



February 20, 2026

Company name: PILOT CORPORATION
Name of representative: Fumio Fujisaki,
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President
(Securities code: 7846; TSE Prime Market)
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**Notice Concerning Acquisition of Treasury Shares, Acquisition of Treasury Shares
through the Off-Auction Own Share Repurchase Trading System (ToSTNeT-3) and Cancellation
of Treasury Shares**

**(Acquisition of treasury shares in accordance with the Articles of Incorporation pursuant to
Article 459, Paragraph 1 of the Companies Act, acquisition of treasury shares through the Off-
Auction Own Share Repurchase Trading System (ToSTNeT-3), and cancellation of treasury
shares pursuant to Article 178 of the Companies Act)**

PILOT Corporation (the "Company") announces that, at the Board of Directors' meeting held on February 20, 2026, the Company resolved to acquire treasury shares in accordance with the provisions of Article 33 of the Articles of Incorporation pursuant to the provisions of Article 459, Paragraph 1 of the Companies Act. The Company also determined the method for acquiring these treasury shares. The Company also announces that it has decided to cancel treasury share in accordance with Article 178 of the Companies Act. Details are as follows.

1. Reason for acquiring and canceling treasury shares

In its 2025-2027 Medium-Term Management Plan (hereinafter referred to as the "Medium-Term Plan"), the Company outlines a basic policy of strengthening shareholder returns. It aims for a total payout ratio of 70% or more. Specifically, to further enhance shareholder returns and promote management that is conscious of the cost of capital and stock price, the Company has introduced progressive dividends and flexibly acquire treasury share to improve our capital structure and achieve a balance between efficiency and safety.

The Company has set a limit of 40 billion yen for its shareholder payouts during the Medium-Term Plan period. For the fiscal year ended December 31, 2025, the Company's total shareholder payout, which includes dividend payments and share buybacks, was approximately 10.5 billion yen, resulting in a total payout ratio of 87.3%. For the fiscal year ending December 31, 2026, the Company will continue to pay a progressive dividend and acquire treasury shares. In addition, treasury share will be canceled to eliminate concerns about future dilution of shares.

2. Method of acquisition

The purchase will be consigned at the closing price of 4,845 yen today (February 20, 2026) at 8:45

a.m. on February 24, 2026 in the Tokyo Stock Exchange's off-auction own share repurchase trading system (ToSTNeT-3) (no other changes will be made to the trading system or trading hours). Such purchase orders will be placed only during the relevant trading hours.

3. Details of matters concerning the acquisition

(1) Type of shares to be acquired	Common shares of the Company
(2) Total number of shares to be acquired	2,119,000 shares (maximum) (5.68% of the total number of outstanding shares (excluding treasury shares))
(3) Total acquisition cost of shares	10,600,000,000 yen (maximum)
(4) Publication of acquisition results	The results of the acquisition will be announced after the close of trading at 8:45 a.m. on February 24, 2026.

(Note 1) The number of shares will not be changed. It is possible that some or all of the acquisitions may not be made due to market trends or other factors.

(Note 2) The purchase will be made with sell orders corresponding to the number of shares to be acquired.

4. Details of cancellation

(1) Type of shares to be canceled	Common shares of the Company
(2) Total number of shares to be canceled	3,500,000 shares
(3) Scheduled date of cancellation	March 31, 2026

(Reference)

1. Status of treasury shares held as of January 31, 2026

(1) Total number of shares outstanding (excluding treasury shares): 37,264,551 shares

(2) Number of treasury shares: 3,640,649 shares

(Note) The number of treasury shares does not include 65,400 shares held by the executive compensation BIP trust.

2. Change in the total number of issued shares after the cancellation of treasury share

Due to the cancellation of treasury share, the number of shares increased by the stock split with a record date of June 30, 2026 and an effective date of July 1, 2026, as described in the "Notice Concerning Stock Split and Partial Amendment to the Articles of Incorporation and Partial Changes to Shareholder Benefit Programs Associated with the Stock Split" released on February 13, 2026, will change as follows.

(Before change)

Number of issued shares before the stock split	40,905,200 shares
Increase in the number of issued shares after the stock split	81,810,400 shares
Total number of issued shares after the stock split	122,715,600 shares
Number of authorized shares after the stock split	440,000,000 shares

(After change)

Number of issued shares before the stock split	37,405,200 shares
Increase in the number of issued shares after the stock split	74,810,400 shares
Total number of issued shares after the stock split	112,215,600 shares
Number of authorized shares after the stock split	440,000,000 shares