

## Consolidated Financial Results for the Nine Months Ended September 30, 2021 under IFRS

Company Name	THK CO., LTD.
Head Office	Tokyo, Japan (Tel: +81-3-5730-3911)
URL	<a href="https://www.thk.com/">https://www.thk.com/</a>
Stock exchange listing	Tokyo Stock Exchange-First Section
Code number	6481
Representative	Akihiro Teramachi, President and CEO
Contact	Kenji Nakane, Executive Officer, General Manager of Finance and Accounting Department
Scheduled date of filing quarterly report (Japanese version only)	November 12, 2021
Scheduled starting date of dividend payment	n/a

### 1. Consolidated operating results and financial position as of and for the nine months ended September 30, 2021 (January 1, 2021 to September 30, 2021)

#### (1) Consolidated Operating Results

Nine Months Ended September 30	Revenue		Operating Income (Loss)		Profit (Loss) Before Tax		Profit (Loss) for the Period		Profit (Loss) Attributable to Owners of the Parent		Total Comprehensive Income (Loss)	
	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)	(Millions of Yen)	(%)
2021	¥230,146	47.0%	¥19,192	—%	¥18,802	—%	¥12,954	—%	¥12,913	—%	¥27,884	—%
2020	156,536	(26.1)	(971)	—	(2,753)	—	(4,055)	—	(3,492)	—	(8,812)	—

  

Nine Months Ended September 30	Basic Earnings (Loss) per Share (Yen)	Diluted Earnings per Share (Yen)
2021	¥102.03	—
2020	(27.59)	—

#### (2) Consolidated Financial Position

	Total Assets (Millions of Yen)	Total Equity (Millions of Yen)	Equity Attributable to Owners of the Parent (Millions of Yen)	Ratio of Equity Attributable to Owners of the Parent
September 30, 2021	¥497,714	¥299,379	¥290,144	58.3%
December 31, 2020	460,173	275,148	266,491	57.9

## 2. Dividends

	Dividend Per Share (Yen)				
	First Quarter end	Second Quarter end	Third Quarter end	Year/Period end	Total
Year ended December 31, 2020 (Actual)	¥—	¥7.50	¥—	¥7.50	¥15.00
Year ending December 31, 2021 (Actual)	—	20.50	—	n/a	n/a
Year ending December 31, 2021 (Projected)	n/a	n/a	n/a	—	—

(Note 1) Change in dividend projection: None

(Note 2) Interim dividend per share at the second quarter end consists of ¥18.00 of ordinary dividend and ¥2.50 of commemorative dividend for THK's 50th anniversary.

THK's basic dividend policy is to set its payout ratio at 30% on a consolidated basis. Since THK celebrated its 50th anniversary of its founding on April 10, 2021, THK plans to add commemorative dividends of ¥5.00 per share (¥2.5 per share for interim dividend and year-end dividend each) to the dividend determined based on the payout ratio at 30% for the year ending December 31, 2021. The amounts of dividends for the year ending December 31, 2021 are planned to be determined in accordance with this plan and will be announced as soon as they are determined.

## 3. Forecasts for the year ending December 31, 2021 (January 1, 2021 to December 31, 2021)

	Revenue (Millions of Yen)		Operating Income (Millions of Yen)		Profit Before Tax (Millions of Yen)		Profit Attributable to Owners of the Parent (Millions of Yen)		Profit per Share (Yen)
Year ending December 31, 2021	¥315,000	43.8%	¥29,000	—%	¥28,600	—%	¥20,000	—%	¥158.02

Changes from forecasts most recently announced: The forecasts announced on May 13, 2021 have been amended to as in the above table.

### Other Financial Information

(1) Significant change in scope of consolidation: None

(2) Changes in accounting policy and estimates, and restatement due to:

- |                                    |      |
|------------------------------------|------|
| a. Changes in accounting standards | None |
| b. Other changes                   | None |
| c. Changes in accounting estimates | None |

(3) Number of shares

		(shares)
a. Common stock issued, including treasury stock, as of:	September 30, 2021	133,856,903
	December 31, 2020	133,856,903
b. Treasury stock as of:	September 30, 2021	7,290,896
	December 31, 2020	7,290,246
c. Average number of common stock for the Nine Months ended:	September 30, 2021	126,566,256
	September 30, 2020	126,567,201

# Management's Discussion and Analysis

## 1. Outline of operating results

### (1) Operating results (from January 1, 2021 to September 30, 2021)

In this nine months period, while there were strong uncertainties remaining in the outlook for the global economy due to the worldwide COVID-19 pandemic; however, in addition to China, which resumed its economic activities earlier than other countries, the economies in the United States and other developed countries also showed a sign of recovery. In such a situation, with the progress of vaccinations in countries around the world, the overall economic sentiment showed a shift toward a recovery trend.

