



## Interview with Our President

# Leveraging Mabuchi Motor's strengths to expand our business into new areas

Representative Director and President **Tohru TAKAHASHI**

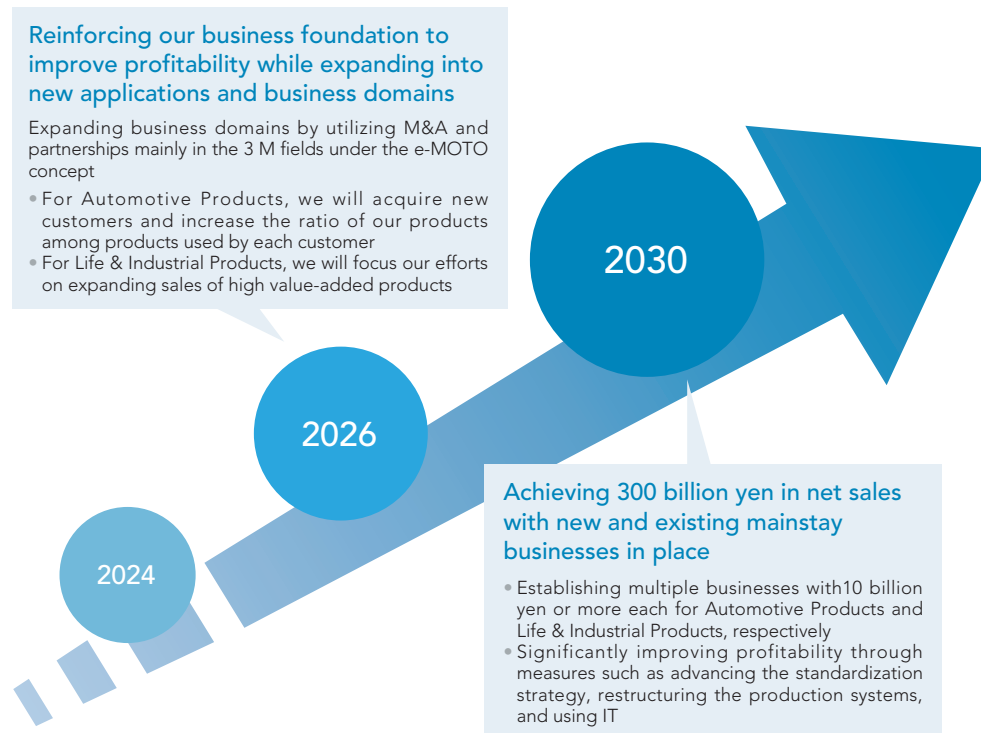
### [Building a Stronger Organization Through Team-Based Management](#)

In February 2024, we launched Management Plan 2030, our strategic roadmap through the year 2030. I believe that every member of Mabuchi Motor must take the initiative and boldly rise to the challenge to achieve the ambitious targets we have set in an increasingly volatile business landscape. To support this, we have adopted a team-based management approach in which our strategic direction is not only communicated clearly to all divisions but employees are also inspired to proactively propose solutions that our business operations then directly reflect. Human Resources are Mabuchi Motor's most valuable asset. Maximizing team creativity and productivity by integrating diverse perspectives and capabilities is the key to our growth. In 2025, Mabuchi OB Gear System and Mabuchi Microtech joined the Mabuchi Group. Welcoming these new companies into our fold, we are increasing dialogue and collaboration across the organization to unlock collective intelligence and encourage innovation. By encouraging open interactions across divisions and cultivating a culture where people naturally seek new perspectives and share ideas, we aim to build an adaptive, resilient organization that is capable of sustainable growth.

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### [A Roadmap to Achieving Management Plan 2030](#)

In Management Plan 2030, we set financial targets including net sales of 300 billion yen, an operating income ratio of 15% or higher and a return on invested capital (ROIC) of at least 12%. In parallel, we are pursuing eight sustainability goals aligned with our four core materialities. We aim to improve the Mabuchi Motor Value Points (MVP), which we envisage as our corporate value, by enhancing both financial indicators and non-financial indicators. We use MVP to quantify our annual progress, with 100 points representing the full achievement of the 2030 Guidance. Our score in 2024 was 61.8 points. By monitoring our MVP achievement rate, we implement improvements in both the financial and non-financial domains, thereby enhancing our corporate value. We have structured our roadmap for achieving the goals of Management Plan 2030 into two phases. The first half focuses on building a strong business foundation, and the second on accelerating growth.



In the first phase, we are strengthening the foundation of our business to improve profitability while expanding into new applications and business domains. Focusing on the 3 M fields, Mobility, Machinery, and Medical, we aim to broaden the scope of our business through mergers, acquisitions and partnerships. In the Automotive Products segment, we are striving to secure new customer orders and increase the rate at which our existing customers select our products. In Life & Industrial Products, we are working to expand sales of high value-added offerings. To further enhance profitability, we will advance our standardization strategy, restructure our production systems, and use IT throughout our operations.

In the second phase, we will leverage our reinforced foundation to accelerate the expansion of new businesses. Our goal is to establish multiple core business lines, each with annual sales exceeding 10 billion yen, in both the Automotive Products and Life & Industrial Products markets.

