

2006 Results Briefing

2006 Operational Results and
2007 Operational Results Outlook

February 16, 2007

Mabuchi Motor Co., Ltd.

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2006 Operational Results

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2006 Overview

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2007 Operational Results Outlook

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Future Efforts

2006 Consolidated Operational Results

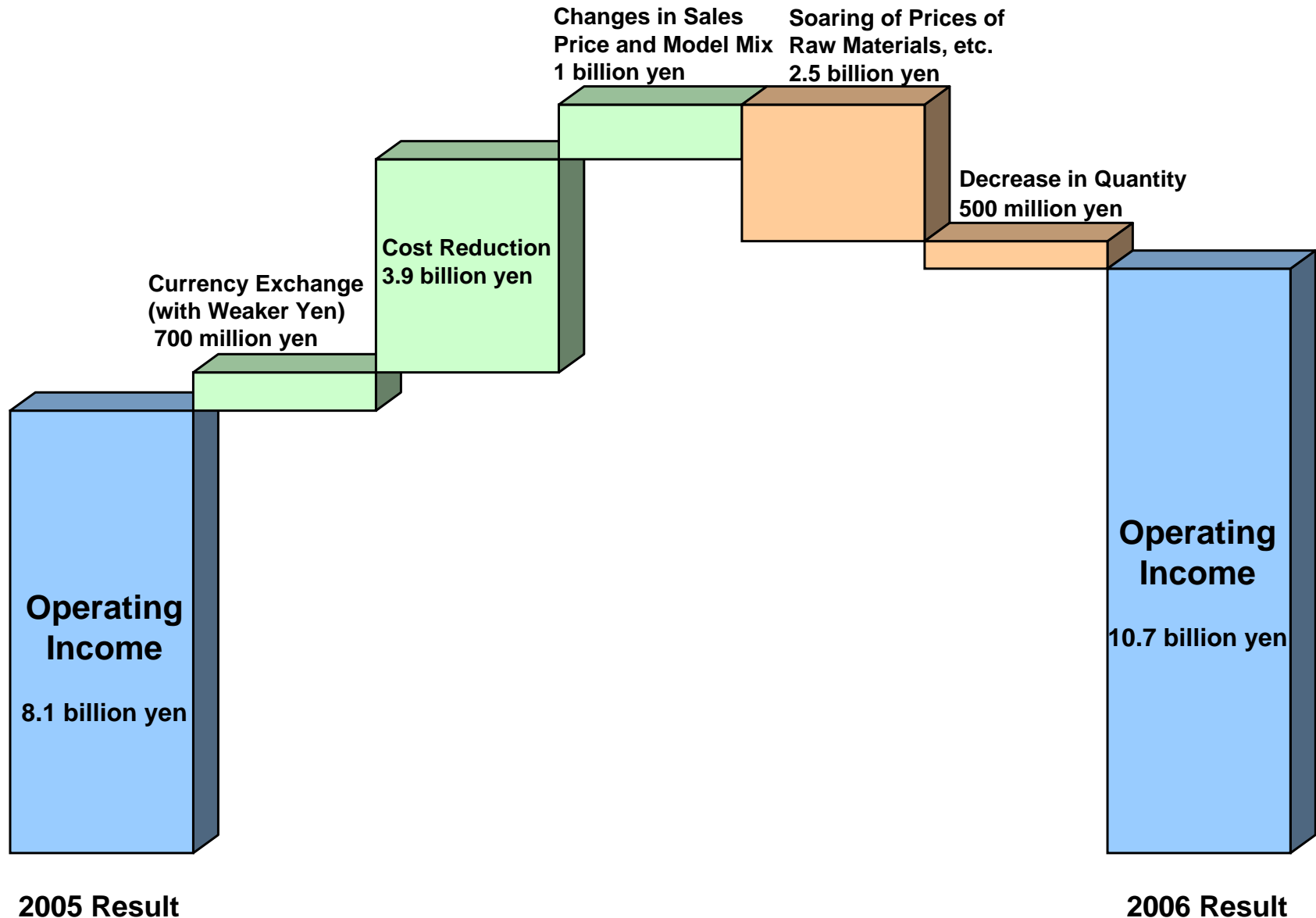


Unit: 100 million yen

	2005 Result	2006 Result	Result Percentage Change from 2005	2006 FY Projection (Aug. 17, 2006)	Projected Result Percentage Change from 2006
Net Sales	939(100%)	1,005(100%)	7.0%	975(100%)	3.1%
Gross Profit	274(29.2%)	285(28.5%)	4.2%	269(27.6%)	6.3%
Operating Income	81(8.7%)	107(10.6%)	31.3%	90(9.2%)	18.9%
Ordinary Income	132(14.1%)	159(15.9%)	20.3%	128(13.1%)	24.5%
Net Income	73(7.8%)	106(10.5%)	44.3%	85(8.7%)	24.7%
Average Rate during Period	110.21 yen	116.38 yen	First-half Actual Rate	115.72 yen	
Year-end Rate	118.07 yen	119.11 yen	Second-half Projected Rate	110.00 yen	

2006 Consolidated Operational Results

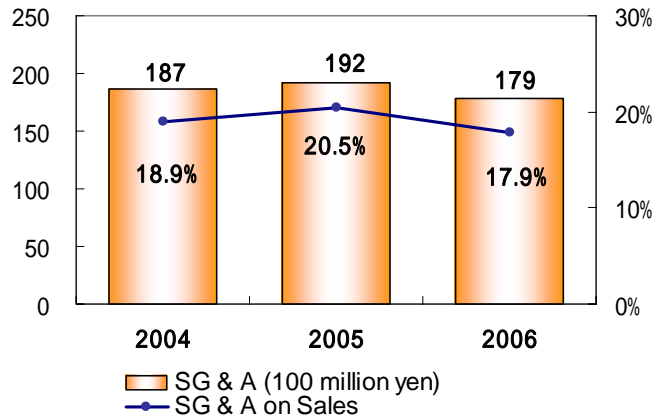
Analysis on Factors for Increase/Decrease of Operating Income



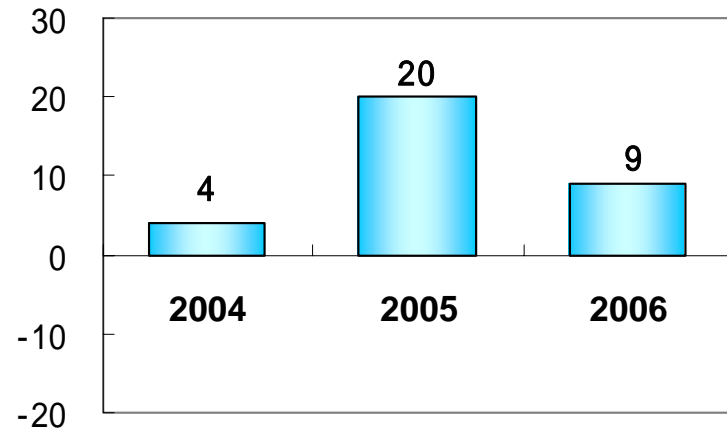
Factors Affected 2006 Consolidated Operational Results



