

November 11, 2025

Consolidated Financial Results for the Nine Months Ended September 30, 2025 under IFRS

Company Name	THK CO., LTD.
Head Office	Tokyo, Japan (Tel: +81-3-5730-3911)
URL	https://www.thk.com/
Stock exchange listing	Tokyo Stock Exchange Prime Market
Code number	6481
Representative	Takashi Teramachi, President and CEO
Contact	Kenji Nakane, Director and CFO
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, 2025 (January 1, 2025 to September 30, 2025)

(1) Consolidated Operating Results

Nine Months Ended September 30	Revenue (Millions of Yen)		Operating Income (Millions of Yen)		Profit Before Tax (Millions of Yen)		Profit (Millions of Yen)		Profit Attributable to Owners of the Parent (Millions of Yen)		Total Comprehensive Income (Loss) (Millions of Yen)	
2025	¥268,227	1.2%	¥9,728	(24.7)%	¥9,889	(27.8)%	¥5,610	(40.8)%	¥5,254	(42.8)%	¥(1,715)	—%
2024	265,130	(1.1)	12,919	(32.7)	13,694	(32.2)	9,478	(34.1)	9,190	(34.7)	14,482	(67.2)

Nine Months Ended September 30	Basic Earnings per Share (Yen)	Diluted Earnings per Share (Yen)
2025	¥46.38	—
2024	74.96	—

(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, 2025	¥525,086	¥320,556	¥316,592	60.3%
December 31, 2024	567,418	389,795	383,645	67.6

2. Dividends

	Dividend Per Share (Yen)				
	First Quarter end	Second Quarter end	Third Quarter end	Year/Period end	Total
Year ended December 31, 2024 (Actual)	¥—	¥18.00	¥—	¥128.50	¥146.50
Year ending December 31, 2025 (Actual)	—	123.00	—	N/A	N/A
Year ending December 31, 2025 (Projected)	N/A	N/A	N/A	123.00	246.00

(Note) Change in dividend projection: None

THK's dividend policy is to pay dividends based on a dividend on equity (DOE) ratio of 8%. The dividends for the year ending December 31, 2025 will be paid based on this policy.

3. Forecasts for the year ending December 31, 2025 (January 1, 2025 to December 31, 2025)

	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, 2025	¥360,000	2.1%	¥16,000	(7.8)%	¥16,200	(13.8)%	¥10,000	(4.2)%	¥89.27

(Note) Changes from forecasts most recently announced: The forecasts announced on February 12, 2025 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, 2025	119,099,803
	December 31, 2024	129,856,903
b. Treasury stock as of:		
	September 30, 2025	7,078,870
	December 31, 2024	8,347,674
c. Average number of common stock for the nine months ended:		
	September 30, 2025	113,289,111
	September 30, 2024	122,605,069

Management's Discussion and Analysis

1. Outline of operating results

(1) Operating results (from January 1, 2025 to September 30, 2025)

In this nine months period, the outlook for the global economy remained uncertain amid concerns such as rising geopolitical risks including the situation in Ukraine and in the Middle East, continuing inflation, and the U.S. tariff policy.

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.

Revenue in the industrial machinery business increased due to a recovery in demand, primarily in China and the United States. In the automotive & transportation business, demand was largely flat following a decline in automobile production in the second half of last year. As a result, consolidated revenue amounted to ¥268,227 million, up ¥3,096 million, or 1.2%, compared to the figure a year earlier.

Costs were impacted by expenses associated with structural reforms under the new management policy and the effects of U.S. tariffs. In such a situation, the cost to revenue ratio rose by 0.4% from a year earlier to 77.6%.

Selling, general and administrative (SGA) expenses amounted to ¥48,764 million, up ¥484 million, or 1.0%, compared to the figure a year earlier. The ratio to revenue was 18.2%, on par with the period a year earlier. In addition, SAMICK THK CO., LTD., an equity-method affiliate, experienced deteriorating market conditions and recorded an expected loss associated with implemented investment projects. Consequently, the THK Group recorded ¥1,461 million of share of loss in investments accounted for using the equity method.

