

# LONG-TERM MANAGEMENT TARGET AND MEDIUM-TERM MANAGEMENT PLAN

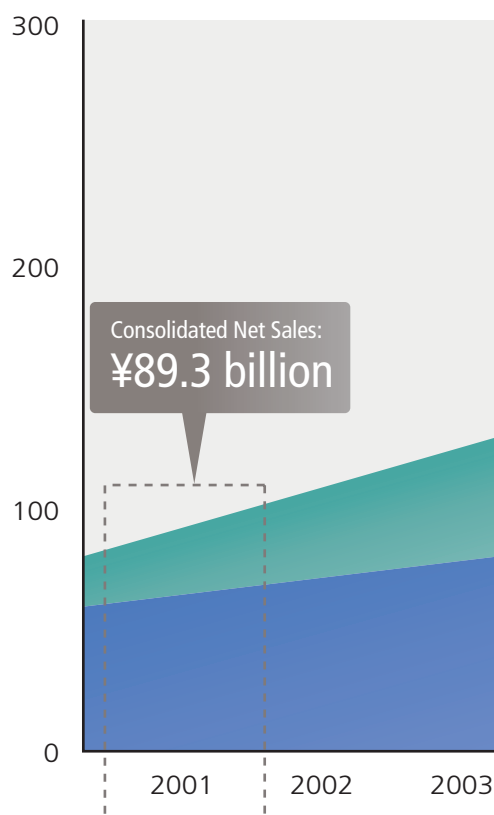
## “Fiscal 2010 Vision” Long-Term Management Target

- Fiscal 2010 Vision is a fixed plan, formulated in fiscal 2000 in advance of the Company's 30th anniversary, which set out a direction for THK over the succeeding 10 years.
- It named “Full-Scale Globalization” and “Development of New Business Areas” as the two means for expanding into new business domains to achieve stable growth in sales, irrespective of trends in particular geographic regions or industries. Fiscal 2010 Vision set targets of ¥300 billion in consolidated net sales and an overseas sales ratio of 50%.
- With “Full-Scale Globalization,” we are working to optimize production by locating facilities closer to demand centers. To this end, we are strengthening our integrated manufacturing and sales systems in the four key geographic regions of Japan, the Americas, Europe, and Asia.
- With “Development of New Business Areas,” we aim to expand applications beyond capital goods sectors to include consumer goods and related sectors.

