

MAKITA CORP
Form 6-K
November 27, 2009

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 or 15d-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934**

For the month of November, 2009

Commission file number 0-12602

MAKITA CORPORATION

(Translation of registrant's name into English)

3-11-8, Sumiyoshi-cho, Anjo City, Aichi Prefecture, Japan

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101

(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101

(b)(7):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

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SIGNATURES

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MAKITA CORPORATION
(Registrant)

By: /s/ Masahiko Goto
Masahiko Goto
President, Representative Director and
Chief Executive Officer

Date: November 27, 2009

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Makita Corporation
The 98th Interim Business Report
Ended September 30, 2009
(U.S. GAAP Financial Information)
(English translation of CHUKAN-KI JIGYOU NO GOHOUKOKU
interim business report originally issued in Japanese
for the benefit and information of shareholders
of the Company's common stock)

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Message from the Managements

We are pleased to present the outline of operation and financial results for Makita's 98th interim period, ended September 30, 2009.

on Consolidated Operating Result as Interim Period

During the six months (the period) ended September 30, 2009, the housing markets slowed down in Western Europe. Capital expenditures and individual consumption decreased due to the shrinkage of economic activity in Eastern Europe and Russia. In North America, stimulus packages and other measures resulted in improvement in individual consumption and corporate production. Nevertheless, economic conditions remained severe with the recovery of business confidence being hindered by a sense of excess capacity among corporations. In Asia, economies showed a moderate recovery trend: the Chinese economy recovered and exports and individual consumption in Southeast Asia improved. In Japan, the government's stimulus package spurred production in some industries, but general economic conditions remained severe as evidenced from a high unemployment rate and shrinking public investment.

In the power tools market, some emerging countries showed signs of recovery due to active public investment and resource development. However, developed countries such as Japan, Europe and the United States continued to suffer a slump in demand with housing starts remaining at low levels and competition becoming even fiercer.

Under these circumstances, Makita directed our development efforts toward introducing smaller and lighter tools. At the same time, we strove to enhance our existing products. For example, we incorporated our proprietary low-vibration technology, which had originally been used for large drilling tools for stone and very well received, into our medium and small drilling tools. In production side, we curtailed production volume at each factory in order to improve inventory level. We also exerted efforts toward establishing a global production structure of the group in order to quickly and flexibly respond to rapid changes in demand. In sales side, Makita strove to expand sales of our gardening equipments, such as ones incorporating the environmentally friendly compact four-stroke engine. We also stepped up efforts to maintain and improve the quality of our sales and services based on direct communication with customers, which remains one of our group's fortes.

on Consolidated Net Sales decreased due to the Global Recession and the Stronger Yen against Other Currencies

In our consolidated financial results for the period, consolidated net sales decreased by 32.4% to 118,681 million yen from the same period of the previous year, mainly due to the decrease in demand for power tools in the face of the worldwide slowdown in economic growth and the unfavorable impact of the stronger yen against other currencies. Incomes were affected by the decline in the rate of operation of our production site. This decline resulted from the production volume reduction carried out in response to the decrease in demand and in order to improve inventory level. As a result, the ratio of cost of sales increased. Our selling, general, administrative and other expenses decreased by only 18.9% compared with the same period of the previous year despite our group-wide cost reduction efforts. As a result, operating income decreased by 58.8% to 14,866 million yen (operating income ratio: 12.5%). Income before income taxes decreased by 50.2% from the same period of the previous year to 17,271 million yen (income before income taxes ratio: 14.6%). Net income attributable to Makita Corporation decreased by 57.3% to 10,622 million yen (net income attributable to Makita Corporation ratio: 9.0%).

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English Translation of CHUKAN-KI JIGYOU NO GOHOUKOKU originally issued in Japanese

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Net sales by geographic area were as follows:

Net sales in Japan decreased by 14.6% from the same period of the previous year to 20,831 million yen, affected by the housing market remaining sluggish. Sales in gardening equipments were robust but insufficient to compensate for the decreased demand for power tools.

In Europe, net sales decreased by 37.9% from the same period of the previous year to 51,652 million yen. Construction demand declined in Western Europe. Demand for power tools also decreased due to the slowdown of the Russian economy and the financial recession in Eastern Europe.

Net sales in North America decreased by 31.1% to 17,789 million yen. This decrease resulted mainly from the continuing weakness in inventory investment by retailers caused by the sluggish U.S. housing market and the financial recession.

