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June 3, 2025

Company name: Toyota Industries Corporation  
Name of Koichi Ito, President, Member of the  
representative: Board  
(Securities code: 6201; Prime Market of the Tokyo Stock  
Exchange and Premier Market of the Nagoya Stock Exchange)  
Inquiries: Koichi Tamaki, General Manager of  
Accounting Department  
(Tel: +81-(0)566-22-2511)

**Notice Concerning Planned Commencement of Tender Offer for the Share Certificates,  
Etc. of Toyota Industries Corporation (Securities Code: 6201)**

Toyota Fudosan Co., Ltd. (“**Toyota Fudosan**”) hereby announces that it has decided today to acquire the share certificates, etc. of Toyota Industries Corporation through a stock company to be established by Toyota Fudosan by means of a tender offer, with the details as described in the attachment.

End

The purpose of this document is to, in accordance with Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act, make an announcement based on a request that Toyota Fudosan made to Toyota Industries Corporation.

Attachment:

“Notice Concerning Planned Commencement of Tender Offer for the Share Certificates, Etc. of Toyota Industries Corporation (Securities Code: 6201)” dated June 3, 2025

June 3, 2025

Company name: Toyota Fudosan Co., Ltd.  
Name of representative: Tomohide Yamamura, President,  
Member of the Board

**Notice Concerning Planned Commencement of Tender Offer for the Share Certificates,  
Etc. of Toyota Industries Corporation (Securities Code: 6201)**

Toyota Fudosan Co., Ltd. (the “**Company**” or “**Toyota Fudosan**”) hereby announces that it decided today to acquire all of the common shares of Toyota Industries Corporation (securities code: 6201 (the “**Target Company**”), listed on the Prime Market of the Tokyo Stock Exchange, Inc. (the “**Tokyo Stock Exchange**”) and the Premier Market of the Nagoya Stock Exchange, Inc. (the “**Nagoya Stock Exchange**”); the common shares, the “**Target Company Shares**”) (excluding the 74,100,604 Target Company Shares held by Toyota Motor Corporation (“**TMC**”) (ownership percentage (as defined in “(1) Summary of the Tender Offer” in “1. Purpose of the Tender Offer” below): 24.66%; the “**Target Company Shares Held by TMC**”) and the own shares held by the Target Company) through a stock company to be established by the Company (the “**Offeror**”) by means of a tender offer (the “**Tender Offer**”) under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the “**Act**”), as part of a series of transactions aimed at taking the Target Company Shares private (the “**Transactions**”).

Because the procedures and steps required under (i) domestic and foreign competition laws and regulations (at present, while it is believed that procedures will be required in Japan, the United States, Brazil, Canada, Mexico, Germany, Austria, the Czech Republic, Poland, Slovakia, Turkey, Saudi Arabia, Morocco, South Africa, Thailand, and India, the decision on whether it is necessary to take procedures may change in the future depending on further confirmation of facts concerning the Target Company’s business or assets and views expressed by relevant authorities; hereinafter the same), (ii) the EU Foreign Subsidies Regulation, (iii) foreign investment control laws and regulations (at present, while it is believed that procedures will be required in Italy and Spain and that procedures may be required in the Netherlands, Germany, Austria, and the United States, the decision on whether it is necessary to take procedures may change in the future depending on further confirmation of facts concerning the Target Company’s business or assets and views expressed by relevant authorities; hereinafter the same) , and (iii) financial regulatory laws and regulations in the United Kingdom and Sweden will take time to complete, the Offeror plans to commence the Tender Offer as soon as practicable after the date on which the aforementioned procedures and steps are completed and other conditions precedent (Note 1) set out in the Master Agreement (as defined in “(1) Summary of the Tender Offer” in “1. Purpose of the Tender Offer” below; hereinafter the same) (those conditions precedent, the “**Tender Offer Conditions Precedent**”) are satisfied or waived at the discretion of the Offeror (Note 2). As of today, the Company aims, based on discussions with local law firms concerning such procedures, to have the Offeror commence the Tender Offer on or around early December 2025, but since it is difficult to accurately estimate the amount of time required for the procedures involving authorities having jurisdiction over domestic and foreign competition laws and regulations, the EU Foreign Subsidies Regulation, investment control laws and regulations, and financial regulatory laws and regulations, the detailed schedule for the Tender Offer will be promptly announced as soon as it is decided.

Any changes to the expected timing of the commencement of the Tender Offer will be also

announced promptly.

Note 1: The Offeror plans to commence the Tender Offer as soon as practicable after the date on which the Tender Offer Conditions Precedent stated below are satisfied or waived at the discretion of the Offeror.

The Tender Offer Conditions Precedent are as follows:

- (i) the board of directors of the Target Company has, at the time of announcement of the Tender Offer, adopted a resolution to the effect that it will express an opinion in support of the Tender Offer (the “**Opinion at the Time of Announcement**”), such resolution has been published in accordance with laws and regulations, and the Opinion at the Time of Announcement has not been changed or withdrawn;
- (ii) the board of directors of the Target Company has, at the time of commencement of the Tender Offer, adopted a resolution to the effect that it will express an opinion in support of the Tender Offer and that it will recommend that the Target Company’s shareholders tender their shares in the Tender Offer (the “**Opinion at the Time of Commencement**”), such resolution has been published in accordance with laws and regulations, and the Opinion at the Time of Commencement has not been changed or withdrawn;
- (iii) the Special Committee (as defined in “(a) Background to the establishment of the review system” in “(ii) Decision-making process and details and reasons for the Target Company’s decision to issue the opinion to support the Tender Offer” in “(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer” under “1. Purpose of the Tender Offer” below; hereinafter the same) established by the board of directors of the Target Company in connection with the Tender Offer has, at the time of announcement of the Tender Offer, reported to the board of directors of the Target Company that it is appropriate for the board of directors of the Target Company to express the Opinion at the Time of Announcement and the report has not been changed or withdrawn;
- (iv) the Special Committee has, at the time of commencement of the Tender Offer, reported to the board of directors of the Target Company that it is appropriate for the board of directors of the Target Company to express the Opinion at the Time of Commencement and the report has not been changed or withdrawn;
- (v) (a) there is no judgment by any judicial or administrative agency that restricts or prohibits any or all of the Transactions and (b) no petition, action, or proceeding is pending before any judicial or administrative agency that seeks to restrict or prohibit any or all of the Transactions;
- (vi) all clearances (Note 3) have been obtained (the “**Obtainment of Clearance**”);
- (vii) TMC has performed and complied with, in all material respects, all of its obligations under the Master Agreement (Note 4) and, as of today and the commencement date of the Tender Offer, all of the representations and warranties of TMC under the Master Agreement (Note 5) are true and correct in all material respects;
- (viii) the tender offer agreement dated today between the Company and the Target Company (the “**Tender Offer Agreement**”) has been duly and validly executed and remains in effect, and the Target Company has performed and

complied with, in all material respects, all of its obligations under the Tender Offer Agreement that are required to be performed and complied with by the Target Company (Note 6) and, as of today and the commencement date of the Tender Offer, all of the representations and warranties of the Target Company under the Tender Offer Agreement (Note 7) are true and correct in all material respects;

- (ix) as of the business day immediately prior to the commencement date of the Tender Offer, there is no material fact regarding the business, etc. of the Target Company as provided for in Article 166, Paragraph 2 of the Act (excluding those publicly announced in accordance with Article 166, Paragraph 4 of the Act) or any fact that a tender offer, etc. will be launched or any fact that a tender offer, etc. will be suspended as provided for in Article 167, Paragraph 2 of the Act (excluding the Tender Offer and any fact publicly announced in accordance with Article 166, Paragraph 4 of the Act), except for matters relating to the Transactions, including the Tender Offer, to be announced on that date by the Target Company, and the Target Company has provided a document or the like confirming this matter to the Offeror;
- (x) no material adverse effect (Note 8) has been identified or has occurred at the Target Company;
- (xi) no exemption event (Note 9) has occurred;
- (xii) no circumstances have arisen in the Target Company that, if the Tender Offer has commenced, would allow the withdrawal of the Tender Offer pursuant to the provisions of the proviso of Article 27-11, Paragraph 1 of the Act; and
- (xiii) it is reasonably expected that each of the Tender Offers for Own Shares (as defined in “(1) Summary of the Tender Offer” in “1. Purpose of the Tender Offer” below) will commence as prescribed in the Press Releases Concerning the Tender Offers for Own Shares (as defined in “(1) Summary of the Tender Offer” in “1. Purpose of the Tender Offer” below; ).

Please refer to “(6) Matters relating to material agreements regarding the Tender Offer” in “1. Purpose of the Tender Offer” below for details of the Master Agreement.

Note 2: The Master Agreement stipulates that any or all of the Tender Offer Conditions Precedent may be waived at the discretion of the Offeror.

Note 3: “Clearance” means, individually or collectively, with respect to filings under domestic and foreign competition laws and regulations, the EU Foreign Subsidies Regulation, investment control laws and regulations, financial regulatory laws and regulations, and other procedures with judicial or administrative agencies that the Company, the Offeror, or the Offeror’s Parent Company (as defined in “(1) Summary of the Tender Offer” in “1. Purpose of the Tender Offer” below) reasonably determines to be necessary or desirable for the implementation of the Transactions, (i) if there is a waiting period under those laws and regulations, the expiration of the waiting period (including any extended period if the waiting period is extended by the judicial or administrative agency having jurisdiction over such procedures) and (ii) if it is necessary to obtain the judgment of a judicial or administrative agency, the obtainment of the judgment from such judicial or administrative agency.

Note 4: Please refer to “(6) Matters relating to material agreements regarding the Tender Offer” in “1. Purpose of the Tender Offer” below for details of TMC’s obligations under the Master Agreement.

Note 5: Please refer to “(6) Matters relating to material agreements regarding the Tender

- Offer” in “1. Purpose of the Tender Offer” below for details of the representations and warranties of TMC under the Master Agreement.
- Note 6: Please refer to “(6) Matters relating to material agreements regarding the Tender Offer” in “1. Purpose of the Tender Offer” below for details of the Target Company’s obligations under the Tender Offer Agreement.
- Note 7: Please refer to “(6) Matters relating to material agreements regarding the Tender Offer” in “1. Purpose of the Tender Offer” below for details of the representations and warranties of the Target Company under the Tender Offer Agreement.
- Note 8: “Material adverse effect” means any material adverse effect on the business, assets, liabilities, financial condition, operating results, or cash flow of the Target Company Group (as defined in “(i) Background, purpose, and decision-making process leading the Offeror to conduct the Tender Offer” in “(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer” in “1. Purpose of the Tender Offer” below) as a whole or on the execution of the Transactions, or any specific threat thereof.
- Note 9: “Exemption event” means, with regard to the financial institution that will become the lender in the borrowings by the Offeror or the Company for the purpose of financing the Transactions, (i) any natural disaster, war, or outbreak of terrorism, (ii) any breakdown or failure of electric, communication, or various clearing systems, (iii) any event where, in the Tokyo Interbank Market, a loan of yen funds cannot be executed, and (iv) any other event that is similar to (i) through (iii) above for any reason not attributable to the lender for which the financial institution reasonably determines that it is substantially impossible or extremely difficult to conduct the financing due to that event.

## 1. Purpose of the Tender Offer

### (1) Summary of the Tender Offer

The Offeror will be established by the commencement date of the Tender Offer for the primary purpose of acquiring and holding the share certificates, etc. of the Target Company after the completion of the Tender Offer. The Company will establish a stock company separately from the Offeror (the “**Offeror’s Parent Company**”) and, as of the commencement date of the Tender Offer, the Company will hold all of the issued shares of the Offeror’s Parent Company and the Offeror’s Parent Company will hold all of the issued shares of the Offeror. The board of directors of the Company has adopted a resolution today regarding the establishment of the Offeror’s Parent Company and the Offeror.

In addition, during the period from the successful completion of the Tender Offer to the business day immediately prior to the commencement date of the settlement of the Tender Offer, the Offeror’s Parent Company will conduct a capital increase by a third-party allotment of common shares through which shares will be allotted to the Company (the “**Common Shares Contribution (Toyota Fudosan)**”) (Note 1) and will also conduct a capital increase by a third-party allotment of preferred shares (non-voting shares that are class shares with no conversion rights to common shares) through which shares will be allotted to TMC (the “**Preferred Shares Contribution**”) (Note 2) for the purpose of appropriating funds to the contribution to be made by the Offeror’s Parent Company to the Offeror in order to procure the

funds necessary for the Offeror to execute the Transactions. Furthermore, during the period from the execution of the Common Shares Contribution (Toyota Fudosan) and the Preferred Shares Contribution to the business day immediately prior to the commencement date of the settlement of the Tender Offer, the Offeror will conduct a capital increase by a third-party allotment of common shares through which shares will be allotted to the Offeror's Parent Company (the “**Common Shares Contribution (Offeror's Parent Company (First Contribution))**”) (Note 3) for the purpose of providing for the funds necessary to execute the Transactions, and the Offeror's Parent Company will subscribe for the shares subject to the Common Shares Contribution (Offeror's Parent Company (First Contribution)) using the proceeds from the Common Shares Contribution (Toyota Fudosan) and the Preferred Shares Contribution.

Note 1: The amount of the Common Shares Contribution (Toyota Fudosan) is expected to be 176.5 billion yen.

Note 2: The amount of the Preferred Shares Contribution is expected to be 706 billion yen.

Note 3: While the amount of the Common Shares Contribution (Offeror's Parent Company (First Contribution)) is expected to be approximately 873.6 billion yen or more, the specific amount has not yet been decided and will be decided after taking into account the operations of the Offeror's Parent Company to be established in the future.

In August 1953, TMC Co., Ltd. (now TMC), Toyoda Automatic Loom Works, Ltd. (now the Target Company), and Nisshin Tsusho Kaisha, Ltd. (now Toyota Tsusho Corporation; “**Toyota Tsusho**”) invested together to establish Towa Real Estate Co., Ltd.—the previous trade name for Toyota Fudosan. The company was formed to succeed from Toyota Sangyo Kaisha, Ltd. the business of owning, using, and managing real estate, and the business of owning securities. Since then, the company has mainly focused on the development and management of office buildings in the three areas of Nagoya, Tokyo, and Osaka. In April 2022, Towa Real Estate Co., Ltd. changed its company name to “Toyota Fudosan Co., Ltd.” and continues to operate under this name today. As of today, the Company holds 16,291,374 shares (ownership percentage (Note 4): 5.42%; the “**Target Company Shares Held by the Company**”) of the Target Company Shares

Note 4: “Ownership percentage” means the ratio of the shares owned (rounded to two decimal places; hereinafter the same) to the number of shares (300,475,306 shares) obtained from (i) the total number of issued shares of the Target Company as of March 31, 2025 (325,840,640 shares) as stated in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (IFRS)” announced by the Target Company on April 25, 2025 (the “**Target Company's Financial Results**”) minus (ii) the number of own shares (25,365,334 shares) obtained from the number of own shares held by the Target Company as of March 31, 2025 (24,440,334 shares) plus the number of own shares acquired through the share repurchase conducted by the Target Company during the period from April 1, 2025 to April 30, 2025 (801,700 shares) as stated in the “Notice Concerning the Status of Repurchase of Shares of Treasury Stock” announced by the Target Company on May 7, 2025 and the number of own shares acquired through the share repurchase conducted by the Target Company during the period from May 1, 2025 to May 12, 2025 (123,300 shares) as stated in the

“Notice Concerning the Status and Completion of the Repurchase of Shares of our Common Stock” announced by the Target Company on May 14, 2025.

The Company resolved today, by way of a written resolution in lieu of a resolution of its board of directors in accordance with Article 370 of the Companies Act (Act No. 86 of 2005, as amended; the “**Companies Act**”) and the provisions of the Articles of Incorporation of the Company, that it plans to have the Offeror conduct the Tender Offer for the purpose of acquiring all of the Target Company Shares (excluding the Target Company Shares Held by TMC and the own shares held by the Target Company; the “**Shares Subject to the Tender Offer**”) as part of a series of transactions aimed at taking the Target Company Shares listed on the Prime Market of the Tokyo Stock Exchange and the Premier Market of the Nagoya Stock Exchange as of today private on the condition that the Tender Offer Conditions Precedent are satisfied or waived at the discretion of the Offeror.

The Transactions consist of the following procedures:

- (i) the Tender Offer;
- (ii) the Common Shares Contribution (Toyota Fudosan), the Preferred Shares Contribution, and the Common Shares Contribution (Offeror’s Parent Company (First Contribution)), each to be conducted during the period from the successful completion of the Tender Offer to the business day immediately prior to the commencement date of the settlement of the Tender Offer;
- (iii) the capital increase by a third-party allotment of common shares through which shares are allotted by the Offeror’s Parent Company to Mr. Akio Toyoda (“**Mr. Toyoda**”), who is the Chairman of the Board of Directors of TMC and the Company (the “**Common Shares Contribution (Mr. Toyoda)**”) (Note 5), and the capital increase by a third-party allotment of common shares through which shares are allotted by the Offeror to the Offeror’s Parent Company (the “**Common Shares Contribution (Offeror’s Parent Company (Second Contribution))**”), both to be conducted after the settlement of the Tender Offer;
- (iv) subject to the successful completion of the Tender Offer and the settlement thereof, (a) the tender offer by TMC for its own shares (the “**Tender Offer for Own Shares (TMC)**”), (b) the tender offer by Denso Corporation (“**Denso**”) for its own shares (the “**Tender Offer for Own Shares (Denso)**”), (c) the tender offer by Toyota Tsusho for its own shares (the “**Tender Offer for Own Shares (Toyota Tsusho)**”), and (d) the tender offer by Aisin Corporation (“**Aisin**”; Denso, Toyota Tsusho, and Aisin are collectively referred to as the “**Three Toyota Group Companies**”) for its own shares (the “**Tender Offer for Own Shares (Aisin)**”) (procedures (a) through (d) are collectively referred to as the “**Tender Offers for Own Shares**”) as well as the tendering of shares by the Target Company in the Tender Offers for Own Shares;
- (v) in the case that the Offeror is unable to acquire all of the Shares Subject to the Tender Offer through the Tender Offer, a share consolidation to be conducted in accordance with Article 180 of the Companies Act for the purpose of making the Offeror and TMC the only shareholders of the Target Company (the “**Share Consolidation**”; the series of procedures aimed at making the Offeror and TMC the only shareholders of the Target Company and taking

the Target Company Shares private through the Share Consolidation are referred to as the “**Squeeze-Out Procedures**”); and

- (vi) the share repurchase of the Target Company Shares Held by TMC to be conducted by the Target Company on the condition that the Squeeze-Out Procedures have been completed (the “**Share Repurchase**”).

Please refer to “(4) Policy for organizational restructuring after the Tender Offer (matters relating to a so-called “Two-Step Acquisition”)” below for details of the Share Consolidation.

Note 5: The amount of the Common Shares Contribution (Mr. Toyoda) is expected to be 1 billion yen.

The Company has set the minimum number of shares to be purchased in the Tender Offer stated in (i) above at 126,216,300 shares (ownership percentage: 42.01%) as a provisional figure based on the information available as of today (Note 6). If the total number of share certificates, etc. tendered in the Tender Offer (the “**Tendered Share Certificates, Etc.**”) is less than the minimum number of shares to be purchased (126,216,300 shares), then the Offeror will not purchase any of the Tendered Share Certificates, Etc. The minimum number of shares to be purchased (126,216,300 shares) has been set to be the number of shares obtained from (a)(i) the total number of issued shares of the Target Company as of March 31, 2025 (325,840,640 shares) as stated in the Target Company’s Financial Results minus (ii) the number of own shares (25,365,334 shares) obtained from the number of own shares held by the Target Company as of March 31, 2025 (24,440,334 shares) plus the number of own shares acquired through the share repurchase conducted by the Target Company during the period from April 1, 2025 to April 30, 2025 (801,700 shares) as stated in the “Notice Concerning the Status of Repurchase of Shares of Treasury Stock” announced by the Target Company on May 7, 2025 and the number of shares of own shares acquired through the share repurchase conducted by the Target Company during the period from May 1, 2025 to May 12, 2025 (123,300 shares) as stated in the “Notice Concerning the Status and Completion of the Repurchase of Shares of our Common Stock” announced by the Target Company on May 14, 2025, (b) dividing that number of shares (300,475,306 shares) by one unit of the Target Company Shares (100 shares) (rounded down to the nearest whole number), (c) multiplying that number by two-thirds, (d) deducting from that number of voting rights (2,003,169 voting rights, rounded up to the nearest whole number) the number of voting rights (741,006 voting rights) represented by the Target Company Shares Held by TMC (74,100,604 shares), and then (e) multiplying that number of voting rights by one unit of the Target Company Shares (100 shares) (resulting in 126,216,300 shares; ownership percentage: 42.01%). Given that, if the Offeror is unable to acquire all of the Shares Subject to the Tender Offer, as stated in “(4) Policy for organizational restructuring after the Tender Offer (matters relating to a so-called “Two-Step Acquisition”)” below, the Offeror will request the Target Company after the successful completion of the Tender Offer to carry out the Squeeze-Out Procedures prior to the Share Repurchase for the purpose of making the Offeror and TMC the only shareholders of the Target Company and taking the Target Company Shares private, and given that a special resolution in the shareholders’ meeting as provided for in Article 309, Paragraph 2 of the Companies Act is required for carrying out the procedures in the Share Consolidation for the Squeeze-Out Procedures, the abovementioned minimum number of shares to be purchased has been set so that the Offeror and TMC will collectively own two-



thirds or more of the total number of voting rights of all shareholders of the Target Company after the successful completion of the Tender Offer in order to ensure that the Transactions will be carried out. Furthermore, because the Offeror intends to take the Target Company Shares private by acquiring all of the Shares Subject to the Tender Offer, the Offeror has not set a limit on the maximum number of shares to be purchased in the Tender Offer, and if the total number of Tendered Share Certificates, Etc. is equal to or greater than the minimum number of the shares to be purchased (126,216,300 shares), then the Offeror will purchase all of the Tendered Share Certificates, Etc.

Note 6: The minimum number of shares to be purchased is a provisional figure based on the information available as of today, and the actual minimum number of shares to be purchased in the Tender Offer may differ from the number above due to changes in the number of own shares held by the Target Company or the Target Company Shares Held by TMC occurring hereafter. While the final minimum number of shares to be purchased is to be determined before the commencement of the Tender Offer based on the latest information available as of the commencement of the Tender Offer, no changes are planned to this basic framework, including the method of calculating the minimum number of shares to be purchased.

The Offeror plans to procure the funds required for the settlement of the Tender Offer through the Common Shares Contribution (Offeror's Parent Company (First Contribution)) and the loans from Sumitomo Mitsui Banking Corporation ("**Sumitomo Mitsui Banking**"), MUFG Bank, Ltd. ("**MUFG Bank**"), and Mizuho Bank, Ltd. (collectively, the "**Bank Loans**") and, subject to the satisfaction of the conditions precedent required under the loan agreements for the Bank Loans, including the successful completion of the Tender Offer, the Offeror also plans to receive the Common Shares Contribution (Offeror's Parent Company (First Contribution)) and the Bank Loans by no later than the business day immediately prior to the commencement date of the settlement of the Tender Offer. The details of the loan terms of the Bank Loans will be specified in the loan agreements for the Bank Loans upon separate consultation with each bank. The loan agreements for the Bank Loans will stipulate that all of the issued common shares of the Offeror to be held by the Offeror's Parent Company, the Target Company Shares to be acquired by the Offeror through the Tender Offer, and the assets held by the Target Company and its major subsidiaries, will be provided as security. Of the assets to be provided as security for the Bank Loans, the assets held by the Target Company and its major subsidiaries will be provided as security after the Squeeze-Out Procedures are completed.

In connection with the Tender Offer, the Company has executed a master agreement dated today with TMC (the "**Master Agreement**") pursuant to which: (i) TMC will not tender any of the Target Company Shares Held by TMC in the Tender Offer; (ii) TMC will make the Preferred Shares Contribution; (iii) TMC will conduct the Tender Offer for Own Shares (TMC) on the condition that a resolution has been adopted by the board of directors of TMC to conduct the Tender Offer for Own Shares (TMC); and (iv) TMC will sell all of the Target Company Shares Held by TMC in accordance with the Share Repurchase after the Squeeze-Out Procedures are completed. It has been agreed in the Master Agreement that, after the establishment of the Offeror and the Offeror's Parent Company, the Offeror and the

Offeror's Parent Company will also become parties to the Master Agreement. For details of the Master Agreement, please refer to "(6) Matters relating to material agreements regarding the Tender Offer" below.

The Company intends to tender all of the Target Company Shares Held by the Company in the Tender Offer. Furthermore, the Company has obtained confirmation via e-mail from Denso on May 29, 2025, from Toyota Tsusho today, and from Aisin on May 27, 2025, respectively, that: (i) Denso intends to tender all of the Target Company Shares held by Denso (14,823,500 shares (ownership percentage: 4.93%)); (ii) Toyota Tsusho intends to tender all of the Target Company Shares held by Toyota Tsusho (15,294,053 shares (ownership percentage: 5.09%)); and (iii) Aisin intends to tender all of the Target Company Shares held by Aisin (6,578,372 shares (ownership percentage: 2.19%)) in the Tender Offer.

The details of the Tender Offers for Own Shares stated in (iv) above are summarized below.

- (i) The Tender Offer for Own Shares (TMC)  
According to the "Notice Concerning the Planned Tender Offer for Own Shares and Determination of Matters Relating to the Repurchase of Shares and the Retirement of Treasury Shares" announced today by TMC (the "**Press Release Concerning the Tender Offer for Own Shares (TMC)**"), TMC decided, by way of a written resolution in lieu of a resolution of its board of directors as of today in accordance with Article 370 of the Companies Act and the provisions of the Articles of Incorporation of TMC, that it intends to conduct a share repurchase, and the Tender Offer for Own Shares (TMC) as the specific method for such repurchase, pursuant to Article 156, Paragraph 1 of the Companies Act as applied by replacing certain terms under Article 165, Paragraph 3 of the same Act and the provisions of the Articles of Incorporation of TMC. In the Tender Offer Agreement, subject to the successful completion of the Tender Offer and the settlement thereof, the Target Company has agreed to tender all of the common shares of TMC held by the Target Company (1,192,330,920 shares; ownership percentage of TMC shares (Note 7): 9.15%) in the Tender Offer for Own Shares (TMC). For details of the Tender Offer for Own Shares (TMC), please refer to the Press Release Concerning the Tender Offer for Own Shares (TMC).

Note 7: "Ownership percentage of TMC shares" means the ratio of the shares owned (rounded to two decimal places) to the number of shares (13,032,703,674 shares) obtained from (i) the total number of issued shares of TMC as of March 31, 2025 (15,794,987,460 shares) as stated in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (IFRS)" announced by TMC on May 8, 2025 minus (ii) the number of own shares (2,762,283,786 shares) obtained from the own shares held by TMC as of March 31, 2025 (2,746,057,686 shares) plus the number of own shares acquired through the share repurchase conducted by TMC during the period from April 1, 2025 to April 15, 2025 (16,226,100 shares) as stated in the "Notice Concerning the Status and Completion of the Repurchase of Shares of our Common Stock" announced by TMC on April 18, 2025.

(ii) The Tender Offer for Own Shares (Denso)

According to the “Notice Regarding Share Repurchase and Expected Commencement of Tender Offer for Own Shares” announced today by Denso (the “**Press Release Concerning the Tender Offer for Own Shares (Denso)**”), Denso decided, by way of a written resolution in lieu of a resolution of its board of directors as of today in accordance with Article 370 of the Companies Act and the provisions of the Articles of Incorporation of Denso, that it intends to conduct a share repurchase, and the Tender Offer for Own Shares (Denso) as the specific method for such repurchase, pursuant to Article 156, Paragraph 1 of the Companies Act as applied by replacing certain terms under Article 165, Paragraph 3 of the same Act and the provisions of the Articles of Incorporation of Denso. In the Tender Offer Agreement, subject to the successful completion of the Tender Offer and the settlement thereof, the Target Company has agreed to tender all of the common shares of Denso held by the Target Company (157,705,656 shares; ownership percentage of Denso shares (Note 8): 5.69%) and all of the common shares of Denso entrusted to Sumitomo Mitsui Trust Bank, Limited (reentrusted to Custody Bank of Japan, Ltd.) as trust assets in a retirement benefit trust (27,192,000 shares; ownership percentage of Denso shares: 0.98%) (184,897,656 shares in total; ownership percentage of Denso shares: 6.68%) in the Tender Offer for Own Shares (Denso). For details of the Tender Offer for Own Shares (Denso), please refer to the Press Release Concerning the Tender Offer for Own Shares (Denso).

