



**TOYOTA BOSHOKU**

**TSE Prime Market Securities Code 3116**

**FY2025 (ending March 2025)**

# **2nd Quarter Financial Results**

---

**Date: October 31st, 2024**

# Contents

**1. 2nd Quarter FY2025 Financial Results**

**2. FY2025 Financial Forecasts**

**3. Appendix**

# Contents

## **1. 2nd Quarter FY2025 Financial Results**

## 2. FY2025 Financial Forecasts

## 3. Appendix

# Script

- ◆ Thank you for attending our FY2025 2nd quarter financial results briefing during a busy time today.
- ◆ Firstly, I would like to present the financial results for the 2nd quarter of the fiscal year 2025, followed by our full year forecasts for FY2025.
- ◆ Now, let's begin by reviewing our financial results for the 2nd quarter.

# 1-1) 2nd Quarter FY2025 Financial Results Overview of Consolidated Financial Results

(100 million yen)

	2Q FY2024		2Q FY2025		YOY Change	
Revenue	9,640	100.0%	9,481	100.0%	△158	△1.6%
Operating Profit	495	5.1%	338	3.6%	△157	△31.8%
Profit before income taxes	550	5.7%	329	3.5%	△221	△40.2%
Profit*	289	3.0%	135	1.4%	△154	△53.3%

\*Profit Attributable to Owners of the Parent

Earnings per share	154.93 yen		75.68 yen		-
Foreign Exchange Rate	USD	141 yen	153 yen	+ 12 yen	
	EUR	153 yen	166 yen	+ 13 yen	

## Revenue

Revenue decreased due to global decrease in volume despite favorable impacts from foreign exchange rate.

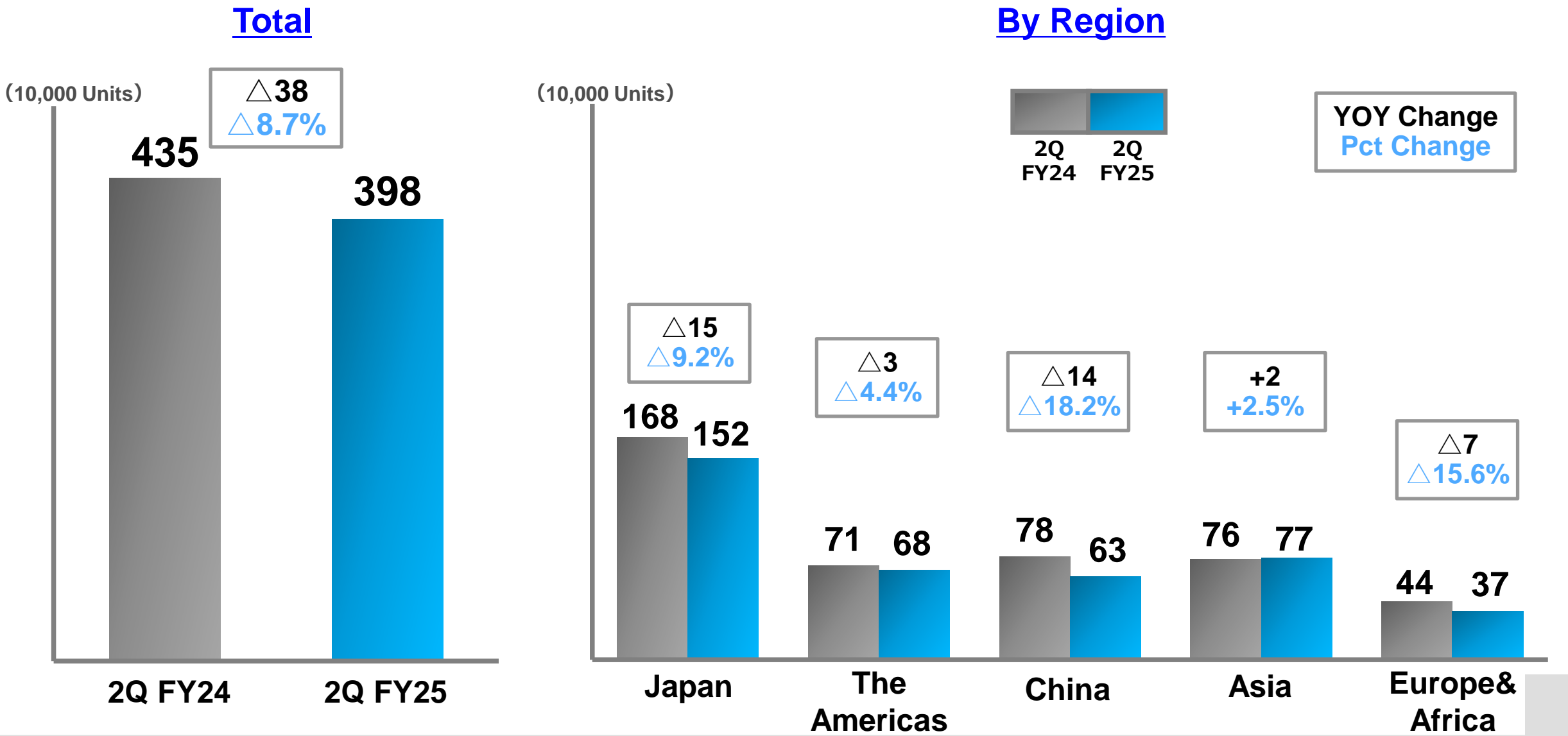
## Operating Profit

Profit decreased due to strategic human capital investments for the future and increased overhead costs in addition to a decrease in volume, despite the impact of new products, cost reduction and foreign exchange rate.

# Script

- ◆ Sales revenue decreased by 15.8 billion yen to 948.1 billion yen.
- ◆ Operating profit decreased by 15.7 billion yen to 33.8 billion yen.
- ◆ Profit before income taxes decreased by 22.1 billion yen to 32.9 billion yen.
- ◆ Profit attributable to owners of the parent decreased by 15.4 billion yen to 13.5 billion yen, year-over-year.
- ◆ Exchange rates are approximately 153 yen to the U.S. dollar and 166 yen to the Euro. The exchange gain was 39.0 billion yen for revenue and 4.0 billion yen for operating profit year-over-year.

# 1-2) 2nd Quarter FY2025 Financial Results Seat Production by Region



# Script

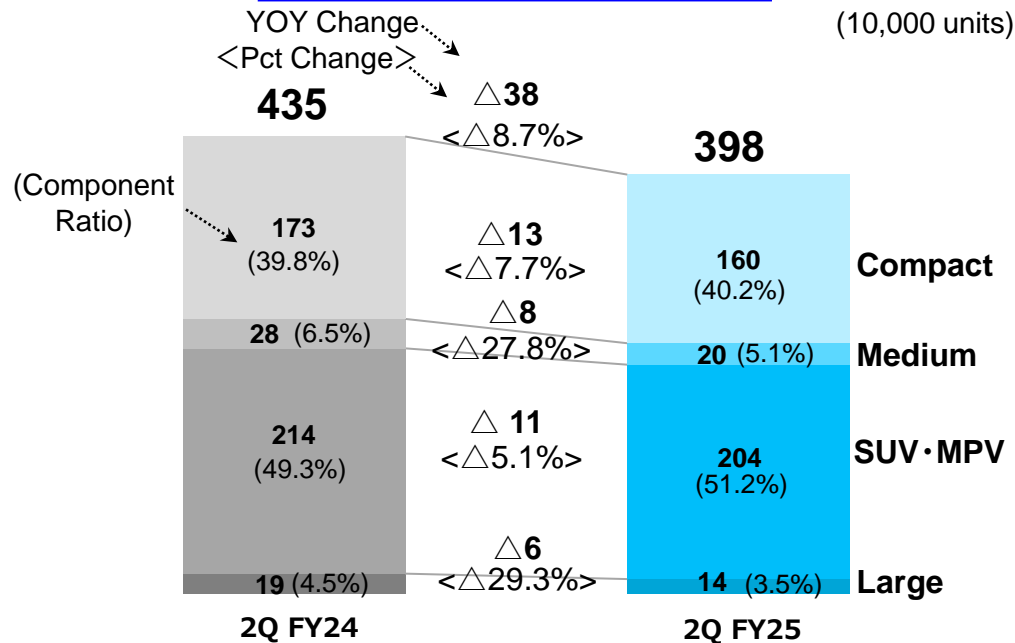
- ◆ Next, the consolidated seat assembly volume, the main product of the company, totaled 3.98 million units, a decrease of 0.38 million units compared to the previous year.
- ◆ The seat assembly volume by region is as shown. This will be explained in detail in later slides.



# 1-3) 2nd Quarter FY2025 Financial Results Consolidated Revenue & Operating Profit

Profit decreased due to strategic human capital investments for the future, increased overhead costs in addition to volume decrease, despite the impact of new products, cost reduction, and foreign exchange rate

## Volume & Model Mix



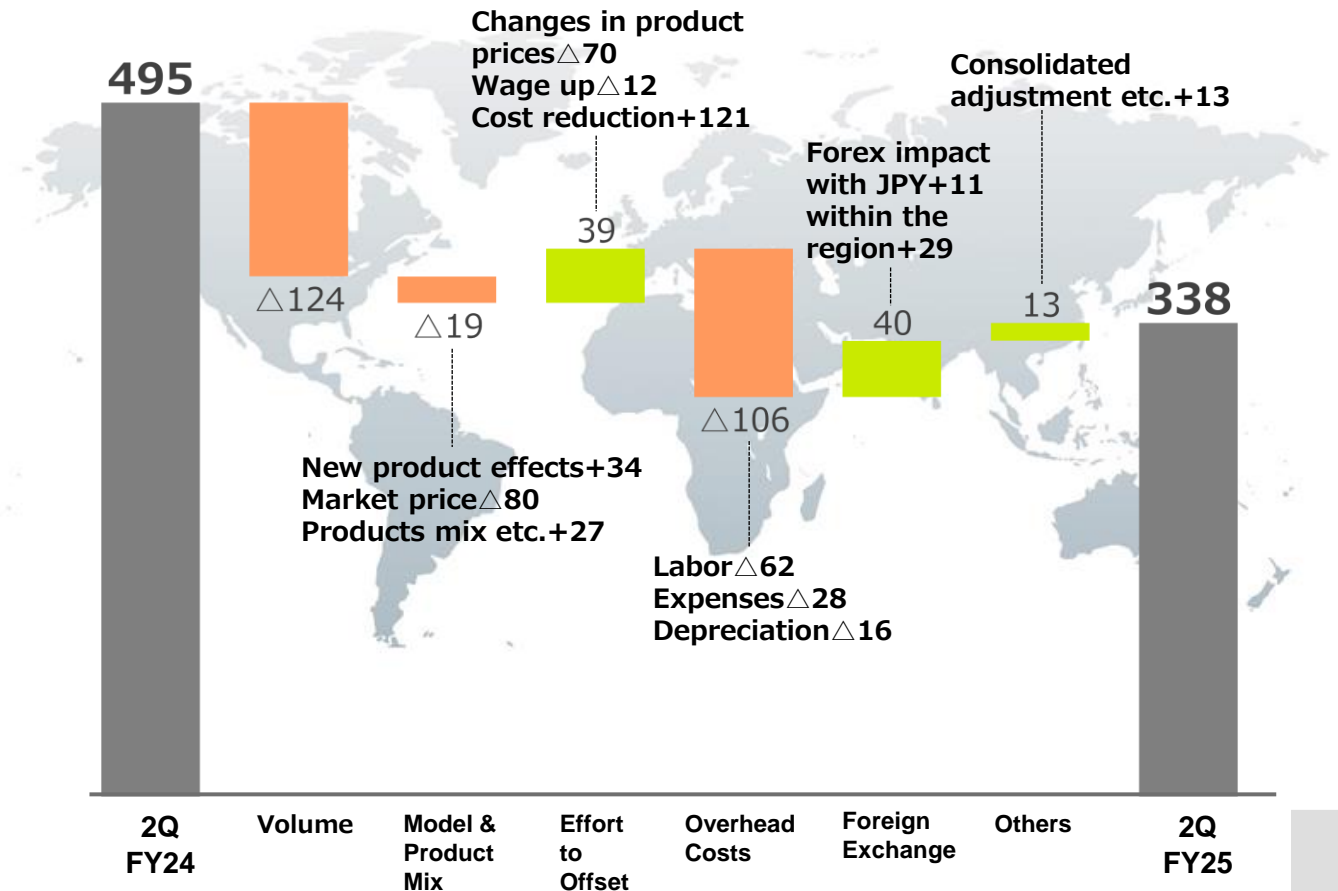
## Profit & Loss

(100 million yen)

	2Q FY24	2Q FY25	YOYChange
Revenue	9,640	9,481	△ 158
Operating Profit	495	338	△ 157
Operating Profit Ratio	5.1%	3.6%	—

## Operating Profit Variance Analysis

(100 million yen)



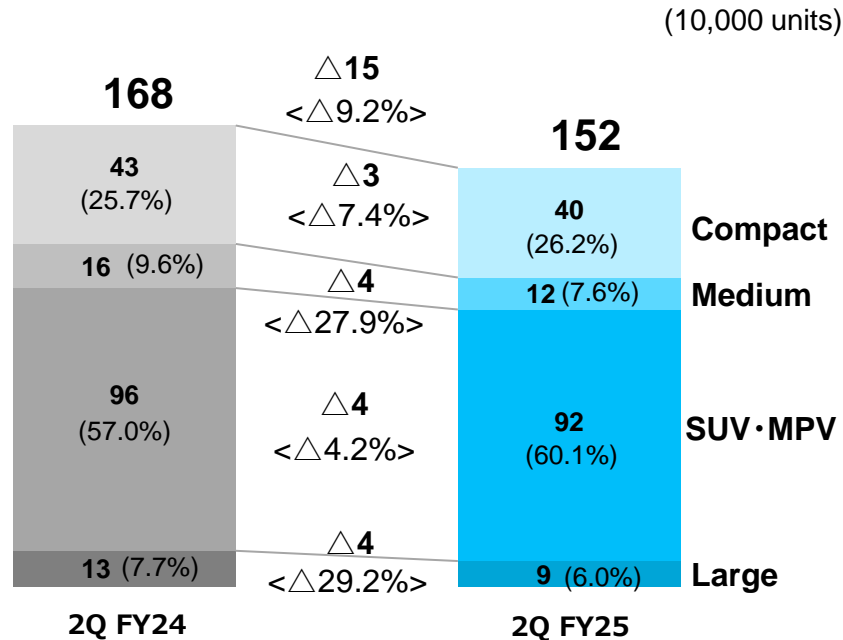
# Script

- ◆ Next, let me move on to consolidated revenue & operating profit.
- ◆ Volume decreased by 0.38 million units to 3.98 million units.
- ◆ Sales revenue decreased by 15.8 billion yen to 948.1 billion yen.
- ◆ Operating profit decreased by 15.7 billion yen to 33.8 billion yen due to strategic human capital investments for the future and increased overhead costs in addition to volume decrease, despite the impact of new products, cost reduction and foreign exchange rate.

