

Securities code: 7239

June 4, 2025

To Our Shareholders,

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

Notice of the 73rd Annual General Meeting of Shareholders

Thank you very much for your continued support.

Please refer to the below for information about the upcoming 73rd 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 our company name or securities code, select “Basic Information” followed by “Documents for Public Inspection/Public Relations 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 Wednesday, June 25, 2025.

- 1. Date and time:** 10:00 a.m. on Thursday, June 26, 2025 (Reception will open at 9:00 a.m.)
- 2. Venue:** Karuro Grande (4th floor), HOTEL emisia TOKYO TACHIKAWA
2-14-16, Akebono-cho, Tachikawa-shi, Tokyo
The venue of the 73rd Annual General Meeting of Shareholders has been changed from last year’s meeting. Please refer to the map at the end of this notice.

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 73rd term (from April 1, 2024 to March 31, 2025)
 2. Report of the Non-consolidated Financial Statements for the 73rd term (from April 1, 2024 to March 31, 2025)

Matters for approval:

- Proposal 1:** Election of nine Directors
- Proposal 2:** Election of one Audit & Supervisory Board Member
- Proposal 3:** Election of one substitute Audit & Supervisory Board Member
- Proposal 4:** 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 Properness 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.
- (4) Questions regarding the subject matter of this Shareholders Meeting may be submitted via the "To Prior Questions" button in the General Meeting of Shareholders Portal®. Matters of significant interest to shareholders will be discussed at this Meeting. Please note that we are unable to provide individual responses.

Deadline for submission of prior questions: 5:00 p.m. on Tuesday, June 17, 2025

(Prior questions may be submitted starting from Wednesday, June 4)

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	<div>RE-nomination</div> Yuichiro YamamotoMale	Representative Director & President Chief Executive Officer Chief Operating Officer Chief Strategy Officer	15/15 (100%)
2	<div>RE-nomination</div> Atsushi KomatsuMale	Representative Director Executive Managing Officer Chief Financial Officer Chief Corporate Officer In charge of Compliance	15/15 (100%)
3	<div>RE-nomination</div> Takao ItoMale	Member of the Board of Directors, Executive Managing Officer Chief Manufacturing Officer	15/15 (100%)
4	<div>RE-nomination</div> Akiyoshi MurakamiMale	Member of the Board of Directors, Executive Managing Officer Chief Technology Officer	15/15 (100%)
5	<div>New nomination</div> Masato HirumaMale	Executive Managing Officer Chief Business Officer	-/- (-%)
6	<div>RE-nomination</div> <div>Outside</div> <div>Independent Director</div> Toshio KinoshitaMale	Outside Director	15/15 (100%)
7	<div>RE-nomination</div> <div>Outside</div> <div>Independent Director</div> Hidetaka MiharaMale	Outside Director	15/15 (100%)
8	<div>RE-nomination</div> <div>Outside</div> <div>Independent Director</div> Yoshiaki NagaoMale	Outside Director	15/15 (100%)
9	<div>RE-nomination</div> <div>Outside</div> <div>Independent Director</div> Sachiko TsutsuiFemale	Outside Director	15/15 (100%)

Candidate No.1	Yuichiro Yamamoto	(July 30, 1968)	RE-nomination	Male
 <div>■ Number of shares of the Company owned 102,500 shares</div> <div>■ Attendance at Board of Directors meetings 15/15 (100%)</div>	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
 <div>■ Number of shares of the Company owned 8,100 shares</div> <div>■ Attendance at Board of Directors meetings 15/15 (100%)</div>	Brief History, Position, Principal Duties and Key Concurrent Posts			
	April 1986	Joined NISSAN MOTOR CO., LTD.		
	April 2003	General Division Manager of China Business		
	July 2003	Seconded to Dongfeng Motor Co., Ltd Executive Vice President in charge of Financial and Information Technology		
	April 2009	Director of Management for affiliate company, NISSAN MOTOR CO., LTD.		
	April 2010	Director of Finance Section		
	April 2014	Director of Domestic Network Strategy		
	April 2017	Joined TACHI-S CO., LTD. as Corporate Advisor		
	July 2017	Executive Managing Officer Assistant Director of Corporate Management Division		
	April 2019	Executive Managing Officer Division Manager of Corporate Management Division		
	June 2019	Member of the Board of Directors & Executive Managing Officer		
	April 2020	Member of the Board of Directors & Executive Managing Officer in charge of Compliance (incumbent)		
	June 2022	Representative Director, Executive Managing Officer (incumbent)		
	June 2023	Chief Financial Officer (incumbent), Chief Corporate Officer (incumbent)		
	Reasons for nomination as a Candidate for Director			
	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 enhancement of the Group's corporate value.			


Candidate No.3	Takao Ito	(June 4, 1965)	RE-nomination	Male
 				


Candidate No.4	Akiyoshi Murakami	(February 3, 1964)	RE-nomination	Male
 <div>■ Number of shares of the Company owned 7,500 shares</div> <div>■ Attendance at Board of Directors meetings 15/15 (100%)</div>	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	Masato Hiruma	(January 21, 1974)	New nomination	Male
	Brief History, Position, Principal Duties and Key Concurrent Posts			
	April 1996	Joined TACHI-S CO., LTD.		
	April 2018	General Manager of Program Management Department		
	April 2020	VP in charge of Corporate Planning Office		
	April 2021	SVP in charge of Corporate Planning Office		
	June 2023	Executive Managing Officer (incumbent) President of Regional Headquarters for North America Seconded to TACHI-S Engineering U.S.A., Inc. President President, TechnoTrim, Inc.		
	July 2024	President, TF-METAL Americas Corporation		
	April 2025	Chief Business Officer (incumbent)		
	Reasons for nomination as a Candidate for Director			
	Mr. Masato Hiruma has been newly nominated as a candidate for Director, as he is a professional in the development and technology fields over many years and has experience in planning and promoting business strategies and managing the North American subsidiary and conducting top manager level sales, and we have determined that he is essential to support the Group's sustainable growth and technological innovation by leveraging his expertise.			

