

Notice: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

DATE: May 27, 2026

Company name: JTEKT Corporation
Stock exchange listing: Tokyo, Nagoya
Stock code: 6473
Representative: Yoshihito Kondo,
President, Member of the Board
Contact: Takanori Iwai,
General Manager of
Finance & Accounting Dept.
(Telephone: +81-566-25-7326)

Notice Concerning Signing of Definitive Agreement on the Transfer of the European Automotive Business

JTEKT Corporation (hereinafter referred to as the “Company”) hereby announces that the Company has signed a definitive agreement on May 26, 2026 (local time) with LEO III.-VV25-B SAS (*1), which is exclusively advised by DUBAG Investment Advisory GmbH, an investment company headquartered in Munich, Germany to transfer its automotive business for European OEM, including all shares of its seven consolidated subsidiaries engaged in the manufacture and sale of automotive components (hereinafter referred to as the “Target Companies”) (hereinafter referred to as the “Transaction”).

The Transaction is based on the basic agreement disclosed in the Company’s release titled “Notice Concerning Basic Agreement on the Transfer of the European Automotive Business” dated February 27, 2026, and will be completed subject to the approvals of the relevant regulatory authorities.

1. Reason for Transaction

In its Second Medium-term Management Plan for the period from Fiscal Year 2024 through 2026, the Company is planning to strengthen its management and business structure by restructuring its global structure. As for its European business segment, the Company aims to become profitable by restructuring and consolidating its businesses and improving profitability.

The Company will pursue its internal reform through optimizing its strategies and business structure according to the market environment in each region and continue proposing solutions to meet demand from customers.

2. Outline of Target Companies

① JTEKT EUROPE S.A.S. (*2)

(1) Name	JTEKT EUROPE S.A.S.
(2) Location	Regional Headquarter Office: Irigny, France Lyon Plant: Irigny, France Dijon Plant: Chevigny Saint Sauveur, France
(3) Business	Strategic planning & management of European business Sale and manufacturing of steering systems and steering components
(4) Amount of Capital	168,575 thousand Euro
(5) Equity ownership	The Company 100%

(6) Operating results and financial position for the last three years			(1,000 Euro)
	March 31, 2024	March 31, 2025	March 31, 2026
Net assets	(4,486)	(13,604)	(126,272)
Total assets	476,783	452,932	403,860
Net sales	1,107,709	998,452	950,014
Operating profit	(90,741)	(3,754)	(87,499)
Profit before tax	(91,681)	(7,252)	(112,814)
Profit	(94,022)	(9,460)	(114,003)
Net assets per share (Euro)	(0.51)	(1.55)	(14.34)
Profit per share (Euro)	(10.68)	(1.07)	(12.95)
Dividend per share (Euro)	—	—	—

② JTEKT COLUMN SYSTEMS FRANCE S.A.S.

(1) Name	JTEKT COLUMN SYSTEMS FRANCE S.A.S.		
(2) Location	Valentigney, France		
(3) Business	Manufacturing of automotive components		
(4) Amount of Capital	10,000 thousand Euro		
(5) Equity ownership	JTEKT EUROPE S.A.S. 100% (*3)		
(6) Operating results and financial position for the last three years			(1,000 Euro)
	March 31, 2024	March 31, 2025	March 31, 2026
Net assets	(2,116)	(6,331)	12,699
Total assets	24,339	20,318	30,101
Net sales	51,056	47,029	55,931
Operating profit	(13,012)	(3,906)	2,895
Profit before tax	(13,223)	(4,188)	2,576
Profit	(13,232)	(4,159)	2,078
Net assets per share (Euro)	(3.55)	(10.62)	21.30
Profit per share (Euro)	(22.19)	(6.98)	3.49
Dividend per share (Euro)	—	—	—

③ JTEKT CZECH REPUBLIC S.R.O. (*4)

