



ANNUAL REPORT
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MESSAGE TO OUR SHAREHOLDERS

Greetings

Since its founding in Japan's ancient capital, Kyoto, in April 1979, TOWA CORPORATION has consistently developed original technologies and created numerous de facto standards. Our primary operations are composed of development, manufacturing and sales of semiconductor encapsulating equipment, singulation equipment for manufacturing semiconductors and ultra-precision molds, as well as manufacturing and sales of fine plastic molded products and laser processing equipment. We maintain a leading share in the global market for our mainstay semiconductor encapsulating equipment, which enjoy an excellent reputation with users.

Economic Overview

Uncertainty about the condition of the global economy increased in the current consolidated fiscal year, with a significant drop in the Chinese economy due to the impact of the US-China trade war and a slowdown in the US economy which had remained strong.

In addition, the Japanese economy, which had been on a moderate recovery so far, showed a sign of slowing down, with some weaknesses in exports and a part of productions following the slowdown in the Chinese economy.

Performance

As for the semiconductor industry, the market has been significantly sluggish since the second half due to falling memory prices and a slowdown in smartphone demand. In addition, corporate psychology has deteriorated further due to the prolonged US-China trade war, and the prospects for recovery are still unclear.

Under these circumstances, our Group viewed the current difficult market environment as a time of transformation and conducted a thorough cost review, aiming to improve profitability as soon as the market recovers. In addition, we have established subsidiaries through an acquisition of Omron LaserFront Corp., which operates laser processing equipment business, and an acquisition of mold manufacturing business in China from a subsidiary of Kinergy Corporation Ltd., an EMS company in Singapore. In this way, we have steadily strengthened our management foundation aiming to achieve the "TOWA 10 Year Vision". In addition to these initiatives, we held a private show from December 2018 to January 2019, where we introduced the latest equipment, specific examples of new business fields, such as contract processing, nanotechnology, coating, etc. to which our core technology is applied, as well as new concepts, including "Zero Defect" and "Laser Mold Cleaning" that are expected to bring about new innovations in the molding market. We received high acclaim from many customers in Japan and overseas.

As a result of our initiatives as mentioned above, our performances in this consolidated fiscal year are recorded as follows: net sales 28,272 million yen (decreased by 2,738 million yen, or 8.8% compared to the previous consolidated fiscal year), operating income 937 million yen (decreased by 2,745 million yen, or 74.6% compared to the previous consolidated fiscal year), ordinary income 939 million yen (decreased

by 2,600 million yen, or 73.5% compared to the previous consolidated fiscal year), and net income attributable to owners of parent 877 million yen (decreased by 2,148 million yen, or 71.0% compared to the previous consolidated fiscal year).

Operating results by segment are as follows.

“Semiconductor manufacturing equipment business”

Regarding the operating results of the semiconductor manufacturing equipment business, we saw the growth in our Total Solution Service (TSS) as well as new business fields that include contract processing. TSS provides remodeling/repairing, parts sales and used equipment sales, and it is not affected by the ups and downs of the market and stable revenue is expected. However, due to a decrease in the demand for smartphones attributable to the prolonged replacement cycle and a slowdown in investments in major IT companies’ data centers, their aggressive capital investment that continued until last year dropped sharply in the second half, resulting in net sales of 24,825 million yen. (decreased by 4,753 million yen, or 16.1% compared to the previous consolidated fiscal year).

In terms of profitability, the inventory term of platforms (standard parts that do not affect the specifications to be customized for each customer) that had been procured in advance exceeded internally prescribed period, becoming a stagnant inventory as a result of the significant decline in sales of high value-added products for high-end devices, the changes in our customers’ investment plans affected by the US-China trade war, and other factors. Thus, it generated a loss on accounting. For the reason, we recorded operating income of 540 million yen (decreased by 2,961 million yen, or 84.6% compared to the previous consolidated fiscal year).

“Fine plastic molded products business”

The results of the Fine plastic molded products business are: net sales 1,602 million yen (increased by 170 million yen, or 11.9% compared to the previous consolidated fiscal year), operating income 223 million yen (increased by 43 million yen, or 24.3% compared to the previous consolidated fiscal year)

“Laser processing equipment business”

The laser processing equipment business is now a new segment to be reported on after we acquired the shares of Omron LaserFront Corp. in the second quarter of the consolidated fiscal year.

With regard to the business results in the laser processing equipment business, we recorded net sales of 1,844 million yen and operating income of 172 million yen, contributed by the steady demand for electronic components, mainly for automotive applications. This new subsidiary achieved profit from the first year after it became a member of our Group.

Please note that the above-mentioned operating income includes amortization of goodwill (56 million yen) associated with the acquisition of the shares of Omron LaserFront Corp. that was recorded in the second quarter.

Looking Ahead

Raising “Pursuing true value as a manufacture” as the theme, we announced the long-term management vision "TOWA 10 Year Vision" in 2014 aiming to achieve sales of 50 billion yen and business profit ratio of 16% ten years later through the efforts of "expansion of existing businesses and market share" and "creation of New Market by way of developing applied core technology".

Currently, we have been implementing various measures under the "TOWA's Empowerment" that was listed in the Second Medium-Term Management Plan. We are trying to achieve the plan by strengthening TOWA's presence in the semiconductor market that continues to expand. Major immediate challenges of our group are as follows;

1. Achieving high superiority in cutting-edge package markets and cultivating existing package markets

We boast unparalleled superiority of our compression equipment. Compression method is our original technology and the equipment is most suitable for the production of semiconductor products that are becoming finer, further laminated and modularized. We will establish an absolute presence by further improving the compression equipment so that we could establish top superiority.

Also, in order to increase market share in the highly competitive transfer equipment market, we will work on the development of the low-end and middle-range markets through the collaboration with three Chinese subsidiaries, including TOWA (Nantong) Co., Ltd., which operates mold manufacturing business. In addition, we will propose new concepts that do not exist in the existing molding market, such as “Zero Defect” and “Laser Mold Cleaning”, and we will continue our efforts to realize “All molding process in the world to TOWA!!”.

2. Increasing business performance by cultivating new markets for fine plastic molded products business

We will increase sales by developing new contracted projects in a new field making use of microfabrication technology and also building a mass production system at BANDICK Corporation.

