



TOYOTA BOSHOKU

TSE Prime Market Securities Code 3116

FY2023 (ending March 2023)

Financial Results

Date: April 27th, 2023

Financial Results

1. FY2023 Financial Results

2. FY2024 Financial Forecasts

3. Appendix

Financial Results

1. FY2023 Financial Results

2. FY2024 Financial Forecasts

3. Appendix

Script

- ◆ Thank you for attending our FY2023 financial results briefing during a busy time today.
- ◆ Firstly, I would like to explain the Financial Results for the fiscal year 2023, then the full year forecasts for FY2024.
- ◆ Now, I'd like to start by looking at our financial results for the fiscal year 2023.

1-1) FY2023 Financial Results Overview of Consolidated Financial Results

(100 million yen)

	FY2022		FY2023		YOY Change	
Revenue	14,214	100.0%	16,040	100.0%	1,825	12.8%
Operating Profit	602	4.2%	476	3.0%	△126	△20.9%
Profit before income taxes	645	4.5%	522	3.3%	△122	△19.0%
Profit*	392	2.8%	146	0.9%	※ △245	△62.6%

*Profit Attributable to Owners of the Parent

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

Earnings per share		210.15 yen	78.57 yen	
Exchange Rate	USD	112 yen	135 yen	+23 yen
	EUR	131 yen	141 yen	+10 yen

Revenue

Revenue increased because of production increase globally and FX impacts

Operating Profit

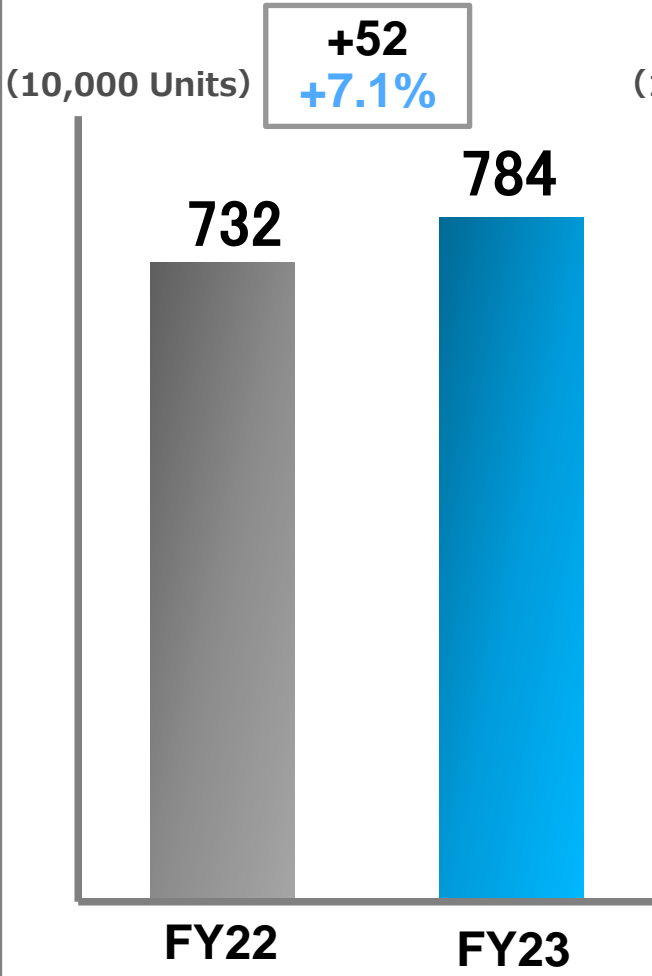
Profit decreased due to costs related to ending the business in Russia, change in the vehicle mix and increased overhead costs despite positive impacts of increased production

Script

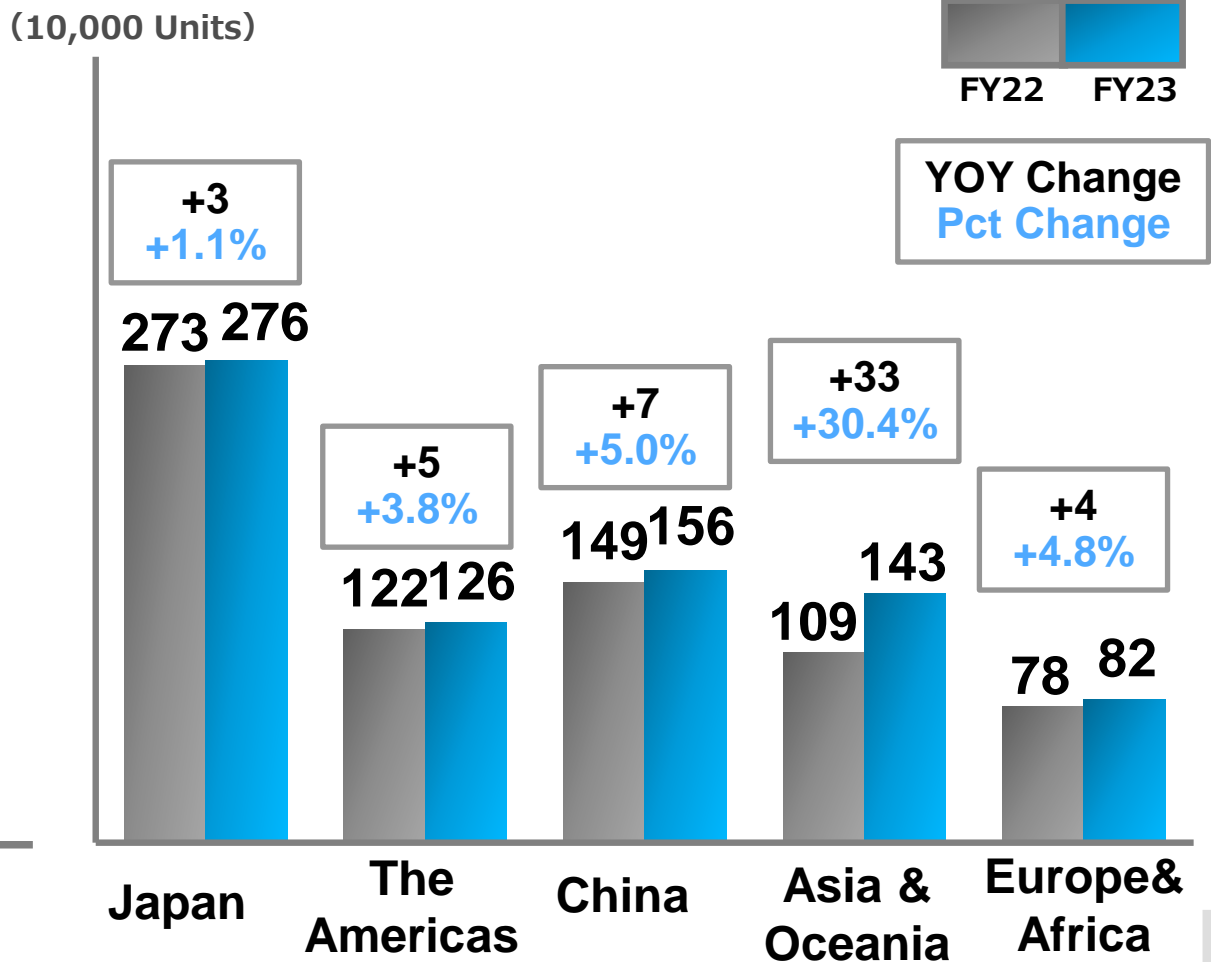
- ◆ Sales revenue increased by 182.5 billion yen to 1.60 trillion yen.
 - ◆ Operating profit decreased by 12.6 billion yen to 47.6 billion yen year-over-year.
 - ◆ Profit before income taxes decreased by 12.2 billion yen to 52.2 billion yen.
 - ◆ Profit attributable to owners of the parent decreased by 24.5 billion yen to 14.6 billion yen.
 - ◆ Exchange rates are approximately 135 yen to the U.S. dollar, and 141 yen to the Euro.
- The exchange gain was 105.7 billion yen for sales, 7.1 billion yen for operating profit year-over-year.

1-2) FY2023 Financial Results Seat Production by Region

Total



By Region



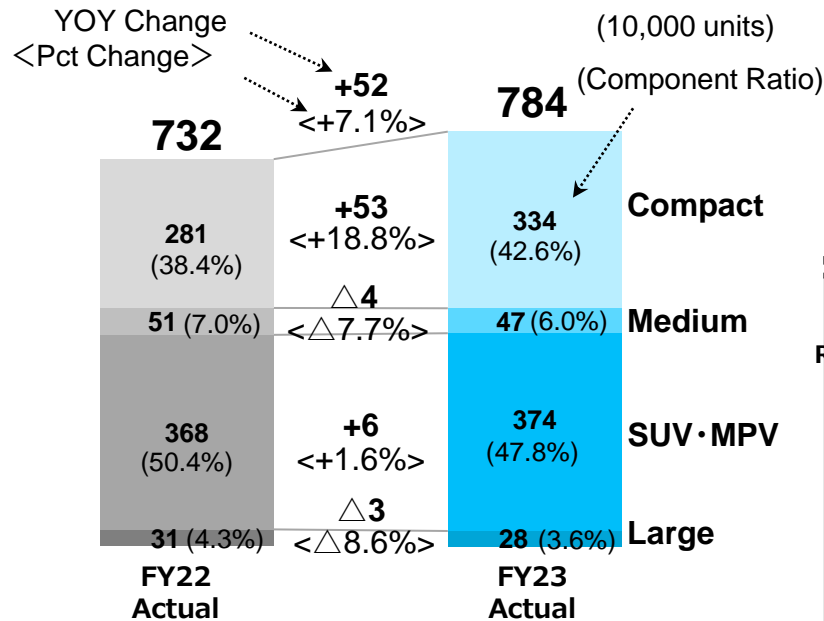
Script

- ◆ Next, for the volume of consolidated seat assembly, the main product of the company, it totaled 7.84 million units, increasing by 0.52 million units compared to the previous year.
- ◆ Seat assembly volume by region is as shown. This will be explained in detail in later slides.

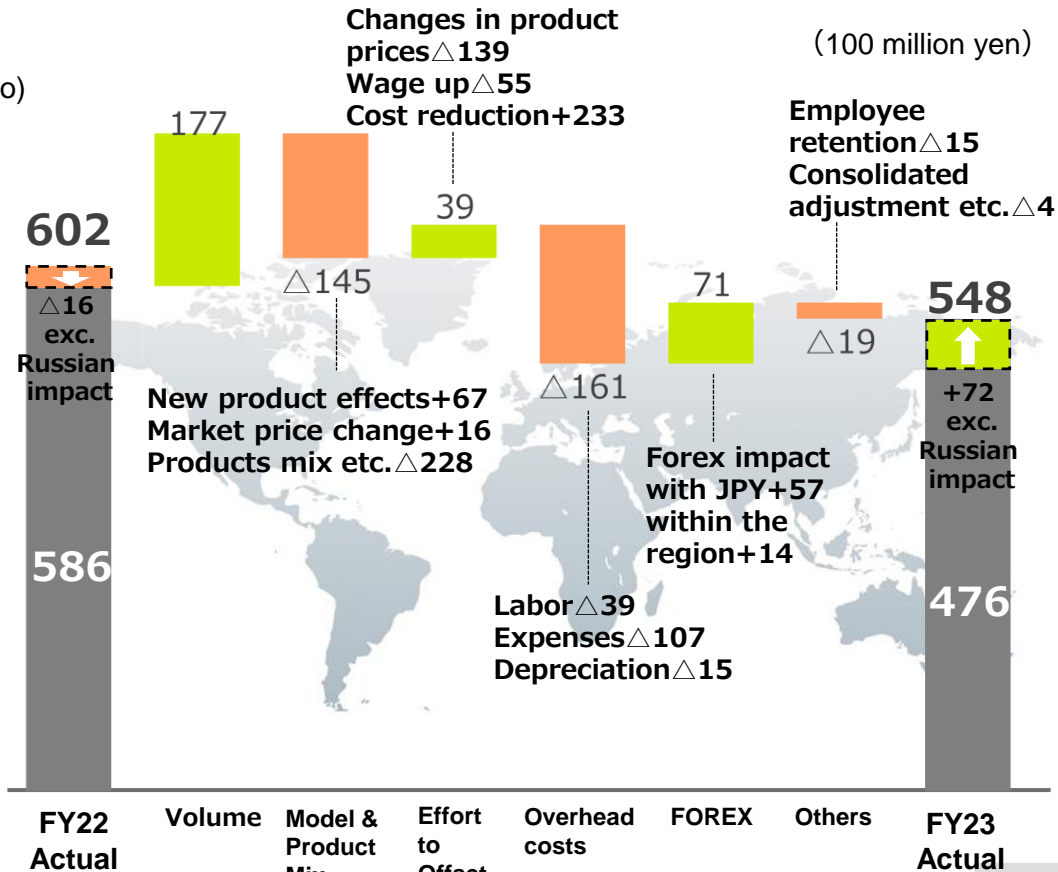
1-3) FY2023 Financial Results Consolidated Revenue & Operating Profit

Profit decreased due to costs related to ending business in Russia, change in the vehicle mix and overhead costs increase despite the effect of increased production

Volume & Model Mix



Operating Profit Variance Analysis



Profit & Loss

	FY22	FY23	YOY Change
Revenue	14,214	16,040	1,825
Operating Profit	602	476	△ 126
Operating Profit Ratio	4.2%	3.0%	-

(100 million yen)

Script

- ◆ Next, let me move on to consolidated revenue & operating profit.
- ◆ Volume increased by 0.5 million units to 7.84 million units.
- ◆ Sales revenue increased by 182.5 billion yen to 1.60 trillion yen.
- ◆ Operating profit decreased by 12.6 billion yen to 47.6 billion yen due to change in the vehicle mix and overhead costs increase in addition to costs recorded related to ending the business in Russia despite the positive impacts of production increase globally.

