



Annual Report 2018

Year Ended March 31, 2018



Live Green & Grow Strong

Contents

Fiscal 2018 Highlights	1
Interview: To Our Stakeholders	4
Special Feature: Makita's Value Chain	8
Corporate Governance	12
Directors, Audit & Supervisory Board Members and Corporate Officers	16
5-Year Summary	17
Consolidated Financial Statements	18
Corporate Directory	23
Corporate Data	25

Profile

Makita Corporation was founded in 1915 as an electric motor sales and repair company. In 1958, it became the first company in Japan to manufacture and sell portable electric planers. Over the half century since, Makita has solidified its position as a manufacturer of power tools. Today, Makita continues its quest to provide products and services that help people create comfortable living environments.

Vision

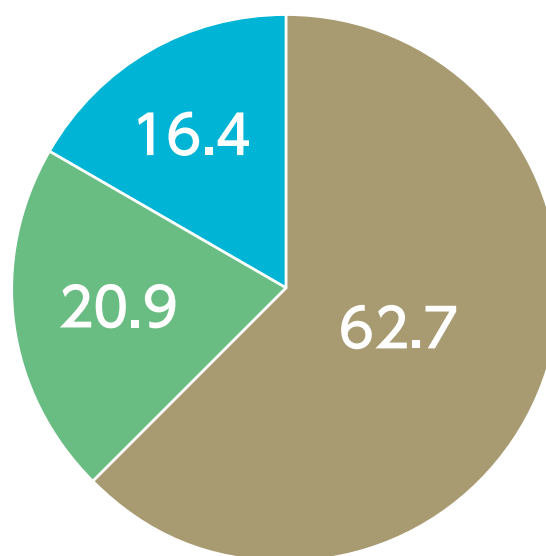
Always placing itself in the customer's position, Makita aims to be a global supplier of a comprehensive range of power tools that assist people in creating homes and living environments, while continuously striving to become a truly global corporation. On the basis of this stance, by continuing to develop market-leading products, we aim to become a consistently strong company. With this, we mean a company that can capture and maintain worldwide market leadership as a global total supplier of professional power tools, gardening equipment and pneumatic tools to customers around the world.

Fiscal 2018 Highlights

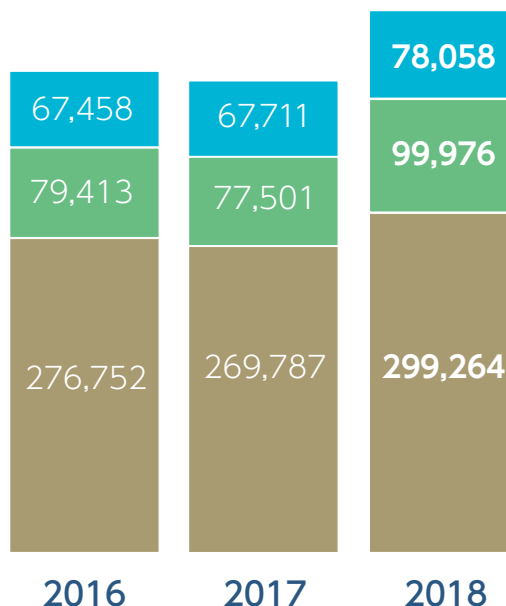
Share of Net Sales



Share of Net Sales
(% / FY2018)



Net Sales
(Yen in millions)



Power Tools

Share of Net Sales
(FY2018)

62.7%

Net Sales

¥299,264 Mil.



Gardening Equipment, Household and Other Products

Share of Net Sales
(FY2018)

20.9%

Net Sales

¥99,976 Mil.



Parts, Repairs and Accessories

Share of Net Sales
(FY2018)

16.4%

Net Sales

¥78,058 Mil.



Key Figures



Net Sales

¥477,298 Mil.

15.0%  UP



Operating Income

¥79,762 Mil.

27.5%  UP



Operating Margin

16.7%

1.6 pt  UP



Overseas
Net Sales Ratio

82.7%



Number of
Employees
(Consolidated)

16,137



Production
Output

31.11 Mil.(units)



R&D Costs

¥10,894 Mil.



Capital
Expenditures

¥14,149 Mil.



ROE

10.4%

Sales by Region

EUROPE

Net Sales

¥ 202,054 Mil.

19.6%  UP

NORTH AMERICA

Net Sales

¥ 73,873 Mil.

11.7%  UP

ASIA (excluding Japan)

Net Sales

¥ 44,094 Mil.

10.0%  UP

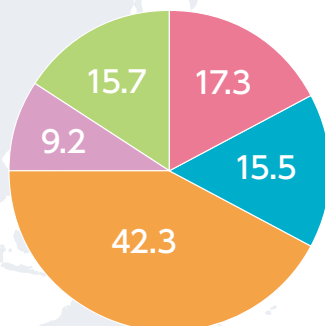
JAPAN

Net Sales

¥ 82,575 Mil.

11.0%  UP

Share of Net Sales
(% / FY2018)



OTHER REGIONS

Net Sales

¥ 74,702 Mil.

14.2%  UP

Central and South America

Net Sales

¥ 27,922 Mil.

20.8%  UP

Oceania

Net Sales

¥ 31,284 Mil.

24.7%  UP

The Middle East and Africa

Net Sales

¥ 15,496 Mil.

9.9%  DOWN

Interview: To Our Stakeholders



Munetoshi Goto

President,
Representative Director

As a global supplier of a comprehensive range of power tools that assist people in creating homes and living environments, Makita aims to become No. 1 in the world by exploring various possibilities and embracing new challenges based on long-term perspectives. Even in turbulent world markets, we will align ourselves closely with markets and customers around the world and listen to the voices of people on the front lines, deploying our strengths to respond flexibly to the changing times. We will continue actively investing to maintain and strengthen our sales, product development, and manufacturing strengths, which form the source of our competitiveness. At the same time, we will enhance our brand power as we strive to become a “strong company” in the next generation.



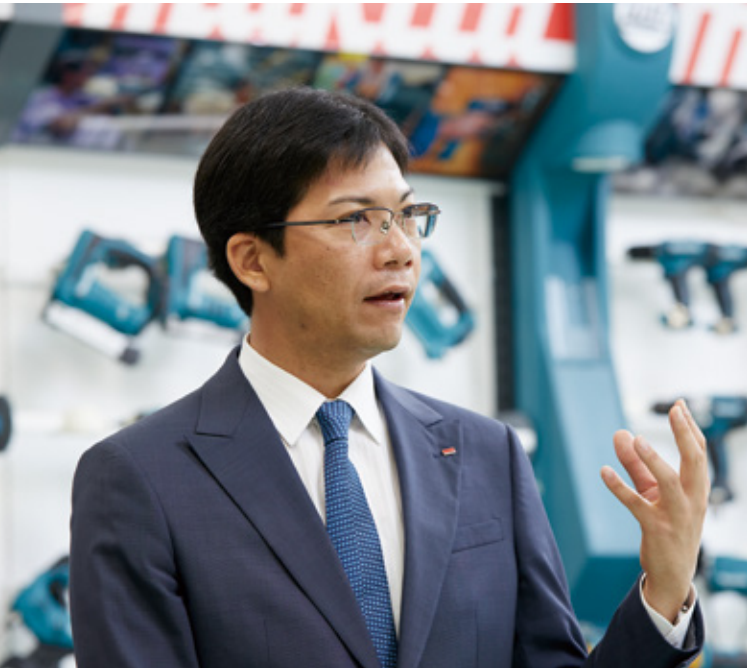
Masahiko Goto

Chairman,
Representative Director

Please describe the highlights of fiscal 2018.

In fiscal 2018, ended March 31, 2018, healthy economic conditions in Germany and the United States provided a boost to global capital flows, while emerging markets were energized by increases in prices of resources. Against this favorable global economic backdrop, the Makita Group enjoyed solid growth, posting consolidated net sales of ¥477.3 billion, up 15.0% year on year. During the year, our new lithium-ion battery products and gardening equipment—two categories of particular focus—were well received in various markets. Our plants' ability to effectively address vibrant demand supported our business performance. It was a good year, buoyed by a positive cycle of development, production, sales, and services.

By region, we performed well in Oceania, Western Europe, and Eastern Europe. In the face of rising personnel costs, customers sought to enhance work efficiency, resulting in healthy sales of highly functional products. Moreover, surging prices of copper and other mineral-related resources led to an upturn in Latin America, which had stagnated until the previous fiscal year. In Japan, we again performed strongly, as we did the previous year, thanks mainly to new products. During the year, we conducted a nationwide campaign for our gardening equipment, and the injection of new merchandise led to signs of market progress and stimulation, which were pleasing developments.



