



TOYOTA BOSHOKU

TSE Prime Market Securities Code 3116

FY2024 (ending March 2024)

1st Quarter Financial Results

Date: July 28, 2023

Financial Results

- 1. 1st Quarter FY2024 Financial Results**
- 2. FY2024 Financial Forecasts**
- 3. Appendix**

Financial Results

1. 1st Quarter FY2024 Financial Results

2. FY2024 Financial Forecasts

3. Appendix

Script

- ◆ Thank you for attending our FY2024 1st quarter financial results briefing during a busy time today.
- ◆ Firstly, I would like to explain the Financial Results for the 1st quarter of the fiscal year 2024, then the full year forecasts.
- ◆ Now, I'd like to start by looking at our financial results for the 1st quarter.

1-1) 1st Quarter FY2024 Financial Results Overview of Consolidated Financial Results

(100 million yen)

	Q1 FY2023		Q1 FY2024		YOY Change	
Revenue	3,503	100.0%	4,754	100.0%	1,251	35.7%
Operating Profit	34	1.0%	221	4.7%	187	551.0%
Profit before income taxes	75	2.2%	253	5.3%	178	236.1%
Profit*	△13	△0.4%	125	2.6%	138	-

*Profit Attributable to Owners of the Parent

Earnings per share		△7.38 yen	66.93yen	-
Exchange Rate	USD	130 yen	137 yen	+ 8 yen
	EUR	138 yen	149 yen	+ 11yen

Revenue

Revenue increased due to higher production in Japan and globally

Operating Profit

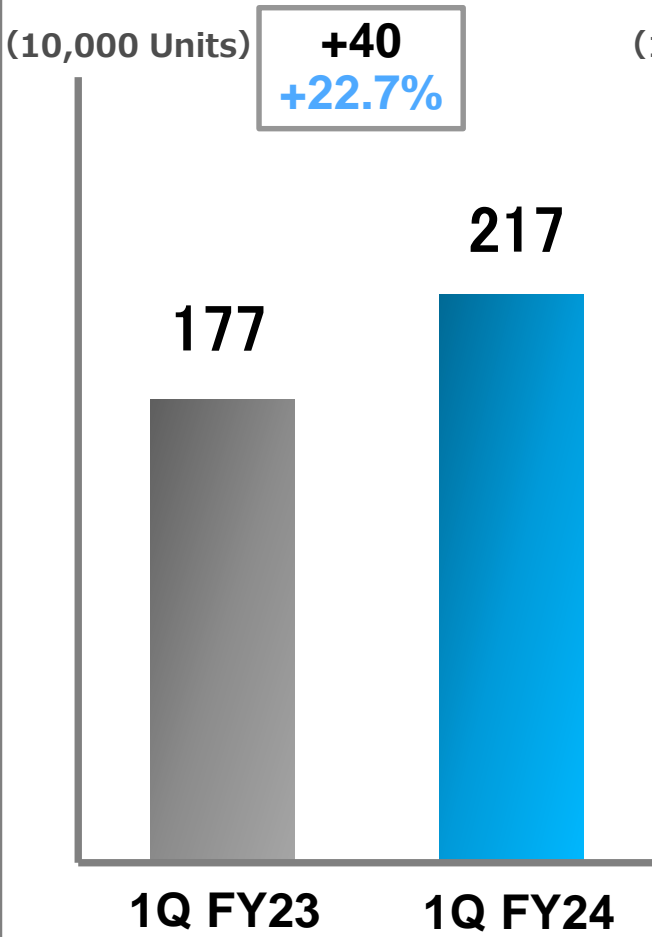
Profit increased due higher production and change in the vehicle mix despite increase in overhead costs

Script

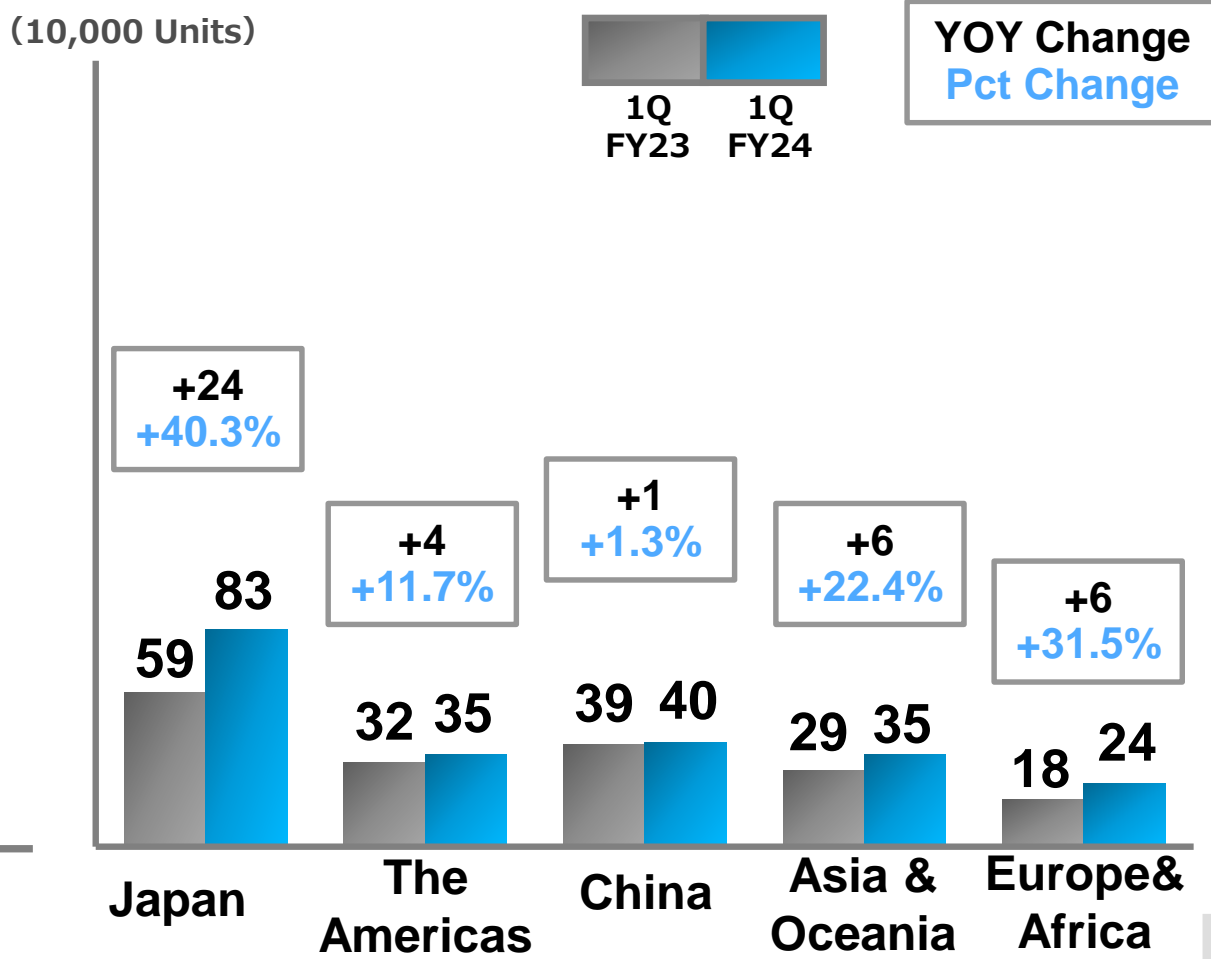
- ◆ Sales revenue increased by 125.1 billion yen to 475.4 billion yen.
 - ◆ Operating profit increased by 18.7 billion yen to 22.1 billion yen year-over-year.
 - ◆ Profit before income taxes increased by 17.8 billion yen to 25.3 billion yen.
 - ◆ Profit attributable to owners of the parent increased by 13.8 billion yen to 12.5 billion yen.
 - ◆ Exchange rates are approximately 137 yen to the U.S. dollar, and 149 yen to the Euro.
- The exchange gain was 2.5 billion yen for sales, 0.9 billion yen for operating profit year-over-year.

1-2) 1st Quarter FY2024 Financial Results **Seat Production by Region**

Total



By Region



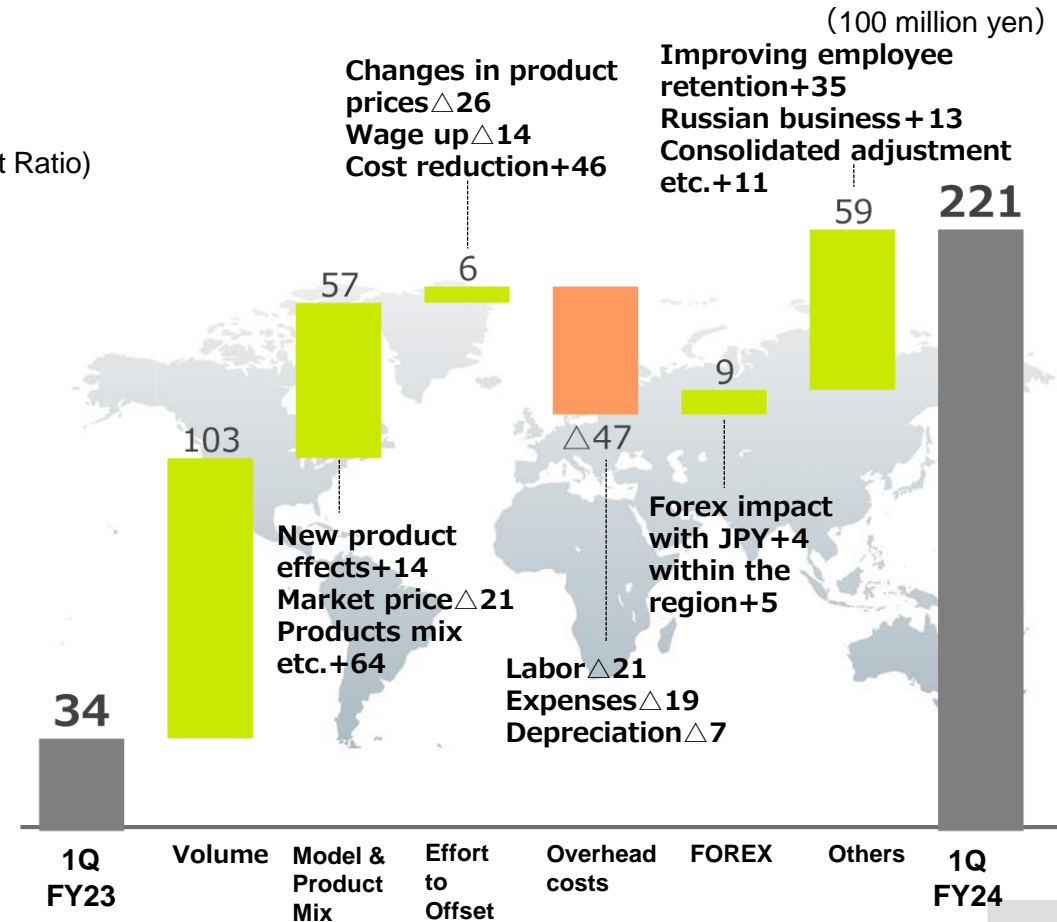
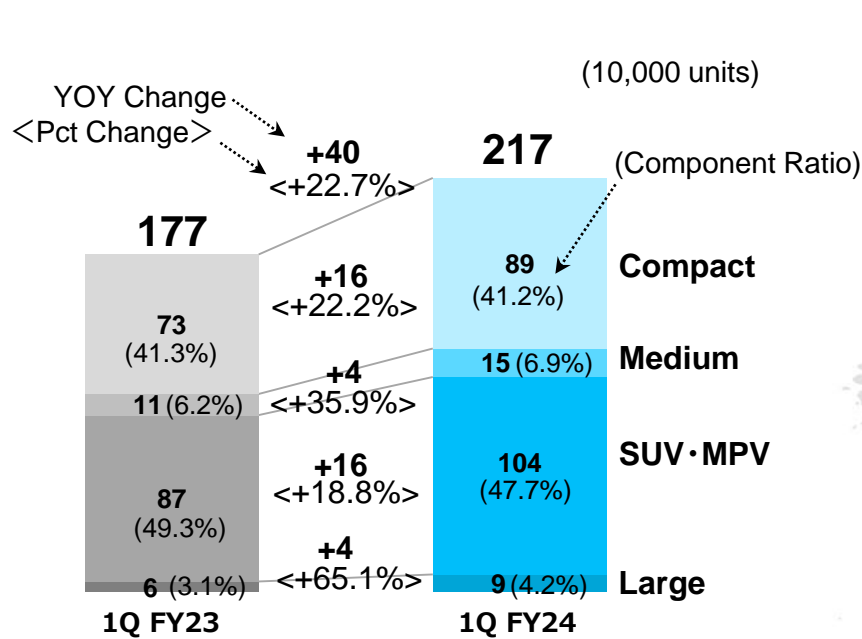
Script

- ◆ Next, consolidated seat assembly volume, the main product of the company, totaled 2.17 million units, increased by 0.4 million units compared to the previous year.
- ◆ Seat assembly volume by region is as shown. This will be explained in detail in later slides.