(1) Name	JTEKT CZECH REPUBLIC S.R.O.		
(2) Location	Pardubice Plant: Pardubice, Czech Republic		
(3) Business	Sale and manufacturing of steering systems and steering components		
(4) Amount of Capital	603,084 thousand CZK		
(5) Equity ownership	JTEKT EUROPE S.A.S. 100%		
(6) Operating results and financial position for the last three years (*5)			(1,000 CZK)
	March 31, 2024	March 31, 2025	March 31, 2026
Net assets	819,582	720,910	744,020
Total assets	4,625,713	4,248,894	4,140,290
Net sales	10,346,194	9,811,127	9,451,751
Operating profit	1,261	(77,200)	54,091
Profit before tax	(102,891)	(98,884)	23,110
Profit	(103,091)	(98,672)	23,110

④ JTEKT AUTOMOTIVE MOROCCO S.A.S.

(1) Name	JTEKT AUTOMOTIVE MOROCCO S.A.S.		
(2) Location	Tanger, Morocco		
(3) Business	Sale and manufacturing of steering systems		
(4) Amount of Capital	97,938 thousand MAD		
(5) Equity ownership	JTEKT EUROPE S.A.S. 100%		
(6) Operating results and financial position for the last three years	(1,000 MAD)		
	March 31, 2024	March 31, 2025	March 31, 2026
Net assets	49,634	7,482	(8,562)
Total assets	615,108	633,026	622,985
Net sales	1,310,428	1,461,119	1,408,191
Operating profit	(54,652)	(12,175)	(2,580)
Profit before tax	(61,215)	(30,757)	(10,957)
Profit	(64,547)	(34,438)	(14,525)
Net assets per share (MAD)	26.12	3.94	(4.51)
Profit per share (MAD)	(33.97)	(18.13)	(7.65)
Dividend per share (MAD)	—	—	—

⑤ JTEKT TORSEN HOLDINGS S.A.

(1) Name	JTEKT TORSEN HOLDINGS S.A.		
(2) Location	Strepy-Bracquegnies, Belgium		
(3) Business	Holding company		
(4) Amount of Capital	25,953 thousand Euro		
(5) Equity ownership	The Company 100%		
(6) Operating results and financial position for the last three years	(1,000 Euro)		
	March 31, 2024	March 31, 2025	March 31, 2026
Net assets	22,323	16,497	13,018
Total assets	29,931	23,202	19,858
Net sales	22,708	23,979	23,862
Operating profit	(4,516)	(6,058)	(3,512)
Profit before tax	(4,103)	(5,825)	(3,479)
Profit	(4,103)	(5,825)	(3,479)
Net assets per share (Euro)	21.32	15.76	12.43
Profit per share (Euro)	(3.92)	(5.56)	(3.32)
Dividend per share (Euro)	—	—	—

⑥ JTEKT TORSEN EUROPE S.A.

(1) Name	JTEKT TORSEN EUROPE S.A.		
(2) Location	Strepy-Bracquegnies, Belgium		
(3) Business	Sale and manufacturing of automotive driveline components (Torsen)		
(4) Amount of Capital	11,100 thousand Euro		
(5) Equity ownership	JTEKT TORSEN HOLDINGS S.A. 100%		
(6) Operating results and financial position for the last three years	The operating results and financial position are presented on a consolidated basis with JTEKT TORSEN HOLDINGS S.A., the holding company.		

⑦ JTEKT TORSEN NORTH AMERICA, INC.

(1) Name	JTEKT TORSEN NORTH AMERICA, INC.		
(2) Location	Rochester, NY, USA		
(3) Business	Sale and manufacturing of automotive driveline components (Torsen)		
(4) Amount of Capital	1,021 thousand U.S. dollars		
(5) Equity ownership	JTEKT TORSEN HOLDINGS S.A. 100% (*6)		
(6) Operating results and financial position for the last three years	(1,000 U.S. dollars)		
	March 31, 2024	March 31, 2025	March 31, 2026
Net assets	34,863	34,563	32,767
Total assets	37,431	36,627	37,209
Net sales	15,495	11,846	17,348
Operating profit	(207)	(535)	(2,880)
Profit before tax	1,149	848	(1,795)
Profit	1,149	848	(1,795)
Net assets per share (U.S. dollar)	34,863.56	34,563.25	32,767.51
Profit per share (U.S. dollar)	1,149.02	848.71	(1,795.75)
Dividend per share (U.S. dollar)	218.71	1,149.02	—

