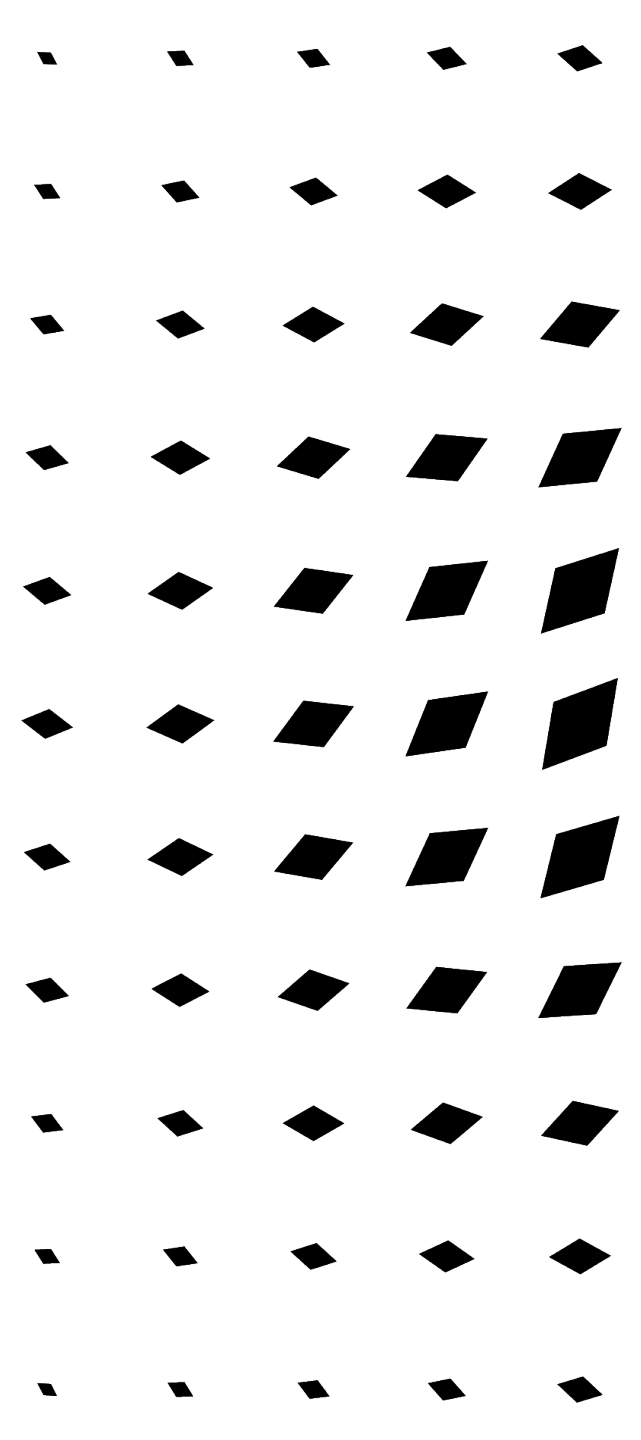


Strategic Alliance with Hon Hai Precision Industry for Joint Operation of Automotive Equipment Business

Will leverage “Made in/by Japan” brand to support sustainable growth of Japanese automotive industry

Hon Hai Precision Industry, Mitsubishi Electric Corporation and
Mitsubishi Electric Mobility Corporation

October 19, 2026

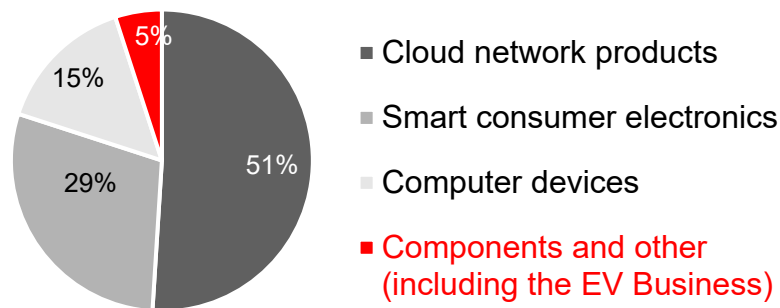


Hon Hai Precision Industry Group (Foxconn) Overview

Providing electronics manufacturing services as its core business, Hon Hai Precision Industry (hereinafter referred to as Hon Hai) has identified EV as a focus area and aims to grow its operations in Japan as one of its important bases.

