CONSOLIDATED FINANCIAL RESULTS
FOR THE SIX MONTHS ENDED JUNE 30, 2026 (J-GAAP)

August 14, 2026

Name of listed company: MABUCHI MOTOR CO., LTD. Stock exchange listing: Tokyo
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 start of the filling of quarterly report: August 14, 2026
Scheduled date of start of dividends payments: September 14, 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 Six Months Ended June 30, 2026 (From January 1, 2026 to June 30, 2026)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
For the six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	106,384	12.1	13,147	8.5	18,891	63.3	12,693	41.9
June 30, 2025	94,911	(0.4)	12,115	32.2	11,566	(40.4)	8,943	(28.5)

Note: Comprehensive income
Six months ended June 30, 2026: ¥24,953 million [—%] Six months ended June 30, 2025: ¥(6,557) million [—%]

	Profit per share	Fully diluted profit per share
For the six months ended	Yen	Yen
June 30, 2026	51.84	51.83
June 30, 2025	35.77	35.77

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
As of	Millions of yen	Millions of yen	%
June 30, 2026	408,643	343,861	84.1
December 31, 2025	370,163	334,236	90.3

Reference: Shareholders' equity
As of June 30, 2026: ¥343,551 million As of December 31, 2025: ¥334,187 million

2. Dividends

	Dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2025	—	39.00	—	67.00	106.00
Fiscal 2026	—	35.00			
Fiscal 2026 (forecast)			—	35.00	70.00

Note: Amendments to dividend forecast that has been disclosed recently: Yes

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 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
Full year	225,000	12.3	26,500	4.1	31,300	(10.8)	22,200	(15.5)	92.35

Note: Amendments to results forecasts that have been disclosed recently: Yes

Notes

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 17 companies
(Company name) MASDAC Co., Ltd. and 16 other companies
Excluded: 1
(Company name) Mabuchi Motor Singapore Private Limited.
Note: For details, please refer to "2. Consolidated Financial Statements and Primarily Notes (4) Notes to Consolidated Financial Statements (Changes in the scope of consolidation or equity method)" on page 9.

(2) Application of accounting procedures specific to preparation of quarterly consolidated financial statements: Yes
Note: For details, please refer to "2. Consolidated Financial Statements and Primarily Notes (4) Notes to Consolidated Financial Statements (Application of Accounting Procedures Specific to Preparation of Consolidated Financial Statements)" on page 9.

(3) Changes in accounting policies, changes in accounting estimates, restatements:
1) Changes in accounting policies resulting from revision of accounting standards, etc.: None
2) Changes in accounting policies due to reasons other than those stated in 1): None
3) Changes in accounting estimates: None
4) Restatements: None

(4) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury stock)	June. 30, 2026	260,649,848	Dec. 31, 2025	260,649,848
2) Number of shares of treasury stock at the end of the period	June. 30, 2026	19,867,212	Dec. 31, 2025	15,016,494
3) Average number of shares during the period	Jan.–Jun. 2026	244,852,981	Jan.–Jun. 2025	250,016,178

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. The number of shares issued at the end of the period, number of shares of treasury stock at the end of the period, and average number of shares during the period were calculated as if the stock split had taken place at the beginning of the fiscal year ended December 31, 2025.

* 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.

1. Qualitative Information

(1) Operating Results

During the six months ended June 30, 2026 (January 1–June 30, 2026), despite a shift toward monetary easing, geopolitical risk, trade policies, and other factors resulted in only low growth for the global economy. The U.S. economy was solid against a backdrop of a continued gradual rebound in retail consumption, as well as growth in corporate earnings and robust capital investment on higher AI-related demand. The European economy was underpinned by retail consumption and government spending, but factors including weak exports and a rise in energy prices led to an overall economic slowdown. Although the Chinese economy was supported by growth in infrastructure investment, the pace of growth slowed from a continued sluggish real estate market and weak domestic demand. In Japan, while some effects were seen from labor shortages and higher energy prices associated with increased tensions in the Middle East, the economy remained solid overall from growth in demand from capital investment, primarily AI-related, combined with a pickup in retail consumption against the backdrop of an improved environment for incomes.

