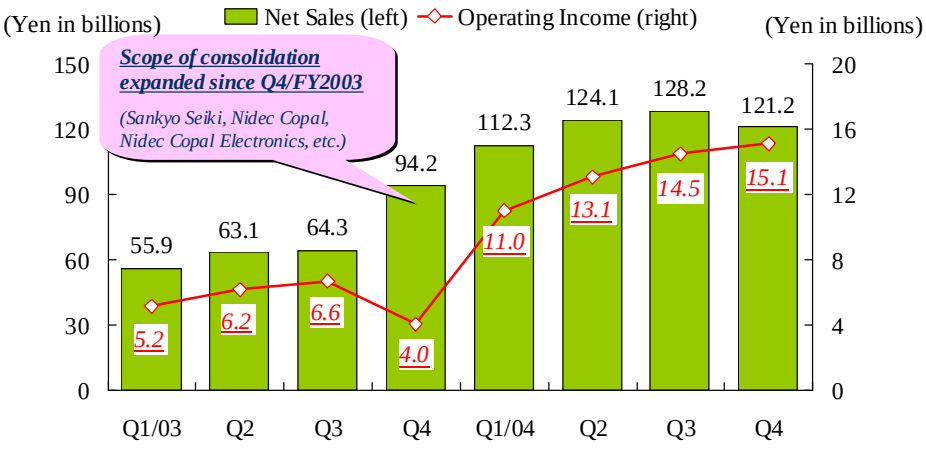


Business Segment Results---2

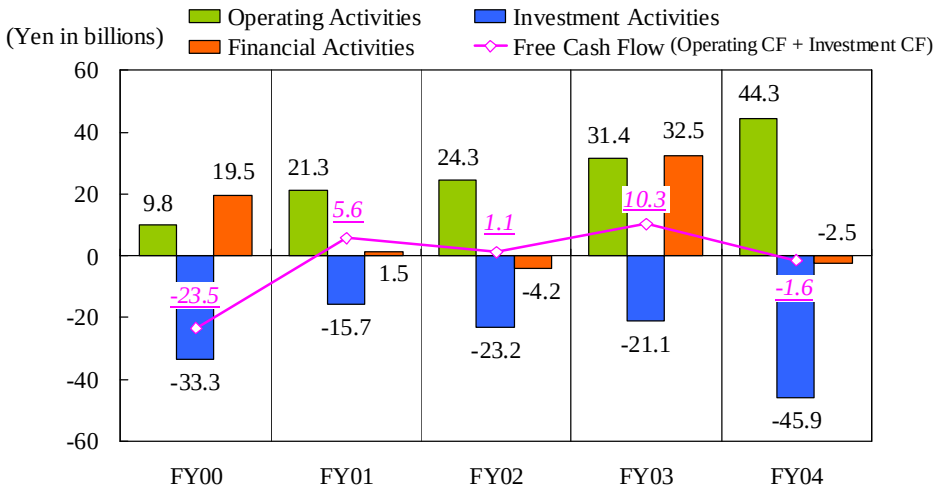
< Machinery, Electronic/Optical Components, Others >



Consolidated Quarterly Results



Consolidated Cash Flow

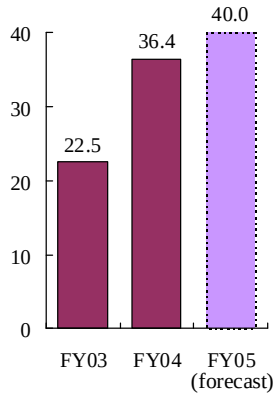


FY2005 Forecast

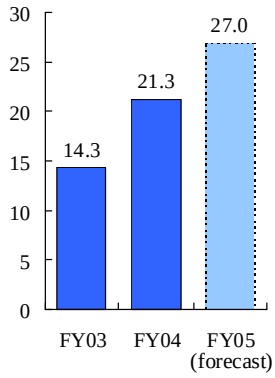
(Yen in millions)	FY2004 (Results)	FY2005 (Forecast)	Change
Net Sales	485,861	520,000	+7.0%
Operating income (OP Income ratio)	53,665 (11.0%)	55,000 (10.6%)	+2.5%
EBIT	57,290	55,000	-4.0%
Net Income	33,455	34,000	+1.6%
EPS (¥)	479.74	477.28	-0.5%
FX (¥/$): Average	107.55	105.00	-2.4%

Capital Expenditures, Depreciation and R&D Expenses

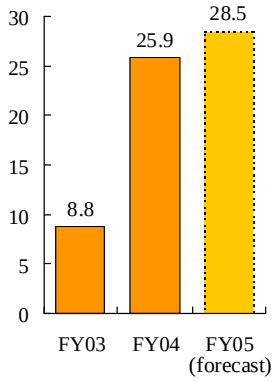
Capex
(Yen in billions)



Depreciation
(Yen in billions)



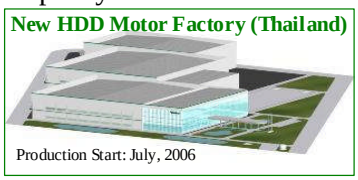
R&D Expenses
(Yen in billions)



Strategic Investment---1
- New Factory/Increase of Production Capacity -

- **Increase of Motor Production Capacity**
  - New HDD Motor Factory (Thailand)
  - Capacity Increase of DC & Fan Motor (Dongguan, China)

New HDD Motor Factory (Thailand)



Nidec (Dongguan) Corp.

