



# FY 2007

(Year ended March 31, 2007)

## RESULTS

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President  
Makita Corporation

May 10, 2007

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## FY 2007 Results

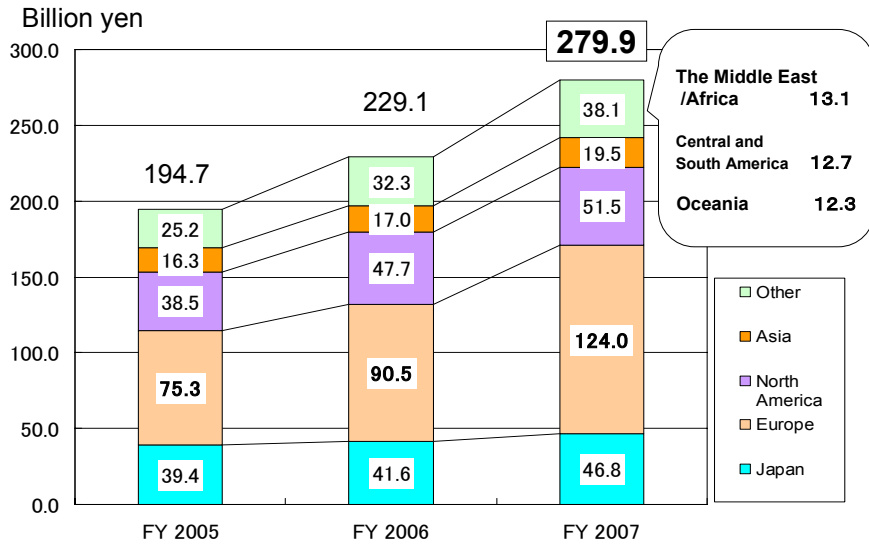


		% Change
<b>Net sales</b>	<b>¥279.9 billion</b>	<b>+22.2%</b>
	(A record high in Makita's history)	
Domestic	¥46.8 billion	+12.6%
Overseas	¥233.1 billion	+24.3%
	(A record high in Makita's history)	

Overseas sales ratio: 83.3% (FY 2006: 81.8%)

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# Sales by Geographic Area



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# Exchange Rate Trends



	2006/3	2007/3	
US\$	¥113.32	¥116.97	+3.2%
EURO	¥137.83	¥150.02	+8.8%

Weighted average change for all foreign currency:  
6.5% depreciated in the value of the yen

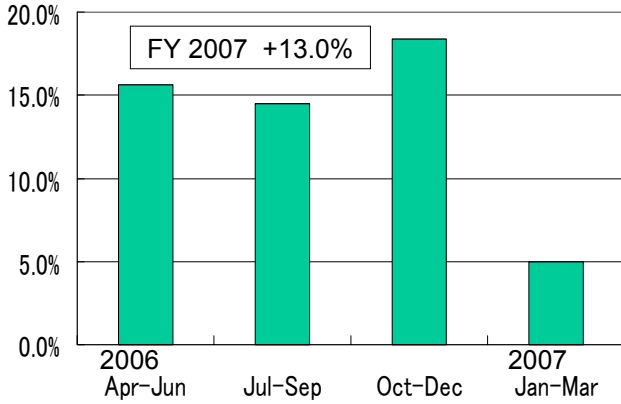
Effect on net sales:  
increase of approximately ¥14.2 billion

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# Sales Growth (Local Currency Basis)



