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Summary

Consolidated Financial Results for the Six Months Ended September 30, 2025 <JGAAP>

November 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
 Contact: Shoji Nonaka, Director Tel: +81-3-5276-8913
 Scheduled date to commence dividend payments: -
 Scheduled date to submit the semi-annual securities report: November 12, 2025
 Supplemental information for financial statements: None
 Results briefing session: None

(Amounts rounded down to the nearest million yen)

1. Consolidated 2nd quarter results for the fiscal year ending March 2026

(From April 1, 2025 to September 30, 2025)

(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)	%
FY2025 (Apr.1,2025-Sep.30,2025)	10,353	2.1	861	4.7	807	-4.4	548	-5.1
FY2024 (Apr.1,2024-Sep.30,2024)	10,135	0.1	823	225.5	844	272.2	577	232.1

(Notes) Comprehensive income: FY2025(2025/9) 539 million yen (-5.7%) FY2024(2024/9) 571 million yen (247.6%)

	Profit per share	Fully diluted profit per share
	(Yen)	(Yen)
FY2025 (Apr.1,2025-Sep.30,2025)	30.26	—
FY2024 (Apr.1,2024-Sep.30,2024)	31.87	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	(Yen in millions)	(Yen in millions)	%
FY2025 (As of Sep.30,2025)	19,953	6,733	33.7
FY2024 (As of Mar.31,2025)	20,942	6,231	29.7

(Notes) Equity FY2025(2025/9) 6,723 million yen FY2024(2025/3) 6,220 million yen

2. Dividends

	Annual dividends per share				
	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	Total
FY2024 (Apr.1,2024-Mar.31,2025)	(Yen) —	(Yen) 2.00	(Yen) —	(Yen) 2.00	(Yen) 4.00
FY2025 (Apr.1,2025-Mar.31,2026)	—	0.00			
FY2025(Forecast)			—	0.00	0.00

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

3. Consolidated forecasts for March 2026 term (From April 1, 2025 to March 31, 2026)

As stated in the "Notice Regarding the Implementation of a Management Buyout (MBO) and Recommendation to Tender" announced on August 6, 2025, and the "Notice Regarding the Results of the Tender Offer for the Company's Shares by JPEC Co., Ltd. and the Change in Parent Company and Major Shareholder (Top Shareholder)" announced on September 20, 2025, the Company's shares are scheduled to be delisted. Accordingly, the Company has not provided a consolidated earnings forecast for the fiscal year ending March 31, 2026.

*** 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

FY2025 2 nd quarter	18,504,000 shares	FY2024	18,504,000 shares
FY2025 2 nd quarter	370,168 shares	FY2024	370,168 shares
FY2025 2 nd quarter	18,133,832 shares	FY2024 2 nd quarter	18,133,832 shares

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

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

As stated in the "Notice Regarding the Implementation of a Management Buyout (MBO) and Recommendation to Tender" announced on August 6, 2025, and the "Notice Regarding the Results of the Tender Offer for the Company's Shares by JPEC Co., Ltd. and the Change in Parent Company and Major Shareholder (Top Shareholder)" announced on September 20, 2025, the Company's shares are scheduled to be delisted. Accordingly, the Company has not provided a consolidated earnings forecast for the fiscal year ending March 31, 2026.

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

(Yen in thousands)

	FY2024 (as of March 31, 2025)	FY2025 (as of September 30, 2025)
Assets		
Current assets		
Cash and deposits	6,470,565	5,670,625
Notes and accounts receivable - trade	3,903,582	4,495,629
Merchandise and finished goods	685,459	459,729
Work in process	22,600	7,973
Raw materials and supplies	306,692	259,751
Accounts receivable – other	8,758	13,661
Prepaid expenses	284,239	257,069
Other	329,489	224,225
Allowance for doubtful accounts	-2,327	-1,921
Total current assets	12,009,058	11,386,744
Non-current assets		
Property, plant and equipment		
Land	2,744,159	2,744,159
Other, net	1,968,374	1,926,158
Total property, plant and equipment	4,712,533	4,670,317
Intangible assets	325,556	421,272
Investments and other assets		
Investment securities	502,678	376,215
Deferred tax assets	589,166	462,223
Long-term time deposits	100,000	100,000
Guarantee deposits	1,975,710	1,769,788
Insurance funds	644,404	702,623
Other	109,214	64,239
Allowance for doubtful accounts	-25,779	—
Total Investments and other assets	3,895,393	3,475,089
Total non-current assets	8,933,483	8,566,679
Total assets	20,942,542	19,953,424

