

To Those Shareholders with Voting Rights

Hiroo Okoshi
Representative Director and President
MABUCHI MOTOR CO., LTD.
430 Matsuhidai, Matsudo City, Chiba, Japan

NOTICE OF THE 76TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are informing you of the 76th Ordinary General Meeting of Shareholders (the “Meeting”) of MABUCHI MOTOR CO., LTD. (the “Company”) to be held as follows:

If you are unable to attend the Meeting, you may exercise your voting rights in writing or via electronic means (e.g., the Internet). Please read the attached REFERENCE DOCUMENTS FOR THE 76TH ORDINARY GENERAL MEETING OF SHAREHOLDERS and exercise your voting rights before 5 p.m. on Wednesday, March 29, 2017.

- 1. Date:** 10 a.m., Thursday, March 30, 2017
- 2. Place:** Large Conference Hall at Head Office
MABUCHI MOTOR CO., LTD.
430 Matsuhidai, Matsudo City, Chiba

3. Agenda:

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 76th Fiscal Term (from January 1, 2016 to December 31, 2016), as well as the Audit Reports of the Independent Certified Public Accountants and the Audit & Supervisory Board for the Consolidated Financial Statements
2. The Financial Statements for the 76th Fiscal Term (from January 1, 2016 to December 31, 2016)

Matters to be resolved:

- Proposal 1:** Proposed Appropriation of Retained Earnings for the 76th Fiscal Term
- Proposal 2:** Election of Eight (8) Directors

***For those attending, please present the enclosed Exercise Voting Rights Form at the reception desk on arrival at the Meeting. In addition, please bring this “NOTICE OF THE 76TH ORDINARY GENERAL MEETING OF SHAREHOLDERS” with you.**

***Should any amendments occur in the REFERENCE DOCUMENTS FOR THE 76TH ORDINARY GENERAL MEETING OF SHAREHOLDERS, the Business Report, the Financial Statements and/or the Consolidated Financial Statements, such changes will be posted on the Company’s website (<https://www.mabuchi-motor.co.jp/>).**

*** Please note that we will not arrange any gifts for shareholders attending the Meeting.**

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

BUSINESS REPORT (From January 1, 2016 to December 31, 2016)

1. Current Conditions of the Mabuchi Group

(1) Business Development and Results

During the fiscal year ended December 31, 2016 (fiscal 2016), the world economy as a whole showed underlying strength, despite a sense of uncertainty about the outlook for the future. In the U.S. economy, the employment and income environment improved, and strong consumer spending continued. Gradual recovery continued in the European economy, driven by domestic demand. In the Japanese economy, consumer spending was weak, and business conditions were flat, despite improvement in the employment environment. Although the economic slowdown in China eased, overall growth remained low in emerging market economies.

In the markets in which the Mabuchi Group operates, healthy demand in the Automotive Products Market continued overall, and demand in China increased due to a tax cut on small-engine cars. Although demand in the Consumer and Industrial Products Market remained stable, markets for some applications continued to contract.

Under these business conditions, the Mabuchi Group addressed several issues: continued strengthening and expansion of the automotive products business and realization of new activities in the consumer and industrial products businesses, promotion of manufacturing innovation, and establishment of new production bases.

Specifically, the Group actively introduced and implemented measures to achieve further progress with sales and market share expansion, the discovery of new markets, and high quality and high efficiency, and achieved results that contributed to business growth in fiscal 2016 and will lead to future business growth. These measures included: 1) winning of orders from new customers by strengthening sales of new motors for power window lifters; 2) expansion of orders for medium-sized automotive motors for each application by means of application-specific standard products; 3) securing of adoption for motors for the new applications for medical equipment and home appliances, following entry into the light electric vehicle (LEV) and commercial office equipment sectors; 4) expansion of labor-saving in production processes and man-hour reduction in primary parts production processes through the introduction of facilities to rationalize production; and 5) the decision to establish a new production base in Poland.

As a result, consolidated net sales for fiscal 2016 were 140,699 million yen (a 1.7% decrease on a year-on-year basis). Motors sales, which account for the majority of consolidated net sales, were 140,674 million yen (a 1.7% decrease on a year-on-year basis).

Operating income for fiscal 2016 was 24,225 million yen (a 5.5% increase on a year-on-year basis), as the impact of positive factors such as improvement in the product mix and a decline in raw material costs exceeded the negative impact of an increase in selling, general and administrative expenses, reflecting increased investment in personnel and information technology in anticipation of future growth, and a stronger yen compared with the previous fiscal year.

Ordinary income was 26,135 million yen (a 3.6% decrease on a year-on-year basis) as a result of a decrease in foreign exchange gains caused by a stronger yen compared with the previous fiscal year.

Income before income taxes was 26,539 million yen (a 0.2% decrease on a year-on-year basis), and profit attributable to owners of parent was 20,598 million yen (an 11.1% increase on a year-on-year basis) as a result of a decrease in the effective tax rate resulting from a partial reversal of deferred tax liabilities that are reserved for the retained earnings of overseas subsidiaries.

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

1) Automotive Products Market

Net sales in this market rose to 100,132 million yen (a 3.9% increase on a year-on-year basis), despite the impact of the strong yen. Sales of medium-sized motors, which are prioritized business, increased, with sales of motors for power window lifters increasing thanks to continuation of solid expansion of sales to new customers, and sales of motors for electric parking brakes and seat belt pretensioners also increasing. In the results for compact motors, stable demand for all main applications, including motors for door mirrors, door lock actuators,

air conditioning damper actuators, and headlight level adjusters, higher installation rates, and an increase in market share contributed to strong sales.

2) Consumer and Industrial Products Market

Net sales in this market fell to 40,541 million yen (a 13.3% decrease on a year-on-year basis). Although demand for motors for commercial office equipment, power tools, and other applications was stable, the markets for inkjet printers and CD players in cars contracted, and the impact of the strong yen contributed to the overall decrease.

<Consolidated sales of motors by application>

Market segment	The 76th fiscal term (the year ended December 31, 2016)	YoY (%)	Segment sales as a percentage of net sales (%)
	Amount (Millions of Yen)		
Automotive Products	100,132	3.9	71.2
Consumer and Industrial Products	40,541	-13.3	28.8
Total	140,674	-1.7	100.0

(Notes)

1. The Mabuchi Group's businesses have been developed within a single business field related to small motors. Given this single business structure, an explanation by segment is omitted.
2. As the Mabuchi Group has sales of several types of motor parts and production equipment in addition to its mainstay motor sales, the amount for consolidated net sales differs from the amount for consolidated sales of motors.
3. Amounts less than a million yen have been truncated.
4. The figures above do not include consumption tax, etc.

(2) Capital Investments

Capital investments for fiscal 2016 amounted to 11,236 million yen, which includes 1,434 million yen for the construction of facilities for headquarters, MABUCHI MOTOR (JIANGSU) CO., LTD. and MABUCHI TAIWAN CO., LTD.; 585 million yen for R&D facilities and equipment; 376 million yen for information technology; and 8,841 million yen for other facilities and equipment to upgrade product lines and reinforce overall productivity.

(3) Issues to be Addressed

In the outlook for fiscal 2017, although the forecast is for both the U.S. and European economies to remain strong, there are also many uncertain factors, such as the policies of the new U.S. administration, Brexit, and elections in European countries. Business conditions are expected to continue to recover gradually in Japan. Although the economic slowdown in China has bottomed out, the low economic growth in emerging countries overall is expected to continue.

Regarding the markets in which the Mabuchi Group operates, gradual growth is expected in the Automotive Products Market, with continued strong demand in Europe and North America compensating for softening of growth in China and other emerging countries. In the Consumer and Industrial Products Market, while demand for motors for home appliances, power tools, and office equipment in the business-use market is expected to be flat, contraction of demand for motors for office equipment in the personal-use products market is forecast.

