



# Makita Corporation

Consolidated Financial Results  
for the six months  
ended September 30, 2011  
(U.S. GAAP Financial Information)

(English translation of "KESSAN TANSHIN")

originally issued in Japanese)



## CONSOLIDATED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2011 (Unaudited)

October 31, 2011

### Makita Corporation

Stock code: 6586

URL: <http://www.makita.co.jp/>

Masahiko Goto, President, Representative Director & CEO

### 1. Summary operating results of the six months ended September 30, 2011 (From April 1, 2011 to September 30, 2011)

#### (1) CONSOLIDATED OPERATING RESULTS

	Yen (millions)			
	For the six months ended September 30, 2010		For the six months ended September 30, 2011	
		%		%
Net sales.....	133,807	12.7	153,036	14.4
Operating income .....	21,843	46.9	26,953	23.4
Income before income taxes .....	21,751	25.9	24,514	12.7
Net income attributable to Makita Corporation ....	15,122	42.4	17,104	13.1
Comprehensive income (loss).....	(1,413)	-	(1,556)	-
Yen				
Earning per share (Basic)				
Net income attributable to Makita Corporation common shareholders.....	109.77		124.16	

Notes:

- Amounts of less than one million yen have been rounded.
- The table above shows the changes in the percentage ratio of net sales, operating income, income before income taxes, net income attributable to Makita Corporation, and comprehensive income (loss) against the corresponding period of the previous year.

#### (2) SELECTED CONSOLIDATED FINANCIAL POSITION

	Yen (millions)	
	As of March 31, 2011	As of September 30, 2011
Total assets.....	372,507	359,691
Total equity .....	309,678	300,924
Total Makita Corporation shareholders' equity .....	307,149	298,684
Total Makita Corporation shareholders' equity ratio to total assets (%) .....	82.5%	83.0%
Yen		
Total Makita Corporation shareholders' equity per share.....	2,229.63	2,168.28

### 2. Dividend Information

	Yen	
	For the year ended March 31, 2011	For the year ending March 31, 2012
Cash dividend per share:		
Interim.....	15.00	15.00
Year-end .....	51.00	(Note)
Total .....	66.00	(Note)

Notes:

- The forecast for cash dividend announced on April 28, 2011 has not been revised.
- The projected amount of dividends for the year ending March 31, 2012 has not been determined yet. For further details, refer to "Explanation regarding proper use of business forecasts, and other significant matters".



### 3. Consolidated Financial Performance Forecast for the year ending March 31, 2012 (From April 1, 2011 to March 31, 2012)

	Yen (millions)	
	For the year ending March 31, 2012	
		%
Net sales.....	285,000	4.5
Operating income .....	44,500	6.2
Income before income taxes .....	41,900	(1.9)
Net income attributable to Makita Corporation.....	29,100	(2.7)
	Yen	
Earning per share (Basic)		
Net income attributable to Makita Corporation common shareholders.....	211.25	

Note:

The consolidated financial forecast for the year ending March 31, 2012 has been revised.

#### 4. Other

(Refer to [Qualitative Information and Financial Statements] Section 4 “Other” on page 5.)

- (1) Changes in important subsidiaries during the period (Changes in specified subsidiaries accompanied by changes in scope of consolidation during the quarter): None
- (2) Adoption of simplified accounting methods and accounting methods that are specific to the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting principles: None
- (4) Number of shares outstanding (common stock)
  1. Number of shares issued (including treasury stock):
 

As of September 30, 2011:	140,008,760
As of March 31, 2011:	140,008,760
  2. Number of treasury stock:
 

As of September 30, 2011:	2,257,392
As of March 31, 2011:	2,251,061
  3. Average number of shares outstanding:
 

For the six months ended September 30, 2011:	137,755,000
For the six months ended September 30, 2010:	137,759,993

#### Information regarding quarterly review

This consolidated financial results report is not subject to a quarterly review stipulated under the Financial Instruments and Exchange Act. As of the release date of this document, the quarterly review under the Financial Instruments and Exchange Act has not been completed.

