

(TRANSLATION ONLY)

Securities code: 6592
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To Those Shareholders with Voting Rights

Shinji Kamei
President
MABUCHMOTOR CO., LTD.
430 Matsuhidai, Matsudoshi, Chiba-ken, Japan

NOTICE OF THE 70TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We hereby inform you of the 70th Ordinary General Meeting of Shareholders to be held as follows:

If you are unable to attend the Meeting, please read the attached REFERENCE DOCUMENTS FOR THE 70th ORDINARY GENERAL MEETING OF SHAREHOLDERS and return the Exercise Voting Right Form with your selections. Please ensure that it will reach the Company by 5 p.m., Tuesday, March 29, 2011.

1. Date: 10 a.m., Wednesday, March 30, 2011

2. Place: Large Conference Hall at Head Office
MABUCHI MOTOR CO., LTD.
430 Matsuhidai, Matsudoshi, Chiba-ken

3. Agenda:

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 70th Fiscal Term (from January 1, 2010 to December 31, 2010), as well as the Audit Reports of the Independent Certified Public Accountants and the Board of Statutory Auditors for the Consolidated Financial Statements
2. The Financial Statements for the 70th Fiscal Term (from January 1, 2010 to December 31, 2010)

Matters to be resolved:

- Proposal 1:** Proposed Appropriation of Retained Earnings for the 70th Fiscal Term
Proposal 2: Election of Seven (7) Directors

***For those attending, please present the enclosed Exercise Voting Rights Form at the reception desk on arrival at the Meeting.**

***Should any amendments occur in the REFERENCE DOCUMENTS FOR THE 70th ORDINARY GENERAL MEETING OF SHAREHOLDERS, the Business Report, the Financial Statements and/or the Consolidated Financial Statements, such changes will be posted on the Company's Web site (http://www.mabuchi-motor.co.jp/ja_JP/).**

Note: This document is a translation of an excerpt of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

BUSINESS REPORT (From January 1, 2010 to December 31, 2010)

1. Current Conditions of the Mabuchi Group

(1) Business Developments and Results

In the fiscal year ended December 31, 2010, although there were geographical pockets of strength and weakness, the world economy continued its gradual recovery trend from the end of the previous fiscal year. However, the impact of economic stimulus measures implemented in a number of countries began to weaken, and economic recovery in developed countries lost momentum in the second half of the year. On the other hand, the expansion trend in emerging countries continued, and overall the world economy showed underlying stability.

Although the gradual recovery trend in Japan continued as well, the second half of the year brought fears of an economic slowdown due to a decrease in exports accompanying the slowing of recovery in developed countries, appreciation of the Japanese yen and a slowdown in the recovery of domestic demand triggered by the discontinuation of economic stimulus measures. However, even though recovery came to a standstill, the economy showed underlying stability thanks to upside factors such as last-minute demand prior to the discontinuation of economic stimulus measures.

Under these business conditions, demand in the markets in which the Mabuchi Group operates showed a recovery trend on the whole. The automotive products market in particular saw a sharp increase in demand as a result of gradual demand recovery in developed countries coupled with continued market expansion and higher demand in emerging countries. Although demand increased in the Group's other markets as well, because sales of many of the key products in these markets are dependent on demand in developed countries, recovery in demand was gradual due to the slow pace of economic recovery in these countries.

In these circumstances, the Mabuchi Group implemented measures to address the following issues: expansion of priority businesses (acceleration of the growth strategy), reorganization of production bases (reinforcement of manufacturing infrastructure), and rationalization of costs (transformation to earnings structure and strategic investment).

Specifically, the Group sought to increase sales and market share, ensure stable product supply and improve quality, increase profitability and productivity, and increase future Group management efficiency by actively devising measures including (1) sales promotions focused on motors for power window lifters and motors for power seats; (2) product line expansion and sales expansion for compact, high-output, lightweight motors; (3) transfer of production from China to Vietnam in accordance with the medium-term plan (production ratio optimization); (4) a rapid start of operations at MABUCHI MOTOR (YINGTAN) CO.,LTD., a low-cost production base established in Jiangxi Province, China; (5) conversion of MABUCHI MOTOR (JIANGSU) CO., LTD. into a dedicated plant for production of products for the automotive products market; and (6) strengthening of the budgeting system and focused investment in facilities to rationalize production.

As a result, consolidated net sales for the period amounted to 82,752 million yen (17.6% increase on a year-on-year basis). Sales of motors, which account for the majority of consolidated net sales, came to 82,658 million yen (17.6% increase on a year-on-year basis). Next, looking at operating income, despite such negative factors as the steep rise in labor costs and raw material costs, capacity utilization improved in the wake of a sharp year-on-year increase in sales volumes, and the profit margin improved as the collection of fixed costs per product unit increased. At the same time, profitability improvement activities continuing from the previous year bore fruit. As a result, operating income for the year amounted to 6,624 million yen (119.4% increase on a year-on-year basis). Ordinary income amounted to 7,587 million yen (39.9% increase on a year-on-year basis). This was due to improvement in operating income, which offset deterioration in non-operating income and loss due to factors including a decrease in interest income on financial investments and the recording of a foreign exchange loss as a result of the strengthening of the yen.

Income before income taxes amounted to 7,291 million yen (142.0% increase on a year-on-year basis). This was due to the nonrecurrence this year of the loss on the closure of production bases that was the principal special loss recorded the previous year. Net income amounted to 5,260 million yen (3.5% decrease on a year-on-year basis). This was partly due to the elimination of a special factor, namely a non-recurring gain on the reversal of deferred tax liabilities recorded during the same period last year as a consequence of an amendment to the Corporation Tax Act, resulting in the return to the usual tax expense this year.

Next, we will explain the market trends and motor sales conditions by application.

