

(Translation)

May 9, 2025

To whom it may concern:

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Name of Representative: Yoji Furumiya, President and CEO
Securities Code: 9142
Tokyo Stock Exchange (Prime Market) and Fukuoka Stock Exchange
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Notice Regarding Repurchase of Own Shares through Off-Auction Own Share Repurchase Trading (ToSTNeT-3) System (Share Buybacks through an Accelerated Share Repurchase (ASR) Program)

The Company hereby announces that at the Board of Directors meeting held today, it resolved, pursuant to Article 156 of the Companies Act as applied with necessary modifications pursuant to Article 165, Paragraph 3 of the same Act, to acquire the Company's own shares and the specific purchase method.

1. Reason for Acquiring the Company's Own Shares

Under the JR Kyushu Group Medium-Term Business Plan 2022–2024 (hereinafter, the “previous medium-term plan”), the Company's shareholder return policy states that, “JR Kyushu places importance on the stable provision of return to shareholders over the long term. Over the period to FY25.3, we will aim for a consolidated dividend payout ratio of 35%, with a minimum dividend per share of ¥93.0. We will flexibly implement share repurchases as necessary.”

We summarize the previous medium-term plan, and will repurchase the Company's own shares with the aim of improving capital efficiency and reducing the cost of capital.

2. Purchase Method

At the closing price of 3,858 yen as of today, May 9, 2025, the Company will place an order to repurchase its own shares through Off-Auction Own Share Repurchase Trading (ToSTNeT-3) System on the Tokyo Stock Exchange (hereinafter, the “TSE”) at 8:45 a.m. on May 12, 2025, acquiring an amount equivalent to 10 billion yen in Company shares (with no changes to other trading systems or trading hours). (This repurchase is hereinafter referred to as the “Company Share Repurchase.”) The buy order will be placed as a one-time order, valid only during the specified trading time.

In this repurchase, it is expected that Goldman Sachs International (hereinafter, “Goldman Sachs”) will submit a sell order for 2,592,000 shares. However, as noted below, regarding the shares to be acquired from Goldman Sachs, an adjustment will later be made using Company shares so that the Company's effective acquisition price corresponds to the average share price of the Company over a specified period, multiplied by 99.30% (see details below). Accordingly, the final total number of shares acquired may vary.

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3. Details of the Purchase

(1)	Type of shares purchased	Common shares of the Company
(2)	Total number of shares purchased	2,592,000 shares (1.66% of total number of shares outstanding, excluding treasury stock)
(3)	Total share purchase price	9,999,936,000yen
(4)	Announcement of Repurchase Results	The results of the repurchase will be announced following the close of trading at 8:45 a.m.

(Note 1) The number of shares to be repurchased will not be revised. However, depending on market conditions and other factors, it is possible that the repurchase may not be executed in whole or in part.

(Note 2) The repurchase will be conducted only if sell orders are placed that match the number of shares scheduled for acquisition.

(Reference) Total number of shares outstanding and number of treasury shares as of March 31, 2025

Total number of shares outstanding (excluding treasury stock)	156,190,115shares
Shares of treasury stock	1,111,485shares

4. About the Accelerated Share Repurchase (ASR)

The method used for the repurchase of the Company's own shares in this case is known as an Accelerated Share Repurchase (hereinafter, "ASR"), a structure commonly used in the United States.

In conducting this repurchase of the Company's own shares, the Company has determined—for the reasons described below—that the ASR method proposed by Goldman Sachs Japan Co., Ltd. (hereinafter, the "ASR Transaction") is the best option to meet its need to reliably repurchase Company shares equivalent to 10 billion yen within a set period.

Among the various purchase methods available for acquiring the Company's own shares through market transactions—such as placing individual orders directly, entering into discretionary trading agreements with securities firms, or using trust banks—it is expected that any of these approaches would require a certain amount of time to complete a repurchase on the scale of 10 billion yen, taking into account the trading volume of the Company's shares in the market. Alternatively, a one-day purchase via ToSTNeT-3 would allow for immediate execution, but the total number of shares acquired would depend on the volume of sell orders placed by shareholders, making it uncertain whether the full targeted amount could be secured.

In contrast, by adopting the ASR Transaction, and notwithstanding that it requires procedures related to the issuance of stock acquisition rights (as described in detail below), the Company can complete the repurchase transaction in a single day. Moreover, even if sell orders from shareholders do not reach the 10 billion yen level, Goldman Sachs is expected to borrow Company shares and place a sell order on that basis. As a result, the repurchase of Company shares equivalent to 10 billion yen can be executed with greater certainty.

In addition, following this repurchase of Company shares, short covering transactions by Goldman Sachs and its affiliates (collectively, the "Goldman Sachs Group," as defined below) are expected to contribute to an improvement in the supply-demand balance for the Company's shares.

Information regarding the sale by the Goldman Sachs Group will be disclosed on the Tokyo Stock Exchange website (<https://www.jpx.co.jp/english/markets/public/short-selling/index.html>), and we encourage shareholders to refer to it for further details.

