

**FY11/2021**  
**First Quarter**  
**Supplementary Material**  
**on Financial Results** 2021.4.14

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**T&S inc.**  
(TSE Mothers: 4055)



**T&S**  
Technology & Service

## FY11/2021 **First Quarter**

|                                              |       |
|----------------------------------------------|-------|
| Highlights                                   | p. 3  |
| Financial Results Overview (1Q of FY11/2021) | p. 5  |
| Net Sales by Category                        | p. 6  |
| Net Sales by Customer                        | p. 7  |
| Net Sales by Quarter                         | p. 8  |
| Trend of Major Customers                     | p. 9  |
| Recruitment of Engineers                     | p. 10 |
| Statements of Income                         | p. 11 |
| Balance Sheet                                | p. 12 |
| Performance Forecasts (FY11/2021, Full year) | p. 14 |

(Theme of the current term)

## First Step towards Proof

### **1 Record-high revenues achieved** (compared to the previous 1Q)

Net sales: 586 million yen (Up 16.1%↑、+81 million yen) (YoY)  
Operating income: 71 million yen(Up 19.0%↑、+11 million yen) (ditto)  
Ordinary income: 71 million yen (Up 19.4%↑、+11 million yen) (ditto)  
Net income: 50 million yen (Up 32.8%↑、+12 million yen) (ditto)

### **2 Semiconductor Category significantly grew up**

Net sales: 111 million yen(Up34%、+28 million yen) (YoY)

### **3 Major customers maintaining steady level**

Sales to Toshiba G and Hitachi G have maintained steady level.  
Sales to **Kioxia G** increased by **88%**. (YoY)

### **4 R&D Center newly established** (Dec., 2020)

In December, 2020, Research and Development HQ and R&D Center were newly established in order to enhance research and development of new business including joint research.

(NOTE) Figures of 1Q of the previous FY, during which the Company was yet to be listed, are based on financial results which have not undergone a quarterly review by an auditing firm.

# Financial Results Overview

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FY11/2021 First Quarter

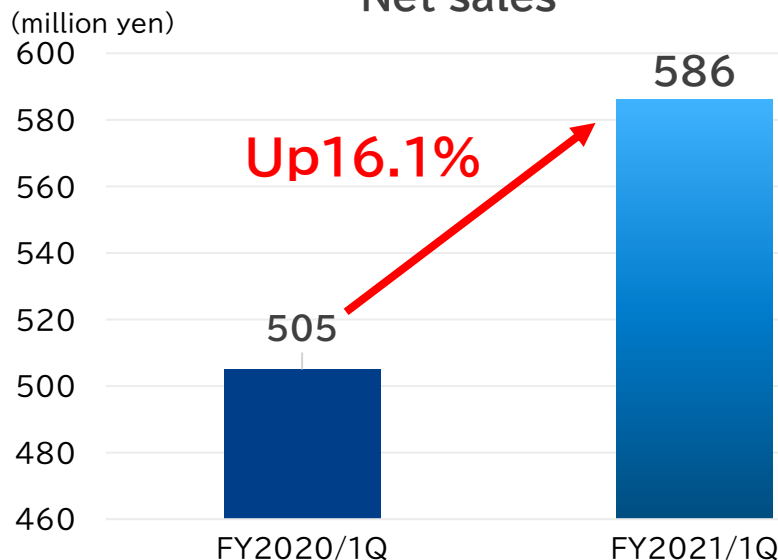
# Financial Results Overview( FY2021/1Q )

## Record-high revenues achieved

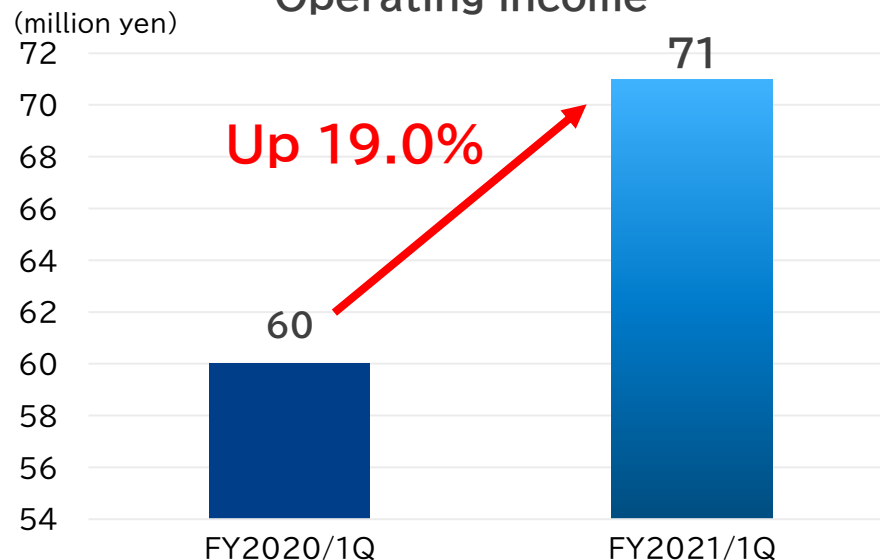
(compared to the previous 1Q))

