

Comprehensive Manufacture of Advanced Coatings

Financial Summary (3Q FY2022)

1/31/2023



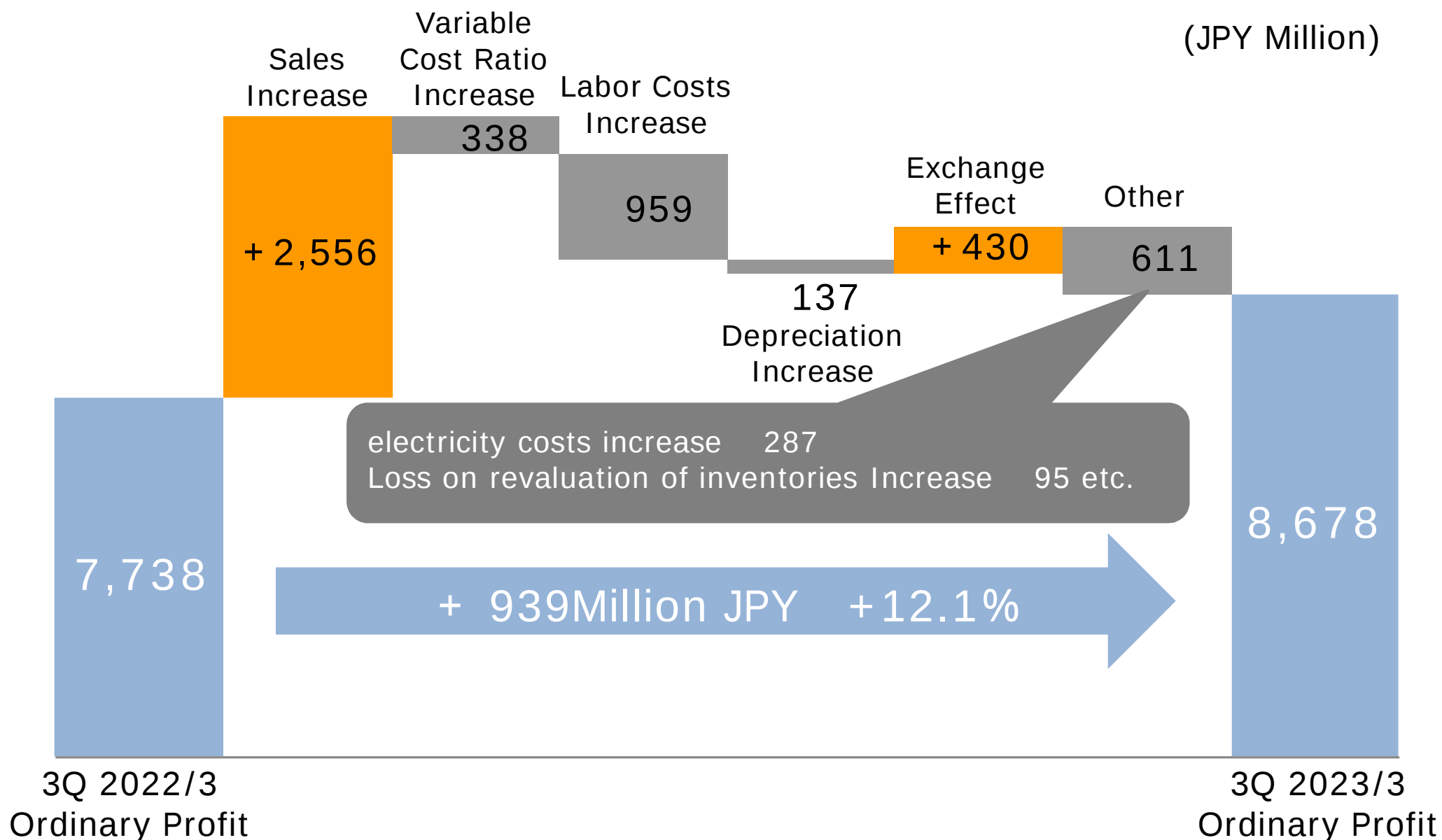
TOCALO Co., Ltd.

