TOYOTA BOSHOKU

TSE Prime Market Securities Code 3116

FY2027 (ending March 2027)
1st Quarter
Financial Results

2026.7.31 (Fri)

Contents

Contents

Thank you for attending our FY2027 1st quarter financial results briefing during a busy time today.

Firstly, I would like to present the overview of this quarter's financial results,
followed by the financial results for FY2027 1st quarter.

Lastly, our full year forecasts for FY2027.
Now, let’s begin by reviewing the overview of financial results for this 1st quarter.

1-1) Overview of Financial Results

Actual	・Operating profit decreased due to **volume decrease in China, market impacts from the Middle East situation, and an increase in overhead costs despite the effects of new products** and **foreign exchange impact**
Fore cast	・Due to **volume decrease resulting from changing demand in China**, the forecast has been **revised downward from the previous forecast**. **Strive to minimize the profit decline through internal efforts** such as **reducing overhead costs and promoting profit improving activities**. ・To achieve **the 2030 Mid-term Plan, upfront investments will be continued efficiently** such as expanding sales to new customers, strategic human capital and R&D by leveraging the benefits of **volume increase** and **the effects of new products**.
Return to share holders	・**Annual dividends plan is 86 yen**, with **an interim of 43 yen and a year-end of 43 yen**, as announced previously. ・**By maintaining DOE 3% or more**, aim to **provide long-term stable profit return** based on consolidated performance.

In FY27 Q1,
operating profit decreased due to volume decrease in China, market impacts from the Middle East situation, and an increase in overhead costs despite the effects of new products and foreign exchange impact.

Next, regarding the FY27 financial forecasts, due to volume decrease resulting from changing demand in China, the forecast has been revised downward from the previous forecast.

We will strive to minimize the profit decline through internal efforts such as reducing overhead costs and promoting profit improving activities.

To achieve the 2030 Mid-term Plan, upfront investments will be continued efficiently such as expanding sales to new customers, strategic human capital and R&D by leveraging the benefits of volume increase and the effects of new products.

Finally, on returning to shareholders, for FY27, our annual dividends plan is 86 yen, the same amount as announced previously.

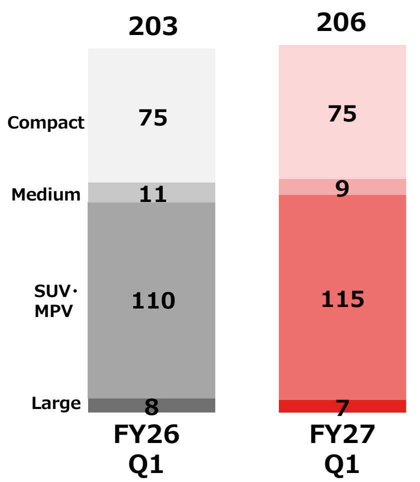
Contents

In the following section,
I would like to explain the financial results for 1st quarter FY27.

2-1) 1st Quarter FY2027 Financial Results Seat Volume/Profit and Loss

Seat Volume

(10,000 units)



Profit and Loss

(100 million yen)

		FY26 Q1		FY27 Q1		YOY Change	
Revenue		4,796	100%	5,280	100%	483	10.1%
Operating Profit		187	3.9%	158	3.0%	△28	△15.1%
Profit before income taxes		189	3.9%	176	3.3%	△12	△6.5%
Profit※		108	2.3%	87	1.7%	△20	△18.9%
Exchange Rate	USD	145 yen		159 yen		15 yen	
	EUR	164 yen		185 yen		22 yen	

※Profit attributable to owners of the parent

The consolidated seat assembly volume,
the main product of the company,
totaled 2.06 million units, an increase of 0.03 million units compared to the previous year.

Sales revenue increased by 48.3 billion yen to 528.0 billion yen.

Operating profit decreased by 2.8 billion yen to 15.8 billion yen.

Profit before income taxes decreased by 1.2 billion yen to 17.6 billion yen.

Profit attributable to owners of the parent decreased by 2.0 billion yen to 8.7 billion yen, year-over-year.