1) Automotive Products Market

Net sales in this market increased substantially to 40,063 million yen (32.0% increase on a year-on-year basis). A sharp increase in demand occurred as customers experienced parts inventory shortages from the start of the year into spring due to recovery in automobile production. This resulted in a sudden recovery in sales of motors for mirrors, door locks, and air conditioner dampers, products for which the Group has high market share. Growth in sales of power window motors continued as a result of demand expansion in emerging countries. With regard to other applications, sales of motors for power seats remained strong and increased sharply.

2) Audio & Visual Equipment Market

Net sales in this market increased to 11,435 million yen (7.1% increase on a year-on-year basis). Sales of motors for car CD players surged, accompanying the recovery in automobile production. Sales of motors for DVD players decreased due to the impact of customer inventory adjustments that occurred in the second half of the year.

3) Optical & Precision Instruments Market

Net sales in this market increased to 13,821 million yen (6.1% increase on a year-on-year basis). Sales of motors for both inkjet printers and digital cameras increased as the market recovery trend continued.

4) Home Appliances, Power Tools & Toys Market

Net sales in this market increased to 17,337 million yen (6.8% increase on a year-on-year basis). Sales of motors for hair dryers, shavers, personal care products and tooth brushes remained robust throughout the year due to weak but stable demand in developed countries and demand growth in emerging countries.

<Consolidated sales of motors by application>

Market Segment	The 70 th fiscal term (The year ended December 31,2010)	YOY (%)	Segment sales as a percentage of net sales (%)
	Amount (Millions of Yen)		
Automotive Products	40,063	132.0	48.5
Audio & Visual Equipment	11,435	107.1	13.8
Optical & Precision Instruments	13,821	106.1	16.7
Home Appliances, Power Tools & Toys	17,337	106.8	21.0
Total	82,658	117.6	100.0

(Notes)

1. The Mabuchi Group's businesses have been developed within a single business field related to small motors. Given this single business structure, an explanation by segment is omitted.
2. Amounts less than a million yen have been truncated.
3. From the current fiscal year, the name of one of the markets in which we operate, "Home Appliances, Power Tools, Toys & Hobbies," has been changed to "Home Appliances, Power Tools & Toys." This change does not result in any change to our product lineup and product versatility.

(2) Capital Investments

Capital investments for the current fiscal year amount to ¥3,210 million, which includes ¥133 million for R&D facilities and equipment and ¥3,076 million for other facilities and equipment to reinforce motor productivity and update motors.

(3) Issues to Be Addressed

The outlook for 2011 is for gradual overall improvement in business conditions. In emerging countries, economic growth is expected to continue and remain stable despite some concerns. In developed countries, on the other hand, economic recovery will remain anemic, and factors such as soaring resource prices and credit uncertainty in Europe give cause for concern. In general, it appears additional time will be required for full-scale recovery of the world economy as a whole.

The situation in the markets in which the Mabuchi Group's products are sold is mixed as well. There are markets in which demand is increasing due to growth in emerging countries and markets that depend mainly on demand in developed countries in which recovery is only gradual. Nevertheless, demand is trending up in the Automotive Products market, the Audio & Visual Equipment market, the Optical & Precision Instruments market, and the Home Appliances, Power Tools & Toys market.

Under these business conditions, the Group will tackle the following issues.

1) Continued Strengthening of the Automotive Products Business

To strengthen the automotive products business, a medium-term initiative currently being implemented, the Mabuchi Group will continue to make focused investments in the markets for motors for power window lifters and motors for power seats and take measures to increase sales of compact, high-output motors.

First, with regard to motors for power window lifters, we will strive to increase sales by further strengthening our sales systems and technical service systems in emerging countries and will vigorously proceed with development of next-generation models that will be more compact and lightweight and cost less.

We will also work to develop motors for power seats into a second key product line comparable to motors for power window lifters by concentrating resources on development and sales expansion. We will take advantage of our product competitiveness and successful track record to steadily convert product inquiries, which are increasing in number, into purchase orders. At the same time, we will create greater synergy between our power seats business and power window lifters business to further reinforcement of competitiveness.

Furthermore, with regard to increasing sales of compact, high-output motors, anticipated growth of the compact car segment in the automotive industry is expected to bring increased demand for motors with a focus on lighter weight, lower noise, and environmental durability. We regard this change in the market environment as a new business opportunity and will work to expand our line of products that meet this market need and increase sales by publicizing the benefits of those products.

2) Sales Expansion in China

To strengthen our business in China, an enormous market that holds promise for future growth, we will develop competitive products appropriate for the local market by optimizing the performance and structure of our products, establishing quality standards, and reviewing parts and materials procurement methods to adapt them to the market.

We will also take advantage of the strengthening of our technical service system in China, such as utilization of the Economic Cooperation Framework Agreement (ECFA), and the benefits of wholly owned production bases in Guangdong Province to increase sales to customers in China.

3) Reorganization of Production Bases

The Mabuchi Group has engaged in activities from a medium-term perspective to optimize production base allocation with the aim of ensuring stable supply of products and enhancing operating efficiency. We have implemented an initiative to decrease the ratio of production in China from 80% to 60% and increase the ratio of production in Vietnam, where wage competitiveness is high, from 20% to 40% by the end of 2011. Since the transfer of production from China to Vietnam progressed according to schedule in fiscal 2010, prospects for achieving this target are good.

In the future, we will seek to maximize the benefits of reorganization by continuing activities to further strengthen our production bases, including the reallocation of models according to production base location and organizational capabilities.

Specifically, we will further boost global cost competitiveness: for instance, production capacity expansion for motors for power window lifters and power seats at Mabuchi Motor (Jiangsu) Co., Ltd., production expansion and start of production of motors for automotive products at Mabuchi Motor Danang Ltd., production expansion at Mabuchi Motor (Yingtian) Co., Ltd., and fixed cost reduction and assurance of management flexibility through full ownership of the factories in Guangdong Province.