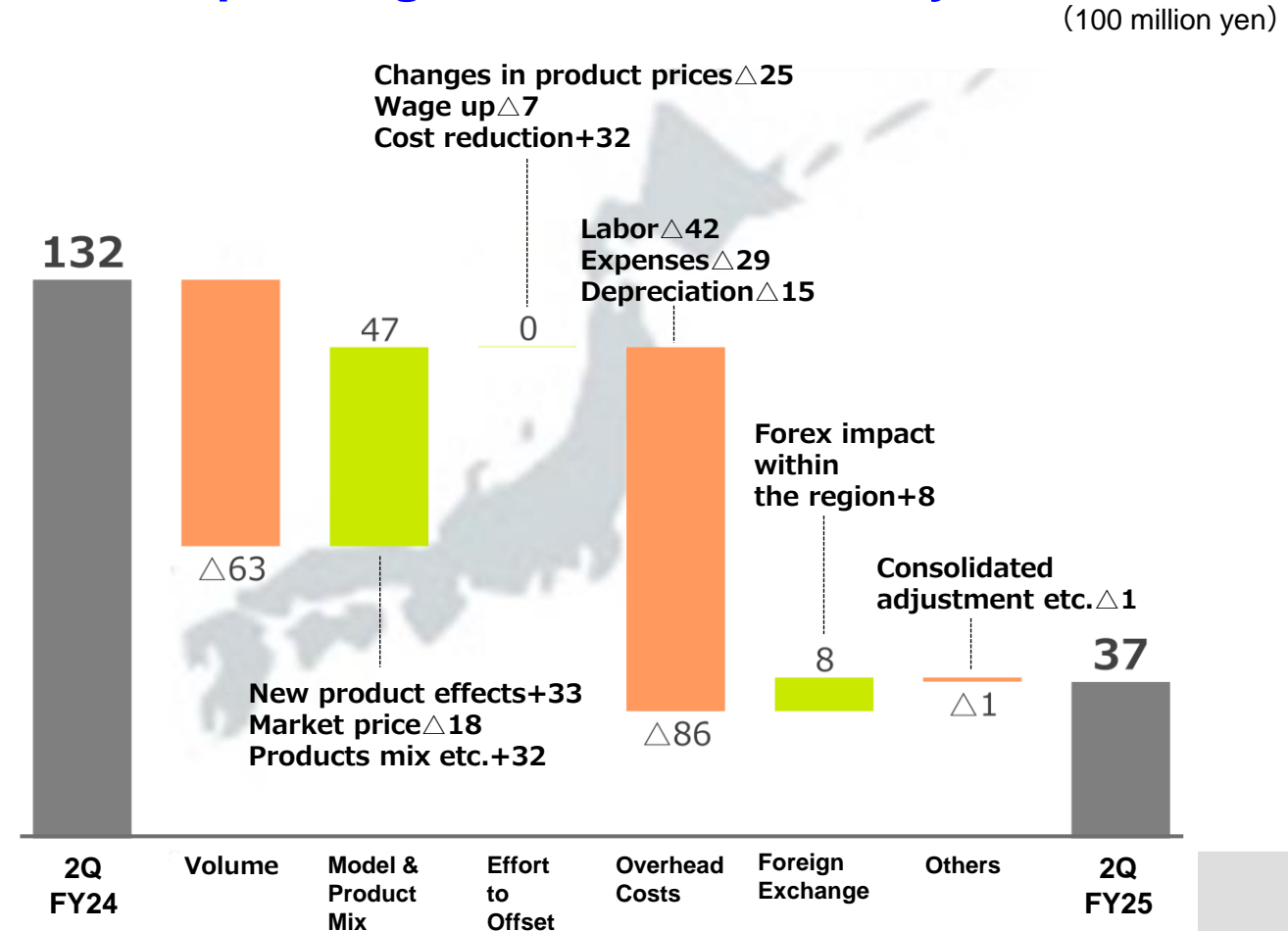
# 1-3) 2nd Quarter FY2025 Financial Results Japan Revenue & Operating Profit

Profit decreased as volume decreased due to quality confirmation at customers' sites in addition to strategic human capital investments for the future and an increased overhead costs despite new product effects and changes in the vehicle mix

## Volume & Model Mix



## Operating Profit Variance Analysis



## Profit & Loss

(100 million yen)

	2Q FY24	2Q FY25	YOYChange
Revenue	4,624	4,530	△ 94
Operating Profit	132	37	△ 95
Operating Profit Ratio	2.9%	0.8%	—

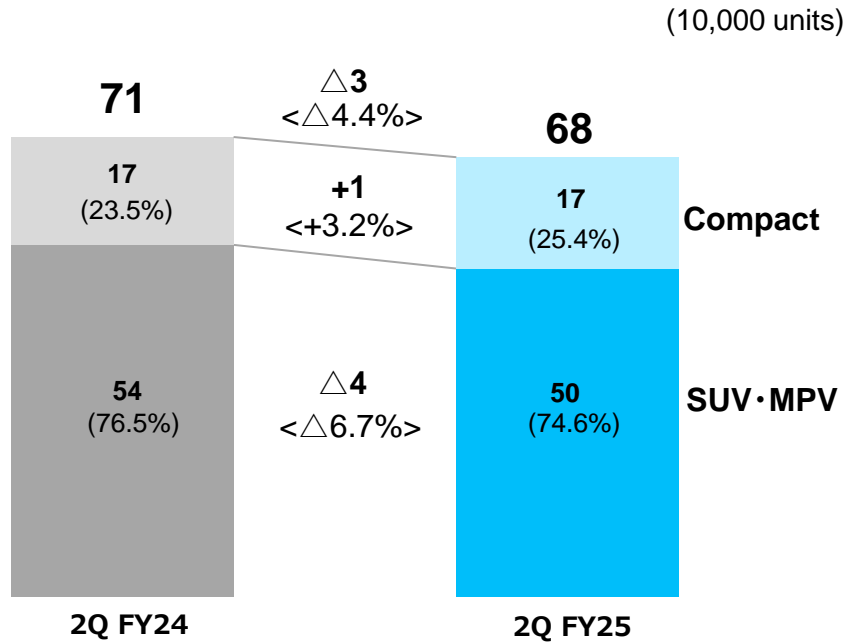
# Script

- ◆Next, in Japan, year-over-year,
- ◆Volume decreased by 150k units to 1.52 million units.
- ◆Sales revenue decreased by 9.4 billion yen to 453.0 billion yen.
- ◆Operating profit decreased by 9.5 billion yen to 3.7 billion yen  
as volume decreased due to quality confirmation at customers' sites  
in addition to strategic human capital investments for the future  
and increased overhead costs  
despite new product effects and change in the vehicle mix.

# 1-3) 2nd Quarter FY2025 Financial Results The Americas Revenue & Operating Profit

Profit decreased due to a decline in volume caused by the impact of shutdown at the customer's site and an increase in market prices despite changes in the vehicle mix and cost reduction

## Volume & Model Mix

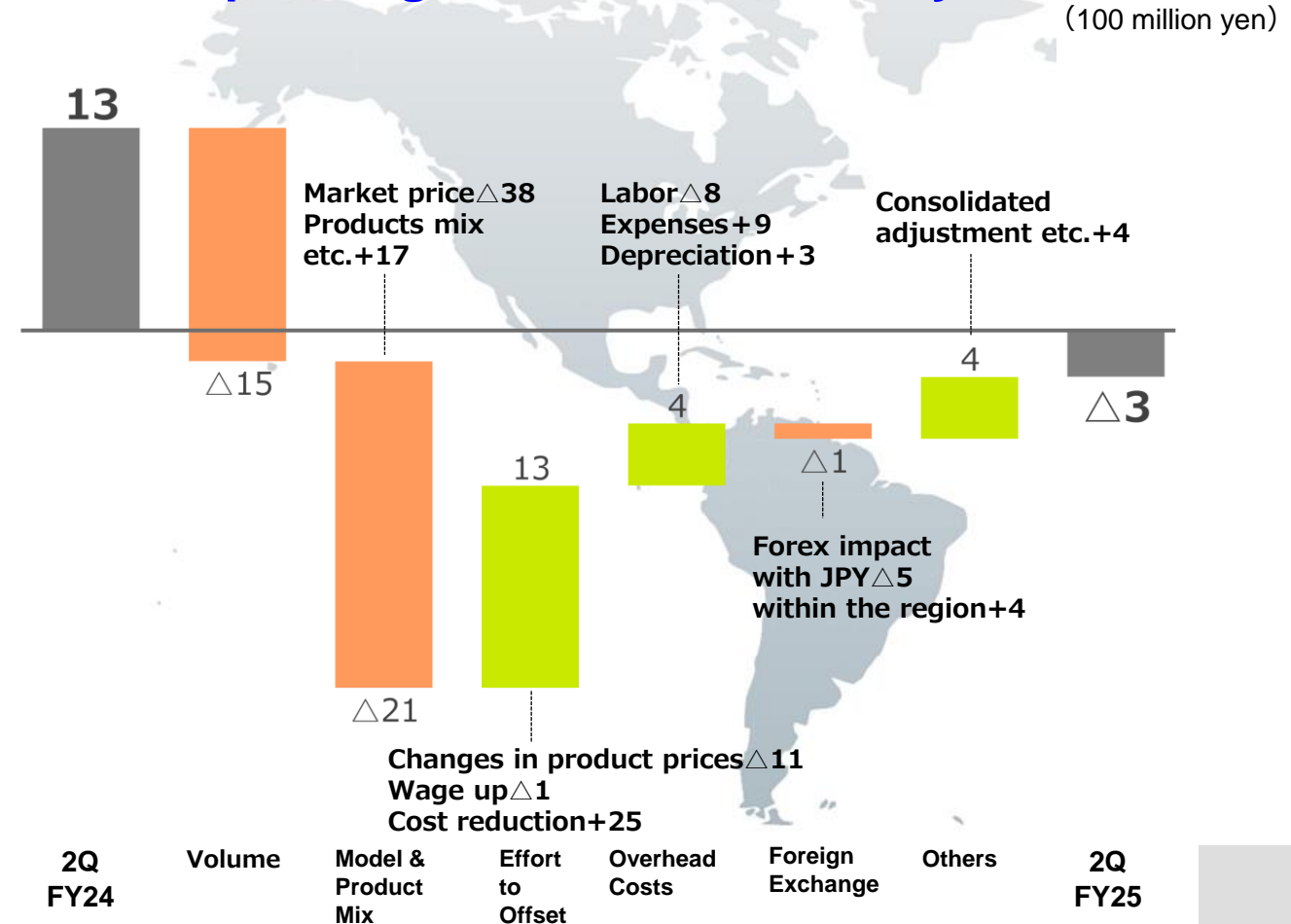


## Profit & Loss

(100 million yen)

	2Q FY24	2Q FY25	YOYChange
Revenue	2,344	2,408	63
Operating Profit	13	△3	△ 16
Operating Profit Ratio	0.6%	△0.1%	—

## Operating Profit Variance Analysis



# Script

- ◆ Next, in the Americas, year-over-year,
- ◆ Volume decreased by 30k units to 0.68 million units.
- ◆ Sales revenue increased by 6.3 billion yen to 240.8 billion yen.
- ◆ Operating loss was 0.3 billion yen  
due to a decline in volume caused by  
the impact of shutdown at the customer's site  
and an increase in market prices  
despite changes in the vehicle mix and cost reduction.