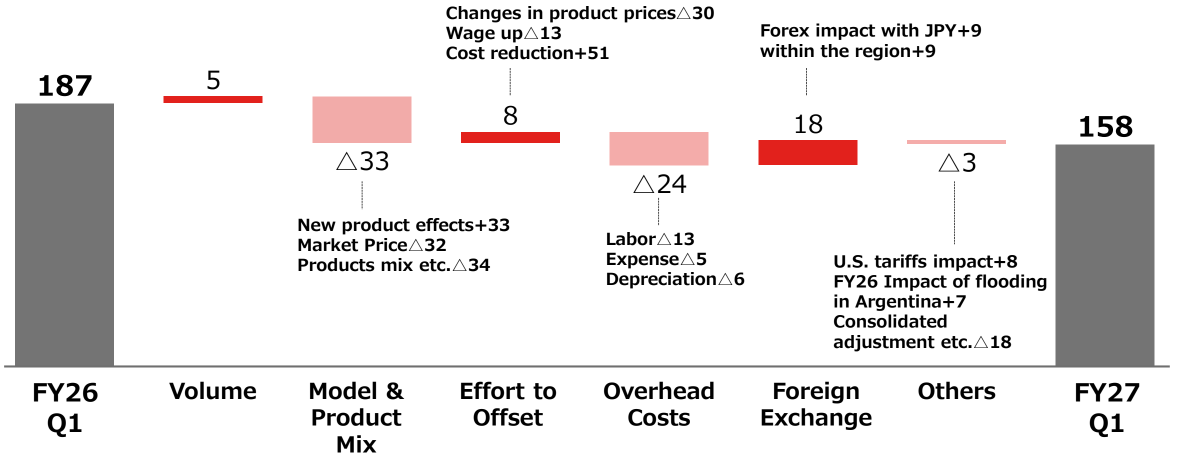
Exchange rates are approximately
159 yen to the U.S. dollar and 185 yen to the Euro.

The foreign exchange impact was 31.5 billion yen increase for revenue
and 0.9 billion yen increase for operating profit year-over-year.

2-2) 1st Quarter FY2027 Financial Results Consolidated Analysis of Operating Profit

Profit decreased due to market impacts from the Middle East situation, and an increase in overhead costs despite the new product effects and foreign exchange impact

(100 million yen)

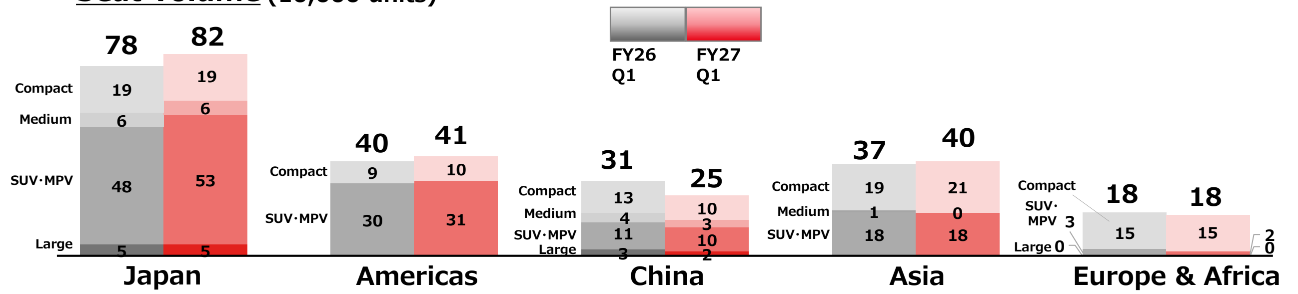


Next, let me move on to consolidated operating profit.

Operating profit decreased by 2.8 billion yen to 15.8 billion yen, due to market impacts from the Middle East situation, and an increase in overhead costs
despite the new product effects and foreign exchange impact.

2-3) 1st Quarter FY2027 Financial Results Seat Volume/Profit and Loss by Segments

Seat Volume (10,000 units)



Profit and Loss (100 million yen)

