

June 6, 2007

To all our Shareholders,

Notice of the 55th Annual General Meeting of Shareholders

The shareholders of TACHI-S CO., LTD. (the “Company”) are invited to participate in the 55th Annual General Meeting of Shareholders, the details of which are set forth below.

If you are unable to attend the meeting in person, you are entitled to cast a postal vote. To do this, we cordially ask you to study the attached reference document and then return the enclosed voting right exercise form indicating your approval or disapproval of the matters to be resolved, to reach us by 5 p.m. on Tuesday, June 26, 2007.

1. **Date and time:** 10:00 a.m. Wednesday, June 27, 2007
2. **Venue:** TACHI-S CO., Ltd. Head Office (Assembly Hall on the third floor)
3-3-7 Matsubara-cho, Akishima-shi, Tokyo
3. **Agenda:**

Matters for reporting:

1. Business Report, consolidated accounts, and audit report of the consolidated accounts by the Independent Auditors and Board of Corporate Auditors for the 55th term (April 1, 2006 to March 31, 2007)
2. Report of the accounts for the 55th term (April 1, 2006 to March 31, 2007)

Matters for approval:

- Proposal 1:** Appropriation of retained earnings
Proposal 2: Election of seven Directors
Proposal 3: Election of one Corporate Auditor
Proposal 4: Election of one substitute Corporate Auditor
Proposal 5: Election of Independent Auditors
Proposal 6: Provision of retirement allowance for retiring Directors and Corporate Auditor

4. **Decisions on convening the Ordinary General Meeting of Shareholders:**

If you wish to exercise your voting right by proxy, you may appoint one other shareholder who has a voting right to act as your proxy. To attend this Ordinary General Meeting of Shareholders, the proxy shareholder must submit a document to prove its power of attorney.

* If you are attending the Annual General Meeting of Shareholders on the scheduled day, please submit the enclosed voting form at the reception.

* We will post any revisions we make to the Reference Materials for General Meeting of Shareholders, the Business Report, or accounts and consolidated accounts on our website (<http://www.tachi-s.co.jp>).

REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and reference matters

Proposal 1: Appropriation of retained earnings

We wish to appropriate retained earnings as follows:

Matters related to year-end dividend

The Company's basic policy is to maintain constant and stable dividend payments in consideration of the Company's profits each fiscal year, business developments, and the consolidated dividend payout ratio. The Company will proactively strive to return profits to shareholders by such means as paying commemorative dividends whenever the Company reaches a milestone year in its business development. The full-year dividend for the fiscal year under review, including the commemorative dividend for the Company's 20th anniversary of both listing on the Tokyo Stock Exchange and making inroads into the U.S., will be as follows. Furthermore, the annual dividend for the fiscal year under review, including the interim dividend, will be ¥12 per share.

(1) Type of dividend: Cash

(2) Matters related to appropriation of dividends and total amount thereof

We will pay ¥6 (comprised of an ordinary dividend of ¥5 and a commemorative dividend of ¥1) per share of the Company's common stock. We will pay a total amount of ¥186,291,876 as dividends.

(3) Effective date of dividend from retained earnings: June 28, 2007

Proposal 2: Election of seven Directors

The terms of office of all nine directors will expire at the close of this Ordinary General Meeting of Shareholders. Accordingly, we propose to reduce the number of directors by two and elect the following seven Director candidates.

The candidates for directors are as follows:

No.	Name (Date of birth)	Brief history, Position, Principal Duties, and Posts held in other companies	Number of shares of the Company held
1	Kiyoshi Saito (January 25, 1947)	March 1973 June 1982 June 1993 June 1996 June 2001 June 2005 Joined TACHI-S Co., Ltd. Director Managing Director Representative Director & President Chief Operating Officer Representative Director & Chairman and CEO (incumbent)	736,628
2	Kosaku Tarumi (October 17, 1942)	April 1966 June 1993 June 1995 June 1997 June 2001 June 2005 Joined TACHI-S Co., Ltd. Director Managing Director Senior Managing Director Representative Director & Vice President Representative Director & President, Chief Operating Officer, in charge of Management Audit (incumbent)	20,990