Please tell us about future demand trends and your business strategies in response.

First of all, we expect that demand for offerings that enhance work-site productivity will increase. This will help resolve labor shortages, which is an issue for society. Such trends will continue over the medium and long terms, both in advanced and emerging nations.

Products that help enhance work-site productivity not only raise work efficiency, but also allow work to be performed without stopping on-site activities. Such products improve workplace environments and enable work to be done more safely. At the same time, they help reduce the impact on the natural environment, which is also important.

At Makita, batteries and recharging technologies are pillars for solving problems. We believe that our efforts to replace engine-powered products with battery-powered products will help eliminate exhaust gas from work sites and the need for fuel, thus greatly contributing to environmental issues. Battery-powered products also reduce noise and vibration, effects that help improve the environment around workplaces and alleviate the physical impact on users.

By expanding our range of battery-powered products, we will facilitate the transition to cordless workplaces,

enabling us to prevent simple accidents caused by cords, such as tripping, falling, and electricity leakage, thus increasing the safety of workplace environments.

Makita also offers products that combine recharging technologies and dust-collection technologies, thus complying with particulate-related measures demanded by recent occupational health and safety requirements. These products greatly contribute to work-site environmental improvement while enhancing work efficiency.

To raise the market share of sales, it is essential that we make products the market wants. In addition to the conventional need for convenience and efficiency, we develop and offer products that closely reflect workers' needs for safety and health, such as dust collectors. We believe this will help increase market share in each region.

We cannot say we are contributing to society unless we can help resolve environmental issues while maintaining and improving customer productivity. In that sense, I feel we are taking the first steps in the right direction. We will continue targeting further improvements in safety performance, environmental performance, and work performance. At the same time, we will continue responding to customers' solutions-related needs to grow our business over the medium and long terms.

Sales of gardening equipment, which is positioned as a future business pillar alongside power tools and a sector we are targeting for medium- to long-term sales growth, increased steadily.

Since April 2017, we have conducted a "Zero Emission Campaign" to convey in an easy-to-understand way the features of our cordless gardening equipment that we focus on. Through this campaign, we hope to increase sales in all regions of the world. I feel that market recognition of our cordless gardening equipment is rising steadily.

At present, sales of our gardening equipment are very low. Certainly, turning that segment into a business pillar on a par with power tools is a major challenge. In light of overall market scale, however, I believe it can be achieved. That said, we cannot maintain our current level of service quality with our current system if we double our sales target by expanding our business on a large-market scale.

It will take time to establish a system to support that level of service. To develop our second business pillar, we need to take on the huge gardening equipment market. We must prepare meticulously to make the right responses. This is the important message I wish to convey to our employees with a phrase such as “second business pillar.”

Over the past one or two years, we have built a lineup of cordless gardening equipment with equal or better performance than engine-powered products. Replacing engine-powered offerings with cordless ones will require new levels of technological development in numerous fields, so we must continue forging ahead for the long term. As the automobile industry transitions to electric vehicles (EVs), we see faster and faster advances in recharging technologies, including innovations in battery materials. Promoting further technological development while firmly grasping these changes and technological innovations will be the key to expanding our business. If we can use new technologies to increase customer convenience, we must embrace those same technologies and incorporate them in our products. This is paramount, I believe.

Please tell us about initiatives planned for fiscal 2019.

On the product development side, we will continue expanding our range of cordless offerings, although our lineup includes many products that are not battery-powered. As for recharging technologies, we are making steady progress year by year. Even in fields previously regarded as technically difficult, I believe our recharging technologies will make further inroads. We will also continue focusing on developing gardening equipment and dust-collection products.

With respect to production, we will continue utilizing robot technologies. Rather than simply buying and introducing robots, we will continue devising ways to hone our workplace know-how to see what kinds of robots are best for our company. In addition to increased production of gardening equipment, we anticipate growing demand in various regions for technologically advanced, value-added brushless motors. In response, we will establish mass-production systems in each region, including expansion of our production facilities in China and Romania.

On the sales front, we will continue implementing our campaign for cordless gardening equipment. I hope that fiscal 2019 will be a year in which more and more people appreciate the merits of our products. We will

launch worldwide initiatives tailored to the attributes of each region. Increasing the quantity of products requires providing more services, and for this reason, I believe it will be important to improve service-related productivity and logistics, including use of artificial intelligence (AI).

Please give your outlook for fiscal 2019, as well as a concluding message to stakeholders.

In addition to emphasizing cordless products, we will continue increasing revenue in each region while accelerating efforts related to production, logistics, and services.

Along with foreign exchange factors, there is a high possibility that our earnings will be affected by rising procurement costs stemming from ongoing shortages of labor and materials. We also need to make more investments in technological development, especially in the gardening equipment category. In addition, we will invest in expanding and upgrading production and sales operations. Altogether, in fiscal 2019, we plan to make the largest investments in our history. We ask for your understanding and support for these future-oriented initiatives.

As we forge ahead toward long-term advancement, we are currently in a very privileged position in which we can effectively address issues that need to be tackled in the future. This is due to the support and protection of our investors and shareholders and their long-term perspectives, as well as the support of customers, business partners, local communities, and employees in regions around the world—for which we are deeply thankful. In this business environment, many companies cannot do the things they want to do, or they refrain from acting unless desired outcomes can be achieved in a single year. By contrast, Makita firmly believes that doing what should be done, with steady, long-term advancement in mind, is the key to solid growth. Thanks to the gift of everyone’s support, we are able to forge such a path.

We intend to manage our business with the aim of achieving mutual growth with all stakeholders over the long term, and we look forward to everyone’s ongoing support.

Special Feature: Makita's Value Chain

Makita is committed to a management policy that “strives to exist in harmony with society,” “values its customers,” “is managed in a consistent and proactive manner,” and “values a stalwart corporate culture, encouraging all individuals to perform to their highest level.” Accordingly, we will deliver solutions to various challenges facing society—including global environmental issues, natural disasters, and labor shortages—and help build a sustainable society through our business activities, thus achieving further corporate growth.

Makita's Value Chain

Product development

Cordless products that improve both work efficiency and the environment

- Pioneers in lithium-ion battery tools
Makita recognized as “synonymous with cordless tools”
- Safe, efficient, environmentally friendly worksites thanks to cordless equipment
Replacing AC power-cord tools and engine-powered products

P09
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Global production

Production system tailored to regional needs and risks

- Providing plants around the world with the latest production technologies from our Okazaki Plant in Japan and mass-production technologies and know-how from our China Plant
- Cumulative improvements at the worksite level lead to advancement of manufacturing worldwide

P10
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Sales and service network

Building a sales and service network with close ties to regions and customers

- No. 1 sales and after-sales service system in the industry
- Directly managed operations in 115 locations in Japan and more than 50 countries around the world

P11
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“As a global supplier of power tools used in building homes and in everyday life, Makita is aiming to conduct a wide range of environmental protection activities, taking into consideration biodiversity, to build an affluent society for future generations.” This is our basic environmental principle, which we will strive to fulfill through our day-to-day activities.

Product development

Leveraging industry-leading recharge-control and motor technologies to promote cordless environments

In 2005, we led the industry in incorporating lithium-ion batteries into our power tools. Since then, we have been developing products that take advantage of industry-leading recharge-control and motor technologies. We will continue providing society with products that make worksites around the world safer, more efficient, and more comfortable.



Product development: Makita's strengths and new initiatives

- Faster-charging and longer-life batteries thanks to original recharge-control technologies
- Industry's best lineup, with wide-ranging product categories



Making engine-powered products cordless, and developing products other than large tools and equipment

Solving worksite issues with advances in cordless technologies

- Addressing worksite labor shortages with good work efficiency and ease of use
- Replacing engine-powered tools to eliminate exhaust gas and reduce noise and vibration
- Helping prevent worksite accidents, such as tripping over power cords
- Contributing to work in places with poor access to stable power supplies



COLUMN

Expanding problem-solving domains by adapting recharging technologies to gardening tools as well

“Shifting from engine-powered to battery-powered” gardening equipment

We are focusing on developing cordless gardening equipment as a pillar of our business, after power tools. Battery-powered gardening equipment does not emit exhaust gas during use and significantly reduces noise and vibration compared with engine-powered models. This contributes greatly to improving the environment around worksites and alleviating the physical impact on users. Such equipment is also lightweight, easy to start, and easy to use, even for elderly people and women. Deploying battery and motor technologies amassed through our involvement in power tools, we will accelerate the “shift from engine-powered to battery-powered” equipment through proactive R&D and increased sales. In the process, we will help realize a zero-emissions society in the future.