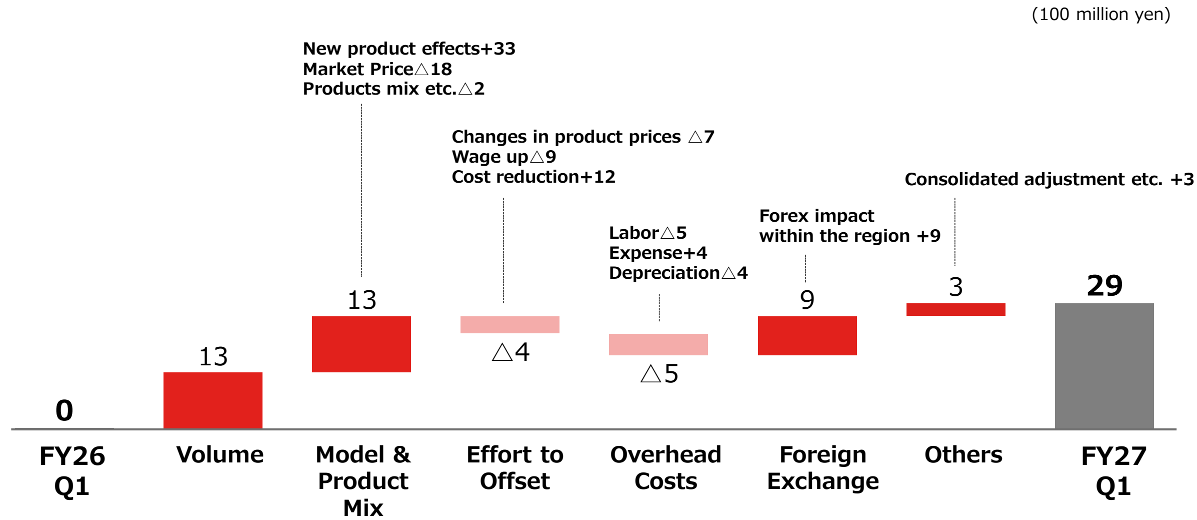
	Japan			Americas			China			Asia			Europe & Africa		
	FY26	FY27	YOY Change	FY26	FY27	YOY Change	FY26	FY27	YOY Change	FY26	FY27	YOY Change	FY26	FY27	YOY Change
Revenue	2,238	2,385	146	1,351	1,572	220	482	539	57	700	780	79	272	310	38
Operating Profit	0	29	29	46	25	△20	41	20	△20	90	91	0	8	△7	△16
Ratio	0.0%	1.2%	-	3.4%	1.6%	-	8.6%	3.8%	-	13.0%	11.7%	-	3.1%	△2.5%	-

The seat assembly volume, Profit and Loss by segment is as shown.

Japan, increase in volume / increase in revenue / increase in profit
The Americas, increase in volume / increase in revenue / decrease in profit
China, decrease in volume / increase in revenue / decrease in profit
Asia, increase in volume / increase in revenue / increase in profit
Europe & Africa, decrease in volume / increase in revenue / decrease in profit

The analysis of operating profit will be explained in detail in later slides.

Profit increased due to the new products effect and volume increase, despite the market impacts from the Middle East situation and changes in products mix



Next, in Japan, year-over-year,

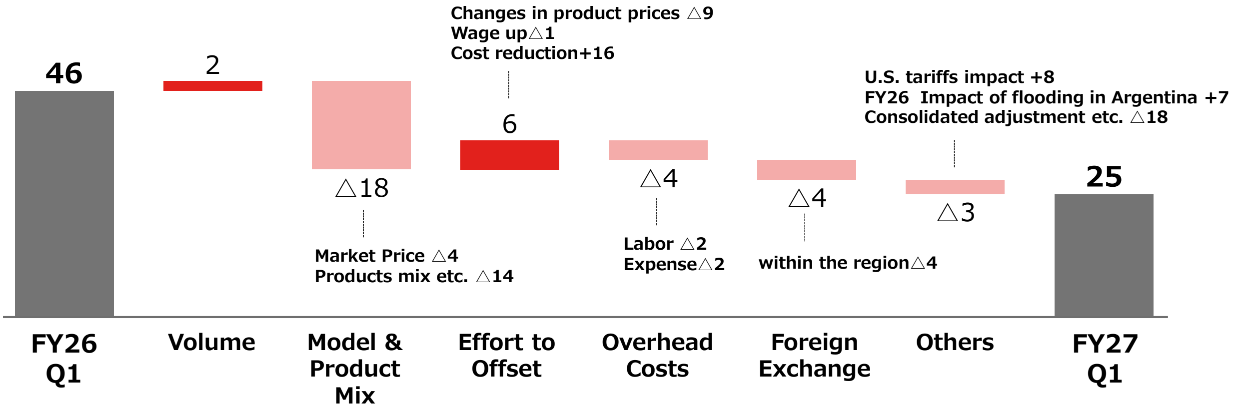
Operating profit increased by 2.9 billion yen to 2.9 billion yen, due to the new product effects and volume increase, despite the market impacts from the Middle East situation and changes in products mix.

We aim to achieve sustainable growth by improving profitability through accelerated operational improvements and strengthen fixed-cost management, while continuing to invest for the future.