## Japan (Non-consolidated)



Air Nailer

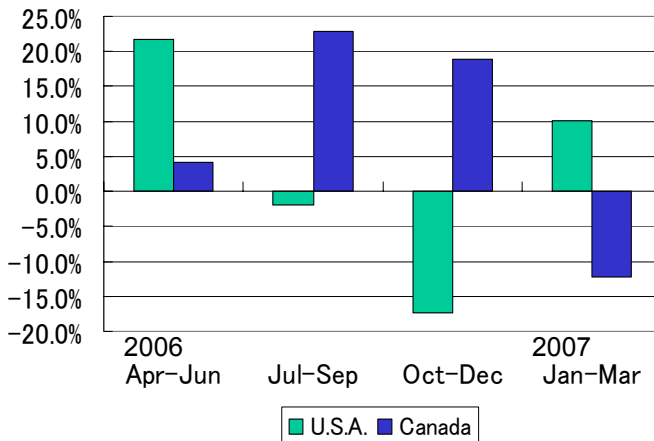


Cordless Brushcutter

# Sales Growth (Local Currency Basis)



## North America



U.S.A.  
FY 2007 +1.6%

Canada  
FY 2007 +8.0%

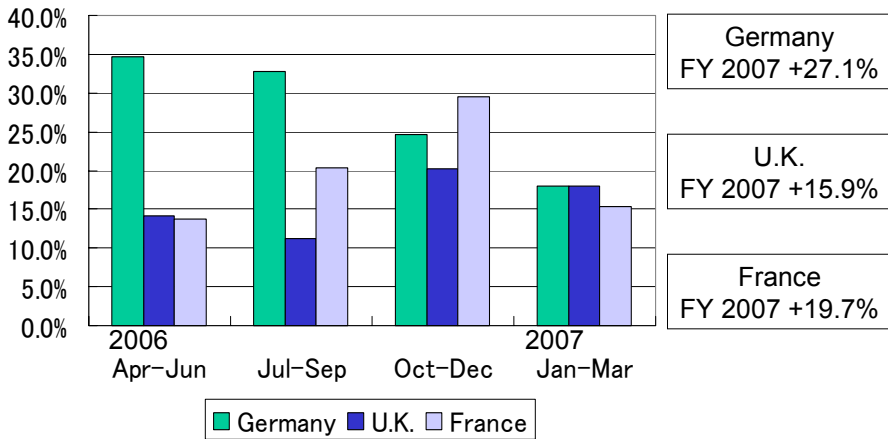


Li-ion Cordless Driver Drill

## Sales Growth (Local Currency Basis)



### Germany/U.K./France

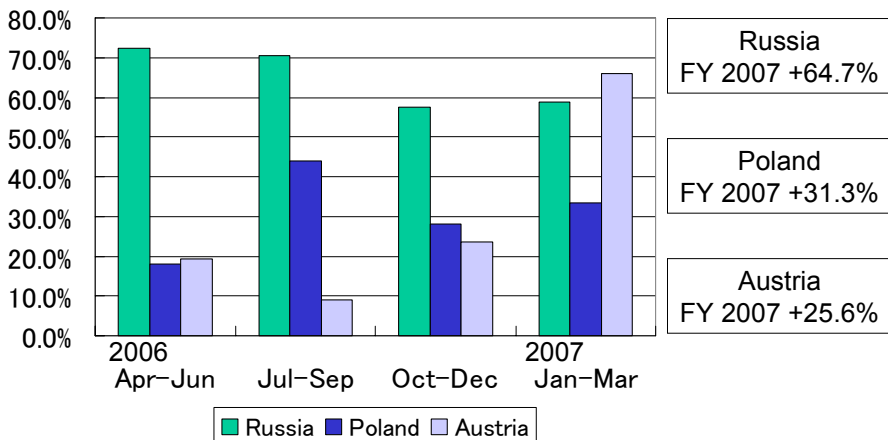


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## Sales Growth (Local Currency Basis)



### Eastern Europe/Russia

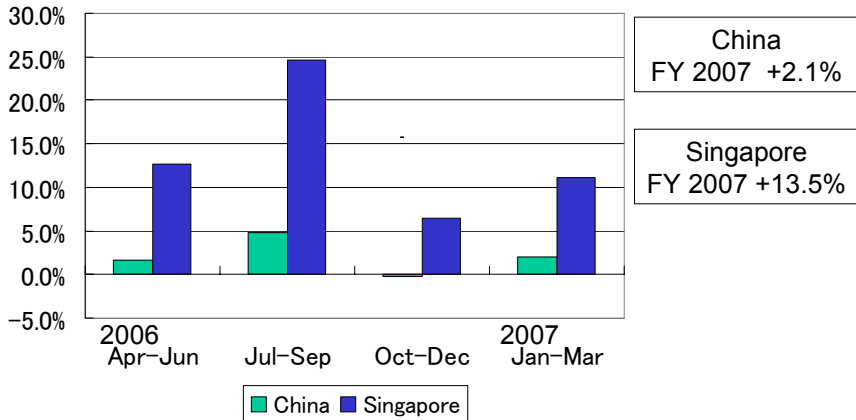


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## Sales Growth (Local Currency Basis)