■ Number of shares of the Company owned	2,220 shares
■ Attendance at Board of Directors meetings	-/- (-%)

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)				
	(Key concurrent posts)					
■ Number of shares of the Company owned 0 shares	Chairman of the Board of Global Professional Partners Corp.					
Outside Audit & Supervisory Board Member of Cool Japan Fund Inc.						
Outside Director, Chairman of Audit & Supervisory Committee of ADK Holdings Inc.						
Outside Director, Audit & Supervisory Committee Member of Denka Company Limited						
■ Attendance at Board of Directors meetings 15/15 (100%)	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 Chairman. 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 ten years as of the conclusion of						

Candidate No.7	Hidetaka Mihara	(July 8, 1958)	RE-nomination Outside Independent Director	Male
 ■ Number of shares of the Company owned 0 shares ■ Attendance at Board of Directors meetings 15/15 (100%)	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)		
	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		
	July 2024	Senior Counsel at Tokyo International Law Office (incumbent)		
	February 2025	Outside Director of Ryochi Inc. (incumbent)		
(Key concurrent posts)				
Senior Counsel at Tokyo International Law Office Outside Director of Ryochi Inc.				
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 seven years as of the conclusion of the Meeting.				

Candidate No.8	Yoshiaki Nagao	(February 1, 1953)	RE-nomination Outside Independent Director	Male
	Brief History, Position, Principal Duties and Key Concurrent Posts			
	April 1978	Joined KIORITZ CORPORATION (currently YAMABIKO CORPORATION)		
	February 2006	Executive Managing Officer of KIORITZ CORPORATION 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		
	■ Number of shares of the Company owned 3,000 shares	October 2009	Member of the Board of Directors, Executive Managing Officer & Director of Industrial Machinery DIV of YAMABIKO CORPORATION	
	■ Attendance at Board of Directors meetings 15/15 (100%)	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 five years as of the conclusion of the Meeting.				

Candidate No.9	Sachiko Tsutsui	(May 1, 1962)	RE-nomination Outside Independent Director	Female
	Brief History, Position, Principal Duties and Key Concurrent Posts			
	August 1996	Joined The Gartner Group (currently Gartner Japan)		
	December 2001	Joined UFJ Capital Markets Securities Co., Ltd. (currently Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)		
	August 2008	Joined Hitachi, Ltd. as General Manager of Strategy Planning Division		
	April 2012	Seconded to Hitachi Consulting Corporation (U.S.A.) Executive Vice President and Board Director		
	October 2017	Seconded to Hitachi Vantara Corporation (U.S.A.)		
	March 2022	Corporate Support Coordinator of the Ashikaga Bank, Ltd.		
■ Number of shares of the Company owned	0 shares	June 2023	Outside Director of TACHI-S CO., LTD. (incumbent) DX Adviser at Axcelead, Inc.	
■ Attendance at Board of Directors meetings	15/15 (100%)	(Key concurrent posts) —		
Reasons for nomination as a Candidate for Outside Director and Outline of the expected role				
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 two years as of the conclusion of the Meeting.				


- 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 continue to be 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 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 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, 2025.

Proposal 2: Election of one Audit & Supervisory Board Member

The term of office of an Audit & Supervisory Board Member, Mr. Shinsuke Matsuo, 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 candidates for Audit & Supervisory Board Member are as follows:

Naoko Ohiwa		(June 29, 1964) * Name in the family register: Naoko Watanabe	<div>New nomination</div> <div>Outside</div> <div>Independent Auditor</div>	Female								
		Brief History, Position and Key Concurrent Posts <table><tr><td>April 1996</td><td>Registered with Tokyo Bar Association Joined Shiraishi Law Office</td></tr><tr><td>June 1999</td><td>Joined Tokyo Eiwa Attorneys at Law</td></tr><tr><td>January 2008</td><td>Joined Sakura Kyodo Law Office</td></tr><tr><td>June 2014</td><td>Partner at Sakura Kyodo Law Offices (incumbent)</td></tr></table>			April 1996	Registered with Tokyo Bar Association Joined Shiraishi Law Office	June 1999	Joined Tokyo Eiwa Attorneys at Law	January 2008	Joined Sakura Kyodo Law Office	June 2014	Partner at Sakura Kyodo Law Offices (incumbent)
April 1996	Registered with Tokyo Bar Association Joined Shiraishi Law Office											
June 1999	Joined Tokyo Eiwa Attorneys at Law											
January 2008	Joined Sakura Kyodo Law Office											
June 2014	Partner at Sakura Kyodo Law Offices (incumbent)											
<div>■ Number of shares of the Company owned</div> <div>0 shares</div>		<div>(Key concurrent posts)</div> <div>Partner at Sakura Kyodo Law Offices</div>										
<div>■ Attendance at Board of Directors meetings</div> <div>-/- (-%)</div> <div>■ Attendance at Board of Audit & Supervisory Board Members meetings</div> <div>-/- (-%)</div>		<div>Reasons for nomination as a Candidate for Outside Audit & Supervisory Board Member</div> <div>Ms. Naoko Ohiwa has advanced knowledge and extensive experience in corporate legal affairs as an attorney-at-law despite having no experience in corporate management. We have newly nominated her as a candidate for Outside Audit & Supervisory Board Member based on the belief that she will contribute to the sustainable development of the Company by leveraging her knowledge to strengthen legal risk management and governance and by bolstering the improvement of management transparency and appropriate decision-making from an independent standpoint.</div>										

