

Kosaku Tarumi
Representative Director & President
TACHI-S CO., LTD.
3-3-7 Matsubara-cho, Akishima-shi, Tokyo
Securities code: 7239

June 5, 2008

To all Shareholders,

Notice of the 56th Annual General Meeting of Shareholders

The shareholders of TACHI-S CO., LTD. (the “Company”) are invited to participate in the 56th Annual General Meeting of Shareholders, the details of which are set forth below.

If you are unable to attend the meeting in person, you are entitled to cast a postal vote. To do this, we cordially ask you to study the attached reference document and then return the enclosed voting right exercise form indicating your approval or disapproval of the matters to be resolved, to reach us by 5 p.m. on Thursday, June 26, 2008.

1. **Date and time:** 10:00 a.m. Friday, June 27, 2008
2. **Venue:** TACHI-S CO., Ltd. Head Office (Assembly Hall on the third floor)
3-3-7 Matsubara-cho, Akishima-shi, Tokyo
3. **Agenda:**

Matters for reporting:

1. Business Report, consolidated financial statements, and audit report of the consolidated financial statements by the Independent Auditors and Board of Corporate Auditors for the 56th term (April 1, 2007 to March 31, 2008)
2. Report of the non-consolidated financial statements for the 56th term (April 1, 2007 to March 31, 2008)

Matters for approval:

- Proposal 1:** Appropriation of retained earnings
Proposal 2: Election of nine Directors
Proposal 3: Election of one Corporate Auditor
Proposal 4: Election of one substitute Corporate Auditor
Proposal 5: Provision of retirement bonus for retiring Corporate Auditor
Proposal 6: Provision of bonuses to Directors

* If you are attending the Annual General Meeting of Shareholders on the scheduled day, please submit the enclosed voting form at the reception.

* We will post any revisions we make to the Reference Materials for General Meeting of Shareholders, the Business Report, or non-consolidated financial statements and consolidated financial statements on our website (<http://www.tachi-s.co.jp>).

REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and reference matters

Proposal 1: Appropriation of retained earnings

We wish to appropriate retained earnings as follows:

Matters related to year-end dividend

The Company's basic policy is to maintain constant and stable dividend payments in consideration of the Company's profits each fiscal year, business developments, and the consolidated dividend payout ratio. The Company will strive to return profits to shareholders by such means as paying commemorative dividends whenever the Company reaches a milestone year in its business development.

The full-year dividend for the fiscal year under review will be as follows.

- (1) Type of dividend: Cash
- (2) Matters related to appropriation of dividends and total amount thereof
We will pay ¥5 per share of the Company's common stock. We will pay a total amount of ¥155,235,600 as dividends. As a result, the annual dividend for the fiscal year under review, including the interim dividend, will be ¥10 per share.
- (3) Effective date of dividend from retained earnings: June 30, 2008

Proposal 2: Election of nine Directors

The terms of office of all seven directors will expire at the close of this Ordinary General Meeting of Shareholders. Accordingly, we propose to increase the number of directors by two and elect the following nine Director candidates to further strengthen the management system of the Company.

The candidates for directors are as follows:

No.	Name (Date of birth)	Brief history, Position, Principal Duties, and Posts held in other companies	Number of shares of the Company held
1	Kiyoshi Saito (January 25, 1947)	March 1973 Joined TACHI-S Co., Ltd. June 1982 Director June 1993 Managing Director June 1996 Representative Director & President June 2001 Chief Operating Officer June 2005 Representative Director & Chairman and Chief Executive Officer (incumbent)	736,628
2	Kosaku Tarumi (October 17, 1942)	April 1966 Joined TACHI-S Co., Ltd. June 1993 Director June 1995 Managing Director June 1997 Senior Managing Director June 2001 Representative Director & Executive Vice President June 2005 Representative Director & President, Chief Operating Officer, in charge of Management Audit Office (incumbent)	21,390