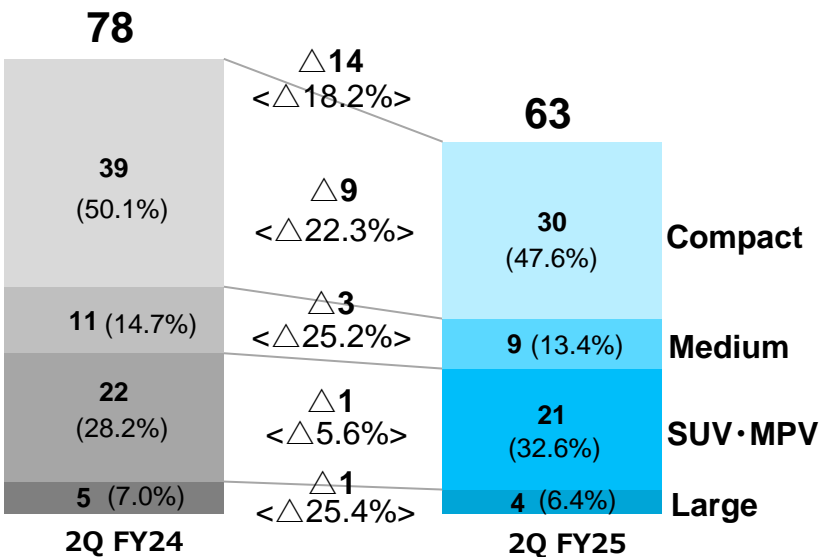
# 1-3) 2nd Quarter FY2025 Financial Results China Revenue & Operating Profit

Profit decreased due to volume decrease caused by the shift of the market towards BEVs\* despite impacts of cost reductions and foreign exchange

\* BEV : Battery Electric Vehicle

## Volume & Model Mix

(10,000 units)



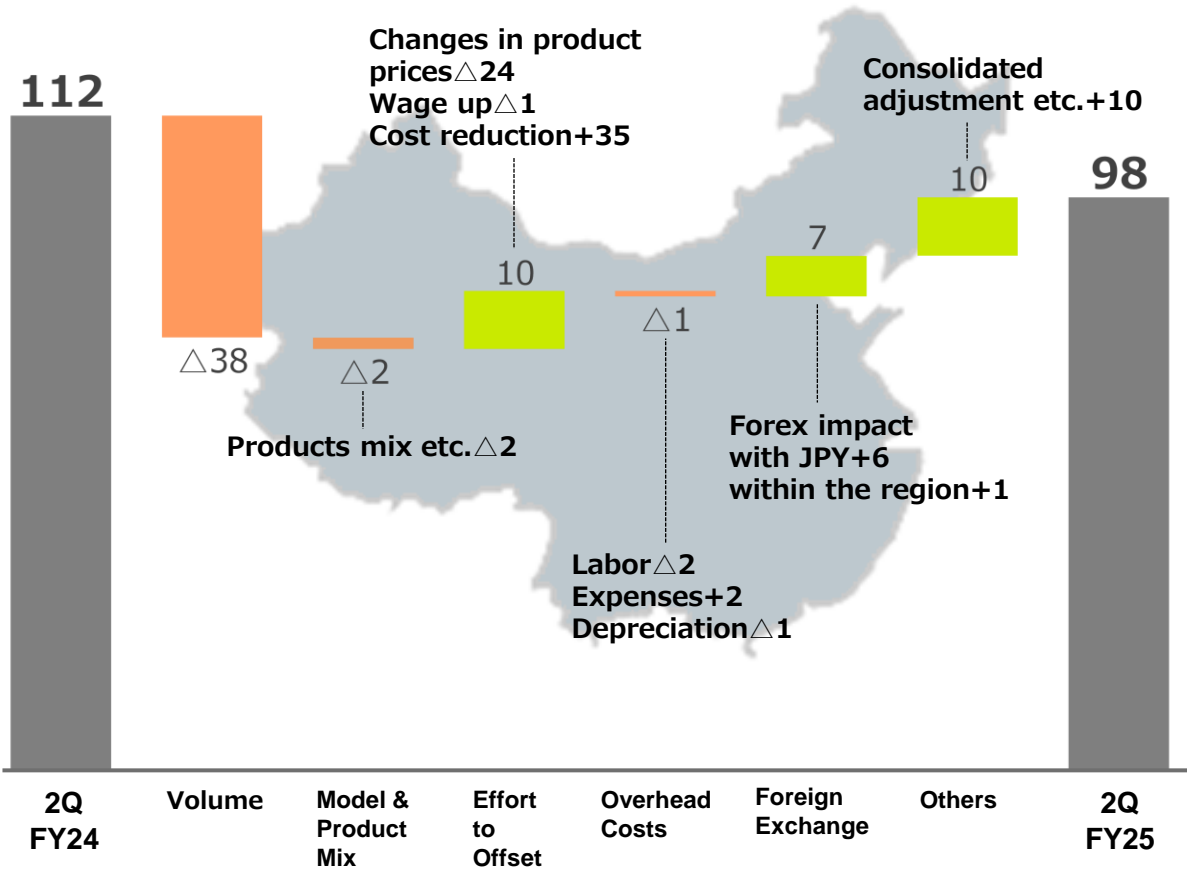
## Profit & Loss

(100 million yen)

	2Q FY24	2Q FY25	YOYChange
Revenue	1,228	1,126	△ 102
Operating Profit	112	98	△ 13
Operating Profit Ratio	9.1%	8.7%	—

## Operating Profit Variance Analysis

(100 million yen)



# Script

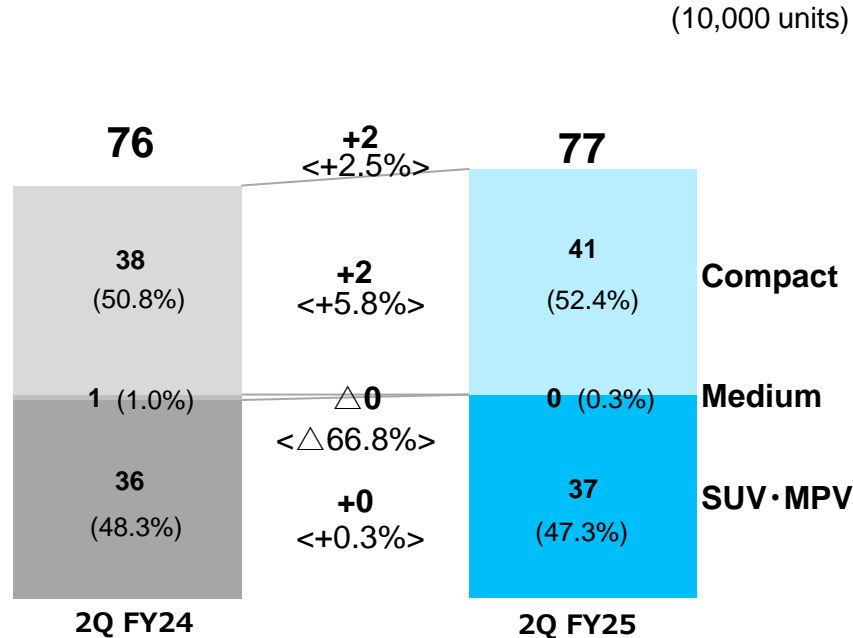
- ◆Next, in China, year-over-year,
- ◆Volume decreased by 140k units to 0.63 million units.
- ◆Sales revenue decreased by 10.2 billion yen to 112.6 billion yen.
- ◆Operating profit decreased by 1.3 billion yen to 9.8 billion yen  
due to volume decrease caused by the shift of the market towards BEVs  
despite positive impacts of cost reductions and foreign exchange.



# 1-3) 2nd Quarter FY2025 Financial Results Asia Revenue & Operating Profit

Profit increased due to volume increase from sales promotion in India and Indonesia, cost reduction and foreign exchange impacts despite changes in the vehicle mix and increase in overhead costs

## Volume & Model Mix



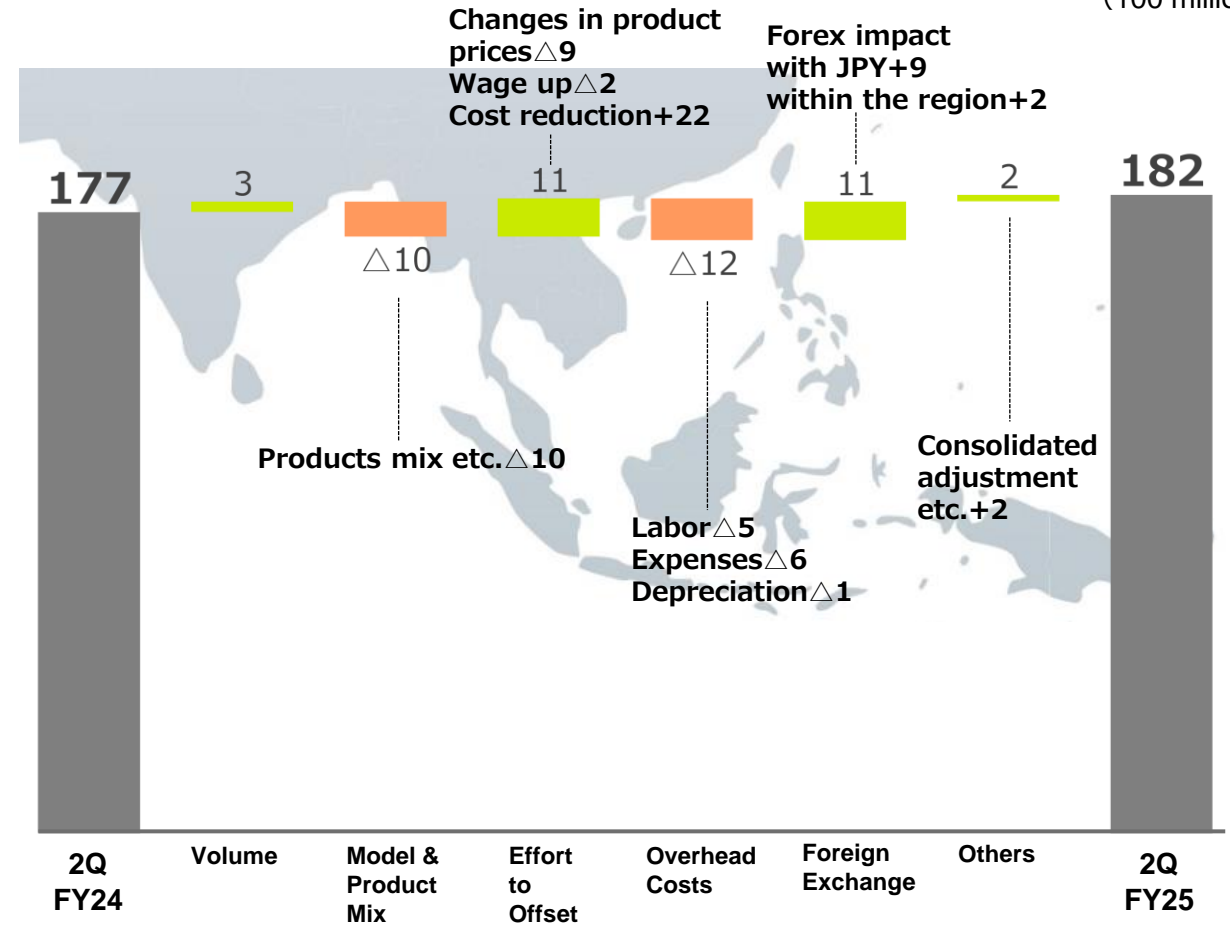
## Profit & Loss

(100 million yen)

	2Q FY24	2Q FY25	YOYChange
Revenue	1,346	1,400	53
Operating Profit	177	182	5
Operating Profit Ratio	13.2%	13.1%	—

## Operating Profit Variance Analysis

(100 million yen)



# Script

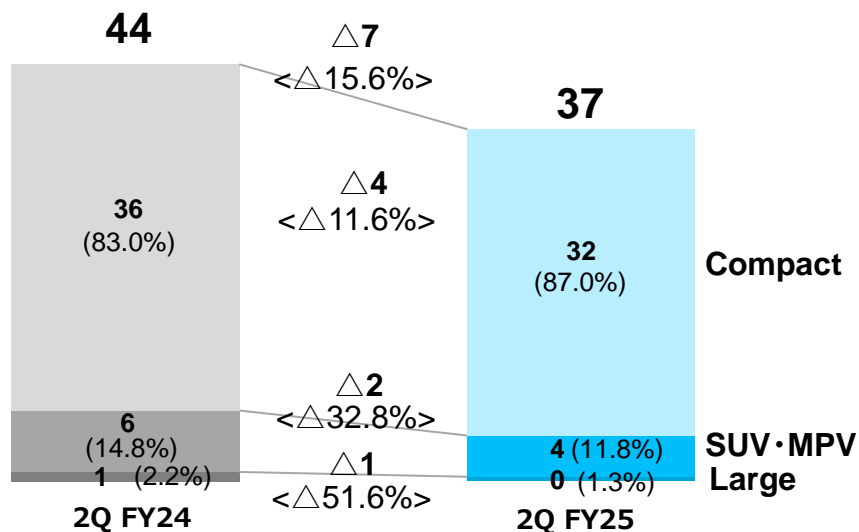
- ◆ Next, in Asia, year-over-year,
- ◆ Volume increased by 20k units to 0.77 million units.
- ◆ Sales revenue increased by 5.3 billion yen to 140.0 billion yen.
- ◆ Operating profit increased by 0.5 billion yen to 18.2 billion yen  
due to volume increase from sales promotion in India and Indonesia  
in addition to cost reduction and foreign exchange impacts  
despite changes in the vehicle mix and an increase in overhead costs.