<Overview of the ASR Transaction>

On May 12, 2025, the Company will repurchase its own shares via ToSTNeT-3 at 3,858 yen per share, acquiring 2,592,000 shares, equivalent to 10 billion yen. In this Company Share Repurchase, Goldman Sachs is expected to place a sell order after borrowing Company shares. Therefore, even if no sell orders are placed by

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shareholders, the Company expects to acquire the full planned total of 2,592,000 shares. According to Goldman Sachs, it is expected that a sell order for 2,592,000 shares will be possible via borrowings from the market. However, since Goldman Sachs will conduct the share borrowings after this disclosure, the total amount of its sell order has not yet been finalized at this time. Following the execution of the sell order by Goldman Sachs in connection with this Company Share Repurchase, the Goldman Sachs Group intends to acquire the Company's shares, both on and off the market, at its own discretion and cost, for the purpose of returning the borrowed shares (hereinafter referred to as the "Short Covering Transaction").

Next, with regard to the shares acquired from Goldman Sachs in this Company Share Repurchase, the Company will enter into an adjustment transaction with Goldman Sachs, the allottee of the Stock Acquisition Rights to be issued under this ASR Transaction (hereinafter, the "Stock Acquisition Rights"), using Company shares. This adjustment will ensure that the Company's effective acquisition price per share is equal to the Average Share Price, which is defined as the average of the volume-weighted average price (VWAP) of the Company's common shares in regular trading over a certain period following the Company Share Repurchase, multiplied by 99.30%, with certain adjustments applied. (For the definition of "Average Share Price," see [Stock Acquisition Rights to Be Issued by the Company under This ASR Transaction] 1. Overview of the Offering, (6) Method for Calculating the Number of Shares Delivered upon Exercise.)

The details of this adjustment transaction are outlined in the following section.

(1) If the Average Share Price Exceeds the Acquisition Price of 3,858 Yen in the Company Share Repurchase (Adjustment Transaction via Exercise of Stock Acquisition Rights)

- i. In this case, assuming that the Goldman Sachs Group acquires common shares of the Company through Short Covering Transactions at the Average Share Price, it would not be able to purchase the number of common shares of the Company necessary to return the borrowed shares using the full amount received from the Company in the Company Share Repurchase.
- ii. Accordingly, Goldman Sachs will exercise the Stock Acquisition Rights and receive from the Company a number of common shares equivalent to the shortfall required for returning the borrowed shares. The contribution amount upon exercise of the Stock Acquisition Rights is 1 yen. The number of shares delivered to Goldman Sachs upon such exercise will be calculated using the following formula:

"Number of shares delivered = Reference Number of Shares – Reference Amount ÷ Average Share Price"

Notes: The "Reference Number of Shares" refers to the number of common shares of the Company sold by Goldman Sachs in the Company Share Repurchase.

The "Reference Amount" refers to the total sales proceeds from the common shares of the Company sold by Goldman Sachs in the Company Share Repurchase.

The "Average Share Price" refers, in principle, to the arithmetic average of the volume-weighted average price (VWAP) of the common shares of the Company during the Short Covering Transaction period, multiplied by 99.30%. (Adjustments will be made in cases where certain dividends exceeding a prescribed threshold are paid during the period.)

For details on the "Reference Number of Shares," "Reference Amount," and "Average Share Price," please refer to [Stock Acquisition Rights to Be Issued by the Company under This ASR Transaction] 1. Overview of the Offering, (6) Method for Calculating the Number of Shares Delivered upon Exercise.

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- iii. If common shares of the Company are delivered upon the exercise of the Stock Acquisition Rights as described above, the effective number of Company shares acquired by the Company through this ASR Transaction will be the number of shares purchased in the Company Share Repurchase, minus the number of shares delivered upon the exercise of the Stock Acquisition Rights.
- iv. As a result of this adjustment transaction, the number of shares ultimately acquired by the Company through the ASR Transaction will be as follows (note: the 1 yen contribution amount for exercising the Stock Acquisition Rights is not factored into either case below):
 - (i) In the event that no sell orders were placed by general shareholders in the Company Share Repurchase:
The result is equivalent to having used 10 billion yen to acquire common shares of the Company at the Average Share Price.
 - (ii) In the event that sell orders were placed by general shareholders in the Company Share Repurchase:
The result is equivalent to using 10 billion yen to purchase shares from general shareholders at the closing price of 3,858 yen as of today, and using the remaining amount to acquire common shares of the Company at the Average Share Price.

(2) If the Average Share Price Is Lower than the Acquisition Price of 3,858 Yen in the Company Share Repurchase (Adjustment Transaction through Gratis Transfer of Common Shares of the Company from Goldman Sachs to the Company)

- i. In this case, assuming the Goldman Sachs Group acquires common shares of the Company through Short Covering Transactions using the full amount received from the Company in the Company Share Repurchase (the “Reference Amount”) at the Average Share Price, it will be able to purchase more common shares of the Company than are necessary to return the borrowed shares. The portion of common shares of the Company exceeding the quantity required for returning the borrowed shares is hereinafter referred to as the “Excess Shares.”
- ii. Accordingly, Goldman Sachs will settle the excess portion by transferring the Excess Shares to the Company free of charge, reflecting the fact that more common shares of the Company were ultimately acquired than needed, based on the Average Share Price. The number of shares to be transferred gratis will be calculated using the following formula:

Number of shares transferred gratis = Reference Amount ÷ Average Share Price – Reference Number of Shares