With regard to markets related to the Mabuchi Group's products, the automotive products market was soft overall on sluggish sales in certain regions. The life and industrial products market was solid overall as retail consumption rebounded.

As a result, consolidated net sales for the first half were 106,384 million yen (up 12.1% year on year).

Operating income was 13,147 million yen (up 8.5% year on year), with positive effects from factors including improvements in selling prices and the product mix, and a weaker yen year on year, more than offsetting negative factors including higher costs.

Ordinary income was 18,891 million yen (up 63.3% year on year), driven by an improvement in foreign exchange gains. Profit before income taxes was 18,756 million yen (up 57.1% year on year) and profit attributable to owners of parent was 12,693 million yen (up 41.9% 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 82,068 million yen (up 11.8% year on year). Sales of medium-sized automotive motors showed growth overall, with a boost from the effect of the weaker yen in addition to a large increase in orders for motors for power seats, power windows, and valve actuators, and despite lower sales of motors for electric parking brakes. Sales of small automotive motors grew as well, on higher sales of motors for door mirrors and air conditioning damper actuators and the effect of the weaker yen.

2) Life and Industrial Products Market

Net sales rose to 24,308 million yen (up 13.2% year on year). Sales of motors for personal care products declined slightly on restricted order acceptance reflecting a policy of emphasizing profitability, and sales of motors for health and medical devices declined as a result of inventory adjustments at certain customers, but overall sales grew on the effect of consolidation from the addition of companies to the Mabuchi Group through mergers and acquisitions, as well as the weaker yen.

(2) Financial Position

Total assets as of June 30, 2026, were 408,643 million yen, a 38,479 million yen increase from the end of the previous fiscal year. Major changes from the end of the previous fiscal year included increases of 15,743 million yen in inventories, 10,220 million yen in property, plant and equipment, 8,651 million yen in intangible assets, 5,226 million yen in investment securities, 3,956 million yen in trade notes and accounts receivable, and 3,069 million yen in other current assets, and a 9,326 million yen decrease in cash and bank deposits.

Total liabilities increased 28,854 million yen from the end of the previous fiscal year to 64,781 million yen. Major changes from the end of the previous fiscal year included increases of 10,404 million yen in short-term loans payable, 5,546 million yen in other current liabilities, 4,649 million yen in long-term loans payable, 3,873 million yen in trade notes and accounts payable.

Total net assets increased 9,625 million yen from the end of the previous fiscal year to 343,861 million yen. Major changes from the end of the previous fiscal year included a 9,623 million yen increase in foreign currency translation adjustments.

(3) Forward-Looking Statements Including Consolidated Results Forecast

Although inflationary pressures continue to ease in countries around the world, the future outlook remains uncertain in light of geopolitical risk, and the pace of growth for the global economy is expected to slow slightly. A gradual pace of recovery is seen continuing in the United States, supported by increases in actual incomes as inflation abates and the Federal Reserve Board's lowering of interest rates, despite a slower pace of growth in retail consumption associated with higher prices as a result of tariffs and a worsening of employment conditions. Although the European economy is expected to strengthen gradually from the effects of monetary easing, the economy is seen remaining sluggish for the time being on suppressed domestic demand from higher prices, prolonged weak capital investment, and increased fiscal tightening. The pace of growth in the Chinese economy is seen continuing to slow from the depressed real estate market and weak retail consumption. The Japanese economy is expected to maintain a gradual tone of recovery as investment demand in areas including digital transformation remains fundamentally strong and exports are underpinned by increased global AI-related demand.

