



INTERIM FINANCIAL RESULTS BRIEFING

November 14th 2012

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

1st Half of Fiscal Year ending March 2013

Net sales decreased by 15.3% from the previous year to 87.4 billion yen

- In Japan, despite signs of recovery becoming evident in the demand for electronics from the early spring, the demand once again began to decline from the summer onward. ※Geographic sales is based on where our customers are located.
- Overseas, while the demand mainly to the machine tools industry remained strong in North America, in Europe weakening trends were seen even in countries such as Germany, which had until now driven demand. In China, despite strong demands to the small machine tools industry, overall demand weakened.

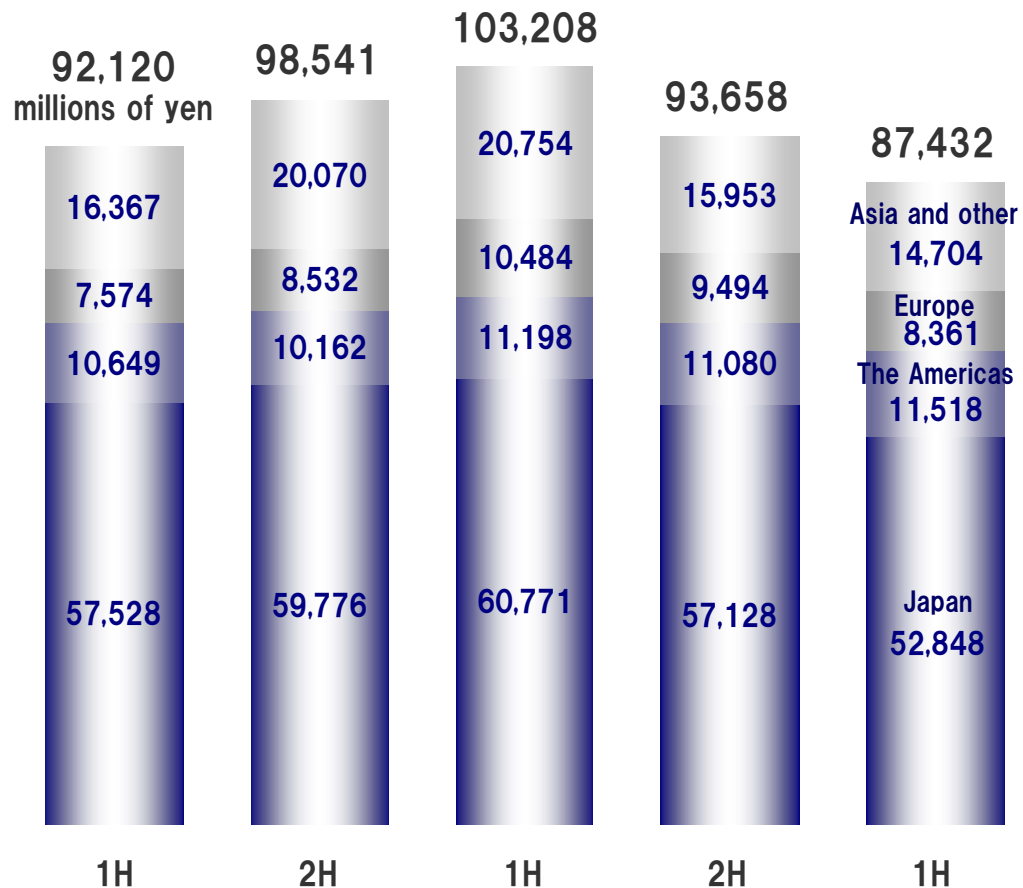
Operating Income decreased by 41.2% from the previous year to 7.3 billion yen

- Negative impact by volume effect due to decreased sales
- Appreciation of the yen
- Reduction of fixed costs
- Down in variable cost ratio

Operating income reached levels that were nearly the same as the levels planned at the beginning of the year

- Operating income reached levels that were nearly the same as the levels of 7.8 billion yen planned at the beginning of the year despite net sales falling short of the plan by approximately 4.6 billion yen due to the decline in orders received from the summer onward.

Trend in Net Sales



Asia and other | Y/Y Down 29.1%

● China (Industrial Equipment)	Down	16.9%
● Taiwan	Down	51.0%
● Singapore	Down	22.6%

Europe | Y/Y Down 20.3%

● Machine tools	Down	21.4%
● General machinery	Down	21.0%
● Electronics	Down	31.2%