2-4) 1st Quarter FY2027 Financial Results The Americas Analysis of Operating Profit

**Profit decreased due to changes in products mix etc.,
despite cost reduction and volume increase**

(100 million yen)

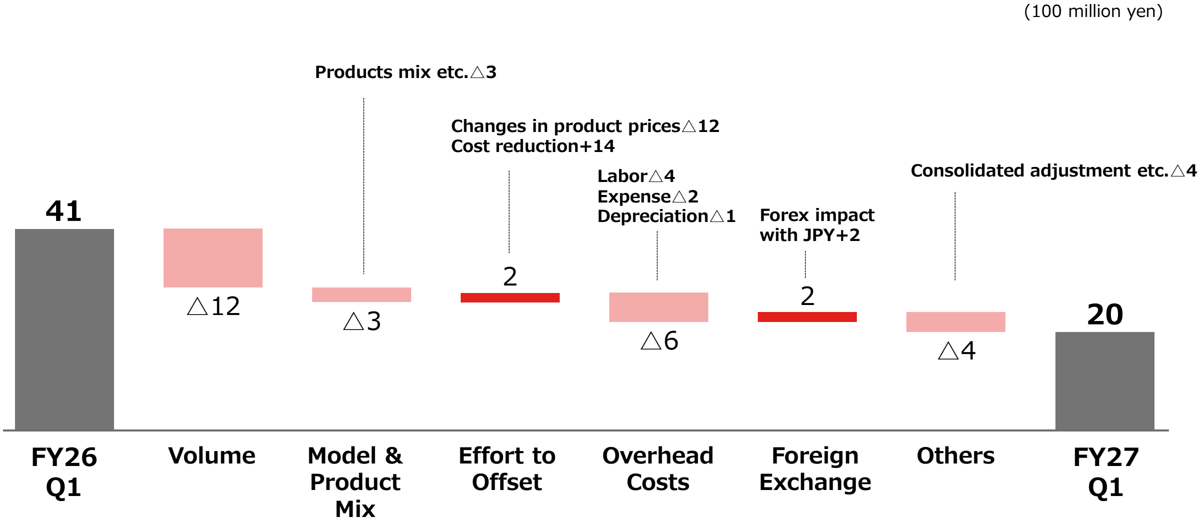


Next, in the Americas, year-over-year,

Operating profit decreased by 2.0 billion yen to 2.5 billion yen,
due to changes in products mix etc.,
despite cost reduction and volume increase.

We are steadily advancing initiatives to improve profitability.
By strengthening the earnings base, particularly at
our new plants, we will further enhance our profitability going forward.

Profit decrease due to the volume decrease from changing demand and an increase in overhead costs



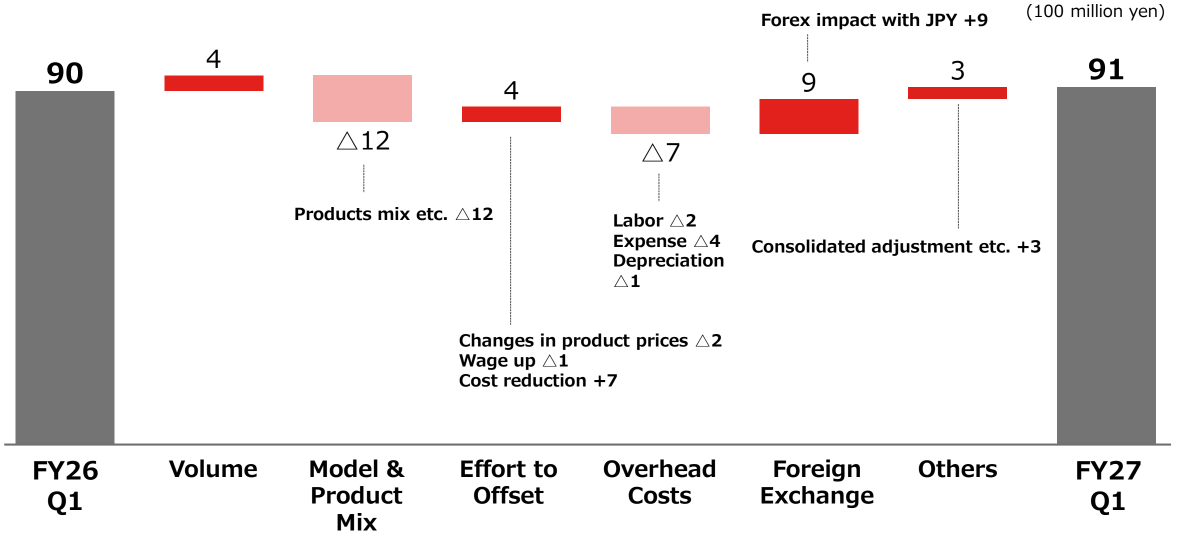
Next, in China, year-over-year,

Operating profit decreased by 2.0 billion yen to 2.0 billion yen, due to the volume decrease from changing demand and an increase in overhead costs.