Hon Hai Group

Company	Hon Hai Precision Industry Co., Ltd. (established in 1974)
Key Executives	Young Liu, Chairman and CEO, and Jun Seki, CSO (EV Business)
Location	New Taipei City, Taiwan
Employees	1,000,000 employees during peak manufacturing season
Revenue	40.5 trillion yen ^{*1} (2025 actual)
Business	World's largest electronics manufacturing services (EMS) provider
Revenue Breakdown	



^{*1} Calculated at 1NTD = 5 JPY.

Mitsubishi Electric/Mitsubishi Electric Mobility Overview

Mitsubishi Electric Mobility was established in 2024 as a result of the spin-off of Mitsubishi Electric Group’s automotive equipment business unit.

Mitsubishi Electric (Group)



Company	Mitsubishi Electric Corporation (established in 1921)
CEO	Kei Uruma
Location	Chiyoda-ku, Tokyo
Employees	150,386 employees on a consolidated basis
Revenue	5.8 trillion yen (FY2026 actual)
Group Companies	256 companies
Business	Public utility systems, energy systems, defense & space systems, factory automation systems, automotive equipment, building systems, air conditioning systems & home products, digital innovation and semiconductor & device

Mitsubishi Electric Mobility



Company	Mitsubishi Electric Mobility Corporation (spun-off and established in 2024)
CEO	Kazunori Tanaka
Location	Chiyoda-ku, Tokyo
Employees	Approx. 6,400 employees
Revenue	657.6 billion yen on a non-consolidated basis for Mitsubishi Electric Mobility (FY2026 actual) 875.6 billion yen on a consolidated basis for the automotive equipment business (FY2026 actual)
Shareholder	Wholly owned by Mitsubishi Electric Corporation (as of October 2026)
Business	R&D, manufacturing, sales, maintenance and repair of automotive equipment, systems, software and services

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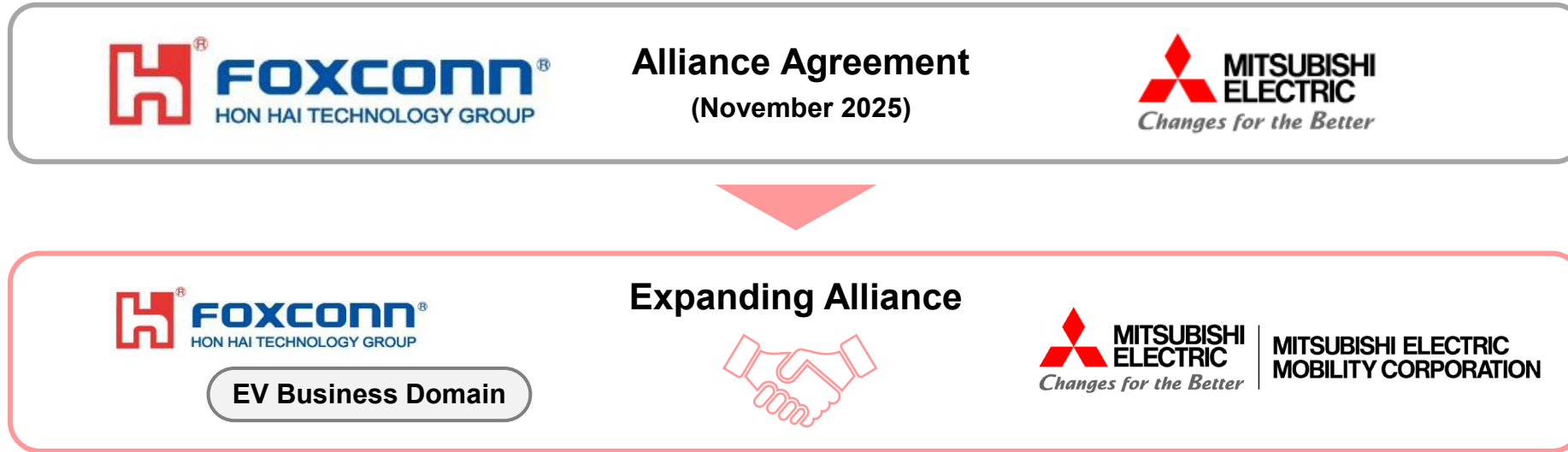
1

Executive Summary

Executive Summary

- Mitsubishi Electric has agreed to **transfer 50% of its shares in Mitsubishi Electric Mobility**, which handles Mitsubishi Electric's automotive equipment business, **to Lin Yin International Investment Co., Ltd., Hon Hai Group's investment management company (hereinafter referred to as Lin Yin)**.
- Mitsubishi Electric Mobility will contribute to developing EV platforms **through three domains**, where Mitsubishi Electric Mobility can leverage its strengths.
- **Mitsubishi Electric Mobility is expected to grow into a 1 trillion-yen company** by strengthening and expanding its key business through the strategic alliance with Hon Hai.
- **The strategic alliance will strengthen Japan's industrial base and support the sustainable growth of the domestic automotive industry by providing high-quality EV platforms made in/by Japan.**

