



FY2020 Second Quarter Financial Result



From April 1, 2020 through March 31, 2021

TACHI-S CO.,LTD.
November 10, 2020

FY2020 2Q Financial Result

FY2020 Financial Forecast

Capital Expenditures

Dividend

FY2020 2Q Financial Result

FY2020 Financial Forecast

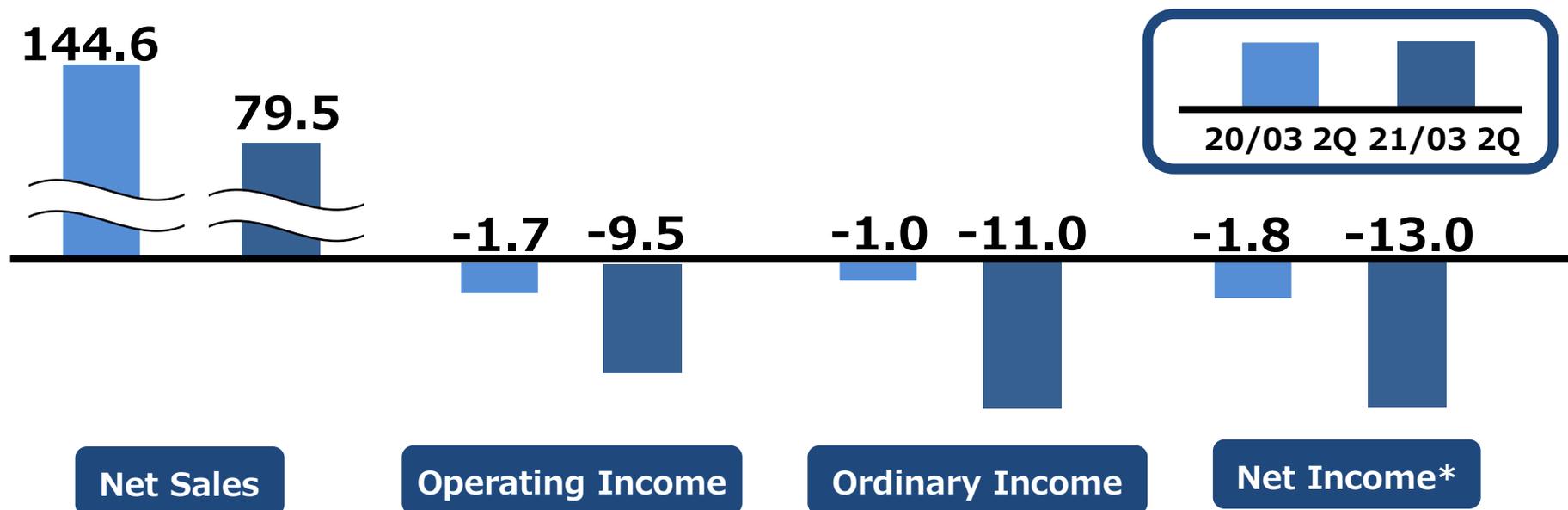
Capital Expenditures

Dividend

vs. previous year

(Unit: billion yen)
(Amounts are rounded down)

	2020/03 2Q	2021/03 2Q	Change	Change(%)
Net Sales	144.6	79.5	-65.0	-45.0
Operating Income	-1.7	-9.5	-7.7	—
Ordinary Income	-1.0	-11.0	-10.0	—
Net Income*	-1.8	-13.0	-11.2	—



* Net income attributable to TACHI-S CO., LTD.

vs. previous year

(Unit: billion yen)
(Amounts are rounded down)

Net Sales

144.6

79.5

35.0

13.9

15.8

0.0

14.2

0.3

Region

Change

Change(%)

Japan

-29.8

-46.0%

North America

-9.0

-39.2%

Latin America

-14.1

-47.0%

Europe

-0.9

-97.4%

China

-9.5

-40.0%

Southeast Asia

-1.6

-82.1%

20/03 2Q

21/03 2Q

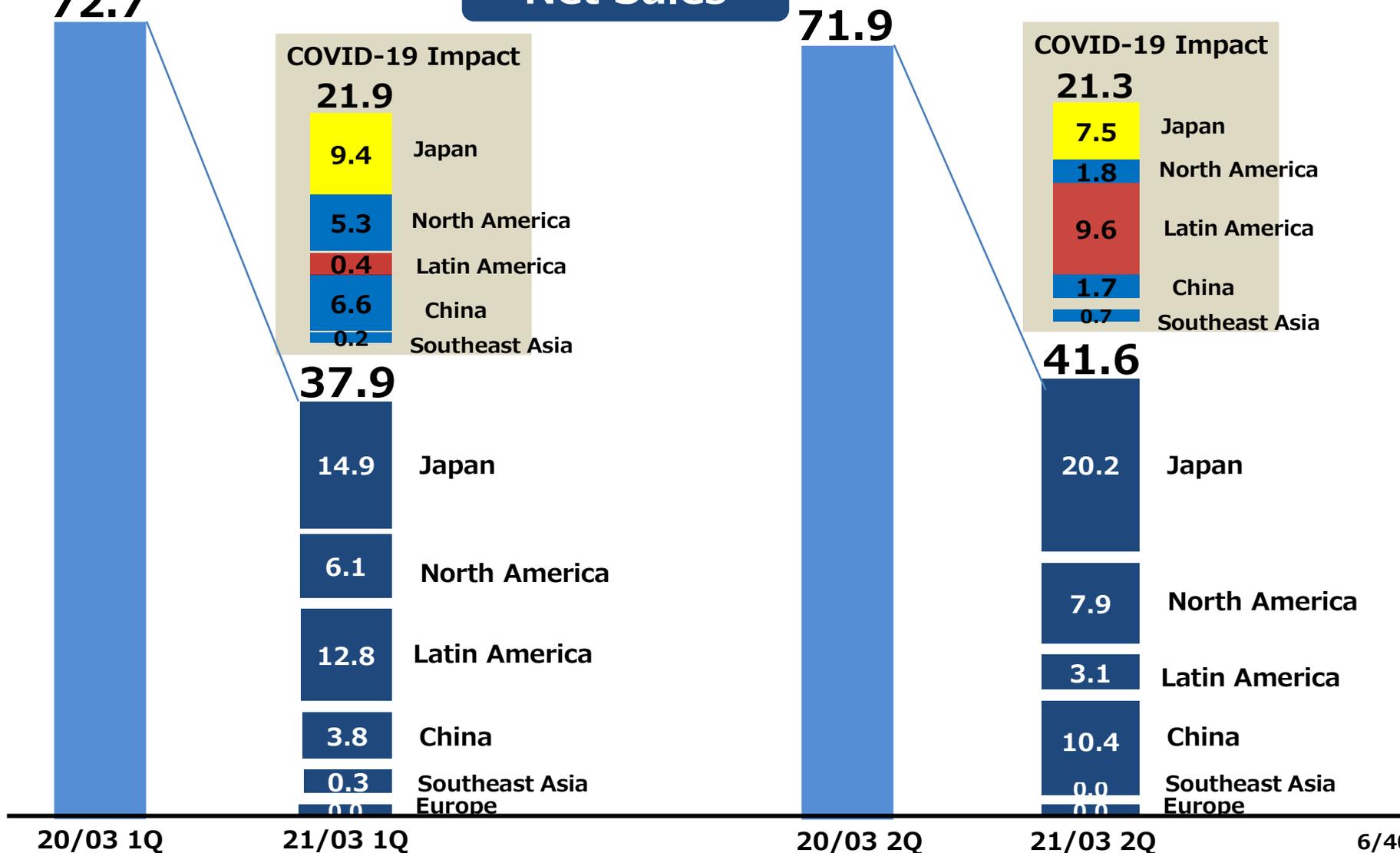
Exchange Rate 20/03 2Q US\$=¥109.18 RMB=¥16.31
21/03 2Q US\$=¥106.82 RMB=¥15.39

COVID-19 Impact

Net Sales

(Unit: billion yen)

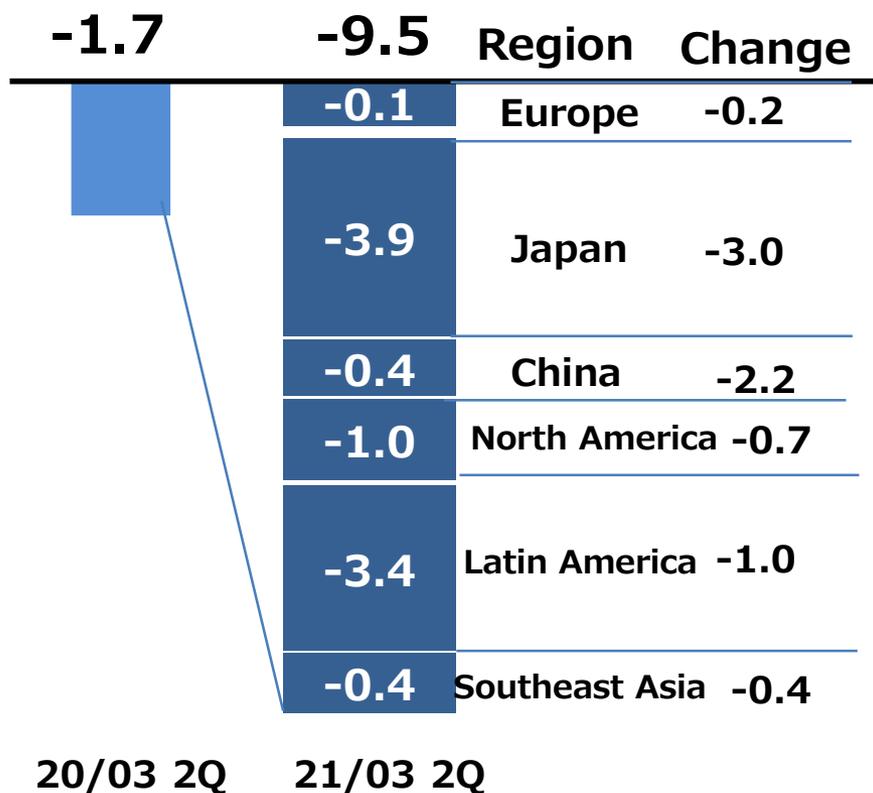
(Amounts are rounded down)