Pursuing better manufacturing around the world

In addition to Japan and China, we manufacture at and ship from plants in the United States, United Kingdom, Brazil, Germany, Romania, and Thailand, for a total of eight nations. Having production bases in major regions of the world is a key strength that enables us to make and supply products in a timely manner according to regional demand. Moreover, by utilizing robots and making constant frontline improvements, we do not become dependent on intuitive or favored experiences of individual employees in any region of the world. We are working to build a system that can always efficiently supply reliable products.



Global production: Makita's strengths and new initiatives

- Establishing plants close to markets to address regional demand in a timely manner
- Addressing foreign exchange factors, natural disasters, geopolitical risks, etc.
- Two "mother plants," one each in Japan and China, develop manufacturing and mass-production technologies for our other plants

Expansion of plants in China and Romania to prepare for increased production of cordless tools and gardening equipment

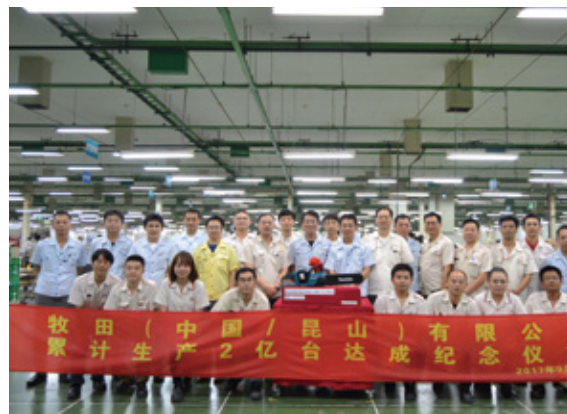
Utilizing IoT and robotics to improve product quality and productivity

COLUMN

Role of "mother plants" in enhancing productivity and stabilizing quality

As we increase production, the need to enhance manufacturing efficiency and ensure reliable product quality at our plants is a priority we cannot ignore. In addition to utilizing the latest technologies, such as IoT and robotics, Makita shares know-how accumulated on the front lines with its various plants.

Among them, our Okazaki Plant and the China Plant play major roles. The Okazaki Plant embraces state-of-the-art production technologies and also develops robots in-house that meet the requirements of Makita's production sites. The China Plant plays a central role in spreading ingenuity and know-how for mass production to other Makita Group plants, drawing on the achievements and experiences gained by handling more than 60% of the Group's production.



The China Plant reached cumulative production of 200 million units

Delivering products and services directly to customers all over the world

At construction sites, where heavy work is done every day, it is important that equipment failures do not lead to work stoppages. With a sales policy emphasizing close ties with regions and customers, we aim to build sales and service networks all over the world and develop trust-based relationships with customers through swift and meticulous after-sales services.



Sales and services: Makita's strengths and new initiatives

- Industry-leading sales and service network brings meticulous after-sales services
- Building fast-acting logistics and repair systems to help maintain work efficiency and productivity at worksites around the world
- Feedback on our products and services gained from customers and users worldwide enables us to plan new products that improve worksite productivity and reflect users' needs

Aggressive PR activities emphasizing the benefits of cordless products

Using AI and enhancing logistics to further improve our service capabilities

COLUMN

Always "supporting," not "being supported"

Using our supply chain to build relationships of coexistence and prosperity

Restoration-related demand following the Ise Bay typhoon of 1959 gave Makita the opportunity to develop as a specialist manufacturer of electric power tools. Drawing on that experience, we have traditionally maintained a deep commitment to "always being on the support side in times of disaster."

For example, when a disaster occurs somewhere in the world, we receive situational reports in real time from our operation covering that region. Those reports always include updates on our efforts to support customers and business partners in the region, efforts that underscore the strength of our commitment.

Building firm, trust-based relationships with our partners, especially during difficult times, is the wellspring of the Makita brand.



The first Japan-made portable electric planer, made by Makita, actively supported restoration efforts following the Ise Bay typhoon.

Corporate Governance

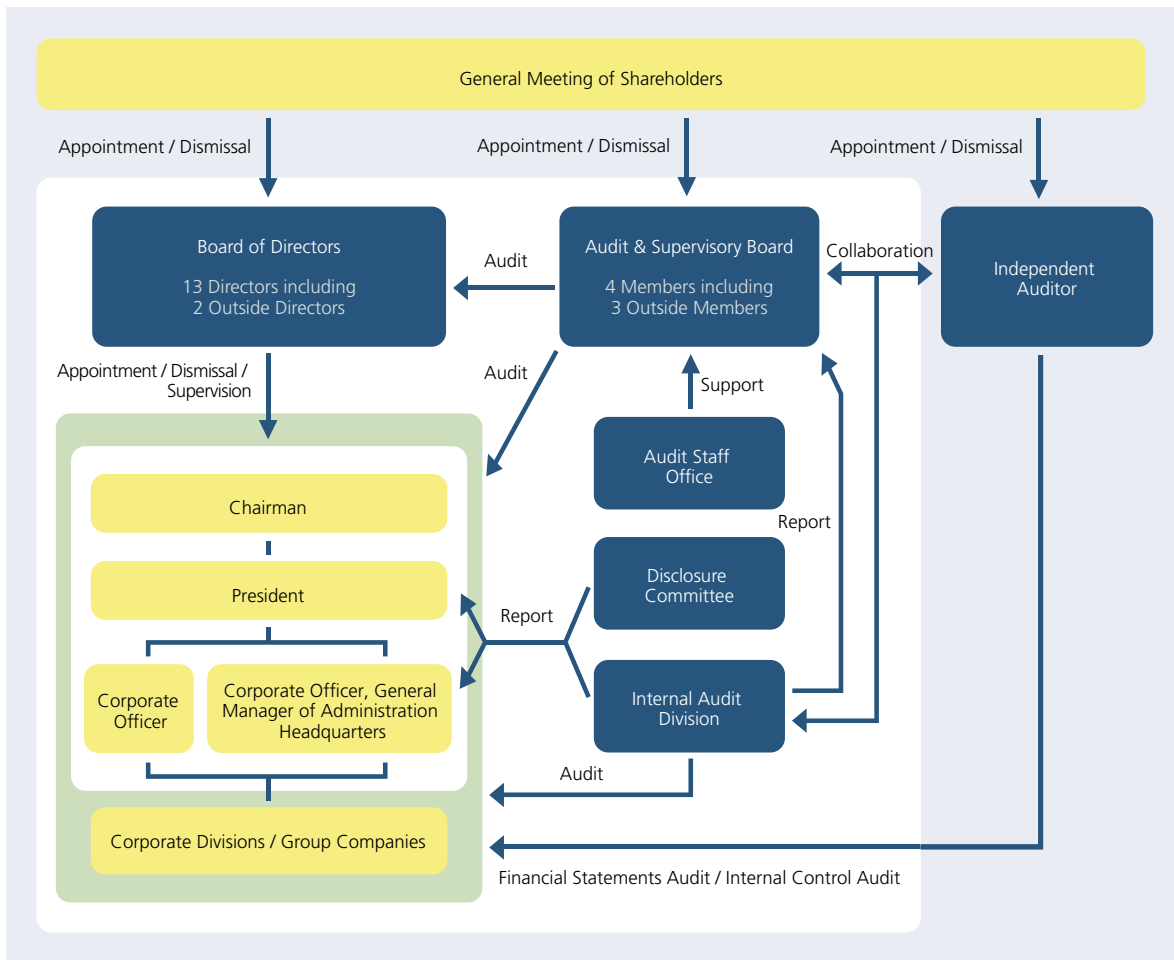
Overview of the Corporate Governance Structure

The Corporation has adopted an audit and supervisory board system. The Audit & Supervisory Board consists of four Audit & Supervisory Board members, three of whom are independent outside Audit & Supervisory Board members who are not and have not been employed by the Corporation, including two who serve in a part-time capacity. The two standing Audit & Supervisory Board members are able to audit the execution of duties by directors at all times. Two of the four Audit & Supervisory Board members have considerable knowledge of finance

and accounting. The Audit & Supervisory Board members share information by means including the provision of audit reports and report on the Corporation's condition to the independent auditor in charge of the Corporation's financial audits as needed. The Corporation's Articles of Incorporation stipulate that the number of Audit & Supervisory Board members shall not exceed five.

