

Makita

2014

Corporate Profile
CSR Report



Live **Green** &
Grow **Strong**



About This Report

This report contains Makita's "Long Term Objectives and Corporate Attitude," its "Main CSR Activities," and an "Overview of Makita."

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Period Fiscal Year 2014 (FY2014, from April, 2013 to March, 2014)
Scope Makita Corporation (the Corporation) and its consolidated 50 subsidiaries. (51 companies in total)
• Personnel data refers to the Corporation.

Makita publishes annual reports containing its corporate activities.

Corporate Profile / CSR Report



- Corporate Attitude
- CSR Activities
- Overview of the Corporation

Annual Report



- Business Report
- Major Financial Data
- Major Financial Statements

Environmental Report



- Environmental Policy
- Environmental Performance
- Environmental Activities

Corporate Slogan / Corporate Attitude

Long-term Target

Strong Company

Makita has set itself the goal of consolidating a strong position in the global power tool industry as a global supplier of a comprehensive range of power tools that assist people in creating homes and living environments.

Management Policy/Quality Policy

1. Makita strives to exist in harmony with society (a company that observes laws and regulations, acts ethically and never allows intervention of the anti-social organizations).
2. Makita values its customers (a market-driven company).
3. Makita is managed in a consistent and proactive manner (a company that strives to exist in perpetuity by adhering to a sound profit structure).
4. Valuing a stalwart corporate culture, Makita encourages each individual to perform to his highest level (a happy company).

Fundamental Policy Regarding Product Safety

Makita has established a system for providing safe products to our customers (users and consumers), and our whole company is dedicated to ensuring that customers can enjoy peace-of-mind when using our products.

In the unlikely event of a major unforeseen product accident, we will work to speedily and accurately gather information regarding the accident, and to disclose that to customers and all related parties, both inside and outside the company.

* Makita has established a Product Safety Voluntary Action Plan based on the "Fundamental Policy Regarding Product Safety" above.

Code of Ethics

1. Honest and ethical conduct; no conflict of interest
2. Compliance with applicable laws and regulations
3. Full, fair, timely and understandable disclosure
4. Accountability for adhering to this Code
5. Enforcement mechanism
6. Approval for waiver of this Code

Code of Conduct

1. Am I acting in accordance with ethical guidelines? (Would I be unashamed in front of anyone?)
2. Am I looking at things from the customer's point of view rather than the company's point of view? (Am I leaning more towards the customer than my supervisor or my colleagues?)
3. Am I acting and thinking independently and taking on challenges? (Am I caught up in past experiences and successes?)
4. Am I persistently improving and innovating technology? (Is there a reason we have to do it this way?)
5. When I am on site, do I respect the opinions there? (Do I accurately gather information and communicate adequately?)

Message from Top Management

Toward a Sustainable Society that Combines the Environment and Economy



Until now, mankind, so far, has achieved growth and prosperity through massive consumption of limited resources. However, these advances have required great sacrifices, both in terms of the global environment and social life. We believe that it is vital that we engage in corporate activities which balance the apparently contradictory standpoints of maintaining the environment and growing together with society.

Under its environmental vision “Go Green,” and out of consideration for the conservation, sustainability and diversity of the global environment, as well as in response to the needs of products themselves, Makita supplies tools that are friendly to both users and the environment by engaging in the development of rechargeable tools using lithium-ion batteries, gardening equipment featuring clean engines, etc. We also contribute to the creation of rich living environments in emerging countries undergoing rapid economic growth, by providing them with low-priced, highly durable products that meet their market needs.

Under these basic principles, in FY2014, on the development side, we developed a series of cordless gardening equipment powered by two 18V batteries, which combine to provide the motor with 36V of power. This series delivers power comparable to engine-powered equipment, but with no exhaust, low noise and low vibration. In addition, these products contribute to effective use of 18V batteries, which are the mainstay in Makita’s extensive lithium-ion battery series. On the sales side, our local subsidiary in Malaysia began full-scale sales activities, and we newly established a branch in Panama and Belem in northern Brazil. We will work to further expand our global network to ensure prompt and timely delivery of products and services, thereby winning the confidence of professional users around the world.

Engaging in these corporate activities as a comprehensive international tool supplier, we believe that contributing to the global environment and society is a worthy ambition. Under the slogan “Live Green & Grow Strong,” Makita will strive to make greater contributions to help realize a sustainable society that combines the environment and economy.

President, Representative Director

Shiro Hori

Makita's Description of Business

As a global supplier of a comprehensive range of power tools that assist people in creating homes and living environments, Makita supports the creation of an enriched society on a global scale, through the provision of power tools, pneumatic tools, and outdoor power equipment.

As a leading company in the industry, we have established an integrated system from development and production to sales and after-sale service, aiming to provide high-quality and attractive products and services to satisfy our customers.

Power Tools

Direct support for home building work

Power tools are used in a wide variety of settings, including construction sites of houses and buildings and factories. Since the launch of the first domestically manufactured portable electric planer in 1958, Makita has been committed to the development of unique and innovative technologies to make drilling, fastening, cutting and grinding operations easier and more comfortable. In 2005, we launched an impact driver equipped with a lithium-ion battery, for the first time in the industry.

We offer a broad lineup of power tools backed by our superior and reliable technological capabilities.



Cordless Driver Drill



Combination Hammer



Cordless Circular Saw



Angle Grinder



Cordless Jig Saw



Cordless Multi Tool



Planer



Vacuum Cleaner



Laser Distance Measure



Outdoor Power Equipment

Enjoying an enriched lifestyle in harmony with nature

Makita offers an extensive range of products, from AC series for easy gardening to professional-use series of garden equipment designed to perform tough jobs, helping people create living spaces where they feel close to nature. We ran a TV commercial for a cordless brush cutter, with the ad copy, "The best choice for cordless brush cutters is Makita."



Petrol Brushcutter



Hedge Trimmer



Petrol Lawn Mower



Petrol Chain Saw



Petrol Blower



Pump



Pneumatic Tools

Making operations at construction sites more smooth and efficient

Pneumatic tools are used mainly for performing work on the structural members of wooden houses, including external and internal walls. Pneumatic tools use compressed air to drive various types of nails and screws quickly and accurately. In recent years, we have focused our efforts on the development of compact, light yet powerful high-pressure pneumatic tools.



