



FINANCIAL RESULTS BRIEFING FOR FISCAL 2005

May 19, 2006

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.

- Sales for fiscal 2005 increased 11,254 million yen (7.6%) from the previous period to finish at 158,412 million yen. Operating profits were similarly up by 1,105 million yen (4.3%) to 27,079 million yen. Together, these figures set a new record level for profits and sales for the second consecutive year.
- In the US market, sales to the electronics sector decreased, but sales for machine tools sectors were good. Overall, sales increased by 9.3% from the previous period to 14,008 million yen due to good sales to the general machinery and transportation sectors. Operating profits increased from the previous period by 15.6% to 1,304 million yen.
- In the EU market, sales increased by 6.1% from the previous period to 16,309 million yen due to favorable sales to the transportation sector and good performance by three main business sectors: machine tools, general machinery and electronics. THK and the customs authorities disputed certain tariff classifications for imported items. This situation resulted in the re-classification of certain items and payment of higher duties, generating an operating loss of 55 million yen despite the aforementioned increase in sales.
- THK (CHINA) CO., LTD. was established in September, 2005, with the purpose of addressing the high-potential Chinese market by devolving local authority, making decisions quickly, and efficiently unifying many of the functions of each company.

Consolidated Subsidiaries and Affiliated Companies

Change in consolidated subsidiaries from previous period

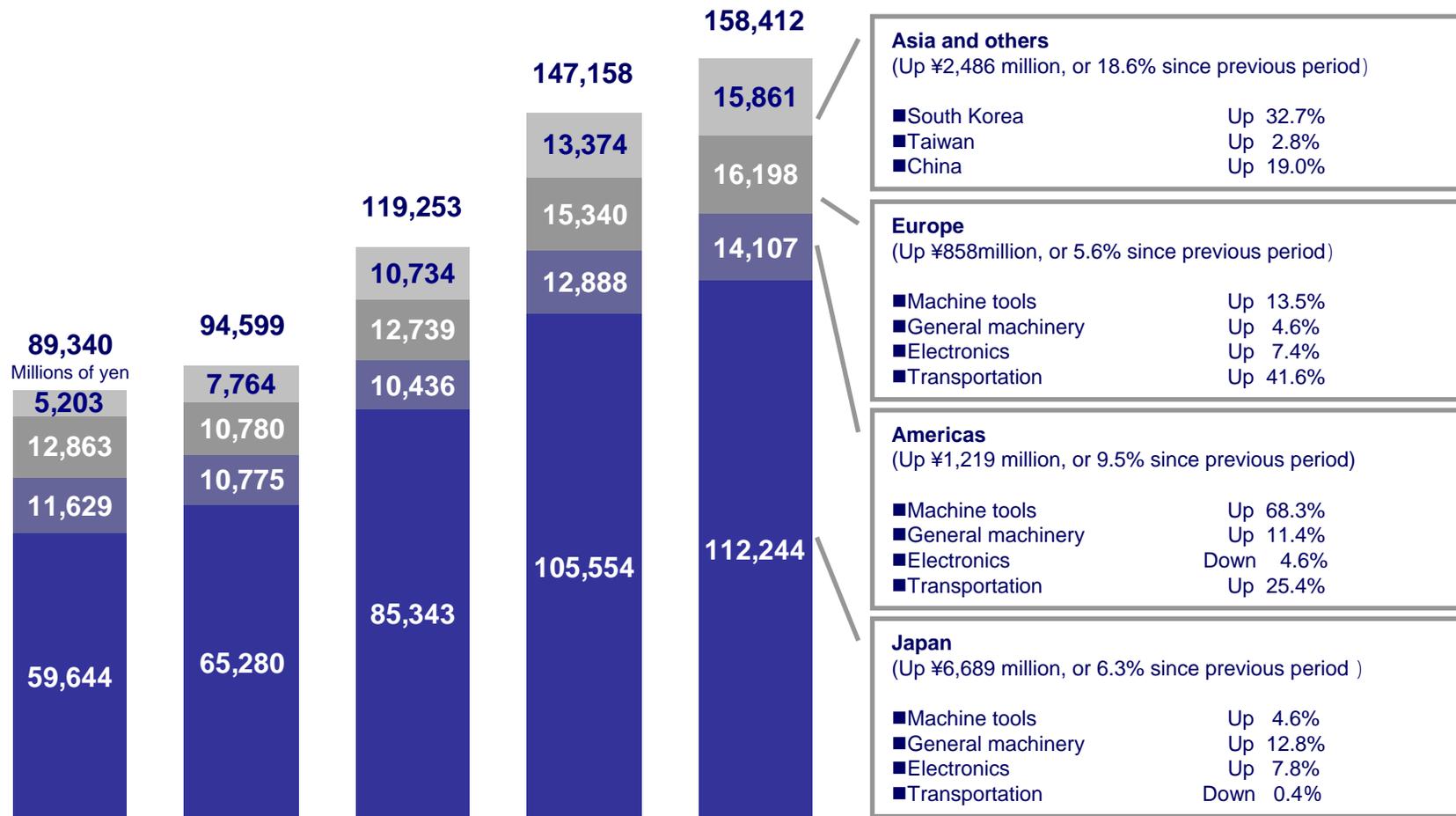
Increased:

THK(CHINA) CO., LTD (China)
 Beldex Korea Corporation (South Korea)

