



TOYOTA BOSHOKU

TSE 1st Section Securities Code 3116

FY2021 (ending March 2021)

1st Half

Financial Results

Date: October 29, 2020

Financial Results

1. 2nd Quarter FY2021 Financial Results

2. FY2021 Financial Forecasts

3. Appendix

Financial Results

1. 2nd Quarter FY2021 Financial Results

2. FY2021 Financial Forecasts

3. Appendix

1-1) 2nd Quarter FY2021 Financial Results Overview of Consolidated Financial Results

(100 million yen)

	Q2 FY2020		Q2 FY2021		YOY Change	
Revenue	7,147	100.0%	5,454	100.0%	△1,693	△23.7%
Operating Profit	265	3.7%	36	0.7%	△228	△86.4%
Profit before income taxes	271	3.8%	31	0.6%	△239	△88.3%
Profit*	126	1.8%	△76	△1.4%	△203	—

*Profit Attributable to Owners of the Parent

Earnings per share		67.85 yen	△41.04 yen	
Exchange Rate	USD	109 yen	107 yen	△2 yen
	EUR	121 yen	121 yen	△0 yen

Revenue

■ Revenue decreased due to lower production amid covid-19 outbreak

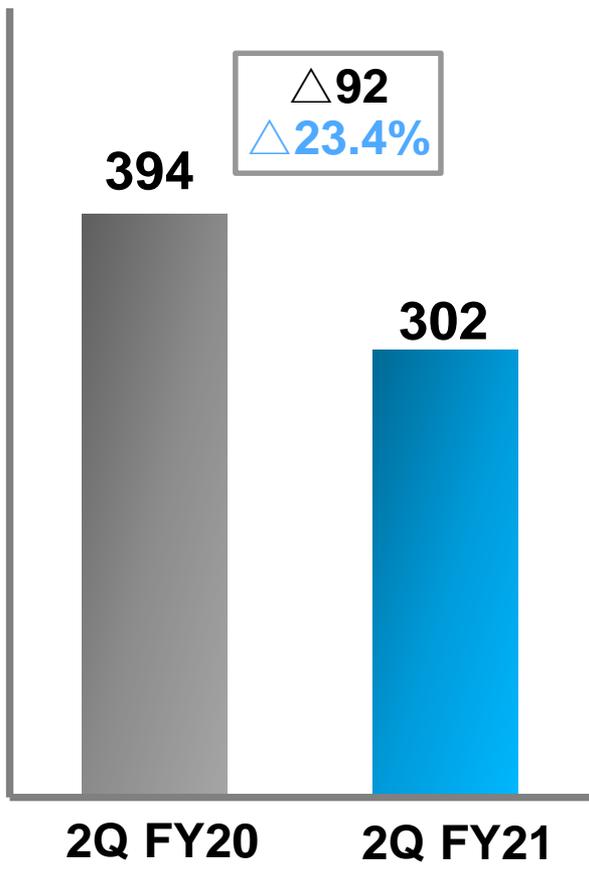
Operating Profit

■ Profit secured as flexibly responded to demand fluctuation to lessen an impact of volume down and implemented profit securing measures including increased overhead cost efficiency

1-2) 2nd Quarter FY2021 Financial Results **Seat Production by Region**

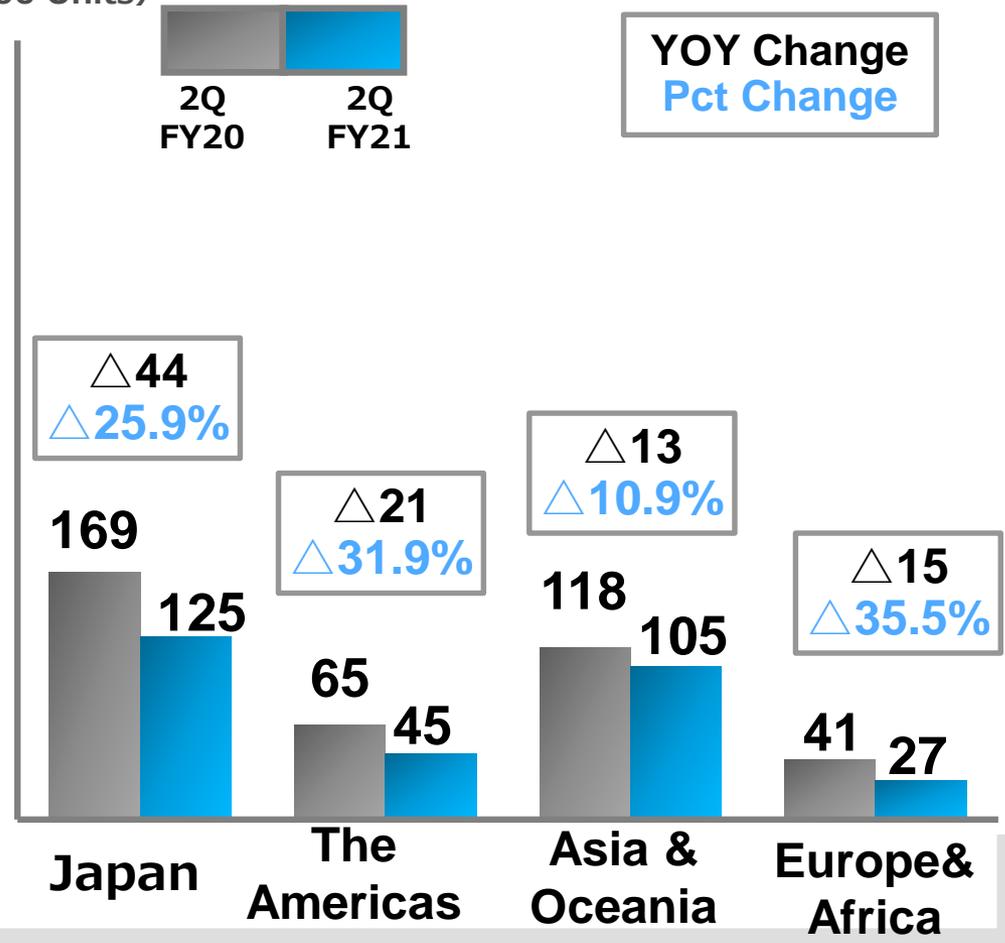
Total

(10,000 Units)



By Region

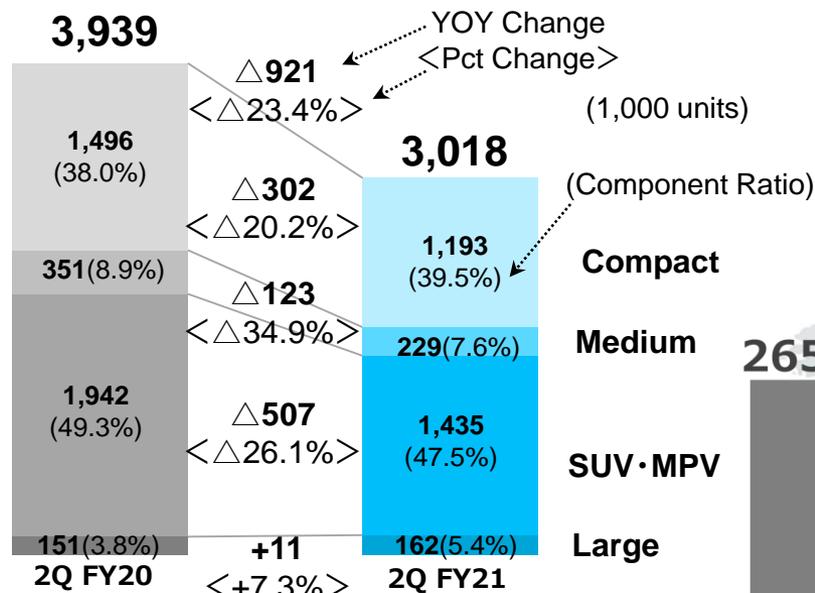
(10,000 Units)



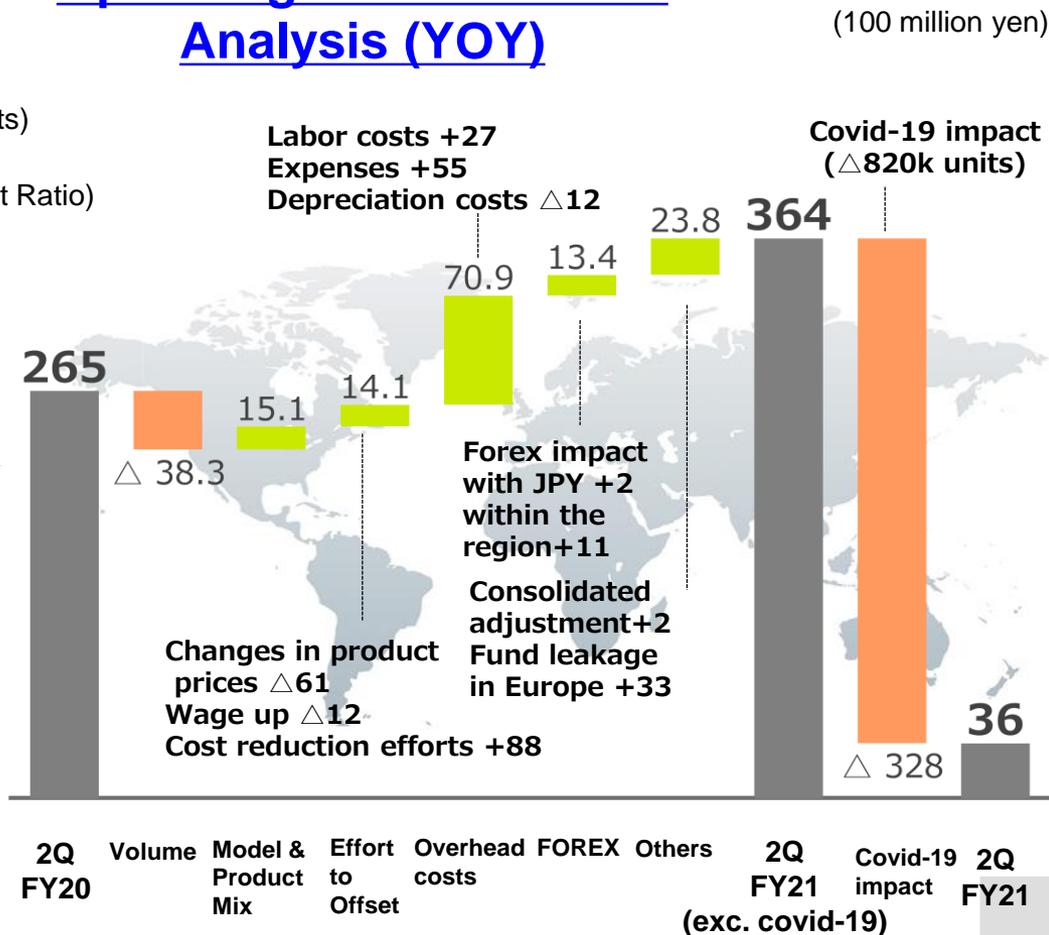
1-3) 2nd Quarter FY2021 Financial Results Consolidated Revenue & Operating Profit

