Makita Corporation

Consolidated Financial Results
for the three months
ended June 30, 2026
(IFRS Financial Information)

(English translation of "KESSAN TANSHIN"

originally issued in Japanese)

CONSOLIDATED FINANCIAL RESULTS
FOR THE THREE MONTHS ENDED JUNE 30, 2026 (Unaudited)

July 29, 2026

Makita Corporation
Stock code: 6586
URL: https://www.makita.biz/
Munetoshi Goto, President, Representative Director

1. Summary operating results of the three months ended June 30, 2026 (From April 1, 2026 to June 30, 2026)

(1) CONSOLIDATED OPERATING RESULTS

	Yen (millions)			
	For the three months ended June 30, 2025		For the three months ended June 30, 2026	
		(%)		(%)
Revenue	186,614	(3.8)	206,550	10.7
Operating profit	26,069	22.1	30,565	17.2
Profit before income taxes	26,865	25.9	32,645	21.5
Profit	19,281	24.7	22,955	19.1
Profit attributable to owners of the parent	19,281	20.4	22,866	18.6
Comprehensive income	26,936	(50.6)	47,007	74.5
	Yen			
Profit attributable to owners of the parent per share				
(Basic)	72.07		88.70	
(Diluted)	-		-	

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, 2026	As of June 30, 2026
Total assets	1,181,185	1,191,514
Total equity	1,004,541	1,013,973
Equity attributable to owners of the parent	997,340	1,006,541
Ratio of equity attributable to owners of the parent to total assets (%)	84.4%	84.5%

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

2. Dividend Information

	Yen	
	For the year ended March 31, 2026	For the year ending March 31, 2027 (Forecast)
Cash dividend per share:		
Interim	20.00	79.00
Year-end	130.00	(Note)
Total	150.00	(Note)

Notes:
1. The forecast for cash dividend announced on April 28, 2026 has not been revised.
2. The projected amount of dividends for the year ending March 31, 2027 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, 2027 (From April 1, 2026 to March 31, 2027)

	Yen (millions)	
	For the year ending March 31, 2027	
		(%)
Revenue	820,000	5.5
Operating profit	110,000	5.1
Profit before income taxes	111,000	2.8
Profit attributable to owners of the parent	81,000	2.0
	Yen	
Profit attributable to owners of the parent per share (Basic)	314.22	

Notes:
1. Changes of the forecasts from the most recent disclosure: No
2. The table above shows the changes in the percentage ratio of revenue, operating profit, profit before income tax and profit attributable to owners of the parent against the previous year.

4. Other

(1) Changes in important subsidiaries during the period (Changes in specified subsidiaries accompanied by changes i scope of consolidation during the quarter): 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 June 30, 2026:	280,017,520
	As of March 31, 2026:	280,017,520
2. Number of treasury shares:	As of June 30, 2026:	22,362,009
	As of March 31, 2026:	21,602,648
3. Average number of shares outstanding:	For the three months ended June 30, 2026:	257,782,345
	For the three months ended June 30, 2025:	267,552,241

The attached condensed quarterly consolidated financial statements have not been reviewed by certified public accountants or an audit firm.

Explanation regarding proper use of business forecasts, and other significant matters

1. 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", "(3) Outlook for the fiscal year ending March 31, 2027" on page 3.

2. Makita's basic policy on the distribution of profits is to maintain consolidated payout ratio at 50% or greater. 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 2027 for a report on earnings for the year ending March 31, 2027. At the time, in accordance with the basic policy regarding profit distribution mentioned above, the Board of Directors plans to determine the dividend amount so that the consolidated payout ratio will be 50% or higher. The Board of Directors will submit this proposal to the General Meeting of Shareholders scheduled for June 2027.

SUPPLEMENT INFORMATION (CONSOLIDATED)

1. Overview of operating results

(1) Overview of operating results of the three months ended June 30, 2026

Looking at the international economic situation during the first quarter of the current fiscal year, against the backdrop of geopolitical risks, including the situation in the Middle East, resource prices and logistics costs remained elevated. Although the recovery in the construction market remained slow due to high interest rates, labor shortages, and rising construction material costs, investment in infrastructure and key industries remained generally robust.

The Group's consolidated business results for the period were in line with the previous year on a local-currency basis; however consolidated revenue increased 10.7% year on year to 206,550 million yen due to the impact of foreign exchange rate. In terms of profit, operating profit increased by 17.2% year on year to 30,565 million yen (operating profit ratio: 14.8%) driven by an improvement in the cost ratio due to the refund of U.S. tariffs. Profit before income taxes increased by 21.5% to 32,645 million yen (profit before income taxes ratio: 15.8%) and profit attributable to owners of the parent increased by 18.6% to 22,866 million yen (ratio of profit attributable to owners of the parent: 11.1%).

