



FINANCIAL RESULTS BRIEFING FOR FISCAL 2010

May 13th 2011

THK CO., LTD.
President & CEO
AKIHIRO TERAMACHI

This presentation material contains forward looking statements that reflect the Company's business plans, performance projections, and strategic forecasts. Such statements are based on information currently available to the Company. However, changes in the operating environment may cause actual results and achievements to differ from those anticipated in this corporate presentation material. Also, please let you know that this presentation material includes reference information that are not exactly accounts indication matters.

1. Financial Results

Fiscal Year ending March 2011

Net sales increased by 65.3% from the previous year to 190.6 billion yen

- In Japan, THK successfully grew overall product sales for machine tools, general machinery and electronics as domestic demand recovered
- In overseas markets, the company achieved overall growth of sales, supported by rising demand in the Asian region, including China and Taiwan, as well as a recovery in demand in developed nations such as European countries and the U.S.

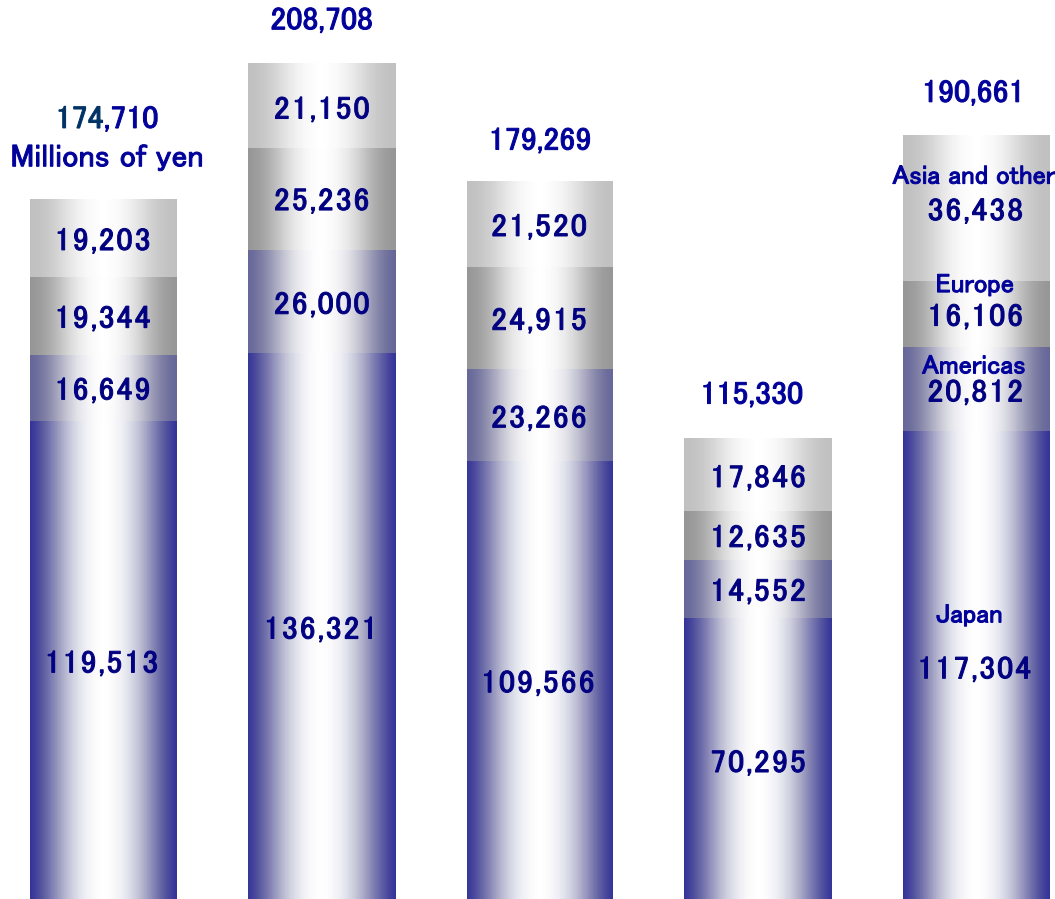
Operating Income of 21.8 billion yen was posted

- Income was recorded due to the quantitative effects accompanying the increase in net sales
- Negative impact by appreciation of the yen
- Fixed costs increased due to higher capacity utilization

Both net sales and operating income exceeded the plans

- While the Company had announced in February 2011 a forecast revision to net sales of 190 billion yen and operating income of 20 billion yen, net sales exceeded the plan by 0.6 billion yen despite a temporary operational slump caused by the Great East Japan Earthquake, and operating income surpassed the plan by 1.8 billion yen due to the efforts to curb expenses and streamline operations, pointing to steadily improving profitability.

Trend in Net Sales



Asia and other (Up 104.2 %)	
South Korea	Up 100.2 %
Taiwan	Up 213.1 %
China (Industrial Equipment)	Up 113.7 %

Europe (Up 27.5 %)	
Machine tools	Up 24.4 %
General machinery	Up 13.8 %
Electronics	Up 68.7 %

The Americas (Up 43.0 %)	
Machine tools	Up 90.9 %
General machinery	Up 32.9 %
Electronics	Up 85.0 %

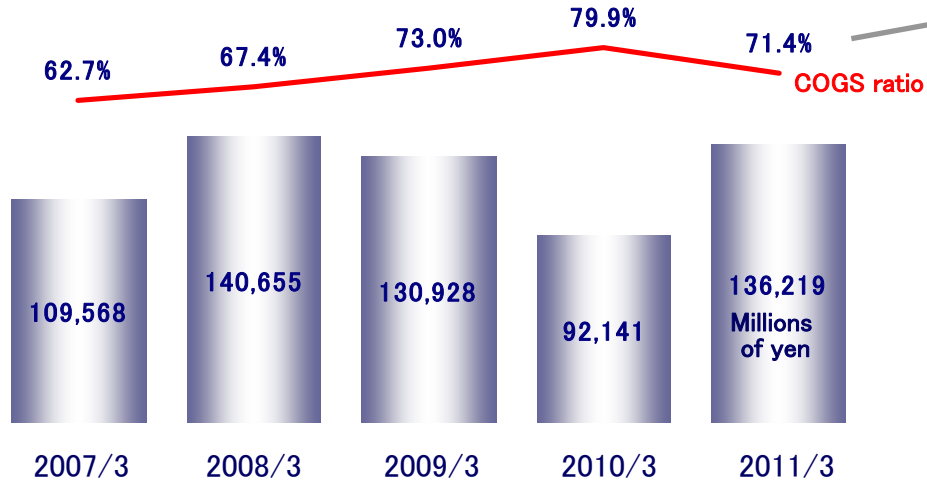
Japan (Up 66.9 %)	
Machine tools	Up 167.4 %
General machinery	Up 97.0 %
Electronics	Up 87.7 %

※Geographic sales is based on where our customers are located.

Exchange rate	2007/3	2008/3	2009/3	2010/3	2011/3
1US\$	116.38	117.84	103.46	93.58	87.81
1EUR	146.14	161.24	152.44	130.21	116.39

Trends in Sales-Cost Ratio and SG&A

COGS

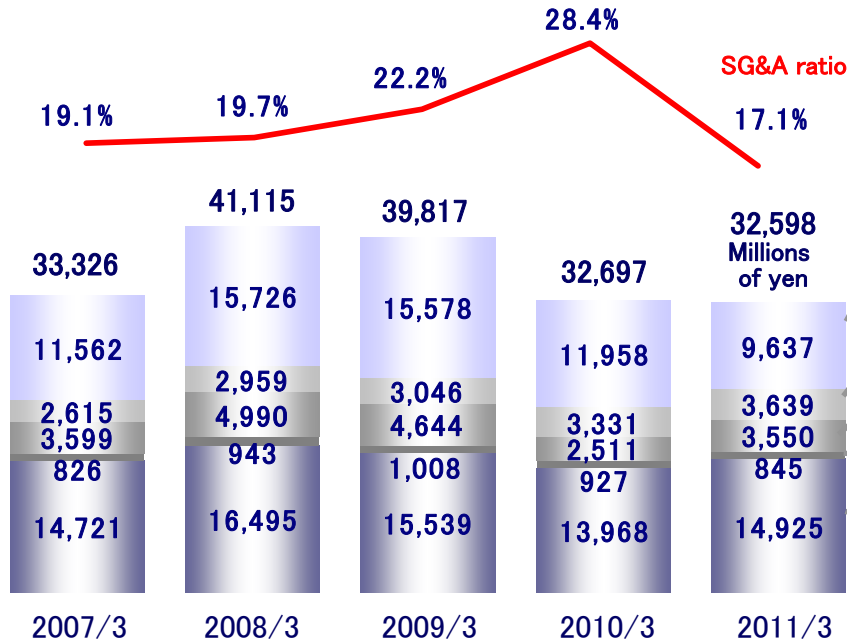


Sales-cost ratio decreased by 8.5points Y/Y

- THK unconsolidated: Down 7.2 points Y/Y
 - Increase of net sales
 - Control of fixed cost

