

Consolidated Statement of Financial Position

Makita Corporation and subsidiaries as of March 31, 2018 and 2019

Yen in millions

ASSETS	As of April 1, 2017	2018	2019
Current assets:			
Cash and cash equivalents	¥ 142,181	¥ 147,320	¥ 146,512
Trade receivables and other receivables	67,262	78,988	79,450
Inventories	167,523	196,454	219,938
Other financial assets	50,112	48,037	37,828
Prepaid expenses and other current assets	6,682	8,663	9,401
Total current assets	433,760	479,462	493,129
Non-current assets:			
Property, plant and equipment	¥ 95,488	¥ 100,813	¥ 112,441
Goodwill and intangible assets	6,637	6,991	8,039
Other financial assets	43,800	45,561	43,566
Retirement benefit asset	8,382	9,729	9,541
Deferred income taxes	9,169	10,049	9,342
Other non-current assets	2,317	2,236	4,192
Total non-current assets	165,793	175,379	187,121
Total assets	¥ 559,553	¥ 654,841	¥ 680,250

LIABILITIES AND EQUITY	As of April 1, 2017	2018	2019
Liabilities			
Current liabilities:			
Trade payables and other payables	¥ 33,460	¥ 35,024	¥ 38,904
Borrowings	6,564	3,361	11,799
Other financial liabilities	284	429	220
Income taxes payable	7,264	10,071	7,153
Provisions	3,412	2,928	3,040
Other current liabilities	24,899	29,294	29,678
Total current liabilities	75,883	81,107	90,794
Non-current liabilities:			
Retirement benefit liabilities	¥ 3,161	¥ 3,206	¥ 3,231
Other financial liabilities	18	133	256
Provisions	1,440	1,352	1,293
Deferred income taxes	10,738	10,388	7,236
Other non-current liabilities	234	216	218
Total non-current liabilities	15,591	15,295	12,234
Total liabilities	¥ 91,474	¥ 96,402	¥ 103,028
Equity			
Common stock	¥ 23,805	¥ 23,805	¥ 23,805
Additional paid-in capital	45,501	45,531	45,571
Retained earnings	427,999	469,232	508,622
Treasury stock, at cost	(11,623)	(11,617)	(11,681)
Other components of equity	18,557	27,095	6,431
Total equity attributable to owners of the parent	504,239	554,046	572,748
Non-controlling interest	3,840	4,393	4,474
Total equity	¥ 508,079	¥ 558,439	¥ 577,222
Total liabilities and equity	¥ 599,553	¥ 654,841	¥ 680,250

Consolidated Statements of Profit or Loss

Makita Corporation and subsidiaries for the years ended March 31, 2018 and 2019

Yen in millions

	2018	2019
Revenue	¥ 477,298	¥ 490,578
Cost of sales	(301,392)	(313,356)
Gross profit	175,906	177,222
Selling, general, administrative and others, net	(95,675)	(98,917)
Operating profit	80,231	78,305
Financial income	3,180	2,680
Financial expenses	(3,546)	(1,066)
Profit before income taxes	79,865	79,919
Income tax expenses	(24,406)	(23,728)
Profit	55,459	56,191
Profit attributable to:		
Owners of the parent	¥ 54,943	¥ 55,750
Non-controlling interests	516	441
Profit attributable to owners of the parent per share		
		Yen
Profit attributable to owners of the parent per share (basic)	¥ 202.39	¥ 205.37
Profit attributable to owners of the parent per share (diluted)	202.37	205.34

Consolidated Statements of Comprehensive Income

Makita Corporation and subsidiaries for the years ended March 31, 2018 and 2019

Yen in millions

	2018	2019
Income	¥ 55,459	¥ 56,191
Other comprehensive income (loss), net of tax		
Items that will not be reclassified to income (loss)		
Equity financial goods measured at fair value through other comprehensive loss	(1,098)	(7,889)
Remeasurement of defined benefit plans	188	(87)
Total of items that will not be reclassified to income (loss)	(910)	(7,976)
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations	9,853	(12,623)
Total of items that may be reclassified to profit (loss)	9,853	(12,623)
Total other comprehensive income (loss), net of tax	8,943	(20,599)
Comprehensive income	¥ 64,402	¥ 35,592
Comprehensive income attributable to:		
Owners of the parent	¥ 63,669	¥ 35,286
Non-controlling interests	733	306