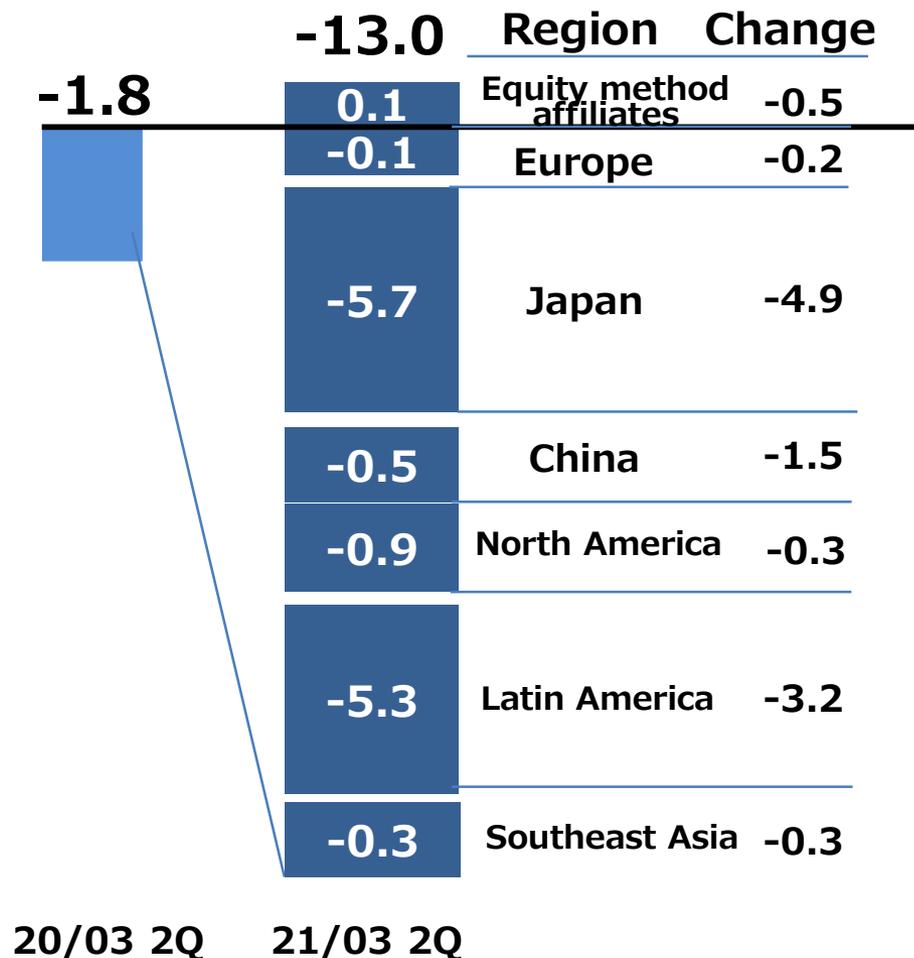
vs. previous year

(Unit: billion yen)
(Amounts are rounded down)

Operating Income



Net Income*

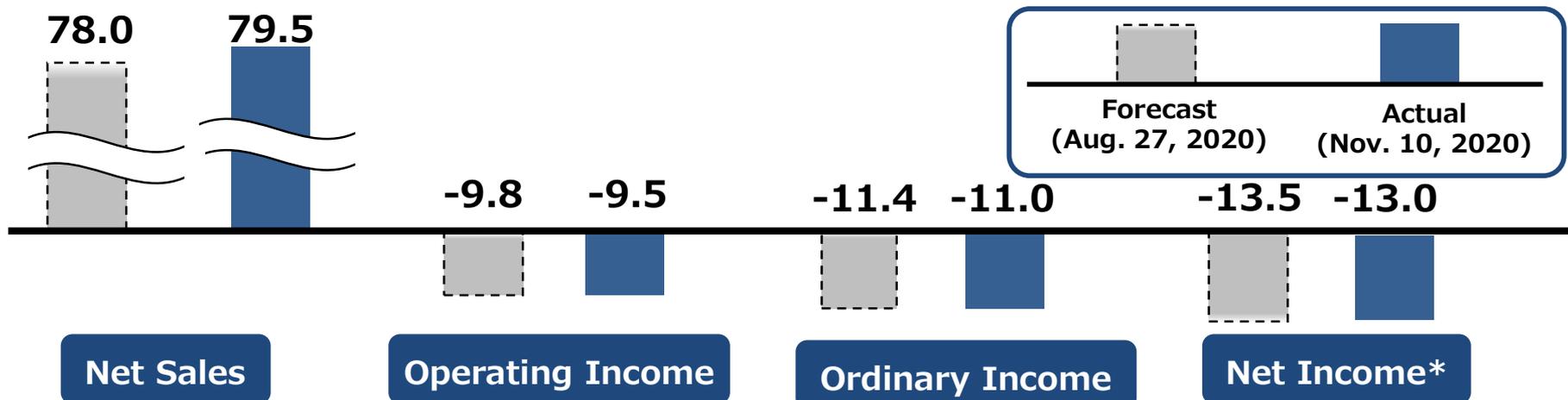


* Net income attributable to TACHI-S CO., LTD.

vs. forecast

(Unit: billion yen)
(Amounts are rounded down)

	Forecast released on Aug. 27, 2020	2021/03 2Q	Change	Change (%)
Net Sales	78.0	79.5	+1.5	+2.0
Operating Income	-9.8	-9.5	+0.2	—
Ordinary Income	-11.4	-11.0	+0.3	—
Net Income*	-13.5	-13.0	+0.4	—



* Net income attributable to TACHI-S CO., LTD.

Topics

◆ TACHI-S '16-'20 Management Strategy

Global Teamwork 2020

Improve Corporate Value with
**Global One Team, making us a
 Continuously Selected Company**
 based on 'TRUST' by our Customers

Objectives

■ Build a Solid Business Base that Enables Sustainable Achievement of Goals (*) for Vision GC177 in 2020

* Quality No. 1, Operating Income 7%, Global Share 7%

■ Expand Sales: + 30%

■ Achieve Benchmark Monozukuri Cost

Transformation areas

Global Business Expansion

Sales Power

Monozukuri Capability

Business Bases (Foundation)

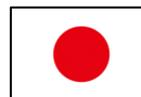
Strengthen corporate governance

New Models/Minor Change Models in FY2020

	2020												2021		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Japan		● Honda e					● SKYLINE Sedan(MY21) ● Honda e (Japan)	●	● N-ONE (MY21)	●		●		●	●
USA									● ACCORD (MY21)	●	●				
Mexico							● ● COROLLA (TRIM)			●	●	●		●	
Brasil		● HJD							● KICKS (MY20.5)					●	
China	● RVR (MY20)			● OUTLANDER (MY20)					●		●	●	●		●
ASEAN									● NOTE (MY20)	●		●			

● NISSAN/VEUCIA ● HONDA/ACURA ● MITSUBISHI ● Toyota/Hino ● Models to be launched in second half ※MY : Model Year

HONDA EV 「Honda e」 Seat



Start of mass production at the Musashi plant of "Honda e" (*for Japan)



