



May 11, 2017

Listed Company Name	TACHI-S CO., LTD.
Name of Representative	Taro Nakayama, President&COO (Code 7239: Tokyo Stock Exchange, 1st section)
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Notice Concerning Partial Change to Articles of Incorporation

We are pleased to announce that at the Board of Directors meeting held on May 11, 2017, a resolution was passed to place a proposal to change the Articles of Incorporation of the Company on the agenda of the 65th Annual General Meeting of Shareholders, scheduled to be held on June 23, 2017. The details are as follows:

1. Reasons for change

- (1) To add provisions to Article 14 (Provision of reference documents, etc., for Meeting of Shareholders through Internet disclosure) of the Articles of Incorporation, in consideration of the common usage of the Internet, and based on the relevant ordinance of the Ministry of Justice, which allows for the disclosure of some matters recorded in the reference documents, etc., for Meeting of Shareholders via the Internet.
- (2) To add provisions to Article 22, Paragraph 2 (Notice of convocation of Board of Directors meeting) and Article 30, Paragraph 2 (Notice of convocation of Audit & Supervisory Board meeting) of the Articles of Incorporation that allow for the holding of Board of Directors meetings and Audit & Supervisory Board meetings without calling procedures, in order to allow for flexible operation of the Board of Directors and the Audit & Supervisory Board.
- (3) To add provisions that allow the Board of Directors to make written resolutions to Article 23 (Omission of resolutions of the Board of Directors) of the Articles of Incorporation, in order to allow for more flexible operation of the Board of Directors.
- (4) To add provisions to Article 26, Paragraphs 4 and 5 (Designated number of Audit & Supervisory Board Members and election of Audit & Supervisory Board Members) of the Articles of Incorporation to provide for Substitute Audit & Supervisory Board Members, in case the Company does not have the number of Audit & Supervisory Board Members required by law, and to change Article 27, Paragraph 2 (Term of office of Audit & Supervisory Board Members) of the Articles of Incorporation to clarify the term of office in the event that a Substitute Audit & Supervisory Board Member assumes office as an Audit & Supervisory Board Member.
- (5) To add provisions to Article 34 (Institution that determines dividends of surplus, etc.) of the Articles of Incorporation and delete a portion of the existing Article 7 (Purchase of treasury stock) and Article 34 (Interim dividends) of the Articles of Incorporation, which duplicated a portion of said article, and add Article 35, Paragraphs 2 and 3 (Record date of dividends of surplus) of the Articles of Incorporation, based on Article 459, Paragraph 1 of the Companies Act, in order to flexibly implement our capital policy and dividend policy. Furthermore, the additions to Article 34 do not eliminate the right to dispose of surplus through a resolution at the Meeting of Shareholders.
- (6) Other necessary changes, such as changes to article numbers because of additions or deletions of articles.

2. Content of the changes

Changes are listed in the appendix.

3. Schedule

Meeting of Shareholders to change the Articles of Incorporation: Friday, June 23, 2017

