



Makita Corporation

Consolidated Financial Results for the six months ended September 30, 2022 (IFRS Financial Information)

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



CONSOLIDATED FINANCIAL RESULTS
FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2022 (Unaudited)

October 28, 2022

Makita Corporation

Stock code: 6586

URL: <https://www.makita.biz/>

Munetoshi Goto, President, Representative Director

1. Summary operating results of the six months ended September 30, 2022 (From April 1, 2022 to September 30, 2022)

(1) CONSOLIDATED OPERATING RESULTS

| | Yen (millions) | | | |
|--|--|------|--|--------|
| | For the six months ended September 30, 2021 | | For the six months ended September 30, 2022 | |
| | | (%) | | (%) |
| Revenue | 364,230 | 28.6 | 391,318 | 7.4 |
| Operating profit | 52,160 | 36.7 | 21,919 | (58.0) |
| Profit before income taxes | 52,600 | 37.4 | 18,237 | (65.3) |
| Profit | 38,165 | 39.5 | 10,841 | (71.6) |
| Profit attributable to owners of the parent | 37,820 | 39.3 | 11,078 | (70.7) |
| Comprehensive income | 42,198 | 19.8 | 58,241 | 38.0 |
| | Yen | | | |
| Profit attributable to owners of the parent per share | | | | |
| (Basic)..... | 139.29 | | 40.80 | |
| (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, 2022 | As of September 30, 2022 |
| Total assets..... | 1,007,497 | 1,155,694 |
| Total equity | 752,530 | 793,952 |
| Equity attributable to owners of the parent..... | 746,344 | 787,646 |
| Ratio of equity attributable to owners of the parent to total assets (%)..... | 74.1% | 68.2% |

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

2. Dividend Information

| | Yen | |
|--------------------------|--------------------------------------|---|
| | For the year ended March 31, 2022 | For the year ending March 31, 2023 (Forecast) |
| Cash dividend per share: | | |
| Interim..... | 10.00 | 10.00 |
| Year-end | 62.00 | (Note) |
| Total | 72.00 | (Note) |

Notes:

- The forecast for cash dividend announced on April 27, 2022 has not been revised.
- The projected amount of dividends for the year ending March 31, 2023 has not been determined yet. For further details, refer to "Explanation regarding proper use of business forecasts, and other significant matters" on page 2.



3. Consolidated Financial Performance Forecast for the year ending March 31, 2023 (From April 1, 2022 to March 31, 2023)

| | Yen (millions) | |
|--|---------------------------------------|--------|
| | For the year ending March 31, 2023 | |
| | | (%) |
| Revenue..... | 740,000 | 0.1 |
| Operating profit..... | 40,000 | (56.4) |
| Profit before income taxes | 34,000 | (63.2) |
| Profit attributable to owners of the parent..... | 22,000 | (66.0) |
| | Yen | |
| Profit attributable to owners of the parent per share (Basic)..... | 81.02 | |

Notes:

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

4. Other

- Changes in important subsidiaries during the period (Changes in specified subsidiaries accompanied by changes in scope of consolidation during the quarter): None
- 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
- Number of shares outstanding (common stock)
 - Number of shares issued (including treasury shares):

| | |
|---------------------------|-------------|
| As of September 30, 2022: | 280,017,520 |
| As of March 31, 2022: | 280,017,520 |
 - Number of treasury shares:

| | |
|---------------------------|-----------|
| As of September 30, 2022: | 8,475,653 |
| As of March 31, 2022: | 8,485,061 |
 - Average number of shares outstanding:

| | |
|---|-------------|
| For the six months ended September 30, 2022: | 271,536,353 |
| For the six months ended September 30, 2021: | 271,529,324 |

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)”, “(3). Outlook for the fiscal year ending March 31, 2023” 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 per share after certain adjustments.

The Board of Directors plans to meet in April 2023 for a report on earnings for the year ending March 31, 2023. 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 2023.

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 six months ended September 30, 2022

Looking at the international economic situation during the six-month period (the “period”) ended September 30, 2022, the outlook remains uncertain due to such factors as the growing tension in Ukraine and the accompanying sharp rise in energy prices and rising prices due to raw material shortages, amid differences between countries regarding their responses to the COVID-19 pandemic.

In this situation, the Makita Group focused on expanding its lineup of cordless products including power tools and outdoor power equipment in the “40Vmax Lithium-ion Battery” series.

With respect to production, we worked on building a production system and strengthening management functions to flexibly address changes in the demand environment and geopolitical risks, and improve the efficiency of the Group as a whole.

