

Securities code: 7239

June 3, 2024

To Our Shareholders,

Yuichiro Yamamoto
Representative Director & President
TACHI-S CO., LTD.
1-3-1, Suehiro-cho, Ome-shi, Tokyo

Notice of the 72nd Annual General Meeting of Shareholders

Thank you very much for your continued support.

Please refer to the below for information about the upcoming 72nd Annual General Meeting of Shareholders (the “Meeting”) of TACHI-S CO., LTD. (the “Company”).

In convening this Shareholders Meeting, the Company has taken measures for providing information in electronic format, and has posted the items to be provided electronically on the Company’s website.

The Company’s website

(https://www.tachi-s.co.jp/en/ir/stock_information/meeting.html)

In addition to the above website, items to be provided electronically are posted on the following website:

Tokyo Stock Exchange website (Listed Company Search)

(<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show/>)

Please access the above website, enter or search for the name (TACHI-S CO., LTD.) or securities code (7239), select “Basic information” followed by “Documents for public inspection/PR information,” and click “Click here for access” under “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” to review the information.

Website of Sumitomo Mitsui Trust Bank, Limited (General Meeting of Shareholders Portal®)

(<https://www.soukai-portal.net>)

Accessible via
the QR code®
on the
enclosed
voting form.

If you are unable to attend this Shareholders Meeting in person, you may exercise your voting rights in writing or by electromagnetic means (e.g., via the Internet). Please review the Reference Documents for the General Meeting of Shareholders included in the items to be provided electronically, and exercise your voting rights by 5:00 p.m. on Monday, June 24, 2024.

1. **Date and time:** 10:00 a.m. on Tuesday, June 25, 2024 (Reception will open at 9:00 a.m.)
2. **Venue:** Sylvan Hall, 2F, Forest Inn Showakan, 4017-3, Haijima-cho, Akishima-shi, Tokyo
3. **Agenda:**

- Matters for reporting:**
1. Business Report, the Consolidated Financial Statements, and Audit Report of the Consolidated Financial Statements by the Independent Auditors and Audit & Supervisory Board for the 72nd term (from April 1, 2023 to March 31, 2024)
 2. Report of the Non-consolidated Financial Statements for the 72nd term (from April 1, 2023 to March 31, 2024)

Matters for approval:**Proposal 1:** Election of nine Directors**Proposal 2:** Election of one Audit & Supervisory Board Member**Proposal 3:** Payment of Bonuses to Directors**4. Predetermined Items Related to the Convocation of this Meeting**

- (1) If you do not indicate your approval or disapproval of each proposal on the returned Voting Rights Exercise Form, we will treat it as if you indicated your approval.
- (2) If you are unable to attend this Shareholders Meeting, you may designate one other shareholder of the Company with voting rights to attend the meeting as your proxy. However, please note that the submission of a document evidencing the proxy's authority of representation will be required.
- (3) If you diversely exercise your voting rights, you are requested to notify the Company in writing or by electromagnetic means of your intention to do so and state the reason for this no later than three days before the Meeting.

5. Other Matters Related to This Notice

- (1) The document we are sending you also serves as a paper-based document describing the items to be provided electronically based on a request for delivery of paper-based documents. Pursuant to the laws and regulations and the provision of Article 14 of the Company's Articles of Incorporation, the following information is not available in this Notice: "Systems for Ensuring the Propriety of Business Activities and Outline of the Operation of the Systems" and "Basic Policy on Control of the Company" in the Business Report; "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements; "Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements. This document is part of the documents audited by the Audit & Supervisory Board Members and the Accounting Auditor in preparing the audit report.
- (2) If revisions to the items to be provided electronically arise, the details of the revisions will be posted on each of the above websites.

6. Other

- (1) If you are attending the meeting on the scheduled day, please submit the enclosed voting form at the reception.
- (2) We will post the contents of resolutions of this Shareholders Meeting on the Company's website on the Internet after the meeting instead of sending a written notice of resolutions.
- (3) Please be aware that no gifts will be provided to shareholders who attend this Shareholders Meeting. We would appreciate your understanding in this regard.

Reference Documents for the General Meeting of Shareholders

Proposals and reference matters


Proposal 1: Election of nine Directors

The terms of office of all nine Directors will expire at the conclusion of the Meeting. Accordingly, we propose to elect the following nine Director candidates.


The candidates for Director are as follows:


Candidate No.	Name	Current position and responsibility at the Company	Attendance at Board of Directors meetings
1	RE-nomination Yuichiro Yamamoto Male	Representative Director & President Chief Executive Officer Chief Operating Officer Chief Strategy Officer	15/15 (100%)
2	RE-nomination Atsushi Komatsu Male	Representative Director Executive Managing Officer Chief Financial Officer Chief Corporate Officer In charge of Compliance	15/15 (100%)
3	RE-nomination Takao Ito Male	Member of the Board of Directors, Executive Managing Officer Chief Manufacturing Officer	15/15 (100%)
4	RE-nomination Akiyoshi Murakami Male	Member of the Board of Directors, Executive Managing Officer Chief Technology Officer	11/11 (100%)
5	RE-nomination Tsutomu Okouchi Male	Member of the Board of Directors, Executive Managing Officer Chief Business Officer	11/11 (100%)
6	RE-nomination Outside Independent Director Toshio Kinoshita Male	Outside Director	15/15 (100%)
7	RE-nomination Outside Independent Director Hidetaka Mihara Male	Outside Director	15/15 (100%)
8	RE-nomination Outside Independent Director Yoshiaki Nagao Male	Outside Director	15/15 (100%)
9	RE-nomination Outside Independent Director Sachiko Tsutsui Female	Outside Director	11/11 (100%)


Note: The attendance rates of Mr. Akiyoshi Murakami, Mr. Tsutomu Okouchi, and Ms. Sachiko Tsutsui indicate the number of times they have attended the Board of Directors meetings since their appointment as Director on June 20, 2023.


Candidate No.1	Yuichiro Yamamoto	(July 30, 1968)	RE-nomination	Male
	Brief History, Position, Principal Duties and Key Concurrent Posts			
	April 1997	Joined TACHI-S CO., LTD.		
	August 2006	Seconded to TACLE Seating U.S.A., LLC (currently TACHI-S Automotive Seating U.S.A., LLC) President		
	April 2011	Executive Managing Officer Deputy General Manager of Overseas Division		
	April 2012	In Charge of Nissan Business and Overseas Business Management		
	April 2014	In Charge of China Business Seconded to TACHI-S China Co., Ltd. President		
	April 2015	Senior Executive Officer		
	April 2017	Executive Vice President President, Regional Headquarters for Japan		
	June 2017	Member of the Board of Directors & Executive Vice President		
	April 2019	Member of the Board of Directors & Chief Operating Officer In charge of Global Headquarters		
	June 2019	Representative Director, President & Chief Operating Officer (incumbent)		
	April 2020	Division Manager of Quality Management Division		
	April 2022	Chief Executive Officer (incumbent)		
	June 2023	Chief Strategy Officer (incumbent)		
	Reasons for nomination as a Candidate for Director			
Mr. Yuichiro Yamamoto has been nominated as a candidate to continue in his role as Director, as he has valuable knowledge in the marketing and overseas fields as well as many years of experience and results as a top executive at overseas subsidiaries in North America and China, and has demonstrated strong leadership as Chief Operating Officer and Chief Executive Officer. Since April 2022, he has been a strong leader of the Group’s management as Chief Executive Officer, and we have determined that he is, and will continue to be, essential to the sustainable enhancement of the Group’s corporate value.				


Candidate No.2	Atsushi Komatsu	(August 2, 1963)	RE-nomination	Male
	Brief History, Position, Principal Duties and Key Concurrent Posts			
	<ul style="list-style-type: none"> ■ Number of shares of the Company owned 8,000 shares ■ Attendance at Board of Directors meetings 15/15 (100%) 	<ul style="list-style-type: none"> April 1986 April 2003 July 2003 April 2009 April 2010 April 2014 April 2017 July 2017 April 2019 June 2019 April 2020 June 2022 June 2023 	<ul style="list-style-type: none"> Joined NISSAN MOTOR CO., LTD. General Division Manager of China Business Seconded to Dongfeng Motor Co., Ltd Executive Vice President in charge of Financial and Information Technology Director of Management for affiliate company, NISSAN MOTOR CO., LTD. Director of Finance Section Director of Domestic Network Strategy Joined TACHI-S CO., LTD. as Corporate Advisor Executive Managing Officer Assistant Director of Corporate Management Division Executive Managing Officer Division Manager of Corporate Management Division Member of the Board of Directors & Executive Managing Officer Member of the Board of Directors & Executive Managing Officer In charge of Compliance (incumbent) Representative Director & Executive Managing Officer (incumbent) Chief Financial Officer (incumbent) Chief Corporate Officer (incumbent) 	
<p>Reasons for nomination as a Candidate for Director</p> <p>Mr. Atsushi Komatsu has been nominated as a candidate to continue in his role as Director, as he has superior expertise in the finance and management fields as well as wide-ranging knowledge cultivated through his experience in overseas business, and has been leading the Company's management as the person responsible for the corporate management field. Since June 2022, as Representative Director, Executive Managing Officer, he has been promoting reforms in the Group, and we have determined that he is essential to the sustainable improvement of the Group's corporate value.</p>				


Candidate No.3	Takao Ito	(June 4, 1965)	RE-nomination	Male
 <div>■ Number of shares of the Company owned 7,900 shares</div> <div>■ Attendance at Board of Directors meetings 15/15 (100%)</div>	Brief History, Position, Principal Duties and Key Concurrent Posts			
	April 1984	Joined TACHI-S CO., LTD.		
	April 2010	Plant Manager of Musashi Plant		
	April 2012	Director of Production Planning Department		
	April 2014	Seconded to TACLE Guangzhou Automotive Seat Co., Ltd., President		
	April 2017	Executive Managing Officer In Charge of China production, Regional Headquarters for China		
	April 2019	Executive Managing Officer President of Regional Headquarters for Japan		
	April 2020	Executive Managing Officer, Deputy Division Manager of Monozukuri Division		
	April 2022	Division Manager of Monozukuri Division		
	June 2022	Member of the Board of Directors & Executive Managing Officer (incumbent)		
June 2023	Chief Manufacturing Officer (incumbent)			
Reasons for nomination as a Candidate for Director				
Mr. Takao Ito has been nominated as a candidate to continue in his role as Director because of the extensive experience he has accumulated over many years in the monozukuri (manufacturing) field and as the person responsible for subsidiaries in China. In addition to management of operating companies, he has a track record in managing businesses in the China region, and we have determined that he is essential to support the further strengthening of the Group’s global manufacturing framework going forward.				