Note 8: “Ownership percentage of Denso shares” means the ratio of the shares owned (rounded to two decimal places) to the number of shares (2,769,595,777 shares) obtained from (i) the total number of issued shares of Denso as of March 31, 2025 (2,910,979,691 shares) as stated in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (IFRS)” announced by Denso on April 25, 2025 minus (ii) the number of own shares (141,383,914 shares) obtained from the number of own shares held by Denso as of March 31, 2025 (93,663,914 shares) plus the number of own shares acquired through the share repurchase conducted by Denso during the period from April 1, 2025 to April 30, 2025 (27,941,200 shares) as stated in the “Notice Concerning the Status of Share Repurchases” announced by Denso on May 9, 2025 and the number of own shares acquired through the share repurchase conducted by Denso during the period from May 1, 2025 to May 31, 2025 (19,778,800 shares) as stated in the “Notice Concerning Status of Share Repurchases” announced by Denso on June 2, 2025.

(iii) The Tender Offer for Own Shares (Toyota Tsusho)

According to the “Notice Concerning the Planned Share Repurchase and the Tender Offer for Own Shares” announced today by Toyota Tsusho (the “**Press Release Concerning the Tender Offer for Own Shares (Toyota Tsusho)**”), Toyota Tsusho decided, by way of a written resolution in lieu of a resolution of its board of directors as of today in accordance with Article 370 of the Companies Act and the provisions of the Articles of Incorporation of Toyota

Tsusho, that it intends to conduct a share repurchase, and the Tender Offer for Own Shares (Toyota Tsusho) as the specific method for such repurchase, in accordance with the provisions of the Articles of Incorporation of Toyota Tsusho pursuant to Article 459, Paragraph 1 of the Companies Act and the provisions of Article 156, Paragraph 1 of the same Act. In the Tender Offer Agreement, subject to the successful completion of the Tender Offer and the settlement thereof, the Target Company has agreed to tender all of the common shares of Toyota Tsusho held by the Target Company (118,095,402 shares; ownership percentage of Toyota Tsusho shares (Note 9): 11.19%) in the Tender Offer for Own Shares (Toyota Tsusho). For details of the Tender Offer for Own Shares (Toyota Tsusho), please refer to the Press Release Concerning the Tender Offer for Own Shares (Toyota Tsusho).

Note 9: “Ownership percentage of Toyota Tsusho shares” means the ratio of the shares owned (rounded to two decimal places) to the number of shares (1,055,664,195 shares) obtained by deducting the own shares held by Toyota Tsusho as of March 31, 2025 (6,505,353 shares) from the total number of issued shares of Toyota Tsusho as of March 31, 2025 (1,062,169,548 shares) as stated in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (IFRS)” announced by Toyota Tsusho on April 28, 2025.

(iv) The Tender Offer for Own Shares (Aisin)

According to the “Notice Concerning Changes in Matters Concerning Share Repurchase and Planned Commencement of Tender Offer for Own Shares” announced today by Aisin (the “**Press Release Concerning the Tender Offer for Own Shares (Aisin)**”); together with the Press Release Concerning the Tender Offer for Own Shares (TMC), the Press Release Concerning the Tender Offer for Own Shares (Denso), and the Press Release Concerning the Tender Offer for Own Shares (Toyota Tsusho), the “**Press Releases Concerning the Tender Offers for Own Shares**”), Aisin resolved at the meeting of its board of directors held today that it intends to conduct a share repurchase, and the Tender Offer for Own Shares (Aisin) as the specific method for such repurchase, pursuant to Article 156, Paragraph 1 of the Companies Act as applied by replacing certain terms under Article 165, Paragraph 3 of the same Act and the provisions of the Articles of Incorporation of Aisin. In the Tender Offer Agreement, subject to the successful completion of the Tender Offer and the settlement thereof, the Target Company has agreed to tender all of the common shares of Aisin held by the Target Company (23,239,227 shares; ownership percentage of Aisin shares (Note 10): 3.07%) in the Tender Offer for Own Shares (Aisin). For details of the Tender Offer for Own Shares (Aisin), please refer to the Press Release Concerning the Tender Offer for Own Shares (Aisin).

Note 10: “Ownership percentage of Aisin shares” means the ratio of the shares owned (rounded to two decimal places) to the number of shares (757,661,032 shares) obtained from the total number of issued shares of Aisin as of March 31, 2025 (809,023,902 shares) as stated in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (IFRS)” announced by Aisin on April 25, 2025 minus the number of own shares held by Aisin as of

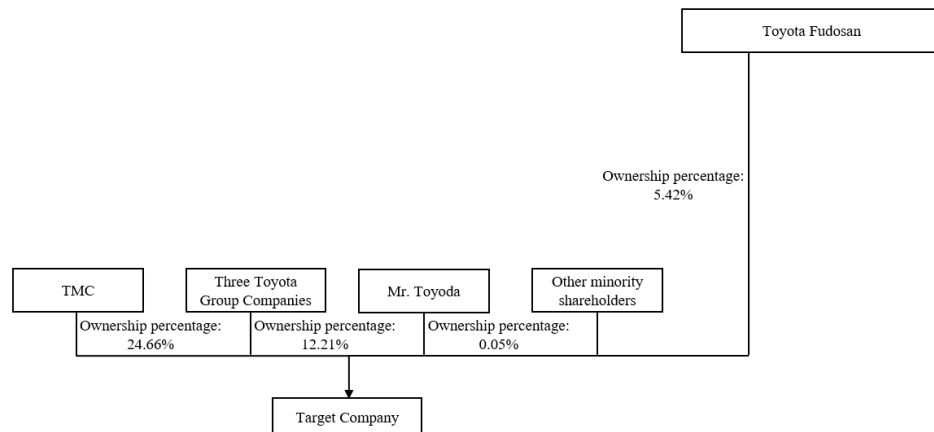
March 31, 2025 (51,362,870 shares).

Furthermore, in the Share Repurchase stated in (vi) above, the Target Company plans to acquire the Target Company Shares Held by TMC at a total of approximately 994.1 billion yen (if any fractions less than one share arise in the Target Company Shares Held by TMC as a result of the Squeeze-Out Procedures, the amount shall be the amount that remains after deducting the amount to be paid to TMC as consideration for the fractions). While the Share Repurchase will be conducted within the limit of the distributable amount of the Target Company, the Target Company plans to obtain the funds necessary for the Share Repurchase using deposits held by the Target Company and the consideration received by the Target Company from tendering the shares of TMC and the Three Toyota Group Companies held by the Target Company in the Tender Offers for Own Shares. If it is necessary to secure the distributable amount for the purpose of lawfully implementing the Share Repurchase, the Target Company will reduce its stated capital and reserves in accordance with Article 447, Paragraph 1 and Article 448, Paragraph 1 of the Companies Act and conduct a provisional settlement of accounts by preparing provisional financial statements as provided for in Article 441, Paragraph 1 of the same Act.

The acquisition price of the Target Company Shares Held by TMC in the Share Repurchase (the price per share prior to the implementation of the Squeeze-Out Procedures; the “**Repurchase Price**”) is expected to be 13,416 yen per Target Company Share prior to the Share Consolidation, which has been set with respect to TMC, a corporation subject to the provisions for exclusion of deemed dividends from taxable income under the Corporation Tax Act (Act No. 34 of 1965, as amended; hereinafter the same), so that (i) the amount calculated as the proceeds after tax if the Share Repurchase were to be conducted at the Repurchase Price is equivalent to (ii) the proceeds after tax to be received if TMC were to tender its shares in the Tender Offer at the purchase price per Target Company Share in the Tender Offer (the “**Tender Offer Price**”).

#### Structure of the Transactions

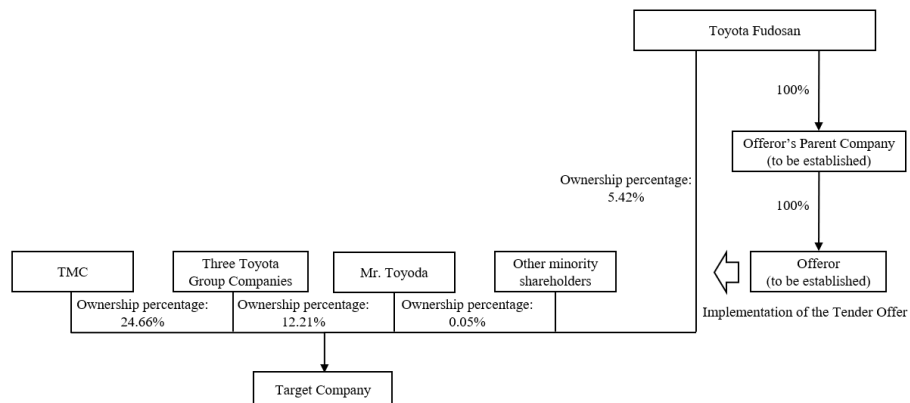
- (i) As of today  
As of today, TMC holds 74,100,604 shares (ownership percentage: 24.66%), the Three Toyota Group Companies hold 36,695,925 shares (ownership percentage: 12.21%), Mr. Toyoda holds 141,600 shares (ownership percentage: 0.05%), and the Company holds 16,291,374 shares (ownership percentage: 5.42%) of the Target Company Shares and the remaining Target Company Shares are held by other minority shareholders.



- (ii) At the time of commencement of the Tender Offer (early December 2025 (scheduled))

The Company will establish the Offeror's Parent Company and the Offeror by no later than the commencement date of the Tender Offer. The Offeror will conduct the Tender Offer for all of the Shares Subject to the Tender Offer.

The Company and the Three Toyota Group Companies intend to tender all of the Target Company Shares they hold in the Tender Offer.



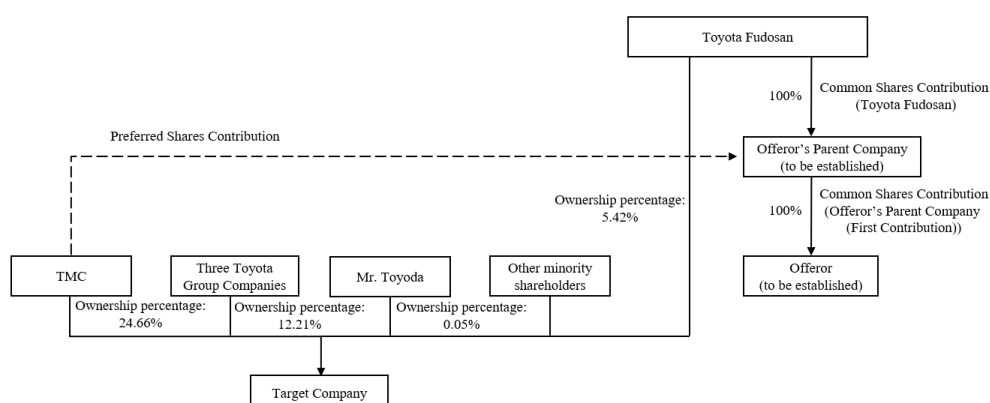
- (iii) Successful completion and settlement of the Tender Offer (mid-January 2026 (scheduled))

If the Tender Offer is successfully completed, the Offeror will conduct the settlement of the Tender Offer. By no later than the business day immediately prior to the commencement date of the settlement of the Tender

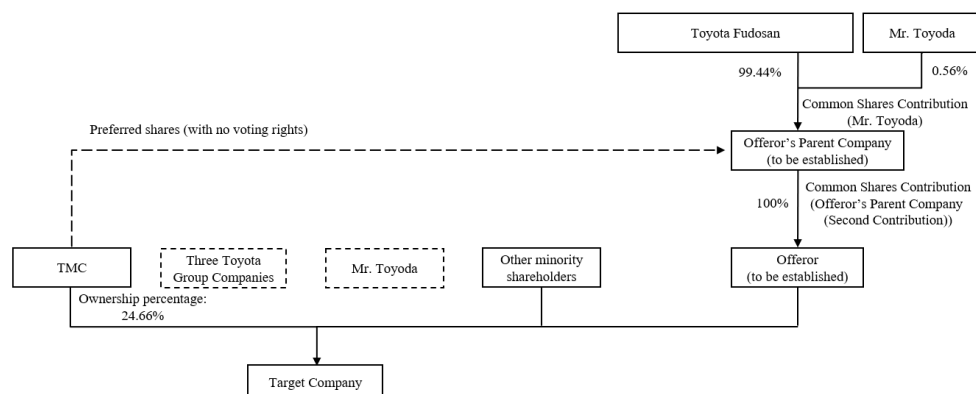
Offer, the Company will make the Common Shares Contribution (Toyota Fudosan), and TMC will make the Preferred Shares Contribution. In addition, the Offeror's Parent Company will make the Common Shares Contribution (Offeror's Parent Company (First Contribution)) after the Common Shares Contribution (Toyota Fudosan) and the Preferred Shares Contribution.

After the settlement of the Tender Offer, Mr. Toyoda will make the Common Shares Contribution (Mr. Toyoda). In addition, the Offeror's Parent Company will make the Common Shares Contribution (Offeror's Parent Company (Second Contribution)) after the Common Shares Contribution (Mr. Toyoda).

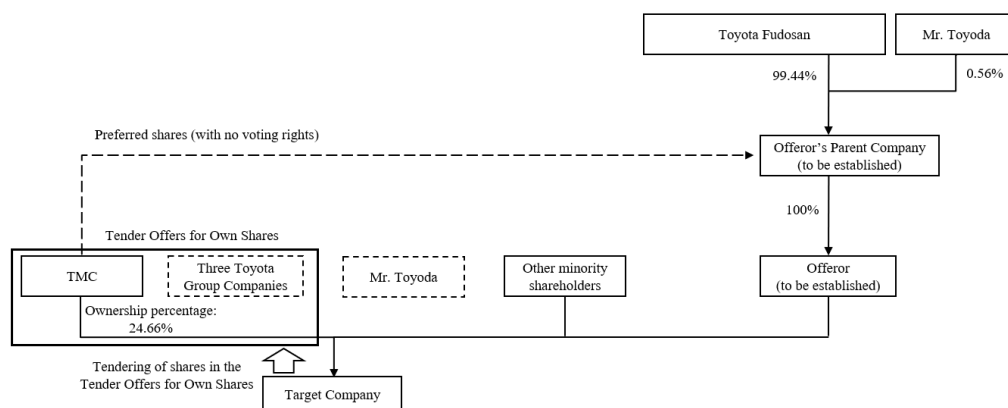
#### Before the settlement of the Tender Offer



#### After the settlement of the Tender Offer, the Common Shares Contribution (Mr. Toyoda), and the Common Shares Contribution (Offeror's Parent Company (Second Contribution))

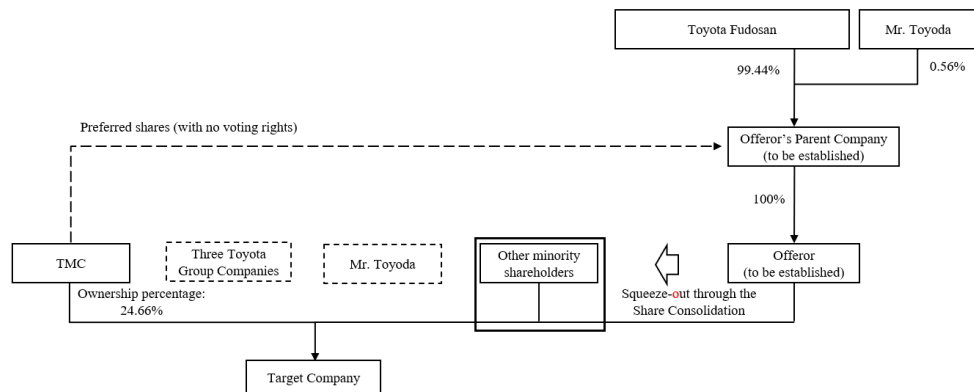


- (iv) The Tender Offers for Own Shares (mid-January 2026 (scheduled))  
Subject to the successful completion of the Tender Offer and the settlement thereof, TMC and the Three Toyota Group Companies will conduct the Tender Offers for Own Shares, and the Target Company will tender the shares of TMC and the Three Toyota Group Companies held by the Target Company in the Tender Offers for Own Shares.



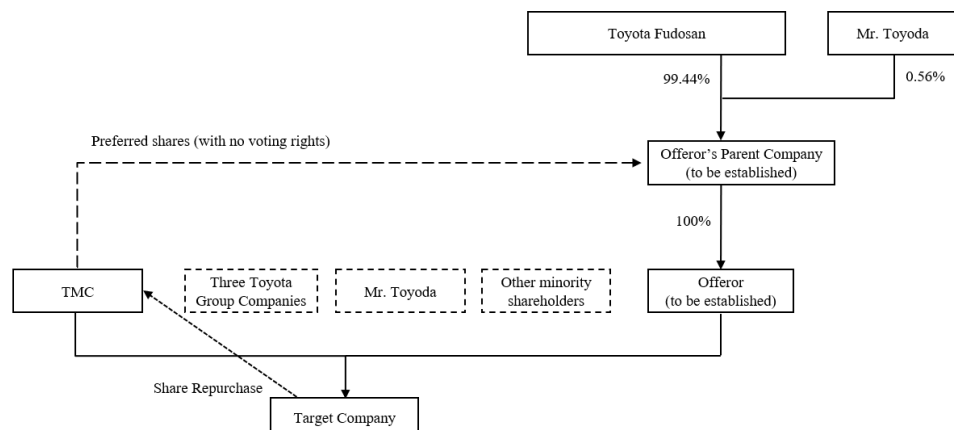
- (v) The Squeeze-Out Procedures (in or after mid-February 2026 (scheduled))  
After the successful completion of the Tender Offer and the Tender Offers for Own Shares, the Offeror will request the Target Company to implement the Squeeze-Out Procedures, and the Target Company will make the Offeror and TMC the only shareholders of the Target Company by implementing the Squeeze-Out Procedures.





(vi) The Share Repurchase (to be decided)

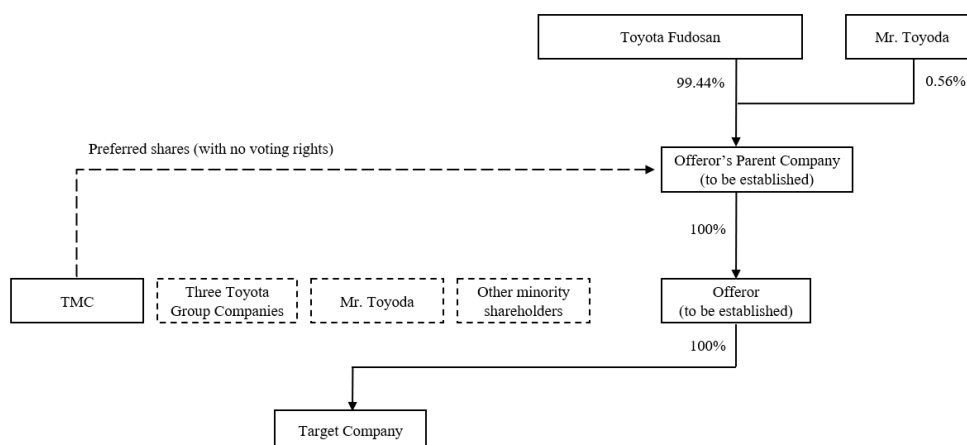
After completing the Squeeze-Out Procedures, the Target Company will acquire all of the Target Company Shares Held by TMC through the Share Repurchase. The Share Repurchase is in any event intended to be conducted after the delisting of the Target Company Shares. As the delisted shares will not constitute “listed share certificates, etc.” (Article 24-6, Paragraph 1 of the Act and Article 4-3 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended)), which would be subject to a tender offer for own shares (Article 27-22-2 of the Act), a tender offer for own shares is not planned to be conducted for the Share Repurchase.



(vii) After the implementation of the Transactions

After the completion of the Share Repurchase, the Offeror will hold all of the

issued shares of the Target Company (excluding own shares).



The Company is considering implementing an absorption-type merger in which the Target Company will be the surviving company and the Offeror will be the dissolved company following the completion of the Transactions. However, the implementation of the absorption-type merger, including details such as the timing and specific terms and conditions thereof, has not yet been decided as of today.

According to the Target Company, at the board of directors meeting of the Target Company held today, a resolution was adopted that if the Tender Offer commences, the current position of the Target Company is that it will express an opinion in support of the Tender Offer and that it will leave the decision regarding whether to tender their shares in the Tender Offer to the discretion of the Target Company's shareholders.

As stated above, the Offeror plans to commence the Tender Offer as soon as practicable after the date on which the Tender Offer Conditions Precedent are satisfied or waived at the discretion of the Offeror. As of today, while the Offeror aims to commence the Tender Offer on or around early December 2025 as stated above, the Company will promptly announce the detailed schedule for the Tender Offer as soon as it is decided.

For details of the resolution of the Target Company's board of directors meeting, please refer to "(viii) Approval of all disinterested directors of the Target Company and opinions from all audit and supervisory committee members of the Target Company that they have no objection" in "(Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer)" in "(ii) Process of calculation" in "(4) Basis for the calculation of the Tender Offer Price" in "2. Outline of the Tender Offer" below.

- (2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer
- (i) Background, purpose, and decision-making process leading the Offeror to conduct the Tender Offer

As described in “(1) Summary of the Tender Offer” above, the Company was established in August 1953 under the trade name of “Towa Fudosan Co., Ltd.” as a member of the Toyota Group (consisting of a total of 18 companies (as of March 31, 2025), including the Company, TMC and the Three Toyota Group Companies, although not necessarily parent or subsidiary companies, related companies, or jointly controlled companies; the same applies hereinafter), with all of its shareholders being companies belonging to the Toyota Group up until the present. Since its establishment, the Company has developed its business mainly in the development and operation of office buildings in the three areas of Nagoya, Tokyo, and Osaka. In recent years, the Company has been strengthening and expanding its business in the Tokyo area, by actively expanding the breadth of its business and the areas in which it operates, including an arena development project in Tokyo’s Odaiba and Aomi areas and a redevelopment project in the area surrounding Fuji Speedway. Furthermore, the Company engages in the planning, development, and operation of various types of assets, including offices, commercial facilities, arenas, hotels and resorts, incubation spaces, event spaces and meeting rooms. As it looks to the future and embraces new challenges, the Company changed its trade name from “Towa Fudosan” to “Toyota Fudosan” in April 2022, and in January 2024 established a dual head office system with head offices in Tokyo and Nagoya while promoting further urban development to expand its business breadth and areas in which it operates and take on the challenge of connecting urban development with mobility as a comprehensive developer in the Toyota Group. In addition, while having Toyota Group companies as shareholders, the Company aims to maintain a certain degree of independence in terms of capital and business operations while serving as an intermediary to facilitate smooth collaboration in business operations among Toyota Group companies, each of which are independent corporate entities, including listed companies, and also further promote the mid- to long-term growth of the Toyota Group as a whole.

On the other hand, according to the “Notice Concerning Expression of Opinion in Support of Planned Commencement of Tender Offer for Company Shares by Toyota Fudosan Co., Ltd. and Neutral Opinion to Tender Share Therein” (the “**Target Company Press Release**”) announced today by the Target Company, the Target Company was founded in November 1926 in Kariya-shi, Aichi, as Toyoda Automatic Loom Works, Ltd. to manufacture “Type G Automatic Looms” invented by Sakichi Toyoda (the Target Company changed its trade name to the current Toyota Industries Corporation in August 2001). In August 1937, it separated its Automobile Manufacturing Department and founded Toyota Motor Co., Ltd. (now TMC); as such, since its establishment, the Target Company has diversified its business and expanded its business domains to include textile machinery,

automobiles (vehicles, engines, car air-conditioning compressors, car electronics components and devices, etc.), and materials handling equipment. In May 1949, the Target Company was listed on the First Section of the Tokyo Stock Exchange, the Nagoya Stock Exchange, and the Osaka Stock Exchange, and is currently listed on the Prime Market of the Tokyo Stock Exchange and the Premier Market of the Nagoya Stock Exchange. The Target Company and its 277 subsidiaries and 18 affiliated companies (collectively, the “**Target Company Group**”) are mainly engaged in manufacturing and sale of materials handling equipment such as automobiles and lift trucks, as well as textile machinery, and developing its business activities.

“Vision 2030,” established by the Target Company in April 2019, shows the direction for the Target Company Group to achieve sustainable growth based on its founding spirit, “Toyoda Precepts,” while it continues to develop the “automobile” and “materials handling equipment and logistics solutions” businesses with the “textile machinery” business as the starting point, which has been its business since its founding, in harmony with society. The Target Company Group is sincerely confronting the changes and issues in society, and is working to improve the value of each business of the Target Company Group.

Specifically, first of all, in the mobility field centered on automobiles, regarding units and components essential for mobility, such as car air-conditioning compressors and car electronics, the Target Company aims to contribute to the growth of automakers not just for the superb quality and performance of the products but also for its stable and flexible supply structure and support capabilities. In particular, to contribute to the electrification of vehicles, the Target Company is securing supply capacity for electric compressors and power electronics products (Note 1), which are in growing demand, and actively promoting R&D in next-generation models, and is working to advance into new fields, including bipolar nickel-metal hydride batteries for HEVs, which utilize its proprietary material and production technologies, and participate in development of lithium-ion batteries and solid-state batteries utilizing such knowledge.

Note 1: Power electronics products refer to electronic components and devices such as DC-DC converters and on-board chargers for electrified vehicles, as well as on-board AC inverters that make household electric appliances available in vehicles.

In addition, in the field of logistics solutions, the Target Company is aiming at supporting logistics operations of a wide variety of industries in all corners of the world by mainly offering lift trucks but also materials handling equipment and storage systems. It aims at further strengthening its competitiveness by leveraging its expanding value chain that encompasses sales and services based on its manufacturing capabilities and human resources cultivated in the mobility field and its experiences in pursuing highly reliable mass-produced products. In particular, the Target Company is accelerating initiatives to resolve social issues they face, including work style reforms and decrease in the workforce. Also, to meet increasingly diverse and complex needs in countries and regions around the world, the

Target Company improves industry-leading automation technologies and cutting-edge environmental technologies at various-sized logistics sites, and through M&As and technical cooperation, is working to further enhance the comprehensive strengths of its products, fortify its business capabilities and increase its corporate value.

Further, by possessing both mobility-related business and logistics solutions business, it aims for such possession to mutually enhance the respective strengths, and is working to advance into new fields.

As stated in “(1) Summary of the Tender Offer” above, the capital relationship between the Company and the Target Company began in August 1953, when the Company was established, as a result of the Target Company investing in Towa Real Estate Co., Ltd., the predecessor of the Company. As of today, the Target Company holds 4,742,000 common shares of the Company (ownership percentage of Company shares (Note 2): 19.43%). In addition, as of today, the Company holds 16,291,374 Target Company Shares (ownership percentage: 5.42%).

Note 2: “Ownership percentage of Company shares” means the ratio of the shares owned (rounded to two decimal places) to the total number of issued shares (24,400,000 shares) of the Company as of today.

TMC, which is a major, and is the largest, shareholder of the Target Company, originated from the Automobile Department, which was established in 1933 within Toyoda Automatic Loom Works, Ltd. (now the Target Company), which was founded in November 1926 in Kariya-shi, Aichi to manufacture “Type G Automatic Looms” invented by Sakichi Toyoda. Ever since its founding, TMC has sought to contribute to “a more prosperous society through the manufacture of automobiles,” operating its business with a focus on vehicle production and sales. Currently, the automotive industry is in a once-in-a-century period of change, and with its mission of “producing happiness for all,” as a Toyota Group member, it is taking on challenges to “transform into a mobility company” and aiming to contribute to the development of the mobility industry in Japan and the world through these challenges.

According to TMC, mobility involves four perspectives (specifically, the movement of people, goods, information, and energy); among these, TMC is working on the evolution of cars from the perspective of movement of people and is aiming to contribute to the realization of a “mobility society” full of smiles. On the other hand, TMC believes that in order for the Toyota Group to “transform into a mobility company,” it is necessary to focus not only on movement of people but also on movement of goods. Under these circumstances, TMC believes that the Target Company, which engages in materials handling equipment business within the Toyota Group for development, manufacture, and sale of products and services of wide-ranging domains, from lift trucks to logistics equipment and systems, and which is a globally remarkable leading company regarding movement of goods, is

indispensable for these transformations, and that it is important to further strengthen its competitiveness.

On the other hand, since fiscal year 2023, TMC has continuously been considering various options, including reviewing its capital relationship with the Target Company, as part of Toyota Group companies' efforts to improve capital efficiency by effectively utilizing the funds obtained by selling shares mutually owned by them, while maintaining a capital relationship that allows them to maintain a good relationship to date, for the purpose of realizing further growth for the Toyota Group.

As a result, TMC has come to consider that the Target Company achieving growth as a leading company regarding movement of goods from a long-term perspective by utilizing the Toyota Group's platforms (network, business, technology, human resources, etc.) to the utmost extent, deepening business collaboration and cooperation with Toyota Group companies, and pioneering new sales channels and businesses, while maintaining and strengthening its current business base, without preconceiving concerns over short-term deterioration of business performance, will contribute to improvement of the corporate value of the Target Company and the entire Toyota Group, which is taking on challenges to "transform into a mobility company"; thus, in the process of reviewing the capital relationship of Toyota Group companies, TMC has come to determine that the Target Company should consider going private.