Net sales: 586 million yen (Up 16.1%↑、+81 million yen) (YoY)  
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Net sales



Operating income



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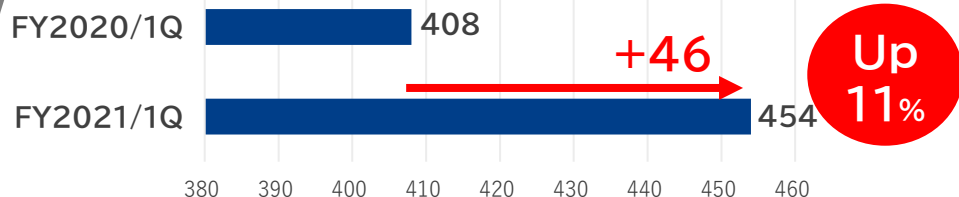
# Net Sales by Category(FY2021/1Q)

**Higher revenues in every Category**  
**Up 34% in Semiconductor Category** (YoY)

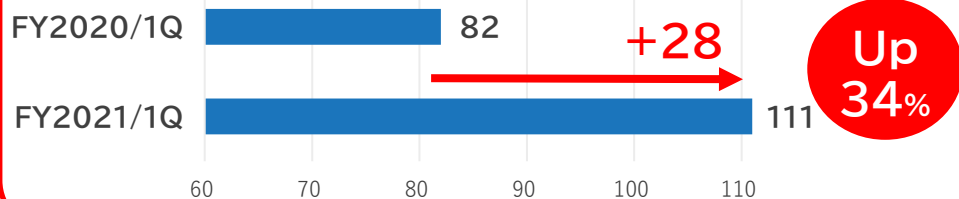
(NOTE) Our business segment is a single segment, so only Net sales of each category could be calculated.

