



INTERIM FINANCIAL RESULTS BRIEFING

November 15th 2010

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 2011

Net sales increased by 94.3% from the previous year to 92.1 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.

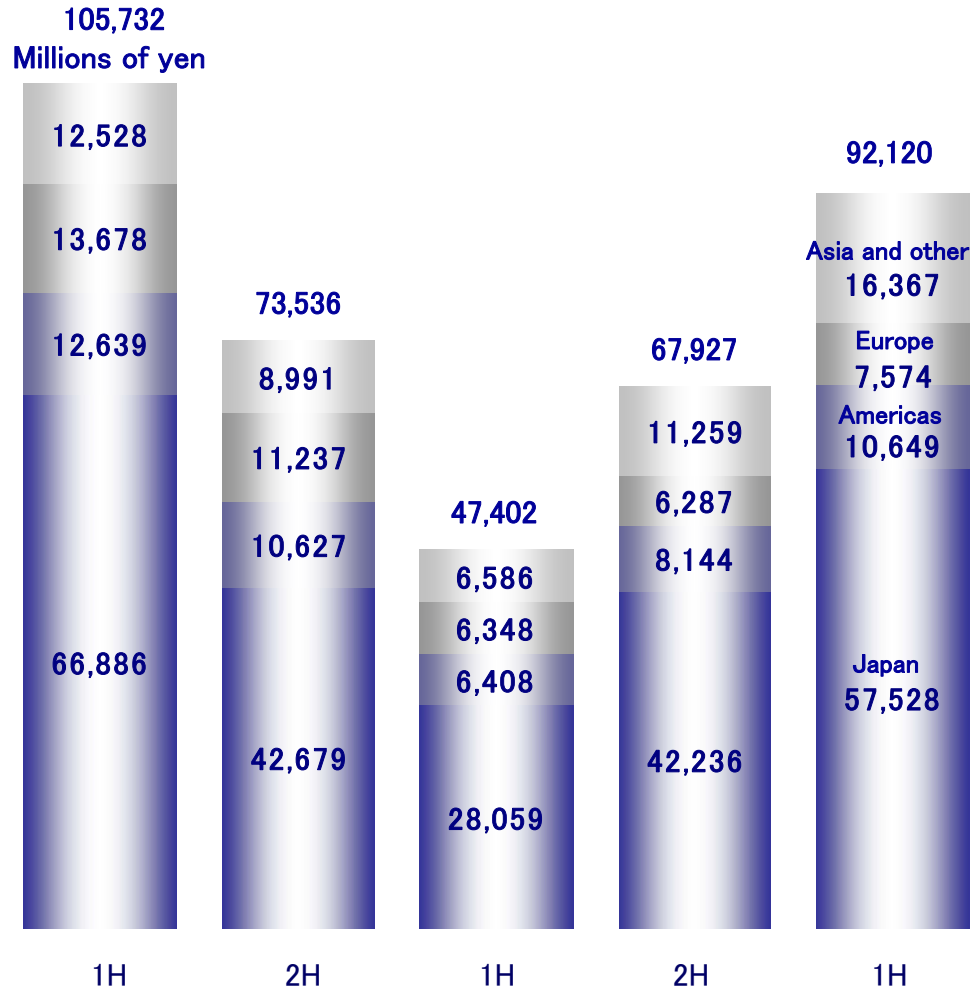
Operating Income of 9.5 billion yen was posted

- 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

Business results were roughly in line

- Both net sales and operating income were roughly in line with the forecast revision announced in August 2010 to net sales of 92.1 billion yen and operating income of 9.5 billion yen

Trend in Net Sales



Asia and other (Up 148.5%)	
South Korea	Up 164.6 %
Taiwan	Up 374.2 %
China (Industrial Equipment)	Up 120.5 %

Europe (Up 19.3%)	
Machine tools	Down 13.0 %
General machinery	Up 4.9 %
Electronics	Up 60.3 %

The Americas (Up 66.2%)	
Machine tools	Up 84.7 %
General machinery	Up 36.2 %
Electronics	Up 110.5 %

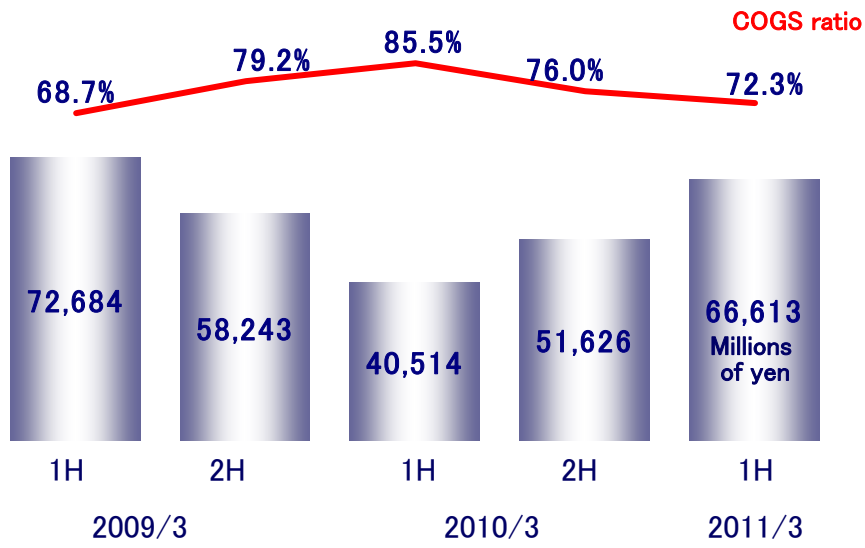
Japan (Up 105.0%)	
Machine tools	Up 289.6 %
General machinery	Up 179.0 %
Electronics	Up 191.4 %

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

Exchange rate	2009/3		2010/3		2011/3
1US\$	104.92	102.00	95.48	91.69	91.37
1EUR	160.54	144.34	127.21	133.21	121.32

Trends in Sales-Cost Ratio and SG&A

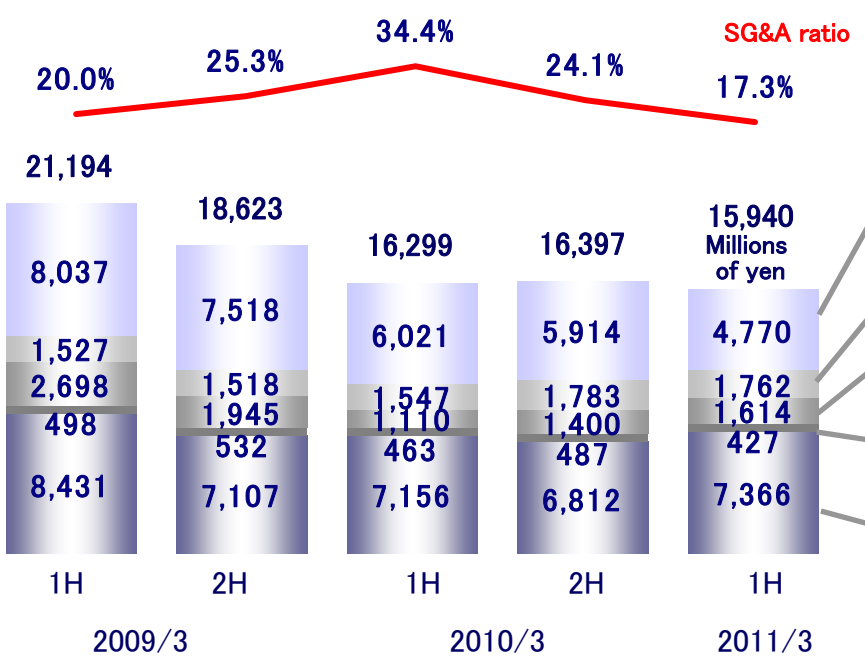
COGS



Sales-cost ratio decreased by 13.2points Y/Y

Income was recorded due to the quantitative effects accompanying the increase in net sales