Based on the above background, TMC believed that the Target Company should consider taking drastic measures, including going private, in order for the Target Company to lead within the Toyota Group the business domain centered on movement of goods, such as materials handling equipment and logistics solutions, while the Toyota Group transforms into a corporate group which leads the mobility industry supporting the movement of people, goods, information, and energy, and to strengthen the competitiveness of the Target Company's automotive business through further deepening of collaboration with the Toyota Group. Thus, on December 16, 2024, TMC submitted an initial letter of intent to the Target Company (the "**Initial Proposal**") concerning the consideration of the privatization of the Target Company, including a tender offer.

TMC then considered that, in taking the Target Company private, because if TMC or its subsidiaries, which engage in automotive business, becomes an offeror of the transaction for taking the Target Company private, they are likely to get caught up in the perspective of automotive OEMs, which conduct business with a focus on responding to technological innovation in the automotive industry and market changes, in order for the Target Company, which has been operating materials handling equipment business, a non-automotive business, to realize growth in the new mobility domain, the Target Company should pursue an approach to achieve growth in the mobility field of the next generation by making those other than TMC and its subsidiaries an offeror, and actively incorporating innovative ideas and diverse perspectives, beyond the boundaries of industries. In addition, based on the

background that the Target Company, where the Toyota Group originated from, has been promoting collaboration among Toyota Group companies historically, TMC became convinced that instead of TMC or its subsidiaries becoming the acquirer in the transaction for taking the Target Company private, (a) from the viewpoint of deepening business collaboration and cooperation with Toyota Group companies, the Company, whose shares are held by Toyota Group companies, and (b) from the viewpoint of committing to the Transactions, Mr. Toyoda, each becoming shareholders that directly or indirectly hold voting rights in the Target Company would be the best way for the entire Toyota Group to grow.

The Company also began considering the possibility of taking the Target Company private, with the Company taking the lead, taking into account the fact that the Target Company responded positively to TMC's Initial Proposal in early February 2025, and after receiving an explanation of TMC's position and taking into account the Target Company's intentions. At that time, the Company confirmed that the relationship between TMC and the Target Company, as well as that the structure of the Target Company's business operations, customer and business partner relationships, etc., are expected to be maintained, and that TMC has no intention of making the Target Company a subsidiary of TMC. Based on this, in mid-February the Company appointed Nomura Securities Co., Ltd. ("**Nomura Securities**") as the Offeror's financial advisor and third-party appraiser and appointed Mori Hamada & Matsumoto as the Offeror's legal advisor after confirming their respective independence from the Company, the Offeror that is planned to be established, the Target Company, and TMC, and upon establishing a framework to conduct negotiations and discussions regarding taking the Target Company private, the Company commenced full-fledged consideration of the proposal.

As described above, as a member of the Toyota Group, the Company has primarily engaged in the development and operation of office buildings, as well as securities holding business, and as a company with Toyota Group companies as its shareholders, the Company maintains a certain degree of independence in terms of capital and business operations by not having a parent company, and while serving as an intermediary to facilitate smooth collaboration in business operations among Toyota Group companies, each of which are independent corporate entities, including listed companies, it will also promote the mid- to long-term growth of the Toyota Group as a whole. The Company believes that advancing these efforts will also contribute to the mid- to long-term enhancement of the corporate value of the Company, which holds shares in Toyota Group companies as part of its securities holding business.

Furthermore, based on the explanation provided by TMC regarding the background of the consideration of taking the Target Company private, the Company has determined that, in order for the Toyota Group to achieve its "transformation into a mobility company," it is essential for the Target Company to realize growth in new mobility areas, and given that a paradigm shift is required, rather than being bound by the perspective of an automotive

OEM, which conducts business with an eye toward technological innovation and market changes in the automotive industry, the Company has determined that, it is not desirable for TMC or its subsidiaries, which operate automotive businesses, to be the acquirer in the transaction to take the Target Company private, and determined that it is desirable for the Company, whose shareholders are Toyota Group companies, to be the acquirer in the transaction to take the Target Company private from the perspective of deepening business cooperation and collaboration with the Toyota Group companies, since the Target Company, which is the original company in the Toyota Group, has historically promoted cooperation with the Toyota Group companies. Furthermore, the Company, having deepened its understanding that taking the Target Company private will contribute to the growth of the Toyota Group as a whole, and at the same time contribute to the enhancement of the Company's corporate value, has come to determine that it is optimal for the Company, which maintains capital and operational independence while broadly having Toyota Group companies as shareholders, to serve as an intermediary for business collaboration and cooperation with Toyota Group companies and proceed with taking the Target Company private.

The Company believes that the following initiatives and synergies can be expected for the Toyota Group, including the Target Company, as a whole as a result of taking the Target Company private through the Transactions. The Company recognizes that the expected general disadvantages of delisting include (a) difficulty in obtaining equity financing through public offerings, (b) a possible decrease in the motivation of the Target Company's employees and loss of employees, (c) possible negative effects on the Target Company's recruitment of employees, (d) possible negative effects on transactions with existing customers and the acquisition of new customers, (e) impact on compliance systems, and (f) a possible loss of trust of other stakeholders, including business partners. With regard to (a), for the time being the Company does not anticipate a situation after the Transactions in which it will need to raise funds from capital markets, and believes that if significant funds are required for future advancement of business (logistics solutions, batteries, etc.), it can leverage the creditworthiness of the Toyota Group and establish a financial structure and support systems that can meet significant capital needs, including equity finance. Furthermore, with regard to (b) through (f), while the Company's position as a member of the Toyota Group will not change even if the Target Company is delisted, there may be certain adverse effects, but the Company will be able to respond to and overcome such adverse effects to minimize them while strengthening unity within the Toyota Group through discussions with the Target Company.

#### (A) Automobile Business and Textile Machinery Business

While maintaining the Target Company's current business operation structure in the Automobile Business and Textile Machinery Business after the Transactions, the Company believes it will be more important than ever, particularly in the Automobile Business, to align the overall strategy of the Toyota Group and the business direction of the Target Company to develop the Target Company's strengths in the automobile area.



The Company does not plan at this time to carry out business restructuring in an effort to increase the value of the Target Company's Automobile Business, and the Company expects to continue to expand sales outside of the Toyota Group by securing the same degree of freedom in business operations that the Target Company has enjoyed up until now.

(B) Materials Handling Equipment Business

The Company, with Toyota Group companies as its shareholders, believes that taking the Target Company private through the Offeror will promote collaboration between the Target Company and Toyota Group companies, and further promote cooperation concerning Toyota Group companies' superior technologies and resources. Through such collaboration, the Target Company will be able to, while utilizing the Target Company's independent research and development, to incorporate Toyota Group companies' research results in the automobile field into the Target Company's Materials Equipment Handling Business, thereby enabling expansion of the scope for growth in growth areas such as the use of data in the movement of goods, electrification, and automated driving. Furthermore, the Company believes that if the Target Company can effectively utilize the multi-pathway (Note 3) technologies and strategies that the Toyota Group is pursuing in the automotive field, it will not only enhance the competitiveness of the Target Company's business, but by proactively and boldly applying its accumulated experience and know-how in automation and increasing efficiencies and the like in the movement of goods related to logistics solutions to solve operational logistics issues faced by Toyota Group companies, this will not only benefit the Target Company but also improve the logistics and manufacturing efficiency of Toyota Group companies, thereby contributing to improving the corporate value of the Toyota Group as a whole.

Note 3: "Multi-pathway" refers to the preparation of a various options to address varying energy situations and ways of using vehicles in various markets.

The Company believes that the Target Company is globally active as a leading company in the movement of goods in the Toyota Group, however, given that the Target Company is a listed company, and in light of the need to consider matters from the perspective of the independence of the Target Company and the interests of minority shareholders, exchanges with Toyota Group companies in terms of business, technology, and human resources have been conducted within a narrow scope, however, after the Transactions, such barriers will be removed, and by the Company serving as an intermediary, collaboration between the Target Company and other Toyota Group companies will be strengthened. Therefore, as described above, the Company expects the Target Company, to further grow and increase its presence in the Toyota Group, thereby accelerating new value creation and the transformation of business structures enabling said value creation in other Toyota Group companies and prompting the optimal allocation of businesses, technologies, and resources related to the movement of goods that are inefficiently dispersed throughout the Toyota Group, and as a result the Target Company can be expected to play a central role within the Toyota Group in the mobility area that supports the movement of goods.

Furthermore, in order to carefully examine the feasibility of the Transactions, including the Tender Offer, the Company conducted due diligence on the Target Company from late February 2025 to mid-May 2025, and in parallel, held repeated discussions with the Target Company and the Special Committee regarding the significance, purpose and structure of the Transactions, and business operations after the Transactions. Specifically, on February 17, 2025, the Company received questions from the Special Committee regarding the significance and purpose of the Transactions, and at the Special Committee meeting held on March 18, 2025, the Company answered those questions and explained the significance and purpose of the Transactions, which was followed by a question and answer session. Subsequently, the Company received questions from the Target Company on April 24, 2025 regarding matters such as the management policy of the Target Company after the Transactions, concerns regarding the Transactions, and the structure, and the Company responded to those questions, excluding those under consideration, in writing on April 4, 2025. Furthermore, the Company received additional written questions from the Special Committee on April 9 regarding that response, and on April 15, the Company provided a written response to those questions. Subsequently, the Company has provided written responses to some of the questions of March 24, 2025 that were under consideration.

Subsequently, after comprehensively considering the publicly available information regarding the Target Company, information obtained through the due diligence conducted by the Company with regard to the Target Company, the Target Company's business plan prepared by the Company based on such information for the purpose of calculating the Target Company's share value, and the details of the initial share value analysis of the Target Company conducted by Nomura Securities based on such information, the Offeror's financial advisor, which was based on such information, on April 30, 2025, the Company made a proposal regarding the terms and conditions of the Transactions, including setting the Tender Offer Price at 14,646 yen (a 10.74% premium (rounded to two decimal places; hereinafter the same shall apply to the figures of premiums and discounts (%)) on the 13,225 yen closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of April 25, 2025, before the announcement, in light of speculative reports regarding the Transactions after the close of trading on April 25, 2025 (the "**Speculative Reports**")), on the assumption that the Target Company would not pay any interim dividend or year-end dividend for the fiscal year ending March 31, 2026, or any dividends thereafter, and would not repurchase its own shares (excluding requests for the purchase of shares less than one unit as provided for in the Companies Act). However, on May 7, 2025, the Target Company requested the Company to reconsider its proposal, as it did not consider the price to be sufficient in light of the Target Company's intrinsic value, could not consider the price as sufficiently taking into account the interests of the Target Company's minority shareholders, and regardless of the existence of Speculative Reports and the extent of their impact, from the viewpoint of the probability of the successful completion of the Tender Offer, the Target Company considered it necessary to place a

considerable emphasis on a premium which is based on the time or period close to the announcement date of the Tender Offer in making a determination. Subsequently, based on the Target Company's request to reconsider the proposal, on May 13, 2025, the Company proposed that it intended to set the Tender Offer Price at 15,507 yen (in light of the Speculative Reports, a 17.26% premium on the 13,225 yen closing price of the Target Company Shares on the Tokyo Stock Exchange Prime Market as of April 25, 2025, before the Speculative Reports). However, on May 15, 2025, the Target Company requested the Company to reconsider the proposal, as it still did not consider the proposed price to be sufficient, and regardless of the existence of Speculative Reports and the extent of their impact, from the viewpoint of the probability of the successful completion of the Tender Offer, the Target Company considered it necessary to place a considerable emphasis on a premium which is based on the time or period close to the announcement date of the Tender Offer in making a determination. Subsequently, on May 20, the Company made a final proposal to set the Tender Offer Price at 16,300 yen (in light of the Speculative Reports, a 23.25% premium on the 13,225 yen closing price of the Target Company Shares on the Tokyo Stock Exchange Prime Market as of April 25, 2025, before the Speculative Reports). In response, on May 21, 2025, the Target Company requested a further increase in the Tender Offer Price, as the Target Company had determined that it was difficult to consider that the price secured the interests of the Target Company's minority shareholders to the maximum extent in light of the Target Company's intrinsic value and other factors. However, on May 23, although the Company carefully and earnestly examined the proposal again based on advice from Nomura Securities and other considerations, the Company once again notified the Target Company to the effect that the Company believes that the above proposal to set the Tender Offer Price at 16,300 yen is a price that sufficiently considers the intrinsic value of the Target Company and provides minority shareholders of the Target Company with an opportunity to sell their shares at a sufficient premium. Subsequently, on May 27, the Target Company requested a further increase in the Tender Offer Price, as it had determined that it was still difficult to evaluate that the interests of the Target Company's minority shareholders were secured to the maximum extent in light of the Target Company's intrinsic value, and on the same day, the Company again responded to the effect that it had come to the conclusion that the above proposal to set the Tender Offer Price at 16,300 yen sufficiently considered the Target Company's intrinsic value and that it would provide shareholders who have been holding the Target Company Shares in the medium to long term with an opportunity to sell their shares at a sufficient premium. In response, on May 28, the Target Company stated that it believed that the early achievement of the synergies stated in "(c) Details of the decision-making by the Target Company" in "(ii) Decision-making process and details and reasons for the Target Company's decision to issue the opinion to support the Tender Offer" below, and further accelerating the growth thereof is the best and most optimal way to maximize the corporate value of the Target Company Group, and taking into account the advice regarding the analysis of the share value of the Target Company provided by SMBC Nikko Securities ("SMBC Nikko Securities"), the Target Company's financial advisor, and Mitsubishi UFJ

Morgan Stanley Securities Co., Ltd. (“**Mitsubishi UFJ Morgan Stanley Securities**”), the financial advisor of the Special Committee, the Target Company stated that it believed that the price is an appropriate price that can be reasonably assessed as considerably reflecting the intrinsic value of the Target Company, and that it is not unreasonable to evaluate that it includes a certain premium on the share price of the Target Company Shares before the Speculative Reports, and therefore determined that the Transactions, including the Tender Offer, would contribute to enhancing the corporate value of the Target Company, and that it would support the Transactions. However, regarding whether it would recommend shareholders of the Target Company to tender their shares in the Tender Offer at the Tender Offer Price of 16,300 yen, taking into account the situation concerning the share price of the Target Company, where there is a high possibility of the Tender Offer Price being discounted compared to the closing price on the business day prior to the planned announcement date of the Transactions, the Target Company stated that it would take a neutral stance and expressed the opinion that it believed that it was appropriate to leave the decision of whether to tender shares in the Tender Offer to the discretion of the shareholders of the Target Company.

Following such discussions and negotiations, the Company decided by a resolution of its board of directors as of today to implement the Tender Offer through the Tender Offeror at a Tender Offer Price of 16,300 yen.

- (ii) Decision-making process and details and reasons for the Target Company’s decision to issue the opinion to support the Tender Offer
  - (a) Process of the establishment of an examination framework

According to the Target Company Press Release, as stated in “(i) Background, purpose, and decision-making process leading the Offeror to conduct the Tender Offer” above, since fiscal year 2023, the Toyota Group companies, including the Target Company, have continuously been considering various options, including reviewing the capital relationship between TMC and the Target Company, as part of their efforts to improve capital efficiency by effectively utilizing the funds obtained by selling shares mutually owned by Toyota Group companies, while maintaining a capital relationship that allows them to maintain a good relationship to date, for the purpose of realizing further growth for the Toyota Group.

Thereafter, as stated in “(i) Background, purpose, and decision-making process leading the Offeror to conduct the Tender Offer” above, on December 16, 2024, the Target Company received the Initial Proposal from TMC, which is a major, and the largest shareholder of the Target Company.

As stated in “(Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer)” in “(ii) Process of calculation” in “(4) Basis for

the calculation of the Tender Offer Price” in “2. Outline of the Tender Offer” below, from the viewpoint of being careful in making decisions regarding the Transactions and ensuring fairness throughout the process of examination and judgments regarding whether to conduct the Transactions and the appropriateness of the conditions thereof, the Target Company has established a system that allows it to examine and negotiate the Transactions from a position independent of the Company, Mr. Toyoda, and TMC, in light of the fact that (i) the Company directly holds 16,291,374 Target Company Shares (ownership percentage: 5.42%); (ii) there is a possibility that the interests of TMC, which is a large shareholder holding 74,100,604 Target Company Shares (ownership percentage: 24.66%) and the interests of the minority shareholders of the Target Company would not necessarily align because it is expected that TMC, the Target Company’s largest shareholder, will invest in the Offeror’s Parent Company based on an agreement with the Company and that the Tender Offer for Own Shares (TMC) and the Share Repurchase will be implemented between the Target Company and TMC; and (iii) Mr. Toyoda is the Chairman of the Board of Directors and Representative Director of TMC and is expected to invest in the Company or the Offeror’s Parent Company. Specifically, in relation to the examination, negotiations, and other matters concerning the Transactions, including the initial proposal received from TMC, in the middle of December 2024, the Target Company appointed Nishimura & Asahi (Gaikokuho Kyodo Jigyo) (“**Nishimura & Asahi**”) as its legal advisor independent of the Company, Mr. Toyoda, TMC, and the Target Company, and in late December 2024, it appointed SMBC Nikko Securities as its financial advisor and third-party appraiser independent of the Company, Mr. Toyoda, TMC, and the Target Company, respectively. In addition, by a resolution adopted at an board of directors meeting held on January 31, 2025, the Target Company established a special committee (the “**Special Committee**”), which consists of the following three people and is independent of the Company, Mr. Toyoda, TMC, and the Target Company, and completion of the Transactions: Mr. Junichi Handa (Outside, Independent Director and CEO of Management Wisdom Partners, Japan Inc.), Mr. Shuzo Sumi (Outside, Independent Director and Senior Executive Advisor for Tokio Marine & Nichido Fire Insurance Co., Ltd.), and Ms. Tokiko Shimizu (Outside, Independent Director; Representative Director and President of EmEco Corporation). The Target Company inquired with the Special Committee regarding the legitimacy and rationality of the purpose of the Transactions and the fairness and appropriateness of the conditions of the Transactions (for details of the process of establishment of, and process of examination, and the decision by, the Special Committee, please refer to “(iv) Establishment by the Target Company of an independent special committee and procurement by the Target Company of a report therefrom” in “(Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer)” in “(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” in “2. Outline of the

Tender Offer” below).

Also, as stated in “(iv) Establishment by the Target Company of an independent special committee and procurement by the Target Company of a report therefrom” in “(Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer)” in “(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” in “2. Outline of the Tender Offer” below, the Special Committee approved the Target Company’s appointment of SMBC Nikko Securities as its financial advisor and third-party appraiser and Nishimura & Asahi as its legal advisor, after confirming that there were no issues concerning their independence and expertise. Further, as stated in “(iv) Establishment by the Target Company of an independent special committee and procurement by the Target Company of a report therefrom” in “(Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer)” in “(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” in “2. Outline of the Tender Offer” below, based on the authority granted to it, on February 10, 2025, the Special Committee respectively appointed Mitsubishi UFJ Morgan Stanley Securities, as a financial advisor which is a third-party appraiser independent of the Company, TMC, and the Target Company, and Gaien Partners as a legal advisor independent of the Company, Mr. Toyoda, TMC, and the Target Company, as its own advisors. Furthermore, as stated in “(vii) Establishment of an independent examination framework at the Target Company” in “(Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer)” in “(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” in “2. Outline of the Tender Offer” below, the Target Company established an internal framework for implementing examinations, negotiating, and making judgments for the Tender Offer (including the scope of officers and employees of the Target Company to be involved in the examination, negotiation and judgements regarding the Tender Offer, and their duties) from a standpoint independent of the Company, Mr. Toyoda, and TMC, and received an approval from the Special Committee that there are no issues concerning the examination framework from the viewpoint of independence and fairness.

(b) Process of negotiations

After organizing the above framework, based on the negotiation policy confirmed in advance by the Special Committee, which received advice from Mitsubishi UFJ Morgan Stanley Securities and Gaien Partners, the Special Committee’s own advisors, and opinions, instructions, requests and the like provided on material aspects of negotiations, the Target Company carefully considered whether to implement the Transactions, the appropriateness of the conditions of the Transactions, and other

matters, while receiving professional advice from SMBC Nikko Securities on negotiations and other matters related to the Transactions and legal advice from Nishimura & Asahi on measures to ensure the fairness of the procedures of the Transactions, and other matters, and had several discussions and negotiations with the Company.

Specifically, based on the receipt of a letter of intent regarding the Transactions as the initial proposal from TMC, on December 16, 2024, the Target Company and the Special Committee proceeded with the examination and discussions by the Special Committee. Also, in response to the questions asked on February 17, 2025 about the significance and purpose of the Transactions, answers to the questions and explanations regarding the significance and purpose of the Transactions were provided by the Company at a meeting of the Special Committee held on March 18, 2025, and in response thereto, question and answer sessions took place, and the Target Company had discussions with the Company regarding the significance and purpose of the Transactions. Thereafter, the Target Company continued discussions with the Company, and on March 24, 2025, the Target Company asked the Company about the Target Company's management policy after the Transactions, concerns regarding the Transactions, and structures of the Transactions, among other matters; on April 4, 2025, the Company provided the Target Company with a written answer to the questions excluding the matters that are still being considered.

Since April 30, 2025, the Target Company has held several negotiations regarding the Tender Offer Price with the Company. Specifically, the Company comprehensively took into consideration public information regarding the Target Company, information obtained through due diligence conducted by the Company on the Target Company and the business plan of the Target Company which was established by the Company based on such information for the purpose of calculating the value of the Target Company Shares, as well as the details of the initial analysis of the Target Company Shares conducted by Nomura Securities, the Offeror's financial advisor, based on such information, and assumed that the Target Company would not distribute any interim or year-end dividends for the fiscal year ending March 2026 or any subsequent dividends, and would not acquire any of its own shares (excluding the exercise of appraisal rights for share less of than one unit as set forth in the Companies Act). As a result thereof, on April 30, 2025, the Target Company received a proposal from the Company regarding various conditions of the Transactions, including the Tender Offer Price being set at 14,646 yen (in light of the Speculative Reports, a premium of 10.74% on 13,225 yen, which was the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on April 25, 2025, which was before the release of the Speculative Reports). However, on May 7, 2025, the Target Company requested that the Company consider raising the price because the price could not be judged to be sufficient in light of the intrinsic value of the

Target Company and could not be assessed as a price that fully considered the interests of minority shareholders of the Target Company, and because, regardless of whether there were any Speculative Reports and the extent of the impact thereof, from the viewpoint of the probability of the successful completion of the Tender Offer, it was necessary to make judgments by adequately focusing on premiums based on a point in time or a period close to the announcement of the Tender Offer. The proposed price was a 9.73% discount of 16,225 yen, which was the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on April 28, 2025, the business day immediately preceding April 30, 2025, on which the Company made the above proposal. In response to this, on May 13, 2025, the Target Company received a proposal from the Company regarding various conditions of the Transactions, including the Tender Offer Price being set at 15,507 yen (in light of the Speculative Reports, a premium of 17.26% on 13,225 yen, which was the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of April 25, 2025, which is before the release of the Speculative Reports). However, on May 15, 2025, the Target Company requested that the Company consider raising the price because the price still could not be judged to be sufficient in light of the intrinsic value of the Target Company and because, regardless of whether there were any Speculative Reports and the extent of the impact thereof, from the viewpoint of the probability of the successful completion of the Tender Offer, it was necessary to make judgments by adequately focusing on premiums based on a point in time or a period close to the announcement of the Tender Offer. The proposed price was a 10.29% discount of 17,285 yen, which was the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on May 12, 2025, the business day immediately preceding May 13, 2025, on which the Company made the above proposal again. In response to this, on May 20, 2025, the Target Company received a proposal from the Company regarding various conditions of the Transactions, including the Tender Offer Price being set at 16,300 yen (in light of the Speculative Reports, a premium of 23.25% on 13,225 yen, the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of April 25, 2025, which is before the release of the Speculative Reports). However, on May, 21, 2025, the Target Company requested that the Company consider raising the price because they judged it difficult to assess that the interests of minority shareholders in light of the intrinsic value of the Target Company were secured to the fullest extent. The proposed price was a 1.33% discount of 16,520 yen, which was the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on May 19, 2025, the business day immediately preceding May 20, 2025, on which the Company made the above proposal. In response to this, on May 23, 2025, the Target Company received a response from the Company that although the Company had sincerely and carefully considered the price again by referring to advice from Nomura Securities, the Company still believed that the above proposal, which set the Tender



Offer Price at 16,300 yen, fully considered the intrinsic value of the Target Company and would provide with opportunity to minority shareholders of the Target Company to sell their shares with sufficient premium. However, on May 27, 2025, the Target Company requested again that the Company consider raising the Tender Offer Price because it judged it difficult to assess that interests of minority shareholders of the Target Company in light of the intrinsic value of the Target Company were secured to the fullest extent. In response to this, on the same day, the Target Company received a response from the Company again that the Company concluded that the above proposal, which set the Tender Offer Price at 16,300 yen, fully considered the intrinsic value of the Target Company and that it could provide shareholders who held the Target Company Shares for the medium to long term with an opportunity to sell those shares with a sufficient premium being added. In response to this, on May 28, 2025, the Company expressed an opinion to the Company, to the following effect: the Target Company believes that realizing the synergies stated in “(iii) Details of the decision-making by the Target Company” below early and further accelerating the growth thereof are the best and the most suitable means of maximizing the corporate value of the Target Company Group, and that, by referring to advice regarding the analysis of share value by SMBC Nikko Securities and Mitsubishi UFJ Morgan Stanley Securities, the proposed price is an appropriate price that can be reasonably assessed as considerably reflecting the intrinsic value of the Target Company and that it is not unreasonable to assess that a certain premium has been added to the share price of the Target Company before the Speculative Reports; in light of the foregoing, the Target Company has come to judge that the Transactions, including the Tender Offer, would contribute to the improvement of the corporate value of the Target Company and that it would support the Transactions; however, in relation to whether to recommend that their shareholders tender their shares in the Tender Offer where the Tender Offer Price is 16,300 yen, the Target Company intends to take a neutral position and believes that it is reasonable to leave the decision of whether to tender shares in the Tender Offer to the discretion of the shareholders, in light of the circumstances that the proposed price is a discounted price from 17,860 yen, which was the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of the same date and that it is highly likely that the Tender Offer Price would be a discounted price from the closing price of the business day immediately preceding the planned announcement date of the Transactions.

During the examination and negotiation process as stated above, the Target Company, when discussing and negotiating the Tender Offer Price with the Company, conducted examinations based on opinions of the Special Committee and advice from SMBC Nikko Securities and Nishimura & Asahi; at that time, the Special Committee, from time to time, received advice from its advisors, Mitsubishi UFJ Morgan Stanley Securities and Gaien Partners, and exchanged opinions with the Target Company and its advisors, to confirm and approve relevant matters as

appropriate. Specifically, the Target Company asked the Special Committee to confirm, and received approval therefrom, in advance, the reasonableness of the details of the Target Company's business plan which the Target Company presented to the Company, and SMBC Nikko Securities used as the basis for appraising the Target Company Shares, material preconditions to such plan, process of the preparation of the plan, and other matters. In addition, SMBC Nikko Securities, the Target Company's financial advisor, is taking relevant measures in accordance with the negotiation policy which was determined in advance after the deliberation by the Special Committee, and when it received a proposal on the Tender Offer Price from the Company, it immediately reported to that effect to the Special Committee, received opinions, instructions, requests and the like from the Special Committee regarding the negotiation policy with the Company and other matters, and took measures in accordance therewith.

The Target Company received the Report (as defined in “(iii) Details of the decision-making by the Target Company” below; hereinafter the same) from the Special Committee dated June 3, 2025 (for the summary of the Report, please refer to “(iv) Establishment by the Target Company of an independent special committee and procurement by the Company of a report therefrom” in “(Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer)” in “(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” in “2. Outline of the Tender Offer” below).

Together with the Report, the Target Company also received a share valuation report from the Special Committee regarding the results of calculation of the value of the Company Shares submitted by Mitsubishi UFJ Morgan Stanley Securities (the “**Target Company Share Valuation Report (Mitsubishi UFJ Morgan Stanley Securities)**”) dated June 2, 2025 (for the summary of the Target Company Share Valuation Report (Mitsubishi UFJ Morgan Stanley Securities), please refer to “(v) Procurement by the Target Company's special committee of a share valuation report from an independent financial advisor and third-party appraiser” in “(Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer)” in “(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” in “2. Outline of the Tender Offer” below).