The Americas | Y/Y Up 2.9%

● Machine tools	Up	20.9%
● General machinery	Up	11.4%
● Electronics	Down	38.9%

Japan | Y/Y Down 13.0%

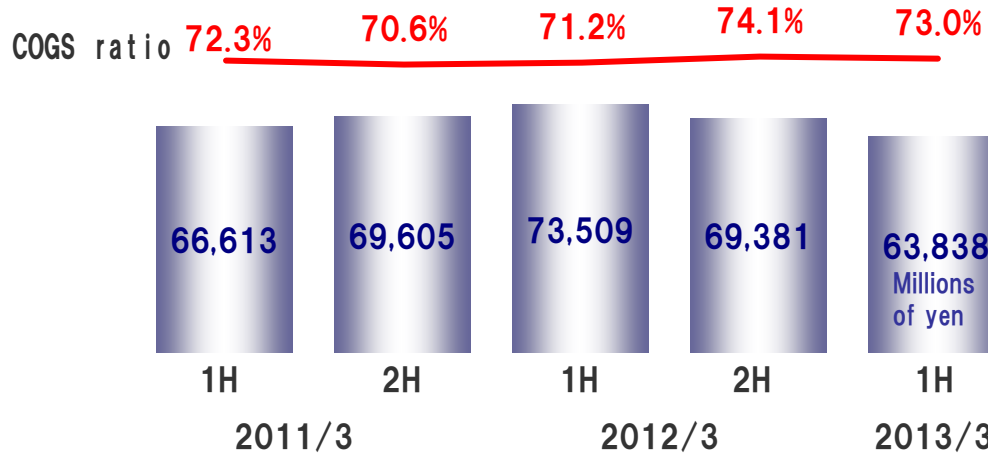
● Machine tools	Down	7.5%
● General machinery	Down	19.0%
● Electronics	Down	25.1%

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

Exchange rate	2011/3		2012/3		2013/3
1US\$	91.37	84.26	82.05	77.63	79.75
1EUR	121.32	111.46	114.99	107.23	103.45

