

Board of Directors, Corporate Auditors, and Executive Officers

As of June 26, 2009

The Tsubaki Group is realizing “Global Best,” based on a management system that emphasizes results—namely, practical management—over form, such as system creation.



Takashi Fukunaga

Chairman and Representative Director

Corporate Auditors (Standing)

Masahiro Takemura

Jiro Miyamoto



Isamu Osa

President and Representative Director

Corporate Auditors (Outside)

Masaru Tokuda

Takafumi Watanabe



Makoto Kanehira

Director and Senior Managing Executive Officer

Headquarters Operations
Development & Technology
Management of Technology (MOT)
Tsubaki Techno School
Chief Engineer
Osaka Office

Senior Managing Executive Officer

Yoshinobu Miyazaki



Tadashi Ichikawa

Director and Senior Managing Executive Officer

Chain & Power Transmission Operations
Chain Division
President, TSUBAKI EMERSON CO.
Global Best Development
Kyoto Plant
Hyogo Plant

Managing Executive Officers

Tadasu Suzuki

Masato Kondo

Yoshikazu Kitayama

Toshio Takahashi

Katsuhiko Mio



Toru Fujiwara

Director and Managing Executive Officer

Automotive Parts Division
Global Best Development
Saitama Plant

Senior Executive Officer

Jiro Baba



Yohei Kataoka

Director and Executive Officer

Materials Handling Systems Division
Global Best Development

Executive Officers

Shigeya Tsubakimoto

Toshimitsu Sakai

Hideaki Haruna

Masaya Ushida



Hidetoshi Yajima

Outside Director

■ Small decision-making body and smooth operational implementation

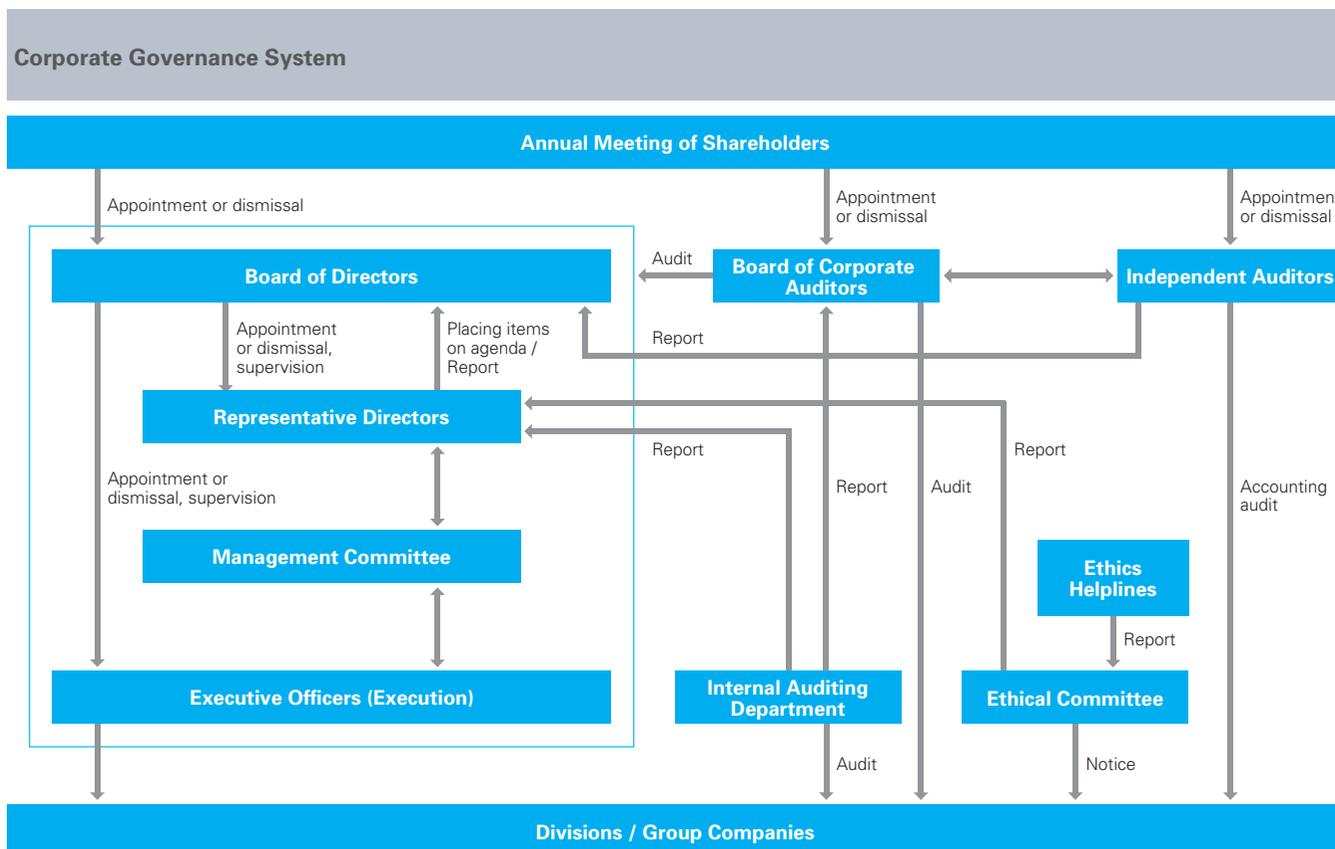
We are in an age where not only does our operating environment change at a bewildering speed, such as currency exchange rates and demand trends, but also where the pace of technological innovation is growing faster and faster. Amid these rapidly occurring changes, we believe that achieving sustainable growth requires swift, precise decision making and strategy formulation and smooth operational implementation.

