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July 14, 2023

Non-consolidated Financial Results for the Six Months Ended May 31, 2023 (Under Japanese GAAP)

Company name: T&S inc.
Listing: Tokyo Stock Exchange
Securities code: 4055
URL: <https://www.tecsvc.co.jp>
Representative: Yoshihiro Takekawa, President and CEO
Inquiries: Hiroshi Kinoshita, Director, Executive Officer and General Manager of Corporate Division
Telephone: +81-45-263-8286
Scheduled date to file quarterly securities report: July 14, 2023
Scheduled date to commence dividend payments: -
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results briefing: Yes (For Institutional Investors and Analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Non-consolidated financial results for the six months ended May 31, 2023 (from December 1, 2022 to May 31, 2023)

(1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
May 31, 2023	1,708	8.9	316	10.5	321	9.3	225	9.5
May 31, 2022	1,567	21.8	286	66.5	294	65.3	205	64.7

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
May 31, 2023	29.78	29.55
May 31, 2022	27.08	26.68

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
May 31, 2023	2,363	1,914	81.0
November 30, 2022	2,281	1,733	76.0

Reference: Equity

As of May 31, 2023: ¥1,914 million
As of November 30, 2022: ¥1,733 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended November 30, 2022	-	0.00	-	6.00	6.00
Fiscal year ending November 30, 2023	-	0.00			
Fiscal year ending November 30, 2023 (Forecast)			-	6.55	6.55

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Earnings Forecast of Fiscal year ending on November 30, 2023 (from December 1, 2022 to November 30, 2023)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full-year	3,700	13.6	700	13.3	703	12.3	495	12.5	65.46

Note: Revisions to the earnings forecast most recently announced: None

*** Notes**

(1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of May 31, 2023	7,633,200 shares
As of November 30, 2022	7,633,200 shares

(ii) Number of treasury shares at the end of the period

As of May 31, 2023	59,600 shares
As of November 30, 2022	86,000 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended May 31, 2023	7,560,836 shares
Six months ended May 31, 2022	7,597,205 shares

Quarterly financial statements

Quarterly balance sheet

(Thousands of yen)

	As of November 30, 2022	As of May 31, 2023
Assets		
Current assets		
Cash and deposits	1,405,466	1,566,530
Accounts receivable - trade and contract assets	322,204	361,630
Work in process	22,558	22,554
Accounts receivable - other	349,345	241,055
Other	12,892	13,974
Allowance for doubtful accounts	△1,700	△1,500
Total current assets	2,110,767	2,204,244
Non-current assets		
Property, plant and equipment	20,603	21,357
Intangible assets	2,159	1,879
Investments and other assets	147,970	135,743
Total non-current assets	170,732	158,980
Total assets	2,281,500	2,363,224
Liabilities		
Current liabilities		
Accounts payable - trade	136,096	143,733
Income taxes payable	130,388	97,629
Provision for bonuses	67,868	67,653
Other	163,879	85,333
Total current liabilities	498,233	394,350
Non-current liabilities		
Provision for retirement benefits	49,763	54,412
Total non-current liabilities	49,763	54,412
Total liabilities	547,996	448,762
Net assets		
Shareholders' equity		
Share capital	340,783	340,783
Capital surplus	266,662	266,662
Retained earnings	1,241,774	1,387,224
Treasury shares	△115,717	△80,209
Total shareholders' equity	1,733,503	1,914,461
Total net assets	1,733,503	1,914,461
Total liabilities and net assets	2,281,500	2,363,224

Quarterly income statements
Cumulative of six months ended

(Thousands of yen)

	Six months ended May 31, 2022	Six months ended May 31, 2023
Net sales	1,567,800	1,708,065
Cost of sales	1,080,574	1,182,041
Gross profit	487,226	526,023
Selling, general and administrative expenses	200,544	209,348
Operating profit	286,681	316,674
Non-operating income		
Interest income	1	2
Grant income	—	225
Subsidy income	7,643	4,969
Other	0	0
Total non-operating income	7,644	5,196
Non-operating expenses		
Share issuance costs	—	30
Commission expenses	170	347
Other	0	0
Total non-operating expenses	170	377
Ordinary profit	294,155	321,494
Extraordinary losses		
Loss on retirement of non-current assets	321	—
Total extraordinary losses	321	—
Profit before income taxes	293,834	321,494
Income taxes - current	83,272	83,336
Income taxes - deferred	4,844	12,976
Total income taxes	88,116	96,313
Profit	205,717	225,181