Trends in COGS and SG&A

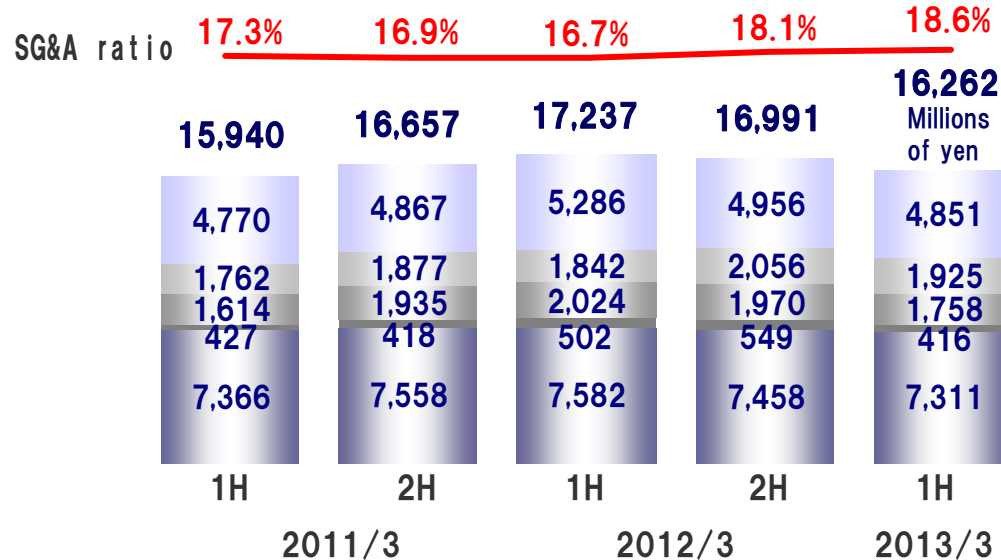
COGS



COGS ratio increased by 1.8 points Y/Y

- Decrease in net sales
- Appreciation of the yen

SG&A



Other | Y/Y : down ¥ 434 million, or 8.2%

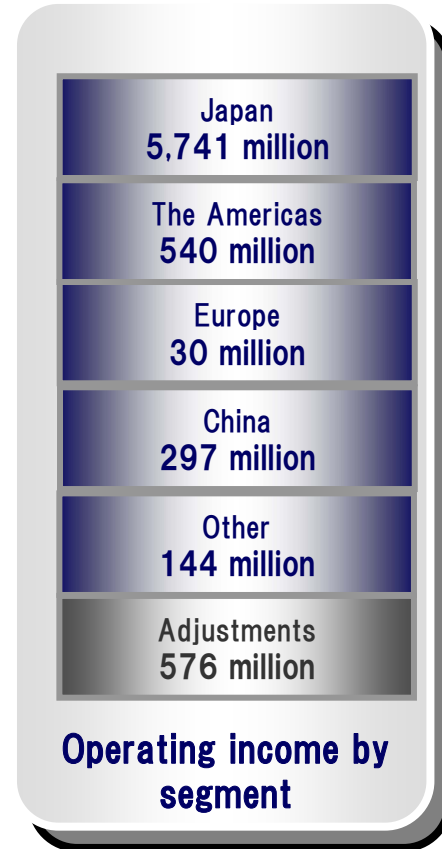
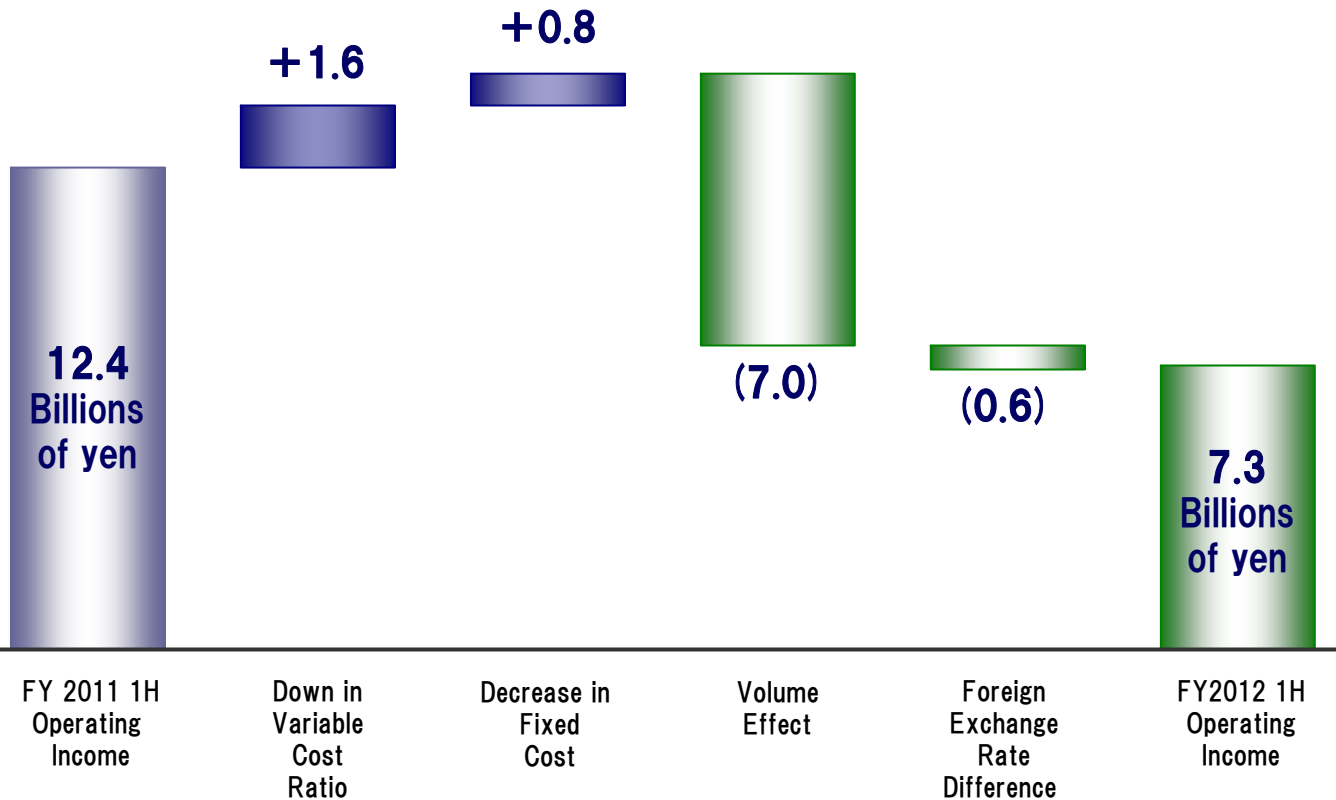
R&D | Y/Y : up ¥ 82 million, or 4.5%

Sales & Distribution Costs | Y/Y :
down ¥ 265 million, or 13.1%

Depreciation and Amortization | Y/Y :
down ¥ 86 million, or 17.1%

Personnel Costs | Y/Y : down ¥ 270 million, or 3.6%

[Reference] Operating Income - Cause of Change -



Trends in Assets, Liabilities and Net Assets

Cash and Bank Deposits | Y/Y :

Up ¥ 1,160 million

Cash Flows from Operating Activities :
¥ 12,198 million

Cash Flows from Investing Activities :
¥ (7,554) million

Cash Flows from Financing Activities :
¥ (4,084) million

Foreign Currency Translation Adjustments
on Cash and Cash Equivalents :
¥ 601 million

Accounts and Notes Receivable | Y/Y :

Down ¥ 3,126 million

Number of months' sales receivables :
Previous period: 3.2 month
This period: 3.4 month

Inventories | Y/Y : Down ¥ 919 million

Number of months' sales in inventory :
Previous period : 1.6 month
This period : 1.7 month

Property , Plant and Equipment | Y/Y :

Up ¥ 2,492 million

■ CAPEX : ¥ 6,865 million
■ Depreciation : ¥ 4,598 million

Intangible Assets | Y/Y :

Down ¥ 151 million

Investment and Other | Y/Y :

Up ¥ 531 million from

Total Assets 286,408 millions of yen
Down ¥ 1,924 million from previous period

Current Assets
193,855

Down ¥ 4,796 million
from previous period

Fixed Assets
92,552

Up ¥ 2,871 million
from previous period

Liabilities

109,410

Down ¥ 3,406 million
from previous period

Net Assets

176,998

Up ¥ 1,481 million
from previous period

Current Liabilities | Y/Y :

