



August 9, 2018

Listed Company Name TACHI-S CO., LTD.
Name of Representative Taro Nakayama, President, CEO&COO
(Code 7239: Tokyo Stock Exchange, 1st section)
Contact Yoshiyuki Nogami, Executive Vice President
(TEL: 042-546-8112)

Notice concerning the Decision on the Acquisition of Shares in the Performance-Linked Stock Compensation System

At a Board of Directors meeting on May 14, 2018, the Board of Directors resolved that TACHI-S CO., LTD. (“the Company”) will introduce a Performance-Linked Stock Compensation System (hereinafter referred to as the “System for Director, member of the board;” the trust established for the introduction of the System for Director, member of the board will be referred to as the “Trust for Delivery of Shares to Director, member of the board”) for Company Director, member of the board (excluding Outside Directors and non-Executive Directors; the same applies below). The introduction of the System for Director, member of the board was approved at the 66th Annual General Meeting of Shareholders held on June 22, 2018.

Furthermore, the Board of Directors today resolved that the Company will introduce a Performance-Linked Stock Compensation System for employees (those executive officers [excluding Director, member of the board who concurrently hold executive officer posts], VP [Senior Director], Division Managers and Section Managers who meet certain criteria; same applies hereinafter) (this system is hereinafter referred to as “System for Employees,” and together with the System for Director, member of the board, it will be referred to collectively as the “System;” the trust established for the introduction of the System for Employees will be referred to as the “Trust for Delivery of Shares to Employees,” and together with the “Trust for Delivery of Shares to Director, member of the board,” it will be referred to collectively as the “Trust”). Matters related to acquisition of the Company shares by the Trust’s Trustees were determined accordingly. The details are provided below.

1. Outline for the Trust

(1) Name	Trust for Delivery of Shares to Director, member of the board	Trust for Delivery of Shares to Employees
(2) Trustor	The Company	
(3) Trustee	Sumitomo Mitsui Trust Bank, Limited (Re-trust trustee: Japan Trustee Services Bank, Ltd.)	
(4) Beneficiaries	Director, member of the board who meet the requirements for beneficiaries	Employees who meet the requirements for beneficiaries
(5) Trust administrator	Plan to elect a third party who has no conflicts of interest with the Company or the Company’s officers	
(6) Exercise of voting rights	No exercise of voting rights concerning Company shares in the Trust	The trust administrator will provide instructions on the exercise of voting rights concerning Company shares in the Trust.
(7) Type of trust	Money entrust other than money trust (third-party benefit trust)	
(8) Date of trust agreement	August 28, 2018 (scheduled)	
(9) Date entrusted	August 28, 2018 (scheduled)	
(10) Trust termination	August 31, 2021 (scheduled)	

2. Acquisition of the Company shares by the Trust's Trustees

(1) Type of share to be acquired	Common stock	
(2) Amount entrusted by the Company to acquire shares	Trust for Delivery of Shares to Director, member of the board 85,822,800 yen	Trust for Delivery of Shares to Employees 349,962,300 yen
(3) Total number of shares to be acquired	Trust for Delivery of Shares to Director, member of the board 47,600 shares	Trust for Delivery of Shares to Employees 194,100 shares
(4) Method of share acquisition	Acquisition through disposal of treasury shares	
(5) Share acquisition date	August 28, 2018 (scheduled)	