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(Stock Exchange Code 6135)
June 8, 2026

To Shareholders with Voting Rights:

Shotaro Miyazaki
President
Makino Milling Machine Co., Ltd.
3-19 Nakane 2-chome, Meguro-ku, Tokyo

**NOTICE OF
THE 87th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

Please be informed that the 87th Annual General Meeting of Shareholders of Makino Milling Machine Co., Ltd. (the "Company") will be held for the purposes as described below.

In convening this General Meeting of Shareholders, the Company is taking measures to provide information electronically. Matters subject to electronic provision are posted on the following websites.

- The Company's website: <https://ir.makino.co.jp/en/library/shareholder/>

In addition to the above, matters subject to electronic provision are also posted on the following website.

- Tokyo Stock Exchange, Inc. website:
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Please access the Tokyo Stock Exchange, Inc. website above, enter and search for the Company either by entering "Makino Milling Machine" in the "Issue name (company name)" or the Company's stock exchange code (6135) in the "Code," and then select "Basic information," followed by "Documents for public inspection/PR information" in order to review the matters subject to electronic provision in "Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting" followed by "Filed information available for public inspection."

You can exercise your voting rights in writing or via electromagnetic means (the Internet, etc.). Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights no later than 5:00 p.m. on June 22, 2026, Japan time.

1. Date and Time: Tuesday, June 23, 2026 at 10:00 a.m. Japan time (door will open at 9:00 a.m.)

2. Place: 3F, Application Technology Center of the Company located at
10-4 Nakane 2-chome, Meguro-ku, Tokyo, Japan

3. Agenda of the General Meeting:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 87th Fiscal Year (April 1, 2025 - March 31, 2026) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 87th Fiscal Year (April 1, 2025 - March 31, 2026)

Proposals to be resolved:

Company Proposals (Proposal 1 to Proposal 2)

Proposal 1: Appropriation of Surplus

Proposal 2: Election of 10 Directors

Shareholder Proposal (Proposal 3)

Proposal 3: The Matter of Share Buyback

4. Matters to be determined by convocation

1. If there is no indication of a vote of approval or disapproval for each proposal, this will be treated as an indication of approval for company proposals and disapproval for shareholder proposals.
2. If voting rights are exercised both in writing (by mail) and via the Internet, the voting rights exercised via the Internet shall be treated as valid.
3. If voting rights are exercised multiple times via the Internet, the last vote exercised shall be treated as valid.
4. If you would like to exercise your voting rights through a proxy, pursuant to provisions of the Articles of Incorporation, it is possible to assign one other shareholder with voting rights as your proxy. However, it is necessary to submit a document to prove the authority of representation.

(Request) When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.

(Notice) Should the matters subject to electronic provision require revisions, details of the revisions will be posted on each of the designated websites.

Proposal 2: Election of 10 Directors

The terms of office of all 10 Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 10 Directors is proposed.

The candidates are as follows:

| No. | Name | | Current positions and responsibilities at the Company |
|-----|---|-----------------------------|---|
| 1 | Shotaro Miyazaki (Age: 64) (Male) | | President and Representative Director |
| 2 | Toshiyuki Nagano (Age: 68) (Male) | | Executive Vice President, Representative Director Executive Manager of Corporate Service Division Office Manager of Trade Security Control Office |
| 3 | Haruyuki Shiraishi (Age: 66) (Male) | | Vice President, Director Executive Manager of R&D Division |
| 4 | Jun Kanaya (Age: 62) (Male) | | Director Executive Manager of Customer Application Center Executive in charge of the Laser Business Division |
| 5 | Hiroyuki Makino (Age: 50) (Male) | | Director Deputy Executive Manager of Corporate Service Division Executive in charge of IR General Manager of Business Planning Department |
| 6 | Neo Eng Chong (Age: 54) (Male) | | Director Chief Executive Officer of MAKINO ASIA PTE LTD |
| 7 | Naofumi Masuda (Age: 72) (Male) | [Independent] [External] | Director |
| 8 | Kodo Yamazaki (Age: 71) (Male) | [Independent] [External] | Director |
| 9 | Kazuo Takahashi (Age: 66) (Male) | [Independent] [External] | Director |
| 10 | Ayako Takai (Age: 53) (Female) | [Independent] [External] | Director |