The Board of Directors determines basic policies, matters required by law, and important matters relating to management. The Corporation introduced a corporate officer system to facilitate prompt implementation of the Group strategy and strengthen the business execution structure, and strives to engage in flexible and efficient business operation and enhance corporate value. The Board

The following is a schematic diagram of the Makita Group's corporate governance structure.



of Directors currently consists of thirteen directors, two of whom are independent outside directors. The Corporation's Articles of Incorporation stipulate that the number of directors shall not exceed fifteen.

Internal Audits and Audits by Audit & Supervisory Board Members

As an independent organization in charge of the Corporation's internal audits, the Internal Audit Division conducts the internal audits necessary to maintain the soundness of the Corporation's management.

With regard to audits by Audit & Supervisory Board members, in accordance with the audit policy and division of duties established by the Audit & Supervisory Board, the four Audit & Supervisory Board members attend meetings of the Board of Directors and other important meetings, receive reports on operations from the directors, read important documents such as approval requests, and examine the status of operations and assets at the head office and principal places of business. They request business reports from subsidiaries, and as necessary, visit subsidiaries to examine the status of operations and assets. They also share information by receiving audit reports and reports on the Corporation's condition from the independent auditor as needed.

Relationships with the Outside Directors and Outside Audit & Supervisory Board Members

Outside Director Mr. Akiyoshi Morita formerly served successively as president and chairman of Aichi Steel Corporation, a core company of the Toyota Group, one of the world's leading corporate groups. Mr. Morita attends meetings of the Corporation's Board of Directors and is responsible for strengthening the management oversight function, using the experience and knowledge of a management professional cultivated throughout his career, offering advice and recommendations in accordance with that role.

There are no personal relationships, capital relationships, or other interests between the Corporation and Mr. Morita. Although the Makita Group purchases parts from Aichi Steel Corporation, where Mr. Morita was previously employed, the transaction amount in the fiscal year ended March 31, 2018 was ¥703 million, representing 0.30%

of the consolidated net sales of Aichi Steel Corporation. There are no personal relationships, capital relationships, or other interests between the Corporation and the Aichi Steel Group, and the Corporation deems Mr. Morita independent from the Corporation and the Corporation's management in charge of business execution. Mr. Morita was elected as an outside director at the General Meeting of Shareholders on June 25, 2013, and has held office for five years.

Outside Director Mr. Masahiro Sugino formerly served as president and representative director of LIXIL Group Corporation, Japan's leading comprehensive living and housing solutions group, and as president and representative director of LIXIL Corporation. Mr. Sugino attends meetings of the Corporation's Board of Directors and is responsible for strengthening the management oversight function, using the experience and knowledge acquired throughout his career as a management professional.

There are no personal relationships or other interests between the Corporation and Mr. Sugino. The Makita Group sells products to LIXIL Corporation, for whom Mr. Sugino previously worked, as well as to Misawa Homes Co., Ltd., where he serves as an outside director, and to consolidated subsidiaries of Misawa Homes. However, the total transaction amounts from sales to LIXIL Corporation and the Misawa Homes Group in the fiscal year ended March 31, 2018 were ¥3 million and ¥284 million, respectively, representing less than 0.01% and only 0.06%, respectively, of the consolidated net sales of the Makita Group. Although the Corporation holds shares of LIXIL Group Corporation, the amount on the consolidated balance sheets for the fiscal year ended March 31, 2018 was ¥166 million, which represents 0.03% of the total assets of the Makita Group. Since there are no other personal relationships or interests between the Corporation and LIXIL Group Corporation, the Corporation deems Mr. Sugino independent from the Corporation and the Corporation's management in charge of business execution. Mr. Sugino was elected as an outside director at the General Meeting of Shareholders on June 25, 2015, and has held office for three years.

Outside Audit & Supervisory Board member Mr. Akira Kodama was elected as an Audit & Supervisory Board member at the General Meeting of Shareholders on June 28, 2016, and has served for two years. Mr. Kodama has many years of experience at financial institutions and professional knowledge in finance. He attends meetings of the Corporation's Board of Directors and Audit & Supervisory Board, offering opinions based on his perspectives as a professional.

Outside Audit & Supervisory Board member Mr. Fusahiro Yamamoto was elected as an Audit & Supervisory Board member at the General Meeting of Shareholders on June

25, 2013, and has served for five years. As a certified public accountant, Mr. Yamamoto is well versed in corporate accounting. He attends meetings of the Corporation's Board of Directors and Audit & Supervisory Board, offering opinions based on his perspectives as a professional.

Outside Audit & Supervisory Board member Mr. Shoji Inoue was elected as an Audit & Supervisory Board member at the General Meeting of Shareholders on June 28, 2016, and has served for two years. Mr. Inoue has professional knowledge and abundant experience as an attorney. He attends meetings of the Corporation's Board of Directors and Audit & Supervisory Board, offering opinions based on his perspectives as a professional.

Outside Audit & Supervisory Board members Mr. Akira Kodama and Mr. Fusahiro Yamamoto hold no stock in the Corporation and have no personal relationships, business relationships, capital relationships, or other interests with the Corporation. Outside Audit & Supervisory Board member Mr. Shoji Inoue holds stock in the Corporation. Although the Corporation pays transportation fees to Meitetsu Transportation Co., Ltd., where Mr. Inoue serves an outside director, the transaction amount in the fiscal year ended March 31, 2018 was ¥201 million, representing 0.2% of the consolidated net sales of Meitetsu Transportation Co., Ltd. Mr. Inoue has no other personal relationships, business relationships, or other interests with the Corporation except for holding and trading its stock.

The Corporation deems there is no risk of conflict of interest with ordinary shareholders and has designated outside directors Akiyoshi Morita and Masahiro Sugino as independent directors and outside Audit & Supervisory Board members Akira Kodama, Fusahiro Yamamoto, and Shoji Inoue as independent Audit & Supervisory Board members in accordance with the regulations of the financial instruments exchanges. The Corporation has entered into agreements with the above-mentioned two outside directors and three outside Audit & Supervisory Board members, with respect to their liability for damages to the Corporation as prescribed in Article 423, Paragraph 1, of the Companies Act, to limit the total amount of liabilities to the sum of the amounts prescribed in the items of Article 425, Paragraph 1, thereof.

The role of the Corporation's outside directors is to strengthen the efficacy of oversight by the Board of Directors concerning the execution of duties by directors, from an impartial, external perspective with no possibility of conflict of interest with ordinary shareholders. Moreover, outside Audit & Supervisory Board members of the Corporation have their own specialist expertise. Their role is to audit the execution of business by directors, from an impartial, external perspective with no possibility of conflict of interest with ordinary shareholders. To properly fulfill their roles, outside directors and outside Audit & Supervisory Board members receive reports on business performance, internal control systems, and the like at Board of Directors meetings, where they cooperate with each other and exchange opinions as necessary. The Corporation has not established particular criteria or policies covering the independence of outside directors. When appointing outside directors and outside Audit & Supervisory Board members, we refer to criteria on the independence of outside directors determined by financial instruments exchanges. Accordingly, we believe our system for appointing outside directors and outside Audit & Supervisory Board members is appropriate.

Policy on the Determination of Remuneration for Directors

Monthly salaries for directors are paid according to position and the like within limits for total monthly compensation prescribed by resolution of the General Meeting of Shareholders.

Director bonuses, which directors (excluding outside directors) are eligible for, are linked to consolidated business results, with the aim of raising motivation to improve business performance.

Seeking to increase morale and motivation to help improve corporate value over the medium and long terms, the Corporation issues stock compensation-type stock options to directors (excluding outside directors) so that they share the risks and rewards of stock price fluctuations with shareholders.

To ensure independence from management, the total amount of compensation for Audit & Supervisory Board members is fixed, with the specific amount determined in consultation with auditors.

Comments from an Outside Audit & Supervisory Board Member

In my role as an outside Audit & Supervisory Board member, shareholders and other investors expect me to monitor overall management as an independent officer through daily audit activities. They also expect me to contribute to corporate governance and, by extension, improvement of corporate value.

With this in mind, I have been working with the Board of Directors to identify potential risks under these dramatically changing market conditions. At Audit & Supervisory Board meetings, I have sought to exchange frank opinions with other members. In addition to periodic interviews on the status of business execution with all the directors and senior employees, I have worked in cooperation with our auditing firm and confirmed that the Corporation is handling its business activities appropriately.