3. Increasing revenue opportunity by investing management resources into the Total Solution Service (TSS) business and new business

In order to further expand the TSS business that provides remodeling/repairing, parts sales and used machine sales, we will work to strengthen our global service and support structure, while TOWATEC Co., Ltd. which oversees the Group's service business playing as a central role. The remodeling business operated by TOWA KOREA Co., Ltd. which was acquired in 2015 from a group company of Samsung Electronics Co., Ltd. in South Korea, grew 2 times larger in sales and 4 times larger in operating income compared to the first year after acquisition. Going forward, we will continue to invest aggressively aiming to further expand our business.

As for the new businesses, we will develop the laser processing equipment business following the acquisition of the shares of Omron LaserFront Corp. in August 2018. Through collaboration with the said company, which is a pioneer in laser combined equipment, we will strengthen existing businesses, while at the same time expanding new businesses. In addition, we will continue to invest in new business fields, such as contract processing, nanotechnology, and coatings to which our core technology is applied, aiming to expand earning opportunities.

4. Further enhancing corporate value by strengthening corporate governance

We will establish a framework to improve the transparency and fairness of management by strengthening the supervisory function of the Board of Directors and further enhancing our corporate governance, so that we can earn the trust of many stakeholders.

The above-mentioned matters concerning the future were determined by our Group at the end of the last consolidated fiscal year.

We look forward to your continuing support and assistance in the future.

We would like to express our heartfelt appreciation for your support.

August 2019

Hirokazu Okada
President & CEO

Consolidated Balance Sheets

TOWA CORPORATION AND CONSOLIDATED SUBSIDIARIES
March 31, 2018 and 2019

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	2018	2019	2019
ASSETS			
Current assets:	¥	¥	\$
Cash on hand and at banks	6,182	7,652	68,943
Notes and accounts receivable :			
Trade	8,166	9,542	85,972
Less: Allowance for doubtful accounts	(1)	(3)	(27)
	8,165	9,539	85,945
Inventories	7,890	8,283	74,628
Other current assets	821	1,361	12,263
	23,058	26,835	241,779
Property, plant and equipment, at cost :			
Land	4,372	4,366	39,337
Buildings and structures	14,283	14,167	127,642
Machinery and equipment	12,950	14,205	127,985
Construction in progress	158	665	5,992
Less: Accumulated depreciation	(20,183)	(21,286)	(191,784)
	11,580	12,117	109,172
Other assets:			
Investment securities (Note 3)	3,603	2,747	24,750
Deferred income taxes (Note 9)	377	983	8,857
Asset for retirement benefits(Notes 2(13) and 6)	162	145	1,306
Other	1,063	1,142	10,289
	5,205	5,017	45,202
Total assets	39,843	43,969	396,153

The accompanying notes are an integral part of these financial statements.

Consolidated Balance Sheets

TOWA CORPORATION AND CONSOLIDATED SUBSIDIARIES
March 31, 2018 and 2019

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	<i>2018</i>	<i>2019</i>	<i>2019</i>
LIABILITIES AND NET ASSETS			
LIABILITIES			
Current liabilities:	¥	¥	\$
Short-term borrowings (Note 5)	1,800	5,500	49,554
Current portion of long-term debt (Note 5)	819	910	8,199
Notes and accounts payable	4,487	2,585	23,290
Accrued expenses (Note 2(12))	535	577	5,199
Accrued income taxes	824	162	1,460
Other current liabilities (Notes 2(11) and 5)	2,407	1,752	15,785
Total current liabilities	10,872	11,486	103,487
Long-term liabilities:			
Long-term debt (Note 5)	807	4,087	36,823
Liability for retirement benefits (Notes 2(13) and 6)	258	667	6,010
Deferred tax liabilities (Note 9)	1	1	9
Other long-term liabilities (Note 5)	1	5	44
Total long-term liabilities	1,067	4,760	42,886
Total liabilities	11,939	16,246	146,373
Contingent liabilities (Note 12)			
NET ASSETS			
Shareholders' equity (Note 7)			
Common stock			
Authorized: 80,000,000 shares			
Issued :			
25,021,832 shares at 31st March, 2019	8,933	8,933	80,485
Additional paid-in capital	462	462	4,163
Retained earnings	16,238	16,716	150,608
Less: Treasury stock at cost	(11)	(11)	(99)
Total shareholders' equity	25,622	26,100	235,157
Accumulated Other Comprehensive Income			
Unrealized gain (loss) on other securities	2,017	1,417	12,767
Translation adjustments	153	53	478
Retirement benefit adjustments	112	46	414
Total accumulated other comprehensive income	2,282	1,516	13,659
Non-controlling interests	-	107	964
Total net assets	27,904	27,723	249,780
Total liabilities and net assets	39,843	43,969	396,153

The accompanying notes are an integral part of these financial statements.

Consolidated Statements of Income

TOWA CORPORATION AND CONSOLIDATED SUBSIDIARIES
Two years ended March 31, 2019

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	2018	2019	2019
	¥	¥	\$
Net sales	31,011	28,272	254,726
Cost of sales	21,206	21,286	191,783
Gross profit.....	9,805	6,986	62,943
Selling, general and administrative expenses (Notes 2(14) and 8).....	6,123	6,049	54,500
Operating Income.....	3,682	937	8,443
Other income (expenses)			
Interest and dividend income.....	58	66	595
Interest expenses.....	(27)	(30)	(270)
Foreign exchange gains (losses).....	(262)	(131)	(1,180)
Gain(losses) on sales of investment in stocks of affiliated company.....	65	-	-
Other, net.....	84	155	1,395
Total other income (expenses).....	(82)	60	540
Income before income taxes and non-controlling interests.....	3,600	997	8,983
Income taxes (Note 9)			
Current.....	1,194	443	3,991
Deferred.....	(638)	(316)	(2,847)
Net Income	3,044	870	7,839
Net Income attributable to non-controlling interests	18	(8)	(72)
Net Income attributable to owners of parent	3,026	878	7,911
Amount per share of common stock (Note 2 (17)):	¥	¥	<i>U.S. dollars (Note 1)</i> \$
Net Income.....	121.02	35.09	0.316
Diluted net income.....	121.02	35.09	0.316
Cash dividends.....	16.00	16.00	0.144

The accompanying notes are an integral part of these financial statements.

