



First Half of FY 2013 Operating Results

(Six months ended September 30, 2012)

Masahiko Goto

President, Representative Director
& Chief Executive Officer

Makita Corporation

November 7, 2012

1



FY13 1H Sales

Variance to FY12 1H

Net Sales	¥151.2 billion	- 1.2%
Domestic	¥27.2 billion	+ 7.6%
Overseas	¥124.0 billion	- 2.9%

Overseas sales ratio: 82.0% (FY12 1H: 83.5%)

2

Foreign Exchange Rate



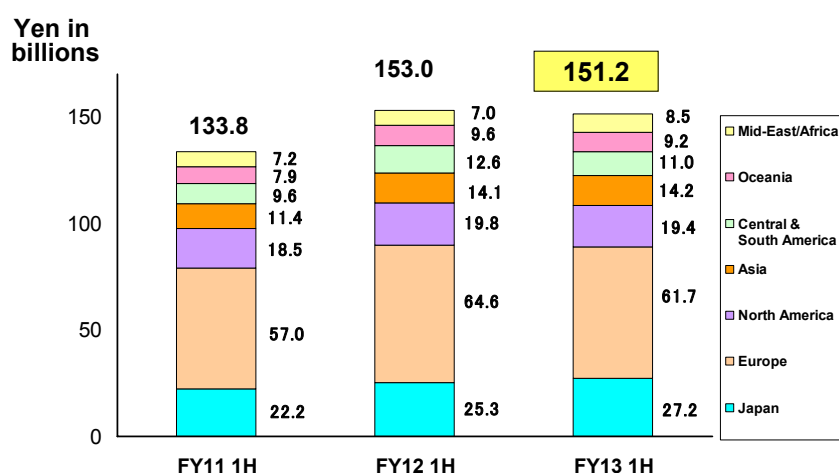
	FY12 1H	FY13 1H	
US\$	¥ 79.74	¥ 79.41	0.4% Appreciation
Euro	¥113.72	¥100.54	11.6% Appreciation
RMB	¥ 12.34	¥ 12.55	1.7% Depreciation
BRL	¥ 49.66	¥ 39.94	19.6% Appreciation

Weighted average change for all foreign currencies:

7.5% **appreciated** in the value of the yen

Effect on net sales: **Decrease** of ¥10.0 billion ³

Sales by Geographic Area

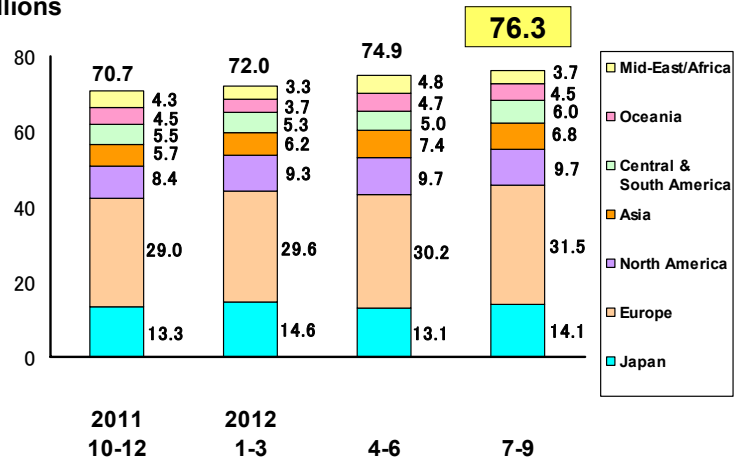


4

Quarterly Sales by Geographic Area



Yen in billions



5

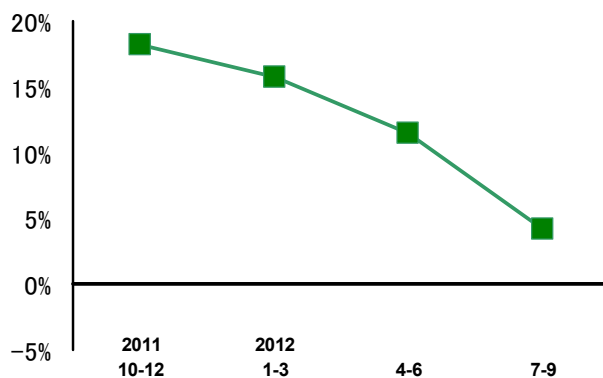
Sales Growth (Local Currency Basis)