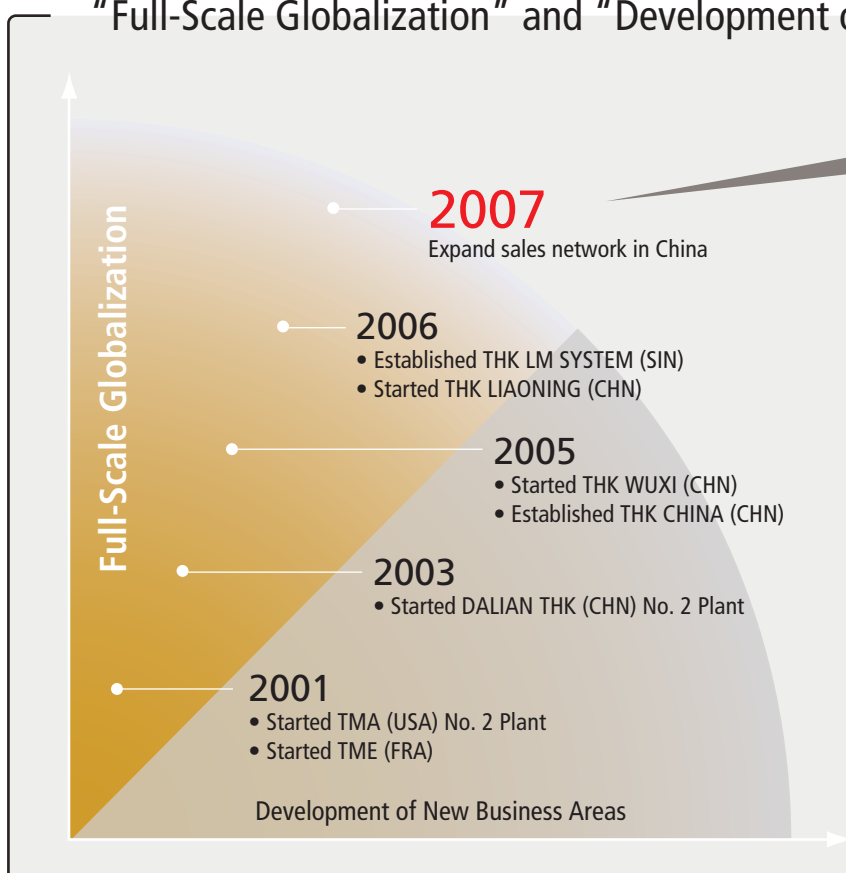
## Medium-Term Management Plan

- The Medium-Term Management Plan is a rolling plan, reformulated every three years, aimed at achieving the long-term management targets, but also taking into account changes in the business environment.
- Taking into account the sudden changes in the business environment surrounding the THK group, the Medium-Term Management Plan unveiled in May 2008 targets ¥275.0 billion in sales in fiscal 2010, its final year. The Company now expects to achieve the ¥300 billion sales target set by Fiscal 2010 Vision a year late.

(Billions of yen)