As a result, operating income amounted to ¥9,728 million, down ¥3,191 million, or 24.7%, compared to the figure a year earlier. Operating income margin dropped by 1.3% from a year earlier to 3.6%.

Finance income and finance costs were ¥1,983 million and ¥1,823 million, respectively.

As a result, income before tax amounted to ¥9,889 million, down ¥3,805 million, or 27.8%, compared to the figure a year earlier. Profit attributable to owners of the parent amounted to ¥5,254 million, down ¥3,935 million, or 42.8%, compared to the figure a year earlier.

Operating results by segment

(Japan)

In Japan, demand in the industrial machinery business was generally flat; however, revenue amounted to ¥80,416 million, down ¥1,550 million, or 1.9%, compared to the figure a year earlier. Segment income (operating income) amounted to ¥2,649 million, down ¥3,504 million, or 56.9%, compared to the figure a year earlier, due mainly to ¥1,461 million of share of loss in investments accounted for using the equity method attributable to SAMICK THK CO., LTD.

(The Americas)

In the Americas, revenue amounted to ¥66,477 million, down ¥4,985 million, or 7.0%, compared to the figure a year earlier due mainly to weak demand in the automotive & transportation business. Segment income (operating income) amounted to ¥1,200 million, down ¥720 million, or 37.5%, compared to the figure a year earlier, due mainly to the decrease in revenue.

(Europe)

In Europe, revenue amounted to ¥50,140 million, down ¥2,690 million, or 5.1%, compared to the figure a year earlier due mainly to weak demand in both the industrial machinery business and the automotive & transportation business. Segment loss (operating loss) worsened by ¥996 million from the figure a year earlier (¥589 million) to ¥1,586 million.

(China)

In China, while demand in the industrial machinery business was in a recovery trend, revenue amounted to ¥55,763 million, up ¥9,978 million, or 21.8%, compared to the figure a year earlier. Segment income (operating income) amounted to ¥6,766 million, up ¥1,524 million, or 29.1%, compared to the figure a year earlier, due mainly to the increase in revenue.

(Other)

In other countries and regions, the THK Group expanded its sales channels and implemented aggressive sales activities to cultivate new customers while demand for THK Group's products was widely expanded in India and the ASEAN countries. In such a situation, revenue amounted to ¥15,429 million, up ¥2,344 million, or 17.9%, compared to the figure a year earlier. Segment income (operating income) amounted to ¥809 million, up ¥4 million, or 0.5%, compared to the figure a year earlier.

2. Financial position (as of September 30, 2025)

Total assets stood at ¥525,086 million, ¥42,331 million down from the previous fiscal year-end, due mainly to a combined effect of increase in trade and other receivables by ¥494 million and decrease in (1) cash and cash equivalents by ¥30,636 million, (2) inventories by ¥3,320 million, (3) property, plant and equipment by ¥6,890 million, and (4) goodwill and intangible assets by ¥1,086 million.

Total liabilities stood at ¥204,530 million, ¥26,907 million up from the previous fiscal year-end, due mainly to a combined effect of decrease in income taxes payable by ¥1,274 million and increase in (1) trade and other payables by ¥818 million and (2) bonds and borrowings by ¥26,476 million.

Total equity stood at ¥320,556 million, ¥69,239 million down from the previous fiscal year-end, due mainly to decrease in retained earnings by ¥58,537 million, purchase of treasury stock by ¥1,339 million, decrease in other components of equity by ¥6,635 million, and decrease in noncontrolling interests by ¥2,186 million.

3. Forecast for the fiscal year ending December 31, 2025

For details of the financial forecasts for the year ending December 31, 2025, please refer to “Notice Regarding the Revision of Financial Forecasts” announced on today, November 11, 2025.

