

OSE, TSE: 6594  
 NYSE: NJ  
<http://www.nidec.co.jp/english/>



**All for dreams**

## Fiscal First-half 2009 Financial Results

Six Months Ended September 30, 2009

< U.S. GAAP >  
 October 27, 2009

**Nidec Corporation**



This presentation material and our statements made during the Meeting regarding the Nidec Groups' financial results contain forward-looking statements including expectations, judgement, plans, and strategies. The forward-looking statements are based on management's assumptions and belief in light of the information currently available. Certain risks, uncertainties and other factors could cause actual results to differ materially from those discussed in the forward-looking statements. Such factors include, but are not limited to: fluctuation of currency exchange rates, overall supply and customer demand in the motor industry, product development and production capabilities, performance of affiliated companies, and other risks and uncertainties. Nidec undertakes no obligation to update forward-looking statements to reflect events or circumstances that occur after the date the forward-looking statements are made.

## Consolidated Profit/Loss

(Yen in millions)	1H/FY08	1H/FY09	Change (%)	FY09 Forecast
<b>Net Sales</b>	363,276	268,743	(26.0%)	570,000
<b>Operating Income</b>	40,778	28,321	(30.5%)	58,000
<b>Operating Income Ratio</b>	11.2%	10.5%	-	10.2%
<b>Income before Tax</b>	43,379	22,474	(48.2%)	55,000
<b>Net Income</b>	27,840	13,788	(50.5%)	35,000
<b>EPS</b>	192.06	98.99	(48.5%)	251.27
<b>FX (Yen/US\$) Ave.</b>				
Average---	106.11	95.49	(10.0%)	90.00
Term-end---	103.57	90.21	(12.9%)	

Please refer to the accompanying note on page 19 regarding discontinuation of the semiconductor production equipment business.



## Summary of 1H/FY2009

- Profitability enhancement well underway, meeting **WPR™** guideline for two consecutive quarters.
- July-September quarter 2009
  - Sales recovered to 76% of the year ago level;
  - OPM improved to 12.4% from 11.8% a year ago.
- Record-high *Small Precision Motor* OPM:
  - 2Q FY2009 **18.0% (Previous high: 14.7%)**
  - 1H FY2009 **16.5%**

Please refer to the accompanying note on page 19 regarding discontinuation of the semiconductor production equipment business.



3

## Upward Revision to FY2009 Guidance

(Yen in millions)		Net Sales	Operating Income	Income before Tax	Net Income	EPS
FY '09	2nd Revision	570,000	58,000	55,000	35,000	251.27
	1st Revision	550,000	50,000	47,000	30,000	215.38
	Original	550,000	45,000	43,000	27,000	193.84

- **WPR™** profitability reform taking hold.
  - Over 70% of the Group's business units steering steady course toward **WPR™** targets.
  - Continued initiatives eyeing perfection on a group-wide scale.
- Theme-specific market demand perking up (energy-saving, eco-friendly, compact, half-price).
  - Forward-looking "selection and concentration" in building new markets, new product portfolio and new customer base

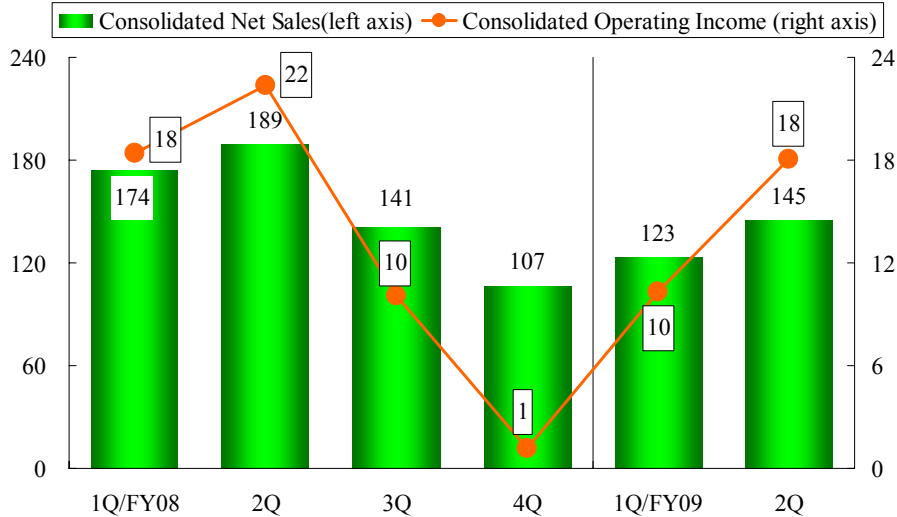
Please refer to the accompanying note on page 19 regarding discontinuation of the semiconductor production equipment business.



4

## Consolidated Quarterly Results

(Yen in billions) **OP V-shaped Recovery Driven by WPR™** (Yen in billions)



**Nidec** -All for dreams

Please refer to the accompanying note on page 19 regarding discontinuation of the semiconductor production equipment business.

5

## Listed Subsidiary Profit Performance

Yen in millions	III FY2009 OP		FY2009 OP Forecast	
	Previous Forecast	Actual	Previous Forecast	Revised Forecast
Nidec Sankyo	1,000	2,012 ↗	4,000	5,000 ↗
Nidec Copal	1,000	1,808 ↗	3,800	4,600 ↗
Nidec Copal Electronics	500	682 ↗	2,300	2,300
Nidec Tosok	450	513 ↗	1,250	2,370 ↗
Nidec Servo	200	359 ↗	1,000	1,000
Nidec-Read	50	161 ↗	500	600 ↗

**Nidec** -All for dreams

\*Numbers above are based on the generally accepted accounting standard in Japan. Please also refer to the accompanying note on page 19 regarding discontinuation of the semiconductor production equipment business.

