

Financial Results Briefing for FY2008



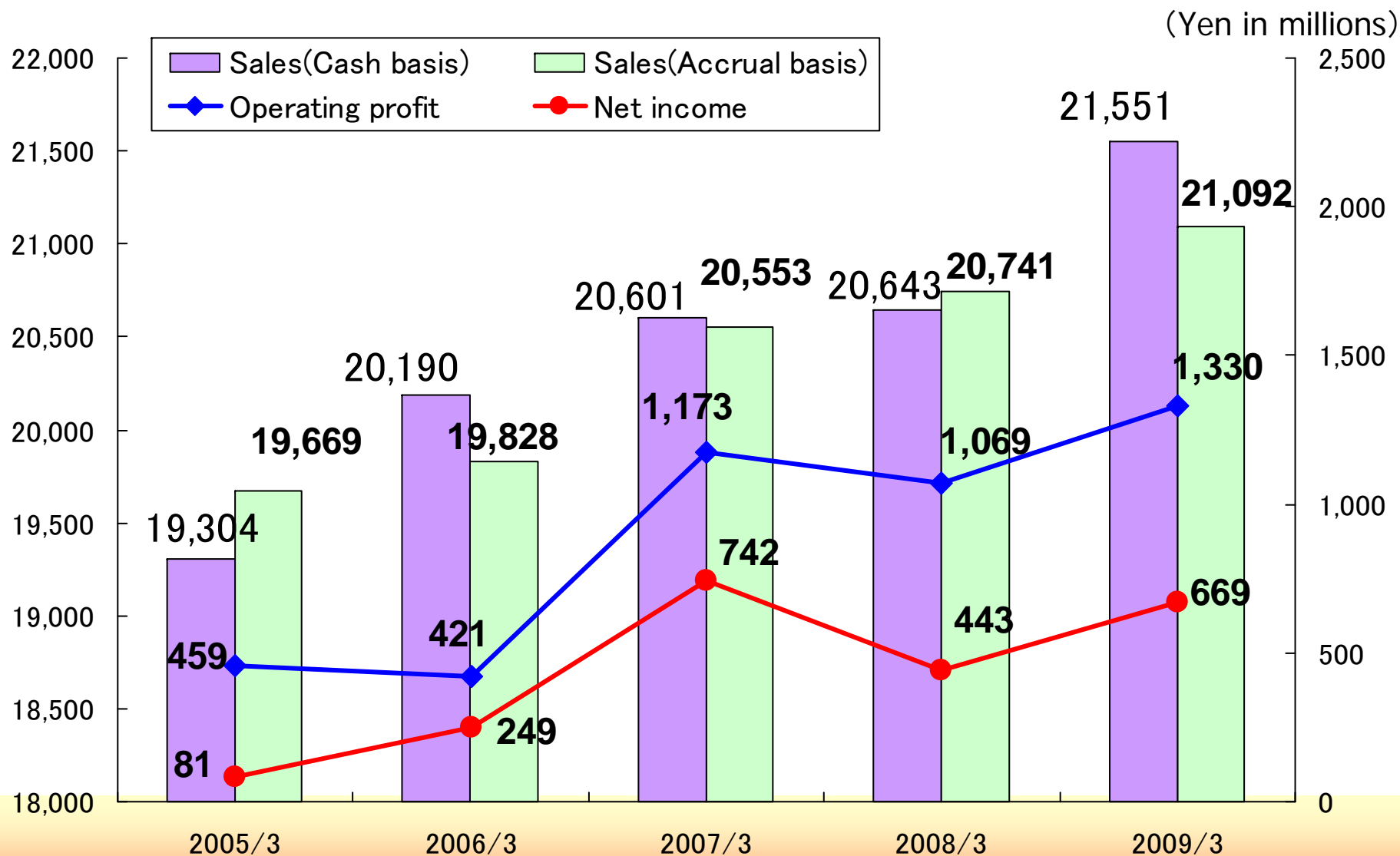
19 May, 2009
TAC Co., Ltd.
(Code No. 4319)

I . Summary of Financial Results





Sales and profit (consolidated)



Net sales, operating income and ordinary income set new record high!



Financial highlights (Comparative)

Page 4

(Yen in millions)

TAC

	2008/3(Actual)			2009/3(Actual)			
	Amount	%	Y-O-Y	Amount	%	difference	Y-O-Y
Net sales before adjustment Of tuition advances	20,643	99.5%	100.2%	21,551	102.2%	908	104.4%
Adjustment of tuition advances	98	0.5%	—%	△459	△2.2%	△557	— %
Net Sales (after adjustment of tuition advances)	20,741	100.0%	100.9%	21,092	100.0%	350	101.7%
Costs of Sales	12,712	61.3%	102.8%	12,450	59.0%	△261	97.9%
Rent	3,173	15.3%	99.0%	3,186	15.1%	13	100.4%
Employment costs	3,900	18.8%	105.8%	4,045	19.2%	145	103.7%
Subcontract costs	2,385	11.5%	100.0%	2,393	11.3%	8	100.4%
Gross profit – net	8,012	38.6%	98.2%	8,591	40.7%	579	107.2%
SG & A expenses	6,942	33.5%	99.4%	7,261	34.4%	318	104.6%
Rent	945	4.6%	101.2%	960	4.6%	15	101.6%
Employment costs	3,148	15.2%	100.5%	3,350	15.9%	202	106.4%
Advertising costs	1,019	4.9%	90.7%	1,047	5.0%	27	102.7%
Operating income	1,069	5.2%	91.2%	1,330	6.3%	260	124.4%
Ordinary income	1,230	5.9%	92.3%	1,352	6.4%	122	109.9%
Net income	443	2.1%	59.8%	669	3.2%	225	150.8%
Net income per share	23.98yen			36.58yen			



Financial highlights (forecast:actual)

Page 5

(Yen in millions)

TAC

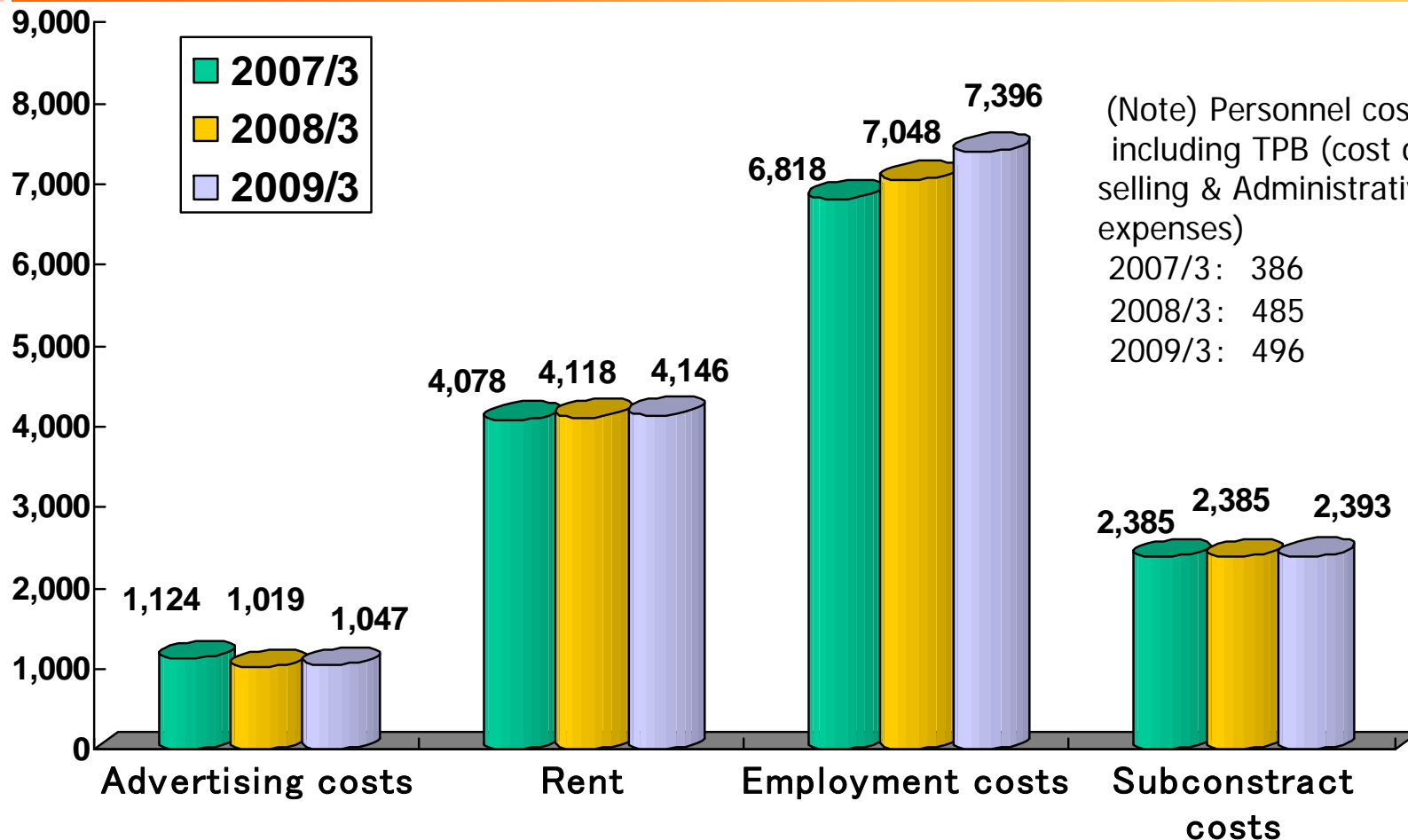
	2009/3 (Forecast)		2009/3 (Actual)			
	Amount	%	Amount	%	Difference	Comparison
Net sales before adjustment Of tuition advances	22,178	102.3%	21,551	102.2%	△626	97.2%
Adjustment of tuition advances	△500	△2.3%	△459	△2.2%	40	91.8%
Net Sales (after adjustment of tuition advances)	21,678	100.0%	21,092	100.0%	△585	97.3%
Costs of Sales	13,025	60.1%	12,450	59.0%	△574	95.6%
Rent	3,204	14.8%	3,186	15.1%	△18	99.4%
Employment costs	4,162	19.2%	4,045	19.2%	△116	97.2%
Subcontract costs	2,602	12.0%	2,393	11.3%	△208	92.0%
Gross profit – net	8,642	39.9%	8,591	40.7%	△50	99.4%
SG & A expenses	7,390	34.1%	7,261	34.4%	△128	98.3%
Rent	963	4.5%	960	4.6%	△3	99.7%
Employment costs	3,314	15.3%	3,350	15.9%	36	101.1%
Advertising costs	1,164	5.4%	1,047	5.0%	△116	90.0%
Operating income	1,251	5.8%	1,330	6.3%	78	106.3%
Ordinary income	1,359	6.3%	1,352	6.4%	△7	99.5%
Net income	776	3.6%	669	3.2%	△106	86.3%
Net income per share	42.40yen		36.58yen			



Major operating expenses

TAC

(Yen in millions)



(Note) Personnel costs including TPB (cost of selling & Administrative expenses)

2007/3: 386

2008/3: 485

2009/3: 496

% of sales	5.5%	4.9%	5.0%	19.8%	19.9%	19.7%	33.2%	34.0%	35.1%	11.6%	11.5%	11.3%
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Y-O-Y	76.0%	90.7%	102.7%	98.7%	101.0%	100.7%	103.4%	103.4%	104.9%	98.8%	100.0%	100.4%
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% of sales cost	0.0%	78.6%	77.0%	76.8%	54.1%	55.3%	54.7%	100.0%
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II . Highlights of license area





Definition of licenses by area **TAC**

License area	Programs
① Finance and Accounting	Certified public accountant, Bookkeeper, Certification Exam for Business Accounting , Construction industry accountant
② Management and Taxation	Licensed tax accountant, Small and medium enterprise management consultant IPO Practical Skills exam
③ Financial service and Real Estate	Real estate appraiser, Registered real estate transaction manager, Condominium management consultant / Registered condominium administration manager, Financial planner, DC planner(*1), Securities analyst (including CFA(*2), Securities broker), Business school
④ Law and Labor	Certified social insurance labor consultant, Administrative scrivener, Public officer, The Japan business law examination, Law-related qualifications, Registered customs specialist, Intellectual property management skills test
⑤ Information and International	Total of 14 qualifications), U.S. CPA, IT specialist (IT passport, Fundamental IT Engineer, Applied IT Engineer, IT Strategist, System Architect, Project Manager, Network Specialist, Database Specialist, etc: total of 12 examinations) CompTIA(*3), IT related qualifications, Certified Internal Auditor (CIA), BATIC
⑥ Other	"Maho-jin" tax software(*4), Personnel business, Miscellaneous revenue, Care worker , etc.