4) Plant Efficiency Improvements

Serious problems such as sharp wage hikes and increasing employee turnover have arisen in the employment environments in China and Vietnam, and the question of how to increase production efficiency is emerging as a major factor that will affect future competitiveness. To respond to these developments, the Mabuchi Group will pursue manufacturing processes that can ensure more stable, higher quality while proceeding with the systematic introduction of labor-saving facilities and improving worker efficiency.

At the same time, the Group will strive to transform manufacturing fixed cost levels to levels that enable it to compete worldwide. To this end, the Group will review the roles and functions of all work associated with its worksites, consolidate and streamline the organizational structure and functions, abolish redundant functions, and further systematize operational procedures.

(4) Financial Highlights

(Millions of Yen)

	67 th fiscal term (FY 2007)	68 th fiscal term (FY 2008)	69 th fiscal term (FY 2009)	70 th fiscal term (FY 2010)
Net sales	107,640	92,602	70,369	82,752
Ordinary income	16,736	7,872	5,424	7,587
Net income	10,914	3,565	5,450	5,260
Net income per share (Yen)	280.90	94.77	155.54	150.14
ROE (%)	5.0	1.8	3.0	3.0
Total assets	230,960	188,691	192,362	185,408
Net assets	213,314	178,291	180,311	174,570
Shareholders' equity ratio (%)	92.4	94.5	93.7	94.2
Net assets per share (Yen)	5,577.84	5,088.18	5,146.04	4,982.43
Cash dividends per share (Yen)	123	123	100	100
Dividend payout ratio (%)	43.8	129.8	64.3	66.6
Dividend on equity ratio (%)	2.2	2.3	2.0	2.0

(Notes)

1. Net income per share is calculated using the average number of outstanding shares during the period. Net assets per share are calculated based on the total number of shares outstanding at the end of the period.
2. Amounts less than one million yen for net sales, ordinary income, net income, total assets and net assets are omitted. Amounts of net income per share and net assets per share are rounded to two decimal place.
3. Percentages for ROE, shareholders' equity ratio, dividend payout ratio and dividend on equity ratio are rounded to one decimal place.
4. Cash dividends per share, dividend payout ratio and dividend on equity ratio for the 70th fiscal term are projected figures calculated on the assumption that the resolution will be passed on the proposal for appropriation of retained earnings at the 70th Ordinary General Meeting of Shareholders.

(5) Principal Parent Company and Subsidiaries

1) Relations with parent company

No related items.

2) Principal subsidiaries

Company Name	Capital	Voting Rights held by the Company (%)	Main Business Lines
MABUCHI INDUSTRY CO., LTD.	HK\$ Thousand 491,012	100	Manufacture & sales of small motors and parts
MABUCHI MOTOR AMERICA CORP.	US\$ Thousand 4,000	100	Manufacture & sales of small motors and parts
MABUCHI MOTOR TAIWAN LTD.	NT\$ Thousand 490,600	100 (31)	Manufacture & sales of small motors and parts
MABUCHI MOTOR DALIAN CO., LTD.	RMB Thousand 470,743	100	Manufacture & sales of small motors and parts
MABUCHI TAIWAN CO., LTD.	NT\$ Thousand 452,540	100	Manufacture & sales of small motors and parts
MABUCHI MOTOR (MALAYSIA) SDN. BHD.	M\$ Thousand 30,000	100 (60)	Manufacture & sales of small motors and parts
MABUCHI MOTOR (JIANGSU) CO., LTD.	RMB Thousand 293,668	100 (43)	Manufacture & sales of small motors and parts
MABUCHI MOTOR (EUROPE) GmbH	EUR Thousand 715	100	Sales of small motors and parts
MABUCHI MOTOR (SINGAPORE) PTE. LTD.	US\$ Thousand 511	100	Sales of small motors and parts
MABUCHI MOTOR WAFANGDIAN CO., LTD.	RMB Thousand 57,937	100 (100)	Manufacture & sales of small motors and parts
MABUCHI MOTOR VIETNAM LTD.	VND Million 439,737	100	Manufacture & sales of small motors and parts
MABUCHI MOTOR (SHANGHAI) CO., LTD.	RMB Thousand 4,138	100	Sales of small motors and parts
MABUCHI MOTOR DANANG LTD.	VND Million 623,931	100	Manufacture & sales of small motors and parts
MABUCHI MOTOR (DONGGUAN) CO., LTD.	RMB Thousand 262,307	100 (100)	Manufacture of small motors, manufacture and maintenance of parts for small motors and production equipment
MABUCHI MOTOR KOREA CO., LTD.	KRW Thousand 300,000	100	Sales of small motors and parts
MABUCHI MOTOR TRADING (SHENZHEN) CO., LTD.	RMB Thousand 3,614	100	Sales of small motors and parts
MABUCHI MOTOR (YINGTAN) CO., LTD.	RMB Thousand 87,888	100 (100)	Manufacture & sales of small motors and parts
MABUCHI PRECISION (DONGGUAN) CO., LTD.	RMB Thousand 67,999	100 (100)	Manufacture & sales of small motors and parts
MABUCHI MOTOR DONGGUAN DAOJIAO Co., LTD.	RMB Thousand 53,126	100 (100)	Manufacture & sales of small motors and parts

(Notes)

1. The numbers inside the parentheses in the “Voting Rights held by the Company” column denote the ratio of voting rights indirectly owned by the Company.
2. MABUCHI MOTOR (MALAYSIA) SDN. BHD. made a resolution to dissolve the company in November 2005.
3. During the fiscal year under review, MABUCHI INDUSTRY CO., LTD. (China), made additional investments of ¥491 million (RMB 40,055 thousand) in MABUCHI MOTOR (YINGTAN) CO., LTD., and ¥482 million (RMB 37,273 thousand) in MABUCHI PRECISION (DONGGUAN) CO., LTD. (China).
4. A contract manufacturer owned by MABUCHI INDUSTRY CO., LTD. in Daojiao, Guangdong province in China, was incorporated as MABUCHI MOTOR DONGGUAN DAOJIAO CO., LTD. (Capital of RMB 53,126 thousand, 100% voting rights held by MABUCHI INDUSTRY CO., LTD.), in October 2010, and was newly included in the Company’s significant subsidiaries.

