



**Financial Results for the 1st Quarter
Ended June 30, 2004**
[U.S. GAAP-based]

July 29, 2004

NIDEC Corporation
www.nidec.co.jp/



Nidec Corporation

Consolidated Financial Results for the 1st Quarter Ended June 30, 2004
(U.S. GAAP-based)

Special Note Regarding Changes in the Reporting Basis

- v U.S.GAAP-based
- v Sankyo Seiki Mfg., Nidec Copal and Nidec Copal Electronics included in the scope of consolidation
- v The “Other” segment reclassified into the “Electronic/Optical Components” segment and the “Others” segment

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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Special Note Regarding Changes in the Reporting Basis

Our consolidated financial reporting from FY2004 onward complies with U.S.GAAP.

Sankyo Seiki Mfg. Co., Ltd., Nidec Copal Corporation and Nidec Copal Electronics Corporation have been newly included in our scope of consolidation.

One of our four business categories, conventionally defined as the “Other” segment, has been reclassified into the “Electronic and Optical Components” segment and the “Others” segment.

Accounting Standards for Nidec's Main Subsidiaries

	FY2003				FY2004
	Q1	Q2	Q3	Q4	Q1
U.S. GAAP	Nidec and its foreign subsidiaries (i.e. Nidec Electronics (Thailand), Nidec Dalian)				
	Nidec Shibaura, Nidec Power Motor				
	Nidec-Read, Nidec-Shimpo, Nidec-Kyori, Nidec Machinery				
	Nidec Tosok, Nidec Nemicon				
				Sankyo Seiki Mfg., Nidec Copal, Nidec Copal Electronics	
Japanese GAAP	Nidec and its foreign subsidiaries (i.e. Nidec Electronics (Thailand), Nidec Dalian)				
	Nidec Shibaura, Nidec Power Motor				
	Nidec-Read, Nidec-Shimpo, Nidec-Kyori, Nidec Machinery				
	Nidec Copal, Nidec Tosok, Nidec Copal Electronics, Nidec Nemicon				

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Accounting Standards for Nidec's Main Subsidiaries

Sankyo Seiki Mfg. Co., Ltd., Nidec Copal Corporation and Nidec Copal Electronics Corporation were newly included in our U.S. GAAP-based scope of consolidation with the start of the fourth quarter of FY2003.

Our consolidated financial reporting from FY2004 ending March 31, 2005 onward is reflecting the three companies' operating results in full scale.

Q1/FY2004 Highlights

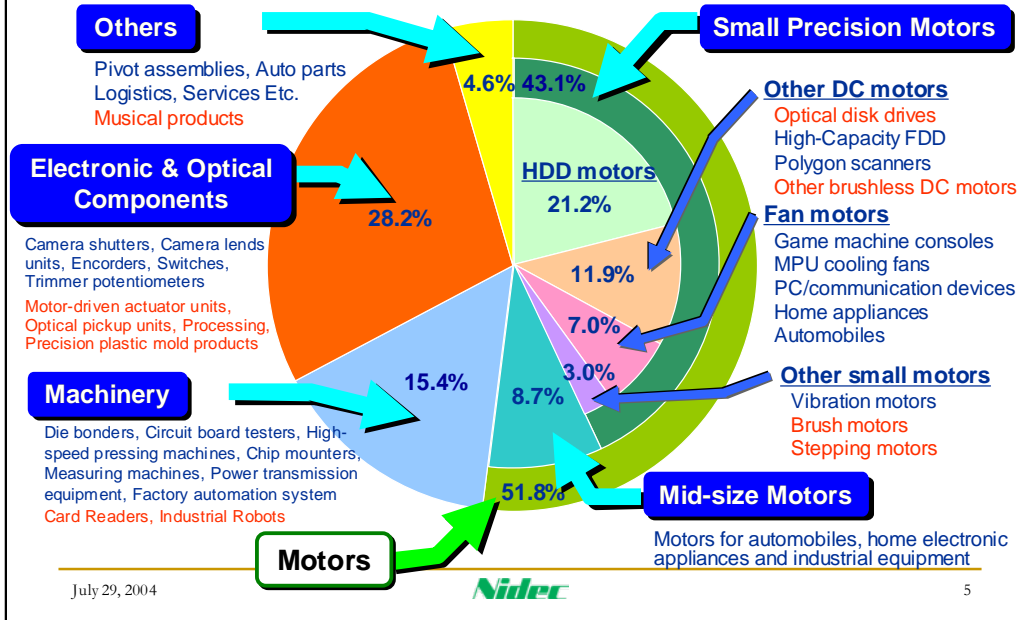
- Sales, operating income and net income hit new highs
- Record-high HDD motors: shipment up 15%. Sales leveled off.
- Optical disk drive motors: shipment up 40%. Sales up 7%.
- Fan motors: upbeat demand for high-value-added lines. Shipment up 20%. Sales up 30%.

