



TOYOTA BOSHOKU

TSE Prime Market Securities Code 3116

FY2026 (ending March 2026) 2nd Quarter Financial Results

2025.10.31 (Fri)



TOYOTA BOSHOKU QUALITY OF TIME AND SPACE

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Thank you for attending our FY2026 2nd 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 FY2026 2nd quarter. Lastly, our full year forecasts for FY2026.

Now, let's begin by reviewing the overview of financial results for this 2nd quarter.

1-1) Overview of Financial Results

Actual

Operating profit increased due to **volume increase in Japan and the Americas, the impact of new products and internal efforts such as additional cost reduction through profit improvement activities**, despite the negative impact of additional U.S tariffs and quality-related cost.

Forecast

Incorporated **the impact of additional U.S. tariffs, absorbing the negative impact by internal efforts such as additional cost reduction.**

However, **the current forecast has been revised downward from the previous forecast** after incorporating quality-related cost and others.

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.

Operating profit increased compared to the 2nd quarter FY25, due to volume increase in Japan and the Americas, the impact of new products and internal efforts such as additional cost reduction through profit improvement activities, despite the negative impact of additional U.S tariffs and quality-related cost.

Next, for FY26 annual forecast, we have incorporated the impact of additional U.S. tariffs into the current forecast and aim to offset the negative impact through internal cost reduction efforts. However, after incorporating unexpected items such as quality-related cost, we have revised the forecast downward from the previous forecast.

Finally, on returning to shareholders, for FY26, our annual dividends plan is 86 yen, the same amount as announced previously.

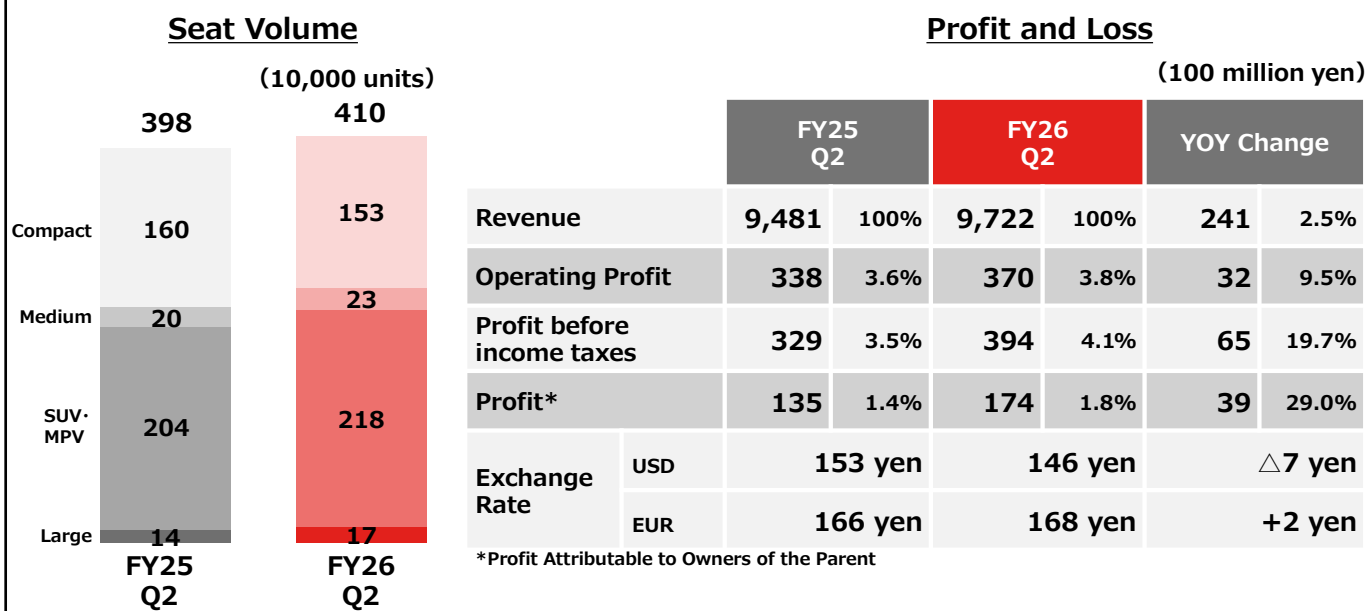
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In the following section,

I would like to explain the cumulative financial results for the 2nd quarter FY26.

2-1) FY2026 2nd Quarter Financial Results Seat Volume/Profit and Loss



The consolidated seat assembly volume, the main product of the company, totaled 4.10 million units, an increase of 0.13 million units compared to the previous year.

Sales revenue increased by 24.1 billion yen to 972.2 billion yen.

Operating profit increased by 3.2 billion yen to 37.0 billion yen.

Profit before income taxes increased by 6.5 billion yen to 39.4 billion yen.