- Notes:
- 1: The above candidate has no conflicts of interest with the Company.
 - 2: Ms. Naoko Ohiwa is a candidate for Outside Audit & Supervisory Board Member. Notification has been submitted to the Tokyo Stock Exchange for Ms. Naoko Ohiwa to be listed as an independent officer according to the rules of the Exchange.
 - 3: Ms. Naoko Ohiwa 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 her independence.
 - 4: If the appointment of Ms. Naoko Ohiwa as Outside Audit & Supervisory Board Member is approved, the Company will conclude an agreement with her to limit her 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. 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 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, 2025.

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

The Board of Directors believes that the officers are equipped with fundamental skills required for fulfilling their roles of making decisions and supervising management as a team of Directors, including in relation to corporate functions. Moreover, the highly-specialized skills currently possessed by officers and deemed necessary by the Board of Directors in order to carry out the Transformative Value Evolution (TVE) Medium-term Management Plan formulated in 2021, which has entered Wave2 from 2025, 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. Each skill and the status of its possession has been deliberated by the Remuneration Committee and resolved by the Board of Directors.

Name			General management, Business management			Medium- to long-term strategy					
			Corporate management Management strategy	Global	Governance Risk control Compliance	Business strategy		Financial & Capital Strategies	Management foundation		
						Sales	Technology development Monozukuri		Human capital strategy Human capital management	Global environment	ITDX
Directors	Yuichiro Yamamoto	Male	●	●		●					
	Atsushi Komatsu	Male	●	●				●	●		
	Takao Ito	Male	●				●			●	●
	Akiyoshi Murakami	Male	●				●				
	Masato Hiruma	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	Nobuaki Ozawa	Male						●			
	Naoko Ohiwa	Female			●			●			

(Reference) Up to four of the main skills possessed by each officer are marked with a symbol (●).
The skill matrix shown above presents items specifically expected of each of the officers, and does not present all of the knowledge and experience possessed by each of them.

We believe that officers possessing the following skills are equipped with particularly advanced and specialized skills for achieving the medium-term management plan and continuing to enhance our corporate value.

Skill item	Definition	Reasons for selection
Corporate management, Management strategy	Experience in managing a company with the aim of improving its corporate value while formulating management strategies and dealing with operating environment changes from a medium- to long-term perspective	To build and supervise our sustainable growth and business expansion strategy
Global	Experience in managing overseas businesses, or an understanding of, and adaptability to, diversity and cultures, which are required for communicating with foreign entities	To establish and supervise our overseas growth strategies
Governance, Risk control, and Compliance	Knowledge in the areas of corporate governance, risk management and compliance and experience in leading endeavors to establish and strengthen matters as a manager	To establish and supervise strategies for governance, risk control and compliance that will serve as the basis for the Company's continued growth and the enhancement of its corporate value over the medium to long term
Sales	Experience in formulating sales strategies and leading sales activities in ways that are mindful of the operating environment and customer needs	To establish and supervise sales strategies aimed at expanding sales globally by accurately understanding the operating environment and customer needs
Technology development, Monozukuri	Knowledge in research and development (R&D) on advanced technologies and experience in leading endeavors to establish and execute technology and R&D strategies Experience in leading endeavors to introduce innovative production technologies, significantly improve productivity and maintain or improve product quality	To continue to supply products that are competitive in terms of quality, functionality and cost To establish and supervise strategies to enhance and utilize tangible and intangible technological assets
Finance and Accounting	Knowledge in accounting, tax affairs and finance and experience in leading endeavors to establish financial strategies and capital policies and perform related duties at a listed company	To formulate and supervise financial strategies and capital policies to achieve sustainable growth and enhance corporate value by building a system for accurate financial reporting as well as a solid financial foundation
Human capital strategy and Human capital management	Knowledge in the field of human capital development and experience in leading endeavors to formulate and execute strategies for human capital management	To formulate and supervise a personnel strategy that enables employees to maximize their potential capabilities by securing and fostering personnel in order to sustain our growth
Global environment	Knowledge in the environmental protection field and experience in leading endeavors to formulate strategies in this area and perform related duties	To formulate and supervise strategies aimed at enhancing our corporate value by continually working to reduce the environmental load of our products and business activities
IT and DX	Knowledge in IT technologies and environments and experience in formulating and leading strategies for digital transformation (DX) activities	To formulate and supervise productivity improvement strategies that leverage digital technologies for the purpose of strengthening the operational base

<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: Election of one substitute Audit & Supervisory Board Member

The term of office of Mr. Tokuaki Kinoshita, Audit & Supervisory Board Member, who was elected as a substitute Audit & Supervisory Board Member at the 69th Annual General Meeting of Shareholders held on June 23, 2021, will expire at the conclusion of the Meeting. Accordingly, we propose to elect one substitute Audit & Supervisory Board Member candidate to prepare for the case where the number of audit & supervisory board members comes to fall below the number stipulated in laws.

Only before his assumption of office, the election of the following candidate may be revoked by a resolution of the Board of Directors upon obtaining the consent of the Audit & Supervisory Board.

The Audit & Supervisory Board has already approved this proposal.