Down ¥ 3,354 million

■ Accounts and Notes Payable | Y/Y :
Down ¥ 1,480 million

Number of months' notes payable
Previous period : 1.7 month
This period : 1.8 month

■ Income Taxes Payable | Y/Y :
Down ¥ 835million

■ Accrued amount payable | Y/Y :
Down ¥ 934million

Long-term Liabilities | Y/Y :

Down ¥ 51 million

Net Income : ¥ 3,742 million

Foreign Currency Translation
Adjustment | Y/Y :
Up ¥ 2,232 million

Treasury Stock | Y/Y :
Down ¥ 2,564 million

Acquisition of treasury stock
2 million shares

2. Our Strategy



Full-Scale Globalization

Enhancement of Sales, Manufacturing and Development in China

- Reinforcement of production capacity at each plant
- Shifting to a 60-branch office system at the end of 2014
- Full-scale development



Development to Latin America and India

- A sales company is scheduled to be established in India



Other

- Promotion optimal production
- Promotion local procurement

Development of New Businesses

Automotive Parts

- Efforts to encourage the adoption of linear motion systems for automotive parts
- Use of linear motion systems by a wider range of manufacturers for a wider range of vehicle models



Seismic Isolation Devices and Damping System

- Expansion sales of seismic isolation platforms table
- Expansion of new damping system



Electric Actuator

- Promotion overseas production
- Expansion lineup



Cost Control

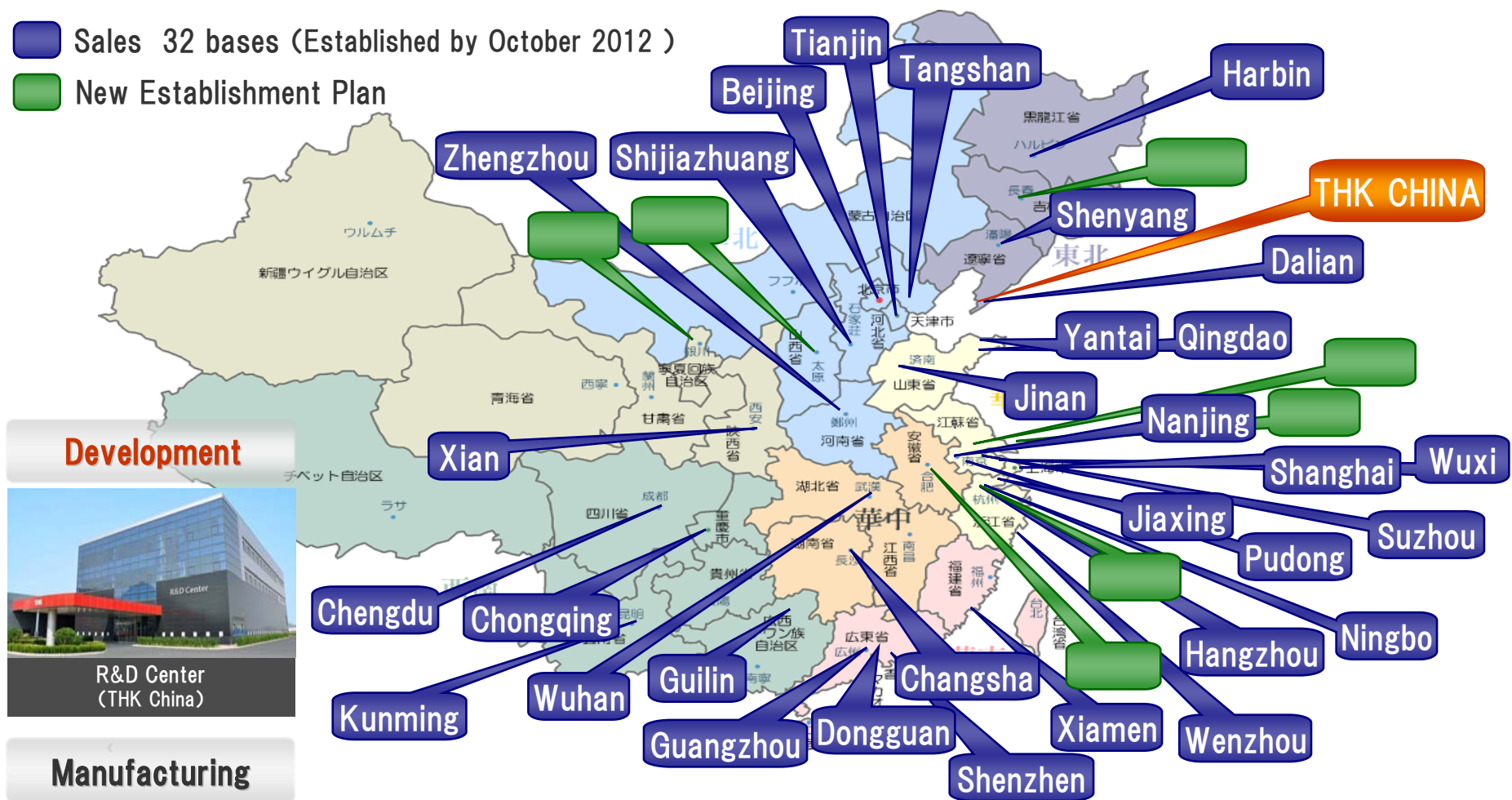
- Adjustment of operation hours
- Reduction of CAPEX
- Review various expenses
- Control variable cost