Mexico NISSAN SENTRA Seat

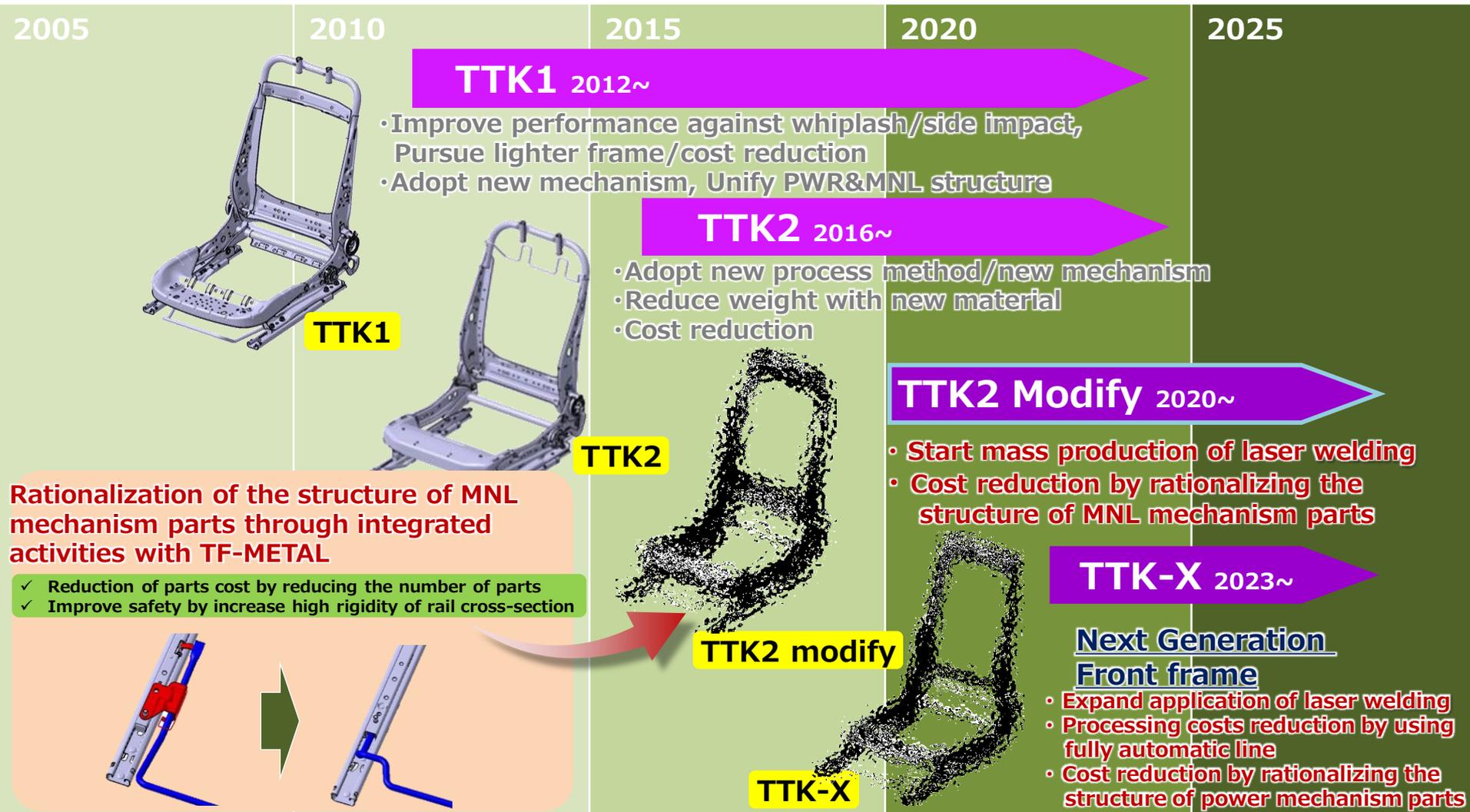


Start of Production: August 2020

Production Site: TACHI-S Mexico

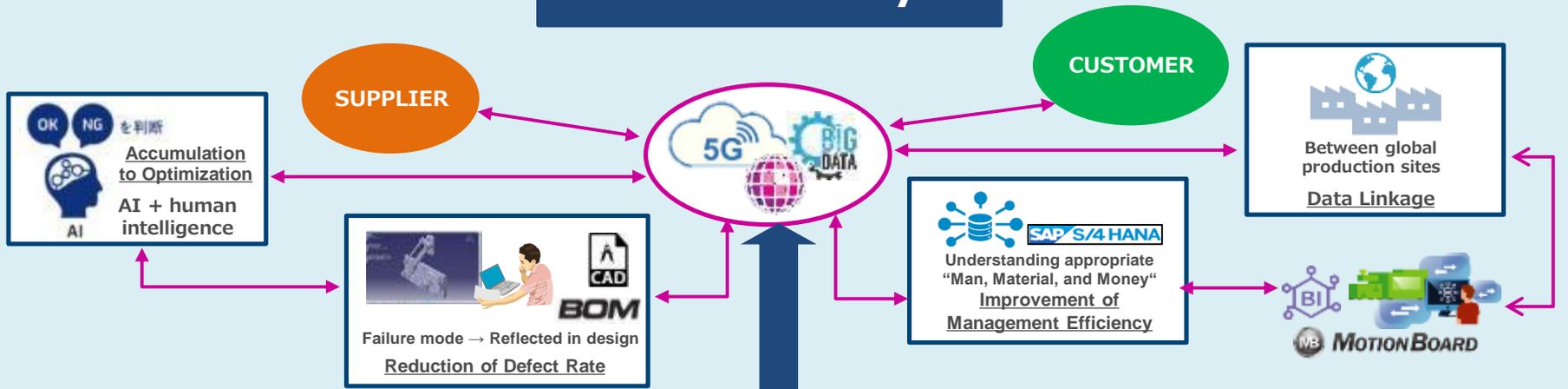


Strengthening the development capabilities, improving the processing technology, and reinforcing the supply structure of TACHI-S standard skeleton frames.



PLM : Product Lifecycle Management

PLM Activity



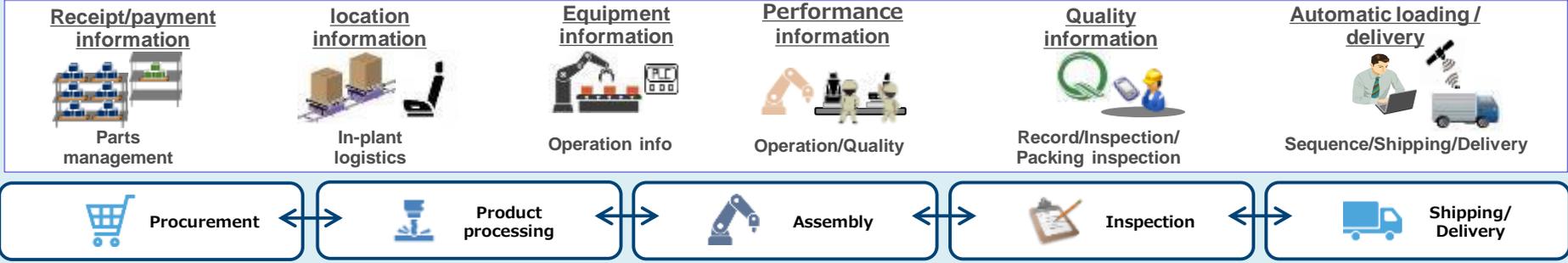
New TPS

All the way through
Order Receipt/Production Planning/Inventory Control/Shipping/Sales Accounting
Renews management operations by linking data between equipment and companies

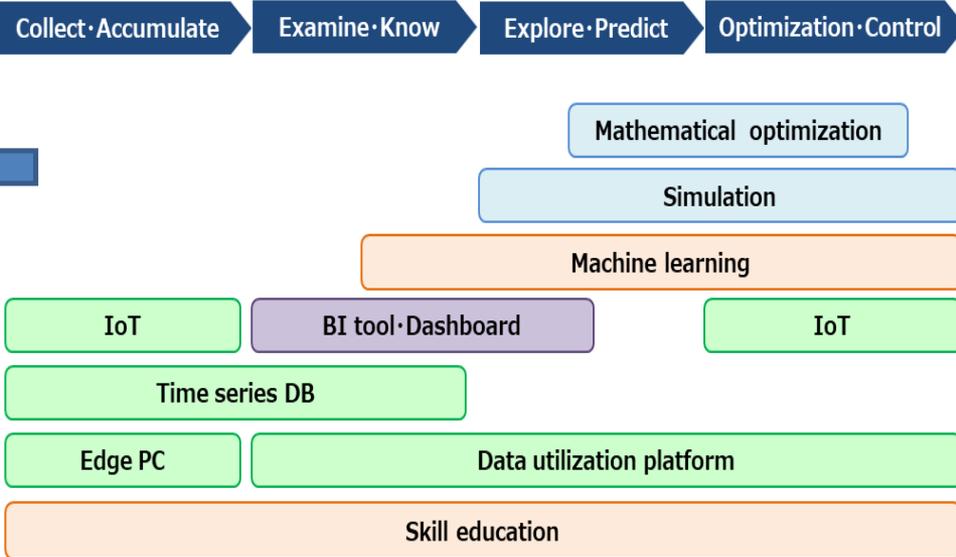


New MES

Obtains production performances from the equipment
Enables process management that you can see what's going on "right now" in Genba



2020 to 2030 Monozukuri Challenge



Q

Accumulate quality information
Make analysis/Take countermeasures based on past data

• Developing a data acquisition method of quality information

C

Manage fixed assets by utilizing RFID
Make inventory operations far more efficient

• Working toward operation in 2021

D

Recovery support from remote system

Improve OEE through reducing unexpected downtime

• Working toward operation in 2021

L

Video/3D data
Work training in a virtualized environment

• In operation

BI : Business Intelligence

Learning

In this great transformation period, we aim to become **a company with a meaningful existence** that provides **both economic and social value** by conducting “work transformation” and “business transformation” based on the core technologies we have cultivated in the automotive seat business.

The next medium- to long-term plan will be announced at the beginning of FY2021

Outcomes from our team efforts for quality improvement

From NISSAN



Supplier Quality Award



LEAR DFM TACHI-S AUTOMOTIVE SEATING (DALIAN) CO.LTD.



Japan Regional Quality Award



From HONDA



Delivery and Quality Award



SETEX, Inc.



SETEX AUTOMOTIVE MÉXICO, S.A. DE C.V.



TACHI-S and Nui Tec Corporation donated "medical aprons" to Yokote City, Akita Prefecture

We donated 10,000 medical aprons to Yokote City, Akita Prefecture, to support medical care following the impact of COVID-19. On October 1, 2020, we received a certificate of appreciation from Yokote City's mayor, Mr. Takahashi, for "making a significant contribution to the improvement of the medical system in Yokote City". The donated medical aprons were produced at Nui Tec Akita Plant and sent to Yokote City. The production of the medical aprons was a challenge for the company to enter a different field of business from its main business of manufacturing car seat covers. Our group will continue to actively contribute to the local community in the future.