3	Mitsuya Koike (July 17, 1944)	<p>April 1967 Joined TACHI-S Co., Ltd.</p> <p>June 1999 Director</p> <p>June 2001 Retired as Director of the Company Executive Officer</p> <p>June 2002 Senior Executive Officer</p> <p>June 2003 Director & Senior Executive Officer</p> <p>June 2005 Representative Director & Executive Vice President (incumbent)</p> <p>April 2008 Responsible for Quality Assurance Division (incumbent)</p>	25,000
4	Hiroshi Taguchi (January 18, 1947)	<p>April 1998 Joined TACHI-S Co., Ltd. as Senior General Manager Representative Director & President, Industria de Asiento Superior S.A.DE C.V.</p> <p>June 2001 Joined Nissan Motor Co., Ltd.</p> <p>October 2001 General Manager, Overseas Sales Division I, China Department</p> <p>April 2002 General Manager, Chinese Operations</p> <p>January 2003 Joined TACHI-S Co., Ltd. as Corporate Advisor</p> <p>June 2003 Executive Officer</p> <p>June 2004 Director & Senior Executive Officer</p> <p>April 2008 Director & Executive Vice President, Responsible for Management Control Division and Purchasing Division (incumbent)</p> <p>(Posts held in other companies)</p> <p>Representative Director & Chairman, TACHI-S Engineering U.S.A. INC.</p> <p>Representative Director & President, TACHI-S Canada Ltd.</p> <p>Representative Director & President, TACHI-S Engineering Europe S.A.R.L.</p> <p>Representative Director & Chairman, Industria de Asiento Superior S.A. DE C.V.</p>	16,400
5	Kazuyoshi Matsushita (July 4, 1951)	<p>April 1974 Joined TACHI-S Co., Ltd.</p> <p>June 2003 Executive Officer</p> <p>June 2004 Senior Executive Officer</p> <p>June 2005 Director (incumbent)</p> <p>April 2008 Executive Vice President, Responsible for Sales and Marketing Division, Development Engineering Division, Manufacturing Division and Aichi Business Division (incumbent)</p>	10,600
6	Yoshiyuki Nogami (January 9, 1952)	<p>April 1975 Joined Maeda Corporation</p> <p>April 1998 Deputy General Manager, Overseas Business Division</p> <p>December 1999 Left Maeda Corporation</p> <p>January 2000 Joined TACHI-S Co., Ltd.</p> <p>June 2003 Executive Officer</p> <p>June 2005 Senior Executive Officer (incumbent)</p> <p>June 2007 Director (incumbent)</p> <p>April 2008 General Manager, Management Control Division</p>	10,280

7	Kiyoji Kawamura (February 1, 1949)	April 1971 April 2001 June 2005 April 2007	Joined TACHI-S Co., Ltd. Representative Director & President, TechnoTrim, Inc. Executive Officer Senior Executive Officer & General Manager, Manufacturing Division (incumbent)	6,500
8	Hideo Kobayashi (December 25, 1949)	April 1972 April 1999 June 2003 June 2005 April 2008	Joined TACHI-S Co., Ltd. General Manager, Design Engineering Department No.3 Executive Officer Senior Executive Officer (incumbent) General Manager, Development Engineering Division Deputy General Manager, Aichi Business Division (incumbent)	5,830
9	Michihiro Kitsukawa (March 19, 1947)	April 1975 April 1977 April 1999 June 2006	Registered with the Daiichi Tokyo Bar Association Joined Tanigawa Hachiro Law Office Established Kitsukawa Michihiro Law Office Established and became a partner at Clover Law Office (incumbent) Director of TACHI-S Co., Ltd. (incumbent)	2,200

Note

- 1: The above candidates have no conflicts of interest with the Company.
- 2: Mr. Michihiro Kitsukawa is a candidate for Outside Director.
- 3: Reason for nominating the candidate for Outside Director, reason for deciding that the candidate would be able to appropriately execute duties as an Outside Director, and Liability Limitation Agreement with Outside Director
 - (1) Reason for nominating the candidate for Outside Director
The Company proposes to elect Mr. Michihiro Kitsukawa as Outside Director in the hope of using his expertise and experience as a lawyer to help the Company's management. Furthermore, the term of office of the Company's Outside Director is two years from the close of this Ordinary General Meeting of Shareholders.
 - (2) Reason for deciding that the candidate would be able to appropriately execute duties as an Outside Director
Although Mr. Michihiro Kitsukawa does not have direct experience in corporate management apart from aiming to become an Outside Director, he has expertise and experience in corporate legal issues as a lawyer. Accordingly, we decided that Mr. Michihiro Kitsukawa would be able to appropriately execute duties as an Outside Director.
 - (3) Liability Limitation Agreement with Outside Director
The Company has concluded an agreement with Mr. Michihiro Kitsukawa to limit his damage liability as stipulated in Article 423, Paragraph 1 of the Company Law, based on the regulations specified in Article 427, Paragraph 1 of the said law. Should the reappointment of Mr. Michihiro Kitsukawa as Outside Director be approved, the Company intends to maintain the Liability Limitation Agreement with him. The maximum amount of liability for damage based on the said agreement is the minimum liability as stipulated in Article 425, Paragraph 1 of the said law.

