

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. In recent years the scope of practical applications for LM guides has widened further to include CT scanners, magnetic resonance imaging (MRI) machines and other high-tech medical equipment; automobiles, reflecting the increased demand for eco-friendly features and improved performance; rolling stock; and seismic isolation devices, which aim to protect life and property from the effects of earthquakes.

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 machinery that generate less dust and have longer productive lives.

Today we remain focused on expanding our business into new domains based on the Fiscal 2010 Vision, a plan that we formulated in fiscal 2000 to prepare for our 30th anniversary. Our long-term management target is to grow based on the two main pillars of "Full-Scale Globalization" and "Development of New Business Areas." Our consolidated net sales target for fiscal 2010 is ¥300 billion. Under the pillar of "Full-Scale Globalization," we are working to optimize production by locating facilities closer to demand centers. To this end, we are strengthening our production capabilities in the four key geographic regions of Japan, the Americas, Europe and Asia. At the same time, we are reinforcing sales capabilities in each region while working to integrate sales and manufacturing functions more closely. Profitability continues to improve steadily as a result.

Within the pillar of "Development of New Business Areas," we aim to expand applications within consumer-related sectors. To this end, we have set up a number of specialist divisions. These include the FAI Division, which is working to increase business with automakers through the development of new components, and the ACE Division, which produces seismic isolation devices for protecting people and property from the effects of earthquakes.

THK is a creative development-driven enterprise dedicated to the creation of original concepts and innovative technology. As such, we continue to work toward the achievement of our Fiscal 2010 Vision so that we can make a broad contribution to the betterment of society.

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