Founded on this conviction, the Tsubaki Group maintains a comparatively small Board of Directors, with 7* directors, 2 less than fiscal 2008, to facilitate quick response to a rapidly changing external environment. Conversely, the 15* executive officers who make up the executive officer system, each with a wealth of experience in their operational area, utilize their special knowledge and skills to achieve smooth operational implementation.

* Of the 15 executive officers, 4 are directors

■ Aggressively and voluntarily utilizing non-Group resources

To realize impartiality, objectivity, and oversight for management, we have appointed one outside director, while two of the four corporate auditors are outside auditors. Regarding capital markets, we maintain transparency in management by disclosing information in a timely and appropriate manner. Moreover, we do not simply release information; we take positive steps to achieve two-way communication with capital markets by paying careful attention to feedback on our management. For example, following the biannual Settlement of Accounts presentation, we allow a considerable amount of time for investors and analysts to ask questions and exchange opinions. In addition, through such methods as plant tours and small meetings, we are increasing the opportunities for direct communication between the capital markets and the Group's directors and officers. We also hold informal discussions between Group officers and shareholders at the end of the annual meeting of shareholders. In this way, we do not simply report and explain information to shareholders, but rather strive to hold dialogues with them and pay full attention to their opinions.



Establishing corporate ethics

In 2002, the Tsubaki Group established the *Corporate Work Ethics / Guidelines for Ethical Conduct* as guidelines for behavior to be shared by all employees throughout the Group, and also set up ethics helplines. These helplines are intended to prevent any law or internal regulation from being violated, and we offer both in-house and external ethics helplines to enable employees to easily provide information or seek advice. In addition, to ensure that all Group employees are fully aware of *Corporate Work Ethics*, since fiscal 2006 the Tsubaki Group has designated every February as “Strengthening Corporate Ethics Month.”

Further, every year we hold training for those employees responsible for procurement at each of the 13 Group companies in Japan to make sure all Group companies practice fair trading with external contractors.

Strengthening personal information protection and information security

In April 2005, we established our *Policy for Protecting Personal Information and Regulations for Handling of Personal Information*, and the Group is fully committed to protecting personal information. We are working to ensure we effectively protect personal information by methods including frequent training sessions for employees and regular internal audits.

