



Important Notice
The Depository Trust Company

B #:	1015-13
Date:	June 18, 2013
To:	All Participants
Category:	Dividends
From:	International Services
Attention:	Operations, Reorg & Dividend Managers, Partners & Cashiers
Subject:	<u>Tax Relief</u> – Country: Japan KAO CORPORATION CUSIP: 485537302 <u>Record Date: 06/27/2013 Payable Date: TBA</u> <u>EDS Cut-Off: 07/08/2013 8:00 P.M. (EST)</u>

Participants can use DTC’s Elective Dividend System (EDS) function over the Participant Terminal System (PTS) or Tax Relief option on the Participant Browser System (PBS) web site to certify all or a portion of their position entitled to the applicable withholding tax rate. Participants are urged to consult the PTS or PBS function TAXI or TaxInfoSM respectively before certifying their elections over PTS or PBS.

Important: Prior to certifying tax withholding elections, participants are urged to read, understand and comply with the information in the Legal Conditions category found on TAXI or TaxInfoSM in PTS or PBS respectively.

Questions regarding this Important Notice may be directed to GlobeTax 212-747-9100.

Important Legal Information: *The Depository Trust Company (“DTC”) does not represent or warrant the accuracy, adequacy, timeliness, completeness or fitness for any particular purpose of the information contained in this communication, which is based in part on information obtained from third parties and not independently verified by DTC and which is provided as is. The information contained in this communication is not intended to be a substitute for obtaining tax advice from an appropriate professional advisor. In providing this communication, DTC shall not be liable for (1) any loss resulting directly or indirectly from mistakes, errors, omissions, interruptions, delays or defects in such communication, unless caused directly by gross negligence or willful misconduct on the part of DTC, and (2) any special, consequential, exemplary, incidental or punitive damages.*

To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that: (a) any discussion of federal tax issues contained or referred to herein is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code; and (b) as a matter of policy, DTC does not provide tax, legal or accounting advice and accordingly, you should consult your own tax, legal and accounting advisor before engaging in any transaction.

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Non-Confidential

KAO CORPORATION has announced a cash dividend. J.P. Morgan Chase acts as the Depository for the company's American Depositary Receipt ("ADR") program.

Participants can use DTC's Elective Dividend System (EDS) function over the Participant Terminal System (PTS) or Tax Relief option on the Participant Browser System (PBS) web site to certify all or a portion of their position entitled to the applicable withholding tax rate. Use of EDS will permit entitlement amounts to be paid through DTC.

On ADR Pay Date, all non-Japanese resident holders will receive this dividend net of Japanese withholding tax of 7.147% with the possibility to reclaim as outlined in the Eligibility Matrix below.

Please reference Important Notice B# 1239-12 for changes to the reclaim process effective September 1, 2012.

DIVIDEND EVENT DETAILS	
COUNTRY OF ISSUANCE	JAPAN
ISSUE	KAO CORPORATION
CUSIP#	485537302
DEPOSITARY	SPONSORED
ADR RECORD DATE	6/27/2013
ADR PAY DATE	TBA
ADR GROSS DIVIDEND RATE ON PAY DATE	TBA
ORD GROSS DIVIDEND RATE ON PAY DATE	TBA
RATIO	TBA
RATE OF TAX WITHHOLDING	7.147% (3.0% additional local tax for Japanese individual residents only)

CHARGES & DEADLINES					
FILING METHOD	BATCH	PAYMENT METHOD	DEPOSITARY SERVICE CHARGE	MINIMUM SERVICE CHARGE PER BENEFICIAL OWNER	DOCUMENTATION DEADLINE (ALL TIMES EST)
RELIEF AT SOURCE	PAYMENT ON PAY DATE	EDS	92.853% - UP TO \$0.004 per ADR	\$0	7/8/2013; 8:00 P.M.
			100% - UP TO \$0.0075 per ADR		
LONG-FORM	POST-EDS PROCESS; ONGOING	CHECK	UP TO \$0.01 per ADR	\$25 tax relief fee and up to 40,000 JPY custodial fee.	UP TO 5 YEARS FROM ADR RECORD DATE

