

Summary

Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 <JGAAP>

May 15, 2023

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
 Contact: Shoji Nonaka, Manager of IR department Tel: +81-3-5276-8913
 Scheduled date of ordinary general meeting of shareholders: June 27, 2023
 Scheduled date to commence dividend payments: June 28, 2023
 Scheduled date to submit the annual securities report: June 28, 2023
 Supplemental information for financial statements: Yes
 Results briefing session: Yes (for investors and analysts)

(Amounts rounded down to the nearest million yen)

1. Consolidated financial results for the fiscal year ended March 2023 (From April 1, 2022 to March 31, 2023)

(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	%
FY2022 (Apr.1,2022-Mar.31,2023)	19,711	-3.7	319	-22.8	324	-26.7	214	-51.7
FY2021 (Apr.1,2021-Mar.31,2022)	20,471	3.7	413	2.2	442	-31.5	444	9.7

(Note) Comprehensive income: FY 2022(2023/3) 215 million yen (-54.2%), FY 2021(2022/3) 470 million yen (9.2%)

	Profit per share	Fully diluted profit per share	Ratio of return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
FY2022 (Apr.1,2022-Mar.31,2023)	11.69	-	3.5	1.5	1.6
FY2021 (Apr.1,2021-Mar.31,2022)	24.05	-	7.4	2.1	2.0

(Note) Share of profit of entities accounted for using equity method: FY2022 (2023/3) -1 million yen, FY2021 (2022/3) 3 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Yen in Millions	Yen in Millions	%	Yen
FY2022 (As of Mar.31,2023)	20,795	6,203	29.8	341.58
FY2021 (As of Mar.31,2022)	21,384	6,174	28.8	333.22

(Note) Equity: FY 2022 (2023/3) 6,194 million yen, FY2021 (2022/3) 6,165 million yen

(3) Consolidated statement of cash flow

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of the period
	Yen in Millions	Yen in Millions	Yen in Millions	Yen in Millions
FY2022 (Apr.1,2022-Mar.31,2023)	-28	436	-21	6,103
FY2021 (Apr.1,2021-Mar.31,2022)	484	-414	509	5,716

2. Dividends

	Annual dividends per share					Total amount of dividends (annual) Yen in Millions	Payout ratio (consolidated) %	Ratio of dividends to net assets (consolidated) %
	1st quarter	2nd quarter	3rd quarter	4th quarter	Total			
FY2021 (Apr.1,2021-Mar.31,2022)	Yen -	Yen 3.00	Yen -	Yen 3.00	Yen 6.00	111	24.9	1.9
FY2022 (Apr.1,2022-Mar.31,2023)	-	3.00	-	3.00	6.00	109	51.3	1.8
FY 2023 (Forecast)	-	3.00	-	3.00	6.00		51.8	

**3. Forecasts of consolidated financial results for the fiscal year ending March 2024
(From April 1, 2023 to March 31, 2024)**

(% 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
Half year	10,652	-1.0	951	1.0	926	0.1	602	-2.1	33.20
Full year	19,620	-0.5	380	19.1	330	1.7	210	-2.2	11.58

*** Notes**

(1) Significant changes in scope of consolidation (Changes in consolidated subsidiaries): None

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

(2)-1 Changes in accounting policies due to the revision of accounting standards: Yes

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

(2)-3 Changes in accounting estimates: Yes

(2)-4 Restatements: None

(3) Number of shares issued (common stocks)

(3)-1 Number of shares issued at the end of the fiscal year (including treasury shares)

FY2022	18,504,000 shares	FY2021	18,504,000 shares
FY2022	370,168 shares	FY2021	68 shares
FY2022	18,366,031 shares	FY2021	18,503,932 shares

(3)-2 Number of treasury shares at the end of the fiscal year

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

(Reference) Summary of the non-consolidated financial results

1. Non-Consolidated financial results for the fiscal year ended March 2023 (From April 1, 2022 to March 31, 2023)

(1) Non-consolidated financial results

(% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit	
	Yen in Millions	%	Yen in Millions	%	Yen in Millions	%	Yen in Millions	%
FY2022 (Apr.1,2022-Mar.31,2023)	18,972	-3.8	178	-22.4	235	-21.2	168	-51.6
FY2021 (Apr.1,2021-Mar.31,2022)	19,712	3.4	229	2.9	298	-38.3	349	15.8