Overview of Consolidated Results 3Q FY2022



(JPY Million)	3Q 2022/3		3Q 2023/3		Change	
	Result	Ratio	Result	Ratio	Amount	%
Net Sales	32,227	100.0%	36,424	100.0%	4,196	13.0%
Thermal Spray	24,322	75.5%	27,615	75.8%	3,293	13.5%
Semicon & FPD	14,979	46.5%	17,810	48.9%	2,831	18.9%
Industrial Parts	2,758	8.6%	2,950	8.1%	191	6.9%
Iron & Steel	2,547	7.9%	2,606	7.2%	59	2.3%
Others	4,036	12.5%	4,247	11.6%	211	5.2%
Other Surface Modif.	1,801	5.6%	2,060	5.7%	259	14.4%
Domestic Sub.	1,812	5.6%	1,820	5.0%	8	0.5%
Overseas Sub.	4,187	13.0%	4,814	13.2%	626	15.0%
Royalty Income	104	0.3%	113	0.3%	8	8.4%
Operating Profit	7,555	23.4%	8,224	22.6%	668	8.8%
Ordinary Profit	7,738	24.0%	8,678	23.8%	939	12.1%
Net income attribute to owners of parent	4,997	15.5%	5,669	15.6%	672	13.5%

Analysis of Ordinary P/L Change



Segment Information



(JPY Million)	3Q 2022/3		3Q 2023/3		Change			
					Net Sales		Segment P/L	
	Net Sales	P/L	Net Sales	P/L	Amount	%	Amount	%
Thermal Spray TOCALO	24,322	5,964	27,615	6,623	3,293	13.5%	658	11.0%
Domestic Sub.	1,812	352	1,820	276	8	0.5%	75	-21.4%
Overseas Sub.	4,187	1,134	4,814	1,235	626	15.0%	101	8.9%
Other Surface Modif.	1,801	331	2,060	359	259	14.4%	27	8.4%
Total	32,123	7,782	36,311	8,494	4,188	13.0%	712	9.2%

(Note) Royalty Income is not included in the Segment Net Sales.

Consolidated Forecast FY2022(No Change)



(JPY Million)	FY2021		FY2022		Change	
	Result	Ratio	Forecast (7/29/2022)	Ratio	Amount	%
Net Sales	43,813	100.0%	48,200	100.0%	4,386	10.0%
Thermal Spray	33,043	75.4%	36,788	76.3%	3,744	11.3%
Semicon & FPD	20,643	47.1%	23,968	49.7%	3,324	16.1%
Industrial Parts	3,707	8.5%	3,819	7.9%	111	3.0%
Iron & Steel	3,450	7.9%	3,639	7.5%	188	5.5%
Others	5,242	11.9%	5,362	11.2%	119	2.3%
Other Surface Modif.	2,502	5.7%	2,638	5.5%	135	5.4%
Domestic Sub.	2,399	5.5%	2,457	5.1%	57	2.4%
Overseas Sub.	5,695	13.0%	6,137	12.7%	441	7.7%
Royalty Income	171	0.4%	180	0.4%	8	5.2%
Operating Profit	10,255	23.4%	11,200	23.2%	944	9.2%
Ordinary Profit	10,571	24.1%	11,400	23.7%	828	7.8%
Net income attribute to owners of parent	6,909	15.8%	7,444	15.4%	534	7.7%

3Q FY2022 Progress Rate



(JPY Million)	3Q FY2022		FY2022		Progress Rate
	Result	Ratio	Forecast	Ratio	
Net Sales	36,424	100.0 %	48,200	100.0 %	75.6 %
Thermal Spray	27,615	75.8 %	36,788	76.3 %	75.1 %
Semicon & FPD	17,810	48.9 %	23,968	49.7 %	74.3 %
Industrial Parts	2,950	8.1 %	3,819	7.9 %	77.3 %
Iron & Steel	2,606	7.2 %	3,639	7.5 %	71.6 %
Others	4,247	11.6 %	5,362	11.2 %	79.2 %
Other Surface Modif.	2,060	5.7 %	2,638	5.5 %	78.1 %
Domestic Sub.	1,820	5.0 %	2,457	5.1 %	74.1 %
Overseas Sub.	4,814	13.2 %	6,137	12.7 %	78.4 %
Royalty Income	113	0.3 %	180	0.4 %	63.0 %
Operating Profit	8,224	22.6 %	11,200	23.2 %	73.4 %
Ordinary Profit	8,678	23.8 %	11,400	23.7 %	76.1 %
Net income attribute to owners of parent	5,669	15.6 %	7,444	15.4 %	76.2 %

