



FYE2026

Investor Meeting

**Makita Corporation**  
**May 12, 2026**



FYE2026

# Financial Results

Yukihiro Otsu  
General Manager of Administration Headquarters

**Makita Corporation**  
**May 12, 2026**

# FYE2026 Financial Highlights



## FYE2026 Results

YOY

### REVENUE

¥777.6 billion

+3.2%

### OPERATING PROFIT

¥104.7 billion

-2.2%

### ANNUAL CASH DIVIDEND PER SHARE

¥150

up ¥40

### REPURCHASE OF TREASURY SHARES

¥55.9 billion

- Revenue increased due to the impact of foreign exchange
- Operating profit declined due to the increased personnel expenses and other costs
- Dividend policy has been revised to “consolidated payout ratio of 50% or more.”

## FYE2027 Forecast

YOY

### REVENUE

¥820.0 billion

+5.5%

### OPERATING PROFIT

¥110.0 billion

+5.1%

- Increase in revenue by expanding our sales headcount and developing new markets
- Increase in personnel expenses due to an increase in sales headcount and wages increase in various regions

## Our Vision for Fiscal Year 2030

- Formulated “Our Vision Fiscal Year 2030” incorporating future growth and capital strategies, as well as key financial metrics

# FYE2026 Financial Performance



	FYE2025	FYE2026	YOY
Revenue	¥ 753.1 billion	¥ 777.6 billion	+3.2% ↑
Domestic	¥ 127.2 billion	¥ 132.1 billion	+3.9% ↑
Overseas	¥ 625.9 billion	¥ 645.5 billion	+3.1% ↑
Operating profit	¥ 107.0 billion	¥ 104.7 billion	-2.2% ↓
Profit before income taxes	¥ 108.5 billion	¥ 108.0 billion	-0.4% ↓
Profit attributable to owners of the parent	¥ 79.3 billion	¥ 79.4 billion	+0.1% ↑
EPS	¥ 294.90	¥ 299.95	-

\*Impact of currency : Weighted average change for all foreign currencies 3.7% depreciated in the value of the yen Effect on revenue: increase of ¥23.3 billion

# Revenue Growth by Region (LC)



	YOY	
JAPAN	+3.9%	↑
EUROPE	-1.5%	↓
WESTERN	+2.5%	↑
EASTERN	-8.3%	↓
NORTH AMERICA	-5.1%	↓
ASIA	+6.0%	↑
CENTRAL & SOUTH AMERICA	+3.4%	↑
OCEANIA	+1.9%	↑
MID-EAST/AFRICA	+3.7%	↑
CONSOLIDATED REVENUE	+0.2%	↑

# Sales performance

## Cordless products, Outdoor Power Equipment (OPE)



### Cordless products

YOY (yen)	<b>+4%</b>
YOY (LC)	<b>+1%</b>
Proportion of cordless products in sales overall	<b>56%</b>

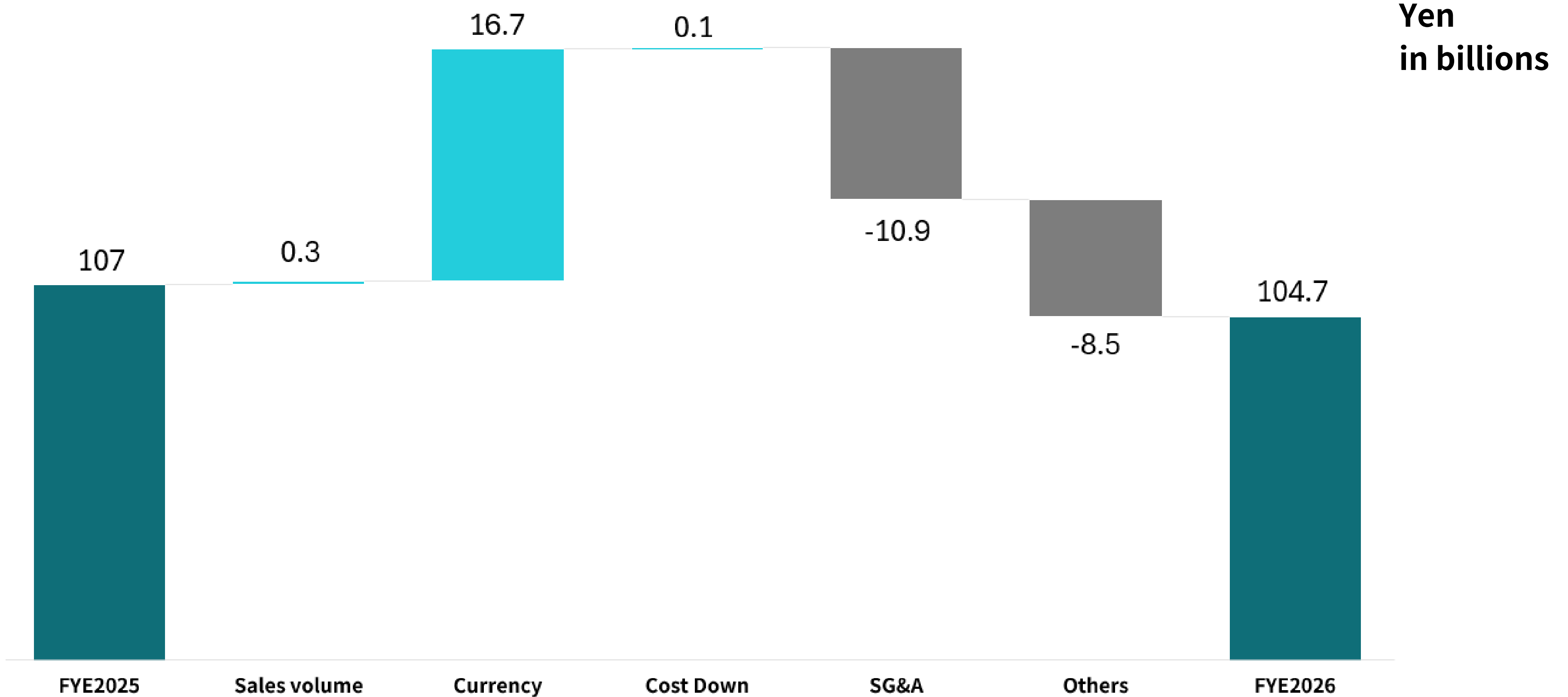
### OPE Total

YOY (yen)	<b>+1%</b>
YOY (LC)	<b>-3%</b>

### Cordless OPE

YOY (yen)	<b>+2%</b>
YOY (LC)	<b>-2%</b>

# Analysis of Operating Profit



# Production/Sales/Inventory



Million Unit	FYE2025	FYE2026	YOY
Production	29.36	28.05	-4.4%
Sales	30.62	29.78	-2.7%
Inventory	15.25	15.76	+3.3%
Inventory month on hand	10.2	9.8	

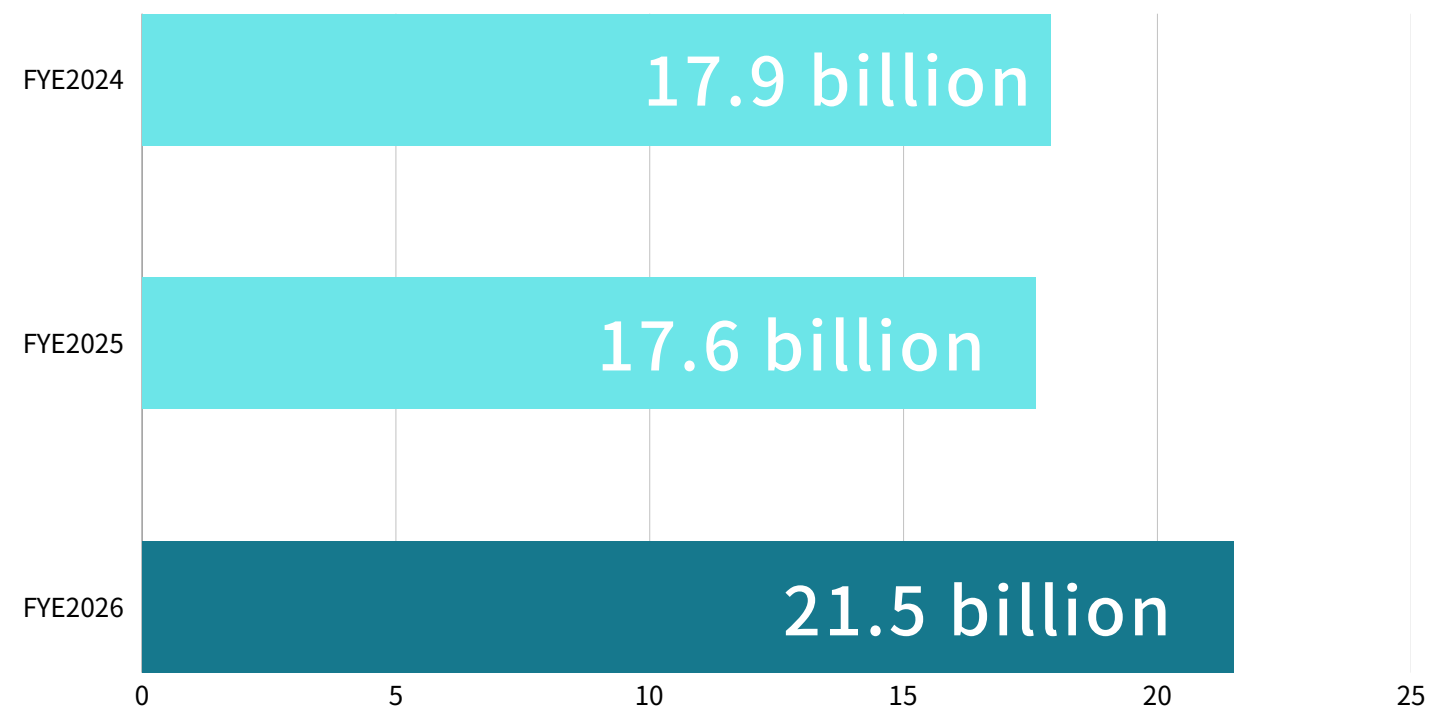
## (Reference) Inventory month on hand by region (calculated by cost of sales)

