



Smiles for the Public

Financial Results Briefing for the Fiscal Year
Ended March 31, 2023



TOA Corporation

Securities Code 6809

Future Outlook

- The information disclosed by the Company may include matters related to the future outlook, but the forecast is based on information available at the time of publication, and the results may differ significantly depending on economic conditions and other factors. The Company makes every effort to improve the accuracy of its future outlook and disclose any changes as appropriate.
- The Company's website is not intended to solicit investment. Make investment decisions at your own discretion.
- While every effort has been made to ensure the accuracy of the information contained herein, the Company does not guarantee or take responsibility for the accuracy of the information.

Financial Results for the Fiscal Year Ended March 31, 2023

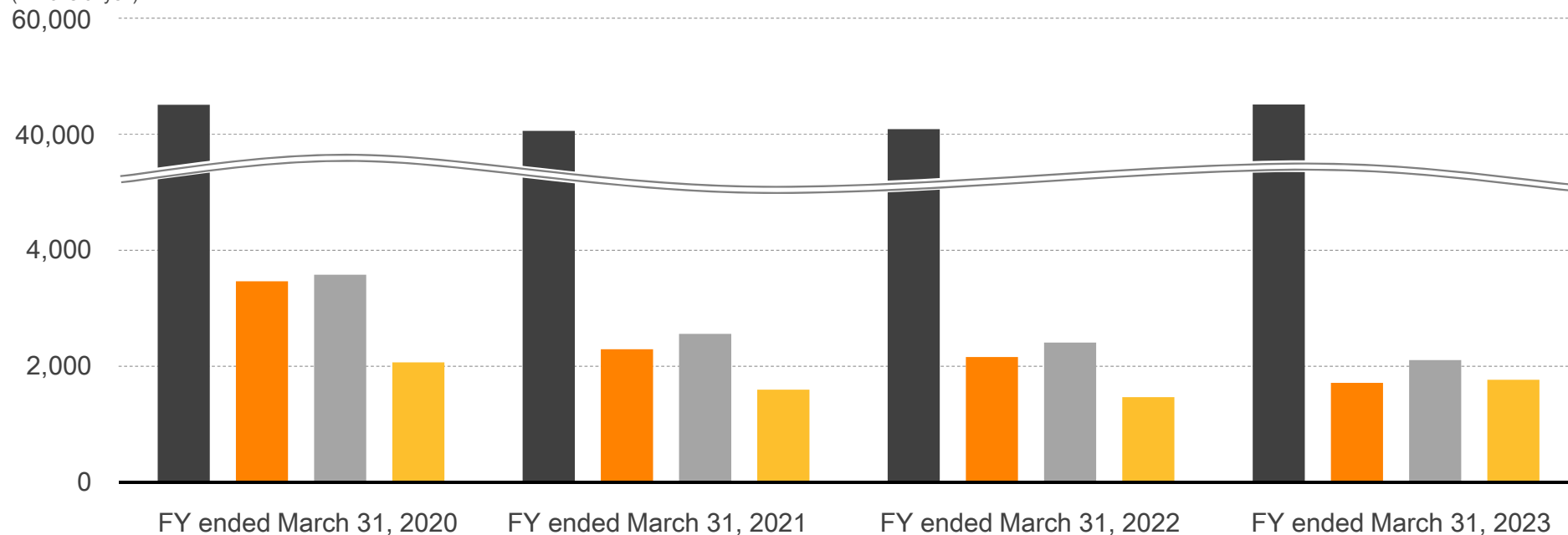
Performance for FY Ended March 31, 2023 (Changes from Previous Fiscal Year)

Segment	Net sales	Operating profit
Japan segment	Increased revenue	Decreased profit
Asia & Pacific segment	Increased revenue	Increased profit
Europe, Middle East & Africa segment	Increased revenue	Decreased profit
The Americas segment	Increased revenue	Decreased profit
China & East Asia segment	Increased revenue	Decreased profit
Total for the whole Group	Increased revenue	Decreased profit

- Net profit increased due to gain on sale of land

Performance for FY Ended March 31, 2023 (Consolidated)

