THK
The Mark of Linear Motion

February 5, 2009

Consolidated Financial Results for the Third Quarter Ended December 31, 2008

Company Name	:	THK CO., LTD.
Head Office	:	Tokyo, Japan (Tel: +81-3-5434-0300)
URL	:	http://www.thk.com/
Stock exchange listing	:	Tokyo Stock Exchange-First Section
Code number	:	6481
Representative	:	Akihiro Teramachi, President and CEO
Contact	:	Hideyuki Kiuchi, Director and General Manager of Corporate Strategy Department
Scheduled date of filing quarterly report (Japanese version only)		February 13, 2009

1. Consolidated Operating Results and Financial Position as of and for the nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)

(1) Consolidated Operating Results

Third Quarter Ended December 31 (Millions of Yen)	Net Sales		Operating Income		Ordinary Income		Net Income	
2008	¥151,028	－%	¥12,676	－ %	¥11,966	－ %	¥4,375	－ %
2007	155,833	18.3	21,836	(13.6)	23,688	(13.9)	16,726	4.9

Third Quarter Ended December 31 (Yen)	Net Income Per Share-Basic	Net Income Per Share-Diluted
2008	¥34.02	¥ －
2007	126.60	125.81

(Note) Fluctuation percentage for the current third quarter period is not presented because quarterly accounting standards, as defined and published by the Accounting Standards Board of Japan, are applied for the first time from the current fiscal year. For details, please refer to “5. Accounting Changes.”

(2) Consolidated Financial Position

	Total Assets (Millions of Yen)	Net Assets (Millions of Yen)	Equity Ratio (%)	Net Assets Per Share (Yen)
As of December 31, 2008	¥268,577	¥188,386	69.6 %	1,454.23
As of March 31, 2008	264,229	192,953	72.3	1,484.78

(Note) Stockholders’ equity *As of December 31, 2008:* *¥187,020 million*
As of March 31, 2008: *190,953 million*

2. Dividends

	Dividend Per Share (Yen)				
	First Quarter End as of June 30	Second Quarter End as of September 30	Third Quarter End as of December 31	Year end	Total
2008 (Actual)	—	18.00	—	18.00	36.00
2009 (Actual)	—	12.00	—	n/a	n/a
2009 (Projected)	n/a	n/a	n/a	8.00	20.00

(Note) Change in dividend projection: Yes

3. Forecasts for the year ending March 31, 2009 (April 1, 2008 to March 31, 2009)

	Net Sales (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income (Millions of Yen)	Net Income per Share (Yen)
Year ending March 31, 2009					
(amount)	¥179,000	¥7,400	¥6,300	¥0	¥0.00
(percentage)	(14.2)%	(72.5)%	(76.7)%	(100.0)%	n/a

(Note 1) Changes in forecasts made at this quarter period: Yes

(Note 2) The above forecasts are based upon the information currently available at the time of the announcement of this report. Actual performance may differ from the estimates due to various unforeseen factors.

(Note 3) For assumptions used for the forecasts, as well as policies and precaution for using the forecasts, please refer to "3. Forecasts for the fiscal year ending March 31, 2009" in Management's Discussion and Analysis on page 8. The forecasts for the fiscal year ending March 31, 2009 that announced on November 12, 2008 have been amended and reported therein.

4. Other Financial Information

(1) Significant change in scope of consolidation: None

(2) Simplified or particular accounting treatment for quarterly financial statements:

a. Determination of allowance for bad debts
-As no significant change is noted, allowance for bad debts is determined based on the credit loss percentage as of the previous year-end.

b. Measurement of inventories
-Physical count of inventories for quarterly-end does not cover all of inventories, however, inventories are stated by amount reasonably calculated based on the physical count performed at the previous year-end.

c. Depreciation expense
-For assets depreciated using the declining balance method, depreciation expenses applicable to the fiscal year are calculated on a pro-rata basis.

d. Income tax payable and deferred tax assets/liabilities
-In determination of income taxes payable, taxable or deductible items to be incorporated in calculation are limited to that material.
-Basically, deferred taxes are determined based on the forecast and tax planning prepared as of the previous year-end. If significant changes are noted in temporary differences or business environment thereafter, the impact of such changes will be reflected in the forecasts, tax planning, and determination of deferred tax assets.

e. Tax expense
-Certain consolidated subsidiaries calculate their income taxes based on the estimated effective tax rates applicable to the current fiscal year.