JAPAN	EUROPE	NORTH AMERICA	ASIA	CENTRAL & SOUTH AMERICA	OCEANIA	MID-EAST/AFRICA
1.6	6.9	8.8	2.2	8.4	7.0	6.4

# Capital expenditures, Depreciation and amortization, R&D costs



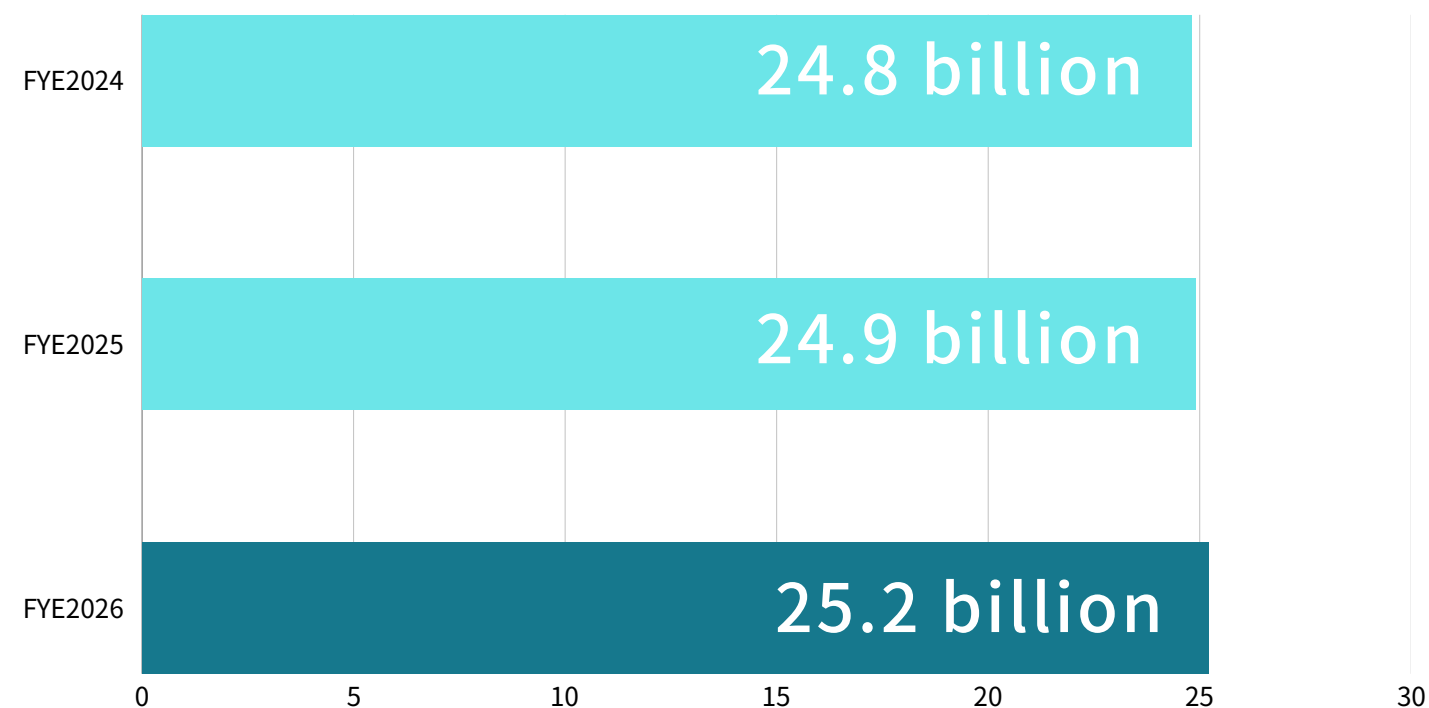
## Capital Expenditure



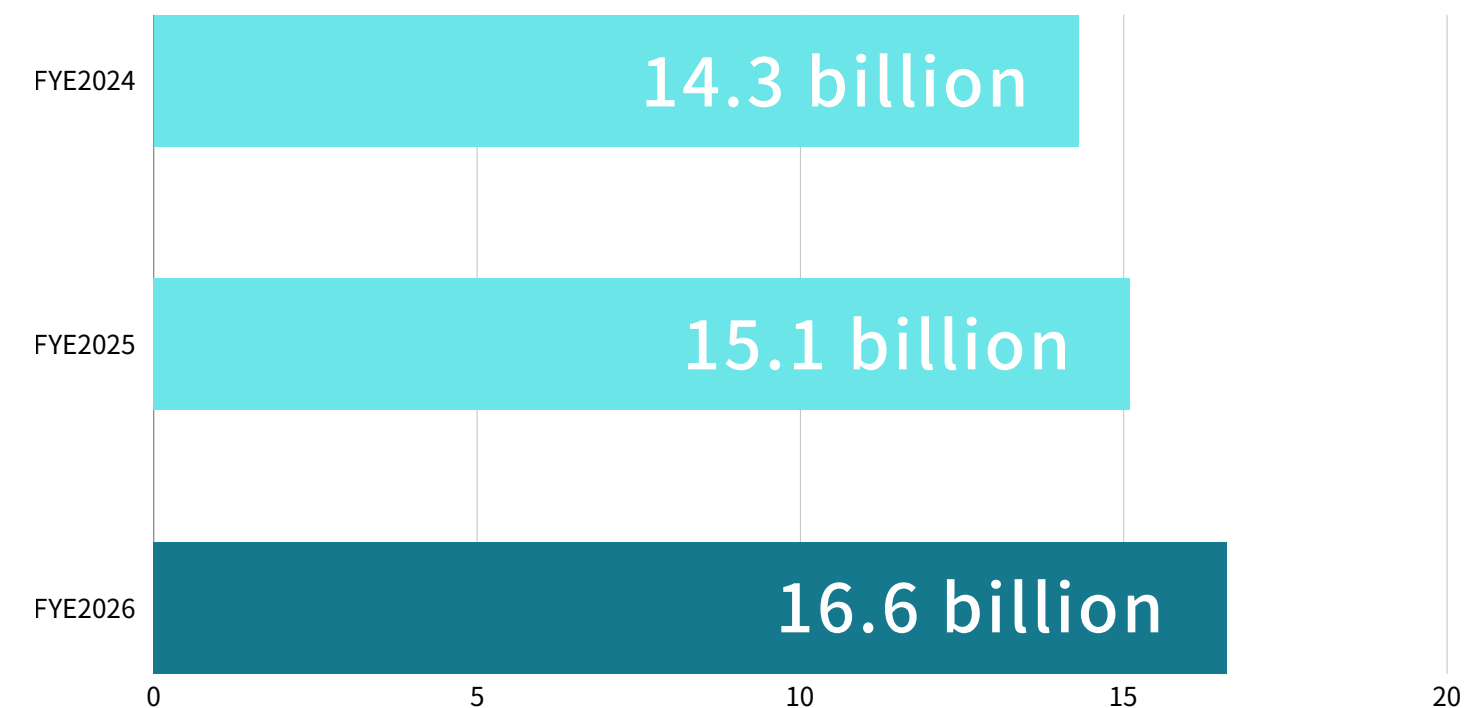
## Capital Expenditure highlights FYE2026

- Japan : Reconstruction of Okazaki warehouse
- Australia : Construction of a warehouse
- Singapore : Construction of a warehouse

## Depreciation and amortization



## R&D costs



# FYE2027 Revenue Forecast

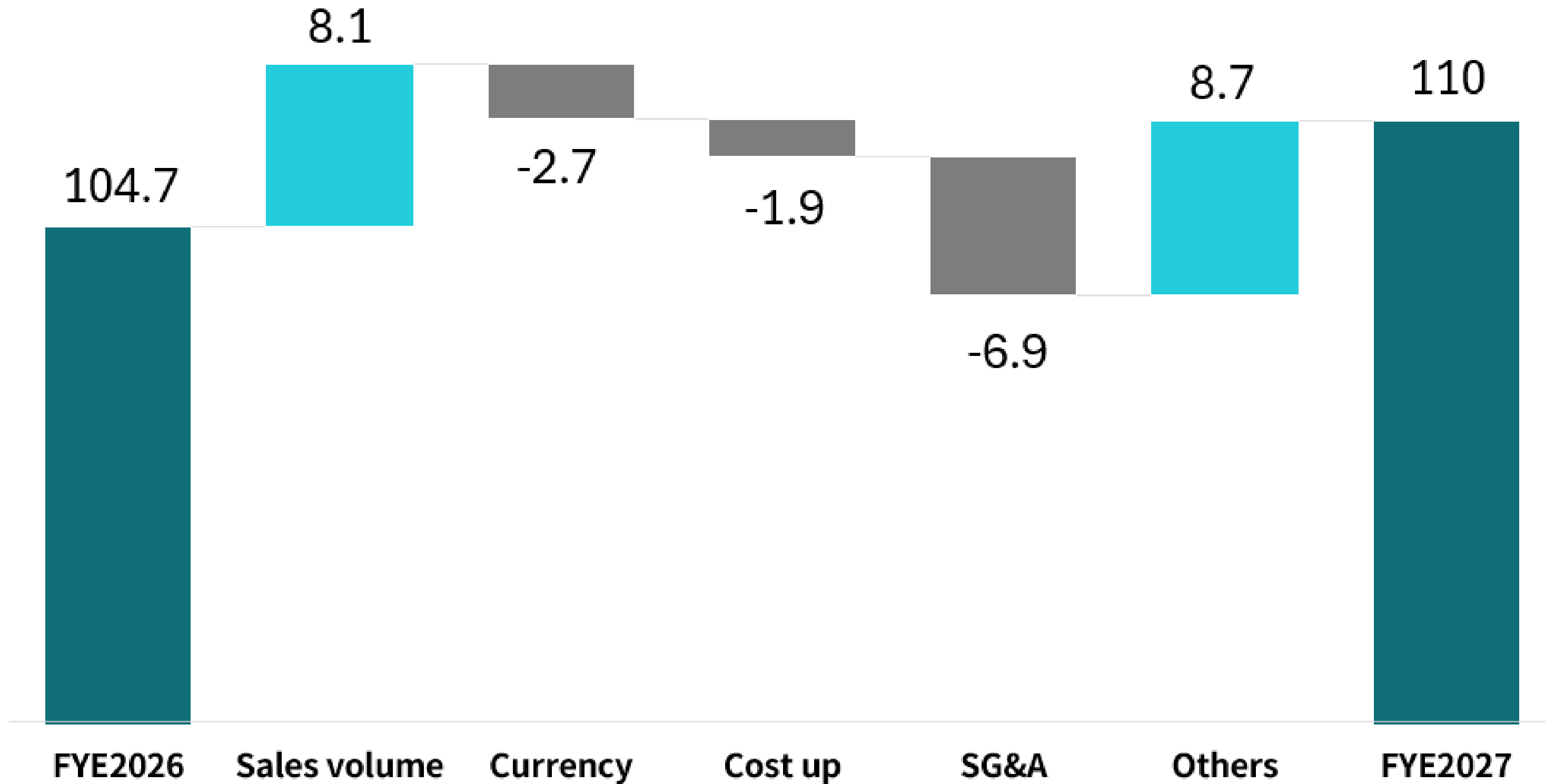


	FYE2026	FYE2027	YOY
<b>Revenue</b>	¥ 777.6 billion	¥ 820.0 billion	+5.5% ↑
<b>Domestic</b>	¥ 132.1 billion	¥ 135.0 billion	+2.2% ↑
<b>Overseas</b>	¥ 645.5 billion	¥ 685.0 billion	+6.1% ↑
<b>Operating profit</b>	¥ 104.7 billion	¥ 110.0 billion	+5.1% ↑
<b>Profit before income taxes</b>	¥ 108.0 billion	¥ 111.0 billion	+2.8% ↑
<b>Profit attributable to owners of the parent</b>	¥ 79.4 billion	¥ 81.0 billion	+2.0% ↑
<b>EPS</b>	¥ 299.95	¥ 313.45	-

# Analysis of Operating Profit (Forecast)



Yen  
in billions



# Production, Sales, Inventory (Forecast)



Million Unit	FYE2026	FYE2027	YOY
Production	28.05	29.00	+3.4%
Sales	29.78	31.00	+4.1%
Inventory	15.76	15.60	-1.0%
Inventory month on hand	9.8	mid 9	

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



	FYE2026	FYE2027
Capital expenditures	¥ 21.5 billion	¥ 30.0 billion
Depreciation and amortization	¥ 25.2 billion	¥ 25.0 billion
R&D costs	¥ 16.6 billion	¥ 18.5 billion

# Change in basic policy regarding profit distribution



Announced April 28, 2026

“Announcement of Change in basic policy regarding profit distribution and Dividends from Retained Earnings (Year-end dividend)”

## BEFORE

- A lower limit on annual cash dividends of 20 yen per share
- The total return ratio at 35% or greater
- In the event special circumstances arise, computation of the amount of dividends will be based on profit attributable to owners of the parent per share after certain adjustments

## AFTER

- Consolidated payout ratio at 50% or greater
- In the event special circumstances arise, computation of the amount of dividends will be based on profit attributable to owners of the parent per share after certain adjustments

\*This policy has taken effect starting with the dividend for the year ended March 2026.