The THK Group has identified "Full-Scale Globalization," the "Development of New Business Areas," and "Change in Business Style" as cornerstones of its growth strategy to expand the markets of its products such as LM Guide (Linear Motion Guide). As to Full-Scale Globalization, while the markets in emerging countries such as China are growing by dint of the factory automation progress, which is also spreading to developed-country users, the THK Group endeavors to expand its global sales network to meet such demand. Regarding Development of New Business Areas, while the THK Group's products are getting widely adopted in various business fields, the THK Group is working on expanding sales of not only existing products but also new developed products. Such business fields include automobile parts, medical equipment, aircraft, and robot, which are close to consumer goods, as well as seismic isolation and damping systems and renewable energy, which offer products that reduce risks arising from natural disasters and climate change. In addition to promoting these strategies above, the THK Group is also committed to further expand its business fields by changing its business style enabled by making full use of AI and robot technologies in many ways.

In the industrial machinery business, following China, which resumed its economic activities earlier than other countries in the latter half of the previous year, demand has recovered in other areas including developed countries. The THK Group captured such demand and successfully increased revenue. On the other hand, the transportation equipment business was affected by the automobile production cuts due to shortages in semiconductors and other components. As a result, consolidated revenue amounted to ¥230,146 million, up ¥73,610 million, or 47.0%, compared to the figure a year earlier.

On the cost front, in spite of the automobile production cuts and price hikes in steel products, the cost to revenue ratio improved by 2.9% from a year earlier to 75.6% because of the increased revenue in the industrial machinery business and the various activities to improve its productivity that THK Group has implemented.

Selling, general and administrative (SGA) expenses amounted to ¥37,860 million, up ¥4,109 million, or 12.2%, compared to the figure a year earlier due mainly to the increased sales. The ratio to revenue improved by 5.1% from a year earlier to 16.5% because of the THK Group's endeavors to contain costs and improve operating efficiency as well as the increased sales.

As a result, the THK Group recorded operating income of ¥19,192 million, which rose by ¥20,164 million from operating loss of ¥971 million a year earlier. Operating income margin was 8.3%.

Finance income and finance costs were ¥1,536 million and 1,927 million, respectively.

As a result, the THK Group recorded income before tax of ¥18,802 million, which rose by ¥21,555 million from loss before tax of ¥2,753 million a year earlier, and profit for the period attributable to owners of the parent of ¥12,913 million, which rose by ¥16,405 million from loss for the period attributable to owners of the parent of ¥3,492 million a year earlier.

## (2) Operating results by segment

### (Japan)

In the industrial machinery business in Japan, there were signs of recovery in demand across the board, including demand for electronics products that has continued its recovery trend. In such a situation, the THK Group stably captured such demand and successfully increased revenue by utilizing various measures to improve its productivity such as plant expansion, automation and robotization that the THK Group has implemented. As a result, revenue amounted to ¥87,668 million, up ¥22,384 million, or 34.3%, compared to the figure a year earlier. The THK Group recorded operating income (segment income) of ¥14,914 million, which rose by ¥15,221 million from operating loss (segment loss) of ¥306 million a year earlier due mainly to the increased revenue.

### (The Americas)

In the industrial machinery business in the Americas, there were signs of recovery in demand across the board, particularly in demand for electronics products. In such a situation, the THK Group stably captured such demand and successfully increased revenue by utilizing various measures to improve its productivity that the THK Group has implemented. As a result, revenue amounted to ¥41,816 million, up ¥8,933 million, or 27.2%, compared to the figure a year earlier. The THK Group recorded operating loss (segment loss) of ¥1,279 million due to the loss recorded in the transportation equipment business, although the degree of loss improved by ¥61 million from operating loss (segment loss) of ¥1,340 million a year earlier mainly because of the increased revenue.