(3) Changes in accounting policy/treatment/presentation manner due to:

a.	Changes in accounting standards	Please refer to “5. Accounting Changes”
b.	Other changes	Please refer to “5. Accounting Changes”

(4) Number of shares

			(shares)
a.	Common stock issued, including treasury stock, as of:	December 31, 2008	133,856,903
		March 31, 2008	133,856,903
b.	Treasury stock as of:	December 31, 2008	5,252,222
		March 31, 2008	5,249,554
c.	Average number of common stock for the nine months ended:	December 31, 2008	128,606,279
		December 31, 2007	132,119,406

5. Accounting Changes

(1) On March 14, 2007, the Accounting Standards Board of Japan (hereinafter the “ASBJ”) published a new accounting standard for quarterly financial reporting and its implementation guidance. In addition, on August 7, 2008, Financial Services Agency of Japan announced new regulations to revise the existing “Rules of Consolidated Quarterly Financial Statements,” with early adoption permitted. THK CO., LTD. (hereinafter the “Company”) adopted these new accounting standards as of April 1, 2008. The accompanying consolidated financial statements are prepared in accordance with the revised “Rules of Consolidated Quarterly Financial Statements.”

(2) Prior to April 1, 2008, inventories had been stated at cost, determined principally by the cost method. On July 5, 2006, the ASBJ issued ASBJ Statement No. 9, ”Accounting Standard for Measurement of Inventories,” which is effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted. This standard requires that inventories held for sale in the ordinary course of business be measured at the lower of cost or net selling value, which is defined as the selling price less additional estimated manufacturing costs and estimated direct selling expenses.

The Company adopted the new accounting standard for measurement of inventories as of April 1, 2008. The effect of adopting this accounting standard was to decrease gross profit, operating income, ordinary income, and income before income taxes and minority interests for the third quarter ended December 31, 2008 by ¥471 million.

(3) Prior to April 1, 2008, under Japanese accounting standards, a company could use the financial statements of its foreign subsidiaries which had been prepared in accordance with generally accepted accounting principles in their respective jurisdictions for its consolidation process unless they were clearly unreasonable. On May 17, 2006, the ASBJ issued ASBJ Practical Issues Task Force No. 18, "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements." The new standard prescribes: (1) the accounting policies and procedures applied to a parent company and its subsidiaries for similar transactions and events under similar circumstances should in principle be unified for the preparation of the consolidated financial statements, (2) financial statements prepared by foreign subsidiaries in accordance with either International Financial Reporting Standards or the generally accepted accounting principles in the United States tentatively may be used for the consolidation process, (3) however, the following items should be adjusted in the consolidation process so that net income is accounted for in accordance with Japanese accounting standards unless they are immaterial;

(a) Amortization of goodwill
(b) Actuarial gains and losses of defined benefit plans recognized outside profit or loss
(c) Capitalization of intangible assets arising from development phases
(d) Fair value measurement of investment properties, and the revaluation model for property, plant and equipment, and intangible assets
(e) Retrospective application when accounting policies are changed
(f) Accounting for net income attributable to a minority interest

The new task force is effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted. The Company adopted the new accounting standard as of April 1, 2008. This accounting change did not have a material effect on the accompanying consolidated statements of income. However, ¥73 million was added up to the beginning balance of retained earnings as of April 1, 2008 due to effect of this accounting change.

(4) On March 30, 2007, the ASBJ issued ASBJ Statement No. 13, "Accounting Standard for Lease Transactions," which revised the existing accounting standard for lease transactions issued on June 17, 1993. The revised accounting standard for lease transactions is effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted.

Under the existing accounting standard, finance leases that deem to transfer ownership of the leased property to the lessee are to be capitalized. However, other finance leases are permitted to be accounted for as operating lease transactions if certain "as if capitalized" information is disclosed in the notes to the lessee's financial statements. The revised accounting standard requires that all finance lease transactions be capitalized recognizing lease assets and lease obligations in the balance sheet.

