

Nidec Corporation

First Quarter Fiscal 2016 Results



Three Months Ended June 30, 2016
<IFRS>
July 22, 2016

Note Regarding Forward-looking Statements

These presentation materials and the related discussions contain forward-looking statements including expectations, estimates, projections, plans and strategies. Such forward-looking statements are based on management's targets, 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 risks and uncertainties include, but are not limited to, changes in customer circumstances and demand, exchange rate fluctuations, and the Nidec Group's ability to design, develop, mass produce and win acceptance of its products and to acquire and successfully integrate companies with complementary technologies and product lines. Please see other disclosure documents filed or published by the Nidec Group companies, including the Japanese securities report, for additional information regarding such risks and uncertainties. Nidec undertakes no obligation to update the forward-looking statements unless required by law.

The photograph on the first slide is of the oil and gas pipeline network extending around 80,000 km operated by Transneft, one of Russia's largest oil transportation companies. Nidec ASI S.p.A, a Nidec's subsidiary specializing in industrial solutions, signed a contract worth 125 million euros with Russian Electric Motors, a joint venture between Transneft and Konar which is Russia's largest manufacturer of valves and fittings for pipelines.

■ Consolidated Profit/Loss (IFRS-Based)*



Millions of Yen, except for EPS, and FX rate	1Q FY2015	1Q FY2016	Change	FY2016 Forecast
Net sales	285,041	276,206	-3.1%	1,250,000
Operating profit	29,859	31,540	+5.6%	130,000
<i>Operating profit ratio</i>	<i>10.5%</i>	<i>11.4%</i>	-	<i>10.4%</i>
Profit before income taxes	31,591	29,103	-7.9%	130,000
Profit attributable to owners of the parent	23,251	22,041	-5.2%	98,000
EPS (Yen)	78.79	74.31	-5.7%	330.41
FX rate (Yen/US\$)				
Average:	121.36	108.14	-10.9%	105.00
Term end:	122.45	102.91	-16.0%	(Assumed for 2Q onward)

Note: Based on the current forecast of sales volume, every one yen appreciation or depreciation against the U.S. dollar and the euro for FY2016 is estimated to have an annualized impact of 7.00 billion yen and 1.10 billion yen on net sales, respectively, and 1.10 billion yen and 0.30 billion yen on operating profit, respectively.

*From FY2016 onward, our financial statements are prepared under International Financial Reporting Standards (IFRS).

This slide includes forward-looking statements. See disclaimer on page 2 of this presentation.

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■ Summary of 1Q FY2016



- **Transition to International Financial Reporting Standards (IFRS) from U.S. GAAP**
- **Operating profit increased 6% Y/Y, marking quarterly record high, despite a 3% decline in net sales Y/Y**
- **Continued improvement in operating profit ratio of automotive, appliance, commercial and industrial products which are key drivers of the company's business portfolio transformation**

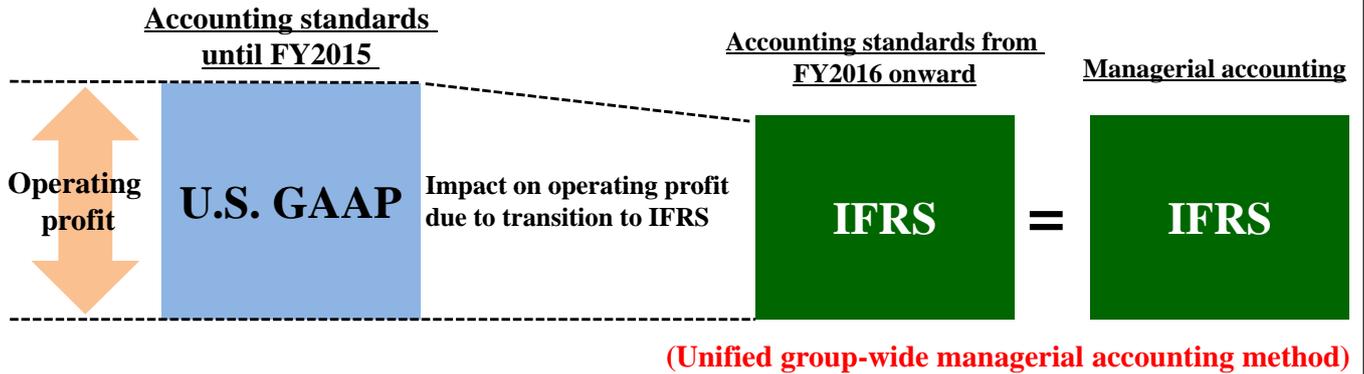
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Transition to IFRS-Based Disclosure



