

March 16, 2009

To whom it may concern

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Notice Regarding Results of Rationalization for the Reduction of Personnel

The results of rationalization announced on January 23, 2009 are as follows.

1. Outline of rationalization

(1) Reduction of compensation for directors and executive officers

We will reduce compensation by between 20 and 40 percent (depending on position) for an unspecified period from January 2009.

(2) Reduction of management compensation

We will reduce the compensation of all management staff by a uniform 10 percent for an unspecified period from January 2009.

(3) Revision of irregular essential personnel

We will reduce irregular essential personnel by around 550 between now and the end of March 2009, focusing on manufacturing operations staff.

(4) Offering voluntary retirement

We will recruit volunteers by implementing a special system of preferential treatment for early retirement.

a. Recruitment personnel 100

b. Recruitment target Support staff aged 45 and above

c. Recruitment period February 23, 2009 to February 27, 2009

d. Retirement date March 31, 2009

e. Preferential measures We will provide additional sums exceeding those in the existing preferential early retirement system, and support job retraining and placement through a specialist company.

2. Results of voluntary retirement offer

Number of applicants 131

3. Impact on performance

The result of the current rationalization is estimated as a special loss of 540 million yen during the current fiscal period. This breaks down as special extra payments accompanying a 600 million yen reduction in costs and implementation of the special preferential measures for early retirement.

For the next fiscal period, we anticipate annual cost reductions of 830 million yen due to the current implementation of special preferential measures for early retirement.

TACHI-S CO., LTD.