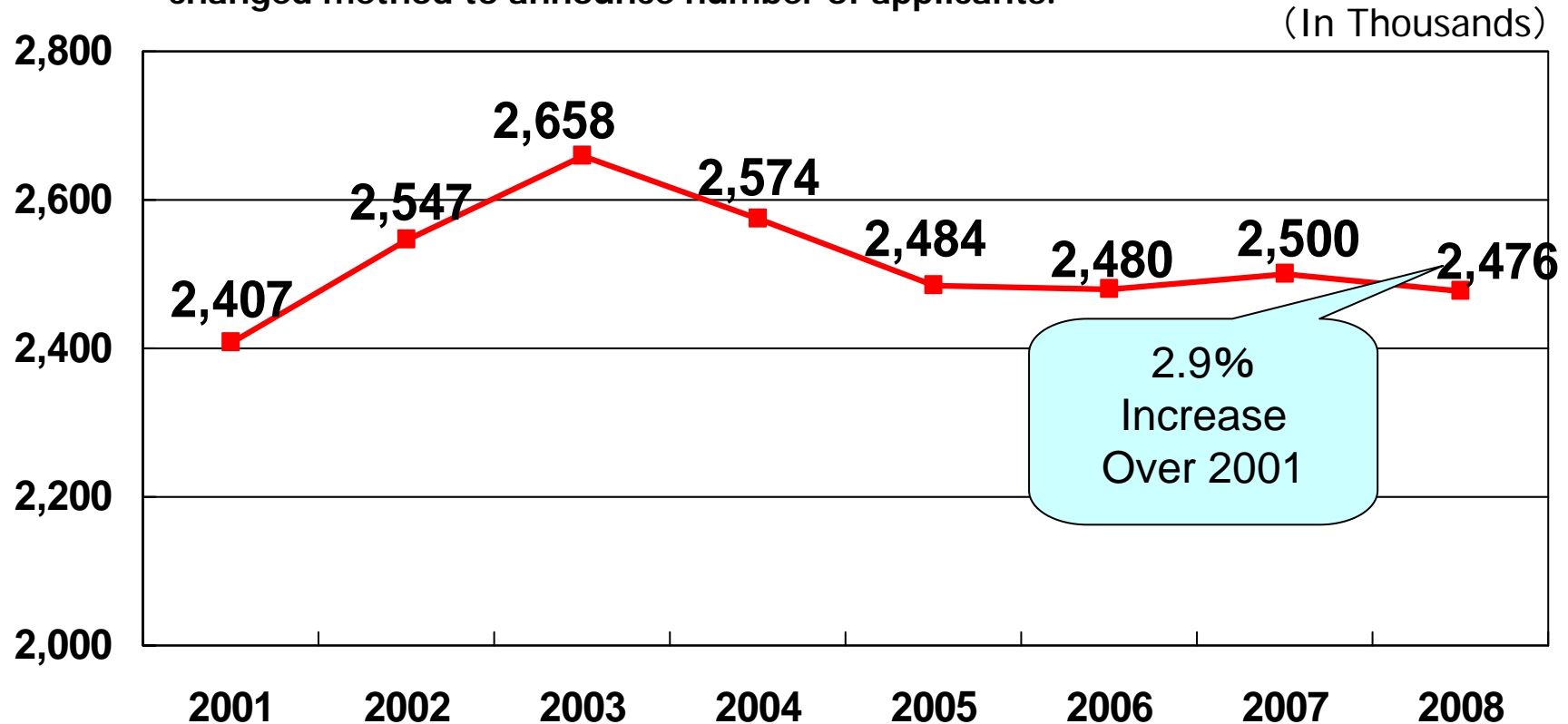
(*1) DC : Defined Contribution (*2) CFA : Chartered Financial Analyst (*3) CompTIA : Computing Technology Industry Association (*4) Maho-jin: Tax software developed by Hand Corporation (Osaka, Japan)

CIA: Started in September, 2007. Certification Exam for Business Accounting: Started in January, 2008. Registered Customs Specialist: Started in February, 2008. Intellectual Property Management Skills Test: Started in May, 2008. Care worker: Started in June, 2008, BATIC: Started in September, 2008, IPO: started in November, 2008.



Number of applicants for exams in 2008

Retroactive adjustment made to the number of applicants for MOUS, which changed method to announce number of applicants.



(Notes) Totals only include exams for which TAC offers courses.

Market trend (in thousands): Bookkeeping+48.8, CPA+1.5, Certified social insurance labor consultant +3, LTA▲1.2, Public officer(2nd class etc.)▲5, IT specialist▲37

We will further develop qualification areas with high growth potential.



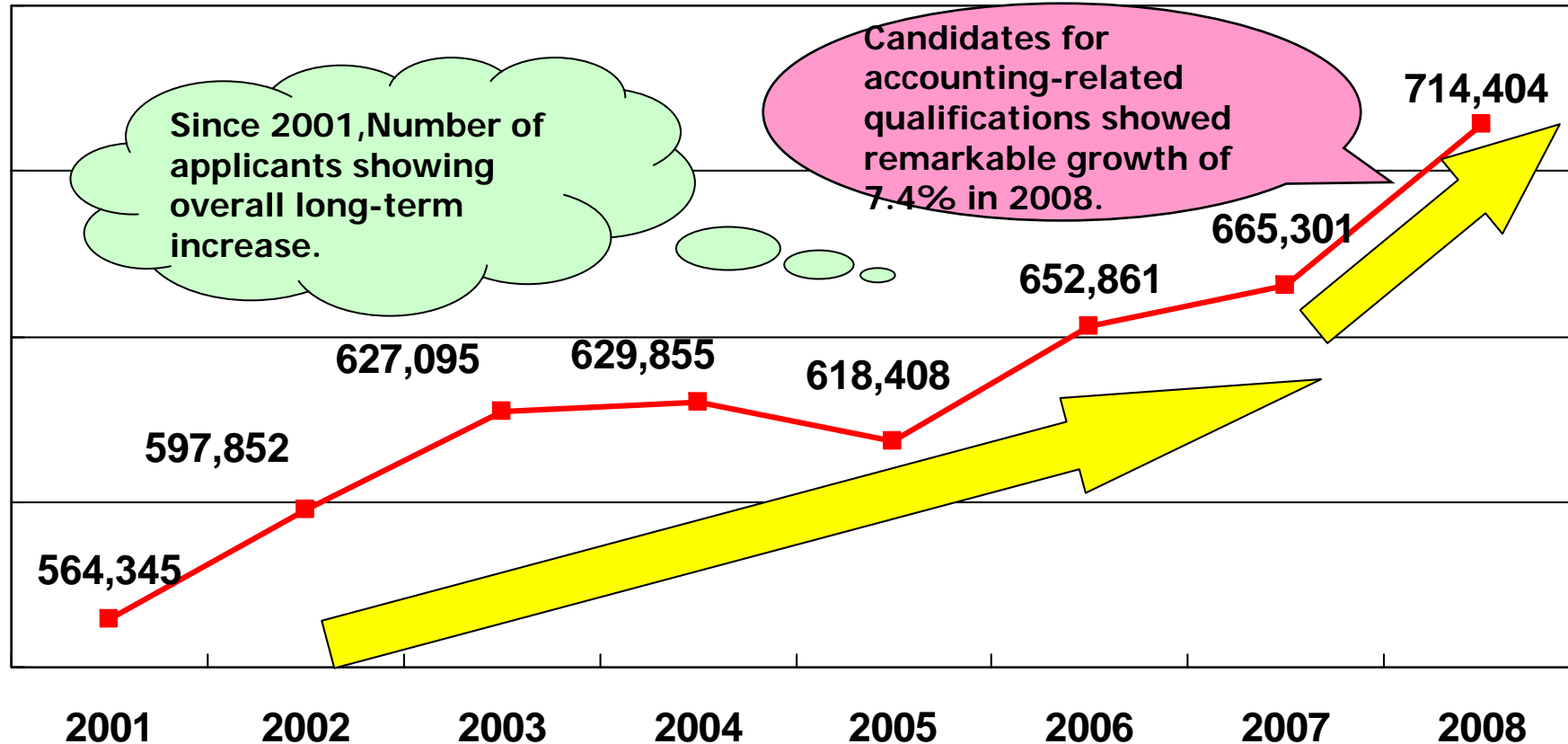
Number of applicants for exams



Area	Licenses	2001	2002	2003	2004	2005	2006	2007	2008	'01-'08
Fin. & Acc	Bookkeeping	490,681	520,643	545,649	546,198	535,228	570,466	582,375	631,259	128.6%
	Const. industry accountant	67,225	58,272	50,815	44,812	37,363	31,499	39,026	30,553	45.4%
	CPA	12,073	13,389	14,978	16,310	15,322	16,311	18,220	19,736	163.5%
Mgt. & Tax	Licensed Tax Accountant	61,591	63,820	66,468	67,347	67,858	66,084	64,706	63,409	103.0%
	Small & med. Ent. mgt. Consultant	10,025	12,447	14,692	15,131	13,476	16,595	16,845	17,934	178.9%
Financial service & Real Estate	Real Estate Appraiser	2,505	2,481	2,503	2,300	2,282	4,605	3,519	3,002	119.8%
	Registered real estate transaction manager	204,629	209,672	210,182	216,830	226,665	240,278	260,633	260,591	127.3%
	Condominium mgt. consultant	109,514	62,124	43,912	36,307	30,615	25,284	23,093	22,462	20.5%
	Registered condominium administration manager	64,537	39,981	31,558	28,642	26,960	24,779	23,790	23,846	36.9%
	Securities analyst	22,510	21,357	19,277	15,324	14,275	18,253	22,926	17,979	79.9%
	FP	79,168	172,824	290,766	289,562	283,963	291,983	317,501	309,961	391.5%
	DC planner	17,491	43,296	32,464	13,052	12,728	10,659	10,997	5,877	33.6%
Law & Labor	Certified social insurance labor consultant	54,203	58,322	64,122	65,215	61,251	59,839	58,542	61,910	114.2%
	Administrative scrivener	71,366	78,826	96,042	93,923	89,276	88,163	81,710	79,590	111.5%
	Public officer(2nd class etc.)	102,118	108,819	109,963	120,240	114,163	90,549	80,079	74,096	72.6%
	Public officer (local & higher)	62,141	63,386	68,396	67,342	74,012	60,874	59,370	60,346	97.1%
	Public officer(3rd, local)	91,562	113,239	109,434	96,036	62,639	63,001	44,466	36,903	40.3%
	Japan business law exam	23,544	27,962	33,998	39,094	40,747	40,820	38,782	42,935	182.4%
	Registered Customs Specialist	13,886	13,467	13,556	13,691	13,268	13,141	13,727	13,267	95.5%
	Intellectual Property Mgt				5,924	7,520	8,619	12,883	13,486	—
IT	IT specialist	788,443	803,109	772,334	699,928	664,014	608,210	576,893	539,736	68.5%
	BATIC							4,586	5,236	—
Other	Care Worker	58,517	59,943	67,363	81,008	90,602	130,034	145,946	142,765	244.0%
Total		2,407,729	2,547,379	2,658,472	2,574,216	2,484,227	2,480,046	2,500,615	2,476,879	102.9%