Company	Location	Percentage of ownership voting rights	
TALK SYSTEM CORPORATION	Tokyo	98.90	
Beldex Corporation	Tokyo	94.73	
THK NIIGATA CO.,LTD	Niigata	70.00	
DAITO SEIKI CO.,LTD	Tokyo	100.00	
THK Holdings of America, L.L.C.	America	100.00	
THK America, Inc.	America	100.00	
THK Manufacturing of America, Inc	America	100.00	
THK Neturen America, L.L.C.	America	50.00	
THK Europe B.V.	Netherlands	100.00	
THK GmbH	Germany	100.00	
THK FRANCE S.A.S.	France	100.00	
THK Manufacturing of Europe S.A.S.	France	100.00	
PGM Ballscrews Ireland Ltd.	Ireland	98.97	
THK TAIWAN CO.,LTD	Taiwan	94.99	
DALIAN THK CO.,LTD	China	70.00	
THK (SHANGHAI) CO.LTD	China	100.00	
THK MANUFACTURING OF CHINA (WUXI) CO., LTD.	China	100.00	
THK MANUFACTURING OF CHINA (LIAONING) CO., LTD.	China	100.00	
THK (CHINA) CO., LTD	China	100.00	September, 2005 Consolidated subsidiary
Beldex Korea Corporation	South Korea	100.00	September, 2005 Consolidated Subsidiary
SAMIC LMS CO.,LTD*	South Korea	33.34	Affiliated company

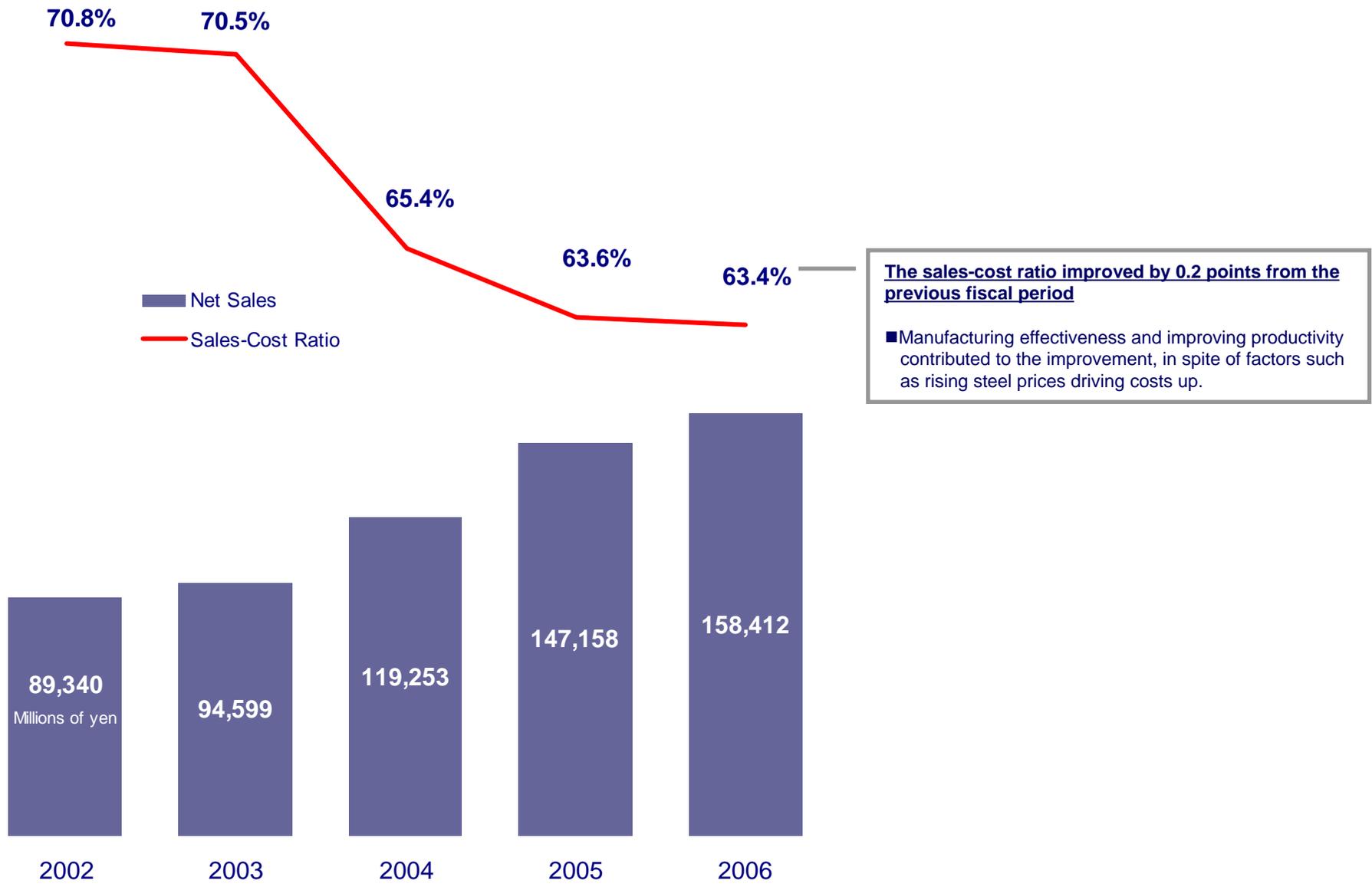
*20 April, 2006, company name changes to "SAMICK THK CO., LTD.".

