



For immediate release

April 28, 2015

Company name: **Makita Corporation**  
Representative: Shiro Hori, President, Representative Director  
Stock ticker code: 6586

## **Notice Concerning Introduction of Stock-Compensation-Type Stock Options (Stock Acquisition Rights) for Directors**

Makita Corporation (the “Company”) hereby announces that it has resolved at a meeting of its Board of Directors held on April 28, 2015, a policy to allot stock acquisition rights to its Directors (excluding Outside Directors) as stock-compensation-type stock options.

### 1. Reasons for the Introduction of Stock-Compensation-Type Stock Options

The Company resolved on a policy to allot stock acquisition rights to its Directors (excluding Outside Directors) as stock-compensation-type stock options with the aim of strengthening morale and the preparedness of Directors to contribute to enhancing the corporate value of the Company over the medium and long term as well as enabling them to share the advantages and risks of share price fluctuations with our shareholders.

The allotment of the said stock acquisition rights is subject to the approval of the proposal regarding the amount of remuneration and specific details concerning the said stock acquisition rights for Directors of the Company at the Annual General Meeting of Shareholders for the 103rd Term of the Company to be held on June 25, 2015.

### 2. Details of Stock-Compensation-Type Stock Options (Stock Acquisition Rights)

#### (i) Underlying share classes and number of shares per stock acquisition right

Ten shares of common stock of the Company shall be granted per one stock acquisition right. However, in the event the Company conducts a share split (including bonus share allotments of common shares of the Company; hereinafter, the same shall apply, when referring to share split) or reverse stock split, after the date of resolution of the proposal (hereinafter referred to as the “Date of Resolution”), the number of shares granted will be adjusted in accordance with the following formula. Fractions of shares resulting from the adjustment will be truncated to the nearest whole share.

Number of shares granted after adjustment = Number of shares granted before the adjustment × Stock split ratio  
or reverse stock split ratio

Moreover, in the event that the Company is, after the Date of Resolution, subject to merger, company split or any other similar cases other than the above, in which it is necessary to adjust the number of shares granted, the Company may appropriately adjust the number of shares granted to a reasonable extent.

#### (ii) Total number of stock acquisition rights

The maximum number of stock acquisition rights allotted to Directors (excluding Outside Directors) within one year from the date of the ordinary general meeting of shareholders for the corresponding fiscal year shall be 5,000.

#### (iii) Amount to be paid in for the stock acquisition rights

The amount to be paid in for one equity warrant shall be the amount to be determined at the Board of Directors meeting of the Company based on the fair value of the stock acquisition rights calculated using a fair calculation method for the allotment of stock acquisition rights, such as the Black-Scholes Model.



(iv) Amount of assets to be contributed upon exercise of the stock acquisition rights

The amount of assets to be contributed upon exercise of each equity warrant shall be an amount obtained by multiplying the exercise price per share to be issued upon exercise of such stock acquisition rights (which shall be one yen), by the number of shares granted.

(v) Period during which the stock acquisition rights may be exercised

The exercise period must lie within fifty years from the day following the allotment date of the stock acquisition rights and is subject to determination by the Board of Directors meeting of the Company.

(vi) Restriction on acquisition of stock acquisition rights by way of transfer

The acquisition of stock acquisition rights by assignment requires the approval of the Board of Directors meeting of the Company.

(vii) Stock acquisition right exercise terms

Persons allotted stock acquisition rights are permitted to exercise stock acquisition rights on or after the day following the day on which they cease to hold a position as Director of the Company. Any other stock acquisition right exercise terms are subject to determination by the Board of Directors meeting of the Company.