	(Yen in thousands)	
	FY2024	FY2025
	(as of March 31, 2025)	(as of September 30, 2025)
Liabilities		
Current Liabilities		
Notes and accounts payable – trade	459,689	399,005
Short-term loans payable	2,200,000	—
Current portion of long-term loans payable	1,023,004	—
Accounts payable - other	529,395	419,196
Accrued expenses	520,750	426,930
Income taxes payable	200,212	173,638
Provision for loss on abandonment of sales return	301,286	270,335
Provision for bonuses	188,592	185,743
Advances received	5,512,759	5,672,203
Asset retirement obligations	110,769	22,432
Other	924,016	698,191
Total current liabilities	11,970,478	8,267,677
Non-current liabilities		
Long-term loans payable	2,109,284	4,251,444
Long-term accounts payable - directors' retirement benefits	25,077	25,077
Asset retirement obligations	517,751	526,722
Provision for repairs	37,300	37,300
Other	51,297	111,312
Total non-current liabilities	2,740,710	4,951,856
Total liabilities	14,711,188	13,219,534
Net assets		
Shareholders' equity		
Capital stock	940,200	940,200
Capital surplus	790,547	790,547
Retained earnings	4,563,376	5,075,808
Treasury shares	-75,155	-75,155
Total shareholders' equity	6,218,968	6,731,401
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-49,887	-62,100
Foreign currency translation adjustment	51,702	54,035
Total accumulated other comprehensive income	1,814	-8,064
Non-controlling interests	10,569	10,553
Total net assets	6,231,353	6,733,890
Total liabilities and net assets	20,942,542	19,953,424

(2) Quartely consolidated statement of income and quartely consolidated statement of comprehensive income

Quarterly consolidated statement of income

(Yen in thousands)

	FY2024 (Apr. 1, 2024-Sep. 30, 2024)	FY2025 (Apr. 1, 2025-Sep. 30, 2025)
Net sales	10,135,743	10,353,521
Cost of sales	5,838,834	5,939,680
Gross profit	4,296,909	4,413,840
Selling, general and administrative expenses	3,473,567	3,551,964
Operating profit	823,341	861,876
Non-operating income		
Interest income	3,493	3,724
Insurance claim income	37,827	—
Foreign exchange gains	3,401	—
Commission income	2,612	2,153
Other	2,605	2,730
Total non-operating income	49,940	8,608
Non-operating expenses		
Interest expenses	19,313	21,507
Commission expenses	2,539	32,202
Share of loss of entities accounted for using equity method	7,258	7,755
Foreign exchange losses	—	1,750
Other	35	14
Total non-operating expenses	29,147	63,231
Ordinary profit	844,134	807,253
Extraordinary income		
Gain on sale of non-current assets	—	0
Total extraordinary income	—	0
Extraordinary losses		
Loss on sales and retirement of non-current assets	24	938
Total extraordinary losses	24	938
Profit before income taxes	844,109	806,315
Income taxes – current	165,902	124,398
Income taxes – deferred	99,632	132,563
Total income taxes	265,535	256,962
Profit	578,574	549,352
Profit attributable to non-controlling interests	670	652
Profit attributable to owners of parent	577,903	548,699

Quarterly consolidated statement of comprehensive income

	(Yen in thousands)	
	FY2024	FY2025
	(Apr. 1, 2024-Sep. 30, 2024)	(Apr. 1, 2025-Sep. 30, 2025)
Profit	578,574	549,352
Other comprehensive income		
Valuation difference on available-for-sale securities	-1,880	-12,212
Foreign currency translation adjustment	-4,863	2,332
Total other comprehensive income	-6,744	-9,879
Comprehensive income	571,829	539,473
(Breakdown)		
Comprehensive income attributable to owners of parent	571,159	538,820
Comprehensive income attributable to non-controlling interests	670	652