### (Europe)

In the industrial machinery business in Europe, while there were signs of recovery in demand across the board, the THK Group stably captured such demand and successfully increased revenue by utilizing various measures to improve its productivity that the THK Group has implemented. As a result, revenue amounted to ¥37,729 million, up ¥9,690 million, or 34.6%, compared to the figure a year earlier. The THK Group recorded operating loss (segment loss) of ¥1,513 million due mainly to the loss recorded in the transportation equipment business, although the degree of loss improved by ¥1,159 million from operating loss (segment loss) of ¥2,672 million a year earlier mainly because of the increased revenue.

### (China)

As economic activities in China were resumed earlier than other countries and the recovery trend of demand across the board continues, the THK Group captured such demand and successfully increased revenue by utilizing various measures to improve its productivity that the THK Group has implemented. As a result, revenue amounted to ¥48,686 million, up ¥25,244 million, or 107.7%, compared to the figure a year earlier. Operating income (segment income) amounted to ¥6,568 million, up ¥4,281 million, or 187.1%, compared to the figure a year earlier due mainly to the increased revenue.

### (Other)

In other countries and regions, the THK Group continued to expand and deepen transactions with existing customers and to cultivate new customers while demand for THK Group's products was widely expanded in India and the ASEAN countries. In addition, the recovery of demand in China favorably affected the THK Group's revenue in some countries. As a result, revenue amounted to ¥14,246 million, up ¥7,357 million, or 106.8%, compared to the figure a year earlier. Operating income (segment income) amounted to ¥1,675 million, up ¥1,412 million or 536.6%, compared to the figure a year earlier due mainly to the increased sales.

## **2. Financial position (as of September 30, 2021)**

Total assets stood at ¥497,714 million, ¥37,540 million more than the previous fiscal year-end, due mainly to a combined effect of increase in (1) trade and other receivables by ¥18,162 million, (2) inventories by ¥14,476 million, and (3) property, plant and equipment by ¥6,663 million, and decrease in (1) cash and cash equivalents by ¥4,477 million and (2) goodwill and intangible assets by ¥208 million.

Total liabilities stood at ¥198,335 million, ¥13,310 million more than the previous fiscal year-end, due mainly to a combined effect of increase in trade and other payables by ¥8,598 million, increase in income taxes payable by ¥3,770 million, and decrease in bonds and borrowings by ¥1,205 million.

Total equity stood at ¥299,379 million, ¥24,230 million more than the previous fiscal year-end, due mainly to increase in (1) retained earnings by ¥9,395 million, (2) other components of equity by ¥14,260 million, and (3) non-controlling interests by ¥577 million.

## **3. Forecast for the fiscal year ending December 31, 2021**

For details of the financial forecasts for the year ending December 31, 2021, please refer to “Notice Regarding Amendments in Financial Forecasts” announced on today, November 11, 2021.

## Consolidated Financial Statements

### Consolidated Statements of Financial Position

(Millions of Yen)

	As of December 31, 2020	As of September 30, 2021
<b>Assets:</b>		
Current assets:		
Cash and cash equivalents	¥158,839	¥154,361
Trade and other receivables	59,505	77,667
Inventories	47,237	61,713
Other financial assets	14	2
Other current assets	8,899	10,559
Total current assets	<u>274,495</u>	<u>304,304</u>
Non-current assets:		
Property, plant and equipment	145,922	152,585
Goodwill and intangible assets	18,779	18,570
Investments accounted for using the equity method	5,686	5,723
Other financial assets	10,013	10,754
Deferred tax assets	2,937	3,173
Net defined benefit asset	2,227	2,518
Other non-current assets	110	82
Total non-current assets	<u>185,678</u>	<u>193,409</u>
Total assets	<u><u>460,173</u></u>	<u><u>497,714</u></u>

(Millions of Yen)

As of December 31, 2020

As of September 30, 2021

**Liabilities and equity:****Liabilities:**

## Current liabilities:

Trade and other payables	¥40,293	¥48,892
Bonds and borrowings	2,244	2,437
Other financial liabilities	2,579	3,511
Provisions	763	481
Income taxes payable	1,001	4,772
Other current liabilities	11,617	13,951
<b>Total current liabilities</b>	<b>58,500</b>	<b>74,046</b>

## Non-current liabilities:

Bonds and borrowings	100,325	98,926
Other financial liabilities	11,243	10,094
Net defined benefit liabilities	7,014	7,202
Provisions	182	188
Deferred tax liabilities	5,463	5,454
Other non-current liabilities	2,295	2,421
<b>Total non-current liabilities</b>	<b>126,524</b>	<b>124,288</b>