#### Explanation regarding proper use of business forecasts, and other significant matters

Regarding the assumptions for the forecasts and other matters, refer to [Qualitative Information and Financial Statements] Section 3 “Qualitative Information on Consolidated Financial Performance Forecast” on page 4. The financial forecasts given above are based on information as available at the present time, and include potential risks and uncertainties. As a consequence of the factors above and other, actual results may vary from the forecasts provided above.

Makita's basic policy on the distribution of profits is to maintain a consolidated dividend payout ratio of 30% or greater, with a lower limit on annual cash dividends of 18 yen per share. However, in the event special circumstances arise, computation of the amount of dividends will be based on consolidated net income attributable to Makita Corporation after certain adjustments for such special circumstances.

The Board of Directors plans to meet in April 2012 for a report on earnings for the year ending March 31, 2012. At the time, in accordance with the basic policy regarding profit distribution mentioned above, the Board of Directors plans to propose a dividend equivalent to at least 30% of net income attributable to Makita Corporation. The Board of Directors will submit this proposal to the General Meeting of Shareholders scheduled for June 2012.

The consolidated dividend payout ratio is calculated as annual dividends per share divided by consolidated net income attributable to Makita Corporation per share (after adjustments for special circumstances) and multiplied by 100.



## [Qualitative Information and Financial Statements]

### 1. Qualitative Information on Consolidated Operating Results

During the six months (the “period”) ended September 30, 2011, the aggravation of fiscal problems and financial instabilities in Europe brought a downturn in South European economies, gradually decelerating even German and U.K. economies which had until then shown a recovery trend. In the United States, individual consumption and capital investments have been slow, adding to such problems as the uncertain employment situation and sluggish housing market. In Asia and Central and South America, economy was in a favorable condition on the whole, while there were signs of economic slowdown caused by austerity measures taken in China and Brazil. In Japan, business outlook remains uncertain with the March 11 earthquake inflicting serious damage on economic activities.

Against the backdrop of this economic climate, demand for power tools showed a robust increase in emerging countries that enjoy continuous economic growth, while demand rose only moderately in such developed economies as Europe and the United States where power tool markets have already matured. Meanwhile, Japan experienced an increased demand resulting from post-quake restoration and reconstruction efforts.

Under these circumstances, in development side, Makita continuously expanded its product lines, including power tools, rechargeable tools and outdoor power equipment (OPE) through the development of smaller and lighter tools or tools with lower noise and vibration. In production side, we strengthened our quality control system to continuously produce high-quality brands, while expanding our overseas production especially at our plant in China. In sales side, we established our 48th overseas subsidiary in Slovenia to strengthen our sales and service structures in the Balkan states. Through these steps, we strove to maintain and improve our sales and after-sales services proximate to the customers, which had already been our forte.

Meanwhile, to further strengthen our development structure for outdoor power equipment (OPE), especially engine-loaded products, we established an OPE R&D Center on the premises of Makita’s Nisshin Office at Nisshin City in Aichi Prefecture in October this year. In view of the environmental preservation, engine-loaded products need technological improvements that reduce such products’ emissions, noise and energy consumption. To achieve these improvements, Makita strives to increase its development capacity and efficiency through the establishment of the OPE R&D Center equipped with facilities for practical tests.

Our consolidated net sales for this period increased by 14.4% to 153,036 million yen compared to the same period of the previous year. This was because of the rollout of attractive new products as well as the success in expanding sales by making the most of our sales and service structures that have always been our strong point, although our overseas sales decreased in value due to the appreciation of the yen against other currencies, combined with the sluggish housing market in such developed countries. In terms of incomes, our operating income increased by 23.4% from the previous year to 26,953 million yen (operating income ratio 17.6%) because of an increase in sales. Meanwhile, income before income taxes showed a modest increase of 12.7% from the previous year to 24,514 million yen (income before income taxes ratio 16.0%) and net income attributable to Makita Corporation increased only by 13.1% from the previous year to 17,104 million yen (net income attributable to Makita Corporation ratio 11.2%) because of exchange loss amounting to 2,465 million yen resulting from drastic exchange rate fluctuations and because of realized losses on securities amounting to 602 million yen resulting from a fall in stock prices.