ELIGIBILITY MATRIX

RATE DESCRIPTION	RECLAIM RATE	ELIGIBLE RESIDENTS	DOCUMENTATION REQUIRED
10.147%	0%	JAPANESE INDIVIDUAL RESIDENTS	1. APPENDIX A
FAVORABLE – 7.147%	0%	ALL BENEFICIARIES EXCEPT JAPANESE INDIVIDUAL RESIDENTS AND TREATY ELIGIBLE PENSIONS	NO DOCUMENTATION REQUIRED
EXEMPT - 0%	7.147%	TREATY ELIGIBLE NON-JAPANESE RESIDENT PENSIONS (PLEASE SEE EXHIBIT 1)	1. FORM 6166 2. APPENDIX A 3. POWER-OF-ATTORNEY (APPENDIX B)
20.42%	0%	LARGE SHAREHOLDERS THAT HOLD 3% OR MORE OF THE OUTSTANDING SHARES EXCLUDING FOREIGN/(JAPANESE) DOMESTIC CORPORATE LARGE SHAREHOLDERS FOR DIVIDEND INCOME	1. APPENDIX A

DESCRIPTION OF VARIOUS DOCUMENTATION

DOCUMENT NAME	DESCRIPTION	ORIGINAL / COPY	SIGNATURE REQUIREMENT
IRS FORM 6166	ISSUED BY THE INTERNAL REVENUE SERVICE, STATING THE NAME AND TAX PAYER IDENTIFICATION NUMBER OF THE BENEFICIAL OWNER. IT MUST BE DATED WITHIN 10 MONTHS OF SUBMISSION FOR RELIEF AT SOURCE AND WITHIN 8 MONTHS FOR LONG FORM. CANNOT BE CERTIFIED FOR ANY OTHER COUNTRY. MUST HAVE IRS CODES 401(A) AND 501 (A).	ORIGINAL	IRS REPRESENTATIVE
APPENDIX A (COVER LETTER)	LISTING OF BENEFICIAL OWNERS AND/OR JAPANESE INDIVIDUAL RESIDENTS. TOTAL # OF PENSION PARTICIPANTS / # OF TREATY PARTICIPANTS / END OF FISCAL YEAR ARE NOW REQUIRED FOR PENSIONS.	ORIGINAL	DTC PARTICIPANT
APPENDIX B (POWER OF ATTORNEY)	SIGNED BY BENEFICIAL OWNER APPOINTING DEPOSITARY ON BENEFICIAL OWNER'S LETTERHEAD.	ORIGINAL	BENEFICIAL OWNER
LIMITED POWER OF ATTORNEY	IF THE POA IS SIGNED BY THE BROKER, TRUST AGREEMENT OR NOTARIZED LIMITED POA MUST ALSO BE SUBMITTED.	COPY	DTC PARTICIPANT
APPENDIX C	CERTIFICATE OF RESIDENCE FOR UK PENSIONS.	ORIGINAL	UK TAX AUTHORITY
PENSION DECLARATION	LETTER CERTIFYING 50% OF PARTICIPANTS IN PLAN ARE RESIDENTS OF THE TREATY COUNTRY. ONLY REQUIRED FOR LONG FORM RECLAIMS.	COPY	BENEFICIAL OWNER
PROOF OF PAYMENT	DOCUMENT CERTIFYING PAYMENT HAS BEEN CREDITED TO THE PENSIONS FUNDS ACCOUNT. ONLY REQUIRED FOR LONG FORM RECLAIMS.	ORIGINAL	DTC PARTICIPANT