Effective date of change to the Articles of Incorporation: Friday, June 23, 2017

Current Articles of Incorporation	Proposed Changes
<p data-bbox="197 183 778 246">Chapter 5 - Audit & Supervisory Board Members and the Audit & Supervisory Board</p> <p data-bbox="181 286 759 385">(Designated number of Audit & Supervisory Board Members and election of Audit & Supervisory Board Members)</p> <p data-bbox="181 394 564 524">Article <u>25</u> (Text omitted) (2) (Text omitted) (3) (Text omitted) (New)</p> <p data-bbox="181 1012 686 1075">(Term of office of Audit & Supervisory Board Members)</p> <p data-bbox="181 1084 769 1352">Article <u>26</u> (Text omitted) (2) The term of appointment of Audit & Supervisory Board Members, who were elected as Substitute Audit & Supervisory Board Members that resigned before the completion of their term, is the remainder of the term of the Audit & Supervisory Board Member that resigned.</p> <p data-bbox="181 1738 507 1769">Articles <u>27-28</u> (Text omitted)</p> <p data-bbox="181 1809 730 1872">(Notice of convocation of Audit & Supervisory Board meeting)</p> <p data-bbox="181 1881 571 1944">Article <u>29</u> (Text omitted) (New)</p> <p data-bbox="181 2087 507 2119">Articles <u>30-31</u> (Text omitted)</p>	<p data-bbox="829 183 1414 246">Chapter 5 - Audit & Supervisory Board Members and the Audit & Supervisory Board</p> <p data-bbox="813 286 1394 385">(Designated number of Audit & Supervisory Board Members and election of Audit & Supervisory Board Members)</p> <p data-bbox="813 394 1426 972">Article <u>26</u> (Unchanged) (2) (Unchanged) (3) (Unchanged) (4) <u>The Company may elect Substitute Audit & Supervisory Board Members at Meeting of Shareholders if there are fewer than the number of Audit & Supervisory Board Members required by law, under the provisions of Article 329, Paragraph 3 of the Companies Act.</u> (5) <u>The effective period of resolutions related to the Substitute Audit & Supervisory Board Members referred to in the previous paragraph lasts until the start of the Annual General Meeting of Shareholders for the final fiscal year that will end within 4 years of the resolution in question.</u></p> <p data-bbox="813 1012 1318 1075">(Term of office of Audit & Supervisory Board Members)</p> <p data-bbox="813 1084 1417 1697">Article <u>27</u> (Unchanged) (2) The term of appointment of Audit & Supervisory Board Members, who were elected as Substitute Audit & Supervisory Board Members that resigned before the completion of their term, is the remainder of the term of the Audit & Supervisory Board Member that resigned. <u>However, if a Substitute Audit & Supervisory Board Member elected under Paragraph 4 of the above article assumes the role of Audit & Supervisory Board Member, the term of appointment of said Audit & Supervisory Board Member cannot exceed the conclusion of the Annual General Meeting of Shareholders for the final fiscal year that will end within 4 years of appointment.</u></p> <p data-bbox="813 1738 1139 1769">Articles <u>28-29</u> (Unchanged)</p> <p data-bbox="813 1809 1401 1872">(Notice of convocation of Audit & Supervisory Board meeting)</p> <p data-bbox="813 1881 1426 2047">Article <u>30</u> (Unchanged) (2) <u>An Audit & Supervisory Board meeting may be called without calling procedures if an agreement is reached by all Audit & Supervisory Board Members.</u></p> <p data-bbox="813 2087 1139 2119">Articles <u>31-32</u> (Unchanged)</p>

Current Articles of Incorporation	Proposed Changes
<p style="text-align: center;">Chapter 6 - Accounting</p> <p>Article <u>32</u> (Text omitted)</p> <p style="text-align: right;">(New)</p> <p>(Record date of dividends of surplus)</p> <p>Article <u>33</u> (Text omitted)</p> <p style="text-align: right;">(New)</p> <p>(Interim dividend)</p> <p>Article <u>34</u> <u>The Company may grant an interim dividend with a record date of September 30 by resolution of the Board of Directors.</u></p> <p>Article <u>35</u> (Text omitted)</p>	<p style="text-align: center;">Chapter 6 - Accounting</p> <p>Article <u>33</u> (Unchanged)</p> <p><u>(Institution that determines dividends of surplus, etc.)</u></p> <p>Article <u>34</u> <u>The Company may determine any of the items listed in Article 459, Paragraph 1 of the Companies Act through a resolution by the Board of Directors, unless stipulated otherwise by law.</u></p> <p>(Record date of dividends of surplus)</p> <p>Article <u>35</u> (Unchanged)</p> <p>(2) <u>The record date of interim dividends granted by the Company shall be September 30 each year.</u></p> <p>(3) <u>Dividends of surplus may be granted with another record date stipulated, in addition to those described in the previous two paragraphs.</u></p> <p style="text-align: center;">(Deleted)</p> <p>Article <u>36</u> (Unchanged)</p>