

## Summary

## Consolidated Financial Results for the Nine Months Ended December 31, 2023 <JGAAP>

February 6, 2025

Company name: TAC Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Company code number: 4319  
 URL: <https://www.tac-school.co.jp>  
 Representative: Toshio Tada, Representative Director  
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 Scheduled date to commence dividend payments: -  
 Supplemental information for financial statements: Yes  
 Results briefing session: No

(Amounts rounded down to the nearest million yen)

### 1. Consolidated 3rd quarter results for the fiscal year ending March 2025

(From April 1, 2024 to December 31, 2024)

## (1) Consolidated financial results

(% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	(Yen in millions)	%	(Yen in millions)	%	(Yen in millions)	%	(Yen in millions)	%
FY2024 (Apr.1, 2024 - Dec.31, 2024)	14,435	0.5	439	—	452	—	288	—
FY2023 (Apr.1, 2023 - Dec.31, 2023)	14,369	-3.9	-321	—	-353	—	-236	—

(Notes) Comprehensive income: FY2024(2024/12) 285 million yen (—%) FY2023(2023/12) -244 million yen (—%)

	Profit per share	Fully diluted profit per share
	(Yen)	(Yen)
FY2024 (Apr.1, 2024 - Dec.31, 2024)	15.93	—
FY2023 (Apr.1, 2023 - Dec.31, 2023)	-13.04	—

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	(Yen in millions)	(Yen in millions)	%
FY2024 (As of Dec. 31, 2024)	20,959	6,066	28.9
FY2023 (As of Mar. 31, 2024)	20,790	5,872	28.2

(Notes) Equity FY2024(2024/12) 6,056 million yen FY2023(2024/3) 5,862 million yen

### 2. Dividends

	Annual dividends per share				
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	Total
FY2023 (Apr.1,2023 - Mar.31,2024)	(Yen) —	(Yen) 3.00	(Yen) —	(Yen) 3.00	(Yen) 6.00
FY2024 (Apr.1,2024 - Mar.31,2025)	—	2.00	—	—	—
FY2023(Forecast)	—	—	—	2.00	4.00

(Note) Revision of dividend forecasts in the current quarter: None

### 3. Consolidated forecasts for March 2025 term (From April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	(Yen in millions)	%	(Yen in millions)	%	(Yen in millions)	%	(Yen in millions)	%	(Yen)
Full year	19,220	1.1	270	—	220	—	150	—	8.27

(Note) Revision of consolidated financial results forecasts: None

**\* Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Application of the simplified accounting method and/or the special accounting method for quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatements

(3)-1 Changes in accounting policies due to the revision of accounting standards: None

(3)-2 Changes in accounting policies other than (3)-1: None

(3)-3 Changes in accounting estimates: Yes

(3)-4 Restatements: None

(4) Number of shares issued (common stocks)

(4)-1 Number of shares issued at the end of the period (including treasury shares)

(4)-2 Number of treasury shares at the end of the period

(4)-3 Average number of shares during the period

FY2024 3 <sup>rd</sup> quarter	18,504,000 shares	FY2023	18,504,000 shares
FY2024 3 <sup>rd</sup> quarter	370,168 shares	FY2023	370,168 shares
FY2024 3 <sup>rd</sup> quarter	18,133,832 shares	FY2023 3 <sup>rd</sup> quarter	18,133,832 shares

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Explanation of proper use of financial forecasts and other special notes:

The above forecasts are based on the information available at this time and on assumptions deemed to be reasonable.

Therefore, the actual financial results may differ significantly from the forecasts due to various factors.

**Quarterly consolidated financial statements and notes****(1) Quarterly consolidated balance sheet**

(Yen in thousands)

	FY2023 (as of March 31, 2024)	FY2024 (as of December 31, 2024)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	5,745,728	6,310,265
Notes and accounts receivable - trade	4,259,617	4,030,472
Merchandise and finished goods	601,275	637,058
Work in process	5,723	18,120
Raw materials and supplies	329,702	257,794
Accounts receivable – other	38,711	7,751
Prepaid expenses	282,721	250,574
Other	362,120	272,264
Allowance for doubtful accounts	-2,872	-2,559
<b>Total current assets</b>	11,622,728	11,781,742
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Land	2,744,159	2,744,159
Other, net	2,111,705	2,079,134
<b>Total property, plant and equipment</b>	4,855,864	4,823,293
Intangible assets	303,489	298,504
<b>Investments and other assets</b>		
Investment securities	532,733	510,173
Deferred tax assets	620,279	577,494
Long-term time deposits	100,000	100,000
Guarantee deposits	2,012,262	2,139,745
Insurance funds	642,965	640,294
Other	126,327	114,171
Allowance for doubtful accounts	-25,779	-25,779
<b>Total Investments and other assets</b>	4,008,789	4,056,099
<b>Total non-current assets</b>	9,168,143	9,177,897
<b>Total assets</b>	20,790,872	20,959,639

