

August 4, 2014



Company name: Tsubakimoto Chain Co.
Stock code: 6371
Stock exchange listing: Tokyo
Representative: Isamu Osa, President and Representative Director
Inquiries: Sachiko Wada
Office of the President
Tel: +81 (6) 6441-0054

Acquisition of Shares in Mahindra Conveyor Systems Private Limited in India

Tsubakimoto Chain Co. ("Tsubaki") announced that it had executed a share purchase agreement with Mahindra Engineering & Chemical Products Ltd. ("MECP") to acquire shares in its subsidiary, "Mahindra Conveyor Systems Private Limited" ("MCS") and completed the share acquisition on July 31, 2014.

1. Purpose of investment

MECP and Tsubaki Bulk Systems Corp. ("TBS"), a wholly-owned subsidiary of Tsubaki, have collaborated together closely in the field of bulk handling conveyors for the cement industry in India for 25 years. TBS further strengthened its ties by acquiring 8.5% of MCS which was inaugurated in 2010 when MECP spun off its conveyor business.

In addition to the shares held by TBS, the acquisition of shares this time by Tsubaki allows the Tsubaki Group to gain a majority (51%) of MCS. By leveraging its performance in the bulk handling and automotive industries in India, the Tsubaki Group aims to further expand its materials handling business on a global scale."

*MECP is a part of the Mahindra Group, an Indian conglomerate.

2. Outline of MCS

Company name: Mahindra Conveyor Systems Private Limited
Representative: Ravindra Vaidya (CEO)
Date of incorporation: January 4, 2010 (Conveyor business carved out of MECP)
Capital: INR 313m/approx. JPY 555m (shareholding ratio: MECP 91.5%, TBS 8.5%)
Location: Pune, Maharashtra, India
Number of employees: Approx. 120
Business description: Engineering, manufacture and sale of conveyors and systems

3. Summary of share purchase agreement

Execution date: July 1, 2014
Number of shares acquired: 13,335,475 MCS shares acquired from MECP
*Shareholding ratio post acquisition: Tsubaki Group 51.0% (Tsubaki 42.5%, TBS 8.5%), MECP 49.0%
New company name: Mahindra Tsubaki Conveyor Systems Private Limited

4. This transaction will have no material effect on Tsubaki's consolidated financial performance for the fiscal year ending March 31, 2015.