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# THE MOTOR THE WORLD TURNS TO.

 MABUCHI MOTOR CO., LTD.

# 2020



ANNUAL REPORT



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**NET SALES** (Yen in millions)



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## FINANCIAL HIGHLIGHTS

Mabuchi Motor Co., Ltd. and Consolidated Subsidiaries  
Years ended December 31

### NET INCOME (Yen in millions)

2000 **23,472**  
1999 **18,793**  
1998 **17,016**  
1997 **16,664**  
1996 **8,940**

### NET INCOME PER SHARE (Yen)

2000 **498.61**  
1999 **399.20**  
1998 **362.00**  
1997 **354.69**  
1996 **190.70**

		Yen (millions)	U.S. Dollars (thousands)	
	1998	1999	2000	
Net sales	¥ 124,652	¥ 117,545	¥ 116,233	\$ 1,010,722
Operating income	28,300	28,481	28,624	248,904
Income before income taxes	28,487	28,498	33,644	292,557
Net income	17,016	18,793	23,472	204,104
Shareholders' equity	187,841	204,403	218,472	1,899,756
Total assets	207,682	218,083	242,626	2,109,791
Per share of common stock:		Yen	U.S. Dollars	
Net income	¥ 362.00	¥ 399.20	¥ 498.61	\$ 4.34
Cash dividends	45.00	70.00	75.00	0.65

Notes: 1. U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥ 115=U.S. \$1, the approximate exchange rate on December 31, 2000.

2. Net income per share figures are based on the weighted average number of shares of common stock outstanding during each fiscal year.

## LETTER TO SHAREHOLDERS

Overview of Performance



Dear Shareholder:

The “flight to quality” by investors from highly speculative ventures to established companies producing something of discernible value is a pat on the back for Mabuchi Motor shareholders. You can almost hear the reassuring whir of countless Mabuchi motors in so many indispensable devices used by all of us every day of our lives.

I am pleased to report that Mabuchi Motor has posted record earnings for fiscal year 2000. Earnings per share soared 24.9% to ¥498.61 from ¥399.20, and consolidated net income surged commensurately to ¥23.4 billion.

**TODAY, OUR TINY MOTORS ARE HARD AT WORK** in more products of more types than ever before. Customers bought 1.7 billion of them in fiscal year 2000 alone — a 7.8% increase in sales. In fact, unit sales are up to almost every market we supply. These increases include 13.1% for Audio and Visual Equipment, 11.9% for Precision Instruments and Office Equipment, 9.2% for Automotive Products, and 12.1% for Home Appliances and Power Tools.

**WHILE EARNINGS FOR 2000 REACHED AN ALL-TIME HIGH**, our consolidated net sales dipped slightly from fiscal year 1999 — just 1.1% to ¥116.2 billion. This is due in part to the fluctuation of currencies and our lowering the average price per unit of our DC motor to overcome stiff competition in various markets. We remain fiercely committed to delivering the finest product at the lowest possible price.

**A STRONG YEAR FOR US IS A STRONG YEAR FOR YOU.** Mabuchi shareholders' equity is up 6.9% to ¥218.4 billion. In 2000, we increased dividend by 7.1% to ¥75 per share. Historically, we have used any cash reserves to cover research and development and capital investment essential to our growth and progress. This keeps us financially sound while maximizing return to our shareholders in step with business performance through dividend increases and stock splits. Since 1999, we've taken that policy a step further by establishing strict calculation criteria to determine potential shareholder dividends from consolidated net income. Specifically (barring unforeseeably harsh business circumstances), we will continue to provide our shareholders with a stable dividend base of ¥50 per share. We will add to that a supplemental dividend calculated as a defined proportion of our consolidated net profits.

**HOW BRIGHT ARE OUR PROSPECTS GOING FORWARD?** When you consider that Mabuchi motors are everywhere you are, the outlook is very bright indeed. Chances are, there's one in your electric shaver and toothbrush, in your car's power windows and your computer's printer, in your power tools and your children's toys. Mabuchi is secure in its standing as the world's leading manufacturer of small electric motors. That's because we not only make a superior product, we can also produce it on whatever scale is required and deliver it on time. All at a price that's cost-effective for our customers.

**BUT OPTIMISM MUST BE TEMPERED BY FORESIGHT.** In an environment that grows ever more competitive, we must constantly renew our commitment to setting the standard for quality, service and value. That means pioneering breakthrough technologies that give our customers the edge they need to succeed in the marketplace. It means developing strategies to deliver more product faster so we can meet rising demand. It means continually re-evaluating our management and production methods so that we can not just respond to, but anticipate, our customers' evolving needs and guarantee their satisfaction.

**WE HAVE ALWAYS WELCOMED** — and risen to — the challenges before us, and I am confident that Mabuchi Motor will continue to do so in the years ahead.

**FINALLY, WE BELIEVE WE MAKE A MODEST BUT MEANINGFUL** contribution to the global economy and, ultimately, one which improves the daily lives of people all over the world who enjoy the comfort and convenience of innumerable devices using our motors. I hope that you, as a valued shareholder, can take a small measure of pride in the work that we do.

Sincerely,



Takaichi Mabuchi  
President

March 29, 2001

## ABOUT MABUCHI MOTOR

### Corporate Overview

Since our inception in 1954, Mabuchi has been a pioneer in the manufacture of high-quality small electric motors. Today, our annual production capacity of 1.8 billion units is the largest in the world.

Mabuchi customers represent the finest brands internationally from every industry with small-motor needs. They trust Mabuchi to meet both their performance and production requirements so that they can deliver their own products to market on time and with confidence.



# THE MOTOR THE WORLD TURNS TO.



AUDIO & VISUAL  
EQUIPMENT



OFFICE  
EQUIPMENT



HOME  
APPLIANCES



AUTOMOTIVE PRODUCTS



POWER TOOLS



MABUCHI HAS EARNED THE BUSINESS OF LEADING MARKETERS THE WORLD OVER BY VIRTUE OF AN UNRIVALED CAPABILITY IN EVERY PHASE OF PRODUCTION:

#### PRODUCT DEVELOPMENT

Mabuchi develops product to meet precise technical and performance specifications — from designing entirely new motors to improving or adapting existing products for new or special applications. Taking novel approaches and harnessing new technologies and materials to solve problems and enhance performance is part of Mabuchi's tradition of technological advancement.

#### QUALITY CONTROL

Stringent testing monitored by our own experts at our own facilities simulating the harshest environmental and operating conditions ensures optimal product performance. In fact, our quality control system has been recognized by the Dutch Council for Certification, which has awarded Mabuchi Motor two ISO 9000 accreditations. They have also awarded us a third certification for our efforts to limit any adverse effects of production on health and the environment, a policy to which we are firmly committed.

