



Smiles for the Public

Financial Results Briefing for the Fiscal Year
Ended March 31, 2022



TOA Corporation

Future Outlook

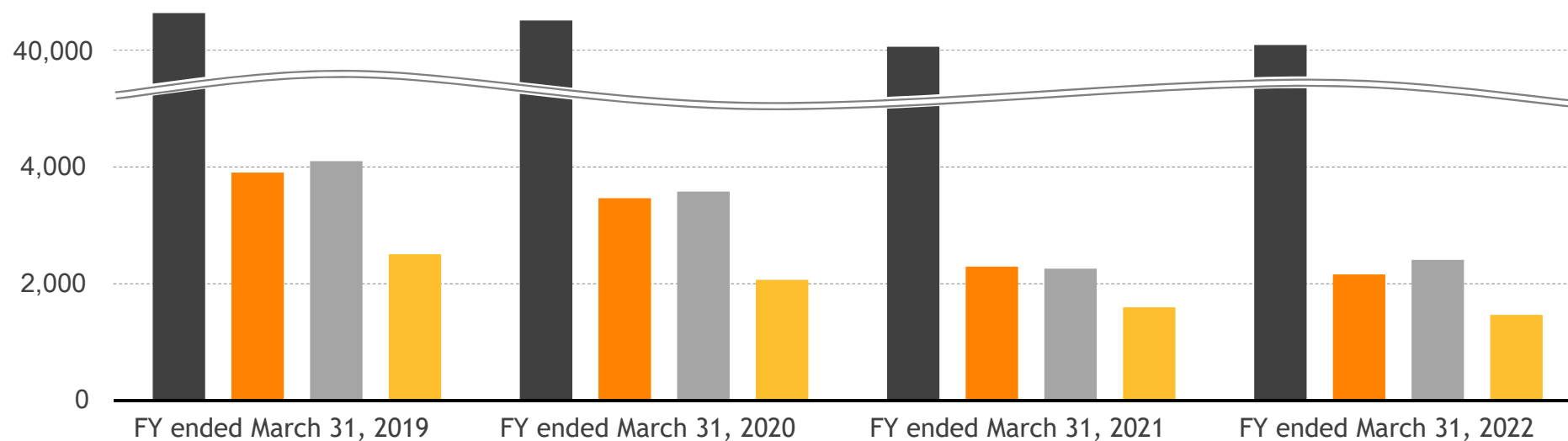
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Overview

- While increased uptake in novel COVID-19 vaccines has gradually helped bring the economy back on the path to recovery, the spread of variants in certain regions continues to have intermittent restrictions on economic activities.
- In the fiscal year ended March 31, 2022, revenue increased while profit declined year-on-year, and sales and profits both failed to reach the initial earnings forecast.
- In Japan, while sales in the Educational market grew and big projects were delivered to airport facilities, sales in the Disaster Reduction & Prevention market declined and sales opportunities were lost due to difficulties in obtaining parts.
- Overseas, while the Company was affected by delays in delivery in certain areas, net sales increased due to the delivery of big projects in each segment and the impact of the foreign exchange rate.

Performance for Fiscal Year Ended March 31, 2022 (Consolidated)