Candidate No.4	Akiyoshi Murakami	(February 3, 1964)	RE-nomination	Male
 ■ Number of shares of the Company owned 7,500 shares ■ Attendance at Board of Directors meetings 11/11 (100%)	Brief History, Position, Principal Duties and Key Concurrent Posts			
	April 1987	Joined NISSAN MOTOR CO., LTD.		
	April 2009	Chief of Vehicle Component Engineering Department, Component Engineering Division		
	April 2012	Chief of Seat Planning & Design Group, Nissan Product Development Department No.1, Nissan Product Development Division No.1		
	April 2016	Joined TACHI-S CO., LTD. as General Manager of Frame Engineering Department		
	April 2017	VP in charge of Production and Technology Division, Monozukuri Headquarters		
	October 2018	VP in charge of Frame Engineering Department, Advanced Development Engineering Planning Department, Production and Technology Division		
	April 2019	Executive Managing Officer		
	April 2020	Chief of Production and Technology Development Group		
	June 2023	Member of the Board of Directors, Executive Managing Officer (incumbent) Chief Technology Officer (incumbent)		
Reasons for nomination as a Candidate for Director				
Mr. Akiyoshi Murakami has been nominated as a candidate to continue in his role as Director, as he not only has a wealth of experience and achievements in the development and technology fields over many years, but also has outstanding knowledge and skills that are indispensable for the development and design of our products, and we have determined that he is essential to implement the Group’s technology strategy soundly and globally in the future.				

Candidate No.5	Tsutomu Okouchi	(November 5, 1961)	RE-nomination	Male
 <p>■ Number of shares of the Company owned 7,300 shares</p> <p>■ Attendance at Board of Directors meetings 11/11 (100%)</p>	Brief History, Position, Principal Duties and Key Concurrent Posts			
	April 1985	Joined MITSUBISHI MOTORS CORPORATION		
	April 2005	Joined Johnson Controls, K.K. (currently Adient Plc.) as Director of Seat Design Department		
	April 2017	Director of Global HONDA Business		
	June 2019	Joined TACHI-S CO., LTD. as General Manager of Business Strategy Administration Department		
	October 2019	Director of Business Strategy Administration Department		
	April 2020	VP in charge of New Business Department, Director of New Business Department		
	April 2021	SVP in charge of New Business Department and Product Development Group, Business Division		
	April 2022	Executive Managing Officer		
	June 2023	Member of the Board of Directors, Executive Managing Officer (incumbent)		
				Chief Business Officer (incumbent)
Reasons for nomination as a Candidate for Director				
<p>Mr. Tsutomu Okouchi has been nominated as a candidate to continue in his role as Director, as he has a wealth of experience and achievements in the development and technology fields over many years, as well as experience in sales and marketing. He has been vigorously promoting expansion and new business development for the Company's overseas business, and we have determined that he is essential to support the further growth and development of the Group.</p>				

Candidate No.6	Toshio Kinoshita	(April 12, 1949)	RE-nomination Outside Independent Director	Male
	Brief History, Position, Principal Duties and Key Concurrent Posts			
	January 1980	Jointed Coopers & Lybrand, Japan (currently PricewaterhouseCoopers Japan LLC)		
	July 1983	Registered as Certified Public Accountant		
	February 1985	Audit Manager of Coopers & Lybrand, US (currently PricewaterhouseCoopers LLP) New York Office		
	November 1985	Managing partner of the Japanese Business Network of Midwest, Coopers & Lybrand, US Detroit Office		
	June 1995	Managing partner of the Japanese Business Network of US, Coopers & Lybrand, US National Office		
	July 1998	Managing partner of the Japanese Business Network of North America, PricewaterhouseCoopers LLP New York Office		
	July 2005	Management Board Member for International Business of Chuo Aoyama Audit Corporation (renamed Misuzu Audit Corporation)		
	June 2015	Outside Director of TACHI-S CO., LTD. (incumbent)		
	■ Number of shares of the Company owned 0 shares			
■ Attendance at Board of Directors meetings 15/15 (100%)	(Key concurrent posts)			
	Representative Director & President of Global Professional Partners Co., Ltd.			
	Outside Audit & Supervisory Board Member of Cool Japan Fund Inc.			
	Outside Director, Chairman of Audit & Supervisory Committee of ADK Holdings Inc.			
	Outside Audit & Supervisory Board Member of Denka Company Limited			
	Reasons for nomination as a Candidate for Outside Director and Outline of the expected role			
	Mr. Toshio Kinoshita has been nominated as a candidate to continue in his role as Outside Director, as he has superior judgment as a certified public accountant and considerable auditing work experience at overseas locations over many years, and has a high level of insight into corporate management, including management support for other companies, which he has cultivated at a company where he serves as Representative Director and President. He is also expected to contribute to the appropriate decision-making of the Board of Directors from an objective and global standpoint. He will have served as an Outside Director of the Company for nine years as of the conclusion of the Meeting.			

Candidate No.7	Hidetaka Mihara	(July 8, 1958)	RE-nomination Outside Independent Director	Male
	Brief History, Position, Principal Duties and Key Concurrent Posts			
	April 1986	Registered with Dai-Ichi Tokyo Bar Association Joined Hashidate Law Office		
	October 1987	Joined Blakemore & Mitsuki (renamed Tsunematsu Yanase & Sekine)		
	July 1990	Seconded to Nomura International plc, London		
	April 1991	Seconded to Slaughter and May, London		
	January 1993	Partner at Tsunematsu Yanase & Sekine		
	January 2000	Partner at Nagashima Ohno & Tsunematsu		
	April 2010	Committee Member of law reform of the Company Act of Japan (Ministry of Justice of Japan)		
	September 2017	Expert Advisor of Ministry of Land, Infrastructure, Transport and Tourism, Land Policy Council Land Policy Subcommittee Special Section (Owner unknown land problem examination)		
	June 2018	Outside Director of TACHI-S CO., LTD. (incumbent)		
■ Number of shares of the Company owned 0 shares	September 2020	Ph.D. (Law), University of Tokyo		
	April 2021	President of Dai-Ichi Tokyo Bar Association Vice President of Japan Federation of Bar Associations		
	January 2024	Senior Counsel at Nagashima Ohno & Tsunematsu (incumbent)		
■ Attendance at Board of Directors meetings 15/15 (100%)	(Key concurrent posts)			
	Senior Counsel at Nagashima Ohno & Tsunematsu			
	Reasons for nomination as a Candidate for Outside Director and Outline of the expected role			
Mr. Hidetaka Mihara has been nominated as a candidate to continue in his role as Outside Director, as he has specialized knowledge and experience in corporate legal affairs as a lawyer, and also has superior insight into corporate management and the formulation of management strategies, which he cultivated through various corporate projects such as corporate rehabilitation and M&A, although he has no experience of being directly involved in corporate management other than serving as an Outside Director. He is also expected to contribute to strengthening the corporate governance function of the Group. He will have served as an Outside Director of the Company for six years as of the conclusion of the Meeting.				

Candidate No.8	Yoshiaki Nagao	(February 1, 1953)	RE-nomination	Male
			Outside	
			Independent Director	
Brief History, Position, Principal Duties and Key Concurrent Posts				
 <div>■ Number of shares of the Company owned 3,000 shares</div> <div>■ Attendance at Board of Directors meetings 15/15 (100%)</div>	April 1978	Joined KIORITZ CORPORATION (currently YAMABIKO CORPORATION)		
	February 2006	Executive Managing Officer President & Chief Operating Officer of ECHO Incorporated		
	February 2008	Member of the Board of Directors & Executive Managing Officer of KIORITZ CORPORATION President & Chief Operating Officer of ECHO Incorporated		
	December 2008	President & Chief Operating Officer of KIORITZ CORPORATION Executive Managing Officer of YAMABIKO CORPORATION		
	October 2009	Member of the Board of Directors, Executive Managing Officer & Director of Industrial Machinery DIV of YAMABIKO CORPORATION		
	June 2011	President, Chief Operating Officer & Executive Managing Officer		
	June 2012	Representative Director, President & Chief Operating Officer		
	June 2020	Outside Director of TACHI-S CO., LTD. (incumbent)		
	January 2021	Representative Director, Chairman & Executive Managing Officer of YAMABIKO CORPORATION		
	March 2021	Representative Director & Chairman of YAMABIKO CORPORATION		
	March 2022	Executive Advisor of YAMABIKO CORPORATION		
	(Key concurrent posts)			
—				
Reasons for nomination as a Candidate for Outside Director and Outline of the expected role				
Mr. Yoshiaki Nagao has been nominated as a candidate to continue in his role as Outside Director, as he has extensive experience and knowledge as a top executive, having been involved in the management of domestic and overseas companies for many years. He is also expected to contribute to the appropriate decision-making of the Board of Directors from a wide range of management perspectives. He will have served as an Outside Director of the Company for four years as of the conclusion of the Meeting.				