(c) Details of the decision-making by the Target Company

Based on the above process, at its board of directors meeting held today, the Target Company took into consideration legal advice from Nishimura & Asahi, and professional advice from SMBC Nikko Securities regarding negotiations pertaining to the Transactions and other matters, and details of the share valuation report regarding the results of valuation of the Target Company Shares submitted by SMBC

Nikko Securities dated June 2, 2025 (the “**Target Company Share Valuation Report (SMBC Nikko Securities)**”) and the Target Company Share Valuation Report (Mitsubishi UFJ Morgan Stanley Securities) which the Special Committee procured from Mitsubishi UFJ Morgan Stanley Securities, and carefully examined and discussed whether the Transactions, including the Tender Offer, contribute to the improvement of the corporate value of the Target Company, whether the conditions of the Transactions, including the Tender Offer Price and the Repurchase Price, are appropriate, and other matters, while respecting to the utmost extent details of the Special Committee’s decision presented in a report submitted by the Special Committee as of today (the “**Report**”).

As a result, the Target Company has come to the conclusion that the Transactions will contribute to the improvement of the Target Company’s corporate value, as stated below. In light of the statement in “(i) Background, purpose, and decision-making process leading the Offeror to conduct the Tender Offer” above and the following descriptions pertaining to synergies regarding the Transactions, in celebrating the 100th anniversary of the company’s founding in 2026, the Target Company Group has decided to return to the spirit of its corporate creed “Toyoda Precepts,” and to work on the growth of the next generation from a long-term perspective with the Toyota Group vision “Inventing our path forward, together.” The Target Company Group believes that it is necessary to fulfill the role of origin of the Toyota Group by making quick decisions and making bold investments through going private, with shareholders who share the same values.

Accordingly, the Target Company determined today that the best and most appropriate method to maximize the corporate value of the Target Company Group is to make the Offeror the only shareholder of the Target Company and to have the Company and Mr. Toyoda be shareholders involved in the Target Company Group’s decision-making through the Offeror’s Parent Company; thereby making it possible to aim for medium- to long-term growth that is not bound by short-term performance expectations through quick decision-making and deepening of business collaboration with Toyota Group companies, so that the maximization of synergies related to the Transactions as stated below will be achieved early and the Target Company Group’s growth will be further accelerated.

The specific synergies that the Target Company believes will be realized through the Transactions are as follows.

(A) Accelerating growth in non-automotive domain

- a. A further leap forward in the logistics solutions business, which has achieved unique growth

Beginning with the acquisition of a leading European lift truck

manufacturer in 2000 and takeover of the industrial equipment sales division of TMC in 2001, the Target Company, over the next quarter of a century, continued its efforts to develop its logistics solutions business, including the manufacture and sale of lift trucks and the provision of logistics equipment and systems; as of the fiscal year ending March 2025, the logistics solutions business had grown into a business that accounts for approximately 70% of the consolidated sales of the Target Company Group. In addition, the Target Company believes that it has led the industry as a leading lift truck company for many years, and it has expanded its business by investing approximately 240 billion yen in M&A in the logistics solutions business in the last eight years. After the acquisition, the Target Company, rather than pursuing short-term returns, has sought harmonization through a deep understanding of the corporate cultures of both the Target Company, the acquirer, and the acquiree, and has pursued synergies for the expansion of business domains as Target Company Group through trial and error in corporate governance wherein centralization and decentralization are balanced. In this way, through the management method that has been built over time and respecting diversity, the Target Company believes that it has grown as one of the world's leading logistics system partners and as the industry leader also in the airport-related business. The Target Company intends to continue to leverage this strength to achieve growth through further capital investment.

The Target Company believes that the global logistics market is expected to grow significantly in the future, but it is facing many issues, such as labor shortages, improvement of the efficiency of logistics bases, and efforts on green logistics. Under such circumstances, the Target Company is promoting initiatives to improve logistics warehouse management, including autonomous driving of lift trucks; in this field, the Target Company recognizes that there is an urgent need to work on accelerating technologies and software fields such as big data and AI. The Target Company recognizes that in the automotive field, TMC is taking the lead in these initiatives and accumulating research results, and through the Transactions, expects to actively take in TMC's research results in the automotive field and make significant progress in its development activities.

In addition, data on movements of extremely large amounts of goods, such as daily movement of goods in e-commerce and movement of parcels, cargoes, and baggage of air passengers across borders, is gathered in real time to the Target Company's customers around the world; therefore, it is expected that growth investment in this data area will increase as logistics sites become more diverse and sophisticated. The Target Company believes that in the future, combining data on movement of people collected through the expansion of its connected business (Note 1) and technologies it utilizes in the automotive field of TMC, together with the Target

Company's experience in the non-automotive field, will lead to the creation of value and the expansion of business domains of the future Toyota Group, towards, among others, promoting initiatives to solve social issues through the development of services, utilization of data, and other means that enrich people's lives.

Note 1: "Connected business" is a general term for services that support a safe, secure, comfortable, and convenient driving experience for customers.

All of the above measures require considerable time and various upfront investments from a long-term perspective, that will not align with the performance of short-term earnings that would be required if the listing were maintained, and the Target Company will be able to accelerate its efforts to realize them by taking the Target Company private through the Transactions.

- b. Contribution to the realization of a decarbonized society and growth through the creation of partnerships utilizing the Toyota Group's technologies

The Target Company believes that it may not only improve the value of its logistics solutions but also contribute to other industrial equipment fields by effectively utilizing the multi-pathway technologies and strategies that the Toyota Group is promoting in the automotive field, in addition to the know-how of electrification technology and next-generation energy technology that the Target Company has cultivated over the years. By including other industrial equipment business, the Target Company will be able to expand its business domain and invest in technological development on a large scale; through creating a partnership, the Target Company assumes that it will be able to contribute to the promotion of decarbonization in Japan's industry and to realize sustainable growth which is in harmony with the society, which the Target Company sets as its vision.

On the other hand, since the Target Company alone, in some aspects, has a lack of understanding of the needs and issues and accomplishments in other industries other than logistics solutions, in the field of industrial equipment, such initiatives is expected to be limited; it aims at making these initiatives more effective by seeking cooperation as a member of the Toyota Group.

- (B) Clarification of roles in the automotive domain from a long-term perspective and strategic investment of management resources

While the existing automobile-related businesses of the Target Company are still demonstrating, as its unique strengths, top-level quality and production efficiency among Toyota-affiliated body manufacturers in the vehicle assembly business, know-how in the

development and production of diesel engines and turbochargers in engine business, excellent product development capabilities and abundant product lineup in compressor business, and development and production capacity of high-quality electric vehicle parts and equipment in car electronics and battery businesses, respectively, the Target Company is aiming at sustainable development through further enhancement of the improvement of competitiveness of TMC's automotive business and investment in human capital and R&D, by identifying the strengths needed as a group on a more stable management base.

By strengthening its collaboration with the Toyota Group through the Transactions, the Target Company will be able to align with the strategic direction of the entire group more than it has done so far and anticipate and flexibly respond to changes in industries that aim for sustainability, such as electrification and reduction of environmental impact. On the other hand, taking advantage of securing the same degree of business operational freedom as it has had to date, the Target Company will continue to expand and strengthen sales to automakers other than TMC.

In general, disadvantages of privatizing shares will include that it will not be possible for the relevant company to raise funds through equity financing from the capital markets and will not be able to enjoy advantages it has enjoyed as a listed company, such as the name recognition and social credibility. However, in terms of fundraising, it is not expected that the Target Company will need to raise funds through equity financing for the time being in light of its financial condition, where funds raised through equity financing is not necessary, even after the execution of the Transactions and it is possible to raise funds as necessary from financial institutions that are the Target Company's business partners. Moreover, while the Transactions lead to large amounts of borrowing from financial institutions through the Bank Loans, the Target Company received explanations from the Company about the status of consultation with the financial institutions on the measures to limit the impact on the sales finance and logistics solutions businesses, and confirmed that it could avoid any damage to the corporate value of the Target Company, resulting from such borrowing and maintain business competitiveness. Therefore, the Target Company believes that the disadvantages of going private are also limited in terms of fundraising. In addition, the Target Company believes that there will be no change in the name recognition and social credibility of the Target Company Group because the brand and credibility as a company which is the origin of Toyota Group is significant, as the brand is already widely known and highly recognized, and the Target Company intends to continue to use its brand in the Target Company Group's business activities after the implementation of the Transactions. For this reason, the Target Company believes that there will be no impact on the social status of its employees or the

recruitment of human resources.

Furthermore, the Target Company also considered the impact on its corporate value from the result that TMC, which is the largest shareholder and a major customer of the Target Company as of March 31, 2025, will cease to be a shareholder of the Target Company and that the Offeror will become a new parent company of the Target Company. However, the Target Company believes that the Target Company's corporate value is unlikely to be damaged due to the going private, in light of the following fact that: (i) through the hearing of opinions from TMC, the Target Company confirmed that the business relationship with TMC is not based on the assumption that it owns the Target Company Shares, and that TMC intends to maintain that relationship even after the Transactions; (ii) there is no agreement based on the existing capital relationship with TMC; and (iii) the Target Company was explained by the Company, among others, that with regard to the agreements which includes the provisions that require the consent of the counterparty in implementing the Transactions, such as a change of control clause, no substantial change will occur in the position of the Target Company as a member of the Toyota Group even after the execution of the Transactions, and thus it is not expected that there will be a serious hindrance to obtaining consent.

Based on the foregoing, the Target Company's board of directors has determined that the advantages of making the Target Company Shares private outweigh the disadvantages, and that making the Target Company Shares private through the Transactions, including the Tender Offer, will contribute to the improvement of the Target Company's corporate value.

In addition, based on the following points, the Target Company believes that the Tender Offer Price is an appropriate price that can be reasonably assessed as considerably reflecting the intrinsic value of the Target Company, and that other conditions of the Tender Offer are fair.

- (a) The Tender Offer Price is a price agreed upon as a result of sufficient and sincere negotiation with the Company with the substantial involvement of the Special committee, after the Target Company fully taking measures to ensure fairness of the conditions of the Transactions, including the Tender Offer Price as stated in “(Measures to ensure fairness of the Tender Offer, including measures to ensure fairness of the Tender Offer Price and measures to avoid conflicts of interest)” in “(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” under “2. Outline of the Tender Offer” below.
- (b) Among the results of valuation of the Target Company Shares

in the Target Company Share Valuation Report (SMBC Nikko Securities) as stated in “(ii) Procurement by the Target Company of a share valuation report from an independent financial advisor and third-party appraiser” in “(Measures to ensure fairness of the Tender Offer, including measures to ensure fairness of the Tender Offer Price and measures to avoid conflicts of interest)” in “(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” under “2. Outline of the Tender Offer” below, the Tender Offer Price is of the level that is within the calculation range based on the market price method (i) (as defined in “(B) Summary of calculation” in “(ii) Procurement by the Target Company of a share valuation report from an independent financial advisor and third-party appraiser.” in “(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” under “2. Outline of the Tender Offer” below; hereinafter the same), exceeds the market price method (ii) (as defined in “(B) Summary of calculation” in “(ii) Procurement by the Target Company of a share valuation report from an independent financial advisor and third-party appraiser.” in “(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” under “2. Outline of the Tender Offer” below; hereinafter the same), is within the comparative listed company method, and that is within the calculation range based on the discounted cash flow method (the “**DCF Method**”).

- (c) Among the results of valuation of the Target Company Shares in the Target Company Share Valuation Report (Mitsubishi UFJ Morgan Stanley Securities) as stated in “(v) Procurement by the Target Company’s special committee of a share valuation report from an independent financial advisor and third-party appraiser” in “(Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer)” in “(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” in “2. Outline of the Tender Offer” below, the Tender Offer Price is of a level that is within the calculation range based on the market price analysis (record date 1) (as defined in “(B) Summary of calculation” in “(v) Procurement by the Target Company’s special committee of a share valuation report from an independent financial advisor and third-party appraiser” in “(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” under “2. Outline of the Tender Offer” below; hereinafter the same), exceeds the market price analysis (record date 2) (as defined in “(B) Summary of calculation” in “(v) Procurement by the Target Company’s special committee of a share valuation report from an independent financial advisor and third-party appraiser” in



“(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” under “2. Outline of the Tender Offer” below; hereinafter the same), is within the comparable company analysis, and that is within the calculation range based on the discounted cashflow analysis (the “**DCF Analysis**”).

- (d) The Tender Offer Price includes a premium of 23.25% on 13,225 yen, which was the closing price for the Target Company Shares on the Tokyo Stock Exchange on April 25, 2025, which was before the Speculative Reports were made; a premium of 30.71% on 12,470 yen, which was the simple average closing price for the Target Company Shares over the preceding one-month period up to April 25, 2025; a premium of 27.61% on 12,773 yen, which was the simple average closing price for the Target Company Shares over the preceding three-month period; and a premium of 33.30% on 12,228 yen, which was the simple average closing price for the Target Company Shares over the preceding six-month period, respectively, and it is determined that it is not of a significantly low level and that it is sufficiently reasonable when compared with the premium levels in 13 other tender offer cases whose purpose was to make large listed companies, the market capitalization of this is 500 billion yen or more, go private on or after June 28, 2019, the date on which the “Fair M&A Guidelines – Enhancing Corporate Value and Securing Shareholders’ Interest –” published by the Ministry of Economy, Trade and Industry was published (Note 2).
- (e) In the Transactions, although the period of purchase for the Tender Offer (the “**Tender Offer Period**”) has been set at 20 business days, which is the minimum period stipulated by law, because the period from the announcement of the plan of the Tender Offer to the actual commencement of the Tender Offer is long, appropriate opportunity for minority shareholders to determine to tender their shares in the Tender Offer and opportunity for parties other than the Offeror to purchase Target Company Shares have been ensured.
- (f) As stated in “(x) Setting a minimum number of share certificates, etc. to be purchased that satisfies the majority of minority” in “(Measures to ensure fairness of the Tender Offer, including measures to ensure fairness of the Tender Offer Price and measures to avoid conflicts of interest)” below, in the Transactions, the minimum number of shares to be purchased in the Tender Offer satisfies the number of shares to be purchased under the “majority of minority” condition.

- (g) In the Transactions, the money to be delivered to shareholders as consideration when conducting the Share Consolidation will be calculated so that it will be equal to the price obtained by multiplying the Tender Offer Price by the number of Target Company Shares owned by each of the shareholders of the Target Company (excluding TMC and the Target Company) who did not tender their shares in the Tender Offer; therefore, the opportunity for minority shareholders to make appropriate decisions on whether to tender their shares in the Tender Offer has been ensured, and that consideration has been given so as not to give rise to strong pressure.
- (h) As stated in “(iv) Establishment by the Target Company of an independent special committee and procurement by the Target Company of a report therefrom” in “(Measures to ensure fairness of the Tender Offer, including measures to ensure fairness of the Tender Offer Price and measures to avoid conflicts of interest)” below, it has been determined also in the Report obtained from the Special Committee that the fairness and appropriateness of the conditions of the Tender Offer (including the Tender Offer Price) are found to have been ensured.

(Note 2) With respect to these cases, the median of the premium calculated using the business day immediately before the announcement date (for those in relation to which speculative reports had been made, the business day before such reports) as the record date is 25.97% on the closing price on the same day, 31.58% on the simple average closing price over the preceding one-month period up to the same day, 36.76% on the simple average closing price over the preceding three-month period up to the same day, 44.60% on the simple average closing price over the preceding six-month period up to the same day.

On the other hand, the Tender Offer Price is a 10.73% discount on 18,260 yen, which was the closing price for the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on June 2, 2025, the business day immediately preceding the announcement date of the Tender Offer, a 6.70% discount on 17,471 yen, which was the simple average closing price over the preceding one-month period, a premium of 12.87% on 14,442 yen, which was the simple average closing price over the preceding three-month period, a premium of 21.42% on 13,425 yen, which was the simple average closing price over the preceding six-month period. In this regard, the Target Company's share price significantly increased by 22.68% on a closing price basis from the closing price (13,225 yen) on April 25, 2025, which was the date on which the first Speculative Report was made, to the closing price (16,225 yen) on April 28, 2025, which

was the immediately following business day, to a level that exceeded the highest price since the listing; further, another Speculative Report was made on May 19, 2025, and the Company's share price significantly increased by 8.60% from the closing price (16,520 yen) on the same date, to the closing price (17,940 yen) on May 20, 2025, which was the immediately following business day. In particular, the increase rate from the closing price on April 25, 2025, on which the first Speculative Report was made, to the closing price on April 28, 2025, the immediately following business day, was the highest in the fluctuation of the market price of the Company Shares in the last ten years. In light of the foregoing, during these periods, it can be considered that the price of the Company Shares reflected a substantial degree of expectation regarding the implementation of the Transactions (for the increase in the share price after the Speculative Report on May 19, 2025, further expectation regarding the implementation of the Transactions). The Speculative Reports contain inaccurate information regarding the total acquisition amount of the Transactions and the restructuring of the Target Company's business. Based on these, the Target Company believes that it is not unreasonable to assess that the Company's share price after the Speculative Reports has not necessarily been appropriately priced and does not properly reflect the intrinsic value of the Company. However, as of today, the Tender Offer Price is a price discounted at a certain rate from the closing price of the business day immediately preceding the announcement date of the Tender Offer and the simple average of the closing price over the preceding one-month period; thus, the Company concluded that, as of now, it is reasonable to take a neutral position on whether to recommend that its shareholders tender their shares in the Tender Offer and to leave it to their decision whether to tender their shares in the Tender Offer.

Based on the foregoing, at the board of directors meeting of the Target Company held today, a resolution was adopted with the unanimous consent of all directors of the Company who participated in deliberation and resolution, that if the Tender Offer commences, the current position of the Target Company is that it will express an opinion in support of the Tender Offer and that it will leave to the decision to the Target Company's shareholders whether to tender their shares in the Tender Offer. The Target Company took into consideration that the Company aims for the commencement of the Tender Offer by the Offeror by early December 2025, but it is difficult to accurately estimate the amount of time required for the procedures involving domestic and foreign competition laws and regulations, the EU Foreign Subsidies Regulation and authorities having jurisdiction over investment control and financial laws and regulations; therefore, the Target Company also passed a resolution at the above board of directors meeting, that before the commencement of the Tender Offer, it would consult with the Special Committee to consider whether there is any change in the opinion expressed by the Special Committee to the board of directors

of the Target Company as of today, and to provide with the board of directors of the Target Company a statement to that effect if there is no change, or the revised opinion if there is a change, and also that based on that opinion of the Special Committee (the “**Special Committee’s Second Opinion**”), it would express an opinion on the Tender Offer again at the time of the commencement of the Tender Offer. As stated above, the Target Company believes that the share price of the Company after the Speculative Reports was not necessarily priced appropriately and that it is not unreasonable to assess that it does not properly reflect the intrinsic value of the Company. In light of the fact that taking the Company Shares private through the Transactions, including the Tender Offer, will contribute to the improvement of the Company’s corporate value, and that the Tender Offer Price is an appropriate price that can be reasonably assessed as considerably reflecting the intrinsic value of the Target Company, if, as a result of accurate information regarding the Transactions being provided to the market in a sufficient and appropriate manner through the this press release and the Target Company’s press release, and at the time of commencement of the Tender Offer, the situation in which the Tender Offer Price is discounted at a certain rate from the Target Company’s share price ceases to exist, or such other situation is secured in which the Company can recommend that its shareholders tender their shares in the Tender Offer, then the Company intends to change its neutral opinion regarding whether to recommend its shareholders to tender their shares in the Tender Offer, and to make such recommendation, while respecting the Special Committee’s Second Opinion to the fullest extent. As stated above, the Offeror plans to commence the Tender Offer as soon as practicable after the date on which the Tender Offer Conditions Precedent are satisfied or waived at the discretion of the Offeror, therefore whether or not the Tender Offer will commence will be determined after the Offeror reconfirms or waives the Tender Offer Conditions Precedent.

For details of the decision-making process by the Target Company’s board of directors, please refer to “(viii) Approval of all disinterested directors of the Target Company and opinions from all audit and supervisory committee members of the Target Company that they have no objection” in “(Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer)” in “(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” under “2. Outline of the Tender Offer” below.

(iii) Management policy after the Tender Offer

As stated in “(1) Background, purpose, and decision-making process leading the Offeror to conduct the Tender Offer” above, the Company intends to consider the management policy after the Tender Offer thoroughly in consultation with the Target Company’s management so that the Target

Company will be able to aim for medium-to-long-term growth without being influenced by short-term performance expectations from the stock market, while maintaining and strengthening the foundation of its current revenue business. With regard to the composition of the management structure of the Target Company after the Transactions, it is not expected at this time that the any changes will be made to the Target Company's business execution structure in connection with the implementation of the Transactions or that the Company will give direct instructions on the Target Company's business execution, and no decisions have been made at this time on matters regarding the dispatch of officers or other personnel-related matters, and the Company will discuss this matter in good faith with the Target Company after the successful completion of the Tender Offer. Furthermore, the Company's basic policy is to maintain the employment of the Target Company's employees after the Transactions and not to change the employment conditions of the Target Company's employees in a disadvantageous manner.

- (3) Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer

As of today, the Target Company is not a subsidiary of the Company, and the Tender Offer does not constitute a tender offer by a controlling shareholder. In addition, it is not planned for all or some of the management team members of the Target Company to directly or indirectly make capital contributions to the Offeror, and the Transactions, including the Tender Offer, do not constitute a so-called management buyout (MBO). However, in light of the fact that (i) the Company directly holds 16,291,374 Target Company Shares (ownership percentage: 5.42%), (ii) there is a possibility that the interests of TMC, which is a major and largest shareholder of the Target Company holding 74,100,604 Target Company Shares (ownership percentage: 24.66%), and the interests of the minority shareholders of the Target Company would not necessarily align because it is planned that the Company and TMC, which is the largest shareholder of the Target Company, will execute the Master Agreement and TMC will make the Preferred Shares Contribution to the Offeror's Parent Company as well as that the Target Company and TMC plan to implement the Tender Offer for Own Shares (TMC) and the Share Repurchase, and (iii) Mr. Toyoda is the Chairman of the Board of Directors and Representative Director of TMC and he will make the Common Shares Contribution (Mr. Toyoda) to the Offeror's Parent Company after the settlement of the Tender Offer, the Company and the Target Company have each taken the following measures in order to ensure the fairness of the Transactions, to eliminate the arbitrariness in the decision-making process when deciding to execute the Transactions, to ensure fairness, transparency, and objectivity in the decision-making, and to avoid conflicts of interest. Among the descriptions below, the measures taken by the Target Company are based on the explanations received from the Target Company.

- (i) Procurement by the Company of a share valuation report from an independent financial advisor and third-party appraiser
- (ii) Procurement by the Target Company of a share valuation report from an independent financial advisor and third-party appraiser
- (iii) Procurement by the Target Company of advice from an independent law firm
- (iv) Establishment by the Target Company of an independent special committee

- and procurement by the Target Company of a report therefrom
- (v) Procurement by the Target Company's special committee of a share valuation report from an independent financial advisor and third-party appraiser
- (vi) Procurement by the Target Company's special committee of advice from an independent law firm
- (vii) Establishment of an independent examination framework at the Target Company
- (viii) Approval of all disinterested directors of the Target Company and opinions from all audit and supervisory committee members of the Target Company that they have no objection
- (ix) Ensuring objective circumstances to ensure the fairness of the Tender Offer
- (x) Setting a minimum number of share certificates, etc. to be purchased that satisfies the majority of minority

For the details of the above measures, please refer to “(Measures to ensure fairness of the Tender Offer, including measures to ensure fairness of the Tender Offer Price and measures to avoid conflicts of interest)” in “(ii) Process of calculation” in “(4) Basis for the calculation of the Tender Offer Price” under “2. Outline of the Tender Offer” below.

- (4) Policy for organizational restructuring after the Tender Offer (matters relating to a so-called “Two-Step Acquisition”)

As stated in “(1) Summary of the Tender Offer” above, if the Offeror is unable to acquire all of the Shares Subject to the Tender Offer through the Tender Offer, then the Offeror intends to implement the Squeeze-Out Procedures after the successful completion of the Tender Offer through the following procedures.

Promptly after the successful completion of the Tender Offer, the Offeror intends to request the Target Company to hold an extraordinary shareholders' meeting at which the following proposals will be submitted (the “**Extraordinary Shareholders' Meeting**”): (i) to conduct the Share Consolidation in accordance with Article 180 of the Companies Act; and (ii) to make a partial amendment to the Target Company's Articles of Incorporation to abolish the provisions regarding shares less than one unit on the condition that the Share Consolidation becomes effective. The Offeror intends to approve each of those proposals at the Extraordinary Shareholders' Meeting.

If the proposal for the Share Consolidation is approved at the Extraordinary Shareholders' Meeting, the shareholders of the Target Company will come to own the number of Target Company Shares proportionate to the ratio of the Share Consolidation that is approved at the Extraordinary Shareholders' Meeting as of the effective date of the Share Consolidation. If, due to the Share Consolidation, the number is a fraction less than one, each shareholder of the Target Company who holds such fractional shares will receive an amount of cash obtained by selling the Target Company Shares equivalent to the total number of shares less than one unit (with such aggregate sum rounded down to the nearest whole number; the “Total Fractional Shares”) to the Target Company or the Offeror as per the procedures specified in Article 235 of the Companies Act and other relevant laws and regulations. The purchase price for the number of the Target Company Shares

equivalent to the Total Fractional Shares will be valued so that the amount of cash received by each shareholder who does not tender its shares in the Tender Offer (excluding TMC and the Target Company) as a result of the sale will be equal to the price obtained by multiplying the Tender Offer Price by the number of Target Company Shares owned by each such shareholder. The Offeror will request the Target Company to file a petition to the court for permission to sell such Target Company Shares to the Target Company or the Offeror on this basis.

In addition, although the ratio of the Share Consolidation has not been determined as of today, the Offeror intends to request the Target Company to set the ratio in a way that the number of Target Company Shares held by the shareholders who did not tender their shares in the Tender Offer (excluding TMC and the Target Company) will become less than one unit in order for the Offeror and TMC to become the sole owners of all of the Target Company Shares. The Target Company will announce the specific procedures in this case promptly after such details are finalized.

Since the Target Company Shares subject to the Share Consolidation include the Target Company Shares held by the Depositary Banks (as defined in “(3) Price of tender offer” under “2. Outline of the Tender Offer” below; the same applies below) that are represented by ADRs (as defined in “(3) Price of tender offer” under “2. Outline of the Tender Offer” below; the same applies below), if the abovementioned determination is made, the number of Target Company Shares held by the Depositary Banks after the Share Consolidation will also be a fractional number of less than one share. In this case, according to the ADR Registration Statements (as defined in “(3) Price of tender offer” under “2. Outline of the Tender Offer” below; the same applies below), the Depositary Banks may terminate the ADRs and deliver to each of the holders of the ADRs, in proportion to the number of the ADSs (as defined in “(3) Price of tender offer” under “2. Outline of the Tender Offer” below; the same applies below) they hold and that are represented by the ADRs, cash equal to the amount obtained by converting the cash delivered to the Depositary Banks into US dollars and deducting the fees of the Depositary Banks and taxes, etc. in accordance with the terms set out in the ADRs.

According to the provisions of the Companies Act that aim to protect the rights of minority shareholders in relation to a share consolidation, the Companies Act provides that if a share consolidation occurs and there are fractions less than one as a result thereof, each shareholder of the Target Company who opposes such share consolidation may request that the Target Company purchase all of the Target Company Shares that would be a fraction less than one held by the relevant shareholder at a fair price, and such shareholders may file a petition to the court to determine the price of the Target Company Shares in accordance with the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations.

If the holders of ADRs intend to make a demand for purchase of shares and file a petition for a determination of the sale price, they are required to deliver their ADRs to the Depositary Banks and withdraw the Target Company Shares deposited with the Depositary Banks before making the demand and filing the petition pursuant to the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant

laws and regulations.

As stated above, because the number of the Target Company Shares held by each of the Target Company's shareholders who does not tender its shares in the Tender Offer (excluding TMC and the Target Company) will become fractions less than one as a result of the Share Consolidation, each such shareholder of the Target Company who opposes the Share Consolidation will be able to file the above petition. The purchase price in the event of such filing will ultimately be determined by the court.

With regard to the above procedures, it is possible that, depending on circumstances such as any amendment to and enforcement of relevant laws and regulations and the interpretation thereof by authorities, more time may be required or alternative methods may be utilized to implement said procedures. However, even in such a case, the Offeror intends to adopt a method whereby the shareholders of the Target Company who do not tender their shares in the Tender Offer (excluding TMC and the Target Company) will ultimately receive cash consideration, which will be an amount equal to the number of Target Company Shares held by such shareholders multiplied by the Tender Offer Price. In this case, it is expected that the same will apply to the amount of the money to be delivered to the Depositary Banks in relation to the Target Company Shares that are held by the Depositary Banks and represented by ADRs, and according to the ADR Registration Statements, the Depositary Banks may terminate ADRs and deliver to each of the holders of the ADRs, in proportion to the number of ADRs they hold and that are represented by the ADRs, cash equal to the amount obtained by converting the cash delivered to the Depositary Banks into US dollars and deducting the fees of the Depositary Banks and taxes, etc. in accordance with the terms set out in the ADRs. It is planned that the specific procedures, the timing of the implementation thereof, and other related matters will be announced by the Target Company promptly after such details are finalized upon consultation between the Offeror and the Target Company.