The Company adopted this revised accounting standard as of April 1, 2008. This accounting change did not have a material effect on the accompanying consolidated statements of income. Depreciation of lease assets of the Company is computed by the straight-line method over the leasing period with no residual value.

For reference:

Non-consolidated forecasts for the year ending March 31, 2009 (April 1, 2008 to March 31, 2009)

	Net Sales (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income (Millions of Yen)	Net Income per Share (Yen)
Year ending March 31, 2009					
(amount)	¥111,000	¥7,100	¥5,500	¥1,500	¥11.66
(percentage)	(21.4)%	(67.6)%	(78.0)%	(92.0)%	n/a

6. Other Information

All the figures in this report except per share information are rounded down to the nearest million.

This information is summarized and translated from the original Japanese version submitted to the Tokyo Securities Exchange in accordance with its disclosure rules and presentation manners, which are different from those applied in the annual reports of the Company due to reclassification and rearrangement made therein. This English translation is intended solely for the convenience of readers outside Japan, and not intended in any way to substitute or replace the original Japanese version. If there is any discrepancy between the original Japanese version and this translation, the original Japanese version shall supersede all information in this translation.　All the figures in this report are unaudited.

Management's Discussion and Analysis

1. Operating results (From April 1, 2008 to December 31, 2008)

At the beginning of the third quarter of this fiscal year, the mood of slowdown was spreading in the world economy due to unstable financial market caused by the subprime loan problem. The financial anxiety, which was amplified by failure of U.S. major financial institutions, has been rippled across the real economy in the latter half of this quarter. In Japan, decreasing exports and capital investments led the economy to a recession phase. Looking at the overseas economy, not only developed countries but emerging countries such as China have also turned downward.

Under these circumstances, THK group has made efforts to strengthen its structure to be able to expand its business performance stably on a long-term basis, while mitigating business risks such as external environment changes by enlarging its business areas under the policies of "Full-scale Globalization" and "development into new business areas." However, market demands decreased due to the change in the economic environment much more drastically than we have assumed. As a result, net sales for the nine months stood at ¥151,028 million, a decrease of ¥4,804 million or 3.1% as compared to the third quarter of the previous fiscal year.

In Japan, while heightened sense of uncertainty has made capital investments decreased and product activities remained weak in the latter half of the third quarter period, sales to the machine tool industry and to the electronics industry decreased as compared to the previous third quarter period. As a result, net sales in Japan decreased as compared to the previous third quarter period.

In the Americas, while electronics and transportation equipment industries have been in an adjustment phase, our sales division and production division made efforts in an integrated manner to cultivate new customers as well as to expand transactions with existing customers. Although the region succeeded in increasing sales to the machine tool industry, however, net sales finally decreased due primary to unfavorable sales to the electronics industry and to the transportation equipment industry, as well as to the effect of weak dollar and strong yen.

In Europe, similar to the Americas region, our sales division and production division made efforts to develop business activities in a concerted manner. As a result, they succeeded in overall increase in net sales, especially to the machine tool industry and to the general machinery industry.

In Asia and other area, our group companies made aggressive efforts to develop business activities such as enhancing sales channels. As a result, they succeeded in increasing net sales especially to the machine tool industry in China. In Taiwan, while export market of local machine tool manufacturers has been expanding, our group companies made efforts to increase transactions with existing customers. As a result, they also succeeded in increasing net sales mainly to the machine tool industry. Finally, net sales in Asia and other area also increased due to the reasons above.

On the cost front, THK group made continuous efforts to improve its productivity by increasing the yield percentage of raw materials and reduction of production lead-time. The cost to sales ratio, however, rose 4.6% from the previous third quarter period to 70.9% due to higher raw material price and to decreasing sales led by the drastic change in the external economic environment in the latter half of the period. Selling, general and administrative expenses went up ¥492 million (1.6%) from the previous third quarter period to ¥31,215 million, due to increase in personnel expenses associated with reinforcing our strengthening of sales forces especially in China, and to rising freight charges. The ratio to net sales also rose 1.0% from the previous third quarter period to 20.7%. As a result, operating income decreased by ¥9,160 million (42.0%) to ¥12,676 million and its ratio to net sales dropped by 5.6% from the previous third quarter period to 8.4%. Net non-operating expenses stood at ¥710 million due mainly to foreign exchange losses. As a result, ordinary income for the third quarter period was ¥11,966 million, decreased by ¥11,722 million (49.5%) from the previous third quarter period. Net income for the third quarter period stood at ¥4,375 million, decreased by ¥12,350 million (73.8%) from the previous third quarter period, because of additional losses and expenses incurred such as a partial reversal of deferred tax assets.