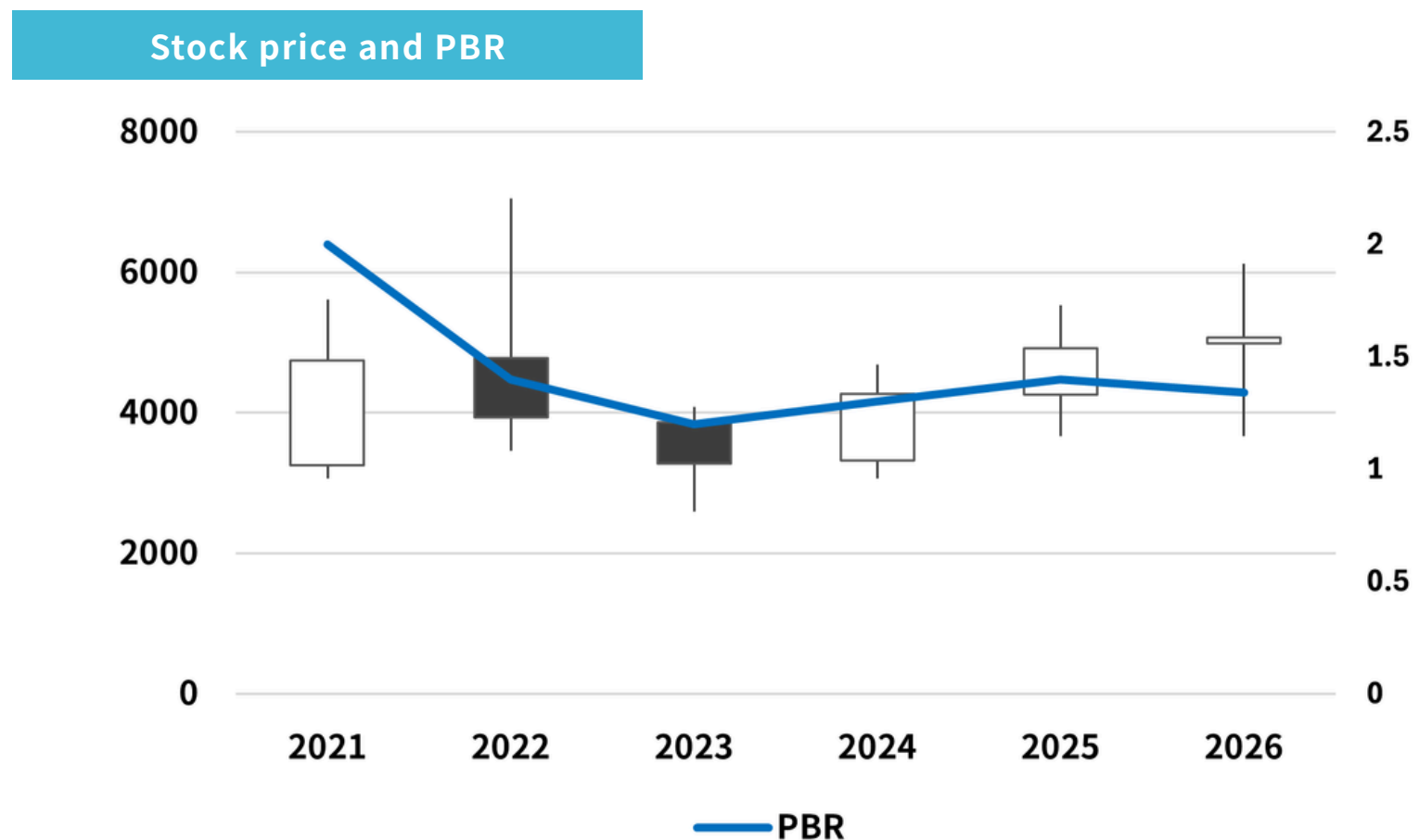
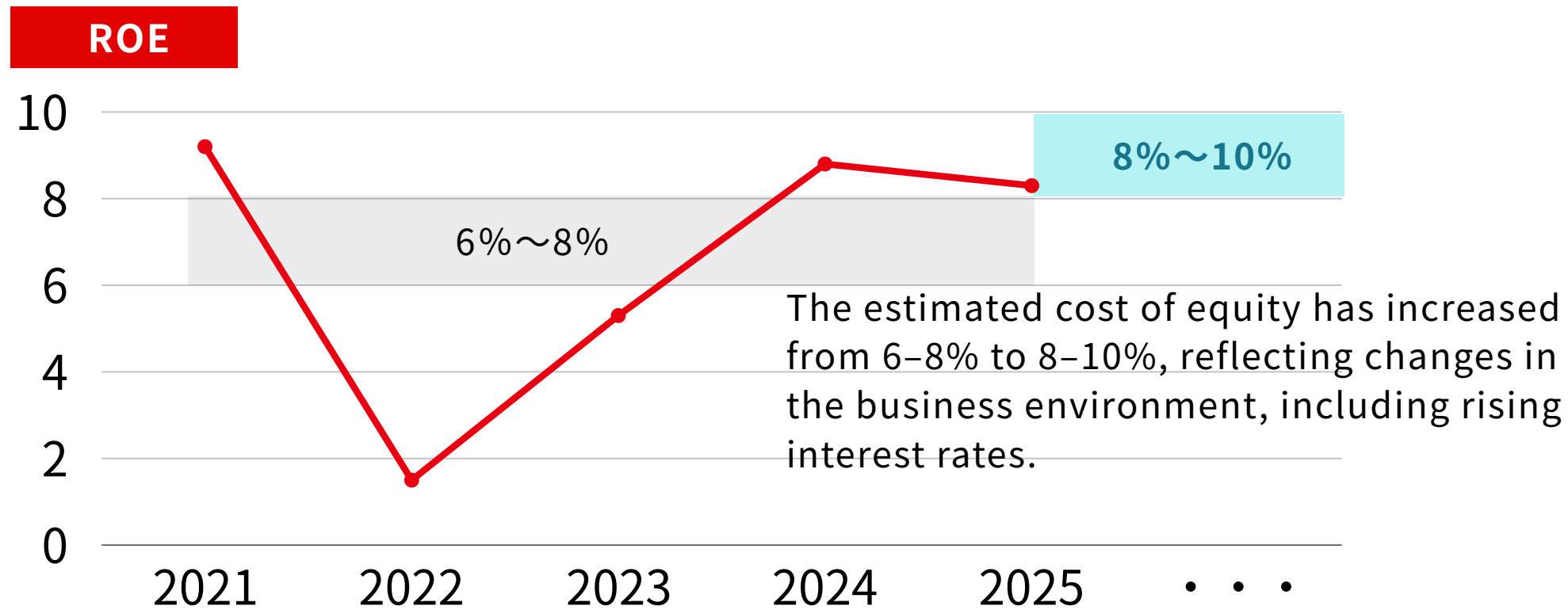
\*Taking into account the balance of interim and year-end dividend amounts

# Profit distribution



	FYE2026	FYE2027 (Forecast)
Profit attributable to owners of the parent	¥ 79.4 billion	¥ 81.0 billion
EPS	¥ 299.95	¥ 313.45
Annual Cash Dividend Per Share	¥ 150	(Undetermined)
Interim Dividend	¥ 20	¥ 79
Year-end Dividend	¥ 130	(Undetermined)
The repurchase of treasury shares	¥ 55.9 billion	In a flexible manner
Consolidated payout ratio	50.0%	50% or greater

# Strategies to implement management that considers capital costs and stock prices.



## As-Is Analysis

- FYE2026, we intended to sustain profitability and achieved return on equity (ROE) comparable to the prior year through share repurchases.
- Stock prices fluctuated sharply toward the end of the fiscal year affected by Middle East crisis.
- In light of the overall decline in the stock market, the PBR remained consistent with the previous year's level.

## To-Be Analysis

- Achievement and maintenance of stable ROE above the cost of equity, with a target of 11% or higher by FY2030
- Expansion of equity spread by reducing the cost of equity.

## Key Initiatives

- Achieve an ROE of 11% or higher by FY2030 through enhanced profitability and effective equity capital management
- Lower the cost of equity by advancing sustainability management and human capital management, while enhancing investor understanding through IR activities



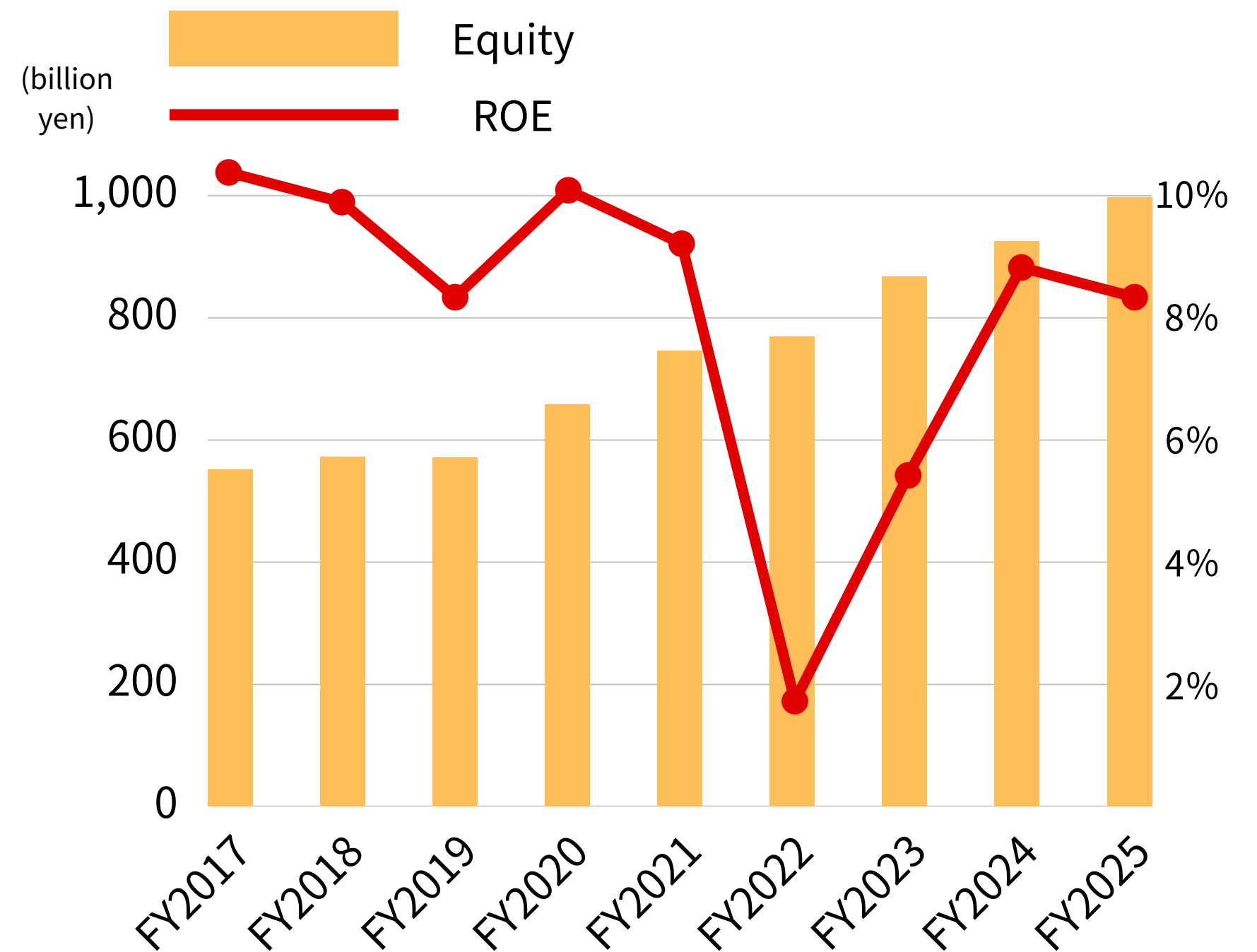
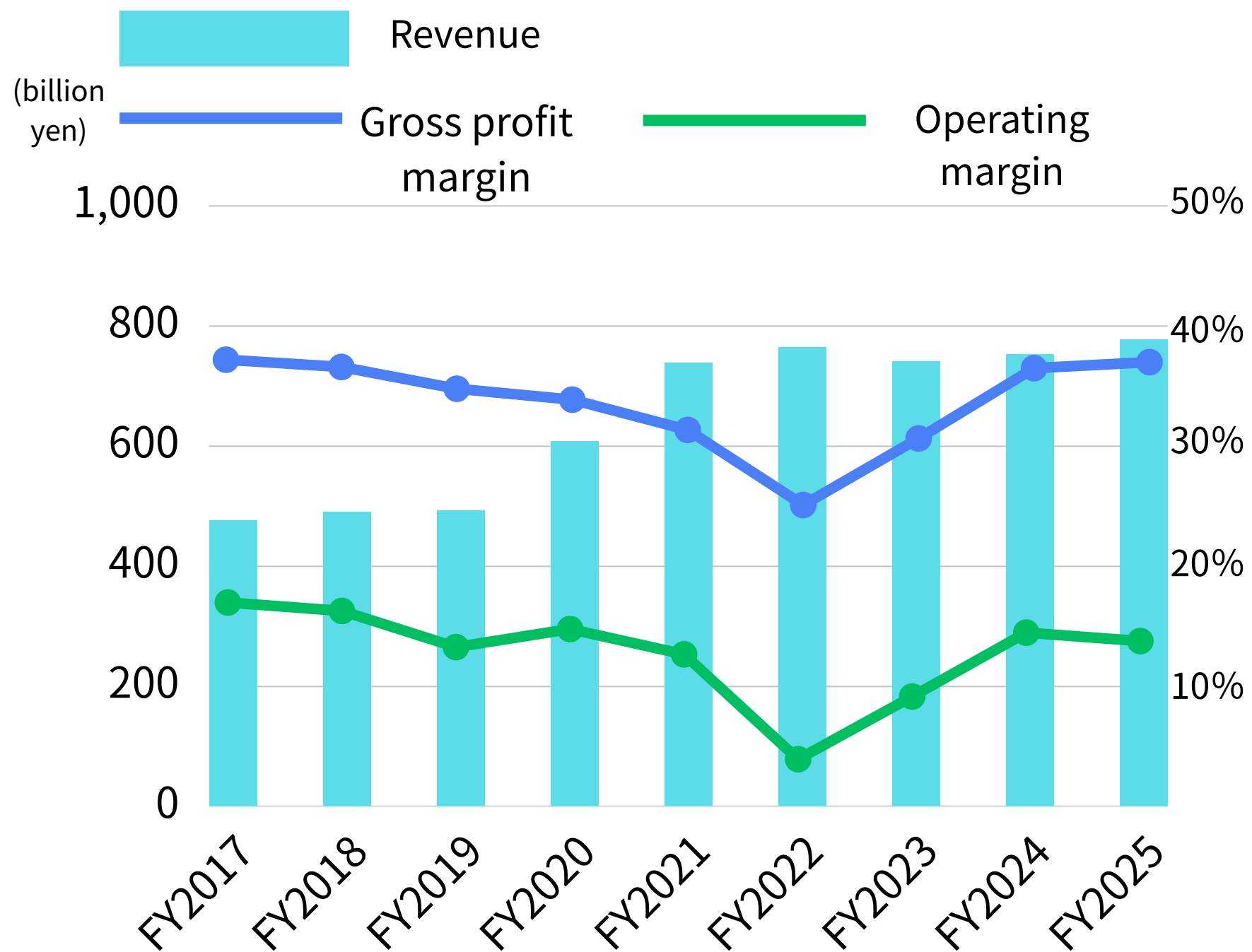
# Our Vision FY2030