| No. | Name (Date of birth) | Past experience, positions, responsibilities and significant concurrent positions | Number of shares of the Company held |
|-----|--|---|--|
| 1 | Shotaro Miyazaki (January 27, 1962) | <p>April 1986 Joined the Company</p> <p>January 1999 Director of Heidenreich & Harbeck Werkzeugmaschinenfabrik GmbH</p> <p>June 2000 Representative Director of Makino Formenbautechnologie GmbH</p> <p>March 2011 General Manager of Asia Sales Department, Sales Division of the Company</p> <p>September 2016 General Manager of Overseas Sales Department, Sales Division</p> <p>September 2021 Executive Officer; Deputy Executive Manager of Sales Division; General Manager of Sales & Application of MAKINO Europe GmbH</p> <p>June 2022 President and Representative Director (to present)</p> | 13,478 |
| | | <p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Shotaro Miyazaki has served as responsible personnel in Overseas Sales Division of the Company, primarily Asia and Europe, and has extensive experience and insight regarding the international machine tools business. After being appointed as Representative Director of a European subsidiary in June 2000, and President and Representative Director of the Company in June 2022, he has demonstrated his leadership. Therefore, we deemed that he is qualified to be a Director of the Company who is in charge of management of the entire Group, and propose his reelection as a Director.</p> | |
| 2 | Toshiyuki Nagano (April 5, 1958) | <p>May 2004 Joined the Company</p> <p>June 2006 Director of Makino J. Co., Ltd.</p> <p>November 2008 General Manager of Finance Department of the Company</p> <p>June 2009 Director; General Manager of Finance Department; Office Manager of Energy Control Office</p> <p>April 2011 Director; Executive Manager of Corporate Service Division; Office Manager of Trade Security Control Office; Office Manager of Energy Control Office</p> <p>June 2014 Vice President, Director; Executive Manager of Corporate Service Division; Office Manager of Trade Security Control Office; Office Manager of Energy Control Office</p> <p>June 2016 Executive Vice President, Director; Executive Manager of Corporate Service Division; Office Manager of Trade Security Control Office; Office Manager of Energy Control Office</p> <p>April 2017 Executive Vice President, Director; Executive Manager of Corporate Service Division; Office Manager of Corporate Planning Office; Office Manager of Trade Security Control Office; Office Manager of Energy Control Office</p> <p>June 2021 Executive Vice President, Representative Director; Executive Manager of Corporate Service Division; Office Manager of Energy Control Office; Office Manager of Trade Security Control Office, Risk Management Promotion Division</p> <p>October 2022 Executive Vice President, Representative Director; Executive Manager of Corporate Service Division; Office Manager of Trade Security Control Office (to present)</p> | 11,144 |
| | | <p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Toshiyuki Nagano has served as responsible personnel in control divisions, centered on finance, and has extensive experience and insight primarily regarding control area. After being appointed as Director in June 2009, Vice President and Director in June 2014, Executive Vice President and Director in June 2016, and Representative Director in June 2021, he has been leading the growth of the Group, utilizing his expertise. Therefore, we deemed that he is qualified to be a Director of the Company who is in charge of management of the entire Group, and propose his reelection as a Director.</p> | |