Net sales in Asia decreased by 34.5% from the same period of the previous year to 8,620 million yen. This decrease resulted from the continuing weakness in construction demand.

Net sales in Central and South America and Oceania were sluggish mainly due to the appreciation of the yen against local currencies from the same period of the previous year, although demand on a local currency basis was robust in Brazil and Australia, the hubs of the regional economies. Net sales in Central and South America decreased by 30.1% from the same period of the previous year to 7,398 million yen. Net sales in Oceania decreased by 23.2% from the same period of the previous year to 6,533 million yen. Net Sales in the Middle East and Africa decreased by 41.2% to 5,858 million yen from the same period of the previous year, due to a decline in construction demand.

Outlook for the year ending March 31, 2010 and Issue to be Addressed

Regarding the future outlook, the competition in the power tools market is becoming harsher since the market has remained weak globally. Although some signs of modest recovery have been seen in Asia and emerging countries, the future of the global economy is still uncertain, and the movement in the foreign exchange market is unpredictable. It is expected that the business conditions for Makita will remain severe for the time being.

Under these circumstances, Makita aims to establish high brand recognition and become a Strong Company capable of acquiring and maintaining the top market share as an international total supplier of power tools for professional use, pneumatic tools, gardening equipments and other tools in each international region. To achieve these objectives, we will put focus on maintaining and expanding our efforts to develop new products that guarantee great satisfaction to professional users, our global production structure realizing both high quality and cost competitiveness at the same time, and the best marketing and after-sale service structure of the power tools industry in Japan and in international regions.

With the aim of promoting the development and expansion of engine-powered gardening equipments, Makita established Tokyo Technical Center in Tachikawa, Tokyo on October 1, 2009. The Center will conduct R&D for improving environmental performance, which is the major challenge facing the two-stroke engine.

The Interim Cash Dividends of 15 Yen Per Share

Makita's basic policy on the distribution of profits is to maintain a dividend payout ratio of at least 30%, with a lower limit on annual cash dividends of 18 yen per share.

For the interim period under review, Makita declared to pay a dividend of 15 yen per share, as announced in April 2009.

Based on its dividend policy, Makita's board of directors will decide on proposals for the dividend for the end of the fiscal year at their meeting to approve the financial statements after they are finalized near the end of April 2010. Their proposals will be presented for discussion and final approval at the Ordinary General Meeting of Shareholders.

We look forward to the continuing support and cooperation of our shareholders.

November 2009

Masahiko Goto

President, Representative Director
&

Chief Executive Officer

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Feature Section

n Tokyo Technical Center has been established

On October 1, 2009, the Company established Tokyo Technical Center in Tachikawa, Tokyo aiming to strengthen the development function for and to increase product lines of engine-powered gardening equipments. In the field of the gardening equipments, the Company has expanded product lines of electric-powered or cordless tools. The Center will place emphasis on strengthening product lines of engine-powered tools by promoting mainly research, development and designing of environment-friendly two-stroke engines (with 40ml or less displacement) and chain saws.

n Makita has continued customer-oriented sales activities

Makita has worked hard to develop new products that provide great satisfaction to professional users and established the best marketing and after-sale service structure in the industry so that customers can use our products without worry. During the first six months ended September 30, 2009, the business conditions for Makita were very severe, affected by global recession and appreciation of the yen value against other currencies.

Under such circumstances, Makita has continued customer-oriented sales activities. As part of these activities, we have relocated our Nagoya Office, one of core sales branch in Japan, to a newly-constructed building in Nagoya. As for international sales offices, our sales subsidiary in France constructed a new office building and we established a sales office in Norway.

Through these activities, the sales and after-sale service structure of Makita has been strengthened. We believe that our managerial efforts during the current severe business conditions will become a foundation that supports our growth once the economy begins to recover. We will further continue our diligent efforts to grow into a stronger company and to maintain the confidence from our customers.

n Makita product in the permanent exhibition of the Memorial Museum of Cosmonautics in Russia

In Moscow, the Capital of Russia, Cordless Driver Drill 6213D is exhibited in the permanent exhibition area of the Memorial Museum of Cosmonautics. The product is exhibited in the Tools Drawer equipped in the Spaceship exhibition area. In the caption plate titled Tools equipped in the spaceship, it is explained that the tools were mainly used in the space station Mir and other spaceships.

We will continue diligent efforts to deliver our products that receive confidence from professional users around the world and further promote diffusion of Makita brands.