Q1/FY2004 Highlights

All business segments recorded historically high results of sales, operating income, net income before tax and net income after tax.

Sales by Products (Q1/FY2004)

* Products highlighted in red color belong to Sankyo Seiki, in whole or in part. (Consolidated in Q4/FY03)



Sales by Products (Q1/FY2004)

Starting from FY2004 ending March 31, 2005, the "Other" segment divided into the "Electronic/Optical Components" segment and the "Others" segment.

Motor products consisting of small precision motors and mid-size motors account for about 50% of the total output.

Profit/Loss - year on year-

(Yen in millions)	1Q/FY2003	1Q/FY2004	differences
Net sales	55,930	112,287	+100.8%
Cost of product sold	43,529	86,762	+99.3%
S.G.A. expenses	4,907	9,103	+85.5%
R&D expenses	2,333	5,395	+131.2%
Operating income (Operating income ratio)	5,161 (9.2%)	11,027 (9.8%)	+113.7%
Other income (expenses):	234	2,558	+993.2%
Income before taxes	5,395	13,585	+151.8%
Provision for income taxes	(1,090)	(2,541)	+133.1%
Minority interest in income (loss) of consolidated subsidiaries	304	2,512	+726.3%
Equity in net (income) / losses of affiliated companies	(580)	24	-104.1%
Net income	4,581	8,508	+85.7%
Average Exchange Rate (Yen/US\$)	118.50	109.77	-7.4%

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Profit/Loss - year on year -

Net sales for the three months ended June 30, 2004 increased approximately ¥56,400 million, or 100.8%, to ¥112,287 million as compared to the same period of the previous year.

Operating income for the three months ended June 30, 2004 increased approximately ¥5,900 million, or 113.7 %, to ¥11,027 million as compared to the same period of the previous year.

Net income before tax significantly increased approximately ¥8,200 million, or 150%, to ¥13,585 million as compared to the same period of the previous year. Although expenses arising from the payment of minority interest in consolidated subsidiaries accordingly increased, net income after tax for the three months ended June 30, 2004 increased by approximately ¥3,900 million, or 86%, to ¥8,508 million as compared to the same period of the previous year.

Business Segmental Information -year on year-

(Yen in millions)	Net Sales			Operating Income		
	Q1/FY03	Q1/FY04	difference	Q1/FY03	Q1/FY04	difference
Small Precision motors	36,730	48,414	+31.8%	4,379	5,118	+16.9%
Mid-size motors	8,971	9,794	+9.2%	618	854	+38.2%
Machinery	5,840	17,253	+195.4%	507	2,332	+360.0%
Electronic & Optical components	688	31,613	+4494.9%	62	3,230	+5109.7%
Others	3,701	5,213	+40.9%	249	496	+99.2%
(Elimination / Corporate)	(-)	(-)	---	(654)	(1,003)	+53.4%
TOTAL	55,930	112,287	+100.8%	5,161	11,027	+113.7%

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Business Segmental Information - year on year -

Net sales of small precision motors increased approximately ¥11,700 million, or 31.8%, to ¥48,414 million as compared to the same period of the previous year. The impact from the expansion of the scope of consolidation amounted to approximately ¥9,400 million.