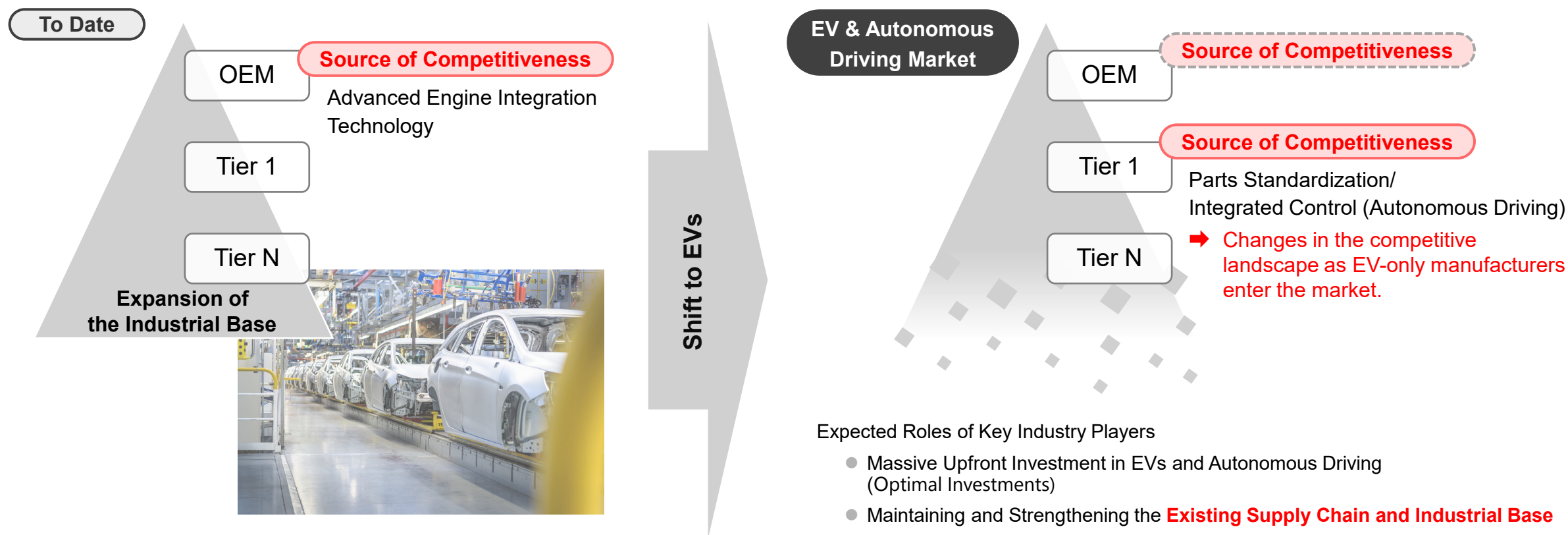
Background to Alliance



- On November 6, 2025, the two companies signed an MoU for their alliance in AI data center solutions.
- On April 24, 2026, they started considering the joint operation of Mitsubishi Electric Mobility to expand their alliance into the automotive equipment sector.
- On October 16, 2026, they entered into a definitive agreement on the joint operation of Mitsubishi Electric Mobility.

Background and Objectives of Collaboration

Taking advantage of changes in the competitive landscape following advances in electrification, Mitsubishi Electric Group and Hon Hai will combine their strengths and make optimal investments, thereby maintaining and strengthening Japan's industrial base and contributing to the establishment of an EV platform developed in Japan.



Transaction Overview

The agreement addresses a 50% equity investment by Lin Yin, an investment management company of Hon Hai group, in Mitsubishi Electric Mobility, which handles the Mitsubishi Electric Group's automotive equipment business.

