



For immediate release

May 23, 2006

Company name: **Makita Corporation**
Representative: Masahiko Goto, President
Code number: 6586

Announcement Regarding Partial Amendments to the Articles of Incorporation

At the meeting of the Board of Directors held today, Makita Corporation (“Makita”) decided to propose partial amendments to its Articles of Incorporation as follows to the 94th Ordinary General Meeting of Shareholders scheduled to be held on June 29, 2006.

1. Reasons for Amendments

- (1) The total number of shares provided for in Article 5 of the Articles of Incorporation of Makita shall be reduced by 4 million as Makita has retired the same number of its shares held as treasury stock in the previous fiscal year in accordance with the provisions of Article 212 of the Commercial Code.
- (2) Upon the enforcement of the Company Law (Law No. 86 of 2005) as of May 1, 2006, the Articles of Incorporation shall be amended for the following reasons.
 - (i) Article 16 (Disclosure through the Internet and deemed delivery of reference documents for general meetings of shareholders) of the Articles of Incorporation in the form proposed shall be newly established, in order to enable Makita to omit the provision of certain reference documents and other related documents for general meetings of shareholders by disclosing the same through the Internet.
 - (ii) Article 26 (Deemed resolutions of the Board of Directors) of the Articles of Incorporation in the form proposed shall be newly established so that the Board of Directors may flexibly make their decisions either in writing or digitally in case of necessity.
 - (iii) Article 35 (Liability limitation agreement with outside statutory auditors) of the Articles of Incorporation in the form proposed shall be newly established, in order to retain capable personnel as outside statutory auditors. The establishment of new Article 35 has been agreed by the Board of Statutory Auditors.
 - (iv) In addition, some necessary amendments shall be made throughout the Articles of Incorporation, including renumbering of the Articles and amendments in the descriptions of the current Articles to comply and conform with the descriptions used in the Company Law.

2. Contents of Amendments

Proposed amendments are as shown in the attached document.

3. Schedule

June 29, 2006: The 94th Ordinary General Meeting of Shareholders to be held.

Proposed amendments are as follows.

(Underlined are to be amended)

Current Text	Proposed Amendment
<p><i>[New Article]</i></p>	<p><u>Article 4. (Organizations)</u> <u>In addition to the general meetings of shareholders and Directors, the Company shall have the following organizations:</u> <u>(1) Board of Directors</u> <u>(2) Statutory Auditors</u> <u>(3) Board of Statutory Auditors</u> <u>(4) Accounting Auditors</u></p>
<p>Article <u>4</u>. (Method by which public notice is made)</p> <p>Public notices of the Company shall be <u>given by</u> electronic public notices; provided, however, that <u>if the Company is unable to give</u> an electronic public notice <u>because of</u> accident or any other unavoidable reason, public notices of the Company may be displayed in the Nihon Keizai Shimbun.</p>	<p>Article <u>5</u>. (Method by which public notice is made)</p> <p><u>The method of giving</u> public notices of the Company shall be electronic public notices; provided, however, that <u>in cases where</u> an electronic public notice <u>is impracticable due to</u> an accident or any other unavoidable reason, public notices of the Company may be displayed in the Nihon Keizai Shimbun.</p>
<p>Article <u>5</u>. (Total Number of Shares)</p> <p>The total number of shares authorized to be issued by the Company shall be <u>five hundred million (500,000,000); provided, however, that if shares are retired, the total number of shares shall be reduced by the number of shares so retired.</u></p>	<p>Article <u>6</u>. (Total number of shares <u>authorized to be issued</u>)</p> <p>The total number of shares authorized to be issued by the Company shall be <u>four hundred and ninety-six million (496,000,000).</u></p>
<p><i>[New Article]</i></p>	<p><u>Article 7. (Issuance of share certificates)</u></p> <p><u>The Company shall issue share certificates that represent its issued shares.</u></p>
<p>Article <u>6</u>. (Acquisition of treasury stock)</p> <p>The Company may, by a resolution of the Board of Directors, purchase shares of the Company pursuant to <u>Article 211-3, Paragraph 1, Item 2 of the Commercial Code.</u></p>	<p>Article <u>8</u>. (Acquisition of treasury stock)</p> <p>The Company may, by a resolution of the Board of Directors, purchase shares of the Company <u>by market transactions or other permitted methods pursuant to Article 165, Paragraph 2 of the Company Law.</u></p>