SG&A



Other (Down ¥ 1,251 million, or 20.8% Y/Y)
 ■ Decrease in Amortization of Goodwill

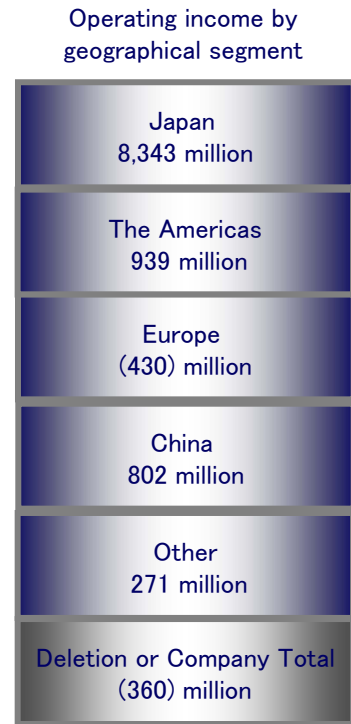
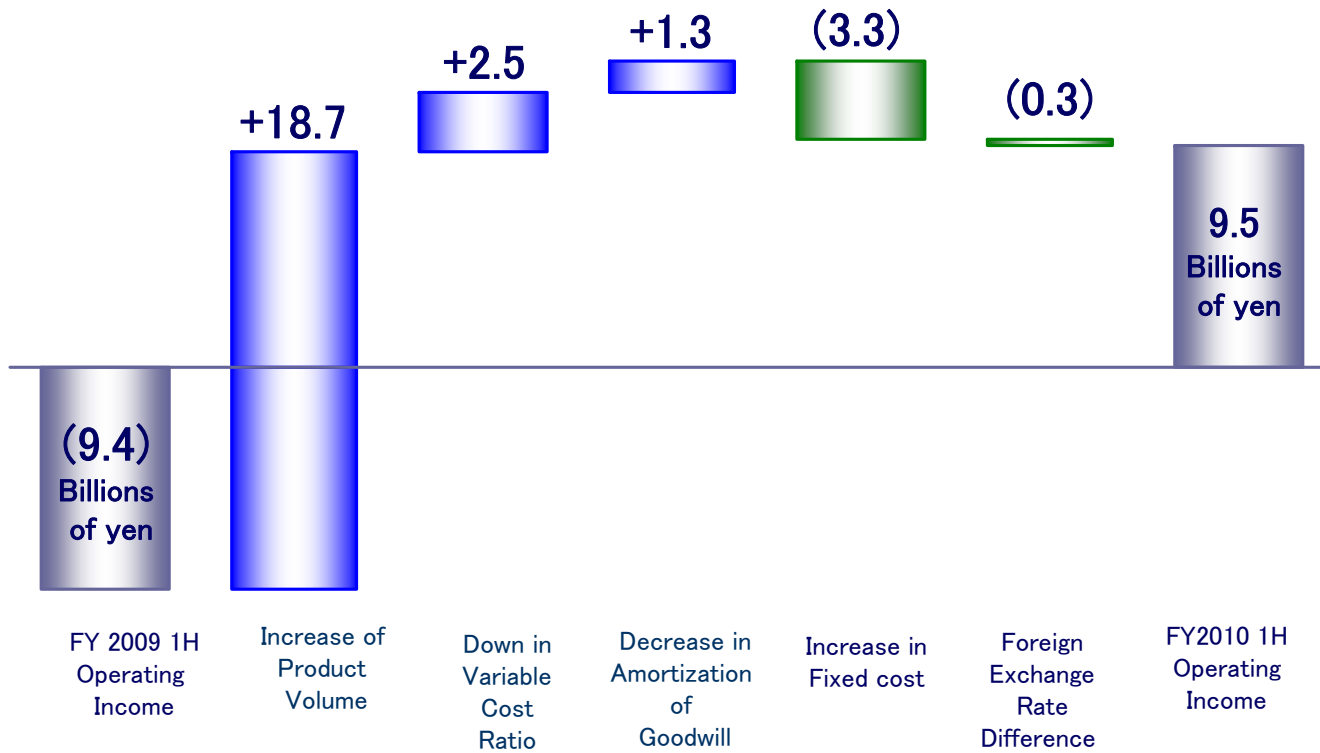
R&D (Up ¥ 214 million, or 13.8% Y/Y)

Sales & Distribution Costs (Up ¥ 503million, or 45.3% Y/Y)
 ■ Increase in distribution costs by increase of net sales

Depreciation and Amortization (Down ¥ 36 million, or 7.8% Y/Y)

Personnel Costs (Up ¥ 210 million, or 2.9% Y/Y)

Operating Income - Cause of Change -



Trends in Assets, Liabilities and Net Assets

- Cash and Cash in Account: Up ¥ 2,591 million from previous period
- Cash Flows from Operating Activities: ¥ 7,407 million
- Cash Flows from Investing Activities: ¥ (2,656) million
- Cash Flows from Financing Activities: ¥ (992) million
- Foreign Currency Translation Adjustments on Cash and Cash Equivalents : ¥ (1,167) million
- Accounts Receivable: Up ¥ 14,029 million from previous period
- Increase of net sales
- Number of months' sales receivables: Previous period 4.2 per month This period 3.5 per month
- Inventories: Up ¥ 1,655 million from previous period
- Previous period: 2.6 per month: This period: 1.7 per month

- Property , Plant and Equipment: Down ¥ 3,628 million from previous period
- CAPEX: ¥ 2,693 million
- Depreciation: ¥ 4,439 million
- Intangible Assets: Down ¥ 117 million from previous period
- Investment and Other: Down ¥ 252 million from previous period

Total Assets 249,127
millions of yen
(Up ¥ 12,752 million
from previous period)

Current Assets
160,211
Up ¥ 16,750
million from
previous period

Fixed Assets
88,916
Down ¥ 3,998
million from
previous period)