1-3) FY2023 Financial Results Comparison with the Forecast announced 3Q

Operating Profit variance analysis

(100 million yen)

	3Q announced	FY23 Actual	Sum	Difference	
				Internal effort	Environmental change
FY22 Actual	602	602	+0		
Volume	190	177	△13		△13
Mix	△168	△145	+23	+40	△17
Cost Reduction	35	39	+4	+4	
* Expences	△153	△161	△8	△8	
FX	69	71	+2		+2
* Others	(△92) △145	(△88) △107	+38	+14	+24
	() Russian impact				
FY23 Actual	430	476	+46	+50	△4

· Inflation impact in Argentina announced last time has moved to Others

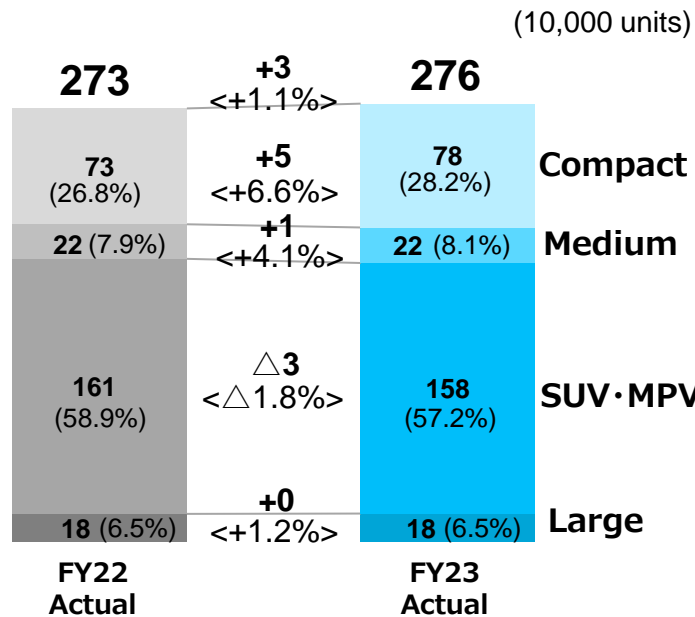
スクリプト

- ◆ Next, here is the comparison with the forecast released at the point of 3rd quarter.
- ◆ Although there were impacts of production decrease in Japan and Europe due to the environmental change, profit increased compared to the one announced previously due to internal efforts including reduction of costs related to ending the business in Russia as well as sales efforts to reduce the impact of market price increase and additional tooling recovery.

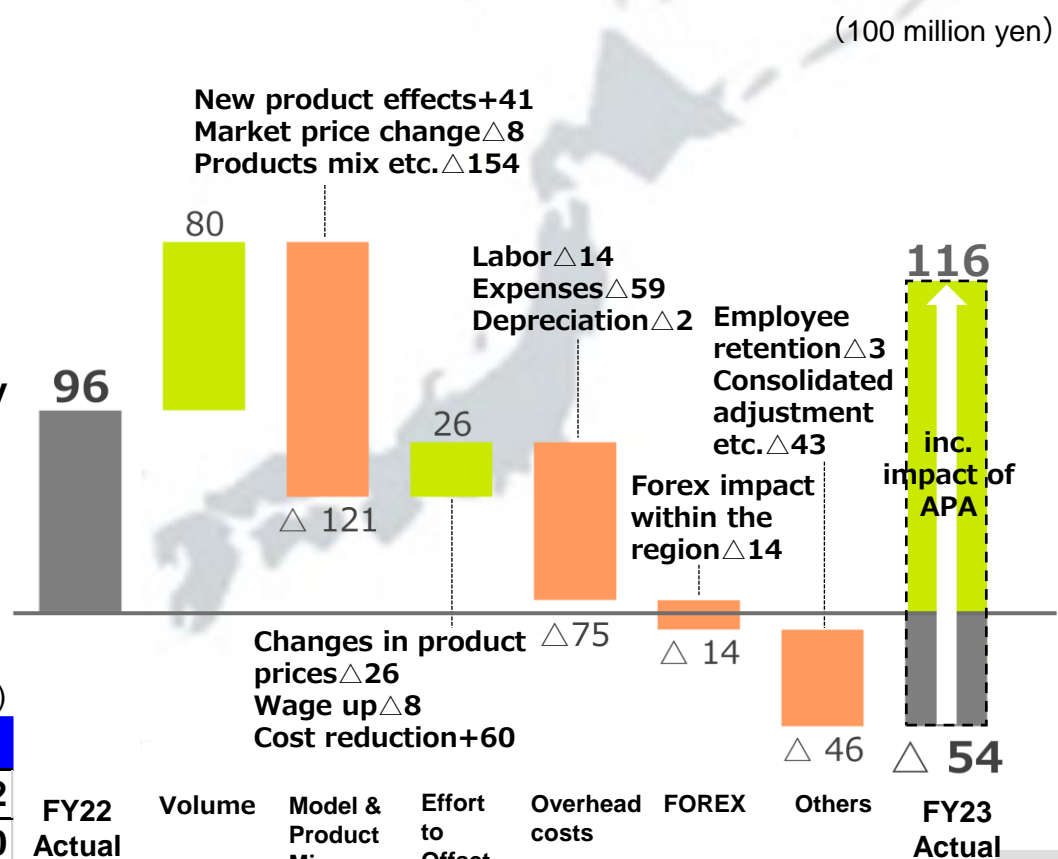
1-3) FY2023 Financial Results Japan Revenue & Operating Profit

Profit increased due to Advance Pricing Agreement despite negative impacts of change in grade mix and increase in overhead costs

Volume & Model Mix



Operating Profit Variance Analysis



Profit & Loss

(100 million yen)

	FY22	FY23	YOY Change
Revenue	7,006	7,329	322
Operating Profit	96	116	20
Operating Profit Ratio	1.4%	1.6%	-

Script

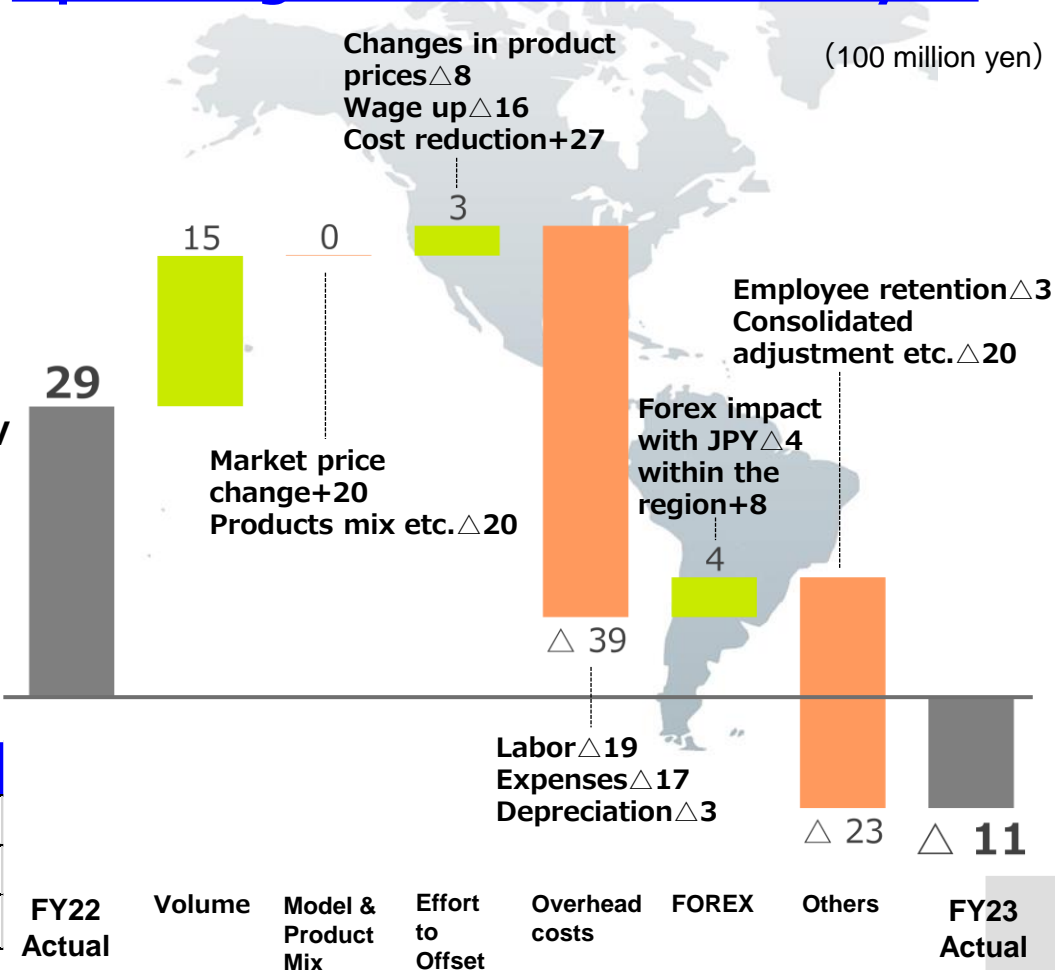
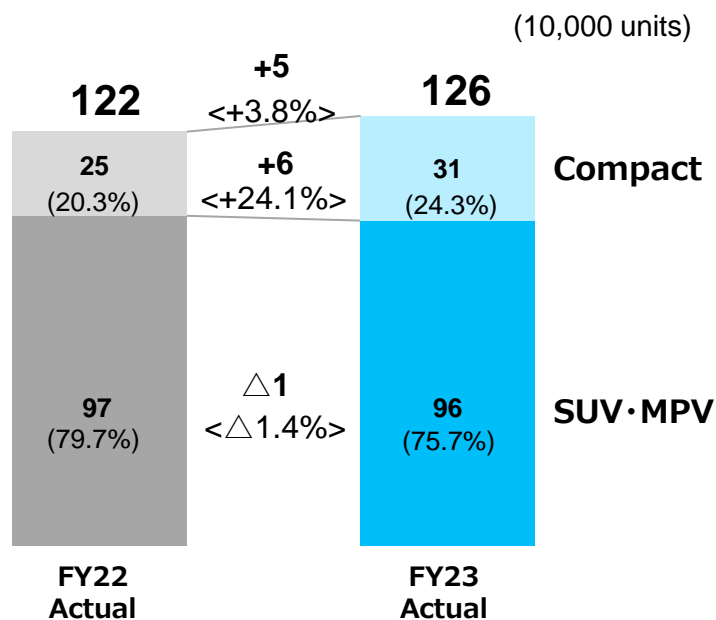
- ◆ Next, in Japan region,
- ◆ Volume increased by 30k units to 2.76 million units year-over year.
- ◆ Sales revenue increased by 32.2 billion yen to 732.9 billion yen.
- ◆ Operating profit increased by 2.0 billion yen to 11.6 billion yen. However, there was an impact of Advance Pricing Agreement this year. Profit decreased due to change in grade mix and increase in overhead costs comparing the profit loss of 5.4 billion yen excluding the APA impacts.