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Table of Contents**Consolidated Financial Highlights**

| | Yen (millions) | | | Rate of change (%) | For the year ended March 31, 2009 |
|--|---|---|---|-----------------------------|---|
| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the six months ended September 30, 2009 | | |
| Net Sales | 169,537 | 175,558 | 118,681 | (32.4) | 294,034 |
| Operating Income | 33,899 | 36,047 | 14,866 | (58.8) | 50,075 |
| Operating Income to Net Sales Ratio (%) | 20.0% | 20.5% | 12.5% | | 17.0% |
| Income before Income Taxes | 34,629 | 34,710 | 17,271 | (50.2) | 44,443 |
| Net Income Attributable to Makita Corporation | 23,596 | 24,851 | 10,622 | (57.3) | 33,286 |
| Net Income Attributable to Makita Corporation to Net Sales Ratio (%) | 13.9% | 14.2% | 9.0% | | 11.3% |
| | As of September 30, 2007 | As of September 30, 2008 | As of September 30, 2009 | Rate of change (%) | As of March 31, 2009 |
| Total Makita Corporation Shareholders' Equity | 320,144 | 316,519 | 285,830 | (9.7) | 283,485 |
| Total Assets | 393,148 | 382,000 | 335,361 | (12.2) | 336,644 |
| Shareholders' Equity Ratio to Total Assets (%) | 81.4% | 82.9% | 85.2% | | 84.2% |
| | For the six months ended September 30, 2007 | For the six months ended September 30, 2008 | For the six months ended September 30, 2009 | Rate of change (%) | For the year ended March 31, 2009 |
| Capital Expenditures | 7,161 | 9,827 | 6,702 | (31.8) | 17,046 |
| Depreciation and Amortization | 3,879 | 4,426 | 4,071 | (8.0) | 8,887 |
| Research and Development Cost | 2,826 | 3,493 | 3,324 | (4.8) | 6,883 |
| Employees | 10,093 | 10,799 | 10,131 | (6.2) | 10,412 |
| Average Number of Shares Outstanding | 143,725,286 | 141,521,162 | 137,762,814 | | 140,518,582 |
| Earning Per Share (Basic) | 164.2 | 175.6 | 77.1 | (56.1) | 236.9 |
| Net Income Attributable to | | | | | |

Makita Corporation Common
Shareholders (Yen)
Cash Dividends Per Share
(Yen)

| | | | |
|------|------|------|------|
| 30.0 | 30.0 | 15.0 | 80.0 |
|------|------|------|------|

Notes:

1. In principle, amounts of less than 1 million yen have been rounded.
2. Certain reclassifications have been made to the previous years consolidated financial statements to conform with the presentation used for the six months ended September 30, 2009. The meaning of Net income attributable to Makita Corporation is the same as the former Net income .

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Table of Contents**Consolidated Net Sales by Geographic Area**

| | Yen (billions) | | | | |
|---------------|--------------------------|----------------------|-----------------------|----------------------|-----------------------|
| | For the six months ended | | | | |
| | September 30, 2007 | March 31, 2008 | September 30, 2008 | March 31, 2009 | September 30, 2009 |
| Japan | 25.6 | 26.6 | 24.4 | 21.8 | 20.8 |
| Europe | 78.9 | 81.5 | 83.1 | 54.0 | 51.7 |
| North America | 28.9 | 27.5 | 25.8 | 16.5 | 17.8 |
| Asia | 11.0 | 11.6 | 13.2 | 8.8 | 8.6 |
| Other Regions | 25.1 | 25.9 | 29.1 | 17.4 | 19.8 |
| Total | 169.5 | 173.1 | 175.6 | 118.5 | 118.7 |

Note: The table above sets forth Makita's consolidated net sales by geographic area based on customer location for the periods presented.

