

Value Creation

With solid capital supporting its manufacturing, sales, and R&D activities, THK has provided solutions to customers in the form of tough, durable, and high-quality products and extensive know-how. THK has grown rapidly as a result, contributing to society through manufacturing.

To achieve long-term growth and contribute to the creation of an affluent society during a time when the business environment changes at a bewildering pace, THK will promote its growth strategies and strengthen the various forms of capital that support its business.



THK stands for "Toughness," "High Quality," and "Know-how."

THK applies these aspects of its identity to the development of products and technology in order to contribute to the development of society and industry.

THK's Capital (2021 Fiscal Year)

Equity Attributable to Owners of the Parent **¥304.5 billion**

Ratio of Equity Attributable to Owners of the Parent **59.0%**

Employees
Consolidated **13,073**
Non-consolidated **3,968**

Ratio of Female Employees
Consolidated **23.8%**
Non-consolidated **15.3%**

Ratio of Group Employees Outside of Japan **58%**

* Group employees outside of Japan include employees dispatched overseas from Japan.

R&D Expenses **¥5.1 billion**

R&D Facilities **3**

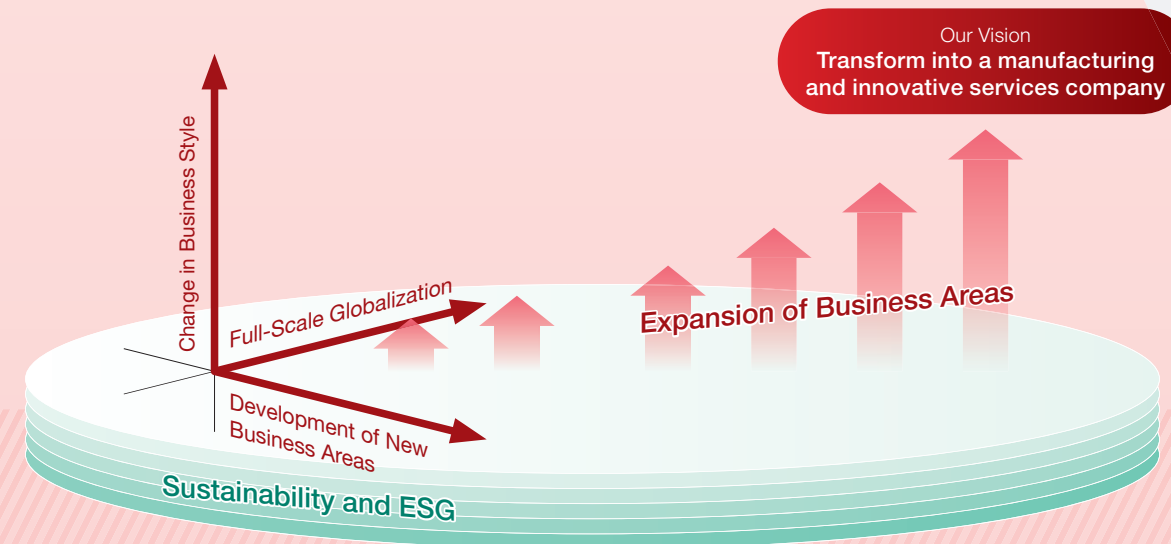
Number of Registered Patents
Japan **616**
Outside of Japan **1,271**

Production Facilities
Japan **12**
Outside of Japan **25**

Corporate Philosophy

Providing innovative products to contribute to the creation

the world and generating new trends of an affluent society



Management Targets

2026 Fiscal Year (Five-Year Plan)

Consolidated revenue	Operating income	EPS	ROE
¥500 billion	¥100 billion	¥590	17%

Industrial Machinery Business and Other

Targets Revenue **¥365 billion**
Operating income **¥92 billion**
Average market growth rate **Approx. 7%**

Environment

- Expanded demand for semiconductor equipment
- Advancement of automation and robotization
- Expansion of environmental investments such as electric vehicles

Measures

- Expanding THK's market share and global production structure
- Promotion of DX (Omni THK and OMNI edge)
- Accelerating new product development

Automotive and Transportation Business

Targets Revenue **¥135 billion**
Operating income **¥8 billion**
Average market growth rate **Approx. 5%**

Environment

- Developments in CASE
- New manufacturers in the automotive industry

Measures

- Expansion of products for next-generation vehicles
- Strengthening of aluminum products
- Profitability improvements

Promotion of Sustainability and ESG (Recent Activities)

Establishing the Sustainability Promotion Task Force	Adhering to medium- and long-term targets for carbon neutrality	Signing the UN Global Compact	Introducing a stock compensation system
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Output

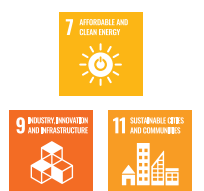
Products Core technology products
High precision, high rigidity, long service life, low noise

Next-generation products
Renewable energy, robots, seismic isolation systems

Activities

Industrial Machinery Business **p. 12**
Automotive and Transportation Business **p. 15**
Review by Geographic Region **p. 22**

Development of core technology and next-generation products



Corporate Activities Connecting with local communities
Community involvement, volunteering, developing the next generation

Strengthening supply chain relations
THK Association, technology proposals

Actively sharing information with shareholders
IR events, IR tools

Revolutionizing how we work
Human rights, diversity, health and safety, supporting development

Efforts for environmental conservation
Conserving energy, managing hazardous materials, reducing waste

Strengthening our business foundation
Governance, compliance, BCP

Involvement in Society **p. 25**

Creating a pleasant work environment



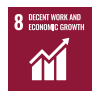
Harmony with the Environment **p. 26**

Reducing environmental impact



Corporate Governance **p. 28**

Strengthening relationships with stakeholders



Labor shortages

Demand for the sophistication of industry

Disaster mitigation

Challenges facing society

Environmental conservation

Governance issues

Infectious diseases