



CONSOLIDATED FINANCIAL RESULTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025 (J-GAAP)

February 13, 2026

Stock exchange listing: Tokyo

Name of listed company: MABUCHI MOTOR CO., LTD.

Securities code: 6592 (URL: <https://www.mabuchi-motor.com/>)

Representative: Tohru Takahashi (Representative Director and President)

Contact: Keiichi Hagita (Executive Officer, Chief Financial Officer)

Scheduled date of the Ordinary General Meeting of Shareholders: March 27, 2026

Scheduled date of start of dividends payments: March 30, 2026

Scheduled date of the filing of securities report: March 26, 2026

Preparation of the consolidated financial results presentation materials (Yes/No): **Yes**

Holding of the consolidated financial results briefing meeting (Yes/No): **Yes**

(Amounts less than one million yen have been omitted.)

1. Consolidated Results for the Fiscal Year Ended December 31, 2025

(From January 1, 2025 to December 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the fiscal year ended								
December 31, 2025	200,417	2.1	25,467	17.7	35,078	8.1	26,272	104.8
December 31, 2024	196,212	9.8	21,644	39.3	32,448	20.2	12,831	(33.9)

Note: Comprehensive income

Fiscal year ended December 31, 2025: ¥30,949 million [1.8%] Fiscal year ended December 31, 2024: ¥30,391 million [(16.4)%]

	Profit per share	Fully diluted profit per share	Return on equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
For the fiscal year ended					
December 31, 2025	105.90	105.88	8.0	9.7	12.7
December 31, 2024	50.50	50.49	4.1	9.4	11.0

Reference: Equity in earnings (losses) of affiliates

Fiscal year ended December 31, 2025: ¥— million

Fiscal year ended December 31, 2024: ¥— million

Note: The Company conducted a stock split on January 1, 2026, in which each share of the Company's common stock was split into two shares. Profit per share and fully diluted profit per share under consolidated operating results were calculated based on the number of shares issued after the stock split (excluding treasury stock).

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
December 31, 2025	370,163	334,236	90.3	1,360.51
December 31, 2024	354,989	319,622	90.0	1,270.25

Reference: Shareholders' equity

As of December 31, 2025: ¥334,187 million As of December 31, 2024: ¥319,560 million

Note: The Company conducted a stock split on January 1, 2026, in which each share of the Company's common stock was split into two shares. Net assets per share under consolidated financial position was calculated based on the number of shares issued after the stock split (excluding treasury stock).

(3) Consolidated Cash Flows

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
For the fiscal year ended				
December 31, 2025	35,364	(10,517)	(17,386)	139,930
December 31, 2024	40,133	(15,750)	(16,183)	130,567

2. Dividends

	Dividends per share					Total dividends	Dividend payout ratio (Consolidated)	Dividends on equity (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal 2024	—	38.00	—	38.00	76.00	9,670	75.2	3.1
Fiscal 2025	—	39.00	—	67.00	106.00	13,123	50.0	4.0
Fiscal 2026 (forecast)	—	28.00	—	28.00	56.00		62.5	

Note: The Company conducted a stock split on January 1, 2026, in which each share of the Company's common stock was split into two shares. Dividends for fiscal 2024 and fiscal 2025 are the dividend amounts before the stock split.

3. Consolidated Results Forecasts for the Fiscal Year (From January 1 to December 31, 2026)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months	104,600	10.2	12,800	5.7	14,400	24.5	10,600	18.5	43.28
Full year	213,000	6.3	26,000	2.1	29,200	(16.8)	21,500	(18.2)	89.56

Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 11 companies

(Company name) OB Kogyo Ltd. (now Mabuchi OB Gear System Co., Ltd.) and 10 other companies

Excluded: —

(2) Changes in accounting policies, changes in accounting estimates, restatements:

1) Changes in accounting policies resulting from revision of accounting standards, etc.: Yes

2) Changes in accounting policies due to reasons other than those stated in 1): None

3) Changes in accounting estimates: None

4) Restatements: None

(3) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury stock)

Dec. 31, 2025	260,649,848	Dec. 31, 2024	260,649,848
Dec. 31, 2025	15,016,494	Dec. 31, 2024	9,077,756
Jan.–Dec. 2025	248,086,287	Jan.–Dec. 2024	254,074,428

2) Number of shares of treasury stock at the end of the period

3) Average number of shares during the period

Notes: 1. The number of shares of treasury stock as of December 31, 2025 included the shares held by Mabuchi Motor Employee Ownership Association Trust, BIP and ESOP Trust (340,800 shares, 506,954 shares and 444,720 shares, respectively, at the end of the period), and the number of shares of treasury stock as of December 31, 2024 included the shares held by Mabuchi Motor Employee Ownership Association Trust, BIP and ESOP Trust (596,800 shares, 509,992 shares and 452,208 shares, respectively, at the end of the period).

2. The Company conducted a stock split on January 1, 2026, in which each share of the Company's common stock was split into two shares. The number of shares issued (common stock) was calculated as if the stock split had taken place at the beginning of the fiscal year ended December 31, 2024.

* The review procedure by a Certified Public Accountant or an auditing firm does not apply these Consolidated Financial Results.

* Explanation related to appropriate use of results forecasts and other items warranting special mention

The above forecasts are based on the information available as of the date of the release of this document. As a result, a variety of factors in the future may cause actual results to differ from these forecasts.

Analysis of Operating Results and Financial Position

(1) Overview of the Operating Results for Fiscal 2025

Business Development and Results

During the fiscal year ended December 31, 2025 (fiscal 2025), despite the easing of inflationary pressures in countries around the world, the global economy recorded sluggish growth on weak retail consumption due to continued high prices and effects from protectionist tariff policies in certain countries. The U.S. economy remained solid, with robust retail consumption despite weakening employment conditions. In Europe, the pace of recovery in economic activity was limited as a result of factors including a weak manufacturing industry from declining exports and continued high prices for energy, despite a rebound in retail consumption on easing inflationary pressure. China's exports were solid, but the pace of economic growth nevertheless slowed from factors including weak domestic demand stemming from protracted weakness in real estate market conditions. The Japanese economy was affected by inflation but recorded a gradual recovery on factors including a rebound in retail consumption from an improved environment for incomes and continued growth in demand from inbound tourism.

With regard to markets related to the Mabuchi Group's products, the automotive products market saw sluggish sales in certain regions. The life and industrial products market was solid overall, as easing inflationary pressures led to a recovery in retail consumption.

Against this backdrop, the Company has been working to address the issues including "Reconfiguring the business portfolio by providing 'mobility' solutions," "Expanding sales of motors for automotive products and life and industrial products," "Global risk management via the Mabuchi global management system," and "Sustainability initiatives." Through specific achievements including winning orders for a variety of applications including e-bikes, conveyor belts, and semiconductor manufacturing equipment, acquiring and making MABUCHI MOTOR MICRO TECH and MABUCHI MOTOR NPM group companies to expand our motor lineup for increased sales for industrial equipment applications, acquiring and making Mabuchi OB Gear System group company to strengthen our capabilities in unit options combining motors and gear products, and establishing a sales company in India to enhance customer service, strengthen our sales structure, and expand sales further, we have set a path for future business growth by proactively introducing and implementing various measures to increase sales and market share, develop new markets, and achieve even higher quality and efficiency.

As a result, consolidated net sales for fiscal 2025 were 200,417 million yen (a 2.1% increase year on year).

Operating income was 25,467 million yen (a 17.7% increase year on year), with positive effects including improvements in selling prices and the product mix, more than offsetting higher costs and other negative factors.

Ordinary income was 35,078 million yen (an 8.1% increase year on year), from factors including decreases in foreign exchange gains and interest income in addition to the increase in operating income, profit before income taxes was 34,964 million yen (a 47.4% increase year on year) from factors with the absence of impairment losses recorded in the previous fiscal year, and profit attributable to owners of parent was 26,272 million yen (a 104.8% increase year on year).

The next section describes market trends and sales conditions categorized into separate markets for motors.

1) Automotive Products Market

Net sales rose to 154,549 million yen (a 1.3% increase year on year). Small automotive motors showed growth in sales of motors for door mirrors and door lock actuators against a backdrop of solid automobile production, and from new applications including grill shutters and locks for fuel supply ports. In medium-sized automotive motors, sales of motors for electric parking brakes were solid and sales of valve actuator-use motors grew on increased demand for plug-in hybrid vehicles. Sales of motors for power window lifters rose in the United States and Europe, but the discontinuation of manufacturing and sales of previous-generation products at Taiwan Mabuchi resulted in an overall decline. Sales of motors for power seats rose overall, with growth in sales to Japanese customers more than offsetting declines in sales to customers in Europe, the United States, and China.

