

investors' guide 2005



TOA 株式会社

Corporate Profile

TOA's corporate philosophy is "to sell the sound, not equipment itself."

Since its foundation in 1934, TOA Corporation has been a manufacturer of audio and security equipment for commercial and professional use and has been shipping products from Kobe, Japan to over 100 countries worldwide. The TOA Group, comprising TOA Corporation and its 18 subsidiaries, performs integrated operations ranging from product planning and development to manufacturing, marketing, sales, and management. Its strengths include long-accumulated technologies and expertise. TOA will continue to enhance its technological prowess in the fields of audio, video, and networking and offer better products with the aim of contributing to the creation of a comfortable lifestyle through "Sound" and "Security."

Corporate Mark



TOA's corporate mark symbolizes TOA's "T" and highlights our four corporate principles: "progressive," "modern," "international," and "dynamic."

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Cautionary Statement with Respect to Forward-Looking Statements

This Annual Report contains not only historical facts but also forward-looking statements that reflect management's views and assumptions in the light of information currently available with respect to certain future events, including expected financial position, operating results and business strategies. TOA cautions you that a number of important risks and uncertainties could cause actual results to differ materially from those discussed in the forward-looking statements. Therefore, you should not place undue reliance on them.

将来の見通しに関して

本書中の記載内容におきまして、歴史的事実でないものは、一定の前提の下に作成した将来の見通しであり、現在入手可能な情報から得られた当社経営者の判断にもとづいております。本書読者の皆様が、当社の業績等を検討されるに際しましては、将来の見通しにのみを依拠されることは控えて頂けるようお願い致します。実際の業績は、さまざまな要素により、将来の見通しとは大きく異なる結果となりうることをご承知おき下さい。

TOA's Business 事業領域

Security & Safety セキュリティ & セーフティ

Providing greater "Reassurance" より高度な「安心」を実現

Crimes are becoming more brutal while disasters strike unexpectedly. TOA's crime-prevention systems and disaster-prevention systems enable a prompt response to these situations. Our combined audio/video technology also provides greater "Reassurance."

凶悪化の一途をたどる犯罪や、ある日突然襲ってくる災害。すみやかな対応を可能にするのはTOAの防犯・防災システムです。音と映像の融合技術で、より高度な「安心」を実現します。

Information & Communication インフォメーション & コミュニケーション

Establishing an environment with higher "Reliability" より確かな「信頼」を構築

People want to communicate valuable information smoothly and speedily, so that they can get connected and understand each other better. TOA is establishing an environment with higher "Reliability" through its information and communication systems for the new generation.

大切な情報をスムーズかつスピーディーに伝えたい。人と人とがつながって、いっそう分かり合えるように。TOAは新時代の情報伝達システムで、より確かな「信頼」を構築します。

Professional Audio プロフェッショナル オーディオ

Leading people to feel more "Emotion" より大きな「感動」へといざなう

People get moved at concert halls and excited at stadiums. It is the optimal sound space for each scene that maximizes the attraction of these events. TOA pursues the potential of sound and leads people to feel more "Emotion."

コンサートの感動やスタジアムでの興奮。その魅力を最大限に引き出すのが、さまざまなシーンに応じた最適な音空間です。TOAは音の可能性を追求し、人々をより大きな「感動」へといざないます。

プロフィール

“機器ではなく、音を買っていただく”それが、TOAの企業哲学です。

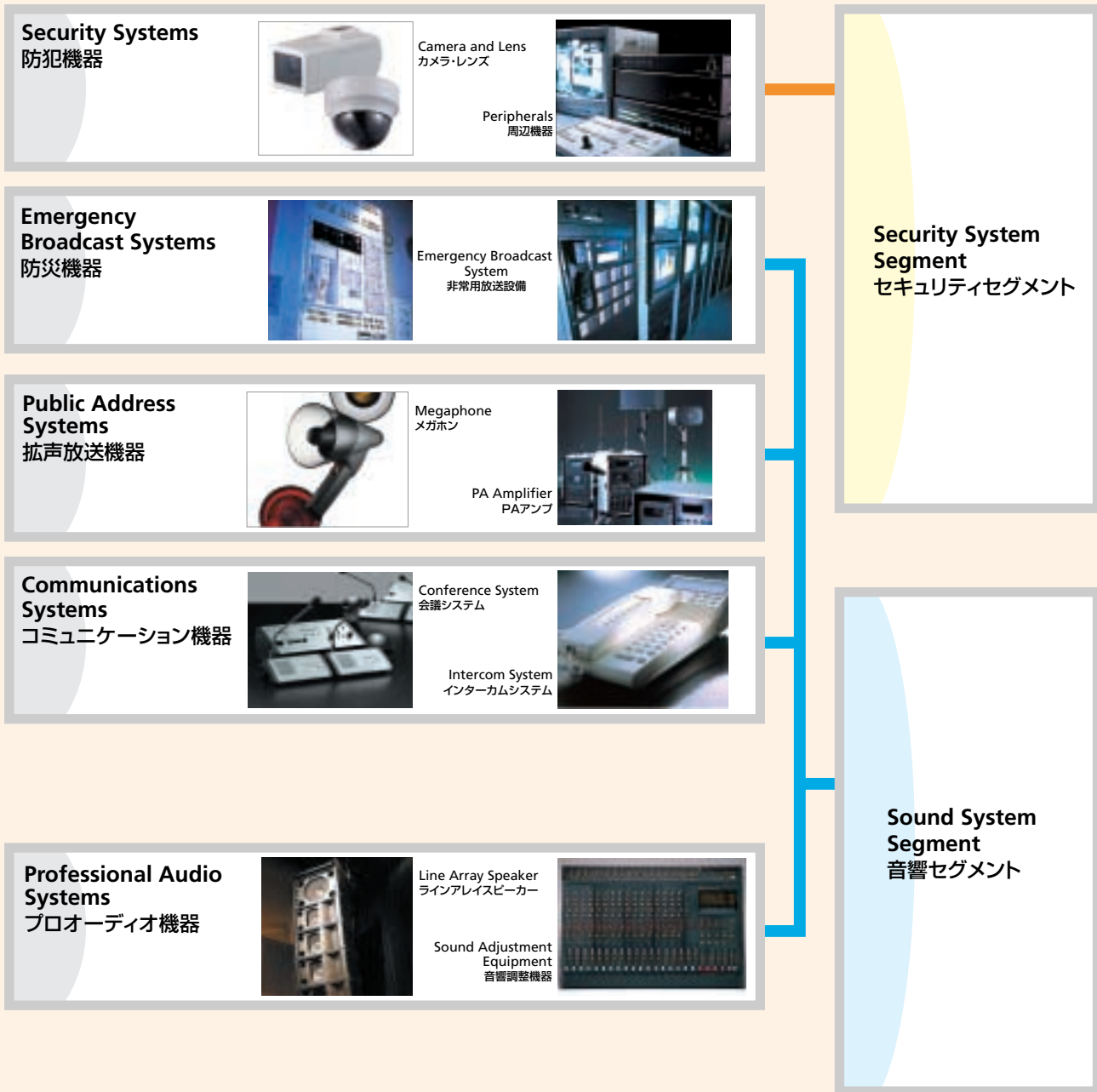
当社は1934年の創業以来、業務用・プロ用の音響設備とセキュリティ設備の専門メーカーとして、神戸の地から100カ国を超える世界の国々へ商品を送り続けてきました。当社と子会社18社で構成されるTOAグループでは、長年培った技術力やノウハウを武器に、商品の企画・開発から生産、販売、運営に至るまでの業務を一貫して手掛けています。“音”や“安全”を通じ、快適な暮らしを皆様にお届けできるよう、音響、映像、ネットワークなどの分野でさらに技術力を高め、より良い商品を作り続けてまいります。

TOAのシンボルマーク

TOAの“T”の文字をモチーフに、4つの企業イメージ目標であるPROGRESSIVE(先進性)、MODERN(現代性)、INTERNATIONAL(国際性)、DYNAMIC(躍動性)を表現しています。

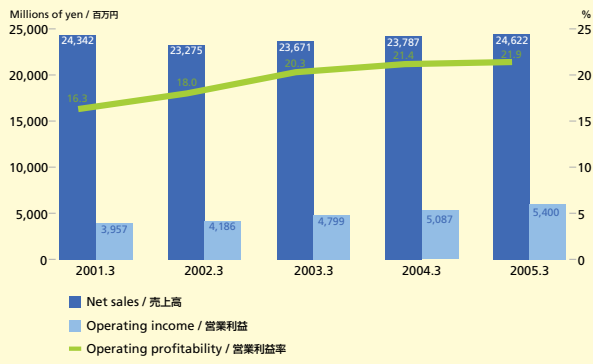
Product Lineup 商品ラインアップ

Business Segment セグメント別



Sales Increase for the Third Consecutive Year thanks to Domestic Order Growth 国内受注の伸びで3期連続増収

Achievement of Sound System Segment
音響セグメントの業績



Review of Operations in Fiscal Year Ended March 2005
In the fiscal year under review (FY 2005), the sound system segment generated consolidated sales of ¥24,622 million (up 3.5% from the previous year) and consolidated operating income of ¥5,400 million (up 6.2%). Strong demand in Japan and solid sales of new products in overseas markets contributed to increases in both sales and profit for the third consecutive year.

2005年3月期のレビュー

当期における音響セグメントの業績は、連結売上が前期比3.5%増の246億22百万円、連結営業利益が同6.2%増の54億円となりました。国内需要が好調に推移したほか、海外でも新商品の売上が順調であったため、3期連続の増収増益です。

TS-800/900 Series Infrared Conference Systems 赤外線会議システム TS-800/900シリーズ



TOA's sound systems facilitate the smooth operation of conferences and meetings and are equipped with various functions such as amplification and recording of speeches. TOA has created wireless systems that assure freedom from eavesdropping through infrared communication and enabled flexible layouts corresponding to the number of participants (maximum of 96 people).

議会や委員会などを円滑に運用するための音響システム。発言の拡声、録音などの各種機能を備えています。赤外線通信により秘話性を高めたコードレス化を実現、参加人数(最大96人)に応じた柔軟なレイアウトを可能としました。

Line Array Speaker System, type A and S Series ラインアレイスピーカー type A/Sシリーズ



These excellent speaker systems offer long distance sound coverage and clear speech intelligibility. They are ideal for facilities such as sports stadiums and concert halls that need to transmit clear, uniform sound to the areas located away from speakers. There are two types: "type A" for large facilities and "type S" for mid-sized facilities.