Construction Coil Nailer



Cordless Clipped Head Framing Nailer



Air Compressor



Accessories / After-sales Service

Providing customers with peace of mind, through fine-tuned support services

The proper accessories (consumables such as saw blades and whetstones) can have significant impact on the quality and efficiency of work. Makita offers a full line of high-performance, durable accessories to fit the needs of your operation.

Furthermore, with our extensive after-sale service network, we support our customers through prompt repairs and timely supply of replacement parts.



Makita - A Global Brand










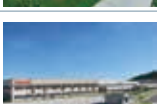
Makita have established directly operated business bases in over 40 countries around the world, and have upgraded our sales network in over 160 countries and after-sales service capabilities to become one of the leading companies in our industry. In addition, Makita is producing power tools in plants in the U.S.A., China, U.K., Germany, Brazil, Romania and Thailand. Currently, over 80% of our group's manufacturing work in terms of production volume is carried out overseas.

Makita's worldwide sales and service network, as well as the stable, high production quality ensured at its plants worldwide, are the embodiment of the Makita brand.

ISO9001 and ISO14001 Certification

Makita has acquired ISO9001 and ISO14001 certification at the head office as well as at its plants both in Japan and overseas.

The newly established Thailand Plant will acquire ISO certification in compliance with this policy.

	(Certification Date)	ISO9001	ISO14001
Head Office		November, 1993	July, 2007
Okazaki Plant		November, 1993	July, 2007
U.S.A. Plant		June, 1996	December, 2009
U.K. Plant		September, 1993	July, 2009
Romania Plant		October, 2007	October, 2008
Germany Plant		October, 2002	January, 2010
Brazil Plant		August, 2009	March, 2010
China Plant (MCC)		March, 1997	November, 2008
China Plant (MKC)		March, 1997	November, 2008
Thailand Plant (Production started in July, 2012)		To be acquired	To be acquired





Makita U.S.A.



Eastern Europe/Russia

Finland, Norway, Sweden, Estonia
Austria, Czech Republic, Slovakia
Hungary, Poland, Slovenia, Ukraine
Romania, Bulgaria, Russia

North America

United States
Canada

United States



Central and South America

Mexico
Brazil
Argentina
Chile
Peru
Colombia
Panama

Brazil



Head Office/Okazaki Plant

Japan

19 Branch Offices in Sapporo, Sendai,
Utsunomiya, Niigata, Saitama, Tokyo,
Chiba, Yokohama, Shizuoka, Nagoya,
Gifu, Kanazawa, Kyoto, Osaka, Hyogo,
Hiroshima, Takamatsu, Fukuoka, Kumamoto,
and 114 Sales Offices in Japan

Asia

Singapore
China
Hong Kong
Taiwan
India
Vietnam
Malaysia
Cambodia

China



Thailand



Makita Malaysia



Oceania

Australia
New Zealand



Makita Chile



Makita Australia

Contributions to the Global Environment



Makita designs and develops environment-conscious products. In this section, we spotlight the development of cordless tools, one of many environment-conscious design initiatives at Makita.

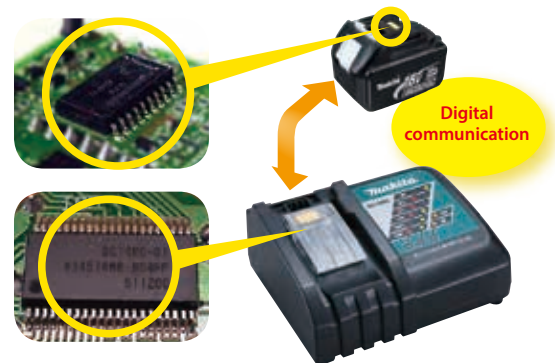
Rapid Charging and Long Battery Life

Makita's cordless tools deliver both rapid charging and long battery life through the use of lithium-ion batteries, our original Optimum Charging System, and forced-air battery cooling.

Lithium-Ion Batteries and the Optimum Charging System

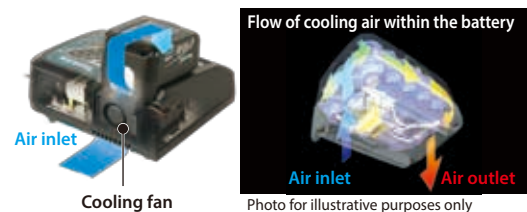
Lithium-ion batteries are compact, lightweight, highly efficient batteries that offer excellent product characteristics, such as high energy density and low self-discharge.

With the Optimum Charging System, a memory chip built into the battery records the battery use history and digitally communicates the history to the charger. The charger diagnoses the battery's condition (high temperature, charging after the battery has been fully charged, over-discharging, etc.) and charges the battery using the optimum method and time.



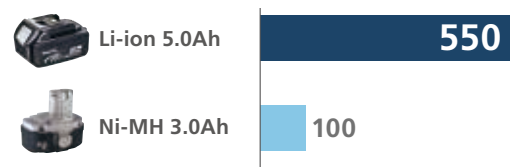
Well-Balanced Battery Cooling

Heat is a cause of battery damage. For this reason, a fan on the charger forces cooling air into the battery, which evenly cools the inside of the battery and forcibly discharges heat. This substantially shortens charging time. In addition, it lengthens battery life by suppressing battery temperature during and after charging.



These features increased lifetime work volume approximately 5.5-fold compared with the Ni-MH cluster battery.

Comparison of Lifetime Work Volume (With cluster battery indexed at 100)





New Products in FY2014

Notable among the new products launched in fiscal 2014 is a series of cordless gardening equipment powered by two 18V batteries, which combine to provide the motor with 36V of power, the highest of any Makita's cordless tools. This series delivers power comparable to engine-powered equipment, but with no exhaust, low noise, and low vibration. In addition, since these products use the mainstay battery in Makita's extensive lithium-ion battery series, the same battery that powers 18V cordless tools and gardening equipment, they contribute to effective battery use.



Lithium-ion
18v + 18v → 36v

Environment-Conscious Design Concepts

Makita's concept for environment-conscious products began with an assessment of the product in 1992, and environment-conscious design began in earnest with the launch of Makita's global environment charter in 1993. Today we improve the energy efficiency of products, reduce weight and extend product life, and use environment-conscious materials to develop, manufacture, and sell products that are recyclable or safe for disposal.

