



# Makita Corporation

Consolidated Financial Results  
for the year ended March 31, 2024  
(IFRS Financial Information)

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



**CONSOLIDATED FINANCIAL RESULTS**  
**FOR THE YEAR ENDED MARCH 31, 2024 (Unaudited)**

April 26, 2024

Makita Corporation

Stock code: 6586

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

Munetoshi Goto, President, Representative Director

**1. Summary operating results of the year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)**

**(1) CONSOLIDATED OPERATING RESULTS**

	Yen (millions)			
	For the the year ended March 31, 2023		For the the year ended March 31, 2024	
		(%)		(%)
Revenue .....	764,702	3.4	741,391	(3.0)
Operating profit .....	28,246	(69.2)	66,169	134.3
Profit before income taxes .....	23,887	(74.2)	64,017	168.0
Profit .....	11,571	(82.3)	43,615	276.9
Profit attributable to owners of the parent .....	11,705	(81.9)	43,691	273.3
Comprehensive income .....	42,359	(60.8)	115,156	171.9
	Yen			
Profit attributable to owners of the parent per share				
(Basic)	43.11		162.13	
(Diluted)	-		-	
Ratio of profit attributable to owners of the parent to total equity attributable to owners of the parent (%) ..	1.5%		5.3%	
Ratio of profit before income taxes to total assets (%) ...	2.3%		5.9%	
Ratio of operating profit to revenue (%) .....	3.7%		8.9%	

Notes:

1. Amounts of less than one million yen have been rounded.
2. 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, 2023	As of March 31, 2024
Total assets	1,099,351	1,055,808
Total equity	775,699	875,206
Equity attributable to owners of the parent	769,247	868,156
Ratio of equity attributable to owners of the parent to total assets (%)	70.0%	82.2%
	Yen	
Equity attributable to owners of the parent per share .....	2,832.89	3,227.06

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



## (2) CONSOLIDATED CASH FLOWS

	Yen (millions)	
	For the year ended March 31, 2023	For the year ended March 31, 2024
Net cash provided by operating activities .....	44,430	237,086
Net cash used in investing activities .....	(37,680)	(25,619)
Net cash provided by (used in) financing activities .....	80,970	(191,277)
Cash and cash equivalents, end of the fiscal year .....	162,720	196,645

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

## 2. Dividend Information

	Yen (millions)		
	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ending March 31, 2025 (Forecast)
Cash dividend per share:			
Interim .....	10.00	10.00	20.00
Year-end .....	11.00	47.00	(Note)
Total .....	21.00	57.00	(Note)

	Yen (millions)		
Total cash dividend .....	5,702	15,334	-
Dividend payout ratio (%) .....	48.7%	35.2%	-
Ratio of total cash dividend attributable to owners of the parent to total assets (%) .....	0.8%	1.9%	-

Note: While the Corporation has set forth under the Articles of Corporation of the Corporation that the record date for the payment of dividend shall be the last day of a relevant period, at the present time, the projected amount of dividends as of the said record date has not been determined yet. For further details, refer to “(5) Basic policy regarding profit distribution and cash dividend for fiscal 2024 and 2025” on page 7.

## 3. Consolidated Financial Performance Forecast for the year ending March 31, 2025

	Yen (millions)	
	For the year ending March 31, 2025	
		(%)
Revenue .....	710,000	(4.2)
Operating profit .....	75,000	13.3
Profit before income taxes .....	74,000	15.6
Profit attributable to owners of the parent .....	51,000	16.7

	Yen
Profit attributable to owners of the parent per share (Basic) .....	189.57

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.



#### 4. Other

- (1) Changes in important subsidiaries during the year (Changes in specified subsidiaries accompanied by changes in scope of consolidation during the year): None
- (2) Changes in accounting policies and accounting estimates:
1. Changes in accounting policies required by IFRS: Yes
  2. Changes in accounting policies other than 1: None
  3. Changes in accounting estimate: None
- (3) Number of shares outstanding (common stock)
- |   |                                    |             |
|---|------------------------------------|-------------|
| 1. Number of shares issued (including treasury shares): | As of March 31, 2024:              | 280,017,520 |
|   | As of March 31, 2023:              | 280,017,520 |
| 2. Number of treasury shares:                           | As of March 31, 2024:              | 10,993,621  |
|   | As of March 31, 2023:              | 8,475,674   |
| 3. Average number of shares outstanding:                | For the year ended March 31, 2024: | 269,484,912 |
|   | For the year ended March 31, 2023: | 271,539,104 |

Makita's earnings releases (KESSAN TANSWIN) are not subject to an audit.