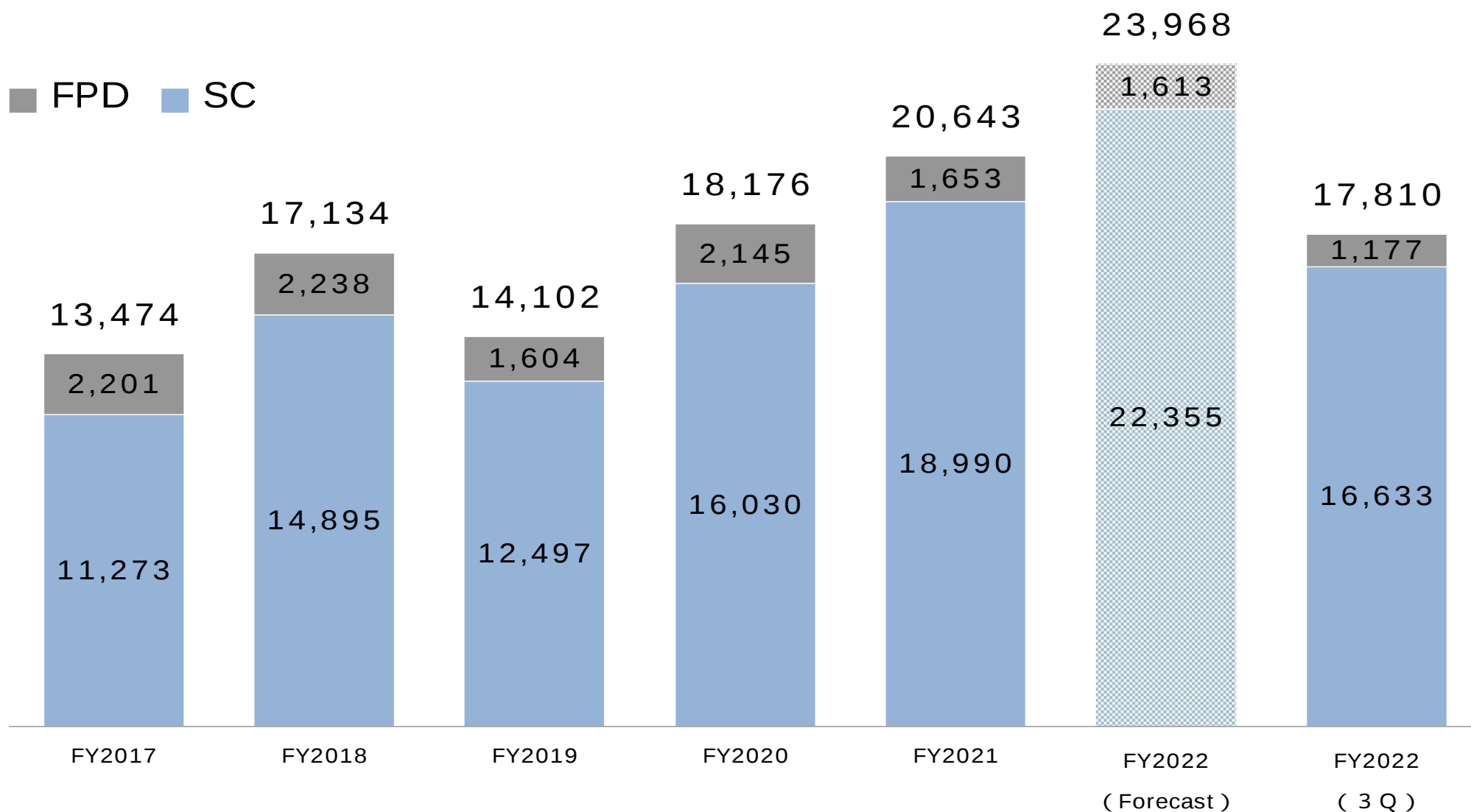
SC & FPD Net Sales



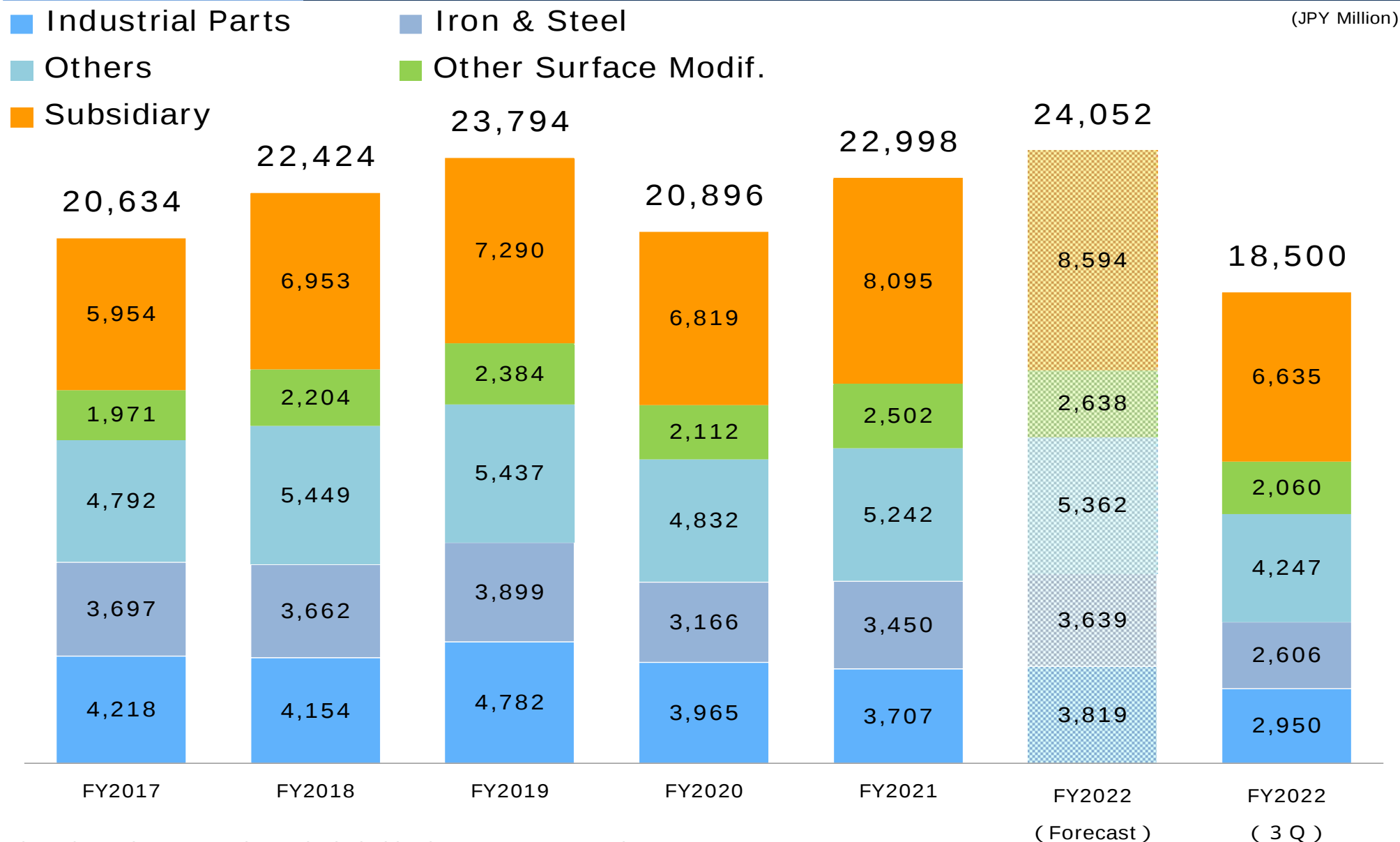
(JPY Million)

Thermal Spray(TOCALO)

■ FPD ■ SC



Non-SC & FPD Net Sales



(Note) Royalty Income is not included in the Segment Net Sales.

