



September 19, 2024

Tsubaki Nakashima Co., Ltd.
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**[Amendment of the Announcement] Notice of Scheme Change of Company Split
(Cancellation of Incorporation-Type Company Split and Change to Absorption-Type
Company Split), Incorporation of a Subsidiary, Change Regarding a Sub-subsidiary
and Transfer of Shares in a Subsidiary**

The Board of Directors of Tsubaki Nakashima Co., Ltd. (the "Company") approved on February 9, 2024 the execution of a share purchase agreement as of the same date (the "Share Purchase Agreement"). The Share Purchase Agreement stipulates (i) that TN Linear Motion Inc. ("NewCo"), a new company to be incorporated in connection with a company split (simplified incorporation-type company split) (the "Incorporation-Type Company Split"), would carry on the Company's ball screws and ball ways manufacturing and selling business (the "Target Business") as well as the shares in TN Taiwan Co., Ltd. ("TJT"), resulting in TJT becoming a subsidiary of NewCo (and a sub-subsidiary of the Company), and (ii) the transfer of all shares in NewCo to MINEBEA MITSUMI Inc. ("MINEBEA MITSUMI"). The Company announced "Notice of Company Split (Simplified Incorporation-Type Company Split), Change Regarding a Sub-subsidiary and Transfer of Shares in a Newly Incorporated Company" (the "Initial Press Release") on the same date. However, the Company hereby announces that, at its Board of Directors meeting held on September 18, 2024, it has resolved to change the scheme of the company split (the "Scheme Change").

The Board of Directors of the Company approved on September 18, 2024 the execution of an amendment agreement of the Share Purchase Agreement (the "Amendment Agreement") as of the same date, under which (i) the scheduled Incorporation-Type Company Split shall be canceled, (ii) the Company shall incorporate NewCo, a new company wholly-owned by the Company in preparation for the company split, which would carry on the Target Business

and receive the shares of TJT, a subsidiary of the Company, resulting in TJT becoming a subsidiary of NewCo (and a sub-subsubsidiary of the Company) through a company split (simplified absorption-type company split) (the "Absorption-Type Company Split"), and (iii) the Company shall transfer all of its shares in NewCo to MINEBEA MITSUMI (the "Share Transfer," and together with the Absorption-Type Company Split, the "Transaction"). The Share Transfer is scheduled to take effect on December 10, 2024, which remains unchanged from the Initial Press Release, pursuant to the Share Purchase Agreement and the Amendment Agreement.

The Transaction shall be executed subject to obtaining approval from the Department of Investment Review of the Ministry of Economic Affairs of Taiwan (the "DIR") for the transfer of the TJT shares from the Company to NewCo pursuant to the Absorption-Type Company Split.

As the Absorption-Type Company Split is a simplified absorption-type company split by the Company alone, some disclosure items and their content have been omitted.

1. Purpose of the Transaction

The Company's group is specializing in the manufacture and sale of precision balls and rollers as well as ball screws and other mechanical parts. As a manufacturer, the top priority of the management is "safety, quality, and environment," and the Company's group is committed to promoting business activities in harmony with nature by cooperating with the society and local communities. By steadily implementing its management strategies while promoting the provision of essential parts for EV and wind power generation towards the realization of a decarbonized society and accelerating global deployment of medical products to meet high quality healthcare needs in the wake of the COVID-19 pandemic and the aging population, the group aims to become a successful corporation that realizes sustainable profitable growth and continues to create improvements in corporate value. Also, in order to achieve further increase of corporate value, the Company's group has been working on the selection of business lines to achieve sustainable growth and to focus its management resources on the ceramic business and medical device business, which are the core of the Company's growth strategies.

Under these circumstances, the Company performed a careful assessment of the Target Business as part of the reorganization of its business portfolio and has decided to transfer the Target Business to MINEBEA MITSUMI based on the premise that the expansion of the

Target Business is best achieved with MINEBEA MITSUMI by fully leveraging the strengths of the Target Business, such as its technological advantages and strong relationships with customers. MINEBEA MITSUMI's Precision Technologies Business's core products are ball bearings, rod end bearings used mainly in aircrafts, mechanical parts such as pivot assemblies for hard disk drives (HDD), and screws for aircrafts. It is expected that the Transaction will further strengthen the Precision Technologies Business of MINEBEA MITSUMI.