	Profit per share		Fully diluted profit per share	
	Yen		Yen	
FY2022 (Apr.1,2022-Mar.31,2023)	9.20		-	
FY2021 (Apr.1,2021-Mar.31,2022)	18.87		-	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Yen in Millions	Yen in Millions	%	Yen
FY2022 (As of Mar.31,2023)	19,006	4,640	24.4	255.92
FY2021 (As of Mar.31,2022)	19,641	4,659	23.7	251.83

(Note) Shareholders' equity: FY 2022 (2023/3) 4,640 million yen, FY 2021 (2022/3) 4,659 million yen

2. Forecasts of non-consolidated financial results for the fiscal year ending March 2024 (From April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit		Profit per share
	Yen in Millions	%	Yen in Millions	%	Yen in Millions	%	Yen in Millions	%	Yen
Half year	10,262	-0.4	861	11.6	873	9.1	556	4.3	31.21
Full year	18,840	-0.7	200	12.1	188	-20.1	120	-29.0	6.62

* This "Consolidated Financial Results" are outside the scope of the audit.

* 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.

Consolidated financial statements and notes**(1) Consolidated balance sheet**

(Yen in Thousands)

	FY2021 (As of March 31, 2022)	FY2022 (As of March 31, 2023)
Assets		
Current assets		
Cash and deposits	5,716,572	6,103,857
Accounts receivable - trade	3,581,997	3,835,409
Securities	200,000	200,000
Merchandise and Finished goods	444,792	467,535
Work in process	6,869	38,993
Raw materials and supplies	344,872	372,397
Other	1,392,345	588,720
Allowance for doubtful accounts	-8,064	-2,672
Total current assets	11,679,384	11,604,241
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,975,806	1,889,428
Machinery, equipment and vehicles, net	4,131	2,901
Tools, furniture and fixtures, net	368,428	267,486
Land	2,744,159	2,744,159
Leased assets, net	21,411	69,046
Total property, plant and equipment	5,113,937	4,973,022
Intangible assets		
Other	202,075	231,137
Total intangible assets	202,075	231,137
Investments and other assets		
Investment securities	582,515	579,264
Investments in capital of subsidiaries and associates	6,385	0
Deferred tax assets	372,776	424,711
Long-term time deposits	—	100,000
Guarantee deposits	2,654,130	2,133,262
Insurance funds	633,503	626,382
Other	165,522	148,981
Allowance for doubtful accounts	-25,779	-25,782
Total Investments and other assets	4,389,053	3,986,819
Total non-current assets	9,705,066	9,190,978
Total assets	21,384,451	20,795,219

(Yen in Thousands)

	FY2021 (As of March 31, 2022)	FY2022 (As of March 31, 2023)
Liabilities		
Current Liabilities		
Notes and accounts payable - trade	515,084	495,021
Short-term loans payable	1,300,000	1,400,000
Current portion of long-term loans payable	794,792	828,645
Income taxes payable	256,286	40,962
Provision for loss on abandonment of sales return	302,217	333,995
Provision for bonuses	197,151	202,241
Asset retirement obligations	99,090	67,381
Advances received	5,943,700	5,483,604
Other	2,053,992	1,894,416
Total current liabilities	11,462,315	10,746,269
Non-current liabilities		
Long-term loans payable	3,001,071	3,069,926
Long-term accounts payable - directors' retirement benefits	25,077	25,077
Provision for repairs	37,300	37,300
Asset retirement obligations	677,560	658,138
Other	6,453	55,183
Total non-current liabilities	3,747,463	3,845,626
Total liabilities	15,209,779	14,591,895
Net assets		
Shareholders' equity		
Capital stock	940,200	940,200
Capital surplus	790,547	790,547
Retained earnings	4,411,415	4,515,132
Treasury shares	-25	-75,155
Total shareholders' equity	6,142,138	6,170,725
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-15,822	-17,487
Foreign currency translation adjustment	39,645	40,918
Total accumulated other comprehensive income	23,823	23,431
Non-controlling interests	8,710	9,167
Total net assets	6,174,672	6,203,324
Total liabilities and net assets	21,384,451	20,795,219