Candidate No.9	Sachiko Tsutsui	(May 1, 1962)	<div>RE-nomination</div> <div>Outside</div> <div>Independent Director</div>	Female
	<p>Brief History, Position, Principal Duties and Key Concurrent Posts</p> <p>August 1996 Joined The Gartner Group (currently Gartner Japan)</p> <p>December 2001 Joined UFJ Capital Markets Securities Co., Ltd. (currently Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)</p> <p>August 2008 Joined Hitachi, Ltd. as General Manager of Strategy Planning Division</p> <p>April 2012 Seconded to Hitachi Consulting Corporation (U.S.A.) Executive Vice President and Board Director</p> <p>October 2017 Seconded to Hitachi Vantara Corporation (U.S.A.)</p> <p>March 2022 Corporate Support Coordinator of the Ashikaga Bank, Ltd.</p> <p>June 2023 Outside Director of TACHI-S CO., LTD. (incumbent) Adviser at The Ashikaga Bank, Ltd. DX Adviser at Axcelead, Inc. (incumbent)</p>			
<p>■ Number of shares of the Company owned</p> <p>0 shares</p>	<p>(Key concurrent posts)</p> <p>—</p>			
<p>■ Attendance at Board of Directors meetings</p> <p>11/11 (100%)</p>	<p>Reasons for nomination as a Candidate for Outside Director and Outline of the expected role</p> <p>Ms. Sachiko Tsutsui has been nominated as a candidate to continue in her role as Outside Director, as she has long been involved in overseas business development, management support for IT service-related companies, and management of group subsidiaries at global companies, and has abundant experience and broad knowledge of corporate management as well as a wealth of expertise cultivated through her experience in M&A and IPO advisory services as well as SDG consulting at financial institutions. She is also expected to contribute to the appropriate decision-making of the Board of Directors from a global and diverse standpoint. She will have served as an Outside Director of the Company for one year as of the conclusion of the Meeting.</p>			


- Notes:
- 1: The above candidates have no conflicts of interest with the Company.
 - 2: Mr. Toshio Kinoshita, Mr. Hidetaka Mihara, Mr. Yoshiaki Nagao and Ms. Sachiko Tsutsui are candidates for Outside Director.
 - 3: Notification has been submitted to the Tokyo Stock Exchange for Mr. Toshio Kinoshita, Mr. Hidetaka Mihara, Mr. Yoshiaki Nagao and Ms. Sachiko Tsutsui to be listed as an independent officer according to the rules of the Exchange, and the Exchange will be notified again that they are independent officers if they are re-elected.
 - 4: The Company has concluded an agreement with Mr. Toshio Kinoshita, Mr. Hidetaka Mihara, Mr. Yoshiaki Nagao and Ms. Sachiko Tsutsui to limit their damage liability as stipulated in Article 423, Paragraph 1 of the Companies Act, based on the regulations specified in Article 427, Paragraph 1 of the Companies Act. Should the reappointment of Mr. Toshio Kinoshita, Mr. Hidetaka Mihara, Mr. Yoshiaki Nagao and Ms. Sachiko Tsutsui as Outside Directors be approved, the Company intends to maintain the Liability Limitation Agreement with them. The maximum amount of liability for damage based on the Liability Limitation agreement is the minimum liability as stipulated in Article 425, Paragraph 1 of the Companies Act.
 - 5: The Company is currently working to establish a workplace environment where women can play an active role in accordance with the Act on Promotion of Women's Participation and Advancement in the Workplace, and is working to elect a female Inside Director in the future. Please refer to "4. Matters pertaining to the Officers of the Company" in the Business Report.
 - 6: The Company has concluded liability insurance contract for officers, etc., providing compensation for damages arising as a result of the responsibilities assumed by insured officers in their execution of duties, or any claims made against them with regard to these responsibilities. If the election of each candidate for Director is approved as proposed, they will become the insured parties. The insured officers will not pay for the insurance premiums. The Company intends to renew this liability insurance contract in July, 2024.

Proposal 2: Election of one Audit & Supervisory Board Member

The term of office of the Audit & Supervisory Board Member, Mr. Masato Kimura, will expire at the conclusion of the Meeting. Accordingly, we propose to elect the following one Audit & Supervisory Board Member candidate.

The Audit & Supervisory Board Member has already approved this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

Tetsuya Kinose		(January 18, 1963)	New-nomination	Male
	Brief History, Position and Key Concurrent Posts			
	April 1985	Joined TACHI-S CO., LTD.		
	April 2005	Leader of Accounting Team		
	April 2006	Director of Finance & Accounting Department		
	April 2015	General Manager of Administration and Management Control Division		
	April 2016	Director of Finance & Accounting Department		
	April 2024	Corporate Adviser (incumbent)		
Reasons for nomination as a Candidate for Audit & Supervisory Board Member				
<p>Mr. Tetsuya Kinose has been newly nominated as a candidate for Audit & Supervisory Board Member as he has a wealth of knowledge and experience in finance and accounting as well as other areas from engaging in a wide range of duties in the finance and accounting field for many years, such as fund raising, investment management, tax affairs and accounting audit related work, and has been deeply involved in the Group management, and we expect him to utilize the same in the Company's auditing.</p>				
<p>■ Number of shares of the Company owned 6,400 shares</p>				
<p>■ Attendance at Board of Directors meetings -/- (-%)</p>				
<p>■ Attendance at Board of Audit & Supervisory Board Members meetings -/- (-%)</p>				

Notes: 1:The above candidate has no conflicts of interest with the Company.

2: The Company has concluded a liability insurance contract for officers, etc., providing compensation for damages arising as a result of the responsibilities assumed by insured officers in their execution of duties, or any claims made against them with regard to these responsibilities. If the election of each candidate for Audit & Supervisory Board Member is approved as proposed, they will become the insured parties. The insured officers will not pay for the insurance premiums. The Company intends to renew this liability insurance contract in July, 2024.

[Reference] Management system (planned) in the event that Proposals 1 and 2 are approved

In order to fulfill its roles of making decisions and supervising management, the Board of Directors as a whole has been constituted with attention to achieving a diverse balance of knowledge and experience that includes coverage of the various functions of the Company. Specifically, the skills required and currently possessed by the Board of Directors in order to carry out the Transformative Value Evolution (TVE) Medium-term Management Plan that was formulated in 2021, and to sustainably increase corporate value, are as set out below, and we believe that the Members of the Board of Directors form a team with the necessary talents to achieve the above-mentioned objectives.

Name			General management, Business management		Medium- to long-term strategy						
			Corporate management, Management strategy	Legal, Governance	Business strategy			Financial & Capital Strategies	Management foundation		
					Sales, Marketing	R&D, Production	Global		Human resource development	Environment	DX
Directors	Yuichiro Yamamoto	Male	●	●	●	●	●		●		
	Atsushi Komatsu	Male	●	●	●		●	●	●		●
	Takao Ito	Male				●	●			●	●
	Akiyoshi Murakami	Male				●				●	
	Tsutomu Okouchi	Male			●	●	●		●		
Outside Director	Toshio Kinoshita	Male	●	●			●	●			
	Hidetaka Mihara	Male	●	●	●		●	●			
	Yoshiaki Nagao	Male	●			●	●		●	●	
	Sachiko Tsutsui	Female	●				●	●		●	●
Audit & Supervisory Board Member	Naozumi Matsui	Male	●	●			●	●			
	Tetsuya Kinose	Male	●	●				●	●		
Outside Audit & Supervisory Board Member	Shinsuke Matsuo	Male		●				●			
	Nobuaki Ozawa	Male		●				●		●	

<For Reference> Criteria for Assessing Independence of Outside Directors/Audit & Supervisory Board Members

The Company establishes following standards in order to ensure the independence of Outside Directors/ Audit & Supervisory Board Members.

1. The person in question is not a current or former Executive¹ of the Company or a related company (“Group Companies”).
2. Over the past 5 years, a Close Relative² of the person has not been an Executive¹ of any Group Companies.
3. The following items are not currently applicable to the person and have not been applicable to the person in the past 5 years:
 - ① The person is a large shareholder of the Company (a person who directly or indirectly controls voting rights worth 10% or more of total voting rights in the Company) or an Executive¹ of such a large shareholder.
 - ② The person directly or indirectly controls voting rights worth 10% or more of total voting rights in Group Companies or is an Executive¹ of such a large shareholder.
 - ③ The person is a Person for whom Group Companies are Important Clients³ or who is an Executive¹ of such an entity.
 - ④ The person is an Executive¹ of an Important Client of Group Companies⁴.
 - ⑤ The person is an Executive¹ of an Important Lender to Group Companies⁵.
 - ⑥ The person is affiliated with an auditing firm performing the Company’s statutory audits.
 - ⑦ The person is a consultant, an accounting professional or a legal professional (in the case that a group such as a legal corporation or association is such a recipient, a person affiliated with that group) that has received from Group Companies a large amount⁶ of money or other assets other than remuneration for directors (and other officers).
 - ⑧ The person is a recipient of a large amount⁶ of donations or grants from Group Companies (in the case that a group such as a legal corporation or association is such a recipient, a person affiliated with that group).
 - ⑨ The person is an Executive¹ of a company to which Group Companies appoint Directors (regardless of whether such Directors are executive or non-executive).
4. None of the person’s Close Relatives are persons in regards to whom Items (1) to (9) of paragraph 3 above apply (but limited to cases where such a Close Relative is an Important Person⁷).