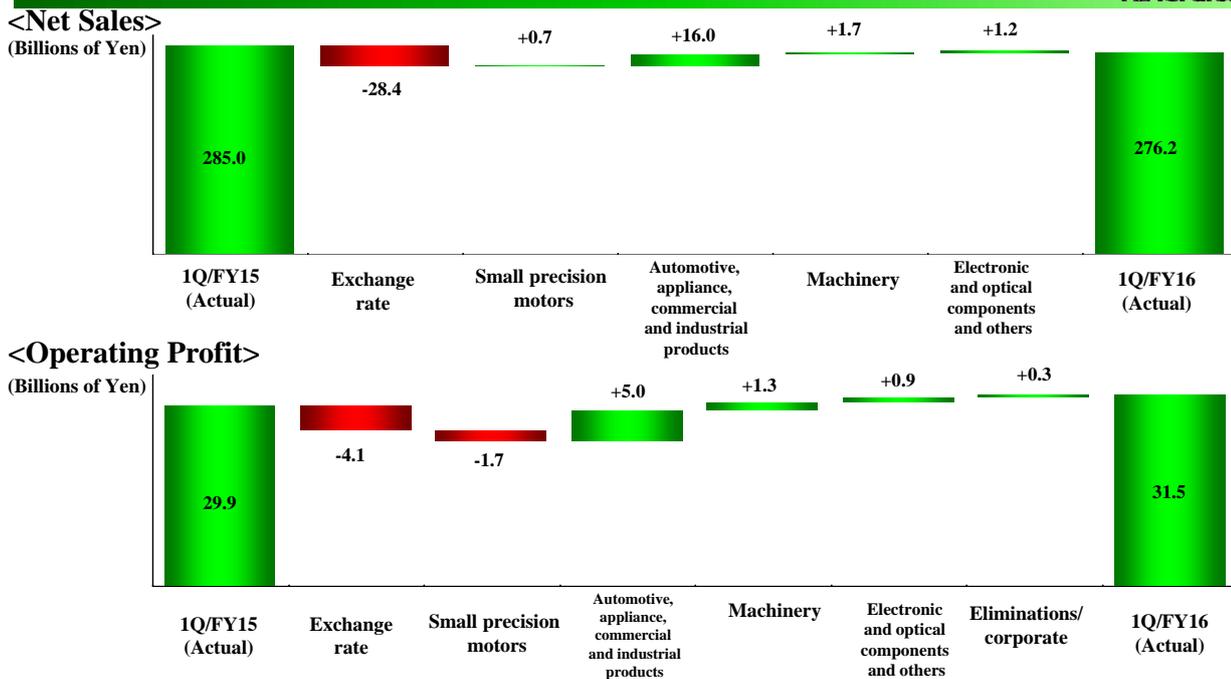
Purposes

To improve the efficiency of group's business management and financial reporting conforming to the global standards



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IFRS-Based Year-on-Year Changes



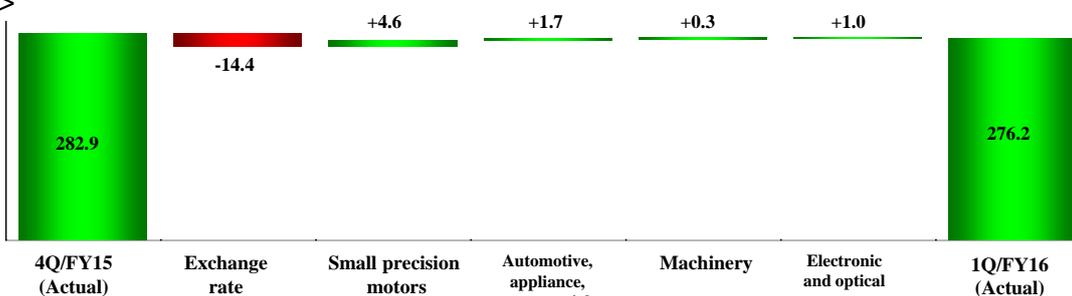
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IFRS-Based Quarter-on-Quarter Changes



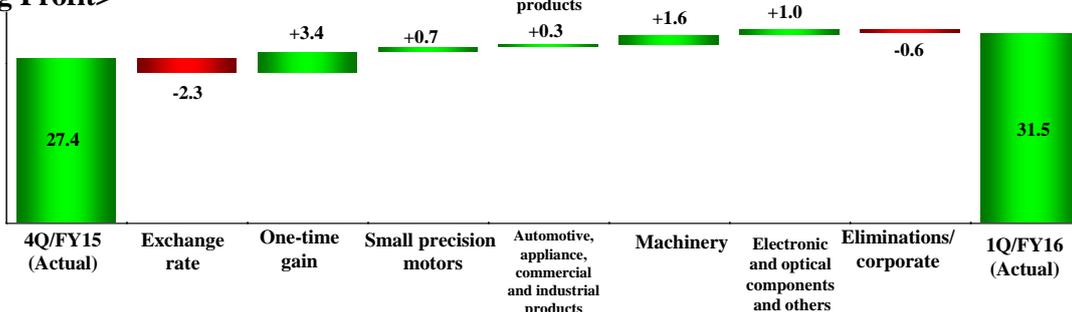
<Net Sales>

(Billions of Yen)



<Operating Profit>

(Billions of Yen)



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FY2016 Forecast (IFRS-Based)



Millions of Yen, except for EPS, dividends and FX rate	1H/FY2016	2H/FY2016	Full-Year
Net sales	600,000	650,000	1,250,000
Operating profit	63,500	66,500	130,000
<i>Operating profit ratio</i>	<i>10.6%</i>	<i>10.2%</i>	<i>10.4%</i>
Profit before income taxes	63,500	66,500	130,000
Profit attributable to owners of the parent	48,000	50,000	98,000
EPS (Yen)	161.83	168.58	330.41
Dividends (Yen)	40.00	40.00	80.00
FX rate (Yen/US\$)	105	105	105
FX rate (Yen/Euro)	115	115	115

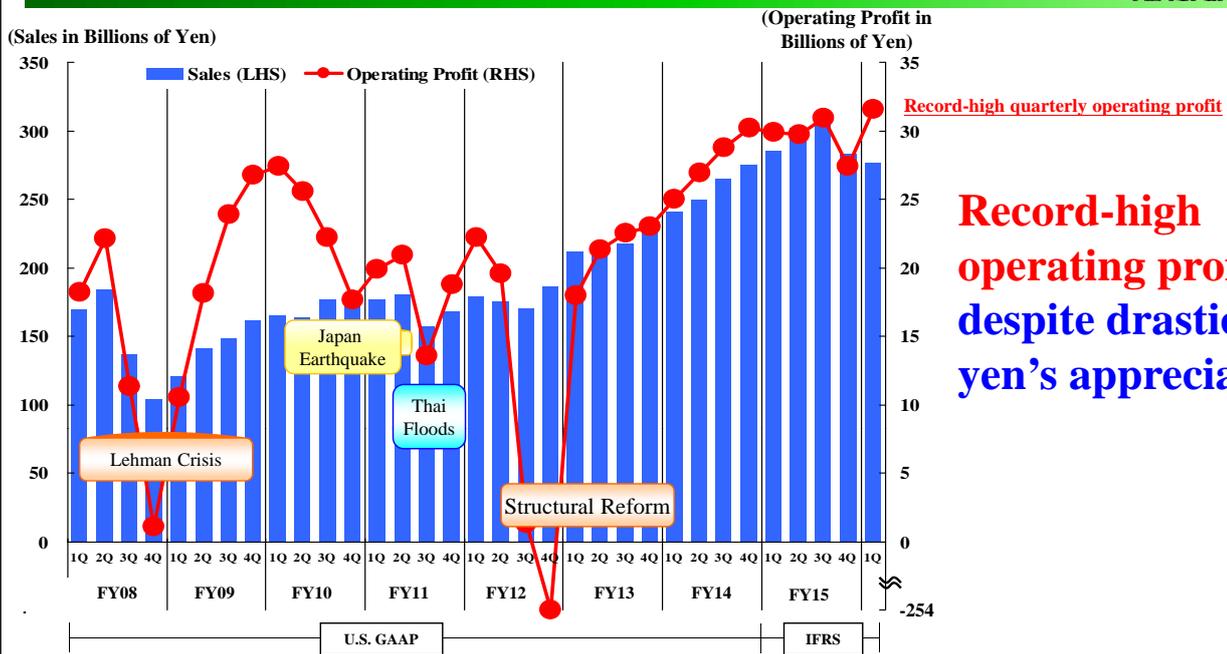
(Assumed for 2Q onward)