(2) Consolidated statement of income and consolidated statement of comprehensive income

(Consolidated statement of income)

(Yen in Thousands)

	FY2021 (Apr.1,2021-Mar.31,2022)	FY2022 (Apr.1,2022-Mar.31,2023)
Net sales	20,471,818	19,711,739
Cost of sales	12,657,404	11,979,343
Gross profit	7,814,413	7,732,396
Selling, general and administrative expenses	7,401,118	7,413,355
Operating profit	413,295	319,041
Non-operating income		
Interest income	15,333	8,765
Dividend income	36	36
Commission income	5,059	5,255
Gain on sale of investment securities	10,165	—
Gain on investments in investment securities	51,676	2,372
Share of profit of entities accounted for using equity method	3,203	—
Insurance claim income	—	25,816
Other	7,349	6,960
Total non-operating income	92,824	49,206
Non-operating expenses		
Interest expenses	35,548	34,300
Share of loss of entities accounted for using equity method	—	1,475
Commission expenses	6,340	7,466
Loss on sale of investment securities	20,570	—
Other	1,219	479
Total non-operating expenses	63,679	43,722
Ordinary profit	442,439	324,525
Extraordinary income		
Compensation for forced relocation	254,001	—
Gain on reversal of asset retirement obligations	56,987	—
Total extraordinary income	310,989	—
Extraordinary losses		
Loss on sales and retirement of non-current assets	27,739	2,369
Impairment loss	15,307	15,441
Loss on valuation of investments in capital of subsidiaries and associates	—	6,385
Total extraordinary losses	43,046	24,196
Profit before income taxes	710,382	300,329
Income taxes - current	267,928	135,441
Income taxes - deferred	-4,316	-51,200
Total income taxes	263,611	84,241
Profit	446,771	216,087
Profit attributable to non-controlling interests	1,783	1,346
Profit attributable to owners of parent	444,987	214,740

(Consolidated statement of comprehensive income)

(Yen in Thousands)

	FY2021 (Apr.1,2021-Mar.31,2022)	FY2022 (Apr.1,2022-Mar.31,2023)
Profit	446,771	216,087
Other comprehensive income		
Valuation difference on available-for-sale securities	3,565	-1,664
Foreign currency translation adjustment	20,357	1,272
Total other comprehensive income	23,923	-391
Comprehensive income	470,694	215,695
(Breakdown)		
Comprehensive income attributable to owners of parent	468,911	214,349
Comprehensive income attributable to non-controlling interests	1,783	1,346

(3) Consolidated statement of changes in net assets

Previous fiscal year (April 1, 2021 - March 31, 2022)

(Yen in Thousands)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	940,200	790,547	4,077,451	-25	5,808,173
Changes of items during period					
Dividends of surplus			-111,023		-111,023
Profit attributable to owners of parent			444,987		444,987
Purchase of treasury shares					—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	333,964	—	333,964
Balance at end of current period	940,200	790,547	4,411,415	-25	6,142,138

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	-19,388	19,288	-100	7,567	5,815,641
Changes of items during period					
Dividends of surplus					-111,023
Profit attributable to owners of parent					444,987
Purchase of treasury shares					—
Net changes of items other than shareholders' equity	3,565	20,357	23,923	1,143	25,066
Total changes of items during period	3,565	20,357	23,923	1,143	359,031
Balance at end of current period	-15,822	39,645	23,823	8,710	6,174,672

Current fiscal year (April 1, 2022 - March 31, 2023)

(Yen in Thousands)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	940,200	790,547	4,411,415	-25	6,142,138
Changes of items during period					
Dividends of surplus			-111,023		-111,023
Profit attributable to owners of parent			214,740		214,740
Purchase of treasury shares				-75,130	-75,130
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	103,717	-75,130	28,586
Balance at end of current period	940,200	790,547	4,515,132	-75,155	6,170,725

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	-15,822	39,645	23,823	8,710	6,174,672
Changes of items during period					
Dividends of surplus					-111,023
Profit attributable to owners of parent					214,740
Purchase of treasury shares					-75,130
Net changes of items other than shareholders' equity	-1,664	1,272	-391	457	65
Total changes of items during period	-1,664	1,272	-391	457	28,652
Balance at end of current period	-17,487	40,918	23,431	9,167	6,203,324

