

May 13, 2026

Dear Sir or Madam,

Notice Concerning Execution of Memorandum of Understanding Regarding Business Integration Through Establishment of a Joint Holding Company (Share Transfer) Between NSK Ltd. and NTN Corporation

We take this opportunity to extend our highest regards and to express our sincere gratitude towards your continued support.

NSK Ltd. (“**NSK**”) and NTN Corporation (“**NTN**”; together with NSK, the “**Companies**”) hereby announce that they have reached a basic agreement to establish a joint holding company (the “**Holding Company**”) by way of a joint share transfer (the “**Share Transfer**”) and to integrate their businesses (the “**Business Integration**”). The Companies have executed a memorandum of understanding for the Business Integration (the “**Memorandum of Understanding**”) after passing a resolution at their respective board of directors’ meetings held on the May 12th to execute the said agreement.

As Japan-origin companies operating global businesses in fields such as bearings and precision equipment, the Companies will, through the integration, bring together their respective strengths to build a resilient and sustainable business foundation and contribute to industry, the environment, and society through business growth and value creation, while at the same time maintaining and enhancing their international competitiveness over the long term. With these objectives in mind, the Companies will step up discussions and deliberations for achieving the Business Integration based on a spirit of equality. Through the Business Integration, the Companies aim to (a) achieve long-term profitable growth backed by a sense of urgency, rather than mere expansion of the business scale, (b) ensure the effective succession of Japan-origin technologies, quality, and management and secure Japan’s position as an industrial base in the world, and (c) contribute to achievement of a sustainable society.

The Companies will consider specific measures in line with the following strategy in order to achieve the objectives of the Business Integration as soon as possible.

- (i) Investment in, and optimal utilization of, management resources

Amid significant global changes in the business environment and technologies, the Companies will further build on the efforts that each has made to boost management efficiency and strengthen supply chain resilience by investing in and optimally utilizing their management resources, thereby forming a more sustainable business foundation.

(ii) Portfolio transformation

The Companies will progress the transformation of their existing business portfolios and achieve long-term value creation by strengthening initiatives in high-value-added areas possessed by the Companies, such as product lifecycle management (PLM), as well as business in maintenance, repair, and operations.

(iii) Bringing together technology, talent, and knowledge across cultural boundaries

The Companies will create new value - including through developing new products and providing solutions - and will contribute to a sustainable society by bringing together the technology, talent, and knowledge that they have respectively cultivated.

As of the present time, the schedule for the Business Integration contemplates the execution of a definitive agreement, including a share transfer plan, within approximately six months following the execution of the Memorandum of Understanding, and the subsequent submission of the share transfer plan for approval at the annual shareholders meeting scheduled to be held in June 2027.

Thereafter, it is contemplated that the common shares of the jointly established holding company will be listed in October 2027, and that the Company's shares will accordingly be delisted. This schedule is subject to change due to future discussions and responses relating to U.S. securities laws, domestic and foreign competition laws necessary for implementation of the Business Integration. For further details, we respectfully refer you to the "Notice Concerning Execution of Memorandum of Understanding Regarding Business Integration through the Establishment of a Joint Holding Company (Share Transfer) between NSK Ltd. and NTN Corporation," dated May 12, 2026. Even following the realization of the Business Integration, the Company will remain steadfast in its commitment to its business operations as heretofore, and we would be most grateful for your continued guidance and support going forward.

We take this occasion, to respectfully extend our formal greetings to you.

Sincerely,

Akitoshi Ichii
Representative Executive Officer,
President and CEO
NSK Ltd.