

Results briefing

The second quarter of 2009

**2009 First half Operational Results and
2009 Whole financial year Operational
Results Outlook**

August 12, 2009

Mabuchi Motor Co., Ltd.



1

Summary of business performance for the first half of 2009

2

Forecast of performance of the whole fiscal year

3

Situation and Contents of the activities to be focused on 2009

The interim consolidated performance of the first half of the 2009 fiscal year

Unit: 100 million yen

	Performance of the first half of the 2008 fiscal year	Forecast of performance of the first half of the 2009 fiscal year (previously announced in April, 2009)	Performance of the first half of the 2009 fiscal year	Differences between forecast and actual performances	Year-to-year comparison	
					Differences	Rate of change
Net Sales	483(100%)	285(100%)	291(100%)	2.2%	▲192	▲39.8%
Gross Profit	132(27.4%)	54(18.9%)	63(21.9%)	17.9%	▲68	▲52.0%
Operating Income	42(8.7%)	▲25(▲8.8%)	▲14(5.0%)	—	▲56	▲134.5%
Ordinary Income	55(11.5%)	▲18(▲6.3%)	0(0.2%)	—	▲55	▲98.9%
Quarterly Net Profit	30(6.3%)	14(4.9%)	27(9.4%)	92.9%	▲3	▲10.8%
Average Rate During Period	¥104.92	¥90.00	¥95.47			
Year-End Rate	¥106.42		¥96.01			

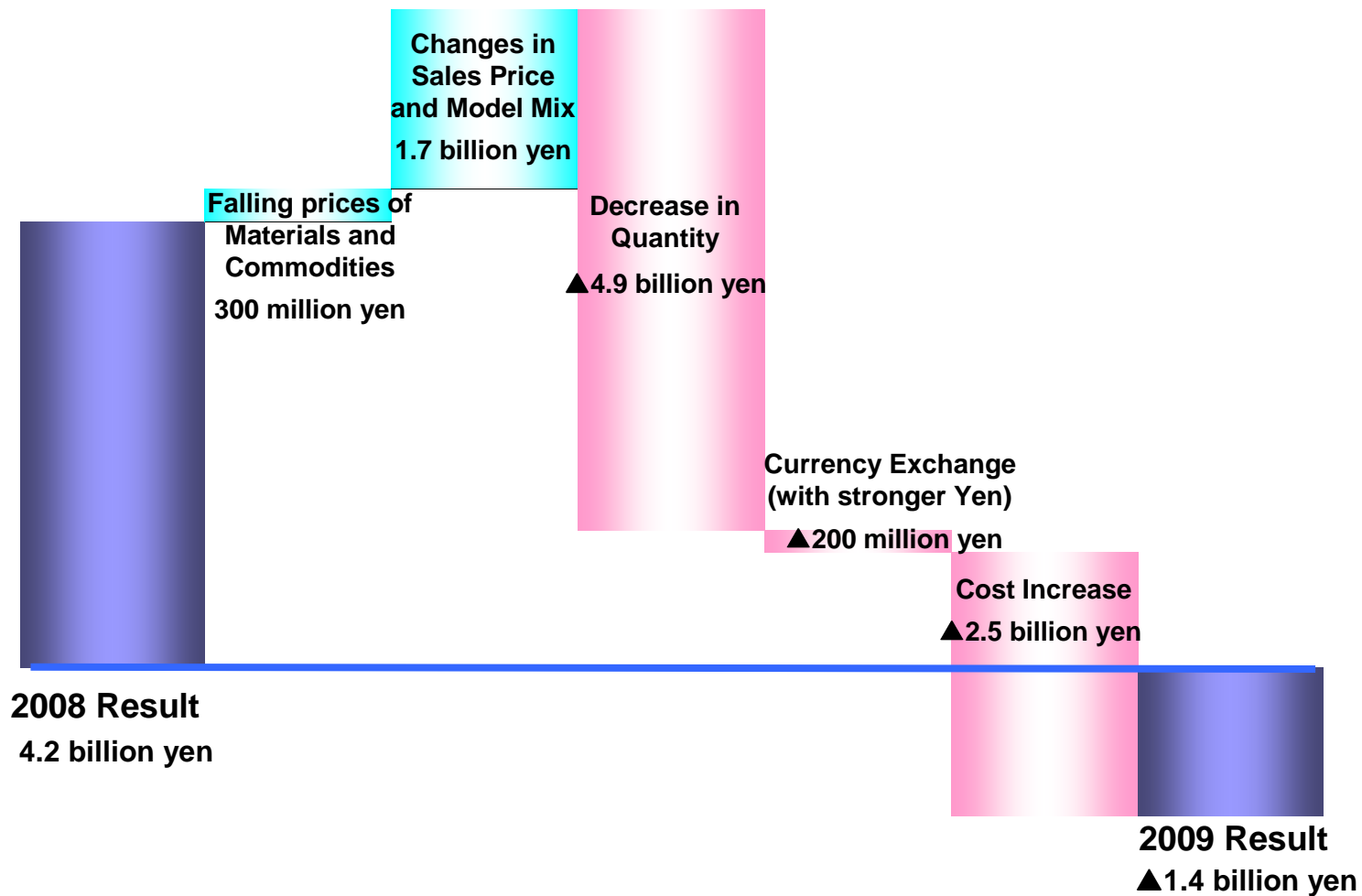
The consolidated performance of the 1st & 2nd Quarter of the 2009 fiscal year

Unit: 100 million yen

	1st Quarter of the 2009FY	2nd Quarter of the 2009FY	Differences	Rate of change
Net Sales	122(100%)	169(100%)	46	38.3%
Gross Profit	26(21.9%)	36(21.8%)	10	37.5%
Operating Income	▲12(▲10.6%)	▲2(▲1.4%)	10	—
Ordinary Income	▲0(▲0.0%)	▲0(▲0.0%)	0	—
Quarterly Net Profit	28(23.5%)	▲1(▲0.9%)	▲30	▲105.4%
Average Rate During Period	¥93.61	¥97.32		
Year-End Rate	¥98.23	¥96.01		