- *1 LEO III.-VV25-B SAS has been assigned all the obligations and benefit from all the rights of LEO III.-VV25-A GmbH under the basic agreement disclosed in the Company's release titled "Notice Concerning Basic Agreement on the Transfer of the European Automotive Business" dated February 27, 2026.
- *2 Prior to the Transaction, JTEKT EUROPE S.A.S. will transfer certain technical center functions excluded from the Transaction to a newly established wholly owned subsidiary of the Company. Operating results and financial position are based on company-wide data for JTEKT EUROPE S.A.S.
- *3 While the entire share of JTEKT COLUMN SYSTEMS FRANCE S.A.S. is currently owned by JTEKT COLUMN SYSTEMS EUROPE S.A.S., wholly owned subsidiary of the Company (including indirect ownership), prior to the Transaction, it will be transferred to JTEKT EUROPE S.A.S., the Target Company.
- *4 Prior to the Transaction, JTEKT CZECH REPUBLIC S.R.O. will carve out the business subject to the Transaction and transfer such business to a newly established subsidiary of JTEKT EUROPE S.A.S., the Target Company. Thereafter, JTEKT EUROPE S.A.S. will transfer all equity interests of JTEKT CZECH REPUBLIC S.R.O., which will hold the businesses excluded from the Transaction, to the Company. Operating results and financial position are based on company-wide data for JTEKT CZECH REPUBLIC S.R.O.
- *5 Information per share is omitted as JTEKT CZECH REPUBLIC S.R.O. is a limited company.
- *6 While the entire share of JTEKT TORSEN NORTH AMERICA, INC. is currently owned by JTEKT AUTOMOTIVE NORTH AMERICA, INC., wholly owned subsidiary of the Company (including indirect ownership), prior to the Transaction, it will be transferred to JTEKT TORSEN HOLDINGS S.A., the Target Company.

3. Overview of the Counterparty

(1)	Name	LEO III.-VV25-B SAS	
(2)	Location	Calais, France	
(3)	Job title and name of representative	LEO III.-VV25-A GmbH, President	
(4)	Description of business	Holding company	
(5)	Share capital	5,000 Euros	
(6)	Date of establishment	March 26, 2026	
(7)	Major shareholders and ownership ratios	LEO III.-VV25-A GmbH 100%	
(8)	Relationship between the Company and said company	Capital relationship	N/A
		Personnel relationship	N/A
		Business relationship	N/A
		Related party relationship	N/A

4. Number of shares and equity transferred, and investment ratio after Transaction

All shares, equity, and receivables of the Target Companies will be transferred at a memorandum value.

After the completion of the Transaction, its investment ratio in the Target Companies will be 0%.

5. Timetable and Future Outlook

The Company will proceed with required procedures to complete the Transaction on or before the end of August 2026.

The Company expects to record a loss of 5 billion yen as other expenses in its consolidated financial results and a loss of 5 billion yen as extraordinary loss in its non-consolidated financial results for the fiscal year ending March 31, 2027. However, it will vary depending on the financial statements and audit procedures of the Target Companies, as well as the finalization of contractual conditions.

This expected loss amount has already been incorporated into the consolidated financial result forecasts for the current fiscal year, which was released on April 28, 2026. Therefore, there is no revision to the consolidated financial result forecasts due to this announcement.

(Reference) Consolidated financial results forecasts for the current fiscal year (released on April 28, 2026) and actual consolidated results for the previous fiscal year

	Revenue	Business profit	Operating profit	Profit before income taxes	Profit attributable to owners of the parent company	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Consolidated financial result forecasts for the current fiscal year ending March 31, 2027	1,880,000	90,000	75,000	70,000	50,000	157.07
Actual consolidated results for the previous fiscal year ended March 31, 2026	1,924,950	75,679	24,847	27,377	11,974	37.62