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

Masaaki Kinoshita	(July 20, 1968) ■Number of shares of the Company owned 0 shares	New nomination Outside
Brief History and Key Concurrent Posts		
January 1995	Joined Noriaki Kinoshita Certified Public Accountant Office	
December 2004	Joined AZSA Audit Corporation (currently KPMG AZSA LLC)	
July 2010	Registered as Certified Public Accountant	
July 2012	Established Kinoshita Certified Public Accountant Office, Representative (incumbent)	
August 2012	Registered as Certified Public Accountant Joined AGS Consulting Co., Ltd.	
December 2015	Established A&MI Advisors Firm, Inc., Representative Director (incumbent)	
October 2017	Specialist Committee Member, Tokyo District Court (incumbent)	
July 2022	Chairman, San Tama Society of the Japanese Institute of Certified Public Accountants, Tokyo (incumbent)	
(Key concurrent posts)		
Representative, Kinoshita Certified Public Accountant Office		
Representative Director, A&MI Advisors Firm, Inc.		
Auditor, Kashokai Social Welfare Corporation		
Reasons for nomination as a substitute Candidate for Outside Audit & Supervisory Board Member		
Mr. Masaaki Kinoshita is equipped with advanced knowledge and extensive experience as he was involved in corporate financial strategies and the resolution of business issues as a certified public accountant. We have nominated him as a candidate for substitute Outside Audit & Supervisory Board Member based on the belief that he will contribute to strengthening the Company’s audit function, securing its financial transparency and operating its sound governance system by leveraging his knowledge and experience.		

- Notes:
- 1: The above candidate has no conflicts of interest with the Company.
 - 2: Mr. Masaaki Kinoshita is a candidate for substitute Outside Audit & Supervisory Board Member.
 - 3: If Mr. Masaaki Kinoshita assumes office as Outside Audit & Supervisory Board Member, the Company will conclude an agreement with him to limit his 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. 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.
 - 4: 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 Mr. Kinoshita is elected as a substitute Audit & Supervisory Board Member as proposed and takes office, he will become an insured party. The insured officers will not pay for the insurance premiums. The Company intends to renew this liability insurance contract in July, 2025.

Proposal 4: 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 73rd term in an amount totaling 60 million yen, in recognition of the business performance and other factors for the 73rd 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 35 to 36. 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, 2024 to March 31, 2025)

1. Matters pertaining to the corporate group

(1) Business progress and results

During the fiscal year under review, the Japanese economy remained on a gradual recovery trend in which corporations were advancing investments for the future, such as in digital transformation, labor-saving measures, decarbonization-related activities, and the building of supply chain resilience on the back of solid corporate business performance. Although the wage hike rate in the annual spring wage negotiations for 2025 is expected to continue to rise, following the results of 2023 and 2024, consumer spending, which is the core of domestic demand, lacks strength amid ongoing rising prices. The major risks include the impact of the U.S. Trump Administration's main policy changes on the global economy and the Chinese economy, which remains stagnant.

In the automotive industry in which the Group is involved, with the shift to new-energy vehicles progressing slower than initially expected in the whole of the global market except China, where new-energy vehicles are posting remarkable growth, automotive manufacturers are scrambling to revise their car model strategies and investment plans. Whereas the auto industry is making investments in response to the added value transformation that vehicles are expected to offer through the reportedly once-in-a-century technological innovation, the industry is compelled to deal with challenges such as inflation, the impact of the U.S. Trump Administration's policy changes, and geopolitical risks. In this environment, it has become more important than ever for suppliers including TACHI-S to address the challenges in an autonomous and speedy manner.

As for our main activities during the fiscal year under review, the final year of Wave0 and Wave1 in the medium-term management plan "Transformative Value Evolution (TVE)," which was launched in fiscal year 2021, in response to the operating environment changes that have occurred to date, we worked on three additional measures intended to improve revenue continuing on from FY2023. 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 through, among other means, revisions to the development and administrative systems. As a result, earnings structure reforms have progressed in Japan, North America, and Latin America, and the Group has the prospect of transforming into a structure that can generate sustainable operating income in all regions except North America and China. In respect of other achievements from main business activities, the Group has launched the production of the seats for N-BOX JOY and N-VAN e for Honda Motor Co., Ltd. and for Land Cruiser 250 for Toyota Motor Corporation in Japan, and has started producing the frame TTK-X used in the Group's new standard front seats and seats of new KICKS for Nissan Mexicana, S.A. De C. V. in Mexico. As for quality, the Group has received a great number of quality awards from customers in regions as a result of the steady efforts made so far by the Group being recognized.

In this operating environment, net sales decreased 2.6% over the previous fiscal year to 285,394 million yen, but operating income was 9,625 million yen (up 33.6% year on year), ordinary income was 10,768 million yen (up 23.0% year on year), and net income attributable to owners of parent was 11,310 million yen (up 108.6% year on year).

Earnings in the business segments are as follows.

- ① **Japan**
Net sales totaled 115,502 million yen (down 7.7% from the previous fiscal year), and operating income was 6,797 million yen (up 97.2% from the previous fiscal year).
- ② **North America**
Net sales totaled 43,849 million yen (down 19.7% from the previous fiscal year), and operating loss was 65 million yen (compared to an operating loss of 1,023 million yen in the previous fiscal year).
- ③ **Latin America**
Net sales totaled 103,711 million yen (up 13.7% from the previous fiscal year), and operating income was 3,018 million yen (down 24.3% from the previous fiscal year).
- ④ **Europe**
Net sales totaled 14 million yen (net sales of 0 million yen in the previous fiscal year), and operating loss was 61 million yen (compared to an operating income of 174 million yen in the previous fiscal year).
- ⑤ **China**
Net sales totaled 18,214 million yen (down 4.5% from the previous fiscal year), and operating loss was 602 million yen (compared to an operating income of 601 million yen in the previous fiscal year).
- ⑥ **Southeast Asia**
Net sales totaled 4,101 million yen (up 35.6% from the previous fiscal year), and operating income was 577 million yen (compared with an operating income of 38 million yen in the previous fiscal year).