音の遠達性と明瞭性に優れたスピーカーシステム。競技場やホールなど、スピーカーから離れた場所に均一でクリアな音を送る必要のある施設に最適です。大規模施設用の「type A」と、中規模施設用の「type S」の2つがあります。

ER-1103/1106 Series Splash-Proof Compact Megaphones 防滴型小型メガホン ER-1103/1106シリーズ

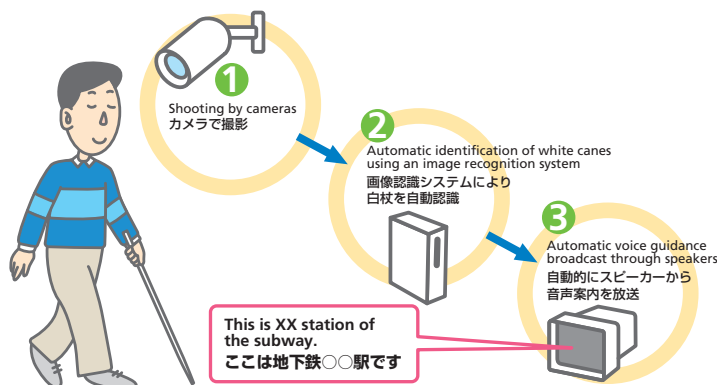


These handheld megaphones are designed with easy operation and external design in mind. They can reproduce the user's voice naturally and their splash-proof construction allows them to be used under all weather conditions, making them ideal for use at schools and various events.

片手で簡単操作が可能なハンドタイプのメガホン。音質の向上で、使用者の声を自然な音で拡声できるほか、デザインや扱いやすさにも配慮しました。防滴対応で、天候に関わらず使用でき、学校やイベント会場などに最適です。

TOPIC

Audio assist system for the visually impaired: Automatically identifies white canes and alerts by voice guidance 白杖を自動認識・声でお知らせ 視覚障害者向け音声案内システム



In conjunction with NEC Corporation, TOA has developed an "Audio assist system for the visually impaired," which automatically identifies white canes of the visually impaired and provides them with voice guidance. Based on image data transmitted from CCTV cameras, a computer automatically identifies all kinds of white canes so that the connected PA system sends the message most appropriate for each situation.

当社はこのほど、目が不自由な方の持つ「白杖」を自動認識して声の案内を行う「視覚障害者向け音声案内システム」をNEC（日本電気株式会社）様と共同開発しました。防犯カメラの映像からコンピュータが、あらゆるタイプの白杖を自動的に認識。連動する放送機器でその場に応じたメッセージを流します。



Supporting Social Infrastructure including Airports and Department Stores

From general announcements at airports and train stations to public address (PA) announcements in department stores and sound systems at concert halls... TOA's products are everywhere and supporting people's daily lives through "sound."

Since its foundation in 1934 as a manufacturer of some of the most advanced megaphones of the time, TOA has grown to become one of the world's very few specialist manufacturers of "sound" and its related technologies. We were the first to develop an "electronic megaphone."

By now, our long-accumulated technologies are highly regarded and our market share in Japan exceeds 90% in PA systems for airports, which require high-quality sound system technologies. Our systems are also utilized at Heathrow Airport and many other overseas airports. TOA also holds top market share in emergency PA systems for use in fires and other emergencies. TOA's business operations are further expanding into areas such as communication systems for large multiplex commercial facilities and conference systems for the Diet and municipal assemblies.

Increase in Factory Orders and Improved Profitability Due to Cost Reduction

The fiscal year under review (FY 2005) witnessed the growth of domestic sales in the sound system segment, especially an increase in factory orders. Much of the credit for this achievement belongs to TOA's positive marketing efforts of obtaining orders under a favorable environment of rising private-sector investment, including plant expansions by major automakers, urban redevelopment projects, and the construction of large multiplex commercial facilities. Special demand associated with the opening of Central Japan International Airport was another beneficial factor.

In overseas markets, the new A-700 Series Amplifiers sold well in the U.S. while sales of emergency PA systems were strong in Asia. However, owing to the appreciation of the yen, sales growth was reduced in yen terms.

With regard to production, TOA continued to increase production in Indonesia, China, and Taiwan and focused on manufacturing cost reduction and profit improvement. The consolidation of plants in the previous fiscal year (FY 2004) resulted in lower depreciation expenses and led to a reduction in selling, general and administrative expenses.

Strengthening Marketing Power to Capture Replacement Demand

In Japan's audio market, replacement demand for PA systems is growing at hospitals, schools, and other facilities. In addition, TOA is bolstering its marketing efforts by leveraging its new technologies such as the "white cane recognition system" (see TOPIC on page 3), which is aimed at the creation of barrier-free traffic systems.

In July 2005, the new Shenzhen plant in China started full operations. Backed by the cost competitiveness of the new plant, TOA is reinforcing its efforts to expand sales in the Chinese market. In the next year (FY 2006), TOA aims to record consolidated sales of ¥25,290 million (up 2.7% from FY 2005) and consolidated operating income of ¥5,414 million (up 0.3%).

空港、デパート……社会インフラを支える

駅や空港の案内放送、デパートの館内放送、コンサートホールの音響機器…。TOAの商品はあらゆる所で“音”を通じて皆様の生活を支えています。

1934年、当時最先端だったマイクロホンを製造して以来、当社は世界でも稀な“音”の専門メーカーとして活動してきました。「電気メガホン」を世界で最初に手掛けたのも当社です。

現在では長年蓄えた技術力が評価され、高度な音響システム技術が必要な空港の放送設備で国内シェア90%以上を獲得。海外でも英ヒースロー空港をはじめ多くの空港に納入しています。火災などを知らせる非常用放送設備でも国内トップシェア。さらに大型複合商業施設の放送設備、国会や地方議会の議場用システムなど、当社の事業範囲はますます広がっています。

工場物件など伸びる／原価低減などで利益率向上

音響セグメントでは当期、工場物件を中心に国内売上が伸びました。大手自動車メーカーの工場増設や都市再開発、大型複合商業施設の建設など、民間投資増という好機の下、積極営業で受注獲得に取り組んだ結果です。中部国際空港開港などの“特需”も好材料でした。

海外では、アメリカ地域で新商品の「A-700」シリーズアンプ、アジア地域で非常用放送設備などが好調でした。しかし円高の影響により、邦貨換算では売上の伸びは抑制されました。

一方では、利益率向上を目指してインドネシアや中国、台湾での生産拡大を継続、製造原価の低減に注力。また、前期の工場統合で減価償却費が減少したことなどから、販売費及び一般管理費も削減できました。

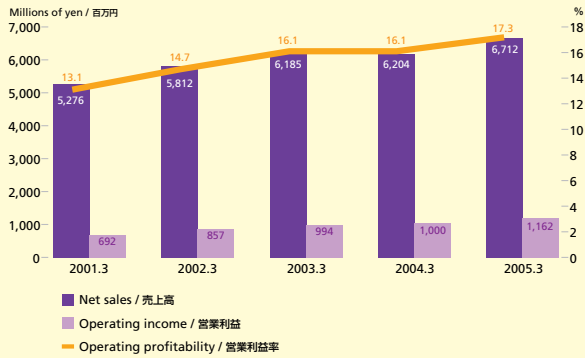
リニューアル需要への対応を強化

国内の音響市場では昨今、病院や学校などを中心に、放送設備のリニューアル需要が拡大しています。その他にも交通バリアフリーの観点から「白杖認識システム」(P3・TOPIC参照)などの新技術を武器に、対応を強化していきます。

また、今年7月には、中国・深圳工場での本格生産が始まります。この工場の価格競争力を武器に、中国市場への取り組みを強化。得意の大規模施設用音響設備に加え、スーパーなどの中小規模設備の受注獲得も狙います。来期には、連結売上高で当期比2.7%増の252億90百万円、連結営業利益で同0.3%増の54億14百万円を目指します。

Growth of 8.2% Thanks to Strong Sales 販売好調で売上高8.2%の伸び

Achievement of Security System Segment セキュリティセグメントの業績



Review of Operations in Fiscal Year Ended March 2005
In the fiscal year under review (FY 2005), the security system segment recorded consolidated sales of ¥6,712 million (up 8.2% from the previous year) and consolidated operating income of ¥1,162 million (up 16.1%). Sales and operating income recorded growth for the fourth consecutive year, as TOA's expanded product line-up contributed to higher sales of security cameras mainly for factories and apartments.

2005年3月期のレビュー

当期におけるセキュリティセグメントの業績は、連結売上高が前期比8.2%増の67億12百万円、連結営業利益が同16.1%増の11億62百万円と、4期連続の増収増益となりました。工場やマンションを中心に防犯カメラの売上が増加したほか、商品レンジを拡大したことが効果を上げました。

C-CC761/771 Series Outdoor Combination Dome Cameras 屋外用コンビネーションカメラ C-CC761/771シリーズ



These high-quality security cameras offer 360-degree horizontal rotation, a maximum zoom of 276 times, and infrared photography. They eliminate blind spots, record clear pictures of distant subjects, and include outdoor functions such as excellent waterproofing and a built-in fan heater. These cameras fulfill demand for sophisticated crime-prevention systems.

360度水平旋回、最大276倍ズームに加え、赤外線撮影も可能な高機能防犯カメラ。死角をなくし、遠くの被写体でも鮮明に映し出します。防水性能に優れ、ファンヒーターなど屋外用機能も搭載。高度な防犯システム需要に応えます。

9 CH/16 CH Digital Recorder for Security Camera 防犯カメラ用 9局/16局デジタルレコーダー



These digital recorders for security cameras sport large 500GB-capacity hard disk drives that enable extended recording times for clear picture reproduction. They feature a communications function that permits images to be monitored from a remote location over a network, and up to 16 cameras can be connected to each recorder.

防犯カメラ用のデジタルレコーダー。大容量500GBハードディスクを内蔵、鮮明な画像の長時間録画が可能です。ネットワーク経由で、離れた場所から映像を見られる通信機能を搭載。最大16台のカメラと接続できます。

Compact V series Security Cameras 防犯カメラ コンパクトVシリーズ



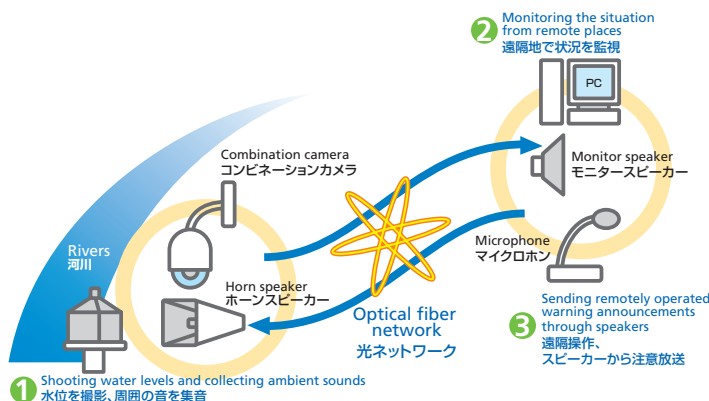
With a variety of lens and feature options available, these high-performance, low-cost, compact surveillance cameras are ideal for small stores as well as places that require many cameras. Water-proof types are available for outdoor use. Cameras boast 480 TVL resolution or higher, and are easy to install and operate.

