
Dordrecht, 28 March 2011

- NOTIFICATION IMPACT EARTHQUAKE ON TSUBAKI -

To our key partners in business:

Taking the recent tragic events in Japan into consideration, we can understand your concern regarding the impact on our mutual business. For this reason, we would like to clarify the situation and update you about the impact on the Tsubaki Power Transmission (PT) division:

Buildings, Machines, Equipment

The Tsubaki PT manufacturing facilities are between 700 and 900Km away from the epicentre of the earthquake (see map below). No damages were reported to our buildings, machines and equipment. All manufacturing facilities have remained operational.

Infrastructure

Public transport, transport of goods and power supply in the Kansai Area, where almost all of the Tsubaki PT manufacturing facilities are located are unaffected. The sea- and airports of Kobe and Osaka, have remained fully operational since 11 March 2011.

Suppliers

All materials are sourced in the Kansai area in the South of Japan or abroad. Until today, there is no indication that strategic suppliers of Tsubaki are affected by the earthquake. Tsubaki is capable of anticipating on delivery delays by utilizing alternative suppliers in its local and global manufacturing network.

Radioactive contamination

All goods from Tsubaki enter the European Union through the port of Rotterdam and through Schiphol airport. Following the call of the European Commission, the Dutch authorities specifically check for radioactivity on food products, pet food and toys from Japan. There has been no European call to check Power Transmission products from Japan.

The Japanese government is checking all prefectures for radioactivity levels on an hourly basis. The average values are published by the government and show values which are similar to values measured in the past. The measurements on 24 March were between 0,036 and 0,049 µSv/hour in the area of Osaka, Kyoto and Okayama. The average annual values in The Netherlands vary between 0,055 and 0,100 µSv/hour (source: www.rivm.nl)

Tsubakimoto Chain Co. states that there is no reason to be concerned about radioactive contamination on the products and components supplied to Europe or any other continent.

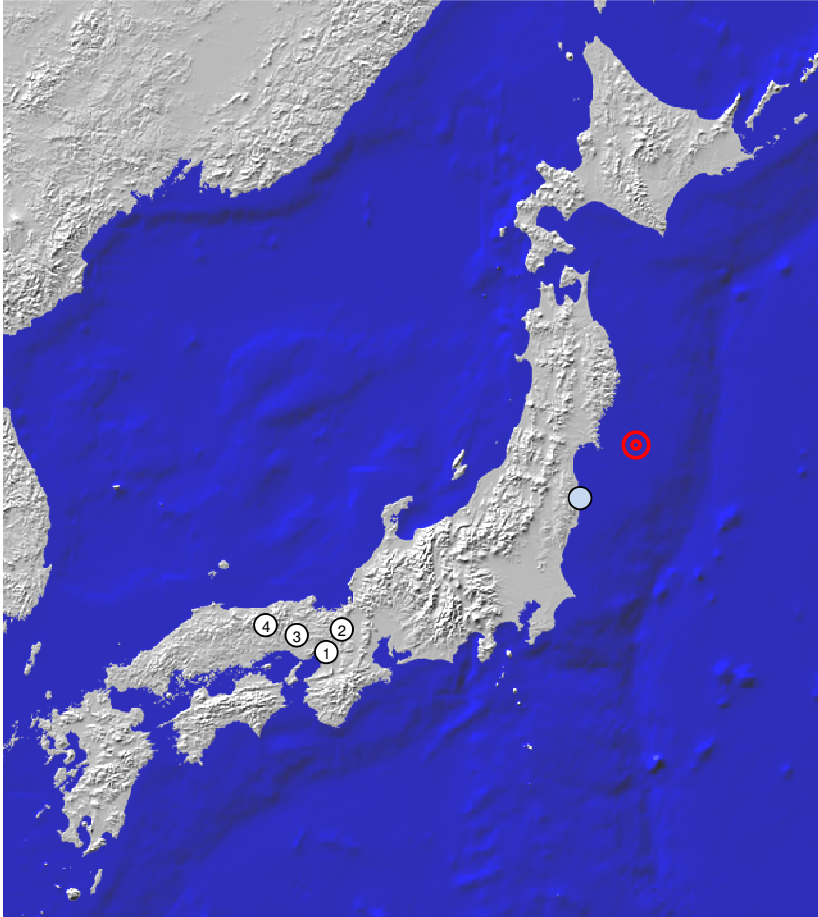
Deliveries

Delays in deliveries due to the recent events in Japan are not expected.

Tsubakimoto Chain Co. continues all efforts to assess and contain risk in order to ensure that delivery dates and the highest Tsubaki quality standards are met.

On behalf of the Board of Directors
TSUBAKIMOTO EUROPE B.V.

Power Transmission Division



- ① Headquarters Osaka, Kyotanabe plant (Industrial Chain), Tsubaki Custom Chain, Tsubaki Sprocket
- ② Kyoto plant (TEM)
- ③ Hyogo plant (TEM)
- ④ Okayama plant (TEM)
- ⊙ Epicentre earthquake
- Fukushima Power Plant