We also work to increase the level of the community-based and customer-oriented service framework and deepen and develop the market centered on cordless products.

Our consolidated revenue for this period increased 7.4% year on year to 391,318 million yen due to strong sales in Japan, Oceania, and Asia, as well as the impact of the yen’s depreciation against local currencies. In terms of profit, operating profit decreased by 58.0% year on year to 21,919 million yen (an operating profit ratio: 5.6%) due to a worsening cost ratio as a result of the impact of foreign exchange rates and soaring raw material prices, along with increase in Selling, general, administrative and others expense. Profit before income taxes decreased by 65.3% to 18,237 million yen (profit before income taxes ratio: 4.7%) and profit attributable to owners of the parent decreased by 70.7% to 11,078 million yen (ratio of profit attributable to owners of the parent: 2.8%).

Revenue results by region were as follows:

Makita’s consolidated revenue by geographic area is based on the customer’s location for the periods presented. Accordingly, it differs from “Segment Information” on page 10.

In Japan, as stay-at-home demand subsided, we mainly secured sales of cordless outdoor power equipment and the new XGT series of products, resulting in a 2.0% increase year on year to 61,823 million yen.

In Europe, as sales decreased due to deteriorating business confidence caused by high inflation, monetary tightening, and uncertainty concerning energy supply, revenue decreased 0.3% year on year to 177,380 million yen.

In North America, while sales decreased as stay-at-home demand subsided and monetary tightening created wariness of a recession, revenue increased 19.9% year on year to 62,680 million yen due to the depreciation of the yen against local currencies.

In Asia, despite the impact of lockdowns in China, the economy is on a recovery track in countries and regions where deregulation is progressing, resulting in a 29.5% year on year increase to 29,042 million yen.

In Central and South America, while sales decreased due to accelerating inflation and increased uncertainty concerning the future in each country, revenue increased 15.0% year on year to 24,394 million yen due to the depreciation of the yen against local currencies.

In Oceania, despite negative economic factors such as surging construction material prices and monetary tightening, strong sales of new products and outdoor power equipment resulted in a 25.2% year on year increase to 29,136 million yen.

In the Middle East and Africa, despite continuing unstable political and economic conditions, revenue increased 3.5% year on year to 6,863 million yen due to the depreciation of the yen against local currencies.

(Efforts for carbon neutrality)

The impact of climate change on society, such as frequent wind and flood disasters, is becoming more serious, and companies are playing an increasingly important role in realizing a decarbonized society. We have identified contributing to a decarbonized society as a material issue that should be prioritized and are stepping up our efforts.

Therefore, the Group is currently working on the realization of a decarbonized society by focusing on cordless outdoor power equipment that does not emit exhaust gases during use as the next pillar of our future business in addition to power tools. In addition, with the goal of reducing our greenhouse gas (GHG) emissions, we have set targets for reducing GHG emissions from our business activities (Scope 1 and 2) by 50% by FY2030 from the FY2020 level and to net zero by FY2040, and reducing GHG emissions from the entire supply chain (Scope 3) to net zero by FY2050. In FY2021, Scope 1



and 2 GHG emissions decreased 12.0% year on year to 78,899 t-CO₂, and emissions per unit of revenue decreased 27.2% to 10.7 t-CO₂ per 100 million yen. However, Scope 3 GHG emissions increased 20.9% to 7,264,652 t-CO₂ due to an increase in the sales volume and the production volume, and emissions per unit of revenue decreased 0.5% to 982.6 t-CO₂ per 100 million yen.

In order to achieve the GHG emissions reduction targets, we will steadily continue promoting the utilization of renewable energy in addition to improving energy efficiency and shifting to electric commercial vehicles in our business activities.

(2) Overview of financial situation as of September 30, 2022

Total assets increased 148,197 million yen from the end of the previous fiscal year to 1,155,694 million yen. This increase was mainly due to the rise in “Inventories.”

Total liabilities increased 106,775 million yen from the end of the previous fiscal year to 361,742 million yen. This increase was mainly due to the rise in “Borrowings.”

Total equity increased 41,422 million yen from the end of the previous fiscal year to 793,952 million yen. This increase was mainly due to the change in exchange differences on translating foreign operations included in “Other components of equity.”

(3) Outlook for the fiscal year ending March 31, 2023

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.