3	Mitsuya Koike (July 17, 1944)	<p>April 1967 Joined TACHI-S Co., Ltd.</p> <p>June 1999 Director</p> <p>June 2001 Retired as Director of the Company Executive Officer</p> <p>June 2002 Senior Executive Officer</p> <p>June 2003 Director and Managing Executive Officer</p> <p>June 2005 Representative Director and Vice President (incumbent)</p> <p>April 2007 General Manager, Development Engineering Division (incumbent)</p>	23,200
4	Hiroshi Taguchi (January 18, 1947)	<p>April 1998 Joined TACHI-S Co., Ltd. as Senior General Manager Representative Director and President on loan to Industria de Asiento Superior S.A.DE C.V.</p> <p>June 2001 Joined Nissan Motor Co., Ltd.</p> <p>October 2001 General Manager, Overseas Sales Division I, China Department</p> <p>April 2002 General Manager, Chinese Operations</p> <p>January 2003 Joined TACHI-S Co., Ltd. as Corporate Advisor</p> <p>June 2003 Executive Officer</p> <p>June 2004 Director & Managing Executive Officer (incumbent)</p> <p>April 2006 General Manager, Overseas Operations Control Division (incumbent)</p> <p>(Posts held in other companies)</p> <p>Representative Director & Chairman, TACHI-S Engineering U.S.A. INC.</p> <p>Representative Director & President, TACHI-S Canada Ltd.</p> <p>Representative Director & President, TACHI-S Engineering Europe S.A.R.L.</p> <p>Representative Director & Chairman, Industria de Asiento Superior S.A. DE C.V.</p>	16,200
5	Kazuyoshi Matsushita (July 4, 1951)	<p>April 1974 Joined TACHI-S Co., Ltd.</p> <p>June 2003 Executive Officer</p> <p>June 2004 Managing Executive Officer (incumbent)</p> <p>June 2005 Director, General Manager of Sales Division (incumbent)</p> <p>April 2007 Deputy General Manager of Business Control Division (incumbent)</p>	10,300
6	Yoshiyuki Nogami (January 9, 1952)	<p>April 1975 Joined Maeda Corporation</p> <p>April 1998 Deputy General Manager, Overseas Business Division</p> <p>December 1999 Left Maeda Corporation</p> <p>January 2000 Joined TACHI-S Co., Ltd.</p> <p>April 2000 General Manager, Accounting Department</p> <p>June 2003 Executive Officer</p> <p>June 2005 Managing Executive Officer (incumbent)</p> <p>April 2007 General Manager, Business Controlling Division (incumbent)</p>	6,980

7	Michihiro Kitsukawa (March 19, 1947)	April 1975	Registered with the Daiichi Tokyo Bar Association Joined Tanigawa Hachiro Law Office	800
		April 1977	Established Kitsukawa Michihiro Law Office	
		April 1999	Established and became a partner at Clover Law Office (incumbent)	
		June 2006	Director of TACHI-S Co., Ltd. (incumbent)	

Note

- 1: The above candidates have no conflicts of interest with the Company.
- 2: Mr. Kitsukawa is a candidate for Outside Director as stipulated in Article 2, Paragraph 3, Section 7 of the Enforcement Regulations of the Company Law.
- 3: Reason for nominating the candidate for Outside Director, reason for deciding that the candidate would be able to execute duties as an Outside Director, and Liability Limitation Agreement with Outside Director
 - (1) Reason for nominating the candidate for Outside Director
The Company proposes to elect Mr. Michihiro Kitsukawa as Outside Director in the hope of using his expertise and experience as a lawyer to help the Company's management. Furthermore, the term of office of the Company's Outside Director is one year from the close of this Ordinary General Meeting of Shareholders.
 - (2) Reason for deciding that the candidate would be able to appropriately execute duties as an Outside Director
Although Mr. Michihiro Kitsukawa does not have direct experience in corporate management apart from aiming to become an Outside Director, he has expertise and experience in corporate legal issues as a lawyer. Accordingly, we decided that Mr. Kizukawa would be able to appropriately execute duties as an Outside Director.
 - (3) Liability Limitation Agreement with Outside Director
The Company has concluded an agreement with Mr. Michihiro Kitsukawa to limit his damage liability as stipulated in Article 423, Paragraph 1 of the Company Law, based on the regulations specified in Article 427, Paragraph 1 of the said law. The maximum amount of liability for damage based on the said agreement is the minimum liability as stipulated in laws and regulations.

