FYE2021
Operating Results

(Fiscal Year ended March 31, 2021)

Munetoshi Goto
President, Representative Director
Makita Corporation

May 11, 2021

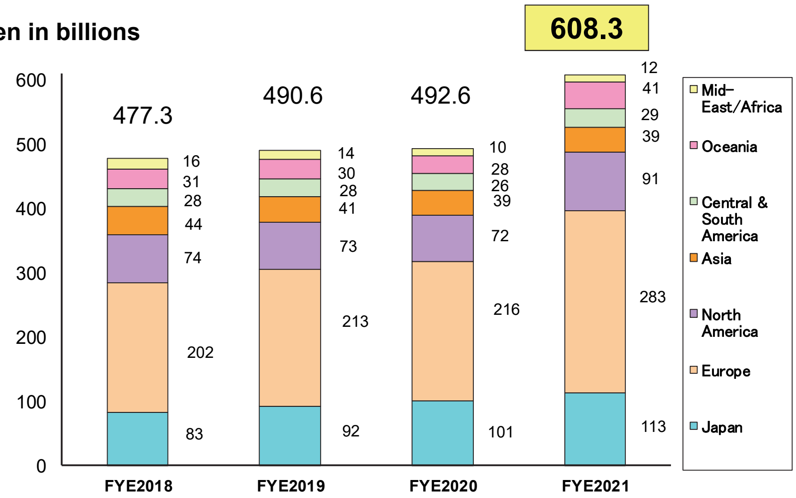
FYE2021 Results

		Variance to FYE2020
Revenue	**¥ 608.3 billion**	+23.5%
Domestic	**¥ 113.0 billion**	+12.3%
Overseas	**¥ 495.3billion**	+26.4%

Overseas revenue ratio: 81.4%(FYE2020: 79.6%)

Revenue by Geographic Area

Yen in billions



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Foreign Exchange Rate

	FYE2020	**FYE2021**	Variance
USD	¥ 108.70	**¥ 106.10**	**2.4%** Appreciation
EUR	¥ 120.81	**¥ 123.76**	**2.4%** Depreciation
RMB	¥ 15.60	**¥ 15.68**	**0.5%** Depreciation

Weighted average change for all foreign currencies:
1.7% appreciated in the value of the yen

Effect on revenue: Decrease of ¥8.7 billion

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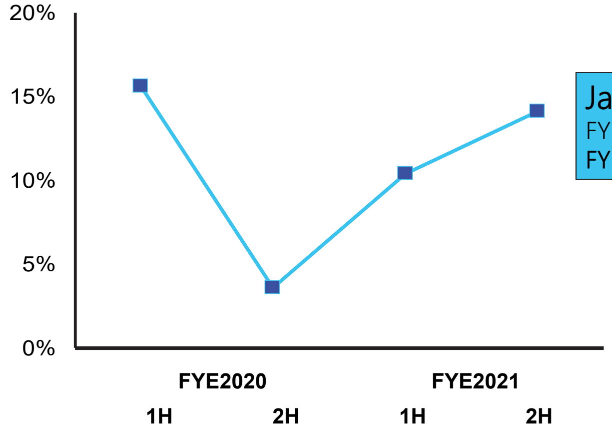
Revenue Growth (Local Currency Basis)

Japan



Japan
FYE2020 + 9.3%
FYE2021 + 12.3%

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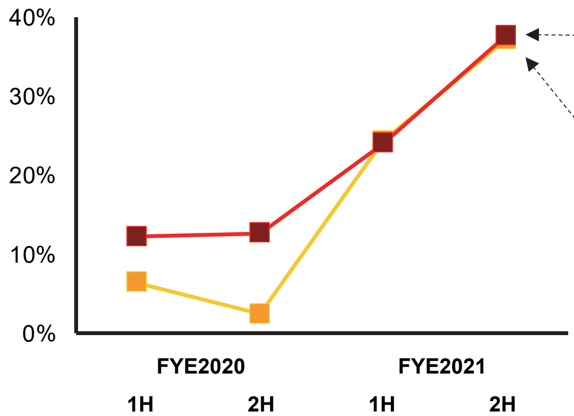
Revenue Growth (Local Currency Basis)