Under these business conditions, the Mabuchi Group will tackle the following issues:

1) Acceleration of Growth in the Power Window Lifter Motor Business

In the power window lifter motor business, sales growth is rapidly accelerating, with new high-torque standard products for the European and North American markets driving growth. At the same time, sales of improved versions of the products introduced at the time of the start-up of the power window lifter motor business continue to increase, and these products have become the foundation for development of the business.

We started up mass production of a high-torque standard product for a second major North American automaker in the second half of the year and will approach the remaining North

American customer in earnest with the aim of winning orders. At the same time, taking advantage of the product features—small size, lightweight, high performance, and high quality—we will further step up sales activities for high-torque standard products targeting major European automakers and China, the world's largest automobile market, and link these activities to orders.

There is an increasingly greater need among Japanese automakers for size and weight reduction to increase freedom in design of components inside doors. We will accelerate development of new products that will become small, lightweight, price-competitive, next-generation standard products and aim to win orders.

2) Expansion of Medium-sized Automotive Motor Sales and New Applications

Motors for power seats, electric parking brakes, engine peripheral equipment, and other medium-sized motor applications constitute a market sector for which continued market expansion can be expected in light of today's emphasis on automobile safety, comfort, and economy. The Mabuchi Group will work to increase sales to new customers and develop new applications by leveraging highly competitive application-specific standard products, and aim for further sales growth.

The Mabuchi Group will engage in sales expansion activities for power seat motors with the aim of winning orders from major customers in Japan and overseas by means of improved slider motors, products for which small size and lightweight are already competitive strengths. Electric parking brake motors are an application for which Mabuchi has maintained the top global market share. To further strengthen and expand this business, we will undertake share expansion by adding improvements to existing motors, which are standard products, and introducing them to customers that are some of the world's largest automakers as well as to new customers. Door area motors are an expanding new application. In fiscal 2015, we obtained orders for geared motors for backdoor closers from a major Japanese automaker, and we will seek to win additional orders through further deployment across multiple applications.

3) Development of New Applications in the Consumer and Industrial Products Sector

In the consumer and industrial products sector, in addition to business activities centered on existing small brush motors, we are reinforcing initiatives to develop and increase sales of brushless motors in order to focus on new applications and create new demand. With regard to brushless motors for LEVs, we continue to sell motors for electrically assisted bicycles, and full-scale sales to a second major Japanese electrically assisted bicycle manufacturer are set to begin.

We engage in in-house development of motor production facilities. We use standard motors for LEVs as the drive units of these production facilities, which are used in actual motor production at our plants, and at the same time are working to secure adoptions for use as drive motors by industrial equipment manufacturers. We will continue to develop new applications and realize deployment across multiple applications on the basis of application-specific standard products for LEVs. We will aim for sales expansion of brushless motors for multifunction printers (MFPs) by introducing new products with improved controllability and option adaptability. In the home appliances market, in recent years a movement toward high-end products, such as inclusion of new products with increased power in cordless vacuum cleaner, hair dryer, and other product lines, has gained impetus. Since these high-end home appliances require a wide range of motor performance characteristics, we will meet customer needs by developing and introducing high-performance new products that leverage Mabuchi's advanced technological capabilities as a specialized manufacturer.

4) Implementation of Laborsaving Measures and Establishment of Next-generation Manufacturing

The Mabuchi Group is working to mechanize production lines and undertaking laborsaving by introducing facilities in response to a major change in the business environment: namely, sharp increases in labor costs in countries where production bases are located. Under the Phase 2 Laborsaving Plan to achieve laborsaving exceeding 30% during the three-year period from fiscal 2014 to fiscal 2016, we achieved laborsaving exceeding 30% as planned, and production process innovation progressed significantly. We have again set high targets in the Phase 3 Laborsaving Plan covering the three-year period from fiscal 2017 to fiscal 2019 and will accelerate activities with the aim of achieving laborsaving of 30% from the fiscal 2016 level.

In addition, we will install at the headquarters a new, innovative, core production line for the purpose of establishing next-generation manufacturing to further strengthen our manufacturing capabilities. This core production line will realize the ultimate in laborsaving and high-speed operation through new facilities, methods, and processes. We will proceed with development of the line with the aim of starting operations in fiscal 2017 as a new technology to lead the way in the future evolution of manufacturing.

5) Implementation of a global base strategy

The Mabuchi Group has long provided a stable supply of high-performance, high-quality, low-priced standard products to customers around the world by concentrating production of motors in the Asian region. In recent years, customer needs for “local production for local consumption” have increased, especially with regard to medium-sized automotive motors. We have received strong requests from customers in European markets to manufacture locally, and to meet these requests, in January 2017 we established a production subsidiary in Poland. We are now making preparations for the start of plant construction, planned for the third quarter, and will proceed with construction with the aim of starting operations in 2019.

(4) Financial Highlights

(Millions of Yen)

	73rd fiscal term (FY2013)	74th fiscal term (FY2014)	75th fiscal term (FY2015)	76th fiscal term (FY2016)
Net sales	108,401	122,544	143,143	140,699
Ordinary income	16,672	23,929	27,113	26,135
Profit attributable to owners of parent	10,519	18,090	18,546	20,598
Net income per share (Yen)	150.10	258.02	266.98	300.70
ROE (%)	5.4	8.2	8.0	8.8
Total assets	227,253	256,368	256,196	258,387
Net assets	208,791	233,312	233,245	232,917
Shareholders' equity ratio (%)	91.9	91.0	91.0	90.1
Net assets per share (Yen)	2,978.02	3,325.99	3,363.01	3,405.14
Cash dividends per share (Yen)	140	214	110	120
Dividend payout ratio (%)	46.6	41.5	41.2	39.9
Dividend on equity ratio (%)	2.5	3.4	3.3	3.5

(Notes)

1. Net income per share is calculated using the average number of outstanding shares during the period. Net assets per share are calculated based on the total number of shares outstanding at the end of the period.
2. Amounts less than one million yen for net sales, ordinary income, profit attributable to owners of parent, total assets and net assets are omitted. Amounts of net income per share and net assets per share are rounded to two decimal places.
3. Percentages for ROE, shareholders' equity ratio, dividend payout ratio and dividend on equity ratio are rounded to one decimal place.
4. Cash dividends per share, dividend payout ratio and dividend on equity ratio for the 76th fiscal term are projected figures calculated on the assumption that the resolution will be passed on the proposal for appropriation of retained earnings at the 76th Ordinary General Meeting of Shareholders.
5. As the Company's shares held by the ESOP Trust Utilizing Employee Shareholding Association are treated as treasury stock, the relevant number of shares is excluded from the average number of outstanding shares during the period in the calculation of net income per share and the dividend payout ratio. Moreover, the relevant number of shares is excluded from the total number of shares outstanding at the end of the period in the calculation of net assets per share and the dividend on equity ratio.
6. As the Company's shares held by the Executive Compensation BIP Trust are treated as treasury stock, the relevant number of shares is excluded from the average number of outstanding shares during the period in the calculation of net income per share and the dividend payout ratio for the 76th fiscal term. Moreover, the relevant number of shares is excluded from the total number of

shares outstanding at the end of the period in the calculation of net assets per share and the dividend on equity ratio.

7. As the Company conducted a stock split on January 1, 2015, in which each share of the Company's common stock was split into two shares, the per-share information (net income per share and net assets per share) was calculated as if the stock split had taken place at the beginning of the 73rd fiscal term. Regarding cash dividends per share, the actual amount before the stock split is presented for the 73rd and 74th fiscal terms, and the actual amount after the stock split is presented for the 75th and 76th fiscal terms.
8. Beginning in the 76th fiscal term, the Company has applied the Accounting Standard for Business Combinations (Accounting Standards Board of Japan (ASBJ) Statement No. 21, September 13, 2013), etc., based on which the presentation of the accounting item "net income" has been changed to "profit attributable to owners of parent." To reflect this change in presentation, the Company has restated the corresponding item of net income from the 73rd to 75th fiscal terms.

(5) Major Business Conducted by the Mabuchi Group (As of December 31, 2016)

The Mabuchi Group, consisting of the Company and its 21 subsidiaries (of which 20 are consolidated subsidiaries), engages in the manufacture and sales of small motors used for automotive products, consumer and industrial products, etc.