Although we remain in a production slowdown phase, we will continue to secure earnings through steady execution of overhead costs optimization and profit improving activities.

2-4) 1st Quarter FY2027 Financial Results Asia Analysis of Operating Profit

Profit increased due to the new product effects and foreign exchange impacts despite changes in products mix and an increase in overhead costs



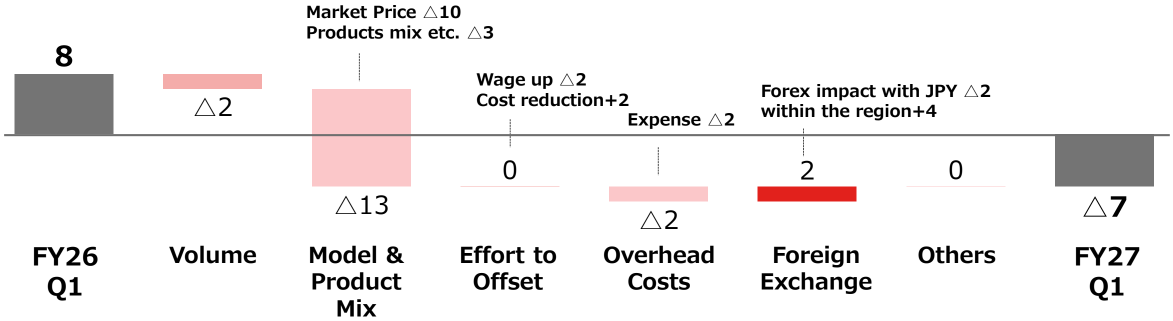
Next, in Asia, year-over-year,

Operating profit was 9.1 billion yen, in line with the previous fiscal year,
due to the new product effects and foreign exchange impacts despite changes in products mix and an increase in overhead costs.

We are steadily implementing overhead costs efficiency and cost reduction
to maintain a high level of profitability,
for future, we will continue sales expansion in India.

Profit decreased due to market impact and changes in products mix, despite the foreign exchange impact

(100 million yen)



Next, in Europe & Africa, year-over-year,

Operating loss was 0.7 billion yen,
due to market impact and changes in products mix,
despite the foreign exchange impact.

We will steadily drive profitability improvement initiatives to achieve sustained earnings growth
while promoting investments aimed at future business expansion.

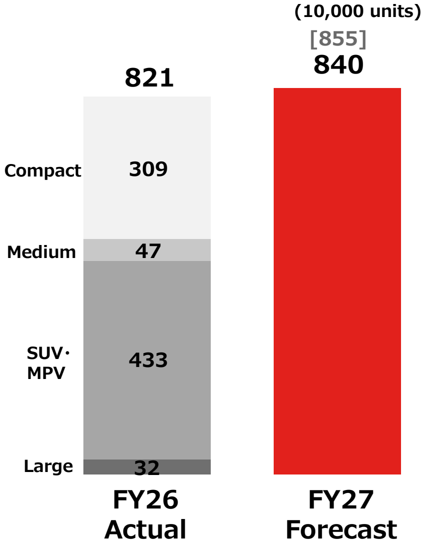
Contents

Lastly,
I would like to explain the full year forecasts for the fiscal year 2027.

3-1) FY2027 Financial Forecasts Seat Volume/Profit and Loss Forecast

[] previous forecast

Seat Volume



Profit and Loss

(100 million yen)

		FY26 Actual		FY27 Forecast			YOY Change	
Revenue		20,370	100%	[21,200]	21,000	100%	629	3.1%
Operating Profit		539	2.6%	[800]	760	3.6%	220	40.9%
Profit before income taxes		619	3.0%	[830]	800	3.8%	180	29.2%
Profit※		232	1.1%	[480]	460	2.2%	227	97.7%
Exchange Rate	USD	151 yen		[150 yen]	150 yen		△1 yen	
	EUR	175 yen		[180 yen]	180 yen		5 yen	

※Profit attributable to owners of the parent

	FY26 Actual	FY27 Forecast	YOY Change
ROE	5.0%	9.1%	-
Dividend (Payout ratio)	86 yen (66.0%)	86 yen (33.4%)	0 yen (-)
DOE	3.3%	3.1%	-

Please be informed that the forecast for this period has been revised downward from the previous forecast,
with revenue down by 20.0 billion yen and operating profit down by 4.0 billion yen.

