FYE2024
Operating Results
(Fiscal Year ended March 31, 2024)

Makita Corporation

Munetoshi Goto
President, Representative Director

May 9, 2024

FYE2024 Results

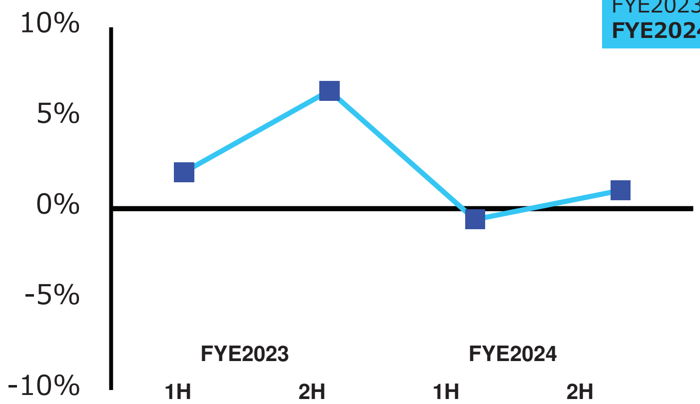
		Variance to FYE2023
Revenue	¥741.4 billion	-3.0%
Domestic	¥123.2 billion	+0.2%
Overseas	¥618.2 billion	-3.7%
Overseas revenue ratio: 83.4% (FYE2023 83.9%)		

Weighted average change for all foreign currencies:
6.1% depreciated in the value of the yen
Effect on revenue: Increase of ¥35.7 billion

Revenue Growth (Local Currency Basis)

Japan

Japan
FYE2023 +4.2%
FYE2024 +0.2%



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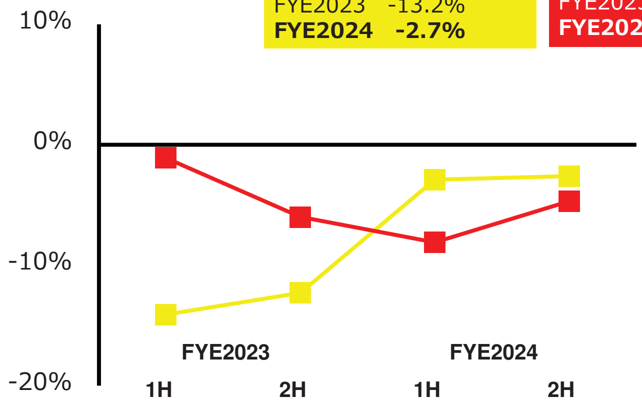
Revenue Growth (Local Currency Basis)

Europe

-4.3%

Western Europe
FYE2023 -13.2%
FYE2024 -2.7%

Eastern Europe
FYE2023 -5.9%
FYE2024 -6.6%



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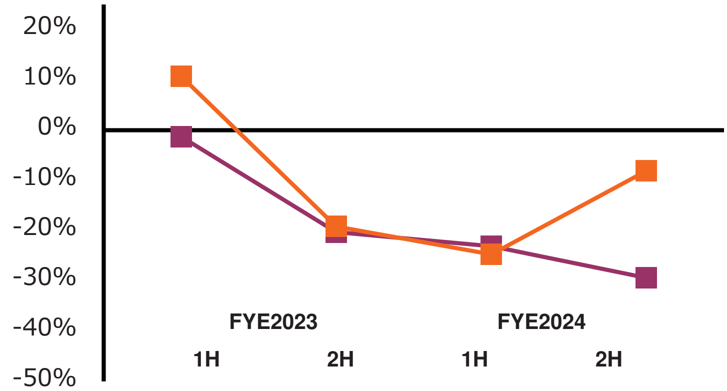
Revenue Growth (Local Currency Basis)

North America, Asia

North America	Asia
FYE2023 -11.5%	FYE2023 -5.6%
FYE2024 -26.1%	**FYE2024 -17.2%**



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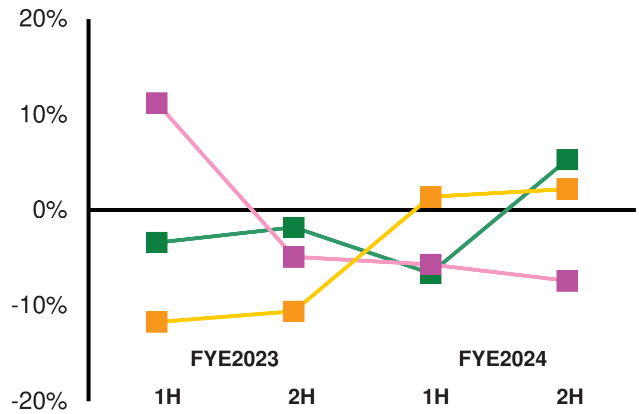
Revenue Growth (Local Currency Basis)

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

Central & South America	Oceania	Mid-East/Africa
FYE2023 -2.6%	FYE2023 +2.4%	FYE2023 -11.1%
FYE2024 -0.8%	**FYE2024 -6.5%**	**FYE2024 +1.8%**



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Outdoor Power Equipment (OPE)

Battery Powered Wheelbarrow, Electric Lift
DCU601

Although sales of new products and the 40Vmax Lithium-ion Battery (XGT) series remained steady, sales were sluggish overall because of the impact of extreme weather in summer and other factors.