Proposal 3: Election of one Corporate Auditor

The term of office of the Corporate Auditor, Mr. Tadao Koizumi, will expire at the close of this Ordinary General Meeting of Shareholders. Accordingly, we propose to elect the following one Corporate Auditor candidate.

The Board of Corporate Auditors has already approved this proposal.

The candidate for Corporate Auditor is as follows:

Name (Date of birth)	Brief history, Position, Principal Duties, and Posts held in other companies	Number of shares of the Company held
Yoshio Sekiguchi (December 1, 1949)	April 1968 Joined TACHI-S Co., Ltd. April 2000 General Manager, Information System Department April 2006 General Manager, Model Programming and Controlling Department April 2007 General Manager, Management Audit Office (incumbent)	3,800

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

Proposal 4: Election of one substitute Corporate Auditor

The effectiveness of the election of Mr. Noriaki Kinoshita as a substitute Corporate Auditor at the 55th Ordinary General Meeting of Shareholders held on June 27, 2007 is limited to the period before this Ordinary General Meeting of Shareholders is held, and to ensure that the Company has the number of Corporate Auditors stipulated in laws and regulations, we propose to elect the following substitute auditor candidate as a substitute for both Mr. Hiroyuki Kawai and Mr. Nobutake Ipposhi, the Outside Corporate Auditor.

The effectiveness of the election at this Ordinary General Meeting of Shareholders is limited to the period before accession to office, and the election may be revoked with the approval of the Board of Corporate Auditors and by the resolution of the Board of Directors.

The Board of Corporate Auditors has already approved this proposal.

The candidate for substitute Corporate Auditor is as follows:

Name (Date of birth)	Brief history, Position, Principal Duties, and Posts held in other companies	Number of shares of the Company held
Noriaki Kinoshita (December 3, 1939)	June 1966 Registered as a certified public accountant Opened Kinoshita certified public accountant office April 1972 Adjunct instructor, Faculty of Commerce, Chuo University October 1984 Senior Partner, Inoue Tatsuo Accounting Office October 1993 Senior Partner, Asahi & Co. April 2002 Professor, Faculty of Commerce, Chuo University (incumbent) June 2006 Member of the Special Committee of TACHI-S Co., Ltd. (incumbent) Substitute Corporate Auditor, Mitsui Engineering & Shipbuilding Co., Ltd. (incumbent) June 2007 Substitute Corporate Auditor of TACHI-S Co., Ltd. (incumbent)	0

Note

- 1: The candidate for substitute Corporate Auditor has no conflicts of interest with the Company.
- 2: Mr. Noriaki Kinoshita is a candidate for Outside Corporate Auditor.
- 3: Reason for nominating the candidate for Outside Corporate Auditor, reason for deciding that the candidate would be able to appropriately execute the duties as Outside Corporate Auditor, and Liability Limitation Agreement with Outside Corporate Auditor
 - (1) Reason for nominating the candidate for Outside Corporate Auditor
The Company proposes to elect Mr. Noriaki Kinoshita as a substitute Outside Corporate Auditor hoping to capitalize on his experience and financial knowledge as a certified public accountant to help the Company's accounting operations.
 - (2) Reason for deciding that the candidate would be able to appropriately execute duties as an Outside Corporate Auditor
Although Mr. Noriaki Kinoshita has no direct experience in corporate management, he has expertise and experience in financial and accounting issues as a certified public accountant and academic expert. Accordingly, we decided that Mr. Noriaki Kinoshita would be able to appropriately execute duties as an Outside Corporate Auditor.
 - (3) Liability Limitation Agreement with Outside Corporate Auditor
If Mr. Noriaki Kinoshita assumes office as a Corporate Auditor, the Company will conclude an agreement with him that limits his liability for damages as stipulated in Article 423, Paragraph 1 of the Company Law, based on regulations specified in Article 427, Paragraph 1 of the said law. The maximum amount of liability for damage based on the said agreement is the minimum liability as stipulated in Article 425, Paragraph 1 of the Company Law.

Proposal 5: Provision of retirement allowance for retiring Corporate Auditor

Mr. Tadao Koizumi, will retire as Corporate Auditor at the close of this Ordinary General Meeting of Shareholders. To reward him for his services during his terms of office, the Company proposes to provide a reasonable amount of retirement benefits, in line with the standards of the Company. We ask the shareholders to allow the Board of Corporate Auditors to decide the specific amounts, timing, and method of paying the retirement benefits for the retiring Corporate Auditor.

