Makita Corporation

Consolidated Financial Results for the six months ended September 30, 2026 (IFRS Financial Information)

(English translation of "KESSAN TANSHIN"

originally issued in Japanese)

CONSOLIDATED FINANCIAL RESULTS
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2026 (Unaudited)

October 30, 2026

Makita Corporation
Stock code: 6586
URL: https://www.makita.biz/
Munetoshi Goto, President, Representative Director

1. Operating results for the six months ended September 30, 2026 (April 1, 2026 to September 30, 2026)

(1) CONSOLIDATED OPERATING RESULTS

	Yen (millions)			
	For the six months ended September 30, 2025		For the six months ended September 30, 2026	
		(%)		(%)
Revenue	378,421	(2.1)	414,713	9.6
Operating profit	51,495	0.2	63,335	23.0
Profit before income taxes	52,901	3.1	66,274	25.3
Profit	38,789	1.5	47,923	23.5
Profit attributable to owners of the parent	38,800	1.6	47,918	23.5
Comprehensive income	66,917	252.9	43,443	(35.1)
	Yen			
Profit attributable to owners of the parent per share				
(Basic)	145.80		185.93	
(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, 2026	As of September 30, 2026
Total assets	1,181,185	1,192,061
Total equity	1,004,541	1,010,511
Equity attributable to owners of the parent	997,340	1,003,378
Ratio of equity attributable to owners of the parent to total assets (%)	84.4	84.2

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

2. Dividend Information

	Yen	
	For the year ended March 31, 2026	For the year ending March 31, 2027 (Forecast)
Cash dividend per share:		
Interim	20.00	79.00
Year-end	130.00	(Note)
Total	150.00	(Note)

Notes:
1. The forecast for cash dividend announced on April 28, 2026 has not been revised.
2. The projected amount of dividends for the year ending March 31, 2027 has not been determined yet. For further details, refer to “Explanation regarding proper use of business forecasts, and other significant matters” on page 2.

3. Consolidated Financial Forecast for the year ending March 31, 2027 (From April 1, 2026 to March 31, 2027)

	Yen (millions)	(%)
Revenue	820,000	5.5
Operating profit	110,000	5.1
Profit before income taxes	111,000	2.8
Profit attributable to owners of the parent	81,000	2.0
	Yen	
Profit attributable to owners of the parent per share (Basic)	314.29	

Notes:

1. Changes of the forecasts from the most recent disclosure: None
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.

Notes

(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: Yes
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 September 30, 2026:	280,017,520
	As of March 31, 2026:	280,017,520
2. Number of treasury shares:	As of September 30, 2026:	22,353,109
	As of March 31, 2026:	21,602,648
3. Average number of shares outstanding:	For the six months ended September 30, 2026:	257,721,461
	For the six months ended September 30, 2025:	266,114,534

Makita's earnings releases (KESSAN TANSHIN) 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, 2027" on page 4.

2. Makita's basic policy on the distribution of profits is to maintain consolidated payout ratio at 50% or greater. 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 2027 for a report on earnings for the year ending March 31, 2027. At the time, in accordance with the basic policy regarding profit distribution mentioned above, the Board of Directors plans to determine the dividend amount so that the consolidated payout ratio will be 50% or higher. The Board of Directors will submit this proposal to the General Meeting of Shareholders scheduled for June 2027.

SUPPLEMENT INFORMATION (CONSOLIDATED)

1. Overview of operating results

(1) Overview of operating results for the six months ended September 30, 2026

Looking at the international economic situation during the six-month period ended September 30, 2026, geopolitical risks, including the situation in the Middle East, persisted while energy prices remained elevated. In addition, against the backdrop of prolonged high interest rates, corporate investment activities remained cautious, and the recovery in economic activity was moderate.

In this situation, the Makita Group has focused on expanding its lineup of cordless products, including power tools and outdoor power equipment (OPE) in the durable high-power "40Vmax Lithium-ion Battery" (XGT) series.

With respect to production, the Group worked to achieve overall cost reductions while swiftly establishing a framework capable of flexibly responding to geopolitical risks and changes in demand conditions.

