

October 16, 2026
Hon Hai Precision Industry Co., Ltd.
Mitsubishi Electric Corporation

Hon Hai Precision Industry (Foxconn) and Mitsubishi Electric Reach Final Agreement on Strategic Alliance for Joint Operation of Automotive Equipment Business

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



Young Liu, Chairman of Hon Hai Precision Industry (left), and Kei Uruma, President & CEO of Mitsubishi Electric (right)

Lin Yin International Investment Co., Ltd. (Lin Yin), an investment management subsidiary of Hon Hai Precision Industry Co., Ltd. (Hon Hai Precision Industry) (Foxconn), and Mitsubishi Electric Corporation (Mitsubishi Electric) announced today that they have formalized a strategic alliance for the joint operation of an automotive equipment business. Through the alliance, the companies aim to develop next-generation mobility and thereby strengthen the sustainable growth of the Japanese automotive industry.

Under the agreement, Mitsubishi Electric will transfer to Lin Yin 50% of its stake in Mitsubishi Electric Mobility Corporation (Mitsubishi Electric Mobility), which handles Mitsubishi Electric’s automotive equipment business, after which the two co-owners will jointly operate Mitsubishi Electric Mobility. The share transfer price is expected to be JPY 115.0 billion. The share transfer agreement establishes an enterprise value of JPY 320.0 billion and an equity value of 230.0 billion for the target business. The transfer price corresponds to a 50% stake to be transferred based on the equity value. Subject to the satisfaction of contractual conditions, including obtaining required approvals and clearances from relevant authorities under competition laws and other applicable laws and regulations, the share transfer is expected to be completed in October 2027.

The joint-operating arrangement will combine Mitsubishi Electric Mobility’s technological and developmental capabilities, particularly in electric powertrains, software and vehicle control, with Hon Hai Precision Industry’s speed, scale and other strengths in market deployment.

By providing high-quality electric-vehicle platforms (basic structures) developed in Japan, the companies expect to contribute to the widespread adoption and advancement of next-generation mobility. The alliance will translate advanced technologies and quality achieved through high-level Japanese manufacturing into

new value for mobility. In turn, this is expected to strengthen Japan's industrial base and support the sustainable growth of the domestic automotive industry. In addition, over the medium to long term, the companies aim to expand Japanese technology and quality to global markets as well as further enhance the value of "Made in/by Japan" and demonstrate new possibilities for Japanese manufacturing to the world.

About Hon Hai Technology Group

Hon Hai Technology Group (Foxconn) (TWSE:2317) is the world's largest electronics manufacturer and leading technology solutions provider, ranking 23rd in Fortune Global 500. In 2025, revenue totaled TWD8.1 trillion (approx. USD260 billion). The Group's market share in electronics manufacturing services (EMS) exceeds 40% and covers four major product segments: smart consumer electronics; cloud and networking; computing; and components and other. Operating over 240 campuses across 24 countries, Foxconn is one of the world's largest employers with approx. 1 million employees during peak manufacturing season. We are committed to sustainability in the manufacturing process and serving as a best-practice model for global enterprises. The Group is guided by its 3+3+3 strategy, actively investing in industries of electric vehicles, digital health, and robotics; in technologies of artificial intelligence, semiconductors and next-generation communications; in intelligent platforms of Smart Manufacturing, Smart EV and Smart City. Foxconn is dedicated to becoming a comprehensive, world-class enterprise, with AI as its core driving force. Learn more at www.foxconn.com/en-us

About Mitsubishi Electric Corporation

Guided by its [corporate philosophy](#), Mitsubishi Electric Corporation (TOKYO: 6503) places sustainability at the core of its operations and values stakeholder trust—encompassing society, customers, shareholders and employees. In pursuing profitability, capital efficiency and growth, Mitsubishi Electric works closely alongside customers to develop value-added solutions that address today's complex challenges while enhancing the company's sustainable corporate value.

Founded in 1921, Mitsubishi Electric has over a century of experience in delivering reliable, high-quality products and solutions. With over 200 group companies and approximately 150,000 employees worldwide, the company is a recognized global leader in manufacturing, marketing and selling electrical and electronic equipment and systems across a broad range of sectors, including public utility systems, energy systems, defense and space systems, factory automation systems, automotive equipment, building systems, air conditioning systems & home products, digital innovations, and semiconductor & devices.

