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Nidec Corporation

New York Stock Exchange symbol: NJ
Stock exchange code (Tokyo, Osaka): 6594

Contact:

Hiroshi Toriba
Executive Director
Investor Relations
+81-75-935-6140
HIROSHI_TORIBA@notes.nidec.co.jp

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Nidec and NTN to Establish Joint Venture in Thailand to Increase Fluid Dynamic Bearing Unit Production

Nidec Corporation (“Nidec”) announced today its plan to establish a joint venture in Thailand with NTN Corporation (“NTN”) to step up the production of a fluid dynamic bearing unit (“FDB unit”), the core part of the hard-disk-drive (“HDD”) motor.

In a move to meet today's fast-growing demand for HDD used in computers and consumer electronics, the world's HDD makers are augmenting their manufacturing capacities in the southeast Asian countries, primarily in Thailand. Given the current development, the new joint venture, tentatively named NTN-NIDEC (THAILAND) CO. LTD., is undertaking the production of FDB units to facilitate Nidec's HDD motor production in tandem with its China-based equivalence, NTN-Nidec (Zhejiang) Corporation. Currently, NTN-Nidec (Zhejiang) Corporation engages exclusively in manufacture of FDB units fitted into Nidec's 3.5-inch HDD motors, using "sintered-alloy" metal parts supplied by NTN's wholly-owned local subsidiary, NTN manufacturing (Thailand) Co. Ltd.

NTN-NIDEC (THAILAND) CO. LTD. will be established in the Eastern Seaboard Industrial Estate, Rayong, in November 2005, with a production launch scheduled for June 2006. It plans to increase output to 9-10M units per month in or after 2009, expanding the Thailand-China combined capacity up to 15-16M units per month.

Outline of the New Company:

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| (1) Company name: | NTN-NIDEC (THAILAND) CO. LTD. (Tentative) |
| (2) Description of business: | Manufacture and sale of FDB units for HDD motors |
| (3) Paid-in Capital: | 1.5 billion yen (Planned) |
| (4) Controlling share: | 60% by NTN, 40% by Nidec |
| (5) Location | The Eastern Seaboard Industrial Estate, Rayong, Thailand |
| (6) Foundation | November 2005 (Planned) |
| (7) Start of operation | June 2006 (Planned) |
| (8) Land space | 21,350 m ² (Planned) |

(9) Floor space	11,280 m ² (Planned)
(10) Total Investment	3 billion yen (Planned)
(11) Production plan	3 million units/month in 2006 6 million units/month by 2008
(12) Employees	1,300 (for output capacity of 6 million units/month)

About Fluid Dynamic Bearing (FDB) Unit

Quality characteristic: The FDB unit manufactured by NTN-NIDEC (THAILAND) CO. LTD. uses sintered-alloy metal parts, ensuring superb mass productivity and rotation accuracy, as well as long-term durability and low cost.



3.5-inch FDB units

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NIDEC CORPORATION

CORPORATE OFFICE: 338 TONOSHIRO-CHO, KUZE, MINAMI-KU, KYOTO 601-8205 JAPAN
PHONE: KYOTO +81-75-935-6140 FAX: +81-75-935-6141
URL: <http://www.nidec.co.jp/english/index.html>