1-3) 1st Quarter FY2024 Financial Results Consolidated Revenue & Operating Profit

Profit increased due higher production and change in the vehicle mix despite increase in overhead costs

Volume & Model Mix Operating Profit Variance Analysis



Profit & Loss

(100 million yen)

	1Q FY23	1Q FY24	YOY Change
Revenue	3,503	4,754	1,251
Operating Profit	34	221	187
Operating Profit Ratio	1.0%	4.7%	-

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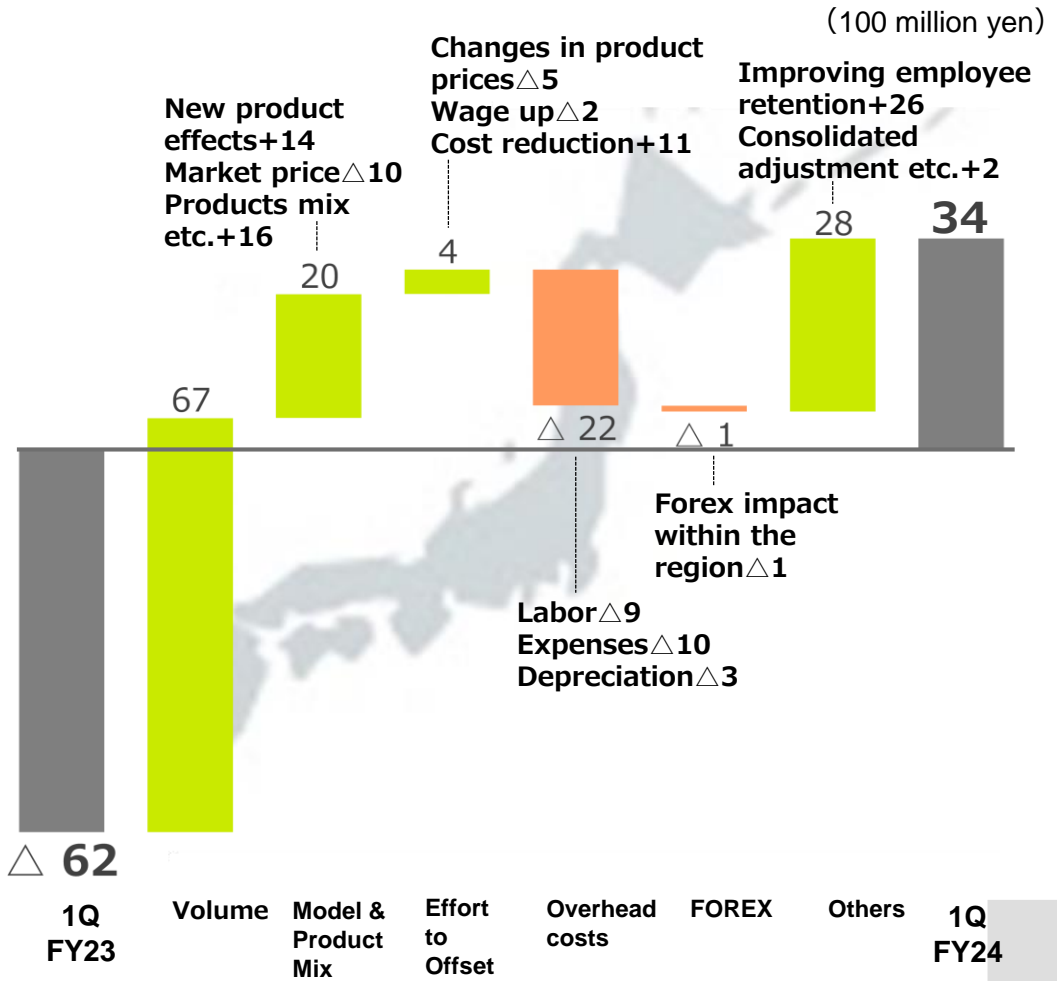
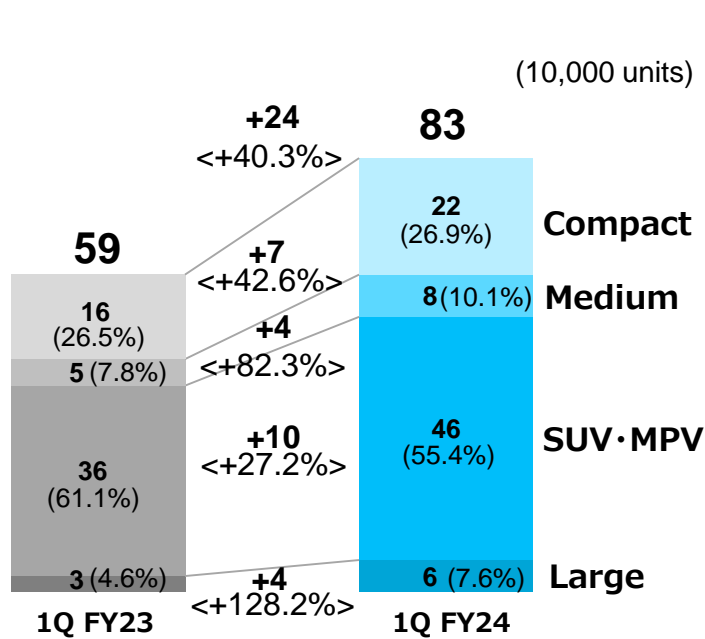
- ◆ Next, let me move on to consolidated revenue & operating profit.
- ◆ Volume increased by 0.4 million units to 2.17 million units.
- ◆ Sales revenue increased by 125.1 billion yen to 475.4 billion yen.
- ◆ Operating profit increased by 18.7 billion yen to 22.1 billion yen due to higher production volume in Japan and globally as well as change in the vehicle mix despite an increase in overhead costs.

1-3) 1st Quarter FY2024 Financial Results Japan Revenue & Operating Profit

Profit increased due higher production and change in the vehicle mix despite increase in overhead costs

Volume & Model Mix

Operating Profit Variance Analysis



Profit & Loss

(100 million yen)

	1Q FY23	1Q FY24	YOYChange
Revenue	1,505	2,290	785
Operating Profit	$\Delta 62$	34	97
Operating Profit Ratio	$\Delta 4.2\%$	1.5%	-

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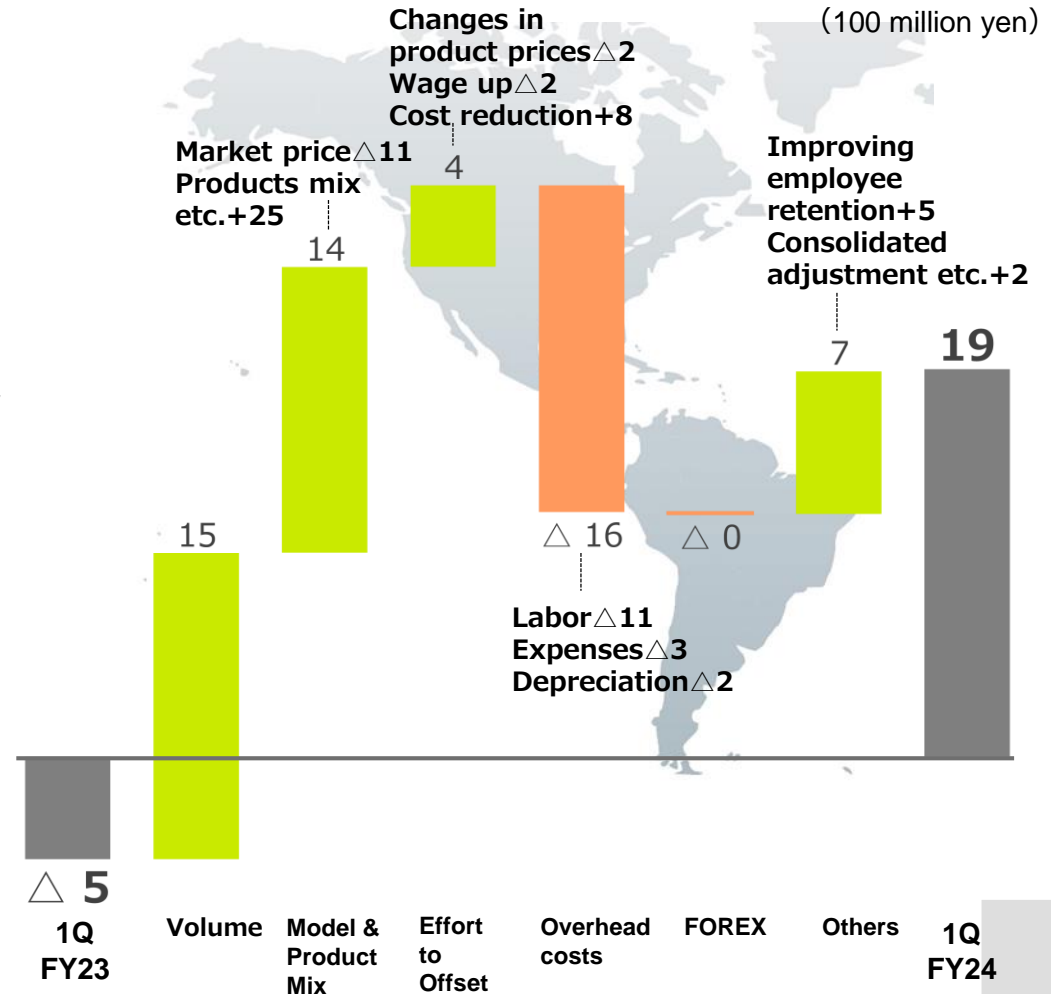
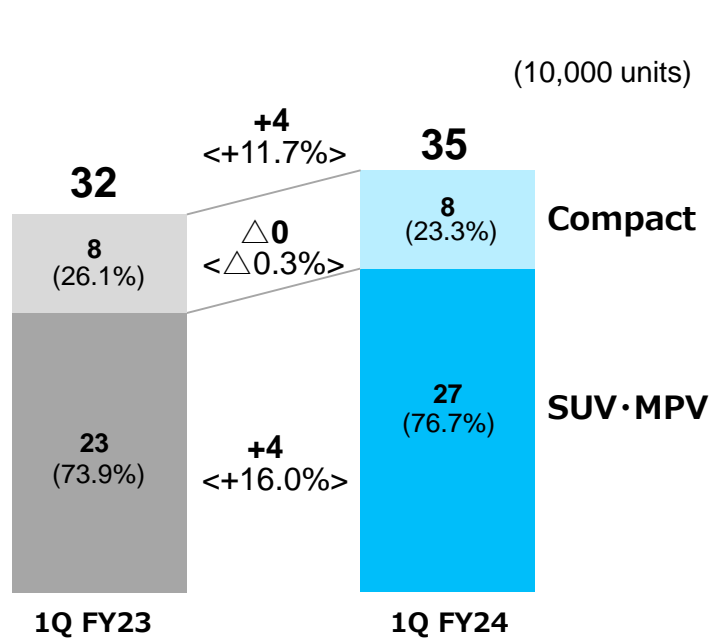
- ◆ Next, in Japan region,
- ◆ Volume increased by 240k units to 0.83 million units year-over year because production stabilized as parts supply issues settled.
- ◆ Sales revenue increased by 78.5 billion yen to 229.0 billion yen.
- ◆ Operating profit increased by 9.7 billion yen to 3.4 billion yen due to impacts of higher production and change in the vehicle mix including SUVs despite increase in overhead costs.

1-3) 1st Quarter FY2024 Financial Results The Americas Revenue & Operating Profit

Profit increased due higher production and change in the vehicle mix despite increase in overhead costs from new products launch

Volume & Model Mix

Operating Profit Variance Analysis



Profit & Loss

(100 million yen)

	1Q FY23	1Q FY24	YOY Change
Revenue	896	1,149	253
Operating Profit	$\Delta 5$	19	24
Operating Profit Ratio	$\Delta 0.6\%$	1.7%	-

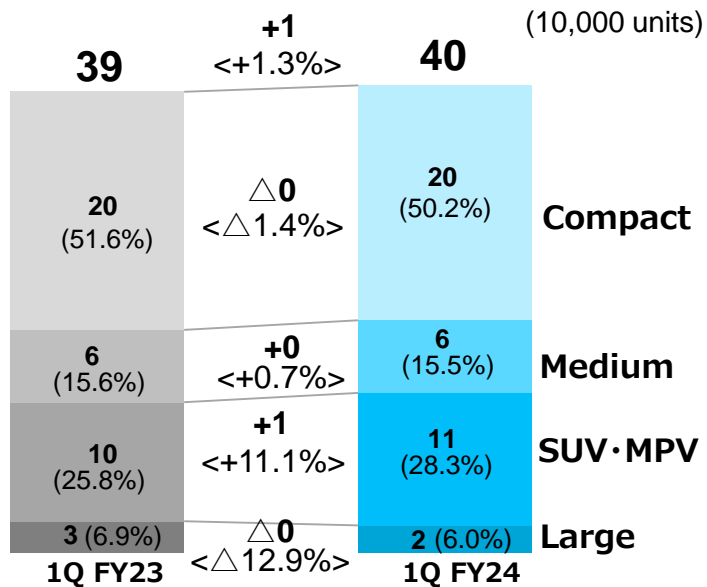
Script

- ◆ Next, in the Americas,
- ◆ Volume increased by 40k units to 0.35 million units year-over year.
- ◆ Sales revenue increased by 25.3 billion yen to 114.9 billion yen.
- ◆ Operating profit increased by 2.4 billion yen to 1.9 billion yen due to higher production and change in the vehicle mix despite increase in overhead costs from new products launch.