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 9.

In Japan, sales were supported by cordless OPE and 40Vmax lithium-ion battery series (XGT), despite a challenging demand environment including a decline in housing starts and rising construction material prices. As a result, revenue was 33,653 million yen, up 4.1% year on year.

In Europe, the building and construction market remained sluggish amid persistently high interest rates. Despite the impact of a record-breaking heat wave, revenue increased 11.2% year on year to ¥103,259 million, supported by the depreciation of the yen against local currencies in major countries.

In North America, housing demand remained weak due to high interest rates and rising construction costs, while infrastructure-related investment remained robust. In addition, a promotional campaign linked to the 2026 FIFA World Cup conducted by a major home improvement retailer proved successful, resulting in sales of 22,663 million yen, up 18.6% year on year.

In Asia, although tool demand remained generally weak as the prolonged downturn in China's real estate market spread to neighboring countries, sales increased 3.0% year on year to 12,173 million yen, due to the efforts to expand sales of high-value-added products for infrastructure-related projects and key industries, as well as the depreciation of the yen against local currencies.

In Central and South America, although the demand environment remained challenging due to high interest rates and rising construction costs, sales of the XGT series and cordless OPE for agricultural, mining and infrastructure applications, remained strong. Supported by the depreciation of the yen against local currencies, revenue increased 28.1% year on year to 14,816 million yen.

In Oceania, although the building and construction market remained sluggish, sales increased 10.9% year on year to 15,728 million yen, due to the expanded sales of the XGT series and the depreciation of the yen against local currencies.

In the Middle East and Africa, revenue decreased 10.8% year on year to 4,259 million yen, reflecting the worsening situation in the Middle East and the impact of the blockade of the Strait of Hormuz.

(2) Overview of financial situation as of June 30, 2026

Total assets increased 10,329 million yen from the end of the previous fiscal year to 1,191,514 million yen. This increase was mainly due to the increase in "Inventories."

Total liabilities increased 897 million yen from the end of the previous fiscal year to 177,541 million yen. This increase was mainly due to the increase in "Trade and other payables."

Total equity increased 9,432 million yen from the end of the previous fiscal year to 1,013,973 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, 2027

There are uncertainties about the business environment surrounding us and developments in exchange markets. Therefore, we have not revised the consolidated financial performance forecasts for the fiscal year ending March 31, 2027, announced on April 28, 2026.

2. Consolidated Financial Statements (Unaudited)

(1) Consolidated Statement of Financial Position

	Yen (millions)	
	As of March 31, 2026	As of June 30, 2026
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	257,385	256,364
Trade and other receivables	122,018	116,504
Inventories	375,829	385,982
Other financial assets	33,686	27,921
Other current assets	19,273	21,898
Total current assets	808,192	808,669
NON-CURRENT ASSETS:		
Property, plant and equipment, at cost	278,067	277,379
Goodwill and intangible assets	9,619	9,578
Other financial assets	44,414	55,562
Retirement benefit assets	13,548	13,734
Deferred tax assets	22,153	21,290
Other non-current assets	5,193	5,302
Total non-current assets	372,993	382,845
Total assets	1,181,185	1,191,514

	Yen (millions)	
	As of March 31, 2026	As of June 30, 2026
LIABILITIES AND EQUITY		
LIABILITIES		
CURRENT LIABILITIES:		
Trade and other payables	55,358	60,775
Borrowings	2,384	1,604
Other financial liabilities	4,865	4,776
Income taxes payable	14,585	8,366
Provisions	6,766	6,795
Other current liabilities	55,022	52,453
Total current liabilities	138,980	134,769
NON-CURRENT LIABILITIES:		
Retirement benefit liabilities	3,420	3,475
Other financial liabilities	15,165	15,602
Provisions	1,985	2,021
Deferred tax liabilities	16,290	20,836
Income taxes payable	182	185
Other non-current liabilities	621	653
Total non-current liabilities	37,664	42,772
Total liabilities	176,644	177,541
EQUITY		
Share Capital	23,805	23,805
Capital Surplus	45,432	45,527
Retained earnings	779,488	768,760
Treasury shares	(76,727)	(80,802)
Other components of equity	225,342	249,251
Total equity attributable to owners of the parent	997,340	1,006,541
NON-CONTROLLING INTEREST	7,201	7,432
Total equity	1,004,541	1,013,973
Total liabilities and equity	1,181,185	1,191,514

(2) **Consolidated Statements of Profit or Loss and Consolidated Statements of Comprehensive Income**