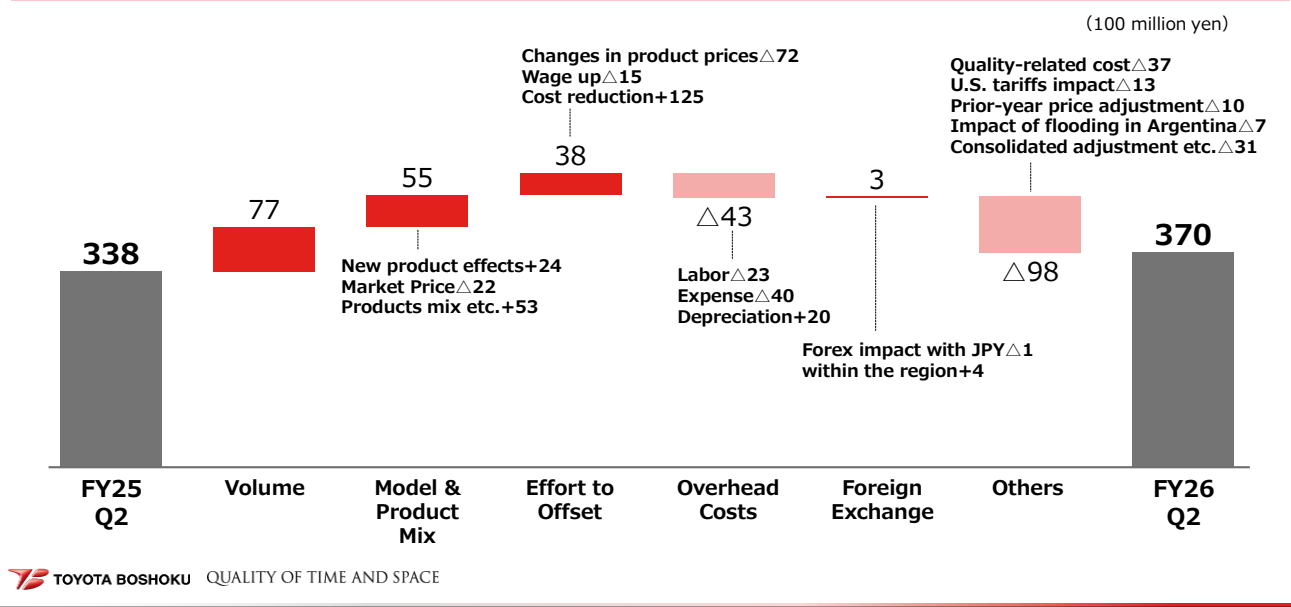
Profit attributable to owners of the parent increased by 3.9 billion yen to 17.4 billion yen, year-over-year.

Exchange rates are approximately 146 yen to the U.S. dollar and 168 yen to the Euro.

Foreign exchange translation differences resulted in a revenue 16.5 billion yen decrease, and an operating profit 0.1 billion yen decrease year-over-year.

2-2) FY2026 2nd Quarter Financial Results Consolidated Analysis of Operating Profit

Profit increased due to volume increase in Japan and the Americas, additional to global cost reduction despite the impact of additional U.S. tariffs and quality-related cost



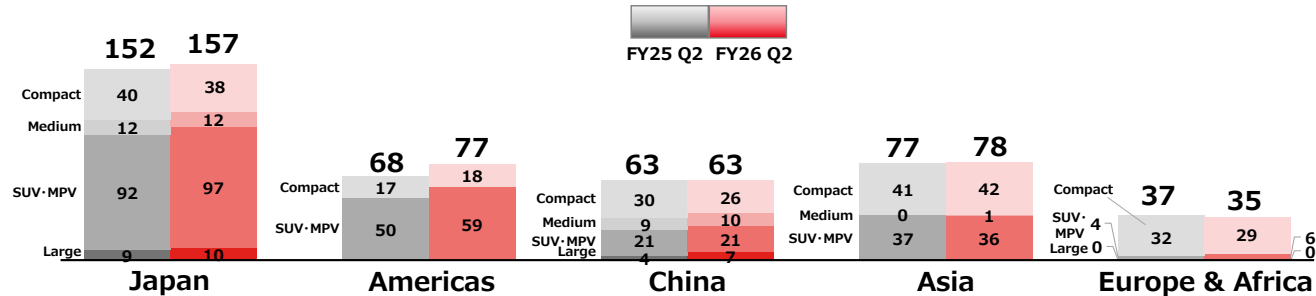
Next, let me move on to consolidated operating profit.

Operating profit increased by 3.2 billion yen to 37.0 billion yen, due to volume increase in Japan and the Americas, additional to global cost reduction despite the impact of additional U.S. tariffs and quality-related cost.

The impact of the additional U.S. tariffs in the 2nd quarter resulted in 1.3 billion yen loss in profit.

2-3) FY2026 2nd Quarter 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		
	FY25	FY26	YOY Change	FY25	FY26	YOY Change	FY25	FY26	YOY Change	FY25	FY26	YOY Change	FY25	FY26	YOY Change
Revenue	4,530	4,636	105	2,408	2,642	234	1,126	980	△145	1,400	1,442	41	574	555	△18
Operating Profit	37	76	38	△3	12	15	98	80	△17	182	187	4	22	15	△6
Ratio	0.8%	1.6%	-	△0.1%	0.5%	-	8.7%	8.2%	-	13.1%	13.0%	-	3.9%	2.8%	-

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 / increase in profit

China, decrease in volume / decrease in revenue / decrease in profit

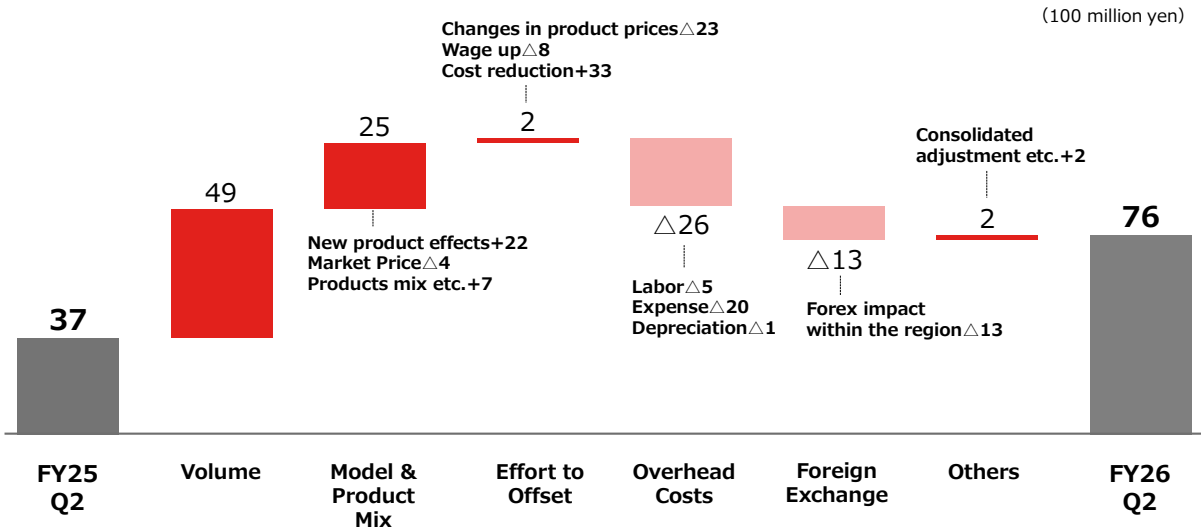
Asia, increase in volume / increase in revenue / increase in profit