### China/Singapore

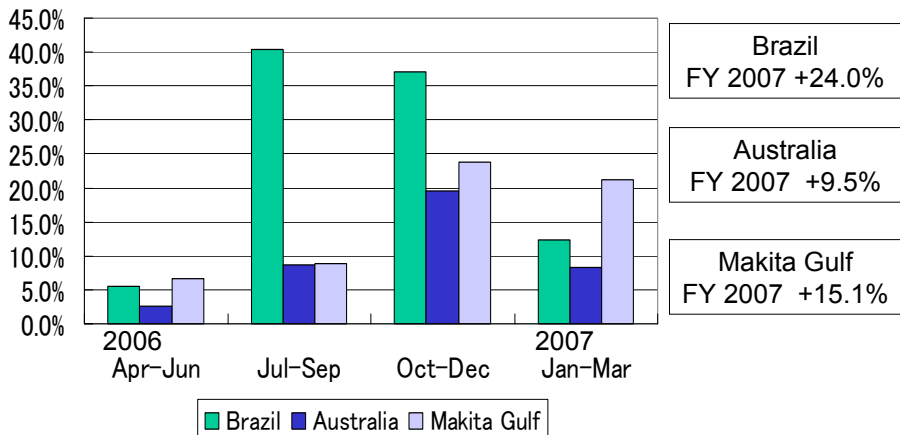


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## Sales Growth (Local Currency Basis)



### Other regions

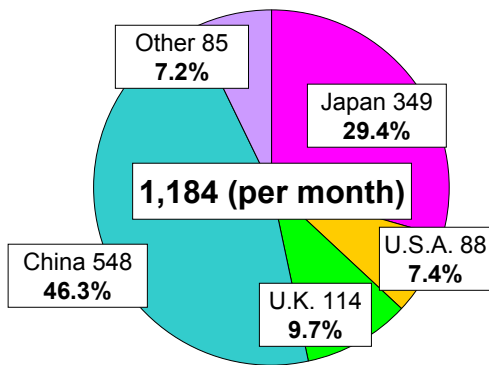


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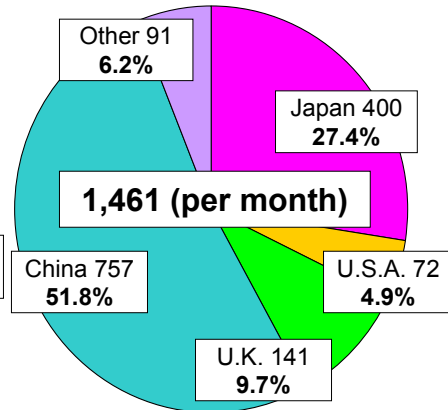
# Production by Country



FY 2006  
Total 14,211 thousand units



FY 2007  
Total 17,528 thousand units



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# FY 2007 Results



**Net Sales ¥279.9 billion**

Cost of Sales ¥163.9 billion  
 Cost of Sales Ratio **58.6%**  
 +0.6 pt

SG&A expenses ¥67.8 billion  
 Change **+¥17.4 billion**

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## One-time charges (Cost of sales)



	FY2005	FY2006	FY2007
Cost of Sales	¥113.3 billion	¥132.9 billion	¥163.9 billion
Cost of Sales Ratio	58.2%	58.0%	58.6%
Additional depreciation	-	-	-¥1.4 billion
Excluding One-time charges			
Cost of Sales	¥113.3 billion	¥132.9 billion	¥162.5 billion
Cost of Sales Ratio	58.2%	58.0%	58.1%

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## Special Factors / One-time charges (SG&A)



	FY 2005	FY 2006	FY 2007
Additional depreciation	-	-	-¥0.8 billion
Golf Course	-	+¥8.5 billion	-
Return of the Employee Retirement Benefit Fund	+¥4.4 billion	-	-
Gain/Loss on Sales of Property	-¥1.2 billion	-	+¥0.8 billion
Impairment loss on Assets	-¥0.5 billion	-	-¥1.3 billion
<b>Total</b>	<b>+¥2.7 billion</b>	<b>+¥8.5 billion</b>	<b>-¥1.3 billion</b>