| No. | Name (Date of birth) | Past experience, positions, responsibilities and significant concurrent positions | Number of shares of the Company held |
|-----|--|---|--|
| 3 | Haruyuki Shiraishi (November 3, 1959) | <p>April 1985 Joined the Company</p> <p>January 2008 Deputy Executive Manager of Development Division</p> <p>February 2013 Deputy Executive Manager of Production Division</p> <p>January 2016 Director of MAKINO ASIA PTE LTD</p> <p>June 2020 Executive Officer; Executive Manager of Production Division; Executive Manager of Fuji Katsuyama Works of the Company</p> <p>June 2022 Director; Executive Manager of R&D Division</p> <p>February 2023 Director; Executive Manager of R&D Division; Office Manager of Design/Production Data Utilization Promotion Office</p> <p>June 2024 Director, Executive Manager of R&D Division; Manager of Design and Manufacturing Process Re-engineering Center</p> <p>June 2025 Vice President, Director; Executive Manager of R&D Division; Manager of Design and Manufacturing Process Re-engineering Center</p> <p>November 2025 Vice President, Director; Executive Manager of R&D Division (to present)</p> | 5,388 |
| | | <p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Haruyuki Shiraishi has served as responsible personnel in development and production divisions, and has extensive experience and insight primarily regarding development and production areas. After being appointed as Director of the administrative subsidiary of Asian region in January 2016, and Director of the Company in June 2022, he has been leading the growth of the Group, utilizing his expertise. Therefore, we deemed that he is qualified to be a Director of the Company who is in charge of management of the entire Group, and propose his reelection as a Director.</p> | |
| 4 | Jun Kanaya (August 10, 1963) | <p>April 1986 Joined the Company</p> <p>April 2011 General Manager of Application Technology Department, Application Technology Division</p> <p>February 2017 Deputy Executive Manager of Application Technology Division</p> <p>September 2021 Executive Manager of Application Technology Division; General Manager of Project Promotion Department</p> <p>June 2022 Executive Officer; Executive Manager of Customer Application Center</p> <p>June 2025 Director; Executive Manager of Customer Application Center; Executive in charge of the Laser Business Division (to present)</p> | 180 |
| | | <p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Jun Kanaya has extensive expertise in the Group's application technologies gained through many years of experience working in the field of application technologies. He also worked at a European subsidiary, and played a leading role in strengthening the technological capabilities of the Group's operations in Japan and overseas. Therefore, we deemed that he is qualified to be a Director of the Company who is in charge of management of the entire Group, and propose his reelection as a Director.</p> | |

| No. | Name (Date of birth) | Past experience, positions, responsibilities and significant concurrent positions | Number of shares of the Company held |
|-----|--|--|--|
| 5 | Hiroyuki Makino (February 19, 1976) | <p>December 2003 Joined the Company</p> <p>May 2018 General Manager of Finance Department, Corporate Service Division</p> <p>October 2020 General Manager of Production Management Department, Production Division</p> <p>May 2022 General Manager of Business Planning Office and Planning Department, Corporate Service Division</p> <p>June 2022 Deputy Executive Manager of Corporate Service Division; General Manager of Business Planning Office and Planning Department</p> <p>March 2024 Deputy Executive Manager of Corporate Service Division; General Manager of Business Planning Department</p> <p>June 2025 Director; Deputy Executive Manager of Corporate Service Division; Executive in charge of IR; General Manager of Business Planning Department (to present)</p> | 180 |
| | | <p>[Reasons for nomination as candidate for Director]</p> <p>Mr. Hiroyuki Makino engaged in operations in financial accounting and financing for many years, and subsequently gained extensive experience in corporate services as General Manager of Production Management Department and General Manager of Business Planning Department. Therefore, we deemed that he is qualified to be a Director of the Company who is in charge of management of the entire Group, and propose his reelection as a Director.</p> | |
| 6 | Neo Eng Chong (September 30, 1971) | <p>May 2012 Joined Makino (China) Co., Ltd.</p> <p>June 2013 President and Board Director of Makino (China) Co., Ltd.</p> <p>September 2015 Vice President of MAKINO ASIA PTE LTD</p> <p>January 2016 Chief Executive Officer of MAKINO ASIA PTE LTD (to present)</p> <p>June 2025 Director of the Company (to present)</p> | 0 |
| | | <p>[Reasons for nomination as candidate for Director]</p> <p>As Chief Executive Officer of MAKINO ASIA PTE LTD, the Company's regional headquarters for Asian markets, Mr. Neo Eng Chong has provided strong leadership in driving growth in key markets such as ASEAN, China, and India since 2016. Therefore, we deemed that he is qualified to be a Director of the Company who is in charge of management of the entire Group, and propose his reelection as a Director.</p> | |