Publication of Product Environmental Data Sheets

Since September in 2010, we have published product environmental data sheets on our Japanese website, quantitatively indicating the environmental performance of each of our products, in order to give a better understanding of the environmental impacts of the products Makita supplies.

* Product environmental data sheets include data such as product weights, noise levels, [reusability + recyclability] rates, recovery rates, and efficiency.
URL: <http://www.makita.co.jp/company/environment.html>

Approaches to Customers

Many customers who purchase Makita products are professional users, including carpenters and other craftsmen. Power tool requirements vary according to deviations in the working environment, methods of construction, and other factors that differ from region to region, as well as country to country.

Makita strives to use its sales and service network, both inside Japan and out, to respond to all of these needs, creating products which satisfy every professional user.

Makita was one of the first to adopt lithium-ion batteries for professional power tools and has launched relevant product series, boasting the highest level of product development capability in the industry.

Through our use of cutting edge technologies such as 3D analysis during product design, we further polish **our own top-level know-how** that we have accumulated over many years, building confidence in the Makita brand.

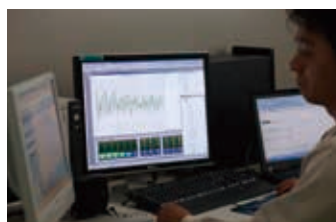
Makita does not stop at just creating products that have the necessary features but also emphasizes safety and sophistication of design. Moreover, Makita fully considers the users' working environment in the design of its products, making every attempt to minimize dust emission, noise, and vibration. Its products also reflect concern for the natural environment by meeting the "3R requirements" (reduce, reuse, recycle), including the reduced use of chemical substances.

At the Nisshin Office and Tokyo Technical Center, we enhance technical capabilities to develop Outdoor Power Equipment including engines.



Product Development

Quality Assurance



Products are checked from the planning stages of their development throughout each process, culminating in their manufacturing.

We take a user-oriented perspective when considering product **safety, functionality, and durability**, performing dozens of tests on each product.

We guarantee a level of quality that will satisfy every customer, in every country. In order to achieve that level of quality, we have established our own strict test standards, as well as investigating how users use our products, using our observations to continually revise and add to our check items.

At the Okazaki Plant, our production center in Japan, we manufacture mainly high value-added products. Positioned as the mother plant for our overseas group plants, the Okazaki Plant serves as the core of Makita's manufacturing, assuming the mission of transmitting information to the world.

Regarding processing activities, including manufacturing of motors, the heart of power tools, we promote studies on methods and development of production facilities in order to satisfy the needs for ever-improving and increasingly diversified products while increasing cost competitiveness. For assembly processes, in preparation for opening factories in emerging countries where further growth is expected, we are replacing manual operations that have been handled by people with machines so that products with **consistent quality** can be manufactured by anyone in any country.



Production

Sales

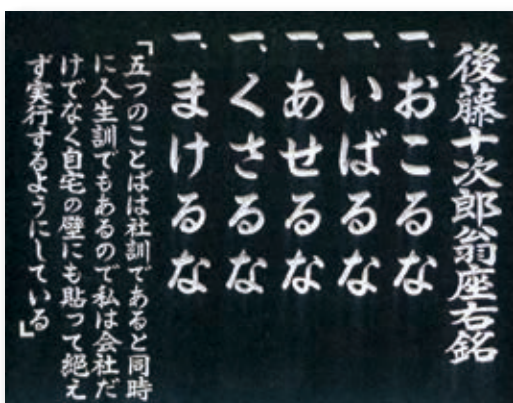


In order to ensure that Makita products are always in top-notch shape, and can be used with peace of mind, we offer meticulous after-sales service through our 19 branches and 114 sales offices throughout Japan. The same customer-centric, **speedy, and accurate service** cultivated in Japan is also offered worldwide.

Not only our training centers inside Japan and abroad serve to improve the product knowledge and repair skills of our sales staff, but in addition to these internal educational activities, they also play an important role in familiarizing retailers with the Makita brand and its products.

Approaches to Employees

Makita is engaged in cultivating human resources with a diverse range of values.



“Managers should advise and talk to employees in a persuasive manner (don’t be arrogant).

If employees are constantly angry at each other, work won’t progress smoothly (don’t be angry).

One must not panic in the face of difficult conditions, such as a declining economy or problems with work (don’t panic),

or must not mope in such conditions (don’t mope).

Panicking and engaging in excessive competition is like signing one’s own death sentence.

That doesn’t mean, however, that one should be lax. If you fail, that will be the least productive course of action (don’t give up).”

These are the life teachings of Jujiro Goto, who helped build the foundation of Makita Corporation together with its founder, Mosaburo Makita, changing it from “a motor company” to “a power tool corporation.” These teachings are carried on to this day. Based on these admonitions, “Don’t be angry, don’t be arrogant, don’t panic, don’t mope, and don’t give up,” we are striving to create comfortable, diverse workplaces offering work-life balance.



In 2003, the Corporation was recognized by Aichi Prefecture as a Family Friendly Business. In 2009, it was awarded a Family Friendly Business by the Governor of Aichi Prefecture.

Diversity Promotion

Hiring of Foreign Employees

About 80% of the employees of Makita are hired locally overseas. As part of our efforts to cultivate global human resources who will lead Makita tomorrow, we hire international students in Japan. As of April 1, 2014, 28 foreign employees were working for Makita in Japan as full time worker.

Increasing Presence of Female Workers

In Japan, we have 12 female employees at the assistant manager level, while more than 30 female employees hold manager-level positions overseas. Female workers support the Makita's operations around the world.

Hiring of People with Disabilities

Our hiring rate of people with disabilities in FY2014 was 1.85%, but according to the report in June 2014, it has increased to over 2.0%. We are now making efforts to increase the number of employees with disabilities, mainly by expanding the scope of employment.

Hiring of the Elderly

We offer re-employment until age 65 for employees who have reached the mandatory retirement age of 60, but who wish to continue working. Currently, approximately 70% of our retirement age employees wish to be re-employed, and we offer opportunities for many employees to remain active.

In FY2014, 52 employees were re-employed through this offer.