CONTACT DETAILS

PRIMARY CONTACT	RITA PATEL
DOMESTIC PHONE (U.S.)	1-800-929-5484
DOMESTIC FAX (U.S.)	1-800-929-9986
INTERNATIONAL PHONE	1-212-747-9100
INTERNATIONAL FAX	1-212-747-0029
EMAIL ADDRESS	RITA_PATEL@GLOBETAX.COM
COMPANY	J.P. MORGAN CHASE / GLOBETAX
STREET ADDRESS	90 BROAD STREET, 16 TH FLOOR
CITY/STATE/ZIP	NEW YORK, NY 10004
ADDITIONAL CONTACTS	SARAH MARTIN
	MARTA BIERBAUM
	JONATHAN STAAKE

ESP

powered by **GLOBETAX**

J.P. Morgan Chase, offers ESP powered by GlobeTax, an electronic withholding tax submission system. This system allows for the secure and simplified transfer of beneficial owner level data from the Participant to J.P. Morgan Chase and creates applicable documentation on the Participants behalf.

Submit the data online through the web site below, print out the document on letterhead, sign, and mail to J.P. Morgan Chase / GlobeTax along with the additional documentation (necessary for U.S. Pensions, U.K. Pensions, Swiss Pensions, Dutch Pensions, Japanese Residents and Large Shareholders).

These claims should be submitted through the following web site. (Requires a one-time registration)

<https://www.globetaxesp.com>

Please contact Jonathan Staake at 212-747-9100 if you have any questions about this process.

WITHHOLDING TAX UPDATE REGARDING "LARGE SHAREHOLDERS"

Individual (non-Corporate) "large shareholders" who hold 3% or more of the number of outstanding shares for dividend income from listed shares, now fall under the "large shareholder" category. These "large shareholders" will no longer be eligible for the preferential tax rates and thus be applied the 20.42% tax rate for dividends paid after September 30, 2011. Participants are required to disclose the name and address of these "large shareholders" to the Depository by the deadline stated within this notice. Corporate entities (both Japanese and non-Japanese) who hold 3% or more of the number of outstanding shares for dividend income from listed shares are still entitled to the preferential withholding rates and are eligible to receive the income with a 7.147% withholding rate applied or more if eligible based on the treaty between the investors country of residence and Japan. Dividend income for unlisted shares will continue to be withheld at the 20.42% Japanese National Tax Rate.

FREQUENTLY ASKED QUESTIONS (FAQs)