Proposal 3: Election of one Corporate Auditor

The term of office of the Corporate Auditor, Mr. Takuya Miyashita, will expire at the close of this Ordinary General Meeting of Shareholders. Accordingly, we propose to elect the following one corporate auditor candidate.

The Board of Corporate Auditors has already approved this proposal.

The candidate for Corporate Auditor is as follows:

Name (Date of birth)	Brief history, Position, Principal Duties, and Posts held in other companies	Number of shares of the Company held
Nobutake Ipposhi (September 16, 1944)	August 1971 Joined Peat, Marwick, Mitchell & Co. (current KPMG) March 1975 Registered as a certified public accountant January 1976 Joined Kansa Hojin Tokyo Marunouchi Jimusho (audit corporation, current Deloitte Touche Tohmatsu) February 2005 Registered as a certified tax accountant April 2005 Professor at Tohoku University Accounting School June 2006 Substitute Corporate Auditor of the Company (incumbent)	0

Note

- 1: The above candidate has no conflicts of interest with the Company.
- 2: Mr. Nobutake Ipposhi is a candidate for Outside Corporate Auditor as stipulated in Article 2, Paragraph 3, Section 8 of Enforcement Law of the Company Law.
- 3: Reason for nominating the candidate for Outside Corporate Auditor, reason for deciding that the candidate would be able to execute duties as an Outside Corporate Auditor, and Liability Limitation Agreement with Outside Corporate Auditor
 - (1) Reason for nominating the candidate for Outside Corporate Auditor
The Company proposes to elect Mr. Nobutake Ipposhi as an Outside Corporate Auditor hoping to capitalize on his expertise and experience as a certified public accountant to help the Company's accounting operations.
 - (2) Reason for deciding that the candidate would be able to appropriately execute duties as an Outside Corporate Auditor
Although Mr. Nobutake Ipposhi does not directly have experience in corporate management, he has expertise and experience in financial and accounting issues as a certified public accountant and academic expert. Accordingly, we decided that Mr. Ipposhi would be able to appropriately execute duties as an Outside Corporate Auditor.
 - (3) Liability Limitation Agreement with Outside Corporate Auditors
The Company has concluded an agreement with Mr. Nobutake Ipposhi to limit his damage liability as stipulated in Article 423, Paragraph 1 of the Company Law, based on regulations specified in Article 427, Paragraph 1 of the said law. The maximum amount of liability for damage based on the said agreement is the minimum liability as stipulated in laws and regulations.

Proposal 4: Election of one substitute Corporate Auditor

To ensure the Company has the number of Corporate Auditors stipulated in laws and regulations, we propose to elect the following substitute corporate auditor candidate as a substitute for both Mr. Hiroyuki Kawai, the Outside Corporate Auditor, and Mr. Nobutake Ipposhi, the candidate for Outside Corporate Auditor, if Proposal 3 is approved as originally proposed.

Furthermore, the effectiveness of the election at this Ordinary General Meeting of Shareholders is limited to the period before accession to office, and the election may be revoked with the approval of the Board of Corporate Auditors and by the resolution of the Board of Directors.

The Board of Corporate Auditors has already approved this proposal.

