

# ***Fact Book 2019***

Year ended March 31, 2019 (Consolidated)



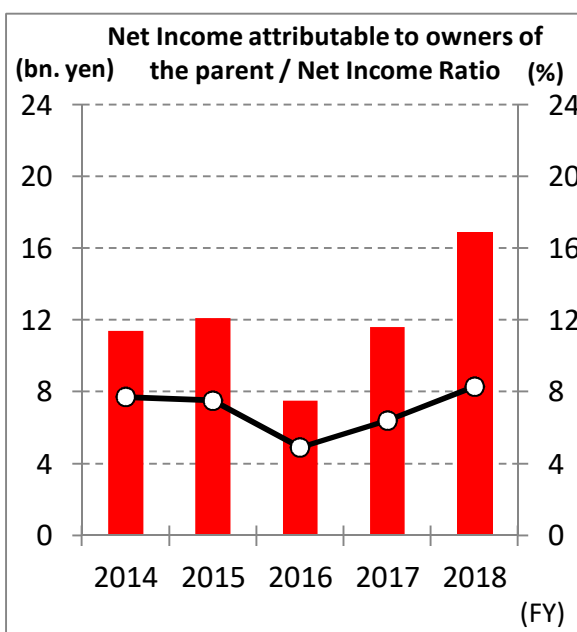
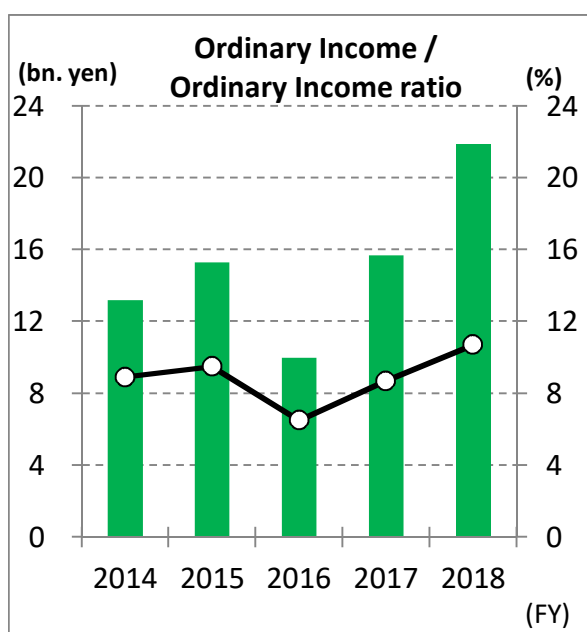
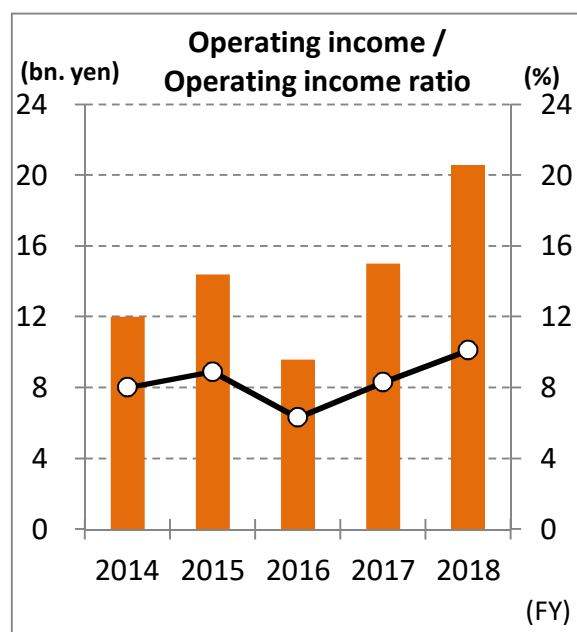
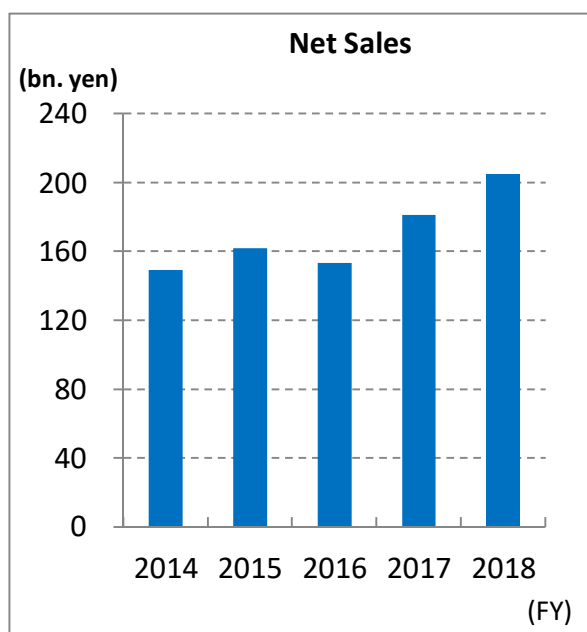
# Corporate Data

|                      |  |
|----------------------|--|
| Corporate Name:      | Makino Milling Machine Co., Ltd.   |
| Head Office:         | 3-19 Nakane 2-chome, Meguro-ku, Tokyo 152-8578, Japan<br>Phone: +81-3-3717-1151  |
| Established:         | May 1937   |
| Paid-in Capital:     | 21,142 million yen   |
| President:           | Shinichi Inoue   |
| Activities:          | Manufacturing, sales and repairs of machine tools such as machining centers, NC electrical discharge machines(EDMs), NC milling machines, milling machines, FMS, CAD/CAM systems and other products. |
| Number of Employees: | 4,805 (consolidated), 1,466 (non-consolidated) As of March 31, 2019  |
| URL:                 | <a href="https://www.makino.co.jp/">https://www.makino.co.jp/</a>  |