#### 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", "(4) Outlook for the fiscal year ending March 31, 2025" on page 6.

## SUPPLEMENT INFORMATION (CONSOLIDATED)

### 1. Overview of operating results

#### (1) Overview of operating results of the year

Looking at the international economic situation during the fiscal year under review, economic growth slowed worldwide, with housing investment remaining sluggish due to persistently high interest rates while monetary tightening policies were implemented in various countries to control inflation. In addition, Russia's invasion of Ukraine and unrest in the Middle East could lead to further price increases and economic downturns, and the outlook continues to remain uncertain.

In this situation, the Makita Group has focused on expanding its lineup of cordless products, including power tools and outdoor power equipment in the durable high-power, long-life "40Vmax Lithium-ion Battery" (XGT) series, and has introduced new products in new categories, such as robotic lawnmowers and cordless sweepers.

With respect to production, we worked to eliminate waste and reduce costs in all manufacturing processes and to expand initiatives at individual plants to other plants, thereby improving the efficiency of the Group as a whole.

We also work to increase the level of the community-based and customer-oriented service framework in order to further strengthen trusting relationships with customers around the world. We strive to deepen and develop the market centered on "40Vmax Lithium-ion Battery" series.

For the fiscal year, sales fell in many areas and consolidated revenue came to 741,391 million yen, down 3.0% year over year. This was because of weak demand for housing due to monetary tightening in overseas market and restrained investment in the building and construction markets. In terms of profit, operating profit increased by 134.3% year on year to 66,169 million yen (operating profit ratio: 8.9%) driven by an improvement in the cost ratio due to the impact of reduction of transportation cost and foreign exchange rates. Profit before income taxes increased by 168.0% to 64,017 million yen (profit before income taxes ratio: 8.6%) and profit attributable to owners of the parent increased by 273.3% to 43,691 million yen (ratio of profit attributable to owners of the parent: 5.9%).

Revenue by region are 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 15.

In Japan, although the demand environment continues to stagnate, public facility-related construction demand remained comparatively strong, and as a result of striving for the expansion of sales of outdoor power equipment, mainly for professionals, sales were 123,222 million yen, an increase of 0.2% year on year.

In Europe, while the construction market remains lackluster due to high interest rates and demand is still weak, the depreciation of the yen against local currencies contributed to revenue increasing by 2.1% to 356,491 million.

In North America, although consumer spending overall remained comparatively strong, housing-related demand was sluggish as the high interest rate environment continued, and sales decreased, centered mainly on home improvement stores, ending at 93,677 million yen, a decrease of 21.3% year on year.

In Asia, demand for tools generally remained weak due to the continued slump in the real estate market in China and other countries. As a result, sales fell 13.4% year on year to 46,133 million yen.

In Central and South America, despite the challenging demand environment, we made efforts to expand sales of the 40Vmax series, which we are focusing on in various countries, and sales were up 5.2% year on year to 49,697 million yen due to the depreciation of the yen against local currencies.

In Oceania, consumption remains stagnant due to continuing inflation and high interest rates, and housing investment trended at a low level, resulting in sales of 56,340 million yen, a decrease of 3.8% year on year.

In the Middle East and Africa, although there were variations depending on the country, demand for construction and architecture remained steady overall, and sales were up 8.9% year on year to 15,831 million yen.

(Initiatives toward 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.

During the fiscal year ended March 2024, solar panels were installed at the part of Head office and Okazaki plant in Japan and at Estonia branch, and we promoted the use of renewable energy.

We will continue to work on the use of renewable energy and energy conservation in our business activities to achieve GHG emission reduction targets.

## **(2) Overview of financial position for the fiscal year ended March 31, 2024**

Total assets as of the end of the year decreased by 43,543 million yen to 1,055,808 million yen compared to the balance as of March 31, 2023. This decrease was mainly due to the decrease in “Inventories”.

