



TOYOTA BOSHOKU

TSE Prime Market Securities Code 3116

FY2022 (ending March 2022)

Financial Results

Date: April 28th, 2022

Financial Results

- 1. FY2022 Financial Results**
- 2. FY2023 Financial Forecasts**
- 3. Appendix**

Financial Results

1. FY2022 Financial Results

2. FY2023 Financial Forecasts

3. Appendix

Script

- ◆ Hello, this is Iwamori.
- ◆ Thank you for attending our FY2022 financial results briefing during a busy time today.
- ◆ Firstly, I would like to explain the Financial Results for FY2022, then the full year forecasts for FY2023.
- ◆ Now, I would like to start by looking at our financial results for the fiscal year 2022.

1-1) FY2022 Financial Results Overview of Consolidated Financial Results

(100 million yen)

	FY2021		FY2022		YOY Change	
Revenue	12,721	100.0%	14,214	100.0%	1,493	11.7%
Operating Profit	571	4.5%	602	4.2%	31	5.6%
Profit before income taxes	573	4.5%	645	4.5%	71	12.5%
Profit*	311	2.5%	392	2.8%	80	25.9%

*Profit Attributable to Owners of the Parent

Earnings per share		166.93 yen	210.15 yen	
Exchange Rate	USD	106 yen	112 yen	+6 yen
	EUR	124 yen	131 yen	+7 yen

Revenue

Revenue increased due to recovering demand from covid-19

Operating Profit

Profit increased due to new product effects in addition to profit securing measures despite negative effects of upfront investment for the future and changes in the external environment

Script

- ◆ Sales revenue increased by 149.3 billion yen to 1.42 trillion yen.
- ◆ Operating profit increased by 3.1 billion yen to 60.2 billion yen year-over-year.
- ◆ Profit before income taxes increased by 7.1 billion yen to 64.5 billion yen.
- ◆ Profit attributable to owners of the parent increased by 8.0 billion yen to 39.2 billion yen.
- ◆ Exchange rates are approximately 112 yen to the U.S. dollar, and 131 yen to the euro.

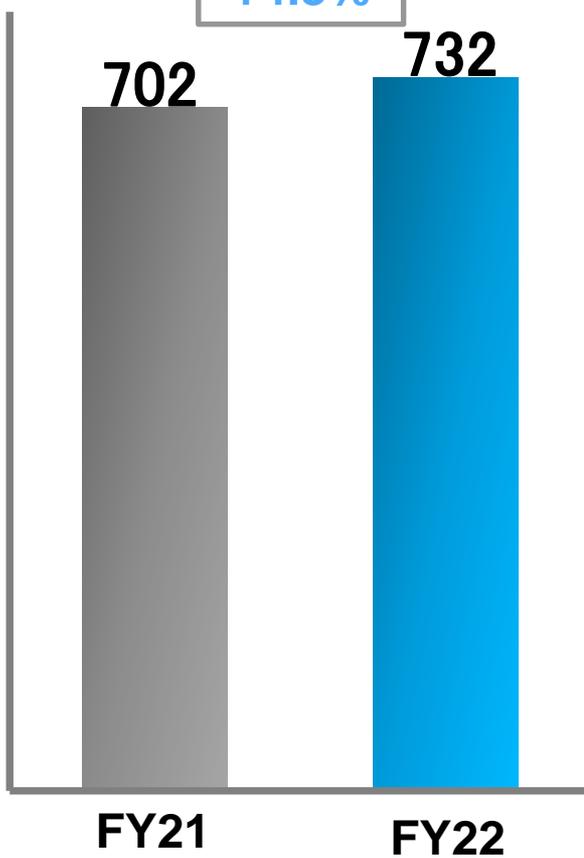
There are exchange gain of 52.9 billion yen for sales, 2.6 billion yen for operating profit year-over-year.

1-2) FY2022 Financial Results **Seat Production by Region**

Total

+30
+4.3%

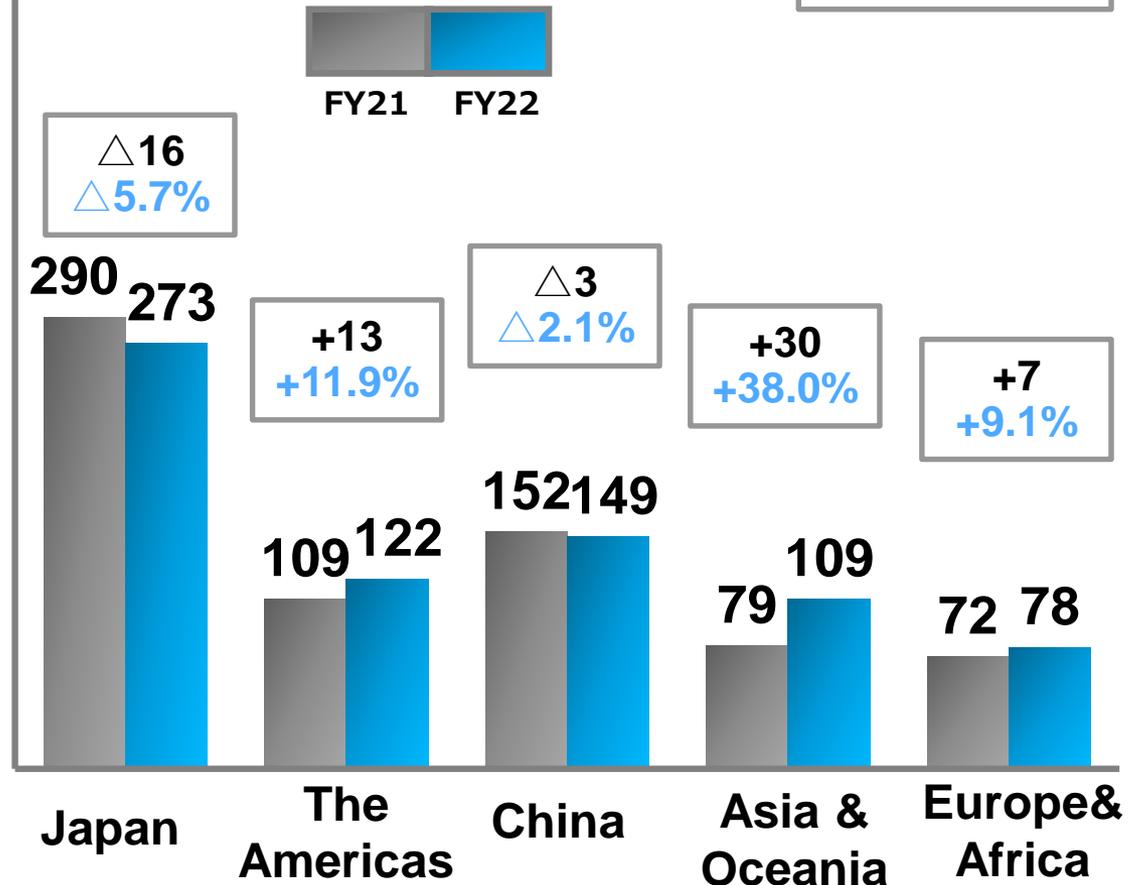
(10,000 Units)



By Region

YOY Change
Pct Change

(10,000 Units)



Script

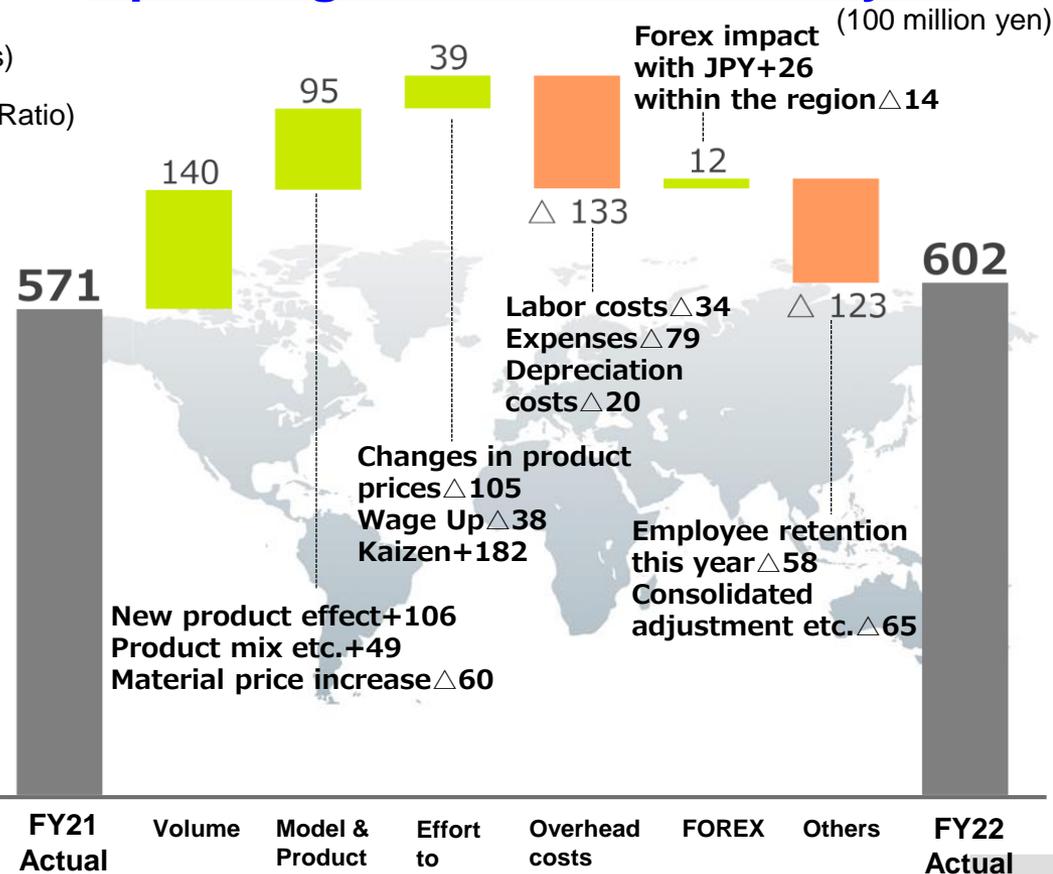
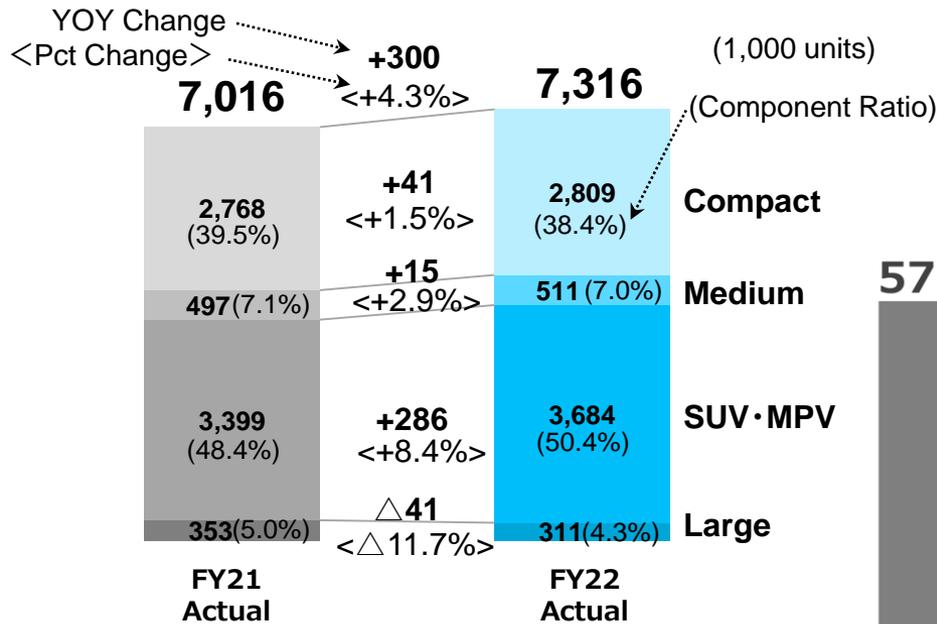
- ◆ Next, consolidated seat assembly volume, the main product of the company, totaled 7.32 million units, increased by 300k units compared to the previous year.
- ◆ Seat assembly volume by region is as shown. This will be explained in detail in later slides.