Profit secured even including covid-19 impact, or profit increased excluding it since profit securing measures such as improving overhead costs efficiency and cost reduction efforts were implemented

Volume & Model Mix



Operating Profit Variance Analysis (YOY)



Profit & Loss

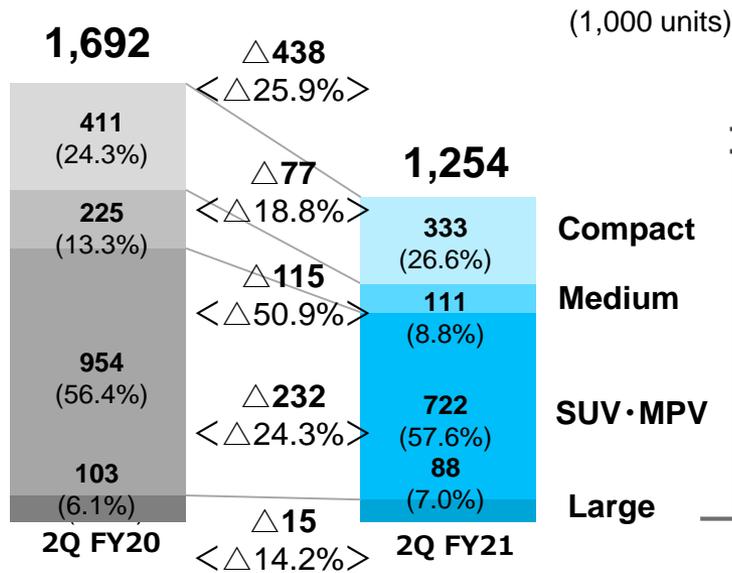
(100 million yen)

	2Q FY20	2Q FY21	YOY Change
Revenue	7,147	5,454	Δ 1,693
Operating Profit	265	36	Δ 228
Operating Profit Ratio	3.7%	0.7%	-

1-3) 2nd Quarter FY2021 Financial Results Japan Revenue & Operating Profit

Profit decreased due to lower volume amid Covid-19 outbreak and labor costs borne to maintain employment despite increased efficiency in overhead cost by reviewing work-styles such as reduced working hours and expenses

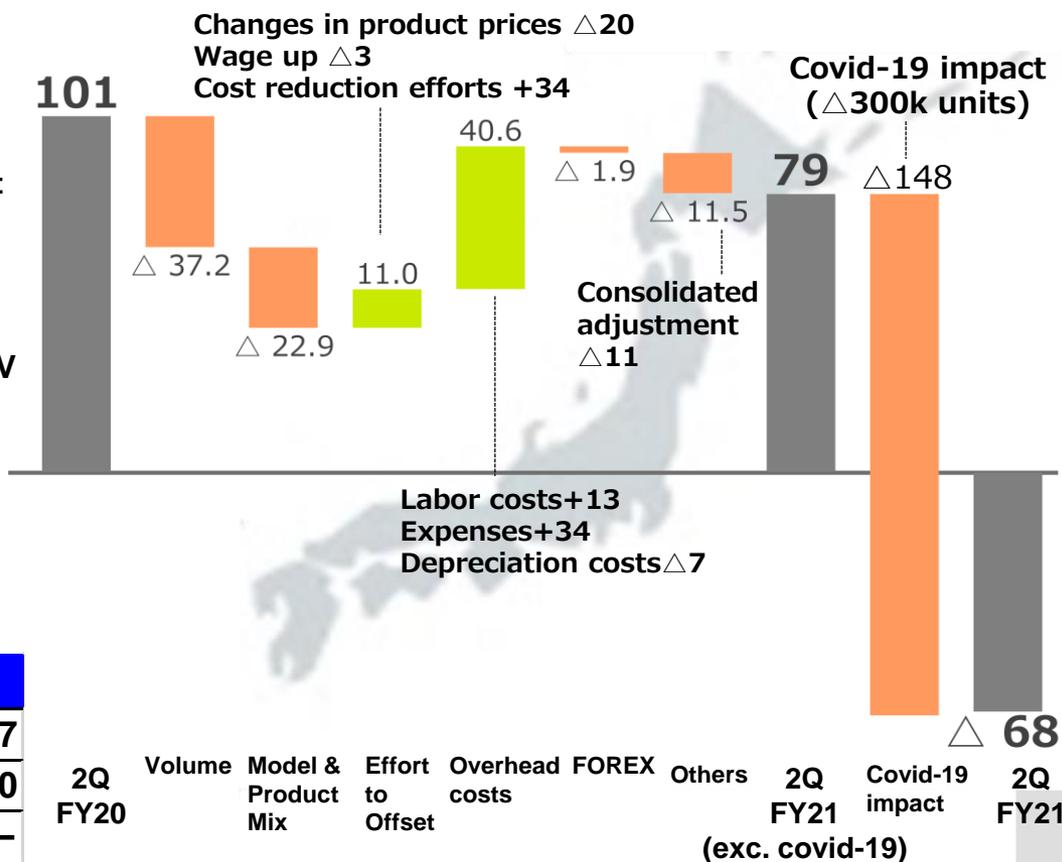
Volume & Model Mix



Operating Profit Variance Analysis

(YOY)

(100 million yen)



Profit & Loss

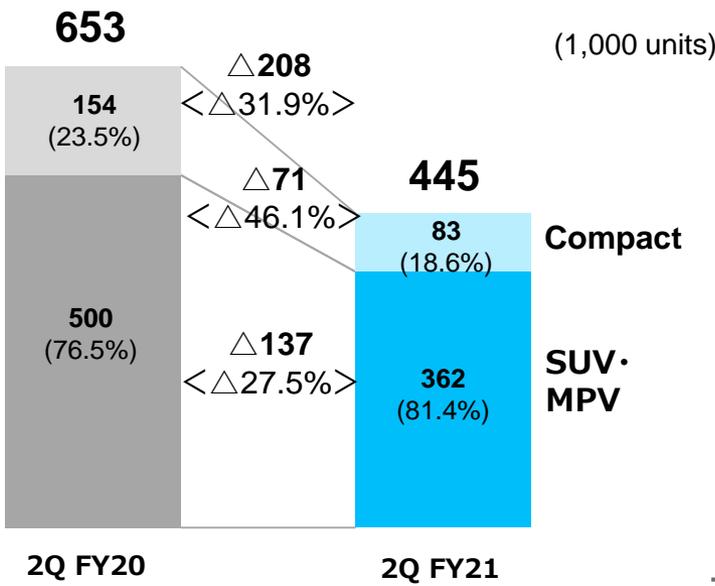
(100 million yen)

	2Q FY20	2Q FY21	YOY Change
Revenue	3,980	3,042	$\Delta 937$
Operating Profit	101	$\Delta 68$	$\Delta 170$
Operating Profit Ratio	2.6%	$\Delta 2.3\%$	—

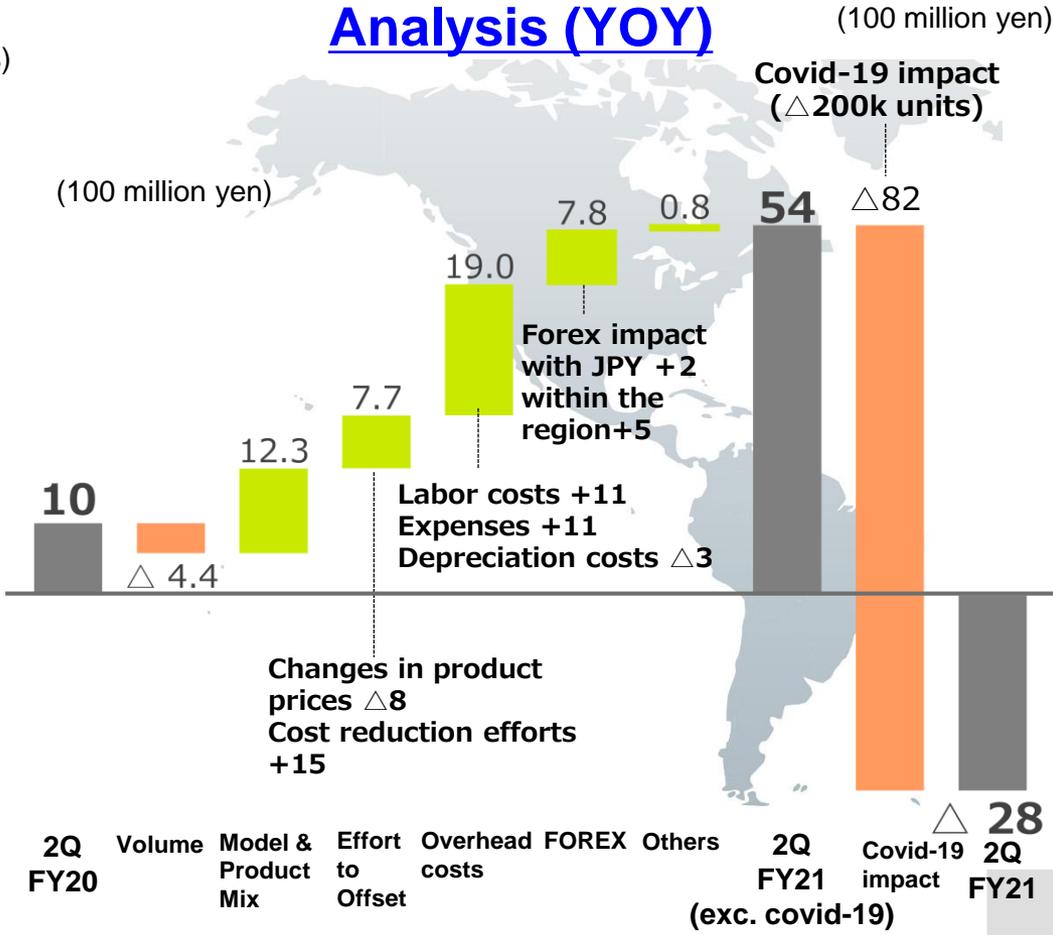
1-3) 2nd Quarter FY2021 Financial Results The Americas Revenue & Operating Profit

Profit increased without Covid-19 impact because of improved overhead costs efficiency and cost reduction efforts as well as new product effects

Volume & Model Mix



Operating Profit Variance Analysis (YOY)



