

NEWS RELEASE



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INTERIM FINANCIAL STATEMENTS (JAPANESE GAAP)

**(JAPANESE GAAP) RESULTS FOR THE SIX MONTHS ENDED SEPTEMBER
30, 2001**

(FROM APRIL 1, 2001 TO SEPTEMBER 30, 2001)

CONSOLIDATED

Released on November 19, 2001

NIDEC CORPORATION

Date of Directors' meeting for interim financial results: November 19, 2001

Stock Listings: Tokyo Stock Exchange, Osaka Securities Exchange and the New York Stock Exchange

Head Office: Kyoto, Japan

1. Selected Consolidated Financial Performance (from April 1, 2001 to September 30, 2001)

(1) Consolidated Financial Results

	Japanese yen (Millions except per share amounts)		
	Six months ended September 30,		Year ended March 31,
	2001	2000	2001
Net sales	¥135,174	¥98,179	¥249,238
Percent change from the previous period	37.7%	41.2%	
Operating income	6,190	6,906	16,033
Percent change from the previous period	-10.4%	-11.0%	
Recurring profit	5,041	6,584	18,795
Percent change from the previous period	-23.4%	25.4%	
Net income	1,014	3,571	9,956
Percent change from the previous period	-71.6%	16.5%	
Net income per share, primary	¥15.96	¥61.38	¥163.65
Net income per share, diluted	¥15.57	¥58.15	¥154.86

Notes :

- Equity in earnings (loss) of affiliates:
 - 156 million yen for the six month ended September 30, 2001
 - 138 million yen for the six month ended September 30, 2000
 - 168 million yen for the year ended March 31, 2001
- Average number of shares issued and outstanding (consolidated):
 - 63,551,749 shares for the six months ended September 30, 2001
 - 58,179,427 shares for the six months ended September 30, 2000
 - 60,840,106 shares for the year ended March 31, 2001
- Change in accounting method: Applicable
- Percentage change of net sales, operating income and net income are indicated in comparison with the same previous period.

(2) Consolidated Financial Position

	Japanese yen (Millions except per share amounts)		
	September 30,		March 31,
	2001	2000	2001
Total assets	¥283,392	¥240,965	¥305,677
Shareholders' equity	80,424	74,937	82,175
Shareholders' equity to total assets	28.4%	31.1%	26.9%
Shareholders' equity per share	¥1,265.47	¥1,180.65	¥1,293.10

Note:

Number of shares issued and outstanding (consolidated):

63,552,720 shares at September 30, 2001

63,470,939 shares at September 30, 2000

63,549,001 shares at March 31, 2001

(3) Consolidated Results of Cash Flows

	Japanese yen (Millions except per share amounts)		
	September 30		March 31
	2001	2000	2001
Net cash provided by operating activities	¥3,152	¥6,865	¥17,073
Net cash used in investing activities	-12,457	-10,144	-4,897
Net cash used in or provided by financing activities	-2,099	2,435	5,138
Cash and cash equivalents at end of period	40,372	31,463	51,925

(4) Scope of Consolidation and Application of Equity Method

Number of consolidated subsidiaries: 48

Number of un-consolidated subsidiaries accounted for by the equity method: 0

Number of affiliates accounted for by the equity method: 5

(5) Change in Scope of Consolidation and Application of Equity Method

Number of companies newly consolidated: 1

Number of companies excluded from consolidation: 2

Number of companies newly accounted for by the equity method: 1

Number of companies excluded from accounting by the equity method: 1

(6) Forecast of Consolidated Financial Performance (For the year ending March 31, 2002)

	Japanese yen (Millions except per share amounts)
Net sales	¥270,000
Recurring profit	11,000
Net income	2,500
Net income per share	¥39.34

1. THE NIDEC GROUP

The Nidec Group is comprised of Nidec Corporation (“Nidec”) and 48 consolidated subsidiaries, with operations in the following four business segments: **Small precision motors**, **Mid-size motors**, **Machinery and power supplies** and **Other**, which includes components for automobiles and pivot assemblies. The principal business activities in each of these segments are carried out both domestically and overseas in the areas of product development, manufacturing and sales. Appropriate distribution networks as well as other services have been established for each business. Currently, there are also nine non-consolidated subsidiaries and five equity-method affiliates.

The business activities of Nidec and the Nidec Group’s principal consolidated subsidiaries are as follows:

Business Segment	Manufacturing/Sales	Product	Principal Companies
Small precision motors	Manufacturing	Small precision DC motors	Nidec Corporation, Nidec Electronics Corporation, Nidec Electronics (Thailand) Co., Ltd., Nidec (Dalian) Limited, Nidec Singapore Pte. Ltd., Nidec Philippines Corporation, Nidec Copal Corporation, Nidec Copal Philippines Corporation
		Small precision fans	Nidec Copal Corporation, Nidec Electronics Corporation, Nidec America Corporation, Nidec (Dalian) Limited, Nidec Tosok (Vietnam) Co., Ltd.
		Vibration motors	Nidec Copal Corporation, Nidec Copal (Vietnam) Co., Ltd.
		Parts and material	Nidec Corporation, Nidec Electronics Corporation, Nidec Electronics (Thailand) Co., Ltd., Nidec Precision (Thailand) Co., Ltd., Nidec (Dalian) Limited, Nidec Philippines Corporation, Nidec Precision (Dalian) Limited, P.T. Nidec Indonesia, <u>Nidec Precision Philippines Corporation</u>
	Sales (Domestic)		Nidec Corporation, Nidec Copal Corporation
	Sales (Overseas)		Nidec Corporation, Nidec Copal Corporation, Nidec America Corporation, Nidec Electronics GmbH, Nidec Electronics (Thailand) Co., Ltd., Nidec Singapore Pte. Ltd., Nidec Philippines Corporation, Nidec (H.K.) Co., Ltd., Nidec Taiwan Corporation
Mid-size motors	Manufacturing	Office automation equipment and home appliances	Nidec Electronics Corporation, Nidec Power Motor Corporation, Nidec Shibaura Corporation, Nidec Shibaura (Zhejiang) Co., Ltd., Nidec Shibaura Electronics (Thailand) Co., Ltd.
		Automobiles	Nidec Corporation
		Industrial use	Nidec Power Motor Corporation

	Sales (Domestic)		Nidec Corporation, Nidec Power Motor Corporation, Nidec Shibaura Corporation
	Sales (Overseas)		Nidec Corporation, Nidec (H.K.) Co., Ltd., Nidec Shibaura Corporation, Nidec Shibaura (Zhejiang) Co., Ltd., Nidec Shibaura Electronics (Thailand) Co., Ltd.
Machinery and power supplies*.	Manufacturing	High-speed press machines	Nidec-Shimpo Corporation
		Factory automation equipment	Nidec Tosok Corporation, Nidec Copal Corporation, Nidec Machinery Corporation, Nidec-Kyori Corporation, Nidec-Read Corporation
		Power supplies	Nidec America Corporation, Nidec Potrans Corporation **
	Sales (Domestic)		Nidec Corporation, Nidec-Shimpo Corporation, Nidec Tosok Corporation, Nidec Copal Corporation, Nidec Machinery Corporation, Nidec-Kyori Corporation, Nidec-Read Corporation
	Sales (Overseas)		Nidec-Shimpo Corporation, Nidec Tosok Corporation, Nidec Copal Corporation, Nidec-Read Corporation, Nidec America Corporation, Nidec Electronics GmbH, Nidec Singapore Pte. Ltd., Nidec (H.K.) Corporation
Other	Manufacturing and sales	Pivot assemblies	Nidec Singapore Pte. Ltd.
	Manufacturing	Automobile parts	Nidec Tosok Corporation, Nidec Tosok (Vietnam) Co., Ltd.
		Electronic parts	Nidec Copal Electronics Corporation
		Optical parts	Nidec Copal Corporation, Nidec Copal (Thailand) Corporation
	Sales (Domestic)		Nidec Corporation, Nidec Tosok Corporation, Nidec Copal Corporation, Nidec Copal Electronics Corporation
	Sales (Overseas)		Nidec Corporation, Nidec Copal Corporation, Nidec Copal Electronics Corporation, Nidec America Corporation, Nidec Singapore Pte. Ltd.
	International	Parts and material	Nidec Taiwan Corporation, Nidec (H.K.) Co., Ltd.
Other services	Service	Nidec Total Service Corporation	

Notes: * This business segment was named “Power supplies and machinery” until the six months ended September 30, 2001, but was renamed “Machinery and power supplies” because “machinery” is now the primary business of this segment.

** Nidec Potrans Corporation transferred its goodwill and assets to Nipron Co., Ltd., effective September 30, 2001.

2. MANAGEMENT POLICIES

1) Management Policies

Nidec Corporation continues to expand its operations based on a special management style that focuses on the production of "turning and moving" products centered around revolutionary drive technology.

Nidec and its group companies are determined to achieve high growth, high share prices and high profit over the long-term to maximize shareholder value and meet the expectations of shareholders.

2) Profit Distribution Policies

From the viewpoint that the Company is owned by the shareholders, Nidec is intent on demonstrating its ability to respond to a more challenging business environment by producing results that maximize shareholder value. With the philosophy of pursuing challenge, Nidec's plan is not only to maintain stable dividends, but also to increase its dividend payout ratio to 30%.

Reserves are continually being used to strengthen management structure and for business expansion to enhance profitability.

We have decided to pay interim dividends in the amount of ¥15 per share for the six month period ended September 30, 2001, which consists of an ordinary dividend in the amount of ¥10 per share (which is one half of the total amount of dividends paid during fiscal 2001) and an extraordinary dividend in the amount of ¥5 to commemorate our NYSE listing.

3) Goals

Nidec's primary goal is to reach Group sales of ¥1 trillion by 2010. Efforts undertaken to achieve this target include measures such as aggressive M&A strategies that underpin the rapid growth of Nidec.

Nidec has the firm belief that growth must generate high profitability, and is working to achieve a 15% return on equity. However, to accomplish such an objective on a consolidated basis, Nidec realizes that its core businesses must attain a higher profitability ratio. Expansion into new areas of business and the development of new products will also support future growth.

4) Mid- to Long-Term Management Strategy

1. Nidec will continue to focus its efforts on its core motor business, leveraging its cutting edge technology to create new markets and products, while expanding its existing product lineup of micro motors and mid-size motors for home appliances, industrial use and automobiles.
2. With regard to HDD motors, by increasing its ability to mass produce FDB motors, Nidec will further heighten its competitive edge in the market through the development of next generation products.
3. While maintaining a high share in the markets for precision parts, production equipment for semiconductors and electronic parts, and for measuring machines on a non-consolidated basis, Nidec is determined to achieve the world's top technological standards in each of these areas.

Through the integration of technologies, Nidec intends to create new markets and continue to develop high growth businesses.

5) Challenges and Issues

1. Nidec realizes the importance of continually improving its business management system, accounting standards, financial disclosure and management information disclosure principles to meet globally recognized standards. As such, Nidec aspired to become listed on a foreign securities market. Nidec successfully achieved its objective by listing its shares on the New York Stock Exchange on September 27, 2001.
2. In order to keep pace with rapidly changing market needs, Nidec is improving its ability to develop new technology by rationalizing product development in a manner that takes advantage of the individual strengths of each member within the Group. Within the motor business in particular, Nidec is implementing a system of delegating responsibility for development, production and sales on a product-by-product basis which will allow products to be brought to market with even greater efficiency and speed.
3. Nidec's efforts to reduce costs and increase profitability include expanding overseas production and shifting from outsourcing to internal production system. Nidec has rapidly expanded production of mid-size motors and electronic parts in China, and has continued to transfer automobile parts production to Vietnam. Such initiatives are already beginning to produce positive results.