Profit Ratio

| | % | | | | |
|--|--------------------------|----------------------|-----------------------|----------------------|-----------------------|
| | For the six months ended | | | | |
| | September 30, 2007 | March 31, 2008 | September 30, 2008 | March 31, 2009 | September 30, 2009 |
| Operating Income to Net Sales Ratio | 20.0 | 19.1 | 20.5 | 11.8 | 12.5 |
| Net Income Attributable to Makita Corporation to Net Sales Ratio | 13.9 | 13.0 | 14.2 | 7.1 | 9.0 |

Production by Geographic Area

| | Million units | | | | |
|---------------------------|--------------------------|----------------------|-----------------------|----------------------|-----------------------|
| | For the six months ended | | | | |
| | September 30, 2007 | March 31, 2008 | September 30, 2008 | March 31, 2009 | September 30, 2009 |
| Japan | 2.43 | 2.49 | 2.34 | 1.54 | 0.98 |
| Europe | 1.02 | 1.33 | 1.25 | 0.95 | 0.52 |
| North America | 0.69 | 0.78 | 0.71 | 0.56 | 0.29 |
| China | 5.97 | 6.59 | 6.98 | 5.09 | 3.80 |
| Central and South America | 0.26 | 0.26 | 0.32 | 0.24 | 0.23 |

| | | | | | |
|-------|-------|-------|-------|------|------|
| Total | 10.37 | 11.45 | 11.60 | 8.38 | 5.82 |
|-------|-------|-------|-------|------|------|

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Table of ContentsShareholders Equity per Share

| | | | Yen As of | | |
|-------------------------------|--------------------------|----------------------|-----------------------|----------------------|-----------------------|
| | September 30, 2007 | March 31, 2008 | September 30, 2008 | March 31, 2009 | September 30, 2009 |
| Shareholders Equity per Share | 2,227 | 2,201 | 2,249 | 2,058 | 2,075 |

Earning Per Share (Basic) Net Income Attributable to
Makita Corporation Common Shareholders

| | For the year ended March 31, 2006 | For the year ended March 31, 2007 | Yen For the year ended March 31, 2008 | For the year ended March 31, 2009 | For the year ending March 31, 2010 |
|---|---|---|--|---|--|
| Earning Per Share (Basic) Net Income Attributable to Makita Corporation Common Shareholders for the Interim Period | 179.5 | 107.1 | 164.2 | 175.6 | 77.1 |
| Earning Per Share (Basic) Net Income Attributable to Makita Corporation Common Shareholders for the Year | 281.1 | 257.3 | 320.3 | 236.9 | |

Cash Dividend per Share

| | For the year ended March 31, 2006 | For the year ended March 31, 2007 | Yen For the year ended March 31, 2008 | For the year ended March 31, 2009 | For the year ending March 31, 2010 |
|---|---|---|--|---|--|
| Cash dividend per share for the Interim Period | 19 | 19 | 30 | 30 | 15 |
| Cash dividend per Share for the Year | 57 | 74 | 97 | 80 | Undecided |

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Table of Contents**Condensed Consolidated Balance Sheets**

| | As of March 31, 2009 | Yen(millions) As of September 30, 2009 | Increase (Decrease) |
|--|----------------------------|--|----------------------------|
| ASSETS | | | |
| CURRENT ASSETS: | | | |
| Cash and Cash Equivalents | 34,215 | 41,948 | 7,733 |
| Time Deposit | 2,623 | 5,351 | 2,728 |
| Marketable Securities | 29,470 | 34,101 | 4,631 |
| Notes Receivable in Trade | 2,611 | 2,420 | (191) |
| Accounts Receivable in Trade | 43,078 | 43,825 | 747 |
| Less-Allowance for Doubtful Receivables | (1,129) | (1,097) | 32 |
| Inventories | 111,002 | 95,299 | (15,703) |
| Deferred Income Taxes | 7,264 | 6,226 | (1,038) |
| Prepaid Expenses and Other Current Assets | 11,269 | 8,574 | (2,695) |
| Total Current Assets | 240,403 | 236,647 | (3,756) |
| PROPERTY, PLANT AND EQUIPMENT: | | | |
| Land | 18,173 | 18,433 | 260 |
| Buildings and Improvements | 65,223 | 67,111 | 1,888 |
| Machinery and Equipment | 74,458 | 74,480 | 22 |
| Construction in Progress | 4,516 | 4,763 | 247 |
| Less-Accumulated Depreciation | (89,674) | (91,130) | (1,456) |
| Total Net Property, Plant and Equipment | 72,696 | 73,657 | 961 |
| INVESTMENTS AND OTHER ASSETS: | | | |
| Investment Securities | 11,290 | 12,783 | 1,493 |
| Deferred Income Taxes | 5,050 | 3,763 | (1,287) |
| Other Assets | 7,205 | 8,511 | 1,306 |
| Total Investments and Other Assets | 23,545 | 25,057 | 1,512 |
| TOTAL ASSETS | 336,644 | 335,361 | (1,283) |