Europe & Africa, decrease in volume / decrease in revenue / decrease in profit

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

2-4) FY2026 2nd Quarter Financial Results Japan Analysis of Operating Profit

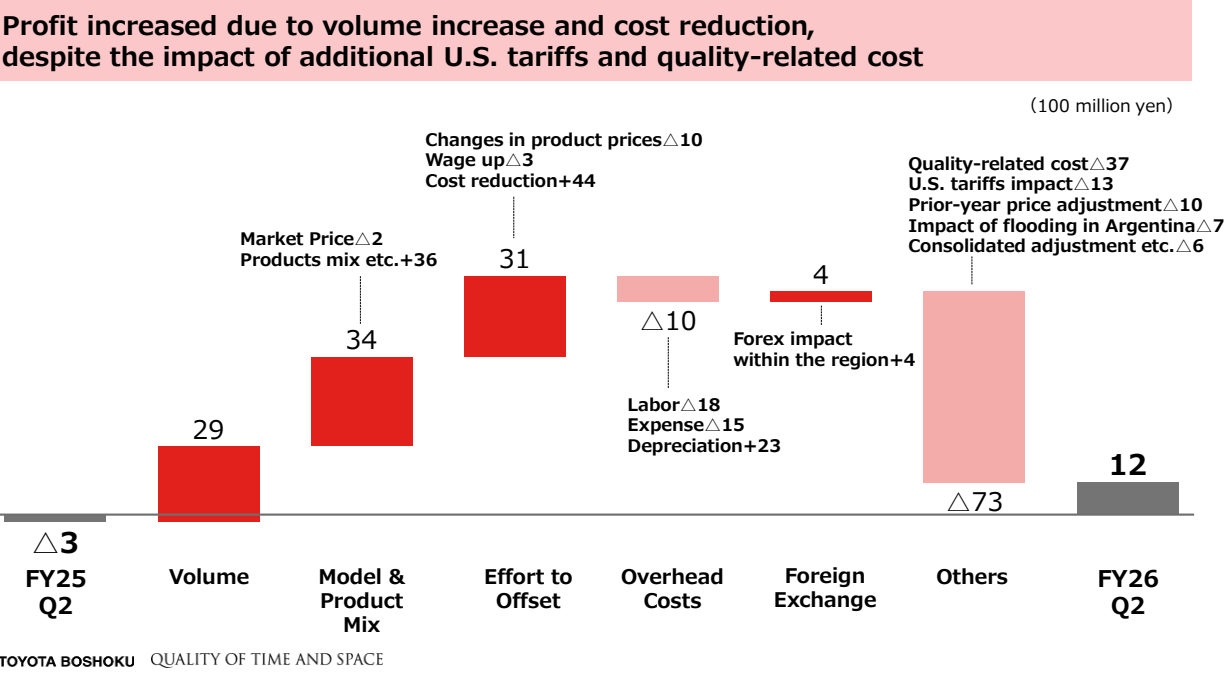
Profit increased due to volume increase and the effects of new products, despite an increase in overhead costs



Next, in Japan, year-over-year,

Operating profit increased by 3.8 billion yen to 7.6 billion yen, due to volume increase and the effects of new products, despite an increase in overhead costs.

We will continue to build up profits by executing upfront investments efficiently, ensuring the impact of new products, and maximizing the benefits of volume increase.



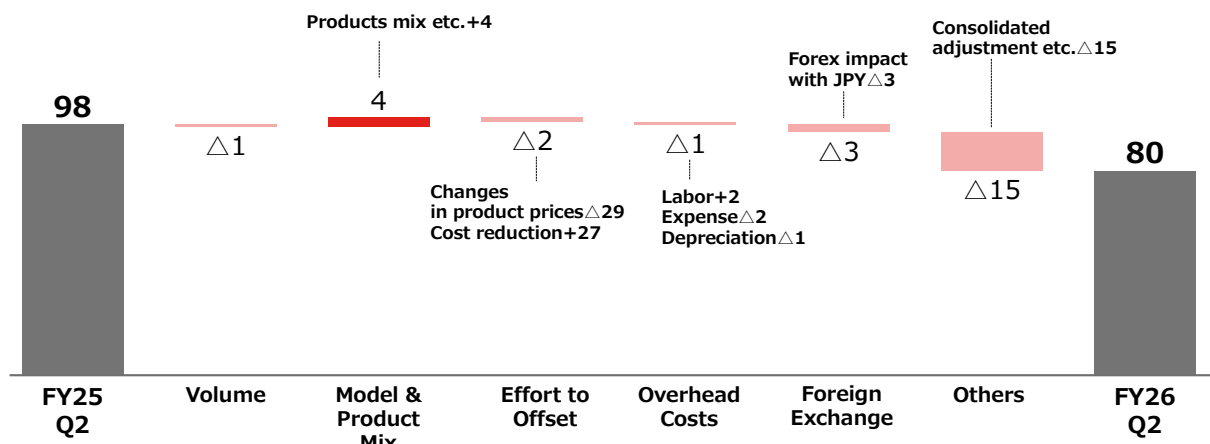
Next, in the Americas, year-over-year,

Operating profit increased by 1.5 billion yen to 1.2 billion yen, due to volume increase driven by the normalization of operations following last year’s customer shutdown, along with cost reduction, despite the negative impact of additional U.S. tariffs and quality-related cost.

Profit improvement activities are steadily shown, and we will continue our efforts towards further strengthening our competitiveness while working to minimize the impact of additional U.S. tariffs.

