

# Business Strategy

## Message from Head of Global Business and Management

Member of the Board,  
Managing Executive Officer,  
Head of Global Business  
and Management  
**Tsuyoshi NAKAMURA**

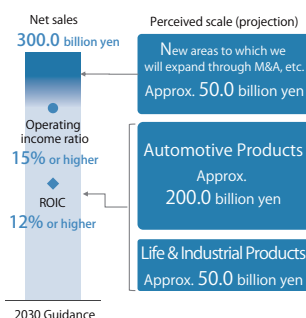


In the Management Plan 2030 Guidance, one of the financial targets is defined as achieving net sales of 300 billion yen. This will be from the organic growth of mainly existing business domains, with Automotive Products being responsible for about 200 billion yen, Life & Industrial Products being responsible for about 50 billion yen, and the remaining 50 billion yen coming from new domains which will expand through our efforts, including active investment through mergers, acquisitions and other means. Our basic policy is to increase sales of high value-added products and expand into new applications mainly in the 3 M fields (Mobility, Machinery and Medical) under the e-MOTO concept.

For Automotive Products, we saw some unusual events in some regions in 2024, such as the inventory of assembled cars remaining high and the transition to EVs slowing down. In the medium- and long-term, however, demand will rise gradually and we expect to grow through the increased sales of new unitized products. Mabuchi OB Gear System joined the Mabuchi Group in April 2025. It is a high-precision resin gear manufacturer with high-level molding technologies. By optimally designing motors and gear units as a single module, we can offer high value-added solutions to our customers. Regarding new applications, we have received orders for SVS\* fan unit motors from major Japan-affiliated customers and are preparing to commence mass production. Furthermore, the mass production of gear unit motors for battery-powered cooling water valves will start within 2025 for major Japan-affiliated customers.

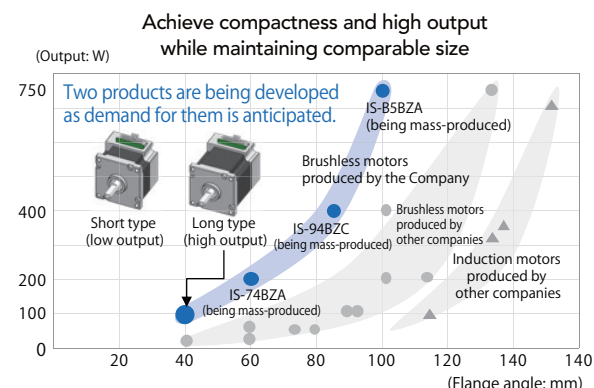
\*SVS: Seat Ventilation System

### Realization of Management Plan 2030



Mabuchi OB Gear System's gear products

We will steadily grow our existing operations in our Life & Industrial Products domain, mainly in the areas of health and medical care. Regarding the expansion into new applications, we aim to achieve growth, particularly in the machinery sector, by enhancing our lineup of small, high-output brushless motors that offer higher output and greater responsiveness compared to products of the same size from other companies. Amid the trend toward automation to address labor shortages, we have received numerous inquiries from major customers. Additionally, we are actively promoting development and sales activities to secure orders for food processing machines, material handling equipment, and products for collaborative robots.



We are moving ahead with M&A mainly with two policies. First, we will enhance the lineup of motors. For an enhanced motor lineup, we will apply the concept of the standardization strategy and expand further to other applications. Having joined the Mabuchi Group in August 2021, Mabuchi Electromag deals in motors for medical care products. Its products have also been chosen in non-medical industries and their diverse applications have expanded. Mabuchi Microtech joined the Mabuchi Group in July 2025. Its product lineup, including stepping motors, is something our company did not originally offer. We anticipate that this will enable us to propose comprehensive solutions, particularly in the machinery sector, which is a key focus area for us.

Also, their joining the Group will increase the number of motor-related solutions that we propose and the added value of our motor units. Mabuchi Oken joined the Mabuchi Group in March 2023. It manufactures and sells pump units and we are beginning to see synergy. For example, the company is receiving orders for new projects by providing entire units to customers to increase added value.