高機能・低価格を実現した小型防犯カメラのシリーズ。用途に合わせ機種を選択でき、小規模店舗やカメラの設置台数が多い場所に最適です。防水仕様のタイプもあり、屋外使用も可能。水平解像度480TVL本以上の高解像度で、設置や運用も簡単です。

TOPIC

Floodgate/Sluice Gate Remote Control System: Monitors alarming water levels

警戒水位を監視 水門・樋門操作制御システム



TOA's Floodgate/Sluice Gate Remote Control System monitors alarming river water levels in remote places. When a flood reaches an alarming level, TOA's emergency PA system starts operation and sends evacuation guidance through speakers installed at the location to people in surrounding areas. The surveillance station, cameras and speakers are connected via an optical fiber network, and can also operate sluice gate from remote locations.

「水門・樋門操作制御システム」は、遠隔地の河川の水位を監視カメラで見張り、危険水位に達したときには、現地に設置したスピーカーを通じて周りの人に警戒を呼びかけるものです。監視所とカメラ・スピーカーは光ネットワークで結ばれており、樋門の遠隔操作なども可能です。



“Security Systems” Supported by TOA’s Video Technology

In this segment, security equipment is the principal product. Security surveillance camera systems are supporting public safety and security at banks, stores, on the street, and at home. Rising security concerns are leading TOA’s security business field to expand year by year.

TOA’s systems also facilitate measures to prevent natural disasters. For example, there is a surveillance system for flooding caused by rivers. TOA’s combination cameras (see TOPIC on page 5) monitor alarming water levels in rivers and transmit the information via communication networks to disaster-prevention facilities. When a flood reaches an alarming level, TOA’s emergency PA systems start operation and send evacuation guidance to lead people to safe areas. This is the kind of business where TOA can fully utilize its audio, visual and communication technologies, and display its integrated technological capabilities.

Effective Sales Campaign and Fuller Product Line-up

An increase both in sales and profit in the segment is attributable to the opening of two security network sales offices and the “security sales expansion campaign,” which began in the previous year. The number of staff in the special security taskforce was doubled and their aggressive marketing efforts led to sales growth centered on factories and hospitals.

The introduction of new products also bore fruit. The compact V series of low-cost basic surveillance cameras performed robustly and sold well in the mass market of apartments and chain stores, where overseas competitors had been strong. The full-scale operation of our plant in Vietnam was another positive factor. In addition, digital recorders with large 500GB-capacity hard disk drives have also been received well.

Overseas Expansion through Distribution Channel for Sound Systems

At present, TOA estimates that the security camera market is worth ¥740 billion worldwide, including ¥120 billion for Japan. In Japan, many large electric appliance makers have entered this market and TOA is in the second tier. With the pricing competitiveness attained by our overseas production and our unique visual/networking technologies, we aim to become No. 2 and to gain a market share of more than 10%. We are also striving to gain a share of the disaster-prevention system market.

In the three overseas markets of the U.S., Europe, and Southeast Asia, TOA has hired specialized staff in each region. We will establish sales channels by using our existing channel for sound products, and we aim to significantly increase our overseas sales ratio in the future.

For the next fiscal year, TOA forecasts consolidated sales of ¥7,450 million (up 11.0% from FY 2005) and consolidated operating income of ¥1,257 million (up 8.2%).

“防犯” 支える映像技術

このセグメントが手掛けているのは、防犯機器を中心とした事業分野です。主力商品の防犯カメラシステムは、銀行や商店、街頭から住宅に至るさまざまな場所で、社会の安全を支えています。防犯意識の高まりに伴い、当社の事業フィールドは年々拡大しつつあります。

自然災害への対策にも、当社の商品が役立っています。たとえば、河川の氾濫に備えた監視システム。警戒水位の監視に当社のコンビネーションカメラ（P5・TOPIC参照）を活用し、情報をネットワーク経由で防災施設へ集約、危険度が高まれば音声避難誘導システムを稼働させ、人々を安全な場所へと導きます。音響、映像、通信といった、当社の技術力・総合力を存分に発揮できる分野です。

拡販キャンペーンが奏功／商品充実も寄与

当セグメントの増収増益に貢献したのは、セキュリティ・ネットワーク営業所2カ所の新設や、前期から実施している「セキュリティ拡販キャンペーン」などの積極的な営業活動です。専属営業スタッフを2倍に増員しての積極営業で、工場、病院などを中心に売上を伸ばしました。

新商品投入も効果を挙げました。基本機能に絞り込んだ廉価な防犯カメラ「コンパクトV」シリーズを幅広く展開、海外勢が強いマンションやチェーンストアなどの普及品市場で、品質を武器に攻勢をかけたのがその好例です。当社ベトナム工場が軌道に乗ったことが大きく貢献しました。また、大容量（500ギガバイト）モデルのデジタルレコーダーも発売し、好評を得ています。

音響販売網生かし海外を拡大

現在、世界の防犯カメラ市場は当社推定で7,400億円、うち国内が1,200億円となっています。国内市場には、大手家電メーカーなど多くの企業が参入しており、当社は現在2位グループ。今後、海外生産による価格競争力や独自の映像・ネットワーク化技術などを武器に拡販を図り、国内単独2位、シェア10%以上を目指します。防災関連市場でもシェア獲得に努めます。

海外では、米国、欧州、東南アジアの3地域で専門スタッフを採用。音響商品の販売網を生かし、販売体制を整備します。将来的には海外売上高比率を大幅に拡大したいと考えています。来期には、連結売上高で当期比11.0%増の74億50百万円、連結営業利益で同8.2%増の12億57百万円を目指します。



President Takanori Yoshikawa
代表取締役社長 吉川 隆典

Dear shareholders and investors,
I would like to extend my sincere appreciation to shareholders and investors for their continued support and understanding. In the fiscal year ended March 2005, TOA recorded consolidated sales of ¥31,862 million (up 4.9% from the previous year) and net income of ¥2,543 million (up 34.8%). We were pleased to have raised the annual dividend per share by ¥5 to ¥18.

We celebrated our 70th anniversary in the year under review. All directors and employees took the occasion to look back over our history and to once again thank our customers for choosing our products and our shareholders for supporting TOA. At the same time, we strongly intend to reward our stakeholders by continuing to grow the company into the future. I would like to summarize our performance during the year under review and future prospects.

株主・投資家の皆様におかれましては、ますますご清祥のこととお慶び申し上げます。当2005年3月期における当社の業績は、連結売上高で前期比4.9%増の318億62百万円、連結当期純利益で同34.8%増の25億43百万円となり、株主様方には、前期比5円増となる年間18円の配当金をお支払いできました。

当期は当社にとって、創業70周年の節目の年でもありました。社員一同、これまでの歩みを感慨深く振り返るとともに、当社商品を選んで下さったお客様、そして当社を支えて下さった株主様に改めて感謝し、今後、ますます社業を発展させることをご恩返しをする所存です。それでは、当期の総括と今後の展望について、以下にご説明いたします。

代表取締役社長

吉川 隆典

Summary of Financial Year Ended March 2005

Double-Digit Profit Growth Achieved

While sales were below expectations, TOA recorded double-digit profit growth at all levels. Higher-than-expected income was derived from the strong yen: overseas sales, mainly those of audio equipment, declined in value when translated into yen but imported products cost less in yen and this improved profitability.

An improvement in the ratio of selling, general, and administrative expenses to sales was another major reason for profit expansion. Five years ago, TOA struggled with a sluggish earnings performance, but since then we have made progress in becoming a lean and productive company, and this has resulted in the enhancement of our profitability.

Overseas production is a good example. In the past few years, we have transferred about 70% of production volume and 50% of production value to our overseas plants. This strategy has worked well and has led us to generate profits even in an environment of severe price competition. In addition, an increase in per-head productivity based on operational efficiency has also contributed to profit expansion.

当期の総括

利益面では2ケタ成長を達成

当期は売上が期待に及ばなかった一方、利益面ではいずれも2ケタの成長を達成することができました。円高の影響で音響商品を主体とした海外売上が目減りした反面、海外生産品を国内に輸入する際には円高が利幅を拡大する方向に働き、予想以上の利益をもたらしたためです。

売上高販管費率の向上も利益拡大の大きな要因です。当社は5年前の業績停滞以来、筋肉質な企業となるべく体質改善に努めてきました。その成果が、利益率の向上として現れてきたのです。

その好例が海外生産です。厳しさを増す環境に対応すべく、ここ数年で生産量の約70%、金額ベースで約50%を海外自社工場に移管しました。この戦略の成功が、価格競争の中でも利益を出せる源泉となっています。また、オペレーションの効率化により、同じ人数でより大きな売上を達成できるようになったことも、利益の拡大に貢献しました。

The 5-year Mid-Term Management Plan

Focus on Overseas Sales and Security Businesses for Sustainable Growth

TOA is currently undertaking a 5-year mid-term management plan that extends from the fiscal year FY 3/2004 to the fiscal year ending March 2008. We aim to increase consolidated sales by 1.51 times from FY 2005 to ¥48.0 billion in three years. In particular, overseas sales are projected to increase by 2.06 times to ¥19.2 billion while sales in the security segment are estimated to increase by 2.15 times to ¥14.4 billion.

As growth in Japan's audio equipment market, TOA's main market, has become sluggish, we believe it is important to focus on the large overseas market as well as on the security sector, where high growth is projected.

However, competition in these two markets is intense in terms of pricing, performance, quality and all other aspects. Thus, we defined the first two years (FY 2004 and FY 2005) of the 5-year mid-term management plan as the "First Phase," when we concentrated on expanding production capacity and developing new products.