(Yen in thousands)

	FY2023 (as of March 31, 2024)	FY2024 (as of December 31, 2024)
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Notes and accounts payable - trade	580,431	561,449
Short-term loans payable	1,500,000	2,550,000
Current portion of long-term loans payable	2,417,684	929,304
Accounts payable - other	382,688	443,115
Accrued expenses	439,695	475,691
Income taxes payable	37,440	97,625
Provision for loss on abandonment of sales return	377,550	290,929
Provision for bonuses	183,826	63,844
Advances received	5,462,715	5,817,775
Asset retirement obligations	56,498	109,051
Other	1,014,586	861,567
<b>Total current liabilities</b>	<b>12,453,117</b>	<b>12,200,354</b>
<b>Non-current liabilities</b>		
Long-term loans payable	1,732,258	1,960,510
Long-term accounts payable - directors' retirement benefits	25,077	25,077
Asset retirement obligations	599,748	611,506
Provision for repairs	37,300	37,300
Other	71,328	58,603
<b>Total non-current liabilities</b>	<b>2,465,712</b>	<b>2,692,997</b>
<b>Total liabilities</b>	<b>14,918,830</b>	<b>14,893,351</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	940,200	940,200
Capital surplus	790,547	790,547
Retained earnings	4,186,563	4,384,783
Treasury shares	-75,155	-75,155
<b>Total shareholders' equity</b>	<b>5,842,155</b>	<b>6,040,376</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	-33,460	-44,452
Foreign currency translation adjustment	53,576	60,084
<b>Total accumulated other comprehensive income</b>	<b>20,115</b>	<b>15,632</b>
<b>Non-controlling interests</b>	<b>9,771</b>	<b>10,279</b>
<b>Total net assets</b>	<b>5,872,042</b>	<b>6,066,287</b>
<b>Total liabilities and net assets</b>	<b>20,790,872</b>	<b>20,959,639</b>

**(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income**

## Quarterly consolidated statement of income

(Yen in thousands)

	FY2023 (Apr. 1, 2023 - Dec. 31, 2023)	FY2024 (Apr. 1, 2024 - Dec. 31, 2024)
Net sales	14,369,628	14,435,243
Cost of sales	9,149,049	8,800,680
Gross profit	5,220,578	5,634,563
Selling, general and administrative expenses	5,542,432	5,195,116
Operating profit (loss)	-321,854	439,446
Non-operating income		
Interest income	5,278	5,674
Gain on sale of investment securities	3,499	—
Insurance claim income	—	45,354
Commission income	4,163	3,885
Other	2,913	3,756
Total non-operating income	15,856	58,671
Non-operating expenses		
Interest expenses	24,745	31,120
Commission expenses	5,840	4,852
Share of loss of entities accounted for using equity method	3,212	3,880
Foreign exchange losses	3,150	5,826
Other	10,400	368
Total non-operating expenses	47,350	46,048
Ordinary profit (loss)	-353,348	452,069
Extraordinary income		
Gain on liquidation of investment securities	13,224	—
Total extraordinary income	13,224	—
Extraordinary losses		
Loss on sales and retirement of non-current assets	4,403	15,510
Loss on valuation of investment securities	6,499	1,525
Total extraordinary losses	10,903	17,036
Profit (loss) before income taxes	-351,027	435,033
Income taxes – current	67,776	97,456
Income taxes - deferred	-183,348	47,635
Total income taxes	-115,571	145,091
Profit (loss)	-235,455	289,941
Profit attributable to non-controlling interests	1,096	1,052
Profit (loss) attributable to owners of parent	-236,551	288,889

## Quarterly consolidated statement of comprehensive income

(Yen in thousands)

	FY2023 (Apr. 1, 2023 - Dec. 31, 2023)	FY2024 (Apr. 1, 2024 - Dec. 31, 2024)
Profit (loss)	-235,455	289,941
Other comprehensive income		
Valuation difference on available-for-sale securities	-13,281	-10,991
Foreign currency translation adjustment	4,364	6,508
Total other comprehensive income	-8,916	-4,482
Comprehensive income	-244,372	285,458
(Breakdown)		
Comprehensive income attributable to owners of parent	-245,468	284,406
Comprehensive income attributable to non-controlling interests	1,096	1,052

**(3) Notes for quarterly consolidated financial statements**

(Going-Concern Assumption)

None

(Notes on significant changes in the amount of shareholders' equity)

None

(Changes in accounting estimates)

(Change in estimates of asset retirement obligation)

Based on the new information of recent restorations, we changed the estimates of our asset retirement obligation that was recorded as restoration obligations based on the real estate lease contracts of our school buildings for the current consolidated cumulative third quarter. The increase of ¥34,473 thousand due to the change in the estimate is added to the asset retirement obligation balance before the change.

