



May 12, 2026

To whom it may concern:

**Notice Regarding Acquisition of Own Shares and Acquisition of Own Shares through the Off-Auction Own Share Repurchase Trading System (ToSTNeT-3)
(Acquisition of Own Shares Pursuant to Article 165, Clause 2 of the Companies Act and Acquisition of Own Shares through Fully Committed Share Repurchase (Japanese ASR))**

At the Board of Directors' meeting held on May 12, 2026, Taiheiyo Cement Corporation (the "Company") reached a resolution on matters relating to a share repurchase, as well as its specific method, pursuant to the provisions of Article 156 of the Companies Act, which is applied mutatis mutandis pursuant to Article 165, Clause 3 of the same Act.

1. Reason for Treasury Share Acquisition

In accordance with the Company's Medium-Term Management Plan, the Company intends to improve capital efficiency as well as enhance returns to shareholders by repurchasing its own shares.

2. Acquisition method

Based on the assumption of the Fully Committed Share Repurchase (FCSR) method as explained below, the Company will commission the purchase through the Tokyo Stock Exchange's off-auction own share repurchase trading system (ToSTNeT-3) at 8:45AM on May 13, 2026, at the closing price (including the final special quote) of today (May 12, 2026) of JPY3,781 (the "Benchmark Price"), acquiring JPY10.0 billion (the "anticipated total acquisition amount") worth of treasury shares. (No other trading system will be used, and there will be no change to the trading time.) The purchase order will be valid only during this trade session.

Nomura Securities Co., Ltd. ("Nomura Securities") is scheduled to place a sell order of 2,644,800 shares for this acquisition (the "anticipated number of shares acquired"), but as explained below, the shares obtained from Nomura Securities will be adjusted at a later date using the Company's shares so that the Company's actual purchase price will be equal to the average price of the Company's shares over a specified period of time (to be explained in further detail below). As such, the final number of shares repurchased may fluctuate.

3. Details of the repurchase

(1)	Type of shares	Common stock
(2)	Total number of shares to be acquired	2,644,800 shares (2.4% of the total number of shares outstanding, excluding

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	treasury shares)
(3) Total amount of acquisition price	JPY9,999,988,800
(4) Announcement of results	The results of the repurchase will be announced at 8:45AM following the end of the transaction.

(Note 1) The number of shares to be acquired will not change. Depending on market conditions, all or part of the order may not be executed.

(Note 2) The purchase will be executed through a matching sell order for the anticipated number of shares acquired.

(Reference) Total number of shares outstanding and number of treasury shares as of March 31, 2026

Total number of shares outstanding (excluding treasury shares)	111,841,816 shares
Number of treasury shares	6,349,762 shares

4. Fully Committed Share Repurchase (FCSR, also known as “Japanese ASR” for Accelerated Share Repurchase)

The Company’s goal heading into this repurchase is to ensure that it can acquire JPY10.0 billion worth of its own shares, and the Company has concluded that the FCSR method (the “Method”) is the best path for satisfying this need.

On May 13, 2026, the Company will execute a repurchase of the anticipated number of shares acquired through ToSTNeT-3 at the Benchmark Price for the anticipated monetary sum of the acquisition (the “Purchase”).

To implement the Purchase, following this disclosure, Nomura Securities will borrow the Company’s shares from the Company’s shareholders and place a sell order. As Nomura Securities’ borrowing will take place after this disclosure, the monetary value of the sell order is not currently known. However, Nomura Securities has indicated that they should be able to place a sell order sufficient to ensure the Company’s repurchase of the anticipated number of shares acquired. This should enable the Company to acquire the anticipated number of shares acquired even if the Purchase does not elicit sell orders from the shareholders at large. Because ToSTNeT-3 prioritizes the sell orders of shareholders at large over that of Nomura Securities, a financial instruments firm, execution of Nomura’s sell-order will be reduced by the amount sold by shareholders at large. Information regarding Nomura Securities’ sell order will also be announced on the Tokyo Stock Exchange website (<https://www.jpx.co.jp/markets/public/short-selling/index.html>)

