

Developing High Growth Business

Nidec's primary target is to achieve group sales of ¥1 trillion by fiscal year 2010. To reach this goal we are pursuing a plan for rapid and sustained growth in tandem with high profitability.

THE HIGH-VALUE PATH TO GROWTH

Seeking growth with high profitability, Nidec aims for an average operating margin of 15%—by growing in new, high-value business fields, and prudently investing in research to create future high-growth products. Nidec is both developing and acquiring through aggressive M&A leading technologies and products in fields with high-margin growth in the medium- to long-range future. Nidec companies are determined to maintain leading shares and the world's top technological standards in these growing markets. Nidec Sankyo's LCD-panel transfer robot leads the industry with unrivaled speed-control technology and stable handling of large glass LCD panel substrates. This business drove Nidec's consolidated profits during the first half of FY2006, followed by a sharp decline as Taiwanese flat-panel TV manufacturers abruptly cut capital spending toward year-end. We expect Nidec Sankyo's transfer robot business to bounce back within FY2007 with new product applications, such as handling semiconductor wafers and operating in a vacuum environment.

EXPANDING EARNINGS BASE

In factory automation equipment, Nidec-Shimpo is building a strong market for its power transmission drives, and Nidec-Kyori high-speed presses enjoy a large and growing market share among producers of leadframes, connectors and electronic parts. Nidec Copal shutters and lens units are favored by the world's big-name camera makers for use in digital cameras and mobile phones. Nidec Copal now eyes boosting profits on improved production yield. In the meantime, Nidec Copal Electronics was strengthened by the acquisition in November 2006 of the precision switch manufacturer Fujisoku Corporation.

THE STRATEGIC PATH TO GROWTH

In December 2006, Nidec acquired the motor & actuator business of Valeo S.A. of France, now Nidec Motors & Actuators ("NMA"). Based in Europe, Mexico and the U.S., NMA produces automotive-use motors for airflow, body closure, seat positioning and brake systems. While strengthening NMA in Europe and North America, we are extending NMA's reach to Japan and other Asian countries. NMA's additional global sales channels will be the basis of Nidec's consolidated automotive business, where our brushless motor technologies will merge with NMA's brush motor applications to meet changing technological requirements. Similarly, the acquisition of Japan Servo Co., Ltd., from Hitachi Ltd. in April 2007 expands market access and promotes numerous synergies in the small motor segment.



Rapid assimilation of acquisitions, such as Nidec Motors & Actuators, generates synergy and new market access

< Automotive Motors and Applications >



←
Nidec Motors & Actuators
Headquarters (France)



←
Nidec Motors & Actuators
(Poland) Sp.. z.o.o.



←
Nidec Motors & Actuators
(Germany) GmbH

< Industrial Precision Parts and Motors >



←
Fujisoku Corporation



←
Japan Servo Co., Ltd.
Kiryu Factory