Revised forecast for consolidated performance of the fiscal year ending March 31, 2023 (From April 1, 2022 to 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 |
| Revised forecast (B) | 740,000 | 40,000 | 34,000 | 22,000 | 81.02 |
| Changes (B-A) | 0 | (45,000) | (49,000) | (37,000) | - |
| Percentage change | 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 |

The assumed exchange rates applied in the forecast calculation are as follows;

[Preconditions]

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.

(Note)

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.



2. Consolidated Financial Statements (Unaudited)

(1) Consolidated Statement of Financial Position

| | Yen (millions) | | | |
|--|----------------------|-------------------|--------------------------|-------------------|
| | As of March 31, 2022 | | As of September 30, 2022 | |
| | | Composition ratio | | Composition ratio |
| ASSETS | | | | |
| CURRENT ASSETS: | | | | |
| Cash and cash equivalents | 71,057 | | 114,074 | |
| Trade and other receivables | 117,541 | | 114,866 | |
| Inventories | 475,128 | | 551,898 | |
| Other financial assets | 5,281 | | 4,638 | |
| Other current assets | 15,952 | | 21,278 | |
| Total current assets | <u>684,959</u> | 68.0% | <u>806,754</u> | 69.8% |
| NON-CURRENT ASSETS: | | | | |
| Property, plant and equipment, at cost | 243,636 | | 264,588 | |
| Goodwill and intangible assets | 10,085 | | 10,459 | |
| Other financial assets | 41,545 | | 41,190 | |
| Retirement benefit asset | 11,286 | | 11,144 | |
| Deferred tax assets | 12,238 | | 18,026 | |
| Other non-current assets | 3,748 | | 3,533 | |
| Total non-current assets | <u>322,538</u> | 32.0% | <u>348,940</u> | 30.2% |
| Total assets | <u>1,007,497</u> | 100.0% | <u>1,155,694</u> | 100.0% |

| | Yen (millions) | | | |
|---|----------------------|--------|--------------------------|--------|
| | As of March 31, 2022 | | As of September 30, 2022 | |
| | Composition ratio | | Composition ratio | |
| LIABILITIES AND EQUITY | | | | |
| LIABILITIES | | | | |
| CURRENT LIABILITIES: | | | | |
| Trade and other payables | 67,274 | | 69,155 | |
| Borrowings | 79,674 | | 179,818 | |
| Other financial liabilities..... | 9,888 | | 16,248 | |
| Income taxes payable..... | 14,767 | | 8,274 | |
| Provisions | 4,381 | | 4,951 | |
| Other current liabilities | 48,181 | | 47,331 | |
| Total current liabilities..... | <u>224,165</u> | 22.2% | <u>325,777</u> | 28.2% |
| NON-CURRENT LIABILITIES: | | | | |
| Retirement benefit liabilities | 3,160 | | 3,321 | |
| Other financial liabilities..... | 13,954 | | 16,599 | |
| Provisions | 1,595 | | 1,727 | |
| Deferred tax assets | 11,888 | | 14,118 | |
| Other non-current liabilities | 205 | | 200 | |
| Total non-current liabilities..... | <u>30,802</u> | 3.1% | <u>35,965</u> | 3.1% |
| Total liabilities | <u>254,967</u> | 25.3% | <u>361,742</u> | 31.3% |
| EQUITY | | | | |
| Share Capital..... | 23,805 | | 23,805 | |
| Capital Surplus..... | 45,585 | | 45,589 | |
| Retained earnings..... | 640,577 | | 633,386 | |
| Treasury shares | (11,540) | | (11,528) | |
| Other components of equity | 47,917 | | 96,394 | |
| Total equity attributable to owners of the parent.... | <u>746,344</u> | 74.1% | <u>787,646</u> | 68.2% |
| NON-CONTROLLING INTEREST | 6,186 | 0.6% | 6,306 | 0.5% |
| Total equity | <u>752,530</u> | 74.7% | <u>793,952</u> | 68.7% |
| Total liabilities and equity | <u>1,007,497</u> | 100.0% | <u>1,155,694</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 six months ended September 30, 2021 | | For the six months ended September 30, 2022 | |
| | Composition ratio | | Composition ratio | |
| REVENUE..... | 364,230 | 100.0% | 391,318 | 100.0% |
| Cost of sales..... | (245,536) | (67.4%) | (288,622) | (73.8%) |
| GROSS PROFIT..... | 118,694 | 32.6% | 102,696 | 26.2% |
| Selling, general, administrative and others, net | (66,534) | (18.3%) | (80,777) | (20.6%) |
| OPERATING PROFIT | 52,160 | 14.3% | 21,919 | 5.6% |
| Financial income..... | 1,217 | | 1,068 | |
| Financial expenses..... | (777) | | (4,750) | |
| PROFIT BEFORE INCOME TAXES | 52,600 | 14.4% | 18,237 | 4.7% |
| Income tax expenses..... | (14,435) | | (7,396) | |
| PROFIT | 38,165 | 10.5% | 10,841 | 2.8% |
| Profit attributable to: | | | | |
| Owners of the parent..... | 37,820 | 10.4% | 11,078 | 2.8% |
| Non-controlling interests | 345 | 0.1% | (237) | (0.0%) |