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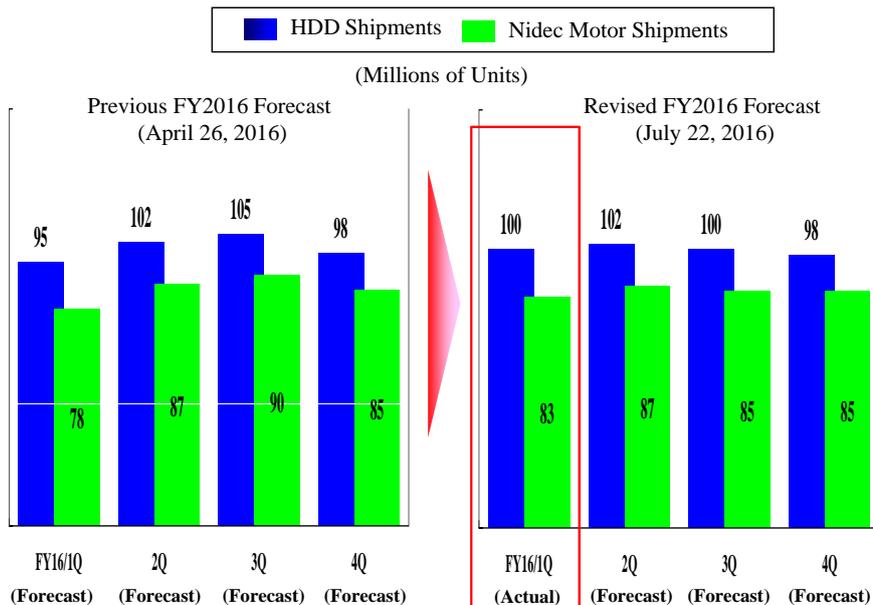
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Consolidated Quarterly Sales and Operating Profit



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HDD Market Short-Term Trend



- 1Q/FY16 results barely exceeded initial forecast.
- Annual forecast remains unchanged.

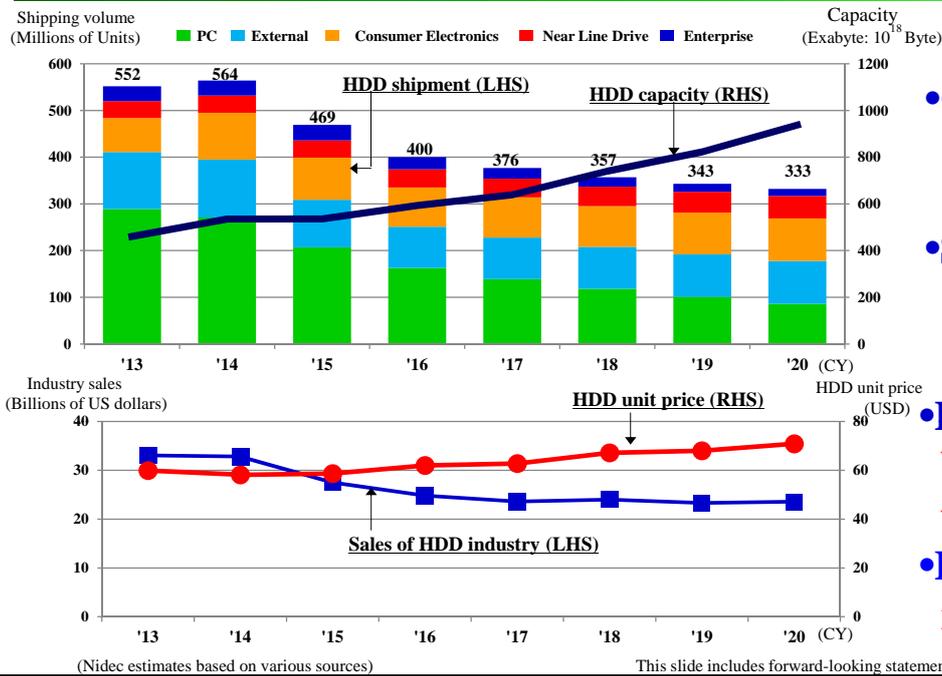
HDD shipment: 400 mil. units/year
Nidec motor shipment: 340 mil. units/year

(Nidec estimates based on various sources)

