

Appendix

2021.4.14

T&S inc.
(TSE Mothers: 4055)

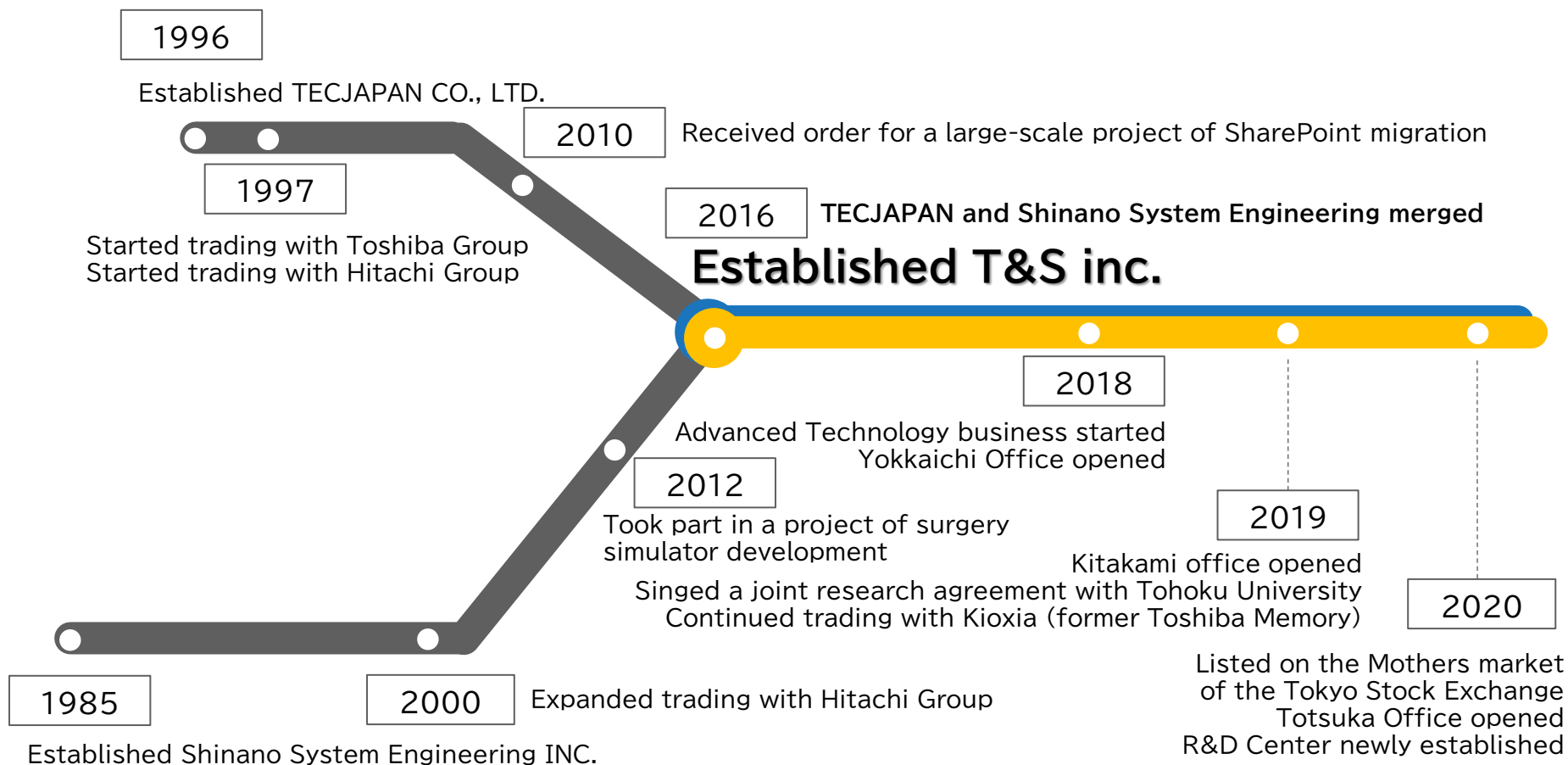


T&S
Technology & Service

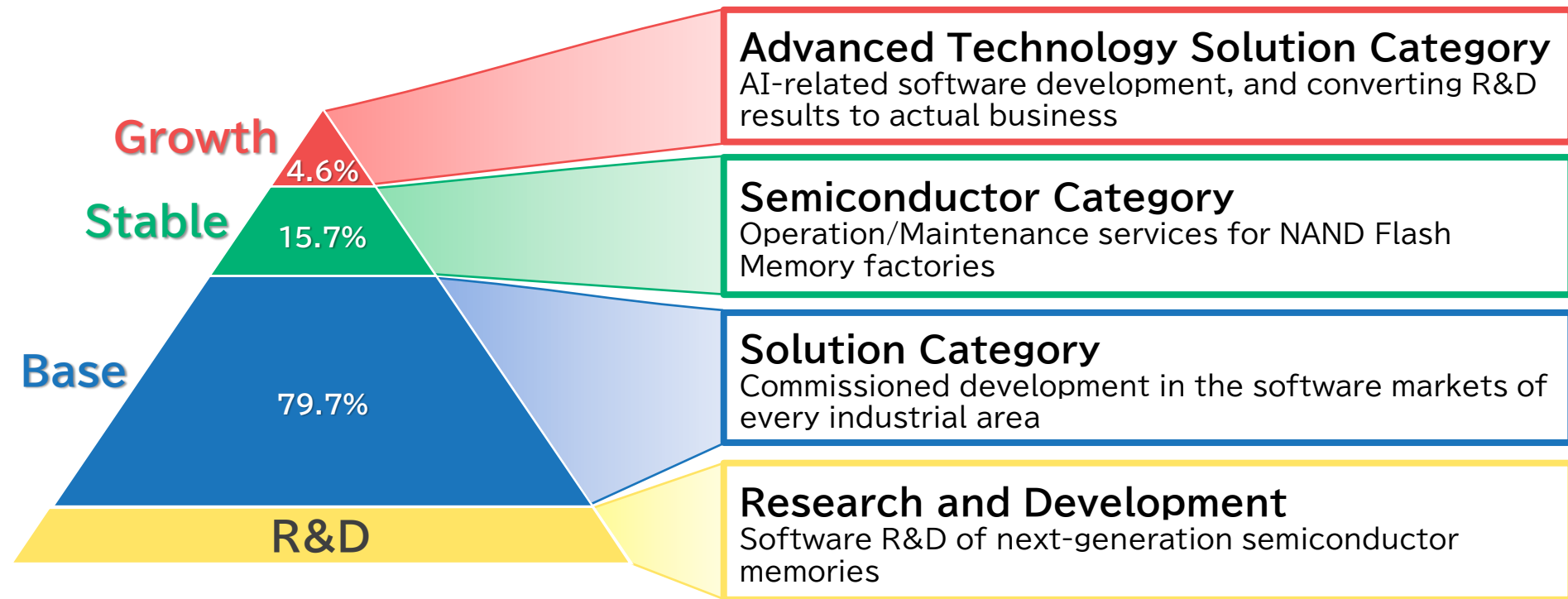
Company Profile

Company name	T&S inc.
Established	November 1, 2016
Leadership	Yoshihiro Takekawa…President and CEO Etsuo Fukuda…Director, Executive Officer and General Manager of R&D Division (PhD, Engineering) Hiroshi Kinoshita…Director, Executive Officer and General Manager of Corporate Division (Certified Public Accountant) Koushun Nagaya…Director, Audit & Supervisory Committee Member Atsushi Mochizuki…Auditor (Outside, Tax Accountant) Yusuke Fujie…Auditor (Outside, Attorney)
Number of employees	293 (as of April 2021)
Location	Head Office Minatomirai, Nishi-ku, Yokohama, Kanagawa Pref. Yokkaichi Office Yokkaichi, Mie Pref. Kitakami Office Kitakami, Iwate Pref. Totsuka Office Totsuka-ku, Yokohama, Kanagawa Pref.
Principal Business Description	Extending services centered on system development, operation/maintenance and infrastructure building for major enterprise customers and on software development for AI (image processing, recognition, machine learning, evaluation of paper's algorithms) and others
Principal Business Partners	Toshiba Group, Hitachi Group, Kioxia Group, and 30 others

History



Business structure



* Percentages indicate their respective share of sales in FY11/2020.

