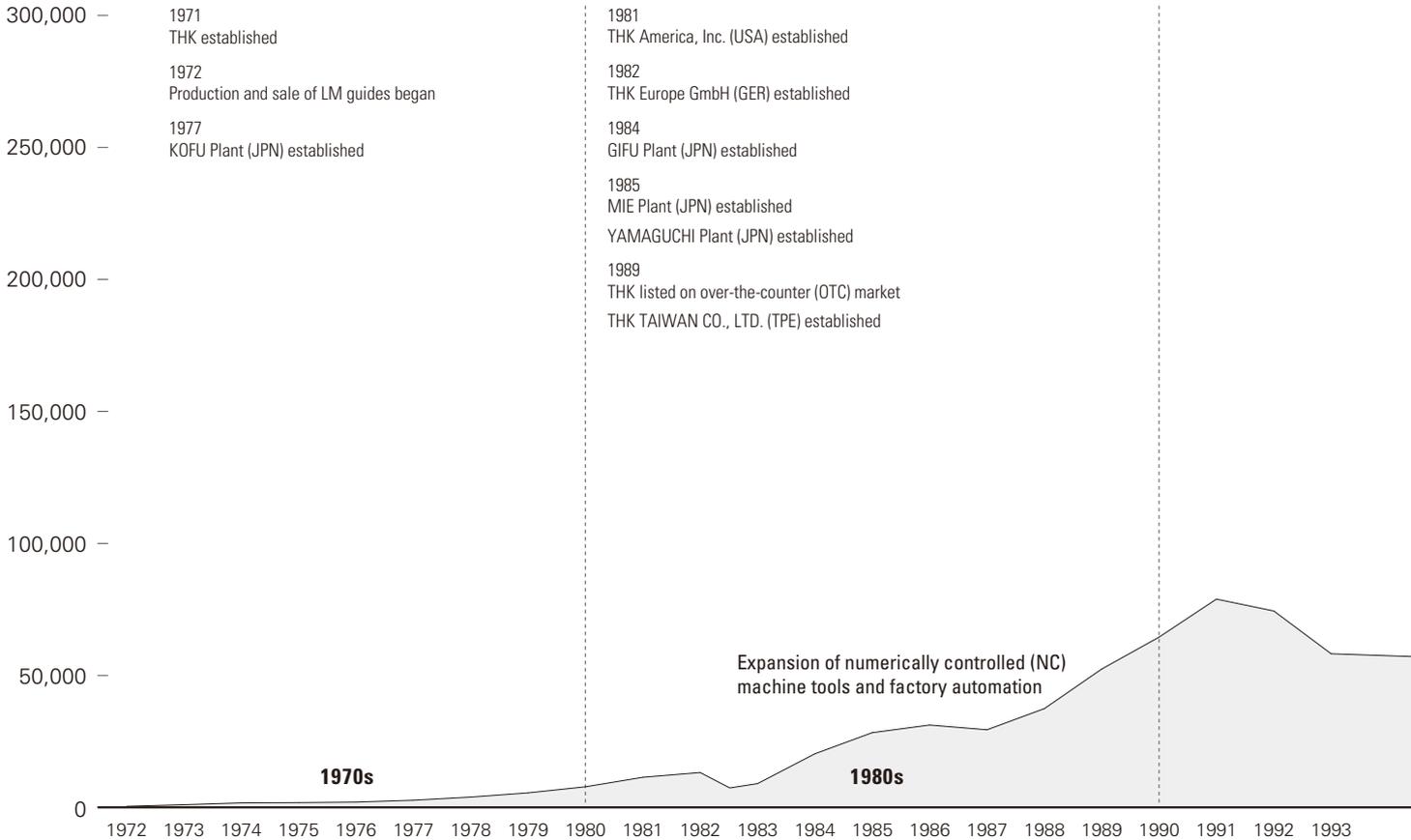


CORPORATE HISTORY

Net Sales

(Millions of yen)



The 1970s:

Inauguration and Initial Period of Set Up

While rolling contact utilizing rotary bearings was a standard method for accomplishing rolling motion at this time, significant difficulties were encountered in introducing a rolling component to linear motion (LM).

In 1971, THK developed the ball spline, which enabled a higher level of linear motion precision and performance. This ball spline was the predecessor to THK's current flagship LM guide, which was first introduced in 1972.

In 1978, the Company's products were adopted by a U.S.-based pioneer of the Machining Center and world-class leader of its day. With this breakthrough, the use of LM guides in machine tools grew from strength to strength.



Ball Splines

Developed in the same year that THK was established, ball splines are the precursor to the LM guide. This revolutionary product allows balls to roll along an R-shaped groove machined into the spline axle, which in turn bust the load that the device can tolerate and permits the transmission of torque.

The 1980s:

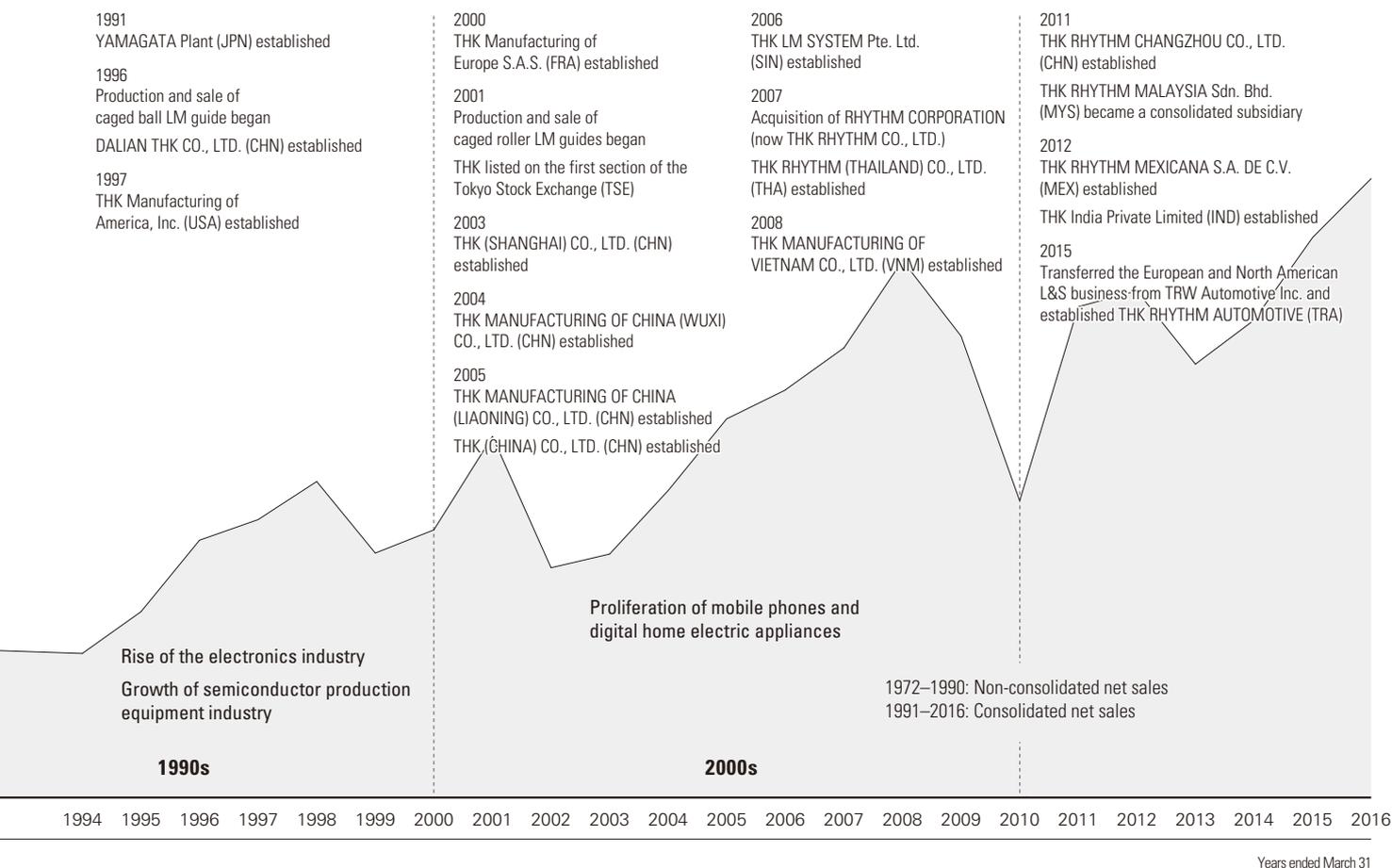
Significant Developments in Factory Automation (FA)

The "Oil Shock" saw the demise of heavy industry, pushing the technology-based industries, such as automobiles, semiconductors and home electric appliances, increasingly to the fore. Buoyed by depreciation in the value of the yen as well as the outstanding quality of products manufactured in Japan, export volumes to Europe and the United States climbed steadily. Under these circumstances, demand was high for the volume manufacture of quality products. With FA advancing across production frontlines, machine tool production volumes increased and the proportion of advanced machine tools with numerically controlled (NC) saw steady growth. Against this backdrop, the application of LM guides enjoyed explosive growth.



LM Guides

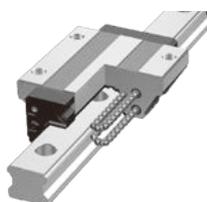
Developed utilizing the structure and mechanism of ball splines, LM guides today represent THK's flagship product range. Benefiting from the use of the Company's LM guides by a major U.S.-based machine tool manufacturer of its day, the application of THK's products in machine tools has seen significant growth.



The 1990s:

The Rise of the Electronics Industry

During the 1990s, the number of LM guides used in semiconductor production equipment surged dramatically in line with the increase in semiconductor demand. Entering the 2000s, amid the proliferation of mobile devices and digital home electric appliances as well as the upswing in demand for semiconductor production, flat panel display production and related production equipment—products that applied LM guides—focusing mainly on second-generation caged ball LM guides increased. In tune with the relentless advance of manufacturing globalization, THK accelerated its business development globally.



Caged Ball LM Guides

Caged ball LM guides were developed as the next generation in their line. In keeping the balls in place, the use of ball cage technology extends service life, reduces noise and enables long-term maintenance-free operation compared with first-generation LM guides.

Future Growth:

Expanding Business Domains by Implementing Three Growth Strategies

Driven by its Full-Scale Globalization, Development of New Business Areas, and Change of Business Style growth strategies, THK is working to expand its business domains.

As a part of our Full-Scale Globalization endeavors, we are building an integrated production and sales structure that encompasses Japan, the Americas, Europe and Asia in a bid to better address local demand. In addition to upgrading and expanding our sales network while strengthening our production capabilities in such emerging markets as China, we are also bolstering sales channels in developed countries where the expectations of users continues to expand.

With an eye on the Development of New Business Areas, the THK Group is witnessing an increase in the use of its products in fields that are close to consumer goods including transportation equipment, seismic isolation and damping systems, aircraft, medical equipment, renewable energy and robots. Moreover, we are further honing our accumulated linear motion system core technologies and know-how to better realize the vast potential other consumer goods fields. In this manner, we are accelerating the pace new business area development.

In addition to promoting these strategies, we are making full use of IoT, cloud computing, AI and robots from a variety of perspectives thereby expanding our business domains by realizing a Change in Business Style.