

November 17, 2004

CONSOLIDATED FINANCIAL STATEMENTS

6 Months Ended September 30, 2004

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, 2004

Adoption of U.S. GAAP: No

1. Consolidated Operating Results for the Six Months Ended September 30, 2004

(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, 2004	62,625	5.9	4,554	46.0	3,903	61.6	1,835	56.1
For 6 months ended September 30, 2003	59,163	4.1	3,119	1.8	2,415	13.3	1,176	2.1
For Year ended March 31, 2004	119,141		7,950		6,215		3,384	

	Net income per share	Net income per share (Diluted)
	Yen	Yen
For 6 months ended September 30, 2004	9.76	-
For 6 months ended September 30, 2003	6.23	-
For Year ended March 31, 2004	17.40	-

(Notes)

(1) Investment profit under equity method: ¥15 million in six months ended September 30, 2004; ¥6 million in six months ended September 30, 2003; ¥42 million in 12 months ended March 31, 2004

(2) Average number of outstanding shares (consolidated): 188,076,766 in six months ended September 30, 2004; 188,716,719 in six months ended September 30, 2003; 188,657,512 in 12 months ended March 31, 2004

(3) Changes to accounting policies in the most-recent consolidated fiscal year: None

(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, 2004	175,330	68,675	39.2	365.53
September 30, 2003	176,307	63,883	36.2	338.53
March 31, 2004	175,432	66,872	38.1	354.14

(Note) Shares outstanding at end of terms (consolidated): 187,878,555 as of September 30, 2004; 188,707,756 as of September 30, 2003; 188,543,974 as of March 31, 2004

(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, 2004	4,895	(2,272)	(4,454)	11,958
For 6 months ended September 30, 2003	2,673	9,767	(8,653)	16,056
For Year ended March 31, 2004	7,995	9,067	(15,537)	13,680

(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: 1; 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, 2005

	Net sales	Ordinary income	Net income
	Millions of Yen	Millions of Yen	Millions of Yen
Full year	128,000	8,600	4,300

Projected net income per share: ¥22.88

* 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.