Award Ceremony



Certificate of Appreciation



Donation Ceremony



Members involved in the production of medical aprons



Medical apron (with sleeves)



Production line (working scene)

FY2020 2Q Financial Result

FY2020 Financial Forecast

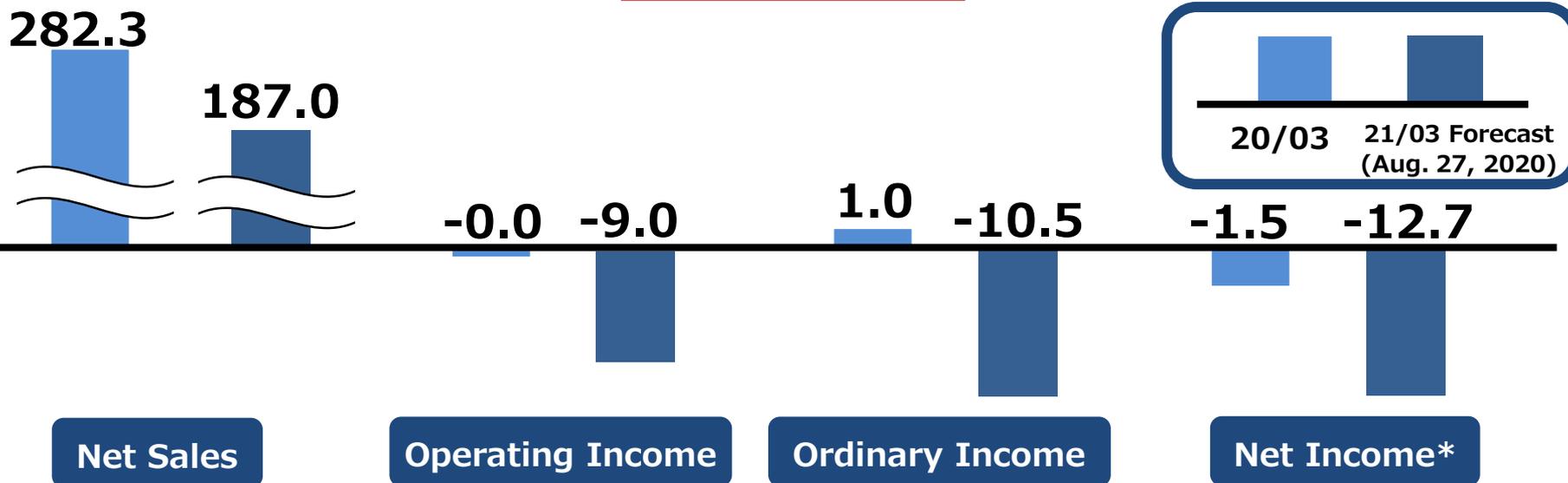
Capital Expenditures

Dividend

vs. previous year

(Unit: billion yen)
(Amounts are rounded down)

	2020/03	2021/03 Forecast (Aug. 27, 2020)	Change	Change (%)
Net Sales	282.3	187.0	-95.3	-33.8
Operating Income	-0.0	-9.0	-8.9	-
Ordinary Income	1.0	-10.5	-11.5	-
Net Income*	-1.5	-12.7	-11.1	-

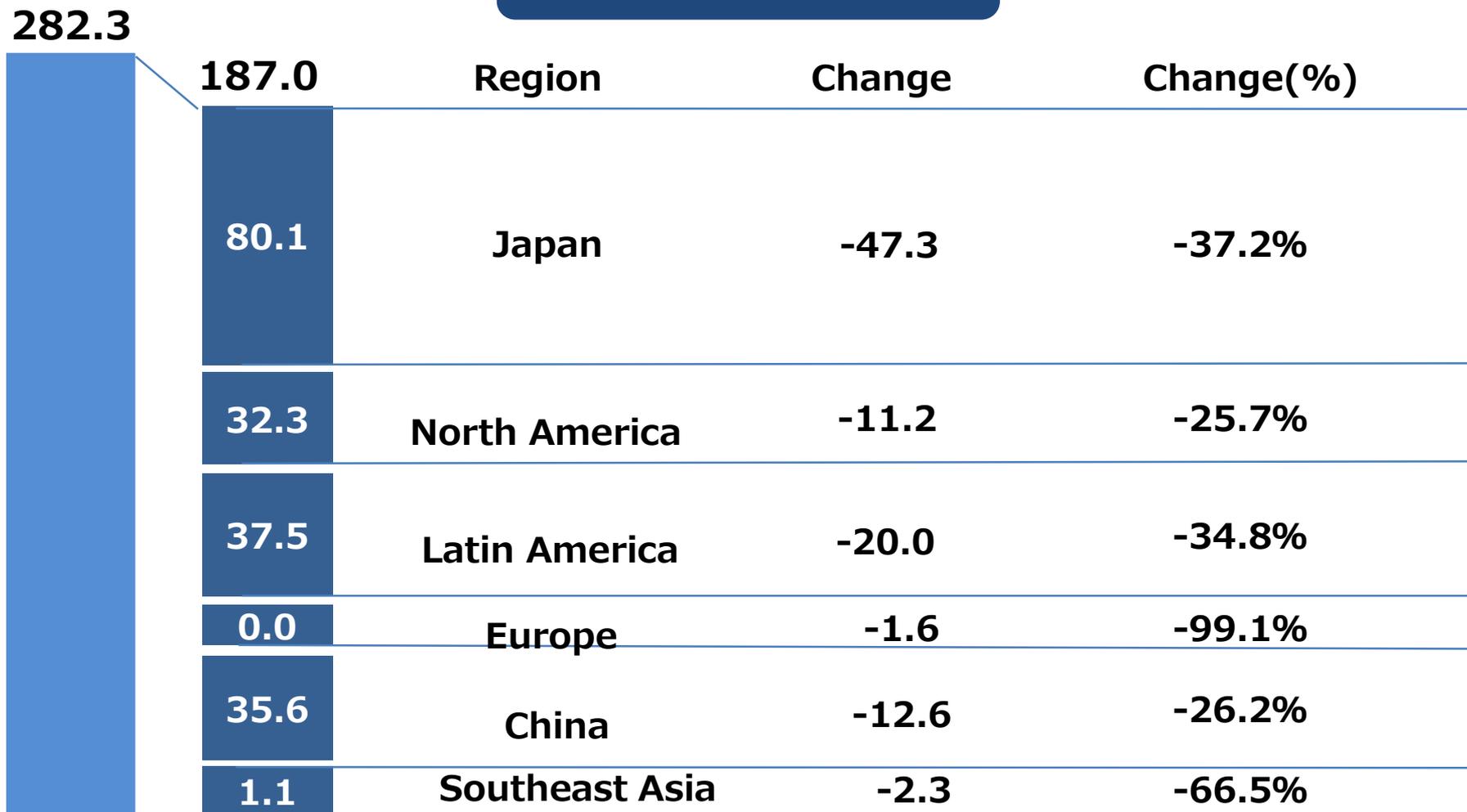


* Net income attributable to TACHI-S CO., LTD.

vs. previous year

Net Sales

(Unit: billion yen)
(Amounts are rounded down)



2020/03

2021/03
(forecast)

Exchange Rate 20/03 US\$=¥109.13 RMB=¥15.86
Rate 21/03 US\$=¥106.00 RMB=¥15.00

Analysis of Increase / Decrease (Consolidated)

vs. previous year

(Unit: billion yen)
(Amounts are rounded down)

Operating Income

	-9.0	Region	Change
2020/03	-0.0		
2021/03 (forecast)	1.6	China	-2.2
	-4.2	Japan	-3.8
	-2.1	North America	-1.1
	-3.4	Latin America	-1.2
	-0.2	Europe	-0.3
	-0.5	Southeast Asia	-0.1

2020/03

2021/03
(forecast)

Net Income*

	-12.7	Region	Change
2020/03	-1.5		
2021/03 (forecast)	0.6	China	-1.3
	0.5	Equity method affiliates	-0.6
	-6.2	Japan	-6.0
	-1.7	North America	-0.5
	-5.0	Latin America	-2.1
	-0.3	Europe	-0.4
	-0.4	Southeast Asia	-0.0

2020/03

2021/03
(forecast)

* Net income attributable to TACHI-S CO., LTD.

