[Translation for Reference and Convenience Purposes Only]

Please note that the following is an unofficial English translation of Japanese original text of the Disclosure Information Posted on the Internet as Part of the Notice of Convocation of the 50th Ordinary General Meeting of Shareholders of THK CO., LTD. The Company provides this translation for reference and convenience purposes only. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

To shareholders

Disclosure Information Posted on the Internet as Part of the Notice of Convocation of the 50th Ordinary General Meeting of Shareholders

The Company has posted the above disclosure information on its website (http://www.thk.com/us/ir/shareholder/meeting.html) for the shareholders in accordance with the relevant laws and regulations and the Company's Articles of Incorporation.

February 28, 2020

THK CO., LTD.

[Translation for Reference and Convenience Purposes Only]

Notes to the Consolidated Financial Statements

1. Important Matters for the Preparation of the Consolidated Financial Statements

(1) Matters Related to the Scope of Consolidation

1. Consolidated Subsidiaries

Number of consolidated subsidiaries	36 companies
Names of major consolidated subsidiaries	The major consolidated subsidiaries are shown in “1. Present Status of the Corporate Group, (5) Status of Major Subsidiaries.”

2. Non-Consolidated Subsidiaries

Names of major non-consolidated subsidiaries	THK BRAZIL INDUSTRIA E COMERCIO LTDA.
Reasons for exclusion from the scope of consolidation	All of the Company’s non-consolidated subsidiaries are small enterprises, and their total assets, sales revenues, profit/loss for the term (amount corresponding to the stake) and profit surplus (amount corresponding to the stake) do not have any material impact on the consolidated financial statements.

(2) Matters Related to the Application of the Equity Method

1. Affiliated Companies Subject to the Application of the Equity Method

Number of affiliated companies subject to the application of the equity method	1 company
Names of major companies	SAMICK THK CO., LTD.

2. Non-Consolidated Subsidiaries and Affiliated Companies Not Subject to Application of the Equity Method

Names of major companies	THK BRAZIL INDUSTRIA E COMERCIO LTDA.
Reasons for non-application of the equity method	All of the Company’s non-consolidated subsidiaries and affiliated companies that are not subject to the application of the equity method, and their profit/loss for the term (amount corresponding to the stake) and profit surplus (amount corresponding to the stake) do not have any material impact on the consolidated financial statements or any importance in the overall group’s perspectives.

(3) Matters Related to Fiscal Year of Consolidated Subsidiaries

Consolidated subsidiaries close their accounts on the same day as the consolidated account closing day of the THK Group.

(Matters Related to Accounting Policies)

(1) Valuation Basis and Method for Securities

Other securities

Securities with fair market value	Fair market value method based on the market value as of the last day of the consolidated fiscal year (Unrealized gains and losses are reported, net of applicable taxes, in a separate component of net assets. The cost of securities sold is determined by the moving-average method.)
Securities without fair market value	Stated at cost determined by the moving-average method.

(2) Valuation Basis and Method for Derivatives

Derivatives	Fair market value method has been adopted.

(3) Valuation Basis and Method for Inventories

1. Merchandise and finished goods	Stated at cost by the gross average method, in principle (Amounts in the balance sheets were calculated by writing down the book value with regard to the inventories for which profitability was clearly declining.)
2. Work in process	For planned products, stated at cost by the gross average method, in principle. For made-to-order products, stated at cost by the specific identification method, in principle (Amounts in the balance sheets were calculated by writing down the book value with regard to the inventories for which profitability was clearly declining.)
3. Raw materials and supplies	Stated at cost by the gross average method, in principle (Amounts in the balance sheets were calculated by writing down the book value with regard to the inventories for which profitability was clearly declining.)

(4) Depreciation Method for Important Depreciable Assets

1. Tangible fixed assets (Except for lease properties)	The straight-line method has been adopted. Also, the life of major fixed assets is as follows: Building and structures: 5–50 years Machinery and transportation equipment: 4–12 years
2. Intangible fixed assets (Except for lease properties)	Adopting the straight-line method. However, capitalized software for internal use is amortized by the straight-line method over the estimated internal useful life (5 years).
3. Lease properties	Lease properties related to finance leases other than those that are deemed to transfer the ownership of the leased assets to the lessees are depreciated assuming the lease period as the useful life and no residual value.