1-3) FY2023 Financial Results The Americas Revenue & Operating Profit

Profit decreased due to increase in overhead costs from model change and new product launch despite higher volume and inflation impact recovery of the previous year from customers

Volume & Model Mix

Operating Profit Variance Analysis



Profit & Loss

(100 million yen)

	FY22	FY23	YOY Change
Revenue	3,177	3,887	709
Operating Profit	29	$\Delta 11$	$\Delta 41$
Operating Profit Ratio	0.9%	$\Delta 0.3\%$	-

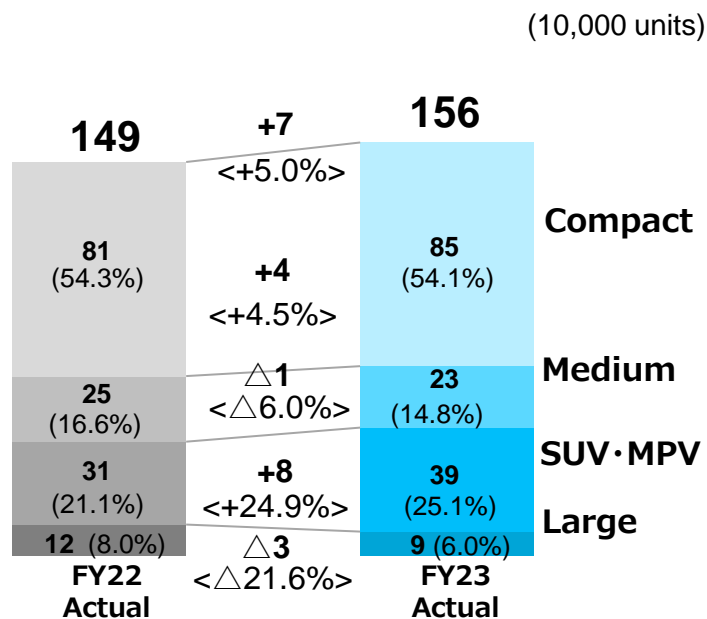
Script

- ◆ Next, in the Americas,
- ◆ Volume increased by 50k units to 1.26 million units year-over year.
- ◆ Sales revenue increased by 70.9 billion yen to 388.7 billion yen.
- ◆ Operating profit decreased by 4.1 billion yen to \triangle 1.1 billion yen due to increase in overhead costs from model change and new product launch despite there was cost recovery of inflation impact of the previous year from customers.

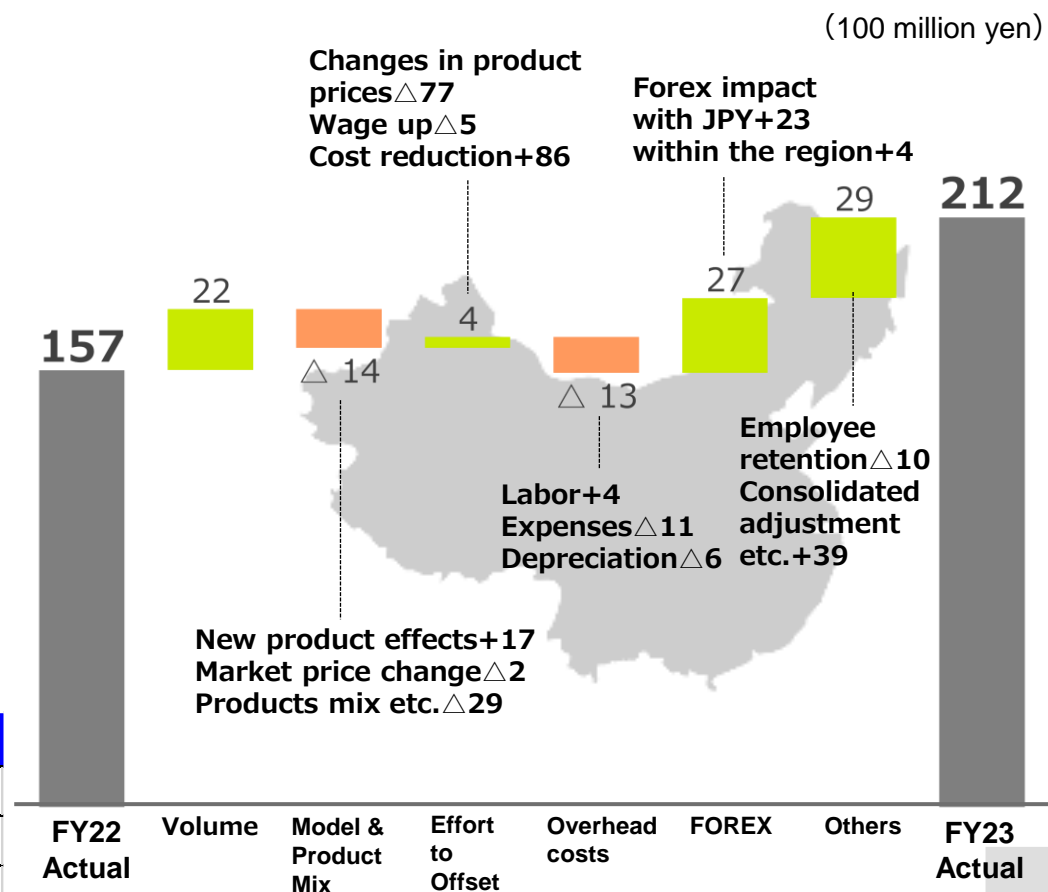
1-3) FY2023 Financial Results China Revenue & Operating Profit

Profit increased due to volume increase since new products have launched last year as well as new product effects

Volume & Model Mix



Operating Profit Variance Analysis



Profit & Loss

(100 million yen)

	FY22	FY23	YOY Change
Revenue	2,121	2,446	324
Operating Profit	157	212	54
Operating Profit Ratio	7.4%	8.7%	-

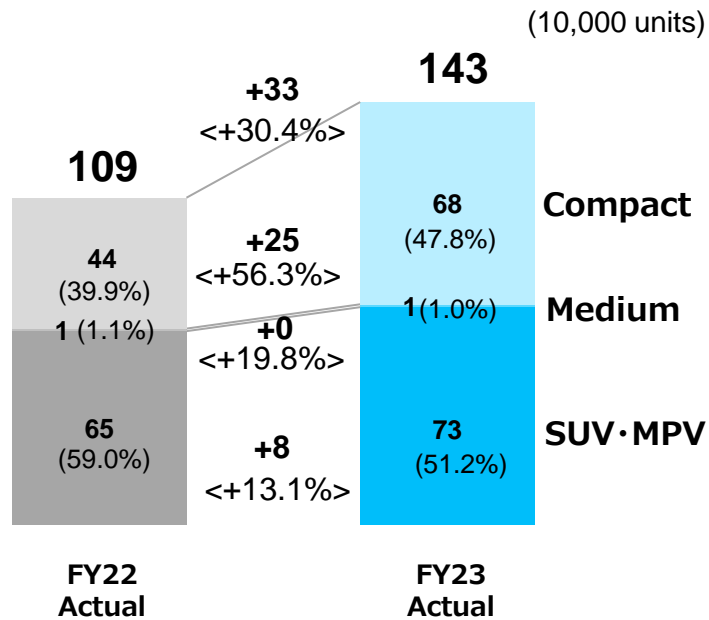
Script

- ◆ Next, in China,
- ◆ Volume increased by 70k units to 1.56 million units year-over year.
- ◆ Sales revenue increased by 32.4 billion yen to 244.6 billion.
- ◆ Operating profit increased by 5.4 billion yen to 21.2 billion yen due to volume increase since new products have launched last year as well as new product effects by model change.

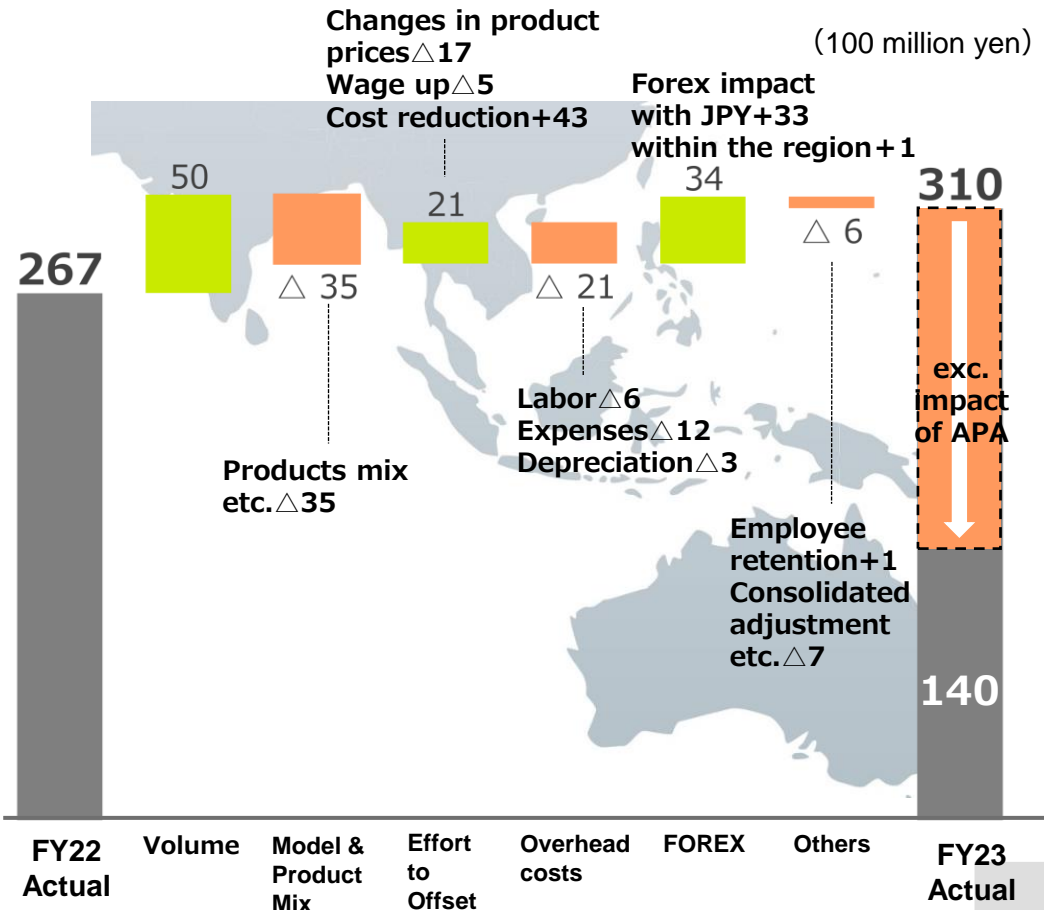
1-3) FY2023 Financial Results Asia & Oceania Revenue & Operating Profit

Profit decreased due to Advance Pricing Agreement despite higher volume from sales promotion in India and Indonesia as well as FX impacts

Volume & Model Mix



Operating Profit Variance Analysis



Profit & Loss

	FY22	FY23	YOY Change
Revenue	1,904	2,496	591
Operating Profit	267	140	$\Delta 126$
Operating Profit Ratio	14.0%	5.6%	-

Script

- ◆ Next, in Asia & Oceania region,
- ◆ Volume increased by 0.33 million units to 1.43 million units year-over-year.
- ◆ Sales revenue increased by 59.1 billion yen to 249.6 billion yen.
- ◆ Operating profit decreased by 12.6 billion yen to 14.0 billion yen.

When compared with the operating profit, excluded the APA impacts, of 31.0 billion yen, profit increased due to higher volume from sales promotion in India and Indonesia as well as FX impacts.