**President and Chief Executive Officer  
Munetoshi Goto**

# Performance Trends



- Gross profit margins have recovered to pre-COVID levels, while operating profit margins remain flat due to rising SG&A expenses, particularly personnel costs.
- As equity capital has accumulated, ROE has not risen significantly above the cost of equity.





## Medium- to Long-term Market and Social Trends

**Persistent labor shortages at worksites**  
Growing demand for labor-saving solutions driven by workforce decline and population aging

**Achieving a decarbonized society**  
The irreversible shift from engine-powered products to battery-powered products is driven by growing consumer environmental awareness



**Long-term target: Strong Company**  
We have set the goal of contributing to the creation of sustainable society and consolidating a strong position in the industry worldwide as a global supplier of a comprehensive range of tools for creating comfortable homes and living environments, including cordless power tools, battery-operated outdoor power equipment and pneumatic tools.

**Medium- to Long-Term Vision: A Solutions Company Committed to Addressing Social Challenges**  
We contribute to building a sustainable society and grow together by providing solutions to social challenges such as labor shortages and the transition to a decarbonized society.

**Evolving into a "Supplier of a Comprehensive Range of Cordless Products" for Sustainable Growth**

- Establish a robust business model and operational foundation centered on cordless products and less vulnerable to external factors
- Pursue adaptive growth strategies and strengthen capital-efficient management in a rapidly changing business environment

- Rapid technological advances and evolving customer needs are raising the level of technology required by the market.
- The business structure remains vulnerable to short-term economic fluctuations, including interest rate and exchange rate fluctuations and changes in housing investment.
- Corporate governance reforms and the Tokyo Stock Exchange's focus on capital cost management are increasing the need for capital-efficient business and financial strategies.

- The five years leading up to FY2030 will be positioned as a period for strengthening the earnings structure and business foundation to achieve sustainable growth.
- We aim to achieve sustainable growth by shifting to a more stable earnings structure and enhancing capital efficiency.

## Enhanced profitability



Addressing Social Issues & Expanding Sales and Market Penetration of the 40Vmax Series

- Expanding business domains
- Identifying Users' Latent Needs

## Strengthening the business foundation



Strengthening supply chains

- Diversifying Production Locations
- Diversifying Sourcing Channels

## Enhancement of capital efficiency



Balance Sheet Management

- Prudent cash allocation
- Enhancing shareholder returns

### Key financial metrics

Operating profit margin

**15% or greater**

(FY2025 RESULTS)  
13.5%

ROE

**11% or greater**

(FY2025 RESULTS)  
8.3%

Cash balance

Cash balance equivalent to 2~3 months of monthly sales

(FY2025 RESULTS)  
257.4 BILLION YEN

# Enhanced profitability - Makita's 40Vmax series

Promoting Widespread Adoption and Sales Expansion of the 40Vmax Series to Help Address Social Challenges



The 40Vmax Series provides a cordless solution for high-load applications that previously required engine-powered, pneumatic, or corded products, helping address labor shortages and decarbonization.

## Persistent labor shortages at worksites

Shrinking Workforce and Aging Population



Growing demand for labor-saving solutions and the need to maintain and improve worksite efficiency are driving greater demand for rechargeable products.

# Makita

## 40Vmax series



## Achieving a decarbonized society

The irreversible shift from engine-powered products to battery-powered products



Reduced exhaust emissions and noise are improving worksite environments, while demand is growing for rechargeable products with performance comparable to engine-powered models.

- Power comparable to engine-powered, pneumatic, and corded models
- Exceptional durability enabled by a dedicated design
- Excellent compatibility and improved work efficiency through cordless operation

# Enhanced profitability - Revenue Growth Roadmap

Promoting Widespread Adoption and Sales Expansion of the 40Vmax Series to Help Address Social Challenges



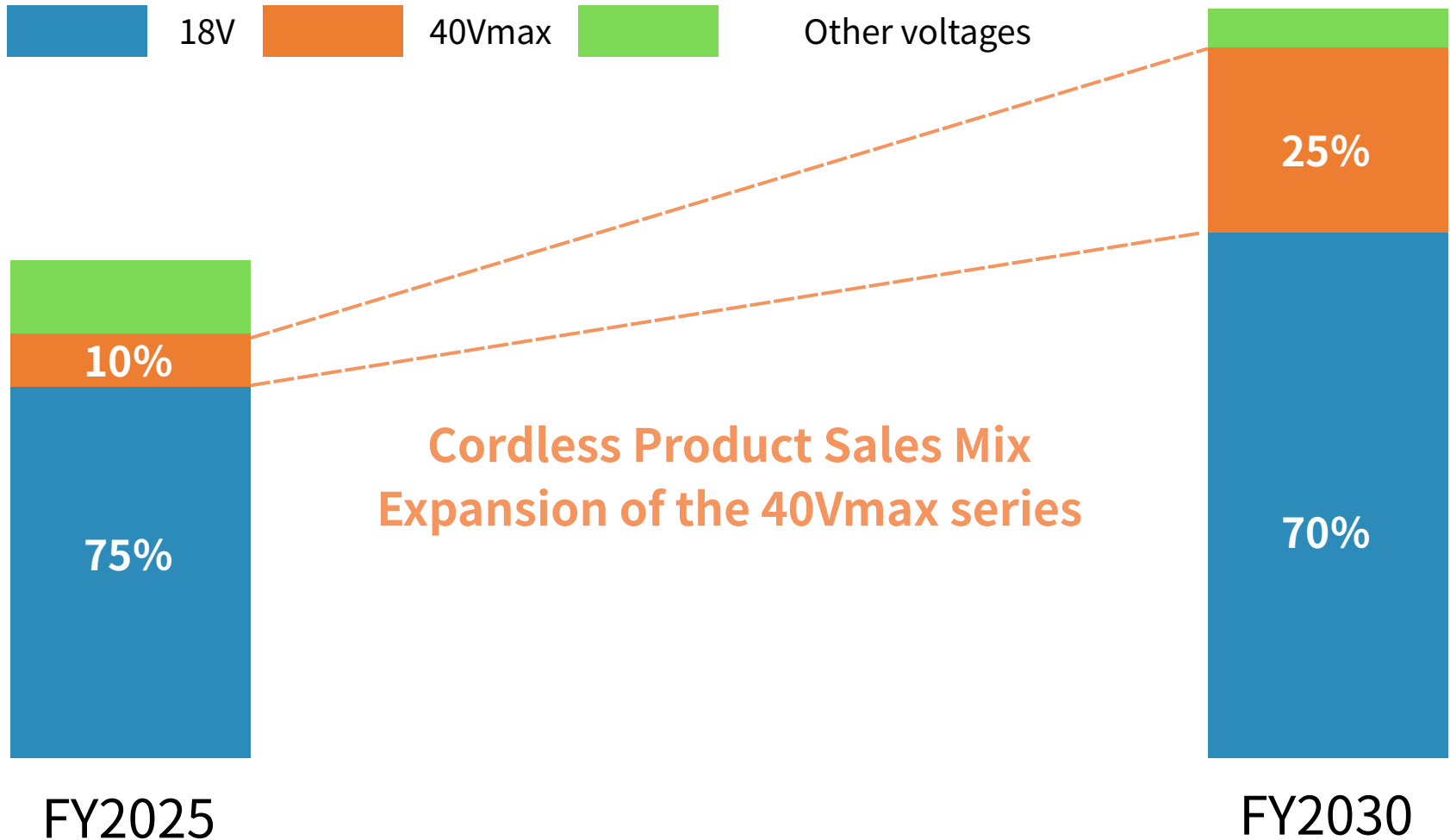
- Position the 40Vmax Series as a core high-value-added product line and address challenges faced by professional users and worksites worldwide
- Increase overall sales and profitability by raising the share of the 40Vmax Series in the sales mix

## 40Vmax Series Sales Growth Projections Through FY2030



**40Vmax series**  
**High-value products / High profitability**

Sales Mix of Cordless Products by Voltage



## Key Initiatives

**Build business domains and foundations that are less reliant on the building and construction market**

Expansion into diverse end markets

- Leverage the 40Vmax Series as a growth driver across multiple industries
- Focus particularly on the OPE market as a high-growth area

Capturing opportunities in the untapped engine replacement market

- Develop motor units capable of replacing general-purpose engines
- Collaborate with partners to penetrate untapped markets

**Build a global framework to identify users' latent needs**

Strengthen solution proposal capabilities by expanding the sales team

- Increase global field visits by expanding the sales team
- Promote optimal solution proposals centered on the 40Vmax Series

# Enhanced profitability- Expansion into diverse end markets

Promoting Widespread Adoption and Sales Expansion of the 40Vmax Series to Help Address Social Challenges



- The 40Vmax Series enables heavy-duty applications that were difficult to handle with conventional cordless power tools.
- With the 40Vmax Series as a key growth driver, we will accelerate our expansion across diverse industries.

The market is projected to reach \$180 billion.



Infrastructure



Bridge construction



Plant construction



Mining



Heavy machinery maintenance



agriculture



forestry



Ironworks-related

etc.

We are specifically concentrating on the OPE-related market.

# Enhanced profitability- Focus on the OPE market

Promoting Widespread Adoption and Sales Expansion of the 40Vmax Series to Help Address Social Challenges



- The OPE market is expected to outgrow the power tool market, driven by increasing demand for rechargeable products amid decarbonization.
- Makita’s advanced battery and motor technologies provide a strong competitive advantage, reinforcing its focus on OPE.

## ① Market size estimation (※1)

- The OPE market is expected to surpass the power tool market.
- Although engine manufacturers currently dominate, the focus is shifting to decarbonization, which is accelerating the transition to battery-powered products.

### Primary focus areas

### Focus Areas Going Forward



## ② Global shift toward battery-powered products(※2)

- Regulations on engines are strengthening due to environmental concerns over emissions.
- Cordless products are gaining traction as alternatives to engine-powered equipment
- Makita’s battery and motor expertise provides a strong competitive advantage.

One hour of using an engine-powered blower emits as much air pollution as a passenger car driving about 1,100 miles (1,760 km).(\*2).



1 hour leaf blower use

driving 1100 miles from LA to Denver

(\*2) Source: California Air Resources Board <https://ww2.arb.ca.gov/resources/fact-sheets/sore-small-engine-fact-sheet>

(\*1) Our estimate derived from a range of publicly accessible information (as of 2025)

# Enhanced profitability- Rising demand for small engine alternatives





Promoting Widespread Adoption and Sales Expansion of the 40Vmax Series to Help Address Social Challenges

- New product addressing demand for engine-to-electric replacement.
- General-purpose engine market to exceed \$10 billion by 2030 (\*1).
- Strategy to expand Makita batteries into untapped markets via partnerships.