The Group also focused on enhancing its locally focused and customer-oriented service framework and further strengthening trust with customers around the world. At the same time, with the XGT series at the core of its efforts, the Group worked to deepen penetration into existing markets and develop new opportunities in markets outside the construction sector.

The Group's consolidated results were largely unchanged for this period on a local currency basis. However, due to the depreciation of the yen against local currencies, net sales increased 9.6% year on year to 414,713 million yen. In terms of profit, operating profit increased by 23.0% year on year to 63,335 million yen (an operating profit ratio: 15.3%) reflecting, among other factors, an improvement in the cost of sales ratio resulting from refunds of U.S. tariffs. Profit before income taxes increased by 25.3% to 66,274 million yen (profit before income taxes ratio: 16.0%) and profit attributable to owners of the parent increased by 23.5% to 47,918 million yen (ratio of profit attributable to owners of the parent: 11.6%).

Revenue results by region were as follows:
Revenue by region shows revenue in each market and differs from revenue in Segment Information (based on the source of shipments).

In Japan, despite a challenging demand environment due to factors such as rising building material prices and higher interest rates, sales were supported by cordless outdoor power equipment and products in the 40Vmax lithium-ion battery (XGT) series. As a result, revenue was 69,562 million yen, up 5.6% year on year.

In Europe, although the construction and building market remained sluggish due to persistently high interest rates, favorable foreign exchange effects resulting from the depreciation of the yen against major local currencies contributed to sales. As a result, revenue was 202,665 million yen, up 8.2% year on year.

In North America, demand for residential construction remained weak due to high interest rates and rising construction costs, while infrastructure-related investment remained firm and promotional campaigns tied to the FIFA World Cup hosted in North and Central America proved effective. As a result, revenue was 46,691 million yen, up 17.9% year on year.

In Asia, although demand for tools remained weak overall as the prolonged property recession in China has spread to neighboring countries, we have made efforts to expand sales of high-value-added products for non-residential sectors such as infrastructure and manufacturing industries. As a result, revenue was 25,754 million yen, up 11.3% year on year.

In Central and South America, although the demand environment remained challenging due to high interest rates and rising construction costs, sales of the XGT series and cordless outdoor power equipment for agricultural, mining, and infrastructure applications remained strong, supported by favorable foreign exchange effects. As a result, revenue was 30,063 million yen, up 22.6% year on year.

In Oceania, market conditions remained challenging due to a downturn in the construction market and rising fuel prices, although favorable foreign exchange effects supported sales. As a result, revenue was 30,829 million yen, up 11.0% year on year.

In the Middle East and Africa, economic activity was adversely affected by heightened tensions in the Middle East and rising energy prices. As a result, revenue was 9,149 million yen, down 9.8% year on year.

(Efforts for carbon neutrality)

The impact of climate change on society, such as frequent wind and flood disasters, is becoming more serious, and companies are playing an increasingly important role in realizing a decarbonized society. We have identified contributing to a decarbonized society as a material issue that should be prioritized and are stepping up our efforts.

Therefore, the Group is currently working on the realization of a decarbonized society by focusing on cordless OPE that

does not emit exhaust gases during use as the next pillar of our future business in addition to power tools. In addition, with the goal of reducing our greenhouse gas (GHG) emissions, we have set targets for reducing GHG emissions from our business activities (Scope 1 and 2) by 50% by FY2030 from the FY2020 level and to net zero by FY2040 and reducing GHG emissions from the entire supply chain (Scope 3) to net zero by FY2050. In FY2025, Scope 1 and 2 GHG emissions decreased 4.5% year on year to 57,313 t-CO_2, and emissions per unit of revenue decreased 7.5% to 7.4 t-CO_2 per 100 million yen. Meanwhile, Scope 3 GHG emissions decreased 2.1% to 4,274,651 t-CO_2 and emissions per unit of revenue decreased 5.1% to 549.72 t-CO_2 per 100 million yen.

We will continue to work on the use of renewable energy and energy conservation in our business activities to achieve GHG emission reduction targets.

(2) Overview of financial situation as of September 30, 2026

Total assets increased 10,876 million yen from the end of the previous fiscal year to 1,192,061 million yen. This increase was mainly due to the increase in “Cash and cash equivalents.”