Japan

+ 7.6%

(Variance to FY12 1H)



Cordless Impact Driver

6

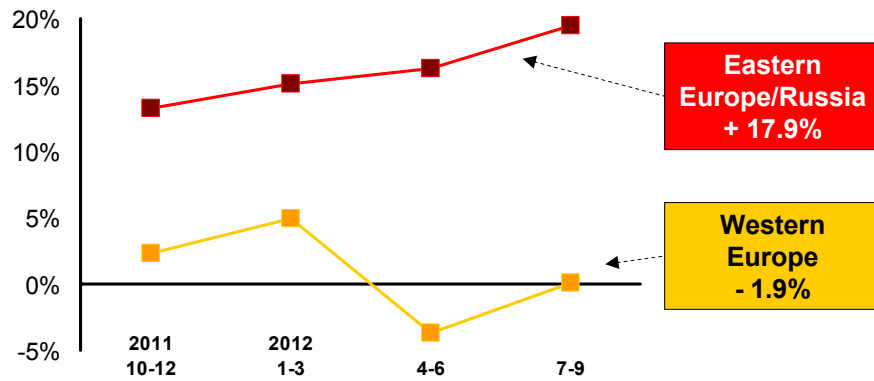
Sales Growth (Local Currency Basis)



Europe

+ 6.9%

(Variance to FY12 1H)



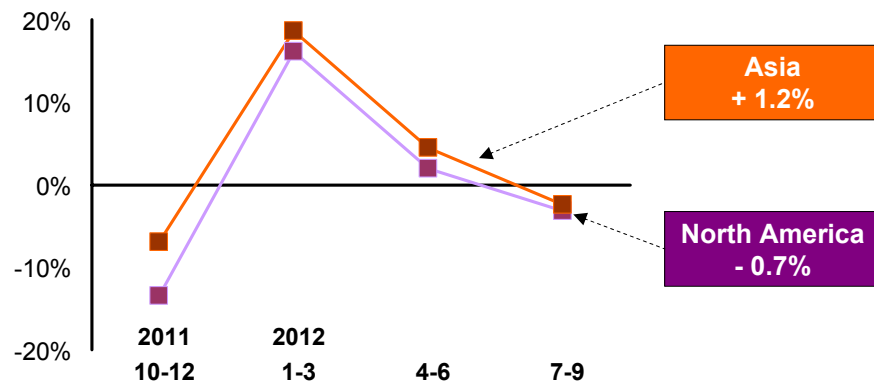
7

Sales Growth (Local Currency Basis)



North America/Asia

(Variance to FY12 1H)



8

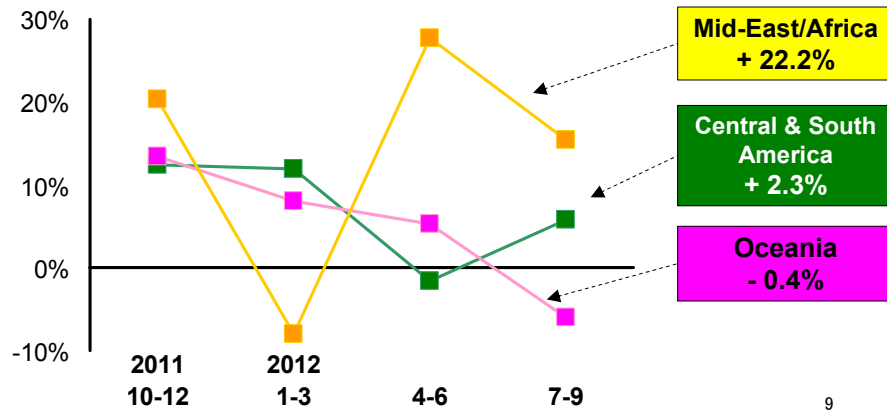
Sales Growth (Local Currency Basis)