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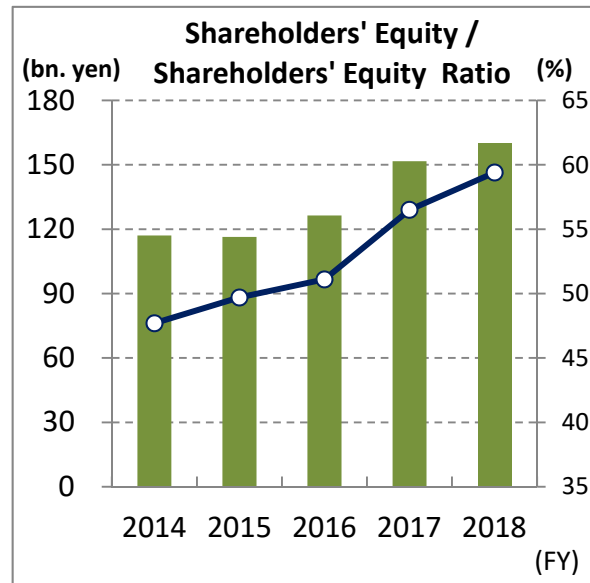
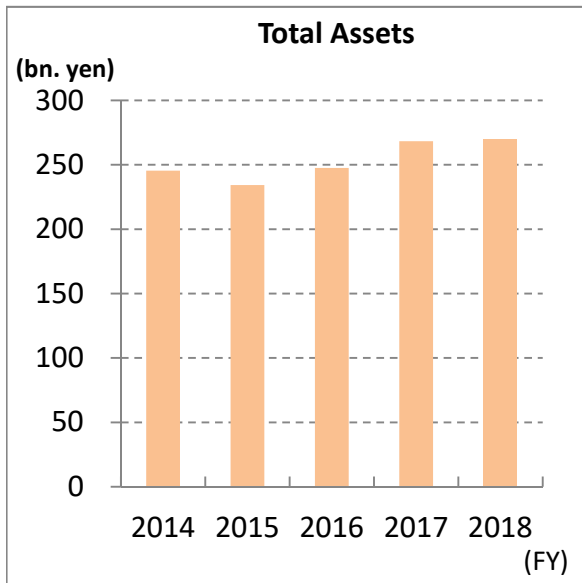
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# 1. Results of Operations



| Fiscal Year  |                   | 2014  | 2015  | 2016  | 2017  | 2018  |
|--|-------------------|-------|-------|-------|-------|-------|
| Net Sales  | (Billions of yen) | 149.5 | 161.9 | 153.6 | 181.5 | 204.7 |
| Operating Income / Loss                                | (Billions of yen) | 12.0  | 14.4  | 9.6   | 15.0  | 20.6  |
| Operating Income Ratio                                 | (%)               | 8.0   | 8.9   | 6.3   | 8.3   | 10.1  |
| Ordinary Income / Loss                                 | (Billions of yen) | 13.2  | 15.3  | 10.0  | 15.7  | 21.9  |
| Ordinary Income Ratio                                  | (%)               | 8.9   | 9.5   | 6.5   | 8.7   | 10.7  |
| Net Income / Loss attributable to owners of the parent | (Billions of yen) | 11.4  | 12.1  | 7.5   | 11.6  | 16.9  |
| Net Income Ratio                                       | (%)               | 7.7   | 7.5   | 4.9   | 6.4   | 8.3   |

## 2. Financial positions



| Fiscal Year                |                   | 2014  | 2015  | 2016  | 2017  | 2018  |
|----------------------------|-------------------|-------|-------|-------|-------|-------|
| Total Assets               | (Billions of yen) | 245.4 | 234.2 | 247.6 | 268.3 | 269.5 |
| Return on Assets (ROA)     | (%)               | 4.9   | 5.1   | 3.2   | 4.5   | 6.3   |
| Total Assets Turnover      | (Times)           | 0.6   | 0.7   | 0.6   | 0.7   | 0.8   |
| Shareholders' Equity       | (Billions of yen) | 117.1 | 116.4 | 126.4 | 151.7 | 160.1 |
| Shareholders' Equity Ratio | (%)               | 47.7  | 49.7  | 51.1  | 56.5  | 59.4  |
| Return on Equity (ROE)     | (%)               | 10.6  | 10.4  | 6.3   | 8.4   | 10.9  |
| Current Ratio              | (%)               | 241.5 | 238.7 | 205.2 | 215.9 | 231.0 |