2. Matters Relating to Stocks (As of December 31, 2016)

- (1) Total Number of Shares Authorized: 200,000,000
- (2) Total Number of Shares Issued: 69,927,562
(Including 1,339,870 shares of treasury stock)
- (3) Number of Shareholders: 13,106
(Decreased by 340 from the end of the previous term)
- (4) Major Shareholders (Top 10)

Shareholders	Number of shares held (shares)	Percentage of shares held (%)
Takaichi Mabuchi	5,000,800	7.3
Japan Trustee Services Bank, Ltd. (Trust Account)	3,817,700	5.6
The Master Trust Bank of Japan, Ltd. (Trust Account)	3,198,000	4.7
Mabuchi International Scholarship Foundation, Public Interest Incorporated Foundation	3,000,000	4.4
Premiere Corporation	2,068,600	3.0
Takashi Mabuchi	2,060,600	3.0
Tamotsu Mabuchi	2,060,414	3.0
Taka Corporation Co., Ltd.	2,056,000	3.0
TEXAS Inc.	1,856,000	2.7
BBH FOR MATTHEWS JAPAN FUND	1,281,400	1.9

(Notes)

1. In addition to the above, Mabuchi Motor Co., Ltd. retains 1,339,870 shares of treasury stock.
2. The number of shares of treasury stock is excluded from "Percentage of shares held." The percentages are rounded to one decimal place.
3. 98,700 shares held by the ESOP Trust Utilizing Employee Shareholding Association, and 119,600 shares held by the Executive Compensation BIP Trust are included in the calculation of "Percentage of shares held."

(5) Other Significant Matters Relating to Stocks

1) Introduction of the Performance-based Stock Compensation Plan

At the 75th Ordinary General Meeting of Shareholders held on March 30, 2016, the Company resolved the introduction of a compensation system for the Company's directors (performance-based stock compensation plan) which is closely linked to medium-term business performance, with the purpose of enhancing the motivation of directors to contribute to improved business performance and increased corporate value over the medium term. Based on the resolution, the Company has adopted a trust called the Executive Compensation BIP (Board Incentive Plan) Trust.

The number of shares held in the trust account of the Executive Compensation BIP Trust as of the fiscal year-end was 119,600 shares.

2) Purchase of Treasury Stock

Treasury stock purchased in accordance with a resolution at a meeting of the Board of Directors held on February 12, 2016

- Class and total number of shares purchased: 1,000,000 shares of common stock of the Company
- Total amount of purchase cost: ¥4,771,061,000
- Purchase period: from February 16, 2016 to February 25, 2016

3) Cancellation of Treasury Stock

Treasury stock cancelled in accordance with a resolution at a meeting of the Board of Directors held on February 12, 2016

- Class and total number of shares cancelled: 1,000,000 shares of common stock of the Company
- Date of cancellation: April 15, 2016

4) ESOP Trust Utilizing Employee Shareholding Association

The Company introduced an employee incentive plan called the ESOP Trust Utilizing Employee Shareholding Association (the “ESOP Trust”) to further improve welfare programs for employees who support the Company’s growth. The introduction of this plan also aims to enhance the Company’s corporate value over the medium to long term by creating greater awareness of the Company’s business performance and stock value among its employees.

The Company established a trust with those employee members of Mabuchi Motor Employee Shareholding Association (“Our Shareholding Association”) who meet certain requirements as its beneficiaries, and this trust, under the ESOP Trust, will acquire at one time the number of Company shares that Our Shareholding Association is expected to acquire between June 2013 and June 2018. Subsequently, the said trust will sell off the Company’s shares to Our Shareholding Association on a predetermined day every month.

The number of shares that the ESOP Trust held as of the fiscal year-end was 98,700 shares.

3. Matters Concerning the Subscription Rights to Shares

(1) Subscription Rights to Shares Held by the Company's Directors as of December 31, 2016.

Designation	Date of resolution for issuance	Number of subscription rights to shares	Number of persons granted subscription rights to shares	Type and number of shares underlying subscription rights to shares	Subscription amount required in exchange for subscription rights to shares	Value of property invested in exercising subscription rights to shares	Period for exercising subscription rights to shares
1st Subscription Rights to Shares	March 28, 2013	398 units	Four (4) directors of the Company (excluding outside directors)	7,960 shares of the Company's common stock (20 shares per subscription right)	Not required	One (1) yen per share	From May 21, 2013 to May 20, 2033
2nd Subscription Rights to Shares	March 28, 2014	266 units	Four (4) directors of the Company (excluding outside directors)	5,320 shares of the Company's common stock (20 shares per subscription right)	Not required	One (1) yen per share	From April 22, 2014 to April 21, 2034
3rd Subscription Rights to Shares	March 27, 2015	465 units	Six (6) directors of the Company (excluding outside directors)	4,650 shares of the Company's common stock (10 shares per subscription right)	Not required	One (1) yen per share	From April 21, 2015 to April 20, 2035
4th Subscription Rights to Shares	March 30, 2016	800 units	Six (6) directors of the Company (excluding outside directors)	8,000 shares of the Company's common stock (10 shares per subscription right)	Not required	One (1) yen per share	From April 21, 2016 to April 20, 2036

(Notes)

- Conditions for the exercise of the subscription rights to shares are as follows:
 - A person who is allotted the subscription rights to shares (hereafter "Subscription Right Holder") shall be allowed to exercise the subscription rights to shares, solely in a lump sum, only within a period of not later than ten (10) days following the next day after the date when he or she forfeits the director's position of the Company.
 - In the event a Subscription Right Holder dies, his or her heir may exercise the subscription rights to shares, provided, however, that any person who has inherited the subscription rights to shares from the heir of an allotted person is not allowed to exercise the subscription rights to shares.
- In keeping with the stock split that the Company conducted on January 1, 2015, in which each share of the Company's common stock was split into two shares, the "type and number of shares

underlying subscription rights to shares” for the 1st and 2nd Subscription Rights to Shares have been adjusted.

(2) Subscription Rights to Shares Granted to Employees during the Fiscal Year under Review

Designation	Date of resolution for issuance	Number of subscription rights to shares	Number of persons to whom subscription rights to shares were granted	Type and number of shares underlying subscription rights to shares	Subscription amount required in exchange for subscription rights to shares	Value of property invested in exercising subscription rights to shares	Period for exercising subscription rights to shares
4th Subscription Rights to Shares	March 30, 2016	236 units	Five (5) executive officers of the Company	2,360 shares of the Company's common stock (10 shares per subscription right)	Not required	One (1) yen per share	From April 21, 2016 to April 20, 2036

(Note) Conditions for the exercise of the subscription rights to shares are as follows:

- 1) A Subscription Right Holder shall be allowed to exercise the subscription rights to shares, solely in a lump sum, only within a period of not later than ten (10) days following the next day after the date when he or she forfeits the executive officer's position of the Company.
- 2) In the event a Subscription Right Holder dies, his or her heir may exercise the subscription rights to shares, provided, however, that any person who has inherited the subscription rights to shares from the heir of an allotted person is not allowed to exercise the subscription rights to shares.