(5) Accounting Standards for Important Reserves

1. Allowance for bad debts	To prepare for losses from bad debts, the Company and domestic consolidated subsidiaries provide the allowance for doubtful accounts at an amount of possible losses from uncollectible trade receivables based on the actual rate of losses from bad debt for ordinary receivables, and on the estimated recoverability for specific doubtful receivables. Overseas consolidated subsidiaries provide estimated amounts on the estimated recoverability for specific doubtful receivables.
2. Reserve for bonuses	The reserve for bonuses is provided at an amount as a defrayment for the consolidated fiscal year under review based on the estimated total amount of employees' bonuses.
3. Reserve for officers' retirement benefits	To allocate retirement compensation for officers of some domestic consolidated subsidiaries, the reserve for retirement benefits to officers is provided at an amount that would be required to be paid in accordance with the Company's internal rules if all eligible officers resign their positions as of the balance-sheet date.
4. Product warranty allowance	To prepare for expenses to address product-related complaints at some consolidated subsidiaries, a reserve for product warranty has been provided based on the results of previous years.

(6) Accounting Standard for Calculation of Retirement Benefits

To prepare for retirement benefits to employees, net defined benefit liability is posted at an amount determined by subtracting pension plan assets from the retirement benefit obligation, based on the estimated amounts at the end of the consolidated fiscal year under review.

The actuarial gain or loss is amortized by the straight-line method over the average remaining service years (5–18 years) for employees at the time of recognition from the following consolidated fiscal year of recognition.

Prior service cost is charged to expenses using the straight-line method over a certain period (15 years) within the average remaining service years of the employees when incurred.

Actuarial gains or losses and prior service costs that are yet to be recognized in profit or loss have been recognized as "Remeasurements of defined benefit plans" in "Accumulated other comprehensive income" within the net asset section, after adjusting for tax effects.

(7) Important Method of Hedge Accounting

1. Method of hedge accounting	The preferential treatment is adopted for interest-rate swaps because they satisfy the requirements of such preferential treatment. The integrated treatment (special accounting treatment, appropriation treatment) is adopted for interest-rate and currency swaps because they satisfy the requirements of such integrated treatment.
2. Hedging instruments and hedged items	
Interest-rate swaps	Interest on borrowings
Interest-rate and currency swaps	Foreign currency-denominated borrowings and interest on borrowings
3. Hedge policy	Interest-rate swaps are intended to hedge interest rate volatility risks involved in borrowings. Interest-rate and currency swaps are intended to hedge foreign exchange volatility risks and interest rate volatility risks involved in foreign currency-denominated borrowings.
4. Evaluation method for hedge validity	Evaluation of the validity of interest-rate swaps is omitted because they satisfy the requirements of the preferential treatment. Evaluation of the validity of interest-rate and currency swaps is omitted because they satisfy the requirements of integrated treatment (special accounting treatment, appropriation treatment).

(8) Matters Related to the Amortization of Goodwill

Goodwill is equally amortized over 15 years.

(9) Method of Accounting Processing of Consumption Tax

Accounting of the consumption tax and local consumption taxes is processed according to the net-of-tax method.

2. Notes to the Change in Presentation Method

(Application of "Partial Amendments to Accounting Standard for Tax Effect Accounting")

Effective January 1, 2019, the Company applied "Partial Amendments to Accounting Standard for Tax Effect Accounting" (Statement No. 28 issued by Accounting Standards Board of Japan, February 16, 2018). Pursuant to this change, deferred tax assets are shown within investments and other assets, and deferred tax liabilities are shown within long-term liabilities.

3. Notes to the Consolidated Balance Sheet

(1) Accumulated depreciation and impairment losses of fixed tangible assets
¥207,252 million

(2) Investment securities (stocks) of non-consolidated subsidiaries and affiliated companies ¥5,452 million

4. Notes to the Consolidated Statement of Income

Impairment Loss

The THK Group recorded an impairment loss for the following asset group during the consolidated fiscal year under review.

Location	Usage	Category	Impairment Loss (Millions of Yen)
St. Catharines, ONT., Canada	Operating asset	Machinery and transportation equipment	1,927
		Other	209
Total			2,137

In principle, fixed assets of the THK Group are classified into asset groups based on the managerial accounting units.

The THK Group determined that the carrying amounts of certain operating assets of THK RHYTHM AUTOMOTIVE CANADA LIMITED, a consolidated subsidiary, were unrecoverable due to decline in profitability. As a result, the carrying amounts of such fixed assets were written down to their recoverable amounts and the difference was recorded as an impairment loss.

The recoverable amounts of operating assets are measured at their net realizable value determined based on real estate appraisal values.