(6) Major Businesses Conducted by the Mabuchi Group (As of December 31, 2010)

The Mabuchi Group, consisting of MABUCHI MOTOR CO., LTD. (the “Company”), and its 20 subsidiaries (of which 19 are consolidated subsidiaries), engage in the manufacture and sales of small motors used for automotive products, audio & visual equipment, optical & precision instruments and home appliances, power tools & toys.

2. Matters Relating to Stocks

(As of December 31, 2010)

- (1) Total Number of Shares Authorized: 100,000,000
- (2) Number of Shares Issued: 41,875,881
(decreased by 2,000,000 from the end of the previous term)
Note: The decrease is due to the retirement of treasury stock during the fiscal year under review.
- (3) Number of Shareholders: 13,104
(Increased by 1,223 from the end of the previous term)

(4) Major Shareholders (Top 10)

Shareholders	Number of shares held (shares)	Percentage of shares held (%)
Takaichi Mabuchi	2,500,400	7.1
Takashi Mabuchi	1,900,300	5.4
Tamotsu Mabuchi	1,900,207	5.4
Mabuchi International Scholarship Foundation	1,500,000	4.3
Japan Trustee Services Bank, Ltd. (Trust Account)	1,164,700	3.3
Premiere Corporation	1,034,300	3.0
The Nomura Trust & Banking Co., Ltd. (Trust Account)	956,900	2.7
The Master Trust Bank of Japan, Ltd.(Trust Account)	840,900	2.4
Northern Trust Co. (AVFC) Sub-account American Clients	750,100	2.1
Morgan Stanley & Co., Inc.	726,371	2.1

(Notes)

1. In addition to the above, Mabuchi Motor Co., Ltd. retains 6,838,777 shares of treasury stock.
2. The number of shares of treasury stock is excluded from "Percentage of shares held." The percentages are rounded to one decimal place.

(5) Other Significant Matters Relating to Stocks

Retirement of Treasury Stock
Retired treasury stocks (common shares): 2,000,000

3. Directors and Statutory Auditors of the Company

(1) Directors and Statutory Auditors

(As of December 31, 2010)

Position	Name	Duty and Significant Positions Concurrently Held
Representative Director and Chairman	Takaichi Mabuchi	
Representative Director and President	Shinji Kamei	President and CEO
Executive Managing Director	Nobuyo Habuchi	Senior Managing Executive Officer, Chief Factory Management Officer and Chairman of the Board and General Manager, MABUCHI INDUSTRY CO., LTD.
Managing Director	Shunroku Nishimura	Managing Executive Officer Chief Administration Officer
Director	Akira Okuma	Executive Officer and General Manager of Research and Development Headquarters
Director	Takashi Kamei	Executive Officer and General Manager of Operations Control Headquarters
Director	Kaoru Kato	Executive Officer and General Manager of Sales Headquarters
Full-time Statutory Auditor	Masahiro Gennaka	
Statutory Auditor	Ichiro Ando	Attorney, Ando Ichiro Law Office
Statutory Auditor	Toyokuni Yazaki	CPA, Yazaki Accounting Office Outside Auditor of NAGAWA Corporation
Statutory Auditor	Keiichi Horii	Attorney, South Toranomom Law Office

(Notes)

1. Statutory Auditors Ichiro Ando, Toyokuni Yazaki and Keiichi Horii are outside auditors. The Company designated these three Statutory Auditors as “independent officers” as stipulated by the Tokyo Stock Exchange and registered them thereat.
2. Statutory Auditor Masahiro Gennaka has experience in corporate management as a former Director and President of a subsidiary of the Company and significant knowledge of finance and accounting.
3. Statutory Auditor Ichiro Ando is a lawyer. He is familiar with corporate legal affairs and has significant knowledge of finance and accounting.
4. Statutory Auditor Toyokuni Yazaki is a Certified Public Accountant and has professional knowledge of finance and accounting.
5. Statutory Auditor Keiichi Horii is a lawyer. He is familiar with corporate legal affairs and has significant knowledge of finance and accounting.
6. The Company reinforces both business execution and supervision functions by entrusting Directors with strategic decision making and supervision and giving Executive Officers the authority of and responsibility for ordinary business execution. The Company also adopts the Executive Officer system to reinforce corporate governance.

Executive Officers who are not concurrently a Director are as follows.

Name	Areas of responsibility
Hiroo Okoshi	Executive Officer and General Manager of Administration Headquarters
Masato Itokawa	Executive Officer and General Manager of Quality Assurance Dept.

(2) Remuneration Paid to Directors and Statutory Auditors

1) Remuneration paid

Category	Number of persons remunerated	Total amount of remuneration paid (Million yen)
Directors	7	193
Statutory Auditors [of which, Outside Auditors]	4 [3]	36 [25]

(Notes)

1. The amount of remuneration for Directors does not include their salaries for their service as the Company's employees, which is ¥43 million (paid to three directors/employees).
2. The amount of remuneration for the Directors includes ¥37 million (for seven Directors), which was posted as Accrued bonus to Directors on the financial statements for the fiscal year under review.

2) Policy for decision making on remuneration, etc.

As a basic policy for determining remuneration for Directors and Statutory Auditors, the Company set the amount at an appropriate level to clarify the area of responsibility of each Director or Statutory Auditor in the group management, enhance the transparency of management, give them incentives for raising business performance and corporate value, and secure and maintain highly capable human resources.

At the 66th Ordinary General Meeting of Shareholders of the Company held on March 29, 2007, it was approved that the remuneration of Directors (the ceiling amount of total remuneration) shall consist of monthly fixed payments within ¥15 million (excluding salaries for service as the Company's employees) and variable payments within 0.7% of consolidated net income for each business year (which does not include consolidated business results-based remuneration for Directors) with a ceiling amount of ¥200 million. With regard to remuneration for Statutory Auditors (the ceiling amount of total remuneration), a fixed monthly remuneration amount within ¥4 million was approved.

