



For immediate release

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Manufacturing Subsidiary Established in Romania

Makita Corporation (Head office: Anjo, Aichi Prefecture, Japan; President: Masahiko Goto; Capital: JPY24,206 million) has established a manufacturing subsidiary in Romania, and construction work on the plant is scheduled to begin in March 2006.

At present, the Makita Group has two manufacturing plants in Japan, two in China, and one each in the United States, the United Kingdom, Canada, Brazil, and Germany, for a total of nine plants worldwide. The Group's manufacturing plant in China has expanded its production steadily since operations began in 1995, and it has become one of the Group's core production bases, on a par with plants in Japan.

In Europe, sales of the Makita Group have expanded steadily. Turnover for the fiscal year ended March 31, 2005, amounted to JPY75.3 billion, up 13.4% over the previous fiscal year, and accounted for 38.6% of total consolidated net sales of JPY194,737 million. One of the factors accounting for this performance in recent years has been the robust economic expansion in the Eastern European and Russian markets.

In view of these developments, Makita has decided to build its next manufacturing plant in Romania, a country that offers many cost advantages. Other objectives of establishing the new plant will include reducing transportation costs and dispersing foreign currency and other risks through the concentration of production.

The details of the Romanian manufacturing subsidiary are as follows.

1. Company name: Makita EU S.R.L.
2. Capital: 15 million euros (Approximately JPY2 billion)
3. Form of investment: 100% by Makita Corporation
4. Location: Branesti, Ilfov, Romania (Near Bucharest, the capital of Romania)
5. Establishment: May 4, 2005
6. Commencement of plant construction: March 2006 (Scheduled)
7. Commencement of production: Spring 2007 (Scheduled)
8. Number of local personnel: Approximately 300 (Scheduled)
9. Lines of business: Production of power tools (From processing of motors and other parts to assembly)
10. Land area for the plant: Approximately 66,000 m²
11. Floor area of the plant: Approximately 14,600 m² (Scheduled)
12. Planned production: 1 million units per year (Scheduled)