6) Measures to Improve Business Management Structure

Nidec is aiming to decentralize its business management structure by decreasing the influence of its head office and delegating managerial responsibility to subdivisions (business enterprise segments) with the goal of increasing the speed of decision making. Group companies are taking similar steps and we hope that this decentralized management will improve consolidated results.

Nidec has been introducing measures to improve corporate governance. For example, in order to increase clarity and transparency of financial reporting Nidec is planning to disclose its financial results on a quarterly basis and to engage in more frequent IR activities. Also, shareholders' meetings have become more open by hosting informal and candid discussions and by allowing reporters to sit in. Along with efforts on disclosures overseas in connection with its listing in New York Stock Exchange, Nidec hopes that this will lead to additional domestic disclosures. Nidec also realizes the importance of increasing information disclosure to foreign investors and has listed on the New York Stock Exchange in order to do so. Through these efforts, Nidec will continue to improve information disclosure in the years to come.

3. BUSINESS RESULTS

1) Overview

For the six months ended September 30, 2001, the Japanese economy continued to deteriorate, largely affected by the downturn in the information technology industry in the United States as well as a sharp decline in capital investment and sluggish consumer spending. Asia and European markets face similar difficulties as the effects of the slowing global economy continues to spread. With little hope for any significant recovery in the near future, the challenges that arise from this need to be addressed head on.

With each of Nidec's business segments affected by the adverse effects of the worsening global economic environment, the ensuing decline in demand has had a significant impact on business results. In particular, those business segments directly related to the IT industry were heaviest hit. Systems production equipment for electronic parts and semiconductor related markets suffered a sharp and extensive drop in orders, leading to a large decrease in sales. In contrast, the effects on the motor related markets were not as far-reaching. This was mainly attributable to the shift to mass production of FDB motors for HDDs, the introduction of newly developed products in the market for DC motors for CD-ROMs and DVDs, the supply of fan motor products to new markets such as game consoles and the expansion of the market for mid-size motors for home appliances and automobiles.

Consolidated Results

Total consolidated net sales for the six months ended September 30, 2001 amounted to ¥135,174 million, an increase of 37.7% over the previous six months period ended September 30, 2000, while consolidated net income decreased 71.6% to ¥1,014 million. Net sales and operating income exceeded August forecasts by approximately ¥5,200 million and ¥700 million, respectively. Results for recurring profit and net income were in line with August forecasts.

Changes in the Scope of Consolidation

The scope of consolidation continues to expand and Nidec Copal Corporation, Nidec Copal Electronics Corporation and Nidec Shibaura Corporation became newly consolidated subsidiaries for the six months ended September 30, 2001.

Consolidated Results

Consolidated net sales amounted to ¥135,174 million, a 37.7% or approximately ¥37,000 million increase over the previous six months period ended September 30, 2000. However, the increase in net sales includes ¥38,300 million from the newly consolidated subsidiaries. Excluding this, net sales decreased slightly over 1%, or approximately ¥1,300 million to ¥96,900 million. Excluding the increase in sales of approximately ¥4,600 million from the newly consolidated companies due to the positive effects of the weak yen, net sales declined approximately ¥5,900 million, or 6% over the same period the previous year.

Operating income decreased ¥700 million or 10.4% over the previous six months period ended September 30, 2000 to ¥6,190 million. However, excluding approximate ¥1,100 million gained from

the newly consolidated companies, operating income actually declined approximately ¥1,800 million. One of the reasons for this decline is attributed to the increase in R&D and production start up costs for FDB motors and mid-size motors used in automobiles at Nidec and Nidec Electronics (Thailand) Co., Ltd. These costs were approximately ¥1,300 million higher than the previous six months period ended September 30, 2000. Another reason for the decline was the effect of approximate ¥1,300 million drop in operating income which is due to decrease in net sales within the machinery and power supplies and other business segments excluding the newly consolidated companies. These losses were partially offset by an approximate ¥900 million gain in operating income due to the effects of a weak yen.

The above two reasons are the primary factors that negatively affected the operating income during the six months ended September 30, 2001. The following summarizes the primary elements that contributed to a ¥700 million decrease in operating income.

Increase in operating income from newly consolidated companies: ¥1,100 million
Positive effects of a weak yen: ¥900 million
Increase in R&D and production start up costs for FDB motors and mid-size motors used in automobiles: ¥-1,300 million
Decrease in net sales within the machinery and power supplies and other business segments excluding the newly consolidated companies: ¥-1,300 million
Other: ¥-100 million
Total: ¥-700 million

Recurring profit fell approximately ¥1,500 million, or 23.4%, to ¥5,041 million over the previous six months period ended September 30, 2000. In addition to the decrease of ¥700 million at the level of operating income, ¥800 million of the decrease is accounted for in other expenses, as outlined below:

Equity in loss of affiliates: ¥-300 million
Foreign exchange loss: ¥-200 million
Other: ¥-300 million

Equity in earnings/loss of affiliates for the previous six months period ended September 30, 2000 showed a gain due to the consolidation of Nidec Copal. The loss from equity in loss of affiliates was due to Nidec Johnson (H.K.) in the six months ended September 30, 2001. Other losses were expenses related to the listing of the Company on the New York stock exchange.

Net income decreased by ¥2,557 million to ¥1,014 million as compared to the previous six months ended September 30, 2000. The following summarizes the primary elements that contributed to this decline.

Recurring profit: ¥1,540 million
Valuation losses including bank shares: ¥900 million
Loss on the sale of Nidec Potrans Corporation: ¥350 million

Corporate tax: ¥370 million
Minority interests loss: ¥140 million
Total: ¥2,560 million

Net cash provided by operating activities was ¥3,152 million for the six months ended September 30, 2001. Income taxes paid was ¥7,424 million and was the leading factor that led to this low amount. The reason for the high amount of taxes paid stemmed from the high profit earned by each company in fiscal 2001. Although there was a large decrease in notes and accounts payable, the decrease in notes and accounts receivable and in inventories helped to offset this.

Net cash used in investing activities was ¥12,457 million. The main reason for this was due to payments for purchase of property, plant and equipment in the amount of ¥12,729 million.

Net cash provided by financing activities did not change significantly from the previous six months period ended September 30, 2000. Repayment of long-term debts and short-term bank loans were amounting to approximately ¥2,100 million and ¥1,200 million, respectively.

Results by segment are as follows:

Sales of small precision motors increased 12.1% to ¥68,605 million, including ¥4,354 million gained from the newly consolidated companies and ¥64,251 million gained from continuing businesses. This resulted in a ¥3,032 million, or 5.0% increase over the six months period ended September 30, 2000. Net sales of HDD motors increased 3.8% to ¥40,392 million despite a 6.4% decrease in production output. On a yen base, prices increased approximately 11%. However, the yen exchange rate for the six months ended September 30, 2001 dropped approximately 14% and the yearly U.S. dollar base was down 3% as compared to the six months period ended September 30, 2000. The increase in sales of FDB motors and high margin products were able to offset the price decrease.

Net sales of other DC motors, including motors for CD-ROMs and DVDs, rose a slight 0.4% to ¥8,972 million, as compared to the six months period ended September 30, 2000, although the production output increased by approximately 11%. Despite the drastic decline in production of consumer products in the fourth quarter of fiscal 2001, Nidec was able to generate steady results from April onwards. Sales of fan motors increased 3.9% over the six months period ended September 30, 2000 to ¥10,886 million. Although this was primarily due to the positive effects of the weak yen, sales of motors for MPU fans and game consoles also contributed to the increase. Net sales of other small precision motors increased approximately three times in comparison to the six months period ended September 30, 2000 to ¥8,355 million, due primarily to the consolidation of Nidec Copal Corporation. Operating income in this segment decreased 16.0%, or ¥5,930 million, due to the increase in the R&D and start up costs of FDBs.

Net sales of mid-size motors grew 155% to ¥18,309 million, of which the newly consolidated companies accounted for ¥9,404 million, while ¥8,905 million was from sales of mid-size motors from continuing businesses. This resulted in a 24% or ¥1,730 million increase over the six months period ended September 30, 2000. By product category, sales of AC motors represented approximately ¥1,500 million, while sales from mid-size motors for home appliances, automobiles

and industrial use accounted for approximate ¥16,800 million of net sales. Operating income in this business segment drew a loss of ¥74 million. To counter this issue, Nidec is investing in new product development of motors for use in automobiles, home appliances and industrial equipment sale. Nidec is also aiming to be profitable in this segment by commencing mass production and sale of motors for use in automobiles and promoting overseas production of motors for home appliances and industrial equipment.

Net sales of machinery and power supplies were ¥18,832 million for the six months ended September 30, 2001, a 2.8% decrease over the six months period ended September 30, 2000. The newly consolidated companies contributed ¥4,827 million. Net sales from continuing businesses fell approximately 28%, or ¥5,370 million to ¥14,005 million. Net sales from power supplies dropped 54% over the six months period ended September 30, 2000, to ¥1,360 million, primarily due to the cutback of business activities in Japan and the stagnation in production and sales in the United States.

With regard to machinery, sales of capital investment related products such as Nidec-Kyori's precision press machines, Nidec-Read's testers and Nidec Tosok's die bonders showed an overall decrease. Operating income of machinery and power supplies was ¥339 million, a 74% decline in comparison to the six months period ended September 30, 2000. The principal factor behind this was the sharp drop in market demand for machinery and power supplies and although there was an increase in operating income from the newly consolidated Nidec Copal Corporation, the amount was not significant. Despite the decline in operating income, the improvement in management structure resulted in profit.

Net sales of other segment amounted to ¥29,426 million, representing a substantial 183% rise but approximately ¥19,738 million was generated from the newly consolidated companies. The portion accounted for by continuing businesses decreased approximately 7%, or ¥721 million over the six months period ended September 30, 2000, to ¥9,688 million. Although sales of pivot assemblies showed signs of recovery, increasing approximately 20% over the six months period ended September 30, 2000, net sales of parts declined. Operating income within this segment grew seven-fold with an increase of ¥1,713 million. Net sales of electronic and precision parts from the newly consolidated Nidec Copal and Nidec Copal Electronics contributed largely to this increase. In addition, net sales of pivot assemblies and automobile parts from continuing businesses improved.

Non-Consolidated Results

Non-consolidated figures demonstrated an increase in both sales and profit, with net sales and recurring profit exceeding August forecasts by approximately 6% and 27%, respectively. Net sales for this period increased 15.2%, or approximately ¥7,000 million over the previous six months period ended September 30, 2000 to ¥53,202 million. The yen weakened by approximately 15 yen compared to the six months period ended September 30, 2000, contributing approximately ¥4,800 million to the rise in net sales, with an actual increase of ¥2,200 million, or 4.8%. Net sales by business segment increased over the same period of the previous year, with sales of small precision motors increasing approximately ¥6,100 million, or 14% and sales of mid-size motors increasing approximately ¥1,900 million, or roughly 400% of the previous six months period ended September

30, 2000. The increase in sales of small precision motors was largely due to the positive effects of a weak yen, but is also attributed to the growing demand for new products and new markets for HDD spindle motors, DC motors for CD-ROMs and DVDs and fans.