A fixed amount of remuneration for each Director was determined, taking into account each Director's position, other companies' standards and changes in the management environment, etc. The variable amounts are determined by each individual's business performance assessed using certain evaluation indices.

With regard to remuneration for Statutory Auditors, because they are independent of business execution, fixed monthly remuneration that is not affected by business results is paid to each Statutory Auditor and the amount for each Statutory Auditor is determined by negotiation among the auditors.

The retirement allowance system for Directors and Statutory Auditors was abolished at the closing of the 67th Ordinary General Meeting of Shareholders of the Company held on March 28, 2008.

(3) Matters Concerning Outside Officers (Outside Auditors)

- 1) Representative position at a different corporation concurrently assumed by the Company's officer and the relation between the corporation and MABUCHI MOTOR CO., LTD.
Statutory Auditor Toyokuni Yazaki also serves as an outside auditor at NAGAWA Corporation. There has been no trading or other special relationship between NAGAWA Corporation and the Company.

2) Major activities during the fiscal year under review

	Activities
Statutory Auditor Ichiro Ando	Attended 13 of the 28 meetings of the Board of Directors and all nine meetings of the Board of Statutory Auditors held during the fiscal year under review. Based on his ample experience and professional viewpoints on corporate legal affairs as a lawyer and from a position independent of the Company's management, he provided advice and made propositions to ensure the legality, adequacy and fairness of decision making and business execution.
Statutory Auditor Toyokuni Yazaki	Attended 19 of the 28 meetings of the Board of Directors and all nine meetings of the Board of Statutory Auditors held during the fiscal year under review. Based on his ample experience and professional viewpoints in corporate accounting audits as a Certified Public Accountant and from a position independent of the Company's management, he provided advice and made propositions to ensure the legality, adequacy and fairness of decision making and business execution.
Statutory Auditor Keiichi Horii	Attended 13 of the 28 meetings of the Board of Directors and all nine meetings of the Board of Statutory Auditors held during the fiscal year under review. Based on his ample experience and professional viewpoints on corporate legal affairs as a lawyer and from a position independent of the Company's management, he provided advice and made propositions to ensure the legality, adequacy and fairness of decision making and business execution.

3) Outline of Limited Liability Agreements

As per Article 427, Paragraph 1, of the Companies Act and the Company's Articles of Incorporation, the Company entered into an agreement with each outside auditor to limit their liabilities as provided in Article 423, Paragraph 1, of the Companies Act. The limit of liabilities under the agreement shall be the amount set forth in the relevant laws and regulations.

Consolidated Balance Sheet

(As of December 31, 2010)

(Millions of Yen)

Item	Amount	Item	Amount
(Assets)		(Liabilities)	
Current Assets	115,221	Current Liabilities	9,286
Cash and bank deposits	63,765	Trade notes and accounts payable	3,739
Trade notes and accounts receivable	11,449	Accrued income taxes	424
Short-term investments	21,488	Accrued bonus to employees	214
Merchandise and finished goods	10,574	Provision for directors' bonuses	37
Work in process	940	Allowance for loss on closing manufacturing facilities	381
Raw materials and supplies	4,574	Deferred tax liabilities	0
Income taxes receivable	206	Other current liabilities	4,490
Deferred tax assets-current	796	Long-Term Liabilities	1,551
Other current assets	1,650	Deferred tax liabilities	5
Less-Allowance for doubtful receivables	(224)	Allowance for retirement benefits for employees	387
Fixed Assets	70,186	Other long-term liabilities	1,158
Property, Plant and Equipment	31,775		
Buildings and structures	15,982		
Machinery, equipment and transportation equipment	7,504		
Tools, furniture and fixtures	1,445		
Land	6,022		
Construction in progress	821		
Intangible Fixed Assets	482		
Investments and Other Assets	37,928		
Investment securities	36,146		
Long-term loans receivable	59		
Deferred tax assets-non-current	869		
Other investments and other assets	986		
Less-Allowance for doubtful receivables	(133)		
Total Assets	185,408		
		(Net Assets)	
		Shareholders' Equity	195,644
		Common stock	20,704
		Additional paid-in capital	20,419
		Retained earnings	203,625
		Treasury stock, at cost	(49,105)
		Revaluation/translation adjustments	(21,074)
		Unrealized holding losses on securities	(257)
		Foreign currency translation adjustments	(20,817)
		Total Liabilities and Net Assets	185,408

Note: Amounts less than one million yen have been omitted.

Consolidated Statement of Income
(For the year ended December 31, 2010)

(Millions of Yen)

Item	Amount	
Net Sales		82,752
Cost of Sales		60,062
Gross Profit		22,689
Selling, General and Administrative Expenses		16,064
Operating Income		6,624
Non-Operating Income		
Interest income	684	
Dividend income	101	
Income from sales of scrap materials	995	
Other non-operating income	388	2,171
Non-Operating Expenses		
Stock-related expenses	47	
Exchange losses on foreign currency transactions	1,036	
Depreciation expenses of idle assets	16	
Soil improvement-related expenses	11	
Other non-operating expenses	96	1,208
Ordinary Income		7,587
Other Gains		
Gain on retirement of fixed assets	1	
Gain on sales of investment securities	82	
Reversal of allowance for doubtful receivables	22	106
Other Losses		
Loss on retirement of fixed assets	99	
Retirement allowance paid	84	
Loss from write-down of investment securities	217	401
Income before Income Taxes		7,291
Income taxes—Current		1,366
Income taxes—Deferred		664
Net Income		5,260

Note: Amounts less than one million yen have been omitted.