### Enhancement of motor lineup

We will enhance our lineup of core motor products that generate "motion"

Applying the concept of the standardization strategy  
Expanding further to other applications

### Expanding the provision of solutions peripheral to motors

Providing diverse motion solutions including control solutions and unit motor solutions

Improving the added value of the units by making them and our motors compatible with each other

# Business Overview | Automotive products

## Performance in 2024

### Net sales

**152.4** billion yen

### Sales volume

**1,055** million pieces

## Main applications

### ● Medium-sized motors

Power window lifter, power seat, electric parking brake and valve actuator

### ● Small motors

Mirror, door lock actuator, air conditioning damper actuator and head light



## Main initiatives in 2024

Medium-sized automotive motors (power window lifters)	<ul style="list-style-type: none"> <li>• Advance preparations for mass production, aiming to commence sales of PW motors to the Detroit Three in 2026</li> <li>• Won an order from a sixth Japanese customer</li> </ul>
Medium-sized automotive motors (excluding power window lifters)	<ul style="list-style-type: none"> <li>• Prepared for mass production of PS motors for new major European customers</li> <li>• Advanced preparations to begin mass production of battery cooling valve actuator motor units for EVs</li> <li>• Advanced preparations to start mass production of SVS fan motor units</li> </ul>
Small automotive motors	<ul style="list-style-type: none"> <li>• Gained more orders regarding new applications including door closers, EV charging cable locks, and flush door handles</li> </ul>

## Main initiatives in 2025

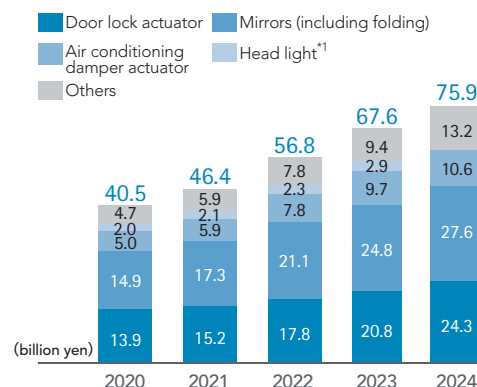
Medium-sized automotive motors (power window lifters)	<ul style="list-style-type: none"> <li>• Win new projects for European and US customers</li> <li>• Continue sales expansion activities to increase shares of sales from the Detroit Three</li> <li>• Advance preparations to start sales to the sixth Japanese customer</li> </ul>
Medium-sized automotive motors (excluding power window lifters)	<ul style="list-style-type: none"> <li>• Win contracts on projects on PS motors for major Japanese customers and prepare for mass production of them</li> <li>• Begin sales of battery cooling valve actuator motors for EVs and enhance the lineup of motors for the above application</li> <li>• Expand sales of SVS fan motor units</li> </ul>
Small automotive motors	<ul style="list-style-type: none"> <li>• Continue to expand existing businesses by enhancing the lineup of existing products</li> <li>• Consider development efforts for catering to new needs associated with progress in the shift to EVs</li> </ul>

\*SVS: Seat ventilation systems

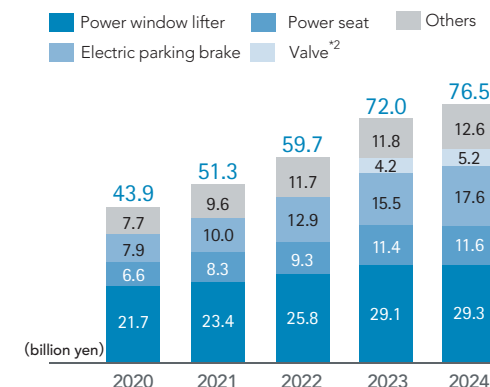
## Sales trends by main applications (2020 ~ 2024)

In 2020, sales were affected by the global slowdown in economic activity due to the COVID-19 pandemic and the overall slowdown in the automotive market. 2021 to 2022 saw continued supply chain disruptions, while 2023 to 2024 saw sales increase due to price revisions and the effects of the weaker yen. The high market share of small automotive motors was maintained, while the number of vehicles adopting medium-sized automotive motors expanded.