(3) Quarterly consolidated statement of cash flows

	(Yen in thousands)	
	FY2024	FY2025
	(Apr. 1, 2024-Sep. 30, 2024)	(Apr. 1, 2025-Sep. 30, 2025)
Cash flows from operating activities		
Profit (loss) before income taxes	844,109	806,315
Depreciation	172,066	225,937
Increase (decrease) in allowance for doubtful accounts	-589	-26,186
Increase (decrease) in provision for bonuses	3,031	-2,849
Increase (decrease) in provision for loss on abandonment of sales return	-102,291	-30,950
Interest and dividend income	-3,627	-3,858
Insurance claim income	-37,827	—
Interest expenses	19,313	21,507
Commission expenses	2,539	32,202
Share of loss (profit) of entities accounted for using equity method	7,258	7,755
Decrease (increase) in notes and accounts receivable - trade	-26,685	-591,969
Decrease (increase) in inventories	137,412	287,296
Increase (decrease) in notes and accounts payable - trade	-186,428	-60,718
Increase (decrease) in advances received	63,123	159,444
Other, net	-70,386	-259,116
Sub-total	821,017	564,810
Interest and dividend income received	6,470	7,527
Interest expenses paid	-19,285	-21,559
Income tax refund	37,513	415
Income taxes paid	-36,894	-148,405
Proceeds from subsidy income	250	—
Payment of non-operating commission fee	—	-19,500
Net cash provided by (used in) operating activities	809,071	383,288
Cash flows from investing activities		
Purchase of property, plant and equipment	-18,690	-111,115
Payments for restoration	-21,597	-111,878
Purchase of intangible assets	-46,538	-76,831
Proceeds from sales and redemption of investment securities	—	100,000
Decrease (increase) in time deposits	-500,000	—
Payments for guarantee deposits	-69,567	-473
Proceeds from collection of guarantee deposits	13,065	214,202
Purchase of insurance funds	-135,000	-50,000
Proceeds from maturity of insurance funds	137,827	—
Other, net	—	38
Net cash provided by (used in) investing activities	-640,499	-36,057

(Yen in thousands)

	FY2024 (Apr. 1, 2024-Sep. 30, 2024)	FY2025 (Apr. 1, 2025-Sep. 30, 2025)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	550,000	-2,200,000
Proceeds from long-term loans payable	200,000	4,251,444
Repayments of long-term loans payable	-500,092	-3,132,288
Cash dividends paid	-54,185	-36,217
Dividends paid to non-controlling interests	-544	-668
Repayments of lease obligations	-16,768	-27,721
Other, net	-2,539	-2,202
Net cash provided by (used in) financing activities	175,869	-1,147,654
Effect of exchange rate change on cash and cash equivalents	-1,253	484
Net increase (decrease) in cash and cash equivalents	343,187	-799,939
Cash and cash equivalents at the beginning of the period	5,745,728	5,970,565
Cash and cash equivalents at the end of the period	6,088,916	5,170,625

(4) 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 first quarter. The increase of ¥9,491 thousand due to the change in the estimate is added to the asset retirement obligation balance before the change.

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 second quarter. The increase of ¥2,002 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 second quarter.