(2) Capital expenditures

We implemented a total of 5,270 million yen in capex, primarily for production facilities in relation to new orders, model changes, and so on.

(3) Financing

On March 19, 2025, the Company issued Series One Share Acquisition Rights and Series Two Convertible-Bond-Type Bonds with Share Acquisition Rights through third-party allotment. As a result, we raised 4,012 million yen.

(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

In the automotive industry in which the Group is involved, while the growth of global car production is expected to be slower than forecast before the COVID-19 pandemic, moderate growth is predicted toward 2030. The growth in the number of new energy vehicles (BEVs, PHEVs, FCVs) has been slower than previously expected due to policy changes in various countries, etc., but it is predicted to continue to grow in the future, with competition in technological innovation, such as autonomous driving and self-defined vehicles (SDVs), remaining fierce.

In 2021, together with the current Transformative Value Evolution (TVE) Medium-term Management Plan, we announced a roadmap for improving corporate value by 2030. In this roadmap, we positioned 2021 to 2024 as the Wave0 and Wave1 periods for revitalization and strengthening as we worked on restructuring our foundation by improving the revenue structure and asset efficiency. As a result, the Group has the prospect of transforming into a structure that can generate sustainable operating income in all regions except North America and China.

The Group will continue to improve profitability, viewing Wave2, from FY2025 to FY2030, as a period for rapid growth. At the same time, it will strive to achieve growth through the three shinka initiatives consisting of “deepening,” “innovating,” and “renewing.” To this end, we laid down the following vision for 2030 at the start of Wave2 to decide to engage in activities by identifying three materiality themes through analyzing the business environment, risks, and opportunities.

<Vision 2030>

We will become more competitive and profitable by transforming the value we provide through innovation in accordance with our corporate motto “Mutual respect and cooperation.” At the same time, we will contribute to the realization of a sustainable society by addressing social issues.

<Materiality themes>

- ① Address social issues through innovation and business operations (value provision)
- ② Sincerely engage in business activities to become a company that continues to be chosen by contributing to the realization of a sustainable society and earning trust
- ③ Foster personnel and a corporate culture that enable self-driven actions toward creating value

We request the continued support of shareholders going forward.

(9) Changes in assets and operating results

Account name	Period	70th term (FY3/2022)	71st term (FY3/2023)	72nd term (FY3/2024)	73rd term (FY under review) (FY3/2025)
Net sales	(Million yen)	206,441	243,436	292,947	285,394
Ordinary profit (loss)	(Million yen)	(3,536)	1,973	8,755	10,768
Profit (loss) attributable to owners of parent	(Million yen)	(2,059)	5,823	5,422	11,310
Earnings (loss) per share (yen)		(60.19)	170.09	158.25	329.93
Total assets	(Million yen)	158,997	170,004	180,806	171,957
Net assets	(Million yen)	79,181	86,481	96,298	98,185
Net assets per share	(yen)	2,129.09	2,346.90	2,618.84	2,808.25

- (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 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.
 3. 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 income 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.
 4. In the 72nd term, net sales increased due to the recovery of sales in Japan, North America and Latin America and foreign exchange translation effects. Ordinary income increased due to the improvement of revenue in low-profitability business lines, higher marginal profit and the optimization of current assets. Profit attributable to owners of parent decreased as we recorded an impairment loss stemming from business restructuring.
 5. The situation in the 73rd 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	100.0 (100.0)	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
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	100.0 (100.0)	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
TACHI-S China Co., Ltd.	259 million RMB	100.0	Marketing, development operations, and business administration in China
TACLE Guangzhou Automotive Seat Co., Ltd.	66 million RMB	51.0	Manufacture and sale of automotive seats

Name	Capital	TACHI-S investment ratio	Main components of the business
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
Wuhan Dongfeng TACHI-S Yanfeng Automotive Seating Co., Ltd.	43 million RMB	50.0	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

- Notes
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 TF-METAL U.S.A., LLC, which was formerly a consolidated subsidiary, was completed as of March 24, 2025, and it was therefore excluded from the scope of consolidation in the fiscal year under review.
 3. The winding up of TACHI-S Engineering Europe S.A.R.L., which was formerly a consolidated subsidiary, was completed as of December 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, 2025)

Manufacture and sale of automotive seats and seat parts

(12) Main business locations and plants (as of March 31, 2025)**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) Advanced Technology Center (Ome-shi, Tokyo)	
Plants	Aichi Plant (Anjo-shi, Aichi Prefecture) Tochigi Plant (Shimotsuke-shi, Tochigi Prefecture)	Musashi Plant (Iruma-shi, Saitama Prefecture) Suzuka Plant (Suzuka-shi, Mie Prefecture)

(Note) Ome Plant was renamed Advanced Technology Center as of December 31, 2024, after transferring its plant functions to Musashi Plant and Tochigi Plant.