5. Notes to the Consolidated Statement of Changes in Shareholders' Equity

(1) Matters Related to Outstanding Shares

Type of Stock	First of the Consolidated Fiscal Year	Increase	Decrease	End of the Consolidated Fiscal Year under Review
Common stock (shares)	133,856,903	―	―	133,856,903

(2) Matters Related to Dividends

1. Dividend payments

Resolution	Type of Stock	Total Dividend (Millions of Yen)	Dividend per Share (Yen)	Reference Date	Effective Date
Ordinary General Meeting of Shareholders, Mar. 16, 2019	Common stock	4,809	38	Dec. 31, 2018	Mar. 18, 2019
Board of Directors Meeting, Aug. 7, 2019	Common stock	3,037	24	Jun. 30, 2019	Sep. 9, 2019

2. Dividend for which the reference date falls in the current consolidated fiscal year with an effective date falling in the next consolidated fiscal year

The following will be submitted for a vote at the 50th term's Ordinary General Meeting of Shareholders on March 20, 2020.

Vote	Type of Stock	Resource of the Dividend	Total Dividend (Millions of Yen)	Dividend per Share (Yen)	Reference Date	Effective Date
Ordinary General Meeting of Shareholders, Mar. 20, 2020	Common stock	Profit surplus	1,012	8	Dec. 31, 2019	Mar. 23, 2020

6. Notes to Financial Instruments

(1) Matters Related to the Status of Financial Instruments

For fund management of the Company group, funds are invested in short-term deposits, etc. For fundraising, necessary funds are mainly raised by issuing bonds and by borrowing funds from banks in light of the business plan.

Against credit risks of customers involved in notes and accounts receivable and electronically recorded monetary claims–operating, credit management and protection of receivables are implemented in compliance with the “Control Rules on Trade Receivables.” Against foreign exchange volatility risks involved in operating claims and debts denominated in foreign currencies, forward foreign exchange contracts are used.

Investment securities are mainly stocks, and their market values, financial conditions of their issuing bodies and so on are captured at regular intervals.

Bond issuance and bank borrowing are intended to raise mainly operating funds and other funds necessary for business activities such as equipment investments, other investments and financing. Against interest rate volatility and exchange rate fluctuation risks, their interest rates and the amounts of principal combined with interest are fixed by using derivative transactions (interest-rate swaps and interest and currency swaps).

It is the policy that derivative transactions are made within the actual demand in order to avert foreign exchange rate volatility risks and interest rate volatility risks and that no speculative derivative transaction is made.

(2) Matters Related to Market Values of Financial Instruments, etc.

The table below shows book values of financial instruments in the consolidated balance sheet as of December 31, 2019 and their market values as well as differences between the book values and market values. However, the table below excludes such financial instruments, the market values of which it is extremely difficult to capture (see Note 2).

	Book Value in the Consolidated Balance Sheet (Millions of Yen)	Market Value (Millions of Yen)	Difference (Millions of Yen)
1. Cash and deposits	149,091	149,091	—
2. Notes and accounts receivable	49,413	49,413	—
3. Electronically recorded monetary claims–operating	14,400	14,400	—
4. Investment securities Other securities	4,164	4,164	—
Total assets	217,069	217,069	—
5. Notes and accounts payable	17,842	17,842	—
6. Electronically recorded obligations–operating	16,181	16,181	—
7. Bonds payable (Including current portion of long-term bonds)	60,000	60,029	29
8. Long-term loans payable (Including current portion of long-term loans payable)	35,295	35,295	—
Total liabilities	129,318	129,347	29
9. Derivative transactions To which the hedge accounting is not applied (*)	31	31	—
To which the hedge accounting is applied	—	—	—
Total derivative transactions	31	31	—

(*) Receivables and payables resulted from derivative transactions are presented in net amounts. Amounts of items that become net payables in total are represented in parentheses.

(Note 1) Matters related to the calculation methods of market values of financial instruments and about marketable securities and derivative transactions

1. "Cash and deposits," 2. "Notes and accounts receivable" and 3. "Electronically recorded monetary claims–operating": the market values of these financial instruments are almost equal to their book values because they are settled in a short time. For this reason, their market values are based on their book values.
4. "Investment securities": the market values of the financial instruments are based on their prices at stock exchanges.
5. "Notes and accounts payable" and 6. "Electronically recorded obligations–operating": the market values of these financial instruments are almost equal to their book values because they are settled in a short time. For this reason, their market values are based on their book values.
7. "Bonds payable": the market value of a bond issued by the Company is calculated based on the present value as a result of discounting the total amount of principal and interest by the rate with the remaining period and credit risk of the relevant bond taken into account.
8. "Long-term loans payable": long-term borrowings are based on floating interest rates and market rates of interest are reflected in a short time. Moreover, there are no important changes in the credit conditions of the Company after the borrowings were made. Therefore, the market values of long-term borrowings are based on their book values because the former is approximated by the latter.
9. "Derivative transactions"

(1) Derivative transactions to which the hedge accounting is not applied.