The consolidated seat assembly volume, it is forecasted to reach 8.40 million units, an increase of 0.19 million units compared to the previous year.

Sales revenue is prospected to increase by 62.9 billion yen to 2.10 trillion yen year-over-year.

Operating profit is prospected to increase by 22.0 billion yen to 76.0 billion yen.

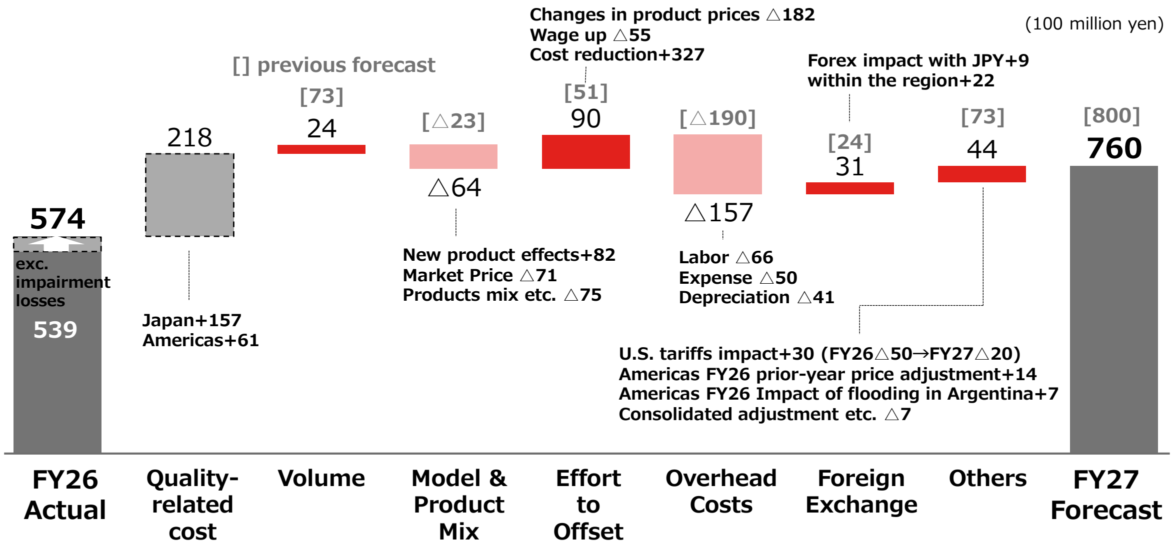
Profit before income taxes is prospected to increase by 18.0 billion yen to 80.0 billion yen.

Profit attributable to owners of the parent is prospected to increase by 22.7 billion yen to 46.0 billion yen.

Assumed exchange rates stand at 150 yen to the U.S. dollar, and 180 yen to the Euro.

3-2) FY2027 Financial Forecasts Consolidated Analysis of Operating Profit

To achieve the target of 2030 Mid-term Plan, upfront investments will be continued efficiently by leveraging the benefits of the new product effects and profit improvement activities.



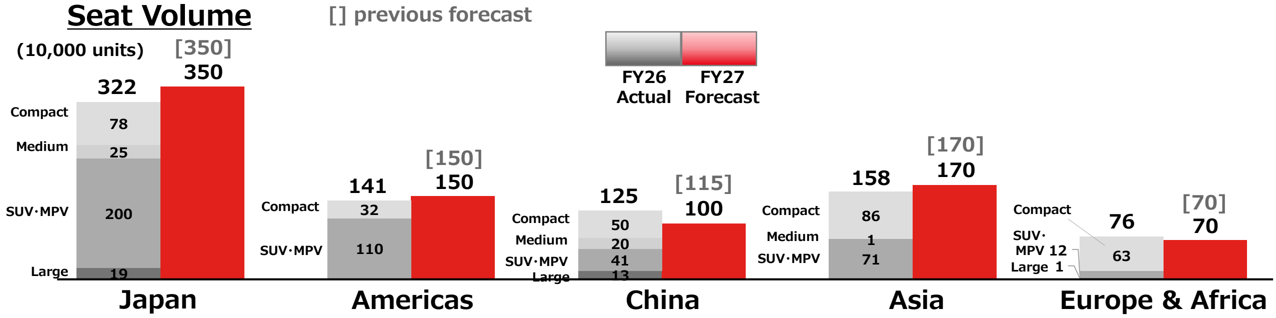
Next, let me move on to the year-over-year variance analysis of the consolidated full-year operating profit forecast.