The Tender Offer is in no way intended to solicit the consent of the Target Company's shareholders at the Extraordinary Shareholders' Meeting. In addition, it is advised that the shareholders, at their own responsibility, consult with certified public tax accountants or other experts regarding the tax implications of their tendering in the Tender Offer or related procedures described above.

(5) Expected delisting and reasons therefor

The Target Company Shares are listed on the Prime Market of the Tokyo Stock Exchange and the Premier Market of the Nagoya Stock Exchange as of today. However, since the Offeror does not intend to set a limit on the number of share certificates, etc. to be purchased in the Tender Offer, the Target Company Shares may be delisted through prescribed procedures in accordance with the stock delisting criteria of the Tokyo Stock Exchange and the Nagoya Stock Exchange, depending on the result of the Tender Offer.

Further, even in the event that the delisting standards are not met upon the successful completion of the Tender Offer, as stated in "(4) Policy for organizational restructuring after the Tender Offer (matters relating to a so-called "Two-Step



Acquisition”)” above, because the Offeror plans to implement the Squeeze-Out Procedures for the purpose of acquiring all of the Target Company Shares (excluding the Target Company Shares Held by TMC and the own shares held by the Target Company) after the successful completion of the Tender Offer, if the Squeeze-Out Procedures are carried out, then the Target Company Shares will be delisted through the prescribed procedures in accordance with the stock delisting criteria of the Tokyo Stock Exchange and the Nagoya Stock Exchange. After delisting, the Target Company Shares will no longer be traded on the Tokyo Stock Exchange or the Nagoya Stock Exchange.

(6) Matters relating to material agreements regarding the Tender Offer

(i) Master Agreement

As stated in “(1) Summary of the Tender Offer” above, as of today the Company has, in connection with the Tender Offer, executed the Master Agreement with TMC regarding the Transactions. In the Master Agreement, TMC has agreed (a)(i) that it will not tender any of the Target Company Shares Held by TMC in the Tender Offer, (ii) that it will not transfer, create security interests on, or otherwise dispose of, any of the Target Company Shares Held by TMC, (iii) that it will not engage in any act that competes, contradicts, or conflicts with the Tender Offer or impedes the implementation of the Tender Offer or for which there is a risk thereof; provided that TMC may take such actions if a failure to do so is reasonably determined to be likely to breach the duty of care of prudent management on the part of the directors of TMC) and (b) that if TMC or the Target Company receives a proposal for a transaction to acquire shares in the Target Company from a person other than the Offeror or if TMC or the Target Company becomes aware that such a proposal exists, TMC will immediately notify the Company and the Offeror of that fact and the details of the proposal.

Additionally, the Master Agreement sets out the conditions precedent to the commencement of the Tender Offer (the “Tender Offer Conditions Precedent” set out in the preamble), the representations and warranties of the Company, the Offeror, the Offeror’s Parent Company, and TMC (Note 1), the obligations of TMC (Note 2), the obligations of the Offeror (Note 3), and termination events (Note 4). In the Master Agreement, it is also agreed that the Offeror and the Offeror’s Parent Company will also become parties to the Master Agreement after their incorporation.

Note 1: In the Master Agreement, each of the Company, the Offeror, and the Offeror’s Parent Company has made representations and warranties with respect to the following: (i) its incorporation, existence, and the existence of the power necessary for the execution and performance of the Master Agreement; (ii) the validity and enforceability of the Master Agreement; (iii) the obtainment and implementation of permits and authorizations, etc. necessary to execute and perform the Master Agreement; (iv) the absence of any conflict with laws and regulations regarding the execution and performance of the Master Agreement; (v) the absence of any insolvency proceedings, etc.; (vi) that it is not an antisocial force and has no relationship with any antisocial forces; and (vii) the sufficiency of funds necessary for the settlement of the Tender Offer. In addition, in the

Master Agreement, TMC has made representations and warranties with respect to the following: (i) its incorporation, existence, and the existence of the power necessary for the execution and performance of the Master Agreement; (ii) the validity and enforceability of the Master Agreement; (iii) the obtainment and implementation of permits and authorizations, etc. necessary for the execution and performance of the Master Agreement; (iv) the absence of any conflict with laws and regulations regarding the execution and performance of the Master Agreement; (v) the absence of any insolvency proceedings, etc.; (vi) that it does not fall under an antisocial force and has no relationship with any antisocial forces; (vii) the legal and valid ownership of the Target Company Shares Held by TMC; and (viii) the accuracy of the securities reports, etc. of the Target Company filed on and after April 1, 2024.

- Note 2: In summary, TMC has the obligations under the Master Agreement, including the following: (i) not to tender the Target Company Shares Held by TMC in the Tender Offer and not to transfer or otherwise dispose of the Target Company Shares Held by TMC; (ii) to implement the Preferred Shares Contribution; (iii) to implement the Tender Offer for Own Shares (TMC); (iv) to implement the Squeeze-Out Procedures; (v) to implement the Share Repurchase; (vi) to cooperate and make efforts to satisfy the Tender Offer Conditions Precedent; (vii) to notify the Company, the Offeror, and the Offeror's Parent Company if it is discovered that there is a possibility that TMC is in breach of any of its representations, warranties, or obligations, or that any of the Tender Offer Conditions Precedent will not be satisfied; (viii) to cooperate with the Offeror in its fundraising, etc.; (ix) to cooperate in the Obtainment of Clearance; and (x) to provide indemnification in the event of a breach of any of TMC's representations, warranties, or obligations.
- Note 3: In summary, each of the Company, the Offeror, and the Offeror's Parent Company has the obligations under the Master Agreement, including the following: (i) to commence the Tender Offer on or after the date on which the Tender Offer Conditions Precedent are satisfied; (ii) to implement the Common Shares Contribution (Toyota Fudosan) by the Company; (iii) to make efforts to complete the Obtainment of Clearance; (iv) to implement the Squeeze-Out Procedures; (v) to implement the Share Repurchase; (vi) to cooperate in and make efforts toward the satisfaction of the Tender Offer Conditions Precedent by the Company; (vii) to notify TMC if it is discovered that there is a possibility that the relevant party is in breach of any of its representations, warranties, or obligations, or that any of the Tender Offer Conditions Precedent will not be satisfied; and (viii) to provide indemnification in the event of a breach of any of its representations, warranties, or obligations.
- Note 4: It is stipulated in the Master Agreement that the Master Agreement may be terminated by any of the Company, the Offeror, the Offeror's Parent Company, and TMC only on or before the last day of the Tender Offer Period by giving written notice to the other parties (in the case of the Company, the Offeror, and the Offeror's Parent Company, it means TMC, or, in the case of TMC, it means any of the other parties; the **"Breaching Party"**) in any of the following events: (i) the Breaching Party materially

breaches any of its representations and warranties (for the Company, the Offeror and the Offeror's Parent Company, it means TMC; for TMC it means the Company, the Offeror, and the Offeror's Parent Company); (ii) the Breaching Party materially defaults or fails to comply with any of its obligations under the Master Agreement; (iii) a petition for the commencement of insolvency proceedings is filed with respect to the Breaching Party; or (iv) the Tender Offer is not commenced by March 31, 2026 (if otherwise agreed upon by the Company, the Offeror, the Offeror's Parent Company, and TMC, it shall be that agreed date) for a reason not attributable to the terminating party. In addition, it is stipulated in the Master Agreement that the Master Agreement will automatically terminate if (i) the Offeror lawfully withdraws the Tender Offer in accordance with the Financial Instruments and Exchange Act or any other applicable laws and regulations or (ii) the total number of the Tendered Share Certificates, Etc. in the Tender Offer is less than the minimum number of share certificates, etc. to be purchased.

(ii) Tender Offer Agreement

As stated in "(1) Summary of the Tender Offer" above, as of today the Company has, in connection with the Tender Offer, executed the Tender Offer Agreement with the Target Company regarding the Transactions. The Tender Offer Agreement sets out the conditions precedent to the commencement of the Tender Offer (the "Tender Offer Conditions Precedent" set out in the preamble), the representations and warranties of the Company, the Offeror, and the Target Company (Note 5), the obligations of Target Company (Note 6), the obligations of the Company and the Offeror (Note 8), and termination events (Note 9). In the Tender Offer Agreement, it is also agreed that the Offeror will also become a party to the Tender Offer Agreement after its incorporation.

Note 5: In the Tender Offer Agreement, the Target Company has made representations and warranties with respect to the following: (i) the incorporation and existence of the Target Company Group (excluding the affiliates of the Target Company; the same applies in the matters stated in "(ii) Tender Offer Agreement" below) and the existence of its power necessary for the execution and performance of the Tender Offer Agreement; (ii) the validity and enforceability of the Tender Offer Agreement; (iii) the obtainment and implementation of permits and authorizations, etc. necessary to execute and perform the Tender Offer Agreement; (iv) the absence of any conflict with laws and regulations regarding the execution and performance of the Tender Offer Agreement; (v) the absence of any insolvency proceedings, etc. with respect to the Target Company Group; (vi) that the Target Company Group is not an antisocial force and has no relationship with any antisocial forces; (vii) matters related to shares in the Target Company Group; (viii) the accuracy of the securities reports, etc. of the Target Company filed on and after April 1, 2023; (ix) the absence of any events occurring on and after April 1, 2025 that would have a material adverse effect on the Target Company Group, and the absence of any material off-balance-sheet liabilities and off-balance-sheet contingent liabilities incurred on and after April 1, 2025; (x) no violation of laws and regulations on the part of the Target Company

Group at present or in the past three years (excluding those in connection with misconduct related to the emissions certification for the engines developed and manufactured by the Target Company, which were publicly announced by the Target Company in the Investigation Report dated January 29, 2024 and other documents); and (xi) the accuracy of the information disclosed in the due diligence. In addition, in the Tender Offer Agreement, the Company and the Offeror have made representations and warranties with respect to the following: (i) the incorporation and existence of the Company and the existence of its power necessary for the execution and performance of the Tender Offer Agreement; (ii) the validity and enforceability of the Tender Offer Agreement; (iii) the obtainment and implementation of permits and authorizations, etc. necessary for the Company to execute and perform the Tender Offer Agreement; (iv) the absence of any conflict with laws and regulations regarding the execution and performance of the Tender Offer Agreement on the part of the Company; (v) the absence of any insolvency proceedings, etc. with respect to the Company; (vi) that the Company is not an antisocial force and has no relationship with any antisocial forces; and (vii) the sufficiency of the funds necessary for the Company and the Offeror to settle the Tender Offer and implement the Squeeze-Out Procedures.

Note 6: In summary, the Target Company has the obligations under the Tender Offer Agreement, including the following: (i) to pass a resolution to express an opinion in support of the Tender Offer (the “**Supporting Opinion**”) and to maintain the Supporting Opinion (Note 7); (ii) to notify the Company and the Offeror if the Target Company receives a proposal from a person other than the Offeror for any transaction that is reasonably determined to, or to be likely to, compete with, contradict, or conflict with the Tender Offer or make it difficult to conduct the Tender Offer, or if the Target Company becomes aware that such a proposal exists, or if any other circumstances occur or are discovered that are reasonably determined to make it difficult for the Target Company to maintain the Supporting Opinion, and to discuss with the Company and the Offeror how to respond to the proposal; (iii) to tender their respective shares in the Tender Offers for Own Shares; (iv) to implement the Squeeze-Out Procedures; (v) to implement the Share Repurchase; (vi) to conduct business within normal business operations and in accordance with past practices until the effective date of the Share Consolidation; (vii) to have consultation in good faith regarding the business operation structure of the Target Company Group after the completion of the Transactions; (viii) to perform all procedures necessary for the execution of the Transactions under laws and regulations; (ix) to cooperate in the Obtainment of Clearance; (x) to cooperate in fundraising, etc. conducted by the Offeror; (xi) to give the Company and the Offeror access to the Target Group’s information and to its directors, officers and employees; (xii) to covenant that there are no undisclosed material facts, etc.; (xiii) to make efforts to obtain approval for the Transactions from certain trading partners; (xiv) to notify certain trading partners of the Transactions; and (xv) to provide indemnification in the event of a breach of any of the Target Company’s representations, warranties, or obligations.

- Note 7: It is stipulated in the Tender Offer Agreement that the Target Company may pass a resolution of its board of directors to withdraw or change the Supporting Opinion if the Target Company receives a legally binding written proposal from a person other than the Company and the Offeror for a transaction that contains a proposal for taking the Target Company Shares private at a price that is at least 5% higher than the Tender Offer Price, and it is objectively and reasonably determined that there is a high probability that maintaining the Supporting Opinion, despite receiving such a proposal, as the opinion of the Target Company's board of directors would breach the duty of care of prudent management by the Target Company's board of directors. It is also stipulated in the Tender Offer Agreement that if the Target Company changes or withdraws the Supporting Opinion, the Target Company will be released from the obligations under the Tender Offer Agreement (except for those stipulated in (xv) in Note 6 above) until either the earlier of (i) the date on which a board of directors' resolution to express the Supporting Opinion is passed for the second time or (ii) the date on which the Tender Offer is successfully completed.
- Note 8: In summary, each of the Company and the Offeror has the obligations under the Tender Offer Agreement, including the following: (i) to commence the Tender Offer on or after the date on which the Tender Offer Conditions Precedent are satisfied; (ii) to cooperate in the Share Repurchase; (iii) to maintain and respect the independence of management of the Target Company Group after the completion of the Transactions; (iv) to have consultation in good faith regarding the business operation structure of the Target Company Group after the completion of the Transactions; (v) not to terminate the employment of the employees of the Target Company Group or make any changes to the terms of employment that are in effect disadvantageous to those employees in connection with the completion of the Transactions; (vi) not to change the trade names or trademarks of the Target Company Group in connection with the completion of the Transactions; (vii) to ensure that the Target Company will be the surviving company and the Offeror will be the disappearing company if a merger takes place between the Offeror and the Target Company after the completion of the Transactions; (viii) to make efforts to complete the Obtainment of Clearance; and (ix) to provide indemnification in the event of a breach of their respective representations, warranties, or obligations.
- Note 9: It is stipulated in the Tender Offer Agreement that the Tender Offer Agreement will automatically terminate if (i) the termination is agreed among the parties in writing; (ii) the Master Agreement ends due to termination or for any other reason; (iii) the Tender Offer is not commenced by March 31, 2026 (if otherwise agreed upon by the Target Company, the Company, and the Offeror, it shall be that agreed date); or (iv) the Tender Offer is commenced but ends without being successfully completed.

## 2. Outline of the Tender Offer

### (1) Outline of the Target Company

(i)	Name	Toyota Industries Corporation	
(ii)	Address	2-1, Toyoda-cho, Kariya-shi, Aichi	
(iii)	Name and Title of Representative Director	Koichi Ito, Director and President	
(iv)	Businesses	Manufacture and sale of textile machinery, materials handling equipment, automobiles, and automobile parts	
(v)	Capital	80,462 million yen (as of March 31, 2025)	
(vi)	Date of Foundation	November 18, 1926	
(vii)	Major Shareholders and Shareholding Ratios as of March 31, 2025	Toyota Motor Corporation	24.59%
		The Master Trust Bank of Japan, Ltd. (Trust Account)	9.53%
		Toyota Fudosan Co., Ltd	5.41%
		Toyota Tsusho Corporation	5.07%
		Denso Corporation	4.92%
		Custody Bank of Japan, Ltd. (Trust Account)	3.38%
		Nippon Life Insurance Company (Standing Proxy: The Master Trust Bank of Japan, Ltd.)	2.18%
		Aisin Corporation	2.18%
		State Street Bank and Trust Company 505001 (Standing Proxy: Settlement & Clearing Services Department of Mizuho Bank, Ltd.)	1.66%
		Aioi Nissay Dowa Insurance Co., Ltd. (Standing Proxy: The Master Trust Bank of Japan, Ltd.)	1.30%
(viii)	Relationships Between the Company and the Target Company		
	Capital Relationships	As of today, the Company holds 16,291,374 Target Company Shares (ownership percentage: 5.42%).	
	Personnel Relationships	Not applicable	

Business Relationships	There is no business relationship between the Company and the Target Company that needs to be stated. Toyota Industries IT Solutions Inc., a wholly-owned subsidiary of the Target Company, is a tenant in an office space provided by the Company.
Related Party Relationships	Not applicable

Note: “(vii) Major Shareholders and Shareholding Ratios as of March 31, 2025” are based on the information stated in the “Status of the Major Shareholders” in the Notice of the 147th Ordinary General Meeting of Shareholders of the Target Company.

(2) Schedule

It is planned that the Tender Offer will be commenced as soon as practicably possible after the date on which the Tender Offer Conditions Precedent are satisfied or they are waived by the Offeror at its own discretion. As of today, the Company aims to cause the Offeror to commence the Tender Offer around early December 2025 based on discussions with local law firms regarding the procedures under domestic and foreign competition laws and regulations, EU regulations on foreign subsidies, investment control laws and regulations, financial regulatory laws and regulations, and other procedures but since it is difficult to accurately estimate the amount of time required for these procedures, the detailed schedule for the Tender Offer will be promptly announced after it is decided. The Tender Offer Period is expected to be set for 20 business days.

Note: As the Offeror plans to ensure that the Tender Offer Period will be no less than 20 business days in the U.S., which is the minimum number of days required for a tender offer period under U.S. securities laws, the number of days in the Tender Offer Period might exceed 20 business days.

(3) Price of tender offer

16,300 yen per share of common stock

Note: According to the registration statements for the ADRs (Form F-6EF) filed with the U.S. Securities and Exchange Commission respectively by Deutsche Bank Trust Company Americas on May 12, 2008, by Citibank, N.A. on June 10, 2008 and January 19, 2012, by The Bank of New York Mellon on December 27, 2011, by Convergenx Depositary, Inc. on October 16, 2014, and by JPMorgan Chase Bank, N.A. on May 31, 2013 and November 22, 2019 (collectively, the “**ADR Registration Statements**”), American Depositary Receipts for the Target Company Shares (the “**ADRs**”) have been issued in the United States by Deutsche Bank Trust Company Americas, Citibank, N.A., The Bank of New York Mellon, Convergenx Depositary, Inc., and JPMorgan Chase Bank, N.A. (collectively, the “**Depositary Banks**”), and according to the Target Company, the Target Company was not involved in the issuance of the ADRs. The Offeror does not include the ADRs in the types of share

certificates, etc. to be purchased in the Tender Offer. The holders of the ADRs who wish to tender their ADRs in the Tender Offer are requested to deliver them to the Depositary Banks, withdraw the Target Company Shares pertaining to the American Depositary Shares represented by the ADRs and deposited with the Depositary Banks (the “ADSs”) in advance, and tender those Target Company Shares.

(4) Basis for the calculation of the Tender Offer Price

(i) Basis of calculation

In order to ensure the fairness of the Tender Offer Price, the Company requested Nomura Securities, the financial advisor and third-party appraiser of the Offeror that is independent from the Company, TMC, and the Target Company, to calculate the share value of the Target Company before determining the Tender Offer Price.

Nomura Securities considered the Target Company’s financial condition, and the trends and other factors concerning the market price of the Target Company Shares, and then concluded that it is appropriate to calculate the value of the Target Company Shares multilaterally; it thus considered which of several share value calculation methods should be used to calculate the share value of the Target Company. As a result, Nomura Securities calculated the share value of the Target Company using the following calculation methods: (i) the average market price method given that the market price of the Target Company Shares is available, (ii) the comparable companies method, as there are multiple listed companies that are comparable to the Target Company, and an analogical inference of the share value of the Target Company Shares based on comparable companies is possible, and (iii) the DCF Method to account for the Target Company’s future business operations in the valuation, and the Company obtained a share valuation report from Nomura Securities on June 2, 2025 (the “**Offeror Share Valuation Report**”) (Note).

Nomura Securities is not affiliated with the Company, TMC, or the Target Company, and does not have a material interest in the Tender Offer. Since the Company believes that sufficient consideration has been given to the interests of the minority shareholders of the Target Company by comprehensively considering the various factors stated in “(i) Background, purpose, and decision-making process leading the Offeror to conduct the Tender Offer” in “(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer” under “1. Purpose of the Tender Offer” above, the Offeror has not obtained from Nomura Securities an opinion on the fairness of the Tender Offer Price (a fairness opinion).

The ranges of values per Target Company Share calculated by Nomura Securities using the aforementioned methods are as follows.

Average market price method (1): From 12,228 yen to 13,225 yen



Average market price method (2): From 13,366 yen to 18,115 yen  
Comparable companies method: From 13,741 yen to 16,414 yen  
DCF Method: From 15,271 yen to 17,303 yen

Based on the fact that the Speculative Reports were made (after the close of trading on April 25, 2025), the range of values per Target Company Share obtained from the average market price method (1) is 12,228 yen to 13,225 yen, which is calculated, using April 25, 2025 as the record date (the “**Record Date (1)**”) in order to eliminate any impact on market prices that the Speculative Reports had caused, based on 13,225 yen, the closing price of the Target Company Shares quoted on the Prime Market of the Tokyo Stock Exchange on the Record Date (1), 12,937 yen, the simple average closing price over the preceding five-business day period starting from the Record Date (1), 12,470 yen, the simple average closing price over the preceding one-month period, 12,773 yen, the simple average closing price over the preceding three-month period, and 12,228 yen, the simple average closing price over the preceding six-month period. In addition, the range of values per Target Company Share obtained from the average market price method (2) is 13,366 yen to 18,115 yen, which is calculated, using May 30, 2025 as the record date (the “**Record Date (2)**”), based on 18,115 yen, the closing price of the Target Company Shares quoted on the Prime Market of the Tokyo Stock Exchange on the Record Date (2), 18,022 yen, the simple average closing price over the preceding five-business day period starting from the Record Date (2), 17,354 yen, the simple average closing price over the preceding one-month period, 14,379 yen, the simple average closing price over the preceding three-month period, and 13,366 yen, the simple average closing price over the preceding six-month period.

The range of values per Target Company Share obtained from the comparable companies method is 13,741 yen to 16,414 yen, which is derived by comparing the market share prices and financial indicators such as the profitability of listed companies engaged in relatively similar business to that of the Target Company.

The range of values per Target Company Share obtained from the DCF Method is 15,271 yen to 17,303 yen, which is derived by analyzing and evaluating the Target Company’s corporate value and share value as calculated by discounting to the present value at a certain discount rate the free cash flow that the Target Company is expected to generate in the future based on the Target Company’s estimated future earnings for the fiscal year ending March 31, 2026 and onwards, which take into account revenues and investment plans set out in the business plan of the Target Company for the ten fiscal years from the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2035 and was formulated by the Company for the purpose of calculating the share value of the Target Company and provided to Nomura Securities, interviews with the Target Company’s management, and the Target Company’s performance trends up to present, as well as other factors such as publicly released information. The Target Company’s business plan used for the analysis based on the DCF Method includes fiscal years in which a significant increase or decrease in profit is expected. Specifically, while

operating profit is expected to decrease for the fiscal year ending March 31, 2026 due to factors such as the anticipated appreciation of the yen and increases in labor cost, operating profit is expected to increase significantly for the fiscal year ending March 31, 2027 year-on-year, driven by an increase in sales revenue resulting from the recovery in vehicle sales in the automotive business and an increase in the number of forklift sales. In addition, the business plan is not premised on the Transactions being executed, and does not reflect the synergies expected to be realized through the execution of the Transactions because such synergies are difficult to specifically estimate at this point in time.

The Company ultimately decided on the Tender Offer Price of 16,300 yen today in light of the results of discussions and negotiations with the Target Company by comprehensively considering factors such as the result of the calculation of the share value of the Target Company in the Offeror Share Valuation Report obtained from Nomura Securities, as well as the results of the due diligence of the Target Company conducted by the Company from late February to mid-May 2025, whether the Tender Offer can be approved by the board of directors of the Target Company, and the prospect of shares being tendered in the Tender Offer.

Based on the fact that the Speculative Reports were made, the Tender Offer Price of 16,300 yen represents a premium of 23.25% on 13,225 yen, which was the closing price for the Target Company Shares quoted on the Prime Market of the Tokyo Stock Exchange on April 25, 2025, before the Speculative Reports were made; a premium of 30.71% on 12,470 yen, which was the simple average closing price for the Target Company Shares over the one-month period prior to that date; a premium of 27.61% on 12,773 yen, which was the simple average closing price for the Target Company Shares over the three-month period prior to that date; and a premium of 33.30% on 12,228 yen, which was the simple average closing price over the six-month period prior to that date. In addition, the Tender Offer Price of 16,300 yen represents a discount of 10.73% on 18,260 yen, which was the closing price for the Target Company Shares quoted on the Prime Market of the Tokyo Stock Exchange on June 2, 2025 (which was the business day immediately preceding the announcement date of the Tender Offer); a discount of 6.70% on 17,471 yen, which was the simple average closing price for the Target Company Shares over the one-month period prior to that date; a premium of 12.87% on 14,442 yen, which was the simple average closing price for the Target Company Shares over the three-month period prior to that date; and a premium of 21.42% on 13,425 yen, which was the simple average closing price over the six-month period prior to that date.

Note: In calculating the share value of the Target Company, Nomura Securities has assumed that the publicly available information and all of the information provided to it are accurate and complete and did not independently verify the accuracy and completeness of such information. Also, Nomura Securities has not conducted an independent evaluation, appraisal, or assessment, nor has it made any request to a third-party institution for any appraisal or assessment, with

respect to any assets or liabilities (including derivatives, off-balance-sheet assets and liabilities, and other contingent liabilities) of the Target Company and any of its affiliates, including any analysis or evaluation of individual assets and liabilities. Nomura Securities assumed that the financial forecast (including profit plans and other information) of the Target Company had been reasonably considered or prepared based on the best projections and judgment made in good faith that were currently available to the management of the Company. The calculation by Nomura Securities reflects the information and the economic conditions available to it as of May 30, 2025. The sole purpose of the calculation by Nomura Securities is for the board of directors of the Company to use the calculation results as a reference for considering the share value of the Target Company.

(ii) Process of calculation

(Process of determining the Tender Offer Price)

Please refer to “(i) Background, purpose, and decision-making process leading the Offeror to conduct the Tender Offer” in (2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer” under “1. Purpose of the Tender Offer” above.

(Measures to ensure fairness of the Tender Offer, including measures to ensure fairness of the Tender Offer Price and measures to avoid conflicts of interest)

(i) Procurement by the Company of a share valuation report from an independent financial advisor and third-party appraiser

When determining the Tender Offer Price, in order to ensure the fairness thereof, the Company requested Nomura Securities, the financial advisor and third-party appraiser of the Offeror that is independent from the Company, TMC, and the Target Company, to calculate the share value of the Target Company, and as of June 2, 2025 has obtained the Offeror Share Valuation Report. Please refer to “(i) Basis of calculation” above for the details of the Offeror Share Valuation Report.

(ii) Procurement by the Target Company of a share valuation report from an independent financial advisor and third-party appraiser.

(A) Name of appraiser and its relationship with the Target Company, TMC, and the Company

In expressing an opinion on the Tender Offer Price, in order to ensure fairness in the decision-making with respect to the Tender Offer Price presented by the Company, the Target Company requested that SMBC Nikko Securities, which is its own financial advisor and third-party appraiser independent from the Company, TMC, and the Target

Company, calculate the value of the Target Company Shares and analyze any financial affairs incidental thereto, and on June 2, 2025, the Target Company obtained the Target Company Share Valuation Report (SMBC Nikko Securities).

SMBC Nikko Securities is not a related party of the Target Company, the Company, Mr. Toyoda, or TMC, and has no material interest in the Transactions, including the Tender Offer. SMBC Nikko Securities is a member of the group companies of Sumitomo Mitsui Financial Group, Inc. similar to Sumitomo Mitsui Banking. Sumitomo Mitsui Banking engages in loan transactions as part of its ordinary banking transactions with the Target Company, and plans to offer a loan for the settlement related to the Tender Offer; however, the Target Company appointed SMBC Nikko Securities as its financial advisor and third-party appraiser, considering SMBC Nikko Securities' performance as a third-party appraiser and taking into account the following matters: a prescribed measure to block information for an adverse effect prevention measure has been taken between the department of SMBC Nikko Securities that provides services as a financial advisor and third-party appraiser on the one hand and the other departments of SMBC Nikko Securities and Sumitomo Mitsui Banking on the other hand; as the Target Company and SMBC Nikko Securities conduct transactions under the same transaction terms as those under which it conducts transactions with its general business partners, the independence as a financial advisor and third-party appraiser is ensured; and SMBC Nikko Securities is not a related party of the Target Company, the Company, Mr. Toyoda, or TMC, and in particular, no problems have been found with the Target Company requesting that SMBC Nikko Securities calculate the share value of the Target Company Shares. Moreover, the Special Committee confirmed that there are no problems with the independence or expertise of SMBC Nikko Securities, and at the first meeting, the Special Committee approved it as the Target Company's financial advisor. Since the Target Company has determined that measures to ensure fairness of the Tender Offer Price and to avoid conflict of interest have been taken and fairness concerning the Transactions has been fully ensured, the Target Company has not obtained from SMBC Nikko Securities an opinion on the fairness of the Tender Offer Price (a fairness opinion).