Financial Position

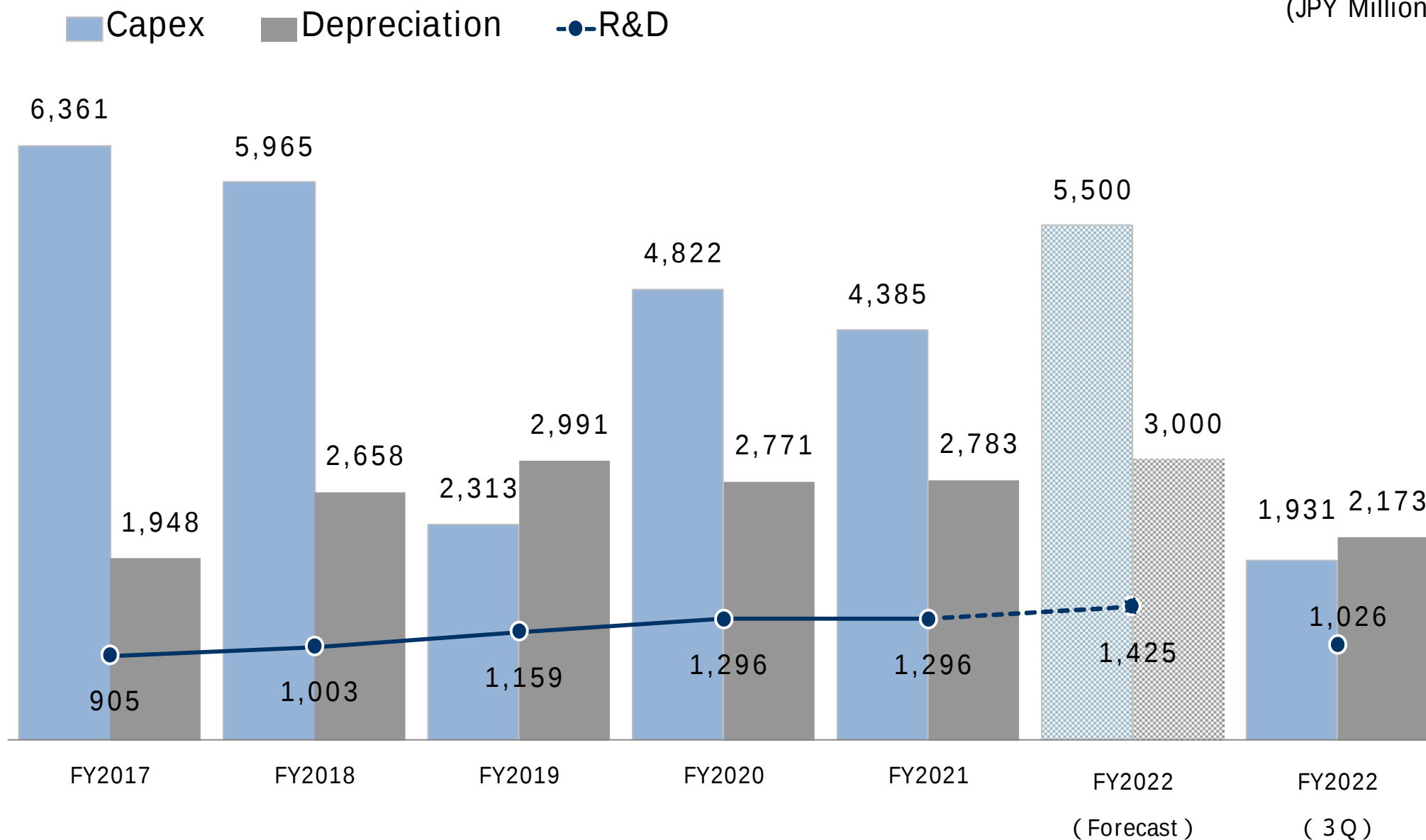


(JPY Million)	FY2021		FY2022
	3Q	4Q	3Q
Total Assets	66,958	69,517	73,570
Equity	47,029	49,099	52,578
Equity Ratio	70.2%	70.6%	71.5%
Interest-bearing debt	4,661	4,249	3,164