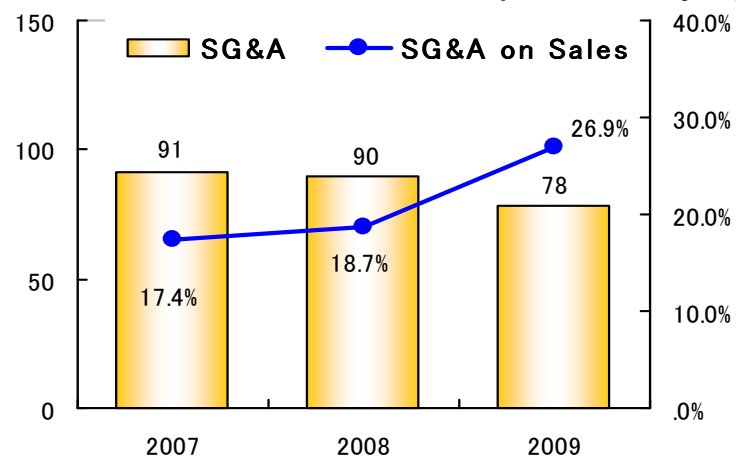
The interim consolidated performance of the first half of the 2009 fiscal year

Analysis on Factors for Increase/Decrease of Operating Income

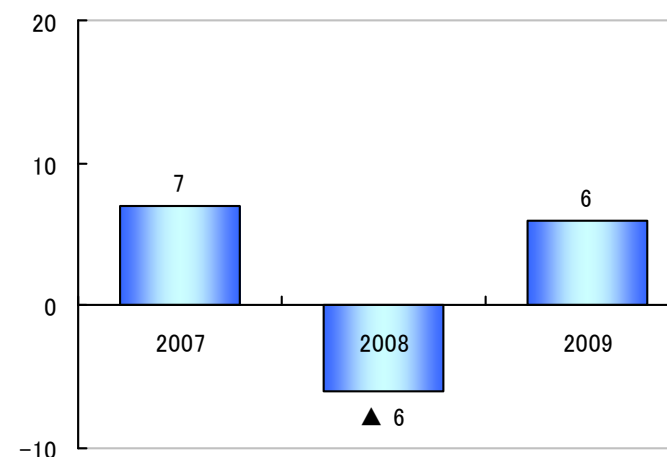


Factors affected the interim consolidated performance

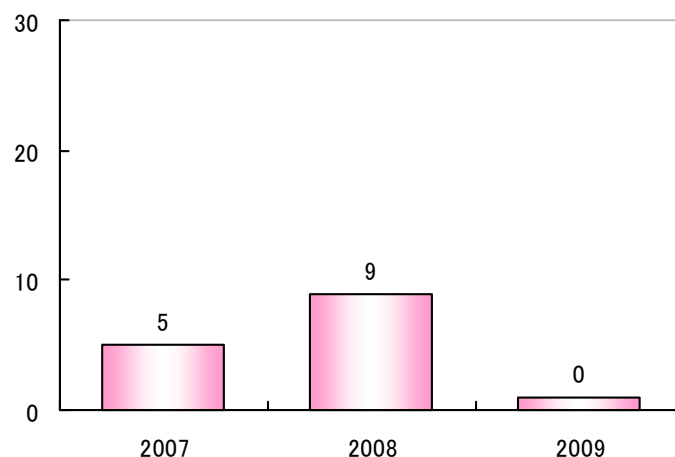
1. Selling, General and Administrative Expenses (100 million yen)



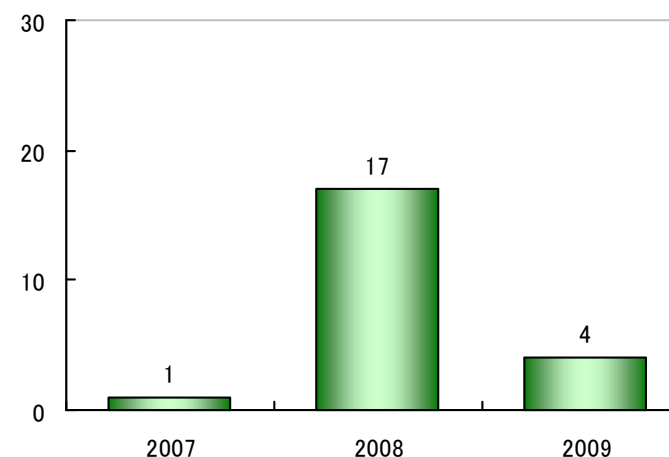
2. Foreign Exchange Gains/Losses (100 million yen)



3. Extraordinary Gains (100 million yen)

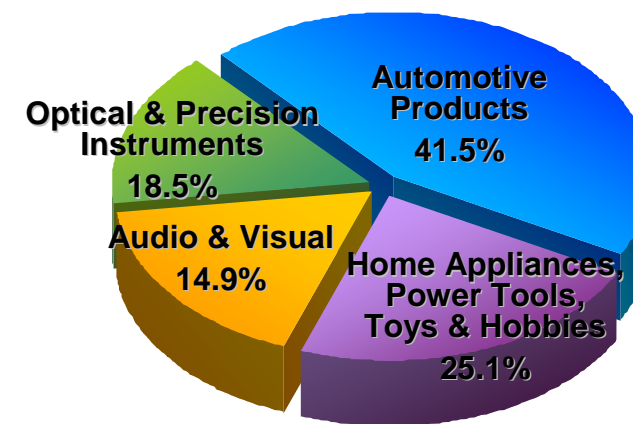
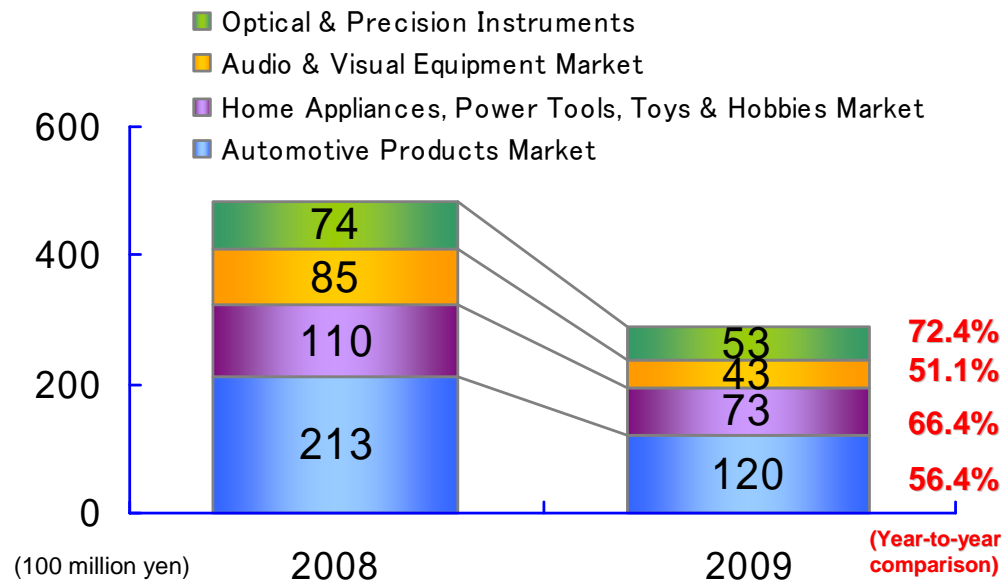