Mitsubishi Electric recorded consolidated revenue of 5,894.7 billion yen (U.S.\$ 36.8 billion*) in the fiscal year that ended on March 31, 2026. For more information, please visit www.MitsubishiElectric.com

*JPY 160=USD 1, the approximate rate on the Tokyo Foreign Exchange Market on March 31, 2026

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**Notice of Simplified Absorption-type Company Split for Transfer of
Automotive Equipment Business and Execution of Share Transfer
Agreement to Transfer 50% of Mitsubishi Electric Mobility's Shares**

TOKYO, October 16, 2026 – [Mitsubishi Electric Corporation](#) (Mitsubishi Electric) (TOKYO: 6503) announced today that, as disclosed in the press release “Mitsubishi Electric Considering Alliance with Hon Hai Precision Industry for Joint Operation of Automotive Equipment Business” dated April 24, 2026, Mitsubishi Electric signed a memorandum of understanding (MoU) with Hon Hai Precision Industry Co., Ltd. (Hon Hai Precision Industry) based in New Taipei City, to commence discussions about forming a strategic alliance (the “Alliance”) to jointly operate Mitsubishi Electric’s automotive equipment business (“Target Business”), based on which the companies held discussions leading to this agreement.

To implement the Alliance, Mitsubishi Electric will carry out a series of transactions (the “Transaction”), including: (i) the succession by Mitsubishi Electric Mobility Corporation (Mitsubishi Electric Mobility), which operates the Target Business, of certain rights and obligations held by Mitsubishi Electric concerning the Target Business, through an absorption-type company split (“Company Split”); (ii) the transfer of 50% of the issued shares of Mitsubishi Electric Mobility (“Share Transfer”), a subsidiary of Mitsubishi Electric that operates the Target Business, to Lin Yin International Investment Co., Ltd. (Lin Yin), an investment management company of Hon Hai Precision Industry; and (iii) the transfer or other reorganization of the rights and obligations relating to the Target Business held by Mitsubishi Electric’s group companies in Japan and overseas to Mitsubishi Electric Mobility or its subsidiaries (the “Intra-group Reorganization”).

The transfer price for the Share Transfer is expected to be JPY 115.0 billion. Under the Share Transfer Agreement, the parties agreed on an enterprise value of JPY 320.0 billion for the Target Business and, after taking into account changes in assets following execution of the agreement, calculated and agreed on an equity value of JPY 230.0 billion. The transfer price above represents the amount corresponding to the 50% interest that will be transferred based on the equity value.

The Transaction is scheduled to be implemented subject to receipt of approvals from relevant authorities under applicable competition laws in Japan and overseas, as well as satisfaction of other applicable conditions. Since the Company Split will be a simplified absorption-type company split in which Mitsubishi Electric Mobility, a wholly owned subsidiary of Mitsubishi Electric, will be the successor company, certain disclosure items and details have been omitted.

Details

1. Purpose of the Transaction

The Transaction will combine Mitsubishi Electric Mobility’s technological and developmental capabilities, particularly in electric powertrains, software and vehicle control, with Hon Hai Precision Industry’s speed, scale and other strengths in market deployment.

By providing high-quality electric-vehicle platforms (basic structures) developed in Japan, the companies expect to contribute to the widespread adoption and advancement of next-generation mobility. The alliance

will translate advanced technologies and quality achieved through high-level Japanese manufacturing into new value for mobility. In turn, this is expected to strengthen Japan's industrial base and support the sustainable growth of the domestic automotive industry. Over the medium to long term, the companies aim to expand Japanese technology and quality to global markets, further enhance the value of "Made in/by Japan," and demonstrate new possibilities for Japanese manufacturing to the world.

2. Schedule of the Transaction

April 24, 2026	Date of execution of the MoU
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 in March 2028 (scheduled)	Date of execution of the Company Split agreement
During the first half of fiscal year ending in March 2028 (scheduled)	Resolution of the general meeting of shareholders of Mitsubishi Electric Mobility approving the Company Split agreement
October 2027 (scheduled)	Effective date of the Company Split
	Closing date of the Share Transfer

Note: As the Company Split qualifies as a simplified absorption-type company split pursuant to Article 784, Paragraph 2 of the Companies Act, it will be carried out without approval by resolution of Mitsubishi Electric's general meeting of shareholders.

Note: The Intra-group Reorganization is also scheduled to be completed by the closing date of the Share Transfer, taking into account the status of obtaining approvals and permits in each country and region.