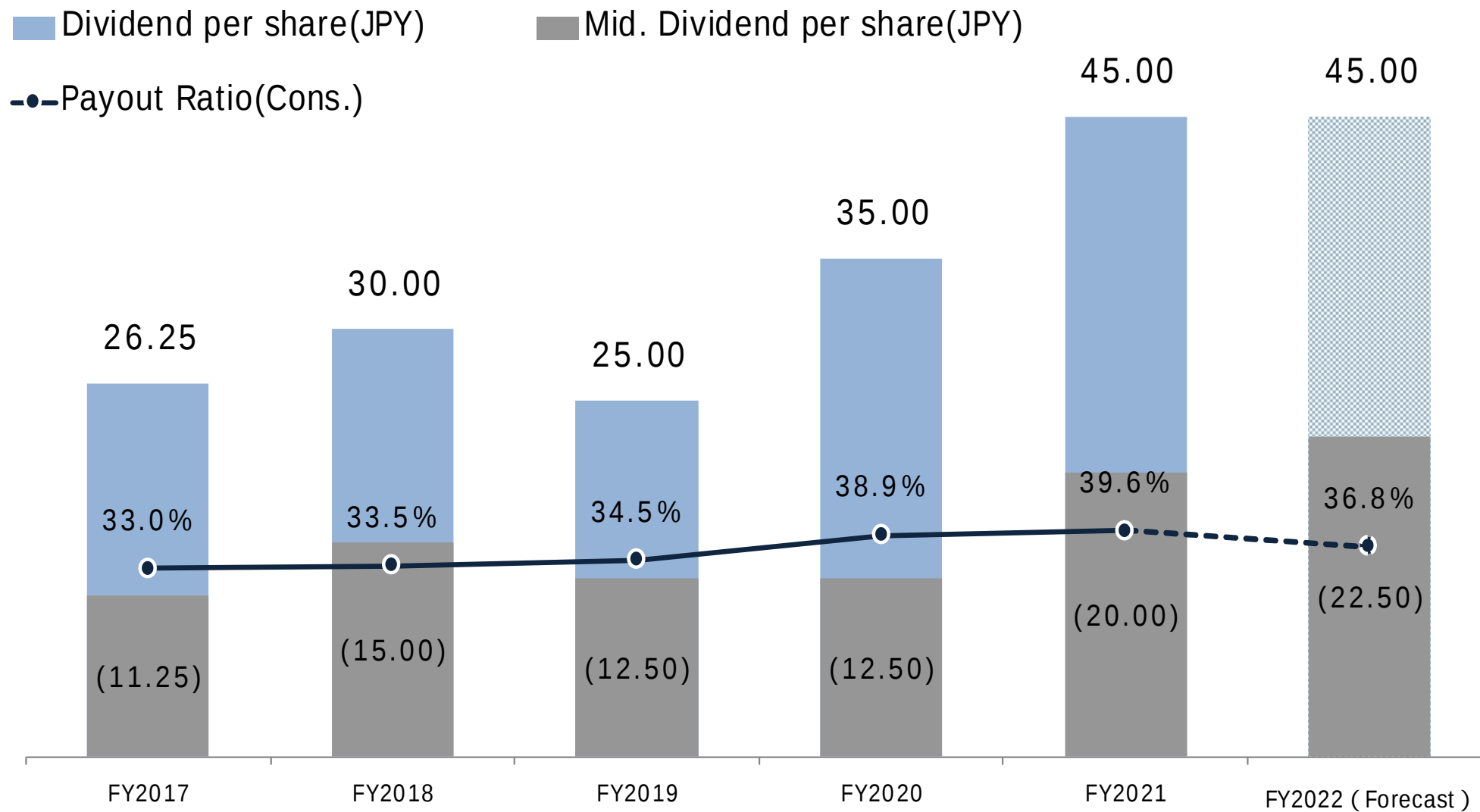
Capex · Depreciation · R&D Expenses



(JPY Million)