中期5カ年経営計画

持続的成長に向け海外とセキュリティに注力

当社は現在、2003年度から2007年度までを対象とした「中期5カ年経営計画」に取り組んでいます。2007年度の連結売上高を、2004年度実績の1.51倍の480億円にするというもので、特に、海外売上を同2.06倍の192億円、セキュリティセグメントの売上を同2.15倍の144億円の拡大することが主眼です。

これらの施策は、現在の主力である国内音響関連市場の成長鈍化が背景になっています。持続的成長のためには、市場規模の大きい海外と、伸び率の高いセキュリティ分野に注力する必要があります。

しかし、これらの市場は価格、性能、品質すべての面で競争が激しいところです。そこで当社では、この2003-2004年度を中期5カ年経営計画の“第一フェーズ”と位置づけ、生産能力の充実や新商品の開発などに注力してきました。

The 5-year Mid-Term Management Plan

【TOA's Corporate Vision】

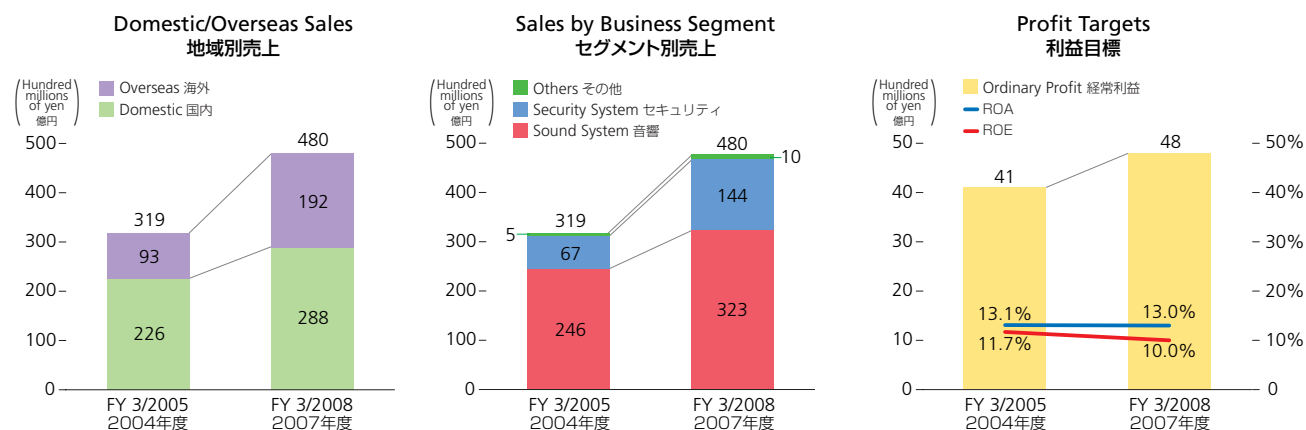
- ① A corporate group that creates new values through unique technologies, attractive products and services.
- ② A corporate group that becomes No.1 in its dedicated market and in the area of strength.
- ③ A corporate group that promotes solution-providing businesses to customers.
- ④ A corporate group that advances management with global perspectives.
- ⑤ A corporate group that fulfills corporate social responsibility and preserves the environment.
- ⑥ A corporate group that has power and vigor.
- ⑦ A corporate group that sincerely responds to the expectations of society.

中期5カ年経営計画 概要

【めざす企業像】

- ① 独自の技術と魅力ある商品・サービスによって新たな価値を創造する企業グループ
- ② 特定市場、得意分野でNo. 1をめざす企業グループ
- ③ 顧客の課題解決型ビジネスを推進する企業グループ
- ④ グローバルな視野で経営を推進する企業グループ
- ⑤ 環境保全、社会貢献に積極的に取り組む企業グループ
- ⑥ 活力ある企業グループ
- ⑦ 社会の信頼に応える誠実な企業グループ

Numerical Targets of The Final Year of The Plan(Consolidated) 到達年度の数値目標(連結)



Sound Systems: Selling Locally-Manufactured Products in the Chinese Market

Looking at the Chinese market as an example, TOA's sound systems were strong in large projects such as the Olympic facilities. However, local manufacturers were price-competitive in PA systems at schools and other facilities. Therefore, we made efforts in the past two years to develop reasonably-priced products that are able to overcome price competition.

From July 2005, TOA's plant in China started manufacturing products for the local market. As TOA has established a strong brand in the high-end segment, our mass-market products tend to be regarded highly at similar prices to local products.

中国市場に現地生産商品を投入～音響

中国市場を例に取ると、当社の音響商品は、オリンピック施設のような大プロジェクトには強い反面、地域の学校の放送設備などでは、価格面で現地メーカーに押されています。そこでこの2年間、価格競争でも勝てる、値ごろ感のある商品の開発に力を入れてきました。

今年7月からは、現地工場で中国国内用商品の生産が始まります。すでに中国でもハイエンドなブランドを確立している当社の商品が、現地商品と同等な価格であれば、必ずや評価してもらえましょう。

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TOA VIETNAM CO., LTD.



Security Systems: Establishing Product Development Capability to Outperform Overseas Firms and Major Manufacturers

Japan's security market is recording double-digit growth each year but it is highly competitive and crowded with general electric appliance manufacturers and overseas manufacturers. TOA therefore has to differentiate its products with advanced features, competitive pricing, and services.

TOA's plant in Vietnam is at full production and has already become price-competitive relative to overseas manufacturers. While Japan's general electric appliance manufacturers focus on large-volume wholesaling to mass-volume discount stores, TOA's advantage lies in the full support system it offers every customer. Since the security market requires full support systems rather than merely the cheapest price, we believe we can be successful in this market.

We will start selling security systems in overseas markets in FY 2006. We will first enter the U.S. market, followed by France and Germany in Europe, and then by Taiwan and Vietnam in Asia. Product and marketing strategies are yet to be determined. We also consider China an attractive market and would like to establish business there someday.

海外勢や大手に勝てる商品力を確立～セキュリティ

一方のセキュリティ分野は、国内市場は毎年2ケタの伸びを示しているものの、総合電機メーカーや海外勢との競争も激しい。先進性、価格、サービスの各面で他社に打ち勝たねばなりません。

すでに当社はベトナムでの生産を軌道に乗せ、海外勢と遜色のない価格を実現しています。問題は総合電機メーカーとの競争ですが、この市場では、彼らが得意とする量販店への大量卸という流通形態とは違い、顧客毎の細やかなサポートが必要です。それはまさに当社の得意分野。十分に勝機はあります。

また、この分野でも、来期から海外展開を本格化します。まずアメリカ、続いて欧州のフランスとドイツ、アジアでは台湾とベトナムに足がかりを築きます。どのような商品をどのように売るかは未定ですが、中国は魅力あるマーケット、ぜひチャレンジしてみたいですね。

Research and Development

Developing Products to Explore New Areas

As a specialist manufacturer, TOA is expected to develop unique products. Ordinary products will not satisfy our customers. Our mission is to explore a new market with our new products. Therefore, research and development are our most critical issue.

One promising area of interest is the business of “canceling noise with sound.” Currently, supermarkets and other enterprises have started to install in-house power generation systems but the noise from their equipment prevents it from being installed in quiet residential areas, for example. Since noise consists of waveforms, it can be canceled out with opposing sound waves. This theory is used in our “active noise control system.” The system is custom-made at present but if it is mass-produced for general purposes, it will become cheaper and its diffusion will be accelerated.

Another promising technology is “Packet Audio,” which transmits high-quality sound similar to that of CDs via the Internet. This patented technology of TOA has been increasingly adopted by broadcasting stations.

Our aim is to explore neighboring areas to our existing markets. There are many areas yet to be explored even though demand exists there. In order to develop these markets, we will continue to devote resources to research and development.

Future Business Outlook

“Selling the Sound, not Equipment Itself”

TOA’s business principle, since its foundation, has been “Selling the Sound, not Equipment Itself.” This is our ever-present corporate philosophy. Although we do not have a high profile, we offer the best quality, technology, and services in our fields, and we will strive hard to continue growing steadily in the future.

The next fiscal year (FY 2006) will be the first year in which we explore the next generation. Expansion in overseas markets and in security businesses is likely to entail some risks but we will advance through trial and error. This is essential in order for us to achieve our targets for the fiscal year ending March 2008.

In the next year, we expect to generate consolidated sales of ¥33.3 billion (up 4.5% from the previous year) and consolidated ordinary profit of ¥4.1 billion (up 0.9%). We consider it important to reward our shareholders and we intend to maintain a dividend payout ratio of 30% on a single-unit basis and 25% on a consolidated basis. We plan to pay an annual dividend of ¥18 per share, the same amount as in the year under review (FY 2005). I would like to ask shareholders and other stakeholders for their continued understanding and support.

研究開発

新分野を切り開く商品開発を

当社に期待されているのは、専門メーカーならではの商品です。ありきたりのものではお客様にご納得頂けません。時代を、新分野を切り開く商品を世に問うのが当社の使命。だからこそ、研究開発は最重要課題です。

今後が楽しみな分野のひとつに“音で音を消す”ビジネスがあります。現在、スーパーなどで自家発電装置の普及が進んでいますが、静かな住宅地に置くにはまだ音が大きい。音は空気の波なので、逆の波をぶつければ打ち消せます。この原理を用いたのが当社の「アクティブ消音システム」です。現在はオーダーメイド生産ですが、汎用化で価格を下げられれば、普及に弾みが付くでしょう。

また、CD並みの音質の音をインターネットで送れる「パケットオーディオ」という技術にも、期待を寄せています。当社の特許技術で、すでに各地の放送局などで採用が進んでいます。

我々が目指すのは、従来市場の“隣接分野”の開拓です。需要はあるが当社の市場にできていないというビジネスは、まだ多くあります。そのような市場を切り開くため、今後も研究開発に注力します。

来期の見通し等

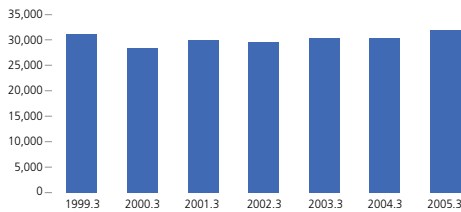
“機器ではなく、音を買っていただく”

当社は創業以来、「機器ではなく、音を買っていただく」という経営方針を掲げてきました。これこそが、当社に息づく企業哲学です。派手な会社ではありませんが、品質、技術、サービスはどこにも負けません。今後も着実に足場を踏み固めて成長し続けます。

当社にとって来期は、次の時代を切り開くきっかけの年です。海外市場の開拓や、セキュリティ分野の拡大にはリスクも伴います。トライアンドエラーの繰り返しになるでしょう。しかし、2007年度に結果を出すためには、それも必要なのです。