Europe +30.8%



Eastern Europe / Russia
FYE2020 + 12.4%
FYE2021 + 30.5%

Western Europe
FYE2020 + 4.3%
FYE2021 + 31.0%

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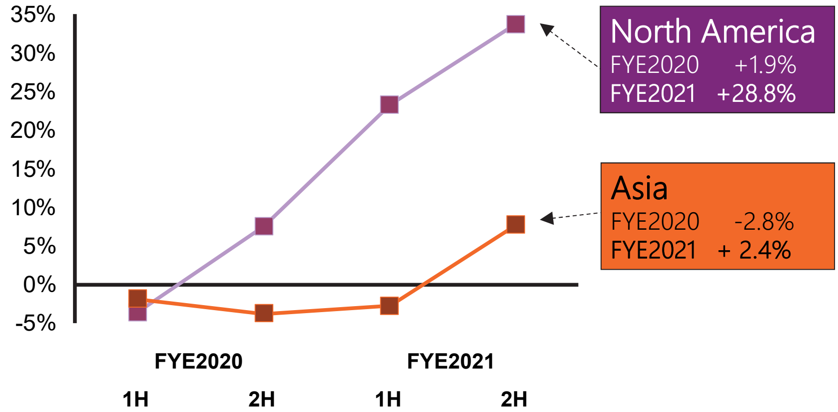
Revenue Growth (Local Currency Basis)

North America, Asia



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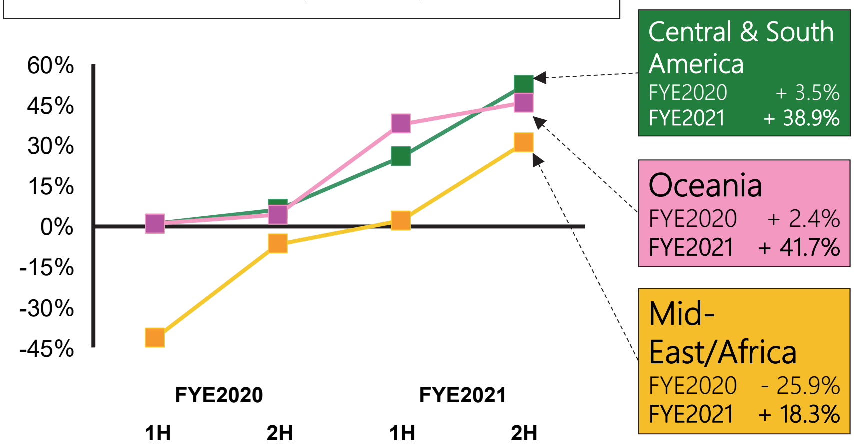
Revenue Growth (Local Currency Basis)

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



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Outdoor Power Equipment (OPE)

Release of more than 20 new models

Cordless OPE added to the lineup of the 40Vmax series

Lithium-ion Battery Products

Enhancement of product lineup

Pursuit of workability to maximize ease of use

Cordless Impact Driver

High-speed cutting & ultra-low vibration

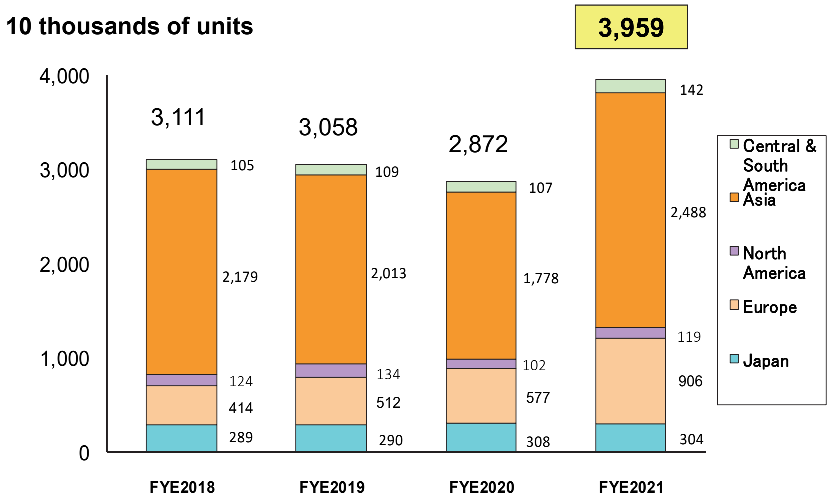
Cordless Toolless Multi Tool

Release of more than 60 new models

Cordless Brad Nailer

Cordless Demolition Hammer

Production Quantities by Geographic Area



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Inventories

March 31, 2020 ¥214.6 billion

March 31, 2021 ¥267.5 billion

Increase of Inventories ¥52.9 billion

Breakdown:

Increase of inventories on hand ¥36.0 billion

Increase by translation into yen ¥16.9 billion

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Operating profit
Cost of sales
SG&A

	FYE2020	**FYE2021**	Variance
Revenue	¥ 492.6 billion	**¥ 608.3 billion**	+23.5%
Cost of Sales	¥ 323.8 billion	**¥ 405.3 billion**	+25.2%
Cost of Sales Ratio	65.7%	**66.6%**	Up 0.9 points
SG&A Expenses	¥ 104.8 billion	**¥ 114.6 billion**	+9.3%
SG&A Ratio	21.3%	**18.9%**	Down 2.4 points
Operating Profit	¥ 64.0 billion	**¥ 88.5 billion**	+38.1%
Operating Profit Ratio	13.0%	**14.5%**	Up 1.5 points

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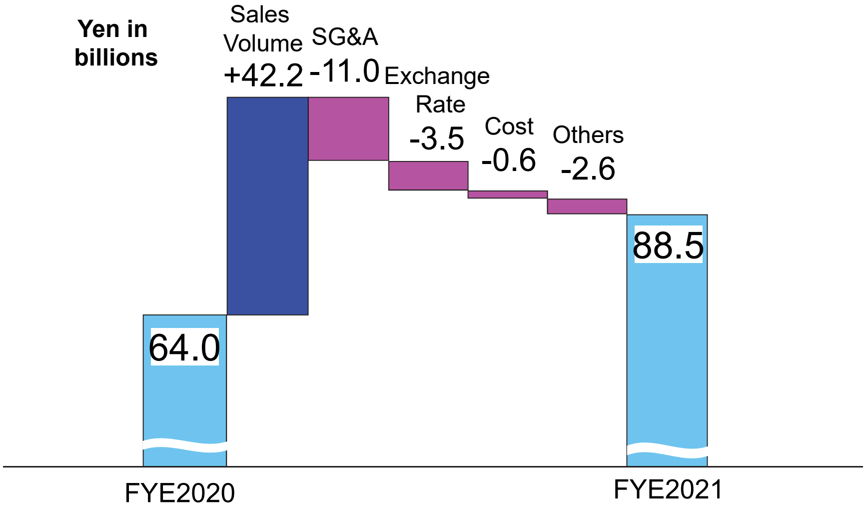
Analysis of Operating Profit



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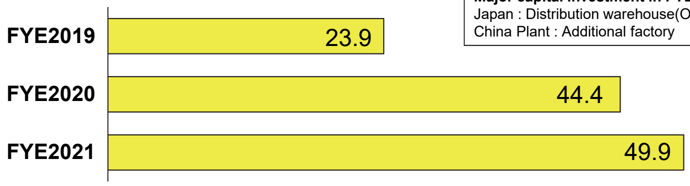
Financial Income (Expenses), Profit Before Income Taxes, Profit Attributable to Owners of the Parent, EPS

	FYE2020	**FYE2021**	Variance
Financial Income (Expense)	¥2.0 billion	**- ¥1.3 billion**	- ¥3.3 billion
Profit Before Income Taxes	¥66.0 billion	**¥87.2 billion**	+ 32.1%
Profit Attributable to Owners of the Parent	¥47.7 billion	**¥62.0 billion**	+ 29.9%
EPS	¥175.80	**¥228.41**	+ 29.9%

Capital Expenditure, Depreciation and Amortization, R&D Cost

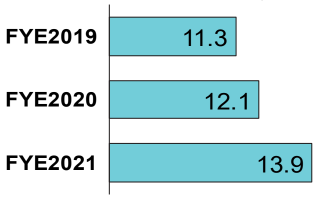
Capital Expenditure (Yen in billions)