Operating income increased approximately ¥266 million or 44% over the previous six months period ended September 30, 2000, to ¥875 million. This increase is primarily due to the positive effects of the weak yen, with an increase of almost ¥800 million. On the other hands, development, support and sales related costs of FDB motors and motors for use in automobiles increased by approximately ¥500 million, leaving a balance of nearly ¥300 million. Other income rose approximately ¥240 million, including an approximate ¥900 million rise in dividend income from domestic and overseas subsidiaries and a ¥200 million decrease in interest income, which offset the nearly ¥300 million rise in foreign exchange loss and costs related to listing on the New York Stock Exchange. As a result, recurring profit for the six months ended September 30, 2001 increased approximately 15%, or ¥500 million, over the previous six months period ended September 30, 2000, to ¥3,805 million. Extraordinary gains and losses amounted to a loss of ¥950 million, mainly due to loss on the sale of Nidec Potrans, and approximately ¥800 million that was previously invested in order to consolidate Nidec Potrans. Income before income taxes decreased approximately ¥400 million over the previous six months period ended September 30, 2000, to ¥2,850 million. Income after taxes rose approximately 5.5%, or ¥134 million over the previous six months period ended September 30, 2000, to ¥2,557 due to the reduction of tax loads.

2) Future Outlook

The second half of fiscal 2001 has begun with the continued slowing of the Japanese economy along with the steady downturn of the global economy. In the face of such harsh business conditions, Nidec is responding by implementing the two strategies. First, Nidec is leading the development of revolutionary motor technology with the commencement of FDB mass production which is expected to lead to vast cost reductions and enhanced profitability. Second, due to the severe decline in capital investment in systems equipment, Nidec is working towards increasing cash flow by lowering the break even point by reducing fixed costs, and by reducing inventories and trade receivables. In line with this, Nidec is endeavoring to increase sales of its core motor businesses in the second half ending March 31, 2002. Although an increase in demand is forecasted for the third quarter, demand is again expected to decline in the fourth quarter. The financial forecast for the year ending March 31, 2002, as announced on August 23, 2001, is as follows:

Consolidated Financial Forecast (Year Ending March 31, 2002)

		Compared to the year ended March 31, 2001
Net sales	¥270,000 million	108.3%
Operating income	¥12,000 million	74.8%
Recurring profit	¥11,000 million	58.5%
Net income	¥2,500 million	25.1%

Non-Consolidated Financial Forecast (Year Ending March 31, 2002)

Compared to the year ended March 31, 2001

Net sales	¥95,000 million	95.4%
Operating income	¥1,500 million	171.2%
Recurring profit	¥6,000 million	72.0%
Net income	¥4,000 million	73.8%

Notes regarding forecasts:

1. Non-Consolidated Forecast

Although yearly forecasts for operating profits exceed those of the previous year, recurring profit and net income forecasts are less than the previous year's results due to the foreign exchange gain of ¥2,600 million.

2. The exchange rate has been calculated at US\$1 to ¥120, with Asian currencies set at the same rate.

Forward Looking Statements:

This presentation, and the answers to your questions, will contain forward-looking statements, including statements relating to the current environment and forecasted growth in the HDD motor and other motor industries and other machinery and components industry, the launch of new products by Nidec, Nidec's plans to reduce its cost structure, the strategy of expanding Nidec's access to new markets, expansion and/or allocation of Nidec's manufacturing facilities, market outlook and the return on growth and profitability. 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-size 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. Nidec undertakes no obligation to update forward-looking statements to reflect events or circumstances that occur after the date hereof.

4. CONSOLIDATED FINANCIAL STATEMENTS

1) Consolidated Balance Sheets

Assets

	Japanese yen (Millions)						
	September 30		September 30		March 31		Amount change
	2001		2000		2001		
	Amount	%	Amount	%	Amount	%	
Current assets:							
Cash and bank deposits	¥38,131		¥32,315		¥49,145		¥-11,014
Notes and accounts receivable	77,658		65,206		82,998		-5,340
Marketable securities	2,433		5,207		2,981		-548
Inventories	29,070		26,411		33,949		-4,879
Deferred income taxes	2,103		1,817		2,373		-270
Other current assets	5,710		4,693		5,681		29
Allowance for doubtful accounts	-360		-361		-585		225
Total current assets	154,747	54.6	135,291	56.2	176,544	57.8	-21,797
Fixed assets:							
Tangible assets	98,903	34.9	75,614	31.4	97,111	31.8	1,792
Buildings and structures	28,556		24,606		28,868		-312
Machinery and vehicles	29,612		21,702		28,734		878
Tools, furniture and fixtures	9,093		5,418		7,695		1,398
Land	26,585		20,557		27,519		-934
Construction in progress	5,055		3,329		4,292		763
Intangible assets	13,961	4.9	3,714	1.5	15,747	5.1	-1,786
Goodwill	440		732		513		-73
Difference between net assets of consolidated subsidiaries and investment cost	12,863		2,544		14,563		-1,700
Others	657		438		670		-13
Investments and other assets	15,757	5.6	26,309	10.9	16,244	5.3	-487
Investment securities	9,768		22,026		10,653		-885
Others	3,199		2,777		3,922		-723
Deferred income taxes	3,551		2,078		2,408		1,143
Allowance for doubtful accounts	-761		-574		-740		-21
Total fixed assets	128,623	45.4	105,638	43.8	129,102	42.2	-479
Deferred charges	21	0.0	34	0.0	29	0.0	-8
Total assets	¥283,392	100.0	¥240,965	100.0	¥305,677	100.0	¥-22,285

Liabilities and Shareholders' Equity

	Japanese yen (Millions)						
	September 30		September 30		March 31		Amount change
	2001		2000		2001		
	Amount	%	Amount	%	Amount	%	
Current liabilities:							
Notes and accounts payable	¥47,913		¥48,103		¥58,544		¥-10,631
Short-term borrowings	57,718		39,485		57,341		377
Current portion of long-term debt	4,484		2,442		4,182		302
Income taxes payable	1,695		2,240		7,484		-5,789
Deferred income taxes	189		121		268		-79
Accrued bonus to employees	3,289		2,574		3,310		-21
Other current liabilities	14,450		11,817		16,186		-1,736
Total current liabilities	129,743	45.8	106,785	44.3	147,317	48.2	-17,574
Non-current liabilities:							
Convertible bonds	24,177		24,330		24,185		-8
Long-term debt	3,541		8,016		5,876		-2,335
Deferred income taxes	1,310		2,188		1,424		-114
Accrued severance and benefit costs	7,798		4,136		7,247		551
Accrued retirement benefit to directors	1,164		846		1,155		9
Others	1,207		1,804		1,615		-408
Total non-current liabilities	39,200	13.8	41,323	17.2	41,504	13.6	-2,304
Total liabilities	168,943	59.6	148,108	61.5	188,822	61.8	-19,879
Minority interests	34,025	12.0	17,919	7.4	34,679	11.3	-654
Shareholders' equity:							
Common stock	26,458	9.3	26,382	10.9	26,454	8.7	4
Additional paid-in capital	26,323	9.3	26,247	10.9	26,319	8.6	4
Land revaluation reserve	-700	-0.2	-700	-0.3	-700	-0.2	0
Retained earnings	34,645	12.2	28,630	11.9	34,539	11.3	106
Net unrealized loss on securities	-896	-0.3	-186	-0.1	-537	-0.2	-359
Foreign currency translation adjustment	-5,405	-1.9	-5,433	-2.2	-3,900	-1.3	-1,505
Treasury stock	-0	-0.0	-2	-0.0	-0	-0.0	0
Total shareholders' equity	80,424	28.4	74,937	31.1	82,175	26.9	-1,751
Total liabilities and shareholders' equity	¥283,392	100.0	¥240,965	100.0	¥305,677	100.0	¥-22,285

Note: As of September 30, 2001 As of September 30, 2000 As of March 31, 2001
Treasury stock 47 shares 202 shares 7 shares

2) Consolidated Statements of Income

Japanese yen (Millions)								
	September 30,				Increase or decrease	2001/ 2000 %	March 31,	
	2001		2000				2001	
	Amount	%	Amount	%			Amount	%
Net sales	¥135,174	100.0	¥98,179	100.0	¥36,995	137.7	¥249,238	100.0
Cost of sales	111,218	82.3	80,195	81.7	31,023	138.7	204,410	82.0
Gross profit	23,956	17.7	17,984	18.3	5,972	133.2	44,828	18.0
Selling, general and administrative expenses	17,765	13.1	11,077	11.3	6,688	160.4	28,795	11.6
Selling, general and administrative expenses	16,113		10,879		5,234	148.1	27,036	
Amortization of consolidation difference	1,651		198		1,453	833.3	1,758	
Operating income	6,190	4.6	6,906	7.0	-716	89.6	16,033	6.4
Other income	1,277	0.9	1,024	1.0	253	124.7	5,916	2.4
Interest and dividend income	463		415		48	111.6	975	
Gain on sale of investment securities	6		45		-39	13.6	-	
Amortization of consolidation difference	100		49		51	204.1	265	
Equity in earnings of affiliates	-		138		-138	-	-	
Foreign currency transaction gains, net	-		-		-	-	3,565	
Other	706		376		330	187.9	1,110	
Other expenses	2,426	1.8	1,345	1.3	1,081	180.3	3,154	1.3
Interest expenses	751		663		88	113.1	1,544	
Loss on write-down of investment securities	6		-		6	-	40	
Issuance costs of new stocks	0		-		0	-	170	
Foreign currency transaction loss	683		455		228	150.1	-	
Equity in loss of affiliates	156		-		156	-	168	
Other	829		226		603	366.2	1,232	
Recurring profit	5,041	3.7	6,584	6.7	-1,543	76.6	18,795	7.5
Extraordinary gains	154	0.1	5,484	5.6	-5,330	2.8	5,713	2.3
Gain on sale of fixed assets	-		11		-11	-	41	
Gain on sale of investment securities	58		25		33	229.9	-	
Gain on sale of investment in affiliates	-		2,325		-2,325	-	2,470	
Equity in earnings (losses) of affiliates	0		1,115		-1,115	0.0	1,120	
Gain on securities transferred to pension trust	-		1,905		-1,905	-	1,905	
Other, net	96		100		-4	96.0	174	
Extraordinary losses	2,344	1.7	6,437	6.6	-4,093	36.4	7,356	2.9
Loss on disposal of property, plant and equipment	253		161		92	157.4	403	
Loss on write-down of investment securities	916		-		916	-	694	
Loss on devaluation of derivatives	-		1,478		-1,478	-	27	
Amortization of net transition obligation	730		3,462		-2,732	21.1	4,429	
Provision for severance benefits for directors and corporate auditors	-		374		-374	-	432	
Amortization of goodwill	-		650		-650	-	650	
Loss on restructuring business	349		-		349	-	-	
Other	94		311		-217	30.3	718	
Income before income taxes and minority interests	2,851	2.1	5,631	5.7	-2,780	50.6	17,152	6.9
Income taxes (Current)	1,666	1.2	1,917	2.0	-251	86.9	7,547	3.0
Income taxes (Deferred)	-611	-0.5	-495	-0.6	-116	123.3	-1,995	-0.8
Minority interests in subsidiaries	782	0.6	638	0.7	144	122.6	1,643	0.7
Net income	1,014	0.8	3,571	3.6	-2,557	28.4	9,956	4.0