Brief histories of the retiring Corporate Auditor is as follows:

Name	Brief history
Tadao Koizumi	June 1995 Corporate Auditor of TACHI-S Co., Ltd. (incumbent)

Proposal 6: Provision of bonuses to Directors

Of the seven Directors as of the end of the period under review, the Company proposes to provide bonuses to six Directors, excluding one Outside Director, in the aggregate amount of 35 million yen in consideration of their performances during the period. We ask the shareholders to allow the Board of Directors to decide the specific amounts of bonuses to be paid to each Director.

Consolidated Balance Sheet

(As of March 31, 2008)

(Unit: Millions of yen)

Account Name	Amount	Account Name	Amount
(Assets)		(Liabilities)	
Total current assets	60,944	Total current Liabilities	51,650
Cash,time deposits and other cash equivalents	11,402	Accounts and notes payable	39,876
Accounts and notes receivable	37,969	Short-term bank loans	1,388
Marketable securities	242	Income taxes payable	1,160
Inventories	7,652	Reserve for directors' bonuses	35
Advance payments	1,085	Accrued expenses	5,203
Deferred income taxes	1,060	Other current liabilities	3,986
Other current assets	1,558		
Allowance for bad debts	-28	Total fixed liabilities	8,717
		Long-term debt	2,701
Fixed assets	49,106	Deferred income taxes	174
Net property, plant and equipment	30,740	Reserve for retirement benefits	1,524
Buildings and structures	11,714	Retirement allowance for directors and corporate auditors	455
Machinery and vehicles	10,337	Excess of investment cost over equity in net assets of consolidated subsidiaries	10
Land	6,043	Other non-current liabilities	3,849
Construction in progress	1,070		
Other intangible assets	1,574	Total liabilities	60,368
		(Net assets)	
Intangibles and deferred charges	2,006	Shareholders' equity	43,216
Investments and other assets	16,359	Common stock	8,145
Investments in securities	14,493	Additional paid-in capital	7,699
Long-term loans	68	Retained earnings	30,941
Deferred income taxes	306	Treasury stock	-3,570
Other assets	1,610	Evaluation, exchange differences	1,788
Allowance for bad debts	-119	Net unrealized gain on securities	631
		Foreign currency translation adjustments	1,157
		Minority interests in consolidated subsidiaries	4,677
		Total shareholders' equity	49,682
Total assets	110,050	Total liabilities and shareholders' equity	110,050

Figures in this balance sheet have been rounded down to the nearest unit.

Consolidated Statement of Income

(From April 1, 2007
to March 31, 2008)

(Unit: Millions of yen)

Account Name	Amount	
Net sales		265,200
Cost of sales		249,972
Gross profit		15,227
Selling, general and administrative expenses		11,622
Operating income		3,605
Non operating income		
Interest income	265	
Dividend income	139	
Amortization of negative goodwill	28	
Equity in earnings of unconsolidated subsidiaries and affiliates	830	
Other non operating income	484	1,748
Non operating expenses		
Interest expenses	306	
Exchange gain or loss	777	
Other non operating expenses	355	1,439
Ordinary income		3,914
Extraordinary income		
Gain on sales of fixed assets	1	
Gain on sales of securities	77	
Gain on sales of golf memberships	0	
Subsidy revenue	235	314
Extraordinary loss		
Loss on disposal of fixed assets	161	
Evaluation loss on securites	161	
Impairment loss on fixed assets	31	
Loss on devaluation of golf memberships	27	
Loss on disposal of inventories	12	393
Income before income taxes and minority interests		3,834
Income taxes		1,619
Income taxes-deferred		169
Minority interests in net income of consolidated subsidiaries		65
Net income		2,111

Figures in this income statement are rounded down to the nearest unit.

Consolidated Statement of Changes in Net Assets

(From April 1, 2007
to March 31, 2008)

(Unit: Millions of yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2007	8,145	7,699	29,682	-3,568	41,958
Changes during the fiscal year under review					
Dividends paid from retained earnings	-	-	-341	-	-341
Gain for the period	-	-	2,111	-	2,111
Treasury stock purchased	-	-	-	-1	-1
Treasury stock disposed of Increase in consolidated subsidiaries	-	-0	-	0	0
Others	-	-	-511	-	-511
Change(net)during the fiscal year in items other than those in shareholders' equity	-	-	-	-	-
Total of changes during the fiscal year	-	-0	1,258	-1	1,257
Balance at March 31, 2008	8,145	7,699	30,941	-3,570	43,216

(Unit: Millions of yen)