| No. | Name (Date of birth) | Past experience, positions, responsibilities and significant concurrent positions | Number of shares of the Company held |
|-----|---|--|--|
| 7 | <p>[Independent] [External]</p> <p>Naofumi Masuda (August 22, 1953)</p> <p>Attendance at the Board of Directors meetings: 15 out of 16 meetings</p> | <p>June 2008 Managing Officer of TOYOTA MOTOR CORPORATION (Kinuura Plant General Manger, Myochi Plant General Manager)</p> <p>June 2010 Senior Managing Director of ADVICS CO., LTD.</p> <p>June 2014 Executive Vice President of ADVICS CO., LTD.</p> <p>June 2017 Advisor & Chief Engineer of ADVICS CO., LTD.</p> <p>June 2018 Executive Advisor of ADVICS CO., LTD.</p> <p>June 2019 External Director & Member of the Audit & Supervisory Committee of YASUNAGA CORPORATION</p> <p>June 2020 Director of the Company (to present)</p> <p>[Reasons for nomination as candidate for External Director and expected roles] Mr. Naofumi Masuda has served as an executive at business companies, and has extensive experience and insight regarding corporate management and the production technology. In addition, since the appointment as Director of the Company, he has utilized his expertise and appropriately fulfilled his roles by providing advice on management and contributing to strengthening of supervisory function. Therefore, we deemed that he is qualified to be a Director of the Company, and propose his reelection as an External Director, expecting him to continue to fulfill such roles.</p> | 600 |
| 8 | <p>[Independent] [External]</p> <p>Kodo Yamazaki (March 10, 1955)</p> <p>Attendance at the Board of Directors meetings: 16 out of 16 meetings</p> | <p>April 1989 Assistant Professor of Takayama Junior College</p> <p>April 1994 Professor of Takayama Junior College</p> <p>April 2001 Professor of Faculty of Law, Kumamoto University</p> <p>June 2003 Managing Director of Japan Tax Jurisprudence Association</p> <p>April 2007 Dean of Faculty of Law, Kumamoto University</p> <p>April 2015 Trustee and Deputy President of Kumamoto University</p> <p>April 2020 Specially Appointed Professor of Graduate School, Kumamoto Gakuen University</p> <p>June 2020 Director of the Company (to present)</p> <p>January 2026 Specially Appointed Professor of Graduate Institute for Entrepreneurial Studies, Kaishi Innovation University (to present)</p> <p>[Significant concurrent position] Specially Appointed Professor of Graduate Institute for Entrepreneurial Studies, Kaishi Innovation University</p> <p>[Reasons for nomination as candidate for External Director and expected roles] Mr. Kodo Yamazaki has served as Dean of Faculty of Law, Kumamoto University, and has extensive experience and insight regarding law. He also has experience on managing an organization from leading position from his past service as Trustee and Deputy President of Kumamoto University and Managing Director of Japan Tax Jurisprudence Association. He has utilized his expertise and appropriately fulfilled his roles by providing advice on management and contributing to strengthening of supervisory function since the appointment as Director of the Company. Although he has not been directly involved in the management of a company, we therefore deemed that he is qualified to be a Director of the Company, and propose his reelection as an External Director, expecting him to continue to fulfill such roles.</p> | 900 |