Total liabilities increased 4,905 million yen from the end of the previous fiscal year to 181,549 million yen. This increase was mainly due to the increase in “Trade and other payables.”

Total equity increased 5,971 million yen from the end of the previous fiscal year to 1,010,511 million yen. This increase was mainly due to the increase in “Retained earnings.”

(3) Outlook for the fiscal year ending March 31, 2027

Although the Group expects overall costs to increase, the Group expects to achieve the full-year forecasts announced at the beginning of the fiscal year by continuing to focus on developing new business areas, including high-value-added fields. Therefore, we have not revised the consolidated financial performance forecasts for the fiscal year ending March 31, 2027, announced on April 28, 2026.

2. Consolidated Financial Statements (Unaudited)

(1) Consolidated Statement of Financial Position

	Yen (millions)	
	As of March 31, 2026	As of September 30, 2026
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	257,385	270,053
Trade and other receivables	122,018	115,983
Inventories	375,829	386,738
Other financial assets	33,686	19,405
Other current assets	19,273	26,371
Total current assets	808,192	818,549
NON-CURRENT ASSETS:		
Property, plant and equipment, at cost	278,067	271,092
Goodwill and intangible assets	9,619	10,302
Other financial assets	44,414	55,859
Retirement benefit assets	13,548	13,921
Deferred tax assets	22,153	19,660
Other non-current assets	5,193	2,677
Total non-current assets	372,993	373,511
Total assets	1,181,185	1,192,061

	Yen (millions)	
	As of March 31, 2026	As of September 30, 2026
LIABILITIES AND EQUITY		
LIABILITIES		
CURRENT LIABILITIES:		
Trade and other payables	55,358	62,629
Borrowings	2,384	653
Other financial liabilities	4,865	4,162
Income taxes payable	14,585	8,531
Provisions	6,766	6,267
Other current liabilities	55,022	58,322
Total current liabilities	138,980	140,564
NON-CURRENT LIABILITIES:		
Retirement benefit liabilities	3,420	3,370
Other financial liabilities	15,165	14,911
Provisions	1,985	2,013
Deferred tax liabilities	16,290	20,057
Income taxes payable	182	-
Other non-current liabilities	621	634
Total non-current liabilities	37,664	40,986
Total liabilities	176,644	181,549
EQUITY		
Share capital	23,805	23,805
Capital surplus	45,432	45,594
Retained earnings	779,488	793,812
Treasury shares	(76,727)	(80,768)
Other components of equity	225,342	220,935
Total equity attributable to owners of the parent	997,340	1,003,378
NON-CONTROLLING INTEREST	7,201	7,134
Total equity	1,004,541	1,010,511
Total liabilities and equity	1,181,185	1,192,061

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

Consolidated Statements of Profit or Loss

	Yen (millions)	
	For the six months ended September 30, 2025	For the six months ended September 30, 2026
REVENUE	378,421	414,713
Cost of sales	(240,845)	(250,922)
GROSS PROFIT	137,576	163,791
Selling, general, administrative and others, net	(86,080)	(100,456)
OPERATING PROFIT	51,495	63,335
Financial income	3,925	3,540
Financial expenses	(2,520)	(601)
PROFIT BEFORE INCOME TAXES	52,901	66,274
Income tax expenses	(14,111)	(18,351)
PROFIT	38,789	47,923
Profit attributable to:		
Owners of the parent	38,800	47,918
Non-controlling interests	(11)	5
Profit attributable to owners of the parent per share (Basic)(yen)	145.80	185.93

Consolidated Statements of Comprehensive Income

	Yen (millions)	
	For the six months ended September 30, 2025	For the six months ended September 30, 2026
PROFIT	38,789	47,923
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)	3,328	7,914
Total of items that will not be reclassified to profit (loss)	3,328	7,914
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations	24,799	(12,393)
Total of items that may be reclassified to profit (loss)	24,799	(12,393)
Total other comprehensive income (loss), net of tax	28,127	(4,479)
COMPREHENSIVE INCOME	66,917	43,443
Comprehensive income attributable to:		
Owners of the parent	66,596	43,511
Non-controlling interests	320	(67)

