



# Makita Corporation

## Consolidated Financial Results for the three months ended June 30, 2021 (IFRS Financial Information)

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



## CONSOLIDATED FINANCIAL RESULTS FOR THE THREE MONTHS ENDED JUNE 30, 2021 (Unaudited)

July 30, 2021

Makita Corporation

Stock code: 6586

URL: <https://www.makita.co.jp/>

Munetoshi Goto, President, Representative Director

1. Summary operating results of the three months ended June 30, 2021 (From April 1, 2021 to June 30, 2021)

### (1) CONSOLIDATED OPERATING RESULTS

|  | Yen (millions)                              |        |   |      |
|--|---|--------|---|------|
|  | For the three months ended<br>June 30, 2020 |        | For the three months ended<br>June 30, 2021 |      |
|  |   | (%)    |   | (%)  |
| Revenue .....  | 126,996                                     | 3.7    | 185,297                                     | 45.9 |
| Operating profit .....                                   | 15,569                                      | (10.4) | 28,382                                      | 82.3 |
| Profit before income taxes .....                         | 16,469                                      | (12.3) | 29,865                                      | 81.3 |
| Profit .....   | 11,684                                      | (18.2) | 21,816                                      | 86.7 |
| Profit attributable to owners of the parent .....        | 11,521                                      | (18.6) | 21,612                                      | 87.6 |
| Comprehensive income .....                               | 15,908                                      | 824.9  | 29,461                                      | 85.2 |
|  | Yen   |        |   |      |
| Profit attributable to<br>Owners of the parent per share |   |        |   |      |
| (Basic).....   | 42.43                                       |        | 79.59                                       |      |
| (Diluted) .....  | -   |        | -   |      |

Notes:

- Amounts of less than one million yen have been rounded.
- 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, 2021 | As of June 30, 2021 |
| Total assets.....  | 812,878              | 828,861             |
| Total equity .....   | 663,326              | 676,775             |
| Equity attributable to owners of the parent.....                                 | 657,855              | 671,016             |
| Ratio of equity attributable to owners of the<br>parent to total assets (%)..... | 80.9%                | 81.0%               |

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

### 2. Dividend Information

|                          | Yen                                  |   |
|--------------------------|--------------------------------------|---|
|                          | For the year ended<br>March 31, 2021 | For the year ending<br>March 31, 2022<br>(Forecast) |
| Cash dividend per share: |                                      |   |
| Interim.....             | 10.00                                | 10.00   |
| Year-end .....           | 59.00                                | (Note)  |
| Total .....              | 69.00                                | (Note)  |

Notes:

- The forecast for cash dividend announced on April 27, 2021 has not been revised.
- The projected amount of dividends for the year ending March 31, 2022 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 Forecast for the year ending March 31, 2022 (From April 1, 2021 to March 31, 2022)

|   | Yen (millions)                        |     |
|---|---------------------------------------|-----|
|   | For the year ending<br>March 31, 2022 |     |
|   |                                       | (%) |
| Revenue.....  | 650,000                               | 6.8 |
| Operating profit.....   | 88,500                                | 0.0 |
| Profit before income taxes.....                                       | 88,000                                | 0.9 |
| Profit attributable to owners of the parent.....                      | 63,200                                | 1.9 |
|   | Yen                                   |     |
| Profit attributable to<br>Owners of the parent per share(Basic) ..... | 232.76                                |     |

Note:

- 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.
- Changes of the forecasts from the most recent disclosure: Yes

#### 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:

- Changes in accounting policies required by IFRS: None
- Changes in accounting policies other than 1: None
- Changes in accounting estimate: None

(3) Number of shares outstanding (common stock)

|  |   |             |
|--|---|-------------|
| 1. Number of shares issued (including treasury stock): | As of June 30, 2021:                      | 280,017,520 |
|  | As of March 31, 2021:                     | 280,017,520 |
| 2. Number of treasury stock:                           | As of June 30, 2021:                      | 8,490,979   |
|  | As of March 31, 2021:                     | 8,490,396   |
| 3. Average number of shares outstanding:               | For the three months ended June 30, 2021: | 271,526,825 |
|  | For the three months ended June 30, 2020: | 271,516,937 |

This consolidated financial report is not subject to audit procedures by certified public accountants or an auditing firm.

