

July 30, 2010

To whom it may concern

Listed Company Name	TACHI-S CO., LTD.
Name of Representative	Hiroshi Taguchi, Representative Director & President
Head Office	3-3-7, Matsubara-cho, Akishima, Tokyo 196-8611 (Code: 7239; Tokyo Stock Exchange, 1st Section)
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Notice of Establishment of New Company in China

We are pleased to announce that our board of directors meeting held on today resolved to establish a new company in the China as follows:

1. Purpose of the Establishment

We will establish a new company as a joint venture with Zhejiang Geely Group Holding Co., Ltd. and Zhejiang Jujin Automotive Parts Co., Ltd. to provide automotive seats with Geely Automobile Co., Ltd.

2. Outline of New Company

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|---------------------------|---|
| (1) Business name | ZHEJIANG GEE JU TAI AUTOMOTIVE SEAT CO., LTD. |
| (2) Representative | Undecided |
| (3) Location | Economic and Technological Development Area, Cixi City,
Zhejiang Province, People's Republic of China |
| (4) Time of establishment | Scheduled for middle of September 2010 |
| (5) Business description | Manufacturing and sales of automotive seats and seat
components |
| (6) Fiscal year | December 31 |
| (7) Number of employees | Approximately 200 (fiscal 2011) |
| (8) Main office | Headquarters and plant (same location as above) |
| (9) Capital | 38 million yuan (Approximately 500 million yen) |
| (10) Equity participation | TACHI-S CO., LTD. 40%
Zhejiang Jujin Automotive Parts Co., Ltd. 51%
Zhejiang Geely Group Holding Co., Ltd. 9% |
| (11) Investment amount | Initial year: 200 million yen |
| (12) Annual sales | Approximately 4.9 billion yen (fiscal 2011) |
| (13) Main customer | Geely Automobile Co., Ltd. |
| (14) Plant scale | Land area: 26,700 square meter
Building area: 7,560 square meter |
| (15) Production capacity | 100,000 units/year (fiscal 2011) |
| (16) Start of production | Scheduled for January 2011 |

3. Future Outlook

The impact of the newly established companies on consolidated results for the fiscal period ending March 2011 is anticipated to be slight.

4. Business Development in China

In 2001, we established “Zhengzhou Taixin Interia Co., Ltd.”, a seat manufacturing company for Zhengzhou Nissan, in Zhengzhou City, followed by the establishment of a seat cover manufacturing company, “Tachi-S Taicang Co., Ltd.”, in Taicang City in Jiangsu Province in 2003 for supplying seat covers to Japan. In 2004, we established “TACLE Guangzhou Automotive Seat Co., Ltd.”, a seat manufacturing company for Dongfeng Nissan in the Huadu District of Guangzhou Province, and further on the adjacent land in 2005, we founded “Tachi-S Trim Guangzhou Co., Ltd.”, a seat cover manufacturing company and “Fuji Autotech Guangzhou Co., Ltd.”, a seat components manufacturing company, to perform full production of automotive seats.

In June 2008, we established “Wuhan Tachi-S Johnson Controls Automotive Seat Co., Ltd.”, a seat manufacturing company for Dongfeng Honda Automobile Co., Ltd., in Wuhan City, Hubei Province, to perform the production of automotive seats.

In July 2008, we established “TACHI-S ENGINEERING CHINA CO., LTD.”, the third Development Center in overseas, in Fuzhou City, Fujian Province and is performing the design and development.

We mainly have performed manufacturing and sales of automotive seats for Japanese automobile manufacturers in Chinese market. The new company that will be established this time is the automotive seat manufacturing company for Geely Automotive Co., Ltd., which is Chinese private company.

We will further reinforce Chinese business with taking this opportunity.