



**TOYOTA BOSHOKU CORPORATION**

**FY2020**

**1<sup>st</sup> Quarter**

**Financial Results**

**Ended June 30, 2019**

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- 1. 1st Quarter FY2020 Financial Results**
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# 1-1) 1st Quarter FY2020 Financial Results Overview of Consolidated Financial Results

|                            | (IFRS)    |        | (IFRS)    |        | (100 million yen) |        |
|----------------------------|-----------|--------|-----------|--------|-------------------|--------|
|                            | Q1 FY2019 |        | Q1 FY2020 |        | YOY Change        |        |
| Revenue                    | 3,509     | 100.0% | 3,518     | 100.0% | 8                 | 0.2%   |
| Operating Profit           | 148       | 4.2%   | 147       | 4.2%   | -1                | -1.0%  |
| Profit before income taxes | 164       | 4.7%   | 145       | 4.1%   | -18               | -11.2% |
| Profit*                    | 68        | 2.0%   | 69        | 2.0%   | 0                 | 0.7%   |

\*Profit Attributable to Owners of the Parent

|                          |     |           |           |                     |
|--------------------------|-----|-----------|-----------|---------------------|
| Basic earnings per share |     | 36.94 yen | 37.19 yen | 0.25 yen            |
| Exchange Rate            | USD | 109 yen   | 110 yen   | 1 yen (weak yen)    |
|                          | EUR | 130 yen   | 123 yen   | -7 yen (strong yen) |

## Revenue

- Revenue is about same level due to Forex impact and decrease in revenue of new production's tooling in spite of volume increase in Japan and the Americas

## Operating Profit

- Profit is about same level due to Overhead Costs increase and other income / expenses in spite of volume increase

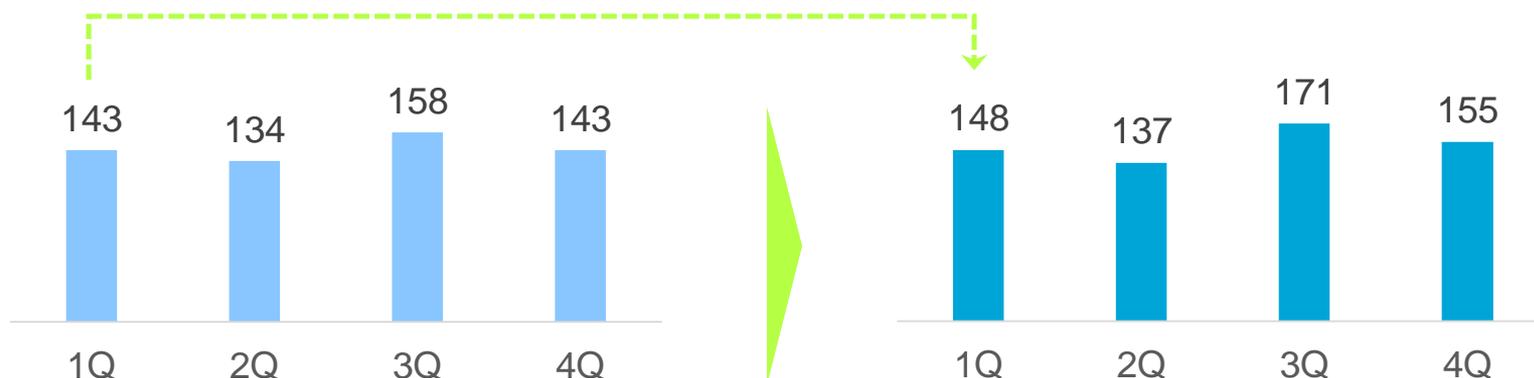
# 1-2) 1st Quarter FY2020 Financial Results FY2019 Operating Profit (JGAAP×IFRS)

- From FY2019, due to optional application of IFRS, FY2019 Operating Profit of JGAAP has be replaced by IFRS based
- Operating Profit difference due to the main differing standards by regions in this first quarter are follow as

(100 million yen)

**JGAAP 580**

**IFRS 612**



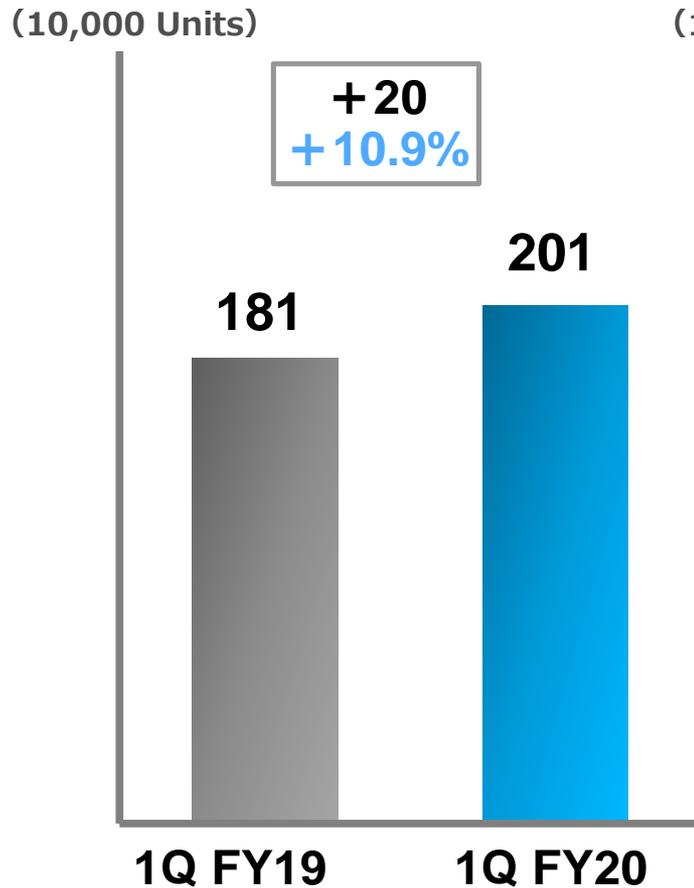
(100 million yen)

| Region          | JGAAP | IFRS | Change | Remraks   |
|-----------------|-------|------|--------|---|
| Japan           | 8     | 12   | 3      | Goodwill non-depreciation, Retirement benefit expenses etc.         |
| The Americas    | 28    | 30   | 2      | Accounting subject reclassification of non-Operating Profit or Loss |
| Asia & Oceania  | 90    | 89   | -1     | Tooling one-off depreciation etc.                                   |
| Europe & Africa | 16    | 16   | 0      |   |
| Consolidation   | 143   | 148  | 5      |   |

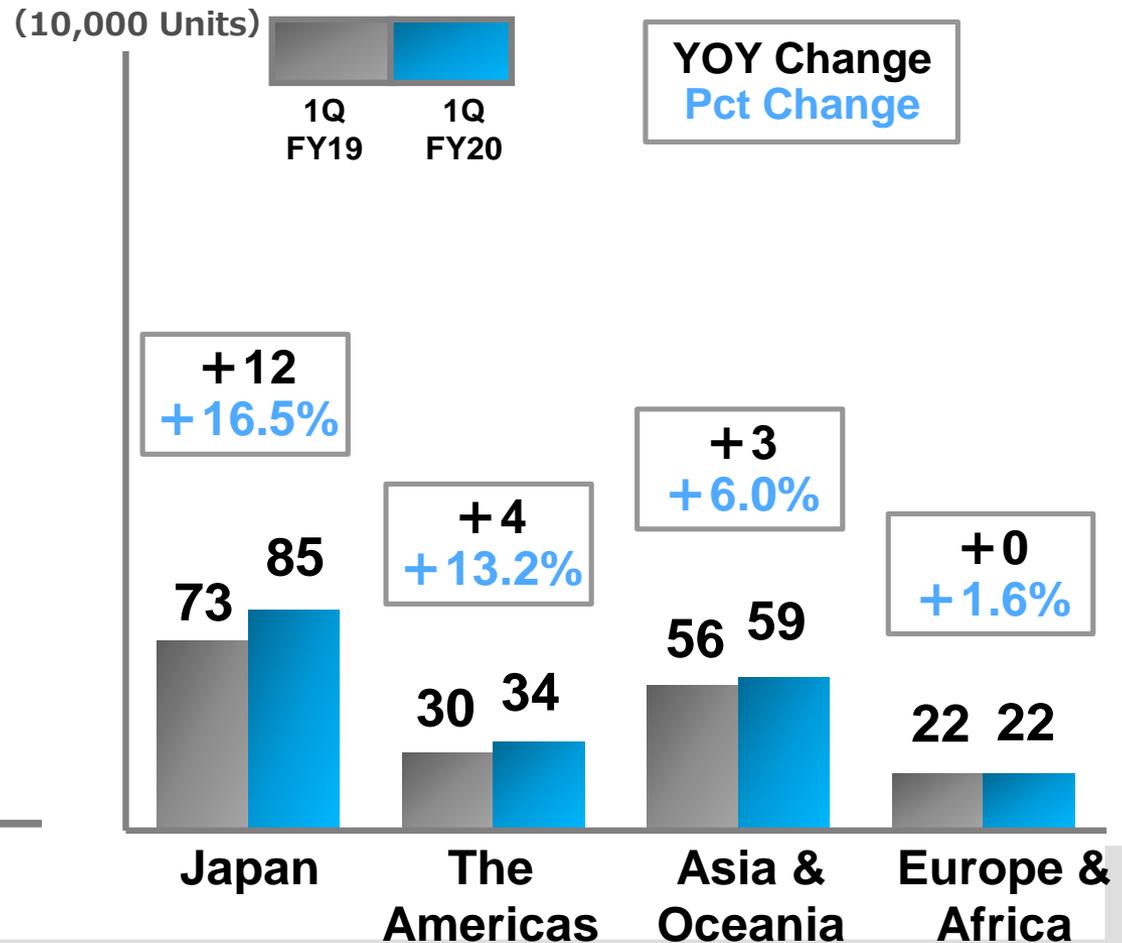
# 1-3) 1st Quarter FY2020 Financial Results Unit Production by Region