3) Consolidated Statements of Retained Earnings

	Japanese yen (Millions)			
	September 30		Increase or decrease	March 31
	2001	2000		2001
Retained earnings at beginning of period	34,539	25,607	8,932	25,607
Increase in retained earnings	-	2,044	-2,044	4,287
Increase resulting from increase in consolidated subsidiaries	-	31	-31	496
Increase resulting from decrease in affiliates accounted for by the equity method	-	2,012	-2,012	3,791
Decrease in retained earnings	908	2,592	-1,684	5,311
Dividend payments	794	475	319	951
Bonuses to directors	109	72	37	72
Decrease resulting from increase in consolidated subsidiaries	3	2,012	-2,009	3,791
Decrease resulting from increase in affiliates accounted for by the equity method	0	-	0	-
Decrease resulting from decrease in accounted for by the equity method	-	31	-31	496
Net income	1,014	3,571	-2,557	9,956
Retained earnings at end of period	34,645	28,630	6,015	34,539

4) Consolidated Statements of Cash Flows

	Japanese yen (Millions)			
	Six months ended September 30,		Increase or decrease	Year ended March 31,
	2001	2000		2001
Cash flows from operating activities:				
Net income before income taxes and minority interests	¥2,851	¥5,631	¥-2,780	¥17,152
Depreciation	6,053	3,740	2,313	10,133
Amortization of consolidation difference	1,551	149	1,402	1,492
Provision for doubtful accounts	-199	-85	-114	78
Retirement allowances	-	-	-	-912
Accrued severance and benefit cost	676	660	16	2,794
Provision for bonuses	-13	-	-13	413
Interest and dividend income	-463	-415	-48	-975
Interest expenses	751	663	88	1,544
Exchange loss(gain)	-513	935	-1,448	642
Equity in loss of affiliates	156	-138	294	168
Gain on valuation of derivatives	-6	1,478	-1,484	-
Gain on sales of marketable securities	-5	-45	40	-
Gain on sales of investment in securities	-58	-	-58	-3,553
Loss on write-down of investment in securities	916	-	916	-
Loss on sale of property, plant and equipment	44	-10	54	-19
Loss on disposal of property, plant and equipment	209	159	50	381
Increase in notes and accounts receivable	4,012	-4,329	8,341	-6,531
Increase in inventories	4,526	-3,701	8,227	-3,633
Increase in notes and accounts payable	-9,150	932	-10,082	2,715
Directors' bonuses	-180	-72	-108	-
Increase (decrease) in accounts payable	-809	2,425	-3,234	-
Loss on restructuring business	349	-	349	-
Other, net	42	403	-361	-170
Sub-total	10,741	8,380	2,361	21,721
Interest and dividend income received	476	418	58	1,109
Interest expenses paid	-641	-685	44	-1,500
Income taxes paid	-7,424	-1,248	-6,176	-4,256
Net cash provided by operating activities	3,152	6,865	-3,713	17,073
Cash flows from investing activities:				
Fixed deposits over three months	-1	-852	851	-
Payments for purchase of marketable securities	-	-	-	-79
Proceeds from sales of marketable securities	5	-	5	585
Payments for purchase of property, plant and equipment	-12,729	-6,993	-5,736	-13,476
Proceeds from sales of property, plant and equipment	2,081	230	1,851	-
Payments for purchase of investments in securities	-400	-106	-294	-1,080
Proceeds from sale of investments in securities	152	305	-153	3,143
Proceeds for purchase of investments in affiliates, net of cash required	-	2,502	-2,502	17,367
Disbursement of loan receivables	-29	-99	70	-1,478
Collection of loan receivables	58	-	58	810
Proceeds from sales of investments in subsidiaries	214	3,645	-3,431	3,076
Payments for additional investments in subsidiaries	-2,015	-8,948	6,933	-13,457
Other	205	172	33	-308
Net cash used in investing activities	-12,457	-10,144	-2,313	-4,897
Cash flows from financing activities:				
Increase in short-term borrowings	1,200	5,213	-4,013	12,041
Issuance of long-term debt	33	3,000	-2,967	3,289
Payments of long-term debt	-2,076	-3,058	982	-7,674
Issuance of common stock	-	51	-51	33
Bond redemption	-	-3,985	3,985	-4,420
Issuance of common stock to minority interests	-	1,773	-1,773	3,191
Dividends paid	-794	-559	-235	-951
Payment of dividends to minority interests	-466	-	-466	-368
Other	4	-	4	-1
Net cash used in financing activities	-2,099	2,435	-4,534	5,138
Effect of exchange rate changes on cash and cash equivalents	-148	-473	325	1,830
Net increase in cash and cash equivalents	-11,552	-1,316	-10,236	19,145
Cash and cash equivalents at beginning of year	51,925	32,780	19,145	32,780
Cash and cash equivalents at end of year	40,372	31,463	8,909	51,925

5) BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

1. Scope of consolidation:

(1) Number of consolidated subsidiaries: 48

Major consolidated subsidiaries:

Nidec-Shimpo Corporation, Nidec Tosok Corporation, Nidec Copal Corporation, Nidec Copal Electronics Corporation, Nidec-Read Corporation, Nidec America Corporation, Nidec Singapore Pte. Ltd., Nidec Electronics (Thailand) Co., Ltd., Nidec Philippines Corporation, Nidec (Dalian) Limited

Moved to consolidation: 1

Nidec-Read Taiwan Corporation

Excluded from consolidation: 2

Nidec Precision (Dalian) Limited, Shibaura Seiko Corporation

(2) Major non-consolidated subsidiaries:

Globa Service Inc.

Reason excluded from consolidation:

Non-consolidated subsidiaries, either small in scale, or not having a significant impact on total assets, net sales, net income, retained earnings (proportionate amount of ownership), are not included in the consolidated financial statements.

2. Application of the equity method:

(1) Number of affiliates accounted for by the equity method: 5

Major affiliates: Nidec Development Philippines Corporation, Nidec Johnson Electric Corporation, Nidec Johnson Electric (Hong Kong) Limited, Orientec Corporation, Advance -Probe Co.,Ltd.

Included in equity-method affiliates: 1 Advance -Probe Co.,Ltd.

Excluded from equity-method affiliates: 1 Koyo Nidec (Dalian) Precision Bearings Co., Ltd.

Despite Nidec's majority of voting rights in Nidec Johnson Electric Corporation, Nidec has no controlling rights over the company's decision-making process due to the existence of the contract concerning significant financial, sales and business policies decisions. The company is thus accounted for by the equity method.

(2) Non-consolidated subsidiaries (Globa Service and 9 others), not having any significant impact on interim consolidated net income and retained earnings and being immaterial as a whole, are not accounted for by the equity method.

(3) Those companies accounted for by the equity method with closing dates different from September 30 use financial statements with those different dates for consolidation.

3. Matters concerning interim closing dates of consolidated subsidiaries:

The closing date of Copal Optical and Electronic Machinery (Shanghai) Co., Ltd. and two other consolidated subsidiaries is June 30, and the closing date for Nidec Power Motor Corporation is September 20. The interim financial statements as of each company's closing date are used for the consolidation. Any significant transactions that occurs between the closing dates is adjusted for consolidation.

4. Items regarding accounting standards

(1) Valuation method of major assets

Securities

Held-to-maturity securities: Amortized cost method

Other securities with fair value: Stated at fair value based on market price at end of the period (six months ended September 30, 2001) . (Both unrealized gains and losses are reported as net unrealized losses on securities. The cost of other securities sold is computed using the moving average method.)

Other securities not practicable to fair value: Stated at cost determined using the moving average method

Derivatives: Stated at fair value

Inventories

Seventeen consolidated companies, including Nidec Corporation, Nidec Singapore Pte. Ltd., Nidec Electronics (Thailand) Co., Ltd. and Nidec (Dalian)Limited: Stated lower of cost or market method with cost determined using the moving average method

Seventeen consolidated subsidiaries, including Nidec Copal Corporation, Nidec Copal Electronics Corporation, Nidec Shibaura Corporation: Stated at the lower of cost or market method with cost determined using the average method

Six consolidated subsidiaries, including Nidec-Shimpo Corporation and Nidec America Corporation: Stated at the lower of cost or market method with cost determined using the first-in, first-out method

Nidec Power Motor Corporation and three other consolidated subsidiaries: Stated at the lower of cost or market method with cost determined using the specific identification method

Nidec Tosok Corporation and one other consolidated subsidiary: Stated at the lower of cost or market method with cost determined using the average method or specific identification method

Nidec Taiwan Corporation and one other consolidated subsidiary: Stated at the lower of cost or market method with cost determined using the weighted average method

Nidec Total Service Corporation: Stated at the lower of cost or market method with cost determined using the last purchase price method

(Change in accounting policy)

Nidec-Shimpo Corporation and two other consolidated subsidiaries changed accounting method for

inventory valuation from the cost method to the lower of cost or market method effective September 30, 2001.

This change was made to further strengthen financial structures to compensate for the drop in sales price for a short period due to the severe price competition.

The effects of this change were to decrease operating income, recurring profit and net income before income taxes by ¥ 40 million each, as compared with the case on which the previous method was adopted.

(2) Method of depreciation of major depreciable assets

Tangible fixed assets

Nidec Corporation and its domestic subsidiaries are computed based on the declining-balance method except for buildings purchased after April 1, 1998 for which the straight-line method is applied. Overseas consolidated subsidiaries are principally computed based on the straight-line method.

(Change in accounting policy)

Nidec Tosok Corporation's factory in Yamanashi prefecture changed depreciation method from the straight-line method, excluding buildings to the declining balance method effective September 30, 2001.

This change was made to reflect periodic income and expenses more appropriately and conform the depreciation method except for buildings on a consolidation basis due to the marked increase in output, the high capacity-operating rate and the fast return of capital invested.

The effects of this change were to decrease operating income, recurring profit and net income before income taxes by ¥52 million each, as compared with the case on which the previous method was adopted.

Intangible fixed assets

Amortization of intangible fixed assets are computed based on the straight-line method. With respect to the software for internal use, amortization is computed on the straight-line method on expected useful period (Mainly 5 years).

(3) Policy for significant provisions

Allowances for doubtful accounts

Appropriate allowances are made for general receivables based on the historical loss experience, but specific doubtful accounts are investigated on an individual basis, and the amount of estimated losses are provided.

Accrued bonuses for employees: Nidec Corporation and its domestic subsidiaries provided accrued bonuses to employees based on the estimated amount for payment.

Provision for employees' retirement benefits: Provision for employees' retirement and severance benefits are stated based on the projected benefit obligation and pension assets at the end of the period.

Provision for retirement allowances for directors and corporate auditors

Provision for retirement allowances for directors and corporate auditors of Nidec and of its certain domestic consolidated subsidiaries is stated based on regulations and internal rules for the amount necessary at the end of the period.

(4) Translation of foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the exchange rate on September 30, 2001, with the resulting difference included in gains or losses. Assets and liabilities of off-shore subsidiaries are also translated at the exchange rate on September 30, 2001, with revenue and expenses translated at the average rate during the six-month period. The resulting difference is included in minority interests and foreign currency translation adjustment in shareholders' equity.

(5) Leases

With respect to Nidec Corporation and its domestic consolidated subsidiaries, financial leases other than those in which it can be recognized that ownership rights are transferred to the lessee are accounted for by a method similar to that applicable to operating leases. With regard to overseas subsidiaries, leases are accounted for by capital leases.

(6) Derivatives and hedging activities

Hedge accounting policy: Assets and liabilities denominated in foreign currencies with foreign currency forward contracts are translated at forward contract rates. Nidec Copal Electronics Corporation accounts for interest swaps as hedge, using allowed treatment under certain conditions.

Method and object of hedge

(a) Method of hedge

Forward exchange contracts, interest swaps

(b) Object of hedge

Nidec manages its exposure to fluctuations in fair value and the fixed cash flow, such as foreign currency receivables and borrowings with floating interest rates.