Consolidated Statements of Comprehensive Income

TOWA CORPORATION AND CONSOLIDATED SUBSIDIARIES
Two years ended March 31, 2019

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	<u>2018</u>	<u>2019</u>	<u>2019</u>
	¥	¥	\$
Net Income	3,044	870	7,839
Other Comprehensive Income			
Unrealized gain on other securities.....	566	(600)	(5,406)
Translation adjustment.....	85	(98)	(883)
Remeasurements of defined benefit plans.....	(66)	(66)	(595)
Total other comprehensive income	<u>585</u>	<u>(764)</u>	<u>(6,884)</u>
Comprehensive Income	<u>3,629</u>	<u>106</u>	<u>955</u>
(Comprehensive income attributable to)			
Comprehensive income attributable to owners of the parent.....	3,667	111	1,000
Comprehensive income attributable to minority interests.....	(38)	(5)	(45)

The accompanying notes are an integral part of these financial statements.

Consolidated Statements of Shareholders' Equity

TOWA CORPORATION AND CONSOLIDATED SUBSIDIARIES Two years ended March 31, 2019

	<i>Millions of yen</i>										
	<i>Shareholders' equity</i>					<i>Accumulated other comprehensive income</i>			<i>Non-controlling interests</i>		<i>Total net assets</i>
	<i>Number of shares of common stock</i>	<i>Common stock</i>	<i>Additional paid-in capital</i>	<i>Retained earnings</i>	<i>Treasury stock</i>	<i>Unrealized gain on other securities</i>	<i>Translation adjustments</i>	<i>Retirement benefit adjustments</i>	<i>Non-controlling interests</i>		
		¥	¥	¥	¥	¥	¥	¥	¥	¥	
Balance at March 31, 2017	25,021,832	8,933	462	13,667	(10)	1,451	13	178	406	25,100	
Net Income	-	-	-	3,026	-	-	-	-	-	3,026	
Cash dividends.....	-	-	-	(400)	-	-	-	-	-	(400)	
Net increase of treasury stock	-	-	-	-	(1)	-	-	-	-	(1)	
Decrease in retained earnings resulting from exclusion of subsidiaries from consolidation.....	-	-	-	(55)	-	-	-	-	-	(55)	
Net changes of items other than shareholders' equity	-	-	-	-	-	566	140	(66)	(406)	234	
Balance at March 31, 2018	25,021,832	8,933	462	16,238	(11)	2,017	153	112	0	27,904	
Net Income	-	-	-	878	-	-	-	-	-	878	
Cash dividends.....	-	-	-	(400)	-	-	-	-	-	(400)	
Net increase of treasury stock	-	-	-	-	(0)	-	-	-	-	(0)	
Net changes of items other than shareholders' equity	-	-	-	-	-	(600)	(100)	(66)	107	(659)	
Balance at March 31, 2019	25,021,832	8,933	462	16,716	(11)	1,417	53	46	107	27,723	

	<i>Thousands of U.S.dollars (Note 1)</i>										
	<i>Shareholders' equity</i>					<i>Accumulated other comprehensive income</i>			<i>Non-controlling interests</i>		<i>Total net assets</i>
	<i>Number of shares of common stock</i>	<i>Common stock</i>	<i>Additional paid-in capital</i>	<i>Retained earnings</i>	<i>Treasury stock</i>	<i>Unrealized gain on other securities</i>	<i>Translation adjustments</i>	<i>Retirement benefit adjustments</i>	<i>Non-controlling interests</i>		
		\$	\$	\$	\$	\$	\$	\$	\$	\$	
Balance at March 31, 2018	25,021,832	80,485	4,163	146,301	(99)	18,173	1,379	1,009	0	251,411	
Net Income	-	-	-	7,911	-	-	-	-	-	7,911	
Cash dividends.....	-	-	-	(3,604)	-	-	-	-	-	(3,604)	
Net increase of treasury stock	-	-	-	-	(0)	-	-	-	-	(0)	
Net changes of items other than shareholders' equity	-	-	-	-	-	(5,406)	(901)	(595)	964	(5,938)	
Balance at March 31, 2019	25,021,832	80,485	4,163	150,608	(99)	12,767	478	414	964	249,780	

The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Cash Flows

TOWA CORPORATION AND CONSOLIDATED SUBSIDIARIES

Two years ended March 31, 2019

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	<i>2018</i>	<i>2019</i>	<i>2019</i>
	¥	¥	\$
Cash Flows from Operating Activities:			
Net Income before income taxes and non-controlling interests	3,600	997	8,983
Adjustments for:			
Depreciation	1,250	1,388	12,506
Amortization of goodwill	41	97	874
Interest and dividends income	(58)	(66)	(595)
Interest expenses	27	30	270
Foreign exchange losses (gains)	46	(9)	(81)
Loss (gain) on sales of investment in stocks of affiliated company securities	(65)	-	-
(Increase) decrease in trade notes and accounts receivable	46	(1,423)	(12,821)
(Increase) decrease in inventories	(2,107)	114	1,027
(Increase) decrease in other current assets	(124)	78	703
Increase (decrease) in notes and accounts payable	959	(2,297)	(20,696)
Increase(decrease) in accrued and other current liabilities	191	(353)	(3,180)
Other, net	(89)	160	1,441
Sub-total	3,717	(1,284)	(11,569)
Interest and dividends received	58	66	595
Interest paid	(27)	(30)	(270)
Income taxes paid	(823)	(1,353)	(12,190)
Net cash provided by (used in) operating activities	2,925	(2,601)	(23,434)
Cash Flows from Investing Activities:			
Purchase of investment securities	(8)	(8)	(72)
Sale of investment securities	(69)	-	-
Purchase of property, plant and equipment	(1,510)	(1,997)	(17,993)
Sale of property, plant and equipment	32	23	207
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation.....	-	159	1,433
Payments for transfer of business	-	(536)	(4,829)
Payments for liquidation of subsidiaries	(7)	-	-
Other, net	(138)	(161)	(1,451)
Net cash provided by (used in) investing activities	(1,700)	(2,520)	(22,705)
Cash Flows from Financing Activities:			
Increase (decrease) in short-term borrowings	800	3,500	31,534
Proceeds from issuance of long-term debt	-	4,200	37,841
Repayments of long-term debt	(1,186)	(829)	(7,469)
Redemption of bonds.....	(40)	-	-
Purchase of treasury stock	(1)	(0)	(0)
Cash dividends.....	(400)	(400)	(3,604)
Cash dividends paid to non-controlling interests.....	(15)	-	-
Other, net.....	(2)	109	983
Net cash provided by (used in) financing activities	(844)	6,580	59,285
Effect of exchange rate changes on Cash and Cash Equivalents	9	21	189
Net increase(decrease) in Cash and Cash Equivalents	390	1,480	13,335
Cash and Cash Equivalents at Beginning of Period	5,757	6,147	55,383
Cash and Cash Equivalents at End of Period (Note2(3))	6,147	7,627	68,718

The accompanying notes are an integral part of these financial statements.