Percentage of Shares to Be Transferred	50 % (JPY 115.0 billion)
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Structure of Mitsubishi Electric Mobility After the Share Transfer	Joint venture owned by Lin Yin (50%) and Mitsubishi Electric (50%)
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Schedule for the Share Transfer and the Company Split Agreement
--

October 16, 2026 — Date of corporate approval for the transaction October 16, 2026 — Date of execution of the share transfer agreement During the first half of fiscal year ending March 2028 (scheduled) — Date of execution of the company split agreement October 2027 (scheduled) — Effective date of the company split and closing date of the share transfer

Impact on Mitsubishi Electric's Earnings for the Current Fiscal Year

- | |
|--|
| <ul style="list-style-type: none">● Expecting to recognize an impairment loss of approximately JPY 100.0 billion in the consolidated financial results for the fiscal year ending March 31, 2027● Currently reviewing the full-year consolidated earnings forecast for the fiscal year ending March 31, 2027 including other factors● Planning to update, on October 30, 2026, the full-year consolidated earnings forecast for the fiscal year ending March 31, 2027 based on the results of the review |
|--|
-

2

Business Strategy

Jun Seki : Hon Hai CSO



1986
Apr

2019
Dec

2020
Jan

2022
Sep

2023
Feb

33
years

NISSAN

COO

3
years

Nidec

CEO

Joined



CSO for EV

3 + 3 + 3 STRATEGY : SUSTAINABLE GROWTH



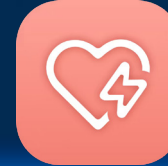
3
Industries

Electric
Vehicles

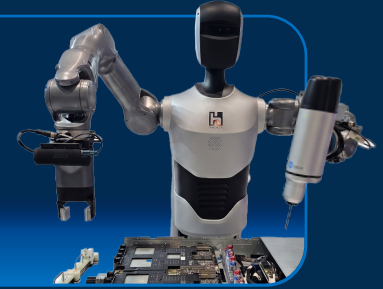
EV



Digital
Health



Robotics



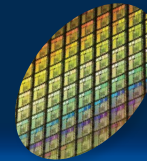
+
3
Technologies

Artificial
Intelligence

AI



Semiconductor



Next-generation
Communications

5G, 6G, Satellite

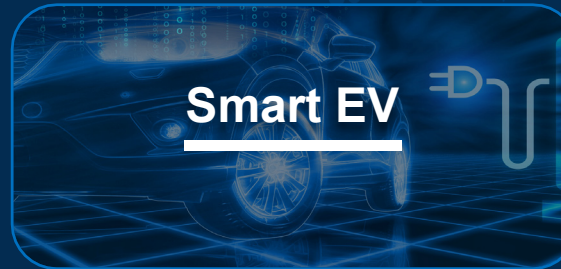


+
3
Smart Platforms

Smart Manufacturing



Smart EV

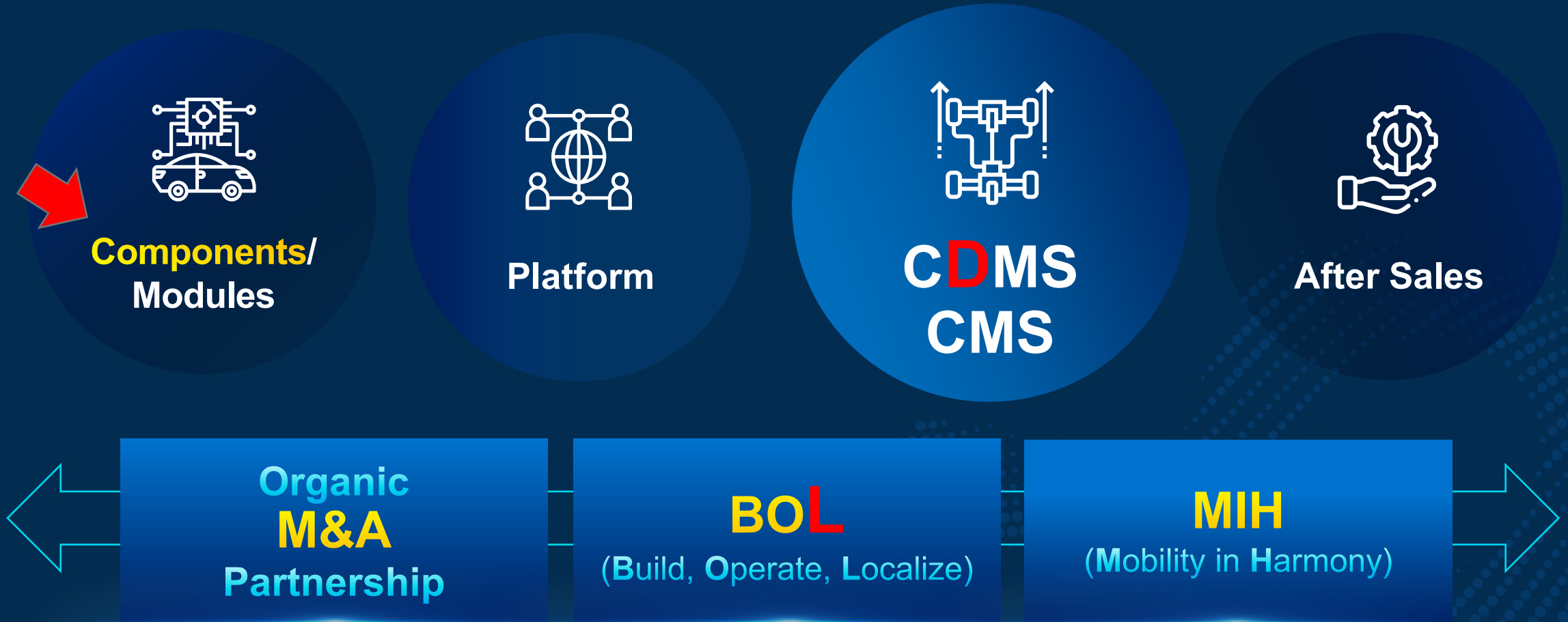


Smart City



NEXUS BY AI → SOCIAL CONTRIBUTION

EV Strategy : CDMS & Vertical Integration



Hon Hai strengthens its commitment to the Japanese market and mobility domain. Moving to a new stage with the Mitsubishi Electric Group.



Hon Hai : The world's largest EMS provider with ¥41 trillion in revenue

CDMS promotes EV development for a wide range of segments

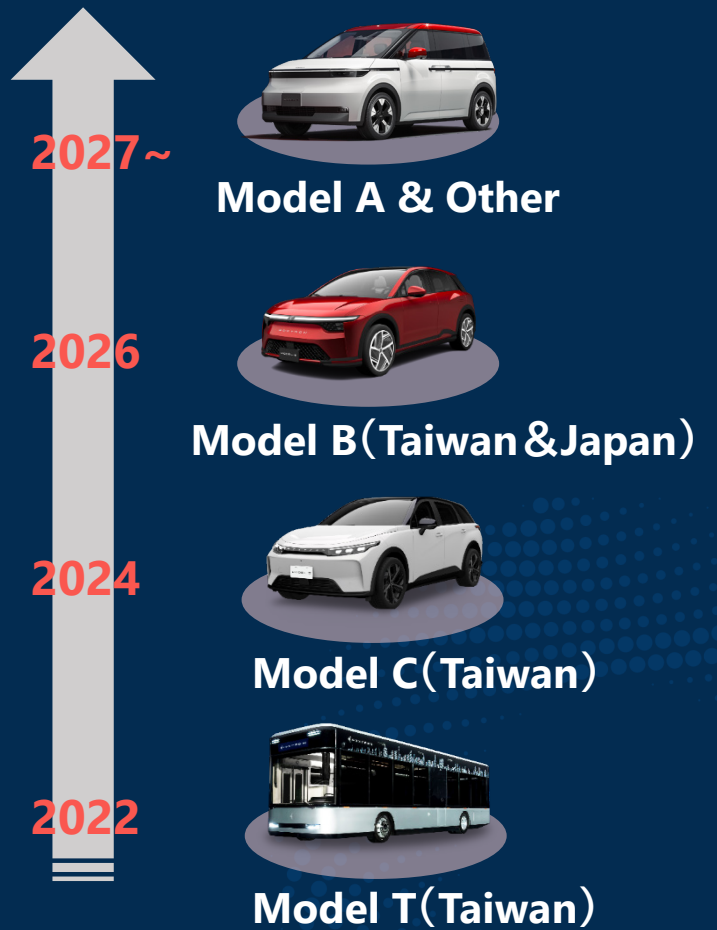
Development of Physical AI with Mitsubishi Electric Mobility



FY2025 actual
(Non-consolidated)
●8.1 trillion NTD
●259 billion USD



Global Expansion
●24 countries
●+240 locations
●1 million employees
Data-related business shows steady growth