(4) Consolidated statement of cash flows

(Yen in Thousands)

	FY2021 (Apr.1,2021-Mar.31,2022)	FY2022 (Apr.1,2022-Mar.31,2023)
Cash flows from operating activities		
Profit (loss) before income taxes	710,382	300,329
Depreciation	427,622	417,592
Impairment loss	15,307	15,441
Increase (decrease) in allowance for doubtful accounts	-5,221	-5,389
Increase (decrease) in provision for bonuses	-1,481	5,090
Increase (decrease) in provision for sales returns	-458,892	—
Increase (decrease) in provision for loss on abandonment of sales return	33,165	31,777
Interest and dividend income	-15,369	-8,801
Insurance claim income	—	-25,816
Compensation for forced relocation	-254,001	—
Interest expenses	35,548	34,300
Commission expenses	7,090	7,466
Share of loss (profit) of entities accounted for using equity method	-3,203	1,475
Loss (gain) on sales and retirement of non-current assets	27,739	2,369
Loss (gain) on sale of investment securities	10,405	—
Loss(gain) on investments in investment securities	-51,676	-2,372
Loss on valuation of investments in capital of subsidiaries and associates	—	6,385
Decrease (increase) in notes and accounts receivable - trade	211,027	-253,362
Decrease (increase) in inventories	97,742	-82,391
Decrease (increase) in other receivable	-208,539	11,201
Increase (decrease) in notes and accounts payable - trade	-119,408	-20,089
Increase (decrease) in advances received	-351,268	-460,095
Increase (decrease) in other liabilities	572,909	27,761
Other, net	-94,973	20,678
Sub-total	584,904	23,549
Interest and dividend income received	17,583	10,126
Interest expenses paid	-35,474	-34,436
Income taxes paid	-152,490	-338,686
Income taxes refund	2,957	102
Proceeds from compensation for forced relocation	66,600	306,496
Proceeds from subsidy income	684	4,285
Net cash provided by (used in) operating activities	484,765	-28,562
Cash flows from investing activities		
Payments into time deposits	—	-100,000
Proceeds from withdrawal of time deposits	30,384	—
Purchase of securities	-100,000	—
Proceeds from sale and redemption of securities	100,000	—
Purchase of property, plant and equipment	-465,496	-286,305
Payments for restoration	-26,300	-123,629
Purchase of intangible assets	-58,780	-104,330
Purchase of investment securities	-759	—
Proceeds from sales and redemption of investment securities	257,302	174,363
Collection of loans receivable	23,454	—
Payments for guarantee deposits	-260,518	-2,041
Proceeds from collection of guarantee deposits	86,312	828,771
Proceeds from maturity of insurance funds	—	49,376
Net cash provided by (used in) investing activities	-414,400	436,204

(Yen in Thousands)

	FY2021 (Apr.1,2021-Mar.31,2022)	FY2022 (Apr.1,2022-Mar.31,2023)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	110,000	100,000
Proceeds from long-term loans payable	1,400,000	1,000,000
Repayments of long-term loans payable	-860,200	-897,292
Purchase of treasury shares	—	-75,543
Cash dividends paid	-110,555	-110,702
Dividends paid to non-controlling interests	-640	-889
Repayments of lease obligations	-22,506	-29,594
Other, net	-7,090	-7,090
Net cash provided by (used in) financing activities	509,007	-21,113
Effect of exchange rate change on cash and cash equivalents	18,239	756
Net increase (decrease) in cash and cash equivalents	597,612	387,285
Cash and cash equivalents at the beginning of the period	5,118,959	5,716,572
Cash and cash equivalents at the end of the period	5,716,572	6,103,857

(5) Note for Consolidated Financial Statement

(Going-Concern Assumption)

None

(Changes in accounting policy)

We applied "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No.31, June 17, 2021) from the beginning of the current first quarter. In accordance with the transitional treatment set forth in Paragraph 27-2 of Implementation Guidance on Accounting Standard for Fair Value Measurement, we have prospectively adopted the new accounting policy set forth in Implementation Guidance on Accounting Standard for Fair Value Measurement. This has no effect on the consolidated financial statements.

(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.

