

Message from the Top

THK continues to contribute to society

A look back at 2013

In 2013 economic growth in emerging nations tailed off amid expectations of a tighter monetary policy in the United States, but monetary conditions actually continued to ease. As a result, moderate recovery was observed in the United States, Japan, and the countries of Europe, and the global economy held to a steady course.

THK has continued to strive to expand its markets by pursuing a two-pronged strategy for growth focusing on full-scale globalization and the development of new areas of business. To this end, we're establishing a unified sales system that's accessible at the point of consumption, to enable us to meet the customer's need more quickly.

We have expanded our sales networks in Southeast Asia and India, two regions where demand is expected to increase over the mid- to long term. In preparation for increased automobile manufacturing in Latin America, we have commenced operations at a new factory at THK RHYTHM MEXICANA. To prepare for increased demand in China and Southeast Asia, we are relocating and expanding facilities at DALIAN THK in China, with the intention of commencing operations under new arrangements in December 2014. We are also building a new factory in Changzhou, which is expected to commence operations in October 2015.

Contributing through our products

Providing innovative products to the world and generating new trends to contribute to the creation of an affluent society—this has been THK's corporate philosophy from the very beginning.

THK linear motion systems are not only used in mechanical devices. They are also employed in a vast array of other applications that are crucially important to society as a whole. Among other things, THK technology plays a vital role in protecting people from harm and enabling effective medical treatment and nursing care. For this reason, I firmly believe we can honor our corporate social responsibilities through the continued expansion and development of our core business pursuits.

In the aftermath of the Great East Japan Earthquake, heightened awareness of the need for disaster-prevention measures led to a surge in demand for THK seismic isolation and damping devices. THK technology is now used to seismically isolate and protect not only private homes and office buildings but also cultural assets and works of art, as well as dialysis machines and other essential medical equipment.

THK is shifting to greater use of renewable energy sources in order to reduce CO₂ emissions. At the same time, THK products are being used in wind-powered and small-scale hydroelectric power generating systems, some of them developed by THK itself.

THK technology is also used in various types of medical and nursing-care devices and equipment, which will become increasingly important to Japan's rapidly aging society. In years to come we anticipate expanded use of THK products in the field of robotics as well, not merely in industrial robots but also in humanoid robots developed for use by the general public.

Akihiro Teramachi

President and CEO
THK CO., LTD.

寺町 彰 博



Spreading the word about THK products

THK contributes to the welfare of society by producing key components suitable for a broad range of linear-motion and rotary-motion applications in machines and devices. As the market becomes increasingly globalized, however, information from THK is not adequately reaching our customers, nor are all of our customers' concerns being adequately conveyed to THK.

As a creative, development-oriented corporation and a pioneer in the creation of linear motion systems, THK has become a world leader in development capability and product quality. I feel it's essential to make the best possible use of our strengths by improving our customers' mechanical systems, because, by doing so, we can make our customers' products vastly more competitive. We're planning to set up sales offices all over the world, put more emphasis on communications and public-relations efforts, and make sure we hear all the available input from our customers first-hand, to ensure that we're meeting their expectations.

Wherever you go, people basically want the same thing: a better product at the right price, at the right time and place, and in the right quantity. We need to remind ourselves that, by humbly attending to the customer's concerns and fully responding to them, we're striving to exemplify *omotenashi*, the traditional Japanese spirit of conscientious service and hospitality.

In closing

THK has established a set of basic policies devoted to the pursuit of business activities that create value and contribute to society, that are customer-oriented, and that adhere to all relevant laws and regulations.

Our intention is to identify needs in potential markets and develop ingenious new products to meet those needs, as well as to provide satisfactory solutions to the challenges facing our existing customers, so that we can grow along with them. In all our business pursuits, we faithfully abide by the laws and ethical standards of Japan and every other country, engage in fair business practices, and endeavor to contribute to society while engaging in fair competition.

We will keep working to develop closer relationships with our customers, partner businesses, and shareholders, as well as with the communities where THK does business. We will continue to help preserve the natural environment and disclose essential information in a fair and timely manner, in keeping with our responsibilities as a good corporate citizen.

Once again, our annual *CSR Report* is filled with interesting details illustrating ways in which THK honors its social responsibilities through its principal business pursuits, in accordance with our basic policies. Thank you for your interest—I hope you find this report enlightening.