Category	Transaction Type, etc.	Amount of Contract, etc. (Millions of yen)	Of the Amount of Contract, etc. that for more than one year (Millions of yen)	Market value (Millions of yen)	Valuation gain/loss (Millions of yen)
Off-market transaction	Foreign exchange contracts Short USD	339	—	(9)	(9)
Off-market transaction	Foreign exchange contracts Short EUR	2,014	—	41	41
Off-market transaction	Foreign exchange contracts Short CNY	23	—	(0)	(0)
Total		2,376	—	31	31

(Note) Market values are calculated based on the prices and so forth as presented by trading financial institutions.

(2) Derivative transactions to which the hedge accounting is applied.

Method of Hedge Accounting	Transaction Type, etc.	Main Hedged Object	Amount of Contract, etc. (Millions of yen)	Of the Amount of Contract, etc. that for more than one year (Millions of yen)	Market value (*) (Millions of yen)
Integrated treatment of interest-rate and currency swaps	Interest-rate and currency swap transactions Fixed-rate interest JPY payment and floating-rate interest USD receipt	Long-term borrowings	15,295	13,110	202
Preferential treatment of interest-rate swaps	Interest-rate swap transactions Fixed-rate interest payment and floating rate interest receipt	Long-term borrowings	20,000	20,000	(316)
Total			35,295	33,110	(114)

(Note) Market values are calculated based on the prices and so forth as presented by trading financial institutions.

(*) Those adopted the integrated treatment of interest-rate and currency swaps or preferential treatment of interest-rate swaps are treated integrally with long-term borrowings, which are deemed as hedged object. Therefore, their market values are included in that of the long term borrowings.

(Note 2) Non-listed stocks and investment limited liability partnerships (their respective book values in the consolidated balance sheet are ¥305 million and ¥747 million) have no market prices and it is therefore deemed extremely difficult to ascertain their market values. For this reason, non-listed stocks are not included in 4. "Investment securities, Other securities."

7. Notes to Per Share Information

(1) Net assets per share ¥2,238.77

(2) Net income per share ¥75.87

8. Notes to Significant Subsequent Events

Not applicable

9. Other Notes

Amounts less than ¥1 million of the indicated amounts are truncated.

Notes to the Non-Consolidated Financial Statements

1. Important Matters for the Preparation of the Non-Consolidated Financial Statements

(1) Valuation Basis and Method for Securities

1. Other securities	
Securities with fair market value	Fair market value method based on the market value, etc., as of the last day of the fiscal year (Unrealized gains and losses are reported, net of applicable taxes, in a separate component of net assets. The cost of securities sold is determined by the moving-average method.)
Securities without fair market value	Moving average cost method
2. Shares of subsidiaries and affiliated companies	Moving average cost method

(2) Valuation Basis and Method for Derivatives

Derivatives	Fair market value method has been adopted.

(3) Valuation Basis and Method for Inventories

1. Merchandise and finished goods	Merchandises and finished goods were stated by the gross average cost method. (Amounts in the balance sheets were calculated by writing down the book value with regard to the inventories for which profitability was clearly declining.)
2. Work in process	Planned products were stated at cost by the gross average method. Made-to-order products were stated at cost by the specific identification method. (Amounts in the balance sheets were calculated by writing down the book value with regard to the inventories for which profitability was clearly declining.)
3. Raw materials and supplies	Raw materials and supplies were stated by the gross average cost method. (Amounts in the balance sheets were calculated by writing down the book value with regard to the inventories for which profitability was clearly declining.)

(4) Depreciation Method for Important Depreciable Assets

1.Tangible fixed assets (Except for lease properties)	Straight-line method
2. Intangible fixed assets (Except for lease properties)	Straight-line method However, capitalized software for internal use is amortized by the straight-line method over the estimated internal useful life (5 years).
3. Lease properties	Lease properties related to finance leases other than those that are deemed to transfer the ownership of the leased assets to the lessees are depreciated assuming the lease period as the useful life and no residual value.