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HDD Market Mid-term Trend

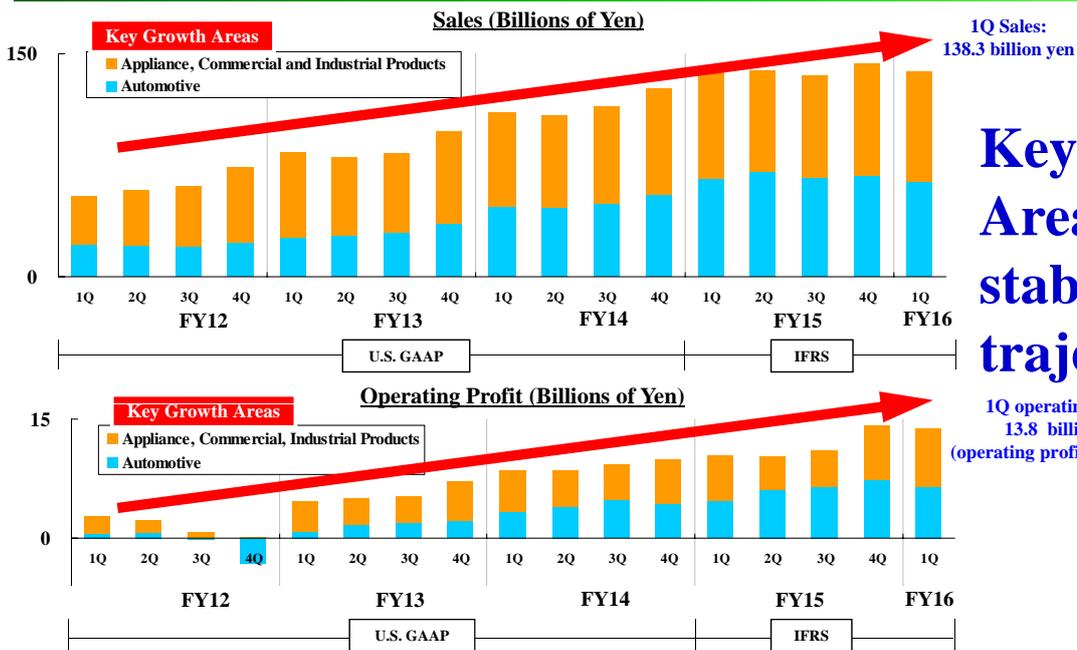


- Continuous increase in HDD capacity
- Shipments on downward trend

- HDD unit price (in USD terms) on uptrend
- HDD industry sales remaining flat

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Quarterly Results of Automotive, Appliance, Commercial and Industrial Products



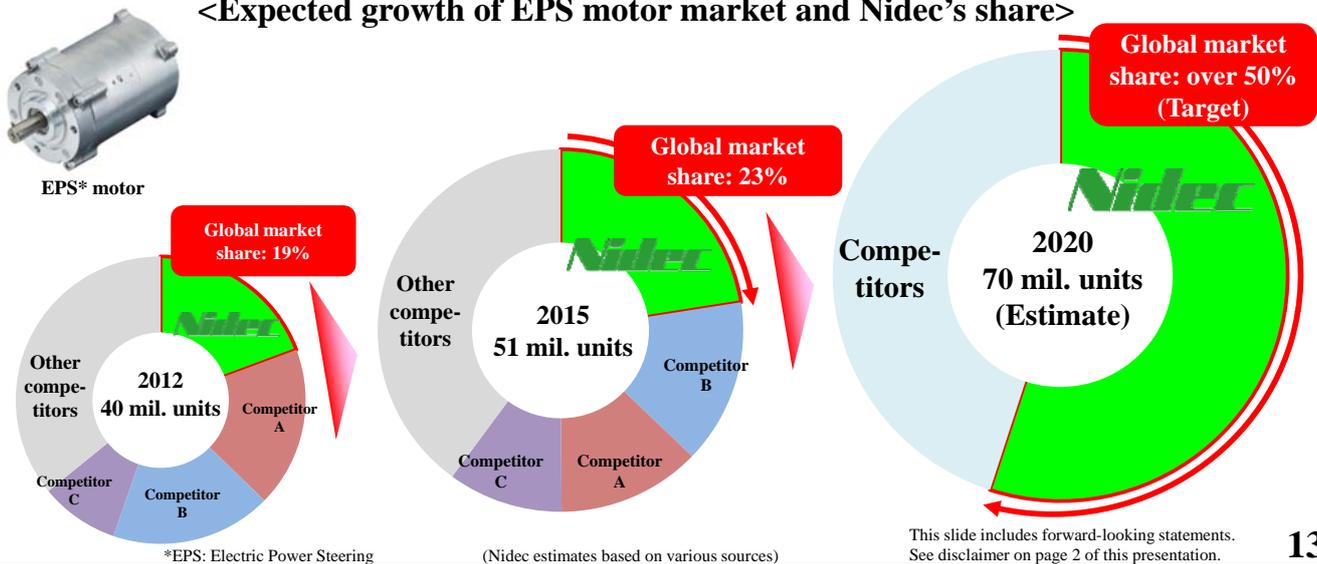
Key Growth Areas on a stable growth trajectory

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■ EPS* Motor Global Market Share Growth

Eyeing steady market expansion and significant share growth

<Expected growth of EPS motor market and Nidec's share>

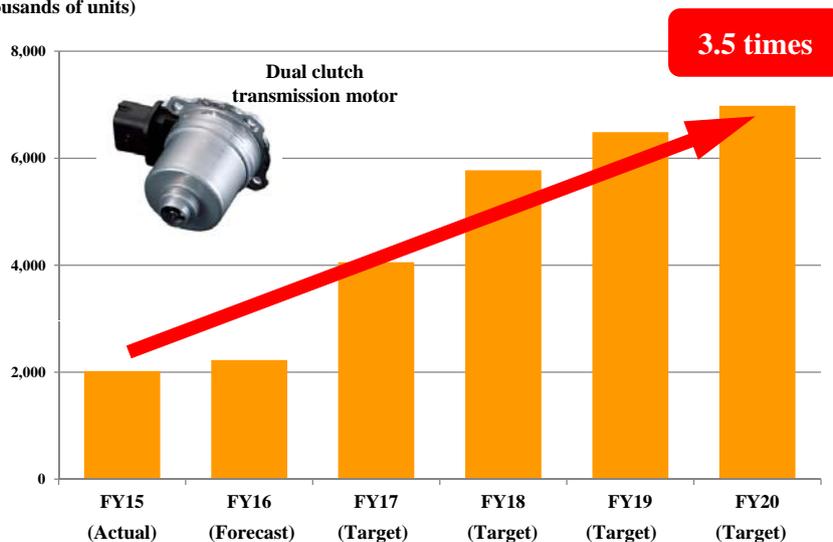


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■ Powertrain Electrification

DCT* motor market expected to enter expansion phase in FY2017

(Thousands of units)



Nidec's advanced technologies for downsizing and higher power output attracting a broad range of customers.

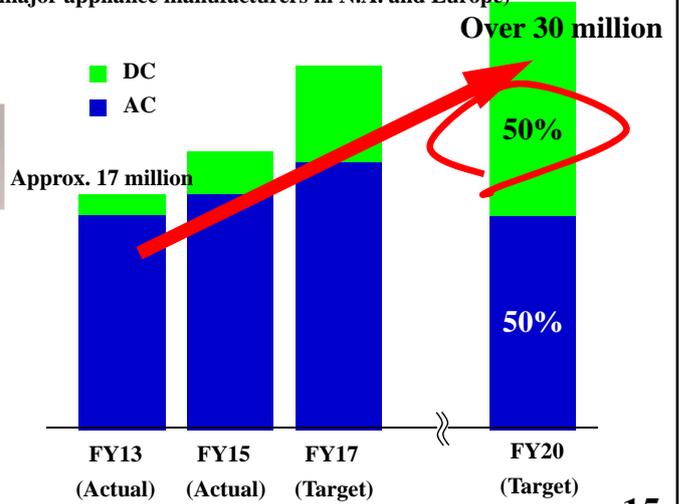
*DCT: Dual Clutch Transmission (Nidec estimates based on various sources) This slide includes forward-looking statements. See disclaimer on page 2 of this presentation.