Consolidated Statement of Changes in Equity

Makita Corporation and subsidiaries for the years ended March 31, 2018 and 2019

Yen in millions

	Equity attributable to owners of the parent						Non-Controlling interest	Total equity
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Other components of equity	Total		
Balance at April 1, 2017	¥ 23,805	¥ 45,501	¥ 427,999	¥ (11,623)	¥ 18,557	¥ 504,239	¥ 3,840	¥ 508,079
Profit for the year			54,943			54,943	516	55,459
Other comprehensive income					8,726	8,726	217	8,943
Comprehensive income	—	—	54,943	—	8,726	63,669	733	64,402
Dividends paid			(13,845)			(13,845)	(180)	(14,025)
Purchase of treasury stock				(5)		(5)		(5)
Disposal of treasury stock		(11)		11		0		0
Share-based payment transaction		41				41		41
Transfer from other components of equity to retained earnings			188		(188)	—		—
Other increase or decrease			(53)			(53)		(53)
Total amounts of transactions with owners	—	30	(13,710)	6	(188)	(13,862)	(180)	(14,042)
Balance at March 31, 2018	¥ 23,805	¥ 45,531	¥ 469,232	¥ (11,617)	¥ 27,095	¥ 554,046	¥ 4,393	¥ 558,439

Yen in millions

	Equity attributable to owners of the parent						Non-Controlling interest	Total equity
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Other components of equity	Total		
Balance at April 1, 2018	¥ 23,805	¥ 45,531	¥ 469,232	¥ (11,617)	¥ 27,095	¥ 554,046	¥ 4,393	¥ 558,439
Profit for the year			55,750			55,750	441	56,191
Other comprehensive income					(20,464)	(20,464)	(135)	(20,599)
Comprehensive income	—	—	55,750	—	(20,464)	35,286	306	35,592
Dividends paid			(16,560)			(16,560)	(225)	(16,785)
Purchase of treasury stock				(4)		(4)		(4)
Disposal of treasury stock		0		0		0		0
Share-based payment transaction		40				40		40
Transfer from other components of equity to retained earnings			200		(200)	—		—
Other increase or decrease				(60)		(60)		(60)
Total amounts of transactions with owners	—	40	(16,360)	(64)	(200)	(16,584)	(225)	(16,809)
Balance at March 31, 2019	¥ 23,805	¥ 45,571	¥ 508,622	¥ (11,681)	¥ 6,431	¥ 572,748	¥ 4,474	¥ 577,222

Consolidated Statements of Cash Flows

Makita Corporation and subsidiaries for the years ended March 31, 2018 and 2019

Yen in millions

	2018	2019
Cash flows from operating activities:		
Profit	¥ 55,459	¥ 56,191
Depreciation and amortization	10,783	11,271
Income tax expenses	24,406	23,728
Financial income and expenses	366	(1,614)
Loss (gain) on sales and retirement of property, plant and equipment	18	113
Decrease (increase) in trade receivables and other receivables	(11,187)	(2,085)
Decrease (increase) in inventories	(24,289)	(30,455)
Increase (decrease) in trade payables and other payables	2,495	2,581
Decrease (increase) in retirement benefit assets and liabilities	(1,433)	395
Decrease (increase) in guarantee deposits	—	(8,990)
Other	(3,103)	(4,487)
Subtotal	53,515	46,648
Dividends received	497	643
Interest received	2,409	2,004
Interest paid	(43)	(47)
Income taxes paid	(22,187)	(26,093)
Cash flows from operating activities	34,191	23,155
Cash flows from investing activities:		
Purchase of non-current assets	(15,045)	(23,867)
Proceeds from sales of non-current assets	496	382
Purchase of investments	(8,743)	(12,745)
Proceeds from sales and redemption of investments	16,193	5,634
Payments into time deposits	(51,010)	(31,902)
Proceeds from withdrawal of time deposits	42,374	47,758
Other	27	(589)
Cash flows from investing activities	(15,708)	(15,329)
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings	(3,667)	8,704
Purchase and sales of treasury stock, net	(5)	(4)
Cash dividends paid	(13,845)	(16,560)
Other	(226)	(371)
Cash flows from financing activities	(17,743)	(8,231)
Effect of exchange rate changes on cash and cash equivalents	4,399	(403)
Net change in cash and cash equivalents	5,139	(808)
Cash and cash equivalents, beginning of year	142,181	147,320
Cash and cash equivalents, end of year	¥ 147,320	¥ 146,512