- **Investments in Vietnam**
  - Sankyo Seiki's New Factory for Optical Pick Up
  - Nidec's New Motor Factory
  - Nissin Kohki's New Precision Molding & Mold Building Factory

Nidec Sankyo Vietnam

Strategic Investment---2
- R&D -

- **New Product** < Automobile, Circuit Technology >
  - Power Train, Interior, Transmission Motors
    (Radiator, Air Valve, Tilt Wheel, Sliding Door, Gear-Mission-Clutch)
  - Development of ECU Controller & Custom IC
- **Basic Research** < Motor Engineering Research Laboratory >
  - World's Top Class Motor Research Laboratory
  - Nurturing of motor engineers

Director: Dr. Takashi Kenjo

- Doctor of Engineering
- Former Professor of Electrical Engineering at Polytechnic University, Tokyo
- Authority in Brushless DC Motor Engineering
- Publishes books on motors, electronic control circuit

Business Segment Information

HDD Motors

Other DC Motors

Fan Motors

Mid-size Motors

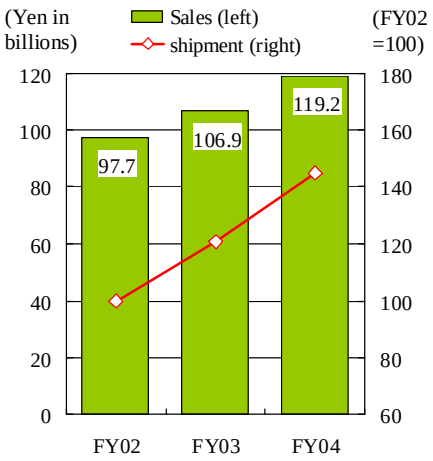
Machinery

Electronic & Optical Components

Others

HDD Motors: FY2004 Results

Sales & Shipment



*** Record Sales and Shipment**

*** Demand driven by Sub-1.8" motors**

- **Sales**
  - Up 11.5% Y/Y
- **Shipment**
  - Up 20.4% Y/Y
- **Yen-based ASP**
  - Down 9% Y/Y

HDD Motor: Strategy

HDD Market Condition

Growth on Non-PC Application → **High Capacity for CE Application (Multi Disk for 3.5")**

\+ \+

Higher Capacity of Micro Disk Drive → **Production Capacity Increase for 1.8" Mass Production of 0.85"**

▼ ▼

High Growth Market (Over 15% Y/Y) → **Meet expanding demand Construction of New Factory with the World Largest Capacity**

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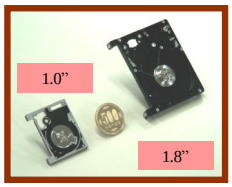
Lower ASP for Desktop PC → **Sintered Alloy Metal Model & Production Increase in China**

HDD Motor: Strategy

Enhance Profitability (Cost-cut Scheme)



More Profit

Less Procurement Cost

New Material/Process

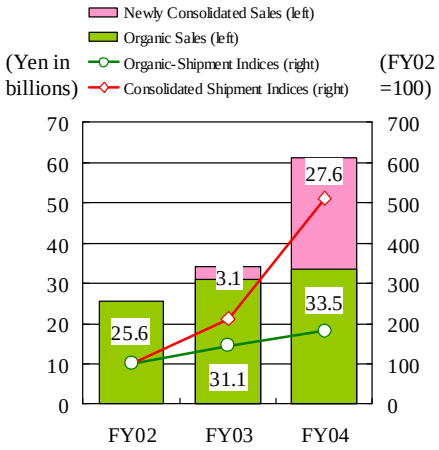
Standard Design

- Higher In-house Production Ratio
- Standardization of Parts
- Use of Resin, Less Machining
- Automatic Assembly
- Uniform Bearing Design

Meet Exploding Demand of Micro Drive Motor

Other DC Motors: FY2004 Results

Sales & Shipment



Optical-drive motors and newly consolidated subsidiaries contributed

- **Sales**
  - Up 79% Y/Y
  - Up 8% Y/Y (Organic Growth)
- **Shipment**
  - Up 25% Y/Y (Organic Growth)
  - Up 2.4 fold Y/Y (Consolidated)