2. Background of the Scheme Change

Before the Scheme Change, the Company was considering transferring the Target Business to NewCo to be incorporated through an incorporation-type company split and then transferring the shares in NewCo to MINEBEA MITSUMI on the effective date of the incorporation-type company split. However, as stated above, the transfer of shares in TJT included in the Target Business requires approval from the DIR. Given that, according to procedures of the DIR, a joint application by both the current and new owners of the TJT shares is necessary, and the DIR approval might not be granted by the execution date of the Share Transfer under the incorporation-type company split. Therefore, the Company decided to change the scheme to an absorption-type company split, in which the Company will incorporate NewCo prior to the succession of the Target Business and both the Company and NewCo jointly apply and obtain a prior approval from the DIR before such company split, whereby the Company is the splitting company and NewCo is the company succeeding in an absorption-type split, and NewCo would carry on the Target Business.

3. Overview of the Incorporation of NewCo, the Absorption-Type Company Split and the Share Transfer

(1) Schedule of the Incorporation of NewCo, the Absorption-Type Company Split and the Share Transfer

Date of board resolution approving the cancellation of the Incorporation-Type Company Split, incorporation of NewCo, and execution of the absorption-type company split agreement and the Amendment Agreement	September 18, 2024
Execution date of the Amendment Agreement	September 18, 2024

Date of incorporation of NewCo	October 4, 2024 (tentative)
Execution date of the the absorption-type company split agreement	October 4, 2024 (tentative)
Effective date of the Absorption-Type Company Split	December 10,2024 (tentative)
Date of the Share Transfer	December 10, 2024 (tentative)

Note 1: As the Absorption-Type Company Split is a simplified absorption-type company split as provided for in Article 784, paragraph 2 of the Companies Act for the Company which is the splitting company, and a short-form absorption-type company split as provided for in Article 796, paragraph 1 and a simplified absorption-type company split as provided for in Article 796, paragraph 2 for NewCo which is the company succeeding in an absorption type split, it does not require the approval of the absorption-type company split at a general shareholders' meeting of both the Company and NewCo.

Note 2: The Transaction shall become effective, subject to obtaining approval from the DIR for transfer of the TJT shares from the Company to NewCo, pursuant to the Absorption-Type Company Split. In case of a need to adjust the timeline of the Transaction due to delays in obtaining the approval or for any other reasons, the Company and MINEBEA MITSUMI may amend such schedule upon mutual agreement.

(2) Overview of NewCo (tentative)

Name	TN Linear Motion Inc.	
Location	19 Shakudo, Katsuragi, Nara, Japan	
Title and name of representative	Director Hisahiro Miyake	
Business	Manufacture and sale of ball screws and ball ways	
Share capital	1 million yen	
Date of incorporation	October 4, 2024 (tentative)	
Major shareholder and holding ratio	Tsubaki Nakashima Co., Ltd. 100.0%	
Relationship with the Company	Capital relationship	NewCo will be incorporated as a subsidiary of the Company, whereby the Company will hold 100% of its shares.
	Personnel	The Company will dispatch a director to

	relationship	NewCo.
	Business relationship	None

(3) Method of the Absorption-Type Company Split

The company split is an absorption-type company split (simplified absorption-type company split), in which the Company is the company splitting in an absorption-type split and NewCo is the company succeeding in an absorption-type split.

(4) Details of allotments concerning the Absorption-Type Company Split

There will be no allocation of shares, cash, or other assets from NewCo to the Company in the Absorption-Type Company Split.

(5) Treatment of rights to acquire new shares or bonds associated with the Absorption-Type Company Split

There will be no change to rights to acquire new shares or bonds issued by the Company.

(6) Increase/decrease in share capital due to the Absorption-Type Company Split

There will be no increase or decrease in the Company's share capital due to the Absorption-Type Company Split.

