

Three Key Characteristics

The Key Characteristics of THK, the Pioneer and Top Manufacturer of the LM Guide

As the world's leading manufacturer in its field with a proven track record of long-standing success, THK has fostered three key characteristics over many years. Drawing on the strengths of its corporate culture, the Company is further honing these key characteristics in an effort to secure long-term growth and generate corporate value.

1 Innovative Core Technology

THK pioneered the development of the world's first LM Guide based on an original concept and innovative technology. By providing components essential to increased precision, rigidity, speed, and energy efficiency in such wide-ranging fields as machine tools and semiconductor manufacturing equipment, the Company has consistently played a major role in the ongoing development of industry.

2 Ample Expertise and Wide-Reaching Proposals

Since it successfully developed the LM Guide, THK has commanded a leading share of the global market. As it has worked to answer the diverse needs of its customers as a world-class manufacturer, THK has amassed an abundance of knowledge and the ability to propose a wide range of solutions in the field of industrial machinery. In addition to refining these key characteristics, THK has actively expanded its reach beyond the field of industrial machinery to also encompass consumer goods-related fields.

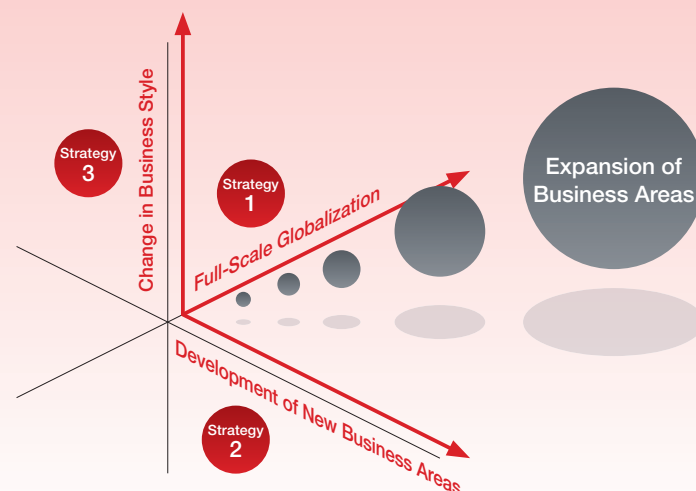
3 Global Structure for Supplying Products

THK has actively promoted the development of an integrated production and sales structure with facilities and operations close to centers of demand. The Company currently maintains local production and sales networks that cover its four principal markets: Japan, the Americas, Europe, and Asia. As a result of its activities, THK has steadily built a global business platform, with branches currently established in 25 countries around the world, and continues to cultivate new markets.

Key Characteristics × Strategies

Strategies to Expand Business Domains

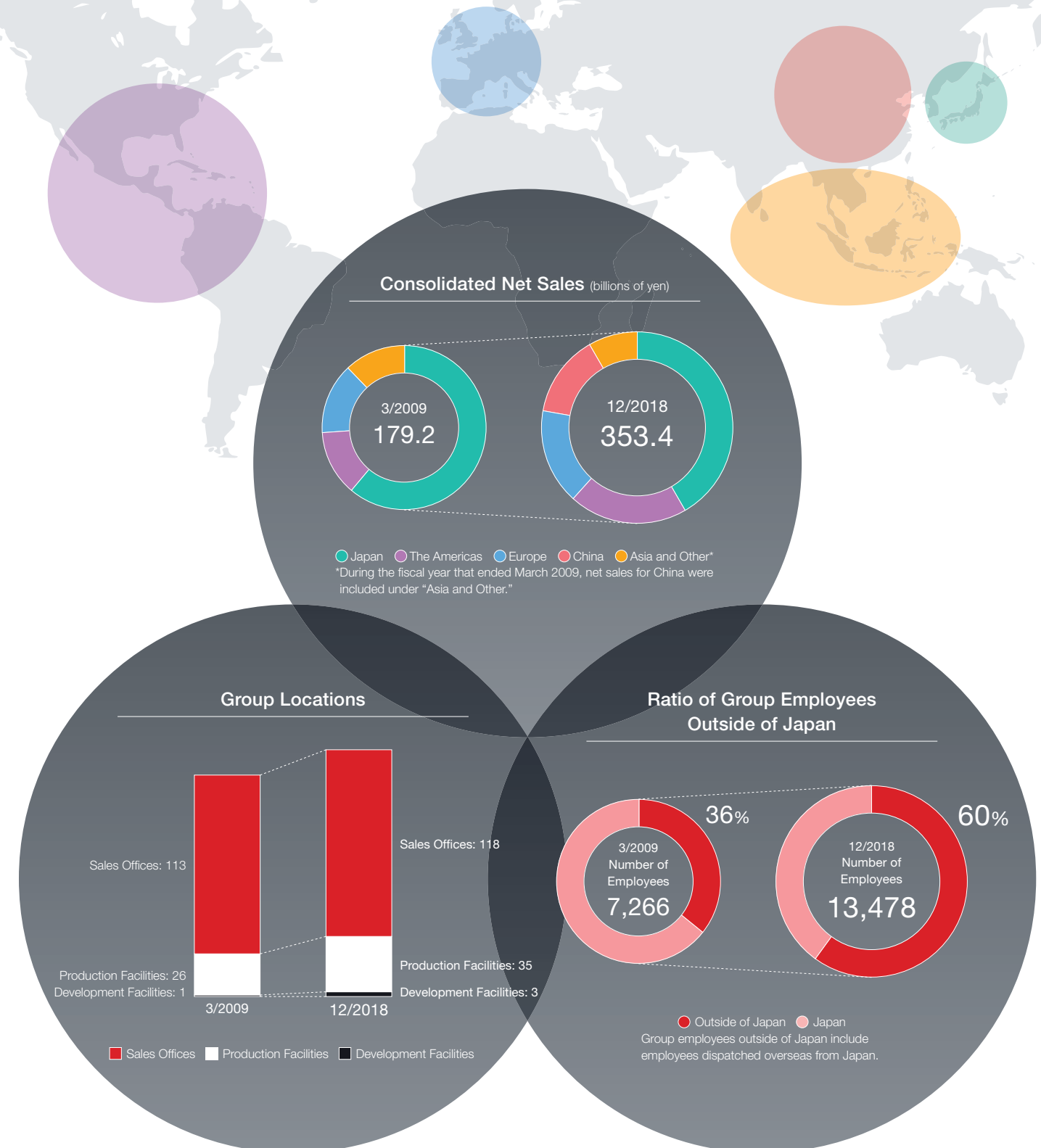
THK is committed to developing its business through three growth strategies: expanding its geographical range through *full-scale globalization*; purposefully expanding its domains through the *development of new business areas*; and fully utilizing AI, robots, and other technologies in a variety of ways through a *change in business style*.