3. Full-Scale Globalization

Enhancement of Sales, Manufacturing and Development in China

Sales 32 bases (Established by October 2012)

New Establishment Plan



Development



Manufacturing



Enhancement of the Global Manufacturing Structure

THK Manufacturing of Europe (FRA)



THK Manufacturing of Ireland (IRL)



THK MANUFACTURING OF VIETNAM (VNM)



THK RHYTHM THAILAND (THA)



THK RHYTHM MALAYSIA (MYS)



THK RHYTHM MEXICANA
Scheduled to start of operation in October 2013



THK Manufacturing of America (USA)



THK RHYTHM NORTH AMERICA (USA)



SAMICK THK (Head Office Plant) (KOR)



SAMICK THK (DALSEONG) (KOR)



DALIAN THK (CHN)



THK MANUFACTURING OF CHINA (WUXI) (CHN)



THK MANUFACTURING OF CHINA (LIAONING) (CHN)



THK RHYTHM GUANGZHOU (CHN)



THK RHYTHM CHANGZHOU (CHN)



4. Development of New Businesses

New Seismic Isolation Platforms Table TGS

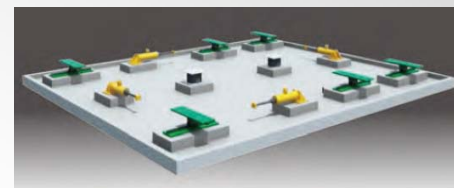


The number of adoption grows rapidly



Seismic Isolation and Damping for House

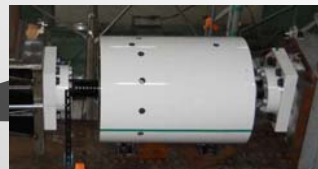
Being adopted by a steadily increasing number of buildings



Seismic Isolation and Damping for Building



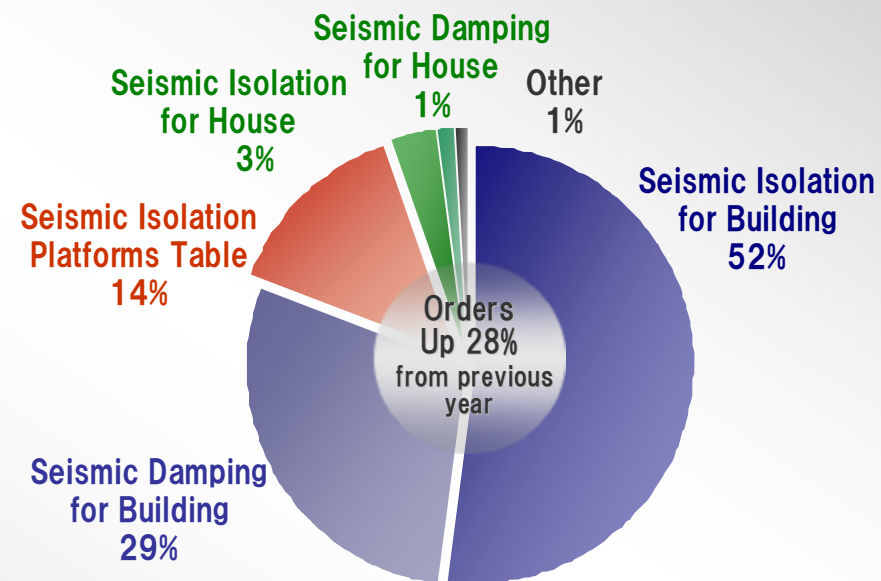
Higher damping performance compared with previous products



Damping System



Seismic Isolation System



ACE Division Orders User Breakdown of FY2012 1H
Seismic Isolation and Damping System

Promotion Overseas Production



SAMICK THK
Head Office Plant
(Korea)



SAMICK THK
Dalseong Plant
(Korea)



DALIAN THK
(China)



THK WUXI
(China)



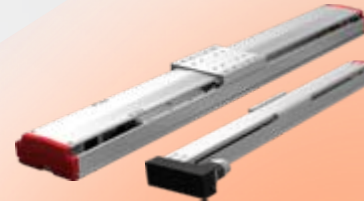
THK Yamagata Plant
(Japan)