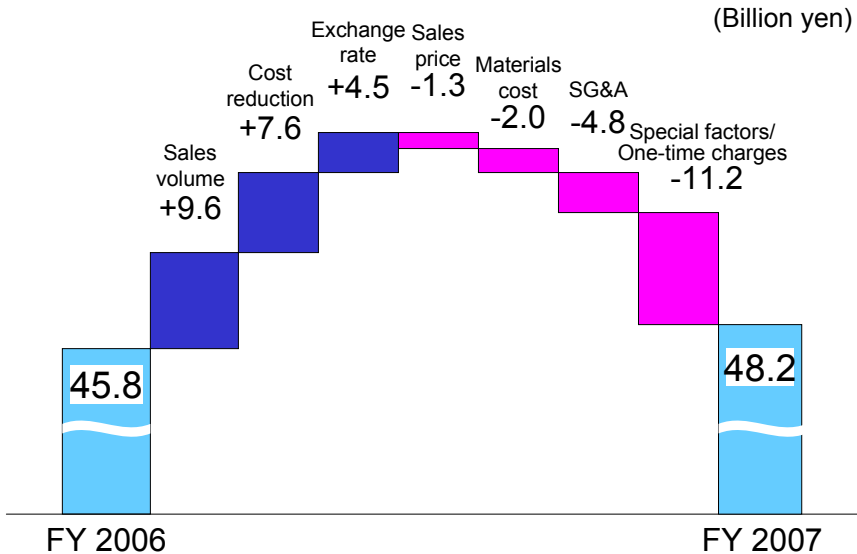
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# FY 2007 Results



	FY 2005	FY 2006	FY 2007
Net Sales	¥194.7 billion	¥229.1 billion	¥279.9 billion
Cost of Sales	¥113.3 billion	¥132.9 billion	¥163.9 billion
SG&A Expenses	¥50.0 billion	¥50.4 billion	¥67.8 billion
Operating Profit	¥31.4 billion	¥45.8 billion	¥48.2 billion
Operating Profit Ratio	16.1%	20.0%	17.2%
Special Factors/ One-time charges	+¥2.7 billion	+¥8.5 billion	-¥2.7 billion
Excluding special factors/One-time charges:			
Operating Profit	¥28.7 billion	¥37.3 billion	¥50.9 billion
Operating Profit Ratio	14.8%	16.3%	18.2%

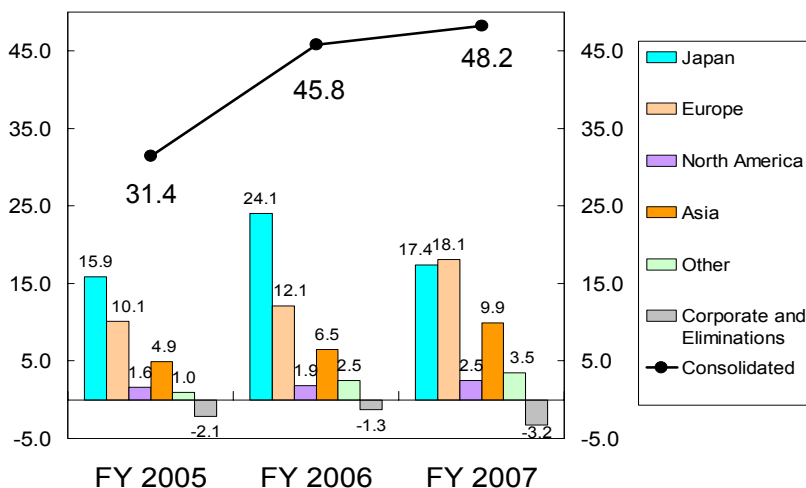
# Variance Analysis (Operating Income)



# Operating Income

(By Geographic Segment Basis)

Billion yen



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## FY 2007 Other Income (Expenses), Income Taxes, Net Income



	FY 2006	FY 2007	% Change
<b>Other Income(Expenses)</b>	¥3.4 billion	¥1.1 billion	-¥2.3 billion
<b>Special factors to be included in</b>			
<b>Other Income(Expenses)</b>	+¥2.5 billion	-	-¥2.5 billion
<small>(Gain on the evaluation of shares of UFJ Holding that Makita owns)</small>			
<b>Income Taxes</b>	¥49.1 billion	¥49.3 billion	+0.4%
<b>Excluding special factors:</b>	¥38.1 billion	¥49.3 billion	+29.4%
<b>Net Income</b>	¥40.4 billion	¥37.0 billion	-8.4%
<b>EPS</b>	¥281.15	¥257.27	
<b>Special Factors</b>	+¥13.4 billion	+¥1.7 billion	-¥11.7 billion

