

Results briefing of the 2009 fiscal year

February 12, 2010

Mabuchi Motor Co., Ltd.
(Tokyo Stock Exchange Code 6592)



1

**General overview of Performances for
2009 fiscal year**

2

2009 Operational Results

3

2010 Operational Results Outlook

4

Future Efforts

General overview of Performances for 2009 fiscal year

Sales

The sales reduced 24% compared with the sales of the previous year due to the fall in global market demands as well as the effects of sharp hike in the yen. However, since the middle of this year, the sales recovered owing to the economic stimulus plans by governments and the increase of demands in developing countries. Thus, the sales resulted in 70,300 Million yen, exceeding the beginning-of-the-year plan by 8%.

Operating profits

Though the result was the lower earnings on lower sales compared with the previous year, 3,000 Million yen operating profits were gained as a result of the quickly-recovered performance since the third quarter (1,500 Million operating loss was expected at the beginning of the year). The recovery was partly brought about by the company-wide profit recovering activities challenged throughout the year.

1

General overview of Performances for
2009 fiscal year

2

2009 Operational Results

3

2010 Operational Results Outlook

4

Future Efforts

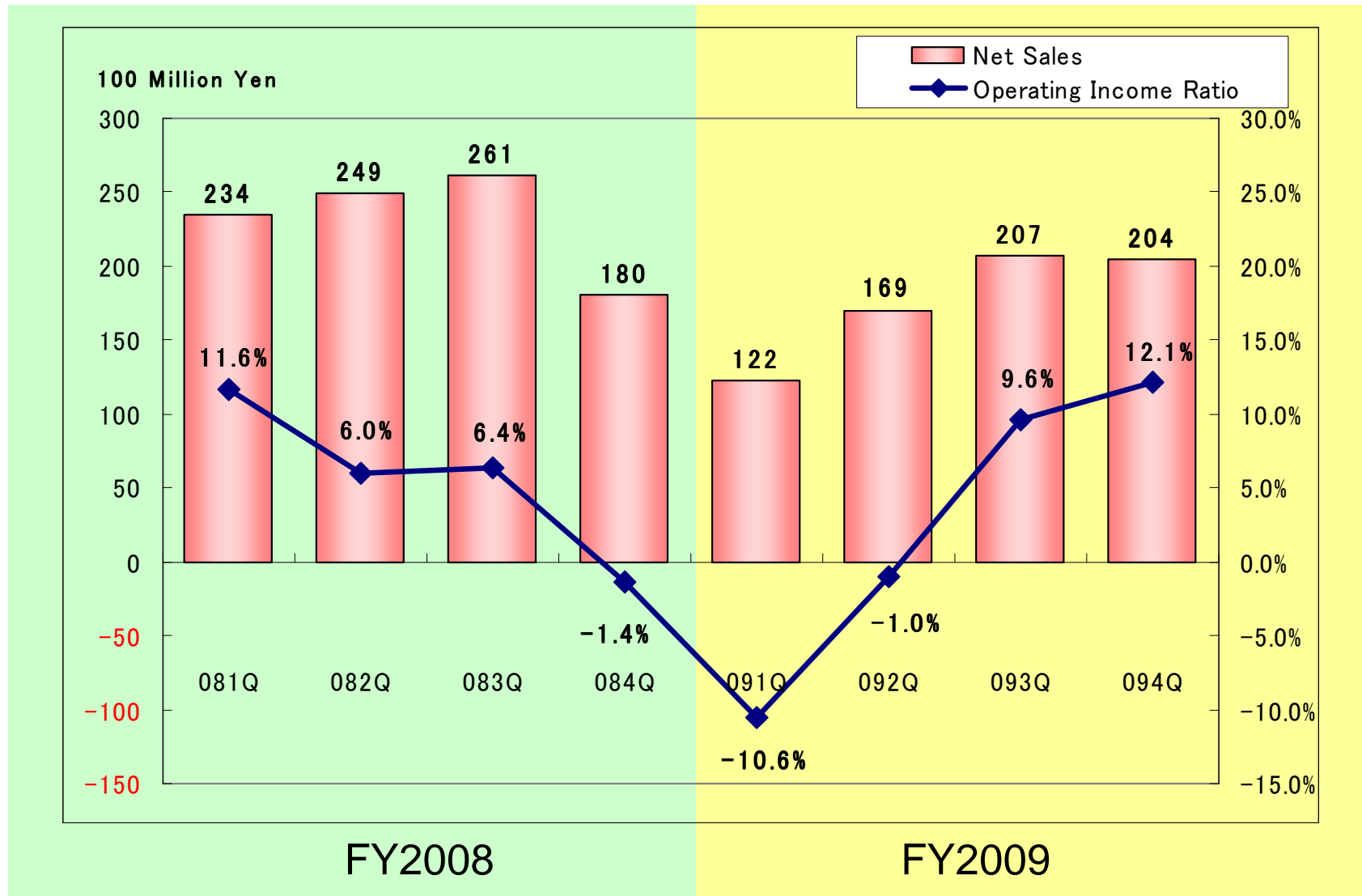
2009 Consolidated Operational Results

Unit: 100 million yen

	2008 Result	2009 Result	Result Percentage Change from 2008	2009 FY Projection (Nov. 2, 2009)	Projected Result Percentage Change from 2009
Net Sales	926(100%)	703(100%)	▲24.0%	690(100%)	2.0%
Gross Profit	238(25.7%)	185(26.4%)	▲22.0%	172(24.9%)	7.9%
Operating Income	56(6.1%)	30(4.3%)	▲46.6%	15(2.2%)	101.3%
Ordinary Income	78(8.5%)	54(7.7%)	▲31.1%	34(4.9%)	59.5%
Net Income	35(3.9%)	54(7.7%)	52.9%	53(7.7%)	2.8%
Average Rate during Period	¥103.46	¥93.57	First-half Actual Rate	¥95.47	
Year-end Rate	¥91.03	¥92.10	Second-half Projected Rate	¥90.00	

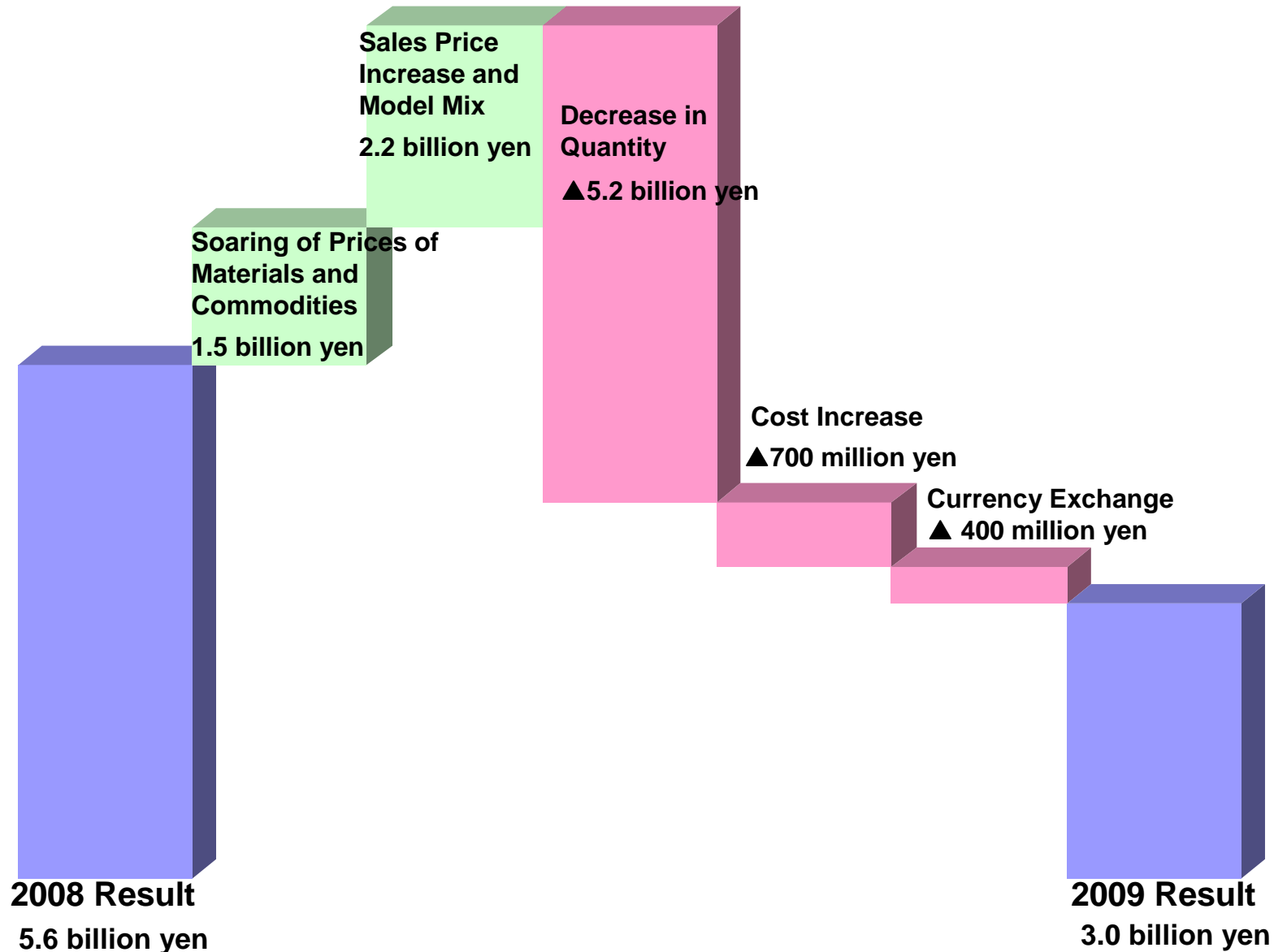
Sales and Operating profits by quarter

The performance was steadily recovered quarter by quarter.