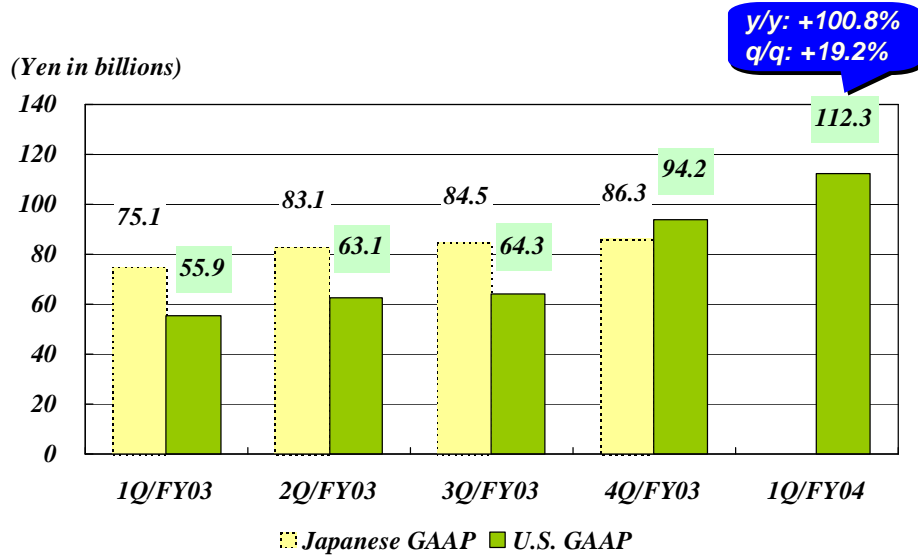
Net sales of mid-size motors increased by approximately 9% to ¥9,794 million as compared to the same three months of the previous year. This increase was due to sales increases in motors for home appliances and industrial equipment. Despite an expansion in sales of motors directed to new applications, overall sales for this segment slightly decreased as the shipment of automobile-directed motors unattached to electronic controllers increased as compared to the same three months of the previous year.

Net sales of machinery increased by approximately ¥11,400 million as compared to the same period of the previous year to ¥17,253 million. The 30% increase over the previous year level mainly consists of the combined sales of ¥9,600 million from Nidec Copal and Sankyo Seiki. The remainder of the increase came from Nidec-Kyori, Nidec Tosok and Nidec-Shimpo.

The "Electronic/Optical Components" segment is a newly classified business area established as a result of expansion in the scope of consolidation. The business condition of this segment is reported in our fiscal financial statements from the three-month period under review onward. This segment includes the products of our subsidiaries represented by Sankyo Seiki, Nidec Copal, Nidec Copal Electronics and Nidec Nemicon. (Note: Products of Nidec Nemicon had been included in the "Other" segment until the previous fiscal year ended March 31, 2004). Sales from this business for the three months ended June 30, 2004 totaled ¥31,613 million.

Net sales of products classified as "Others" segment increased by approximately ¥1,500 million to ¥5,212 million as compared to the same period of the previous year. This increase resulted largely from the expansion in sales of automobile parts by Nidec Tosok.