② Subsidiaries

Name	Location
TF-METAL Co., Ltd.	Kosai-shi, Shizuoka Prefecture
Nui Tec Corporation	Ome-shi, Tokyo
TACHI-S H&P Co., Ltd.	Ome-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.
TACHI-S Engineering Latin America, S.A. de C.V.	Aguascalientes, Mexico
Industria de Asiento Superior, S.A. de C.V.	Aguascalientes, Mexico

Name	Location
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 China Co., Ltd.	Guangdong, 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
Wuhan Dongfeng TACHI-S Yanfeng Automotive Seating 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, 2025)

① Employees in the corporate group

Number of employees	Year-on-year change
10,560	86

Note: The number of employees is the number of persons employed. The above figure does not include 1,149 temporary and other employees.

② Employees in the Company

Number of employees	Year-on-year change	Average age	Average years of service
1,226	36	39 years	14.5 years

Note: The number of employees is the number of persons employed. The above figure does not include 26 temporary and other employees.

(14) Main creditors (as of March 31, 2025)

Creditor	Outstanding balance
Sumitomo Mitsui Banking Corporation	Million yen 4,035
MUFG Bank, Ltd.	1,747
Sumitomo Mitsui Trust Bank, Limited	1,047
Resona Bank, Limited	200

(15) Other important matters pertaining to the corporate group

None.

2. Matters pertaining to the shares of the Company (as of March 31, 2025)

- (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** 31,689 (+4,643 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 4,977	% 14.38
Custody Bank of Japan, Ltd. (Trust Account)	1,543	4.46
STATE STREET BANK AND TRUST COMPANY 505001	1,035	2.99
Kiyoshi Saito	803	2.32
Sumitomo Mitsui Banking Corporation	750	2.17
TACHI-S Business Partner Share Ownership Association	723	2.09
STATE STREET BANK AND TRUST COMPANY 505223	654	1.89
STATE STREET BANK AND TRUST COMPANY 505103	630	1.82
Noriko Yamamoto	511	1.48
Hitoshi Saito	498	1.44

Note: Shareholding ratio is calculated after subtracting 629,719 treasury shares. Furthermore, the Company has adopted a performance-linked stock remuneration plan, and the 330,698 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**

None.

- (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 FY2024 for 96 million yen. As a result, the number of stocks held was reduced to 19 as of the end of March 2025.

③ Total strategic shareholdings on the balance sheet (as of March 31, 2025)

Account name / Period	71st term (FY3/2023)	72nd term (FY3/2024)	73rd term (FY3/2025)
Number of stocks	20	19	19 (One stock: Sold partially)
Total amount on balance sheet (Million yen)	6,176	7,650	5,764
Percentage of net assets on the consolidated balance sheet (%)	7.2	8.8	6.0

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

(1) Outline of stock acquisition rights held by the Company's officers (as of March 31, 2025)

None.

(2) Outline of share acquisition rights issued to employees of the Company as well as officers and employees of subsidiaries as consideration for execution of their duties during the fiscal year under review

None.

(3) Other matters pertaining to acquisition rights for shares of the Company

- ① Series One Share Acquisition Rights issued as resolved at the Board of Directors meeting held on February 27, 2025

Total number of share acquisition rights	33,112
Class of shares underlying share acquisition rights	Common shares
Number of shares underlying share acquisition rights	The number of common shares to be delivered upon the exercise of one (1) Share Acquisition Right shall be the largest integer obtained by dividing 181,200 yen (payment amount) by the exercise price in effect at the time of exercise. Any fractional shares resulting from the exercise shall be rounded down and no cash adjustment shall be made. (Note)
Issue price of share acquisition rights	185 yen per share acquisition right
Payment amount for share acquisition rights	181,200 yen per share acquisition right
Initial exercise price	1,812 yen per share
Exercise period of share acquisition rights	From March 21, 2025 to March 18, 2030
Conditions for exercise of share acquisition rights	Share acquisition rights may not be exercised partially.
Allottees of share acquisition rights	AAGS S12, L.P.

(Note) The maximum total number of shares to be issued upon the exercise of share acquisition rights shall be the largest integer obtained by dividing the amount resulting from multiplying the total number of share acquisition rights by the payment price, by the exercise price, and if the exercise price is adjusted, the total number of shares to be issued upon the exercise of share acquisition rights will be changed accordingly.

② Share acquisition rights attached to Series Two Unsecured Convertible Bond-Type Bonds with stock acquisition rights issued as resolved at the Board of Directors meeting held on February 27, 2025

Total number of share acquisition rights	40
Class and number of shares underlying share acquisition rights	Common shares
Number of shares underlying share acquisition rights	The number obtained by dividing the total amount of the bonds by the conversion price in effect at the time of exercise. Any fractional shares resulting from the exercise shall be settled in cash and any shares less than one unit shall be rounded down.
Payment amount for share acquisition rights	No payment is required in exchange for stock acquisition rights.
Initial conversion price	1,812 yen per share
Exercise period of share acquisition rights	From March 21, 2025 to March 18, 2030
Conditions for exercise of share acquisition rights	Share acquisition rights may not be exercised partially.
Balance of Convertible-Bond-Type Bonds with Share Acquisition Rights	4,000 million yen
Allottees of share acquisition rights	AAGS S12, L.P.