## Existing distribution channels and potentials


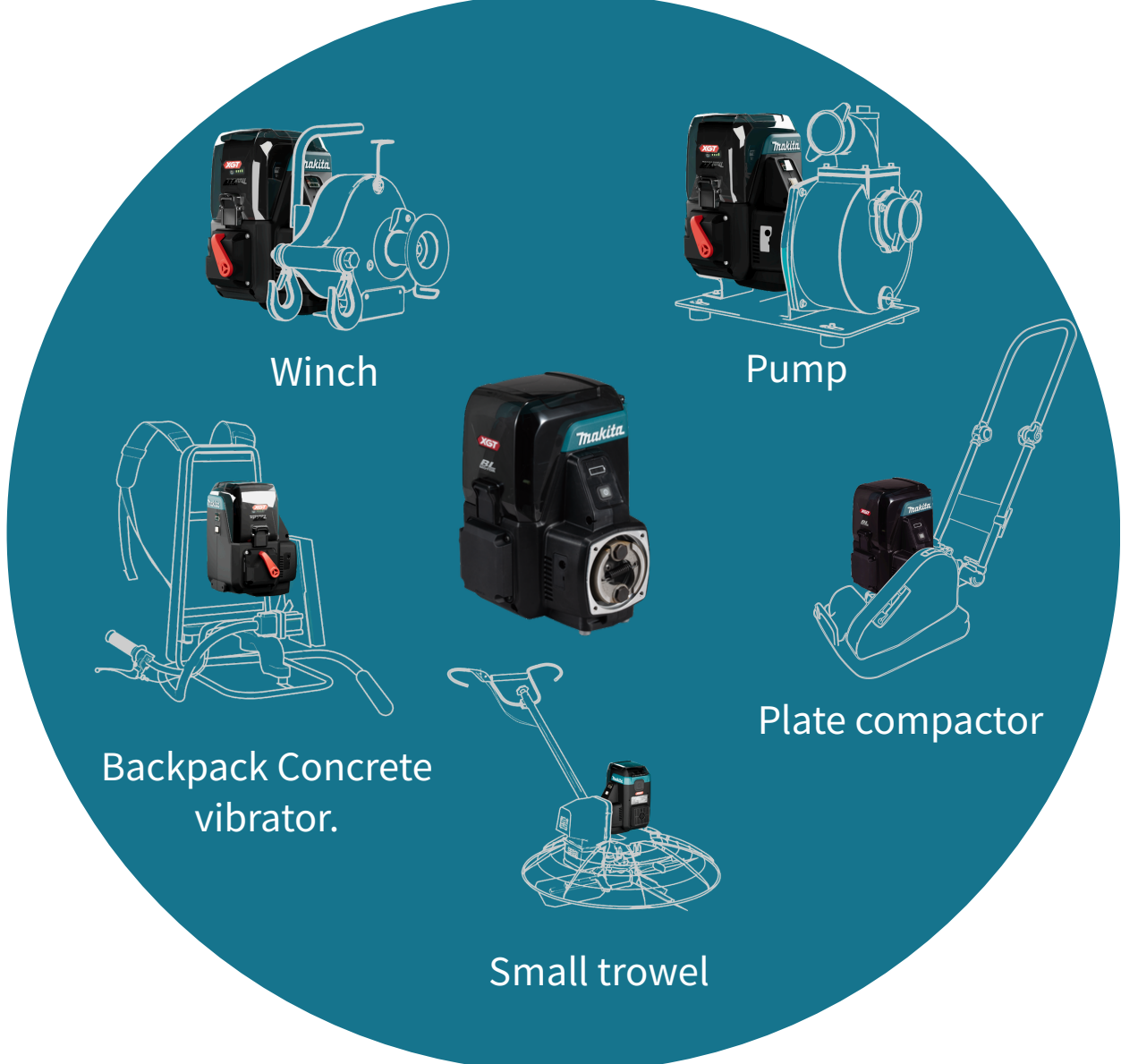
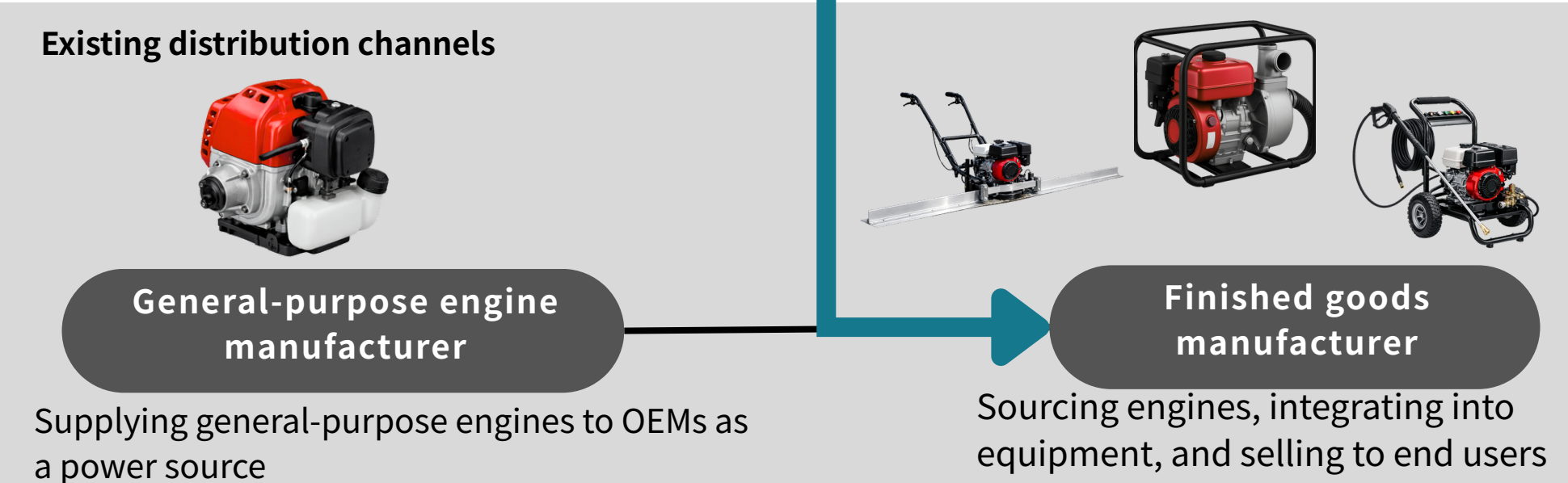
## Where battery-powered motor units are used

**Battery Powered Motor Unit**

**Battery-powered motor unit replacing conventional 35cc-50cc engines**

- Powered by 40V max battery
- Engine-like interface (\*2)
- Rechargeable batteries deliver zero emissions and low noise

General-purpose engine market report: The global market size is projected to reach \$10.922 billion by 2030. QY Research  
 This design is compatible with certain models and does not guarantee compatibility with all general-purpose engines.

# Enhanced Profitability- Build a global framework to identify users' latent needs



Promoting Widespread Adoption and Sales Expansion of the 40Vmax Series to Help Address Social Challenges

- On-site demos enable firsthand experience of 40Vmax's convenience and power.
- Insights from on-site challenges drive our product development.

## Current Situation

- Housing market slowdown drives the need to explore new fields.
  - Labor shortages across industries require effective solutions.
- ⇒ More Opportunity to expand 40Vmax..



## Approach to challenges

- Leverage global sales and service network
- Expand sales team to address customer challenges through on-site visits and solutions (incl. 40Vmax)
- On-site engagement drives new market development

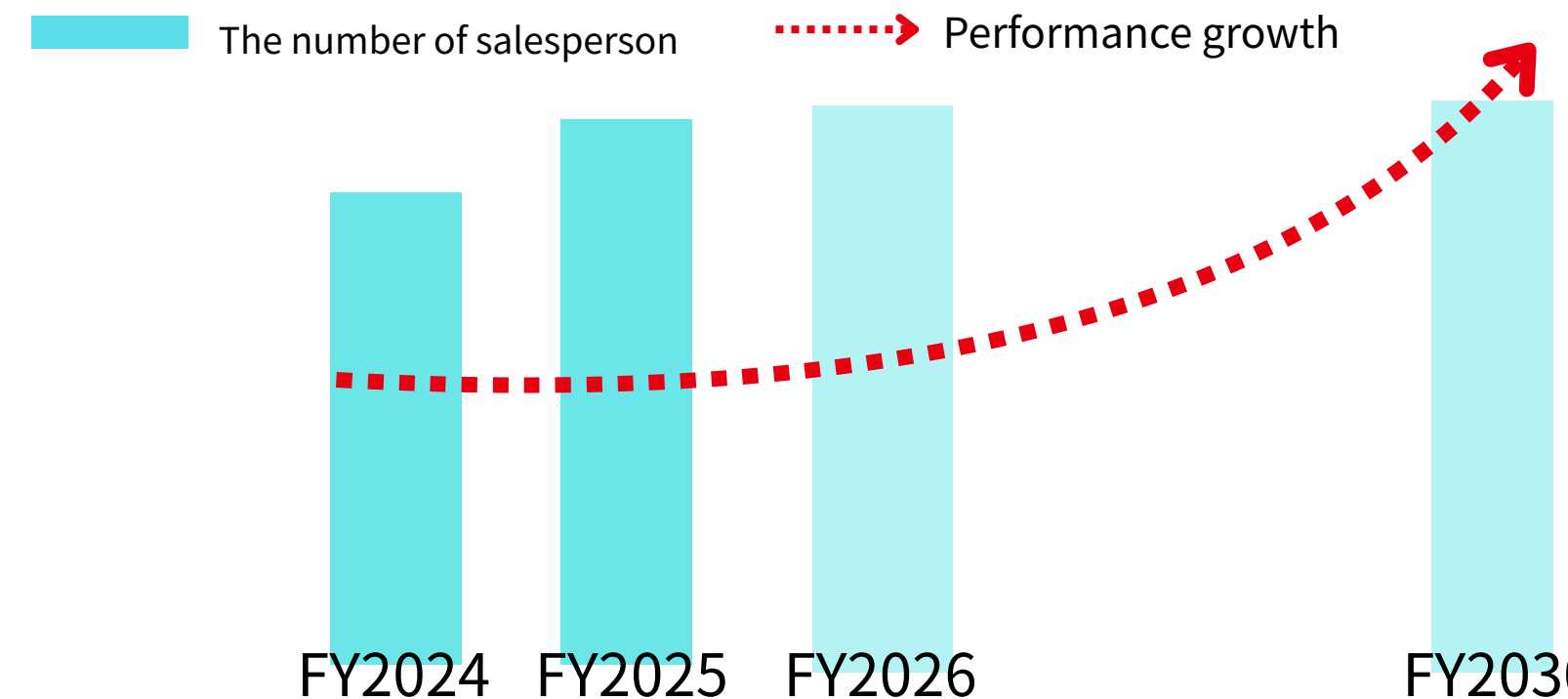
## On-site customer engagement

- Global sales and service network enables site visits across markets
- Delivering value-added solutions with 40Vmax
- Field insights drive new markets and product development



## Expand sales headcount

- Build capacity in FY2025–2026 and maintain thereafter
- Higher costs in the first two years, followed by improved performance



# Examples of solutions

Promoting Widespread Adoption and Sales Expansion of the 40Vmax Series to Help Address Social Challenges



- 40Vmax lineup of 261 models across power tools and equipment, serving multiple sectors (261 models \*1).
- Reasons to choose Makita

## Specific cases (※2)

- 40Vmax supports diverse railway applications (maintenance, infrastructure, cleaning)
- Broad lineup of high-power tools and equipment
- One battery powers multiple applications → integrated solution

### Track and railway maintenance



Impact wrench for maintenance of railways and vehicles



Stand lamp: a light source in low-light conditions

### Trackside Maintenance



Lawn mower for trimming grass along railway tracks



Chainsaw for Chainsaw for railway tie and brushwood cutting

### Vehicle and yard maintenance



High-pressure washers and cleaners for maintaining the interior and exterior of train cars and station facilities