Consolidated Financial Statements

Consolidated Statements of Financial Position

(Millions of Yen)

	As of December 31, 2024	As of September 30, 2025
Assets:		
Current assets:		
Cash and cash equivalents	¥138,293	¥107,656
Trade and other receivables	81,474	81,968
Inventories	91,660	88,340
Other financial assets	2,002	2,000
Other current assets	13,375	15,043
Total current assets	<u>326,804</u>	<u>295,008</u>
Non-current assets:		
Property, plant and equipment	203,783	196,892
Goodwill and intangible assets	9,207	8,121
Investments accounted for using the equity method	6,709	5,097
Other financial assets	11,152	10,631
Deferred tax assets	5,142	4,838
Retirement benefit asset	4,243	4,136
Other non-current assets	374	361
Total non-current assets	<u>240,613</u>	<u>230,078</u>
Total assets	<u><u>567,418</u></u>	<u><u>525,086</u></u>

(Millions of Yen)

	As of December 31, 2024	As of September 30, 2025
Liabilities and equity:		
Liabilities:		
Current liabilities:		
Trade and other payables	¥34,040	¥34,859
Bonds and borrowings	23,371	32,990
Other financial liabilities	4,315	5,322
Provisions	425	414
Income taxes payable	3,013	1,738
Other current liabilities	15,763	15,989
Total current liabilities	80,929	91,315
Non-current liabilities:		
Bonds and borrowings	73,143	90,000
Other financial liabilities	7,891	7,105
Retirement benefit liabilities	5,859	5,782
Provisions	65	65
Deferred tax liabilities	6,827	7,113
Other non-current liabilities	2,906	3,149
Total non-current liabilities	96,693	113,215
Total Liabilities	177,623	204,530
Equity		
Common stock	34,606	34,606
Capital surplus	40,120	39,580
Retained earnings	260,638	202,101
Treasury stock	(21,104)	(22,443)
Other components of equity	69,384	62,748
Total equity attributable to owners of the parent	383,645	316,592
Non-controlling interests	6,149	3,963
Total Equity	389,795	320,556
Total liabilities and equity	567,418	525,086

Consolidated Statements of Profit or Loss

(Millions of Yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Revenue	¥265,130	¥268,227
Cost of sales	204,630	208,214
Gross profit	60,499	60,012
Selling, general and administrative expenses	48,279	48,764
Other income	1,681	1,424
Other expenses	1,082	1,482
Share of profit (loss) in investments accounted for using the equity method	100	(1,461)
Operating income	12,919	9,728
Finance income	2,211	1,983
Finance costs	1,437	1,823
Profit before tax	13,694	9,889
Income tax expense	4,216	4,278
Profit	9,478	5,610
Profit attributable to:		
Owners of the parent	9,190	5,254
Non-controlling interests	288	355
Profit	9,478	5,610
Earnings per share:		
Basic earnings per share (yen)	74.96	46.38
Diluted earnings per share (yen)	—	—

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Profit	¥9,478	¥5,610
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Financial assets measured at fair value through other comprehensive income	(6)	515
Remeasurements of defined benefit plans	(279)	(434)
Share of other comprehensive income (loss) of associates accounted for using the equity method	(13)	6
Total of items that will not be reclassified to profit or loss	(299)	87
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	5,261	(7,305)
Share of other comprehensive income (loss) of associates accounted for using the equity method	41	(109)
Total of items that may be reclassified to profit or loss	5,302	(7,414)
Other comprehensive income (loss), net of tax	5,003	(7,326)
Comprehensive income (loss)	14,482	(1,715)
Comprehensive income (loss) attributable to:		
Owners of the parent	14,020	(1,835)
Non-controlling interests	461	119
Comprehensive income	14,482	(1,715)

Consolidated Statements of Changes in Equity

(Millions of Yen)