## Net sales(by Category) (million yen)

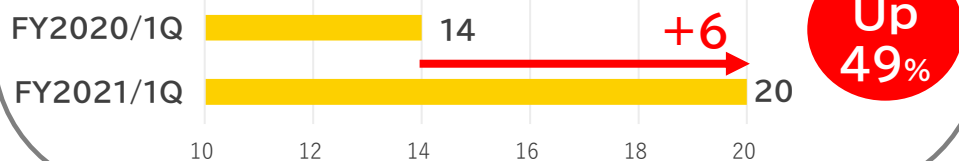
### Solution



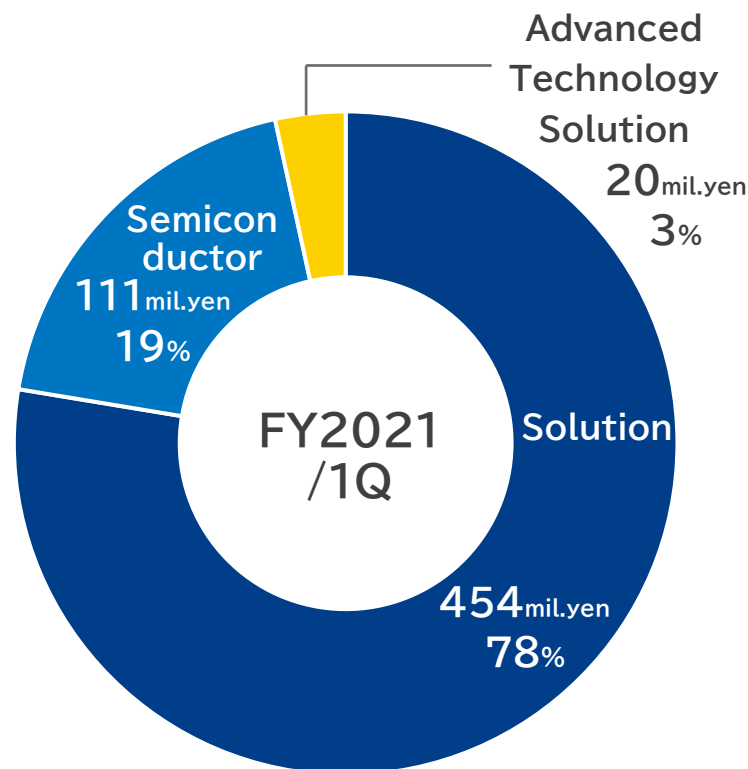
### Semiconductor



### Advanced Technology Solution



## Sales proportion (by Category)

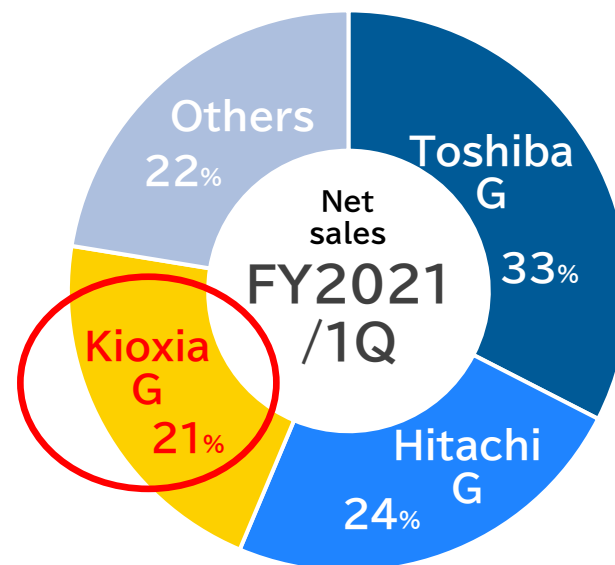
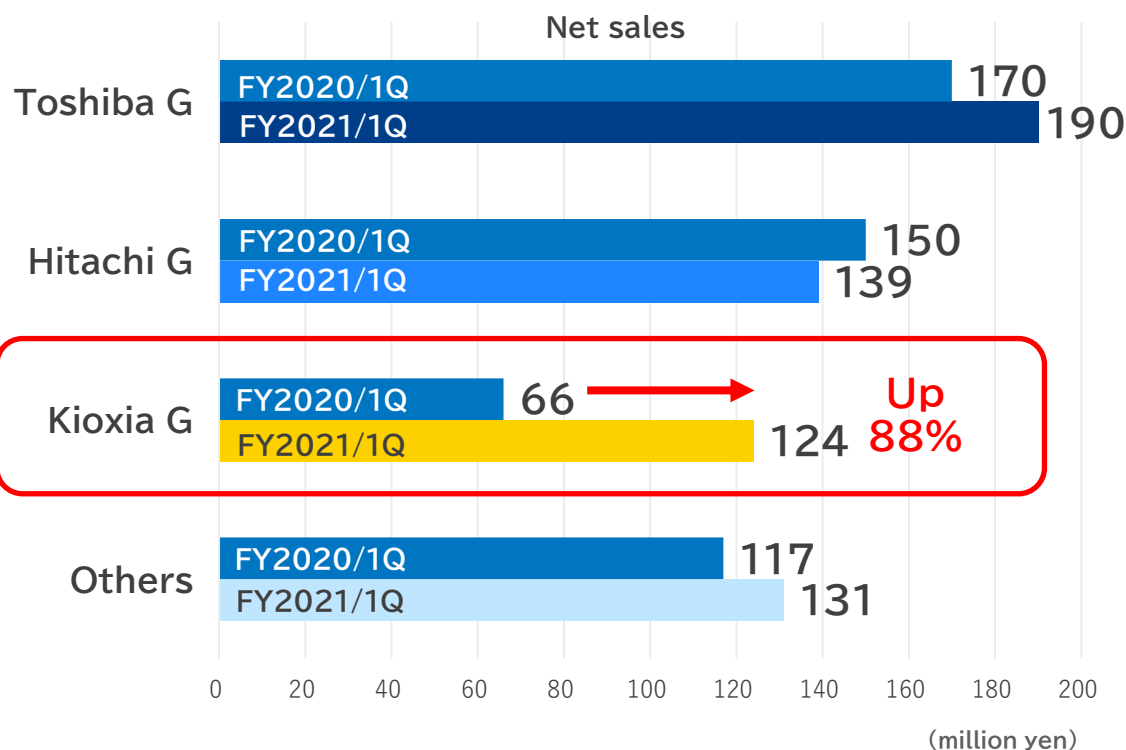


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# Net Sales by Customer(FY2021/1Q)

Toshiba G, Hitachi G, Kioxia G

Major customers maintaining steady level  
Sales to **Kioxia G** significantly increased  
(Up 88%<sub>(YoY)</sub> 21% of the total)

