



Nidec Corporation
Corporate Release on August 23, 2001

RESULTS FOR THE FIRST QUARTER ENDED JUNE 30, 2001 (Japanese GAAP)

1. Overview for the first quarter ended June 30, 2001

During the first quarter ended June 30, 2001, net sales rose 42.7% compared with the same period of the previous year, to 67,058 million yen, mainly due to the contribution of newly consolidated subsidiaries. Operating income decreased 13.7% to 2,494 million yen. Recurring income increased 1.4% to 2,181 million yen and net income decreased 62.7% to 536 million yen.

2. Business segment information

First quarter ended June 30, 2001 and 2000

(Million yen)

		Three months ended June 30,		Year ended	Major products
		2001	2000	March 31, 2001	
Small precision motors					HDD motors Other DC motors for CD-ROMs, DVDs, etc. Small precision fans Vibration motors for mobile phones Brush motors
Net sales	Customers	32,639	28,491	130,485	
	Intersegment	612	1	3,040	
	Total	33,252	28,492	133,525	
Operating income		2,376	3,078	12,622	
Mid-size motors					Motors for automobile Motors for industrial use Motors for home appliances Servo motors for OA equipment AC motors
Net sales	Customers	9,530	3,059	24,134	
	Intersegment	15	17	213	
	Total	9,546	3,077	24,348	
Operating income		(90)	(416)	(1,219)	
Machinery and power supplies					Semiconductor production equipment (Die bonders, Board testers) High-speed press machines Measuring machines Power transmission equipment FA systems Power supplies
Net sales	Customers	10,277	9,525	50,412	
	Intersegment	2,641	343	4,763	
	Total	12,919	9,868	55,176	
Operating income		146	601	2,895	
Other					Auto parts Pivot assemblies Camera shutters Encoders Trimmer potentiometers Polygon scanners Other services
Net sales	Customers	14,611	5,912	44,205	
	Intersegment	199	104	4,440	
	Total	14,810	6,016	48,646	
Operating income		957	219	4,203	
Corporate & Elimination					
Net sales		(3,468)	(466)	(12,458)	
Operating income		(896)	(592)	(2,468)	
Consolidated					
Net sales		67,058	46,988	249,238	
Operating income		2,494	2,890	16,033	



Net sales of our small precision motors increased 14.6% from ¥28,491 million for the first quarter ended June 30, 2000 to ¥32,639 million for the first quarter ended June 30, 2001. Net sales of motors for hard disk drives (HDDs) increased more than 2% compared with the same term of the previous year despite a decrease in unit shipments of more than 6% compared with the previous term. The difference of approximately 9% was mainly caused by the appreciation of the yen against the U.S. dollar and also against other Asian currencies. Net sales of other DC motors increased approximately 30% due to the expansion in sales of motors for CD-ROM, CD-R/W, and DVD drives. As for fan motors, net sales increased approximately 6% due to the contribution of an expansion in sales of MPU cooling fans and fans for game consoles.

Net sales of mid-size motors increased 211.3% from ¥3,059 million for the first quarter ended June 30, 2000 to ¥9,530 million for the first quarter ended June 30, 2001. Most of the increase in net sales of mid-size motors came from newly consolidated Nidec Shibaura Corporation, which manufactures motors for household appliances and power industrial equipment.

Net sales of machinery and power supplies increased 7.9% from ¥9,525 million for the first quarter ended June 30, 2000 to ¥10,277 million for the same term of this year. This was due to increased sales contributed by newly consolidated companies, which were offset by the decreases in the sales of production system and machinery reflecting the downturn in IT-related markets.

Net sales of other products increased 147.1% from ¥5,912 million for the first quarter ended June 30, 2000 to ¥14,611 million for the first quarter ended June 30, 2001. Most of the increase in net sales of other products came from newly consolidated Nidec Copal Corporation and Nidec Copal Electronics Corporation, which manufacture mechanical components and electronics devices.