## Seat Assembly Production

### Total



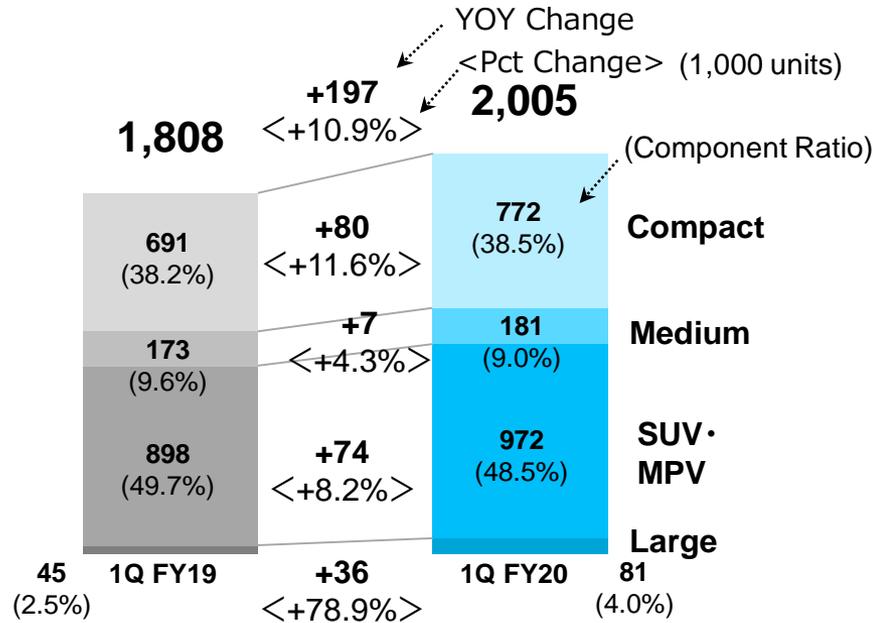
### By Region



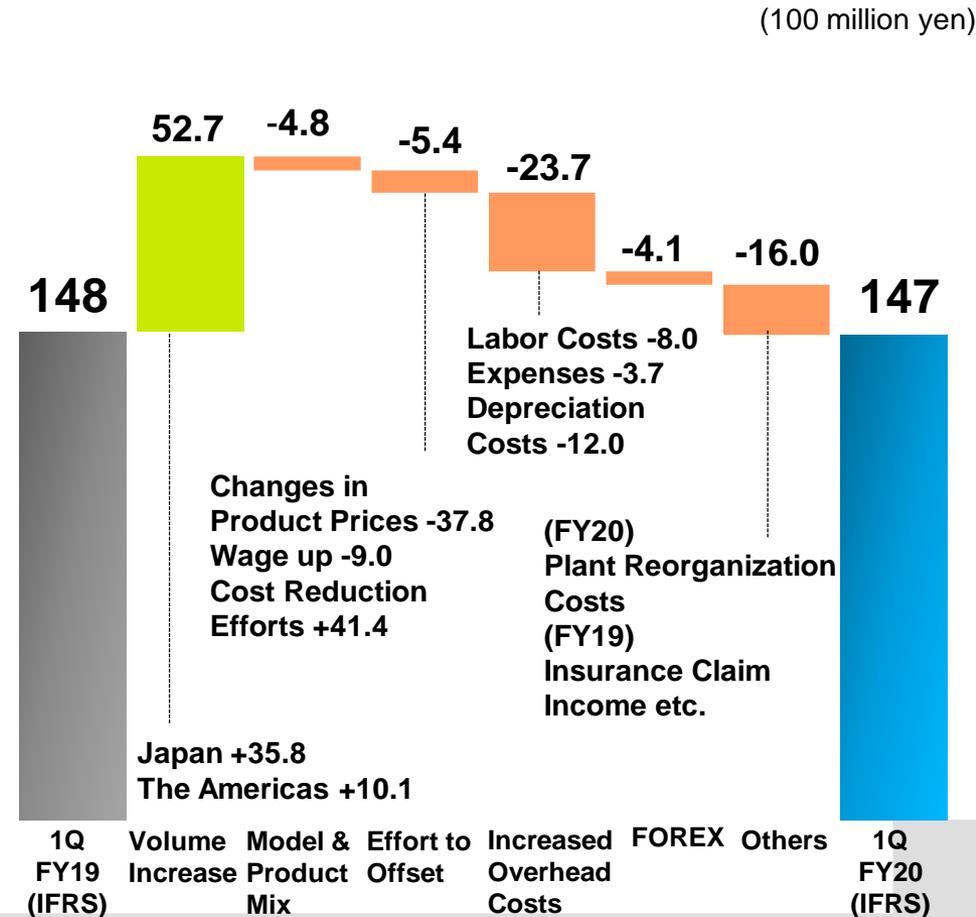
# 1-3) 1st Quarter FY2020 Financial Results Consolidation Revenue & Operating Profit

Profit is about same level due to Overhead Costs increase and other income / expenses (Plant Reorganization Costs · Insurance Claim Income) in spite of volume increase in Japan and the Americas

## Volume & Mix



## Operating Profit Variance Analysis



## Profit & Loss

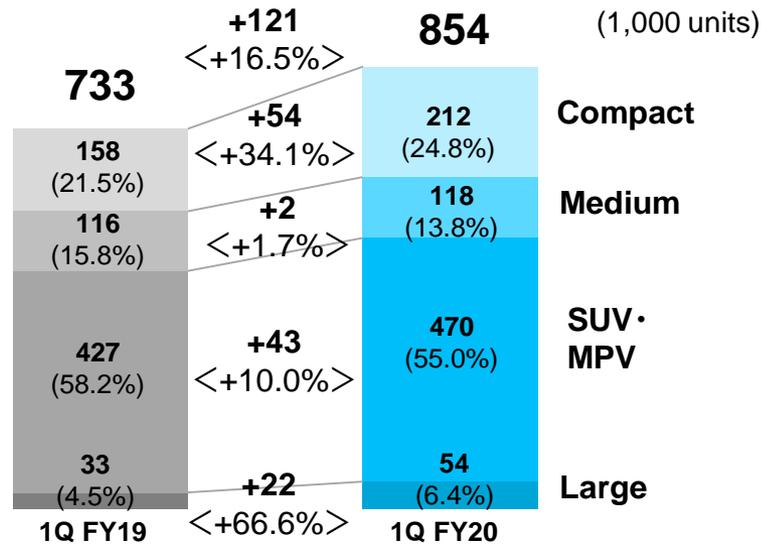
(100 million yen)

|                        | 1Q FY19 | 1Q FY20 | YOY Change |
|------------------------|---------|---------|------------|
| Revenue                | 3,509   | 3,518   | 8          |
| Operating Profit       | 148     | 147     | -1         |
| Operating Profit Ratio | 4.2%    | 4.2%    | —          |

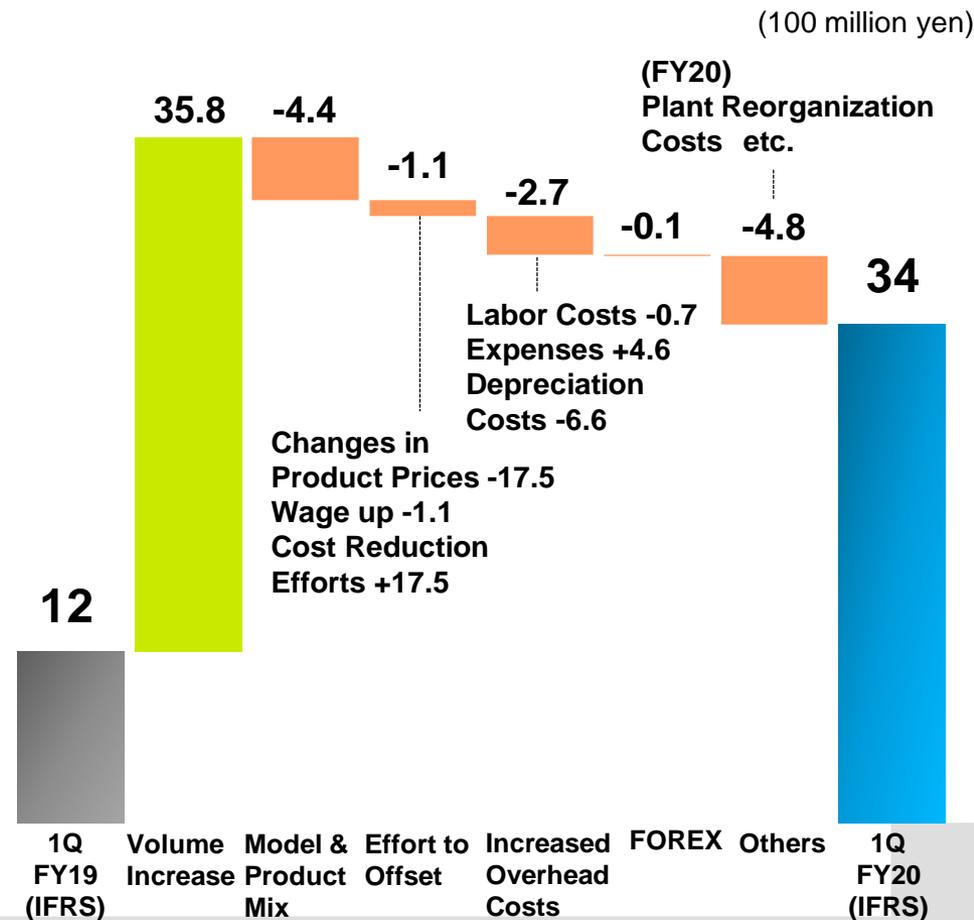
# 1-3) 1st Quarter FY2020 Financial Results Japan Region Revenue & Operating Profit

Higher Profit due to volume increase (SUV·MPV) in spite of Changes in Product Prices, Mix Change and other income / expenses (Plant Reorganization Costs)

## Volume & Mix



## Operating Profit Variance Analysis



## Profit & Loss

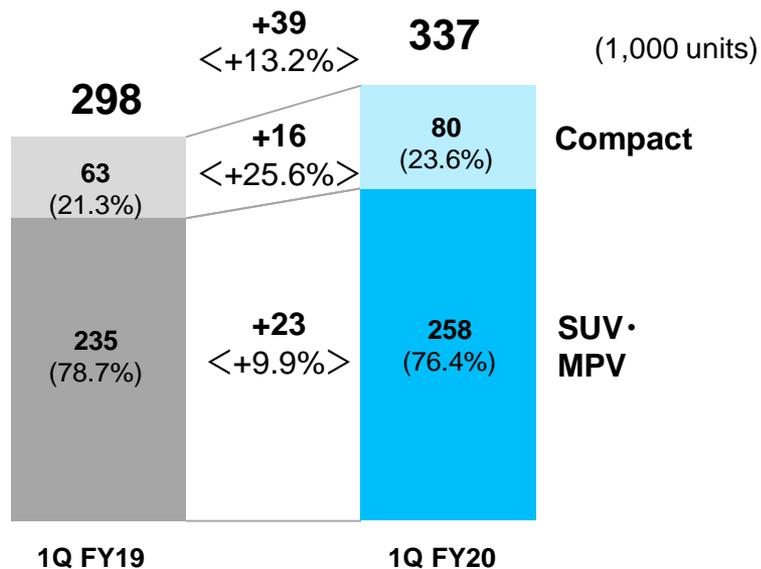
|                        | 1Q FY19 | 1Q FY20 | YOY Change |
|------------------------|---------|---------|------------|
| Revenue                | 1,907   | 1,903   | -3         |
| Operating Profit       | 12      | 34      | 22         |
| Operating Profit Ratio | 0.6%    | 1.8%    | -          |