Hedge policy: In order to reduce market risk exposures from fluctuations in foreign exchange rate and interest rates, Nidec has a comprehensive and flexible stance towards hedging. Nidec Copal Electronics Corporation utilizes interest swaps of variable rate into fixed rate obligations to reduce the increase of floating interest rates on borrowed money..

Evaluation of effectiveness of hedge accounting: Regarding assets from currency fluctuations, Nidec omits the verification of efficiency if the denominated currency, the notional amount and the contract period are the same. Nidec Copal Electronics Corporation verifies the correlation by fluctuation rates between gains and losses on floating interest rates of borrowed money (object of hedge) and gains and losses on floating interest rates of receivables in interest swap transactions (method of hedge) to evaluate the effectiveness of the hedge accounting.

(7) Accounting for consumption taxes:

Computed by the net of tax method.

5. Scope of funds on the consolidated statements of cash flows:

Cash and cash equivalents in the consolidated statements of cash flows include all highly liquid investments with original maturities of three months or less that are readily convertible to cash, may be withdrawn as required and is easily redeemable that they present insignificant risk of changes in value.

NOTES TO THE CONSOLIDATED BALANCE SHEETS
Related to Consolidated Balance Sheets as of September 30, 2001

1) Accumulated depreciation of tangible assets

	Japanese yen (Millions)		
	As of September 30, 2000	As of September 30, 2001	As of March 31, 2001
Accumulated depreciation of tangible assets	¥60,272	¥79,226	¥80,410

2) Assets pledged as collateral and secured liability

	Japanese yen (Millions)			
	As of September 30, 2000	As of September 30, 2001		As of March 31, 2001
Land	¥666	¥745	(476)	¥745 (476)
Buildings	695	1,313	(1,161)	1,360 (1,204)
Machinery and equipment	-	280	(221)	385 (254)
Tools, furniture and fixtures	-	4	(4)	4 (4)
Investment in securities	4,672	1,752	(-)	2,148 (-)
Total	¥6,033	¥4,097	(1,863)	¥4,644 (1,940)
Secured liabilities with respect to the foregoing:				
Short-term debt	600	357	(-)	159 (-)
Long-term debt	4,315	2,353	(775)	2,922 (1,128)
Total	4,915	2,711	(775)	3,082 (1,128)

3) Contingent liabilities

	Japanese yen (Millions)		
	As of September 30, 2000	As of September 30, 2001	As of March 31, 2001
East Pacific Funding Corporation, Tokyo Branch Office	¥1,237	¥1,221	¥1,229

4) Export bills discounted

	Japanese yen (Millions)		
	As of September 30, 2000	As of September 30, 2001	As of March 31, 2001
Export bills discounted	-	-	¥203

5) Matured notes on the last day of interim period (consolidated)

As of September 30, 2000

Since financial institutions were not open on the last day of the applicable interim accounting period, consolidated companies with matured notes on the aforementioned day, including Nidec Tosok Corporation, Nidec Copal Electronics Corporation and Nidec Shibaura Corporation, conducted settlement of these notes on the day of maturity, while other consolidated companies including companies that submitted notes to the note clearing house conducted settlement on the note

clearance day. The amounts of matured notes dealt with on the last day of the interim accounting period are as follows:

Notes dealt with on the day of maturity:

Notes receivable: ¥626 million

Notes payable : ¥925 million

Notes dealt with on bill clearance day:

The following amounts are included in the consolidated balance sheets:

Notes receivable: ¥704 million

Notes payable: ¥3 million

As of September 30, 2001

Since financial institutions were not open on the last day of the applicable interim accounting period, consolidated companies with matured notes on the aforementioned day, including Nidec Tosok Corporation, conducted settlement of these notes on the day of maturity, while other consolidated companies including companies that submitted notes to the note clearing house conducted settlement on the note clearance day. The amounts of matured notes dealt with on the last day of the interim accounting period are as follows:

Notes dealt with on the day of maturity:

Notes receivable: ¥75 million

Notes payable: ¥375 million

Notes dealt with on bill clearance day:

The following amounts are included in the consolidated balance sheets:

Notes receivable: ¥1,742 million

Notes payable: ¥478 million

As of March 31, 2001

Since financial institutions were not open on the last day at year-end, consolidated companies with matured notes on the aforementioned day, including Nidec Tosok Corporation, Nidec Copal Electronics Corporation and Nidec Shibaura Corporation conducted settlement of these notes on the day of maturity, while other consolidated companies including Nidec Corporation conducted settlement on the note clearance day. The amounts of matured notes dealt with on the last day at year-end are as follows:

Notes dealt with on the day of maturity:

Notes receivable: ¥646 million

Notes payable: ¥757 million

Notes dealt with on bill clearance day:

The following amounts are included in the consolidated balance sheets:

Notes receivable: ¥2,065 million

Notes payable: ¥7 million

Related to Consolidated Statements of Cash Flows

Six months ended September 30, 2000

The reconciliation between the balance of cash and cash equivalents, and amounts stated in the Consolidated Balance Sheets for the six months ended on September 30, 2000 is as follows:

Cash and deposits original maturities of three months or less	¥32,315 million
<u>Fixed deposits</u>	<u>-852 million</u>
Cash and cash equivalents	¥31,463 million

Six months ended September 30, 2001

The reconciliation between the balance of cash and cash equivalents, and amounts stated in the Consolidated Balance Sheets for the six months ended September 30, 2001 is as follows:

Cash and deposits original maturities of three months or less	¥38,131 million
Fixed deposits	-116 million
<u>Marketable securities</u>	<u>2,357 million</u>
Cash and cash equivalents	¥40,372 million

Year ended March 31, 2001

The reconciliation between the balance of cash and cash equivalents, and amounts stated in the Consolidated Balance Sheets for the year ended March 31, 2000 is as follows:

Cash and deposits original maturities of three months or less	¥49,145 million
Fixed deposits	-125 million
<u>Marketable securities</u>	<u>2,905 million</u>
Cash and cash equivalents	¥51,925 million

NOTES TO LEASES

1) Financial leases other than those that are deemed to transfer the ownership of the leased assets to lessees

Six months ended September 30, 2000

(1) Acquisition costs, accumulated depreciation and net leased property

	Japanese yen (Millions)		
	Acquisition costs	Accumulated depreciation	net leased property
Machinery and vehicles	¥2,608	¥667	¥1,941
Tools, furniture and fixtures	2,968	1,355	1,613
Other intangible assets	658	327	330
Total	¥6,236	¥2,350	¥3,886

(2) Future lease payments at the interim balance sheet date

Due within one year	¥1,045 million
Due after one year	¥2,840 million
Total	¥3,886 million

Note: Due to the low proportion of future lease payments in tangible assets at the interim balance sheet date, future lease payments include the imputed interest expense portion.

(3) Lease payments and depreciation

Lease payments	¥546 million
Depreciation	¥546 million

(4) Calculation of depreciation

Depreciation, which is not reflected in the consolidated statements of income, is calculated by the straight-line method with the lease period as the period of depreciation and the remaining balance at zero.

Six months ended September 30, 2001

(1) Acquisition costs, accumulated depreciation and net leased property

	Japanese yen (Millions)		
	Acquisition costs	Accumulated depreciation	Net leased property
Machinery and vehicles	¥2,962	¥796	¥2,165
Tools, furniture and fixtures	3,264	1,846	1,418
Other intangible assets	604	366	237
Total	¥6,831	¥3,010	¥3,821

(2) Future lease payment at the interim balance sheet date

Due within one year	¥1,070 million
Due over one year	¥2,750 million
Total	¥3,821 million

Note: Due to the low proportion of future lease payments in tangible assets at the interim balance sheet date, future lease payments include the imputed interest expense portion.

(3) Lease payments and depreciation

Lease payments	¥585 million
Depreciation	¥585 million

(4) Calculation of depreciation

Depreciation, which is not reflected in the consolidated statements of income, is calculated by the straight-line method with the lease period as the period of depreciation and the remaining balance at zero.

Year ended March 31, 2001

(1) Acquisition costs, accumulated depreciation and net leased property

	Japanese yen (Millions)		
	Acquisition costs	Accumulated depreciation	Net leased property
Machinery and vehicles	¥2,456	¥737	¥1,719
Tools, furniture and fixtures	3,529	1,914	1,615
Other intangible assets	618	352	265
Total	¥6,603	¥3,004	¥3,599

(2) Future lease payment at the interim balance sheet date

Due within one year	¥1,088 million
Due over one year	¥2,511 million
Total	¥3,599 million

Note: Note: Due to the low proportion of future lease payments in tangible assets at the year-end balance sheet date, future lease payments include the imputed interest expense portion.

(3) Lease payments and depreciation

Lease payments	¥900 million
Depreciation	¥900 million

(4) Calculation of depreciation

Depreciation, which is not reflected in the consolidated statements of income, is calculated by the straight-line method with the lease period as the period of depreciation and the remaining balance at zero.

2) Operating leases (Lessee)

Six months ended September 30, 2000

Future lease payments	
Due within one year	¥24 million
Due over one year	1 million
Total	¥26 million

Six months ended September 30, 2001

Future lease payments	
Due within one year	¥218 million
Due over one year	994 million
Total	¥1,213 million

Year ended March 31, 2001

Future lease payments	
Due within one year	¥278 million
Due over one year	1,653 million
Total	¥1,931 million

3) Operating leases (Lessor)

Six months ended September 30, 2000

N/A

Six months ended September 30, 2001

Future lease payments	
Due within one year	¥3 million
Due over one year	22 million
Total	¥26 million

Year ended March 31, 2001

Future lease payments	
Due within one year	¥5 million
Due over one year	24 million
Total	¥30 million

6) CONSOLIDATED STATEMENTS OF INCOME

SECOND QUARTER ENDED SEPTEMBER 30, 2001 AND 2000

(FROM JULY 1 TO SEPTEMBER 30)

	Japanese yen (Millions)						First quarter ended	
	Second quarter ended September 30						June 30,	
	2001		2000		Increase or decrease	% increase	2001	
Amount	%	Amount	%	Amount			%	
Net sales	¥68,115	100.0	¥51,190	100.0	¥16,925	33.1	¥67,058	100.0
Cost of sales	55,586	81.6	41,640	81.3	13,946	33.5	55,631	83.0
Gross profit	12,529	18.4	9,550	18.7	2,979	31.2	11,427	17.0
Selling, general and administrative expenses	8,832	13.0	5,534	10.8	3,298	59.6	8,932	13.3
Selling, general and administrative expenses	8,030		5,389		2,641		8,083	
Amortization of consolidation difference	802		144		658		849	
Operating income	3,696	5.4	4,016	7.9	-320	-8.0	2,494	3.7
Other income	722	1.1	875	1.7	-153	-17.5	554	0.8
Interest and dividend income	225		86		139		238	
Gain on sale of investment securities	6		45		-39		-	
Amortization of consolidation difference	100		49		51		-	
Equity in earnings of affiliates	-		581		-581		-	
Foreign exchange gains, net	-14		-		-14		14	
Other, net	404		112		292		301	
Other expenses	1,558	2.3	457	0.9	1,101	240.9	868	1.3
Interest expenses	341		274		67		409	
Foreign exchange loss	683		124		559		-	
Equity in loss of affiliates	60		-		60		96	
Other, net	473		57		416		361	
Recurring profit	2,859	4.2	4,433	8.7	-1,574	-35.5	2,181	3.3
Extraordinary gains	-4	-0.0	5,412	10.5	-5,416	-100.1	159	0.2
Gain on sale of fixed assets	-3		9		-12		3	
Gain on sale of investment securities	-53		-1		-52		111	
Gain on sale of investment in affiliates	-		2,325		-2,325		-	
Equity in earnings (losses) of affiliates	0		1,115		-1,115		-	
Gain on securities transferred to pension trust	-		1,905		-1,905		-	
Other, net	51		56		-5		44	
Extraordinary losses	1,919	2.8	6,314	12.3	-4,395	-69.6	424	0.6
Loss on disposal of property, plant and equipment	233		98		135		20	
Loss on valuation of investment Securities	910		-		910		5	
Loss on devaluation of derivatives	-		1,478		-1,478		-	
Amortization of net transition obligation	365		3,462		-3,097		364	
Provision for severance benefits for directors and corporate auditors	-		374		-374		-	
Amortization of goodwill	-		650		-650		-	
Loss on restructuring business	349		-		349		0	
Other	60		250		-190		33	
Income before income taxes and minority interests	935	1.4	3,532	6.9	-2,597	-73.5	1,916	2.9
Income taxes (Current)	591	0.9	1,483	2.9	-892	-60.1	1,074	1.6
Income taxes (Deferred)	-379	-0.6	-522	-1.0	143	-27.4	-231	-0.3
Minority interests in subsidiaries	245	0.4	437	0.8	-192	-43.9	536	0.8
Net income	¥477	0.7	¥2,132	4.2	¥-1,655	-77.6	¥536	0.8