The candidate for substitute Corporate Auditor is as follows:

Name (Date of birth)	Brief history, Position, Principal Duties, and Posts held in other companies	Number of shares of the Company held
Noriaki Kinoshita (December 3, 1939)	June 1966 Registered as a certified public accountant Opened Kinoshita certified public accountant office April 1972 Part-time instructor, Faculty of Commerce, Chuo University October 1984 Senior Partner, Inoue Tatsuo Accounting Office October 1993 Senior Partner, Asahi & Co. (Left in March 2002) April 2002 Professor, Faculty of Commerce, Chuo University (incumbent)	0

Note

- 1: The candidate for substitute Corporate Auditor has no conflicts of interest with the Company.
- 2: Mr. Noriaki Kinoshita is an Outside Corporate Auditor as stipulated in Article 2, Paragraph 3, Section 8 of Enforcement Law of the Company Law.

3: Reason for nominating the candidate for Outside Corporate Auditor, reason for deciding that the candidate would be able to execute the duties as Outside Corporate Auditor, and Liability Limitation Agreement with Outside Corporate Auditor

(1) Reason for nominating the candidate for Outside Corporate Auditor

The Company proposes to elect Mr. Noriaki Kinoshita as a substitute Outside Corporate Auditor hoping to capitalize on his experience and financial knowledge as a certified public accountant to help the Company's accounting operations.

(2) Reason for deciding that the candidate would be able to appropriately execute duties as an Outside Corporate Auditor

Although Mr. Noriaki Kinoshita has no direct experience in corporate management, he has expertise and experience in financial and accounting issues as a certified public accountant and academic expert. Accordingly, we decided that Mr. Noriaki Kinoshita would be able to appropriately execute duties as an Outside Corporate Auditor.

(3) Liability Limitation Agreement with Outside Corporate Auditor

If Mr. Noriaki Kinoshita assumes office as a Corporate Auditor, the Company will conclude an agreement with him that limits his liability for damages as stipulated in Article 423, Paragraph 1 of the Company Law, based on regulations specified in Article 427, Paragraph 1 of the said law. The maximum amount of liability for damage based on the said agreement is the minimum liability as stipulated in laws and regulations.

Proposal 5: Election of Independent Auditor

ChuoAoyama PricewaterhouseCoopers (Current Misuzu Audit Corp.) stepped aside as the Independent Auditor of the Company as it was ordered to suspend operations by the Financial Services Agency for two months from July 1, 2006 to August 31, 2006.

In accordance with this, the Company elected as temporary Independent Auditors Mr. Toshimori Asakura, certified public accountant at the Yurakucho CPA Office effective from July 5, 2006, and Misuzu Audit Corp. effective from August 25, 2006, with the resolution of the Board of Corporate Auditors. They have since been working in a joint audit system. As their terms of office as temporary Independent Auditors will expire at the close of this Ordinary General Meeting of Shareholders, we propose the new election of Independent Auditor at this Ordinary General Meeting of Shareholders.

The Board of Corporate Auditors has already approved this proposal.

The candidate for Independent Auditor is as follows:

Name	PricewaterhouseCoopers Arata	
Main office	13th floor, East Tower, Sumitomo Fudosan Mita Twin Building, 4-2-8 Shibaura, Minato-ku, Tokyo	
History	June 2006	Established
	July 2006	Launched audit services (ongoing)
Constituent member (As of March 31, 2007)	Partners	90
	CPAs and Assistant CPAs	485
	USCPAs and other professionals	473
	Clerks	101
	Total	1,149

Proposal 6: Provision of retirement allowance for retiring Directors and Corporate Auditor

The three Directors (including one Outside Director) of Messrs. Hitoshi Kondo, Hiroyuki Miki, and Kyoichi Kudo, will retire as Directors; and Outside Corporate Auditor, Mr. Takuya Miyashita, will retire as Outside Corporate Auditor at the close of this Ordinary General Meeting of Shareholders. To reward them for their services during their terms of office, the Company proposes to provide a reasonable amount of retirement benefits, in line with the standards of the Company. We ask the shareholders to allow the Board of Directors to decide the specific amounts, timing, and method of paying the retirement benefits for the retiring Directors, and to allow the Board of Corporate Auditors to decide these matters for the retiring Corporate Auditor.