(100 million yen)

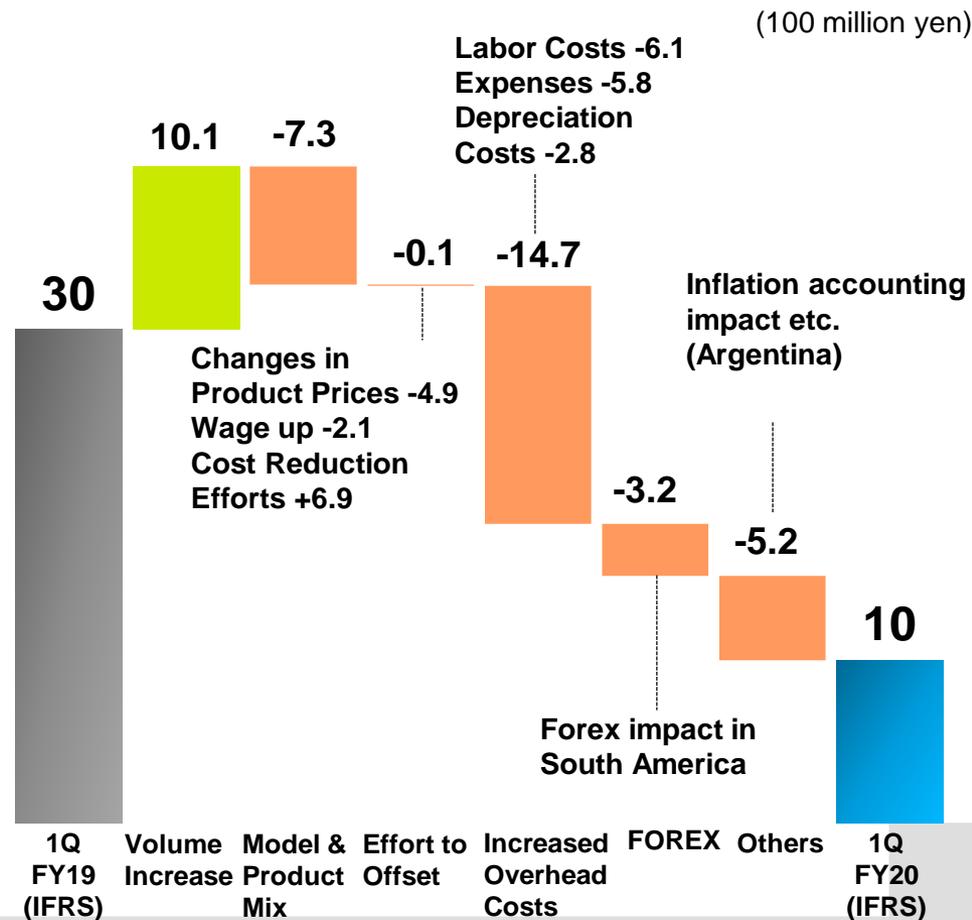
# 1-3) 1st Quarter FY2020 Financial Results The Americas Region Revenue & Operating Profit

**Lower Profit due to Model Mix Change and Start-up Costs increase in spite of volume increase (SUV) in North America**

## Volume & Mix



## Operating Profit Variance Analysis



## Profit & Loss

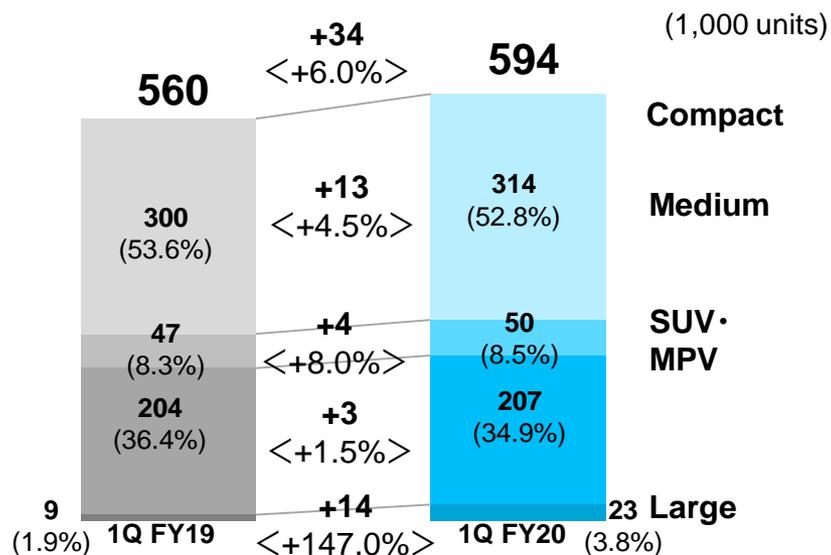
(100 million yen)

|                        | 1Q FY19 | 1Q FY20 | YOY Change |
|------------------------|---------|---------|------------|
| Revenue                | 723     | 724     | 0          |
| Operating Profit       | 30      | 10      | -20        |
| Operating Profit Ratio | 4.2%    | 1.4%    | -          |

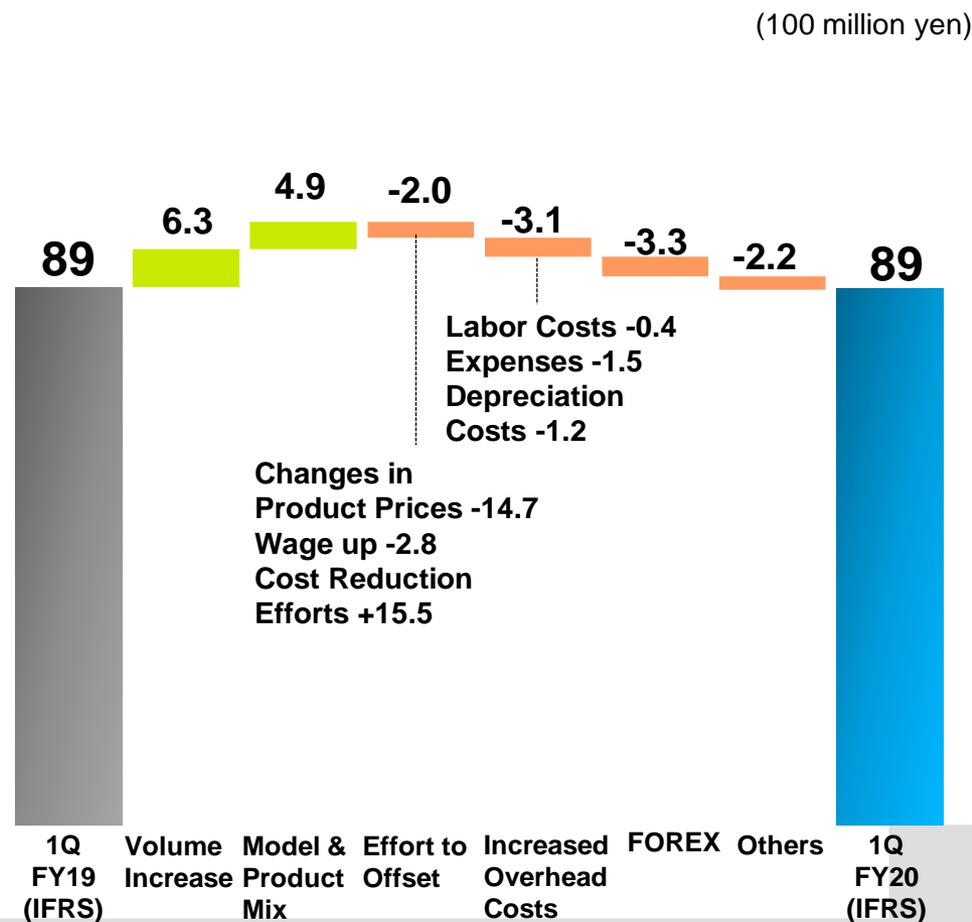
# 1-3) 1st Quarter FY2020 Financial Results Asia & Oceania Region Revenue & Operating Profit

Profit is about same level due to Changes in Product Prices and Forex impact in spite of volume increase in China and Model Mix Change

## Volume & Mix



## Operating Profit Variance Analysis



## Profit & Loss

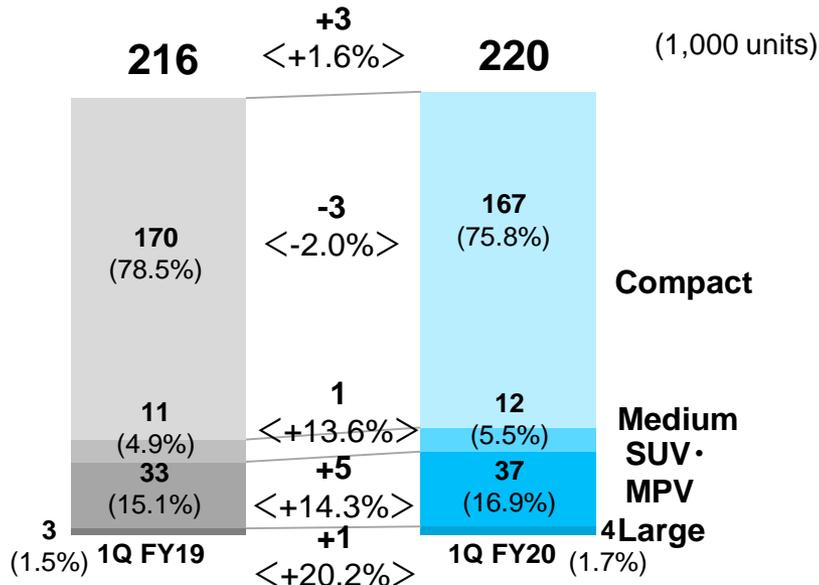
(100 million yen)

|                        | 1Q FY19 | 1Q FY20 | YOY Change |
|------------------------|---------|---------|------------|
| Revenue                | 850     | 892     | 41         |
| Operating Profit       | 89      | 89      | -0         |
| Operating Profit Ratio | 10.5%   | 10.0%   | -          |