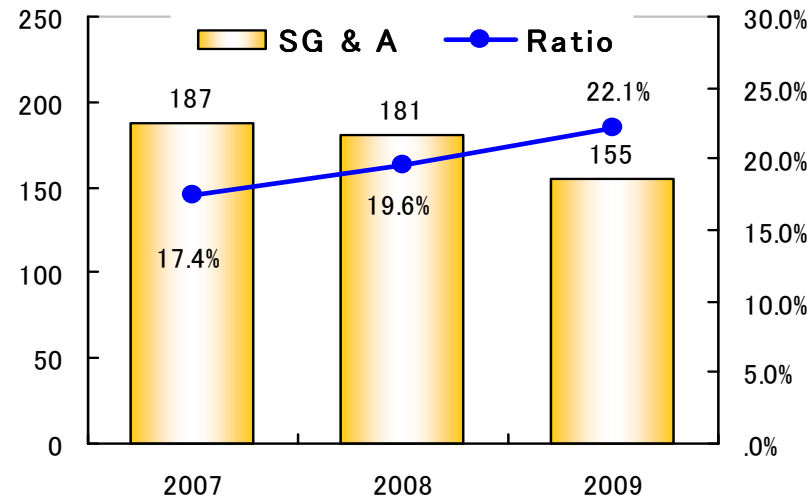
2009 Consolidated Operational Results

Analysis on Factors for Increase/Decrease of Operating Income

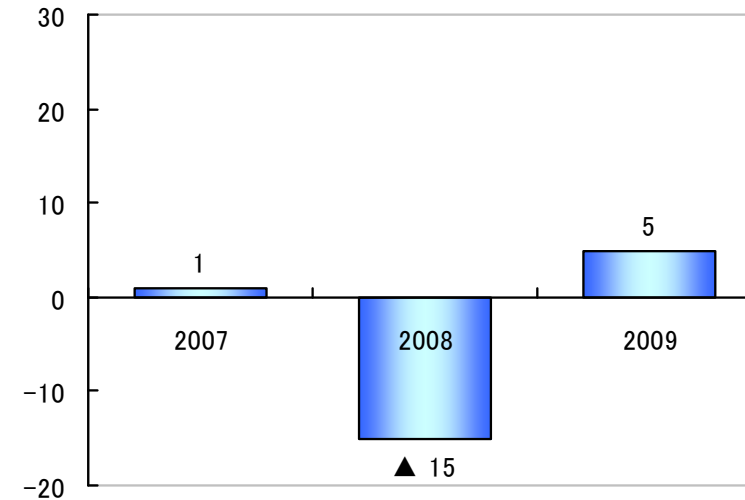


Factors Affected 2009 Consolidated Operational Results

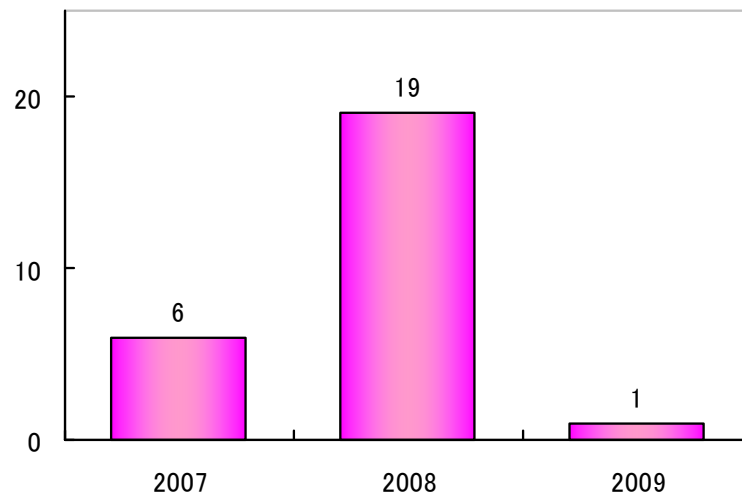
1. Selling, General and Administrative Expenses (100 million yen)



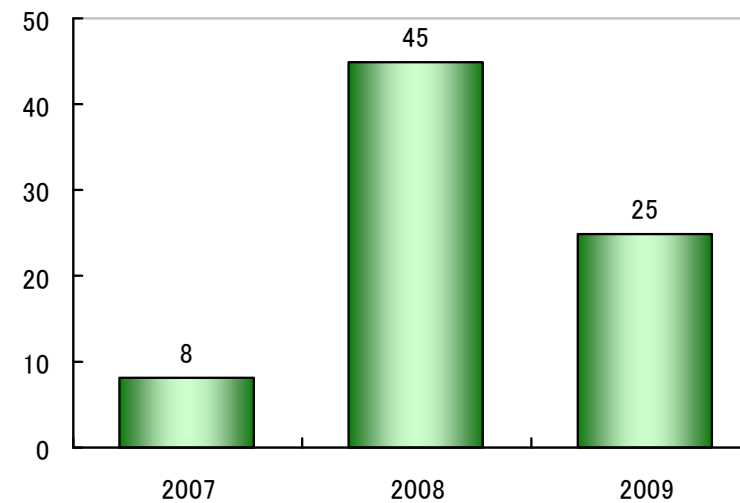
2. Foreign Exchange Gains/Losses (100 million yen)



3. Extraordinary Gains (100 million yen)



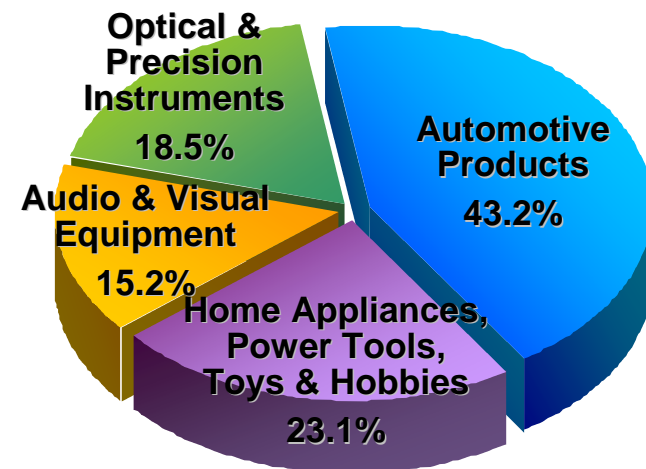
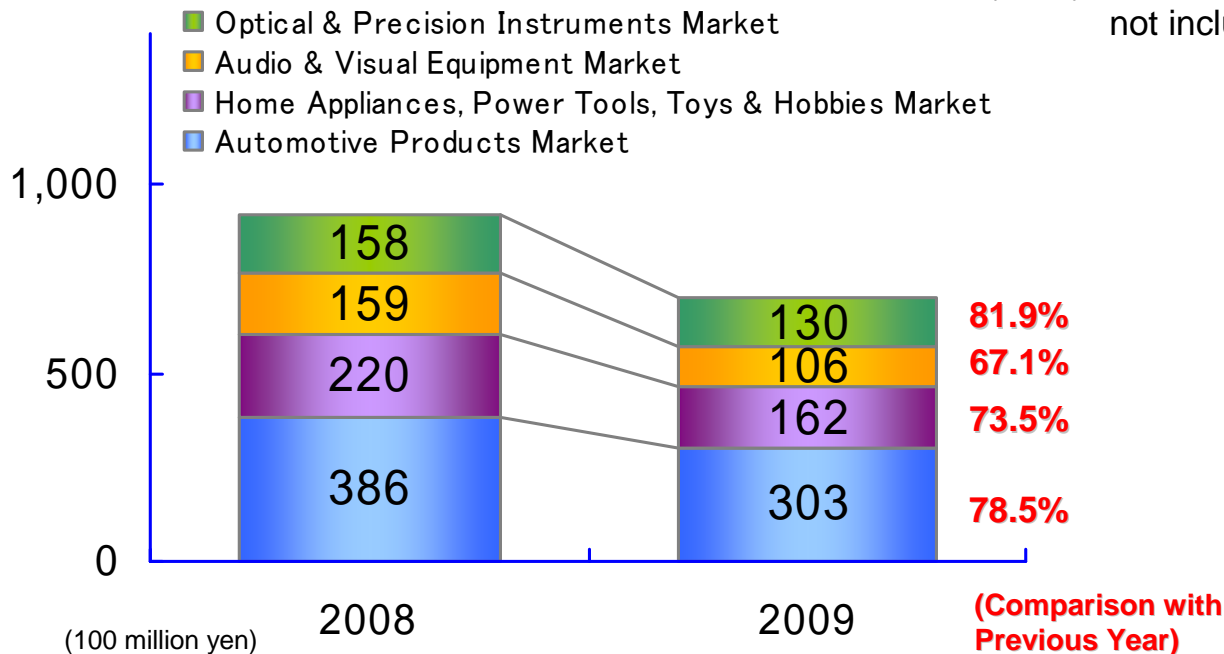
4. Extraordinary Loss (100 million yen)