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

- 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, 2022” on page 4.
- Makita's basic policy on the distribution of profits is to maintain a consolidated dividend payout ratio of 30% or greater, with a lower limit on annual cash dividends of 10 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 after certain adjustments.

The Board of Directors plans to meet in April 2022 for a report on earnings for the year ending March 31, 2022. 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 30% of profit attributable to owners of the parent. The Board of Directors will submit this proposal to the General Meeting of Shareholders scheduled for June 2022.

The consolidated dividend payout ratio is calculated as annual dividends per share divided by consolidated profit attributable to owners of the parent per share (after adjustments for special circumstances) and multiplied by 100.



## SUPPLEMENT INFORMATION (CONSOLIDATED)

### 1. Overview of operating results

#### (1) Overview of operating results of the three month ended June 30, 2021

Looking at the global economic situation during the three-month period (the “period”) ended June 30, 2021, economic recovery progressed in the U.S., China and elsewhere as COVID-19 vaccinations spread and behavioral restrictions were gradually eased in many countries. The outlook for the future remains uncertain, however, due to a resurgence of new cases caused by COVID variants and the intensifying conflict between the U.S. and China.

Our consolidated revenue for this period increased by 45.9% to 185,297 million yen compared with the same period of previous year with strong sales both in Japan and overseas. Operating profit also increased by 82.3% to 28,382 million yen (operating profit ratio: 15.3%) owing to the increase in revenue and an improvement in the cost of sales ratio due to the impact of foreign exchange rates. Profit before income taxes increased by 81.3% to 29,865 million yen (profit before income taxes ratio: 16.1%) and profit attributable to owners of the parent increased by 87.6% to 21,612 million yen (ratio of profit attributable to owners of the parent: 11.7%).

Revenue results by region were as follows:

In Japan, sales of both power tools and outdoor power equipment, particularly lithium-ion battery products, were strong and increased by 18.7% compared with the same period of previous year to 30,053 million yen.

In Europe, while stay-home demand slowed down, demand for tools at active building and construction sites and sales of cordless outdoor power equipment continued to be strong, resulting in an increase in sales of 57.1% year on year to 91,397 million yen.

In North America, sales of power tools accompanied by strong housing demand and sales of cordless outdoor power equipment were strong, resulting in an increase in sales of 44.1% year on year to 28,618 million yen.

In Asia, COVID-19 increased again in various regions affecting our sales activities, but sales in China and Taiwan were strong, resulting in an increase in sales of 13.6% year on year to 10,225 million yen.

In Central and South America, sales increased by 133.1% year on year to 9,680 million yen due to stay-home demand and tool demand at active building and construction sites, and due to a comparison with the same period last year when strict restrictions were in place under the COVID-19 pandemic.

In Oceania, while stay-home demand dissipated, tool demand was strong at construction sites and sales of cordless outdoor power equipment were strong, resulting in an increase in sales of 39.3% year on year to 12,056 million yen.

In the Middle East and Africa, sales increased by 77.4% year on year to 3,268 million yen due in part to a rebound from sales in the same period of previous year that were considerably affected by the COVID-19 pandemic.

#### (2) Overview of financial situation as of June 30, 2021

Total assets increased 15,983 million yen from the end of the previous fiscal year to 828,861 million yen. This increase was mainly due to the rise in “Inventories” and “Property, plant and equipment.”

Total liabilities increased 2,534 million yen from the end of the previous fiscal year to 152,086 million yen. This increase was mainly due to the rise in “Trade payables and other payables” and “Deferred income taxes.”