(Millions of yen)
60,000

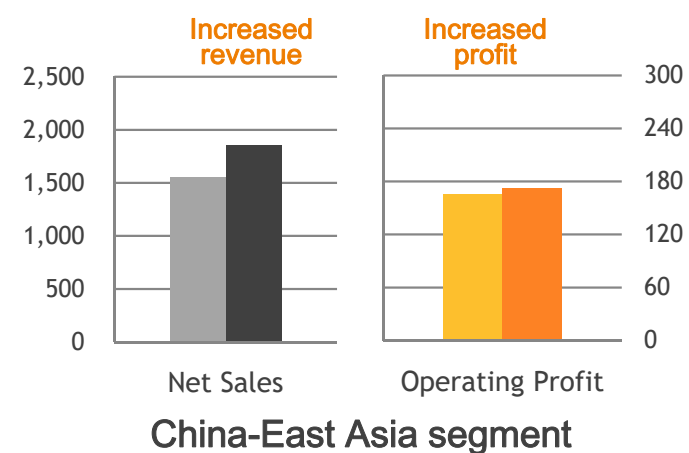
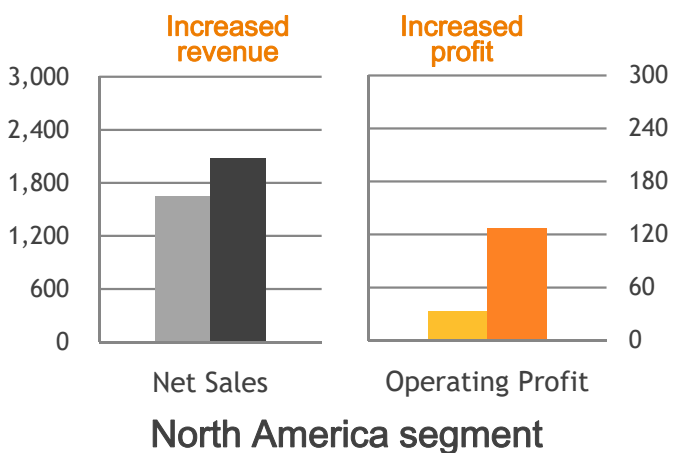
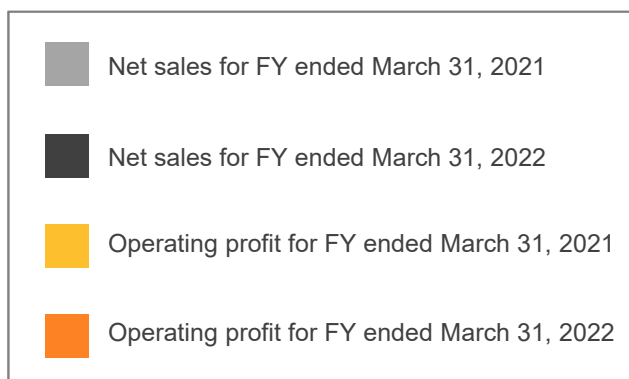
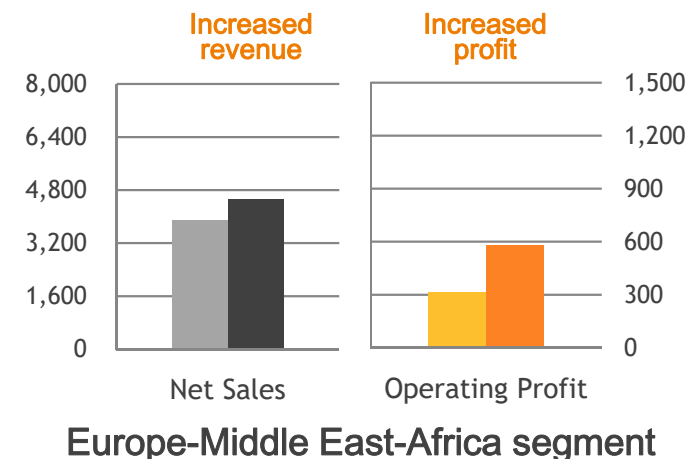
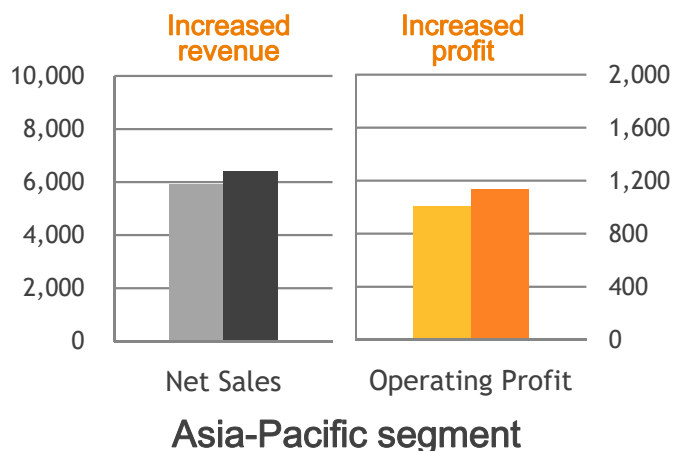
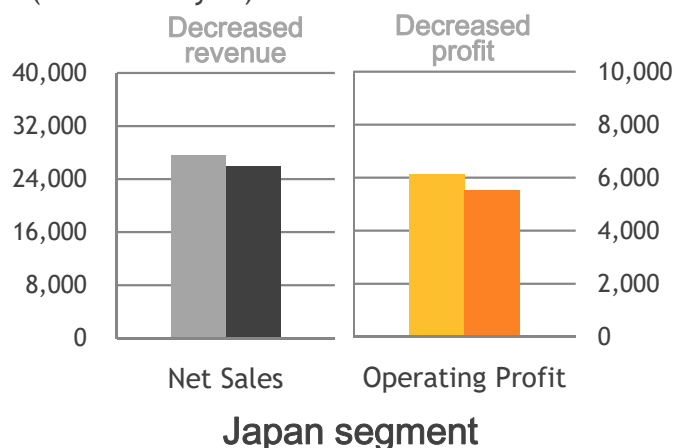