来期には、連結売上高で当期比4.5%増の333億円、連結経常利益で同0.9%増の41億円を予想しています。さらに、株主様への利益配分を重視する観点から、単独で30%、連結で25%の配当性向を維持し、当期と同じ一株当たり年間18円の配当金を実現します。皆様におかれましては、今後ともご指導ご鞭撻のほど、よろしく願い申し上げます。

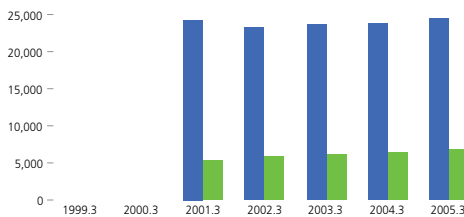
Net Sales(Consolidated) *** 売上高 (連結)



(Millions of yen / 百万円)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Net Sales 売上高	31,071	28,379	29,939	29,640	30,315	30,384	31,862

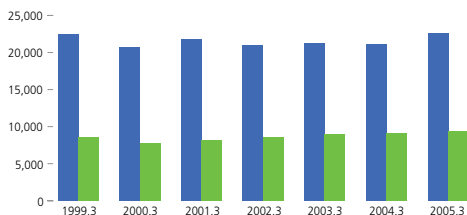
Sales by Business Segment(Consolidated) *** 部門別売上高 (連結)



(Millions of yen / 百万円)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Sound System Segment 音響セグメント	-	-	24,342	23,275	23,671	23,787	24,622
Security System Segment セキュリティセグメント	-	-	5,276	5,812	6,185	6,204	6,712

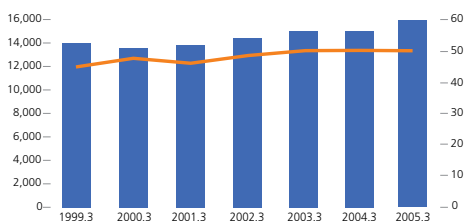
Domestic/Overseas Sales(Consolidated) *** 国内・海外別売上高 (連結)



(Millions of yen / 百万円)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Domestic Sales 国内	22,457	20,671	21,771	21,027	21,316	21,262	22,554
Overseas Sales 海外	8,613	7,707	8,167	8,613	8,998	9,121	9,308

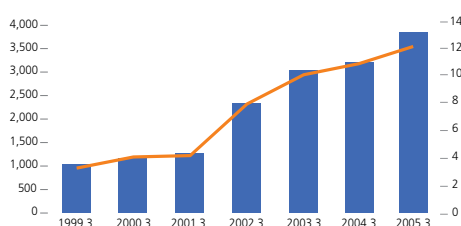
Gross Profit/Gross Profitability(Consolidated) *** 売上総利益/売上総利益率 (連結)



(Millions of yen / 百万円 ; %)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Gross Profit 売上総利益	13,994	13,560	13,840	14,437	15,309	15,393	16,079
Gross Profitability 売上総利益率	45.0%	47.8%	46.2%	48.7%	50.5%	50.7%	50.5%

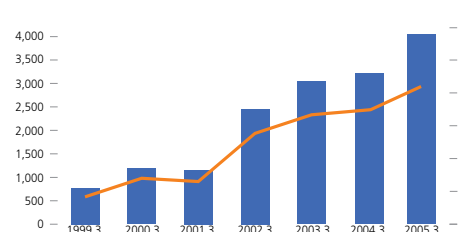
Operating Profit/Operating Profitability(Consolidated) *** 営業利益/売上高営業利益率 (連結)



(Millions of yen / 百万円 ; %)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Operating Profit 営業利益	1,032	1,155	1,261	2,338	3,035	3,272	3,850
Operating Profitability 売上高営業利益率	3.3%	4.1%	4.2%	7.9%	10.0%	10.8%	12.1%

Ordinary Profit/Ordinary Profitability(Consolidated) *** 経常利益/売上高経常利益率 (連結)



(Millions of yen / 百万円 ; %)

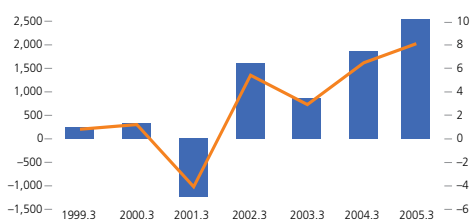
	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Ordinary Profit 経常利益	770	1,186	1,158	2,452	3,042	3,284	4,061
Ordinary Profitability 売上高経常利益率	2.5%	4.2%	3.9%	8.3%	10.0%	10.8%	12.7%

Note: The yen-dollar exchange rates used to prepare this report were as follows:

ご参考: 本書に採用している為替レートは右記の数値を使用しております。

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Open market rate 市中レート	¥(¥/US\$1) 128.76	110.70	111.19	125.89	121.20	112.76	107.60
Selling rate 売上レート	¥(¥/US\$1) 125.00	109.21	108.82	124.49	121.67	113.37	107.49

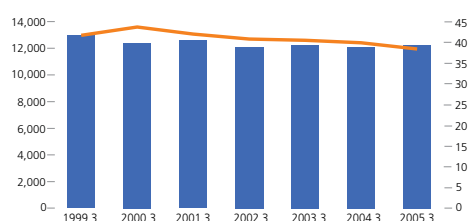
Net Income/Return on Sales(Consolidated) *** 当期純利益/売上高当期純利益率 (連結)



(Millions of yen / 百万円 ; %)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Net Income 当期純利益	239	327	△1,237	1,606	869	1,886	2,543
Return on Sales 売上高当期純利益率	0.8%	1.2%	△4.1%	5.4%	2.9%	6.2%	8.0%

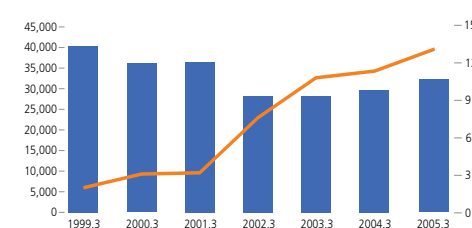
Selling, General and Administrative Expenses/Selling, General and Administrative Expenses Ratio to Net Sales (Consolidated) *** 販管費/売上高販管費率 (連結)



(Millions of yen / 百万円 ; %)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Selling, General and Administrative Expenses 販管費	12,961	12,404	12,579	12,099	12,273	12,121	12,229
Selling, General and Administrative Expenses Ratio to Net Sales 売上高販管費率	41.7%	43.7%	42.0%	40.8%	40.5%	39.9%	38.4%

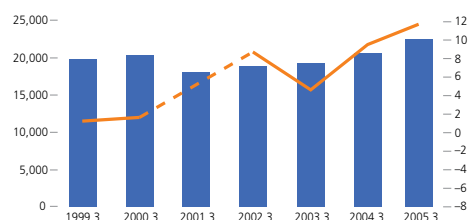
Total Assets/Return on Assets(Consolidated) *** 総資産/総資産経常利益率 (連結)



(Millions of yen / 百万円 ; %)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Total Assets 総資産	40,357	36,148	36,439	28,271	28,227	29,719	32,156
Return on Assets 総資産経常利益率	2.0%	3.1%	3.2%	7.6%	10.8%	11.3%	13.1%

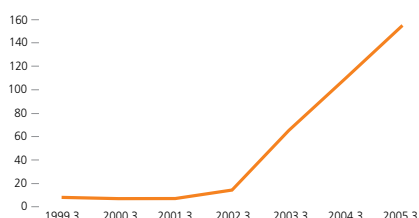
Shareholders' Equity/Return on Equity(Consolidated) *** 株主資本/株主資本当期純利益率 (連結)



(Millions of yen / 百万円 ; %)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Shareholders' Equity 株主資本	19,873	20,366	18,020	18,917	19,261	20,610	22,706
Return on Equity 株主資本当期純利益率	1.2%	1.6%	-	8.7%	4.6%	9.5%	11.7%

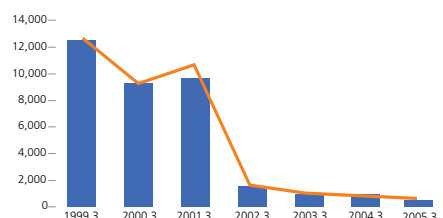
Interest Coverage Ratio(Consolidated) *** インタレスト・カバレッジ・レシオ (連結)



(Times / 倍)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Interest Coverage Ratio インタレスト・カバレッジ・レシオ	7.66	6.58	6.65	13.93	64.82	106.91	149.18

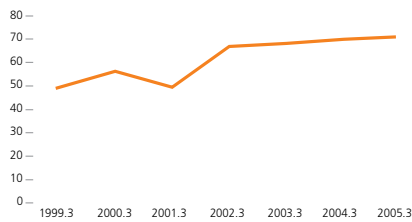
Interest Bearing Debts/Debt Equity Ratio(Consolidated) *** 有利子負債/デット・エクイティ・レシオ (連結)



(Millions of yen / 百万円 ; Times / 倍)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Interest Bearing Debts 有利子負債	12,551	9,675	9,973	1,528	925	900	570
Debt Equity Ratio デット・エクイティ・レシオ	0.63	0.48	0.55	0.08	0.05	0.04	0.03

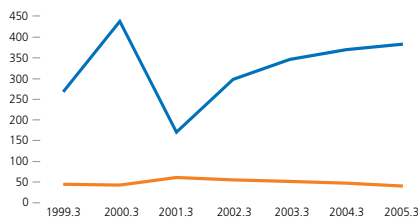
Shareholders' Equity Ratio(Consolidated) *** 株主資本比率 (連結)



(%)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Shareholders' Equity Ratio 株主資本比率	49.2%	56.3%	49.5%	66.9%	68.2%	69.4%	70.6%

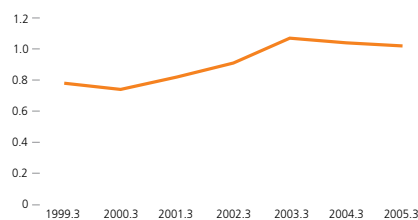
Fixed Assets Ratio/Current Ratio(Consolidated) *** 固定比率/流動比率 (連結)



(%)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Fixed Assets Ratio 固定比率	46.6%	42.7%	61.1%	55.3%	51.6%	47.4%	40.4%
Current Ratio 流動比率	268.1%	438.4%	170.5%	298.1%	346.3%	370.0%	383.4%