Market growth for accounting-related qualifications



Number of candidates in our flagship qualifications (CPA, LTA and Bookkeeping)

- Candidates for accounting-related qualifications showed remarkable growth of 7.4% in 2008.
- Other than above three qualifications, international qualifications such as USCPA (US certified public accountant) and CIA (Certified internal auditor) attract attention anticipating adaptation to the international accounting standard in 2011.

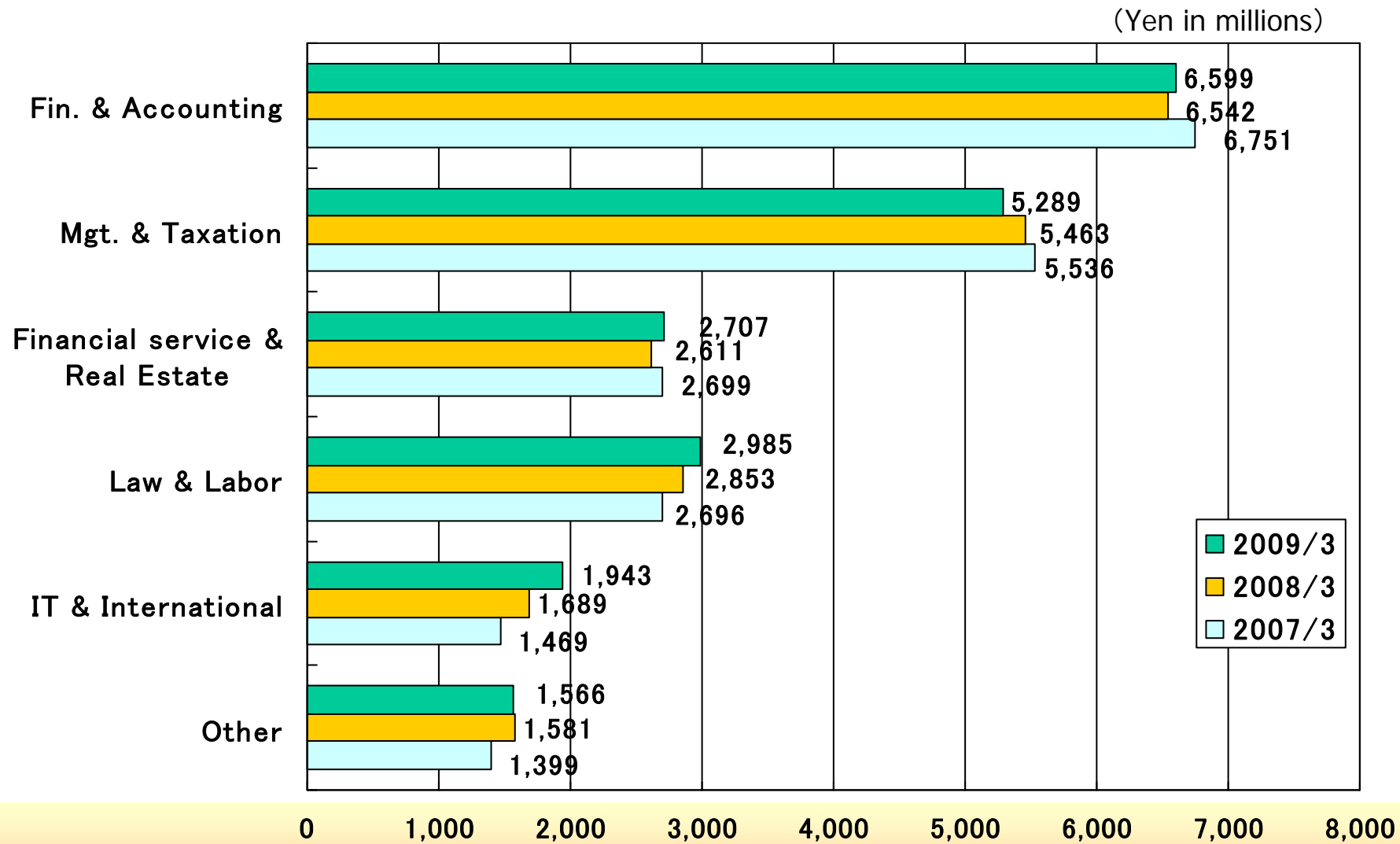


Sales by license area

area	2008/3			2009/3			Comments
	Sales	Y-O-Y	%	Sales	Y-O-Y	%	
①Fin. & Accounting	6,542,159	96.9%	31.5%	6,599,870	100.9%	31.3%	CPA showed remarkable growth of 7.8% supported by increase in application. But sales on accrual basis decreased 0.6% due to substantial amount sales transferred to tuition advances. Bookkeeping recorded stable growth of 3.9%.
②Mgt. & Taxation	5,463,305	98.7%	26.3%	5,289,313	96.8%	25.1%	LTA decreased 5.9% and SMEMC increased 8.0%. IPO Practical Skills Examination newly started.
③Finance service & Real Estate	2,611,013	96.7%	12.6%	2,707,166	103.7%	12.8%	Though this area is strongly linked to economic conditions which are currently undergoing difficulty, sales marked an increase supported by favorable results in corporate training programs. Securities analyst increased 17.2%. FP decreased 6.0%.
④Law & Labor	2,853,613	105.8%	13.8%	2,985,539	104.6%	14.2%	Registered Customs Specialist courses which marked its 1st anniversary contributed to increase in revenue. Public officers and certified social insurance labor consultant increased 6.1% and 1.1%, respectively, backed by economic downturn. Administrative scrivener decreased 2.3%.
⑤IT & International	1,689,972	115.0%	8.2%	1,943,384	115.0%	9.2%	IT specialist and USCPA marked substantial increases of 14.1% and 17.1%, respectively. Substantial increase of 15.0% was achieved in this area as a whole.
⑥Other	1,581,914	113.1%	7.6%	1,566,983	99.1%	7.4%	Manpower business showed sluggish growth and decreased 14.1%. Maho-jin tax software increased 2.1%.
Total	20,741,979	100.9%	100.0%	21,092,258	101.7%	100.0%	