Liabilities
86,060
Up ¥ 11,944 million
from previous period

Net Assets
163,066
Up ¥ 807 million
from previous period

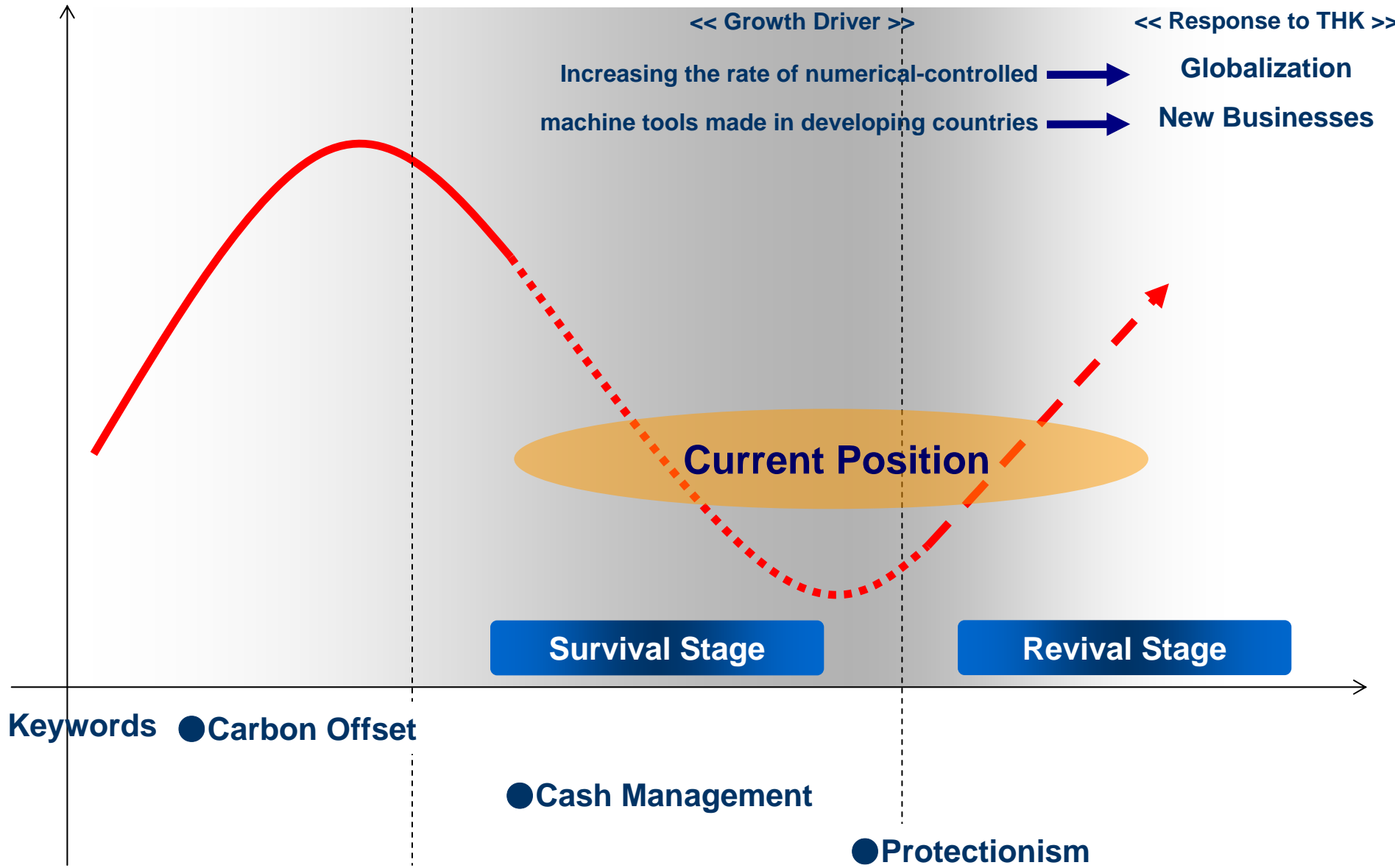
- Current Liabilities: Up ¥ 11,817 million from previous period
- Accounts Payable: Up ¥ 8,244 million from previous period
- Purchasing increased because of sales increase
- Number of months' notes payable: previous period → 2.5 month this period → 2.1 month
- Long-term Liabilities: Up ¥ 126 million from previous period

- Net Income: ¥ 5,706 million
- Foreign Currency Adjustment: Down ¥ 3,773 million from previous period

2. Management Strategy Forward

Current Management Environment

Demand expands in a mid/long term. But a careful steer is necessary for the short term.



Globalization

Overseas Market: Full-scale globalization
Overseas Sales: ¥150 billion
Overseas Sales Ratio: 50%

Expansion of Business Areas

Consolidated Net Sales: ¥300 billion

Operating Margin: 20%
ROA: 15%

**Domestic Market: Full-scale operation
in the consumer products area**
Domestic Sales: ¥150 billion

New Businesses

Business Deployment in Asia

1,328
millions of people

Population

■ Manufacturing
● Sales
● Sales (planning)

China
 Sales : 19
 Manufacturing : 4

Korea
 Sales : 13
 Manufacturing : 1

Japan
 Sales : 49
 Manufacturing : 14

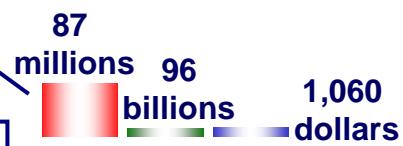
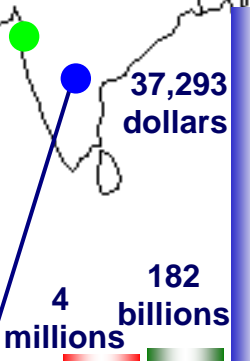
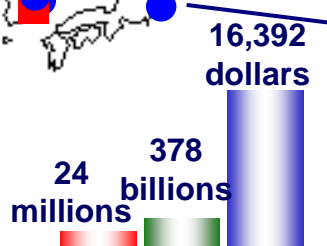
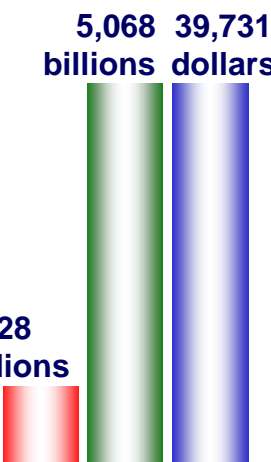
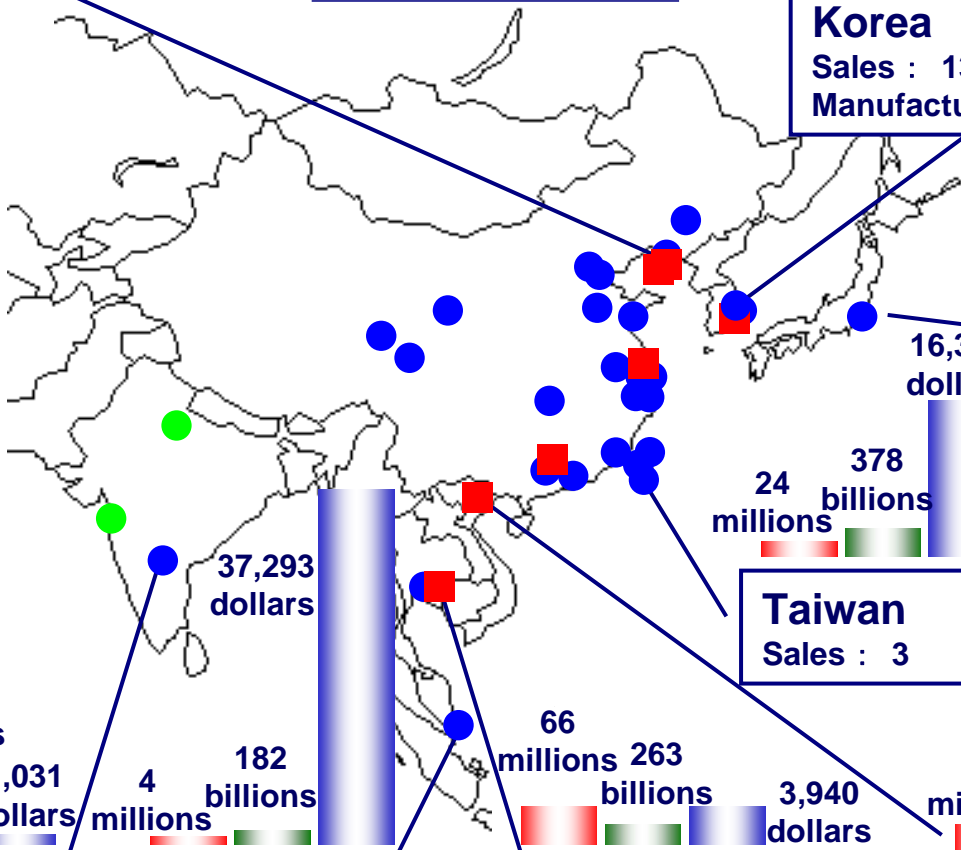
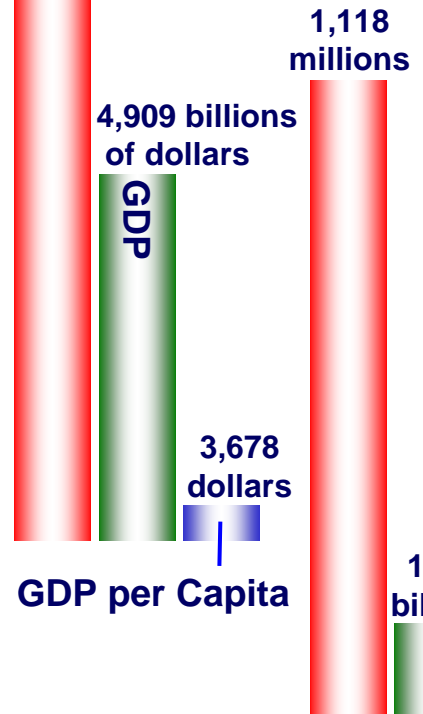
Taiwan
 Sales : 3

India
 Sales : 1 (Bangalore)
 -THK plans to establish
 two new business bases.