Through my activities as an Audit & Supervisory Board member, I was impressed with the Corporation's strength to steadily grow as a global corporation by promoting measures brimming with foresight in responding swiftly to changing market conditions—including advances in cordless products and engineless products—amid political and economic uncertainty around the world. Moreover, Makita has a solid backbone as a manufacturing company. On the sales side, I was deeply impressed with the Corporation's commitment to always valuing customers, reflected in its "3-day repair system."

Overseas sales account for more than 80% of our consolidated net sales, and around 90% of our products (on a unit basis) are made overseas, so we are one of Japan's most globally developed companies. In this context, Makita's management team, from the president down, regularly visits our domestic and overseas operations to grasp their situations. We have a mechanism in place whereby any issues identified from such visits are promptly

raised at Board of Directors meetings. We also have outside directors, who have served as top executives in industries outside the Corporation, who fulfill a monitoring function at Board of Directors meetings. From the perspective of governance, therefore, I believe that the Corporation is being managed effectively.

Although competition will remain fierce in Japan and overseas, Makita is expected to prevail in its quest to become a "strong company." Personally, I will make full use of my experiences at the Bank of Japan and other financial institutions to maintain and strengthen corporate governance and, by extension, help increase corporate value from my standpoint as an outside Audit & Supervisory Board member.



Akira Kodama

Standing Audit &
Supervisory Board Member (Outside)

Directors, Audit & Supervisory Board Members and Corporate Officers (as of July 1, 2018)

Directors and Audit & Supervisory Board Members

Directors

* Chairman

Masahiko Goto

* President

Munetoshi Goto

Director, Managing Corporate Officer

Tadayoshi Torii

General Manager of Production Headquarters

Directors, Corporate Officers

Hisayoshi Niwa

General Manager of Quality Headquarters

Shinichiro Tomita

General Manager of Purchasing Headquarters

Tetsuhisa Kaneko

General Manager of Research and Development Headquarters

Tomoyuki Ota

Assistant General Manager of Research and Development Headquarters

Takashi Tsuchiya

General Manager of Domestic Sales Headquarters

Masaki Yoshida

Assistant General Manager of Production Headquarters

Takashi Omote

General Manager of International Sales Headquarters

Yukihiro Otsu

General Manager of Administration Headquarters

Outside Directors

Akiyoshi Morita

Masahiro Sugino

Special Advisor of LIXIL Corporation

*Denotes Representative Director.

Audit & Supervisory Board Members

Standing Audit & Supervisory Board Members

Mitsuhiko Wakayama

Akira Kodama

Audit & Supervisory Board Members

Fusahiro Yamamoto

Certified Public Accountant

Shoji Inoue

Attorney at Law

Messrs. Akira Kodama, Fusahiro Yamamoto, and Shoji Inoue are Outside Audit & Supervisory Board Members.

Corporate Officers

Yasushi Fukaya

In charge of Europe Sales

Tomoharu Yasuda

Assistant General Manager of Domestic Sales Headquarters: Tokyo Area

Shinichi Sakamoto

In charge of Asia Sales and Managing Director of Makita China Sales

Atsunobu Iwakura

Assistant General Manager of Domestic Sales Headquarters: Osaka Area

Hideki Shimazoe

Assistant General Manager of Domestic Sales Headquarters: Nagoya Area and Direct Business Department

Larry Peck

President of Makita Corporation of America and in charge of Brazil Plant

Rich Chapman

Executive Vice President of Makita U.S.A. Inc.

Barry Smart

Sales and Marketing Director of Makita (U.K.) Ltd.

5-Year Summary

MAKITA CORPORATION AND SUBSIDIARIES
FOR THE YEARS ENDED MARCH 31

For the years ended March 31	Yen in millions					U.S. Dollars in thousands
	2014	2015	2016	2017	2018	2018
Net Sales	¥383,207	¥414,718	¥423,623	¥414,999	¥477,298	\$4,502,811
Domestic	66,019	67,740	68,445	74,381	82,575	779,009
Overseas	317,188	346,978	355,178	340,618	394,723	3,723,802
Operating Income	54,914	71,905	64,676	62,564	79,762	752,472
Income Before Income Taxes	56,974	68,394	61,492	64,738	79,678	751,679
Net Income Attributable to Makita Corporation	38,453	45,307	41,615	44,782	54,755	516,557
Net Cash Provided by Operating Activities	41,686	35,894	34,188	63,351	33,294	314,094
Net Cash Used in Investing Activities	(20,084)	(20,096)	(6,573)	(5,015)	(14,811)	(139,726)
Free Cash Flows	21,602	15,798	27,615	58,336	18,483	174,368
Net Cash Used in Financing Activities	(7,365)	(12,017)	(18,719)	(9,495)	(17,743)	(167,387)
Capital Expenditures	11,417	12,124	11,769	13,222	14,149	133,481
Depreciation and Amortization	8,622	8,619	9,284	8,943	9,917	93,557
R&D Costs	8,720	9,117	9,593	10,139	10,894	102,774
As of March 31						
Total Assets	¥519,121	¥575,328	¥558,024	¥597,249	¥651,031	\$6,141,802
Net Working Capital	310,750	358,245	362,675	374,297	415,979	3,924,330
Total Makita Corporation Shareholders' Equity	435,934	486,021	479,752	502,170	551,939	5,206,972
Interest-Bearing Debt	4,163	5,030	2,225	6,597	3,544	33,434
Per Share Amounts:						
Earnings per Share of Common Stock and per ADS: Basic	¥ 141.6	¥ 166.9	¥ 153.3	¥ 165.0	¥ 201.7	\$ 1.90
Total Shareholders' Equity	1,605.8	1,790.3	1,767.3	1,849.9	2,033.2	19.18
Cash Dividends Applicable to the Year	91.0	118.0	101.0	100.0	61.0	0.58
Other data:						
Ratio of Operating Income to Net Sales	14.3%	17.3%	15.3%	15.1%	16.7%	
Return on Equity (ROE)	9.5%	9.8%	8.6%	9.1%	10.4%	
Return on Assets (ROA)	8.0%	8.3%	7.3%	7.8%	8.8%	
Shareholders' Equity Ratio	84.0%	84.5%	86.0%	84.1%	84.8%	
Average Number of Shares Outstanding	271,481,657	271,472,428	271,468,232	271,463,676	271,465,951	
Number of Outstanding Shares Excluding Treasury Stock	271,475,252	271,469,736	271,466,522	271,460,572	271,467,928	
Employees	12,804	13,835	14,784	15,344	16,137	

Notes

- The U.S. dollar amounts above and elsewhere in this report represent translations, for the convenience of the reader, at the rate of ¥106 to US\$1.
- Consolidated financial statements are prepared in accordance with United States Generally Accepted Accounting Principles.
- Net income attributable to Makita Corporation per share is computed based on the average number of common stock outstanding during the term.
- Figures are rounded up/down to the nearest million yen and/or thousand U.S. dollars.
- The Company implemented a two-for-one common stock split, effective April 1, 2017. Figures for net income attributable to Makita Corporation common shareholders per share (basic), Makita Corporation shareholders' equity per share, average number of shares outstanding, and number of outstanding shares excluding treasury stock are calculated based on the assumption that the relevant stock split was carried out for prior years as well. Regarding annual dividends per share, actual dividend amounts before the relevant stock split are stated.

Consolidated Balance Sheets

MAKITA CORPORATION AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEETS
 AS OF MARCH 31, 2017 AND 2018

	Yen in millions		U.S. Dollars in thousands
	2017	2018	2018
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	¥142,181	¥147,320	\$1,389,811
Time deposits	34,329	43,013	405,783
Short-term investments	23,441	14,782	139,453
Trade receivables—Notes	1,199	1,343	12,670
Trade receivables—Accounts	67,086	79,092	746,151
Less-Allowance for doubtful receivables	(1,137)	(1,340)	(12,642)
Inventories	167,398	196,217	1,851,104
Deferred income taxes	4,723	—	—
Prepaid expenses and other current assets	13,349	16,150	152,358
Total current assets	452,569	496,577	4,684,689
PROPERTY, PLANT AND EQUIPMENT, AT COST:			
Land	22,358	22,626	213,453
Building and improvements	94,927	98,648	930,642
Machinery and equipment	91,493	98,868	932,717
Construction in progress	5,531	6,027	56,858
Subtotal	214,309	226,169	2,133,670
Less-Accumulated depreciation and amortization	(119,802)	(126,305)	(1,191,557)
Total net property, plant and equipment	94,507	99,864	942,113
INVESTMENTS AND OTHER ASSETS:			
Investments	34,004	33,815	319,009
Goodwill	721	721	6,802
Other intangible assets, net	3,641	3,944	37,208
Deferred income taxes	650	3,975	37,500
Other assets	11,157	12,135	114,481
Total investments and other assets	50,173	54,590	515,000
Total assets	¥597,249	¥651,031	\$6,141,802