Total equity increased 13,449 million yen from the end of the previous fiscal year to 676,775 million yen. This increase was mainly due to the rise in “Retained earnings” and the change in exchange differences on translating foreign operations included in “Other components of equity.”



(3) Outlook for the fiscal year ending March 31, 2022

We have revised our consolidated financial forecast because sales in the first quarter of the current fiscal year were stronger than expected in response to demand for tools at building and construction sites, and because the exchange rate against the yen was weaker than the assumption announced on April 27, 2021.

Revised forecast for consolidated performance of the fiscal year ending March 31, 2022 (April 1, 2021 to March 31, 2022)

|   | For the year ending March 31, 2022 |                  |                            |   |   |
|---|------------------------------------|------------------|----------------------------|---|---|
|   | Yen (millions)                     |                  |                            |   | Yen   |
|   | Revenue                            | Operating profit | Profit before income taxes | Profit attributable to owners of the parent | Profit attributable to owners of the parent per share (basic) |
| Forecast announced previously (A) .....                         | 610,000                            | 83,000           | 82,300                     | 59,000                                      | 217.29  |
| <b>Forecast (B) .....</b>                                       | <b>650,000</b>                     | <b>88,500</b>    | <b>88,000</b>              | <b>63,200</b>                               | <b>232.76</b>   |
| Change (B-A) .....  | 40,000                             | 5,500            | 5,700                      | 4,200                                       | -   |
| Percentage revision.....  | 6.6                                | 6.6              | 6.9                        | 7.1   | -   |
| Actual results for the previous year ended March 31, 2021 ..... | 608,331                            | 88,464           | 87,199                     | 62,018                                      | 228.41  |

The above forecasts are based on the assumption that economic activities will not stagnate again due to restrictions in response to the spread of the COVID-19. In addition, the assumed exchange rates applied in the forecast calculation are as follows;

[Currency exchange rate assumption]

The above forecast is based on the assumption of exchange rates of 105 yen to the U.S. dollar, 125 yen to the euro and 16.2 yen to the renminbi for the remaining nine months period ending March 31, 2022.

The above forecast is based on the assumption of exchange rates of 106 yen to the U.S. dollar, 127 yen to the euro and 16.4 yen to the renminbi for the year ending March 31, 2022.

[Reference]

The exchange rates for previously announced forecasts that we announced on April 27, 2021 were 105 yen to the U.S. dollar, 125 yen to the euro and 16.2 yen to the renminbi for the year ending March 31, 2022.

(Note)

The above forecasts are made based on the information available at this time and include potential risks and uncertainties, so the actual results may differ from the forecast due to various factors such as the timing of the COVID-19 comes to an end.



2. Consolidated Financial Statements (Unaudited)  
 (1) Consolidated Statement of Financial Position

|   | Yen (millions)       |                   |                     |                   |
|---|----------------------|-------------------|---------------------|-------------------|
|   | As of March 31, 2021 |                   | As of June 30, 2021 |                   |
|   |                      | Composition ratio |                     | Composition ratio |
| <b>ASSETS</b>                                 |                      |                   |                     |                   |
| <b>CURRENT ASSETS:</b>                        |                      |                   |                     |                   |
| Cash and cash equivalents .....               | 148,640              |                   | 106,019             |                   |
| Trade receivables and other receivables ..... | 95,691               |                   | 101,143             |                   |
| Inventories .....                             | 267,547              |                   | 307,528             |                   |
| Other financial assets.....                   | 18,227               |                   | 12,912              |                   |
| Other current assets .....                    | 10,223               |                   | 12,561              |                   |
| Total current assets.....                     | <u>540,328</u>       | 66.5%             | <u>540,163</u>      | 65.2%             |
| <b>NON-CURRENT ASSETS:</b>                    |                      |                   |                     |                   |
| Property, plant and equipment, at cost.....   | 189,366              |                   | 204,533             |                   |
| Goodwill and intangible assets .....          | 9,364                |                   | 9,583               |                   |
| Other financial assets.....                   | 51,011               |                   | 51,549              |                   |
| Net defined retirement benefit assets.....    | 10,685               |                   | 10,593              |                   |
| Deferred income taxes .....                   | 8,860                |                   | 8,925               |                   |
| Other non-current assets .....                | 3,264                |                   | 3,515               |                   |
| Total non-current assets.....                 | <u>272,550</u>       | 33.5%             | <u>288,698</u>      | 34.8%             |
| Total assets .....                            | <u>812,878</u>       | 100.0%            | <u>828,861</u>      | 100.0%            |