4. Directors and Audit & Supervisory Board Members of the Company

(1) Directors and Audit & Supervisory Board Members

(As of December 31, 2016)

Position	Name	Duty and Significant Positions Concurrently Held
Representative Director and Chairman	Shinji Kamei	
Representative Director and President	Hiroo Okoshi	President and CEO
Director	Tadashi Takahashi	Managing Executive Officer and Senior General Manager of Research and Development Headquarters
Director	Masato Itokawa	Executive Officer and Senior General Manager of Quality Assurance Headquarters, in charge of Quality and Environmental Management
Director	Tadahito Iyoda	Executive Officer and Senior General Manager of Administration Headquarters, in charge of Internal Controls
Director	Hiroto Katayama	Executive Officer and Senior General Manager of Operations Control Headquarters, in charge of Production Bases Controls
Director	Iwao Nakamura	
Director	Ichiro Hashimoto	
Full-time Audit & Supervisory Board Member	Kazuyuki Someya	
Audit & Supervisory Board Member	Nobutaka Motohashi	CPA, Representative, Motohashi Nobutaka Accounting Office Outside Auditor of NAGAWA Co., Ltd.
Audit & Supervisory Board Member	Toru Masuda	Attorney, Representative, Masuda Toru Law Office Director of Juutaku Loan Servicer Ltd.
Audit & Supervisory Board Member	Takashi Asai	Attorney, Partner of DAI-ICHI FUYO LAW OFFICE

(Notes)

1. Directors Iwao Nakamura and Ichiro Hashimoto are outside directors. The Company designated these two (2) outside directors as “independent officers” as stipulated by the Tokyo Stock Exchange and registered them there.
2. Audit & Supervisory Board Members Nobutaka Motohashi, Toru Masuda and Takashi Asai are outside audit & supervisory board members. The Company designated these three (3) outside audit & supervisory board members as “independent officers” as stipulated by the Tokyo Stock Exchange and registered them there.
3. Audit & Supervisory Board Member Kazuyuki Someya has engaged in the administration of the Company for many years. He has also served in overall management as the President of a Chinese subsidiary of the Company, and has significant knowledge of finance and accounting.
4. Audit & Supervisory Board Member Nobutaka Motohashi is a certified public accountant and has professional knowledge of finance and accounting.
5. Audit & Supervisory Board Members Toru Masuda and Takashi Asai are attorneys. They are familiar with corporate legal affairs and have significant knowledge of finance and accounting.
6. Changes of Directors and Audit & Supervisory Board Members during the Fiscal Year under

Review.

- 1) At the 75th Ordinary General Meeting of Shareholders held on March 30, 2016, Kazuyuki Someya and Takashi Asai were elected as audit & supervisory board members for the first time and each assumed the position of audit & supervisory board member.
- 2) Masahiro Gennaka and Keiichi Horii both retired as audit & supervisory board members due to the expiration of their terms of office at the conclusion of the 75th Ordinary General Meeting of Shareholders held on March 30, 2016.
7. The Company reinforces business execution and supervision functions by entrusting directors with strategic decision making and supervision and giving Executive Officers the authority of and responsibility for ordinary business execution. The Company also adopts the Executive Officer system to reinforce corporate governance.

Executive Officers who are not concurrently directors are as follows:

Name	Areas of responsibility
Tsuyoshi Nakamura	Executive Officer and Senior General Manager of Sales & Marketing Headquarters
Eiji Uenishi	Executive Officer and Deputy Senior General Manager of Research and Development Headquarters in charge of Product Development
Toichi Koyata	Executive Officer and Senior General Manager of Business Platform Innovation Headquarters
Kentaro Shirai	Executive Officer and General Manager of Purchasing Dept., Operations Control Headquarters
Katsuhiko Katayama	Managing Group Executive Officer in charge of China and Taiwan Business

(2) Remuneration Paid to Directors and Audit & Supervisory Board Members

1) Remuneration Paid

Category	Number of persons remunerated	Total amount of remuneration paid (Millions of Yen)
Directors [of whom, Outside Directors]	8 [2]	391 [18]
Audit & Supervisory Board Members [of whom, Outside Audit & Supervisory Board Members]	6 [4]	41 [24]

(Notes)

1. The amount of remuneration paid above includes subscription rights to shares of 37 million yen, which were granted to six (6) directors (excluding outside directors) as stock options pursuant to a resolution at the Board of Directors meeting held on March 30, 2016.
2. The amount of remuneration paid above includes the estimated amount of 63 million yen in the Company's shares, etc. calculated based on the points to be granted to six (6) directors (excluding outside directors) under the performance-based stock compensation plan during the fiscal year under review.
3. The amount of remuneration for directors includes 145 million yen in accrued bonuses due to directors, which was recorded during the fiscal year under review.
4. The amount of remuneration for directors does not include their salaries for their service as the Company's employees, which is 46 million yen (paid to three [3] directors/employees).

2) Policy for Decision Making on Remuneration, etc.

As a basic policy for determining remuneration for directors and audit & supervisory board members, the Company set the amount at an appropriate level to clarify the area of responsibility of each director, outside director or audit & supervisory board member in the group management, enhance the transparency of management, give them incentives for raising business performance and corporate value, and secure and maintain highly capable human resources.

At the 66th Ordinary General Meeting of Shareholders of the Company held on March 29, 2007, it was approved that the remuneration of directors (the ceiling amount of total

remuneration) shall consist of monthly fixed payments within 15 million yen (excluding salaries for service as the Company's employees) and variable payments within 0.7% of consolidated net income for each business year (which does not include consolidated business results-based remuneration for directors) with a ceiling amount of 200 million yen. With regard to remuneration for audit & supervisory board members (the ceiling amount of total remuneration), a fixed monthly remuneration amount within 4 million yen was approved.

A fixed amount of remuneration for each director was determined, taking into account each director's position, assignment, other companies' standards and changes in the management environment, etc. The variable amounts are determined by each individual's business performance assessed using certain evaluation indices. With regard to remuneration for outside directors, because they are independent of business execution, fixed monthly remuneration that is not affected by business results is paid to each outside director.

As audit & supervisory board members are independent of business execution, like outside directors, fixed monthly remuneration that is not affected by business results is paid to each audit & supervisory board member and the amount for each audit & supervisory board member is determined by negotiation among the audit & supervisory board members.

It was decided at the 72nd Ordinary General Meeting of Shareholders held on March 28, 2013, that stock-compensation-type stock options targeting directors of the Company (excluding outside directors) be implemented as the long-term incentives for directors, and that subscription rights to shares as stock options be allotted to the eligible directors within a cap of 60 million yen annually, separately from the aforementioned amount of remuneration. The decisions of the timing for granting the subscription rights to shares and their distribution to each director were also approved to be left to the resolution of the Board of Directors that is made based on the basic policy described above.

Furthermore, the 75th Ordinary General Meeting of Shareholders held on March 30, 2016 approved the introduction of the performance-based stock compensation plan targeting directors of the Company (excluding outside directors) as the medium-term incentives for directors, separately from the aforementioned amount of remuneration. The upper limit of money to be contributed for the acquisition of the Company's shares has been set at 480 million yen, and the shares will be delivered to qualified directors who satisfy the beneficiary requirements based on the points for share delivery around May following the end of the final fiscal year of this plan (in May 2019 for the initial target period). The distribution of those shares to be delivered and other related matters will be resolved by the Board of Directors.

The retirement allowance system for directors and audit & supervisory board members was abolished at the closing of the 67th Ordinary General Meeting of Shareholders of the Company held on March 28, 2008.

- (3) Matters Concerning Outside Officers (Outside Directors and Audit & Supervisory Board Members)
 - 1) Representative Positions at Different Companies Concurrently Assumed by the Company's Officers and the Relation between those Companies and MABUCHI MOTOR CO., LTD.
 - i) Audit & Supervisory Board Member Nobutaka Motohashi also serves as an outside auditor at NAGAWA Co., Ltd. There has been no trading or other special relationship between NAGAWA Co., Ltd. and the Company.
 - ii) Audit & Supervisory Board Member Toru Masuda also serves as a director of Juutaku Loan Servicer Ltd. There has been no trading or other special relationship between Juutaku Loan Servicer Ltd. and the Company.