Operating profit for the previous fiscal year was 57.4 billion yen, excluding the impact of impairment losses,
operating profit is expected to increase by 18.5 billion yen to 76.0 billion yen year-over-year,
due to new product effects and impacts of cost reduction.

To achieve the target of 2030 Mid-term Plan, upfront investments will be continued efficiently by leveraging the benefits of volume increase and the effects of profit improvement activities.

3-3) FY2027 Financial Forecasts Seat Volume/Profit and Loss by Segments

Seat Volume



Profit and Loss

(100 million yen)

	Japan			Americas			China			Asia			Europe & Africa		
	FY26 Actual	FY27 Forecast	YOY Change	FY26 Actual	FY27 Forecast	YOY Change	FY26 Actual	FY27 Forecast	YOY Change	FY26 Actual	FY27 Forecast	YOY Change	FY26 Actual	FY27 Forecast	YOY Change
Revenue	9,680	10,100	419	5,423	5,600	176	2,160	2,000	△160	3,022	3,300	277	1,240	1,200	△40
Operating Profit	51	190	138	△98 (△64)	40	138 (104)	147	110	△37	400	400	△0	37	20	△17
Ratio	0.5%	1.9%	-	△1.8%	0.7%	-	6.8%	5.5%	-	13.2%	12.1%	-	3.1%	1.7%	-

()exc. Impairment losses

The forecast of seat volume, revenue and operating profit by segment is as shown.

Japan, increase in volume / increase in revenue / increase in profit
The Americas, increase in volume / increase in revenue / increase in profit
China, decrease in volume / decrease in revenue / decrease in profit
Asia, increase in volume / increase in revenue / decrease in profit
Europe & Africa, decrease in volume / decrease in revenue / decrease in profit.

3-4) FY2027 Financial Forecasts 1st/2nd Half by Region

Revenue (100 million yen)

[] previous forecast

	1st Half		2nd Half		Full Year	
Japan	[4,900]	5,000	[5,100]	5,100	[10,000]	10,100
Americas	[2,800]	2,900	[2,800]	2,700	[5,600]	5,600
China	[1,200]	1,000	[1,100]	1,000	[2,300]	2,000
Asia	[1,500]	1,500	[1,800]	1,800	[3,300]	3,300
Europe & Africa	[600]	600	[600]	600	[1,200]	1,200
Total	[10,400]	10,400	[10,800]	10,600	[21,200]	21,000

Operating Profit (100 million yen)

	1st Half			2nd Half			Full Year		
Japan	[80]	90	1.8%	[110]	100	2.0%	[190]	190	1.9%
Americas	[30]	40	1.4%	[10]	0	0.0%	[40]	40	0.7%
China	[60]	40	4.0%	[80]	70	7.0%	[140]	110	5.5%
Asia	[180]	180	12.0%	[220]	220	12.2%	[400]	400	12.1%
Europe & Africa	[0]	△10	△1.7%	[30]	30	5.0%	[30]	20	1.7%
Total	[350]	340	3.3%	[450]	420	4.0%	[800]	760	3.6%

The financial forecasts by the half-year are as shown.

We will make timely and flexible management decisions
while closely monitoring global production trends and the Middle East situation.

Despite these circumstances, we will not slow down our efforts toward achieving the target of 2030 Mid-Term Plan,
and will continue to efficiently execute upfront investments such as
human capital and R&D while prioritizing them accordingly.

That would be all for financial results for FY2027 1st quarter.
Thank you for listening.