Singapore
 Sales : 1

Thailand
 Sales : 1 (New establishment)
 Manufacturing : 1

Vietnam
 Manufacturing : 1

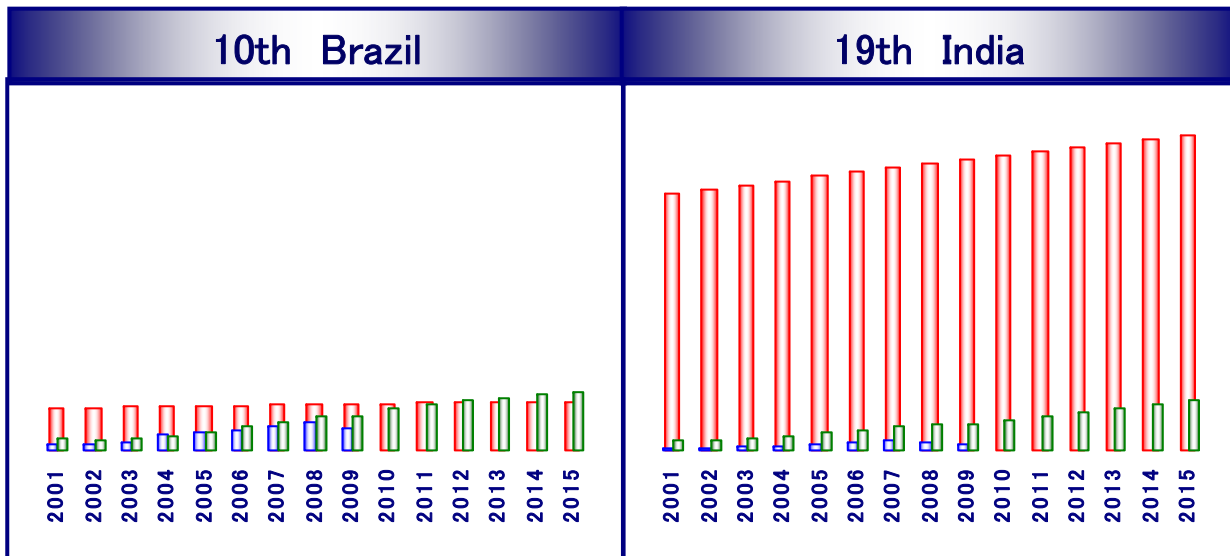
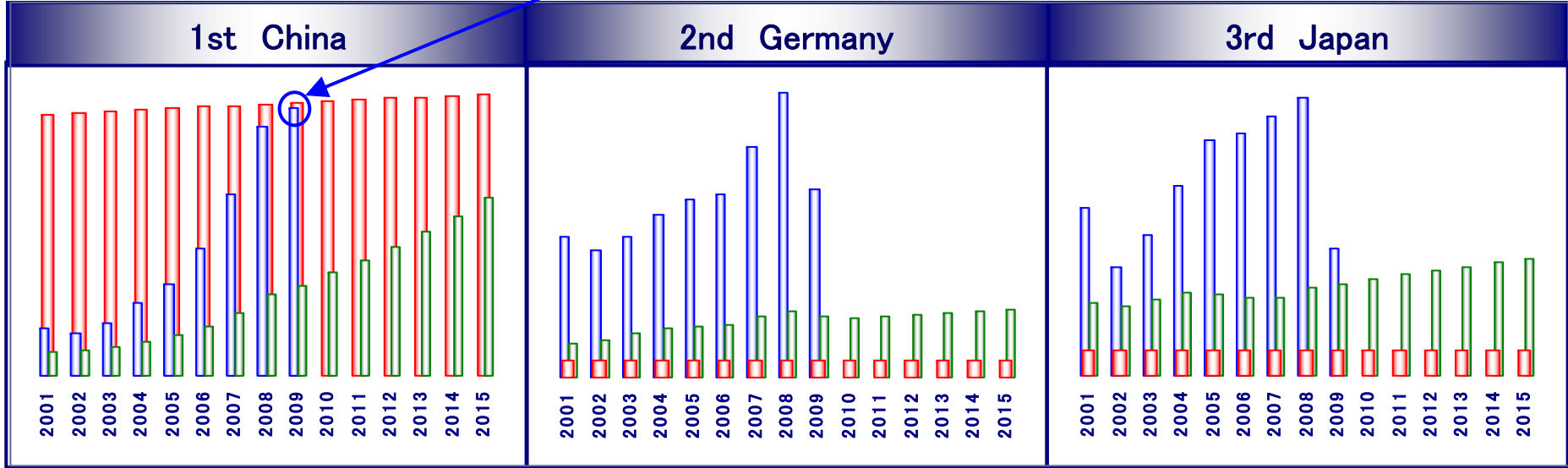


(Reference: JETRO and Cabinet Office)

Main Machine Tool Productions Countries

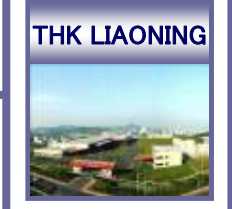
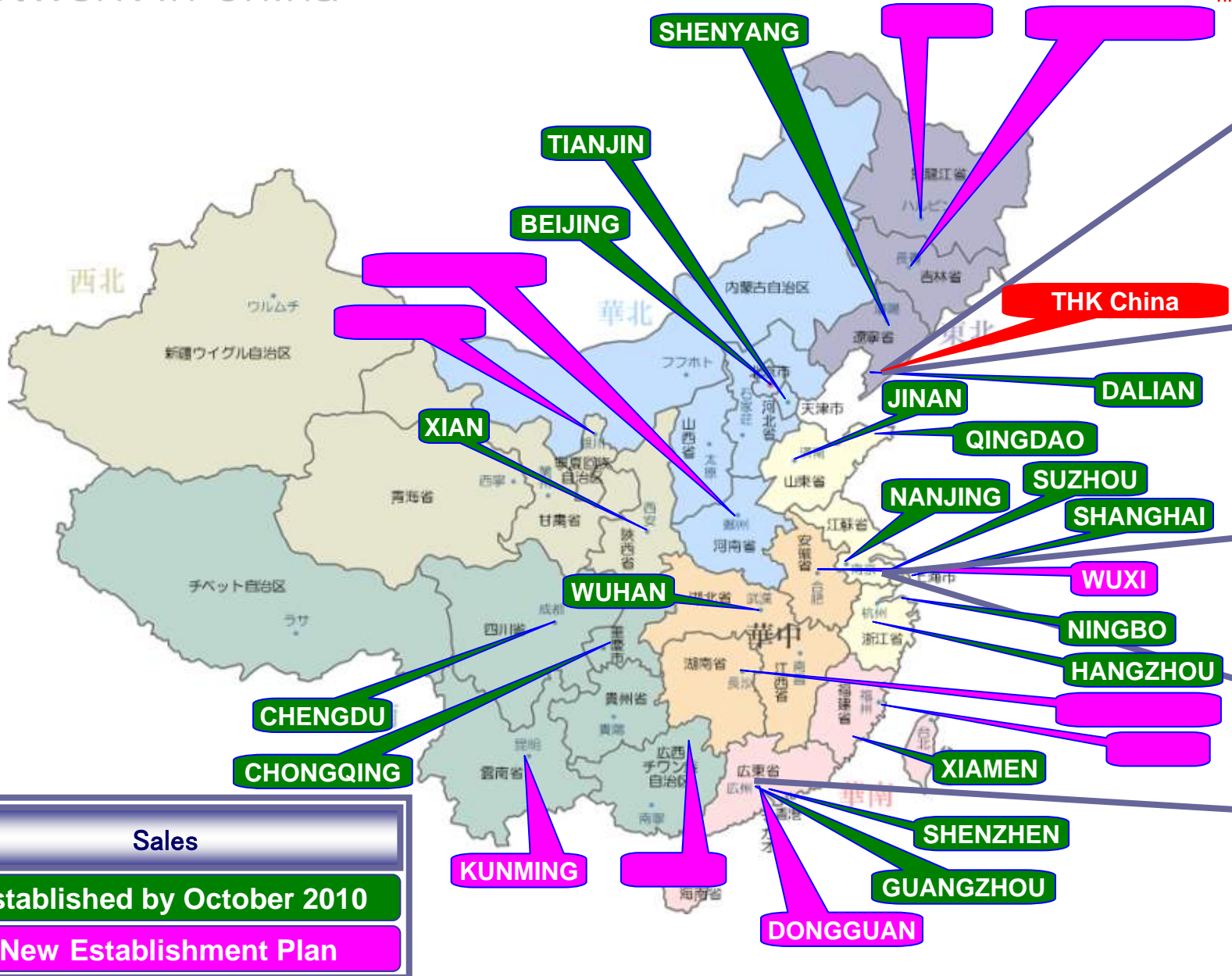
- Machine tool production value
- Nominal GDP
- Population