| No. | Name (Date of birth) | Past experience, positions, responsibilities and significant concurrent positions | Number of shares of the Company held |
|---|---|--|--|
| 9 | <p data-bbox="231 757 379 824">[Independent] [External]</p> <p data-bbox="209 846 400 913">Kazuo Takahashi (January 8, 1960)</p> <p data-bbox="209 936 400 1048">Attendance at the Board of Directors meetings: 16 out of 16 meetings</p> | <p data-bbox="435 264 1313 963"> April 2007 Executive Officer of Daiwa Securities SMBC Co. Ltd. January 2010 Executive Officer of Daiwa Securities Capital Markets Co. Ltd. April 2010 Executive Managing Director of Daiwa Securities Capital Markets Co. Ltd. April 2012 Executive Managing Director, Member of the Board of Daiwa Securities Co. Ltd. April 2013 Senior Executive Managing Director, Member of the Board of Daiwa Securities Co. Ltd. April 2015 Senior Executive Managing Director, Member of the Board, Head of Corporate Institution of Daiwa Securities Co. Ltd. April 2017 Deputy President of Daiwa Securities Group Inc. Deputy President, Member of the Board of Daiwa Securities Co. Ltd. June 2017 Director, Deputy President of Daiwa Securities Group Inc. Deputy President, Member of the Board of Daiwa Securities Co. Ltd. June 2020 Deputy President of Daiwa Securities Group Inc. Deputy President, Member of the Board of Daiwa Securities Co. Ltd. April 2022 Adviser of Daiwa Securities Co. Ltd. June 2023 Director of the Company (to present) June 2023 Outside Board Member (Audit and Supervisory Committee Member) of Paramount Bed Holdings Co., Ltd. (to present) September 2023 Outside Director of Ai Holdings Corporation (to present) </p> <p data-bbox="435 985 1313 1108"> [Significant concurrent positions] Outside Board Member (Audit and Supervisory Committee Member) of Paramount Bed Holdings Co., Ltd. Outside Director of Ai Holdings Corporation </p> | 300 |
| <p data-bbox="435 1108 1473 1137">[Reasons for nomination as candidate for External Director and expected roles]</p> <p data-bbox="435 1137 1473 1339">Mr. Kazuo Takahashi has served as an executive of Daiwa Securities Group Inc. and its subsidiaries, and has extensive experience and insight regarding corporate management and the financial market. In addition, since the appointment as Director of the Company, he has utilized his expertise and appropriately fulfilled his roles by providing his advice on management and contributing to strengthening supervisory function. Therefore, we deemed that he is qualified to be a Director of the Company, and propose his reelection as an External Director, expecting him to continue to fulfill such roles.</p> <p data-bbox="435 1339 1473 1538">Daiwa Securities Co. Ltd., where he has served in the past, is one of several brokerage lead managers of the Company. As the amount of remuneration, etc. received by the said company through transactions with the Company, including the amount of remuneration, etc. regarding underwriting work of the Company's bonds, was a small amount of around 1.9 million yen over the past three years, we deemed that there is no risk of a conflict of interest with general shareholders, and he is qualified to fulfill the role of External Director, with whom shareholders entrust responsibility from an independent standpoint.</p> | | | |

| No. | Name (Date of birth) | Past experience, positions, responsibilities and significant concurrent positions | Number of shares of the Company held |
|-----|--|---|--|
| 10 | <p>[Independent] [External]</p> <p>Ayako Takai (July 23, 1972)</p> <p>Attendance at the Board of Directors meetings: 16 out of 16 meetings</p> | <p>April 1999 Joined Sanwa Research Institute Corporation (currently Mitsubishi UFJ Research and Consulting Co., Ltd.)</p> <p>April 2009 Associate Professor of Department of Management, School of Management, Tokyo University of Science</p> <p>April 2016 Associate Professor of Division of International Social Sciences, Faculty of International Social Sciences, YOKOHAMA National University</p> <p>April 2019 Professor of Division of International Social Sciences, Faculty of International Social Sciences, Professor of Department of Business Administration, Graduate School of International Social Sciences, and Professor of Specialization in Management, Department of Business Administration, College of Business Administration, YOKOHAMA National University (to present)</p> <p>October 2019 Public Interest Committee Member of Labor Council in Kanagawa Area (to present)</p> <p>April 2021 Professor of Interfaculty Graduate School of Innovative and Practical Studies, YOKOHAMA National University (to present)</p> <p>July 2022 Councilor of Asahi Mutual Life Insurance Company</p> <p>April 2023 Public Interest Committee Member of Minimum Wages Council in Kanagawa Area</p> <p>October 2023 Councilor of the Academic Association for Organizational Science, Specified Nonprofit Corporation (to present)</p> <p>June 2024 Director of the Company (to present)</p> <p>July 2025 Outside Director of Asahi Mutual Life Insurance Company (to present)</p> <p>October 2025 Chairperson of Minimum Wages Council in Kanagawa Area (Public Interest Committee Member) (to present)</p> <p>[Significant concurrent positions] Professor of Division of International Social Sciences, Faculty of International Social Sciences, Professor of Department of Business Administration, Graduate School of International Social Sciences, Professor of Specialization in Management, Department of Business Administration, College of Business Administration, and Professor of Interfaculty Graduate School of Innovative and Practical Studies, YOKOHAMA National University Outside Director of Asahi Mutual Life Insurance Company Public Interest Committee Member of Labor Council in Kanagawa Area Chairperson of Minimum Wages Council in Kanagawa Area (Public Interest Committee Member)</p> <p>[Reasons for nomination as candidate for External Director and expected roles] Ms. Ayako Takai has served as Professor of YOKOHAMA National University after engaging in management consulting business, and has extensive experience and insight regarding management strategy, etc. Therefore, we deemed that she is qualified to be a Director of the Company as she has utilized her expertise and appropriately fulfilled her roles by providing her advice on management and contributing to strengthening supervisory functions since assuming her position as Director of the Company. Although she has not been directly involved in the management of a company, we therefore expect her to continue to fulfill such roles, and accordingly, propose her reelection as an External Director.</p> | 200 |