Other Regions

(Central & South America, Oceania, Mid-East/Africa)

(Variance to FY12 1H)



9

Lithium-ion Battery Products



10

Outdoor Power Equipment (OPE)



Cordless String Trimmer



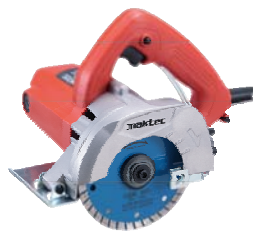
Cordless Lawn Mower



High Pressure Washer

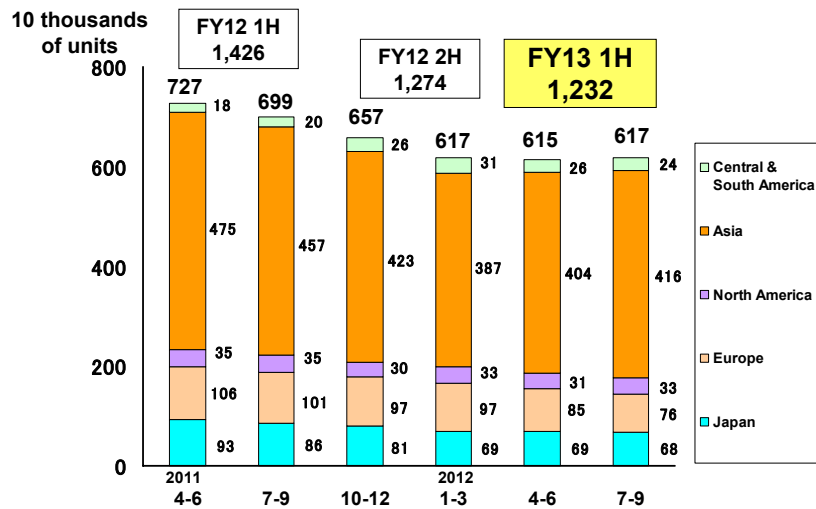
11

Maktec



12

Production Quantities by Geographic Area



Production Diversity



Thailand Plant

- Production Started in July, 2012
- Reduce Lead Time of Production for Export Southeast Asia



Romania Plant

- Acquired adjacent land to increase the production capacity by 2.5 times (500,000 units per month) in the future
- Boosting supply capacity for Europe, the Middle East and Africa



14

Inventories



March 31, 2012 ¥129.6 billion

September 30, 2012 ¥117.6 billion

Decrease of inventories
resulting from
appreciation of the yen, etc. ¥12.0 billion

15

Cost of Sales, SG&A



Variance to FY12 1H

Net Sales	¥151.2 billion	- 1.2%
Cost of Sales	¥94.1 billion	+ 1.5%
Cost of Sales Ratio	62.2%	Up 1.6 points
SG&A Expenses	¥33.1 billion	- 0.9%
SG&A Ratio	21.9%	Up 0.1 points

16

Operating Income



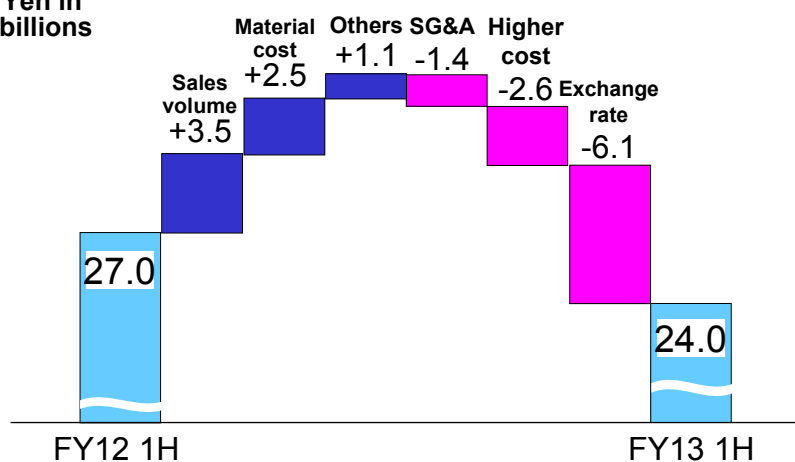
	FY12 1H	FY13 1H	Variance to FY12 1H
Net Sales	¥153.0 billion	¥151.2 billion	- 1.2%
Cost of Sales	¥92.7 billion	¥94.1 billion	+ 1.5%
SG&A Expenses	¥33.3 billion	¥33.1 billion	- 0.9%
Operating Income	¥27.0 billion	¥24.0 billion	- 10.8%
Operating Income Ratio	17.6%	15.9%	Down 1.7 points