Consolidated Statement of Changes in Net Assets
(For the year ended December 31, 2010)

(Millions of Yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance as of December 31, 2009	20,704	20,419	216,230	(63,459)	193,895
Changes in the fiscal year:					
Cash dividends paid (Note: 1)	—	—	(1,751)	—	(1,751)
Cash dividends paid (Interim dividends)	—	—	(1,751)	—	(1,751)
Net income	—	—	5,260	—	5,260
Purchase of treasury stock	—	—		(8)	(8)
Cancellation of treasury stock	—	—	(14,362)	14,362	—
Net changes in other items	—	—		—	—
Total changes in the fiscal year	—	—	(12,605)	14,353	1,748
Balance as of December 31, 2010	20,704	20,419	203,625	(49,105)	195,644

(Millions of Yen)

	Revaluation/translation adjustments			Total net assets
	Unrealized holding gains (losses) on securities	Foreign currency translation adjustments	Total revaluation/translation adjustments	
Balance as of December 31, 2009	(32)	(13,551)	(13,584)	180,311
Changes in the fiscal year:				
Cash dividends paid (Note: 1)	—	—	—	(1,751)
Cash dividends paid (Interim dividends)	—	—	—	(1,751)
Net income	—	—	—	5,260
Purchase of treasury stock	—	—	—	(8)
Cancellation of treasury stock	—	—	—	—
Net changes in other items	(224)	(7,265)	(7,489)	(7,489)
Total changes in the fiscal year	(224)	(7,265)	(7,489)	(5,741)
Balance as of December 31, 2010	(257)	(20,817)	(21,074)	174,570

Notes: 1. The dividends were paid as appropriations of retained earnings based on a resolution at the ordinary general meeting of shareholders held in March 2010.

2. Amounts less than one million yen have been omitted.

Non-Consolidated Balance Sheet

(As of December 31, 2010)

(Millions of Yen)

Item	Amount	Item	Amount
(Assets)		(Liabilities)	
Current Assets	63,885	Current Liabilities	9,539
Cash and bank deposits	27,169	Accounts payable	7,539
Trade notes receivable	55	Account payable-other	642
Accounts receivable	12,382	Accrued expenses	402
Short-term investments	21,488	Accrued income taxes	146
Merchandise and finished goods	1,111	Accrued bonus to employees	214
Work in process	11	Provision for directors' bonuses	37
Raw materials and supplies	369	Other current liabilities	557
Short-term loans receivable from subsidiaries and affiliates	563	Long-Term Liabilities	1,263
Deferred tax assets-current	341	Allowance for retirement benefits for employees	120
Other current assets	405	Other long-term liabilities	1,142
Less-Allowance for doubtful receivables	(13)		
Fixed Assets	86,288	(Net Assets)	
Property, Plant and Equipment	17,637	Shareholders' Equity	139,629
Buildings	10,344	Common stock	20,704
Machinery and equipment	303	Additional paid-in capital	20,419
Tools, furniture and fixtures	334	Legal capital surplus	20,419
Land	5,996	Retained earnings	147,610
Other property, plant and equipment	659	Legal retained earnings	3,819
Intangible Fixed Assets	8	Other legal retained earnings	143,791
Investments and Other Assets	68,643	Reserve for the reduction of fixed assets	141
Investment securities	36,068	General reserve	170,119
Stocks of subsidiaries and affiliates	14,158	Retained earnings carried forward	(26,470)
Investments in capital of subsidiaries and affiliates	13,878	Treasury stock, at cost	(49,105)
Long-term loans receivable from subsidiaries and affiliates	2,885	Revaluation/translation adjustments	(258)
Deferred tax assets-non-current	1,507	Unrealized holding losses on securities	(258)
Other investments and other assets	171		
Less-Allowance for doubtful receivables	(26)		
Total Assets	150,174	Total Liabilities and Net Assets	150,174

Note: Amounts less than one million yen have been omitted.

Non-Consolidated Statement of Income

(For the year ended December 31, 2010)

(Millions of Yen)

Item	Amount	
Net Sales		56,359
Cost of Sales		43,961
Gross Profit		12,397
Selling, General and Administrative Expenses		10,914
Operating Income		1,483
Non-Operating Income		
Interest income	542	
Dividend income	1,032	
Other non-operating income	289	1,864
Non-Operating Expenses		
Stock-related expenses	47	
Exchange losses on foreign currency transactions	193	
Soil improvement-related expenses	11	
Disposal-related expenses for facilities of subsidiaries and affiliates	6	
Other non-operating expenses	24	284
Ordinary Income		3,063
Other Gains		
Gain on sales of investment securities	82	
Reversal of allowance for doubtful receivables	1	
Gain on sales of fixed assets	0	84
Other Losses		
Loss on retirement of fixed assets	6	
Loss from write-down of investment securities	217	224
Income before Income Taxes		2,923
Income taxes—Current		244
Income taxes—Deferred		469
Net Income		2,209

Note: Amounts less than one million yen have been omitted.

Non-Consolidated Statement of Changes in Net Assets

(For the year ended December 31, 2010)

(Millions of Yen)

	Shareholders' equity			
	Common stock	Additional paid-in capital		Retained earnings
		Legal capital surplus	Total additional paid-in capital	Legal retained earnings
Balance as of December 31, 2009	20,704	20,419	20,419	3,819
Changes in the fiscal year:				
Reversal of reserve for the reduction of fixed assets	—	—	—	—
Cash dividends paid (Note: 1)	—	—	—	—
Cash dividends paid (Interim dividends)	—	—	—	—
Net income	—	—	—	—
Purchase of treasury stock	—	—	—	—
Cancellation of treasury stock	—	—	—	—
Net changes in other items	—	—	—	—
Total changes in the fiscal year	—	—	—	—
Balance as of December 31, 2010	20,704	20,419	20,419	3,819

(Millions of Yen)

