

November 16, 2005

CONSOLIDATED FINANCIAL STATEMENTS

6 Months Ended September 30, 2005

Name of the Company: Tsubakimoto Chain Co.
Code number: 6371
Stock exchange listings: Tokyo, Osaka, Nagoya
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Board of Directors meeting to approve announcement of operating results: November 16, 2005

Adoption of U.S. GAAP: No

1. Consolidated Operating Results for the Six Months Ended September 30, 2005

(1) RESULTS OF CONSOLIDATED OPERATIONS * Amounts less than ¥1 million rounded down

	Net sales		Operating income		Ordinary income		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For 6 months ended September 30, 2005	70,108	11.9	6,109	34.1	5,602	43.5	2,770	50.9
For 6 months ended September 30, 2004	62,625	5.9	4,554	46.0	3,903	61.6	1,835	56.1
For Year ended March 31, 2005	129,563		10,447		8,888		4,449	

	Net income per share	Net income per share (Diluted)
	Yen	Yen
For 6 months ended September 30, 2005	14.76	-
For 6 months ended September 30, 2004	9.76	-
For Year ended March 31, 2005	22.77	-

(Notes)

(1) Investment profit under equity method: ¥8 million in six months ended September 30, 2005; ¥15 million in six months ended September 30, 2004; ¥20 million in 12 months ended March 31, 2005

(2) Average number of outstanding shares (consolidated): 187,599,287 in six months ended September 30, 2005; 188,076,766 in six months ended September 30, 2004; 187,889,323 in 12 months ended March 31, 2005

(3) Changes to accounting policies in the most-recent consolidated fiscal year: Yes

(4) Percentage figures for net sales, operating income, and other items indicate increases or decreases compared with the same period of the previous fiscal year.

(2) CONSOLIDATED FINANCIAL POSITION

	Total assets	Shareholders' equity	Equity ratio	Equity per share
	Millions of Yen	Millions of Yen	%	Yen
September 30, 2005	189,906	77,305	40.7	412.11
September 30, 2004	175,330	68,675	39.2	365.53
March 31, 2005	179,263	71,633	40.0	380.91

(Note) Shares outstanding at end of terms: 187,584,106 as of September 30, 2005; 187,878,555 as of September 30, 2004; 187,612,926 as of March 31, 2005

(3) CONSOLIDATED CASH FLOWS

	Net cash provided by operating activities	Net cash provided by (used in) investing activities	Net cash used in financial activities	Cash and cash equivalents at end of period / year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
For 6 months ended September 30, 2005	1,077	(2,101)	(1,055)	9,591
For 6 months ended September 30, 2004	4,895	(2,272)	(4,454)	11,958
For Year ended March 31, 2005	9,672	(2,465)	(9,412)	11,562

(4) SCOPE OF CONSOLIDATED ACCOUNTS AND APPLICATION OF EQUITY METHOD

Consolidated subsidiaries: 23; Non-consolidated subsidiaries accounted for under equity method: 0; Affiliates accounted for under equity method: 1

(5) CHANGES IN SCOPE OF CONSOLIDATED ACCOUNTS AND APPLICATION OF EQUITY METHOD

Companies newly added to consolidated accounts: 0; Companies subtracted from consolidated accounts: 0; Companies newly added under equity method: 0; Companies subtracted under equity method: 0

2. Outlook for Consolidated Operating Results in the Year Ending March 31, 2006

	Net sales	Ordinary income	Net income
	Millions of Yen	Millions of Yen	Millions of Yen
Full year	145,000	12,000	6,000

Projected net income per share: ¥31.98

* The above projections are based on assumptions and judgments made by Tsubakimoto Chain in light of information available at the present juncture. However, Tsubakimoto Chain's actual performance may differ materially from those projections due to changes in the operating environment.