FY2020 2Q Financial Result

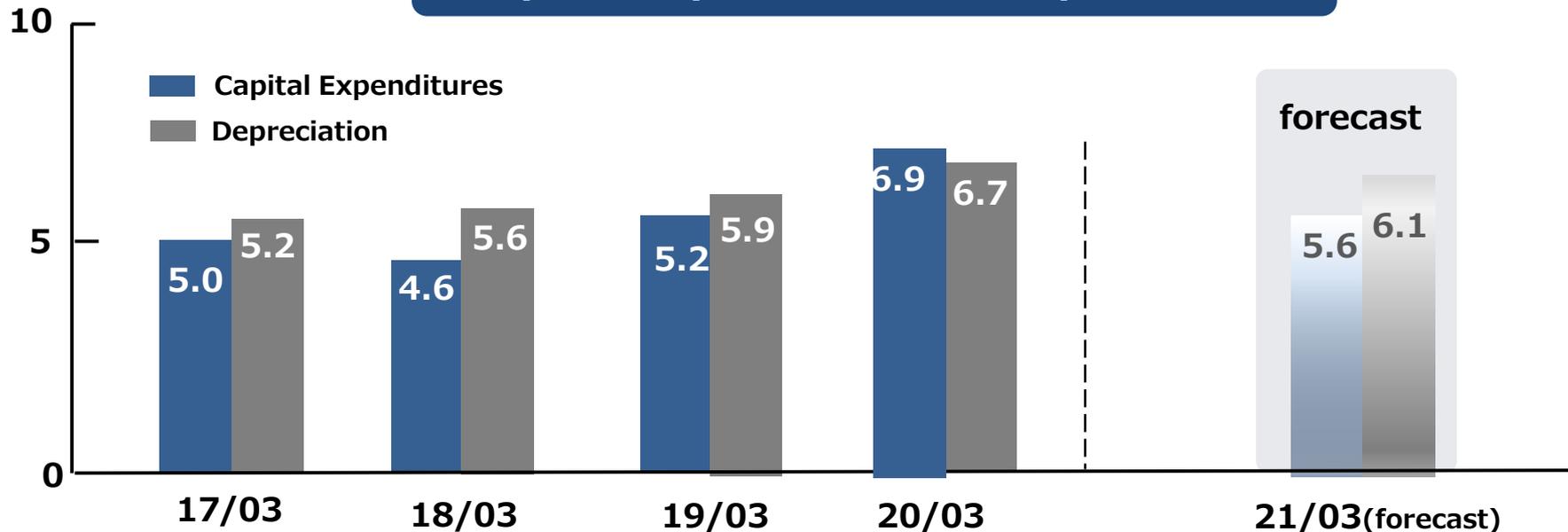
FY2020 Financial Forecast

Capital Expenditures

Dividend

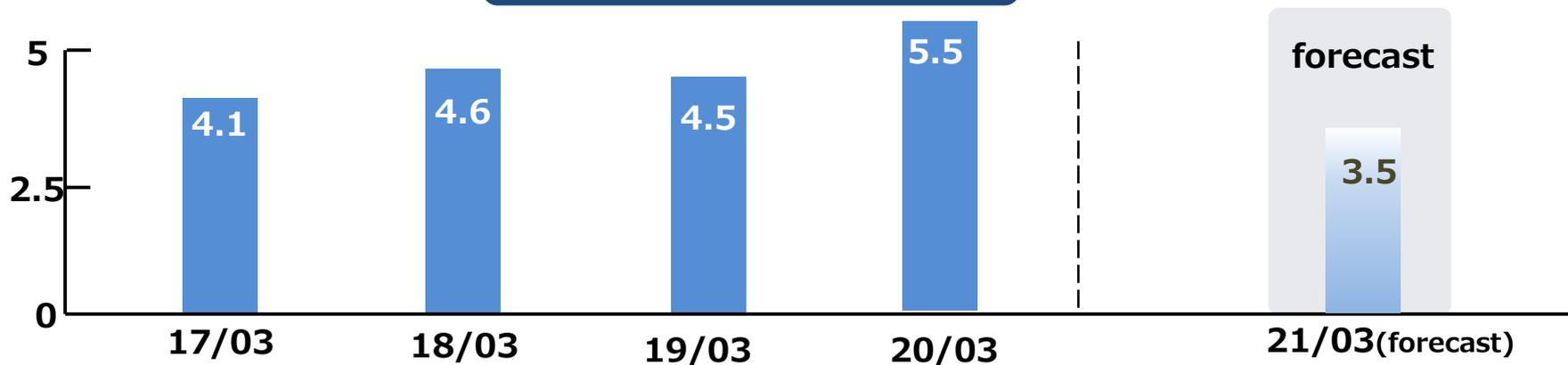
(Unit: billion yen)

Capital Expenditures & Depreciation



(Unit: billion yen)

R & D



FY2020 2Q Financial Result

FY2020 Financial Forecast

Capital Expenditures

Dividend

The Company considers that returning profits to shareholders through continuous improvement of corporate value is one of the most important management issues, and our basic policy is to maintain stable dividends while working to enhance shareholders' equity and increase profit margins.

We will use internal reserves to invest in research and development and global business development in order to secure medium- to long-term profits and strengthen our financial structure.

With respect to the dividend payout ratio, on the assumption that the annual dividend per share will not fall below the previous year's level, we aim to increase it in stages, taking into account such factors as our business performance, financial situation, and business environment, to secure a dividend payout ratio of 20% or more.

The Company's Articles of Incorporation stipulate that the Company may pay dividends from surplus by a resolution of the Board of Directors, and in principle, the Company pays dividends twice a year, at the end of the interim period and at the end of the fiscal year.

In the current fiscal year, the global spread of COVID-19 has had a very significant impact on the economy, and after comprehensively considering the impact on the Group's performance and financial situation, we have decided to postpone the interim dividend.

In addition, the year-end dividend has not yet been determined due to the uncertain future of the economy.

We apologize for any concern and inconvenience this may cause to our shareholders, and we appreciate your understanding.

Appendix

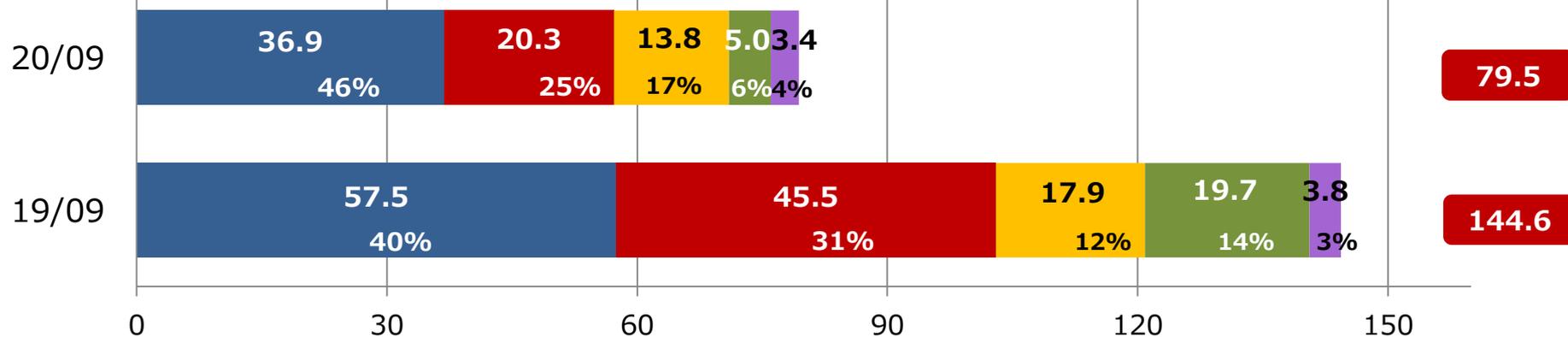
(Unit: yen)

	17/03	18/03	19/03	20/03	21/03 _(forecast)
USD	108.76	111.19	109.18	109.13	106.00
MXN	5.95	5.94	5.73	5.65	4.90
EUR	119.34	129.36	122.00	121.27	120.00
RMB	16.54	16.59	16.31	15.86	15.00

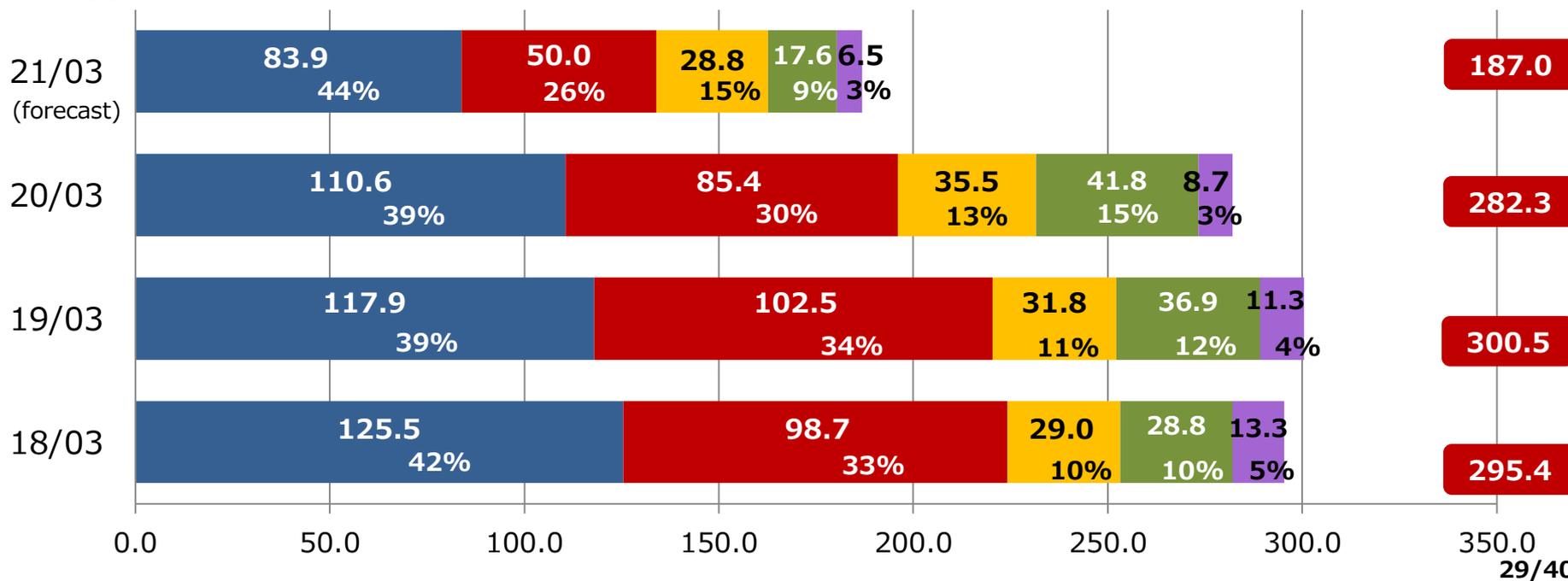
(Unit: billion yen)

