

3rd Quarter - FY2024

Business Results

February 6, 2025

TOWA CORPORATION

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FY2024 3rd Quarter Summary

(100M¥)

Orders
371.8

Net Sales
392.5

Operating Profit
65.2

Ordinary Profit
70.8

Net Profit
51.5

► Orders

- Development use related to next generation and Other Asia are steady.
- Desire to invest is in decreasing tendency in China due to economic trend and uncertainties in future policy trend of the United States.

► Net Sales

- Shipments to China for in-house manufacturing of semiconductor and Other Asia are remained steady.
- TSS (Total Solution Service) is increased due to the recovery of customer's utilization and increased number of shipment.

► Profit

- Profits at each stage saw a significant increase compared to previous year due to improve of product mix and increase of net sales.

FY2024 3rd Quarter Consolidated Financial Results

(100M¥)

	FY2023 3Q Results	FY2024 3Q Results	Variance	YoY
Net Sales	320.3	392.5	+ 72.2	+ 22.6%
Operating Profit	40.7	65.2	+ 24.5	+ 60.0%
Operating Margin	12.7%	16.6%	—	+ 3.9pt
Ordinary Profit	43.1	70.8	+ 27.6	+ 64.0%
Net Profit	31.1	51.5	+ 20.4	+ 65.5%

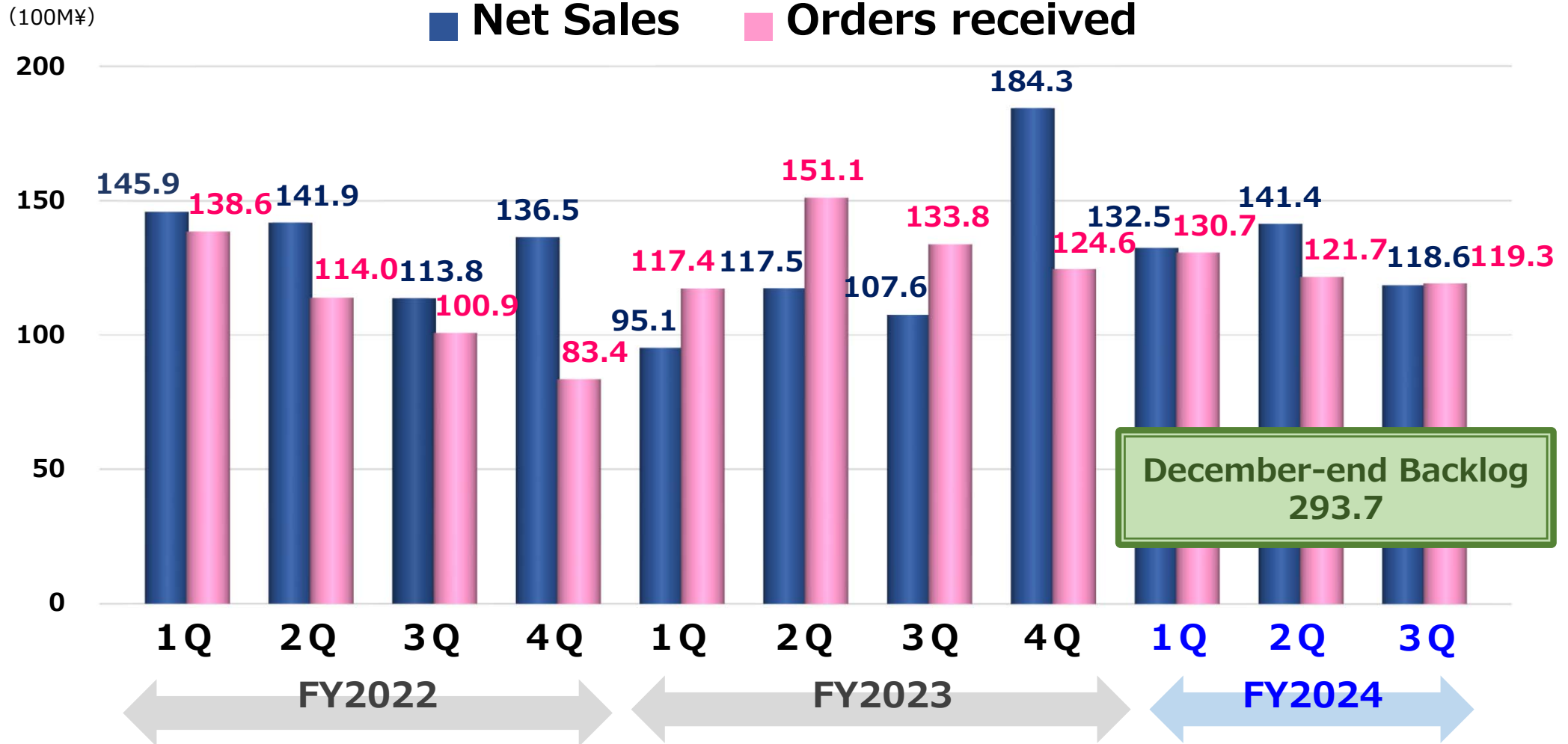
※Net Profit= Profit attributable to owners of parent