(7) Rights and obligations to be assumed by the succeeding company

NewCo will take over the assets, liabilities, contractual status, and other rights and obligations relating to the Target Business as specified in the absorption-type company split agreement. NewCo will assume the obligations of the Target Business by way of assumption of obligations releasing the old obligor.

(8) Prospect for fulfilling obligations

The Company believes that there will be no problem for NewCo to fulfill the obligations to be assumed by NewCo after the effective date of the Absorption-Type Company Split.

(9) Overview of the Share Transfer

The Company plans to transfer all shares in NewCo to MINEBEA MITSUMI as of December 10, 2024. An overview of NewCo and the transferee of shares is provided

in "4. Overview of the Companies Involved in the Absorption-Type Company Split" and "8. Outline of the Share Transfer" below, respectively.

4. Overview of the Companies Involved in the Absorption-Type Company Split

	Splitting company in an absorption-type split (As of December 31, 2023)	Company succeeding in an absorption-type split (expected at the time of incorporation)														
(1) Name	Tsubaki Nakashima Co., Ltd.	TN Linear Motion Inc.														
(2) Location	19 Shakudo, Katsuragi, Nara, Japan	19 Shakudo, Katsuragi, Nara, Japan														
(3) Title and name of representative	Director and Representative Executive Officer, CEO Koji Hirota	Director Hisahiro Miyake														
(4) Business	Manufacture and sale of industrial precision ball, rollers, and other applications	Manufacture and sale of ball screws and ball ways														
(5) Share capital	17 billion 117 million yen	1 million yen														
(6) Date of incorporation	January 5, 2007	October 4, 2024 (tentative)														
(7) Number of issued shares	41,599,600 shares	1 share														
(8) Fiscal year-end	December 31	March 31														
(9) Major shareholders and holding ratio	<table border="0"> <tr> <td>The Master Trust</td> <td>10.07</td> </tr> <tr> <td>Bank of Japan, Ltd. (Trust account)</td> <td>%</td> </tr> <tr> <td>Custody Bank of Japan, Ltd. (Trust account)</td> <td>4.79%</td> </tr> <tr> <td>NORTHERN TRUST CO. (AVFC) RE UKUC UCITS CLIENTS NON LENDING 10PCT TREATY ACCOUNT</td> <td>4.13%</td> </tr> <tr> <td>BNYM AS AGT/CLTS NON</td> <td>1.86%</td> </tr> </table>	The Master Trust	10.07	Bank of Japan, Ltd. (Trust account)	%	Custody Bank of Japan, Ltd. (Trust account)	4.79%	NORTHERN TRUST CO. (AVFC) RE UKUC UCITS CLIENTS NON LENDING 10PCT TREATY ACCOUNT	4.13%	BNYM AS AGT/CLTS NON	1.86%	<table border="0"> <tr> <td>Tsubaki</td> <td>100.0</td> </tr> <tr> <td>Nakashima Co., Ltd.</td> <td>%</td> </tr> </table>	Tsubaki	100.0	Nakashima Co., Ltd.	%
The Master Trust	10.07															
Bank of Japan, Ltd. (Trust account)	%															
Custody Bank of Japan, Ltd. (Trust account)	4.79%															
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BNYM AS AGT/CLTS NON	1.86%															
Tsubaki	100.0															
Nakashima Co., Ltd.	%															

	TREATY JASDEC	
	Tatsuya Aoki	1.69%
(10)	Relationship with the splitting company in an absorption-type split and company succeeding in an absorption-type split	
	Capital relationship	The Company will hold 100% of the shares of the company succeeding in an Absorption-type Company Split on the date of its incorporation.
	Personnel relationship	The Company will dispatch a director to NewCo.
	Business relationship	None
(11)	Operating results and financial position of the splitting company in an absorption-type split for the most recent fiscal year (Unit: million yen)	
Tsubaki Nakashima Co., Ltd. (Consolidated)		
Fiscal year-end		December 31, 2023
Total equity		54,142
Total assets		166,078
Equity per share attributable to owners of the parent (yen)		1,361.91
Sales		80,337
Operating profit		853
Profit before tax		113
Profit attributable to owners of the parent		(1,287)
Basic earnings per share (yen)		(32.38)
Dividend per share (yen)		13