1-3) FY2022 Financial Results Consolidated Revenue & Operating Profit

Profit increased due to higher production volume, new product effects in addition to profit securing measures despite negative effects of increase in overhead costs and change in external environment

Volume & Model Mix

Operating Profit Variance Analysis



Profit & Loss (100 million yen)

	FY21	FY22	YOY Change
Revenue	12,721	14,214	1,493
Operating Profit	571	602	31
Operating Profit Ratio	4.5%	4.2%	-

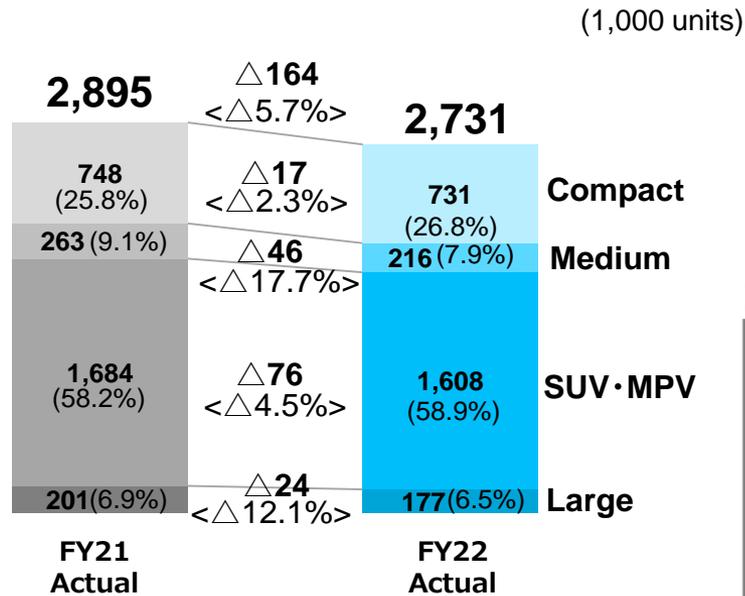
Script

- ◆ Next, let me move on to consolidated revenue & operating profit.
- ◆ Volume increased 300k units to 7.32 million units.
- ◆ Sales revenue increased by 149.3 billion yen to 1.42 trillion yen.
- ◆ Operating profit increased by 3.1 billion yen to 60.2 billion yen by absorbing increased production effects as much as possible through lean production system established during pandemic last year as well as minimizing launch loss for new products and profit enhancement activities despite negative impacts of changes in the external environment and increase in overhead costs.

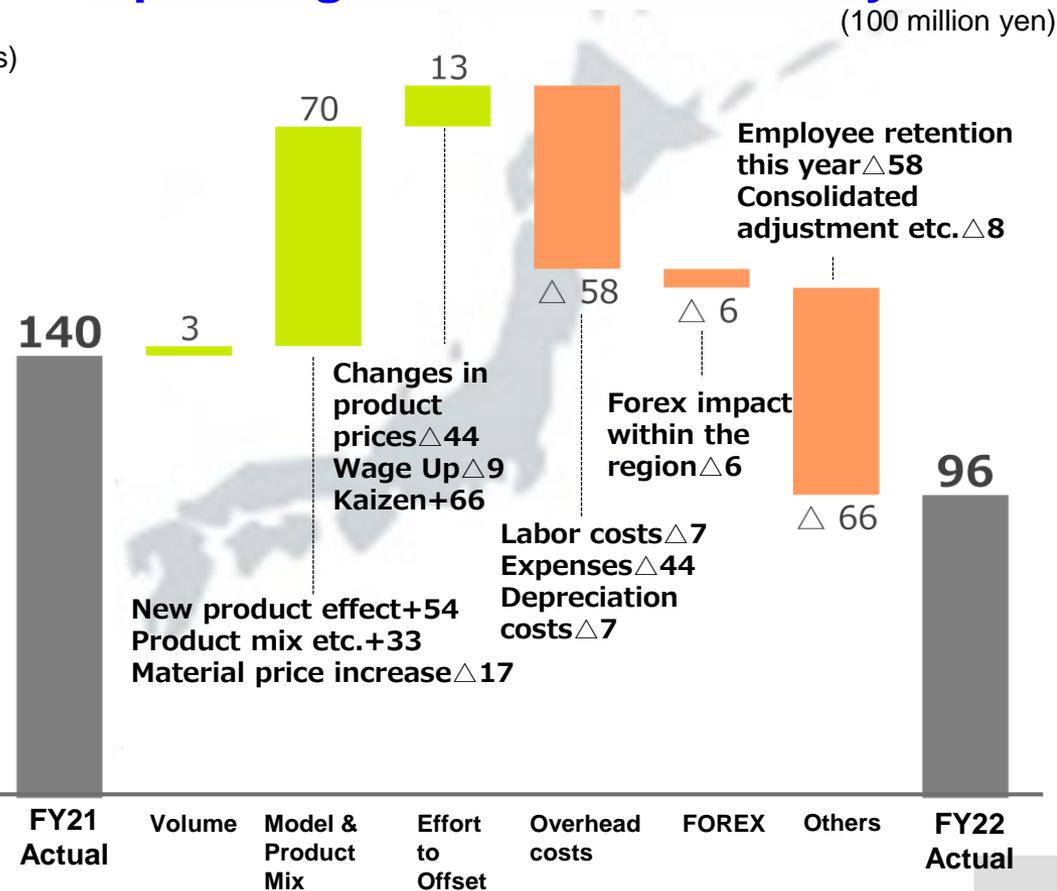
1-3) FY2022 Financial Results Japan Revenue & Operating Profit

Profit decreased due to increase in expenses and employee retention despite new product effects and profit securing measures

Volume & Model Mix



Operating Profit Variance Analysis



Profit & Loss

(100 million yen)

	FY21	FY22	YOY Change
Revenue	6,996	7,006	10
Operating Profit	140	96	△44
Operating Profit Ratio	2.0%	1.4%	-

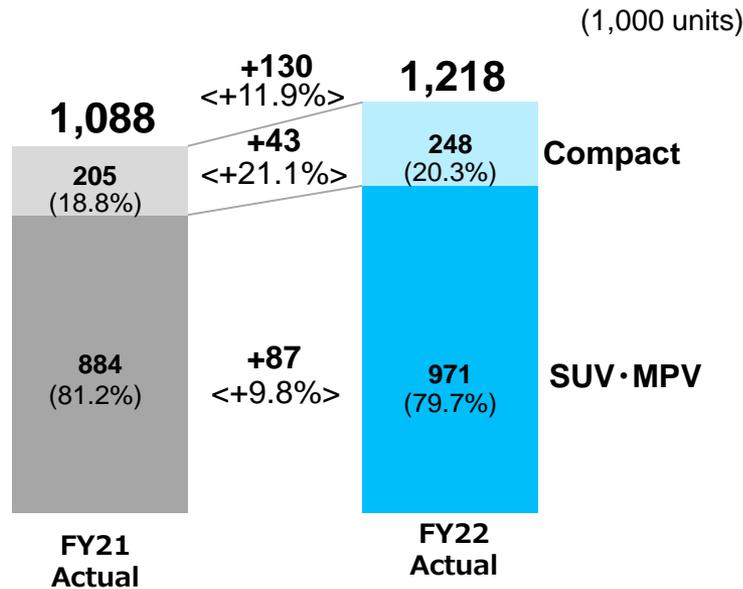
Script

- ◆ Next, in Japan region,
- ◆ Volume decreased by 164k units to 2.73 million units year-over year.
- ◆ Sales revenue increased by 1.0 billion yen to 700.6 billion yen.
- ◆ Operating profit decreased by 4.4 billion yen to 9.6 billion yen due to increase in expenses and employee retention during low production despite positive impacts from new product effects and profit securing measures.

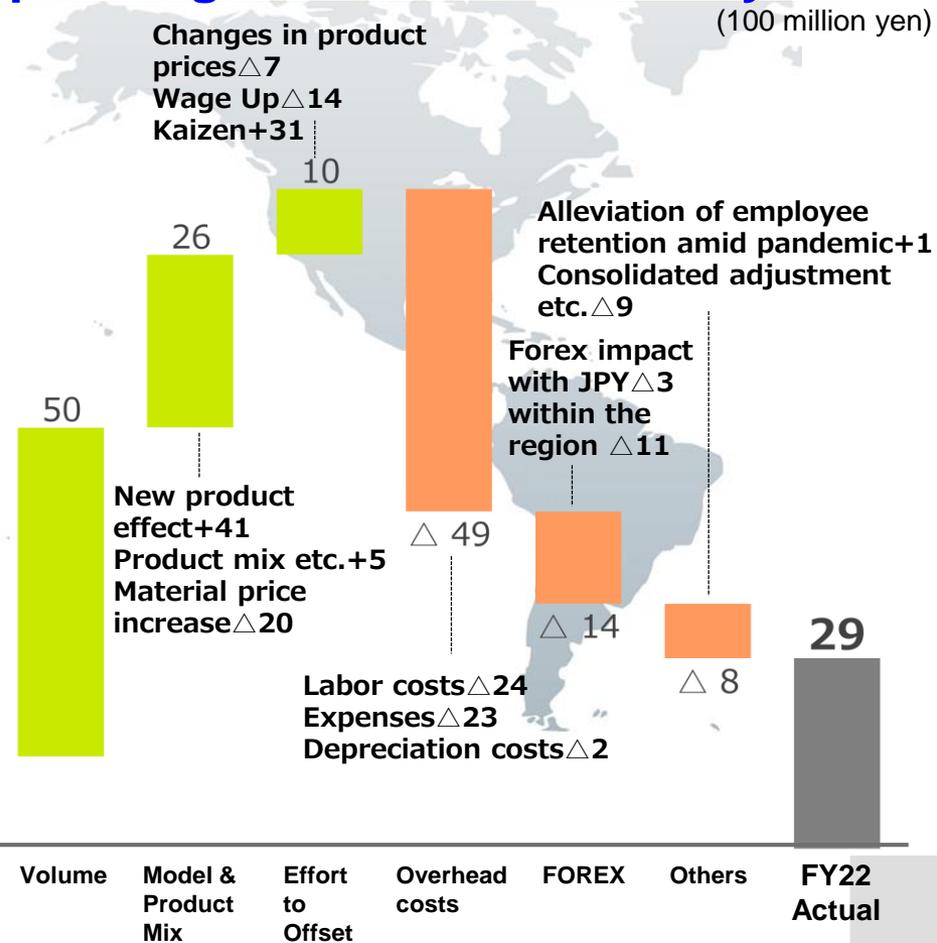
1-3) FY2022 Financial Results The Americas Revenue & Operating Profit

Profit increased due to higher volume as demand recovered from covid-19 last year and new product effect despite negative effects of material price and overhead costs increase

Volume & Model Mix



Operating Profit Variance Analysis



Profit & Loss

(100 million yen)

	FY21	FY22	YOY Change
Revenue	2,460	3,177	717
Operating Profit	14	29	15
Operating Profit Ratio	0.6%	0.9%	-

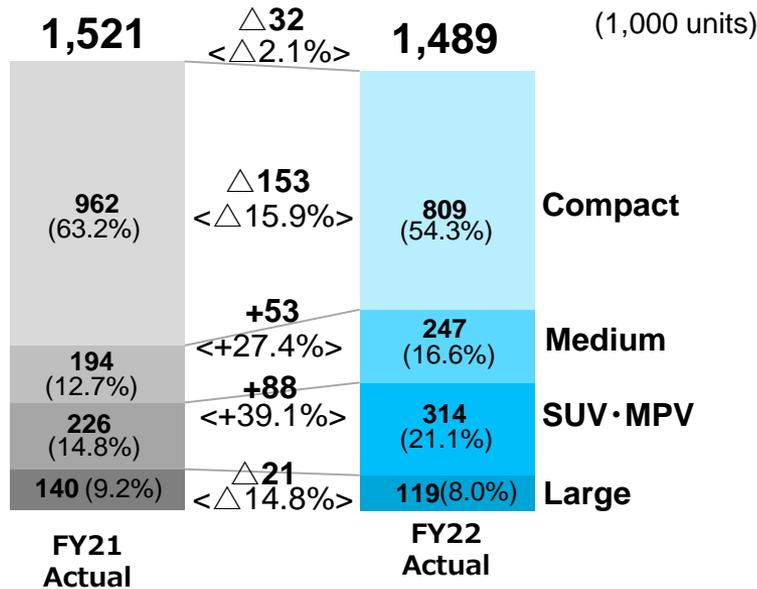
Script

- ◆ Next, in the Americas,
- ◆ Volume increased by 130k units to 1.22 million units year-over year.
- ◆ Sales revenue increased by 71.7 billion yen to 317.7 billion yen.
- ◆ Operating profit increased by 1.5 billion yen to 2.9 billion yen thanks to higher volume as demand recovered from covid-19 compared to last year as well as new product effect despite rise in raw material prices and increased overhead costs from the normalized production.