Table of Contents**Condensed Consolidated Balance Sheets**

| | Yen (millions) | Yen (millions) | |
|---|----------------|----------------|----------------|
| | As of | As of | Increase |
| | March | September | |
| | 31, 2009 | 30, 2009 | (Decrease) |
| LIABILITIES | | | |
| CURRENT LIABILITIES: | | | |
| Short-term Borrowings | 239 | 628 | 389 |
| Trade Notes and Accounts Payable | 14,820 | 12,519 | (2,301) |
| Accrued Payroll | 7,361 | 7,408 | 47 |
| Accrued Expenses and Others | 15,575 | 14,321 | (1,254) |
| Income Taxes Payable | 2,772 | 1,621 | (1,151) |
| Deferred Income Taxes | 50 | 82 | 32 |
| Total Current Liabilities | 40,817 | 36,579 | (4,238) |
| LONG-TERM LIABILITIES: | | | |
| Long-term Indebtedness | 818 | 566 | (252) |
| Accrued Retirement and Termination Benefits | 7,116 | 6,294 | (822) |
| Deferred Income Taxes | 548 | 853 | 305 |
| Other Liabilities | 1,599 | 3,000 | 1,401 |
| Total Long-term Liabilities | 10,081 | 10,713 | 632 |
| Total Liabilities | 50,898 | 47,292 | (3,606) |
| EQUITY | | | |
| MAKITA CORPORATION SHAREHOLDERS EQUITY: | | | |
| Common Stock | 23,805 | 23,805 | |
| Additional Paid-in Capital | 45,420 | 45,420 | |
| Legal Reserve and Retained Earnings | 263,156 | 266,890 | 3,734 |
| Accumulated Other Comprehensive Income (Loss) | (42,461) | (43,845) | (1,384) |
| Treasury Stock, at cost | (6,435) | (6,440) | (5) |
| Total Makita Corporation Shareholders Equity | 283,485 | 285,830 | 2,345 |
| NONCONTROLLING INTEREST | 2,261 | 2,239 | (22) |
| Total Equity | 285,746 | 288,069 | 2,323 |
| TOTAL LIABILITIES AND EQUITY | 336,644 | 335,361 | (1,283) |

English Translation of CHUKAN-KI JIGYOU NO GOHOUKOKU originally issued in Japanese

Table of Contents**Consolidated Statements of Income**

| | Yen (millions) | | | |
|---|---|--|------------------------|--------|
| | For the six months ended September 30, 2008 | For the six months ended September 30, 2009 | Increase (Decrease) | |
| | | | (Amount) | (%) |
| NET SALES | 175,558 | 118,681 | (56,877) | (32.4) |
| Cost of Sales | 100,824 | 72,454 | (28,370) | (28.1) |
| GROSS PROFIT | 74,734 | 46,227 | (28,507) | (38.1) |
| Selling, General, Administrative and other Expenses | 38,687 | 31,361 | (7,326) | (18.9) |
| OPERATING INCOME | 36,047 | 14,866 | (21,181) | (58.8) |
| OTHER INCOME (EXPENSES): | | | | |
| Interest and Dividend Income | 954 | 356 | (598) | (62.7) |
| Interest Expense | (169) | (48) | 121 | (71.6) |
| Exchange Gains (Losses) on Foreign Currency Transactions, net | (1,462) | 1,946 | 3,408 | |
| Realized Gains (Losses) on Securities, net | (660) | 151 | 811 | |
| Total | (1,337) | 2,405 | 3,742 | |
| INCOME BEFORE INCOME TAXES | 34,710 | 17,271 | (17,439) | (50.2) |
| PROVISION FOR INCOME TAXES | | | | |
| Current | 7,686 | 4,964 | (2,722) | (35.4) |
| Deferred | 1,916 | 1,544 | (372) | (19.4) |
| Total | 9,602 | 6,508 | (3,094) | (32.2) |
| NET INCOME | 25,108 | 10,763 | (14,345) | (57.1) |
| Less: Net Income Attributable to the Noncontrolling Interest | (257) | (141) | 116 | |
| NET INCOME ATTRIBUTABLE TO MAKITA CORPORATION | 24,851 | 10,622 | (14,229) | (57.3) |