OPE Total	
Variance to FYE2023 (Yen)	-3%
Variance to FYE2023 (Local currency)	**-8%**

Cordless OPE	
Variance to FYE2023 (Yen)	+6%
Variance to FYE2023 (Local currency)	**same level**

Cordless Products

Cordless Vacuum Sweeper
VS001G

Cordless Products	
Variance to FYE2023 (Yen)	-3%
Variance to FYE2023 (Local currency)	**-9%**
Proportion of cordless products in sales overall	54%

Overall, sales remain sluggish due to the impact of the weak building and construction market, while sales of the 40Vmax Lithium-ion Battery(XGT) series continue to expand.

Production, Sales, Inventory

10 thousands of unit

	FYE2020	FYE2021	FYE2022	FYE2023	**FYE2024**	Year-On-Year
Production	2,872	3,959	5,005	2,635	**2,336**	-11.3%
Japan	308	304	351	207	**194**	-6.1%
Europe	577	906	1,176	509	**584**	+14.7%
North America	102	119	143	75	**52**	-30.9%
Asia	1,778	2,488	3,148	1,743	**1,391**	-20.2%
Central and South America	107	142	187	101	**115**	+13.8%
External Procurement	*159*	*291*	*427*	*202*	***163***	*-19.1%*
Sales	3,205	3,896	4,385	3,636	**3,109**	-14.5%
Inventory	1,437	1,791	2,837	2,038	**1,428**	-29.9%

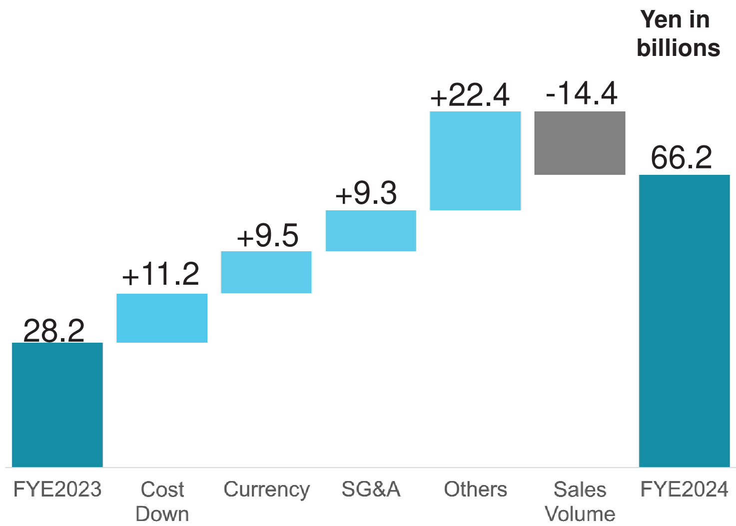
(Reference) Inventory month on hand by area (calculated by cost of sales)

Japan	Europe	North America	Asia	Central and South America	Oceania	Mid-East/Africa	**Consolidated**
2.3	6.1	13.4	2.4	7.3	6.5	8.9	**9.0**

Operating profit, Cost of sales, SG&A

	FYE2023	**FYE2024**	Year-On-Year
Revenue	¥764.7 billion	**¥741.4 billion**	-3.0%
Cost of Sales	¥576.0 billion	**¥517.4 billion**	-10.2%
Cost of Sales Ratio	75.3%	**69.8%**	Down 5.5 points
SG&A Expenses	¥160.5 billion	**¥157.8 billion**	-1.7%
SG&A Ratio	21.0%	**21.3%**	Up 0.3 points
Operating Profit	**¥28.2 billion**	**¥66.2 billion**	+134.3%
Operating Profit Ratio	**3.7%**	**8.9%**	Up 5.2 points

Analysis of Operating Profit



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

	FYE2023	FYE2024	Year-On-Year
Financial Income (Expenses)	(¥4.3 billion)	**(¥2.2 billion)**	+¥2.1 billion
Profit before Income Taxes	¥23.9 billion	**¥64.0 billion**	+168.0%
Profit Attributable to Owners of the Parent	¥11.7 billion	**¥43.7 billion**	+273.3%
EPS	¥43.11	**¥162.13**	