# 1-3) 2nd Quarter FY2025 Financial Results Europe & Africa Revenue & Operating Profit

Profit decreased due to impacts of volume decrease and market prices, as well as changes in the vehicle mix despite cost reduction and foreign exchange impacts

## Volume & Model Mix

(10,000 units)



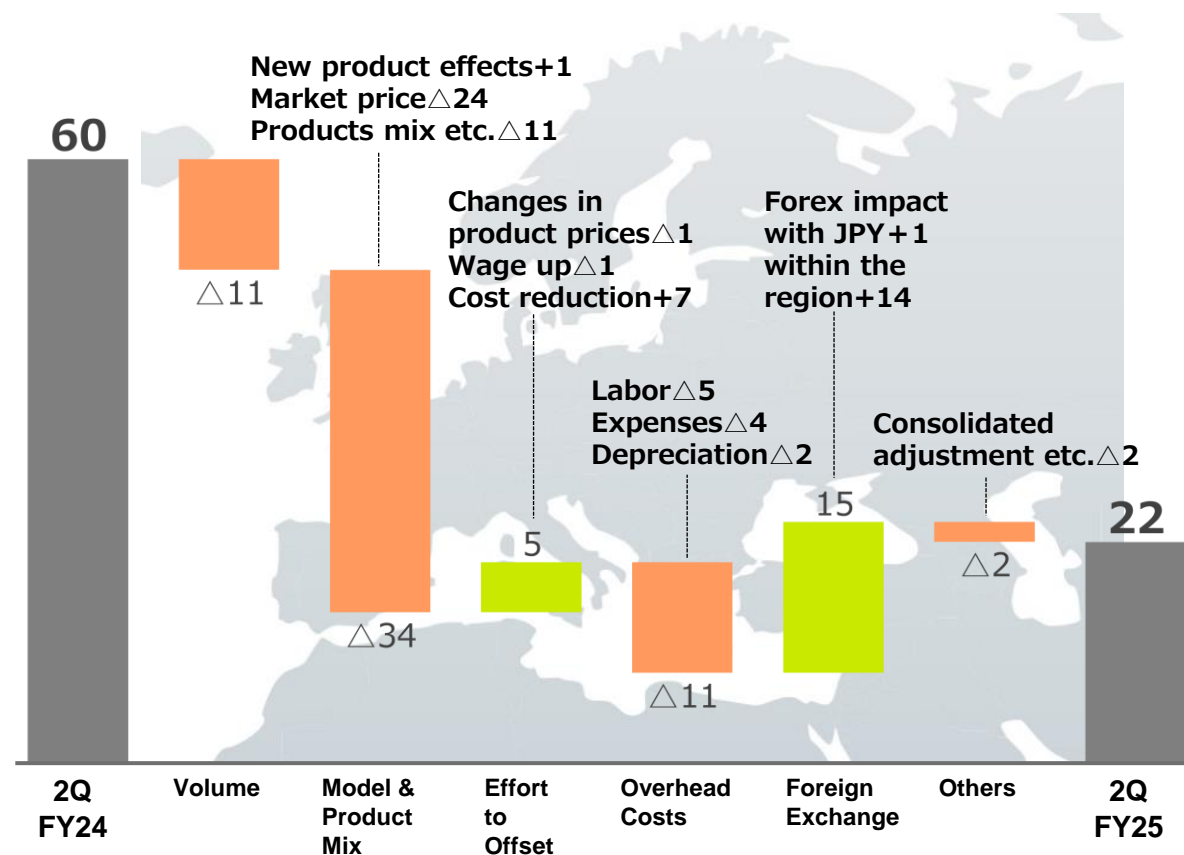
## Profit & Loss

(100 million yen)

	2Q FY24	2Q FY25	YOYChange
Revenue	644	574	△ 70
Operating Profit	60	22	△ 38
Operating Profit Ratio	9.3%	3.9%	—

## Operating Profit Variance Analysis

(100 million yen)



# Script

- ◆Next, in Europe & Africa, year-over-year,
- ◆Volume decreased by 70k units to 0.37 million units.
- ◆Sales revenue decreased by 7.0 billion yen to 57.4 billion yen.
- ◆Operating profit decreased by 3.8 billion yen to 2.2 billion yen due to the impact of volume decrease and market prices increase, as well as changes in the vehicle mix despite the impact of cost reduction and foreign exchange.

# Contents

1. 2nd Quarter FY2025 Financial Results

**2. FY2025 Financial Forecasts**

3. Appendix

# Script

◆ In the following section,

I would like to explain the full year forecasts for the fiscal year 2025.

## 2-1) FY2025 Financial Forecasts Overview of Consolidated Financial Results

(100 million yen)

	FY2024 Actual		FY2025 Forecast		YOY Change		FY25 Forecast (1Q Announced)	
Revenue	19,536	100.0%	18,700	100.0%	△ 836	△ 4.3%	19,000	100.0%
Operating Profit	786	4.0%	680	3.6%	△ 106	△ 13.5%	680	3.6%
Profit before income taxes	873	4.5%	690	3.7%	△ 183	△ 21.0%	690	3.6%
Profit*	578	3.0%	430	2.3%	△ 148	△ 25.7%	430	2.3%

\*Profit Attributable to Owners of the Parent

Earnings per share		311.74 yen	240.86 yen	-	240.81 yen
Foreign Exchange Rate	USD	145 yen	147 yen	+ 2 yen	145 yen
	EUR	157 yen	161 yen	+ 4 yen	160 yen

Revenue

Revenue decreased due to volume decrease in the Americas, China, and Europe & Africa

Operating Profit

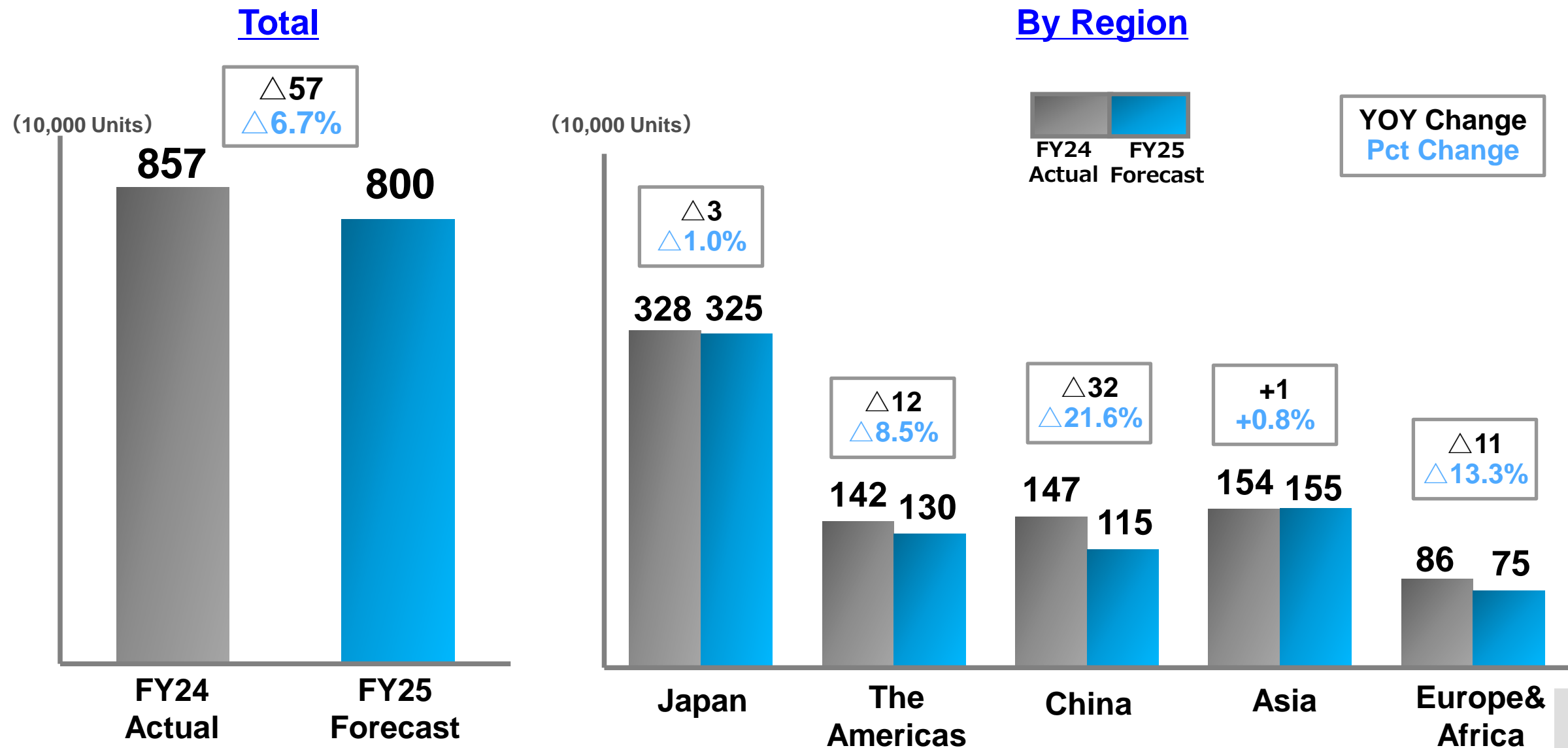
Lower profits due to volume decrease in addition to strategic human capital investments for future growth and an increase in overhead costs despite of impacts of new product effects and cost reduction from profit improvement activities

# Script

- ◆ Sales revenue is prospected to decrease by 83.6 billion yen to 1.87 trillion yen year-over-year.
- ◆ Operating profit will decrease by 10.6 billion yen to 68.0 billion yen.
- ◆ Profit before income taxes is prospected to decrease by 18.3 billion yen to 69.0 billion yen.
- ◆ Profit attributable to owners of the parent is prospected to decrease by 14.8 billion yen to 43.0 billion yen.
- ◆ Assumed exchange rates stand at approximately 147 yen to the U.S. dollar, and 161 yen to the Euro.



## 2-2) FY2025 Financial Forecasts Seat Production by Region



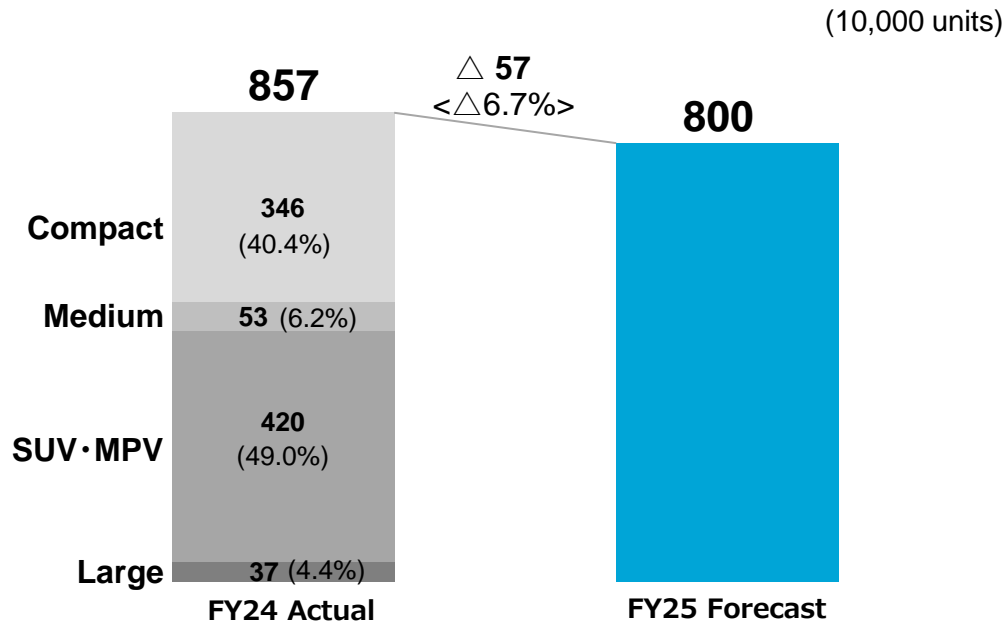
# Script

- ◆ As for consolidated seat assembly volume,  
it is forecasted to reach 8.0 million units,  
a decrease of 0.57 million units compared to the previous year.
- ◆ The seat assembly volume by region is as shown.  
This will be explained in detail in later slides.