(Segment information)

I, Second quarter of the previous fiscal year (April 1, 2024 – September 30, 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	17,094	402,918	1,988,911	93,012	2,501,936
Goods or services transferred over time	5,475,497	1,951,992	—	208,256	7,635,746
Revenue from contracts with customers	5,492,592	2,354,910	1,988,911	301,269	10,137,683
External customers	5,492,592	2,354,910	1,988,911	301,269	10,137,683
Intersegment and transfer	806	—	28	14,163	14,998
Total	5,493,398	2,354,910	1,988,939	315,433	10,152,682
Segment profit(loss)	363,507	627,988	392,816	84,521	1,468,833

(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	1,468,833
Corporate expenses	-643,551
Adjustment of tuition advances	-1,940
Operating profit of the consolidated financial statements	823,341

(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, Second quarter of the current fiscal year (April 1, 2025 – September 30, 2025)

(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	15,700	427,776	2,205,073	83,455	2,732,005
Goods or services transferred over time	5,606,337	1,894,643	—	210,747	7,711,728
Revenue from contracts with customers	5,622,038	2,322,419	2,205,073	294,202	10,443,733
External customers	5,622,038	2,322,419	2,205,073	294,202	10,443,733
Intersegment and transfer	1,874	—	22	13,686	15,583
Total	5,623,912	2,322,419	2,205,095	307,889	10,459,316
Segment profit(loss)	603,317	597,576	319,336	77,648	1,597,879

(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	1,597,879
Corporate expenses	-645,790
Adjustment of tuition advances	-90,212
Operating profit of the consolidated financial statements	861,876

(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

(Revenue recognition)

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

(Significant Subsequent Events)

(Resolution Regarding Share Consolidation)

At the meeting of the Board of Directors held on October 28, 2025, the Company resolved to submit to the Extraordinary General Meeting of Shareholders scheduled for December 1, 2025 (hereinafter "the EGM") a proposal concerning the consolidation of shares.

(A) Purpose of the Share Consolidation

As announced in the "Notice Regarding the Implementation of a Management Buyout (MBO) and Recommendation to Tender" published on August 6, 2025, and the "(Correction) Notice Regarding Partial Amendment to the 'Notice Regarding the Implementation of a Management Buyout (MBO) and Recommendation to Tender'" published on August 20, 2025, JPEC Co., Ltd. (hereinafter referred to as the "Tender Offeror") conducted a tender offer (hereinafter referred to as the "Tender Offer") to acquire all of the Company's common shares listed on the Tokyo Stock Exchange Standard Market (hereinafter referred to as the "Company Shares")—excluding the Company's treasury shares and all of the Company Shares held by Hiro ekisupuresu Corporation (hereinafter the "Non-Tendering Agreement Shareholder") (such shares collectively referred to as the "Non-Tendered Shares")—as part of a series of transactions (hereinafter referred to as the "Transaction") for a so-called management buyout (MBO) (Note 1), with the objective of delisting the Company's shares and making the Company private, and ultimately having only the Non-Tendering Agreement Shareholder remain as a shareholder of the Company.

(Note 1) A "Management Buy-out (MBO)" generally refers to a transaction in which the management of the target company contributes all or part of the acquisition funds to acquire the shares of that target company on the premise that the target company will continue its business.

As stated in the "Notice Regarding the Results of the Tender Offer for the Company's Shares by JPEC Co., Ltd. and the Change in Parent Company and Major Shareholder (Top Shareholder)" announced by the Company on September 20, 2025, the Tender Offeror conducted the Tender Offer for the Company's shares from August 7, 2025 to September 19, 2025. As a result, as of September 29, 2025 (the commencement date of settlement for the Tender Offer), the Tender Offeror came to hold 9,796,127 shares of the Company (ownership ratio (Note 2): 54.02 %).

(Note 2) "Ownership ratio" refers to the ratio calculated by dividing the number of shares owned by the total number of issued shares of the Company as of September 30, 2025 (18,504,000 shares), minus the number of treasury shares held by the Company as of the same date (370,168 shares), resulting in 18,133,832 shares. The ratio is rounded to the nearest thousandth decimal place.

As stated above, although the Tender Offer was successfully completed, the Tender Offeror was unable to acquire all of the Company's shares (excluding the treasury shares held by the Company and the Non-Tendering Shares) through the Tender Offer. Accordingly, the Tender Offeror requested the Company to implement the share consolidation (as defined below) in order to make the Tender Offeror and the Non-Tendering Agreement Shareholder the sole shareholders of the Company.