2. Financial position (As of December 31, 2008)

Total assets stood at ¥268,577 million, ¥4,348 million more than the previous fiscal year-end, due mainly to increase in cash and bank deposits.

Although bonds were redeemed in this third quarter, total liabilities stood at ¥80,191 million, ¥8,915 million more than the previous fiscal year-end, due mainly to increase in short-tem bank loans.

Net assets stood at ¥188,386 million, ¥4,566 million less than the previous fiscal year-end, due mainly to decrease in foreign currency translation adjustments.

3. Forecasts for the fiscal year ending March 31, 2009

There is now greater uncertainty over the economic environment due to unstable financial market that is spreading to the real economy. In this circumstance, considering the actual operating results for this third quarter and current sales-order situation, the forecasts for the fiscal year ending March 31, 2009 that announced on November 12, 2008 have been amended as follows:

-Consolidated

	Net Sales (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income (Millions of Yen)
Announced on Nov. 12	¥192,000	¥13,500	¥14,500	¥6,800
Adjusted	179,000	7,400	6,300	0
Fluctuation (Millions of Yen)	(13,000)	(6,100)	(8,200)	(6,800)
Fluctuation (%)	(6.8)%	(45.2)%	(56.6)%	(100.0)%

(Note) Exchange rates assumed and used for above forecasts are as follows:

Average rates for the year ended December 31, 2008 (January 1, 2008 to December 31, 2008) *U.S.dollar 1=¥103.46* *Euro 1=¥152.44*

(The closing date of foreign consolidated subsidiaries is December 31.)

-Non consolidated

	Net Sales (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income (Millions of Yen)
Announced on Nov. 12	¥126,000	¥12,900	¥12,600	¥6,400
Adjusted	111,000	7,100	5,500	1,500
Fluctuation (Millions of Yen)	(15,000)	(5,800)	(7,100)	(4,900)
Fluctuation (%)	(11.9)%	(45.0)%	(56.3)%	(76.6)%

Note：Fluctuation in the narrative part of this column is presented as a reference information for reader’s convenience, without regard of the change in quarterly accounting standards.

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of Yen)

	Third Quarter Period End -Current Year As of December 31, 2008	Year End -Previous Year As of March 31, 2008
Assets		
Current Assets:		
Cash and bank deposits	¥64,697	¥48,162
Accounts and notes receivable	56,228	65,353
Short-term investments in securities	106	1,648
Merchandise and finished goods	14,372	13,310
Work in process	5,768	5,842
Raw materials and supplies	10,969	10,162
Other current assets	7,442	8,101
Less: Allowance for bad debts	(217)	(247)
Total current assets	159,366	152,333
Fixed Assets:		
Property, plant and equipment -net:		
Machinery and equipment	39,910	37,970
Other	48,981	50,100
Total property, plant and equipment -net	88,892	88,070
Intangibles		
Goodwill	8,950	10,994
Other	1,088	818
Total intangibles	10,039	11,813
Investments and Other		
Long-term investments in securities	4,771	5,418
Other	5,846	6,929
Less: Allowance for bad debts	(338)	(336)
Total investments and other	10,280	12,012
Total fixed assets	109,211	111,896
Total assets	268,577	264,229

(Millions of Yen)