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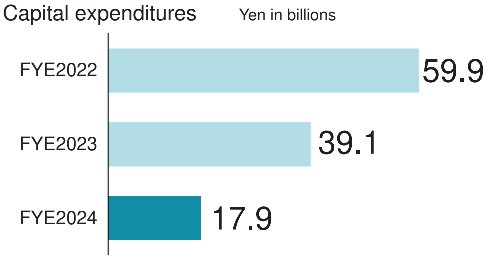
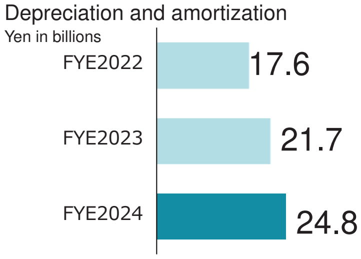
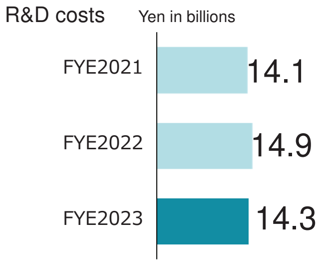
Capital expenditures, Depreciation and amortization, R&D costs



Capital Expenditure highlights during the year

Japan : Reconstruction of Okazaki warehouse
Romania : Construction of a warehouse
Estonia : Construction of a new office





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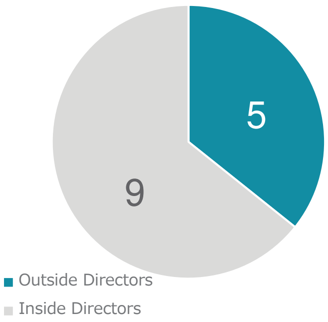
Corporate Governance

On April 26th
"Announcement of Change in Representative Director and Changes in Managements"

Composition of the Board of Directors after the 112th Ordinary General Meeting of Shareholders scheduled in June 2024



- Number of Directors : **15→14**
  (one of whom is a woman)
- Outside Directors ratio : **33%→36%**
  (5 out of 14)

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Forecast of Financial Results
Shareholder Return

- Revenue Forecast
- Analysis of Operating Profit (Forecast)
- Capital expenditures, Depreciation and amortization, R&D costs (Forecast)
- Production, Sales, Inventory (Forecast)
- Inventory Optimization
- Measures to realize management that is conscious of capital costs and the stock price
- Shareholder Return

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FYE2025 Revenue Forecast

	FYE2024	FYE2025	Year-On-Year
Revenue	¥741.4 billion	**¥710.0 billion**	-4.2%
Domestic	¥123.2 billion	**¥124.0 billion**	+0.6%
Overseas	¥618.2 billion	**¥586.0 billion**	-5.2%
Overseas Revenue Ratio	83.4%	**82.5%**	-0.9%
Operating Profit	¥66.2 billion	**¥75.0 billion**	+13.3%
Operating Profit Ratio	8.9%	**10.6%**	+1.7pt
Profit Attributable to Owners of the Parent	¥43.7 billion	**¥51.0 billion**	+16.7%
EPS	¥162.13	**¥189.57**	

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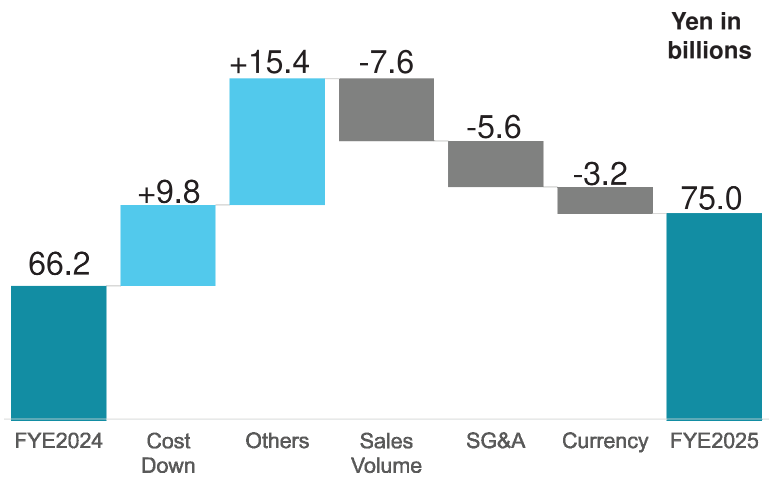
Analysis of Operating Profit (Forecast)



Capital expenditures, Depreciation and amortization, R&D costs (Forecasts)

	FYE2024	**FYE2025**
Capital expenditures	¥17.9 billion	**¥29.0 billion**
Depreciation and amortization	¥24.8 billion	**¥25.0 billion**
R&D costs	¥14.3 billion	**¥15.5 billion**

Production, Sales, Inventory (Forecast)