Return on Assets (ROA) = Net Income attributable to owners of the parent / Total Assets (Average) x 100

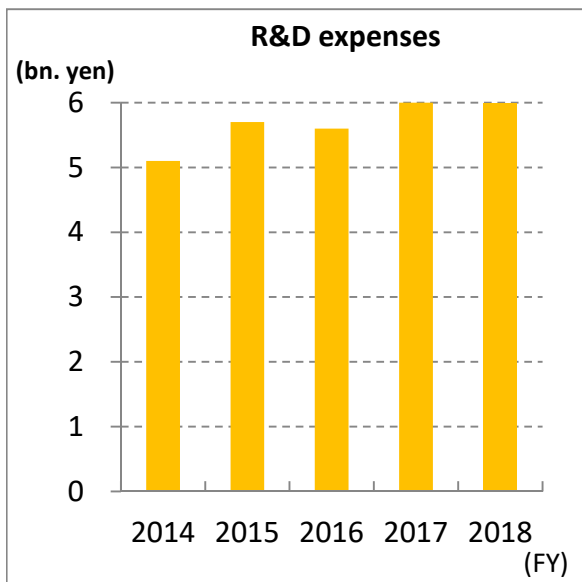
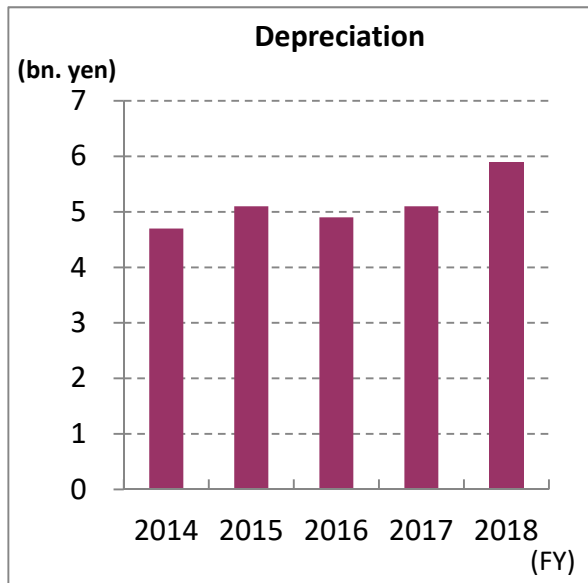
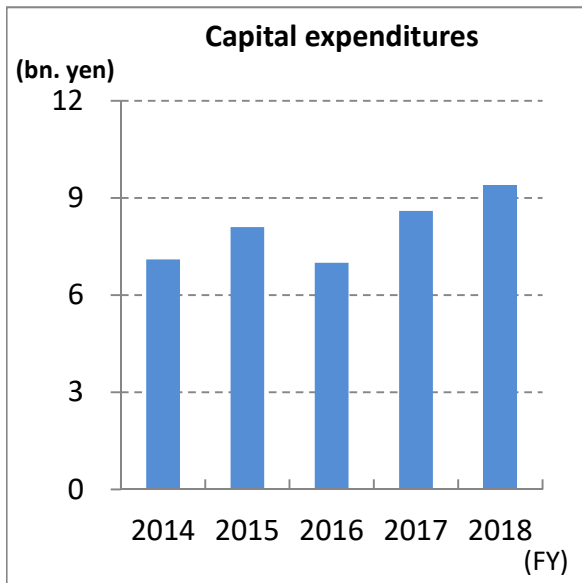
Total Assets turnover = Net Sales / Total Assets (Average)

Shareholders' Equity Ratio = Shareholders' Equity / Total Assets x 100

Return on Equity (ROE) = Net Income attributable to owners of the parent / Shareholders' Equity (Average)

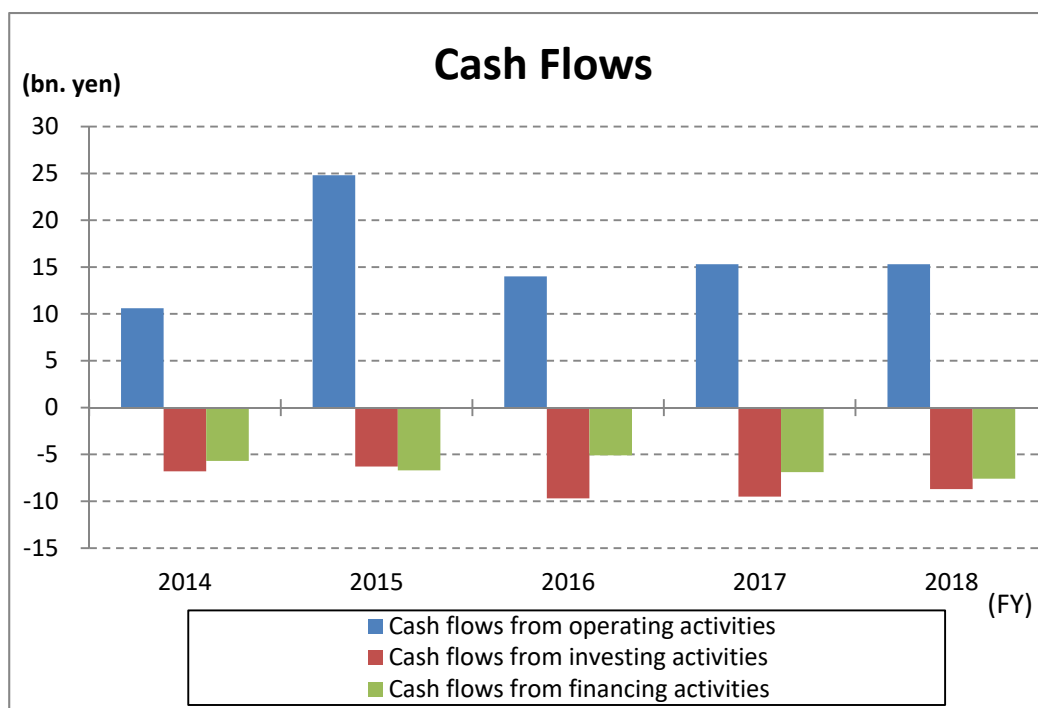
Current Ratio = Current Assets / Current Liabilities x 100