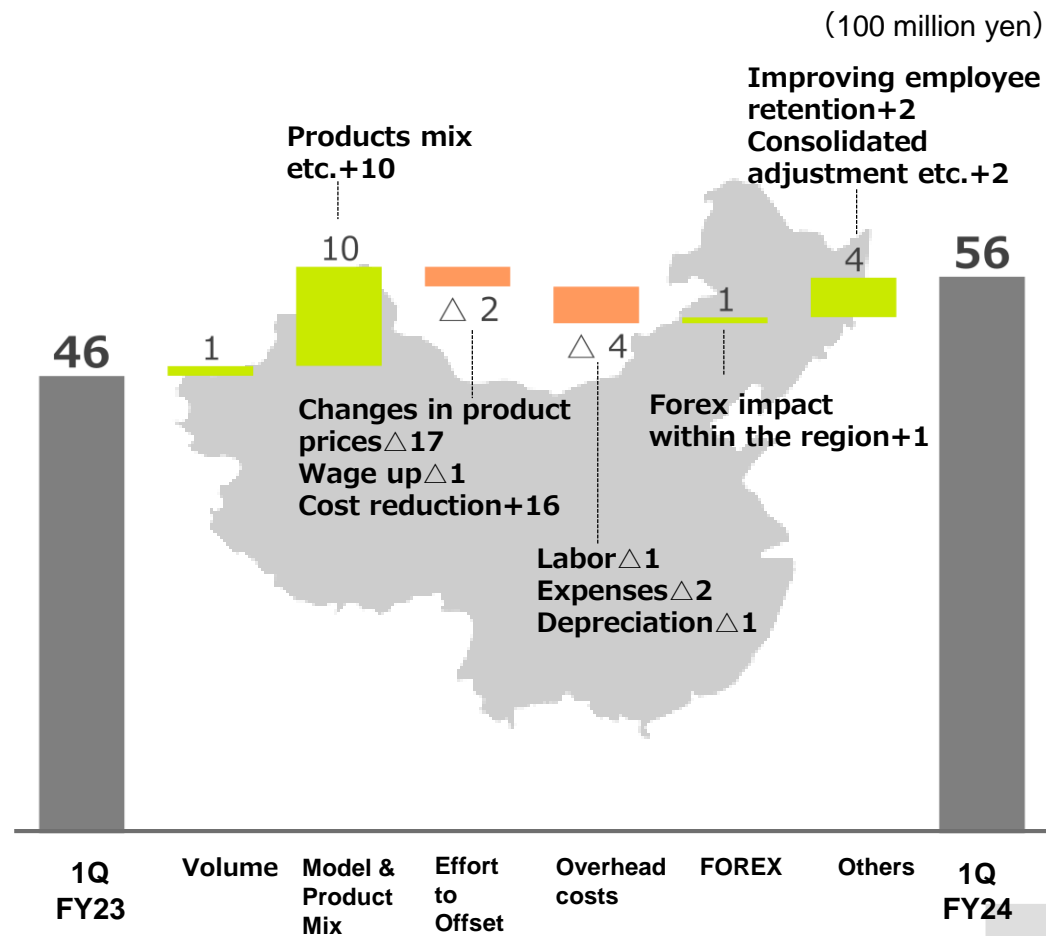
1-3) 1st Quarter FY2024 Financial Results China Revenue & Operating Profit

Profit increased due to change in the vehicle mix as new products have launched last year despite increase in overhead costs

Volume & Model Mix



Operating Profit Variance Analysis



Profit & Loss

(100 million yen)

	1Q FY23	1Q FY24	YOY Change
Revenue	595	628	33
Operating Profit	46	56	9
Operating Profit Ratio	7.8%	9.0%	-

Script

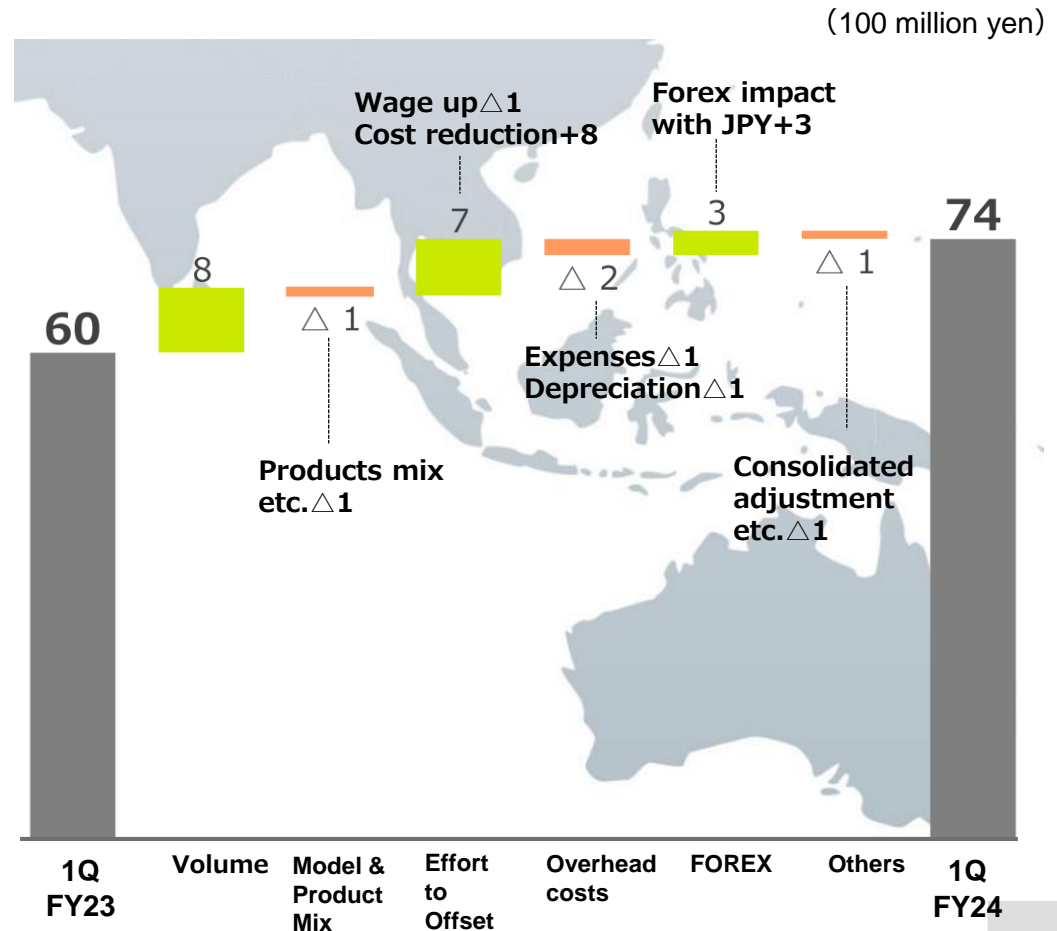
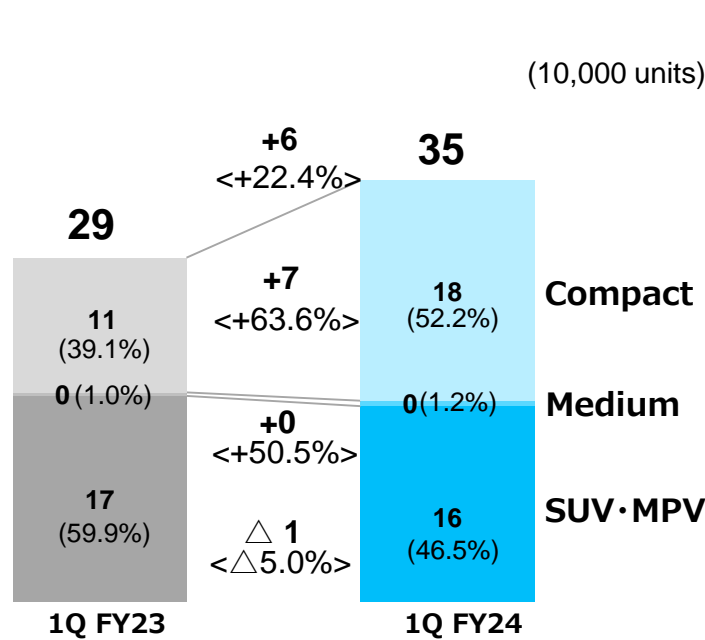
- ◆ Next, in China,
- ◆ Volume resulted in 0.4 million units as the same level as the previous year.
- ◆ Sales revenue increased by 3.3 billion yen to 62.8 billion yen.
- ◆ Operating profit increased by 0.9 billion yen to 5.6 billion yen due to change in model mix since new products have launched last year despite increase in overhead costs.

1-3) 1st Quarter FY2024 Financial Results Asia & Oceania Revenue & Operating Profit

Profit increased due to higher volume from sales promotion in Indonesia and India as well as cost reduction

Volume & Model Mix

Operating Profit Variance Analysis



Profit & Loss

(100 million yen)

	1Q FY23	1Q FY24	YOY Change
Revenue	525	624	98
Operating Profit	60	74	13
Operating Profit Ratio	11.6%	11.9%	-

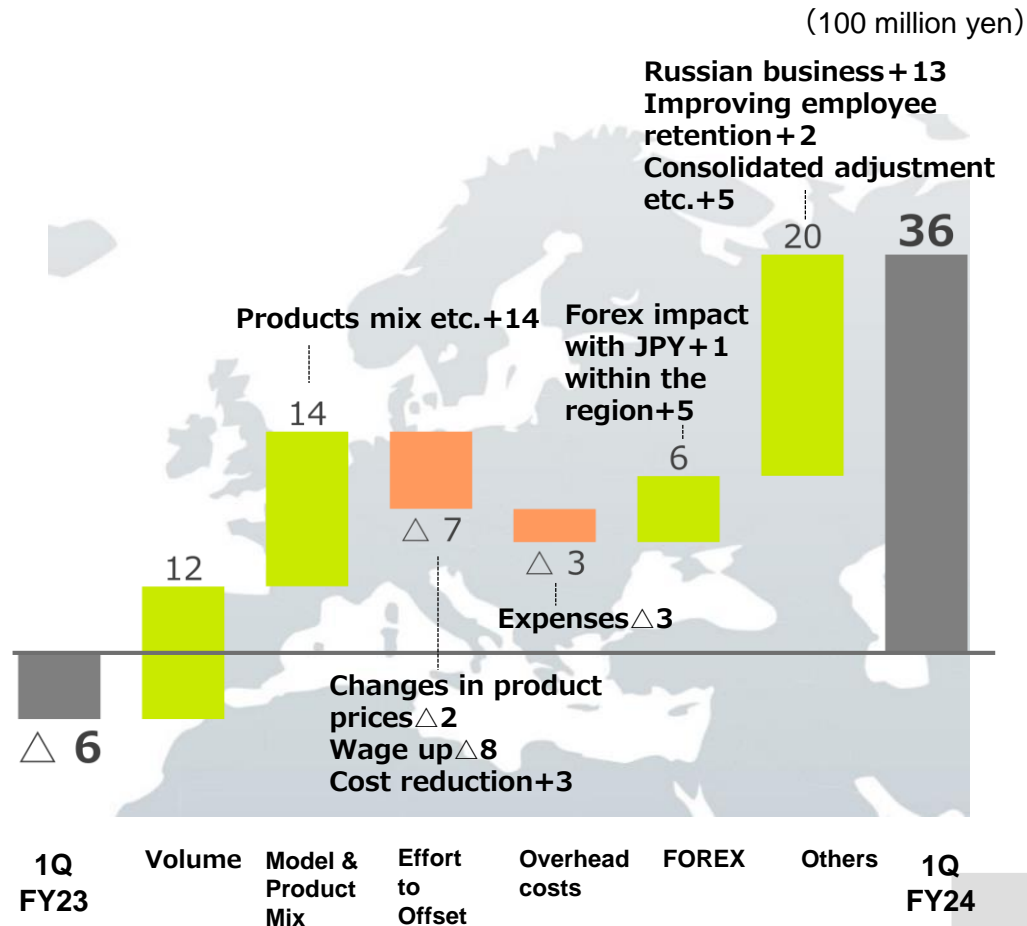
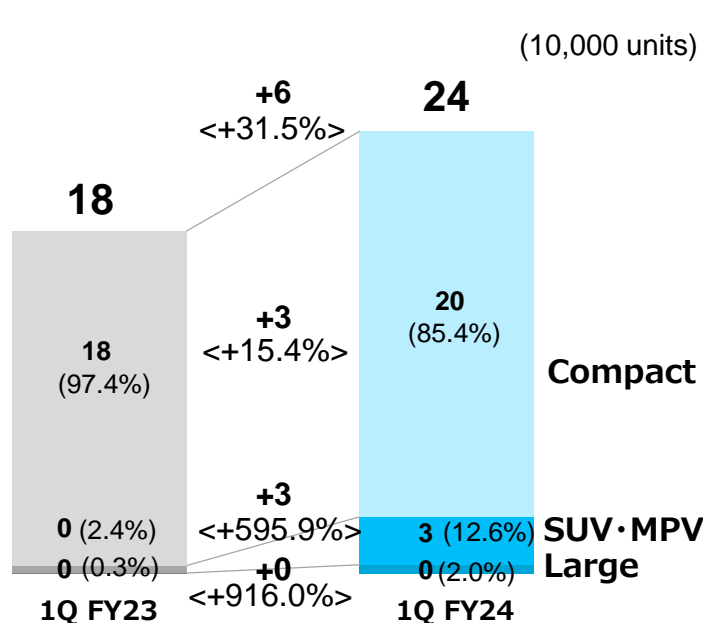
Script

