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July 12, 2024

Non-consolidated Financial Results for the Six Months Ended May 31, 2024 (Under Japanese GAAP)

Company name: T&S Group 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 COO
Telephone: +81-45-263-8286
Scheduled date to file quarterly securities report: July 12, 2024
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, 2024 (from December 1, 2023 to May 31, 2024)

(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, 2024	1,770	3.7	314	(0.8)	314	(2.2)	218	(2.9)
May 31, 2023	1,708	8.9	316	10.5	321	9.3	225	9.5

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
May 31, 2024	28.85	28.69
May 31, 2023	29.78	29.55

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
May 31, 2024	2,824	2,333	82.6
November 30, 2023	2,616	2,163	82.7

Reference: Equity

As of May 31, 2024: ¥2,333 million
As of November 30, 2023: ¥2,163 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, 2023	-	0.00	-	6.55	6.55
Fiscal year ending September 30, 2024	-	0.00			
Fiscal year ending September 30, 2024 (Forecast)			-	7.00	7.00

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

3. Earnings Forecast of Fiscal year ending on September 30, 2024 (from December 1, 2023 to September 30, 2024)

(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	3,142	-	588	-	589	-	401	-	52.86

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

Following the approval of the "Partial Amendment to the Articles of Incorporation" at the 8th Ordinary General Meeting of Shareholders held on February 28, 2024, the fiscal year end has changed. The current fiscal year, which is a transitional period, is an irregular settlement for 10 months from December 1, 2023 to September 30, 2024. For this reason, the percentage change from the previous fiscal year for the full year is not described.

*** 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: None

(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, 2024	7,633,200 shares
As of November 30, 2023	7,633,200 shares

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

As of May 31, 2024	54,440 shares
As of November 30, 2023	54,800 shares

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

Six months ended May 31, 2024	7,578,514 shares
Six months ended May 31, 2023	7,560,836 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

Quarterly financial statements

Quarterly balance sheet

(Thousands of yen)

	As of November 30, 2023	As of May 31, 2024
Assets		
Current assets		
Cash and deposits	1,721,266	1,839,190
Accounts receivable - trade and contract assets	434,644	433,584
Work in process	12,942	20,074
Accounts receivable - other	268,606	233,662
Other	16,485	19,108
Allowance for doubtful accounts	(1,800)	(1,700)
Total current assets	2,452,145	2,543,920
Non-current assets		
Property, plant and equipment	19,481	18,807
Intangible assets	1,609	1,811
Investments and other assets	143,225	260,295
Total non-current assets	164,315	280,914
Total assets	2,616,461	2,824,835
Liabilities		
Current liabilities		
Accounts payable - trade	170,884	185,140
Income taxes payable	79,732	104,525
Provision for bonuses	7,023	49,241
Other	138,179	90,884
Total current liabilities	395,820	429,792
Non-current liabilities		
Provision for retirement benefits	57,392	61,963
Total non-current liabilities	57,392	61,963
Total liabilities	453,212	491,755
Net assets		
Shareholders' equity		
Share capital	340,783	40,000
Capital surplus	266,662	567,843
Retained earnings	1,629,556	1,798,543
Treasury shares	(73,753)	(73,307)
Total shareholders' equity	2,163,249	2,333,079
Total net assets	2,163,249	2,333,079
Total liabilities and net assets	2,616,461	2,824,835

Quarterly income statements
Cumulative of six months ended

(Thousands of yen)

	Six months ended May 31, 2023	Six months ended May 31, 2024
Net sales	1,708,065	1,770,648
Cost of sales	1,182,041	1,246,247
Gross profit	526,023	524,401
Selling, general and administrative expenses	209,348	210,255
Operating profit	316,674	314,145
Non-operating income		
Interest income	2	21
Grant income	225	—
Subsidy income	4,969	—
Miscellaneous income	0	665
Total non-operating income	5,196	686
Non-operating expenses		
Share issuance costs	30	—
Commission expenses	347	376
Other	0	0
Total non-operating expenses	377	376
Ordinary profit	321,494	314,456
Profit before income taxes	321,494	314,456
Income taxes - current	83,336	104,528
Income taxes - deferred	12,976	(8,698)
Total income taxes	96,313	95,830
Profit	225,181	218,625