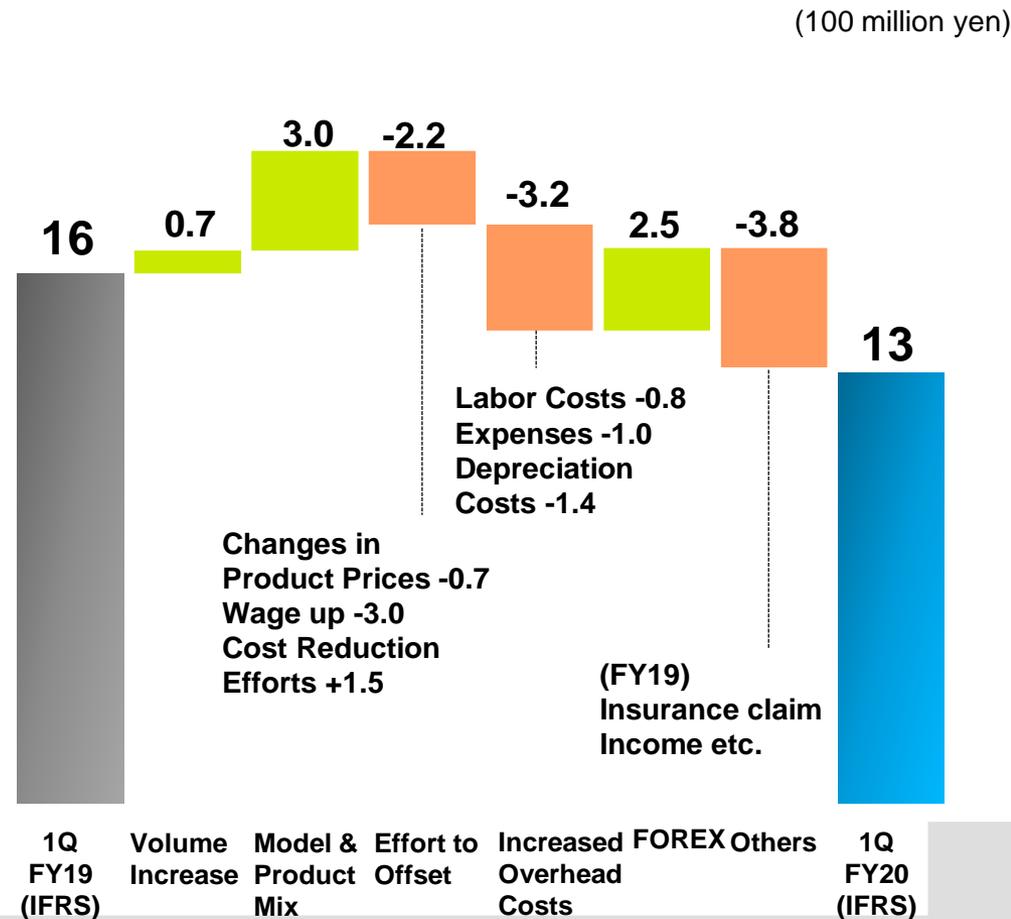
# 1-3) 1st Quarter FY2020 Financial Results Europe & Africa Region Revenue & Operating Profit

Lower Profit due to Overhead Costs increase, Wage up, and other income / expenses (Insurance Claim Income) in spite of Mix Change and Forex impact

## Volume & Mix



## Operating Profit Variance Analysis



## Profit & Loss

(100 million yen)

|                        | 1Q FY19 | 1Q FY20 | YOY Change |
|------------------------|---------|---------|------------|
| Revenue                | 242     | 232     | -10        |
| Operating Profit       | 16      | 13      | -2         |
| Operating Profit Ratio | 6.9%    | 6.0%    | -          |

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## 2-1) FY2020 Financial Forecasts Overview of Consolidated Financial Forecasts

|  | (IFRS)     |         | (IFRS)     |                     | (100 million yen) |        |
|--|------------|---------|------------|---------------------|-------------------|--------|
|  | FY2019     |         | FY2020     |                     | YOY Change        |        |
| Revenue                                      | 14,173     | 100.0%  | 13,900     | 100.0%              | -273              | -1.9%  |
| Operating Profit                             | 612        | 4.3%    | 530        | 3.8%                | -82               | -13.5% |
| Profit before income taxes                   | 614        | 4.3%    | 540        | 3.9%                | -74               | -12.2% |
| Profit*                                      | 274        | 1.9%    | 290        | 2.1%                | 15                | 5.6%   |
| *Profit Attributable to Owners of the Parent |            |         |            |                     |                   |        |
| Basic earnings per share                     | 147.85 yen |         | 156.16 yen |                     | 8.31 yen          |        |
| Exchange Rate                                | USD        | 111 yen | 106 yen    | -5 yen (strong yen) |                   |        |
|  | EUR        | 128 yen | 120 yen    | -8 yen (strong yen) |                   |        |

### Revenue

- Lower Revenue due to Forex impact and decrease in revenue of new production's tooling in spite of volume increase in the Americas

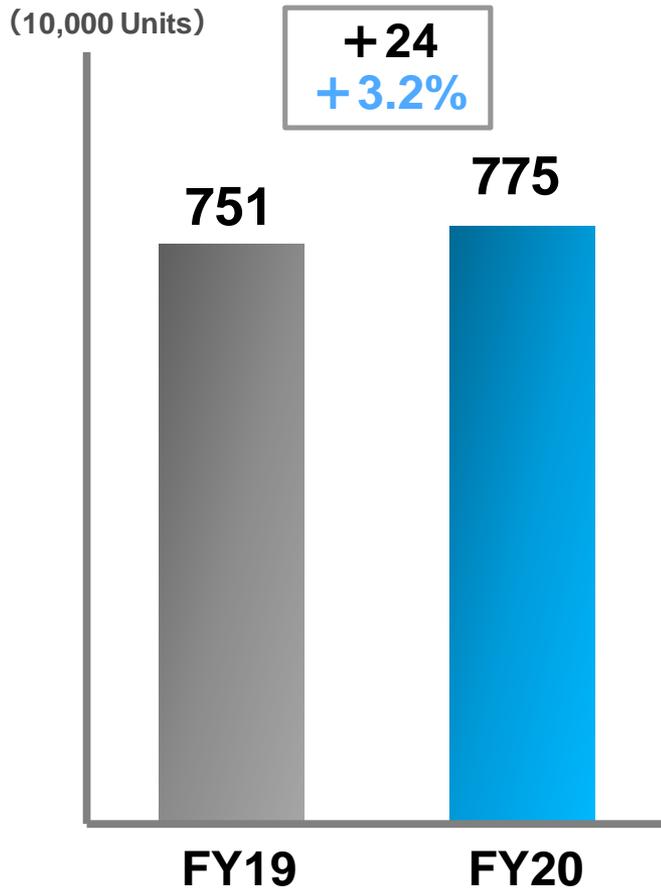
### Operating Profit

- Lower profit due to Model Mix Change and Start-up Costs increase in spite of volume increase

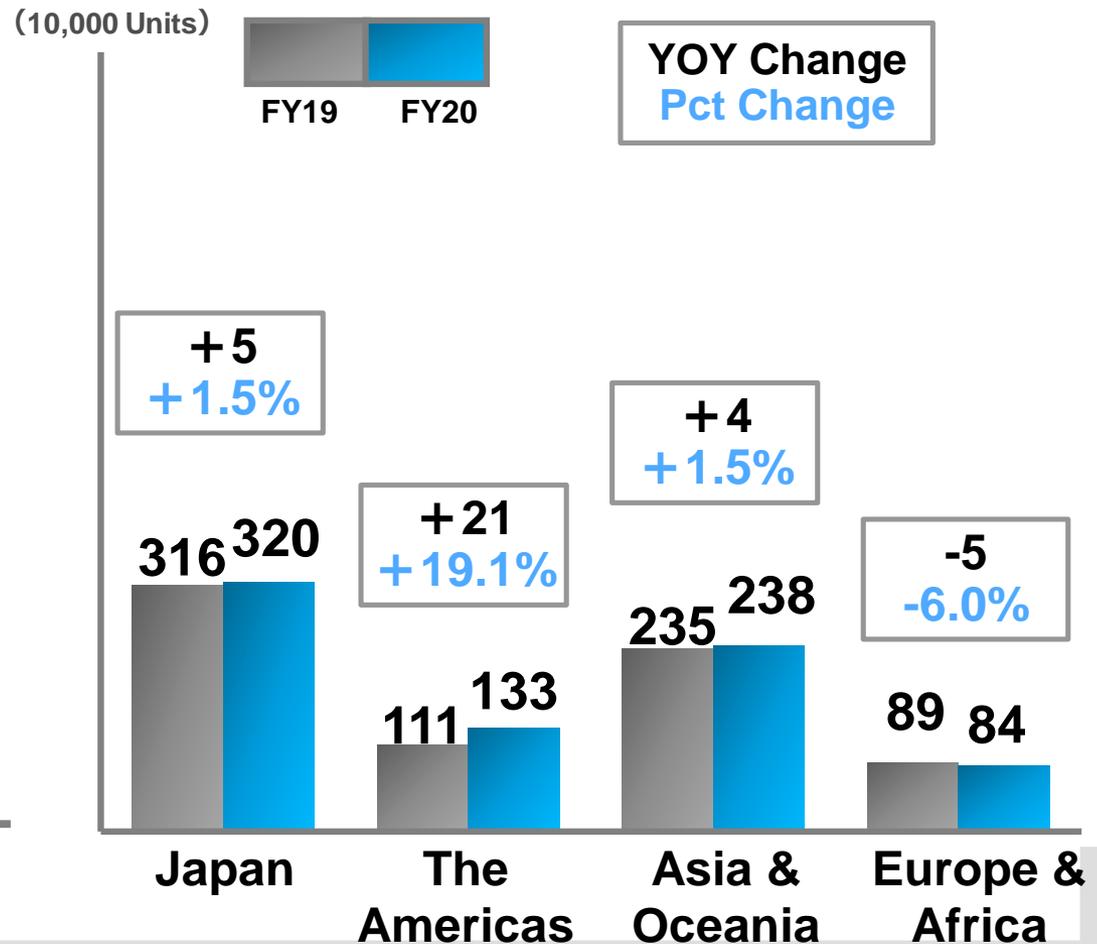
## 2-2) FY2020 Financial Forecasts Unit Production by Region