- Note
- 1 An Executive is defined as a person who is either a Director (excluding an Outside Director) of a company or organization, an Executive Director, an Executive Officer, an employee who manages operations, a Senior General Manager or other equivalent person or employee who manages operations.
 - 2 A Close Relative is defined as a dependent, a relative to the second degree or a cohabitating relative.
 - 3 A Person for whom Group Companies are Important Clients is defined as a person who has received 2% or more of their consolidated annual gross revenues from Group Companies during that person’s most recent fiscal year.
 - 4 An Important Client of Group Companies is defined as a person who has paid 2% or more of the gross annual consolidated revenues of Group Companies in the Company’s most recent fiscal year.
 - 5 An Important Lender to Group Companies is defined as a person who has provided finance to Group Companies that represents an amount worth 2% or more of consolidated total assets as of the end of the Company’s most recent fiscal year.
 - 6 A large amount is defined as an annual average over the past five fiscal years of 10 million yen or more in the case of an individual, or 2% or more of the consolidated net sales or total income of a group in the case where a group such as a legal corporation or association is such a recipient.
 - 7 An Important Person is defined as a person who is either a Director, an Audit & Supervisory Board Member, an Executive Officer and a General Manager or above.

Proposal 3: Payment of Bonuses to Directors

The Company proposes to pay Bonuses to five of the nine Directors (excluding the Outside Directors) as of the end of the 72nd term in an amount totaling 60 million yen, in recognition of the business performance and other factors for the 72nd term. The Company's Board of Directors has established a policy for determining the content of remuneration, etc. for individual directors, as described on pages 29 to 30. We believe that this proposal is in line with such policy and its content is appropriate. The Company would like to leave the decision on the bonus amount for each Director to the Board of Directors.

(Attachments)

Business Report (From April 1, 2023 to March 31, 2024)

1. Matters pertaining to the corporate group

(1) Business progress and results

In the Japanese economy during the fiscal year under review, although consumer spending has become more savings-oriented due to the effects of high prices, the Bank of Japan decided to end its negative interest rate policy for the first time in about 17 years amid wage hikes across the industrial sector at the annual wage talks in March this year, creating an environment in which stable price increases can be expected. If real wages rise in the future, business confidence can be expected to rise, accompanied by an improvement in consumer sentiment. With regard to capital investment, solid corporate performance has led to medium to long-term investments, such as digitalization and decarbonization. Despite lingering concerns about the downturn in overseas economies arising from international tensions, such as the situation in Ukraine, the Middle East and East Asia, moderate growth is expected to continue.

In the automobile industry, in which the Group is involved, automobile manufacturers that are customers of the Company are seeking to expand sales supported by a recovery in global demand, following the easing of semiconductor supply constraints. Looking ahead, it is necessary to closely monitor how the prolonged high interest rates in major countries will impact automobile sales and keep a close watch on the trends in the Chinese market, where sales of Japanese automobiles have been generally sluggish.

Regarding the main activities for the fiscal year under review, the Company has been working on its Transformative Value Evolution (TVE) Medium-term Management Plan, for which the final year is FY2024. Considering the impact of three changes in the business environment ((1) decline in global production volume, (2) significant decline in production volume in China, and (3) high prices driven by global inflation) since the formulation of the plan in FY2021, the Company has extended the Wave0 period, which was originally planned to end in FY2022 with a focus on securing revenue, and has implemented additional measures to improve revenue. These additional measures have been implemented in three areas. The first is to improve profits in unprofitable businesses through business downsizing, plant consolidation, etc. The second is to improve marginal profit by reflecting cost increases due to inflation in sales prices, in addition to further reductions of material and logistics costs by the Company. The third is to optimize fixed costs by reviewing the development and management systems. As a result, earnings structure reforms have progressed in Japan, North America and Latin America, and we are now in a position where we can expect to transform into a structure that can generate operating income sustainably in all regions. The main results of our business activities include the production launch of the seat for the new N-BOX, the most sold car model in Japan, for Honda Motor Co., Ltd. in October last year and the expansion of the parts business, in which we've been putting intensive efforts globally. A joint venture company has started mass production in the Indian market, where the automobile market is expected to expand, and a new base has been established in Thailand. In terms of quality, we have received many quality awards from customers in each region, as we did last year, in recognition of our steady efforts to date.

In this operating environment, net sales for the fiscal year under review increased 20.3% over the previous fiscal year to 292,947 million yen, which led to an operating income of 7,205 million yen (up 426.9% year-on-year), an ordinary income of 8,755 million yen (up 343.6% year-on-year), and net income attributable to owners of parent totaling 5,422 million yen (down 6.9% year-on-year).

Earnings in the business segments are as follows.

① Japan

Net sales totaled 125,093 million yen (up 21.8% year-on-year) and operating income totaled 3,446 million yen (up 286.0% year-on-year).

② North America

Net sales totaled 54,587 million yen (up 8.2% year-on-year), and operating loss was 1,023 million yen (operating loss of 2,052 million yen in the previous fiscal year).

③ Latin America

Net sales totaled 91,175 million yen (up 43.3% year-on-year) and operating income totaled 3,985 million yen (up 147.8% year-on-year).

④ Europe

Net sales totaled 0 million yen (down 99.9% year-on-year), and operating income was 174 million yen (down 50.1% year-on-year).

⑤ China

Net sales totaled 19,066 million yen (down 23.3% year-on-year), and operating income was 601 million yen (down 43.9% year-on-year).

⑥ Southeast Asia

Net sales totaled 3,025 million yen (up 108.0% year-on-year), and operating income was 38 million yen (operating loss of 397 million yen in the previous fiscal year).

(2) Capital expenditures

We implemented a total of 4,471 million yen in capex, primarily for production facilities in relation to new orders, model changes, and so on.

(3) Financing

None.

(4) Business transfers, absorption-type company splits or incorporation-type company splits

None.

(5) Business transfers from other companies

None.

(6) Assumption of rights or liabilities in relation to the business of other legal entities, etc., as a result of absorption-type mergers or absorption-type company splits

None.

(7) Acquisition or disposal of shares, other equity stakes, or subscription rights to shares of other companies

None.

(8) Issues to be addressed

The Group is involved in the automobile industry, which operates in an environment that is undergoing an accelerated transformation as a result of various technical innovations, such as the shift to self-driving and automated vehicles, which has led to intense technological competition.

In 2021, together with the current Transformative Value Evolution (TVE) Medium-term Management Plan, we announced a roadmap for corporate value improvement by 2030. We positioned 2021 to 2024 as the Wave0 and Wave1 periods for revitalization and strengthening, when we work on restructuring the foundation by improving revenue structure and asset efficiency, and 2025 to 2030 as the Wave2 period for significant progress toward both a spatial producer and non-automotive businesses.

In the existing sheet business, we will increase profitability by thorough streamlining, and we will actively invest the management resources obtained through such efforts in new business areas. Specifically, we aim to improve our corporate value by creating innovations that lead to new value and expanding our business areas with the three pillars: “deepening,” “innovating,” and “renewing,” and by returning the results to our stakeholders and investing for growth.

We request the continued support of shareholders going forward.

(9) Changes in assets and operating results

Account name	Period	69th term (FY3/2021)	70th term (FY3/2022)	71st term (FY3/2023)	72nd term (FY under review) (FY3/2024)
Net sales	(Million yen)	198,500	206,441	243,436	292,947
Ordinary profit (loss)	(Million yen)	(7,270)	(3,536)	1,973	8,755
Profit (loss) attributable to owners of parent	(Million yen)	(13,701)	(2,059)	5,823	5,422
Earnings (loss) per share	(yen)	(400.53)	(60.19)	170.09	158.25
Total assets	(Million yen)	150,994	158,997	170,004	180,806
Net assets	(Million yen)	78,670	79,181	86,481	96,298
Net assets per share	(yen)	2,119.66	2,129.09	2,346.90	2,618.84

Note 1. Earnings or loss per share is calculated using the average of the total number of issued shares for the period, whereas net assets per share is calculated using the total number of issued shares at the end of the period. In both cases they are calculated using the number of shares from which the number of treasury shares has been subtracted.

2. In the 69th term, net sales fell due to the impact of the spread of COVID-19 and the decline in automobile production caused by the global shortage of semiconductors. This resulted in an ordinary loss and a loss attributable to owners of parent.
3. In the 70th term, net sales increased due to the recovery from the impact of the COVID-19 crisis, despite the impact of the global supply shortage of semiconductors. Moreover, ordinary loss decreased as our activities for structural reforms had a certain effect, and net loss attributable to owners of parent decreased due to gains on sales of investment securities.
4. In the 71st term, although there were rapid fluctuations in production volume due to semiconductor shortages and other supply network problems, net sales increased due to the gradual elimination of such fluctuations and the impact of foreign exchange. Ordinary profit increased mainly due to streamlining in Japan and Latin America, and profit attributable to owners of parent increased due to extraordinary income from the transfer of fixed assets.
5. The situation in the 72nd term was as described in “(1) Business progress and results.”