- ◆ Next, in Asia & Oceania region,
- ◆ Volume increased by 60k units to 0.35 million units year-over-year.
- ◆ Sales revenue increased by 9.8 billion yen to 62.4 billion yen.
- ◆ Operating profit increased by 1.3 billion yen to 7.4 billion yen due to higher volume from sales promotion in Indonesia and India as well as cost reduction.

1-3) 1st Quarter FY2024 Financial Results Europe & Africa Revenue & Operating Profit

Profit increased as volume recovered from the shutdown in South Africa in the previous year in addition to change in model mix and impacts of the Russian business

Volume & Model Mix Operating Profit Variance Analysis



Profit & Loss

(100 million yen)

	1Q FY23	1Q FY24	YOY Change
Revenue	216	335	118
Operating Profit	△6	36	42
Operating Profit Ratio	△2.9%	10.9%	-

Script

- ◆ Next in Europe & Africa region,
- ◆ Volume increased by 60k units to 0.24 million units year-over year.
- ◆ Sales revenue increased by 11.8 billion yen to 33.5 billion yen.
- ◆ Operating profit increased by 4.2 billion yen to 3.6 billion yen as volume recovered from the shutdown in South Africa in the previous year in addition to change in model mix and impacts of the Russian business.

Financial Results

1. 1st Quarter FY2024 Financial Results

2. FY2024 Financial Forecasts

3. Appendix

- ◆ In the following section, I would like to explain the full year forecasts for the fiscal year 2024.

2-1) FY2024 Financial Forecasts Overview of Consolidated Financial Forecasts

(100 million yen)

	FY23 Actual		FY24 Forecasts		YOY Change		FY24 Forecasts (Initially Announced)	
Revenue	16,040	100.0%	18,000	100.0%	1,959	12.2%	16,800	100.0%
Operating Profit	476	3.0%	690	3.8%	213	44.7%	530	3.2%
Profit before income taxes	522	3.3%	660	3.7%	137	26.2%	500	3.0%
Profit ^{※1}	※2 146	0.9%	340	1.9%	193	131.6%	220	1.3%

※1 Profit Attributable to Owners of the Parent

※2 includes impact of the write-off of deferred tax assets △101

Earnings per share		78.57 yen	181.96 yen			117.75 yen
Exchange Rate	USD	135 yen	130 yen	△5 yen		125 yen
	EUR	141 yen	140 yen	△1 yen		135 yen

Revenue

Higher revenue due to volume increase in Japan and sales promotion in Asia

Operating Profit

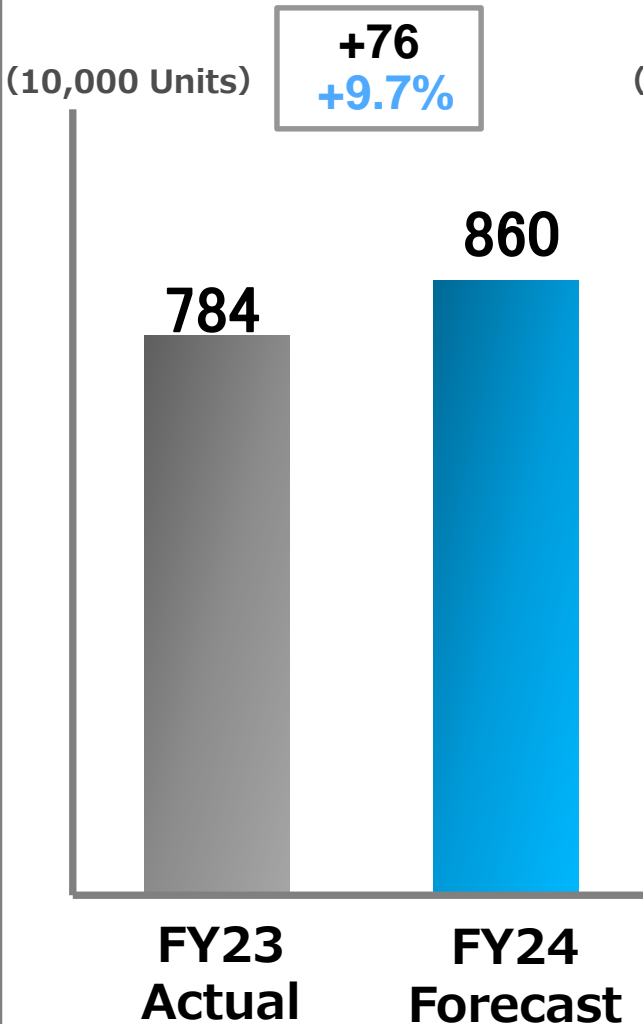
Higher profits due to volume increase, new product effects and change in the vehicle mix despite increase in overhead costs including upfront investments for the future

Script

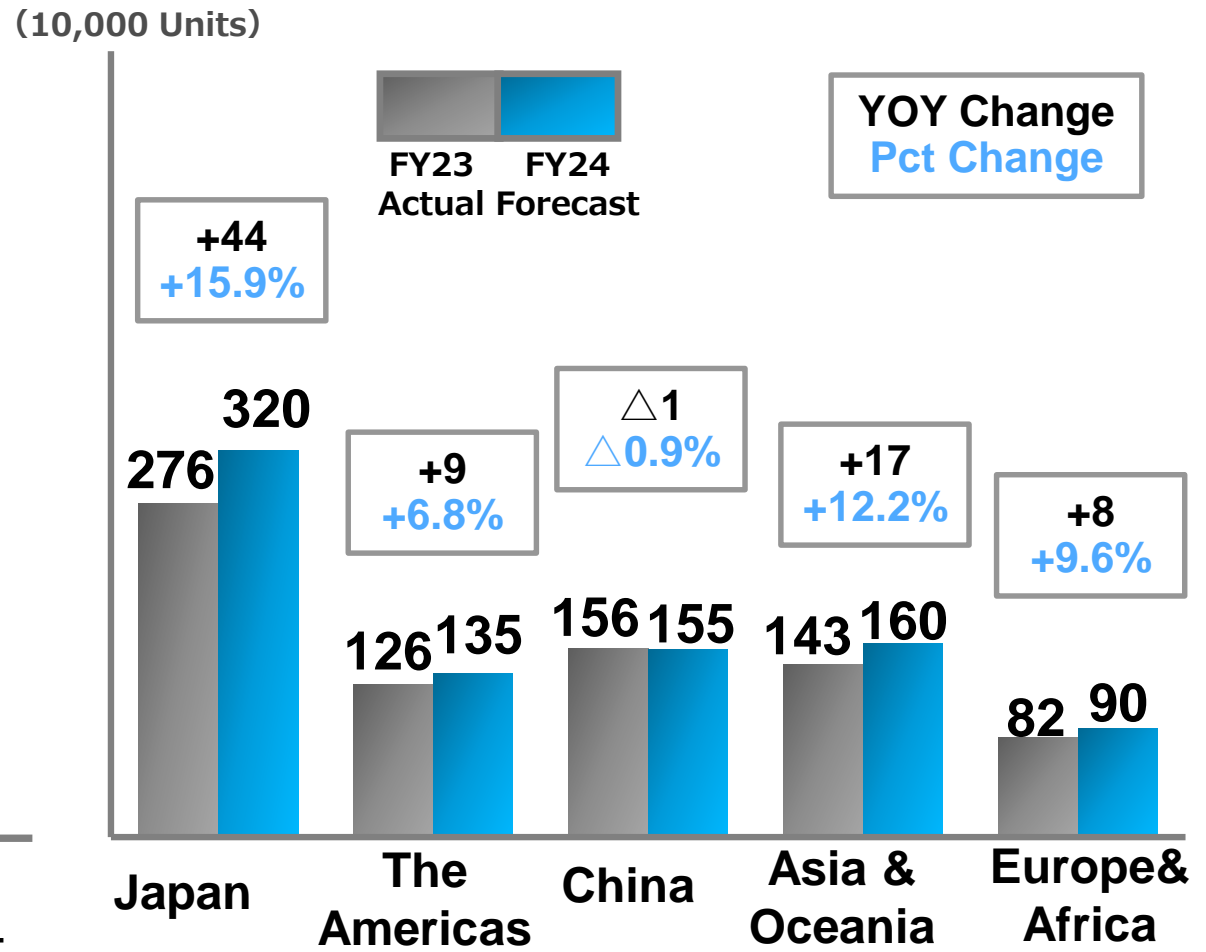
- ◆ Sales revenue will increase by 195.9 billion yen to 1.8 trillion yen.
- ◆ Operating profit is prospected to increase by 21.3 billion yen to 69 billion yen year-over-year.
- ◆ Profit before income taxes will increase by 13.7 billion yen to 66 billion yen.
- ◆ Profit attributable to owners of the parent will increase by 19.3 billion yen to 34 billion yen.
- ◆ Assumed exchange rates are approximately 130 yen to the U.S. dollar, and 140 yen to the Euro.

2-2) FY2024 Financial Forecasts **Seat Assembly Production by Region**

Total



By Region



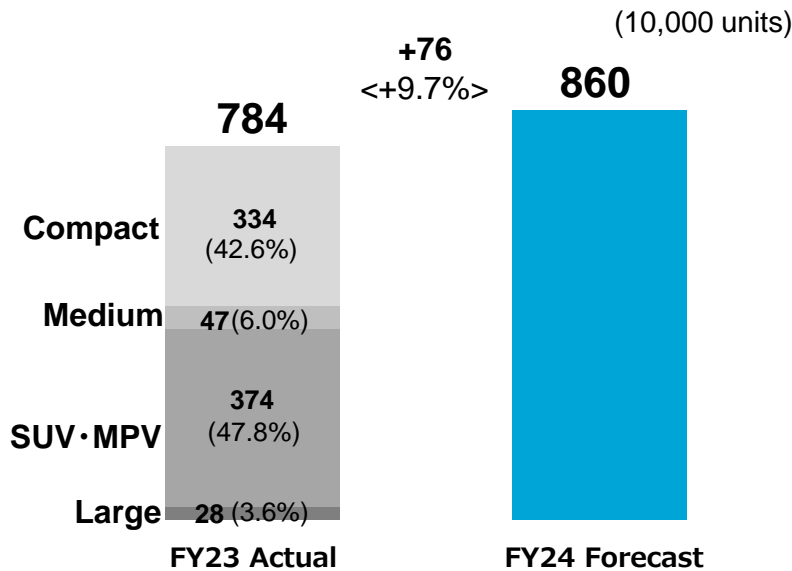
Script

- ◆ As for consolidated seat assembly volume, it will be 8.6 million units, increased by 0.76 million units compared to the previous year.
- ◆ Seat assembly volume by region is as shown. This will be explained in detail in later slides.