1-3) FY2022 Financial Results China Revenue & Operating Profit

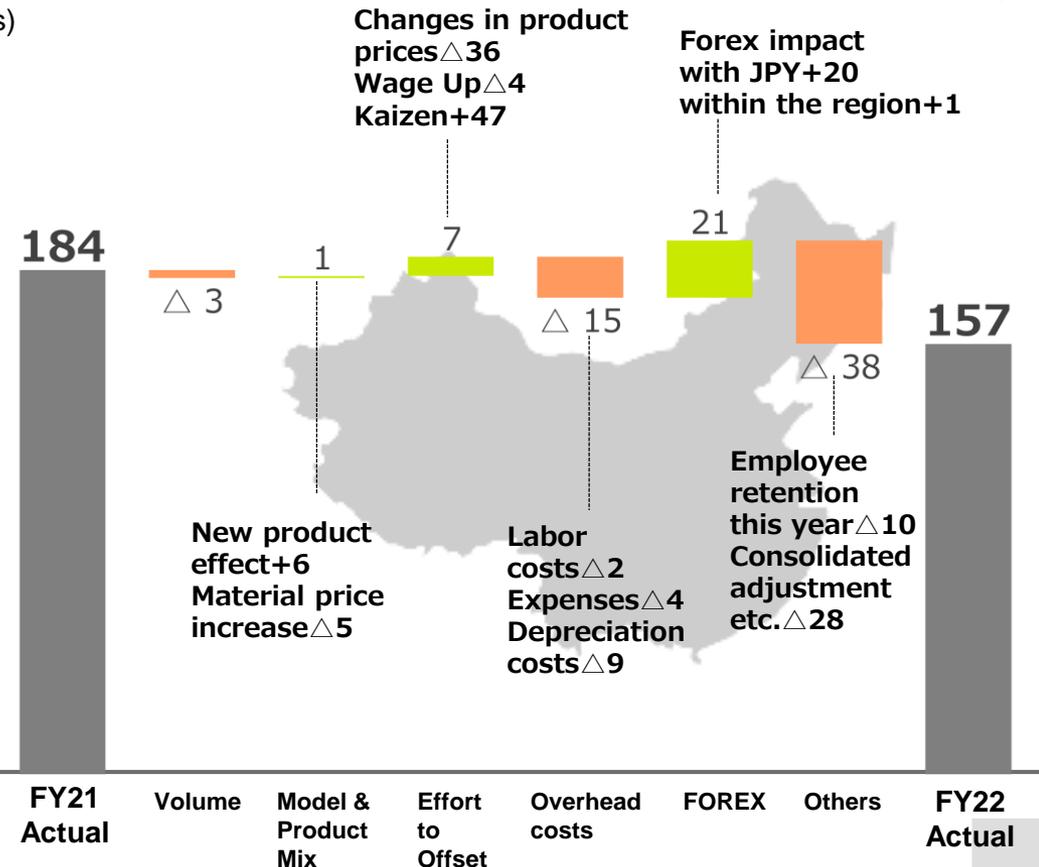
Profit decreased as volume decreased due to the parts supply issues and employee retention along with it as well as transient negative impacts

Volume & Model Mix



Operating Profit Variance Analysis

(100 million yen)



Profit & Loss

(100 million yen)

	FY21	FY22	YOY Change
Revenue	1,804	2,121	317
Operating Profit	184	157	△26
Operating Profit Ratio	10.2%	7.4%	-

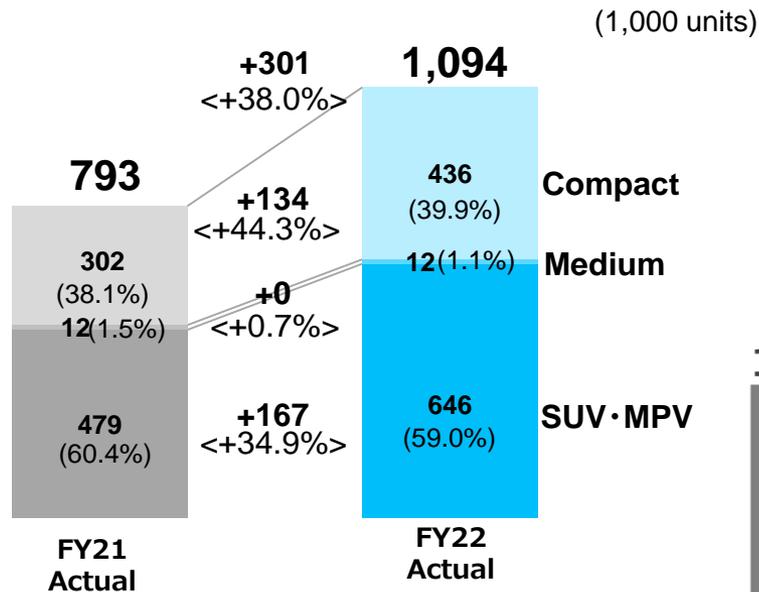
Script

- ◆ Next, in China,
- ◆ Volume decreased by 32k units to 1.49 million units year-over year.
- ◆ Sales revenue increased by 31.7 billion yen to 212.1 billion yen.
- ◆ Operating profit decreased by 2.6 billion yen to 15.7 billion yen as volume decreased due to the parts supply issues and employee retention along with it in addition to transient negative impacts.

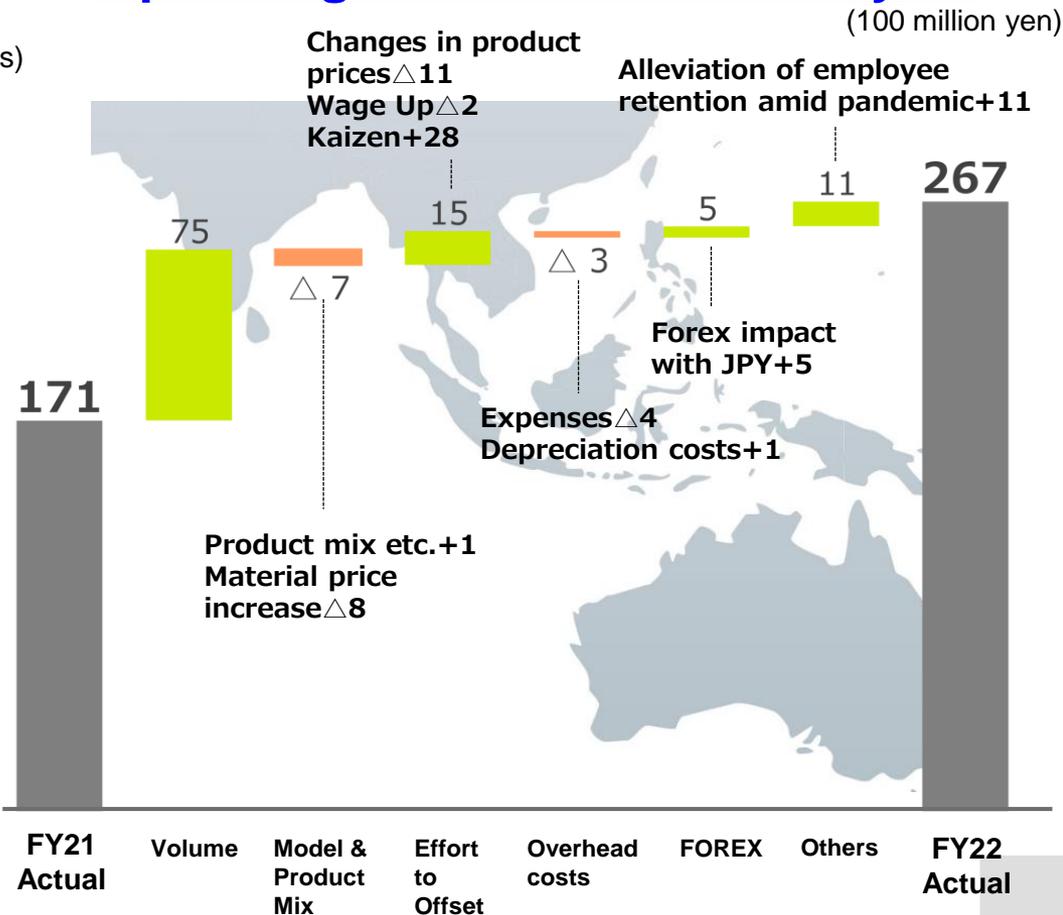
1-3) FY2022 Financial Results Asia & Oceania Revenue & Operating Profit

Profit increased due to higher volume as demand recovered from covid-19 last year as well as new product launch

Volume & Model Mix



Operating Profit Variance Analysis



Profit & Loss

(100 million yen)

	FY21	FY22	YOY Change
Revenue	1,444	1,904	459
Operating Profit	171	267	95
Operating Profit Ratio	11.9%	14.0%	-

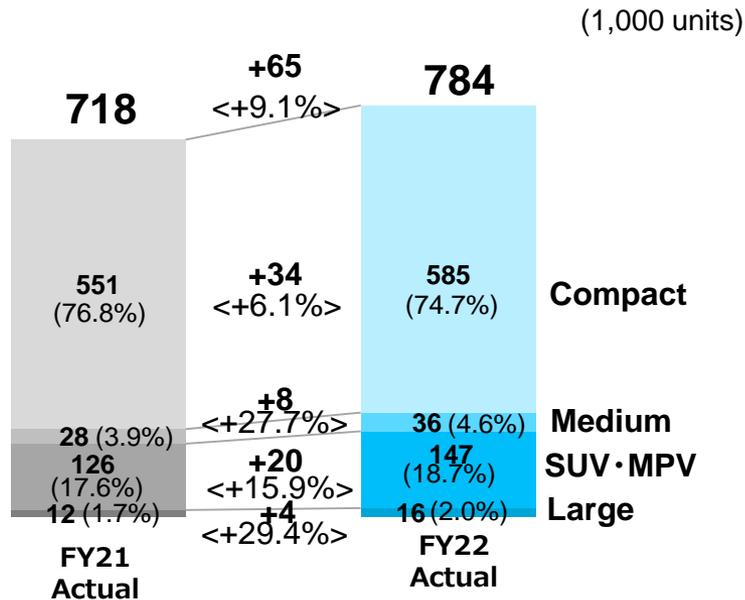
Script

- ◆ Next, in Asia & Oceania region,
- ◆ Volume increased by 301k units to 1.09 million units year-over-year.
- ◆ Sales revenue increased by 45.9 billion yen to 190.4 billion yen.
- ◆ Operating profit increased by 9.5 billion yen to 26.7 billion yen due to higher volume as demand recovered from last year amid covid-19 outbreak in addition to new product launch.

1-3) FY2022 Financial Results Europe & Africa Revenue & Operating Profit

Profit decreased due to material price increase and transient negative factors despite higher volume as demand recovered from last year

Volume & Model Mix

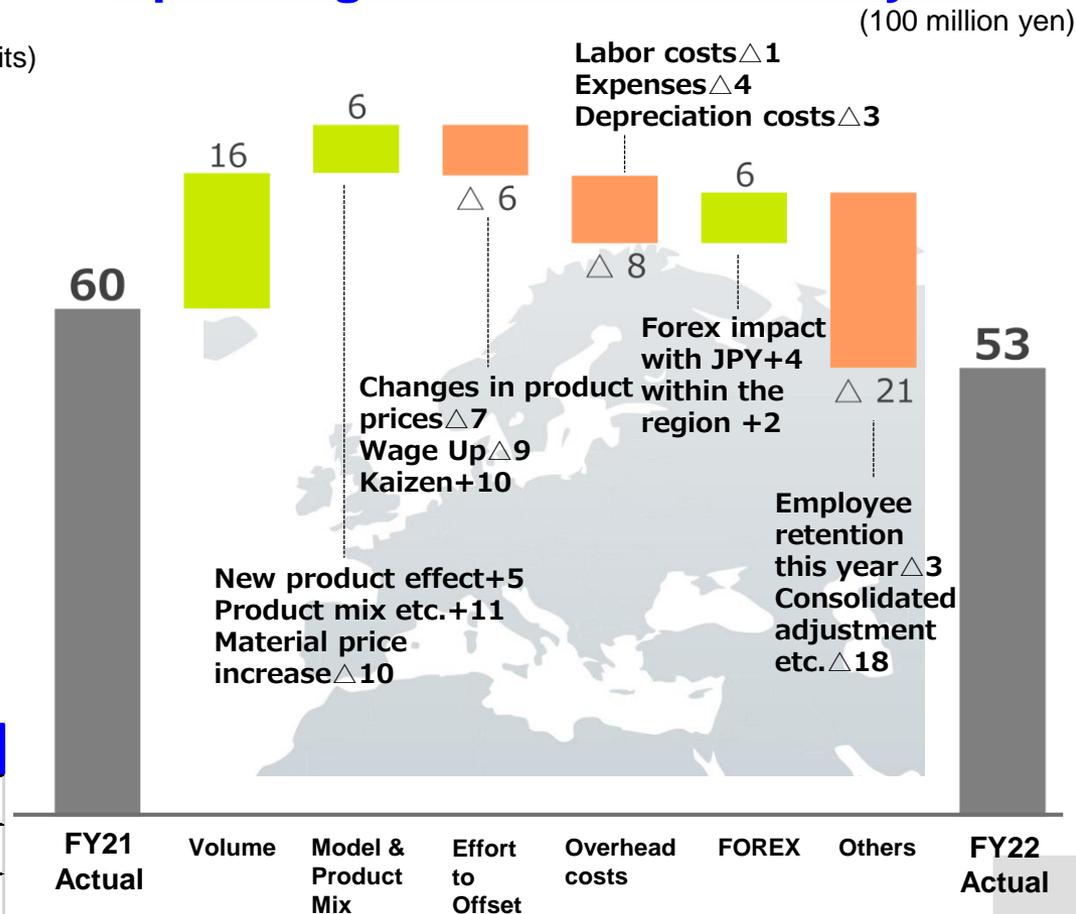


Profit & Loss

(100 million yen)