10 thousands of unit

	FYE2024	FYE2025	Year-On-Year
Production	2,336	**2,700**	+15.6%
Japan	194	**210**	+8.0%
Europe	584	**720**	+23.2%
North America	52	**66**	+27.5%
Asia	1,391	**1,565**	+12.5%
Central and South America	115	**139**	+21.3%
External Procurement	*163*	***192***	*+17.8%*
Sales	3,109	**2,960**	-4.8%
Inventory	1,428	**1,360**	-4.8%

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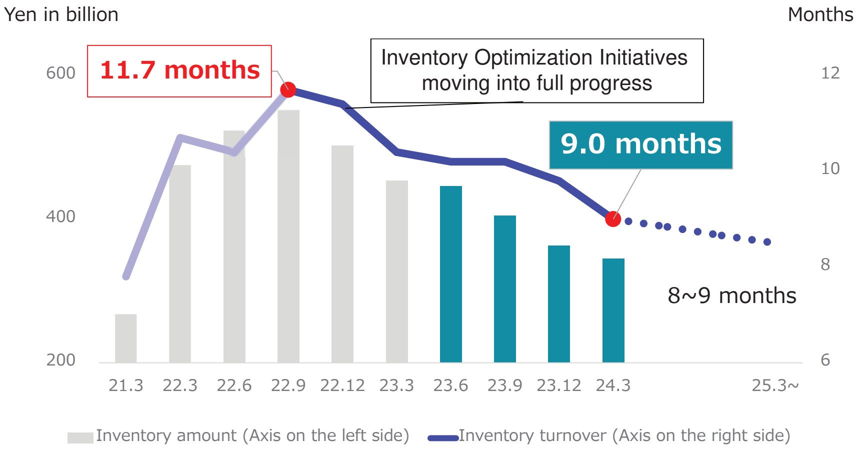
Inventory Optimization



Inventory target has almost achieved.

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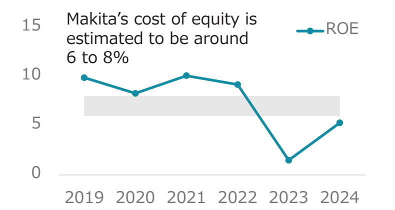
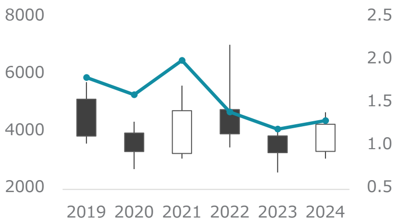
Measures to realize management that is conscious of capital costs and the stock price

ROE（%）



Stock Price and PBR (times)



Analysis of the current situation

- Since FYE2023, ROE remains below the cost of equity (around 6 to 8%)
- The stock price fell in association with the slowdown of results and the decline of ROE.
- PBR is trending downwards in association with the sluggish growth of the stock price.

Policy and targets for improvement

- Achieving ROE above the cost of equity and maintaining conditions
- Expansion of equity spread by reducing the cost of equity

Matters to be addressed

- Improvement of ROE
  →Reduction of excessive inventory, optimization, cost down, the expansion of our lineup of high value-added products, differentiation through the high quality after-sales services
- Reduction of cost of equity
  →Response to changes in the environment sustainability management, human capital management, IR activities

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Shareholder Return

Dividend Policy	Total return ratio at 35% or more	
	FYE2024	FYE2025
Profit Attributable to Owners of the Parent	¥43.7 billion	¥51.0 billion
EPS	¥162.13	¥189.57
Special Circumstance（after tax）	-	-
Annual Cash Dividend Per Share	57 yen	(Note1)
Interim Dividend	10 yen	20 yen
Year-end Dividend	47 yen	(Note1)
The repurchase of treasury shares	¥10 billion（Note2)	(Note3)
Total return ratio	**58.0%**	35% or greater

（Note1）At a meeting of the Board of Directors to be held in April 2025, the amount of dividends will be determined so that the total return ratio is at least 35%.
（Note2）Refer to "Notice Concerning Repurchase of Treasury Shares" announced April 27th, 2023. Also refer to "Notice Concerning Status and Completion of Repurchase of Treasury Shares" announced July 10th, 2023.
(Note3) We will consider purchasing of treasury shares in view of financial results, stock price level and free cash flow.

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FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements based on Makita's own projections and estimates in light of the information currently available. Due to the risks and uncertainties involved, actual results could vary materially 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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（Reference）

Exchange Rate（Actual/Forecast） Sensitivity

	FYE2024	FYE2025	Operating Profit Sensitivity* (FYE2024 Result)	Operating Profit Sensitivity* (FYE2025 Forecast)
USD	¥144.59	¥145	- ¥0.4 billion or less	- ¥0.4 billion or more
EUR	¥156.75	¥155	+¥0.9 billion or less	+¥0.9 billion or less
RMB	¥20.13	¥20.0	- ¥10.0 billion or less	- ¥9.0 billion or more

*Under the condition of ¥ 1 depreciation of the yen

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