(10) Important parent company and subsidiaries**① Relationship with parent company**

None.

② Relationship with important subsidiaries

Name	Capital	TACHI-S investment ratio	Main components of the business
TF-METAL Co., Ltd.	50 million yen	100.0%	Development, manufacture, and sale of automotive seat parts
Nui Tec Corporation	325 million yen	100.0	Manufacture and sale of automotive seat trim parts
TACHI-S H&P Co., Ltd.	40 million yen	100.0	Manufacture and sale of springs, automotive seat parts, and medical beds
TF-METAL Iwata Co., Ltd.	15 million yen	100.0 (100.0)	Manufacture and sale of automotive seat parts
TF-METAL Kyushu Co., Ltd.	10 million yen	100.0 (100.0)	Manufacture and sale of automotive seat parts
TF-METAL Higashi Mikawa Co., Ltd.	10 million yen	100.0 (100.0)	Manufacture of automotive seat parts
TACHI-S Engineering U.S.A., Inc.	43 million USD	100.0	Marketing, development operations, and business administration in North America
TF-METAL Americas Corporation	0 million USD	100.0 (100.0)	Development and business administration in the Americas
SETEX, Inc.	5 million USD	51.0 (51.0)	Manufacture and sale of automotive seats
TACHI-S Automotive Seating U.S.A., LLC	22 million USD	100.0 (100.0)	Manufacture and sale of automotive seats
TF-METAL U.S.A., LLC	10 million USD	100.0 (100.0)	Manufacture and sale of automotive seat parts
TACHI-S Engineering Latin America, S.A. de C.V.	2,184 million MXN	100.0 (100.0)	Development and business administration in Latin America
Industria de Asiento Superior, S.A. de C.V.	26 million USD	100.0 (19.2)	Manufacture and sale of automotive seats and seat parts
SETEX Automotive Mexico, S.A. de C.V.	24 million USD	95.0 (95.0)	Manufacture and sale of automotive seats
TF-METAL Mexico, S.A. de C.V.	27 million USD	100.0 (100.0)	Manufacture and sale of automotive seat parts
TACHI-S Brasil Industria de Assentos Automotivos Ltda.	525 million BRL	100.0 (52.4)	Manufacture and sale of automotive seats and seat parts
TACHI-S Engineering Europe S.A.R.L.	23 million EUR	100.0	Marketing, as well as manufacture and sale of automotive seat parts in Europe

Name	Capital	TACHI-S investment ratio	Main components of the business
TACHI-S China Co., Ltd.	259 million RMB	100.0	Business administration of related companies in China
Wuhan Dongfeng Tachi-S Yanfeng Automotive Seating Co., Ltd.	43 million RMB	50.0	Manufacture and sale of automotive seats and seat parts
TACLE Guangzhou Automotive Seat Co., Ltd.	66 million RMB	51.0	Manufacture and sale of automotive seats and seat parts
Hunan TACHI-S Automotive Seating Co., Ltd.	40 million RMB	51.0 (51.0)	Manufacture and sale of automotive seats
TACHI-S Lear DFM Automotive Seating (Xiangyang) Co., Ltd.	30 million RMB	51.0 (51.0)	Manufacture and sale of automotive seats
TACHI-S Trim Guangzhou Co., Ltd.	38 million RMB	100.0	Manufacture and sale of automotive seat trim parts
TACHI-S Trim Wuhan Co., Ltd.	35 million RMB	100.0 (100.0)	Manufacture and sale of automotive seat trim parts
TF-METAL Zhejiang Co., Ltd.	251 million RMB	82.8 (45.5)	Manufacture and sale of automotive seat parts
TACHI-S (Thailand) Co., Ltd.	771 million THB	100.0	Business administration in Southeast Asia and India
TACHI-S Automotive Seating (Thailand) Co., Ltd.	153 million THB	100.0	Manufacture and sale of automotive seats and seat parts

Note 1. The figures within the parentheses in the TACHI-S investment ratio column refer to the investment ratio of the Company's subsidiaries, which is included in the investment ratio for the Company itself.

2. The winding up of TACHI-S Canada, Ltd., which was formerly a consolidated subsidiary, has been completed as of March 31, 2024, and it was therefore excluded from the scope of consolidation in the fiscal year under review.

③ Matters relating to specified wholly owned subsidiaries

None.

(11) Main components of the business (as of March 31, 2024)

Manufacture and sale of automotive seats and seat parts

(12) Main business locations and plants (as of March 31, 2024)

① TACHI-S CO., LTD.

Head Office	1-3-1, Suehiro-cho, Ome-shi, Tokyo	
Technical Center	Technical Monozukuri Center (Ome-shi, Tokyo) Technical Center Aichi (Anjo-shi, Aichi Prefecture)	
Plants	Aichi Plant (Anjo-shi, Aichi Prefecture) Ome Plant (Ome-shi, Tokyo) Suzuka Plant (Suzuka-shi, Mie Prefecture)	Musashi Plant (Iruma-shi, Saitama Prefecture) Tochigi Plant (Shimotsuke-shi, Tochigi Prefecture)

② Subsidiaries

Name	Location
TF-METAL Co., Ltd.	Kosai-shi, Shizuoka Prefecture
Nui Tec Corporation	Ome-shi, Tokyo
TACHI-S H&P Co., Ltd.	Akishima-shi, Tokyo
TF-METAL Iwata Co., Ltd.	Iwata-shi, Shizuoka Prefecture
TF-METAL Kyushu Co., Ltd.	Nakatsu-shi, Oita Prefecture
TF-METAL Higashi Mikawa Co., Ltd.	Shinshiro-shi, Aichi Prefecture
TACHI-S Engineering U.S.A., Inc.	Michigan, U.S.A.
TF-METAL Americas Corporation	Michigan, U.S.A.
SETEX, Inc.	Ohio, U.S.A.
TACHI-S Automotive Seating U.S.A., LLC	Tennessee, U.S.A.
TF-METAL U.S.A., LLC	Kentucky, U.S.A.
TACHI-S Engineering Latin America, S.A. de C.V.	Aguascalientes, Mexico

Name	Location
Industria de Asiento Superior, S.A. de C.V.	Aguascalientes, Mexico
SETEX Automotive Mexico, S.A. de C.V.	Guanajuato, Mexico
TF-METAL Mexico, S.A. de C.V.	Aguascalientes, Mexico
TACHI-S Brasil Industria de Assentos Automotivos Ltda.	State of Rio de Janeiro, Brazil
TACHI-S Engineering Europe S.A.R.L.	Meudon-la-Forêt, France
TACHI-S China Co., Ltd.	Guangdong, China
Wuhan Dongfeng Tachi-S Yanfeng Automotive Seating Co., Ltd.	Hubei, China
TACLE Guangzhou Automotive Seat Co., Ltd.	Guangdong, China
Hunan TACHI-S Automotive Seating Co., Ltd.	Hunan, China
TACHI-S Lear DFM Automotive Seating (Xiangyang) Co., Ltd.	Hubei, China
TACHI-S Trim Guangzhou Co., Ltd.	Guangdong, China
TACHI-S Trim Wuhan Co., Ltd.	Hubei, China
TF-METAL Zhejiang Co., Ltd.	Zhejiang, China
TACHI-S (Thailand) Co., Ltd.	Bangkok, Thailand
TACHI-S Automotive Seating (Thailand) Co., Ltd.	Bangkok, Thailand

Note: The address given in the “Location” column is for the head office of the company.

(13) Employees (as of March 31, 2024)

① Employees in the corporate group

Number of employees	Year-on-year change
10,474	(82)

Note: The number of employees is the number of persons employed. The above figure does not include 924 temporary and other employees.

② Employees in the Company

Number of employees	Year-on-year change	Average age	Average years of service
1,190	(10)	38.9 years	14.5 years

Note: The number of employees is the number of persons employed. The above figure does not include 52 temporary and other employees.

(14) Main creditors (as of March 31, 2024)

Creditor	Outstanding balance
	Million yen
Sumitomo Mitsui Banking Corporation	7,421
MUFG Bank, Ltd.	1,768
Sumitomo Mitsui Trust Bank, Limited	1,068
Nippon Life Insurance Company	500
Resona Bank, Limited	200
Meiji Yasuda Life Insurance Company	200

(15) Other important matters pertaining to the corporate group

None.

2. Matters pertaining to the shares of the Company (as of March 31, 2024)**(1) Total number of authorized shares** 140,000,000 shares**(2) Total number of issued shares** 35,242,846 shares (Including 629,719 treasury shares)**(3) Number of shareholders** 27,046 (+12,166 from the previous fiscal year-end)**(4) Major shareholders**

Shareholder name	Number of shares held	Shareholding ratio
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,000 shares 5,208	% 15.05
Custody Bank of Japan, Ltd. (Trust Account)	1,682	4.86
Kiyoshi Saito	859	2.48
STATE STREET BANK AND TRUST COMPANY 505223	807	2.33
Sumitomo Mitsui Banking Corporation	750	2.17
TACHI-S Business Partner Share Ownership Association	707	2.05
STATE STREET BANK AND TRUST COMPANY 505103	535	1.55
SSBTC CLIENT OMNIBUS ACCOUNT	522	1.51
Saito Co., Ltd.	514	1.49
Noriko Yamamoto	511	1.48

Note: Shareholding ratio is calculated after subtracting 629,719 treasury shares. Furthermore, the Company has adopted a performance-linked stock remuneration plan, and the 332,098 shares of the Company held by the Custody Bank of Japan, Ltd. (Trust Account) as trust assets for this plan are not included in treasury shares.