	Shareholders' equity			
	Retained earnings			
	Other legal retained earnings			Total retained earnings
	Reserve for the reduction of fixed assets	General reserve	Retained earnings carried forward	
Balance as of December 31, 2009	147	170,119	(10,819)	163,266
Changes in the fiscal year:				
Reversal of reserve for the reduction of fixed assets	(5)	—	5	—
Cash dividends paid (Note: 1)	—	—	(1,751)	(1,751)
Cash dividends paid (Interim dividends)	—	—	(1,751)	(1,751)
Net income	—	—	2,209	2,209
Purchase of treasury stock	—	—	—	—
Cancellation of treasury stock	—	—	(14,362)	(14,362)
Net changes in other items	—	—	—	—
Total changes in the fiscal year	(5)	—	(15,651)	(15,656)
Balance as of December 31, 2010	141	170,119	(26,470)	147,610

(Millions of Yen)

	Shareholders' equity		Revaluation/translation adjustments		Total net assets
	Treasury stock, at cost	Total shareholders' equity	Unrealized holding gains (losses) on securities	Total Revaluation/translation adjustments	
Balance as of December 31, 2009	(63,459)	140,931	(33)	(33)	140,898
Changes in the fiscal year:					
Reversal of reserve for the reduction of fixed assets	—	—	—	—	—
Cash dividends paid (Note: 1)	—	(1,751)	—	—	(1,751)
Cash dividends paid (Interim dividends)	—	(1,751)	—	—	(1,751)
Net income	—	2,209	—	—	2,209
Purchase of treasury stock	(8)	(8)	—	—	(8)
Cancellation of treasury stock	14,362	—	—	—	—
Net changes in other items	—	—	(224)	(224)	(224)
Total changes in the fiscal year	14,353	(1,302)	(224)	(224)	(1,527)
Balance as of December 31, 2010	(49,105)	139,629	(258)	(258)	139,371

Notes: 1. The dividends were paid as appropriations of retained earnings based on a resolution at the ordinary general meeting of shareholders held in March 2010.

2. Amounts less than one million yen have been omitted.

REFERENCE DOCUMENTS FOR THE 70TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Proposal 1: Approval of the Proposed Appropriation of Retained Earnings for the 70th Fiscal Term

Our basic policy on the appropriation of retained earnings is to retain necessary earnings for sound business activities, to maintain healthy financial strength and to ensure adequate dividends to our shareholders based on performance for the year. Based on the above policy, the Company makes it a principle to consistently distribute an ordinary dividend of ¥60 per share on an annual basis plus a special dividend equivalent to 20% (paid out on a per share basis) of the annual consolidated net income. In addition, the actual full-year dividend amount shall be based in principle on the above calculation standards and calculated in consideration of dividend payout ratio, dividend levels prior to the previous period, internal reserves, cash flows and other situations. The amount shall not be less than the expected full-year dividend amount announced during the full-year period.

Because we announced the annual dividend of ¥100 per share (ordinary dividend: ¥60 special dividend: ¥40) during 2010 and paid an interim dividend of ¥50(ordinary dividend: ¥30 special dividend: ¥20) per share in September 2010, we hereby propose the year-end dividend for the year as follow:

Matters related to the year-end dividend

- (1) The type of distributable properties
Money
- (2) Matters related to the disbursement of distributable properties and the aggregate amount
¥50 per common share of the Company
(ordinary dividend: ¥30 special dividend: ¥20)
Aggregate dividend amount: ¥1,751,855,200
- (3) Effective date of the distribution of retained earnings
March 31, 2011

Remaining surplus will be used for measures aimed at further strengthening our existing businesses and investing in areas of future growth, with a view of further increasing corporate value.

Proposal 2: Election of Seven (7) Directors

The term of office of all seven (7) directors currently in office will expire at the close of the 70th Ordinary General Meeting of Shareholders. Shareholders are therefore requested to elect seven (7) directors.

The candidates for the position of director are as follows.

No.	Name (Date of birth)	Brief personal history, position, assignment and significant positions concurrently held		Number of the Company's shares held
1	Takaichi Mabuchi (September 13, 1932)	January 1954 August 1958 March 1984 March 1985 March 2003	Executive Managing Director at the foundation of Tokyo Science Industrial Co.,Ltd., the predecessor of MABUCHI MOTOR CO., LTD. Executive Managing Director at the foundation of MABUCHI MOTOR CO., LTD. Representative Director and Executive Vice President, MABUCHI MOTOR CO., LTD. Representative Director and President, MABUCHI MOTOR CO., LTD. Representative Director and Chairman, MABUCHI MOTOR CO., LTD. (Current position)	2,500,400
2	Shinji Kamei (July 28, 1945)	March 1964 November 1988 October 1992 April 1993 March 1997 April 2000 March 2001 March 2003 November 2009	Joined MABUCHI MOTOR CO., LTD. Manager, Computer System Section, Administrative Department, MABUCHI MOTOR CO., LTD. Manager, Corporate Planning Section, Corporate Planning Department, MABUCHI MOTOR CO., LTD. Deputy Division Manager, Business Reform Innovation Headquarters; and concurrently General Manager, Corporate Planning Department, MABUCHI MOTOR CO., LTD. Director, and General Manager, Corporate Planning Department, MABUCHI MOTOR CO., LTD. Managing Director, Chief Administration Officer, MABUCHI MOTOR CO., LTD. Representative Director and Executive Managing Director, MABUCHI MOTOR CO., LTD. Representative Director and President, MABUCHI MOTOR CO., LTD. (Current position) President and CEO, MABUCHI MOTOR CO., LTD. (Current position)	3,233
3	Nobuyo Habuchi (October 10,1942)	February 1971 March 1972 July 1985 March 1986 March 1999 April 2001 March 2003 March 2007 February 2008 November 2009 (Significant Positions Concurrently Held)	Joined MABUCHI MOTOR CO., LTD. Manager, Purchasing Section, MABUCHI INDUSTRY CO., LTD. Manager, Purchasing Section, Purchasing Department, MABUCHI MOTOR CO., LTD. Director and General Manager, MABUCHI INDUSTRY CO., LTD. Director, MABUCHI MOTOR CO., LTD. Chairman of the Board, MABUCHI INDUSTRY CO., LTD. Managing Director, MABUCHI MOTOR CO., LTD. Executive Managing Director, Chief Factory Management Officer, MABUCHI MOTOR CO., LTD. (Current position) Chairman of the Board and General Manager, MABUCHI INDUSTRY CO., LTD (Current position) Senior Managing Executive Officer, MABUCHI MOTOR CO., LTD. (Current position) Chairman of the Board and General Manager, MABUCHI INDUSTRY CO., LTD.	1,001