2) Life and Industrial Products Market

Net sales rose to 45,804 million yen (a 4.9% increase year on year). Sales of motors for home appliances, power tools, housing equipment, and personal care products declined on restricted order acceptance reflecting a policy of emphasizing profitability, but increased sales of motors for health and medical devices combined with the addition of Mabuchi OB Gear System and MABUCHI MOTOR MICRO TECH to the Mabuchi Group resulted in overall growth.

(2) Overview of the Financial Position for Fiscal 2025

Assets, Liabilities and Net Assets

Total assets as of December 31, 2025, were 370,163 million yen, a 15,173 million yen increase from the end of the previous fiscal year. Major changes from the end of the previous fiscal year included increases of 8,461 million yen in cash and bank deposits, 3,950 million yen in investment securities, and 1,390 million yen in trade notes and accounts receivable.

Total liabilities increased 560 million yen from the end of the previous fiscal year to 35,927 million yen. Major changes from the end of the previous fiscal year included a decrease of 3,638 million yen in accrued income taxes and increases of 2,670 million yen in trade notes and accounts payable and 782 million yen in long-term loans payable.

Total net assets increased 14,613 million yen from the end of the previous fiscal year to 334,236 million yen. Major changes from the end of the previous fiscal year included increases of 16,607 million yen in retained earnings and 6,656 million yen in treasury stock, which is a negative net assets item.

(3) Overview of the Cash Flows for Fiscal 2025

Net cash provided by operating activities amounted to 35,364 million yen, a decrease of 4,769 million yen from the previous fiscal year. Major items included a 7,412 million yen increase in income taxes paid, and a 3,097 million yen decrease in trade notes and accounts receivable.

Net cash used in investing activities amounted to 10,517 million yen, a decrease in cash used of 5,233 million yen from the previous fiscal year. Major items included a 3,811 million yen decrease in outlays for purchase of fixed assets, and a 1,936 million yen increase in proceeds from withdrawal of time deposits.

Net cash used in financing activities amounted to 17,386 million yen, a increase in cash used of 1,203 million yen from the previous fiscal year. Major items included a 999 million yen increase in outlays for purchase of treasury stock.

As a result, the balance of cash and cash equivalents amounted to 139,930 million yen, an increase of 9,363 million yen from the end of the previous fiscal year.

The following table shows the trend of the Company's cash flow indicators:

	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2025
Shareholders' equity ratio	90.9%	91.0%	90.6%	90.0%	90.3%
Shareholders' equity ratio based on market value	86.9%	78.4%	89.0%	79.6%	95.5%

- The indicators have been calculated using the following formulae, and are based on figures in the consolidated financial statements.
 - Shareholders' equity ratio = Shareholders' equity / Total assets
 - Shareholders' equity ratio based on market value = Total market value of shares / Total assets
- The total market value of shares has been calculated using the following formula:
Closing stock price at the end of the period × Number of shares outstanding at the end of the period (less treasury stock)
- Since the Company does not bear substantial interest-bearing liabilities and the relevant interest paid, the ratio of interest-bearing liabilities to cash flows and interest coverage ratio are omitted.

(4) Outlook for Fiscal 2026

With regard to the outlook in fiscal 2026, although inflationary pressures in various countries continue to ease, the outlook for the global economy is increasingly uncertain as heightened geopolitical risk restricts cross-border trade and investment, and a slight slowdown in the pace of growth is forecast. In the United States, monetary policy is expected to bring a rebound to retail consumption, but tariffs and other factors mean that the future outlook is unclear. The European economy is expected to show gradual growth on a recovery in retail consumption, but there are concerns of a stagnation in exports from tariffs and other factors. With a sluggish real estate market and weak retail consumption, the Chinese economy is forecast to continue to show a slow pace of growth. A gradual recovery is forecast for the Japanese economy against a backdrop of growth in retail consumption from an improved income environment and solid demand from inbound tourism.

With regard to markets related to the Mabuchi Group's products, in the automotive products market, growth in automobile production volume in China is seen slowing as government subsidies for automobile replacement purchases are cut back. Automobile production volume is expected to grow in other emerging market economies, however, and in India in particular. Demand in Europe and the United States is seen contracting, primarily because of tariff policies, with little growth in production expected, and a slight year-on-year decline in global automobile production volume is forecast. In the life and industrial products market, weak sales are forecast for home appliances, power tools, housing equipment, and personal care products from weak retail consumption combined with a policy of emphasizing profitability, but solid sales of motors for health and medical devices are forecast against a backdrop of stable demand. In addition, with increases in the new priority applications of machinery and mobility as well as a contribution from additions to the Mabuchi Group through mergers and acquisitions, we are forecasting overall growth for the segment.

Against this backdrop, we are forecasting a 6.3% increase year on year in consolidated net sales for fiscal 2026, to 213,000 million yen.

With regard to business performance, although we expect upward cost pressures due to higher selling, general and administrative expenses associated with an increase in the number of group companies resulting from mergers and acquisitions, as well as expenses arising from strengthened research and development for future growth, increased personnel, and continued investments to reinforce the Group's management infrastructure and information technology

infrastructure, we see this being more than offset by positive factors including improvements in sales prices and the product mix and are forecasting a 2.1% increase year on year in operating income, to 26,000 million yen. The plan does not include foreign exchange gains and losses, and we are therefore forecasting a 16.8% decrease year on year in ordinary income, to 29,200 million yen, and an 18.2% decrease year on year in profit attributable to owners of parent, to 21,500 million yen.

Our forecasts for the full-year business results for fiscal 2026 are as follows:

Consolidated results forecasts (compared with the previous period)

Net sales	213,000 million yen	(6.3% increase)
Operating income	26,000 million yen	(2.1% increase)
Ordinary income	29,200 million yen	(16.8% decrease)
Profit attributable to owners of parent	21,500 million yen	(18.2% decrease)

The above forecasts assume an exchange rate of US\$1 = ¥150. No allowances have been made for foreign exchange gains or losses.

Note: The above forecasts were made based on information that is available at the present moment. Actual results may differ from expectations owing to various future factors, the main ones of which are as follows:

- Fluctuations in foreign exchange rates
- Changes in economic conditions and demand trends in our business areas
- Rapid technological innovations, such as new technologies or new products
- Fluctuations in market prices of copper, steel materials, rare earths, and other raw materials

Note, however, that the factors that could affect our results are not limited to the above.

(5) Basic Policy on Profit Sharing, and Dividend Payments for the Current and Next Periods

Mabuchi maintains a basic policy of actively returning profits to shareholders in accordance with its business results. We do this while also providing funds from internal reserves for capital expenditure, research and development which are necessary for the growth of the Company, and while maintaining our financial soundness.

Under this policy, we will implement dividends based on the dividend on shareholders' equity (DOE) ratio with the objective of providing continuous and stable dividends. Specifically, dividends will be determined by comprehensively taking into account factors including cash flows and the business environment, with a benchmark DOE ratio of 3.0%-4.0%. In addition, we have partially revised the dividend calculation criteria for the current fiscal year. If the actual ROE for the previous fiscal year is less than 10% or the PBR is less than 1, dividends will be paid based on a DOE ratio of 4%. Furthermore, if the amount corresponding to a DOE ratio of 4% results in a payout ratio below 50%, the payout ratio of 50% will be set as the minimum threshold, exceeding the 4% DOE ratio.

We will continue to consider repurchasing more treasury stocks as necessary, as a way of flexibly responding to changes in the share price and the business environment, and as a means of fulfilling our capital policy and returning profits to shareholders.

It is our policy to appropriate internal reserves to further strengthen and deepen our existing businesses and to invest in areas of growth, with a view to increasing corporate value.

The dividend for the current fiscal year will be a record high of 106 yen per share. Since an interim dividend of 39 yen per share has already been paid at the end of the second quarter, the year-end dividend is expected to be 67 yen per share.

The dividend forecast for the next fiscal year, reflecting the 2-for-1 stock split conducted on January 1, 2026, is a record high full-year dividend of 56 yen per share. Calculated on a pre-stock-split basis, this is equivalent to an annual dividend of 112 yen per share. The full-year dividend breakdown is planned as an interim dividend of 28 yen per share and a year-end dividend of 28 yen per share.

(6) Business and Other Risks

1) Changes in Economic Conditions

The demand for Mabuchi products, which are incorporated into our customers' products, is influenced by the economic conditions present in the diverse markets in which the Mabuchi Group sells. Consequently, the Group's business results and financial position may be adversely affected by economic recessions and the corresponding contraction in demand in its key markets, including Japan, North America, Europe and Asia.