4. Extraordinary Losses (100 million yen)



Sales performance of the 1st half of the 2009 fiscal year

	The first half of the 2008 fiscal year	The plan for the first half of the 2009 fiscal year	The result of the first half of the 2009 fiscal year	Year-to-year comparison	Achievement rate
Quantity	858 million pcs	522 million pcs	528 million pcs	61.5%	101.3%
Amount	48.3 billion yen (Average rate during period: ¥104.92)	28.5 billion yen (Average rate during period: ¥90.00)	29.1 billion yen (Average rate during period: ¥95.47)	60.2%	102.1%
Average Unit Price	¥56.27		¥55.05		

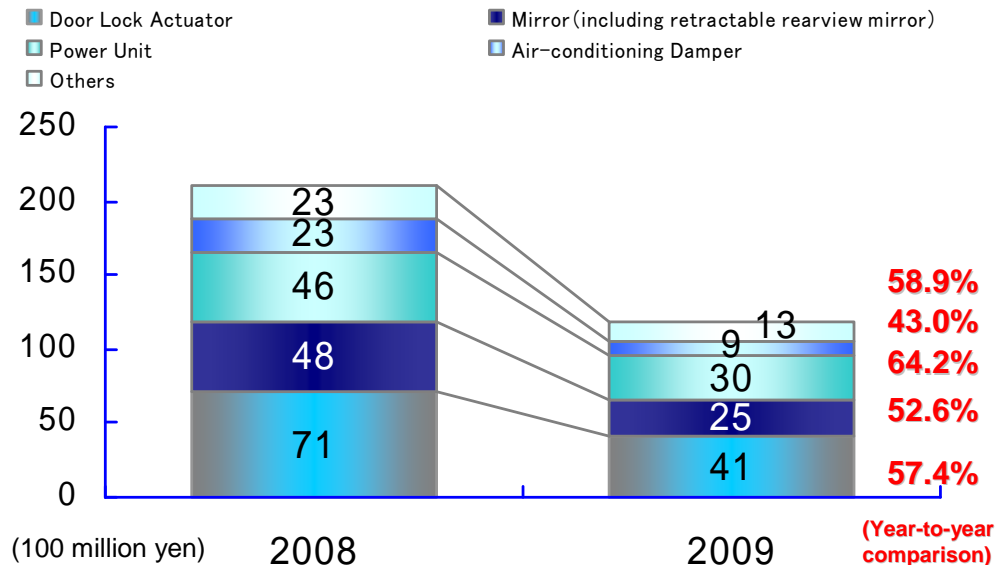


Breakdown of Sales Total

Sales Performance by Market

【Automotive Products Market】

	The first half of the 2008 fiscal year	The plan for the first half of the 2009 fiscal year	The result of the first half of the 2009 fiscal year	Year-to-year comparison	Achievement rate
Quantity	290 million pcs	178 million pcs	169 million pcs	58.3%	94.9%
Amount	21.3 billion yen	12 billion yen	12 billion yen	56.4%	100.0%
Average Unit Price	¥73.48		¥71.14		

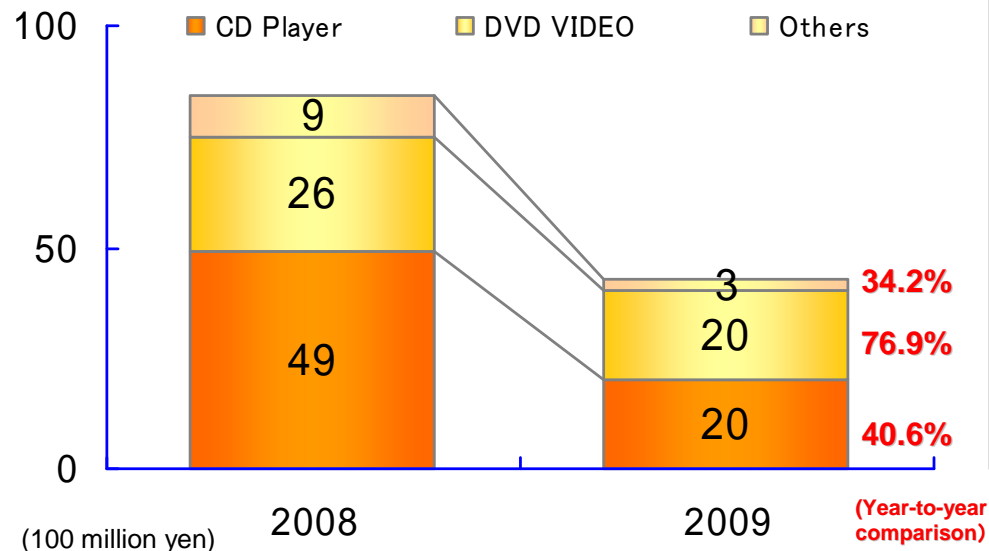


- As for the first quarter, due to the double effect of the demand decline and the automobile loan credit squeeze, the production volumes had substantially decreased. However, in the second quarter, the decrease had hit the bottom primarily due to the subsidizing policies of countries.
- For the Power Window Lifter application, we saw the expansion of automobile models which are equipped therewith and the demand increases in BRICs countries.
- As for the new application markets, the sales for the electric parking brakes and the head light beam level adjusters grew steadily.