5. BUSINESS SEGMENT INFORMATION

1) Business Segment Information

Japanese yen (Millions)							
Six months ended September 30, 2001							
	Small precision motors	Mid-size motors	Machinery and power supplies	Other	Total	Eliminations/ Corporate	Consolidated
Net sales:							
Customers	¥68,605	¥18,309	¥18,832	¥29,426	¥135,174	-	¥135,174
Intersegment	19	30	5,388	293	5,731	(¥5,731)	-
Total	68,625	18,339	24,221	29,719	140,905	(5,731)	135,174
Operating expenses	62,694	18,413	23,882	28,006	132,996	(4,013)	128,983
Operating income	¥5,930	¥-74	¥339	¥1,713	¥7,908	(¥1,717)	¥6,190

Japanese yen (Millions)							
Six months ended September 30, 2000							
	Small precision motors	Mid-size motors	Machinery and power supplies	Other	Total	Eliminations/ Corporate	Consolidated
Net sales:							
Customers	¥61,219	¥7,174	¥19,376	¥10,409	¥98,179	-	¥98,179
Intersegment	45	10	1,001	120	1,177	(¥1,177)	-
Total	61,264	7,185	20,377	10,529	99,357	(1,177)	98,179
Operating expenses	54,204	7,730	19,069	10,281	91,285	(12)	91,273
Operating income	¥7,060	¥-544	¥1,307	¥248	¥8,071	(¥1,164)	¥6,906

Japanese yen (Millions)							
Year ended March 31, 2001							
	Small precision motors	Mid-size motors	Machinery and power supplies	Other	Total	Eliminations/ Corporate	Consolidated
Net sales:							
Customers	¥130,485	¥24,134	¥50,412	¥44,205	¥249,238	-	¥249,238
Intersegment	3,040	213	4,763	4,440	12,458	(¥12,458)	-
Total	133,525	24,348	55,176	48,646	261,697	(12,458)	249,238
Operating expenses	120,903	25,568	52,280	44,443	243,195	(9,989)	233,205
Operating income	¥12,622	¥-1,219	¥2,895	¥4,203	¥18,502	(¥2,468)	¥16,033

Notes:

1. Segments are classified based on similarities in product type, product attributes, and production and sales methods.

2. Major products of each business segment:

- (1) Small precision motors: Small precision DC motors (including spindle motors for HDDs), Small precision fans, vibration motors, brush motors
- (2) Mid-size motors: Motors for home appliances, automobiles and industrial use
- (3) Machinery and power supplies: High-speed press machines, semiconductor production equipment, precision equipment, FA equipment, adaptors, power transmission equipment

* The business segment classification "Power supplies and machinery" in use until the end of the first half ended September 30, 2001 has changed to "Machinery and power supplies" as "Machinery" is now the main business area (of the segment.) For convenience, "Machinery and power supplies" has also been used as the classification for the six months ended September 30, 2000 and for the year ended March 31, 2001 when comparisons are made.

(4) Other: Pivot assemblies, automobile components, electronic components, service etc.

3. Unallocated operating expenses included in Eliminations/Corporate (Consolidated)

	Japanese yen (Millions)			
	Six months ended September 30,		Year ended	
	2001	2000	March 31, 2001	
Amount of unallocated expenses included in Eliminations/Corporate	¥1,310	¥1,126	¥2,350	Expenses derived from the overhead department of the parent company's administration and accounting divisions

2)Geographic Segment Information

	Japanese yen (Millions)						
	Six months ended September 30, 2001						
	Japan	North America	Asia	Other	Total	Eliminations/ Corporate	
Net sales:							
Customers	¥87,943	¥5,320	¥39,244	¥2,665	¥135,174	-	¥135,174
Intersegment	33,107	371	48,609	9	82,098	(¥82,098)	-
Total	121,051	5,692	87,854	2,675	217,273	(82,098)	135,174
Operating expenses	117,130	5,936	83,898	2,603	209,570	(80,586)	128,983
Operating income	¥3,920	¥-244	¥3,955	¥71	¥7,703	(¥1,512)	¥6,190

Japanese yen (Millions)							
Six months ended September 30, 2000							
	Japan	North America	Asia	Other	Total	Eliminations/ Corporate	Consolidated
Net sales:							
Customers	¥52,171	¥5,569	¥36,901	¥3,537	¥98,179	-	¥98,179
Intersegment	23,167	498	29,157	7	52,830	(¥52,830)	-
Total	75,338	6,067	66,059	3,545	151,010	(52,830)	98,179
Operating expenses	71,990	5,933	61,128	3,460	142,513	(51,240)	91,273
Operating income	¥3,347	¥133	¥4,930	¥84	¥8,496	(¥1,590)	¥6,906

Japanese yen (Millions)							
Year ended March 31, 2001							
	Japan	North America	Asia	Other	Total	Eliminations/ Corporate	Consolidated
Net sales:							
Customers	¥153,304	¥12,633	¥76,135	¥7,165	¥249,238	-	¥249,238
Intersegment	54,314	1,245	77,934	286	133,780	(¥133,780)	-
Total	207,618	13,878	154,069	7,451	383,019	(133,780)	249,238
Operating expenses	198,819	13,928	144,471	7,225	364,444	(131,239)	233,205
Operating income	¥8,799	¥-49	¥9,597	¥226	¥18,574	(¥2,541)	¥16,033

Notes:

1. Regions are based on geographic vicinity.
2. Main countries or region pertaining to each classification:
 - (1) North America: United States
 - (2) Asia: Singapore, Thailand, China, Philippines
 - (3) Other: Europe
3. Unallocated operating expenses included in Eliminations/Corporate (Consolidated)

	Japanese yen (Millions)		
	Six months ended September 30		Year ended
	2001	2000	March 31, 2001
Amount of unallocated expenses included in Eliminations/Corporate	¥1,310	¥1,126	¥2,350

Expenses incurred from the over head department of the parent company's administration and accounting divisions

3)Overseas sales (Consolidated)

Japanese yen (Millions), %				
Six months ended September 30, 2001				
	North America	Asia	Other	Total
Overseas sales	¥4,504	¥60,232	¥5,057	¥69,794
Consolidated sales	-	-	-	135,174
Overseas sales to consolidated sales	3.3%	44.6%	3.7%	51.6%

Japanese yen (Millions), %				
Six months ended September 30, 2000				
	North America	Asia	Other	Total
Overseas sales	¥6,266	¥46,758	¥6,992	¥60,017
Consolidated sales	-	-	-	98,179
Overseas sales to consolidated sales	6.3%	47.6%	7.1%	61.1%

Japanese yen (Millions), %				
Year ended March 31, 2001				
	North America	Asia	Other	Total
Overseas sales	¥13,728	¥110,271	¥9,009	¥133,010
Consolidated sales	-	-	-	249,238
Overseas sales to consolidated sales	5.5%	44.2%	3.6%	53.3%

Notes:

1. The method of region classification and the breakdown of the main countries or regions pertaining to each classification are as follows:

- (1) Method of classification: based on geographic vicinity
- (2) Main countries or region pertaining to each classification:

North America: United States

Asia: Singapore, Thailand, Malaysia

Other: Europe, Australia, Brazil

2. Overseas sales comprise sales of Nidec Corporation and its subsidiaries in countries or regions other than Japan.

6. MARKETABLE SECURITIES

1. Held-to-Maturity Marketable Securities with fair value

	Japanese yen (Millions)								
	Six-months ended September 30, 2001			Year ended March 31, 2001			Six-months ended September 30, 2000		
	Carrying amount	Market value	Balance	Carrying amount	Market value	Balance	Carrying amount	Market value	Balance
Government and local bonds	-	-	-	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-	-	-	-
Others	142	143	0	142	143	0	-	-	-
Total	142	143	0	142	143	0	-	-	-

2. Other Marketable Securities with fair value

	Japanese yen (Millions)								
	Six-months ended September 30, 2001			Year ended March 31, 2001			Six-months ended September 30, 2000		
	Acquisition cost	Carrying amount	Balance	Acquisition cost	Carrying amount	Balance	Acquisition cost	Carrying amount	Balance
Equity securities	9,261	7,522	-1,738	10,410	9,617	-793	8,224	8,082	-141
Bonds									
Government and local bonds	-	-	-	-	-	-	-	-	-
Corporate bonds	37	39	2	37	39	2	18	19	0
Others	-	-	-	-	-	-	-	-	-
Other securities	1,287	1,089	-198	1,166	1,030	-136	1,608	1,561	-47
Total	10,586	8,652	-1,934	11,615	10,688	-927	9,851	9,663	-188

3. Marketable Securities not practicable to fair value

	Japanese yen (Millions unless indicated)		
	Six months ended September 30	Year ended March 31	Six months ended September 30
	2001	2001	2000
Held-to-maturity bonds	0	-	-
Other securities			
Unlisted stock (excluding the over-the-counter stock)	745	284	604
Unlisted foreign bonds	110	110	-
Money Management Funds	1,446	2,095	3,700
Medium-term government bond funds	302	302	-
Discount bank debentures	9	9	-
Others	348	-	-

7. DERIVATIVE INSTRUMENTS

Condition of Agreements for Derivative Instruments, Fair Values and Unrealized gain or loss

As of September 30, 2001

Derivative Instrument	Transaction	Contract price	Japanese yen (Millions)	
			Fair value	Unrealized gain or loss
Foreign currency	Currency option agreements			
	Forward exchange contracts			
	Purchase			
	U.S. dollars	100	100	-0
Interest rates	Interest cap transactions	3,000	0	-
	Interest swaps			
	Fluctuating receivables, fixed payables	1,000	-9	-9
	Total	4,100	90	-9

Notes:

1. Fair values are calculated based on quotes from financial institutions.
2. Derivative instruments applied for the accounting for hedging are excluded from the above amounts.