Total liabilities decreased by 143,050 million yen to 180,602 million yen compared to the balance as of March 31, 2023. This decrease was mainly due to the decrease in “Borrowings.”

Total equity increased by 99,507 million yen to 875,206 million yen compared to the balance as of March 31, 2023. This increase was mainly due to exchange gain or loss recognized in “Exchange differences on translating foreign operations” included in the “Other components of equity”.

## **(3) Overview of cash flow situation for the fiscal year ended March 31, 2024**

Total cash and cash equivalents amounted to 196,645 million yen, increased by 33,925 million yen compared to the end of the previous year.

Net cash provided by operating activities amounted to 237,086 million yen (44,430 million yen in the previous year) due to a decrease in inventories.

Net cash used in investing activities decreased to 25,619 million yen (37,680 million yen in the previous year) due to acquisition of fixed assets.

Consequently, free cash flows (the sum of cash flows from operating activities and investing activities) amounted to 211,467 million yen (6,750 million yen in the previous year).

Net cash used in financing activities amounted to 191,277 million yen (net cash provided by financing activities amounted to 80,970 million yen in the previous year) due to the repayment of short-term borrowings and so on.



#### (4) Outlook for the fiscal year ending March 31, 2025

In the future, the Makita Group expects that the prospect for the global economy will continue to be uncertain. Meanwhile, the Group believes that demand for environmental and human friendly tools that contribute to the solution of social issues, such as the labor shortage and environment conservation by increased efficiency of works, will continue to increase further both in emerging and developed countries.

To cope with these assumed conditions, Makita will:

- Strengthen its R&D and product development capabilities, mainly for the technologies of motors and technologies for discharge/charge of batteries, to take the initiative in cordless products market;
- Next to power tools, we will work to develop and market products, mainly cordless outdoor power equipment and cleaning products, as the mainstay of future business.
- Work to strengthen a multipolar production and procurement system that is not overly dependent on any specific country, region, or supplier.
- Strive to raise its brand power by promoting the establishment of a sales and after-sales service network to offer community-based and fine-tuned response to needs of customers around the world.

On the basis of these factors, the Group will strive to maintain a solid presence in the industry and contribute to achieve a sustainable society as a global supplier of a comprehensive range of tools for creating comfortable homes and living environments.

#### (Consolidated Financial Performance Forecast for the Year Ending March 31, 2025)

Although the strengthening of Makita's profit structure has advanced due to the elimination of waste in internal work and the reduction of inventories, which we have focused on since this term, the severe demand environment will continue in the fiscal year ending March 2025 too, such as the stagnation of housing investment in various regions including Europe, and it is also difficult to predict demand trends in North America.

Based on these assumptions, the consolidated results for the fiscal year ending March 2025 are estimated below.

	Yen (millions)
	For the year ending March 31, 2025
Revenue .....	710,000
Operating profit .....	75,000
Profit before income taxes.....	74,000
Profit attributable to owners of the parent.....	51,000

#### [Preconditions]

The above forecast is based on the assumption of exchange rates of 145 yen to the U.S. dollar, 155 yen to the euro and 20.0 yen to the renminbi.

#### [Reference]

The actual exchange rate for the year ended March 31, 2024 was 144.59 yen to the U.S. dollar, 156.75 yen to the euro and 20.13 yen to the renminbi.

#### FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements based on assumptions, judgments, and beliefs in light of the information currently available to it and includes potential risks and uncertainties. As a consequence of the factors above and other, actual results may vary materially from the forecast provided. Therefore, these statements should not be interpreted as representation where such objectives will be achieved.

**(5) Basic policy regarding profit distribution and cash dividend for the fiscal 2024 and 2025**

Makita's basic policy on the distribution of profits is to maintain the total return ratio at 35% or greater, with a lower limit on annual cash dividends of 20 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. 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.

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.