The remuneration to be paid to SMBC Nikko Securities for the Transactions includes a contingency remuneration to be paid subject to successful completion of the Transactions and other conditions. The Target Company concluded that the fact that the remuneration includes a contingency remuneration to be paid subject to successful completion of the Transactions and other conditions does not negate the independence of SMBC Nikko Securities, taking into account general practices in the same type of transactions and the pros and cons of the remuneration system in which the Target Company will incur a considerable monetary burden if the Transactions fail to be successfully completed, as well as SMBC Nikko Securities' performance for

providing advice in the same type of transactions, its social appraisal, and other matters, and thereafter, the Target Company appointed SMBC Nikko Securities as its financial advisor and third-party appraiser based on the remuneration system above.

In preparing the Target Company Share Valuation Report (SMBC Nikko Securities), SMBC Nikko Securities assumed that all the materials and information on which the Target Company Share Valuation Report (SMBC Nikko Securities) is based are accurate and complete; SMBC Nikko Securities has not independently verified, nor does it have an obligation or responsibility to verify, their accuracy and completeness; and SMBC Nikko Securities assumed that no facts, circumstances, or the like determining the provided information is inaccurate or misleading have been found by the Target Company. Also, SMBC Nikko Securities has not conducted an independent evaluation, appraisal, or assessment, nor has it made any request to a third-party appraiser for any evaluation, appraisal, or assessment, with respect to any assets or liabilities of the Target Company and its affiliates. If any issue is found as to the accuracy and completeness of those materials and information, the calculation result may significantly differ. Furthermore, SMBC Nikko Securities assumed that there are no claims or obligations related to any undisclosed litigations, disputes, environmental matters, tax affairs, and the like of the Target Company and its affiliates, or other contingent liabilities, off-balance sheet debts, or other facts that have a material impact on the Target Company Share Valuation Report (SMBC Nikko Securities). SMBC Nikko Securities assumed that the Target Company's business plan and other information regarding the future provided to SMBC Nikko Securities (the "**Business Plan, Etc.**"), which are used in the Target Company Share Valuation Report (SMBC Nikko Securities), were prepared by the Target Company on a best forecast and determination basis as of the calculation base date in accordance with reasonable and appropriate procedures. In addition, in the Target Company Share Valuation Report (SMBC Nikko Securities), if SMBC Nikko Securities made an analysis based on the hypothesis provided based on the provided materials and information, SMBC Nikko Securities assumed that the provided materials, information, and assumptions are accurate and reasonable. SMBC Nikko Securities has not independently verified, nor does it have any obligation or responsibility to verify, the accuracy, appropriateness, and feasibility of the assumptions above.

(B) Summary of calculation

SMBC Nikko Securities considered which of several calculation methods should be used to calculate the share value of the Target Company in the Tender Offer; thereafter, based on the idea that it is appropriate to calculate the value of the Target Company Shares multilaterally, SMBC Nikko Securities calculated the share value of the Target Company using the following calculation methods: the market price method, as the Target Company Shares are listed on the Prime

Market of the Tokyo Stock Exchange and the Premier Market of the Nagoya Stock Exchange; the comparable listed companies method, as there are multiple listed companies that are comparable to the Target Company, and an analogical inference of the share value of the Target Company based on comparable listed companies is possible; and the DCF Method to account for the Target Company's future business operations in the valuation; and as of June 2, 2025, the Target Company obtained the Target Company Share Valuation Report (SMBC Nikko Securities) from SMBC Nikko Securities.

The ranges of the share values per share of the Target Company Shares calculated under each of the methods above in the Target Company Share Valuation Report (SMBC Nikko Securities) are as follows.

Market price method (i): 13,425 yen to 17,471 yen

Market price method (ii): 12,228 yen to 12,773 yen

Comparable listed companies method: 15,269 yen to 17,825 yen

DCF Method: 14,229 yen to 18,400 yen

Under the market price method, (i) by setting the record date for calculation as June 2, 2025 (the market price method with such record date for calculation, “**market price method (i)**”), the range of values per Target Company Share was calculated to be 13,425 yen to 17,471 yen based on: 17,471 yen, which is the simple average value of the closing prices for the one month before the record date; 14,442 yen, which is the simple average value of the closing prices for the three months before the record date; and 13,425 yen, which is the simple average value of the closing prices for the six months before the record date, on the Prime Market of the Tokyo Stock Exchange; and (ii) in order to eliminate the effect of the Speculative Reports on the share price, by setting the record date for calculation as April 25, 2025 (the market price method with such record date for calculation, “**market price method (ii)**”), which was the date of trading before the Speculative Reports were made, the range of values per Target Company Share was calculated to be 12,228 yen to 12,773 yen based on: 12,470 yen, which is the simple average value of the closing prices for the one month before the record date; 12,773 yen, which is the simple average value of the closing prices for the three months before the record date; and 12,228 yen, which is the simple average value of the closing prices for the six months before the record date, on the Prime Market of the Tokyo Stock Exchange.

Under the comparable listed company method, the range of values per Target Company Share was calculated to be 15,269 yen to 17,825 yen by selecting similarly listed companies that were determined to be similar to the Target Company and by using the EBITDA multiple in relation to enterprise value.

Under the DCF Method, the range of values per Target Company Share was calculated to be 14,229 yen to 18,400 yen by analyzing the

corporate value and share value of the Target Company by discounting to the present value at a certain discount rate the free cash flow expected to be generated by the Target Company in and after the fiscal year ending March 2026 on the assumption of various factors, including the earnings forecasts and investment plans in the Business Plan, Etc. for the three fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2028, as well as publicly available information and other materials, based on the Business Plan, Etc. prepared by the Target Company.

The Business Plan, Etc. prepared by the Target Company, which was used by SMBC Nikko Securities for the calculation using the DCF Method, includes fiscal years in which significant increases or decreases in profits are expected. Specifically, for the fiscal year ending March 2026, operating income is expected to decline due to the expected strong yen and an increase in personnel costs, and for the fiscal year ending March 2027, a significant increase in operating income is expected when compared to the previous fiscal year ending March 2026, in accordance with the increase in sales due to the recovery in vehicle sales in the automotive business and the increase in the number of forklift sales.

The synergy effects expected to be realized by implementing the Transactions have not been taken into account in the financial forecasts below as it is difficult to accurately estimate them at present.

- (iii) Procurement by the Target Company of advice from an independent law firm

In order to ensure fairness and appropriateness in the decision-making at the Target Company's board of directors meetings, the Target Company appointed Nishimura & Asahi as its legal advisor independent from the Company, Mr. Toyoda, TMC, and the Target Company, and obtained from Nishimura & Asahi legal advice concerning the process and method of decision-making by the Target Company's board of directors, and other matters to be noted in the decision-making regarding the Tender Offer.

Nishimura & Asahi is not a related party of the Company, Mr. Toyoda, TMC, or the Target Company, and has no material interest in relation to the Tender Offer. The remuneration of Nishimura & Asahi will consist only of remuneration that is payable on an hourly basis regardless of whether the Transactions are successfully completed and will not include any contingency remuneration to be paid subject to the successful completion of the Transactions.

- (iv) Establishment by the Target Company of an independent special committee and procurement by the Target Company of a report therefrom

Following the Initial Proposal presented by TMC, in light of, among others, the fact that the Tender Offer is being conducted as a part of the Transactions that aim at taking the Target Company Shares private, on January 31, 2025, the board of directors of the Target Company established the Special Committee, which consists of the following three people: Mr. Junichi Handa (Outside, Independent Director of the Target Company and CEO of Management Wisdom Partners, Japan Inc.), Mr. Shuzo Sumi (Outside, Independent Director of the Target Company and Senior Executive Advisor for Tokio Marine & Nichido Fire Insurance Co., Ltd.), and Ms. Tokiko Shimizu (Outside, Independent Director of the Target Company and Representative Director and President of EmEco Corporation), all of whom are independent from the Target Company, the Company, Mr. Toyoda, and TMC, and have no interest in whether the Transactions are successfully implemented, in order to ensure the fairness of the Tender Offer Price, and also to eliminate arbitrariness in the decision-making on the Transactions, to ensure fairness, transparency, and objectivity in the Target Company's decision-making process, and to avoid conflicts of interest. The board of directors of the Target Company inquired with the Special Committee regarding: (i) the legitimacy and rationality of the purpose of the Transactions (including whether the Transactions contribute to improving the corporate value of the Target Company); (ii) the fairness of the procedures related to the Transactions (including whether sufficient consideration is given to the interests of the Target Company's shareholders); (iii) fairness and appropriateness of the conditions of the Transactions; (iv) pros and cons of expressing an opinion of the Target Company's board of directors to support the Tender Offer and recommending that the Target Company's shareholders tender their shares in the Tender Offer; and (v) whether implementation of the Transactions (including expression of an opinion of the Target Company's board of directors to support the Tender Offer and recommendation of the Target Company shareholders tendering their shares in the Tender Offer) causes a disadvantage to the minority shareholders of the Target Company (collectively, the "**Advisory Matters**"), and entrusted the Special Committee to submit the report regarding the Advisory Matters to the Target Company. A fixed-amount remuneration is to be paid to each of the members of the Special Committee in consideration of their work, irrespective of the contents of their report. Moreover, the board of the directors of the Target Company has decided to grant to the Special Committee the authorities to: appoint, at the cost of the Target Company, its own attorneys, appraisers, certified public accountants, and other advisors when the Special Committee deemed it necessary; and be substantially involved in the negotiation process regarding the conditions of the Transactions by the Target Company confirming the policy of negotiations on the Transactions with the Special Committee in advance, receiving timely reports on the status of the negotiations, and giving opinions, instructions, or requests on material aspects. The Target Company has decided to make a decision regarding the Transactions with utmost respect for the determination of the Special Committee, and



not to support the Tender Offer or the Transactions if the Special Committee determines that the conditions of Tender Offer or the Transactions are not appropriate.

The Special Committee carefully considered the Advisory Matters through information collection, consultation as needed, and other means, in addition to the total of 15 meetings held during the period from February 10, 2025 through June 3, 2025.

Specifically, the Special Committee approved first the appointment of the Target Company's financial advisor and third-party appraiser SMBC Nikko Securities, and its legal advisor Nishimura & Asahi, upon confirming that there were no problems with their independence and expertise. In addition, under the authority granted to the Special Committee, it appointed Mitsubishi UFJ Morgan Stanley Securities as its own financial advisor and third-party appraiser, and Gaien Partners as its own legal advisor on February 10, 2025, upon confirming that there were no problems with their independence and expertise. Furthermore, as stated in "(vii) Establishment of an independent examination framework at the Target Company" below, the Special Committee confirmed that there are no problems with the examination framework for the Transactions internally established by the Target Company from the viewpoint of independence and fairness. For the details of the consideration in the Target Company appointing SMBC Nikko Securities as its financial advisor and third-party appraiser, please refer to "(A) Name of appraiser and its relationship with the Target Company, TMC, and the Company" in "(ii) Procurement by the Target Company of a share valuation report from an independent financial advisor and third-party appraiser." above.

Mitsubishi UFJ Morgan Stanley Securities is not a related party of the Target Company, the Company, Mr. Toyoda, or TMC, and has no material interest that should be stated regarding the Transactions, including the Tender Offer. Mitsubishi UFJ Morgan Stanley Securities has the same parent company as MUFG Bank, and MUFG Bank engages in loan transactions as part of its ordinary banking transactions with the Target Company, and plans to offer a loan for the settlement related to the Tender Offer; however, since Mitsubishi UFJ Morgan Stanley Securities stated that, according to Article 36, paragraph (1) of the Act and the applicable laws and regulations under Article 70-4 of the Cabinet Office Order on Financial Instruments Business (Cabinet Office Order No. 52 of 2007, as amended), it has established and implemented an appropriate conflict of interest management system, including an information barrier measure, which strictly manages the information about the Target Company between Mitsubishi UFJ Morgan Stanley Securities, as a financial advisor and third-party appraiser, and MUFG Bank, and within the respective company, as an adverse effect prevention measure; therefore, Mitsubishi UFJ Morgan Stanley Securities provides services as a financial advisor and third-party appraiser without being affected by

MUFG Bank's determination, and calculates the value of the Target Company Shares in the capacity independent from the lender position of MUFG Bank. Accordingly, the Special Committee appointed Mitsubishi UFJ Morgan Stanley Securities as its own financial advisor and third-party appraiser independent from the Target Company, the Company, Mr. Toyoda, and TMC, in light of, among others, the statement that a strict information management system has been established between Mitsubishi UFJ Morgan Stanley Securities and MUFG Bank, and within the respective company, and the fact that Mitsubishi UFJ Morgan Stanley Securities achieved performance as a third-party appraiser in the past in same types of transactions.

Then, based on the opinions obtained from Nishimura & Asahi and Gaizen Partners, the Special Committee examined measures that should be taken to ensure the fairness of the procedures in the Transactions. In addition, based on the advice from Mitsubishi UFJ Morgan Stanley Securities, the Special Committee also received explanation from the Target Company on the details of, material preconditions to, and process of the preparation of, the Business Plan, Etc. prepared by the Target Company, and confirmed and approved the reasonableness of these matters. The Special Committee received explanations from the Target Company regarding the significance and purpose of the Transactions, impact on the Target Company's business, and other matters, which was followed by a question and answer session regarding these points; then, it presented questions and held a question and answer session with the Company regarding matters such as the purpose and background of the Transactions and the management policy after the Transactions. In addition, the Special Committee received reports from the Target Company and SMBC Nikko Securities from time to time regarding the negotiations between the Target Company and the Company, deliberated and examined them, and stated necessary opinions on the Target Company's negotiation policy as appropriate. Specifically, upon receipt of proposals of the Tender Offer Price from the Company, the Special Committee received a report on each of such proposals, received analysis results conducted by, and opinion from, SMBC Nikko Securities and Mitsubishi UFJ Morgan Stanley Securities regarding matters including the response policy, and then examined the proposals based on Mitsubishi UFJ Morgan Stanley Securities' advice provided from a financial standpoint. Then, the Special Committee was substantially involved in the overall process of discussions and negotiations between the Target Company and the Company regarding the conditions of the Transactions, including the Tender Offer Price and the Tender Offer Agreement, such as by stating its opinion to the Target Company on matters that should be discussed with the Company in order to achieve the significance and purpose of the Transactions as the Target Company. As a result, on May 20, 2025, the Target Company received a proposal from the Company that included setting the Tender Offer Price at 16,300 yen per share; it ultimately received three proposals in total, which led to an increase from the initially proposed price by 11.29% (rounded to two decimal

places).

Furthermore, the Special Committee received explanations from Nishimura & Asahi and Gaizen Partners several times about the details of the draft Target Company Press Release concerning the Tender Offer that the Target Company planned to announce or submit, and confirmed that information will be disclosed appropriately. In addition, the Special Committee was substantially involved in the discussions and negotiations with the Company regarding the Tender Offer Price and the Tender Offer Agreement, such as by receiving a report in a timely manner upon the Target Company's receipt of proposals regarding the Tender Offer Price from the Company, by stating its opinion several times to the Target Company that the Target Company should request that the Company increase the Tender Offer Price, and by deliberating and examining the negotiation policy with the Company.

Under the above process, the Special Committee carefully deliberated and examined the Advisory Matters based on each of the above-stated explanations, advice from each advisor, and other materials for examination, and as a result thereof, on June 3, 2025, the Special Committee submitted the Report regarding the Advisory Matters to the Target Company's board of directors, with the unanimous consent of its members, under certain preconditions including that the details of explanations and materials disclosed to the Special Committee are true and correct. The Report is as outlined below.

a. Content of the Report

- (A) The Transactions are deemed to contribute to improvement of the Target Company's corporate value, and the purpose of the Transactions is considered to be legitimate and rational.
- (B) In the Transactions, appropriate measures are considered to have been taken to ensure fairness, and the negotiation process and procedures leading to the decision-making for the Transactions are considered to be fair.
- (C) The purchase price of the Tender Offer is considered to be an appropriate price which can be reasonably assessed as considerably reflecting the Target Company's intrinsic value based on the results of the share valuations conducted by Mitsubishi UFJ Morgan Stanley Securities and SMBC Nikko Securities, among others. The other terms and conditions of the Transactions are also considered to be fair.
- (D) Considering (A) through (C) above, it is convincing for the Target Company's board of directors to express an opinion in support of the Tender Offer. Regarding the recommendation to the Target Company's shareholders to tender their shares in the Tender Offer, it is reasonable to decide to leave to their discretion whether to tender their shares in the Tender Offer at this time, in light of the Tender Offer Price being lower than the closing price on the business day immediately preceding the announcement date of the Tender Offer and the simple average of the closing price over the preceding one-month period. It would be appropriate for the Special Committee and the Target Company's board of directors to determine whether to recommend that shareholders of the Target Company tender their shares again at the time of commencement of the

Tender Offer.

- (E) In light of points (A) through (D) above, it is considered that proceeding with the Transactions, including the Tender Offer, would not be disadvantageous to the Target Company's minority shareholders.

b. Grounds for the Report

- (A) Legitimacy and reasonableness of the purpose of the Transactions (including whether the Transactions will contribute to enhancement of the Target Company's corporate value)

The Special Committee conducted a detailed examination of the appropriateness and rationality of the specific details of the purpose of the Transactions in relation to the Target Company as stated in "1. Purpose of the Tender Offer" above, the impact of the Transactions on the Target Company's employees and business partners, and the possibility of improving the Target Company's corporate value based on these matters. Specifically, the Special Committee comprehensively verified, among other matters, measures the Company envisions to improve the Target Company's corporate value in its current business environment, how specific and practical those measures are, whether it is necessary to implement the Transactions in order to implement those measures, what advantages the Transactions will bring to the Target Company's business, and, on the other hand, whether there are any disadvantages and the expected extent thereof.

As a result, it is recognized that there is nothing particularly unreasonable in the significance and purpose of the Transactions, including the Tender Offer, envisaged by the Target Company and the Company as stated in "(ii) Decision-making process and details and reasons for the Target Company's decision to issue the opinion to support the Tender Offer" in "(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer" under "1. Purpose of the Tender Offer" above, and that the significance and purpose of the Transactions are the result of reasonable consideration. Therefore, the Special Committee has come to the conclusion (i) that the Transactions are being conducted for the purpose of improving the Target Company's corporate value and (ii) that nothing particularly unreasonable is recognized in the Target Company's judgment that the Transactions are necessary to implement each of the measures envisaged by the Target Company.

Furthermore, the Special Committee has confirmed that under Article 6, Paragraph 2 of the Tender Offer Agreement to be executed between the Company and the Target Company, the Company will maintain and respect the Target Company's management autonomy under the Target Company Group's corporate philosophy even after completion of the Transactions. Additionally, the Special Committee has determined that by making the Target Company a wholly owned subsidiary of the Offeror through the Transactions, it is expected that synergies and

benefits that would have been difficult to realize while the Target Company remained listed will be generated, and that, at the same time, the necessity of maintaining the Target Company's listed status and the disadvantages of going private have been assessed as being limited, as stated below.

- a) This transaction is aimed at: (i) the Target Company leading within the Toyota Group the business domain centered on the movement of goods, such as materials handling equipment and logistics solutions; and (ii) strengthening the competitiveness of the Target Company's automotive business regarding the movement of people, through further deepening collaboration between the Target Company and the Toyota Group, and through these efforts, promoting the growth of the Toyota Group as a whole in the mobility industry by supporting the movement of information, under the Toyota Group's broader vision of contributing to the development of the mobility industry in Japan and the world through taking on challenges to "transform into a mobility company." The above vision is deeply resonant with the Target Company's management team, and the purpose of the Transactions aligns with the direction the Target Company is pursuing and which the Target Company's board of directors has discussed. Additionally, it is believed that pursuing the expansion of information and database utilization, which is essential for the Target Company to transform into a company that leads mobility companies through collaboration with Toyota Group companies, is a significant advantage of the Transactions.
- b) The Company, TMC, and Mr. Toyoda (collectively, "**Offeror Group**") expect that the Transactions will serve as an opportunity to commence the allocation of businesses, technologies, and resources related to the movement of goods that are inefficiently dispersed throughout the Toyota Group, with the Target Company at the center. The Target Company believes that the Offeror Group's thinking is reasonable and will contribute to the medium- to long-term enhancement of the Target Company's corporate value.
- c) The Offeror Group is believed to have an accurate understanding of the following management issues that the logistics solutions business, which is the most important business for the Target Company's business strategy, will face in the future, as well as the strategies to address these issues. The Special Committee also shares the same view on these management issues and strategies.
  - (i) Measures to strengthen competitiveness require significant upfront investments over the medium to long term, and some of which are unlikely to contribute to earnings in the short term.
  - (ii) Growth in the areas of information, data, and software may be critical for competitiveness, and it is important to make significant upfront investments and to make decisions more quickly than ever before in these areas.
  - (iii) Mobilizing management resources (particularly human resources and technology) across the group, beyond the scope of a single company,

is considered to be a significant contributor to strengthening competitiveness.

- d) It is believed that the synergies the Company aims to achieve with the Target Company are feasible, considering that the Transactions are positioned within the Toyota Group's vision as stated above, and enhancement of the Target Company's corporate value is a prerequisite for this strategy, that TMC will make a significant investment even though it will hold non-voting shares, that the Company will maintain capital and operational independence from all Toyota Group companies despite having a broad shareholder base within the Toyota Group, and that Mr. Toyoda, a member of the founding family of TMC, will hold voting rights in the Offeror's Parent Company.
- e) The Target Company, where the Toyota Group originated from, has been promoting collaboration among Toyota Group companies historically based on shared principles and guidelines such as the Toyoda Precepts and Toyota Production System (TPS). Therefore, it is believed that implementation of the Transactions between the Target Company and the Offeror Group, which share similar cultural backgrounds and values, will further enhance the likelihood of achieving the Toyota Group's vision and realizing synergies for both the Target Company and the Toyota Group.
- f) The Offeror Group has explicitly stated that it will consider the management policy after the Tender Offer thoroughly in consultation with the Target Company's management so that the Target Company will be able to aim for medium- to long-term growth without being influenced by short-term performance expectations from the stock market, while maintaining and strengthening the foundation of its current revenue business, by deepening business collaboration and coordination with the Toyota Group. Looking at what is expected of the Target Company following the Transactions, it is considered important to leverage the Target Company's strengths in the automotive business while maintaining the same level of operational flexibility as before. Regarding the materials handling equipment business, from a medium- to long-term perspective, it is planned to incorporate research and development results from Toyota Group companies in the automotive field into the Target Company's materials handling equipment business, in addition to the Target Company's own research and development in growth areas such as the integration of software and communication functions into industrial vehicles, electrification, and autonomous driving. In light of the foregoing, it is believed that even following completion of the Transactions, the Target Company's corporate culture of manufacturing rooted in the trust the Target Company has cultivated with its customers, which remains one of the Target Company's strengths, will be preserved. Moreover, by further developing the managerial capabilities and resources that have underpinned the Target Company's growth so far, it is expected that the Target Company will achieve continued advancements on its own.
- g) As the Transactions involve an acquisition using LBO financing, it is

expected that the Target Company's net asset value will decrease significantly after completion of the Transactions. However, based on interviews with the Target Company, the Special Committee has confirmed that (i) it is not expected that the Target Company will need to raise funds through equity financing, considering its financial condition, in order to conduct investments based on its business plan, (ii) it is possible to raise funds as necessary from financial institutions which are the Target Company's business partners, and (iii) the Company has consulted with financial institutions on the measures to limit the impact on the sales finance and logistics solutions businesses, and based on the status of these discussions, it has been confirmed that it is possible to avoid any damage to the Target Company's corporate value resulting from such borrowing and to maintain the Target Company's business competitiveness. In addition to this, the Company believes that "it can leverage the creditworthiness of the Toyota Group and establish a financial structure and support system that can meet significant capital needs, including equity financing," and given that this point is expected to be clearly stated in the press release, the disadvantages of delisting in terms of fundraising are considered to be minimal.

- h) Other general disadvantages of delisting include the possibility of business partners withdrawing, difficulties in recruiting personnel, and a decline in employee motivation. However, the Target Company, where the Toyota Group originated from, has a strong brand and credibility and its brand is already widely recognized and has a high level of name recognition. Additionally, it is planned to continue using the Target Company's brand in the business activities of the Target Company Group even after completion of the Transactions. Therefore, there will be no change in the Target Company Group's name recognition or social credibility. Furthermore, since the Company has clearly stated that it will cooperate to the greatest extent possible for the Target Company to maintain and develop its business relationships with existing customers, suppliers, and other stakeholders of its business, the likelihood of business partners withdrawing due to delisting is extremely low. Moreover, as the Company's basic policy is to maintain the employment of the Target Company's employees after the Transactions and not to change the employment conditions of the Target Company's employees in a disadvantageous manner, which will be explicitly mentioned in the press release (Article 6, Paragraph 9 of the Tender Offer Agreement stimulates the maintenance of the employment of the Target Company Group), there will be no impact on the social status of employees or on recruitment.

Based on the above points, and as a result of careful discussion and examination, the Special Committee reached a conclusion that the Transactions will contribute to the improvement of the corporate value of the Target Company, and that the purpose of the Transactions is legitimate and rational.

- (B) Fairness of the procedures related to the Transactions (including whether sufficient consideration has been given to the interests of the Target Company's

shareholders)

Based on the “Fair M&A Guidelines” published by the Ministry of Economy, Trade and Industry on June 28, 2019 (the “**Fair M&A Guidelines**”), the Special Committee examined the fairness of the negotiation process and decision-making procedures related to the Transactions.

a) Establishment of an independent special committee

a. Time of establishment

In the Transactions, on December 16, 2024, TMC made the Initial Proposal to the Target Company to the effect that it wanted to start examining taking the Target Company private, and thereafter, the Target Company established the Special Committee on January 31, 2025, and the first Special Committee meeting was held on February 10, 2025.

As such, in the Transactions, the Special Committee became involved in the Transactions at an early stage after TMC proposed the Transactions, and it can be determined that the Special Committee’s involvement in the Transactions has been ensured from the initial stage of the process of formulating the conditions of the Transactions.

b. Composition of the Special Committee members (independence, attributes, and expertise)

In the Transactions, in order to be careful in the Target Company’s decision-making regarding the Transactions, and to eliminate arbitrariness and the risk of conflicts of interest and to ensure fairness in the decision-making process by the Target Company’s board of directors, on January 31, 2025, the Target Company’s board of directors appointed the following three people, all of whom are outside directors of the Target Company and are independent officers requested by the Tokyo Stock Exchange, with advice from Nishimura & Asahi, the Target Company’s independent legal advisor, after confirming that they are independent from the Offeror Group and the Target Company Group and have no material interest in whether the Transactions are successfully completed that differs from that of minority shareholders: Mr. Junichi Handa (independent outside director of the Target Company), Mr. Shuzo Sumi (independent outside director of the Target Company), and Ms. Tokiko Shimizu (independent outside director of the Target Company).

Thus, it has been confirmed that the members of the Special Committee are independent of both the Offeror Group and the Target Company Group and that they do not have a material interest in whether the Transactions are successfully completed that differs from that of minority shareholders, and it can be determined that they were appointed with due consideration of their expertise and attributes.

c. Involvement in the negotiations with the Offeror regarding the conditions, etc. of the Transactions

When negotiating the conditions of, and other matters concerning, the Transactions (including the terms of the Tender Offer Agreement; the



same applies in c.), the Target Company and the Offeror Group were to report the status of the negotiations to the Special Committee in a timely manner and receive its opinions, instructions, and requests on important aspects, as stated above, and a situation in which the Special Committee could be substantially involved in the negotiations between the Target Company and the Offeror Group regarding the conditions, etc. of the Transactions, including the Tender Offer Price, was ensured. The Special Committee gave instructions to the Target Company's management on the negotiation policy when negotiating the conditions, etc. of the Transactions, including the Tender Offer Price.

Thus, it can be determined that the Special Committee was substantially involved in the negotiations between the Target Company and the Offeror Group regarding the Tender Offer Price and other conditions, etc. of the Transactions.

d. Advisors, etc.

The Special Committee appointed Mitsubishi UFJ Morgan Stanley Securities as its own financial advisor and third-party appraiser, and Gaien Partners as its own legal advisor, after confirming their independence, expertise, track records, etc. In addition, the Special Committee approved Nishimura & Asahi as an independent legal advisor and SMBC Nikko Securities as an independent financial advisor of the Target Company, after confirming their expertise, track records, etc., and received advice from Nishimura & Asahi and SMBC Nikko Securities as necessary.