- Consolidated Subsidiaries
 - Increase of net sales
 - Control of fixed cost

SG&A



Other
(Down ¥ 2,321 million, or 19.4% Y/Y)
■ Decrease in Amortization of Goodwill

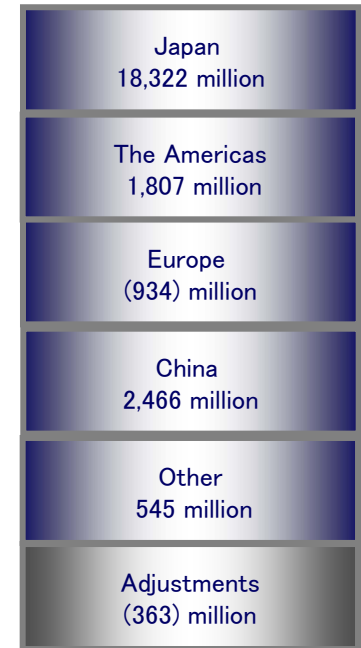
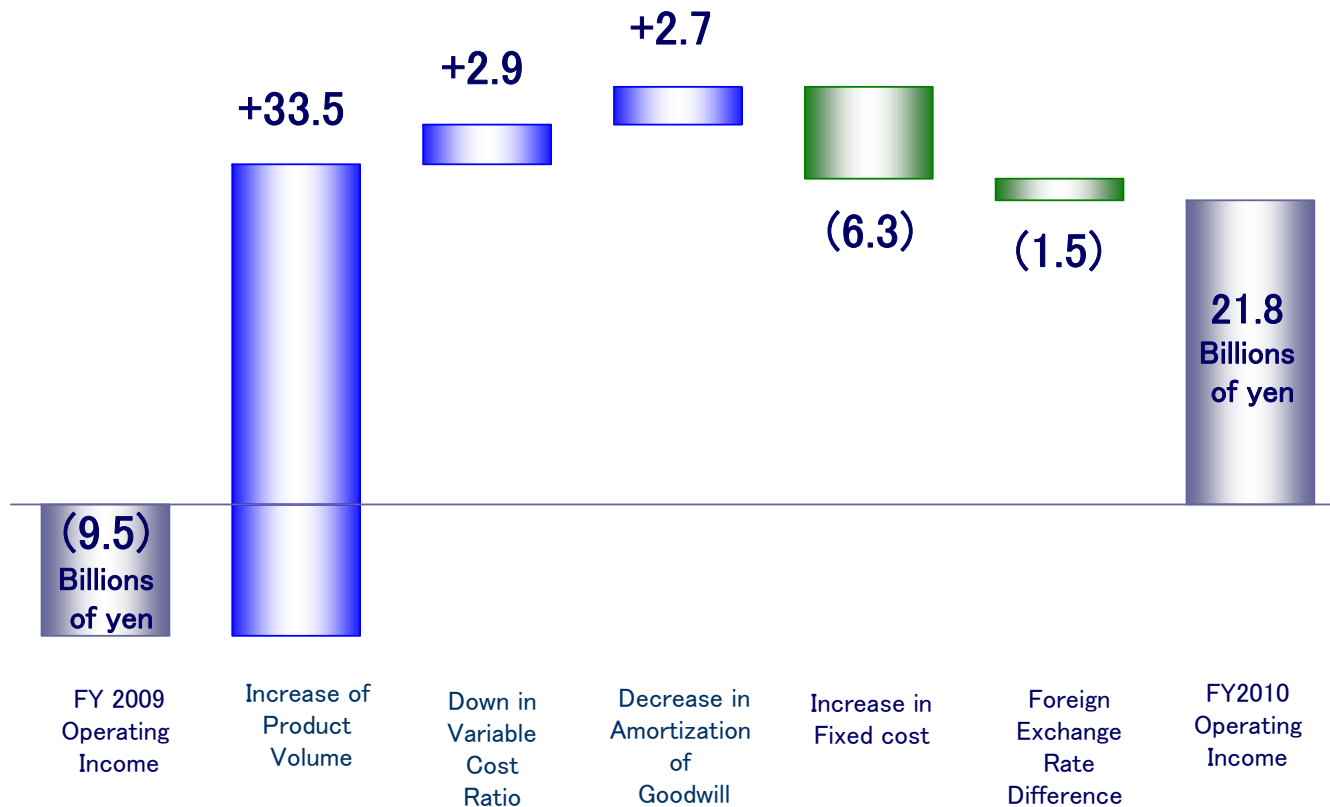
R&D
(Up ¥ 308 million, or 9.3% Y/Y)

Sales & Distribution Costs
(Up ¥ 1,038 million, or 41.4% Y/Y)
■ Increase in distribution costs by increase of net sales

Depreciation and Amortization
(Down ¥ 82 million, or 8.9% Y/Y)

Personnel Costs
(Up ¥ 956 million, or 6.8% Y/Y)
Increase in bonuses and overtime pay due to a recovery in business results

Operating Income - Cause of Change -



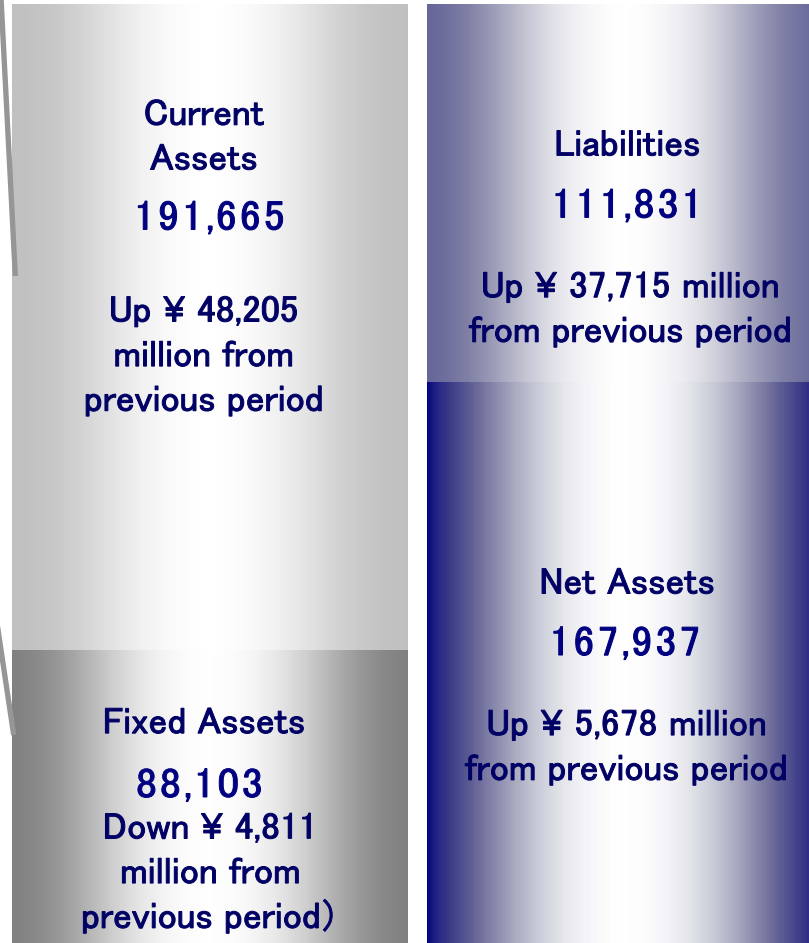
Operating income by segment

Trends in Assets, Liabilities and Net Assets

- Cash and Cash in Account: Up ¥ 30,837 million from previous period
- Cash Flows from Operating Activities: ¥ 21,608 million
- Cash Flows from Investing Activities: ¥ (6,299) million
- Cash Flows from Financing Activities: ¥ 17,913 million
- Foreign Currency Translation Adjustments on Cash and Cash Equivalents : ¥ (2,385) million
- Accounts Receivable: Up ¥ 15,976 million from previous period
- Increase of net sales
- Number of months' sales receivables: Previous period 4.2 month This period 3.6 month
- Inventories: Up ¥ 2,144 million from previous period
- Previous period: 2.6 month This period: 1.7 month