Consolidated Statements of Comprehensive Income

| | Yen (millions) | |
|--|---|---|
| | For the six months ended September 30, 2021 | For the six months ended September 30, 2022 |
| PROFIT | 38,165 | 10,841 |
| OTHER COMPREHENSIVE INCOME, NET OF TAX | | |
| Items that will not be reclassified to profit (loss) | | |
| Equity financial goods measured at fair value through other comprehensive income (loss)..... | (576) | (1,629) |
| Total of items that will not be reclassified to profit (loss) | (576) | (1,629) |
| Items that may be reclassified to profit or loss | | |
| Exchange differences on translating foreign operations | 4,609 | 49,029 |
| Total of items that may be reclassified to profit (loss)..... | 4,609 | 49,029 |
| Total of other comprehensive income (loss), net of tax | 4,033 | 47,400 |
| COMPREHENSIVE INCOME | 42,198 | 58,241 |
| Comprehensive income attributable to: | | |
| Owners of the parent..... | 41,808 | 58,121 |
| Non-controlling interests | 390 | 120 |



(3) Consolidated Statement of Changes in Equity

| | Yen (millions) | | | | | | | |
|---|---|-----------------|-------------------|-----------------|----------------------------|----------|--------------------------|--------------|
| | For the six months ended September 30, 2021 | | | | | | | |
| | Equity attributable to owners of the parent | | | | | | Non-Controlling interest | Total equity |
| | Share capital | Capital Surplus | Retained earnings | Treasury shares | 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 | | | 37,820 | | | 37,820 | 345 | 38,165 |
| Other comprehensive income | | | | | 3,988 | 3,988 | 45 | 4,033 |
| Comprehensive income | - | - | 37,820 | - | 3,988 | 41,808 | 390 | 42,198 |
| Dividends paid | | | (16,020) | | | (16,020) | | (16,020) |
| Purchase of treasury shares | | | | (5) | | (5) | | (5) |
| Share-based payment transaction | | 10 | | 9 | | 19 | | 19 |
| Transfer from other components of equity to retained earnings | | | 3,835 | | (3,835) | - | | - |
| Total amounts of transactions with owners | - | 10 | (12,185) | 4 | (3,835) | (16,006) | - | (16,006) |
| Balance at September 30, 2021 | 23,805 | 45,569 | 614,279 | (11,539) | 11,543 | 683,657 | 5,861 | 689,518 |

| | Yen (millions) | | | | | | | |
|---|---|-----------------|-------------------|-----------------|----------------------------|----------|--------------------------|--------------|
| | For the six months ended September 30, 2022 | | | | | | | |
| | Equity attributable to owners of the parent | | | | | | Non-Controlling interest | Total equity |
| | Share capital | Capital Surplus | Retained earnings | Treasury shares | Other components of equity | Total | | |
| Balance at April 1, 2022 | 23,805 | 45,585 | 640,577 | (11,540) | 47,917 | 746,344 | 6,186 | 752,530 |
| Profit for the period | | | 11,078 | | | 11,078 | (237) | 10,841 |
| Other comprehensive income | | | | | 47,043 | 47,043 | 357 | 47,400 |
| Comprehensive income | - | - | 11,078 | - | 47,043 | 58,121 | 120 | 58,241 |
| Dividends paid | | | (16,835) | | | (16,835) | | (16,835) |
| Purchase of treasury shares | | | | (1) | | (1) | | (1) |
| Disposal of treasury shares | | | | 0 | | 0 | | 0 |
| Share-based payment transaction | | 4 | | 13 | | 17 | | 17 |
| Transfer from other components of equity to retained earnings | | | (1,434) | | 1,434 | - | | - |
| Total amounts of transactions with owners | - | 4 | (18,269) | 12 | 1,434 | (16,819) | - | (16,819) |
| Balance at September 30, 2022 | 23,805 | 45,589 | 633,386 | (11,528) | 96,394 | 787,646 | 6,306 | 793,952 |



