

PILOT CORPORATION

For Immediate Release

May 10, 2024

Decision Related to Purchase of Treasury Shares and Cancellation of Treasury Shares

(Purchase of treasury shares under the Articles of Incorporation pursuant to the provisions of Article 459, Paragraph 1 of the Companies Act and cancellation of treasury shares in accordance with Article 178 of the Companies Act)

PILOT Corporation (the "Company") hereby announces that at a meeting of the Board of Directors held on May 10, 2024, it passed a resolution on matters related to the purchase of its treasury share under the provisions of Article 33 of the Articles of Incorporation pursuant to the provisions of Article 459, Paragraph 1 of the Companies Act, and the cancellation of part of its treasury share in accordance with Article 178 of the Companies Act. Details are as follows:

1. Reason for the purchase and cancellation of treasury shares

The Company's basic policy is to maintain a sufficient level of shareholders' equity necessary to ensure the timely and reliable seizure of business opportunities, with the aim of achieving sustainable growth and increasing the corporate value of the Group. Since overseas sales account for a high percentage of the Company's consolidated net sales, its earnings may fluctuate significantly due to the impact of foreign exchange rates and economic trends. The Company believes that it is not desirable to immediately reflect earnings fluctuations in the distribution of profits. Consequently, in principle, it continues to pay stable dividends after carefully examining the impact of external factors. The basic policy is to aim for a dividend payout ratio of 30% or more by FY2024.

To realize its 2030 Vision, the Company will steadily invest in growth, including "human resource development and investment," "strengthening of existing business fields," "entry into growing and new business fields," and "capital and business alliances." The Company has decided to purchase treasury shares and cancel these shares for the purpose of increasing corporate value and shareholder return, taking into comprehensive consideration capital efficiency and financial soundness.

2. Details of matters concerning the purchase

(1) Class of shares to be purchased: Common shares of the Company

(2) Total number of shares to be purchased: 1,000,000 shares (maximum)

(2.53% of outstanding shares (excluding treasury shares))

(3) Total purchase value of shares: 4 billion yen (maximum)

(4) Purchase period: May 20, 2024 to October 31, 2024

(However, no purchase will be made for a period of five business days from the business day following the announcement of the Company's financial results for each quarter.)

(5) Purchase method: Market purchase on the Tokyo Stock Exchange

3. Details of matters concerning the cancellation

(1) Class of shares to be cancelled: Common share of the Company

(2) Number of shares to be cancelled: All treasury shares purchased in accordance with 2. above

(3) Planned date of cancellation: November 29, 2024

(Reference) Status of treasury shares held as of March 31, 2024

(1) Total number of shares outstanding (excluding treasury shares) 39,449,434 shares

(2) Number of treasury shares: 2,364,966 shares

(Note) The number of treasury shares includes 18,827 shares held by the executive compensation BIP trust.