- Property , Plant and Equipment: Down ¥ 4,432 million from previous period
- CAPEX: ¥ 7,691 million Depreciation: ¥ 8,651 million
- Intangible Assets: Down ¥ 170 million from previous period
- Investment and Other: Down ¥ 209 million from previous period

Total Assets 279,768
millions of yen
 (Up ¥ 43,394 million from previous period)



- Current Liabilities: Up ¥ 17,586 million from previous period
- Accounts Payable: Up ¥ 7,516 million from previous period
- Purchasing increased because of sales increase
- Number of months' notes payable: previous period: 2.5 month this period: 2.0 month
- Long-term Liabilities: Up ¥ 20,128 million from previous period
- Issue of SB

- Net Income: ¥ 13,959 million
- Foreign Currency Translation Adjustment: Down ¥ 6,342 million from previous period

2. Current Management Environment and Our Strategy

【Change of External Environment】

Expanding Demands for Machine Tools in Emerging Countries

Rising Principle for Environment

【Our Basic Strategy】



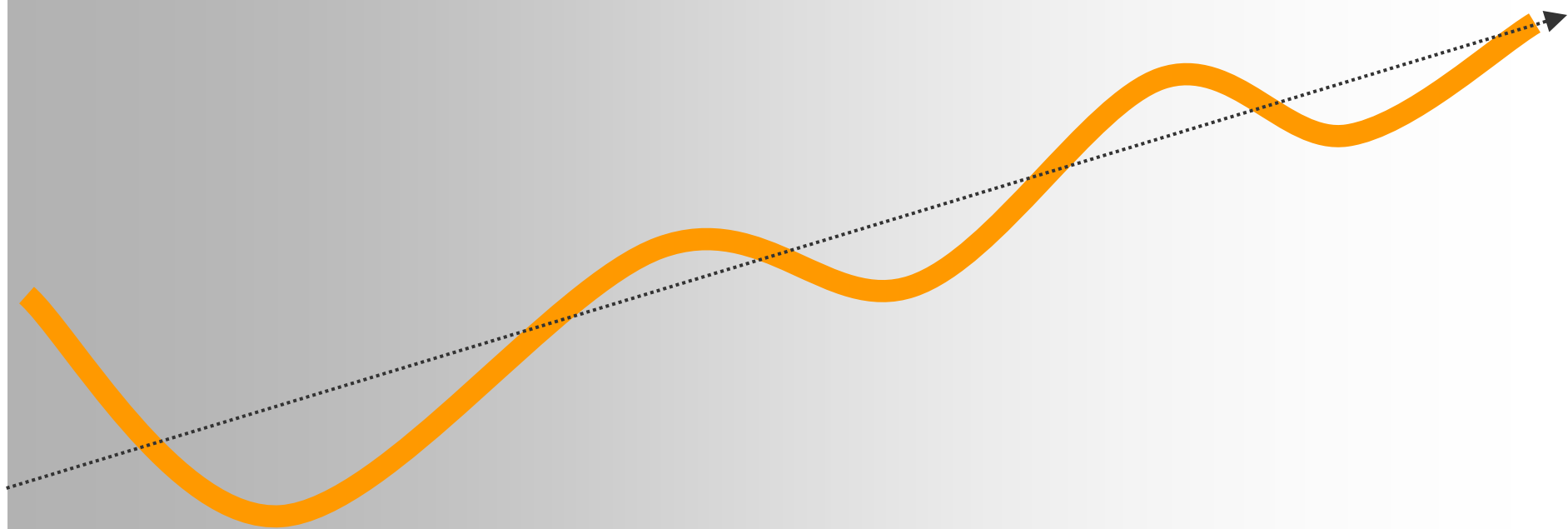
Globalization

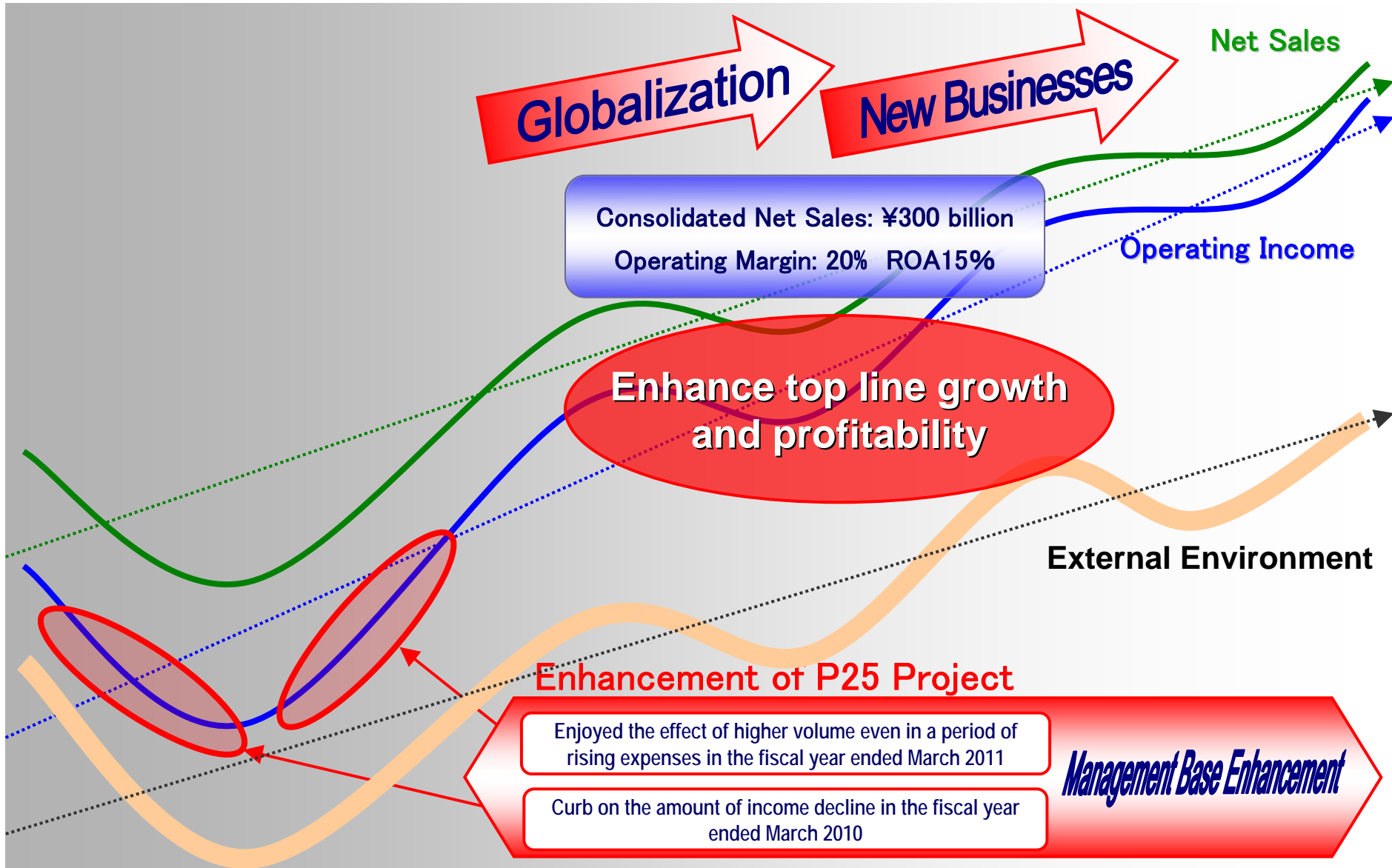


New Businesses

Despite short-term fluctuations, demand for THK products is poised to grow in the medium- to long-term