3. Consolidated Statement of Income

				(Million yen)
	Three months ended June 30,			Years ended
	2001	<i>Change</i>	2000	March 31,
				2001
Net Sales	67,058	42.7%	46,988	249,238
Cost of Sales	55,631	44.3%	38,554	204,410
Gross profit	11,427	35.5%	8,434	44,828
Selling, General and Administrative Expenses	8,932	61.1%	5,543	28,795
Operating income	2,494	-13.7%	2,890	16,033
Non-operating income	554	-6.4%	592	5,916
Non-operating expenses	868	-34.8%	1,331	3,154
Recurring income	2,181	1.4%	2,150	18,795
Extraordinary gain	159	120.8%	72	5,713
Extraordinary loss	424	244.7%	123	7,356
Income before income taxes	1,916	-8.7%	2,099	17,152
Income Taxes	843	83.7%	459	5,551
Minority Interests	536	168.0%	200	1,643
Net Income	536	-62.7%	1,438	9,956



4. Consolidated Balance Sheet

(Million yen)

	As of June 30,		As of March 31,
	2001	2000	2001
ASSETS			
Current assets	164,346	110,751	176,544
Cash on hand	42,866	36,731	49,145
Notes and accounts receivable	77,383	45,185	82,998
Marketable securities	1,333	2,868	2,981
Inventories	34,451	20,083	33,949
Deferred tax asset	2,382	1,545	2,373
Other current assets	6,388	4,703	5,681
Allowance for doubtful accounts	(458)	(365)	(585)
Fixed Assets	131,268	88,218	129,102
Tangible asset	99,835	65,770	97,111
Intangible assets	14,800	850	15,747
Investment and other assets	16,632	21,597	16,244
Deferred assets	-	119	29
Foreign currency translation adjustment	-	6,780	-
Total assets	295,615	205,869	305,677
LIABILITIES			
Current liabilities	138,403	80,846	147,317
Notes and account payable	53,717	37,949	58,544
Short-term debt	59,536	26,626	57,347
Current portion of long-term debt	3,762	1,182	4,182
Current portion of corporate bonds	-	3,966	-
Accrued corporation taxes	1,336	478	7,484
Deferred tax liabilities	258	233	268
Allowance for employees' bonds	3,023	2,193	3,310
Other current liabilities	17,026	4,971	16,188
Fixed liabilities	41,112	33,416	41,504
Convertible bonds	24,180	24,337	24,185
Long-term debt	5,262	5,764	5,876
Deferred tax liability	1,410	121	1,424
Accrued pension and severance cost	7,787	2,574	7,247
Other fixed liabilities	2,471	619	2,770
Total liabilities	179,516	114,263	188,822
MINORITY INTERESTS	34,856	13,220	34,679
SHAREHOLDERS' EQUITY			
Common stock	26,456	26,380	26,454
Additional paid-in capital	26,321	26,245	26,319
Land revaluation reserve	(700)	(700)	(700)
Retained earnings	34,171	26,566	34,539
Unrealized loss on securities	(565)	(103)	(537)
Foreign currency translation adjustment	(4,440)	-	(3,900)
Treasury stock	(0)	(2)	(0)
Total Shareholders' equity	81,242	78,385	82,175
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	295,615	205,869	305,677



5. Revised forecast for the fiscal year ending March 31, 2002

(Million yen)

	Previous reported	Revised	Change
Net sales	290,000	270,000	-6.9%
Operating income	20,000	12,000	-40.0%
Recurring income	18,000	11,000	-38.9%
Net income	8,000	2,500	-68.8%

- These estimates are calculated based on an assumed exchange rate of 120 yen per U.S. dollar.
- We have revised our forecasts because we expect to make fewer sales of production systems and machinery as a result of the slower-than-expected growth within the IT-related industry and especially due to the sluggish performance within the semiconductor industry in United States and Japan.

Forward Looking Statements

This notice contains forward-looking statements. The forward-looking statements are based on management's assumptions and beliefs 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: changes in general economic conditions, fluctuation of currency exchange rates, overall supply and customer demand in the HDD motor industry; pricing trends and other competitive factors; changes in customer order patterns; success in new product development including fluid dynamic bearing motors; successful development and sale of mid-sized motors for power steering; business conditions and growth in the personal and enterprise computing industry, semi-conductor industry and auto industry; demand for digital home appliances; technological and market changes; Nidec's acquisition strategy; and manufacturing and sourcing risks.