Notes to the Consolidated Financial Statements

TOWA CORPORATION AND CONSOLIDATED SUBSIDIARIES

1. Basis of presenting Consolidated Financial Statements

TOWA CORPORATION (the "Company") and its domestic subsidiaries maintain their accounts and records in conformity with accounting principles and practices generally accepted in Japan ("JPGAAP"), which are different, in certain respects from the application and disclosures and disclosure requirements of International Financial Reporting Standards ("IFRS").

The Company's overseas subsidiaries maintain their accounts and records in conformity with generally accepted accounting principles and practices prevailing in their respective countries of domicile, and the Company makes necessary adjustments to its consolidated accounting process in case there are considerable differences as to application and disclosure requirements from International Financial Reporting Standards.

The accompanying consolidated financial statements of the Company are prepared on the basis of accounting principles generally accepted in Japan, as required by the Financial Instruments and Exchange Act of Japan.

In preparing the accompanying consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a format which is more familiar to readers outside Japan.

The consolidated financial statements are not intended to present the consolidated financial position, results of operations and cash flows in accordance with the accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

The translation of the Japanese yen amounts into U.S. dollars is included solely for the convenience of the reader, using the approximate exchange rate at March 31, 2019, which was ¥110.99 to US\$1.00. These convenience translations should not be construed as representations that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at this or any other rate of exchange.

2. Summary of Significant Accounting Policies

(1) Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries. All significant inter-company transactions, account balances and unrealized profits have been eliminated in consolidation. Fiscal year end of some subsidiaries is December 31, which differs from that of the Company, March 31, and the Company consolidate such subsidiaries using their provisional settlements as of March 31. Shown below are the significant subsidiaries of the Company.

Subsidiaries

(All subsidiaries have been consolidated)

<u>Name</u>	<u>Ownership</u>	<u>Country of Incorporation</u>
BANDICK CORPORATION	100%	Japan
TOWA LASERFRONT CORPORATION ※ 1	100	Japan
TOWATEC Co., Ltd.	100	Japan
TOWAM Sdn. Bhd.	100	Malaysia
TOWA (Suzhou) Co., Ltd.	100	People's Republic of China
TOWA (Nantong) Co., Ltd. ※ 2	90	People's Republic of China
TOWA KOREA Co., Ltd.	100	Republic of Korea
TOWA Asia-Pacific Pte. Ltd.	100	Republic of Singapore
TOWA (Shanghai) Co., Ltd.	100	People's Republic of China
TOWA TAIWAN Co., Ltd.	100	Taiwan
TOWA Semiconductor Equipment Philippines Corp.	100	Republic of the Philippines
TOWA THAI COMPANY LIMITED ※ 3	100	Kingdom of Thailand
TOWA USA Corporation	100	United States of America
TOWA Europe GmbH ※ 4	100	Federal Republic of Germany
TOWA Europe B.V.	100	Kingdom of the Netherlands

※ 1 . The Company acquired 100% portion of TOWA LASERFRONT CORPORATION on August 1 and September 13, 2018, and its financial statement is consolidated into accompanying financial statement for 2019.

※ 2 . TOWA (Nantong) Co., Ltd. was established on October 8, 2018.

※ 3 . TOWA THAI COMPANY LIMITED was established on March 8, 2019.

※ 4 . TOWA Europe GmbH was established on January 4, 2019.

(2) Translation of Foreign Currency Items

In accordance with the Japanese accounting standard, every monetary assets and liabilities denominated in foreign currencies are principally translated into Japanese yen at the exchange rate in effect at the balance sheet date. The foreign exchange gains and losses from translation are recognized in the statements of income.

With respect to financial statements of overseas subsidiaries, the balance sheet accounts are translated into Japanese yen at the exchange rates in effect at the balance sheet date except for shareholders' equity, which are translated at the historical rates. And revenue and expenses are translated at the average exchange rates. The differences resulting from translation in this manner are included in "Translation adjustments" which is listed in Accumulated Other Comprehensive Income in the accompanying consolidated balance sheets.

(3) Cash and Cash Equivalents

For the purposes of cash flow statements, cash and cash equivalents comprise cash in hand, deposits held at call with banks, net of overdrafts and all highly liquid investments with maturities of three months or less.

Components of cash and cash equivalents as of March 31, 2018 and 2019 are as follows:

	<i>Millions of Yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	<u>2018</u>	<u>2019</u>	<u>2019</u>
Cash on hand and at banks	¥ 6,182	¥7,652	\$68,943
Less: Time deposits with deposit term of over three months	<u>¥ 35</u>	<u>¥25</u>	<u>\$225</u>
Cash and cash equivalent at end of year	<u>¥ 6,147</u>	<u>¥7,627</u>	<u>\$68,718</u>

(4) Securities

Securities are classified into four categories.

Categorization and valuation for investments in securities are as follows:-

1) Trading Securities

- Such securities held for the purpose of generating profits from short-term price movements.
- Unrealized gain/loss at the end of period resulting from the valuation by applying the fair value at such date is directly debited/credited to income.
- Such securities are treated in current assets in the balance sheet.

2) Held-to-maturity Debt Securities

- Debt securities whose maturity dates are predetermined and are to be redeemed at par, acquired with intention to hold to their maturity dates.
- The difference between the acquisition cost and the amount expected to gain at maturity is amortized or appreciated over the remaining period to maturity date. The amount amortized or appreciated is charged/credited to income for the respective period as interest expense or interest income, as the case may be.
- Unrealized loss will be required to be charged to income as impairment unless unrealized loss is expected to recover within a reasonable period.

3) Shares in equity of Subsidiaries and Affiliates

- Those securities are carried at cost unless such investment is regarded impaired.