#### STANDARDIZATION & APPLICATION DIVERSITY

Once we've met a customer's exact specifications for a product, we continue to adapt that product to work in as many diverse applications as possible. A single product that performs a wide range of customer needs may then be efficiently and cost-effectively mass-produced.

#### MANUFACTURING TECHNOLOGIES

We're always developing and implementing new and improved manufacturing technologies to optimize efficiency and maximize output.

#### COST-EFFECTIVE PRICING

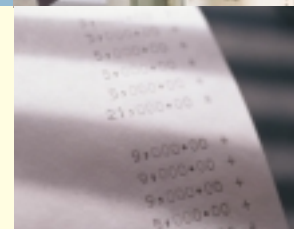
Mabuchi product standardization and ultra-efficient manufacturing methods allow us to offer a product of exceptional quality at a price that helps customers control their costs and maintain their profit margins.

#### EXACT DELIVERY SCHEDULES

A perfect product is useless unless it arrives when it's needed in the quantities required. Our standardization and manufacturing protocols enable us to maintain exact delivery schedules.

#### COMMITMENT TO EXCELLENCE

Mabuchi's continuing commitment to set the standard for excellence in the manufacture of small electric motors is our pledge to carry on with the dedication, vision and pioneering spirit that has made us the leading producer in the world.



## FINANCIAL REVIEW

### NET SALES

In fiscal 2000, consolidated sales amounted to ¥116,233 million (\$1,011 million), down by 1.1% from the previous year due primarily to the effect of the appreciated yen against the U.S. dollar during the year and also declining selling prices from on-going worldwide competition.

Following is the trend of our markets by application in 2000:

#### AUDIO AND VISUAL EQUIPMENT

Motor sales increased to meet demands for DVD/CD/MD player motors and for applications based on digital technology such as playback/record/disc-driving motors in PCs. However, sales decreased 2.3% to ¥53,182 million (\$462 million) due to the stronger yen and user's shift to economy motor models.

#### AUTOMOTIVE PRODUCTS

Motor sales for all main items such as rear view mirrors, door lock, air-conditioning damper actuators, etc. were brisk. But sales decreased 3.0% to ¥26,758 million (\$233 million) due to the same factors as described in the Audio & Visual Market.

#### HOME APPLIANCES AND POWER TOOLS

Motor sales for toothbrushes soared. Also, motor demand for health care, hairdressing products and power tools as well as our main items such as shavers increased. Sales increased 2.4% to ¥18,004 million (\$157 million) in spite of a stronger yen.

#### PRECISION INSTRUMENTS AND OFFICE EQUIPMENT

Motor sales for printer and for camera products soared. Sales increased 11.4% to ¥12,173 million (\$106 million) in spite of a stronger yen.

#### TOYS AND HOBBIES

Sales were generally slow and we strategically withdrew from the most economical motor market. So sales decreased 12.4% to ¥6,068 million (\$53 million).

Reviewing net sales by geographic area in 2000, net sales in Japan decreased 14.1% to ¥16,429 million (\$143 million). The Japanese economy was slightly recovering but slow during the year despite continuing fiscal and financial policies to stimulate the economy.

The U.S. and the European markets enjoyed steady overall growth during the year, but net sales in those markets decreased due primarily to the effect of translation from U.S. dollar to the appreciated yen. Net sales decreased 6.0% in North and Latin America and 5.3% in Europe. Net sales increased 7.3% in China and Hong Kong, and 0.1% in Asia Pacific.

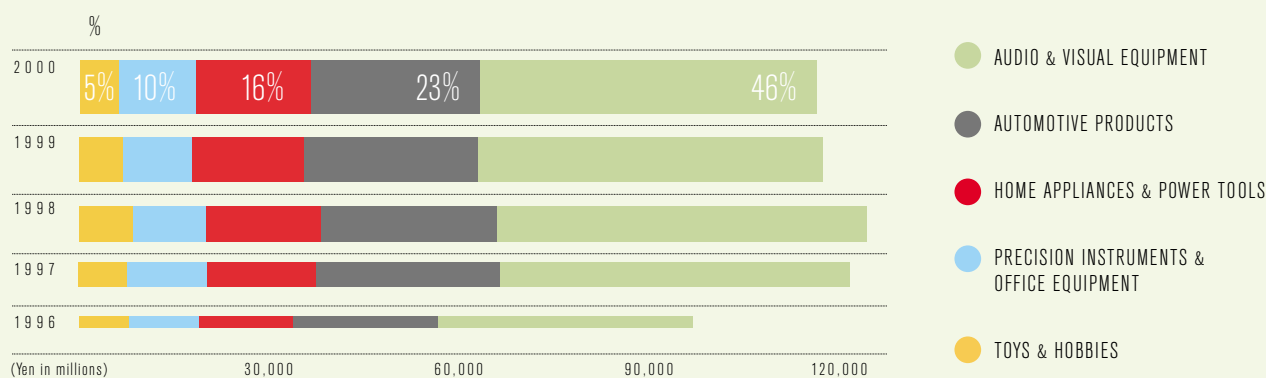
### NET SALES BY APPLICATION

	Yen (millions)					U.S. Dollars (thousands)
	1996	1997	1998	1999	2000	2000
Audio-Visual Equipment	¥ 40,298	¥ 55,236	¥ 58,524	¥ 54,429	¥ 53,182	\$ 462,452
Automotive Products	22,958	29,036	27,809	27,599	26,758	232,678
Home Appliances and Power Tools	14,737	17,316	18,056	17,585	18,004	156,557
Precision Instruments and Office Equipment	11,116	12,502	11,554	10,929	12,173	105,852
Toys and Hobbies	7,848	7,608	8,522	6,928	6,068	52,765
Other	808	137	187	75	48	418
<b>Total</b>	¥ 97,765	¥ 121,835	¥ 124,652	¥ 117,545	¥ 116,233	\$ 1,010,722

Other includes parts and equipment sales.