Acceptance of Internship Students

In response to requests from educational institutions, we have actively accepted internship students in recent years.

In FY2014, we accepted 13 university students as interns in 12 divisions.

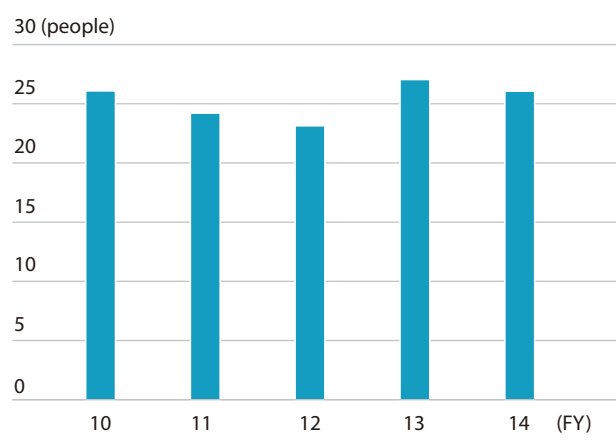
Child Raising Support

Childcare Leave System

Launched in 1990, our childcare leave system boasts a steady utilization rate.

Employees often take childcare leave more than once.

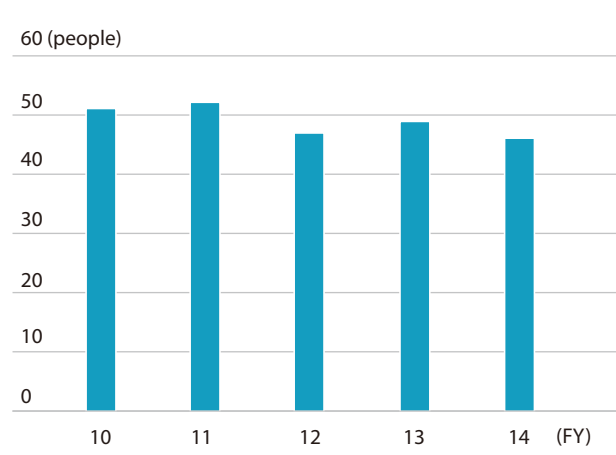
As of the end of FY2014, 26 employees utilized the childcare leave system.



Childcare Reduced Working Hours System

This system, initiated in 1992, has been effectively utilized in accordance with its objectives ever since its inception, and has become a steady fixture at Makita.

As of the end of FY2014, 46 employees utilized this system.



Approaches to Local Communities

Makita is involved in business on a global scale, and contributes to communities with a wide range of cultures. The Makita brand is in use in countries all over the world and in a variety of fields, from construction sites in industrialized countries and urban development projects of newly emerging economies that have been experiencing rapid growth, to sporting events and community activities.

Developing close ties to regional communities in all parts of the world and becoming an integral part of people's lives – that is Makita's objective.

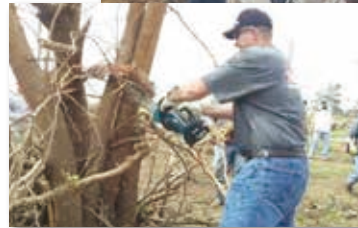
Support for Tornado-hit Areas in Oklahoma (United States)

In May 2013, a massive tornado, with a maximum wind speed of 90 meters per second, hit Moore, Oklahoma, causing many casualties and damage to approximately 13,000 homes and buildings.

Makita U.S.A. donated cordless chain saws, through a local NGO, to the affected areas to use in removing building waste. Makita U.S.A. also dispatched 10 employees to help clear debris and collect household goods from damaged houses.



Makita U.S.A. staff clearing debris



Cutting a broken branch

Battery Recycling Efforts (United States, Japan)

Makita has been actively involved in the recycling of used batteries.

In recognition of its long-term leading role in Call2Recycle, North America's first and largest battery collection and recycling program, Makita U.S.A. received the "Call2Recycle Leader in Sustainability Award" from a non-profit organization Call2Recycle (former RBRC = Rechargeable Battery Recycling Corp.). Since the mid-1990s, Makita has worked with Call2Recycle to develop new ways to collect used batteries at the end of their life cycle. The award recognizes Makita's outstanding contributions in battery recycling, as one of the first power tool manufacturers to join these efforts.

Approximately 5,000 tons of batteries were diverted from landfills through the Call2Recycle program in 2013.

In Japan, in accordance with the Act on the Promotion of Effective Utilization of Resources, the Corporation has been promoting the voluntary collection and recycling of small secondary batteries, as a member of the Japan Portable Rechargeable Battery Recycling Center (JBRC). A total of 115 business locations (head office and 114 sales offices) have been registered as battery collection sites.

In FY2014, Makita ranked 41st in the "Small Rechargeable Battery Collection Promotion Campaign 2013."



President of Makita U.S.A. (left), accepts Call2Recycle Award



Rechargeable Battery Recycling Box (Japan)

Cleaning Activities

Each year, as part of the “Keep Our City Clean” campaigns held in Anjo City in May and October, we gather volunteers to perform cleaning around our head office. Each month, we also clean the walking trail along the east side of the Okazaki Plant.

We will continue to actively participate in environmental conservation activities in local communities.



Cleaning the walking trail along the east side of the Okazaki Plant (May, 2013)



Cleanup activities around the head office (October, 2013)

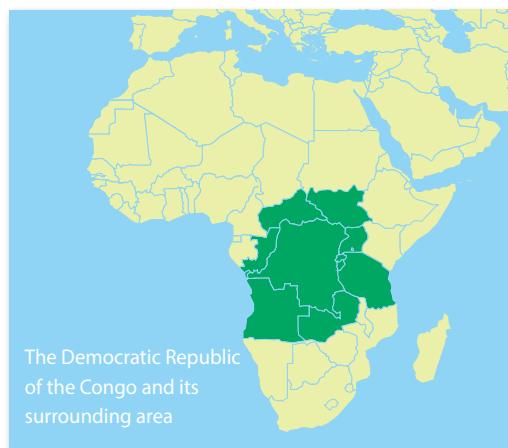
Approach to dealing with the issue of conflict minerals

Regarding mining of some of the minerals (tantalite, tin, gold and tungsten) produced in the Democratic Republic of the Congo and its surrounding area, various problems, including human rights abuse by armed forces, have been pointed out. These minerals are known to be distributed widely throughout the world, serving as a source of funds for the armed forces, and are therefore called “conflict minerals.”