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Table of Contents**Consolidated Statements of Cash Flows**

| | Yen (millions) | |
|---|---|--|
| | For the six months ended September 30, 2008 | For the six months ended September 30, 2009 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net Income Attributable to Makita Corporation | 25,108 | 10,763 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and Amortization | 4,426 | 4,071 |
| Provision for Deferred Income Taxes | 1,916 | 1,544 |
| Realized Losses (Gains) on Securities, net | 660 | (151) |
| Losses on Disposals or Sales of Property, Plant & Equipment | 324 | 92 |
| Changes in Assets and Liabilities: | | |
| Trade Receivable | (2,308) | (200) |
| Inventories | (10,498) | 14,841 |
| Trade Notes and Accounts Payables and Accrued Expenses | (2,518) | (2,886) |
| Income Taxes Payable | (2,602) | 897 |
| Accrued Retirement and Termination Benefits | (1,180) | (639) |
| Other, net | 894 | (18) |
| Net Cash Provided by Operating Activities | 14,222 | 28,314 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Capital Expenditures | (9,827) | (6,702) |
| Purchases of Available-for-sale Securities | (343) | (4,341) |
| Proceeds from Sales of Available-for-sale Securities | 12,147 | 1,119 |
| Proceeds from Maturities of Available-for-sale Securities | 2,000 | |
| Proceeds from Maturities of Held-to-maturity Securities | 300 | 200 |
| Proceeds from Sales of Property, Plant and Equipment | 145 | 273 |
| Decrease (Increase) in Time Deposits | (1,176) | (1,506) |
| Other, net | (114) | (19) |
| Net Cash Provided by (Used in) Investing Activities | 3,132 | (10,976) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Increase (Decrease) in Short-term borrowings | (620) | 204 |
| Purchase and Sales of Treasury stock | (11,947) | (5) |
| Cash Dividends Paid | (9,632) | (6,888) |
| Other, net | (312) | (265) |
| Net Cash Used in Financing Activities | (22,511) | (6,954) |

| | | |
|---|---------|---------|
| EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | 1,529 | (2,651) |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | (3,628) | 7,733 |
| CASH AND CASH EQUIVALENTS, Beginning of Period | 46,306 | 34,215 |
| CASH AND CASH EQUIVALENTS, End of Period | 42,678 | 41,948 |

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English Translation of CHUKAN-KI JIGYOU NO GOHOUKOKU originally issued in Japanese

Table of Contents**Operating Segment Information**

For the six months ended September 30, 2008

| | Yen (millions) | | | | | | | |
|------------------------|----------------|---------|---------------|--------|--------|---------|----------------------------|--------------|
| | Japan | Europe | North America | Asia | Other | Total | Corporate and eliminations | Consolidated |
| Sales: | | | | | | | | |
| (1) External Customers | 35,371 | 83,192 | 26,062 | 6,009 | 24,924 | 175,558 | | 175,558 |
| (2) Inter-Segment | 33,454 | 2,792 | 2,809 | 51,597 | 79 | 90,731 | (90,731) | |
| Total | 68,825 | 85,984 | 28,871 | 57,606 | 25,003 | 266,289 | (90,731) | 175,558 |
| Operating Expenses | 59,925 | 70,438 | 27,726 | 50,201 | 20,881 | 229,171 | (89,660) | 139,511 |
| Operating Income | 8,900 | 15,546 | 1,145 | 7,405 | 4,122 | 37,118 | (1,071) | 36,047 |
| Identifiable Assets | 249,134 | 135,537 | 42,479 | 56,936 | 37,335 | 521,421 | (139,421) | 382,000 |

For the six months ended September 30, 2009

| | Yen (millions) | | | | | | | |
|------------------------|----------------|---------|---------------|--------|--------|---------|----------------------------|--------------|
| | Japan | Europe | North America | Asia | Other | Total | Corporate and eliminations | Consolidated |
| Sales: | | | | | | | | |
| (1) External Customers | 26,695 | 51,977 | 17,681 | 4,341 | 17,987 | 118,681 | | 118,681 |
| (2) Inter-Segment | 14,093 | 1,189 | 884 | 25,308 | 44 | 41,518 | (41,518) | |
| Total | 40,788 | 53,166 | 18,565 | 29,649 | 18,031 | 160,199 | (41,518) | 118,681 |
| Operating Expenses | 42,567 | 47,224 | 18,380 | 25,592 | 16,752 | 150,515 | (46,700) | 103,815 |
| Operating Income | (1,779) | 5,942 | 185 | 4,057 | 1,279 | 9,684 | 5,182 | 14,866 |
| Identifiable Assets | 231,795 | 106,573 | 29,447 | 48,000 | 36,278 | 452,093 | (116,732) | 335,361 |

Note: Segment information is determined by the location of the Company and its consolidated subsidiaries.