With regard to markets related to the Mabuchi Group's products, in the automotive products market, global automobile production volume is expected to decline slightly from the previous fiscal year. Sluggish growth in production is forecast for Europe and the United States, primarily from the continued uncertain future outlook associated with tariff policies. In China, little growth in automobile production volume is expected 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. In the life and industrial products market, weak sales are forecast for motors 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 full-year consolidated net sales of 225,000 million yen (up 12.3% year on year). In terms of profit, although we expect upward cost pressures due to higher selling, general and administrative expenses associated with an increase in the number of group companies 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 selling prices and the product mix. As a result, we are forecasting operating income of 26,500 million yen (up 4.1% year on year), ordinary income of 31,300 million yen (down 10.8% year on year), and profit attributable to owners of parent of 22,200 million yen (down 15.5% year on year).

Our dividend forecast is a record-high full-year dividend of 70 yen per share, as per the news release "Notice regarding Determination of Surplus Dividend (Interim Dividend) and Revision of Year-End Dividend Forecasts" issued today. This includes an interim dividend of 35 yen per share and a year-end dividend of 35 yen per share.

The actual foreign exchange rate for the first half was ¥158.18 to the U.S. dollar, and our foreign exchange rate assumption for the second half is ¥155 to the U.S. dollar.

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.

2. Consolidated Financial Statements and Primary Notes
(1) Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and bank deposits	143,405	134,078
Trade notes and accounts receivable	38,726	42,682
Merchandise and finished goods	35,679	41,399
Work in process	1,560	5,039
Raw materials and supplies	20,560	27,104
Other current assets	7,876	10,946
Allowance for doubtful accounts	(93)	(95)
Total current assets	247,715	261,155
Fixed assets		
Property, plant and equipment		
Buildings and structures	70,822	78,150
Accumulated depreciation	(44,086)	(47,575)
Buildings and structures, net	26,735	30,575
Machinery, equipment and vehicles	132,062	144,032
Accumulated depreciation	(85,891)	(95,723)
Machinery, equipment and vehicles, net	46,171	48,308
Tools, furniture and fixture	31,419	34,972
Accumulated depreciation	(26,507)	(29,537)
Tools, furniture and fixture, net	4,911	5,435
Land	7,479	10,720
Construction in progress	10,560	11,040
Total property, plant and equipment	95,859	106,079
Intangible assets		
Goodwill	3,867	12,411
Other intangible assets	2,940	3,048
Total intangible assets	6,808	15,459
Investments and other assets		
Investment securities	16,366	21,592
Deferred tax assets-non-current	868	1,079
Retirement benefit asset	348	405
Other investments and other assets	2,229	2,903
Allowance for doubtful accounts	(31)	(33)
Total investments and other assets	19,780	25,947
Total fixed assets	122,448	147,487
Total assets	370,163	408,643

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Trade notes and accounts payable	10,363	14,236
Short-term loans payable	20	10,424
Accrued income taxes	2,859	3,693
Accrued bonuses due to employees	328	725
Accrued bonuses due to directors	321	150
Other current liabilities	14,419	19,965
Total current liabilities	28,311	49,196
Long-term liabilities		
Long-term loans payable	1,299	5,949
Bonds payable	—	1,577
Accrued benefits for stock payment	356	428
Liability for retirement benefits	1,150	1,582
Asset retirement obligations	26	26
Deferred tax liabilities-non-current	4,621	5,614
Other long-term liabilities-non-current	159	405
Total long-term liabilities	7,616	15,584
Total liabilities	35,927	64,781
Net assets		
Shareholders' equity		
Common stock	20,704	20,704
Additional paid-in capital	20,419	20,440
Retained earnings	243,922	248,636
Treasury stock	(16,768)	(24,386)
Total shareholders' equity	268,278	265,394
Accumulated other comprehensive income		
Net unrealized holding gains or losses on securities	6,974	9,672
Foreign currency translation adjustments	57,889	67,512
Retirement benefits liability adjustments	1,045	971
Total accumulated other comprehensive income	65,909	78,157
Subscription rights to shares	48	48
Non-controlling Interests	—	261
Total net assets	334,236	343,861
Total liabilities and net assets	370,163	408,643

