



February 14, 2023

Press Release

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Representative Director & Chief Executive Officer:  
Shunichi Kito  
(Company Code: 5019, TSE Prime Market)  
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## **Announcement Regarding Acquisition of Treasury Shares and Cancellation of Treasury Shares**

### **(Acquisition of Treasury Shares pursuant to the Articles of Incorporation under the Provision of Article 459, Paragraph 1 of the Companies Act of Japan and Cancellation of Treasury Shares pursuant to the Provision of Article 178 of the Companies Act of Japan)**

Idemitsu Kosan Co.,Ltd. (“we” or the “Company”) hereby announces that its board of directors meeting resolved today to acquire its treasury shares pursuant to the Articles of Incorporation, under the provision of Article 459, paragraph 1 of the Companies Act of Japan, and to cancel treasury shares pursuant to the provision of Article 178 of the Companies Act of Japan.

#### **1. Reasons for the Acquisition and cancellation of Treasury Shares**

With consideration for the returns to shareholders is an important responsibility of management, our mid-term management plan sets shareholder returns by securing total payout ratio of at least 50% on cumulative net income excluding inventory impact from FY2020–2022.

Based on the earnings forecast for FY 2022 announced today, we will achieve a total payout ratio of above 50% in 3-year cumulative total by implementing 120-yen dividends and the acquisition of 60-billion-yen treasury shares.

To increase mid- to long-term shareholder value, all acquired treasury shares will be canceled on March 29, 2024.

#### **2. Details of Acquisition**

- (1) Type of shares to be acquired  
Common shares of the Company
- (2) Aggregate number of shares to be acquired  
29 million shares (upper limit)  
(9.7% of the total number of the issued shares, excluding treasury shares)
- (3) Aggregate amount of purchase price  
60 billion yen (upper limit)
- (4) Acquisition period  
From February 15, 2023 to February 14, 2024
- (5) Acquisition method  
Market purchase

**3. Details of Cancellation**

- (1) Type of shares to be cancelled  
Common shares of the Company
- (2) Number of shares to be cancelled  
Number of all treasury shares acquired under 2. above
- (3) Scheduled date of cancellation  
March 29, 2024

(Reference) Treasury shares held as of December 31, 2022

- (1) The total number of the issued shares (excluding treasury shares): 297,817,662 shares
- (2) The number of treasury shares: 47,056 shares

End