(recording deferred income tax assets of United States subsidiary)

Excluding special factors:			
<b>Net Income</b>	¥27.0 billion	¥35.3 billion	+30.7%
<b>EPS</b>	¥188	¥245	

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# Major Balance Sheet Items



(vs 2006/3)

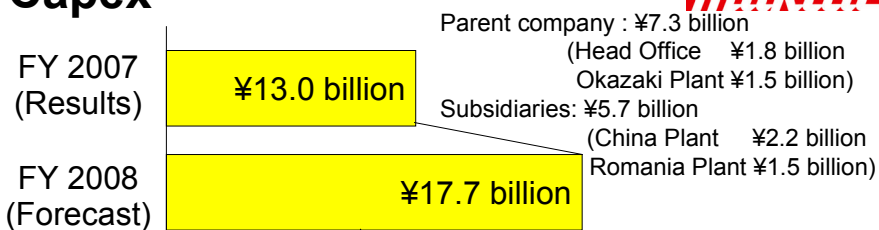
Inventories +¥13.0 billion

- Calculated excluding currency factors, the change would have been +¥8.0 billion.

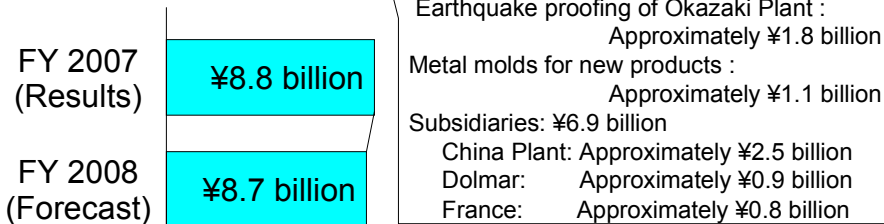
- **Mainly increase in Europe**

{	Short-term time deposits	+¥5.0 billion
	Marketable securities	+¥10.4 billion
	Investment securities	-¥3.2 billion

# Capex



# Depreciation



# FY2008 Forecast



% Change

**Net Sales**      **¥295.0 billion**      **+5.4%**

Domestic            ¥47.4 billion      +1.2%

Overseas            ¥247.6 billion      +6.2%

## Exchange rate

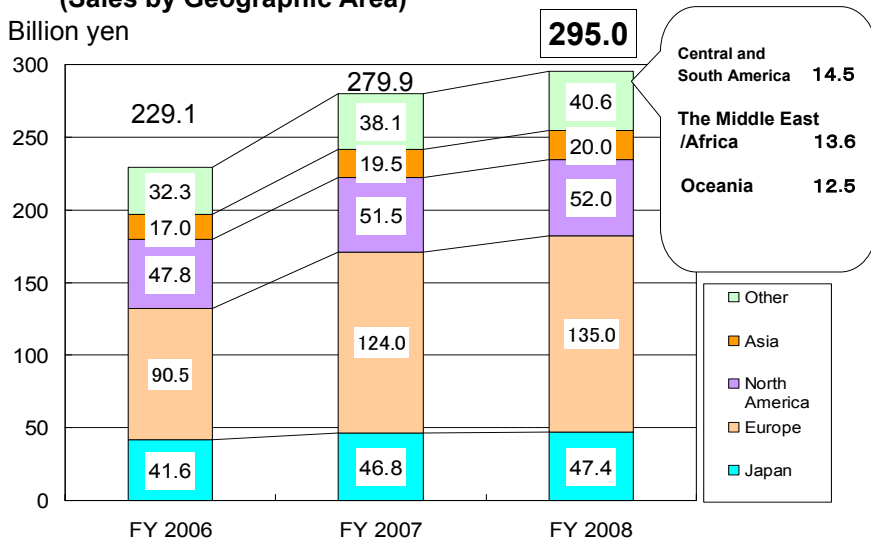
Assumption: ¥ to US\$ 117 and ¥ to 155 EURO

# FY2008 Forecast

(Sales by Geographic Area)