The increase of ¥9,986 thousand due to the change in the estimate is added to the asset retirement obligation balance before the change.

(Segment information)

1. Summary of reporting segments

TAC's reporting segments are components of the company about which separate financial information is available that is evaluated regularly by the board of directors in deciding how to allocate resources and in assessing performance.

TAC principally plans and operates preparatory courses to acquire license qualifications and is divided into four reporting segments: "Personal Education", "Corporate Training", "Publishing" and "Manpower Business". Classifications are based on similarity of target market and type of products.

Details of each segment are as follows:

- Personal Education segment: Preparatory courses for individual members including working people and university students.
- Corporate Training segment: Training programs to acquire license qualifications and specialized knowledge required for work in private companies, accounting firms, universities and colleges, etc.
- Publishing segment: Sales of original textbooks using the know-how accumulated over the years through personal education and corporate training programs at bookstores and university co-ops, and sales of various books at each school.
- Manpower Business segment: Manpower placement, manpower dispatching and job advertisement

2. Methods to determine net sales, profit or loss, assets, liabilities and other items by reporting segment

The accounting methods used for reporting segment complies with the accounting policy used for reporting the consolidated financial statements.

In the business of TAC, total tuition fees are paid by the student upon application for a particular course which is credited to tuition advances (liability) and reduced to recognize sales on an accrual basis in the relevant accounting periods (monthly basis) in which the service is provided to the student. Sales recorded in the income statement are sales subsequent to adjustment of tuition advances (sales on an accrual basis). Unless applications for educational courses are made, no transfer will be made from tuition advances. Accordingly, we attach great importance to sales before adjustment of tuition advances (sales on a cash basis) for business management purposes. For this reason, sales and operating profit/loss before adjustment of tuition advances (cash basis) are used for reporting segments.

Profit by reporting segment is stated on operating profit basis. Intersegment profit or transfer is based on market prices.

3. Information about net sales, profit or loss, assets, liabilities and other items by the reporting segments and the breakdown of revenue

Previous fiscal year (April 1, 2021 - March 31, 2022)

(Yen in Thousands)

	Reporting segments				Total
	Personal Education	Corporate Training	Publishing	Manpower Business	
Net sales					
Goods or services transferred at a point in time	31,751	928,347	4,514,026	95,462	5,569,588
Goods or services transferred over time	10,764,337	3,444,435	—	367,850	14,576,624
Revenue from contracts with customers	10,796,089	4,372,782	4,514,026	463,313	20,146,212
External customers	10,796,089	4,372,782	4,514,026	463,313	20,146,212
Intersegment and transfer	2,188	—	47	49,651	51,887
Total	10,798,277	4,372,782	4,514,074	512,964	20,198,099
Segment profit(loss)	-897,554	1,043,960	1,116,712	65,732	1,328,851
Other					
Depreciation	300,011	54,618	8,133	9,716	372,480
Amortization of goodwill	—	—	—	—	—

(Note) Segment assets are not reported as they are not allocated to segments.

Current fiscal year (April 1, 2022 - March 31, 2023)

(Yen in Thousands)

	Reporting segments				Total
	Personal Education	Corporate Training	Publishing	Manpower Business	
Net sales					
Goods or services transferred at a point in time	25,394	865,129	4,426,410	116,126	5,433,060
Goods or services transferred over time	9,946,494	3,558,324	—	357,568	13,862,387
Revenue from contracts with customers	9,971,889	4,423,453	4,426,410	473,694	19,295,448
External customers	9,971,889	4,423,453	4,426,410	473,694	19,295,448
Intersegment and transfer	2,286	—	46	44,298	46,631
Total	9,974,175	4,423,453	4,426,456	517,993	19,342,079
Segment profit(loss)	-1,074,686	966,208	1,216,665	70,031	1,178,219
Other					
Depreciation	282,320	54,742	15,099	8,857	361,019
Amortization of goodwill	—	—	—	—	—

(Note) Segment assets are not reported as they are not allocated to segments.