Profit & Loss

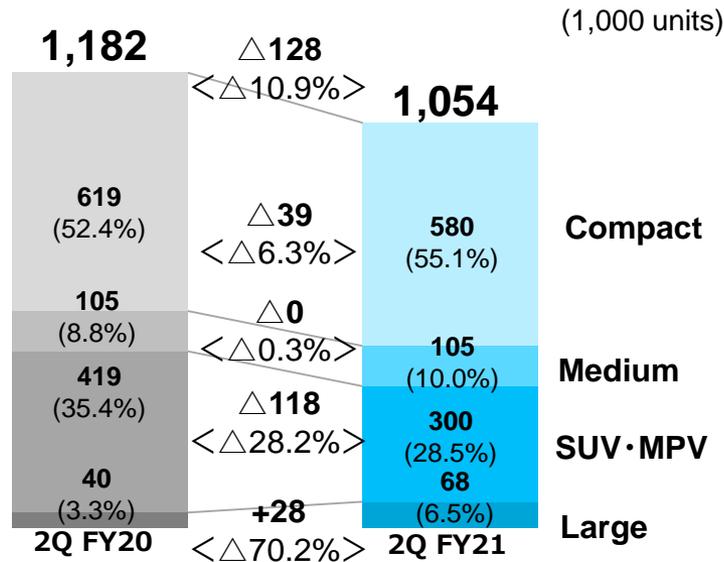
(100 million yen)

	2Q FY20	2Q FY21	YOY Change
Revenue	1,450	989	Δ 461
Operating Profit	10	Δ 28	Δ 39
Operating Profit Ratio	0.7%	Δ 2.9%	-

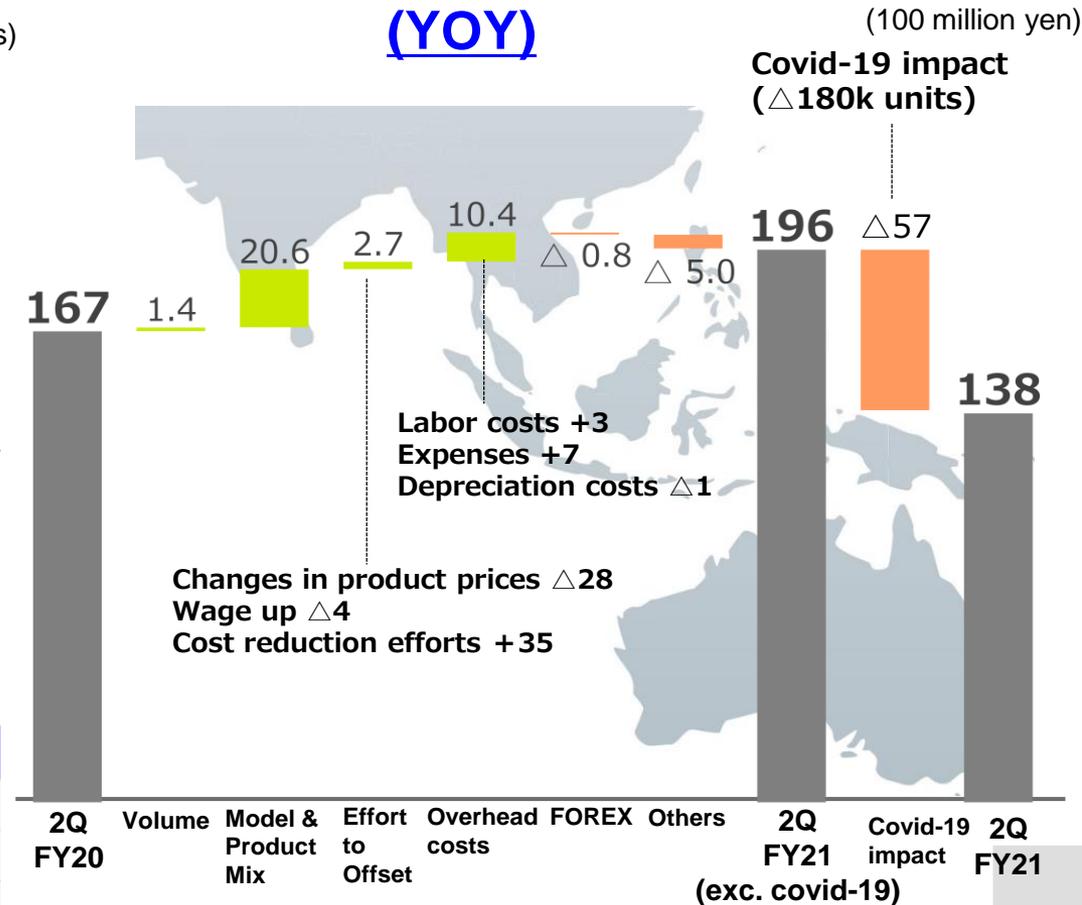
1-3) 2nd Quarter FY2021 Financial Results Asia & Oceania Revenue & Operating Profit

Profit decreased due to volume decline in ASEAN countries amid covid-19 outbreak despite volume increase in China and improved overhead costs efficiency

Volume & Model Mix



Operating Profit Variance Analysis (YOY)



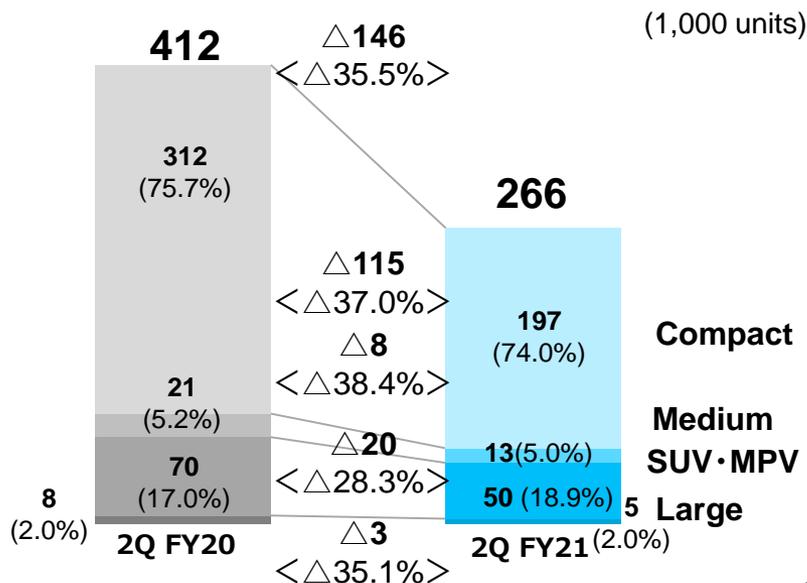
Profit & Loss (100 million yen)

	2Q FY20	2Q FY21	YOY Change
Revenue	1,766	1,449	△317
Operating Profit	167	138	△28
Operating Profit Ratio	9.5%	9.6%	-

1-3) 2nd Quarter FY2021 Financial Results Europe & Africa Revenue & Operating Profit

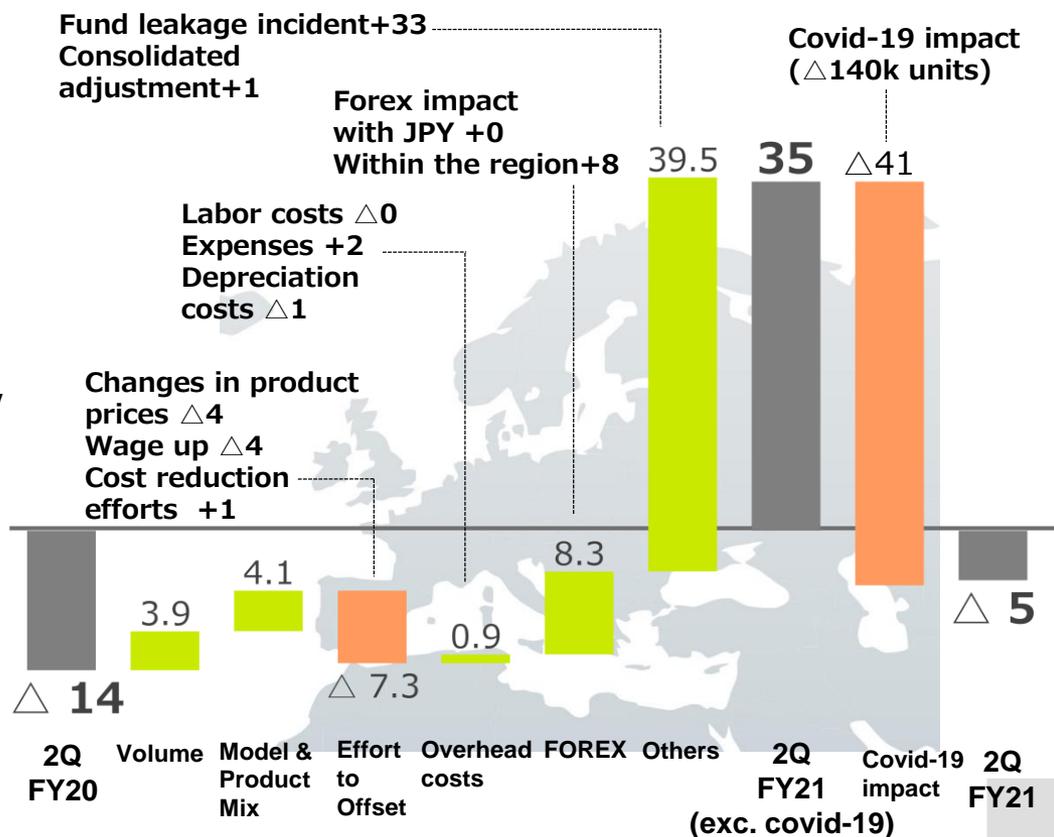
Deficits reduced because of loss from fund leakage incident from last year and foreign exchange impact despite negative factors such as volume decline amid Covid-19 outbreak

Volume & Model Mix



Operating Profit Variance Analysis (YOY)

(100 million yen)



Profit & Loss

(100 million yen)

	2Q FY20	2Q FY21	YOY Change
Revenue	426	319	△107
Operating Profit	△14	△5	9
Operating Profit Ratio	△3.5%	△1.7%	—

Financial Results

1. 2nd Quarter FY2021 Financial Results

2. FY2021 Financial Forecasts

3. Appendix

2-1) FY2021 Financial Forecasts Overview of Consolidated Financial Forecasts

(100 million yen)

	FY20 Actual		FY20 Forecasts		YOY Change		FY20 Forecasts (1Q Announced)	
Revenue	13,726	100.0%	12,400	100.0%	△1,326	△9.7%	11,400	100.0%
Operating Profit	477	3.5%	360	2.9%	△117	△24.7%	130	1.1%
Profit before income taxes	480	3.5%	350	2.8%	△130	△27.2%	120	1.1%
Profit*	247	1.9%	140	1.1%	△107	△43.5%	△50	△0.4%