6

# Strategic Focuses

**Nidec**  
All for dreams

7

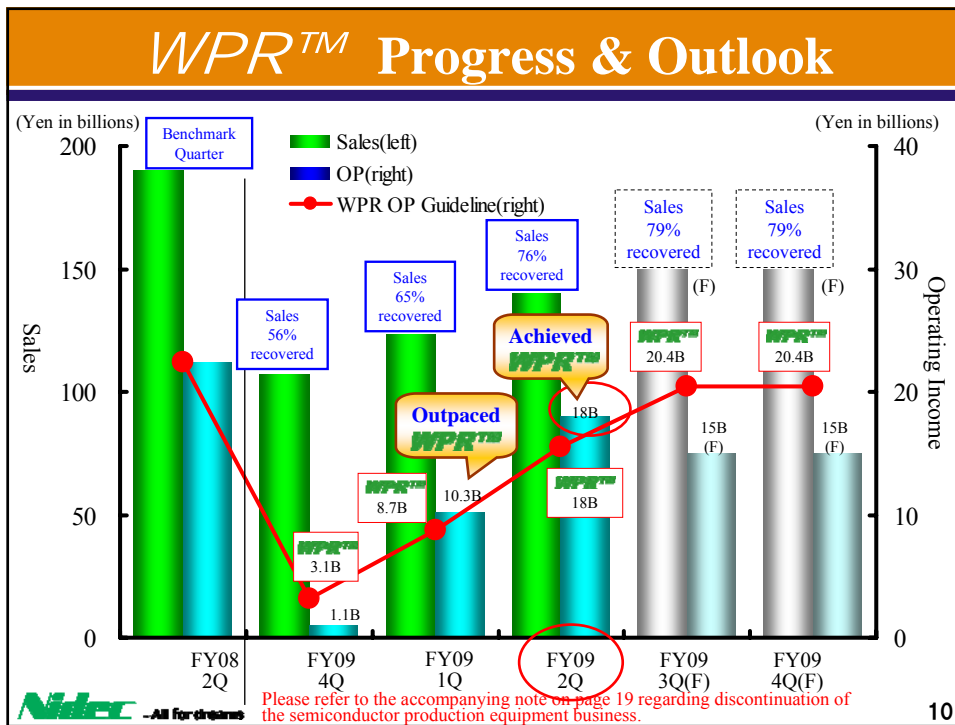
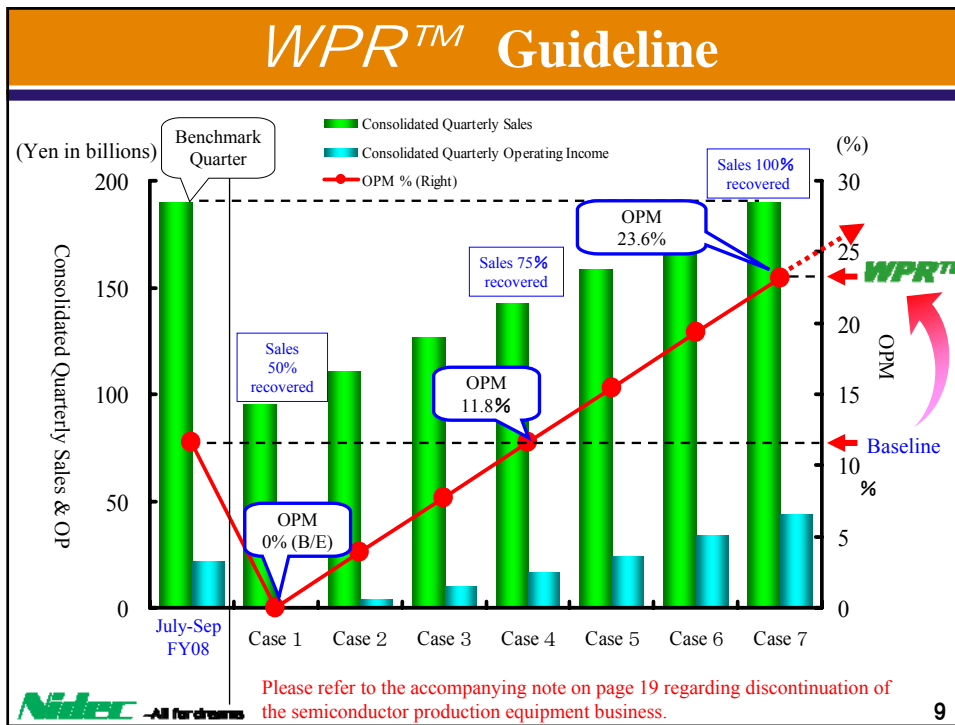
## WPR™ : Emphasis for 2H FY2009

- **Big leap in Full-year Profits** despite Sales Decline  
*Profit ratio already doubled at certain Nidec business units in line with **WPR™** guideline.*
- **Full-fledged **WPR™** rollout**  
*Strong leadership to bring slow running subsidiaries on fast track to **WPR™** targets.*
- **Early phase-out of emergency pay cuts**  
*Pay levels restored in phases since July, depending on respective subsidiary performances.*
- **M&A back on track**  
*Jump-start for future business growth*

WPR was named by Shigenobu Nagamori of NIDEC CORPORATION based on his unique business management method in 2008.  
WPR™ is a trademark of NIDEC CORPORATION in Japan.  
WPR © Shigenobu Nagamori NIDEC CORPORATION 2008

**Nidec** All for dreams

8



# Small Precision Motors

## Focus 1

### Technological leadership

New tide of demand for "extra lightness and compactness"

#### Notebook PC/Netbook



7mm-thick HDD



Ultra-slim Notebook PC fan

## Focus 2

### Market share gain

Brushless motor technology driving a new wave of digitalization

#### Demand shift driven by Blu-ray technology

Traditional Optical Disc Drive Brush DC Motor

Replaced with

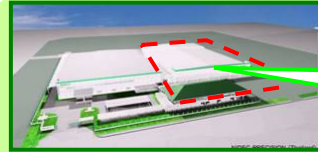
Blu-ray Optical Disc Drive Brushless DC Motor (Half-height type)



## Focus 3

### In-house manufacturing

Capacity investment for future profit growth



New factory under construction at Nidec Precision (Thailand) Co., Ltd., Rojana

New baseplate process lines



Baseplate production expanding to 10M units/month by the end of FY2010

Nidec Brilliant (Suzhou) Co., Ltd. to launch mass-production of baseplates during 2H FY2009.