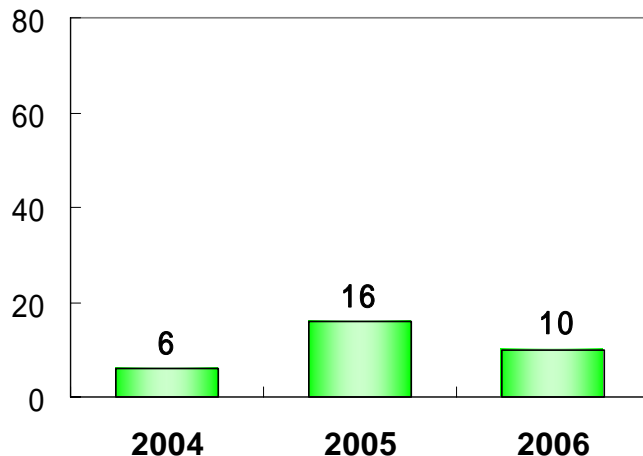
1. Selling, General and Administrative Expenses



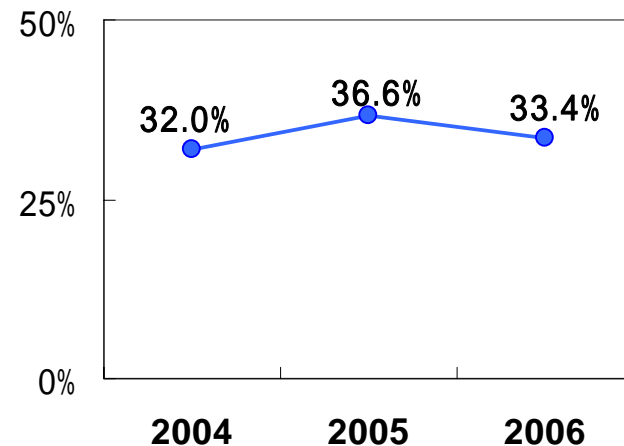
2. Foreign Exchange Gains/Losses (100 million yen)



3. Extraordinary Loss (100 million yen)



4. Corporate Tax Rate



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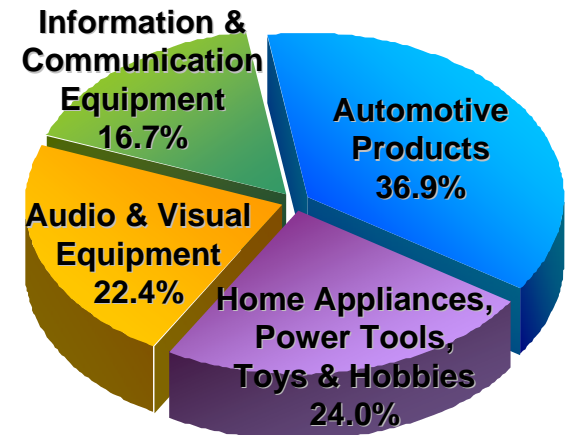
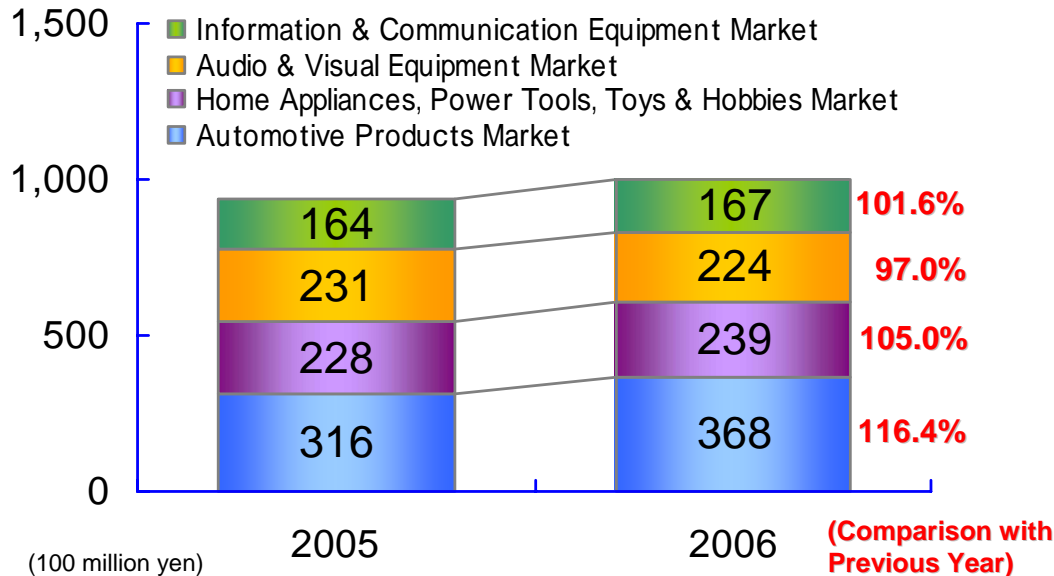
Future Efforts

2006 Actual Sales



	2005	2006 Projection	2006 Result	Comparison with Previous Year	Comparison with Projection
Quantity	1.854 billion pcs	1.82 billion pcs	1.82 billion pcs	98.2%	100.0%
Amount	93.8 billion yen (Average rate during period: ¥110.21)	97 billion yen (Average rate during period: ¥112.86)	99.7 billion yen (Average rate during period: ¥116.38)	106.3%	102.8%
Average Unit Price	¥50.62		¥54.77		

(Note) Actual sales mean actual result of motor sales (excluding sales of parts and equipment).



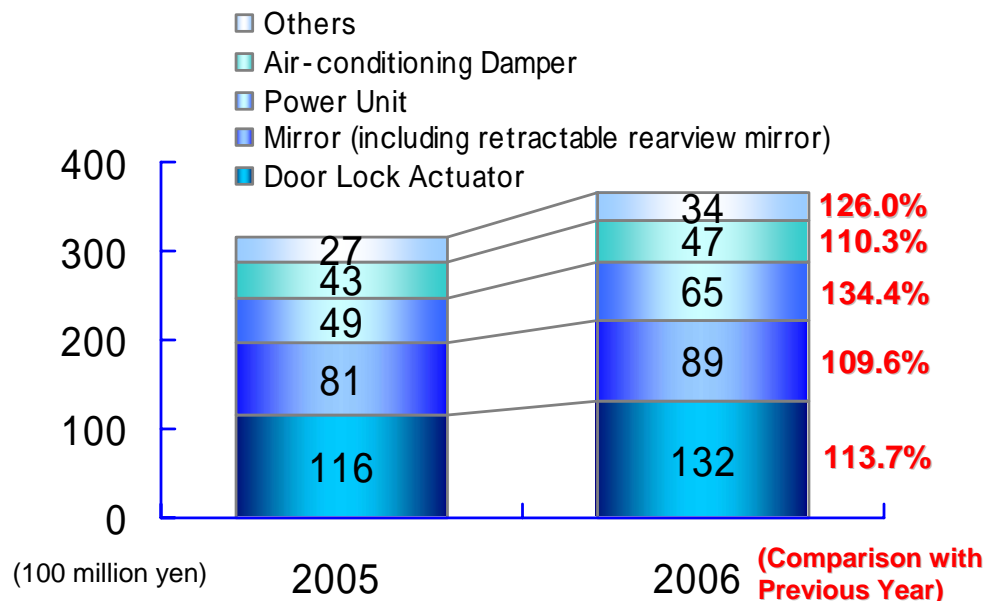
Breakdown of Sales Total

Actual Sales by Market

[Automotive Products Market]