### Small automotive motors



### Medium-sized automotive motors



\*1 From 2024, the product for headlights has been integrated into the "Others" category.

\*2 From 2023, the product for valves is disclosed separately from the "Others" category.

## Opportunities and risks

### Opportunities

- Increase in demand for compact and high precision motors helpful to energy conservation and noise reduction
- Increase in opportunities for stepping into new markets, including cooling water valve actuators, following the shift of automobiles to EVs in the mid- to long-term
- Increase in the number of motors per automobile and in opportunities to enter new domains helpful to passengers' comfort amid the trend towards autonomous driving

### Risks

- Increased geopolitical risks and the impact of tariff policies
- Impact of rising procurement prices of raw materials and parts on the earnings structure
- Impact of parts supply shortages on automobile production

# Business Overview | Life & Industrial Products

## Performance in 2024

Net sales

**43.6** billion yen

Sales volume

**293** million pieces



## Main applications

### ● Home appliances, power tools and housing equipment

Vacuum cleaners and electric locks

### ● Office equipment

Inkjet printers and multifunction printers

### ● Health and medical care

Toothbrushes, artificial respirators and surgical tools

### ● Personal care

Hair dryers and electric shavers

### ● Light electric vehicles

E-bikes, Senior car

AGV • AMR

### ● Collaborative robots



## Main initiatives in 2024

### Motors for Life & Industrial Products

- Gained orders for products for e-bikes from major Japanese customers
- Achieved an increase in shipments of products for product display robots at convenience stores
- Expanded sales of products in the medical area, namely products for surgical drills and pump unit motors for patient monitoring systems

## Main initiatives in 2025

### Motors for Life & Industrial Products

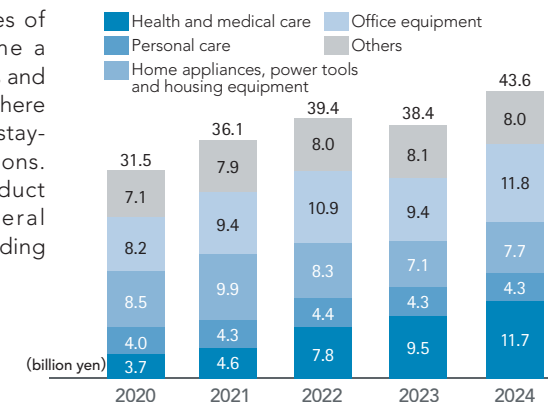
- Further expand sales of products for compact mobility applications such as electric motor assist bicycles
- Expand sales so that our products are used for collaborative robot applications in the global market
- Create synergy with Group companies

## Sales trends by main applications (2020 ~ 2024)

As for 2020, sales were affected by the spread of the COVID-19. In 2021, sales increased mainly in personal care products and in office equipment, where the market is likely to shrink in the medium- to long- term, due to the stay-at-home demand during the COVID-19 pandemic.

Sales of health and medical care products increased significantly due to strong sales of toothbrushes in the mid- to high-end segment and the contribution of sales of Mabuchi Electromag, which became a subsidiary. In 2023, while price revisions and the weaker yen had a positive effect, there was also an impact from the waning stay-at-home demand in certain applications. In 2024, sales increased as end-product inventories were depleted in several applications, and customers were building up their inventories.

Life & Industrial Products



## Opportunities and risks

### Opportunities

- Increased demand for further miniaturization, weight reduction, and higher efficiency in the 3 M fields (Mobility, Machinery, and Medical)
- Increase in demand for motors for robots as a solution to the labor shortage
- Increase in demand after accelerated replacement with electric industrial equipment for reduced CO<sub>2</sub> emissions

### Risks

- Increased geopolitical risks and the impact of tariff policies
- Impact of rising procurement prices of raw materials and parts on the earnings structure
- Emergence of competitive low-cost manufacturers in China