Sales Performance by Market

【Audio & Visual Equipment Market】

	The first half of the 2008 fiscal year	The plan for the first half of the 2009 fiscal year	The result of the first half of the 2009 fiscal year	Year-to-year comparison	Achievement rate
Quantity	249 million pcs	119 million pcs	140 million pcs	56.3%	117.3%
Amount	8.5 billion yen	3.6 billion yen	4.3 billion yen	51.1%	119.2%
Average Unit Price	¥34.12		¥30.99		

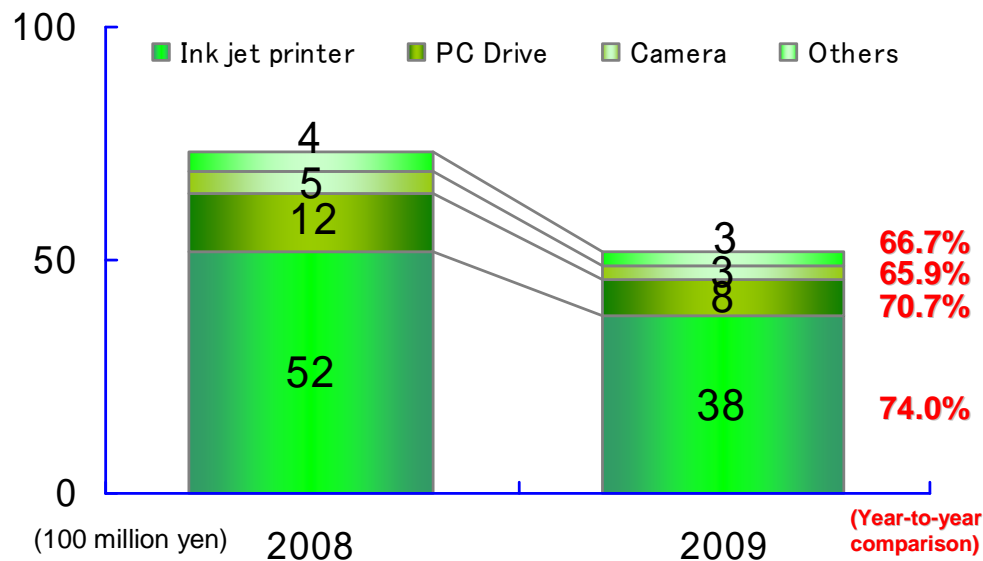


- As for the first quarter, because of the demand volatility, the production volumes had substantially decreased. However, in the second quarter, the underlying strength of demands, particularly for the lower priced products, was confirmed.
- For DVD application, the sales volume increased steadily and by focusing on maintaining the profitability, the average unit selling price went up.
- For Loading application for Blu-ray Disc player/recorders, sales had begun smoothly.

Sales Performance by Market

【Optical & Precision Instruments Market】

	The first half of the 2008 fiscal year	The plan for the first half of the 2009 fiscal year	The result of the first half of the 2009 fiscal year	Year-to-year comparison	Achievement rate
Quantity	148 million pcs	86 million pcs	103 million pcs	69.8%	120.6%
Amount	7.4 billion yen	4.3 billion yen	5.3 billion yen	72.4%	122.7%
Average Unit Price	¥49.94		¥51.80		

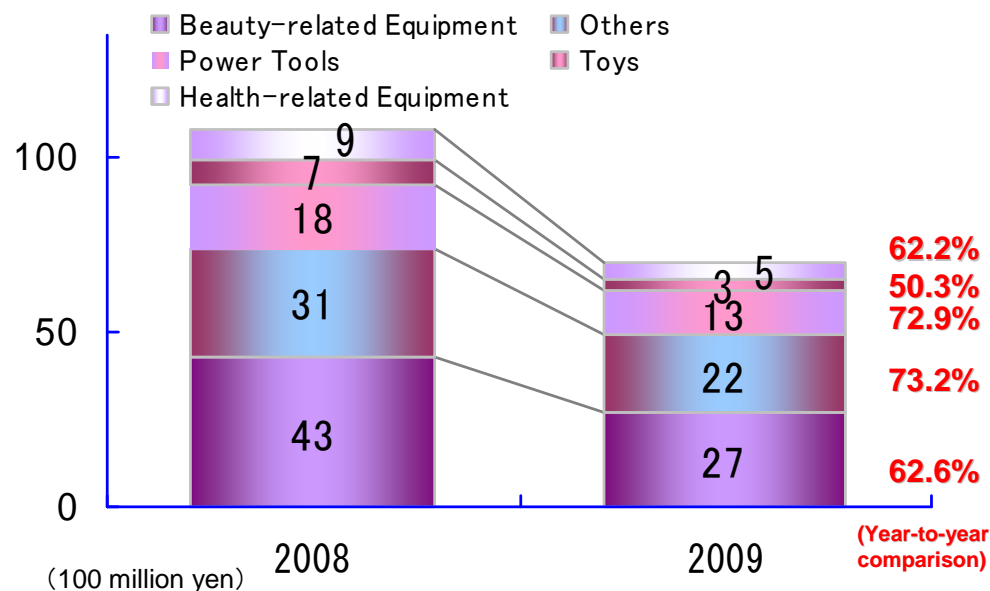


- As for the first quarter, the production volumes had substantially decreased. However, this market segment has been on the recovery trend since the beginning of the second quarter because the products of this market segment are indispensable IT products.
- As for Copier application, sales were steady due to the “new entry effect “ favorable for us.
- As for Digital cameras and PC drives applications, our market share increased.

