

Kao Corporation

Notice Regarding Resolution to Repurchase of the Company's Stock (Stock Repurchase in accordance with Articles of Incorporation pursuant to Article 165, paragraph 2 of the Corporation Law)

July 29, 2014

Kao Corporation (the "Company"— *Ticker Code:4452*) hereby makes the following announcement: the Board of Directors, at the meeting of the Board of Directors held on the date hereof, resolved that the Company would repurchase the Company's stock in accordance with Article 156 of the Corporation Law applicable pursuant to Article 165, paragraph 3 of the said Law.

1. Purpose of the Stock Repurchase

The Company will, in accordance with Article 156 of the Corporation Law applicable pursuant to Article 165, paragraph 3 of the said Law, repurchase the Company's stock to improve capital efficiency and increase shareholders' returns.

2. Particulars of the Shares to be Repurchased by the Company

Type of stock to be repurchased:	Common stock of the Company
Total number of shares to be repurchased:	Up to 13,000,000 shares (2.5% of total outstanding shares as of June 30, 2014)
Total amount of the repurchases:	Up to 50,000,000,000 yen
Period of the repurchases:	From July 30, 2014 to October 24, 2014

Reference:

Total number of outstanding shares and total number of treasury shares as of June 30, 2014

Total number of outstanding shares:	513,016,886 shares
Total number of treasury shares:	2,983,114 shares

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