



# Makita Corporation

## Consolidated Financial Results for the three months ended June 30, 2024 (IFRS Financial Information)

(English translation of "KESSAN TANSHIN"  
originally issued in Japanese)



**CONSOLIDATED FINANCIAL RESULTS**  
**FOR THE THREE MONTHS ENDED JUNE 30, 2024 (Unaudited)**

July 30, 2024

Makita Corporation

Stock code: 6586

URL: <https://www.makita.biz/>

Munetoshi Goto, President, Representative Director

**1. Summary operating results of the three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)**

**(1) CONSOLIDATED OPERATING RESULTS**

	Yen (millions)			
	For the three months ended June 30, 2023		For the three months ended June 30, 2024	
		(%)		(%)
Revenue .....	184,455	(5.6)	193,932	5.1
Operating profit .....	16,311	7.1	21,344	30.9
Profit before income taxes .....	16,045	2.1	21,338	33.0
Profit .....	11,167	7.0	15,459	38.4
Profit attributable to owners of the parent .....	11,185	5.9	16,010	43.1
Comprehensive income .....	52,693	(6.6)	54,574	3.6
	Yen			
Profit attributable to owners of the parent per share				
(Basic)	41.30		59.51	
(Diluted)	-		-	

Notes:

1. Amounts of less than one million yen have been rounded.
2. The table above shows the changes in the percentage ratio of revenue, operating profit, profit before income taxes, profit, profit attributable to owners of the parent, and comprehensive income against the corresponding period of the previous year.

**(2) SELECTED CONSOLIDATED FINANCIAL POSITION**

	Yen (millions)	
	As of March 31, 2024	As of June 30, 2024
Total assets	1,055,808	1,088,586
Total equity	875,206	917,156
Equity attributable to owners of the parent	868,156	910,316
Ratio of equity attributable to owners of the parent to total assets (%)	82.2%	83.6%

Note: Amounts of less than one million yen have been rounded.

**2. Dividend Information**

	Yen	
	For the year ended March 31, 2024	For the year ending March 31, 2025 (Forecast)
Cash dividend per share:		
Interim	10.00	20.00
Year-end	47.00	(Note)
Total	57.00	(Note)

Notes:

1. The forecast for cash dividend announced on April 26, 2024 has not been revised.
2. The projected amount of dividends for the year ending March 31, 2025 has not been determined yet. For further details, refer to "Explanation regarding proper use of business forecast, and other significant matters" on page 2.



### 3. Consolidated Financial Performance Forecast for the year ending March 31, 2025 (From April 1, 2024 to March 31, 2025)

	Yen (millions)	
	For the year ending March 31, 2025	
		(%)
Revenue .....	710,000	(4.2)
Operating profit .....	75,000	13.3
Profit before income taxes .....	74,000	15.6
Profit attributable to owners of the parent .....	51,000	16.7
	Yen	
Profit attributable to owners of the parent per share (Basic) .....	189.57	

Notes:

1. Changes of the forecasts from the most recent disclosure: No
2. The table above shows the changes in the percentage ratio of revenue, operating profit, profit before income taxes and profit attributable to owners of the parent against the previous year.

#### 4. Other

- (1) Changes in important subsidiaries during the period (Changes in specified subsidiaries accompanied by changes in scope of consolidation during the quarter): None
- (2) Changes in accounting policies and accounting estimates:
  1. Changes in accounting policies required by IFRS: None
  2. Changes in accounting policies other than 1: None
  3. Changes in accounting estimate: None
- (3) Number of shares outstanding (common stock)
  1. Number of shares issued (including treasury shares):
 

As of June 30, 2024:	280,017,520
As of March 31, 2024:	280,017,520
  2. Number of treasury shares:
 

As of June 30, 2024:	10,993,793
As of March 31, 2024:	10,993,621
  3. Average number of shares outstanding:
 

For the three months ended June 30, 2024:	269,023,818
For the three months ended June 30, 2023:	270,831,718

Makita's earnings releases (KESSAN TANSIN) are not subject to an audit.