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, 2025)

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
Member of the Board of Directors (Executive Managing Officer)	○ Takao Ito	Chief Manufacturing Officer
Member of the Board of Directors (Executive Managing Officer)	○ Akiyoshi Murakami	Chief Technology Officer
Member of the Board of Directors (Executive Managing Officer)	○ Tsutomu Okouchi	Chief Business Officer
Outside Director	Toshio Kinoshita	Chairman of the Board of Global Professional Partners Corp. Outside Audit & Supervisory Board Member of Cool Japan Fund Inc. Outside Director, Chairman of Audit & Supervisory Committee of ADK Holdings Inc. Outside Director, Audit & Supervisory Committee Member of Denka Company Limited
Outside Director	Hidetaka Mihara	Senior Counsel at Tokyo International Law Office Outside Director of Ryochi Inc.
Outside Director	Yoshiaki Nagao	
Outside Director	Sachiko Tsutsui	
Corporate Auditor	Naozumi Matsui	
Corporate Auditor	Tetsuya Kinose	
Independent Auditor	Shinsuke Matsuo	Partner at Sakura Kyodo Law Offices
Independent Auditor	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.

- 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.
- denotes an individual serving concurrently as an Executive Managing Officer, with the position described in parentheses.
- At the 72nd Annual General Meeting of Shareholders held on June 25, 2024, Mr. Tetsuya Kinose was newly elected as an Audit & Supervisory Board Member and took up his position.
- At the conclusion of the 72nd Annual General Meeting of Shareholders held on June 25, 2024, Mr. Masato Kimura stepped down as Audit & Supervisory Board Member due to the expiration of his term of office.
- 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 FY2030 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 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 15%
 - 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)

71st term (FY3/2023)	72nd term (FY3/2024)	73rd term (FY3/2025)	79th term (FY3/2031)
4.2% (8 people out of 190)	4.5% (8 people out of 178)	3.9% (7 people out of 178)	15% (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	NISSAN Business Department
Executive Managing Officer	Hideaki Igawa	HONDA Business Department TOYOTA and HINO Business Department
Executive Managing Officer	Yoshiaki Kubo	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. President, TF-METAL Americas Corporation
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)	258 million yen (36 million yen)	167 million yen (36 million yen)	60 million yen	30 million yen	9 (4)
Audit & Supervisory Board Member (Of which Outside Audit & Supervisory Board Members)	42 million yen (10 million yen)	42 million yen (10 million yen)	-	-	5 (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.
2. 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). In order to raise awareness of the desirability of improving performance every fiscal year, the Company provides Directors with points linked to the degree of attainment of performance targets and delivers to each of them TACHI-S shares in the number corresponding to the points held by each Director, by way of a trust scheme. As for the performance targets, we have used “Consolidated ROE” and “Consolidated ROIC” for each fiscal year from FY2024 in order to further align the perspectives of Directors and our shareholders and to share profits and risks. Points are delivered 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. Provisions of the stock remuneration program contain a provision stipulating that all of the points allotted may be rendered null and void and that no points may be allotted thereafter (malus and claw-back provision). If any of the triggering requirements is met, the Company may apply this provision pursuant to a resolution of the Board of Directors. The triggering requirements include resignation for personal reasons, excluding cases where it is deemed unavoidable due to a business-related injury or illness, as well as dismissal or resignation stemming from causing damage to the Company or committing any other act that is detrimental or disadvantageous to the Company, such as an illegal act.
3. The above number of Directors and amounts of remuneration, etc., include one Audit & Supervisory Board Member who resigned as of the conclusion of the 72nd Annual General Meeting of Shareholders held on June 25, 2024.
4. The above amount of performance-linked remuneration, etc. includes bonuses for Directors (excluding Outside Directors) to be resolved at the 73rd Annual General Meeting of Shareholders to be held on June 26, 2025.
5. The above amount of non-monetary remuneration, etc. includes the provision of reserve for stock remuneration of 30 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 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 8 out of 8 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 8 out of 8 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 15 out of 15 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 8 out of 8 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.
Shinsuke Matsuo	Outside Audit & Supervisory Board Member	He attended 15 out of 15 meetings of the Board of Directors and 13 out of 13 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 13 out of 13 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.

5. Accounting auditors

(1) Name of accounting auditor

PricewaterhouseCoopers Japan LLC

(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	59 million yen
Total amount of cash and other financial benefits payable by the Company and its subsidiaries to the accounting auditor	61 million yen

- Notes
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.

As the Company's basic policy on profit distribution, we have adopted Dividend on Equity Ratio (DOE) as a main financial indicator for dividends and, simultaneously, we have taken a positive stance on shareholder returns by taking factors, including cash flows and the maintenance of medium-to long-term sound financial foundation, into account comprehensively. Accordingly, the current medium-term management plan, for which FY2024 is the final year, has set a DOE of 4% as the target.

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 51.9 yen per share as the year-end dividend for the fiscal year ended March 31, 2025. As a result, combined with the interim dividend of 51.9 yen per share already paid, the annual dividend for the fiscal year under review will be 103.8 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, 2025)

(Unit: Million yen)