### Seat Assembly Production

#### Total



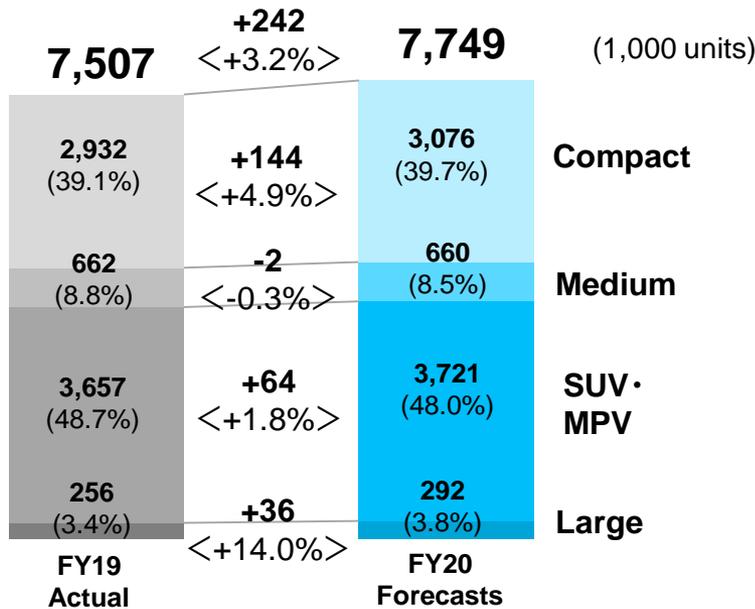
#### By Region



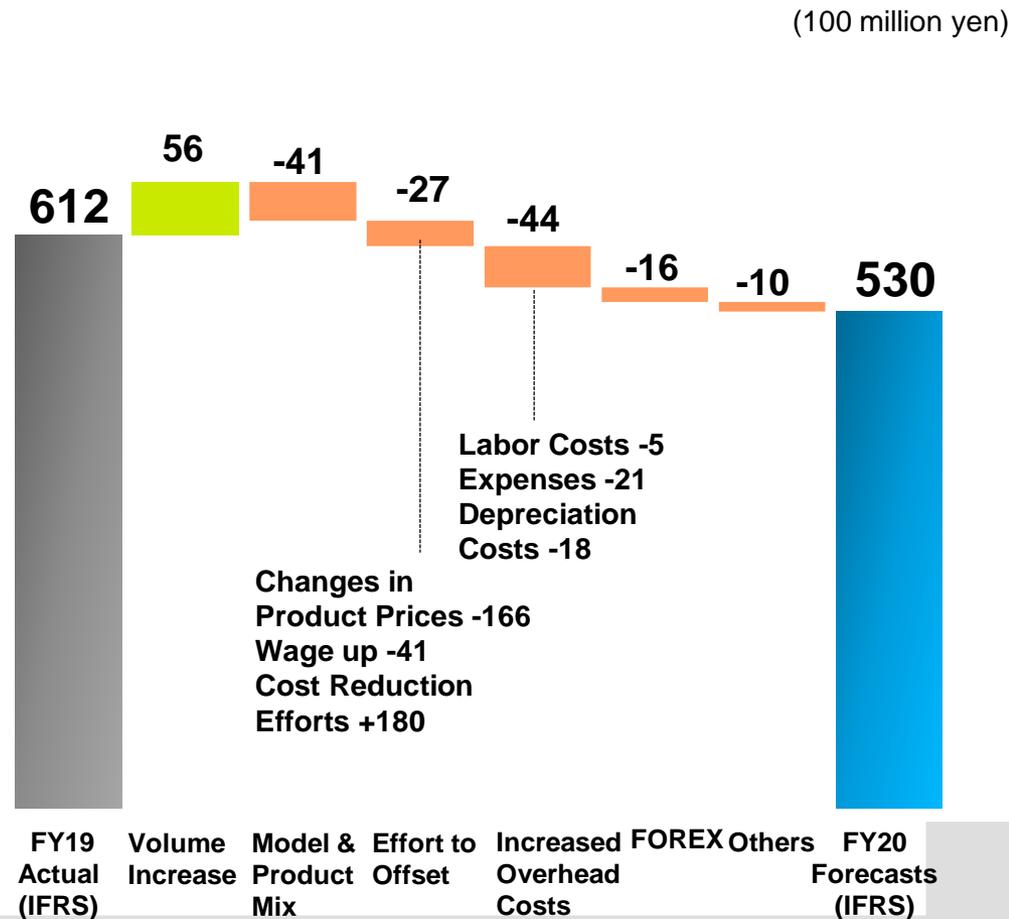
# 2-3) FY2020 Financial Forecasts Consolidation Revenue & Operating Profit

Lower Profit due to Model Mix Change and Start-up Costs increase in spite of volume increase

## Volume & Mix



## Operating Profit Variance Analysis



## Profit & Loss

|                        | FY19 Actual | FY20 Forecasts | YOY Change |
|------------------------|-------------|----------------|------------|
| Revenue                | 14,173      | 13,900         | -273       |
| Operating Profit       | 612         | 530            | -82        |
| Operating Profit Ratio | 4.3%        | 3.8%           | -          |

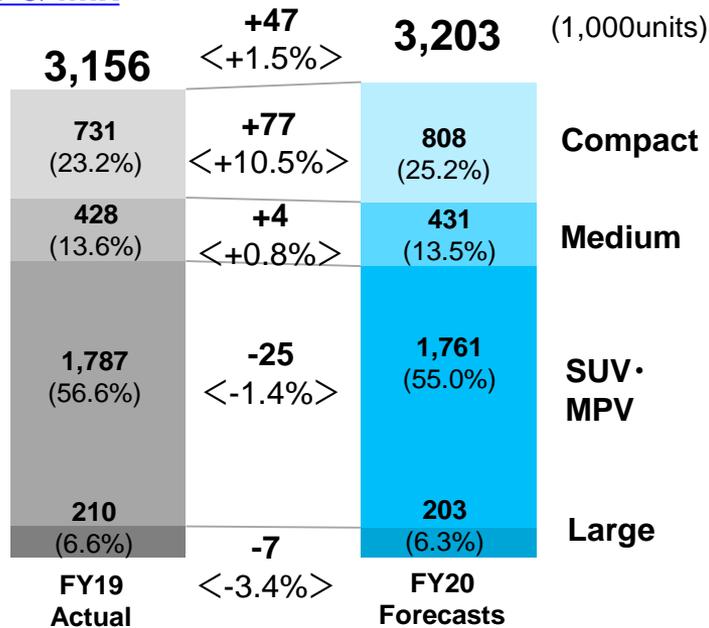
(100 million yen)

# 2-3) FY2020 Financial Forecasts Revenue & Operating Profit by Region

## Japan

Higher Profit due to volume increase and impact of APA\* in spite of Model Mix Change and Overhead Costs increase

### Volume & Mix



### Profit & Loss

(100 million yen)

|                        | FY19 Actual | FY20 Forecasts | YOY Change |
|------------------------|-------------|----------------|------------|
| Revenue                | 7,999       | 7,400          | -599       |
| Operating Profit       | 65          | 110            | 44         |
| Operating Profit Ratio | 0.8%        | 1.5%           | —          |

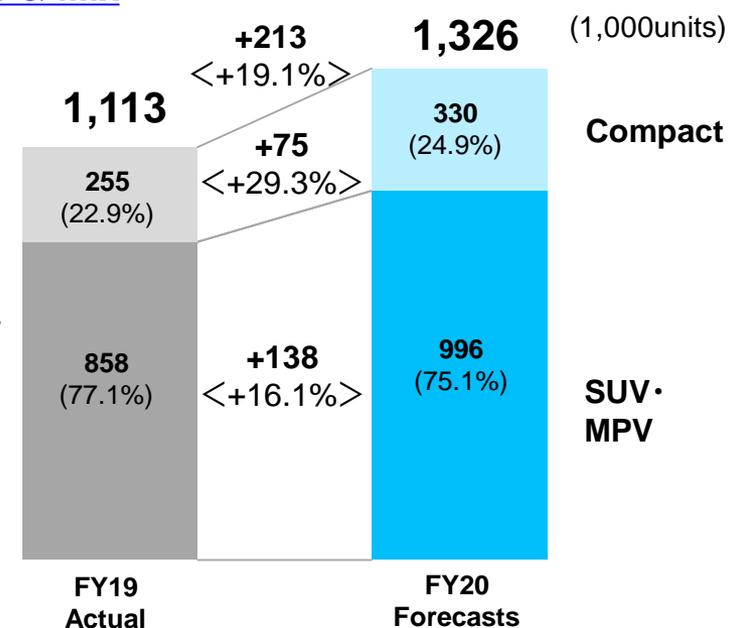
## The Americas

Lower Profit due to Model Mix Change, Start-up Costs increase, and impact of APA in spite of volume increase

### Volume & Mix

\*Advance Pricing Arrangement (APA)

APA is an ahead of time agreement between a taxpayer and a tax authority on an appropriate transfer pricing methodology (TPM)



### Profit & Loss

(100 million yen)

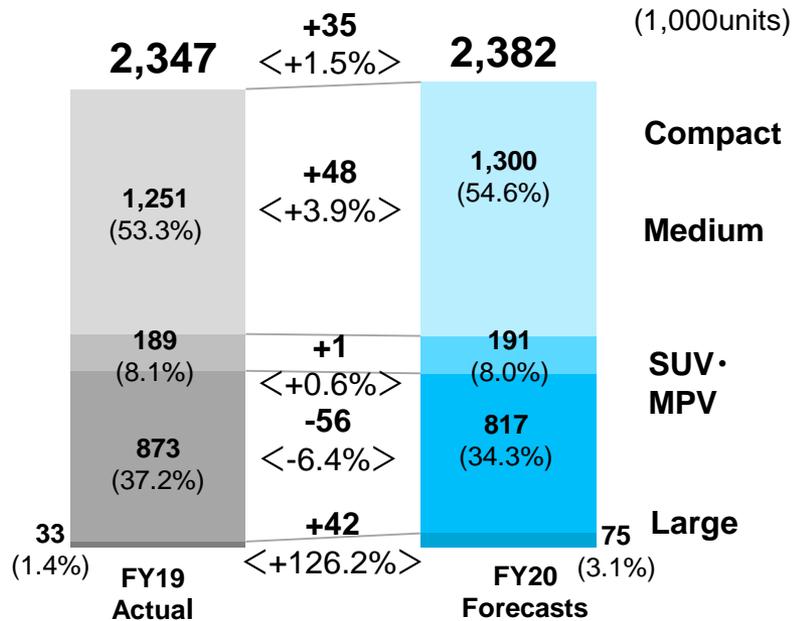
|                        | FY19 Actual | FY20 Forecasts | YOY Change |
|------------------------|-------------|----------------|------------|
| Revenue                | 2,668       | 3,000          | 331        |
| Operating Profit       | 208         | 40             | -168       |
| Operating Profit Ratio | 7.8%        | 1.3%           | —          |