#### Explanation regarding proper use of business forecasts, and other significant matters

1. The financial forecast given above is based on information as available at the present time, and includes potential risks and uncertainties. As a consequence of the factors above and other, actual results may vary from the forecasts provided above. Regarding the assumptions for the forecasts and other matters, refer to "SUPPLEMENT INFORMATION (CONSOLIDATED)", "1. Overview of operating results", "(3) Outlook for the fiscal year ending March 31, 2025" on page 3.
2. Makita's basic policy on the distribution of profits is to maintain the total return ratio(\*) at 35% or greater, with a lower limit on annual cash dividends of 20 yen per share. However, 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. The Board of Directors plans to meet in April 2025 for a report on earnings for the year ending March 31, 2025. At the time, in accordance with the basic policy regarding profit distribution mentioned above, the Board of Directors plans to propose a dividend equivalent to at least 35% of total return attributable to owners of the parent. The Board of Directors will submit this proposal to the General Meeting of Shareholders scheduled for June 2025.

$$*Total\ return\ ratio = \frac{\text{Cash dividend per share} + \left( \frac{\text{Total amount of purchased treasury shares during the year}}{\text{Average number of shares outstanding}} \right)}{\text{Profit attributable to owners of the parent per share (Excluding special factors)}} \times 100$$

## SUPPLEMENT INFORMATION (CONSOLIDATED)

### 1. Overview of operating results

#### (1) Overview of operating results of the three months ended June 30, 2024

Looking at the international economic situation during the first three months of the current fiscal year, although there were signs of a move toward interest rate cuts in the United States and Europe, inflationary pressures remained persistent and monetary tightening continued. In addition to this, the real estate market in China remained sluggish, and the overall economic environment continued to be weak. The outlook continues to be uncertain due to escalating caution on geopolitical risks including Russia's prolonged invasion of Ukraine and instability in the Middle East.

In the Group's consolidated business results for this period, despite continued slow demand for housing and restrained investment in the building and construction market due to monetary tightening in various countries, consolidated revenue increased 5.1% year on year to 193,932 million yen, due to the impact of depreciation of the yen against local currencies. In terms of profit, operating profit increased by 30.9% year on year to 21,344 million yen (operating profit ratio: 11.0%) driven by an improvement in the cost ratio due to the impact of reduction of transportation cost and foreign exchange rates. Profit before income taxes increased by 33.0% year on year to 21,338 million yen (profit before income taxes ratio: 11.0%) and profit attributable to owners of the parent increased by 43.1% year on year to 16,010 million yen (ratio of profit attributable to owners of the parent: 8.3%).

Revenue results by region were as follows:

Makita's consolidated revenue by geographic area is based on the customer's location for the periods presented. Accordingly, it differs from "Segment Information" on page 9.

In Japan, sales of cordless OPE remained strong, despite a difficult demand environment, including a decline in housing starts. As a result, revenue was 30,515 million yen, up 1.8% year on year.

In Europe, although the building and construction market remained sluggish due to high interest rates, orders recovered following inventory adjustments and the yen depreciated against the local currencies. As a result, revenue was 98,379 million yen, up 10.2% year on year.

In North America, monetary tightening continued, and housing-related demand remained weak with a decrease in sales, mainly for home improvement retailers. As a result, revenue was 21,644 million yen, down 12.8% year on year.

In Asia, demand for tools remained weak overall amid the stagnant Chinese economy. As a result, revenue was 10,752 million yen, down 3.3% year on year.

In Central and South America, sales recovered in the major countries, and we made efforts to expand sales of the 40Vmax series in various countries. As a result, revenue was 12,774 million, up 14.0% year on year.

In Oceania, although the impact of monetary tightening due to inflation and the sluggish real estate market continued, sales of cordless OPE underpinned our sales and the yen also depreciated against the local currencies. As a result, revenue was 16,022 million yen, up 11.3% year on year.

In the Middle East and Africa, although there were variations depending on the country, demand for tools remained sluggish overall, but the yen depreciated against the local currencies. As a result, revenue was 3,846 million yen, up 4.2% year on year.

#### (2) Overview of financial situation as of June 30, 2024

Total assets increased 32,778 million yen from the end of the previous fiscal year to 1,088,586 million yen. This increase was mainly due to the increase in "Other financial assets."

Total liabilities decreased 9,172 million yen from the end of the previous fiscal year to 171,430 million yen. This decrease was mainly due to the reduction in "Borrowings."

Total equity increased 41,950 million yen from the end of the previous fiscal year to 917,156 million yen. This increase was mainly due to the change in exchange differences on translating foreign operations included in "Other components of equity."

#### (3) Outlook for the fiscal year ending March 31, 2025

There are uncertainties about the business environments surrounding us and developments in exchange markets. Therefore, we have not reviewed the forecast of its consolidated financial performance for the year ending March 31, 2025, announced on April 26, 2024.