|  | Yen (millions)       |                   |                     |                   |
|--|----------------------|-------------------|---------------------|-------------------|
|  | As of March 31, 2021 |                   | As of June 30, 2021 |                   |
|  |                      | Composition ratio |                     | Composition ratio |
| <b>LIABILITIES AND EQUITY</b>                        |                      |                   |                     |                   |
| <b>LIABILITIES</b>                                   |                      |                   |                     |                   |
| <b>CURRENT LIABILITIES:</b>                          |                      |                   |                     |                   |
| Trade payables and other payables .....              | 59,792               |                   | 65,309              |                   |
| Borrowings .....                                     | 2,612                |                   | 1,587               |                   |
| Other financial liabilities.....                     | 4,080                |                   | 4,020               |                   |
| Income taxes payable.....                            | 11,218               |                   | 7,415               |                   |
| Provisions .....                                     | 3,665                |                   | 3,940               |                   |
| Other current liabilities .....                      | 40,431               |                   | 39,099              |                   |
| Total current liabilities.....                       | <u>121,798</u>       | 15.0%             | <u>121,370</u>      | 14.6%             |
| <b>NON-CURRENT LIABILITIES:</b>                      |                      |                   |                     |                   |
| Retirement benefit liabilities .....                 | 3,406                |                   | 3,475               |                   |
| Other financial liabilities.....                     | 11,764               |                   | 12,529              |                   |
| Provisions .....                                     | 1,421                |                   | 1,489               |                   |
| Deferred income taxes .....                          | 10,954               |                   | 13,018              |                   |
| Other non-current liabilities.....                   | 209                  |                   | 205                 |                   |
| Total non-current liabilities.....                   | <u>27,754</u>        | 3.4%              | <u>30,716</u>       | 3.7%              |
| Total liabilities .....                              | <u>149,552</u>       | 18.4%             | <u>152,086</u>      | 18.3%             |
| <b>EQUITY</b>  |                      |                   |                     |                   |
| Common stock .....                                   | 23,805               |                   | 23,805              |                   |
| Additional paid-in capital .....                     | 45,559               |                   | 45,569              |                   |
| Retained earnings.....                               | 558,644              |                   | 594,236             |                   |
| Treasury stock, at cost.....                         | (11,543)             |                   | (11,545)            |                   |
| Other components of equity.....                      | 11,390               |                   | 18,951              |                   |
| Total equity attributable to owners of the parent .. | <u>657,855</u>       | 80.9%             | <u>671,016</u>      | 81.0%             |
| NON-CONTROLLING INTEREST .....                       | 5,471                | 0.7%              | 5,759               | 0.7%              |
| Total equity .....                                   | <u>663,326</u>       | 81.6%             | <u>676,775</u>      | 81.7%             |
| Total liabilities and equity .....                   | <u>812,878</u>       | 100.0%            | <u>828,861</u>      | 100.0%            |