(5) Shares issued to Officers of the Company as consideration for execution of their duties during the fiscal year under review

As a form of non-monetary remuneration, the Company has introduced a performance-linked stock remuneration plan for Directors (excluding Outside Directors and non-executive Directors).

In the fiscal year under review, 18,518 shares were granted to one Director who retired during the period as compensation for his performance of duties.

(6) Other important matters pertaining to shares

None.

(7) Other matters pertaining to shares held by the Company

① Policy on strategic shareholdings

In order for the Group to overcome global competition as an automotive parts manufacturer and to continue to grow sustainably going forward, cooperative relationships with a variety of stakeholders are indispensable. For strategic shareholdings arising from the demands of the business environment or business strategy, we maintain those positions that are considered necessary for the “deepening” of the business, within reasonable bounds. On the other hand, our basic policy on strategic shareholdings is to make adjustments, including reductions, to other shareholdings in line with the “renewing” and “innovating” of the business. Specifically, for listed shares, our basic policy is for the balance of strategic shareholdings to account for less than 10% of consolidated net assets. The Board of Directors scrutinizes and considers concrete issues, such as the purpose of each shareholding and its economic rationale, when ascertaining in each case whether or not it deserves to be held.

② Reductions

One listed stock was sold in FY2023 for 341 million yen, and the holdings in three listed stocks were reduced from FY2021 to FY2023. As a result, the number of stocks was reduced from 22 as of the end of March 2022 to 19 as of the end of March 2024.

③ Total strategic shareholdings on the balance sheet (as of March 31, 2024)

Account name / Period	70th term (FY3/2022)	71st term (FY3/2023)	72nd term (FY3/2024)
Number of stocks	22	20	19
Total amount on balance sheet (Million yen)	7,396	6,176	7,650
Percentage of net assets on the consolidated balance sheet (%)	9.3	7.2	8.8

④ Criteria for exercising voting rights in strategic shareholdings

When exercising voting rights in strategic shareholdings, our assumption is that improvements to the corporate value of the investee company over the medium to long term will be reflected in returns to shareholders, and we exercise voting rights after a comprehensive review of such factors as shareholder returns policy, and initiatives for corporate governance and corporate social responsibility.

Note: There are no stocks that are deemed shareholdings.

3. Matters pertaining to subscription rights to shares of the Company

None.

4. Matters pertaining to the Officers of the Company

(1) Names of Members of the Board of Directors and Audit & Supervisory Board Members (as of March 31, 2024)

Position	Name	Areas of responsibility and important concurrent roles
Representative Director & President Chief Executive Officer (Chief Operating Officer)	○ Yuichiro Yamamoto	Chief Strategy Officer
Representative Director Chief Financial Officer (Executive Managing Officer)	○ Atsushi Komatsu	Chief Corporate Officer In charge of Compliance
Directors (Executive Managing Officer)	○ Takao Ito	Chief Manufacturing Officer
Directors (Executive Managing Officer)	○ Akiyoshi Murakami	Chief Technology Officer
Directors (Executive Managing Officer)	○ Tsutomu Okouchi	Chief Business Officer
Outside Director	Toshio Kinoshita	Representative Director & President of Global Professional Partners Co., Ltd. Outside Audit & Supervisory Board Member of Cool Japan Fund Inc. Outside Director, Chairman of Audit & Supervisory Committee of ADK Holdings Inc. Outside Audit & Supervisory Board Member of Denka Company Limited
Outside Director	Hidetaka Mihara	Senior Counsel at Nagashima Ohno & Tsunematsu
Outside Director	Yoshiaki Nagao	
Outside Director	Sachiko Tsutsui	
Audit & Supervisory Board Member	Naozumi Matsui	
Audit & Supervisory Board Member	Masato Kimura	
Outside Audit & Supervisory Board Member	Shinsuke Matsuo	Partner at Sakura Kyodo Law Offices
Outside Audit & Supervisory Board Member	Nobuaki Ozawa	Chief Executive Officer of Ozawa CPA Firm Representative Partner of Ozawa Accounting Firm Council Member of Meisei Gakuen Auditor of TAMASHIN Culture Foundation Auditor of The Tama Shinkin Bank

Note 1. Audit & Supervisory Board Member Naozumi Matsui and Outside Audit & Supervisory Board Member Nobuaki Ozawa have Certified Public Accountant qualifications, and considerable knowledge of finance and accounting.

2. The Company has designated Outside Directors Toshio Kinoshita, Hidetaka Mihara, Yoshiaki Nagao and Sachiko Tsutsui, and Outside Audit & Supervisory Board Members Shinsuke Matsuo and Nobuaki Ozawa as independent officers in accordance with the regulations of the Tokyo Stock Exchange, and has notified the exchange to that effect.

3. ○ denotes an individual serving concurrently as an Executive Managing Officer, with the position described in parentheses.

4. At the 71st Annual General Meeting of Shareholders held on June 20, 2023, Mr. Akiyoshi Murakami and Mr. Tsutomu Okouchi were newly elected as Director and Ms. Sachiko Tsutsui as Outside Director, and took up their positions.

5. At the conclusion of the 71st Annual General Meeting of Shareholders held on June 20, 2023, Mr. Taro Nakayama, Mr. Kiyoshi Saito and Mr. Shigeo Komatsu stepped down as Board of Directors Members due to the expiration of their term of office.

6. Outside Audit & Supervisory Board Member Shinsuke Matsuo is affiliated with Sakura Kyodo Law Offices, with which the Company has concluded a legal advisory agreement, but attorney fees paid to Sakura Kyodo Law Offices in the most recent fiscal year were negligible for both parties, amounting to less than 0.001% of the Company's consolidated net sales and less than 0.13% of the law office's net sales. Accordingly, there is no risk that this will lead to a conflict of interest with general shareholders, and there is no impact on his independence. There are no special relationships between the Company and organizations at which other officers have important concurrent roles.

7. Initiatives for women's empowerment

Based on the Act on the Promotion of Women's Active Engagement in Professional Life, we have formulated the following action plan containing targets for the end of fiscal 2024 in order to create workplaces where women can play an active role

and an environment in which women can fully demonstrate their abilities.

Globally, we are considering setting targets that match the circumstances of each country.

In addition, we have set a new goal of appointing a female internal director by 2030 and are working towards it.

<TACHI-S (non-consolidated) Action Plan>

- ① Raise the proportion of women among new graduate hires to at least 30%
 - 1) On-campus information session held at a women's university
- ② Raise the proportion of female managers to at least 10%
 - 1) Continued implementation of rank-specific competency training programs to support the self-actualization and future career development of employees
 - 2) Setting goals for promotion and formulating individual skill development plans to achieve goals
- ③ Understanding global personnel
 - 1) Select female employees from each region as candidates for internal officers
 - 2) Goal setting for each region
- ④ Promote flexible work styles
 - 1) Introduction of a fertility treatment leave system (birth support leave)
 - 2) Conducting interviews about maternity and childcare leave before and after childbirth
 - 3) Introduction of hourly paid leave system
 - 4) Introduction of a system for employees to leave work during working hours
- ⑤ Past record and targets for the proportion of female managers (excluding those seconded to other companies as permanent employees and including those seconded from other companies as permanent employees)

70th term (FY3/2022)	71st term (FY3/2023)	72nd term (FY3/2024)	73rd term (FY3/2025)
3.3% (6 people out of 180)	4.2% (8 people out of 190)	4.5% (8 people out of 178)	10% (target)

8. On June 27, 2001, the Company introduced an Executive Managing Officer system. The status of Executive Managing Officers who do not concurrently serve as Directors is as follows.

Position	Name	Areas of responsibility and important concurrent roles
Executive Managing Officer	Shigeo Komatsu	President, Regional Headquarters for Latin America President, TACHI-S Engineering Latin America, S.A. de C.V. President, Industria de Asiento Superior, S.A. de C.V.
Executive Managing Officer	Kazumi Tamura	President, Regional Headquarters for China President, TACHI-S China Co., Ltd.
Executive Managing Officer	Gonzalo Esparza	In charge of NISSAN Business Department
Executive Managing Officer	Hideaki Igawa	In charge of HONDA Business Department, and TOYOTA and HINO Business Department
Executive Managing Officer	Yoshiaki Kubo	Chief of Product Development Group Chief ESG Promotion Office
Executive Managing Officer	Tomoaki Harashima	Chief of Global Business Management Group Director, TF-METAL Co., Ltd.
Executive Managing Officer	Masato Hiruma	President, Regional Headquarters for North America President, TACHI-S Engineering U.S.A., Inc. President, TechnoTrim, Inc.
Executive Managing Officer	Hiroyuki Morimoto	Chief of Purchasing Group
Executive Managing Officer	Naoki Hasegawa	Chief of Production Engineering Group
Executive Managing Officer	Isao Sekita	Product Development Group

(2) Summary of liability limitation agreement

Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with all outside officers to limit their liability for damages under Article 423, paragraph (1) of the same Act. The limitation on their liability for damages under this agreement shall be the minimum liability amount set forth in Article 425, paragraph (1) of the same Act.

(3) Summary of indemnity agreement

None.

(4) Summary of directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy pursuant to the provisions of Article 430-3, paragraph (1) of the Companies Act with an insurance company. This policy indemnifies the insured from responsibility for damages in connection to the execution of their duties, or against claims against them arising from the pursuit of such responsibility. However, there are certain grounds for exemption, such as damages not being indemnified in cases where they arise from acts committed in the knowledge that they infringe laws and regulations.

