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Press Release

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Announcement on the Acquisition of Independent Australian Petroleum Products Distributor Trinity Petroleum Services Pty Ltd

On March 9, Idemitsu Kosan Co.,Ltd. (Head Office: Chiyoda-ku, Tokyo; Representative Director and CEO: Takashi Tsukioka; hereinafter, "Idemitsu"), acquired through its wholly owned subsidiary Freedom Energy Holdings Pty Ltd (hereinafter "Freedom"), located in Brisbane, Queensland, Australia, 100% of the outstanding shares of petroleum products distributor Trinity Petroleum Services Pty Ltd (hereinafter "Trinity"; holding company: Elfont Pty Ltd), located in Cairns, Queensland, Australia.

1. Purpose of this Acquisition

Idemitsu is enhancing the petroleum products business in growing overseas markets centered on the Pacific Rim. As part of this process, it has acquired Trinity, an independent Australian petroleum products distributor.

Centered in Far Northern Queensland, Trinity engages in the wholesale business delivering petroleum products to its customers using its fleet of tank trucks and in the retail business through 18 service stations. Growing petroleum products demand in Australia is expected to continue, and the dependence of import of petroleum products is increasing with the closure of refineries. Idemitsu already has secured a business foundation in Australia through Freedom, and it will strengthen its business operations in Australia through this acquisition.

Idemitsu will continue building on its global petroleum products business through strengthening its supply chain in supply, trading, and sales throughout the Pacific Rim, taking advantage of the expertise it has accumulated in the petroleum products business in Japan.

2. Overview of this Acquisition of Shares

- (1) Type of acquisition: Acquisition of shares by wholly owned subsidiary Freedom
- (2) Shares acquired: 100% of the outstanding shares of Elfont Pty Ltd (a holding company owning all shares of Trinity stock)
- (3) Date of acquisition: March 9, 2018
- (4) Business policies after acquisition: Together with the Freedom business, Idemitsu will strengthen its retail network in Australia's east coast, steadily capturing demand for petroleum products for use in the transport industry. It also will strengthen its wholesale businesses through enhancing its marketing capabilities.

3. Overview of Trinity

- (1) Company name: Trinity Petroleum Services Pty Ltd
- (2) Location: Cairns, Far North Queensland, Australia
- (3) Lines of business:
 - Sale of petroleum products (diesel oil, gasoline)
 - Sales area: The northern area of the Australian state of Queensland (the area including Cairns and Townsville)
 - Sales volume: Approx. 150,000 kl/year
- (4) Number of employees: 160
- (5) Founded: 1987
- (6) Net sales: approx. AUD 200 million (approx. JPY 17 billion)

4. Future outlook

This decision has no impact on FY2017 consolidated forecasts.