Major capital investment in FYE 2021
Japan : Distribution warehouse(Okazaki,Saitama)
China Plant : Additional factory

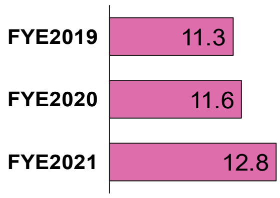


Depreciation and Amortization

(Yen in billions)



R&D Cost (Yen in billions)



Makita's Commitments

- To become a manufacturer of cordless products (to meet environmental needs)
- Expansion of sales/service and logistics sites
- Enhancement of corporate governance

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Makita's Commitments ESG

To become a manufacturer of cordless products

Power Tools


Outdoor Power Equipment


Cleaning Products


Field Equipment


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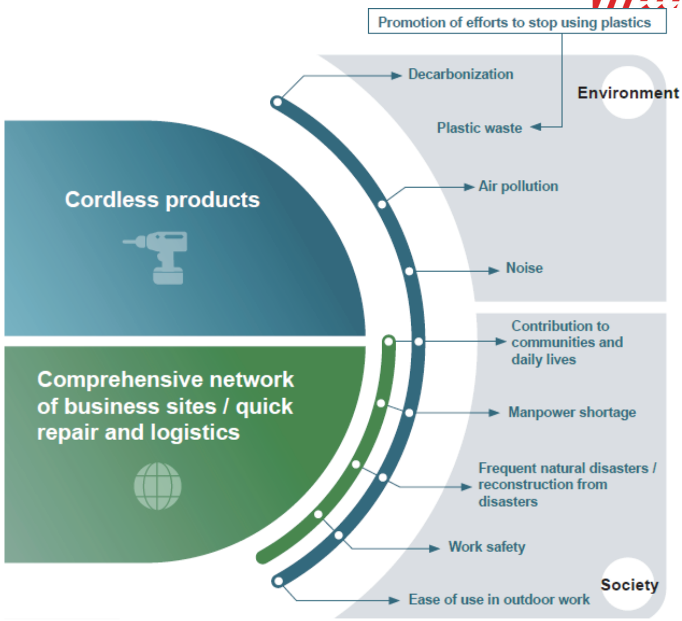
Makita's Commitments ESG



Makita's Commitments ESG

To become a manufacturer of cordless products

Growth by solving social issues

Focus on cordless OPE
= Shift from engine-powered products to cordless products

Contribute significantly to achieving a decarbonized society

Portable Power Pack

Large capacity/long operation

Makita's Commitments ESG

Expansion of sales/service and logistics sites

List of new sites (including logistics)

Area	City
Japan	Okazaki Plant New Distribution Building 5 Sales Offices including Isahaya (Nagasaki) * 2 new Sales Offices opened in April 2021
Europe	Hamburg (Germany) Lyon (France)
North America	Reno (America)
Asia	Yilan, Tainan, etc. (Taiwan) Guwahati (India)
Central & South America	Sao Paulo (Brazil)
Oceania	Townsville (Australia) Wellington (New Zealand)

Okazaki Plant
New Distribution Building

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Makita's Commitments ESG

Expansion of sales/service and logistics sites

Quickly offer products and services that are indispensable for affluent communities and daily lives

Our products used at the construction site of a temporary medical facility

"Close contact with customers and geographical regions"

Contribute to achieving a sustainable society in different parts of the world

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Makita's Commitments ESG

Enhancement of corporate governance

December 2020

Establishment of Nomination and Compensation Committee

After the shareholders meeting in June 2021 (planned)

- **Transition to a Company with an Audit and Supervisory Committee**
- **Ratio of outside directors: 1/3**

Strengthen the structure to become a "Strong Company"

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Forecast of Financial Results Dividend

- Revenue Forecast
- Analysis of Operating Profit (Forecast)
- Financial Forecast
- Production Plan
- Cash Dividends