The Group is increasing its market responsiveness by maintaining appropriate levels of capital investment, staffing, and inventories, based on constantly updated forecasts of the latest market trends arrived at through regular reviews of the market environment and orders by the Board of Directors and at other important meetings.

2) Fluctuations in Foreign Exchange Rates

Items denominated in local currencies on the financial statements of our overseas subsidiaries are converted into Japanese yen when the consolidated financial statements are prepared. Consequently, amounts which are to be recorded after being converted into Japanese yen are subject to the foreign exchange rates at the time of conversion. In particular, appreciation of the Japanese yen against the U.S. dollar will have a negative effect on the Mabuchi Group's consolidated business results, and conversely any depreciation of the Japanese yen will have a positive effect.

Appreciation of local currencies in regions where the Group carries out production will push up manufacturing and procurement costs which are denominated in those local currencies. Increased costs will lower Group's profit margins and price competitiveness, and will impact negatively on its business results.

The Group hedges by using forward foreign exchange contracts in accordance with internal regulations to minimize foreign exchange risk to the allowable risk amount, by measuring foreign exchange risk and taking into account hedging effects and hedging costs.

3) Development of New Products and New Technologies

The development and sale of new products, by their very nature, involve both complexities and uncertainties, and include a broad array of risks.

In the event the Mabuchi Group cannot fully predict the changing needs of the market, or cannot develop appealing new products in a timely fashion, or in the event a technological innovation emerges which causes its products to become obsolete, then the Group's business results and financial position may be subject to significant adverse effects.

The Group is structuring its organization for research and development to increase further its competitive advantage in the current business environment, which has recently undergone drastic changes. This involves integrating R&D activities into sales departments and strengthening the activities of operating divisions, to implement swift decision-making, expedite responses to changes in market needs, enhance our ability to develop new models for specific market applications, offer customer support and carry out customer satisfaction activities at the global level.

4) Price Competition

Our customers are businesses in a diverse range of sectors that belong to the electrical and electronic equipment and machinery manufacturing industries, and price competition in these industries is extremely severe. In these kinds of environments, prices are a major contributing factor to competition in all sectors, and with the prominence of rival Chinese manufacturers, competition is becoming even more intense. Recently, global resource prices and logistics costs have continued to rise sharply, and in the event of inappropriate product pricing or if our cost-reduction activities cannot keep up with market changes, the Mabuchi Group's business results and financial position may be subject to significant adverse effects.

By consolidating expertise and technologies in areas including standardization and labor savings, the Group is working to control costs from the product design and development stages, improve production technologies, implement systematic cost reductions through global parts procurement, continue to introduce appropriately priced, high value-added products, and maintain and improve average prices and profitability.

5) Potential Risks in International Economic Transactions and in Expanding Business Overseas

The majority of the Mabuchi Group's business activities are conducted in the various countries in Europe, North America and Asia. Within these overseas business activities there are certain inherent risks, including changes in political and economic environments, undeveloped infrastructures, changes in laws, tax affairs or various other systems, or social unrest.

In particular, the occurrence of an unexpected event such as changes in the political or legal environment, changes in economic conditions, problems related to the employment environment, or other changes to the social environment in the countries or regions where we operate may lead to significant problems for our production and/or sales activities, and these may lead to the Group's business results and financial position being subject to significant adverse effects. In addition, geopolitical risk is increasing, resource costs are rising sharply, energy supplies have become unstable, and disruptions are emerging in international supply chains, and we will continue to follow these developments closely.

In addition to addressing the economic, political, and social circumstances in the countries and regions in which we do business, the Group is considering and implementing timely and appropriate responses including the creation of a structure with five global bases to gather and respond swiftly to individual countries' environmental, product safety and quality, and import and export-related regulations that pertain to our products.

6) Product Quality

There is no guarantee that all Mabuchi Group products will have no major quality issues. If a quality issue occurs, the amount of compensation may be influenced by the effect on the quality of the final product in which the Mabuchi product is incorporated. The unlikely event of a product defect that leads to a large-scale product complaint, recall or product

liability compensation may trigger an accrual of large amount of costs or downturn in sales due to a loss of credibility, and may have significant adverse effects on the Group's business results and financial position.

To ensure that all production bases maintain stable quality, all of the Group's operating bases have obtained ISO 9001 and IATF 16949 certification and we are constantly working to improve management systems, while also striving to provide high-quality products in accordance with quality systems designated by the head office. In the event a defect occurs, its root cause is investigated and rigorous preventive and proactive measures are implemented.

7) Protection of Intellectual Property

We recognize that the acquisition of intellectual property can greatly influence the growth of the Mabuchi Group. However, in certain regions, for certain inherent reasons, the Group's intellectual property rights may not be completely protected. In such instances, the Group's intellectual property may be used without authority by third parties, and through the manufacture of similar products, we may suffer damages. Or we may lose our competitive advantage through the outflow of other technology or expertise, and then having it exploited by other companies. Or even still, there is a possibility that it could be claimed that the Group has impinged on the intellectual property of another company.

The failure of protection or the violation of intellectual property rights, or the outflow of other intellectual property may lead to the Group's business results and financial position being subject to significant adverse effects.

The Group endeavors to maintain its competitive advantage by comprehensively and proactively obtaining and protecting intellectual property rights to increase sales and create new applications for our products. In addition to protecting intellectual property rights, we address the risk of leakage or infringement of our rights through training and other measures to increase Group employees' awareness of the importance of intellectual property rights.

8) Securing and Developing Human Resources

The Mabuchi Group operates in a highly competitive corporate arena. This situation renders essential the recruitment and development of employees who are highly skilled in related areas: engineers with specialist scientific and technological expertise, and managers with top business strategy acumen and executive capacities. The Group is fully cognizant of the need for the continuous enhancement and improvement of its human resources for the next generation and beyond. Meanwhile, the Group should put in a great deal to recruit and develop such a workforce.

The failure to recruit and cultivate such a workforce on an ongoing basis through the requisite expenditure and long-term human resource development vision would invite adverse impact on the Group's future performance and financial position.

In addition to the regular hiring of new high school and college graduates, the Group hires staff as needed throughout the year. We are also striving to increase employee motivation and to retain and cultivate human resources by expanding training programs to support the development of skills, assigning staff appropriately to enable them to make full use of their diverse skills, and creating systems to train specialists quickly in each department and to support employees' work-life balance.

9) Procurement of Raw Materials

Depending on the type of raw material that the Mabuchi Group procures from external sources, we may be dependent on a limited number of suppliers. There is a possibility that supply of the raw material is suspended due to an accident befalling the supplier or for some other reason, or that a shortage of supply transpires due to a sudden upsurge in demand. If such conditions were to continue long-term and alternative materials were not easily available, then there is a possibility that the Group's production activities would be affected dramatically, and in turn this would undermine the assurance of delivery and quality of products to its customers. It is also possible, that the prices of marketed products would escalate, which would trigger a rise in manufacturing costs.

If such an event were to occur, then the Group's business results and financial position may be subject to significant adverse effects.

To mitigate these risks, the Group strives to maintain stable supplies by procuring parts and raw materials from multiple suppliers, and also employs CSR procurement. In addition, we are promoting measures to stabilize the prices of some materials through appropriate forward contracts and other measures to control the impact on manufacturing costs.

10) Natural Disasters, Accidents and Infectious Disease Outbreaks

The Mabuchi Group has established a system of international division of labor, with business activities conducted throughout the world and facilities and equipment owned by the head office and our various bases, including plants and offices. There is, however, the possibility of a significant adverse effect on the Group's business results and financial position in event a natural disaster, accident, infectious disease outbreak, or other unforeseen event were to occur and disrupt our business activities.

The Group has formulated a Business Continuity Plan, and the head office and bases have introduced measures to prevent risk events including accidents and damage from natural disasters from occurring, along with taking out insurance and other measures to reduce the losses incurred.

11) Environmental Issues

The Mabuchi Group complies with environmental-related laws and regulations and also strives to prevent environmental damage by preventing the leakage of harmful substances and thorough waste management that is both legally compliant and appropriate. Nevertheless, heightened awareness of sustainability is leading to stricter environmental regulation, and there is a possibility that the need for additional environmental measures could have a significant adverse effect on the Group's businesses, business results, and financial position.

The Group shares environmental information and efficiently carries out environmental protection activities through regular meetings of an Environmental Management Committee, comprising environmental managers and general managers of individual departments at the head office. In addition, the Environmental Managers Conference, made up of environmental managers from the head office and overseas production bases, meets to share information related to environmental issues and promote Groupwide environmental management. We have also set specific targets in our medium-term sustainability goals in recognition of the importance of reducing our environmental burden.