Net sales by region are as follows:

Net sales in Japan increased by 13.9% to 25,263 million yen compared to the same period of the previous year because of an increased demand resulting from post-quake restoration and reconstruction efforts, in addition to strong sales of rechargeable tools such as impact drivers as well as compact hammer drills incorporating Makita’s proprietary low-vibration (AVT) mechanism.

Net sales in Europe increased by 13.3% to 64,604 million yen due to active demand in Russia, even though the increase of demand slowed down in such western European countries as Germany.

Net sales in North America increased by 7.3% to 19,822 million yen as strong demand continued for rechargeable power tools mounted with lithium-ion batteries, even though sales suffered a substantial decline in value due to the yen’s appreciation and a slowdown in the U.S. housing market.

Net sales in Asia increased by 24.1% to 14,136 million yen as strong demand continued in such Southeast Asian countries as Thailand and Indonesia.



Net sales in the Middle East and Africa decreased by 3.0% to 7,007 million yen as economic activities stagnated due to the political instabilities in some parts of these regions. Meanwhile, net sales in Central and South America increased by 31.1% to 12,618 million yen and net sales in Oceania increased by 21.5% to 9,586 million yen. These last two regions have shown a substantial increase in sales because their economies have been in good condition.

## 2. Qualitative Information on Consolidated Financial Position

Total assets as of September 30, 2011 decreased by 12,816 million yen to 359,691 million yen compared to the balance as of March 31, 2011. The main reason is a decrease in value of the assets held by Makita's overseas subsidiaries due to the yen's appreciation and a decrease in "Cash and cash equivalents", "Time deposits", and "Short-term investments" that resulted from payment of dividends and other expenditures, even though "Inventories" increased thanks to production increase.

Total liabilities as of September 30, 2011 decreased by 4,062 million yen to 58,767 million yen compared to the balance as of March 31, 2011. This decrease was mainly due to the decrease in "Trade notes and accounts payable".

Total equity as of September 30, 2011 decreased by 8,754 million yen to 300,924 million yen compared to the balance as of March 31, 2011. This decrease was mainly attributable to the increase in "Accumulated other comprehensive loss" due to a change in foreign currency translation adjustment because of the stronger yen against other currencies compared with that as of March 31, 2011.

## 3. Qualitative Information on Consolidated Financial Performance Forecast

While demand for power tools is expected to remain robust, the yen's value against major currencies is predicted to trend higher than the Company's projections released on April 28, 2011. In view of these circumstances, we revised our previous performance forecasts as follows:

### Revised Forecasts for consolidated performance during the fiscal 2012 (From April 1, 2011 to March 31, 2012)

	Yen (millions)				Yen
	Net sales	Operating income	Income before income taxes	Net income attributable to Makita Corporation	Earning per share (Basic) Net income attributable to Makita Corporation common shareholders
Outlook announced previously (A).....	285,000	45,000	45,800	31,900	231.57
<b>Revised forecasts (B).....</b>	<b>285,000</b>	<b>44,500</b>	<b>41,900</b>	<b>29,100</b>	<b>211.25</b>
Changes (B-A).....	—	(500)	(3,900)	(2,800)	—
Percentage revision.....	—	(1.1%)	(8.5%)	(8.8%)	—
Actual results for the previous year ended March 31, 2011 .....	272,630	41,909	42,730	29,905	217.08

The above forecasts are based on the assumption of exchange rates of 77 yen to the U.S. dollar and 102 yen to the euro for the six months period ending March 31, 2012.