Profit decreased due to foreign exchange impact, despite changes in the vehicle mix

(100 million yen)



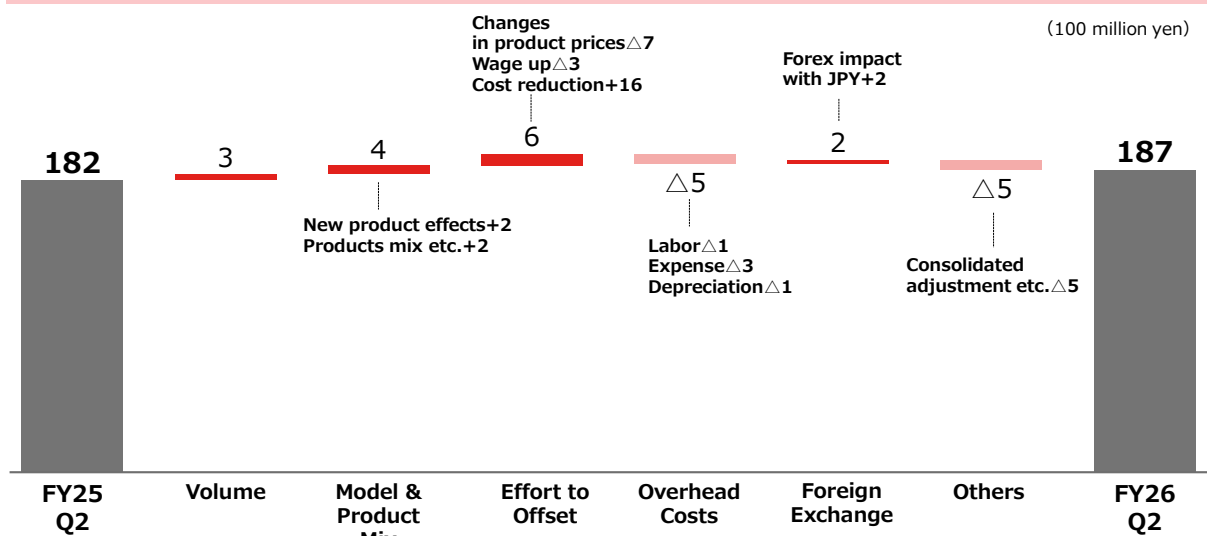
Next, in China, year-over-year,

Operating profit decreased by 1.7 billion yen to 8.0 billion yen, due to foreign exchange impact, despite changes in the vehicle mix.

Although market trends remain uncertain, we will continue to pursue profit improvement through efficient overhead costs management and steadily implementation of cost reduction.

2-4) FY2026 2nd Quarter Financial Results Asia Analysis of Operating Profit

Profit increased due to volume increase and cost reduction, despite an increase in overhead costs



Next, in Asia, year-over-year,

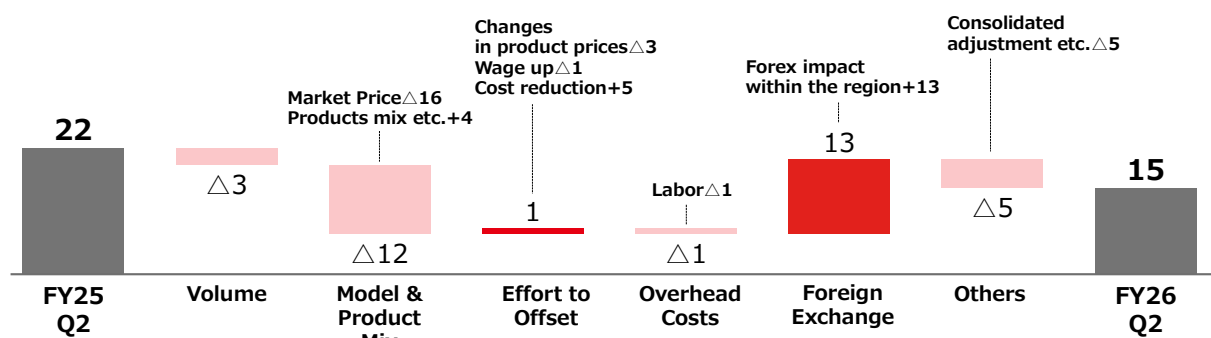
Operating profit increased by 0.4 billion yen to 18.7 billion yen, due to volume increase and cost reduction, despite an increase in overhead costs.

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.

2-4) FY2026 2nd Quarter Financial Results Europe & Africa Analysis of Operating Profit

Profit decreased due to volume decrease and market prices, despite foreign exchange impact

(100 million yen)



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

Operating profit decreased by 0.6 billion yen to 1.5 billion yen, due to volume decrease and market prices, despite foreign exchange impacts.

For future sales expansion, we will strengthen our competitiveness by executing upfront investments efficiently.

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Lastly,

I would like to explain the full year forecasts for the fiscal year 2026.

3-1) FY2026 Financial Forecasts Seat Volume/Profit and Loss Forecast

[]previous forecast

Seat Volume		Profit and Loss							
(10,000 units)		(100 million yen)							
[830]		FY25 Actual		FY26 Forecast			YOY change		
820									
Compact	322	Revenue	19,542	100%	[20,000]	19,800	100%	257	1.3%
		Operating Profit	423	2.2%	[800]	750	3.8%	326	76.9%
		Profit before income taxes	470	2.4%	[830]	800	4.0%	329	69.9%
Medium	47	Profit*	167	0.9%	[500]	450	2.3%	282	169.1%
SUV·MPV	421	Exchange Rate	USD	153 yen	[145]	145 yen		△8 yen	
			EUR	164 yen	[160]	170 yen		+6 yen	
*Profit Attributable to Owners of the Parent									
Large	30	ROE	3.7%		9.7%			-	
		Dividend	86 yen		86 yen			0 yen	
		(Dividend payout ratio)	(91.8%)		(34.1%)			(-)	
FY25 Actual		DOE	3.4%		3.3%			-	

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 5.0 billion yen.

The consolidated seat assembly volume, it is forecasted to reach 8.25 million units, an increase of 0.05 million units compared to the previous year.

Sales revenue is prospected to increase by 25.7 billion yen to 1.98 trillion yen year-over-year.