## Total Liabilities

185,024

198,335

**Equity**

Common stock	34,606	34,606
Capital surplus	40,413	40,413
Retained earnings	219,712	229,108
Treasury stock	(14,006)	(14,008)
Other components of equity	(14,235)	24
<b>Total equity attributable to owners of the parent</b>	<b>266,491</b>	<b>290,144</b>
Non-controlling interests	8,657	9,234
<b>Total Equity</b>	<b>275,148</b>	<b>299,379</b>

**Total liabilities and equity**

460,173

497,714

## Consolidated Statements of Profit or Loss

(Millions of Yen)

	Nine months ended September 30, 2020	Nine months ended September 30, 2021
Revenue	¥156,536	¥230,146
Cost of sales	122,837	173,928
Gross profit	33,699	56,218
Selling, general and administrative expenses	33,750	37,860
Other income	2,982	1,621
Other expenses	4,017	943
Share of profit in investments accounted for using the equity method	115	156
Operating income (loss)	(971)	19,192
Financial income	499	1,536
Financial costs	2,281	1,927
Profit (loss) before tax	(2,753)	18,802
Income tax expense	1,302	5,847
Profit (loss) for the period	<u>(4,055)</u>	<u>12,954</u>
Attributable to:		
Owners of the parent	(3,492)	12,913
Non-controlling interests	(563)	40
Total	<u>(4,055)</u>	<u>12,954</u>
Earnings (loss) per share:		
Basic (Yen)	(27.59)	102.03
Diluted (Yen)	—	—



## Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Nine months ended September 30, 2020	Nine months ended September 30, 2021
Profit (loss) for the period	¥(4,055)	¥12,954
Other comprehensive income		
Items that may not be reclassified subsequently to profit or loss:		
Financial assets measured at fair value through other comprehensive income	(376)	222
Remeasurements of defined benefit plans	23	44
Share of other comprehensive income (losses) of associates accounted for using the equity method	(9)	(7)
Subtotal	(362)	259
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	(4,292)	14,712
Share of other comprehensive income (losses) of associates accounted for using the equity method	(102)	(41)
Subtotal	(4,394)	14,671
Other comprehensive loss, net of tax	(4,756)	14,930
Comprehensive income (loss)	(8,812)	27,884
Attributable to:		
Owners of the parent	(8,105)	27,199
Non-controlling interests	(706)	685
Total	(8,812)	27,884

## Consolidated Statements of Changes in Equity

(Millions of Yen)

Nine Months Ended September 30, 2020	Equity attributable to owners of the parent				Other components of equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translating foreign operations
Beginning balance	¥34,606	¥40,413	¥230,927	¥(14,004)	¥(13,479)
Loss for the period	—	—	(3,492)	—	—
Other comprehensive income (loss)	—	—	—	—	(4,240)
Total comprehensive income (loss) for the period	—	—	(3,492)	—	(4,240)
Purchase of treasury stock	—	—	—	(1)	—
Payment of dividends	—	—	(1,961)	—	—
Transfer from other components of equity to retained earnings	—	—	6	—	—
Other	—	—	—	—	—
Total transactions with owners	—	—	(1,955)	(1)	—
Ending balance	<u>34,606</u>	<u>40,413</u>	<u>225,479</u>	<u>(14,005)</u>	<u>(17,720)</u>

	Equity attributable to owners of the parent				Other components of equity	
	Financial assets measured at fair value through other comprehensive income				Non-controlling interests	
	Remeasurements of defined benefit plans	Subtotal	Total	Total equity		
Beginning balance	¥—	¥(11,598)	¥280,344	¥10,787	¥291,132	
Loss for the period	—	—	(3,492)	(563)	(4,055)	
Other comprehensive income (loss)	(379)	6	(4,613)	(143)	(4,756)	
Total comprehensive income (loss) for the period	(379)	6	(8,105)	(706)	(8,812)	
Purchase of treasury stock	—	—	(1)	—	(1)	
Payment of dividends	—	—	(1,961)	—	(1,961)	
Transfer from other components of equity to retained earnings	—	(6)	(6)	—	—	
Other	—	—	—	(240)	(240)	
Total transactions with owners	—	(6)	(1,963)	(240)	(2,203)	
Ending balance	<u>1,502</u>	<u>—</u>	<u>(16,218)</u>	<u>9,840</u>	<u>280,116</u>	