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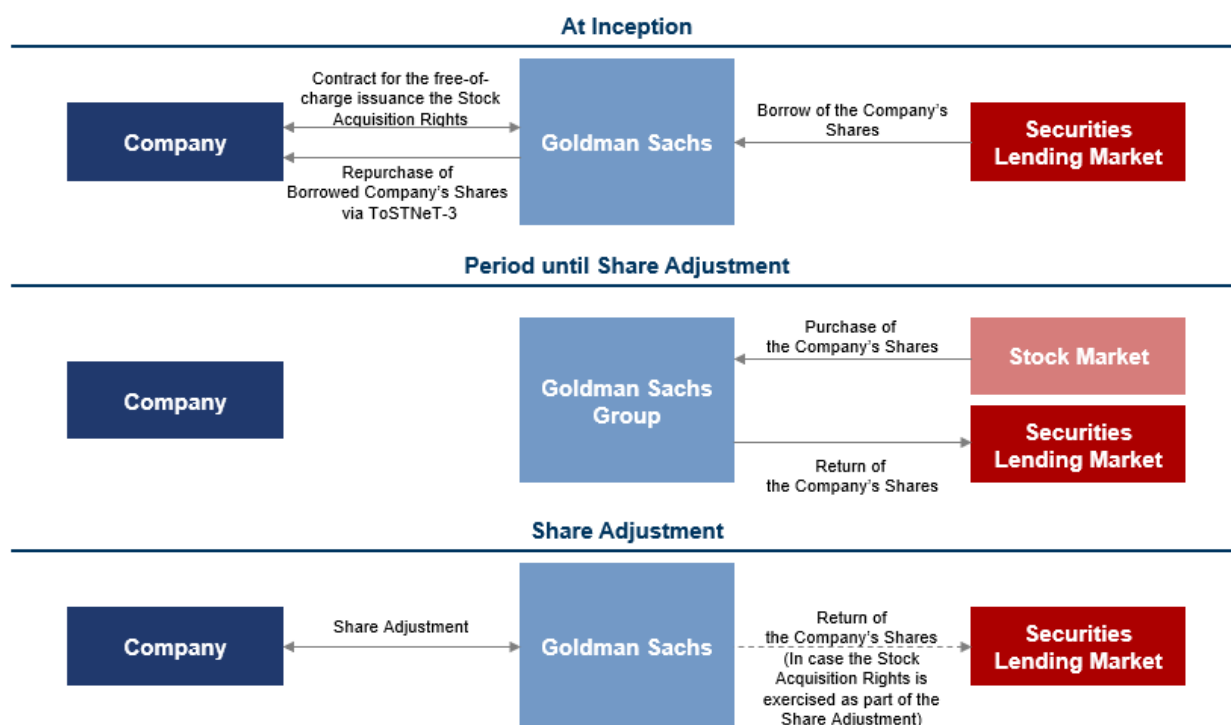
- iii. If the above gratis transfer is executed, the effective number of Company shares acquired by the Company through the ASR Transaction will be the number of shares purchased in the Company Share Repurchase plus the number of shares transferred gratis.
- iv. As a result of this adjustment transaction, the number of shares ultimately acquired by the Company through the ASR Transaction will be as follows:
 - (i) In the event that no sell orders were placed by general shareholders in the Company Share Repurchase:

The result is equivalent to having used 10 billion yen to acquire common shares of the Company at the Average Share Price.
 - (ii) In the event that sell orders were placed by general shareholders in the Company Share Repurchase:

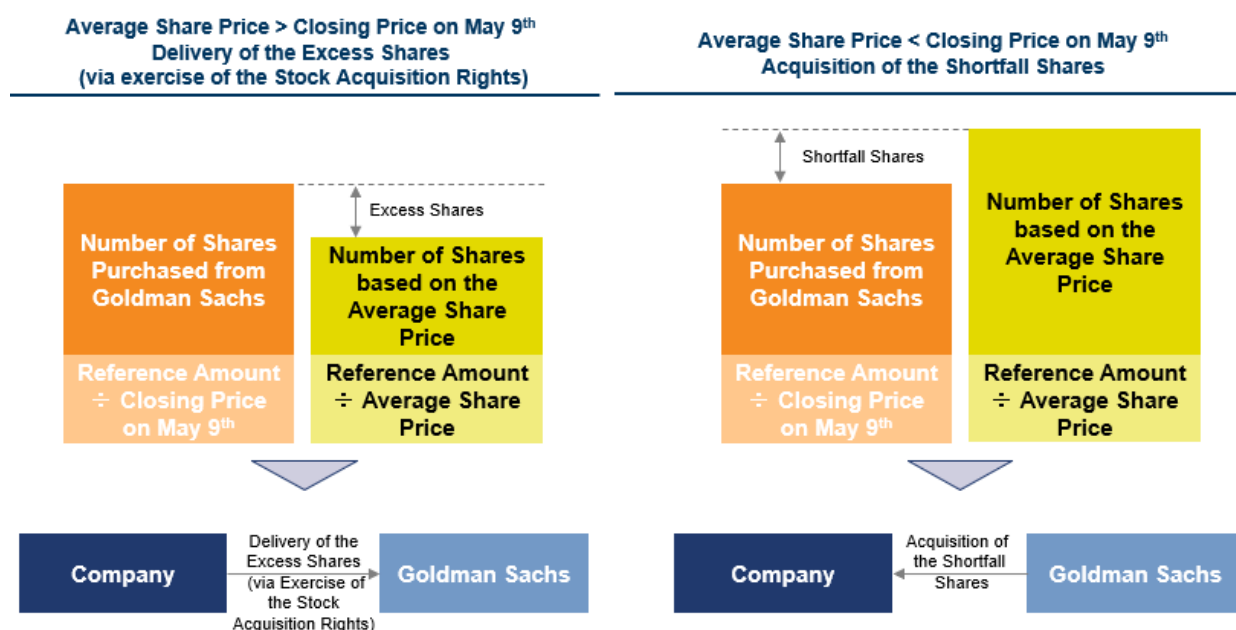
The result is equivalent to using 10 billion yen to purchase shares from general shareholders at the closing price of 3,858 yen as of today, and using the remaining amount to acquire common shares of the Company at the Average Share Price.