(4) Consolidated Statements of Cash Flows

| | Yen (millions) | |
|--|---|---|
| | For the six months ended September 30, 2021 | For the six months ended September 30, 2022 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Profit | 38,165 | 10,841 |
| Depreciation and amortization | 9,768 | 11,979 |
| Income tax expenses | 14,435 | 7,396 |
| Financial income and expenses | (440) | 3,682 |
| Loss (gain) on sales and retirement of property, plant and equipment | (48) | 314 |
| Decrease (increase) in trade and other receivables | (3,299) | 7,089 |
| Decrease (increase) in inventories | (75,819) | (35,453) |
| Increase (decrease) in trade and other payables | 1,465 | 1,598 |
| Increase (decrease) in retirement benefit assets and liabilities | 104 | 158 |
| Decrease (Increase) in guarantee deposits | (1,104) | - |
| Other | 466 | 2,927 |
| Subtotal | (16,307) | 10,531 |
| Dividends received | 455 | 460 |
| Interest received | 233 | 614 |
| Interest paid | (205) | (727) |
| Income taxes paid | (13,927) | (21,130) |
| Cash flows from operating activities | (29,751) | (10,252) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Purchase of non-current assets | (28,158) | (22,996) |
| Proceeds from sales of non-current assets | 110 | 565 |
| Purchase of investments | (243) | (0) |
| Proceeds from sales and redemption of investments | 13,184 | 803 |
| Payments into time deposits | (7,943) | (1,312) |
| Proceeds from withdrawal of time deposits | 20,285 | 2,589 |
| Other | 12 | (83) |
| Cash flows from investing activities | (2,753) | (20,434) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Net increase (decrease) in short-term borrowings | 4,294 | 97,685 |
| Purchase and sales of treasury shares, net | (5) | (1) |
| Cash dividends paid | (16,020) | (16,835) |
| Repayments of lease liabilities | (1,855) | (2,243) |
| Other | 1 | 28 |
| Cash flows from financing activities | (13,585) | 78,634 |
| EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | 1,938 | (4,931) |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | (44,151) | 43,017 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD ... | 148,640 | 71,057 |
| CASH AND CASH EQUIVALENTS, END OF PERIOD | 104,489 | 114,074 |



(5) Notes to Consolidated Financial Statements

Notes on the assumptions for a going concern: None

Segment Information

| | Yen (millions) | | | | | | | |
|--------------------------|---|----------------|---------------|----------------|----------------|---------------|------------------|----------------|
| | For the six months ended September 30, 2021 | | | | | | | |
| | Japan | Europe | North America | Asia | Total | Other | Eliminations | Consolidated |
| Revenue: | | | | | | | | |
| External customers | 71,193 | 179,275 | 53,411 | 14,274 | 318,153 | 46,077 | - | 364,230 |
| Inter-segment | 173,227 | 10,018 | 3,082 | 188,559 | 374,886 | 249 | (375,135) | - |
| Total | <u>244,420</u> | <u>189,293</u> | <u>56,493</u> | <u>202,833</u> | <u>693,039</u> | <u>46,326</u> | <u>(375,135)</u> | <u>364,230</u> |
| Operating profit | 17,740 | 22,781 | 660 | 8,624 | 49,805 | 5,039 | (2,684) | 52,160 |

| | Yen (millions) | | | | | | | |
|--------------------------|---|----------------|---------------|----------------|----------------|---------------|------------------|----------------|
| | For the six months ended September 30, 2022 | | | | | | | |
| | Japan | Europe | North America | Asia | Total | Other | Eliminations | Consolidated |
| Revenue: | | | | | | | | |
| External customers | 74,411 | 178,771 | 64,040 | 18,626 | 335,848 | 55,470 | - | 391,318 |
| Inter-segment | 178,024 | 7,415 | 2,230 | 184,088 | 371,757 | 274 | (372,031) | - |
| Total | <u>252,435</u> | <u>186,186</u> | <u>66,270</u> | <u>202,714</u> | <u>707,605</u> | <u>55,744</u> | <u>(372,031)</u> | <u>391,318</u> |
| Operating profit | 4,919 | 9,697 | 411 | 19,569 | 34,596 | 3,390 | (16,067) | 21,919 |