The above forecasts are based on the assumption of exchange rates of 78 yen to the U.S. dollar and 108 yen to the euro for the year ending March 31, 2012.

(Reference) Our previous exchange rates that we announced on April 28, 2011 were 83 yen to the U.S. dollar and 118 yen to the euro.

The above forecasts are based on information as available at the present time, and include potential risks and uncertainties. As a consequence of the factors above and other, actual results may vary from the forecasts provided above.



#### **4. Other**

- (1) Changes in important subsidiaries during the period (Changes in specified subsidiaries accompanied by changes in scope of consolidation during the quarter): None
- (2) Adoption of simplified accounting methods and accounting methods that are specific to the preparation of quarterly consolidated financial statements:  
With regard to the income tax expenses, the Company computes interim income tax expense by multiplying reasonably estimated annual effective tax rate, which includes the effects of deferred taxes, by year-to-date income before income taxes for the reporting period.
- (3) Changes in accounting principles: None



## 5. Consolidated Financial Statements (Unaudited)

### (1) Consolidated Balance Sheets

	Yen (millions)			
	As of March 31, 2011		As of September 30, 2011	
		Composition ratio		Composition ratio
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents.....	51,833		48,644	
Time deposits.....	15,719		6,872	
Short-term investments.....	33,555		29,701	
Trade receivables-				
Notes.....	1,914		1,609	
Accounts.....	46,785		45,894	
Less- Allowance for doubtful receivables.....	(935)		(829)	
Inventories.....	110,595		114,622	
Deferred income taxes.....	6,039		6,045	
Prepaid expenses and other current assets.....	9,990		9,908	
Total current assets.....	<u>275,495</u>	74.0%	<u>262,466</u>	73.0%
<b>PROPERTY, PLANT AND EQUIPMENT, at cost:</b>				
Land.....	20,065		19,748	
Buildings and improvements.....	72,201		70,710	
Machinery and equipment.....	73,195		72,056	
Construction in progress.....	1,369		2,963	
	166,830		165,477	
Less- Accumulated depreciation.....	<u>(94,792)</u>		<u>(94,039)</u>	
Total net property, plant and equipment.....	<u>72,038</u>	19.3%	<u>71,438</u>	19.9%
<b>INVESTMENTS AND OTHER ASSETS:</b>				
Investments.....	17,069		17,185	
Goodwill.....	721		721	
Other intangible assets, net.....	4,595		4,529	
Deferred income taxes.....	1,403		1,689	
Other assets.....	1,186		1,663	
Total investments and other assets.....	<u>24,974</u>	6.7%	<u>25,787</u>	7.1%
Total assets.....	<u>372,507</u>	100.0%	<u>359,691</u>	100.0%



	Yen (millions)			
	As of March 31, 2011		As of September 30, 2011	
		Composition ratio		Composition ratio
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES:</b>				
Short-term borrowings .....	868		2,558	
Trade notes and accounts payable .....	25,691		20,890	
Other payables .....	4,386		5,831	
Accrued expenses .....	6,125		5,613	
Accrued payroll .....	7,543		7,472	
Income taxes payable .....	4,317		4,643	
Deferred income taxes .....	112		129	
Other current liabilities .....	7,183		5,511	
Total current liabilities .....	<u>56,225</u>	15.1%	<u>52,647</u>	14.6%
<b>LONG-TERM LIABILITIES:</b>				
Long-term indebtedness .....	19		15	
Accrued retirement and termination benefits .....	3,128		2,819	
Deferred income taxes .....	746		710	
Other liabilities .....	2,711		2,576	
Total long-term liabilities .....	<u>6,604</u>	1.8%	<u>6,120</u>	1.7%
Total liabilities .....	<u>62,829</u>	16.9%	<u>58,767</u>	16.3%
<b>EQUITY</b>				
<b>MAKITA CORPORATION SHAREHOLDERS' EQUITY:</b>				
Common stock .....	23,805		23,805	
Additional paid-in capital .....	45,420		45,421	
Legal reserve .....	5,669		5,669	
Retained earnings .....	293,532		303,611	
Accumulated other comprehensive income (loss) .....	(54,824)		(73,345)	
Treasury stock, at cost .....	(6,453)		(6,477)	
Total Makita Corporation shareholders' equity .....	<u>307,149</u>	82.5%	<u>298,684</u>	83.0%
NONCONTROLLING INTEREST .....	<u>2,529</u>	0.6%	<u>2,240</u>	0.7%
Total equity .....	<u>309,678</u>	83.1%	<u>300,924</u>	83.7%
Total liabilities and equity .....	<u>372,507</u>	100.0%	<u>359,691</u>	100.0%
<b>Number of Shares</b>				
	As of March 31, 2011		As of September 30, 2011	
Total number of shares authorized .....	496,000,000		496,000,000	
Number of shares issued .....	140,008,760		140,008,760	
Number of shares issued (excluding treasury stock) .....	137,757,699		137,751,368	
Number of treasury stock .....	2,251,061		2,257,392	



