

# TACHI-S CO., LTD.

3-3-7 Matsubara-cho, Akishima-shi, Tokyo

Securities code: 7239

October 2004

## Establish a New Company (a General Partnership) in Canada

We are pleased to announce that our board of directors meeting held on September 17,2004 resolved to establish a new joint company (a general partnership) in Canada, as follows:

### 1. Reason for establish:

Following a similar company established in the United States, the new company will be established in Canada jointly with Jhonson Controls Inc. (based in the State of Wisconsin, USA;after this referred to as JCI) with the purpose of supplying automotive seats to Honda of Canada Manufacturing Company and thus further expanding TACHI-S business in North America.

### 2. Method of establishing the joint venture:

A general partnership will be formed between a subsidiary of TACHI-S and a subsidiary of JCI "scheduled for the end of September 2004" and this partnership will take over the Shelburne plant now operating in Canada from the JCI subsidiary.

### 3. Outline of the joint company:

(1)Business name:	SETEX Canada GP
(2)Representative:	To be dispatched by TACHI-S
(3)Head office:	Shelburne, Ontario, Canada
(4)Establish date:	The end of September 2004
(5)Business description:	Manufacture and sale of automotive seats and their parts
(6)Accounting date:	Year ending on September 30(scheduled)
(7)Number of employees:	About 450
(8)Location:	Shelburne, Ontario, Canada
(9)Investment amount:	About US\$39 million
(10)Equity participation:	51% owned by TACHI-S Engineering U.S.A Inc. (our wholly-owned subsidiary; after this referred to as TSE) and 49% by the JCI subsidiary
(11)Annual sales:	About \$30 billion planned for fiscal year 2005
(12)Plant scale:	Land area: about 80,000 square meter Building area: about 11,000 square meter

#### **4.Relationship between TACHI-S and JCI:**

Our two companies already have the following joint ventures operating in North America:

Company name	SETEX INC.	TECHNOTRIM INC.
Head office	State of Ohio, USA	State of Michigan, USA
Equity structure	51% by TSE; 49% by JCI	49% by TSE; 51% by JCI
Description of business	Manufacture and sale of automotive seats for Honda USA	Manufacture and sale of automotive seats