(5) Accounting Standards for Important Reserves

1. Allowance for bad debts	To prepare for losses from bad debts, the Company provides the allowance for doubtful accounts at an amount of possible losses from uncollectible trade receivables based on the actual rate of losses from bad debt for ordinary receivables, and on the estimated recoverability for specific doubtful receivables.
2. Reserve for bonuses	The reserve for bonuses is provided at an amount as a defrayment for the fiscal year under review based on the estimated total amount of employees' bonuses.
3. Reserve for employees' retirement benefits	The reserve for employees' retirement benefits is provided at an amount recognized to have accrued as of the balance-sheet date based on the projected retirement benefit obligation and fair value of pension plan assets at the end of the fiscal year under review. The actuarial gain or loss is amortized by the straight-line method over the average remaining service years (10 years) for employees at the time of recognition, from the following year of recognition. Prior service cost is charged to expenses using the straight-line method over a certain period (15 years) within the average remaining service years of the employees when incurred.

(6) Important Method of Hedge Accounting

1. Method of hedge accounting	The preferential treatment is adopted for interest-rate swaps because they satisfy the requirements of such preferential treatment. The integrated treatment (special accounting treatment, appropriation treatment) is adopted for interest-rate and currency swaps because they satisfy the requirements of such integrated treatment.
2. Hedging instruments and hedged items	
Interest-rate swaps	Interest on borrowings
Interest-rate and currency swaps	Foreign currency-denominated borrowings and interest on borrowings
3. Hedge policy	Interest-rate swaps are intended to hedge interest rate volatility risks involved in borrowings. Interest-rate and currency swaps are intended to hedge foreign exchange volatility risks and interest rate volatility risks involved in foreign currency-denominated borrowings.
4. Evaluation method for hedge validity	Evaluation of the validity of interest-rate swaps is omitted because they satisfy the requirements of the preferential treatment. Evaluation of the validity of interest-rate and currency swaps is omitted because they satisfy the requirements of integrated treatment (special accounting treatment, appropriation treatment).

(7) Method of Accounting Processing of Consumption Tax

Accounting of the consumption tax and local consumption taxes is processed according to the net-of-tax method.

2. Notes to the Change in Presentation Method

(Application of "Partial Amendments to Accounting Standard for Tax Effect Accounting")

Effective January 1, 2019, the Company applied "Partial Amendments to Accounting Standard for Tax Effect Accounting" (Statement No. 28 issued by Accounting Standards Board of Japan, February 16, 2018). Pursuant to this change, deferred tax assets are shown within investments and other assets, and deferred tax liabilities are shown within long-term liabilities.

3. Notes to the Balance Sheet

(1) Accumulated depreciation of fixed tangible assets:	¥95,387 million
(2) Amount of accelerated depreciation with national subsidy:	¥150 million
(3) Monetary claims/liabilities pertinent to affiliated companies:	
Short-term monetary claims:	¥20,574 million
Short-term monetary liabilities:	¥6,901 million
Long-term monetary claims:	¥1,500 million
(4) Monetary liabilities to Directors:	¥742 million

(5) Contingent liability

The Company provides a liability guarantee on liability for the following affiliated companies:

Electricity rate liabilities	THK RHYTHM AUTOMOTIVE CANADA LIMITED	¥26 million
Purchase liability	THK INTECHS CO., LTD.	¥296 million
	TALK SYSTEM CORPORATION	¥252 million
	THK NIIGATA CO., LTD.	¥193 million
	THK RHYTHM CO., LTD.	¥122 million
	NIPPON SLIDE CO., LTD.	¥41 million

4. Notes to the Statement of Income

(1) Volume of transactions with affiliated companies:

Sales revenue	¥44,183 million
Purchases	¥19,963 million
Other marketing transactions	¥2,150 million
Non-marketing transactions	¥5,920 million

(2) Loss on valuation of stocks of subsidiaries and affiliates

The Company recognized an impairment and recorded a loss on valuation of stocks of subsidiaries and affiliates of ¥4,519 million as an extraordinary loss, due to a significant decline in the actual value of the shares of THK RHYTHM AUTOMOTIVE CANADA LIMITED, a consolidated subsidiary of the Company.