FY2024 3rd Quarter Net Sales by Business Segment

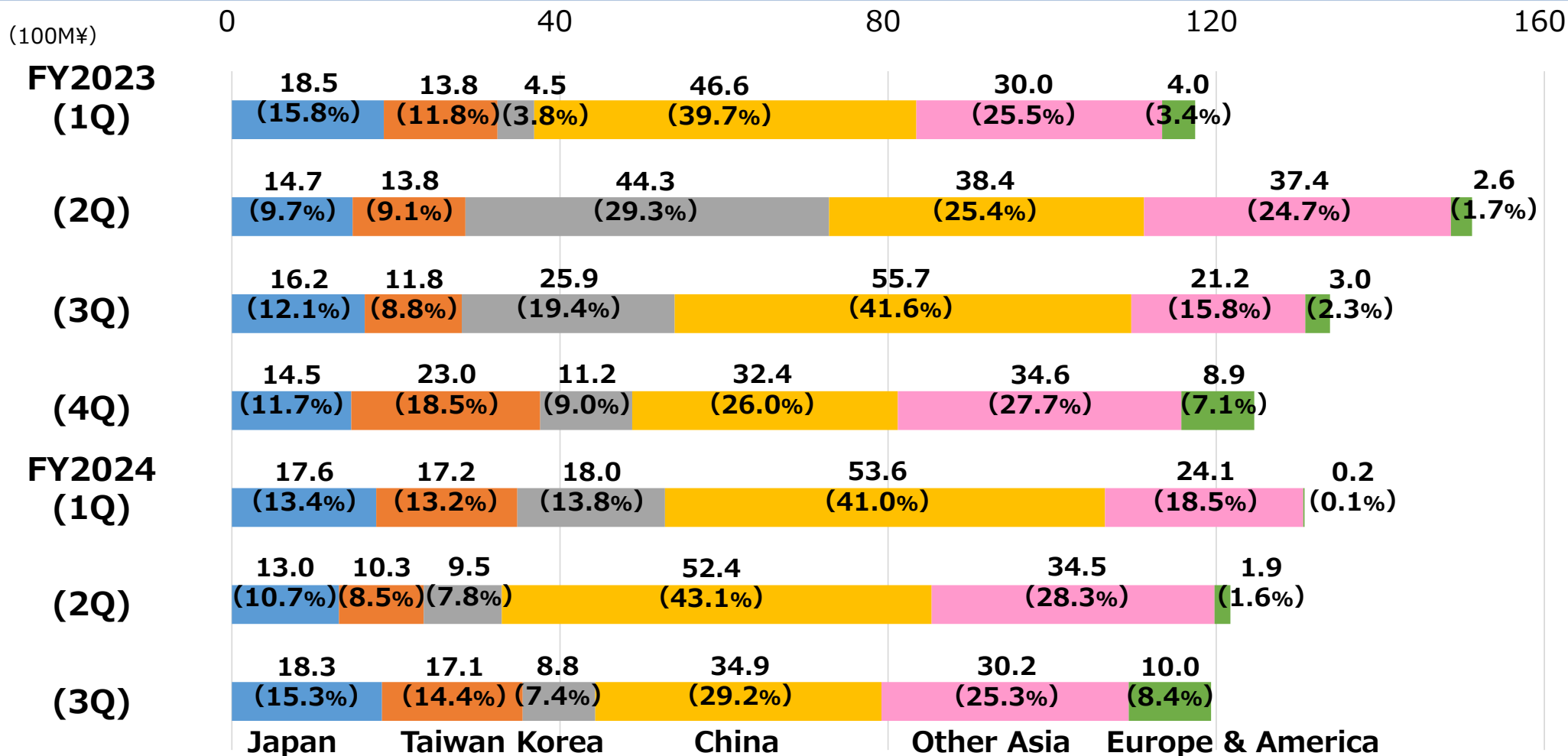
(100M¥)

	FY2023 3Q Results	FY2024 3Q Results	Variance	YoY
Net Sales	320.3	392.5	+ 72.2	+ 22.6%
Semiconductor	236.1	292.7	+ 56.6	+ 24.0%
Fine Plastic	16.2	17.3	+ 1.1	+ 6.5%
New Business	50.4	68.4	+ 18.0	+ 35.9%
Laser Processing Machine	17.6	14.1	▲ 3.5	▲ 19.9%