External Environment



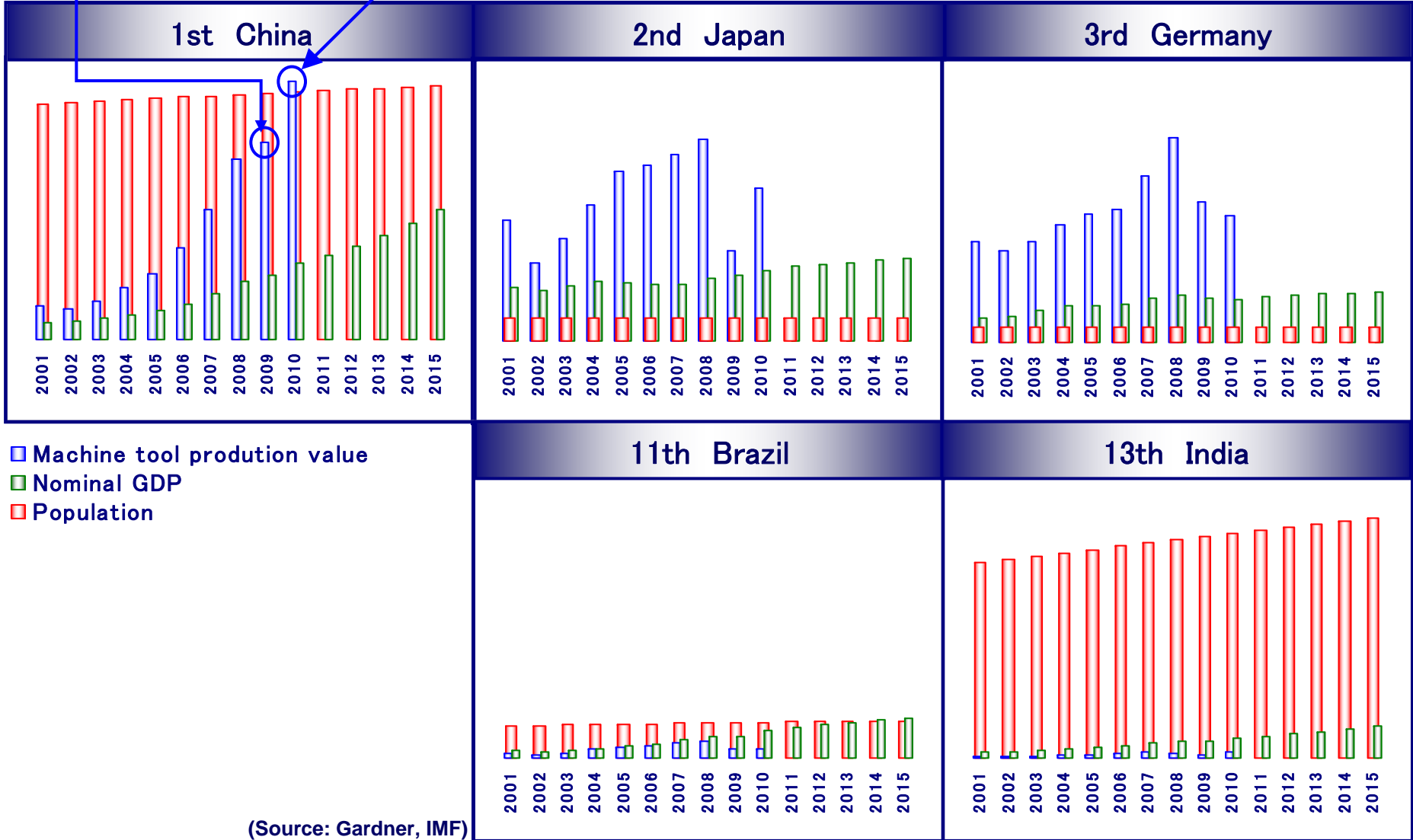


3. Globalization

Main Machine Tool Productions Countries

Rose to 1st place in 2009

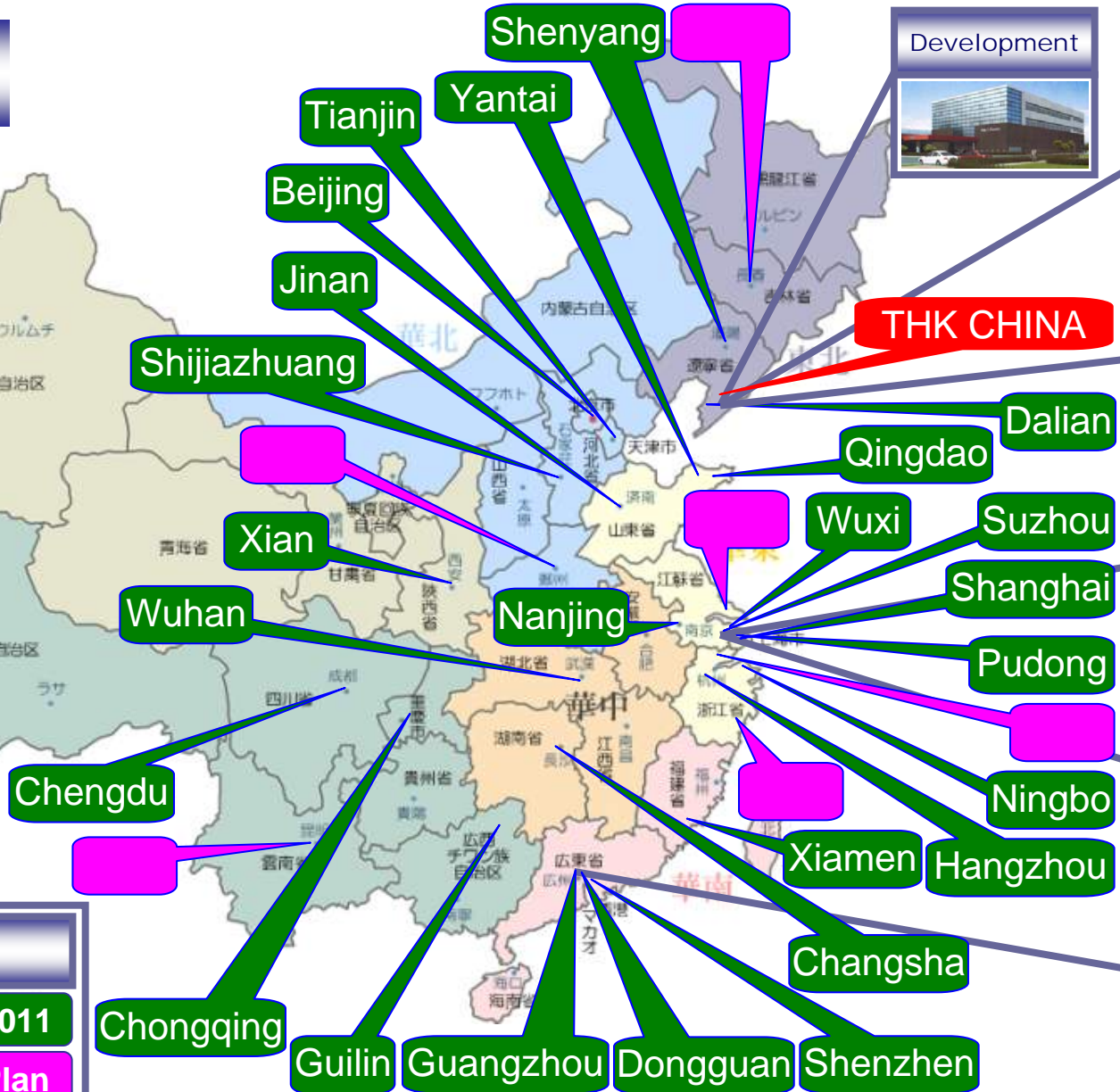
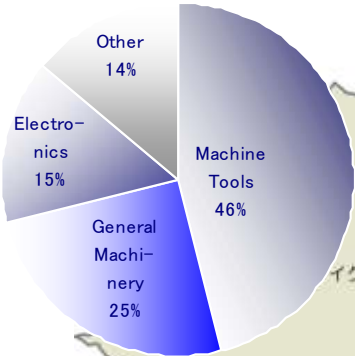
A further 31% year-on-year gain in 2010



(Source: Gardner, IMF)