2009 Actual Sales

	2008	2009 Projection (Nov. 2, 2009)	2009 Result	Comparison with Previous Year	Comparison with Projection
Quantity	1.64 billion pcs	1.26 billion pcs	1.27 billion pcs	77.3%	100.9%
Amount	92.5 billion yen (Average rate during period: ¥103.46)	69.0 billion yen	70.2 billion yen (Average rate during period: ¥93.57)	76.0%	101.9%
Average Unit Price	¥56.28		¥55.29		

(Note) The result represents actual motor sales. (The sales do not include sales of parts and equipment.)

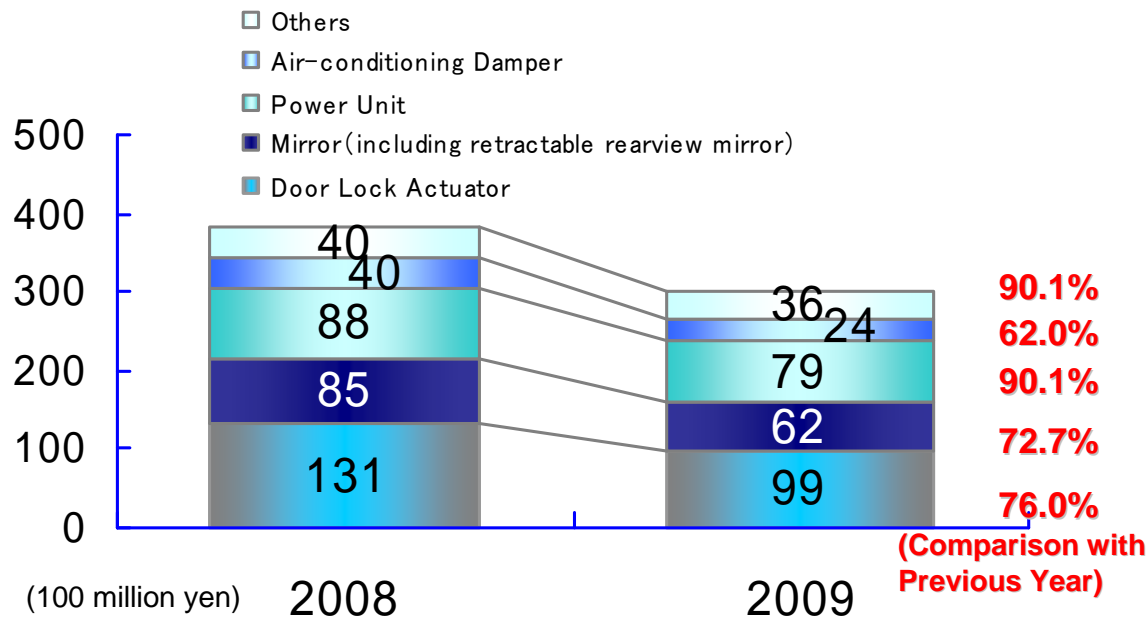


Breakdown of Sales Total

2009 Actual Sales by Market

【Automotive Products Market】

	2008	2009 Projection (Nov. 2, 2009)	2009 Result	Comparison with Previous Year	Comparison with Projection
Quantity	524 million pcs	414 million pcs	418 million pcs	79.8%	100.8%
Amount	38.6 billion yen	29.8 billion yen	30.3 billion yen	78.5%	101.7%
Average Unit Price	¥73.70		¥72.58		

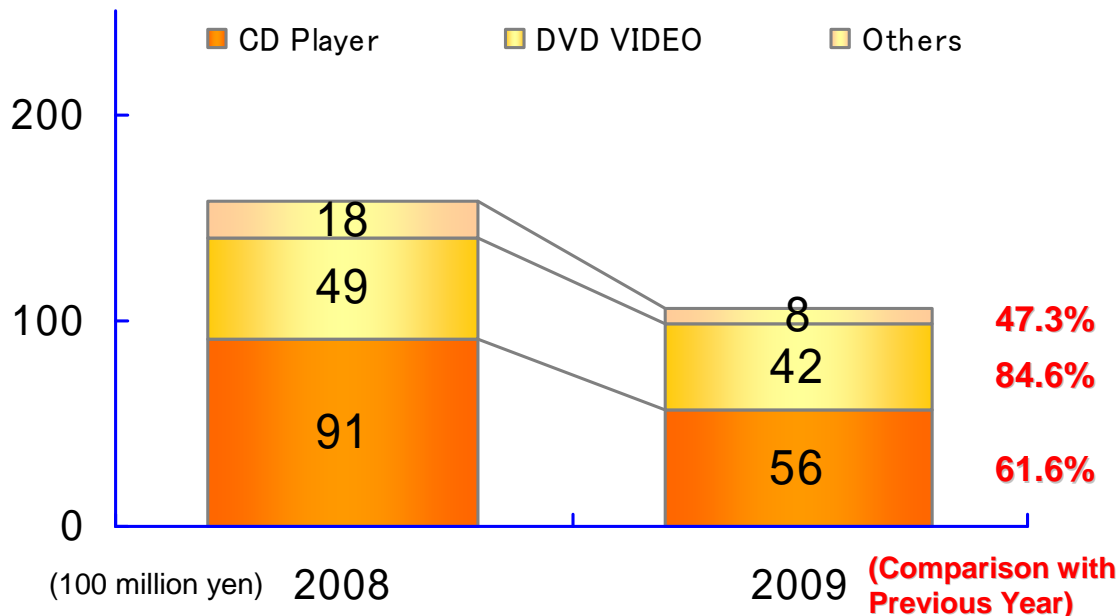


- Since 3Q, sales of motors for the automotive products market has been improved due to subsidy policies by the governments to stimulate purchases.
- Sales of motors for power window lifters were favorable regarding small-sized vehicles and increased in developing countries.
- For new applications, sales of motors for power seats and power parking brakes remained steady.

2009 Actual Sales by Market

【Audio & Visual Equipment Market】

	2008	2009 Projection (Nov. 2, 2009)	2009 Result	Comparison with Previous Year	Comparison with Projection
Quantity	470 million pcs	342 million pcs	344 million pcs	73.2%	100.5%
Amount	15.9 billion yen	10.5 billion yen	10.6 billion yen	67.1%	101.3%
Average Unit Price	¥33.84		¥31.03		

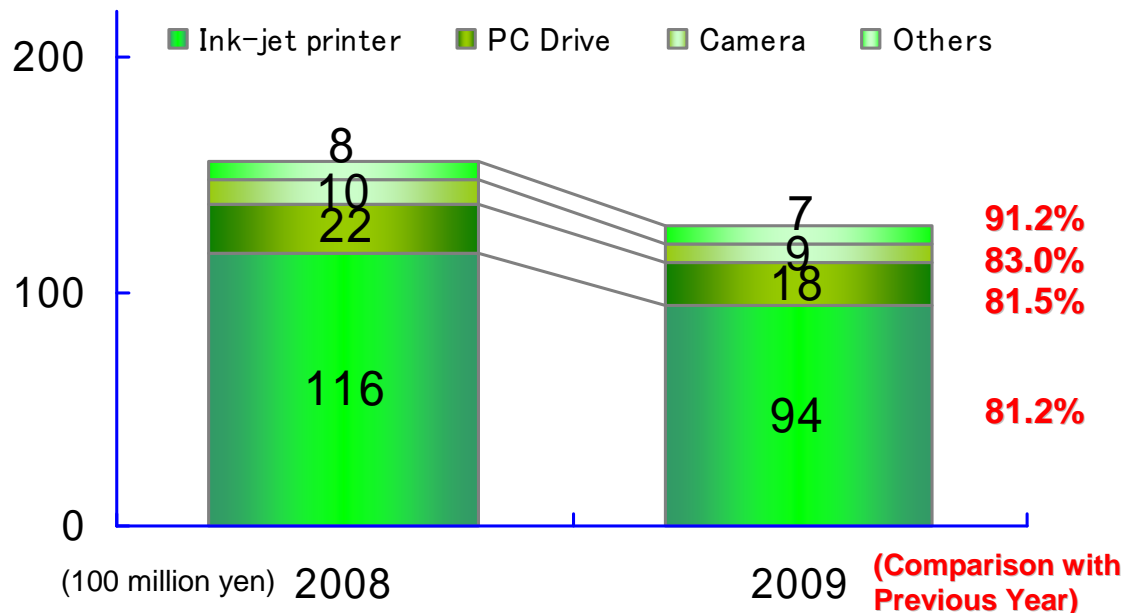


- The sales have improved since 2Q as a result of demand increase in developing countries.
- The sales of motors for DVD players were on a track of recovery mainly in developing countries.
- The sales of motors for CD players significantly decreased since most of the motors are for in-car CD players; the sales were directly affected by vehicle production adjustments.
- For Others, the demands for motors for game consoles were weak.