Brief histories of the retiring Directors and the retiring Corporate Auditor are as follows:

Name	Brief history	
Hitoshi Kondo	June 2003	Director of TACHI-S Co., Ltd. (incumbent)
Hiroyuki Miki	June 2005	Director of TACHI-S Co., Ltd. (incumbent)
Kyoichi Kudo	June 2005	Outside Director of TACHI-S Co., Ltd. (incumbent)
Takuya Miyashita	June 2003	Outside Corporate Auditor of TACHI-S Co., Ltd. (incumbent)

Consolidated Balance Sheet

(As of March 31, 2007)

(Unit: Millions of yen)

Account Name	Amount	Account Name	Amount
(Assets)		(Liabilities)	
Current assets	57,137	Current Liabilities	48,368
Cash and time deposits	11,094	Notes and accounts payable	35,384
Accounts and notes receivable	32,271	Short-term borrowings	2,836
Marketable securities	159	Income taxes payable	485
Inventories	5,889	Accrued expenses	6,261
Advance payments	433	Other current liabilities	3,400
Deferred tax assets	886		
Other current assets	6,411	Long term liabilities	8,955
Allowance for doubtful accounts	-9	Long-term borrowings	2,526
		Deferred tax liabilities	693
Fixed assets	51,983	Reserve for retirement benefits	1,424
Property, plant and equipment	30,684	Retirement allowance for directors and corporate audit	408
Buildings and structures	12,662	Negative goodwill	38
Machinery and vehicles	9,407	Other long-term liabilities	3,863
Land	5,692		
Construction in progress	1,622	Total liabilities	57,323
Other intangible assets	1,298		
		(Net assets)	
Intangible assets	2,198	Shareholders' equity	41,958
		Common stock	8,145
Investments and other assets	19,100	Additional paid-in capital	7,699
Investments in securities	17,096	Retained earnings	29,682
Long-term loans	160	Treasury stock	-3,568
Deferred tax assets	378	Evaluation, exchange differences	4,989
Other assets	1,516	Net unrealized gain on securities	1,858
Allowance for doubtful accounts	-51	Foreign currency translation adjustments	3,130
		Minority interests	4,848
		Total net assets	51,796
Total assets	109,120	Total liabilities and net assets	109,120

Figures in this balance sheet have been rounded down to the nearest unit.

Consolidated Statement of Income

(From April 1, 2006
to March 31, 2007)

(Unit: Millions of yen)

Account Name	Amount	
Net sales		216,857
Cost of sales		205,154
Gross profit		11,702
Selling, general and administrative expenses		11,893
Operating loss		190
Non operating income		
Interest income	350	
Dividend income	264	
Amortization of negative goodwill	25	
Equity in earnings of unconsolidated subsidiaries and affiliates	100	
Other non operating income	214	955
Non operating expenses		
Interest expense	61	
Bonds issue costs, etc.	48	
Foreign exchange losses	47	
Other non operating expenses	23	180
Ordinary income		583
Extraordinary income		
Gain on sales of investment securities	203	
Subsidy	212	416
Extraordinary loss		
Loss on disposal of fixed assets	190	
Loss on sales of investments in capital	39	
Loss on prior periods adjustment	352	
Loss on valuation of stock of subsidiaries and affiliates	92	673
Income before income taxes		325
Income taxes		902
Income taxes-deferred		10
Minority interests in net income of consolidated subsidiaries		83
Net income		-503

Figures in this income statement are rounded down to the nearest unit.