Rose to 1st place in 2009



(Reference: Gardner and IMF)

Expansion of Sales, Manufacturing and Development Network in China

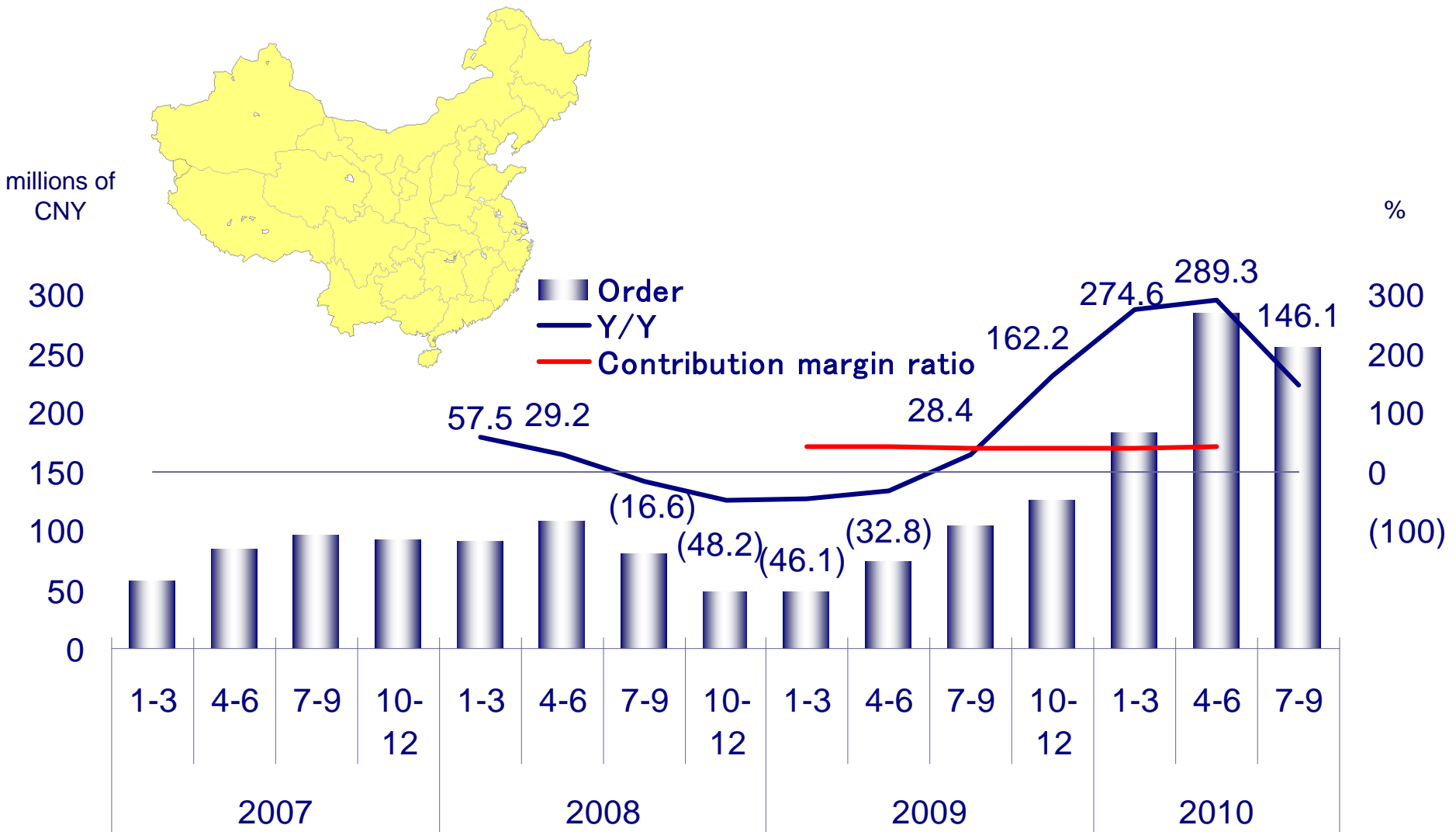


Sales

Established by October 2010

New Establishment Plan

Order of Our Chinese Business



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

Enhancement of the Global Manufacturing Structure

THK Manufacturing of Europe (France)



PGM Ballscrews 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 Manufacturing of America (The Americas)



THK RHYTHM NORTH AMERICA (The Americas)



