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Press Release

Company Name: Idemitsu Kosan Co., Ltd.
Representative Director & Chief Executive Officer:
Shunichi Kito
(Company Code: 5019, TSE, First Sect.)
Contact person: Munehiro Sekine, General Manager,
Investor Relations Office, Finance Department
(TEL: +81-3-3213-9307)

Announcement on the Establishment of Idemitsu Tajima EV Corporation

Idemitsu Kosan Co., Ltd. (headquarters: Chiyoda-ku, Tokyo; representative: Shunichi Kito; hereinafter, "Idemitsu") hereby announces that it has reached an agreement with Tajima Motor Corporation (headquarters: Nakano-ku, Tokyo; representative: Nobuhiro Tajima; hereinafter, "Tajima Motor") to establish a new developer of next-generation mobility (such as ultra-compact EVs) and services, Idemitsu Tajima EV Corporation (representative: Nobuhiro Tajima; hereinafter, "Idemitsu Tajima EV"), effective April 2021.

Idemitsu's service station network and materials development technology will be combined with Tajima Motor's vehicle design technology to provide a completely new mobility category with a focus on ultra-compact EVs, in response to potential transportation-related needs.

1. Overview of the New Company

The new company will kick off to a new start with Idemitsu's investment in Tajima EV Corporation, a Tajima Motor affiliate, with a corporate name change to Idemitsu Tajima EV Corporation. Idemitsu Tajima EV aims to announce its first vehicle in October 2021 and to achieve market launch during 2022.

Idemitsu Tajima EV will not only develop and sell ultra-compact EVs, but will also engage in various other operations including solar powered electric vihicles, use of next-generation batteries, development of automated driving, green slow mobility, and new subscription and car share models, establishment of MaaS-related digital platforms, and creation of a recycling system.

Company Name: Idemitsu Tajima EV, Co., Ltd.
Representative: Nobuhiro Tajima
Establishment Date: April 1, 2021
Business Description: Planning/design/production/sales of ultra-compact EVs, development/provision of other mobility services

2. Objectives of Establishing the New Company

Idemitsu and Tajima Motor have implemented multiple validation studies with a focus on regional areas, where public transportation is limited. As a result, various needs for different modes of transportation were identified not only in regional areas, but also in various other area. Idemitsu Tajima EV will provide a new mobility category to the following target markets to support various transportation-related needs. The new company aims to create new demand equivalent to 1 million vehicles per year as a result.

(1) Target market desiring new modes of transportation and services

Pilot studies in Hida City and Takayama City in Gifu Prefecture and Tateyama City and Minamiboso City in Chiba Prefecture over a 2-year period confirmed the rapid growth in transportation needs, following the returning of driving licenses by the elderly. Novice drivers fell uncomfortable using cars for daily shopping and for picking up their children, creating a need for a safe and secure substitute for bicycles and motorbikes which can avoid wind and rain. Furthermore, salespersons travel less than 15 km per day with vehicle utilization rates falling below 20%, making mini-vehicles an excessive investment with respect to both specifications and functionality. By focusing on markets with unmet needs, the size of additional demand was estimated to be in the order of 1 million units per year.

Idemitsu and Tajima Motor believe that small, highly maneuverable vehicles with minimal functionality combined with a usage framework leveraging digital technology and new usage models combining corporate and individual use (business patent pending) can both reduce transportation costs and provide effective solutions to current regional challenges.

(2) Development of a new mobility category

In response to the above needs, Idemitsu Tajima EV will first develop a new category of ultra-compact EVs pursuant to the new standards for ultra-compact announced by MLIT in September 2020. The EV seats 4 persons by taking maximum advantage of EVs' spatial efficiency, making it an optimal vehicle for short-distance transportation. It can be used safely by elderly or novice drivers due to the higher maneuverability relative to existing mini-vehicles and the low maximum speed of less than 60km/h.

In addition to the ultra-compact EV, the new company will develop flat-fee sharing subscription models and MaaS suited to changing user needs, which will be provided at the 6,400 service stations nationwide.

Going forward, the new company will also engage in efforts to develop new mobility services, including new services combining electric power sales at service stations with ultra-compact EV, a framework to monitor elderly users' driving status, a decentralized energy system which considers each vehicle as a rechargeable battery, and a vehicle and battery recycling system.

Ultra-compact EVs Under Development

Detailed Vehicle Specifications (expected)	
Length x width x height	2,495×1,295×1,765 (mm)
Capacity	4 persons (cargo type: 1 person)
Maximum power	15kW
Maximum speed	Less than 60km/h
Batteries	60V , 10kWh
Recharging time	8 hours (100V)



Exhibited at 2019 Tokyo Motor Show

3. Future Outlook

This transaction has minimal impact on Idemitsu's current fiscal year performance.