Thus, it can be determined that the Special Committee carefully examined and discussed the rationality of the purpose of the Transactions, the fairness of the conditions of the Transactions, and other matters from the perspective of improving the Target Company's corporate value and ensuring the interests of its minority shareholders, while obtaining expert advice, opinions, etc. from each of the above outside advisors in a timely manner in the process of examining the Transactions.

e. Acquisition of information

Upon establishment of the Special Committee, the Target Company's board of directors resolved to authorize the Special Committee to request that, when making decisions regarding the Transactions, the Target Company's directors, employees, and other persons deemed necessary by the Special Committee attend meetings of the Special Committee and that they explain necessary information.

In addition, when examining the Transactions, the Special Committee received legal advice from Gaien Partners and Nishimura & Asahi on the decision-making process concerning the Transactions and the manner of operation of the Special Committee. In addition, in reviewing the materials regarding the present case, the Special Committee held question-and-answer sessions with management and other relevant personnel on the significance and purpose of the

Transactions and the business plan, etc. of the Target Company, and with the Offeror Group, as stated above. Further, the Special Committee submitted written questions and additional questions to the Offeror Group and received responses several times to obtain sufficient information to examine the Transactions.

Thus, it can be determined that the Special Committee has established a framework that allows it to obtain important information, including non-public information, and to examine and make judgments regarding whether to conduct the Transactions and the appropriateness of the conditions thereof based on such information.

f. Remuneration

In examining the Transactions, the Target Company's board of directors will pay to the Special Committee members fixed remuneration that is payable regardless of whether the Transactions are successfully completed, as consideration for their duties, and the contingency remuneration system will not be adopted.

In light of the fact that remuneration for appropriately fulfilling the role required of the Special Committee in examining the Transactions will be paid regardless of whether the Transactions are successfully completed, it can be determined that an environment has been created in which each member of the Special Committee can easily make a commitment in terms of time and effort and make judgments from a position independent of whether the Transactions are successfully completed.

g. Handling of the Special Committee's judgments at the Target Company's board of directors' meetings

When establishing the Special Committee, the Target Company's board of directors resolved that it would position the Special Committee as a consultative body independent of itself, and when making decisions on the Transactions, it would respect the Special Committee's opinions to the fullest extent possible, and if the Special Committee determined that the conditions of the Tender Offer or the Transactions were not appropriate, that it would not support the Tender Offer. The Target Company's board of directors further resolved that, in relation to the negotiations regarding the conditions of the Transactions with the Offeror Group, it would give to the Special Committee the authority to be substantially involved in the negotiation process, such as by confirming the policy thereof in advance and by receiving timely reports on the status of the negotiations and giving opinions, instructions, or requests at important moments, as well as the authority to appoint its own advisors at the Target Company's reasonable expense if the Special Committee deemed it necessary.

Thus, it can be determined that a framework has been ensured in which the Target Company's board of directors of the Target Company can make decisions respecting the opinions of the Special Committee regarding the Transactions.

h. The Target Company's internal examination framework

Out of the Target Company's directors, Mr. Shigeki Terashi served as a director of TMC until May 2021, and Mr. Kazunari Kumakura has been concurrently serving as General Manager of the Purchasing Management Division of TMC. In light of this fact, from the viewpoint of avoiding potential conflicts of interest, after receiving the Initial Proposal from TMC on December 16, 2024 stating that it wanted to start examining taking the Target Company private, Mr. Terashi and Mr. Kumakura did not participate in the deliberations and resolutions by the board of directors concerning the Transactions, including the board of directors meeting held on January 31, 2025 in which the establishment of the Special Committee was resolved, nor did they participate in the considerations of the Transactions or in the discussions or negotiations regarding the conditions of the Transactions, including the Tender Offer Price, between the Target Company and the Offeror Group from the Target Company's standpoint.

Thus, it can be determined that the Target Company has established an internal framework that enabled it to conduct examinations and negotiations from a standpoint independent of the Offeror Group in the Transactions.

i. Sub-summary

As stated above, it can be determined that, in examining the Transactions, efforts were actively made to enhance the effectiveness of the Special Committee, and that the Special Committee has functioned effectively.

b) Acquisition of independent expert advice or the like from outside experts

a. Appointment of independent legal advisors and acquisition of advice therefrom

It can be determined that immediately after TMC proposed the Transactions, the Target Company appointed Nishimura & Asahi, which is independent of the Offeror Group and the Target Company Group, as a legal advisor for the Transactions, and that, since then, it has been receiving necessary legal advice regarding measures that should be taken to ensure the fairness of the procedures in the Transactions, various procedures in the Transactions, and matters including the method and process of the Target Company's decision-making concerning the Transactions. The Special Committee approved the above-stated appointment of Nishimura & Asahi as the Target Company's legal advisor.

For details of the Special Committee appointing Gaien Partners as its own legal advisor and receiving necessary legal advice regarding measures that should be taken to ensure the fairness of the procedures in the Transactions, and matters including the method and process of deliberation by the Special Committee concerning the Transactions, please refer to d. in a) above.

- b. Appointment of independent financial advisors and third-party appraisers, and acquisition of share valuation reports therefrom

The Target Company appointed SMBC Nikko Securities, which is independent of the Offeror Group and the Target Company Group, as the financial advisor and third-party appraiser for the Transactions, and obtained advice on examining the structure of the Transactions, alternative means, and alternative transactions, and price negotiations and other matters; in addition, the Target Company requested that SMBC Nikko Securities calculate the value of the Target Company Shares and obtained the Target Company Share Valuation Report (SMBC Nikko Securities) regarding the valuation results of the Target Company Shares as of June 2, 2025 (please refer to b. in a) in (C) below.). The Special Committee approved the appointment of SMBC Nikko Securities as the Target Company's financial advisor.

For details of the Special Committee appointing Mitsubishi UFJ Morgan Stanley Securities as its own financial advisor and third-party appraiser, please refer to d. in a) in (B) above, and for details of the Target Company Share Valuation Report (Mitsubishi UFJ Morgan Stanley Securities) regarding the calculation of the share value of the Target Company Shares acquired on June 2, 2025, please refer to a. in a) in (C) below.

- c) Securing opportunities for other acquirers to propose acquisitions (market check)

The Tender Offer Period is 20 business days. The Tender Offer is a so-called pre-announced tender offer, and since there is a relatively long period between the announcement of the Tender Offer and its commencement, minority shareholders will have sufficient time to make an appropriate decision regarding their participation in the Tender Offer, and other parties other than the Offeror will also have sufficient opportunity to purchase the Target Company's shares.

The Tender Offer Agreement stipulates the Target Company's obligation to express an opinion in support of the Tender Offer.

However, with respect to such obligation, a "fiduciary-out" clause is stipulated, which allows the Target Company to change or withdraw its opinion (i) if a party other than the Company or the Offeror makes a counter-proposal that includes the delisting of the Target Company Shares at the amount of consideration (whether in money, shares, or otherwise) equivalent to an amount that is 5% or more higher than the Tender Offer Price; and (ii) if it is objectively and reasonably recognized that there will be a high probability that maintaining the opinion in support of the Tender Offer even with such proposal will constitute a breach of due care of a prudent manager as a director of the Target Company. The agreement will not include any clause prohibiting the Target Company from contacting a competing offeror or requiring the Target Company to pay breakup fees when it is in support

of the acquisition proposal by the competing offeror. In addition, there is no other agreement between the Target Company and the Company that excessively restricts the Target Company's contact with the competing offeror.

d) Matters Concerning setting of the majority of minority condition

The "majority of minority" condition is, when implementing an M&A and where intentions of shareholders regarding whether to accept such M&A will be presented by exercising voting rights on whether to support the M&A or by tendering their shares to the tender offer or not, to set a precondition to the successful completion of the M&A to obtain support from the majority of shares held by minority shareholders, and to publicly announce that precondition in advance. It has a function that places greater emphasis on securing opportunities for minority shareholders to make decisions.

In the Transactions, the Company, Mr. Toyoda and TMC respectively holds, as of today, 16,291,374 shares (ownership percentage: 5.42%), 141,600 shares (ownership percentage: 0.05%), and 74,100,604 shares (ownership percentage: 24.66%) of the Target Company Shares. The minimum number of shares to be purchased (126,216,300 shares (ownership percentage: 42.01%)) has been set at a level that exceeds the number of shares equal to the majority of (i) the total number of issued shares of the Target Company as of March 31, 2025 (325,840,640 shares) as stated in the Target Company's Financial Results minus (ii) the number of treasury shares (25,365,334 shares) obtained from the number of treasury shares held by the Target Company as of March 31, 2025 (24,440,334 shares) plus the number of treasury shares acquired through the share repurchase conducted by the Target Company during the period from April 1, 2025 to April 30, 2025 (801,700 shares) as stated in the "Notice Concerning the Status of Repurchase of Shares of Treasury Stock" announced by the Target Company on May 7, 2025 and the number of shares of treasury shares acquired through the share repurchase conducted by the Target Company during the period from May 1, 2025 to May 12, 2025 (123,300 shares) as stated in the "Notice Concerning the Status and Completion of the Repurchase of Shares of our Common Stock" announced by the Target Company on May 14, 2025, the Target Company Shares held by the Company (16,291,374 shares), the Target Company Shares held by Mr. Toyoda as of today (141,600 shares), and the Target Company Shares Held by TMC (74,100,604 shares) (209,941,728 shares (ownership percentage: 69.87%); the difference of (i) and (ii) (104,970,865 shares (ownership percentage: 34.93%)) (rounded up to the nearest whole number).. This constitutes the majority of the number of Target Company Shares held by the shareholders of the Target Company who do not have an interest in the Company, i.e., a so-called "majority of minority")

e) Enhancement of the Information Provision to Minority Shareholders and Improvement of the Transparency of the Process

a. Information About the Special Committee

In the Transactions, the materials disclosed by the Target Company will include the following information: (i) information about the independence or expertise of the members of the Special Committee; (ii) information about the details of the authority granted to the Special Committee; (iii) if the Special Committee determined that the conditions of the Tender Offer or the Transactions are not appropriate, the resolution of the Target Company's board of directors that it will not agree to the Tender Offer or the Transactions; (iv) process of consideration in the Special Committee, (v) information about the fact that the Special Committee is substantially involved in the negotiations between the Target Company and the Company; (vi) the details of the report from the Special Committee and the reason therefor (including the legitimacy and rationality of the purpose of the Transactions, the fairness of the procedures related to the Transactions, the fairness and appropriateness of the conditions of the Transactions, pros and cons of expressing an opinion of the Target Company's board of directors to support the Tender Offer and recommending that the Target Company's shareholders tender their shares in the Tender Offer; and whether implementation of the Transactions causes a disadvantage to the minority shareholders of the Target Company); and (vii) the effect that the remuneration to be paid to the Special Committee member is fixed. Therefore, it is deemed that the Transactions will satisfy the information disclosure requirements set forth in the Fair M&A Guidelines.

b. Information About the Share Valuation Report

In the Transactions, the materials disclosed by the Target Company will include the following information: (i) with respect to the contents of the Target Company Share Valuation Report (Mitsubishi UFJ Morgan Stanley Securities) regarding the valuation results of the Target Company Shares obtained from Mitsubishi UFJ Morgan Stanley, which is the Special Committee's own financial advisor and third-party appraiser independent from the Target Company and the Offeror group, and the Target Company Share Valuation Report (SMBC Nikko Securities), information about each calculation method (market price analysis, comparable companies analysis and DCF Analysis for the Target Company Share Valuation Report (Mitsubishi UFJ Morgan Stanley Securities) and market price method, comparable companies method, and DCF Method for the Target Company Share Valuation Report (SMBC Nikko Securities)), and process of calculating the share value of the Target Company based thereon; and (ii) the fact that Mitsubishi UFJ Morgan Stanley Securities and SMBC Nikko Securities have independence from the Offeror group and the Target Company Group, and have no material interest which is different from the minority shareholders concerning whether the Transactions are successfully completed. Therefore, it is deemed that the Transactions will satisfy the information disclosure requirements set forth in the Fair M&A Guidelines.

c. Other information

In the Transactions, the materials disclosed by the Target Company will include the following information: (i) information about the processes leading to the implementation of the Transactions; (ii) background and purpose of choosing to conduct the Transactions at this time; (iii) internal examination framework that excludes the Target Company's director who is a former TMC director and currently serves as the head of procurement at TMC to eliminate the impact from the structural conflicts of interest; (iv) process of consultations and negotiations regarding the conditions of the Transactions between the Target Company and the Offeror group; (v) whether or not there is any agreement that includes deal protection provisions which excessively prohibit the Target Company from having contact with a competing offeror; (vi) voting results to the resolution of the board of directors, and where the members who had an interest in deciding whether to approve the Transactions did not participate. Therefore, it is deemed that the Transactions will satisfy the information disclosure requirements set forth in the Fair M&A Guidelines.

f) Elimination of Coercion

In the Transactions, (i) after the Tender Offer, the Squeeze-Out Procedures through the Share Consolidation are scheduled to limit the Target Company's shareholders only to the Offeror and TMC; however, no scheme has been scheduled in which shareholders who have objection to the Transactions do not have the right to request the purchase of shares. (ii) It is scheduled to be disclosed that (a) if the Tender Offer is successfully completed, the Squeeze-Out Procedures are implemented, and that (b) in the Squeeze-Out Procedures, the amount of money to be delivered to the Target Company's shareholders who did not tender their shares in the Tender Offer will be the same as the price obtained by multiplying the Tender Offer Price by the number of shares of common stock of the Target Company held by that each shareholder. Therefore, it can be said that consideration is given to the minority shareholders, whether or not they tender their shares in the Tender Offer, to avoid a situation where it is expected that they are treated unfavorably if they did not tender their shares in the Tender Offer.

Thus, in the Transactions, it can be said that consideration is given to avoid coercion to the minority shareholders, and it is deemed that measures that contribute to ensuring the fairness of the procedures are being taken.

g) Sub-summary

In light of the above, after careful discussion and deliberation, the Special Committee has concluded that, from the perspective of considering the interests of the Target Company's shareholders, appropriate fairness ensuring measures are taken in accordance with the fairness ensuring measures stipulated in the Fair M&A Guidelines, and that the negotiation process and decision-making process regarding the Transactions are appropriate.

(C) Matters Concerning the Fairness and Reasonableness of the Conditions of the Transactions

- a) Procurement of a Share Valuation Report from a Third-Party Appraiser  
a. Procurement by the Special Committee of a Share Valuation Report from Mitsubishi UFJ Morgan Stanley Securities

According to the Target Company Share Valuation Report (Mitsubishi UFJ Morgan Stanley Securities) procured by the Special Committee, the share value per Target Company Share ranges based on a market price analysis (record date 1) with June 2, 2025, the business day immediately preceding the announcement date of the Tender Offer, as the record date, and ranges from 13,425 yen to 18,260 yen. To exclude the impact on stock prices caused by Speculative Reports by certain media outlets regarding the Transactions (after the close of trading on April 25, 2025), the market price analysis (record date 2) as of April 25, 2025, which is the trading date before such Speculative Reports, ranges from 12,228 yen to 13,225 yen. The comparable company analysis ranges from 13,656 yen to 18,029 yen, and the DCF Analysis ranges from 15,665 yen to 19,888 yen. The Tender Offer Price of 16,300 yen exceeds the median of the market stock price analysis (record date 1), the upper limit of the market stock price analysis (record date 2), and the median of the comparable company analysis; moreover, it is within the range of the DCF Analysis.

- b. Procurement by the Target Company of a Share Valuation Report from SMBC Nikko Securities

According to the Target Company Share Valuation Report (SMBC Nikko Securities) procured by the Target Company, the share value per Target Company Share, calculated using the market price method (i) with June 2, 2025, as the record date, ranges from 13,425 yen to 17,471 yen. To exclude the impact of Speculative Reports on stock prices, the market price method (ii), using April 25, 2025, which is the trading date before such Speculative Reports as the record date, ranges from 12,228 yen to 12,773 yen. The comparable listed company method results ranges from 15,269 yen to 17,825 yen, and the DCF Method results ranges from 14,229 yen to 18,400 yen. The Tender Offer Price of 16,300 yen exceeds the median of the valuation results under the market price method (i) and the upper limit of the valuation results under the market price method (ii), and it is also comparable to the median of the valuation results under the comparable listed company comparison method and the DCF Method.

- c. Consideration of the Method for Preparing the Business Plan Underlying the Share Valuation Report

Furthermore, the Special Committee requested that Mitsubishi UFJ Morgan Stanley Securities and SMBC Nikko Securities to provide the Target Company, Mitsubishi UFJ Morgan Stanley Securities, and SMBC Nikko Securities with information regarding the valuation methods used in the share valuation, including the selection of valuation



techniques, the methods, processes, and content of the business plan used as the basis for the DCF Analysis in the Target Company Share Valuation Report (Mitsubishi UFJ Morgan Stanley Securities) and the DCF Method in the Target Company Share Valuation Report (SMBC Nikko Securities), as well as the basis for the discount rate calculation; subsequently, and after conducting a review and Q&A session, no unreasonable points were identified in light of general valuation practices.

b) Tender Offer Price

a. Positioning of the Tender Offer Price in the Calculation Results of the Third-Party Appraiser

As described in a) above, the Tender Offer Price exceeds the median of the calculation results based on the market price analysis (record date 1), the upper limit of the calculation results based on the market price analysis (record date 2) and the median of the calculation results based on the comparable companies analysis, according to the calculation by Mitsubishi UFJ Morgan Stanley Securities, the third-party calculation agent of the Special Committee; and the amount is comparable to the median value of the calculation results based on the comparable listed company analysis, exceeding the median value of the calculation results based on the market share price analysis (1) and the upper limit value of the calculation results based on the market share price analysis (2) calculated by SMBC Nikko Securities, the Target Company's third-party appraiser. In addition, the amount is within the range of the calculation results of the DCF Analysis by Mitsubishi UFJ Morgan Stanley Securities, which is based on the Target Company's business plan and takes into account the Target Company's growth potential, and it is comparable to the median value of the calculation results of the DCF Analysis by SMBC Nikko Securities.

b. Verification of the Premium Levels related to the Tender Offer Price

The Tender Offer Price for the Tender Offer is 10.73% lower than the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on June 2, 2025, the business day before the announcement of the Tender Offer, and 6.70% lower than the simple average closing price of the Target Company Shares over the past month up to that date; moreover, it represents a premium of 12.87% over the simple average closing price of 14,442 yen for the three months ending on the same date, and a premium of 21.42% over the simple average closing price of 13,425 yen for the six months ending on the same date. However, following the initial Speculative Report on April 25, 2025, the closing price rose by 22.68% to 16,225 yen on the next business day, April 28, reaching a level exceeding the all-time high since listing on a closing price basis. Additionally, another Speculative Report was made on May 19 of the same year, and the closing price on the same day (16,250 yen) rose by 8.60% to the closing price on the next business day, May 20 (17,940 yen). In particular, the increase in the closing price from the closing price on April 25, 2025, when the initial Speculative Report was first made, to the closing price on the next business day,

April 28, 2025, was the highest fluctuation rate in the past ten years of the Target Company Shares market price fluctuations. Considering these factors, it can be interpreted that the market price of the Target Company Shares during these periods reflected a significant expectation regarding the implementation of the Transactions (and an even greater expectation regarding the implementation of the Transactions following the rise in stock price after the Speculative Reports on May 19 of the same year). Additionally, considering that the Speculative Reports contained inaccurate information regarding the total acquisition amount of the transaction or business restructuring, it would not be unreasonable to assess that the market price of the Target Company Shares following the Speculative Report may not have been appropriately formulated and may not reasonably reflect the Target Company's intrinsic value.

The Tender Offer Price includes a premium of 23.25% on 13,225 yen, which was the closing price for the Target Company Shares on the Tokyo Stock Exchange on April 25, 2025, which was before the Speculative Reports were made; a premium of 30.71% on 12,470 yen, which was the simple average closing price for the Target Company Shares over the preceding one-month period; a premium of 27.61% on 12,773 yen, which was the simple average closing price for the Target Company Shares over the preceding three-month period; and a premium of 33.30% on 12,228 yen, which was the simple average closing price for the Target Company Shares over the preceding six-month period, respectively; moreover, it has been determined that it is not significantly low and that it is sufficiently reasonable when compared with the premium levels in 13 other tender offer cases whose purpose was to have large listed companies, the market capitalization of which is 500 billion yen or more, go private on or after June 28, 2019, which is the date on which the Fair M&A Guidelines published by the Ministry of Economy, Trade and Industry were published.

c. Price Consensus Building Process

The Target Company has established this Special Committee and decided not to approve the Tender Offer if the Special Committee determines that the terms and conditions of the Tender Offer or the Transactions are not appropriate. The Target Company and the Special Committee have conducted multiple rounds of discussions and negotiations with the Company regarding the Tender Offer Price, in accordance with the negotiation guidelines previously approved by the Special Committee, with the aim of protecting the interests of minority shareholders. Additionally, measures were taken to ensure that directors with potential conflicts of interest with the Offeror Group were not involved in the deliberation of agenda items related to the consideration of the Transaction, the consideration of the Transactions from the Target Company's perspective, or negotiations with the Offeror Group regarding the Transaction.

Based on the above, it can be recognized that the negotiation process regarding the transaction terms of the Transactions between the Target Company and the Company was conducted under circumstances that

can be regarded as equivalent to an independent transaction. Furthermore, as a result of such negotiations, the initial proposal by the Company (14,646 yen per share of the Target Company Shares) was ultimately increased to a total of 1,654 yen (11.29% rounded to the nearest hundredth).

c) Fairness of Other Transaction Conditions

The minimum number of shares to be purchased to satisfy the majority of minority shareholders has been set, ensuring an opportunity for shareholders to confirm their intentions. Additionally, the period between the announcement of the Tender Offer and the commencement of the Tender Offer is relatively lengthy, thereby ensuring that minority shareholders have sufficient time to make appropriate decisions regarding their participation in the Tender Offer. Furthermore, opportunities for parties other than the Offeror to purchase the Target Company Shares are also ensured. As a result, the transaction terms are not disadvantageous to minority shareholders.

Furthermore, in the Transactions, the method of delisting the Target Company involves two stages: first, the Tender Offer; and second, the Squeeze-Out Procedures through the Share Consolidation. This is one of the generally adopted methods in transactions involving the delisting of a private subsidiary.

Additionally, in the Squeeze-Out Procedures, shareholders of the Target Company who did not participate in the Tender Offer (excluding TMC and the Target Company) will ultimately receive cash. The amount of cash to be paid in such procedure is calculated to be equal to the Tender Offer Price multiplied by the number of shares of the Target Company held by such shareholders (it is understood that this intention will be explicitly stated in press releases, etc.), thereby ensuring that minority shareholders have an appropriate opportunity to make an informed decision regarding whether to participate in the Tender Offer and to prevent coercive effects.

d) Sub-summary

Based on the above (a) through (c), after careful deliberation and consideration, the Special Committee has determined that the Tender Offer Price is appropriate and can be reasonably assessed as considerably reflecting the intrinsic value of the Target Company, and that the other terms and conditions of the Transactions are fair to minority shareholders.

(D) Whether the Board of Directors of the Target Company Approves a Resolution to Express an Opinion in Support of the Tender Offer and Recommend that the Target Company Shareholders Tender Their Shares in the Tender Offer

The Special Committee has determined that the following conditions are satisfied: (A) the Transactions are deemed to contribute to the enhancement of the Target Company's corporate value, and the purpose of the Transactions is deemed to be proper and reasonable; (B) appropriate fairness-ensuring measures have been implemented in connection with the Transactions, and the negotiation process and

procedures leading to the decision regarding the Transactions were conducted fairly; and (C) the Tender Offer Price is appropriate and can be reasonably assessed as considerably reflecting the intrinsic value of the Target Company and provides minority shareholders with an opportunity to sell their shares at an appropriate price. Additionally, considering that the Target Company had not achieved a stock price exceeding the Tender Offer Price before the Speculative Reports, and that such a stock price could not have been achieved without the Tender Offer, the Special Committee has determined that it can approve the Board of Directors' decision to express an opinion in support of the Tender Offer.

However, considering that the amount represents a discount of 10.73% compared to the closing price of 18,260 yen per share of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange on June 2, 2025, the business day before the announcement of the Tender Offer, and a discount of 6.70% compared to the simple average closing price of 17,471 yen over the past one month up to that date, at this time, the Special Committee is unable to recommend that the Target Company's shareholders participate in the Tender Offer and must therefore maintain a neutral position on this matter.

Therefore, the Special Committee has determined that it is appropriate to: (i) approve the Board of Directors' decision to express an opinion in support of the Tender Offer; and (ii) at this time, leave to the decision of shareholders of the Target Company whether to tender their shares in the Tender Offer. Furthermore, the Special Committee believes it is appropriate to reassess the advisability of recommending participation in the Tender Offer when it commences, through the Special Committee and the Board of Directors.

Furthermore, as noted above, if, at the time of commencement of the Tender Offer, the situation in which the Tender Offer Price is discounted at a certain rate from the Target Company's share price ceases to exist, or such other situation is secured in which the Target Company can recommend that its shareholders tender their shares in the Tender Offer, the Special Committee may determine that it is appropriate to approve a resolution by the Board of Directors to change its current neutral position and recommend that shareholders participate in the Tender Offer.

(E) Effect that the Transactions Are Not Disadvantageous to Minority Shareholders of the Target Company

As discussed in items (A) through (D) above, the Special Committee has determined that the terms and conditions of the Tender Offer do not disadvantage minority shareholders. Furthermore, with respect to matters other than those discussed in items (A) through (D) above, the Special Committee has not identified any particular circumstances that would cause the Transactions, including the Tender Offer, to be disadvantageous to the Target Company's minority shareholders.

(v) Procurement by the Target Company's special committee of a share

valuation report from an independent financial advisor and third-party appraiser

(A) Name of appraiser and its relationship with the Target Company, TMC, Mr. Toyoda and the Company

In considering the Advisory Matters, the Special Committee requested that Mitsubishi UFJ Morgan Stanley Securities, a financial advisor acting as a third-party appraiser independent from the Company, TMC, and the Target Company, calculate the share value of the Target Company Shares, and obtained the Target Company Share Valuation Report (Mitsubishi UFJ Morgan Stanley Securities) as of June 2, 2025.

Mitsubishi UFJ Morgan Stanley Securities is not a related party of the Company, Mr. Toyoda, TMC, or the Target Company, and has no material interest in the Tender Offer. The remuneration to be paid to Mitsubishi UFJ Morgan Stanley Securities does not include any contingency remuneration to be paid subject to successful completion of the Transactions and other conditions. Since the Special Committee has determined that measures to ensure fairness of the Tender Offer Price and to avoid conflict of interest have been taken and fairness concerning the Transactions has been fully ensured, the Special Committee has not obtained from Mitsubishi UFJ Morgan Stanley Securities an opinion on the fairness of the Tender Offer Price (a fairness opinion).

(B) Summary of calculation

As a result of considering the calculation methods to be used in the Tender Offer, based on the idea that it is appropriate to calculate the value of the Target Company Shares multilaterally, Mitsubishi UFJ Morgan Stanley Securities calculated the share value of the Target Company using the following calculation methods: the market price analysis, as the Target Company Shares are listed on the Prime Market of the Tokyo Stock Exchange and the Premier Market of the Nagoya Stock Exchange and the market prices thereof exist; the comparable companies analysis, as there are multiple listed companies that are comparable to the Target Company, and an analogical inference of the share value of the Target Company based on comparison with the market value of comparable listed companies is possible; and the DCF Analysis to reflect the intrinsic value based on the status of the Target Company's future business operations in the valuation (Note).

The ranges of the share values per share of the Target Company Shares calculated under each of the methods above are as follows.

Market price analysis (record date 1): 13,425 yen to 18,260 yen  
Market price analysis (record date 2): 12,228 yen to 13,225 yen  
Comparable companies analysis: 13,656 yen to 18,029 yen  
DCF Analysis: 15,665 yen to 19,888 yen

Under the market price analysis, (i) by setting the record date for calculation as June 2, 2025 (the “**Record Date 1**”, and market price analysis using the same date as the calculation base date is referred to as “**market price analysis (record date 1)**”), which was the business day immediately preceding the announcement date (today) of the Tender Offer the range of values per Target Company Share was calculated to be 13,425 yen to 18,260 yen based on: 18,260 yen, which is the closing price of the Target Company Shares on the Record Date 1; 17,471 yen, which is the simple average value of the closing prices for the one month before the Record Date 1 (rounded up or down to the nearest whole number; hereinafter the same to the calculation of the simple average closing prices); 14,442 yen, which is the simple average value of the closing prices for the three months before the Record Date 1; and 13,425 yen, which is the simple average value of the closing prices for the six months before the Record Date 1, on the Prime Market of the Tokyo Stock Exchange; and (ii) in order to eliminate the effect on the share price due to speculating media coverage by some of the press regarding the Transactions (after the end of the market hours on April 25, 2025), by setting the record date for calculation as April 25, 2025 (the “**Record Date 2**” and market price analysis using the same date as the calculation base date is referred to as “**market price analysis (record date 2)**”), on which trading before such coverage took place, the range of values per Target Company Share was calculated to be 12,228 yen to 13,225 yen based on: 13,225 yen, which is the closing price of the Target Company Shares on the Record Date 2; 12,470 yen, which is the simple average value of the closing prices for the one month before the Record Date 2; 12,773 yen, which is the simple average value of the closing prices for the three months before the Record Date 2; and 12,228 yen, which is the simple average value of the closing prices for the six months before the Record Date, on the Prime Market of the Tokyo Stock Exchange.