2) Major Activities during the Fiscal Year under Review

	Activities
Director Iwao Nakamura	Attended 17 of the 18 meetings of the Board of Directors held during the fiscal year under review. Based on his ample experience as a company executive over the years and from a position independent of the Company's management, he provided advice and made propositions to ensure the legality, adequacy and fairness of decision making and business execution.
Director Ichiro Hashimoto	Attended all 18 meetings of the Board of Directors held during the fiscal year under review. Based on his ample experience as a company executive over the years and from a position independent of the Company's management, he provided advice and made propositions to ensure the legality, adequacy and fairness of decision making and business execution.
Audit & Supervisory Board Member Nobutaka Motohashi	Attended all 18 meetings of the Board of Directors and all 10 meetings of the Audit & Supervisory Board held during the fiscal year under review. Based on his ample experience and professional viewpoints in corporate accounting audits as a certified public accountant and from a position independent of the Company's management, he provided advice and made propositions to ensure the legality, adequacy and fairness of decision making and business execution.
Audit & Supervisory Board Member Toru Masuda	Attended all 18 meetings of the Board of Directors and all 10 meetings of the Audit & Supervisory Board held during the fiscal year under review. Based on his ample experience and professional viewpoints on corporate legal affairs as an attorney and from a position independent of the Company's management, he provided advice and made propositions to ensure the legality, adequacy and fairness of decision making and business execution.
Audit & Supervisory Board Member Takashi Asai	Attended all 13 meetings of the Board of Directors and all 6 meetings of the Audit & Supervisory Board held since he had assumed the position of audit & supervisory board member on March 30, 2016. Based on his ample experience and professional viewpoints on corporate legal affairs as an attorney and from a position independent of the Company's management, he provided advice and made propositions to ensure the legality, adequacy and fairness of decision making and business execution.

3) Outline of Limited Liability Agreements

As per Article 427, Paragraph 1, of the Companies Act and the Company's Articles of Incorporation, the Company entered into an agreement with two (2) outside directors and three (3) outside audit & supervisory board members to limit their liabilities for damages as provided in Article 423, Paragraph 1, of the Companies Act. The limit of liabilities under the agreement shall be the amount set forth in the relevant laws and regulations.

Consolidated Balance Sheet

(As of December 31, 2016)

(Millions of yen)

Item	Amount	Item	Amount
(Assets)	258,387	(Liabilities)	25,470
Current assets	184,878	Current liabilities	19,935
Cash and bank deposits	122,477	Trade notes and accounts payable	7,340
Trade notes and accounts receivable	28,348	Short-term loans payable	113
Short-term investments	499	Accrued income taxes	2,462
Merchandises and finished goods	18,631	Accrued bonuses due to employees	252
Work in process	1,296	Accrued bonuses due to directors	145
Raw materials and supplies	6,765	Deferred tax liabilities-current	65
Deferred tax assets-current	1,667	Other current liabilities	9,556
Other current assets	5,292	Long-term liabilities	5,534
Allowance for doubtful receivables	(102)	Long-term loans payable	56
Fixed assets	73,509	Accrued benefits for stock payment	77
Property, plant and equipment	60,336	Net defined benefit liability	2,620
Buildings and structures	19,456	Asset retirement obligations	13
Machinery, equipment and vehicles	25,332	Deferred tax liabilities-non-current	2,476
Tools, furniture and fixture	4,381	Other long-term liabilities-non-current	289
Land	6,197	(Net assets)	232,917
Construction in progress	4,966	Shareholders' equity	227,792
Intangible assets	1,163	Common stock	20,704
Investments and other assets	12,009	Additional paid-in capital	20,579
Investment securities	10,504	Retained earnings	193,141
Deferred tax assets-non-current	488	Treasury stock	(6,633)
Other investments and other assets	1,112	Accumulated other comprehensive income	5,014
Allowance for doubtful receivables	(95)	Net unrealized holding gains on securities	2,708
		Deferred gains or losses on hedges	(472)
		Foreign currency translation adjustment	4,222
		Remeasurements of defined benefit plans	(1,443)
		Subscription rights to shares	110
Total assets	258,387	Total liabilities and net assets	258,387

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

Consolidated Statement of Income
(For the year ended December 31, 2016)

(Millions of yen)

Item	Amount	
Net sales		140,699
Cost of sales		94,510
Gross profit		46,188
Selling, general and administrative expenses		21,963
Operating income		24,225
Non-operating income		
Interest income	345	
Dividend income	176	
Foreign exchange gains	493	
Gain on sales of raw material scrap	832	
Other	375	2,223
Non-operating expenses		
Stock-related expenses	62	
Non-deductible consumption tax	68	
Other	180	312
Ordinary income		26,135
Extraordinary income		
Gain on disposal of fixed assets	416	
Gain on sales of investment securities	570	987
Extraordinary loss		
Loss on disposal of fixed assets	220	
Impairment loss	90	
Provision for business structure improvement	133	
Loss on sales of investment securities	137	
Other	1	583
Income before income taxes		26,539
Current	6,833	
Deferred	(893)	5,940
Net income		20,598
Profit attributable to owners of parent		20,598

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

Consolidated Statement of Changes in Net Assets

(For the year ended December 31, 2016)

(Millions of yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance	20,704	20,419	183,853	(6,046)	218,932
Changes of items during the period					
Cash dividend (Note: 1)	—	—	(4,029)	—	(4,029)
Cash dividend (Interim dividends)	—	—	(3,017)	—	(3,017)
Profit attributable to owners of parent	—	—	20,598	—	20,598
Purchase of treasury stock	—	—	—	(5,442)	(5,442)
Disposal of treasury stock	—	159	—	591	751
Cancellation of treasury stock	—	—	(4,263)	4,263	—
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes of items during the period	—	159	9,288	(587)	8,860
Ending balance	20,704	20,579	193,141	(6,633)	227,792

(Millions of yen)

	Accumulated other comprehensive income					Subscription rights to shares	Total net assets
	Net unrealized holding gains on securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Beginning balance	2,441	—	12,775	(965)	14,251	61	233,245
Changes of items during the period							
Cash dividend (Note: 1)	—	—	—	—	—	—	(4,029)
Cash dividend (Interim dividends)	—	—	—	—	—	—	(3,017)
Profit attributable to owners of parent	—	—	—	—	—	—	20,598
Purchase of treasury stock	—	—	—	—	—	—	(5,442)
Disposal of treasury stock	—	—	—	—	—	—	751
Cancellation of treasury stock	—	—	—	—	—	—	—
Net changes of items other than shareholders' equity	266	(472)	(8,553)	(478)	(9,236)	48	(9,188)
Total changes of items during the period	266	(472)	(8,553)	(478)	(9,236)	48	(327)
Ending balance	2,708	(472)	4,222	(1,443)	5,014	110	232,917

(Notes)

1. The dividends were paid as appropriations of retained earnings based on a resolution at the 75th ordinary general meeting of shareholders held on March 30, 2016.
2. Amounts less than one million yen have been omitted.

<Reference>

Consolidated Statement of Comprehensive Income

(For the year ended December 31, 2016)

(Millions of yen)

Item	Amount
Net income	
Other comprehensive income	
Net unrealized holding gains on securities	
Deferred gains or losses on hedges	
Foreign currency translation adjustment	
Remeasurements of defined benefit plans	
Total other comprehensive income	
Comprehensive income	
Comprehensive income attributable to	
Comprehensive income attributable to owners of the parent	
Comprehensive income attributable to non-controlling interests	

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

<Reference>

Consolidated Statement of Cash Flows

(For the year ended December 31, 2016)

(Millions of yen)

Item	Amount
Cash flows from operating activities	
Income before income taxes	26,539
Depreciation and amortization	6,359
Impairment loss	90
Increase (Decrease) in net defined benefit liability	610
Interest and dividends income	(521)
Foreign exchange losses (gains)	131
Loss (Gain) on sales of short-term investments and investment securities	(433)
Loss (Gain) on disposal of fixed assets	(196)
Decrease (Increase) in trade notes and accounts receivable	(4,082)
Decrease (Increase) in inventories	1,960
Increase (Decrease) in trade notes and accounts payable	2,081
Other, net	1,423
Sub total	33,963
Interest and dividends received	519
Income taxes paid	(6,524)
Net cash provided by operating activities	27,958
Cash flows from investing activities	
Increase of time deposits	(170)
Proceeds from withdrawal of time deposits	326
Purchase of short-term investments	(2,000)
Proceeds from sales of short-term investments	6,000
Purchase of fixed assets	(11,352)
Proceeds from sales of fixed assets	429
Proceeds from sales of investment securities	5,808
Payment for establishment of a subsidiary	(2,019)
Other, net	(462)
Net cash used in investing activities	(3,440)
Cash flows from financing activities	
Repayment of long term loans payable	(113)
Cash dividends paid	(7,046)
Purchase of treasury stock	(5,451)
Proceeds from sales of treasury stock	751
Net cash used in financing activities	(11,860)
Effect of exchange rate changes on cash and cash equivalents	(3,311)
Net increase (decrease) in cash and cash equivalents	9,345
Cash and cash equivalents at beginning of period	112,956
Cash and cash equivalents at end of period	122,302