5. Notes to the Statement of Changes in Shareholders' Equity

Matters Related to Treasury Stock

Type of Stock	First of the Current Fiscal Year	Increase	Decrease	End of the Current Fiscal Year
Common stock (shares)	7,285,464	615	—	7,286,079

(Summary of Reasons for Changes)
Breakdown of the increases:
Increase due to buyback of shares below one lot unit: 615 shares

6. Notes to Tax-Effect Accounting

(1) Breakdown of deferred tax assets and deferred tax liabilities according to the main cause of occurrence

(Deferred tax assets)	
Loss on valuation of stocks of subsidiaries and affiliates	¥2,284 million
Reserve for bonuses	¥719 million
Reserve for employees' retirement benefits	¥494 million
Inventory valuation loss	¥452 million
Accrued retirement compensation for officers	¥227 million
Accrued expenses	¥116 million
Golf club membership	¥79 million
Loss on retirement of non-current assets	¥79 million
Loss on valuation of investment securities	¥76 million
Supplies	¥49 million
Research and development facilities	¥47 million
Lump-sum depreciable assets	¥33 million
Impairment loss	¥32 million
Excess of depreciation and amortization	¥23 million
Others	¥47 million
Subtotal of deferred tax assets	¥4,763 million
Valuation reserves	¥(3,244)million
Total deferred tax assets	¥1,518 million
(Deferred tax liabilities)	
Net unrealized gain on available-for-sale securities	¥(767)million
Business tax receivable	¥(16)million
Special depreciation reserve	¥(0)million
Others	¥(7)million
Total deferred tax liabilities	¥(791)million
Net deferred tax assets	¥726 million

(2) Breakdown of main items that served as the cause of a significance difference between the legal effective tax rate and the corporate tax ratio after application of tax effect accounting

Legal effective tax rate	30.6 %
(Adjustments)	
Items permanently not included as a deductible, such as entertainment costs	0.7 %
Items permanently not included as revenue, such as dividend received	(7.3) %
Equal installments of resident tax	0.5 %
Research and experimentation tax credit	(5.6) %
Valuation reserves	13.2 %
Difference from the effective tax rate	(0.3) %
Others	0.5 %
Corporate tax ratio after application of tax effect accounting	32.3 %

7. Notes to the Transactions with Special Interest Parties

(1) Parent company and major corporate shareholders:
Not applicable

(2) Officers and major individual shareholders:
Not applicable

(3) Subsidiaries, etc.

<table>
<tr><th rowspan="2">Category</th><th rowspan="2">Company</th><th rowspan="2">Location</th><th rowspan="2">Capital Stock or Capitalization</th><th rowspan="2">Description of Business or Occupation</th><th rowspan="2">Ownership of Voting Rights (%)</th><th colspan="2">Description of Relationship</th><th rowspan="2">Description of Trans-actions</th><th rowspan="2">Transaction amount (Millions of Yen)</th><th rowspan="2">Accounting Item</th><th rowspan="2">Term-End Balance (Millions of Yen)</th></tr>
<tr><th>Concurrent Service as an Officer</th><th>Business Relationship</th></tr>
<tr><td rowspan="3">Subsidiaries</td><td>THK RHYTHM CO., LTD.</td><td>(Minami-ku, Hamamatsu-shi, Shizuoka)</td><td>JPY 490 million</td><td>Transporta-tion equipment-related businesses</td><td>Indirect 70%</td><td>3 persons</td><td>Cooperation with the Company</td><td>Provision of loans</td><td>4,013</td><td>Short-term loans</td><td>6,226</td></tr>
<tr><td rowspan="2">THK RHYTHM AUTOMOTIVE CANADA LIMITED</td><td rowspan="2">St. Catharines, ONT., Canada</td><td rowspan="2">CAD 50,000 thousand</td><td rowspan="2">Transporta-tion equipment-related businesses</td><td rowspan="2">Direct 100%</td><td rowspan="2">2 persons</td><td rowspan="2">Production and sales of the Company's products</td><td>Provision of loans</td><td>4,056</td><td rowspan="2">Short-term loans</td><td rowspan="2">4,232</td></tr>
<tr><td>Collection of loans</td><td>4,056</td></tr>
</table>

Transaction terms and the policy on determining transaction terms

Notes:

1. Interest rates for loans to THK RHYTHM CO., LTD. are rationally determined by taking into account the market interest rates.
2. Interest rates for loans to THK RHYTHM AUTOMOTIVE CANADA LIMITED are rationally determined by taking into account the market interest rates.

(4) Affiliated companies sharing the same parent company:
Not applicable

8. Notes to Per Share Information

(1) Net assets per share ¥1,936.36
(2) Net income per share ¥59.72

9. Notes to Significant Subsequent Events

Not applicable

10. Other Notes

Amounts less than ¥1 million of the indicated amounts are truncated.