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Press Release

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Announcement Regarding Acquisition 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)

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, as follows.

1. Reason for the Acquisition 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 on 14 May, 2024, 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 FY2025.

In light of the above, Idemitsu will acquire maximum of 70 billion yen's worth of treasury shares, of which 20 billion yen's worth is aimed at shareholder returns and of which 50 billion yen's worth is aimed at optimization of shareholders' equity. For the optimization of shareholders' equity, the acquisition of 100 billion yen of treasury shares during the current medium-term management plan period, will be completed as indicated as policy, together with the acquisition of the treasury shares resolved at the board of directors meeting on May 14, 2024 (50 billion yen out of the maximum acquisition amount of 70 billion yen). The acquired treasury shares will subsequently be retired.
Of the maximum of 70 billion yen to be used for the acquisition of treasury shares as approved by the board of directors on May 14, 2024, the Company has spent about 56 billion yen as of January 31, 2025. 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 May 14, 2024, please refer to "Announcement Regarding Acquisition of and Retirement of Treasury Shares," announced May 14, 2024.

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	80,000,000 shares (upper limit) (6.1% of total shares outstanding (excluding treasury shares))
(3) Aggregate amount of purchase price	70 billion yen (upper limit)
(4) Acquisition period	March 17, 2025–March 16, 2026
(5) Acquisition method	Market purchase

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