*Profit Attributable to Owners of the Parent

Earnings per share	132.88 yen	74.93 yen	△57.95 yen	△26.76 yen
Exchange Rate	USD	109 yen	106 yen	△3 yen
	EUR	121 yen	121 yen	—
				106 yen
				120 yen

Revenue

■ Revenue decreased due to covid-19 impact in the 1st half, but it is expected to increase in the 2nd half along with recovery in demand

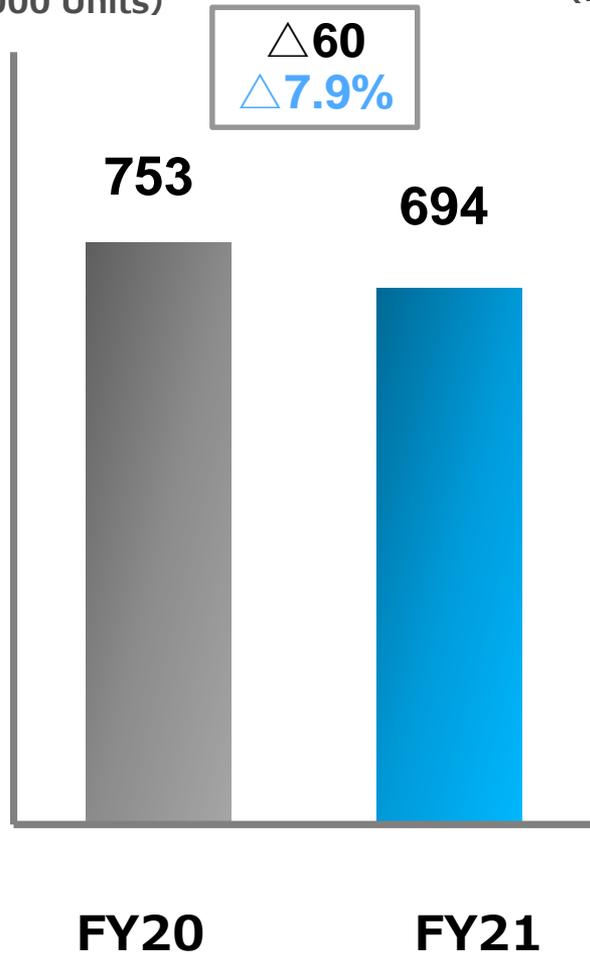
Operating Profit

■ Higher profit in the 2nd half compared to the 1st half due to continued improvement measures of company-wide cost reduction and increased cost efficiency in addition to recovery in demand

2-2) FY2021 Financial Forecasts Seat Assembly Production by Region

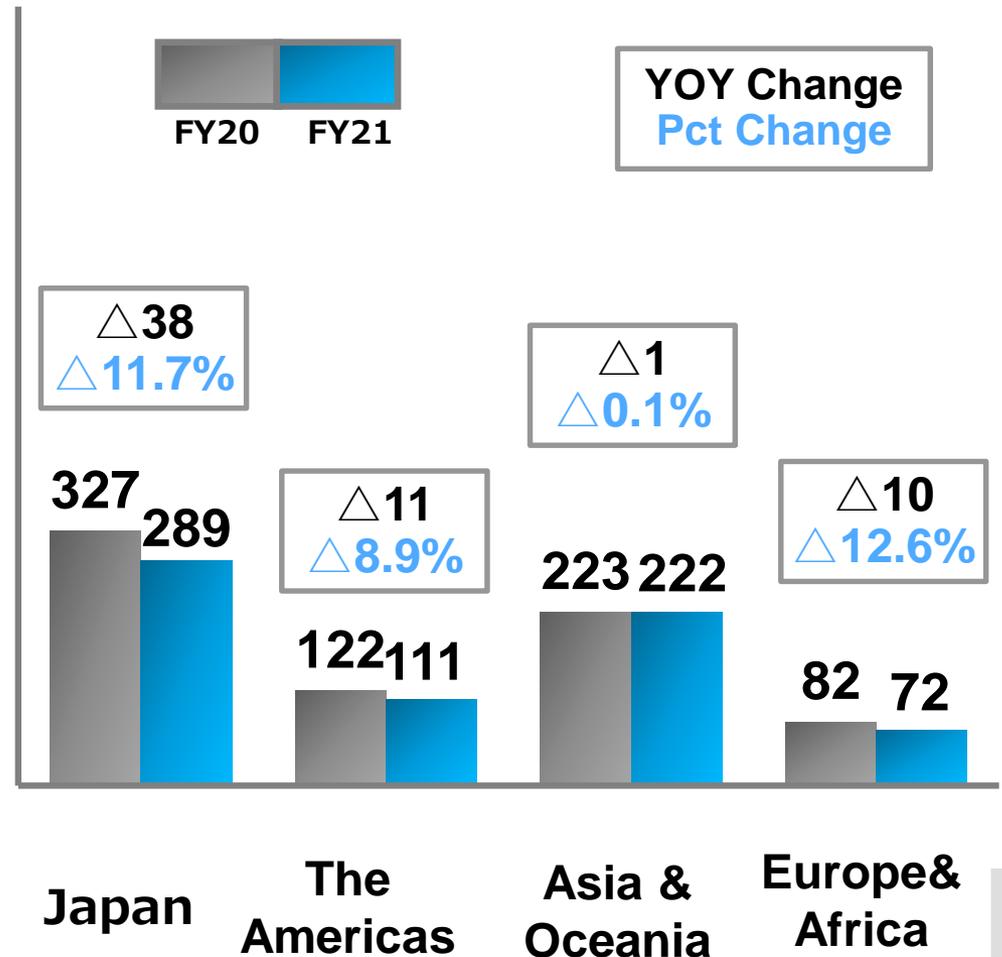
Total

(10,000 Units)



By Region

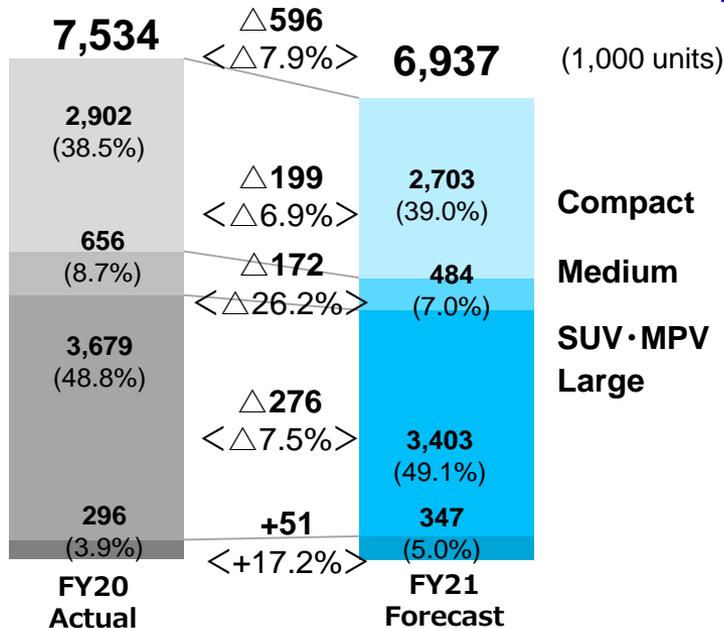
(10,000 Units)



2-3) FY2021 Financial Forecasts Consolidated Revenue & Operating Profit

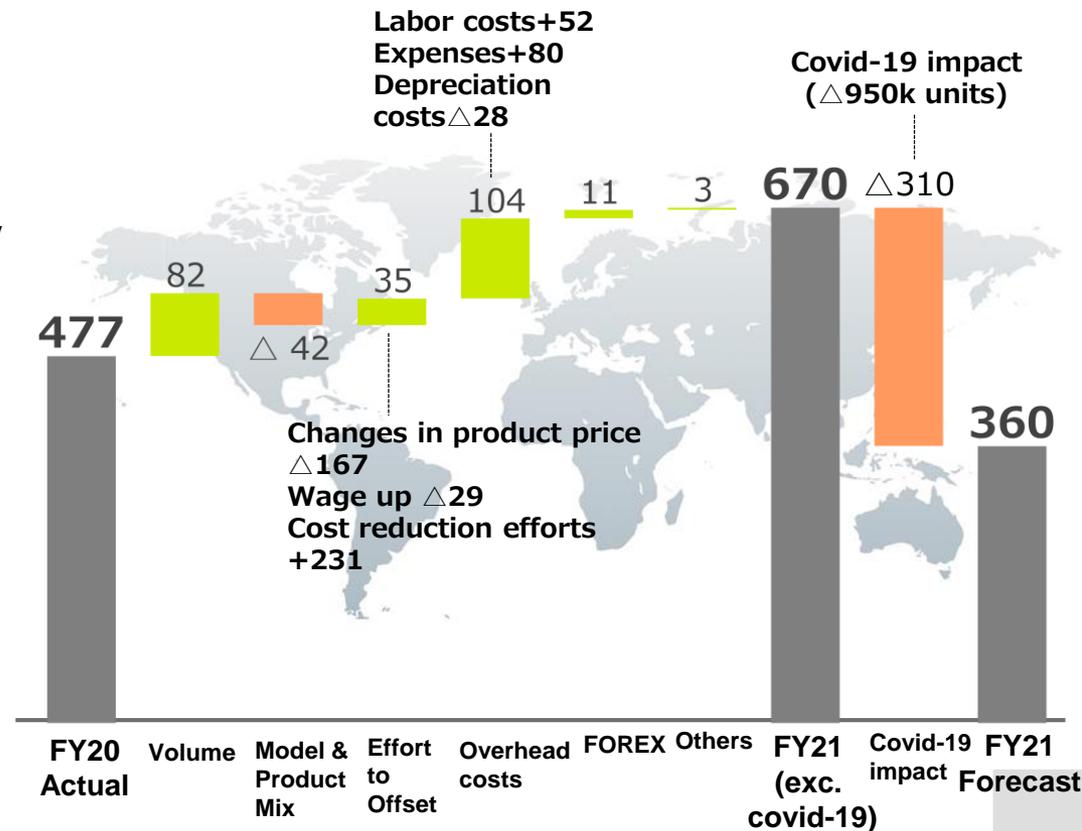
Operating loss to be reduced by increased overhead cost efficiency and cost reduction efforts throughout the entire company under the circumstances of lower volume amid Covid-19 outbreak

Volume & Model Mix



Operating Profit Variance Analysis (YOY)

(100 million yen)