(3) Consolidated Statement of Changes in Equity

	Yen (millions)							
	For the six months ended September 30, 2025							
	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, 2025	23,805	46,014	732,556	(21,470)	145,101	926,005	6,490	932,495
Profit for the period			38,800			38,800	(11)	38,789
Other comprehensive income					27,796	27,796	331	28,127
Comprehensive income	-	-	38,800	-	27,796	66,596	320	66,917
Dividends paid			(24,214)			(24,214)		(24,214)
Purchase of treasury shares				(20,001)		(20,001)		(20,001)
Share-based payment transaction		7		31		38		38
Transfer from other components of equity to retained earnings			825		(825)	-		-
Others			1			1		1
Total amounts of transactions with owners	-	7	(23,388)	(19,970)	(825)	(44,176)	-	(44,176)
Balance at September 30, 2025	23,805	46,021	747,968	(41,440)	172,072	948,425	6,811	955,236

	Yen (millions)							
	For the six months ended September 30, 2026							
	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, 2026	23,805	45,432	779,488	(76,727)	225,342	997,340	7,201	1,004,541
Profit for the period			47,918			47,918	5	47,923
Other comprehensive income					(4,407)	(4,407)	(72)	(4,479)
Comprehensive income	-	-	47,918	-	(4,407)	43,511	(67)	43,443
Dividends paid			(33,594)			(33,594)		(33,594)
Purchase of treasury shares				(4,076)		(4,076)		(4,076)
Share-based payment transaction		162		35		197		197
Total amounts of transactions with owners	-	162	(33,594)	(4,041)	-	(37,473)	-	(37,473)
Balance at September 30, 2026	23,805	45,594	793,812	(80,768)	220,935	1,003,378	7,134	1,010,511

(4) Consolidated Statements of Cash Flows

	Yen (millions)	
	For the six months ended September 30, 2025	For the six months ended September 30, 2026
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit	38,789	47,923
Depreciation and amortization	14,730	15,647
Income tax expenses	14,111	18,351
Financial income and expenses	(1,406)	(2,938)
Loss (gain) on sales and retirement of property, plant and equipment	(40)	237
Decrease in trade and other receivables	503	4,040
Decrease in inventories	(9,568)	(11,198)
Increase (decrease) in trade and other payables	1,641	7,790
Increase (decrease) in retirement benefit assets and liabilities	(245)	(347)
Other	(2,876)	(224)
Subtotal	55,641	79,280
Dividends received	496	583
Interest received	3,481	2,748
Interest paid	(636)	(555)
Income taxes paid	(16,927)	(21,366)
Cash flows from operating activities	42,054	60,690
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of non-current assets	(11,228)	(10,345)
Proceeds from sales of non-current assets	977	293
Purchase of investments	(410)	(100)
Proceeds from sales and redemption of investments	2,013	10
Payments into time deposits	(63,350)	(33,024)
Proceeds from withdrawal of time deposits	73,240	46,611
Payments for acquisition of subsidiaries	-	(2,718)
Payments for acquisition of businesses	-	(2,154)
Other	128	(139)
Cash flows from investing activities	1,371	(1,564)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase (decrease) in short-term borrowings	(7,440)	(1,702)
Purchase and sales of treasury shares, net	(20,001)	(4,076)
Cash dividends paid	(24,214)	(33,594)
Repayment of lease liabilities	(2,612)	(2,615)
Other	11	25
Cash flows from financing activities	(54,256)	(41,962)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	6,706	(4,497)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(4,125)	12,668
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	253,279	257,385
CASH AND CASH EQUIVALENTS, END OF PERIOD	249,153	270,053

(5) Notes to Consolidated Financial Statements

Notes on the assumptions for a going concern: None

Changes in accounting policy:

The Group has applied the following standards and interpretations from the current fiscal year as follows:

IFRS	Title	Overview
IFRS 7 IFRS 9	Financial Instruments: Disclosures Financial Instruments	Clarification of the classification of financial assets, introduction of additional requirements regarding the derecognition of financial liabilities, and amendments to disclosure requirements related to financial assets measured at fair value through other comprehensive income (FVOCI).

The application of the standard, etc. has no material impact on the condensed interim consolidated financial statements.