## 2. Consolidated Financial Statements (Unaudited)

### (1) Consolidated Statement of Financial Position

	Yen (millions)	
	As of March 31, 2024	As of June 30, 2024
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents.....	196,645	200,784
Trade and other receivables.....	116,267	114,230
Inventories.....	345,491	355,439
Other financial assets.....	18,561	28,585
Other current assets.....	16,671	18,463
Total current assets.....	693,635	717,501
<b>NON-CURRENT ASSETS:</b>		
Property, plant and equipment, at cost.....	277,248	283,812
Goodwill and intangible assets.....	10,206	10,198
Other financial assets.....	37,835	39,494
Retirement benefit assets.....	14,968	14,994
Deferred tax assets.....	19,670	20,397
Other non-current assets.....	2,246	2,190
Total non-current assets.....	362,173	371,085
<b>Total assets.....</b>	<b>1,055,808</b>	<b>1,088,586</b>

	Yen (millions)	
	As of March 31, 2024	As of June 30, 2024
LIABILITIES AND EQUITY		
LIABILITIES		
CURRENT LIABILITIES:		
Trade and other payables.....	49,987	53,751
Borrowings.....	19,891	10,871
Other financial liabilities.....	6,067	8,391
Income taxes payable.....	9,113	8,623
Provisions.....	5,113	5,617
Other current liabilities.....	55,304	49,109
Total current liabilities.....	145,475	136,362
NON-CURRENT LIABILITIES:		
Retirement benefit liabilities.....	3,269	3,409
Other financial liabilities.....	17,150	16,968
Provisions.....	1,960	1,732
Deferred tax liabilities.....	12,546	12,756
Other non-current liabilities.....	202	203
Total non-current liabilities.....	35,127	35,068
Total liabilities.....	180,602	171,430
EQUITY		
Share Capital.....	23,805	23,805
Capital Surplus.....	45,607	45,628
Retained earnings.....	669,359	672,725
Treasury shares.....	(21,501)	(21,502)
Other components of equity.....	150,886	189,660
Total equity attributable to owners of the parent.....	868,156	910,316
NON-CONTROLLING INTEREST.....	7,050	6,840
Total equity.....	875,206	917,156
Total liabilities and equity.....	1,055,808	1,088,586



**(2) Consolidated Statements of Profit or Loss and Consolidated Statements of Comprehensive Income**  
**Consolidated Statements of Profit or Loss**

	Yen (millions)	
	For the three months ended June 30, 2023	For the three months ended June 30, 2024
REVENUE.....	184,455	193,932
Cost of sales.....	(127,501)	(130,778)
GROSS PROFIT.....	56,954	63,154
Selling, general, administrative and others, net.....	(40,643)	(41,810)
OPERATING PROFIT.....	16,311	21,344
Financial income.....	1,131	1,731
Financial expenses.....	(1,397)	(1,737)
PROFIT BEFORE INCOME TAXES.....	16,045	21,338
Income tax expenses.....	(4,878)	(5,879)
PROFIT.....	11,167	15,459
Profit attributable to:		
Owners of the parent.....	11,185	16,010
Non-controlling interests.....	(18)	(551)
Profit attributable to owners of the parent per share (Basic)(yen).....	41.30	59.51

**Consolidated Statements of Comprehensive Income**

	Yen (millions)	
	For the three months ended June 30, 2023	For the three months ended June 30, 2024
PROFIT.....	11,167	15,459
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX		
Items that will not be reclassified to profit (loss)		
Equity financial goods measured at fair value through other comprehensive income (loss).....	1,616	958
Total of items that will not be reclassified to profit (loss).....	1,616	958
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations.....	39,910	38,157
Total of items that may be reclassified to profit (loss).....	39,910	38,157
Total other comprehensive income (loss), net of tax.....	41,526	39,115
COMPREHENSIVE INCOME.....	52,693	54,574
Comprehensive income attributable to:		
Owners of the parent.....	52,246	54,784
Non-controlling interests.....	447	(210)