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

Non-Consolidated Balance Sheet

(As of December 31, 2016)

(Millions of yen)

Item	Amount	Item	Amount
(Assets)	167,204	(Liabilities)	13,843
Current assets	101,307	Current liabilities	12,151
Cash and bank deposits	66,188	Accounts payable	7,589
Trade notes receivable	293	Short-term loans payable	113
Accounts receivable	29,187	Accounts payable-other	1,117
Short-term investments	499	Accrued expenses	469
Merchandises and finished goods	1,311	Accrued income taxes	1,262
Work in process	16	Accrued bonuses due to employees	252
Raw materials and supplies	616	Accrued bonuses due to directors	145
Deferred tax assets-current	519	Other current liabilities	1,201
Other current assets	2,673	Long-term liabilities	1,691
Fixed assets	65,897	Long-term loans payable	56
Property, plant and equipment	16,021	Accrued benefits for stock payment	77
Buildings	7,994	Allowance for retirement benefits for employees	543
Structures	815	Asset retirement obligations	13
Machinery and equipment	618	Deferred tax liabilities-non-current	802
Vehicles	8	Other long-term liabilities-non-current	198
Tools, furniture and fixture	463	(Net assets)	153,361
Land	5,996	Shareholders' equity	151,014
Construction in progress	125	Common stock	20,704
Intangible assets	557	Additional paid-in capital	20,579
Software	550	Legal capital surplus	20,419
Other intangible assets	6	Other capital surplus	159
Investments and other assets	49,319	Retained earnings	116,364
Investment securities	10,425	Legal retained earnings	3,819
Stocks of subsidiaries and affiliates	13,567	Other legal retained earnings	112,545
Investments in capital of subsidiaries and affiliates	22,390	Reserve for the reduction of fixed assets	133
Long-term loans receivable from subsidiaries and affiliates	2,887	General reserve	170,119
Other investments and other assets	84	Retained earnings carried forward	(57,708)
Allowance for doubtful receivables	(35)	Treasury stock	(6,633)
		Revaluation/translation adjustments	2,236
		Net unrealized holding gains on securities	2,708
		Deferred gains or losses on hedges	(472)
		Subscription rights to shares	110
Total assets	167,204	Total liabilities and net assets	167,204

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

Non-Consolidated Statement of Income

(For the year ended December 31, 2016)

(Millions of yen)

Item	Amount	
Net sales		99,847
Cost of sales		75,950
Gross profit		23,897
Selling, general and administrative expenses		15,239
Operating income		8,657
Non-operating income		
Interest income	50	
Interest on short-term investments	74	
Dividend income	7,025	
Other	212	7,363
Non-operating expenses		
Stock-related expenses	62	
Foreign exchange losses	70	
Other	39	173
Ordinary income		15,847
Extraordinary income		
Gain on disposal of fixed assets	0	
Gain on sales of investment securities	570	570
Extraordinary loss		
Loss on disposal of fixed assets	6	
Loss on sales of investment securities	137	
Other	0	143
Income before income taxes		16,274
Current	2,978	
Deferred	(46)	2,932
Net income		13,342

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

Non-Consolidated Statement of Changes in Net Assets

(For the year ended December 31, 2016)

(Millions of yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital			Retained earnings
		Legal capital surplus	Other capital surplus	Total additional paid-in capital	Legal retained earnings
Beginning balance	2704	249	—	249	39
Changes of items during the period					
Cash dividend (Note: 1)	—	—	—	—	—
Cash dividend (Interim dividends)	—	—	—	—	—
Net income	—	—	—	—	—
Purchase of treasury stock	—	—	—	—	—
Disposal of treasury stock	—	—	9	9	—
Cancellation of treasury stock	—	—	—	—	—
Reversal of reserve for the reduction of fixed assets	—	—	—	—	—
Net changes of items other than shareholders' equity	—	—	—	—	—
Total changes of items during the period	—	—	9	9	—
Ending balance	2704	249	9	259	39

(Millions of yen)

	Shareholders' equity			
	Retained earnings			
	Other legal retained earnings			Total retained earnings
	Reserve for the reduction of fixed assets	General reserve	Retained earnings carried forward	
Beginning balance	135	170,119	(59,742)	114,331
Changes of items during the period				
Cash dividend (Note: 1)	—	—	(4,029)	(4,029)
Cash dividend (Interim dividends)	—	—	(3,017)	(3,017)
Net income	—	—	13,342	13,342
Purchase of treasury stock	—	—	—	—
Disposal of treasury stock	—	—	—	—
Cancellation of treasury stock	—	—	(4,263)	(4,263)
Reversal of reserve for the reduction of fixed assets	(1)	—	1	—
Net changes of items other than shareholders' equity	—	—	—	—
Total changes of items during the period	(1)	—	2,033	(2,032)
Ending balance	133	170,119	(57,708)	116,364

(Millions of yen)

	Shareholders' equity		Revaluation/translation adjustments			Subscription rights to shares	Total net assets
	Treasury stock	Total shareholders' equity	Net unrealized holding gains on securities	Deferred gains or losses on hedges	Total revaluation/translation adjustments		
Beginning balance	(6,046)	149,410	2,441	—	2,441	61	151,913
Changes of items during the period							
Cash dividend (Note: 1)	—	(4,029)	—	—	—	—	(4,029)
Cash dividend (Interim dividends)	—	(3,017)	—	—	—	—	(3,017)
Net income	—	13,342	—	—	—	—	13,342
Purchase of treasury stock	(5,442)	(5,442)	—	—	—	—	(5,442)
Disposal of treasury stock	591	751	—	—	—	—	751
Cancellation of treasury stock	4,263	—	—	—	—	—	—
Reversal of reserve for the reduction of fixed assets	—	—	—	—	—	—	—
Net changes of items other than shareholders' equity	—	—	266	(472)	(205)	48	(156)
Total changes of items during the period	(587)	1,604	266	(472)	(205)	48	1,447
Ending balance	(6,633)	151,014	2,708	(472)	2,236	110	153,361

(Notes)

1. The dividends were paid as appropriations of retained earnings based on a resolution at the 75th ordinary general meeting of shareholders held on March 30, 2016.
2. Amounts less than one million yen have been omitted.

REFERENCE DOCUMENTS FOR THE 76TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Proposal 1: Proposed Appropriation of Retained Earnings for the 76th Fiscal Term

Our basic policy on the appropriation of retained earnings is to retain necessary earnings for sound business activities, to maintain healthy financial strength and to ensure adequate dividends to our shareholders based on performance for the year. Based on this policy, the Company makes it a principle to consistently distribute an annual ordinary dividend of 30 yen per share as payment of a long-term stable dividend, plus an additional special dividend equal to 30% (paid out on a per share basis) of the consolidated net income, depending on the performance of the Company.

We plan to pay an annual dividend of 120 yen per share consisting of an amount based on the above calculation standards (an ordinary dividend of 30 yen and a special dividend of 90 yen). Because we paid an interim dividend of 44 yen (an ordinary dividend of 15 yen and a special dividend of 29 yen) per share in September 2016, we propose the year-end dividend for the year as follows:

Matters related to the year-end dividend

- (1) Type of distributable properties
Money
- (2) Matters related to the disbursement of distributable properties and the aggregate amount
76 yen per common share of the Company
(An ordinary dividend of 15 yen and a special dividend of 61 yen)
Aggregate dividend amount: 5,212,664,592 yen
- (3) Effective date of the distribution of retained earnings
March 31, 2017

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

Proposal 2: Election of Eight (8) Directors

The term of office of all eight (8) directors currently in office will expire at the conclusion of the 76th Ordinary General Meeting of Shareholders. Shareholders are therefore requested to elect eight (8) directors. Before the submission of this proposal, the candidates were nominated at the Board of Directors' meeting following deliberation by the Nomination Committee as the advisory body to the Board of Directors.