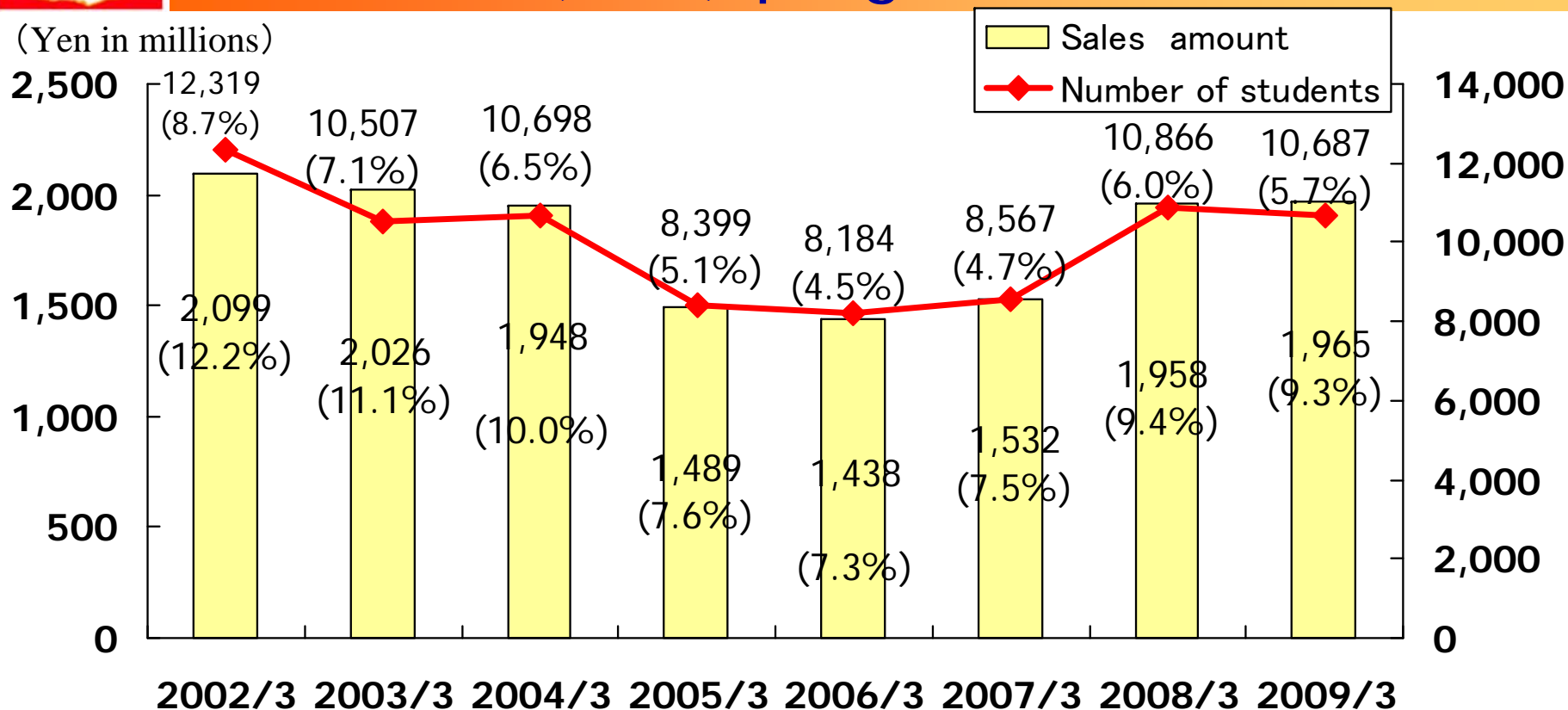


Sales growth by license area





Impact of government tuition assistance (GTA) program



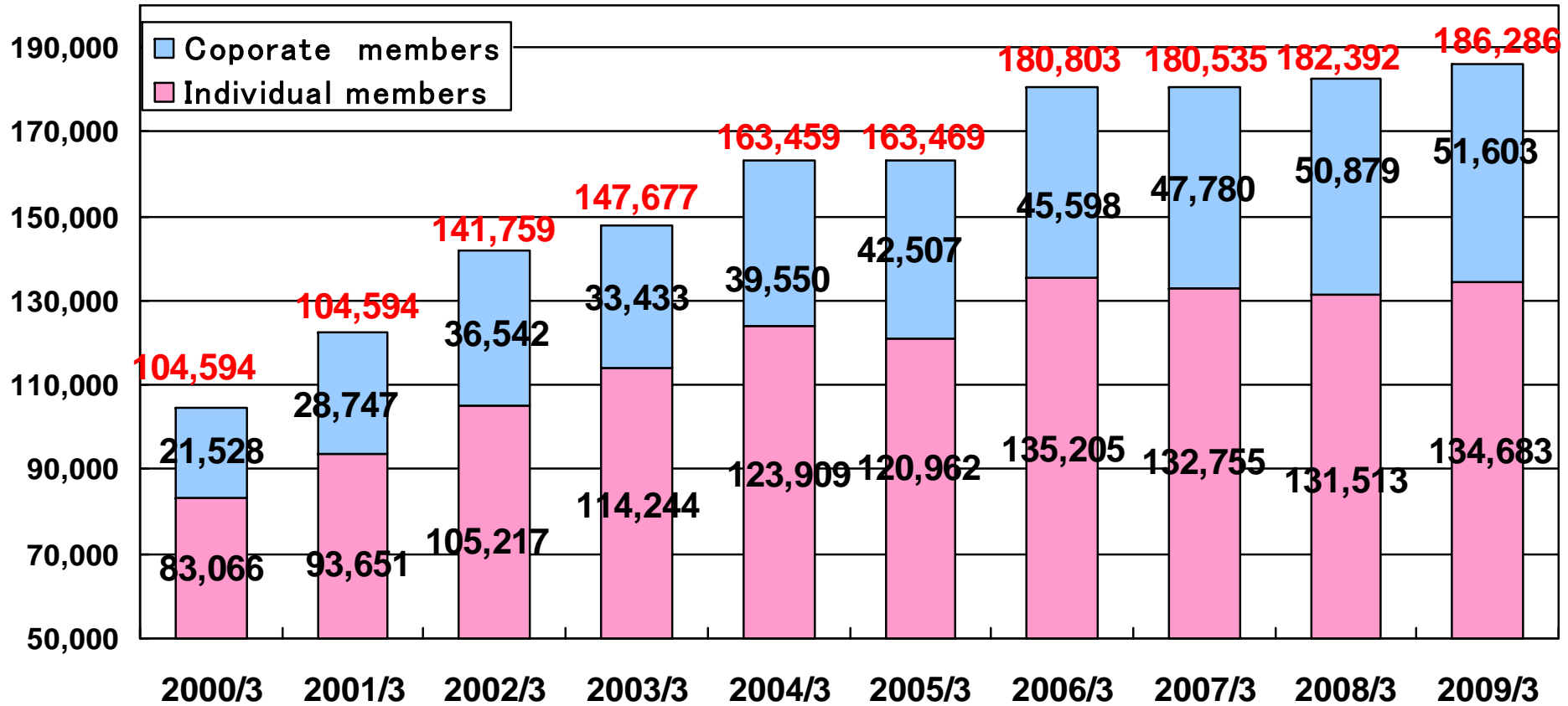
(Note) Figures in parentheses; (*)Proportion of number of students; (**)Proportion of sales; Program was revised in October 2007 and maximum amount of assistance was set at 20% or ¥ 100,000 across the board. Though we experienced rapid growth spawned by the incentive to take advantage of the governmental tuition assistance program prior to its revision, sales did not drop in reaction as they did in the year ended March 2005.

Market trend for working people

Bookkeeping +6.1%、SMEMC +18.5%、Security analyst +26.4%、U.S. CPA +47.3%、LTA -23.0%、REA -12.1%、FP-4.9%、Certified social insurance labor consultant-8.4%



Number of students



	2000/3	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	2007/3	2008/3	2009/3
Change	123.6%	117.0%	115.8%	104.2%	110.7%	100.0%	110.6%	99.9%	101.0%	102.1%
Individual	124.6%	112.7%	112.4%	108.6%	108.5%	97.6%	111.8%	98.2%	99.1%	102.4%
Corporate	120.1%	133.5%	127.1%	91.5%	118.3%	107.5%	107.3%	104.8%	106.5%	101.4%
% of individual members	79.4%	76.5%	74.2%	77.4%	75.8%	73.9%	74.8%	73.5%	72.1%	72.3%

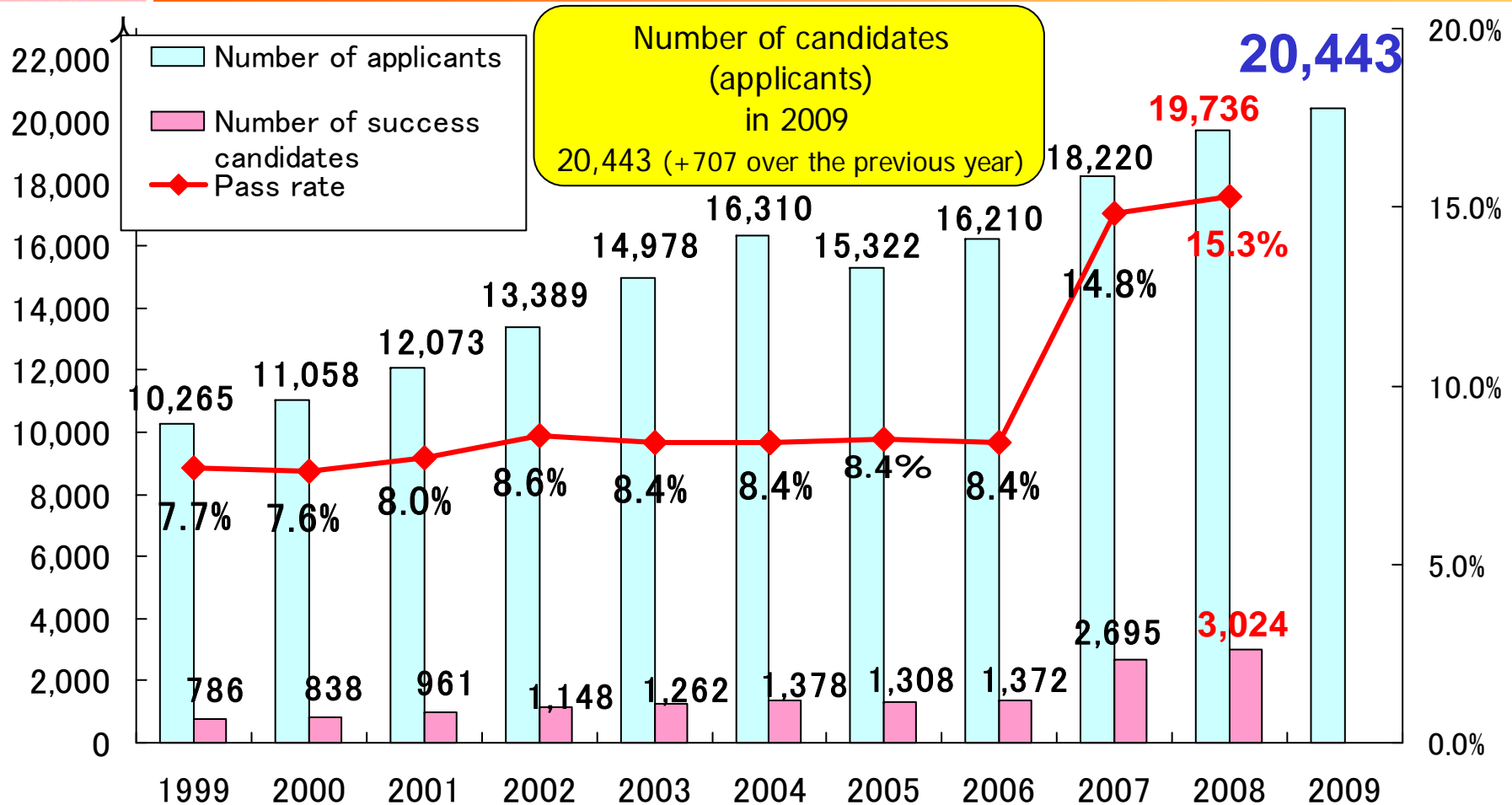


Number of students by license area

分野	2009/3	Y-O-Y	%	Comments	
①Fin. & Accounting	51,890	103.9%	27.9%	CPA increased 5.9% supported by increase in pass rate. Bookkeeping showed stable increase of 2.0%.	
②Management & Taxation	36,949	97.1%	19.8%	SMEMC increased 16.9% supported by working people. LTA decreased 5.0%. Decreased by 2.9% in total.	
③Financial service & Real Estate	35,829	90.9%	19.2%	Some qualifications strongly linked to economic condition showed sluggish growth especially in personal education. Real estate appraiser, Takken, FP and securities analyst decreased 10.9%, 7.7%, 10.0% and 12.2%, respectively.	
④Law & Labor	35,448	111.4%	19.0%	Under the current severe economic climate, people seeking job became more stability-oriented. Public officers, administrative scrivener and SMEMC increased 14.1%, 6.8%, and 2.2%, respectively backed by economic downturn.	
⑤IT & International	26,170	113.1%	14.0%	IT specialist and CompTIA increased 9.4% and 175.5%, respectively supported by corporate training. Trend of BATIC which is a qualification related to international accounting standards attracts attention.	
Total	186,286	102.1%	100.0%		



Number of applicants for CPA exam



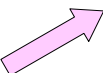
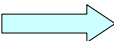

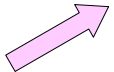
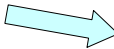

Number of candidates in 2008 was 19,736 and 3,024 passed essay exam. (Pass rate was 15.3 %.) Number of successful candidates and pass rate exceeded those of last year, which indicates that the tendency of substantial number of candidates passing the exam still continues.

Number of candidates (applicants) in 2009 was 20,443



III. Highlights by segment

Summary by segment for the FY2008

	Sales growth	OP margin growth
Personal education		
Corporate training		
Publishing & other		





Segment information

(Yen in millions)

	2008/3			2009/3			Y-O-Y		
	Sales	Operating costs	Operating income	Sales	Operating costs	Operating income	Sales	Operating costs	Operating income
Personal education	14,372	13,481	890 (6.2%)	14,557	13,668	888 (6.1%)	+185 (+1.3%)	+187 (+1.4%)	Δ2 (Δ0.3%)
Corporate training	4,019	2,796	1,222 (30.4%)	4,259	2,929	1,329 (31.2%)	+240 (+6.0%)	+132 (+4.7%)	+107 (+8.8%)
Publishing & other	2,368	2,235	132 (5.6%)	2,292	1,966	326 (14.2%)	Δ75 (Δ3.2%)	Δ269 (Δ12.0%)	+193 (+145.6%)
Eliminations	Δ17	1,158	Δ1,176	Δ16	1,197	Δ1,214	0 (Δ5.6%)	+39 (3.4%)	Δ38 (3.2%)
Total	20,741	19,672	1,069 (5.2%)	21,092	19,762	1,330 (6.3%)	+350 (+1.7%)	+89 (+0.5%)	+260 (+24.4%)

(Note) (%) in the "Operating income" column is operating income percentage, (%) in the "Year-on-year" column are comparisons with the previous fiscal year.