	FY21	FY22	YOY Change
Revenue	826	962	136
Operating Profit	60	53	△7
Operating Profit Ratio	7.3%	5.5%	-

Operating Profit Variance Analysis



Script

- ◆ Next in Europe & Africa region,
- ◆ Volume increased by 65k units to 784k units year-over year.
- ◆ Sales revenue increased by 13.6 billion yen to 96.2 billion yen.
- ◆ Operating profit decreased by 0.7 billion yen to 5.3 billion yen due to material price increase and transient negative factors despite higher volume as demand recovered compared to last year amid covid-19 outbreak.

Financial Results

1. FY2022 Financial Results

2. FY2023 Financial Forecasts

3. Appendix

Script

- ◆ In the following section, I would like to explain the full year forecasts for the fiscal year 2023.

2-1) FY2023 Financial Forecasts Overview of Consolidated Financial Forecasts

(100 million yen)

	FY22 Actual		FY23 Forecasts		YOY Change	
Revenue	14,214	100.0%	15,700	100.0%	1,485	10.5%
Operating Profit	602	4.2%	780	5.0%	177	29.4%
Profit before income taxes	645	4.5%	810	5.2%	164	25.5%
Profit*	392	2.8%	520	3.3%	127	32.4%

*Profit Attributable to Owners of the Parent

Earnings per share		210.15 yen	278.34 yen	
Exchange Rate	USD	112 yen	115 yen	+3 yen
	EUR	131 yen	130 yen	△1 yen

Revenue

Higher revenue due to globally recovering demand despite long term covid-19 impacts and short parts supply issue

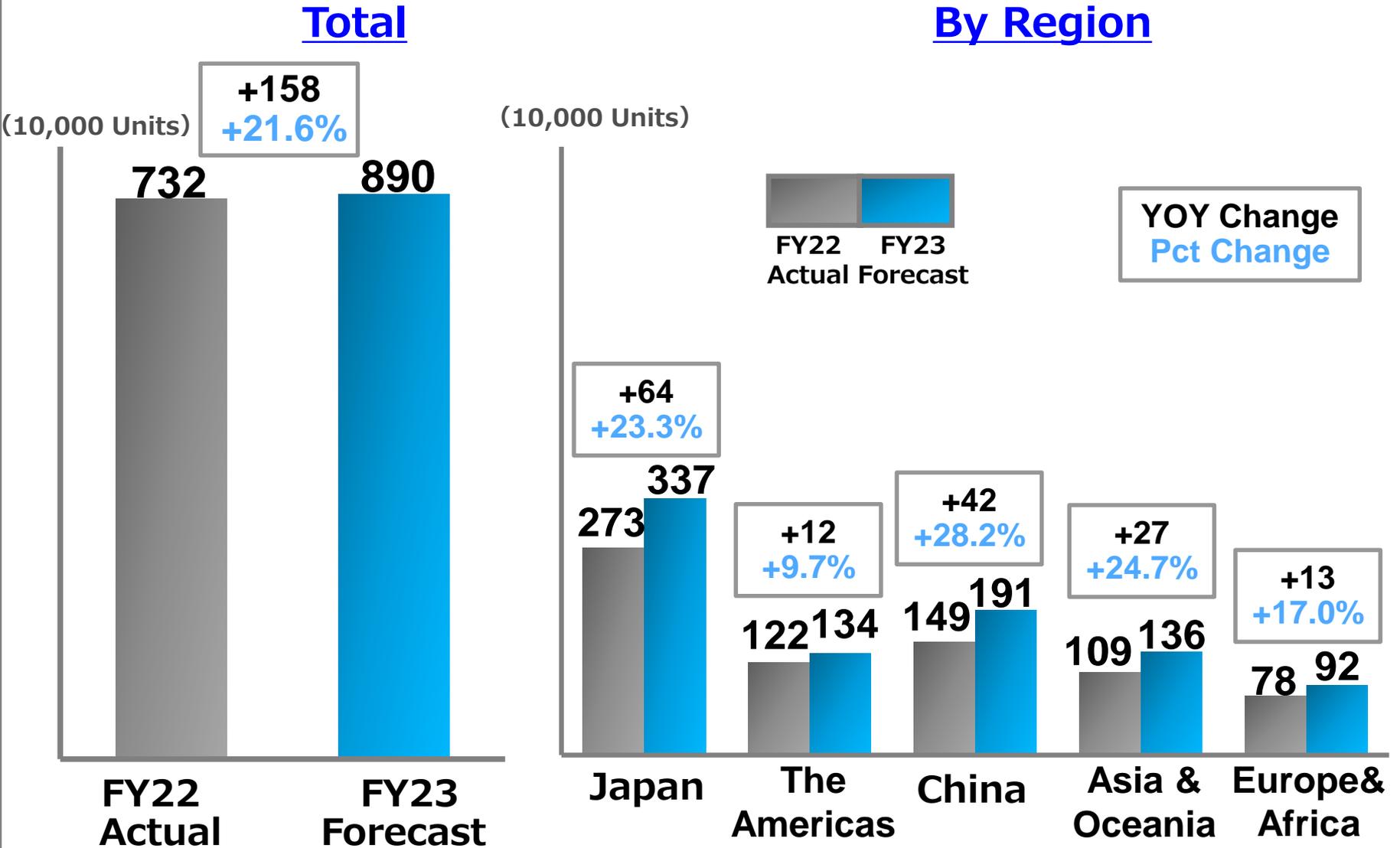
Operating Profit

Higher profits due to increased production, model change, and new product effects while implementing upfront investments for the future as well as material price and shipping increase

Script

- ◆ Sales revenue will increase by 148.5 billion yen to 1.57 trillion yen.
- ◆ Operating profit is prospected to increase by 17.7 billion yen to 78 billion yen year-over-year.
- ◆ Profit before income taxes will increase by 16.4 billion yen to 81 billion yen.
- ◆ Profit attributable to owners of the parent will increase by 12.7 billion yen to 52 billion yen.
- ◆ Assumed exchange rates are approximately 115 yen to the U.S. dollar, and 130 yen to the euro.

2-2) FY2023 Financial Forecasts **Seat Assembly Production by Region**



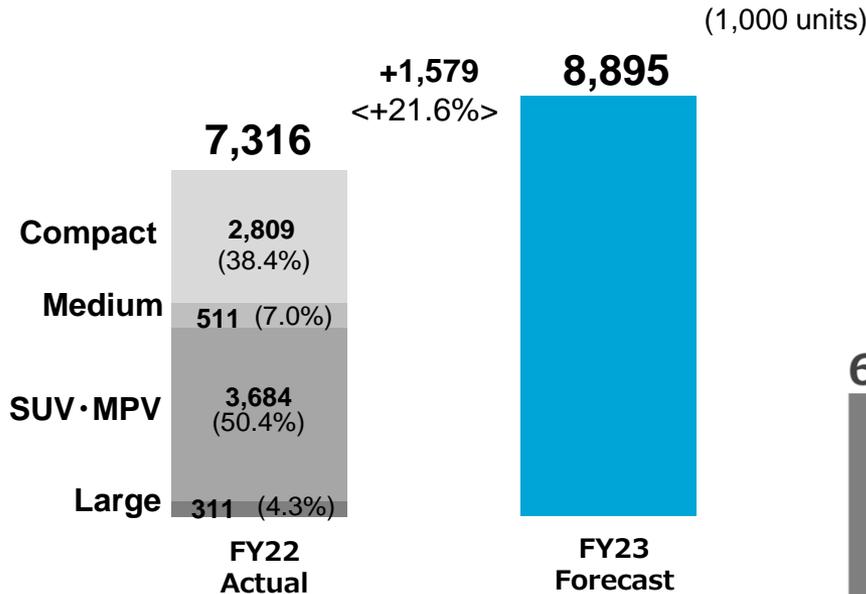
Script

- ◆ As for consolidated seat assembly volume, it will be 8.9 million units, increased by 1.58 million units compared to the previous year.
- ◆ Seat assembly volume by region is as shown. This will be explained in detail in later slides.

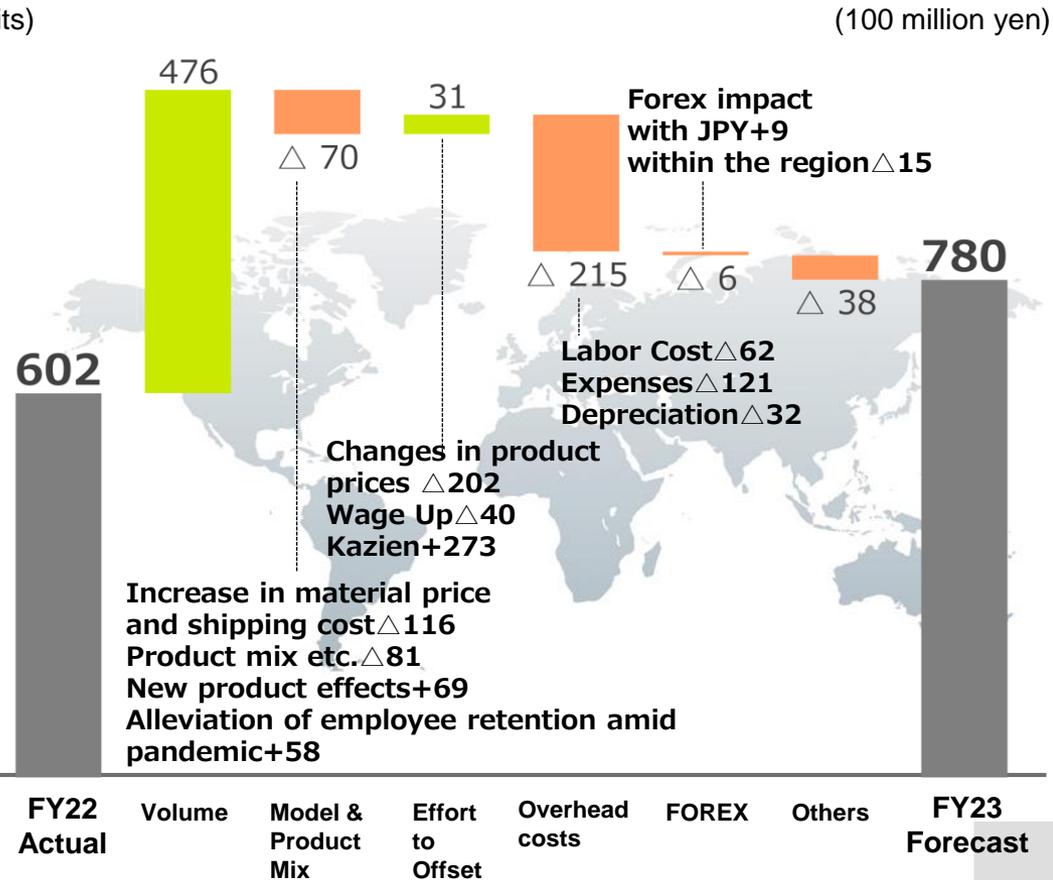
2-3) FY2023 Financial Forecasts Consolidated Revenue & Operating Profit

Higher profit due to production increase as well as new products effects from model changes despite negative impacts of upfront investments aimed at future growth in addition to material price and shipping increase

Volume & Model Mix



Operating Profit Variance Analysis



Profit & Loss (100 million yen)