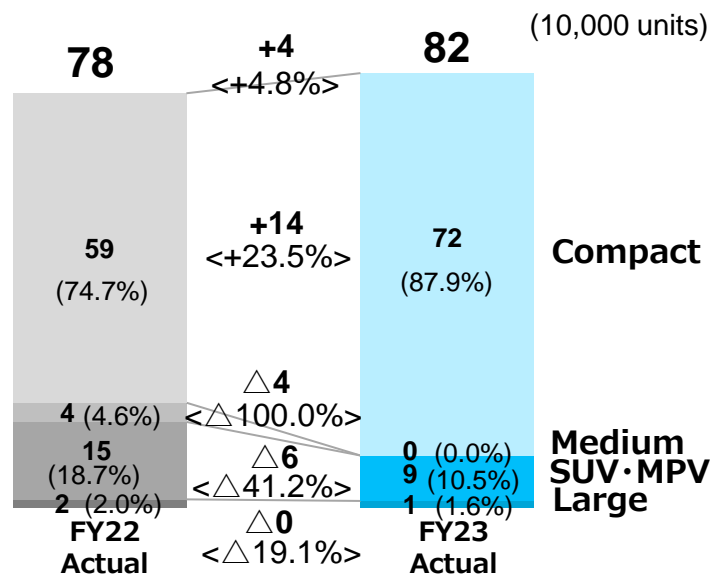
1-3) FY2023 Financial Results Europe & Africa Revenue & Operating Profit

Profit increased excluding Russian business due to production increase and change in model mix

Volume & Model Mix

Operating Profit Variance Analysis

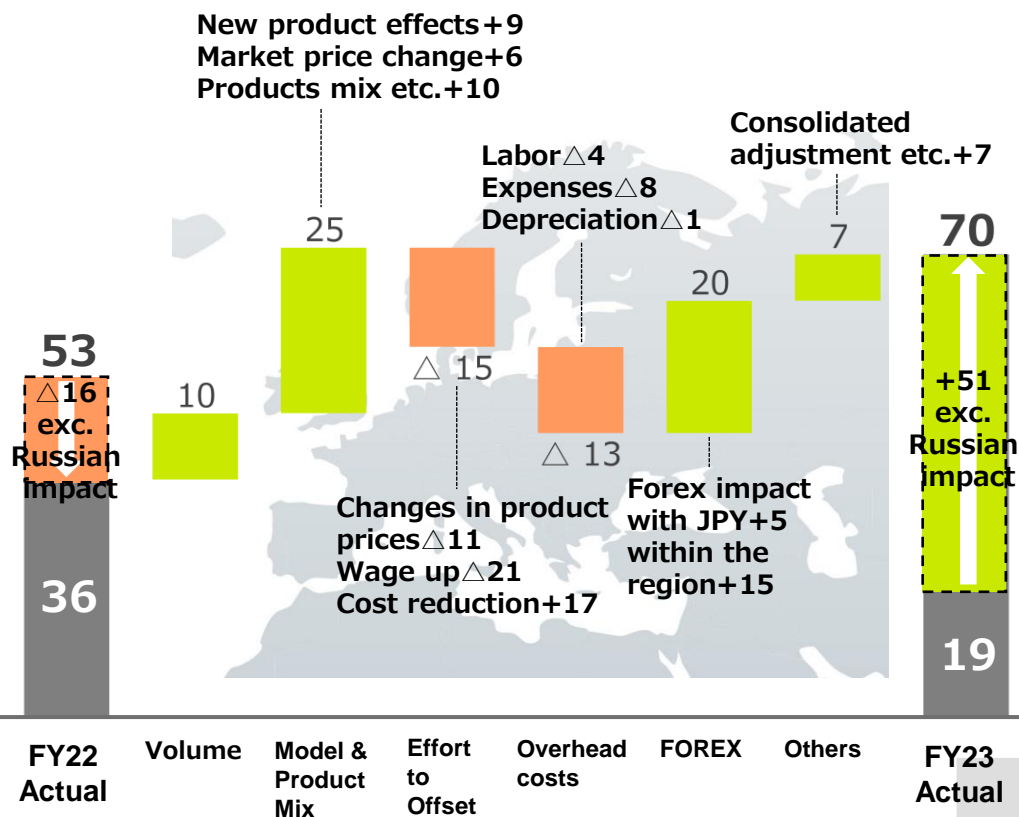
(100 million yen)



Profit & Loss

(100 million yen)

	FY22	FY23	YOY Change
Revenue	962	1,082	120
Operating Profit	53	19	△ 33
Operating Profit Ratio	5.5%	1.8%	-



Script

- ◆ Next in Europe & Africa region,
- ◆ Volume increased by 40k units to 0.82 million units year-over year.
- ◆ Sales revenue increased by 12.0 billion yen to 108.2 billion yen.
- ◆ Operating profit decreased by 3.3 billion yen to 1.9 billion yen. However, profit increased due to higher production and change in model mix when the impact of the Russian business is excluded.

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- ◆ 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	
Revenue	16,040	100.0%	16,800	100.0%	759	4.7%
Operating Profit	476	3.0%	530	3.2%	53	11.2%
Profit before income taxes	522	3.3%	500	3.0%	△22	△4.4%
Profit*	146	0.9%	220	1.3%	73	49.9%

*Profit Attributable to Owners of the Parent

Earnings per share		78.57 yen	117.75 yen	
Exchange Rate	USD	135 yen	125 yen	△10 yen
	EUR	141 yen	135 yen	△6 yen

Revenue

Higher revenue due to production increase in Japan and sales promotion in Asia while uncertainty remains including risk of production decline due to parts supply issues

Operating Profit

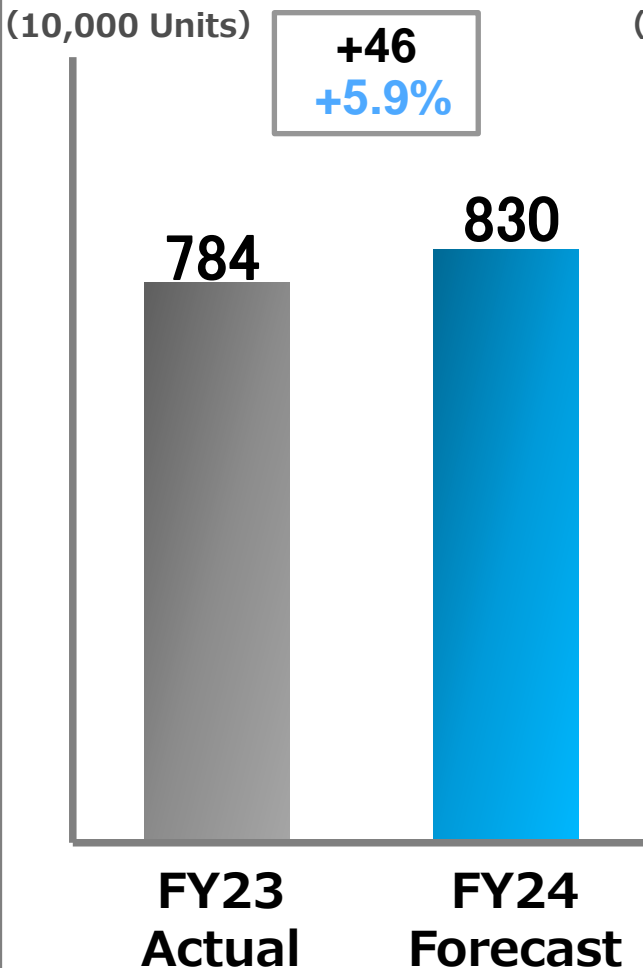
Higher profits due to increased production and new product effects despite increase in expenses from implementing upfront investments for the future

Script

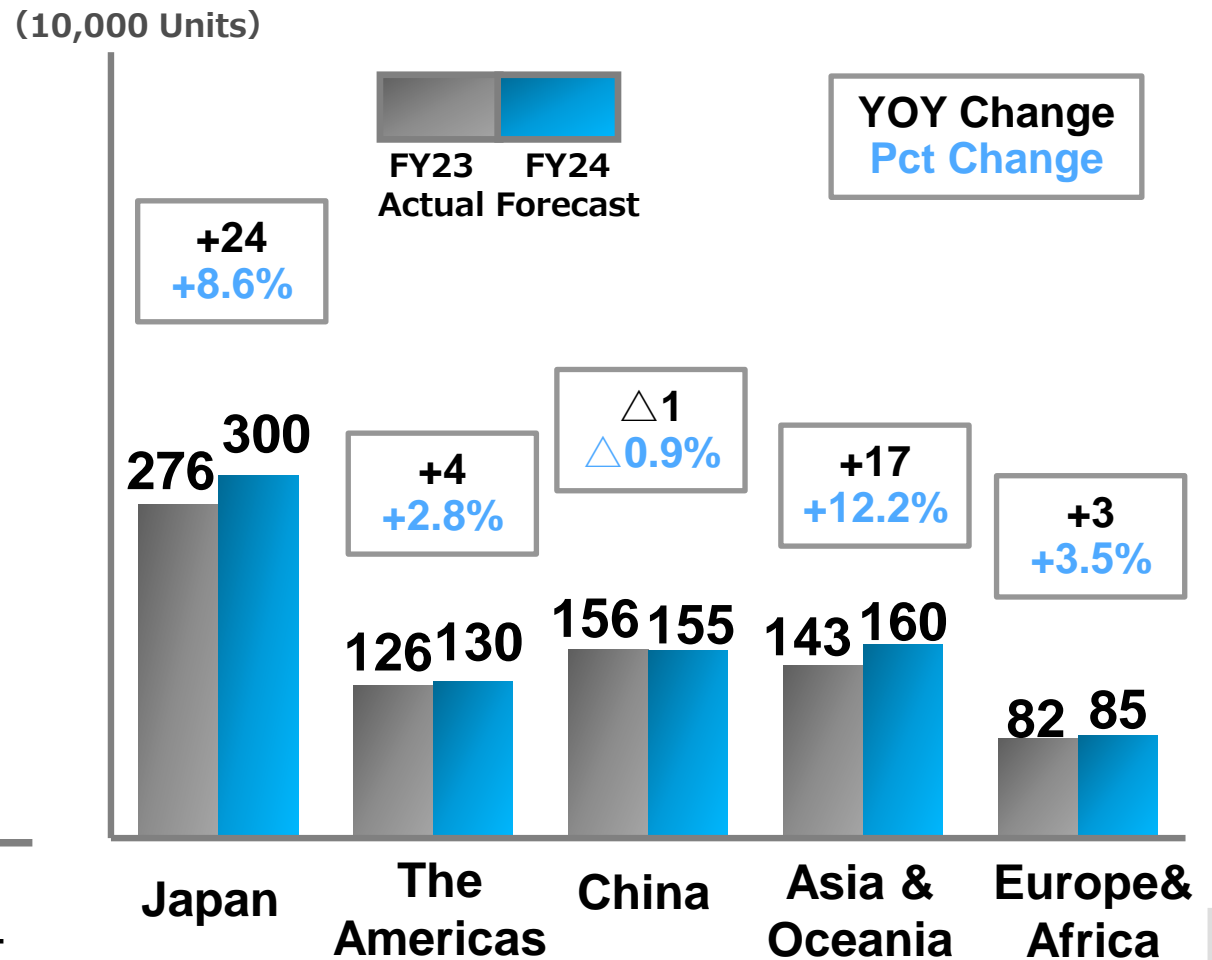
- ◆ Sales revenue will increase by 75.9 billion yen to 1.68 trillion yen.
- ◆ Operating profit is prospected to increase by 5.3 billion yen to 53 billion yen year-over-year.
- ◆ Profit before income taxes will decrease by 2.2 billion yen to 50 billion yen.
- ◆ Profit attributable to owners of the parent will increase by 7.3 billion yen to 22 billion yen.
- ◆ Assumed exchange rates are approximately 125 yen to the U.S. dollar, and 135 yen to the Euro.

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

Total



By Region



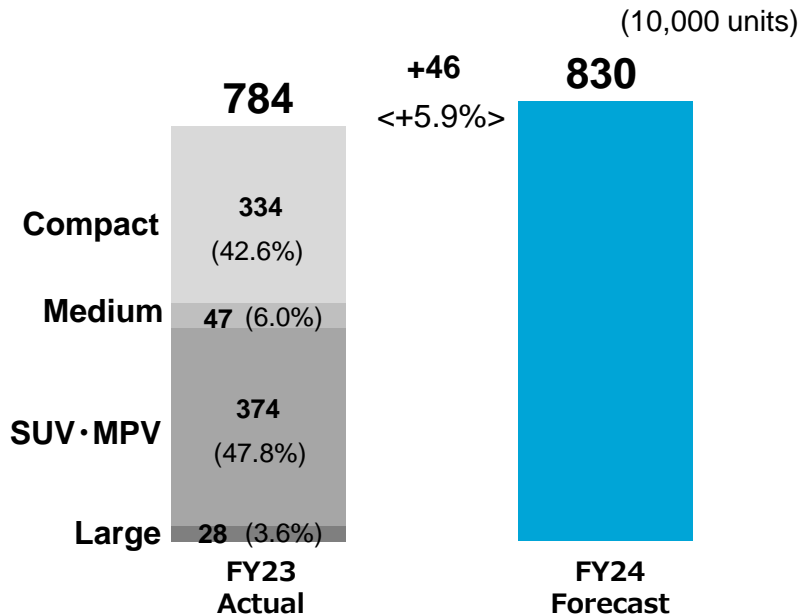
Script

- ◆ As for consolidated seat assembly volume, it will be 8.3 million units, increasing by 0.46 million units compared to the previous year.
- ◆ Seat assembly volume by region is as shown. This will be explained in detail in later slides.