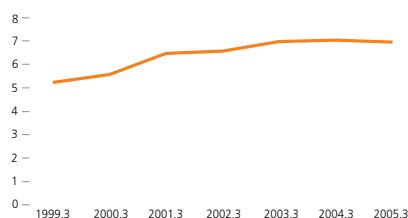
Total Assets Turnover(Consolidated)*** 総資産回転率 (連結)



(Times / 回)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Total Assets Turnover 総資産回転率	0.79	0.74	0.82	0.92	1.07	1.05	1.03

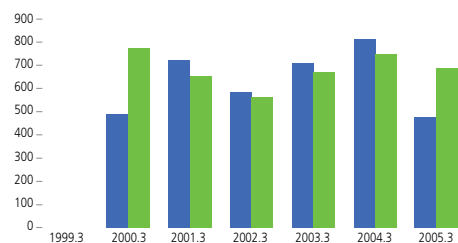
Inventories Turnover(Consolidated) *** 棚卸資産回転率 (連結)



(Times / 回)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Inventories Turnover 棚卸資産回転率	5.26	5.61	6.52	6.62	7.02	7.08	6.96

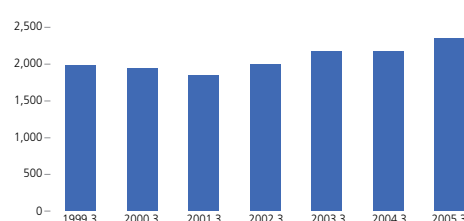
Capital Expenditures/Depreciation Expenses(Consolidated) *** 設備投資額/減価償却費 (連結)



(Millions of yen / 百万円)

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Capital Expenditures 設備投資額	-	489	723	582	708	813	485
Depreciation Expenses 減価償却費	-	774	652	564	669	748	681

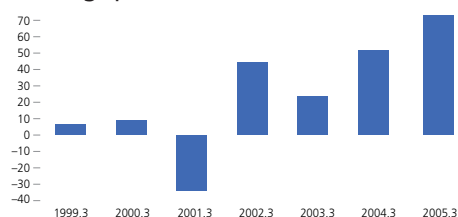
Research and Development Expenses(Consolidated) *** 研究開発費 (連結)



(Millions of yen / 百万円)

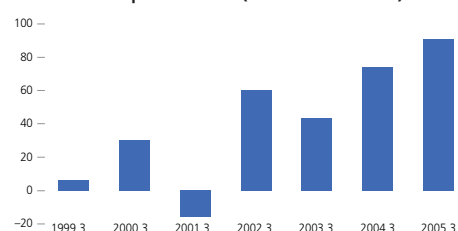
	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Research and Development Expenses 研究開発費	1,990	1,945	1,852	2,005	2,183	2,179	2,354

Earnings per Share(Consolidated) --- 1株当たり当期純利益(連結)



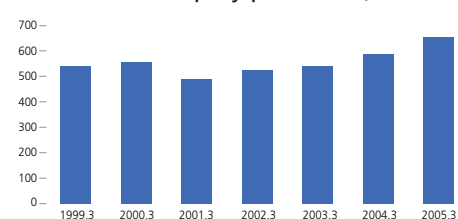
(yen / 円)	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Earnings per Share 1株当たり当期純利益	6.53	8.93	△33.71	44.03	23.39	51.91	71.91

Cash Flow per Share(Consolidated) --- 1株当たりキャッシュ・フロー(連結)



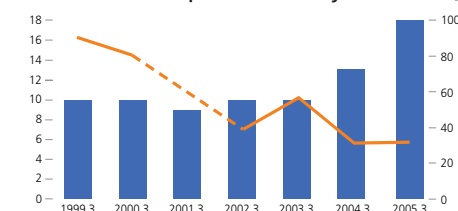
(yen / 円)	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Cash Flow per Share 1株当たりキャッシュ・フロー	6.5	30.0	△15.9	60.2	43.3	74.1	90.8

Shareholders' Equity per Share(Consolidated) --- 1株当たり株主資本(連結)



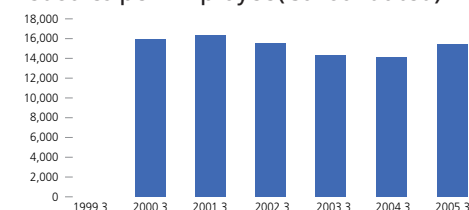
(yen / 円)	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Shareholders' Equity per Share 1株当たり株主資本	541.27	554.70	490.81	524.49	541.27	591.01	652.05

Cash Dividends per Share/Payout Ratio(Non-Consolidated) --- 1株当たり配当金/配当性向(単体)



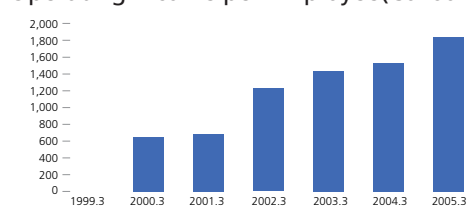
(yen / 円 ; %)	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Cash Dividends per Share 1株当たり配当金	10.00	10.00	9.00	10.00	10.00	13.00	18.00
Payout Ratio 配当性向	90.5%	80.5%	-	39.0%	56.7%	31.3%	31.8%

Net Sales per Employee(Consolidated) --- 従業員1人当たり売上高(連結)



(Thousands of yen / 千円)	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Net Sales per Employee 従業員1人当たり売上高	-	15,881	16,298	15,575	14,347	14,252	15,216

Operating Income per Employee(Consolidated) --- 従業員1人当たり営業利益(連結)



(Thousands of yen / 千円)	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Operating Income per Employee 従業員1人当たり営業利益	-	647	687	1,229	1,437	1,535	1,839

	1999.3	2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
Common Shares Issued 発行済株式総数(株)	36,716,635	36,716,635	36,716,635	36,076,635	35,536,635	35,536,635	35,536,635
Number of Employees at Fiscal Year-end(Consolidated) 期末従業員数(連結)(人)	-	1,787	1,837	1,903	2,113	2,132	2,094

ASSETS	資産の部	1999.3
Current assets	流動資産	
Cash and cash equivalents	現金・預金	9,116
Marketable securities	有価証券	5,260
Trade notes and accounts receivable	受取手形及び売掛金	9,705
Allowance for doubtful accounts	貸倒引当金	△ 81
Inventories	棚卸資産	5,662
Deferred tax assets	繰延税金資産	—
Other current assets	その他の流動資産	633
Total current assets	流動資産計	30,297
Tangible fixed assets	有形固定資産	
Land	土地	1,104
Buildings & structures	建物・構築物	7,505
Machinery & equipment	機械装置・工具器具備品	6,908
Construction in progress	建設仮勘定	—
Total property and equipment	取得価額計	15,518
Accumulated depreciation	減価償却累計額	△ 9,052
Total tangible fixed assets	有形固定資産計	6,466
Investment and other assets	投資その他の資産	
Investments in securities	投資有価証券	291
Investments in unconsolidated subsidiaries and affiliates	非連結子会社持分	303
Intangible assets	無形固定資産	75
Long-term loans receivable	長期貸付金	356
Consolidation deferrance	連結調整勘定	895
Deferred tax assets	繰延税金資産	—
Others	その他	876
Total investments and other assets	投資その他の資産計	2,798
Total fixed assets	固定資産計	9,264
Deferred assets	繰延資産	288
Foreign currency translation adjustment	為替換算調整勘定	505
TOTAL ASSETS	資産合計	40,357
LIABILITIES	負債の部	1999.3
Current liabilities	流動負債	
Short-term bank loans	短期借入金	1,527
Current portion of long-term debt	一年以内返済長期借入金（社債含む）	3,439
Trade notes and accounts payable	支払手形及び買掛金	4,147
Accrued corporate income taxes, other	未払法人税等・事業税等	—
Other current liabilities	その他の流動負債	2,186
Total current liabilities	流動負債計	11,301
Long-term liabilities	固定負債	
Long-term debt	長期借入金（社債含む）	7,583
Reserve for defined retirement benefits and retirement allowance to directors	退職給付・役員退職引当金	1,115
Others	その他	482
Total fixed liabilities	固定負債計	9,182
TOTAL LIABILITIES	負債合計	20,484
MINORITY INTEREST	少数株主持分	1999.3
Minority interest	少数株主持分	—
SHAREHOLDERS' EQUITY	資本の部	1999.3
Capital	資本金	5,279
Capital surplus	資本剰余金	6,808
Retained earnings	利益剰余金	7,784
Other difference from evaluation of securities	その他有価証券評価差額金	—
Foreign currency translation adjustment	為替換算調整勘定	—
Treasury stock at cost	自己株式	△ 0
TOTAL SHAREHOLDERS' EQUITY	資本合計	19,873
TOTAL LIABILITIES, MINORITY INTEREST AND SHAREHOLDERS' EQUITY	負債・少数株主持分・資本合計	40,357

(Unit: Millions of yen 单位: 百万円)

2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
10,865	12,339	5,542	6,267	8,319	10,125
2,163	-	-	-	-	-
8,353	7,939	7,532	7,222	7,082	7,404
△ 63	△ 97	△ 192	△ 257	△ 269	△ 256
4,460	4,725	4,233	4,397	4,185	4,970
324	181	494	447	473	502
186	312	205	217	167	239
26,290	25,402	17,816	18,295	19,959	22,986
1,140	1,131	1,178	1,319	1,100	966
7,303	7,090	7,123	7,292	7,143	6,713
6,557	5,677	5,187	5,499	5,586	4,667
-	-	-	103	-	9
15,001	13,899	13,488	14,215	13,830	12,357
△ 8,957	△ 8,118	△ 7,800	△ 8,192	△ 8,052	△ 7,046
6,044	5,781	5,688	6,023	5,778	5,311
260	1,866	1,159	669	1,302	1,494
80	76	162	1	1	1
335	635	719	759	595	497
305	224	168	128	99	77
912	861	801	750	699	649
198	1,046	1,470	1,274	954	760
568	515	284	324	329	380
2,660	5,227	4,766	3,908	3,981	3,858
8,705	11,008	10,454	9,932	9,759	9,170
118	29	-	-	-	-
1,034	-	-	-	-	-
36,148	36,439	28,271	28,227	29,719	32,156
2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
1,236	1,554	1,408	825	755	459
26	7,939	20	20	31	31
2,804	3,287	2,318	2,940	2,569	3,242
496	-	1,207	374	787	887
1,432	2,115	1,021	1,122	1,249	1,375
5,996	14,897	5,976	5,282	5,394	5,996
8,057	123	100	80	113	80
1,166	3,103	2,928	2,869	2,813	2,525
257	248	266	355	377	450
9,481	3,475	3,295	3,305	3,304	3,056
15,478	18,372	9,271	8,587	8,698	9,052
2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
303	46	82	378	409	397
2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
5,279	5,279	5,279	5,279	5,279	5,279
6,808	6,808	6,808	6,808	6,808	6,808
8,278	6,654	7,621	7,826	9,328	11,303
-	-	△ 195	43	453	568
-	△ 722	△ 592	△ 694	△ 787	△ 755
△ 0	△ 0	△ 4	△ 3	△ 471	△ 498
20,366	18,020	18,917	19,261	20,610	22,706
36,148	36,439	28,271	28,227	29,719	32,156