Trend in Net Sales



Exchange rate	2002	2003	2004	2005	2006
1US\$	¥121.54	125.34	115.99	108.23	110.21
1EUR	¥108.79	118.14	131.02	134.47	136.92

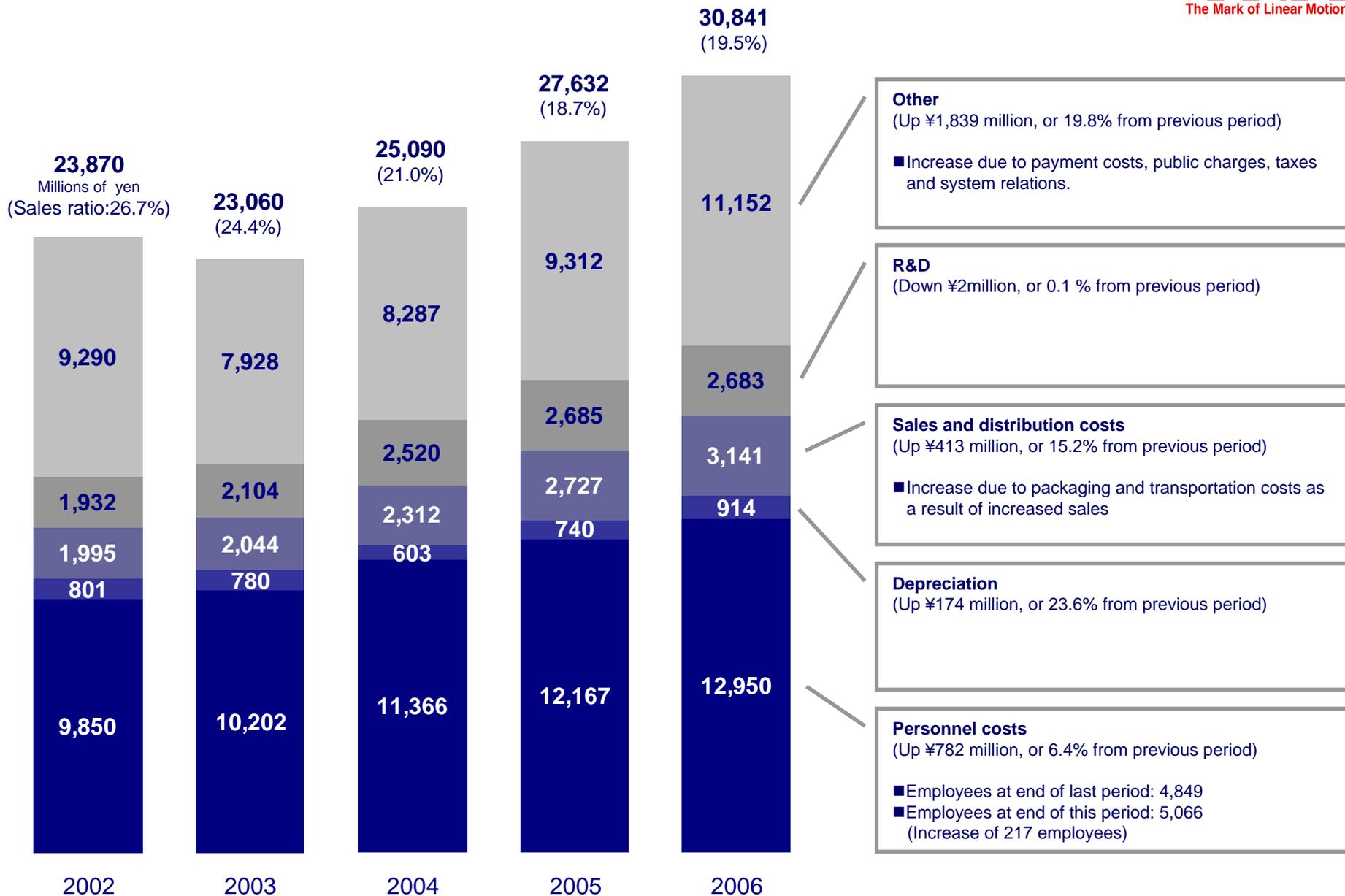
Trend in Cost Ratio and Net Sales



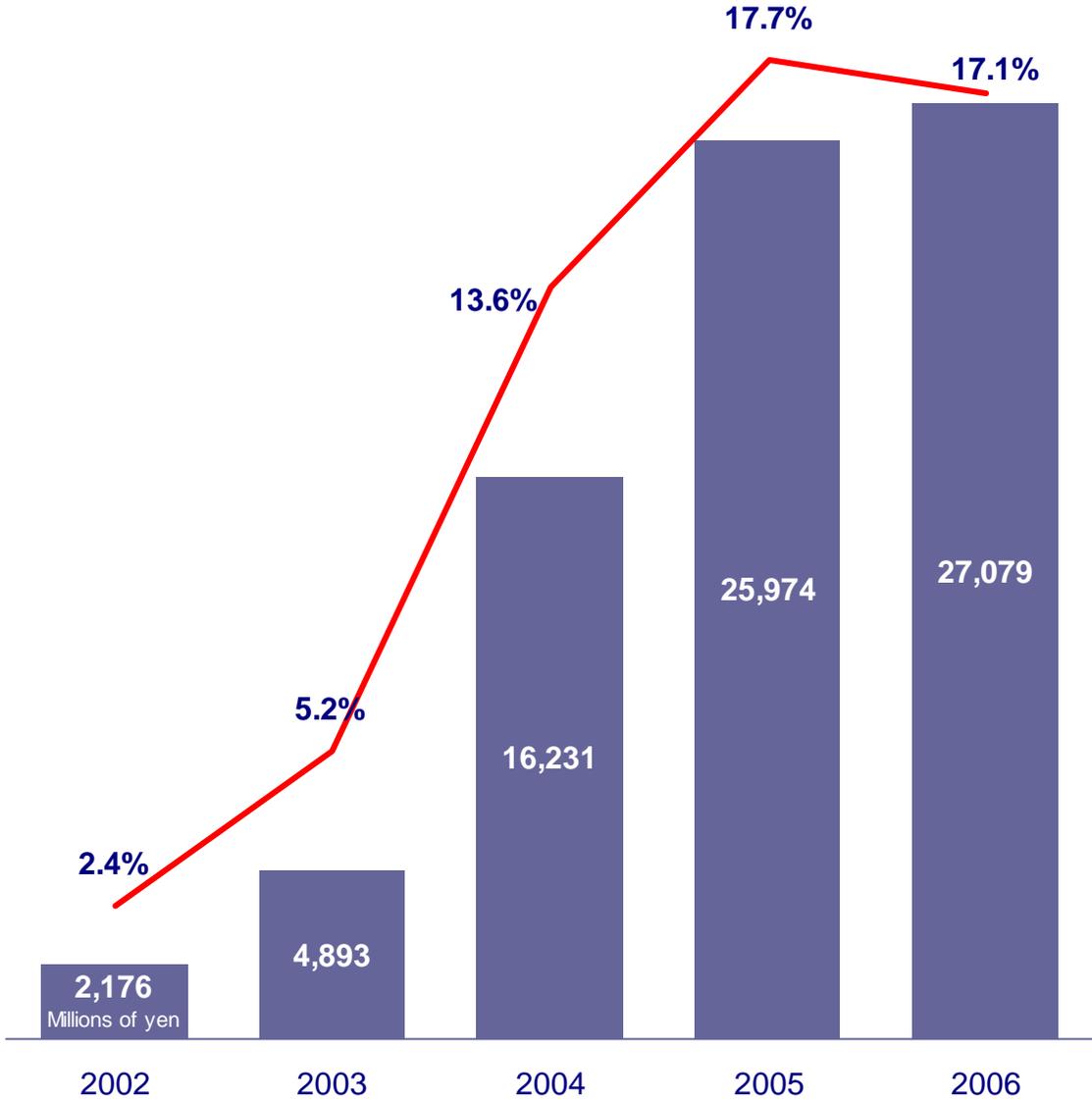
The sales-cost ratio improved by 0.2 points from the previous fiscal period

■ Manufacturing effectiveness and improving productivity contributed to the improvement, in spite of factors such as rising steel prices driving costs up.

Trends in SG&A



Operating Profit and Operating Profit Margin



Operating profit by location

Japan
(Up ¥1,768 million from previous period)

2005	¥23,508 million
2006	¥25,276 million

Americas
(Up ¥176 million from previous period)

2005	¥1,128 million
2006	¥1,304 million

Europe
(Down ¥581 million from previous period)