	FY22 Actual	FY23 Forecast	YOY Change
Revenue	14,214	15,700	1,485
Operating Profit	602	780	177
Operating Profit Ratio	4.2%	5.0%	-

Script

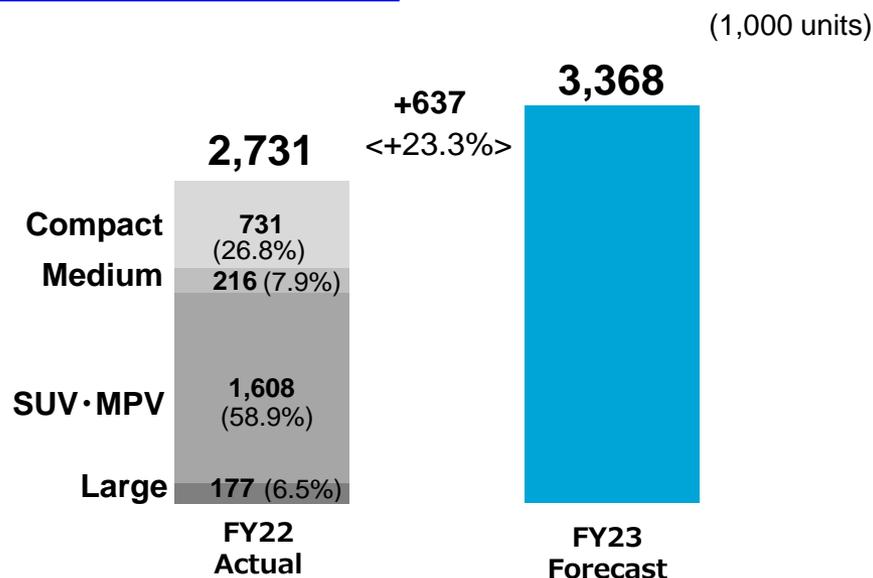
- ◆ Next, let me explain consolidated revenue & operating profit.
- ◆ Regarding Volume & Model Mix, since operation status remains uncertain, only volume will be revealed today.
Volume will be 8.9 million units, increased by 1.58 million units year-over-year.
- ◆ Sales revenue will be increased by 148.5 billion yen to 1.57 trillion yen.
- ◆ Operating profit is predicted to be 78 billion yen, increased by 17.7 billion yen thanks to production increase, as well as new product effects from model change and new product launch despite negative impacts of upfront investments aimed at future growth in addition to increase in material price and shipping costs.

2-4) FY2023 Financial Forecasts Revenue & Operating Profit by Region

Japan

Higher profit due to volume increase and new product effects despite increase in material price and increased expenses

Volume & Model Mix



Profit & Loss

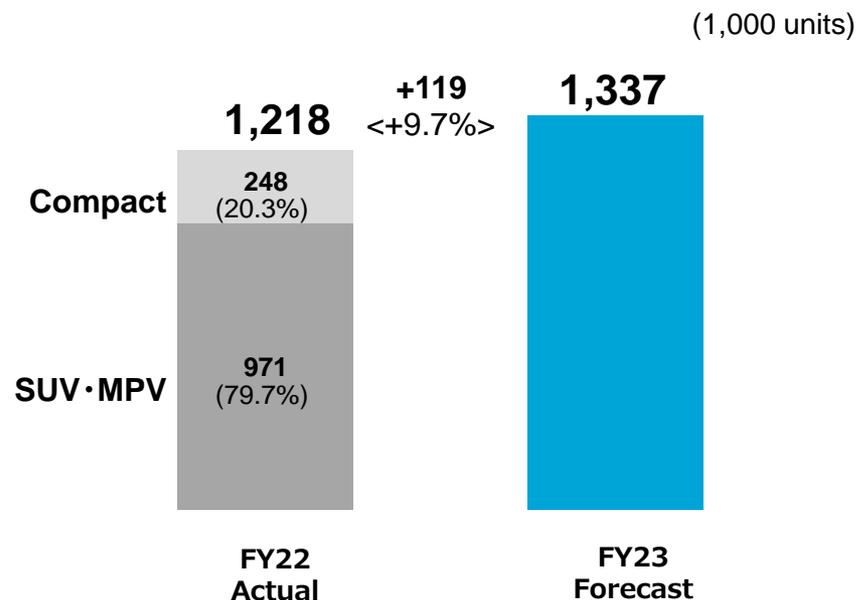
(100 million yen)

	FY22 Actual	FY23 Forecast	YoY Change
Revenue	7,006	7,500	493
Operating Profit	96	200	103
Operating Profit Ratio	1.4%	2.7%	-

The Americas

Higher profit due to volume increase despite negative effects of increase in material price, shipping cost, and expenses

Volume & Model Mix



Profit & Loss

(100 million yen)

	FY22 Actual	FY23 Forecast	YoY Change
Revenue	3,177	3,400	222
Operating Profit	29	50	20
Operating Profit Ratio	0.9%	1.5%	-

Script

- ◆ Next, let me explain financial forecast by regions.

First, regarding Japan,

Volume will decrease by 637k units to 3.37 million units year-over year.

- ◆ Sales revenue will increase by 49.3 billion yen to 750 billion yen.
- ◆ Operating profit, is prospected to increase by 10.3 billion yen to 20 billion yen due to volume increase and new product effects despite increase in material price and increased expenses.

- ◆ Next, The Americas,

Volume will increase by 119k units to 1.34 million units year-over year.

- ◆ Sales revenue will increase by 22.2 billion yen to 340 billion yen.
- ◆ Operating profit, is prospected to increase by 2.0 billion yen to 5.0 billion yen due to impacts of volume increase despite negative effects of increase in material prices, shipping cost and expenses.

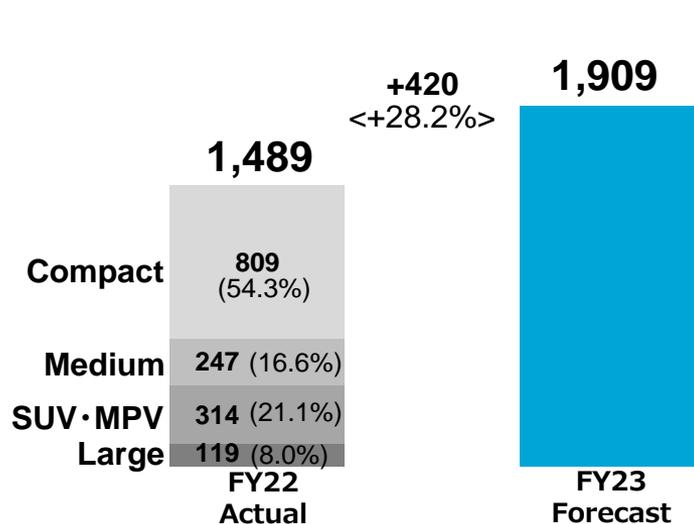
2-4) FY2023 Financial Forecasts Revenue & Operating Profit by Region

China

Higher profit due to production increase from new product launch despite negative impacts of increased overhead costs

Volume & Model Mix

(1,000 units)



Profit & Loss

(100 million yen)

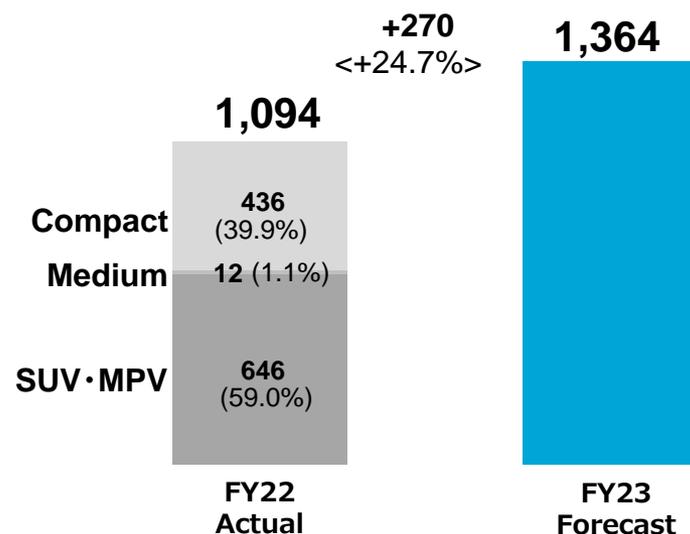
	FY22 Actual	FY23 Forecast	YOY Change
Revenue	2,121	2,700	578
Operating Profit	157	250	92
Operating Profit Ratio	7.4%	9.3%	—

Asia & Oceania

Lower profit due to change in product mix in addition to increase in start-up cost despite volume increase

Volume & Model Mix

(1,000 units)



Profit & Loss

(100 million yen)

	FY22 Actual	FY23 Forecast	YOY Change
Revenue	1,904	2,100	195
Operating Profit	267	240	△27
Operating Profit Ratio	14.0%	11.4%	—

Script

- ◆ Next, in China,
 - ◆ Volume will increase by 420k units to 1.91 million units year-over year.
 - ◆ Sales revenue will increase by 57.8 billion yen to 270 billion yen.
 - ◆ Operating profit, is prospected to increase by 9.2 billion yen to 25 billion yen thanks to production increase from new product launch despite negative impacts of increased overhead costs.

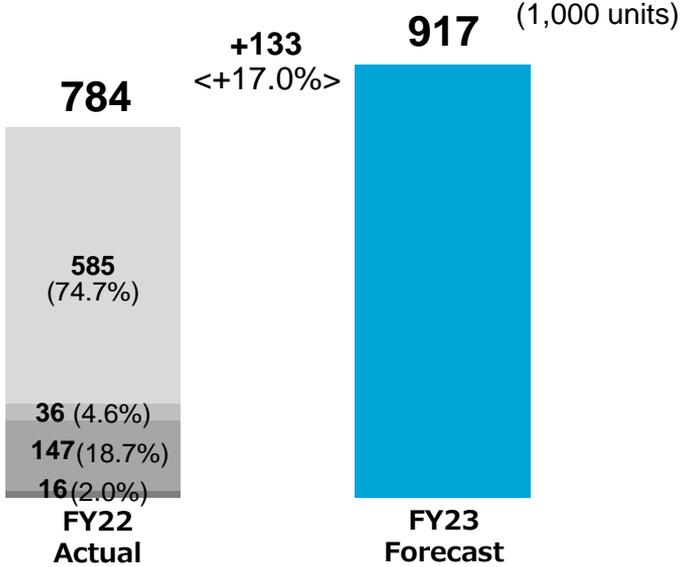
- ◆ Next, in Asia & Oceania,
 - ◆ Volume will increase by 270k units to 1.36 million units year-over year.
 - ◆ Sales revenue will increase by 19.5 billion yen to 210 billion yen.
 - ◆ Operating profit, is prospected to decrease by 2.7 billion yen to 24 billion yen due to change in product mix in addition to increase in start-up cost despite volume increase.

2-4) FY2023 Financial Forecasts Revenue & Operating Profit by Region

Europe & Africa

Lower profit considering factors as increase in material price and geopolitical risks despite higher volume

Volume & Model Mix



Profit & Loss

(100 million yen)

	FY22 Actual	FY23 Forecast	YOY Change
Revenue	962	1,100	137
Operating Profit	53	40	△13
Operating Profit Ratio	5.5%	3.6%	-

Script

- ◆ Next, in Europe & Africa,
- ◆ Volume will increase by 133k units to 917k units year-over year.
- ◆ Sales revenue will increase by 13.7 billion yen to 110 billion yen.
- ◆ Operating profit, is prospected to decrease by 1.3 billion yen to 4.0 billion yen considering factors as increase in material price and geopolitical risks despite higher production.