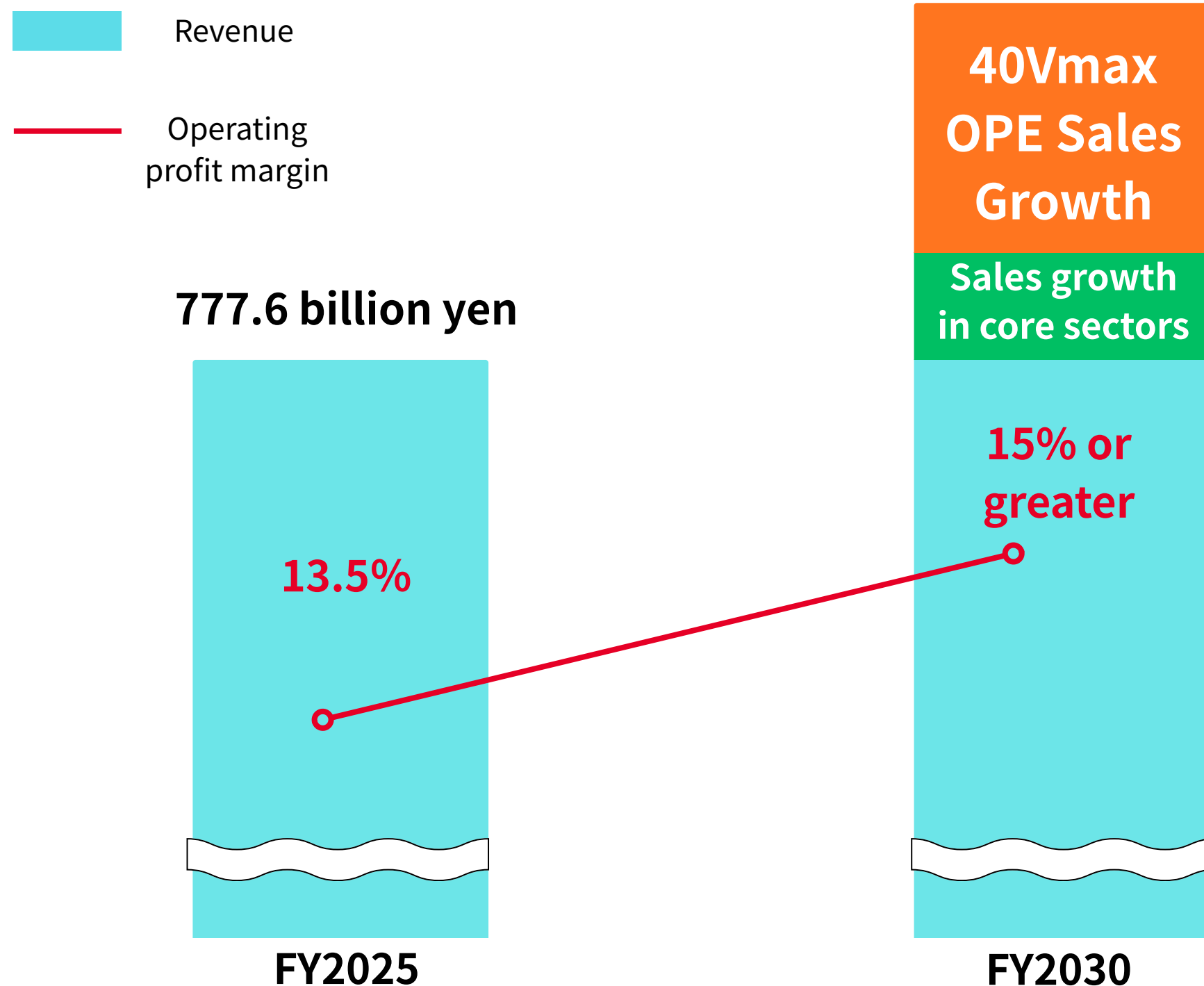
(\*1) Quantity of 40Vmax series models accessible in Japan as of April 2026.  
(\*2) The images displayed are illustrative representations depicting product usage scenarios, including images generated by AI. They do not necessarily reflect actual usage environments or operational procedures.

# Enhanced Profitability- Vision for Future Growth

Promoting Widespread Adoption and Sales Expansion of the 40Vmax Series to Help Address Social Challenges



- Future growth drivers are "40Vmax" and "OPE."
- Driving business growth by addressing social issues and advancing cordless products



### Sales growth drivers

With an emphasis on 40Vmax and OPE, Approximately ¥150 billion is expected to increase

### 18V (excl. OPE), AC tools, and parts/repairs growing with the market

# Strengthening the business foundation



## Diversifying Production Locations

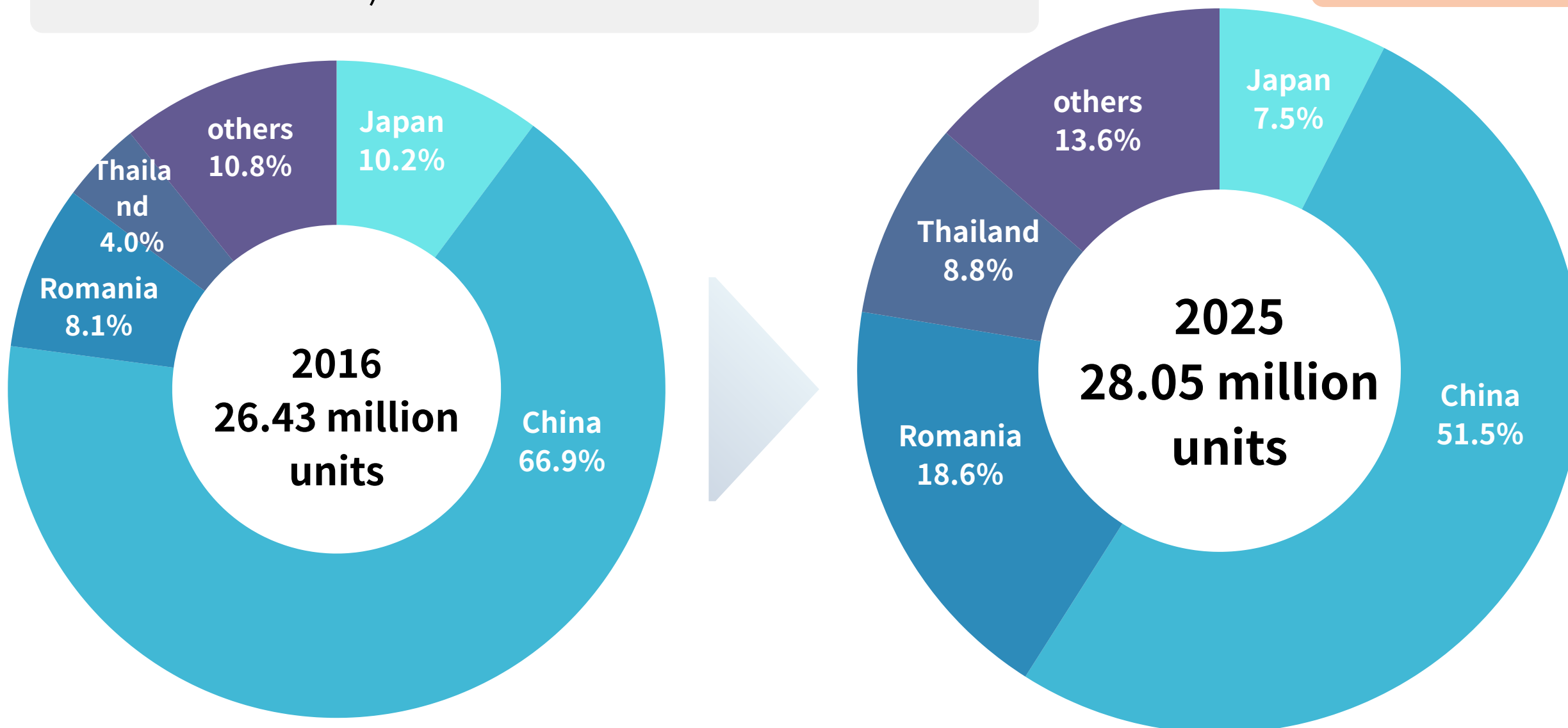
- Diversifying production footprint to mitigate geopolitical risks
- Ensuring business continuity in production and sales, even during emergencies

### Current Situation

- Geopolitical risks (Ukraine, Middle East)
- Economic fragmentation driven by U.S. tariffs
- Export restrictions on key materials (rare earths, semiconductors)

### Approach to challenges

- Manufacturing footprint diversification
- Supply source diversification
- Resilient supply system ensuring business continuity



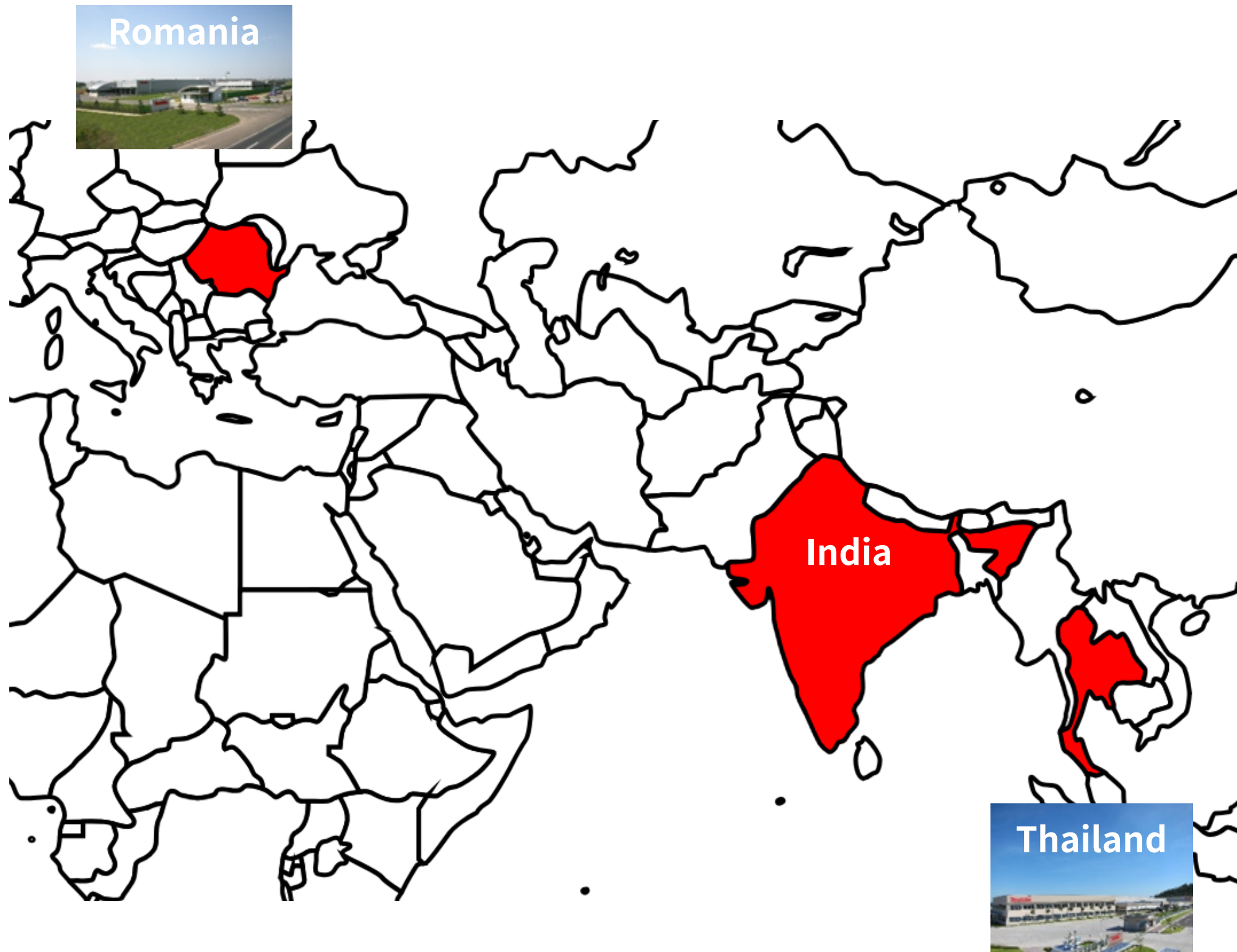
- Our strength: a flexible production system resilient in emergencies
- Continuous optimization of the production system in response to external changes

# Strengthening the business foundation

## Diversifying Sourcing Channels



- Developing supply chains in India to mitigate risks and enhance competitiveness.
- In addition to risk diversification, we improve competitiveness by reducing costs through component substitution.