Consolidated Quarterly Sales



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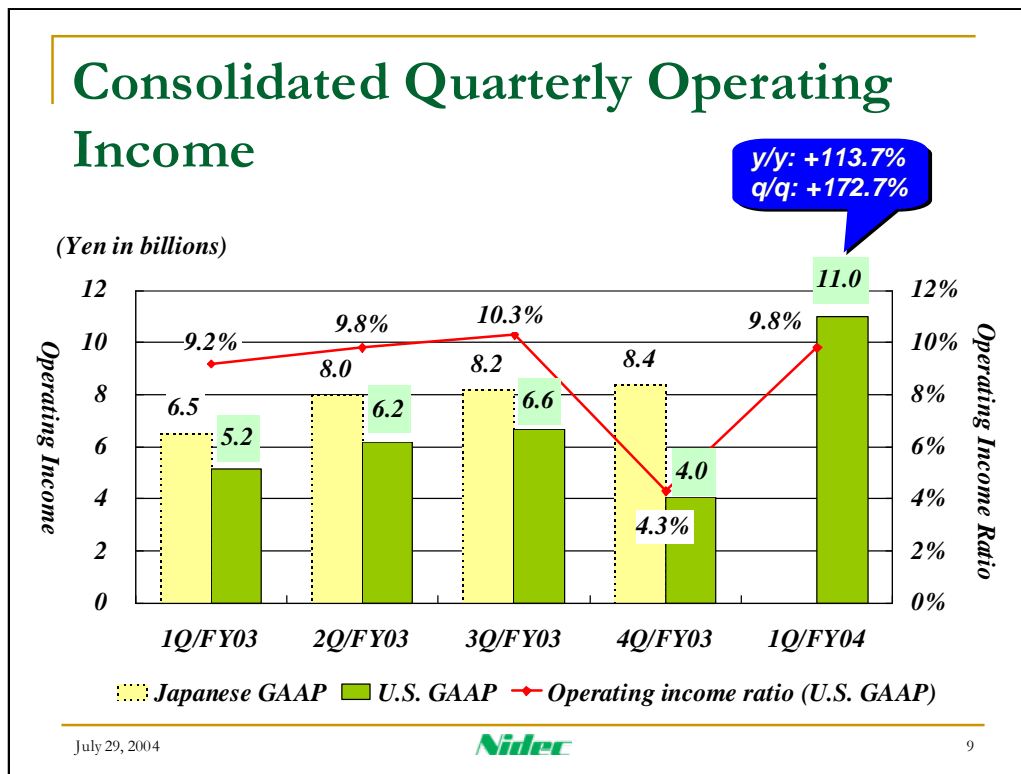
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Consolidated Quarterly Sales

Net sales for the three months ended June 30, 2004 increased by approximately 100% as compared to the same period of the previous year. The significant increase largely derived from the consolidation of three companies: Nidec Copal Corporation ("Nidec Copal"), Nidec Copal Electronics Corporation ("Nidec Copal Electronics"), and Sankyo Seiki Mfg. Co., Ltd. ("Sankyo Seiki"). The impact from their consolidation collectively amounted to approximately ¥50,900 million. Excluding such impact, the increase in net sales was approximately ¥5,500 million, or 9.7%, as compared to the same period of the previous year. Also excluding an exchange loss of ¥2,600 million due to the yen's appreciation against the dollar by 7% over a year-ago level, the increase in net sales was ¥8,100 million, or 14.4%, as compared to the same three month of the previous year.

As compared to the preceding three months ended March 31, 2004, net sales increased ¥18,100 million (19.2%).

Consolidated Quarterly Operating Income



Consolidated Quarterly Operating Income

Operating income for the three months ended June 30, 2004 increased approximately ¥5,900 million, or 113.7%, to ¥11,027 million as compared to the same three months of the previous year. The contribution from the expansion in the scope of consolidation as explained in the paragraph for sales totaled ¥5,000 million. The yen's appreciation during the three months caused a decrease of ¥400 million. After excluding the stated factors of increase and decrease, operating income increased by 25% to approximately ¥1,300 million.

Operating income increased across all segments in similar proportion, except the impact of expansion in the scope of consolidation. In the "small precision motor" business, HDD motors secured profits particularly through sales of high-end lines for servers and other lines smaller-than-2.5-inch. Sales of other DC brushless motors and fan motors also contributed to the profit increase. The adverse impacts on operating income incurred from the purchase of Sankyo Seiki's FDB business amounted to ¥450 million for the three months ended June 30, 2004. This indicates a sequential profitability loss over the previous three months, the largest portion of which incurred by Nidec Philippines Corporation. We expect Nidec Philippines Corporation to absorb the loss within the year, given the current pace of productivity improvement.