	Third Quarter Period End -Current Year As of December 31, 2008	Year End -Previous Year As of March 31, 2008
Liabilities		
Current Liabilities:		
Accounts and notes payable	¥37,508	¥37,175
Short-tem bank loans	15,034	－
Income taxes payable	2,667	1,494
Accrued bonuses to employees	1,356	2,703
Accrued bonuses to directors and statutory auditors	22	100
Other	14,655	20,069
Total current liabilities	71,245	61,542
Long-term Liabilities:		
Reserve for employees' retirement benefits	4,209	3,995
Reserve for retirement benefits for directors and statutory auditors	119	112
Reserve for product warranty	124	154
Negative goodwill	486	972
Other	4,006	4,499
Total long-term liabilities	8,945	9,733
Total liabilities	80,191	71,276
Net Assets		
Shareholders' Equity:		
Common stock	34,606	34,606
Additional paid-in capital	44,342	44,343
Retained earnings	118,169	117,578
Treasury stock	(11,351)	(11,347)
Total shareholders' equity	185,767	185,181
Valuation and Adjustments:		
Net unrealized gain on other securities	133	469
Foreign currency translation adjustments	1,119	5,302
Total valuation and adjustments	1,253	5,772
Minority Interests	1,365	1,999
Total net assets	188,386	192,953
Total liabilities and net assets	268,577	264,229

Consolidated Statements of Income

(Millions of Yen)

	Third Quarter Period Ended December 31, 2008 (From April 1, 2008 to December 31, 2008)
Net sales	¥151,028
Cost of sales	107,137
Gross profit	43,891
Selling, general and administrative expenses:	31,215
Operating income	12,676
Non-operating income:	
Interest income	454
Amortization of negative goodwill	901
Equity earnings of affiliates	57
Other	910
Total non-operating income	2,323
Non-operating expenses:	
Interest expenses	63
Foreign exchange loss	2,724
Other	245
Total non-operating expenses	3,033
Ordinary income	11,966
Extraordinary gain:	
Gain on sales of property and equipment	54
Reversal of reserve for product warranty	13
Other	14
Total extraordinary gain	82
Extraordinary losses:	
Loss on sales/disposal of property and equipment	167
Loss on sale of investments in securities	21
Loss on write-down of investments in securities	691
Other	15
Total extraordinary losses	895
Income before income tax and minority interests	11,152
Income taxes-current	5,357
Income taxes-deferred	1,278
Total income taxes	6,636
Minority interests	140
Net income	4,375

Additional notes:

(1) Going concern issues: Not applicable.

(2) Significant change in shareholders' equity: Not applicable.

For reference:

Summary of consolidated statement of income for the third quarter period ended December 31, 2007 is as follows:

(Millions of Yen)

	Third Quarter Period Ended December 31, 2007 (From April 1, 2007 to December 31, 2007)	
	(Amount)	(%)
Net sales	¥155,833	100.0
Cost of sales	103,274	66.3
Gross profit	52,558	33.7
Selling, general and administrative expenses	30,722	19.7
Operating income	21,836	14.0
Non-operating income	2,167	1.4
Non-operating expenses	315	0.2
Ordinary income	23,688	15.2
Extraordinary gain	70	0.1
Extraordinary losses	235	0.2
Income before income tax and minority interests	23,524	15.1
Income taxes	6,678	4.3
Minority interests	119	0.1
Net income	16,726	10.7

Other financial information:

For reference: Outline of non-consolidated financial statements

Non-Consolidated operating results and financial position as of and for the nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008) are as follows:

(1) Operating Results

Third Quarter Ended December 31 (Millions of Yen)	Net Sales		Operating Income		Ordinary Income		Net Income	
2008	¥97,702	－ %	¥10,205	－ %	¥8,752	－ %	¥3,365	－ %
2007	104,106	(4.0)	17,133	(21.8)	18,379	(21.4)	13,702	3.0

Third Quarter Ended December 31 (Yen)	Net Income Per Share-Basic	Net Income Per Share-Diluted
2008	¥26.17	¥ －
2007	103.71	103.07

(2) Financial Position

	Total Assets (Millions of Yen)	Net Assets (Millions of Yen)	Equity Ratio (%)	Net Assets Per Share (Yen)
As of December 31, 2008	¥234,856	¥176,774	75.3 %	1,374.52
As of March 31, 2008	226,072	177,582	78.6	1,380.78

(Note) Stockholders' equity As of December 31, 2008: ¥176,774 million
As of March 31, 2008: 177,582 million

(Note) The figures in the table above are based on the revised quarterly financial reporting standards. All of those figures are not audited nor reviewed by an independent auditor.