Sales in publishing business: 2008/3 1,639million、2009/3 1,677million(+ 2.3%)

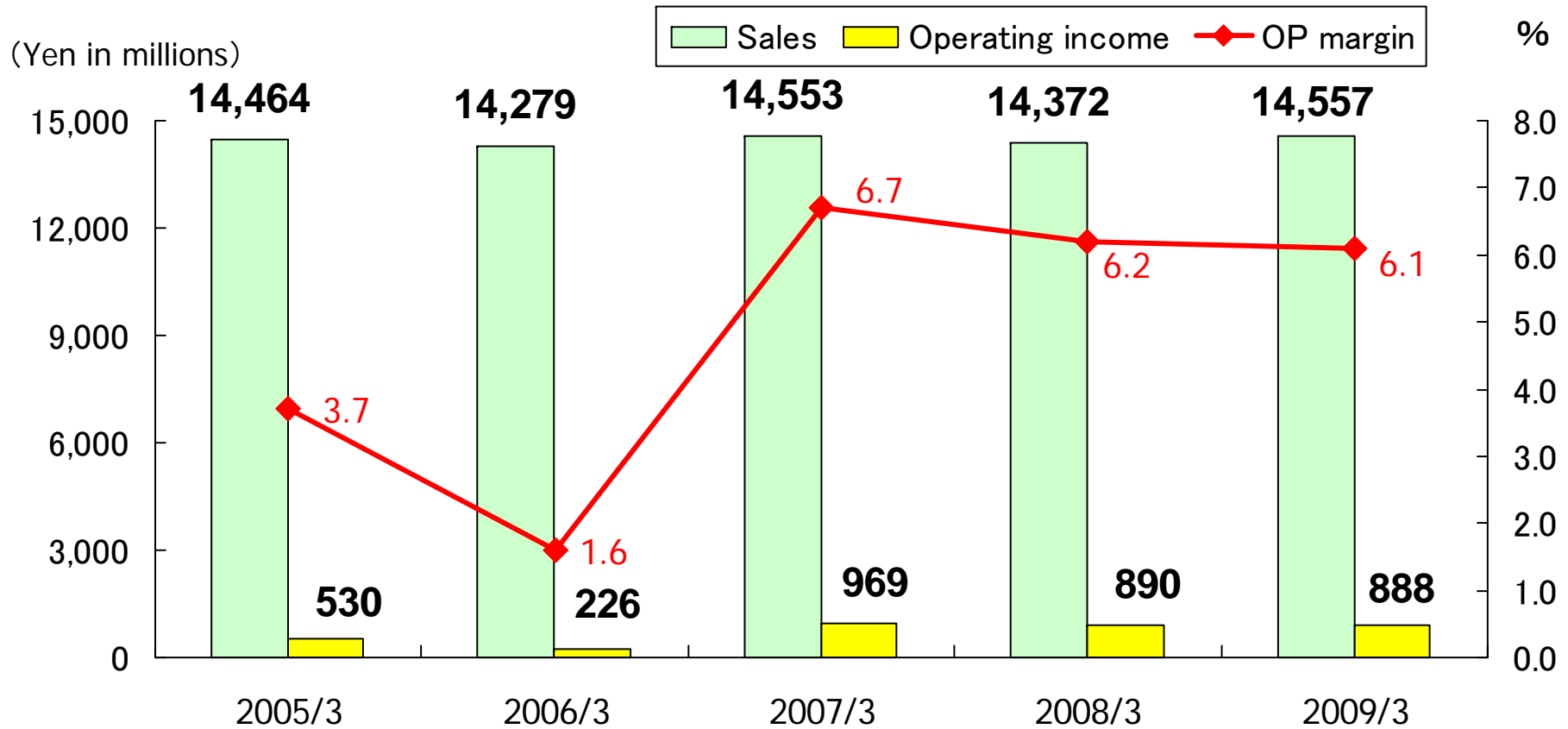
Sales in personnel business: 2008/3 748million、2009/3 630million(▲15.8%)

※Before elimination intracompany



Trend in Personal Education

TAC



Rate of increase in sales	98.5%	98.7%	101.9%	98.8%	101.3%
Proportion over total sales	73.5%	72.0%	70.8%	69.3%	69.0%

Courses in which classroom lectures form a dominant portion showed remarkable increase (ex. CPA and public officers, etc.). In spite of increase in personnel costs, profit ratio remained the same as the previous year due to improved profitability.



Expansion of floor space by school

TAC

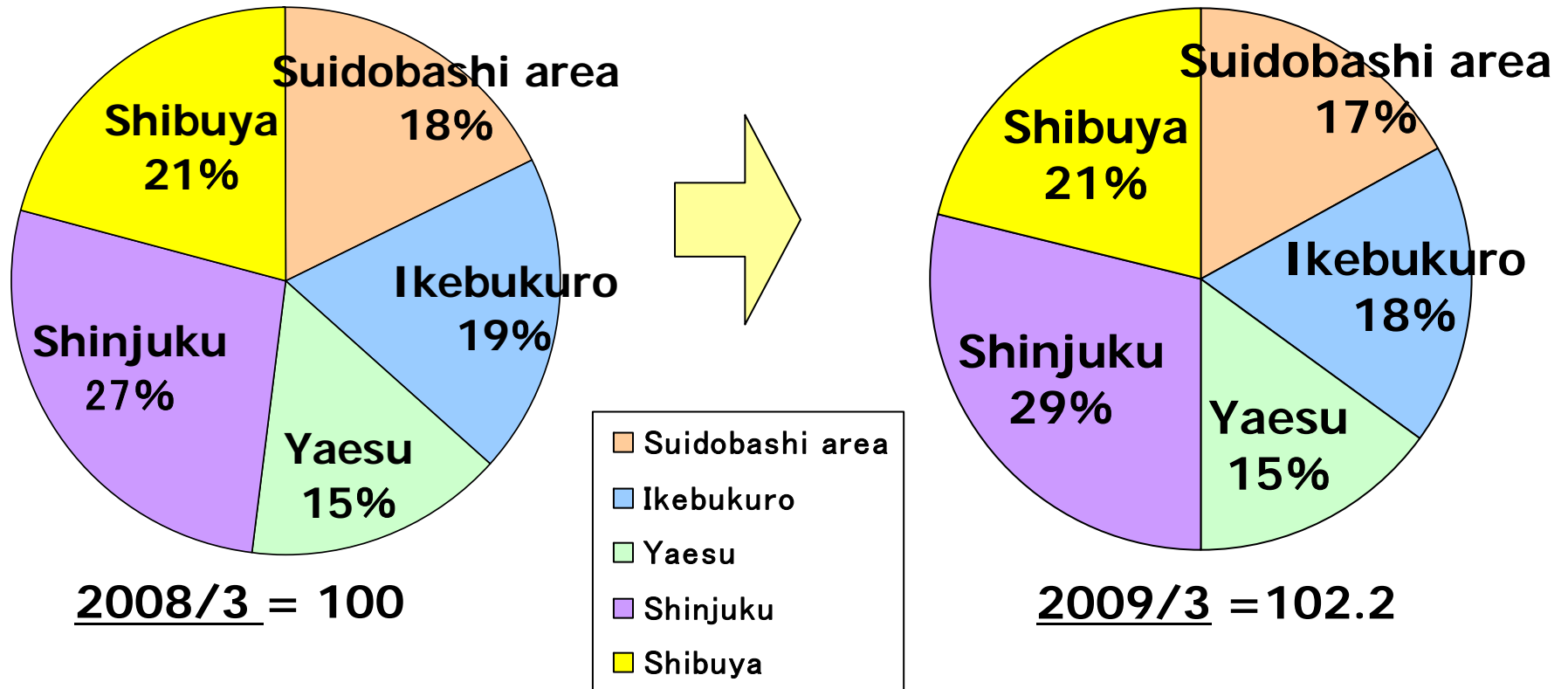
	Tsubo (Tsubo=3.3m ²)	Tsubo (Y-O-Y)	# of seats	seats (Y-O-Y)	Timing
Sapporo	347	—	640	—	
Sendai	327	—	547	△35	
Suidobashi (Tokyo)	2,929	—	2,399	△337	
Shinjuku (Tokyo)	1,468	—	2,885	△53	
Shibuya (Tokyo)	1,700	—	3,066	△69	
Waseda (Tokyo)	128	128	127	127	In Oct.2008,opened.
Ikebukuro (Tokyo)	1,257	—	2,783	△28	
Yaesu (Tokyo)	1,049	—	1,857	18	
Yokohama	1,017	—	2,045	△4	
Hiyoshi	119	37	139	86	In Jul.2008,Annex opened
Machida	390	—	702	27	
Tachikawa	311	—	542	1	
Omiya	451	—	810	7	
Nagoya	851	—	1,779	△8	
Kyoto	693	—	1,370	△10	
Umeda	1,293	—	2,271	12	
Namba	586	—	1,135	—	
Kobe	576	6	1,270	△12	In Aug.2008,partly expanded
Hiroshima	229	—	240	△5	
Fukuoka	404	—	655	—	
Total	16,135	173	27,262	△283	Floor space increased 1.1% y/o/y.