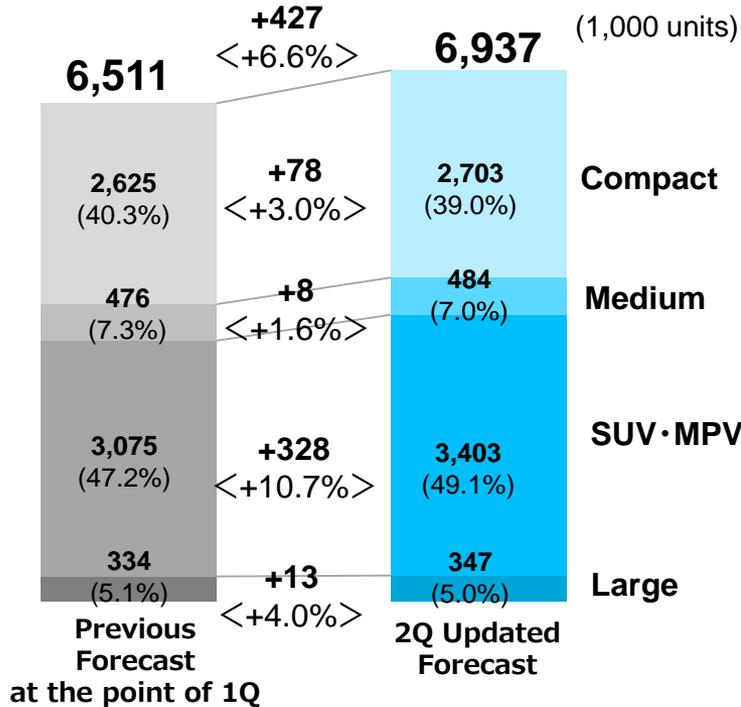
Profit & Loss

(100 million yen)

	FY20	FY21 Forecast	YOY Change
Revenue	13,726	12,400	△1,326
Operating Profit	477	360	△117
Operating Profit Ratio	3.5%	2.9%	—

2-3) FY2021 Financial Forecasts Comparison with the Forecast published for 1Q

Volume & Model Mix



Operating Profit Variance Analysis

	1Q Published	2Q Published	Difference	(100 million yen)
FY20 Actual	477	477	-	
Volume	△379	△224	+156	• recovery in demand and decreased labor cost to maintain employment
Mix· employment maintenance	△158	△114	+42	Profit Securing Measure • productivity increase by reinforcing improvement under production reductions • greater efficiency in overhead cost
Cost reduction efforts	60	74	+14	
Improved overhead costs	73	104	+31	
FOREX	10	11	+1	
Others	46	32	△14	
FY21 Forecast	130	360	+230	

Profit & Loss (100 million yen)

	Previous Forecast	Updated Forecast	YOY Change
Revenue	11,400	12,400	1,000
Operating Profit	130	360	230
Operating Profit Ratio	1.1%	2.9%	-

2-4) FY2021 Financial Forecasts by Half Year

Revenue

(100 million yen)

	FY2021		
	1 st Half (Results)	2 nd Half	Full Year
Japan	3,043	3,807	6,850
The Americas	989	1,560	2,550
Asia & Oceania	1,449	1,549	3,000
Europe & Africa	319	481	800
Consolidated Total	5,454	6,946	12,400

Operating Profit

(100 million yen)

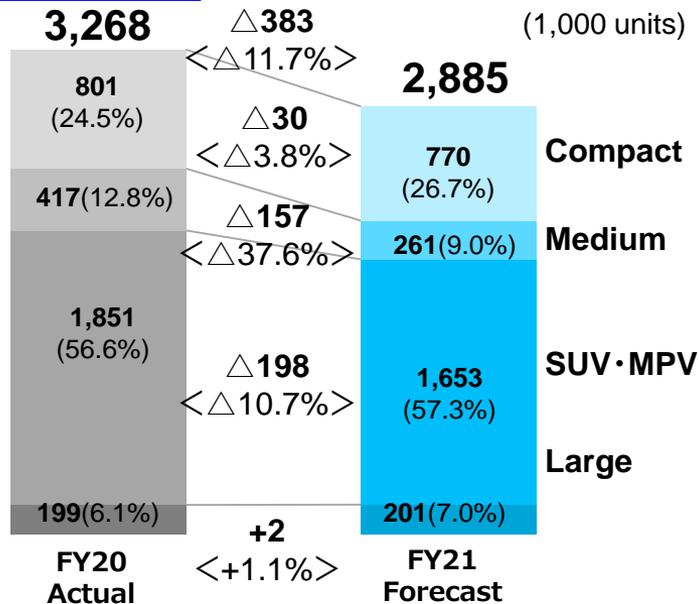
	FY2021					
	1 st Half (Results)		2 nd Half		Full Year	
Japan	Δ69	Δ2.7%	79	2.1%	10	0.1%
The Americas	Δ28	Δ2.9%	64	4.1%	35	1.4%
Asia & Oceania	138	9.6%	141	9.1%	280	9.3%
Europe & Africa	Δ5	Δ1.7%	40	8.4%	35	4.4%
Consolidated Total	36	0.7%	324	4.0%	360	2.9%

2-5) FY2021 Financial Forecasts Revenue & Operating Profit by Region

Japan

Lower profit due to Covid-19 impact, despite profit securing measures including cost reduction and improvement in cost efficiency

Volume & Model Mix



Profit & Loss

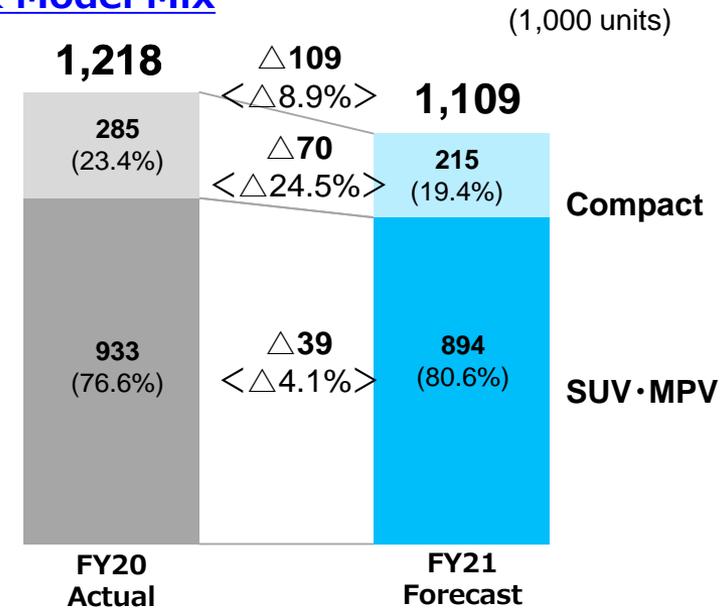
	FY20	FY21 Forecast	YOY Change
Revenue	7,683	6,850	△ 833
Operating Profit	102	10	△ 92
Operating Profit Ratio	1.3%	0.1%	—

(100 million yen)

The Americas

Higher profit because of improvement in cost efficiency and temporally elimination of inefficiency associated with model change despite volume decline from Covid-19

Volume & Model Mix



Profit & Loss

	FY20	FY21 Forecast	YOY Change
Revenue	2,729	2,550	△ 179
Operating Profit	8	35	27
Operating Profit Ratio	0.3%	1.4%	—

(100 million yen)

2-5) FY2021 Financial Forecasts Revenue & Operating Profit by Region

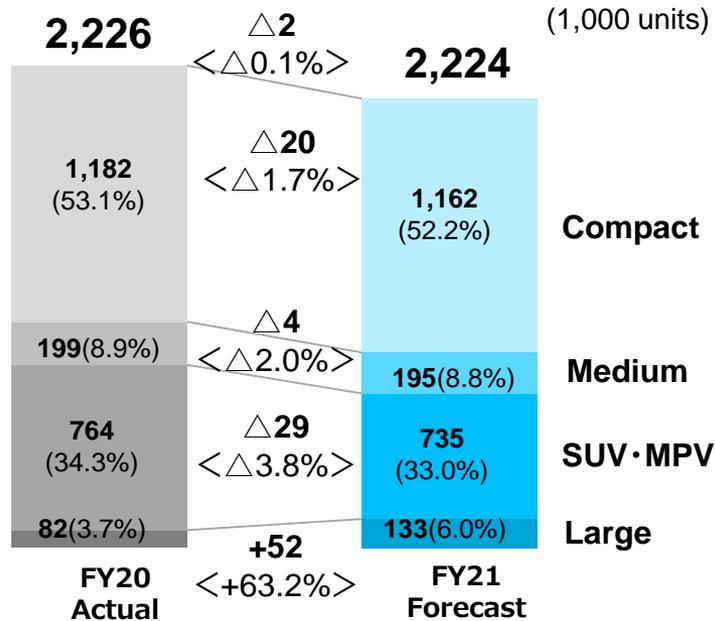
Asia & Oceania

Lower Profit due to volume decline amid Covid-19 in ASEAN countries despite volume increase in China

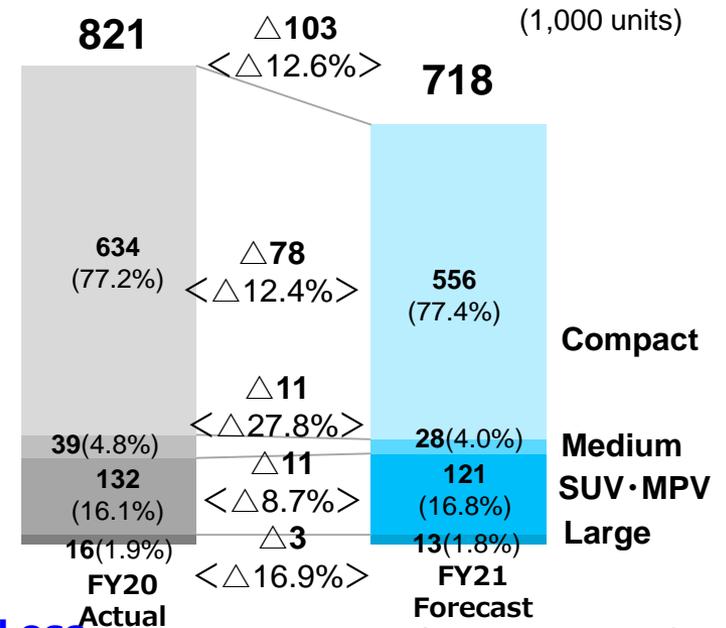
Europe & Africa

Profit is about to be the same level as the previous year due to the loss from fund leakage incident despite lower volume

Volume & Model Mix



Volume & Model Mix



Profit & Loss

	FY20	FY21 Forecast	YOY Change
Revenue	3,338	3,000	△338
Operating Profit	336	280	△56
Operating Profit Ratio	10.1%	9.3%	—