Business of each category ①

Solution Category

Customers in need of system development

Systems for production management in heavy electric industry
Systems for power plants Systems for medical services
Operations management apps SharePoint introduction/migration

Heavy electric mfg.

Finance Services Medical

Various mfg.

Toshiba G

Hitachi G

Kioxia G

ICT※
Others

Commissioned(contract)
development

Consulting
Requirement definition Design
Development Test

Services

Operation/Maintenance
Third-party verification
On-site development support

※=Information-
Communication
Technology



Base

Principal business →
80% of company-wide sales →

← Stable order-taking from
major customers
← Tide of DX

Semiconductor Category

Customers with plants / huge factories

Production management systems Construction materials management systems
Process systems Quality inspection results management Operations management apps
Yield management systems

Kioxia's semiconductor (NAND Flash Memory) Yokkaichi Plant Kitakami Plant

Each Kioxia G company

Each Toshiba G company

Infrastructure services (dispatching engineers)

O&M services Help desk

Infrastructure building Support for process efficiency
Support for adopting RPA Support for adopting business apps



Constant demands regardless of
production volume →
Maintenance of systems →
Developed by T&S

Stable

← Expanding factories of
major customers
← Vigorous demands
for semiconductors

Business of each category ③

Advanced Technology Solution Category

Customers in process of AI-related products development

Automobile-related devices with AI Sensing instruments
Imaging-related instruments (e.g., camera) Semiconductors
Information communication devices

Honda R&D Co., Ltd. NEC Corp.
Hitachi High-Tech Corp. OMRON Corp. Others

Support for R&D of AI algorithms

Global paper survey
Implementation/evaluation of
the paper's algorithms
Support for R&D of AI algorithms
Annotation services

Commissioned (contracted)

AI software development

AI software development
Image recognition software
development

R&D

Converting R&D
results to actual
business



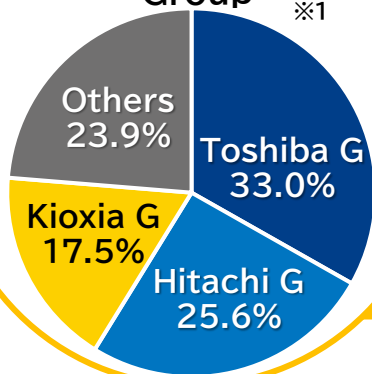
Elite R&D engineers →
Already achieved good
profitability →

Growth

← Competition of AI products
development by major companies
← Synergy with university joint research

Our strength

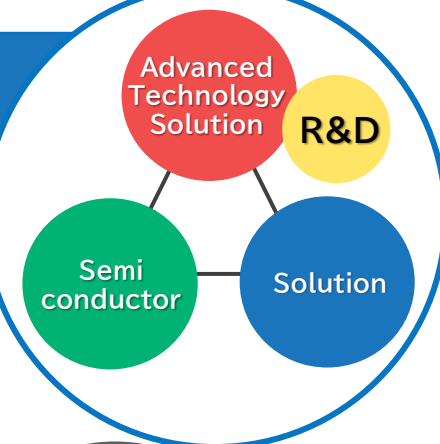
Sales share by Group ※1



3 categories + R&D

Rock-solid major customers

Toshiba G & Hitachi G are 20-30 years long partners since our founding.