# 2-3) FY2020 Financial Forecasts Revenue & Operating Profit by Region

## Asia & Oceania

Higher Profit due to impact of APA in spite of Model Mix Change and Changes in Product Prices

### Volume & Mix



### Profit & Loss

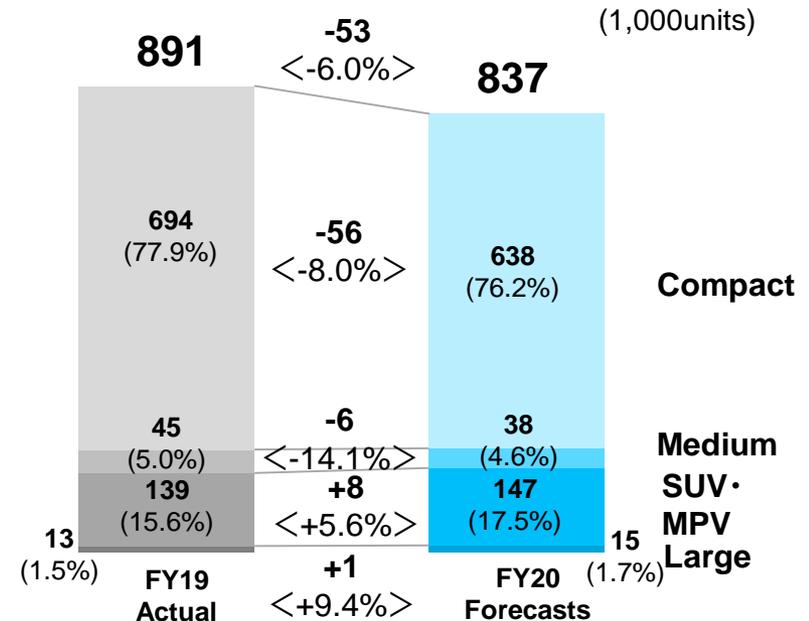
(100 million yen)

|                        | FY19 Actual | FY20 Forecasts | YOY Change |
|------------------------|-------------|----------------|------------|
| Revenue                | 3,528       | 3,500          | -28        |
| Operating Profit       | 262         | 330            | 67         |
| Operating Profit Ratio | 7.4%        | 9.4%           | —          |

## Europe & Africa

Lower Profit due to volume decrease (Compact) and other income / expenses (Insurance Claim Income)

### Volume & Mix



### Profit & Loss

(100 million yen)

|                        | FY19 Actual | FY20 Forecasts | YOY Change |
|------------------------|-------------|----------------|------------|
| Revenue                | 992         | 900            | -92        |
| Operating Profit       | 76          | 50             | -26        |
| Operating Profit Ratio | 7.7%        | 5.6%           | —          |

## 2-4) FY2020 Financial Forecasts by Half Year

### Revenue

|                      | FY2020 Forecasts     |                      |               |
|----------------------|----------------------|----------------------|---------------|
|                      | 1 <sup>st</sup> Half | 2 <sup>nd</sup> Half | Full Year     |
| Japan                | 3,850                | 3,550                | 7,400         |
| The Americas         | 1,500                | 1,500                | 3,000         |
| Asia & Oceania       | 1,750                | 1,750                | 3,500         |
| Europe & Africa      | 450                  | 450                  | 900           |
| <b>Consolidation</b> | <b>7,100</b>         | <b>6,800</b>         | <b>13,900</b> |

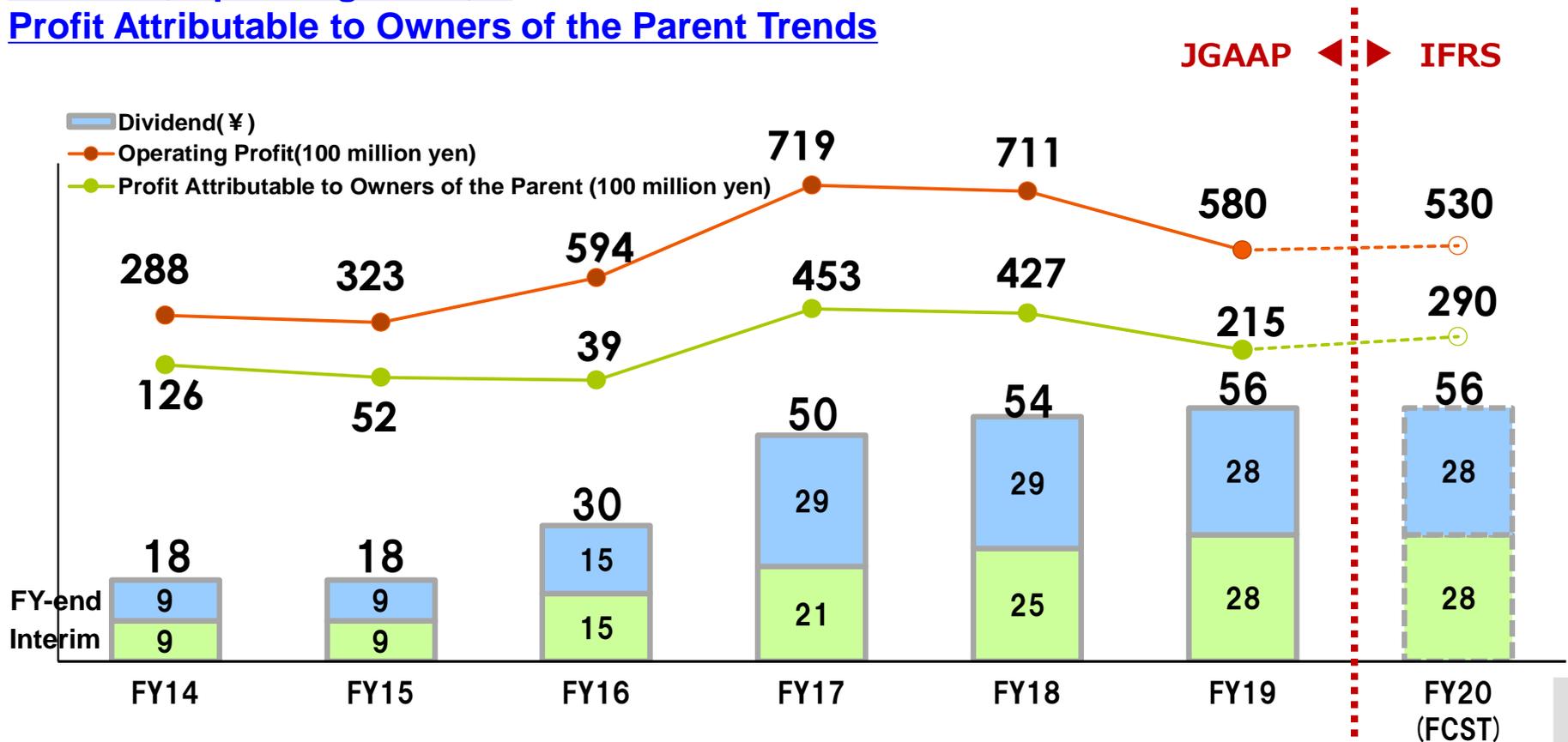
### Operating Profit

|                      | FY2020 Forecasts     |             |                      |             |            |             |
|----------------------|----------------------|-------------|----------------------|-------------|------------|-------------|
|                      | 1 <sup>st</sup> Half |             | 2 <sup>nd</sup> Half |             | Full Year  |             |
| Japan                | 65                   | 1.7%        | 45                   | 1.3%        | 110        | 1.5%        |
| The Americas         | 10                   | 0.7%        | 30                   | 2.0%        | 40         | 1.3%        |
| Asia & Oceania       | 165                  | 9.4%        | 165                  | 9.4%        | 330        | 9.4%        |
| Europe & Africa      | 20                   | 4.4%        | 30                   | 6.7%        | 50         | 5.6%        |
| <b>Consolidation</b> | <b>260</b>           | <b>3.7%</b> | <b>270</b>           | <b>4.0%</b> | <b>530</b> | <b>3.8%</b> |

## 2-5) FY2020 Financial Forecasts Returning to Shareholders

- In FY2020, our annual per-share dividend payout plan is ¥56 as well as in FY2019.
- We keep long-term sustainable dividends comprehensively taking our consolidated financial results into account.