4) Other Securities

- Such securities other than those categorized in 1 to 3 above.
- Other Securities with market quotation are valued at such market price at the end of period, and those without market quotation are valued at cost.
- Unrealized gain/loss at the end of period resulting from such valuation is charged to Accumulated Other Comprehensive Income as “Unrealized gain/ (loss) on Other Securities” after netting off the deferred income taxes thereto.
- Unrealized loss which it incurred as the fair value is less than 50% of its acquisition cost will be required to be charged to income.
- Unrealized loss which it incurred as the fair value is 30% ~50% of its acquisition cost will be required to be charged to income unless the unrealized loss is expected to recover within a reasonable period.

The moving average method is applied for calculation of the costs of securities.

(5) Inventories

Inventories are mainly stated at the lower of cost or net selling value, the cost being determined by mainly specific identification method for finished products and work-in-process, by mainly moving-average method for raw materials and by the last purchase cost method for supplies.

(6) Allowance for Doubtful Accounts

The Company and its subsidiaries have provided the allowance based on the past uncollectible receivable experience for a certain reference period. Furthermore, for receivables which are from the debtors with financial difficulty, the allowance is provided for estimated uncollectible amounts individually.

(7) Property, Plant and Equipment

Property, plant and equipment are stated at cost.

Depreciation for property, plant and equipment of the Company and its domestic subsidiaries is calculated by the declining-balance method, except for buildings acquired on and after April 1, 1998 and structure acquired on and after April 1, 2016 which are applied the straight-line method, over the estimated useful lives of the assets.

The principal estimated useful lives are as follows:

Buildings and structures	3	~	50	years
Machinery and equipment	2	~	10	years

Depreciation for those of overseas subsidiaries is computed by the straight-line method.

(8) Leased Assets

Leased assets are depreciated to a residual value of zero by the straight-line method using the contract term as the useful life.

(9) Derivatives

The Company has entered into interest rate agreements to hedge the fluctuation of interest rate exposures, and not for speculative purposes. The instruments include interest rate swap agreements.

These instruments were accounted by the deferral hedge accounting. The Company has accounted for interest rate swap agreements by the exception accounting.

(10) Goodwill

Goodwill is amortized over a period of 5~8 years by the straight-line method.

(11) Product Warranties

The Company has accounted for the estimate amounts of maintenance expenses as the product warranties, which corresponded to the sales based on the prior track record for the outcome of maintenance expenses of the sold products during the period of warranty.

As of March 31, 2019, the liability for expected warranty costs was ¥130 million (\$1,171 thousand).

(12) Accrued Bonus

The Company and its subsidiaries provide for accrued bonuses to directors and employees for the expected payment of their bonuses for the current fiscal year to those directors and employees serving at the end of the fiscal year.

(13) Accounting for retirement Benefits

1) Allocation of expected retirement benefit payments

When calculating retirement benefit obligations, the benefit formula basis is used to allocate expected retirement benefit payments to the period as of the fiscal year-end.

2) Amortization of actuarial gains and losses and past service cost

Actuarial gains and losses are amortized by the declining-balance method over a period, which is within the estimated average remaining service period of the eligible employees at the time they arise (mainly 10 years) and charged to income from the fiscal year following each respective incurrence.

Past service cost is amortized by the straight-line method over a period of 10 years, which is within the estimated average remaining service period of the eligible employees at the time they arise.

3) Method for treating unrecognized actuarial gains or losses

Unrecognized actuarial gains or losses are recorded in retirement benefit adjustments of accumulated other comprehensive income under net assets, after tax effects have been adjusted.

(14) Research and Development Costs

Research and development expenditure is charged to income when incurred.

(15) Income Taxes

Income taxes of the Company and its domestic subsidiaries consist of corporate income taxes, local taxes and enterprise taxes. Enterprise taxes are deductible when paid for the computation of other taxes.

Deferred income taxes are recognized using the asset and liability approach, whereby deferred tax assets and liabilities were recognized in respect of temporary differences between the tax basis of assets and liabilities and those as reported in the financial statements.

(16) Appropriation of Retained Earnings

Under the Japanese Companies Act and the Articles of Incorporation of the Company, the appropriation of retained earnings or disposition of accumulated deficit could be adopted by the Board of Directors. The appropriations of retained earnings reflected in the accompanying consolidated financial statements include the results of such appropriations applicable to the immediately preceding financial year as approved by the Board of Directors, and effected, during the relevant year. Dividends are paid to shareholders on the shareholders' register as at the end of each financial year.

(17) Per Share Information

Net income per share and diluted net income per share are computed based on the weighted-average number of shares of common stock outstanding during each year and stock splits are reflected in the calculation of the weighted-average number of shares of common stock.

Cash dividend per share is the total of the per-share amounts of interim cash distribution and the year-end cash dividends for the income of the respective financial periods.

3. Securities

(1) The following is a summary of investments in affiliates and other securities at March 31, 2018:

Other securities:

<i>Millions of yen</i>				
2018				
	Cost	Unrealized gains	Unrealized losses	Book Value (Estimated fair value)
Market value available:				
Equity securities	¥ 770	¥ 2,805	¥ -	¥ 3,575
	¥ 770	¥ 2,805	¥ -	¥ 3,575
Market value not available:				
Equity securities	28	-	-	28
Other securities total	¥ 798	¥ 2,805	¥ -	¥ 3,603

(2) The following is a summary of investments in affiliates and other securities at March 31, 2019

Other securities:

<i>Millions of yen</i>				
2019				
	Cost	Unrealized gains	Unrealized losses	Book Value (Estimated fair value)
Market value available:				
Equity securities	¥ 778	¥ 1,942	¥ 1	¥ 2,719
	¥ 778	¥ 1,942	¥ 1	¥ 2,719
Market value not available:				
Equity securities	28	-	-	28
Other securities total	¥ 806	¥ 1,942	¥ 1	¥ 2,747

Other securities:

<i>Thousands of U.S. dollars (Note 1)</i>				
2019				
	Cost	Unrealized gains	Unrealized losses	Book Value (Estimated fair value)
Market value available:				
Equity securities	\$ 7,010	\$ 17,497	\$ 9	\$ 24,498
	\$ 7,010	\$ 17,497	\$ 9	\$ 24,498
Market value not available:				
Equity securities	252	-	-	252
Other securities total	\$ 7,262	\$ 17,497	\$ 9	\$ 24,750

4. Estimated Fair Value of Financial Instruments

As of March 31, 2018 and 2019, the book value and fair value of financial instruments and the differences between these figures are set forth in the table below. The table does not include financial instruments for which it is extremely difficult to determine the fair value.