Current Text	Proposed Amendment
<p>Article <u>7</u>. (Number of shares constituting one unit and non-issuance of certificates for shares constituting less than <u>one</u> full unit)</p> <p>(1) The number of shares of the Company constituting one unit of shares shall be one hundred (100).</p> <p>(2) The Company shall not issue certificates for <u>any number of shares constituting less than one full unit (hereinafter referred to as “shares constituting less than a full unit”)</u>, unless otherwise provided for in the Share Handling Regulations.</p>	<p>Article <u>9</u>. (Number of shares constituting one unit and non-issuance of certificates for shares constituting less than <u>a</u> full unit)</p> <p>(1) <i>[This Paragraph will be amended to make partial modifications of the description in Japanese only. No modification of the English translation of this Paragraph is necessary.]</i></p> <p>(2) <u>Notwithstanding Article 7</u>, the Company shall not issue <u>any</u> certificates for shares constituting less than a full unit, unless otherwise provided for in the Share Handling Regulations.</p>
<p>Article <u>8</u>. (Sale of shares constituting less than a full unit)</p> <p>A shareholder (including a beneficial shareholder; hereinafter the same being applicable) holding shares constituting less than a full unit may request the Company to sell to the shareholder such amount of shares which will, when added together with the shares constituting less than a full unit, constitute a full unit of shares in accordance with the provisions of the share handling regulations.</p>	<p>Article <u>10</u>. (Sale of shares constituting less than a full unit)</p> <p><i>[This Article will be amended to make partial modifications of the description in Japanese only. No modification of the English translation of this Article is necessary.]</i></p>
<p>Article <u>9</u>. (Transfer agent)</p> <p>(1) The Company shall appoint a transfer agent <u>with respect to the shares</u>.</p> <p>(2) The transfer agent and its handling office shall be designated by a resolution of the Board of Directors and public notice thereof shall be given.</p> <p>(3) The register of shareholders <u>of the Company</u> (including the register of beneficial shareholders; hereinafter the same being applicable) and the register of lost share certificates of the Company <u>shall be kept at the handling office of the transfer agent</u>, and the business pertaining to <u>shares such as registration of transfer of shares and purchase and sale of shares constituting less than a full unit by the Company</u> shall be handled by the transfer agent and the Company shall not handle these matters.</p>	<p>Article <u>11</u>. (Transfer agent)</p> <p>(1) The Company shall appoint a transfer agent.</p> <p>(2) <i>[This Paragraph will be amended to make partial modifications of the description in Japanese only. No modification of the English translation of this Paragraph is necessary.]</i></p> <p>(3) The <u>transfer agent shall prepare and keep the register of shareholders (including the register of beneficial shareholders; hereinafter the same being applicable), the register of stock acquisition rights and the register of lost share certificates of the Company, and the business pertaining to the register of shareholders, the register of stock acquisition rights and the register of lost share certificates shall be handled by the transfer agent and the Company shall not handle these matters.</u></p>

Current Text	Proposed Amendment
<p>Article <u>10</u>. (Share handling regulations)</p> <p><u>The denominations of share certificates, registration of transfer of shares, purchase and sale of shares constituting less than a full unit by the Company and any other handling business relating to shares and charges therefor shall be governed by the share handling regulations established by the Board of Directors.</u></p>	<p>Article <u>12</u>. (Share handling regulations)</p> <p><u>Handling of shares and charges therefor shall be governed by the share handling regulations established by the Board of Directors, in addition to laws and regulations or these Articles of Incorporation.</u></p>
<p>Article 11. (Record date)</p> <p><u>(1) The shareholders who are registered or recorded on the register of shareholders in writing or digitally as of the close of a fiscal year shall be entitled to exercise voting rights at the ordinary general meeting of shareholders for such fiscal year.</u></p> <p><u>(2) Except for the preceding Paragraph and as otherwise provided in these Articles of Incorporation, the Company may, by a resolution of the Board of Directors, fix a record date whenever necessary upon giving prior public notice.</u></p>	<p><i>[Deleted]</i></p>
<p>Article <u>12</u>. (Convocation)</p> <p><i>[Omitted]</i></p>	<p>Article <u>13</u>. (Convocation)</p> <p><i>[Not amended]</i></p>
<p><i>[New Article]</i></p>	<p>Article 14. (Record date)</p> <p><u>The record date for voting rights for the ordinary general meetings of shareholders of the Company shall be the 31st day of March each year.</u></p>
<p>Article <u>13</u>. (Chairman of meetings)</p> <p><i>[Omitted]</i></p>	<p>Article <u>15</u>. (Chairman of meetings)</p> <p><i>[Not amended]</i></p>