3. Summary of the Company Split

(1) Method of the Company Split

An absorption-type company split in which Mitsubishi Electric will be the splitting company and Mitsubishi Electric Mobility will be the successor company.

(2) Schedule of the Company Split

Please refer to "2. Schedule of the Transaction" above.

(3) Details of allotment in connection with the Company Split

As consideration for the Company Split, Mitsubishi Electric expects to receive common shares newly issued by the successor company; however, the specific consideration has not yet been determined.

(4) Treatment of share acquisition rights and bonds with share acquisition rights in connection with the Company Split

Mitsubishi Electric has not issued any share acquisition rights or bonds with share acquisition rights.

(5) Increase or decrease in capital as a result of the Company Split

There will be no increase or decrease in Mitsubishi Electric's capital as a result of the Company Split.

(6) Rights and obligations to be succeeded to by the successor company

In accordance with the Company Split agreement, Mitsubishi Electric Mobility will succeed to the assets, liabilities, contracts and other rights and obligations relating to the Target Business.

(7) Prospects for performance of obligations

Mitsubishi Electric has determined that there are no issues concerning the prospects for performance of

the obligations to be assumed by Mitsubishi Electric Mobility after the Company Split.

(8) Overview of the splitting company (Mitsubishi Electric) (as of March 31, 2026)

1	Name	Mitsubishi Electric Corporation
2	Location	7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan
3	Title and Name of Representative	Kei Uruma, President & CEO
4	Business Description	Development, manufacture, sale and servicing of products in infrastructure, industry and mobility, life, digital innovation, semiconductors and devices, and other fields
5	Date of Establishment	January 15, 1921
6	Share Capital	JPY 175,820 million
7	Number of Shares Issued	2,113,201,551 shares
8	Fiscal Year-End	March 31
9	Major Shareholders and Shareholding Ratios	The Master Trust Bank of Japan, Ltd. (Trust Account) 16.15% Custody Bank of Japan, Ltd. (Trust Account) 5.85% STATE STREET BANK AND TRUST COMPANY 505001 4.52% Meiji Yasuda Life Insurance Company 4.00% THE CHASE MANHATTAN BANK, N.A. LONDON SECS LENDING OMNIBUS ACCOUNT 2.37% Mitsubishi Electric Group Employee Shareholding Association 1.92% STATE STREET BANK AND TRUST COMPANY 505223 1.91% GOVERNMENT OF NORWAY 1.59% JP MORGAN CHASE BANK 385642 1.53% JP MORGAN CHASE BANK 385781 1.52%
10	Consolidated Financial Position and Operating Results for the Immediately Preceding Fiscal Year (Fiscal Year Ended March 31, 2026)	
	Total equity	JPY 4,629,993 million
	Total assets	JPY 7,357,512 million
	Equity attributable to owners of the parent per share	JPY 2,191.26
	Revenue	JPY 5,894,747 million
	Operating profit	JPY 433,095 million
	Profit before income taxes	JPY 526,077 million
	Profit attributable to owners of the parent	JPY 407,758 million
	Basic earnings per share attributable to owners of the parent	JPY 198.31

(9) Overview of the successor company (Mitsubishi Electric Mobility) (as of March 31, 2026)

1	Name	Mitsubishi Electric Mobility Corporation		
2	Location	7-3, Marunouchi 2-chome, Chiyoda-ku, Tokyo, Japan		
3	Title and Name of Representative	Kazunori Tanaka, President		
4	Business Description	Development, production, sale and servicing of automotive equipment and related products		
5	Date of Establishment	April 1, 2024		
6	Share Capital	JPY 10,060 million		
7	Number of Shares Issued	1,002 shares		
8	Fiscal Year-End	March 31		
9	Major Shareholders and Shareholding Ratios	Mitsubishi Electric Corporation 100.00%		
10	Non-consolidated Financial Position and Operating Results for the Past Three Fiscal Years			
Fiscal year-end		Fiscal year ended March 31, 2024 (Note)	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets		—	JPY 61,405 million	JPY 90,039 million
Total assets		—	JPY 410,840 million	JPY 384,026 million
Net assets per share		—	JPY 61,343,794	JPY 89,859,505
Revenue		—	JPY 690,388 million	JPY 657,565 million
Operating profit		—	JPY (1,080) million	JPY 13,183 million
Ordinary profit		—	JPY 16,247 million	JPY 29,174 million
Profit attributable to owners of the parent		—	JPY 17,991 million	JPY 35,777 million
Earnings per share		—	JPY 17,972,798	JPY 35,741,306
11	Relationship with Mitsubishi Electric			
	Capital relationship	Mitsubishi Electric holds 100% of the voting rights in the relevant company, which is a consolidated subsidiary of the company.		
	Personnel relationship	One Executive Officer (Associate) of Mitsubishi Electric concurrently serves as Representative Director of the relevant company. Employees of Mitsubishi Electric are seconded to the relevant company.		
	Business relationship	The relevant company purchases raw materials and other materials from Mitsubishi Electric. In addition, there are financing transactions between Mitsubishi Electric and the relevant company through a cash management system.		