2-5) FY2023 Financial Forecasts 1st/2nd Half by Region

Revenue

(100 million yen)

	1st Half	2nd Half	Full Year
Japan	3,400	4,100	7,500
The Americas	1,700	1,700	3,400
China	1,300	1,400	2,700
Asia & Oceania	1,000	1,100	2,100
Europe & Africa	500	600	1,100
Consolidated Total	7,400	8,300	15,700

Operating Profit

(100 million yen)

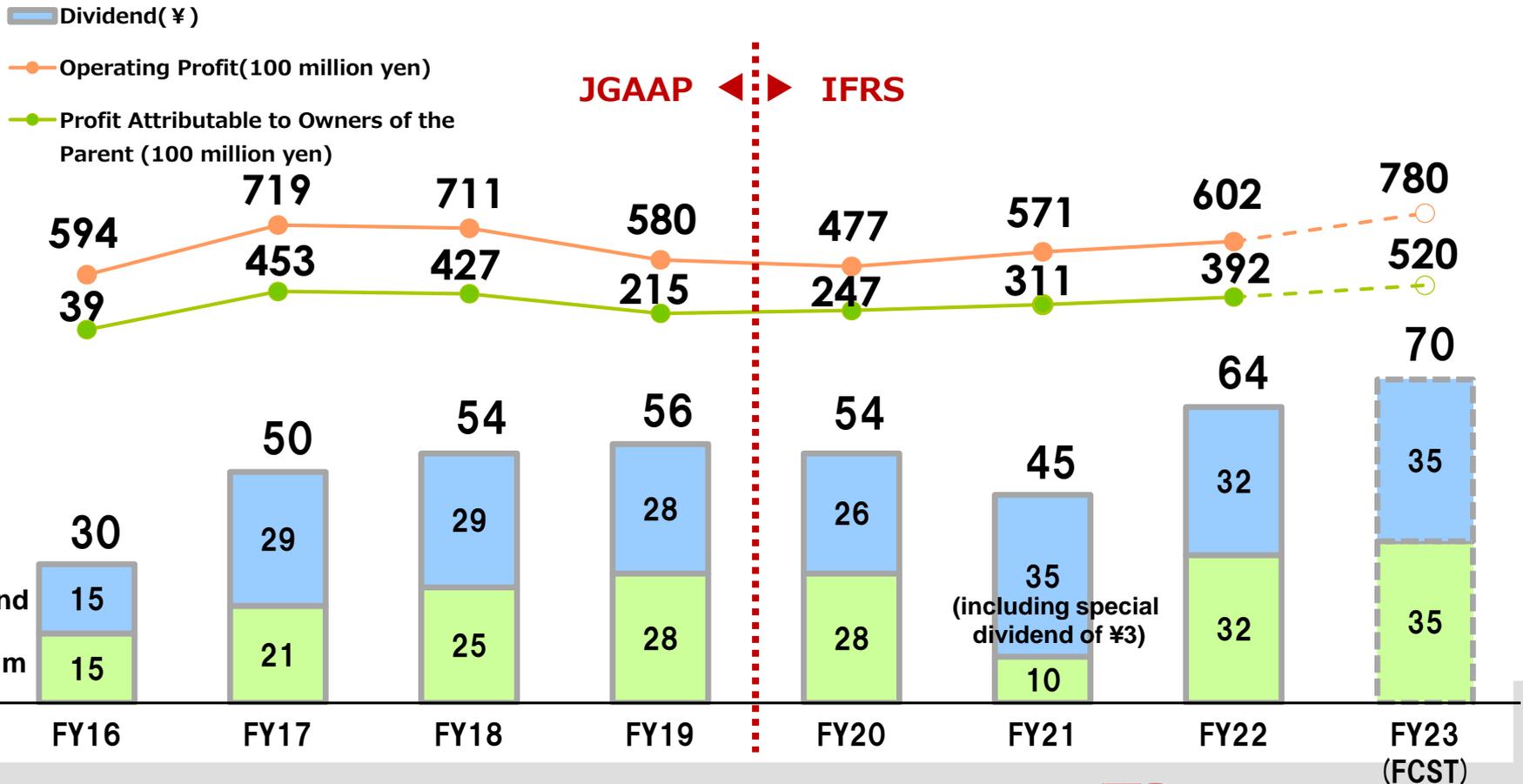
	1st Half		2nd Half		Full Year	
Japan	40	1.2%	160	3.9%	200	2.7%
The Americas	30	1.8%	20	1.2%	50	1.5%
China	120	9.2%	130	9.3%	250	9.3%
Asia & Oceania	110	11.0%	130	11.8%	240	11.4%
Europe & Africa	10	2.0%	30	5.0%	40	3.6%
Consolidated Total	310	4.2%	470	5.7%	780	5.0%

◆ Financial Forecasts by Half Year is as shown.

2-6) FY2023 Financial Forecasts Returning to Shareholders

- For FY22, annual payout is ¥64 as announced previously
- For FY23, annual dividends plan is ¥70, increased by ¥6 compared to the previous year, which will be determined to based on comprehensive evaluation of future forecasts

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



Script

◆ Next, on returning to shareholders,

For FY22, the annual amount of dividends is ¥64 as announced previously.

For FY23, our annual dividends plan is ¥ 70, increased by ¥6 compared to the previous year.

It will be determined based on comprehensive evaluation of consolidated financial results to keep long-term sustainable dividends.

2-8) Concluding FY2022 Financial Results

【FY22】

- **Achieved previously announced target** thanks to **new product effects** and **company-wide efforts to secure profit** despite negative impacts of changes in the external environment such as demand fluctuations and material price increase.

【FY23】

- Aim to “**secure profit for the upcoming years**” and “**invest for the future growth**” at the same time while flexibly responding to **changes in the external environment** such as customer’s production fluctuation or material price and shipping cost increase.
- However, **production volume still remains uncertain** due to long-term covid-19 impacts, parts supply issues and unstable social situation. Therefore, a close eye will be kept on customer demands and financial forecast will be updated if necessary.

Script

- ◆ Lastly, I'd like to conclude this FY 2022 Financial Results.
- ◆ In the FY22, operating profit resulted as previously announced thanks to company-wide efforts to secure profit as well as new product effects despite negative impacts of external environmental change such as production variation due to global parts supply issues and increase in material price.
- ◆ For FY23, it is aimed to “secure profit for the upcoming years” and “invest for the future growth” at the same time while flexibly responding to changes in the external environment such as customer’s production fluctuation or material price and shipping cost increase.
- ◆ However, production volume still remains uncertain due to long-term covid-19 impacts, parts supply issues and unstable social situation. Therefore, a close eye will be kept on customer demands and financial forecast will be updated if necessary.

Script

- ◆ That would be all for financial results of the fiscal year 2022.
- ◆ Thank you for listening.

Financial Results

1. FY2022 Financial Results

2. FY2023 Financial Forecasts

3. Appendix

Appendix1) Status of the Consolidated Statement of Financial Position (Mar.31, 2022)

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

Current assets

506.8billion yen

614.3billion yen

- increase in operating receivables from higher sales

+1074

Liabilities

476.1billion yen

540.9billion yen

- increase in operating payables due to production increase

+647

Assets

964.7billion yen
(the previous year end: 845.7 billion yen)

Non-current assets

338.9billion yen

350.4billion yen

- increase in property, plant and equipment

+114

Equity

369.6billion yen

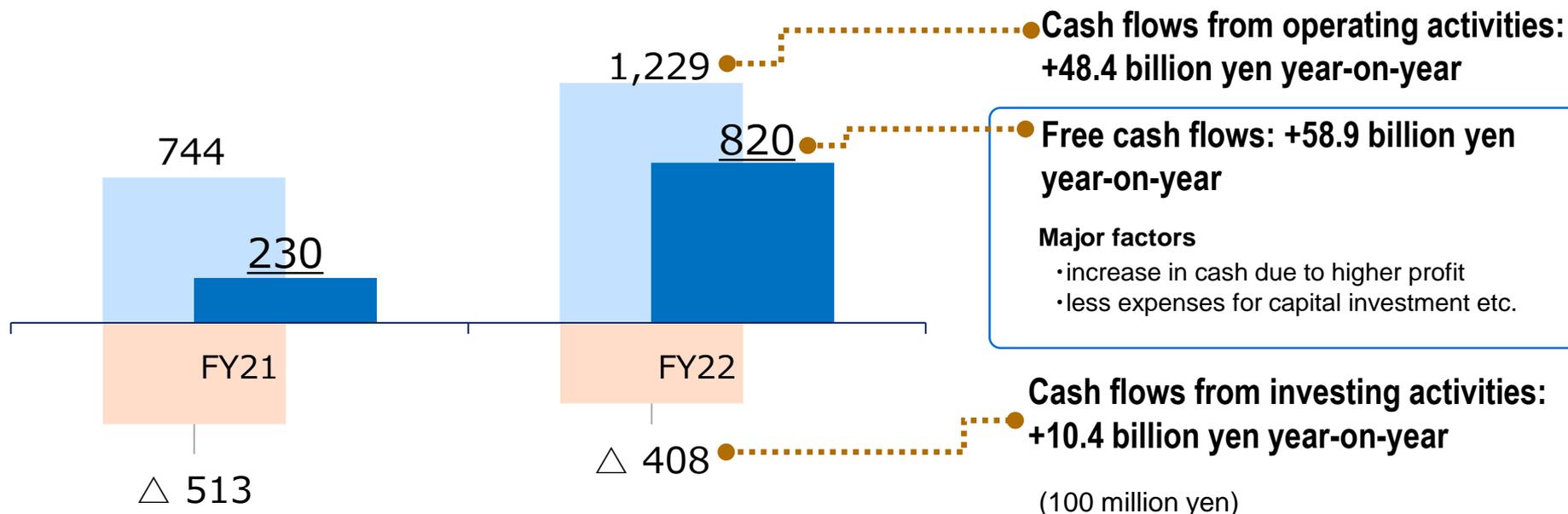
423.8billion yen

Total equity attribute to owners of the parent
39.6%

+541

40.0%

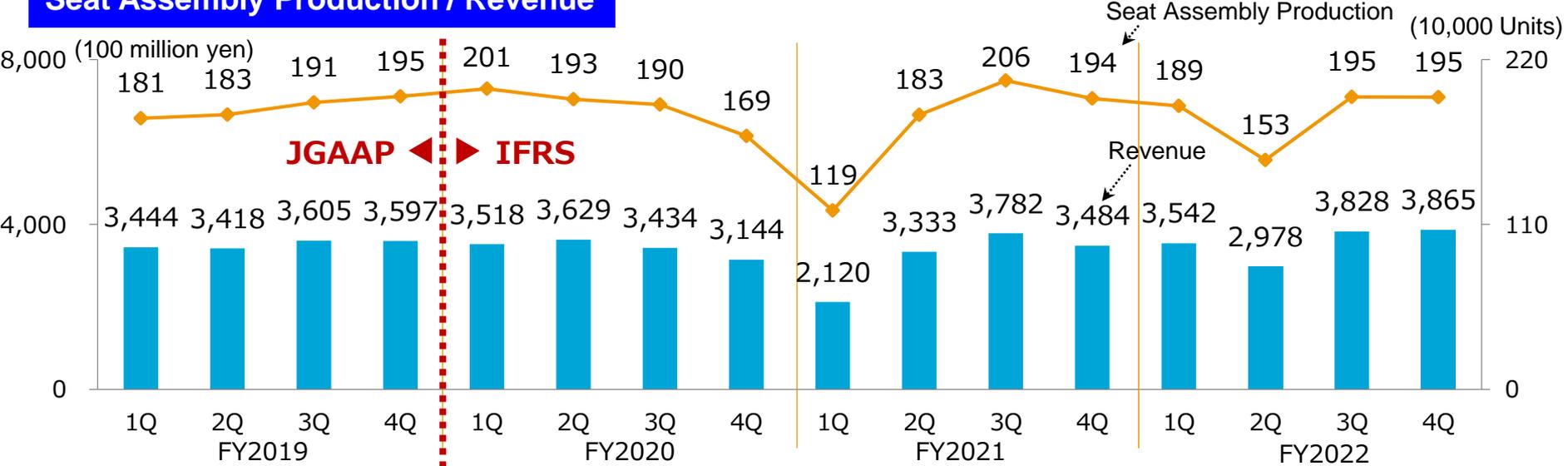
Appendix2) Consolidated Cash Flows



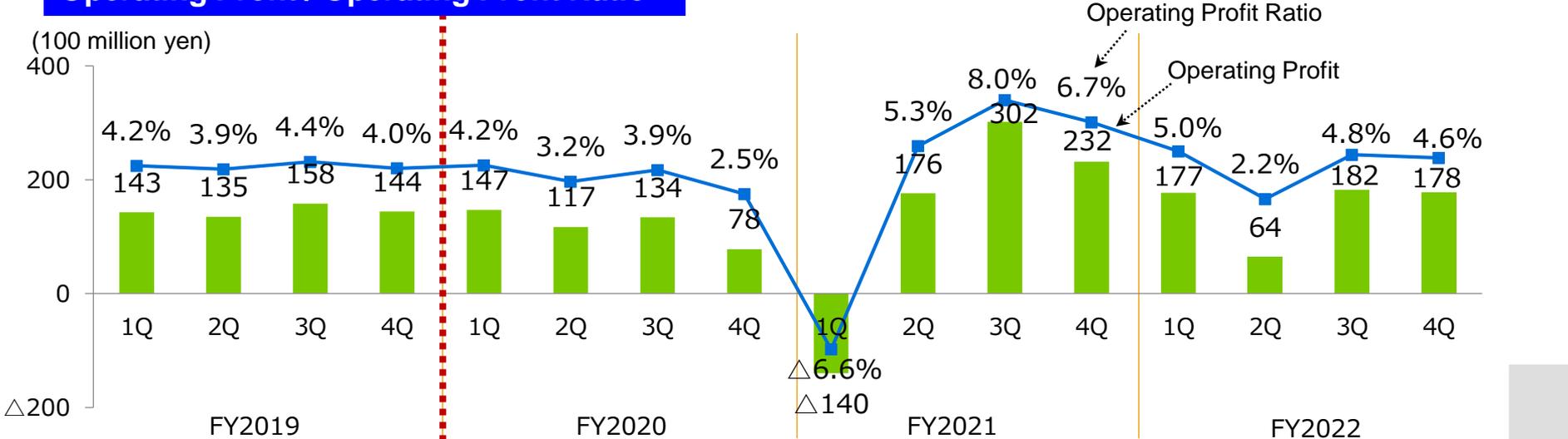
	FY21	FY22	Change
Cash flows from operating activities	744	1,229	484
Cash flows from investing activities	△ 513	△ 408	104
Free cash flows	230	820	589
Cash flows from financial activities	27	△ 486	△ 514
Impact of foreign exchange	59	93	34
Change in cash and cash equivalents	318	427	109
Balance of cash and cash equivalents	1,951	2,379	427