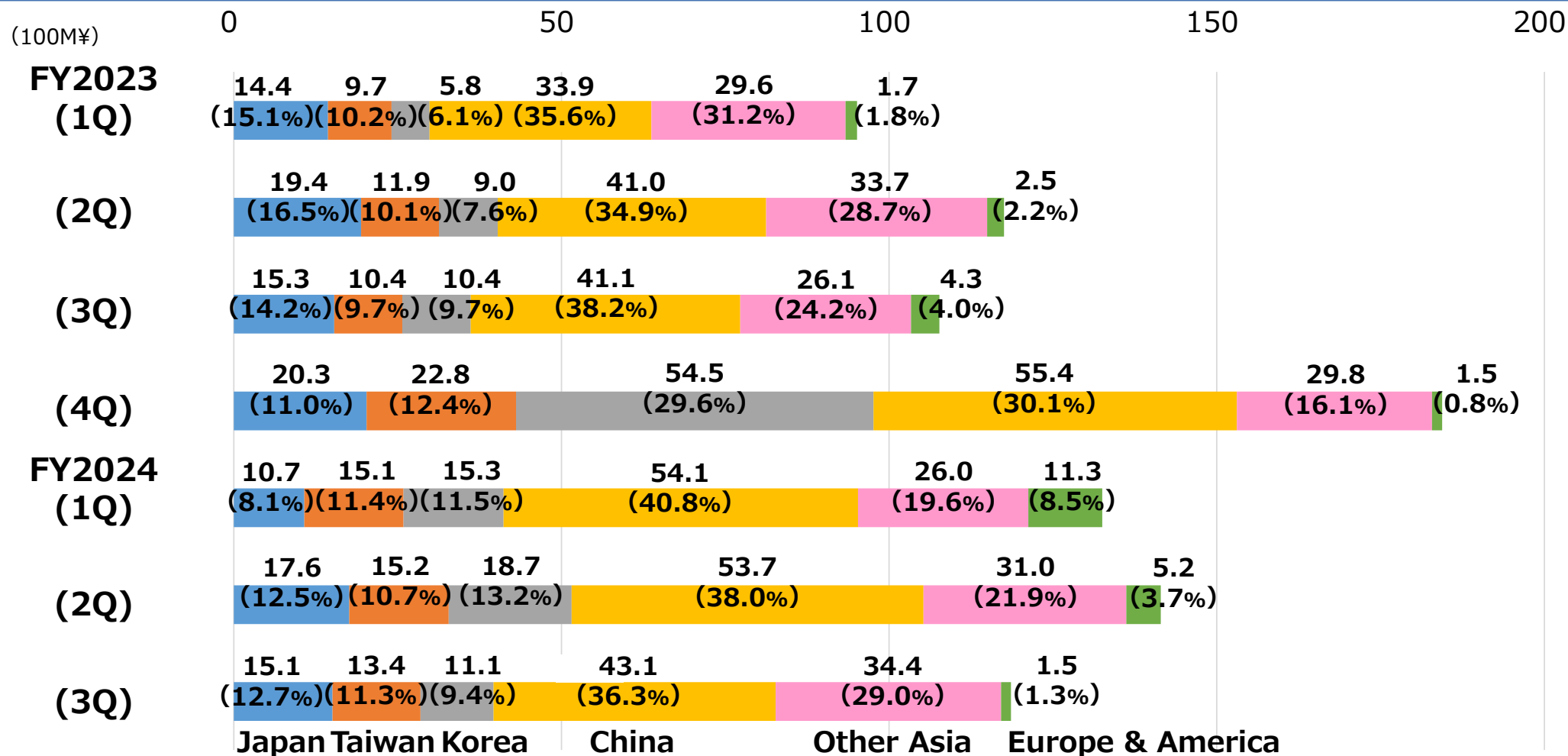
Net Sales and Orders Trend



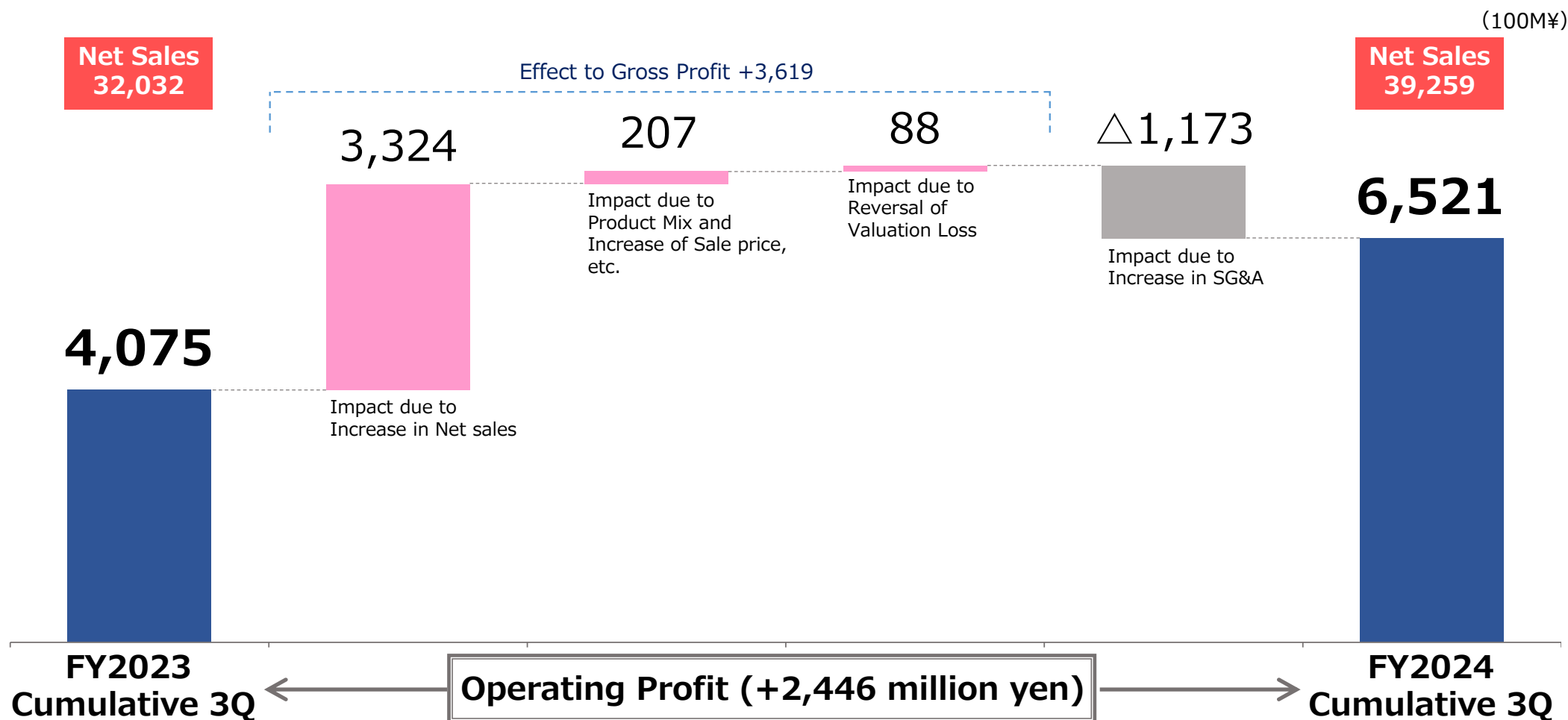
Trend of Orders Distribution Ratio by Geographic Area (Place of destination)



Trend of Sales Distribution Ratio by Geographic Area (Place of destination)



FY2024 3Q Operating Profit Variance Analysis



※Yen amounts are rounded down to millions.

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FY2024 Forecast of Consolidated Financial Results

※Initial forecast has been changed.

(100M¥)

	FY2023 Results	FY2024 Forecast			Variance	YoY
		3Q Results	4Q Forecast	FY		
Net Sales	504.7	392.5	147.4	540.0	+ 35.3	+ 7.0%
Operating Profit	86.6	65.2	26.8	92.0	+ 5.4	+ 6.2%
Operating Margin	17.2%	16.6%	18.2%	17.0%	—	▲ 0.2pt
Ordinary Profit	90.7	70.8	26.8	97.6	+ 6.8	+ 7.5%
Net Profit	64.4	51.5	27.2	78.7	+ 14.3	+ 22.1%

※Net Profit= Profit attributable to owners of parent

FY2024 Forecast of Net Sales by Business Segment

※Previous forecast has been changed.

(100M¥)

	FY2023 Results	FY2024 Forecast			Variance	YoY
		3Q Results	4Q Forecast	FY		
Net Sales	504.7	392.5	147.4	540.0	+ 35.3	+ 7.0%
Semiconductor	383.2	292.7	106.3	399.0	+ 15.8	+ 4.1%
Fine Plastic	21.5	17.3	5.5	22.8	+ 1.3	+ 6.0%
New Business	75.8	68.4	27.2	95.6	+ 19.8	+ 26.2%
Laser Processing Machine	24.2	14.1	8.5	22.6	▲ 1.6	▲ 6.6%

Market Outlook

Market Outlook

- Regarding net sales and profit, the recovery of investment for consumer goods and memory semiconductors has been delayed more than we anticipated. Besides, desire of customers to invest in China is in decreasing tendency. Under these conditions, we issued a downward revision.
- The forecast for the orders of 4Q is retained same as the forecast end of the 2Q (120~140). Although short-term market conditions are not expected to improve, advanced packaging and development are expected to remain steady.

Profit & Loss Estimate

(Revised as of February 6, 2025)