Second Quarter

■ Honda ■ Nissan ■ Toyota ■ Mitsubishi ■ Other

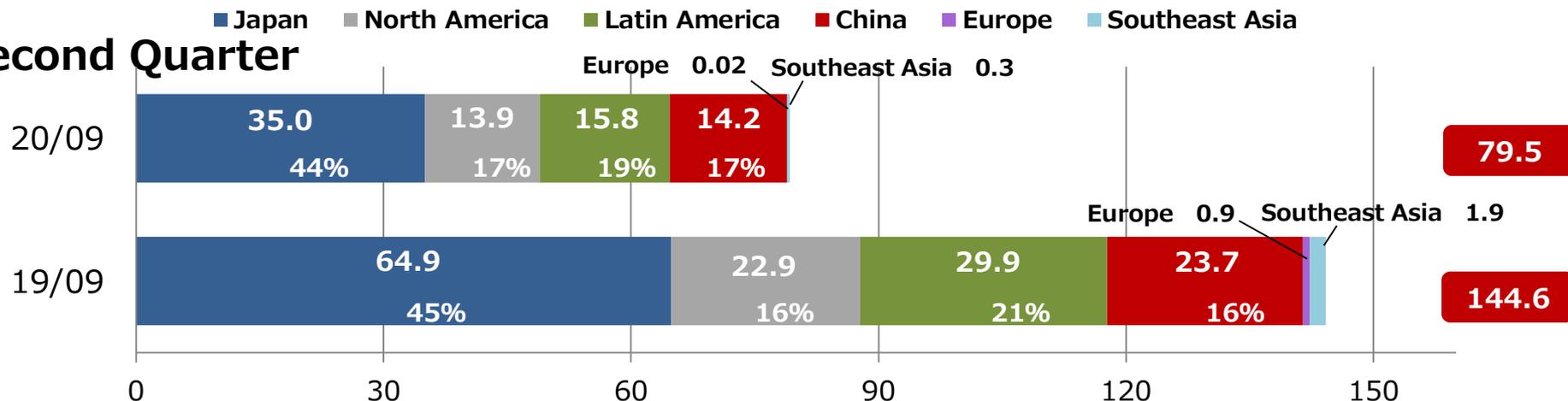


Full Year

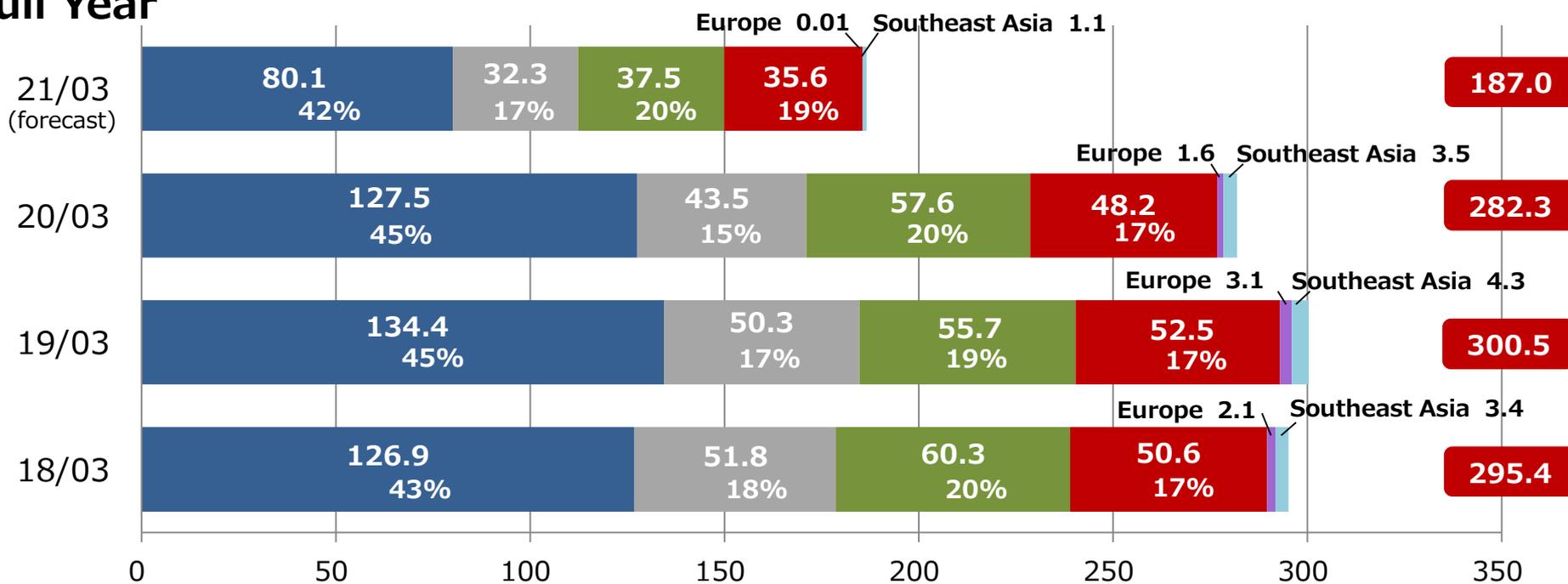


(Unit: billion yen)

Second Quarter



Full Year

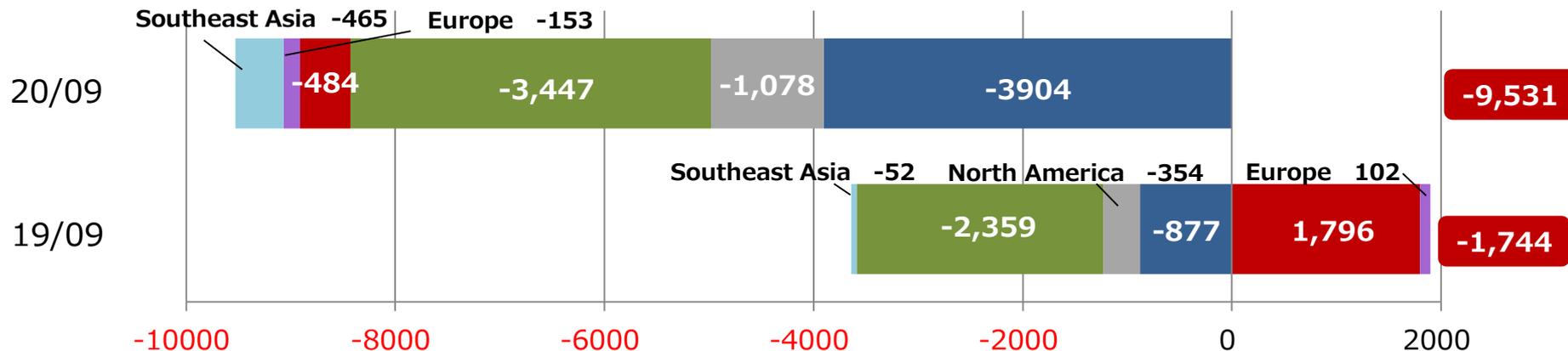


Operating Income by Region (Consolidated)

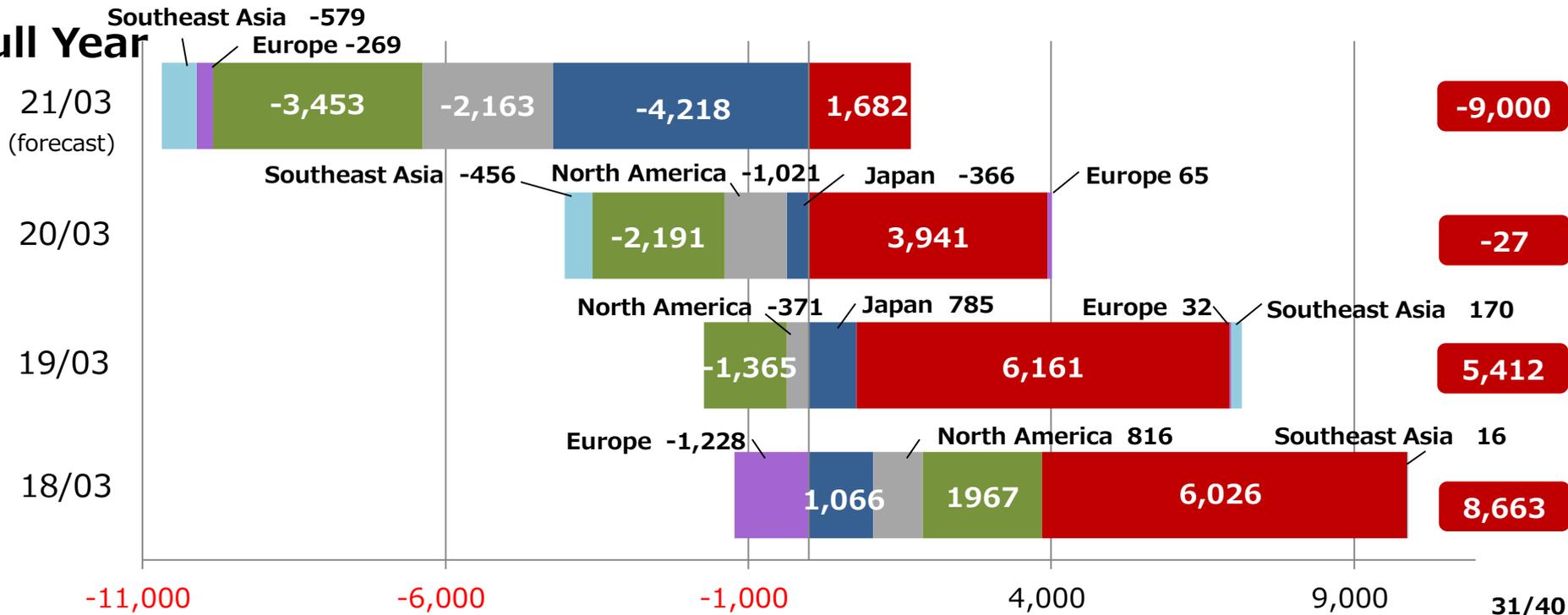
(Unit: million yen)