	2005	2006 Projection	2006 Result	Comparison with Previous Year	Comparison with Projection
Quantity	466 million pcs	523 million pcs	505 million pcs	108.4%	96.7%
Amount	31.6 billion yen	36.4 billion yen	36.8 billion yen	116.4%	101.2%
Average Unit Price	¥67.77		¥72.80		



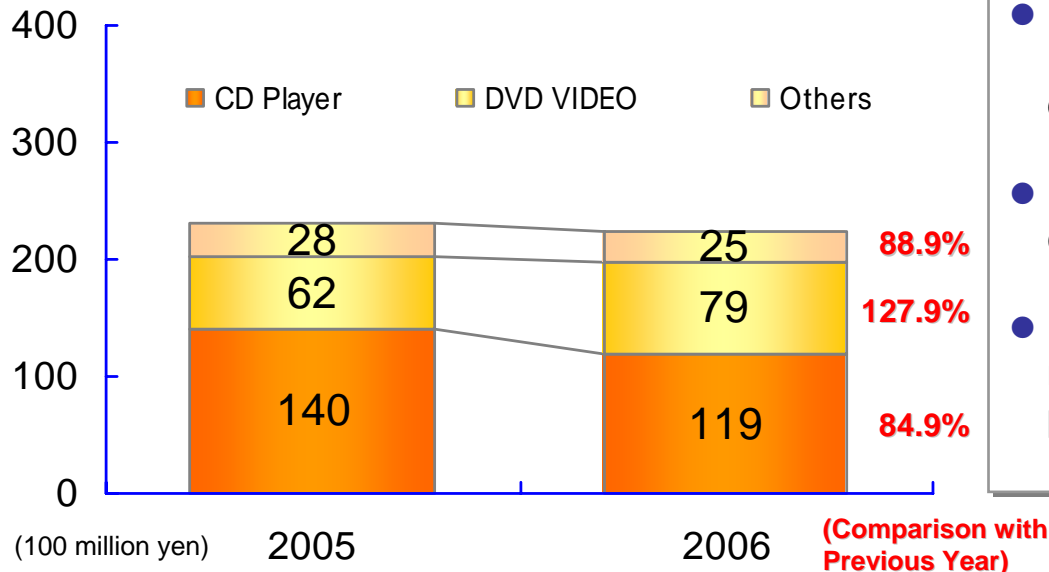
- Motors for car mirrors and door lock actuators steadily increased.
- Motors for power window lifters increased in Japan, and they also recovered and increased in the Chinese market.
- Motors for air conditioning damper actuators increased their shares in the European market.
- For the other applications, motors for head light beam level adjusters increased 64% compared with the previous year.

Actual Sales by Market

[Audio & Visual Equipment Market]



	2005	2006 Projection	2006 Result	Comparison with Previous Year	Comparison with Projection
Quantity	675 million pcs	597 million pcs	636 million pcs	94.3%	106.5%
Amount	23.1 billion yen	20.5 billion yen	22.4 billion yen	97.0%	109.2%
Average Unit Price	¥34.17		¥35.15		



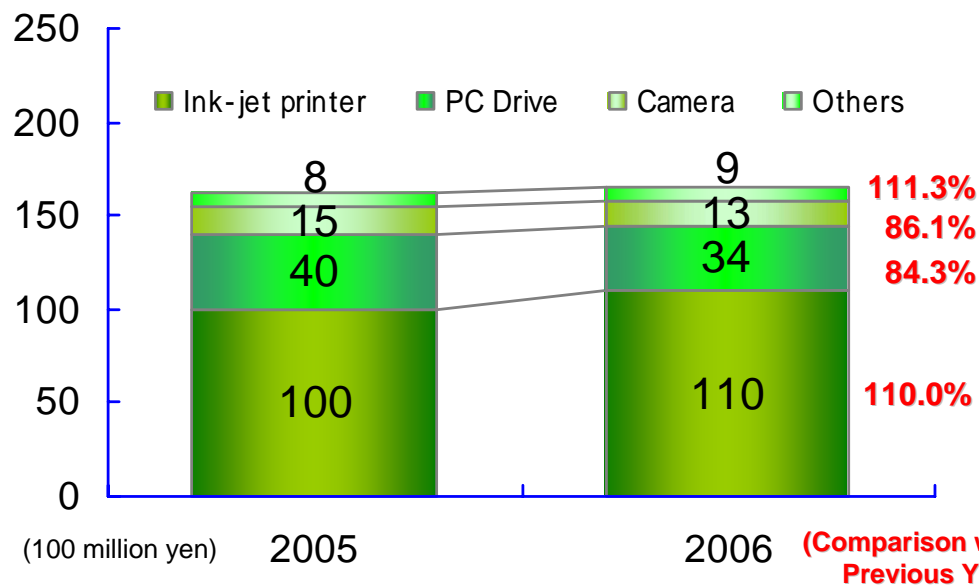
- Because of the spread of audio equipment requiring no motor, motors for CD players decreased.
- Motors for car CD and DVD players were continuously strong.
- For the other applications, motors for game machines increased due to their use for new products.

Actual Sales by Market

[Information & Communication Equipment Market]



	2005	2006 Projection	2006 Result	Comparison with Previous Year	Comparison with Projection
Quantity	338 million pcs	322 million pcs	316 million pcs	93.6%	98.0%
Amount	16.4 billion yen	16.4 billion yen	16.7 billion yen	101.6%	101.5%
Average Unit Price	¥48.58		¥52.72		