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Brushless DC motors penetrating European and North American wet appliance markets

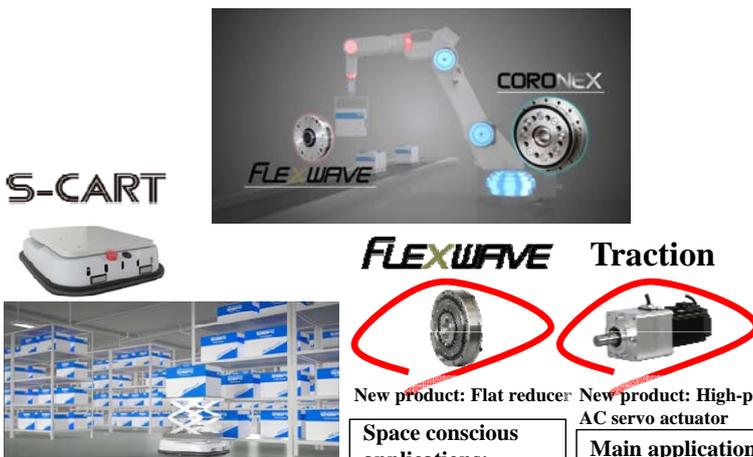


<Unit shipment of motors for wet appliances>
(For major appliance manufacturers in N.A. and Europe)

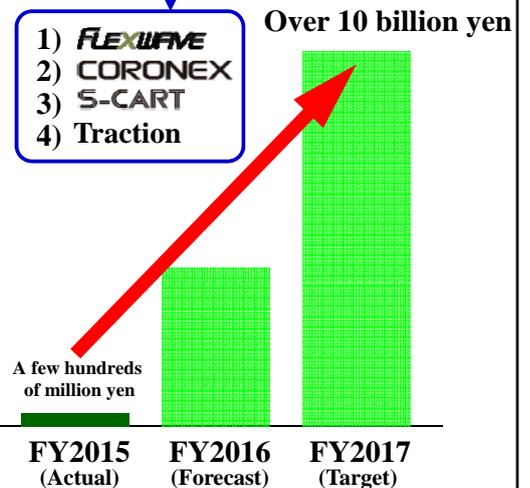


This slide includes forward-looking statements. See disclaimer on page 2 of this presentation. (Nidec estimates based on various sources)

Nidec Shimpo's rapid flow of new products opening up new market opportunities



<Sales forecast for four robotics product series>



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■ Completion of Two M&As



E.C.E. S.r.l. (Italy)

Company name	E.C.E. S.r.l.
Headquarters	Mezzani, Parma (Italy)
Foundation	1974
Principal businesses	Designing, manufacturing and sales of hoists for building constructions
Sales	€5.1 million (Year ended Dec. 31, 2015)

*Full ownership acquired on May 20, 2016



ANA IMEP S.A. (Romania)

Company name	Nidec Motor Corporation Romania
Headquarters	Pitesti (Romania)
Foundation	1967
Principal businesses	Developing, manufacturing and sales of motors for washing and drying machines
Sales	€14.8 million (Year ended Dec. 31, 2015)

*94.8% ownership acquired on May 31, 2016



ANA IMEP to serve as Nidec's largest low-cost production base

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All for dreams™

Nidec IR Contacts

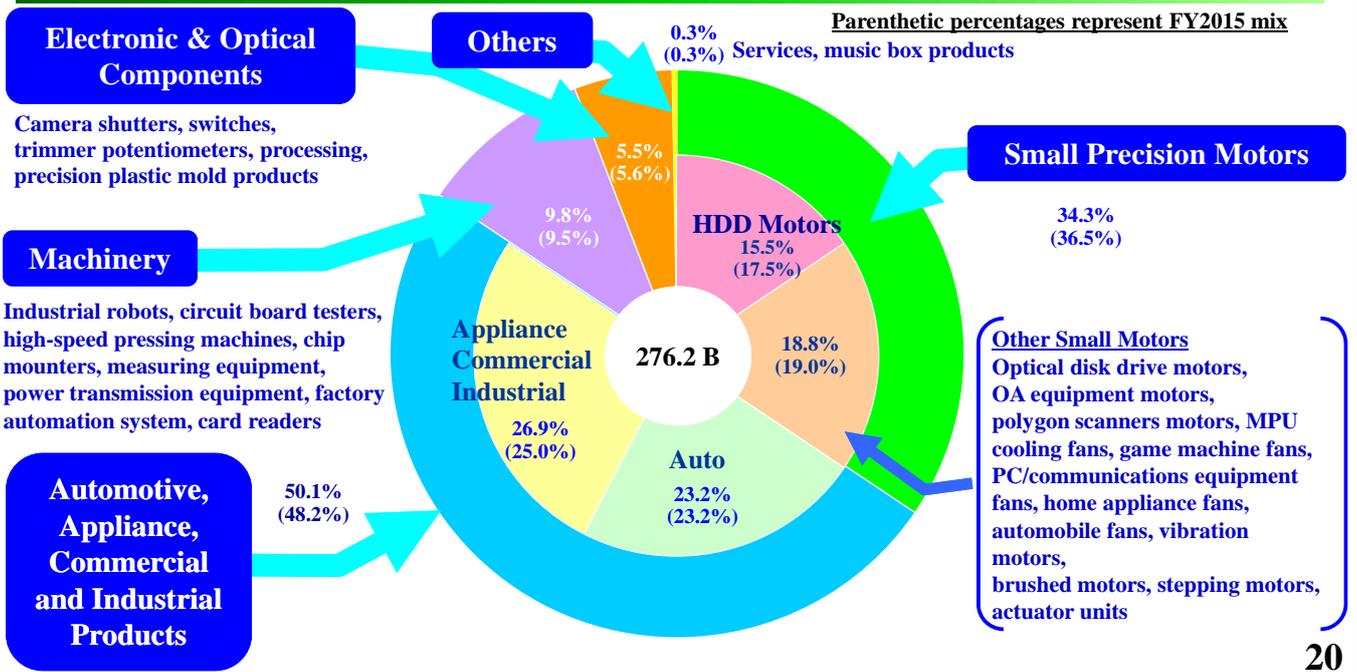
Japan	Tel: +81-75-935-6140	E-mail: ir@nidec.com
U.K.	Tel: +44-870-351-7388	E-mail: iwai.yuji@nidec.com
U.S.	Tel: +1-212-703-7988	E-mail: nagase.kiyoshi@nidec.com