Segment Information

	Yen (millions)							
	For the six months ended September 30, 2025							
	Japan	Europe	North America	Asia	Total	Other	Elimi-nations	Consoli-dated
Revenue:								
External customers	76,396	189,562	40,942	16,302	323,202	55,219	-	378,421
Inter-segment	159,514	9,794	4,321	142,052	315,681	194	(315,874)	-
Total	235,910	199,356	45,263	158,354	638,883	55,412	(315,874)	378,421
Operating profit	21,940	20,096	202	13,291	55,529	3,114	(7,148)	51,495

	Yen (millions)							
	For the six months ended September 30, 2026							
	Japan	Europe	North America	Asia	Total	Other	Elimi-nations	Consoli-dated
Revenue:								
External customers	79,916	204,180	47,933	18,605	350,634	64,079	-	414,713
Inter-segment	148,612	9,930	2,061	171,593	332,196	224	(332,419)	-
Total	228,529	214,109	49,993	190,198	682,829	64,303	(332,419)	414,713
Operating profit	16,314	18,808	5,619	12,435	53,176	2,175	7,984	63,335

3. SUPPORT DOCUMENTATION (CONSOLIDATED)

(1) Consolidated Financial Results and Forecast

	Yen (millions)			
	For the six months ended September 30, 2025		For the six months ended September 30, 2026	
		(%)		(%)
REVENUE	378,421	(2.1)	414,713	9.6
Domestic	65,864	3.7	69,562	5.6
Overseas	312,557	(3.2)	345,151	10.4
Operating profit	51,495	0.2	63,335	23.0
Profit before income taxes	52,901	3.1	66,274	25.3
Profit attributable to owners of the parent	38,800	1.6	47,918	23.5
Profit attributable to owners of the parent per share (Yen)	145.80		185.93	
Number of Employees	17,662		18,071	

	Yen (millions)			
	For the year ended March 31, 2026		For the year ending March 31, 2027 (Forecast)	
		(%)		(%)
REVENUE	777,600	3.2	820,000	5.5
Domestic	132,136	3.9	135,000	2.2
Overseas	645,464	3.1	685,000	6.1
Operating profit	104,705	(2.2)	110,000	5.1
Profit before income taxes	108,017	(0.4)	111,000	2.8
Profit attributable to owners of the parent	79,414	0.1	81,000	2.0
Profit attributable to owners of the parent per share (Yen)	299.95		314.29	
Number of Employees	17,586		-	

Notes:

1. Please refer to 1. Overview of operating results Section 3 “Outlook for the fiscal year ending March 31, 2027” on page 4.
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 six months ended September 30, 2025		For the six months ended September 30, 2026		For the year ended March 31, 2026	
		(%)		(%)		(%)
Japan	65,864	3.7	69,562	5.6	132,136	3.9
Europe	187,377	(3.4)	202,665	8.2	390,110	4.9
North America	39,604	(12.6)	46,691	17.9	78,662	(6.3)
Asia	23,142	5.9	25,754	11.3	47,730	6.0
Central and South America	24,528	(4.5)	30,063	22.6	52,986	4.5
Oceania	27,764	0.7	30,829	11.0	56,651	1.5
The Middle East and Africa	10,141	18.5	9,149	(9.8)	19,325	3.2
Total	378,421	(2.1)	414,713	9.6	777,600	3.2

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 10.
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 six months ended September 30, 2025	For the six months ended September 30, 2026	For the year ended March 31, 2026	For the year ending March 31, 2027 (Forecast)
USD/JPY	146.02	159.49	150.67	155
EUR/JPY	168.05	184.43	174.64	180
RMB/JPY	20.29	23.54	21.22	22.5

(4) Production Ratio (unit basis)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026	For the year ended March 31, 2026
	Composition ratio	Composition ratio	Composition ratio
Domestic	7.3%	7.1%	7.5%
Overseas	92.7%	92.9%	92.5%

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

	Yen (millions)			
	For the six months ended September 30, 2025	For the six months ended September 30, 2026	For the year ended March 31, 2026	For the year ending March 31, 2027 (Forecast)
Capital expenditures	11,228	10,345	21,532	30,000
Depreciation and amortization	12,332	12,720	25,205	25,000
R&D costs	8,065	9,124	16,613	18,500