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FOR IMMEDIATE RELEASE

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Notice of introduction of a Restricted stock compensation plan

Kubota Corporation (hereinafter "the Company") has resolved at the Meeting of the Board of Directors held on February 14, 2017 to revise the Director and Executive officer compensation plan and to propose a Motion regarding introduction of a Restricted stock compensation plan (hereinafter the "Plan") to the 127th Ordinary General Meeting of Shareholders (hereinafter the "General Meeting of Shareholders") planned to be held on March 24, 2017.

1. Purpose of introduction of the Plan, etc.

(1) Purpose of introduction of the Plan

The Plan covering the Company's Directors other than the Outside Directors (hereinafter the "Directors Covered by the Plan") has the objectives of offering incentives to achieve sustained improvement of the corporate value of the Company and sharing more of that value with our shareholders.

(2) Requirement for introduction of the Plan

The Plan pays monetary claims as compensation in order to grant shares with the transfer restrictions to the Directors Covered by the Plan; therefore the Company makes obtaining the approval of its shareholders for payment of the pertinent compensation in the General Meeting of Shareholders as a condition for the introduction of the Plan.

Note that in the 119th Ordinary General Meeting of Shareholders held on June 19, 2009, approval was received for a compensation amount for the Company's directors of 510 million yen or less per year (including 30 million yen or less per year for the Outside Directors), but in the General Meeting of Shareholders the Company plans to ask for the approval of its shareholders for paying a compensation pertaining to the Plan with respect to the Directors Covered by the Plan in the Company ,with a separate limit from the said existing compensation limit of the Directors of the Company.

2. Overview of the Plan

Directors Covered by the Plan pay in as property contributed in kind all the monetary compensation claim paid from the Company based on the Plan, and receive the issuance or disposal of the common shares of the Company.

The total amount of the monetary compensation claim paid to the Directors Covered by the Plan based on the Plan shall be 300 million yen or less per year (however, this does not include the employee salary of persons concurrently serving as employees and Directors). The specific payment timing and allocation for each Director Covered by the Plan will be decided in a Meeting of the Board of Directors.

The total number of common shares newly issued to the Directors Covered by the plan or disposed of by the Company under the Plan shall be 400,000 shares or less per year, and the amount paid in per share shall be the amount determined by the Board of Directors within the scope that is not an amount that is particularly advantageous to the Directors Covered by the Plan who underwrite said common shares, based on the closing price of the common shares of the Company in the Tokyo Stock Exchange market on the business day before the day of the resolution of each Board of Directors (in the case that the transaction has not been established on that day, the closing price on the most recent trading day preceding that day).

Furthermore, when issuing or disposing of the common shares of the Company under the Plan, the condition shall be that a contract has been concluded between the Company and the Directors Covered by the Plan who are to receive issuance of disposal of said common shares, with the contract containing the content (i) Directors Covered by the Plan must not, for a fixed period, transfer, set collateral rights for or otherwise dispose of common shares of the company for which the Directors Covered by the Plan received an allocation and (ii) in the case of occurrence of specified event the Company shall acquire said

common shares at no cost, etc. For these shares, to prevent the transfer of shares subject to transfer restrictions and to handle any arrangements related to collateral liens on such shares, so long as the restrictions are in effect, a dedicated account will be established with Nomura Securities Co., Ltd. to administer the common shares for which the Directors Covered by the Plan received an allocation.

Note that in the Plan, in addition to the Directors Covered by the Plan, the Company also plans to pay to Executive Officers who do not concurrently serve as a Director of the Company the same restricted stock compensation that the Company pays to the Directors Covered by the Plan, and newly issue or dispose of the common shares of the Company, based on a resolution in a Meeting of the Board of Directors.

Note: Regarding the Company's common shares, from the day the relevant Motion is approved by the General Meeting of Shareholders and becomes effective, in the event of the conduct of share splitting or reverse share splits, and after the effective date of the Motion in proportion to share splitting or reverse share splits, adjustments will be made in the total number of common shares within a reasonable scope as necessary.

< Cautionary Statements with Respect to Forward-Looking Statements >

This document may contain forward-looking statements that are based on management's expectations, estimates, projections and assumptions. These statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. Therefore, actual future results may differ materially from what is forecast in forward-looking statements due to a variety of factors, including, without limitation: general economic conditions in the Company's markets, particularly government agricultural policies, levels of capital expenditures, both in public and private sectors, foreign currency exchange rates, the occurrence of natural disasters, continued competitive pricing pressures in the marketplace, as well as the Company's ability to continue to gain acceptance of its products.

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