THK'S STRATEGIES

Full-Scale Globalization

THK is building an integrated production and sales structure with facilities and operations closer to centers of demand to produce and sell locally in four areas: Japan, the Americas, Europe and Asia. The Company is continuing its trend, particularly over recent years, of upgrading and expanding its sales network while bolstering its production capabilities across newly emerging markets including China, which is projected to enjoy demand growth over the medium-to-long-term. In developed countries, THK is also working to expand its sales network in a bid to steadily capture demand amid expansion in its user base. Through these means, the Company is working diligently to promote substantial additional growth.

GLOBALIZATION

The most important area of enhancement of Sales Network

Asia and Other Net Sales ¥49.2 billion

Sales bases: 56 Production bases: 12 Development bases: 1

Europe Net Sales ¥30.4 billion

Sales bases: 12 Production bases: 4 Development bases: 1

India

The Americas

Production bases: 7

Sales hases: !

China

Sales bases: 33 Production bases: 5 Development bases: 1

Japan Net Sales ¥110.4 billion

Sales bases: 46 Production bases: 12 Development bases: 1

Note: Net sales by regional data is based on overseas sales for the fiscal year ended March 31, 2016.

ASEAN

Sales bases: 2 Production bases: 3

Net Sales ¥50.3 billion Sales bases: 9

Corresponding area:

Singapore, Malaysia, Philippines, Thailand, Indonesia, Vietnam

ASEAN Customer Support

Support Japanese companies to expand into local in Japanese
Scheduled to deploy in other countries in

the future

Change in Business Style

To date, THK has positioned Full-Scale Globalization and the Development of New Business Areas at the heart of its strategic business development endeavors. With the continued advance of technology and the introduction of a wide range of new systems and concepts including IoT, the Company has decided to adopt an additional strategy as Change in Business Style. By thoroughly applying IoT, cloud computing, AI, and robotics, THK is transforming the way it conducts its business as well as its business framework with respect to the "what," "where," "how," and "to whom" of sales and production. In this manner, the Company is further expanding its business domain.