### (3) Consolidated Statement of Changes in Equity

	Yen (millions)							
	For the three months ended June 30, 2023							
	Equity attributable to owners of the parent						Non-Controlling interest	Total equity
Share capital	Capital Surplus	Retained earnings	Treasury shares	Other components of equity	Total			
Balance at April 1, 2023	23,805	45,606	629,314	(11,528)	82,050	769,247	6,452	775,699
Profit for the period			11,185			11,185	(18)	11,167
Other comprehensive income					41,061	41,061	465	41,526
Comprehensive income	-	-	11,185	-	41,061	52,246	447	52,693
Dividends paid			(2,987)			(2,987)		(2,987)
Purchase of treasury shares				(8,612)		(8,612)		(8,612)
Share-based payment transaction		8				8		8
Total amounts of transactions with owners	-	8	(2,987)	(8,612)	-	(11,591)	-	(11,591)
Balance at June 30, 2023	23,805	45,614	637,512	(20,140)	123,111	809,902	6,899	816,801

	Yen (millions)							
	For the three months ended June 30, 2024							
	Equity attributable to owners of the parent						Non-Controlling interest	Total equity
Share capital	Capital Surplus	Retained earnings	Treasury shares	Other components of equity	Total			
Balance at April 1, 2024	23,805	45,607	669,359	(21,501)	150,886	868,156	7,050	875,206
Profit for the period			16,010			16,010	(551)	15,459
Other comprehensive income					38,774	38,774	341	39,115
Comprehensive income	-	-	16,010	-	38,774	54,784	(210)	54,574
Dividends paid			(12,644)			(12,644)		(12,644)
Purchase of treasury shares				(1)		(1)		(1)
Share-based payment transaction		21				21		21
Total amounts of transactions with owners	-	21	(12,644)	(1)	-	(12,624)	-	(12,624)
Balance at June 30, 2024	23,805	45,628	672,725	(21,502)	189,660	910,316	6,840	917,156





#### (4) Consolidated Statements of Cash Flows

	Yen (millions)	
	For the three months ended June 30, 2023	For the three months ended June 30, 2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit.....	11,167	15,459
Depreciation and amortization.....	7,146	7,550
Income tax expenses.....	4,878	5,879
Financial income and expenses.....	266	6
Loss (gain) on sales and retirement of property, plant and equipment..	124	(271)
Decrease (increase) in trade and other receivables.....	8,252	7,445
Decrease (increase) in inventories.....	38,252	9,605
Increase (decrease) in trade and other payables.....	(2,934)	1,397
Increase (decrease) in retirement benefit assets and liabilities.....	55	(12)
Other.....	(11,321)	(10,651)
Subtotal.....	55,885	36,407
Dividends received.....	330	389
Interest received.....	799	1,444
Interest paid.....	(1,123)	(466)
Income taxes paid.....	(3,622)	(6,957)
Cash flows from operating activities.....	52,269	30,817
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of non-current assets.....	(6,063)	(4,683)
Proceeds from sales of non-current assets.....	227	764
Purchase of investments.....	(10)	-
Payments into time deposits.....	(693)	(18,997)
Proceeds from withdrawal of time deposits.....	415	9,612
Other.....	(130)	50
Cash flows from investing activities.....	(6,254)	(13,254)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net increase (decrease) in short-term borrowings.....	(65,670)	(9,851)
Purchase and sales of treasury shares, net.....	(8,612)	(1)
Cash dividends paid.....	(2,987)	(12,644)
Repayment of lease liabilities.....	(952)	(1,046)
Other.....	201	749
Cash flows from financing activities.....	(78,020)	(22,793)
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS.....</b>		
	6,963	9,369
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS.....</b>	<b>(25,042)</b>	<b>4,139</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD.....</b>	<b>162,720</b>	<b>196,645</b>
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD.....</b>	<b>137,678</b>	<b>200,784</b>



(5) Notes to Consolidated Financial Statements

Notes on the assumptions for a going concern: None

Segment Information

	Yen (millions)							
	For the three months ended June 30, 2023							
	Japan	Europe	North America	Asia	Total	Other	Eliminations	Consolidated
Revenue:								
External customers .....	34,279	90,140	25,581	8,062	158,062	26,393	-	184,455
Inter-segment ....	40,946	2,127	860	55,430	99,363	77	(99,440)	-
Total .....	<u>75,225</u>	<u>92,267</u>	<u>26,441</u>	<u>63,492</u>	<u>257,425</u>	<u>26,470</u>	<u>(99,440)</u>	<u>184,455</u>
Operating profit (loss)	7,417	2,956	(3,262)	6,207	13,318	1,062	1,931	16,311