New Products in FY2011



Press Series



Universal Series



Multi-Axis Series



Peripheral control equipment

New Products in FY2012

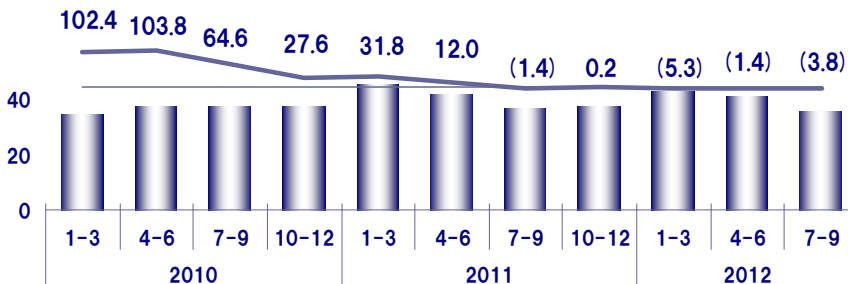
Lineup Expansion

5. Financial Forecast for Fiscal 2012

Orders Received by Region

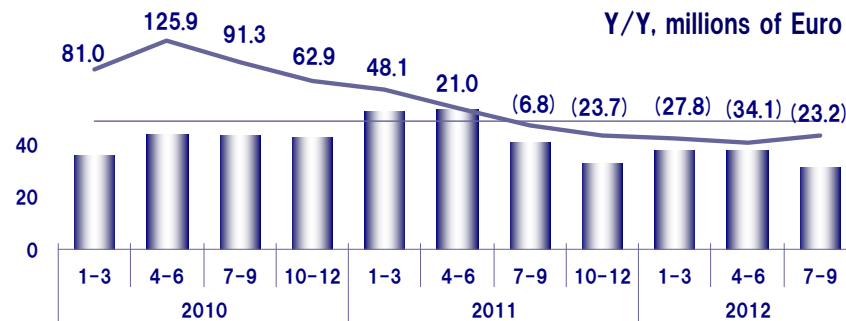
THK Holdings of America, L.L.C.

Y/Y, millions of dollar



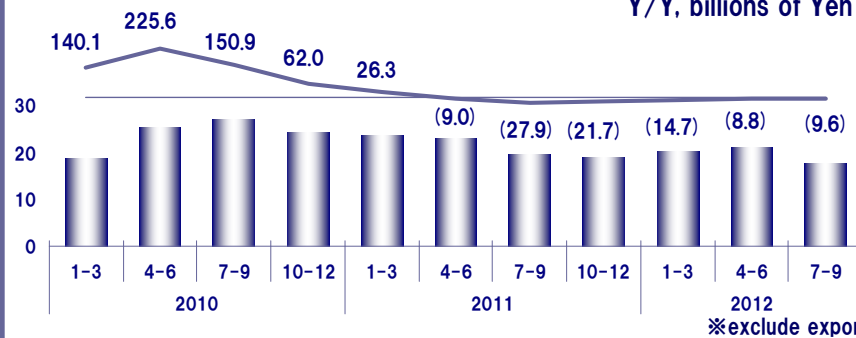
THK Europe B.V.

Y/Y, millions of Euro



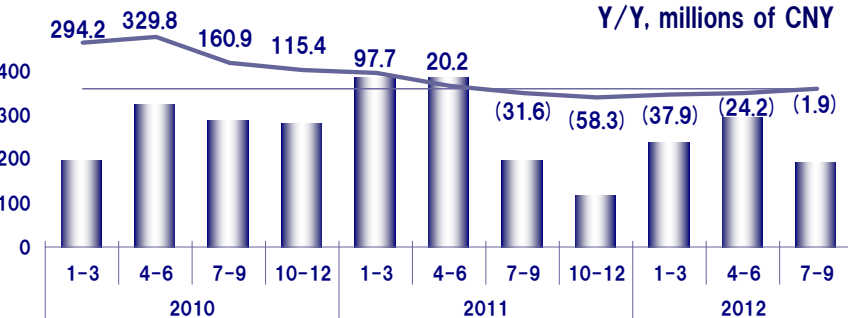
THK (Domestic)

Y/Y, billions of Yen



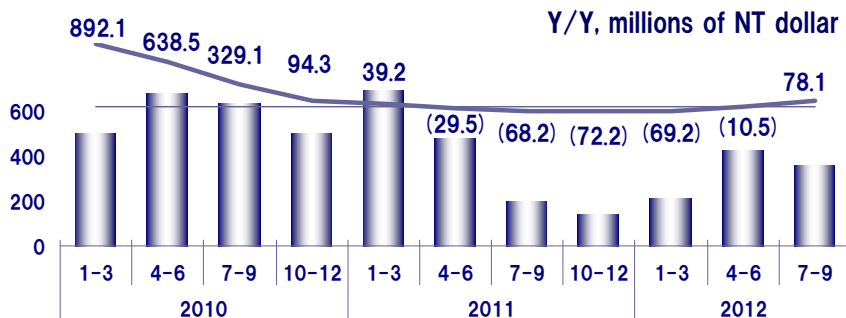
THK (CHINA) CO., LTD. + THK (SHANGHAI) CO., LTD.

Y/Y, millions of CNY



THK TAIWAN CO., LTD.