(Millions of Yen)

Nine Months Ended September 30, 2021	Equity attributable to owners of the parent				Other components of equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translating foreign operations
Beginning balance	¥34,606	¥40,413	¥219,712	¥(14,006)	¥(16,201)
Profit for the period	—	—	12,913	—	—
Other comprehensive income	—	—	—	—	14,037
Total comprehensive income for the period	—	—	12,913	—	14,037
Purchase of treasury stock	—	—	—	(2)	—
Payment of dividends	—	—	(3,543)	—	—
Transfer from other components of equity to retained earnings	—	—	25	—	—
Other	—	—	—	—	—
Total transactions with owners	—	—	(3,518)	(2)	—
Ending balance	34,606	40,413	229,108	(14,008)	(2,163)

	Equity attributable to owners of the parent				Other components of equity		
	Financial assets measured at fair value through other comprehensive income		Remeasurements of defined benefit plans	Subtotal	Total	Non-controlling interests	Total equity
Beginning balance	¥1,966	¥—	¥(14,235)	¥266,491	¥8,657	¥275,148	
Profit for the period	—	—	—	12,913	40	12,954	
Other comprehensive income	224	24	14,286	14,286	644	14,930	
Total comprehensive income for the period	224	24	14,286	27,199	685	27,884	
Purchase of treasury stock	—	—	—	(2)	—	(2)	
Payment of dividends	—	—	—	(3,543)	—	(3,543)	
Transfer from other components of equity to retained earnings	(1)	(24)	(25)	—	—	—	
Other	—	—	—	—	(108)	(108)	
Total transactions with owners	(1)	(24)	(25)	(3,546)	(108)	(3,654)	
Ending balance	2,188	—	24	290,144	9,234	299,379	

## Consolidated Statements of Cash Flows

(Millions of Yen)

	Nine months ended September 30, 2020	Nine months ended September 30, 2021
<b>Cash flows from operating activities:</b>		
Profit (loss) before tax	¥(2,753)	¥18,802
Depreciation and amortization	13,790	13,930
Change in net defined benefit assets and liabilities	(144)	(68)
Financial income	(499)	(1,536)
Financial costs	1,172	1,178
Share of profit in investments accounted for using the equity method	(115)	(156)
Decrease (increase) in trade and other receivables	7,657	(17,566)
Increase in inventories	(1,205)	(12,707)
Increase (decrease) in trade and other payables	(4,162)	11,695
Other	(43)	(1,417)
Subtotal	13,695	12,151
Interests and dividends received	511	449
Interests paid	(284)	(238)
Income taxes (paid) refunded	915	(2,182)
Net cash flows from operating activities	14,837	10,179
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(13,462)	(13,068)
Proceeds from sales of property, plant and equipment	71	38
Purchase of other financial assets	(33)	(120)
Proceeds from sales of other financial assets	—	4
Other	(228)	(155)
Net cash flows from investing activities	(13,653)	(13,301)
<b>Cash flows from financing activities:</b>		
Net increase in commercial papers	10,000	—
Repayments of long-term borrowings	(2,185)	(2,185)
Proceeds from issuance of bonds	30,000	—
Redemption of bonds	(10,000)	—
Purchase of treasury stock	(1)	(2)
Dividends paid	(1,985)	(3,558)
Dividends paid to non-controlling shareholders	(232)	(97)
Repayments of lease obligations	(1,160)	(1,337)
Net cash flows from financing activities	24,436	(7,180)
Effects of exchange rate changes on cash and cash equivalents	(1,086)	5,825
Net increase in cash and cash equivalents	24,534	(4,477)
Cash and cash equivalents at the beginning of the period	149,091	158,839
Cash and cash equivalents at the end of the period	173,625	154,361

## Segment Information

### 1. Outline of reportable segments

THK's reportable segments are components of THK Group for which respective financial information is separately available. Operating results of each segment is reviewed periodically by the Board of Directors to determine allocation of operating resources and evaluate its performance.

THK Group's main products are machinery parts such as LM (linear motion) guides and ball screws, and transportation equipment-related parts such as link balls and suspension ball joints. In each country, local subsidiaries establish their comprehensive business strategies and conduct their business activities in a similar way that THK and domestic subsidiaries do in Japan.

