

CONSOLIDATED PERFORMANCE OVERVIEW

The THK Group changed from a fiscal year end of March 31 to December 31, beginning with the 2017 fiscal year. As the transition takes place during this fiscal year, the scope of consolidation for this modified reporting period includes 9 months for consolidated companies whose fiscal years ended in March (April 1, 2017, to December 31, 2017) and 12 months for consolidated companies whose fiscal years ended in December (January 1, 2017, to December 31, 2017).

	Mar. 2009	Mar. 2010	Mar. 2011	Mar. 2012	Mar. 2013	Mar. 2014	Mar. 2015	Mar. 2016	Mar. 2017	Dec. 2017* ⁶	Dec. 2017* ⁶
										Millions of yen	Thousands of U.S. dollars* ⁵
Net Sales* ¹	¥ 179,269	¥ 115,330	¥ 190,661	¥ 196,866	¥ 168,366	¥ 185,466	¥ 217,678	¥ 240,478	¥ 273,577	¥ 286,603 ¹	\$ 2,535,187
Japan	109,566	70,295	117,304	117,900	101,443	101,052	113,361	110,498	112,061	99,099	876,594
The Americas	23,266	14,552	20,812	22,279	22,527	28,900	34,856	50,343	63,025	67,194	594,374
Europe	24,915	12,635	16,106	19,979	15,194	18,427	20,456	30,424	46,004	54,001	477,673
China	—	—	13,219	17,087	13,203	19,351	28,302	27,967	29,513	41,410	366,298
Asia and Other* ²	21,520	17,846	23,218	19,620	15,996	17,734	20,700	21,243	22,971	24,896	220,221
Gross Profit	48,340	23,189	54,442	53,975	44,298	52,903	67,024	67,766	70,464	72,112	637,877
Operating Income (Loss)	8,523	(9,508)	21,844	19,745	11,692	17,370	28,388	23,169	24,653	29,279 ²	258,991
Income (Loss) before Income Taxes and Minority Interests	6,284	(14,510)	21,612	18,520	14,737	24,004	33,501	19,612	23,057	31,034	274,515
Net Income (Loss) Attributable to Shareholders of THK CO., LTD.* ³	1,204	(14,300)	13,959	12,641	9,808	15,590	22,705	13,575	16,731	25,729	227,589
Total Assets	240,350	236,374	279,768	288,333	293,145	336,416	373,610	407,808	414,931	436,664	3,862,574
Net Assets	177,712	162,258	167,937	175,516	189,058	222,148	250,498	250,540	251,540	281,754	2,492,295

*1 Segments are based on where THK's customers are located.

*2 China is included in and prior to the 2009 fiscal year, which ended March 31, 2010.

Per Share										Yen	U.S. dollars* ⁵
Net Income (Loss)—Basic	¥ 9.36	¥ (111.20)	¥ 108.55	¥ 98.31	¥ 76.96	¥ 123.16	¥ 179.36	¥ 107.24	¥ 132.18	¥ 203.28	\$ 1.79
Net Income (Loss)—Diluted	—	—	—	—	—	—	—	—	—	—	—
Book Value	1,372.69	1,252.71	1,296.52	1,352.00	1,479.41	1,736.51	1,957.48	1,953.97	1,966.80	2,140.71	18.93
Cash Dividend	20	15	16	20	18	26	50	50	41	62	0.54

Number of Employees	7,266	7,559	8,025	8,628	8,958	9,177	9,494	11,754	11,738	13,364
Overseas Sales Ratio (%)	38.9	39.0	38.5	40.1	39.7	45.5	47.9	54.1	59.0	65.4
Operating Margin (%)	4.8	(8.2)	11.5	10.0	6.9	9.4	13.0	9.6	9.0	10.2
Return on Equity (ROE) (%)	0.7	(8.5)	8.5	7.4	5.4	7.7	9.7	5.5	6.7	9.9
Return on Assets (ROA) (%)* ⁴	3.6	(3.9)	8.6	7.1	4.2	5.7	8.2	6.1	6.1	7.0
Net Worth Ratio (%)	73.4	68.2	59.6	60.3	63.9	65.3	66.3	60.7	60.0	62.0
Asset Turnover Ratio (Times)	0.71	0.48	0.74	0.69	0.58	0.59	0.61	0.62	0.67	0.67

*3 The Accounting Standards for Business Combinations (ASBJ Statement No. 21, published on September 13, 2013) and other standards have been applied, and from the first-quarter consolidated cumulative accounting period, "Net income" is stated as "Net income (loss) attributable to shareholders of THK CO., LTD."

*4 Return on assets (ROA) represents operating income (loss) plus interest and dividend income as a percentage of average total assets.

*5 U.S. dollar amounts are provided for reference only, converted from Japanese yen at the rate of ¥113.05 = U.S. \$1, the approximate rate of exchange prevailing in Tokyo on December 31, 2017.

*6 This data reflects a modified reporting period that includes 9 months from consolidated companies whose fiscal years ended in March and 12 months from consolidated companies whose fiscal years ended in December.

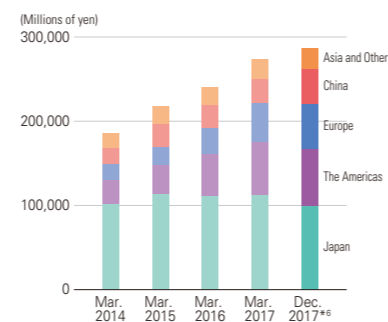
In the 2017 fiscal year, which ended December 31, 2017, consolidated net sales increased 18.7%*⁷ year-on-year, to ¥286.6 billion.