(Millions of yen)
60,000



	FY ended March 31, 2020	FY ended March 31, 2021	FY ended March 31, 2022	FY ended March 31, 2023
■ Net sales	45,068	40,575	40,864	45,123 (+10.4%)
■ Operating profit	3,465	2,293	2,159	1,713 (-20.7%)
■ Ordinary profit	3,577	2,558	2,407	2,104 (-12.6%)
■ Net profit*	2,065	1,596	1,466	1,765 (+20.4%)

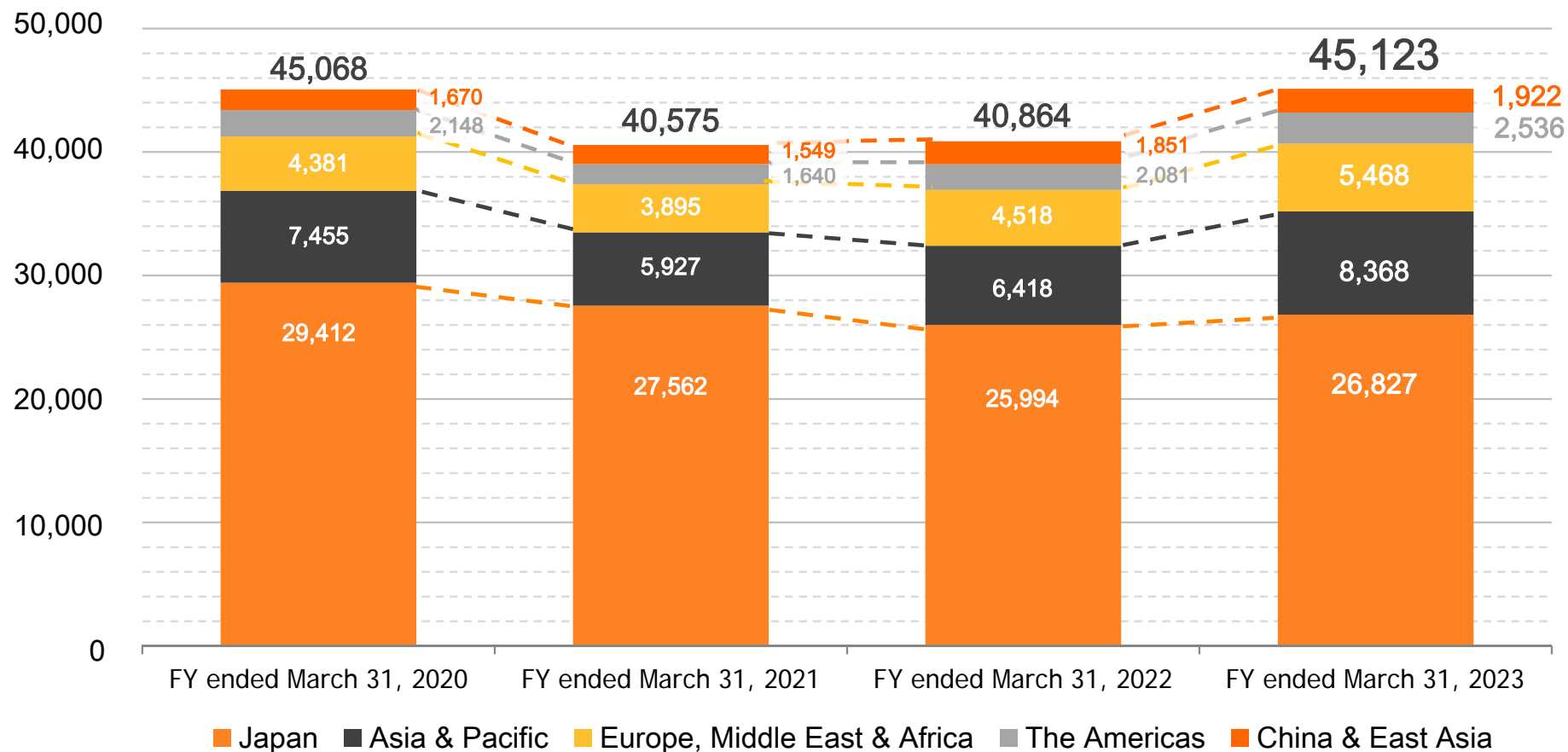
*: Profit attributable to owners of parent

*Percentages indicate year-on-year change.