Operating profit is prospected to increase by 32.6 billion yen to 75.0 billion yen.

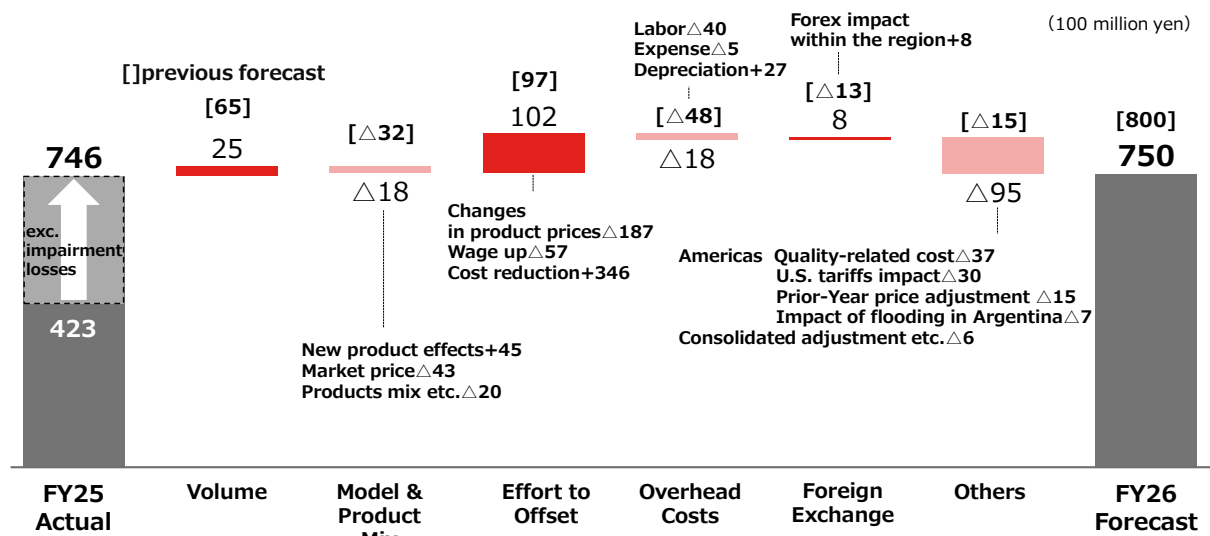
Profit before income taxes is prospected to increase by 32.9 billion yen to 80.0 billion yen.

Profit attributable to owners of the parent is prospected to increase by 28.2 billion yen to 45.0 billion yen.

Assumed exchange rates stand at 145 yen to the U.S. dollar, and 170 yen to the Euro.

3-2) FY2026 Financial Forecasts Consolidated Analysis of Operating Profit

- Steadily progress in profitability competitiveness by volume increase and profit improvement activities
- However, lower profit expected compared to previous forecast due to quality-related cost and others



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

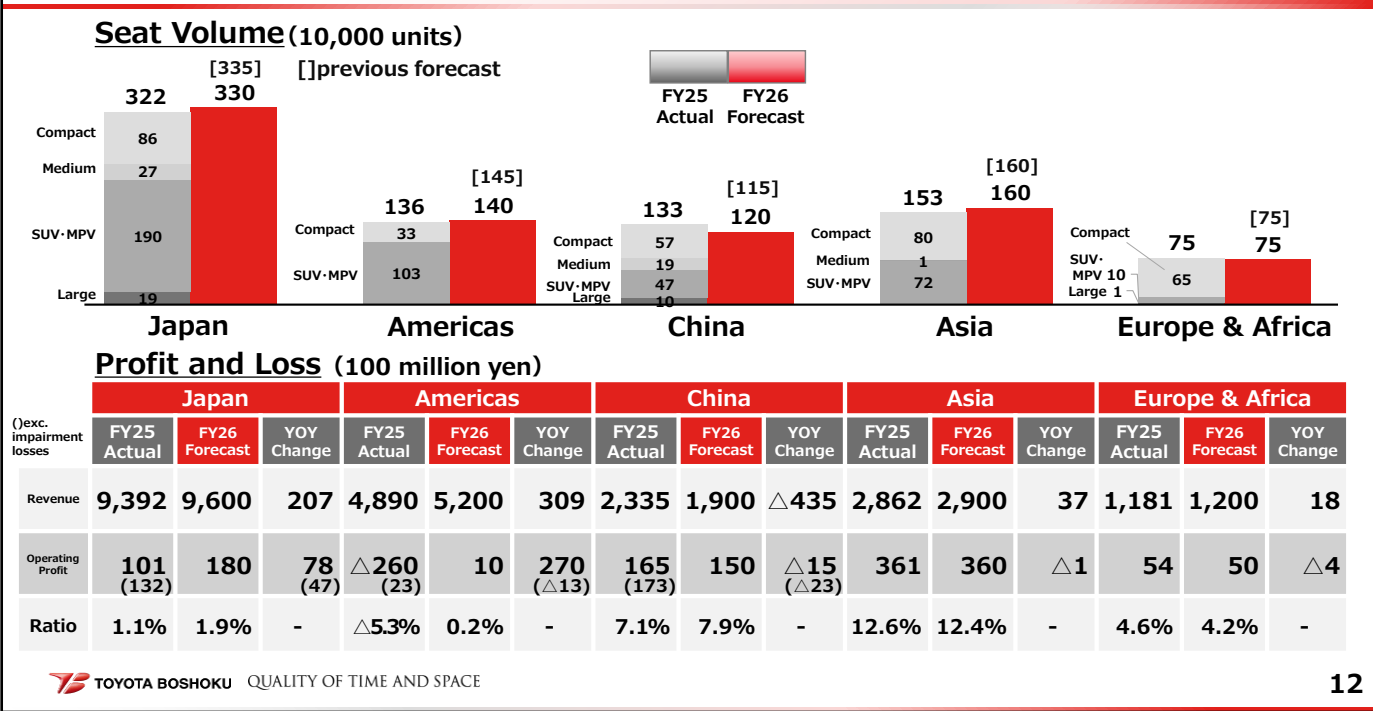
As mentioned at the beginning, the current forecast incorporates the impact of additional U.S. tariffs.