Consolidated Statements of Profit or Loss

	Yen (millions)	
	For the three months ended June 30, 2025	For the three months ended June 30, 2026
REVENUE	186,614	206,550
Cost of sales	(117,631)	(125,411)
GROSS PROFIT	68,983	81,139
Selling, general, administrative and others, net	(42,914)	(50,575)
OPERATING PROFIT	26,069	30,565
Financial income	2,377	2,389
Financial expenses	(1,581)	(309)
PROFIT BEFORE INCOME TAXES	26,865	32,645
Income tax expenses	(7,585)	(9,690)
PROFIT	19,281	22,955
Profit attributable to:		
Owners of the parent	19,281	22,866
Non-controlling interests	(1)	89
Profit attributable to owners of the parent per share (Basic)(yen)	72.07	88.70

Consolidated Statements of Comprehensive Income

	Yen (millions)	
	For the three months ended June 30, 2025	For the three months ended June 30, 2026
PROFIT	19,281	22,955
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX		
Items that will not be reclassified to profit (loss)		
Equity instruments measured at fair value through other comprehensive income(loss)	(209)	7,686
Total of items that will not be reclassified to profit (loss)	(209)	7,686
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations	7,864	16,365
Total of items that may be reclassified to profit (loss)	7,864	16,365
Total other comprehensive income (loss), net of tax	7,656	24,051
COMPREHENSIVE INCOME	26,936	47,007
Comprehensive income attributable to:		
Owners of the parent	26,764	46,776
Non-controlling interests	173	231

(3) Consolidated Statement of Changes in Equity

	Yen (millions)							
	For the three months ended June 30, 2025							
	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, 2025	23,805	46,014	732,556	(21,470)	145,101	926,005	6,490	932,495
Profit for the period			19,281			19,281	(1)	19,281
Other comprehensive income					7,482	7,482	174	7,656
Comprehensive income	-	-	19,281	-	7,482	26,764	173	26,936
Dividends paid			(24,214)			(24,214)		(24,214)
Purchase of treasury shares		3		(15,406)		(15,403)		(15,403)
Share-based payment transaction		15				15		15
Transfer from other components of equity to retained earnings			0		0	-		-
Other			1			1		1
Total amounts of transactions with owners	-	18	(24,213)	(15,406)	-	(39,601)	-	(39,601)
Balance at June 30, 2025	23,805	46,031	727,624	(36,876)	152,583	913,167	6,663	919,830

	Yen (millions)							
	For the three months ended June 30, 2026							
	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, 2026	23,805	45,432	779,488	(76,727)	225,342	997,340	7,201	1,004,541
Profit for the period			22,866			22,866	89	22,955
Other comprehensive income					23,909	23,909	142	24,051
Comprehensive income	-	-	22,866	-	23,909	46,776	231	47,007
Dividends paid			(33,594)			(33,594)		(33,594)
Purchase of treasury shares		0		(4,075)		(4,075)		(4,075)
Share-based payment transaction		95				95		95
Transfer from other components of equity to retained earnings			0		0	-		-
Total amounts of transactions with owners	-	95	(33,594)	(4,075)	0	(37,574)	-	(37,574)
Balance at June 30, 2026	23,805	45,527	768,760	(80,802)	249,251	1,006,541	7,432	1,013,973

(4) Consolidated Statements of Cash Flows

	Yen (millions)	
	For the three months ended June 30, 2025	For the three months ended June 30, 2026
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit	19,281	22,955
Depreciation and amortization	7,283	7,914
Income tax expenses	7,585	9,690
Financial income and expenses	(796)	(2,080)
Loss (gain) on sales and retirement of property, plant and equipment	(4)	129
Decrease (increase) in trade and other receivables	2,201	7,537
Decrease (increase) in inventories	(4,528)	(1,086)
Increase (decrease) in trade and other payables	272	2,839
Increase (decrease) in retirement benefit assets and liabilities	(143)	(180)
Other	(9,664)	(4,392)
Subtotal	21,486	43,325
Dividends received	450	559
Interest received	1,871	1,367
Interest paid	(310)	(404)
Income taxes paid	(9,295)	(13,075)
Cash flows from operating activities	14,202	31,772
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of non-current assets	(4,960)	(4,047)
Proceeds from sales of non-current assets	809	306
Purchase of investments	(410)	(100)
Proceeds from sales and redemption of investments	2	0
Payments into time deposits	(45,424)	(18,095)
Proceeds from withdrawal of time deposits	59,497	23,396
Other	(21)	(43)
Cash flows from investing activities	9,494	1,417
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase (decrease) in short-term borrowings	(3,171)	(788)
Purchase and sales of treasury shares, net	(15,403)	(4,075)
Cash dividends paid	(24,214)	(33,594)
Repayment of lease liabilities	(1,232)	(1,386)
Other	1,400	1,900
Cash flows from financing activities	(42,619)	(37,943)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	2,192	3,732
NET CHANGE IN CASH AND CASH EQUIVALENTS	(16,731)	(1,021)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	253,279	257,385
CASH AND CASH EQUIVALENTS, END OF PERIOD	236,547	256,364