QUESTION	ANSWER
CAN I SUBMIT A TRUST AGREEMENT IN LIEU OF A POA SIGNED BY THE BENEFICIAL OWNER?	YES, BUT A LIMITED POA SIGNED BY THE PARTICIPANT MUST BE ACCOMPANIED BY THE TRUST AGREEMENT
ARE FORM 6166S WITH IRS CODE RULING 81-100 ACCEPTED?	YES, WITH A TAX DETERMINATION LETTER
DOES THE BENEFICIARIES NAME ON THE FORM 6166 NEED TO MATCH THE POA?	YES, THE BENEFICIARIES NAME ON BOTH DOCUMENTS SHOULD BE IDENTICAL.
HOW LONG DOES IT TAKE FOR LONG-FORM CLAIMS TO BE PAID?	WE ESTIMATE IT TAKES UP TO 1 YEAR FOR LONG FORM CLAIMS TO BE PAID
DOES THE LONG-FORM PROCESS HAVE A MINIMUM POSITION REQUIRMENT PER BENEFICIAL OWNER?	YES, PLEASE CALL FOR MORE DETAILS.
DO POAS NEED TO BE NOTARIZED FOR SHORT FORM CLAIMS?	NO, ONLY POAS SUBMITTED FOR LONG FORM CLAIMS NEED TO BE NOTARIZED.
WHAT IS THE STATUTE OF LIMITATIONS FOR FILING JAPANESE RECLAIMS?	IT IS 5 YEARS FROM ORDINARY PAY DATE. CLAIMS RECEIVED AFTER OUR SUBMISSION DEADLINE WILL BE FILED ON A BEST EFFORT BASIS.
WHAT IF THE BENEFICIAL OWNER NAME AND/OR ADDRESS IS NOT CONSISTANT WITH THE OTHER DOCUMENTS?	SEND A LETTER ON PARTICIPANT LETTERHEAD EXPLAINING THE DISCREPANCY. BE SURE TO INCLUDE THE TAX ID NUMBER.
HOW OFTEN ARE LONG FORM CLAIMS FILED WITH THE JAPANESE CUSTODIANS?	DUE TO QUARTERLY FILING LIMITATIONS GLOBETAX FILES ON FEBRUARY 20TH, MAY 20TH, AUGUST 20TH & NOVEMBER 20TH OF EACH YEAR.
WILL J.P. MORGAN / GLOBETAX ACCEPT CLAIMS FILED DIRECTLY TO THEM BY BENEFICIAL OWNERS?	J.P. MORGAN / GLOBETAX ONLY ACCEPTS CLAIMS FILED BY THE DTC PARTICIPANT WHO WAS HOLDING SECURITIES THROUGH DTC AND ONLY TO THE EXTENT THAT DTC HAS REPORTED THESE HOLDINGS TO US AS VALID RECORD DATE HOLDINGS. BENEFICIAL OWNERS ARE REQUIRED TO FILE THEIR CLAIMS THROUGH THE CUSTODY CHAIN TO THE DTC PARTICIPANT OF RECORD. ALL CLAIMS NOT RECEIVED DIRECTLY FROM THE DTC PARTICIPANT WILL BE RETURNED TO THE BENEFICIAL OWNER.
DO PENSION PLANS NEED TO DISCLOSE ANY UNDERLYING HOLDER INFORMATION?	YES, EFFECTIVE SEPTEMBER 1, 2012 PENSION PLANS WILL NEED TO DISCLOSE THE TOTAL NUMBER OF PARTICIPANTS, THE NUMBER OF TREATY ELIGIBLE PARTICIPANTS AND THE DATE OF FISCAL YEAR END.
ARE SWISS AND DUTCH PENSIONS EXEMPT FROM DIVIDEND WITHHOLDING TAX?	YES. IN ADDITION TO THE STANDARD REQUIRED DOCUMENTATION, DUTCH AND SWISS PENSIONS NEED TO PROVIDE A COMPLETED FORM 17.

APPENDIX A – COVER LETTER

(DTC Participant’s Letterhead)

To: J.P. Morgan Chase / GlobeTax
 90 Broad Street, 16th Floor
 New York, New York 10004-2205
 Phone: 1-800-929-5484 Fax: 1-800-929-9986

Re: Withholding Certification for KAO CORPORATION ; CUSIP# 485537302

I / We the undersigned _____ (Contact Name) _____ authorized representative of _____ (DTC Participant Name) _____ holding shares at Cede & Co. under DTC# _____ (DTC PTS Number) _____ of **KAO CORPORATION ; CUSIP# 485537302**, request that the upcoming cash dividend payable to holders as of **6/27/2013**, receive their entitled tax reclaim.

Name of Beneficiary	Complete Address	Country of Residence	Tax ID Number	# ADRs	Law of Establishment (ERISA, State Law of <State>, etc.)	Total # of Participants in Plan	# of Treaty Participants in Plan	Date of Fiscal Year end

***** IF THERE ARE MORE THAN 7 BENEFICIAL HOLDERS, PLEASE CALL THE NUMBER ABOVE AND WE WILL SEND YOU A PRE-FORMATTED DISK. PLEASE RETURN THE DISK AND THE HARD COPY WITH THE REQUIRED AUTHORIZED SIGNATURES TO THE ADDRESS ABOVE.**

I / We certify that to the best of my knowledge the above beneficial owners are eligible for the preferential rates as stated herein and I declare that I have performed all the necessary due diligence to satisfy myself as to the accuracy of the information submitted to me by these beneficial owners.

JPMorgan Chase Bank is not liable for failure to secure the refund and any funds erroneously received shall be immediately returned to JPMorgan Chase Bank, including any interest, additions to tax or penalties thereon. This is not tax advice. Please consult your tax advisor.

Incorrect claims and/or elections could result in fines and/or penalties.

