

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2018 (Based on Japanese GAAP)

July 31, 2018

Company name: Toyota Boshoku Corporation  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 3116 URL: <https://www.toyota-boshoku.com>  
 Representative: President Takeshi Numa  
 General Manager, Accounting & Finance  
 Inquiries: Division Ryuji Terasawa TEL (0566)26-0313  
 Scheduled date to file Quarterly Securities Report: August 10, 2018  
 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, 2018 (from April 1, 2018 to June 30, 2018)

#### (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, 2018	344,427	3.6	14,329	(11.8)	16,396	(3.9)	6,383	(36.5)
Three months ended June 30, 2017	332,475	2.4	16,250	1.7	17,053	(0.7)	10,046	19.3

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2018	34.37	–
Three months ended June 30, 2017	54.10	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2018	733,826	306,048	35.8
As of March 31, 2018	744,558	308,620	35.3

### 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, 2018	–	25.00	–	29.00	54.00
Year ending March 31, 2019	–	–	–	–	–
Year ending March 31, 2019 (Forecast)	–	28.00	–	28.00	56.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

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, 2018	695,000	3.4	29,500	(7.5)	31,500	(4.8)	15,000	(21.6)	80.77
Full year	1,400,000	0.0	62,000	(12.9)	64,000	(12.2)	35,000	(18.2)	188.47

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2018  
 (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, 2018	187,665,738 shares	As of March 31, 2018	187,665,738 shares
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Number of treasury shares at the end of the period

As of June 30, 2018	1,958,391 shares	As of March 31, 2018	1,958,326 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, 2018	185,707,383 shares	Three months ended June 30, 2017	185,707,584 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2018	As of June 30, 2018
Assets		
Current assets		
Cash and deposits	194,158	205,378
Notes and accounts receivable - trade	194,149	172,341
Merchandise and finished goods	7,762	7,542
Work in process	9,648	11,391
Raw materials and supplies	28,560	31,341
Other	42,417	38,423
Allowance for doubtful accounts	(135)	(104)
Total current assets	476,560	466,313
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	74,703	74,505
Machinery, equipment and vehicles, net	67,408	69,200
Other, net	59,038	58,275
Total property, plant and equipment	201,150	201,982
Intangible assets		
Goodwill	3,422	3,091
Other	6,740	7,179
Total intangible assets	10,163	10,271
Investments and other assets		
Investment securities	23,300	23,291
Other	33,602	32,193
Allowance for doubtful accounts	(217)	(227)
Total investments and other assets	56,685	55,258
Total non-current assets	267,998	267,512
Total assets	744,558	733,826

(Millions of yen)

	As of March 31, 2018	As of June 30, 2018
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	181,061	167,107
Short-term loans payable	5,829	6,860
Current portion of bonds	10,000	10,000
Current portion of long-term loans payable	19,540	20,013
Income taxes payable	13,668	14,406
Provision for product warranties	2,517	2,420
Provision for directors' bonuses	353	141
Other	70,439	73,759
<b>Total current liabilities</b>	<b>303,409</b>	<b>294,709</b>
<b>Non-current liabilities</b>		
Bonds payable	40,000	40,000
Long-term loans payable	31,687	32,235
Net defined benefit liability	53,989	54,172
Provision for directors' retirement benefits	268	239
Asset retirement obligations	250	250
Other	6,332	6,170
<b>Total non-current liabilities</b>	<b>132,528</b>	<b>133,067</b>
<b>Total liabilities</b>	<b>435,938</b>	<b>427,777</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	8,400	8,400
Capital surplus	8,406	8,406
Retained earnings	270,951	271,949
Treasury shares	(3,874)	(3,875)
<b>Total shareholders' equity</b>	<b>283,882</b>	<b>284,880</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,952	1,851
Foreign currency translation adjustment	(12,805)	(13,966)
Remeasurements of defined benefit plans	(10,270)	(9,996)
<b>Total accumulated other comprehensive income</b>	<b>(21,123)</b>	<b>(22,111)</b>
<b>Non-controlling interests</b>	<b>45,861</b>	<b>43,279</b>
<b>Total net assets</b>	<b>308,620</b>	<b>306,048</b>
<b>Total liabilities and net assets</b>	<b>744,558</b>	<b>733,826</b>

**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, 2017	Three months ended June 30, 2018
Net sales	332,475	344,427
Cost of sales	296,624	309,758
Gross profit	35,850	34,669
Selling, general and administrative expenses		
Salaries and bonuses	7,529	7,689
Other	12,069	12,650
Total selling, general and administrative expenses	19,599	20,339
Operating profit	16,250	14,329
Non-operating income		
Interest income	394	479
Foreign exchange gains	998	507
Share of profit of entities accounted for using equity method	80	207
Other	1,791	1,774
Total non-operating income	3,265	2,968
Non-operating expenses		
Interest expenses	351	296
Loss on valuation of derivatives	386	-
Other	1,725	605
Total non-operating expenses	2,462	901
Ordinary profit	17,053	16,396
Profit before income taxes	17,053	16,396
Income taxes	5,028	7,870
Profit	12,025	8,526
Profit attributable to non-controlling interests	1,978	2,142
Profit attributable to owners of parent	10,046	6,383

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Profit	12,025	8,526
Other comprehensive income		
Valuation difference on available-for-sale securities	94	(101)
Foreign currency translation adjustment	(1,602)	(1,675)
Share of other comprehensive income of entities accounted for using equity method	45	(20)
Remeasurements of defined benefit plans, net of tax	265	293
Total other comprehensive income	(1,197)	(1,503)
Comprehensive income	10,827	7,023
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,110	5,395
Comprehensive income attributable to non-controlling interests	1,717	1,627

## Segment Information

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

FY2018 First Quarter (April 1, 2018—June 30, 2018)

(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	169,547	71,244	79,706	23,928	344,427	—	344,427
(2)Inter-segment sales and transfers	14,495	1,107	5,489	328	21,420	(21,420)	—
Total	184,043	72,352	85,195	24,257	365,848	(21,420)	344,427
Segment profit (loss)	837	2,834	9,089	1,640	14,401	(71)	14,329