



[Translation¹]

May 13, 2026

To whom it may concern:

Name of Company: Makino Milling Machine Co., Ltd.

Name of Representative: President, Director

Shotaro Miyazaki

(Securities Code: 6135 (the Prime Market of the Tokyo Stock Exchange, Inc.))

Inquiries: Executive Vice President, Director

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Notice Regarding Opinion of the Company's Board of Directors on a Shareholder Proposal

Makino Milling Machine Co., Ltd. (the "Company") received a letter dated April 23, 2026 ("Shareholder Proposal Letter") from Company shareholder Futanami Securities Co., Ltd. ("Proposing Shareholder") to the effect that it would make a shareholder proposal ("Shareholder Proposal") at the Company's 87th Ordinary General Meeting of Shareholders scheduled for June 23, 2026.

The Company, having thoroughly examined the Shareholder Proposal, resolved at the Board of Directors meeting held today to oppose the Shareholder Proposal, and hereby gives notice as follows.

1. Proposing Shareholder
Name: Futanami Securities Co., Ltd.
2. Agenda Item Proposed in the Shareholder Proposal
The Matter of Share Buyback

¹ This document has been translated from the Japanese original for reference purposes. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

3. Summary of the Proposal and Reasons Therefor

As explained in the Attachment “Shareholder Proposal Details”.

The text of the Attachment “Shareholder Proposal Details” is an unedited citation of the relevant portion of the Shareholder Proposal submitted by the Proposing Shareholder.

4. Opinion of the Company’s Board of Directors on the Shareholder Proposal

Proposal: The Matter of Share Buyback

(1) Opinion of the Company’s Board of Directors

The Company’s Board of Directors opposes the Shareholder Proposal.

(2) Reason for Opposition

First, the Proposing Shareholders proposed in the Shareholder Proposal, that “... the acquisition shall be through the Tokyo Stock Exchange’s off-auction own share repurchase trading (ToSTNeT-3), and the “acquisition price shall be 11,751 yen per share, the same as the initial tender offer price”; however, when acquiring shares via the Tokyo Stock Exchange’s off-auction own share repurchase trading (ToSTNeT-3), the acquisition price is, under TSE rules, the previous day’s closing price (including the final special quote price and final continuous trading quote; if neither exists, the reference price for that day). Accordingly, the Shareholder Proposal, which specifies the ToSTNeT-3 system as the method of acquisition and fixed acquisition price, is considered to be unclear in its intent. Nonetheless, the Company’s Board of Directors sets out its views below, on the understanding that the proposal is one for a share repurchase without restriction as to the method of acquisition.

Under its management philosophy of “Trust is the foundation of a company’s existence. Makino pursues ‘Quality First’ in all of its products and services, as well as in its own organization and employees, with a strong belief in mutual trust among everyone involved in building, selling and using Makino products,” the Company aims at all times to provide customers seeking to produce better industrial products efficiently with optimal machine tools and processing technologies, and has rapidly absorbed state-of-the-art peripheral technologies and prepared products meeting customer needs.

The machine tool industry is one of the industries in which revenue fluctuates significantly from year to year. Accordingly, the key to strategy in this industry lies in

responding appropriately to the rapidly changing business environment. Meanwhile, the Company serves customers in manufacturing industries ranging from everyday necessities to large passenger aircraft, and the outcomes of its management depend greatly on its strategies. In light of such a business environment, the Company has adopted its basic policy of (i) strengthening the development system to provide high-quality and high-precision machine tools that are required by the market without delay; (ii) while realizing an environment for stably manufacturing high-quality machine tools, establishing an efficient production system for flexibly responding to changes and fluctuations in demand; and (iii) in response to the global expansion of production bases of machine tool users in the manufacturing industry, organically collaborating with overseas group companies to expand and enhance its sales and service networks. By continuing to actively invest in these areas, the Company aims to establish a strong corporate structure capable of securing revenue even in a challenging environment. Specifically, as described in “For Enhancement of Corporate Value (2026 Updated)” (“Business Plan”) announced today, setting an investment framework of equipment maintenance and renewal from the fiscal year ending March 2026 to the fiscal year ending March 2030 at 71 billion yen, the Company plans to implement factory and facility investments, IT investment, environmental investment, and human capital investment within this framework.

Furthermore, the Company positions return of profits to its shareholders as one of the important management issues and has considered returning profits to its shareholders through steady and ongoing dividends as a fundamental plan. Specifically, the Company set a target total payout ratio of 60% (average for the fiscal year ending March 2026 to the fiscal year ending March 2030) as described in the Business Plan, and as described in the “Notice Regarding Revision of Dividend Forecast (Resumption of Dividend)” announced on April 30, 2026, as part of its capital policy it plans to pay a year-end dividend of 270 yen per share to shareholders recorded in the shareholder registry as of March 31, 2026 and, furthermore, for the fiscal year ending March 2027, pay an interim dividend of 160 yen per share and a year-end dividend of 180 yen per share. Accordingly, in comparison to the dividends paid for the fiscal year ending March 2025 (180 yen in total for interim and year-end dividends), the amount for the fiscal year ending March 2026 would represent a 90 yen increase, up 50%, and the amount for the fiscal year ending March 2027, a 160 yen increase, up approximately 89%. In addition, the Company’s policy is to flexibly implement financial policies and other management measures in response to changes

in the economic conditions, having repurchased its own shares as needed. As described in “Notice Regarding the Decision Not to Commence a Tender Offer for Company Shares by MM Holdings K.K.” announced on April 30, 2026, in the present situation in which the Company received from Nippon Sangyo Suishin Kiko Ltd. a proposal regarding a tender offer for the Company shares, the Company believes it is not appropriate to implement a share buyback from the perspective of insider trading regulations, but the Company will consider the circumstances going forward and, if concerns under laws and regulations are no longer present, the Company intends to consider agile implementation.

The Shareholder Proposal proposes a buyback of 1% of the total number of the Company’s outstanding shares. In light of the current management environment surrounding the Company, profit obtained by a share buyback will be short-term and limited, and the Company believes that implementing such a share buyback regardless of changes in economic circumstances, the management environment, and other factors cannot be said to contribute to maximization of the Company’s medium- to long-term corporate value and the common interests of its shareholders.

For the foregoing reasons, the Company’s Board of Directors opposes this proposal.

Attachment: “Details of the Shareholder Proposal”

The relevant portions of the Shareholder Proposal Letter submitted by the Proposing Shareholder are reproduced verbatim.

1. Proposal (Share Buyback)

Pursuant to Article 156, Paragraph 1 of the Companies Act, the Company shall acquire its own common shares within one year after the conclusion of the Ordinary General Meeting of Shareholders, up to 248,938 shares (1% of the total outstanding shares) and a total maximum acquisition amount of 2,925,270,438 yen.

In order to minimize any impact on the market price, the acquisition shall be through the Tokyo Stock Exchange’s off-auction own share repurchase trading (ToSTNeT-3).

The acquisition price shall be 11,751 yen per share, the same as the initial tender offer price.

2. Reasons for the Proposal

The Japanese government’s recommendation to suspend the Acquisition effectively closed the exit strategy for shareholders that had been planned under the tender offer. This situation poses an extremely serious disadvantage to shareholders, and the Company’s Board of Directors, which had recommended that shareholders tender shares in the tender offer, has a responsibility to provide an appropriate level of liquidity to existing shareholders.

Accordingly, in order to prevent unreasonable impairment in shareholder value, we strongly demand a share buyback at the price based on the initially anticipated economic value.