Billion yen



Central and South America 14.5  
The Middle East /Africa 13.6  
Oceania 12.5

- Other
- Asia
- North America
- Europe
- Japan

## FY 2008 Forecast



	FY 2007	FY 2008	% Change
<b>Net Sales</b>	¥279.9 billion	¥295.0 billion	+5.4%
<b>Operating Profit</b>	¥48.1 billion	¥53.3 billion	+10.6%
<b>Income before Income Taxes</b>	¥49.3 billion	¥53.9 billion	+9.3%
<b>Net Income</b>	¥37.0 billion	¥37.0 billion	+0.1%
<b>EPS</b>	¥257.27	¥257.48	+0.1%
<b>Special factors after tax</b> <small>(recording deferred income tax assets of United States subsidiary)</small>	+¥1.7 billion	—	-¥1.7 billion
<b>Excluding special factors:</b>			
<b>Net Income</b>	¥35.3 billion	¥37.0 billion	+4.9%
<b>EPS</b>	¥245	¥257	+4.9%

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## Cash Dividends



	FY2007	FY2008
<b>Net income after adjustments</b>	¥35.3 billion	¥37.0 billion <sub>(forecast)</sub>
<b>EPS after adjustments</b>	¥245	¥257
<b>dividend</b>	¥74	※
<b>Dividend propensity after adjustments</b>	30.2%	More than 30%
<b>Annual cash dividend</b>	FY2007 ¥74	FY2008 ※
( Includes an interim dividend of and a year-end dividend (proposed) of                 )	¥19	¥25
	¥55(plan)	※

※Dividend payout ratio: 30% or over

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## Regarding the tender offer for Fuji Robin shares

December 1991	Business affiliation with Fuji Robin in connection with small-engine equipment Acquisition of 1,300,000 shares of Fuji Robin (10.03% of outstanding shares)
January 2007	Initiation of discussions and negotiations with Fuji Heavy Industries
March	Announcement of the takeover bid for Fuji Robin; tender offer start
May	After closing of the tender offer, inclusion of Fuji Robin in our consolidation of subsidiaries (ownership, 89%)

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## FY2008 Forecast (after tender offer)

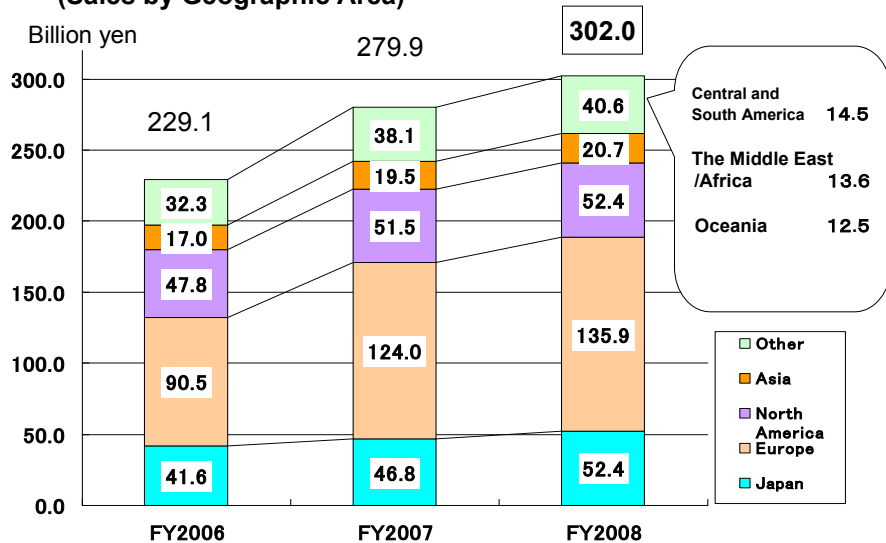


		% Change
<b>Net Sales</b>	<b>¥302.0 billion</b>	<b>+7.9%</b>
Domestic	¥52.4 billion	+12.0%
Overseas	¥249.6 billion	+7.1%

Consolidated profit is not changed by tender offer

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## FY2008 Forecast (after tender offer) (Sales by Geographic Area)



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### FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements based on Makita's own projections and estimates. The power tools market, where Makita is mainly active, is subject to the effects of rapid shifts in economic conditions, demand for housing, currency exchange rates, changes in competitiveness, and other factors. Due to the risks and uncertainties involved, actual results could differ substantially from the content of these statements. Therefore, these statements should not be interpreted as representation that such objectives will be achieved.

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