Net Sales for FY Ended March 31, 2023 by Regional Segment

(Millions of yen)

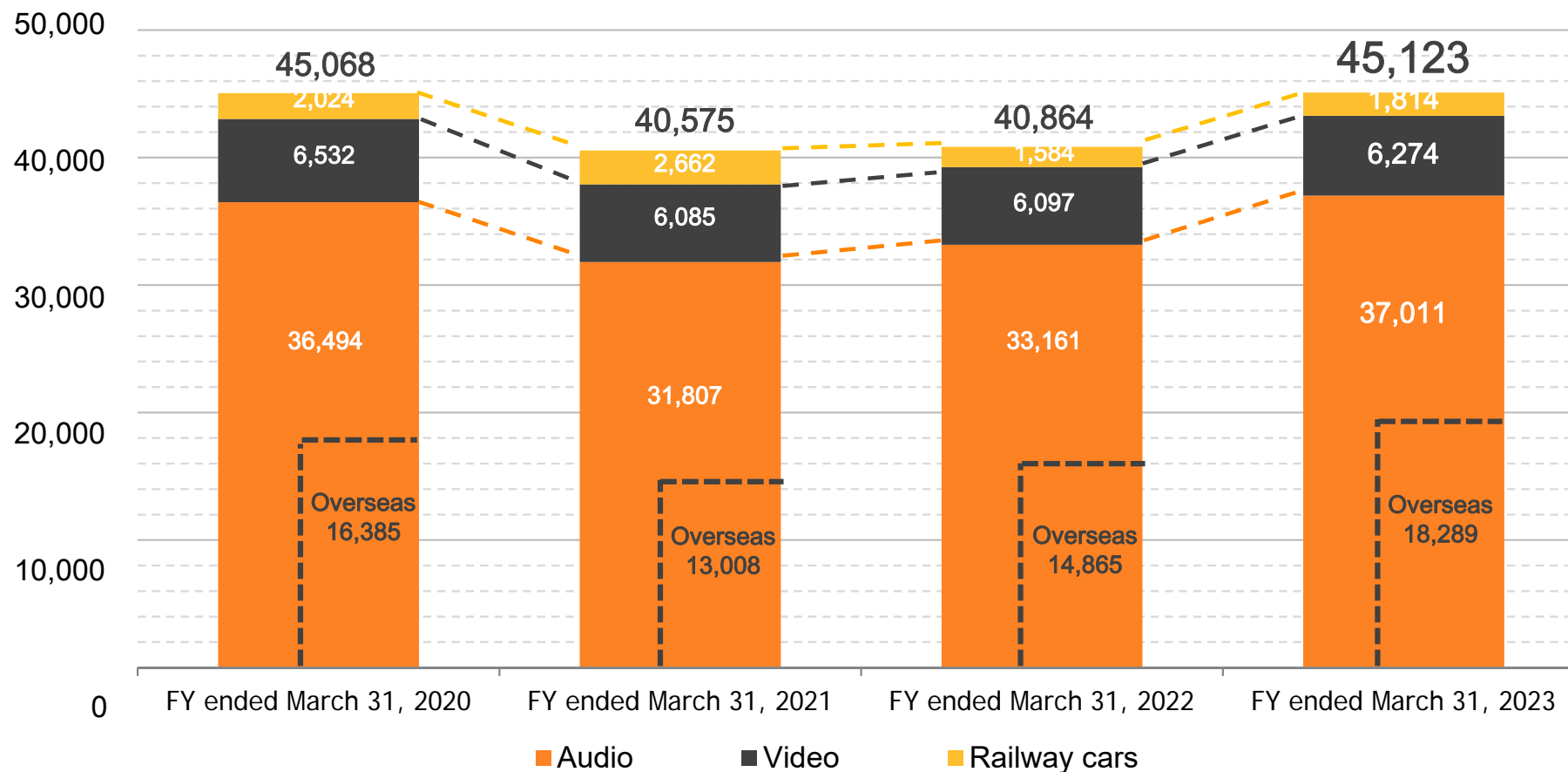
Annual figures



Net Sales for FY Ended March 31, 2023 by Product Category

(Millions of yen)