Current Text	Proposed Amendment
<p><i>[New Article]</i></p>	<p><u>Article 16. (Disclosure through the Internet and deemed delivery of reference documents for general meeting of shareholders)</u></p> <p><u>In convening a general meeting of shareholders, the Company may be deemed to have provided shareholders with necessary information that should be described or indicated in reference documents for the general meeting of shareholders, business reports, non-consolidated financial statements and consolidated financial statements, on the condition that such information is disclosed through the Internet in accordance with the Ministry of Justice Ordinance.</u></p>
<p>Article <u>14</u>. (Method of adopting resolutions)</p> <p>(1) Unless otherwise provided for in laws and regulations or in these Articles of Incorporation, all resolutions of a general meeting of shareholders shall be adopted by a majority of the votes of <u>shareholders present at the meeting</u>.</p> <p>(2) <u>Special resolutions</u> provided for in <u>Article 343 of the Commercial Code</u> shall be adopted by not less than two-thirds of the votes of shareholders <u>present at the meetings</u> who hold not less than one-third of the votes of <u>all</u> shareholders.</p>	<p>Article <u>17</u>. (Method of adopting resolutions)</p> <p>(1) Unless otherwise provided for in laws and regulations or in these Articles of Incorporation, all resolutions of a general meeting of shareholders shall be adopted by a majority of the votes of <u>the attending shareholders entitled to exercise voting rights</u>.</p> <p>(2) Resolutions provided for in <u>Article 309, Paragraph 2 of the Company Law</u> shall be adopted by not less than two-thirds (<u>2/3</u>) of the votes of <u>the attending shareholders</u> who hold not less than <u>one-third (1/3)</u> of the votes of <u>the shareholders entitled to exercise voting rights</u>.</p>
<p>Article <u>15</u>. (Exercise of voting rights by proxy)</p> <p>A shareholder or his legal representative may exercise his voting rights through <u>a</u> proxy who is also a shareholder of the Company and who has voting rights.</p>	<p>Article <u>18</u>. (Exercise of voting rights by proxy)</p> <p>A shareholder or his legal representative may exercise his voting rights through <u>one (1)</u> proxy who is also a shareholder of the Company and who has voting rights.</p>
<p><u>Article 16. (Minutes of meetings)</u></p> <p><u>The substance of proceedings of a general meeting of shareholders and the results thereof shall be recorded in the minutes of the meeting, which shall bear the names and seals of the chairman and of the Directors present at the meeting, and shall be kept at the Company.</u></p>	<p><i>[Deleted]</i></p>
<p>Article <u>17</u>. (Number)</p> <p><i>[Omitted]</i></p>	<p>Article <u>19</u>. (Number)</p> <p><i>[Not amended]</i></p>

Current Text	Proposed Amendment
<p>Article <u>18</u>. (Election)</p> <p>(1) <i>[Omitted]</i></p> <p>(2) In order to adopt resolutions for the election of Directors, shareholders holding not less than one-third (1/3) of the voting rights of the <u>total</u> shareholders shall be present thereat and a majority of the votes of such shareholders shall be required.</p> <p>(3) <i>[Omitted]</i></p>	<p>Article <u>20</u>. (Election)</p> <p>(1) <i>[Not amended]</i></p> <p>(2) In order to adopt resolutions for the election of Directors, shareholders holding not less than one-third (1/3) of the voting rights of the shareholders <u>entitled to exercise voting rights</u> shall be present thereat and a majority of the votes of such shareholders shall be required.</p> <p>(3) <i>[Not amended]</i></p>
<p>Article <u>19</u>. (Terms of Office)</p> <p>(1) The terms of offices of Directors shall expire at the conclusion of the ordinary general meeting of shareholders held with respect to the last <u>closing of accounts</u> within two (2) years from their <u>assumption of office</u>.</p> <p>(2) The term of office of any Director elected to increase the number of the Directors or to fill a vacancy shall expire upon the expiration of the terms of offices of the other Directors then in office.</p>	<p>Article <u>21</u>. (Terms of office)</p> <p>(1) The terms of offices of Directors shall expire at the conclusion of the ordinary general meeting of shareholders held with respect to the last <u>business year ending</u> within two (2) years from their <u>election</u>.</p> <p>(2) <i>[This Paragraph will be amended to make partial modifications of the description in Japanese only. No modification of the English translation of this Paragraph is necessary.]</i></p>
<p>Article <u>20</u>. (Election of Representative Directors, etc.)</p> <p>(1) The Board of Directors shall select Directors who have the power to represent the Company.</p> <p>(2) <i>[Omitted]</i></p>	<p>Article <u>22</u>. (Election of Representative Directors, etc.)</p> <p>(1) <i>[This Paragraph will be amended to make partial modifications of the description in Japanese only. No modification of the English translation of this Paragraph is necessary.]</i></p> <p>(2) <i>[Not amended]</i></p>
<p>Articles <u>21</u>.-<u>23</u>.</p> <p><i>[Omitted]</i></p>	<p>Articles <u>23</u>.-<u>25</u>.</p> <p><i>[Not amended]</i></p>
<p>Article <u>24</u>. (Method of adopting resolutions)</p> <p><u>Resolutions at a meeting of the Board of Directors shall be adopted by an affirmative vote of a majority of the Directors present which Directors present shall constitute a majority of all Directors then in office.</u></p>	<p><i>[Deleted]</i></p>