(Notes)

1. There are no special interests between any of the candidates for Director and the Company.
2. Matters regarding the candidates for External Directors are as follows.
 - (1) Messrs. Naofumi Masuda, Kodo Yamazaki, and Kazuo Takahashi, and Ms. Ayako Takai are candidates for External Directors as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. The Company has submitted independent director notification forms to Tokyo Stock Exchange, Inc. to appoint each of the candidates as Independent Directors.
 - (2) As of the conclusion of this General Meeting of Shareholders, Messrs. Naofumi Masuda and Kodo Yamazaki will have served as External Director of the Company for six years.
 - (3) As of the conclusion of this General Meeting of Shareholders, Mr. Kazuo Takahashi will have served as External Director of the Company for three years.
 - (4) As of the conclusion of this General Meeting of Shareholders, Ms. Ayako Takai will have served as External

Director of the Company for two years.

3. If Messrs. Naofumi Masuda, Kodo Yamazaki, and Kazuo Takahashi, and Ms. Ayako Takai are elected, the Company plans to continue an agreement with them to limit their liability pursuant to Article 423, Paragraph 1 of the Companies Act, to the minimum amount of liability stipulated in Article 425, Paragraph 1 of the same Act.
4. The Company has concluded a directors and officers liability insurance contract with an insurance company, which will cover damages that the insured may be held liable for as a result of assuming responsibilities for the execution of their duties or receiving claims related to the pursuit of such responsibilities. All of the candidates for Director will be designated as the insured under such contract. The Company plans to renew the contract with the same contents at the time of the next renewal.
5. The name of Ms. Ayako Takai on the family register is Ms. Ayako Konno.

For reference: Skills matrix for Board of Directors and Audit and Supervisory Board (if approved as proposed)

| Organ | Name | Management | Internationality | R&D / Production | Sales / Marketing | Finance / Accounting | Legal / Risk Management |
|-----------------------------------|-----------------------|------------|------------------|---------------------|----------------------|-------------------------|-------------------------------|
| Board of Directors | Shotaro Miyazaki | ○ | ○ | | ○ | ○ | |
| | Toshiyuki Nagano | ○ | ○ | | | ○ | ○ |
| | Haruyuki Shiraishi | ○ | ○ | ○ | | | |
| | Jun Kanaya | ○ | ○ | | ○ | | |
| | Hiroyuki Makino | ○ | ○ | | | ○ | |
| | Neo Eng Chong | ○ | ○ | ○ | | | |
| | Naofumi Masuda | ○ | | ○ | | | ○ |
| | Kodo Yamazaki | ○ | | | | ○ | ○ |
| | Kazuo Takahashi | ○ | | | ○ | ○ | ○ |
| | Ayako Takai | ○ | | | | ○ | ○ |
| Audit and Supervisory Board | Akio Komura | ○ | | ○ | ○ | | |
| | Jinei Yamaguchi | ○ | ○ | | | ○ | ○ |
| | Naoko Takatsuka | ○ | | | | ○ | ○ |

Proposal 3: The Matter of Share Buyback

This Proposal has been submitted by one shareholder. The summary of the Proposal and the reasons for the Proposal have been stated as submitted by the proposing shareholder.

(1) Summary of the Proposal

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.

(3) Opinion of the Company's Board of Directors

The Company's Board of Directors opposes the Shareholder Proposal for the following reasons.

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 (Please refer to Proposal 1) 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.

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