(2) Consolidated Statements of Income and Comprehensive Income

(Consolidated Statements of Income)

(Millions of yen)

	Six Months Ended June 30, 2025 (January 1, 2025 to June 30, 2025)	Six Months Ended June 30, 2026 (January 1, 2026 to June 30, 2026)
Net sales	94,911	106,384
Cost of sales	66,555	73,856
Gross profit	28,355	32,528
Selling, general and administrative expenses	16,240	19,380
Operating income	12,115	13,147
Non-operating income		
Interest income	1,214	987
Dividend income	252	315
Foreign exchange gains	—	2,830
Gain on sales of raw material scrap	971	1,409
Other	377	759
Total non-operating income	2,816	6,303
Non-operating expenses		
Stock-related expenses	128	156
Foreign exchange losses	2,905	—
Depreciation	77	105
Other	254	297
Total non-operating expenses	3,365	559
Ordinary income	11,566	18,891
Extraordinary income		
Gain on disposal of fixed assets	43	7
Gain on sale of golf club membership	—	1
Gain on bargain purchase	748	—
Gain on reversal of foreign currency translation adjustments resulting from liquidation of foreign subsidiaries	—	252
Total extraordinary income	791	261
Extraordinary loss		
Loss on disposal of fixed assets	136	156
Extraordinary retirement expenses	284	237
Loss on sale of golf club membership	—	3
Total extraordinary loss	421	396
Profit before income taxes	11,936	18,756
Income taxes	2,992	6,050
Profit	8,943	12,706
Profit attributable to non-controlling interests	—	12
Profit attributable to owners of parent	8,943	12,693

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Six Months Ended June 30, 2025 (January 1, 2025 to June 30, 2025)	Six Months Ended June 30, 2026 (January 1, 2026 to June 30, 2026)
Profit	8,943	12,706
Other comprehensive income		
Net unrealized holding gains or losses on securities	347	2,698
Foreign currency translation adjustments	(15,836)	9,623
Retirement benefits liability adjustments	(12)	(73)
Total other comprehensive income	(15,501)	12,247
Comprehensive income	(6,557)	24,953
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(6,557)	24,947
Comprehensive income attributable to non-controlling interests	—	5

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six Months Ended June 30, 2025 (January 1, 2025 to June 30, 2025)	Six Months Ended June 30, 2026 (January 1, 2026 to June 30, 2026)
Cash flows from operating activities		
Profit before income taxes	11,936	18,756
Depreciation and amortization	6,556	7,193
Increase (Decrease) in liability for retirement benefits	90	(269)
Interest and dividends income	(1,467)	(1,303)
Foreign exchange losses (gains)	1,746	(299)
Loss (Gain) on disposal of fixed assets	93	148
Gain on reversal of foreign currency translation adjustments resulting from liquidation of foreign subsidiaries	—	(252)
Gain on bargain purchase	(748)	—
Extraordinary retirement expenses	284	237
Decrease (Increase) in trade notes and accounts receivable	858	896
Decrease (Increase) in inventories	2,878	(8,392)
Increase (Decrease) in trade notes and accounts payable	(1,401)	477
Loss (gain) on sales of golf club membership	—	1
Other, net	(3,092)	(518)
Sub total	17,734	16,675
Interest and dividends received	1,536	1,341
Interest paid	(46)	(47)
Income taxes paid	(7,602)	(6,228)
Net cash provided by operating activities	11,622	11,740
Cash flows from investing activities		
Increase of time deposits	(594)	(3,343)
Proceeds from withdrawal of time deposits	2,959	3,543
Purchase of fixed assets	(3,655)	(5,930)
Proceeds from sales of fixed assets	108	18
Purchase of investment securities	(0)	(9)
Proceeds from sales of investment securities	—	18
Purchase from shares of subsidiaries resulting in change in scope of consolidation	—	(13,179)
Proceeds from shares of subsidiaries resulting in change in scope of consolidation	363	—
Other, net	(86)	282
Net cash used in investing activities	(904)	(18,599)
Cash flows from financing activities		
Repayment of long-term loans payable	(130)	(593)
Net increase (decrease) in short-term loans payable	—	9,907
Cash dividends paid	(4,809)	(8,269)
Purchase of treasury stock	(4,783)	(7,764)
Proceeds from sales of treasury stock	111	104
Net cash used in financing activities	(9,612)	(6,614)
Effect of exchange rate changes on cash and cash equivalents	(7,675)	3,191
Net increase (decrease) in cash and cash equivalents	(6,570)	(10,282)
Cash and cash equivalents at beginning of period	130,567	139,930
Increase in cash and cash equivalents resulting from newly consolidated subsidiaries	—	279
Cash and cash equivalents at end of period	123,997	129,927

