



November 14, 2023

Press Release

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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. (“Idemitsu” or the “Company”) hereby announces that its board of directors today adopted a resolution to acquire treasury shares pursuant to the company’s articles of incorporation as set forth in Article 459, Paragraph 1 of the Companies Act and to retire its treasury shares pursuant to Article 178 of the Companies Act, as follows.

1. Reasons for the Acquisition and cancellation of Treasury Shares

As stated in “(Change of Disclosure Matters) Announcement on the Revision of the Medium-term Management Plan (Fiscal Years 2023–2025)”, “Announcement on Stock Split and Partial Amendment of the Articles of Incorporation, as well as Acquisition of Treasury Shares and Interim Dividends, and Revision of Dividend Forecasts” and “Announcement on Revisions to Consolidated Earnings Forecasts for the Fiscal Year Ending March 2024” announced today, the Company has revised its shareholder return policy (including an increase in dividends) and its earnings forecast for the current fiscal year.

As a result, the Company plans to achieve a total payout ratio of at least 50% of cumulative net income excluding inventory impact in fiscal year and to execute a share repurchase of up to 35 billion yen. All acquired treasury shares will be canceled.

Note that, of the maximum 60 billion yen in treasury share acquisitions approved by the board of directors on February 14, 2023, the Company has acquired 48.5 billion yen as of October 31, 2023. The 35 billion yen share repurchase approved today will commence after the completion of such treasury share acquisitions.

Please refer to the other announcements concerning details on the change in shareholder return policy, etc.

2. Details of Acquisition

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| (1) Type of shares to be acquired | Common shares of the Company |
| (2) Number of shares to be acquired
(5.3% of total shares outstanding (excluding treasury shares)) | 75,000,000 shares (upper limit) |
| (3) Total acquisition cost | 35 billion yen (upper limit) |

(4) Acquisition period	November 15, 2023–August 14, 2024
(5) Acquisition method	Open market purchases

(Note) The board of directors also adopted a resolution today for a 5-for-1 stock split of common shares to become effective on January 1, 2024, and the above reflects such stock split.

3. Details of Cancellation

(1) Type of shares to be canceled	Common shares of the Company
(2) Number of shares to be canceled	All shares acquired under 2. above
(3) Scheduled date of the cancellation	March 31, 2025

(Reference) Treasury shares held as of September 30, 2023

(1) Total shares outstanding (excluding treasury shares)	282,635,785 shares
(2) Number of treasury shares	15,228,933 shares