2009 Actual Sales by Market

【Optical & Precision Instruments Market】

	2008	2009 Projection (Nov. 2, 2009)	2009 Result	Comparison with Previous Year	Comparison with Projection
Quantity	306 million pcs	243 million pcs	247 million pcs	80.8%	101.5%
Amount	15.8 billion yen	12.6 billion yen	13.0 billion yen	81.9%	102.7%
Average Unit Price	¥51.90		¥52.63		

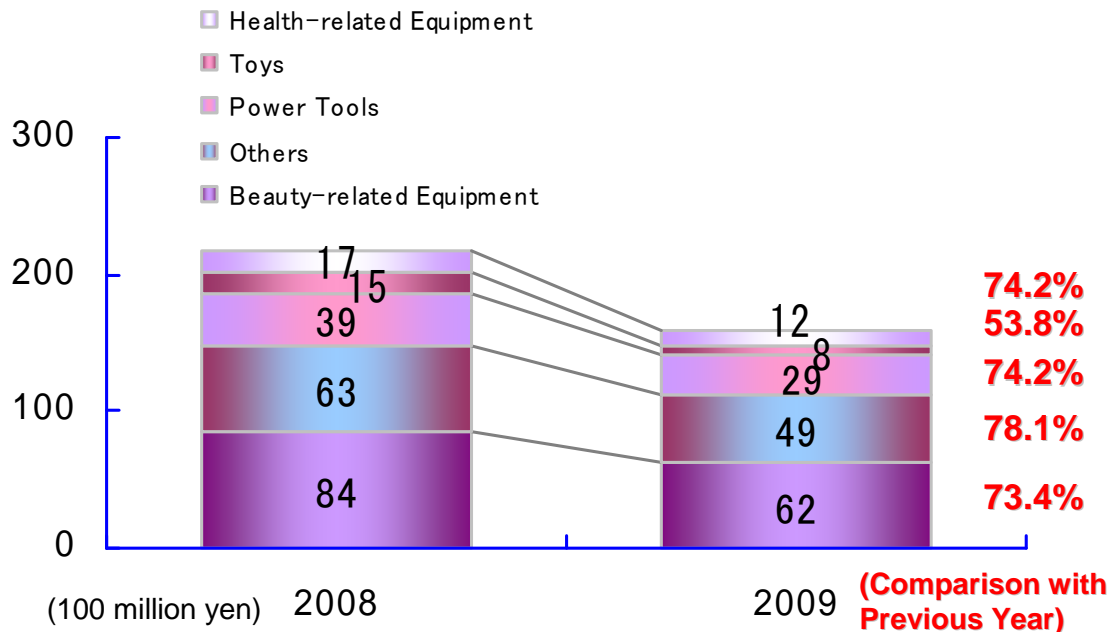


- With the increase of personal computer shipments accompanied with the release of Windows7, the sales of motors for PC drives and printers improved in the latter half of the year.
- For the sales of motors for ink-jet printers, sales of encoder-equipped motors increased.
- Market share of motors for cameras increased by winning new customers.

2009 Actual Sales by Market

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

	2008	2009 Projection (Nov. 2, 2009)	2009 Result	Comparison with Previous Year	Comparison with Projection
Quantity	343 million pcs	259 million pcs	261 million pcs	76.2%	100.9%
Amount	22.0 billion yen	15.9 billion yen	16.2 billion yen	73.5%	101.9%
Average Unit Price	¥64.33		¥62.08		



- Markets in developed countries, where there are many major customers, showed mild recoveries.
- For motors for beauty-related equipment, price competition became more severe concerning motors for driers. For motors for shavers, demands of motors for vibro-shavers were weak.
- The sales of motors for power tools decreased being affected by slumping housing construction in developed countries.

1

General overview of Performances for
2009 fiscal year

2

2009 Operational Results

3

2010 Operational Results Outlook

4

Future Efforts

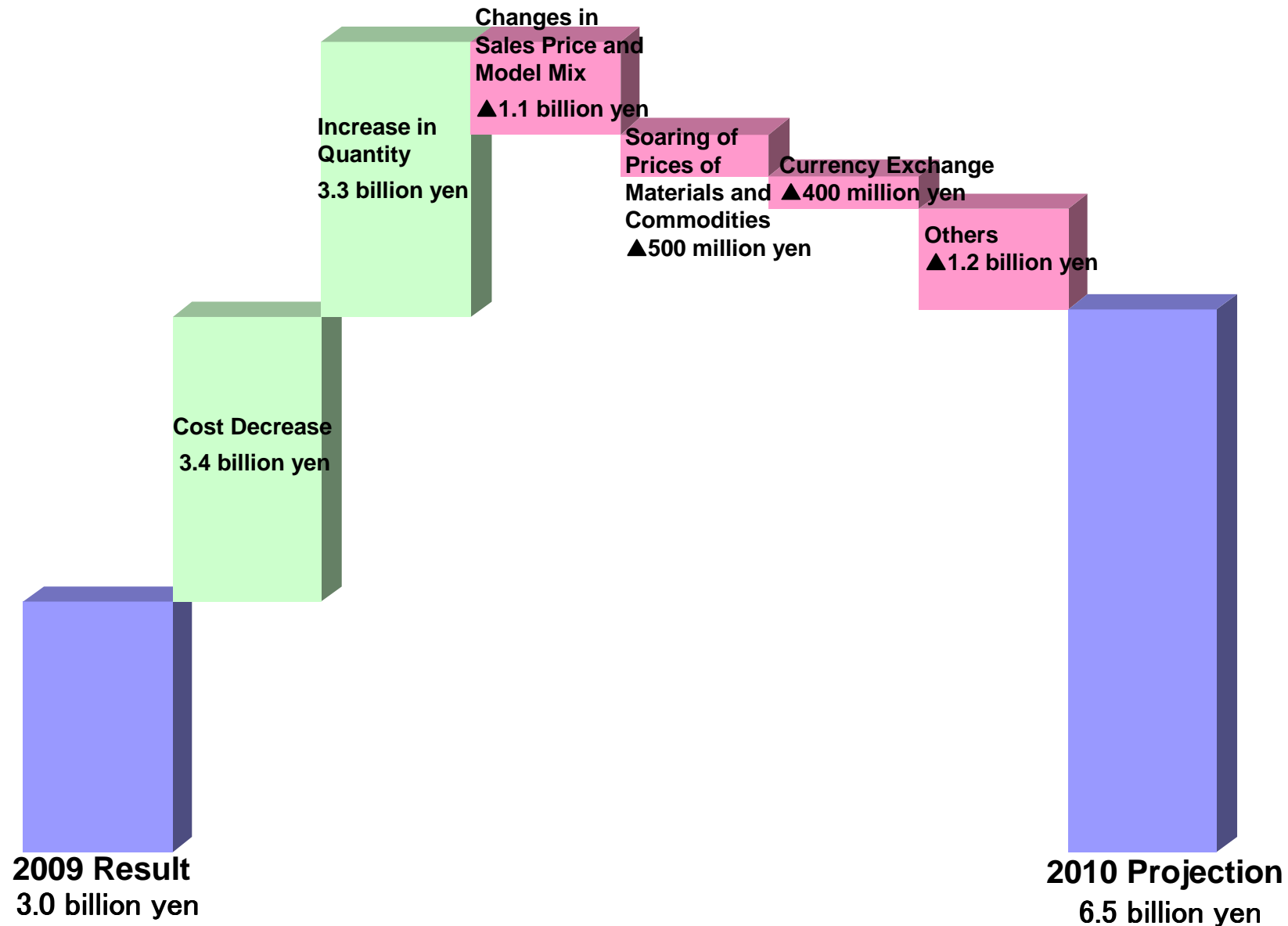
2010 Consolidated Operational Results Outlook