The adjustment to the number of shares acquired, as described above, will be conducted regardless of whether the Goldman Sachs Group has completed the Short Covering Transactions it deems necessary. The adjustment is scheduled to take place during the period from June 24, 2025 to November 13, 2025. However, if Goldman Sachs declares that a Market Disruption Event has occurred—meaning a trading day on which certain events as defined in the agreement between the Company and Goldman Sachs concerning the allotment of the Stock Acquisition Rights (hereinafter, the “Allotment Agreement”), such as trading restrictions on the Company’s shares, have reasonably led Goldman Sachs to determine that a disruption has occurred—then the adjustment period may be extended by the number of trading days affected, up to a maximum extension through November 30, 2025. Once the final number of shares acquired through the ASR Transaction has been confirmed, the Company will issue a separate disclosure.

<Conceptual Diagram of the Transaction>



<Conceptual Diagram of the Adjustment Transaction>



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[Stock Acquisition Rights to Be Issued by the Company under This ASR Transaction]

1. Overview of the Offering

(1)	Allotment date	May 26, 2025
(2)	Total number of stock acquisition rights	1
(3)	Payment amount	No monetary payment will be required in exchange for the Stock Acquisition Rights.
(4)	Number of shares underlying the issuance	2,592,000 shares (upper limit)* * The upper limit represents the number of shares calculated under the assumption that no sell orders were placed by general shareholders in the Company Share Repurchase and that the Reference Amount ÷ Average Share Price defined below is equal to zero.
(5)	Contribution amount upon exercise	1 yen
(6)	Method for calculating the number of shares delivered upon exercise	Number of Shares Delivered = (i) Reference Number of Shares – (ii) Reference Amount ÷ (iii) Average Share Price Note: Any fractional shares below one trading unit will be rounded down. If the result is less than zero, the number of shares will be deemed zero. (i) The “Reference Number of Shares” refers to the number of common shares of the Company sold by Goldman Sachs, the planned allottee, in the Company Share Repurchase. (ii) The “Reference Amount” refers to the total sales proceeds from the common shares of the Company sold by Goldman Sachs in the Company Share Repurchase. (iii) The “Average Share Price” refers to the value obtained by adding (a) and (b) below (calculated to the fifth decimal place, and rounded to the fourth): (a) The arithmetic average of the VWAP of the Company’s common shares in the Tokyo Stock Exchange on each trading day during the period from May 13, 2025 (inclusive), to the trading day immediately prior to the effective date of the exercise request for the Stock Acquisition Rights (in the event that Goldman Sachs is unable to exercise its rights under the book-entry transfer rules of Japan Securities Depository Center, Inc. and its enforcement regulations or for any other exceptional reason, the Company will, upon consultation with Goldman Sachs, determine the date on which the exercise request is to be made)(inclusive, hereinafter the “Exercise Request Date”), excluding trading days designated as Market Disruption Events in the terms of issuance. This average is then multiplied by 99.30%. (b) For any dividend whose record date falls within the period from May 13, 2025 (inclusive), to the trading day immediately prior to the Exercise Request Date (inclusive), the Dividend Adjustment Amount is calculated as follows: (1) The per-share dividend amount (excluding 57.5 yen for the interim dividends for FY26.3; if the

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	result is below zero, it shall be deemed zero), multiplied by (2) The number of trading days from the ex-dividend date (inclusive) to November 30, 2025 (inclusive), divided by (3) The number of trading days from May 13, 2025 (inclusive), to November 30, 2025 (inclusive). The sum of these adjustments across applicable dividends shall be added to (a) above.
(7) Method of offering or allotment (planned allottee)	Third-party allotment to Goldman Sachs
(8) Other	In accordance with the Allotment Agreement, if Goldman Sachs does not exercise the Stock Acquisition Rights (including cases where the number of shares deliverable upon exercise is zero, in which case Goldman Sachs is not permitted to exercise and must instead submit a notice of non-exercise to the Company), the Company intends to acquire a certain number of its own shares from Goldman Sachs free of charge, depending on share price conditions. For further details, please refer to 2. Features of the Stock Acquisition Rights and 3. Planned Allottee, etc. (3) Other below.