(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, 2020 |         | For the three months ended June 30, 2021 |         |
|  | Ratio to revenue                         |         | Ratio to revenue                         |         |
| REVENUE.....   | 126,996                                  | 100.0%  | 185,297                                  | 100.0%  |
| Cost of sales.....                                     | (86,015)                                 | (67.7%) | (122,933)                                | (66.3%) |
| GROSS PROFIT.....                                      | 40,981                                   | 32.3%   | 62,364                                   | 33.7%   |
| Selling, general, administrative and others, net ..... | (25,412)                                 | (20.0%) | (33,982)                                 | (18.4%) |
| OPERATING PROFIT .....                                 | 15,569                                   | 12.3%   | 28,382                                   | 15.3%   |
| Financial income.....                                  | 998                                      |         | 1,623                                    |         |
| Financial expenses.....                                | (98)                                     |         | (140)                                    |         |
| PROFIT BEFORE INCOME TAXES .....                       | 16,469                                   | 13.0%   | 29,865                                   | 16.1%   |
| Income tax expenses.....                               | (4,785)                                  |         | (8,049)                                  |         |
| PROFIT .....   | 11,684                                   | 9.2%    | 21,816                                   | 11.8%   |
| Profit attributable to:                                |  |         |  |         |
| Owners of the parent.....                              | 11,521                                   | 9.1%    | 21,612                                   | 11.7%   |
| Non-controlling interests .....                        | 163                                      | 0.1%    | 204                                      | 0.1%    |

Consolidated Statements of Comprehensive Income

|   | Yen (millions)                           |  |
|---|--|--|
|   | For the three months ended June 30, 2020 | For the three months ended June 30, 2021 |
| Profit.....   | 11,684                                   | 21,816                                   |
| 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).....                      | 2,158                                    | (485)                                    |
| Total of items that will not be reclassified to profit (loss) ..... | 2,158                                    | (485)                                    |
| Items that may be reclassified to profit or loss                    |  |  |
| Exchange differences on translating foreign operations .....        | 2,066                                    | 8,130                                    |
| Total of items that may be reclassified to profit (loss) .....      | 2,066                                    | 8,130                                    |
| Total other comprehensive income (loss), net of tax .....           | 4,224                                    | 7,645                                    |
| COMPREHENSIVE INCOME .....  | 15,908                                   | 29,461                                   |
| Comprehensive income attributable to:                               |  |  |
| Owners of the parent.....   | 15,709                                   | 29,173                                   |
| Non-controlling interests .....                                     | 199                                      | 288                                      |





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

| Yen (millions)                            |   |                            |                   |                |                            |          |                          |              |
|---|---|----------------------------|-------------------|----------------|----------------------------|----------|--------------------------|--------------|
| For the three months ended June 30, 2020  |   |                            |                   |                |                            |          |                          |              |
|   | 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, 2020                  | 23,805                                      | 45,531                     | 540,063           | (11,554)       | (26,570)                   | 571,275  | 4,473                    | 575,748      |
| Profit for the period                     |   |                            | 11,521            |                |                            | 11,521   | 163                      | 11,684       |
| Other comprehensive income                |   |                            |                   |                | 4,188                      | 4,188    | 36                       | 4,224        |
| Comprehensive income                      | -   | -                          | 11,521            | -              | 4,188                      | 15,709   | 199                      | 15,908       |
| Dividends paid                            |   |                            | (11,675)          |                |                            | (11,675) |                          | (11,675)     |
| Purchase of treasury stock                |   |                            |                   | (1)            |                            | (1)      |                          | (1)          |
| Share-based payment transaction           |   | 11                         |                   |                |                            | 11       |                          | 11           |
| Total amounts of transactions with owners | -   | 11                         | (11,675)          | (1)            | -                          | (11,665) | -                        | (11,665)     |
| Balance at June 30, 2020                  | 23,805                                      | 45,542                     | 539,909           | (11,555)       | (22,382)                   | 575,319  | 4,672                    | 579,991      |