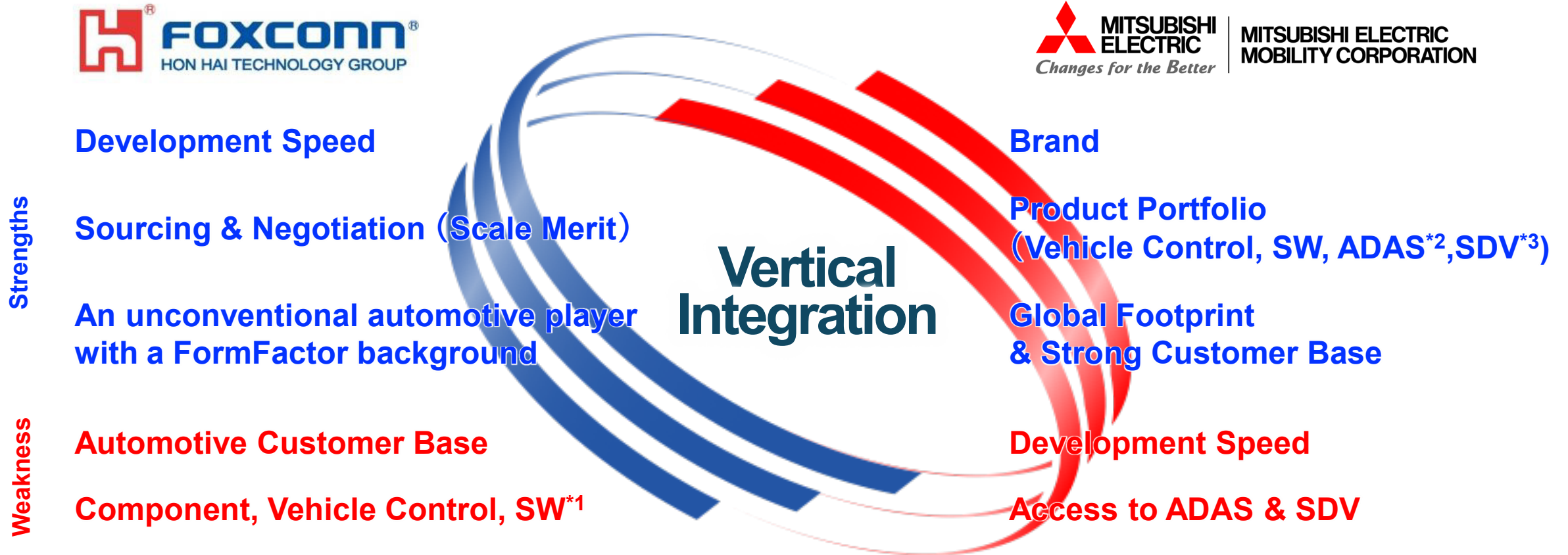
- Why Mitsubishi Electric Mobility?**
- Superior electronic control technology (Inverter, Controller)
 - Multidomain Software Resources
 - ADAS and SDV technologies



- Electrification and Beyond**
- Next-generation ultra-high-speed compact EDU (Inverter & Software)
 - Advanced Driver Monitoring System
 - Strengthening the technology foundation for AD level 4

Strengths and complementarities of both companies

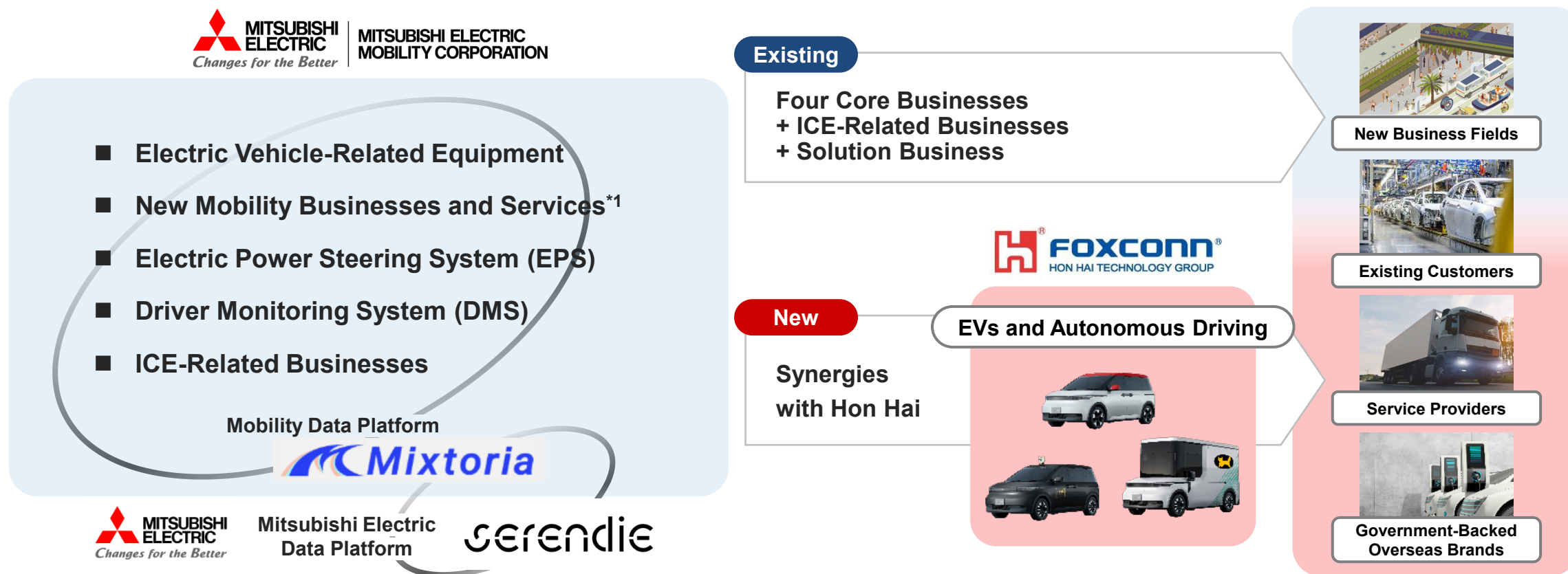
Hon Hai, the world's largest EMS provider, and Mitsubishi Electric Mobility, with 90 years of experience in the automotive equipment industry. The two companies have vastly different strengths and are highly complementary.