Current Text	Proposed Amendment
<p><i>[New Article]</i></p>	<p><u>Article 26. (Deemed resolutions of the Board of Directors)</u></p> <p>The Company shall deem that matters are adopted by a resolution of the Board of Directors when the requirements provided for in Article 370 of the Company Law are met.</p>
<p>Article <u>25.</u> (Advisers and consultants)</p> <p><i>[Omitted]</i></p>	<p>Article <u>27.</u> (Advisers and consultants)</p> <p><i>[Not amended]</i></p>
<p>Article <u>26.</u> (Remuneration)</p> <p>Remuneration to Directors shall be determined by a resolution of a general meeting of shareholders.</p>	<p>Article <u>28.</u> (Remuneration, etc.)</p> <p>Remuneration, bonuses and other financial benefits given by the Company in consideration of the performance of duties (hereinafter referred to as the “Remuneration, etc.”) to Directors shall be determined by a resolution of a general meeting of shareholders.</p>
<p>Article <u>27.</u> (Liability Limitation Agreement with Outside Directors)</p> <p>The Company may enter into a liability limitation agreement with Outside <u>Director</u> which limits the maximum amount of their liabilities occurred by their behavior provided for in Item 5, Paragraph 1, Article 266 of the Commercial Code in accordance with Paragraph 19 of the same Article; provided, however, that limited amount of liabilities under such agreement shall be the sum of amounts provided for in each item of Paragraph 19, Article 266 of the Commercial Code.</p>	<p>Article <u>29.</u> (Liability limitation agreement with Outside Directors)</p> <p>The Company may enter into a liability limitation agreement with Outside <u>Directors</u> which limits the maximum amount of their liabilities arising from their failure to perform their duties in accordance with Article 427, Paragraph 1 of the Company Law; provided, however, that the limited amount of liabilities under such agreement shall be the sum of amounts provided for in applicable laws and regulations.</p>
<p>Article <u>28.</u> (Number)</p> <p><i>[Omitted]</i></p>	<p>Article <u>30.</u> (Number)</p> <p><i>[Not amended]</i></p>
<p>Article <u>29.</u> (Election)</p> <p>(1) <i>[Omitted]</i></p> <p>(2) In order to adopt resolutions for the election of Statutory Auditors, shareholders holding not less than one-third (1/3) of the voting rights of the <u>total</u> shareholders shall be present thereat and a majority of the votes of such shareholders shall be required.</p>	<p>Article <u>31.</u> (Election)</p> <p>(1) <i>[Not amended]</i></p> <p>(2) In order to adopt resolutions for the election of Statutory Auditors, shareholders holding not less than one-third (1/3) of the voting rights of the shareholders <u>entitled to exercise voting rights</u> shall be present thereat and a majority of the votes of such shareholders shall be required.</p>