### Dividend, Operating Profit, & Profit Attributable to Owners of the Parent Trends

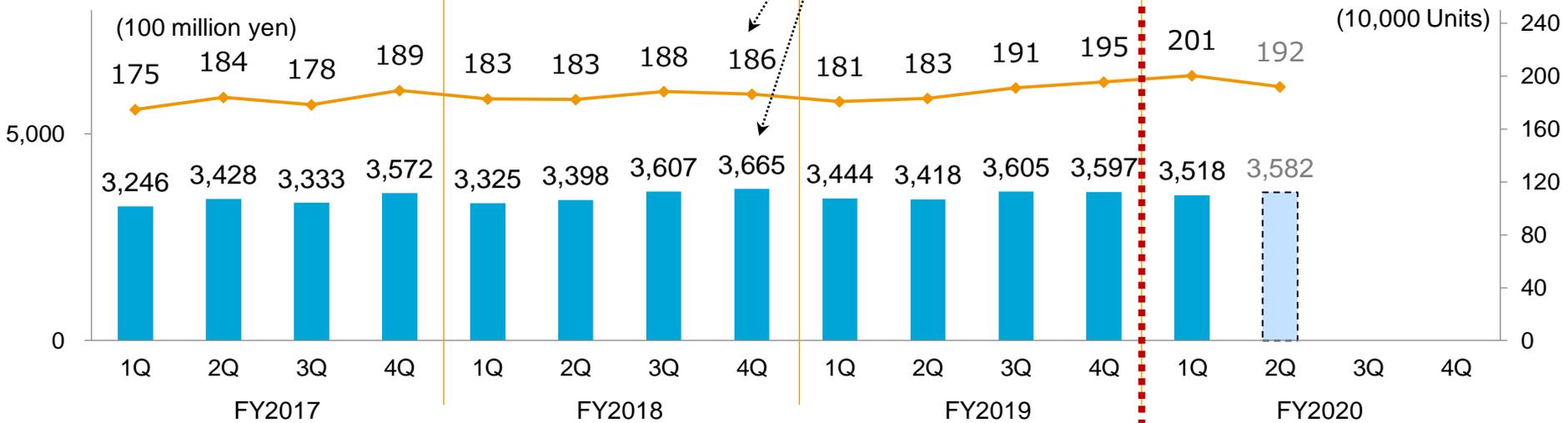


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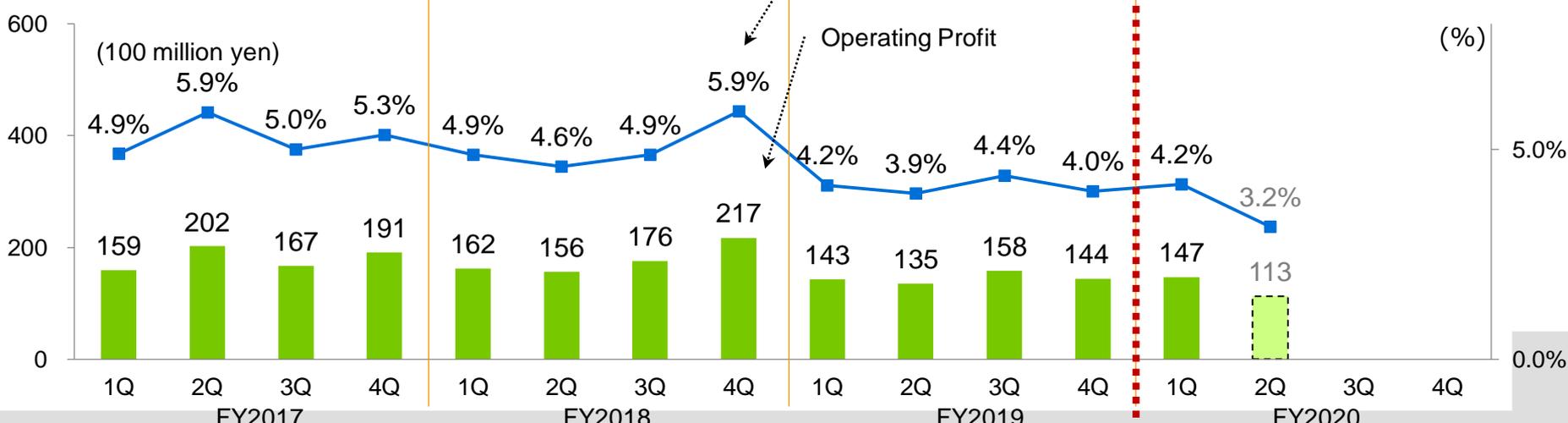
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# 3-1) Trend in Results for Consolidation (IFRS form FY2020)