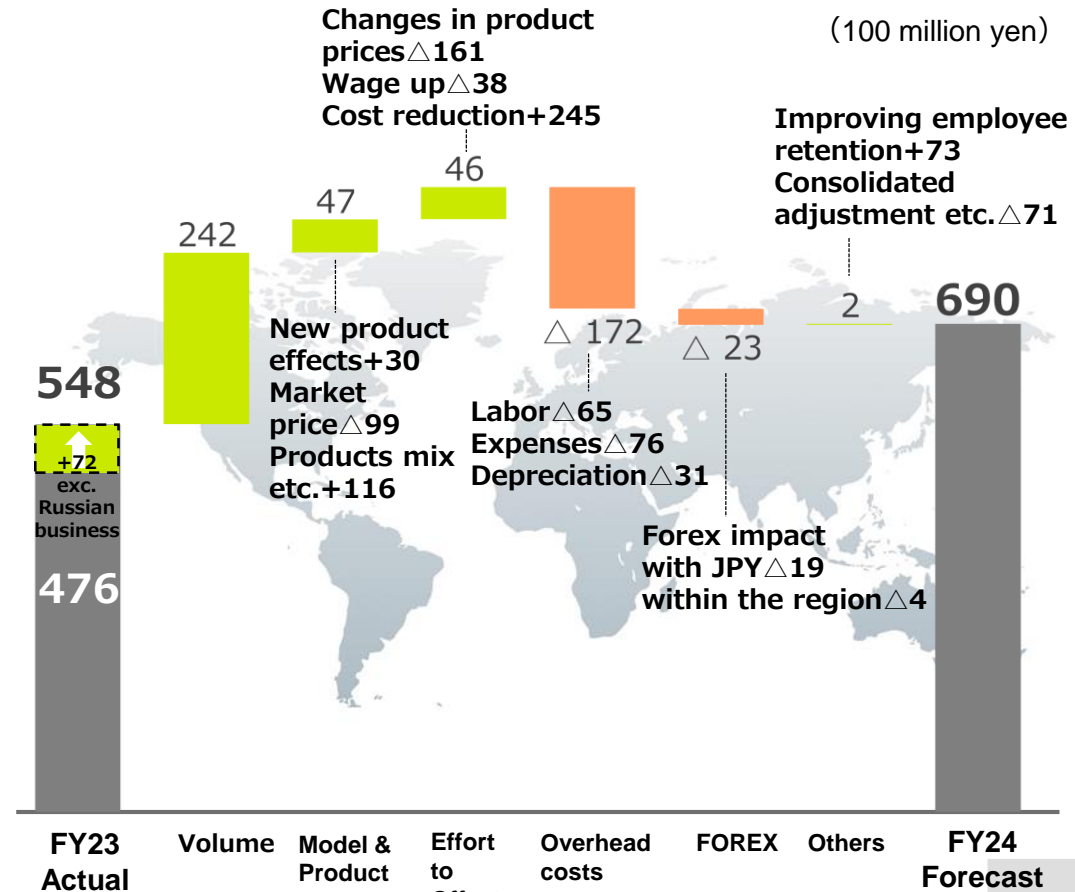
2-3) FY2024 Financial Forecasts Consolidated Revenue & Operating Profit

Higher profits due to volume increase and change in the vehicle mix despite increase in overhead costs including upfront investments for the future

Volume & Model Mix



Operating Profit Variance Analysis



Profit & Loss

(100 million yen)

	FY23 Actual	FY24 Forecast	YOY Change
Revenue	16,040	18,000	1,959
Operating Profit	476	690	213
Operating Profit Ratio	3.0%	3.8%	-

Script

- ◆ Next, let me explain consolidated revenue & operating profit.
- ◆ Volume will be 8.6 million units, increasing by 0.76 million units year-over-year.
- ◆ Sales revenue is expected to increase by 195.9 billion yen to 1.8 trillion yen.
- ◆ Operating profit revised upwards to be 69 billion yen, increased by 21.3 billion yen due to volume increase and change in the vehicle mix despite increase in overhead costs including upfront investments for the future.

2-3) FY2024 Financial Forecasts Comparison with the original Forecast

Operating Profit variance analysis

(100 million yen)

	Originally announced	1Q announced	Difference		
			Total	Internal effort	Environmental change
FY23 Actual	<small>exc. Russian business</small> 548	548	-	-	-
Volume	138	242	+104		+104
Mix	△1	47	+48	+8	+40
Cost Reduction	23	46	+23	+23	
Expenses	△179	△172	+7	+7	
FX	△32	△23	+9		+9
Others	33	2	△31		△31
FY24 Forecast	530	690	+160	+38	+122

Script

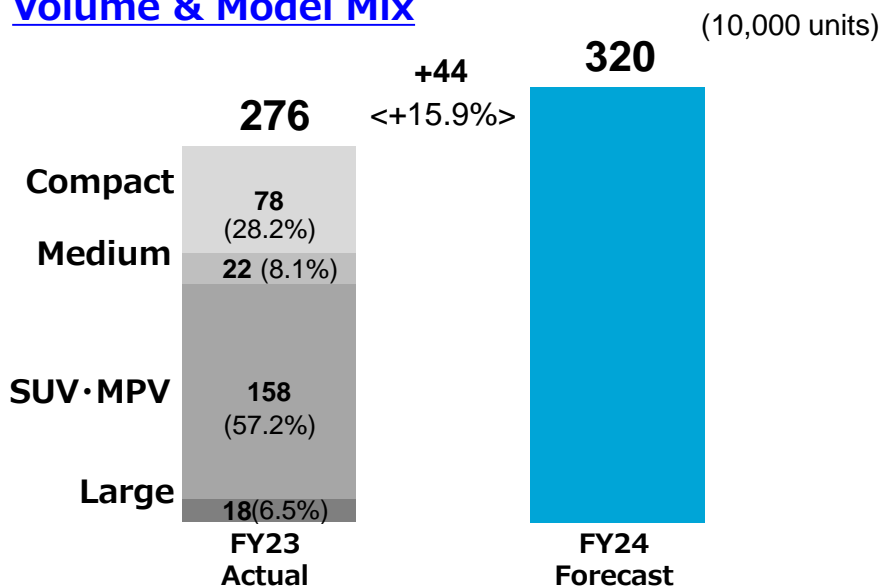
- ◆ Next, here is the comparison with the original forecast released last time.
- ◆ Our forecast revised upwards due to production increase in the 1st half as parts supply issues settled and change in the vehicle mix as well as internal efforts such as additional cost reduction and streamlined fixed expenses.

2-4) FY2024 Financial Forecasts Revenue & Operating Profit by Region

Japan

Higher profit due to production increase and change in the vehicle mix despite impacts of APA in the previous year as well as increase in overhead costs

Volume & Model Mix



Profit & Loss

(100 million yen)

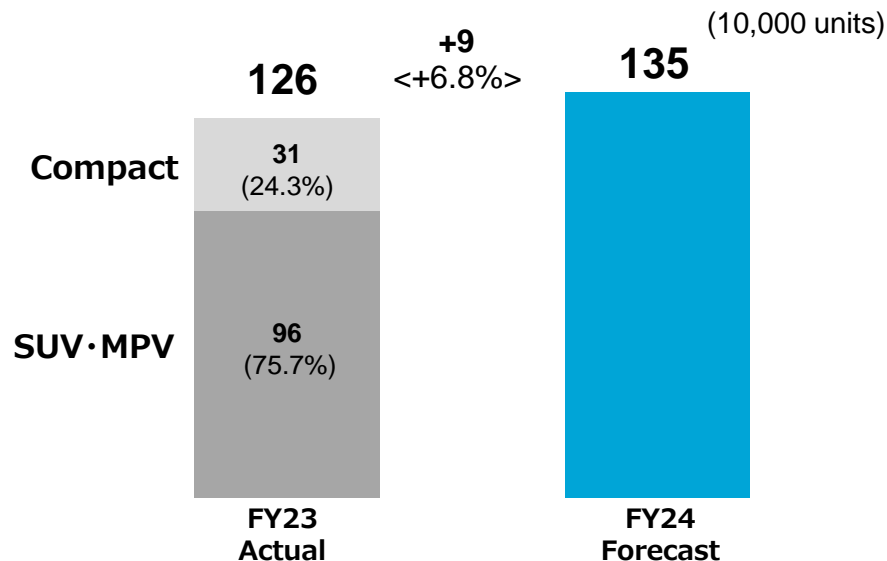
	FY23 Actual	FY24 Forecast	YOY Change
Revenue	7,329	9,000	1,670
Operating Profit	(△54) 116	130	(184) 13
Operating Profit Ratio	1.6%	1.4%	-

() exc. APA

The Americas

Higher profit due to production increase from new models and their new product effects despite negative impacts of market price increase

Volume & Model Mix



Profit & Loss

(100 million yen)

	FY23 Actual	FY24 Forecast	YOY Change
Revenue	3,887	4,100	212
Operating Profit	△11	10	21
Operating Profit Ratio	△0.3%	0.2%	-

Script

- ◆ Next, let me explain financial forecast by regions.

First, regarding Japan,

Volume will increase by 440k units to 3.2 million units year-over-year.

- ◆ Sales revenue will increase by 167.0 billion yen to 900 billion yen.
- ◆ Operating profit is prospected to increase by 18.4 billion yen to 13.0 billion excluding an impact of Advance Pricing Agreement due to production increase and change in the vehicle mix despite increase in overhead costs.

- ◆ Next, The Americas,

Volume will increase by 90k units to 1.35 million units year-over-year.

- ◆ Sales revenue will increase by 21.2 billion yen to 410 billion yen.
- ◆ Operating profit is prospected to increase by 2.1 billion yen to 1.0 billion yen due to higher production from new models and their new product effects despite negative impacts of market price increase.

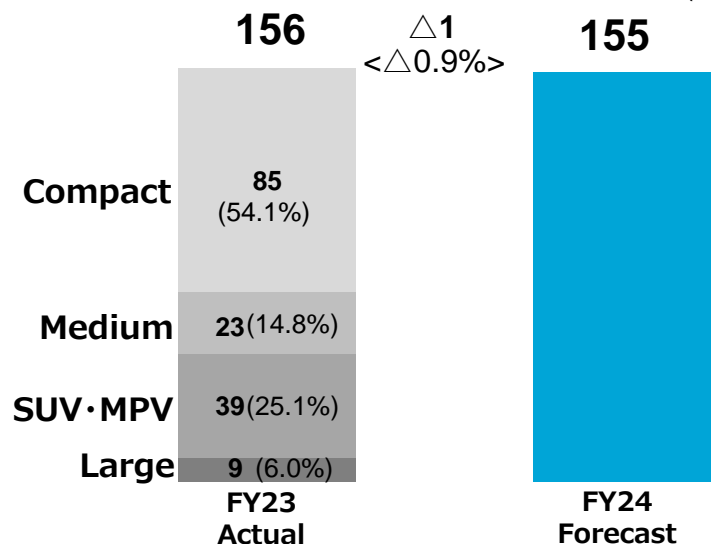
2-4) FY2024 Financial Forecasts Revenue & Operating Profit by Region

China

Lower profit due to stagnant volume growth due to changes in the market besides increase in expenses from launch and FX impacts

Volume & Model Mix

(10,000 units)



Profit & Loss

(100 million yen)

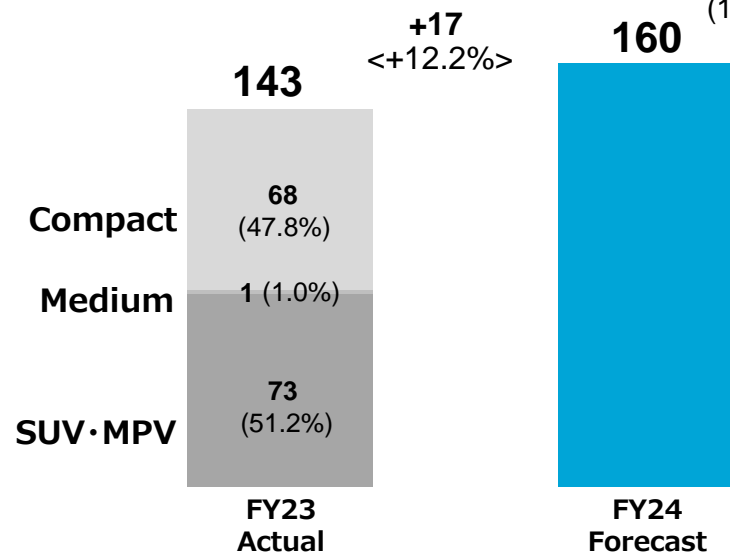
	FY23 Actual	FY24 Eforecast	YOY Change
Revenue	2,446	2,200	△246
Operating Profit	212	170	△42
Operating Profit Ratio	8.7%	7.7%	-

Asia & Oceania

Higher profit due to production increase from sales promotion in Indonesia & India in addition to APA impacts in the previous year

Volume & Model Mix

(10,000 units)



Profit & Loss

(100 million yen)

	FY23 Actual	FY24 Eforecast	YOY Change
Revenue	2,496	2,600	103
Operating Profit	(310) 140	310	(-) 169
Operating Profit Ratio	5.6%	11.9%	-