	Yen in millions		U.S. Dollars in thousands
	2017	2018	2018
LIABILITIES			
CURRENT LIABILITIES:			
Short-term borrowings	¥ 6,579	¥ 3,411	\$ 32,179
Trade notes and accounts payable	26,347	28,156	265,623
Other payables	7,122	7,131	67,274
Accrued expenses	10,537	11,952	112,755
Accrued payroll	9,431	10,731	101,236
Income taxes payable	6,944	9,720	91,698
Deferred income taxes	3,134	—	—
Other liabilities	8,178	9,497	89,594
Total current liabilities	78,272	80,598	760,358
LONG-TERM LIABILITIES:			
Accrued retirement and termination benefits	3,161	3,206	30,245
Deferred income taxes	8,313	9,391	88,594
Other liabilities	1,692	1,703	16,066
Total long-term liabilities	13,166	14,300	134,906
Total liabilities	91,438	94,898	895,264
EQUITY			
MAKITA CORPORATION SHAREHOLDERS' EQUITY:			
Common stock	23,805	23,805	224,575
Additional paid-in capital	45,501	45,531	429,538
Legal reserve	5,669	5,669	53,481
Retained earnings	456,546	497,456	4,692,981
Accumulated other comprehensive income (loss)	(17,728)	(8,905)	(84,009)
Treasury stock, at cost	(11,623)	(11,617)	(109,594)
Total Makita Corporation shareholders' equity	502,170	551,939	5,206,972
NON-CONTROLLING INTEREST	3,641	4,194	39,566
Total equity	505,811	556,133	5,246,538
Total liabilities and equity	¥597,249	¥651,031	\$6,141,802

Consolidated Statements of Income

MAKITA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME FOR THE YEARS ENDED MARCH 31, 2016, 2017 AND 2018

	Yen in millions			U.S. Dollars in thousands
	2016	2017	2018	2018
NET SALES	¥ 423,623	¥414,999	¥477,298	\$4,502,811
Cost of sales	270,121	267,506	302,173	2,850,689
GROSS PROFIT	153,502	147,493	175,125	1,652,123
Selling, general, administrative and others, net	88,826	84,929	95,363	899,651
OPERATING INCOME	64,676	62,564	79,762	752,472
OTHER INCOME (EXPENSE):				
Interest and dividend income	2,468	2,512	2,919	27,538
Interest expense	(115)	(104)	(43)	(406)
Exchange gains (losses) on foreign currency transactions, net	(1,552)	(233)	(3,235)	(30,519)
Realized gains (losses) on securities, net	1,418	26	299	2,821
Impairment loss on securities	(5,403)	(27)	(24)	(226)
Total other income (expense), net	(3,184)	2,174	(84)	(792)
INCOME BEFORE INCOME TAXES	61,492	64,738	79,678	751,679
Provision for income taxes: Current	18,707	19,988	24,943	235,311
: Deferred	812	(378)	(536)	(5,057)
Total income tax expense	19,519	19,610	24,407	230,255
NET INCOME	41,973	45,128	55,271	521,425
Less-Net income attributable to the non-controlling interest	358	346	516	4,868
NET INCOME ATTRIBUTABLE TO MAKITA CORPORATION	¥ 41,615	¥ 44,782	¥ 54,755	\$ 516,557
PER SHARE OF COMMON STOCK AND ADS:		Yen		U.S. Dollars
Earnings per share: Basic	¥ 153.3	¥ 165.0	¥ 201.7	\$ 1.90
Cash dividends per share paid	101.0	100.0	61.0	0.58

Note: The Company implemented a two-for-one common stock split, effective April 1, 2017.

Figures for net income attributable to Makita Corporation common shareholders per share (basic) are calculated based on the assumption that the relevant stock split was carried out at the beginning of the fiscal year ended March 31, 2016.

Regarding annual dividends per share for the fiscal year ended March 31, 2016 and the fiscal year ended March 31, 2017, actual dividend amounts before the relevant stock split are stated.

Consolidated Statements of Comprehensive Income

MAKITA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED MARCH 31, 2016, 2017 AND 2018

	Yen in millions			U.S. Dollars in thousands
	2016	2017	2018	2018
NET INCOME	¥ 41,973	¥45,128	¥55,271	\$521,425
OTHER COMPREHENSIVE INCOME (LOSS):				
Foreign currency translation adjustment	(26,304)	(19,812)	9,860	93,019
Unrealized holding gains (losses) on available-for-sale securities	(3,036)	10,742	(1,364)	(12,868)
Pension liability adjustment	(2,678)	192	544	5,132
Total other comprehensive income (loss)	(32,018)	(8,878)	9,040	85,283
COMPREHENSIVE INCOME (LOSS)	9,955	36,250	64,311	606,708
Less-Comprehensive income attributable to the non-controlling interest	231	147	733	6,915
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO MAKITA CORPORATION	¥ 9,724	¥36,103	¥63,578	\$599,792

Consolidated Statements of Changes in Equity

MAKITA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED MARCH 31, 2016, 2017 AND 2018

	Common stock	Additional paid-in capital	Legal reserve	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock	Non-controlling interest	Total
Yen in millions								
Balance as of April 1, 2015	¥ 23,805	¥ 45,421	¥ 5,669	¥ 399,874	¥ 22,842	¥ (11,590)	¥ 3,564	¥ 489,585
Purchases and disposal of treasury stock						(12)		(12)
Cash dividends				(16,016)			(177)	(16,193)
Comprehensive income:								
Net income				41,615			358	41,973
Other comprehensive income (loss)					(31,891)		(127)	(32,018)
Other income (loss)		35						35
Balance as of March 31, 2016	¥ 23,805	¥ 45,456	¥ 5,669	¥ 425,473	¥ (9,049)	¥ (11,602)	¥ 3,618	¥ 483,370
Balance as of April 1, 2016	¥ 23,805	¥ 45,456	¥ 5,669	¥ 425,473	¥ (9,049)	¥ (11,602)	¥ 3,618	¥ 483,370
Purchases and disposal of treasury stock						(21)		(21)
Cash dividends				(13,709)			(124)	(13,833)
Comprehensive income:								
Net income				44,782			346	45,128
Other comprehensive income (loss)					(8,679)		(199)	(8,878)
Other income (loss)		45						45
Balance as of March 31, 2017	¥ 23,805	¥ 45,501	¥ 5,669	¥ 456,546	¥(17,728)	¥ (11,623)	¥ 3,641	¥ 505,811
Balance as of April 1, 2017	¥ 23,805	¥ 45,501	¥ 5,669	¥ 456,546	¥(17,728)	¥ (11,623)	¥ 3,641	¥ 505,811
Purchases and disposal of treasury stock						(5)		(5)
Disposal of treasury stock (exercise of stock options)		(11)				11		0
Cash dividends				(13,845)			(180)	(14,025)
Comprehensive income:								
Net income				54,755			516	55,271
Other comprehensive income					8,823		217	9,040
Other income (loss)		41						41
Balance as of March 31, 2018	¥ 23,805	¥ 45,531	¥ 5,669	¥ 497,456	¥ (8,905)	¥ (11,617)	¥ 4,194	¥ 556,133
Balance as of March 31, 2018 – US\$ in thousands	\$224,575	\$429,538	\$53,481	\$4,692,981	\$(84,009)	\$(109,594)	\$39,566	\$5,246,538

Consolidated Statements of Cash Flows

MAKITA CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED MARCH 31, 2016, 2017 AND 2018