### [Strengthening the Business Foundation](#)

To strengthen our business foundation as we work toward achieving Management Plan 2030, we are undertaking a comprehensive review of the structure and functions of our production bases. The goal of this initiative is to push forward with the ongoing cost reductions and ensure alignment with the current business environment. We established Poland Mabuchi in 2017 under a policy of accelerating local production for local consumption. However, due to a number of changes in the business environment, demand in the automobile market did not grow as much as we expected at the time of establishing this factory. We will therefore optimize the scale of production to align it with demand after a review. At the same time, we will transform the structures into ones that enable to produce high value-added products, including life and industrial products. Taiwan Mabuchi has discontinued its mass production of motors after 60 years and is restructuring its operations to specialize in equipment and mold engineering. In addition, as a Group-wide initiative, we will leverage our standardized production processes to review production items at each base and drive use of production equipment at other bases within the Group, as part of our efforts to improve production efficiency.

While enhancing efficiency, we are also investing in innovation. We will establish our second overseas R&D center at Vietnam Mabuchi, following the one established in China. Vietnam Mabuchi previously focused on the development of production equipment, but it will now expand its capabilities to include product development in response to increasing inquiries related to diverse applications. In addition, we established a new sales subsidiary in India in March 2025. As the Indian market continues to grow, we are strengthening our sales structure to expand both our revenue and market share in the region.

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### Review of 2024

As the first year of Management Plan 2030, 2024 was marked by a complex mix of challenges, including persistently high energy and raw material prices, geopolitical risks, and global inflationary pressure. Despite these conditions, in Automotive Products, sales increased. This was driven by the range of vehicle applications broadening and orders increasing. In Life & Industrial Products, sales of personal care-related devices declined slightly due to our focus on profitability. However, sales of products with health/medical and office equipment applications remained solid. Supported in part by the weaker yen, net sales increased 9.8% year on year to 196,212 million yen. Operating income increased 39.3% year on year to 21,644 million yen, as positive factors, including improved pricing, a more favorable product mix, and the weaker yen, outweighed rising costs. The operating income ratio improved 2.3 percentage points to 11.0%. Ordinary income increased 20.2% year on year to 32,448 million yen due to foreign exchange gains. Meanwhile, profit attributable to owners of parent decreased 33.9% to 12,831 million yen, reflecting an extraordinary loss of 7,329 million yen recorded by Poland Mabuchi due to impairment. ROIC improved by 0.4 percentage points to 6.1%, but remains significantly below our Management Plan 2030 target of 12% or higher. Each unit is identifying key issues and setting specific targets to improve ROIC, including the optimization of inventory levels Group-wide and the enhancement of the financial turnover ratio. We monitor progress on a quarterly basis to ensure initiatives are steadily implemented.



Cash flows from operating activities increased 8,392 million yen year on year to 40,133 million yen, mainly due to an increase in operating income and improvements in the income and expenditure structure reflecting a decrease in inventories. We are on track with our cash allocation plan for 2024–2026, which sets aside 25.0 billion yen for strategic investments, such as mergers, acquisitions and alliances, 45.0 billion yen for capital expenditures, and 50.0 billion yen for shareholder return.

### Management Plan 2030

Enhancing Mabuchi Motor Value Points (MVP),  
our own measure of corporate value

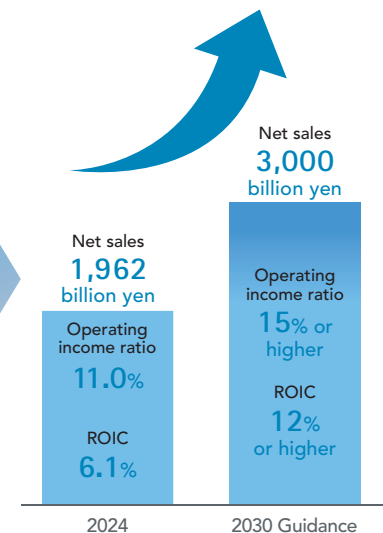
#### Management Plan 2030 Guidance (2024-2030)

##### Financial Indicators

- Net sales:  
**300.0 billion yen**
- Operating income ratio:  
**15% or higher**
- ROIC:  
**12% or higher**

##### Non-financial indicators\*

- CO<sub>2</sub> emission reduction rate (Scope 1 and 2)
- Net sales growth rate for sustainable products
- Net sales growth rate for applications that contribute to SDGs
- Percentage of managers that are women
- Number of employees with global work experience
- Number of participants in motor craft workshops and visiting classes for children
- Occupational accident frequency rate
- Number of serious human rights risks



\* Non-financial indicators are indicators of intangible assets such as human capital which do not contribute financially yet but will contribute to business results in the future. Since they are as important to us financial indicators.

Steady progress in 2024 toward the achievement of  
a perfect MVP score of 100

## MVP score for 2024: 61.8 points

Points were calculated by converting data for each indicator (net sales, operating income ratio, ROIC and sustainability targets) into a rate of achievement versus the indicator targets set out in the 2030 Guidance, with equal weight (25%) given to each indicator.