Second Quarter

■ Japan ■ North America ■ Latin America ■ China ■ Europe ■ Southeast Asia



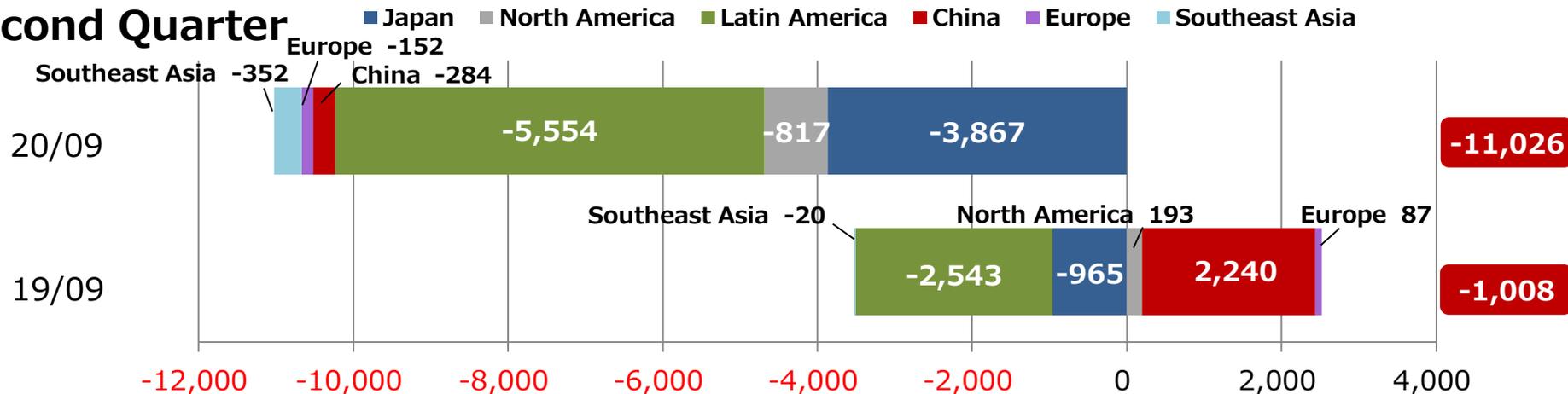
Full Year



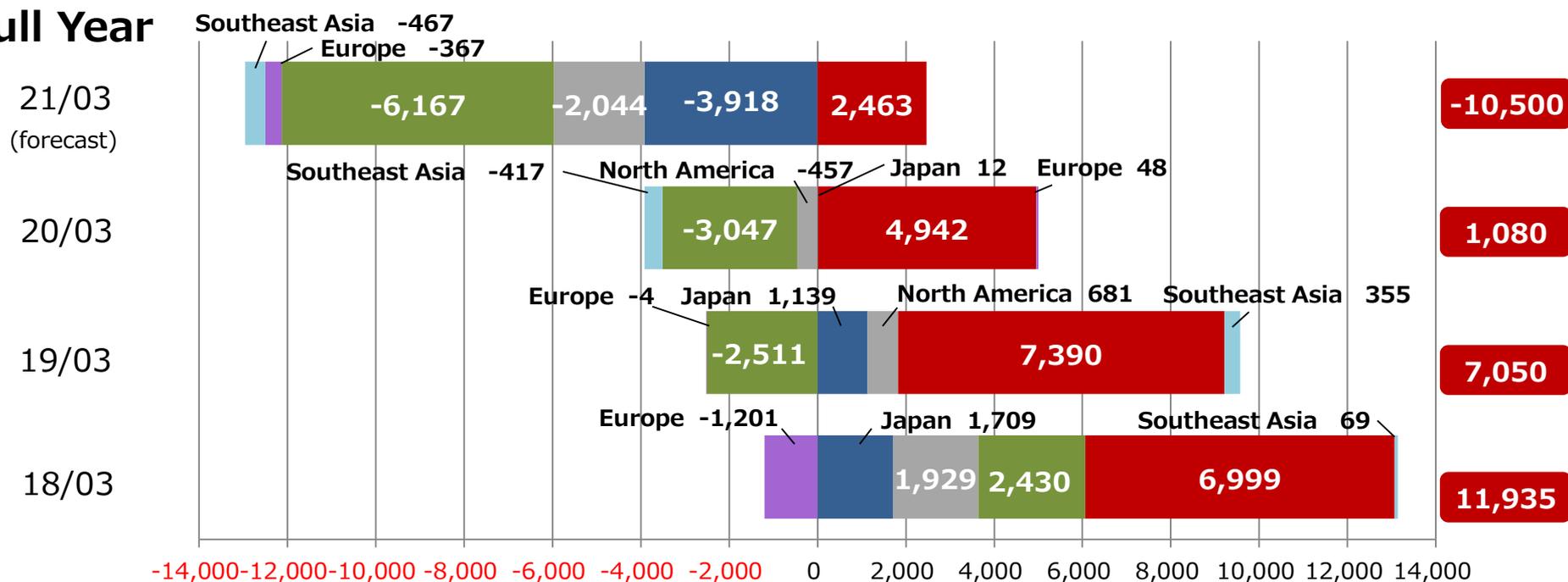
Ordinary Income by Region (Consolidated)

(Unit: million yen)

Second Quarter



Full Year



As of the end of Sep. 30, 2020

Business site	Established	Location	Business Contents	Major Customers
Head Office	April, 1954	Akishima-shi, Tokyo	Administration	
Technical Monozukuri Center	April, 2012	Ome-shi, Tokyo	Sales, Purchasing, R&D, Production, Testing, Quality assurance etc..	
Technical Center Aichi	August, 1999	Anjo-shi, Aichi	Sales, Purchasing, R&D	
Aichi Plant	April, 1977	Anjo-shi, Aichi	Manufacturing of automotive seats and parts	TOYOTA, Mitsubishi, TOYOTA BOSHOKU
Musashi Plant	January, 1980	Iruma-shi, Saitama	Manufacturing of automotive seats and parts	HONDA
Ome Plant	April, 1969	Ome-shi, Tokyo	Prototype Manufacturing of automotive seats and parts	Hino, TOYOTA BOSHOKU, UD Trucks, TOYOTA MOTOR EAST JAPAN
Tochigi Plant	February, 1982	Shimotsuke-shi, Tochigi	Manufacturing of automotive seats and parts	NISSAN, NHK Spring, Hino
Hiratsuka Plant	July, 1982	Hiratsuka-shi, Kanagawa	Manufacturing of automotive seats and parts	NISSAN SHATAI
Suzuka Plant	October, 1984	Suzuka-shi, Mie	Manufacturing of automotive seats	HONDA

Company	Established	Location	Business Contents	Equity participation	Capital	Major Customers	Scope of consolidation
TF-METAL Co., Ltd.	May, 2017	Kosai-shi, Shizuoka	R&D/manufacturing/sales of automotive seat parts	100.0%	50 million yen	TACHI-S, ADIENT, SUZUKI	1
Nui Tec Corporation	July, 1985	Hamura-shi, Tokyo	Manufacturing of automotive seats and trim covers	100.0%	325 million yen	TACHI-S, TOYOTA BOSHOKU TOHOKU	1
TACHI-S H&P Co., Ltd.	April, 1961	Akishima-shi, Tokyo	Manufacturing/sales of springs, automotive seat parts and medical beds	100.0%	40 million yen	TACHI-S, TF-METAL and other non automotive manufacturers	1
Kinryo Kogyo Co.,Ltd.	February, 1976	Miyako-gun, Fukuoka	Manufacturing/sales of automotive seats and parts	25.0%	100 million yen	TACHI-S, ADIENT	2
Iwata Fuji Kiko Co., Ltd.	October, 1986	Iwata-shi, Shizuoka	Manufacturing/sales of automotive seat parts	(100.0%)	15 million yen	TF-METAL, NHK Spring	1
Kyushu Fuji Kiko Co., Ltd.	July, 1985	Nakatsu-shi, Oita	Manufacturing/sales of automotive seat parts	(100.0%)	10 million yen	TF-METAL, FujiKiko	1
Higashi mikawa Fuji Kiko Co., Ltd.	October, 1986	Shinshiro-shi, Aichi	Manufacturing of automotive seat parts	(100.0%)	10 million yen	TF-METAL	1

3. Unconsolidated subsidiary

TACHI-S Service Co., Ltd.