Annual figures

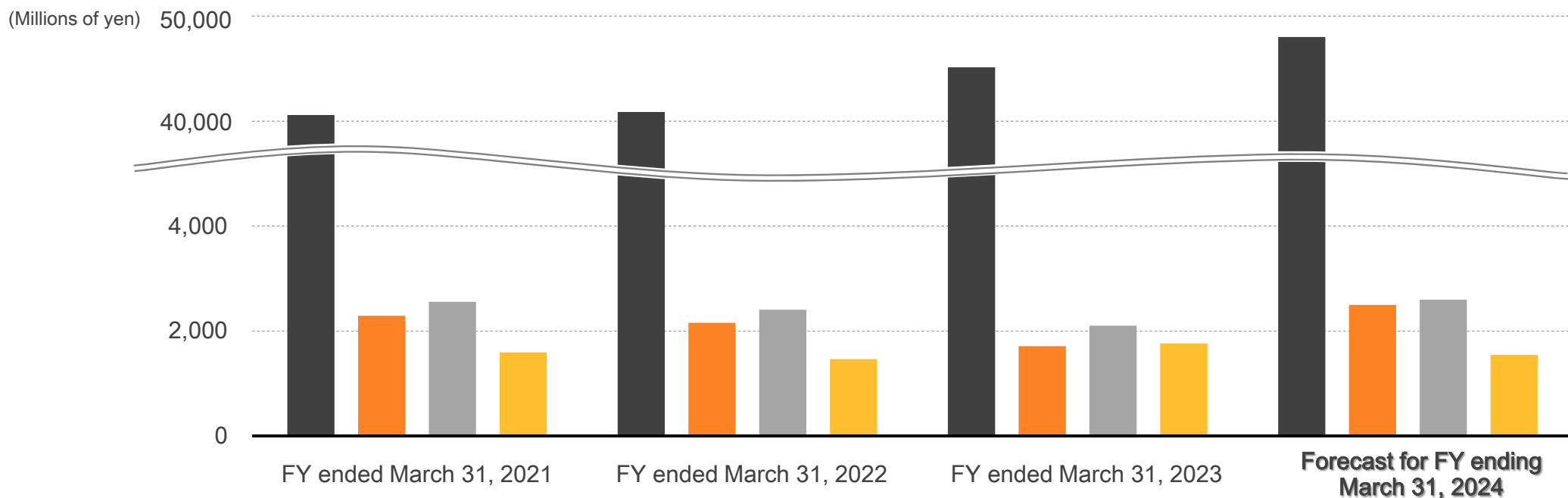


Change in R&D Expenses, Capital Investment and Depreciation Expenses (Consolidated)

(Millions of yen)	FY ended March 31, 2022	FY ended March 31, 2023	Change (year-on-year)
R&D expenses	2,807	2,967	+160
Capital investment	1,122	1,870	+748
Depreciation expenses	1,375	1,496	+121

- Capital investment includes expansion of factories and introduction of mechanical equipment as well as development of a digital infrastructure to link development, production, sales and other functions.

Earnings Forecast (Consolidated)