Net Sales	540.0
Operating Profit	92.0
Ordinary Profit	97.6
Net Profit	78.7

Trend of Orders/Sales/Backlog

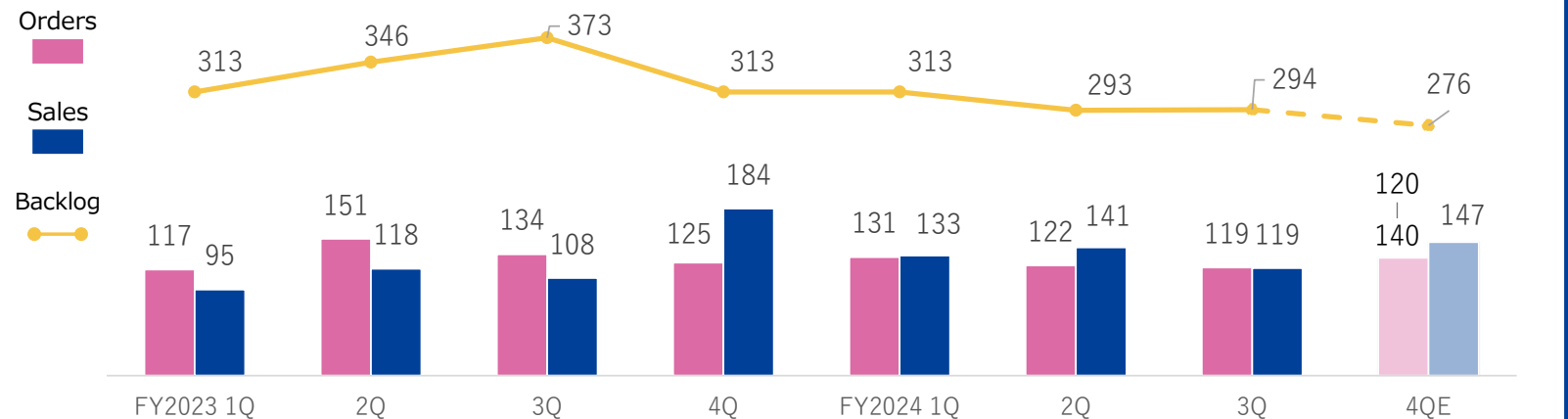


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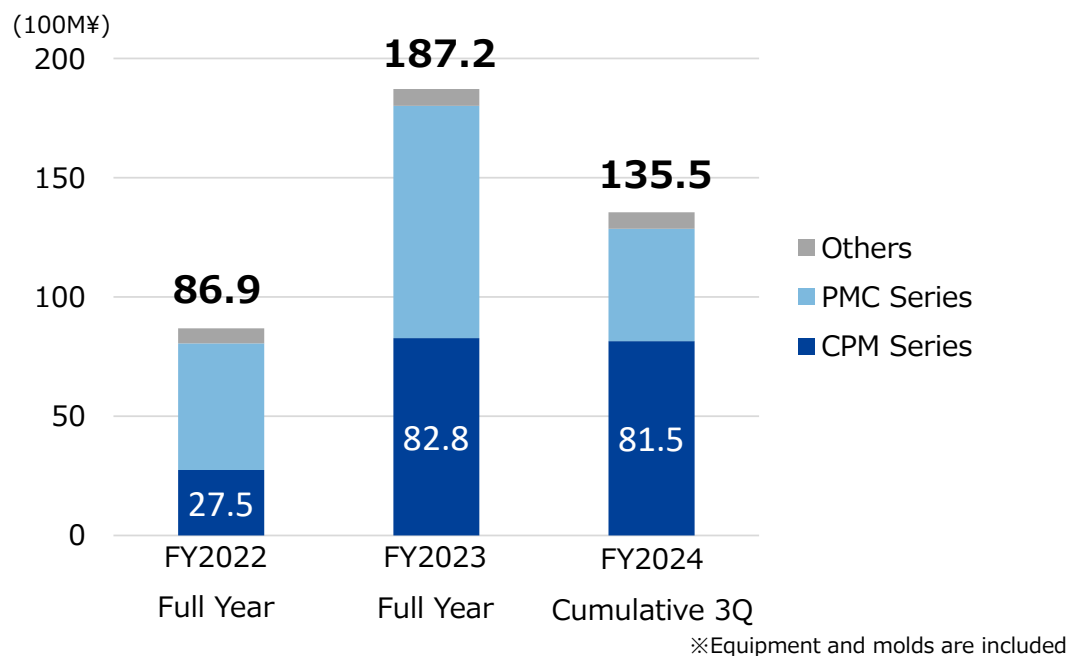
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Compression Equipment

Steady Demand for Cutting Edge Semiconductor and Next Generation Development

- Demand for compression equipment for advanced packaging such as generative AI and development use is steady. Order portion of CPM series for WLP and PLP has increased.

Trend of Compression Equipment's Orders*



Compression equipment for PLP
Model: CPM1180



Compression equipment for WLP
Model: CPM1080

TOWA Vision 2032

「To the top of the world with change」

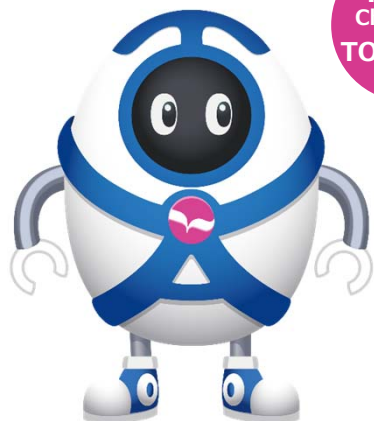


《Contact》

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5 Kamichoshi-cho, Kamitoba, Minami-ku, Kyoto 601-8105
Telephone number : 075-692-0251

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Corporate Overview



Profile of TOWAPPY

[1] Name: TOWAPPY

[2] Origin of the name:

Delivering happiness to the world from TOWA.

[3] Favorite word: Challenge!

Company name

TOWA CORPORATION

Business

Semiconductor Business, New Business, Fine Plastic Business, Laser Processing Machines Business

Address

5 Kamichoshi-cho, Kamitoba, Minami-ku, Kyoto

Established

April 1979

President & CEO

Hirokazu Okada

Number of Employee

2,085 (consolidated) [as of December 2024]

Paid-in Capital

8.9 billion yen

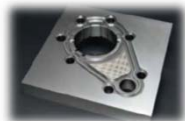
Code Number

6315

TOWA's Business

New Business

- TSS
(Total Solution Service)
- Tools for precision process,
Consignment processing
- Fine process
- Coating



Consignment processing



Remodeling, Repair,
Preventative Maintenance



Fine process
technology



Tool (end mill)

Laser Processing Machines Business

- Laser Trimmer
- Wafer Marker
- Laser Welder



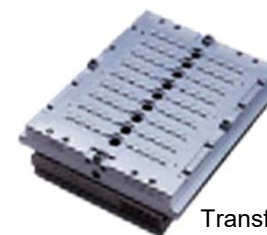
Laser Trimmer
Model SL432R



Wafer Marker
Model SL473GS3

Semiconductor Business

- Precision molds, Molding equipment and
Singulation equipment for semiconductor
manufacturing



Transfer Mold



Molding Equipment
Model PMC 2030-D



Compression Mold



Molding Equipment
Model CPM 1080

Fine Plastic Business

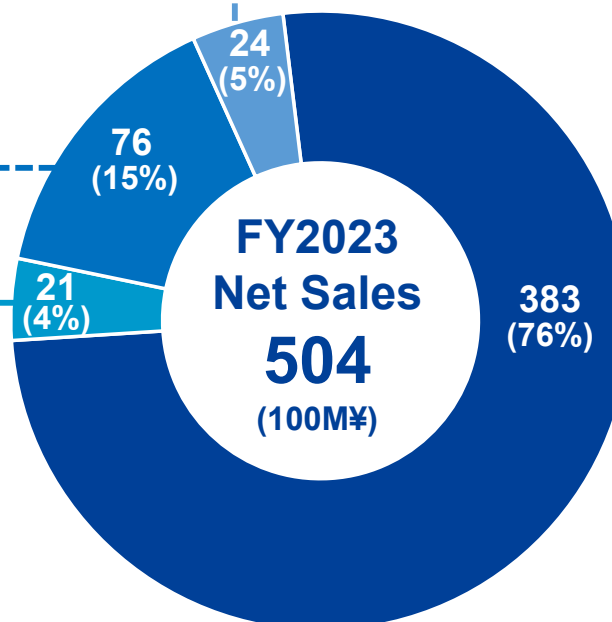
- Fine plastic products
- Medical products