Unit: 100 million yen

	2009 Result	2010 Projection	Result Percentage Change from 2009
Net Sales	703(100%)	810(100%)	15.1%
Gross Profit	185(26.4%)	220(27.2%)	18.5%
Operating Income	30(4.3%)	65(8.0%)	115.3%
Ordinary Income	54(7.7%)	77(9.5%)	41.9%
Net Income	54(7.7%)	57(7.0%)	4.6%
Average Rate during Period	¥93.57	Projected Rate	¥87.00
Year-end Rate	¥92.10		

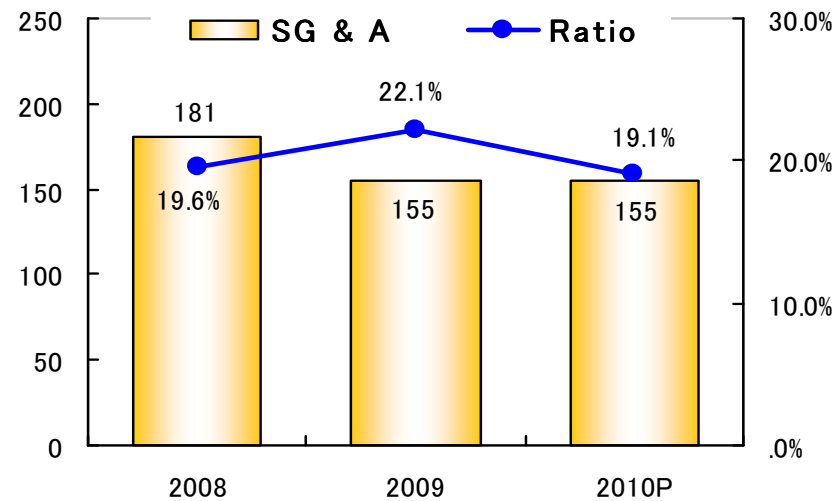
2010 Consolidated Operational Results Outlook

Analysis on Factors for Increase/Decrease of Operating Income

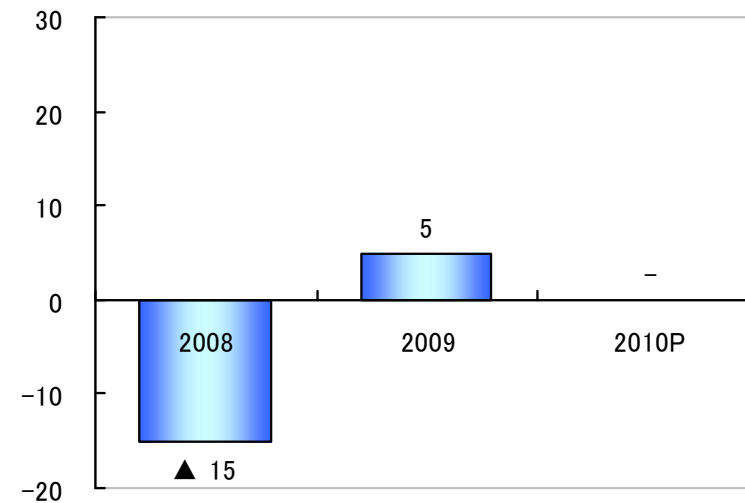


Factors to Affect 2010 Consolidated Operational Results Outlook

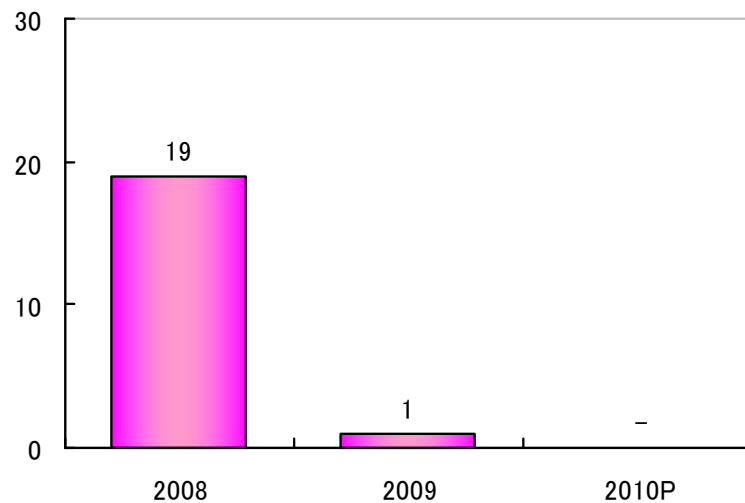
1. Selling, General and Administrative Expenses (100 million yen)



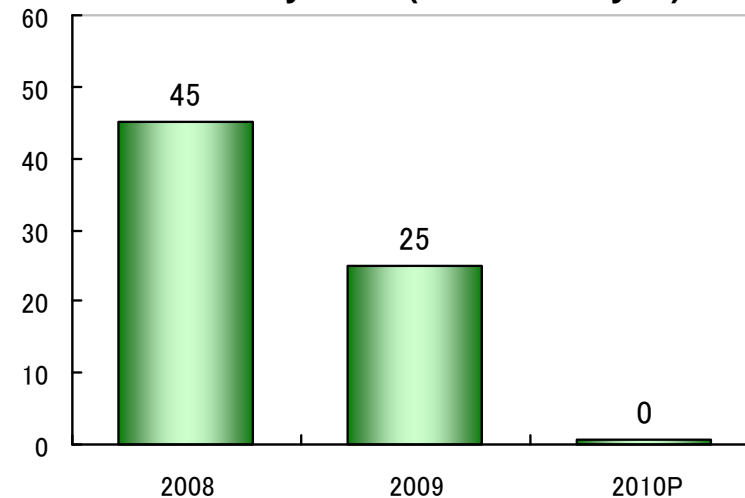
2. Foreign Exchange Gains/Losses (100 million yen)



3. Extraordinary Gains (100 million yen)



3. Extraordinary Loss (100 million yen)



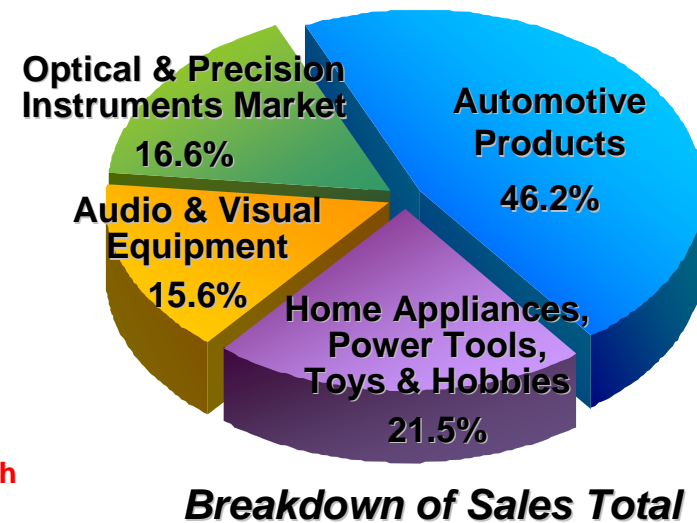
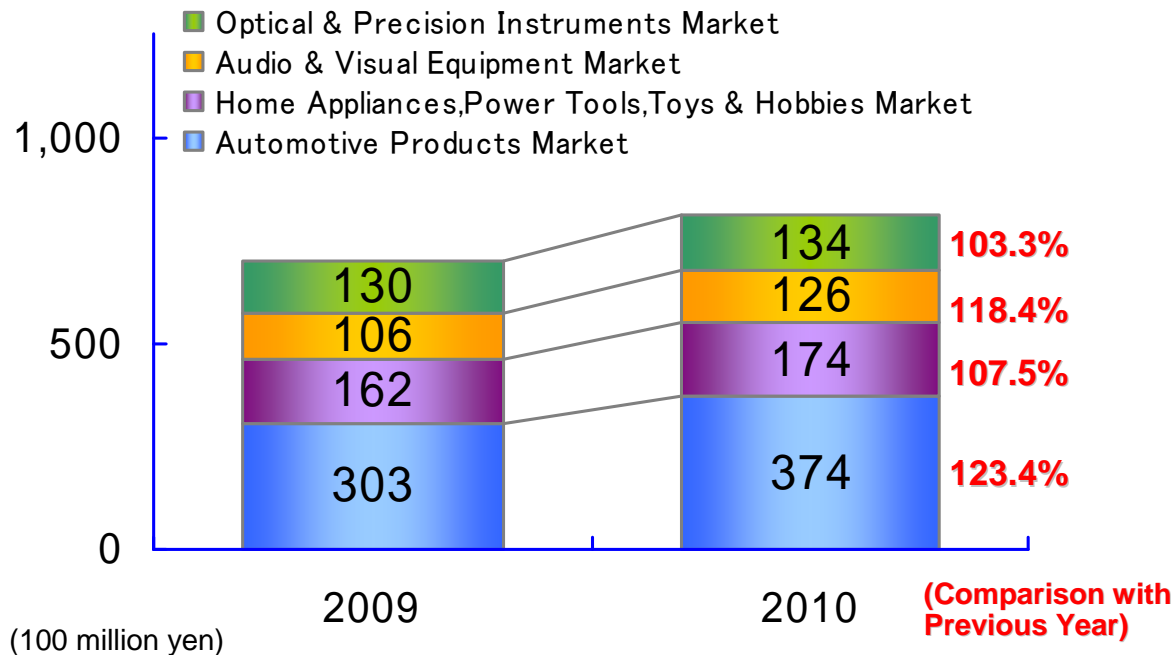
2010 Market Environment Recognition