## 2-3) FY2025 Financial Forecasts Consolidated Revenue & Operating Profit

Lower profits due to volume decrease in addition to strategic human capital investments for future growth and an increase in overhead costs despite of impacts of new product effects and cost reduction from profit improvement activities

### Volume & Model Mix

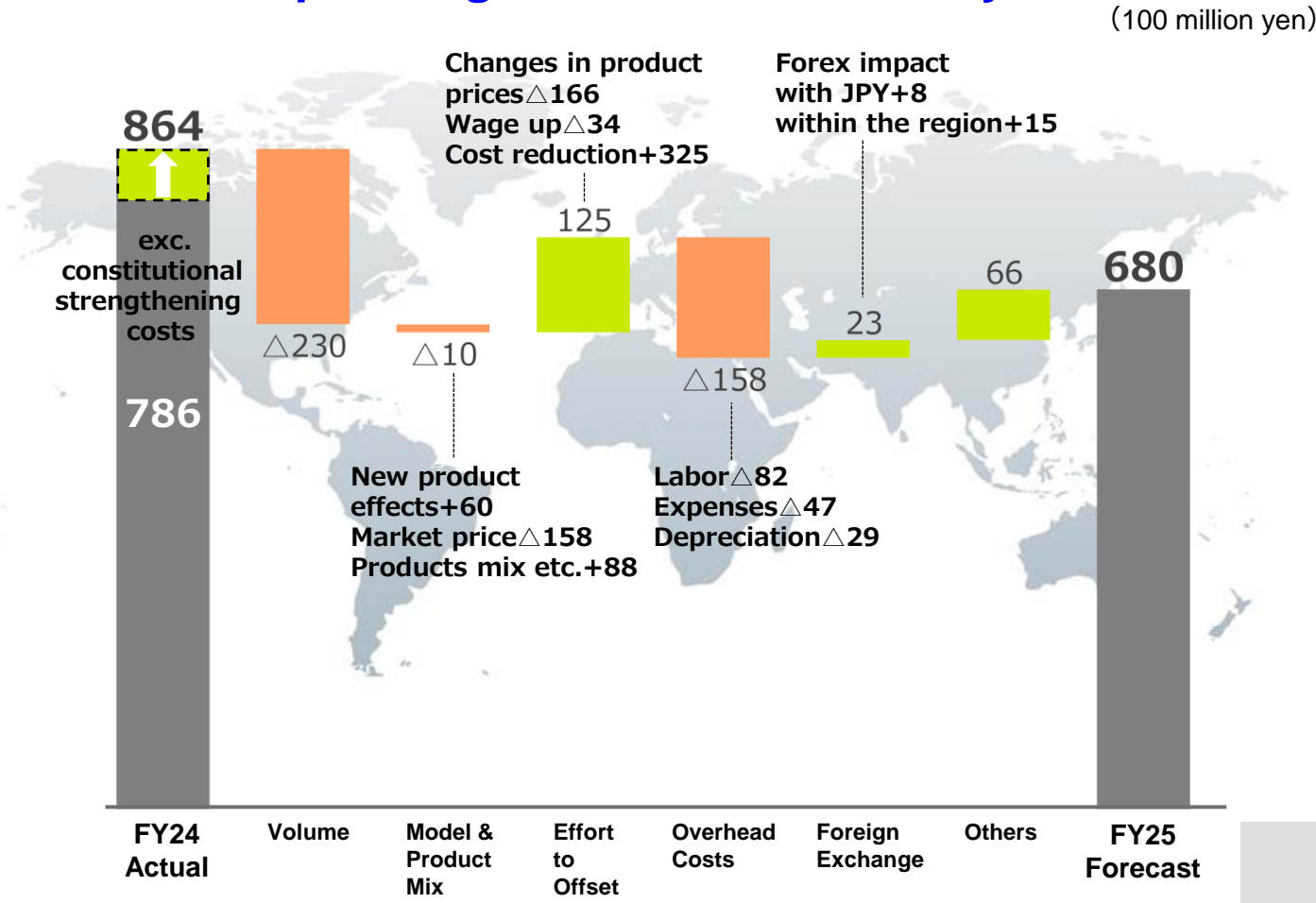


### Profit & Loss

(100 million yen)

	FY24 Actual	FY25 Forecast	YOYChange
Revenue	19,536	18,700	△ 836
Operating Profit	786	680	△ 106
Operating Profit Ratio	4.0%	3.6%	—

### Operating Profit Variance Analysis



# Script

- ◆ Next, let me move on to consolidated revenue & operating profit.
- ◆ Volume decreased by 0.57 million units to 8.0 million units.
- ◆ Sales revenue decreased by 83.6 billion yen to 1.87 trillion yen.
- ◆ Operating profit decreased by 10.6 billion yen to 68.0 billion yen  
due to volume decrease in addition to strategic human capital investments  
for future growth and an increase in overhead costs despite impacts of new product  
effects and cost reduction from profit improvement activities.

## 2-3) FY2025 Financial Forecasts Comparison with the Previous Forecast

(100 million yen)

	1Q announced	2Q announced	Difference		
			Total	Internal efforts	Environmental changes
<b>FY24 Actual</b> (exc. Constitutional strengthening costs)	<b>864</b>	<b>864</b>	-	-	-
Volume	△171	△230	△59		△59
Mix	△7	△10	△3	<b>+43</b>	△46
Cost Reduction	104	125	+21	<b>+21</b>	
Expenses	△178	△158	+20	<b>+20</b>	
Foreign Exchange	23	23	+0		+0
Others	45	66	+21		+21
<b>FY25 Forecast</b>	<b>680</b>	<b>680</b>	-	<b>+84</b>	△84

# Script

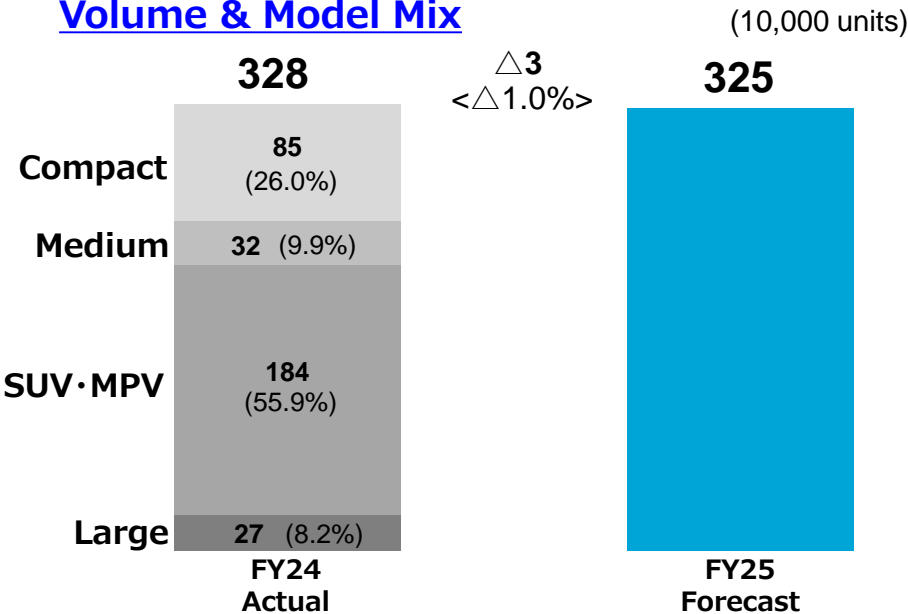
- ◆ Next, here is the comparison of the latest forecast with the one released last time.
- ◆ Compared to the previous forecast, external environmental changes, including volume decrease in Japan, the Americas and Asia, as well as changes in the vehicle mix, are expected.  
However, the previously announced operating profit forecast will be maintained through internal efforts such as sales efforts and streamlined overhead costs.

## 2-4) FY2025 Financial Forecasts Revenue & Operating Profit by Region

### Japan

Higher profit due to new product effects, changes in the vehicle mix and constitutional strengthening costs in the previous year despite an increase in overhead costs

#### Volume & Model Mix



#### Profit & Loss

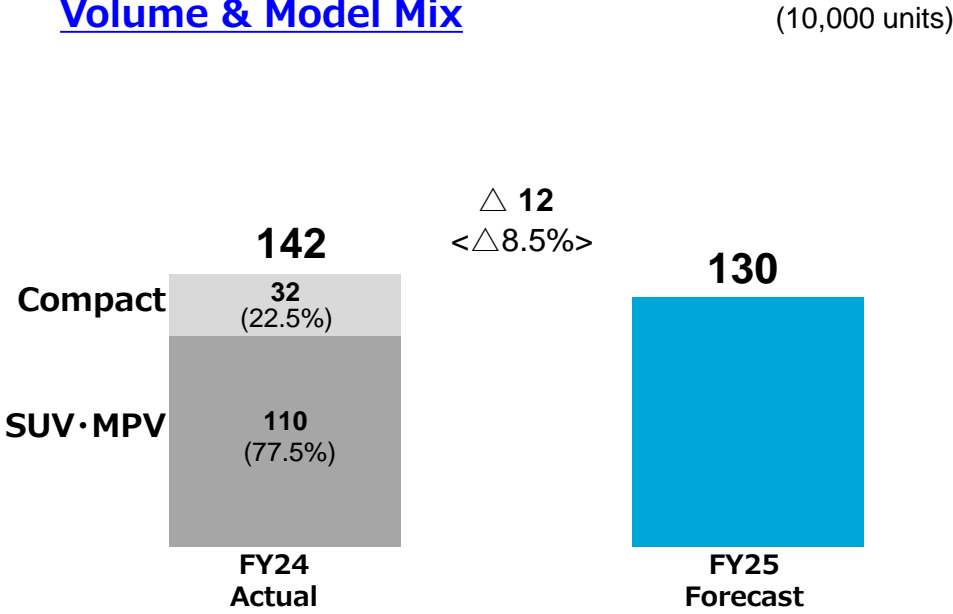
	FY24 Actual	FY25 Forecast	YOYChange
Revenue	9,228	9,400	171
Operating Profit	(184) 106	110	(△74) 3
Operating Profit Ratio	1.2%	1.2%	—

()exc.  
constitutional  
strengthening  
costs

### The Americas

Lower profit due to volume decrease and increased overhead costs from launch of a new plant despite positive effects of profit improvement activity

#### Volume & Model Mix



#### Profit & Loss

	FY24 Actual	FY25 Forecast	YOYChange
Revenue	5,003	4,600	△ 403
Operating Profit	6	0	△ 6
Operating Profit Ratio	0.1%	0.0%	—

# Script

- ◆ Next, let me explain financial forecasts by regions.
- ◆ First, in Japan, year-over-year,
  - ◆ Volume is expected to decrease by 30k units to 3.25 million units.
  - ◆ Sales revenue will increase by 17.1 billion yen to 940.0 billion yen.
  - ◆ Operating profit is prospected to decrease by 7.4 billion yen to 11.0 billion yen excluding an impact of constitutional strengthening costs in the previous year, due to an increase in overhead costs despite new product effects and changes in the vehicle mix.
- ◆ Next, in the Americas, year-over-year,
  - ◆ Volume is expected to decrease by 120k units to 1.30 million units.
  - ◆ Sales revenue will decrease by 40.3 billion yen to 460.0 billion yen.
  - ◆ Operating profit is prospected to decrease by 0.6 billion yen to 0 billion yen due to volume decrease and increased overhead costs from launch of a new plant despite positive effects of profit improvement activities.



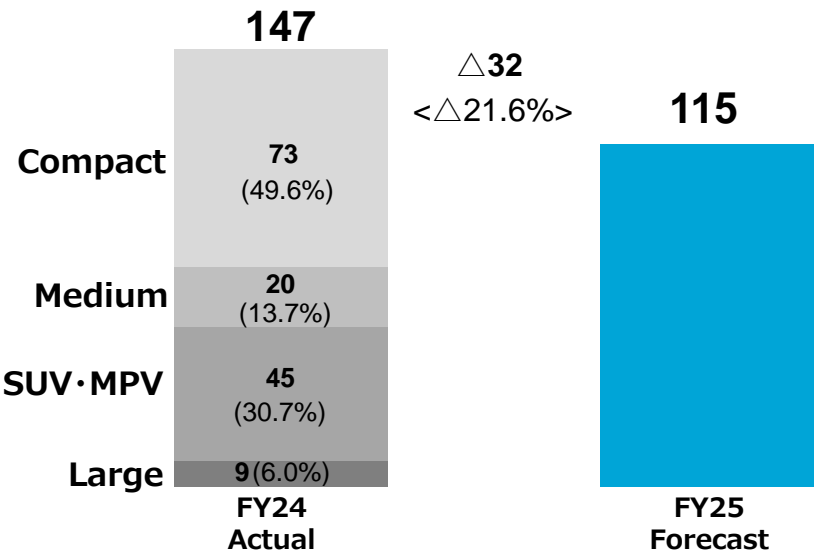
## 2-4) FY2025 Financial Forecasts Revenue & Operating Profit by Region

### China

Lower profit due to volume decrease caused by the shift of the market towards BEVs despite cost reduction

#### Volume & Model Mix

(10,000 units)



#### Profit & Loss

(100 million yen)

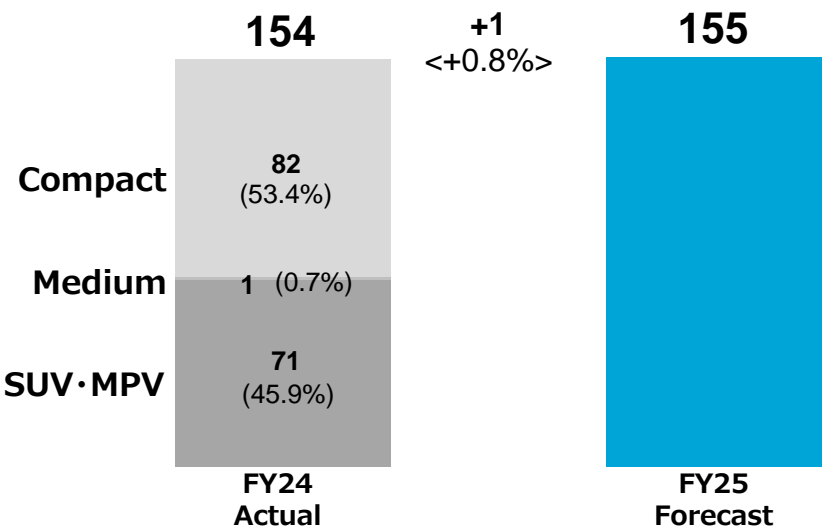
	FY24 Actual	FY25 Forecast	YOYChange
Revenue	2,362	2,000	$\Delta 362$
Operating Profit	184	150	$\Delta 34$
Operating Profit Ratio	7.8%	7.5%	—

### Asia

Profit to be the same level due to volume increase from sales promotion in India & Indonesia and cost reduction despite changes in the vehicle mix and an increase in overhead costs

#### Volume & Model Mix

(10,000 units)



#### Profit & Loss

(100 million yen)

	FY24 Actual	FY25 Forecast	YOYChange
Revenue	2,739	2,700	$\Delta 39$
Operating Profit	369	370	0
Operating Profit Ratio	13.5%	13.7%	—

# Script

- ◆ Next, in China, year-over-year,
- ◆ Volume is expected to decrease by 320k units to 1.15 million units.
- ◆ Sales revenue will decrease by 36.2 billion yen to 200.0 billion yen.
- ◆ Operating profit is prospected to decrease by 3.4 billion yen to 15.0 billion yen due to volume decrease caused by the shift of the market towards BEVs despite effects of cost reduction.
- ◆ Next, in Asia, year-over-year,
- ◆ Volume is expected to increase by 10k units to 1.55 million units.
- ◆ Sales revenue will increase by 3.9 billion yen to 270.0 billion yen
- ◆ Operating profit is prospected to be 37.0 billion yen, maintaining the same level as the previous year due to volume increase from sales promotion in India & Indonesia and cost reduction despite changes in the vehicle mix and an increase in overhead costs.