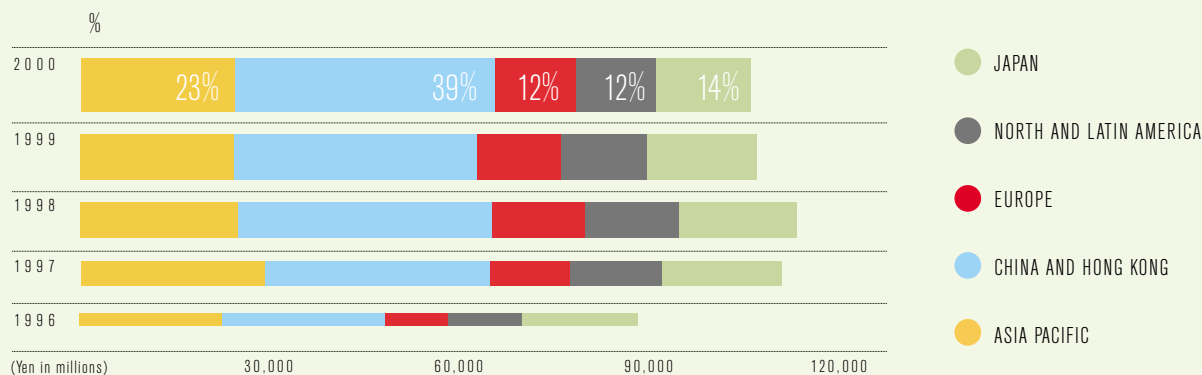
## NET SALES BY APPLICATION (continued)



## NET SALES BY GEOGRAPHIC AREA

	Yen (millions)					U.S. Dollars (thousands)	
	1996	1997	1998	1999	2000	2000	
Japan	¥ 20,154	¥ 20,832	¥ 20,634	¥ 19,124	¥ 16,429	\$ 142,861	
North and Latin America	12,834	16,107	16,170	14,843	13,945	121,261	
Europe	10,830	13,838	16,228	14,731	13,951	121,313	
China and Hong Kong	28,441	39,129	44,051	42,188	45,262	393,583	
Asia Pacific	24,698	31,792	27,382	26,584	26,598	231,286	
Other	808	137	187	75	48	418	
<b>Total</b>	<b>¥ 97,765</b>	<b>¥ 121,835</b>	<b>¥ 124,652</b>	<b>¥ 117,545</b>	<b>¥ 116,233</b>	<b>\$ 1,010,722</b>	

Other includes parts and equipment sales.



## COSTS, EXPENSES AND NET INCOME

Cost of sales decreased by 1.8%, to ¥71,592 million (\$623 million). The cost of sales ratio improved 0.4 percentage points, to 61.6% from 62.0% in 1999, due mainly to reduced unit costs resulting from a production volume increase by 22.8% over 1999.

Selling, general and administrative expenses decreased by 0.7% over the previous year as a result of continuous efforts to reduce indirect administrative costs. As a result of these factors, operating income slightly increased 0.5%, to ¥28,624 million (\$249 million) over the previous year.

Other income (expense) includes net other income of ¥5,020 million (\$44 million) in 2000 versus net other income of ¥17 million in 1999. The increase in 2000 was principally due to an increase in interest income and exchange gains, compared with exchange losses of ¥1,689 in 1999, resulting in a significant increase in income before income taxes by 18.1%, to ¥33,644 million (\$293 million).

Net income also increased 24.9%, or ¥4,679 million, to ¥23,472 million (\$204 million) due mainly to an increase of pretax income, the reduction in Japan's statutory income tax rate to 41.7% in 2000 from 47.4% in 1999 and adoption of deferred tax accounting which resulted in a decrease in provision for income taxes by ¥951 million (\$8 million).

## FOREIGN CURRENCY

As indicated in Note 8 "Segment Information" to consolidated financial statements, overseas sales accounted for approximately 86% of consolidated net sales in 2000, of which 91% was transacted in U.S. dollars and U.S. dollar linked currencies.

In 2000, the average rate of the yen appreciated approximately 5.4% against the U.S. dollar, compared with 1999. The appreciation of the yen against the foreign currencies resulted in decreases of net sales of approximately ¥5,400 million (\$47 million) and operating income of ¥1,500 million (\$13 million).

The Company uses foreign exchange forward contracts to hedge foreign exchange risks associated with accounts receivable and payables denominated in foreign currencies (see Note 6 "Derivative Financial Instruments").

## FINANCIAL POSITION

Net working capital at December 31, 1999 and 2000 is summarized as follows (millions of yen):

	1999	2000	Increase
Current assets	¥ 113,755	¥ 148,331	¥ 34,576
Current liabilities	11,613	14,216	2,603
Net working capital	¥ 102,142	¥ 134,115	¥ 31,973
Current ratio	9.8	10.4	

The increase in current assets at December 31, 2000 consisted of mainly cash and cash equivalents by ¥11,137 million, short-term investments by ¥15,320 million, inventories by ¥4,796 million and deferred tax assets by ¥2,021 million. Foreign currency time deposits and investment trusts were the main items in the increases of cash and short-term investments.

Long-term liabilities increased by ¥7,631 million due to the recognition of past service liability of ¥840 million and deferred tax liability of ¥6,632 million on undistributed earnings of foreign subsidiaries.

Shareholders' equity increased by ¥14,069 million compared to the previous year. The shareholders' equity ratio declined 3.7 percentage points, to 90.0% from 93.7% at the previous year-end due to the recognition of deferred tax liability on undistributed earnings of foreign subsidiaries as mentioned in the preceding paragraph.

## CASH FLOW

The major items of cash flows for the years ended December 31, 1999 and 2000 are summarized below (millions of yen):

	1999	2000
Net income	¥ 18,793	¥ 23,472
Depreciation and amortization	7,234	6,425
Additions to plant and equipment	(3,560)	(4,629)
Purchase of short-term investments and investment securities, net	(9,180)	(13,392)
Repayments of short-term borrowings	(5,210)	-
Cash dividends paid	(2,354)	(3,811)
Other, net	5,978	3,072
Net increase in cash and cash equivalents	11,701	11,137

Net cash provided by operating activities decreased ¥5,035 million from 1999, to ¥28,301 million (\$246 million) due mainly to an increase in inventories resulting from the robust performance in production and the sales slow down in the fourth quarter.

Net cash used in investing activities increased ¥3,688 million from 1999, to ¥16,183 million (\$141 million) which was attributable to the increases in capital investments and purchase of marketable securities.

Net cash used in financing activities decreased ¥3,757 million from 1999, to ¥3,807 million (\$33 million) due to the repayment of short-term borrowings of ¥5,210 million in 1999. Cash dividends paid increased ¥1,457 million from 1999, to ¥3,811 million (\$33 million) under the new dividend program announced in October 1999, resulting in an increase in dividends per share from ¥70 to ¥75.

The Company believes that its financial condition remains very strong. The present balance of liquid assets are indispensable for the Company to further strengthen its existing core business and create the opportunities for new business. This should result in the appreciation of shareholder value.