Growth
Strategy
1

Full-Scale Globalization

THK has established an integrated production and sales structure with facilities and operations close to centers of demand in order to produce and sell locally in four regions: Japan, the Americas, Europe, and Asia. The Company is working to expand its sales network and production structure in light of the medium- to long-term demand increases that were forecast for China and other emerging markets in recent years. In developed countries, THK is also enhancing its sales network in a bid to steadily capture demand amid expansion in its user base. Through these means, the Company is diligently promoting additional growth.



Development of New Business Areas

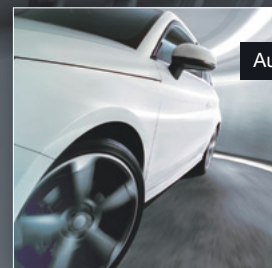
THK is accelerating its expansion into fields related to consumer goods such as automotive parts, seismic isolation and damping systems, medical equipment, aircraft, robotics, and renewable energy. In addition, THK has recognized the vast potential in other consumer goods industries, and it is honing its abundant expertise and the core linear motion system technology it has cultivated over time to accelerate the pace at which it develops new business areas.

Capital Goods

Machine tools, chip mounting machines, injection molding machines, industrial robots, semiconductor manufacturing equipment, FPD manufacturing equipment, etc.



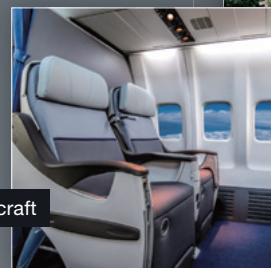
Consumer Goods



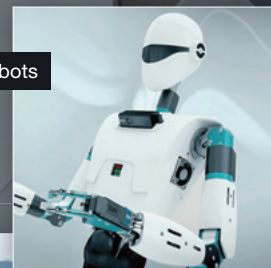
Automotive parts



Seismic isolation and damping systems



Aircraft



Robots



Medical equipment



Renewable energy

Change in Business Style

As it makes strides in the areas of full-scale globalization and the development of new business areas, the Company is also making efforts to further expand its business domains by ensuring the thorough use of new technologies such as AI and robotics in sales, production, and development. In this way, THK is working to transform the frameworks and methods by which it does business.

Omni THK: Fast Delivery (Fast Product Delivery Service)

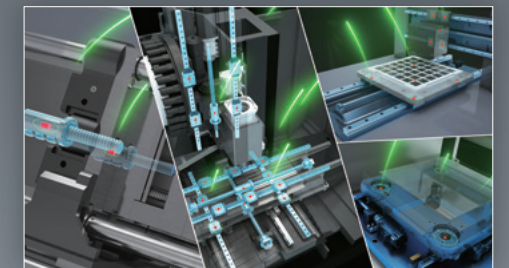
Omni THK is an original communication platform THK developed to serve as an e-commerce website and to create a fast-delivery system for standard and semi-custom products to allow even more customers to quickly and effortlessly purchase products.



Omni THK: OMNIedge (Predictive Maintenance Service)

OMNIedge is a predictive failure detection service for the manufacturing industry. The THK SENSING SYSTEM enables the automation of routine equipment inspections and the systematization of predictive failure detection.

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Eagle System (Visualization of Production)

The Eagle System visualizes the operating conditions of every facility, process, and machine throughout the Group. This information is used to promote various productivity improvements.