Sales Performance by Market

【Home Appliances, Power Tools, Toys & Hobbies Market】

	The first half of the 2008 fiscal year	The plan for the first half of the 2009 fiscal year	The result of the first half of the 2009 fiscal year	Year-to-year comparison	Achievement rate
Quantity	169 million pcs	137 million pcs	114 million pcs	67.6%	83.5%
Amount	11 billion yen	8.4 billion yen	7.3 billion yen	66.4%	87.0%
Average Unit Price	¥64.84		¥63.63		



- As for the first quarter, the underlying strength of demands in this market segment were confirmed. However, in the second quarter, it became apparent that the demands were weaker than expected.
- As for shaver application, sales for middle- and high-grade electric shavers were steady. However, sales for vibro-shavers were weak.
- As for Power Tools application, sales in the developed countries were weak and price competition heated up.
- As for Health-related Equipment application, sales for medical-related equipment were steady.

1

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2

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3

Situation and Contents of the activities to be focused on 2009

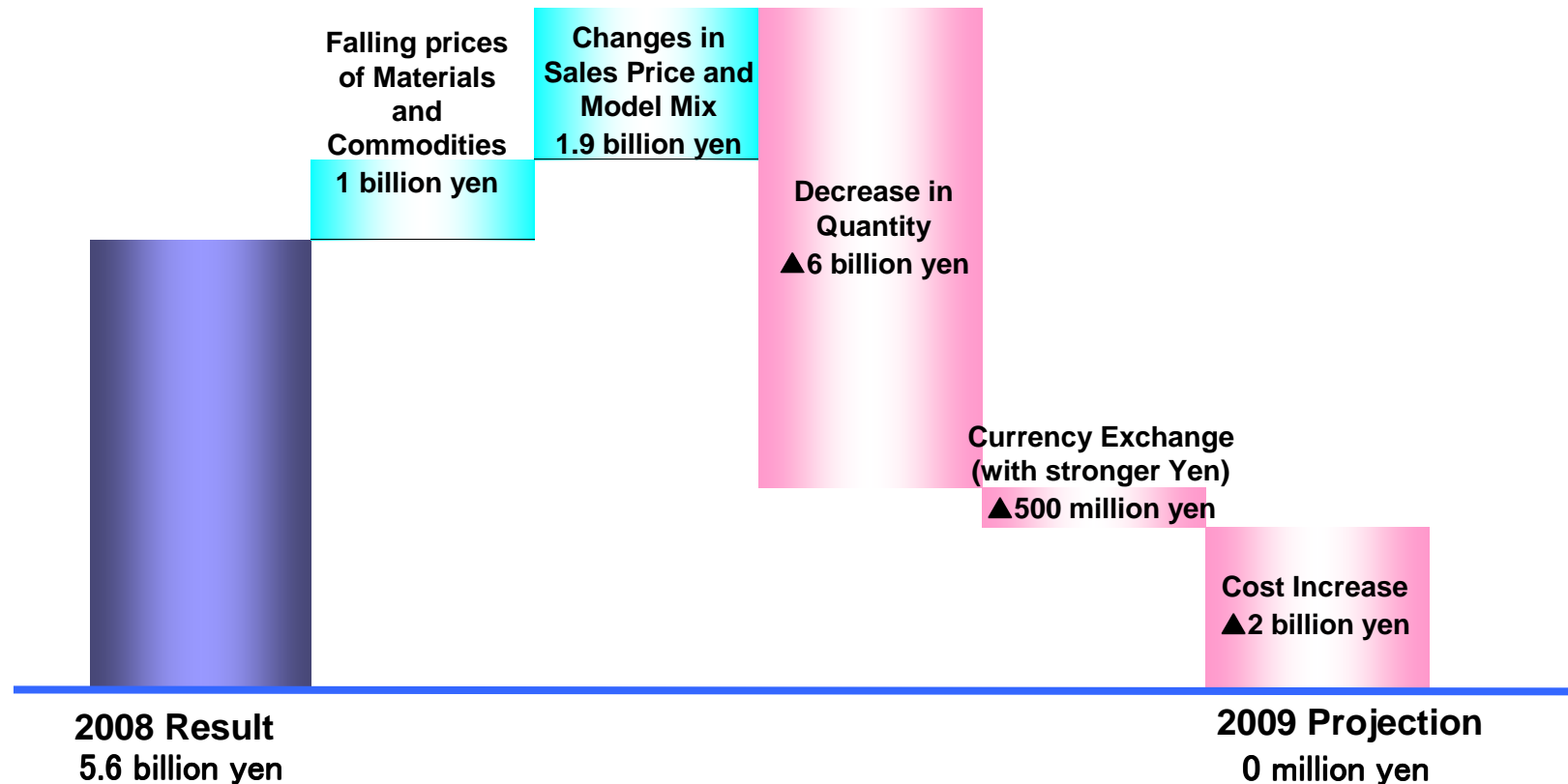
2009 Consolidated Operational Results Outlook

Unit:100 million yen

	The results of the whole 2008 fiscal year	Forecast of performance of the whole 2009 fiscal year (previously announced in April, 2009)	Forecast of performance of the whole 2009 fiscal year	Differences between forecast and actual performances	Year-to-year comparison	
					Differences	Rate of change
Net Sales	926(100%)	650(100%)	660(100%)	1.5%	▲266	▲28.7%
Gross Profit	238(25.7%)	145(22.3%)	157(23.8%)	8.3%	▲81	▲34.0%
Operating Income	56(6.1%)	▲15(▲2.3%)	0(0.0%)	—	▲56	▲100.0%
Ordinary Income	78(8.5%)	▲2 (▲0.3%)	19(2.9%)	—	▲59	▲75.9%
Net Income	35(3.9%)	29(4.5%)	38(5.8%)	31.0%	2	6.6%
Average Rate during Period	¥103.46	¥90.00	¥92.74	(First half actual rate ¥95.47, Second half projected rate ¥90.00)		
Year-end Rate	¥ 91.03					