2. Features of the Stock Acquisition Rights

(1) Structure of the stock acquisition rights, number of shares delivered upon exercise, and contribution amount at the time of exercise

- The Stock Acquisition Rights are structured as a single issuance (Series 1), and the total number of rights issued will be one.
- The number of shares delivered will fluctuate depending on the level of the Average Share Price. The higher the Average Share Price relative to today's closing price, the greater the number of shares delivered.
- The contribution amount required upon exercise is 1 yen.

(2) Determination of issuance terms

- The Reference Number of Shares and Reference Amount used to calculate the number of shares delivered will be finalized based on the results of ToSTNeT-3 on May 12, 2025. If sell orders are placed by shareholders in ToSTNeT-3, a pro-rata adjustment between the sell quantities of general shareholders and Goldman Sachs will be made in accordance with Tokyo Stock Exchange rules. As a result, Goldman Sachs's sell quantity will be reduced from 2,592,000 shares, decreasing the number of shares subject to post-settlement adjustment and thereby reducing the number of shares delivered upon exercise.

(3) Exercise period of the stock acquisition rights

- The Stock Acquisition Rights may be exercised during the period from June 24, 2025 to November 30, 2025. However, the exercise is expected to be completed by November 13, 2025, regardless of whether the Short Covering Transactions deemed necessary by Goldman Sachs have been completed. If Goldman Sachs declares that a Market Disruption Event has occurred, the exercise period may be extended by the number of trading days affected, up to the final exercise deadline.

(4) Acquisition of the Stock Acquisition Rights by the Company

- The Stock Acquisition Rights do not contain any provisions allowing the Company to acquire the rights at its own discretion.

(5) Additional acquisition of Company shares if rights are not exercised

- If the Average Share Price falls below 3,858 yen and Goldman Sachs, pursuant to the Allotment Agreement, does not exercise the Stock Acquisition Rights (including cases where the number of shares deliverable upon

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exercise would be zero), Goldman Sachs will notify the Company accordingly. In such case, Goldman Sachs will transfer to the Company, free of charge, a number of Company shares equivalent to the difference between the number of shares obtained by dividing the Reference Amount by the Average Share Price and the Reference Number of Shares.

3. Planned Allottee, etc.

(1) Overview of the Allottee (as of December 31, 2024)

[1]	Company Name	Goldman Sachs International		
[2]	Head Office Location	Plumtree Court, 25 Shoe Lane, London, EC4A 4AU, United Kingdom		
[3]	Title and Name of Representative	Richard John Gnodde (Chief Executive Officer and Executive Director)		
[4]	Business Description	Financial service		
[5]	Capital	598 million yen (as of December 31, 2024)		
[6]	Date of Incorporation	June 2, 1988		
[7]	Number of Shares Outstanding	598,182,053 shares (as of December 31, 2024)		
[8]	Fiscal Year-End	December 31		
[9]	Number of Employees	3,614 (as of December 31, 2024)		
[10]	Major Clients	Not disclosed		
[11]	Main Banks	Not disclosed		
[12]	Major Shareholders and Shareholding Ratios	Goldman Sachs Group UK Limited 100%		
[13]	Relationships with the Company, etc.			
	Capital relationship	Number of Company shares held by the planned allottee: 171,729 shares (as of March 31, 2025) Number of shares of the planned allottee held by the Company: None (as of March 31, 2025)		
	Personnel relationship	Not applicable.		
	Business relationship	Not applicable.		
	Status as a related party	Not applicable.		
[14]	Financial Results and Condition for the Three Most Recent Fiscal Years (Unit: million yen, unless otherwise noted)			
	Fiscal year	FY 2024.12	FY 2023.12	FY 2022.12
	Net assets	5,872,889	6,057,568	6,373,137
	Total assets	162,220,930	181,724,769	181,647,161
	Net assets per share (yen)	9,817.89	10,126.63	10,654.18
	Net operating revenue	1,493,303	1,691,390	1,630,994
	Operating income	536,368	764,915	751,024
	Ordinary income	536,368	764,915	751,024
	Net income	408,738	626,759	608,188
	Net income per share (yen)	683.30	1,047.77	1,016.73
	Dividends per share (yen)	533.65	425.07	-

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(Note)

The financial figures listed under "Financial Results and Condition for the Three Most Recent Fiscal Years" have been converted into yen using the foreign exchange mid-rates as of April 4, 2025: 1 USD = 146.03 yen for FY2024.12; as of April 5, 2024: 1 USD = 150.99 yen for FY2023.12; as of April 7, 2023: 1 USD = 131.78 yen for FY2022.12, respectively.

* It has been confirmed that neither Goldman Sachs (the planned allottee) nor any of its officers or shareholders have any relationship with organized crime groups, members of such groups, or individuals equivalent thereto. A written confirmation of this has been submitted to Tokyo Stock Exchange, Inc.

(2) Share Lending Agreements

In connection with this transaction, there are currently no plans for Goldman Sachs, the planned allottee, to enter into any share lending agreements with major shareholders of the Company.

(3) Other

The Company and Goldman Sachs, the planned allottee, have agreed to the following provisions under the Allotment Agreement:

<Additional Acquisition of Company Shares When the Stock Acquisition Rights Are Not Exercised>

If Goldman Sachs does not exercise the Stock Acquisition Rights, it shall notify the Company accordingly and transfer to the Company, free of charge, a number of Company shares calculated as the difference between the number of shares obtained by dividing the Reference Amount by the Average Share Price and the Reference Number of Shares.