	<i>Millions of yen</i>		
	2018		
	Book Value	Fair Value	Difference
Cash and deposits	¥ 6,182	¥ 6,182	¥ -
Notes and accounts receivable	8,166		
Less: Allowance for Doubtful Accounts	(1)		
	¥ 8,165	¥ 8,165	¥ -
Investment securities	3,575	3,575	-
Total assets	¥ 17,922	¥ 17,922	¥ -
Notes and accounts payable	¥ 4,487	¥ 4,487	¥ -
Short-term borrowings	1,800	1,800	-
Accrued Income taxes	824	824	-
Long-term borrowings	1,626	1,626	0
Total liabilities	¥ 8,737	¥ 8,737	¥ 0
Derivative financial instruments	¥ -	¥ (4)	¥ (4)
	<i>Millions of yen</i>		
	2019		
	Book Value	Fair Value	Difference
Cash and deposits	¥ 7,652	¥ 7,652	¥ -
Notes and accounts receivable	9,542		
Less: Allowance for Doubtful Accounts	(3)		
	¥ 9,539	¥ 9,539	¥ -
Investment securities	2,719	2,719	-
Total assets	¥ 19,910	¥ 19,910	¥ -
Notes and accounts payable	¥ 2,585	¥ 2,585	¥ -
Short-term borrowings	5,500	5,500	-
Accrued income taxes	162	162	-
Long-term borrowings	4,997	4,998	1
Total liabilities	¥ 13,244	¥ 13,245	¥ 1
Derivative financial instruments	¥ -	¥ (1)	¥ (1)

	<i>Thousands of U.S. dollars (Note 1)</i>		
	2019		
	Book Value	Fair Value	Difference
Cash and deposits	\$ 68,943	\$ 68,943	\$ -
Notes and accounts receivable	85,972		
Less: Allowance for Doubtful Accounts	(27)		
	<u>\$ 85,945</u>	<u>\$ 85,945</u>	<u>\$ -</u>
Investment securities	24,498	24,498	-
Total assets	<u>\$ 179,386</u>	<u>\$ 179,386</u>	<u>\$ -</u>
Notes and accounts payable	\$ 23,290	\$ 23,290	\$ -
Short-term borrowings	49,554	49,554	-
Accrued income taxes	1,460	1,460	-
Long-term borrowings	45,022	45,031	9
Total liabilities	<u>\$ 119,326</u>	<u>\$ 119,335</u>	<u>\$ 9</u>
Derivative financial instruments	<u>\$ -</u>	<u>\$ (9)</u>	<u>\$ (9)</u>

Financial instruments for which it is extremely difficult to determine the fair value as of March 31, 2018 and 2019 were as follows, respectively.

	<i>Millions of Yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	2018	2019	2019
	Unlisted equity securities	¥ 28	¥ 28

Because no quoted market prices are available and it is extremely difficult to determine the fair value, the above financial instruments are not included in “Investment securities” in the preceding table.

The redemption schedule for bonds and long-term borrowings is disclosed in Note5.

5. Short-term Borrowings and Long-term Debt

Short-term borrowings represent loans from banks. The annual average interest rates applicable to short-term borrowings at March 31, 2018 are 0.3% and 2019 are 0.3%, respectively.

Long-term debt as of March 31, 2018 and 2019 consisted of the following:

	<i>Millions of Yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	2018	2019	2019
	Borrowings from financial institutions	¥ 1,626	¥ 4,997
Other Long term liabilities	3	6	54
Less: Portion due within one year	(821)	(911)	(8,209)
	<u>¥ 808</u>	<u>¥ 4,092</u>	<u>\$ 36,867</u>

The aggregate annual maturity of long-term debt after March 31, 2019 is summarized as follows:

Years ending March 31,	<i>Millions of Yen</i>	<i>Thousands of U.S. dollars (Note 1)</i>
2020	¥ 911	\$ 8,209
2021	1,137	10,244
2022	840	7,568
2023 and thereafter	2,115	19,055
	<u>¥ 5,003</u>	<u>\$ 45,076</u>

Regarding loan payables, commitment line contracts with limits of ¥2,500 million (\$22,525 thousand) include financial covenant terms. The contractor triggers acceleration and is enforced to repay the full principal and interest if the contractor breaches either of the following terms.

(1) The amount of Net Assets on the consolidated balance sheets at the end of each fiscal year and each semiannual period must be maintained ¥19,540 million (\$176,052 thousand) or more.

(2) The ordinary losses in both consolidated statements of income for each fiscal year must not be existed in two successive periods on and after the fiscal year ended March 31, 2019.

6. Retirement Benefits

The Company and its consolidated subsidiaries have set up funded and unfunded defined benefit plans and defined contribution plans to provide for employees' retirement benefits. Under the defined benefit pension plans, which are funded, lump-sum or pensions are paid based on accumulated points according to a qualification grade. Under the lump-sum payment plans, which are unfunded, lump-sum payments are provided mainly based on the salary amount and service periods.

Certain consolidated subsidiaries have adopted a simplified method of calculation with liability for retirement benefits and retirement benefits expense.

(1) Defined benefit plans

1) The changes in defined benefit obligation for the year ended March 31, 2018 and 2019 were as follows:

	<i>Millions of Yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	2018	2019	2019
Retirement benefit obligations at beginning of year	¥ 1,819	¥1,881	\$ 16,947
Increase resulting from acquisition of a consolidated subsidiary	-	384	3,460
Service cost	162	182	1,641
Interest cost	8	9	81
Actuarial (gain) loss	16	31	279
Retirement benefits paid	(136)	(86)	(775)
Others	12	(2)	(18)
Retirement benefit obligations at end of year	<u>¥ 1,881</u>	<u>2,399</u>	<u>\$ 21,615</u>

2) The changes in plan assets for the year ended March 31, 2018 and 2019 were as follows:

	<i>Millions of Yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	2018	2019	2019
Plan assets at beginning of year	¥ 1,679	¥1,785	\$ 16,083
Expected return on plan assets	50	53	478
Actuarial gain (loss)	32	(40)	(360)
Contributions from the employer	129	131	1,179
Retirement benefits paid	(105)	(52)	(469)
Plan assets at end of year	¥ 1,785	1,877	\$ 16,911