3. SUPPORT DOCUMENTATION (CONSOLIDATED)

(1) Consolidated Financial Results and Forecast

| | Yen (millions) | | | |
|---|---|------|---|--------|
| | For the six months ended September 30, 2021 | | For the six months ended September 30, 2022 | |
| | | (%) | | (%) |
| Revenue | 364,230 | 28.6 | 391,318 | 7.4 |
| Domestic | 60,611 | 8.7 | 61,823 | 2.0 |
| Overseas | 303,619 | 33.5 | 329,495 | 8.5 |
| Operating profit | 52,160 | 36.7 | 21,919 | (58.0) |
| Profit before income taxes | 52,600 | 37.4 | 18,237 | (65.3) |
| Profit attributable to owners of the parent | 37,820 | 39.3 | 11,078 | (70.7) |
| Profit attributable to owners of the parent per share (Yen) | 139.29 | | 40.80 | |
| Number of Employees | 19,592 | | 19,794 | |

| | Yen (millions) | | | |
|---|--------------------------------------|------|---|--------|
| | For the year ended March 31, 2022 | | For the year ending March 31, 2023 (Forecast) | |
| | | (%) | | (%) |
| Revenue | 739,260 | 21.5 | 740,000 | 0.1 |
| Domestic | 118,050 | 4.4 | 120,000 | 1.7 |
| Overseas | 621,210 | 25.4 | 620,000 | (0.2) |
| Operating profit | 91,728 | 3.7 | 40,000 | (56.4) |
| Profit before income taxes | 92,483 | 6.1 | 34,000 | (63.2) |
| Profit attributable to owners of the parent | 64,770 | 4.4 | 22,000 | (66.0) |
| Profit attributable to owners of the parent per share (Yen) | 238.54 | | 81.02 | |
| Number of Employees | 20,233 | | - | |

Notes:

1. Please refer to 1. Overview of operating results Section 3 “Outlook for the fiscal year ending March 31, 2023” 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 six months ended September 30, 2021 | | For the six months ended September 30, 2022 | | For the year ended March 31, 2022 | |
| | | (%) | | (%) | | (%) |
| Japan | 60,611 | 8.7 | 61,823 | 2.0 | 118,050 | 4.4 |
| Europe..... | 177,829 | 35.9 | 177,380 | (0.3) | 352,470 | 24.7 |
| North America | 52,259 | 25.6 | 62,680 | 19.9 | 112,248 | 23.4 |
| Asia..... | 22,430 | 19.5 | 29,042 | 29.5 | 49,196 | 25.1 |
| Central and South America | 21,205 | 68.2 | 24,394 | 15.0 | 41,765 | 42.0 |
| Oceania | 23,265 | 21.4 | 29,136 | 25.2 | 51,579 | 24.9 |
| The Middle East and Africa | 6,631 | 52.7 | 6,863 | 3.5 | 13,952 | 20.5 |
| Total..... | 364,230 | 28.6 | 391,318 | 7.4 | 739,260 | 21.5 |

Note: 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 "Segment Information" on page 10.

The table shows the changes in the percentage ratio of revenue compared to the corresponding period of the previous year.

(3) Exchange Rates

| | Yen | | | |
|---------------|---|---|-----------------------------------|---|
| | For the six months ended September 30, 2021 | For the six months ended September 30, 2022 | For the year ended March 31, 2022 | For the year ending March 31, 2023 (Forecast) |
| USD/JPY | 109.81 | 134.03 | 112.39 | 137 |
| EUR/JPY | 130.88 | 138.76 | 130.55 | 137 |
| RMB/JPY | 16.99 | 19.89 | 17.51 | 20.0 |

(4) Production Ratio (unit basis)

| | For the six months ended September 30, 2021 | For the six months ended September 30, 2022 | For the year ended March 31, 2022 |
|----------------|---|---|-----------------------------------|
| | Composition ratio | Composition ratio | Composition ratio |
| Domestic..... | 7.5% | 7.6% | 7.0% |
| Overseas | 92.5% | 92.4% | 93.0% |

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

| | Yen (millions) | | | |
|----------------------------------|---|---|-----------------------------------|---|
| | For the six months ended September 30, 2021 | For the six months ended September 30, 2022 | For the year ended March 31, 2022 | For the year ending March 31, 2023 (Forecast) |
| Capital expenditures | 28,158 | 22,996 | 59,937 | 40,000 |
| Depreciation and amortization... | 8,127 | 9,900 | 17,639 | 20,000 |
| R&D costs | 6,905 | 7,515 | 14,145 | 15,000 |