

Translation

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**Summary of Consolidated Financial Results
for the Year Ended March 31, 2017
(Based on Japanese GAAP)**

April 28, 2017

Company name: Toyota Boshoku Corporation
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 3116 URL <https://www.toyota-boshoku.com>
 Representative: President Yoshimasa Ishii
 General Manager, Accounting & Finance
 Inquiries: Division Shunichi Iwamori TEL (0566)26-0313
 Scheduled date of ordinary general meeting of shareholders: June 13, 2017
 Scheduled date to file Securities Report: June 14, 2017
 Scheduled date to commence dividend payments: June 14, 2017
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2017 (from April 1, 2016 to March 31, 2017)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2017	1,357,913	(4.1)	71,936	20.9	77,224	37.6	45,359	-
Year ended March 31, 2016	1,415,772	8.4	59,492	83.7	56,123	36.6	3,900	(25.0)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2017	244.28	-	21.2	10.9	5.3
Year ended March 31, 2016	21.02	21.02	1.9	7.8	4.2

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2017	691,921	276,274	33.3	1,240.77
As of March 31, 2016	725,895	243,146	27.3	1,065.72

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2017	95,389	(48,927)	(61,347)	144,889
Year ended March 31, 2016	78,912	(48,086)	(8,739)	160,904

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2016	-	15.00	-	15.00	30.00	5,567	142.7	2.7
Year ended March 31, 2017	-	21.00	-	29.00	50.00	9,285	20.5	4.3
Year ending March 31, 2018 (Forecast)	-	25.00	-	25.00	50.00		24.4	

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2017	640,000	(4.1)	29,500	(18.4)	29,500	(18.3)	17,000	28.0	91.54
Full year	1,300,000	(4.3)	60,000	(16.6)	60,000	(22.3)	38,000	(16.2)	204.62

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2017

(changes in specified subsidiaries resulting in the change in scope of consolidation):

Yes

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations:

No

Changes in accounting policies due to other reasons:

No

Changes in accounting estimates:

No

Restatement of prior period financial statements:

No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2017	187,665,738 shares	As of March 31, 2016	187,665,738 shares
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Number of treasury shares at the end of the period

As of March 31, 2017	1,958,154 shares	As of March 31, 2016	2,047,337 shares
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Average number of shares during the period

Year ended March 31, 2017	185,685,178 shares	Year ended March 31, 2016	185,525,873 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2016	As of March 31, 2017
Assets		
Current assets		
Cash and deposits	168,186	162,335
Notes and accounts receivable - trade	188,886	185,189
Securities	5,000	—
Merchandise and finished goods	8,475	7,520
Work in process	6,083	7,866
Raw materials and supplies	30,275	28,460
Deferred tax assets	6,239	5,759
Other	40,558	39,060
Allowance for doubtful accounts	(663)	(158)
Total current assets	453,041	436,032
Non-current assets		
Property, plant and equipment		
Buildings and structures	187,600	186,414
Accumulated depreciation	(103,603)	(107,467)
Buildings and structures, net	83,997	78,946
Machinery, equipment and vehicles	322,265	310,342
Accumulated depreciation	(239,958)	(237,658)
Machinery, equipment and vehicles, net	82,307	72,684
Tools, furniture and fixtures	113,925	111,328
Accumulated depreciation	(101,900)	(98,742)
Tools, furniture and fixtures, net	12,024	12,586
Land	27,117	26,733
Leased assets	2,762	2,801
Accumulated depreciation	(2,657)	(2,646)
Leased assets, net	104	155
Construction in progress	8,315	7,195
Total property, plant and equipment	213,867	198,302
Intangible assets		
Goodwill	6,403	4,882
Other	1,400	3,054
Total intangible assets	7,804	7,937
Investments and other assets		
Investment securities	15,955	16,530
Deferred tax assets	27,685	26,750
Other	7,711	6,526
Allowance for doubtful accounts	(169)	(159)
Total investments and other assets	51,182	49,648
Total non-current assets	272,853	255,888
Total assets	725,895	691,921

(Millions of yen)

	As of March 31, 2016	As of March 31, 2017
Liabilities		
Current liabilities		
Notes and accounts payable - trade	178,714	175,585
Short-term loans payable	48,538	21,981
Current portion of long-term loans payable	23,881	5,947
Accrued expenses	41,427	45,724
Income taxes payable	7,168	13,820
Provision for product warranties	7,238	3,458
Provision for directors' bonuses	248	417
Provision for loss on business liquidation	23,019	–
Asset retirement obligations	78	–
Other	18,892	19,363
Total current liabilities	349,208	286,298
Non-current liabilities		
Bonds payable	20,000	20,000
Long-term loans payable	52,505	46,031
Net defined benefit liability	54,471	54,786
Provision for directors' retirement benefits	311	298
Asset retirement obligations	250	258
Other	6,001	7,973
Total non-current liabilities	133,539	129,347
Total liabilities	482,748	415,646
Net assets		
Shareholders' equity		
Capital stock	8,400	8,400
Capital surplus	8,691	8,778
Retained earnings	199,475	238,150
Treasury shares	(4,050)	(3,874)
Total shareholders' equity	212,515	251,455
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,507	1,803
Foreign currency translation adjustment	(3,125)	(10,458)
Remeasurements of defined benefit plans	(13,080)	(12,380)
Total accumulated other comprehensive income	(14,699)	(21,034)
Subscription rights to shares	72	–
Non-controlling interests	45,257	45,853
Total net assets	243,146	276,274
Total liabilities and net assets	725,895	691,921

