



Annual Report *2001*

FINANCIAL HIGHLIGHTS

Tsubakimoto Chain Co. and Consolidated Subsidiaries
Years Ended March 31, 2001 and 2000

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	2001
Net sales	¥114,206	¥106,281	\$ 928,504
Operating income	6,962	2,705	56,602
Net income	465	1,218	3,780
Per share* (yen and dollars):			
Net income	¥2.42	¥6.36	\$0.020
Cash dividends	6.00	6.00	0.049
Total assets	¥208,877	¥184,468	\$1,698,187
Shareholders' equity	66,463	63,750	540,349

Note: The U.S. dollar amounts in this annual report have been calculated from yen amounts, for convenience only, at the exchange rate of ¥123 to \$1, the approximate exchange rate at March 31, 2001.

* The effective par value per share is ¥50.

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Forward-Looking Statements

Statements contained in this annual report that are not historical facts are forward-looking statements that reflect our plans and expectations. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from that anticipated in these statements.



We aim to be a leading company in the global markets for power transmission products and materials handling systems.

Founded in 1917 as a manufacturer of steel chains, Tsubakimoto Chain Co. has grown into a global company supplying power transmission products and materials handling systems to more than 70 countries around the world. In chain products, where the Company has a top share of the global market, TSUBAKI-brand chains have earned the strong support of customers for their quality and functionality. In recent years, Tsubakimoto Chain's products for the automotive industry have been the driving force behind the Company's performance. Tsubakimoto Chain's highly regarded engine timing drive systems are increasingly the choice of automakers in Japan and overseas.

Guided by its mission to "provide the best value to customers around the world," the Company is striving to strengthen its competitiveness and its market position. In June 2001, the Company completed the construction of its long-awaited new Kyotanabe plant, which is expected to be fully operational by April 2002. In a wide range of areas, including product development, production technology, and production efficiency, this new chain plant is expected to be the world's leading plant in quality and scale. In the years ahead, Tsubakimoto Chain will continue working aggressively to expand its operations in global markets.