Therefore, the reportable segments consist of the five geographical segments, namely; (1) Japan, (2) The Americas (the United States and others), (3) Europe (Germany, France and others), (4) China, and (5) Other (Taiwan, Singapore and others) based on the THK Group's production/sales structure.

Segment income or loss is computed based on operating income or loss. The reportable segment information is prepared under the same accounting policies as those used in consolidation. Inter-segment sales and transfer are stated at amounts based on their fair market values. All adjustments in the following tables are intersegment elimination on consolidation.

### 2. Reportable segments

#### For the nine months ended September 30, 2020 (January 1, 2020 to September 30, 2020)

							(Millions of Yen)	
	Japan	The Americas	Europe	China	Other	Total	Adjustments	Consolidated
Revenue:								
Sales to customers	¥65,284	¥32,882	¥28,038	¥23,442	¥6,888	¥156,536	¥-	¥156,536
Inter-segment	26,222	92	78	1,083	1,289	28,765	(28,765)	-
Total	91,506	32,975	28,116	24,525	8,178	185,302	(28,765)	156,536
Segment income (loss)	(306)	(1,340)	(2,672)	2,287	263	(1,768)	796	(971)
Financial income	815	49	234	241	30	1,371	(872)	499
Financial costs	1,509	310	573	41	8	2,442	(161)	2,281
Profit (loss) before tax	(999)	(1,601)	(3,011)	2,487	285	(2,839)	85	(2,753)

(Note) All adjustments are intercompany elimination.

#### For the nine months ended September 30, 2021 (January 1, 2021 to September 30, 2021)

							(Millions of Yen)	
	Japan	The Americas	Europe	China	Other	Total	Adjustments	Consolidated
Revenue:								
Sales to customers	¥87,668	¥41,816	¥37,729	¥48,686	¥14,246	¥230,146	¥-	¥230,146
Inter-segment	50,863	79	213	1,773	1,997	54,927	(54,927)	-
Total	138,531	41,895	37,942	50,460	16,244	285,074	(54,927)	230,146
Segment income (loss)	14,914	(1,279)	(1,513)	6,568	1,675	20,367	(1,174)	19,192
Financial income	2,955	1	145	369	18	3,490	(1,954)	1,536
Financial costs	1,539	113	320	8	72	2,054	(126)	1,927
Profit (loss) before tax	16,330	(1,391)	(1,687)	6,930	1,621	21,803	(3,001)	18,802

(Note) All adjustments are intercompany elimination.

## Subsequent event

(Acquisition and Retirement of Treasury Stock)

THK CO., LTD. resolved at a meeting of the Board of Directors held on November 11, 2021 to acquire treasury stock under Article 156 of the Companies Act, applied by the reading of terms pursuant to the provisions of Paragraph 3, Article 165 of the Act. The Company also resolved to retire treasury stock pursuant to the provisions of Article 178 of the Companies Act.

### 1, Reasons for acquisition and retirement of treasury stock

THK will acquire treasury stock for enhancement of shareholder return and efficient use of capital.

### 2, Details of the acquisition

(1) Types of shares to be acquired:	Common shares of THK
(2) Number of shares that can be acquired:	4,000,000 shares (maximum) (Ratio to the number of shares outstanding [excluding treasury stock]: 3.16%)
(3) Total acquisition cost:	12 billion yen (maximum)
(4) Acquisition period:	From November 12, 2021 to March 31, 2022
(5) Method of acquisition:	Market purchase on the Tokyo Stock Exchange

### 3, Details of the retirement

(1) Types of shares to be retired:	Common shares of THK
(2) Number of shares to be retired:	4,000,000 shares (Ratio to the number of shares outstanding before retirement [including treasury stock]: 2.99%)
(3) Number of shares outstanding after retirement:	129,856,903 shares
(4) Scheduled date of retirement:	November 26, 2021

## Additional Information

(Accounting estimates on the effect of the novel coronavirus)

There are no significant changes in the assumptions regarding the effect of the COVID-19 pandemic as disclosed in Note 37, "Additional Information on Accounting Estimate Regarding the COVID-19 Pandemic" in THK's Securities Report for the year ended December 31, 2020 (Japanese version only).

**Additional notes:**

All the figures in this report except per share information are rounded down to the nearest million.

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