| Yen (millions)                            |   |                            |                   |                |                            |          |                          |              |
|---|---|----------------------------|-------------------|----------------|----------------------------|----------|--------------------------|--------------|
| For the three months ended June 30, 2021  |   |                            |                   |                |                            |          |                          |              |
|   | 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, 2021                  | 23,805                                      | 45,559                     | 588,644           | (11,543)       | 11,390                     | 657,855  | 5,471                    | 663,326      |
| Profit for the period                     |   |                            | 21,612            |                |                            | 21,612   | 204                      | 21,816       |
| Other comprehensive income                |   |                            |                   |                | 7,561                      | 7,561    | 84                       | 7,645        |
| Comprehensive income                      | -   | -                          | 21,612            | -              | 7,561                      | 29,173   | 288                      | 29,461       |
| Dividends paid                            |   |                            | (16,020)          |                |                            | (16,020) |                          | (16,020)     |
| Purchase of treasury stock                |   |                            |                   | (2)            |                            | (2)      |                          | (2)          |
| Share-based payment transaction           |   | 10                         |                   |                |                            | 10       |                          | 10           |
| Total amounts of transactions with owners | -   | 10                         | (16,020)          | (2)            | -                          | (16,012) | -                        | (16,012)     |
| Balance at June 30, 2021                  | 23,805                                      | 45,569                     | 594,236           | (11,545)       | 18,951                     | 671,016  | 5,759                    | 676,775      |



(4) Consolidated Statements of Cash Flows

|  | Yen (millions)                              |   |
|--|---|---|
|  | For the three months<br>ended June 30, 2020 | For the three months<br>ended June 30, 2021 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                               |   |   |
| Profit .....   | 11,684                                      | 21,816                                      |
| Depreciation and amortization .....  | 3,675                                       | 4,727                                       |
| Income tax expenses .....  | 4,785                                       | 8,049                                       |
| Financial expenses (income) .....  | (900)                                       | (1,483)                                     |
| Loss (gain) on sales and retirement of property, plant and equipment ..... | 74  | (84)  |
| Decrease (increase) in trade receivables and other receivables .....       | (7,324)                                     | (4,235)                                     |
| Increase in inventories .....  | (99)  | (35,484)                                    |
| Increase (decrease) in trade payables and other payables .....             | 1,924                                       | 726   |
| Increase and decrease in retirement benefit assets and liabilities .....   | 15  | 3   |
| Decrease (Increase) in guarantee deposits .....                            | -   | (1,115)                                     |
| Other .....  | 547   | (2,705)                                     |
| Subtotal .....   | 14,381                                      | (9,785)                                     |
| Dividends received .....   | 395   | 446   |
| Interest received .....  | 180   | 129   |
| Interest paid .....  | (108)                                       | (141)                                       |
| Income taxes paid .....  | (1,745)                                     | (9,369)                                     |
| Cash flows from operating activities .....                                 | 13,103                                      | (18,720)                                    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                               |   |   |
| Purchase of non-current assets .....                                       | (10,189)                                    | (14,279)                                    |
| Proceeds from sales of non-current assets .....                            | 6   | 118   |
| Purchase of investments .....  | (200)                                       | (243)                                       |
| Proceeds from sales and redemption of investments .....                    | 5,028                                       | 204   |
| Payments into time deposits .....  | (11,064)                                    | (5,384)                                     |
| Proceeds from withdrawal of time deposits .....                            | 7,940                                       | 11,088                                      |
| Other .....  | 14  | (58)  |
| Cash flows from investing activities .....                                 | (8,465)                                     | (8,554)                                     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>                               |   |   |
| Net increase (decrease) in short-term borrowings .....                     | (2,005)                                     | (1,069)                                     |
| Purchase and sales of treasury stock, net .....                            | (1)   | (2)   |
| Cash dividends paid .....  | (11,675)                                    | (16,020)                                    |
| Repayment of lease liabilities .....                                       | (641)                                       | (836)                                       |
| Other .....  | 788   | 1,042                                       |
| Cash flows from financing activities .....                                 | (13,534)                                    | (16,885)                                    |
| EFFECT OF EXCHANGE RATE CHANGES ON CASH AND<br>CASH EQUIVALENTS .....      | (844)                                       | 1,538                                       |
| NET CHANGE IN CASH AND CASH EQUIVALENTS .....                              | (9,740)                                     | (42,621)                                    |
| CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD ...                         | 143,439                                     | 148,640                                     |
| CASH AND CASH EQUIVALENTS, END OF PERIOD .....                             | 133,699                                     | 106,019                                     |