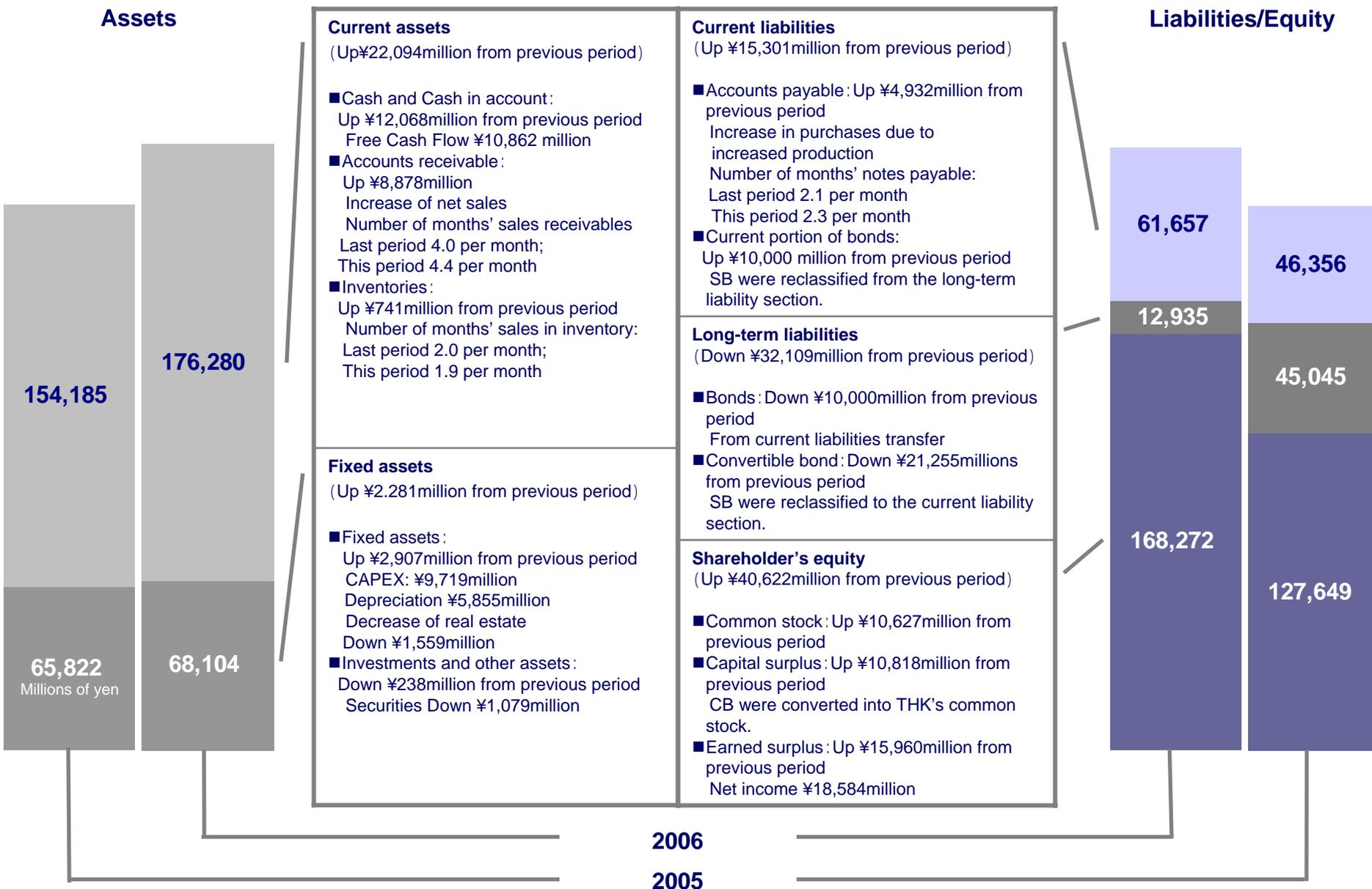
2005	¥526 million
2006	¥(55) million

Taiwan
(Up ¥329 million from previous period)

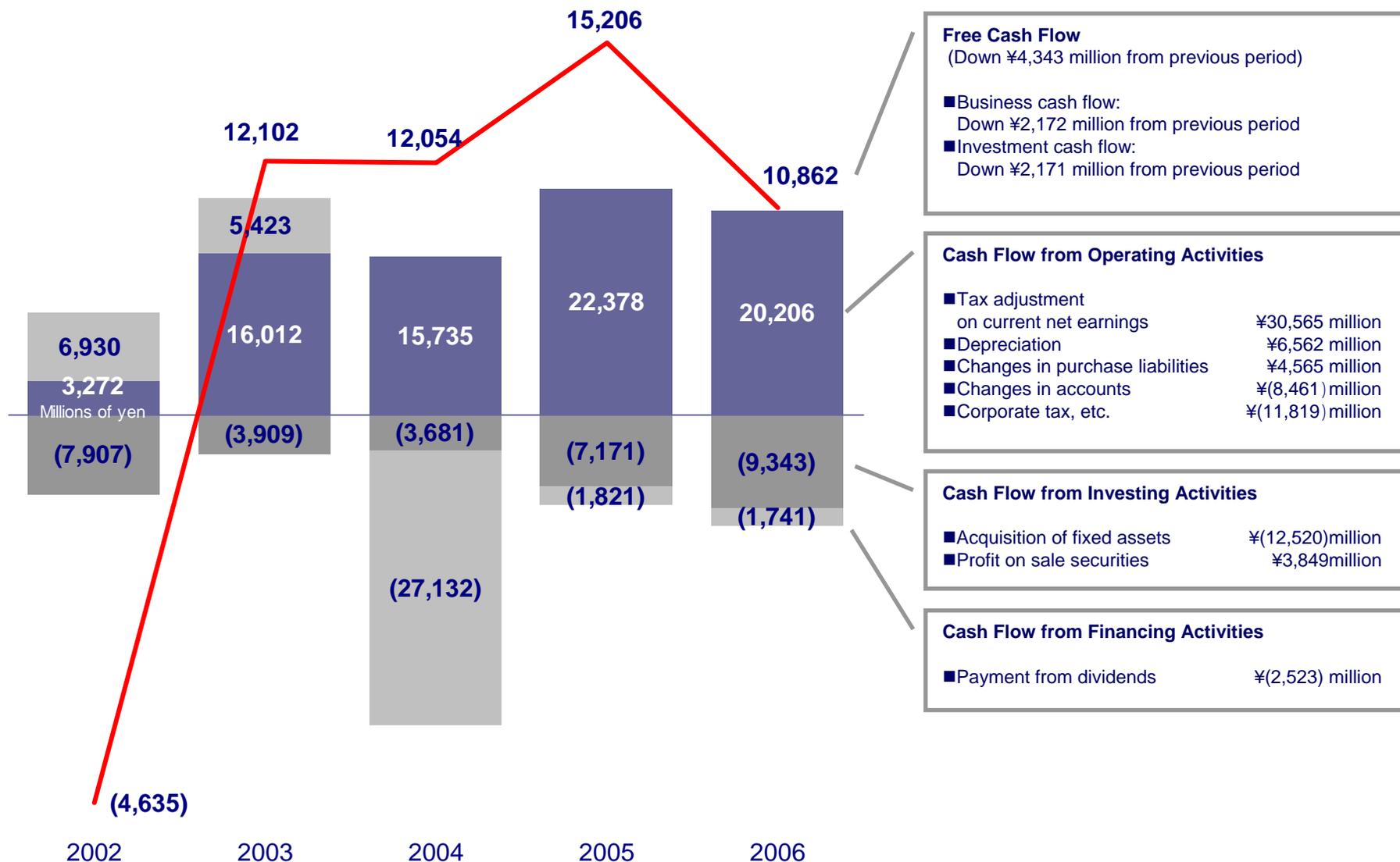
2005	¥150 million
2006	¥480 million

Including CHINA since March, 2006.