	Evaluation and conversion differences			Minority interests in consolidated subsidiaries	Total net assets
	Net unrealized gain on securities	Foreign currency translation adjustments	Total evaluation and conversion differences		
Balance as of March 31, 2007	1,858	3,130	4,989	4,848	51,796
Changes during the fiscal year under review					
Dividends paid from retained earnings	-	-	-	-	-341
Gain for the period	-	-	-	-	2,111
Treasury stock purchased	-	-	-	-	-1
Treasury stock disposed of Increase in consolidated	-	-	-	-	0
Others	-	-	-	-	-511
Change(net)during the fiscal year in items other than those in shareholders' equity	-1,227	-1,973	-3,200	-171	-3,371
Total of changes during the fiscal year	-1,227	-1,973	-3,200	-171	-2,114
Balance at March 31, 2008	631	1,157	1,788	4,677	49,682

Figures in this statement of changes in shareholders' equity have been rounded down to the nearest unit.

Non-consolidated Balance Sheet

(From April 1, 2007
to March 31, 2008)

(Unit: Millions of yen)

Account Name	Amount	
Net sales		146,020
Cost of sales		137,309
Gross profit		8,711
Selling, general and administrative expenses		6,494
Operating income		2,216
Non operating income		
Interest and dividend income	583	
Other non operating income	128	712
Non operating expenses		
Interest expenses	91	
Other non operating expenses	265	357
Ordinary income		2,571
Extraordinary income		
Gain on sales of securities	77	77
Extraordinary loss		
Loss on disposal of fixed assets	117	
Impairment loss on fixed assets	31	
Provision of allowance for doubtful accounts for subsidiaries and affiliates	262	
Evaluation loss on affiliates' investments	2	
Loss on valuation of golf club memberships	27	
Evaluation loss on securities	161	600
Income before income taxes and minority interests		2,048
Income taxes		947
Income taxes-deferred		-353
Net income		1,454

Figures in this income statement have been rounded down to the nearest unit.

Non-consolidated Balance Sheet

(From April 1, 2007
to March 31, 2008)

(Unit: Millions of yen)

	Shareholders' equity						
	Common stock	Additional paid-in capital			Retained earnings		
		Legal capital surplus	Other additional paid-in capital	Total additional paid-in capital	Legal retained earnings	Other retained earnings	
						Reserve for special depreciation	Reserve for advanced depreciation of fixed assets
Balance as of March 31, 2007	8,145	7,697	33	7,730	480	2	23
Changes during the fiscal year under review							
Dividends paid from retained earnings	-	-	-	-	-	-	-
Gain for the period	-	-	-	-	-	-	-
Reversal of reserve for special depreciation	-	-	-	-	-	-2	-
Reversal of reserve for advanced depreciation of fixed assets	-	-	-	-	-	-	-0
Provision of general reserve	-	-	-	-	-	-	-
Treasury stock purchased	-	-	-	-	-	-	-
Treasury stock disposed of Increase in consolidated subsidiaries	-	-	-0	-0	-	-	-
Change(net)during the fiscal year in items other than those in shareholders' equity	-	-	-	-	-	-	-
Total of changes during the fiscal year	-	-	-0	-0	-	-2	-0
Balance as of March 31, 2008	8,145	7,697	33	7,730	480	-	22

(Unit: Millions of yen)

	Shareholders' equity					Evaluation, exchange differences		Total net assets
	Retained earnings			Treasury stock	Total shareholder's equity	Net unrealized gain on securities	Total evaluation, exchange differences	
	Other retained earnings		Total retained earnings					
	Special reserve	Retained earnings brought forward						
Balance as of March 31, 2007	15,000	3,131	18,637	-3,926	30,588	1,856	1,856	32,444
Changes during the fiscal year under review								
Dividends paid from retained earnings	-	-341	-341	-	-341	-	-	-341
Gain for the period	-	1,454	1,454	-	1,454	-	-	1,454
Reversal of reserve for special depreciation	-	2	-	-	-	-	-	-
Reversal of reserve for advanced depreciation of fixed assets	-	-	-	-	-	-	-	-
Provision of general reserve	-	-	-	-	-	-	-	-
Treasury stock purchased	-	-	-	-1	-1	-	-	-1
Treasury stock disposed of Increase in consolidated subsidiaries	-	-	-	-	-	-	-	-
Change(net)during the fiscal year in items other than those in shareholders' equity	-	-	-	-	-	-1,226	-1,226	-1,226
Total of changes during the fiscal year	-	1,115	1,112	-1	1,111	-1,226	-1,226	-115
Balance as of March 31, 2008	15,000	4,246	19,750	-3,927	31,699	630	630	32,329

Figures in this statement of change in shareholders' equity have been rounded down to the nearest unit.