The insured under this insurance policy are Directors, Audit & Supervisory Board Members, and Executive Managing Officers. All insurance premiums are borne by the Company, and the insured are not responsible for insurance premiums.

(5) Remuneration, etc. for Directors and Audit & Supervisory Board Members for the fiscal year under review

① Matters pertaining to the policy for determining details of remuneration for individual Directors

The Company has set out a policy for determining the details of remuneration, etc. for individual Directors (“the Policy”), a summary of which follows.

Remuneration for the Directors of the Company is intended to be a system that takes into account joint ownership by Directors and shareholders of the risks and benefits associated with the corporate value of the Company, with the aim of incentivizing Directors to work for the sustainable growth of the Group and to improve corporate value over the medium to long term. Specifically, it consists of monthly remuneration (fixed), bonuses, and share-based remuneration (variable). The proportion of the different types of remuneration is roughly 2:1 in favor of fixed to variable (bonuses, share-based remuneration). The higher the position of the individual, the higher the proportion of the variable part. Furthermore, for Outside Directors, in consideration of their role neither bonuses nor share-based remuneration are paid.

The remuneration system for Audit & Supervisory Board Members consists of monthly remuneration only to ensure the Outside Audit & Supervisory Board Members. In order to prevent them from being influenced by the performance of the Company, bonuses are not paid.

In addition, the methods used to decide the Policy are deliberated by a non-statutory Personnel Remuneration Committee (“the Remuneration Committee”) based on surveys of officer remuneration conducted by external survey organizations, with the results submitted as a proposal to the Board of Directors, which passes a resolution. The Remuneration Committee consists of five Directors: Outside Director Mr. Yoshiaki Nagao as the chairperson, Representative Director & President Yuichiro Yamamoto, Representative Director Atsushi Komatsu, Outside Director Hidetaka Mihara, and Outside Director Sachiko Tsutsui, and a system is in place where Audit & Supervisory Board Member Naozumi Matsui may attend as an observer and express his opinion.

② Matters pertaining to the resolutions of the General Meeting of Shareholders in connection with remuneration, etc. of Directors and Audit & Supervisory Board Members

At the 71st Annual General Meeting of Shareholders held on June 20, 2023, it was resolved that monetary remuneration for Directors would be no more than 280 million yen annually (including 50 million yen for Outside Directors). At the conclusion of that Annual General Meeting of Shareholders there were nine Directors, of whom four were Outside Directors. In a separate framework to this monetary remuneration, at the 66th Annual General Meeting of Shareholders held on June 22, 2018, it was resolved to introduce a performance-linked stock remuneration plan, whereby the Company contributes funds to a trust up to a limit of 200 million yen in each trust period of three fiscal years to be used to purchase shares of the Company, with the total number of points granted to Directors during each period of three fiscal years being limited to 168,000 points (one point being equivalent to 1 share of the Company). At the conclusion of that Annual General Meeting of Shareholders there were seven Directors, including two Outside Directors and one non-executive Director, who were ineligible.

At the 58th Annual General Meeting of Shareholders held on June 25, 2010, it was resolved that monetary remuneration for Audit & Supervisory Board Members would be limited to 60 million yen annually. At the conclusion of that Annual General Meeting of Shareholders, there were four Audit & Supervisory Board Members, including two Outside Audit & Supervisory Board Members.

③ Reasons for the Board of Directors' judgment that details of remuneration for individual Directors are in line with the Policy

The limits to remuneration for Directors and Audit & Supervisory Board Members, and bonuses for Directors, are deliberated by the Remuneration Committee before being resolved by the Board of Directors, and then decided by a resolution of a General Meeting of Shareholders of the Company. Furthermore, because the details of remuneration for individual Directors and Audit & Supervisory Board Members are deliberated fully by the Remuneration Committee, after which they are discussed by Directors at meetings of the Board of Directors and by Audit & Supervisory Board Members at their own meetings before coming to a decision, the objectivity and transparency of the deliberation process is ensured, and the Board of Directors judges that the details are in line with the Policy.

④ Total amount, etc. of remuneration, etc. for Directors and Audit & Supervisory Board Members

Officer category	Total amount of remuneration, etc.	Total amount by type of remuneration, etc.			Number of eligible officers
		Basic remuneration	Performance-linked remuneration, etc.	Non-monetary remuneration, etc.	
Directors (Of which Outside Directors)	267 million yen (31 million yen)	162 million yen (31 million yen)	60 million yen	45 million yen	12 (4)
Audit & Supervisory Board Member (Of which Outside Audit & Supervisory Board Members)	42 million yen (9 million yen)	42 million yen (9 million yen)	-	-	4 (2)

Note 1. Bonuses are paid to Directors as performance-linked remuneration, etc. Bonuses are set after comprehensive consideration of such factors as the company performance each year, dividends, the level of employee bonuses, trends and performance over the medium to long term at other companies, and the past record of payments, and paid by resolution of a General Meeting of Shareholders.

- As a form of non-monetary remuneration, etc., the Company has introduced a performance-linked stock remuneration plan for Directors (excluding Outside Directors and non-executive Directors). This stock remuneration consists of basic points that vary according to the position of the individual, and performance points that vary according to the degree of attainment of performance targets. The basic points are fixed at an amount proportionate to the position of the individual, while the performance points are calculated in accordance with the degree of attainment of performance targets and are intended to raise awareness of the desirability of improving performance every fiscal year. As for the performance targets, we have used "Consolidated ROE" for each fiscal year from fiscal 2021 in order to further align the perspectives of Directors and our shareholders and to share profits and risks. Points are awarded to those eligible during a set period of each year, after the passing of a resolution by the Board of Directors, and, in principle, the shares will be delivered to Directors at the time at which they resign. In addition, those who resign for personal reasons, or who are dismissed, may forfeit their points.
- The above number of Directors and amounts of remuneration, etc., include three Board of Directors Members who resigned as of the conclusion of the 71st Annual General Meeting of Shareholders held on June 20, 2023.
- The above amount of performance-linked remuneration, etc. includes bonuses for Directors (excluding Outside Directors) to be resolved at the 72nd Annual General Meeting of Shareholders to be held on June 25, 2024.
- The above amount of non-monetary remuneration, etc. includes the provision of reserve for stock remuneration of 45 million yen.

(6) Matters pertaining to outside officers

Main activities during the fiscal year under review

Name	Position	Main activities
Toshio Kinoshita	Outside Director	He attended 15 out of the 15 meetings of the Board of Directors held during the fiscal year under review, and assumed the position of chairperson in June 2023. At the meetings of the Board of Directors, he made comments as necessary based on an objective and global viewpoint, as well as extensive experience and specialized knowledge as a Certified Public Accountant. He also made contributions to strengthening corporate governance by discussing management issues of the Company at meetings attended by Outside Directors and all Audit & Supervisory Board Members.
Hidetaka Mihara	Outside Director	He attended 15 out of 15 meetings of the Board of Directors held during the fiscal year under review, making comments as necessary based on his specialized viewpoint as a lawyer, and from the perspective of strengthening the governance of the Group. He also attended 7 out of 7 meetings of the Remuneration Committee during the fiscal year under review, making a substantial contribution to deliberations on human resources and remuneration for officers, etc., as well as helping to strengthen corporate governance by discussing management issues of the Company at meetings attended by Outside Directors and all Audit & Supervisory Board Members.
Yoshiaki Nagao	Outside Director	He attended 15 out of 15 meetings of the Board of Directors held during the fiscal year under review, making comments as necessary in relation to appropriate decision-making by the Board of Directors, based on his extensive experience and wide-ranging knowledge as a manager. He also attended 7 out of the 7 meetings of the Remuneration Committee held during the fiscal year under review, and assumed the position of chairperson in June 2023. At the meetings of the Remuneration Committee, he made a substantial contribution to deliberations on human resources and remuneration for officers, etc., as well as helping to strengthen corporate governance by discussing management issues of the Company at meetings attended by Outside Directors and all Audit & Supervisory Board Members.
Sachiko Tsutsui	Outside Director	She attended 11 out of the 11 meetings of the Board of Directors held during the fiscal year under review, making comments as necessary for the appropriate decision-making of the Board of Directors based on her experience in corporate management and expertise gained through advisory and consulting services at financial institutions. She also attended 5 out of 5 meetings of the Remuneration Committee during the fiscal year under review, making a substantial contribution to deliberations on human resources and remuneration for officers, etc., as well as helping to strengthen corporate governance by discussing management issues of the Company at meetings attended by Outside Directors and all Audit & Supervisory Board Members.

Name	Position	Main activities
Shinsuke Matsuo	Outside Audit & Supervisory Board Member	He attended 15 out of 15 meetings of the Board of Directors and 11 out of 11 meetings of the Audit & Supervisory Board, which were held during the fiscal year under review, making comments as necessary based on his specialized viewpoint as a lawyer. He also made contributions to strengthening corporate governance by discussing management issues of the Company at meetings attended by Outside Directors and all Audit & Supervisory Board Members.
Nobuaki Ozawa	Outside Audit & Supervisory Board Member	He attended 15 out of 15 meetings of the Board of Directors and 11 out of 11 meetings of the Audit & Supervisory Board, which were held during the fiscal year under review, making comments as necessary based on his specialized viewpoint as a Certified Public Accountant. He also made contributions to strengthening corporate governance by discussing management issues of the Company at meetings attended by Outside Directors and all Audit & Supervisory Board Members.