3) The balance of retirement benefit obligations and plan assets at fair value as of March 31, 2018 and 2019, liabilities and assets recognized in the consolidated balance sheet were as follows:

	<i>Millions of Yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	2018	2019	2019
Funded retirement benefit obligations	¥ 1,623	¥ 1,732	\$ 15,605
Plan assets at fair value	(1,785)	(1,877)	(16,911)
	(162)	(145)	(1,306)
Unfunded retirement benefit obligations	258	667	6,010
Net liability recognized in the consolidated balance sheet	¥ 96	¥ 522	\$ 4,704
Liability for retirement benefits	258	667	6,010
Asset for retirement benefits	(162)	(145)	(1,306)
Net liability recognized in the consolidated balance sheet	¥ 96	¥ 522	\$ 4,704

4) The components of retirement benefit expenses for the year ended March 31, 2018 and 2019 were as follows:

	<i>Millions of Yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	2018	2019	2019
Service cost	¥ 162	¥ 182	\$ 1,640
Interest cost	8	9	81
Expected return on plan assets	(50)	(53)	(478)
Amortization of actuarial (gain) loss	(6)	(8)	(72)
Amortization of past service cost	(17)	(17)	(153)
Retirement benefit expenses	¥ 97	¥ 113	\$ 1,018

5) Remeasurements of defined benefit plans in other comprehensive income (before tax effect) for the year ended March 31, 2018 and 2019 are as follows:

	<i>Millions of Yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	2018	2019	2019
Past service cost	¥ 17	¥ 17	\$ 153
Actuarial gain (loss)	(9)	78	703
Total	¥ 8	¥ 95	\$ 856

6) Retirement benefit adjustments in accumulated other comprehensive income (before tax effect) as of March 31, 2018 and 2019 are as follows:

	<i>Millions of Yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	2018	2019	2019
Unrecognized past service cost	¥ 152	¥ 135	\$ 1,216
Unrecognized actuarial gain (loss)	13	(65)	(586)
Total	¥ 165	¥ 70	\$ 630

7) Plan assets, by major category, as a percentage of total plan assets as of March 31, 2018 and 2019 were as follows:

	2018	2019
Debt securities	42%	41%
Equity securities	36%	36%
General accounts at life insurance companies	18%	19%
Others	4%	4%
Total	100%	100%

The expected rate of return on plan assets is determined considering the allocation of the plan assets expected currently and in the future and the long-term rates of return which are expected currently and in the future from the various components of the plan assets.

8) The major assumptions used in accounting for the above plans as follows:

	2018	2019
Discount rate	(0.048%)	(0.097%)
Expected long-term rates of return on plan assets	3.00%	3.00%
Expected pay raise rate ※	7.1%	7.1%

※Expected pay raise rate is an expected rate of the increase of the retirement benefit points.

(2) Defined Contribution plans

Certain consolidated subsidiaries have defined contribution plans and amount of the contribution for the year ended March 31, 2018 and 2019 were ¥51million and ¥48million (\$432thousand).

7. Shareholders' Equity

Under the Japanese Companies Act the appropriation of retained earnings or disposition of accumulated deficit could be adopted by the Board of Directors.

The Japanese Companies Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital depending on the equity account that was charged upon the payment of such dividends, until the aggregate amount of legal reserve and additional paid-in capital equals 25% of the common stock.

Under the Japanese Companies Act, although the entire amount of the issue price of new shares is required to be accounted for as common stock a company may, by resolutions of its Board of Directors, account for an amount not exceeding one-half of the issue price of such new shares as additional paid-in capital.

8. Research and Development Costs

Research and development costs charged to income for the years ended March 31, 2018 and 2019 were ¥693million and ¥645million (\$5,811 thousand), respectively.

9. Income Taxes

The company is subject to a number of different income taxes, which in the aggregate, result in a statutory tax rate in Japan of approximately 30.8% and 30.5% for the year ended of March 31, 2018 and 2019, respectively.

The deferred tax assets and deferred tax liabilities at March 31, 2018 and 2019 are as follows:

	<i>Millions of Yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	2018	2019	2019
Deferred tax assets:			
Inventory write down	¥ 314	¥ 565	\$ 5,091
Impairment loss of fixed assets	340	341	3,072
Retirement and severance benefits	21	179	1,613
Trial product for development	479	562	5,064
Net operating loss carried forward	-	160	1,442
Other, net	627	592	5,334
Valuation Allowance	(420)	(625)	(5,631)
	<u>1,361</u>	<u>1,774</u>	<u>15,985</u>
Deferred tax liabilities:			
Other, net	(985)	(791)	(7,128)
	<u>(985)</u>	<u>(791)</u>	<u>(7,128)</u>
Net deferred tax assets/(liabilities)	<u>¥ 376</u>	<u>¥ 983</u>	<u>\$ 8,857</u>

10. Other Comprehensive Income(Loss)

The reclassification adjustments and tax effects for components of other comprehensive income (loss) for the year ended March 31, 2018 and 2019 are as follows:

	<i>Millions of Yen</i>		<i>Thousands of U.S. dollars (Note 1)</i>
	2018	2019	2019
Unrealized gain on other securities:			
Amount arising during the year	¥ 810	¥ (864)	\$ (7,785)
Reclassification adjustments for losses (gains) realized in net income	-	-	-
Before Tax effect	810	(864)	(7,785)
Tax effect	(244)	264	2,379
Total unrealized gain on other securities	<u>566</u>	<u>(600)</u>	<u>(5,406)</u>
Translation adjustments:			
Amount arising during the year	146	(98)	(883)
Reclassification adjustments for losses (gains) realized in net income	(61)	-	-
Total translation adjustments	85	(98)	(883)
Remeasurements of defined benefit plans:			
Amount arising during the year	14	(70)	(631)
Reclassification adjustments for losses (gains) realized in net income	(22)	(25)	(225)
Before Tax effect	(8)	(95)	(856)
Tax effect	(58)	29	261
Total remeasurements of defined benefit plans	<u>(66)</u>	<u>(66)</u>	<u>(595)</u>
Total other comprehensive income (loss)	<u>¥ 585</u>	<u>¥ (764)</u>	<u>\$ (6,884)</u>

11. Leases

The Company and its consolidated subsidiaries have been utilizing finance lease arrangements other than those deemed to transfer the ownership of the leased property to the lessee to employ certain machinery and equipment.