Consolidated Statement of Changes in Net Assets

(From April 1, 2006
to March 31, 2007)

(Unit: Millions of yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of March 31, 2006	8,145	7,730	30,998	-893	45,981
Changes of items during the period					
Dividend from retained earnings	-	-	-381	-	-381
Net loss	-	-	-503	-	-503
Acquisition of treasury stock	-	-	-	-3,567	-3,567
Disposal of treasury stock	-	0	-	0	0
Increase of consolidated subsidiaries	-	-	-58	-	-58
Decrease in surplus resulting from the acquisition of treasury stocks from equity-method subsidiaries and affiliates	-	-31	-	891	859
First issuance of stock acquisition rights	-	-	-	-	-
First retirement of stock acquisition rights	-	-	-	-	-
Others	-	-	-372	-	-372
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes of items during the period	-	-31	-1,315	-2675	-4,022
Balance as of March 31, 2007	8,145	7,699	-29,682	-3,568	41,958

(Unit: Millions of yen)

	Evaluation, exchange differences			Stock acquisition rights	Minority interests	Total net assets
	Net unrealized gain on securities	Foreign currency translation adjustments	Total evaluation, exchange			
Balance as of March 31, 2006	2,558	2,308	4,867	-	5,486	56,335
Changes of items during the period						
Dividend from retained earnings	-	-	-	-	-	-381
Net loss	-	-	-	-	-	-503
Acquisition of treasury stock	-	-	-	-	-	-3,567
Disposal of treasury stock	-	-	-	-	-	0
Increase of consolidated subsidiaries	-	-	-	-	-	-58
Decrease in surplus resulting from the acquisition of treasury stocks from equity-method subsidiaries and affiliates	-	-	-	-	-	859
First issuance of stock acquisition rights	-	-	-	10	-	10
First retirement of stock acquisition rights	-	-	-	-10	-	-10
Others	-	-	-	-	-	-372
Net changes of items other than shareholders' equity	-700	822	122	-	-638	-515
Total changes of items during the period	-700	822	122	-	-638	-4,538
Balance as of March 31, 2007	1,858	3,130	4,989	-	4,848	51,796

Figures in this statement of changes in shareholders' equity have been rounded down to the nearest unit

Non-consolidated Balance Sheet

(As of March 31, 2007)

(Unit: Millions of yen)

Account Name	Amount	Account Name	Amount
(Assets)		(Liabilities)	
Current assets	32,704	Current Liabilities	32,113
Cash and time deposits	1,610	Notes payable	1,176
Notes receivable	1,636	Accounts payable	26,607
Accounts receivable	21,422	Subsidiaries' and affiliates' funds entrusted for investment	622
Finished goods	535	Accounts payable-other	584
Raw materials	956	Accrued expenses	2,406
Work in process	249	Income taxes payable	223
Supplies	123	Deposits received	216
Advance payments	994	Notes payable-facilities	143
Deferred tax assets	497	Unearned revenue	81
Short-term loans	4,398	Other current liabilities	51
Accounts receivable-other	231		
Other current assets	57	Long term liabilities	7,641
Allowance for doubtful accounts	-9	Long-term borrowings	1,700
		Deferred tax liabilities	642
Fixed assets	39,495	Reserve for retirement benefits	1,050
Property, plant and equipment	16,390	Retirement allowance for directors and corporate auditors	389
Buildings	6,732	Long-term unearned revenue	322
Structures	400	Lease deposited	397
Machinery	3,648	Guarantee deposited	3,139
Vehicles	21		
Equipment	948		
Land	4,582	Total liabilities	39,754
Construction in progress	54		
Intangible assets	489	(Net assets)	
Software	471	Shareholders' equity	30,588
Other intangible assets	17	Common stock	8,145
Investments and other assets	22,615	Additional paid-in capital	7,730
Investments in securities	7,132	Legal capital surplus	7,697
Stock of subsidiaries and affiliates	11,777	Other additional paid-in capital	33
Investments in subsidiaries and affiliates	2,552	Retained earnings	18,637
Long-term loans	403	Legal retained earnings	480
Long-term prepaid expenses	10	Other retained earnings	18,156
Guarantee deposits	627	Reserve for special depreciation	2
Other assets	162	Reserve for advanced depreciation of fixed assets	23
Allowance for doubtful accounts	-49	General reserve	15,000
		Retained earnings brought forward	3,131
		Treasury stock	-3,926
		Evaluation, exchange differences	1,856
		Net unrealized gain on securities	1,856
		Total net assets	32,444
Total assets	72,199	Total liabilities and net assets	72,199

Figures in this balance sheet have been rounded down to the nearest unit.

