

Establishment of Production and Sales Subsidiaries in China

In response to the rapid progress in motorization in China, automakers are establishing bases in that market. For Tsubakimoto Chain, which is striving to expand its operations in the world market, the integration of production and sales in China is an important strategic issue. Accordingly, in January 2004 we established Tianjin Dong Chun-Taiki Metal Finishing & Conveyor System Manufacturing Co., Ltd., in Tianjin as a base for the production and sale of automotive conveyance systems, and in April 2004 we established Tsubakimoto Automotive (Shanghai) Co., Ltd., a production base for timing chain drive systems.



Introduction of Cell Manufacturing for Chain Production at Kyotanabe Plant

At the Kyotanabe Plant, our global base for chain operations, we have implemented a range of reforms and have succeeded in enhancing productivity. To make further progress, in January 2004 we began to introduce the cell manufacturing method in the plant's fabrication lines. We plan to introduce this method in all of the plant's fabrication lines by the end of March 2005, thereby increasing productivity in a range of ways, such as significantly reducing production lead times, cutting inventories in half, and enhancing delivery reliability.

TOPICS

Implementation of Management Reforms Centered on Introduction of Corporate Executive Officer System

Aiming to build a system that is trusted by all stakeholders, Tsubakimoto Chain has worked to bolster its corporate governance. On June 29, 2004, the Company implemented further management reforms, introducing the corporate executive officer system, electing an outside director, and increasing the number of outside corporate auditors from one to two. Through these management reforms, we will increase transparency, compliance, and efficiency and, at the same time, strengthen our corporate governance system so that it can respond quickly to the rapid changes in our management environment.

Genome DNA Freezer Storage System Supplied to University of Tokyo's Institute of Medical Science

The Ministry of Education, Culture, Sports, Science and Technology is supporting a major national project that concerns the use of genetic information in medicine. The aim of the project is to realize individualized medicine based on a biobank containing DNA and serum samples collected from 300,000 people by the Institute of Medical Science at the University of Tokyo. Our Genome DNA Freezer Storage System was chosen for the biobank's freezer storage system, which requires an extremely high level of control technology. The system draws on the storage, picking, freezing, and refrigeration technologies that we have cultivated over many years.