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English Translation of CHUKAN-KI JIGYOU NO GOHOUKOKU originally issued in Japanese

Table of Contents**Condition of Shareholders and Shares**

(As of September 30, 2009)

| | |
|--|---|
| <u>Total Number of Shares Authorized</u> | 496,000,000 shares |
| <u>Total Number of Shares Outstanding</u> | 140,008,760 shares (including 2,246,906 shares of treasury stock) |
| <u>Number of Shareholders 10 Largest Shareholders</u> | 15,576 (1,192 decrease compared with as of March 31, 2009) |

Number of Shares Held

| Name of Shareholder | Number of Shares Held | |
|--|-----------------------|-------|
| | Units (thousand) | % |
| The Master Trust Bank of Japan, Ltd. (Trust account) | 9,628 | 6.88 |
| Japan Trustee Services Bank, Ltd. (Trust account) | 8,497 | 6.07 |
| The Bank of Tokyo-Mitsubishi UFJ, Ltd. | 5,213 | 3.72 |
| Nippon Life Insurance Company | 4,013 | 2.87 |
| The Bank of New York Mellon as Depositary Bank for DR Holders | 3,950 | 2.82 |
| Makita Cooperation Companies Investment Association | 3,908 | 2.79 |
| Maruwa Co.,Ltd. | 3,669 | 2.62 |
| Sumitomo Mitsui Banking Corporation | 2,900 | 2.07 |
| The Nomura Trust and Banking Co., Ltd (Trust account) | 2,036 | 1.45 |
| The Chase Manhattan Bank, N.A. London SECS Lending Omnibus Account | 2,011 | 1.44 |
| Total | 45,825 | 32.73 |

- Note 1. Shares holding ratios above are calculated based on the total number of issued shares (including treasury stock) as of September 30, 2009.
2. The Bank of New York Mellon as Depositary Bank for DR Holders is the nominal holder of the shares of The Bank of New York Mellon, the trustee bank for the Company's American Depositary Shares.
3. In addition to the above, the Company owns 2,247 thousand shares of treasury stock.

Distribution of Share-ownership

| Class of Shareholder | Number of Shares Held | |
|---|-----------------------|------|
| | Units(thousand) | % |
| Financial Institutions and Securities Firms | 53,765 | 38.4 |
| Japanese Individuals and Other | 25,179 | 18.0 |
| Foreign Investors | 41,557 | 29.7 |
| Other Japanese Business Corporations | 17,261 | 12.3 |
| Treasury Stock | 2,247 | 1.6 |

| Class of Shareholder | Number of Shareholders | |
|---|------------------------|------|
| | Units | % |
| Financial Institutions and Securities Firms | 129 | 0.8 |
| Japanese Individuals and Other | 14,621 | 93.9 |
| Foreign Investors | 428 | 2.7 |
| Other Japanese Business Corporations | 397 | 2.6 |
| Treasury Stock | 1 | 0.0 |

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Table of Contents**Price per Share and Volume of Shares Traded on The Tokyo Stock Exchange**

| | 2009 | | | | | |
|--------------------------|--------|--------|--------|--------|--------|-----------|
| | April | May | June | July | August | September |
| High (yen) | 2,500 | 2,450 | 2,535 | 2,370 | 2,790 | 3,060 |
| Low (yen) | 2,125 | 2,080 | 2,095 | 1,912 | 2,425 | 2,635 |
| Volume (thousand shares) | 14,286 | 12,581 | 21,345 | 16,592 | 15,924 | 12,892 |

Note: The highest price, lowest price, and total volume of shares traded on The Tokyo Stock Exchange for the six months ended September 30, 2009 were as follows:

The highest price per share: 3,060 yen marked on September 18, 2009
 The lowest price per share: 1,912 yen marked on July 13, 2009
 Total volume of shares traded: 93,620 thousand shares

Basic policy regarding profit distribution and to repurchases of its outstanding shares

Makita's basic policy on the distribution of profits was established in the fiscal year ended March 31, 2004 is to maintain a dividend payout ratio of 30% or greater, with a lower limit on annual cash dividends of 18 yen per share. However, in the event special circumstances arise, computation of the amount of dividends will be based on consolidated net income attributable to Makita Corporation after certain adjustments. With respect to repurchases of its outstanding shares, Makita aims to implement a flexible capital policy, augment the efficiency of its capital employment, and thereby boost shareholder profit. Also Makita continues to consider execution of own share repurchases in light of trends in stock prices.