### 3. Capital expenditures, Depreciation, R&D expenses



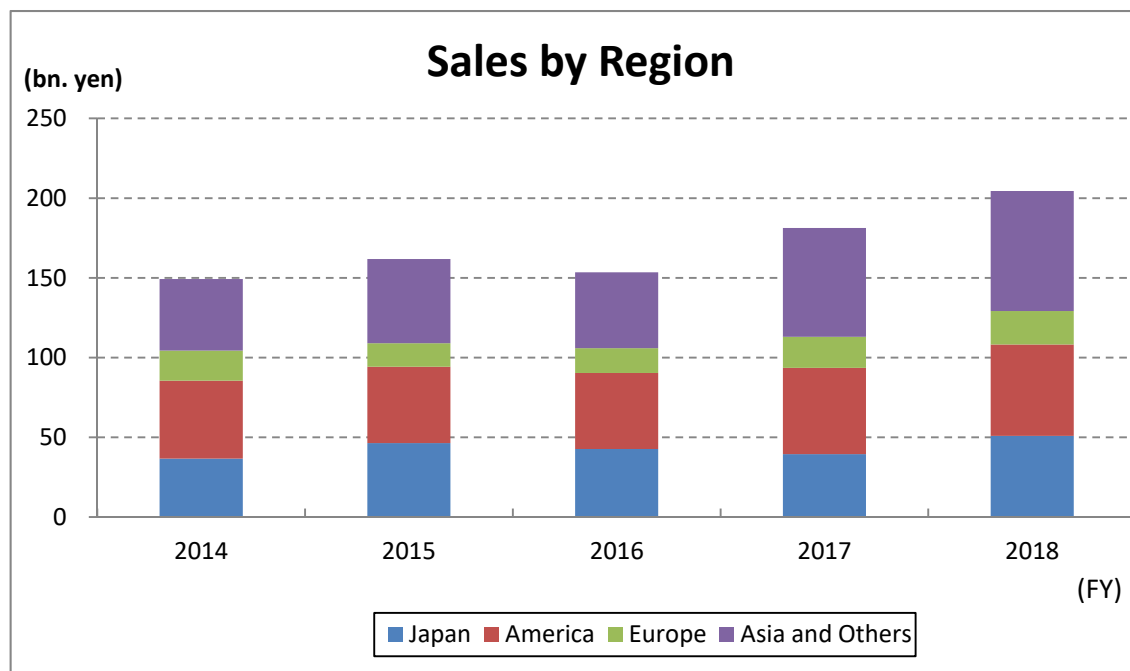
| Fiscal Year          |                   | 2014 | 2015 | 2016 | 2017 | 2018 |
|----------------------|-------------------|------|------|------|------|------|
| Capital expenditures | (Billions of yen) | 7.1  | 8.1  | 7.0  | 8.6  | 9.4  |
| Depreciation         | (Billions of yen) | 4.7  | 5.1  | 4.9  | 5.1  | 5.9  |
| R&D expenses         | (Billions of yen) | 5.1  | 5.7  | 5.6  | 6.0  | 6.5  |

