

Translation

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**Summary of Consolidated Financial Results
for the Three Months Ended June 30, 2017
(Based on Japanese GAAP)**

July 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
 Inquiries: General Manager, Accounting & Finance Shunichi Iwamori TEL (0566)26-0313
 Division
 Scheduled date to file Quarterly Securities Report: August 10, 2017
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2017 (from April 1, 2017 to June 30, 2017)

(1) Consolidated operating results (cumulative)

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	%
Three months ended June 30, 2017	332,475	2.4	16,250	1.7	17,053	(0.7)	10,046	19.3
Three months ended June 30, 2016	324,728	(2.7)	15,986	28.0	17,175	21.8	8,422	(6.7)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2017	54.10	–
Three months ended June 30, 2016	45.37	45.36

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2017	680,066	278,800	34.4
As of March 31, 2017	691,921	276,274	33.3

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2017	–	21.00	–	29.00	50.00
Year ending March 31, 2018	–				
Year ending March 31, 2018 (Forecast)		25.00	–	25.00	50.00

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	665,000	(0.4)	31,000	(14.2)	32,000	(11.3)	18,500	39.3	99.62
Full year	1,350,000	(0.6)	63,000	(12.4)	64,000	(17.1)	40,000	(11.8)	215.39

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2017
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) 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

(4) Number of issued shares (common shares)

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

As of June 30, 2017	187,665,738 shares	As of March 31, 2017	187,665,738 shares
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Number of treasury shares at the end of the period

As of June 30, 2017	1,958,154 shares	As of March 31, 2017	1,958,154 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2017	185,707,584 shares	Three months ended June 30, 2016	185,626,875 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
Assets		
Current assets		
Cash and deposits	162,335	168,765
Notes and accounts receivable - trade	185,189	169,054
Merchandise and finished goods	7,520	7,166
Work in process	7,866	8,289
Raw materials and supplies	28,460	29,770
Other	44,820	43,771
Allowance for doubtful accounts	(158)	(146)
Total current assets	436,032	426,670
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	78,946	76,652
Machinery, equipment and vehicles, net	72,684	65,623
Other, net	46,671	49,674
Total property, plant and equipment	198,302	191,949
Intangible assets		
Goodwill	4,882	4,511
Other	3,054	3,834
Total intangible assets	7,937	8,346
Investments and other assets		
Investment securities	16,530	19,759
Other	33,277	33,499
Allowance for doubtful accounts	(159)	(159)
Total investments and other assets	49,648	53,099
Total non-current assets	255,888	253,396
Total assets	691,921	680,066

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
Liabilities		
Current liabilities		
Notes and accounts payable - trade	175,585	158,968
Short-term loans payable	21,981	16,269
Current portion of long-term loans payable	5,947	6,193
Income taxes payable	13,820	14,214
Provision for product warranties	3,458	3,145
Provision for directors' bonuses	417	109
Other	65,087	76,169
Total current liabilities	286,298	275,070
Non-current liabilities		
Bonds payable	20,000	20,000
Long-term loans payable	46,031	45,993
Net defined benefit liability	54,786	55,061
Provision for directors' retirement benefits	298	259
Asset retirement obligations	258	258
Other	7,973	4,623
Total non-current liabilities	129,347	126,196
Total liabilities	415,646	401,266
Net assets		
Shareholders' equity		
Capital stock	8,400	8,400
Capital surplus	8,778	8,778
Retained earnings	238,150	242,877
Treasury shares	(3,874)	(3,874)
Total shareholders' equity	251,455	256,181
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,803	1,898
Foreign currency translation adjustment	(10,458)	(11,760)
Remeasurements of defined benefit plans	(12,380)	(12,110)
Total accumulated other comprehensive income	(21,034)	(21,973)
Non-controlling interests	45,853	44,591
Total net assets	276,274	278,800
Total liabilities and net assets	691,921	680,066

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Net sales	324,728	332,475
Cost of sales	287,839	296,624
Gross profit	36,888	35,850
Selling, general and administrative expenses		
Salaries and bonuses	8,467	7,529
Other	12,434	12,069
Total selling, general and administrative expenses	20,901	19,599
Operating profit	15,986	16,250
Non-operating income		
Interest income	311	394
Foreign exchange gains	–	998
Share of profit of entities accounted for using equity method	–	80
Miscellaneous income	1,219	–
Other	2,125	1,791
Total non-operating income	3,656	3,265
Non-operating expenses		
Interest expenses	635	351
Foreign exchange losses	114	–
Loss on valuation of derivatives	901	386
Share of loss of entities accounted for using equity method	173	–
Other	641	1,725
Total non-operating expenses	2,467	2,462
Ordinary profit	17,175	17,053
Profit before income taxes	17,175	17,053
Income taxes	6,555	5,028
Profit	10,619	12,025
Profit attributable to non-controlling interests	2,197	1,978
Profit attributable to owners of parent	8,422	10,046

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Profit	10,619	12,025
Other comprehensive income		
Valuation difference on available-for-sale securities	(308)	94
Foreign currency translation adjustment	(11,967)	(1,602)
Share of other comprehensive income of entities accounted for using equity method	(191)	45
Remeasurements of defined benefit plans, net of tax	254	265
Total other comprehensive income	(12,213)	(1,197)
Comprehensive income	(1,593)	10,827
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(933)	9,110
Comprehensive income attributable to non-controlling interests	(659)	1,717

Segment Information

FY2016 First Quarter (April 1, 2016—June 30, 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	152,449	72,152	76,444	23,680	324,728	—	324,728
(2)Inter-segment sales and transfers	12,072	927	5,085	358	18,444	(18,444)	—
Total	164,522	73,079	81,530	24,039	343,173	(18,444)	324,728
Segment profit (loss)	4,115	3,374	8,748	(345)	15,891	94	15,986

FY2017 First Quarter (April 1, 2017—June 30, 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	157,301	73,770	77,553	23,849	332,475	—	332,475
(2)Inter-segment sales and transfers	13,980	1,225	5,264	415	20,887	(20,887)	—
Total	171,282	74,996	82,818	24,265	353,362	(20,887)	332,475
Segment profit (loss)	3,158	3,369	8,127	1,655	16,311	(60)	16,250