(5) Notes to Consolidated Financial Statements

Notes on the assumptions for a going concern: None

(Operating Segment Information)

|                            | Yen (millions)                           |               |               |               |                |               |                  |                |
|----------------------------|--|---------------|---------------|---------------|----------------|---------------|------------------|----------------|
|                            | For the three months ended June 30, 2020 |               |               |               |                |               |                  |                |
|                            | Japan                                    | Europe        | North America | Asia          | Total          | Other         | Eliminations     | Consolidated   |
| Revenue:                   |  |               |               |               |                |               |                  |                |
| External customers .....   | 30,026                                   | 58,449        | 20,072        | 5,250         | 113,797        | 13,199        | -                | 126,996        |
| Inter-segment .....        | 53,120                                   | 2,556         | 797           | 58,987        | 115,460        | 83            | (115,543)        | -              |
| Total .....                | <u>83,146</u>                            | <u>61,005</u> | <u>20,869</u> | <u>64,237</u> | <u>229,257</u> | <u>13,282</u> | <u>(115,543)</u> | <u>126,996</u> |
| Operating profit (loss)... | 6,266                                    | 5,053         | (188)         | 6,907         | 18,038         | 264           | (2,733)          | 15,569         |

|                          | Yen (millions)                           |               |               |                |                |               |                  |                |
|--------------------------|--|---------------|---------------|----------------|----------------|---------------|------------------|----------------|
|                          | For the three months ended June 30, 2021 |               |               |                |                |               |                  |                |
|                          | Japan                                    | Europe        | North America | Asia           | Total          | Other         | Eliminations     | Consolidated   |
| Revenue:                 |  |               |               |                |                |               |                  |                |
| External customers ..... | 34,450                                   | 92,327        | 29,147        | 6,910          | 162,834        | 22,463        | -                | 185,297        |
| Inter-segment .....      | 87,096                                   | 4,685         | 1,487         | 94,730         | 187,998        | 85            | (188,083)        | -              |
| Total .....              | <u>121,546</u>                           | <u>97,012</u> | <u>30,634</u> | <u>101,640</u> | <u>350,832</u> | <u>22,548</u> | <u>(188,083)</u> | <u>185,297</u> |
| Operating profit .....   | 9,392                                    | 11,460        | 1,584         | 3,970          | 26,406         | 2,309         | (333)            | 28,382         |



### 3. SUPPORT DOCUMENTATION (CONSOLIDATED)

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

|   | Yen (millions)                           |        |  |      |
|---|--|--------|--|------|
|   | For the three months ended June 30, 2020 |        | For the three months ended June 30, 2021 |      |
|   |  | (%)    |  | (%)  |
| Revenue .....   | 126,996                                  | 3.7    | 185,297                                  | 45.9 |
| Domestic .....  | 25,329                                   | 6.1    | 30,053                                   | 18.7 |
| Overseas .....  | 101,667                                  | 3.1    | 155,244                                  | 52.7 |
| Operating profit .....  | 15,569                                   | (10.4) | 28,382                                   | 82.3 |
| Profit before income taxes .....                                  | 16,469                                   | (12.3) | 29,865                                   | 81.3 |
| Profit attributable to owners of the parent .....                 | 11,521                                   | (18.6) | 21,612                                   | 87.6 |
| Profit attributable to owners of the parent per share (Yen) ..... | 42.43                                    |        | 79.59                                    |      |
| Number of Employees .....   | 17,293                                   |        | 19,210                                   |      |