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### e-MOTO Business Concept

Traditionally, Mabuchi Motor has focused on small DC motors. However, under Management Plan 2030, we are accelerating our transformation into a company that provides comprehensive motion solutions guided by our e-MOTO business concept. At the heart of this transformation is the expansion of our business beyond motors into peripheral domains, including components, accessories and units. By delivering optimized, end-to-end solutions that meet the motion needs of society and our customers, we aim to expand the scope of our business and build a well-balanced portfolio that is not overly dependent on automotive applications. In terms of the applications we are focusing on, we are expanding the 3 M fields, Mobility, Machinery, and Medical. On the product axis, we are broadening our offerings from standalone motors to include units and peripheral devices. Through these initiatives, we are establishing the capabilities needed to deliver motion-driven solutions that address a wide range of social and customer challenges.

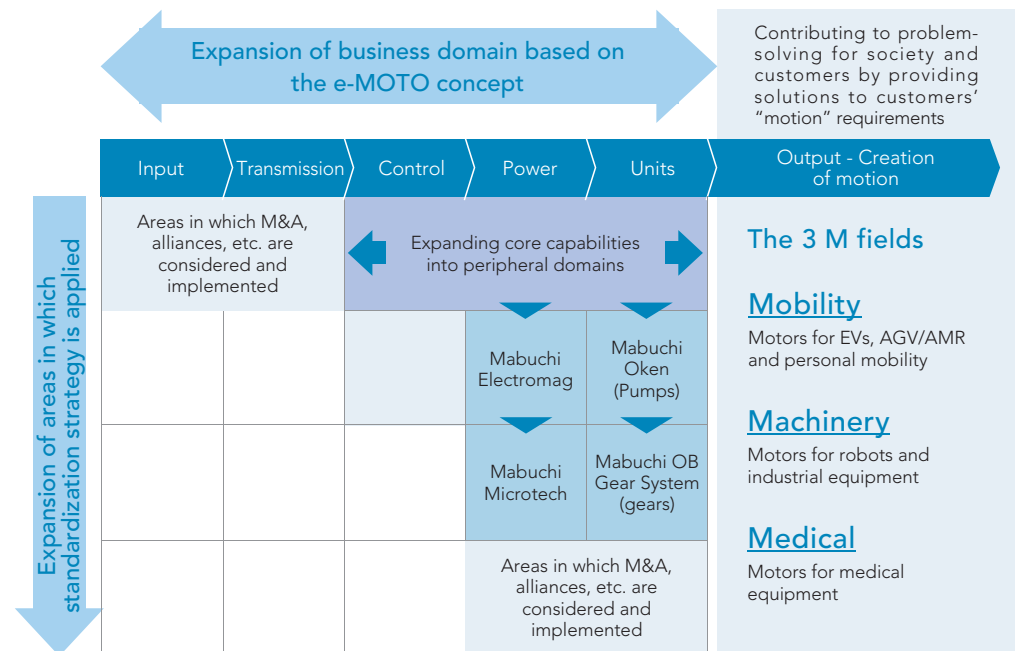
As outlined in the financial targets of our Management Plan, we are committed not only to top-line growth but also to driving the growth of profit by delivering high value-added offerings that contribute to society. The source of this value lies in our technological strengths: our advanced product development capabilities and our expertise in manufacturing processes. We aim to further strengthen these capabilities through external collaborations, including mergers and acquisitions, and will leverage the intellectual property of newly integrated group companies to secure a sustainable competitive edge.

### Strengthening External Collaboration

To realize the e-MOTO concept, we are proactively engaging in external collaborations, alliances, and M&A activities. Rather than relying solely on in-house development, we flexibly incorporate external resources in areas aligned with our growth strategy, which includes measures such as reinforcing our core technologies, accelerating the growth of revenue and profit in the areas of strategic applications and expanding production capacity.

In March 2023, we welcomed Mabuchi Oken into the Group. Specializing in the manufacture and sale of pump units, the company is already generating synergies, including the acquisition of new projects through collaborative sales activities throughout the Group. In April 2025, Mabuchi OB Gear System also joined the Group. By combining its precision gear and molding technologies with our motors, we aim to capture demand for unit-based solutions and further drive the growth of the market. In June 2024, we announced the acquisition of the small motor business of Oki Micro Engineering. It was officially integrated into the Group as Mabuchi

Microtech in July 2025. The company brings a range of products that we previously did not offer to our lineup, including stepping motors, geared motors, and various other motors and actuators. This addition expands our motor portfolio, enabling us to offer more comprehensive solutions to meet customers' diverse needs in the Machinery field. We will continue accelerating joint initiatives to maximize synergy throughout the Group.



### In Closing

I would like to express my sincere gratitude to all of our stakeholders, including our shareholders, customers, and business partners, for their continued support which makes it possible for us to continue our business. Although the business environment remains uncertain and continues to change rapidly, we recognize that simply following the same path will not ensure sustainable growth. Strongly believing that change is essential for our continued growth, we are committed to accelerating our growth toward the achievement of the goals of Management Plan 2030. We ask for your continued support as we move forward.