12) Global Climate Change

With regard to addressing climate change, the Mabuchi Group is striving to curtail CO₂ emissions through ongoing energy conservation measures and the introduction of renewable energy including solar power generation, but damage from abnormal weather associated with global climate change (rainstorms, flooding, drought, etc.) or the strengthening of restrictions on greenhouse gas emissions (an emission trading system, etc.) could have a significant adverse effect on the Group's business results and financial position.

The Mabuchi Group is promoting activities toward carbon neutrality by 2050, and in September 2025 we received validation from the international Science Based Targets initiative (SBTi) recognizing that our 2030 greenhouse gas emissions reduction target is based on scientific evidence as per the Paris Agreement. To achieve this target, we are working to reduce CO₂ emissions through initiatives including installing solar power generation systems, purchasing renewable energy, adopting systems to capture and reuse exhaust heat, introducing internal carbon pricing, and reducing the energy consumption of manufacturing equipment.

With regard to information disclosure related to climate change, we will continue to evaluate and release information on the effect of climate change based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which we endorsed in March 2021.

13) Information Security Risks

In the course of our business activities, the Mabuchi Group collects confidential information from customers and other companies, as well as personal information from transaction counterparts and employees. We endeavor to ensure that this information is not divulged to outside parties or used for purposes other than those intended, but in the event of leakage through means including human or technical error or illegal or improper access, there is a possibility of a large cost being incurred or a decline in sales from a loss of customer confidence, which could have a significant adverse effect on the Group's business results and financial position.

The Group recognizes that managing the information assets we possess and having appropriate information security management to prevent things like information leakage, alteration, destruction, or theft are one of corporate social responsibilities. Along with ensuring that all employees including executives engaged in the handling of this information have a deep understanding of the necessity of and responsibility for information security, we have formulated an information security policy for the thorough maintenance of information security. Specific measures related to information security are continuously being carried out through the Group's Risk Management Committee, and a structure and frameworks that make it possible to evaluate and improve on these measures is being built. Along with appropriately classifying and organizing information assets and implementing information security countermeasures in line with the importance of the asset, we pay careful attention and strictly manage the handling of information, and continuously conduct training as necessary to enable all Group executives, employees, and other persons handling information to understand the importance of information security and act accordingly.

Management Principles

(1) Management Principles

At Mabuchi Motor Co., Ltd. (Mabuchi), we continue to make our creative endeavors aimed at new stages of growth in order that we remain the leader in the small motor industry, supporting a high quality of life for people.

In the context of our "Management Principle," that is, "Contributing to International Society and Continuously Increasing Our Contribution," we have reaffirmed the corporate image for which the Mabuchi Group strives, and we have developed a course that will lead us to this image, in the form of the "Mabuchi Management Vision."

In our Management Vision, the "Management Markers" clarify how to understand and realize the concept of "Contribution" as based on our Management Principle, and the "Management Guidelines" clarify the guidelines for action in performing our business activities. Our Management Principle, Management Markers and Management Guidelines are

the genes of the Mabuchi Group, and form the basis of our founding management to be perpetually passed down to subsequent generations of the Mabuchi enterprise.

Management Markers

The following 1 through 4 are our Management Markers, and are the concepts that form the “standards” by which management decisions are made.

- 1) By offering superior products that are reasonably priced, we contribute to the well-being, comfort, and convenience of people all around the world.
- 2) By fostering career opportunities and technological development, we address social and economic disparities around the world.
- 3) By placing highest value on our people, we empower and encourage them to realize their potential and contribute to society.
- 4) Through our corporate activities we protect our planet’s ecosystem and the health of its inhabitants.

Management Guidelines

The Management Guidelines direct our business activities so that we can “accurately determine societal needs as a specialized manufacturer of small motors, and provide a stable supply of products based on these needs faster and cheaper manner.” The Management Guidelines also show what course of activities we should take as a business entity.

In addition, the “Management Guidelines for Overseas Operations” clearly show our basic philosophy for the management of our overseas bases on the basis of co-existence and co-prosperity for Mabuchi and the respective country.

Management Guidelines

- 1) Develop products that offer flexibility of application and optimize production conditions.
- 2) Improve product development based on thorough value analysis and standardization of parts and materials.
- 3) Realize cost reduction by using advanced processing technologies and by minimizing waste.
- 4) Pioneer new markets and secure sufficient market share in alignment with the company’s values and strategy.
- 5) Cultivate the talent of our people by continuously matching the right person with the right opportunity.
- 6) Conduct business in a way that has the smallest possible environmental impact and that abides strictly by health and safety standards.
- 7) Enhance the company’s sustainability through management policies and strategies that take a long-term view.

Management Guidelines for Overseas Operations

- 1) To promote co-existence and mutual prosperity on a long-term basis.
- 2) Solidify the structure of international production lines that parallel the strengths of each branch, and preserve and expand international competition.
- 3) Promote the Mabuchi corporate culture of philanthropy and support the transfer of knowledge and technology.

(2) Medium- to Long-term Management Strategy and Issues to Be Addressed

1) Providing “Movement” Solutions for Business Portfolio Evolution

As a manufacturer specializing in small DC motors, we use a “standardization strategy” to provide quality motor products that achieve the true value sought by customers at a reasonable price, and have widely contributed to greater convenience, comfort, and safety in people’s lives in fields ranging from automotive products to life and industrial products. Going forward, we will evolve our business portfolio for business growth by expanding our portfolio to include providing diverse “movement” solutions while maintaining motors as our core business, to increase our contribution to customers and society. To add depth to our business portfolio, we are introducing a business concept, “e-MOTO.” e-MOTO is a business concept that aims to provide solutions for the diverse movements desired by our customers and society through our business activities. In response to increasing customer demand in recent years for unit-type products, we will provide diverse movements that are not limited to rotation, with the aims of expanding our business areas and enhancing added value. We also intend to make proactive use of mergers and acquisitions and tie-ups with outside parties to expand our business in unit-type products and other areas.

In April 2025, we added the high-precision plastic gear manufacturer Mabuchi OB Gear System to the Mabuchi Group. By acquiring a global one-stop response structure with strength in high-precision molding, the Group will work as one to offer customers optimal solutions. In July 2025, we added MABUCHI MOTOR MICRO TECH, a specialist manufacturer of various motors and actuators primarily for stepper motors, to the Mabuchi Group. By combining MABUCHI MOTOR MICRO TECH’s technologies and product lineup, primarily in stepper motors, with our technologies, sales channels, and customer base, we will create synergies and develop markets and products to create new businesses and expand existing businesses. In January 2026, we added MABUCHI MOTOR NPM, a manufacturer of small precision motors and motion control products, to the Mabuchi Group. We will use MABUCHI MOTOR NPM’s

advanced technological capabilities related to motion control integrating motors and control systems, as well as its wealth of knowledge and capabilities in the fields of medical devices and industrial equipment, to provide customers with optimal solutions as one Mabuchi Group.

In particular, we are focusing on the three business areas of “mobility,” “machinery,” and “medical,” which we have defined as the “3M areas” for future growth, and are pursuing the following initiatives in those areas.

Mobility: In the automotive products area, with the increasing shift to electric vehicles, reductions in electric power consumption are being sought to extend the distance that can be traveled with limited batteries, and we are pursuing the development, manufacturing, and sales of motors with even greater added value in terms of compactness, light weight, and high efficiency. Demand is also growing for motors used in valve actuators for cooling batteries for battery heat management, and we are using our strength in having a lineup of both brush motors and brushless motors to offer solutions that meet the needs of customers, including unit options. In the area of life and industrial products, we are winning new orders for mobility-use brushless motors for a variety of applications including e-bikes, motorized carts for the elderly, and agricultural equipment, and we will continue to work to increase sales by continuing to develop new customers and applications.

Machinery: With the robotics market forecast to grow going forward, we aim to increase our sales of motors for collaborative robots and humanoid applications that help to address labor shortages. We are therefore expanding our lineup of products including hollow structure brushless motors, and are working to develop new applications going forward. With regard to industrial equipment, the reduction of CO₂ emissions in manufacturing processes for things like industrial products and foods has become an urgent issue, and with a widening shift from pneumatic and hydraulic systems to electric systems with higher energy conversion efficiencies, we have received orders for motors for conveyor belts. We will continue to propose solutions to expand our business going forward as well.

Medical: In terms of applications for health and medical devices, we are focusing on products including motors for high value-added electric toothbrushes that contribute to people’s health. We are stepping up our efforts in the medical devices area by acquiring Mabuchi Electromag, a manufacturer of motors for ventilators and dental care devices, and are using Mabuchi Electromag products to establish a foothold in medical devices in terms of product lineup and customer base. We will also work to create synergies at an early date with Mabuchi Oken, which has strengths in small pumps for health and medical devices, and use these synergies to expand our business by strengthening our capabilities in unit options and providing solutions in the area of medical devices as well as the other 3M areas.