Operating profit for the previous fiscal year was 74.6 billion yen, excluding the impact of impairment losses, operating profit is expected to increase by 0.3 billion yen year-on-year, due to a global volume increase and new product effects in addition to impacts of cost reduction.

Although the impact of additional U.S. tariffs is expected to be absorbed, the forecast has been revised downward for unexpected quality-related cost and the impact of shutdown caused by tornado damage in Brazil.

However, the positive impact of global volume increase and the benefit of profit improvement activities are steadily strengthening our profitability competitiveness, and we will continue to pursue activities aimed to maximize profitability.

3-3) FY2026 Financial Forecasts Seat Volume/Profit and Loss by Segments

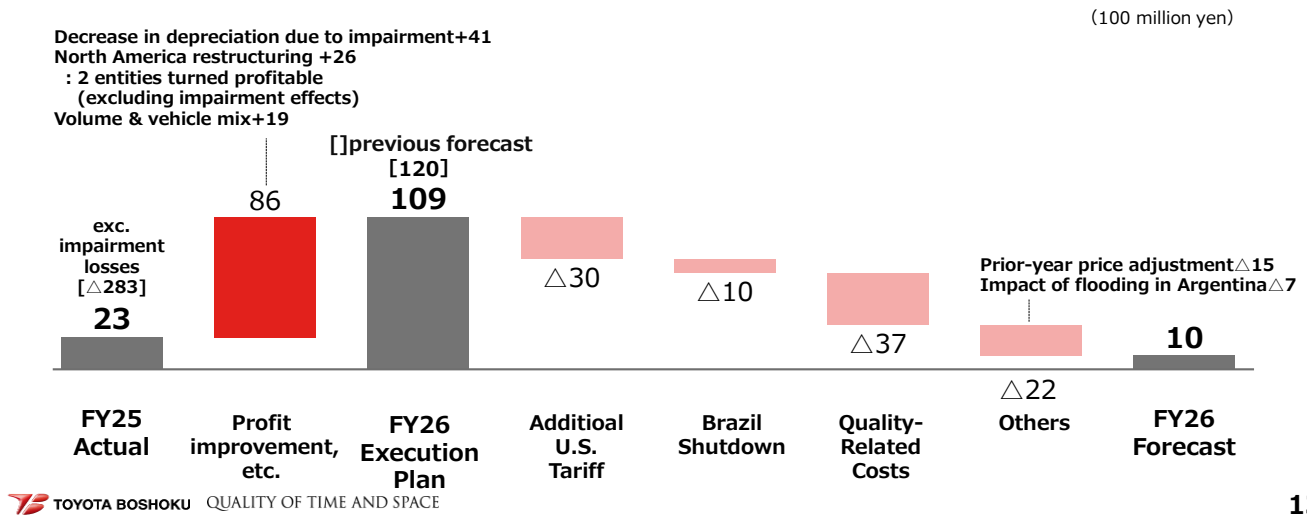


The forecast of seat volume, revenue and operating profit by segment is as shown.

Japan, increase in volume / increase in revenue / increase in profit
The Americas, increase in volume / increase in revenue / increase in profit, but excluding the impairment loss in previous year, decrease 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 / increase in revenue / decrease in profit.

3-4) FY2026 Financial Forecasts The Americas Analysis of Operating Profit

- Company-wide structural reforms and profit improvement activities are steadily improving profitability
- However, forecast revised downward to incorporate unexpected costs
- Impact of U.S. additional tariffs included; negotiation and tariff reduction continue
- Continue efforts to strengthen profit structure and profit foundation



Next, I would like to explain the changes from the previous forecast for the Americas.

In FY2026, in addition to the normalization of customer production, the benefits of structural reforms and profit improvement activities are showing, and our profitability is steadily improving.

However, as the current forecast incorporates the impact of additional U.S. tariffs, as well as the impact of shutdown in Brazil and quality-related cost, operating profit is expected to decrease compared to the previous fiscal year.

Regarding the negative impact of 30 billion yen from the additional U.S. tariffs, we will continue our efforts to mitigate this impact by minimization tariff costs, and discussions and negotiations with our customers and suppliers.

Without easing our efforts on profit structure reform, we will continue to advance initiatives aiming to build an even stronger profit foundation.

3-5) FY2026 Financial Forecasts 1st/2nd Half by Region

Revenue (100 million yen)					[]previous forecast		
	1st Half		2nd Half		Full Year		
Japan	4,636		4,963		[9,800]	9,600	
The Americas	2,642		2,557		[5,400]	5,200	
China	980		919		[1,900]	1,900	
Asia	1,442		1,457		[2,800]	2,900	
Europe & Africa	555		644		[1,100]	1,200	
Total	9,722		10,077		[20,000]	19,800	
Operating Profit (100 million yen)							
	1st Half		2nd Half		Full Year		
Japan	76	1.6%	103	2.1%	[180]	180	1.9%
The Americas	12	0.5%	△2	△0.1%	[120]	10	0.2%
China	80	8.2%	69	7.6%	[140]	150	7.9%
Asia	187	13.0%	172	11.9%	[320]	360	12.4%
Europe & Africa	15	2.8%	34	5.4%	[40]	50	4.2%
Total	370	3.8%	379	3.8%	[800]	750	3.8%

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

We will continue to strengthen profitability competitiveness and advance company-wide profit structure reforms without easing our effort.

To achieve the target of 2030 Mid-term Business Plan, upfront investments will be continued efficiently such as expanding sales to new customers, strategic human capital and R&D.

That would be all for Financial Results for the 2nd quarter FY26.
Thank you for listening.