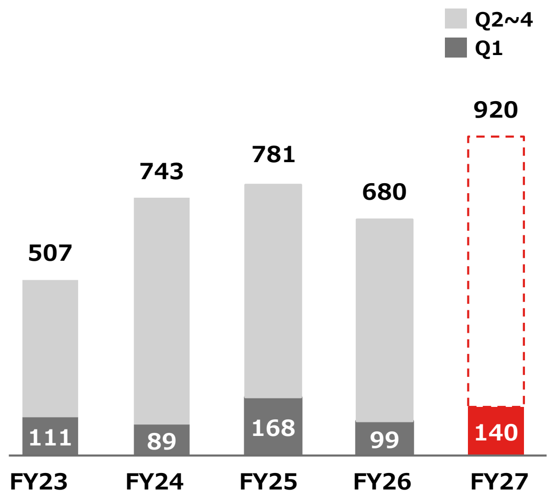
Contents

Foreign Exchange Trends (yen)

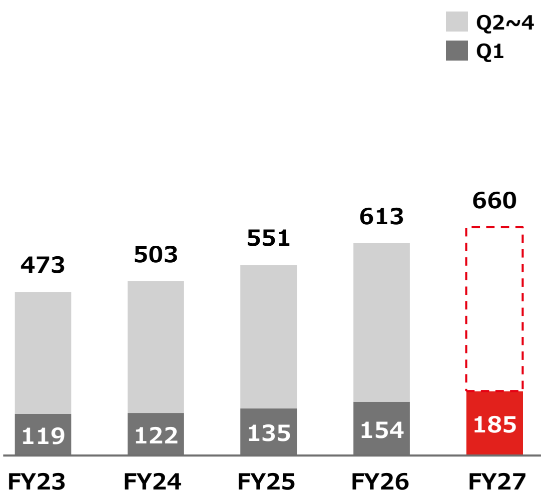
	FY26 Actual					FY27				
						Actual	Forecast			
	Q1	Q2	Q3	Q4	Yearly	Q1	Q2	Q3	Q4	Yearly
USD	144.59	147.49	154.14	156.86	150.77	159.49	-	-	-	150.00
EUR	163.80	172.32	179.37	183.67	174.79	185.39	-	-	-	180.00
CNY	19.99	20.59	21.73	22.65	21.24	23.43	-	-	-	21.70
THB	4.36	4.58	4.77	4.97	4.67	4.90	-	-	-	4.70

Capital Expenditure・Research and Development Trends (100 million yen)

CAPEX



R&D



Dividend Trend

		FY23 Actual	FY24 Actual	FY25 Actual	FY26 Actual	FY27 Forecast
Dividends	Interim	35 yen	43 yen	43 yen	43 yen	43 yen
	Year-end	35 yen	43 yen	43 yen	43 yen	43 yen
	Yearly	70 yen	86 yen	86 yen	86 yen	86 yen
DOE		3.3%	3.7%	3.4%	3.3%	3.1%
Dividend Payout Ratio		89.1%	27.3%	91.8%	66.0%	33.4%

4-4) Appendix

Quarterly Trends(100 million yen, 10,000 units)

		FY26 Actual				FY27 Actual			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Global	Seat Volume	203	207	210	201	206	-	-	-
	Revenue	4,796	4,925	5,339	5,308	5,280	-	-	-
	Operating Profit	187	183	232	△62※	158	-	-	-
	Margin	3.9%	3.7%	4.3%	△1.2%	3.0%	-	-	-
Japan	Seat Volume	78	80	83	82	82	-	-	-
	Revenue	2,238	2,397	2,504	2,540	2,385	-	-	-
	Operating Profit	0	75	85	△110	29	-	-	-
	Margin	0.0%	3.2%	3.4%	△4.4%	1.2%	-	-	-
Americas	Seat Volume	40	37	34	31	41	-	-	-
	Revenue	1,351	1,291	1,393	1,387	1,572	-	-	-
	Operating Profit	46	△34	△4	△106※	25	-	-	-
	Margin	3.4%	△2.6%	△0.3%	△7.7%	1.6%	-	-	-

※Includes impact of impairment loss

4-4) Appendix

Quarterly Trends(100 million yen, 10,000 units)

		FY26 Actual				FY27 Actual			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
China	Seat Volume	31	32	34	28	25	-	-	-
	Revenue	482	497	623	556	539	-	-	-
	Operating Profit	41	38	37	29	20	-	-	-
	Margin	8.6%	7.8%	6.0%	5.3%	3.8%	-	-	-
Asia	Seat Volume	37	41	39	41	40	-	-	-
	Revenue	700	741	782	798	780	-	-	-
	Operating Profit	90	96	105	107	91	-	-	-
	Margin	13.0%	13.0%	13.5%	13.5%	11.7%	-	-	-
Europe & Africa	Seat Volume	18	18	20	20	18	-	-	-
	Revenue	272	283	330	355	310	-	-	-
	Operating Profit	8	6	8	14	△7	-	-	-
	Margin	3.1%	2.5%	2.5%	4.0%	△2.5%	-	-	-

TOYOTA BOSHOKU

<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.