



April 27, 2023

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

Announcement of Change in basic policy regarding profit distribution And Dividends from Retained Earnings (Year-end dividend)

1. Change in basic policy regarding profit distribution

Makita Corporation's (hereinafter referred to as "Makita") basic profit distribution policy has been to pay a minimum annual dividend of 10 yen per share and a consolidated dividend payout ratio of 30% or more (however, if there are special factors, the dividend amount will be determined based on adjusted basic earnings per share after adding or subtracting such factors). However, from the viewpoint of strengthening shareholder returns, we have reviewed this policy and decided to set the minimum annual dividend at 20 yen and the total return ratio(*) at 35% or more (taking special factors into consideration, if any), starting from the fiscal year ending March 31, 2023. Of these, we will consider purchasing of treasury shares in view of stock price level and free cash flow and so on, in order to increase shareholder returns through the implementation of a flexible capital policy and improvement of capital efficiency

$$\text{*total return ratio} = \frac{\text{Cash dividend per share} + \left(\frac{\text{Total amount of purchased treasury shares during the year}}{\text{Average number of shares outstanding}} \right)}{\text{Profit attributable to owners of the parent per share (Excluding special factors)}} \times 100$$

We intend to use retained earnings to invest in environmental initiatives, which will become increasingly important, and to expand our business globally, while maintaining a financial structure that can withstand any changes in the business environment.

2. Dividend details

Based on the policy above, Makita announces that its Board of Directors, at a meeting held today, has resolved on the following scheduled year-end cash dividend as of the date of record on March 31, 2023.

The proposed dividend will be finalized by the 111th Ordinary General Meeting of Shareholders scheduled on June 28, 2023

	Scheduled dividend	Dividend paid fiscal year ended March 31, 2022
Record date	March 31, 2023	March 31, 2022
Dividend per share	11.00 yen	62.00 yen
Total amount of dividends	2,987 million yen	16,835 million yen
Effective date	June 29, 2023 (Proposed)	June 29, 2022
Resource for dividends	Retained earnings	Retained earnings

(Reference) Dividend per share

Date of record	Interim	Year-end	Annual
Fiscal year ended March 31, 2023	10.00 yen	11.00 yen	21.00 yen
Previous fiscal year ended March 31, 2022	10.00 yen	62.00 yen	72.00 yen