<h2>Outlook</h2>	<ul style="list-style-type: none"> • The global economy is likely to continuously on a mild recovery trend as a whole. • Difference is likely to become apparent between developed countries with uncertain consumption recoveries and developing countries with strong growths.
<h2>Automotive Products Market</h2>	<ul style="list-style-type: none"> • Demands in developed countries are likely to be uncertain. • Overall, production quantity is likely to increase due to booming demands in developing countries.
<h2>Audio & Visual Equipment Market</h2>	<ul style="list-style-type: none"> • The sales of motors for in-car audio and visual equipment are likely to increase mainly in developing countries. • For motors for household audio and visual equipment, price decline is likely to pause and the supply capacity is likely to be emphasized.
<h2>Optical & Precision Instruments Market</h2>	<ul style="list-style-type: none"> • Due to continued effect of the release of Windows7, sales of motors in markets of PC drives, printers and digital cameras, which are categorized as peripheral devices, are likely to be steady.
<h2>Home Appliances, Power Tools, Toys & Hobbies Market</h2>	<ul style="list-style-type: none"> • In developed countries, a recovery trend in demand is likely to continue mildly. • In developing countries, value-engineered products are likely to spread further, and price competition is likely to become more severe.

2010 Sales Projection

	2009 Result	Comparison with Previous Year	2010 Projection	Comparison with Previous Year
Quantity	1.27 billion pcs	77.3%	1.53 billion pcs	121.1%
Amount	70.2 billion yen (Average rate during period: ¥93.57)	76.0%	81.0 billion yen (Average rate during period: ¥87.00)	115.3%
Average Unit Price	¥55.29		¥52.63	

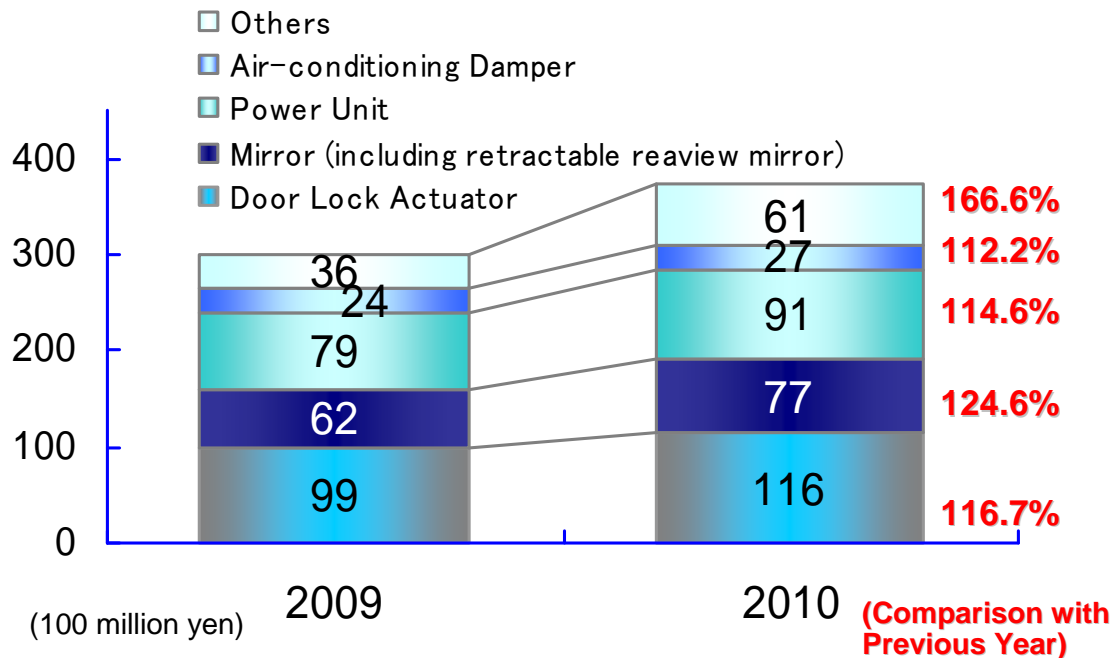
*Reference value:
Equivalent to
¥85.5 billion
(should the average
rate of ¥93.57, same as
2009, applied)



Sales Projection by Market

【Automotive Products Market】

	2009 Result	Comparison with Previous Year	2010 Projection	Comparison with Previous Year
Quantity	418 million pcs	79.8%	530 million pcs	126.8%
Amount	30.3 billion yen	78.5%	37.4 billion yen	123.4%
Average Unit Price	¥72.58		¥70.63	
Average Rate during period	¥93.57		¥87.00	

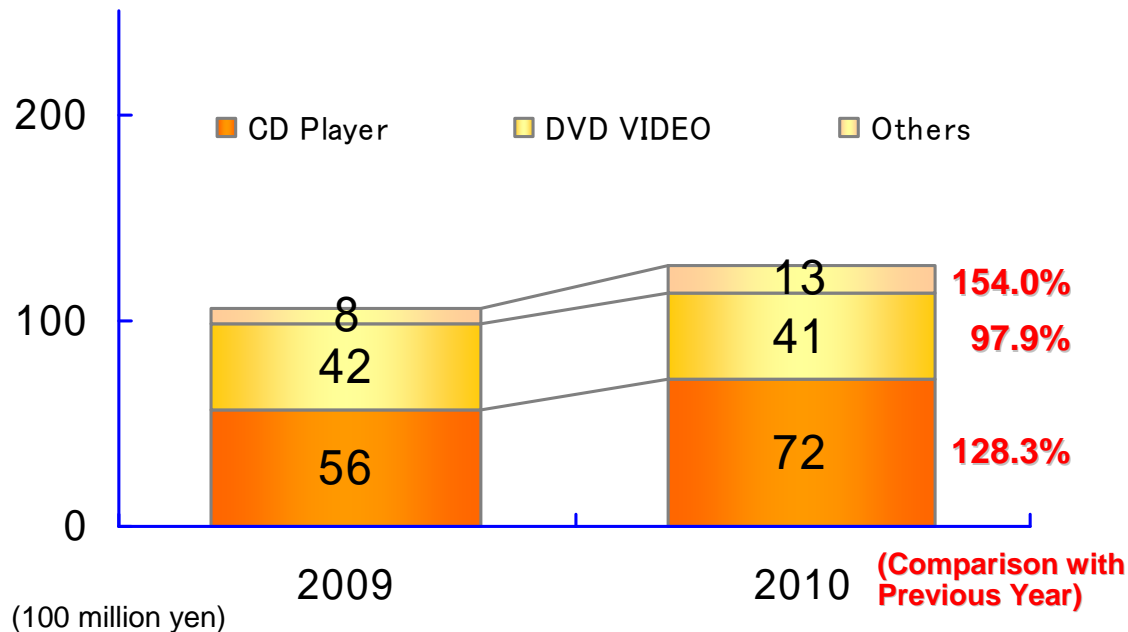


- The sales of motors for mirrors are likely to significantly increase because the distribution inventory is expected to run short.
- The sales of motors for power units are likely to continuously grow due to market expansion in developing countries.
- For Others, the sales of motors for power seats are likely to significantly increase due to the favorable launching.