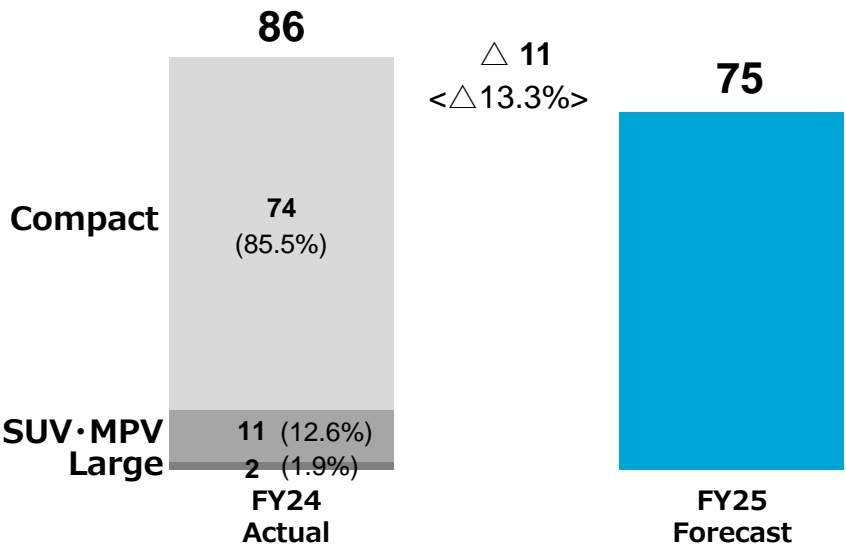
## 2-4) FY2025 Financial Forecasts Revenue & Operating Profit by Region

### Europe & Africa

Lower profit due to volume decrease as well as impacts of rising labor costs and an increase in overhead costs despite cost reduction

### Volume & Model Mix

(10,000 units)



### Profit & Loss

(100 million yen)

	FY24 Actual	FY25 Forecast	YOYChange
Revenue	1,312	1,100	$\Delta 212$
Operating Profit	119	50	$\Delta 69$
Operating Profit Ratio	9.1%	4.5%	—

# Script

- ◆Next, in Europe & Africa, year-over-year,
- ◆Volume is expected to decrease by 110k units to 0.75 million units.
- ◆Sales revenue will decrease by 21.2 billion yen to 110.0 billion yen.
- ◆Operating profit is prospected to decrease by 6.9 billion yen to 5.0 billion yen due to volume decrease as well as impacts of rising labor costs and an increase in overhead costs despite cost reduction.

## 2-5) FY2025 Financial Forecasts 1st/2nd Half by Region

### Revenue

(100 million yen)

	1st Half	2nd Half	Full Year
Japan	4,530	4,869	9,400
The Americas	2,408	2,191	4,600
China	1,126	873	2,000
Asia	1,400	1,299	2,700
Europe & Africa	574	525	1,100
<b>Total</b>	<b>9,481</b>	<b>9,218</b>	<b>18,700</b>

### Operating Profit

(100 million yen)

	1st Half		2nd Half		Full Year	
Japan	37	0.8%	72	1.5%	110	1.2%
The Americas	△3	△0.1%	3	0.2%	0	0.0%
China	98	8.7%	51	5.9%	150	7.5%
Asia	182	13.1%	187	14.4%	370	13.7%
Europe & Africa	22	3.9%	27	5.3%	50	4.5%
<b>Total</b>	<b>338</b>	<b>3.6%</b>	<b>341</b>	<b>3.7%</b>	<b>680</b>	<b>3.6%</b>

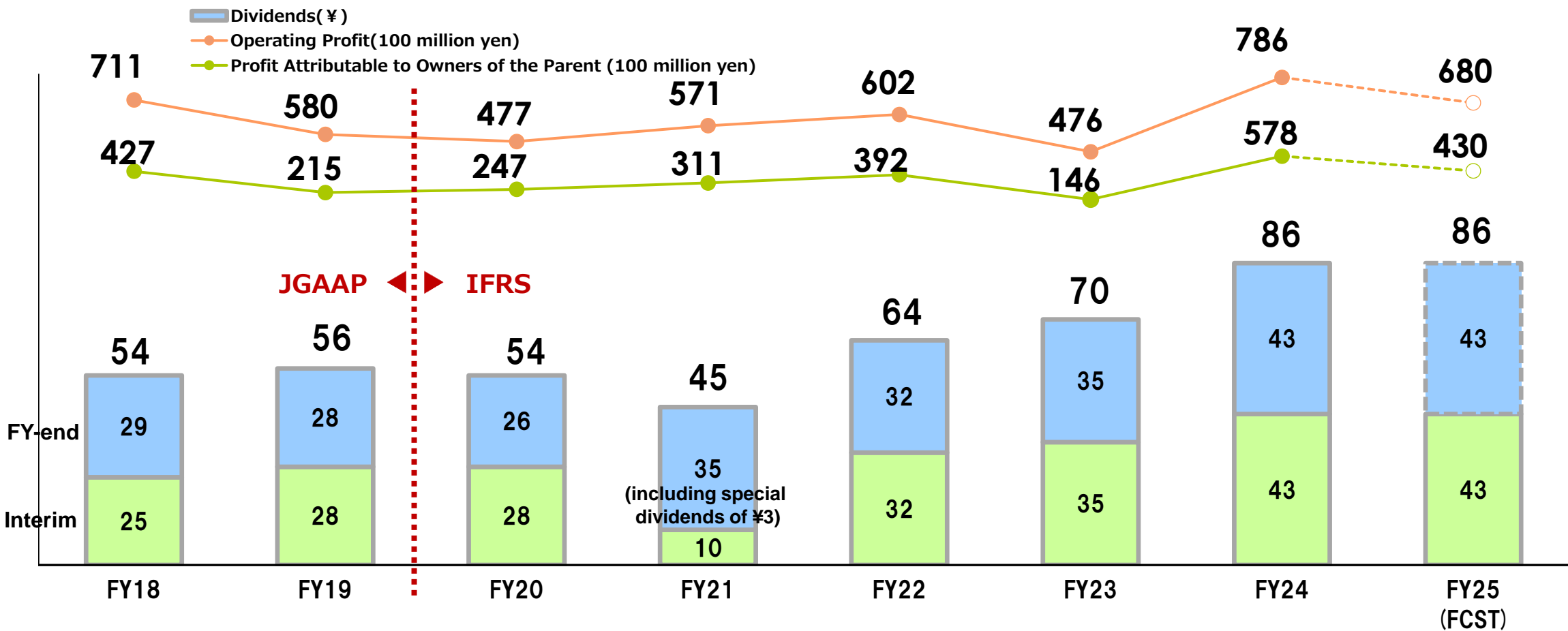
# Script

◆The financial forecasts by the half-year are as follows.

## 2-6) FY2025 Financial Forecasts Returning to Shareholders

- Annual plan is 86 yen, with an interim dividend of 43 yen and a year-end dividend of 43 yen
- Aim to provide long-term stable profit return based on consolidated performance, dividend payout ratio and DOE 3% or more

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



# Script

- ◆Next, on returning to shareholders,  
for FY25, our annual dividends plan is 86 yen as announced previously.
- ◆We aim to provide long-term stable profit return considering our consolidated performance, dividend payout ratio and maintaining a DOE of 3% or higher to meet the expectations of our shareholders.



## 2-7) Concluding 2nd Quarter FY2025 Financial Results

---

### 【2Q Results】

- **Operating profit** progressed at a pace **exceeding the previous forecast** due to **sales efforts and measures to secure profitability** as well as **steady profit contributions from new subsidiaries**

### 【Forecast after 3Q】

- While **the future stays uncertain**, **original risks of volume decrease** are factored in in addition to the latest customer production information.

### 【Annual Forecast】

- **The entire company** will **collaborate to enhance profitability and competitiveness** by intensifying further internal efforts, including profit securing measures during the phase of volume decrease.
- **To achieve the 2030 Mid-term Business Plan**, upfront investments, such as strategic human capital investment, R&D and expanding sales to new customers, **will be executed efficiently with prioritization.**

# Script

- ◆ Lastly, I'd like to conclude this 2nd quarter Financial Results.
- ◆ In the 2nd quarter, operating profit has progressed at a higher pace than the previous forecast due to sales efforts and measures to secure profitability as well as solid profit contributions from new subsidiaries.
- ◆ For forecast after 3Q, we incorporated original risks of volume decrease in addition to the latest customer production information while acknowledging that the future is still uncertain.
- ◆ Although volume decrease is expected to continue, the entire company will work together to enhance profitability and competitiveness with additional internal efforts including profit securing measures.
- ◆ In order to achieve the target of 2030 Mid-term Business Plan, upfront investments including strategic human capital investment, R&D and expanding sales to new customers will be executed efficiently with prioritization.

# Script

- ◆ That would be all for Financial Results for the 2nd quarter of the fiscal year 2025.
- ◆ Thank you for listening.