In Tokyo Metropolitan Area



Changes in sales proportions in Tokyo Metropolitan Area

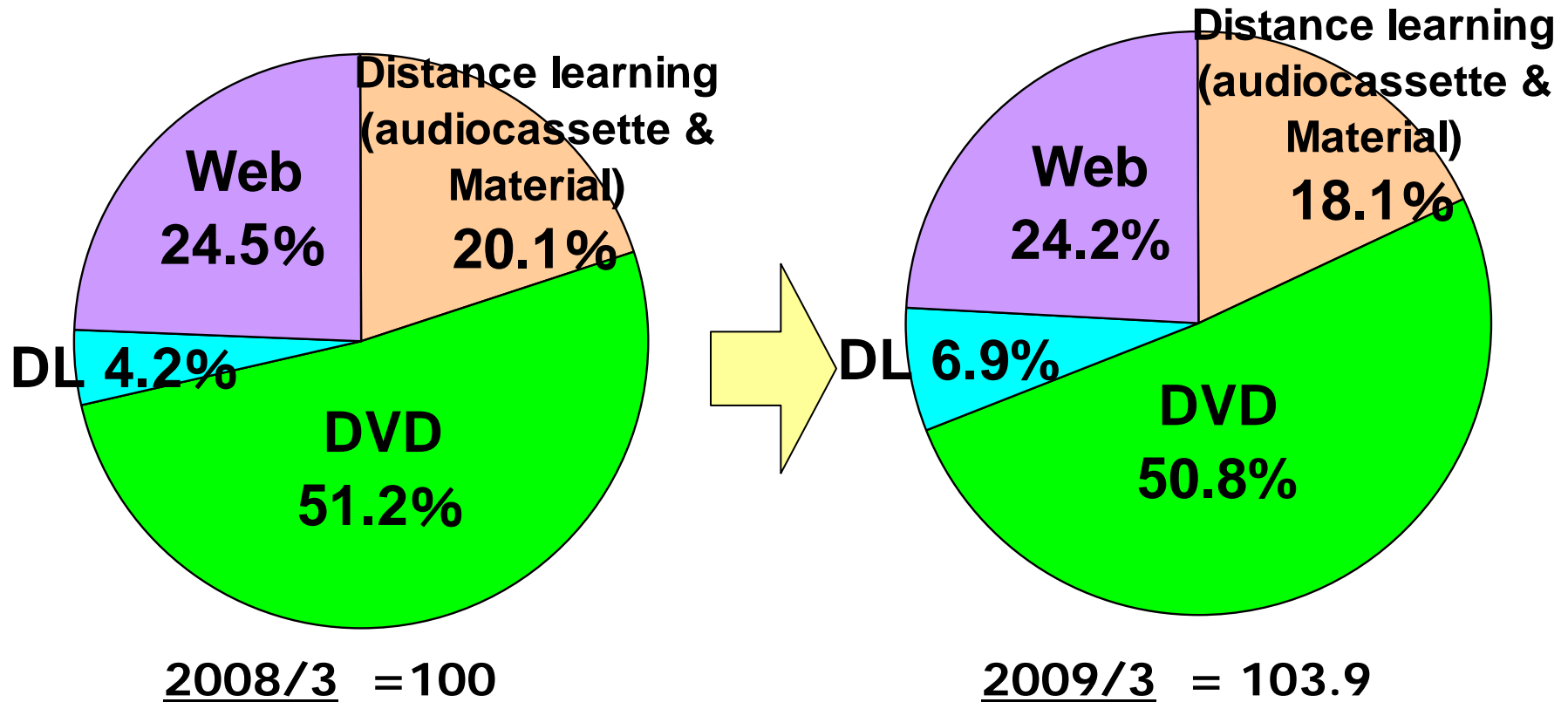


- Schools in the Tokyo metropolitan area turned into an upturn with an increase of 2.2% y/o/y.
- Sales of Shinjuku School showed substantial increase of 8.8% y/o/y, accounting for approx. 30% of sales in the Tokyo metropolitan area.



Media strategy ~ Growth in DL courses **TAC**

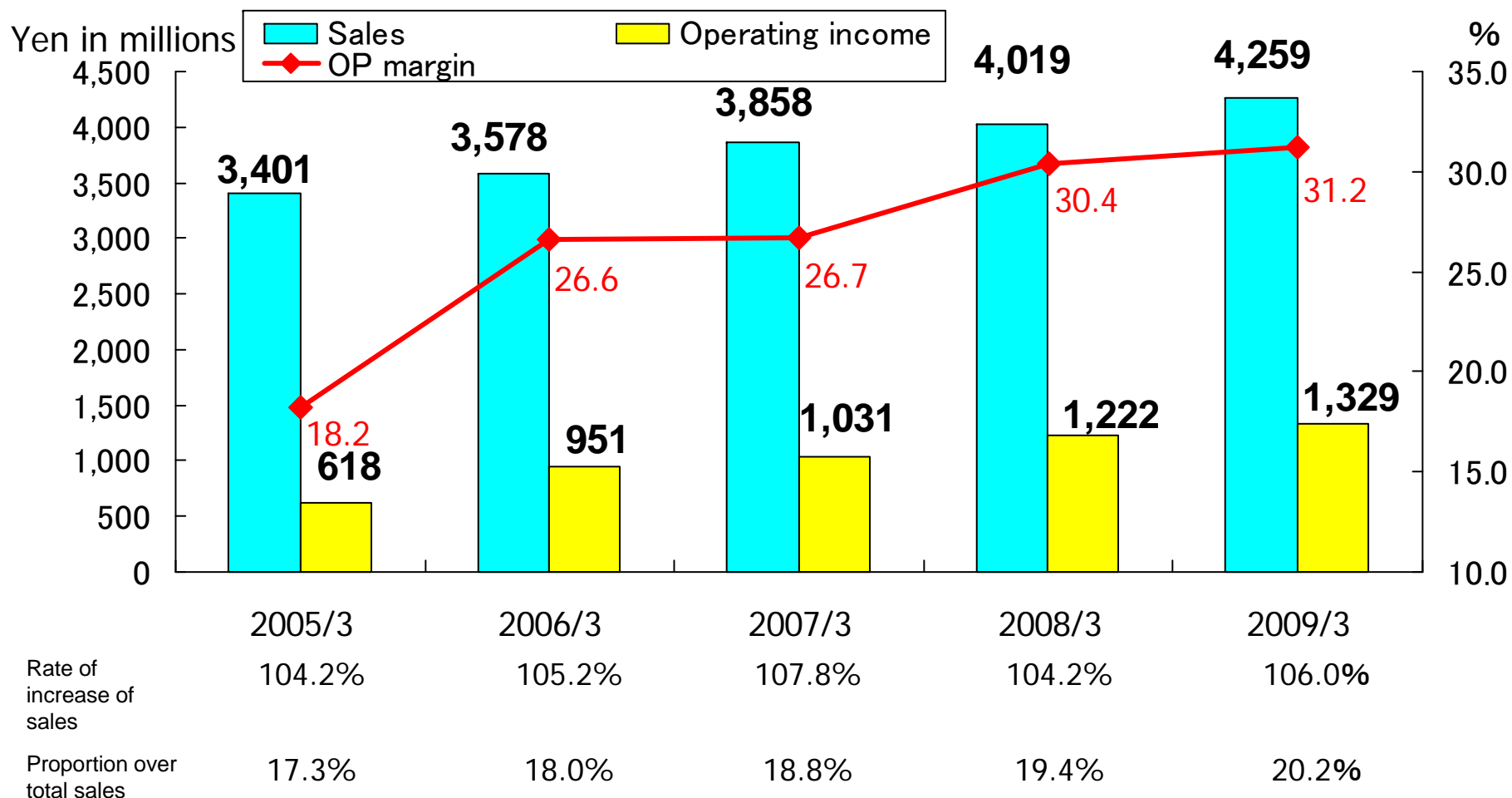
Changes in percentage of sales in distance education



- Standardization process for download for follow-up was promoted in CPA courses, resulting in substantial growth in download courses.
- DVD and Web courses constantly take a significant portion, which account for 50% and 25%, respectively.



Trend in corporate training business **TAC**



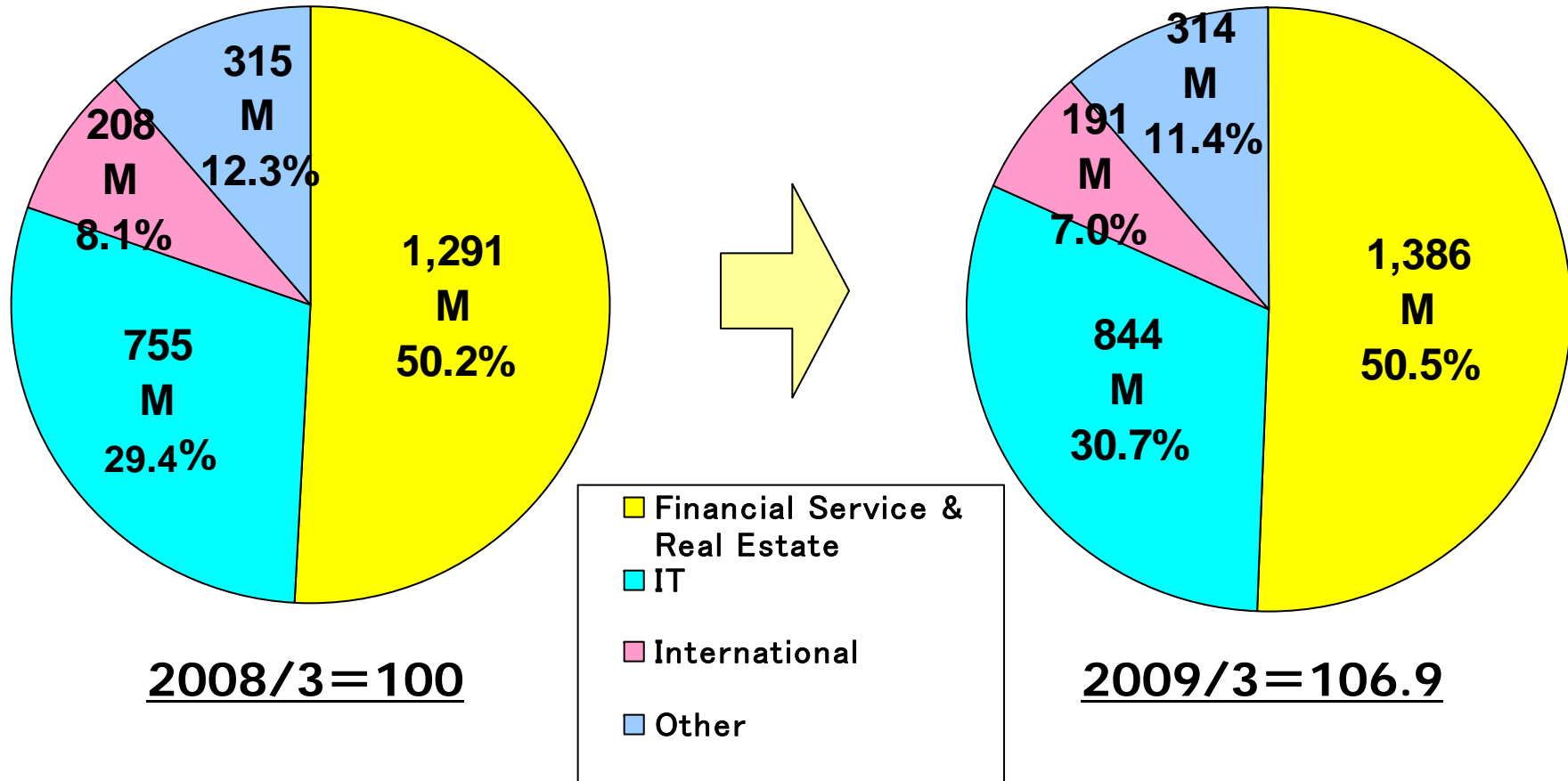
- Strong needs of corporate training programs, which marked increased revenue for 5 consecutive years since September, 2003.
- Sales and operating profit increased 8.25% and 7.6%, respectively, in spite of growing concern over decline in corporate performance.



Corporate training: Descriptions

(Yen in thousands)

	Sales	Y-O-Y	%	Comments	
Corporate training	2,748,213	106.9%	64.5%	Over the previous year, training programs for securities analyst, business school courses and IT specialist courses increased 17.9% (by ¥65M), 15.7% (by ¥42M) and 11.7% (by ¥88M), respectively.	
Provision of educational materials	244,782	113.7%	5.7%	Bookkeeping unchanged. Public officers increased 20.8%. IT specialist courses and LTA increased 6.1% and 2.5%, respectively.	
Affiliated schools	377,476	92.5%	8.9%	Revenue declined due to Hiroshima school coming under our direct control. Hiroshima School showed remarkable growth of 25.0%.	
In-university seminars	306,354	104.1%	7.2%	Received substantial order in bookkeeping (+17.3%), LTA (+12.4%) and public officers (+7.9%), etc.	
Tax software “Maho-jin” & other	582,349	109.8%	13.7%	Training programs consigned by local governments showed substantial increase of 27.8%. Maho-jin tax software increased 2.1%.	
Total	4,259,176	106.0%	100.0%	Though business in affiliated schools was negatively affected by Hiroshima school, corporate training segment marked substantial growth as a whole. Income and profit continued to increase.	