**(2) Consolidated Statements of Income**

	Yen (millions)			
	For the six months ended September 30, 2010		For the six months ended September 30, 2011	
	Composition ratio		Composition ratio	
NET SALES .....	133,807	100.0%	153,036	100.0%
Cost of sales .....	81,270	60.7%	92,701	60.6%
GROSS PROFIT.....	52,537	39.3%	60,335	39.4%
Selling, general, administrative and other, net .....	30,694	23.0%	33,382	21.8%
OPERATING INCOME .....	21,843	16.3%	26,953	17.6%
OTHER INCOME (EXPENSES):				
Interest and dividend income .....	633		723	
Interest expense .....	(18)		(95)	
Exchange gains (losses) on foreign currency transactions, net .....	(811)		(2,465)	
Realized gains (losses) on securities, net .....	104		(602)	
Total .....	(92)	(0.0)%	(2,439)	(1.6)%
INCOME BEFORE INCOME TAXES .....	21,751	16.3%	24,514	16.0%
PROVISION FOR INCOME TAXES:				
Current.....	5,452		7,459	
Deferred.....	981		(189)	
Total .....	6,433	4.9%	7,270	4.7%
NET INCOME.....	15,318	11.4%	17,244	11.3%
Less: Net income attributable to the noncontrolling interest .....	(196)	(0.1)%	(140)	(0.1)%
NET INCOME ATTRIBUTABLE TO MAKITA CORPORATION .....	15,122	11.3%	17,104	11.2%



### (3) Consolidated Statements of Changes in Equity & Comprehensive Income (Loss)

Yen (millions)

For the six months ended September 30, 2010											
	Makita Corporation shareholders' equity						Non-controlling interest	Total	Comprehensive income (Loss)		
	Common stock	Additional paid-in capital	Legal reserve	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock			Net income attributable to Makita Corporation	Net income attributable to the non-controlling interest	Total
Beginning balance	23,805	45,420	5,669	270,790	(42,032)	(6,445)	2,466	299,673			
Purchases and disposal of treasury stock, net						(2)		(2)			
Cash dividends				(5,097)			(136)	(5,233)			
Comprehensive income (loss)											
Net income				15,122			196	15,318	15,122	196	15,318
Foreign currency translation adjustment					(14,810)		(220)	(15,030)	(14,810)	(220)	(15,030)
Unrealized holding gains (losses) on available-for-sale securities					(1,734)			(1,734)	(1,734)		(1,734)
Pension liability adjustment					33			33	33		33
Total comprehensive income (loss)									(1,389)	(24)	(1,413)
Ending balance	23,805	45,420	5,669	280,815	(58,543)	(6,447)	2,306	293,025			

Yen (millions)