Current Text	Proposed Amendment
<p>Article <u>30</u>. (Terms of office)</p> <p>(1) The terms of offices of Statutory Auditors shall expire at the conclusion of the ordinary general meeting of shareholders held with respect to the last <u>closing of accounts</u> within four (4) years from their <u>assumption of office</u>.</p> <p>(2) The term of office of any statutory auditor elected to fill a vacancy shall expire when the term of office of his predecessor would have expired.</p>	<p>Article <u>32</u>. (Terms of office)</p> <p>(1) The terms of offices of Statutory Auditors shall expire at the conclusion of the ordinary general meeting of shareholders held with respect to the last <u>business year ending</u> within four (4) years from their <u>election</u>.</p> <p>(2) The term of office of any statutory auditor elected to fill a vacancy <u>caused by retirement of a statutory auditor before the expiration of his or her term of office</u> shall expire when the term of office of his <u>or her</u> predecessor would have expired.</p>
<p>Article <u>31</u>. (Convocation of meetings)</p> <p><i>[Omitted]</i></p>	<p>Article <u>33</u>. (Convocation of meetings)</p> <p><i>[Not amended]</i></p>
<p>Article <u>32</u>. (Method of adopting resolutions)</p> <p><u>Unless otherwise provided for in laws and regulations, resolutions at a meeting of the Board of Statutory Auditors shall be adopted by an affirmative vote of a majority of the Statutory Auditors then in office.</u></p>	<p><i>[Deleted]</i></p>
<p>Article <u>33</u>. (Remuneration)</p> <p>Remuneration <u>to</u> Statutory Auditors shall be determined by a resolution of a general meeting of shareholders.</p>	<p>Article <u>34</u>. (Remuneration, etc.)</p> <p>Remuneration, <u>etc.</u> for Statutory Auditors shall be determined by a resolution of a general meeting of shareholders.</p>
<p><i>[New Article]</i></p>	<p>Article <u>35</u>. (<u>Liability limitation agreement with Outside Statutory Auditors</u>)</p> <p><u>The Company may enter into a liability limitation agreement with Outside Statutory Auditors which limits the maximum amount of their liabilities arising from their failure to perform their duties in accordance with Article 427, Paragraph 1 of the Company Law; provided, however, that the limited amount of liabilities under such agreement shall be the sum of amounts provided for in laws and regulations.</u></p>
<p>Article <u>34</u>. (<u>Fiscal period</u>)</p> <p>The <u>fiscal period</u> of the Company shall <u>end on the 31st day of March</u> each year.</p>	<p>Article <u>36</u>. (<u>Business year</u>)</p> <p>The <u>business year</u> of the Company shall <u>commence on the 1st day of April</u> each year <u>and end on the 31st day of the following year</u>.</p>

Current Text	Proposed Amendment
<p data-bbox="49 208 360 241">Article <u>35</u>. (Dividends)</p> <p data-bbox="49 275 687 439">Dividends shall be paid to the shareholders or registered pledgees appearing in writing or digitally on the register of shareholders as of the closing thereof on the 31st day of March each year.</p>	<p data-bbox="727 208 1209 241">Article <u>37</u>. (Dividends <u>from surplus</u>)</p> <p data-bbox="727 275 1369 439"><u>Year-end</u> dividends shall be paid to the shareholders or registered <u>stock</u> pledgees appearing in writing or digitally on the register of shareholders as of the closing thereof on the 31st day of March each year.</p>
<p data-bbox="49 481 456 515">Article <u>36</u>. (Interim dividends)</p> <p data-bbox="49 555 687 745">The Company may, by a resolution of the Board of Directors, pay interim dividends to the shareholders or registered pledgees whose names appear in wiring or digitally on the register of shareholders as of the closing thereof on the 30th day of September each year.</p>	<p data-bbox="727 481 1134 515">Article <u>38</u>. (Interim dividends)</p> <p data-bbox="727 555 1369 745">The Company may, by a resolution of the Board of Directors, pay interim dividends to the shareholders or registered <u>stock</u> pledgees whose names appear in wiring or digitally on the register of shareholders as of the closing thereof on the 30th day of September each year.</p>
<p data-bbox="49 784 651 817">Article <u>37</u>. (Prescription period for dividends)</p> <p data-bbox="49 851 699 1003">The Company shall be exempted from the obligation to pay dividends or interim dividends after three (3) years have elapsed from the date on which the payment of the dividends or interim dividends commenced.</p>	<p data-bbox="727 784 1329 817">Article <u>39</u>. (Prescription period for dividends)</p> <p data-bbox="727 851 1374 1003">The Company shall be exempted from the obligation to pay <u>year-end</u> dividends or interim dividends after three (3) years have elapsed from the date on which the payment of the dividends or interim dividends commenced.</p>