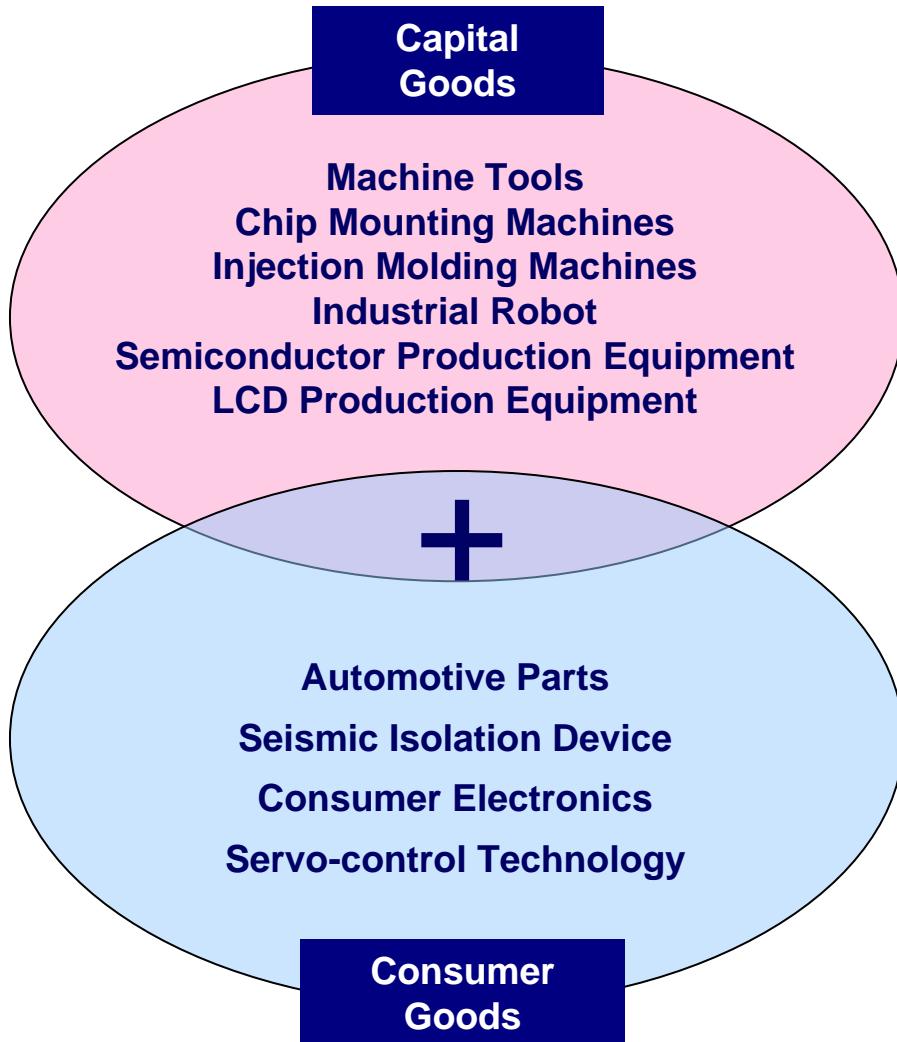
SAMICK THK (South Korea)



THK RHYTHM GUANGZHOU (China)



Expansion from Capital Goods into Consumer Goods



Expand consumer goods considering environmental protection

FAI Division (Future Automobile Industries)

- Develops key automotive components that enhancing vehicle safety



ACE Division (Amenity Creation Engineering)

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

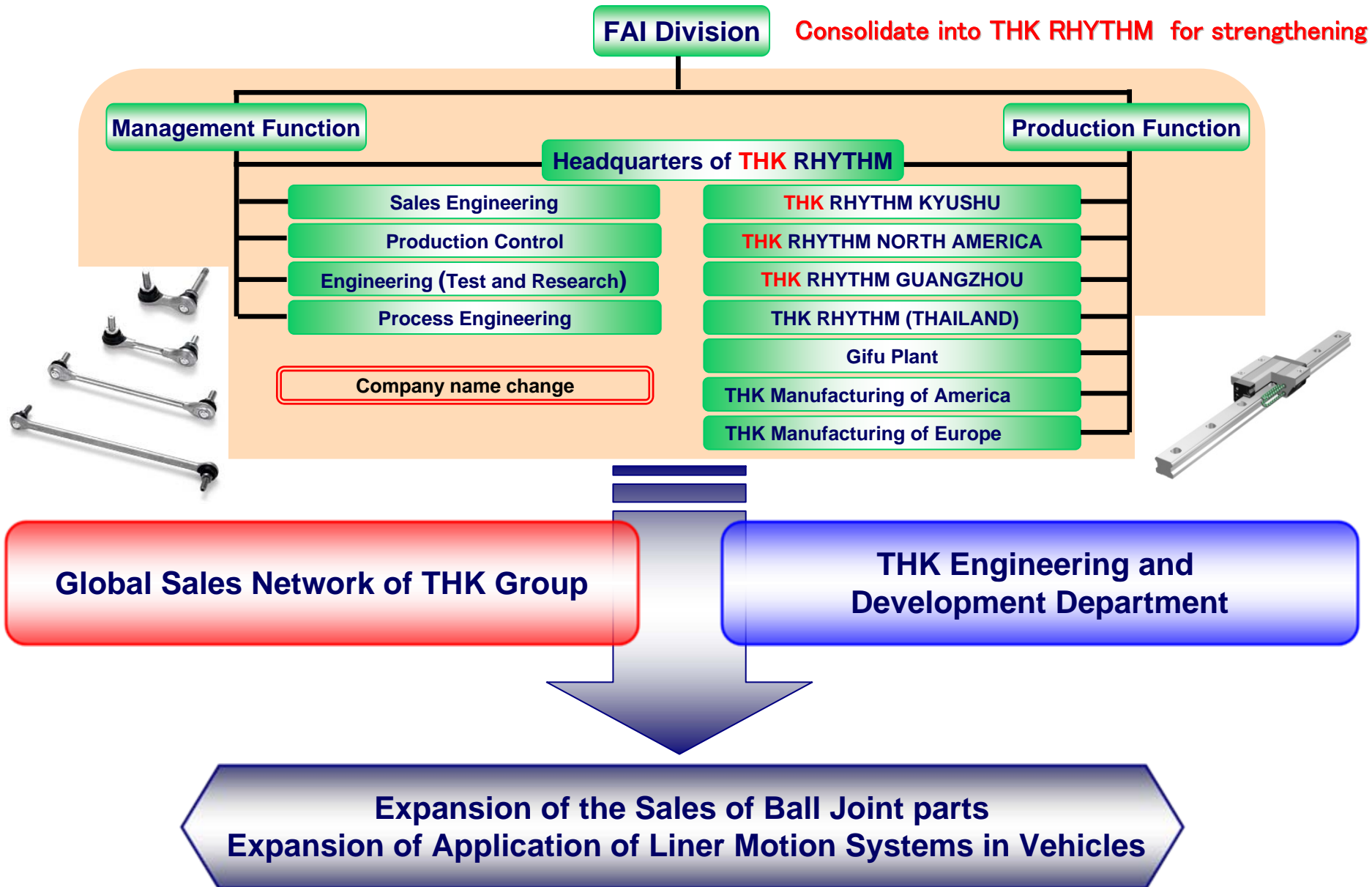


IMT Division (Innovated Mechatronics Technology)

- Develops unit products customized by each customer's needs as well as electric actuator series which approach multipurpose customers' needs
- Develops humanoid robot in the long term



Development of FAI Division

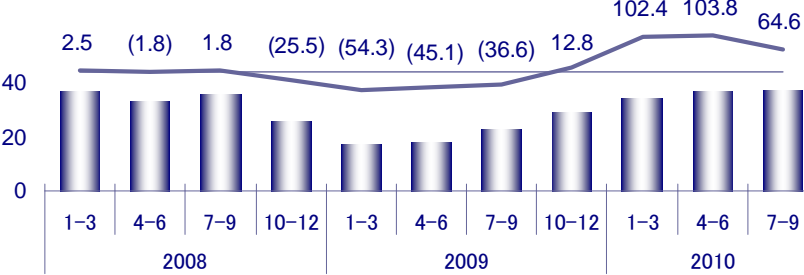


3. Fiscal Year Ending March 2011 Financial Forecast

Orders Received by Region

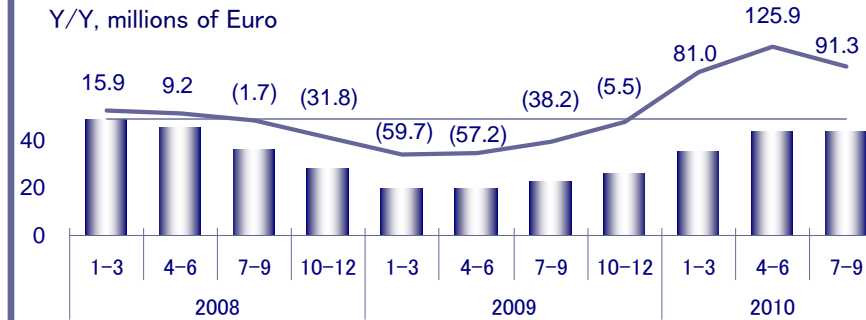
THK Holdings of America, L.L.C.