1. Consolidated subsidiary

6 Companies

2. Consolidated affiliate

1 Company

TACHI-S Group Companies (North America)



Company	Established	Location	Business Contents	Equity participation	Capital	Major Customers	Scope of consolidation
TACHI-S Engineering U.S.A., Inc.	July, 1986	Michigan, U.S.A .	Sales/R&D/business administration in North America	100.0%	43 million USD		1
TF-METAL Americas Corporation	July, 2000	Michigan, U.S.A .	Business administration/R&D in Americas	*(100.0%)	0 million USD		1
SETEX, Inc.	September, 1987	Ohio, U.S.A.	Manufacturing/sales of automotive seats	*(51.0%)	5 million USD	HONDA (U.S.A.), ADIENT	1
TACHI-S Automotive Seating U.S.A., LLC	December, 2005	Tennessee, U.S.A.	Manufacturing/sales of automotive seats	*(100.0%)	22 million USD	NISSAN (U.S.A.)	1
TechnoTrim, Inc.	November, 1986	Michigan, U.S.A .	Manufacturing/sales of automotive seat trim parts	*(49.0%)	120 thousand USD	Major automotive seat manufacturers in North America including TACHI-S group companies	2
TF-METAL U.S.A., LLC	March, 2004	Kentucky, U.S.A.	Manufacturing/sales of automotive seat parts	*(100.0%)	10 million USD	TAS-U.S.A., TACHI-S Mexico, ADIENT	1
TACHI-S Canada, Ltd.	September, 2004	Nova Scotia, Canada	Business administration in Canada	*(100.0%)	12 million CAD		1

1. Consolidated subsidiary

6 Companies

2. Consolidated affiliate

1 Company

* (including subsidiaries' equity)

TACHI-S Group Companies

(Latin America / Europe)

Company	Established	Location	Business Contents	Equity participation	Capital	Major Customers	Scope of consolidation
TACHI-S Engineering Latin America, S. A. de C. V.	May, 2012	Aguascalientes, Mexico	R&D/business administration in Latin America	*(100.0%)	2,184 million MXN		1
Industria de Asiento Superior, S.A. de C.V. (TACHI-S Mexico)	April, 1991	Aguascalientes, Mexico	Manufacturing/sales of automotive seats and seat parts	*(100.0%)	26 million USD	NISSAN (Mexico)	1
SETEX Automotive Mexico, S. A. de C. V.	September, 2012	Guanajuato, Mexico	Manufacturing/sales of automotive seats	*(95.0%)	24 million USD	HONDA (Mexico)	1
TF-METAL Mexico, S.A. de C.V.	September, 2012	Aguascalientes, Mexico	Manufacturing/sales of automotive seat parts	*(100.0%)	27 million USD	TACHI-S Mexico, TF-METAL U.S.A., Faurecia	1
TACHI-S Brasil Industria de Assentos Automotivos Ltda.	August, 2012	Rio de Janeiro, Brazil	Manufacturing/sales of automotive seats	*(100.0%)	275 million BRL	NISSAN (Brazil)	1
TACHI-S Engineering Europe S.A.R.L.	October, 2004	Meudon-La-Forêt, France	Sales/R&D in Europe, manufacturing/sales of automotive seat parts	100.0%	23 million EUR	ADIANT, Magna, NISSAN (Spain)	1

Company	Established	Location	Business Contents	Equity participation	Capital	Major Customers	Scope of consolidation
TACHI-S China Co., Ltd.	October, 2011	Guangdong, China	Sales/R&D/business administration in China	100.0%	259 million RMB		1
TACHI-S Engineering Zhengzhou Co., Ltd.	December, 2015	Henan, China	R&D in China	*(100.0%)	75 million RMB		3
TACLE Guangzhou Automotive Seat Co., Ltd.	November, 2004	Guangdong, China	Manufacturing/sales of automotive seats	51.0%	66 million RMB	Dongfeng NISSAN	1
Hunan TACHI-S Automotive Seating Co., Ltd.	July, 2012	Hunan, China	Manufacturing/sales of automotive seats	*(51.0%)	40 million RMB	GAC Mitsubishi Motors	1
TACHI-S Lear DFM Automotive Seating (Xiangyang) Co., Ltd.	July, 2013	Hubei, China	Manufacturing/sales of automotive seats	*(51.0%)	30 million RMB	Dongfeng NISSAN	1
Zhengzhou Taixin Interior Co., Ltd.	July, 2001	Henan, China	Manufacturing/sales of automotive seats	50.0%	11 million RMB	Chery Automobile, Zhengzhou NISSAN	2
Wuhan TACHI-S Adient Automotive Seat Co., Ltd.	June, 2008	Hubei, China	Manufacturing/sales of automotive seats	50.0%	43 million RMB	Dongfeng HONDA	1
Lear DFM TACHI-S Automotive Seating (Dalian) Co., Ltd.	August, 2013	Liaoning, China	Manufacturing/sales of automotive seats	*(49.0%)	50 million RMB	Dongfeng NISSAN	2
Zhengzhou Taizhixin Automotive Seating Co., Ltd.	June, 2019	Henan, China	Manufacturing/sales of automotive seats and seat parts	(49.0%)	90 million RMB		4

* (including subsidiaries' equity)

1. Consolidated subsidiary:/

5 Companies

2. Consolidated affiliate

2 Companies

3. Equity-method non-consolidated subsidiary

1 Company

4. Unconsolidated affiliate

1 Company

Company	Established	Location	Business Contents	Equity participation	Capital	Major Customers	Scope of consolidation
Zhejiang Gee Ju Tai Automotive Interior Co., Ltd.	October, 2010	Zhejiang, China	Manufacturing/sales of automotive seats	40.0%	38 million RMB	Zhejiang Vision Auto Parts	4
Lear Dongshi TACHI-S Automotive Seating (Wuhan) Co., Ltd.	November, 2019	Hubei, China	Manufacturing/sales of automotive seats	*(34.0%)	50 million RMB	Dongfeng NISSAN	4
TACHI-S Trim Guangzhou Co., Ltd.	September, 2005	Guangdong, China	Manufacturing/sales of automotive seat trim parts	100.0%	38 million RMB	TACHI-S, TACLE Guangzhou	1
TACHI-S Trim Wuhan Co., Ltd.	October, 2013	Hubei, China	Manufacturing/sales of automotive seat trim parts	*(100.0%)	35 million RMB	Wuhan TACHI-S, Lear DLT TACHI-S (Xiangyang)	1
Zhejiang TACHI-S Automotive Parts Co., Ltd.	January, 2012	Zhejiang, China	Manufacturing/sales of automotive seat frame parts	*(82.8%)	142 million RMB	Zhejiang Gee Ju Tai, TACHI-S, TSE-E, TAS-U.S.A.	1
TF-METAL Guangzhou Co., Ltd.	January, 2005	Guangdong, China	Manufacturing/sales of automotive seat parts	*(85.0%)	40 million RMB	TACLE Guangzhou, TF-METAL	1
TF-METAL Zhejiang Co., Ltd.	December, 2019	Zhejiang, China	Manufacturing/sales of automotive seat parts	*(82.8%)	251 million RMB	Zhejiang Gee Ju Tai, TACHI-S	1
Zhejiang Fu Chong Tai Automotive Parts Co., Ltd.	March, 2011	Zhejiang, China	Manufacturing/sales of automotive seat parts	*(82.8%)	109million RMB	Zhejiang TACHI-S, TSE-E, TAS-Thailand	1

* (including subsidiaries' equity)

TACHI-S Group Companies (Southeast Asia)

Company	Established	Location	Business Contents	Equity participation	Capital	Major Customers	Scope of consolidation
TACHI-S (Thailand) Co., Ltd.	September, 2011	Bangkok, Thailand	Business administration in Southeast Asia and India	100.0%	771 million THB		1
TACHI-S Automotive Seating (Thailand) Co., Ltd.	April, 2010	Bangkok, Thailand	Manufacturing/sales of automotive seats and seat parts	100.0%	153 million THB	NISSAN (Thailand)	1
PT.TACHI-S Indonesia	September, 2011	Jawa Barat, Indonesia	Manufacturing/sales of automotive seats	*(100.0%)	20,647 million IDR		1
TACHI-S Engineering Vietnam Co., Ltd.	January, 2013	Ho Chi Minh, Vietnam	R&D in Vietnam	100.0%	31,026 million VND		2
APM TACHI-S Seating Systems Vietnam Co., Ltd.	November, 2016	Da Nang, Vietnam	Manufacturing/sales of automotive seats	*(51.0%)	56,567 million VND	Tan Chong Industrial Equipment Vietnam	2
APM TACHI-S Seating Systems Sdn. Bhd.	February, 2013	Selangor, Malaysia	Manufacturing/sales of automotive seats	*(49.0%)	10 million MYR	Tan Chong Motor Assemblies, Mitsubishi (Malaysia)	4

* (including subsidiaries' equity)

1. Consolidated subsidiary

3 Companies

2. Unconsolidated subsidiary

2 Companies

4. Unconsolidated affiliate

1 Company

Toward 'Continuously Selected Company'
Global Seat System Creator



Cautionary Statement

This document contains certain forward-looking statements based on the information available and obtained by TACHI-S Co., Ltd.

Such forward-looking statements involve known and unknown risks and uncertainties that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.