Y/Y, millions of NT dollar



Financial Forecast (Consolidated)



(Millions of yen)

	2013.3 FY		2013.3 1H	2012.3 FY
	(Revised Nov. Forecast)	(May Forecast)	(Result)	(Result)
Net Sales	165,000	200,000	87,432	196,866
Y/Y	<i>-16.2%</i>	<i>+1.6%</i>	<i>-15.3%</i>	<i>+3.3%</i>
Operating Income	9,000	22,500	7,331	19,745
Y/Y	<i>-54.4%</i>	<i>+13.9%</i>	<i>-41.2%</i>	<i>-9.6%</i>
Ordinary Income	7,900	23,500	5,531	19,072
Y/Y	<i>-58.6%</i>	<i>+23.2%</i>	<i>-41.5%</i>	<i>-11.8%</i>
Net Income	5,000	15,500	3,742	12,641
Y/Y	<i>-60.4%</i>	<i>+22.6%</i>	<i>-38.8%</i>	<i>-9.4%</i>

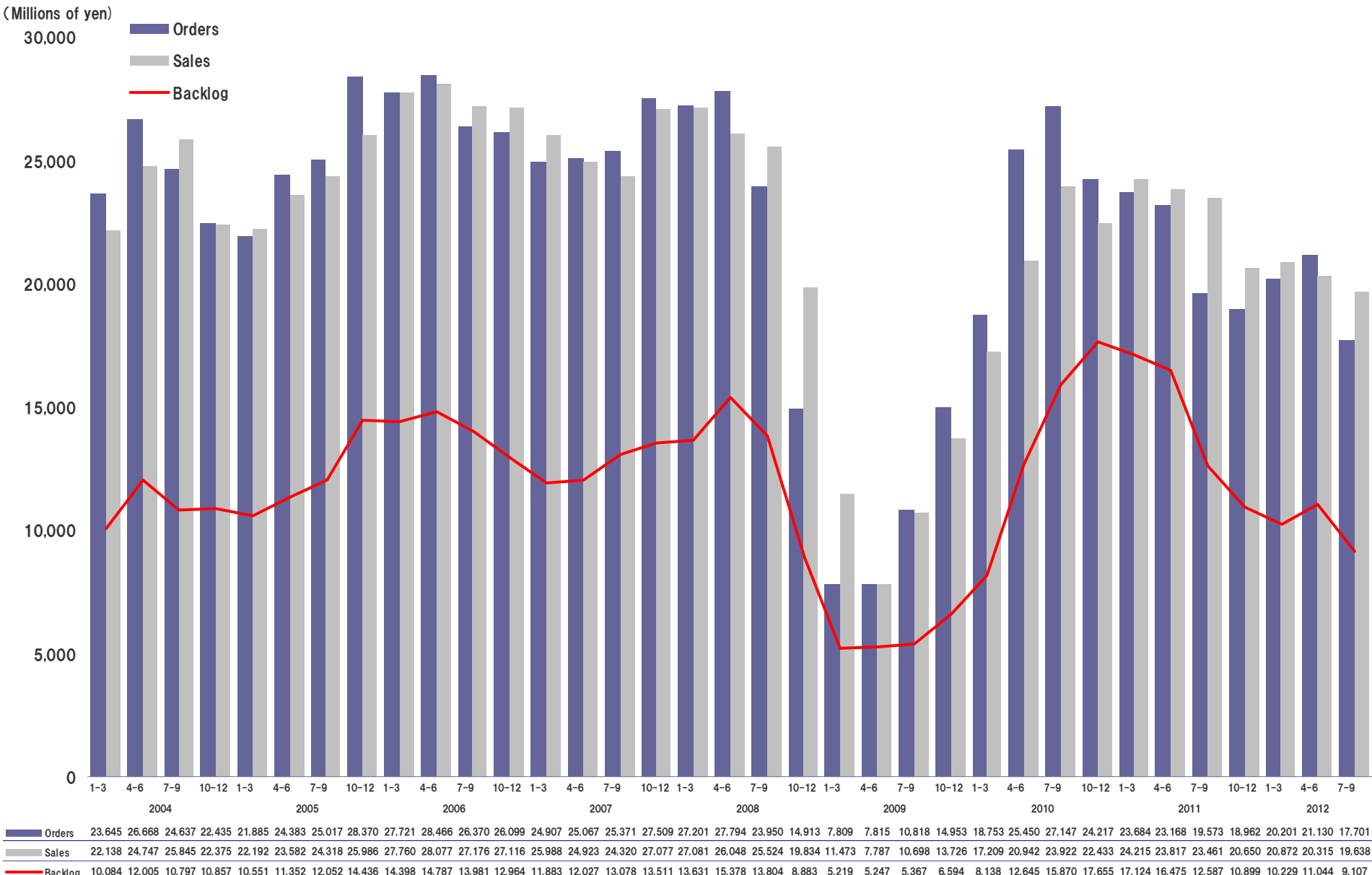
Financial Forecast (Unconsolidated)



(Millions of yen)