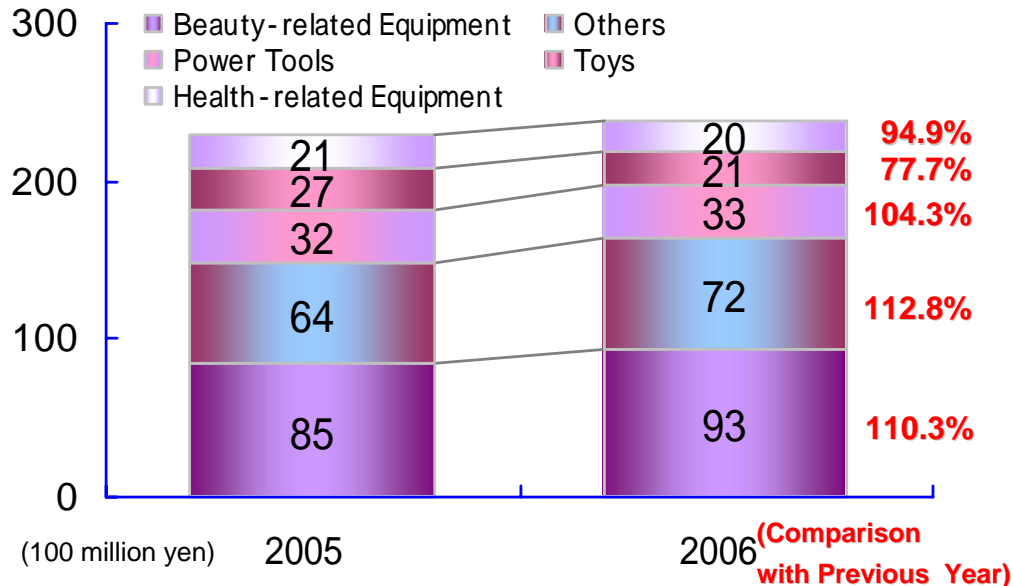
- Motors for ink-jet printers were strong.
- The average unit price heightened due to the start of the shipment of motors with optical encoders, price revisions, and the like.
- Motors for PC drives decreased due to inventory adjustments.
- Motors for film cameras reduced to almost zero, and motors for digital cameras were sluggish due to intensified price competition.

Actual Sales by Market

[Home Appliances, Power Tools, Toys & Hobbies Market]



	2005	2006 Projection	2006 Result	Comparison with Previous Year	Comparison with Projection
Quantity	375 million pcs	378 million pcs	363 million pcs	96.8%	96.1%
Amount	22.8 billion yen	23.7 billion yen	23.9 billion yen	105.0%	100.6%
Average Unit Price	¥60.74		¥65.84		



- Motors for toothbrushes were strong due to sales recovery in major customers.
- The market for vibro-wet shavers was established.
- For the other applications, motors for automatic vending machines and vacuum cleaners were favorable.
- Regarding motors for power tools, though the motors for North America were sluggish, the motors for Europe were strong.
- Motors for toys decreased since there were no hit products equipped with motors.
- Motors for health-related equipment decreased.

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2007 Consolidated Operational Results Outlook

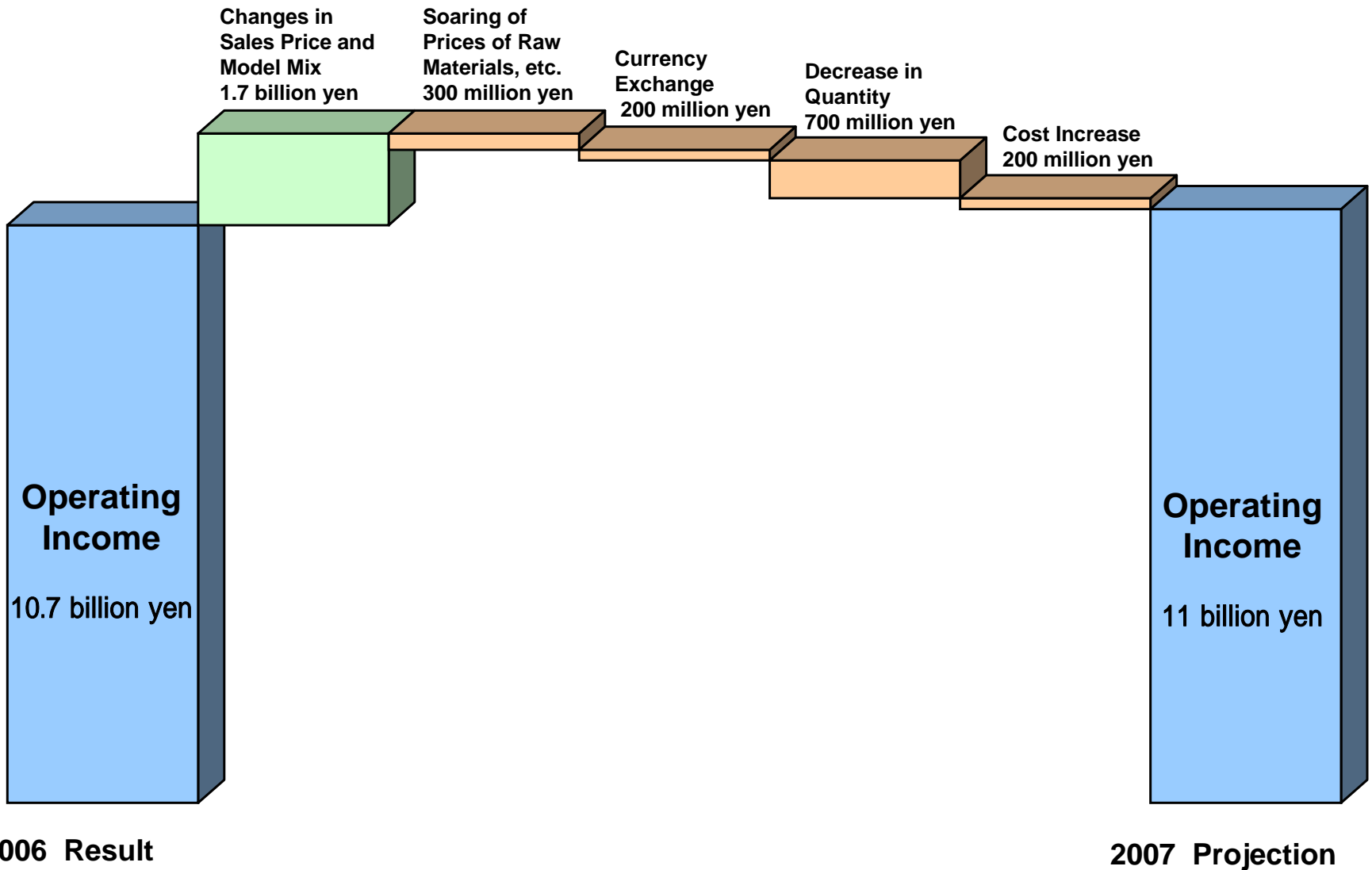


Unit: 100 million yen

	2006 Result	2007 Projection	Result Percentage Change from 2006
Net Sales	1,005(100%)	1,010(100%)	0.5%
Gross Profit	285(28.5%)	293(29.0%)	2.5%
Operating Income	107(10.6%)	110(10.9%)	2.8%
Ordinary Income	159(15.9%)	151(15.0%)	- 5.2%
Net Income	106(10.5%)	100(9.9%)	- 5.7%
Average Rate during Period	116.38 yen	Projected Rate	115.00 yen
Year-end Rate	119.11 yen		