■ Net sales	46,338	45,068	40,575	40,864 (0.7%)
■ Operating profit	3,903	3,465	2,293	2,159 (-5.8%)
■ Ordinary profit	4,099	3,577	2,558	2,407 (-5.9%)
■ Net profit	2,504	2,065	1,596	1,466 (-8.1%)

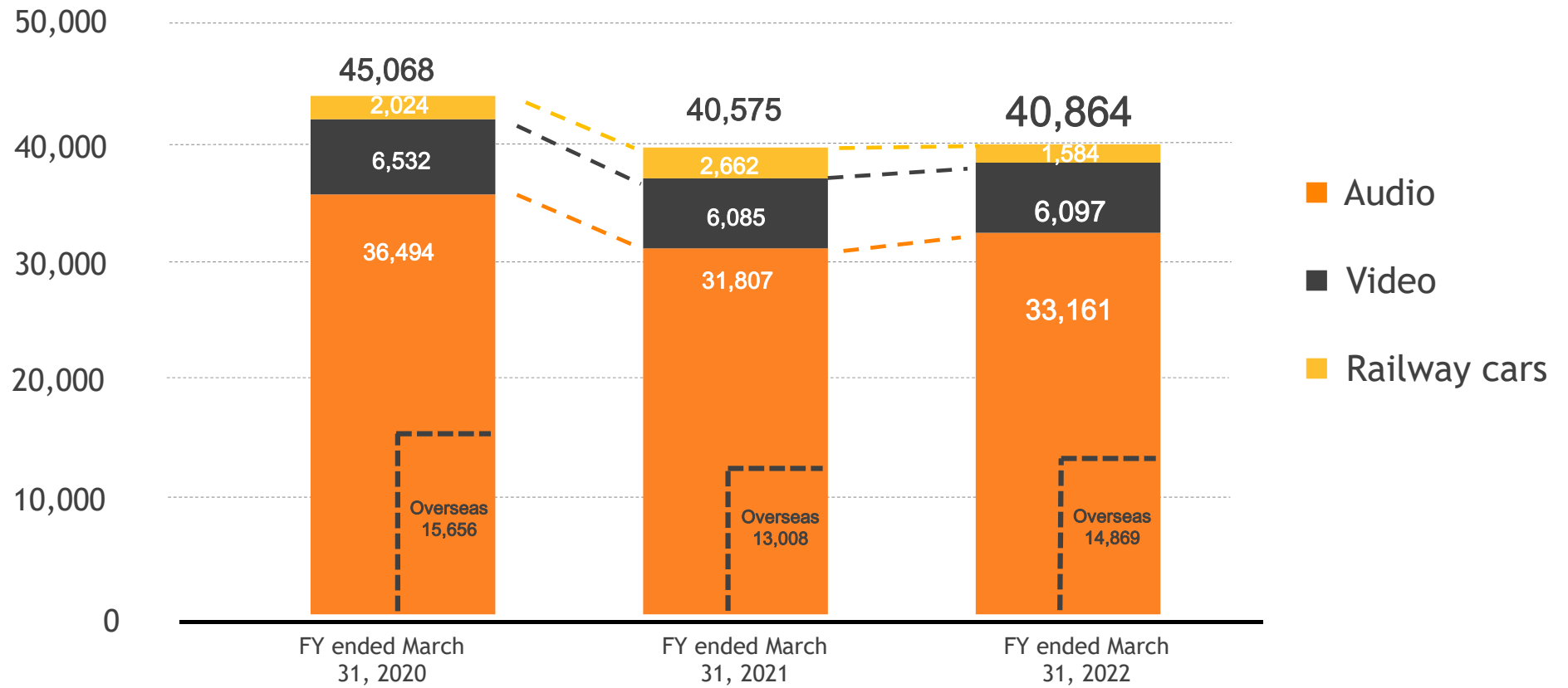
*: Profit attributable to owners of parent