	Yen (millions)							
	For the three months ended June 30, 2024							
	Japan	Europe	North America	Asia	Total	Other	Eliminations	Consolidated
Revenue:								
External customers .....	34,849	99,122	22,420	7,580	163,971	29,961	-	193,932
Inter-segment ....	65,494	4,004	1,087	68,274	138,859	60	(138,919)	-
Total .....	<u>100,343</u>	<u>103,126</u>	<u>23,507</u>	<u>75,854</u>	<u>302,830</u>	<u>30,021</u>	<u>(138,919)</u>	<u>193,932</u>
Operating profit .....	4,359	7,224	229	6,711	18,523	2,379	442	21,344

### 3. SUPPORT DOCUMENTATION (CONSOLIDATED)

#### (1) Consolidated Financial Results and Forecast

	Yen (millions)			
	For the three months ended June 30, 2023		For the three months ended June 30, 2024	
		(%)		(%)
REVENUE.....	184,455	(5.6)	193,932	5.1
Domestic.....	29,978	(4.6)	30,515	1.8
Overseas.....	154,477	(5.8)	163,417	5.8
Operating profit.....	16,311	7.1	21,344	30.9
Profit before income taxes.....	16,045	2.1	21,338	33.0
Profit attributable to owners of the parent.....	11,185	5.9	16,010	43.1
Profit attributable to owners of the parent per share (Yen)....	41.30		59.51	
Number of Employees.....	18,290		17,589	

	Yen (millions)			
	For the year ended March 31, 2024		For the year ending March 31, 2025 (Forecast)	
		(%)		(%)
REVENUE.....	741,391	(3.0)	710,000	(4.2)
Domestic.....	123,222	0.2	124,000	0.6
Overseas.....	618,169	(3.7)	586,000	(5.2)
Operating profit.....	66,169	134.3	75,000	13.3
Profit before income taxes.....	64,017	168.0	74,000	15.6
Profit attributable to owners of the parent.....	43,691	273.3	51,000	16.7
Profit attributable to owners of the parent per share (Yen)....	162.13		189.57	
Number of Employees.....	17,669		-	

Notes:

1. Please refer to 1. Overview of operating results Section 3 "Outlook for the fiscal year ending March 31, 2025" on page 3.
2. The table above shows the changes in the percentage ratio of revenue, operating profit, profit before income taxes, and profit attributable to owners of the parent compared to the corresponding period of the previous year.

## (2) Consolidated Revenue by Geographic Area

	Yen (millions)					
	For the three months ended June 30, 2023		For the three months ended June 30, 2024		For the year ended March 31, 2024	
		(%)		(%)		(%)
Japan .....	29,978	(4.6)	30,515	1.8	123,222	0.2
Europe .....	89,249	(5.3)	98,379	10.2	356,491	2.1
North America .....	24,822	(10.9)	21,644	(12.8)	93,677	(21.3)
Asia .....	11,115	(4.1)	10,752	(3.3)	46,133	(13.4)
Central and South America .....	11,209	(6.4)	12,774	14.0	49,697	5.2
Oceania .....	14,391	(3.9)	16,022	11.3	56,340	(3.8)
The Middle East and Africa .....	3,691	10.5	3,846	4.2	15,831	8.9
Total .....	184,455	(5.6)	193,932	5.1	741,391	(3.0)

Notes:

1. The table above sets forth Makita's consolidated revenue by geographic area based on the customer's location for the periods presented. Accordingly, it differs from "Segment Information" on page 9.
2. The table shows the changes in the percentage ratio of revenue compared to the corresponding period of the previous year.

## (3) Exchange Rates

	Yen			
	For the three months ended June 30, 2023	For the three months ended June 30, 2024	For the year ended March 31, 2024	For the year ending March 31, 2025 (Forecast)
	USD/JPY .....	137.49	155.85	144.59
EUR/JPY .....	149.58	167.85	156.75	155
RMB/JPY .....	19.56	21.47	20.13	20.0

## (4) Production Ratio (unit basis)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024	For the year ended March 31, 2024
	Composition ratio	Composition ratio	Composition ratio
	Domestic .....	8.9%	7.2%
Overseas .....	91.1%	92.8%	91.7%

## (5) Consolidated Capital Expenditures, Depreciation and Amortization, and R&D costs

	Yen (millions)			
	For the three months ended June 30, 2023	For the three months ended June 30, 2024	For the year ended March 31, 2024	For the year ending March 31, 2025 (Forecast)
	Capital expenditures .....	6,063	4,683	17,851
Depreciation and amortization ..	6,102	6,366	24,754	25,000
R&D costs .....	3,686	3,642	14,314	15,500