2) Expanding Sales of Motors for Automotive Products and Life and Industrial Products

In the area of motors for power window lifters, we are working to increase further the number of models in which our products are installed and further strengthening our sales activities, with the aim of further increasing our market share. We are working toward the further expansion of our business in motors for power seats, especially with major Japanese automakers, while also working to increase our share with existing customers. In motor applications including electric parking brakes and door closers, we are developing and promoting sales of standard motors that can be used in a variety of applications, based on our standardization strategy. With regard to motors for door mirrors and other existing product areas where we have a large global market share, we are working toward further sales growth by introducing products that use new technologies that differentiate them from those of competitors.

In the area of motors for life and industrial products, we provide high value-added products for applications related to people’s lives, including home appliances and health and medical devices, and for commercial and industrial applications. We are working to increase sales in the machinery area, and added MABUCHI MOTOR MICRO TECH, with its strength in motors sought for industrial equipment applications, to the Mabuchi Group in July 2025 and added MABUCHI MOTOR NPM to the Mabuchi Group in January 2026. Going forward, we will strive to create synergies in development, manufacturing, and sales that will lead to overall growth in the life and industrial products business.

3) Global Risk Management via the Mabuchi Global Management System

Under the “global five-pole structure,” which increases the autonomy and independence of overseas business locations to achieve local production for local consumption, we are pursuing the “Mabuchi global management system” with its strength of “diversity” that connects staff across business locations and makes use of diverse values. By straightening a human resource structure that serves as a platform for the promotion of human resource interaction between the head office and business locations, sharing various types of information, and holding meetings that include multiple locations, we are promoting mutual understanding and cooperation at the Group level and strengthening ties among Group locations. In addition, we are developing policies to strengthen vertical ties within each business location and implementing training and multilevel communication measures to instill a shared understanding of the Company’s policies and values. By strengthening the development, manufacturing, and sales structures at each location, we will pursue risk management at the global level to be able to offer a stable supply of high-quality products at reasonable prices despite a drastically changing market environment.

4) Sustainability Initiatives

Mabuchi views the Sustainable Development Goals (SDGs) as targets that will place an emphasis on people while also facilitating economic growth. We set sustainability targets for 2030 and continue to work proactively to address the global environment and resolve social issues through our business activities, addressing the materiality (important issues) of “corporate activities that do not sacrifice the global environment,” “manufacturing that achieves an affluent society and comfortable lives for people,” “an environment in which all people can actively participate,” and “the fulfillment of our social responsibility.” We are working to address climate change by pursuing activities to achieve carbon neutrality by 2050 and are accelerating specific measures to achieve this goal, including the greater use of renewable energy and the creation of environmentally friendly products. In September 2025, we received validation from the Science Based Targets (SBT), and have set a target of reducing Scope 1 and Scope 2 greenhouse gas emissions by 42% by 2030 compared with 2023. We have also set new Scope 3 targets for category 1 and category 11, and are pursuing measures to achieve our targets for reductions in greenhouse gas emissions across entire supply chains. In terms of social issues, we are increasing sales of products that contribute to the achievement of the SDGs, implementing CSR activities across entire supply chains including suppliers, addressing human rights, and working to deepen interest in science among children, who represent the world’s next generation. By contributing to the resolution of issues facing global society through our business, we are mobilizing our comprehensive Group strength toward the achievement of the objective contained in our Management Principle of “Contributing to International Society and Continuously Increasing Our Contribution.”

Basic Policy on the Selection of Accounting Standards

The Mabuchi Group will continue to use Japanese accounting standards for the time being.

With regard to future application of International Financial Reporting Standards (IFRS), the Group will respond appropriately from a viewpoint of increasing corporate value, taking into account circumstances in Japan and abroad.

2. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and bank deposits	134,944	143,405
Trade notes and accounts receivable	37,335	38,726
Merchandise and finished goods	37,503	35,679
Work in process	1,539	1,560
Raw materials and supplies	20,763	20,560
Other current assets	6,471	7,876
Allowance for doubtful accounts	(79)	(93)
Total current assets	238,478	247,715
Fixed assets		
Property, plant and equipment		
Buildings and structures	67,503	70,822
Accumulated depreciation	(41,448)	(44,086)
Buildings and structures, net	26,055	26,735
Machinery, equipment and vehicles	122,675	132,062
Accumulated depreciation	(79,239)	(85,891)
Machinery, equipment and vehicles, net	43,435	46,171
Tools, furniture and fixture	29,628	31,419
Accumulated depreciation	(25,224)	(26,507)
Tools, furniture and fixture, net	4,404	4,911
Land	7,107	7,479
Construction in progress	14,513	10,560
Total property, plant and equipment	95,515	95,859
Intangible assets		
Goodwill	3,808	3,867
Other intangible assets	2,084	2,940
Total intangible assets	5,892	6,808
Investments and other assets		
Investment securities	12,415	16,366
Deferred tax assets-non-current	642	868
Retirement benefit asset	78	348
Other investments and other assets	1,998	2,229
Allowance for doubtful accounts	(31)	(31)
Total investments and other assets	15,103	19,780
Total fixed assets	116,511	122,448
Total assets	354,989	370,163

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
Liabilities		
Current liabilities		
Trade notes and accounts payable	7,692	10,363
Accrued income taxes	6,498	2,859
Accrued bonuses due to employees	227	328
Accrued bonuses due to directors	177	321
Other current liabilities	14,228	14,439
Total current liabilities	28,823	28,311
Long-term liabilities		
Long-term loans payable	517	1,299
Accrued benefits for stock payment	240	356
Liability for retirement benefits	935	1,150
Asset retirement obligations	21	26
Deferred tax liabilities-non-current	4,446	4,621
Other long-term liabilities-non-current	381	159
Total long-term liabilities	6,543	7,616
Total liabilities	35,366	35,927
Net assets		
Shareholders' equity		
Common stock	20,704	20,704
Additional paid-in capital	20,419	20,419
Retained earnings	227,314	243,922
Treasury stock	(10,111)	(16,768)
Total shareholders' equity	258,327	268,278
Accumulated other comprehensive income		
Net unrealized holding gains or losses on securities	4,241	6,974
Foreign currency translation adjustments	56,224	57,889
Retirement benefits liability adjustments	765	1,045
Total accumulated other comprehensive income	61,232	65,909
Subscription rights to shares	62	48
Total net assets	319,622	334,236
Total liabilities and net assets	354,989	370,163

(2) Consolidated Statements of Income and Comprehensive Income
(Consolidated Statements of Income)

(Millions of yen)

	Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)	Fiscal Year Ended December 31, 2025 (January 1, 2025 to December 31, 2025)
Net sales	196,212	200,417
Cost of sales	143,336	140,624
Gross profit	52,875	59,793
Selling, general and administrative expenses	31,230	34,325
Operating income	21,644	25,467
Non-operating income		
Interest income	2,664	2,335
Dividend income	327	447
Foreign exchange gains	5,755	4,938
Gain on sales of raw material scrap	2,316	2,069
Other	771	712
Total non-operating income	11,835	10,504
Non-operating expenses		
Stock-related expenses	192	210
Depreciation	251	198
Other	588	484
Total non-operating expenses	1,032	892
Ordinary income	32,448	35,078
Extraordinary income		
Gain on disposal of fixed assets	5	50
Gain on sale of investment securities	—	2
Gain on bargain purchase	—	781
Total extraordinary income	5	833
Extraordinary loss		
Loss on disposal of fixed assets	510	643
Impairment losses	7,493	—
Extraordinary retirement expenses	732	304
Other	—	0
Total extraordinary loss	8,735	947
Profit before income taxes	23,718	34,964
Income taxes		
Current	10,668	10,072
Deferred	218	(1,380)
Total income taxes	10,887	8,691
Profit	12,831	26,272
Profit attributable to owners of parent	12,831	26,272

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)	Fiscal Year Ended December 31, 2025 (January 1, 2025 to December 31, 2025)
Profit	12,831	26,272
Other comprehensive income		
Net unrealized holding gains or losses on securities	928	2,732
Foreign currency translation adjustments	16,187	1,664
Retirement benefits liability adjustments	444	279
Total other comprehensive income	17,560	4,676
Comprehensive income	30,391	30,949
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	30,391	30,949
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Changes in Net Assets
Fiscal year ended December 31, 2024 (January 1—December 31, 2024)