Mitsubishi Electric Mobility's Business Strategy

Growing four core businesses with the strength to succeed globally, along with internal combustion engine (ICE)-related businesses, while promoting the commercialization of solutions by leveraging data.

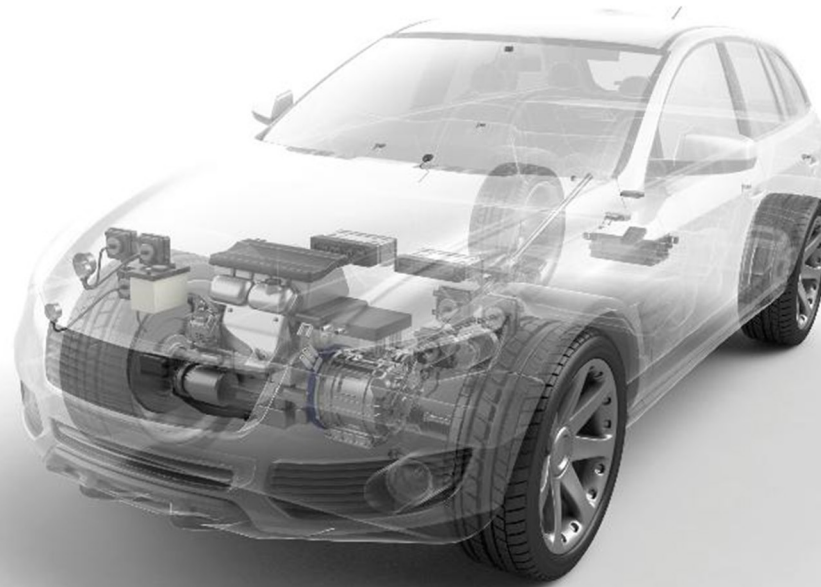
Aiming to further strengthen and expand EVs and autonomous driving business of Mitsubishi Electric Mobility through synergies with Hon Hai and our technology and strength of asset.



* 1 New Mobility businesses and services : human monitoring, robot delivery service, flying cars, etc.

Mitsubishi Electric Mobility's Areas of Contribution

Contributing to the development of Hon Hai's EV platform through three areas that leverage Mitsubishi Electric Mobility's strengths

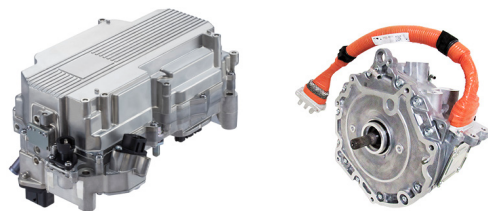


Mitsubishi Electric Mobility's Areas of Contribution

Contributing to the development of Hon Hai's EV platform through three areas that leverage Mitsubishi Electric Mobility's strengths

E-Power train

- Mass Production of Power Module for World's first hybrid car (1997)
- **Around 30 years** of Inverter Track Record



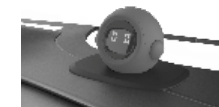
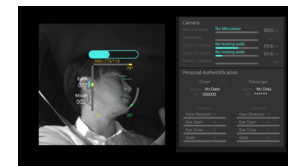
Autonomous Driving

- Safety & Cybersecurity Technology
- **Over 50 years** of Vehicle Control software development
- **Over 120M** units of Vehicle Control Products *1



In-Car Intelligence

- **No.1** Global Market Share in DMS as a Group*2
- Leader in DMS Patent Portfolio*3
 - Ranked **No. 1** in Full-Cabin Occupant Sensing
 - Ranked **No. 2** in Biometric Detection



* 1 Track record of ECUs and ETC (eTag) in the Electronic Control Unit & Telematics domain
* 2 Seeing Machines (Capital and business alliance agreement concluded in December 2024) is No.1 of Tier2. Mitsubishi Electric Mobility is No.2 of Tier1.
* 3 Patent count comparison among Tier 1 suppliers in the driver monitoring segment according to our research as of August 2026.