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Performance Trends & Product Group Overview

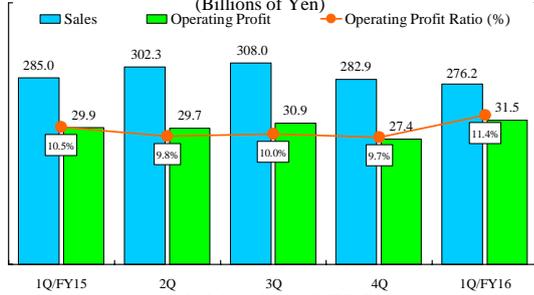
Sales by Product Group (Apr-Jun FY2016) (IFRS-based)



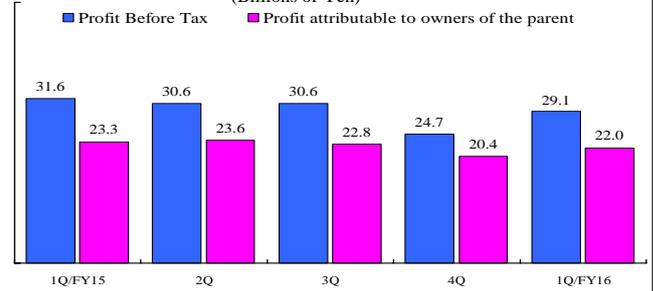
Financial Highlights*



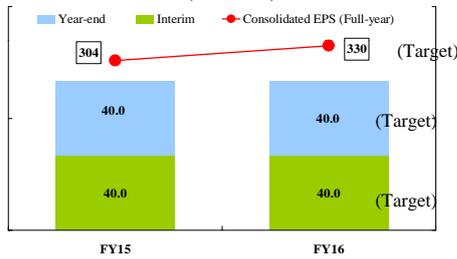
<Consolidated Sales & Operating Profit>



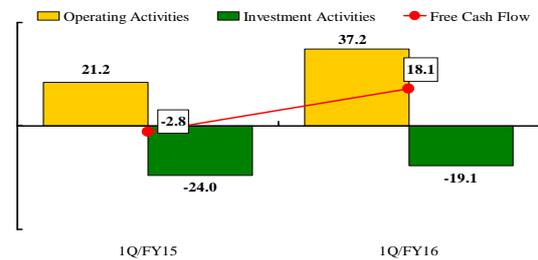
<Consolidated Profit Before Tax & Profit>



<Dividends and EPS>



<Consolidated Cash Flow>



*All figures are prepared under IFRS.

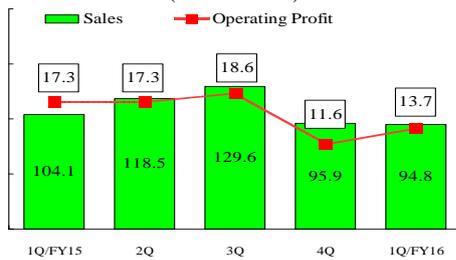
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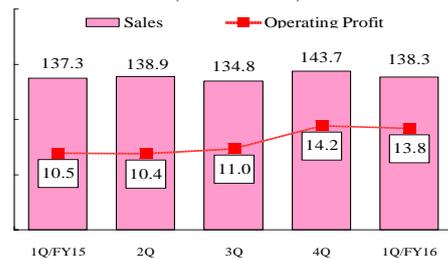
Product Group Overview*



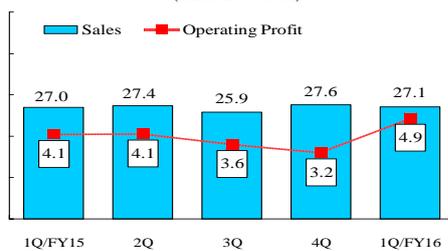
<Small Precision Motors>



<Automotive, Appliance, Commercial & Industrial products>



<Machinery>



<Electronic and Optical Components>



*All figures are prepared under IFRS.

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Mid-Term Strategic Goal

Vision2020

This section includes forward-looking statements. See disclaimer on page 2 of this presentation.

■ *Vision2020: Mid-Term Strategic Goal**

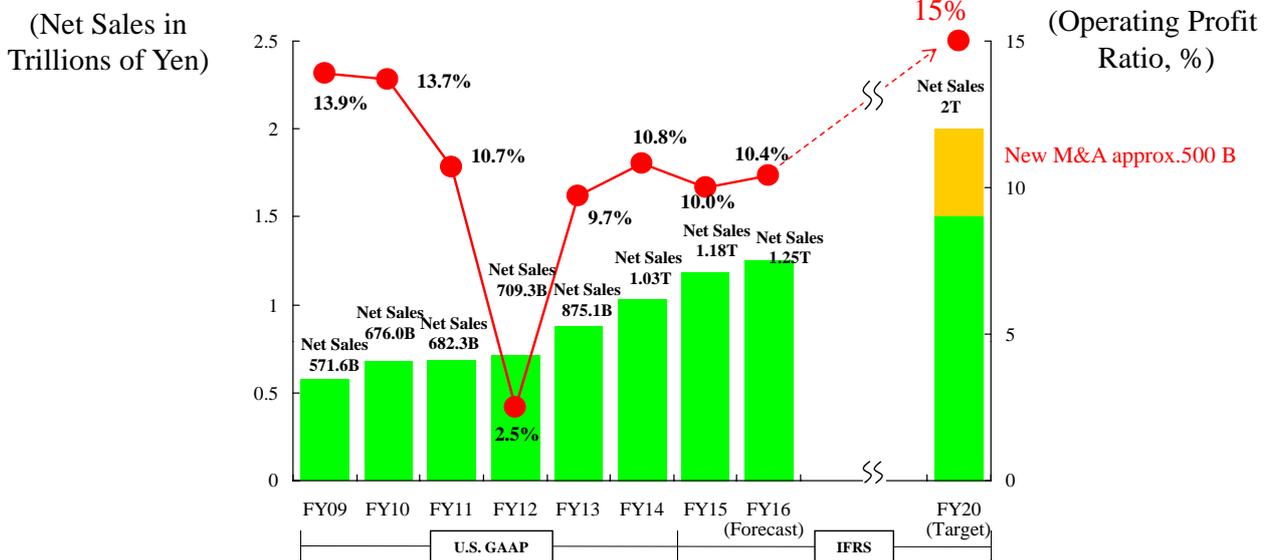
Continuous pursuit of profit & strong growth

