

Translation

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**Summary of Consolidated Financial Results
for the Nine Months Ended December 31, 2023
(Based on IFRS)**

February 2, 2024

Company name: Toyota Boshoku Corporation
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 3116 URL <https://www.toyota-boshoku.com>
 Representative: President Masayoshi Shirayanagi
 General Manager, Accounting & Finance Division Takeshi Ogiso TEL +81-566-26-0313
 Inquiries: Division
 Scheduled date to file Quarterly Securities Report: February 13, 2024
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are omitted.)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before income taxes		Profit for the period		Profit attributable to owners of the parent		Comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	1,471,179	25.8	76,723	168.0	79,372	139.8	50,224	249.1	42,112	380.1	59,260	208.2
Nine months ended December 31, 2022	1,169,170	13.0	28,631	△32.6	33,101	△26.2	14,386	△50.8	8,770	△64.2	19,226	△52.1

	Earnings per share attributable to owners of the parent - Basic	Earnings per share attributable to owners of the parent - Diluted
	Yen	Yen
Nine months ended December 31, 2023	225.38	225.34
Nine months ended December 31, 2022	46.94	46.94

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Millions of yen	Millions of yen	Millions of yen	%
As of December 31, 2023	1,117,899	476,458	436,108	39.0
As of March 31, 2023	1,007,392	436,894	400,741	39.8

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	—	35.00	—	35.00	70.00
Year ending March 31, 2024	—	43.00			
Year ending March 31, 2024 (Forecast)				43.00	86.00

(Note) Changes in the forecasted cash dividends in this quarter: No

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before income taxes		Profit attributable to owners of the parent		Earnings per share attributable to owners of the parent - Basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,970,000	22.8	93,000	95.1	90,000	72.1	59,000	301.9	315.76

(Note) Changes in the forecast of consolidated financial results in this quarter : No

* Notes

- (1) Changes in significant subsidiaries during the Nine months ended December 31, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

Newly included: 4 companies (Company name) TOYOTA BOSHOKU WESTERN KENTUCKY, LLC.

TOYOTA BOSHOKU SEIKO CORPORATION

SEAT METAL PARTS (CHINA) CO., LTD

PT.SHIROKI INDONESIA

Excluded: - company (Company name)

- (2) Changes in accounting policies and changes in accounting estimates
- Changes in accounting policies required by IFRS: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No

- (3) Number of shares issued (common shares)

Total number of shares issued at the end of the period (including treasury shares)

As of December 31, 2023	187,665,738 shares	As of March 31, 2023	187,665,738 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	765,316 shares	As of March 31, 2023	781,553 shares
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Average number of shares issued during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	186,850,527 shares	Nine months ended December 31, 2022	186,837,610 shares
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* This Consolidated Financial Results report is not subject to certified public accountant's or audit firm's quarterly review.

* Explanation on the proper use of the forecast on financial results, and other information
(Cautionary statement regarding forward-looking statements)

This report contains forward-looking statements based on information available to the Company as of the date hereof and assumptions which it believes are reasonable. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially, therefore do not represent any guarantees of future performance. For more information on forecasts, please see "(3) Explanation Regarding Forecast of Consolidated Financial Results and Other Forward-Looking Information" under "1. Qualitative Information on Financial Results" on page 2 of the appendix to this consolidated financial report.

(How to obtain supplementary financial results material)

Supplementary financial material will be posted on the Company's website on February 2, 2024(JST).

(Appendix)

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1. Qualitative Information on Financial Results

(1) Explanation of Business Results

For the nine months ended December 31, 2023, revenue increased by ¥302.0 billion or 25.8 %, year over year, to ¥1,471.1 billion due to the recovery in production volume globally. Operating profit increased by ¥48.0 billion or 168.0%, year over year, to ¥76.7 billion. Profit before income taxes increased by ¥46.2 billion or 139.8%, year over year, to ¥79.3 billion. Profit attributable to the owners of the parent increased by ¥33.3 billion or 380.1%, year over year, to ¥42.1 billion. These are mainly due to production volume increase and changes in the model mix.

Results by segment are as follows.

(i) Japan

Revenue in Japan increased by ¥200.1 billion or 39.5%, year over year, to ¥706.5 billion due to production volume increase. Operating profit increased by ¥26.4 billion, year over year, to ¥18.1 billion was recorded in contrast to an operating loss of ¥8.2 billion in the previous year due to production volume increase and change in the model mix despite an increase in overhead costs.