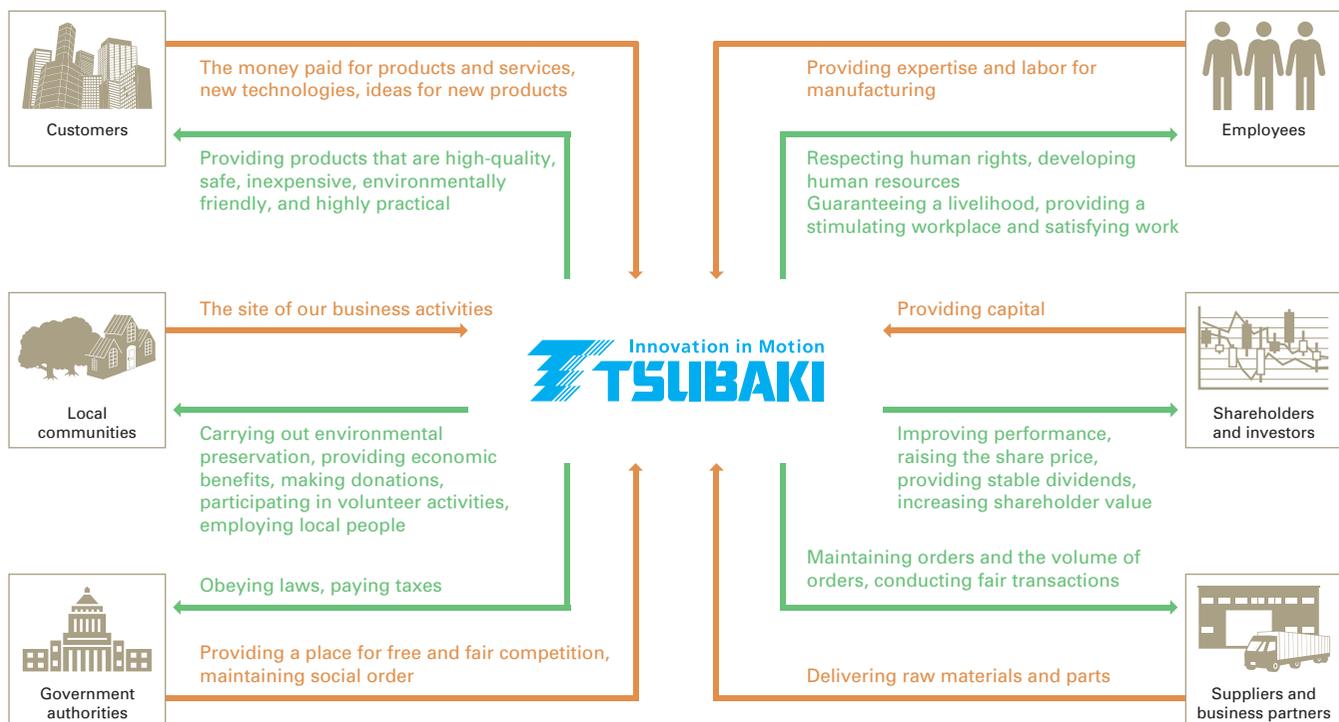
Further, since fiscal 2006 the Group has been implementing a series of measures to strengthen security, such as revising regulations on the handling and storing of confidential business information, acquiring non-disclosure and confidentiality agreements, and updating electronic information security regulations.

Internal controls

The Tsubaki Group has established an *Internal Controls Basic Policy* and *Internal Controls Regulations*, centered on three areas of internal control activities: (1) Internal control activities prescribed by the Company Law, (2) Internal control activities prescribed by the Financial Instruments and Exchange Act, and (3) Internal control activities voluntarily carried out by the Tsubaki Group. Through activities in these three areas, we are achieving compliance with laws, regulations, and corporate ethics while also carrying our risk management. These activities also ensure the reliability of our financial reporting at the same time as promoting increased operational efficiency.

Fiscal 2009 was the first year we carried out internal control activities as prescribed by the Financial Instruments and Exchange Act. We assessed the maintenance and management conditions of our financial reporting from a control perspective and found them to be effective. We published the results of the assessment in our *Internal Controls Report*.

Relationships between the Tsubaki Group and its stakeholders



Basic philosophy regarding these activities

In April 2008, we revised *Our Values*, the Tsubaki Group's Mission Statement regarding guidelines for employee behavior. It specifies how, through our business activities, we will contribute to environmental preservation and to local communities as a corporate citizen. We are utilizing the spirit of striving with honest perseverance, which we have cultivated through our experience as a manufacturing Group, as we fulfill our responsibilities as a member of society.

Responding to the need for environmental preservation and reduced energy consumption

Environmentally friendly products—Contributing to society through manufacturing

Through our main business of manufacturing, the Tsubaki Group is contributing to environmental preservation and to conserving natural resources.

For example, in June 2008 we launched the Zip Chain Lifter. The Zip Chain is a new development in chains, consisting of two chains that interlock in a zip-like fashion to form a single, strong column. Through this unique zip technology, this groundbreaking product is able to directly transmit thrust for lifting and lowering, and can lift three to ten times faster than conventional electric and hydraulic lifters. It also has a longer lifespan, specifically the number of lift and lowering repetitions across the equipment's life. Moreover, the Zip Chain Lifter uses 20% less electricity than conventional hydraulic lifters, and as it does not use ancillary hydraulic equipment it substantially reduces necessary maintenance work. More than 100 Zip Chain Lifters are already in use at automotive manufacturing plants, which demand high levels of efficiency and environmental compliance.

