



Company: **Itochu Enex Co., Ltd.**
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Partial Change in Profit Distribution Policy

Itochu Enex Co., Ltd. (Enex) hereby announces that at a meeting of its Board of Directors held today, it has resolved to partially change the profit distribution policy (to be applied from the fiscal year ending March 31, 2024). The details of the change are provided below.

1. Purpose of change

Enex recognizes that returning profits to shareholders is one of its most important management issues and, with a consolidated dividend payout ratio of at least 40% as a guideline, Enex has sought to pay stable dividends according to its growth momentum, based on consideration of a wide range of factors including its business performance and the adequacy of retained earnings.

To coincide with the launch of the new medium-term business plan, Enex decided to partially amend its dividend policy as shown above based on the judgment that giving comprehensive consideration to a variety of factors, including medium and long term business performance and capital efficiency, without being swayed by single fiscal year fluctuations in profit, and increasing the transparency surrounding future dividend levels will help the Group achieve sustainable growth in its business operations.

2. Details of change (Underlined portions)

[Before change]

Enex's policy with respect to appropriation of its surplus is to continue to pay stable dividends as it maintains sustained growth of its business, and it aims for a dividend payout ratio (Consolidated) of 40% or more.

[After change]

In order to maintain sustainable management growth, Enex will continue its policy of continuous stable dividends as a means of returning profits to shareholders, and will pay progressive dividends during the period of the Medium-Term Management Plan (two years from FY2023 to FY2024) with a strong emphasis on a consolidated dividend payout ratio of 40% or more.

A progressive dividend refers to a policy of paying a minimum annual dividend of 50 yen per share, and either maintaining or increasing the dividend for the fiscal year ending March 31, 2024 and thereafter, depending on business performance, and not reducing the dividend.

The annual dividend forecast for the fiscal year ending March 31, 2024 is 52 yen per share.