		1999.3
Net sales	売上高	31,071
Cost of sales	売上原価	17,077
Gross profit	売上総利益	13,994
Selling, general and administrative expenses	販売費及び一般管理費	12,961
Operating income	営業利益	1,032
Non-operating income and expenses	営業外収益・費用	
Interest and dividend income	受取利息・配当金	79
Interest expenses	支払利息・割引料	△ 145
Equity in earnings of unconsolidated subsidiaries and affiliates	持分法による投資損益	21
Other	その他	△ 218
Ordinary profit	経常利益	770
Other income and expenses	その他収益・費用	△ 72
Income before income taxes	税引前当期純利益	697
Income taxes	法人税等	458
Income before minority interest	少数株主利益調整前当期純利益	239
Minority interests	少数株主利益	-
Net income	当期純利益	239

Consolidated Statements of Retained Earnings 連結剰余金計算書

		1999.3
(Capital surplus)	(資本剰余金の部)	
I Capital surplus at beginning of year	I 資本剰余金期首残高	6,808
(Capital reserves at beginning of year)	(資本準備金期首残高)	(6,808)
II Capital surplus at end of year	II 資本剰余金期末残高	6,808
(Retained earnings)	(利益剰余金の部)	
I Retained earnings at beginning of year	I 利益剰余金期首残高	8,025
(Consolidated surplus at beginning of year)	(連結剰余金期首残高)	(8,025)
(Adjustment due to previous period tax allocation)	(過年度税効果調整額)	(-)
II Increase in retained earnings	II 利益剰余金増加高	239
(Net income)	(当期純利益)	(239)
(Surplus due to the incremental equity method companies)	(持分法適用会社増加に伴う剰余金の増加高)	(-)
(Adjustment due to increase of consolidated subsidiaries)	(その他剰余金修正額)	(0)
III Decrease in retained earnings	III 利益剰余金減少高	480
(Cash dividends)	(配当金)	(440)
(Bonuses to directors)	(取締役賞与)	(35)
(Bonuses to auditors)	(監査役賞与)	(5)
(Purchase of treasury stock)	(自己株式消却額)	(-)
(Decrease due to change in consolidation)	(連結範囲変更に伴う減少高)	(-)
IV Retained earnings at end of year	IV 利益剰余金期末残高	7,784

(Unit: Millions of yen 单位: 百万円)

2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
28,379	29,939	29,640	30,315	30,384	31,862
14,819	16,099	15,202	15,006	14,991	15,782
13,560	13,840	14,437	15,309	15,393	16,079
12,404	12,579	12,099	12,273	12,121	12,229
1,155	1,261	2,338	3,035	3,272	3,850
56	46	32	21	19	22
△ 184	△ 196	△ 170	△ 47	△ 30	△ 25
4	8	15	-	-	-
154	38	235	32	23	214
1,186	1,158	2,452	3,042	3,284	4,061
△ 109	△ 2,830	△ 34	△ 925	△ 4	158
1,077	△ 1,672	2,417	2,116	3,279	4,220
725	△ 452	780	1,141	1,307	1,611
351	△ 1,220	1,637	975	1,972	2,609
23	17	31	105	85	65
327	△ 1,237	1,606	869	1,886	2,543

2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
6,808	6,808	6,808	6,808	6,808	6,808
(6,808)	(6,808)	(6,808)	(6,808)	(6,808)	(6,808)
6,808	6,808	6,808	6,808	6,808	6,808
8,261	8,278	6,654	7,621	7,826	9,328
(7,784)	(8,278)	(6,654)	(7,621)	(7,826)	(9,328)
(476)	(-)	(-)	(-)	(-)	(-)
371	△ 1,227	1,606	869	1,886	2,543
(327)	(△ 1,237)	(1,606)	(869)	(1,886)	(2,543)
(31)	(-)	(-)	(-)	(-)	(-)
(12)	(10)	(-)	(-)	(-)	(-)
355	397	639	664	385	567
(334)	(367)	(367)	(360)	(355)	(521)
(18)	(27)	(-)	(37)	(27)	(44)
(2)	(3)	(-)	(3)	(3)	(2)
(-)	(-)	(272)	(219)	(-)	(-)
(-)	(-)	(-)	(44)	(-)	(-)
8,278	6,654	7,621	7,826	9,328	11,303

1999.3

I Cash flow from operating activities	I 営業活動によるキャッシュ・フロー	
1 Net income before income taxes and others	1. 税金等調整前当期純利益	—
2 Depreciation and amortization	2. 減価償却費	—
3 Accrual for pension and severance costs	3. 退職給付引当金の増減額	—
4 Interest income and dividends received	4. 受取利息及び受取配当金	—
5 Loss on sales of marketable securities	5. 有価証券売却損	—
6 Equity in earnings of affiliates	6. 持分法による投資損益	—
7 Interest charges	7. 支払利息	—
8 Amortization of deferred assets	8. 繰延資産償却費	—
9 Gain on sale of invested marketable securities	9. 投資有価証券売却益	—
10 Loss on sale of invested marketable securities	10. 投資有価証券売却損	—
11 Evaluation loss on invested marketable securities	11. 投資有価証券評価損	—
12 Gain on sale of fixed assets	12. 固定資産の売却益	—
13 Loss on disposal of fixed assets	13. 固定資産除売却損	—
14 Return on stock right	14. 新株引受権戻入益	—
15 Impairment loss	15. 減損損失	—
16 Increase/Decrease in accounts receivables	16. 売上債権の増減額	—
17 Increase/Decrease in inventories	17. たな卸資産の増減額	—
18 Increase/Decrease in accounts payables	18. 仕入債務の増減額	—
19 Increase/Decrease in income and other taxes	19. 未払税金の増減額	—
20 Increase/Decrease in severance	20. 未払退職金の増減額	—
21 Others	21. その他	—
Subtotal	小計	—
22 Interest and dividends-received	22. 利息及び配当金の受取額	—
23 Interest-paid	23. 利息の支払額	—
24 Income and other tax payments	24. 法人税等の支払額	—
25 Income taxes refunded	25. 法人税等の還付額	—
Cash flow from operating activities	営業活動によるキャッシュ・フロー	—
II Cash flow from investing activities	II 投資活動によるキャッシュ・フロー	
1 Payments for depositing of time deposits	1. 定期預金等の預入による支出	—
2 Proceeds from repayment of time deposits	2. 定期預金等の払戻による収入	—
3 Payments for purchases of marketable securities	3. 有価証券の取得による支出	—
4 Proceeds from sales of marketable securities	4. 有価証券の売却による収入	—
5 Proceeds from sales of marketable securities and investments	5. 投資有価証券の売却による収入	—
6 Proceeds from redemption of bonds	6. 債券の償還による収入	—
7 Payment for acquisition of stocks of related companies	7. 関係会社株式取得による支出	—
8 Payment for purchase of tangible fixed assets	8. 有形固定資産の取得による支出	—
9 Proceeds from sale of tangible fixed assets	9. 有形固定資産の売却による収入	—
10 Payment for purchase of intangible fixed assets	10. 無形固定資産の取得による支出	—
11 Collection of loan receivables	11. 貸付金の回収による収入	—
12 Sale of memberships	12. 会員権売却による収入	—
13 Others	13. その他	—
Cash flow from investing activities	投資活動によるキャッシュ・フロー	—
III Cash flow from financing activities	III 財務活動によるキャッシュ・フロー	
1 Increase/Decrease in short-term debt	1. 短期借入金の増減額	—
2 Payment of long-term debt	2. 長期借入金の返済による支出	—
3 Proceeds from long-term debt	3. 長期借入による収入	—
4 Payment of note with warrant	4. 社債の償還による支出	—
5 Purchase of common stock	5. 自己株式の取得による支出	—
6 Dividends paid	6. 配当金の支払額	—
7 Dividends paid to minority shareholders	7. 少数株主への配当金の支払額	—
8 Others	8. その他	—
Cash flow from financing activities	財務活動によるキャッシュ・フロー	—
IV Effect of exchange rate change on cash and cash equivalents	IV 現金及び現金同等物に係る換算差額	—
V Increase (△decrease) in cash and cash equivalents	V 現金及び現金同等物の増加額 (△は減少額)	—
VI Cash and cash equivalents at beginning of year	VI 現金及び現金同等物の期首残高	—
Increase in cash and cash equivalents associated with new consolidations	新規連結に伴う現金及び現金同等物の増加高	—
VII Cash and cash equivalents at end of year	VII 現金及び現金同等物の期末残高	—

Difference between cash and cash equivalents at the end of the year and the amount recorded on consolidated balance sheets ...