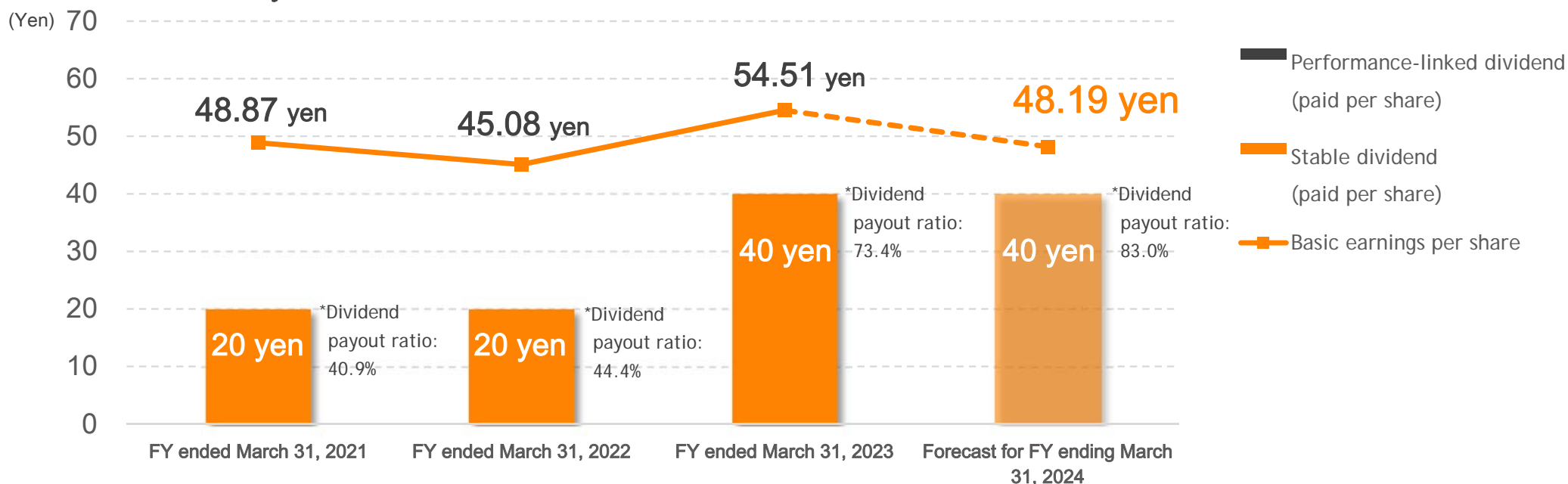


■ Net sales	40,575	40,864	45,123	48,000
■ Operating profit	2,293	2,159	1,713	2,500
■ Ordinary profit	2,558	2,407	2,104	2,600
■ Net profit*	1,596	1,466	1,765	1,550

*: Profit attributable to owners of parent

Dividend Forecast for FY Ended March 31, 2024

Determined a target consolidated dividend payout ratio of 45%, taking into account performance and a stable dividend of 40 yen



- In FY ended March 31, 2023, the Company realized an annual dividend of 40 yen per share and purchased treasury shares (400,000 shares at 313 million yen). As a result, the total return ratio was 91.0%.
- Net profit in the earnings forecast for FY ending March 31, 2024 is expected to be 1.55 billion yen, and the dividend payout ratio is expected to be 83% based on a stable dividend of 40 yen.

Overview of FY Ended March 31, 2023 for 5 Region Segments

Japan Segment

Overview

- **Plants**

We had many deliveries of public address/emergency broadcast systems due to multiple project deliveries at the end of the fiscal year.

- **Education facilities**

Despite a reactionary decline from the strong performance in the same period the previous year, we captured demand for wireless microphone systems.

- **Commercial facilities**

Demand for updated systems recovered, and sales exceeded pre-pandemic levels.

- **Transportation infrastructure facilities**

We increased business efficiency due to labor saving and unmanned station operations, and we delivered remote broadcast systems.

- **Warehouse and logistics center**

Demand for equipment increased with a growth in e-commerce use and an improvement of arterial roads.

Results more than doubled compared to FY 2019, and sales of network camera systems, in particular, were steady.

- **Disaster reduction & prevention**

We focused on activities to develop specifications for projects scheduled to be ordered in FY 2023 and beyond.

(Millions of yen)	FY ended March 31, 2023	Change (year-on-year)
Net sales	26,827	+832
Operating profit	5,295	-245



At the warehouse and logistics center, sales of network camera systems monitoring vehicles operating inside facilities were strong.

Japan Segment

Topic

- New initiatives

TRIFORA network camera system



TRIFORA × safie

- We improved the AI processing performance of the image recognition function.
- We joined forces with Safie, a cloud-based video service with the top share* in Japan.
- **We are solving customer issues by combining sound, video and networking.**

*According to the "Network camera cloud recording service market survey" conducted by Techno Systems Research Co., Ltd.

“TOA CONNECT SHOW 2023” virtual exhibition



- We presented a wide variety of content based on the theme of “connect” at a metaverse venue.
- We delivered webinars introducing unique useful information from a specialist manufacturer and challenges to solve social issues.
- **We created connections with new stakeholders and showcased possibilities in sound and video technology.**

Asia & Pacific segment

Overview

- **Indonesia**

Sales were strong due to broadcast systems in the religious market and delivery of audio systems for conference halls at municipal-related facilities and large-scale sports facilities.

- **Thailand**

As the economy was back on path to recovery, we obtained projects for hotels and commercial facilities, and sales grew.

- **Vietnam**

Project orders were successfully obtained for conference microphone systems for municipal-related facilities and public address broadcast systems for commercial facilities.

Topic

- **Religious facilities**

Sales performance exceeded pre-pandemic levels by capturing Ramadan demand and obtaining large new construction projects.

