May 14, 2024

Press Release

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(Company Code: 5019, TSE Prime Market)
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Announcement Regarding Acquisition and Retirement of Treasury Shares

(Acquisition of treasury shares pursuant to the articles of incorporation in accordance with Article 459, Paragraph 1 of the Companies Act of Japan and retirement of treasury shares pursuant to Article 178 of the Companies Act of Japan)

Idemitsu Kosan Co., Ltd. ("Idemitsu" or the "Company") hereby announces that its board today adopted a resolution to acquire treasury shares pursuant to the articles of incorporation in accordance with Article 459, Paragraph 1 of the Companies Act of Japan and to retire such shares pursuant to Article 178 of the Companies Act of Japan, as follows.

1. Reason for the Acquisition and Retirement of Treasury Shares

Idemitsu's shareholder returns policy for the current medium-term management plan period (FY2023–FY2025) is to provide "a total payout ratio of 50% or more based on 3-year cumulative net income excluding inventory impact."

In addition, as stated in the "Presentation on Results for FY2023" announced today, the Company announced its policy of acquiring treasury shares for a total of 100 billion yen during the current medium-term period to optimize shareholders' equity, in line with plans to pursue a target ROE of 10% in FY25.

In light of the above, Idemitsu will acquire 70 billion yen's worth of treasury shares, of which 50 billion yen's worth is aimed at optimizing shareholders' equity. All acquired treasury shares will subsequently be canceled.

Of the maximum 35 billion yen to be used for the acquisition of treasury shares as approved by the board of directors on November 14, 2023, the Company has spent 16.2 billion yen as of April 30, 2024. The 70 billion yen acquisition of treasury shares approved today will be commenced after the completion of the abovementioned acquisition. For details on the acquisition of treasury shares approved by the board of directors on November 14, 2023, please refer to "Announcement Regarding Acquisition of Treasury Shares and Cancellation of Treasury Shares," announced November 14, 2023.

2. Details on Acquisition of Treasury Shares

(1) Type of shares to be acquired	Common shares of the Company
(2) Aggregate number of shares to be acquired	90,000,000 shares (upper limit) (6.5% of total shares outstanding (excluding treasury shares))
(3) Aggregate amount of purchase price	70 billion yen (upper limit)
(4) Acquisition period	May 15, 2024–March 14, 2025
(5) Acquisition method	Market purchase

3. Details of Cancellation

(1) Type of shares to be cancelled	Common shares of the Company
(2) Total number of shares to be cancelled	All treasury shares acquired through 2. Above
(3) Scheduled date of cancellation	April 30, 2025

(Reference) Status of treasury share acquisitions as of March 31, 2024

(1) Total shares outstanding (excluding treasury shares)	1,379,039,980 shares
(2) Total number of treasury shares	13,602,310 shares