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Foreign Exchange Trends (yen)

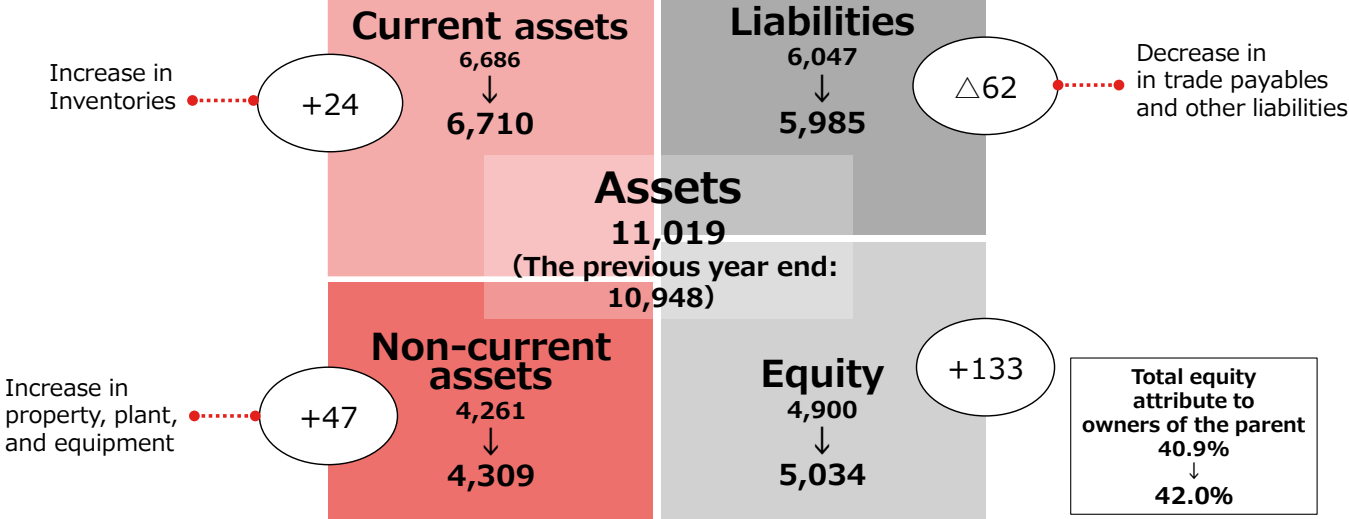
	FY25 Actual					FY26				
						Actual		Forecast		
	Q1	Q2	Q3	Q4	Yearly	Q1	Q2	Q3	Q4	Yearly
USD	155.89	149.37	152.45	152.61	152.58	144.59	147.49	-	-	145.00
EUR	167.88	164.02	162.59	160.51	163.75	163.80	172.32	-	-	170.00
CNY	21.48	20.82	21.15	20.95	21.10	19.99	20.59	-	-	20.30
THB	4.25	4.29	4.48	4.50	4.38	4.36	4.58	-	-	4.50

4-2) Appendix

Consolidated Statement of Financial Position

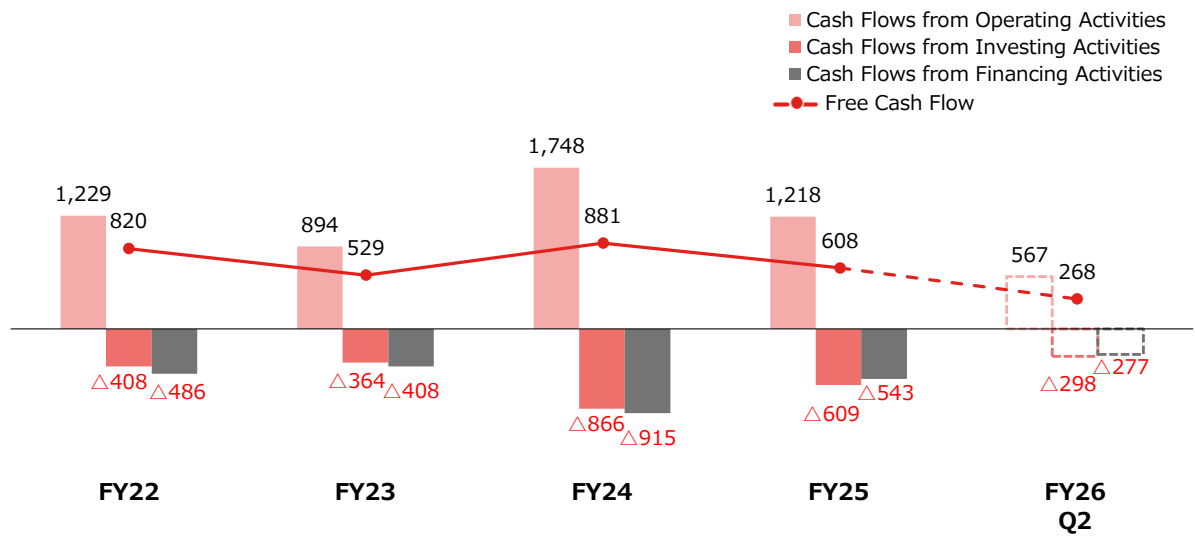
100 million yen,
As of September 30th, 2025