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
Net sales	1,415,772	1,357,913
Cost of sales	1,269,676	1,204,051
Gross profit	146,095	153,861
Selling, general and administrative expenses		
Transportation and warehousing expenses	7,383	6,606
Salaries and bonuses	32,814	32,533
Welfare expenses	5,422	4,706
Retirement benefit expenses	896	1,107
Provision for directors' bonuses	212	417
Provision for directors' retirement benefits	80	34
Taxes and dues	2,841	2,800
Depreciation	3,732	3,600
Research and development expenses	1,159	1,110
Amortization of goodwill	753	1,497
Other	31,305	27,511
Total selling, general and administrative expenses	86,603	81,925
Operating profit	59,492	71,936
Non-operating income		
Interest income	1,323	1,193
Dividend income	121	137
Rent income on non-current assets	735	760
Share of profit of entities accounted for using equity method	554	387
Foreign exchange gains	–	1,412
Miscellaneous income	–	1,446
Other	3,987	4,968
Total non-operating income	6,722	10,305
Non-operating expenses		
Interest expenses	2,445	1,861
Loss on retirement of non-current assets	477	468
Depreciation	492	406
Foreign exchange losses	2,477	–
Other	4,198	2,280
Total non-operating expenses	10,092	5,017
Ordinary profit	56,123	77,224
Extraordinary income		
Insurance income	–	3,585
Total extraordinary income	–	3,585
Extraordinary losses		
Impairment loss	6,997	1,730
Loss on liquidation of business	892	–
Provision for loss on business liquidation	23,019	–
Provision for product warranties	1,268	–
Total extraordinary losses	32,177	1,730
Profit before income taxes	23,945	79,079
Income taxes - current	16,537	23,409
Income taxes - deferred	(3,823)	1,733
Total income taxes	12,713	25,142
Profit	11,231	53,937
Profit attributable to non-controlling interests	7,331	8,577
Profit attributable to owners of parent	3,900	45,359

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
Profit	11,231	53,937
Other comprehensive income		
Valuation difference on available-for-sale securities	(613)	297
Foreign currency translation adjustment	(14,009)	(9,068)
Remeasurements of defined benefit plans, net of tax	(5,962)	672
Share of other comprehensive income of entities accounted for using equity method	(308)	(501)
Total other comprehensive income	(20,893)	(8,600)
Comprehensive income	(9,661)	45,336
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(13,687)	39,024
Comprehensive income attributable to non-controlling interests	4,025	6,312

Consolidated statements of changes in equity

Fiscal year ended March 31, 2016

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	8,400	9,096	200,026	(4,618)	212,904
Changes of items during period					
Dividends of surplus			(4,451)		(4,451)
Profit attributable to owners of parent			3,900		3,900
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		42		568	611
Change in ownership interest of parent due to transactions with non-controlling interests		(447)			(447)
Net changes of items other than shareholders' equity					
Total changes of items during period	-	(405)	(550)	567	(388)
Balance at end of current period	8,400	8,691	199,475	(4,050)	212,515

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	2,119	7,910	(7,142)	2,888	332	47,912	264,038
Changes of items during period							
Dividends of surplus							(4,451)
Profit attributable to owners of parent							3,900
Purchase of treasury shares							(1)
Disposal of treasury shares							611
Change in ownership interest of parent due to transactions with non-controlling interests							(447)
Net changes of items other than shareholders' equity	(612)	(11,036)	(5,938)	(17,587)	(259)	(2,655)	(20,502)
Total changes of items during period	(612)	(11,036)	(5,938)	(17,587)	(259)	(2,655)	(20,891)
Balance at end of current period	1,507	(3,125)	(13,080)	(14,699)	72	45,257	243,146

Fiscal year ended March 31, 2017

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	8,400	8,691	199,475	(4,050)	212,515
Changes of items during period					
Dividends of surplus			(6,684)		(6,684)
Profit attributable to owners of parent			45,359		45,359
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(7)		176	169
Change in ownership interest of parent due to transactions with non-controlling interests		94			94
Net changes of items other than shareholders' equity					
Total changes of items during period	-	87	38,675	176	38,939
Balance at end of current period	8,400	8,778	238,150	(3,874)	251,455