Note: The attendance rate of Outside Director Sachiko Tsutsui at meetings of the Board of Directors and the Remuneration Committee indicates the number of times she has attended the same since her appointment as Director on June 20, 2023.

5. Accounting auditors

(1) Name of accounting auditor

PricewaterhouseCoopers Japan LLC

(Note) The above accounting auditor changed its name from PricewaterhouseCoopers Aarata LLC as of December 1, 2023.

(2) Details of suspensions of business received by the accounting auditor over the previous two years

None.

(3) Summary of liability limitation agreement

None.

(4) Summary of indemnity agreement

None.

(5) Amount of remuneration, etc. for accounting auditor for the fiscal year under review

Category	Amount paid
Amount of remuneration, etc. related to the fiscal year under review	56 million yen
Total amount of cash and other financial benefits payable by the Company and its subsidiaries to the accounting auditor	56 million yen

Note 1. Major subsidiaries of the Company located overseas have been audited by audit firms other than the accounting auditor of the Company.

2. In the audit contract between the Company and the accounting auditor, there is no clear classification made between the amount of audit fees for auditing performed in accordance with the Companies Act and auditing performed in accordance with the Financial Instruments and Exchange Act, and because they are in effect impossible to classify as such, the amount presented above is the total amount.
3. Having checked and examined the audit plan of the accounting auditor, the performance of its duties, and the basis of the calculations for the remuneration estimate, the Board of Audit & Supervisory Board Members has consented to the remuneration of the accounting auditor pursuant to Article 399, paragraph (1) of the Companies Act.

(6) Details of non-audit services

None.

(7) Policy on dismissal or non-reappointment of accounting auditor

In the event that any of the items set forth in Article 340, paragraph (1) of the Companies Act are recognized as applying to the accounting auditor, the accounting auditor may be dismissed by unanimous consent of the Audit & Supervisory Board.

In such cases, an Audit & Supervisory Board Member selected by the Audit & Supervisory Board shall explain the reasons for dismissing the accounting auditor at the first General Meeting of Shareholders convened after the dismissal.

In addition, in cases where it is recognized that it is difficult for the accounting auditor to perform their duties properly, the Audit & Supervisory Board shall determine the details of a proposal to submit to a General Meeting of Shareholders for the dismissal or non-reappointment of the accounting auditor.

6. Policy on determining dividends of surplus, etc.

In addition to adopting the DOE (dividends on equity) ratio as the main financial target for dividends, the Company's basic policy on distributing profits takes a comprehensive view of cash flows, and the maintenance of a sound financial base over the medium to long term. The Company will actively implement initiatives for shareholder returns with the aim of achieving a DOE of 4% by FY2024.

Furthermore, the Articles of Incorporation of the Company provide for dividends of surplus to be determined by a resolution of the Board of Directors, and our basic approach is to pay dividends twice, at the interim and at the end of the year.

In accordance with the above policy, the Board of Directors passed a resolution to pay an ordinary dividend of 46.4 yen per share as the year-end dividend for the fiscal year ended March 31, 2024. As a result, combined with the interim dividend of 46.4 yen per share already paid, the annual dividend for the fiscal year under review will be 92.8 yen.

(Note) Amounts in this business report are rounded down to the nearest million yen, and numbers of shares are rounded down to the indicated unit.

Consolidated Balance Sheet
(As of March 31, 2024)

(Unit: Million yen)

Account Name	Amount	Account Name	Amount
(Assets)		(Liabilities)	
Current assets	112,937	Current liabilities	75,318
Cash and deposits	39,185	Notes and accounts payable - trade	41,214
Notes receivable - trade	4,852	Short-term borrowings	11,159
Accounts receivable - trade	41,838	Lease obligations	863
Merchandise and finished goods	2,627	Income taxes payable	1,633
Work in process	1,282	Accrued expenses	12,110
Raw materials and supplies	15,453	Provision for bonuses for directors	60
Other	9,096	Provision for loss on litigation	339
Allowance for doubtful accounts	(1,399)	Asset retirement obligations	0
Non-current assets	67,869	Other	7,936
Property, plant and equipment	35,877	Non-current liabilities	9,189
Buildings and structures, net	10,181	Lease obligations	2,816
Machinery, equipment and vehicles, net	11,263	Deferred tax liabilities	2,842
Land	6,983	Provision for share-based remuneration	334
Construction in progress	2,247	Retirement benefit liability	3,030
Other, net	5,201	Asset retirement obligations	37
Intangible assets	1,403	Other	127
Investments and other assets	30,588	Total liabilities	84,507
Investment securities	12,415	(Net assets)	
Long-term loans receivable	4	Total shareholders' equity	69,662
Deferred tax assets	6,566	Share capital	9,040
Retirement benefit asset	1,822	Capital surplus	8,713
Other	10,306	Retained earnings	53,277
Allowance for doubtful accounts	(527)	Treasury shares	(1,368)
		Other comprehensive income	20,113
		Valuation difference on available-for-sale securities	1,879
		Foreign currency translation adjustments	17,958
		Remeasurements of defined benefit plans	275
		Non-controlling interests	6,522
		Total net assets	96,298
Total assets	180,806	Total liabilities and net assets	180,806

Consolidated Statement of Income
(From April 1, 2023 to March 31, 2024)

(Unit: Million yen)

Account Name	Amount	
Net sales		292,947
Cost of sales		264,537
Gross profit		28,410
Selling, general and administrative expenses		21,204
Operating income		7,205
Non-operating income		
Interest income	820	
Dividend income	226	
Share of profit of entities accounted for using equity method	1,079	
Foreign exchange gain	88	
Miscellaneous income	315	2,529
Non-operating expenses		
Interest expenses	834	
Other	145	979
Ordinary income		8,755
Extraordinary income		
Gain on sales of non-current assets	46	
Gain on sales of investment securities	12	58
Extraordinary loss		
Loss on disposal of non-current assets	49	
Impairment loss	317	
Business restructuring and improvement expenses	650	
Loss on liquidation of subsidiaries	148	1,165
Net income before income taxes		7,648
Income taxes - current		2,629
Income taxes - deferred		(856)
Net income		5,875
Profit attributable to non-controlling interests		453
Net income attributable to owners of parent		5,422

Non-consolidated Balance Sheet

(As of March 31, 2024)

(Unit: Million yen)

Account Name	Amount	Account Name	Amount
(Assets)		(Liabilities)	
Current assets	42,810	Current liabilities	36,164
Cash and deposits	7,780	Notes payable - trade	444
Electronically recorded monetary claims - operating	3,337	Electronically recorded monetary obligations - operating	2,773
Accounts receivable - trade	19,338	Accounts payable - trade	16,762
Merchandise and finished goods	324	Short-term borrowings	5,587
Work in process	1,817	Current portion of long-term borrowings	5,500
Raw materials and supplies	3,660	Short-term borrowings from subsidiaries and associates	555
Advance payments - trade	53	Accounts payable - other	462
Short-term loans receivable	7,761	Accrued expenses	3,395
Other	2,497	Income taxes payable	159
Allowance for doubtful accounts	(3,758)	Deposits received	139
Non-current assets	51,559	Notes payable - facilities	243
Property, plant and equipment	9,185	Unearned revenue	53
Buildings, net	3,327	Provision for bonuses for directors	60
Structures, net	103	Asset retirement obligations	0
Machinery and equipment, net	1,713	Other	25
Vehicles, net	0	Non-current liabilities	880
Tools, instruments and fixtures, net	459	Deferred tax liabilities	502
Land	3,544	Provision for share-based remuneration	334
Construction in progress	36	Asset retirement obligations	16
Intangible assets	489	Other	27
Software	472	Total liabilities	37,044
Other	16	(Net assets)	
Investments and other assets	41,885	Shareholders' equity	55,447
Investment securities	7,693	Share capital	9,040
Shares of subsidiaries and associates	24,819	Capital surplus	8,604
Investments in capital	0	Capital reserves	8,592
Investments in capital of subsidiaries and associates	8,381	Legal capital surplus	12
Long-term loans receivable	2	Retained earnings	39,170
Long-term prepaid expenses	7	Legal retained earnings	480
Prepaid pension costs	510	Other retained earnings	38,690
Other	475	Reserve for tax purpose reduction entry	19
Allowance for doubtful accounts	(4)	General reserve	15,000
		Retained earnings brought forward	23,670
		Treasury shares	(1,368)
		Valuation and translation adjustments	1,878
		Valuation difference on available-for-sale securities	1,878
		Total net assets	57,325
Total assets	94,370	Total liabilities and net assets	94,370

Non-consolidated Statement of Income
(From April 1, 2023 to March 31, 2024)

(Unit: Million yen)

Account Name	Amount	
Net sales		114,431
Cost of sales		105,606
Gross profit		8,825
Selling, general and administrative expenses		7,294
Operating income		1,530
Non-operating income		
Interest and dividend income	6,146	6,245
Miscellaneous income	98	
Non-operating expenses		
Interest expenses	737	1,607
Foreign exchange losses	383	
Provision of allowance for doubtful accounts	446	
Miscellaneous expenditures	40	
Ordinary income		6,167
Extraordinary income		
Gain on sales of non-current assets	2	15
Gain on sales of investment securities	12	
Extraordinary loss		
Loss on disposal of non-current assets	9	114
Business restructuring and improvement expenses	105	
Net income before income taxes		6,068
Income taxes - current		598
Income taxes - deferred		(432)
Net income		5,902