(4) Notes to Consolidated Financial Statements

(Notes to Going-Concern Assumptions)

None

(Notes to Significant Changes in Shareholders' Equity)

(Purchase of treasury stock)

The Company purchased 4,989,500 shares of treasury stock (total amount of purchase cost: 7,764 million yen) pursuant to a resolution at a meeting of the Board of Directors held on August 14, 2025. As a result, treasury stock at the end of the first half of the current fiscal year was 24,386 million yen.

(Changes in Major Subsidiaries during the First Half)

(Changes in the scope of consolidation or equity method)

During the first half of the current fiscal year, the Company acquired all shares of Nippon Pulse Motor Co., Ltd. (now Mabuchi Motor NPM Co., Ltd.) and added it to the scope of consolidation along with its subsidiaries NPM High Technologies Co., Ltd. (now Mabuchi Motor NPM High-Tech Co., Ltd.), NPM America, Inc. (now Mabuchi Motor NPM America Corp.), Nippon Pulse Hong Kong Ltd., (now Mabuchi Motor NPM Hong Kong Co., Ltd.), Nippon Pulse Shanghai Co., Ltd. (now Mabuchi Motor NPM Shanghai Co., Ltd.), Nippon Pulse Asia Trading Ltd. (now Mabuchi Motor NPM Trading Co., Ltd.), NPM Korea Co., Ltd. (now Mabuchi Motor NPM Korea Co., Ltd.), Pulse Electronics (Dongguan) Co., Ltd., (now Mabuchi Motor NPM Dongguan Co., Ltd.), Nippon Pulse Tec Philippines Inc., GMC Hillstone Co., Ltd., Intelligent Shaft Motor (Dalian) Co., Ltd., Mogami Tomisawa International Trade (Dalian) Co., Ltd., and NAKATSU MFG. Co., Ltd.

During the first half of the current fiscal year, non-consolidated subsidiary MABUCHI KOSAN CO., LTD. (now Mabuchi Motor Business Service Co., Ltd.) was added to the scope of consolidation in light of its increased importance.

During the first half of the current fiscal year, the Company acquired all shares of MASDAC Co., Ltd. and added it to the scope of consolidation along with its subsidiaries MASDAC SALES (SHANGHAI) COMPANY LIMITED and MASDAC SOUTH EAST ASIA Co., Ltd.

During the first half of the current fiscal year, Mabuchi Motor Singapore Private Ltd., which had been a consolidated subsidiary, was excluded from the scope of consolidation due to the completion of its liquidation.

(Significant changes in the scope of application of the equity method)

During the half quarter of the current fiscal year, the Company acquired shares of KSJ Co., Ltd., and accordingly included the company in the scope of application of the equity method.