5. Overview of the business to be split in the Absorption-Type Company Split

(1) Business to be split

Manufacture and sale of ball screws and ball ways

(2) Operating results of the business to be split (For fiscal year ended December 2023)

Sales: 3 billion 252 million yen

(3) Book values of assets and liabilities to be split (as of December 31, 2023)

Total Assets 3 billion 323 million yen

Total Liabilities 1 billion 139 million yen

Note: The value of assets and liabilities to be split will be fixed on the effective date of the Absorption-Type Company Split (December 10, 2024).

6. Status after the Absorption-Type Company Split

The name, location, representative's title and name, business description, share capital, and fiscal year-end of the Company and NewCo after the Absorption-Type Company Split are as described in "4. Overview of the Companies Involved in the Absorption-Type Company Split" except for the title and name of the Company's representative. Itaru Matsuyama, representative executive officer, CEO is the Company's representative after the Absorption-Type Company Split.

7. Overview of the Company to Be Changed from Subsidiary to Sub-subsidiary

(1) Name	TN TAIWAN CO., LTD.	
(2) Location	NO.15 Gongyequ33 Rd., Xitun Dist, Taichung City 407, Taiwan	
(3) Title and name of representative	Akinobu Irie	
(4) Business	Manufacture and sale of ball screws	
(5) Share capital	7 million Taiwan New Dollars	
(6) Date of incorporation	August 10, 2010	
(7) Major shareholder and holding ratio	Tsubaki Nakashima Co., Ltd.	95.0%
(8) Relationship with the Company		
	Capital relationship	The Company owns 95% of the issued shares.
	Personnel relationship	Named Chairman and Director
	Business relationship	Ball sales and products purchase

8. Outline of the Share Transfer

(1) Overview of NewCo to be transferred

An overview is provided in "4. Overview of the Companies Involved in the Absorption-Type Company Split" and "5. Overview of the Business to Be Split in the Absorption-Type Company Split" above.

(2) Overview of the transferee of the Share Transfer (as of March 31, 2024)

(1) Name	MINEBEA MITSUMI Co., Ltd.	
(2) Location	4106-73 Oaza Miyota, Miyota-machi, Kitasaku-gun, Nagano, Japan	
(3) Title and name of representative	Yoshihisa Kainuma, Representative Director, Chairman CEO	
(4) Business	Machinery Components Business, Electronic Devices and Components Business Automotive, Industrial Machinery and Home Security Unit Business	
(5) Share capital ※	68 billion 258 million yen	
(6) Date of incorporation	July 16, 1951	
(7) Net assets ※	715 billion 724 million yen	
(8) Total assets ※	1 trillion 416 billion 122 million yen	
(9) Major shareholders and holding ratio (As of March 31, 2024)	The Master Trust Bank of Japan, Ltd. (Trust account)	16.83%
	Custody Bank of Japan, Ltd. (Trust account)	7.41%
	Takahashi Industrial and Economic Research Foundation	3.81%
	Sumitomo Mitsui Trust Bank, Limited	3.81%
	BNYM AS AGT/CLTS NON TREATY JASDEC	2.64%
(10) Relationship with the Company		
	Capital relationship	None
	Personnel relationship	None
	Business relationship	Certain transactions involving products
	Status as a related party	None

Note: All figures are as of March 31, 2024.

(3) Number of shares to be transferred and shareholding before and after the transfer

Number of shares held before the transfer	1 share (100% ownership of voting rights)
Number of shares to be transferred	1 share (100%)
Number of shares held after the transfer	0 shares (0% ownership of voting rights)

Note: Purchase price is not disclosed under the confidentiality obligations between the parties.

9. Future Outlook

In connection with the Transaction, the financial effect is insignificant on our consolidated forecast. If matters that require disclosure arise, we will promptly disclose them.