Operating income rate

80.7% ※1

Average of ※3 listed companies by industry 32.88%

Equity ratio

13.4% ※1

Average of listed companies by industry ※3 9.12%

ROE (return on equity)

28.3% ※1

Average of listed companies by industry ※3 6.95%

Engineers

274 ※2

93.5% of T&S

Rich group of engineers

※1: As of Nov., 2020

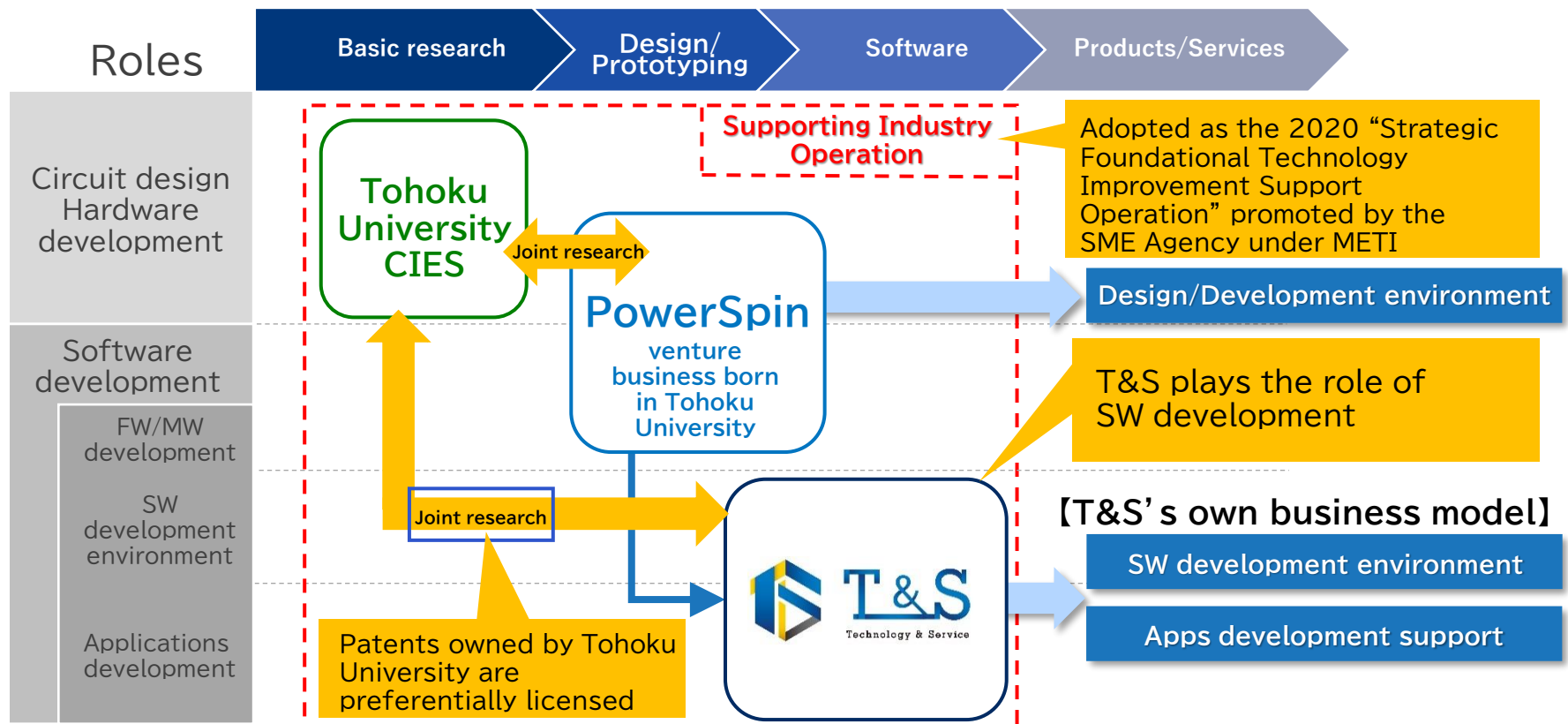
※2: As of Apr., 2021

※3: Source: "Summary of Earnings Digests of FY03/2020: Information and Communications Industry", TSE.

Theme ①: R&D aiming at ensuring reliability of next-generation semiconductor memory

Theme ②: R&D of application software for AI processors using spintronics technology

Development framework



Contact

T&S inc.

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URL / <https://www.tecsvc.co.jp/>

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