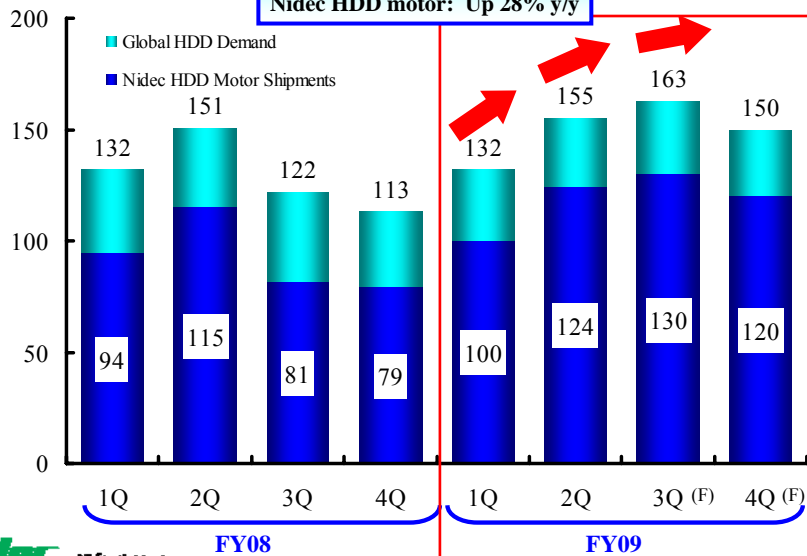
11

# Record HDD Motor Shipments

Millions of units

HDD (Global): Up 16% y/y  
Nidec HDD motor: Up 28% y/y

Source: Nidec IR estimates

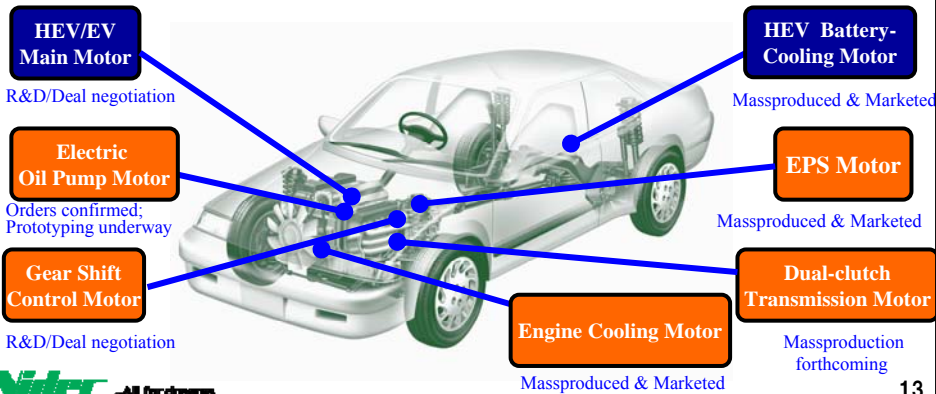


12

# Automotive Brushless Motors

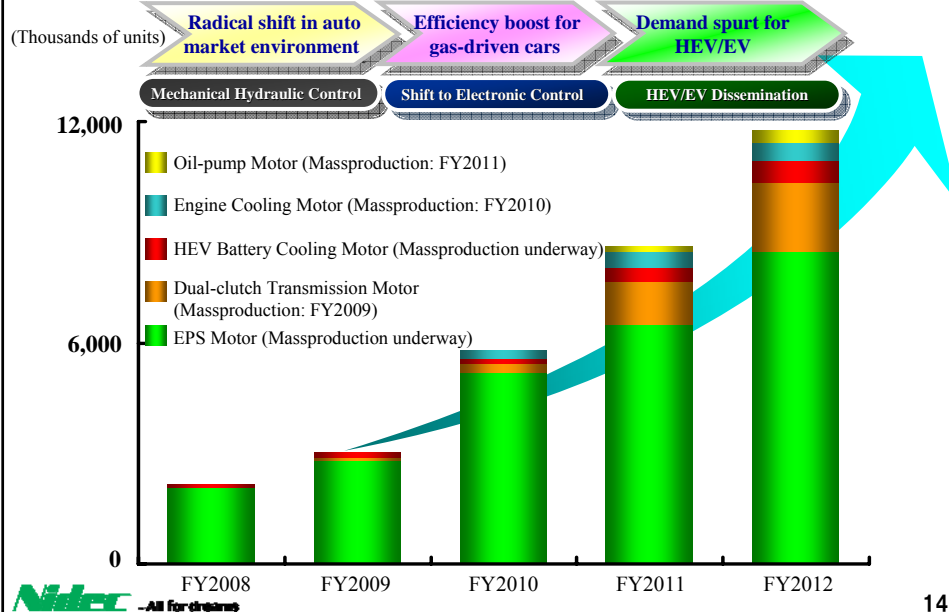
**Focus 1** HEV/EV: Entering into **Main Motor** Market

**Focus 2** Gas-driven Vehicles: **Capitalizing on fast-paced demand shift toward brushless motors (Catalysts: tightened CO<sub>2</sub>/mileage controls)**