Sales, Manufacturing and Development Network in China

FY2010 THK China User Sales Breakdown



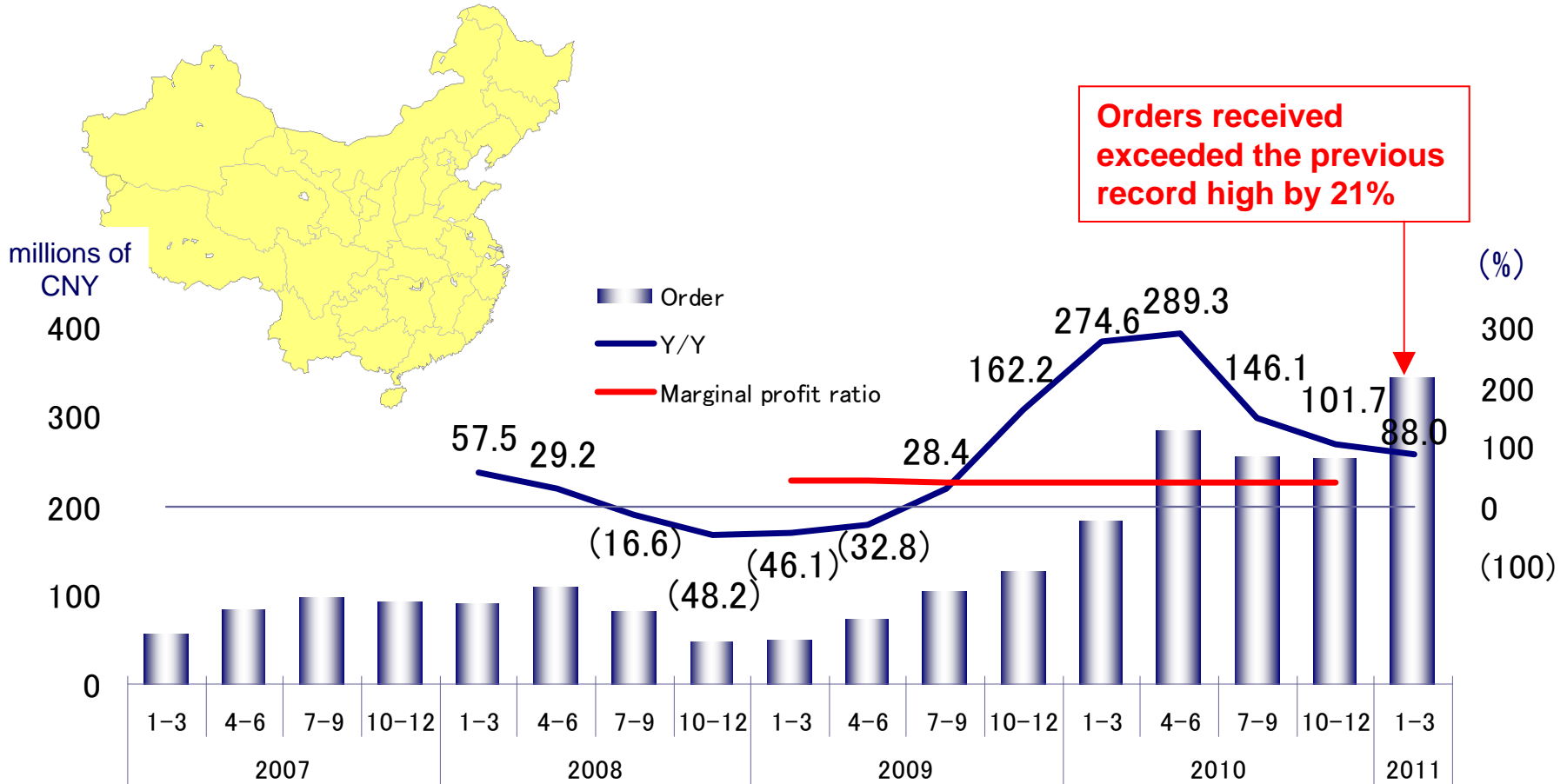
Development	Manufacturing
	DALIAN THK
	THK LIAONING
	THK WUXI
	RHYTHM CHANGZHOU
	RHYTHM GUANGZHOU

Sales

Established by Apr. 2011

New Establishment Plan

Order and Profitability of Our Chinese Business



The China segment operating income margin for fiscal year ended March 2011 stood at 17.7% on a non-captive business basis, pointing to steadily rising profitability that has been coinciding with increasing sales

※Order is based on the achievement of THK China (Sales Subsidiary)

※Marginal profit ratio is based on consolidated number of China

Enhancement of the Global Manufacturing Structure

THK Manufacturing of Europe (France)



THK Manufacturing of Ireland (Ireland)



THK RHYTHM THAILAND (Thailand)



THK MANUFACTURING OF VIETNAM (Vietnam)



DALIAN THK (China)



THK MANUFACTURING OF CHINA (WUXI) (China)



THK MANUFACTURING OF CHINA (LIAONING) (China)



THK RHYTHM GUANGZHOU (China)



THK Manufacturing of America (US)



THK RHYTHM NORTH AMERICA (US)



SAMICK THK (South Korea)



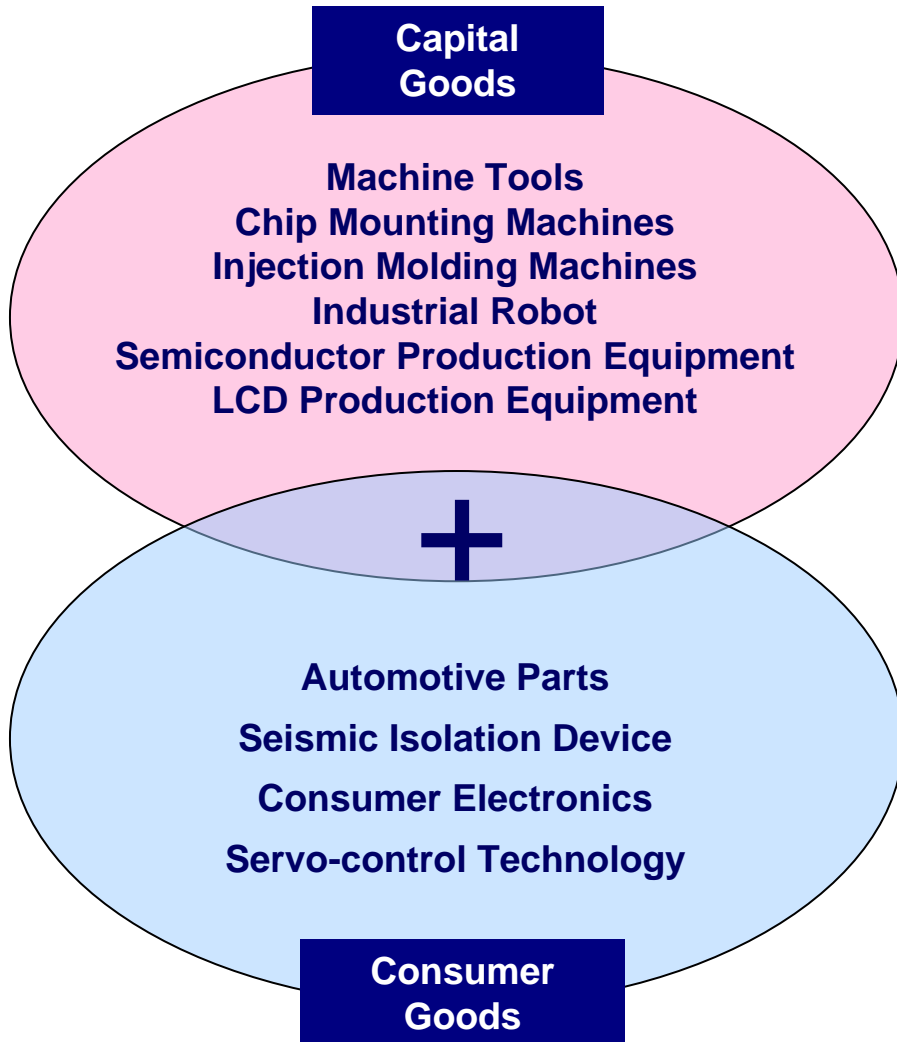
THK RHYTHM CHANGZHOU (China)



* On April 4, 2011, PGM Ballscrews Ireland Ltd. changed its name to THK Manufacturing of Ireland Ltd.

