

March 27, 2014

**Re: 2014 corporate income tax rates**

Dear clients:

We have prepared an updated summary of 2014 Japan corporate income taxes (per income levy) as follow:

	For large capital company and small capital company's income over 8 million per annum.	For small capital company's income less than 8 million per annum.
National tax	Corporate 25.50%	Corporate 15.00%
	Enterprise 8.08%	Enterprise 7.24%
Prefectural tax	Inhabitant 5.28%	Inhabitant 2.60%
Total	38.86%	24.84%

The total is aggregated statutory taxes.

Prefectural tax will vary depending on the jurisdiction area in Japan.(Average rate in Tokyo is shown.)

In general, the small capital company in the above is classified as one of the followings;

- (a) the paid-in capital amount is equal or less than JPY 100 million, or
- (b) the parent company's (or holding company's) paid-in capital amount is equal or less than JPY 100 million

If you have any questions or need further information, please do not hesitate to contact us from our firm's contact site : <http://bansho-ito.jp/en/contacts>

Sincerely yours,