

Leading share of the global market for LM guides

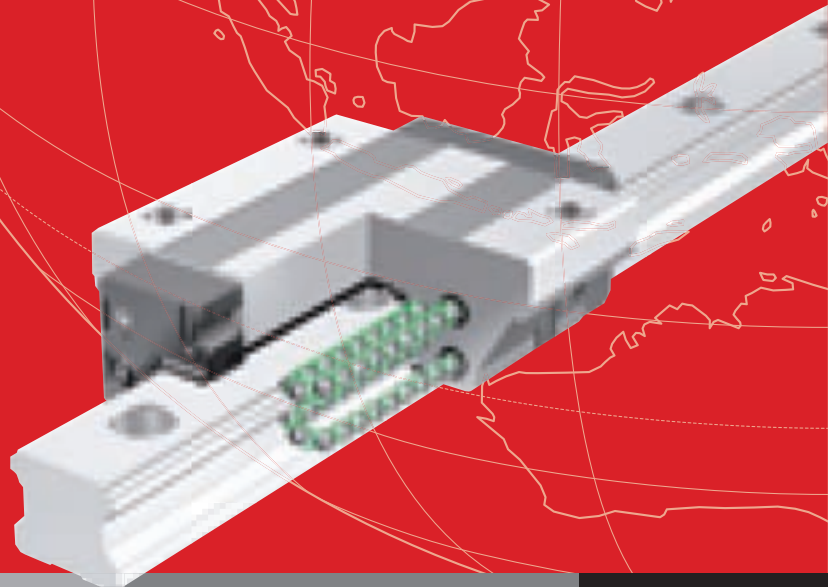
THK pioneered the development of the world's first linear motion (LM) guide, a vital machinery component. Today, the LM guides made by THK command a leading share of the global market.

LM guides are a critical element in many types of machinery. By converting slippage into controlled rotary motion, they enable parts of machinery to move smoothly, easily, and precisely in a straight line. Since their original adoption by the U.S. machine tool industry, LM guides have made a major contribution to industrial development by facilitating increased precision and acceleration while reducing the need for labor. They have been used in various different types of machinery, such as machine tools, industrial robots, and semiconductor production equipment.

This is

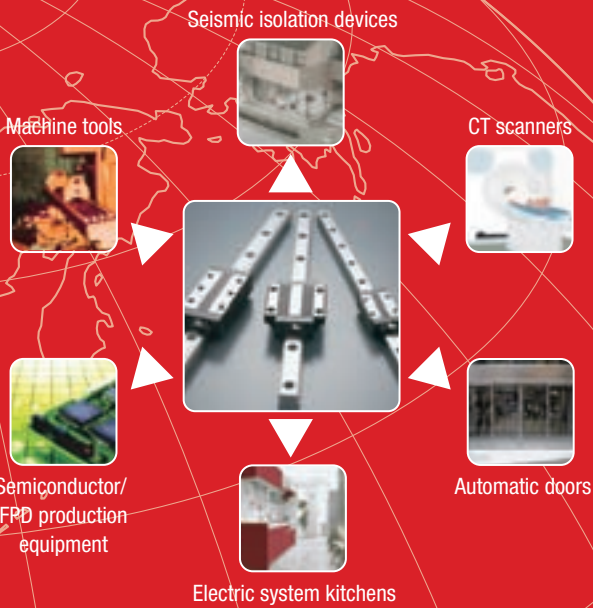
Creative development-driven enterprise

THK's business philosophy is "providing innovative products to the world and generating new trends to contribute to the creation of an affluent society." This thinking has guided our drive to be a creative development-driven enterprise, enabling us to develop a stream of original products since our establishment in 1971. Our success in developing a new generation of LM guides with caged ball technology, realized in 1996, helped to promote the adoption of these products in various fields. LM guides based on caged ball technology not only provide customers with the benefit of long-term, maintenance-free use, but also have made a significant contribution to the development of high-speed, low-noise industrial machines that generate less dust and have longer productive lives.



The potential of LM guides

Machinery motion comprises rotary motion, linear motion, and combinations of the two. Rotary bearings, which introduce a rolling component to rotary motion, were initially used in industrial machinery, and their use later expanded into consumer product fields, most notably auto parts, a rapidly growing market. LM guides, which add a rolling component to linear motion, are now used primarily in industrial equipment such as machine tools and SPE. We expect their use to expand into consumer product fields such as automobiles. LM guides meet next-generation needs by enabling higher energy efficiency. Hence, the need for LM guides is rising.



THK

Growth through expanded business areas

THK has a two-pronged strategy for realizing the vast potential of its LM guides and other products: "Full-Scale Globalization" and "Development of New Business Areas." Through this strategy, the Company is working to expand its business domain both geographically and in terms of product applications. With "Full-Scale Globalization," we are working to optimize production by locating facilities closer to demand centers. To this end, we are strengthening our integrated manufacturing and sales systems in the four key geographic regions of Japan, the Americas, Europe, and Asia. With "Development of New Business Areas," we aim to expand applications to include consumer goods and related sectors. To this end, we have set up a number of specialist divisions. In addition, in May 2007 we acquired auto parts manufacturer RHYTHM CORPORATION and are working to strengthen new business areas.