4. New Businesses

Expansion from Capital Goods into Consumer Goods



Expand consumer goods considering environmental protection

FAI Division (Future Automotive Industry)

- Develops key automotive components that enhancing vehicle safety
- Transportation equipment-related businesses



ACE Division (Amenity Creation Engineering)

- Develops aseismatic devices for housing and house-related devices
- Support the home automation



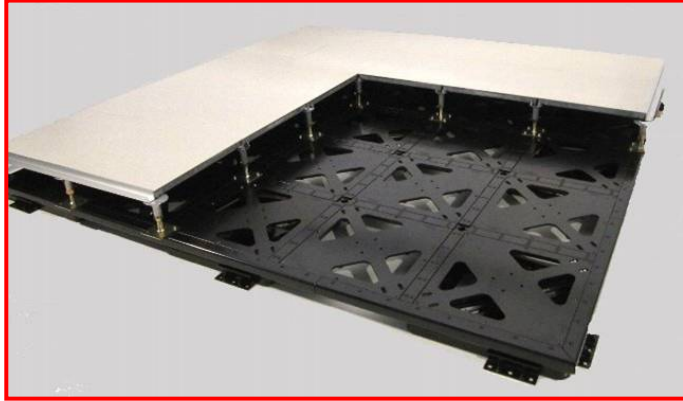
IMT Division (Innovated Mechatronics Technology)

- Develops unit products customized by each customer's needs as well as electric actuator series which approach multipurpose customers' needs
- Develops next generation robot related products



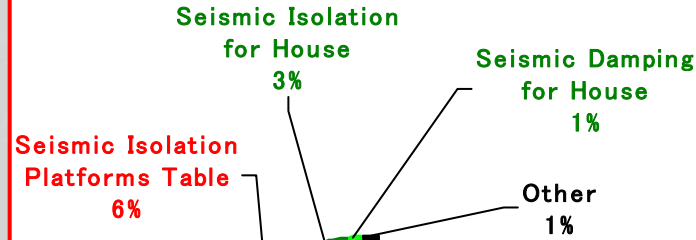
New Seismic Isolation Platforms Table TGS

Damping function added to conventional products



Seismic Isolation and Damping for House

Being adopted by a steadily increasing number of buildings



ACE Division User Sales Breakdown FY2010

New Vibration Damper

Higher damping performance compared with previous products

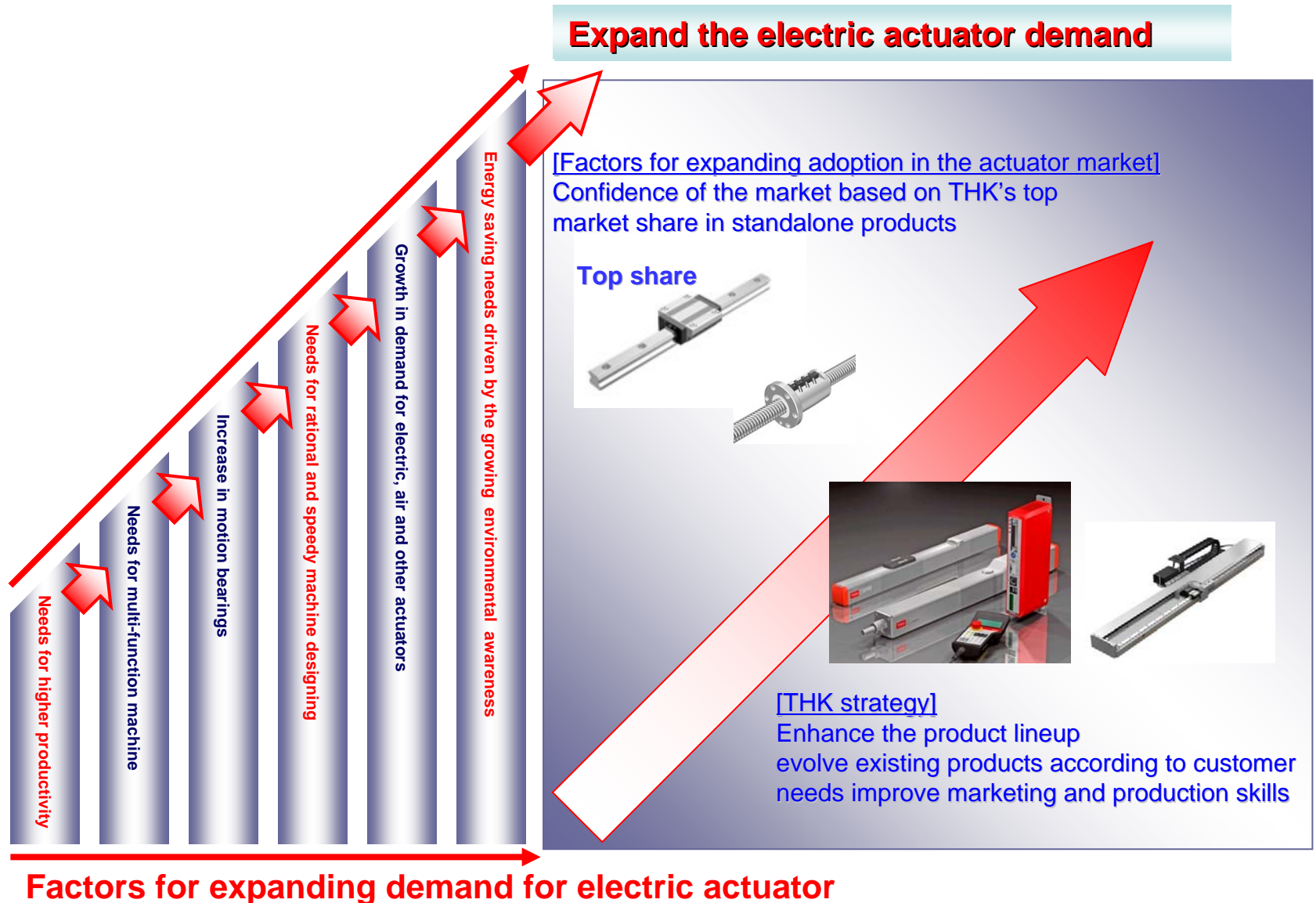


Seismic Isolation Systems

Being adopted by a steadily increasing number of buildings



Expand the electric actuator business

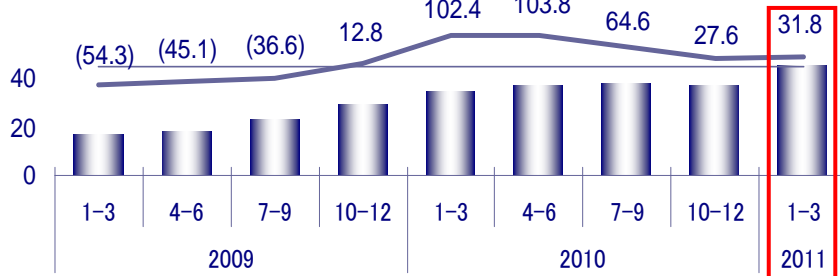


5. Fiscal Year Ending March 2012 Financial Forecast

Orders Received by Region

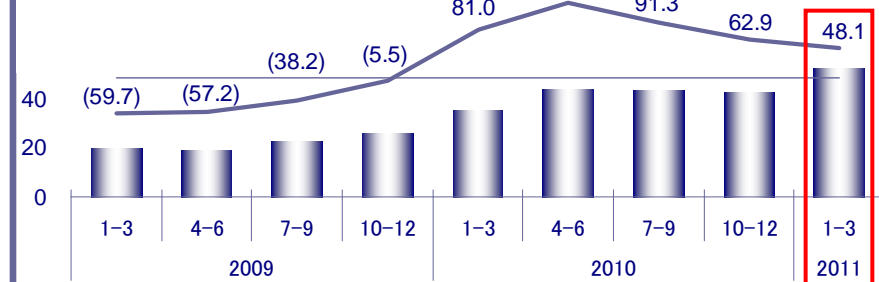
THK Holdings of America, L.L.C.