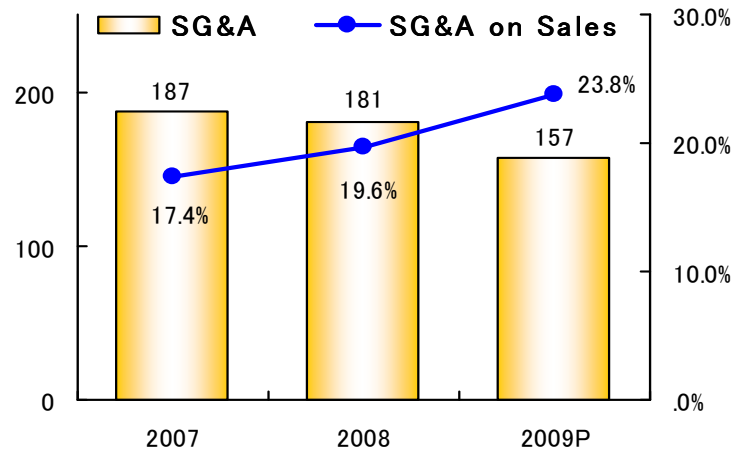
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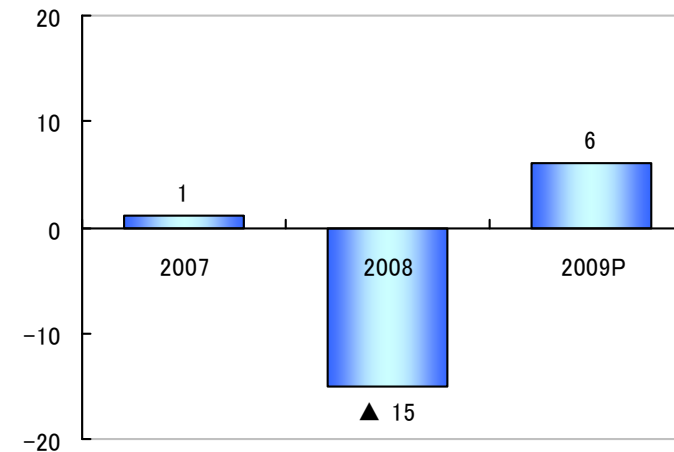


Factors to Affect 2009 Consolidated Operational Results Outlook

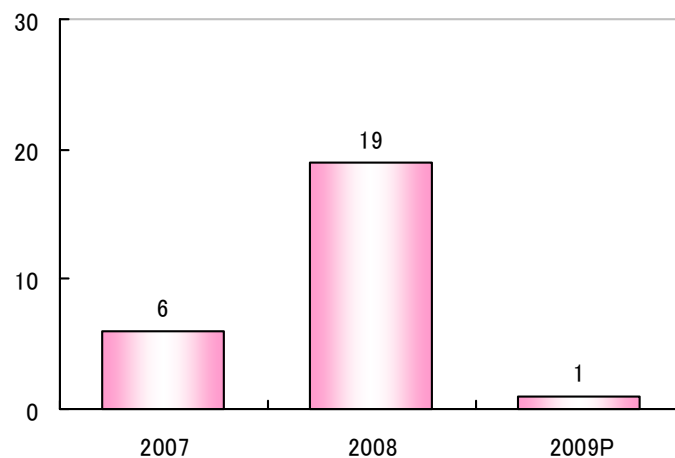
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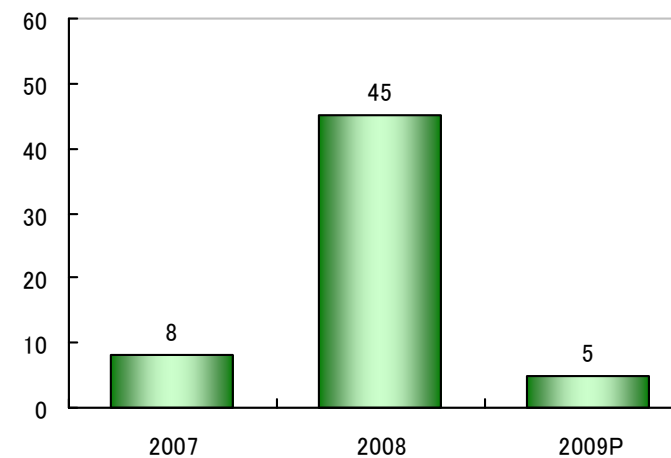
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3. Extraordinary Gains (100 million yen)



4. Extraordinary Losses (100 million yen)



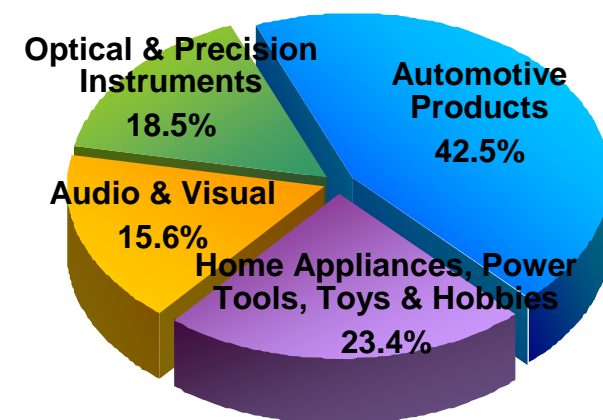
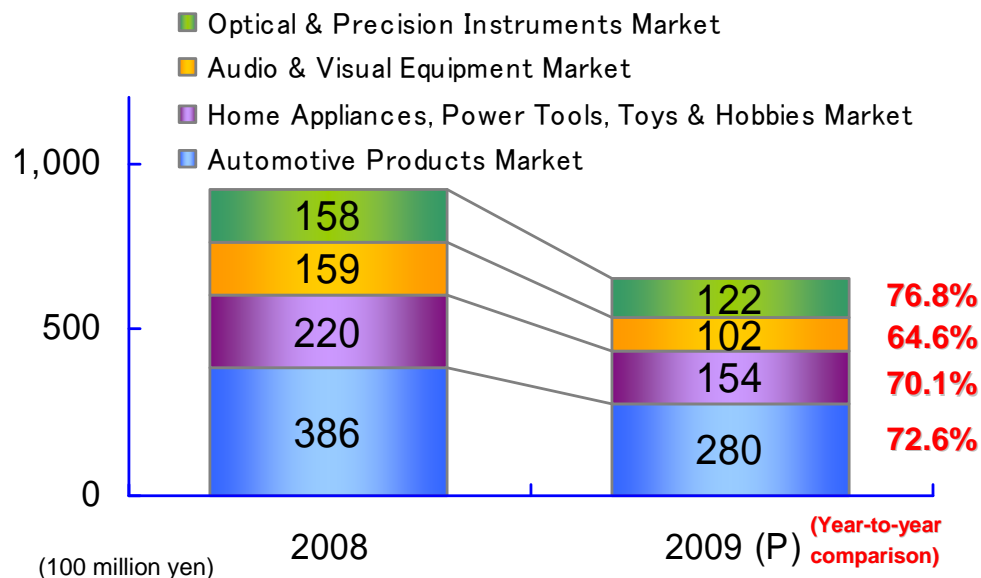
Market environment recognition underlying sales forecasts