Our other products are also enabling customers to lower their environmental burden and realize environment-related improvements through their reduced size and weight and increased efficiency, reduced noise, and lifespan. These products include our high-performance, high-precision timing chain drive systems that realize reduced automotive emissions and improved fuel efficiency and our noise- and dust-reducing cable and hose protection and guidance products, such as the TKR Tsubaki Plastic

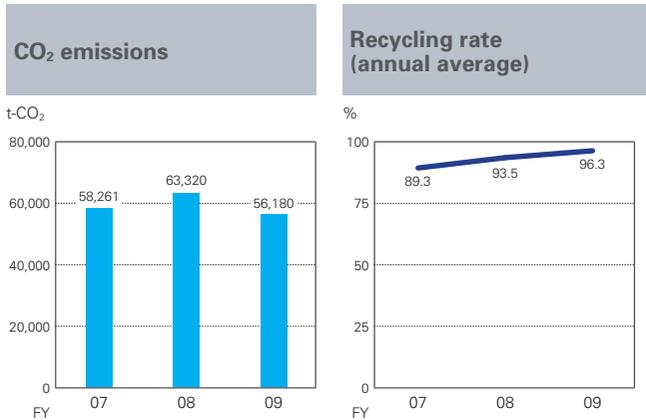
Cableveyor. Moreover, as part of a series of initiatives to reduce hazardous chemical substances, we are increasing the number of products compliant with the RoHS*¹ and ELV*² directives and European REACH*³ regulations.

1. RoHS directive: For the restriction of the use of certain hazardous substances in electrical and electronic equipment
2. ELV directive: European Union regulations aimed at reducing waste and environmental burden resulting from vehicle disposal
3. REACH regulation: For the registration, evaluation, authorization, and restriction of chemicals



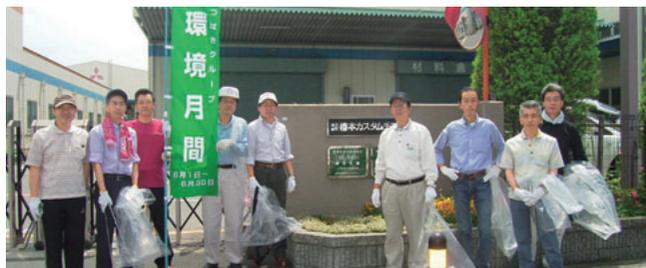
Carrying out global warming countermeasures and waste recycling at manufacturing sites

For example, in fiscal 2008 at the Tsubakimoto Chain Saitama Plant we switched heating fuel from heavy fuel oil to city gas at our tensioner manufacturing sites, which enabled us to reduce annual CO₂ emissions by 85 tons. At the same plant, we have been utilizing filtration equipment that allows us to reuse machine oil used when press punching a chain's link plates, which is enabling us to recycle 2,800 liters of waste oil each month.



Providing environmental education

Since fiscal 2009, the Tsubaki Group has designated every June as "Strengthening Environmental Education Month," and we are carrying out activities to raise awareness among all employees regarding environmental preservation and to create opportunities to translate this raised awareness into action. During this month, employees take part in many activities that demonstrate our spirit of striving with honest perseverance, such as attending environmental training and workplace meetings, cleaning the areas around plants, and participating in environmental events held by local authorities each month.



Participating in the Daitou Clean Walk (TSUBAKIMOTO CUSTOM CHAIN CO.)



Goya Green Curtains placed around the plant's canteen (Kyotanabe Plant)

Connecting with local communities

We are making steady efforts as a member of our local communities

For example, in August 2008 we held the first parents and children plant tour at the Kyotanabe Plant, which over a two-day period encouraged elementary school students and their parents to visit the plant. The tour was held a total of three times in July and August 2009. It allowed students to make use of all of their senses and enjoy manufacturing processes firsthand. They were able to get a close-up look at machinery under operation and to actually assemble chain parts and compete against each other to see who could create the longest chain.

The Kyotanabe Plant is also engaged in a number of other activities centered on its local community, such as veteran engineers visiting high schools to teach students how to use a lathe.

In addition, the Hyogo Plant holds a "work experience week," during which two local junior high school students spend five days at the plant and experience the operations of a manufacturing site.



Summer holiday parents and children plant tours