Nine Months Ended September 30, 2024	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	¥40,102	¥253,440	¥(17,130)	¥44,825
Profit	—	—	9,190	—	—
Other comprehensive income (loss)	—	—	—	—	5,129
Total comprehensive income	—	—	9,190	—	5,129
Purchase of treasury stock	—	—	—	(2)	—
Disposal of treasury stock	—	17	—	47	—
Dividends	—	—	(4,168)	—	—
Transfer from other components of equity to retained earnings	—	—	(291)	—	—
Other	—	—	—	—	—
Total transactions with owners	—	17	(4,459)	44	—
Ending balance	34,606	40,120	258,171	(17,086)	49,955

	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	¥—	¥46,245	¥357,264	¥5,633	¥362,898	
Profit	—	—	9,190	288	9,478	
Other comprehensive income (loss)	(291)	4,830	4,830	173	5,003	
Total comprehensive income	(291)	4,830	14,020	461	14,482	
Purchase of treasury stock	—	—	(2)	—	(2)	
Disposal of treasury stock	—	—	65	—	65	
Dividends	—	—	(4,168)	—	(4,168)	
Transfer from other components of equity to retained earnings	291	291	—	—	—	
Other	—	—	—	(191)	(191)	
Total transactions with owners	291	291	(4,106)	(191)	(4,297)	
Ending balance	—	51,367	367,178	5,904	373,083	

(Millions of Yen)

Nine Months Ended September 30, 2025	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	¥40,120	¥260,638	¥(21,104)	¥67,919
Profit	—	—	5,254	—	—
Other comprehensive income (loss)	—	—	—	—	(7,178)
Total comprehensive income	—	—	5,254	—	(7,178)
Purchase of treasury stock	—	(369)	—	(35,984)	—
Disposal of treasury stock	—	87	—	527	—
Cancellation of treasury stock	—	(117)	(33,999)	34,117	—
Dividends	—	—	(29,393)	—	—
Changes in ownership interests in subsidiaries without losing control	—	(140)	—	—	55
Transfer from other components of equity to retained earnings	—	—	(398)	—	—
Other	—	—	—	—	—
Total transactions with owners	—	(540)	(63,792)	(1,339)	55
Ending balance	34,606	39,580	202,101	(22,443)	60,797

	Equity attributable to owners of the parent				Other components of equity	
	comprehensive income	Remeasurements of defined benefit plans	Subtotal	Total	Non-controlling interests	Total equity
Beginning balance	¥1,464	¥—	¥69,384	¥383,645	¥6,149	¥389,795
Profit	—	—	—	5,254	355	5,610
Other comprehensive income (loss)	526	(438)	(7,090)	(7,090)	(236)	(7,326)
Total comprehensive income	526	(438)	(7,090)	(1,835)	119	(1,715)
Purchase of treasury stock	—	—	—	(36,354)	—	(36,354)
Disposal of treasury stock	—	—	—	615	—	615
Cancellation of treasury stock	—	—	—	—	—	—
Dividends	—	—	—	(29,393)	—	(29,393)
Changes in ownership interests in subsidiaries without losing control	—	—	55	(84)	(119)	(204)
Transfer from other components of equity to retained earnings	(39)	438	398	—	—	—
Other	—	—	—	—	(2,186)	(2,186)
Total transactions with owners	(39)	438	454	(65,217)	(2,305)	(67,523)
Ending balance	1,951	—	62,748	316,592	3,963	320,556