現金及び現金同等物の期末残高と連結貸借対照表に掲記されている科目の金額との関係

1999.3

Cash and time deposits	現金及び預金勘定	—
Time deposits with a deposit period of over three months	預入期間が3ヶ月を越える定期預金	—
Cash and cash equivalents at end of year	現金及び現金同等物の期末残高	—

(Unit: Millions of yen 単位: 百万円)

2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
1,077	△ 1,672	2,417	2,116	3,279	4,220
774	652	564	669	748	681
50	2,010	△ 190	△ 88	△ 59	△ 144
△ 56	△ 46	△ 32	△ 21	△ 19	△ 22
-	-	-	-	-	-
△ 4	△ 8	△ 15	-	-	-
184	196	170	47	30	25
-	-	29	-	-	-
-	△ 54	-	△ 0	△ 88	-
△ 178	159	-	3	-	-
-	-	368	799	-	2
-	△ 8	△ 3	△ 2	△ 45	△ 431
92	34	24	6	64	172
-	-	△ 355	-	-	-
-	-	-	-	-	98
1,324	477	526	365	118	△ 291
948	△ 187	734	97	122	△ 769
△ 1,337	298	△ 1,099	358	△ 338	686
△ 769	-	-	-	-	-
-	450	△ 450	-	-	-
△ 42	371	△ 14	33	307	△ 112
2,062	2,672	2,674	4,385	4,119	4,115
61	47	35	27	17	25
△ 225	△ 209	△ 176	△ 48	△ 29	△ 26
△ 301	△ 887	△ 241	△ 1,930	△ 883	△ 1,437
378	50	164	0	-	-
1,975	1,674	2,456	2,434	3,225	2,677
△ 460	△ 403	△ 781	△ 212	△ 324	△ 373
629	222	666	551	434	217
△ 32	-	-	-	-	-
954	6	-	-	-	-
-	335	-	2	149	-
-	-	-	100	-	-
-	-	△ 67	-	-	△ 37
△ 277	△ 297	△ 423	△ 450	△ 711	△ 346
163	59	28	7	349	500
△ 202	△ 286	△ 268	△ 171	△ 41	△ 74
62	80	55	39	31	22
-	-	46	-	-	-
25	14	△ 2	△ 34	△ 38	△ 28
863	△ 269	△ 747	△ 166	△ 150	△ 119
△ 39	336	△ 282	△ 565	△ 18	△ 281
△ 39	△ 20	△ 4,226	△ 20	△ 26	△ 31
500	-	-	-	78	-
△ 3,400	-	△ 3,712	-	-	-
-	-	△ 279	△ 218	△ 468	△ 27
△ 350	△ 367	△ 366	△ 359	△ 356	△ 521
△ 4	△ 1	△ 1	△ 14	△ 18	△ 19
3	△ 14	△ 7	△ 4	△ 13	△ 18
△ 3,330	△ 67	△ 8,878	△ 1,182	△ 823	△ 899
△ 55	90	69	△ 73	△ 89	△ 5
△ 547	1,427	△ 7,100	1,011	2,162	1,653
10,971	10,526	11,954	4,854	5,918	8,080
102	-	-	52	-	-
10,526	11,954	4,854	5,918	8,080	9,733

2000.3	2001.3	2002.3	2003.3	2004.3	2005.3
10,865	12,339	5,542	6,267	8,319	10,125
△ 339	△ 385	△ 688	△ 348	△ 238	△ 391
10,526	11,954	4,854	5,918	8,080	9,733



- 1 Head Office 本社
- 2 Takarazuka Headquarters 宝塚事業場
- 3 Tokyo Office 東京事務所

Subsidiaries 子会社情報		Paid-in Capital 資本金
4 TOA ENGINEERING CORPORATION	TOAエンジニアリング株式会社	50 (Millions of yen/百万円)
5 XEBEC CORPORATION	株式会社ジーベック	30 (Millions of yen/百万円)
6 TOA ASSOCIATE CORPORATION	TOAアソシエート株式会社	10 (Millions of yen/百万円)
7 ACOUS Corporation	アコース株式会社	80 (Millions of yen/百万円)
8 TAKEX Corporation	タケックス株式会社	35 (Millions of yen/百万円)
9 PASCO. LTD	パスコ株式会社	10 (Millions of yen/百万円)
10 BBM ELECTRONICS GROUP LIMITED (U.K.)		1,100 (Thousands of £)
11 P.T.TOA-GALVA INDUSTRIES (Indonesia)		593 (Millions of RP)
12 TOA VIETNAM CO.,LTD. (Vietnam)		1,100 (Thousands of US\$)
13 Dynatron Industrial Co.,Ltd.(Taiwan)	得洋電子工業股份有限公司	35,000 (Thousands of NT\$)
14 TOA Electronics Europe G.m.b.H. (Germany)		512 (Thousands of EUR)
15 TOA Electronics Europe G.m.b.H. (France)		-
16 TOA ELECTRONICS, INC. (U.S.A.)		2,000 (Thousands of US\$)
17 TOA CORPORATION (UK) LIMITED (U.K.)		1,500 (Thousands of £)
18 TOA ELECTRONICS TAIWAN CORPORATION (Taiwan)		20,000 (Thousands of NT\$)
19 TOA CANADA CORPORATION (Canada)		1,450 (Thousands of C\$)
20 TOA (HONG KONG) LIMITED (Hong Kong)		1,500 (Thousands of HK\$)
21 TOA ELECTRONICS PTE LTD (Singapore)		170 (Thousands of SG\$)
22 TOA (CHINA) LIMITED. (Shanghai)		200 (Thousands of US\$)
23 TOA (CHINA) LIMITED. (Beijing)		-

Corporate Information *** 会社概要

(As of March 31, 2005 *** 2005年3月31日現在)

Company Name : TOA Corporation

社名 : TOA株式会社 (登記名 ティーオーイー株式会社)

Incorporated: April 20, 1949

設立 : 昭和24年(1949年)4月20日

Established: September 1, 1934

創業 : 昭和9年(1934年)9月1日

Capital : ¥5.28 billion

資本金 : 52.8億円

President : Takanori Yoshikawa

代表者 : 代表取締役社長 吉川 隆典

Address : 7-2-1 Minatojima-nakamachi, Chuo-ku, Kobe, Hyogo
650-0046, Japan

本社 : 〒650-0046 神戸市中央区港島中町七丁目2番1号

Employees : 590

従業員 : 590名

Fiscal year-end: March 31

決算期 : 毎年3月31日

Bond rating: BBB+(Preferred long-term debt) JAPAN CREDIT RATING AGENCY, LTD.
BBB (Preferred long-term debt) Rating and Investment Information, Inc.

格付け : BBB+ (長期優先債務) 日本格付研究所

BBB (長期優先債務) 格付投資情報センター

Stock Information *** 株式情報

(As of March 31, 2005 *** 2005年3月31日現在)

Authorized Shares

会社が発行する株式の総数

78,820,000株

Shares issued and outstanding

発行済株式総数

35,536,635株

Trading Unit

単元株式数

1,000株

Shareholders

株主数

4,218名

Securities Code Number

証券コード

6809

Stock Listing:

First Section of the Tokyo Stock Exchange

First Section of the Osaka Securities Exchange

上場証券取引所 東京証券取引所 市場第一部

大阪証券取引所 市場第一部

Transfer Agent for Common Stock:

THE MITSUBISHI TRUST AND BANKING CORPORATION

名義書換代理人 三菱信託銀行株式会社

Independent Auditors: Deloitte Touche Tohmatsu

会計監査人 監査法人トーマツ

Underwriting : Nomura Securities Co., Ltd.

幹事引受証券会社 野村證券株式会社

Board of Directors and Auditors *** 取締役および監査役

(As of June 29, 2005 *** 2005年6月29日現在)

President: Takanori Yoshikawa

代表取締役社長 吉川 隆典

Director: Susumu Nishiura

取締役 西浦 進

Director: Kazuo Musa

取締役 撫佐 和夫

Director: Kaneyoshi Kawano

取締役 川野 兼義

Director: Kenji Itani

取締役 井谷 憲次

Standing Corporate Auditor: Hideya Saitoh

監査役(常勤) 齊藤 秀也

Auditor: Tokuhiro Okada

監査役 岡田 徳弘

Auditor: Hisao Inoue

監査役 井上 尚雄

Corporate Officer: Kunio Taguchi

執行役員 田口 囃雄

Corporate Officer: Toshihiro Yamamoto

執行役員 山本 敏博

Corporate Officer: Kazuhiro Takeuchi

執行役員 竹内 一弘

Corporate Officer: Nobuaki Suzuki

執行役員 鈴木 信明

Corporate Officer: Atsuo Honda

執行役員 本田 敦雄

Corporate Officer: Yoshinori Masuno

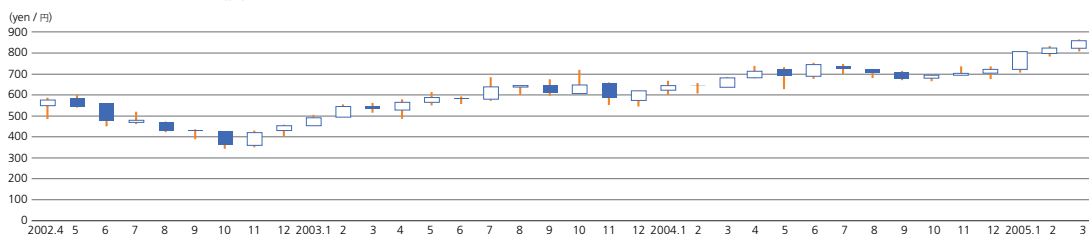
執行役員 増野 善則

Major Shareholders 大株主

Thousands of stock Voting right(%)
千株 議決権比率(%)

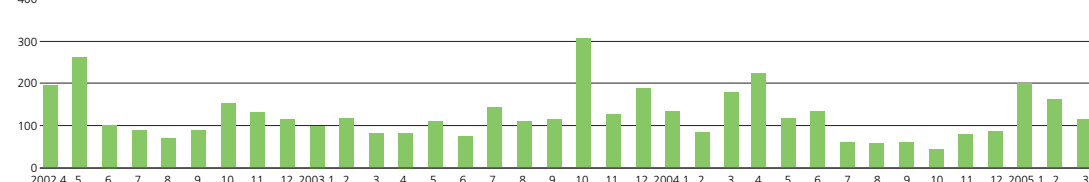
Tadako Nakatani 中谷 忠子	2,658	7.48
Japan Trustee Service Bank, Ltd. (Trust Account) 日本トラスティ・サービス信託銀行株式会社(信託口)	2,455	6.91
The Master Trust Bank of Japan(Trust Account) 日本マスタートラスト信託銀行株式会社(信託口)	1,490	4.19
The Bank of Tokyo Mitsubishi 株式会社東京三菱銀行	1,486	4.18
Sysmex Corporation シスメックス株式会社	1,457	4.10
TOA Clients' Shareholding Association TOA取引先持株会	1,403	3.95
Sumitomo Mitsui Banking Corporation 株式会社三井住友銀行	1,188	3.35
UFJ Bank 株式会社UFJ銀行	1,183	3.33
Teruko Itani 井谷 照子	1,073	3.02
Nakatani Electronic Measuring Technology Association of Japan 財団法人中谷電子計測技術振興財団	1,040	2.93

Stock Price *** 株価



Trading Volume *** 売買高

(Ten Thousand of Stocks / 万株)





TOA 株式会社

■ Head Office

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Tel: +81-78-303-5620

■ 本社

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Tel: (078)303-5620

■ IR Contacts

7-2-1, Minatojima-nakamachi, Chuo-ku, Kobe, Hyogo 650-0046, Japan
Tel: +81-78-303-5631

■ IR担当窓口

〒650-0046 神戸市中央区港島中町七丁目2番1号
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<http://www.toa.co.jp/>



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TOA Corporation

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