<p>Overview</p>	<ul style="list-style-type: none"> • World economy seems to have hit the bottom, however the risk of getting worse can not be denied. • Polarization in economic recovery: Consumption recovery is uncertain in the developed countries; Consumption recovery is strong in developing countries.
<p>Automotive Products Market</p>	<ul style="list-style-type: none"> • The inventory adjustment has completed and this segment is expected to hit the bottom in the second half year. • In pursuit of comfortable driving environment, safety and amenity, the equipment rate of certain devices which use motors are expected to increase.
<p>Audio & Visual Equipment Market</p>	<ul style="list-style-type: none"> • The sales for automotive equipment use are expected to recover, particularly in developing countries. • As for household use equipment, the price competition is expected to be heated up.
<p>Optical & Precision Instruments Market</p>	<ul style="list-style-type: none"> • The market conditions for Ink-jet Printers, Digital Cameras and PC drives have been on the road to recover, however the price competition is continuously expected to be heated up.
<p>Home Appliances, Power Tools, Toys & Hobbies Market</p>	<ul style="list-style-type: none"> • The market for Power Tools has been in a slump due to the sluggish demand in developed countries. • Sales for Health-related Equipment are expected to recover in the second half year.

Forecast of sales of the whole fiscal year (consolidated)

	First half of the 2009 fiscal year		Second half of the 2009 fiscal year		Forecast of performance of the whole 2009 fiscal year		
	Result	Year-to-year comparison	Forecast	Year-to-year comparison	Forecast	Year-to-year comparison	Progress
Quantity	528 million pcs	61.5%	671 million pcs	85.5%	1.2 billion pcs	73.0%	101.7%
Amount	29.1 billion yen	60.2%	36.8 billion yen	83.5%	66 billion yen	71.3%	101.5%

Second half Projected Rate US\$1.00 = ¥ 90
 Average Unit Price: ¥56.28/2008 ⇒ 55.00/2009 (-2.3%)



Breakdown of Sales Total

2009 Sales Projection (for Each Quarter)

	pcs ¥	Results		Projection		
		1Q	2Q	3Q	4Q	FY
Automotive Products Market	Quantity	74 .1million	95.4 million	105.6 million	107.7 million	383 million
	Amount	4.9 billion	7.1 billion	8 billion	7.9 billion	28 billion
Audio & Visual Equipment Market	Quantity	55.9 million	84.4 million	108 million	85.5 million	334 million
	Amount	1.6 billion	2.6 billion	3.3 billion	2.6 billion	10.2 billion
Optical & Precision Instruments Market	Quantity	43.4 million	60.3 million	71.4 million	59.8 million	235.1 million
	Amount	2.1 billion	3.2 billion	3.7 billion	3 billion	12.2 billion
Home Appliances, Power Tools, Toys & Hobbies Market	Quantity	53.9 million	60.8 million	72.7 million	60.1 million	247.7 million
	Amount	3.4 billion	3.8 billion	4.5 billion	3.6 billion	15.4 billion
Total	Quantity	227.4 million	301.1 million	358 million	313.3 million	1.2 billion
	Amount	12.2billion	16.8 billion	19.6 billion	17.2 billion	66 billion
Quarterly results or projection/ Full year projection	Quantity	19.0%	25.1%	29.8%	26.1%	100.0%
	Amount	18.5%	25.6%	29.7%	26.2%	100.0%

1

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Situation and Contents of the activities to be focused on 2009

**Efforts on the “immediate earnings recovery activity”
and the “Structural improvement”**

1st half of 2009

Main tasks

Outline of the progress situation of main measures

**1. Activities
towards the
immediate
earnings
recovery**

- The company-wide "immediate earnings recovery activity" has been progressing as planned.
- The effects of measures for the manning adjustment of direct workers, the reduction of production costs and the reduction of SG&A of production bases have been appearing steadily.
- The cash flow has been improving through the reexamination of cost factors and the careful investment selection.

**2. Promotion of
the growth
strategy**

- Launching of the new model motors has been progressing as planned.
- A Japanese auto manufacture has decided to use one of our existing motor models for the power window application on its 2011 year universal vehicle model.
- An European seat manufacture has decided to use our latest motor model for the power seat application.

**3. Strengthening
of the
production
foundations**

- The new production base has been setting up aiming at securing labor force stably, establishing the smaller and agile production system and utilizing know-how accumulated in our Guangdong factories.
- The productivity of our strategic production bases in Jiangsu and Da-nang has been improving.

The progress situation of "activities toward the immediate earnings recovery"

1st half of 2009

~ Cost reduction activity has been progressing at the pace slightly faster than expected ~

Main efforts and achievements

Activities toward the immediate earnings recovery

- Launching the company-wide "immediate earnings recovery" organization
- Head Office SG&A reduction (target: 10% reduction YoY) activity has been progressing at the pace faster than expected.