Recognizing this issue of conflict minerals as an important social problem, the Corporation will keep a responsible management system, and collaborate with relevant departments, overseas plants and suppliers to deal with the issue and strengthen its supervision over it. In addition, the Corporation will ensure transparency of its supply chain by investigating whether or not minerals used in its products contain. By doing so, the Corporation is building a responsible material procurement system, aimed at making its products free from conflict minerals – a source of funds for armed forces.

Makita has joined the Responsible Minerals Trade Working Group of the Japan Electronics and Information Technology Industries Association (JEITA) as part of its efforts to strengthen cooperation with industry groups. In addition, Makita has participated in the Conflict-Free Sourcing Working Group of JEITA and joined hands with the automobile industry in unifying methods for investigating the use of conflict minerals in their products, launching a full-fledged probe into the issue in fiscal 2014.

Makita will continue to work with suppliers and relevant organizations to achieve the goal of eradicating conflict minerals – a source of funds for armed forces – from our products.



Conflict minerals (Tungsten)

Approaches to Environment



The “Go Green” slogan symbolizes Makita’s commitment to continually providing new value as a comprehensive international supplier of tools. We hope to always remain a company that maintains a steady eye on society, challenging ourselves to create a “sustainable recycling-oriented society” that combines the environment with the economy.

Environmental Policy

Basic Principles

As a global supplier of power tools used in building homes and in everyday life, Makita is aiming to conduct a wide range of environmental protection activities, taking into consideration biodiversity, to build an affluent society for future generations.

Policies

1. Enforcement of environmental administrative structure

To conduct our business in an environmentally and friendly way, we will organize our environmental administrative structure on a global scale.

2. Continuous improvement and pollution prevention

Makita will endeavor to continuously improve the quality of environmental protection activities and prevent from pollution.

3. Compliance with applicable laws and regulations

Makita will comply with applicable laws, regulations and standards concerning the environment. Moreover, Makita will take preventive action against environmental pollution, based on our environmental principle.

4. Establishment and review of objectives and aims

Makita will endeavor to fully understand environmental impacts we may cause and periodically review the environmental objectives and goals within the technically and economically possible range.

5. Reduction of environmental burden

Makita endeavors to promote the following activities to reduce its environmental burden.

- Reduction of green house gas (CO₂) emissions by conservation of resources and energy.
- Reduction of industrial waste and promotion of waste reuse.
- Replacement from substance of environmental concern and emission control.
- Implementation of product assessment and development of environment-conscious products at the stage of tool design and development.

6. Disclosure

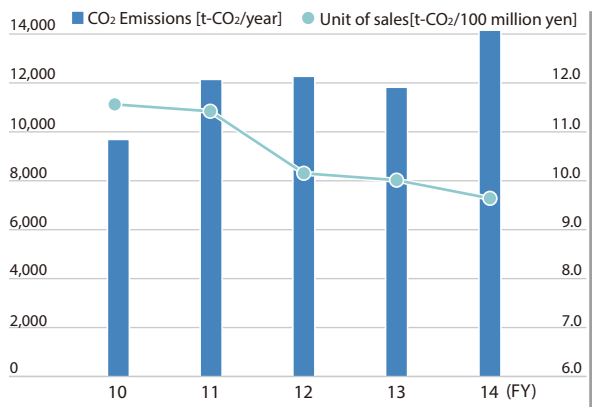
Makita will make this environmental policy known to all of our employees through internal communication and will positively announce it to the public.

Makita's Contributions to the Prevention of Global Warming

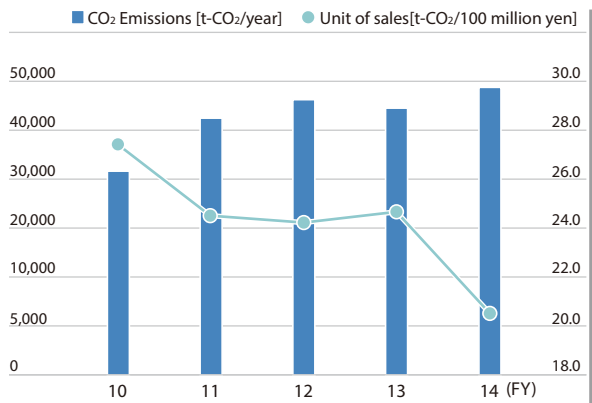
In 1993, Makita established the Makita Global Environment Charter. Since then, Makita has addressed various environmental issues in accordance with the Charter. In recent years, we have focused our efforts on reducing CO₂ emissions aimed at preventing global warming. In terms of CO₂ emissions reduction, Makita has successfully achieved its long-term goal set in 2006 of "reducing CO₂ emissions per unit of sales by at least 21% by FY2011 from FY2001 levels."

From FY2014, toward achieving the new long-term goal (reducing company-wide energy consumption by over 7.73% by FY2021, with FY2013 as the baseline) set in accordance with the electric machinery and electronics industry's Commitment to a Low Carbon Society, we are making utmost efforts to reduce energy consumption so as to help prevent global warming.

In FY2014, we took various measures to reduce electricity consumption, including reducing power for conveyance by adjusting the cold and hot water valves of blowers in the plants; improving the operation of air conditioners; and replacing light bulbs in offices with LED fluorescent tubes. As a result, although CO₂ emissions increased due to increased production, CO₂ emissions per unit of sales reduced.



CO₂ Emissions Trends (Head Office, Domestic business bases)



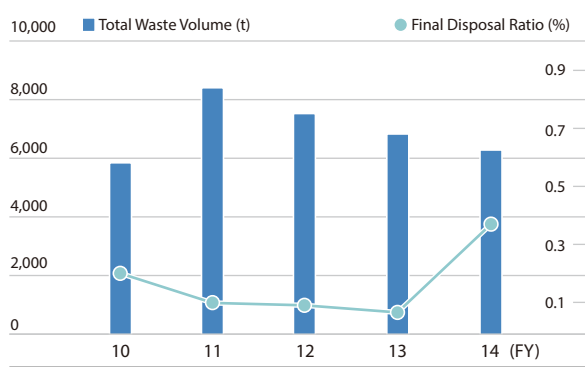
CO₂ Emissions Trends (Overseas production bases)

Makita Zero Emissions

In response to the global social concerns such as the future depletion of energy resources, and insufficient waste disposal space, Makita has dedicated itself to environmental protection throughout its business activities. As for reduction of final waste disposal volume, since FY2007 in Japan we have continuously achieved "zero emissions"—landfill disposal less than 1% of total waste.