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

Seat Assembly Production / Revenue

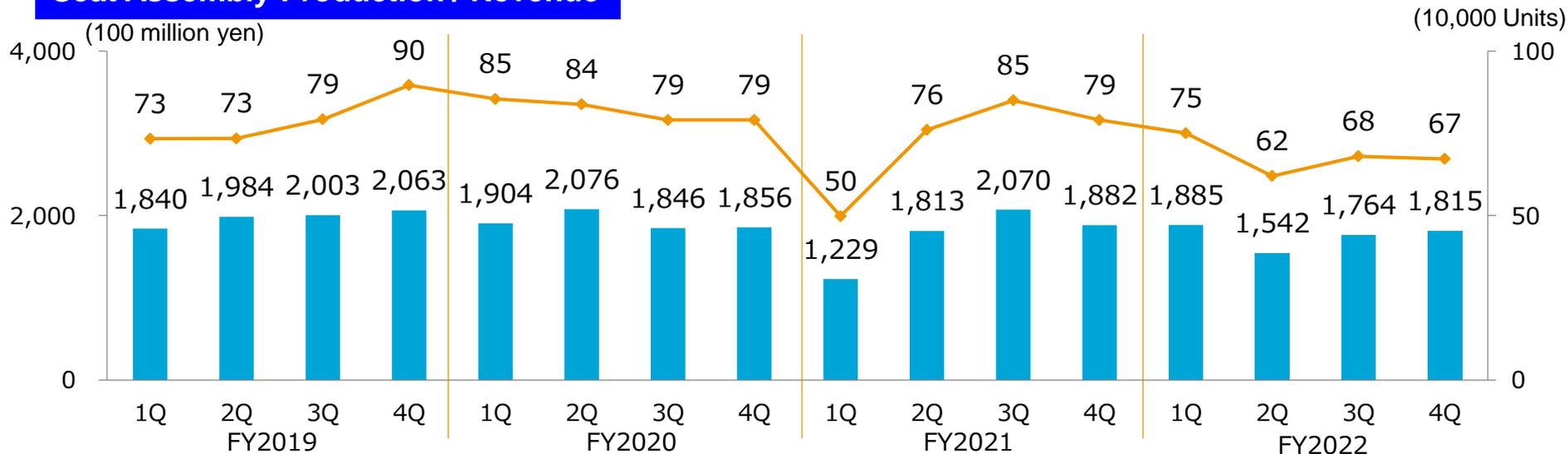


Operating Profit / Operating Profit Ratio

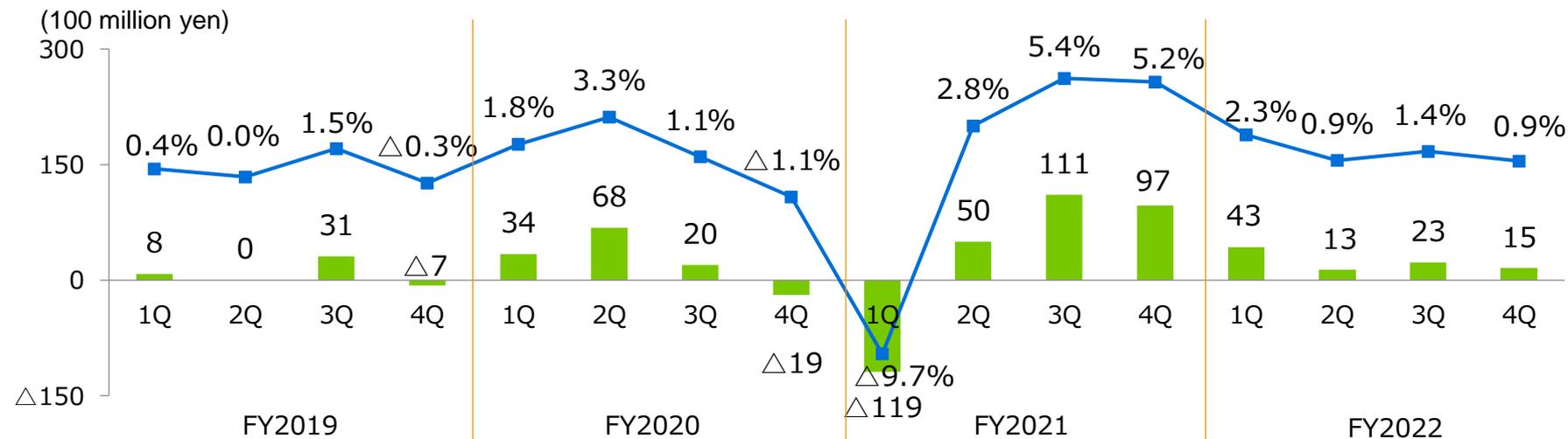


Appendix4) Quarterly Trends: Japan volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue

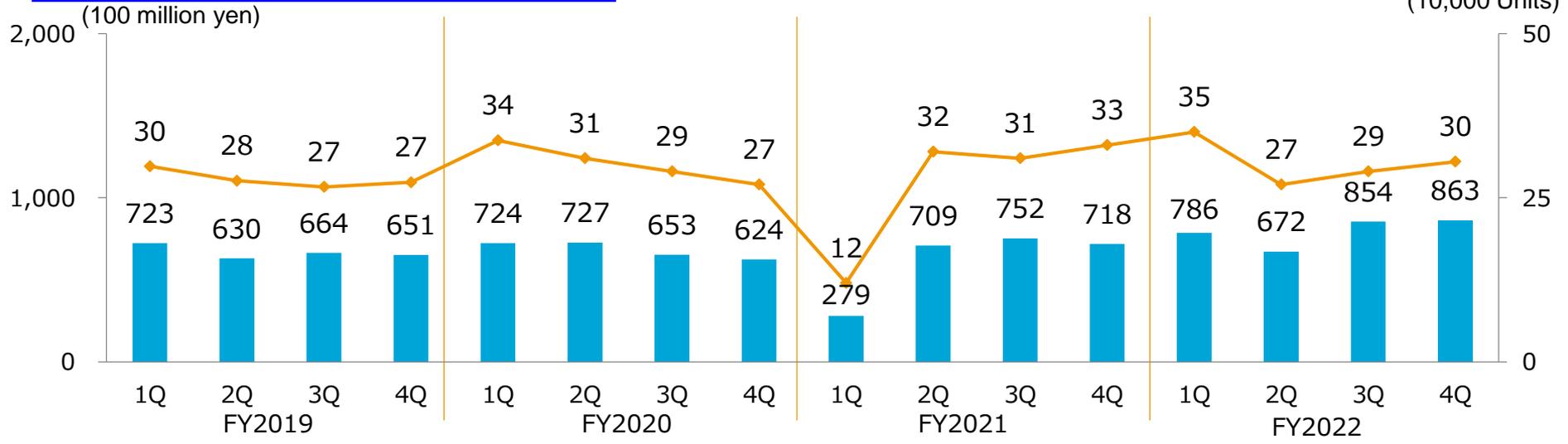


Operating Profit / Operating Profit Ratio

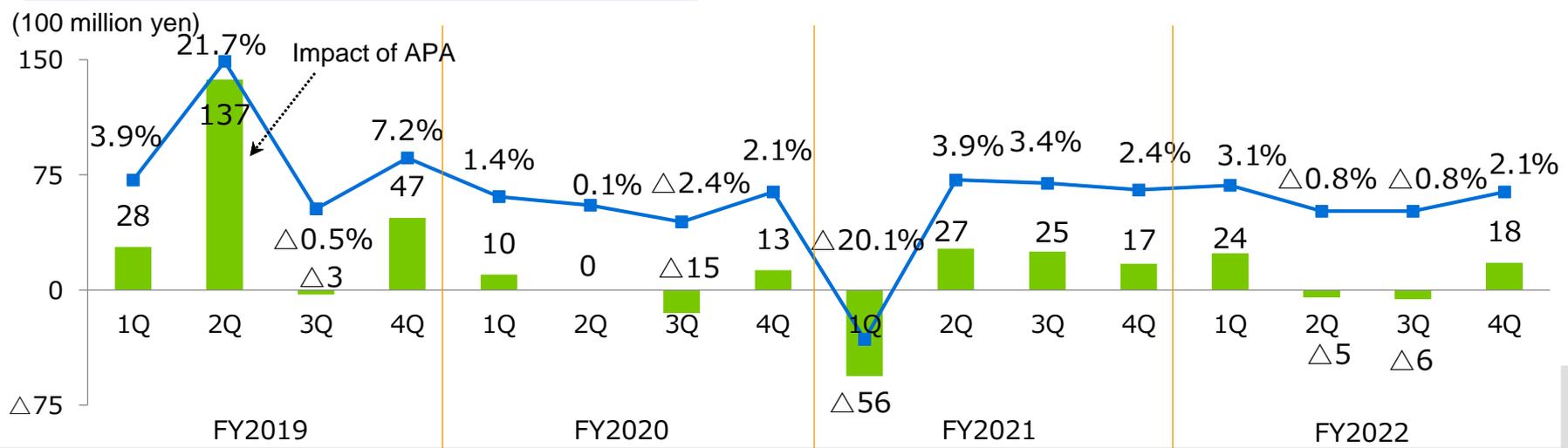


Appendix5) Quarterly Trends: The Americas volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue

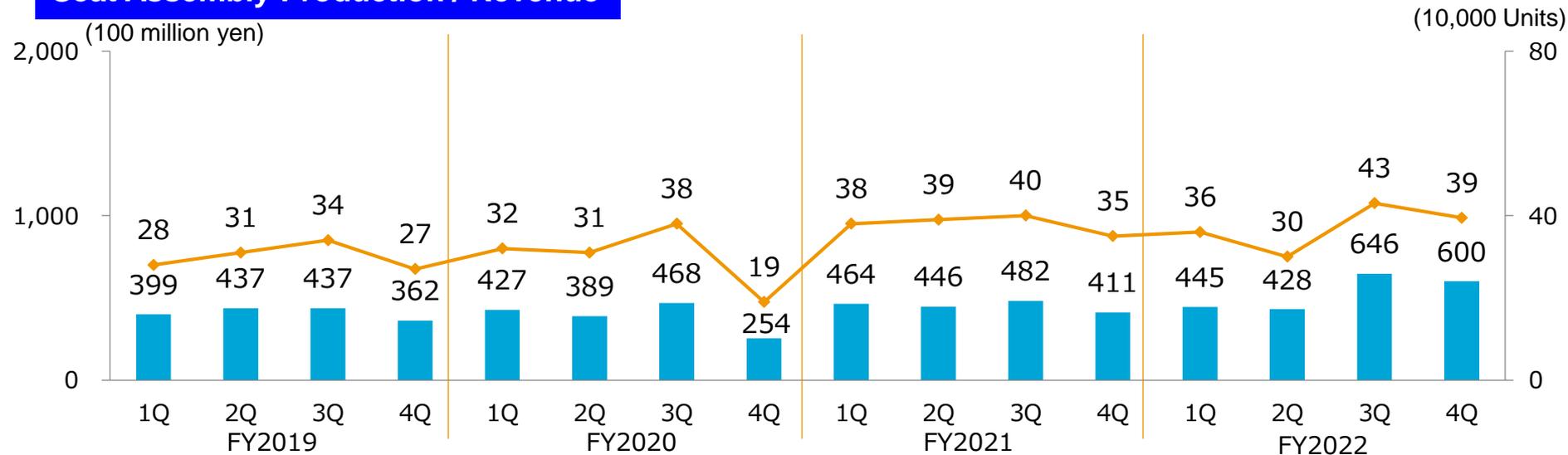


Operating Profit / Operating Profit Ratio

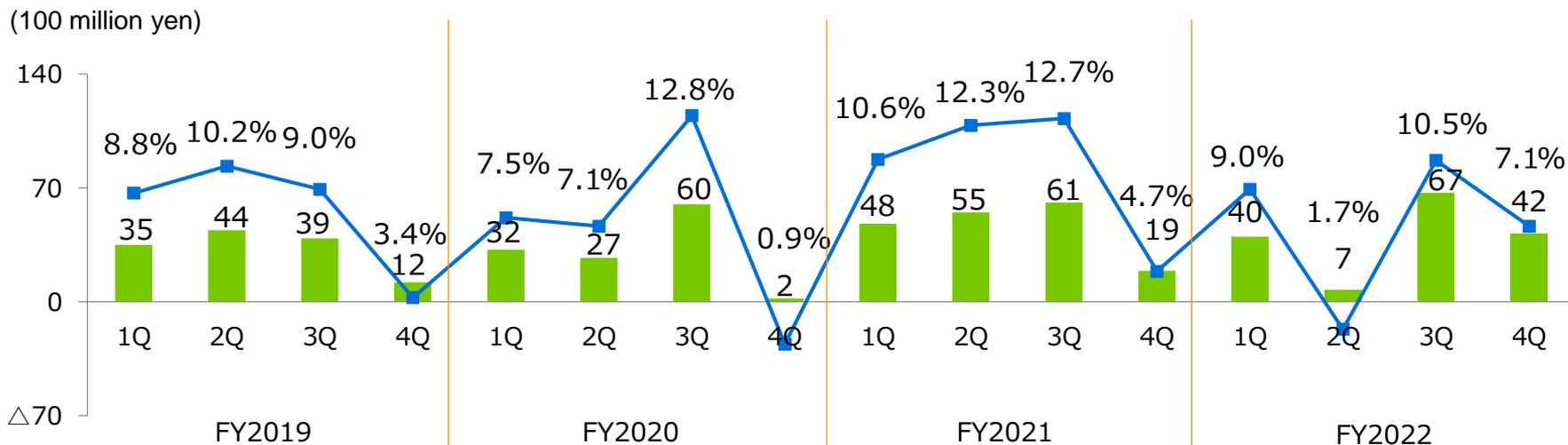


Appendix6) Quarterly Trends: China volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue

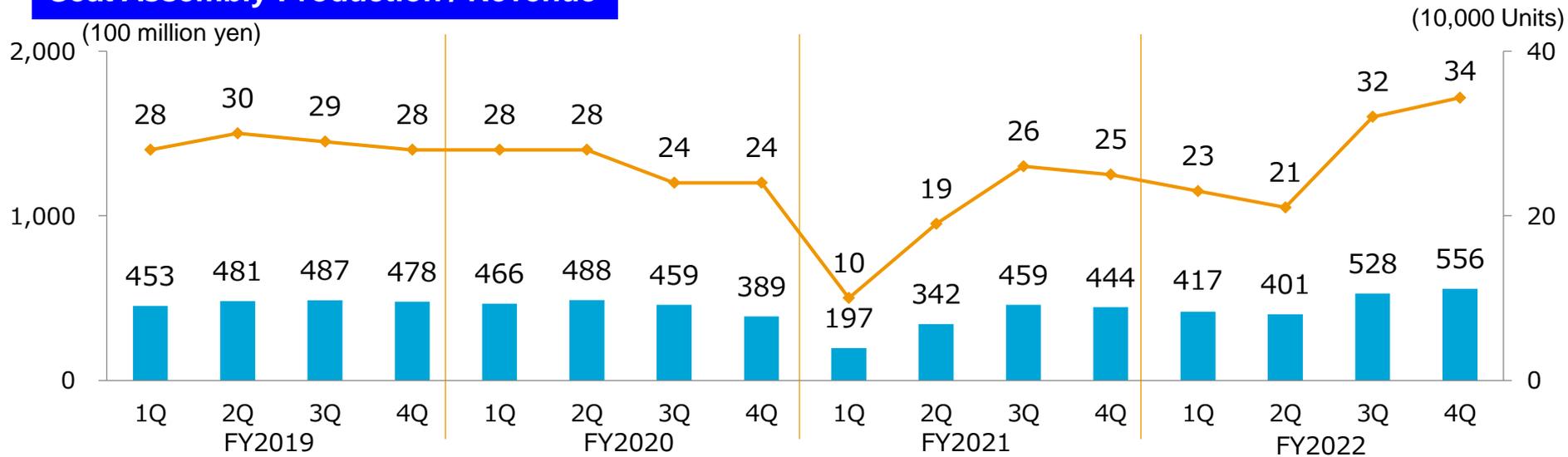


Operating Profit / Operating Profit Ratio

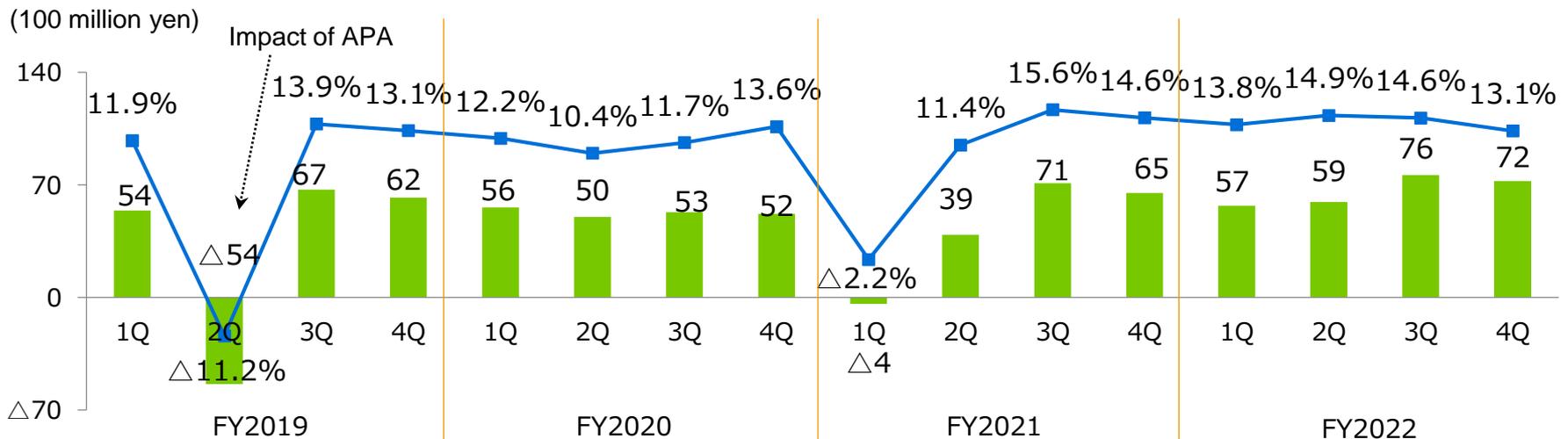


Appendix7) Quarterly Trends: Asia & Oceania volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue

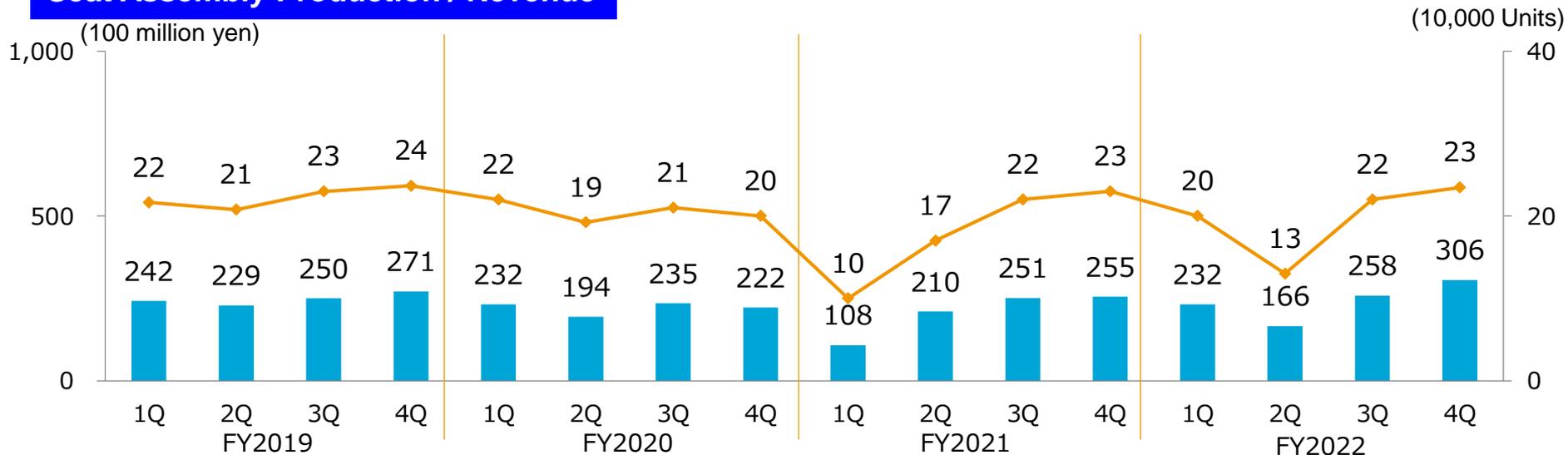


Operating Profit / Operating Profit Ratio

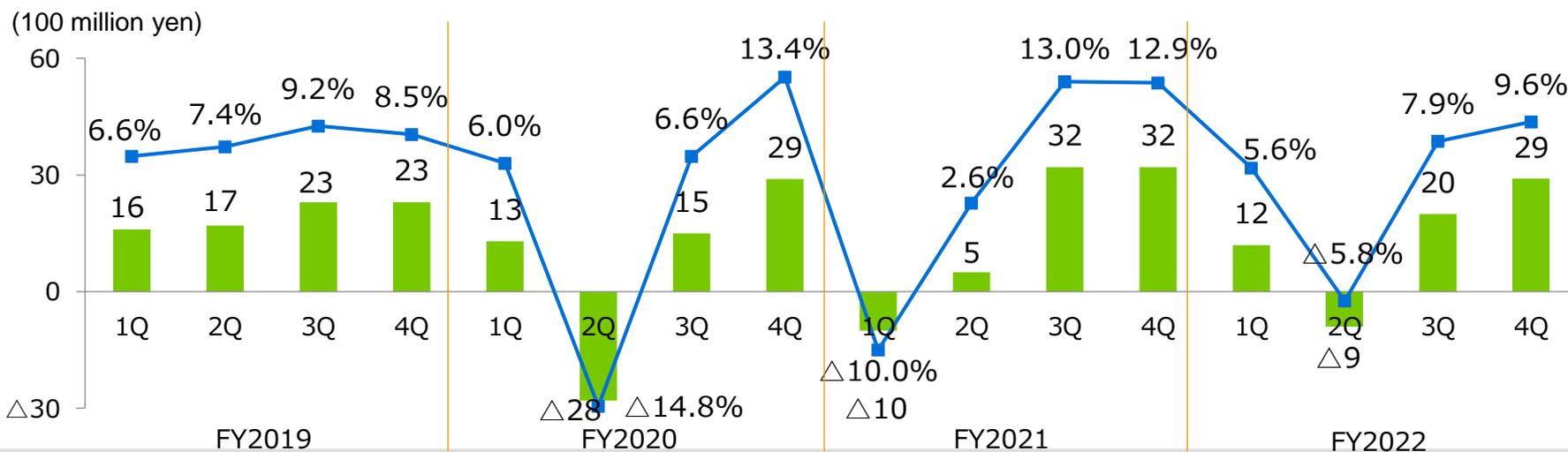


Appendix8) Quarterly Trends: Europe & Africa volume, revenue, operating profit, operating profit ratio

Seat Assembly Production / Revenue



Operating Profit / Operating Profit Ratio



Appendix9) Revenue by Business

(100 million yen)

	FY21 Actual		FY22 Actual		YOY Change	
	Amount	%	Amount	%	Amount	%
Seats	9,322	73.3%	10,511	73.9%	1,189	12.8%
Interior & Exterior	2,505	19.7%	2,727	19.2%	222	8.9%
Unit Components	893	7.0%	975	6.9%	82	9.2%
Total	12,721	100.0%	14,214	100.0%	1,493	11.7%



<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