

THK's Response to the Coronavirus (COVID-19)

As coronavirus cases have spread around the world, many customers have requested that THK continue supplying products as an essential business. Therefore, the Group has enacted a number of measures to prevent infections.

At the same time, the coronavirus has caused drastic changes to the business environment that are expanding THK's market opportunities.

Coronavirus Response

As coronavirus cases have spread around the world, many customers have asked THK to continue supplying products. Therefore, in order to fulfill its role as an essential business, the Group has implemented a number of countermeasures.

On February 3, 2020, the Company instituted a coronavirus response task force headed by the CEO. These meetings continue to be held every day, using virtual meeting tools to collect and share information with business locations all over Japan and around the world. Measures were also taken to prevent the spread of the virus. In Japan, the Company encouraged hand washing, required masks to be worn, instituted daily temperature checks, established home quarantine periods for those with fevers and anyone who was in contact with them, prohibited in-person meetings with guests and unnecessary business travel, limited visitors to factories, and forbade the use of public transit. In these and other efforts, THK requested the full compliance of employees, their families, and suppliers. Furthermore, the Company transitioned to remote work, formed value chain teams, and took other steps to thoroughly prevent infections and ensure business continuity. During the peak, around 90% of headquarters and sales staff were working from home.

As a result of these measures, THK was able to maintain operations at its Japanese production facilities even when a state of emergency was declared, and although some overseas factories were forced to suspend operations, they were able to resume activity quickly once they reopened. In terms of sales, while it became difficult to interact with customers in person, representatives continued their activities online, inviting engineers to virtual meetings, and hosting technical webinars. In addition, THK actively promoted the use of Omni THK, its platform for remotely communicating with customers. Through these means, the Company was able to continue its sales activities without any major issues.



Coronavirus response task force

Expanded Market Opportunities from Changes in the Business Environment

While the spread of the coronavirus did have a substantial impact on the economy, it brought dramatic changes to the business environment that indicate expanded market opportunities for the THK Group. A number of fields are experiencing increased demand: semiconductors (from the rise in remote work), automation (from the broadened

need for contactless solutions), medical equipment, and more. Therefore, although the impact of the coronavirus resulted in a short-term demand adjustment, THK's business opportunities are expected to expand over the medium to long term, and the Company is working on various initiatives to steadily capture that demand.



Expanded semiconductor demand due to remote work and remote learning



Expanded demand for medical equipment



Expanded demand for automation in logistics, stores, etc.