Trend in Liabilities and Equity and Assets



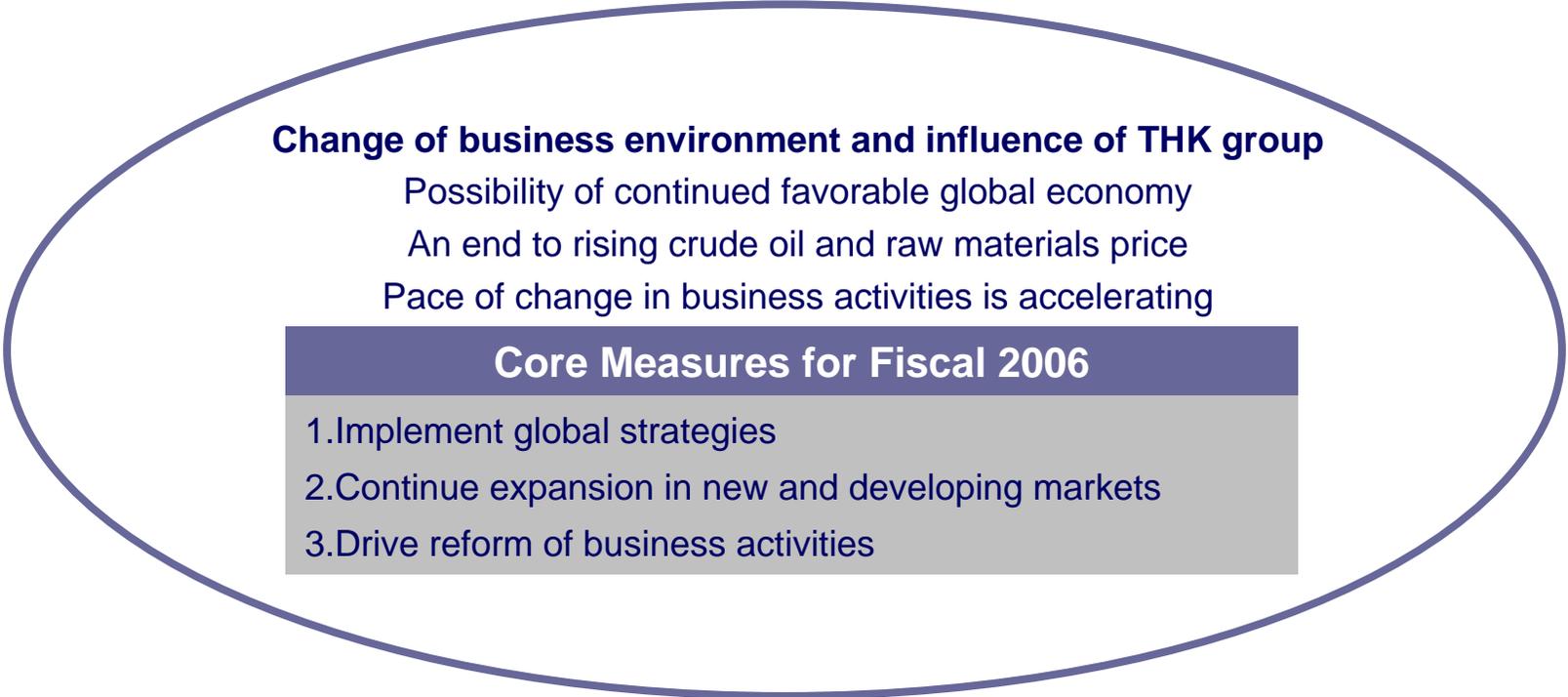
Cash Flow Trend





Medium-Term Management Plan

- Build globally-oriented organizations
- Set new sales records
- Continually push fundamental review of production systems
- Continually develop and introduce new products
- Reinforce individual potential



Change of business environment and influence of THK group
Possibility of continued favorable global economy
An end to rising crude oil and raw materials price
Pace of change in business activities is accelerating