In FY2014, after our merger with Numazu Plant, concentrated efforts were made to reduce the volume of landfill waste generated at Numazu Plant. As a result, the final disposal rate was 0.39%.

We believe that these efforts are essential for environmental protection, and we will continue to take a number of approaches throughout our business activities to continue to carry out our societal mission.



Waste / Valuable Resource Volume and Final Disposal Ratio
(Head Office, Okazaki, Nisshin, Numazu (FY2014 only))

Reduced Use of Chemical Substances

With regard to the EU's REACH (Registration, Evaluation, Authorization and Restriction of Chemical Substances) regulations, since FY2010 we have promoted REACH-compliant component procurement by investigating, managing, and supplying information regarding substances of very high concern (SVHC) contained in our products.

We also continually engage in component procurement in compliance with the RoHS Directive (directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment) adopted by EU member states.

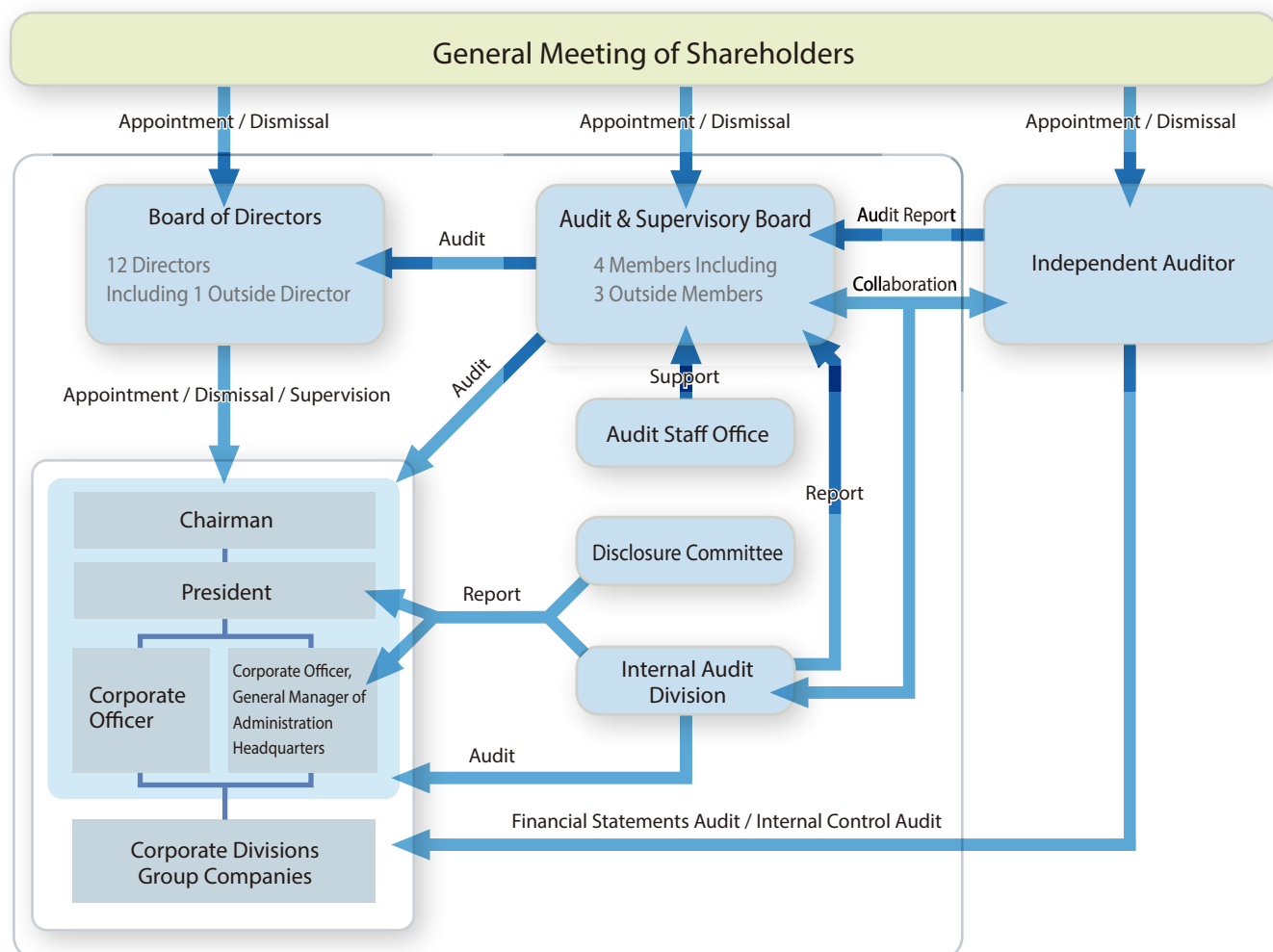


Restriction of Hazardous Substances



Corporate Governance

The Corporation is taking the active initiatives to improve its corporate governance. In order to bolster the functionality of our Board of Directors and Audit & Supervisory Board, we are proactive in our enlisting of Independent Directors / Audit & Supervisory Board Members. Furthermore, we strive to implement operational reforms, such as establishing a structure for swift decision-making, and enriching discussions regarding critical management issues by increasing the effectiveness of the Board of Directors through the implementation of a corporate officer system and the creation of an Internal Audit Division.



Board of Directors

Our Board of Directors, composed of 12 Directors (including 1 Outside Director) meets monthly, deciding on critical issues and the management direction of the Corporation, while strictly managing and monitoring the operations of the Representative Directors and all working beneath them. The Outside Director, making use of deep insight and rich experience, offers unique opinions and advice on issues under consideration at the Board of Directors meetings, contributing to the transparency and healthiness of corporate management.