Performance for Fiscal Year Ended March 31, 2022 (by Segment)

(Millions of yen)



Performance for Fiscal Year Ended March 31, 2022 (Consolidated Net Sales) - By Product Category



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

(Millions of yen)	FY ended March 31, 2021	FY ended March 31, 2022	Change (year-on-year)
R&D expenses	2,845	2,807	-38
Capital investment	1,540	1,122	-418
Depreciation expenses	1,445	1,375	-70

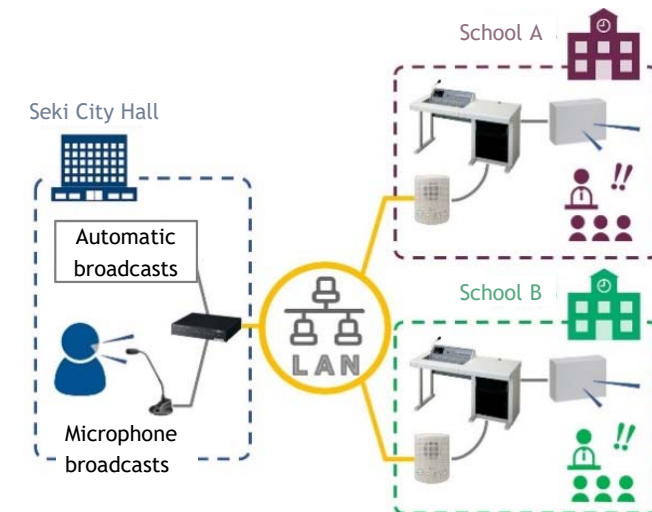
- Developing a digital infrastructure to link development, production, sales and other functions

Japan Segment

Overview

- Educational facilities**
 Sales increased due to renewal of broadcasting equipment and demand for wireless microphone systems was captured.
 Deployed a system in Seki, Gifu Prefecture to enable emergency broadcasting from government agencies in the event of a disaster.
- Plants**
 Sales increased due to delivery of large-scale systems, and proposals for emergency broadcast systems were accelerated.
- Commercial facilities**
 Demand captured for conversation assistance systems and automatic announcement broadcasting equipment, and sales recovered.
- Transportation infrastructure facilities**
 Deployed solutions that take into consideration BCP measures at Kansai International Airport.
- Disaster Reduction & Prevention**
 Proposals proceeded due to a resumption of subsidies, but a reactionary decline peaked in the fiscal year ended March 31, 2021.
- Railway cars for overseas**
 Sales decreased due to delivery delays of projects during the pandemic.

(Millions of yen)	FY ended March 31, 2022	Change (year-on-year)
Net sales	25,994	-1,567
Operating profit	5,541	-597



Seki, Gifu Prefecture: Contributed to management of evacuation shelters at schools

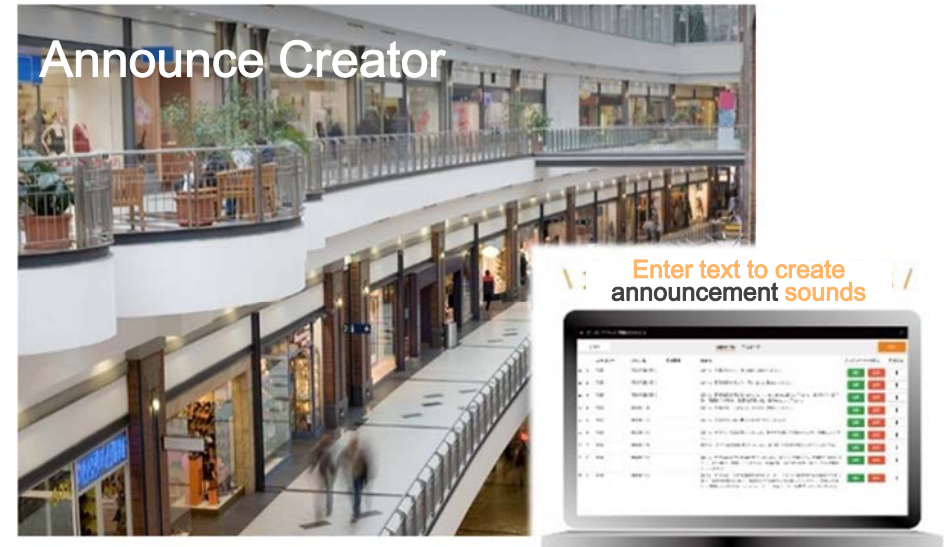
Japan Segment

Topic

- Developing connected businesses by providing network-based solutions



- Remote monitoring of security camera status via a network
- Captured demand for security cameras for school routes and downtown areas
- **Security and safety around town**