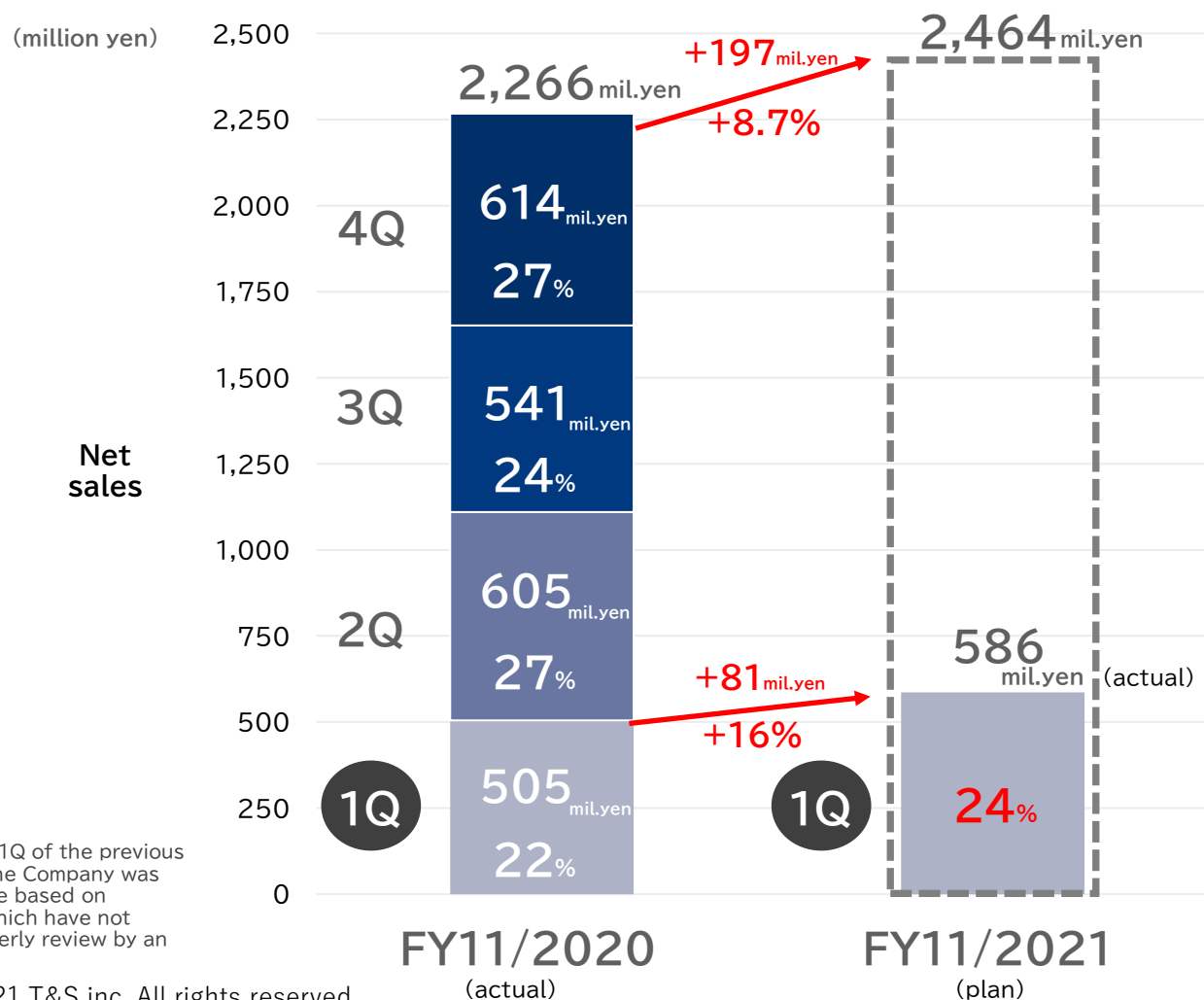


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# Net Sales by Quarter(FY2021/1Q)

**Net sales in 1Q: 586** million yen

**+81 million yen Up 16% Achieved: 24%**  
(YoY) (Achievement rate of full year sales plan)



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## (Overall) Trend of Major Customers

The Company continues to receive orders in good condition, as do major customers overall. Each customer, albeit impact of COVID-19, expects recovery from now on and has a bright prospect.

(as of April 14, 2021)

### Toshiba G

Capital investment plan exceeding the previous year in every segment was announced, including infrastructure-related one.

