

June 28, 2016

Press Release

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Representative Director & Chief Executive
Officer: Takashi Tsukioka
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Regarding Certain Media Reports Released Today

Idemitsu Kosan Co., Ltd. (3-1-1 Marunouchi, Chiyoda-ku, Tokyo; CEO, Representative Director, Takashi Tsukioka) held its 101th Ordinary General Meeting of Shareholders today. Certain media reported about the discussions held there and we are making an announcement about the facts as stated below.

We held our 101th Ordinary General Meeting of Shareholders today at 10 a.m. JST and the chairperson of this meeting, CEO, Representative Director, Takashi Tsukioka, provided explanations of matters to be reported and matters to be resolved. At that time, an agent of a major shareholder expressed an objection to the business integration with Showa Shell Sekiyu K.K., which is still currently under discussion. The agent also voted against Proposition No. 1 of this ordinary meeting of shareholders, which was the Election of Directors.

All propositions, including Proposition No. 1, were approved in their original form by a majority of the voting rights exercised beforehand and by shareholders present in this ordinary meeting of shareholders.

Our company's management shares the same belief as the aforementioned major shareholder on the importance of not only enhancing the corporate value of our company's group but also contributing to the maintenance and reinforcement of stable energy supply systems in Japan; and we were in constant communication with the aforementioned major shareholder about this business integration. We sincerely regret that the agent of the aforementioned major shareholder expressed an objection to the business integration during the ordinary meeting of shareholders.

We remain confident that the business integration with Showa Shell Sekiyu K.K. is the best path forward for the sustainable development of our company's group and the future of the oil industry, and we plan to continue holding further business integration discussions with Showa Shell Sekiyu K.K. based on the spirit of equal partnership.

We are committed to our efforts to establish an integrated company that all shareholders, including the aforementioned major shareholder, can appreciate.

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