Audit & Supervisory Board

The Audit & Supervisory Board, made up of 4 Audit & Supervisory Board Members (including 3 Outside Audit & Supervisory Board Members), decides on issues such as auditing policy and the division of roles between Audit & Supervisory Board Members. Each Audit & Supervisory Board Member attends the Board of Directors meetings and other important meetings, auditing the operations of Directors, while holding monthly Audit & Supervisory Board meetings and performing appropriate auditing.

* For details regarding corporate governance, please see the "Corporate Governance Report".

URL: <http://www.makita.co.jp/company/>

Data File

Directors and Audit & Supervisory Board Members (as of June 25, 2014)

Directors

* Chairman

Masahiko Goto

* President

Shiro Hori

Director, Managing Corporate Officer

Tadayoshi Torii

In charge of Production and General Manager of Production Headquarters

Director, Corporate Officer

Tomoyasu Kato

General Manager of Research and Development Headquarters

Tadashi Asanuma

In charge of Domestic Sales and General Manager of Domestic Sales Marketing Headquarters

Hisayoshi Niwa

General Manager of Quality Headquarters

Shinichiro Tomita

General Manager of Purchasing Headquarters

Tetsuhisa Kaneko

General Manager of Production Headquarters (in charge of China Plant)

Yoji Aoki

General Manager of Administration Headquarters

Tomoyuki Ota

Assistant General Manager of Research and Development Headquarters

Munetoshi Goto

General Manager of International Sales Headquarters

Outside Director

Akiyoshi Morita

Advisor of Aichi Steel Corporation

* denotes Representative Director.

Audit & Supervisory Board Members

Standing Audit & Supervisory Board Members

Toshihito Yamazoe

Haruhito Hisatsune

Audit & Supervisory Board Members

Michiyuki Kondo

(Attorney at Law)

Fusahiro Yamamoto

(Certified Public Accountant)

Messrs. Haruhito Hisatsune, Michiyuki Kondo, and Fusahiro Yamamoto are Outside Audit & Supervisory Board Members.

Corporate Officer (as of June 25, 2014)

Toshio Hyuga

General Manager of Domestic Sales Marketing Headquarters: Osaka Area

Tamiro Kishima

In charge of "OPE"

Tim Donovan

President of Makita Corporation of America and in charge of Brazil Plant

Takashi Omote

In charge of Central and South America Sales and President of Makita do Brasil Ferramentas Elétricas Ltda.

Takashi Tsuchiya

General Manager of Domestic Sales Marketing Headquarters: Tokyo Area

Yasushi Fukaya

In charge of Europe Sales

* OPE stands for "Outdoor Power Equipment", which is used for outdoor work such as gardening, agriculture and forestry

Corporate Data (as of March 31, 2014)

Corporate Name

Makita Corporation

Head Office

3-11-8, Sumiyoshi-cho, Anjo, Aichi 446-8502, Japan

Phone : +81-566-98-1711

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

Date of Founding

March 21, 1915

Date of Incorporation

December 10, 1938

Record Date

March 31

Common Stock Listings

Tokyo and Nagoya Stock Exchanges

Paid-in Capital

¥24,205,610 thousand

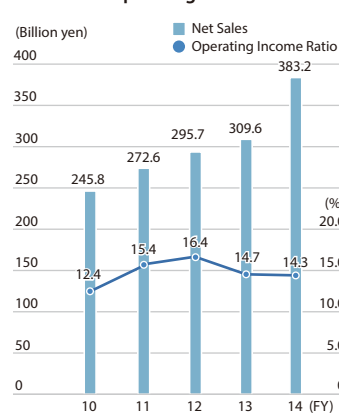
Number of Employees

12,804 (Consolidated) 2,966 (Parent)

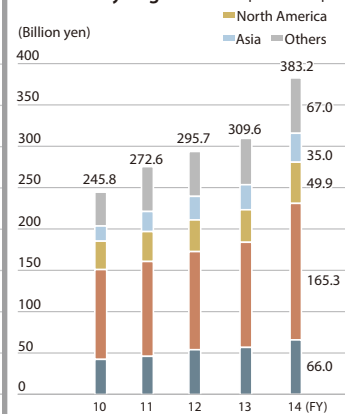
Description of Business

Production and sales of electric power tools, woodworking machines, pneumatic tools, gardening equipment and household equipment

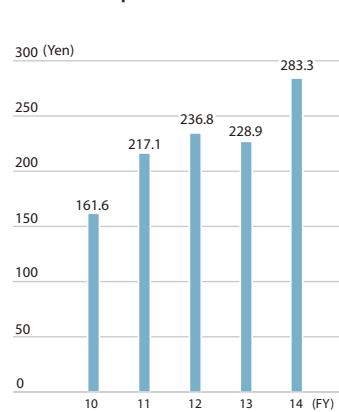
Net Sales / Operating Income Ratio



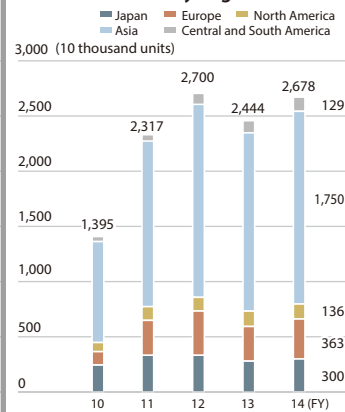
Net Sales by Region



Net Income per Share



Production Units by Region



History of Makita

In 1958, Makita Corporation, which was founded in 1915 as an electric motor sales and repair company, became the first company in Japan to manufacture and sell portable electric planers. Over the half century since, Makita has worked to build a steady position as a manufacturer of power tools. Today, Makita continues to provide products and services that are beneficial to all types of customers engaged in housing construction. Makita's history is one of close interaction with customers and parallels the evolution of power tools.

1910 ~



Electric Generator, exported to the Soviet Union.

- 1915 Founded Makita Electric Works (proprietorship) in Nagoya, Aichi. Began selling and repairing lighting equipment, motors, and transformers.
- 1935 First exported electric generators and motors to the Soviet Union.
- 1938 Incorporated the proprietorship's business form and established Makita Electric Works, Inc.
- 1945 Moved the plant, in an attempt to avoid air raids, to the current head office in Sumiyoshi-Cho, Anjo, Aichi.

