



FYE2020 Operating Results

(Fiscal Year ended March 31, 2020)

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President, Representative Director

Makita Corporation

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FYE2020 Results

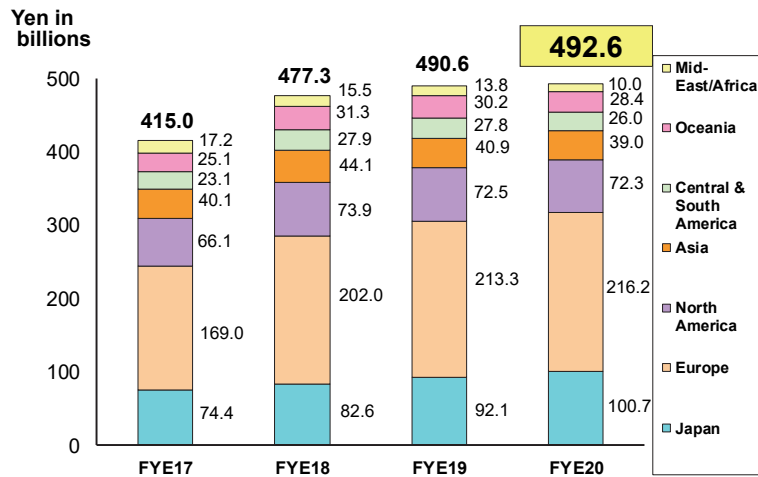
Variance to
FYE2019

Revenue	¥ 492.6 billion	+ 0.4%
Domestic	¥ 100.7 billion	+ 9.3%
Overseas	¥ 391.9billion	- 1.6%

Overseas revenue ratio: 79.6% (FYE2019: 81.2%)

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Revenue by Geographic Area



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Foreign Exchange Rate



	FYE2019	FYE2020	Variance
USD	¥ 110.92	¥ 108.70	2.0% Appreciation
EUR	¥ 128.44	¥ 120.81	5.9% Appreciation
RMB	¥ 16.54	¥ 15.60	5.7% Appreciation

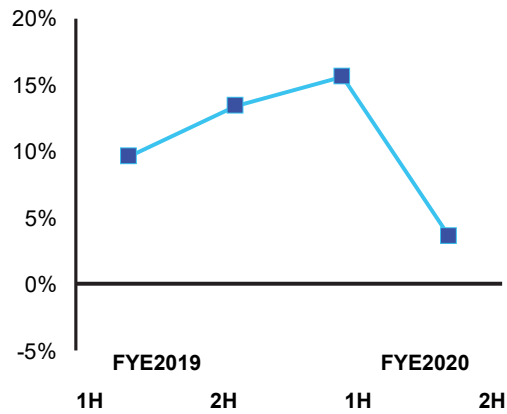
Weighted average change for all foreign currencies:
4.9% appreciated in the value of the yen
Effect on revenue: **Decrease** of ¥20.3 billion

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Revenue Growth (Local Currency Basis)



Japan



Japan
FYE2019 + 11.6%
FYE2020 + 9.3%

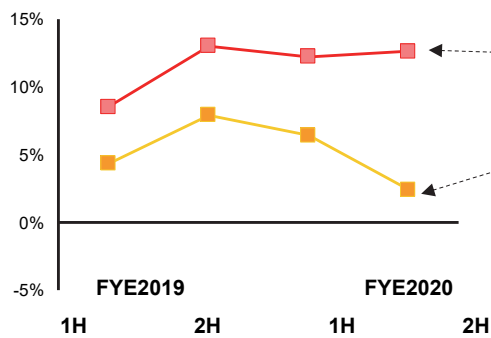
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Revenue Growth (Local Currency Basis)