|   | Yen (millions)                    |      |   |     |
|---|-----------------------------------|------|---|-----|
|   | For the year ended March 31, 2021 |      | For the year ending March 31, 2022 (Forecast) |     |
|   |                                   | (%)  |   | (%) |
| Revenue .....   | 608,331                           | 23.5 | 650,000                                       | 6.8 |
| Domestic .....  | 113,048                           | 12.3 | 115,000                                       | 1.7 |
| Overseas .....  | 495,283                           | 26.4 | 535,000                                       | 8.0 |
| Operating profit .....  | 88,464                            | 38.1 | 88,500  | 0.0 |
| Profit before income taxes .....                                  | 87,199                            | 32.1 | 88,000  | 0.9 |
| Profit attributable to owners of the parent .....                 | 62,018                            | 29.9 | 63,200  | 1.9 |
| Profit attributable to owners of the parent per share (Yen) ..... | 228.41                            |      | 232.76  |     |
| Number of Employees .....   | 18,624                            |      | -   |     |

Notes:

1. Please refer to "SUPPLEMENT INFORMATION (CONSOLIDATED)", "1. Overview of operating results", "(3) Outlook for the fiscal year ending March 31, 2022" 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 three months ended June 30, 2020 |        | For the three months ended June 30, 2021 |       | For the year ended March 31, 2021 |      |
|                                  |  | (%)    |  | (%)   |                                   | (%)  |
| Japan .....                      | 25,329                                   | 6.1    | 30,053                                   | 18.7  | 113,048                           | 12.3 |
| Europe.....                      | 58,168                                   | 4.3    | 91,397                                   | 57.1  | 282,725                           | 30.8 |
| North America .....              | 19,855                                   | 14.2   | 28,618                                   | 44.1  | 90,945                            | 25.8 |
| Asia.....                        | 8,997                                    | (7.8)  | 10,225                                   | 13.6  | 39,331                            | 0.9  |
| Central and South America .....  | 4,152                                    | (32.3) | 9,680                                    | 133.1 | 29,403                            | 13.1 |
| Oceania .....                    | 8,653                                    | 18.6   | 12,056                                   | 39.3  | 41,304                            | 45.3 |
| The Middle East and Africa ..... | 1,842                                    | (18.1) | 3,268                                    | 77.4  | 11,575                            | 16.1 |
| Total .....                      | 126,996                                  | 3.7    | 185,297                                  | 45.9  | 608,331                           | 23.5 |

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 "Operating Segment Information" on page 10.
2. The table above 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, 2020 | For the three months ended June 30, 2021 | For the year ended March 31, 2021 | For the year ending March 31, 2022 (Forecast) |
| USD/JPY ..... | 107.63                                   | 109.52                                   | 106.10                            | 106   |
| EUR/JPY ..... | 118.59                                   | 131.94                                   | 123.76                            | 127   |
| RMB/JPY ..... | 15.17                                    | 16.96                                    | 15.68                             | 16.4  |

(4) Production Ratio (unit basis)

|                | For the three months ended June 30, 2020 | For the three months ended June 30, 2021 | For the year ended March 31, 2021 |
|----------------|--|--|-----------------------------------|
|                | Composition ratio                        | Composition ratio                        | Composition ratio                 |
| Domestic.....  | 9.0%                                     | 8.0%                                     | 7.7%                              |
| Overseas ..... | 91.0%                                    | 92.0%                                    | 92.3%                             |

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

|                                  | Yen (millions)                           |  |                                   |   |
|----------------------------------|--|--|-----------------------------------|---|
|                                  | For the three months ended June 30, 2020 | For the three months ended June 30, 2021 | For the year ended March 31, 2021 | For the year ending March 31, 2022 (Forecast) |
| Capital expenditures .....       | 10,189                                   | 14,280                                   | 49,855                            | 75,000  |
| Depreciation and amortization... | 3,118                                    | 3,974                                    | 13,881                            | 16,200  |
| R&D costs .....                  | 3,227                                    | 3,433                                    | 12,783                            | 14,500  |