(Application of Accounting Procedures Specific to Preparation of the First Half Consolidated Financial Statements)

(Calculation of tax expense)

The Company calculates tax expense by rationally estimating its effective tax rate after application of deferred-tax accounting to profit before income taxes for the fiscal year that includes the first half under review and multiplying the first half profit before income taxes by estimated effective tax rate.

(Notes to Changes in Accounting Policies)

None

(Notes to Segment Information, etc.)
[Segment Information]
Six Months Ended June 30, 2025 (From January 1, 2025 to June 30, 2025)

1. Information concerning net sales and income (loss) and revenue breakdown by reporting segment

(Millions of yen)

	Reporting Segment					Adjustment (Note 1)	Total reported in consolidated statements of income (Note 2)
	Japan	Asia	North and Latin America	Europe	Total		
Net sales							
Automotive products market	10,127	29,886	16,357	17,050	73,421	—	73,421
Life and industrial products market	1,127	13,820	815	5,700	21,465	—	21,465
Others	21	0	2	0	24	—	24
Revenue from contracts with customers	11,276	43,707	17,175	22,751	94,911	—	94,911
Other revenue	—	—	—	—	—	—	—
Sales to external customers	11,276	43,707	17,175	22,751	94,911	—	94,911
Intersegment sales and transfers	47,160	42,716	1,192	159	91,228	(91,228)	—
Total	58,437	86,424	18,367	22,910	186,140	(91,228)	94,911
Segment income (loss)	5,065	6,548	419	(250)	11,783	331	12,115

Notes: 1. Segment income (loss) adjustment represents intersegment transaction eliminations.
2. Segment income (loss) is adjusted for operating income reported in the consolidated statements of income.

2. Information concerning impairment loss on fixed assets and goodwill by reporting segment
(Significant gain on bargain purchase)

During the first half of the current fiscal year, the Company acquired all shares of OB Kogyo Ltd. (now 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.

The amount of the gain on bargain purchase was tentatively calculated as the allocation of the acquisition cost had not been completed as of the end of the first half of the current fiscal year. Furthermore, because the gain on bargain purchase is recorded as extraordinary income, this amount is not included in the segment income shown above.

Six Months Ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

1. Information concerning net sales and income (loss) and revenue breakdown by reporting segment

(Millions of yen)

	Reporting Segment					Adjustment (Note 1)	Total reported in consolidated statements of income (Note 2)
	Japan	Asia	North and Latin America	Europe	Total		
Net sales							
Automotive products market	11,530	32,076	19,298	19,162	82,068	—	82,068
Life and industrial products market	3,341	14,621	958	5,388	24,308	—	24,308
Others	1	0	—	5	7	—	7
Revenue from contracts with customers	14,873	46,697	20,256	24,556	106,384	—	106,384
Other revenue	—	—	—	—	—	—	—
Sales to external customers	14,873	46,697	20,256	24,556	106,384	—	106,384
Intersegment sales and transfers	49,483	48,980	10	143	98,619	(98,619)	—
Total	64,357	95,678	20,267	24,699	205,003	(98,619)	106,384
Segment income (loss)	4,059	8,473	396	554	13,484	(336)	13,147

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

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

2. Information concerning impairment loss on fixed assets and goodwill by reporting segment

(Significant changes in the amount of goodwill)

During the first half of the current fiscal year, the Company acquired all shares of Nippon Pulse Motor Co., Ltd. (now Mabuchi Motor NPM Co., Ltd.) and included it in the scope of consolidation, resulting in goodwill of 944 million yen in the “Japan” segment.

The amount of goodwill was tentatively calculated as the allocation of the acquisition cost had not been completed as of the end of the first half of the current fiscal year.

Also, the Company acquired all shares of MASDAC Co., Ltd. and included it in the scope of consolidation, resulting in goodwill of 7,797 million yen in the “Japan” segment.

The amount of goodwill was tentatively calculated as the allocation of the acquisition cost had not been completed as of the end of the first half of the current fiscal year.