Under the comparable companies analysis, the range of values per Target Company Share was calculated to be 13,656 yen to 18,029 yen by analyzing the value of the Target Company Shares, by comparing with financial indices indicating the market price, profitability, etc. of comparable listed companies that operate businesses comparably similar to that of the Target Company.

Under the DCF Analysis, the range of values per Target Company Share was calculated to be 15,665 yen to 19,888 yen by analyzing the corporate value and share value of the Target Company by making certain financial adjustments such as by adding the value of cash equivalent or the like, including cash and deposits held by the Target Company, to the business value calculated by discounting to the present value at a certain discount rate the free cash flow expected to be generated by the Target Company in the future based on the future earnings forecasts in and after the fiscal year ending March 2026, which took into consideration various factors, including the business plan for

the three fiscal years from the fiscal year ending March 2026 to the fiscal year ending March 2028, performance results trends to date, as well as publicly available information and other materials.

The Target Company's business plan, which was used by Mitsubishi UFJ Morgan Stanley Securities as the basis for the calculation using the DCF Method, includes fiscal years in which significant increases or decreases in profits are expected compared to the previous fiscal years. Specifically, for the fiscal year ending March 2026, operating income is expected to decline due to the expected strong yen and an increase in personnel costs, and for the fiscal year ending March 2027, a significant increase in operating income is expected when compared to the previous fiscal year ending March 2026, in accordance with the increase in sales due to the recovery in vehicle sales in the automotive business and the increase in the number of forklift sales.

The synergy effects expected to be realized by implementing the Transactions have not been taken into account in the business plan as it is difficult to accurately estimate them at present.

(Note) The analysis by Mitsubishi UFJ Morgan Stanley Securities and the analysis of the value of the Target Company Shares which was used as the basis of the first analysis, were conducted solely to serve as a reference by the Special Committee. Mitsubishi UFJ Morgan Stanley Securities does not state any opinion or make any recommendations to shareholders of the Target Company in relation to any behavior by the Offeror or such shareholders regarding the Tender Offer. Mitsubishi UFJ Morgan Stanley Securities does not recommend a specific tender offer price to the Special Committee, nor does it recommend that any specific tender offer price as the only appropriate tender offer price for the Tender Offer. When calculating the share value of the Target Company Shares, Mitsubishi UFJ Morgan Stanley Securities used information provided by the Special Committee and the Target Company, publicly available information, and other information as is in principle, assumed that those materials, information and the like were accurate and complete, and did not independently verify the accuracy and completeness thereof. In addition, with respect to the information regarding the financial forecast of the Target Company, Mitsubishi UFJ Morgan Stanley Securities assumed that such information was reasonably prepared by the Target Company based on the best forecast and judgments available as of June 2, 2025 (the "**Reference Date**"). Mitsubishi UFJ Morgan Stanley Securities assumed that all necessary licenses, approvals, consent or the like by governmental institutions and supervisory authorities can be obtained, and that no delays, restrictions, or conditions that may give material adverse effects to the Transactions will be attached thereto. Mitsubishi UFJ Morgan Stanley Securities is not a legal, accounting, or tax advisor. Mitsubishi UFJ Morgan Stanley Securities is a financial advisor; it did not independently verify legal, accounting, tax, or IT-related issues, and relied upon judgments by the Special Committee and

the Target Company, as well as their legal, accounting, tax, and IT advisors and auditing firm. Mitsubishi UFJ Morgan Stanley Securities did not independently evaluate or appraise any assets or liabilities (off-balance-sheet assets and liabilities, and other contingent liabilities) of the Target Company or any of its affiliates, nor did it request that any third-party institution evaluate or appraise them. The calculation by Mitsubishi UFJ Morgan Stanley Securities reflects the above information up to the Reference Date and is based on financial, market, and other conditions as of the Reference Date and information available to Mitsubishi UFJ Morgan Stanley Securities as of the Reference Date. Events occurring after the Reference Date may affect the assumptions used in the analyses by Mitsubishi UFJ Morgan Stanley Securities; however, Mitsubishi UFJ Morgan Stanley Securities does not undertake any obligation to update, revise, or reconfirm its analyses. The analyses by Mitsubishi UFJ Morgan Stanley Securities have gone through a complex process and are not necessarily suitable for partial analysis or summary description. The valuation range based on a specific analysis by Mitsubishi UFJ Morgan Stanley Securities cannot be construed as a evaluation by Mitsubishi UFJ Morgan Stanley Securities of the actual value of the Target Company. Mitsubishi UFJ Morgan Stanley Securities will provide services as a financial advisor to the Special Committee in connection with the Transactions and will receive a commission as consideration for such services. The commission to be paid to Mitsubishi UFJ Morgan Stanley Securities will only be a fixed remuneration to be paid regardless of whether the Transactions are successfully completed and does not include any contingency remuneration to be paid subject to successful completion of the Transactions.

- (vi) Procurement by the Target Company's special committee of advice from an independent law firm

The Special Committee appointed Gaizen Partners as its legal advisor independent from the Company, Mr. Toyoda, TMC, and the Target Company, and obtained from Gaizen Partners legal advice, including advice for the measures to be taken to confirm fairness, objectivity, and rationality of the procedures in the Transactions, various procedures for the Transactions, and the method and process of decision-making by the Target Company regarding the Transactions.

Gaizen Partners is not a related party of the Company, Mr. Toyoda, TMC, or the Target Company, and has no material interest in expressing opinions on the Tender Offer. The remuneration to be paid to Gaizen Partners will consist only of remuneration that is payable on an hourly basis regardless of whether the Transactions are successfully completed and will not include any contingency remuneration to be paid subject to the successful completion of the Transactions.

- (vii) Establishment of an independent examination framework at the Target Company



In response to the instruction of the Special Committee, as stated in “(ii) Decision-making process and details and reasons for the Target Company’s decision to issue the opinion to support the Tender Offer” in “(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer,” under “1. Purpose of the Tender Offer” from the viewpoint of being careful in making decisions regarding the Transactions and ensuring fairness throughout the process of examination and judgments regarding whether to conduct the Transactions and the appropriateness of the conditions thereof, the Target Company has promptly internally established a system that allows it to examine and negotiate the Transactions from a position independent of the Company, Mr. Toyoda, and TMC, in light of the fact that (i) the Company directly holds 16,291,374 Target Company Shares (ownership percentage: 5.42%); (ii) there is a possibility that the interests of TMC, which is a large shareholder holding 74,100,604 Target Company Shares (ownership percentage: 24.66%) and the interests of the minority shareholders of the Target Company would not necessarily align because it is expected that TMC, the Target Company’s largest shareholder, will invest in the Offeror’s Parent Company based on an agreement with the Company and that the Tender Offer for Own Shares (TMC) and the Share Repurchase will be implemented between the Target Company and TMC; and (iii) Mr. Toyoda is the Chairman of the Board of Directors and Representative Director of TMC and is expected to invest in the Company or the Offeror’s Parent Company.

Specifically, as soon as the Special Committee was established following the Initial Proposal presented by TMC, the Special Committee confirmed, and the Target Company maintain until today, the policy which does not allow any of the Target Company's officers or employees who presently concurrently serve or served in the past as officer or employee of the Company or TMC to be involved in the consideration, consultation, and negotiation on the transactions related to the Target Company’s capital policy, including the Transactions, from the perspective of eliminating possible impact from the structural or potential conflicts of interest.

Moreover, the Special Committee requested an advance report about not only consultation and negotiation between the Company and TMC, but also the officers and employees to be involved in and specifically how they are involved in the response to the due diligence performed by the Company as a premise of such consultation and negotiation, and has verified whether there are any problems from the perspective of undergoing a fair consideration process independently from the Company, Mr. Toyoda, and TMC.

- (viii) Approval of all disinterested directors of the Target Company and opinions from all audit and supervisory committee members of the

Target Company that they have no objection

Based on the legal advice received from Nishimura & Asahi and the Target Company Share Valuation Report (SMBC Nikko Securities) obtained from SMBC Nikko Securities, the Target Company carefully deliberated on the conditions of the Transactions by respecting to the maximum extent possible the Report submitted by the Special Committee from the perspective of improving corporate value and maximizing shareholder interests.

As a result, as stated in “(c) Details of the decision-making by the Target Company” in “(ii) Decision-making process and details and reasons for the Target Company’s decision to issue the opinion to support the Tender Offer” in “(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer” under “1. Purpose of the Tender Offer” above, the Target Company’s board of directors determined that the Transactions, including the Tender Offer, will contribute to the improvement of the Target Company’s corporate value, that the Tender Offer Price (16,300 yen) is an appropriate price that would ensure benefits for the Target Company’s minority shareholders, and that the Tender Offer will afford the Target Company’s minority shareholders an opportunity to sell their Target Company Shares at an appropriate price. Accordingly, at the Target Company’s board of directors meeting held today, the Target Company’s five directors who participated in the deliberations and resolutions, excluding Mr. Shigeki Terashi and Mr. Kazunari Kumakura, resolved to express an opinion in support of the Tender Offer and to leave the decision of the shareholders of the Target Company as to whether to tender shares in the Tender Offer with unanimous consent.

Because Mr. Shigeki Terashi, Director, belonged to TMC before April 2024 and Mr. Kazunari Kumakura, Director, concurrently serves as General Manager of Purchasing Management Division of TMC, from the perspective of avoiding potential conflicts of interest, they did not participate in the above deliberation and resolution of the board of directors, and in the capacity of the Target Company, they did not participate in consideration of the Transactions, and consultation and negotiation with the Company and TMC. In addition, four audit and supervisory committee members of the Target Company attended the board of directors meeting above, and all of the members present stated that they had no objection to adopting the above resolution.

The Target Company, taking into consideration that the Company aims for the commencement of the Tender Offer by the Offeror by early December 2025, but since it is difficult to accurately estimate the amount of time required for the procedures involving domestic and foreign competition authorities and authorities having jurisdiction over the EU Foreign Subsidies Regulation, investment control and financial regulatory laws and regulations, also passed a resolution at the above

board of directors meeting, that before the commencement of the Tender Offer, it would consult with the Special Committee so that the Special Committee would consider whether there is any change in the opinion expressed by the Special Committee to the board of directors of the Target Company as of today, and provide the board of directors of the Target Company with a statement to that effect if there is no change, or the revised opinion if there is a change, and also that based on that opinion of the Special Committee, it would express an opinion on the Tender Offer again at the time of the commencement of the Tender Offer.

- (ix) Ensuring objective circumstances to ensure the fairness of the Tender Offer

While the Tender Offer Period is 20 business days, the Tender Offer is a so-called pre-announced tender offer, and therefore a relatively long period of time will be secured after the announcement of a series of transaction terms, including the Tender Offer Price, before the commencement of the Tender Offer. In addition, no agreement which would unduly restrict the Target Company's contact or the like with a counter offeror has been executed between the Company and the Target Company. Accordingly, the Company believes that the Company has ensured an opportunity for the Target Company's shareholders to make an appropriate decision regarding tendering in the Tender Offer and for a counter offeror to make an acquisition proposal.

- (x) Setting a minimum number of share certificates, etc. to be purchased that satisfies the majority of minority

As stated in "(1) Summary of the Tender Offer" in "1. Purpose of the Tender Offer" above, the Offeror has set the minimum number of share certificates, etc. to be purchased in the Tender Offer at 126,216,300 shares, and if the total number of the Tendered Share Certificates, Etc. is less than the minimum number of share certificates, etc. to be purchased, the Offeror will not purchase any of the Tendered Share Certificates, Etc.

The minimum number of share certificates, etc. to be purchased (126,216,300 shares (ownership percentage: 42.01%)) has been set at a level that exceeds the number of shares equal to the majority of (i) the total number of issued shares of the Target Company as of March 31, 2025 (325,840,640 shares) as stated in the Target Company's Financial Results minus (ii) the number of own shares (25,365,334 shares) obtained from the number of own shares held by the Target Company as of March 31, 2025 (24,440,334 shares) plus the number of own shares acquired through the share repurchase conducted by the Target Company during the period from April 1, 2025 to April 30, 2025 (801,700 shares) as stated in the "Notice Concerning the Status of Repurchase of Shares of Treasury Stock" announced by the Target Company on May 7, 2025 and the number of own shares acquired through the share repurchase conducted by the Target Company during the period from May 1, 2025 to May 12, 2025 (123,300 shares) as stated in the "Notice Concerning the Status and Completion of the Repurchase of Shares of our Common Stock"

announced by the Target Company on May 14, 2025, the Target Company Shares Held by the Company 16,291,374 shares), the Target Company Shares held by Mr. Toyoda as of today (141,600 shares), and the Target Company Shares Held by TMC (74,100,604 shares) (209,941,728 shares (ownership percentage: 69.87%); the difference of (i) and (ii) (104,970,865 shares (ownership percentage: 34.93%)). This constitutes the majority of the number of Target Company Shares held by the shareholders of the Target Company who do not have an interest in the Company, i.e., a so-called “majority of minority”). As a result, the Offeror believes that the Tender Offer has given serious consideration to the intention of the minority shareholders of the Target Company because the Transactions, including the Tender Offer, will not be conducted unless the Offeror obtains the support of the majority of shareholders of the Target Company other than those who are interested parties of the Company.

(iii) Relationships with appraisers

Nomura Securities, the financial advisor and third-party appraiser of the Offeror, is not a related party of the Company, TMC, or the Target Company, and does not have any material interest in the Tender Offer.

(5) Number of share certificates, etc. to be purchased

Number of share certificates, etc. to be purchased	Minimum number of share certificates, etc. to be purchased	Maximum number of share certificates, etc. to be purchased
226,374,702 (shares)	126,216,300 (shares)	- (shares)

Note 1: If the total number of Tendered Share Certificates, Etc. is less than the minimum number of share certificates, etc. to be purchased (126,216,300 shares), the Offeror will not purchase any of the Tendered Share Certificates, Etc. If the total number of the Tendered Share Certificates, Etc. is equal to or exceeds the minimum number of share certificates, etc. to be purchased (126,216,300 shares), the Offeror will purchase all the Tendered Shares Certificates, Etc.

Note 2: In the Tender Offer, the Offeror has not set a maximum number of share certificates, etc. to be purchased, so the number of share certificates, etc. to be purchased is stated as the maximum number of share certificates, etc. that can be acquired by the Offeror through the Tender Offer (226,374,702 shares).

Note 3: Shares less than one unit are also subject to the Tender Offer. If a right to request a purchase of shares less than one unit is exercised by the Target Company’s shareholders in accordance with the Companies Act, the Target Company may purchase its own shares less than one unit during the Tender Offer Period in accordance with procedures required by laws and regulations.

Note 4: The Offeror does not intend to acquire the own shares held by the Target Company through the Tender Offer.

Note 5: The figures in “Number of share certificates, etc. to be purchased” and “Minimum number of share certificates, etc. to be purchased” above are tentative figures that rely on information as of today. Due to factors including fluctuations in the number of own shares held by the Target Company after the same date, actual figures in the Tender Offer may differ from the figures above. The “Number of share certificates, etc. to be purchased” and “Minimum number of share certificates, etc. to be purchased” will be finally determined prior to the commencement of the Tender Offer based on the latest information available at the time of the commencement of the Tender Offer.

(6) Changes to ownership percentages of share certificates, etc. due to the tender offer

Number of voting rights represented by share certificates, etc. held by the Offeror prior to the tender offer	-	Ownership percentage of share certificates, etc. prior to the tender offer: -%
Number of voting rights represented by share certificates, etc. held by special related parties prior to the tender offer	Undetermined	Ownership percentage of share certificates, etc. prior to the tender offer: Undetermined
Number of voting rights represented by share certificates, etc. held by the Offeror after the tender offer	2,263,747	Ownership percentage of share certificates, etc. after the tender offer: 75.34%
Number of voting rights represented by share certificates, etc. held by special related parties after the tender offer	741,006	Ownership percentage of share certificates, etc. after the tender offer: 24.66%
Total number of voting rights of all shareholders of the Target Company	3,060,202	

Note 1: The “Number of voting rights represented by share certificates, etc. held by special related parties prior to the tender offer” and its “Ownership percentage of share certificates, etc. prior to the tender offer” are undetermined as of today, but will be disclosed before the commencement of the Tender Offer after an investigation.

Note 2: The “Number of voting rights represented by share certificates, etc. held by the Offeror after the tender offer” is the number of voting rights represented by the number of share certificates, etc. to be purchased (226,374,702 shares) in the Tender Offer stated in “(5) Number of share certificates, etc. to be purchased” above.

Note 3: The “Total number of voting rights of all shareholders of the Target Company” is the number of voting rights of all shareholders as of September 30, 2024 as stated in the semi-annual securities report for the 147th fiscal year submitted by the Target Company on November 11, 2024 (based on the number of shares per unit being 100 shares).

However, since shares less than one unit are also subject to the Tender Offer, when calculating the “Ownership percentage of share certificates, etc. prior to the tender offer” and the “Ownership percentage of share certificates, etc. after the tender offer,” 3,004,753 voting rights represented by (300,475,306 shares, which is (i) the total number of issued shares of the Target Company as of March 31, 2025 (325,840,640 shares) as stated in the Target Company’s Financial Results minus (ii) the number of own shares (25,365,334 shares) obtained from the number of own shares held by the Target Company as of March 31, 2025 (24,440,334 shares) plus the number of own shares acquired through the share repurchase conducted by the Target Company during the period from April 1, 2025 to April 30, 2025 (801,700 shares) as stated in the “Notice Concerning the Status of Repurchase of Shares of Treasury Stock” announced by the Target Company on May 7, 2025 and the number of own shares acquired through the share repurchase conducted by the Target Company during the period from May 1, 2025 to May 12, 2025 (123,300 shares) as stated in the “Notice Concerning the Status and Completion of the Repurchase of Shares of our Common Stock” announced by the Target Company on May 14, 2025, is used as a denominator.

Note 4: The “Ownership percentage of share certificates, etc. prior to the tender offer” and the “Ownership percentage of share certificates, etc. after the tender offer” have been rounded to the second decimal place.

(7) Purchase price (planned)

3,689,907,642,600 yen

Note: The “Purchase price (planned)” above has been calculated by multiplying the number of shares, etc. to be purchased in the Tender Offer stated in “(5) Number of share certificates, etc. to be purchased” above by the Tender Offer Price (16,300 yen) and is therefore subject to change if the actual number of share certificates, etc. to be purchased in the Tender Offer is altered due to fluctuation, etc. hereafter.

(8) Tender offer agent (planned)

Nomura Securities Co., Ltd. 1-13-1 Nihonbashi, Chuo-ku, Tokyo

(9) Other conditions and methods of purchase

(i) Other conditions and methods of purchase

As with “(2) Schedule” above, the Offeror will announce the method of settlement, the date of public notice of commencement of the Tender Offer, and other conditions and methods of purchase as soon as these details are determined. The Offeror plans to appoint Nomura Securities Co., Ltd. as its tender offer agent.

(ii) Conditions set forth in each item of Article 27-13, Paragraph 4 of the Act and

the details thereof

If the total number of Tendered Share Certificates, Etc. is less than the minimum number of share certificates, etc. to be purchased (126,216,300 shares), the Offeror will not purchase any of the Tendered Share Certificates, Etc. If the total number of the Tendered Share Certificates, Etc. is equal to or exceeds the minimum number of share certificates, etc. to be purchased (126,216,300 shares), the Offeror will purchase all the Tendered Share Certificates, Etc.

(iii) Other matters

This press release has been prepared with the intention of informing the public of the Tender Offer and has not been prepared for the purpose of soliciting an offer to sell, or making an offer to purchase, any securities in relation to the Tender Offer. If shareholders wish to make an offer to sell their shares in the Tender Offer, they should first read the Tender Offer Explanation Statement for the Tender Offer and offer their shares for sale at their own discretion. This press release neither constitutes, nor constitutes a part of, an offer to sell or purchase, or a solicitation of an offer to sell or purchase, any securities; neither this press release (or a part thereof) nor its distribution may be interpreted to be the basis of any agreement in relation to the Tender Offer; and this press release may not be relied on at the time of entering into any such agreement.

The Target Company Shares, which are common shares of the Target Company, which is a company incorporated in Japan, are subject to the Tender Offer. The Tender Offer will be conducted in accordance with the procedures and information disclosure standards prescribed in the laws of Japan, which may differ from the procedures and information disclosure standards in the U.S. In particular, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended; hereinafter the same) and the rules prescribed thereunder do not apply to the Tender Offer, and the Tender Offer does not conform to those procedures and standards. Financial information contained in this press release has been prepared in accordance with international accounting standards, which may be materially different from the generally accepted accounting standards in the U.S. or other countries. In addition, as the Offeror is a legal entity established outside the U.S. and all or some of its officers are non-U.S. residents, it may become difficult to exercise rights or requests which would be claimed under U.S. securities laws. Furthermore, it may not be possible to commence legal proceedings against the legal entity established outside the U.S. and its officers in a non-U.S. court for violations of U.S. securities laws. Furthermore, U.S. courts may not necessarily have jurisdiction over legal entities and their respective subsidiaries and affiliates outside the U.S.

Unless otherwise specified, all procedures relating to the Tender Offer are to be conducted entirely in the Japanese language. If all or some of documents relating to the Tender Offer are prepared in the English language and there is any inconsistency between the English-language documentation and the

Japanese-language documentation, the Japanese-language documentation will prevail.

This press release includes statements that fall under a “forward-looking statement” defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the U.S. Securities Exchange Act of 1934. Due to the known and unknown risks, uncertainties and other factors, the actual results might differ significantly from the events portrayed implicitly or explicitly in such forward-looking statements. The Offeror and its affiliates do not guarantee that the events portrayed implicitly or explicitly in such forward-looking statements will materialize. The “forward-looking statements” in this press release were prepared based on the information obtained by the Company as of the date hereof, and unless required by law, the Company, the Offeror and their respective affiliates are not obligated to amend or revise such forward-looking statements to reflect future matters and situations.

The financial advisors to the Offeror and the Target Company as well as the tender offer agent (including their respective affiliates) may, within their ordinary course of business, engage during the Tender Offer Period in the purchase of, or an arrangement to purchase, Target Company Shares for their own account or for their customers’ accounts outside the Tender Offer in accordance with Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934, to the extent permitted under Japanese securities regulations and other applicable laws and regulations. Such purchases, etc. may be made at the market price through market transactions or at a price determined by negotiation outside of the market. In the event that information regarding such purchases, etc. is disclosed in Japan, such information will also be disclosed in a similar manner in the U.S.

If a right to request the purchase of shares less than one unit is exercised by shareholders in accordance with the Companies Act, the Target Company may purchase its own shares less than one unit during the Tender Offer Period in accordance with procedures required by laws and regulations.

3. Post-tender offer policy, etc. and future outlook

For the policy, etc. after the Tender Offer, please refer to the section above titled “(iii) Management policy after the Tender Offer” under “(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer” of “1. Purpose of the Tender Offer.”

4. Other matters

(1) Agreements between the Offeror and the Target Company or its officers, and the contents thereof

(i) Expressions of Support for the Tender Offer

According to the Target Company’s Press Release, at the board of directors



meeting of the Target Company held today, a resolution was adopted that the position of the Target Company as of present is that it will express an opinion in support of the Tender Offer and that it will leave the decision of whether to tender shares in the Tender Offer to the discretion of the shareholders of the Target Company.

For details of the decision-making process of the Target Company's board of directors, please refer to "(viii) Approval of all disinterested directors of the Target Company and opinions from all audit and supervisory committee members of the Target Company that they have no objection" in "(Measures to ensure fairness of the Tender Offer, including measures to ensure fairness of the Tender Offer Price and measures to avoid conflicts of interest)" in "(ii) Process of calculation" in "(4) Basis for the calculation of the Tender Offer Price" under "2. Outline of the Tender Offer" above.

(ii) The Master Agreement

Please refer to "(6) Matters relating to material agreements regarding the Tender Offer" in "1. Purpose of the Tender Offer" above for the details of the Master Agreement.

(iii) The Tender Offer Agreement

Please refer to "(6) Matters relating to material agreements regarding the Tender Offer" in "1. Purpose of the Tender Offer" above for the details of the Tender Offer Agreement.

(2) Other information considered necessary for investors to decide whether to tender their shares in the tender offer

(i) Announcement of "Notice Concerning Change of Subsidiary (Partial Transfer of Shares), Execution of Business Alliance Agreement and Plan to Recognize Gains on Sale of Subsidiaries and Affiliates Shares in Consolidated and Non-Consolidated Financial Statements"

As stated in "Notice Concerning Change of Subsidiary (Partial Transfer of Shares), Execution of Business Alliance Agreement and Plan to Recognize Gains on Sale of Subsidiaries and Affiliates Shares in Consolidated and Non-Consolidated Financial Statements" announced on March 19, 2025 and "(Update Concerning Disclosure Matters) Notice Concerning Change of Subsidiary (Partial Transfer of Shares), Execution of Business Alliance Agreement and Plan to Recognize Gains on Sale of Shares of Subsidiaries and Affiliates in Consolidated and Non-Consolidated Financial Statements" announced on April 18, 2025, the Target Company resolved at the board of directors meeting held on March 19, 2025, to transfer a portion of the common stock of its consolidated subsidiary, AICHI CORPORATION ("AICHI"), to ITOCHU Corporation ("**ITOCHU**"; that transaction, the "**Share Transfer**") and executed a share transfer agreement as of the same date. The Target Company also resolved at the board of directors meeting held on March 19, 2025 to execute of a three-way business alliance agreement

with AICHI and ITOCHU, and the agreement was executed as of the same date. As a result of a series of transactions, combining the Share Transfer, the tender offer by AICHI for own stock, and the Target Company's tendering of shares in that tender offer for own stock, AICHI is expected to cease being a subsidiary of the Target Company, and will become an equity method affiliate of the Target Company. As a result of that series of transactions, the Target Company plans to record a maximum of 30,667 million yen in gains on sales of shares of subsidiaries and affiliates as extraordinary gains in the non-consolidated financial statements for the fiscal year ending March 31, 2026. The Target Company also plans to record approximately 9,000 million yen in gains on sales of shares of subsidiaries and affiliates as operating profits in the consolidated financial statements for the same period.

Please refer to that announcement for the details.

(ii) Disclosure of “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (IFRS)”

The Target Company disclosed its financial results on April 25, 2025. The summary of the Target Company's Financial Results based on that disclosure is as follows. The disclosure has not been reviewed by auditing firms under Article 193-2, Paragraph 1 of the Act. Also, as the following summary is extracted from portions of the results disclosed by the Target Company, please refer to that disclosure for the details.

(a) Status of profits or loss (consolidated)

Fiscal Period	Fiscal Year Ended March 31, 2025
Net sales	4,084,984 million yen
Cost of sales	△3,133,410 million yen
Selling, general and administrative expenses	△723,853 million yen
Other income	22,025 million yen
Other expenses	△28,050 million yen
Operating profit	221,695 million yen
Profit	271,247 million yen
Profit attributable to owners of the parent	262,312 million yen

(b) Status per share (consolidated)

Fiscal Period	Fiscal Year Ended March 31, 2025
Earnings per share - basic	856.96 yen
Earnings per share - diluted	856.96 yen

(iii) Release of “Notice Regarding Revisions to Dividend Forecast for the Fiscal Year Ending March 2026 (No Dividend)”

According to the “Notice Regarding Revisions to Dividend Forecast for the

Fiscal Year Ending March 2026 (No Dividend)” released by the Target Company today, at the board of directors meeting of the Target Company held today, it was resolved that the Target Company will revise the dividend forecast for the fiscal year ending March 31, 2026 that was released by the Target Company on April 25, 2025 and it will not pay any interim dividend or year-end dividend for that fiscal year. For details, please refer to said release.

(iv) Release of “Approach and Policy on Reduction of Investment Units”

In the “Position and Policy on Reduction of Investment Units” released by the Target Company today, the Target Company announced that as an approach to the reduction of investment units, it recognized that the reduction of investment units is one of the important measures for enhancing the liquidity of shares and encouraging market participation of a wide range of investors, and that as a policy regarding the reduction of investment units, because the Target Company Shares are scheduled to be delisted through the Transactions, it has no specific plans to reduce the investment unit. For details, please refer to said release.

End