<Transfer Restrictions on Stock Acquisition Rights by the Planned Allottee>

Goldman Sachs may not transfer the Stock Acquisition Rights to a third party without the Company's prior written consent, except in cases where Goldman Sachs merges with or is absorbed by another entity, or in the event of a transfer of all or substantially all of its assets.

4. Basis for Determining that the Issuance Terms of the Stock Acquisition Rights Are Reasonable

The Stock Acquisition Rights are being issued to facilitate adjustment transactions under the ASR Transaction. In evaluating the reasonableness of their issuance, the Company commissioned a third-party valuation of the Stock Acquisition Rights from Akasaka International Accounting Co., Ltd. (1-1-8 Motoakasaka, Minato-ku, Tokyo; Representative Director: Kenzo Yamamoto; hereinafter, "Akasaka International Accounting"), taking into account the issuance terms of the Stock Acquisition Rights and the provisions of the Allotment Agreement with Goldman Sachs. Akasaka International Accounting conducted a valuation of the Stock Acquisition Rights using the Monte Carlo simulation method, a standard approach for such assessments, considering the volatility of the Company's share price, the exercise conditions of the Stock Acquisition Rights, and the fact that, if the rights are not exercised, Goldman Sachs, the planned allottee, will provide a certain number of Company shares to the Company free of charge, in accordance with the Allotment Agreement. The Company has determined, based on this assessment and in reference to the evaluation by Akasaka International Accounting, that the position Goldman Sachs holds under this ASR Transaction merely represents a settlement mechanism tied to fluctuations in the share price up to a certain future date. Given that share prices may rise or fall, the rights have no inherent value. When the Stock Acquisition Rights and the gratis transfer provisions are viewed as a unified structure, the combined value can be assessed as effectively zero. Accordingly, the Company has judged that the free-of-charge issuance of the Stock Acquisition Rights does not constitute a favorable issuance. Therefore, no monetary payment will be required in exchange for the Stock Acquisition Rights. Additionally, the Company has received an opinion from the Audit and Supervisory Committee that, based on its statutory responsibilities under the Companies Act, it found no material facts in violation of laws or regulations in the Board of Directors' determination that the issuance does not constitute a favorable issuance.

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5. Matters Related to Procedures under the Corporate Code of Conduct

The issuance of the Stock Acquisition Rights does not require obtaining an opinion from an independent third party or confirming shareholder intent, as stipulated in Article 432 of the Tokyo Stock Exchange's Securities Listing Regulations, for the following reasons:

- (1) The number of voting rights associated with the common shares to be delivered upon exercise of the Stock Acquisition Rights is less than 25% of the total number of voting rights associated with the Company's outstanding shares as of the date of the resolution on issuance; and
- (2) The issuance does not involve a change in controlling shareholders (nor is such a change anticipated even in the event the Stock Acquisition Rights are exercised).

END

[Q&A Related to the Accelerated Share Repurchase (ASR)]

Q: What is an Accelerated Share Repurchase (ASR)?

A: An ASR is a method for a company to acquire its own shares through a pre-announced repurchase structure. In this structure, a securities firm borrows the company's shares—typically through the stock lending market—and places a sell order. After the repurchase is executed, a subsequent adjustment transaction is carried out to reconcile the difference between the number of shares sold and the number of shares the company would have acquired had it purchased them at the average market price over a defined period. The ASR method used in this transaction has been adapted to conform with Japanese laws and market rules and is widely used in the United States.

Q: What are the similarities and differences between this ASR and those typically used in the United States?

A: In the United States, ASRs are a widely adopted means for companies to repurchase large volumes of shares at once. A company engages in a direct transaction with a securities firm to acquire a set number of shares and concurrently enters into a price-adjustment agreement. This allows companies to execute large-scale repurchases in a single transaction. The key similarity here is that this ASR also enables the Company to repurchase a significant number of shares at once. Differences include: (1) U.S. ASRs are executed through direct over-the-counter transactions between the company and the securities firm, whereas this ASR is executed via ToSTNeT-3 with the securities firm placing a sell order; and (2) while U.S. ASRs typically settle the adjustment transaction via cash (net settlement), this ASR settles

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through either (a) delivery of Company shares upon exercise of stock acquisition rights or (b) gratis transfer of shares from the allottee.

Q: Why didn't you use a conventional market repurchase method?

A: To reliably and promptly execute the repurchase of the Company's own shares at the scale planned, the Company determined that the ASR proposed by Goldman Sachs Japan Co., Ltd. was the most suitable option.

Q: What are the advantages and disadvantages of this method compared to general repurchase methods?

A: Advantages are that the ASR allows for large-scale, one-time execution. The average acquisition cost per share is based on a post-repurchase period average price, making it less sensitive to short-term market fluctuations. This may result in a discounted effective acquisition price compared to the market average, thus enhancing cost-efficiency while demonstrating commitment to shareholder returns. The disadvantage of this method is that it requires the procedural issuance of stock acquisition rights.

Q: Is it certain that the planned repurchase amount of the Company's own shares will be achieved?