### Objective

- Mitigating risks from overreliance on a single supply source
- Achieving diversified sourcing with cost competitiveness

### Current Situation

- Thai and European factories shifting to India-based sourcing
- Expanding procurement by increasing the range of parts sourced from India

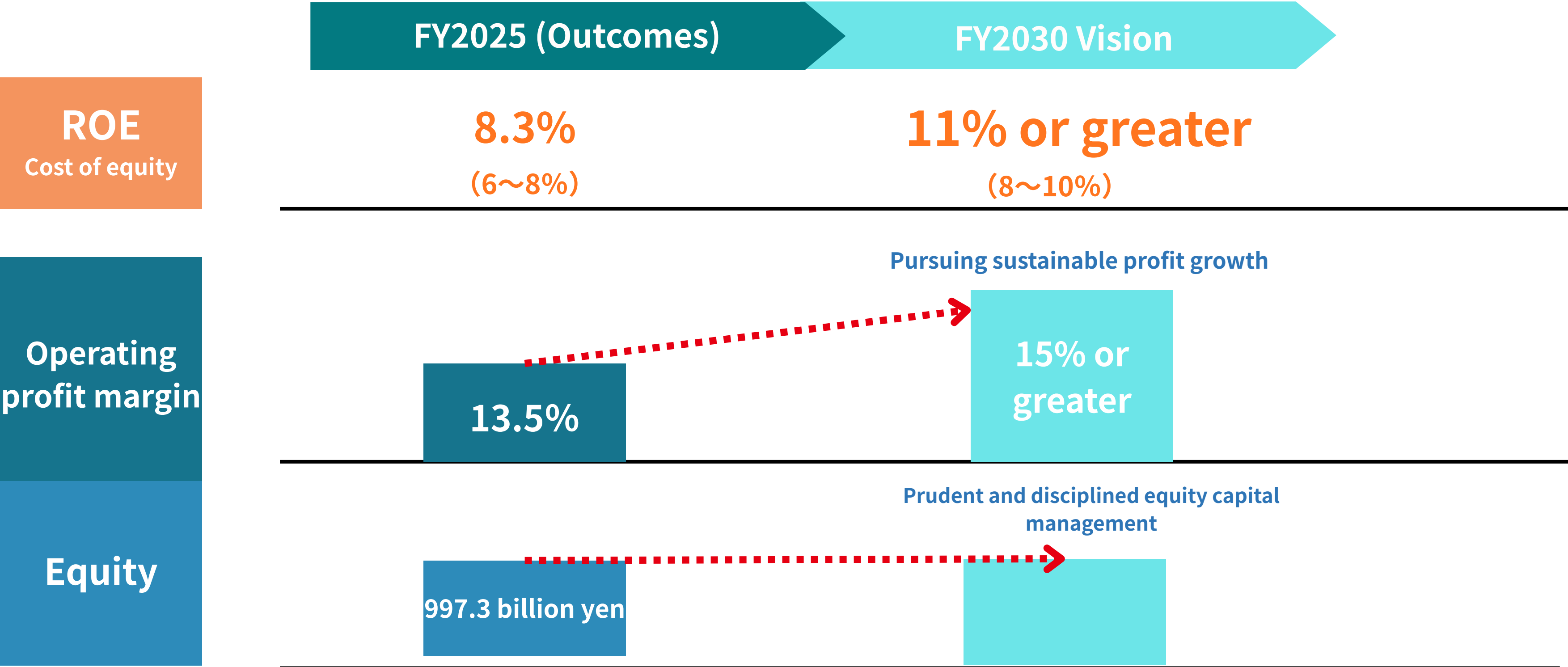
### Benefits

- Diversified sourcing to reduce concentration risk
- Achieve costs equal to or lower than current sourcing
- Risk diversification + cost reduction → competitive advantage

# Enhancement of capital efficiency- From the Perspective of ROE



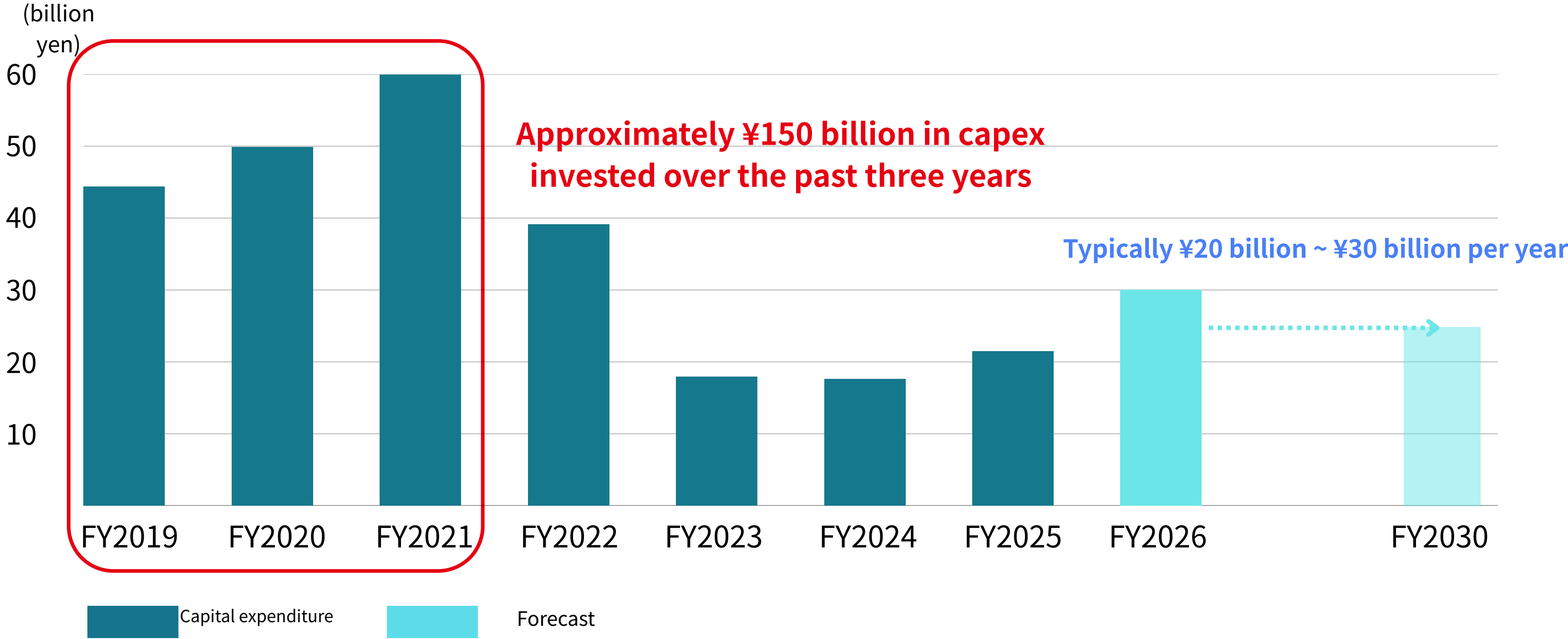
We will shift our management focus toward improving capital efficiency, aiming to achieve an ROE of 11% or higher through sustainable profit growth and disciplined equity management aligned with business conditions.



# Enhancement of capital efficiency- Capital Expenditures



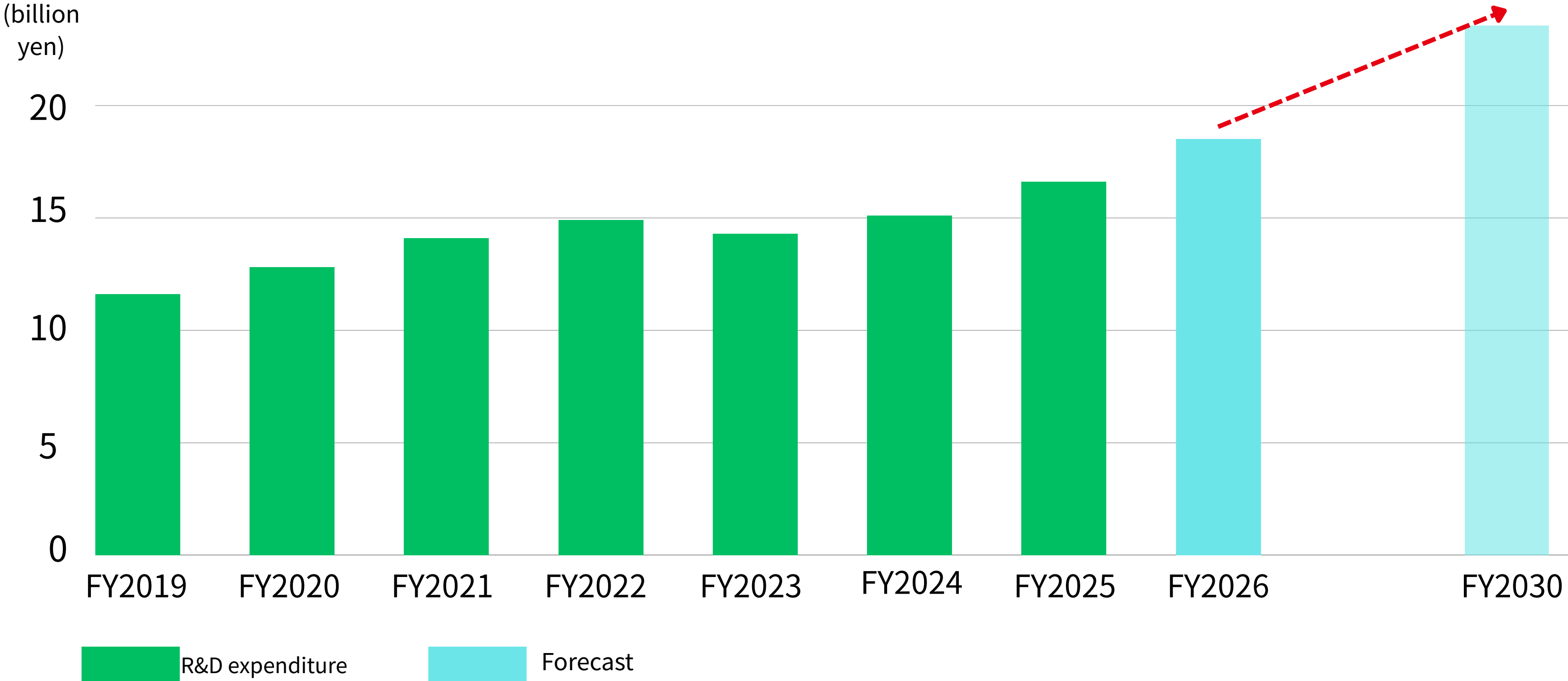
- Capex: ¥20billion~¥30billion, focused on logistics development and upgrades
- Flexible, proactive growth investments beyond the Capex plan



# Enhancement of capital efficiency- R&D



- Increase R&D investment to expand into new domains
- Focus on functional upgrades for 18V and 40Vmax
- Expand development capabilities and product lineup, and strengthen testing and research