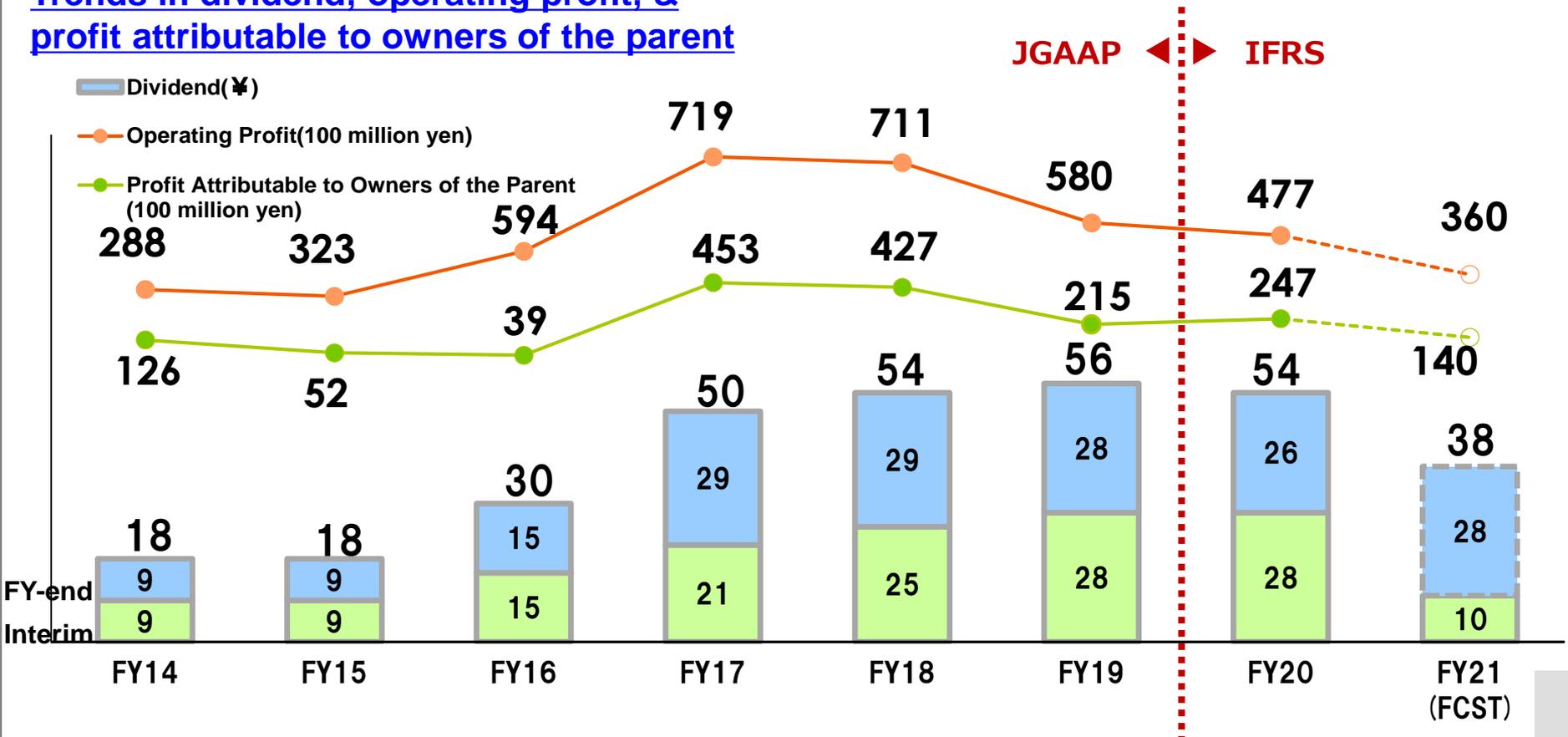
Profit & Loss

	FY20	FY21 Forecast	YOY Change
Revenue	883	800	△83
Operating Profit	30	35	5
Operating Profit Ratio	3.4%	4.4%	—

2-6) FY2021 Financial Forecasts Returning to Shareholders

- Interim dividends payout plan is ¥10, which is determined based on comprehensive evaluation to stabilize management and employment
- We keep long-term sustainable dividends since increased profits associated with demand recovery are expected for FY-end (dividends payout plan is ¥28)

Trends in dividend, operating profit, & profit attributable to owners of the parent

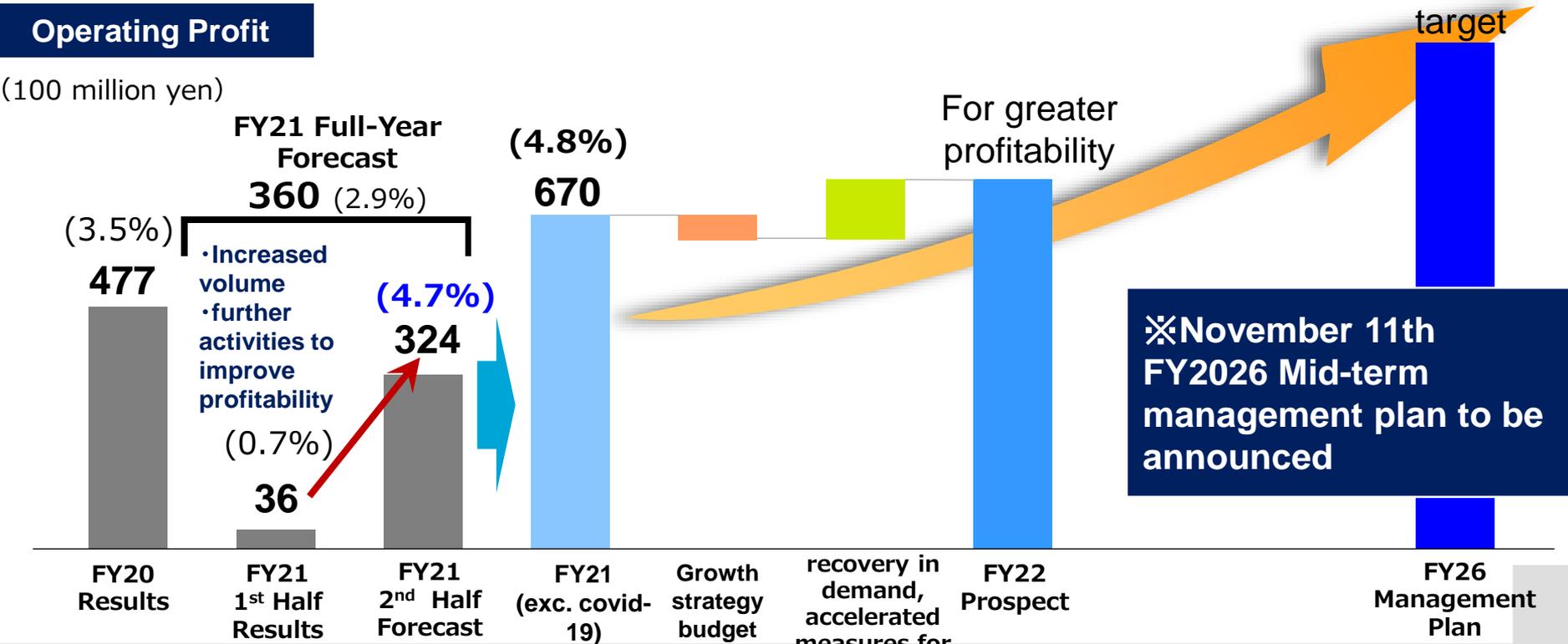


2-7) Concluding 2nd Quarter FY2021 Financial Results

【2Q Results】 Profit ensured by implementing Profit Securing Measures including improved cost efficiency and cost reduction

【Annual Forecast】 Further improvement in profitability by promoting profit improvement activities (stop·reduce·change, working remotely) as well as recovery in production volume

【FY22】 aim for greater profitability for FY2026 Mid-term management※ while securing resources for growth strategies





<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

Financial Results

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Appendix 1) Status of the Consolidated Statement of Financial Position (Sep.30, 2020)

○ : Compared to the previous year (100 million yen)

Current assets

457.5 billion yen



467.3 billion yen

- Increase in operating receivables due to recovery from lower volume

+98

Liabilities

459.0 billion yen



482.7 billion

- funding to deal with covid-19 outbreak
- Increase in operating payables due to recovery from low volume

+237

Assets

791.5 billion yen
(+780.7 billion yen from the previous year)

Non-current assets

323.1 billion yen



324.1 billion yen

- Increase in property, plant and equipment due to the construction of global mainstay hub

+10

Total equity attribute to owners of the parent
37.3%

35.4%

△129

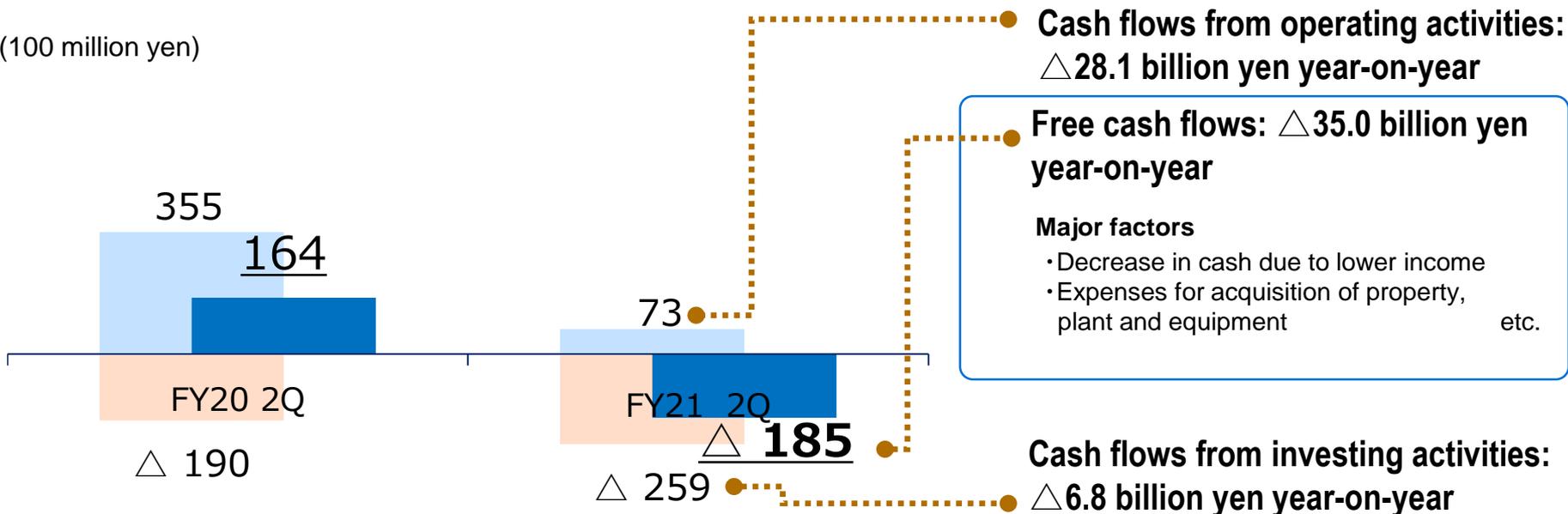
Equity

321.7 billion

308.7 billion yen

Appendix2) Consolidated Cash Flows

(100 million yen)