Europe

+7.2%



Eastern Europe/
Russia
FYE2019 + 10.6%
FYE2020 + 12.4%

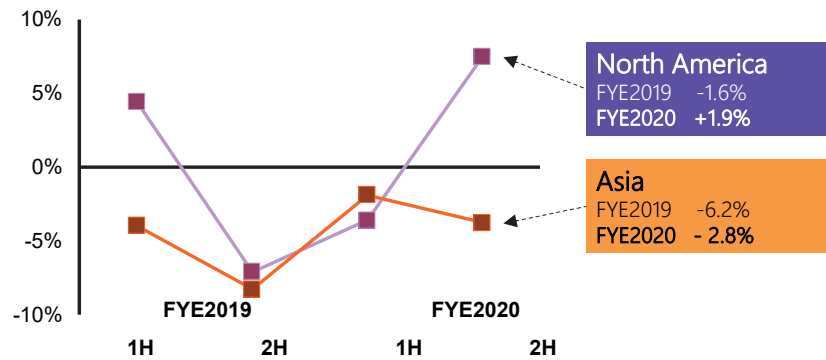
Western Europe
FYE2019 + 6.2%
FYE2020 + 4.3%

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Revenue Growth (Local Currency Basis)

North America, Asia

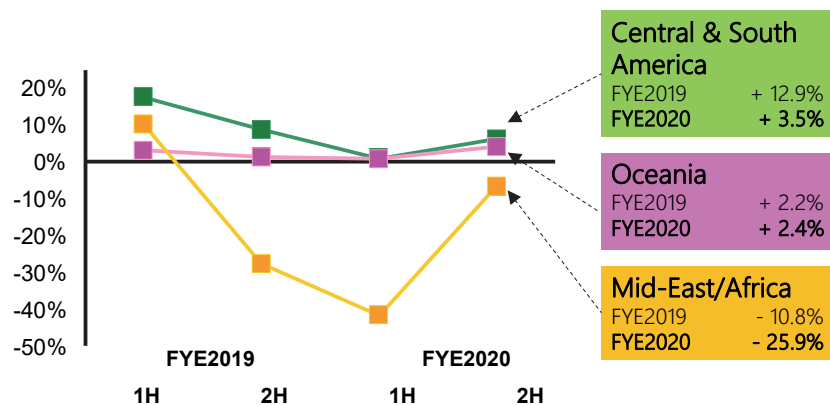


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Revenue Growth (Local Currency Basis)

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



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Outdoor Power Equipment (OPE)

Examples of New Products introduced in this fiscal year

255mm Cordless Grass Trimmer Series

- High power, low noise and less vibration
- Delivers the similar performance demanded for 30mL Engine Grass Trimmer



Cordless Hedge Trimmer

- Lightest weight in the class and delivers high power
- Surpassed the performance demanded for 22mL Engine Hedge Trimmers



Cordless Pole Hedge Trimmer

- Light weight, low noise, high power
- Delivers higher performance compared with engine products
- Enables to use machine comfortably in an upright standing posture



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Lithium-ion Battery Products

Examples of New Products introduced in this fiscal year

40Vmax series

High power leading to Next-generation



Cordless TV with Radio

Excellent wave receiving sensitivity and large 10 inch liquid crystal panel



Cordless Impact Wrench

Enables easy fastening with high torque

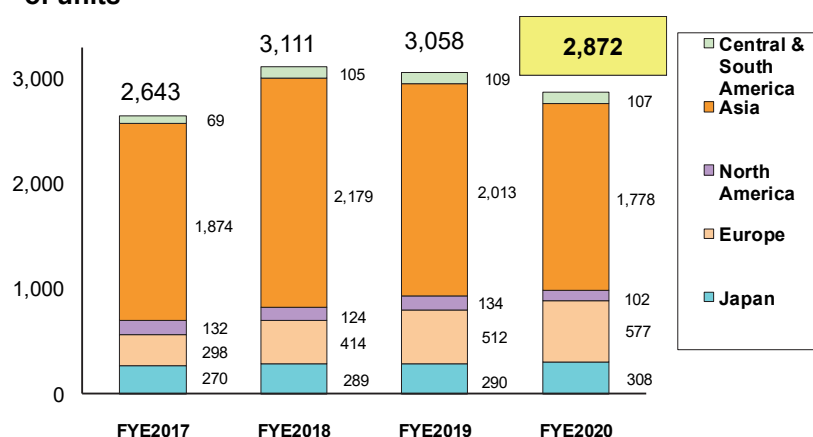


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Production Quantities by Geographic Area