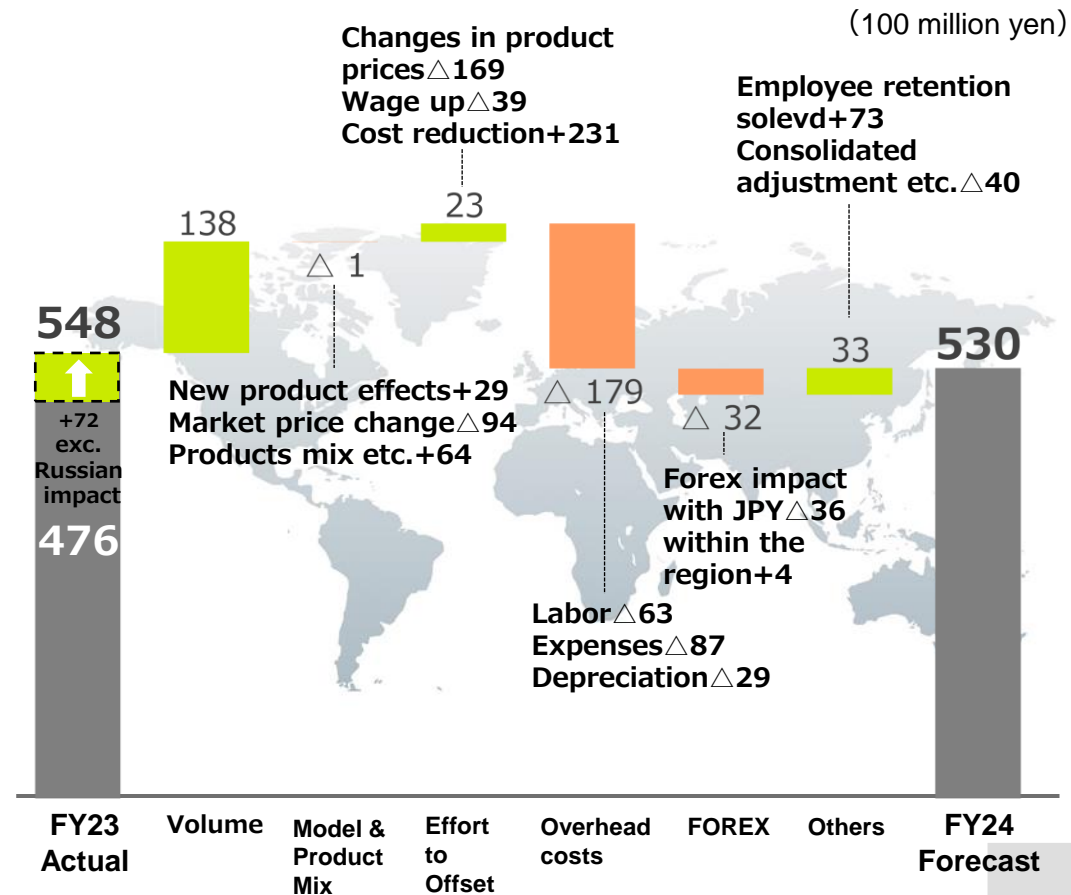
2-3) FY2024 Financial Forecasts Consolidated Revenue & Operating Profit

Profits will be secured as the same level as the previous year excluding the Russian business despite overhead costs increase 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	16,800	759
Operating Profit	476	530	53
Operating Profit Ratio	3.0%	3.2%	-

Script

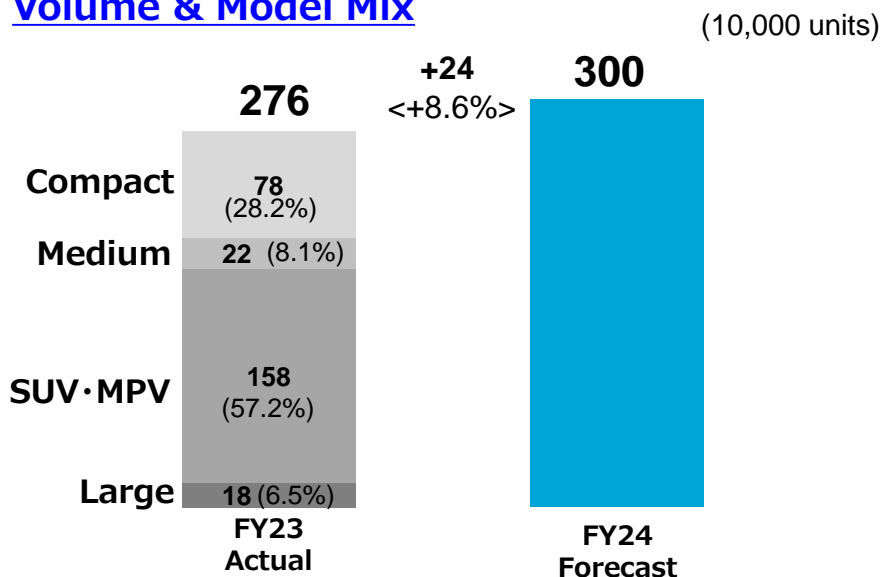
- ◆ Next, let me explain consolidated revenue & operating profit.
- ◆ Volume will be 8.3 million units, increasing by 0.46 million units year-over-year.
- ◆ Sales revenue is expected to increase by 75.9 billion yen to 1.68 trillion yen.
- ◆ Operating profit is expected to be secured as the same level as the previous year excluding the Russian business despite overhead costs increase including upfront investments for the future.

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

Japan

Lower profit due to impacts of APA in the previous year as well as increase in overhead costs despite production increase

Volume & Model Mix



Profit & Loss

(100 million yen)

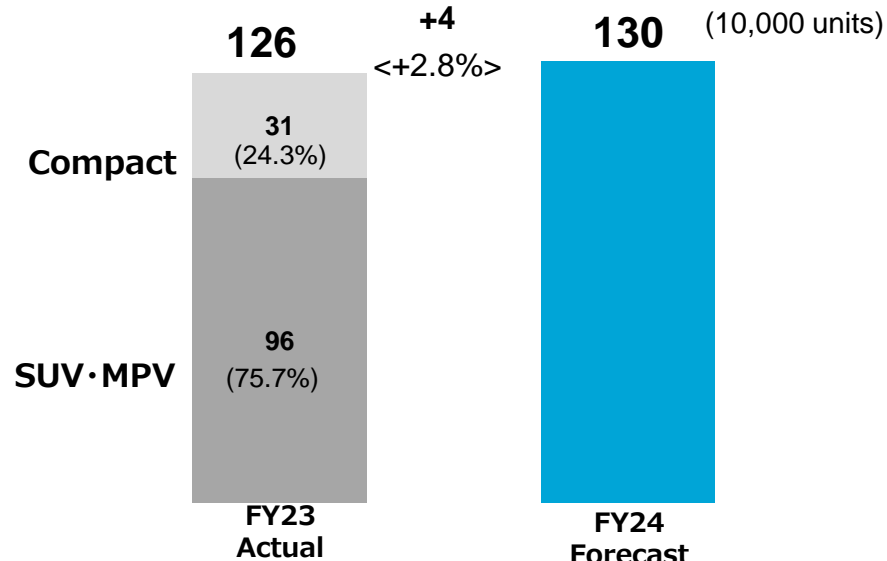
	FY23 Actual	FY24 Forecast	YOY Change
Revenue	7,329	8,300	970
Operating Profit	(△54) 116	15 (69)	△101
Operating Profit Ratio	1.6%	0.2%	-

() exc. APA

The Americas

Higher profit due to higher production 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	3,800	△87
Operating Profit	△11	25	36
Operating Profit Ratio	△0.3%	0.7%	-

Script

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

First, regarding Japan,

Volume will increase by 240k units to 3.0 million units year-over-year.

- ◆ Sales revenue will increase by 97.0 billion yen to 830 billion yen.
- ◆ Operating profit is prospected to increase by 6.9 billion yen to 1.5 billion excluding an impact of Advance Pricing Agreement due to production increase despite increase in overhead costs.

- ◆ Next, The Americas,

Volume will increase by 40k units to 1.30 million units year-over-year.

- ◆ Sales revenue will decrease by 8.7 billion yen to 380 billion yen.
- ◆ Operating profit is prospected to increase by 3.6 billion yen to 2.5 billion yen due to higher production from new models and their new product effects despite negative impacts of market price increase.

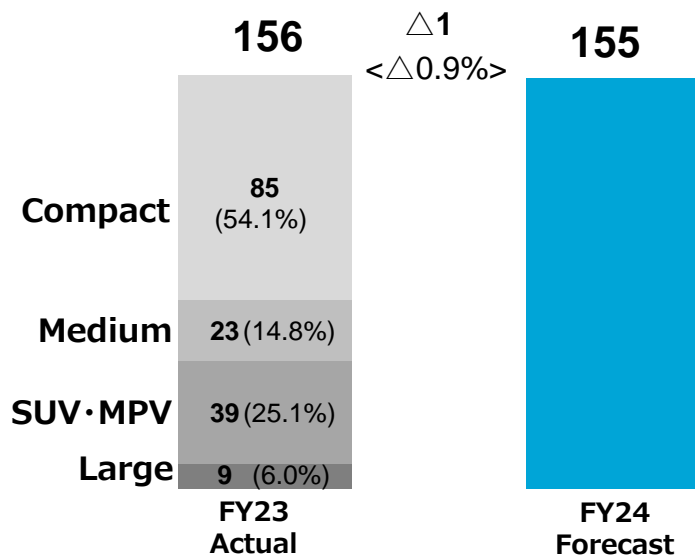
2-4) FY2024 Financial Forecasts Revenue & Operating Profit by Region

China

Lower profit due to increase in expenses from launch and FX impacts in addition to sluggish volume growth due to changes in the market.

Volume & Model Mix

(10,000 units)



Profit & Loss

(100 million yen)

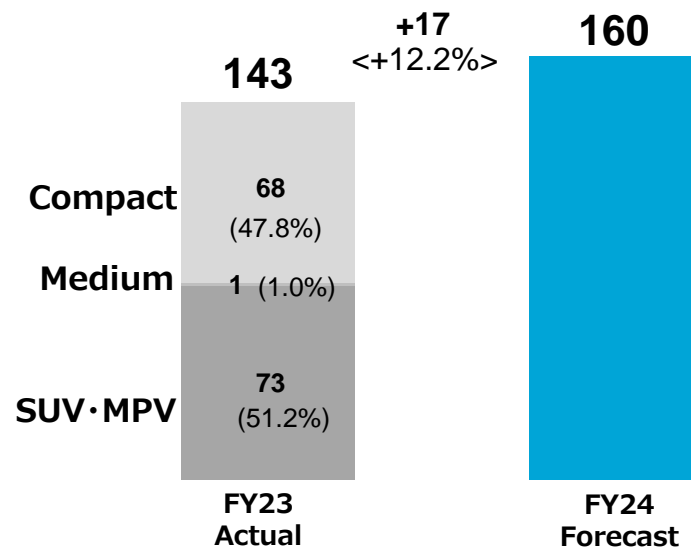
	FY23 Actual	FY24 Forecast	YOY Change
Revenue	2,446	2,200	$\Delta 246$
Operating Profit	212	160	$\Delta 52$
Operating Profit Ratio	8.7%	7.3%	-

Asia & Oceania

Higher profit due to higher volume from sales promotion in India & Indonesia in addition to APA impacts in the previous year.

Volume & Model Mix

(10,000 units)



Profit & Loss

(100 million yen)

	FY23 Actual	FY24 Forecast	YOY Change
Revenue	2,496	2,500	3
Operating Profit	(310) 140	290	($\Delta 20$) 149
Operating Profit Ratio	5.6%	11.6%	-

() exc. APA

Script

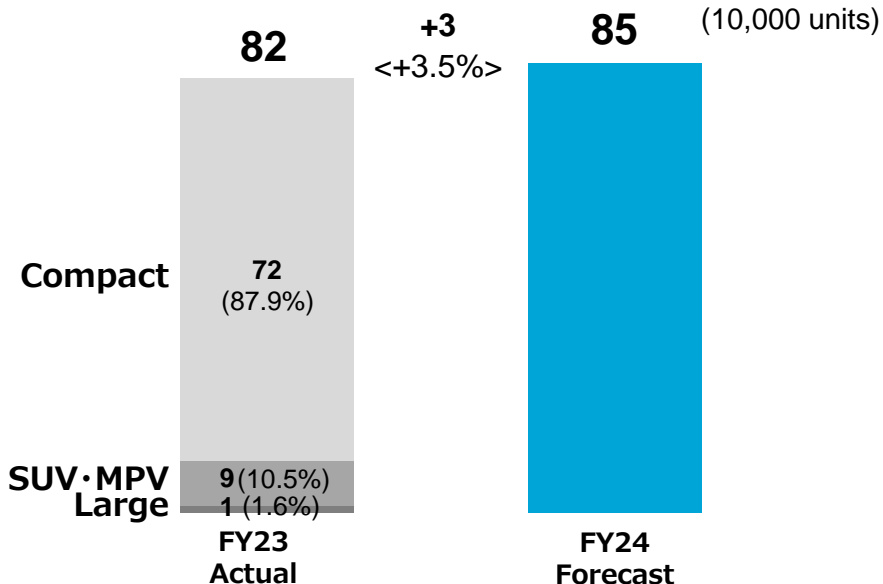
- ◆ Next, in China,
 - ◆ Volume will decrease by 10k units to 1.55 million units year-over-year.
 - ◆ Sales revenue will decrease by 24.6 billion yen to 220 billion yen.
 - ◆ Operating profit is prospected to decrease by 5.2 billion yen to 16 billion yen due to increase in expenses from launch and FX impacts in addition to sluggish volume growth due to changes in the market.
- ◆ Next, in Asia & Oceania,
 - ◆ Volume will increase by 170k units to 1.60 million units year-over-year.
 - ◆ Sales revenue will increase by 0.3 billion yen to 250 billion yen.
 - ◆ Operating profit is prospected to decrease by 2.0 billion yen to 29 billion yen due to FX impacts despite higher volume from sales promotion in India & Indonesia excluding impact of Advance Pricing Agreement.

