

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

Notice Regarding Revision of Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2023

We revised the financial forecast for the fiscal year ending March 31, 2023, announced on April 27, 2022 as follows reflecting our recent financial performance.

1. Consolidated financial forecast

Revision of consolidated financial forecast for the year ending March 31, 2023 (April 1, 2022 to March 31, 2023)

| | For the year ending March 31, 2023 | | | | |
|--|------------------------------------|------------------|----------------------------|---|---|
| | 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)..... | 740,000 | 85,000 | 83,000 | 59,000 | 217.29 |
| Forecast (B) | 740,000 | 40,000 | 34,000 | 22,000 | 81.02 |
| Change (B-A) | 0 | (45,000) | (49,000) | (37,000) | - |
| Percentage revision | 0.0% | (52.9%) | (59.0%) | (62.7%) | - |
| Actual results for the previous year ended March 31, 2022..... | 739,260 | 91,728 | 92,483 | 64,770 | 238.54 |

2. Reasons for announcement and assumptions for financial forecast

The cooling down of the architecture and construction markets due to global inflation and monetary tightening and the consumption slump slowed down local sales in the West and other overseas markets during the second quarter cumulative period. At the same time, raw material procurement costs and the sales, general, and administrative expenses exceeded the term-beginning forecast, and the foreign exchange rates also pushed profit down below the term-end forecast.

Regarding the full-year consolidated financial results, the term-beginning revenue forecast has been left unchanged as overseas revenue increased due to the depreciation of the yen, despite the continuing severe sales environments both in Japan and overseas. However, profit is expected to be below the term-beginning forecast, since it is expected that sales volume will continue to decrease and various costs will continue to increase.

The exchange rates assumed for the business forecast are as follows;

[Currency exchange rate assumption]

The above forecast is based on the assumption of exchange rates of 140 yen to the U.S. dollar, 135 yen to the euro and 20.0 yen to the renminbi for the remaining six months period ending March 31, 2023.

The above forecast is based on the assumption of exchange rates of 137 yen to the U.S. dollar, 137 yen to the euro and 20.0 yen to the renminbi for the year ending March 31, 2023.

[Reference]

The exchange rates for previously announced forecasts that we announced on April 27, 2022 were 120 yen to the U.S. dollar, 130 yen to the euro and 18.9 yen to the renminbi for the year ending March 31, 2023.

The above forecast 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 significantly from the forecast provided above.