- 1. Target for consolidated net sales: 2 trillion yen
(including sales attributable to new M&A
of approx. 500 billion yen)**
- 2. Sales target for automotive: 700 billion to 1 trillion yen**
- 3. Target for consolidated operating profit ratio: 15%**
- 4. Target for ROE: 18%
(Assuming shareholders' equity ratio of 60%)**
- 5. Five regional HQ management**

Vision 2020: Targets for Net Sales and Operating Profit Ratio



Aiming for both sales growth (organic + M&A) and profitability enhancement



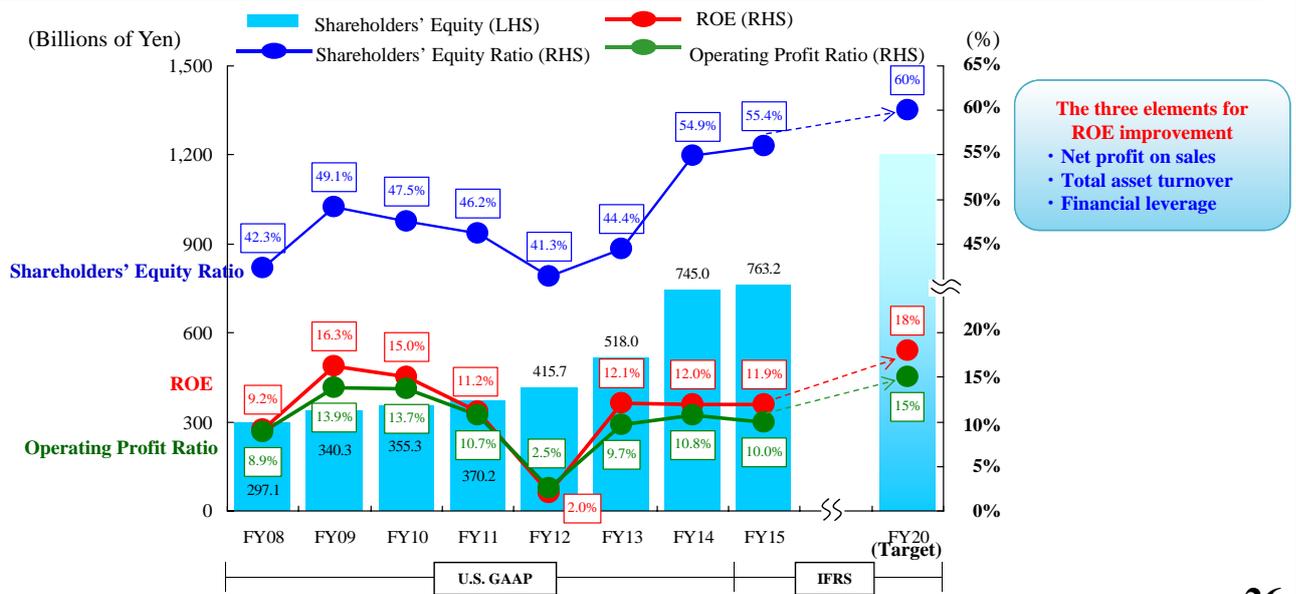
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Vision 2020: Pursuing Both Strong Growth with Profit and Financial Soundness



Targeting operating profit ratio of 15% and ROE of 18% while sustaining and improving financial soundness



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Continuing Growth Strategy with a Focus on Key Growth Areas

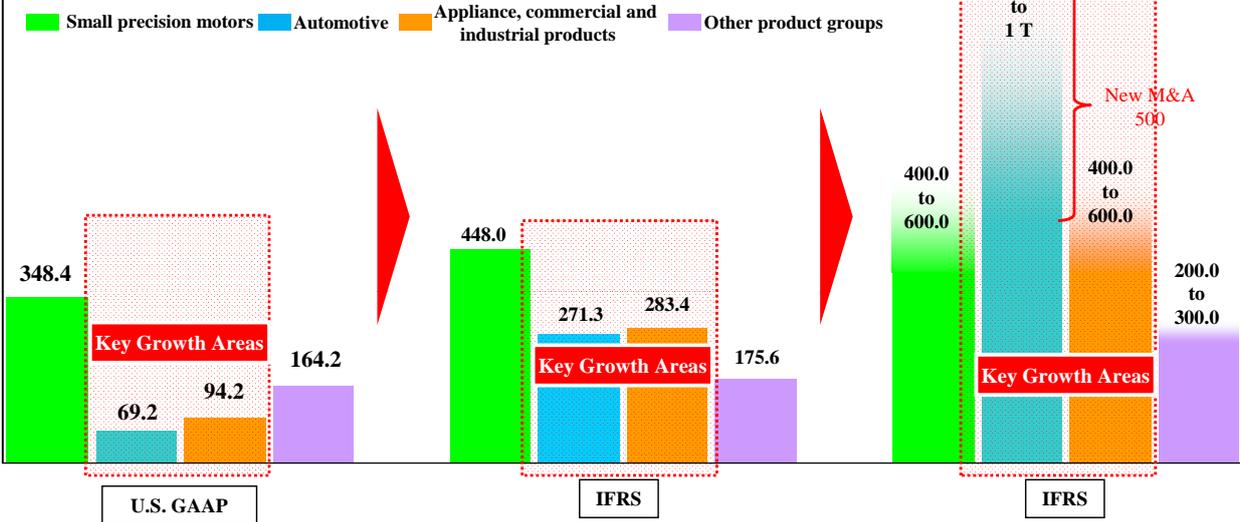


FY2010
Net sales: 676 billion yen

FY2015
Net sales: 1.178 trillion yen

FY2020
Net sales: 2 trillion yen (target)

(Sales: Billions of Yen)