## 4. Cash Flows



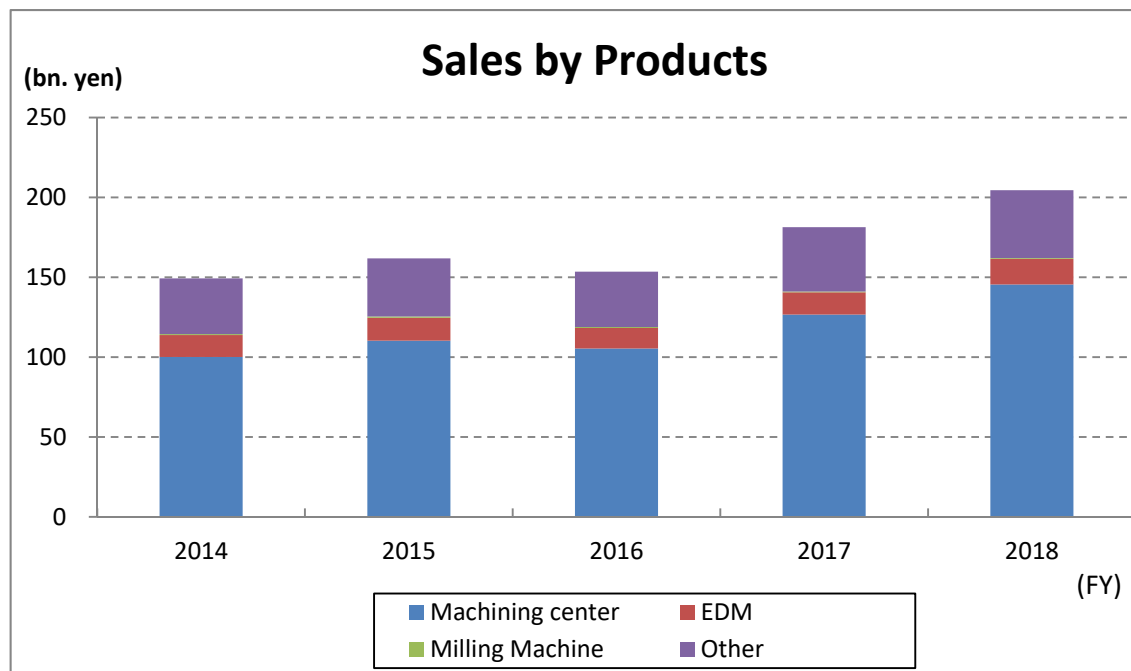
| Fiscal Year                              |                   | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|-------------------|------|------|------|------|------|
| Cash flows from operating activities     | (Billions of yen) | 10.6 | 24.8 | 14.0 | 15.3 | 15.3 |
| Cash flows from investing activities     | (Billions of yen) | -6.8 | -6.3 | -9.7 | -9.5 | -8.7 |
| Cash flows from financing activities     | (Billions of yen) | -5.7 | -6.7 | -5.1 | -6.9 | -7.6 |
| Cash and cash equivalents, end of period | (Billions of yen) | 42.2 | 52.3 | 51.1 | 49.7 | 48.8 |

## 5. Sales by Region



| Fiscal Year     |                   | 2014  | 2015  | 2016  | 2017  | 2018  |
|-----------------|-------------------|-------|-------|-------|-------|-------|
| Domestic sales  | (Billions of yen) | 36.7  | 46.4  | 42.7  | 39.5  | 50.9  |
| Overseas sales  |                   |       |       |       |       |       |
| America         | (Billions of yen) | 48.8  | 47.9  | 47.7  | 54.1  | 57.3  |
| Europe          | (Billions of yen) | 18.9  | 14.7  | 15.5  | 19.4  | 21.0  |
| Asia and Others | (Billions of yen) | 44.9  | 52.8  | 47.6  | 68.3  | 75.3  |
| Total           | (Billions of yen) | 149.5 | 161.9 | 153.6 | 181.5 | 204.7 |

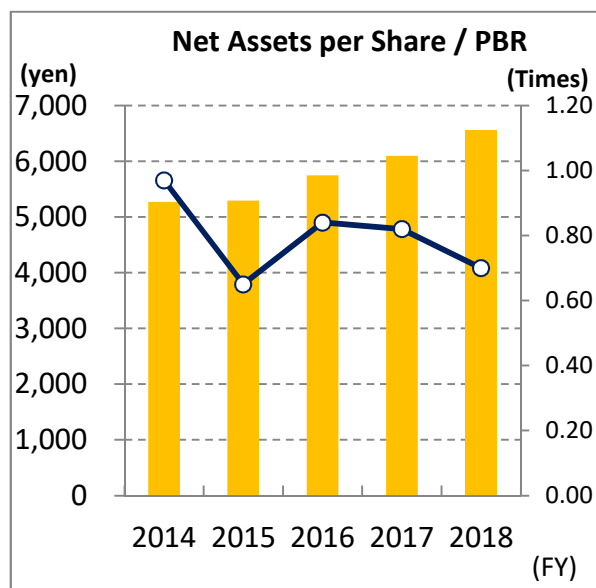
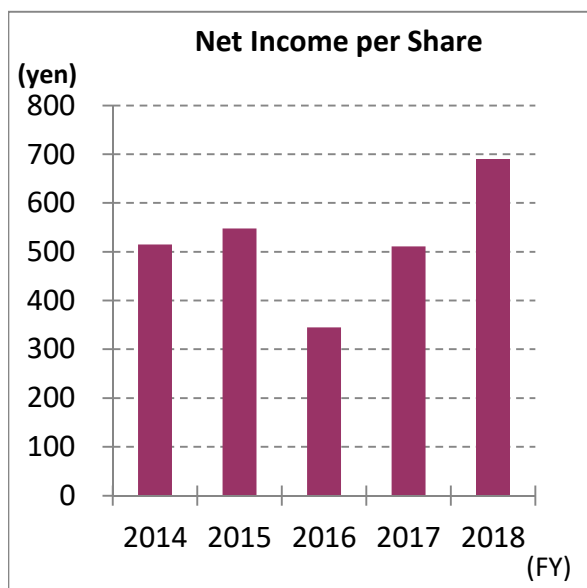
## 6. Sales by Products