Y/Y, millions of dollars



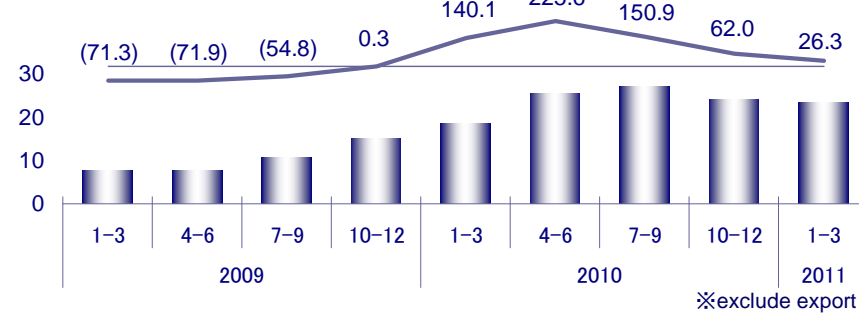
THK Europe B.V.

Y/Y, millions of Euro



THK (Domestic)

Y/Y, millions of Yen

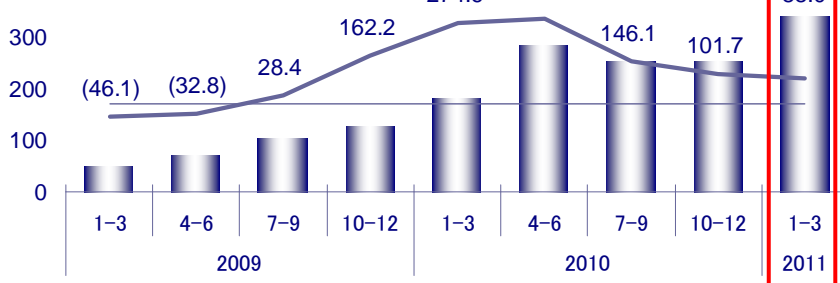


Almost same as historical peak

Previous record highs renewed in different overseas regions

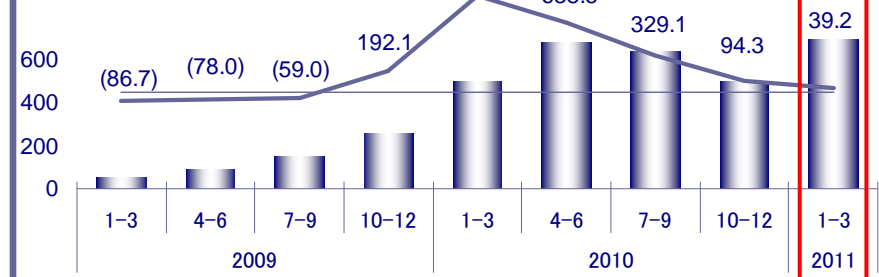
THK (CHINA) CO., LTD.

Y/Y, millions of CNY



THK TAIWAN CO., LTD.

Y/Y, Millions of NT dollars



Financial Forecast (Consolidated)

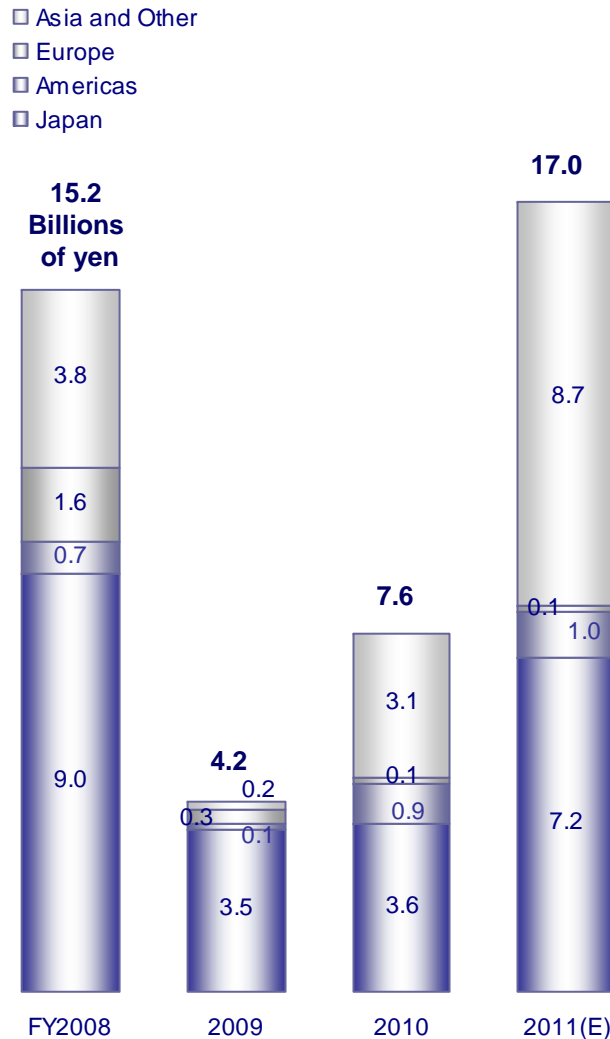
(Millions of yen)

	2012/3 Forecast	2011/3	2010/3
Net Sales	215,000	190,661	115,330
Y/Y	<i>+12.8%</i>	<i>+65.3%</i>	<i>-35.7%</i>
Operating Income	29,000	21,844	-9,508
Y/Y	<i>+32.8%</i>	-	-
Ordinary Income	29,400	21,631	-8,797
Y/Y	<i>+35.9%</i>	-	-
Net Income	19,500	13,959	-14,300
Y/Y	<i>+39.7%</i>	-	-

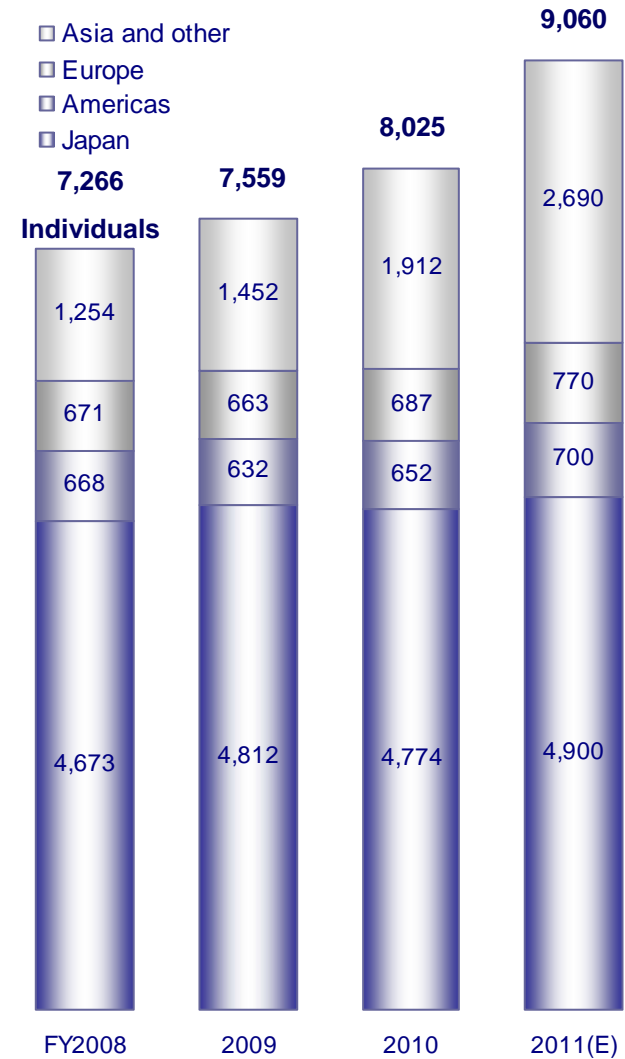
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Capital Expenditure and Number of Employees Forecast