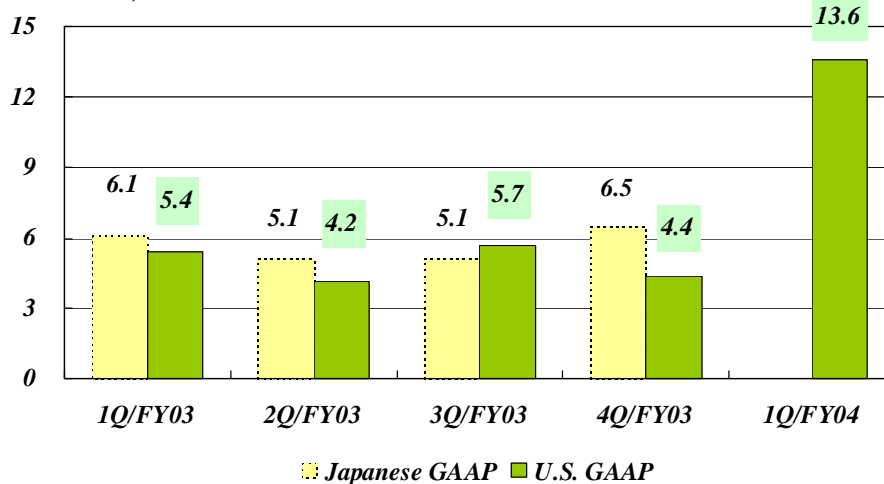
For medium-size motors, profits increased mainly through sales of motors for home appliances, such as air conditioners. For machinery, small precision power presses, semiconductor inspection devices and transmissions recorded increases both in sales and profit due to robust demand for capital investment. For the products classified in the "Other" segment, automobiles parts continued to increase profits.

The companies newly incorporated in the U.S.GAAP-based scope of consolidation increased their operating income. Besides Sankyo Seiki turning profitable, Nidec Copal and Nidec Copal Electronics also recorded income increases in the range of 10-20%.

As compared to the preceding three months ended March 31, 2004, operating income increased ¥7,000 million(172.7%).

Consolidated Quarterly Net Income before Tax

(Yen in billions)



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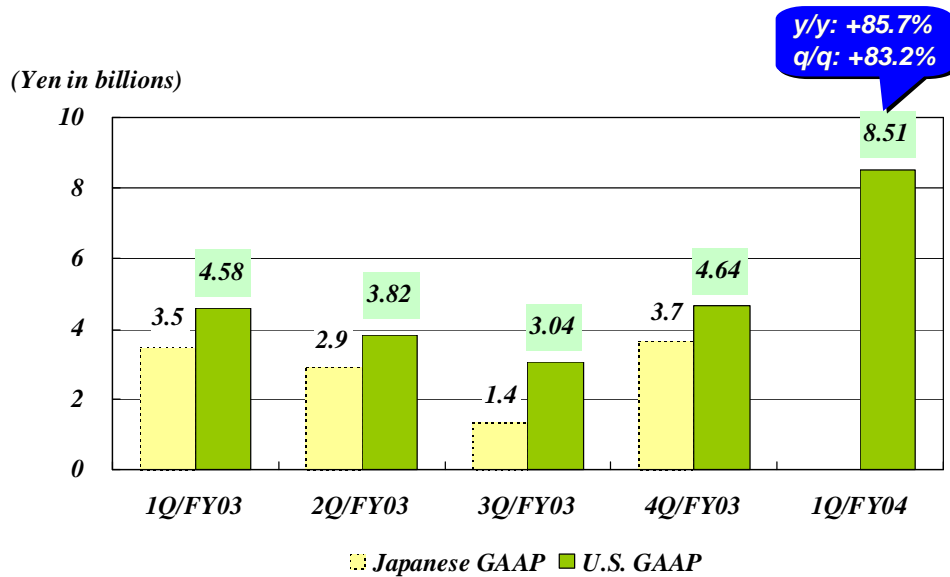
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Consolidated Quarterly Net income before Tax

Net income before tax significantly increased approximately ¥8,200 million, or 150%, to ¥13,585 million as compared to the same period of the previous year. This increase mainly consists of the increase in operating income (¥5,900 million), foreign exchange gain (¥1,800 million) and gain from sales of marketable securities (¥600 million).