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	1,100	17
Operating Profit	(70) 19	40	(△30) 20
Operating Profit Ratio	1.8%	3.6%	-

() exc. Russian impact

Script

- ◆ Next, in Europe & Africa,
- ◆ Volume will increase by 30k units to 0.85 million units year-over-year.
- ◆ Sales revenue is expected to increase by 1.7 billion yen to 110 billion yen.
- ◆ Operating profit is prospected to decrease by 3.0 billion yen to 4.0 billion yen excluding impacts of the Russian business in the previous year due to 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	4,100		4,200		8,300	
The Americas	1,900		1,900		3,800	
China	1,200		1,000		2,200	
Asia & Oceania	1,200		1,300		2,500	
Europe & Africa	550		550		1,100	
Total	8,400		8,400		16,800	

Operating Profit

(100 million yen)

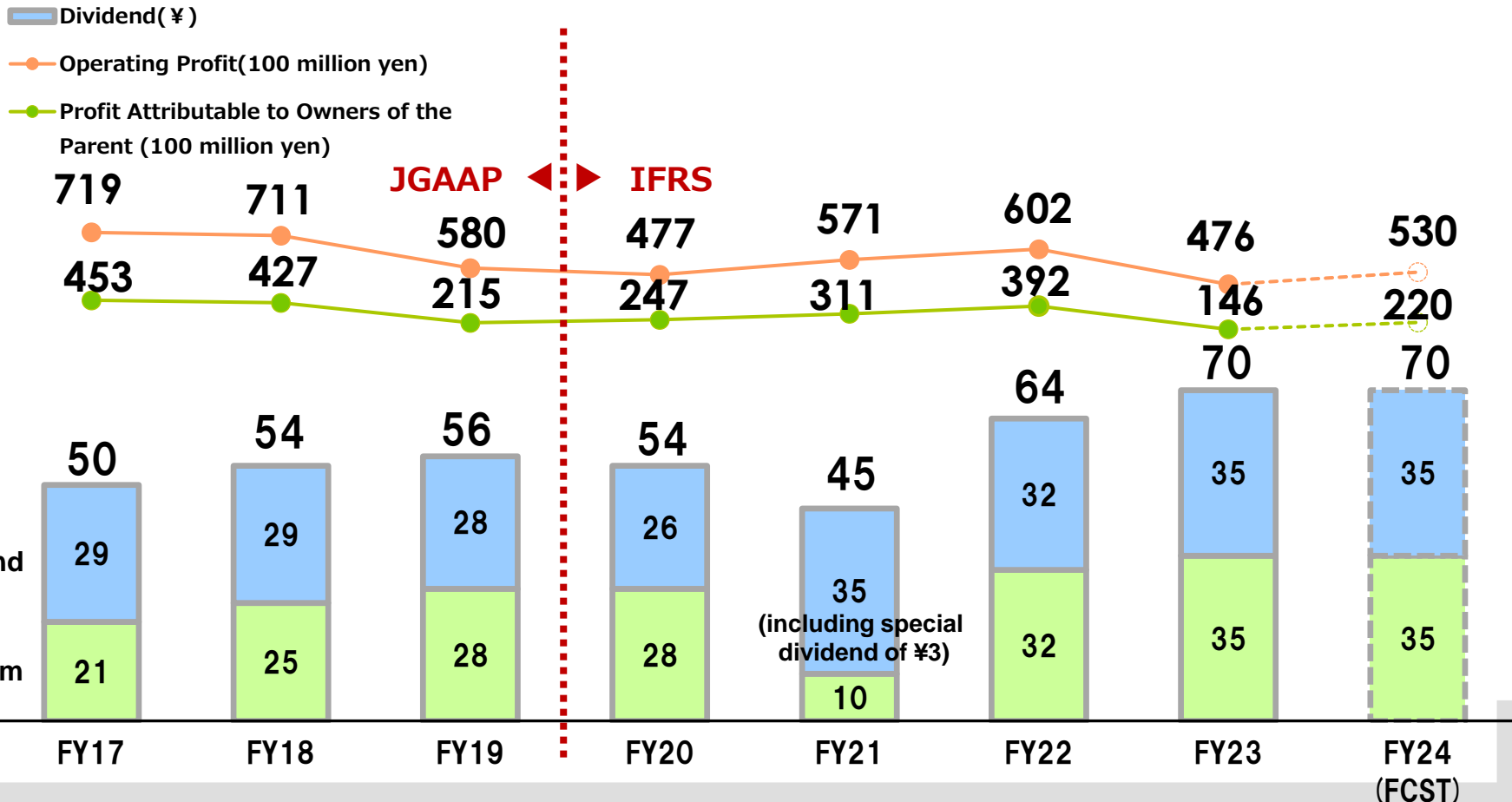
	1st Half		2nd Half		Full Year	
Japan	Δ20	Δ0.5%	35	0.8%	15	0.2%
The Americas	Δ5	Δ0.3%	30	1.6%	25	0.7%
China	90	7.5%	70	7.0%	160	7.3%
Asia & Oceania	130	10.8%	160	12.3%	290	11.6%
Europe & Africa	10	1.8%	30	5.5%	40	3.6%
Total	205	2.4%	325	3.9%	530	3.2%

◆ Financial Forecasts by Half Year is as shown.

2-6) FY2024 Financial Forecasts Returning to Shareholders

- For FY23, annual dividends plan is ¥70 as announced
- For FY24, dividends plan is ¥70 which will 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 FY23, our annual dividends plan is 70 yen as announced previously.
- ◆ For FY24, annual dividends plan is 70 yen, which is the same as the previous year.
- ◆ It will be determined based on comprehensive evaluation of consolidated financial results to keep long-term sustainable dividends.

2-7) Concluding FY2023 Financial Results

【FY23】

- **Profit resulted higher than announced last time** because **further increase in profit realized** such as sales efforts in addition to **company-wide efforts to secure profits.**

【FY24】

- Forecast is estimated based on an **assumption that an environment will remain severe**, such as parts supply issues and change in product mix, while **“investment for the future growth” will be steadily implemented** including new OEM and strengthening competitiveness.
- Aim to **maximize profits** by steady progressing profitability improvement such as a **production transfer contract and the transfer of commercial rights for automotive seat frame mechanism parts** in addition to broadened customer base, new product effects.

スクリプト

- ◆ Lastly, I'd like to conclude this Financial Results.
- ◆ In FY23, although there were negative impacts by change in an external environment such as demand fluctuations by global parts supply issues and increase in material price, operating profit resulted higher than the one announced last time because further increase in profit realized such as sales efforts in addition to company-wide efforts to secure profits.
- ◆ For FY24 forecast, it is estimated based on an assumption that an environment will remain severe, such as parts supply issues and change in product mix, while “investment for the future growth” will be steadily implemented including new OEM and strengthening competitiveness. In addition to that, we aim to maximize profits by steady progressing profitability improvement such as sales expansion in India & Indonesia, a production transfer contract and the transfer of commercial rights for automotive seat frame mechanism parts.

Script

- ◆ That would be all for Financial Results for the fiscal year 2023.
- ◆ Thank you for listening.

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1. FY2023 Financial Results

2. FY2024 Financial Forecasts

3. Appendix

Appendix1) Status of the Consolidated Statement of Financial Position (Mar.31, 2023)

○ :Compared to the previous year(100 million yen)

Current assets

614.3billion yen

656.2billion yen

+419

• increase in operating receivables and inventories

Liabilities

540.9billion yen

+295

570.4billion yen

• increase in operating payables and borrowings

Assets

1007.3billion yen
(the previous year end: 964.7 billion yen)

+130

Total equity attribute to owners of the parent
40.0%

↓
39.8%

Non-current assets

350.4billion yen

351.1billion yen

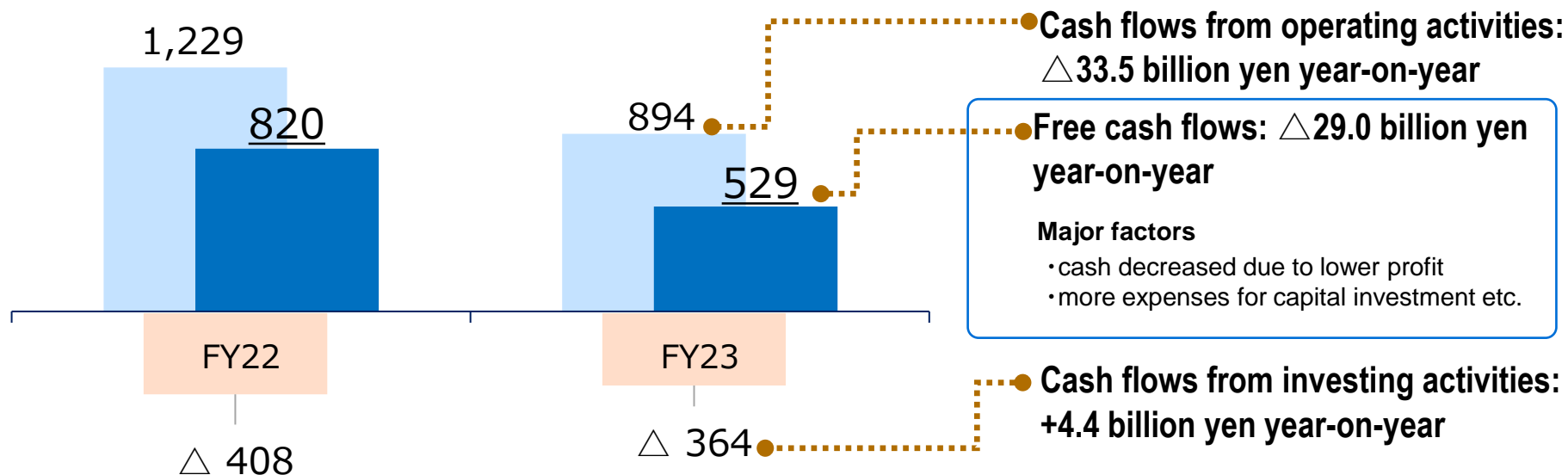
+6

Equity

423.8billion yen

436.8billion yen

Appendix2) Consolidated Cash Flows

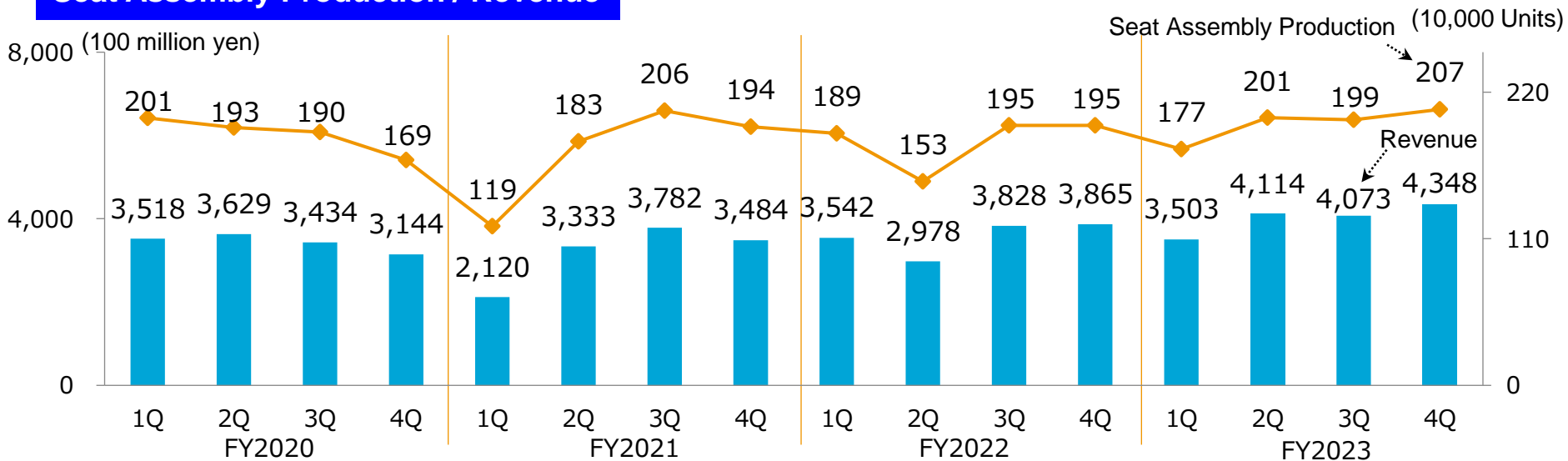


(100 million yen)