## FIVE-YEAR FINANCIAL SUMMARY

Mabuchi Motor Co., Ltd. and Consolidated Subsidiaries  
Years ended December 31

	Yen (millions)				U.S. Dollars (thousands)	
	1996	1997	1998	1999	2000	2000
<b>Operating Results</b>						
Net sales	¥ 97,765	¥ 121,835	¥ 124,652	¥ 117,545	¥ 116,233	\$ 1,010,722
Operating income	14,680	24,062	28,300	28,481	28,624	248,904
Income before income taxes	17,479	30,672	28,487	28,498	33,644	292,557
Net income	8,940	16,664	17,016	18,793	23,472	204,104
<b>Per share of common stock:</b>						
Net income	¥ 190.70	¥ 354.69	¥ 362.00	¥ 399.20	¥ 498.61	\$ 4.34
(Yen and U.S. Dollars)						
Cash dividends per share	30.00	40.00	45.00	70.00	75.00	0.65
(Yen and U.S. Dollars)						
Depreciation and amortization	¥ 8,320	¥ 7,837	¥ 7,314	¥ 7,234	¥ 6,425	\$ 55,870
Capital expenditures	8,367	9,753	6,832	4,051	4,627	40,235
R&D expenses	2,920	3,702	3,780	3,752	2,832	24,626
<b>Balance Sheet</b>						
Shareholders' equity	¥ 157,362	¥ 172,422	¥ 187,841	¥ 204,403	¥ 218,472	\$ 1,899,756
Total assets	¥ 191,508	¥ 213,045	¥ 207,682	¥ 218,083	¥ 242,626	\$ 2,109,791
<b>Other Data</b>						
Number of shares outstanding	46,968	46,999	47,076	47,076	47,076	
(thousands of shares)						
Number of employees	44,319	56,547	55,530	58,279	60,511	

Notes: 1. U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥115=U.S. \$1, the approximate exchange rate on December 31, 2000.

2. Net income per share figures are based on the weighted average number of shares of common stock outstanding during each fiscal year.
3. Number of employees includes contract manufacturing labor at plants in Guang Dong, China.
4. In 2000, to comply with a newly released accounting standard for research and development costs, the Company changed the previous scope of such costs to disclose only costs incurred in research and development activities for new products and processes. Expenditures relating to research and development activities are charged to income as incurred and amounted to ¥2,832 million (\$24,626 thousand) for the year ended December 31, 2000. Those costs based on the previous scope in 1999 and 2000 were ¥3,752 million and ¥4,456 million (\$38,748 thousand), respectively.

## CONSOLIDATED BALANCE SHEETS

Mabuchi Motor Co., Ltd. and Consolidated Subsidiaries  
December 31, 1999 and 2000

ASSETS	Yen (millions)		U.S. Dollars (thousands)
	1999	2000	2000
<b>Current Assets:</b>			
Cash and cash equivalents	¥ 49,133	¥ 60,270	\$ 524,087
Short-term investments	27,285	42,605	370,478
Trade notes and accounts receivable	14,144	15,164	131,861
Less-Allowance for doubtful receivables	(244)	(289)	(2,513)
Inventories	21,667	26,463	230,113
Deferred Income Taxes	-	2,021	17,574
Other current assets	1,770	2,097	18,235
Total current assets	113,755	148,331	1,289,835
<b>Plant and Equipment, at cost:</b>			
Land	4,003	4,014	34,904
Buildings	36,551	38,430	334,174
Machinery and equipment	49,992	55,321	481,052
Construction in progress	1,364	1,501	13,053
	91,910	99,266	863,183
Less-Accumulated depreciation	(53,951)	(61,907)	(538,322)
	37,959	37,359	324,861
<b>Investments and Other assets:</b>			
Investment securities	54,923	52,949	460,426
Long-term loans receivable	1,951	2,027	17,626
Other investments and other assets	2,961	1,770	15,391
	59,835	56,746	493,443
<b>Foreign Currency Translation Adjustments</b>	6,534	190	1,652
	¥ 218,083	¥ 242,626	\$ 2,109,791

The accompanying notes to consolidated financial statements are an integral part of these balance sheets.

**LIABILITIES AND SHAREHOLDERS' EQUITY****Yen**  
(millions)**U.S. Dollars**  
(thousands)**1999****2000****2000****Current Liabilities:**

Trade notes and accounts payable	¥ 4,819	¥ 4,572	\$ 39,757
Accrued expenses	2,390	3,453	30,026
Accrued income taxes	3,867	5,707	49,626
Other current liabilities	537	484	4,208
Total current liabilities	11,613	14,216	123,617

**Long-term Liabilities:**

Estimated retirement and termination allowances	784	944	8,209
Deferred income taxes	-	6,632	57,670
Other long-term liabilities	27	866	7,530
	811	8,442	73,409

**Minority Interests**

	1,256	1,496	13,009
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**Contingent Liabilities****Shareholders' Equity:**

Common stock, par value ¥50 per share:

Authorized: 100,000,000 shares:

Issued: 47,075,881 shares

in 1999 and 2000	20,705	20,705	180,043
Additional paid-in capital	20,420	20,420	177,565
Retained earnings	163,284	177,348	1,542,157
Less-Treasury stock	(6)	(1)	(9)
Total shareholders' equity	204,403	218,472	1,899,756

	¥ 218,083	¥ 242,626	\$ 2,109,791
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## CONSOLIDATED STATEMENTS OF INCOME

Mabuchi Motor Co., Ltd. and Consolidated Subsidiaries  
For the years ended December 31, 1999 and 2000

	Yen (millions)		U.S. Dollars (thousands)
	1999	2000	2000
<b>Net Sales</b>	¥ 117,545	¥ 116,233	\$1,010,722
<b>Cost of Sales</b>	72,933	71,592	622,539
Gross profit	44,612	44,641	388,183
<b>Selling, General and Administrative Expenses</b>	16,131	16,017	139,279
Operating income	28,481	28,624	248,904
<b>Other Income (Expenses):</b>			
Interest and dividend income	1,662	3,054	26,557
Interest expense	(26)	(1)	(9)
Exchange gains (losses) on foreign currency transactions	(1,689)	3,372	29,322
Other, net	70	(1,405)	(12,217)
	17	5,020	43,653
<b>Income before income taxes</b>	28,498	33,644	292,557
<b>Income Taxes:</b>			
Current	9,544	10,948	95,200
Deferred	-	(951)	(8,270)
	9,544	9,997	86,930
<b>Minority Interests</b>	(161)	(175)	(1,523)
<b>Net Income</b>	¥ 18,793	¥ 23,472	\$ 204,104
	Yen		U.S. Dollars
	1999	2000	2000
<b>Per Share of Common Stock:</b>			
Net income	¥ 399.20	¥ 498.61	\$ 4.34
Cash dividends applicable to earnings of the year	70.00	75.00	0.65

The accompanying notes to consolidated financial statements are an integral part of these statements.

## CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

Mabuchi Motor Co., Ltd. and Consolidated Subsidiaries

For the years ended December 31, 1999 and 2000

	Number of Shares (thousands)		Yen (millions)		U.S. Dollars (thousands)
	1999	2000	1999	2000	2000
<b>Common Stock:</b>					
Beginning balance	47,076	<b>47,076</b>	¥ 20,705	¥ <b>20,705</b>	\$ 180,043
Ending balance	47,076	<b>47,076</b>	¥ 20,705	¥ <b>20,705</b>	\$ 180,043
<b>Additional Paid-in Capital:</b>					
Beginning balance			¥ 20,420	¥ <b>20,420</b>	\$ 177,565
Ending balance			¥ 20,420	¥ <b>20,420</b>	\$ 177,565
<b>Retained Earnings:</b>					
Beginning balance			¥ 146,720	¥ <b>163,284</b>	\$ 1,419,861
Cumulative effect of applying deferred tax accounting			-	<b>(5,447)</b>	<b>(47,364)</b>
Adjustment due to an increase in consolidated subsidiaries			243	-	-
Net income			18,793	<b>23,472</b>	<b>204,104</b>
Cash dividends			(2,354)	<b>(3,813)</b>	<b>(33,157)</b>
Bonuses to directors and statutory auditors			(118)	<b>(148)</b>	<b>(1,287)</b>
Ending balance			¥ 163,284	¥ <b>177,348</b>	\$ 1,542,157

The accompanying notes to consolidated financial statements are an integral part of these statements.

## CONSOLIDATED STATEMENTS OF CASH FLOWS

Mabuchi Motor Co., Ltd. and Consolidated Subsidiaries  
For the years ended December 31, 1999 and 2000

	Yen (millions)		U.S. Dollars (thousands)
	1999	2000	2000
<b>Cash Flows from Operating Activities:</b>			
Net income	¥ 18,793	¥ 23,472	\$ 204,104
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	7,234	6,425	55,870
Estimated retirement and termination allowance	203	990	8,609
Provision for income taxes - deferred	-	(951)	(8,270)
Unrealized losses on marketable securities	202	362	3,148
Increase in trade notes and accounts receivables	(1,945)	(172)	(1,496)
(Increase) Decrease in inventories	6,065	(2,609)	(22,687)
Increase (Decrease) in trade notes and accounts payable	2,478	(643)	(5,591)
Increase in accrued income taxes	5	1,840	16,000
Other, net	301	(413)	(3,591)
Net cash provided by operating activities	33,336	28,301	246,096
<b>Cash Flows from Investing Activities:</b>			
Additions to plant and equipment	(3,560)	(4,629)	(40,252)
Change in short-term investments	8,279	(15,304)	(133,078)
Purchase of investment securities	(33,620)	(16,170)	(140,609)
Proceeds from sale of investment securities	16,161	18,082	157,235
Other, net	245	1,838	15,982
Net cash used in investing activities	(12,495)	(16,183)	(140,722)
<b>Cash Flows from Financing Activities:</b>			
Change in short-term borrowings	(5,210)	-	-
Cash dividends paid	(2,354)	(3,811)	(33,139)
Other, net	-	4	35
Net cash used in financing activities	(7,564)	(3,807)	(33,104)
<b>Cash and Cash Equivalents from Consolidating previously Unconsolidated Subsidiaries</b>			
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(1,953)	2,826	24,574
<b>Net Increase in Cash and Cash Equivalents</b>	<b>11,701</b>	<b>11,137</b>	<b>96,844</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>37,432</b>	<b>49,133</b>	<b>427,243</b>
<b>Cash and Cash Equivalents at End of Year</b>	<b>¥ 49,133</b>	<b>¥ 60,270</b>	<b>\$ 524,087</b>
<b>Supplemental Disclosure of Cash Flow Information:</b>			
Cash paid during the year for:			
Interest	¥ 25	¥ 1	\$ 9
Income taxes	9,506	9,128	79,374

The accompanying notes to consolidated financial statements are an integral part of these statements.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Mabuchi Motor Co., Ltd. and Consolidated Subsidiaries

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

### (a) Basis of presenting financial statements

The accompanying consolidated financial statements of Mabuchi Motor Co., Ltd. (the "Company") and its consolidated subsidiaries have been prepared from the consolidated financial statements filed with the Minister of Finance as required by the Securities and Exchange Law of Japan. The Company maintains the accounts in accordance with the provisions set forth in the Japanese Commercial Code and in conformity with accounting principles and practices generally accepted in Japan, which may differ in some material respects from accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

In addition, the notes to the consolidated financial statements include information which is not required under accounting principles generally accepted in Japan but is presented herein as additional information. For the purpose of this report, certain reclassifications have been made to present the accompanying consolidated financial statements in a format which is familiar to readers outside Japan.

Effective in 2000, the Company was required to prepare a consolidated statement of cash flows as part of consolidated financial statements under the Securities and Exchange Law of Japan. In accordance with a new accounting standard released in connection with this requirement, the Company has prepared the accompanying 2000 consolidated statement of cash flows with reclassifications of the previously reported consolidated statement of cash flows for 1999.

For the convenience of the reader, the accompanying consolidated financial statements have also been presented in U.S. dollars by arithmetically translating yen amounts at the rate of ¥115 to U.S. \$1, which was the approximate exchange rate prevailing on December 31, 2000.

Certain reclassifications have been made to the accompanying consolidated financial statements for 1999 to conform to the 2000 presentations.

### (b) Principles of consolidation

The consolidated financial statements include the accounts of the Company and all significant subsidiaries. All significant inter-company balances, transactions, and profits have been eliminated in consolidation. Investments in unconsolidated subsidiaries are stated at cost.

### (c) Translation of foreign currencies

Transactions in foreign currencies are translated at the exchange rates in effect at the time of the transactions. Monetary current assets and liabilities denominated in foreign currencies are translated into Japanese yen at the rates of exchange in effect at the balance sheet date. All other accounts are translated at historical rates in effect at the time of each transaction. Exchange differences resulting from these translations are included in income.

Foreign subsidiaries' assets and liabilities are translated into yen at the rates of exchange in effect at the balance sheet date. The accounts of shareholders' equity are translated at historical rates. Revenues and expenses are translated at the average rates of exchange for the year. Translation adjustments are not included in income but are dealt with as an account of assets or liabilities.

### (d) Cash and cash equivalents

Cash and cash equivalents include all highly liquid investments, generally with original maturities of three months or less, that are readily convertible to known amounts of cash and are so near maturity that they present insignificant risk of changes in value because of changes in interest rates.

### (e) Short-term investments and investment securities

Short-term investments consist principally of marketable equity securities, debt securities and investment trust. Investment securities consist principally of foreign debt securities and marketable equity securities. Marketable securi-

ties are stated at the lower of cost, determined by the moving average method, or market. Closed end investment trust and foreign debt securities are stated at cost.