A: The planned repurchase amount is expected to be achieved through sell orders placed via ToSTNeT-3 by shareholders and by Goldman Sachs. While the amount of Goldman Sachs's sell order will depend on the number of the Company's shares it is able to borrow through the stock lending market or similar channels, we have been informed by Goldman Sachs that it expects to be able to place a sell order for the full planned amount. Therefore, we believe that the planned repurchase amount of the Company's own shares can be achieved even in the event that no sell orders are received from shareholders.

Q: Will Goldman Sachs use its own shares to place sell orders?

A: Goldman Sachs is expected to borrow Company shares through the stock lending market and place sell orders accordingly.

Q: What happens after Goldman Sachs sells the Company's shares via ToSTNeT-3?

A: While the Company is not involved in Goldman Sachs's trading decisions, it understands that the Goldman Sachs Group plans to purchase Company shares both on and off the market in order to return the borrowed shares.

Q: If Goldman Sachs sells the Company's shares via ToSTNeT-3, how is priority determined relative to sell orders from general shareholders?

A: If sell orders are submitted by general shareholders in ToSTNeT-3, a certain pro-rata adjustment will be made to the sell quantities of both general shareholders and Goldman Sachs in accordance with the

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rules of the Tokyo Stock Exchange. As a result, the sell quantity for both general shareholders and Goldman Sachs may be reduced from the number specified in their respective sell orders.

Q: Has the Company entered into a contract with Goldman Sachs regarding the purchase of the Company's shares by Goldman Sachs after the Company has conducted its own share repurchase?

A: No contract has been concluded regarding the purchase of the Company's shares. As noted above, we have been informed that the Goldman Sachs Group plans to acquire the Company's shares both on and off the market, but the Company is not in a position to be involved in or confirm the actual actions taken by Goldman Sachs.

Q: What is the Average Share Price?

A: The Average Share Price is the sum of (i) and (ii) below, and it serves as the Company's effective per-share acquisition cost in this Company Share Repurchase.

- (i) The arithmetic average of the VWAP (volume-weighted average price) of the Company's common shares in the Tokyo Stock Exchange on each trading day during the period from May 13, 2025 (inclusive) to the trading day immediately prior to the date on which either the exercise request for the Stock Acquisition Rights is made or a non-exercise notice is submitted (in the event that Goldman Sachs is unable to exercise its rights under the book-entry transfer rules of Japan Securities Depository Center, Inc. and its enforcement regulations or for any other exceptional reason, the Company will, upon consultation with Goldman Sachs, determine the date on which the exercise request is to be made) (inclusive), excluding any trading day designated as a Market Disruption Event as specified in the terms of issuance of the Stock Acquisition Rights, multiplied by 99.30%.
- (ii) In relation to any dividend with a record date falling on any trading day during the period from May 13, 2025 (inclusive) to the trading day immediately prior to the date on which either the exercise request or non-exercise notice is submitted (inclusive), the Dividend Adjustment Amount is calculated by: (1) taking the per-share dividend amount (provided that, for the interim dividends for the fiscal year ending March 2026, ¥57.5 shall be deducted, and if the amount after such deduction falls below zero, it shall be deemed to be zero); (2) multiplying it by the number of trading days from the ex-dividend date (inclusive) to November 30, 2025 (inclusive); and (3) dividing that result by the number of trading days from May 13, 2025 (inclusive) to November 30, 2025 (inclusive).

The Dividend Adjustment Amounts for each dividend are then summed.

This ASR Transaction is structured on the premise that the issuance of the Stock Acquisition Rights does not constitute a favorable issuance. To satisfy this condition, it must be possible to evaluate the value of the Stock Acquisition Rights and the gratis transfer provisions as zero when considered together. The Average Share Price has been defined as described above following discussions with Goldman Sachs, the planned allottee, within the range necessary to meet this condition. The Company commissioned Akasaka International Accounting Co., Ltd., a third-party valuation firm, to conduct a valuation of the Stock Acquisition Rights. Akasaka International Accounting carried out the valuation using the Monte Carlo simulation method, which is commonly used in evaluating stock acquisition

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rights. The analysis considered factors such as the volatility of the Company's share price, the exercise conditions of the Stock Acquisition Rights, and the conditions set forth in the Allotment Agreement—such as the provision that, if the rights are not exercised, a certain number of the Company's shares will be provided free of charge by Goldman Sachs. Based on these factors and taking into account the evaluation by Akasaka International Accounting, the Company has determined that Goldman Sachs's position under this ASR Transaction is simply one of settling the price difference based on the future movement of the Company's share price up to a certain point in time. Since the share price may move in either direction, this position carries no inherent value. Therefore, when the Stock Acquisition Rights and the gratis transfer provisions are evaluated as a package, they can be considered to have no value. As such, the Company has concluded that the free-of-charge issuance of the Stock Acquisition Rights does not constitute a favorable issuance and that no payment will be required in exchange for the rights.

Q: Why was it necessary to issue stock acquisition rights?

A: The allocation of stock acquisition rights to Goldman Sachs is carried out for the purpose of adjusting the number of shares acquired under the accelerated share repurchase (ASR). By allocating these Stock Acquisition Rights, the Company is able to flexibly deliver to Goldman Sachs a number of its shares corresponding to the difference in share quantity, in cases where the Average Share Price exceeds the acquisition price under ToSTNeT-3.

Q: What happens if the Average VWAP is lower than the ToSTNeT-3 acquisition price?