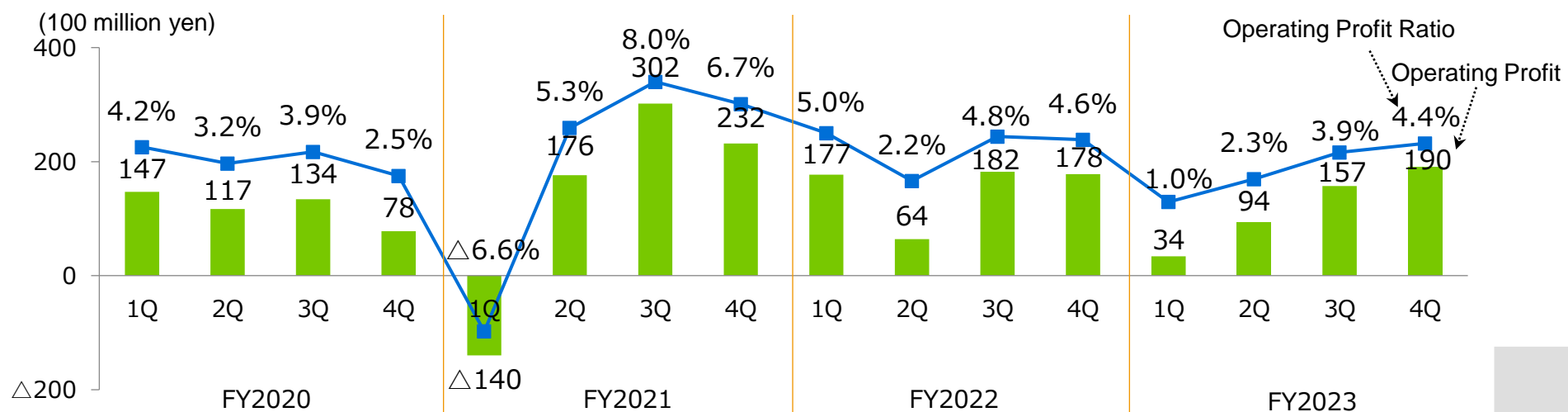
	FY22	FY23	Change
Cash flows from operating activities	1,229	894	Δ 335
Cash flows from investing activities	Δ 408	Δ 364	44
Free cash flows	820	529	Δ 290
Cash flows from financial activities	Δ 486	Δ 408	78
Impact of foreign exchange	93	Δ 19	Δ 113
Change in cash and cash equivalents	427	102	Δ 325
Balance of cash and cash equivalents	2,379	2,481	102

Appendix3) Quarterly Trends: Consolidated volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue

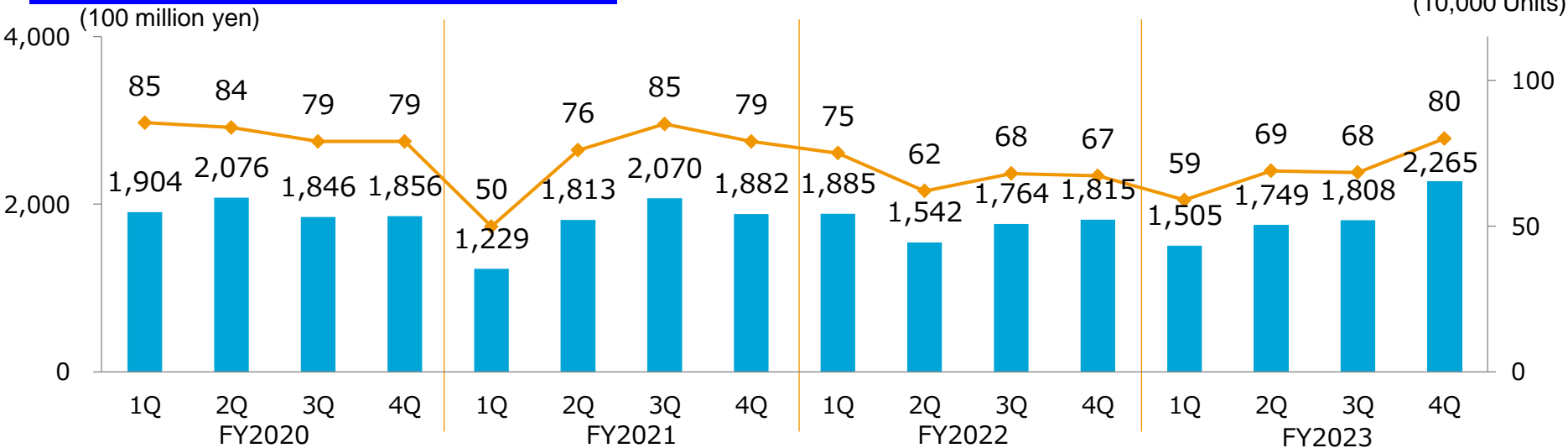


Operating Profit / Operating Profit Ratio

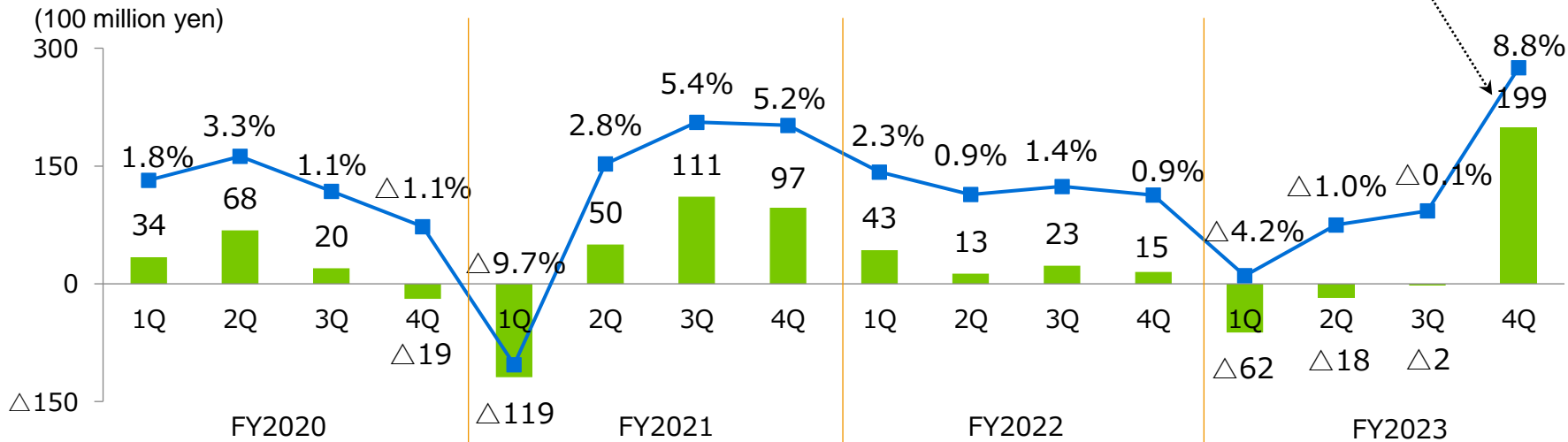


Appendix4) Quarterly Trends: Japan volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue

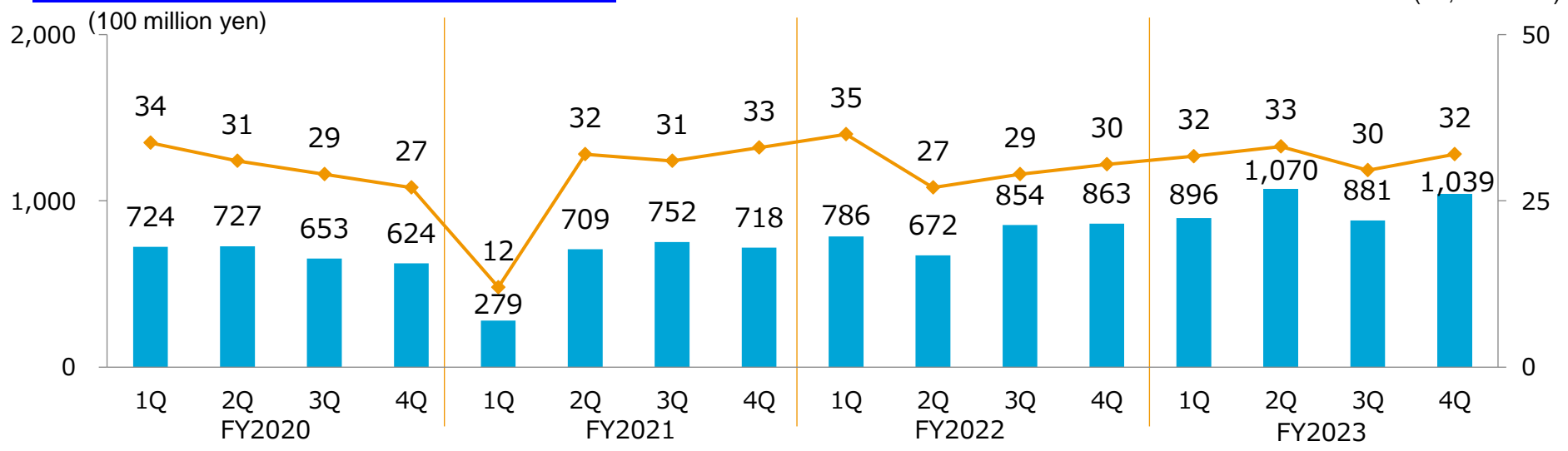


Operating Profit / Operating Profit Ratio

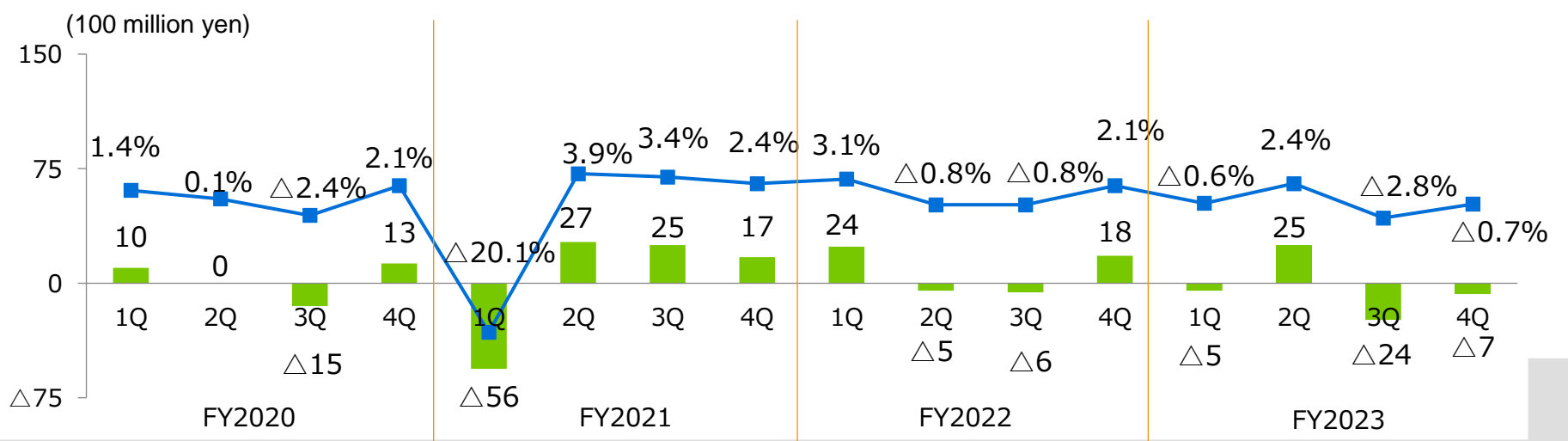


Appendix5) Quarterly Trends: The Americas volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue



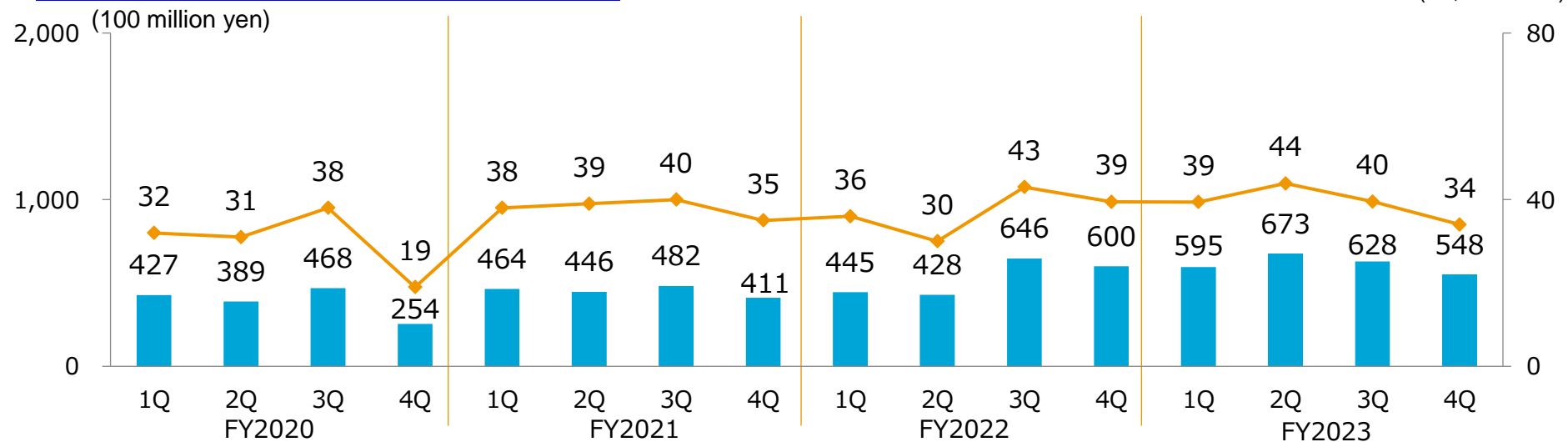
Operating Profit / Operating Profit Ratio



Appendix6) Quarterly Trends: China volume, revenue, operating profit, operating profit ratio

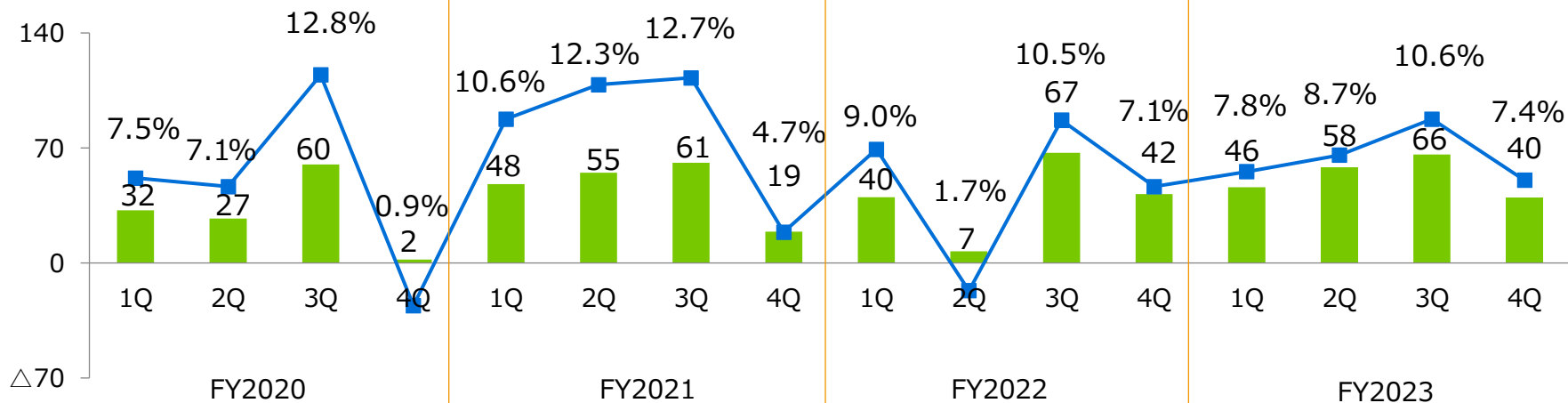
Seat Assembly Production / Revenue

(10,000 units)



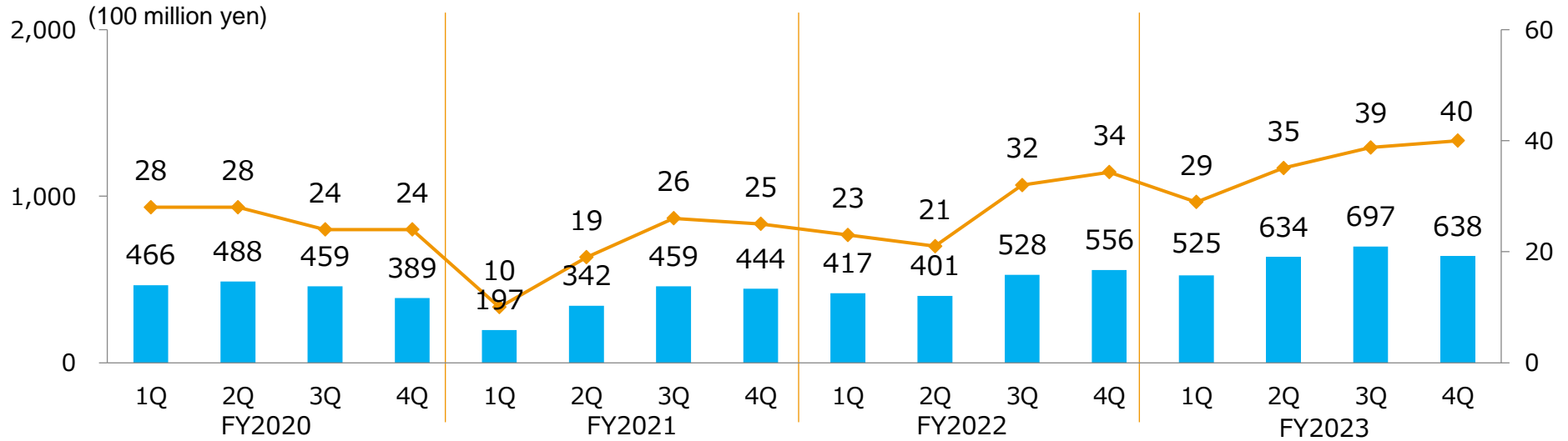
Operating Profit / Operating Profit Ratio

(100 million yen)

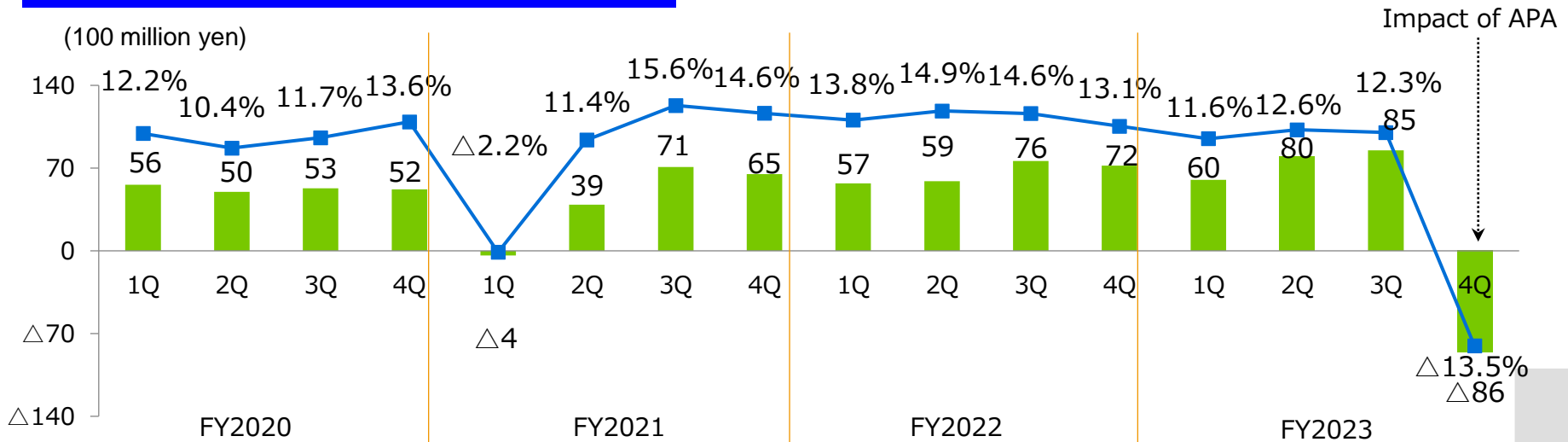


Appendix7) Quarterly Trends: Asia & Oceania volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue



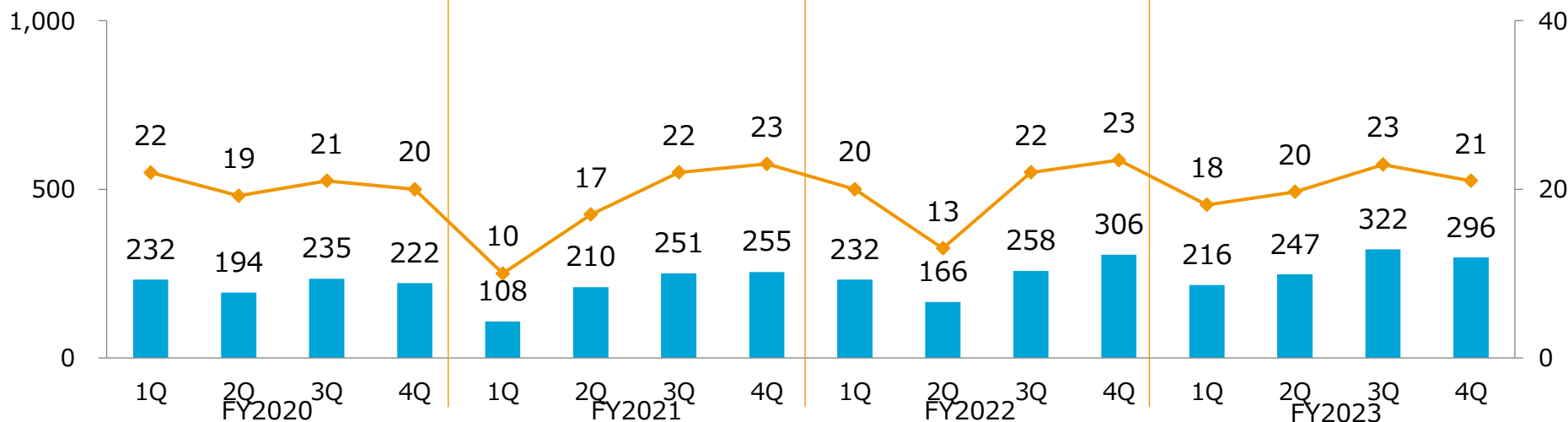
Operating Profit / Operating Profit Ratio



Appendix8) Quarterly Trends: Europe & Africa volume, revenue, operating profit, operating profit ratio

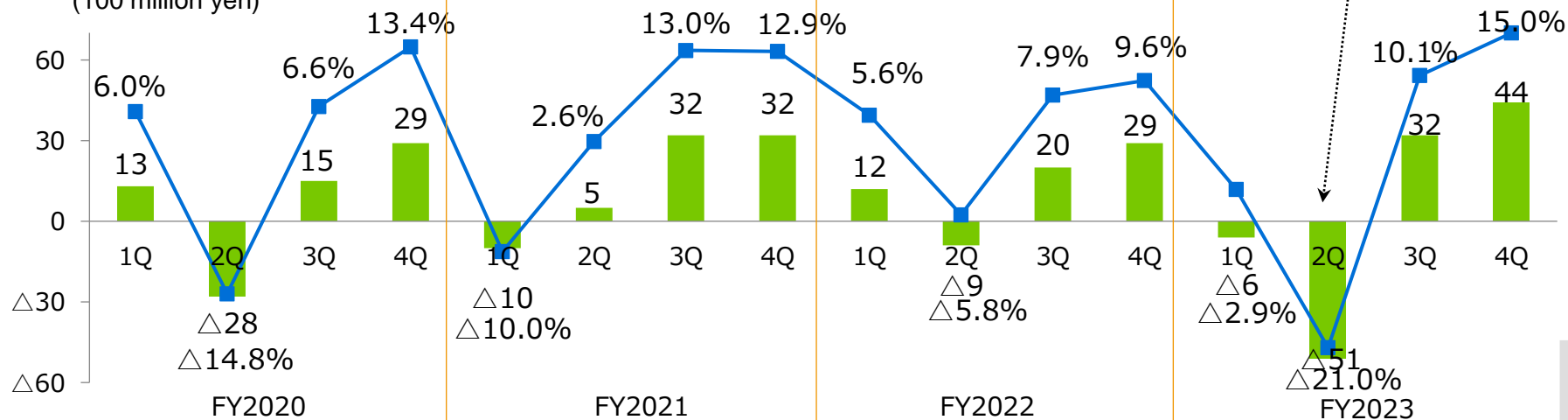
Seat Assembly Production / Revenue

(10,000 units)



Operating Profit / Operating Profit Ratio

(100 million yen)





<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