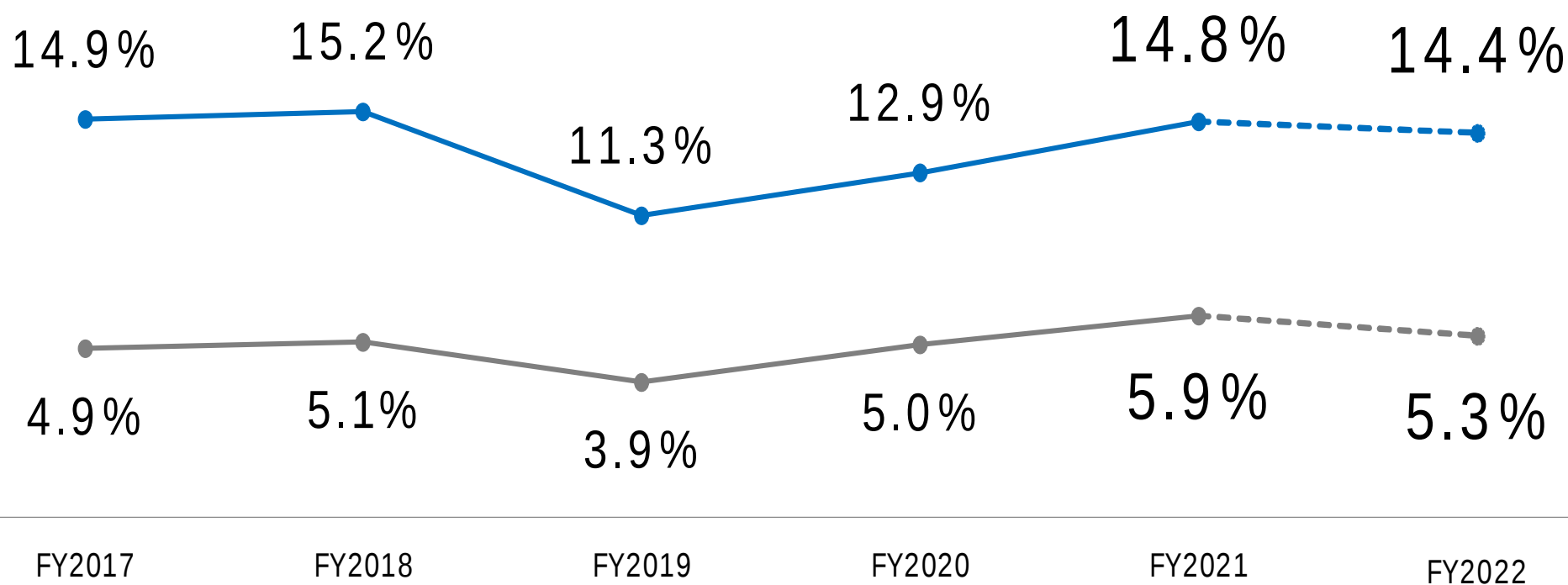
Dividends



ROE • Dividend on Equity



● ROE ● Dividend on Equity



(Forecast)

ROE = Net income attribute to owners of parent/Average Equity during the period

Dividend on Equity = Dividend per share/Average Net assets per share during the period

Financial Highlights



(JPY Million)	FY2017 Result	FY2018 Result	FY2019 Result	FY2020 Result	FY2021 Result	FY2022 Forecast
Orders received	36,851	38,915	38,011	39,021	45,394	-
Backlog of Orders	6,725	6,081	6,195	6,143	7,896	-
Net Sales	34,275	39,742	38,084	39,294	43,813	48,200
Operating Profit	7,270	7,905	6,727	8,890	10,255	11,200
Ordinary Profit	7,363	8,076	6,812	8,914	10,571	11,400
Ordinary Profit Ratio	21.5%	20.3%	17.9%	22.7%	24.1%	23.7%
Net income attribute to owners of parent	4,836	5,441	4,404	5,463	6,909	7,444
Earnings Per Share (EPS)	79.56	89.51	72.45	89.86	113.62	122.36
Total Assets	52,664	57,278	61,122	64,183	69,517	75,490
Equity	34,174	37,559	40,263	44,201	49,099	54,352
Equity Ratio	64.9%	65.6%	65.9%	68.9%	70.6%	72.0%
Return on Equity (ROE)	14.9%	15.2%	11.3%	12.9%	14.8%	14.4%
Return on Asset (ROA)	15.2%	14.7%	11.5%	14.2%	15.8%	15.7%
Return on Invested Capital (ROIC)	13.6%	13.3%	9.8%	11.9%	13.0%	13.2%

ROE = Net income attributable to owners of parent / Average Equity during the period、 ROA = Ordinary Profit / Average Total Assets during the period

ROIC (Return On Invested Capital) = Operating Profit after tax / Average Invested Capital during the period.

Effective from the FY2021, the classification of Royalty Income has been changed from non-operating income to Net Sales.

The financial forecasts and estimates in this Financial Summary are based on information available to the Company at the time of report issuance and certain assumptions judged to be reasonable by the Company, and therefore are not guarantees of future performance. Consequently, actual results may differ substantially from those described in this Financial Summary.

Contact

TOCALO Co., LTD

Corporate Planning Division

TEL: +81-78-303-3433