()exc. APA

Script

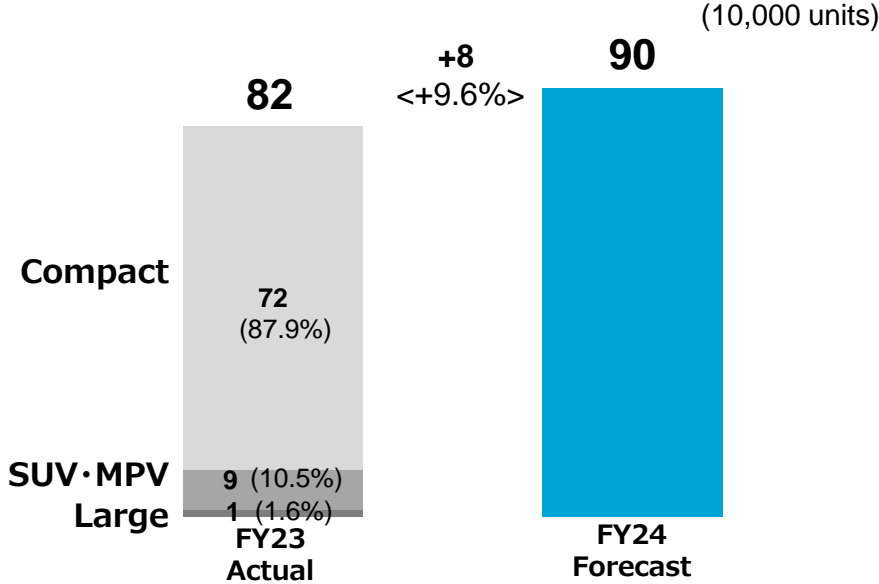
- ◆ Next, in China,
- ◆ Volume is prospected to be 1.55 million units almost the same level as the previous year.
- ◆ Sales revenue will decrease by 24.6 billion yen to 220 billion yen.
- ◆ Operating profit is prospected to decrease by 4.2 billion yen to 17 billion yen due to stagnant volume growth due to changes in the market besides increase in expenses from launch and FX impacts.
- ◆ Next, in Asia & Oceania,
- ◆ Volume will increase by 170k units to 1.60 million units year-over-year.
- ◆ Sales revenue will increase by 10.3 billion yen to 260 billion yen.
- ◆ Operating profit is prospected to be 31 billion yen as the same level as the previous year excluding the impact of Advance Pricing Agreement due to higher volume from sales promotion in India & Indonesia despite increase in overhead costs.

2-4) FY2024 Financial Forecasts Revenue & Operating Profit by Region

Europe & Africa

Higher profit due to production increase and impacts of the Russian business in the previous year despite increase in market price and expenses

Volume & Model Mix



Profit & Loss (100 million yen)

	FY23 Actual	FY24 Forecast	YOY Change
Revenue	1,082	1,150	67
Operating Profit	(70) 19	70	(-) 50
Operating Profit Ratio	1.8%	6.1%	-

(-) exc. Russian business

Script

- ◆ Next, in Europe & Africa,
- ◆ Volume will increase by 80k units to 0.9 million units year-over-year.
- ◆ Sales revenue is expected to increase by 6.7 billion yen to 115 billion yen.
- ◆ Operating profit is prospected to be 7.0 billion yen, as the same level as the previous year excluding impacts of the Russian business in the previous year due to production increase and change in the vehicle mix despite increase in market price and expenses.

2-5) FY2024 Financial Forecasts 1st/2nd Half by Region

Revenue

(100 million yen)

	1st Half		2nd Half		Full Year	
Japan	4,600		4,400		9,000	
The Americas	2,200		1,900		4,100	
China	1,200		1,000		2,200	
Asia & Oceania	1,300		1,300		2,600	
Europe & Africa	600		550		1,150	
Total	9,400		8,600		18,000	

Operating Profit

(100 million yen)

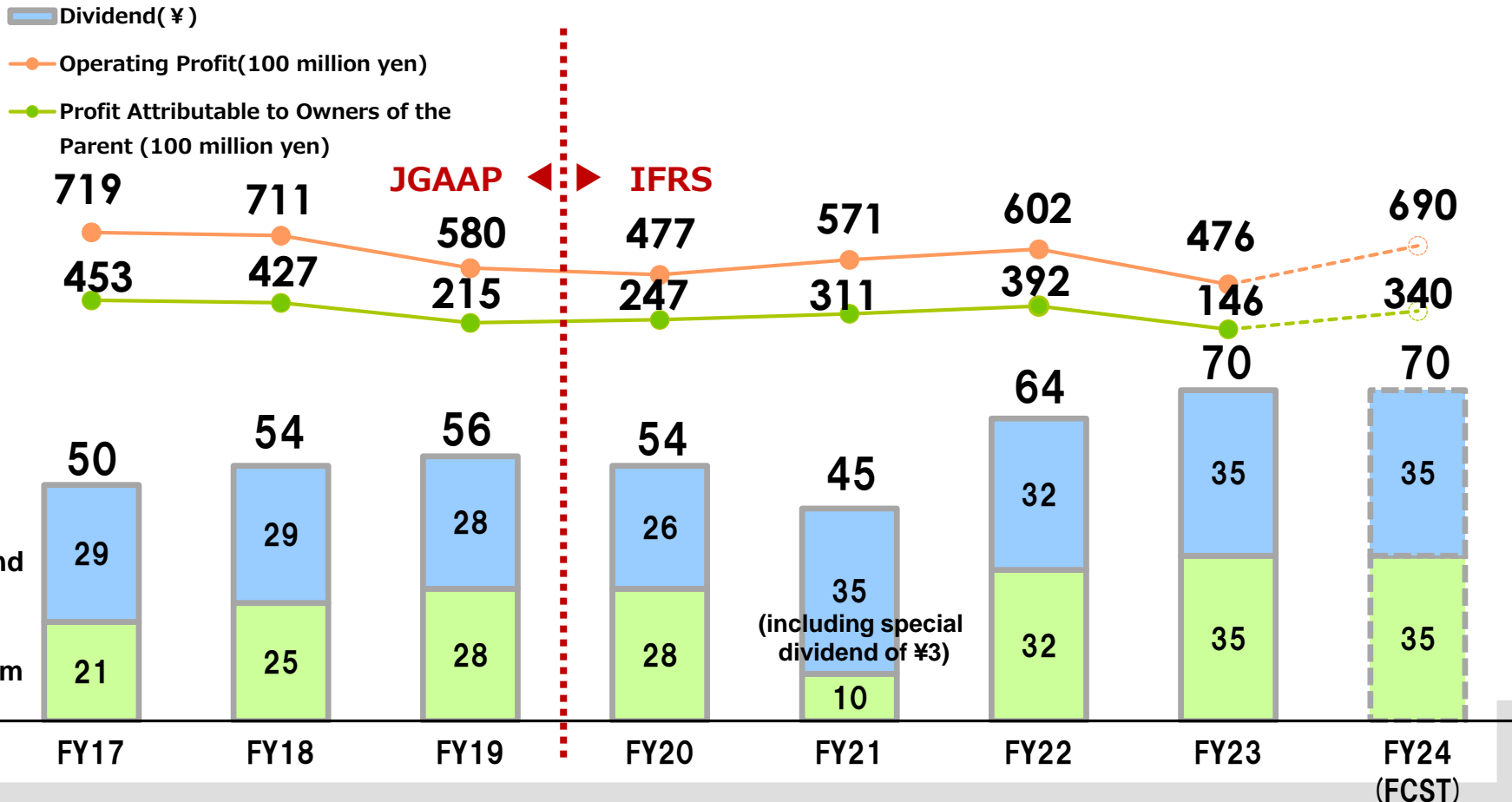
	1st Half		2nd Half		Full Year	
Japan	70	1.5%	60	1.4%	130	1.4%
The Americas	0	0.0%	10	0.5%	10	0.2%
China	110	9.2%	60	6.0%	170	7.7%
Asia & Oceania	150	11.5%	160	12.3%	310	11.9%
Europe & Africa	40	6.7%	30	5.5%	70	6.1%
Total	370	3.9%	320	3.7%	690	3.8%

◆ Financial Forecasts by Half Year is as shown.

2-6) FY2024 Financial Forecasts Returning to Shareholders

- For FY24, dividends plan is ¥35 for interim and FY-end respectively, total ¥70 to continue long-term stable dividend
- To be determined based on comprehensive evaluation of future forecasts

Trends in dividend, operating profit, & profit attributable to owners of the parent



Script

- ◆ Next, on returning to shareholders,
for FY24, our annual dividends plan is 70 yen as announced previously.
- ◆ It will be determined based on comprehensive evaluation of consolidated financial results to keep long-term sustainable dividends.

2-7) Concluding 1st Quarter FY2024 Financial Results

【1Q Results】

Operating profit has progressed at a higher pace than previously announced due to a recovering vehicle mix in addition to that the effect of increased production was steadily built up

【Forecast after 2Q】

While a trend of increasing production is continuously expected, volume for the 2nd half remains unchanged from the previous announcement since the future stays uncertain

【Annual Forecast】

Steadily prepare for production increase and implement company-wide profitability improvement activities for further profit growth while investments for the future growth will be executed as planned including new OEM and strengthening competitiveness.

Script

- ◆ Lastly, I'd like to conclude this 1st Quarter Financial Results.
- ◆ In the 1st Quarter, operating profit has progressed at a higher pace than previously announced as we steadily built up the effect of increased volume by flexibly responding to customer's production fluctuation as well as a recovering vehicle mix.
- ◆ For forecast after 2Q, while a trend of increasing production is continuously expected, volume for the 2nd half remains unchanged from the previous announcement since the future stays uncertain.
- ◆ For Annual forecast, investments for the future growth will be executed as planned including new OEM and strengthening competitiveness. On the other hand, we aim to increase profitability by steadily implementing company-wide profitability improvement activities and preparing for production increase.

Script

- ◆ That would be all for Financial Results for the 1st quarter of the fiscal year 2024.
- ◆ Thank you for listening.

Financial Results

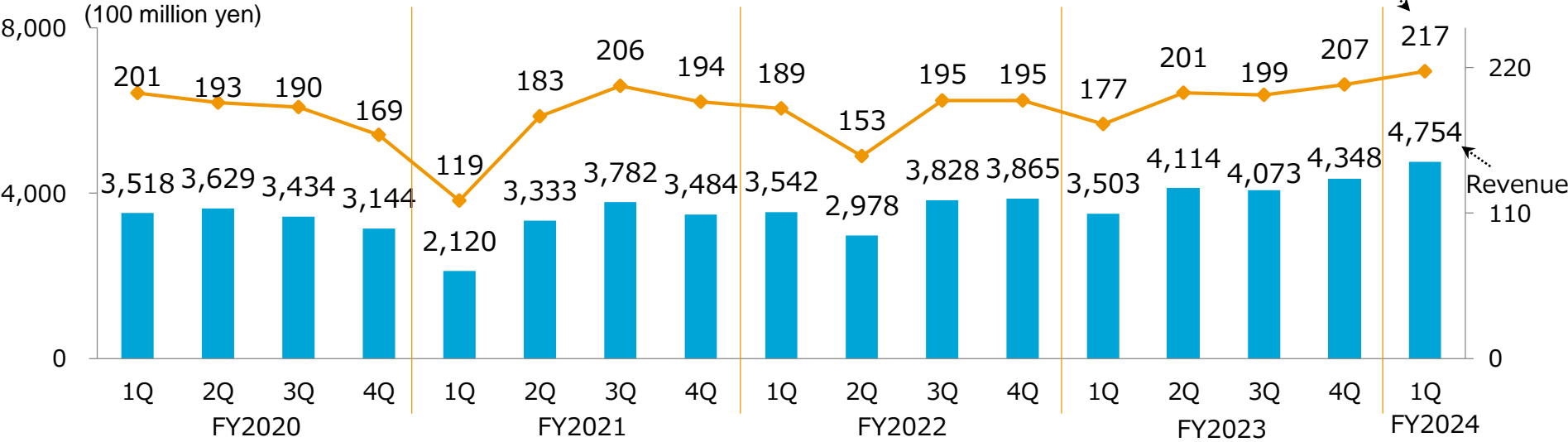
1. 1st Quarter FY2024 Financial Results

2. FY2024 Financial Forecasts

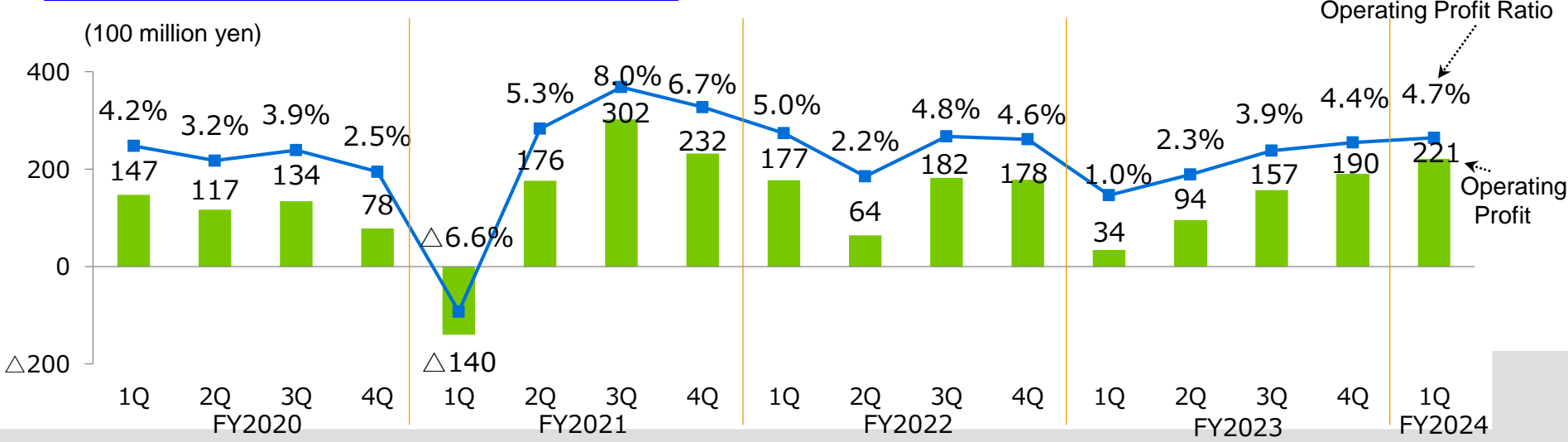
3. Appendix

Appendix1) Quarterly Trends: Consolidated volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue

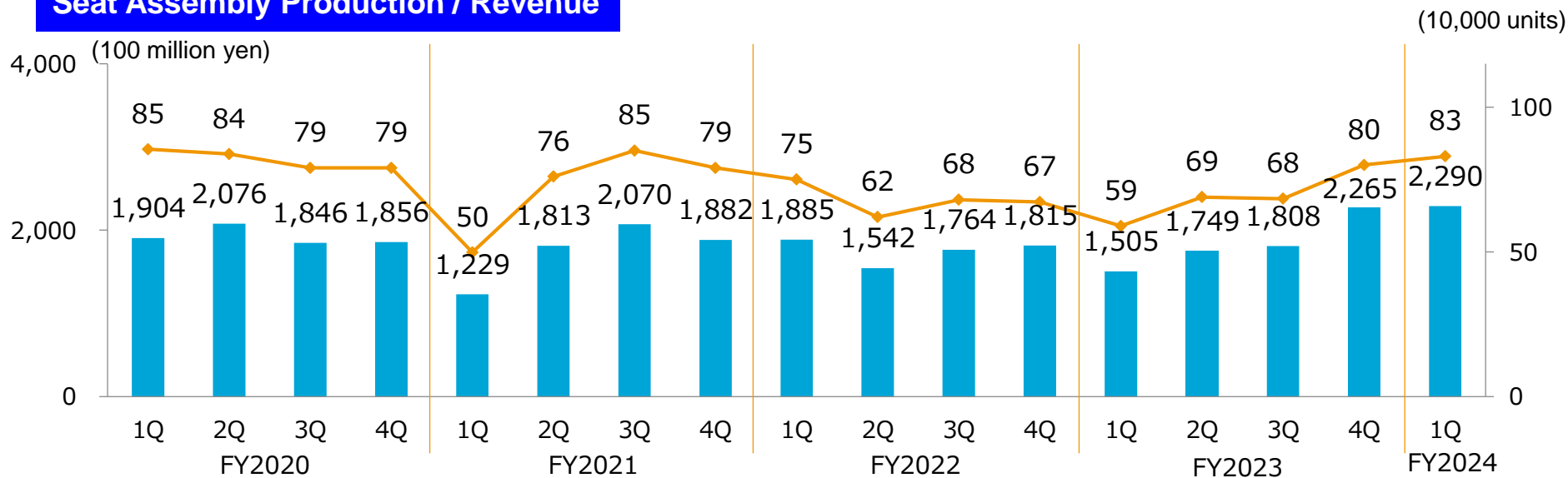


Operating Profit / Operating Profit Ratio

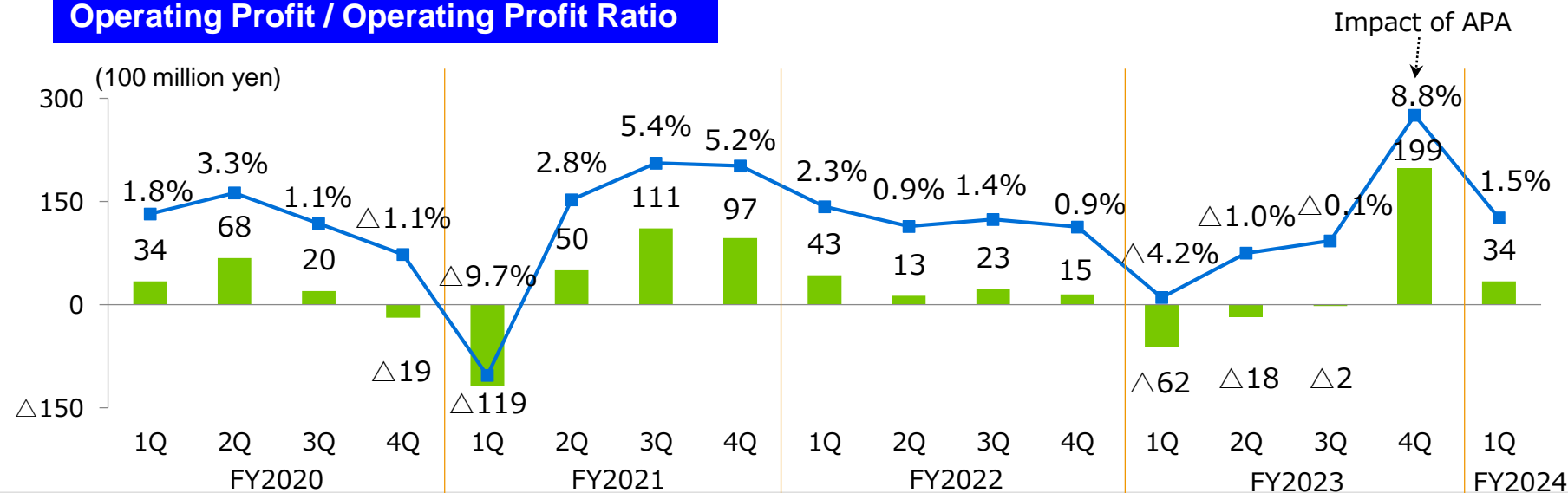


Appendix2) Quarterly Trends: Japan volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue

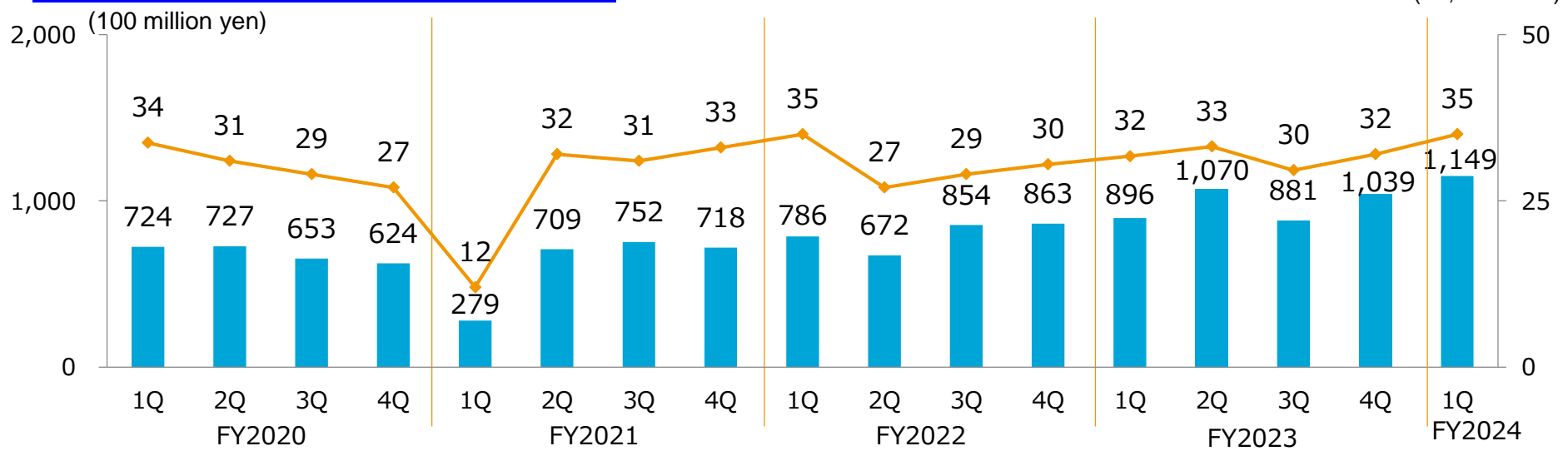


Operating Profit / Operating Profit Ratio

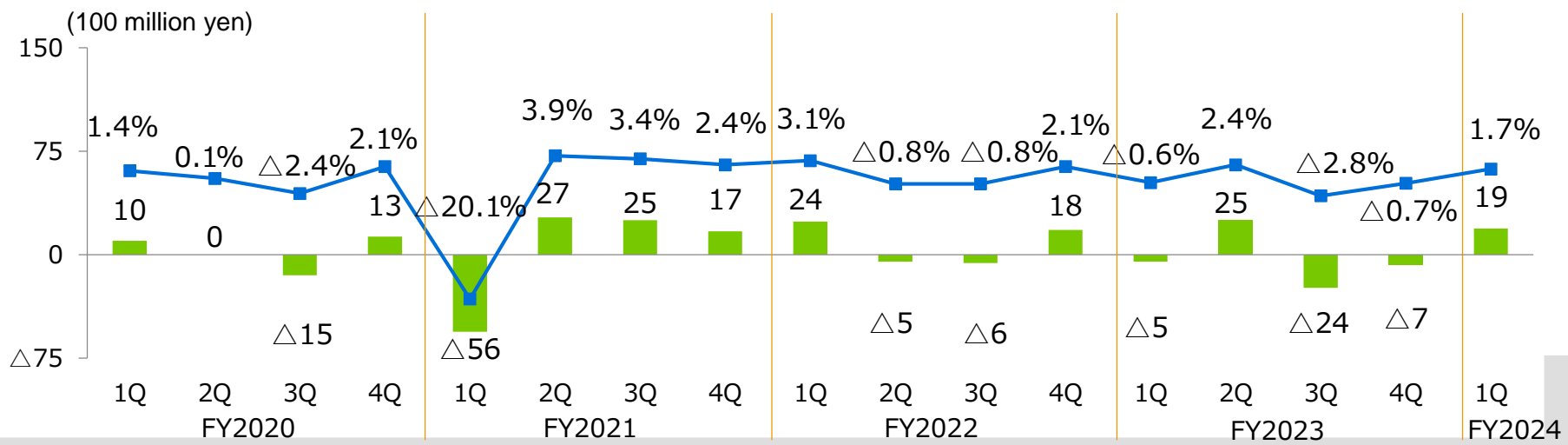


Appendix3) Quarterly Trends: The Americas volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue

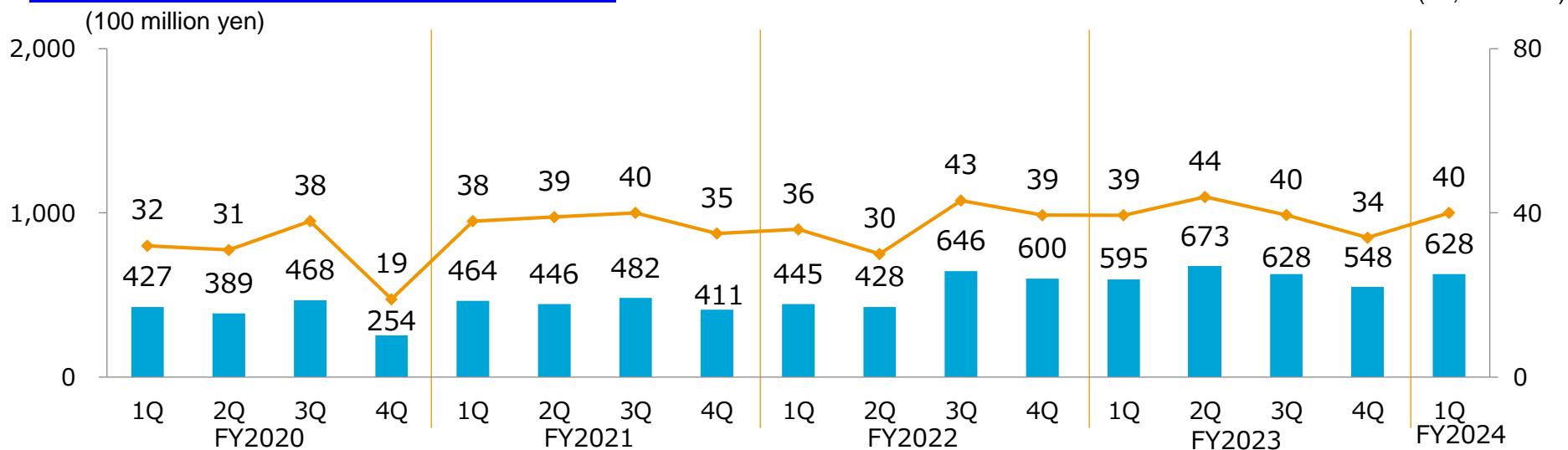


Operating Profit / Operating Profit Ratio

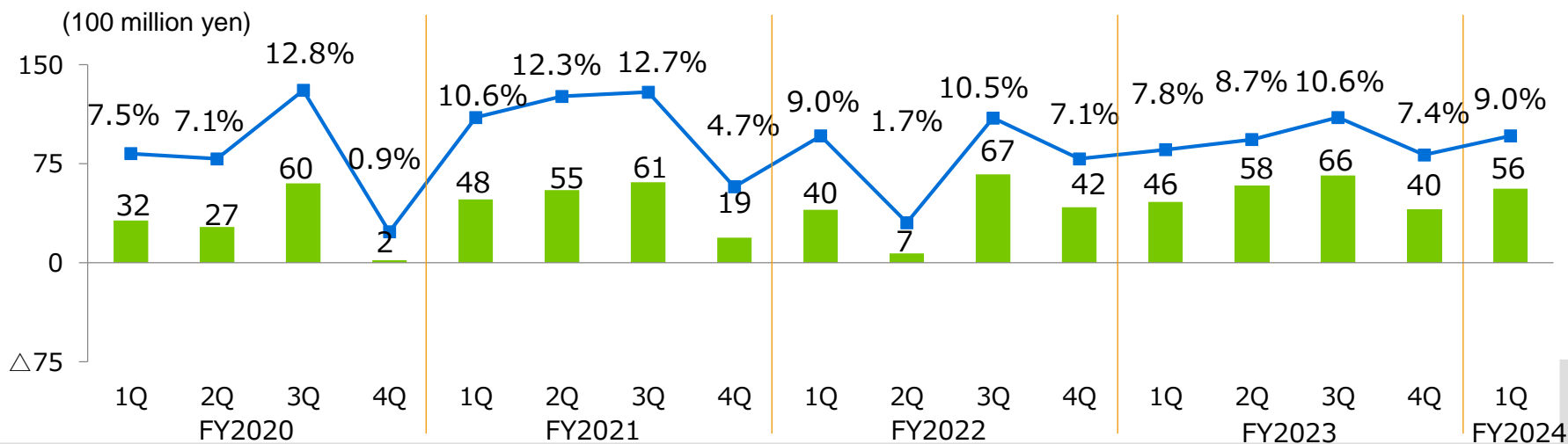


Appendix4) Quarterly Trends: China volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue



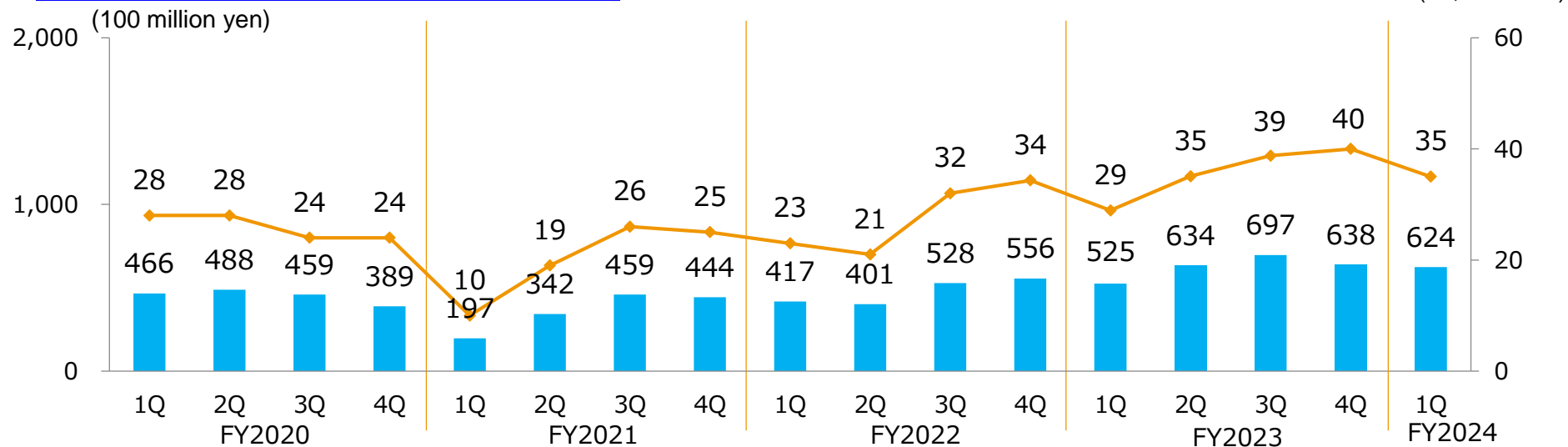
Operating Profit / Operating Profit Ratio



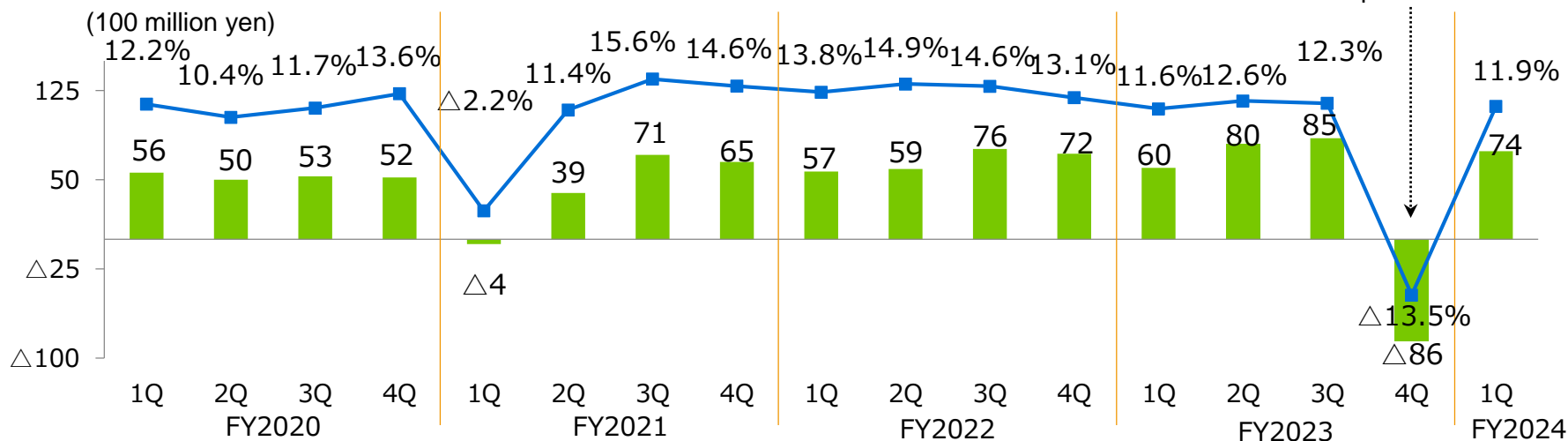
Appendix5) Quarterly Trends: Asia & Oceania volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue

(10,000 units)

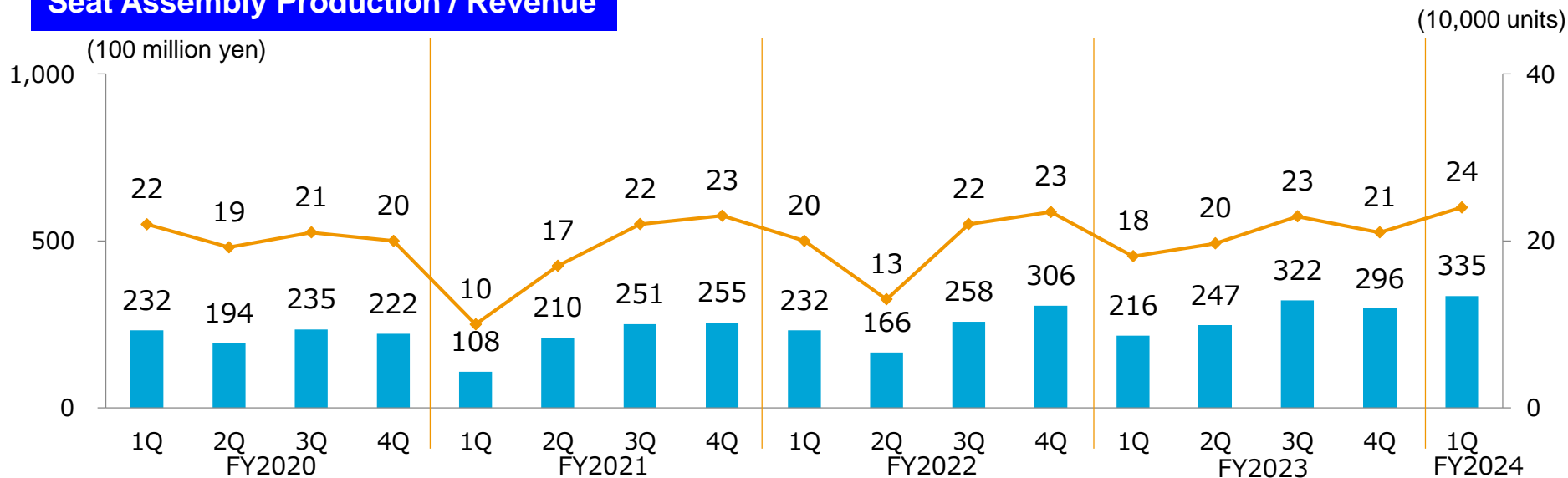


Operating Profit / Operating Profit Ratio

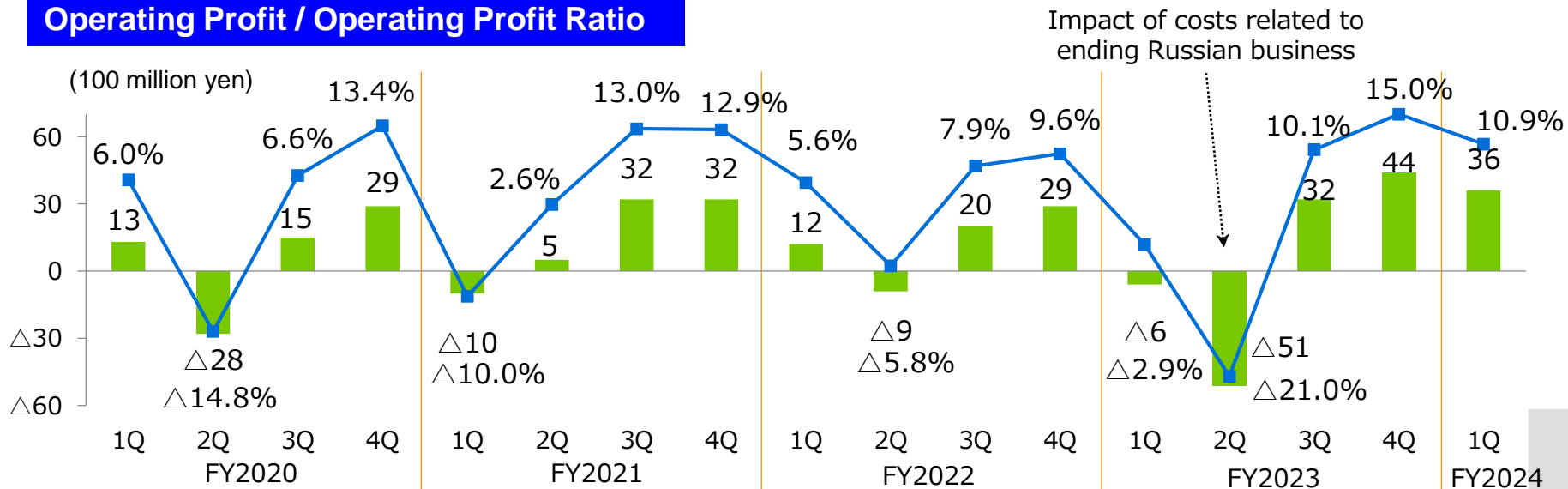


Appendix6) Quarterly Trends: Europe & Africa volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue



Operating Profit / Operating Profit Ratio





<Disclaimer>

This report contains forecasts and expectations that relate to future plans and strategies in addition to the expected financial results of the Toyota Boshoku Corporation and the Toyota Boshoku group.

Within are estimates based on assumptions and opinions that have been formed by the company from the information available at the time of writing.

They involve risks and uncertainties.

Accordingly, actual results may differ from the company's forecasts