No.	Name (Date of birth)	Brief personal history, position, assignment and significant positions concurrently held		Number of the Company's shares held
4	Akira Okuma (January 9, 1948)	<p>March 1970 November 1993 October 1994 May 1996 September 1997 September 2000 October 2001 November 2002 March 2007 November 2009</p>	<p>Joined MABUCHI MOTOR CO., LTD. Manager, Manufacturing Technology Planning Section, Manufacturing Technology Department, MABUCHI MOTOR CO., LTD. Manager, Manufacturing Technology Second Section, Technology Department, MABUCHI MOTOR CO., LTD. Manager, Product Inspection Section, Quality Assurance Department, MABUCHI MOTOR CO., LTD. Manager, Manufacturing Technology Section, Technology Department, MABUCHI MOTOR CO., LTD. Manager, MPS Promotion Section, Technology Department, MABUCHI MOTOR CO., LTD. Director and Deputy General Manager, MABUCHI MOTOR DALIAN LTD. Director and General Manger, MABUCHI MOTOR DALIAN LTD. Director and General Manager, Research and Development Headquarters, MABUCHI MOTOR CO., LTD. (Current position) Executive Officer, MABUCHI MOTOR CO., LTD. (Current position)</p>	900
5	Takashi Kamei (January 25, 1949)	<p>March 1971 June 1995 January 1997 May 2006 March 2007 November 2009</p>	<p>Joined MABUCHI MOTOR CO., LTD. Manager, New Manufacturing Base Establishment Preparation Section, MABUCHI MOTOR CO., LTD. Director and General Manager, MABUCHI MOTOR VIETNAM LTD. Director and General Manager, MABUCHI MOTOR DANANG LTD. Director and General Manger, Operations Control Headquarters, MABUCHI MOTOR CO., LTD. (Current position) Executive Officer, MABUCHI MOTOR CO., LTD. (Current position)</p>	1,000
6	Kaoru Kato (April 5, 1950)	<p>June 2005 March 2007 November 2009</p>	<p>Joined MABUCHI MOTOR CO., LTD. General Manager, Second Sales Department, Sales Headquarters, MABUCHI MOTOR CO., LTD. Director and General Manager, Sales Headquarters, MABUCHI MOTOR CO., LTD. (Current position) Executive Officer, MABUCHI MOTOR CO., LTD. (Current position)</p>	1,200

No.	Name (Date of birth)	Brief personal history, position, assignment and significant positions concurrently held		Number of the Company's shares held
7	* Hiroo Okoshi (July 9, 1961)	April 1984	Joined MABUCHI MOTOR CO., LTD.	1,100
		June 1990	Manager, Procurement Section, MABUCHI INDUSTRY CO., LTD.	
		August 1996	Executive Secretary. MABUCHI INDUSTRY CO., LTD.	
		May 2002	Director, General Manager of General Affairs Department, Human Resources Department, MABUCHI INDUSTRY CO., LTD.	
		October 2002	Manager, Corporate Planning Department, MABUCHI MOTOR CO., LTD.	
		March 2003	Deputy General Manager, Business Platform Innovation Headquarters, MABUCHI MOTOR CO., LTD.	
		January 2004	General Manager, Corporate Planning Department, MABUCHI MOTOR CO., LTD.	
		November 2009	Executive Officer and General Manager, Administration Headquarters, MABUCHI MOTOR CO., LTD. (Current position)	

(Notes)

1. No special relationship exists between the Company and the candidates.
2. The asterisk (*) denotes the newly nominated candidate for Director.

<Reference>

Consolidated Statement of Cash Flows

(For the year ended December 31, 2010)

(Millions of Yen)

Item	Amount
Cash Flows from Operating Activities:	
Income before income taxes	7,291
Depreciation and amortization	3,603
Decrease in allowance for retirement benefits for employees	(483)
Interest and dividend income	(786)
Exchange losses on foreign currency transactions	1,156
Gain on sales of short-term investments and investment securities	(82)
Loss on disposal of fixed assets	93
Loss from write-down of investment securities	217
Decrease in allowance for loss on closing manufacturing facilities	(1,333)
Increase in trade receivables	(1,009)
Increase in inventories	(4,548)
Increase in trade payables	897
Other, net	171
Sub total	5,186
Interest and dividends received	785
Income taxes paid	(1,069)
Income taxes refunded	554
Net cash provided by operating activities	5,457
Cash Flows from Investing Activities:	
Deposit of time deposits	(13,229)
Proceeds from withdrawal of time deposits	13,756
Purchase of short-term investments	(13,771)
Proceeds from sales of short-term investments	25,159
Purchase of property, plant and equipment	(3,398)
Proceeds from sales of property, plant and equipment	29
Purchase of investment securities	(8,697)
Proceeds from sales of investment securities	8,886
Other, net	(134)
Net cash provided by investing activities	8,601
Cash Flows from Financing Activities:	
Cash dividends paid	(3,499)
Purchase of treasury stock	(8)
Net cash used in financing activities	(3,507)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(4,650)
Net Increase in Cash and Cash Equivalents	5,900
Cash and Cash Equivalents at Beginning of Year	61,639
Cash and Cash Equivalents at End of Year	67,540

Note: Amounts less than one million yen have been omitted.