TEL : _____

FAX: _____

 Print Name of Signatory

 Position of Signatory

PLEASE INCLUDE YOUR PHONE AND FAX NUMBER SO THAT WE CAN CONTACT YOU WITH ANY QUESTIONS THAT WE MIGHT HAVE.

APPENDIX B – POWER OF ATTORNEY

(Pension Fund’s Letterhead)

Power of Attorney

(Name of Pension Fund/IRA = the Undersigned), with address in **(City, State, Country)** hereby appoints J.P. Morgan Chase (“Bank”) and/or the Bank’s designated standing proxy(ies) as its true and lawful attorney with full Power of Attorney to do all or any of the following acts with respect to the American Depository Receipts representing shares in **KAO CORPORATION** (“Securities”) that the Bank holds in its safe custody on behalf of the Undersigned through a Participant in the Depository Trust Company .

- i) To sign and file required forms with competent tax authorities in order to secure any tax privileges and benefits such as tax reduction or tax-exemption at source.
- ii) To receive on behalf of the Undersigned tax repayments made by competent tax authorities as a result of lodging reclaim forms.
- iii) To perform any other act as may be necessary to execute the acts mentioned herein.

The Undersigned also authorizes the Bank and/or the Bank’s designated standing proxy(ies) to submit this power of attorney or a photocopy of it to competent tax authorities.

(Name of the Pension Fund/IRA)

<Place and Date>

Place and Date

<Signature of Officer of Beneficiary>

Authorized Signature(s)/Title(s)

In addition, the authorized representative:

Confirms that more than 50% of the beneficiaries, members or participants of the eligible pension fund were individual residents of the _____ or Japan as of the prior taxable period.

(Name of the Pension Fund/IRA)

<Place and Date>

Place and Date

<Signature of Officer of Beneficiary>

Authorized Signature(s)/Title(s)

APPENDIX C

居 住 者 証 明 書
Certificate of Residence

私は、届出者 _____

が、日本国と _____

との間の 租税条約第 _____ 条第 _____ 項 _____ に規定する居住者であることを証明します。

I hereby certify that (the applicant: _____
is a resident under the provisions of the Income Tax Convention between Japan and the
United Kingdom of Great Britain and Northern Ireland, Article 22, para. 2 (e).