For the six months ended September 30, 2011											
	Makita Corporation shareholders' equity						Non-controlling interest	Total	Comprehensive income (Loss)		
	Common stock	Additional paid-in capital	Legal reserve	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock			Net income attributable to Makita Corporation	Net income attributable to the non-controlling interest	Total
Beginning balance	23,805	45,420	5,669	293,532	(54,824)	(6,453)	2,529	309,678			
Purchases and disposal of treasury stock, net		1				(24)		(23)			
Cash dividends				(7,025)			(150)	(7,175)			
Comprehensive income (loss)											
Net income				17,104			140	17,244	17,104	140	17,244
Foreign currency translation adjustment					(17,914)		(279)	(18,193)	(17,914)	(279)	(18,193)
Unrealized holding gains (losses) on available-for-sale securities					(678)			(678)	(678)		(678)
Pension liability adjustment					71			71	71		71
Total comprehensive income (loss)									(1,417)	(139)	(1,556)
Ending balance	23,805	45,421	5,669	303,611	(73,345)	(6,477)	2,240	300,924			



#### (4) Condensed Consolidated Statements of Cash Flows

	Yen (millions)	
	For the six months ended September 30, 2010	For the six months ended September 30, 2011
Net cash provided by (used in) operating activities .....	14,285	(1,692)
Net cash provided by (used in) investing activities .....	(10,186)	4,473
Net cash used in financing activities .....	(5,338)	(5,131)
Effect of exchange rate changes on cash and cash equivalents.....	(3,385)	(839)
Net change in cash and cash equivalents .....	(4,624)	(3,189)
Cash and cash equivalents, beginning of period .....	62,290	51,833
Cash and cash equivalents, end of period .....	57,666	48,644

#### (5) Notes on the assumptions for a going concern: None

#### (6) Condensed Operating Segment Information

	Yen (millions)							
	For the six months ended September 30, 2010							
	Japan	Europe	North America	Asia	Other	Total	Corporate and elimi- nations	Consoli- dated
Sales:								
(1) External customers .....	30,340	56,830	18,542	5,978	22,117	133,807	-	133,807
(2) Inter-segment .....	22,583	1,385	1,388	46,377	48	71,781	(71,781)	-
Total .....	52,923	58,215	19,930	52,355	22,165	205,588	(71,781)	133,807
Operating expenses .....	49,369	50,716	18,908	45,597	18,966	183,556	(71,592)	111,964
Operating income .....	3,554	7,499	1,022	6,758	3,199	22,032	(189)	21,843

	Yen (millions)							
	For the six months ended September 30, 2011							
	Japan	Europe	North America	Asia	Other	Total	Corporate and elimi- nations	Consoli- dated
Sales:								
(1) External customers .....	35,001	64,618	20,129	6,942	26,346	153,036	-	153,036
(2) Inter-segment .....	28,291	1,620	1,842	59,093	279	91,125	(91,125)	-
Total .....	63,292	66,238	21,971	66,035	26,625	244,161	(91,125)	153,036
Operating expenses .....	54,594	58,199	20,595	59,678	22,256	215,322	(89,239)	126,083
Operating income .....	8,698	8,039	1,376	6,357	4,369	28,839	(1,886)	26,953

#### (7) Note in case there is any significant change in the shareholders' equity: None



SUPPORT DOCUMENTATION (CONSOLIDATED)

**1. Consolidated Financial Results and Forecast**

	Yen (millions)					
	For the six months ended September 30, 2009		For the six months ended September 30, 2010		For the six months ended September 30, 2011	
		(%)		(%)		(%)
Net sales.....	118,681	(32.4)	133,807	12.7	153,036	14.4
Domestic .....	20,831	(14.6)	22,182	6.5	25,263	13.9
Overseas .....	97,850	(35.3)	111,625	14.1	127,773	14.5
Operating income .....	14,866	(58.8)	21,843	46.9	26,953	23.4
Income before income taxes .....	17,271	(50.2)	21,751	25.9	24,514	12.7
Net income attributable to Makita Corporation .....	10,622	(57.3)	15,122	42.4	17,104	13.1
Earning per share (Basic)						
Net income attributable to						
Makita Corporation common shareholders (Yen) .....	77.10		109.77		124.16	
Cash dividend per share (Yen) .....	15.00		15.00		15.00	
Dividend payout ratio (%) .....	19.5		13.7		12.1	
Number of Employees .....	10,131		11,368		12,177	