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

(Yen in Thousands)

Net sales	Previous fiscal year (Apr.1, 2021 - Mar.31, 2022)	Current fiscal year (Apr.1, 2022 - Mar.31, 2023)
Total net sales of the reporting segments	20,198,099	19,342,079
Adjustment of tuition advances	325,605	416,291
Elimination of Intersegment transactions	-51,887	-46,631
Net sales of the consolidated financial statements	20,471,818	19,711,739

Profit (loss)	Previous fiscal year (Apr.1, 2021 - Mar.31, 2022)	Current fiscal year (Apr.1, 2022 - Mar.31, 2023)
Total operating profit of the reporting segments	1,328,851	1,178,219
Adjustment of tuition advances	325,605	416,291
Corporate expenses *	-1,241,161	-1,275,469
Operating profit of the consolidated financial statements	413,295	319,041

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

(Related information)

Previous fiscal year (April 1, 2021 - March 31, 2022)

1. Information by each product and service

Descriptions are omitted since similar information is reported in the "Segment information".

2. Geographical information

(1) Net sales

Descriptions are omitted since net sales to external customers in Japan exceed over 90% of net sales reported on the consolidated statement of income.

(2) Property, plant and equipment

Descriptions are omitted since amount of the property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment in the consolidated balance sheet.

3. Information by each major customer

Descriptions are omitted since no single customer accounts for 10% or more of the net sales in the consolidated statement of income.

Current fiscal year (April 1, 2022 - March 31, 2023)

1. Information by each product and service

Descriptions are omitted since similar information is reported in the "Segment information".

2. Geographical information

(1) Net sales

Descriptions are omitted since net sales to external customers in Japan exceed over 90% of net sales reported on the consolidated statements of income.

(2) Property, plant and equipment

Descriptions are omitted since amount of the property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment in the consolidated balance sheet.

3. Information by each major customer

Descriptions are omitted since no single customer accounts for 10% or more of the net sales in the consolidated statement of income.

(Information related to impairment on non-current assets by each reporting segment)

Previous fiscal year (April 1, 2021 - March 31, 2022)

In the personal education segment, impairment loss on construction (buildings and structures) that are no longer expected to be used due to reduce floor is ¥15,307 thousand. The impairment loss, posted as extraordinary loss, have not been allocated to reporting segments.

Current fiscal year (April 1, 2022 - March 31, 2023)

In the personal education segment, impairment loss on construction (buildings and structures) and tools, furniture and fixtures that are no longer expected to be used due to reduced floor space is ¥15,441 thousand. The impairment loss, posted as extraordinary loss, has not been allocated to reporting segments.

(Information on amortization of goodwill and unamortized balance by each reporting segment)

Previous fiscal year (April 1, 2021 - March 31, 2022)

None

Current fiscal year (April 1, 2022- March 31, 2023)

None

(Information on gain on negative goodwill by each reporting segment)

Previous fiscal year (April 1, 2021 - March 31, 2022)

None

Current fiscal year (April 1, 2022 - March 31, 2023)

None

(Revenue recognition)

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

(Per share information)

	Previous fiscal year (Apr.1, 2021 - Mar.31, 2022)	Current fiscal year (Apr.1, 2022 - Mar.31, 2023)
Net assets per share	¥ 333.22	¥ 341.58
Profit per share	¥ 24.05	¥ 11.69

(Note)

1. Fully diluted profit per share is not stated since TAC does not have residual securities.

2. The basis of calculations of profit per share is as follows:

	Previous fiscal year (Apr.1,2021-Mar.31,2022)	Current fiscal year (Apr.1,2022-Mar.31,2023)
Profit attributable to owners of parent (Yen in thousands)	444,987	214,740
Amount not attributable to common stockholders (Yen in thousands)	—	—
Profit attribute to owners to parent related to common stock (Yen in thousands)	444,987	214,740
Average number of shares outstanding during the year (shares)	18,503,932	18,366,031

3. The basis of calculations of net assets per share is as follows:

	Previous fiscal year (Mar.31, 2022)	Current fiscal year (Mar.31, 2023)
Total net assets (Yen in thousands)	6,174,672	6,203,324
Amount deducted from the total net assets (Yen in thousands)	8,710	9,167
[Non-controlling interests (Yen in thousands)	(8,710)	(9,167)
Net assets related to common stock (Yen in thousands)	6,165,961	6,194,156
Number of common stock used to calculate net asset per share at the end of the fiscal year (shares)	18,503,932	18,133,832

(Significant subsequent events)

None