Our forecast for dividends is as follows;

	For the year ended March 31, 2024 (Result)	For the year ending March 31, 2025 (Forecast)
Cash dividend per share:		
Interim .....	10.00 yen	20.00 yen
Year-end .....	47.00 yen (Note)	(Note)
Total .....	57.00 yen (Note)	(Note)

Note: At a meeting of the Board of Directors to be held in April 2025, in accordance with the basic policy on profit distribution described above, the amount of dividends will be determined so that the total return ratio is at least 35%, and the decision will be submitted to the General Meeting of Shareholders to be held the following June. However, if certain special circumstances arise, computation of the amount of dividends will be based on profit attributable to owners of the parent after certain adjustments.



## (6) Measures to realize management that is conscious of capital costs and the stock price

<Analysis of the current situation>

While Makita's cost of equity is estimated to be around 6 to 8%, ROE, an indicator of capital profitability, generally trended at around 8 to 10% above that level until the fiscal year ended March 2022. However, in the fiscal year ended March 2023, ROE decreased to 1.5% because of factors including decreases in sales quantities due to rapid changes in the demand environment and the impact of excessive inventories. For the fiscal year ended March 2024, ROE remains lower than the cost of equity at 5.3%.

The stock price has declined since September 2021, when stay-at-home demand caused by COVID-19 pandemic lost momentum and the expansion of results slowed in association with that. Currently, the stock price continues to trend at pre-COVID-19 levels. Although its PBR continues at a level above 1x, it is trending downwards in association with the sluggish growth of the stock price.

	Unit	FYE2019	FYE2020	FYE2021	FYE2022	FYE2023	FYE2024
Revenue	million yen	490,578	492,617	608,331	739,260	764,702	741,391
Operating profit	million yen	78,305	64,046	88,464	91,728	28,246	66,169
Operating profit ratio	%	16.0	13.0	14.5	12.4	3.7	8.9
ROE	%	9.9	8.3	10.1	9.2	1.5	5.3
Year-end stock price	yen	3,855	3,315	4,745	3,935	3,280	4,270
PBR	times	1.8	1.6	2.0	1.4	1.2	1.3

<Policy and targets for improvement>

Makita will expand equity spread by reducing the cost of equity while improving the situation where ROE falls below the cost of equity at an early date and maintaining conditions allowing it to achieve 8 to 10%, the level prior to the fiscal year ended March 2022.

<Matters to be addressed>

Based on the policy and targets above, we will work on the following matters.

### ① Improvement of ROE

- Improvement of profit margin and capital efficiency by achieving inventory reduction targets
- Thorough implementation of cost reductions by improving work efficiency and eliminating waste in all divisions
- Strengthening of profitability by differentiation from other companies through the expansion of our lineup of high value-added products for professionals centered on 40Vmax batteries and the provision of high quality after-sales services using our meticulous network of bases

### ② Reduction of cost of equity

- Formulation and execution of business strategies able to respond appropriately to changes in the environment
- Promotion of sustainability management and human capital management
- Promotion of investor understanding through IR activities

## 2. Basic Rationale for Selection of Accounting Standards

Makita has voluntarily adopted International Financial Reporting Standards (IFRS) from the fiscal year ended March 31, 2019 in order to improve global comparability in financial market.



### 3. Consolidated Financial Statements (Unaudited)

#### (1) Consolidated Statement of Financial Position

	Yen (millions)			
	As of March 31, 2023		As of March 31, 2024	
		Composition ratio		Composition ratio
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents.....	162,720		196,645	
Trade and other receivables.....	110,884		116,267	
Inventories.....	453,752		345,491	
Other financial assets.....	6,970		18,561	
Other current assets.....	19,113		16,671	
Total current assets.....	753,439	68.5%	693,635	65.7%
<b>NON-CURRENT ASSETS:</b>				
Property, plant and equipment, at cost.....	265,638		277,248	
Goodwill and intangible assets.....	10,427		10,206	
Other financial assets.....	36,607		37,835	
Retirement benefit assets.....	12,157		14,968	
Deferred tax assets.....	17,901		19,670	
Other non-current assets.....	3,182		2,246	
Total non-current assets.....	345,912	31.5%	362,173	34.3%
Total assets.....	1,099,351	100.0%	1,055,808	100.0%