The candidates for the position of director are as follows:

No.	Name (Date of birth)	Brief personal history, position, assignment and significant positions concurrently held	Number of the Company's shares held
1	Hiroo Okoshi (July 9, 1961)	<p>April 1984 Joined MABUCHI MOTOR CO., LTD.</p> <p>June 1990 Manager, Procurement Section, MABUCHI INDUSTRY CO., LTD.</p> <p>August 1996 President, MABUCHI INDUSTRY CO., LTD.</p> <p>May 2002 Director and General Manager, General Affairs Department, Human Resources Department, MABUCHI INDUSTRY CO., LTD.</p> <p>October 2002 Manager, Corporate Planning Department, MABUCHI MOTOR CO., LTD.</p> <p>March 2003 Deputy Senior General Manager, Business Platform Innovation Headquarters, MABUCHI MOTOR CO., LTD.</p> <p>January 2004 General Manager, Corporate Planning Department, MABUCHI MOTOR CO., LTD.</p> <p>November 2009 Executive Officer and Senior General Manager, Administration Headquarters, MABUCHI MOTOR CO., LTD.</p> <p>March 2011 Director, Executive Officer and Senior General Manager, Administration Headquarters, MABUCHI MOTOR CO., LTD.</p> <p>March 2013 Representative Director, President and CEO, MABUCHI MOTOR CO., LTD. (Current position)</p>	7,600
<p>Reasons for being nominated for the position of director:</p> <p>Hiroo Okoshi has been renominated as a candidate for the position of director because we have judged we can rely on his ability to play a significant role in the decision-making on important matters in the Group as well as the supervision of business execution towards the steady growth of the Group, as a whole, on top of the medium- to long-term enhancement of corporate value. He has abundant experience and knowledge concerning global business operations gained through his long-time experience in management of overseas subsidiaries as well as experience in the Corporate Planning Department at the corporate headquarters since he joined the Company. Furthermore, since he assumed the office of Representative Director and President in 2013, he has significantly contributed to the business expansion of the Group and the enhancement of corporate value while demonstrating his strong leadership.</p>			

No.	Name (Date of birth)	Brief personal history, position, assignment and significant positions concurrently held		Number of the Company's shares held
2	Masato Itokawa (January 29, 1960)	April 1984	Joined MABUCHI MOTOR CO., LTD.	34,400
		January 1985	Production Engineering Section, MABUCHI MOTOR TAIWAN LTD.	
		September 1991	Process Design Section, Production Engineering Department, Research and Development Headquarters, MABUCHI MOTOR CO., LTD.	
		March 2002	Manager, Manufacturing Technology Section, Production Engineering Office, Technology Department, MABUCHI MOTOR CO., LTD.	
		March 2005	General Manager, Quality Assurance Department, MABUCHI MOTOR CO., LTD.	
		November 2009	Executive Officer and General Manager, Quality Assurance Department, MABUCHI MOTOR CO., LTD.	
		March 2013	Director, Executive Officer and General Manager, Quality Assurance Department, MABUCHI MOTOR CO., LTD.	
		March 2016	Director, Executive Officer and Senior General Manager, Quality Assurance Headquarters, MABUCHI MOTOR CO., LTD. (Current position)	
Reasons for being nominated for the position of director: Masato Itokawa has been renominated as a candidate for the position of director because we have judged we can rely on his ability to play a significant role in the decision-making on important matters in the Group as well as the supervision of business execution on the back of his abundant experience and sophisticated knowledge gained through engaging mainly in the Production Engineering and Quality Assurance Departments since he joined the Company, in the establishment of quality and environmental systems, and in supervising the Quality Assurance Departments in the Group, as a whole.				
3	Tadashi Takahashi (January 2, 1960)	April 1982	Joined MABUCHI MOTOR CO., LTD.	4,916
		November 1992	Deputy Plant Manager, Guangdong Plant NO. 2, MABUCHI INDUSTRY CO., LTD.	
		February 1997	General Manager, Production Engineering Department, Guangdong Plant NO. 5, MABUCHI INDUSTRY CO., LTD.	
		March 2002	Manager, Process Design Section, Production Engineering Office, Technology Department, MABUCHI MOTOR CO., LTD.	
		March 2005	General Manager, Production Engineering Department, Research and Development Headquarters, MABUCHI MOTOR CO., LTD.	
		July 2008	General Manager, Production Engineering Innovation Center, Research and Development Headquarters, MABUCHI MOTOR CO., LTD.	
		March 2013	Director, Executive Officer and Senior General Manager, Research and Development Headquarters, MABUCHI MOTOR CO., LTD.	
		March 2015	Director, Managing Executive Officer and Senior General Manager, Research and Development Headquarters, MABUCHI MOTOR CO., LTD. (Current position)	
Reasons for being nominated for the position of director: Tadashi Takahashi has been renominated as a candidate for the position of director because we have judged we can rely on his ability to play a significant role in the decision-making on important matters in the Group as well as the supervision of business execution on the back of his abundant experience and sophisticated knowledge gained through engaging mainly in the Production Engineering Department since he joined the Company while promoting and supervising production engineering innovation in general at the corporate headquarters and overseas production bases.				

No.	Name (Date of birth)	Brief personal history, position, assignment and significant positions concurrently held		Number of the Company's shares held
4	Hirotaro Katayama (January 23, 1969)	April 1991	Joined MABUCHI MOTOR CO., LTD.	4,500
		April 2005	Manager, Business Administration Department, Power Unit Motor Division, MABUCHI MOTOR CO., LTD.	
		March 2007	President, MABUCHI MOTOR (JIANGSU) CO., LTD.	
		February 2014	Deputy Senior General Manager, Operations Control Headquarters, MABUCHI MOTOR CO., LTD.	
		July 2014	Senior General Manager, Operations Control Headquarters, MABUCHI MOTOR CO., LTD.	
		March 2015	Director, Executive Officer and Senior General Manager, Operations Control Headquarters, MABUCHI MOTOR CO., LTD. (Current position)	
Reasons for being nominated for the position of director: Hirotaro Katayama has been renominated as a candidate for the position of director because we have judged we can rely on his ability to play a significant role in the decision-making on important matters in the Group as well as the supervision of business execution on the back of his abundant experience and sophisticated knowledge gained through engaging mainly in the power window lifter business and the management of an overseas subsidiary since he joined the Company, while engaging in the establishment of overseas production bases, and supervising global production and supply structure.				
5	Tadahito Iyoda (November 22, 1968)	April 1999	Joined MABUCHI MOTOR CO., LTD.	6,230
		April 2004	President, MABUCHI INDUSTRY CO., LTD.	
		June 2007	Manager, Global Business Strategy Planning Group, Corporate Planning Department, MABUCHI MOTOR CO., LTD.	
		November 2009	Assistant General Manager, Corporate Planning Department, MABUCHI MOTOR CO., LTD.	
		January 2010	General Manager, Corporate Planning Department, MABUCHI MOTOR CO., LTD.	
		March 2013	Executive Officer and Senior General Manager, Administration Headquarters, MABUCHI MOTOR CO., LTD.	
		March 2015	Director, Executive Officer and Senior General Manager, Administration Headquarters, MABUCHI MOTOR CO., LTD. (Current position)	
		Reasons for being nominated for the position of director: Tadahito Iyoda has been renominated as a candidate for the position of director because we have judged we can rely on his ability to play a significant role in the decision-making on important matters in the Group as well as the supervision of business execution on the back of his abundant experience and sophisticated knowledge gained through engaging mainly in the Corporate Planning Departments at the corporate headquarters and an overseas subsidiary since he joined the Company, while participating in the supervision of administrative departments such as the Accounting and Finance, Human Resources, General Affairs, Legal and Corporate Communication Departments, etc.		