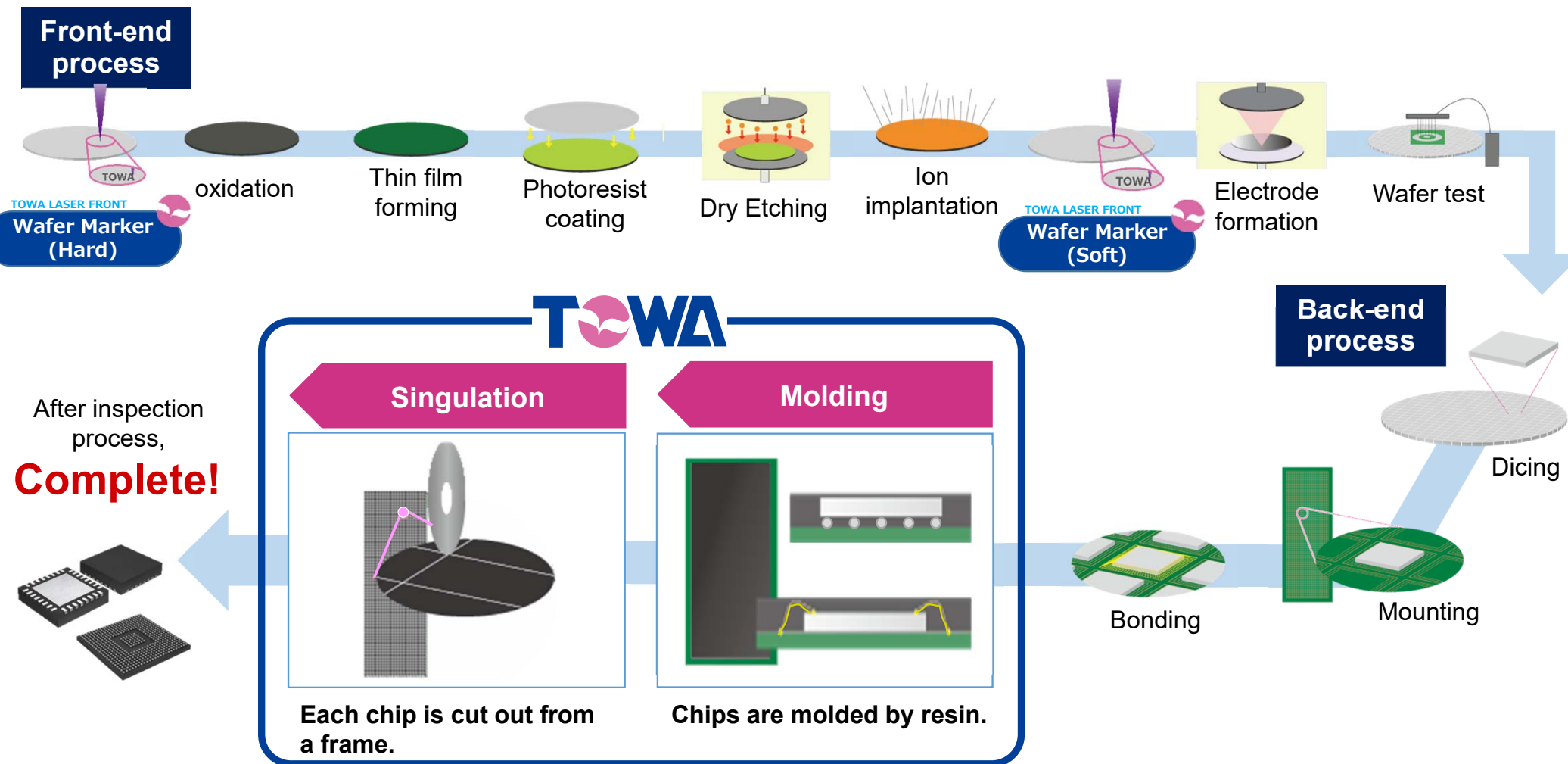
Component for IV drip



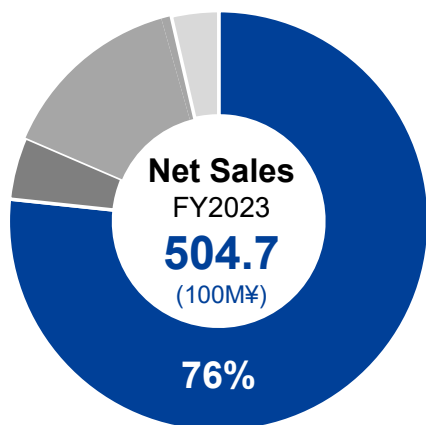
Component for syringe



Semiconductor Manufacturing Process

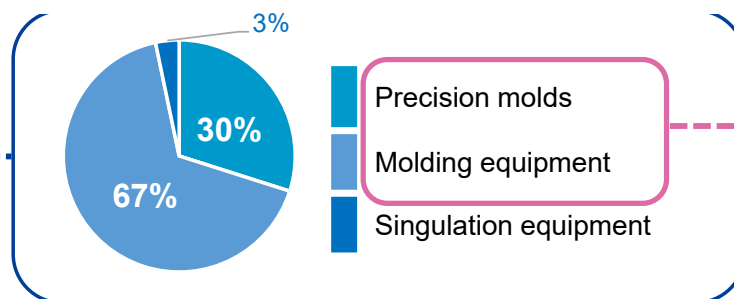


Semiconductor Business



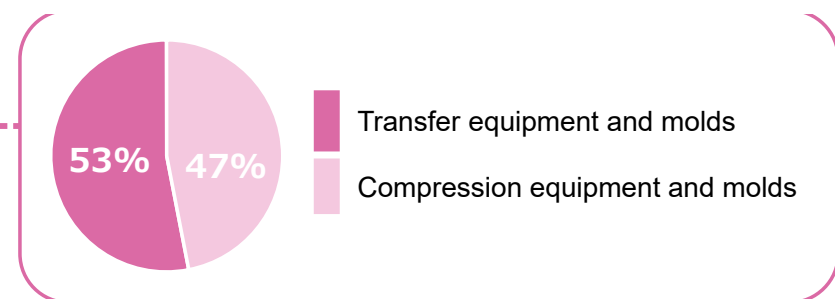
Semiconductor Business

383.2 (100M¥)



Molding equipment and Precision molds

369.6 (100M¥)



Molding		Singulation
<h3>Transfer Molding</h3> <p>Molding method in which the resin is melted in a pot and filled into a cavity to be hardened.</p> <p>YPM series</p> <p>Lead Frame, Exposed package, ECU, Power Module</p> <p>Work size (Max.): 100×300mm</p>	<h3>Compression molding</h3> <p>Molding method in which the resin is placed directly into the cavity, and then the workpiece is immersed into the cavity after the resin is melted for resin molding.</p> <p>CPM1080 CPM1180 PMC2030-D</p> <p>MAP BGA/QFN/HS BGA, WLP/PLP</p> <p>Work size (Max.): 660 × 620mm</p>	<p>Dicing and storing process for molded products by transfer or compression molding methods.</p> <p>FMS4040</p> <p>Small package, Thicker package, Substrate</p> <p>Package size (Min.): 1 × 1 mm</p>

New Business

Create new market and develop new business

TSS Business

(Total Solution Service)

Propose kinds of solutions such as after sales service, refurbishment, fixing of TOWA's semiconductor manufacturing equipment and used equipment sales.