2007 Consolidated Operational Results Outlook

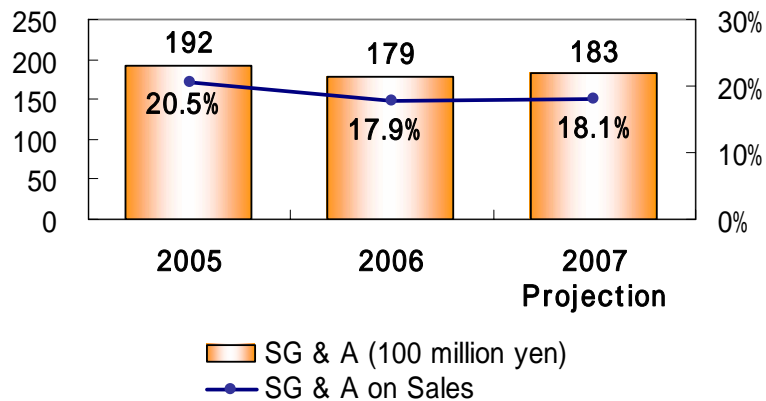
Analysis on Factors for Increase/Decrease of Operating Income



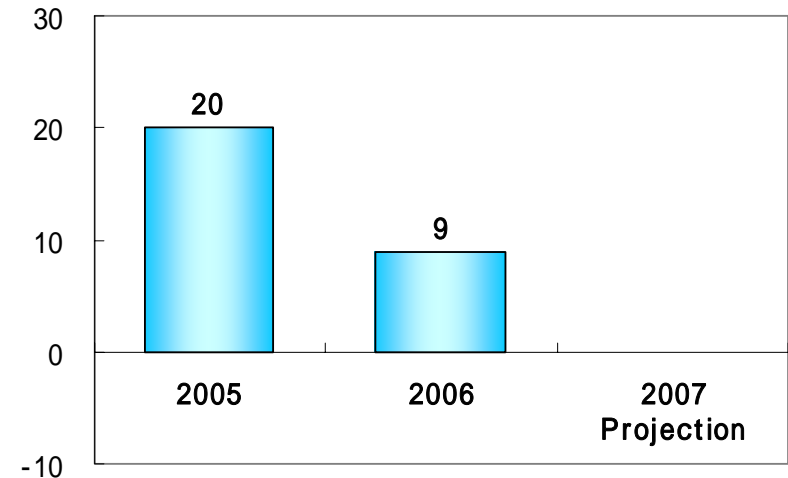
Factors to Affect 2007 Consolidated Operational Results Outlook



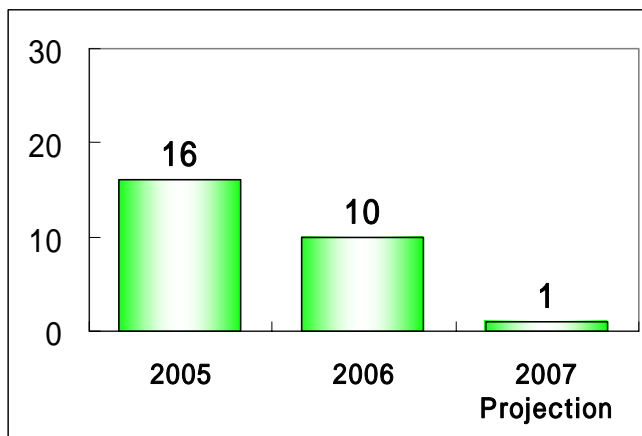
1. Selling, General and Administrative Expenses



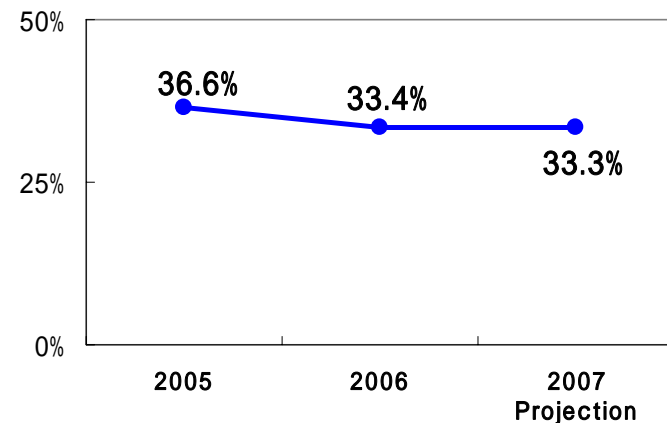
2. Foreign Exchange Gains/Losses (100 million yen)



3. Extraordinary Loss (100 million yen)



4. Corporate Tax Rate



2007 Market Environment Recognition



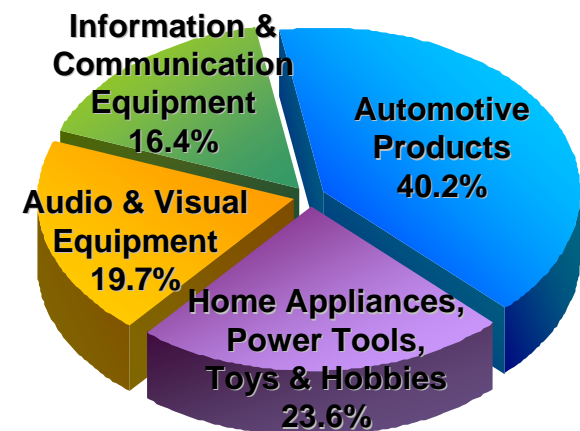
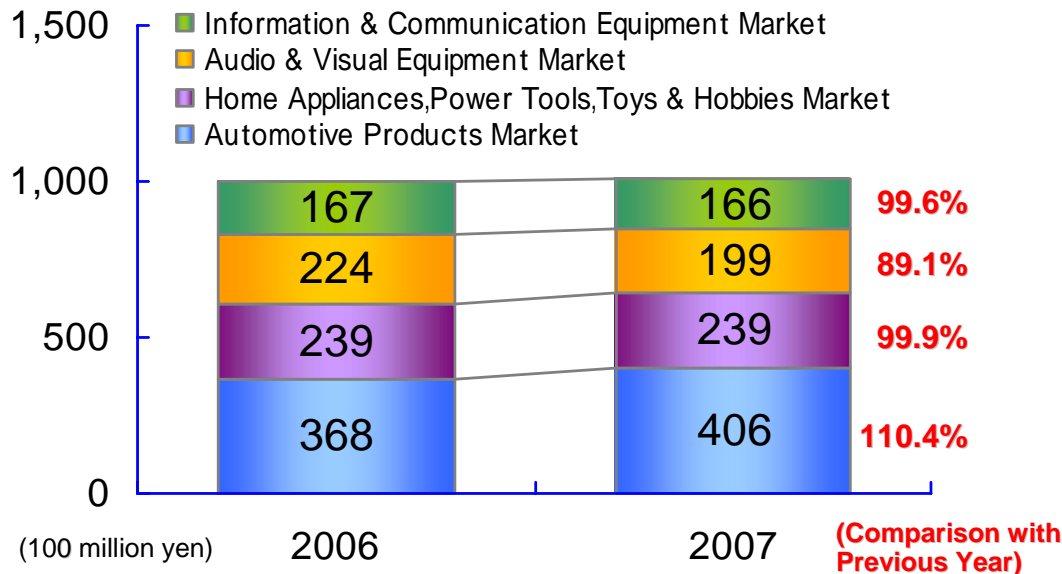
Overview	<ul style="list-style-type: none">• The automotive products market, Mabuchi's biggest application market, will continuously expand.• Environmental and quality requirements will increase.
Automotive Products Market	<ul style="list-style-type: none">• The number of automobiles produced worldwide will increase.• The ratio of standard equipment per automobile will further increase due to the pursuit of environmental responsiveness, safety and amenity.
Audio & Visual Equipment Market	<ul style="list-style-type: none">• Motors for CD players will continuously decrease.• Motors for DVD players are expected to increase. However, in the first half of 2007, inventory adjustments will be performed for the motors.
Information & Communication Equipment Market	<ul style="list-style-type: none">• Motors for ink-jet printers will continuously increase.• Motors for digital cameras are expected to increase. However, price competition will be intensified for the motors.
Home Appliances, Power Tools, Toys & Hobbies Market	<ul style="list-style-type: none">• Increase of cordless (DC) power tools for professionals will accelerate due to performance improvement in batteries.• As the population ages, demands for livelihood support medical equipment and laborsaving equipment will expand.