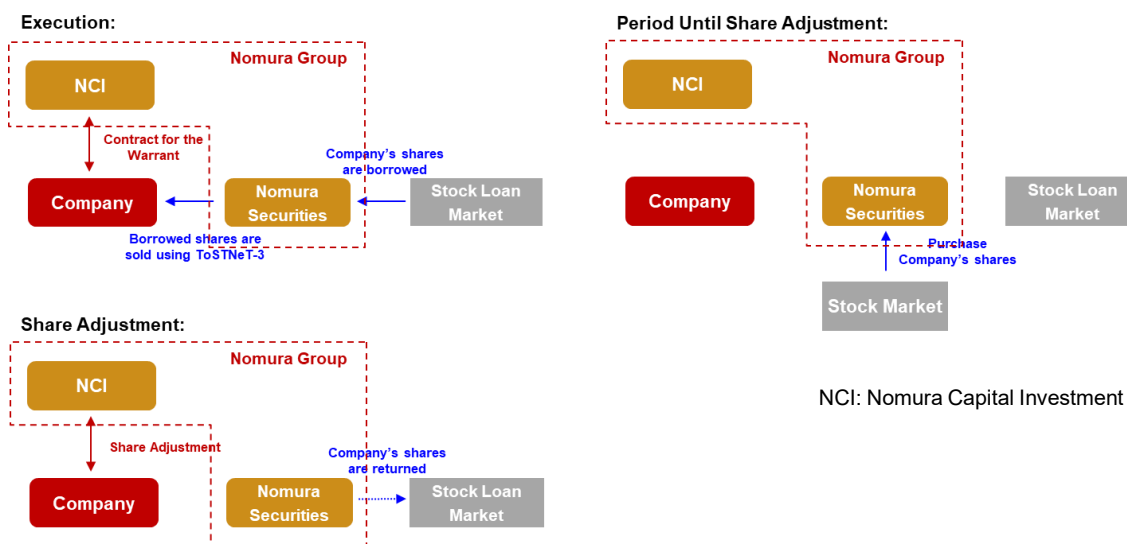
Nomura Securities has indicated that following the Purchase, it will apply its own judgment and calculation to acquire the Company’s shares through channels both inside and outside the stock market in order to return the shares it will borrow. However, the Company has not entered into any agreement with Nomura Securities regarding Nomura Securities’ acquisition of the Company’s shares.

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With respect to the shares acquired by the Company from Nomura Securities, the Company will enter into a separate adjustment transaction using the Company's shares with Nomura Capital Investment Co., Ltd. (NCI) (the "Stock Acquisition Right Holder"), who will be the acquiring party of the stock acquisition right that the Company will issue pursuant to the Method (the "Stock Acquisition Right"), to ensure that the Company's actual acquisition price will be equal to 99.634% of the arithmetic mean of volume weighted average price (VWAP) of the Company's common stock over all trading days during a certain period following the repurchase (from May 14, 2026 until the day before either the exercise of the Stock Acquisition Right or the receipt of notice that the Stock Acquisition Right shall not be exercised) (the "Average Price"). Specifically, it has been agreed that this will entail: 1) in the event that the Average Price exceeds the Benchmark Price, a delivery of the Company's shares to the Stock Acquisition Right Holder via Stock Acquisition Right exercise, where the number of such shares is calculated by deducting (a) the number of shares that would be acquired if the Company's shares were bought at the average share price with the monetary sum equivalent to that of the shares acquired from Nomura Securities during the Purchase (the "Number of shares acquired at average price"), from (b) the number of shares acquired from Nomura Securities during the Purchase (the "Number of shares acquired"), or 2) in the event that the Average Price falls below the Benchmark Price, an acquisition of the Company's shares from the Stock Acquisition Right Holder at no cost, where the number of such shares is calculated by deducting the "Number of shares acquired" from the "Number of shares acquired at average price".

A separate disclosure will be made when the number of shares acquired has been finalized.

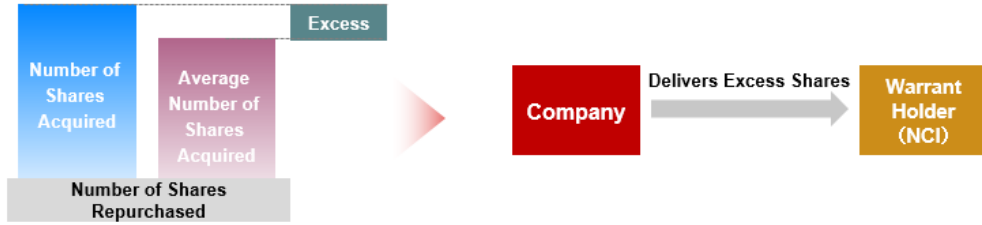
<FCSR Structure>



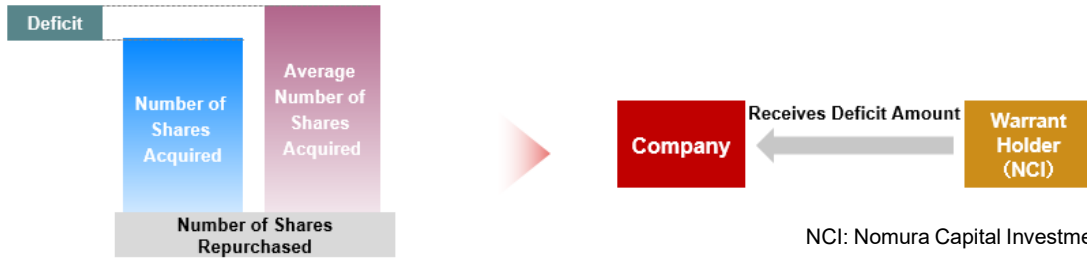
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<Share Adjustment Overview>

Share Price Rises ⇒ Deliver Shares



Share Price Falls ⇒ Receive Shares



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