Capital Expenditures



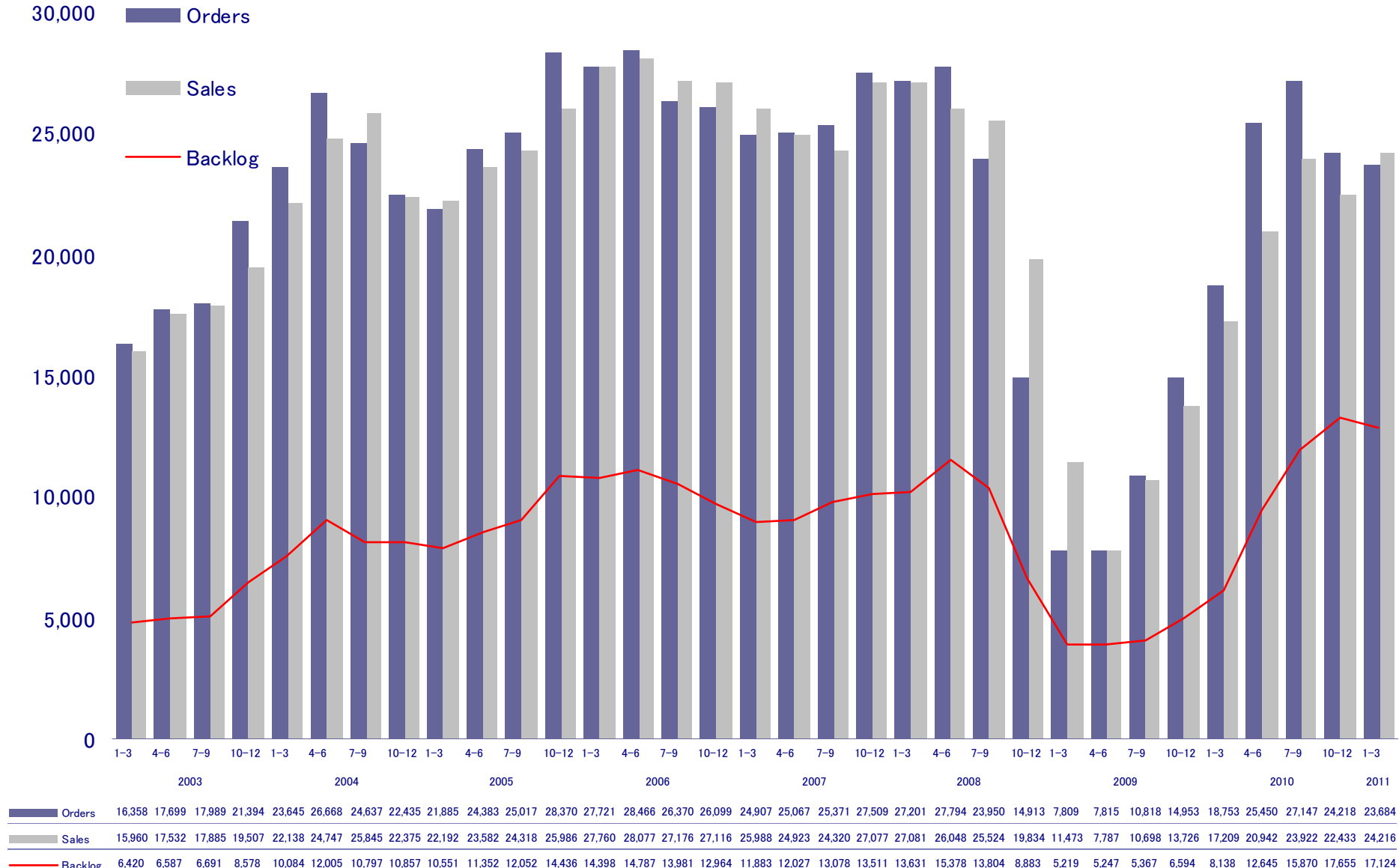
Number of Employees



Support Statement –Trends in orders, sales and backlog (domestic·unconsolidated) –

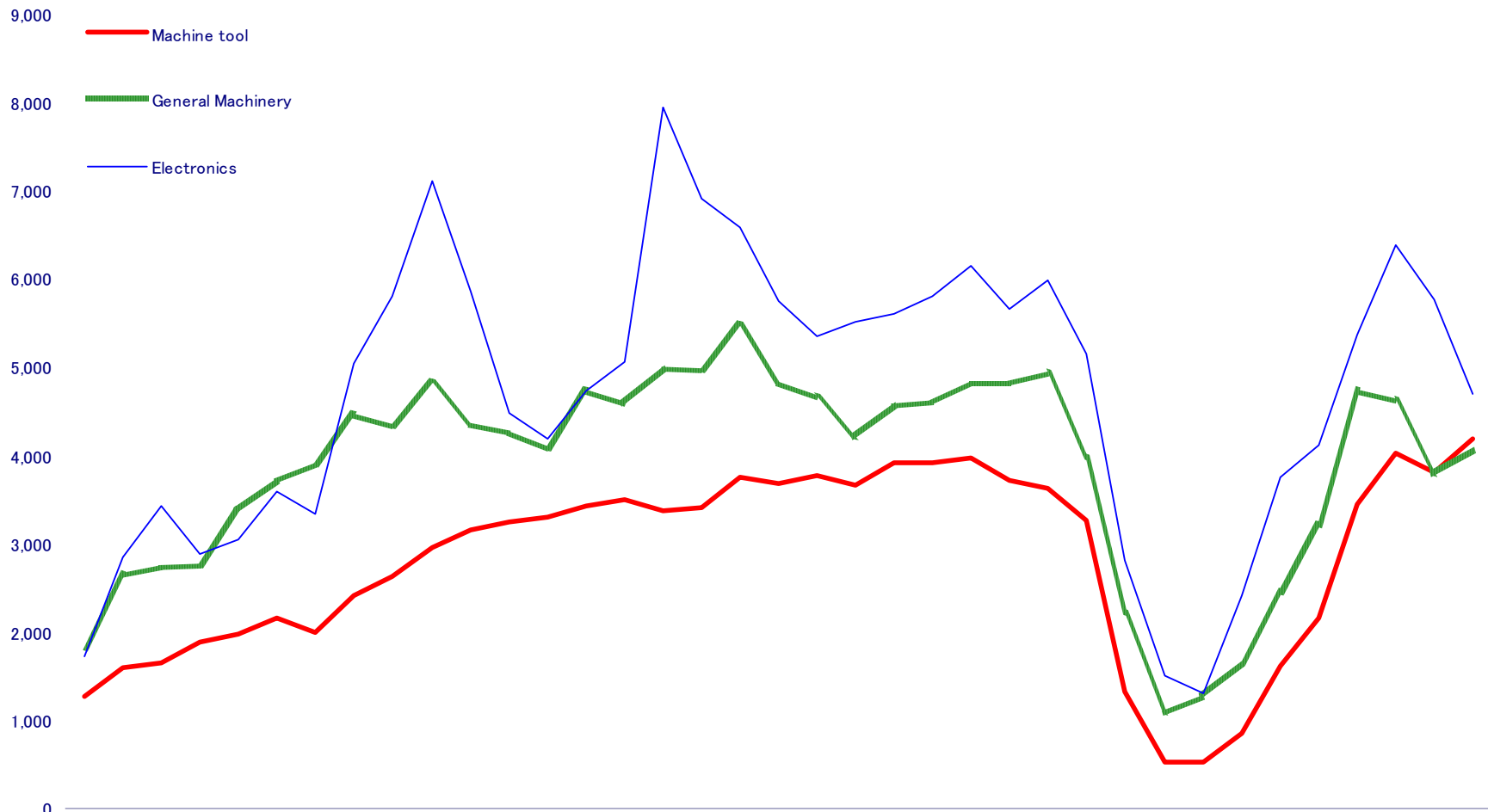


(Millions of yen)



Support Statement –Trends in orders classified by industry (unconsolidated)–

(Millions of yen)



	1-3	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3	4-6	7-9	10-12	1-3																
Machine tool	1,263	1,589	1,651	1,892	1,978	2,164	1,994	2,421	2,624	2,956	3,157	3,252	3,304	3,435	3,493	3,376	3,409	3,757	3,685	3,769	3,658	3,926	3,925	3,965	3,727	3,635	3,263	1,319	527	535	846	1,612	2,164	3,443	4,020	3,808	4,183
General Machinery	1,819	2,655	2,745	2,758	3,377	3,723	3,898	4,461	4,340	4,818	4,353	4,267	4,085	4,735	4,598	4,997	4,970	5,486	4,825	4,664	4,217	4,581	4,603	4,833	4,835	4,942	3,969	2,219	1,091	1,268	1,654	2,445	3,216	4,730	4,627	3,792	4,056
Electronics	1,725	2,857	3,428	2,893	3,047	3,596	3,346	5,048	5,803	7,113	5,862	4,483	4,198	4,730	5,059	7,947	6,916	6,593	5,745	5,351	5,515	5,600	5,812	6,149	5,657	5,984	5,159	2,809	1,514	1,315	2,406	3,763	4,127	5,372	6,394	5,762	4,695