As of March 31, 2001

Derivative Instrument	Transaction	Contract price	Japanese yen (Millions)	
			Fair value	Unrealized gain or loss
Foreign currency	Currency option agreements			
	Forward exchange contracts			
	Purchase			
	U.S. dollars	120	8	8
	Euro	36	-0	-0
	Sale			
	U.S. dollars	21	-0	-0
Interest rates	Interest cap transactions	3,000	0	0
	Interest swaps			
	Fluctuating receivables, fixed payables	1,000	-16	-16
	Total	4,177	-8	-8

Notes:

1. Fair values are calculated based on quotes from financial institutions.
2. Derivative instruments applied for the hedge accounting are excluded from the above amounts.

As of September 30, 2000

Derivative Instrument	Transaction	Contract price	Japanese yen (Millions)	
			Fair value	Unrealized gain or loss
Foreign currency	Currency option agreements	30,783	-1,455	-1,455
	Forward exchange contracts			
	Purchase			
	U.S. dollars	50	49	-0
Interest rates	Interest cap transactions	3,000	4	-24
	Interest swaps			
	Fluctuating receivables, fixed payables	1,000	-23	-23
	Total	34,833	-1,425	-1,502

Notes:

1. Fair values are based on quotes from financial institutions.
2. Derivative instruments applied for the hedge accounting are excluded from the above amounts.

NON-CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(FIRST HALF ENDED SEPTEMBER 30, 2001)

NIDEC CORPORATION

Date of Directors' meeting for closing of accounts: November 19, 2001

Stock Listings: Tokyo, Osaka

Head Office: Kyoto, Japan

1. Interim Non-Consolidated Financial Performance (from April 1, 2001 to September 30, 2001)

(1) Results of Operations

	Japanese yen (Millions unless indicated)		
	Six months ended September 30		Year ended March 31
	2001	2000	2001
Net sales	¥53,202	¥46,173	¥99,605
Percent change from the previous period	15.2%	-12.5%	
Operating income	875	609	876
Percent change from the previous period	43.7%	-78.6%	
Recurring profit	3,805	3,301	8,336
Percent change from the previous period	15.3%	-24.9%	
Net income	2,557	2,423	5,421
Percent change from the previous period	5.5%	-16.2%	
Net income per share (Yen)	¥40.24	¥41.66	¥89.12

Notes:

1. Average number of shares issued and outstanding at the beginning and end of the years:
 - 63,551,872 shares for the six months ended September 30, 2001
 - 58,179,628 shares for the six months ended September 30, 2000
 - 60,840,242 shares for the year ended March 31, 2001
2. Change in accounting method: Non-applicable
3. Percentage change of net sales, operating income and net income are indicated in comparison with the same previous period.

(2) Dividend condition

	Japanese yen (Yen)		
	Six months ended September 30, 2001	Six months ended September 30, 2000	Year ended March 31, 2001
Dividend per share (interim)	¥15.00	¥7.50	-
Dividend per share (Annual)	-	-	¥20.00

Note:

Dividends for the six months ended September 30, 2001

Commemorative dividend	¥5.00
Bonus dividend	0.00

(3) Financial Position

	Japanese yen (Millions, unless indicated)		
	September 30		March 31
	2001	2000	2001
Total assets	¥153,343	¥138,302	¥154,285
Shareholders' equity	80,272	76,359	78,941
Shareholders' equity to total assets	52.3%	55.2%	51.2%
Shareholders' equity per share (Yen)	1,263.09	1,203.06	1,242.21

Note:

Number of shares issued and outstanding at the end of the respective years (consolidated):

63,552,767 shares at September 30, 2001
63,471,141 shares at September 30, 2000
63,549,008 shares at March 31, 2001

2. Forecast of Non-Consolidated Financial Performance

(For the year ending March 31, 2002)

	Japanese yen (Millions)
Net sales	¥95,000
Ordinary income	6,000
Net income	4,000
Dividend per share (At year end)	10.00
Dividend per share (Annual)	25.00

Reference: Forecast net income per share for the year is 62.94 yen.

9. NON-CONSOLIDATED FINANCIAL STATEMENTS

1) Non-Consolidated Balance Sheets

Assets

	Japanese yen (Millions)						
	September 30		September 30		March 31		Amount change
	2001		2000		2001		
	Amount	%	Amount	%	Amount	%	
Current assets:							
Cash on hand and bank deposits	¥15,711		¥18,633		¥19,387		¥-3,676
Notes receivable	4,761		4,231		5,050		-289
Accounts receivable	28,411		23,041		27,689		722
Treasury stock	0		1		0		0
Finished products	2,054		2,333		2,005		49
Raw materials	93		156		233		-140
Work in process	318		284		386		-68
Supplies	115		163		139		-24
Advances	56		68		57		-1
Prepaid expenses	211		121		75		136
Deferred income taxes	716		1,063		1,008		-292
Short-term loans to affiliates	2,228		6,196		2,269		-41
Other receivables	6,168		6,822		6,305		-137
Other current assets	41		45		39		2
Allowance for doubtful accounts	-189		-186		-190		1
Total current assets	60,702	39.6	62,976	45.5	64,457	41.8	-3,755
Fixed assets:							
Tangible assets	18,845	12.3	18,786	13.6	19,283	12.5	-438
Buildings	5,072		5,417		5,253		-181
Structures	144		163		153		-9
Machinery and equipment	2,217		2,276		2,360		-143
Vehicles and delivery equipment	3		5		4		-1
Tools, furniture and fixtures	1,142		1,141		1,230		-88
Land	8,884		8,883		8,884		-
Construction in progress	1,379		898		1,396		-17
Intangible assets	524	0.3	654	0.5	585	0.4	-61
Goodwill	419		539		479		-60
Patents	0		-		-		0
Software	68		78		70		-2
Telephone subscription rights	19		19		19		0
Facility use rights	16		17		16		0
Investments and other assets	73,271	47.8	55,884	40.4	69,959	45.3	3,312
Investment securities	5,855		5,845		5,853		2
Investment securities of affiliates	58,554		42,805		56,263		2,291
Bonds issued by affiliates	792		789		791		1
Investments other than securities	159		193		159		0
Investment in affiliates	5,819		5,534		5,503		316
Bankruptcy and other claims	495		498		495		0
Long-term prepaid expenses	14		19		18		-4
Deferred income taxes	1,961		565		1,255		706
Other (investments)	256		125		109		147
Allowance for doubtful accounts	-637		-494		-491		-146
Total fixed assets	92,641	60.4	75,325	54.5	89,828	58.2	2,813
Total assets	153,343	100.0	138,302	100.0	154,285	100.0	-942

Liabilities and Shareholders' Equity

	Japanese yen (Millions)						
	September 30		September 30		March 31		Amount change
	2001		2000		2001		
	Amount	%	Amount	%	Amount	%	
Current liabilities							
Notes payable	¥3,556		¥4,584		¥3,702		¥-146
Accounts payable	16,018		13,001		15,222		796
Short-term borrowings	19,432		7,560		19,788		-356
Current portion of long-term debt	1,048		1,178		828		220
Accrued liabilities	3,672		3,632		4,520		-848
Accrued expenses	361		322		309		52
Income taxes payable	339		579		1,449		-1,110
Advances received	1		0		0		1
Deposits received	139		132		133		6
Deferred income taxes	5		12		13		-8
Accrued bonuses to employees	722		658		720		2
Notes payable for construction	97		161		316		-219
Derivative debt	9		-		16		-7
Other current liabilities	-		-		24		-24
Total current liabilities	45,404	29.6	31,823	23.0	47,044	30.5	-1,640
Non-current liabilities							
Convertible bonds	24,165		24,317		24,172		-7
Long-term debt	2,754		3,802		3,503		-749
Accrued severance and benefit costs	277		93		170		107
Accrued retirement benefit to directors	470		428		454		16
Derivative debt	-		1,478		-		-
Total fixed liabilities	27,667	18.1	30,118	21.8	28,300	18.3	-633
Total liabilities	73,071	47.7	61,942	44.8	75,344	48.8	-2,273
Shareholders' equity							
Common stock	26,458	17.2	26,382	19.1	26,454	17.1	4
Additional paid-in capital	26,323	17.2	26,247	19.0	26,319	17.1	4
Legal reserve I	720	0.5	588	0.4	635	0.4	85
Land revaluation reserve	-700	-0.5	-700	-0.5	-700	-0.4	-
Retained earnings	28,211	18.4	24,112	17.4	26,587	17.2	1,624
Reserve for general purpose	23,450		19,450		19,450		4,000
Unappropriated retained earnings	4,761		4,662		7,137		-2,376
(of which, Net income)	(2,557)		(2,423)		(5,421)		(-2,864)
Net unrealized loss on securities	-740	-0.5	-270	-0.2	-356	-0.2	-384
Total shareholders' equity	80,272	52.3	76,359	55.2	78,941	51.2	1,331
Total liabilities and shareholders' equity	153,343	100.0	138,302	100.0	154,285	100.0	-942

NON-CONSOLIDATED STATEMENTS OF INCOME
SIX MONTHS ENDED SEPTEMBER 30, 2001 AND 2000

	Japanese yen (Millions)							
	September 30,				March 31,			
	2001		2000		Increase or decrease	%	2001	
Amount	%	Amount	%	Amount			%	
Net sales	¥53,202	100.0	¥46,173	100.0	¥7,029	15.2	¥99,605	100.0
Cost of sales	48,397	91.0	42,043	91.1	6,354	15.1	91,349	91.7
Gross profit	4,805	9.0	4,130	8.9	675	16.3	8,256	8.3
Selling, general and administrative expenses	3,929	7.4	3,521	7.6	408	11.6	7,379	7.4
Operating income	875	1.6	609	1.3	266	43.7	876	0.9
Other income	3,981	7.5	3,210	6.9	771	24.0	8,512	8.5
Interest income	192		361		-169		724	
Interest on investment securities	-		8		-8		15	
Dividend income	3,561		2,643		918		4,665	
Gain on sale of investment securities	-		13		-13		-	
Foreign currency transaction gains, net	-		-		-		2,638	
Other	227		183		44		468	
Other expenses	1,051	1.9	517	1.1	534	103.3	1,052	1.0
Interest expenses	325		367		-42		808	
Interest on corporate bonds	56		59		-3		116	
Foreign currency transaction loss	346		23		323		-	
Other	322		68		254		127	
Recurring profit	3,805	7.2	3,301	7.1	504	15.3	8,336	8.4
Extraordinary gains	27	0.0	3,229	7.0	-3,202	-99.2	3,213	3.2
Gain on sale of fixed assets	0		2		-2		3	
Gain on sale of investment securities	2		-		2		14	
Gain on sale of investment in affiliates	23		2,059		-2,036		2,059	
Gain on securities transferred to pension trust	-		1,089		-1,089		1,089	
Gain on reversal of allowance for doubtful accounts	1		78		-77		46	
Extraordinary losses	982	1.8	3,251	7.0	-2,269	-69.8	4,474	4.5
Loss on disposal of property, plant and equipment	77		27		50		73	
Loss on write-down of investment securities	125		9		116		694	
Loss on valuation of derivatives	-		1,478		-1,478		27	
Provision for severance benefits for directors and corporate auditors	-		1,241		-1,241		1,241	
Loss on valuation of investment in affiliates	-		374		-374		374	
Amortization of goodwill	-		-		-		1,915	
Loss on restructuring business	779		-		779		-	
Other	0		120		-120		147	
Income before income taxes	2,850	5.4	3,279	7.1	-429	-13.1	7,075	7.1
Income taxes (Current)	429	0.8	911	2.0	-482		2,282	2.3
Income taxes (Deferred)	-135	-0.2	-55	-0.1	-80		-628	-0.6
Net income	¥2,557	4.8	¥2,423	5.2	¥134	5.5	¥5,421	5.4
Retained earnings brought forward from previous period	2,203		2,239		-36		2,239	
Dividend for the period	-		-		-		476	
Interest reserves for dividend for the respective period	-		-		-		47	
Unappropriated retained earnings for the period	¥4,761		¥4,662		¥99		¥7,137	

(3) Important Items Regarding the Basis of Preparation of Financial Statements

1. Valuation method of assets

(1) Securities

A. Investments in securities for maturation: Amortized cost method

B. Investments in subsidiaries and affiliates: Valuation at cost, with cost determined by the moving average method

C. Other securities with fair value:

Stated at fair value based on market price at end of the period (Both unrealized gains and losses are reported as net unrealized loss on securities. The cost of other securities sold is computed using the moving average method.)

