

Translation

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**Summary of Consolidated Financial Results
for the Nine Months Ended of December 31, 2019
(Based on IFRS)**

January 31, 2020

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: February 13, 2020
 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 omitted.)

1. Consolidated financial results for the nine months ended December 31, 2019 (from April 1, 2019 to December 31, 2019)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before income taxes		Profit for the period		Profit attributable to owners of the parent		Comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2019	1,058,135	0.7	39,963	(12.7)	40,978	(12.2)	23,402	(12.7)	17,573	(19.9)	19,393	(16.5)
Nine months ended December 31, 2018	1,051,023	—	45,752	—	46,660	—	26,821	—	21,949	—	23,232	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2019	94.25	—
Nine months ended December 31, 2018	118.20	—

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Millions of yen	Millions of yen	Millions of yen	%
As of December 31, 2019	785,336	324,788	293,494	37.4
As of March 31, 2019	793,599	329,329	292,199	36.8

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, 2019	—	28.00	—	28.00	56.00
Year ending March 31, 2020	—	28.00	—	—	—
Year ending March 31, 2020 (Forecast)	—	—	—	28.00	56.00

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before income taxes		Profit attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,400,000	(1.2)	53,000	(13.5)	54,000	(12.2)	25,000	(9.0)	134.02

4. Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2019
(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 required by IFRS: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

(3) Number of issued shares (common shares)

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

As of December 31, 2019	187,665,738 shares	As of March 31, 2019	187,665,738 shares
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Number of treasury shares at the end of the period

As of December 31, 2019	845,736 shares	As of March 31, 2019	1,958,513 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2019	186,447,795 shares	Nine months ended December 31, 2018	185,707,286 shares
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Consolidated financial statements
Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
Assets		
Current assets		
Cash and cash equivalents	158,192	163,266
Trade and other receivables	241,562	211,640
Inventories	65,282	67,801
Other financial assets	16,843	15,805
Income taxes receivable	4,637	6,000
Other current assets	7,103	9,375
Total current assets	493,621	473,889
Non-current assets		
Property, plant and equipment	233,978	248,288
Goodwill	4,876	4,874
Intangible assets	10,106	10,409
Investments accounted for using equity method	11,891	13,664
Other financial assets	20,587	20,906
Deferred tax assets	14,144	11,662
Other non-current assets	4,393	1,639
Total non-current assets	299,978	311,446
Total assets	793,599	785,336

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	207,166	177,250
Bonds and borrowings	22,923	33,778
Other financial liabilities	2,316	5,702
Income taxes payable	6,241	8,129
Provisions	2,793	2,898
Other current liabilities	67,195	69,769
Total current liabilities	308,637	297,528
Non-current liabilities		
Bonds and borrowings	91,838	90,816
Other financial liabilities	1,254	7,649
Retirement benefit liability	57,676	59,492
Provisions	255	271
Deferred tax liabilities	2,699	2,912
Other non-current liabilities	1,909	1,874
Total non-current liabilities	155,632	163,018
Total liabilities	464,269	460,547
Equity		
Share capital	8,400	8,400
Capital surplus	7,570	3,044
Retained earnings	275,160	282,396
Treasury shares	(3,875)	(1,674)
Other components of equity	4,943	1,327
Total equity attributable to owners of the parent	292,199	293,494
Non-controlling interests	37,130	31,294
Total equity	329,329	324,788
Total liabilities and equity	793,599	785,336

Consolidated statement of income and consolidated statement of comprehensive income
Consolidated Statement of Profit or Loss

(Millions of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Revenue	1,051,023	1,058,135
Cost of sales	941,577	953,304
Gross profit	109,446	104,830
Selling, general and administrative expenses	63,207	62,744
Other income	3,279	3,834
Other expenses	3,765	5,957
Operating profit	45,752	39,963
Finance income	1,990	1,563
Finance expenses	1,974	1,623
Share of profit of investments accounted for using equity method	891	1,075
Profit before income taxes	46,660	40,978
Income tax expense	19,838	17,576
Profit for the period	26,821	23,402
Profit attributable to		
Owners of the parent	21,949	17,573
Non-controlling interests	4,871	5,829
Profit attributable to owners of the parent per share		
Basic earnings per share (Yen)	118.20	94.25
Diluted earnings per share (Yen)	—	—

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Profit for the period	26,821	23,402
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	53	(21)
Net change in fair value of equity instruments measured at fair value through other comprehensive income	(1,212)	177
Share of other comprehensive income of investments accounted for using equity method	–	118
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(2,266)	(4,070)
Net change in fair value of debt instruments measured at fair value through other comprehensive income	(1)	(0)
Share of other comprehensive income of investments accounted for using equity method	(163)	(211)
Total other comprehensive income	(3,589)	(4,008)
Comprehensive income	23,232	19,393
Comprehensive income attributable to		
Owners of the parent	19,237	14,050
Non-controlling interests	3,995	5,342

Consolidated Statement of Changes in Equity

Nine months ended December 31, 2018

(Millions of yen)