○ : Compared to
the previous year end



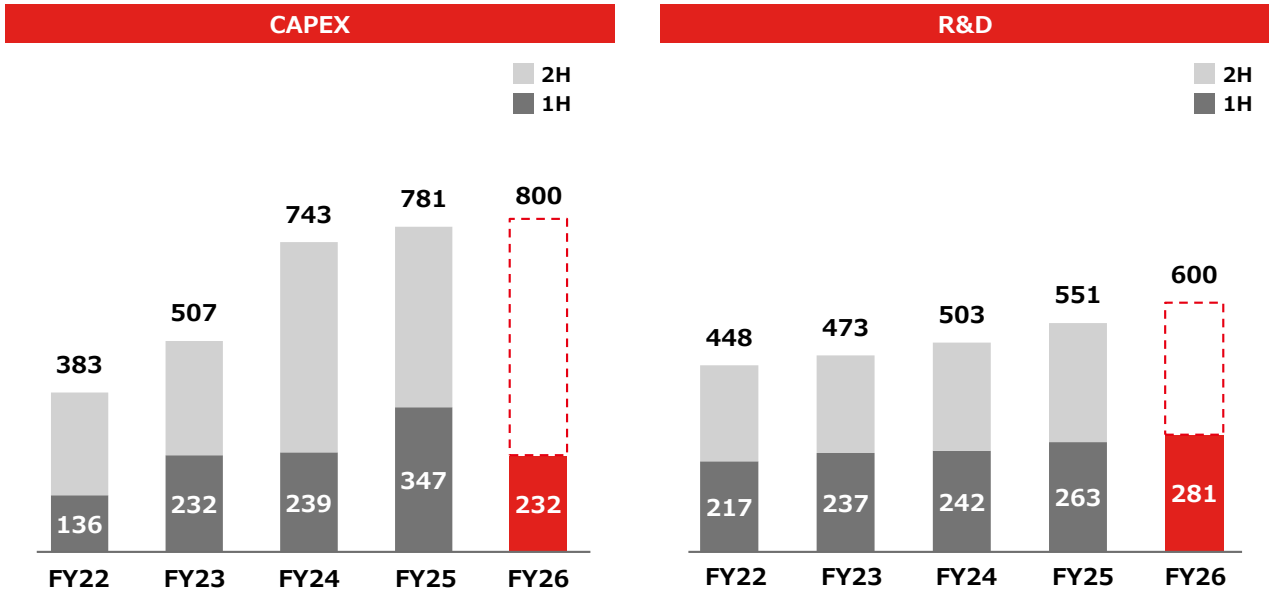
4-3) Appendix

Consolidated Cash Flow Trends(100 million yen)



4-4) Appendix

Capital Expenditures · Research and Development Trends(100 million yen)



Dividends Trends

		FY22 Actual	FY23 Actual	FY24 Actual	FY25 Actual	FY26 Forecast
Dividends	Interim	32 yen	35 yen	43 yen	43 yen	43 yen
	Year-end	32 yen	35 yen	43 yen	43 yen	43 yen
	Yearly	64 yen	70 yen	86 yen	86 yen	86 yen
DOE		3.3%	3.3%	3.7%	3.4%	3.3%
Dividend payout ratio		30.5%	89.1%	27.3%	91.8%	34.1%

4-6) Appendix

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

		FY25 Actual				FY26 Actual			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Global	Seat volume	200	198	216	206	203	207	-	-
	Revenue	4,880	4,601	4,985	5,075	4,796	4,925	-	-
	Operating profit	166	171	181	△96※	187	183	-	-
	Ratio	3.4%	3.7%	3.6%	△1.9%	3.9%	3.7%	-	-
Japan	Seat volume	75	77	84	85	78	80	-	-
	Revenue	2,242	2,288	2,408	2,453	2,238	2,397	-	-
	Operating profit	9	27	55	9※	0	75	-	-
	Ratio	0.4%	1.2%	2.3%	0.4%	0.0%	3.2%	-	-
The Americas	Seat volume	37	31	33	35	40	37	-	-
	Revenue	1,381	1,026	1,112	1,370	1,351	1,291	-	-
	Operating profit	21	△25	△55	△201※	46	△34	-	-
	Ratio	1.6%	△2.5%	△5.0%	△14.7%	3.4%	△2.6%	-	-

※incl. impairment losses

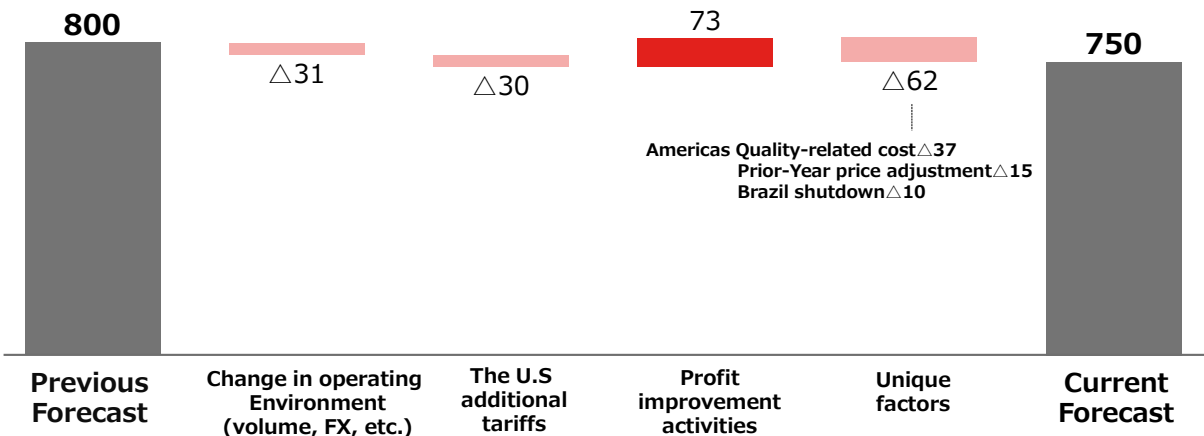
4-6) Appendix

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

		FY25 Actual				FY26 Actual			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
China	Seat volume	30	33	41	29	31	32	-	-
	Revenue	530	595	690	518	482	497	-	-
	Operating profit	24	74	65	1	41	38	-	-
	Ratio	4.6%	12.4%	9.5%	0.3%	8.6%	7.8%	-	-
Asia	Seat volume	38	40	38	38	37	41	-	-
	Revenue	693	706	756	705	700	741	-	-
	Operating profit	92	89	99	79	90	96	-	-
	Ratio	13.4%	12.7%	13.1%	11.3%	13.0%	13.0%	-	-
Europe & Africa	Seat volume	19	18	19	19	18	18	-	-
	Revenue	309	264	300	307	272	283	-	-
	Operating profit	17	4	17	15	8	6	-	-
	Ratio	5.8%	1.6%	5.8%	4.9%	3.1%	2.5%	-	-

4-7) Appendix FY2026 Financial Forecast: Operating Profit Changes from Previous Forecast

(100 million yen)





<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.