Other securities not practicable to fair value: Stated at cost determined using the moving average method

(2) Derivatives: Stated at fair value

(3) Valuation method of inventories:

Finished goods, materials, work in progress: Stated at the lower of cost or market method with cost determined using the moving average method

Supplies: Stated at the lower of cost or market method with cost determined using last purchase price method or replacement cost

2. Method of depreciation of fixed assets:

(1) Tangible fixed assets: Declining balance method

Stated based on declining-balance method except for buildings purchased after April 1, 1998, for which the straight-line method is applied.

(2) Intangible fixed assets: Straight-line method

With respect to the software for internal use, amortization is computed on the straight-line method based on useful period (mainly 5 years).

3. Policy for significant Provisions

(1) Allowances for doubtful accounts: Appropriate allowances are made for general receivables based on the historical loss experience, but specific doubtful accounts are investigated on an individual basis, and the amount of estimated losses are provided.

(2) Accrued bonuses to employees: Nidec Corporation provided accrued bonuses to employees based on the estimated amount for payment.

(3) Provision for employees' retirement benefits: Provision of employee retirement and severance benefits are stated based on the projected benefit obligation and pension fund assets at the end of the period.

(4) Provision for retirement allowances for directors and corporate auditors: Provision for retirement allowances for directors and corporate auditors is stated based on regulations and internal rule for the amount necessary at the end of the period.

4. Translation of foreign currencies :

Assets and liabilities denominated in foreign currencies are translated at the exchange rate on September 30, 2001, with the resulting difference included in gains or losses.

5. Leases

Financial leases other than those in which it can be recognized that ownership rights are transferred to the lessee are accounted for by a method similar to that applicable to operating leases.

6. Derivatives and hedge activities

(1) Method of hedge accounting for deferred hedges

Assets and liabilities denominated in foreign currencies with foreign currency forward contracts are translated at forward contract rates. And interest swaps and interest cap transactions are accounted for by allowed treatment under certain conditions.

(2) Method and object of hedge

(a) Method of hedge: Forward exchange contracts, interest swaps, interest cap transactions

(b) Object of hedge: Nidec Corporation manages its exposure to fluctuations in fair value and the fixed cash flow, such as foreign currency receivables and borrowings with floating interest rates.

(3) Hedge policy: In order to reduce market risk exposures from fluctuations in foreign exchange rate and interest rates, Nidec Corporation has a comprehensive and flexible stance towards hedging.

(4) With regard to forward exchange contracts, Nidec omits the verification of efficiency if the denominated currency, the notional amount and the contract period are the same. With regard to interest swaps and interest cap transactions, where there are extraordinary conditions, the effectiveness of the hedge accounting will be evaluated as the condition meets requirements for allowed treatments. (Evaluation of hedge accounting effectiveness on interim settlement day omitted).

7. Other important items regarding the basis of preparation of financial statements

Accounting for consumption taxes:

Computed by the net of tax method

Notes to the Non-Consolidated Balance Sheets

1. Accumulated depreciation of tangible assets

	Japanese yen (Millions)		
	As of September 30, 2000	As of September 30, 2001	As of March 31, 2001
Accumulated depreciation of tangible assets	¥10,072	¥11,277	¥10,757

2. Assets pledged as collateral and secured liability

	Japanese yen (Millions)		
	As of September 30, 2000	As of September 30, 2001	As of March 31, 2001
Investment in securities	¥4,117	¥1,752	¥2,148
Secured liabilities with respect to the foregoing:			
Short-term debt	-	-	-
Long-term debt	¥3,780	¥1,400	¥1,600
Total	¥3,780	¥1,400	¥1,600

3. Contingent liabilities

	Japanese yen (Millions)		
	As of September 30, 2000	As of September 30, 2001	As of March 31, 2001
Amount of debt securities from bank loans	3,263	10,231	7,921
(Affiliated companies)			
Nidec Electronics (Thailand) Co., Ltd	(TB 3,983 th.) 10	(US\$4,800 th.) 573 (TB1,218,983 th.) 3,279	(TB 3,983 th.) 11
Nidec (Dalian) Limited	-	(US\$7,500 th.) 895	(US\$14,000 th.) 1,734
Nidec America Corporation	(US\$4,394 th.) 474	(US\$5,440 th.) 649	(US\$6,855 th.) 849
Nidec Philippines Corporation	-	(US\$18,000 th.) 2,149	(US\$18,000 th.) 2,230
Nidec Tosok (Vietnam) Co., Ltd.	(US\$6,400 th.) 691	(US\$4,752 th.) 567	(US\$4,800 th.) 594
Nidec Shibaura (Zhejiang) Co., Ltd.	(US\$1,250 th.) 135	(US\$1,900 th.) 226	(US\$1,250 th.) 154
Nidec Hi-Tech Motor (Thailand) Co., Ltd.	40	150	44
Nidec Singapore Pte. Ltd.	364	(US\$375 th.) 44 (TB 2,597 th.) 6	(US\$1,315 th.) 162 (TB 2,737 th.) 7
Nidec Shibaura Corporation	-	(S\$ 13 th.) 0	-
(Other)			
East Pacific Funding Corporation, Tokyo Branch Office	1,237	1,221	1,229

4. Handling of consumption tax

As of September 30, 2000

After offsetting, temporary payment and receipt of consumption taxes are included in 'Other receivables' in current assets.

As of September 30, 2001

After offsetting, temporary payment and receipt of consumption taxes are included in 'Other receivables' in current assets.

As of March 31, 2001

N/A

5. Matured notes on the last day of interim period

As of September 30, 2000

Matured notes on the last day of the interim period were dealt with on the bill clearance day. Since financial institutions were not open on the last day of the applicable interim accounting period, matured notes on the last day of the period are included in the balance sheets for the six months ended September 30, 2000.

Notes receivable: ¥329 million

As of September 30, 2001

Matured notes on the last day of the interim period were dealt with on the bill clearance day. Since financial institutions were not open on the last day of the applicable interim accounting period, matured notes on the last day of the period are included in the balance sheets for the six months ended September 30, 2001.

Notes receivable: ¥350 million

As of March 31, 2001

Matured notes on the last day at year-end were dealt with on the bill clearance day. Since financial institutions were not open on the last day of the applicable interim accounting period, matured notes on the last day of the period are included in the balance sheets for the year ended March 31, 2001.

Notes receivable: ¥306 million

Note to Non-Consolidated Statements of Income

Depreciation and amortization

	Japanese yen (Millions)		
	As of September 30, 2000	As of September 30, 2001	As of March 31, 2001
Tangible assets	¥744	¥744	¥1,598
Intangible assets	¥67	¥67	¥137

Notes to Leases

Financial leases other than those that are deemed to transfer the ownership of the leased assets to lessees

Six months ended September 30, 2000

(1) Acquisition costs, accumulated depreciation and net leased property

	Acquisition costs	Accumulated depreciation	Net leased property
Tools, furniture and fixtures	¥1,105	¥500	¥604
Software	359	175	184
Total	¥1,464	¥676	¥788

Note: With regard to leased property costs, due to the low proportion of future lease payments in tangible assets at the interim balance sheet date, , future lease payments include the imputed interest expense portion.

(2) Future lease payments at the interim balance sheet date

Due within one year	¥275 million
<u>Due over one year</u>	<u>¥513 million</u>
Total	¥788 million

Note: Due to the low proportion of future lease payments in tangible assets at the interim balance sheet date, future lease payments include the imputed interest expense portion

(3) Lease payments and depreciation

Lease payments	¥151 million
Depreciation	¥151 million

(4) Calculation of depreciation

Depreciation, which is not reflected in the consolidated statements of income, is calculated by the straight-line method with the lease period as the period of depreciation and the remaining balance at zero.

Six months ended September 30, 2001

(1) Acquisition costs, accumulated depreciation and net leased property

	Acquisition costs	Accumulated depreciation	Net leased property
Tools, furniture and fixtures	¥1,015	¥521	¥493
Software	349	227	121
Total	¥1,364	¥749	¥615

Note: With regard to leased property costs, due to the low proportion of future lease payments in tangible assets at the interim balance sheet date, future lease payments include the imputed interest expense portion.

(2) Future lease payment at the interim balance sheet date

Due within one year	¥264 million
<u>Due over one year</u>	<u>¥351 million</u>
Total	¥615 million

Note: Due to the low proportion of future lease payments in tangible assets at the interim balance sheet date, future lease payments include the imputed interest expense portion

(3) Lease payments and depreciation

Lease payments	¥140 million
Depreciation	¥140 million

(5) Calculation of depreciation

Depreciation, which is not reflected in the consolidated statements of income, is calculated by the straight-line method with the lease period as the period of depreciation and the remaining balance at zero.

Year ended March 31, 2001

(1) Acquisition costs, accumulated depreciation and net leased property

	Acquisition costs	Accumulated depreciation	Net leased property
Tools, furniture and fixtures	¥1,106	¥584	¥521
Software	358	208	150
Total	¥1,464	¥792	¥671

Note: With regard to leased property costs, due to the low proportion of future lease payments in tangible assets at the year-end balance sheet date, future lease payments include the imputed interest expense portion.

(2) Future lease payment at the interim balance sheet date

Due within one year	¥261 million
<u>Due over one year</u>	<u>¥410 million</u>
Total	¥671 million

Note: Due to the low proportion of future lease payments in tangible assets at the interim balance sheet date, future lease payments include the imputed interest expense portion

(3) Lease payments and depreciation

Lease payments	¥297 million
Depreciation	¥297 million

(5) Calculation of depreciation

Depreciation, which is not reflected in the consolidated statements of income, is calculated by the straight-line method with the lease period as the period of depreciation and the remaining balance at zero.

Notes To Marketable Securities

As of September 30, 2001

Marketable Securities of Subsidiaries and Affiliates

	<u>Carrying amount</u>	<u>Market value</u>	<u>Balance</u>
Investment in subsidiaries	¥41,765	¥39,035	¥-2,729
Investment in affiliates	-	-	-
Total	<u>¥41,765</u>	<u>¥39,035</u>	<u>¥-2,729</u>

As of March 31, 2001

Marketable Securities of Subsidiaries and Affiliates

	<u>Carrying amount</u>	<u>Market value</u>	<u>Balance</u>
Investment in subsidiaries	¥40,456	¥50,290	¥9,834
Investment in affiliates	-	-	-
Total	<u>¥40,456</u>	<u>¥50,290</u>	<u>¥9,834</u>

As of September 30, 2000

Marketable Securities of Subsidiaries and Affiliates

	<u>Carrying amount</u>	<u>Market value</u>	<u>Balance</u>
Investment in subsidiaries	¥15,259	¥25,630	¥10,370
Investment in affiliates	13,314	28,481	15,167
Total	<u>¥28,574</u>	<u>¥54,111</u>	<u>¥25,537</u>