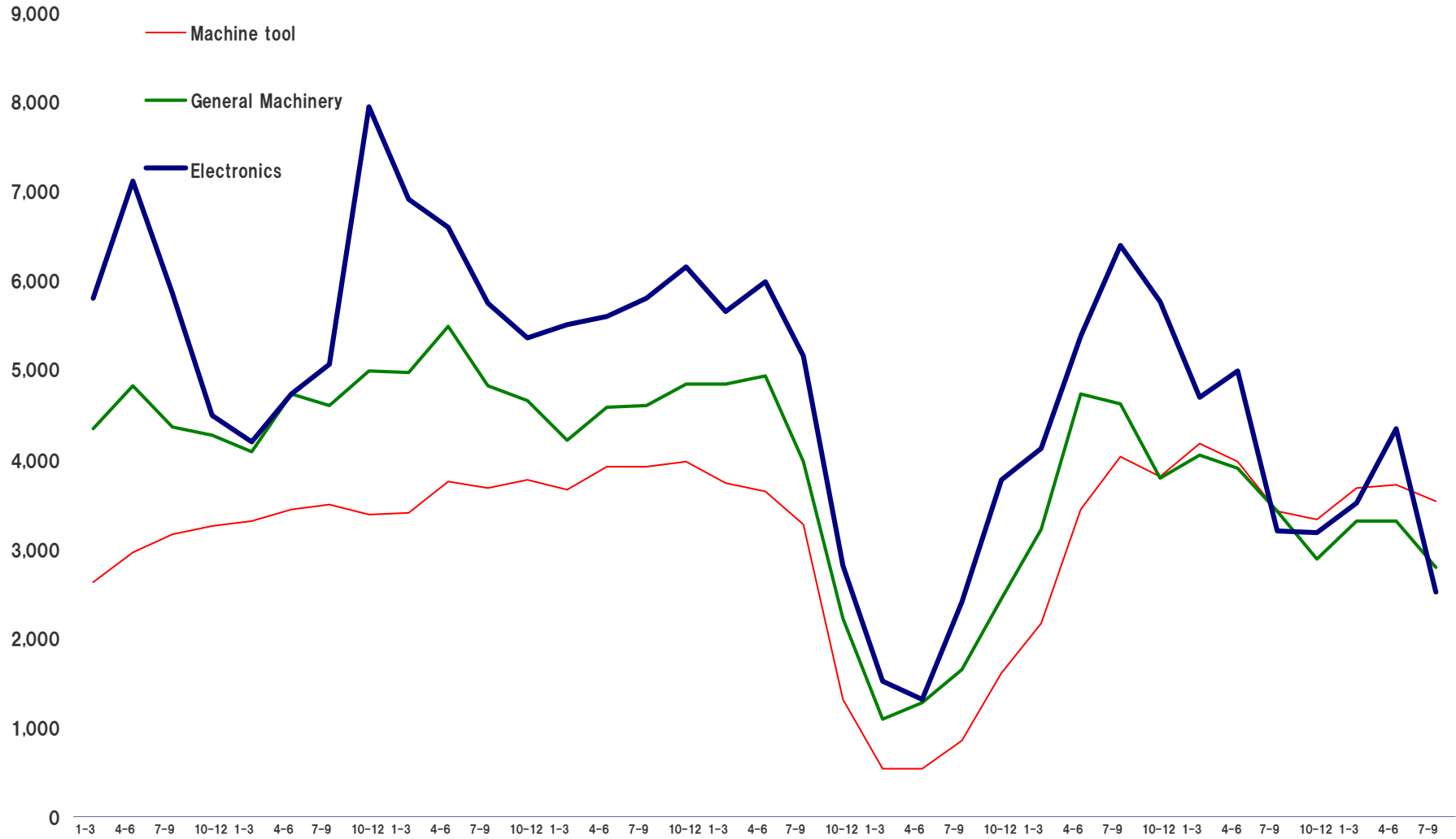
	2013.3 FY		2013.3 1H	2012.3 FY
	(Revised Nov. Forecast)	(May Forecast)	(Result)	(Result)
Net Sales	100,300	128,200	55,279	130,107
Y/Y	<i>-22.9%</i>	<i>-1.5%</i>	<i>-23.8%</i>	<i>-2.7%</i>
Domestic	73,300	90,400	39,953	88,802
Y/Y	<i>-17.5%</i>	<i>+1.8%</i>	<i>-15.5%</i>	<i>-3.0%</i>
Operating Income	6,400	15,000	4,844	14,493
Y/Y	<i>-55.8%</i>	<i>+3.5%</i>	<i>-49.7%</i>	<i>-15.3%</i>
Ordinary Income	5,100	15,400	2,925	13,407
Y/Y	<i>-62.0%</i>	<i>+14.9%</i>	<i>-52.3%</i>	<i>-20.4%</i>
Net Income	3,300	9,600	1,991	7,957
Y/Y	<i>-58.5%</i>	<i>+20.6%</i>	<i>-43.5%</i>	<i>-25.5%</i>

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



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	4-6	7-9												
Machine tool	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	3,970	3,423	3,318	3,681	3,721	3,536
General Machinery	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	3,896	3,428	2,875	3,300	3,301	2,797
Electronics	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	4,998	3,204	3,184	3,519	4,337	2,514