**(f) Inventories**

Finished goods, work in process and raw materials are principally stated at average cost. Marketable raw materials such as copper, gold, silver and palladium are stated at the lower of average cost or market.

**(g) Depreciation**

Depreciation of plant and equipment is computed by the declining-balance method for the Company and its domestic subsidiary and principally by the straight-line method for overseas subsidiaries over the estimated useful lives. In connection with the amendment of the Japanese corporate income tax law in 1998, the Company and its domestic subsidiary applied the straight-line method to buildings which were purchased after April 1, 1998.

**(h) Research and development expenses**

In 2000, to comply with a newly released accounting standard for research and development costs, the Company changed the previous scope of such costs to disclose only costs incurred in research and development activities for new products and processes. Expenditures relating to research and development activities are charged to income as incurred and amounted to ¥2,832 million (\$24,626 thousand) for the year ended December 31, 2000. Those costs based on the previous scope in 1999 and 2000 were ¥3,752 million and ¥4,456 million (\$38,748 thousand), respectively.

**(i) Income taxes**

Prior to 2000, income taxes of the Company and most of its subsidiaries are provided based on the amount required by the tax returns.

In 2000, the Company and its consolidated subsidiaries account for income taxes using a new accounting standard issued by the Business Accounting Deliberation Council of Japan. This standard requires recognition of deferred taxes under the liability method, whereby deferred tax assets and liabilities are recognized for the expected tax consequences of temporary differences between the tax bases of assets and liabilities and their reported amounts using presently enacted tax rates. Provision for Japanese income taxes on undistributed earnings of foreign subsidiaries is made only on those amounts in excess of the funds considered to be permanently reinvested.

As a result of this change in accounting for income taxes, 2000 net income increased ¥943 million (\$8,200 thousand) and retained earnings decreased by ¥4,504 million (\$39,165 thousand) as of and for the year ended December 31, 2000 over the amounts which would have been recorded if the prior year's method had been applied. Also, the cumulative effect of this change to retained earnings as of January 1, 2000 has been reported as a "Cumulative effect of applying deferred tax accounting" in the consolidated statements of shareholders' equity.

**(j) Termination and retirement plans**

The Company has a trustee noncontributory pension plan covering substantially all qualified full-time employees. Under the plan, eligible employees are entitled to a 10-year annuity or lump-sum payments based on the rate of pay at the time of retirement or termination, length of service and certain other factors. Annual payments to the trustees for the pension plan, which are deductible for tax purposes, are based on actuarially determined costs of the plan.

In 2000, the Company changed its method of charging prior service costs of the pension plan to an accrual basis from a cash basis. Under the cash basis, the Company had charged the annual payments to income, including the amortization of prior service costs. Under the new accounting method adopted in 2000, the Company charged to income past service costs through the recognition of long-term accrued expense of ¥840 million (\$7,304 thousand). This was the balance of past service liability as of November 30, 2000. This change was made to more reasonably recognize pension

costs and to maintain a healthy financial policy. This new policy also considers the poor performance of pension fund assets in the recent economic environment. Adoption of the new method decreased 2000 income before income taxes by ¥840 million (\$7,304 thousand).

The Company's pension fund assets and the actuarially computed value of pension benefits as of November 30, 2000, the latest date of report available from the trustees, were ¥3,898 million (\$33,896 thousand) and ¥4,729 million (\$41,122 thousand), respectively.

Certain subsidiaries have similar pension plans to the Company and have pension fund assets of ¥1,590 million (\$13,826 thousand) as of December 31, 2000. Also, certain subsidiaries have unfunded retirement and termination allowance plans for qualified employees and the amounts required under the plan have been fully accrued.

The Company also has an unfunded retirement and termination allowance plan for directors and statutory auditors, and has fully accrued the amount required under the plan.

Total provisions, including prior service costs, charged to income under these termination and retirement plans for the years ended December 31, 1999 and 2000 were ¥653 million and ¥1,532 million (\$13,322 thousand), respectively.

## 2. INVENTORIES

Inventories as of December 31, 1999 and 2000 were as follows:

	Yen (millions)		U.S. Dollars (thousands)
	1999	2000	2000
Finished goods	¥ 10,551	¥ 15,132	\$ 131,583
Work in process	3,127	3,187	27,713
Raw materials	7,989	8,144	70,817
	¥ 21,667	¥ 26,463	\$ 230,113

## 3. SHORT-TERM INVESTMENTS AND INVESTMENT SECURITIES

Short-term investments and investment securities as of December 31, 1999 and 2000 include marketable debt and equity securities and investment trusts of which market value is as follows:

	Yen (millions)						U.S. Dollars (thousands)		
	1999			2000			2000		
	Book value	Market value	Gains (losses)	Book value	Market value	Gains (losses)	Book value	Market value	Gains (losses)
<b>Short-term investments:</b>									
Debt securities	¥ 9,440	¥ 9,413	¥ (27)	¥ 7,425	¥ 7,291	¥ (134)	\$ 64,565	\$ 63,400	\$ (1,165)
Equity securities	1,301	2,658	1,357	1,293	1,772	479	11,243	15,409	4,166
Investment trusts	15,050	15,125	75	32,387	29,862	(2,525)	281,627	259,669	(21,958)
	¥ 25,791	¥ 27,196	¥ 1,405	¥41,105	¥ 38,925	¥ (2,180)	\$ 357,435	\$ 338,478	\$ (18,957)
<b>Investment securities:</b>									
Equity securities	¥ 2,114	¥ 3,312	¥ 1,198	¥ 2,054	¥ 2,537	¥ 483	\$ 17,861	\$ 22,061	\$ 4,200

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Mabuchi Motor Co., Ltd. and Consolidated Subsidiaries

### 4. INCOME TAXES

The Company is subject to several taxes based on income with a normal tax rate aggregating approximately 47.4% and 41.7% for the years ended December 31, 1999 and 2000, respectively. Foreign subsidiaries are subject to income taxes in the countries where they operate.