	Yen (millions)			
	For the year ended March 31, 2011		For the year ending March 31, 2012 (Forecast)	
		(%)		(%)
Net sales.....	272,630	10.9	285,000	4.5
Domestic .....	46,065	7.9	49,500	7.5
Overseas .....	226,565	11.5	235,500	3.9
Operating income .....	41,909	37.9	44,500	6.2
Income before income taxes .....	42,730	27.5	41,900	(1.9)
Net income attributable to Makita Corporation .....	29,905	34.4	29,100	(2.7)
Earning per share (Basic)				
Net income attributable to Makita Corporation				
common shareholders (Yen) .....	217.08		211.25	
Cash dividend per share (Yen) .....	66.00		-	
Dividend payout ratio (%) .....	30.4		-	
Number of Employees .....	12,054		-	

Note:

1. The table above shows the changes in the percentage ratio of Net sales, Operating income, Income before income taxes, and Net income attributable to Makita Corporation against the corresponding period of the previous year.
2. Please refer to "Qualitative Information on Consolidated Financial Performance Forecast" on page 4.



## 2. Consolidated Net Sales by Geographic Area

	Yen (millions)					
	For the six months ended September 30, 2009		For the six months ended September 30, 2010		For the six months ended September 30, 2011	
		(%)		(%)		(%)
Japan .....	20,831	(14.6)	22,182	6.5	25,263	13.9
Europe .....	51,652	(37.9)	57,028	10.4	64,604	13.3
North America .....	17,789	(31.1)	18,472	3.8	19,822	7.3
Asia .....	8,620	(34.5)	11,388	32.1	14,136	24.1
Other regions .....	19,789	(31.9)	24,737	25.0	29,211	18.1
Central and South America .....	7,398	(30.1)	9,622	30.1	12,618	31.1
Oceania .....	6,533	(23.2)	7,888	20.7	9,586	21.5
The Middle East and Africa .....	5,858	(41.2)	7,227	23.4	7,007	(3.0)
Total .....	118,681	(32.4)	133,807	12.7	153,036	14.4

Note: The table above sets forth Makita's consolidated net sales by geographic area based on the customer's location for the periods presented. Accordingly, it differs from operating segment information on page 10. The table above shows the changes in the percentage ratio of net sales compared to the corresponding period of the previous year.

## 3. Exchange Rates

	Yen				
	For the six months ended September 30, 2009	For the six months ended September 30, 2010	For the six months ended September 30, 2011	For the six months ending March 31, 2012 (Forecast)	For the year ending March 31, 2012 (Forecast)
Yen/U.S. Dollar .....	95.53	88.89	79.74	77	78
Yen/Euro .....	133.21	113.80	113.72	102	108

## 4. Production Ratio (unit basis)

	For the six months ended September 30, 2009	For the six months ended September 30, 2010	For the six months ended September 30, 2011
	Composition ratio	Composition ratio	Composition ratio
Domestic .....	18.4%	15.3%	12.6%
Overseas .....	81.6%	84.7%	87.4%

## 5. Consolidated Capital Expenditures, Depreciation and Amortization, and R&D cost

	Yen (millions)			
	For the six months ended September 30, 2009	For the six months ended September 30, 2010	For the six months ended September 30, 2011	For the year ending March 31, 2012 (Forecast)
Capital expenditures .....	6,702	4,855	5,820	17,000
Depreciation and amortization .....	4,071	3,636	3,474	8,000
R&D cost .....	3,324	3,549	3,978	8,500