

July 5, 2017

Press Release

Company: Idemitsu Kosan Co., Ltd.  
Representative Director & Chief Executive Officer:  
Takashi Tsukioka  
(Company Code: 5019, TSE 1<sup>st</sup> Section)  
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**Notice on Petition Filed by Shareholders for a Provisional Injunction against the Issuance of New Shares**

Idemitsu Kosan Co., Ltd. (the “**Company**”) hereby announces that Nissho Kosan K.K., Mr. Shosuke Idemitsu, Mr. Masakazu Idemitsu/, Mr. Masamichi Idemitsu, Idemitsu Culture and Welfare Foundation and Idemitsu Museum of Arts Foundation (“**Nissho Kosan et al.**”), each of which is a shareholder of the Company, collectively filed a petition for a provisional injunction against the issuance of new shares of the Company (the “**Petition**”) with the Tokyo District Court on July 4, 2017, as follows.

1. Background of the Petition

As announced in the press release “Notice on Issuance of New Shares by Way of Global Offering” dated July 3, 2017, the Company determined at the Board of Directors’ meeting held on July 3, 2017, to issue 48 million shares of common stock by way of global offering (the “**Issuance**”). Regarding the Issuance, Nissho Kosan et al. filed the Petition with the Tokyo District Court on July 4, 2017.

2. Overview of the Shareholders that Filed the Petition

(1) Name	Nissho Kosan K.K.
(2) Address	1-3-6, Kita-Aoyama, Minato-ku, Tokyo
(3) Title/Name of Representatives	Shosuke Idemitsu, Representative Director Masakazu Idemitsu, Representative Director Yohei Tsuruma, Representative Director
(4) Number of Shares Held	27,120,000 shares (holding ratio: 16.950%)

(1) Name	Shosuke Idemitsu
(2) Address	Minato-ku, Tokyo
(3) Number of Shares Held	1,928,000 shares (holding ratio: 1.205%)

(1) Name	Masakazu Idemitsu
(2) Address	Minato-ku, Tokyo
(3) Number of Shares Held	2,416,000 shares (holding ratio: 1.510%)

(1) Name	Masamichi Idemitsu
(2) Address	Minato-ku, Tokyo
(3) Number of Shares Held	2,416,000 shares (holding ratio: 1.510%)

(1) Name	Idemitsu Culture and Welfare Foundation
(2) Address	3-4-15, Aobadai, Meguro-ku, Tokyo

Note:	This press release does not constitute an offer of securities for sale in the United States. The securities referred to above have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The securities referred to above may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.
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- (3) Title/Name of Representative Shosuke Idemitsu, Representative Director
- (4) Number of Shares Held 12,392,400 shares (holding ratio: 7.745%)

- (1) Name Idemitsu Museum of Arts Foundation
- (2) Address 3-1-1, Marunouchi, Chiyoda-ku, Tokyo
- (3) Title/Name of Representative Shosuke Idemitsu, Representative Director
- (4) Number of Shares Held 8,000,000 shares (holding ratio: 5.000%)

### 3. Date of the Petition

July 4, 2017

### 4. Details of the Petition

- (1) Court with which the Petition was filed

Tokyo District Court

- (2) Subject of the Petition

A petition for a provisional injunction against the issuance of 48 million shares of common stock by way of global offering that was determined at the Company's Board of Directors' meeting held on July 3, 2017.

- (3) Reason for the Petition

According to the written petition for a provisional injunction against the issuance of new shares, the Petition alleges that the primary purpose of the Issuance is for the current management to maintain control over the Company and that the Issuance is being conducted using a method that is extremely unfair.

### 5. Future Policy and Prospects

The Issuance is essential to strengthen the Company's domestic business platform, to foster growth businesses and to strengthen its corporate financial structure, and Nissho Kosan et al.'s claim that the purpose of the Issuance is to maintain control over the Company is obviously incorrect. Accordingly, the Company believes that there is no reason for the Petition to be granted.

The Company will vigorously defend and endeavor to demonstrate the legality of the Issuance in response to the Petition.

### (Reference) Overview of the Issuance

- (1) Number of Shares to be Offered 48 million shares of common stock of the Company
- (2) Method of Determination of Amount to be Paid in The amount to be paid in will be determined on any day in the period from July 12, 2017 (Wed.) to July 19, 2017 (Wed.) (such date, the "**Pricing Date**") in accordance with the method stated in Article 25 of the Regulations concerning

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- Underwriting of Securities, etc., promulgated by the Japan Securities Dealers Association.
- (3) Payment Date The payment date shall be any day in the period from July 20, 2017 (Thu.) to July 26, 2017 (Wed.); provided, however, that such day shall be the fifth business day immediately following the Pricing Date.
- (4) Use of Proceeds The Company plans to apply all of the net proceeds in the aggregate amount of approximately up to 138,533,000,000 yen to fund investments and loans, fund investments in plant and equipment, funds for research and development, and the repayment of short-term loan(s).

\* For details, please refer to the press release “Notice on Issuance of New Shares by Way of Global Offering” dated July 3, 2017.

End

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