13

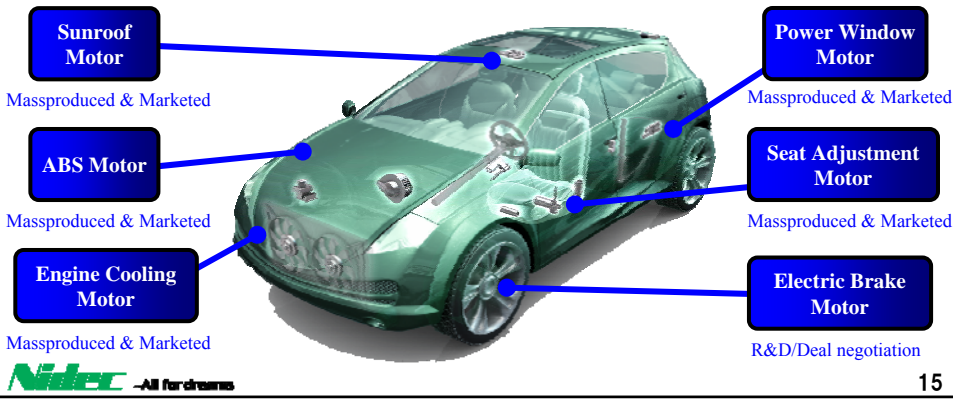
# Fast-growing Automotive Motor Demand



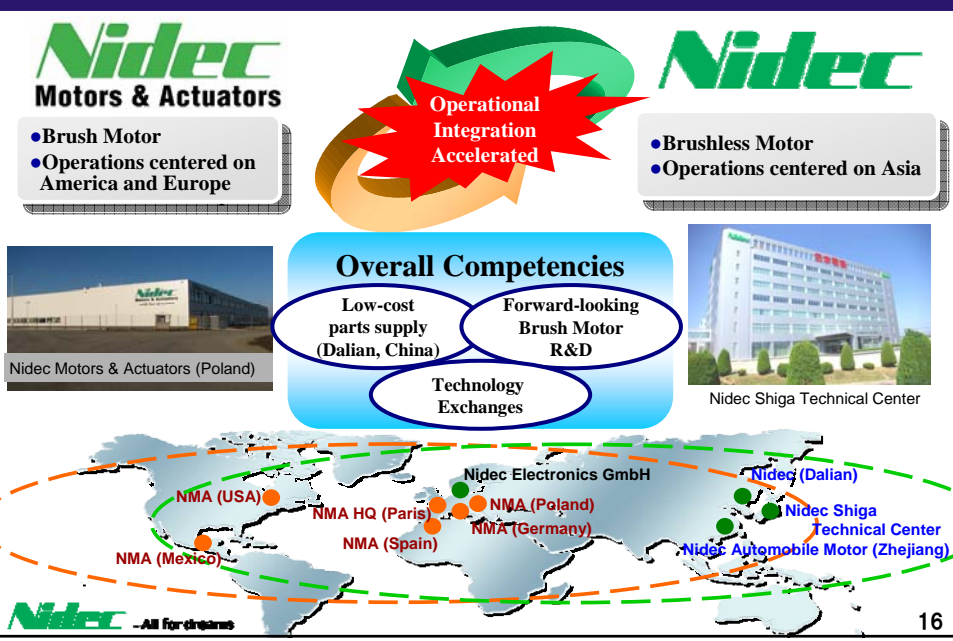
14

# Automotive Brush Motors

- Focus 1** Broadening sales exposure to Asia (Japan, China, India, etc.) with existing product lines
- Focus 2** Integrating R&D, production and sales control between NMA and Nidec (Focus: compactness and lightness)

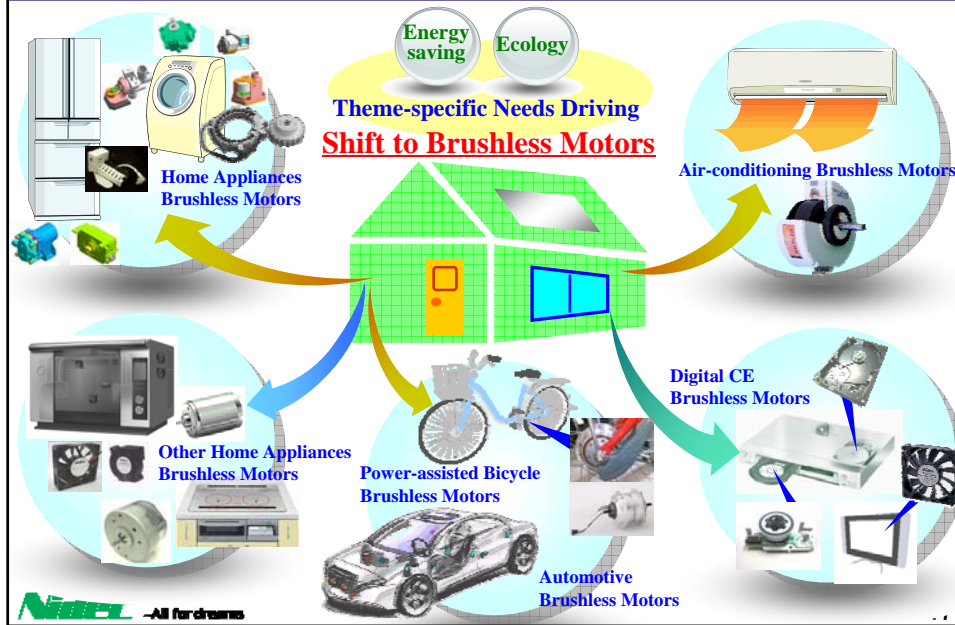


# Automotive Motor Operations Framework





# Demand Shift Towards Brushless Motors



# M&A - Back on Growth Path -

**Nidec Techno Motor Holdings**

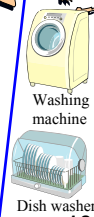
## Acquisition of "Sole Motors"

Home Appliances Motor business of ACC (Italy)

- 1 To obtain **No.1 market share in Europe**
- 2 To acquire **R&D and production sites close to the market**
- 3 To accelerate next-generation product R&D by providing **brushless motor technology**

**Rising to the Top**  
market position in European home appliances motor market

<b>Head Office</b>	Pordenone, Italy
<b>Sales</b>	Approx. 190 million Euro (FY2008)
<b>Employees</b>	1,181
<b>Operations</b>	R&D, manufacturing and sale of home appliances motors (washing machine, tumble-dryer, dishwasher, etc.)



Transaction process to be completed by the end of 2009

**Nidec** -All for dreams

**Note regarding Discontinuation of Semiconductor Production Equipment Business**

Nidec Group discontinued its semiconductor production equipment business as of September 30, 2009. In accordance with ASC205-20 (Presentation of Financial Statements-Discontinued Operations), the semiconductor production equipment operations have been reclassified as discontinued operations in the Company's 2QFY2009 consolidated financial statements announced on October 26, 2009, in which relevant prior-period statements have been retrospectively restated to reflect this reclassification.

**Nidec**  
**All for dreams**

Contact

Nidec Corporation IR Department

Tel: 075-935-6140

E-mail: [ir@jp.nidec.com](mailto:ir@jp.nidec.com)

19

**Appendix**

**Consolidated  
Performance Trend  
&  
Business Segment  
Overview**

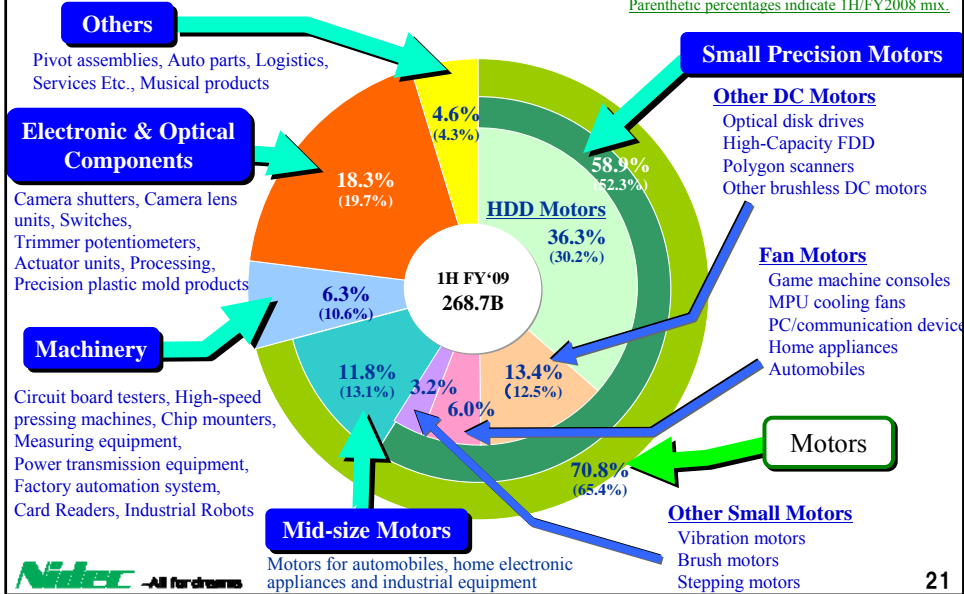
**Nidec**  
**All for dreams**

20

## Sales by Business Segment (April-September 2009)

Please refer to the accompanying note on page 19 regarding discontinuation of the semiconductor production equipment business.