	Equity attributable to owners of parent				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity
					Remeasurements of defined benefit plans
Balance at April 1, 2018	8,400	8,441	261,187	(3,874)	—
Profit for the period			21,949		
Other comprehensive income					32
Comprehensive income	—	—	21,949	—	32
Purchase of treasury shares				(0)	
Disposal of treasury shares					
Dividends			(10,585)		
Changes in ownership interest in subsidiaries		(927)			
Capital increase of consolidated subsidiaries					
Transfer to retained earnings			32		(32)
Other					
Total transactions with owners	—	(927)	(10,553)	(0)	(32)
Balance at December 31, 2018	8,400	7,514	272,583	(3,875)	—

	Equity attributable to owners of parent				Non-controlling interests	Total
	Other components of equity			Total		
	Net change in fair value of equity instruments measured at fair value through other comprehensive income	Net change in fair value of debt instruments measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations			
Balance at April 1, 2018	6,805	(87)	(1,165)	279,707	46,314	326,022
Profit for the period				21,949	4,871	26,821
Other comprehensive income	(1,211)	(1)	(1,531)	(2,712)	(876)	(3,589)
Comprehensive income	(1,211)	(1)	(1,531)	19,237	3,995	23,232
Purchase of treasury shares				(0)		(0)
Disposal of treasury shares				—		—
Dividends				(10,585)	(8,058)	(18,644)
Changes in ownership interest in subsidiaries				(927)	(5,956)	(6,883)
Capital increase of consolidated subsidiaries				—	426	426
Transfer to retained earnings				—		—
Other				—		—
Total transactions with owners	—	—	—	(11,512)	(13,589)	(25,102)
Balance at December 31, 2018	5,594	(88)	(2,696)	287,431	36,720	324,152

Nine months ended December 31, 2019

(Millions of yen)

	Equity attributable to owners of parent				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity
					Remeasurements of defined benefit plans
Balance at April 1, 2019	8,400	7,570	275,160	(3,875)	—
Profit for the period			17,573		
Other comprehensive income					(3)
Comprehensive income	—	—	17,573	—	(3)
Purchase of treasury shares				(0)	
Disposal of treasury shares				2,201	
Dividends			(10,430)		
Changes in ownership interest in subsidiaries		(4,525)			
Capital increase of consolidated subsidiaries					
Transfer to retained earnings			93		3
Other					
Total transactions with owners	—	(4,525)	(10,336)	2,201	3
Balance at December 31, 2019	8,400	3,044	282,396	(1,674)	—

	Equity attributable to owners of parent				Non-controlling interests	Total
	Other components of equity			Total		
	Net change in fair value of equity instruments measured at fair value through other comprehensive income	Net change in fair value of debt instruments measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations			
Balance at April 1, 2019	6,036	(98)	(994)	292,199	37,130	329,329
Profit for the period				17,573	5,829	23,402
Other comprehensive income	294	(0)	(3,812)	(3,522)	(486)	(4,008)
Comprehensive income	294	(0)	(3,812)	14,050	5,342	19,393
Purchase of treasury shares				(0)		(0)
Disposal of treasury shares				2,201		2,201
Dividends				(10,430)	(4,493)	(14,923)
Changes in ownership interest in subsidiaries				(4,525)	(6,686)	(11,212)
Capital increase of consolidated subsidiaries				—		—
Transfer to retained earnings	(97)			—		—
Other				—		—
Total transactions with owners	(97)	—	—	(12,755)	(11,179)	(23,934)
Balance at December 31, 2019	6,233	(98)	(4,807)	293,494	31,294	324,788

Segment Information

Nine months ended December 31, 2018

(Millions of yen)

	Reportable Segment					Eliminations	Consolidated
	Japan	North, Central and South America	Asia and Oceania	Europe and Africa	Total		
Revenue							
Revenue to external customers	529,454	198,109	252,376	71,082	1,051,023	—	1,051,023
Inter-segment revenue and transfers	56,655	3,502	16,584	1,006	77,749	(77,749)	—
Total	586,110	201,612	268,961	72,089	1,128,773	(77,749)	1,051,023
Segment profit (loss)	5,509	16,276	18,716	5,256	45,758	(5)	45,752
Finance income							1,990
Finance expenses							1,974
Share of profit of investments accounted for using equity method							891
Profit before income taxes							46,660

Nine months ended December 31, 2019

(Millions of yen)

	Reportable Segment					Eliminations	Consolidated
	Japan	North, Central and South America	Asia and Oceania	Europe and Africa	Total		
Revenue							
Revenue to external customers	535,740	207,298	250,016	65,079	1,058,135	—	1,058,135
Inter-segment revenue and transfers	46,949	3,126	19,538	1,068	70,683	(70,683)	—
Total	582,690	210,424	269,555	66,148	1,128,819	(70,683)	1,058,135
Segment profit (loss)	12,224	(460)	28,124	75	39,965	(1)	39,963
Finance income							1,563
Finance expenses							1,623
Share of profit of investments accounted for using equity method							1,075
Profit before income taxes							40,978