10 thousands
of units



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Inventories



March 31, 2019 ¥ 219.9 billion

March 31, 2020 ¥ 214.6 billion

Decrease of Inventories ¥ 5.3 billion

Increase of inventories on hand ¥ 9.1 billion
Decrease by translation into yen ¥ 14.4 billion

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Operating profit

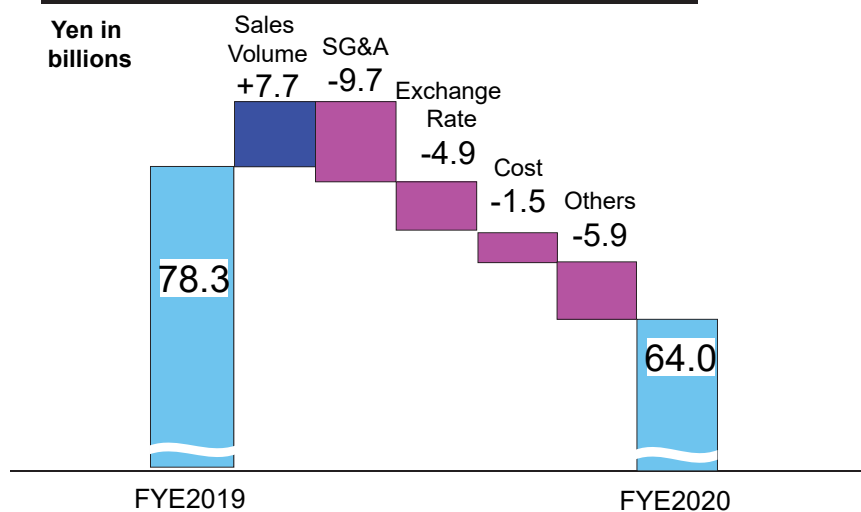
Cost of sales

Sales general and administration expense



	FYE2019	FYE2020	Variance
Revenue	¥ 490.6 billion	¥ 492.6 billion	+0.4%
Cost of Sales	¥ 313.4 billion	¥ 323.8 billion	+3.3%
Cost of Sales Ratio	63.9%	65.7%	UP 1.8 points
SG&A Expenses	¥ 98.9 billion	¥ 104.8 billion	+5.9%
SG&A Expenses Ratio	20.1%	21.3%	Up 1.2 points
Operating Profit	¥ 78.3billion	¥ 64.0 billion	-18.2%
Operating Profit Ratio	16.0%	13.0%	Down 3.0 points

Analysis of Operating Profit



**Financial Income,
Profit Before Income Taxes, Profit
Attributable to Owners of the Parent, EPS**



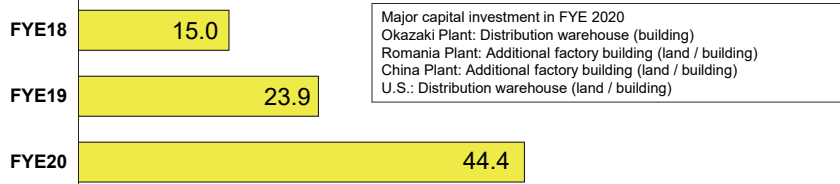
	FYE2019	FYE2020	Variance
Financial Income	¥1.6 billion	¥2.0 billion	¥0.4 billion
Profit Before Income Taxes	¥79.9 billion	¥66.0 billion	- 17.4%
Profit Attributable to Owners of the Parent	¥55.8 billion	¥47.7 billion	- 14.4%
EPS	¥205.37	¥175.80	- 14.4%

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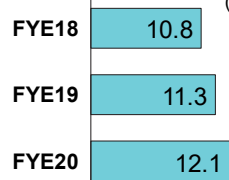
**Capital Expenditure,
Depreciation and Amortization,
R&D Cost**



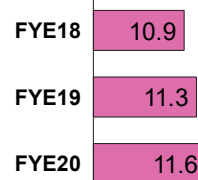
Capital Expenditure (Yen in billions)