- Easily create and broadcast easy-to-hear audio source
- Popular with customers who often change announcement broadcasts
- **Increased business efficiency and reduced costs**

Co-creation Activities in the Japan Segment

Co-creating with industry, government and academia to launch efforts to solve various communication issues around the world

Mobility

Case study: Mobility Innovation Consortium - East Japan Railway Company

We act as the lead company for the “sub-working group studying the ideal train station during a disaster” and work together with participating companies. We aim to build a system that links broadcasting, signage, smartphones, cameras and other tools to ensure the safety of victims in and around train stations during a disaster, from assessing the situation to transmitting information and guiding evacuation.

Urban development

Case study: Kobe Smart City Promotion Consortium

Co-creation between the public and private sectors to improve the quality of life of citizens and solve regional issues by utilizing digital technology and data. Activities as a steering committee company and a core company in the field of disaster prevention and monitoring.



Kobe city

Outdoors

Case study: Demonstration of outdoor loudspeaker

We optimized outdoor loudspeakers through big data analysis of topographical and meteorological data and impulse response. We repeated broadcasting and measurement of test sounds and derived correlations from big data of topological and meteorological data and recorded data.



Fukaura town,
Aomori Prefecture

Education

Case study: Co-creation activities of sound and studying

Sound research and co-creation activities to solve issues in the educational field by improving the sound environment in the classroom. We aim to provide children with fine quality educational opportunities in an appropriate sound environment.



埼玉県立総合教育センター
Saitama Prefectural Education Center

Office

Case study: “point 0 marunouchi” membership coworking space

We demonstrated various space contents jointly with companies from different industries. We aim to plan, implement and develop new business, and search for and create new growth areas through alliances with co-creation partners.



point 0
marunouchi

Asia & Pacific segment

Overview

- **Malaysia and Indonesia**
Demand for broadcasting equipment for religious markets recovered due to easing of restrictions on collective worship.
We contributed to creating a sound environment in the community with easy-to-hear sounds.
- **Vietnam**
Sales declined due to the effects of the pandemic.
Demand increased for loudspeakers used in general elections and to alert the public to the status of infectious disease.
- **Thailand**
Demand for PA equipment in the Educational market dropped due to school closures during the lockdown.

Topic

- **Disaster Reduction & Prevention**
We delivered a broadcasting system to alert the public when dam water is discharged in Indonesia.
- **DX measures**
We expanded web sales promotion content and introduced CRM to promote new development.

(Millions of yen)	FY ended March 31, 2022	Change (year-on-year)
Net sales	6,418	491
Operating profit	1,133	123



Indonesia: Dam water discharge alert system

Europe, Middle East & Africa segment

Overview

- UK**
 Sales of wall-mounted emergency broadcast systems that had been stagnant during the pandemic recovered.
 Wall-mounted models that can be installed to save space are the main models.
- UAE and Saudi Arabia**
 We received orders for main facilities at international events and projects for government agencies.
- Africa region**
 Strong sales of conference microphone systems for use in meetings with measures to prevent spread of disease.
 Development of early-stage marketing activities proved successful.

(Millions of yen)	FY ended March 31, 2022	Change (year-on-year)
Net sales	4,518	623
Operating profit	580	267

Topic

- Plants**
 We strengthened local-based sales activities in the Africa region and received big project orders.
 We accurately identified local needs and developed new markets.



Africa region: Conference microphone systems

The Americas segment

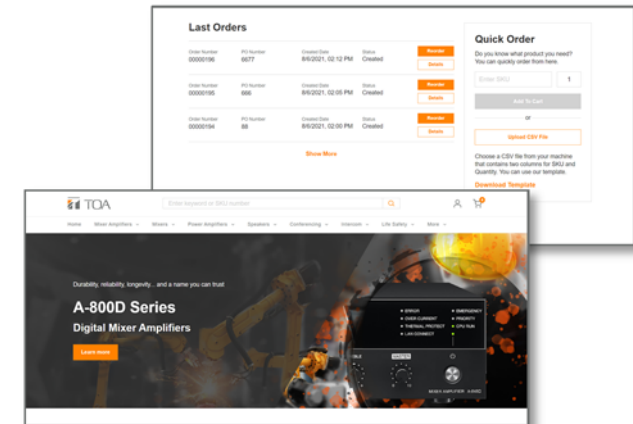
Overview

- **U.S.**
We succeeded in receiving orders for big project for a major supermarket chain.
Sales of main BGM audio systems for stores show signs of recovery.
- **Canada**
Pandemic measure subsidy system applied to the Educational market, and sales of infrared microphone systems for classroom loudspeakers increased.