- Sales of publication increased 2.3% y/o/y.
- Sales in manpower business decreased 15.8% due to companies holding back on recruitment under the recession.



Corporate training: Trends at affiliated schools

Morioka, Maebashi, Matsumoto, Utsunomiya, Kanazawa, Toyama, Himeji,
Takamatsu, Tokushima, Okayama, Fukuyama, Kumamoto, Miyazaki,
Kagoshima, Okinawa **Total 15 schools**

※Matsumoto branch newly opened

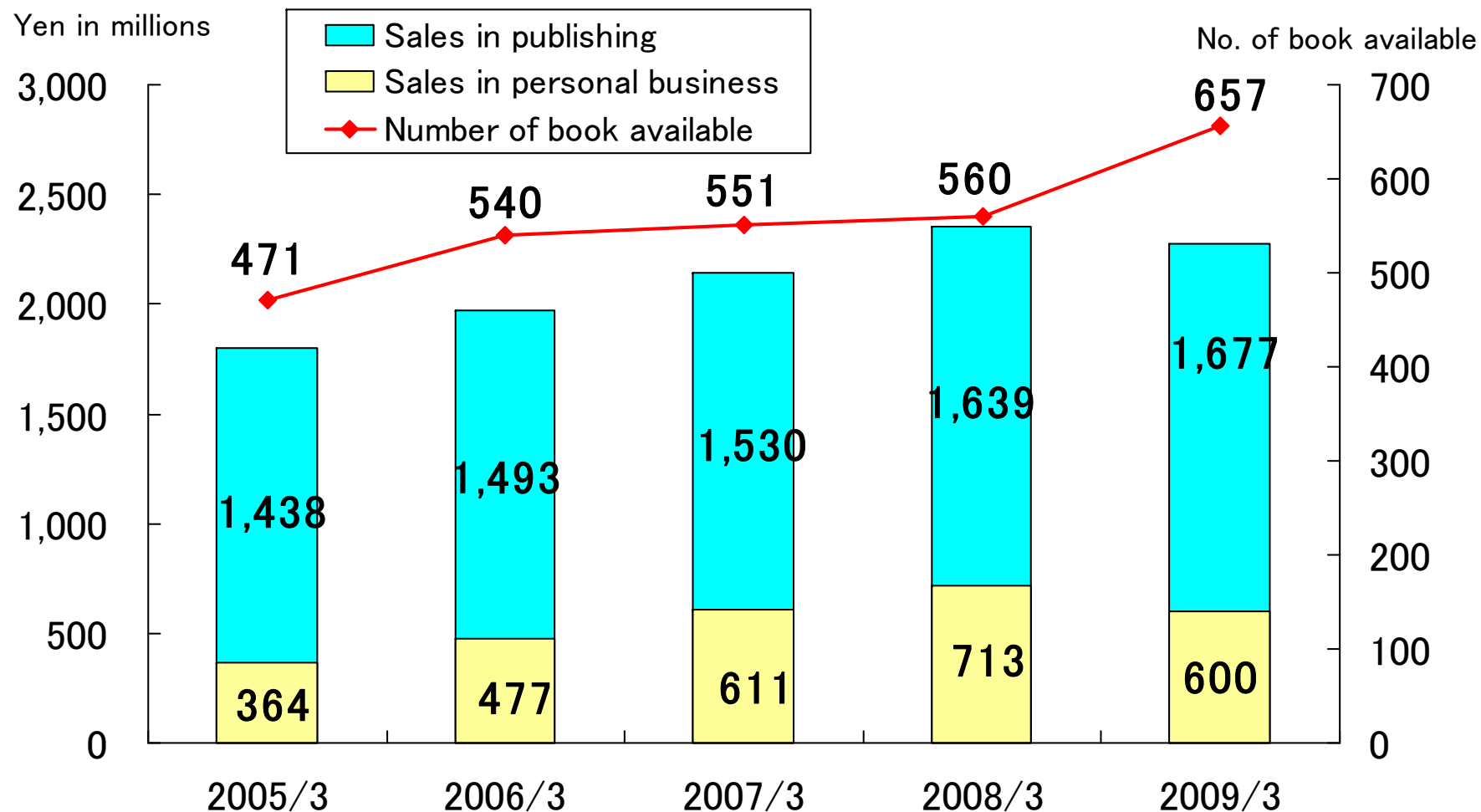
(Yen in thousands)

Area	No. of students	No. of students Y-O-Y	Sales 2008/12	Sales Y-O-Y	%
①Fin. & Accounting	2,151	87.7%	78,354	95.2%	20.8%
②Mgt. & Taxation	2,557	91.5%	147,101	87.8%	38.9%
③Financial service & Real Estate	938	106.2%	36,482	86.9%	9.7%
④Law & Labor	2,632	95.1%	111,818	100.4%	29.6%
⑤IT & International	161	106.6%	3,900	76.5%	1.0%
Total	8,439	93.8%	377,656	92.5%	100.0%



Publishing & other:

Breakdown of sales & number of books available **TAC**

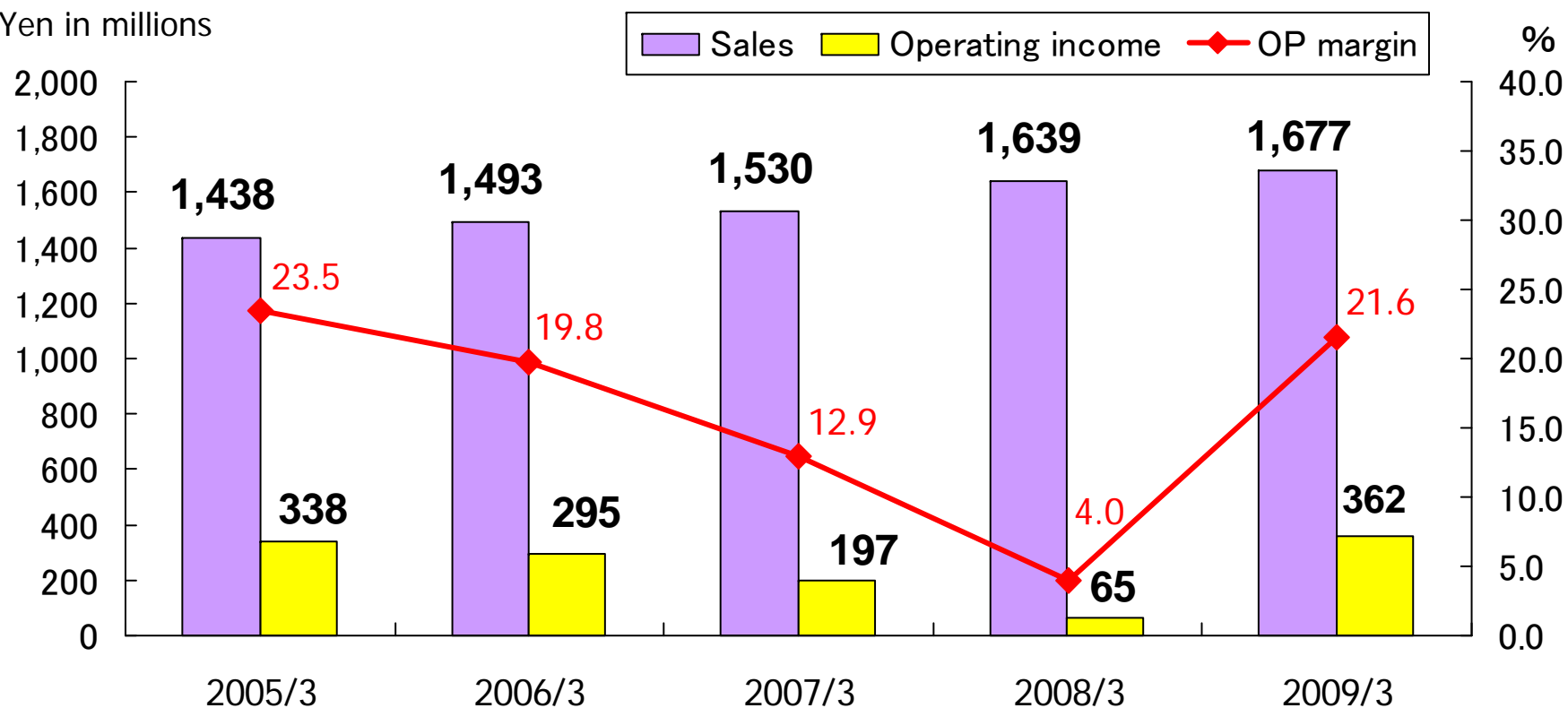


- Sales of publication increased 2.3% y/o/y.
- Sales in manpower business decreased 15.8% due to companies holding back on recruitment under the recession.



Publishing & other: Trend in publishing business

Yen in millions



Rate of increase of sales

2005/3	105.1%	2006/3	103.8%	2007/3	102.5%	2008/3	107.1%	2009/3	102.3%
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Proportion over total sales