Note: Mitsubishi Electric Mobility was established on April 1, 2024; accordingly, its financial position and operating results for the fiscal year ended March 31, 2024 are not presented.

(10) Overview of the business to be split

I. Business to be split

Automotive equipment business

(In Mitsubishi Electric's reportable segments, the business is included in "Industry and Mobility.")

II. Consolidated operating results of the business to be split (fiscal year ended March 31, 2026)

Revenue: JPY 875.6 billion

Note: The amount shown is for the Target Business as a whole.

III. Items and amounts of assets and liabilities to be transferred (fiscal year ended March 31, 2026)

Total assets	JPY 727.5 billion
Total liabilities	JPY 375.4 billion

Note 1: The figures above are internal management figures and have not been audited.

Note 2: The amounts shown are for the Target Business as a whole.

Note 3: As the figures were calculated based on the balance sheet as of March 31, 2026,

the actual amounts to be split will reflect adjustments for increases and decreases through the effective date.

(11) Status after the Company Split

Following the Company Split, there will be no changes to Mitsubishi Electric's name, address, representative's title and name, business activities, capital or fiscal year-end.

Following the Company Split, there will be no changes to the successor company's name, address, representative's title and name, business activities or fiscal year-end. The amount of capital has not yet been determined.

4. Summary of the Share Transfer

(1) Overview of the company whose shares will be transferred

Please refer to "(9) Overview of the successor company (Mitsubishi Electric Mobility) (as of March 31, 2026)" under "3. Summary of the Company Split" above.

(2) Overview of the transferee in the Share Transfer (as of May 6, 2026)

1	Name	Lin Yin International Investment Co., Ltd. *Established by Hon Hai Precision Industry.
2	Location	15F., No. 207-1, Sec. 3, Beixin Rd., Fuxing Vil., Xindian Dist., New Taipei City, Taiwan
3	Representative	Huang Te-Tsai (Chairman)
4	Business Description	General investment activities
5	Date of Establishment	June 16, 1998
6	Share Capital	NT\$ 8,177,042,000
7	Number of Shares Issued	817,704,200 shares
8	Fiscal Year-End	December 31
9	Major Shareholders and Shareholding Ratios	Hon Hai Precision Industry Co., Ltd. 100.00%
10	Consolidated Net Assets for the Most Recent Fiscal Year	NT\$ 8,033,113,963

11	Consolidated Total Assets for the Most Recent Fiscal Year	NT\$ 8,033,353,963
12	Relationship with Mitsubishi Electric	There are no relationships between Mitsubishi Electric and the relevant company that require disclosure.

(3) Transfer price, number of shares to be transferred and shareholding before and after the transfer

Transfer price	JPY 115.0 billion (estimated)
Number of shares held before the transfer	1,006 shares (Note) (voting rights ratio: 100%)
Number of shares to be transferred	503 shares (voting rights ratio: 50%)
Number of shares held after the transfer	503 shares (voting rights ratio: 50%)

Note: The “Number of shares held before the transfer” above includes the shares to be issued as consideration for the Company Split.

5. Outlook

As a result of the Share Transfer, Mitsubishi Electric Mobility will cease to be a consolidated subsidiary of Mitsubishi Electric and in turn will become an equity-method affiliate from the third quarter of the fiscal year ending on March 31, 2028.

In connection with the Share Transfer, Mitsubishi Electric expects to record an impairment loss of approximately JPY 100.0 billion under “Other profit (loss)” in its consolidated financial results for the fiscal year ending on March 31, 2027. The company is currently reviewing its full-year consolidated earnings forecast, including other factors, for the fiscal year ending on March 31, 2027, and plans to announce the forecast on October 30, 2026 based on the results of that review.

End