	Yen in millions			U.S. Dollars in thousands
	2016	2017	2018	2018
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net income	¥ 41,973	¥ 45,128	¥ 55,271	\$ 521,425
Adjustments to reconcile net income to net cash provided by operating activities-				
Depreciation and amortization	9,284	8,943	9,917	93,557
Deferred income tax expense (benefit)	812	(378)	(536)	(5,057)
Realized (gains) losses on securities, net	(1,418)	(26)	(299)	(2,821)
Unrealized (gains) losses on securities, net	5,403	27	24	226
Losses (gains) on disposal or sales of property, plant and equipment, net	(39)	385	18	170
Bad debt expense	374	172	317	2,991
Inventory write-downs	1,849	2,077	2,759	26,028
Changes in assets and liabilities-				
Trade receivables	(3,526)	(4,824)	(11,716)	(110,528)
Inventories	(17,437)	448	(26,932)	(254,075)
Trade notes and accounts payable and accrued expenses	(2,821)	9,171	2,780	26,226
Income taxes payable	177	3,472	2,755	25,991
Accrued retirement and termination benefits	(1,253)	(684)	(557)	(5,255)
Other, net	810	(560)	(507)	(4,783)
Net cash provided by operating activities	34,188	63,351	33,294	314,094
CASH FLOWS FROM INVESTING ACTIVITIES:				
Capital expenditures, including interest capitalized	(11,769)	(13,222)	(14,149)	(133,481)
Purchases of available-for-sale securities	(9,997)	(1,217)	(3,734)	(35,226)
Proceeds from sales of available-for-sale securities	15,268	30,663	11,993	113,142
Proceeds from maturities of available-for-sale securities	500	-	-	-
Purchases of held-to-maturity securities	-	(8,601)	(5,009)	(47,255)
Proceeds from maturities of held-to-maturity securities	500	5,700	4,200	39,623
Proceeds from sales of property, plant and equipment	1,421	383	496	4,679
Investment in term (time) deposits	(36,169)	(56,437)	(51,010)	(481,226)
Withdrawal of term (time) deposits	34,251	37,384	42,374	399,755
Other, net	(578)	332	28	264
Net cash used in investing activities	(6,573)	(5,015)	(14,811)	(139,726)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Changes on borrowings with original maturities of less than three months	867	4,691	(3,667)	(34,594)
Payments on borrowings with original maturities of more than three months	(3,556)	(329)	-	-
Purchase (sale) of treasury stock, net	(12)	(22)	(5)	(47)
Cash dividends paid	(16,016)	(13,709)	(13,845)	(130,613)
Other, net	(2)	(126)	(226)	(2,132)
Net cash used in financing activities	(18,719)	(9,495)	(17,743)	(167,387)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(3,510)	(6,575)	4,399	41,500
NET CHANGE IN CASH AND CASH EQUIVALENTS	5,386	42,266	5,139	48,481
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	94,529	99,915	142,181	1,341,330
CASH AND CASH EQUIVALENTS, END OF YEAR	¥ 99,915	¥142,181	¥147,320	\$1,389,811
SUPPLEMENT DISCLOSURE OF CASH FLOW INFORMATION:				
Cash paid during the year for interest, net of amount capitalized	¥ 116	¥ 120	¥ 20	\$ 189
Cash paid during the year for income taxes	18,530	16,517	22,187	209,311

Corporate Directory

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JAPAN

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Eastern regional (Atlanta) office

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Factory service centers

Atlanta, Boston, Chicago, Dallas,
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Los Angeles,
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Makita Corporation of America

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Factory service centers

Burnaby (Vancouver), Calgary,
Dartmouth (Halifax), Edmonton,
Les Saules (Quebec City), London,
Mississauga (Toronto), Nepean
(Ottawa), Richmond (Vancouver),
Saskatoon,
St. Leonard (Montreal), Whitby,
Winnipeg

MEXICO

Makita México, S.A. de C.V.

Head office

Camino Viejo A San Lorenzo Tepaltitlan
(Jose Marti) No.227
Col. Tlacopa, Toluca, Estado De Mexico,
C.P. 50010
Phone: +52-722-237-3293
Fax: +52-722-237-3293

Factory service centers

Mexico City, Guadalajara, Monterrey,
Queretaro

PANAMA

Makita Latin America Inc.

Panama branch

Local Comercial No.4, Albrook Office
Center, calle Diego Dominguez,
Albrook, Panama City, Panama
Phone: 507-315-0305
Fax: 507-315-0651

BRAZIL

Makita do Brasil Ferramentas Elétricas Ltda.

Head office & plant

Rodovia BR 376, Km 506, 1 - (pista
norte) Bairro Colônia Dona Luíza, CEP
84043-450 - Ponta Grossa, PR
Phone: +55-(0)42-3302-2100

São Paulo sales office

Rua Makita Brasil, 200 - Bairro
Cooperativa - São Bernardo do Campo
- SP CEP 09852-080
Phone: +55-(0)11-4392-2411/2199-
2500
Fax: +55-(0)11-4392-2471/4392-4440

Bahia sales branch

Rua Andre Luiz R da Fonte, 491 Bairro
Pitangueiras, Lauro de Freitas, BA
CEP 42700-000
Phone: +55-(0)71-3252-0154

Paraná sales branch

Rua Comendador Roseira,
499 Bairro Prado Velho, Curitiba,
PR CEP 80215-210
Phone: +55-(0)41-3333-8070

Belém sales branch

Rodovia BR 316, Km 04 Loja 04-Bairro
Águas Lindas, Ananindeua / PA
CEP 67020-000
Phone: +55-(0)91-3237-7186

Service centers

São Paulo, Rio de Janeiro, Pernambuco,
Minas Gerais, Rio Grande do Sul

ARGENTINA

Makita Herramientas Eléctricas de Argentina S.A.

Lisandro de la Torre 1246, Parque Industrial Pilarica, Fatima, Pilar Provincia de Buenos Aires, CP1629
Phone: +54 (230)444-1100
Fax: +54 (230)444-1105

CHILE

Makita Chile Comercial Ltda. Head office

Av. Lo Boza 120-B Modulo 1, Pudahuel, Santiago, CP 9030971
Phone: +56-2-2540-0400
Fax: +56-2-2540-0436

Factory service centers Santiago, Temuco

PERU

Makita Peru S.A.

Panamericana Sur - Km. 29, Distrito de Lurin, Provincia de Lima
Centro de Operaciones "MEGACENTRO LURIN" Locales B1, B23, B24
Phone: +51-(1)-713-1212
Fax: +51-(1)-561-0099

BOLIVIA

Makita Peru S.A.

Bolivia branch

La Av. Japon UV. ET3, Lote3 de la ciudad de Santa Cruz, Bolivia
Phone: +59-(1)-3325-7757

COLOMBIA

Makita Colombia, S.A.S

Kilometro 7 Autopista Bogota-Medillin, Centro Empresarial Celta Trade Park
Lote 123 Bodega 3 Funza-Cundinamarca, Colombia
Phone: +57-1-896-6199
Fax: +57-1-896-6367

EUROPE

UNITED KINGDOM

Makita (U.K.) Ltd.

Michigan Drive, Tongwell, Milton Keynes, Bucks MK15 8JD
Phone: +44-(0)1908-211678
Fax: +44-(0)1908-211400

Factory service center Glasgow (Scotland)

Makita International Europe Ltd.

Michigan Drive, Tongwell, Milton Keynes, Bucks MK15 8JD
Phone: +44-(0)1908-211678

Makita Manufacturing Europe Ltd.

Hortonwood 7, Telford, Shropshire TF1 7YX
Phone: +44-(0)1952-677688
Fax: +44-(0)1952-677678

FRANCE

Makita France SAS

Head office

37, avenue Graham Bell, ZAC Léonard de Vinci, Bussy Saint-Georges, 77607 Marne-la-Vallée Cedex 3
Phone: +33-(0)1-6094-6400
Fax: +33-(0)1-6094-6380

Nantes office

Le Pan Loup, 44220 Couéron
Phone: +33-(0)2-5177-8977
Fax: +33-(0)2-4063-8376

Bordeaux office

137, Rue de la Croix-de-Monjous, 33170 Gradignan
Phone: +33-(0)5-5796-5270
Fax: +33-(0)5-5796-5275

Nord office

Village d'Entreprises, 51, Rue Trémière, 59650 Villeneuve d'Ascq
Phone: +33-(0)3-2059-7020
Fax: +33-(0)3-2047-2220

Dijon office

5, Rue Edmond Voisenet, 21000 Dijon
Phone: +33-(0)3-8054-0880
Fax: +33-(0)3-8054-0881

Toulouse office

15, Rue de Boudeville, Z.I. de Thibaud, 31104 Toulouse
Phone: +33-(0)5-6143-2200
Fax: +33-(0)5-6143-2201

SPAIN

Makita, S.A.

C/ Juan de la Cierva, 7-15, 28820 Coslada (Madrid)
Phone: +34-91-671-1262
Fax: +34-91-671-8293

Factory service center Barcelona

PORTUGAL

Makita Ferramentas Electricas, Sociedade Unipessoal, Lda.

Centro empresarial de Alverca, Armazém C2 Vale das Ervas 2615-187 Alverca do Ribatejo
Phone: +351-219-936-750
Fax: +351-219-574-982

ITALY

Makita S.p.A.

