



For immediate release

September 23, 2020

Company name: **Makita Corporation**
Representative: Munetoshi Goto, President, Representative Director
Stock ticker code: 6586

Announcement of Absorption-Type Merger of Consolidated Subsidiary (Simplified/Short Form Merger)

Makita Corporation (hereinafter referred to as “Makita”) is pleased to announce that at a meeting of the Board of Directors held today it resolved to conduct an absorption-type merger of Amadera Pneumatics Co., Ltd. (hereinafter referred to as “Amadera Pneumatics”), a consolidated subsidiary of Makita.

Because the merger is an absorption-type merger of Makita’s wholly-owned subsidiary, disclosure items and details are partially omitted.

I. Purpose of the merger

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, Makita has diverse product lines of pneumatic tools (such as air nailers and air compressors). With the goal of further strengthening its business base, Makita turned Amadera Pneumatics, which manufactures and markets air compressors used for nailing at construction sites, etc., into a wholly owned subsidiary on March 29, 2019.

In order to respond to changes in the business environment in a flexible and agile manner and to further streamline group-wide management, Makita has decided to conduct an absorption-type merger of Amadera Pneumatics, effective June 1, 2021.

II. Outline of merger

(1) Schedule

Board resolution on the merger:	September 23, 2020
Execution of agreement:	September 23, 2020
Scheduled effective date of merger:	June 1, 2021

* Since this merger is a “simplified merger” for Makita under Article 796, paragraph 2 of the Companies Act, and a “short-form merger” for Amadera Pneumatics under Article 784, paragraph 1 of the same Act, neither companies will hold general meeting of shareholders for approval of this merger.

(2) Method of merger

In this merger, Makita is a surviving company, and Amadera Pneumatics is dissolved and absorbed into the surviving company.

(3) Details of allocations related to the merger

Since Amadera Pneumatics is a wholly-owned subsidiary of Makita, there will be no allocation of shares or other funds with the merger.

(4) Handling of share options and bonds with share options of the absorbed company

Not applicable



III. Overview of the parties to the merger (As of March 31, 2020)

	Surviving Company		Extinct Company	
(1) Company name	Makita Corporation		Amadera Pneumatics Co., Ltd.	
(2) Head office	3-11-8, Sumiyoshi-cho, Anjo, Aichi, Japan		2-50-12 Nishi-rokugo, Ohta-ward, Tokyo, Japan	
(3) Title and name of representative	Munetoshi Goto, President and Representative Director		Tadayoshi Torii, Representative Director	
(4) Principal business	Production and sales of electric power tools, gardening equipment, pneumatic tools and household equipment		Production and sales of industrial compressors	
(5) Capital stock	24,206 million yen		32 million yen	
(6) Date of incorporation	December 10, 1938		April 26, 1952	
(7) Number of shares issued	280,017,520 shares		64,000 shares	
(8) Fiscal year - end	March 31		March 31	
(9) Major shareholders and shareholding ratio*1	The Master Trust Bank of Japan, Ltd. (Trust account) 7.96% Japan Trustee Services Bank, Ltd. (Trust account) 4.18% Maruwa, Ltd. 3.18% MUFG Bank, Ltd. 3.10% Japan Trustee Services Bank, Ltd. (Trust account 9) 2.65%		Makita Corporation 100.00%	
(10) Financial position and operating performance in the previous business year	Fiscal year - end	March 2020 (consolidated, IFRS)	Fiscal year - end	March 2020*2 (non-consolidated, Japan GAAP)
	Total equity	575,748 million yen	Net assets	805 million yen
	Total assets	674,564 million yen	Total assets	1,095 million yen
	Equity attributable to owners of the parent per share	2,104.01 yen	Net assets per share	12,582.58 yen
	Revenue	492,617 million yen	Net sales	846 million yen
	Operating profit	64,046 million yen	Operating income	(24 million yen)
	Profit before income taxes	66,008 million yen	Ordinary income	(23 million yen)
	Profit attributable to owners of the parent	47,731 million yen	Net Income	2 million yen
	Earnings per share (Basic)	175.80 yen	Net Income per share	25.24 yen

*1 The shareholding ratio is calculated by subtracting the number of treasury stock as of March 31, 2020 (8,500,530 shares).

*2 Financial results for the fiscal year ended March 2020 are for eight months from August 2019 to March 2020.



IV. Status after merger

After the merger, no change will occur to the company name, head office, title and name of the representative, principal business, capital stocks and the account closing date of Makita.

V. Future prospect

Since this transaction is a merger of a wholly-owned subsidiary, it will have minor effect on the consolidated results of Makita.