| Fiscal Year      |                   | 2014  | 2015  | 2016  | 2017  | 2018  |
|------------------|-------------------|-------|-------|-------|-------|-------|
| Machining center | (Billions of yen) | 100.1 | 110.3 | 105.4 | 126.7 | 145.5 |
| EDM              | (Billions of yen) | 13.7  | 14.4  | 12.8  | 13.9  | 16.0  |
| Milling Machine  | (Billions of yen) | 0.6   | 0.8   | 0.6   | 0.5   | 0.5   |
| Other            | (Billions of yen) | 34.9  | 36.3  | 34.7  | 40.3  | 42.5  |
| Total            | (Billions of yen) | 149.5 | 161.9 | 153.6 | 181.5 | 204.7 |



## 7. Per Share Indication



\* The data from FY2014 to 2017 are adjusted based on the consolidate of common stock at October 1, 2018 (Consolidated 5 share into 1 share).

| Fiscal Year                    |         | 2014     | 2015     | 2016     | 2017     | 2018     |
|--------------------------------|---------|----------|----------|----------|----------|----------|
| Net Income per Share *         | (yen)   | 514.7    | 547.8    | 345.1    | 511.3    | 689.3    |
| Net Assets per Share *         | (yen)   | 5,267.91 | 5,290.45 | 5,744.78 | 6,095.31 | 6,550.28 |
| Price-Earnings Ratio (PER)     | (Times) | 9.9      | 6.3      | 14.0     | 9.8      | 6.6      |
| Price-Book value Ratio (PBR)   | (Times) | 0.97     | 0.65     | 0.84     | 0.82     | 0.70     |
| Cash Dividends per Share *     | (yen)   | 70       | 80       | 80       | 85       | 105      |
| Payout Ratio                   | (%)     | 13.6     | 14.6     | 23.2     | 16.6     | 15.2     |
| Dividend on Equity Ratio (DOE) | (%)     | 1.4      | 1.5      | 1.4      | 1.4      | 1.7      |

\* The data from FY2014 to 2017 are adjusted based on the consolidate of common stock at October 1, 2018 (Consolidated 5 share into 1 share).

Net Income per Share = Net Income attributable to owners of the parent /  
Average number of Shares outstanding (excluding treasury stocks)

Net Assets per Share = Net Assets (concerning common stock) /  
Number of Shares outstanding (excluding treasury stocks)

Price-Earnings Ratio (PER) = Common stock price at the end of fiscal year / Net Income per Share

Price-Book value Ratio (PBR) = Common stock price at the end of fiscal year / Net Assets per Share

Payout Ratio = Cash Dividend per Share / Net Income per Share x 100

Dividend on Equity Ratio (DOE) = Cash Dividend per share / Net Assets per Share (Average) x 100

## 8. Principal Development of Makino Group

### ■ Main Locations

Head Office (Tokyo, Japan)  
 Domestic Works (Japan)  
 Atsugi Office (Kanagawa)  
 Fuji Katsuyama Office (Yamanashi)  
 Makino J Co., Ltd. (Kanagawa)  
 Overseas Works  
 MAKINO ASIA PTE LTD (Singapore)  
 Makino (China) Co., Ltd. (China)  
 MAKINO INDIA PRIVATE LIMITED (India)  
 Domestic Sales & Service Office (Japan)  
 Tokyo  
 Osaka  
 Aichi (Nagoya)  
 Gunma  
 Saitama  
 Fukuoka

(In addition to above, we have 11 offices.)