### Hitachi G

While meeting demands for DX, its IT segment drives the whole business performance. Efforts are put to transformation to a digital company, such as acquiring an American IT company, so it appears to have vigorous willingness for investment.

### Kioxia G

In the context of semiconductor market going strong, shortage of supply of semiconductors still continues and as such Kioxia has vigorous willingness for investment, notably new building construction (Yokkaichi Plant) and site acquisition (Kitakami Plant) are underway for increased production. It is expected that the Company would receive more orders for operation and maintenance work along with additional semiconductor fabrication plants constructed.

## Recruitment achieved **106%**

Recruitment goal of the current term has  
already been **met as 106%**. (as of April 14, 2021)

**Recruitment  
objective**

(annual new recruits)

ca. 10% of total employees

Total employees: ca. 300

Recruitment goal: 30

(FY11/2021)

Number of recruits

Recruitment goal  
(annual)

30

Actual (1Q)

15

(2Q,to date)

17

Total

32

(as of April 14, 2021)

# Statements of Income(FY2021/1Q)

## Statements of Income(FY2021/1Q)

| (thousand yen)                 | FY2020/1Q      | FY2021/1Q                                                                                    | +/- amount | +/- % |
|--------------------------------|----------------|----------------------------------------------------------------------------------------------|------------|-------|
| Net sales                      | 505,225        |  586,564  | 81,338     | 16%   |
| Cost of sales                  | 360,750        | 413,845                                                                                      | 53,094     | 15%   |
| Gross profit                   | 144,474        | 172,718                                                                                      | 28,243     | 20%   |
| SG&A expenses                  | 84,371         | 101,210                                                                                      | 16,838     | 20%   |
| Operating income               | 60,102         |  71,508   | 11,405     | 19%   |
| <i>(Operating income rate)</i> | <i>(11.9%)</i> | <i>(12.2%)</i>                                                                               |            |       |
| Non-operating income           | 0              | 333                                                                                          | 333        |       |
| Ordinary income                | 60,103         |  71,781 | 11,678     | 19%   |
| <i>(Ordinary income rate)</i>  | <i>(11.9%)</i> | <i>(12.2%)</i>                                                                               |            |       |
| Net income                     | 38,333         |  50,896 | 12,563     | 33%   |
| <i>(Net income rate)</i>       | <i>(7.6%)</i>  | <i>(8.7%)</i>                                                                                |            |       |

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## Balance Sheet(FY2021/1Q)

| (thousand yen)                   | End of FY2020/11 | End of<br>FY2021/1Q | +/- amount |
|----------------------------------|------------------|---------------------|------------|
| Current assets                   | 1,407,497        | 1,425,951           | 18,454     |
| Non-current assets               | 95,425           | 86,603              | (8,821)    |
| Total assets                     | 1,502,923        | 1,512,555           | 9,632      |
| Current liabilities              | 243,604          | 220,023             | (23,581)   |
| Non-current liabilities          | 46,966           | 48,254              | 1,288      |
| Total liabilities                | 290,571          | 268,278             | (22,293)   |
| Total shareholders' equity       | 1,212,351        | 1,244,277           | 31,925     |
| Total net assets                 | 1,212,351        | 1,244,277           | 31,925     |
| Total liabilities and net assets | 1,502,923        | 1,512,555           | 9,632      |

# Performance Forecasts

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FY11/2021 **Full year**

# Performance Forecasts(FY11/2021, Full year)

## Record-high revenues are expected

(FY11/2021, Full year)

| (million yen)    | FY11/2020<br>(actual) | FY11/2021<br>(forecast) | Up/Down % |
|------------------|-----------------------|-------------------------|-----------|
| Net sales        | 2,266                 | 2,464                   | Up 8.7%   |
| Operating income | 304                   | 322                     | Up 5.7%   |
| Ordinary income  | 304                   | 328                     | Up 7.9%   |
| Net income       | 236                   | 229                     | Down 2.9% |

(Category)

### Solution

Order-taking from three major group companies (Toshiba G, Hitachi G, and Kioxia G) which are our primary customers for system development projects is expected to continue to go strong. Totsuka Office opened in Oct., 2020 is expected to be our base for system development in western Yokohama area, leading to broader business of commissioned development.

### Semi conductor

In the context of semiconductor market going strong, our customers continue their plans to add more semiconductor fabrication plants, so it is expected there would still be expanded supply of engineer human resources.

### Advanced Technology Solution

In addition to service provision to Honda R&D Co., Ltd. and OMRON Corp., AI-related business is expected to expand, such as business concerning deep learning technologies with NEC Corp, which newly started trading with us during the previous term, and technical treatise survey.

## Contact

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