Account Name	Amount	Account Name	Amount
(Assets)		(Liabilities)	
Current assets	112,786	Current liabilities	62,052
Cash and deposits	43,680	Notes and accounts payable - trade	34,789
Notes receivable - trade	3,969	Short-term borrowings	7,102
Accounts receivable	40,397	Lease obligations	799
Merchandise and finished goods	1,981	Income taxes payable	1,555
Work in process	1,505	Accrued expenses	10,089
Raw materials and supplies	15,394	Provision for bonuses for directors (and other officers)	60
Other	7,149	Provision for loss on litigation	381
Allowance for doubtful accounts	(1,291)	Other	7,274
Non-current assets	59,171	Non-current liabilities	11,720
Property, plant and equipment	35,581	Bonds payable	4,011
Buildings and structures	9,702	Lease obligations	2,604
Machinery, equipment and vehicles	11,560	Deferred tax liabilities	1,671
Land	6,621	Provision for share-based remuneration	440
Construction in progress	2,673	Retirement benefit liability	2,887
Other	5,023	Asset retirement obligations	14
Intangible assets	1,374	Other	89
Investments and other assets	22,215	Total liabilities	73,772
Investment securities	6,459	(Net assets)	
Long-term loans receivable	12	Shareholders' equity	76,767
Deferred tax assets	5,447	Capital	9,040
Retirement benefit assets	1,813	Capital surplus	7,907
Other	8,898	Retained earnings	61,185
Allowance for doubtful accounts	(417)	Treasury shares	(1,366)
		Accumulated other comprehensive income	19,506
		Valuation difference on available-for-sale securities	592
		Foreign currency translation adjustments	18,763
		Remeasurements of defined benefit plans	150
		Share acquisition rights	6
		Non-controlling interests	1,905
		Total net assets	98,185
Total assets	171,957	Total liabilities and net assets	171,957

Consolidated Statement of Income

(From April 1, 2024 to March 31, 2025)

(Unit: Million yen)

Account Name	Amount	
Net sales		285,394
Cost of sales		255,630
Gross profit		29,763
Selling, general and administrative expenses		20,138
Operating income		9,625
Non-operating income		
Interest income	868	2,146
Dividend income	512	
Share of profit of entities accounted for using equity method	392	
Other	373	
Non-operating expenses		
Interest expenses	401	1,003
Foreign exchange losses	508	
Other	92	
Ordinary income		10,768
Extraordinary income		
Gain on sale of non-current assets	3,416	6,333
Gain on sale of investment securities	59	
Gain on sale of shares of subsidiaries and associates	2,010	
Gain on liquidation of subsidiaries	845	
Extraordinary losses		
Loss on disposal of non-current assets	167	1,598
Impairment loss	383	
Business Structure Improvement Cost	674	
Loss on valuation of investments in capital of subsidiaries and associates	356	
Loss on sales of investments in capital of subsidiaries and associates	16	
Net income before income taxes		15,503
Income taxes - current		3,449
Income taxes - deferred		1,179
Net income		10,874
Profit attributable to non-controlling interests		(435)
Net income attributable to owners of parent		11,310

Non-consolidated Balance Sheet

(As of March 31, 2025)

(Unit: Million yen)

Account Name	Amount	Account Name	Amount
(Assets)		(Liabilities)	
Current assets	48,791	Current liabilities	28,976
Cash and deposits	15,810	Notes payable - trade	31
Electronically recorded monetary claims - operating	2,613	Electronically recorded obligations	1,745
Accounts receivable	20,043	Accounts payable - trade	13,965
Merchandise and finished goods	267	Short-term borrowings	7,030
Work in process	1,231	Short-term borrowings from subsidiaries and affiliates	1,308
Raw materials and supplies	2,883	Accounts payable - other	448
Short-term loans receivable	7,963	Accrued expenses	2,891
Other	2,155	Income taxes payable	703
Allowance for doubtful accounts	(4,178)	Deposits received	126
Non-current assets	48,110	Notes payable - facilities	84
Property, plant and equipment	8,898	Unearned revenue	9
Buildings	3,217	Provision for bonuses for directors (and other officers)	60
Structures	98	Other	570
Machinery and equipment	1,730	Non-current liabilities	4,492
Vehicles	0	Bonds payable	4,011
Tools, instruments and fixtures	475	Provision for share-based remuneration	440
Land	3,359	Asset retirement obligations	14
Construction in progress	17	Other	25
Intangible assets	411	Total liabilities	33,469
Software	395	(Net assets)	
Other	16	Shareholders' equity	62,834
Investments and other assets	38,800	Capital	9,040
Investment securities	5,827	Capital surplus	8,604
Shares of subsidiaries and associates	24,819	Legal capital surplus	8,592
Investments in capital	0	Other capital surplus	12
Investments in capital of subsidiaries and associates	6,790	Retained earnings	46,555
Long-term loans receivable	10	Legal retained earnings	480
Long-term prepaid expenses	54	Other retained earnings	46,074
Prepaid pension cost	577	Reserve for reduction entry	19
Deferred tax assets	432	General reserve	15,000
Other	291	Retained earnings brought forward	31,055
Allowance for doubtful accounts	(4)	Treasury shares	(1,366)
		Valuation and translation adjustments	591
		Valuation difference on available-for-sale securities	591
		Share acquisition rights	6
		Total net assets	63,432
Total assets	96,901	Total liabilities and net assets	96,901

Non-consolidated Statement of Income

(From April 1, 2024 to March 31, 2025)

(Unit: Million yen)

Account Name	Amount	
Net sales		107,272
Cost of sales		94,793
Gross profit		12,479
Selling, general and administrative expenses		7,947
Operating income		4,531
Non-operating income		
Interest and dividend income	5,346	
Reversal of allowance for doubtful accounts	46	
Other	118	5,511
Non-operating expenses		
Interest expenses	316	
Foreign exchange losses	88	
Other	50	454
Ordinary income		9,588
Extraordinary income		
Gain on sale of non-current assets	660	
Gain on sale of investment securities	59	
Gain on liquidation of subsidiaries	1,792	2,512
Extraordinary losses		
Loss on disposal of non-current assets	131	
Loss on valuation of investments in capital of subsidiaries and associates	333	
Business Structure Improvement Cost	153	617
Net income before income taxes		11,483
Income taxes - current		1,066
Income taxes - deferred		(370)
Net income		10,787