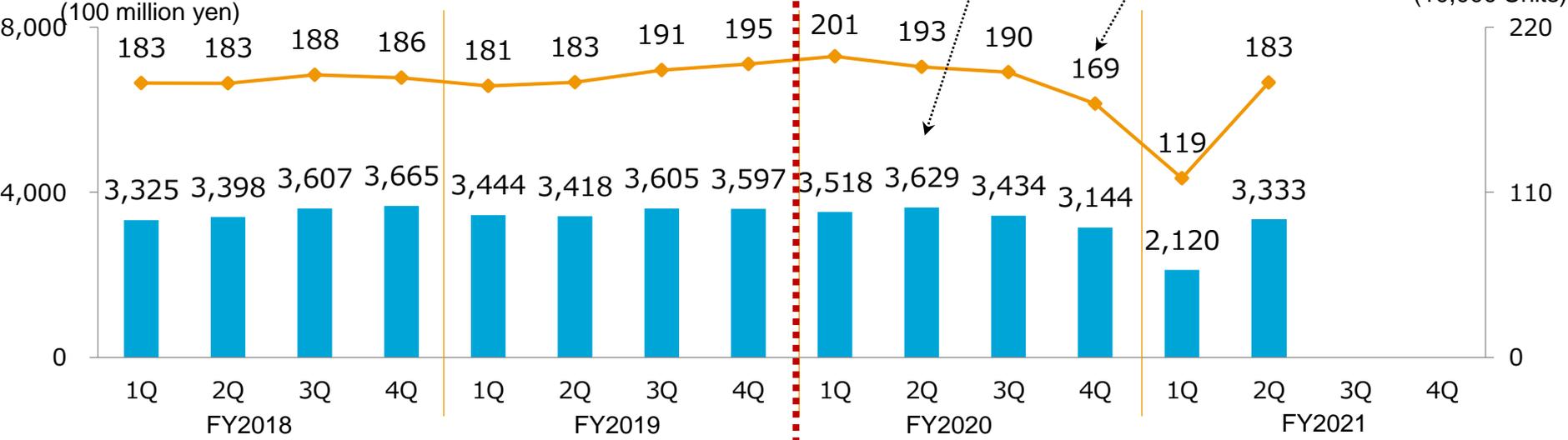
(100 million yen)

〈Reference〉

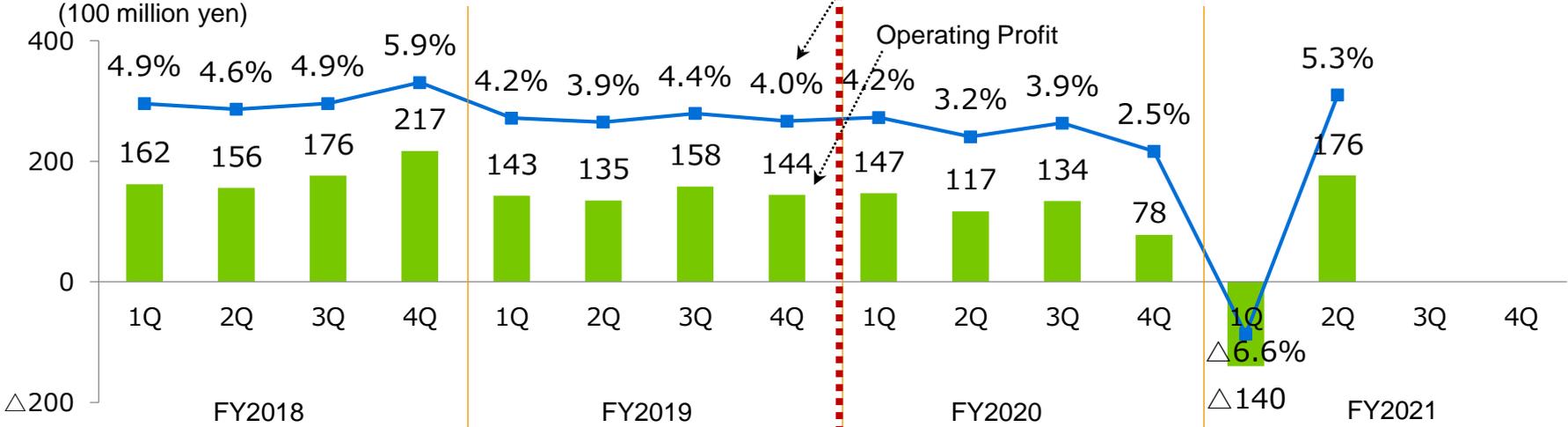
	2Q FY20	2Q FY21	Change	FY20 Results
Cash flows from operating activities	355	73	$\triangle 281$	796
Cash flows from investing activities	$\triangle 190$	$\triangle 259$	$\triangle 68$	$\triangle 541$
Free cash flows	164	$\triangle 185$	$\triangle 350$	254
Cash flows from financial activities	$\triangle 39$	208	247	$\triangle 139$
Impact of foreign exchange	$\triangle 46$	2	49	$\triangle 63$
Change in cash and cash equivalents	78	24	$\triangle 53$	51
Balance of cash and cash equivalents	1,660	1,658	$\triangle 2$	1,633

Appendix3) Quarterly Trends: Consolidated volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue

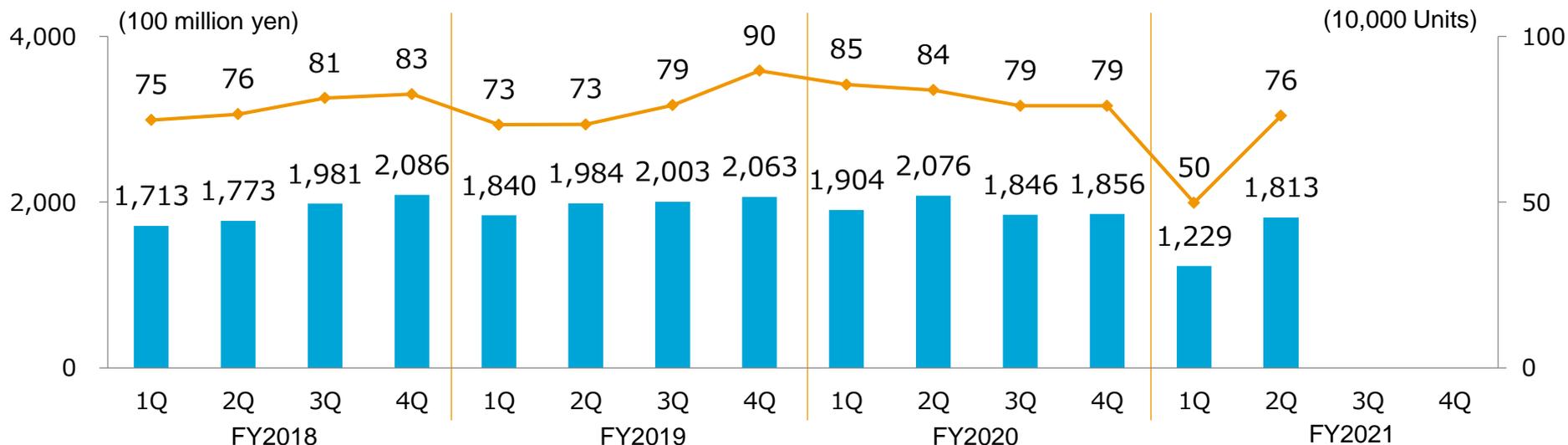


Operating Profit / Operating Profit Ratio

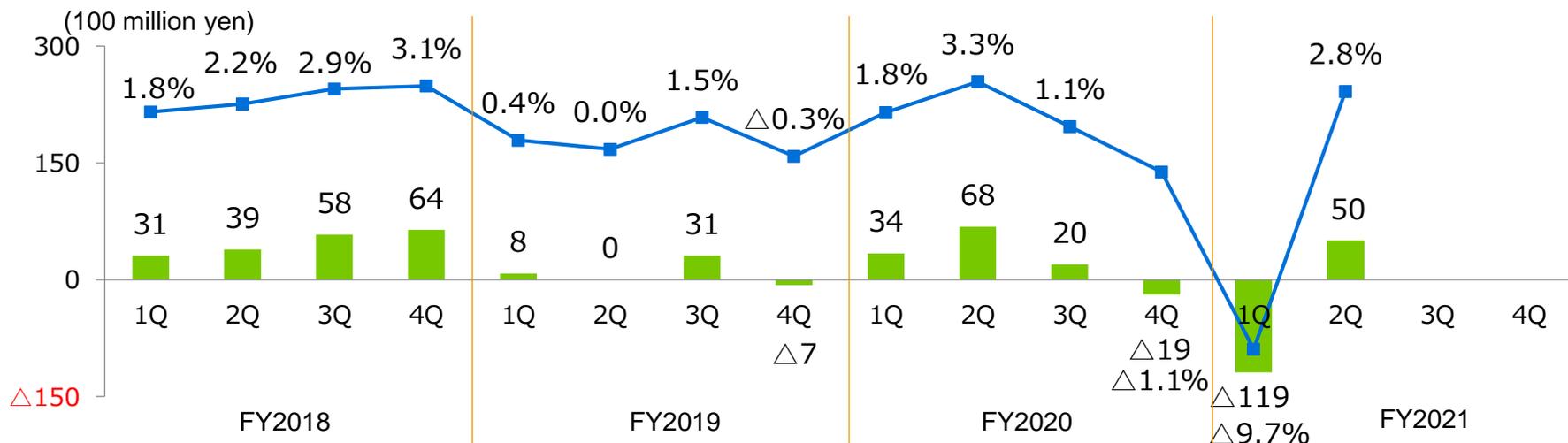


Appendix4) Quarterly Trends: Japan volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue

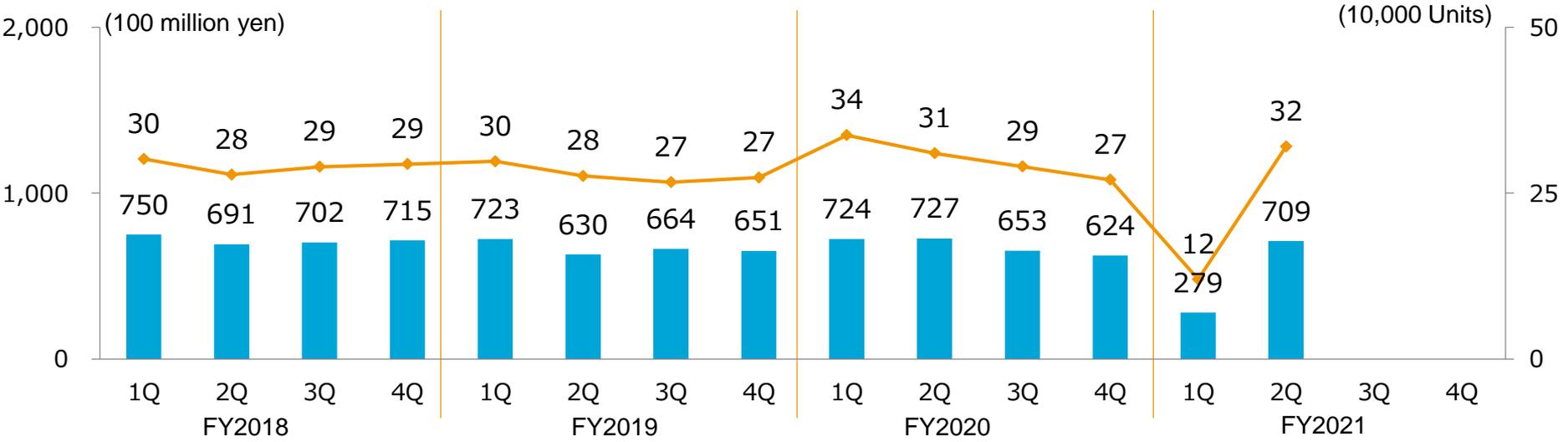


Operating Profit / Operating Profit Ratio

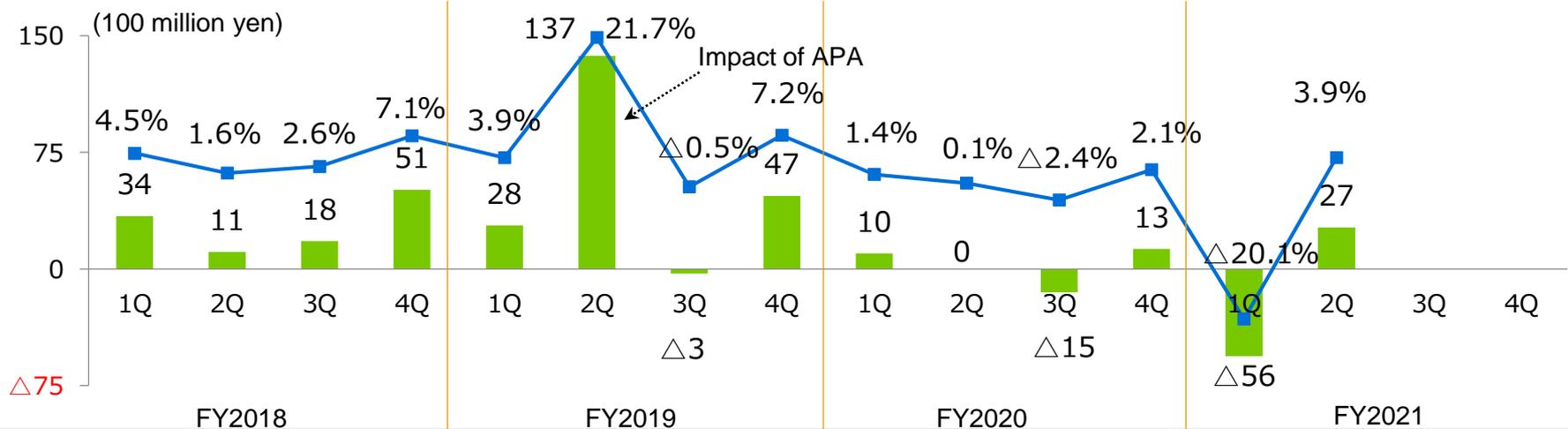


Appendix5) Quarterly Trends: The Americas volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue



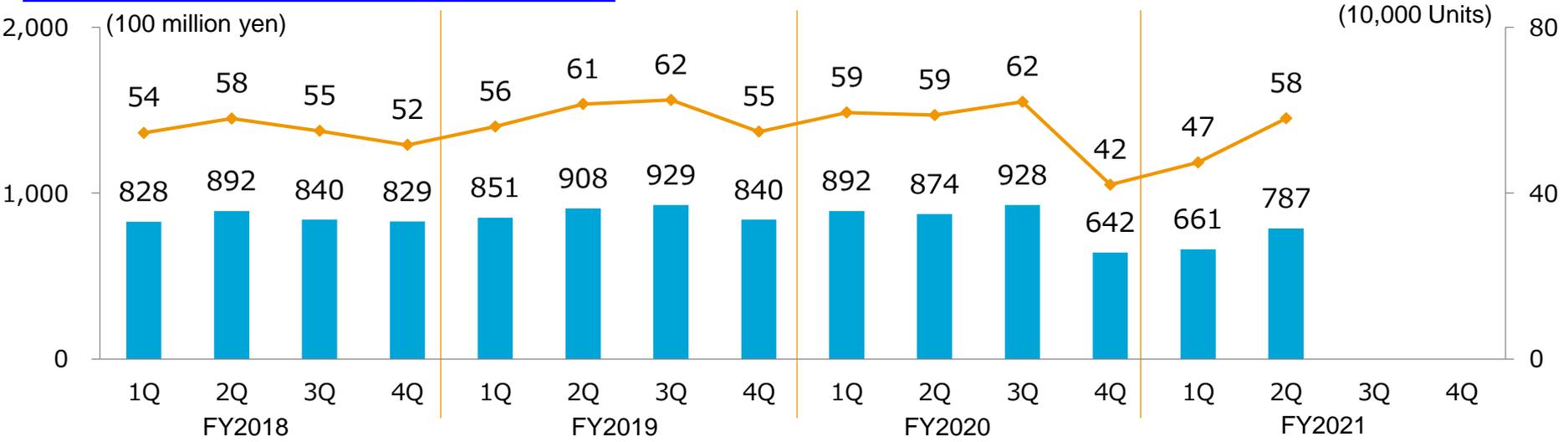
Operating Profit / Operating Profit Ratio



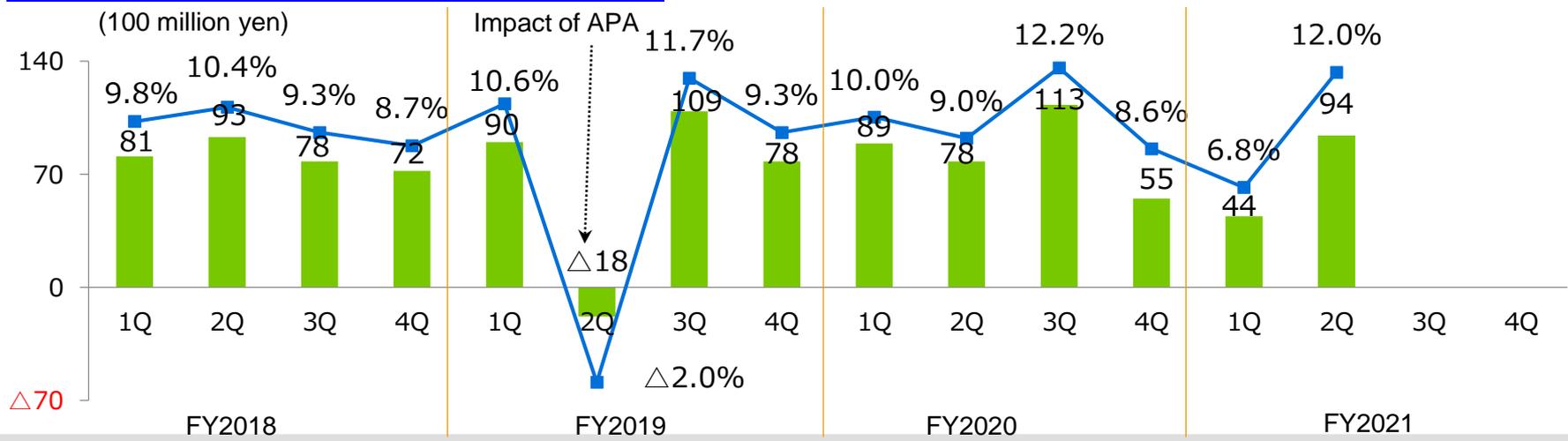
$\Delta 75$

Appendix6) Quarterly Trends: Asia & Oceania volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue

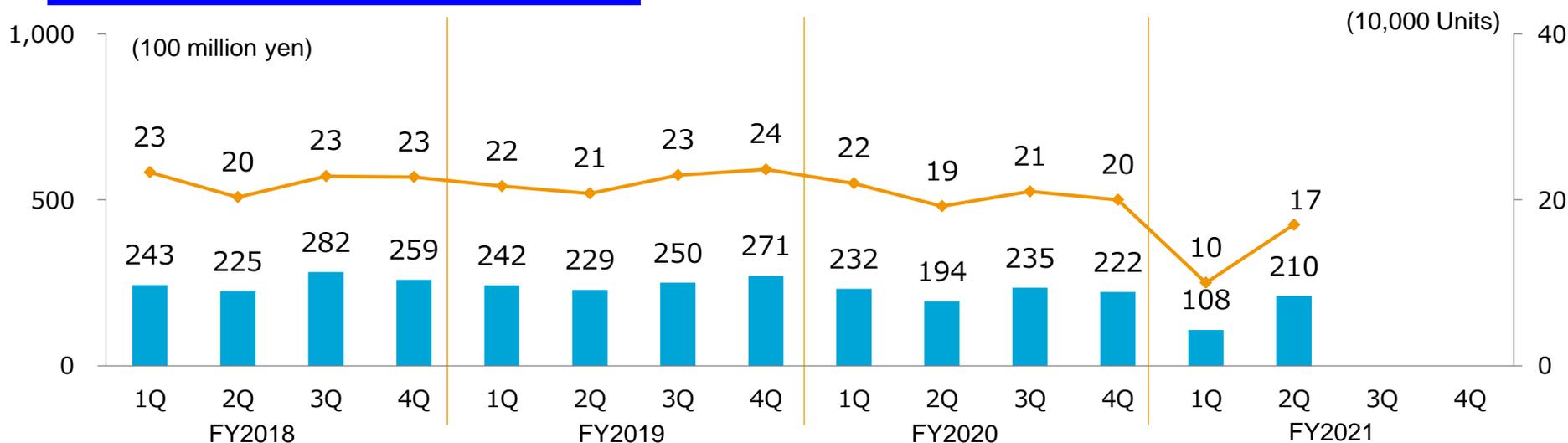


Operating Profit / Operating Profit Ratio



Appendix7) Quarterly Trends: Europe & Africa volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue



Operating Profit / Operating Profit Ratio