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Corporate Data

(As of September 30, 2009)

Makita Corporation

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

Phone: (0566) 98-1711

Website: <http://www.makita.co.jp/global/>

| | |
|-------------------------------------|---|
| Date of founding | March 21, 1915 |
| Date of incorporation | December 10, 1938 |
| Paid-in Capital | 24,206 million yen (non-consolidated) |
| Description of business | Production and sales of electric power tools, pneumatic tools, gardening and household products |
| Number of consolidated subsidiaries | 47(Domestic 2, Overseas 45) |
| Plants | Two in Japan, seven outside of Japan (two in China, and one each in the United States, Brazil, the United Kingdom, Germany and Romania) |
| Employees | 10,131 (consolidated) 2,926 (non-consolidated) |

Board of Directors

| | | |
|---------------------------------------|-------------------|---|
| President and Representative Director | Masahiko Goto | |
| Director, Managing Corporate Officers | Yasuhiko Kanzaki | (In Charge of International Sales and General Manager of International Sales Headquarters: Europe, the Middle East and Africa Region) |
| | Tadayoshi Torii | (In Charge of Production and General Manager of Production Headquarters) |
| | Shiro Hori | (In Charge of International Sales and General Manager of International Sales Headquarters: America, Asia, and Oceania Region) |
| Director, Corporate Officers | Tomoyasu Kato | (General Manager of Research and Development Headquarters (In Charge of Research and Development)) |
| | Tadashi Asanuma | (In Charge of Domestic Sales and General Manager of Domestic Sales Marketing Headquarters: Nagoya Area) |
| | Hisayoshi Niwa | (General Manager of Quality Headquarters) |
| | Shinichiro Tomita | (General Manager of Research and Development Headquarters (In Charge of Product Development)) |
| | Tetsuhisa Kaneko | (General Manager of Purchasing Headquarters) |

Yoji Aoki

(General Manager of Administration
Headquarters)

Outside Director

Motohiko Yokoyama

(President and Representative Director of
JTEKT Corporation)

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Board of Statutory Auditors

Standing Statutory Auditors Toshihito Yamazoe

Haruhito Hisatsune (Outside Auditor)

Statutory Auditors Masahumi Nakamura (Outside Auditor, Certified Accountant)

Michiyuki Kondo (Outside Auditor, Lawyer)

Corporate officers

Corporate Officers Zenji Mashiko (General Manager of Domestic Sales Marketing Headquarters: Tokyo Area)

Toshio Hyuga (General Manager of Domestic Sales Marketing Headquarters: Osaka Area)

Hiroshi Okamoto (President of Makita U.S.A. Inc)

Tamiro Kishima (Senior Managing Director of Dolmar G.m.b.H)

Osamu Yokoyama (President of Makita (China) Co., Ltd. and Makita (Kunshan) Co., Ltd.)

Independent Registered Public Accounting Firm

KPMG AZSA & Co.

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Information on Shares

(As of September 30, 2009)

| | |
|--|--|
| Fiscal period | The one (1) year period from April 1 of each year to March 31 of the following year |
| Ordinary general meeting of shareholders | June |
| Number of shares constituting one unit | 100 shares |
| Record dates | 1) Ordinary general meeting of shareholders and cash dividends for the second half March 31 of each year 2) Cash dividends for the interim period September 30 of each year |
| Transfer agent of common stock | The Chuo Mitsui Trust and Banking Company, Limited 33-1, Shiba 3-chome, Minato-ku, Tokyo 105-8574, Japan |
| Its handling office | The Chuo Mitsui Trust and Banking Company, Limited Nagoya Branch Office 15-33, Sakae 3-chome, Naka-ku, Nagoya, Aichi 460-8685, Japan Website: http://www.chuomitsui.co.jp/person/p06.html |
| Its liaison offices | Head office and nationwide branch offices of The Chuo Mitsui Trust and Banking Company, Limited Head office and nationwide branch offices of Japan Securities Agents, Ltd. |
| Means of public notice | Website: http://www.makita.co.jp/ir/index1.htm |
| Common stock listings | <i>Domestic</i> Tokyo and Nagoya stock exchanges (stock code: 6586) <i>Overseas</i> American Depositary Receipts: The Nasdaq Global Select Market (stock code: MKTAY) |