As compared to the preceding three months ended March 31, 2004, net income before tax increased ¥9,100 million (207.9%).

Consolidated Quarterly Net Income



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Consolidated Quarterly Net Income

Net income after tax for the three months ended June 30, 2004 increased by approximately ¥3,900 million, or 86%, to ¥8,508 million as compared to the same period of the previous year.

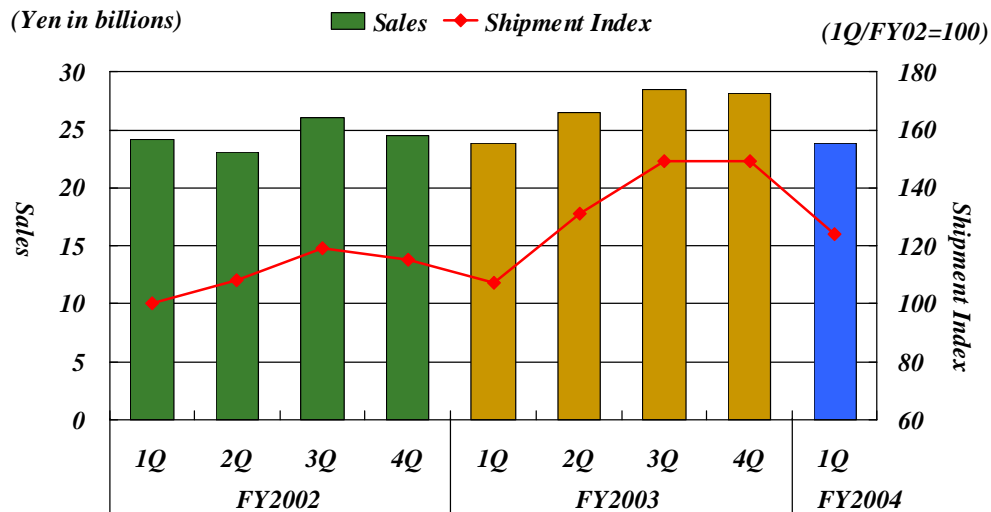
As compared to the preceding three months ended March 31, 2004, net income increased ¥3,900 million(83.2%).

Main Products Information

HDD Motors
Other DC Motors
Fan Motors
Other Small Motors

Main Products Information

Sales & Shipments -HDD Motors-



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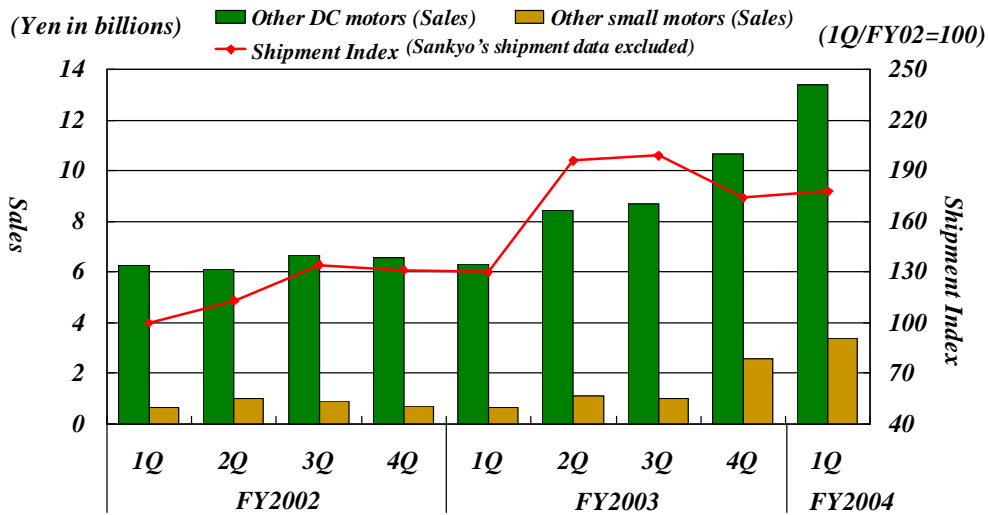
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Sales & Shipments - HDD Motors -