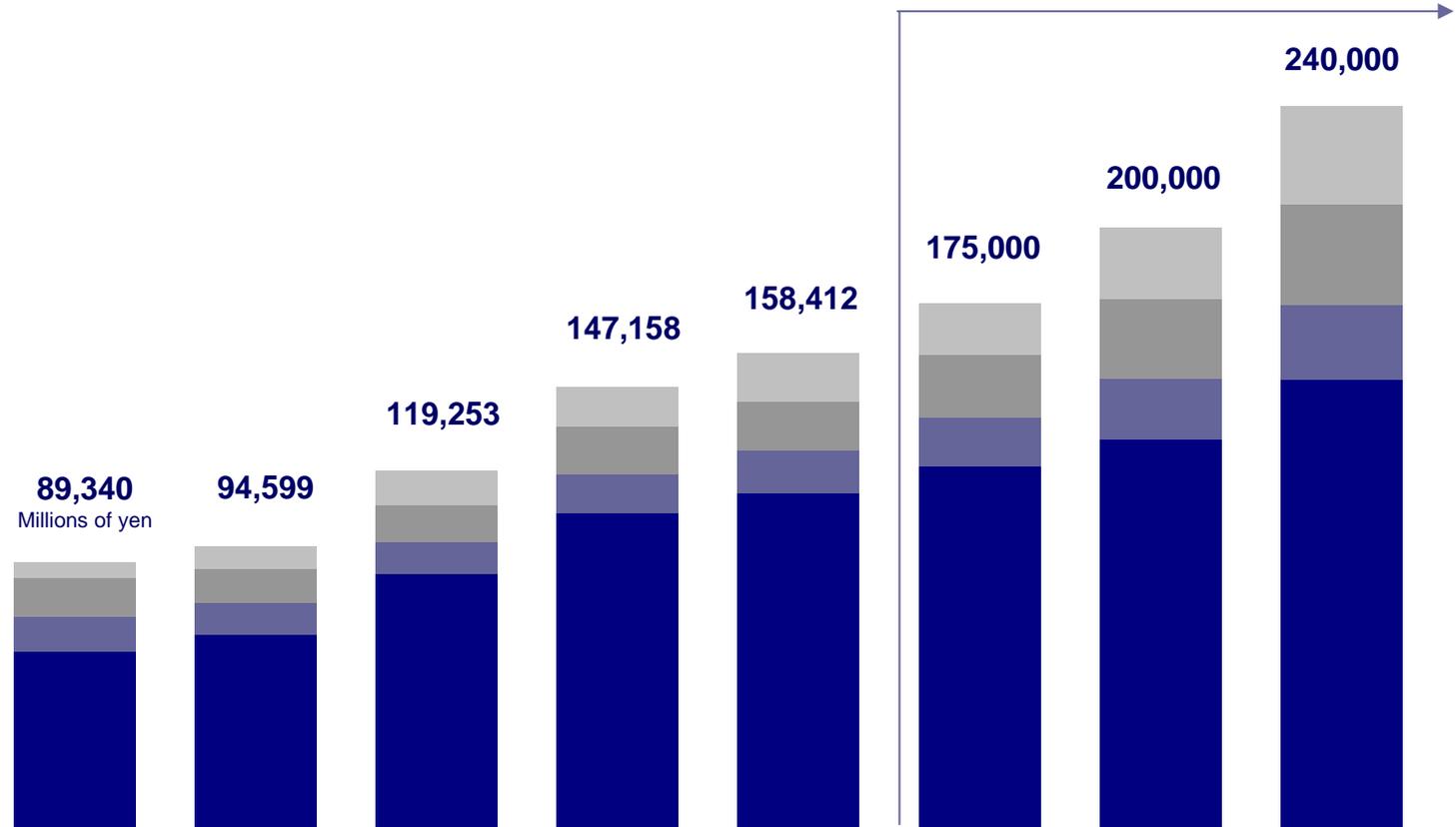
Core Measures for Fiscal 2006

1. Implement global strategies
2. Continue expansion in new and developing markets
3. Drive reform of business activities