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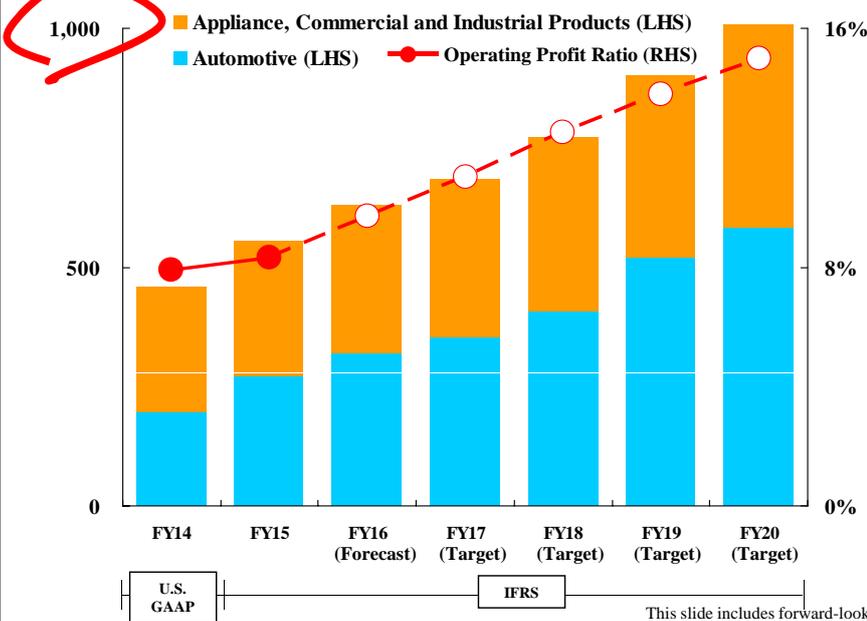
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Organic Growth Outlook of Automotive, Appliance, Commercial and Industrial Products



(Sales in Billions of Yen)

(Operating Profit Ratio, %)

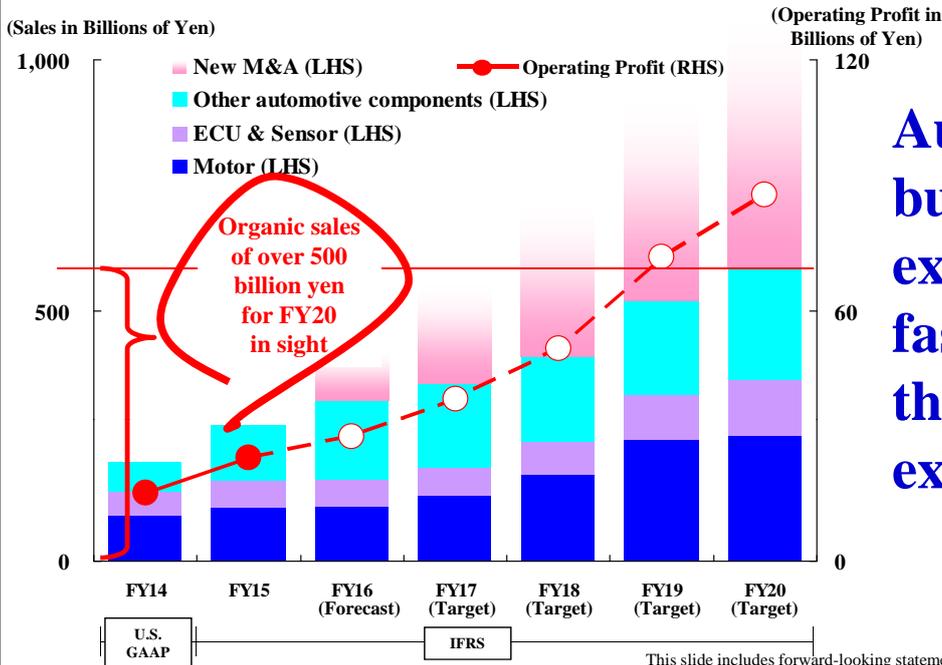


One trillion Yen sales expected from organic growth alone in Key Growth Areas

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Organic Growth Outlook of Automotive

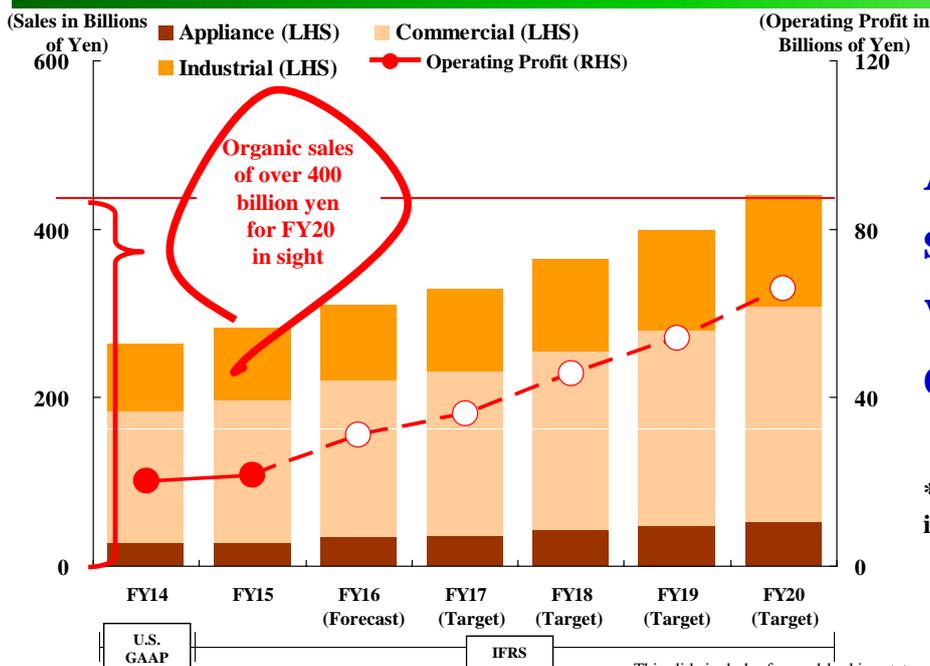


Automotive business expanding at a faster pace than originally expected

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Organic Growth Outlook of Appliance, Commercial and Industrial



ACI* growing steadily in line with original expectations

*ACI: Appliance, commercial and industrial

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