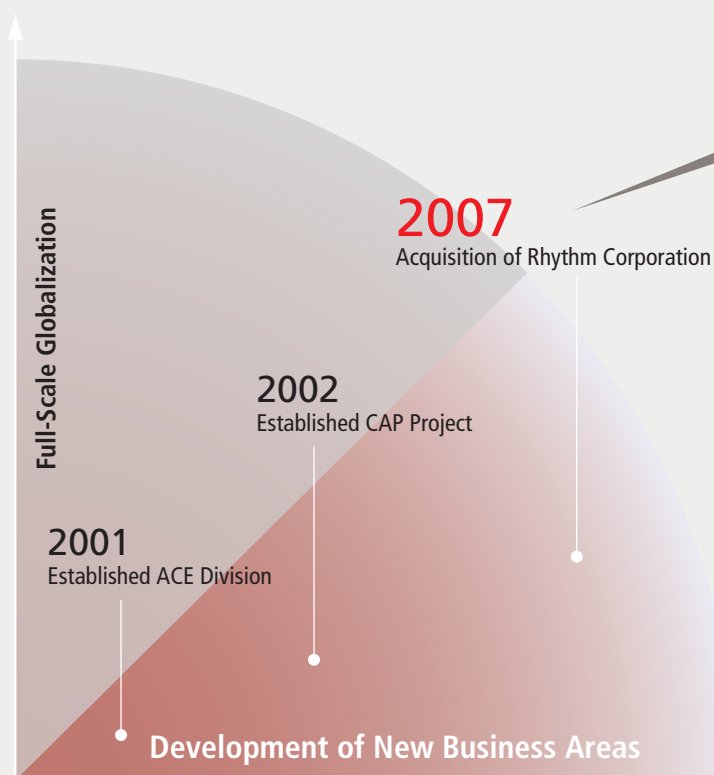
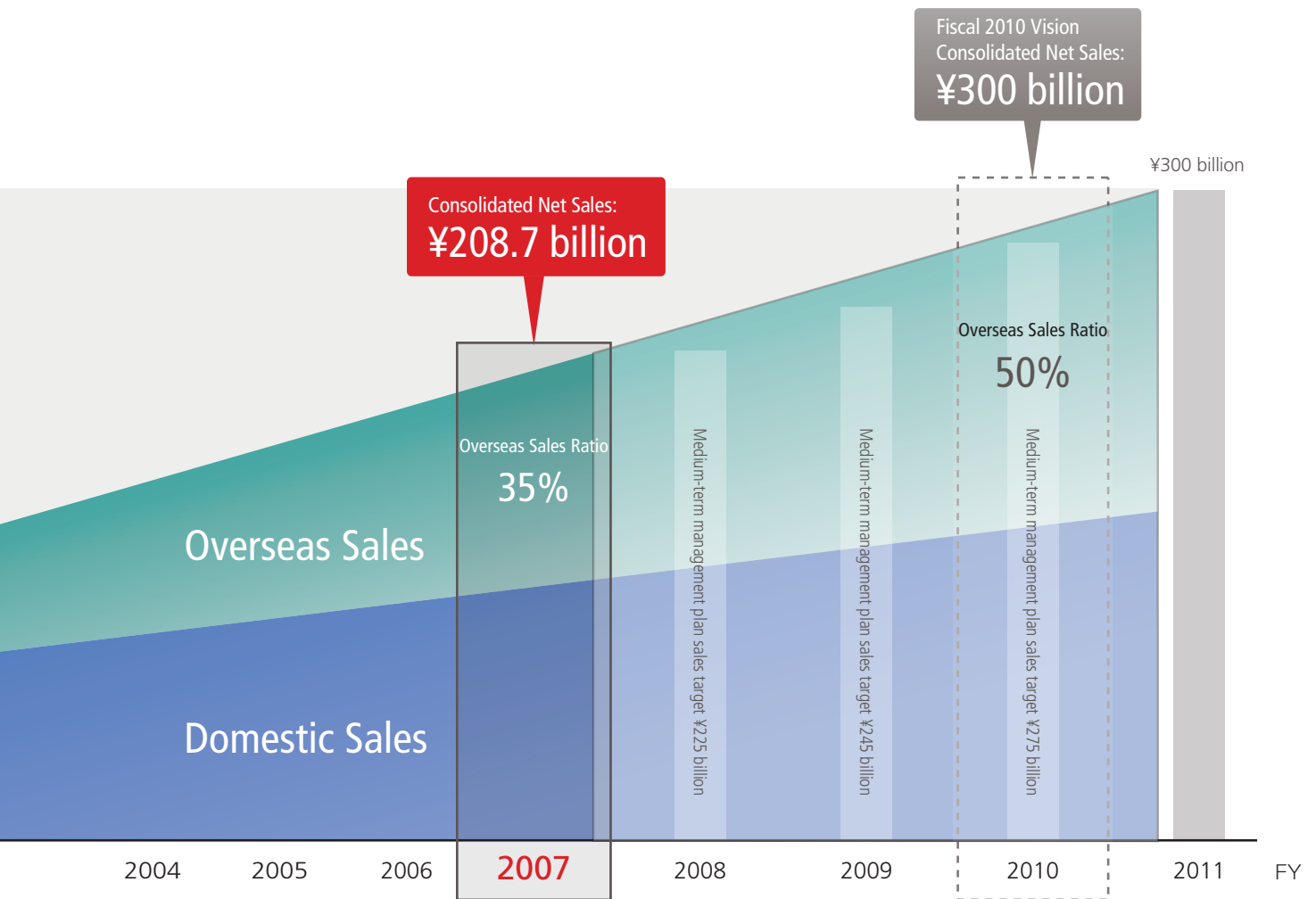


## “Full-Scale Globalization” and “Development of New Business Areas”



### Full-Scale Globalization

- THK is working to optimize production by locating facilities closer to demand centers. This involves reinforcing the integration of sales and manufacturing functions in the four key geographic regions of Japan, the Americas, Europe, and Asia.
- We are aiming for an overseas sales ratio of 50%.
- THK is bringing manufacturing bases in the Americas, Europe, and Asia into full operation.
- We are augmenting our sales network in China, having done so in the Americas and Europe.



### Development of New Business Areas

- THK's aim is to broaden the business base into consumer goods and related sectors to balance the current focus on capital goods sectors such as machine tools, industrial robots, and semiconductor production equipment.
- We have already established businesses in areas such as automotive components, seismic isolation devices, and parts for consumer appliances.
- To accelerate the development of new business areas, we acquired auto parts manufacturer RHYTHM in May 2007.