2007 Sales Projection



	2006 Result	Comparison with Previous Year	2007 Projection	Comparison with Previous Year
Quantity	1.82 billion pcs	98.2%	1.77 billion pcs	97.2%
Amount	99.7 billion yen (Average rate during period: ¥116.38)	106.3%	101 billion yen (Average rate during period: ¥115.00)	101.3%
Average Unit Price	¥54.77		¥57.06	

(Note) Actual sales mean actual result of motor sales (excluding sales of parts and equipment).



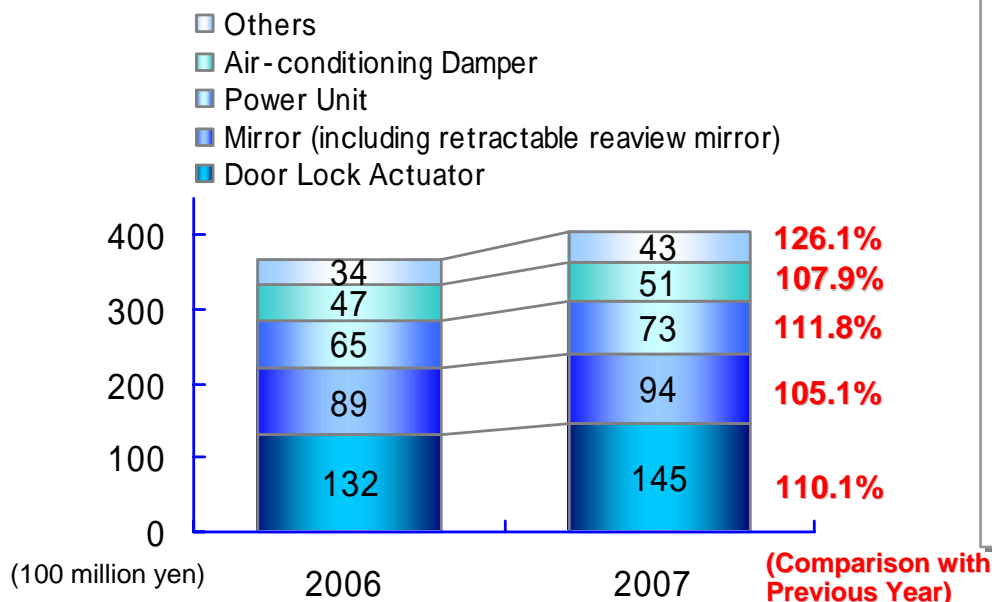
Breakdown of Sales Total

Sales Projection by Market

[Automotive Products Market]



	2006 Result	Comparison with Previous Year	2007 Projection	Comparison with Previous Year
Quantity	505 million pcs	108.4%	548 million pcs	108.5%
Amount	36.8 billion yen	116.4%	40.6 billion yen	110.4%
Average Unit Price	¥72.80		¥74.06	



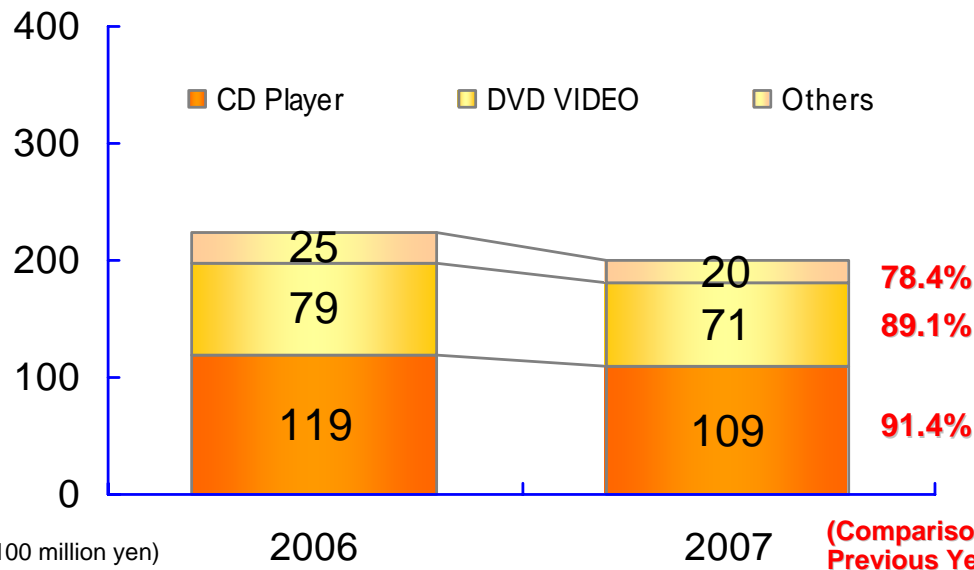
- Demands for motors for car mirrors and door lock actuators will steadily increase in accordance with the increase in the number of automobiles produced.
- Demands for motors for power units will expand for Europe and BRIC countries.
- Demands for motors for air conditioning damper actuators will increase due to the rise in the standard equipment ratio and increases in shares in Europe.
- Motors for new automotive-product applications such as head light beam level adjusters and steering locks will increase.