17

Analysis of Operating Income



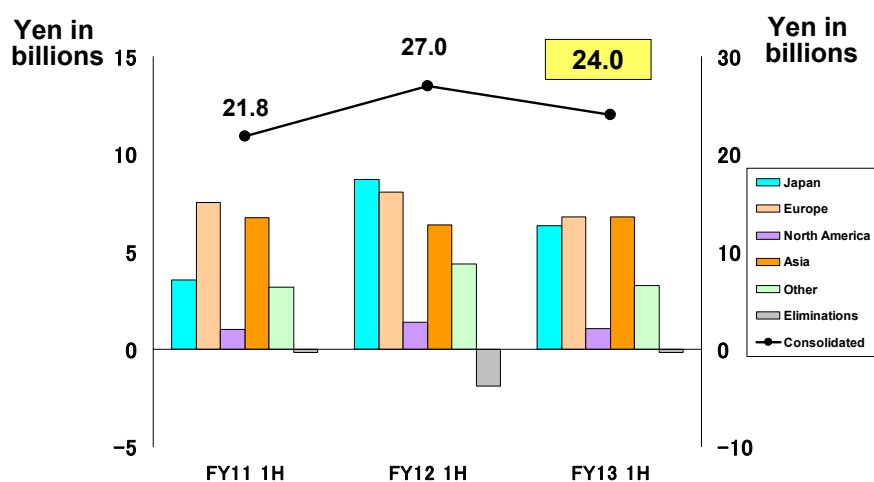
Yen in billions



18

Operating Income

(By Geographic Segment Basis)



19

Other Income (Expenses), Income Before Income Taxes, Net Income attributable to Makita Corporation



	FY12 1H	FY13 1H	Variance to FY12 1H
Other Income (Expenses)	- ¥2.5 billion	- ¥1.3 billion	+ ¥1.2 billion
Income Before Income Taxes	¥24.5 billion	¥22.7 billion	- 7.4%
Net Income attributable to Makita Corporation	¥17.1 billion	¥15.9 billion	- 7.2%
EPS	¥124.16	¥116.94	- 5.8%

20

Capital Expenditure, Depreciation, R&D Cost



Capital Expenditure (Yen in billions)

	1H	FY
FY11	4.9	9.7
FY12	5.8	13.5
FY13	4.1	13.0 (Forecast)

FY13:13.0 billion (Forecast)

Acquisition of land and construction of plant in Romania
China Plant machinery equipment
Construction of sales offices in Australia
Mold for new products
Expansion warehouse in Brazil
Construction of sales offices in Japan

Depreciation (Yen in billions)

	1H	FY
FY11	3.6	7.6
FY12	3.5	7.2
FY13	3.5	7.5 (Forecast)

R&D Cost (Yen in billions)

	1H	FY
FY11	3.5	7.3
FY12	4.0	7.6
FY13	4.0	8.5 (Forecast)