Parenthetic percentages indicate 1H/FY2008 mix.

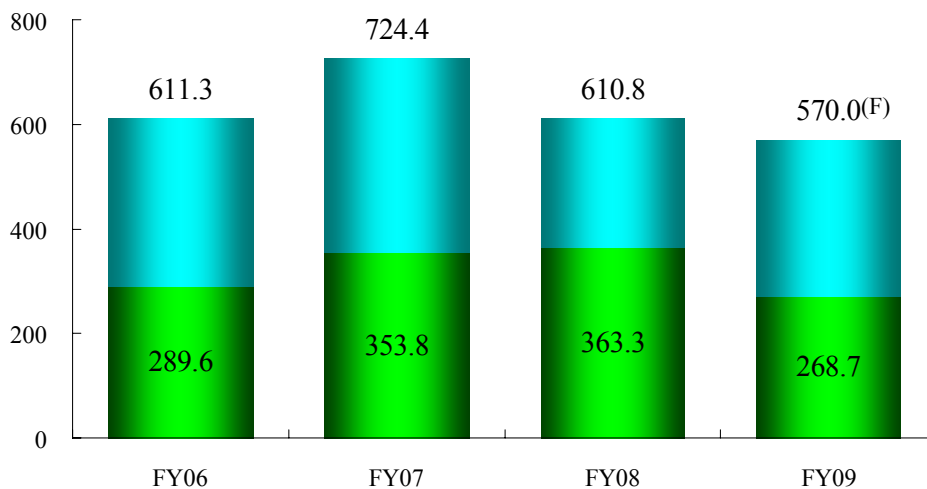


21

## Consolidated Net Sales

(Yen in billions)

■ Full-year ■ 1st-half

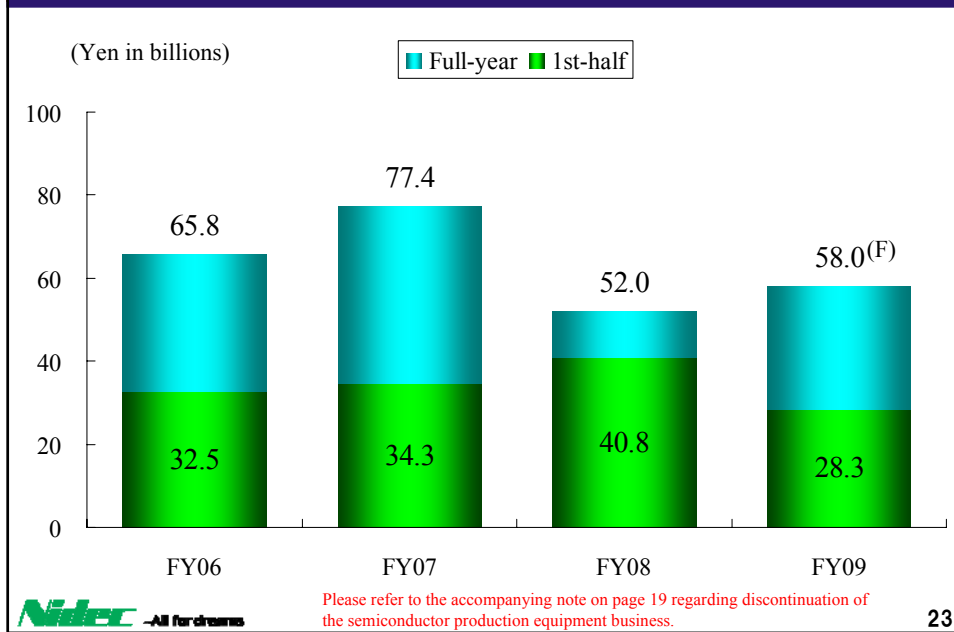


Please refer to the accompanying note on page 19 regarding discontinuation of the semiconductor production equipment business.