A reconciliation of the significant differences between the Japanese statutory income tax rate and the effective income tax rate on pre-tax income for the year ended December 31, 2000 was as follows:

	2000
Statutory income tax rate	41.7%
International income taxed at varying rates	(13.6)
Effect on elimination of dividend income from foreign subsidiaries for consolidation purposes	5.6
Foreign and R & D tax credit utilization	(3.7)
Other, net	(0.3)
Effective income tax rate	<u>29.7%</u>

Deferred income taxes reflect the net effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of deferred tax assets and liabilities at December 31, 2000 were as follows:

	Yen (millions)	U.S. Dollars (thousands)
<b>Deferred tax assets:</b>		
Unrealized profits on inventories and fixed assets	¥ 1,737	\$ 15,104
Accrued pension cost and retirement and termination allowances	585	5,087
Accrued enterprise taxes	545	4,739
Evaluation losses on assets	246	2,140
Depreciation	111	965
Other	184	1,600
Total	<u>3,408</u>	<u>29,635</u>
<b>Deferred tax liabilities:</b>		
Tax on undistributed foreign earnings	7,665	66,652
other	198	1,722
Total	<u>7,863</u>	<u>68,374</u>
<b>As reported in the consolidated balance sheet:</b>		
Deferred tax assets	2,182	18,974
Deferred tax liabilities	¥ 6,635	\$ 57,696

## 5. SHAREHOLDERS' EQUITY AND PER SHARE DATA

The Japanese Commercial Code (the "Code") provides that an amount equivalent to at least 10% of cash dividends paid and other cash outlays resulting from appropriations of retained earnings with respect to each annual period be appropriated to the legal reserve until such reserve equals 25% of the stated capital. The legal reserve of ¥3,046 million and ¥3,446 million (\$29,965 thousand) is included in retained earnings at December 31, 1999 and 2000, respectively. The Code also provides that additional paid in capital and the legal reserve are not available for cash dividends, but may be used to reduce a capital deficit by resolution of the shareholders or may be capitalized by resolution of the Board of Directors.

Year-end cash dividends are approved by the shareholders after the end of each fiscal year, and semi-annual interim cash dividends are declared by the Board of Directors after the end of each interim six-month period. Such dividends are payable to shareholders of record at the end of each fiscal year or interim six-month period.

In accordance with the Code, these dividends and the related appropriations of retained earnings have not been reflected in the financial statements at the end of such fiscal year. However, dividends per share shown in the accompanying consolidated statements of income reflect dividends applicable to the respective fiscal year. Net income per share is computed based on the weighted average number of shares of common stock outstanding.

On September 25, 2000, semi-annual interim cash dividends (¥36 or \$0.31 per share) of ¥1,695 million (\$14,739 thousand) were paid to shareholders of record at June 30, 2000. On March 29, 2001, the shareholders approved the declaration of cash dividends (¥39 or \$0.34 per share) totaling ¥1,836 million (\$15,965 thousand), payments of bonuses to directors and statutory auditors totaling ¥170 million (\$1,478 thousand) and related appropriations of retained earnings to legal reserve of ¥201 million (\$1,748 thousand).

## 6. DERIVATIVE FINANCIAL INSTRUMENTS

The Company enters into forward exchange contracts and forward precious metal contracts as a normal part of risk management efforts. As a result, the Company is exposed to risk of credit-related losses in the event of nonperformance of counterparties to foreign exchange contracts and precious metal contracts, but management believes such risks to be minor because of the high creditability of the counterparties and such financial instruments have not been held for trading purpose. Following is a summary of derivative financial instruments which are currently held by the Company.

The Company uses foreign exchange forward contracts to hedge the risk of changes in foreign exchange rates substantially associated with accounts receivable and payable denominated in foreign currencies. The Company had forward exchange contracts which mature within a year to sell ¥296 million and ¥773 million (\$6,722 thousand) in U.S. dollars at December 31, 1999 and 2000, respectively, and the estimated fair value outstanding at December 31, 1999 and 2000 were ¥287 million and ¥797 million (\$6,930 thousand), respectively.

Forward precious metal contracts are used by the Company to hedge the risk of changes in market prices resulting from purchase of precious metals as raw materials for motor products. The contracted amounts outstanding at December 31, 1999 and 2000 were ¥45 million and ¥150 million (\$1,304 thousand), respectively, and the estimated fair value outstanding at December 31, 1999 and 2000 were ¥48 million and ¥153 million (\$1,330 thousand), respectively.

## 7. CONTINGENT LIABILITIES

As of December 31, 2000, certain subsidiaries were contingently liable principally for bank guarantees in the amount of ¥32 million (\$278 thousand).

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Mabuchi Motor Co., Ltd. and Consolidated Subsidiaries

### 8. SEGMENT INFORMATION

The Company and consolidated subsidiaries manufacture and sell small electric motors, parts and equipment used for production purposes. Substantially all of the consolidated net sales and operating income are generated from a broad range of motor products. The information on net sales, operating income and assets by geographic area, and overseas sales is summarized as follows:

#### Segment Information by Geographic Area

	Yen (millions)		U.S. Dollars (thousands)
	1999	2000	2000
<b>Net sales:</b>			
Japan			
Outside customers	¥ 35,952	¥ 29,240	\$ 254,261
Intersegment	43,923	50,516	439,269
Total	79,875	79,756	693,530
Asia			
Outside customers	56,197	60,881	529,400
Intersegment	46,659	48,219	419,296
	102,856	109,100	948,696
U.S.A.			
Outside customers	13,280	12,757	110,930
Intersegment	26	14	122
	13,306	12,771	111,052
Europe			
Outside customers	12,117	13,355	116,130
Intersegment	19	2	18
Total	12,136	13,357	116,148
Corporate and elimination	(90,628)	(98,751)	(858,704)
Consolidated	¥ 117,545	¥ 116,233	\$ 1,010,722
<b>Operating Income:</b>			
Japan	¥ 17,525	¥ 16,067	\$ 139,713
Asia	7,499	11,336	98,574
U.S.A.	697	721	6,269
Europe	559	727	6,322
Corporate and elimination	2,201	(227)	(1,974)
Consolidated	¥ 28,481	¥ 28,624	\$ 248,904
<b>Assets:</b>			
Japan	¥ 65,063	¥ 65,344	\$ 568,209
Asia	78,020	88,860	772,695
U.S.A.	5,264	5,964	51,861
Europe	4,942	5,322	46,278
Corporate and elimination	64,794	77,136	670,748
Consolidated	¥ 218,083	¥ 242,626	\$ 2,109,791

The amount of corporate assets included in "Corporate and elimination" is ¥111,334 million in 1999 and ¥129,621 million (\$1,127,139 thousand) in 2000, which comprises principally cash, short-term investments and investment securities.

## Overseas Sales

	Yen (millions)		U.S. Dollars (thousands)
	1999	2000	2000
<b>Overseas Sales</b>			
U.S.A.	¥ 14,843	¥ 13,945	\$ 121,261
Europe	14,731	13,951	121,313
Asia and Other	68,824	71,899	625,209
Total	98,398	99,795	867,783
Net Sales	117,545	116,233	1,010,722
% of Overseas Sales to Net Sales	83.7%	85.9%	85.9%

Overseas sales are the total of exports by the Company and sales by consolidated overseas subsidiaries.