Sales Projection by Market

【Audio & Visual Equipment Market】

	2009 Result	Comparison with Previous Year	2010 Projection	Comparison with Previous Year
Quantity	344 million pcs	73.2%	441 million pcs	128.4%
Amount	10.6 billion yen	67.1%	12.6 billion yen	118.4%
Average Unit Price	¥31.03		¥28.61	
Average Rate during period	¥93.57		¥87.00	

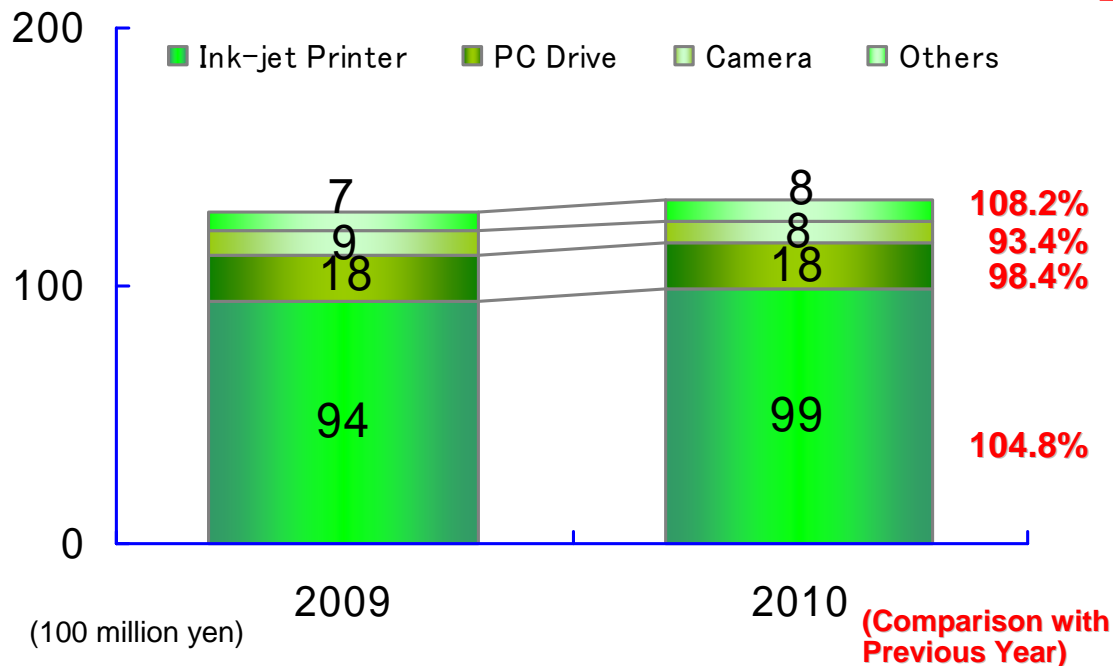


- The sales of motors for in-car CD players are likely to significantly increase because the distribution inventory is expected to run short.
- The sales of motors for DVD players are likely to remain unchanged because the market seems to be saturated.
- For Others, the sales of motors for game consoles are likely to increase because orders for a new application are expected.

Sales Projection by Market

【Optical & Precision Instruments Market】

	2009 Result	Comparison with Previous Year	2010 Projection	Comparison with Previous Year
Quantity	247 million pcs	80.8%	267 million pcs	108.2%
Amount	13.0 billion yen	81.9%	13.4 billion yen	103.3%
Average Unit Price	¥52.63		¥50.24	
Average Rate during period	¥93.57		¥87.00	

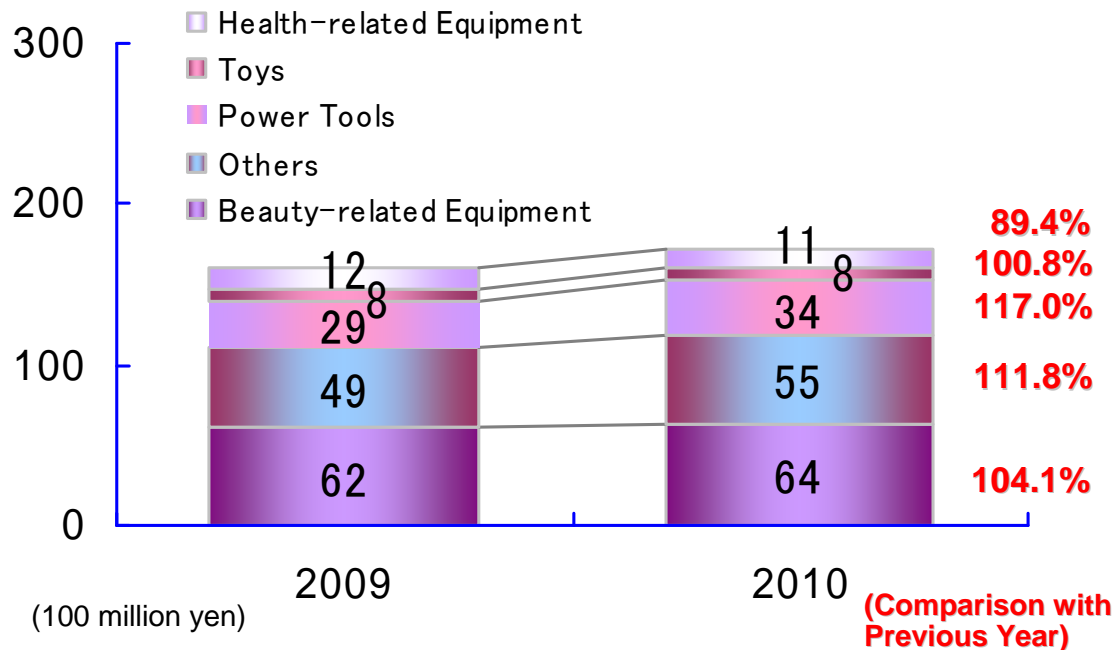


- The sales of motors for ink-jet printers are likely to increase due to the recovery trend in market conditions.
- For the sales of motors for PC drives, sales quantity is likely to increase due to the expansion of our market share.
- The sales of motors for digital cameras are likely to slightly decrease due to the discontinuance of production of a model in which Mabuchi's motor is used.

Projection by Market

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

	2009 Result	Comparison with Previous Year	2010 Projection	Comparison with Previous Year
Quantity	261 million pcs	76.2%	298 million pcs	114.3%
Amount	16.2 billion yen	73.5%	17.4 billion yen	107.5%
Average Unit Price	¥62.08		¥58.35	
Average Rate during period	¥93.57		¥87.00	



- The sales of motors in beauty-related equipment market are likely to increase because the sales of the motors for middle- and high-class shavers are expected to increase in developing countries. In the sales increase, orders for a new application therefor are included.
- The sales of motors for power tools are likely to increase due to the demand recovery trend in developed countries.

2010 Sales Projection (for Each Quarter)

	pcs	1Q	2Q	3Q	4Q	FY
	¥					
Automotive Products Market	Quantity	128.0 million	129.0 million	136.0 million	135.0 million	530.0 million
	Amount	8.8 billion	9.2 billion	9.5 billion	9.7 billion	37.4 billion
Audio & Visual Equipment Market	Quantity	99.0 million	107.0 million	122.0 million	112.0 million	441.0 million
	Amount	2.9 billion	3.1 billion	3.3 billion	3.2 billion	12.6 billion
Optical & Precision Instruments Market	Quantity	64.0 million	67.0 million	74.0 million	62.0 million	267.0 million
	Amount	3.3 billion	3.3 billion	3.6 billion	3.1 billion	13.4 billion
Home Appliances, Power Tools, Toys & Hobbies Market	Quantity	70.0 million	78.0 million	83.0 million	66.0 million	298.0 million
	Amount	4.1 billion	4.5 billion	4.9 billion	3.8 billion	17.4 billion
Total	Quantity	362.0 million	383.0 million	417.0 million	377.0 million	1.53 billion
	Amount	19.2billion	20.3 billion	21.6 billion	19.9 billion	81.0 billion
Quarterly results or projection/ Full year projection	Quantity	23.5%	24.9%	27.1%	24.5%	100.0%
	Amount	23.7%	25.1%	26.7%	24.6%	100.0%

1

**General overview of Performances for
2009 fiscal year**

2

2009 Operational Results

3

2010 Operational Results Outlook

4

Future Efforts

Establishing new axis of growth and optimizing operating cost based on the business environment

~building new steppingstones for new growth~

Cost Optimization and Strategic investment

- FY2009” urgent profitability improvement activities” : outcomes exceeding our expectation
⇒Achieved cost reduction more than 10% in SG&A
- In FY2010, organizing strategic budget management team for significant growth

Driving growth strategy

- Continuously focusing on and further driving growth strategy in the automotive products market
- Enhancing benchmarking activities
⇒Examine the technology portfolio of Mabuchi and select the degree of technology evolution appropriate for Mabuchi

Enhancing production bases

- FY2009: Manufacturing cost (direct labor force cost) reduction activities exceeding our expectation
⇒productivity per worker increases dramatically
- In FY2010, focusing on reducing the scale of indirect sections of production bases

Accelerating restructure of production bases

- Non-renewal of the materials processing contract for Guangdong Factory No.2
- Accelerating production transfer to existing Guangdong factories and Danang Mabuchi
- Executing steady production redistribution toward China:Vietnam=6:4

Optimizing operating cost based on the business environment and building new steppingstones for new growth

~For demand recovery, executing actions for future growth~

Actions in FY 2009		Outcomes
<p>Outcomes from urgent profitability improvement activities</p>	<ul style="list-style-type: none"> Achieved cost reduction more than 10% in SG&A Outcomes of fix cost reduction as planned 	<p>Outcomes of Cost Reduction</p> <p>Manufacturing cost ¥ 8,200mil. SG&A ¥ 2,600mil. Total Cost Reduction ¥ 10,800mill (YOY 2008/2009)</p>