Non-consolidated Statement of Income

(From April 1, 2006
to March 31, 2007)

(Unit: Millions of yen)

Account Name	Amount	
Net sales		122,890
Cost of sales		116,054
Gross profit		6,836
Selling, general and administrative expenses		6,224
Operating income		612
Non operating income		
Interest and dividend income	767	
Other non operating income	185	952
Non operating expenses		
Interest expense	64	
Other non operating expenses	70	135
Ordinary income		1,429
Extraordinary income		
Gain on sales of investment securities	203	203
Extraordinary loss		
Loss on disposal of fixed assets	175	
Loss on sales of investments in capital	39	
Loss on valuation of stock of subsidiaries and affiliates	89	304
Income before income taxes		1,328
Income taxes		252
Income taxes-deferred		42
Net income		1,033

Figures in this income statement have been rounded down to the nearest unit.

Statement of changes in net assets

(From April 1, 2006
to March 31, 2007)

(Unit: Millions of yen)

	Shareholders' equity						
	Common stock	Additional paid-in capital			Retained earnings		
		Legal capital surplus	Other additional paid-in capital	Total additional paid-in capital	Legal retained earnings	Other retained earnings	
					Reserve for special depreciation	R reserve for advanced depreciation of fixed assets	
Balance as of March 31, 2006	8,145	7,697	33	7,730	480	9	115
Changes of items during the period							
Dividend from retained earnings	-	-	-	-	-	-	-
Net income	-	-	-	-	-	-	-
Reversal of reserve for special depreciation	-	-	-	-	-	-7	-
Reversal of reserve for advanced depreciation of fixed assets	-	-	-	-	-	-	-92
Provision of general reserve	-	-	-	-	-	-	-
Acquisition of treasury stock	-	-	-	-	-	-	-
Disposal of treasury stock	-	-	0	0	-	-	-
First issuance of stock acquisition rights	-	-	-	-	-	-	-
First retirement of stock acquisition rights	-	-	-	-	-	-	-
Net changes other than shareholders' equity	-	-	-	-	-	-	-
Total changes of items during the period	-	-	0	0	-	-7	-92
Balance as of March 31, 2007	8,145	7,697	33	7,730	480	2	23

(Unit: Millions of yen)

	Shareholders' equity					Evaluation, exchange differences Net unrealized gain on securities	Stock acquisition rights	Total net assets
	Retained earnings			Treasury stock	Total shareholders' equity			
	Other retained earnings		Total retained earnings					
	General reserve	Retained earnings brought forward						
Balance as of March 31, 2006	14,000	3,379	17,985	-359	33,503	2,101	-	35,604
Changes of items during the period								
Dividend from retained earnings	-	-381	-381	-	-381	-	-	-381
Net income	-	1,033	1,033	-	1,033	-	-	1,033
Reversal of reserve for special depreciation	-	7	-	-	-	-	-	-
Reversal of reserve for advanced depreciation of fixed assets	-	92	-	-	-	-	-	-
Provision of general reserve	1,000	-1,000	-	-	-	-	-	-
Acquisition of treasury stock	-	-	-	-3,567	-3,567	-	-	-3,567
Disposal of treasury stock	-	-	-	0	0	-	-	0
First issuance of stock acquisition rights	-	-	-	-	-	-	10	10
First retirement of stock acquisition rights	-	-	-	-	-	-	-10	-10
Net changes other than shareholders' equity	-	-	-	-	-	-245	-	-245
Total changes of items during the period	1,000	-248	651	-3,566	-2,914	-245	-	-3,159
Balance as of March 31, 2007	15,000	3,131	18,637	-3,926	30,588	1,856	-	32,444

Figures in this statement of change in shareholders' equity have been rounded down to the nearest unit.