

Consolidated Financial Results for the First Quarter Ended June 30, 2003

August 11, 2003

Tokyo, Japan - August 11, 2003 – THK CO., LTD. (Akihiro Teramachi, President and CEO; Tokyo Stock Exchange 6481) reported its consolidated results in Japanese GAAP for the first quarter ended June 30, 2003.

Consolidated Financial Highlights (Unaudited)

	(Millions of yen)	
	First quarter ended June 30, 2003	FY 2002 ended March 31, 2003
1. Consolidated Results of Operations		
Net sales	27,335	94,599
Operating income	2,888	4,893
Ordinary income	3,206	4,827
Net income	1,586	1,891
Net income per share (yen)	13.41	15.65
2. Consolidated Financial Position		
	As of June 30, 2003	As of March 31, 2003
Total assets	188,513	193,197
Total shareholders' equity	102,427	102,478
Total shareholders' equity/total assets	54.3%	53.0%
Shareholders' equity per share (yen)	867.92	860.80
3. Consolidated Statements of Cash Flows		
	First quarter ended June 30, 2003	FY 2002 ended March 31, 2003
Net cash provided by operating activities	3,085	16,012
Net cash used in investing activities	-2,619	-3,909
Net cash used in financing activities	-9,540	5,423
Cash and cash equivalents	63,291	72,533

Notes to the Financial Information:

There was no change of accounting policy during the reporting period: from April 1 to June 30, 2003.

The company applied the simplified methods to the following points for this reporting:

- 1) calculating the income and business taxes
- 2) calculating and recognizing allowance items

No comparisons with the first quarter results of the previous year are available.

Supplementary Information

The following tables show financial information for the three months ended June 30, 2003, which are announced by the Company. Note that figures are in accordance with Japanese GAAP and unaudited.

1. Consolidated Balance Sheets

	(Millions of yen)			
	First quarter ended June 30, 2003	Composition %	FY 2002 ended March 31, 2003	Composition %
Assets				
Current assets	129,611	68.8	135,613	70.2
Cash and bank deposits	57,272		66,459	
Accounts and notes receivables-trade	38,365		35,063	
Short-term investment in securities	6,919		7,003	
Inventories	23,219		23,747	
Other current assets	3,834		3,339	
Fixed assets	58,902	31.2	57,583	29.8
Tangible assets	42,481	22.5	42,390	21.9
Intangible assets	1,829	1.0	1,925	1.0
Other	14,591	7.7	13,266	6.9
Deferred assets			0	0.0
Total assets	188,513	100.0	193,197	100.0
Liabilities				
Current liabilities	44,651	23.7	48,149	24.9
Accounts and notes payables-trade	18,869		16,960	
Short-term bank loans	1,795		5,712	
Current portion of long-term debt	14,905		17,348	
Other current liabilities	9,081		8,127	
Long-term liabilities	41,119	21.8	42,259	21.9
Bonds	38,000		38,000	
Other long-term liabilities	3,119		4,259	
Total liabilities	85,770	45.5	90,409	46.8
Minority interests	315	0.2	309	0.2
Common stock	23,106	12.2	23,106	12.0
Capital surplus	30,962	16.4	30,962	16.0
Retained earnings	49,348	26.1	48,686	25.2
Net unrealized gain on other securities	-142	-0.0	-355	-0.2
Foreign currency translation adjustments	819	0.4	481	0.2
Treasury stock, at cost	-1,667	-0.8	-403	-0.2
Total shareholders' equity	102,427	54.3	102,478	53.0
Total liabilities, minority interests & shareholders' equity	188,513	100.0	193,197	100.0

2. Consolidated Statements of Income

	(Millions of yen)			
	Q1/FY2003 April - June 2003	% to net sales	FY2002 April '02 – March '03	% to net sales
Net sales	27,335	100.0	94,599	100.0
Cost of sales	18,526	67.8	66,646	70.5
Gross profit	8,808	32.2	27,953	29.5
Selling, general and administrative expenses	5,920	21.7	23,060	24.3
Operating income	2,888	10.5	4,893	5.2
Non-operating income	569	2.1	1,226	1.3
Interest and dividend income	61		218	
Other	508		1,007	
Non-operating expenses	250	0.9	1,291	1.4
Interest expense	143		888	
Other	107		403	
Ordinary income	3,206	11.7	4,827	5.1
Extraordinary income	19	0.0	56	0.0
Extraordinary loss	105	0.3	1,287	1.3
Income before income taxes and minority interests	3,121	11.4	3,596	3.8
Income taxes	1,529	5.6	1,773	1.8
Minority interests in loss of consolidated subsidiaries	5	0.0	-68	-0.0
Net income	1,586	5.8	1,891	2.0

Scope of consolidation:

The number of consolidated companies: 13

The number of equity method applied affiliated company: 1

There was no change in the number of consolidated companies or equity method applied affiliated company in the scope.

3. Consolidated Statements of Cash Flows

	(Millions of yen)	
	Q1/FY2003 April - June 2003	FY2002 April '02 – March '03
Operating activities:		
Income before income taxes and minority interests	3,121	3,596
Depreciation and amortization	1,300	6,163
Increase/(decrease) in accounts and notes receivable	-3,194	-10,253
Increase/(decrease) in inventories	692	2,502
Increase/(decrease) in accounts and notes payable	1,769	5,220
Other	-605	8,782
Net cash provided by operating activities	3,085	16,012
Investing activities:		
Payments for purchase of investments in securities or fixed assets	-1,624	-5,968
Proceeded from sales of investments in securities or fixed assets	48	1,580
Other	-1,043	477
Net cash used in investing activities	-2,619	-3,909
Financing activities:		
Increase/(decrease) in short-term bank loans	-1,757	-2,887
Increase/(decrease) in long-term debt	-5,781	10,118
Other	-2,000	-1,807
Net cash used in financing activities	-9,540	5,423
Effect of exchange rate changes on cash and cash equivalents	167	0
Net increase (decrease) in cash and cash equivalents	-9,241	17,526
Cash and cash equivalents, beginning of year	72,533	55,007
Cash and cash equivalents, end of year	63,291	72,533

4. Projected earnings for the Fiscal Year ending March 31, 2004

Consolidated basis

(Millions of yen)

	Six months ending September 30, 2003	Year ending March 31, 2004
Net sales	51,600	104,000
Operating income	4,300	9,000
Ordinary income	4,300	8,900
Net income	2,350	4,850
Net income per share (yen)		40.80

Stand-alone basis

(Millions of yen)

	Six months ending September 30, 2003	Year ending March 31, 2004
Net sales	41,000	83,000
Operating income	4,400	9,000
Ordinary income	4,500	9,200
Net income	2,550	5,200
Net income per share (yen)		43.64

The Company has not changed the projected figures which were announced on May 19, 2003.

Notice regarding forward looking statements

This release contains forward looking statements based on management's assumptions, estimates, and projections at the time of release. The company cautions readers that actual results may differ materially from those projected or implied in forward-looking statements made by or on behalf of the Company due to a variety of important factors, such as, but are not limited to the risks and uncertainty associated with world wide economy, competitive activity, and currency fluctuation.

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