Sales of spindle motors for hard disk drives leveled off as compared to the same three months of the previous year, while their unit shipment increased by over 15%. The yen's appreciation against the dollar over the same period of the previous year accounts for an over 7% decline in the yen-based sales. This translates into an approximately 7% increase in the dollar-based sales. The difference between the increase in shipment(15%) and sales amounts (7%) was attributed to changes in product mix, in which low priced 3.5-inch motors for desk top PCs increased by 15%. On the other hand, 2.5-inch motors only increased less than 10% due to the great impact felt from production adjustments by customers. A decline in the sales price of motors was less than 10% on an annualized basis.

Sales & Shipments -Other DC Motors/ Other Small Motors-



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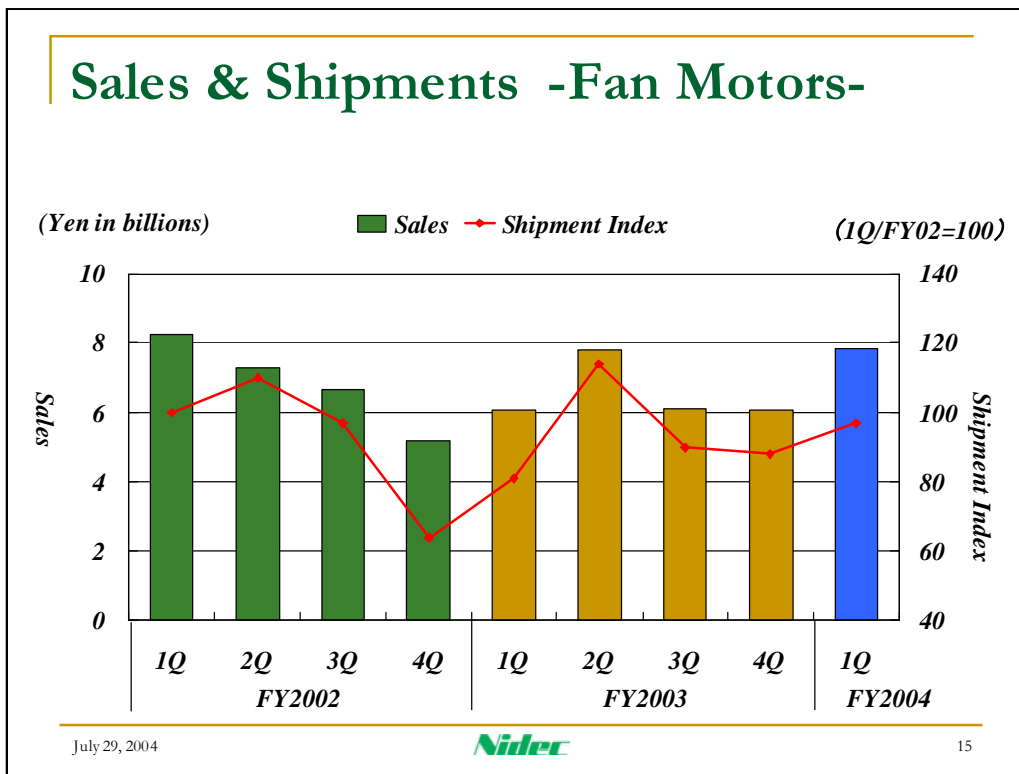
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Sales & Shipments - Other DC Motors/ Other Small Motors -

Net sales of other small precision DC motors increased by ¥7,100 million, or 112%, as compared to the same period of the previous year, due to the addition of sales of Sankyo Seiki as a result of the expansion in the scope of consolidation. Even narrowing the focus to Nidec Corporation and its direct-line subsidiaries alone, sales and shipment increased 12% and close to 40%, respectively.