	Millions of yen				
	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance	20,704	20,419	230,335	(10,165)	261,294
Changes of items during the period					
Cash dividend	—	—	(5,355)	—	(5,355)
Cash dividend (interim dividends)	—	—	(4,861)	—	(4,861)
Profit attributable to owners of parent	—	—	12,831	—	12,831
Purchase of treasury stock	—	—	—	(6,001)	(6,001)
Disposal of treasury stock	—	8	—	410	418
Cancellation of treasury stock	—	(8)	(5,636)	5,645	—
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes of items during the period	—	—	(3,021)	53	(2,967)
Ending balance	20,704	20,419	227,314	(10,111)	258,327

	Millions of yen					
	Accumulated other comprehensive income				Subscription rights to shares	Total net assets
	Net unrealized holding gains or losses on securities	Foreign currency translation adjustments	Retirement benefits liability adjustments	Total accumulated other comprehensive income		
Beginning balance	3,313	40,037	321	43,672	62	305,030
Changes of items during the period						
Cash dividend	—	—	—	—	—	(5,355)
Cash dividend (interim dividends)	—	—	—	—	—	(4,861)
Profit attributable to owners of parent	—	—	—	—	—	12,831
Purchase of treasury stock	—	—	—	—	—	(6,001)
Disposal of treasury stock	—	—	—	—	—	418
Cancellation of treasury stock	—	—	—	—	—	—
Net changes of items other than shareholders' equity	928	16,187	444	17,560	—	17,560
Total changes of items during the period	928	16,187	444	17,560	—	14,592
Ending balance	4,241	56,224	765	61,232	62	319,622

Fiscal year ended December 31, 2025 (January 1—December 31, 2025)

	Millions of yen				
	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance	20,704	20,419	227,314	(10,111)	258,327
Changes of items during the period					
Cash dividend	—	—	(4,809)	—	(4,809)
Cash dividend (interim dividends)	—	—	(4,851)	—	(4,851)
Profit attributable to owners of parent	—	—	26,272	—	26,272
Purchase of treasury stock	—	—	—	(7,000)	(7,000)
Disposal of treasury stock	—	—	(4)	343	339
Cancellation of treasury stock	—	—	—	—	—
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes of items during the period	—	—	16,607	(6,656)	9,950
Ending balance	20,704	20,419	243,922	(16,768)	268,278

	Millions of yen					
	Accumulated other comprehensive income				Subscription rights to shares	Total net assets
	Net unrealized holding gains or losses on securities	Foreign currency translation adjustments	Retirement benefits liability adjustments	Total accumulated other comprehensive income		
Beginning balance	4,241	56,224	765	61,232	62	319,622
Changes of items during the period						
Cash dividend	—	—	—	—	—	(4,809)
Cash dividend (interim dividends)	—	—	—	—	—	(4,851)
Profit attributable to owners of parent	—	—	—	—	—	26,272
Purchase of treasury stock	—	—	—	—	—	(7,000)
Disposal of treasury stock	—	—	—	—	—	339
Cancellation of treasury stock	—	—	—	—	—	—
Net changes of items other than shareholders' equity	2,732	1,664	279	4,676	(14)	4,662
Total changes of items during the period	2,732	1,664	279	4,676	(14)	14,613
Ending balance	6,974	57,889	1,045	65,909	48	334,236

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)	Fiscal Year Ended December 31, 2025 (January 1, 2025 to December 31, 2025)
Cash flows from operating activities		
Profit before income taxes	23,718	34,964
Depreciation and amortization	14,208	13,508
Impairment loss	7,493	—
Increase (Decrease) in liability for retirement benefits	129	136
Interest and dividends income	(2,992)	(2,783)
Foreign exchange losses (gains)	(3,960)	(955)
Loss (Gain) on sales of investment securities	—	(2)
Loss (Gain) on disposal of fixed assets	504	592
Gain on bargain purchase	—	(781)
Extraordinary retirement expenses	732	304
Decrease (Increase) in trade notes and accounts receivable	(962)	2,135
Decrease (Increase) in inventories	4,351	5,167
Increase (Decrease) in trade notes and accounts payable	(1,219)	802
Other, net	2,282	(5,968)
Sub total	44,286	47,121
Interest and dividends received	3,003	2,861
Interest paid	(30)	(81)
Income taxes paid	(7,125)	(14,537)
Net cash provided by operating activities	40,133	35,364
Cash flows from investing activities		
Increase of time deposits	(2,625)	(3,870)
Proceeds from withdrawal of time deposits	2,897	4,833
Purchase of fixed assets	(14,067)	(10,256)
Proceeds from sales of fixed assets	42	20
Purchase of investment securities	(477)	(4)
Proceeds from sales of investment securities	—	4
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(1,272)
Proceeds from shares of subsidiaries resulting in change in scope of consolidation	—	363
Payment of conditional acquisition consideration for shares of subsidiary	(1,253)	—
Other, net	(267)	(335)
Net cash used in investing activities	(15,750)	(10,517)
Cash flows from financing activities		
Repayments of short-term borrowings	—	(505)
Repayment of long-term loans payable	(313)	(521)
Cash dividends paid	(10,214)	(9,662)
Purchase of treasury stock	(6,001)	(7,000)
Proceeds from sales of treasury stock	345	303
Net cash used in financing activities	(16,183)	(17,386)
Effect of exchange rate changes on cash and cash equivalents	10,066	1,902
Net increase (decrease) in cash and cash equivalents	18,265	9,363
Cash and cash equivalents at beginning of period	112,301	130,567
Cash and cash equivalents at end of period	130,567	139,930

**(5) Notes to Consolidated Financial Statements
(Notes to Going-Concern Assumptions)**

None

(Notes to Changes in Accounting Policies)

(Changes in accounting policies)

(Application of “Accounting Standard for Current Income Taxes,” etc.)

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; hereinafter referred to as the “Revised Accounting Standard 2022”) and other relevant accounting standards from the beginning of the fiscal year under review.

Revisions in the accounting classification of current income taxes (taxes on other comprehensive income) have been made in accordance with the transitional treatments stipulated in the proviso of Paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatments stipulated in the proviso of Paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “Revised Guidance 2022”). This change in accounting policies has no impact on the consolidated financial statements.

In addition, the Company has applied the Revised Guidance 2022 from the beginning of the fiscal year under review with respect to revisions regarding reviews on treatments in the consolidated financial statements in the case that gains or losses associated with sales of shares, etc. of subsidiaries among consolidated companies are deferred for tax purposes. The said change in accounting policies has been retrospectively applied and the consolidated financial statements for the previous fiscal year have been prepared after the retrospective application of the change. This change in accounting policies has no impact on the consolidated financial statements for the previous fiscal year.

(Application of “Practical Solution on the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules,” etc.)

The Company has applied the “Practical Solution on the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules” (Practical Issues Task Force (PITF) No. 46, March 22, 2024) from the beginning of the fiscal year under review. This has no impact on the consolidated financial statements.

(Notes to Segment Information, etc.)

[Segment Information]

1. Overview of Reporting Segments

The reporting segments of the Company and its consolidated subsidiaries are regularly reviewed by the Board of Directors, etc., using the segregated financial information available within each segment of the Company and its consolidated subsidiaries to determine the allocation of management resources and evaluate business results.

The Company and its consolidated subsidiaries specialize in small motors manufacturing and sales as a single line of business. The Company is in charge of the business activities in Japan. Meanwhile, subsidiaries located overseas are in charge of operations in Asia, North and Latin America, Europe, etc. Subsidiaries located overseas are independent management units and propose comprehensive product strategies while pursuing business expansion.

Since the Company and its consolidated subsidiaries are composed of regional segments based on a manufacturing and selling system, the Company and its consolidated subsidiaries have designated that “Japan,” “Asia,” “North and Latin America” and “Europe” as their reporting segments.

2. Methods for Calculating Net Sales, Income (Loss), Assets, Liabilities and Other Items by Reporting Segment

The accounting method for reported business segments is consistent with the method used to prepare the consolidated financial statements.

Intersegment sales and transfers are based on prevailing market prices.