Accordingly, at the meeting of the Board of Directors of the Company held on October 28, 2025, the Company resolved, subject to the approval of shareholders at the EGM, to implement a share consolidation of the Company's shares at a ratio of one share for every 2,198,500 shares (hereinafter the "Share Consolidation") in order to make the Tender Offeror and the Non-Tendering Agreement Shareholder the sole shareholders of the Company and to privatize the Company. The Company also resolved to submit a proposal concerning the Share Consolidation to the EGM.

As a result of the Share Consolidation, the number of the Company's shares held by shareholders other than the Tender Offeror and the Non-Tendering Agreement Shareholder is expected to include fractional shares of less than one share.

(B) Details of Share Consolidation

(i) Type of shares to be consolidated

Common shares

(ii) Consolidation Ratio

2,198,500 shares of the Company will be consolidated into one share.

(iii) Decrease in total number of issued shares

18,503,992 shares

(iv) Total number of issued shares before the effective date

18,504,000 shares

(v) Total number of issued shares after the effective date

8 shares

(vi) Total number of authorized shares as of the effective date

32 shares

(vii) Treatment of fractional shares resulting from the consolidation and the amount of cash to be delivered to shareholders in connection therewith

As stated in “(A) Purpose of the Share Consolidation” above, as a result of the Share Consolidation, the number of shares of the Company held by shareholders other than the Tender Offeror and the Non-Tendering Agreement Shareholder is expected to include fractional shares of less than one share.

Fractional shares of less than one share arising from the Share Consolidation will be aggregated (any fractional shares remaining in the total number of such shares will be rounded down pursuant to Article 235, Paragraph 1 of the Companies Act of Japan), and a number of shares equivalent to such aggregated total will be sold in accordance with Article 235 of the Companies Act and other applicable laws and regulations. The proceeds from such sale will be distributed to shareholders in proportion to their respective fractional holdings. Regarding the sale of such shares, given that (i) the Share Consolidation is intended, as part of the Transaction, to make the Tender Offeror and the Non-Tendering Agreement Shareholder the sole shareholders of the Company, and (ii) the Company's shares are scheduled to be delisted as of December 19, 2025 and will no longer have a market price, it is considered unlikely that any buyer would emerge through an auction. Accordingly, the Company plans to purchase the shares itself, subject to obtaining court approval pursuant to Article 234, Paragraphs 2 and 4, as applied mutatis mutandis under Article 235, Paragraph 2 of the Companies Act.

If such court approval is obtained as planned, the sale price will be set so that each shareholder will receive cash equivalent to 350 yen per share—the same amount as the tender offer price—multiplied by the number of shares held by each shareholder.

(C) Schedule of the Share Consolidation

Resolution by the Board of Directors: October 28, 2025 (Tuesday)

Extraordinary General Meeting of Shareholders: December 1, 2025 (Monday) (planned)

Effective date of the Share Consolidation: December 23, 2025 (Tuesday) (planned)

(D) Impact on Per-Share Information

Assuming that the Share Consolidation had been implemented at the beginning of the previous second quarter consolidated cumulative period, per-share information for the previous second quarter consolidated cumulative period and the current second quarter consolidated cumulative period would be as follows:

	FY2024 April 1, 2024 – September 30, 2024	FY2025 April 1, 2025 – September 30, 2025
Profit per share	¥72,237,934.50	¥68,587,485.63

(Note) Since there are no potential shares, diluted profit per share is not presented.

(E) Anticipated Delisting

As stated in “(A) Purpose of the Share Consolidation” above, the Company plans to implement the Share Consolidation, subject to approval by the shareholders at the EGM, with the aim of making the Tender Offeror and the Non-Tendering Agreement Shareholder the sole shareholders of the Company. As a result, the Company’s shares are expected to be delisted from the Tokyo Stock Exchange following prescribed procedures in accordance with the delisting criteria of the Exchange.

According to the schedule, the Company’s shares are expected to be designated as securities to be delisted from December 1, 2025 to December 18, 2025, and to be delisted on December 19, 2025. After delisting, the Company’s shares will no longer be tradable on the Standard Market of the Tokyo Stock Exchange.