(Millions of yen)	FY ended March 31, 2023	Change (year-on-year)
Net sales	8,368	+1,949
Operating profit	1,446	+312



Indonesia: Demand increased for broadcast systems at mosques, which had been stagnant, significantly contributing to net sales and profit growth.

Europe, Middle East & Africa segment

Overview

- UK**
 Received orders for large-scale commercial facilities due to the development of new sales channels and delivered emergency broadcast systems.
- Saudi Arabia**
 Sales grew with large-scale project orders for system updates at religious facilities.
- African Countries**
 Received orders of large-scale projects in newly developed areas including Algeria and Morocco.

Topic

- Commercial facilities**
 Provided remote maintenance service for emergency broadcast systems at chain stores in Germany.
 Developed service to quickly respond to equipment malfunctions.

(Millions of yen)	FY ended March 31, 2023	Change (year-on-year)
Net sales	5,468	+949
Operating profit	550	-30



Africa: Orders were received for large-scale projects including audio systems for sports facilities.

The Americas segment

Overview

- U.S.**
 Sales performance of BGM equipment mainly for stores exceeded that of the previous year.
 Sales in the security market grew, with a focus on IP speakers.
- Canada**
 Sales of wireless microphone systems for the educational market were steady.
 In the security market, IP speakers saw aggressive development, and sales were strong.

Topic

- Education facilities and crime prevention**
 Sales of signage solutions in collaboration with local companies for education facilities.
 Supports hourly alarms and calls during normal operation and emergency notifications when malfunctions occurs.

(Millions of yen)	FY ended March 31, 2023	Change (year-on-year)
Net sales	2,536	+454
Operating profit	53	-74



U.S.: Proposed signage solutions for education facilities together with local companies at an exhibit.

China & East Asia segment

Overview

- **China**

Despite struggling due to a long-term lockdown in Shanghai and the rise of local manufacturers, sales are expanding with the focus on regional products such as network broadcast equipment.

- **Taiwan**

Sales of emergency broadcast systems were strong due to plant projects focused on semiconductors.

- **Hong Kong**

Sales grew due to the development of communication systems for medical facilities.

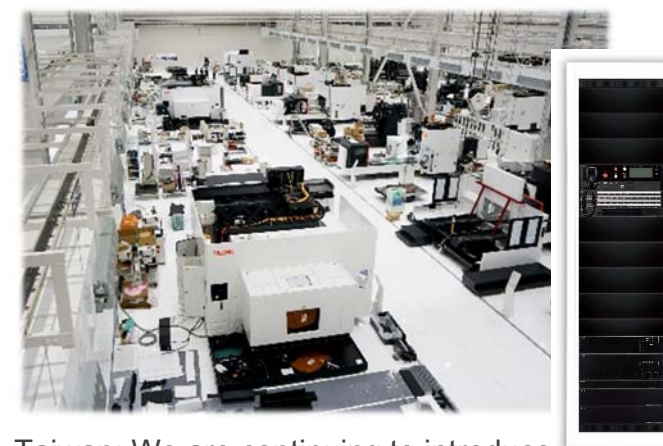
Topic

- **Transportation**

We promoted activities to develop specifications of network broadcast systems for airports in China.

In Taiwan, we focused on obtaining renewal projects for railway-related facilities.

(Millions of yen)	FY ended March 31, 2023	Change (year-on-year)
Net sales	1,922	+71
Operating profit	135	-36



Taiwan: We are continuing to introduce to the market the FS-2500 Series emergency broadcast system deployed in Japan.

Responding to Soaring Cost Prices and Shipping Costs

Purchasing

Prices of steel, semiconductors and other raw materials have skyrocketed.
Costs continue to increase.



- We are maintaining a large inventory mainly of key products.
→ **Stable supply of products contributes to greater sales.**

Sales

The peak has passed, but some parts are difficult to obtain.
We continue to have to adjust delivery of products.



- We are using alternative parts and making design changes in a short period of time.
→ **We are minimizing lost sales opportunities.**
- We are revising prices both domestically and overseas.
→ **We are improving the cost rate to increase profits.**

Logistics

Labor costs are increasing in Japan.
Fuel costs are rising due to geopolitical issues overseas.



- We are holding comprehensive discussions with logistics companies and optimizing transportation volumes.
→ **We are reducing shipping costs.**

We plan to reduce costs and increase profits by more closely coordinating the purchasing, production, logistics, and sales functions.