Sales Projection by Market

[Audio & Visual Equipment Market]



	2006 Result	Comparison with Previous Year	2007 Projection	Comparison with Previous Year
Quantity	636 million pcs	94.3%	567 million pcs	89.2%
Amount	22.4 billion yen	97.0%	19.9 billion yen	89.1%
Average Unit Price	¥35.15		¥35.13	



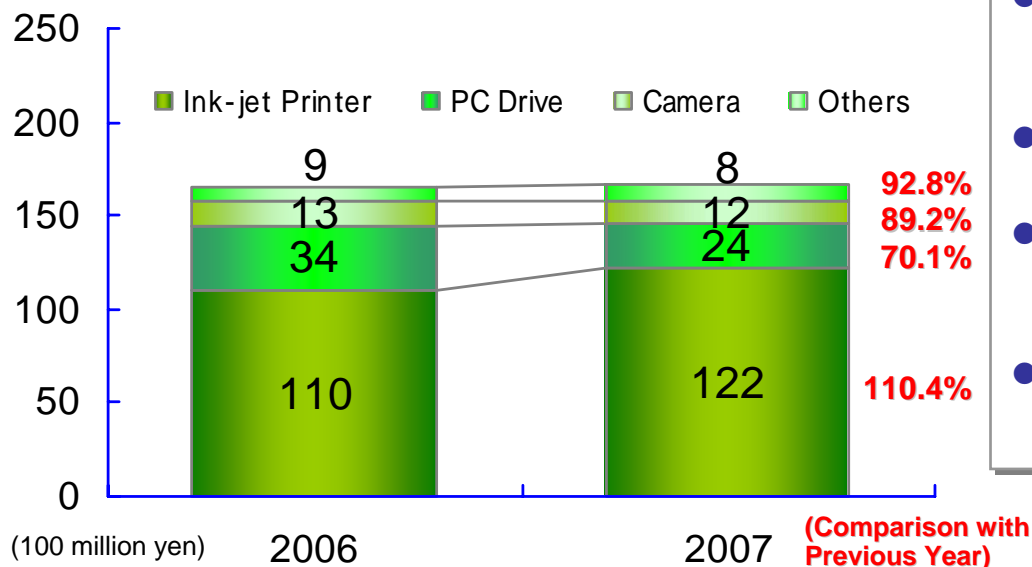
- Regarding motors for CD players, motors for home CD players will decrease.
- Motors for in-car CD players will remain unchanged from the previous year.
- Motors for DVD players will decrease in consequence of inventory adjustments.
- Motors for the other applications will decrease due to stoppage of production of governor motors for cassette tape recorders.

Sales Projection by Market

[Information & Communication Equipment Market]



	2006 Result	Comparison with Previous Year	2007 Projection	Comparison with Previous Year
Quantity	316 million pcs	93.6%	304 million pcs	96.3%
Amount	16.7 billion yen	101.6%	16.6 billion yen	99.6%
Average Unit Price	¥52.72		¥54.48	



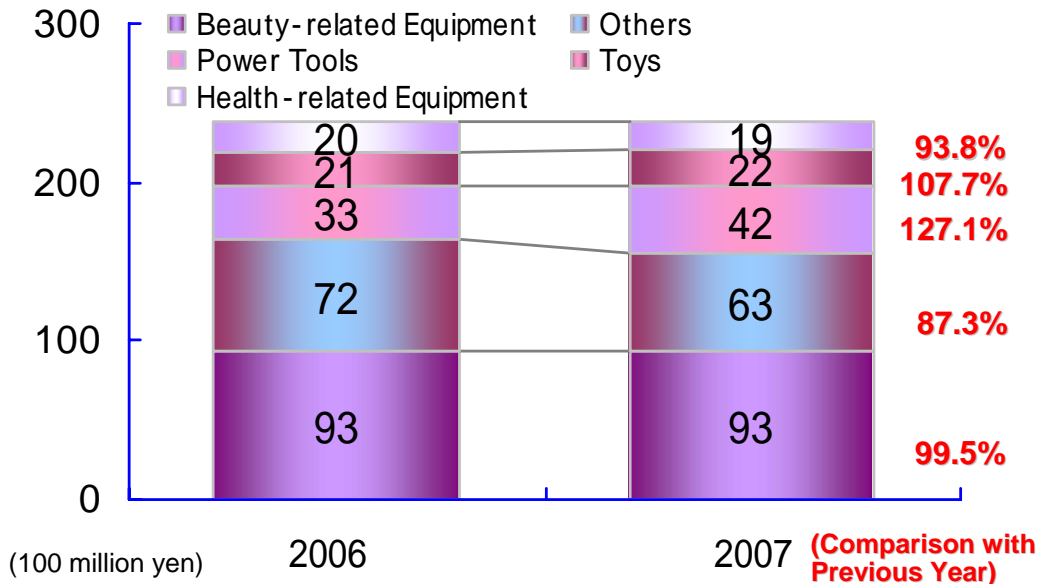
- Motors for ink-jet printers will increase due to their advantages in quality and production capacity.
- High-value added motors with optical encoders will increase.
- Motors for PC drives will decrease due to stoppage of production of brushless motors for spindles.
- Motors for digital cameras will decrease due to intensified price competition.

Sales Projection by Market

[Home Appliances, Power Tools, Toys & Hobbies Market]



	2006 Result	Comparison with Previous Year	2007 Projection	Comparison with Previous Year
Quantity	363 million pcs	96.8%	350 million pcs	96.4%
Amount	23.9 billion yen	105.0%	23.9 billion yen	99.9%
Average Unit Price	¥65.84		¥68.21	



- Motors for shavers will increase due to increase in sales of linear motors.
- Regarding motors for toothbrushes, motors for low-priced toothbrushes will decrease.
- For the other applications, motors for vacuum cleaners will remain unchanged from the previous year, and motors for automatic vending machines will decrease.
- Motors for power tools will increase due to increase in sales of large-size motors.
- Motors for health-related equipment will decrease.

2007 Sales Projection

(for First / Second Half and Each Quarter)



		2007 First Half	2007 Second Half	2007 Full Year
Automotive Products Market	Quantity	276 million pcs	272 million pcs	548 million pcs
	Amount	20.2 billion yen	20.4 billion yen	40.6 billion yen
Audio & Visual Equipment Market	Quantity	276 million pcs	291 million pcs	567 million pcs
	Amount	9.7 billion yen	10.2 billion yen	19.9 billion yen
Information & Communication Equipment Market	Quantity	147 million pcs	157 million pcs	304 million pcs
	Amount	7.8 billion yen	8.7 billion yen	16.6 billion yen
Home Appliances, Power Tools, Toys & Hobbies Market	Quantity	170 million pcs	180 million pcs	350 million pcs
	Amount	11.2 billion yen	12.6 billion yen	23.9 billion yen
Total	Quantity	870 million pcs	900 million pcs	1,770 million pcs
	Amount	49 billion yen	52 billion yen	101 billion yen

		1Q	2Q	3Q	4Q
Total	Quantity	428 million pcs (24.2%)	442 million pcs (25.0%)	477 million pcs (26.9%)	423 million pcs (23.9%)
	Amount	24 billion yen (23.8%)	25 billion yen (24.8%)	27.4 billion yen (27.1%)	24.6 billion yen (24.4%)

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Policies on Future Efforts

Recovery of gross income on sales

2006

28.5%

2007

29.0%

Recovery of operating income on sales

2006

10.6%

2007

10.9%

Growth strategy

Developing strategic products and bringing them to the market

Bringing power unit motors to the market and finding their new applications

Bringing small-sized high-torque motors to the market and upgrading/expanding product lines

Cost strategy

Concentration of management resources on a base requiring the resources throughout all bases

Minimization of variations in quality caused by different workers and expansion of laborsaving equipment.