	Yen (millions)			
	As of March 31, 2023		As of March 31, 2024	
		Composition ratio		Composition ratio
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES:</b>				
Trade and other payables.....	41,767		49,987	
Borrowings.....	186,390		19,891	
Other financial liabilities.....	7,504		6,067	
Income taxes payable.....	3,757		9,113	
Provisions.....	4,623		5,113	
Other current liabilities.....	47,552		55,304	
Total current liabilities.....	291,593	26.5%	145,475	13.8%
<b>NON-CURRENT LIABILITIES:</b>				
Retirement benefit liabilities.....	2,830		3,269	
Other financial liabilities.....	14,835		17,150	
Provisions.....	1,618		1,960	
Deferred tax liabilities.....	12,576		12,546	
Other non-current liabilities.....	200		202	
Total non-current liabilities.....	32,059	2.9%	35,127	3.3%
Total liabilities.....	323,652	29.4%	180,602	17.1%
<b>EQUITY</b>				
Share Capital.....	23,805		23,805	
Capital Surplus.....	45,606		45,607	
Retained earnings.....	629,314		669,359	
Treasury shares.....	(11,528)		(21,501)	
Other components of equity.....	82,050		150,886	
Total equity attributable to owners of the parent.....	769,247	70.0%	868,156	82.2%
NON-CONTROLLING INTEREST.....	6,452	0.6%	7,050	0.7%
Total equity.....	775,699	70.6%	875,206	82.9%
Total liabilities and equity.....	1,099,351	100.0%	1,055,808	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 year ended March 31, 2023		For the year ended March 31, 2024	
	Ratio to revenue		Ratio to revenue	
REVENUE.....	764,702	100.0%	741,391	100.0%
Cost of sales.....	(575,954)	(75.3%)	(517,446)	(69.8%)
GROSS PROFIT.....	188,748	24.7%	223,945	30.2%
Selling, general, administrative and others, net.....	(160,502)	(21.0%)	(157,776)	(21.3%)
OPERATING PROFIT.....	28,246	3.7%	66,169	8.9%
Financial income.....	3,316		4,643	
Financial expenses.....	(7,675)		(6,795)	
PROFIT BEFORE INCOME TAXES.....	23,887	3.1%	64,017	8.6%
Income tax expenses.....	(12,316)		(20,402)	
PROFIT.....	11,571	1.5%	43,615	5.9%
Profit attributable to:				
Owners of the parent.....	11,705	1.5%	43,691	5.9%
Non-controlling interests.....	(134)	(0.0%)	(76)	(0.0%)

Consolidated Statements of Comprehensive Income

	Yen (millions)	
	For the year ended March 31, 2023	For the year ended March 31, 2024
PROFIT.....	11,571	43,615
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).....	110	5,883
Remeasurement of defined benefit plans .....	1,212	1,955
Total of items that will not be reclassified to profit (loss).....	1,322	7,838
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations.....	29,466	63,703
Total of items that may be reclassified to profit (loss).....	29,466	63,703
Total other comprehensive income (loss), net of tax.....	30,788	71,541
COMPREHENSIVE INCOME.....	42,359	115,156
Comprehensive income attributable to:		
Owners of the parent.....	42,093	114,558
Non-controlling interests.....	266	598



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

	Yen (millions)							
	For the year ended March 31, 2023							
	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			11,705			11,705	(134)	11,571
Other comprehensive income					30,388	30,388	400	30,788
Comprehensive income	-	-	11,705	-	30,388	42,093	266	42,359
Inflation adjustments			(3,197)		3,524	327		327
Dividends paid			(19,550)			(19,550)		(19,550)
Purchase of treasury shares				(1)		(1)		(1)
Disposal of treasury shares				0		0		0
Share-based payment transaction		21		13		34		34
Transfer from other components of equity to retained earnings			(221)		221	-		-
Total amounts of transactions with owners	-	21	(19,771)	12	221	(19,517)	-	(19,517)
Balance at March 31, 2023	23,805	45,606	629,314	(11,528)	82,050	769,247	6,452	775,699