3. Information Concerning Net Sales, Income (Loss), Assets and Other Items and Revenue Breakdown by Reporting Segment
Fiscal year ended December 31, 2024 (January 1, 2024–December 31, 2024)

(Millions of yen)

	Reporting Segment					Adjustment (Note 1)	Total reported in consolidated financial statements (Note 2)
	Japan	Asia	North and Latin America	Europe	Total		
Net sales							
Automotive products market	18,224	66,856	33,677	33,740	152,498	—	152,498
Life and industrial products market	1,878	28,769	1,766	11,259	43,673	—	43,673
Others	31	3	—	5	39	—	39
Revenue from contracts with customers	20,133	95,629	35,443	45,004	196,212	—	196,212
Other revenue	—	—	—	—	—	—	—
Sales to external customers	20,133	95,629	35,443	45,004	196,212	—	196,212
Intersegment sales and transfers	99,575	90,027	5,170	125	194,897	(194,897)	—
Total	119,709	185,657	40,613	45,130	391,110	(194,897)	196,212
Segment income (loss)	9,495	14,801	815	(2,034)	23,079	(1,434)	21,644
Segment assets	155,901	231,495	46,804	43,338	477,540	(122,550)	354,989
Other items							
Depreciation and amortization	1,357	9,946	1,683	1,654	14,642	(433)	14,208
Amortization of goodwill	—	—	—	591	591	—	591
Impairment loss	152	11	—	7,952	8,116	(623)	7,493
Increase in property, plant and equipment, and intangible assets	1,776	10,043	1,817	1,828	15,465	(742)	14,723

Notes: 1. (1) The segment income (loss) adjustment represents intersegment transaction eliminations.

(2) The segment assets adjustment includes: intersegment debt and credit eliminations of ¥(158,005) million; corporate assets of ¥35,454 million, not allocated to each segment. Corporate assets primarily include the parent company's surplus funds for investment (e.g., cash and bank deposits and short-term investments) and long-term investment funds (e.g., investment securities).

(3) The depreciation and amortization adjustment represent intersegment transaction eliminations.

(4) The impairment loss adjustment represents intersegment transaction eliminations.

(5) Increase in property, plant and equipment, and intangible assets adjustment represents intersegment transaction eliminations.

2. Segment income (loss) is adjusted for operating income reported in the consolidated statements of income.

Fiscal year ended December 31, 2025 (January 1, 2025–December 31, 2025)

(Millions of yen)

	Reporting Segment					Adjustment (Note 1)	Total reported in consolidated financial statements (Note 2)
	Japan	Asia	North and Latin America	Europe	Total		
Net sales							
Automotive products market	20,782	66,494	33,763	33,509	154,549	—	154,549
Life and industrial products market	3,467	27,539	2,133	12,663	45,804	—	45,804
Others	45	13	—	4	63	—	63
Revenue from contracts with customers	24,295	94,047	35,897	46,177	200,417	—	200,417
Other revenue	—	—	—	—	—	—	—
Sales to external customers	24,295	94,047	35,897	46,177	200,417	—	200,417
Intersegment sales and transfers	96,495	89,349	1,492	233	187,571	(187,571)	—
Total	120,791	183,396	37,389	46,410	387,988	(187,571)	200,417
Segment income (loss)	9,892	15,572	719	(771)	25,413	54	25,467
Segment assets	158,402	220,404	47,451	42,549	468,807	(98,643)	370,163
Other items							
Depreciation and amortization	1,529	9,725	1,940	739	13,934	(426)	13,508
Amortization of goodwill	—	—	—	401	401	—	401
Increase in property, plant and equipment, and intangible assets	2,934	10,069	1,298	108	14,410	(251)	14,159

Notes: 1. (1) The segment income (loss) adjustment represents intersegment transaction eliminations.

(2) The segment assets adjustment includes: intersegment debt and credit eliminations of ¥(156,342) million; corporate assets of ¥57,698 million, not allocated to each segment. Corporate assets primarily include the parent company's surplus funds for investment (e.g., cash and bank deposits and short-term investments) and long-term investment funds (e.g., investment securities).

(3) The depreciation and amortization adjustment represent intersegment transaction eliminations.

(4) Increase in property, plant and equipment, and intangible assets adjustment represents intersegment transaction eliminations.

2. Segment income (loss) is adjusted for operating income reported in the consolidated statements of income.

[Reference Information]**Fiscal year ended December 31, 2024 (January 1, 2024–December 31, 2024)****1. Information by Product and Service**

Information is omitted because the Mabuchi Group engages in business activities in a single business area related to small motors, constituting a single business division.

2. Geographical Segment Information

(1) Net sales

(Millions of yen)

Japan	Asia	North and Latin America	Europe	Total
20,133	95,629	35,443	45,004	196,212

Notes: 1. Net sales are classified by country and region based on customer location.

(2) Property, plant and equipment

(Millions of yen)

Japan	Asia	North and Latin America	Europe	Total
15,462	57,380	18,163	4,508	95,515

Fiscal year ended December 31, 2025 (January 1, 2025–December 31, 2025)**1. Information by Product and Service**

Information is omitted because the Mabuchi Group engages in business activities in a single business area related to small motors, constituting a single business division.

2. Geographical Segment Information

(1) Net sales

(Millions of yen)

Japan	Asia	North and Latin America	Europe	Total
24,295	94,047	35,897	46,177	200,417

Notes: 1. Net sales are classified by country and region based on customer location.

(2) Property, plant and equipment

(Millions of yen)

Japan	Asia	North and Latin America	Europe	Total
16,414	55,479	19,375	4,589	95,859

[Information Related to Impairment Loss on Fixed Assets by Reporting Segment]**Fiscal year ended December 31, 2024 (January 1, 2024–December 31, 2024)**

As the same information is disclosed in the Segment Information, this section is omitted.

Fiscal year ended December 31, 2025 (January 1, 2025–December 31, 2025)

None

**[Information Related to Amortization and Unamortized Balance of Goodwill by Reporting Segment]
Fiscal year ended December 31, 2024 (January 1, 2024–December 31, 2024)**

(Millions of yen)

	Japan	Asia	North and Latin America	Europe	Total
Unamortized balance as of fiscal year-end	—	—	—	3,808	3,808

Note: Amortization of goodwill is the same as shown under segment information, and is therefore omitted.

Fiscal year ended December 31, 2025 (January 1, 2025–December 31, 2025)

(Millions of yen)

	Japan	Asia	North and Latin America	Europe	Total
Unamortized balance as of fiscal year-end	—	—	—	3,867	3,867

Note: Amortization of goodwill is the same as shown under segment information, and is therefore omitted.

**[Information Related to Gain on Bargain Purchase by Reporting Segment]
Fiscal year ended December 31, 2024 (January 1, 2024–December 31, 2024)**

None

Fiscal year ended December 31, 2025 (January 1, 2025–December 31, 2025)

During the second quarter of the fiscal year under review, the Company acquired all shares of OB Kogyo Ltd. (currently Mabuchi OB Gear System Co., Ltd.), and included it in the scope of consolidation, creating a gain on bargain purchase in the amount of 342 million yen in the “Japan” segment and 405 million yen in the “Asia” segment. Also, during the third quarter of the fiscal year under review, the Company acquired all shares of Oki ME Co., Ltd. (a company newly established by OKI Micro Engineering Co., Ltd. to succeed a portion of the business), and included it (currently MABUCHI MOTOR MICRO TECH CO., LTD.) in the scope of consolidation, creating a gain on bargain purchase in the amount of 32 million yen in the “Japan” segment. The amount of the gain on bargain purchase was provisionally calculated as of the end of the second quarter and the end of the third quarter consolidated accounting periods respectively because the allocation of the acquisition cost had not been completed at those times; however, the amount was finalized by the end of the current consolidated fiscal year. The amounts are unchanged from those resulting from the provisional accounting treatment. Furthermore, because the gain on bargain purchase is recorded as extraordinary income, this amount is not included in the segment income shown above.

(Items Related to Corporate Merger, etc.)

(Corporate Merger via Acquisition)

1. Overview of the corporate merger

(1) Name and business of acquired company

Company name: OB Kogyo Ltd. (“OB Kogyo”)

Business: Manufacture and sales of plastic products for industrial use, molds and jigs. Sales of sliding bearings and lubricants through distributors

(2) Primary reasons for the merger

The company are announcing Management Plan 2030 with e-MOTO as the new business concept to archive the plan. e-MOTO is the concept to define the company’s providing value as a “movement”. The demands from customer to provide products in complete units are recently increasing and the company is intending to expand business domain by offering not just a simple motor rotation, but more value added “movement” solution to customer. M&A and alliance are planning to be actively considered to archive such a vision.

OB Kogyo Group, which consists of OB Kogyo and its affiliated companies, is a high-precision plastic gear manufacturer that has both mold and molding technologies, and able to propose most appropriate gear solution to customer ensured by an extensive experience cultivated more than 70 years since its foundation. OB Kogyo also has a long track record of manufacturing products worldwide and operating several production facilities in countries such as China, Vietnam and Philippine with capability to provide one-stop service from initial development to mass production in global level.

