



February 4, 2005

Highlights of Consolidated Financial Results for FY2005 Third Quarter

(April 1,2004 through December 31,2004)

Company name: **TACHI-S Co., Ltd.**
Stock Exchange Listed: Tokyo Stock Exchange
Code Number: 7239
Location of the head office: Tokyo
URL: <http://www.tachi-s.co.jp>
Representative: Kiyoshi Saito, President
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1. Notes to Preparation of the Quarterly Financial Report

1) Simplified method adopted for accounting principles.

Accounting standard for income taxes: partial adoption of simplified method.

2) No changes in accounting principles from the latest consolidated accounting period.

3) Changes in the scope of consolidation and application of the equity method.

Consolidated subsidiaries:

Newly added: 2

Affiliates under equity method application:

Newly added: 1

2. Highlights of Consolidated Financial Results for FY2005 Third Quarter

(1) Results of Operations

(Unit: Millions of yen, unless otherwise specified)

	Sales		Operating Income		Ordinary Income	
		%		%		%
Nine Months Ended December. 2005	129,627	16.6	2,102	34.5	4,565	59.9
Nine Months Ended December. 2004	111,218	16.1	1,563	-	2,855	173.6
(Reference) Fiscal Year ended March. 2004	151,218		2,558		4,392	

	Net Income		Net Income per share (yen)	Fully Diluted Earnings per share (yen)
		%		
Nine Months Ended December. 2005	3,038	71.7	130.04	-
Nine Months Ended December. 2004	1,769	702.6	75.72	-
(Reference) Fiscal Year ended March. 2004	2,489		105.03	-



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(Note) Each "Year to Year change" represents relevant change in percentage compared to the same period of the previous year.

[Qualitative information on progress status of Consolidated Results of Operations]

Consolidated net sales rose 16.6% to 129,627 million yen and operating income rose 34.5% to 2,102 million yen on an annual basis for the period from April to December 2004. Contributing factors include sales from the new consolidated subsidiary in Canada and strong performances in both national and overseas markets. The equity-method affiliate in the US also continued to perform well. Consequently, ordinary income rose 59.9% annually to 4,565 million yen and net income rose 71.7% to 3,038 million yen for the period under review.

(2)Financial Position

(Unit: Millions of yen, unless otherwise specified)

	Total assets	Shareholder's Equity	Shareholder's Equity To Total Assets(%)	Shareholder's Equity Per Share(yen)
Nine Months Ended December. 2005	90,958	42,472	46.7	1,817.78
Nine Months Ended December. 2004	-	-	-	-
(Reference) Fiscal Year ended March. 2004	83,058	38,941	46.9	1,665.12

(Note) Financial position for the previous year is not shown, because it has been shown this quarter.

[Qualitative information on Financial Position]

Total assets increased 7,900 million to 909,580 million yen from March 31 to December 31, 2004, mainly because of an increase in investment securities associated with the equity-method affiliates and the newly established consolidated subsidiaries. Shareholders' equity rose 3,531 million yen to 42,472 million yen during the same period, while equity ratio fell fractionally from 46.9% to 46.7% as a result of increased minority interests in the consolidated subsidiaries.

(3)Forecast for the Fiscal Year Ending March 2005 (April 1, 2004 – March 31, 2005) (Unit: Millions of yen)

	Net Sales	Ordinary Income	Net Income
Full Year	181,000	5,500	3,500

(Reference) Estimated net income per common share for the full year: 132.18yen

The projected net earnings per share for the full year ending March 2005 is based on the number of shares issued. These include new shares to be issued in accordance with decisions taken on January 11, 2005. The issues will comprise 2.5 million shares through a public offering and a provisional 350,000 shares privately placed to third parties through overallotment. The latter figure is based on the assumption that 350,000 shares will sell out through application prior to issue.

[Qualitative information for forecast]

As for our forecast for the year ending March 31, 2005, net sales are expected to exceed previously announced projections because of strong domestic sales of cars which have parts and devices supplied by Tachi-S. Meanwhile, earnings are expected to match the projections for advanced development costs and the start-up costs for new business.

*The above projections were created on the basis of information available at the time of release of this material. Actual results may differ from these projections due to a variety of factors.