A: If the Average Share Price is lower than the acquisition price under ToSTNeT-3, the Stock Acquisition Rights will not be exercised, and no common shares of the Company will be delivered to Goldman Sachs. On the other hand, assuming that the Goldman Sachs Group uses the full amount it received from the Company in the Company Share Repurchase (i.e., the Reference Amount) to acquire common shares of the Company at the Average Share Price, it would be able to purchase more shares than the number acquired from Goldman Sachs through ToSTNeT-3. Therefore, the Company will acquire from Goldman Sachs, free of charge, a number of common shares of the Company equivalent to the difference.

Q: What will the final repurchase results be?

A: The Company's final repurchase result will vary depending on the status of sell orders placed by shareholders. Shares acquired from shareholders will be repurchased at the closing price on May 9, 2025. In contrast, shares acquired from Goldman Sachs will be subject to a subsequent adjustment transaction, and the final result will vary depending on the share price movements after that point. With respect to the shares acquired from Goldman Sachs, either the Company will deliver additional shares to Goldman Sachs or receive shares from Goldman Sachs free of charge, depending on the Average Share Price, such that the final acquisition price per share, in economic terms, is equal to the Average Share Price. If no sell orders are received from shareholders, the number of shares ultimately

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acquired will be the same as if the planned repurchase amount were used to acquire shares at the Average Share Price.

Q: When will the holder of the stock acquisition rights decide whether or not to exercise the rights?

A: It is our understanding that Goldman Sachs will make the decision on whether or not to exercise the Stock Acquisition Rights by November 13, 2025 (provided, however, that if Goldman Sachs declares the occurrence of a Market Disruption Event, the deadline may be extended by a number of trading days equivalent to the number of affected days, up to the final day of the exercise period). The decision will be made at the point when Goldman Sachs has a clear outlook on the return of the common shares of the Company it borrowed. Disclosure will be made at the time the Stock Acquisition Rights are exercised or when it is confirmed that they will not be exercised.

Q: Under what circumstances will the stock acquisition rights be exercised?

A: They will be exercised if the Average Share Price exceeds the closing price on May 9, 2025, which is the ToSTNeT-3 acquisition price. The exercise period runs from June 24, 2025 to November 30, 2025.

Q: Will the number of shares circulating in the market increase due to the exercise of the rights?

A: No. The maximum number of shares delivered upon exercise is capped at the number of shares acquired from Goldman Sachs via ToSTNeT-3. Since the shares to be delivered upon exercise will come from the Company's own shares, there will be no increase in shares outstanding in the market.

Q: Will Goldman Sachs be allocated the full 2,592,000 shares of potential stock acquisition rights?

A: 2,592,000 shares is the theoretical maximum. The actual number of shares delivered will vary depending on market prices, and in some cases, no shares will be delivered and a gratis transfer may occur instead. Please refer to the table showing share delivery and gratis acquisition scenarios by Average Share Price level.

Average Share Price (yen) (A)	Reference Amount (yen) (B)	Final Number of Shares Acquired through the ASR Transaction (share) (C) = (B) ÷ (A)	Reference Number of Shares (share) (D)	Number of Shares delivered to Goldman Sachs (share) (D) - (C)	Number of Shares Transferred Gratis to the Company (share) (C) - (D)
4,350.0	9,999,936,000	2,298,900	2,592,000	293,100	0
4,300.0	9,999,936,000	2,325,600	2,592,000	266,400	0
4,250.0	9,999,936,000	2,353,000	2,592,000	239,000	0
4,200.0	9,999,936,000	2,381,000	2,592,000	211,000	0
4,150.0	9,999,936,000	2,409,700	2,592,000	182,300	0
4,100.0	9,999,936,000	2,439,100	2,592,000	152,900	0

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4,050.0	9,999,936,000	2,469,200	2,592,000	122,800	0
4,000.0	9,999,936,000	2,500,000	2,592,000	92,000	0
3,950.0	9,999,936,000	2,531,700	2,592,000	60,300	0
3,900.0	9,999,936,000	2,564,100	2,592,000	27,900	0
3,858.0	9,999,936,000	2,592,000	2,592,000	0	0
3,850.0	9,999,936,000	2,597,300	2,592,000	0	5,300
3,800.0	9,999,936,000	2,631,500	2,592,000	0	39,500
3,750.0	9,999,936,000	2,666,600	2,592,000	0	74,600
3,700.0	9,999,936,000	2,702,600	2,592,000	0	110,600
3,650.0	9,999,936,000	2,739,700	2,592,000	0	147,700
3,600.0	9,999,936,000	2,777,700	2,592,000	0	185,700
3,550.0	9,999,936,000	2,816,800	2,592,000	0	224,800
3,500.0	9,999,936,000	2,857,100	2,592,000	0	265,100
3,450.0	9,999,936,000	2,898,500	2,592,000	0	306,500
3,400.0	9,999,936,000	2,941,100	2,592,000	0	349,100

Q: Why does the Average Share Price change based on dividend payments?

A: Since Goldman Sachs borrows shares to place sell orders, it is responsible for covering the equivalent of any dividend payments made on those shares. If dividend amounts increase unexpectedly, that cost is reflected in the Average Share Price to account for Goldman Sachs's additional burden, as pre-agreed with the Company.

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