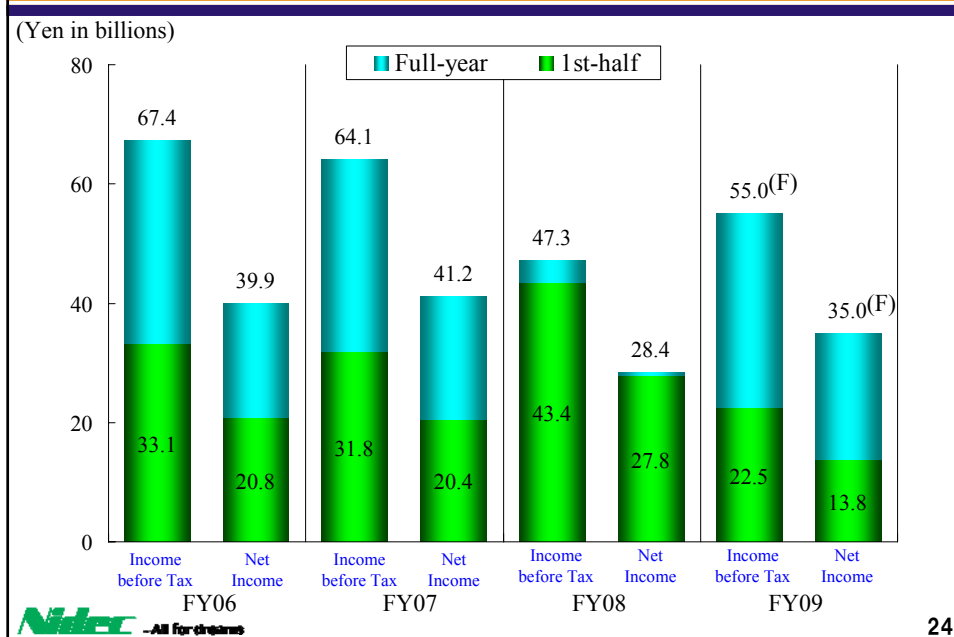
**Nidec** -All for dreams

22

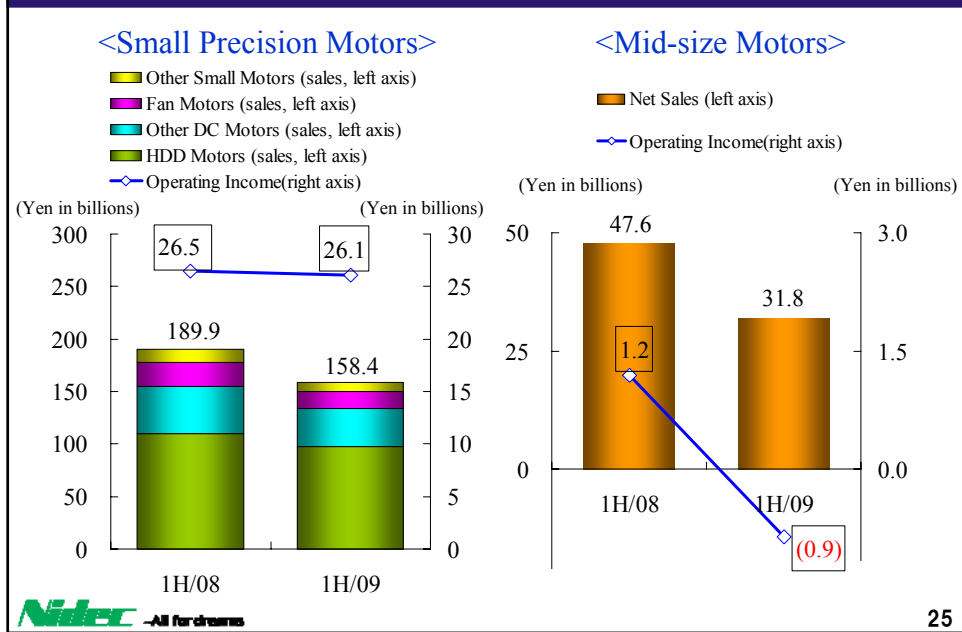
## Consolidated Operating Income



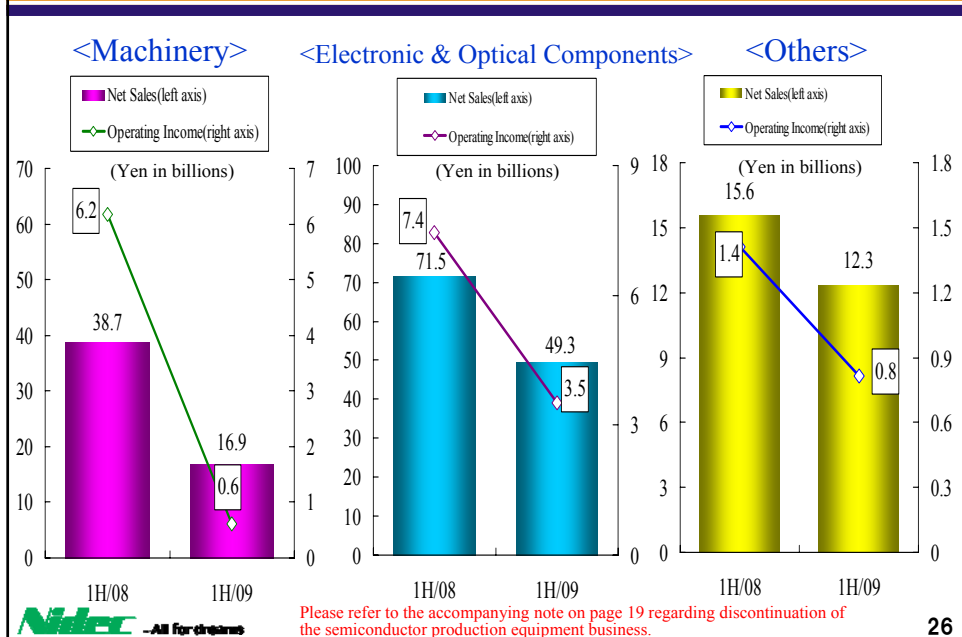
## Consolidated Income Before Tax & Net Income



## Business Segment Overview -1

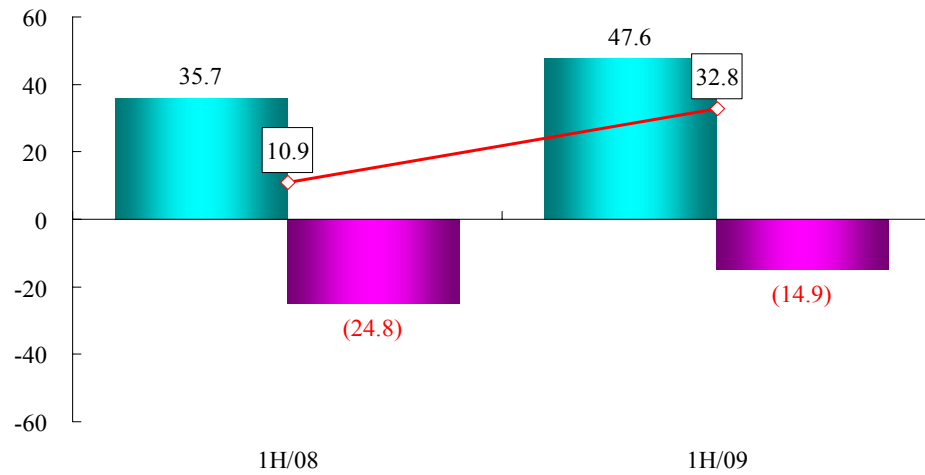


## Business Segment Overview -2



## Consolidated Cash Flow

(Yen in billions) ■ Operating Activities ■ Investment Activities ◇ Free Cash Flow



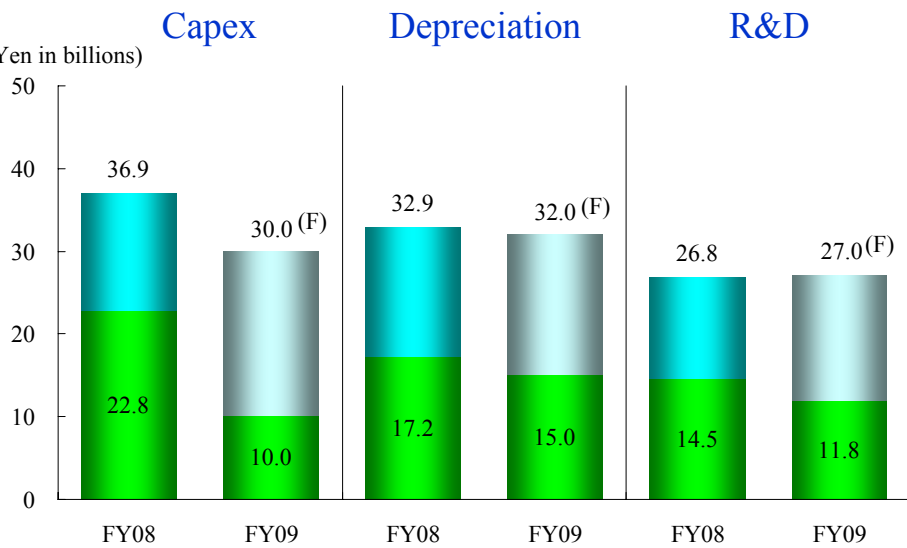
**Nidec** -All for dreams

Please refer to the accompanying note on page 19 regarding discontinuation of the semiconductor production equipment business.