All molding process all over the world to TOWA!!

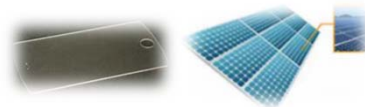
- Life Extension Program
- Used equipment sales
- Prevention & Upkeep (year to year basis contract)
- Parts provision
- Training Center

Coating Business

Apply TOWA's original mold surface processing technologies to medical products and domestic articles.



Expand share in pill pressing machine



Expand share in glass products

Nano tech Business

Apply ultra precise and fine processing technology used in ultra precision mold processing to medical and automobile fields.



Develop products in bacteria cultivation business



Develop lenses for Head Up Display



Develop lens for air picture projection

Tooling Business

Sell tools developed in house and incorporate TOWA's know-how as a mold manufacturer.



CBN • Ultra hard end mill



Processing by undertaking customer order



Fusion of a 3D printer and TOWA's tool

Fine Plastic Business

Company Name

BANDICK CORPORATION

Business

Manufacturing of medical plastic molded products
Assembly of medical equipment

Address

596-146 Shimojo Minamiwari,
Tatsuoka-cho, Nirasaki-shi, Yamanashi

Acquisition Date

November 18, 1983

President & CEO

Toshihiro Terauchi

Number of
Employees

82 (as of December 2024)

Main Product

Medical plastic molded product



**Plastic molding process using
ultra-precision mold technology and
proprietary technology**



**Assembling and production
in a clean room**

Laser processing machine business

Company Name

TOWA LASERFRONT Corporation

Business

Development, Design, Manufacturing, Sales and Maintenance of Laser & Laser Processing machines

Address

1120, Shimokuzawa, Chuo-ku, Sagamihara-shi, Kanagawa

Acquisition Date

August 1, 2018

President & CEO

Noboru Hayasaka

Number of Employees

106 (as of December 2024)

Main Products

Laser Trimmer



Wafer Marker

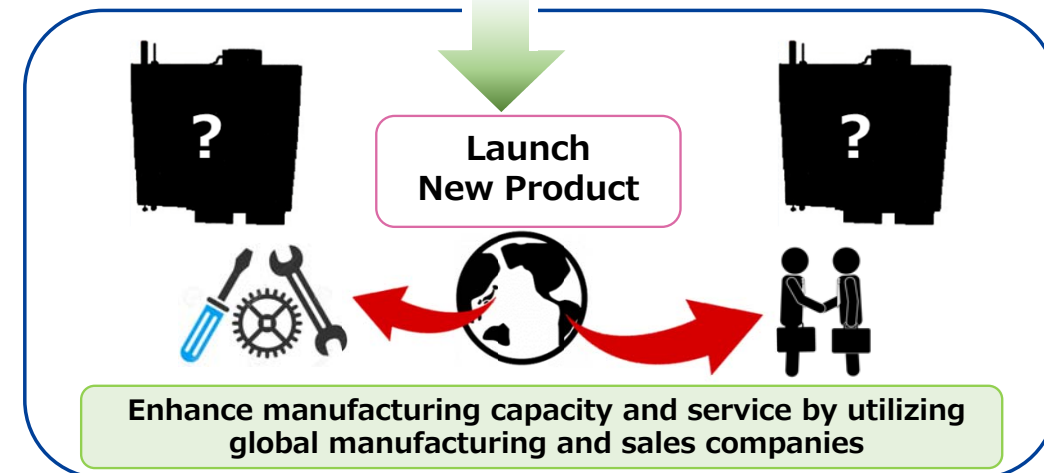


Laser Welder



Combine laser related technology and back-end semiconductor technology to create new market

TOWA X **LASERFRONT**



Factories

● TOWA

● Affiliated Companies



Korea

● **TOWA KOREA Co., Ltd.**

» Manufacturing of equipment, precision mold and component



● **TOWA FINE Co., Ltd.**

» Manufacturing of blade



China

● **TOWA (Suzhou) Co., Ltd.**

» Manufacturing of equipment and precision mold



● **TOWA (Nantong) Co., Ltd.**

» Manufacturing of equipment and precision mold



Malaysia

● **TOWAM Sdn. Bhd.**

» Manufacturing of equipment



● **TOWA TOOL Sdn. Bhd.**

» Manufacturing of mold



Kyoto (Kyoto-shi)

● **Headquarters/Factory**

» Develop/manufacture of equipment and precision mold



Kyoto (Ujitawara-cho)

● **Kyoto East Plant**

» Manufacturing of mold



Saga (Tosu-shi)

● **Kyushu Work**

» Manufacturing of mold



Japan

Yamanashi (Nirasaki-shi)

