September 10, 2019 THK CO., LTD. NIPPON SYSTEMWARE CO., LTD. Microsoft Japan Co., Ltd.

Omni THK: THK's New Service Collaborate with Microsoft Azure based IoT/AI for the Manufacturing Industry

THK CO., LTD. ("THK"; Headquarters: Minato, Tokyo; CEO: Akihiro Teramachi) is collaborating with NIPPON SYSTEMWARE CO., LTD. ("NSW"; Headquarters: Shibuya, Tokyo; President (Representative Director): Shoji Tada) and Microsoft Japan Co., Ltd. ("Microsoft Japan"; Headquarters: Minato, Tokyo) on Omni THK, THK's platform for communicating with customers.

In the manufacturing industry, many companies have been calling for digital transformation ("DX") efforts to improve their productivity, profitability, and to reduce costs. The effective use of applications and data is becoming an even more critical factor to address challenges such as decreasing development time, responding to demand fluctuations, and meeting the demand for automation arising from labor shortages. In response, THK began its new Omni THK service in July 2019 as an online solution that uses technology to address the challenges its customers face in their business development and manufacturing operations. Through Omni THK, THK is creating a completely new user experience and deepening its connections with customers.

As part of this collaboration, Microsoft Japan provides the following support:

- Provision of and technical support for Microsoft Azure, which serves as the base for the IoT and AI, as well as validation support aimed at expanding Omni THK to utilize peripheral technology such as blockchain and mixed reality
- Promotion of the service and business matching through the Microsoft Partner Network for Industry
- Joint marketing of Omni THK on a global scale

NSW uses the latest technology such as the IoT and AI to continue developing and supporting applications and helping to create THK's new service model and expand it through sales connectivity so that Omni THK can provide customers with an enhanced user experience.

In anticipation of using the IoT and AI, the infrastructure of Omni THK was based on Microsoft's public cloud platform, Microsoft Azure, which offers a high level of security and flexibility as well as the ability to gain global reach. THK offers this service with a more reliable, easy-to-use software environment made possible through the rapid set-up and launch of a high-quality application platform thanks to technical support by NSW, one of the partners in this collaboration and a systems integrator with proven results when it comes to the IoT and AI.

- ◆ Omni THK's Main Service Features and the Customer Challenges They Address
- 1. Fast Delivery: When it takes too long to check stock levels, shipping dates, and specifications Look up stock availability of quick-delivery items, pricing information, shipping dates, catalogs, and much more. Select the products you need, when you need it.
- 2. Orders: When you want a seamless quoting and ordering experience

 Download the documents you need to request and obtain quotes and enables placing of orders directly from the system.
- 3. Your Catalog: When large volumes of drawings are hard to manage, and there is an increasing number of products with similar specifications

Use common parts and share design expertise by filtering searches with supplementary information and using AI image analysis.

4. **Forecast:** When you cannot get the parts you need for your production plan because of major fluctuations in product demand

Know exactly when to place orders by comparing your production plan with the delivery timeframe and quantities for THK's products.

THK will continue to expand its service integration, and look forward to provide data and service connectivity between Omni THK and its "OMNIedge" IoT service for the manufacturing industry. The Microsoft Azure-based service will manage and analyze data collected from the THK SENSING SYSTEM to perform predictive failure detection.

In an effort to fully utilize Omni THK data, THK is also looking into achieving real-time, seamless usability with the help of NSW's interface technology support to provide a module to connect users' and distributors' core systems with the e-commerce website. In doing so, THK will help users improve their productivity and boost the efficiency of distributors' sales activities.

THK has three strategies to achieve medium- to long-term growth: (1) full-scale globalization, (2) the development of new business areas, and (3) a change in business style. The change in business style includes Omni THK, and THK considers this collaboration to be a key part of that strategy. Furthermore, by continuously adding functions and upgrading Omni THK in an effort to create and provide customers with a new user experience, THK will continue to aggressively develop Omni THK as a service that uses IoT and AI technology to help customers in the manufacturing industry to efficiently deliver products to the market on time by making their operations more intelligent with digital technology.

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About Omni THK

About the Service

Omni THK is a communication platform that helps you check THK product inventories, select quick-delivery products, download information, obtain quotes, and place orders anytime, anywhere.

Website

Omni THK:www.thk.com/omni/jp/en/index.html OMNIedge: www.thk.com/omniedge/en/

Features

Fast Delivery: Timely support at every stage, all the way through delivery



Quick-delivery product selection

You can now do a filtered search for quick-delivery products. Use this feature when you need a product in a hurry. You can also select products from our semi-custom order series.

Orders: Get quotes and place orders at any time



Online quoting and ordering

You can do everything from getting quotes to placing orders 24 hours a day, 365 days a year. You can check the price and shipping date and get quotes at any time.

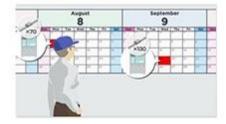
Your Catalog: Search through large volumes of drawings with easy-to-use AI



AI-based drawing analysis

Use AI to analyze unorganized and hard-to-find drawings. Enter various search criteria to find previously made products or whatever products you're looking for.

Forecast: Customer demand forecast and production plan support



Visualization of demand forecasts and production plans

Visualize forecast information based on your demand forecast, your production plan, and THK's delivery plan.