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	1,507	(3,125)	(13,080)	(14,699)	72	45,257	243,146
Changes of items during period							
Dividends of surplus							(6,684)
Profit attributable to owners of parent							45,359
Purchase of treasury shares							(0)
Disposal of treasury shares							169
Change in ownership interest of parent due to transactions with non-controlling interests							94
Net changes of items other than shareholders' equity	296	(7,332)	700	(6,335)	(72)	596	(5,811)
Total changes of items during period	296	(7,332)	700	(6,335)	(72)	596	33,127
Balance at end of current period	1,803	(10,458)	(12,380)	(21,034)	-	45,853	276,274

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
Cash flows from operating activities		
Profit before income taxes	23,945	79,079
Depreciation	41,012	36,228
Impairment loss	6,997	1,730
Loss on liquidation of business	583	–
Amortization of goodwill	753	1,497
Increase (decrease) in net defined benefit liability	2,048	2,680
Interest and dividend income	(1,444)	(1,330)
Interest expenses	2,445	1,861
Increase (decrease) in provision for loss on business liquidation	23,019	–
Foreign exchange losses (gains)	814	735
Share of (profit) loss of entities accounted for using equity method	(554)	(387)
Loss (gain) on sales of property, plant and equipment	(60)	(161)
Decrease (increase) in notes and accounts receivable - trade	(19,430)	(10,903)
Decrease (increase) in inventories	4,045	(904)
Decrease (increase) in accounts receivable - other	(5,589)	3,413
Increase (decrease) in notes and accounts payable - trade	16,061	9,522
Increase (decrease) in accounts payable - other	(1,783)	1,452
Increase (decrease) in accrued expenses	(2,218)	1,533
Other, net	7,240	(10,508)
Subtotal	97,886	115,541
Interest and dividend income received	2,222	1,675
Interest expenses paid	(2,389)	(2,161)
Income taxes paid	(18,808)	(19,666)
Net cash provided by (used in) operating activities	78,912	95,389
Cash flows from investing activities		
Purchase of property, plant and equipment	(36,392)	(31,439)
Proceeds from sales of property, plant and equipment	2,249	1,055
Purchase of investment securities	(684)	(67)
Payments of loans receivable	(58)	(55)
Collection of loans receivable	138	69
Payments into time deposits	(3,860)	(5,115)
Proceeds from withdrawal of time deposits	1,073	–
Payments for transfer of business	(9,700)	–
Payments resulting from liquidation of business	–	(11,149)
Other, net	(852)	(2,225)
Net cash provided by (used in) investing activities	(48,086)	(48,927)

(Millions of yen)

	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	12,350	(24,538)
Proceeds from long-term loans payable	29,611	1,083
Repayments of long-term loans payable	(39,468)	(25,526)
Cash dividends paid	(4,452)	(6,682)
Dividends paid to non-controlling interests	(6,279)	(5,676)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(519)	–
Other, net	18	(6)
Net cash provided by (used in) financing activities	(8,739)	(61,347)
Effect of exchange rate change on cash and cash equivalents	(4,675)	(1,128)
Net increase (decrease) in cash and cash equivalents	17,410	(16,014)
Cash and cash equivalents at beginning of period	143,493	160,904
Cash and cash equivalents at end of period	160,904	144,889

Segment Information

FY2015 (April 1, 2015 – March 31, 2016)

(Millions of yen)

	Reportable Segment					Eliminations	Consolidated
	Japan	North, Central and South America	Asia and Oceania	Europe and Africa	Total		
Net Sales							
(1)Sales to external customers	671,826	312,293	338,495	93,156	1,415,772	—	1,415,772
(2)Inter-segment sales and transfers	54,437	4,112	18,712	3,407	80,670	(80,670)	—
Total	726,264	316,406	357,208	96,564	1,496,443	(80,670)	1,415,772
Segment profit (loss)	26,074	4,213	32,159	(2,908)	59,539	(46)	59,492
Segment assets	441,969	91,461	199,786	50,585	783,803	(57,908)	725,895
Others							
(1)Depreciation expenses	17,572	7,043	13,511	2,885	41,012	—	41,012
(2)Capital expenditure	15,141	5,149	12,307	4,300	36,898	—	36,898

FY2016 (April 1, 2016 – March 31, 2017)

(Millions of yen)

	Reportable Segment					Eliminations	Consolidated
	Japan	North, Central and South America	Asia and Oceania	Europe and Africa	Total		
Net Sales							
(1)Sales to external customers	669,156	291,444	308,588	88,723	1,357,913	—	1,357,913
(2)Inter-segment sales and transfers	49,485	3,959	19,085	1,970	74,500	(74,500)	—
Total	718,642	295,403	327,673	90,694	1,432,413	(74,500)	1,357,913
Segment profit (loss)	23,084	13,267	33,145	2,232	71,729	206	71,936
Segment assets	435,734	87,747	193,686	45,917	763,085	(71,164)	691,921
Others							
(1)Depreciation expenses	16,210	6,241	11,549	2,226	36,228	—	36,228
(2)Capital expenditure	21,103	5,939	5,919	2,538	35,500	—	35,500