The number of sales offices

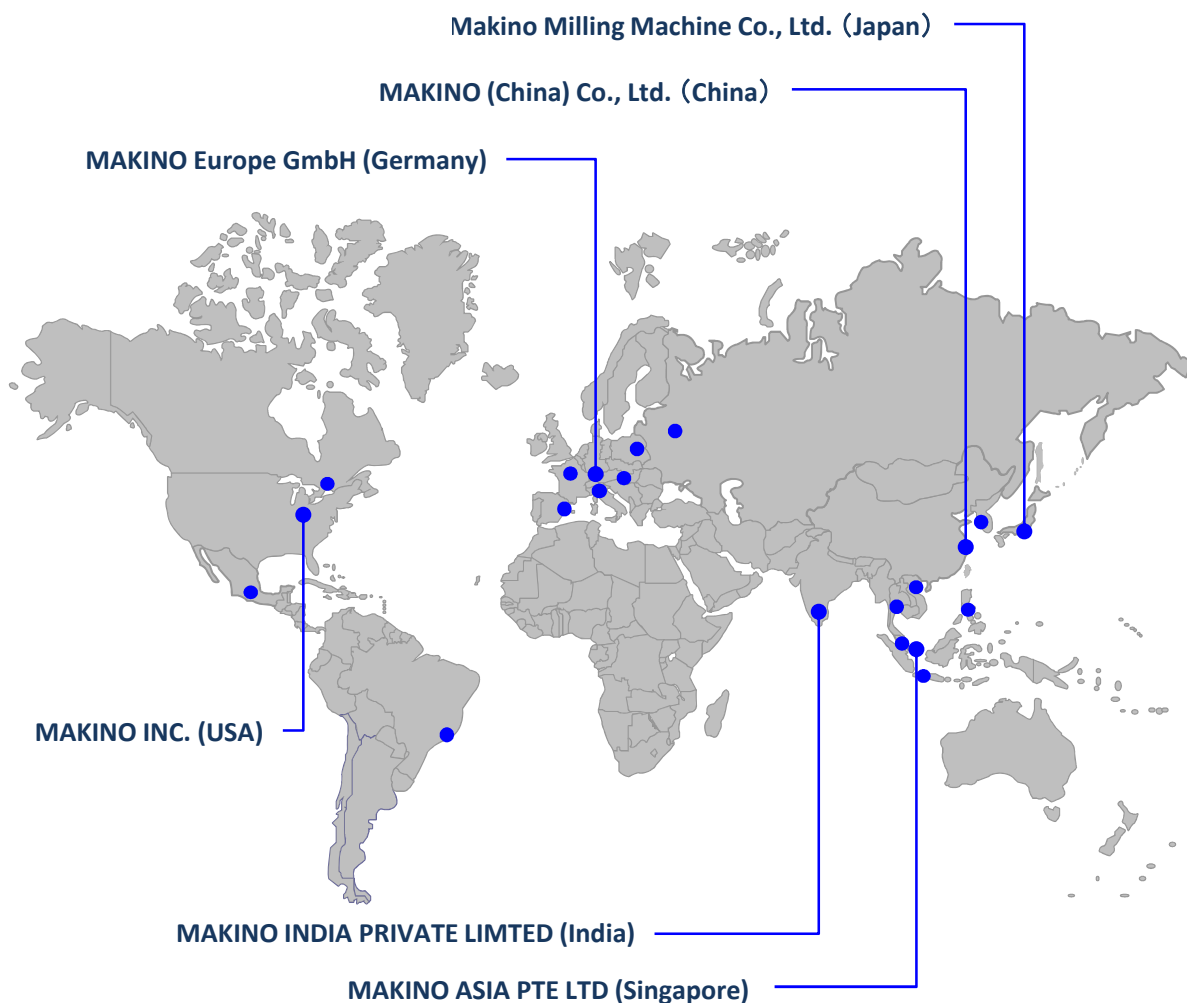
The Americas: USA (16), Brazil, Mexico (2), Canada (2)

Europe: Germany (2), France, Italy, Slovakia, Spain, Poland, Russia

Asia: Singapore, China (9), India (5), Thailand, Indonesia, Republic of Korea (2), Vietnam (2), Philippines

### ■ Main Consolidated Subsidiaries

MAKINO ASIA PTE LTD (Singapore)  
 MAKINO INC. (USA)  
 MAKINO Europe GmbH (Germany)  
 MAKINO RESOURCE DEVELOPMENT PTE LTD (Singapore)  
 Makino Korea Co., Ltd. (Korea)  
 Makino J Co., Ltd. (Japan)  
 Makino Denso Co., Ltd. (Japan)  
 Makino Technical Service Co., Ltd. (Japan)  
 Kanto Bussan Kaisha, Ltd. (Japan)  
 Makino Giken Co., Ltd. (Japan)  
 Makino Logistics Co., Ltd. (Japan)



## 9. Share data and Stock Information

### Situation of Share of Stock (as of March 31, 2019)

Number of shares outstanding 24,893,841

Number of shareholders 8,473

Principle shareholders (Top 10 holders)

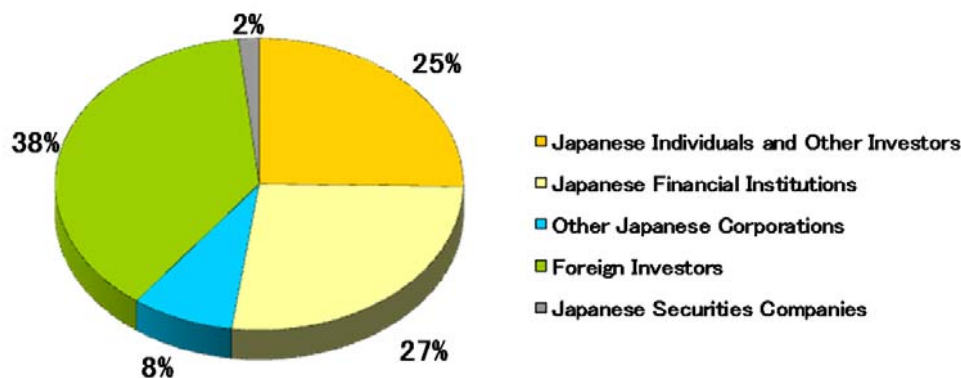
| Shareholders   | Number of held shares (thousand) | Percentage of shares (%) |
|--|----------------------------------|--------------------------|
| Japan Trustee Services Bank, Ltd. (Trust Account)    | 1,224                            | 5.01                     |
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 1,216                            | 4.98                     |
| Japan Trustee Services Bank, Ltd. (Trust Account 9)  | 1,133                            | 4.64                     |
| Machine Tool Engineering Foundation                  | 893                              | 3.66                     |
| CACEIS BANK S.A., GERMANY BRANCH – CUSTOMER ACCOUNT  | 633                              | 2.59                     |
| Jiro Makino  | 478                              | 1.96                     |
| JPMC GOLDMAN SACHS TRUST JASDEC LENDING ACCOUNT      | 477                              | 1.95                     |
| DFA INTL SMALL CAP VALUE PORTFOLIO                   | 465                              | 1.91                     |
| Japan Trustee Services Bank, Ltd. (Trust Account 5)  | 452                              | 1.85                     |
| STATE STREET BANK AND TRUST COMPANY 505103           | 440                              | 1.80                     |