There is no impact on operating profit, ordinary profit, and profit before income taxes due to the change in the estimates for the current consolidated cumulative third quarter.

(Segment information)

I, Third quarter of the previous fiscal year (April 1, 2023 - December 31, 2023)

(A) Information about net sales, profit or loss by the reporting segments and the breakdown of revenue

(Yen in thousands)

	Reporting segments				Total
	Personal Education	Corporate Training	Publishing	Manpower Business	
Net sales					
Goods or services transferred at a point in time	27,654	605,107	2,941,240	104,081	3,678,083
Goods or services transferred over time	7,574,589	2,897,404	—	309,168	10,781,161
Revenue from contracts with customers	7,602,243	3,502,511	2,941,240	413,249	14,459,244
External customers	7,602,243	3,502,511	2,941,240	413,249	14,459,244
Intersegment and transfer	1,891	—	77	26,864	28,833
Total	7,604,135	3,502,511	2,941,318	440,113	14,488,078
Segment profit(loss)	-683,416	816,819	503,295	96,212	732,910

(Note) We attach great importance to sales before adjustment of tuition advances (sales on a cash basis) for business management purposes in a part of the Personal Education segment and the Corporate Training segment. For this reason, sales and operating profit/loss before adjustment of tuition advances (cash basis) are used for reporting segments.

(B) Difference between the total amounts of the reporting segments and the amounts of the quarterly consolidated financial statements, and the main components of the difference (matters related to adjustment of difference)

(Yen in thousands)

Profit	Amount
Total operating profit of reporting segments	732,910
Corporate expenses	-965,147
Adjustment of tuition advances	-89,616
Operating loss of the consolidated financial statements	-321,854

(Notes)1. Adjustment of tuition advances is applied to sales before adjustment of tuition advances (sales on a cash basis) to obtain sales on an accrual basis (sales recorded on the consolidated income statement).

2. Corporate expenses are mainly general administration expenses that do not belong to any reporting segments.

## (C) Information about impairment of fixed assets or goodwill by each reporting segment

None

## II, Third quarter of the current fiscal year (April 1, 2024 – December 31, 2024)

## (A) Information about net sales, profit or loss by the reporting segments and the breakdown of revenue

(Yen in thousands)

	Reporting segments				Total
	Personal Education	Corporate Training	Publishing	Manpower Business	
Net sales					
Goods or services transferred at a point in time	26,603	599,161	3,065,971	125,210	3,816,947
Goods or services transferred over time	7,723,048	2,888,923	—	290,974	10,902,946
Revenue from contracts with customers	7,749,652	3,488,084	3,065,971	416,185	14,719,893
External customers	7,749,652	3,488,084	3,065,971	416,185	14,719,893
Intersegment and transfer	1,542	—	28	20,554	22,125
Total	7,751,194	3,488,084	3,066,000	436,739	14,742,019
Segment profit(loss)	128,695	912,024	509,404	99,903	1,650,028

(Note) We attach great importance to sales before adjustment of tuition advances (sales on a cash basis) for business management purposes in a part of the Personal Education segment and the Corporate Training segment. For this reason, sales and operating profit/loss before adjustment of tuition advances (cash basis) are used for reporting segments.

## (B) Difference between the total amounts of the reporting segments and the amounts of the quarterly consolidated financial statements, and the main components of the difference (matters related to adjustment of difference)

(Yen in thousands)

Profit	Amount
Total operating profit of reporting segments	1,650,028
Corporate expenses	-925,931
Adjustment of tuition advances	-284,649
Operating profit of the consolidated financial statements	439,446

(Notes)1. Adjustment of tuition advances is applied to sales before adjustment of tuition advances (sales on a cash basis) to obtain sales on an accrual basis (sales recorded on the consolidated income statement).

2. Corporate expenses are mainly general administration expenses that do not belong to any reporting segment.

## (C) Information about impairment of fixed assets or goodwill by each reporting segment

None

## (Notes on consolidated statement of cash flows)

Quarterly consolidated statement of cash flows pertaining to the nine months ended December 31, 2024, have not been prepared. Depreciation (including amortization related to intangible assets) pertaining to the first nine months is as follows:

(Yen in thousands)

	FY2023 (Apr. 1, 2023- Dec. 31, 2023)	FY2024 (Apr. 1, 2024- Dec. 31, 2024)
Depreciation	305,330	261,627

## (Revenue recognition)

Information that breaks down revenue from contracts with customers is as presented in "Notes (Segment Information)".