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FYE2022 Revenue Forecast

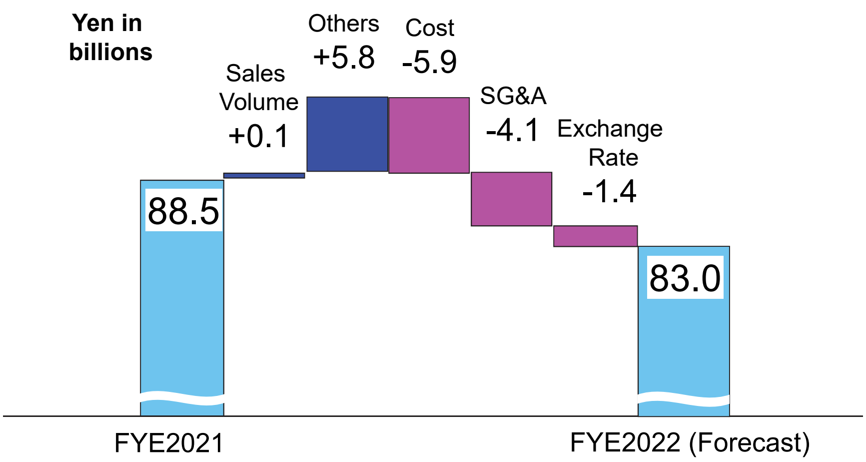
Variance to FYE2021

Revenue	¥610.0 billion	+ 0.3%
Domestic	¥114.0 billion	+ 0.8%
Overseas	¥496.0 billion	+ 0.1%
Overseas revenue ratio: 81.3% (FYE2021: 81.4%)		

Assumed foreign exchange rates

US$	Euro	RMB
¥105	¥125	¥16.2

Analysis of Operating Profit (Forecast)



FYE2022 Financial Forecast

	FYE2021	**FYE2022**	Variance
Operating profit	¥88.5 billion	**¥83.0 billion**	- 6.2%
Profit before income taxes	¥87.2 billion	**¥82.3 billion**	- 5.6%
Profit attributable to owners of the parent	¥62.0 billion	**¥59.0 billion**	- 4.9%
EPS	¥228.41	**¥217.29**	- 4.9%

FYE2022 Capital Expenditures, Depreciation, R&D Cost

Capital Expenditures	Depreciation	R&D Cost
¥75.0 billion	**¥16.2 billion**	**¥14.5 billion**

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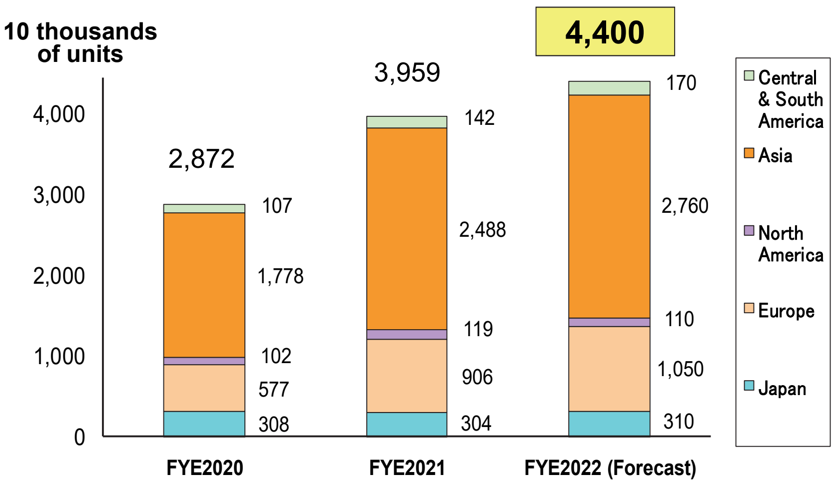
Production Plan



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Cash Dividends

Dividend Policy	Dividend Payout Ratio: 30% or greater	
	FYE2021	FYE2022(Forecast)
Profit attributable to owners of the parent	¥62.0 billion	¥59.0 billion
EPS	¥228.41	¥217.29
Special Circumstance	—	—
Annual Cash Dividend Per Share	69 yen	(Note)
Interim Dividend	10 yen	10 yen
Year-end Dividend	59 yen	(Note)
Payout Ratio	**30.2%**	30% or greater

Note: In April 2022, the Board of Directors plans to propose a dividend equivalent to at least 30% of profit attributable to owners of the parent.

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.

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