27

## CAPEX, Depreciation and R&D

(Yen in billions)

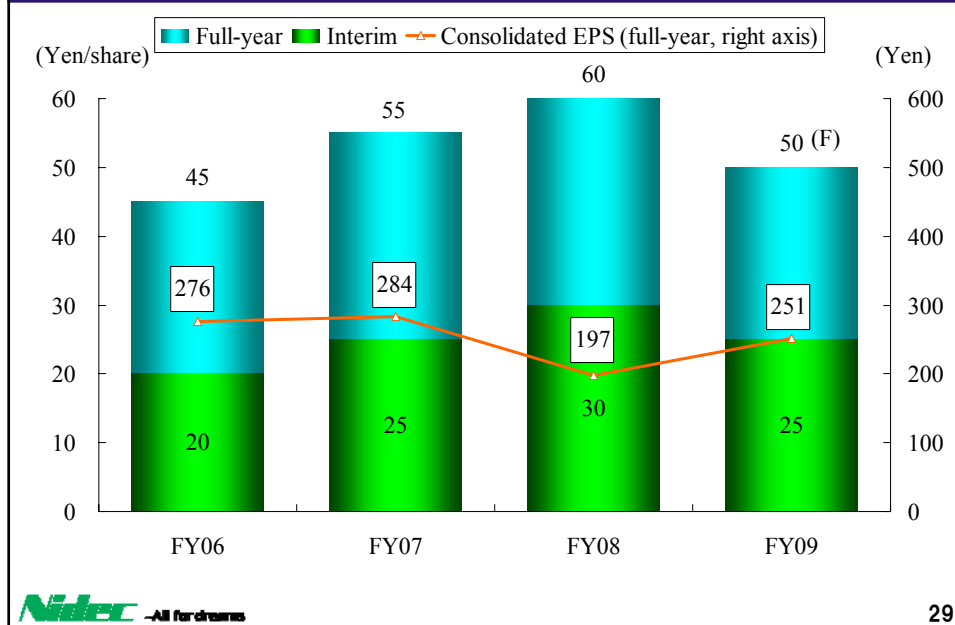


**Nidec** -All for dreams

■ Full-year ■ 1st-half

28

## Dividends and EPS



29

## Listed Subsidiaries -Results & Forecasts-

(Yen in millions)	Net Sales			Operating Income			Net Income		
	1H/2008 Actual	1H/2009 Actual	FY2009 Forecast	1H/2008 Actual	1H/2009 Actual	FY2009 Forecast	1H/2008 Actual	1H/2009 Actual	FY2009 Forecast
Nidec Sankyo	58,135	33,217	77,000	5,037	2,012	5,000	4,902	474	2,500
Nidec Copal	45,011	29,272	64,000	4,008	1,808	4,600	2,774	1,151	2,800
Nidec Tosok	13,477	10,327	20,000	1,191	513	2,370	713	-770	300
Nidec Copal Electronics	15,667	10,689	25,000	1,887	682	2,300	1,063	357	1,200
Nidec Servo	15,474	9,613	20,000	1,225	359	1,000	1,007	323	700
Nidec-Read	5,557	2,556	5,600	1,170	161	600	714	125	380
<b>Total</b>	<b>153,321</b>	<b>95,674</b>	<b>211,600</b>	<b>14,518</b>	<b>5,535</b>	<b>15,870</b>	<b>11,173</b>	<b>1,660</b>	<b>7,880</b>

Financial data in the above table have been prepared under the generally accepted accounting standard in Japan.

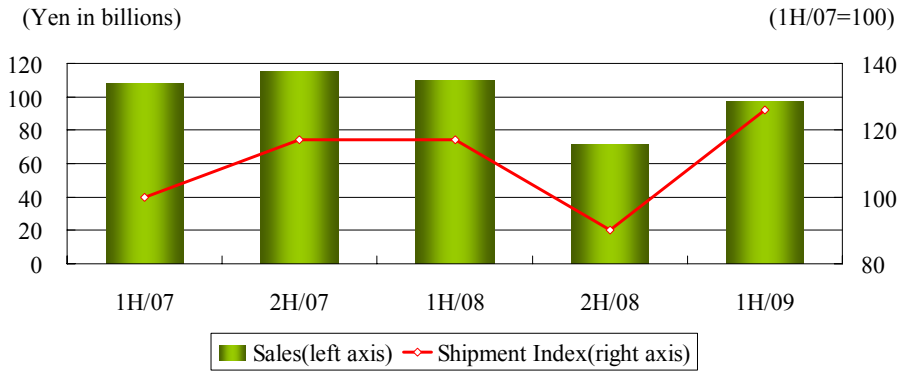
**Nidec** -All for dreams

30

## HDD Motors

■ **Shipments Up 8% Y/Y; Sales Down 11% Y/Y**

- »Record shipments
- »2.5-inch shipments up approx. 20% y/y.



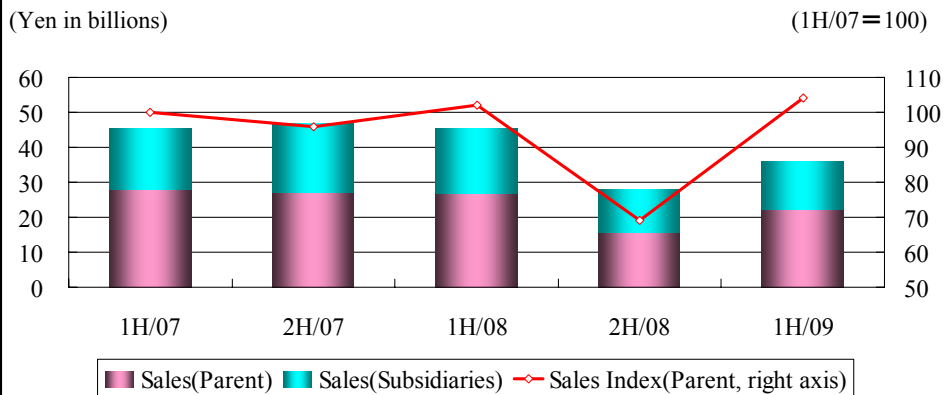
**Nidec** -All for dreams

31

## Other DC Motors

■ **Sales Down 21% Y/Y**

- »Record Nidec (Parent-alone) shipments
- »Nidec (parent-alone) optical disk motor shipments up 4% y/y.