12. Contingent Liabilities

The Company and its consolidated subsidiaries have no significant contingent liabilities.

13. Segment Information

(1) Segment by products

Year ended March 31, 2018	<i>Millions of Yen</i>				
	Semiconductor equipment	Fine plastic mold	Laser Processing machines	Elimination/ Unallocated Assets	Consolidated
I. Sales and operating income					
Net sales to customers	¥ 29,579	¥ 1,432	¥ -	¥ -	¥ 31,011
Inter-segment sales	-	-	-	-	-
	<u>29,579</u>	<u>1,432</u>	<u>-</u>	<u>-</u>	<u>31,011</u>
Cost of sales and Operating expenses	<u>26,077</u>	<u>1,252</u>	<u>-</u>	<u>-</u>	<u>27,329</u>
Operating income (loss)	<u>¥ 3,502</u>	<u>¥ 180</u>	<u>¥ -</u>	<u>¥ -</u>	<u>¥ 3,682</u>
II. Assets					
Total assets	¥ 38,190	¥ 1,653	¥ -	¥ -	¥ 39,843
Depreciation and amortization	¥ 1,171	¥ 79	¥ -	¥ -	¥ 1,250
Amortization of goodwill	¥ 41	¥ -	¥ -	¥ -	¥ 41
Capital expenditure	¥ 1,770	¥ 62	¥ -	¥ -	¥ 1,832
Year ended March 31, 2019	<i>Millions of Yen</i>				
	Semiconductor equipment	Fine plastic mold	Laser Processing machines	Elimination/ Unallocated Assets	Consolidated
I. Sales and operating income					
Net sales to customers	¥ 24,825	¥ 1,602	¥ 1,845	¥ -	¥ 28,272
Inter-segment sales	-	-	-	-	-
	<u>24,825</u>	<u>1,602</u>	<u>1,845</u>	<u>-</u>	<u>28,272</u>
Cost of sales and Operating expenses	<u>24,284</u>	<u>1,378</u>	<u>1,673</u>	<u>-</u>	<u>27,335</u>
Operating income (loss)	<u>¥ 541</u>	<u>¥ 224</u>	<u>¥ 172</u>	<u>¥ -</u>	<u>¥ 937</u>
II. Assets					
Total assets	¥ 40,669	¥ 1,707	¥ 1,593	¥ -	¥ 43,969
Depreciation and amortization	¥ 1,285	¥ 80	¥ 23	¥ -	¥ 1,388
Amortization of goodwill	¥ 41	¥ -	¥ 56	¥ -	¥ 97
Capital expenditure	¥ 1,407	¥ 32	¥ 14	¥ -	¥ 1,453

Year ended March 31, 2019

Thousands of U.S. dollars (Note 1)

	Semiconductor equipment	Fine plastic mold	Laser Processing machines	Elimination/ Unallocated Assets	Consolidated
I. Sales and operating income					
Net sales to customers	\$ 223,669	\$ 14,434	\$ 16,623	\$ -	\$ 254,726
Inter-segment sales	-	-	-	-	-
	223,669	14,434	16,623	-	254,726
Cost of sales and Operating expenses	218,794	12,416	15,073	-	246,283
Operating income (loss)	\$ 4,875	\$ 2,018	\$ 1,550	\$ -	\$ 8,443

II. Assets

Total assets	\$ 366,420	\$ 15,380	\$ 14,353	\$ -	\$ 396,153
Depreciation and amortization	\$ 11,578	\$ 721	\$ 207	\$ -	\$ 12,506
Amortization of goodwill	\$ 369	\$ -	\$ 505	\$ -	\$ 874
Capital expenditure	\$ 12,677	\$ 288	\$ 126	\$ -	\$ 13,091

(2) Sales by region

Year ended March 31	Millions of Yen		Thousands of U.S. dollars (Note 1)
	2018	2019	2019
Japan	¥ 3,139	¥ 4,682	\$ 42,184
Overseas			
Asia	26,659	21,767	196,117
America	983	1,489	13,416
Other	230	334	3,009
Overseas total	27,872	23,590	212,542
Consolidated sales	¥ 31,011	¥ 28,272	\$ 254,726

Corporate Information

as of June 27, 2019

Corporate Data

Corporate Name: TOWA CORPORATION
Headquarters/Factory: 5 Kamichoshi-cho, Kamitoba,
Minami-ku, Kyoto 601-8105, Japan
Established: April 17, 1979
Operations: Develop, design, manufacture, and sell
precision molds, manufacturing systems for
electronic components, precision-molded and
assembly products, medical-use equipment,
and electronic-communications equipment.
Other related business.
Paid-in Capital: ¥8,932,627,777
Common Stock
Authorized: 80,000,000
Issued Number of Shares: 25,021,832
Unit for Trading: 100
Stock Listings: First Section of the Tokyo Stock Exchange
Transfer Agents: Mizuho Trust & Banking Co., Ltd

Board of Directors

President & CEO
Hirokazu Okada
Director
Hiroshi Uragami
Yoshizumi Tamura
Koichi Ishida
Director
Full-time Audit and Supervisory
Committee Member
Hisayoshi Kobayashi
External Director
Audit and Supervisory Committee
Member
Hajime Kuwaki
Daisuke Wake

Fiscal Year: From April 1 to March 31

Number of Employees: TOWA Corporation: 512
(as of March 31, 2019) TOWA Group(consolidated): 1,517

URL: <http://www.towajapan.co.jp>

Subsidiaries and

Affiliated Companies:

BANDICK CORPORATION
TOWATEC Co., Ltd.
TOWA LASERFRONT CORPORATION
TOWA Asia-Pacific Pte. Ltd.
TOWAM Sdn. Bhd.
TOWA Semiconductor Equipment Philippines Corp.
TOWA THAI COMPANY LIMITED
TOWA USA Corporation
TOWA Europe B.V.
TOWA Europe GmbH
TOWA (Suzhou) Co., Ltd.
TOWA (Shanghai) Co., Ltd.
TOWA (Nantong) Co., Ltd.
TOWA TAIWAN Co., Ltd.
TOWA KOREA Co., Ltd.

TOWA CORPORATION

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