(Millions of yen)	FY ended March 31, 2022	Change (year-on-year)
Net sales	2,081	441
Operating profit	127	94

Topic

- **Crime prevention**
We aim to expand the sales channel for security applications of IP horn speakers.
- **DX measures**
We released the portal site for sales agents and started full-scale operations in January 2022.



U.S.: Portal site for sales agents

China & East Asia segment

Overview

- **China**
We focused on expanding sales of audio systems for the Educational market, and sales increased.
- **Taiwan**
We continued to receive orders for new construction and expansion of plant projects, and won projects for hospitals and government agencies. Performance exceeded last year, which was the highest over the past 10 years.
- **Hong Kong**
Cancelation and delay of private-sector projects due to the pandemic.

(Millions of yen)	FY ended March 31, 2022	Change (year-on-year)
Net sales	1,851	301
Operating profit	172	6

Topic

- **Disaster Reduction & Prevention**
We proposed and delivered movable vehicle-mounted disaster prevention speakers in Taiwan. These are expected to be used as mobile public disaster prevention broadcasting equipment for disaster relief.
- **Education**
We accelerated efforts to work with local companies with a strong presence in the Educational market.



Taiwan: Disaster prevention vehicle solutions

Supply Chain Management Initiatives

Purchasing

- ▶ Traditionally, we systematically reduce the cost of components by changing parts manufacturers and product design.
- ▶ Due to rising raw material prices and difficulties in procuring components including semiconductors, we changed the purchasing pattern. As a result, costs increased.

Logistics

- ▶ Rising transportation costs have increased product costs.
- ▶ We are trying to solve issues by improving load efficiency through selection of the optimal transportation method per route and holding comprehensive discussions with logistics companies in parallel.

Production

- ▶ From June to September 2021, we changed our production system at overseas factories based on government instructions. Production has not been greatly impacted from the pandemic since October, and we have operated under our normal production system.
- ▶ We are working to reduce costs and improve production efficiency while ensuring quality through automation, expansion of production capacity, enhanced productivity, and standardization of the production management system.

