

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



Non-consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

October 31, 2024

Company name: TOHO SYSTEM SCIENCE CO.,LTD.

Listing: Tokyo

Securities code: 4333

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

Representative: TOMOYASU KOSAKA

PRESIDENT, REPRESENTATIVE DIRECTOR

Inquiries: MASAYO SUNAGA

DIRECTOR,

GENERAL MANAGER, ADMINISTRATION DEPARTMENT

Telephone: +81-3 (3868) 6060

Scheduled date to file semi-annual securities report: November 12, 2024

Scheduled date to commence dividend payments: December 6, 2024

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Non-consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	8,783	9.8	750	8.5	757	8.7	511	8.5
September 30, 2023	7,998	6.3	692	(6.6)	696	(6.5)	471	(7.5)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	28.00	-
September 30, 2023	25.87	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2024	13,875	9,731	70.1	531.05
March 31, 2024	13,477	9,365	69.5	513.18

(Reference) Equity: As of September 30, 2024: ¥ 9,731 million

As of March 31, 2024: ¥ 9,365 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	20.00	-	20.00	40.00
Fiscal year ending March 31, 2025	-	20.00			
Fiscal year ending March 31, 2025 (Forecast)			-	20.00	40.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	17,800	9.3	1,700	8.0	1,710	8.0	1,189	9.9	64.96

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Adoption of accounting treatment specific to the preparation of semi-annual non-consolidated financial statements: None

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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(3) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2024: 20,798,988 shares

March 31, 2024: 20,798,988 shares

2) Number of treasury shares at the end of the period:

September 30, 2024: 2,473,260 shares

March 31, 2024: 2,548,608 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024: 18,273,778 shares

Six months ended September 30, 2023: 18,230,578 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

Semi-annual Non-consolidated Financial Statements

Semi-annual Non-consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	9,747,227	9,964,620
Trade receivables and contract asset	2,183,605	2,173,928
Work in process	3,863	10,617
Other	80,715	140,927
Allowance for doubtful accounts	(6,574)	(6,548)
Total current assets	12,008,837	12,283,546
Non-current assets		
Property, plant and equipment	86,295	96,116
Intangible assets	37,067	29,637
Investments and other assets		
Investment securities	509,948	636,567
Deferred tax assets	707,690	705,448
Other	132,930	129,361
Allowance for doubtful accounts	(5,675)	(5,675)
Total investments and other assets	1,344,895	1,465,702
Total non-current assets	1,468,259	1,591,456
Total assets	13,477,096	13,875,002
Liabilities		
Current liabilities		
Accounts payable - trade	903,430	947,789
Accounts payable - other	101,905	41,083
Accrued expenses	148,660	177,960
Income taxes payable	279,118	319,625
Provision for bonuses	369,518	375,949
Provision for loss on orders received	27,664	16,560
Other	222,091	144,247
Total current liabilities	2,052,388	2,023,215
Non-current liabilities		
Provision for retirement benefits	2,031,263	2,092,163
Other	27,760	27,760
Total non-current liabilities	2,059,023	2,119,923
Total liabilities	4,111,412	4,143,138
Net assets		
Shareholders' equity		
Share capital	526,584	526,584
Capital surplus	620,426	736,214
Retained earnings	8,513,049	8,659,755
Treasury shares	(596,184)	(580,373)
Total shareholders' equity	9,063,874	9,342,181
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	301,809	389,682
Total valuation and translation adjustments	301,809	389,682
Total net assets	9,365,684	9,731,863
Total liabilities and net assets	13,477,096	13,875,002

Semi-annual Non-consolidated Statements of Income

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	7,998,170	8,783,612
Cost of sales	6,576,241	7,251,736
Gross profit	1,421,929	1,531,876
Selling, general and administrative expenses	729,928	781,326
Operating profit	692,000	750,550
Non-operating income		
Dividend income	2,771	3,493
Insurance claim income	-	1,500
Commission for insurance office work	393	351
Reversal of allowance for doubtful accounts	372	26
Other	943	1,169
Total non-operating income	4,480	6,540
Non-operating expenses		
Loss on retirement of non-current assets	-	22
Total non-operating expenses	-	22
Ordinary profit	696,481	757,068
Profit before income taxes	696,481	757,068
Income taxes - current	179,736	281,857
Income taxes - deferred	45,129	(36,502)
Total income taxes	224,866	245,354
Profit	471,614	511,714

Semi-annual Non-consolidated Statements of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	696,481	757,068
Depreciation	19,685	20,166
Share-based payment expenses	14,994	68,651
Increase (decrease) in provision for retirement benefits	37,033	60,899
Increase (decrease) in allowance for doubtful accounts	(372)	(26)
Increase (decrease) in provision for bonuses	11,485	6,430
Increase (decrease) in provision for loss on orders received	-	(11,104)
Interest and dividend income	(2,771)	(3,493)
Loss on retirement of non-current assets	-	22
Decrease (increase) in trade receivables	123,797	9,676
Decrease (increase) in inventories	(12,479)	(6,754)
Increase (decrease) in trade payables	(561)	44,358
Increase (decrease) in accrued expenses	50,226	29,300
Increase (decrease) in accrued consumption taxes	2,460	(37,413)
Other, net	(132,882)	(97,846)
Subtotal	807,095	839,936
Interest and dividends received	2,771	3,493
Income taxes paid	(188,444)	(240,767)
Net cash provided by (used in) operating activities	621,423	602,662
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,454)	(18,114)
Purchase of intangible assets	(3,200)	(248)
Other, net	(45)	(22)
Net cash provided by (used in) investing activities	(9,701)	(18,384)
Cash flows from financing activities		
Purchase of treasury shares	(4,295)	(2,232)
Dividends paid	(242,970)	(364,652)
Net cash provided by (used in) financing activities	(247,265)	(366,884)
Net increase (decrease) in cash and cash equivalents	364,455	217,392
Cash and cash equivalents at beginning of period	9,118,188	9,737,059
Cash and cash equivalents at end of period	9,482,644	9,954,451