● **BANDICK Corporation**

» Manufacturing of fine plastic products

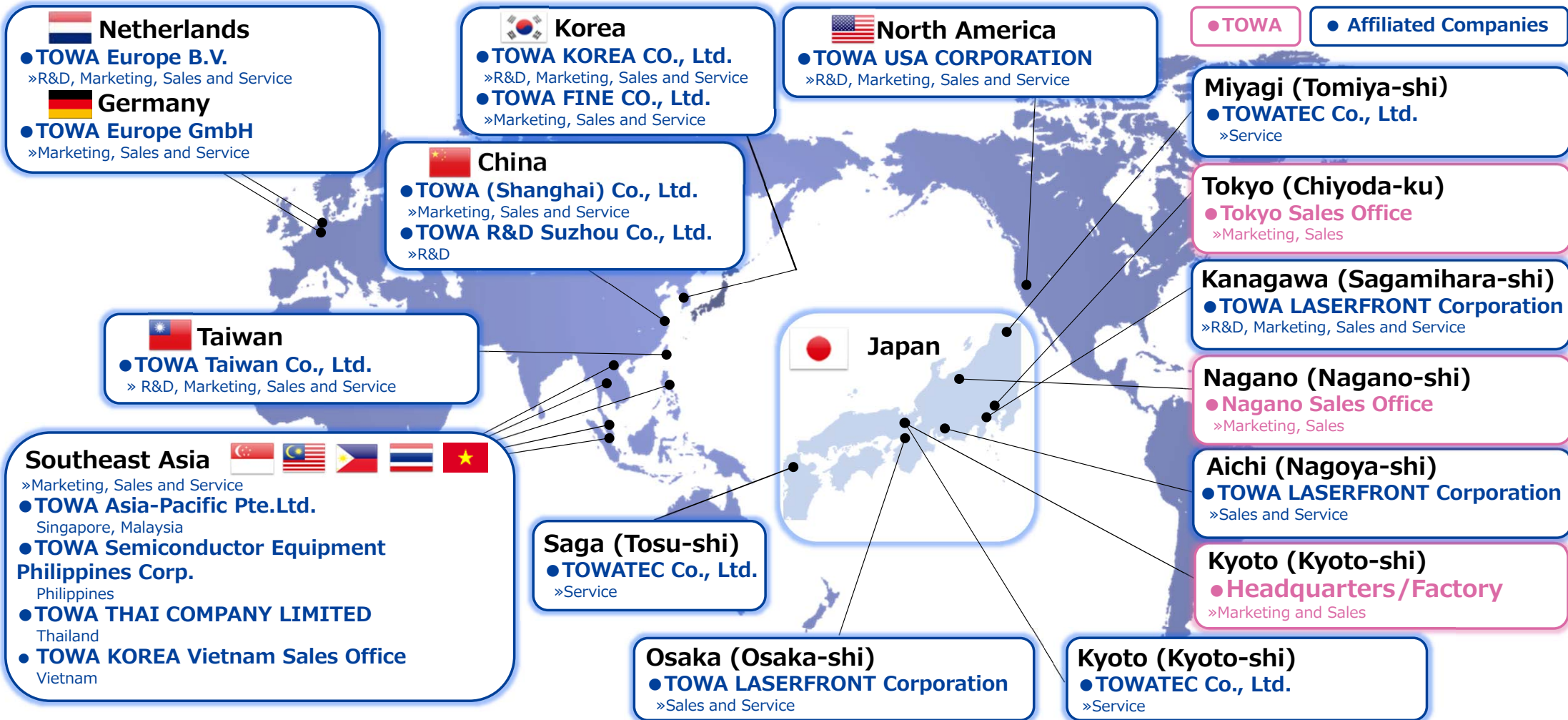


Kanagawa (Sagamihara-shi)

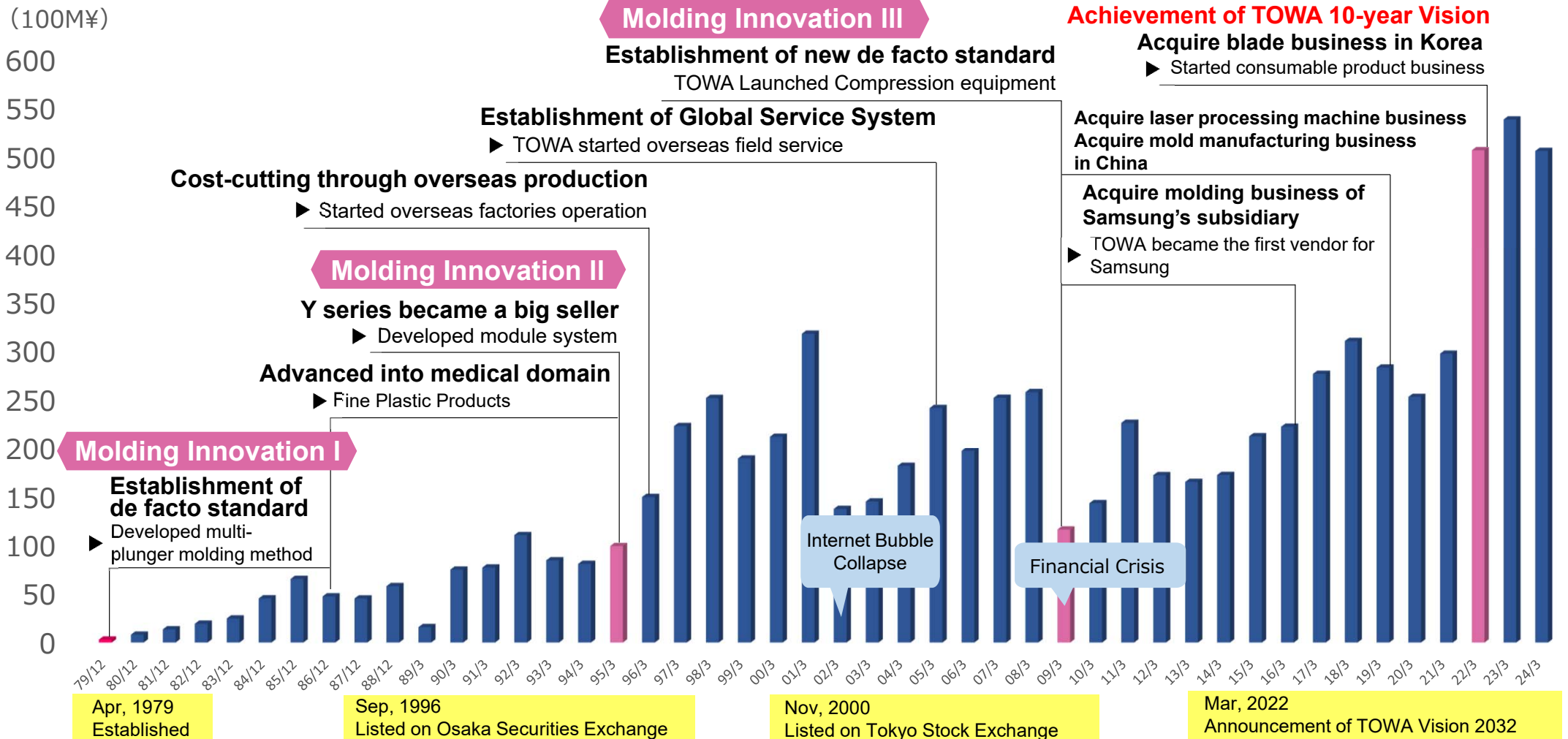
● **TOWA LASERFRONT Corporation**

» Develop/manufacture of laser & laser processing machines

Sales/Service facility



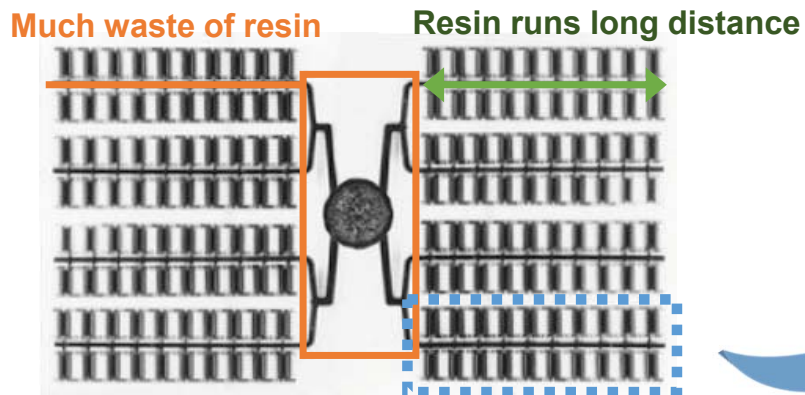
Progress of TOWA



Molding innovation I (1979)