	Yen (millions)							
	For the year ended March 31, 2024							
	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, 2023	23,805	45,606	629,314	(11,528)	82,050	769,247	6,452	775,699
Profit for the period			43,691			43,691	(76)	43,615
Other comprehensive income					70,867	70,867	674	71,541
Comprehensive income	-	-	43,691	-	70,867	114,558	598	115,156
Dividends paid			(5,677)			(5,677)		(5,677)
Purchase of treasury shares				(10,002)		(10,002)		(10,002)
Disposal of treasury shares		0		0		0		0
Share-based payment transaction		1		29		30		30
Transfer from other components of equity to retained earnings			2,031		(2,031)	-		-
Total amounts of transactions with owners	-	1	(3,646)	(9,973)	(2,031)	(15,649)	-	(15,649)
Balance at March 31, 2024	23,805	45,607	669,359	(21,501)	150,886	868,156	7,050	875,206



#### (4) Consolidated Statements of Cash Flows

	Yen (millions)	
	For the year ended March 31, 2023	For the year ended March 31, 2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit.....	11,571	43,615
Depreciation and amortization.....	25,889	28,925
Income tax expenses.....	12,316	20,402
Financial income and expenses.....	4,359	2,152
Loss (gain) on sales and retirement of property, plant and equipment..	438	(456)
Decrease (increase) in trade and other receivables.....	12,488	4,940
Decrease (increase) in inventories.....	48,571	151,378
Increase (decrease) in trade and other payables.....	(27,155)	4,661
Increase (decrease) in retirement benefit assets and liabilities.....	(197)	(768)
Decrease (increase) in guarantee deposits.....	5,993	3,744
Other.....	(17,932)	(8,799)
Subtotal.....	76,341	249,794
Dividends received.....	731	680
Interest received.....	2,591	3,747
Interest paid.....	(2,140)	(1,680)
Income taxes paid.....	(33,093)	(15,455)
Cash flows from operating activities.....	44,430	237,086
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of non-current assets.....	(39,088)	(17,851)
Proceeds from sales of non-current assets.....	933	1,691
Purchase of investments.....	(0)	(10)
Proceeds from sales and redemption of investments.....	803	151
Payments into time deposits.....	(4,749)	(12,973)
Proceeds from withdrawal of time deposits.....	3,496	3,832
Other.....	925	(459)
Cash flows from investing activities.....	(37,680)	(25,619)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Net increase (decrease) in short-term borrowings.....	104,874	(171,379)
Purchase and sales of treasury shares, net.....	(1)	(10,002)
Cash dividends paid.....	(19,550)	(5,677)
Repayment of lease liabilities.....	(4,376)	(4,228)
Other.....	23	9
Cash flows from financing activities.....	80,970	(191,277)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS.....	3,943	13,735
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	91,663	33,925
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR.....	71,057	162,720
CASH AND CASH EQUIVALENTS, END OF YEAR.....	162,720	196,645



**(5) Notes to Consolidated Financial Statements**

**Notes on the assumptions for a going concern:** None

**Changes in accounting policy:**

The Group has applied the following standards and interpretations from the current fiscal year as follows:

IFRS	Title	Time of compulsory application (fiscal year starting after that)	Fiscal year in which it applies to the Group	Overview
IAS 12	Income Taxes	January 1, 2023	Fiscal year ended March 2024	Disclosure of income taxes arising from tax laws enacted or substantially enacted to introduce the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD).

The application of the standard, etc. has no material impact on the consolidated financial statements.



## Segment Information

	Yen (millions)							
	For the year ended March 31, 2023							
	Japan	Europe	North America	Asia	Total	Other	Eliminations	Consolidated
Revenue:								
External customers .....	146,364	351,252	121,685	34,477	653,778	110,924	-	764,702
Inter-segment ....	268,723	11,810	3,449	301,409	585,391	444	(585,835)	-
Total .....	415,087	363,062	125,134	335,886	1,239,169	111,368	(585,835)	764,702
Operating profit (loss).	(2,119)	9,088	(912)	33,028	39,085	2,318	(13,157)	28,246

	Yen (millions)							
	For the year ended March 31, 2024							
	Japan	Europe	North America	Asia	Total	Other	Eliminations	Consolidated
Revenue:								
External customers .....	141,766	359,348	96,111	32,592	629,817	111,574	-	741,391
Inter-segment ....	179,477	11,726	4,184	207,617	403,004	294	(403,298)	-
Total .....	321,243	371,074	100,295	240,209	1,032,821	111,868	(403,298)	741,391
Operating profit (loss).	19,006	17,830	(126)	17,256	53,966	5,470	6,733	66,169