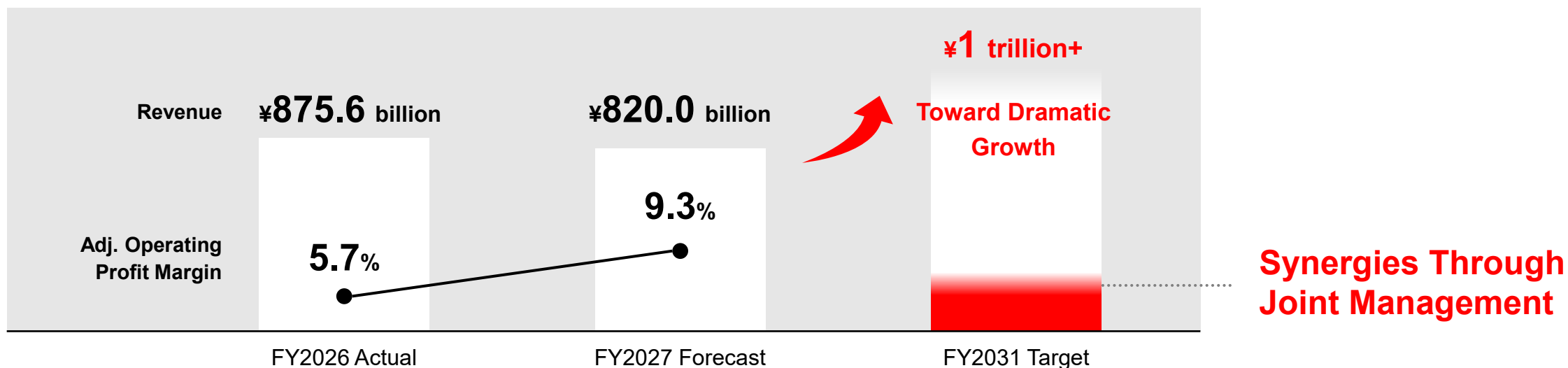
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Roadmap

Mitsubishi Electric Mobility's Roadmap

Continuing robust business operations based on the earnings power of existing businesses, and growing Mitsubishi Electric Mobility into a 1 trillion-yen company by strengthening and expanding core businesses through the strategic alliance with Hon Hai

Mitsubishi Electric Mobility Revenue and Adj. Operating Profit Margin Targets



Roadmap



Ideal Form

The strategic alliance will strengthen Japan's industrial base and support the sustainable growth of the domestic automotive industry by providing high-quality EV platforms made in/by Japan.



**MITSUBISHI ELECTRIC
MOBILITY CORPORATION**

Made in/by Japan EV Platform



Cautionary Statement

While the statements herein, including the forecasts regarding the Mitsubishi Electric Group, are based on assumptions considered to be reasonable under the circumstances on the date of announcement, actual results may differ significantly from forecasts.

The main factors materially affecting the expectations expressed herein include but are not limited to the following:

1. Changes in worldwide economic and social conditions, as well as regulations, taxation and other legislation
2. Changes in foreign currency exchange rates
3. Changes in stock markets
4. Changes in the fund-raising environment
5. Changes in the supply and demand of products, as well as the material procurement environment
6. Establishment of important patents, status of significant licenses and disputes related to key patents
7. Litigation and other legal proceedings
8. Issues related to quality and defects in products or services
9. Laws, regulations and issues related to the global environment, especially responses to climate change
10. Laws, regulations and issues related to human rights
11. Radical technological innovation, as well as the development, manufacturing and time-to-market of products using new technology
12. Business restructuring
13. Information security incidents
14. Large-scale disasters, including earthquakes, tsunamis, typhoons, volcanic eruptions and fires
15. Social, economic and political upheaval due to heightened geopolitical risks, war, conflict, terrorism or other factors
16. Social, economic and political upheaval due to pandemics or other factors
17. Important matters related to Mitsubishi Electric Corporation's directors and executive officers, major shareholders, affiliated companies and other stakeholders

*** This document has been translated from the Japanese original for reference purpose only.
In the event of any discrepancy between this document and the Japanese original, the original shall prevail.**