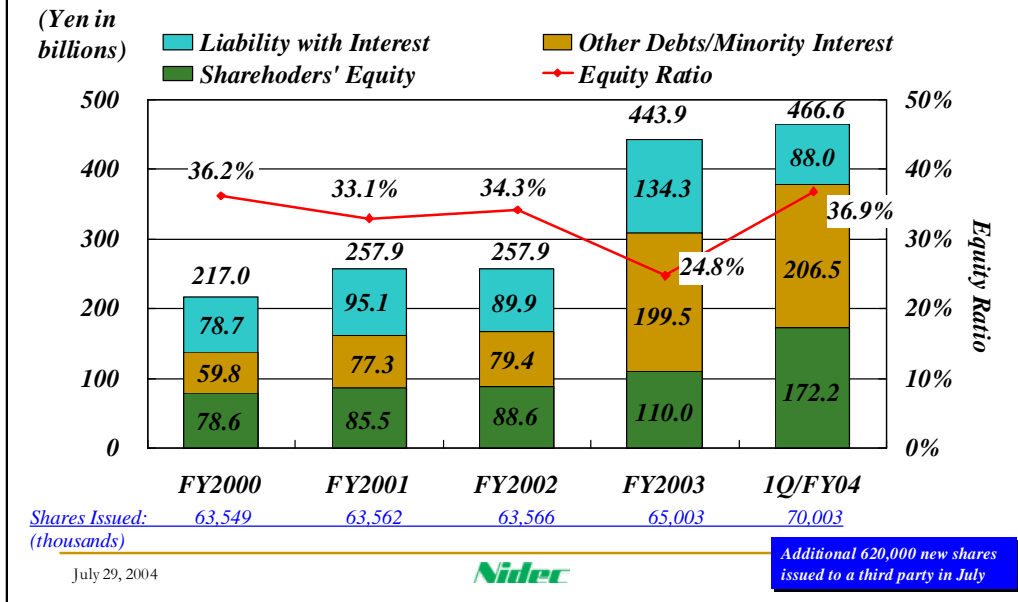
Sales & Shipments -Fan Motors-



Sales & Shipments - Fan Motor -

Sales of fan motors also enjoyed the positive effect from the expanded scope of consolidation, recording a significant sales increase of approximately 30% as compared to the same three months of the previous year. Sales and shipment by Nidec Corporation and its direct-line subsidiaries increased by approximately 28% and slightly over 20%, respectively, in which high-end products with higher sales prices gained their presence in product mix.

Liability with Interest & Equity Ratio



Liability with Interest & Equity Ratio

On March 31, 2004, our liabilities with interest totaled ¥134.3 billion leading to a decline in equity ratio to 24.8%. The abrupt increase derived from a temporary accrual of capital needs arising as a result of our capital alliance with Sankyo Seiki, which entailed purchase of new shares and substantial financial support-related spending.

In the meantime, we increased our equity capital by approximately ¥53.5 billion through public offering of 5 million shares of common stock during the quarter under review to optimize our capital structure, thus laying foundation for a mid-to-long term business expansion. The public offering served to improve our equity ratio to 36.9%, while reducing liabilities with interest to approximately ¥88 billion, providing us with larger debt capacity and enhanced flexibility in financing.

The stated public offering was accompanied by an issuance of 620,000 new shares of Nidec's common stock through an over-allotment method. Total capital raised through the over-allotment program amounted to ¥6.6 billion, which is not included in the financial reporting for the three-month results under review.