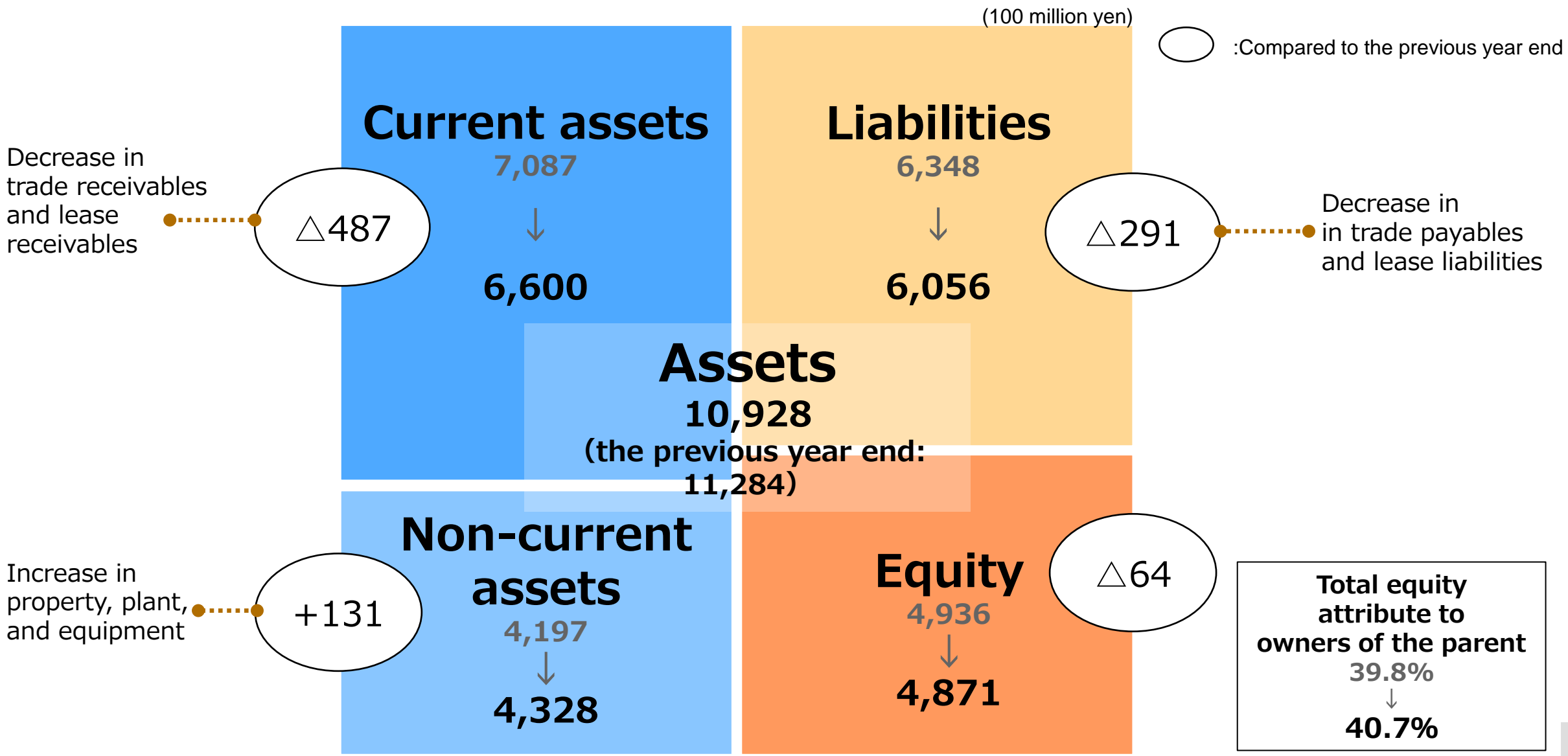
# Contents

1. 2nd Quarter FY2025 Financial Results

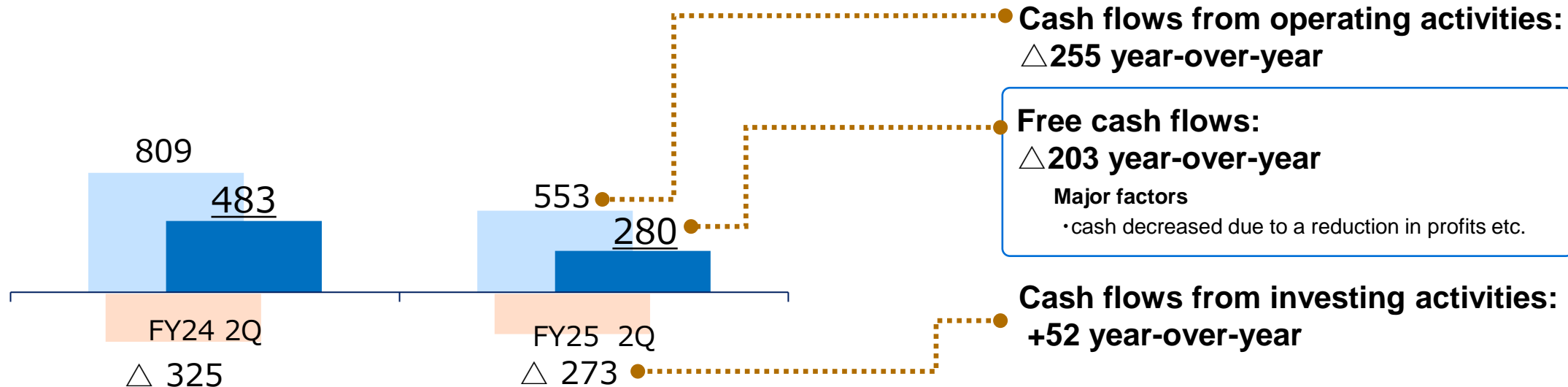
2. FY2025 Financial Forecasts

**3. Appendix**

# Appendix1) Status of the Consolidated Statement of Financial Position (September 30th, 2024)



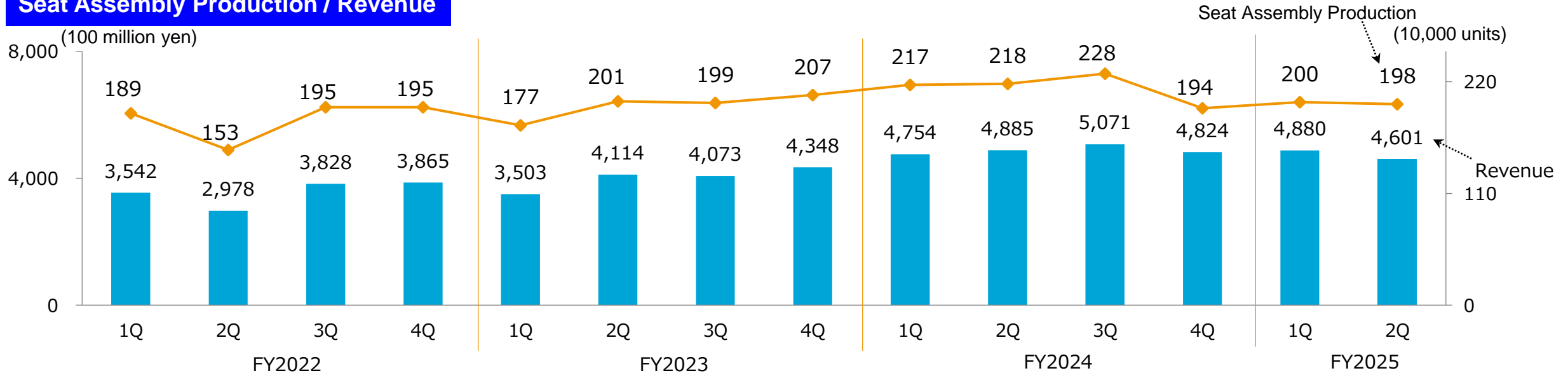
## Appendix2) Consolidated Cash Flows



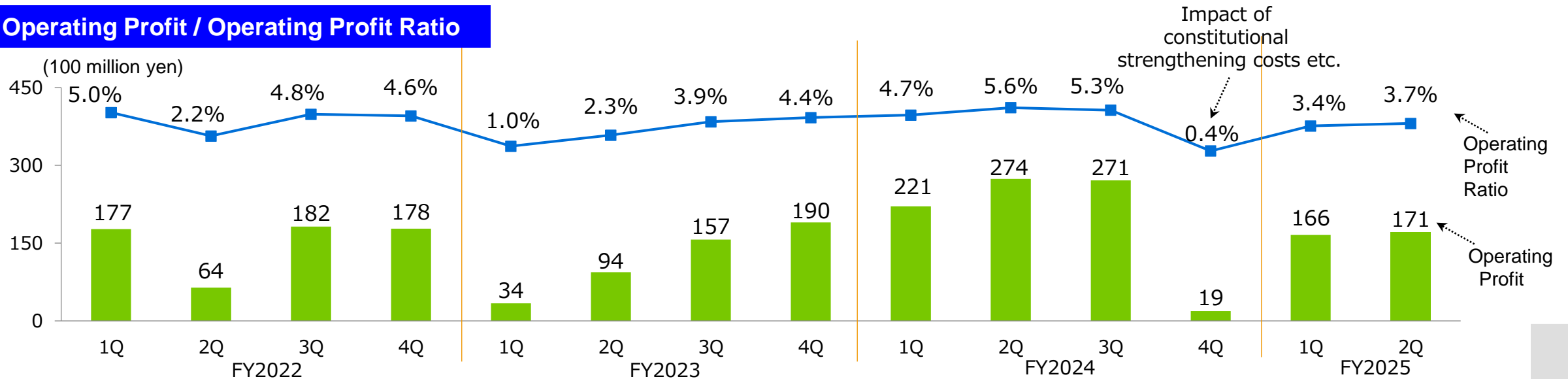
	FY24 2Q	FY25 2Q	Change	(100 million yen)	〈Reference〉
					FY24 Results
Cash flows from operating activities	809	553	△ 255		1,748
Cash flows from investing activities	△ 325	△ 273	52		△ 866
Free cash flows	483	280	△ 203		881
Cash flows from financial activities	△ 482	△ 270	211		△ 915
Impact of foreign exchange	45	△ 19	△ 65		50
Change in cash and cash equivalents	46	△ 10	△ 56		16
Increase in Cash and cash equivalents held for sale purposes	—	—	—		△ 56
Cash and cash equivalents held for sale purposes	—	8	8		—
Balance of cash and cash equivalents	2,528	2,440	△ 88		2,441

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

## Seat Assembly Production / Revenue

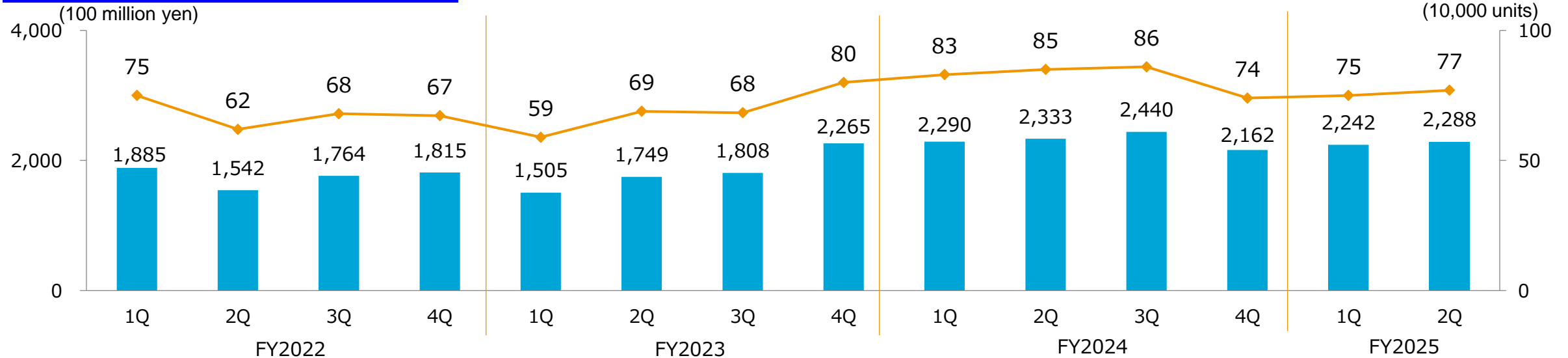


## Operating Profit / Operating Profit Ratio

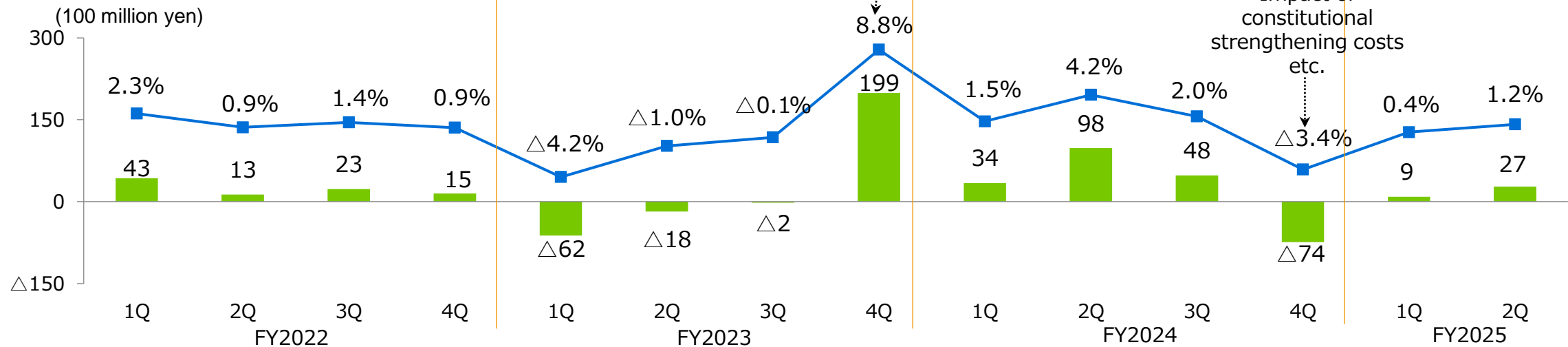


# Appendix4) Quarterly Trends: Japan volume, revenue, operating profit, operating profit ratio

## Seat Assembly Production / Revenue



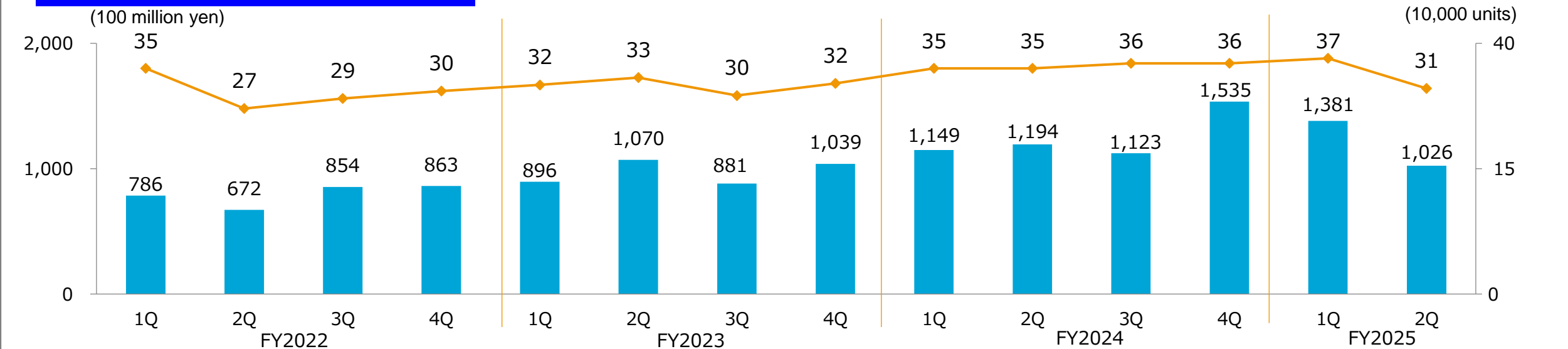
## Operating Profit / Operating Profit Ratio