Manning adjustment of direct workers of production bases

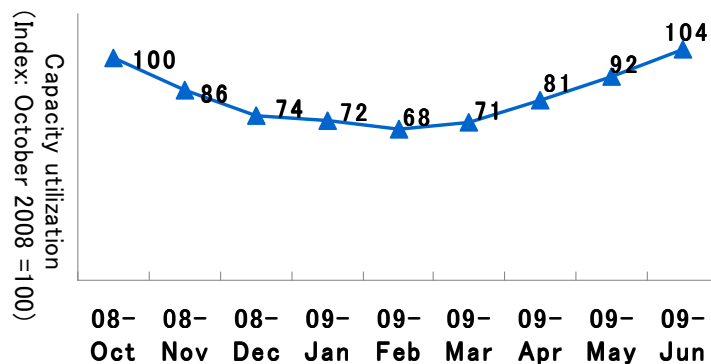
- The labor cost reduction effect has been appearing faster than expected by drastically reexamining the factory operation style.

Production cost reduction activity

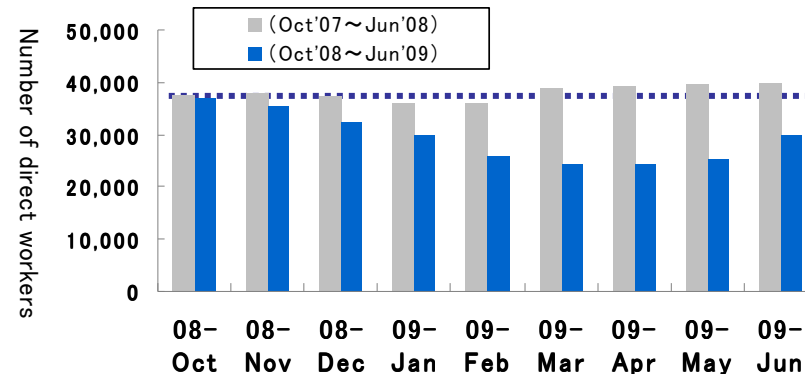
- Profitability of Da-nang plant has been improving owing to the manufacturing economy of scale and the yield percentage improvement.
- The bottlenecks in the Power window motor production process were eliminated.
- The costs were reduced through placing strict controls on the amount used of consumable supplies and material.

The capacity utilization and number of workers of plants

The transition of the capacity utilization of plants



The transition of the number of direct workers of plants



The progress situation of "Promotion of the growth strategy"

1st half of 2009

~The automotive models which use our motors have been expanding~

Main efforts and achievements

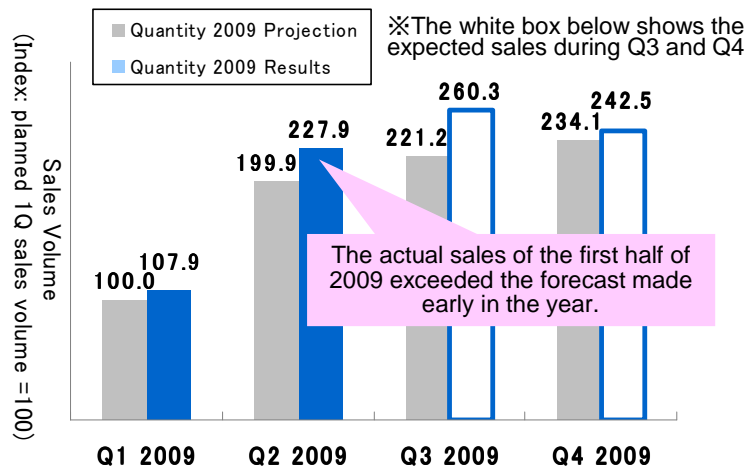
For Power Window Lifter

- A Japanese auto manufacture has decided to use one of our existing motor models for the power window application on its 2011 year universal vehicle model.
- Chinese, Brazilian and Iranian market is showing signs of recovery more than expected.
- The automotive aftermarket in U.S. has been running in high gear.

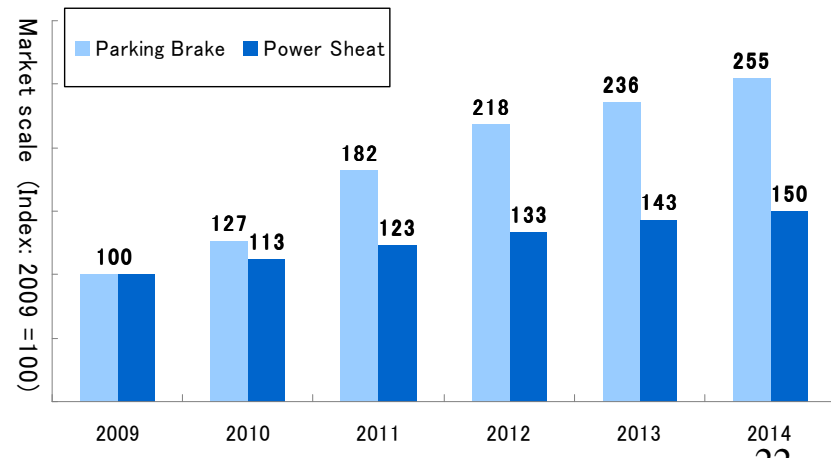
For Power Seat and other applications

- An European seat manufacture has decided to use our latest motor model for the Power Seat application.
- The automotive models which use our motors for the Parking Brake application have been expanding and it is on a growth path.
- The market share of motors for the Head Light Beam Level Adjuster application is showing signs of expansion.

The sales situation of motors for Power Window Lifter



the growing market in which sales expansion is aimed at:



The progress situation of “Strengthening of the production foundations”

1st half of 2009

~The new production base has been setting up in Jiangxi, China~

Main efforts and achievements

Establishment of optimum production system in production bases and production lines

Improvement of productivity of existing production bases

- The new production base has been setting up in Yingtan, Jiangxi, China as part of re-organization of production bases.
- The second phase of plant construction in Da-nang plant completed.
- The production efficiency of motors for the Power Window Lifter application has been increasing with the assistance of the “Production Engineering Innovation Center”
- Expansion of the plated shaft production plant aiming at the start-to-finish production of the plated shaft has been started.



Production is scheduled to start in spring 2010

Yingtan, Jiangxi, China

- About 950km away from Guangdong
- Manning and production plan:

About 1000 people
100M units per year
(for 2012 year)

The plated shaft production plant



At Dongguan, Guangdong, China
The imaginary picture

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