Other DC Motor: Strategy

New Product, New Customer, New Market

For ODD
- Slim: Automobile, DVC, DLP
- H/H: Share Up in Asian Customer

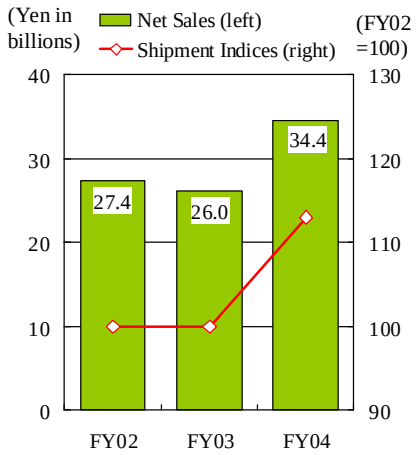
For OA, other
- Colorization, Down Sizing, High Efficiency
- Security Censor (FY2004 Award-winner)

Standard Motor
- Replace the demand for Mid/Large-size Stepping Motors

New Line: 27H

Fan Motors: FY2004 Results

Sales & Shipment



Good sales of High-value-added Fans. ASP boosted.

- **Sales**
  - Up 32% Y/Y
- **Shipment**
  - Up 11% Y/Y
- **Yen-based ASP**
  - Up 17% Y/Y

Fan Motor: Strategy

Boost Sales

- Focus on big/new orders

US Customer	**PC Manufacturer** **Hardware Manufacturer**
Top Share	**MPU Cooling**
New Order	**Note Book PC** **Game Console**

Start Fan Motor Production in Dong guan, China

Upgrade of Standard Fan

Low Noise, Low Vibration, Low Current & High Air Volume

Mid-size Motor: Strategy

For Automobiles

- Expand EPS-motor Customer Base
- Prototype Production for Power Train & Interior Applications

Adaptation to the new market condition - Delayed Shift to 42V platform

Restructuring of Home Appliances and Industry Equipment Businesses

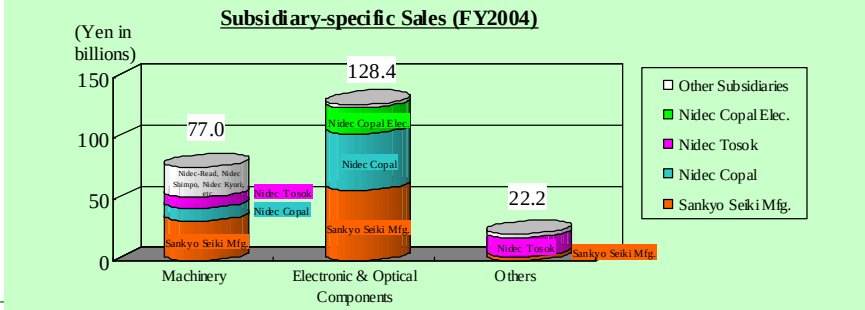
- Advance 3-New Strategy (New Product, New Customer, New Market)

Growth Oriented Management by New COO

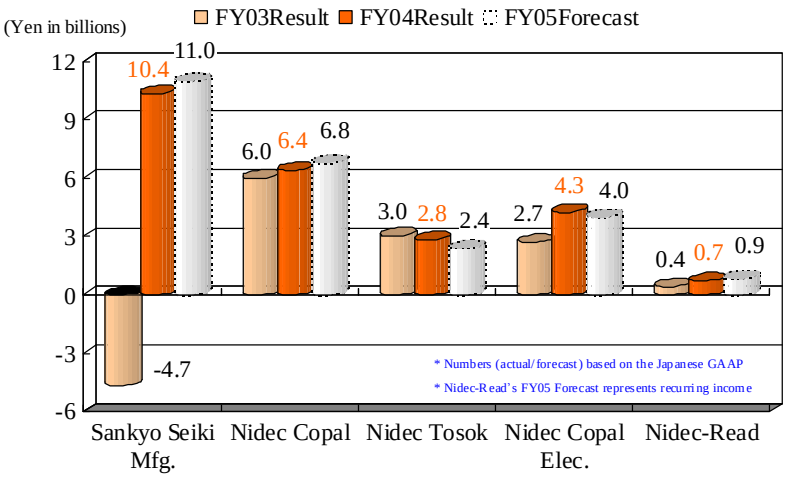
Machinery, Electronic & Optical Components and Others - Strategy

Drive up profitability of Subsidiaries' Core Products

- Machinery Sankyo Seiki (Industrial Robot, Card Reader)
- Electronics & Optical Components
  Sankyo Seiki (Optical Pickup, Home Electronics, Machined Parts)
  Nidec Copal (Optical Component, Machined Parts, Electronic Components
  Nidec Copal Electronics (ECU Module, Censor, Actuator)
- Others Nidec Tosok (Automobile Parts)



Main Subsidiaries < Consolidated Operating Income >



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