Y/Y, millions of dollars



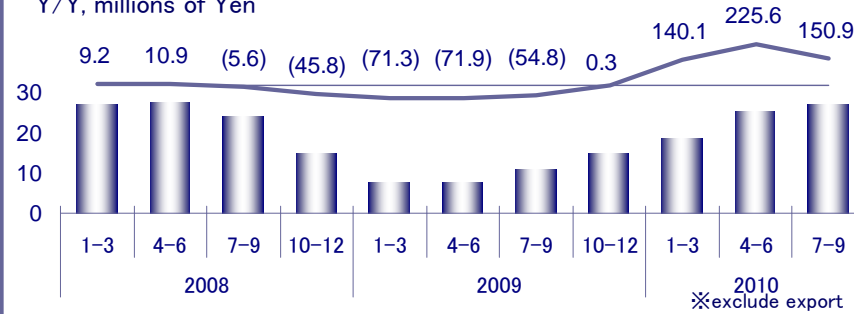
THK Europe B.V.

Y/Y, millions of Euro



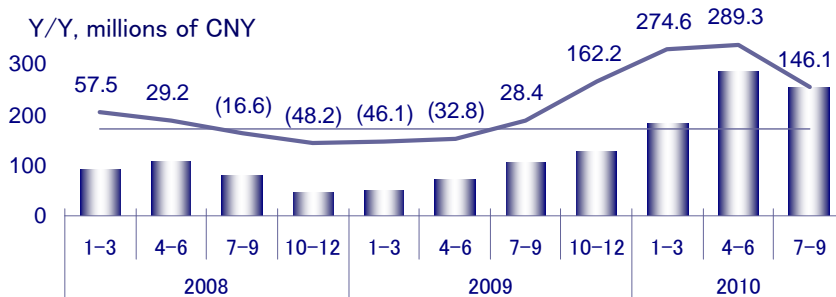
THK (Domestic)

Y/Y, millions of Yen



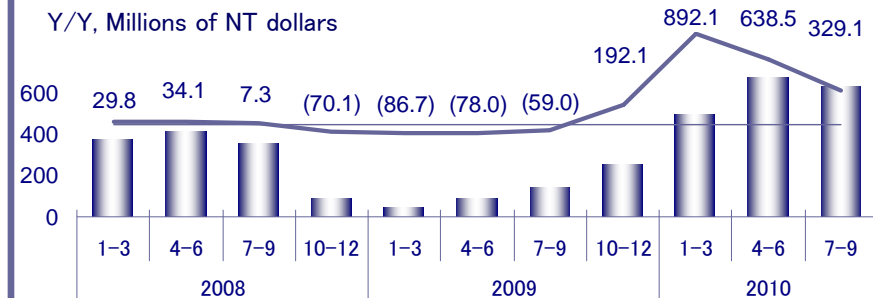
THK (CHINA) CO., LTD.

Y/Y, millions of CNY



THK TAIWAN CO., LTD.