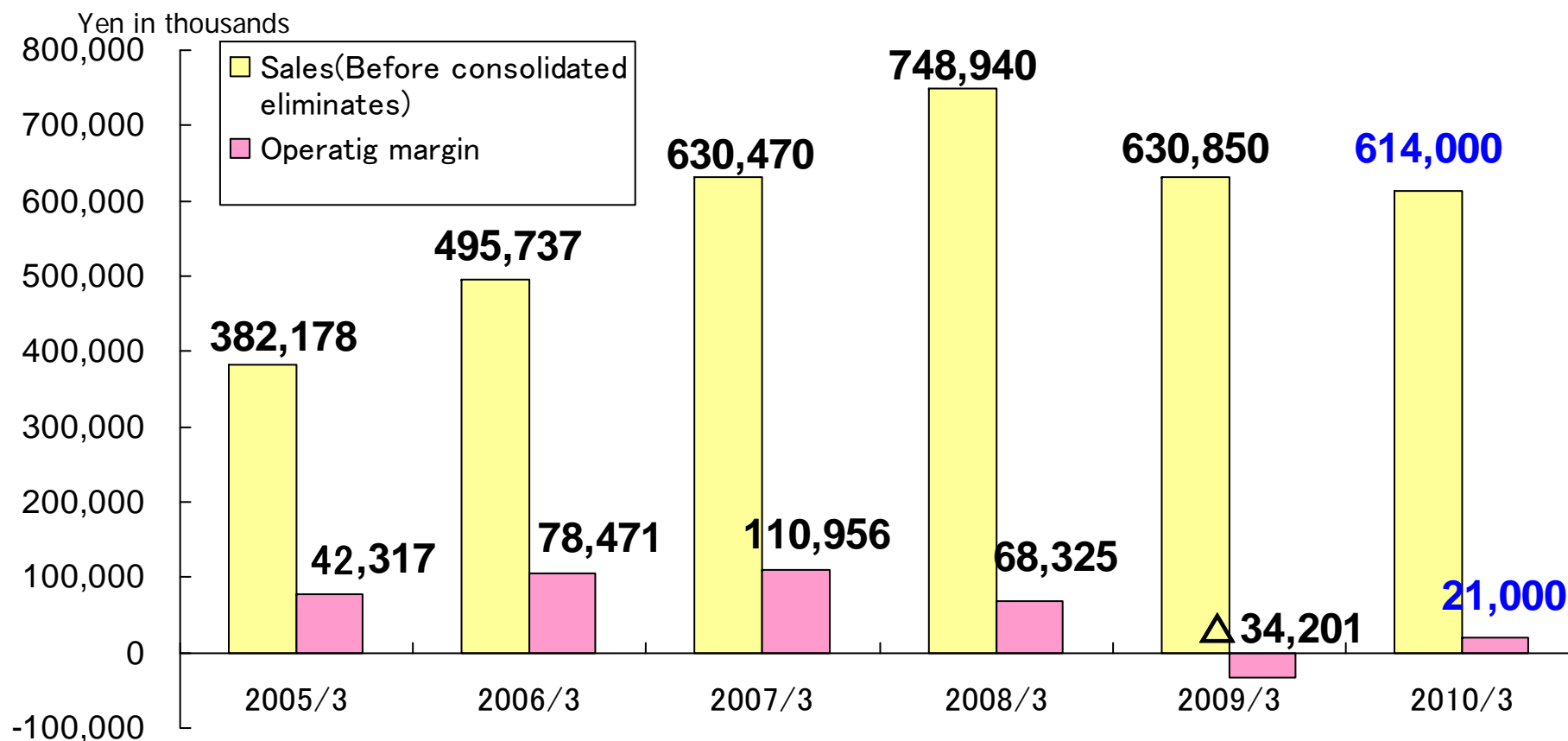
2005/3	7.5%	2006/3	7.7%	2007/3	7.7%	2008/3	8.2%	2009/3	8.0%
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- Sales increased 2.3% y/o/y backed by favorable shipment in 3rd quarter and after.
- In the current year, profitability improved due to reversal of allowance for loss on returned goods.



Publishing & other: Growth in TAC Profession Bank Sales

TAC



Manpower business recorded operating deficit with manpower placement, manpower dispatch and job advertisement showing sluggish growth. It is attributed to companies holding back on recruitment under the recession. We will exert efforts to maintain sales and recover profit by considering a drastic overhaul of office system, business operation and measures to win more registrants, etc.

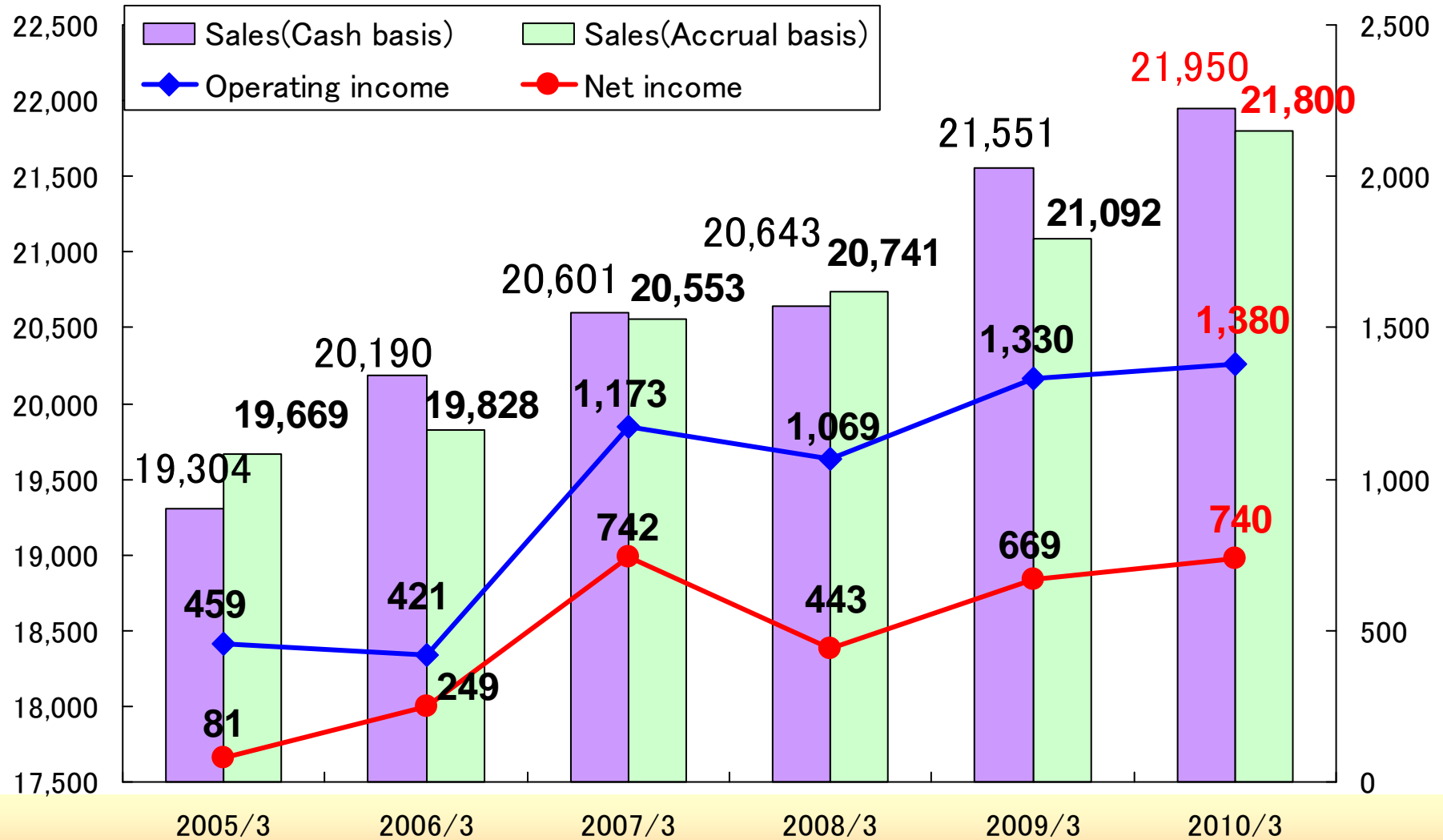
IV. Forecast for FY 2009





Forecast for FY2009 (consolidated)

(Yen in millions)





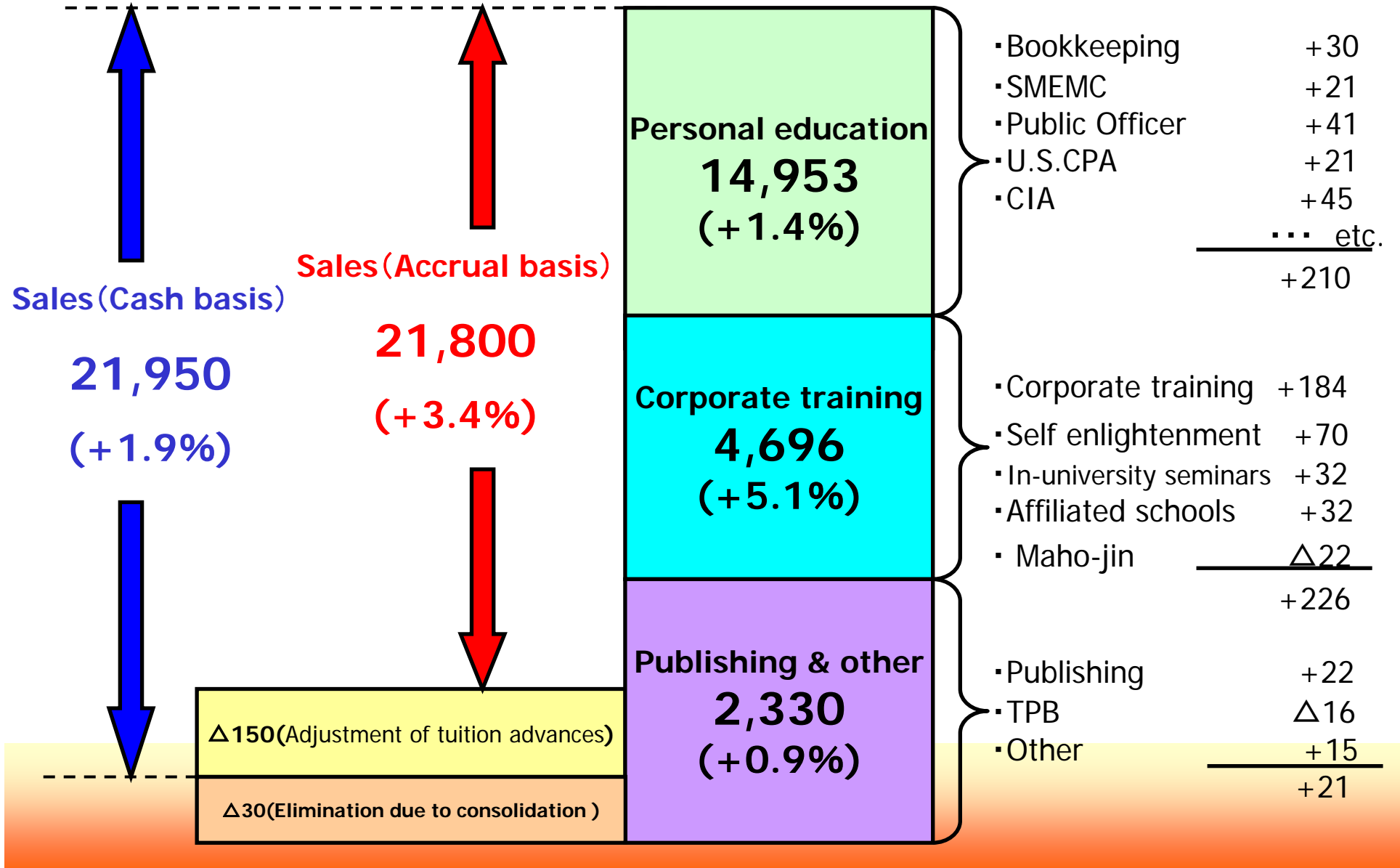
Forecast for FY 2009

(Yen in millions)

	2009/3 (Actual)		2010/3 (Forecast)			
	Amount	%	Amount	%	Difference	Y-O-Y
Net sales before adjustment of tuition advances	21,551	102.2%	21,950	100.7%	398	101.8%
Adjustment of tuition advances	△459	△2.2%	△150	△0.7%	309	32.7%
Net Sales (after adjustment of tuition advances)	21,092	100.0%	21,800	100.0%	707	103.4%
Costs of Sales	12,450	59.0%	13,095	60.1%	644	105.2%
Gross profit – net	8,591	40.7%	8,705	39.9%	113	101.3%
SG & A expenses	7,261	34.4%	7,325	33.6%	63	100.9%
Operating income	1,330	6.3%	1,380	6.3%	49	103.7%
Ordinary income	1,352	6.4%	1,400	6.4%	47	103.5%
Net income	669	3.2%	740	3.4%	70	110.6%
Net income per share	36.58yen		40.44yen			



Sales plan by segments





TAC



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