1950 ~



1958 Model 1000 Electric Hand Planer 120 mm (the first product in Japan)

- 1959 Transformed into an electric power tool manufacturer.
Initiated exports of electric power tools with shipment of Model 1300 Electric Hand Planers to Australia.
- 1962 Changed the trade name to Makita Electric Works, Ltd.
Went public and listed the company in the 2nd Section of Nagoya Stock Exchange.
- 1963 Became an entirely debt-free company.
- 1968 Listed the company in the 2nd Section of Tokyo Stock Exchange.
- 1969 Model 6500D Battery-powered Drill (first rechargeable power tool).

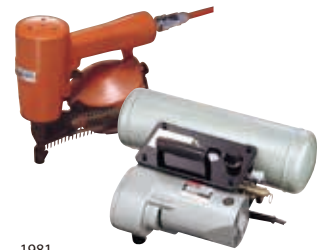
1970 ~



1978 Model 6010D Rechargeable Drill 10 mm (first Ni-Cd battery tool)

- 1970 Designated to the 1st Section of Tokyo and Nagoya Stock Exchanges.
Established Makita U.S.A. Inc. (first overseas subsidiary)
- 1971 Established Makita France S.A. (first European overseas subsidiary, changed the name to Makita France SAS in 2004)
- 1972 Established Makita Electric (U.K.) Ltd. (in the United Kingdom) (changed the name to Makita (U.K.) Ltd. in 1992)
- 1973 Established Makita (Australia) Pty. Ltd.
Established Makita Power Tools Canada Ltd. (changed the name to Makita Canada Inc. in 1991)
- 1974 Established Makita Benelux B.V. (in the Netherlands) (changed the name to Makita Nederland B.V. in 2010)
Established Makita S.p.A. (in Italy)
- 1977 Started trading of American Depository Receipt on NASDAQ (National Association of Securities Dealers Automated Quotations) (NASDAQ listing terminated in 2013)
Established S.A. Makita N.V. (in Belgium)
Established Makita Werkzeug GmbH (in Germany)

1980 ~



1981 Model AN5000 Air Nailer (first pneumatic tool)
Model AC6001 Air Compressor

- 1980 Started production of power tools in Canada. (Production terminated in 2009)
- 1981 Established Makita Brasil Ferramentas Elétricas Ltda. (started production of power tools in South America)
Established Makita Werkzeug Gesellschaft mbH. (in Austria)
- 1983 Established Makita Power Tools Singapore Pte. Ltd. (changed the name to Makita Singapore Ltd. in 1991)
- 1984 Established Makita Corporation of America
- 1985 Started production of power tools in the United States.
- 1988 Established Makita (Taiwan) Ltd.
- 1989 Established Makita Espana S.A. (in Spain) (changed the name to Makita, S.A. in 1991)
Established Makita Manufacturing Europe Ltd. (in the United Kingdom)



1990 ~



1996
Model 6213D Rechargeable Driver-drill
(first Ni-MH battery tool)

- 1991 Acquired Sachs Dolmar GmbH, chain saw manufacturer. (in Germany)
(changed the name to Dolmar GmbH)
- Introduced corporate identity (CI) program.
Changed the name to Makita Corporation.
- Started production of power tools in Europe (in the United Kingdom)
- 1992 Established Makita Power Tools (HK) Ltd. (in Hong Kong)
- 1993 Establishment of Makita's global environment charter (Makita's first year of the environment)
- Established Makita (New Zealand) Ltd.
- Established Makita (China) Co., Ltd.
- 1994 Established Makita Sp.zo.o. (in Poland)
- Established Makita México, S.A. de C.V.
- 1995 Established Makita International Europe Ltd. (in the United Kingdom)
- Established Makita, spol.sr.o (in Czech Republic)
- Started production of power tools in China.
- 1996 Established Makita Elektromos Kíséptékesítő Kft. (in Hungary)
- 1997 Established Makita Gulf FZE. (in the United Arab Emirates)
- 1998 Established Makita Herramientas Eléctricas de Argentina S.A.
- 1999 Established Makita Chile Comercial Ltda.
- Established Makita Hellas S.A. (in Greece)

2000 ~



2005
Model HR4011C Rotary Hammer 40 mm
(with Anti Vibration Technology)

- 2000 Established Makita Romania S.R.L.
- Established Makita SA (in Switzerland)
- Established Makita (Kunshan) Co., Ltd. (in China)
- 2001 Established Makita Latin America Inc.
- Established Makita Oy (in Finland)
- 2002 Launched the 2nd brand MAKTEC specifically for the Asian market.
- 2003 Established Makita LLC. (in Russia)
- 2004 Established Makita s.r.o. (in Slovakia)
- 2005 Model TD130D, Cordless Impact Driver (first Li-ion battery tool)
- Established SC Makita EU S.R.L. (in Romania)
- Established Makita Ukraine LLC.
- 2006 Acquired nailer business from Kanematsu-NNK Corp.
- 2007 Established Makita Peru S.A.
- Started production of power tools in Romania.
- Made Fuji Robin Industries Ltd. a consolidated subsidiary.
(changed the name to Makita Numazu Corporation in 2007, was merged into the Corporation in 2013, business operations closed in 2014)



2006
Model TP130D Cordless 4 Mode Impact Driver
(the first 4 Mode Impact Driver in the industry)

- 2008 Established Makita Bulgaria EOOD
- Established Makita Power Tools India Private Ltd.
- Established Makita Colombia, S.A.
- Established Makita Africa s.a.r.l.a.u. (in Morocco)
- 2009 Established Makita Vietnam Co., Ltd.

2010 ~



2014
Model TD148D Cordless Impact Driver
(with brushless motor)

- 2011 Established Makita Manufacturing (Thailand) Co., Ltd.
- Established Makita d.o.o. (in Slovenia)
- 2012 Opening of Kazakhstan representative office
- In fiscal 2011, the number of production units marked the most ever.
- Started production of power tools in Thailand.
- 2013 Established Makita Power Tools (Malaysia) Sdn. Bhd.
- Panama Branch commenced operations
- TV advertisement for Cordless Brushcutters aired
- Business Collaboration and Capital Alliance with Sharp Corporation
- Established Makita Europe N.V. (Belgium)
- Opening of Cambodia parts center
- 2014 The 2nd TV advertisement for Cordless Brushcutters aired



<http://www.makita.biz/>

Makita Corporation

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