# Enhancement of capital efficiency - Enhancing shareholder returns



## Basic policy on profit distribution

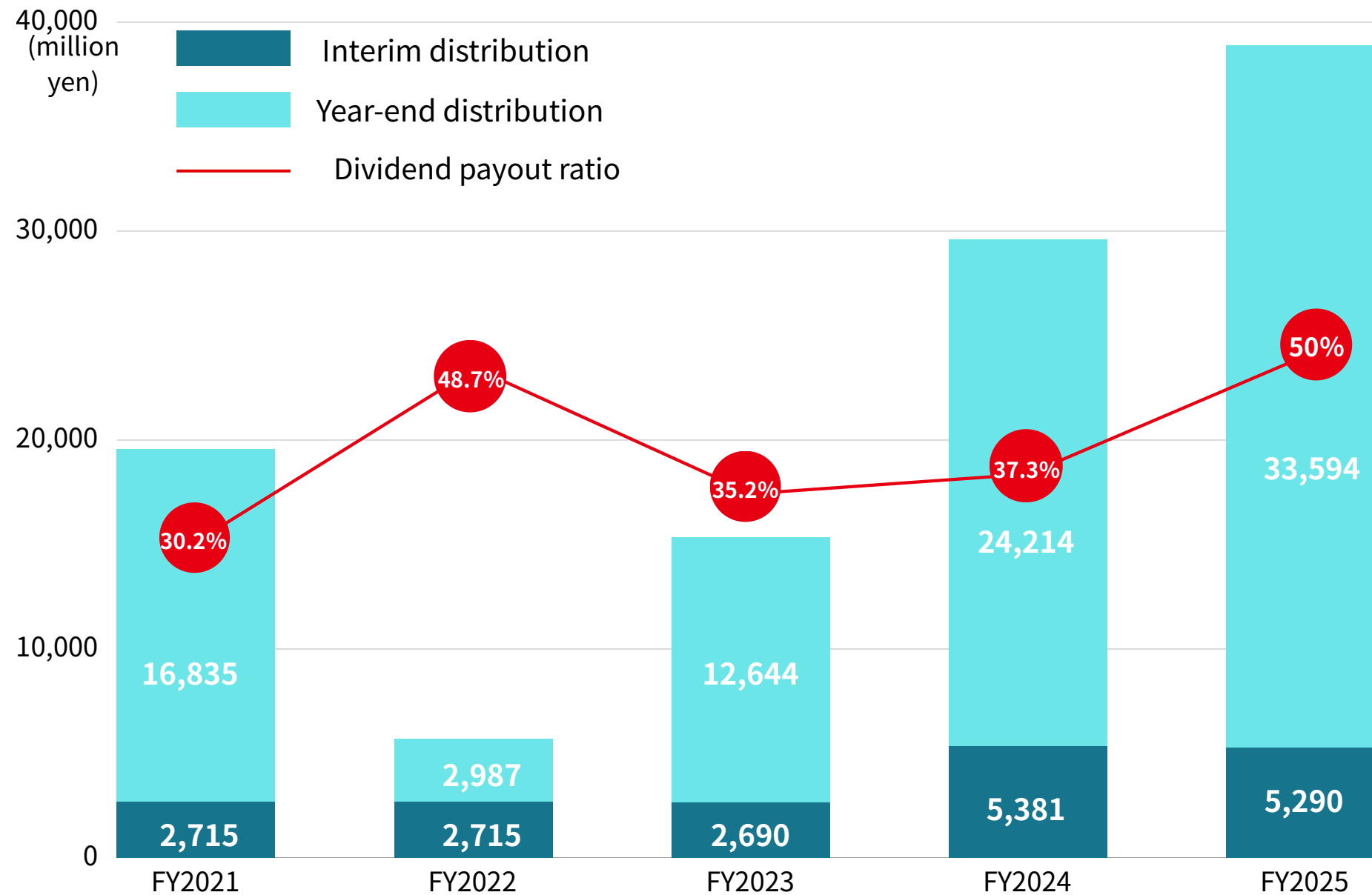
Before

**A minimum annual dividend of 20 yen and a total return ratio of 35% or greater.**



After

**Consolidated payout ratio of 50% or greater.**  
**\*Furthermore, the equilibrium between interim and year-end dividends will be taken into account moving forward.**



**Aiming for a return on equity of 11% or greater, we will execute flexible equity management via share repurchases**

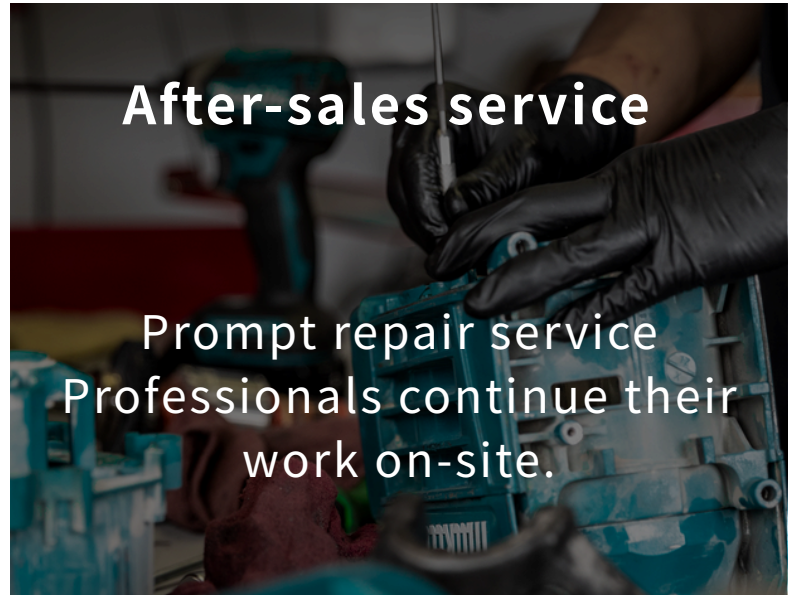
# Enhancement of capital efficiency - Cash Reserve Framework for Competitiveness



- **Competitive advantage: fast delivery and after-sales service through a global network**
- **Maintain a certain level of cash to support stable network operations**

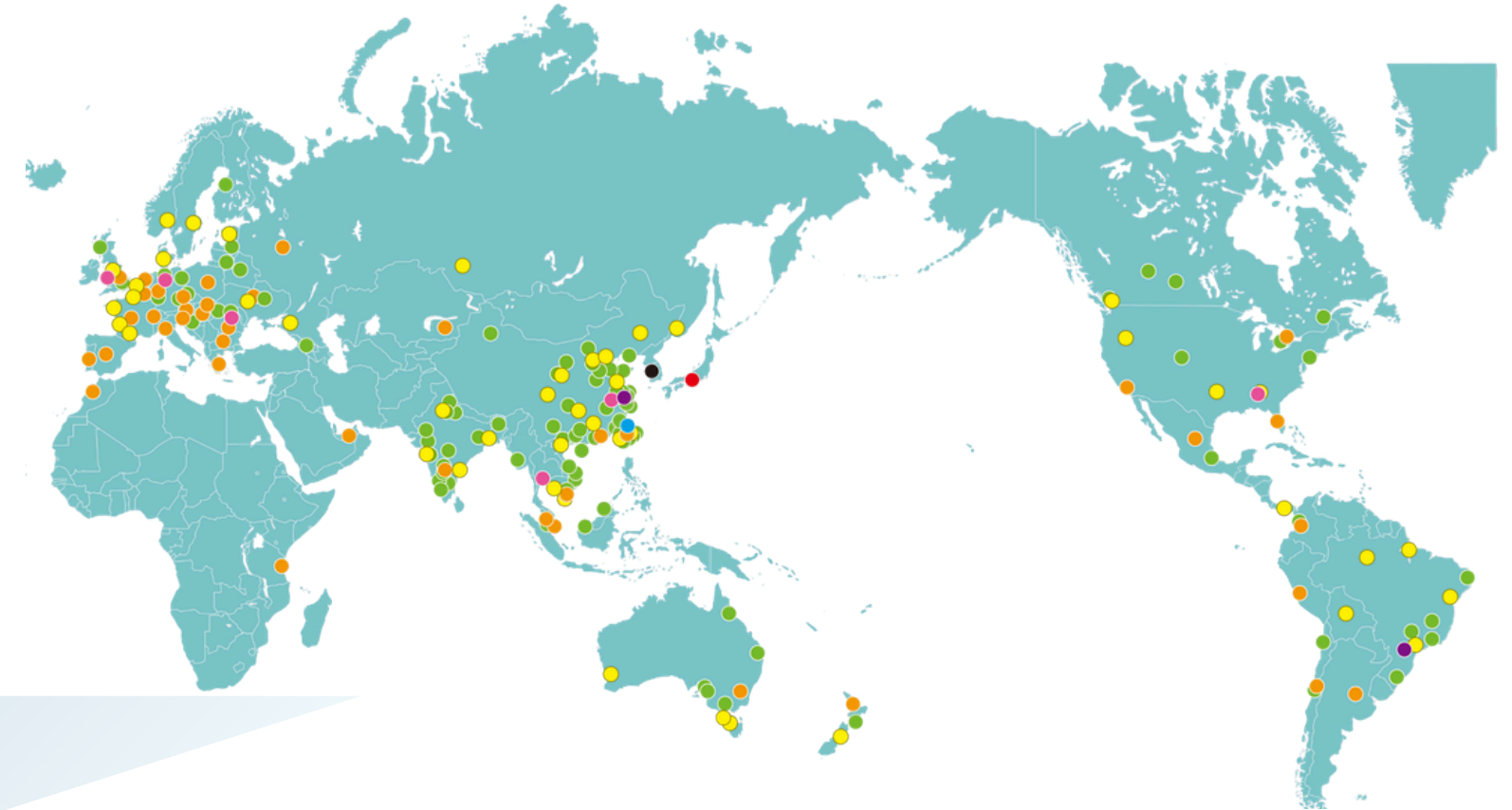
## The foundation of Makita's competitive advantage

Fast, reliable delivery is the foundation of Makita's competitive advantage



## Sales and service network that enhances Makita's competitive advantage

With 129 locations in Japan and facilities in around 50 countries, Makita has built one of the industry's leading global sales and service networks

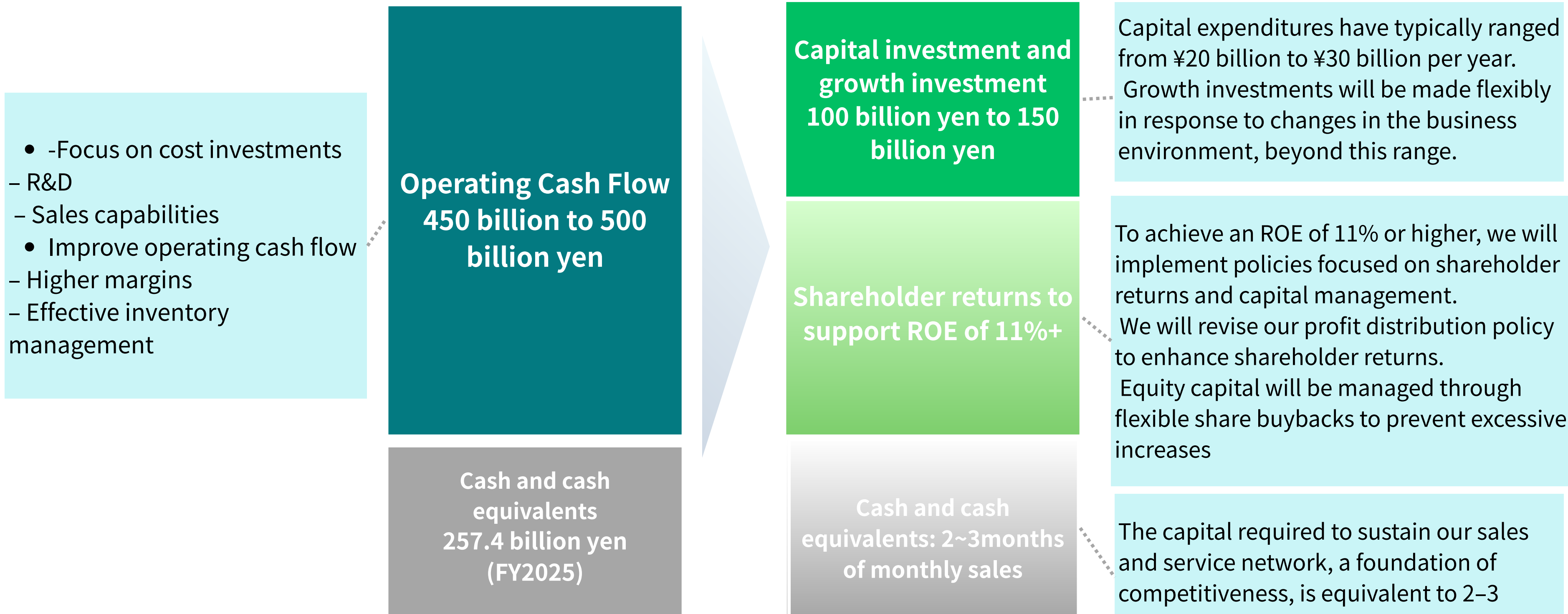


**Maintain cash reserves equivalent to 2-3 months of sales to sustain global competitiveness**

# Enhancement of capital efficiency - Cash allocation



- Our objective is to enhance operating cash flow by shifting to a stable revenue model and optimizing inventory management.
- We allocate capital strategically between investments and shareholder returns while maintaining optimal cash levels.



Cumulative total for the five-year period spanning FY2026 to FY2030

# Recent case of M&A



- Synergies between Makita and Panasonic EW
- Value creation through manufacturing expansion and high value-added solutions

## Project Overview

Acquisition target	Panasonic Electric Works Co., Ltd. (Panasonic EW)
Region	Japan and abroad
Business Description	Development, manufacturing, and sales of power tool products, including fastening equipment for industrial and construction applications, as well as factory-related IoT solutions.
Acquisition Timeline	Implementation planned for FY2026 *Subject to regulatory approval

## Expected outcomes

Makita has agreed to acquire the target business of Panasonic EW.



Leveraging the strengths of Makita and Panasonic EW to enter the manufacturing sector