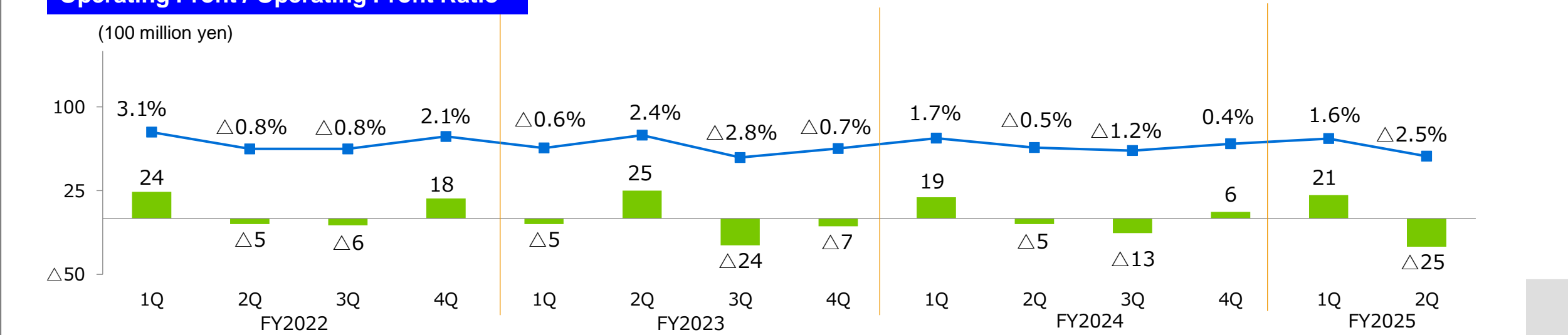


# Appendix5) Quarterly Trends: The Americas volume, revenue, operating profit, operating profit ratio

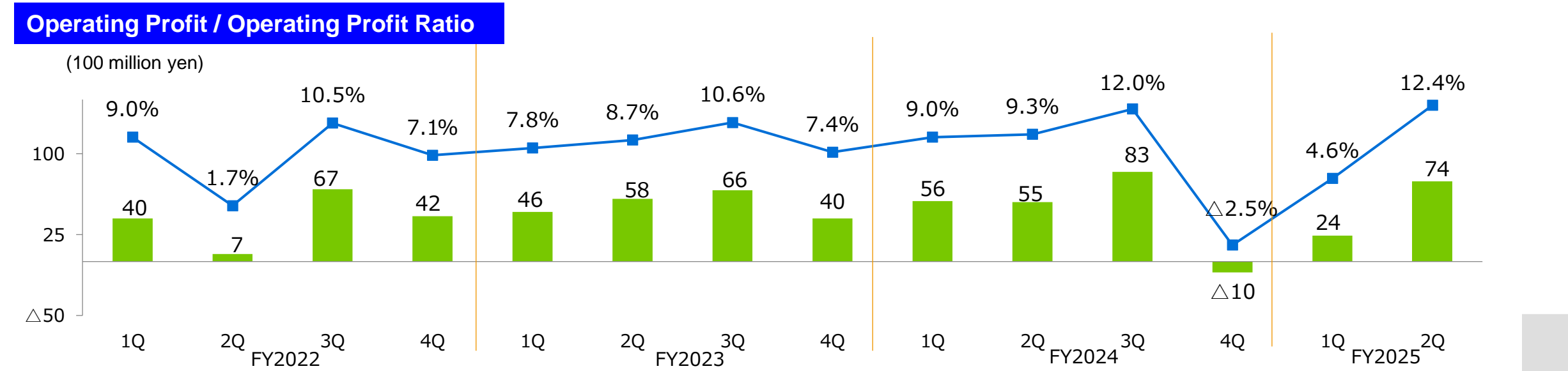
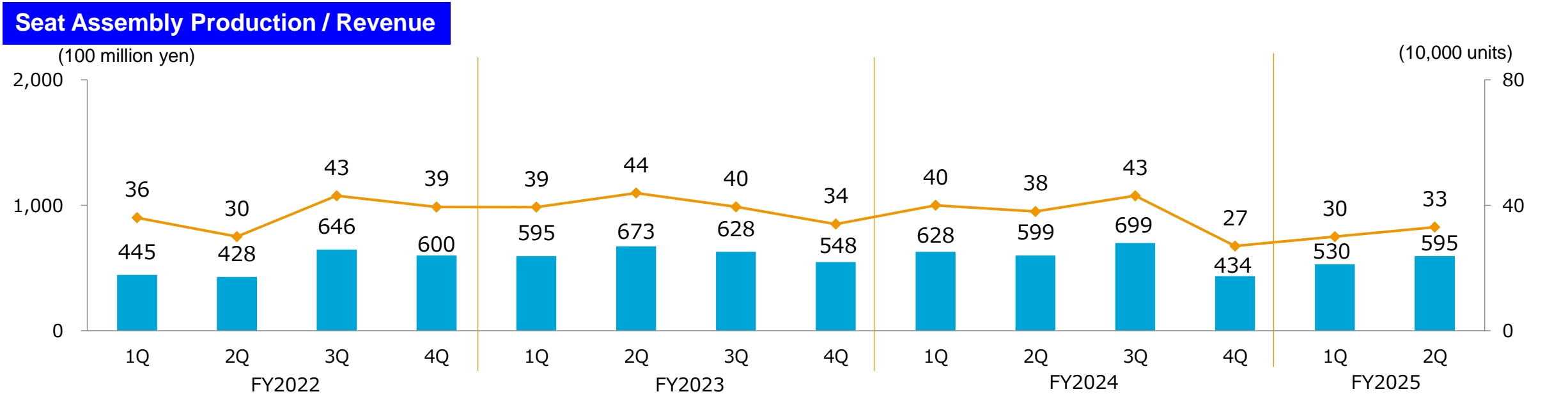
Seat Assembly Production / Revenue



Operating Profit / Operating Profit Ratio

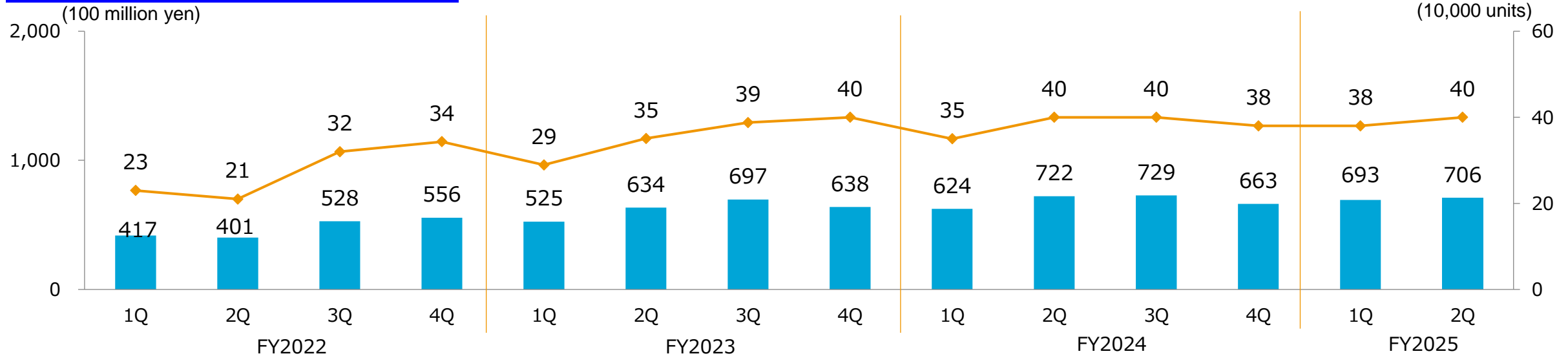


Appendix6) Quarterly Trends: China volume, revenue, operating profit, operating profit ratio

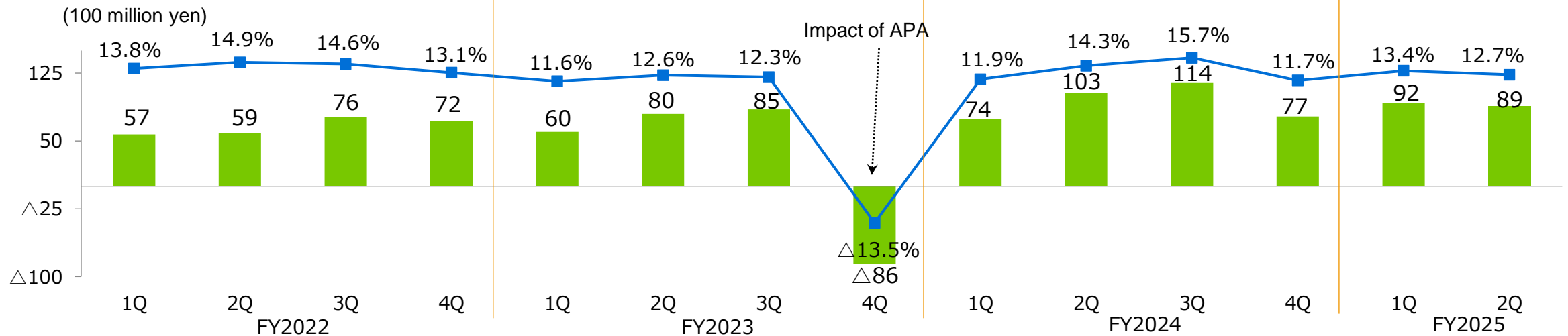


# Appendix7) Quarterly Trends: Asia volume, revenue, operating profit, operating profit ratio

## Seat Assembly Production / Revenue

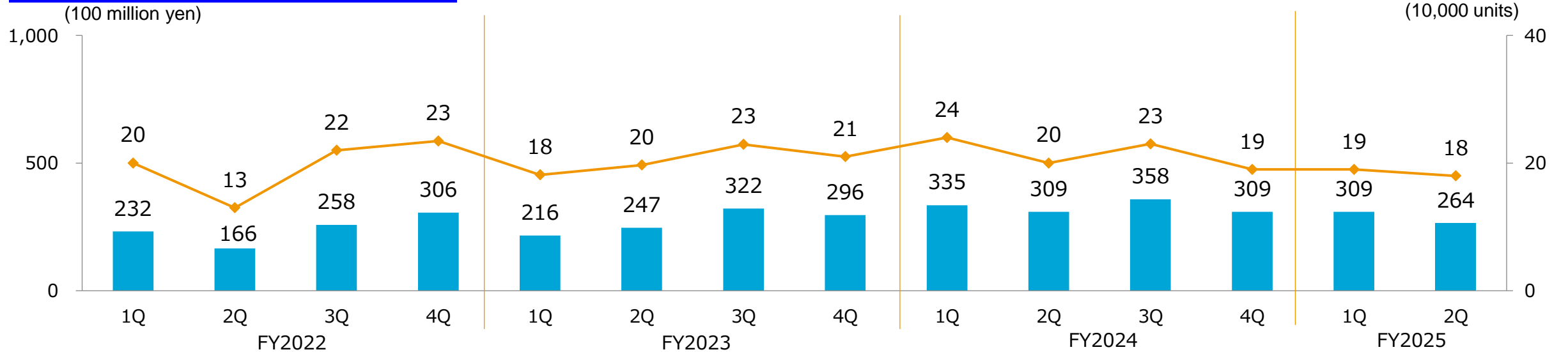


## Operating Profit / Operating Profit Ratio

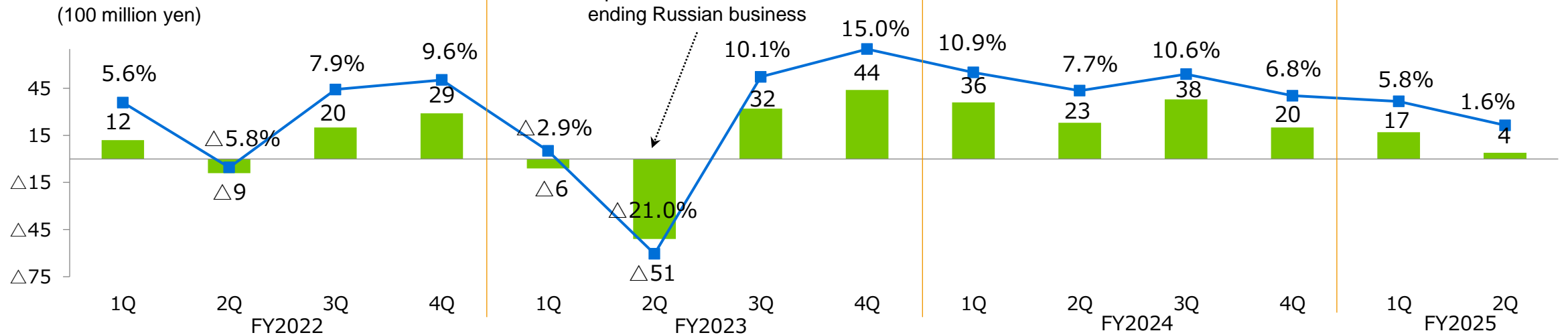


# Appendix8) Quarterly Trends: Europe & Africa volume, revenue, operating profit, operating profit ratio

## Seat Assembly Production / Revenue



## Operating Profit / Operating Profit Ratio





<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.