Via Sempione 269/A, 20028 San Vittore Olona (MI)
Phone: +39-0331-524111
Fax: +39-0331-420285

GREECE

Makita Hellas S.A.

Tatoiou 34, Acharnes, ATTIKI PC13677
Phone: +30-210-8071241
Fax: +30-210-8072245

FINLAND

Makita Oy

Tellimäki 4 FIN-01530 Vantaa, Finland
Phone: +358-(0)9-857-880
Fax: +358-(0)9-857-88211

ESTONIA

Makita Oy Estonian branch Estonian office

Piirimäe 13, 76406 Saku vald, Harjumaa maakond
Phone: +372-6-510-380
Fax: +372-6-510-399

LATVIA

Makita Oy Latvian factory service center

LITHUANIA

Makita Oy Lithuanian factory service center

NORWAY

Makita Norway

Løxaveien 11A N-1351 Rud Norway
Phone: +47 99 40 76 00
Fax: +47 67 13 38 83

SWEDEN

Makita Sweden

Bergkällavägen 36 B192 79 Sollentuna, Sweden
Phone: +46-8-505-819-00
Fax: +46-8-505-819-69

THE NETHERLANDS

Makita Nederland B.V.

Park Forum 1101 5657HK Eindhoven
Phone: +31-(0)40-206-4040
Fax: +31-(0)40-206-4096

BELGIUM

S.A. Makita N.V.

Jan-Baptist Vinkstraat 2 3070 Kortenberg
Phone: +32-(0)2-257-1840
Fax: +32-(0)2-253-0101

GERMANY

Makita Werkzeug G.m.b.H

Head office

Makita Platz 1, 40885 Ratingen
Phone: +49 (0)2102 1004-0
Fax: +49 (0) 2102 1004-128

Makita Engineering Germany G.m.b.H

Jenfelder Strasse 38, 22045 Hamburg
Phone: +49-(0)40-66986-0
Fax: +49-(0)40-66986-352

DENMARK

Makita Elværktøj Danmark

Denmark office

Erhvervsbyvej 14, 8700 Horsens
Phone: +45-76-254400
Fax: +45-76-254401

SWITZERLAND

Makita SA

Chemin du Vuasset 7 CH-1028 Preverenges
Phone: +41-(0)21-811-5656
Fax: +41-(0)21-811-5678

AUSTRIA

Makita Werkzeug

Gesellschaft m.b.H.

Airportstrasse 4, A-2401 Fischamend
Phone: +43-(2232)-77700
Fax: +43-(2232)-77700-40

SLOVENIA

MAKITA d.o.o.

Brnčičeva 49, SI-1231 Ljubljana-Črnuče
Phone: +386(0)-590-83-600
Fax: +386(0)-590-83-601

CROATIA

Makita d.o.o. Croatia factory service center

UKRAINE

Makita Ukraine LLC

18A, Marka Vovchka str., Kyiv, 04073
Phone: +38(044)494-23-70/
+38(044)494-23-71
Fax: +38(044)494-23-73

POLAND

Makita Sp. z o.o.

ul. Bestwińska 103 43-346 Bielsko-Biala
Phone: +48-(0)33-484-0200
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Warsaw branch

Mozsna-Parcela 29 05-840 Brwinów
Phone: +48-(0)22-177-7300

CZECH REPUBLIC

Makita, spol. s r.o.

Kaštanová 555/125d, 620 00 Brno
Phone: +42-(0)5-432-16944
Fax: +421-(0)48-4161-769

SLOVAKIA

Makita s.r.o

Jegorovova 35 974 01 Banská Bystrica
Phone: +421-(0)48-4161-772
Fax: +421-(0)48-4161-769

HUNGARY

Makita Elektromos

Kisgépértékesítő Kft.

8000, Székesfehérvár, Takarodó út 2
Phone: +36-22-507-472
Fax: +36-22-507-484

ROMANIA

Makita Romania S.R.L.

Str. I.C.Bratianu nr. 164 Depozit Faza 3 077030 Comuna Branesti jud. Ilfov Romania
Phone: +40 21 569 80 61/+40 21 569 80 62
Fax: +40 21 569 80 59

SC Makita EU SRL

Str.I.C. Bratianu, nr.164, Comuna Branesti, jud. ILFOV, ROMANIA 077030
Phone: +40-21-310-7675
Fax: +40-21-200-0219

BULGARIA

Makita Bulgaria EOOD

Okolovrasten Pat (circle road), No.373, Sofia 1186, Bulgaria
Phone: +359-2-921-0551
Fax: +359-2-921-0550

RUSSIA

Makita LLC

1, build. 1, Permskaya str., Moscow, Russia, 107143
Phone: +7-495-915-88-66
Fax: +7-495-916-57-31

St.Petersburg branch

Shpalernaya street 54, letter B, premise 25-H, Saint Petersburg, Russia, 191015
Phone: +7 (812) 244-47-84

Vladivostok branch

22, Makovskogo str., Vladivostok, Primorsky Region, Russia, 690041
Phone: +7-(423)-237-59-84
Fax: +7-(423)-237-59-85

Novosibirsk branch

15, Dargomyzhskogo str., Novosibirsk, Russia, 630047
Phone:+7-383-209-18-19
Fax:+7-383-209-18-19

Samara branch

3 Mirnaya str., Samara, Russia, 443035
Phone: +7-(846)-202-90-50/
+7-(846)-202-42-83

Krasnodar branch

32/2, Turgenevskoe, Takhtamukaisky district, Adygea Republic, Russia, 385132
Phone:+7-(861)-238-24-97

Yekaterinburg Branch

5, pereulok Avtomatiki, Yekaterinburg, Russia, 620049
Phone:+7-(343)-286-00-09

KAZAKHSTAN

Makita Kazakhstan LLP

Kommunalnaya 39, 050016, Almaty, Kazakhstan
Phone: +7-727-233-0827
Fax: +7-727-382-7921

MIDDLE EAST & AFRICA

UNITED ARAB EMIRATES

Makita Gulf FZE

P.O. Box 17133, Jebel Ali Free Zone, Dubai, UAE
Phone: +971-(0)4-8860-804
Fax: +971-(0)4-8860-805

Makita Africa LIMITED

P.O. Box 9163, 4th floor, Samora Avenue, Dar es Salaam, Tanzania

OCEANIA

AUSTRALIA

Makita (Australia) Pty. Ltd.

Head office

2 Litton Close, Pemulwuy, NSW 2145
Phone: +61-(0)2-9839-1200
Fax: +61-(0)2-9839-1201

Hobart office

32a Chapel Street Glenorchy,
TAS 7010
Phone: +61-(0)3-6274-1533/1300 361
690
Fax: +61-(0)3-6274-1777/1300 361 770

Perth office

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WA 6105
Phone: +61-(0)8-9360-8900
Fax: +61-(0)8-9360-8999

NEW ZEALAND

Makita (New Zealand) Ltd.

46 Westpoint Drive, Hobsonville,
Auckland 0618
Phone: +64-(0)9-479-8250
Fax: +64-(0)9-479-8259

Factory service center

Christchurch

Corporate Data

Makita Corporation

Head Office

3-11-8, Sumiyoshi-cho, Anjo,
Aichi 446-8502, Japan
Phone: +81-(0)566-98-1711
Fax: +81-(0)566-98-6021

Okazaki Plant

22-1, Watarijima, Nemunoki-cho,
Okazaki, Aichi 444-0232
Phone: +81-(0)564-43-3111

Domestic Sales Offices

Tokyo, Nagoya, Osaka, Sapporo, Sendai,
Niigata, Utsunomiya, Saitama, Chiba,
Yokohama, Shizuoka, Gifu, Kanazawa,
Kyoto, Hyogo, Hiroshima, Takamatsu,
Fukuoka, Kumamoto and other major cities

Date of Founding

March 21, 1915

Paid-in Capital

¥24,206 million

Number of Shares Issued

280,017,520 shares,
including 8,549,592 of treasury stock
(As of March 31, 2018)

Independent Registered Public Accounting Firm

KPMG AZSA LLC

Common Stock Listings

Tokyo and Nagoya stock exchanges

Transfer Agent of Common Stock

Sumitomo Mitsui Trust Bank, Limited
4-1, Marunouchi 1-chome, Chiyoda-ku,
Tokyo 100-8233, Japan

Website

<http://www.makita.biz/ir/>

Note: The Corporation implemented a two-for-one common stock split of the Corporation, effective April 1, 2017.

Forward-Looking Statements

This report 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.

Makita Corporation



<http://www.makita.com>