Total cost reduction in production bases by realizing ultimate space efficiency

Carrying out thorough and stricter global comparison purchasing based on awareness of law of one piece

Maximization of wage advantages and effective utilization of preferential duties

Weighted allocation of the headquarters' resources to strategic models and realization of speedy development of such models.

Realization of the strategic headquarters without unnecessarily ballooning the organization.

Return to growth track

Growth strategy: Bringing power unit motors to the market and finding their new applications



Major applications

- Power window lifters
- Power seats
- Sunroofs/sunshades
- Door closers

Points for differentiation

Performance and cost advantages of base motors

Efforts in 2006

- Dealing with new projects arranging tie-ups with leading manufacturers
- Establishing control technology for specifications required for next-generation products
- Exploration and expansion of markets in the Chinese, Indian and South American markets
- Increasing product capacity for new projects and for start of mass production

Efforts in 2007

- Bringing strategic products for power window lifters to the market
 - Motors for Japanese and overseas leading manufacturers
- Bringing strategic products for power seats to the market
- Expanding sales in BRIC countries, Turkey and Iran
- Increase of productivity – continuous improvement of costs

Growth strategy: Bringing small-sized high-torque motors to the market and upgrading/expanding product lines



Major applications

- **General automotive products**
(Door lock actuators, retractable rearview mirrors, power seats, etc.)
- Ink-jet printers
- Power tools

Points for differentiation

Half-size and equal-torque motors compared with conventional motors

- **Magnetic design technology**
- **High-density winding technology**
- **Contact technology**
- **Heat-resistance bearing technology**

Efforts in 2006

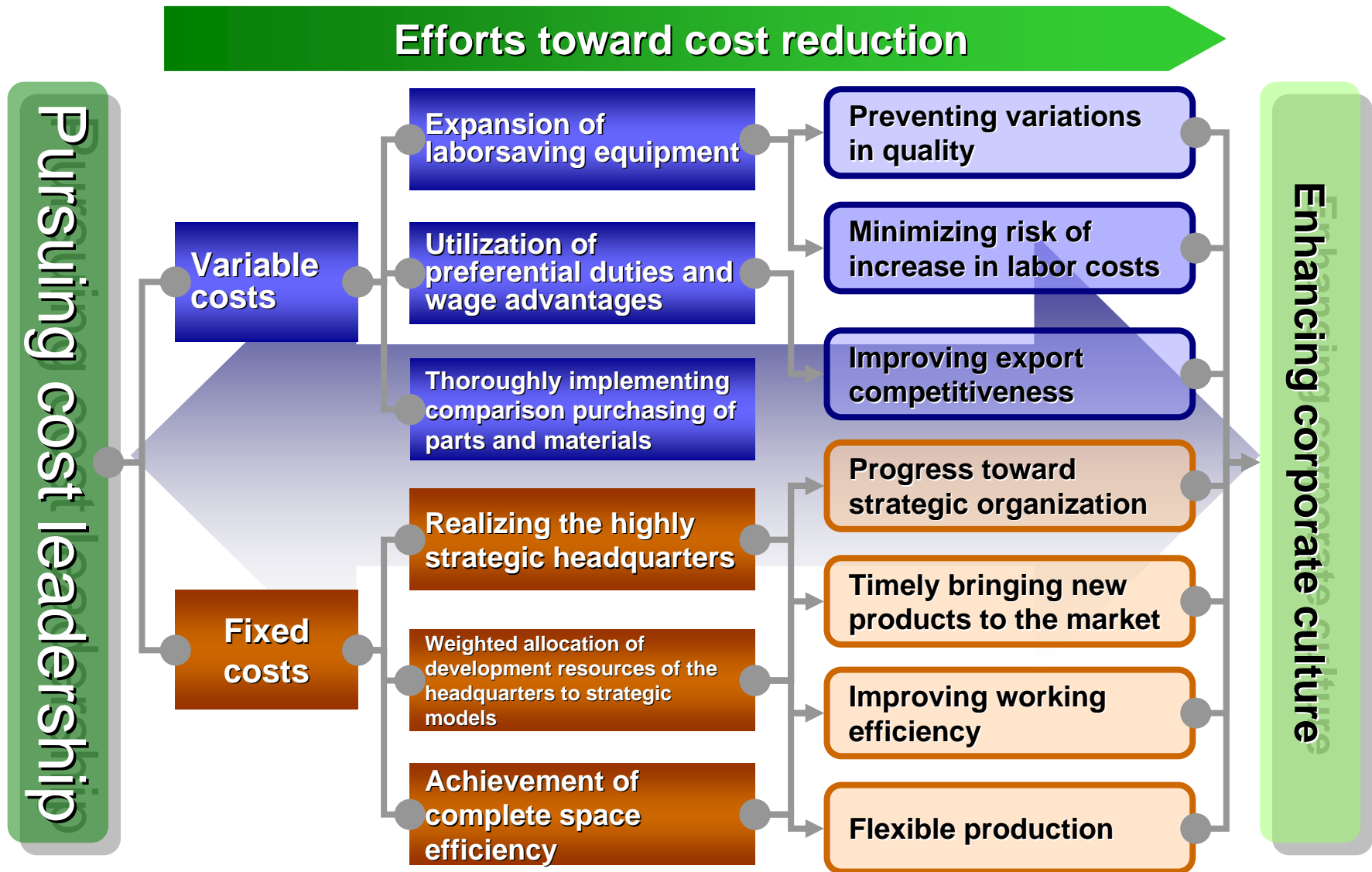
- Starting development of strategic products for six models
 - Retractable rearview mirrors
 - Door lock actuators
 - Power seats
 - Closers
 - HVAC
 - Ink-jet printers
- Making samples of four models

Efforts in 2007

- Application to next-generation power unit strategic models
- Discussing specifications with Japanese/European/American leading manufacturers

Efforts in 2008 or later

- Bringing strategic models in various applications to the market and expanding their sales
 - Retractable rearview mirrors
 - Door lock actuators
 - Closers
 - Power tools



2007 Projected Average Rate during Period
1\$ = 115 yen

Projection of Impacts on 2007 Full-year Forecast
(when 2007 actual rate is weaker/stronger than the 2007 projected average rate during period by 1 yen)

Increase/Decrease in (Annual) Net Sales by 710 million yen

Increase/Decrease in (Annual) Operating Income by 120 million yen

The above full-year operational results outlook is based on certain assumptions that we deem reasonable at this point, and actual results may differ from the outlook.

Factors that may affect the operational results are including, but not limited to:

- Fluctuations in exchange rates for yen and other Asian currencies
- Changes in economic conditions, demand trends and the like that surround Mabuchi's domain identity
- Rapid technological innovations such as new technologies and new products