In Japan, the acceleration of automation and robotization has led to a favorable shift in overall demand for THK products for general machinery and machine tools, particularly in the electronics field, which has been driven by semiconductor-related investment. Demand also increased in China and all other regions outside of Japan. THK captured that demand and converted it into sales, leading to an increase in revenue.

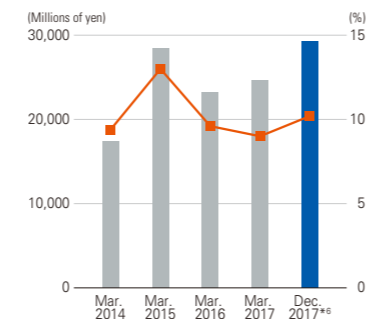
Consolidated operating income increased 64.1%*⁷ year-on-year, to ¥29.2 billion.

Although fixed costs rose with the increase in sales, profit increased year-on-year because of various factors such as the volume effect of the increase in sales being greater than the increase in cost.

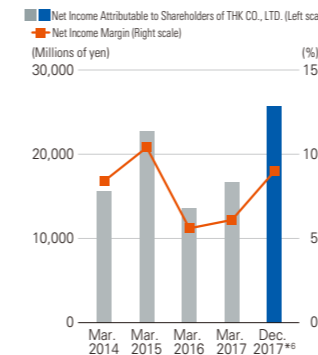
Net Sales



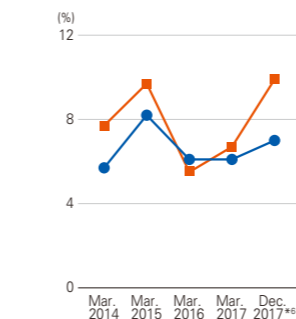
Operating Income/Operating Income Margin



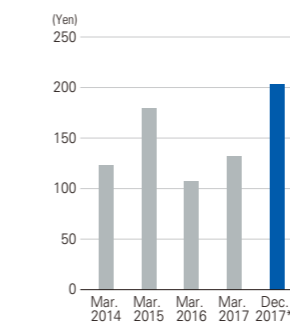
Net Income Attributable to Shareholders of THK CO., LTD./Net Income Margin



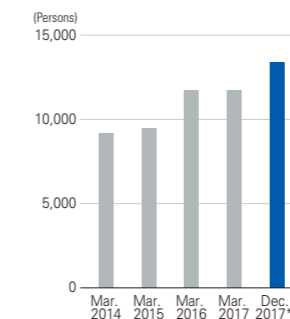
Return on Assets (ROA)/Return on Equity (ROE)



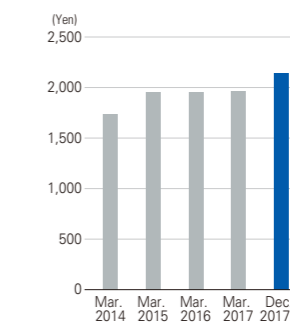
Net Income per Share



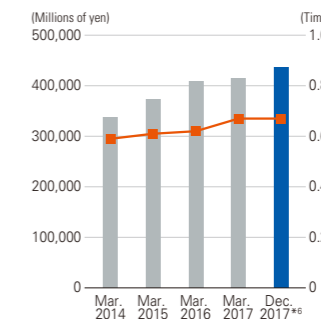
Number of Employees



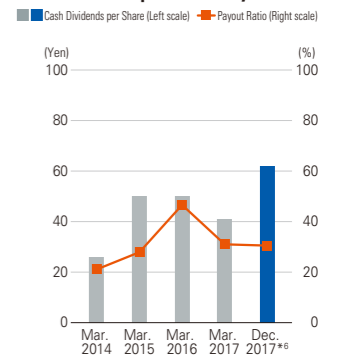
Net Assets per Share



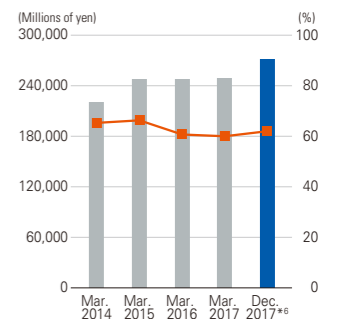
Total Assets/Turnover Ratio



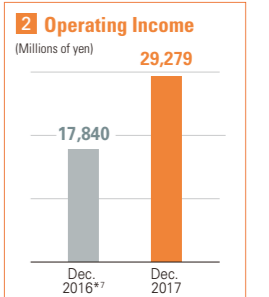
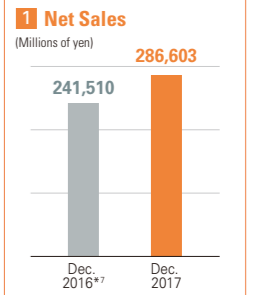
Cash Dividends per Share/Payout Ratio



Net Worth/Net Worth Ratio



Dec. 2017 Year-on-Year Comparison Based on a Modified Reporting Period



*7 In the same manner as the 2017 fiscal year, the reference data for the 2016 fiscal year reflects a modified reporting period that includes 9 months from consolidated companies whose fiscal years ended in March (April 1, 2016, to December 31, 2016) and 12 months from consolidated companies whose fiscal years ended in December (January 1, 2016, to December 31, 2016) in the scope of consolidation.