## Revenue by product categories

	Yen (millions)				Increase (Decrease)
	For the year ended March 31, 2023		For the year ended March 31, 2024		
	Composition ratio	Composition ratio	Composition ratio	Composition ratio	
Finished goods.....	614,840	80.4%	584,976	78.9%	(4.9%)
Parts, repairs and accessories .....	149,862	19.6%	156,415	21.1%	4.4%
Total revenue.....	764,702	100.0%	741,391	100.0%	(3.0%)

## Information per share

	Yen	
	As of March 31, 2023	As of March 31, 2024
Equity attributable to owners of the parent per share ...	2,832.89	3,227.06

	Yen	
	For the year ended March 31, 2023	For the year ended March 31, 2024
Profit attributable to owners of the parent per share (Basic) .....	43.11	162.13

### Notes:

- Profit attributable to owners of the parent per share (Basic) is calculated on the basis of the average number of shares outstanding during the year. Average number of shares outstanding is as follows:

For the year ended March 31, 2023: 271,539,104

For the year ended March 31, 2024: 269,484,912

- The amount of profit attributable to owners of the parent per share diluted are not shown as diluted shares do not exist.

**Significant Subsequent Events:** None





#### 4. SUPPORT DOCUMENTATION (CONSOLIDATED)

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

	Yen (millions)			
	For the year ended March 31, 2023		For the year ended March 31, 2024	
		(%)		(%)
REVENUE.....	764,702	3.4	741,391	(3.0)
Domestic.....	122,978	4.2	123,222	0.2
Overseas.....	641,724	3.3	618,169	(3.7)
Operating profit.....	28,246	(69.2)	66,169	134.3
Profit before income taxes.....	23,887	(74.2)	64,017	168.0
Profit attributable to owners of the parent.....	11,705	(81.9)	43,691	273.3
Profit attributable to owners of the parent per share (Yen)....	43.11		162.13	
Number of Employees.....	18,804		17,669	

	Yen (millions)	
	For the year ending March 31, 2025 (Forecast)	
		(%)
REVENUE.....	710,000	(4.2)
Domestic.....	124,000	0.6
Overseas.....	586,000	(5.2)
Operating profit.....	75,000	13.3
Profit before income taxes.....	74,000	15.6
Profit attributable to owners of the parent.....	51,000	16.7
Profit attributable to owners of the parent per share (Yen).....	189.57	
Number of Employees.....	-	

Notes:

1. Please refer to 1. Overview of operating results (4) "Outlook for the fiscal year ending March 31, 2025" on page 6.
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 year ended March 31, 2023		For the year ended March 31, 2024	
		(%)		(%)
Japan .....	122,978	4.2	123,222	0.2
Europe .....	348,994	(1.0)	356,491	2.1
North America .....	119,064	6.1	93,677	(21.3)
Asia .....	53,276	8.3	46,133	(13.4)
Central and South America .....	47,256	13.1	49,697	5.2
Oceania .....	58,593	13.6	56,340	(3.8)
The Middle East and Africa .....	14,541	4.2	15,831	8.9
Total .....	764,702	3.4	741,391	(3.0)

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 "Segment Information" on page 15.
2. The table shows the changes in the percentage ratio of revenue compared to the previous year.

## (3) Exchange Rates

	Yen		
	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ending March 31, 2025 (Forecast)
USD/JPY .....	135.50	144.59	145
EUR/JPY .....	140.99	156.75	155
RMB/JPY .....	19.75	20.13	20.0

## (4) Production Ratio (unit basis)

	For the year ended March 31, 2023	For the year ended March 31, 2024
	Composition ratio	Composition ratio
Domestic .....	7.9%	8.3%
Overseas .....	92.1%	91.7%

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

	Yen (millions)		
	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ending March 31, 2025 (Forecast)
Capital expenditures .....	39,088	17,851	29,000
Depreciation and amortization .....	21,725	24,754	25,000
R&D costs .....	14,903	14,314	15,500