(Revenue Recognition)

Information that breaks down revenue from contracts with customers is stated in the “Notes (Notes to Segment Information, etc.)” section.

(Items Related to Corporate Merger, etc.)

(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

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 February 1, 2026 to April 30, 2026

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

Compensation	Cash	6,517 million yen
Acquisition cost		6,517 million yen

4. Amount, cause, amortization method and period for goodwill arising from acquisition

(1) Amount of goodwill

944 million yen

However, the amount of goodwill was tentatively calculated as the allocation of the acquisition cost had not been completed as of the end of the first half of the current fiscal year.

(2) Cause of goodwill

Goodwill was generated from future excess earnings strength anticipated from business development going forward.

(3) Amortization method and period

Straight-line method over 10 years

(Corporate merger via acquisition)

On June 11, 2026, the Company acquired shares of MASDAC 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: MASDAC Co., Ltd. ("MASDAC")

Business:

1. Development, manufacture, sales, and maintenance of food producing machines
2. Research, development, manufacture, and sales of food

(2) Primary reasons for the merger

The Company has historically focused on businesses centered on small DC motors. However, it has formulated "Management Plan 2030", which runs through fiscal year 2030, aiming to expand its business focusing on 3 M fields —Machinery, Mobility, and Medical—under "the e-MOTO" business concept, which serves as a key initiative for achieving the plan. The e-MOTO is a business concept aimed at driving growth by providing diverse "motion" solutions that meet the needs of customers and society. By offering a wide range of "motion" solutions beyond simple rotation, the Company seeks to expand its business domains and enhance added value. In addition, the Company is actively pursuing M&A and strategic alliances to realize the e-MOTO concept.

MASDAC is "a professional group specializing in confectionery and machinery", with a unique competitive advantage based on its two core businesses: "food machine" and "food manufacturing". Since its founding in 1957, MASDAC has contributed to the development of the confectionery industry by leading the automation of confectionery production through its advanced engineering capabilities, particularly in products such as automatic dorayaki machines and dedicated cream puff production lines. In its food production business, which it entered in the 1970s, MASDAC has established a strong market presence by undertaking OEM production of a wide variety of confectionery products, including "Tokyo Banana."*1

Since its founding, the Company has expanded into new business areas where its core technologies can be effectively leveraged, thereby contributing to the development of the industry. The food machinery field is an area in which the Company's strengths, particularly its global business development capabilities and manufacturing technologies, can be fully utilized. Through collaboration with MASDAC, the Company believes it can enhance added value for customers and make a significant contribution to the development of the industry through the global expansion of Japan's food industry.

By leveraging the Company's global production, sales, and R&D network to strengthen MASDAC's global expansion, and by combining the Company's production technologies, including automation technologies, with MASDAC's engineering capabilities, the Company aims to accelerate MASDAC's growth and realize business expansion in the "3 M fields" under the e-MOTO concept.

*1 Tokyo Banana is a registered trademark of Grapestone Co., Ltd.

(3) Date of merger

June 11, 2026

(4) Legal form of merger

Acquisition of shares

(5) Company name after merger

MASDAC 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

As the deemed acquisition date was June 30, 2026, only the balance sheet of the acquired company has been included in the consolidated financial statements. Therefore, the operating results of the acquired company are not included in the interim consolidated statement of income for the interim consolidated accounting period under review.

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

Compensation	Cash	15,500 million yen
Acquisition cost		15,500 million yen

4. Amount, cause, amortization method and period for goodwill arising from acquisition

(1) Amount of goodwill

7,797 million yen

However, the amount of goodwill was tentatively calculated as the allocation of the acquisition cost had not been completed as of the end of the first half of the current fiscal year.

(2) Cause of goodwill

Goodwill was generated from future excess earnings strength anticipated from business development going forward.

(3) Amortization method and period

The straight-line method is planned over the period during which the investment effect materializes. The amortization period is currently being calculated.

(Significant Subsequent Events)

None