No.	Name (Date of birth)	Brief personal history, position, assignment and significant positions concurrently held		Number of the Company's shares held
6	Eiji Uenishi (March 15, 1960)	March 2004	Joined MABUCHI MOTOR CO., LTD.	3,014
		October 2004	Manager, Research and Development Group 3, Research and Development Department, Research and Development Headquarters, MABUCHI MOTOR CO., LTD.	
		July 2007	General Manager, Research and Development Department 2, Research and Development Headquarters, MABUCHI MOTOR CO., LTD.	
		March 2013	Deputy Senior General Manager, Research and Development Headquarters, MABUCHI MOTOR CO., LTD.	
		March 2015	Executive Officer and Deputy Senior General Manager, Research and Development Headquarters, MABUCHI MOTOR CO., LTD. (Current position)	
Reasons for being nominated for the position of director: Eiji Uenishi has been newly nominated as a candidate for the position of director because we have judged he has the ability to play a significant role in the decision-making on important matters in the Group as well as the supervision of business execution on the back of his abundant experience and sophisticated knowledge gained mainly through his service as supervisor of research and development, contributing to the improvement of product added-value and the development of new applications and new customers since he joined the Company.				
7	Ichiro Hashimoto (October 23, 1947) (Candidate for outside director) (Candidate for notification as an independent director to the Tokyo Stock Exchange)	April 1970	Joined Ishikawajima-Harima Heavy Industries Co., Ltd. (currently IHI Corporation)	500
		July 1998	Head of Soma Works of Aero-Engine & Space Operations, Ishikawajima-Harima Heavy Industries Co., Ltd.	
		April 2007	Executive Officer and President of Power System Operations, Ishikawajima-Harima Heavy Industries Co., Ltd.	
		January 2008	Managing Executive Officer and President of Energy and Plants Operations, IHI Corporation	
		April 2008	Director, Managing Executive Officer and President of Energy and Plants Operations, IHI Corporation	
		April 2010	Representative Director and Executive Vice President, IHI Corporation	
		June 2012	Corporate Advisory, IHI Corporation	
		March 2015	Outside Director, MABUCHI MOTOR CO., LTD. (Current position)	
Reasons for being nominated for the position of director: Ichiro Hashimoto has been renominated as a candidate for the position of outside director because we have judged that he is able to provide us with useful and appropriate advice and recommendations regarding overall management based on his long-term experience of corporate management as an executive-level manager of IHI Corporation, with his abundant experience and considerable insight concerning corporate governance in addition to being a person of integrity. Thus, we may expect that the supervisory function over the Company's management in general will be reinforced.				

No.	Name (Date of birth)	Brief personal history, position, assignment and significant positions concurrently held		Number of the Company's shares held
8	Naoki Mitarai (October 30, 1952) (Candidate for outside director) (Candidate for notification as an independent director to the Tokyo Stock Exchange)	April 1976 July 2000 April 2003 April 2004 April 2005 January 2006 April 2010 April 2011 April 2014 April 2015 April 2016	Joined Hitachi, Ltd. General Manager, Employee Relations Department, Hitachi, Ltd. Executive Marketing Manager, Government & Public Corporation Information Systems Sales Management Division, Information & Telecommunication Systems Group, Hitachi, Ltd. Deputy General Manager, Government & Public Corporation Information Systems Sales Management Division, Information & Telecommunication Systems Group, Hitachi, Ltd. General Manager, Group Company Office, Hitachi Group – Corporate Strategy, Hitachi Group Headquarters, Hitachi, Ltd. General Manager, Group Company Office, Hitachi Group Headquarters, Hitachi, Ltd. General Manager, Corporate Administration Division, Human Capital Group, Hitachi, Ltd. Vice President and Executive Officer, General Manager, Human Capital Group and General Manager, Corporate Administration Division, Human Capital Group, Hitachi, Ltd. Senior Vice President and Executive Officer, Chief Human Resources Officer (CHRO) and Chief Risk Management Officer (CRO), Hitachi High-Technologies Corporation Representative Executive Officer, Executive Vice President and Executive Officer, Hitachi High-Technologies Corporation Executive Adviser, Hitachi High-Technologies Corporation (Current position)	—
<p>Reasons for being nominated for the position of director:</p> <p>Naoki Mitarai has been newly nominated as a candidate for the position of outside director because we have judged that he will be able to provide us with useful and appropriate advice and recommendations regarding overall management based on his long-term experience of corporate management as an executive officer in Hitachi, Ltd. and its group companies, with his abundant experience and considerable insight concerning corporate governance in addition to being a person of integrity. Thus, we may expect that the supervisory function over the Company's management in general will be reinforced.</p>				

(Notes)

1. No special relationship exists between the Company and the candidates.
2. Ichiro Hashimoto and Naoki Mitarai are candidates for the position of outside director.
3. Ichiro Hashimoto is currently an outside director of the Company, and his term of office will have reached two years at the conclusion of the 76th Ordinary General Meeting of Shareholders.
4. As per Article 427, Paragraph 1, of the Companies Act, the Company entered into an agreement with Ichiro Hashimoto to limit his liabilities for damages as provided in Article 423, Paragraph 1, of the Companies Act. The limit of liabilities under the agreement shall be the amount set forth in Article 425, Paragraph 1, of the Companies Act. If Ichiro Hashimoto's renomination is approved, the Company intends to extend said agreement with him. If Naoki Mitarai is elected as an outside director, the Company intends to enter into a similar agreement to limit his liability for damages.
5. The Company registered Ichiro Hashimoto as an "independent officer," as stipulated by the Tokyo Stock Exchange. If he is renominated, the Company intends to continue to designate him as an "independent officer." In addition, as Naoki Mitarai satisfies the requirements of an "independent officer," as stipulated by the Tokyo Stock Exchange, the Company intends to register him as an "independent officer" at the Exchange if he is elected as an outside director.

<Reference> Independence Criteria for Outside Officers

Independence Criteria for Outside Officers

The Company prescribes criteria for the independence of outside officers, and outside officers that fall under any of the following shall be deemed as not being sufficiently independent from the Company:

- (1) Current or former employees or officers of the Company or its subsidiaries (collectively, the “**Mabuchi Group**”);
- (2) Business executives for whom a Major Business Partner is the Mabuchi Group, or business executives who are Major Business Partners of the Mabuchi Group (“**Major Business Partners**” means customers or suppliers of Mabuchi Group products, etc., accounting for, in either case, more than 2% of consolidated net sales for a given fiscal year);
- (3) Consultants, accounting professionals, or legal professionals who receive a Significant Sum of money or other assets, other than executive remuneration, from the Mabuchi Group, including persons who belong to a business organization if the person who receives the assets is an organization, such as a corporation or partnership (a “**Significant Sum**” means the annual total of 10 million yen or more of monetary or asset benefits other than executive remuneration);
- (4) A certified public accountant who belongs to an auditing firm that serves as the accounting auditor of the Mabuchi Group or an auditing firm’s employee, partner, member of staff, or worker;
- (5) A major shareholder who owns 10% or more of the voting rights in the Company;
- (6) A person who receives a large donation or loan, etc., amounting to 10 million yen or more, annually from the Mabuchi Group (including a person who belongs to a business organization if the person who receives the donation or loan is an organization, such as a corporation or partnership);
- (7) Business executives with which the Company has a reciprocal employment relationship as each other’s outside officers;
- (8) Persons who fall under any of (2) to (7) above in the past 3 years;
- (9) The close relative of a person if that person falling under (1) to (8) is a Person in an Important Position, including a spouse, a relative within the second degree of kinship, or a relative in a Person in an Important Position’s household (a “**Person in an Important Position**” means a director other than an outside director, an audit & supervisory board member other than an outside audit & supervisory board member, an executive officer, an associate director, or a general manager or higher ranking manager).