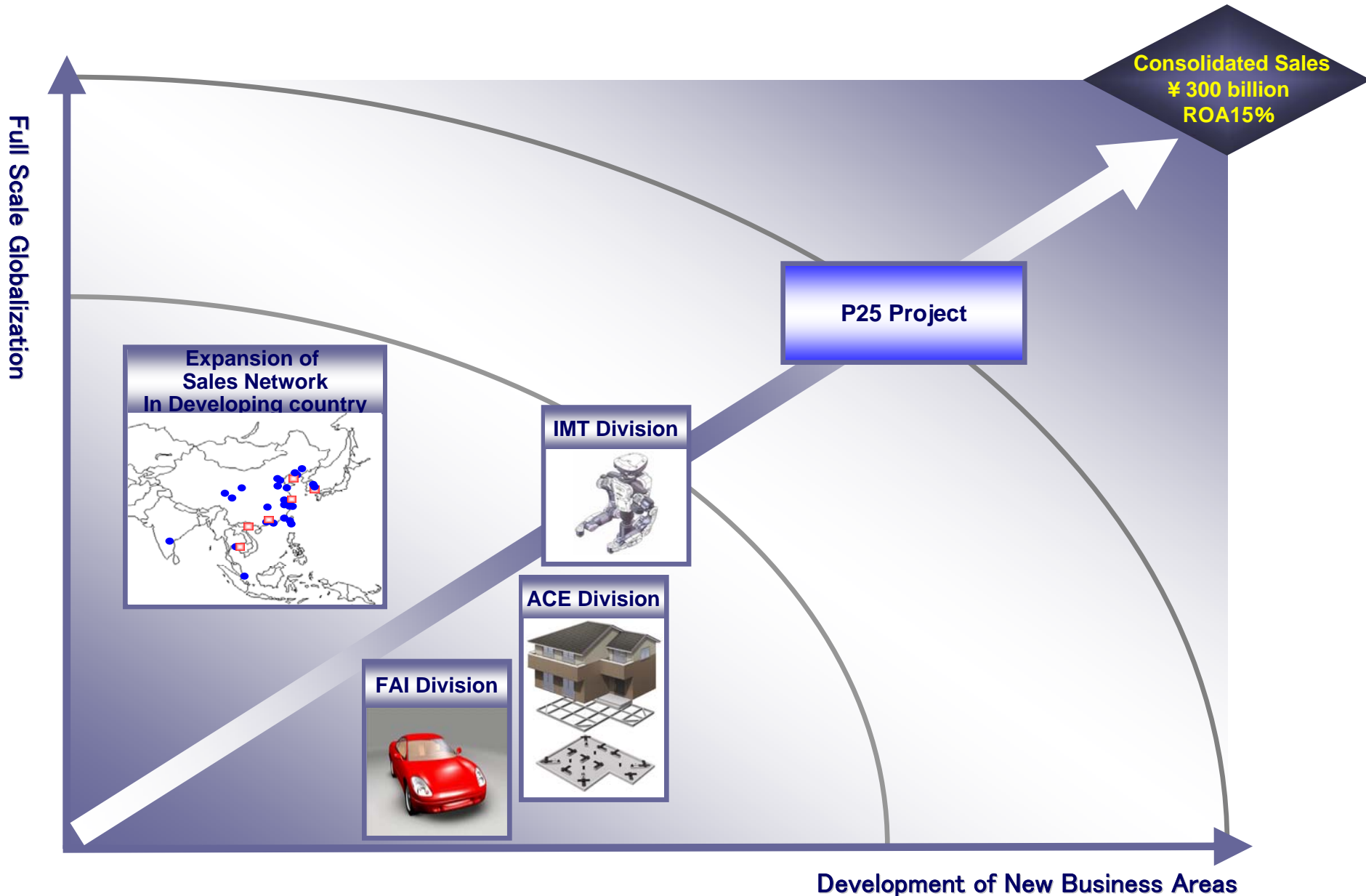
Y/Y, Millions of NT dollars



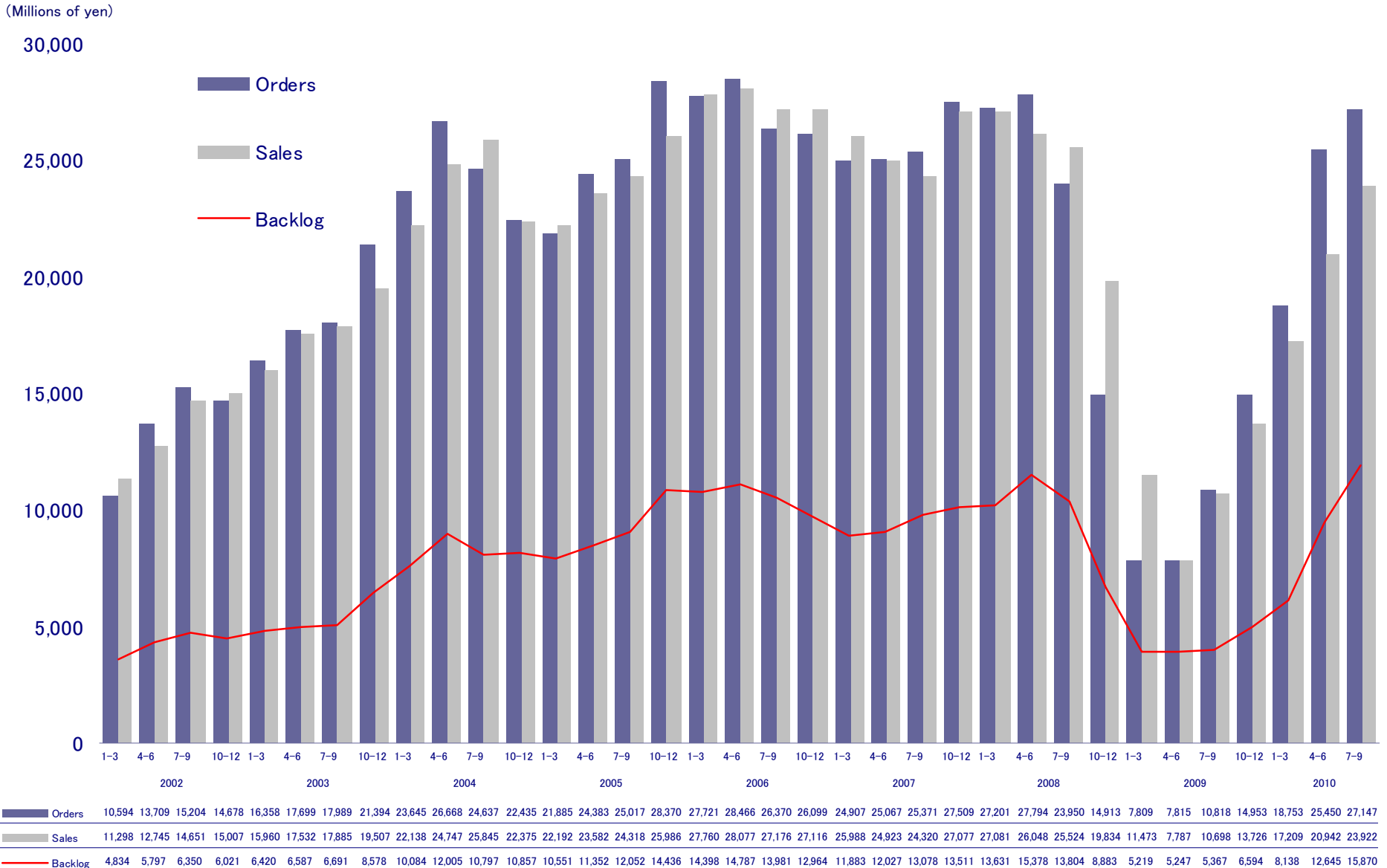
Financial Forecast (Consolidated)

	2011.3 FY		2011.3 1H	2010.3 FY
	(Revised Nov. Forecast)	(Revised Aug. Forecast)	(Result)	(Result)
Net Sales	190,000	182,000	92,120	115,330
<i>Y/Y</i>	<i>+64.7%</i>	<i>+57.8%</i>	<i>+94.3%</i>	<i>-35.7%</i>
Operating Income	19,300	17,600	9,565	-9,508
<i>Y/Y</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Ordinary Income	18,300	17,300	8,755	-8,797
<i>Y/Y</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Net Income	11,700	10,600	5,706	-14,300
<i>Y/Y</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>

Strategy for Growth of THK

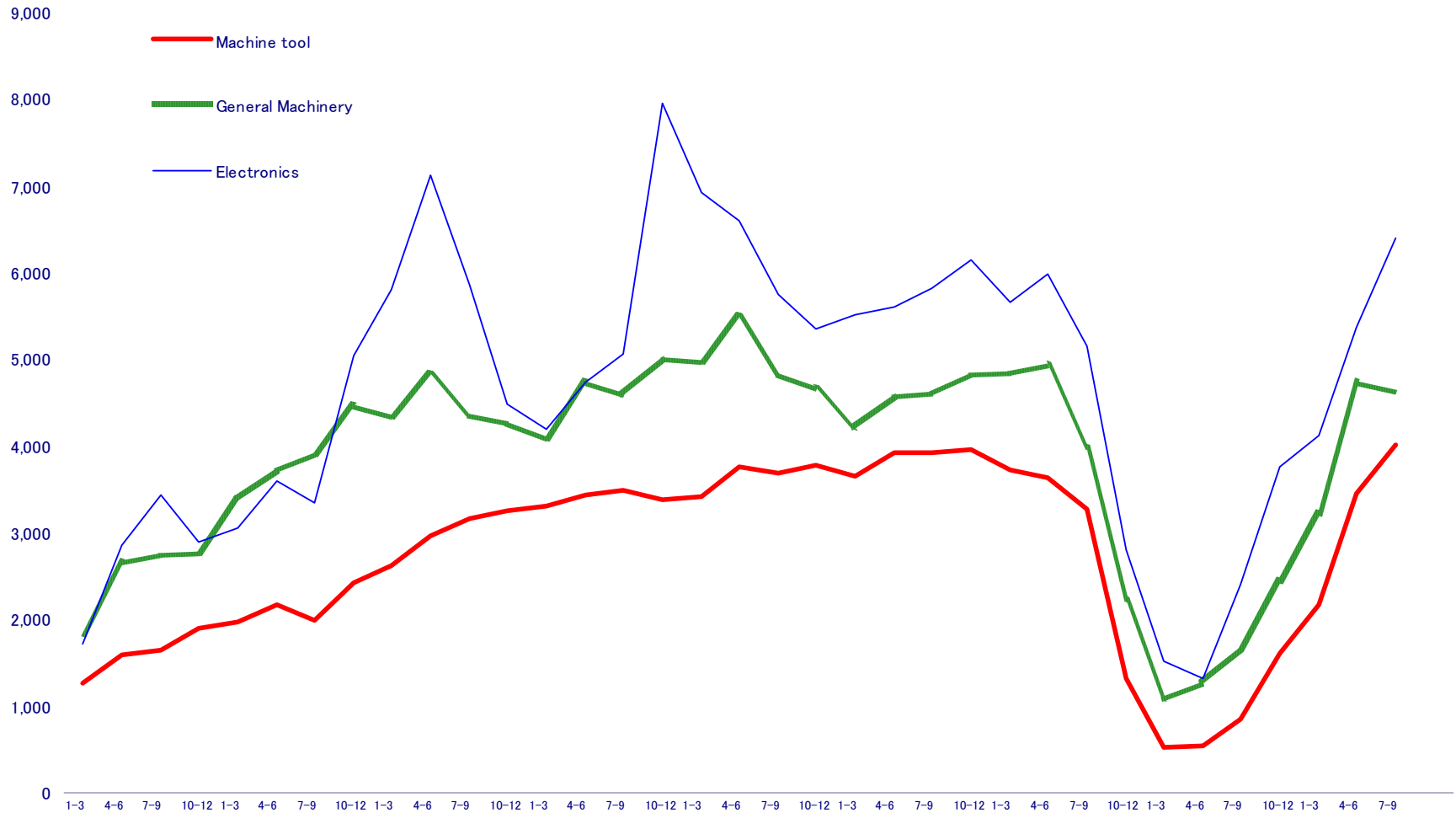


Support Statement –Trends in orders, sales and backlog (domestic·unconsolidated) –



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	10-12	1-3	4-6	7-9								
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
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
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