年月日 _____

Date _____ / _____ / _____

署 名 _____

Signature _____

官 印
Official Stamp



EXHIBIT 1

TREATY ELIGIBLE PENSIONS		
COUNTRY OF PENSION FUND	DESCRIPTION	QUALIFYING PLANS
UNITED STATES	<p>APPLIES TO A BENEFICIAL OWNER OF THE ADRS THAT:</p> <p>1) IS NOT ENGAGED IN A TRADE OR BUSINESS IN JAPAN THROUGH A PERMANENT ESTABLISHMENT SITUATED IN JAPAN, WITHIN THE MEANING OF THE U.S. DOUBLE TAXATION TREATY WITH JAPAN</p> <p>2) IS A QUALIFYING "PENSION FUND" AS DEFINED ON PAGE 11 OF THE TECHNICAL EXPLANATION OF THE NEW TAX TREATY BETWEEN THE U.S. AND JAPAN, PUBLISHED BY THE U.S. DEPARTMENT OF TREASURY</p> <p>3) IS ABLE TO CERTIFY THAT MORE THAN 50 % OF THE BENEFICIARIES, MEMBERS OR PARTICIPANTS OF THE ELIGIBLE PENSION FUND WERE INDIVIDUAL RESIDENTS OF THE U.S. OR JAPAN AS OF THE PRIOR TAXABLE PERIOD.</p>	<ul style="list-style-type: none"> - QUALIFIED PLANS UNDER SECTION 401(A) - INDIVIDUAL RETIREMENT PLANS (INCLUDING THOSE THAT ARE A PART OF A SIMPLIFIED EMPLOYEE PENSION PLAN THAT SATISFIES 408(K)) - INDIVIDUAL RETIREMENT ACCOUNTS, INDIVIDUAL RETIREMENT ANNUITIES, SECTION 408(P) ACCOUNTS - ROTH IRAS UNDER SECTION 408 A - SECTION 457 GOVERNMENTAL PLANS - SECTION 403(A) QUALIFIED ANNUITY PLANS - SECTION 403(B) PLANS - SECTION 401(K) PLANS QUALIFY AS PENSION FUNDS BECAUSE A 401(K) PLAN IS A TYPE OF 401(A) PLAN. - ANY OTHER FUND IDENTICAL OR SUBSTANTIALLY SIMILAR TO THE FOREGOING SCHEMES THAT ARE ESTABLISHED PURSUANT TO LEGISLATION INTRODUCED AFTER THE DATE OF SIGNATURE OF THE CONVENTION.
UNITED KINGDOM	<p>APPLIES TO A BENEFICIAL OWNER OF THE ADRS THAT:</p> <p>1) IS NOT ENGAGED IN A TRADE OR BUSINESS IN JAPAN THROUGH A PERMANENT ESTABLISHMENT SITUATED IN JAPAN, WITHIN THE MEANING OF THE U.K. DOUBLE TAXATION TREATY WITH JAPAN,</p> <p>2) IS A QUALIFYING "PENSION FUND" AS DEFINED BY ARTICLE 22, PARAGRAPH 2(E) OF THE INCOME TAX CONVENTION BETWEEN JAPAN AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, PUBLISHED BY THE MINISTRY OF FINANCE JAPAN</p> <p>3) IS ABLE TO CERTIFY THAT MORE THAN 50 % OF THE BENEFICIARIES, MEMBERS OR PARTICIPANTS OF THE ELIGIBLE PENSION FUND WERE INDIVIDUAL RESIDENTS OF THE U.K. OR JAPAN AS OF THE PRIOR TAXABLE PERIOD.</p>	
SWITZERLAND	<p>APPLIES TO A BENEFICIAL OWNER OF THE ADRS THAT:</p> <p>1) IS NOT ENGAGED IN A TRADE OR BUSINESS IN JAPAN THROUGH A PERMANENT ESTABLISHMENT SITUATED IN JAPAN, WITHIN THE MEANING OF SWITZERLAND DOUBLE TAXATION TREATY WITH JAPAN,</p> <p>2) IS A QUALIFYING "PENSION FUND" AS DEFINED BY ARTICLE 22A, PARAGRAPH 2(E) OF THE INCOME TAX CONVENTION BETWEEN JAPAN AND SWITZERLAND, PUBLISHED BY THE MINISTRY OF FINANCE JAPAN</p> <p>3) IS ABLE TO CERTIFY THAT MORE THAN 50 % OF THE BENEFICIARIES, MEMBERS OR PARTICIPANTS OF THE ELIGIBLE PENSION FUND WERE INDIVIDUAL RESIDENTS OF SWITZERLAND OR JAPAN AS OF THE PRIOR TAXABLE PERIOD.</p>	
NETHERLANDS	<p>APPLIES TO A BENEFICIAL OWNER OF THE ADRS THAT:</p> <p>1) IS NOT ENGAGED IN A TRADE OR BUSINESS IN JAPAN THROUGH A PERMANENT ESTABLISHMENT SITUATED IN JAPAN, WITHIN THE MEANING OF THE NETHERLANDS DOUBLE TAXATION TREATY WITH JAPAN,</p> <p>2) IS A QUALIFYING "PENSION FUND" AS DEFINED BY ARTICLE 21, PARAGRAPH 2(D) OF THE INCOME TAX CONVENTION BETWEEN JAPAN AND THE NETHERLANDS PUBLISHED BY THE MINISTRY OF FINANCE JAPAN</p> <p>3) IS ABLE TO CERTIFY THAT MORE THAT 50 % OF THE BENEFICIARIES, MEMBERS OR PARTICIPANTS OF THE ELIGIBLE PENSION FUND WERE INDIVIDUAL RESIDENTS OF THE NETHERLANDS OR JAPAN AS OF THE PRIOR TAXABLE PERIOD.</p>	