Net Sales Estimates

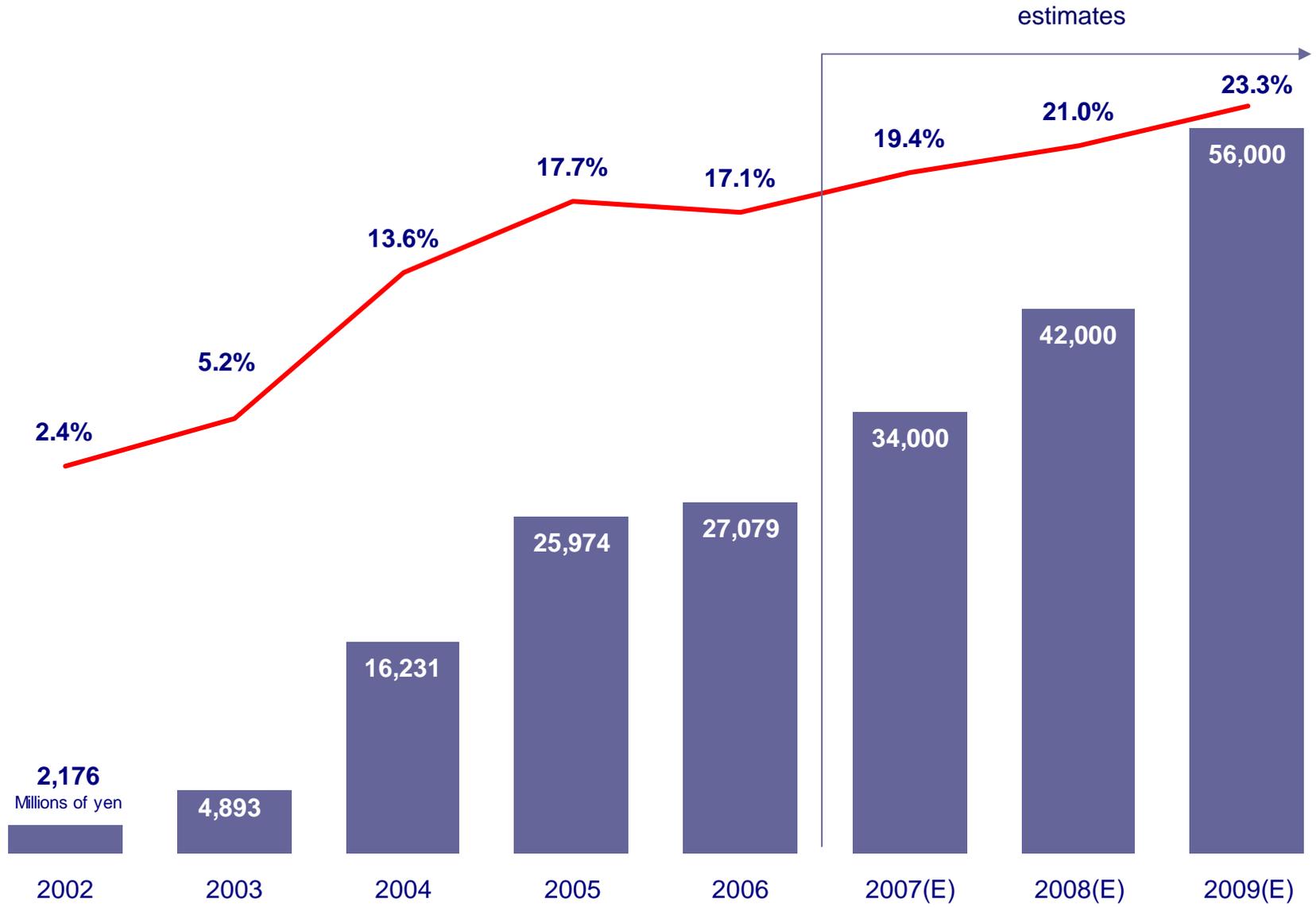


estimates



	2002	2003	2004	2005	2006	2007(E)	2008(E)	2009(E)
■ Asia and others	5,203	7,764	10,734	13,374	15,861	17,500	24,000	32,000
■ Europe	12,863	10,780	12,739	15,340	16,198	20,500	26,000	34,000
■ Americas	11,629	10,775	10,436	12,888	14,107	16,000	20,000	24,000
■ Japan	59,644	65,280	85,343	105,554	112,244	121,000	130,000	150,000

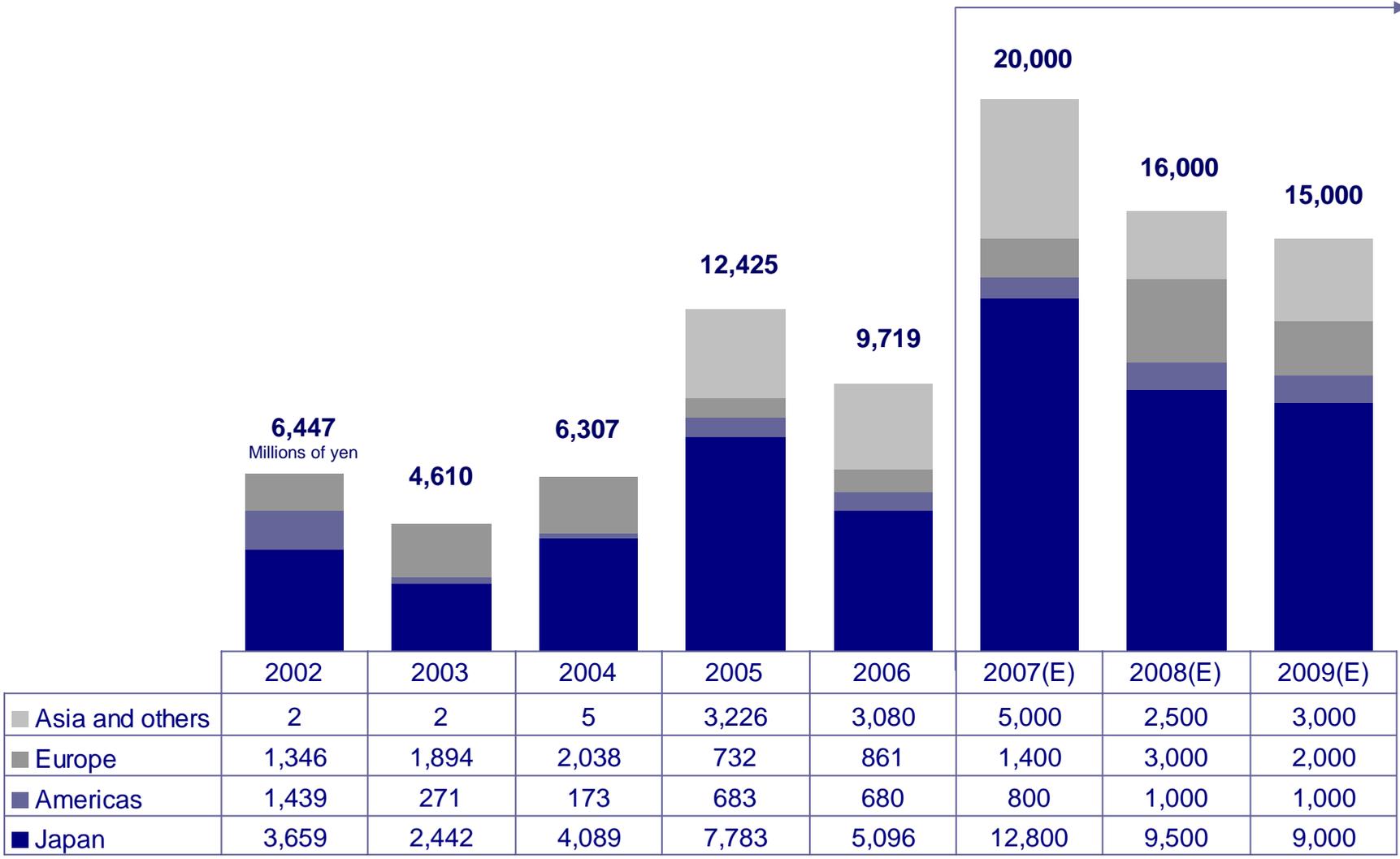
Operating Income Estimates



Capital Expenditure Estimates



estimates



Employee Estimates



estimates