(Figures less than one thousand shares are rounded down.)

#### Notes:

The ratio of shareholders is calculated after deducting the treasury stock.

#### Breakdown by Shareholders



#### Information for Shareholders

Fiscal year : from April 1 to March 31

Record date : (Year-end dividend) March 31  
(Mid-term Dividend) September 30

Annual general meeting of Share holders : held in every June

Transfer agent : Mitsubishi UFJ Trust and Banking

Business office of Transfer agent : Mitsubishi UFJ Trust and Banking, Corporate Agency Division  
1-1, Nikko-cho, Fuchu-shi, Tokyo  
Telephone: 0120-232-711 (toll free in Japan)

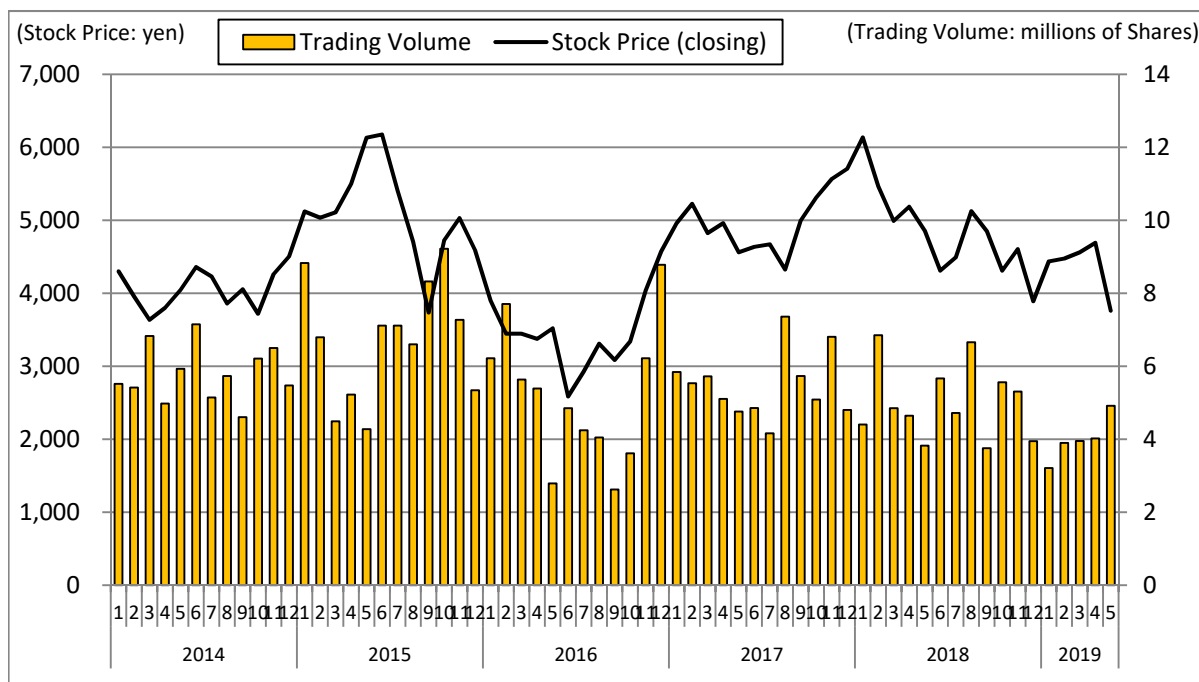
(Postal address)

Mitsubishi UFJ Trust and Banking, Corporate Agency Division  
PO Box 29, Shin-Tokyo Post Office, Tokyo 137-8081, Japan

Listed securities exchange : Tokyo Stock Exchange

Method of public notice : Electronic notification. Website address for notifications: <https://www.makino.co.jp/>  
If electric notification is not available due to an accident or other unavoidable circumstances, official notifications will be published in the Nihon Keizai Shimbun (newspaper).

# 10. Common Stock Prices and Trading Volume



\* We have consolidated common shares at the ratio of five shares to one share on October 1, 2018. Trading Volume and Common stock prices before October 1, 2018 were also converted at the ratio.



**MAKINO MILLING MACHINE CO., LTD.**

For further corporate information, visit our website at:

<https://www.makino.co.jp/>