Depreciation and Amortization (Yen in billions)



R&D Cost (Yen in billions)



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Makita's Commitments

- Moving forward as a manufacturer of cordless products
- Expand sales, after sales services and distribution networks

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Makita's Commitments



Moving forward as a manufacturer of cordless products



Cordless Angle Grinder



Cordless Impact Wrench



High voltage system

Introduction of 40Vmax series
achieving higher power

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Makita's Commitments



Moving forward as a manufacturer of cordless products



Supply power with four 18V batteries

Portable Battery Pack



High capacity system



Enabling operators to work longer hours

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Makita's Commitments



Moving forward as a manufacturer of cordless products



Cordless Cooling Box



Cordless Heated Blanket series



Cordless Fan Jacket series



Cordless LED Work Light



Cordless TV with Radio

Series of products also used at the time of disaster or outdoor activities

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Makita's Commitments



Moving forward as a manufacturer of cordless products



Cordless Stick Vacuum Cleaner



Backpack Vacuum Cleaner



Cordless Wet/Dry Vacuum Cleaner



Cordless Sprayers



Robotic Cleaner

Cultivate commercial cleaning market

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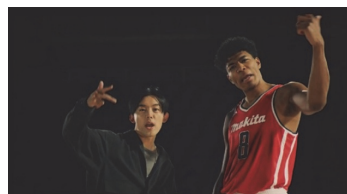
Makita's Commitments



Moving forward as a manufacturer of cordless products

Marketing and Advertising

"Hachimura Rap" movie clip
Advertising for TV100
Cordless TV with Radio



"Robot x Rui" movies clip
Advertising for 40Vmax series



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Makita's Commitments



Lead to Cordless
for wide range of products



Expand the company which does not
rely only on single area of business

Resolve social challenges such as
environmental issues



Further initiatives

Reduction of single use plastics used to package our products
→ we will further shift to more environment-friendly materials,
including paper.

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Makita's Commitments



Expansion of sales, after sales services and distribution networks

List of new sites (including logistics)

Area	City
Japan	Isahaya (Nagasaki) ※ Open in April 2020
Europe	Berlin (Germany) Utrecht (Netherland) Minsk (Belarus)
North America	Dallas (U.S.) ※ Expansion of warehouse
Asia	Vadodara, etc. (India) Yunlin, etc. (Taiwan) Hanoi (Vietnam)
Central & South America	Antofagasta (Chile)
Oceania	Christchurch (New Zealand)

Expansion and establishment of
logistics bases looking at an
increase in the handling of large-
sized products



Improve customer satisfaction
through rapid logistics services

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Makita's Commitments



Expansion of sales, after sales services and distribution networks

Advantages of expanding networks

- ◆ Speedy repair services and logistics
- ◆ Increase opportunities for potential customers to experience Makita products
- ◆ Grasp market needs
- ◆ Deliver speedy sales support to dealers



Increase fans of Makita by strengthening local community- and customers based sales and after sales services

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FYE2021 Forecast



FYE2021 Forecast : TBD

We will announce the financial forecast as soon as possible.

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COVID-19



A decline in tool demand may lead to a decrease in revenue and profits.

➡ Covid-19 outbreak especially in Europe, Japan, and North America, where sales ratios are high, could lead to a significant impact on performance.

If Covid-19 spreads again in China where the production ratio is high and the suppliers are concentrated.

➡ Possibly lead to a significant impact on the Group's production and sales activities.

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Dividend



Dividend Policy	Dividend Payout Ratio: 30% or greater	
	FYE2020	FYE2021(Forecast)
Profit attributable to owners of the parent	¥47.7 billion	TBD
EPS	¥175.80	TBD
Special Circumstance	—	—
Annual Cash Dividend Per Share	53 yen	TBD (Note)
Interim Dividend	10 yen	10 yen
Year-end Dividend	43 yen	TBD (Note)
Payout Ratio	30.1%	30% or greater

Note: In April 2021, the Board of Directors plans to propose a dividend equivalent to at least 30% of profit attributable to owners of the parent.

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<https://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.