**Nidec** -All for dreams

32

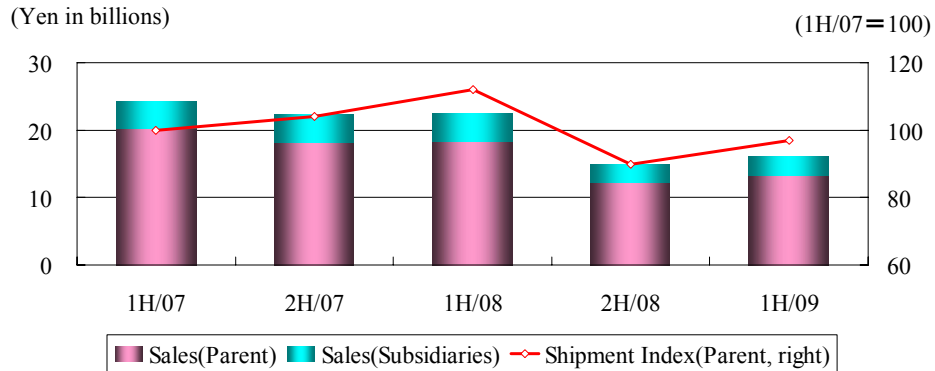


## Fan Motors

■ **Sales Down 28% Y/Y**

»Nidec (parent-alone) shipments down 12% y/y.

»Product mix shifting towards high-value-added items.



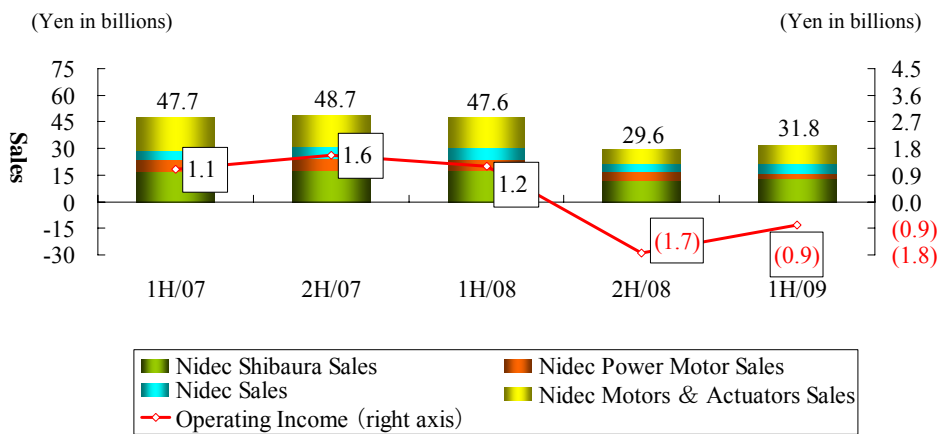
33

## Mid-size Motors

■ **Sales Down 33% Y/Y**

»Automotive motor sales (Nidec & NMA) down 33% y/y.

»EPS motor shipments up 5% y/y.

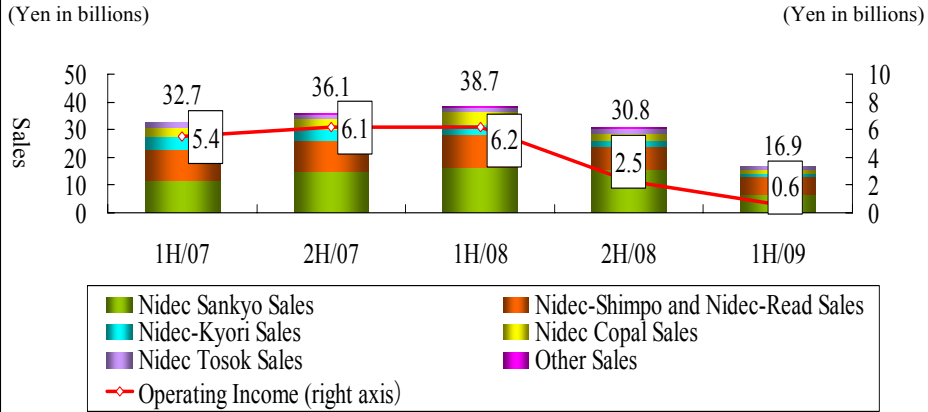


34

## Machinery

### ■ Sales Down 56% Y/Y

- »Nidec Sankyo sales (transfer robot, etc.) down 60% y/y.
- »Nidec-Shimpo and Nidec-Read combined sales down 47% y/y.



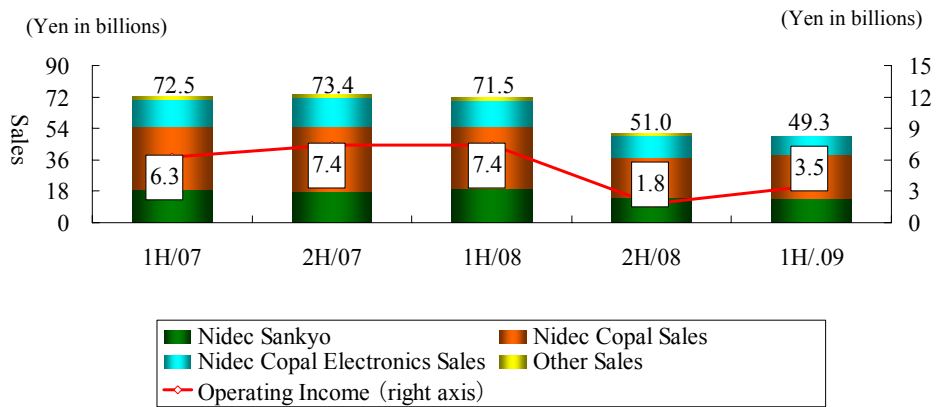
Please refer to the accompanying note on page 19 regarding discontinuation of the semiconductor production equipment business.

35

## Electronic & Optical Components

### ■ Sales Down 31% Y/Y

- »Nidec Copal sales down 30% y/y.
- »Nidec Sankyo sales down 27% y/y.



36

# Others

## ■ Sales Down 21% Y/Y

»Nidec Tosok automobile parts sales down 12% y/y.