## Seat Assembly Production / Revenue

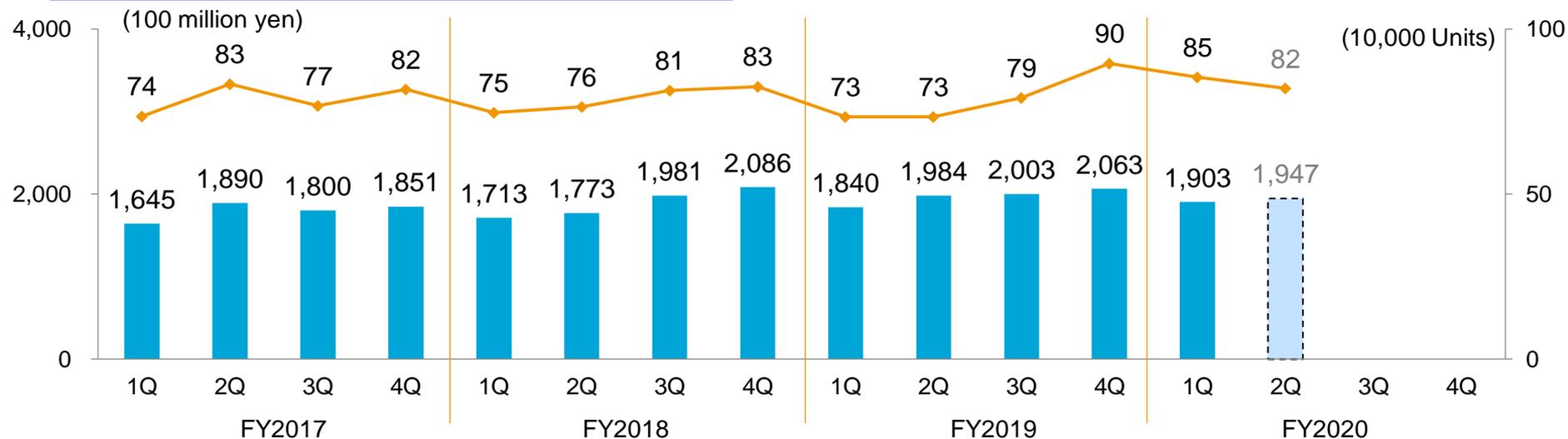


## Operating Profit / Operating Profit Ratio

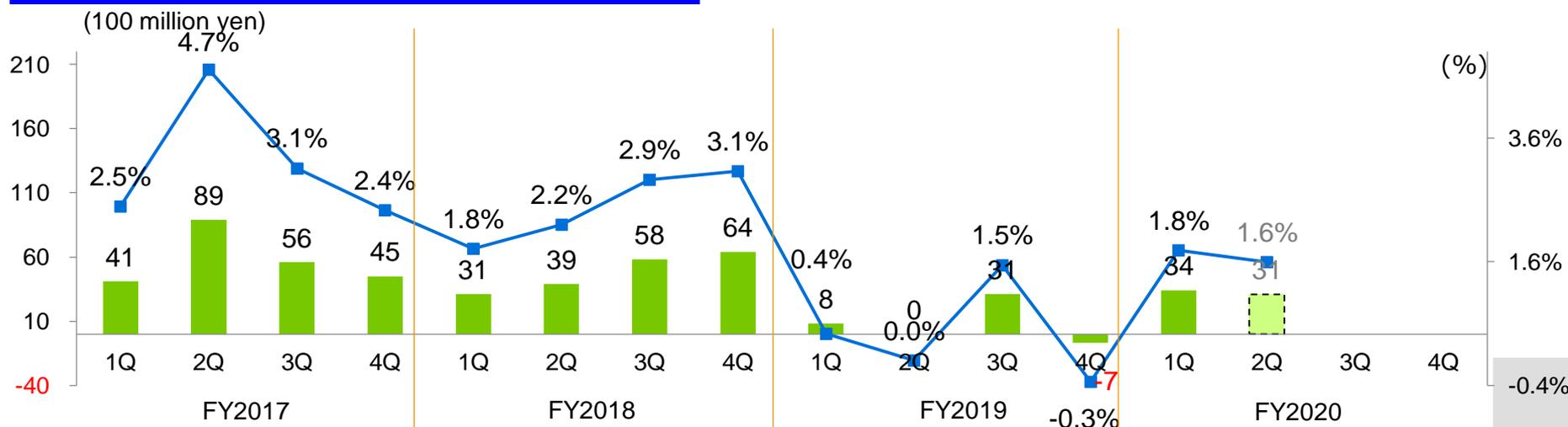


# 3-2) Trend in Results for Japan (IFRS form FY2020)

## Seat Assembly Production / Revenue

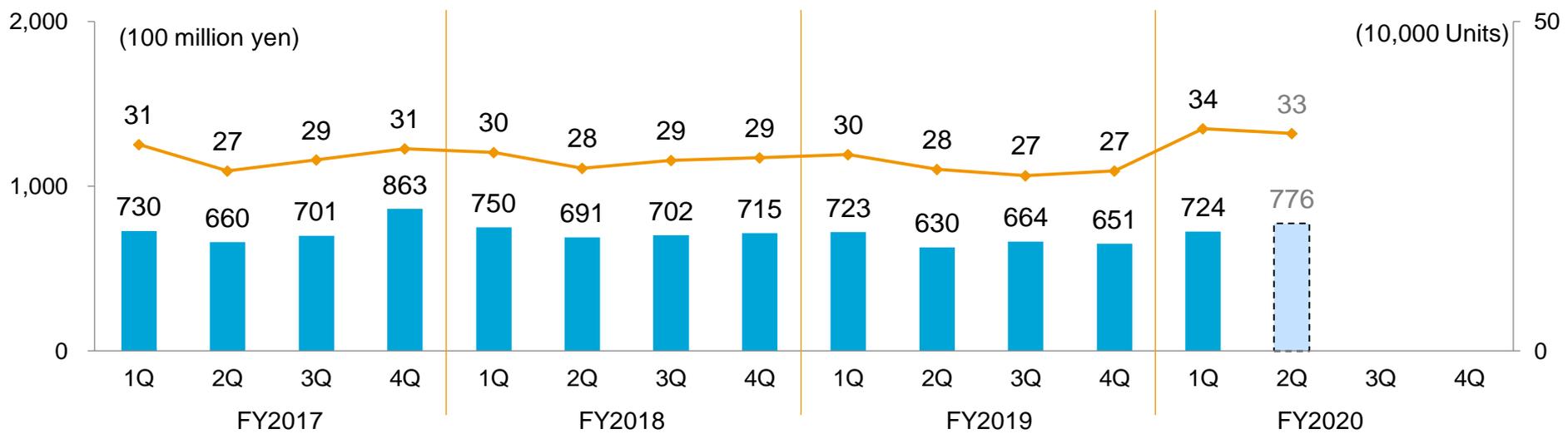


## Operating Profit / Operating Profit Ratio

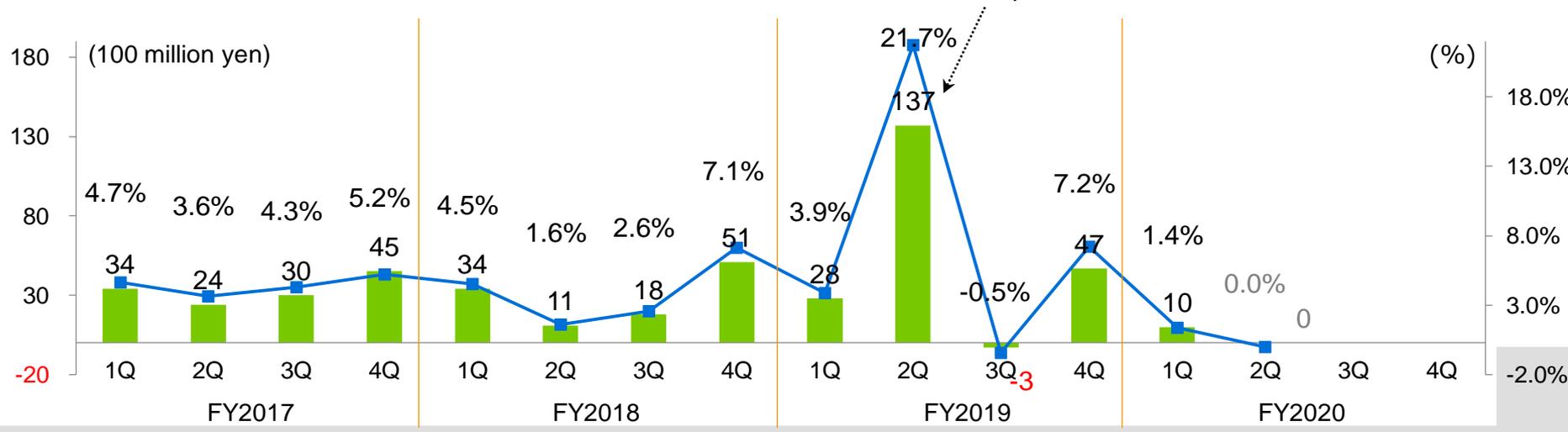


# 3-3) Trend in Results for the Americas (IFRS form FY2020)

## Seat Assembly Production / Revenue

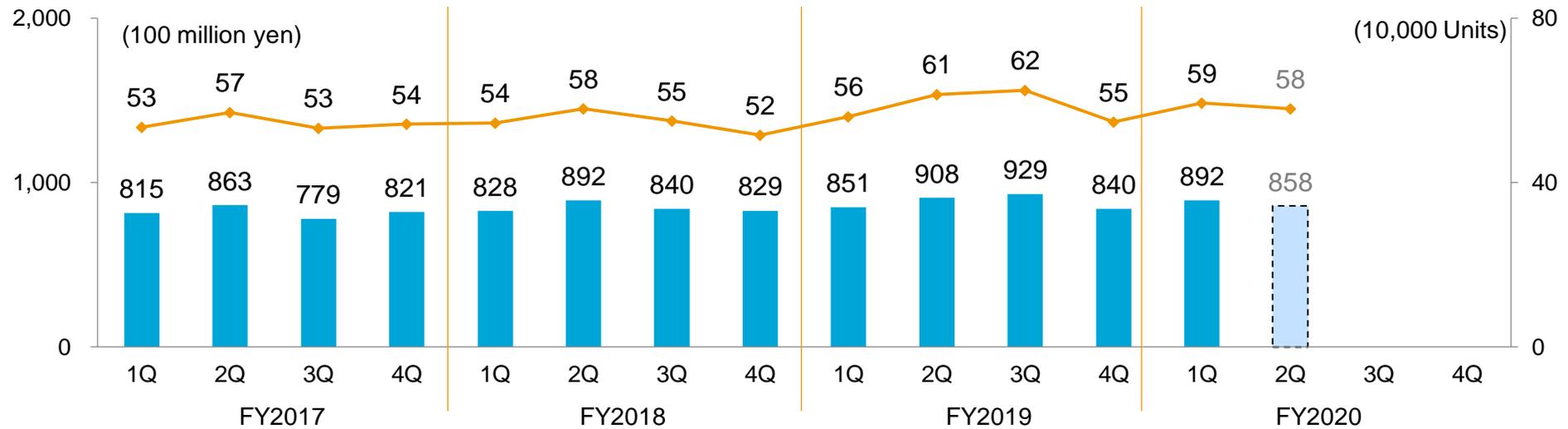


## Operating Profit / Operating Profit Ratio

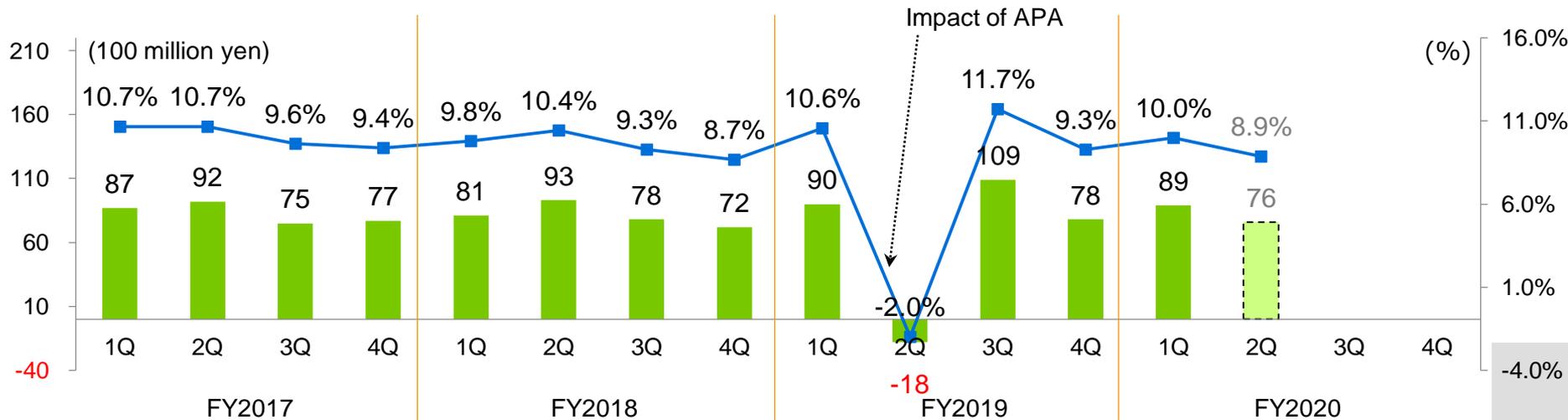


# 3-4) Trend in Results for Asia & Oceania (IFRS form FY2020)

## Seat Assembly Production / Revenue

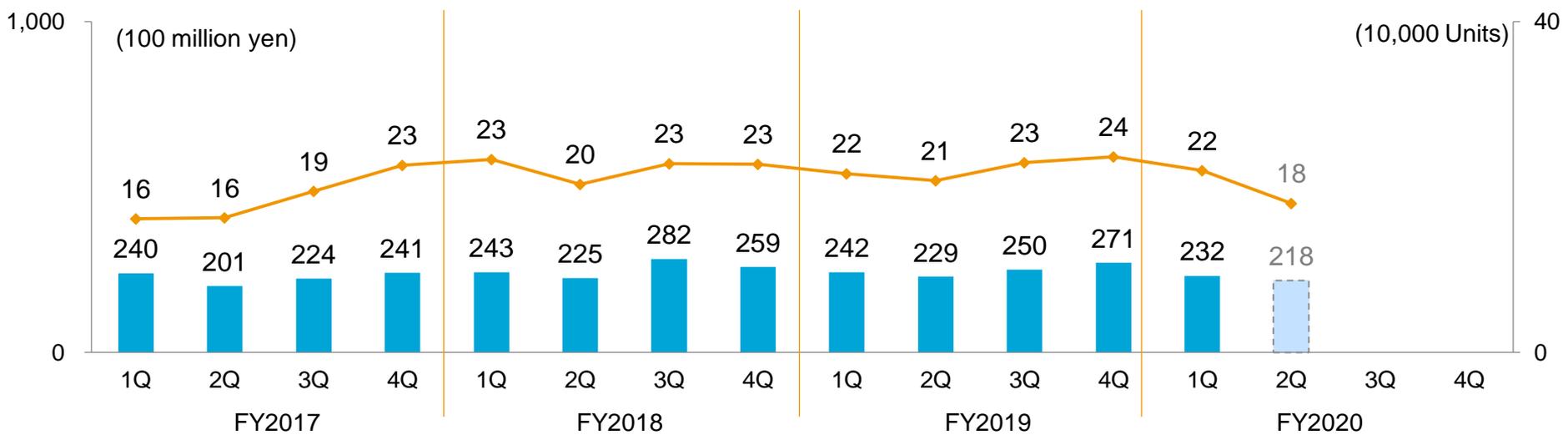


## Operating Profit / Operating Profit Ratio

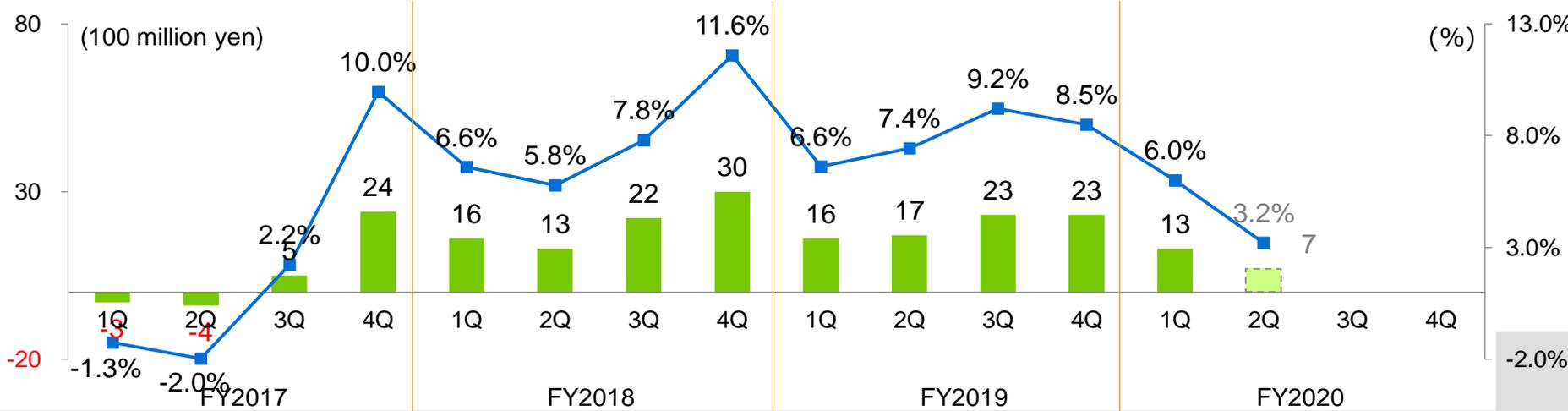


# 3-5) Trend in Results for Europe & Africa (IFRS form FY2020)

## 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.