Paradigm shift to “strategic budgeting management” for significant growth from urgent “profitability improvement activities”

Actions in FY 2010		Objectives
<p>Promoting strategic budgeting management</p>	<ul style="list-style-type: none"> Forming the strategic budget management team Distributing budget based on the strategy Examining cost/benefit viewpoints for all budget items 	<ul style="list-style-type: none"> Clarifying ROI for strategic investments Keeping consistency between Mabuchi corporate policies and budgets Eliminating wasteful budgets

Activities to be focused on in 2010

Increasing the share in strategic market and selecting the degree of technology evolution appropriate for Mabuchi for existing technology

~Focusing on strategic markets for power windows/power seats and enhancing benchmarking activities~

Continuously focusing on automotive use

- For power windows: increasing sales in developed countries and in newly developing countries for their local markets
- For power seats: obtained sales order for European luxury automobile companies
- Adjusting to new management environment: understanding and enhancing the products for newly developing countries for their local markets. Focusing on products for aftermarket

Enhancing benchmarking activities

- In January 2010, starting up the benchmarking section
(Organizational strengthening by changing the benchmarking bases from "application" base to "company-wide" base)

- Selecting the degree of technology evolution appropriate for Mabuchi for existing technology
- Knowing technology gaps between Mabuchi and competitors

Power window sales and sales volume

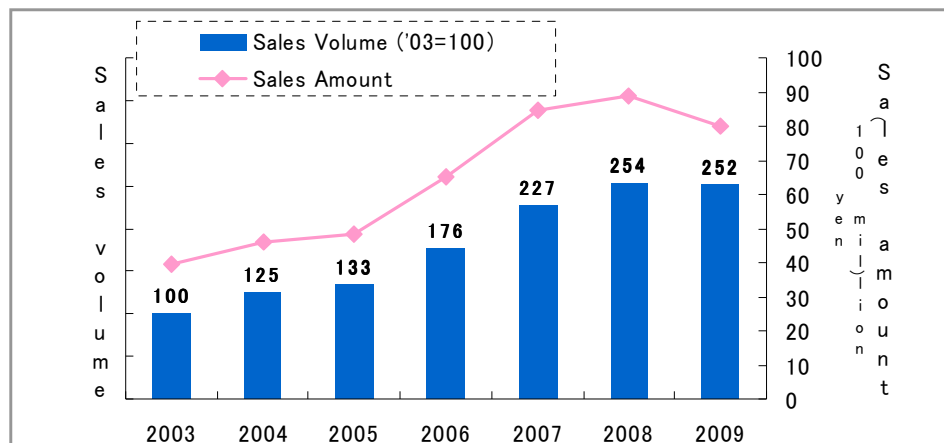
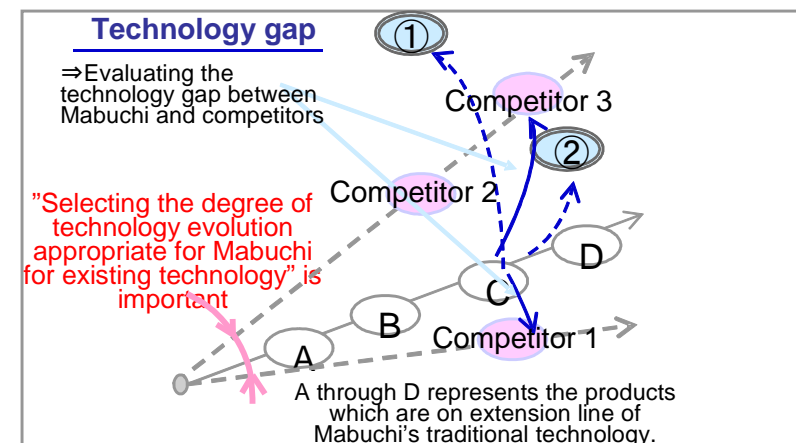


Image of benchmarking activities



Activities to be focused on in 2010

Further enhancing of overseas production bases

~Realizing internationally competitive “monozukuri” foundation ~

Manufacturing cost reduction and maximizing productivity

- FY 2009: Reviewing working system of the direct labor forces fundamentally
⇒ outcomes exceeding our expectation: productivity per worker increases dramatically
- FY 2010: Achieving significant cost improvement through mass production effect and standardizing the basic-motor-platform for motors for power window lifters.

Reducing the scale of indirect sections of production bases

- FY2010: Reviewing functions of indirect sections of production bases fundamentally
⇒ Pursuing for the highest level of productivity of all indirect functions
⇒ Reviewing overlapping indirect functions of production bases fundamentally and merging/restructuring thereof
- Reducing fix cost significantly and enhancing communication between the headquarter and production bases

Trend of motor production per direct workforce

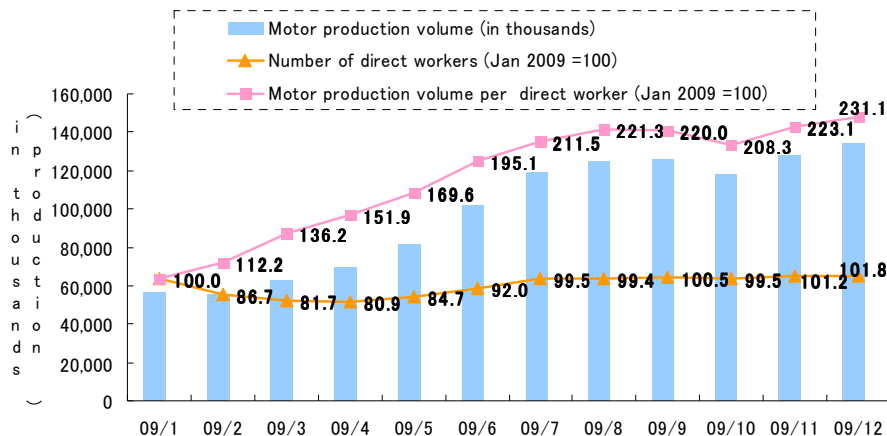
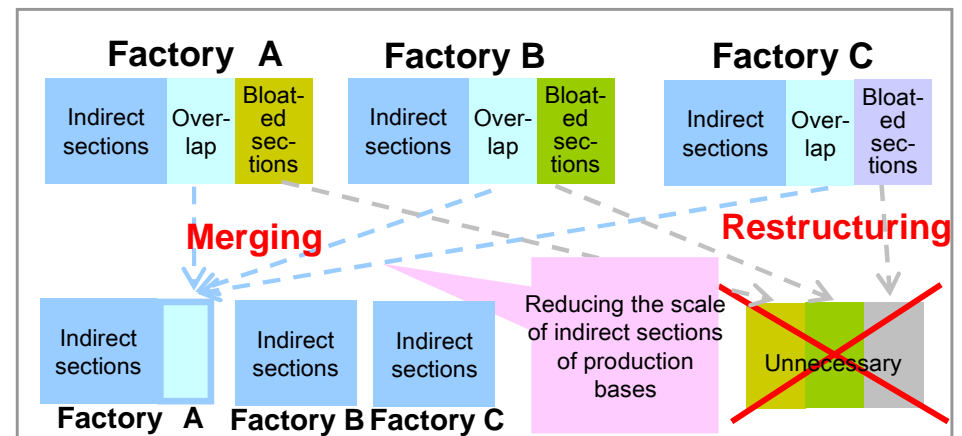


Image of downsizing of indirect section in production bases



Accelerating restructure of production bases

~Gaining synergetic effects and expansion thereof~

Production transfer due to non-renewal of the materials processing contract

- Changing in Shenzhen city policy :“Uncertainty about the permission of extension of the existing material processing contract”
- Terminating production at Guangdong Factory No.2 accompanied with the non-renewal of the materials processing contract therefor
- By Oct. 2010, transferring production to existing Guangdong factories and Vietnam factories ⇒Executing the transfer plan and achieving outcomes swiftly from merging production bases

Accelerating production transfer between bases

- In FY2009, portion of production in Vietnam reached more than 30% of total motor production of Mabuchi.
- By the end of FY2010, increasing production in Vietnam to 35% of total motor production of Mabuchi.
- Enhancing competitiveness by making Yintan Mabuchi as a substantial part of Mabuchi production bases promptly.

【General Description of Guangdong Factory No.2】

- Location of the factory :No.11 Dayang Road, Dayang Synthetical Develop District, Fuyong Town, Shenzhen City, Guangdong Province, China
- Operated since February, 1998
- Site area/Floor space of the building : Site area73,000m² /Floor space of the building 101,000m²
- Employee : approximately 5,000
- Production of motor : 14 million motors per month (actual monthly result of December 2009)

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