



September 25, 2020

Final Agreement for Continuing Collaboration with PetroChina International (Japan) Co., Ltd.

ENEOS Corporation (President: Ota Katsuyuki; “ENEOS”) announces that it has made a final agreement with PetroChina International (Japan) Co., Ltd. (President: Wan Junyong; “PCJP”), a wholly owned subsidiary of PetroChina International Co., Ltd. (Executive Director: Tian Jinghui; “PCI”), to transfer the petroleum refinery business operated by ENEOS/PCJP joint venture Osaka International Refining Company, Limited (President: Takeshita Yoshiaki; “OIREC”) from the current Osaka refinery (Refinery Manager: Tanaka Hideaki) to the Chiba refinery (Refinery Manager: Sugimoto Takahiro) in December 2020, and continue the collaboration in OIREC.

Although domestic demand for petroleum is expected to decrease structurally, since the prospective demand for petroleum products is expected to increase steadily and business opportunities will expand in the Asia-pacific region, ENEOS and PCJP established OIREC in October 2010 and have been jointly operating the Osaka refinery since that time.

Given that the current joint venture agreement will expire at the end of September 2020, ENEOS and PCJP have engaged in the discussion of their future cooperation, based on the common recognition that ENEOS and PCJP should maintain and continue the current strategic framework of utilizing the refinery operation skills of ENEOS and the product marketing expertise of the PCI Group.

After reviewing the functions, attributes and other aspects of the ENEOS Group’s refineries, ENEOS concluded that utilizing the export capabilities of the Chiba refinery would best contribute to the development of business for OIREC, who aims to strengthen the platform for stable energy supply in the Asia-Pacific region, and as a result reached a final agreement with PCJP.

In accordance to the continuing of the joint venture business with PCJP, ENEOS will acquire the Osaka refinery from OIREC by way of an absorption-type company split, and the Chiba refinery which is newly collaborated will be transferred from ENEOS to OIREC in the same way of an absorption-type company split. In addition, ENEOS will terminate the refinery functions of the Osaka refinery in October 2020 and restructure it as an asphalt-fueled electric power facility.

In the future, ENEOS and PCJP will continue safe operation and stable supply at the Chiba refinery, and strive to further develop the strong cooperative relationship which has been fostered so far.



<Overview of OIREC>

Trade name	O saka I nternational R efining C ompany, Limited (“OIREC”)
Current location	2-1 Takasago, Takaishi City, Osaka Prefecture
New location	1 Kaigan, Ichihara City, Chiba Prefecture (from December 1, 2020)
Established	October 2010
President	Takeshita Yoshiaki
Capital ratio	ENEOS 51%, PCJP 49%

<Overview of Chiba Refinery>

Location	1 Kaigan, Ichihara City, Chiba Prefecture
Start-up of operation	October 1968
Manager	Sugimoto Takahiro
Number of employees	372 (as of April 30, 2020)
Site area	1.44 million square meters
Crude process capacity	129 thousand barrels per day

<Capital Relationship of OIREC>