21

FY2013 Sales Forecast



Variance to FY12

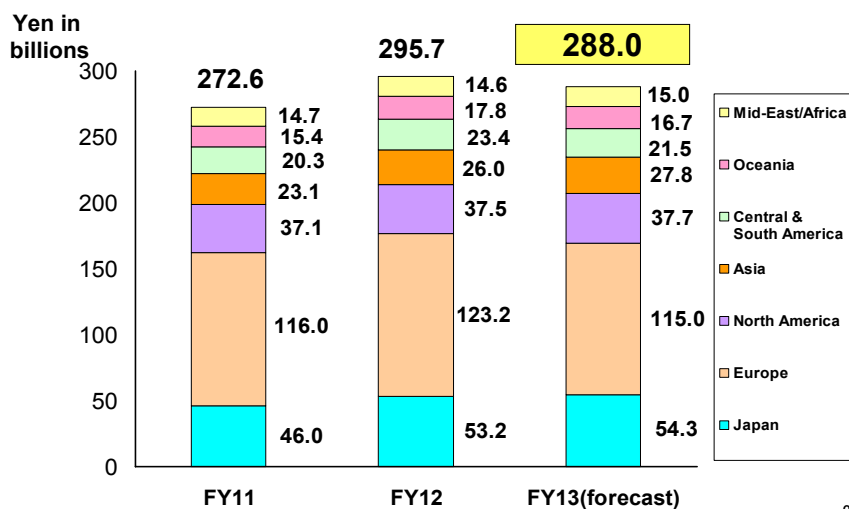
Net Sales	¥288.0 billion	- 2.6%
Domestic	¥54.3 billion	+ 2.1%
Overseas	¥233.7 billion	- 3.6%
Overseas sales ratio: 81.1% (FY12: 82.0%)		

Assumed foreign exchange rates(2H)

US\$	Euro	Euro/US\$
¥77	¥98	1.27

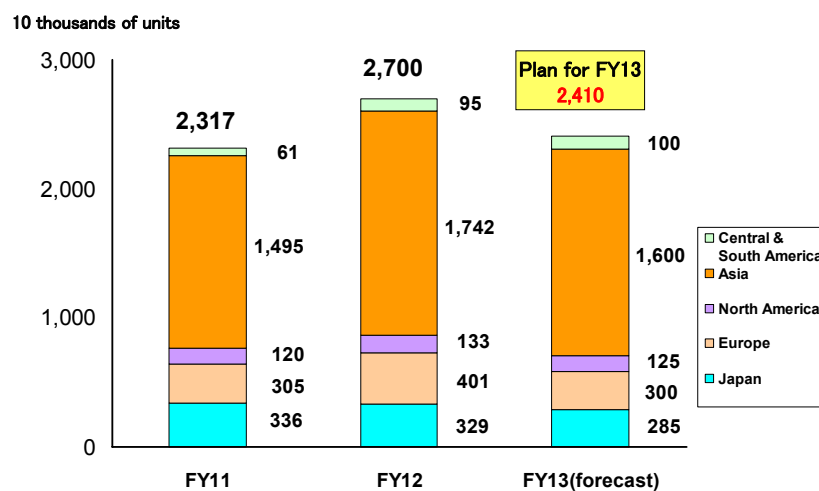
22

FY2013 Forecast by Geographic Area



23

Production Plan



24

FY2013 Performance Forecast



	FY12	FY13	Variance
Net Sales	¥295.7 billion	¥288.0 billion	- 2.6%
Operating Income	¥48.5 billion	¥41.5 billion	- 14.5%
Income Before Income Taxes	¥47.0 billion	¥40.2 billion	- 14.4%
Net Income attributable to Makita Corporation	¥32.5 billion	¥27.4 billion	- 15.7%
EPS	¥236.78	¥201.84	- 14.8%

25

Cash Dividends



Dividend Policy	Payout Ratio 30% or greater	
	FY12	FY13 (Forecast)
Net Income attributable to Makita Corporation	¥32.5 billion	¥27.4 billion
Special factor	—	—
EPS	¥236.78	¥201.84
Annual Cash Dividend Per Share	¥72	(Note)
Interim Dividend	¥15	¥15
Year-end Dividend	¥57	(Note)
Payout Ratio	30.4%	30% or greater

Note: In April 2013, the Board of Directors plans to propose a dividend equivalent to at least 30% of net income attributable to Makita Corporation.

26



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

FORWARD-LOOKING STATEMENTS

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