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Mabuchi Motor Co., Ltd.

We have audited the consolidated balance sheets of Mabuchi Motor Co., Ltd. and consolidated subsidiaries as of December 31, 2000 and 1999, and the related consolidated statements of income, shareholders' equity, and cash flows for the years then ended, all expressed in yen. Our audits were made in accordance with **auditing standards, procedures and practices generally accepted and applied in Japan** and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated financial statements, expressed in yen, present fairly the consolidated financial position of Mabuchi Motor Co., Ltd. and consolidated subsidiaries as of December 31, 2000 and 1999, and the consolidated results of their operations and their cash flows for the years then ended, in conformity with **accounting principles and practices generally accepted in Japan** applied on a consistent basis, except as noted in the following paragraph.

As described in Note I (h) and I (i) to the consolidated financial statements, Mabuchi Motor Co., Ltd. and consolidated subsidiaries have adopted new accounting standards for research and development costs and tax-effect accounting in the preparation of their consolidated financial statements for the year ended December 31, 2000. Also the company changed the method of charging prior service costs of the pension plan to an accrual basis from a cash basis, as referred to in Note I (j).

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended December 31, 2000 are presented solely for convenience. Our audit included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note I (a) to the consolidated financial statements.

*Century Ota Showa & Co.*  
Century Ota Showa & Co.

March 29, 2001

See note I (a) to the consolidated financial statements which explains the basis of preparing the consolidated financial statements of Mabuchi Motor Co., Ltd. under Japanese accounting principles and practices.



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

As of March 29, 2001

*President*

Takaichi Mabuchi

*Executive Managing Director*

Shinji Kamei

*Managing Director*

Shoji Nishimura

*Directors*

Sun Zuei Che  
Nobuyo Habuchi  
Seiya Nakanishi  
Yasuo Uehara  
Shunroku Nishimura

*Statutory Auditors*

Kiyoshi Iwakura  
Chiaki Kajiwara  
Ichiro Ando  
Yuzaburo Nagase

# CORPORATE INFORMATION

## CORPORATE DIRECTORY

As of December 31, 2000

### Consolidated Subsidiaries

#### MABUCHI INDUSTRY CO., LTD.

19 Sam Chuk St., San Po Kong  
Kowloon, Hong Kong  
Tel: 852-2328-5575  
Fax: 852-2352-1008

#### MABUCHI TAIWAN CO., LTD.

6/F No.3 Sec.1 Tun Hwa South Rd.  
Taipei, Taiwan  
Tel: 886-2-2579-0155  
Fax: 886-2-2570-6535

#### MABUCHI MOTOR TAIWAN LTD.

No.66 Kai Fa Rd., N.E.P.Z.  
Kaohsiung, Taiwan  
Tel: 886-7-362-1111  
Fax: 886-7-361-9111

#### MABUCHI MOTOR DALIAN LTD.

Harbin Rd., Dalian Economic  
and Technical Development Zone  
China  
Tel: 86-411-761-1111  
Fax: 86-411-761-2900

#### MABUCHI MOTOR WAFANGDIAN LTD.

Wafangdian City  
Laohutun Town, China  
Tel: 86-411-537-0241  
Fax: 86-411-537-0291

#### MABUCHI MOTOR (JIANGSU) CO., LTD.

No.1 Liu Xu Rd., Song Ling  
Economic and Technical Development Zone  
Wu Jiang City, Jiang Su, China  
Tel: 86-512-345-1111  
Fax: 86-512-345-0438

#### MABUCHI MOTOR (MALAYSIA) SDN. BHD.

Plot 15, Kanthan Industrial Estate  
31200 Chemor, Perak, Malaysia  
Tel: 60-5-201-1888  
Fax: 60-5-201-2288

#### MABUCHI MOTOR VIETNAM LTD.

No.28, Bienhoa Industrial Zone 2  
Long Binh Ward, Bienhoa City  
Dongnai Province, Vietnam  
Tel: 84-61-836711  
Fax: 84-61-836712

#### MABUCHI PRECISION INDUSTRIES LTD.

1087 Hinata-cho, Tatebayashi-shi  
Gunma-ken, 374-0076, Japan  
Tel: 81-276-72-1941  
Fax: 81-276-72-1943

#### MABUCHI PRECISION INDUSTRIES HONG KONG LTD.

19 Sam Chuk St., San Po Kong  
Kowloon, Hong Kong  
Tel: 852-2328-5575  
Fax: 852-2352-1008

#### DONGGUAN MABUCHI MOTOR EQUIPMENT CO., LTD.

16 Tian Bao Road, Dong Zong Road  
Dong Guang City, Guang Dong Province  
China  
Tel: 86-769-225-6985  
Fax: 86-769-225-6984

#### MABUCHI MOTOR AMERICA CORP.

3001, West Big Beaver Rd., Suite 520  
Troy, MI. 48084 U.S.A.  
Tel: 1-248-816-3100  
Fax: 1-248-816-3242

#### MABUCHI MOTOR (SINGAPORE) PTE. LTD.

111 North Bridge Rd., #21-02  
Peninsula Plaza, Singapore 179098  
Tel: 65-339-9991  
Fax: 65-339-9091

#### MABUCHI MOTOR (EUROPE) GmbH

Hahnstrasse 38, 60528  
Frankfurt/Main, Germany  
Tel: 49-69-6690220  
Fax: 49-69-6690229

### Non-Consolidated Subsidiaries

#### MABUCHI REAL ESTATE CO., LTD.

#### TAIWAN MABUCHI (HONG KONG) CO., LTD.

## **INVESTOR INFORMATION**

As of March 31, 2001

### **Corporate Headquarters**

MABUCHI MOTOR CO., LTD.

430 Matsuhidai, Matsudo-shi

Chiba-ken 270-2280, Japan

Tel: 047-384-1111

Fax: 047-389-5299

<http://www.mabuchi-motor.co.jp>

### **Ordinary General Meeting of Shareholders**

The Ordinary General Meeting of Shareholders will be held at the end of March in Matsudo.

### **Independent Accountants**

Century Ota Showa & Co. (Member Firm of KPMG International)

Tokyo, Japan

### **Transfer Agent of Common Shares Handling Office**

The Toyo Trust and Banking Co., Ltd.

Corporate Agency Department

10-11, Higashi-suna 7-chome, Koto-ku

Tokyo 137-8081, Japan

Tel: 03-5683-5111

### **Japanese Stock Exchange Listing**

Tokyo stock exchange



**CORPORATE HEADQUARTERS**

430 Matsubidai, Matsudo-shi  
Chiba-ken 270-2280, Japan  
Tel: 047-384-1111  
Fax: 047-389-5299

<http://www.mabuchi-motor.co.jp>

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