(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	Overview
IFRS 7 Financial Instruments: Disclosures IFRS 9 Financial Instruments	Clarification of financial asset classification, addition of derecognition requirements for financial liabilities, and revision of disclosure requirements for financial assets measured at fair value through other comprehensive income

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

Segment Information

	Yen (millions)							
	For the three months ended June 30, 2025							
	Japan	Europe	North America	Asia	Total	Other	Elimi-nations	Consoli-dated
Revenue:								
External customers	38,095	93,894	19,690	7,999	159,678	26,937	-	186,614
Inter-segment	73,176	5,284	1,822	67,637	147,919	82	(148,001)	-
Total	111,271	99,177	21,512	75,637	344,673	27,018	(148,001)	186,614
Operating profit..........	9,112	10,171	327	6,012	26,165	1,864	(1,417)	26,069

	Yen (millions)							
	For the three months ended June 30, 2026							
	Japan	Europe	North America	Asia	Total	Other	Elimi-nations	Consoli-dated
Revenue:								
External customers	38,434	104,042	23,311	8,906	174,694	31,856	-	206,550
Inter-segment	75,751	6,250	1,164	86,814	169,979	130	(170,109)	-
Total	114,185	110,292	24,476	95,720	344,673	31,986	(170,109)	206,550
Operating profit	6,710	8,026	4,596	6,833	26,165	918	3,482	30,565

3. SUPPORT DOCUMENTATION (CONSOLIDATED)

(1) Consolidated Financial Results and Forecast

	Yen (millions)			
	For the three months ended June 30, 2025		For the three months ended June 30, 2026	
		(%)		(%)
REVENUE	186,614	(3.8)	206,550	10.7
Domestic	32,332	6.0	33,653	4.1
Overseas	154,282	(5.6)	172,898	12.1
Operating profit	26,069	22.1	30,565	17.2
Profit before income taxes	26,865	25.9	32,645	21.5
Profit attributable to owners of the parent	19,281	20.4	22,866	18.6
Profit attributable to owners of the parent per share (Yen)	72.07		88.70	
Number of Employees	17,586		17,672	

	Yen (millions)			
	For the year ended March 31, 2026		For the year ending March 31, 2027 (Forecast)	
		(%)		(%)
REVENUE	777,600	3.2	820,000	5.5
Domestic	132,136	3.9	135,000	2.2
Overseas	645,464	3.1	685,000	6.1
Operating profit	104,705	(2.2)	110,000	5.1
Profit before income taxes	108,017	(0.4)	111,000	2.8
Profit attributable to owners of the parent	79,414	0.1	81,000	2.0
Profit attributable to owners of the parent per share (Yen)	299.95		314.22	
Number of Employees	17,586		-	

Notes:

1. Please refer to 1. Overview of operating results Section 3 “Outlook for the fiscal year ending March 31, 2027” on page 3.
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 three months ended June 30, 2025		For the three months ended June 30, 2026		For the year ended March 31, 2026	
		(%)		(%)		(%)
Japan	32,332	6.0	33,653	4.1	132,136	3.9
Europe	92,840	(5.6)	103,259	11.2	390,110	4.9
North America	19,102	(11.7)	22,663	18.6	78,662	(6.3)
Asia	11,817	9.9	12,173	3.0	47,730	6.0
Central and South America	11,569	(9.4)	14,816	28.1	52,986	4.5
Oceania	14,181	(11.5)	15,728	10.9	56,651	1.5
The Middle East and Africa	4,775	24.1	4,259	(10.8)	19,325	3.2
Total	186,614	(3.8)	206,550	10.7	777,600	3.2

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 9.
2. 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 three months ended June 30, 2025	For the three months ended June 30, 2026	For the year ended March 31, 2026	For the year ending March 31, 2027 (Forecast)
USD/JPY	144.59	159.57	150.67	155
EUR/JPY	163.81	185.41	174.64	180
RMB/JPY	19.99	23.45	21.22	22.5

(4) Production Ratio (unit basis)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026	For the year ended March 31, 2026
	Composition ratio	Composition ratio	Composition ratio
Domestic	7.7%	7.4%	7.5%
Overseas	92.3%	92.6%	92.5%

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

	Yen (millions)			
	For the three months ended June 30, 2025	For the three months ended June 30, 2026	For the year ended March 31, 2026	For the year ending March 31, 2027 (Forecast)
Capital expenditures	4,960	4,047	21,532	30,000
Depreciation and amortization	6,088	6,351	25,205	25,000
R&D costs	3,919	4,569	16,613	18,500