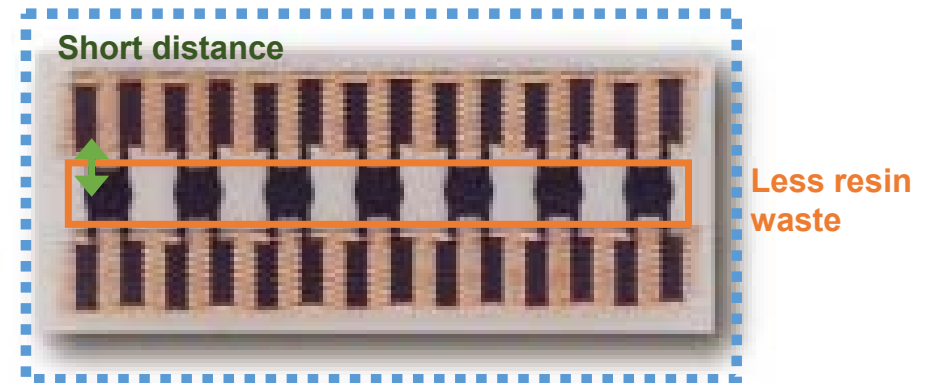
Conventional Mold

Manual molding by putting one palm size resin into the central pod. Resin runs **long distance**. Molding quality is **not homogeneous**. And **much waste of resin**.



Multi-Plunger Mold

Auto molding by putting finger size resins into several pods. This realized **short** runner, **homogeneous** molding quality and **less waste of resin**.



Molding innovation II (1995)

Module System (Y series)

Before the development of Module System, Molding equipment was . . .

Each equipment is designed depends on what or how much it will manufacture.
Semiconductor manufacturers had to buy another equipment ,
when they want to manufacture another type of product or increase their product volume.



Module System enables to adjust press number!!

- Even you have only one Y series machine,
you can manufacture many types of products or increase your product volume.

Y series is sufficient to meet the needs of assembly subcontractor, to perform backend process bringing from IDM.

Semiconductor molding equipment is one of the strongest quality of TOWA.



Molding innovation III (2009)

Compression Molding Equipment

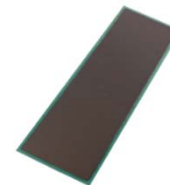
Independent compression molding technology has enabled to mold **cutting-edge devices**, **and cut the cost significantly!!**
The compression technology is **unrivaled** from its launch in 2009 because of the patent and technical difficulty.

Features

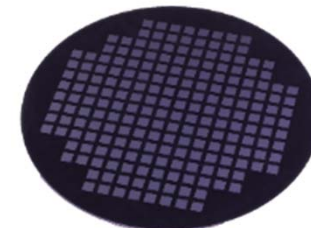
- 100% resin efficiency
(**CO2 emissions reduced by about 70%**)
- Compression molding with no resin fluidity
(**reduce defective products**)
- Most suitable for **cutting-edge** such as memory and 5G
- Applicable to both granular type and liquid type resin
- Applicable to both panel size and wafer size



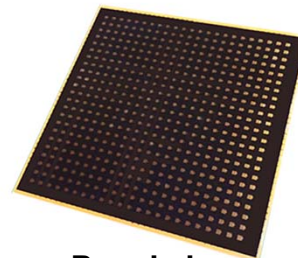
Compression Equipment
Model PMC 2030-D



Substrate size
100×300mm



Wafer size
φ300mm



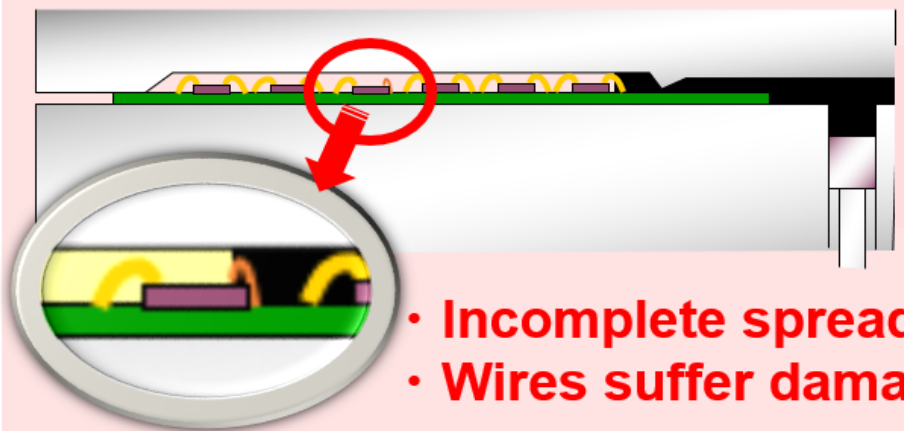
Panel size
600mm×600mm

Encapsulation (Molding) Process

Transfer molding

Injecting resin type

Resin flows

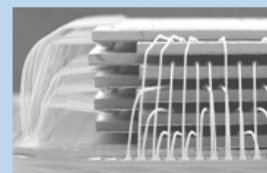
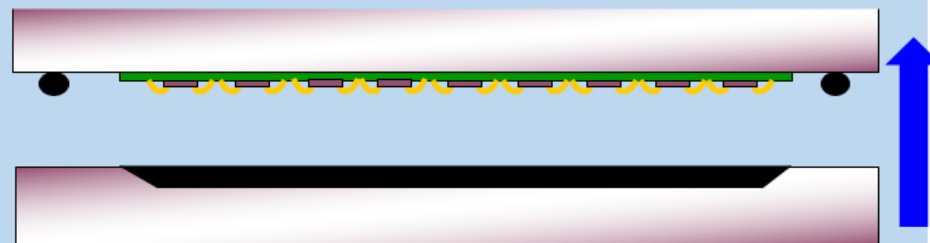
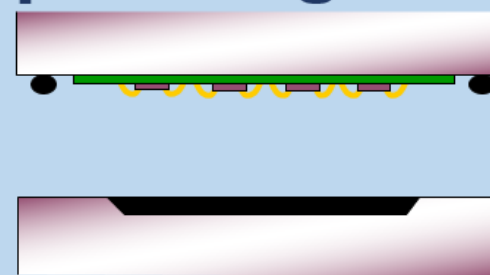


- Incomplete spreading
- Wires suffer damage

Compression molding

Compressing resin type

No Resin fluidity



- TOWA enabled large size panel molding
- No damage to products

Semiconductor Manufacturing Equipment Line-Up

~ Compression Mold ~

Compression Equipment
Model CPM 1180



Work max size : 660 × 620mm

Compression Equipment
Model CPM 1080



Work max size : ϕ 300mm, 320x320mm

Compression Equipment
Model PMC 2030-D



Work max size : 100x300mm

~ Transfer Mold ~

Transfer Equipment
Model YPM 1180



Work max size : 100x300mm

Transfer Equipment
Model YPM1250-EPQ



Work max size : □150mm, 100x300mm

~ Singulation ~

Singulation Equipment
Model FMS 4040



Work max size : 100x300mm