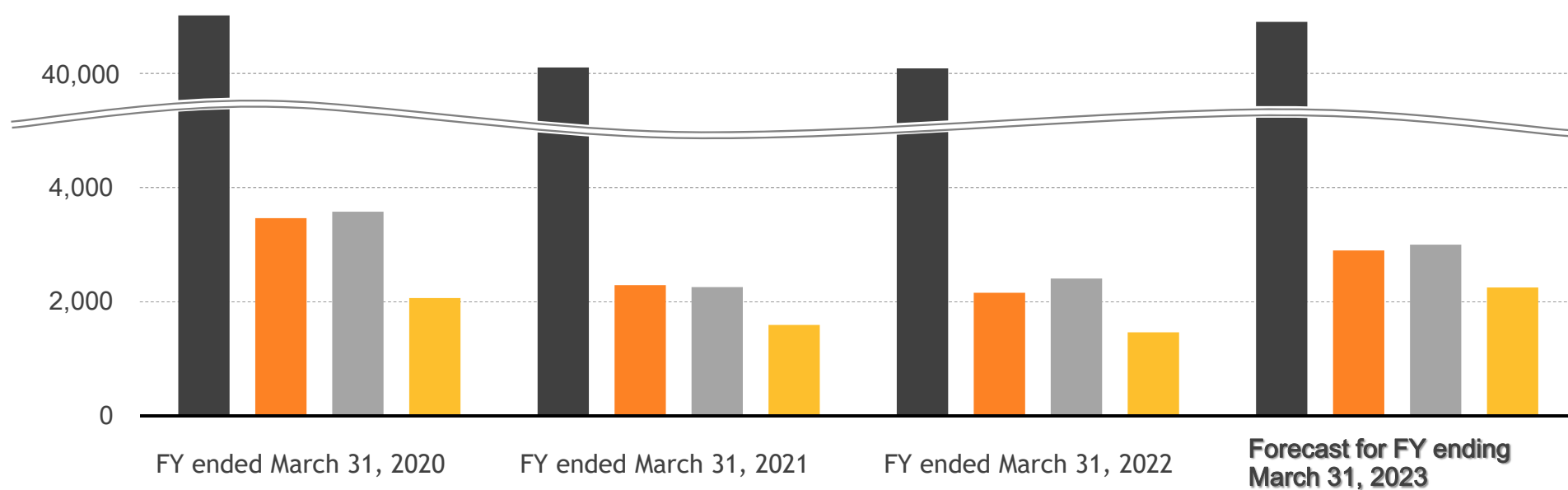
Sales

- ▶ Due to difficulty in procuring components and high costs, delivery of some products has to be adjusted.
- ▶ We are using AI in demand forecasting and sales planning and further accelerating efforts to produce and sell appropriate products.

- ▶ We revised prices in October 2021 for overseas products and in April 2022 for domestic products.
- ▶ We are making efforts to further improve quality and services in the future.

Earnings Forecast (Consolidated)

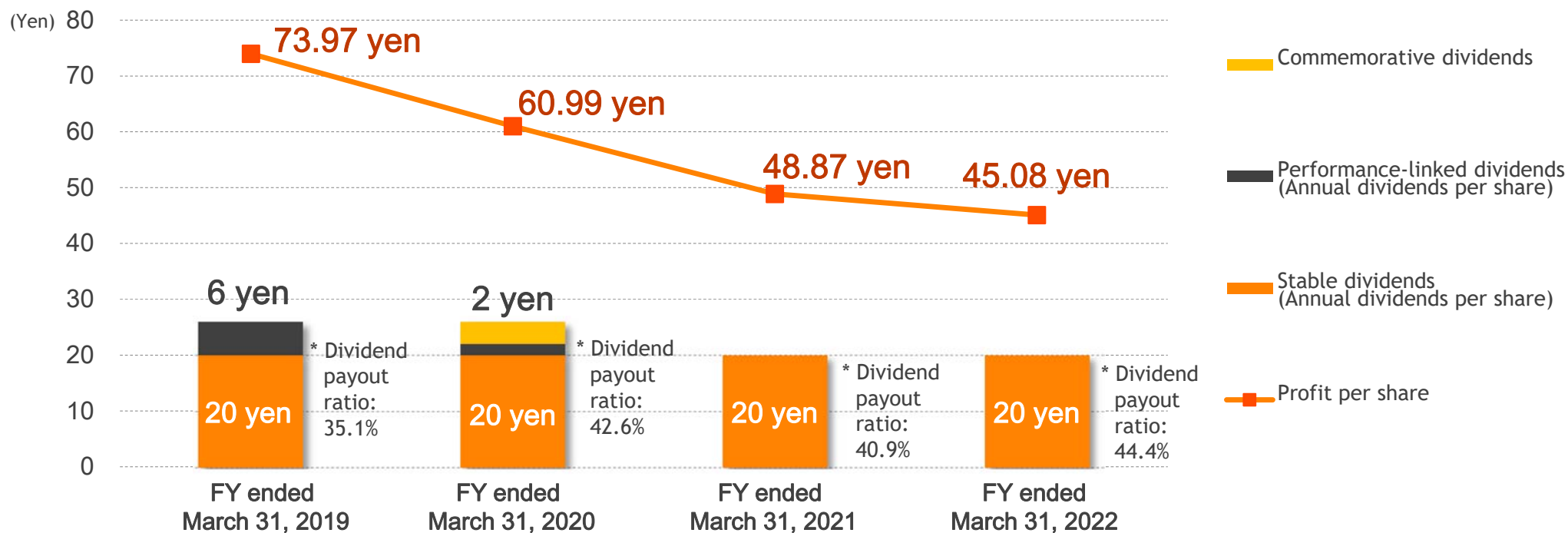
(Millions of yen) 50,000



*: Profit attributable to owners of parent

Dividend Forecast for Fiscal Year Ended March 31, 2022

Maintain stable dividend of 20 yen



- Maintain annual dividend of 20 yen (10 yen interim dividend, 10 yen year-end dividend).
- Achieve a performance-linked dividend (approx. 35%) with a minimum amount of 20 yen per share.
- Consider a balance with retained earnings to enable sustainable growth.
- The dividend policy for the fiscal year ending March 31, 2023 will be disclosed in the medium-term management plan(FY2021-2025).