Consolidated Statements of Cash Flows

(Millions of Yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025
Cash flows from operating activities:		
Profit before tax	¥13,694	¥9,889
Depreciation and amortization	17,856	18,138
Change in retirement benefit assets or liabilities	(508)	(661)
Financial income	(2,211)	(902)
Financial costs	1,204	1,657
Share of profit (loss) of investments accounted for using the equity method	(100)	1,461
(Increase) decrease in trade and other receivables	(1,588)	(2,501)
(Increase) decrease in inventories	(5,350)	2,234
Increase (decrease) in trade and other payables	(4,357)	2,472
Other	1,323	749
Subtotal	19,962	32,536
Interests and dividends received	2,215	1,253
Interests paid	(356)	(522)
Income taxes paid	(1,504)	(4,621)
Net cash provided by (used in) operating activities	20,317	28,646
Cash flows from investing activities:		
Purchase of property, plant and equipment	(20,631)	(12,685)
Proceeds from sales of property, plant and equipment	413	114
Purchase of other financial assets	(150)	(187)
Proceeds from sales of other financial assets	—	86
Payments for transfers of receivables	(2,600)	—
Proceeds from acquisition of a subsidiary	13	—
Other	(1,979)	(763)
Net cash provided by (used in) investing activities	(24,935)	(13,435)
Cash flows from financing activities:		
Repayments of long-term borrowings	(2,185)	(2,185)
Proceeds from short-term borrowings	—	20,000
Proceeds from issuance of bonds	—	30,000
Payments for redemption of bonds	(10,000)	(20,000)
Purchase of treasury stock	(2)	(36,517)
Dividends paid	(4,195)	(29,302)
Dividends paid to non-controlling interests	(367)	(2,192)
Repayments of lease liabilities	(1,542)	(1,542)
Other	—	340
Net cash provided by (used in) financing activities	(18,292)	(41,398)
Effects of exchange rate changes on cash and cash equivalents	1,930	(4,448)
Net increase (decrease) in cash and cash equivalents	(20,980)	(30,636)
Cash and cash equivalents at the beginning of the period	156,486	138,293
Cash and cash equivalents at the end of the period	135,506	107,656

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, 2024 (January 1, 2024 to September 30, 2024)

	Japan	The Americas	Europe	China	Other	Total	(Millions of Yen) Adjust -ments	Consoli -dated
Revenue:								
Revenue from external customers	¥81,966	¥71,462	¥52,831	¥45,785	¥13,084	¥265,130	¥—	¥265,130
Inter-segment revenue	43,820	152	495	2,897	3,339	50,705	(50,705)	—
Total	125,787	71,615	53,326	48,682	16,423	315,836	(50,705)	265,130
Segment income (loss)	6,153	1,920	(589)	5,242	805	13,532	(612)	12,919
Financial income	5,560	1,259	1,825	538	130	9,313	(7,101)	2,211
Financial costs	1,009	614	1,780	46	12	3,463	(2,026)	1,437
Profit (loss) before tax	10,704	2,564	(544)	5,734	923	19,381	(5,687)	13,694

(Note) All adjustments are intercompany elimination.

For the nine months ended September 30, 2025 (January 1, 2025 to September 30, 2025)

	Japan	The Americas	Europe	China	Other	Total	(Millions of Yen) Adjust -ments	Consoli -dated
Revenue:								
Revenue from external customers	¥80,416	¥66,477	¥50,140	¥55,763	¥15,429	¥268,227	¥—	¥268,227
Inter-segment revenue	46,224	110	871	1,647	3,805	52,659	(52,659)	—
Total	126,641	66,587	51,012	57,411	19,234	320,887	(52,659)	268,227
Segment income (loss)	2,649	1,200	(1,586)	6,766	809	9,840	(111)	9,728
Financial income	36,075	222	1,057	253	99	37,708	(35,724)	1,983
Financial costs	1,870	419	181	42	31	2,545	(722)	1,823
Profit (loss) before tax	36,854	1,002	(709)	6,978	877	45,002	(35,113)	9,889

(Note) All adjustments are intercompany elimination.

Subsequent event

No items to report.

Additional notes:

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

This information is summarized and translated from the original Japanese version submitted to the Tokyo Securities Exchange in accordance with its disclosure rules and presentation manners, which are different from those applied in the annual reports of THK due to reclassification and rearrangement made therein. This English translation is intended solely for the convenience of readers, and not intended in any way to substitute or replace the original Japanese version. If there is any discrepancy between the original Japanese version and this translation, the original Japanese version shall supersede all information in this translation. All the figures in this report are unaudited.