The gear products, enable multi-axis transmission and speed change of the rotational motion generated by motors, can be more value-added solution by optimal unit design together with motor and gear. By leveraging OB Kogyo’s global one-stop extensive gear capability, the company will strive to provide best “movement” solution

to customer.

(3) Date of merger
April 1, 2025

(4) Legal form of merger
Acquisition of shares

(5) Company name after merger
Mabuchi OB Gear System Co., Ltd.

(6) Percentage of voting rights acquired
100%

(7) Primary basis for decision to acquire company
The Company acquired the shares in exchange for cash.

2. Period covered for results of acquired company included in Consolidated Financial Statements
From April 1, 2025 to December 31, 2025

3. Acquisition cost and types of compensation paid for the acquired company

Compensation	Cash	666 million yen
Acquisition cost		666 million yen

4. Amount and cause for gain on bargain purchase arising from acquisition

(1) Amount of gain on bargain purchase
748 million yen

The amount of gain on bargain purchase was provisionally calculated as the allocation of the acquisition cost had not been completed as of the end of the second quarter of the fiscal year ended December 31, 2025. However, the allocation of the acquisition cost has been finalized as of the fiscal year-end. There has been no change in the amount as a result of the finalization of this provisional accounting treatment.

(2) Cause of gain on bargain purchase

The market value of net assets at the time of the corporate merger exceeded the acquisition cost, and that difference is therefore being recorded as gain on bargain purchase.

5. Details and amounts of major acquisition-related costs
Remuneration and fees, etc. for advisory: 223 million yen

6. Amounts and primary breakdown of assets and liabilities assumed as of merger date

Current assets	3,250 million yen
Fixed assets	1,229 million yen
Total assets	4,480 million yen

Current liabilities	2,741 million yen
Long-term liabilities	323 million yen
Total liabilities	3,065 million yen

7. Estimated amounts and calculation method for effects on Consolidated Statements of Income for the fiscal year ended December 31, 2025, assuming the merger had been completed on January 1, 2025

This information is omitted due to immateriality of the amounts.

(Corporate Merger via Acquisition)

1. Overview of the corporate merger

(1) Name and business of acquired company

Company name: Oki ME Co., Ltd

A new company established by OKI Micro Engineering Co., Ltd. (OKI Micro Engineering) to succeed a portion of the business

Business: Manufacturer of small motor for IT equipment, amusement equipment and gas equipment

(2) Primary reasons for the merger

Mabuchi pursues the Management Plan 2030 under the business concept “e-MOTO” that aims to deliver solutions for the various movements desired by our customers and society through our business activities. Mabuchi’s goal of the “e-MOTO” is to accomplish expansion of its business areas as well as its added value by offering various movements not limited to rotation with expanded motor assortments as a core to generate movements and also with solutions composed of controller and unitization.

The purpose of the transaction is to expand motor assortments and capability of unitization based upon “e-MOTO.” OKI Micro Engineering is a manufacturer specializing in various motors and actuators with stepper motor as a core product as well as geared motor and rotary solenoid. In recent years, OKI Micro Engineering has been working on development of new brushless motor product with small size, lightweight, high torque and low power consumption based upon its original technology as well as development of peripheral unit components, that are expected as a new product for future pillar of the business. OKI Micro Engineering located in Fukushima prefecture has established stable business relationship with major domestic and overseas customers by offering solutions to contribute to customer’s issue resolution based upon its technology and know-how accumulated for half a century.

By combining OKI Micro Engineering's technology and product line-up with Mabuchi’s technology, sales channel and customers base, Mabuchi will generate synergies and will establish new business through new product and market development in addition to expansion of existing business.

(3) Date of merger

July 1, 2025

(4) Legal form of merger

Acquisition of shares

(5) Company name after merger

MABUCHI MOTOR MICRO TECH CO., LTD.

(6) Percentage of voting rights acquired

100%

(7) Primary basis for decision to acquire company

The Company acquired the shares in exchange for cash.

2. Period covered for results of acquired company included in Consolidated Financial Statements

From July 1, 2025 to December 31, 2025

3. Acquisition cost and types of compensation paid for the acquired company

Compensation Cash 1,376 million yen

Acquisition cost 1,376 million yen

Note: The acquisition cost reflects price adjustments based on the share purchase agreement.

4. Amount and cause for gain on bargain purchase arising from acquisition

(1) Amount of gain on bargain purchase

32 million yen

The amount of gain on bargain purchase was provisionally calculated as the allocation of the acquisition cost had not been completed as of the end of the third quarter of the fiscal year ended December 31, 2025. However, the allocation of the acquisition cost has been finalized as of the fiscal year-end. There has been no change in the amount as a result of the finalization of this provisional accounting treatment.

(2) Cause of gain on bargain purchase

The market value of net assets at the time of the corporate merger exceeded the acquisition cost, and that difference is therefore being recorded as gain on bargain purchase.

5. Details and amounts of major acquisition-related costs

Remuneration and fees, etc. for advisory: 45 million yen

6. Amounts and primary breakdown of assets and liabilities assumed as of merger date

Current assets	1,766 million yen
Fixed assets	657 million yen
Total assets	2,424 million yen

Current liabilities	803 million yen
Long-term liabilities	212 million yen
Total liabilities	1,015 million yen

7. Estimated amounts and calculation method for effects on Consolidated Statements of Income for the fiscal year ended December 31, 2025, assuming the merger had been completed on January 1, 2025
This information is omitted due to immateriality of the amounts.

(Significant Subsequent Events)
(Corporate Merger via Acquisition)

On January 8, 2026, the Company acquired shares of Nippon Pulse Motor Co., Ltd. and to make it a subsidiary of the Company.

1. Overview of the corporate merger

(1) Name and business of acquired company

Company name: Nippon Pulse Motor Co., Ltd. (“Nippon Pulse Motor”)

Business:

1. Manufacture and sales of precision small motors, drivers, controllers, and electronic components
2. Design, manufacture and sales of automated devices, machines and systems
3. Export of above mentioned electrical and electronic devices, and import and sales of related products

(2) Primary reasons for the merger

The Company has formulated Management Plan 2030, which runs to the year 2030, and is driving the e-MOTO business concept in order to achieve it. The e-MOTO is a business concept aimed at growth by providing the diverse motion solutions to customers and society. By offering not just a simple rotation, but more value added “motion” solution to customer. We are also actively considering M&A and alliance to achieve the e-MOTO concept.

Since it was founded in 1952, the Nippon Pulse Motor Group, which comprises Nippon Pulse Motor and its affiliates, focused on the themes of "moving" and "controlling," developed proprietary motion control technologies integrate with precise motor control systems designed to enable diverse motion solutions. The group offers superior motion control products to a wide range of cutting-edge applications where high precision is required, such as medical equipment, semiconductors, industrial machinery, defense, and space.

Furthermore, Nippon Pulse Motor expand its reach through series of production bases and sales offices around the world. Its global network and production and sales system are able to respond to its customers in global level and diverse needs.

By leveraging Nippon Pulse Motor's greatest strength of unique expertise in motion control — combining motors and control systems— along with extensive knowledge and adaptability in the medical and industrial equipment applications, the company believes this will contribute to expanding the company’s focused business areas in the 3 M fields (Mobility, Machinery, Medical).

(3) Date of merger

January 8, 2026

(4) Legal form of merger

Acquisition of shares

(5) Company name after merger

MABUCHI MOTOR NPM CO., LTD.

(6) Percentage of voting rights acquired

97.9%

(7) Primary basis for decision to acquire company

The Company acquired the shares in exchange for cash.

2. Acquisition cost and types of compensation paid for the acquired company

<u>Compensation Cash</u>	<u>6,395 million yen</u>
Acquisition cost	6,395 million yen

(Stock Split)

Based on a resolution approved by the Board of Directors on August 14, 2025, the Company carried out a stock split effective January 1, 2026.

1. Purpose of stock split

The purpose of the stock split is to create an environment conducive to investment and expand its investor base by lowering the price per investment unit of the Company's stock.

2. Outline of stock split

(1) Method of stock split

We conducted a 2-for-1 stock split with the record date of December 31, 2025 (The day was practically December 30, 2025.) whereby each share of common stock held by shareholders listed on the final registered and/or beneficial shareholders' lists of the same day was split into two shares.

(2) Increase in shares from stock split

Total shares issued prior to stock split	130,324,924 shares
Increase in shares due to stock split	130,324,924 shares
Total shares issued following stock split	260,649,848 shares
Total number of authorized shares following stock split	800,000,000 shares

3. Schedule

Record date of public notice:	December 15, 2025
Record date:	December 31, 2025
Effective date:	January 1, 2026

4. Effect on per-share information

The effect on per-share information is shown in each relevant section.