(ii) North, Central and South America

Revenue in North, Central and South America increased by ¥61.9 billion or 21.8%, year over year, to ¥346.8 billion due to higher production volume. Operating profit increased by ¥0.4 billion, year over year, to ¥0 billion was recorded in contrast to an operating loss of ¥0.4 billion in the previous year. Operating profit was affected by an increase in overhead costs for preparation new production, despite the effect of increased production due to the launch of new models and the recovery of costs associated with fluctuations in production previous years.

(iii) China

Revenue in China increased by ¥2.9 billion or 1.6 %, year over year, to ¥192.7 billion due to changes in the model mix despite the impact of reduced production due to the rapid development of BEV. Operating profit increased by ¥2.3 billion or 13.9%, year over year, to ¥19.5 billion due to a change in the model mix, despite the impact of reduced production.

(iv) Asia and Oceania

Revenue in Asia and Oceania increased by ¥21.8 billion or 11.8%, year over year, to 207.6 billion due to production volume increase following expanded sales in Indonesia and India and exchange rate impact. Operating profit increased by ¥6.5 billion or 28.9%, year over year, to ¥29.1 billion due to effects of increased production resulting from expanded sales and cost reduction.

(v) Europe and Africa

Revenue in Europe and Africa increased by ¥21.7 billion or 27.7%, year over year, to ¥100.3 billion due to production volume increase. Operating profit increased by ¥12.3 billion, year over year, to ¥9.8 billion was recorded in contrast to an operating loss of ¥2.5 billion in the previous year due to production volume increase, exchange rate impact and change in model mix and elimination of recording of expenses associated with the end of the Russian business in the previous fiscal year.

(2) Explanation of Financial Position

Total assets as of December 31, 2023, increased by ¥110.5 billion to ¥1,117.8 billion due to increases in cash, cash equivalents, property, plant and equipment. The total for liabilities increased by ¥70.9 billion to ¥641.4 billion mainly due to an increase in corporate bonds and borrowings. Equity increased by ¥39.5 billion to ¥476.4 billion mainly due to the profit attributable to owners of the parent.

(3) Explanation Regarding Forecast of Consolidated Financial Results and Other Forward-Looking Information

As for the forecasts of financial results for the fiscal year ending March 31, 2024, the Company expects revenue to be ¥1,970.0 billion, operating profit to be ¥93.0 billion, profit before income tax to be ¥90.0 billion, profit attributable to owners of the parent to be ¥59.0 billion. These forecasts have not been changed from those disclosed on October 31, 2023.

The exchange rate assumption is 1USD=143 yen, 1EUR=154 yen, 1THB=4.1 yen, 1CNY=19.9 yen.

The above contains statements based on information currently available to the Company as of the time hereof and assumptions which it believes are reasonable. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially, therefore do not represent any guarantees of future performance.

2. Consolidated Financial Statements and Notes

(1) Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	248,195	296,315
Trade and other receivables	286,181	301,003
Inventories	87,684	88,370
Other financial assets	14,596	24,339
Income taxes receivable	6,648	9,247
Other current assets	12,975	13,612
Total current assets	656,281	732,888
Non-current assets		
Property, plant and equipment	276,096	306,513
Goodwill	4,898	4,910
Intangible assets	14,237	17,526
Investments accounted for using the equity method	13,661	12,754
Other financial assets	27,643	30,935
Deferred tax assets	12,857	10,055
Other non-current assets	1,714	2,314
Total non-current assets	351,110	385,010
Total assets	1,007,392	1,117,899

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	235,900	258,016
Bonds and borrowings	64,229	58,836
Other financial liabilities	3,735	6,402
Income taxes payable	9,665	13,124
Provisions	6,724	4,927
Other current liabilities	88,438	94,911
Total current liabilities	408,694	436,218
Non-current liabilities		
Bonds and borrowings	90,000	130,000
Other financial liabilities	8,452	8,590
Retirement benefit liability	55,524	57,336
Provisions	297	372
Deferred tax liabilities	5,492	6,537
Other non-current liabilities	2,035	2,384
Total non-current liabilities	161,802	205,222
Total liabilities	570,497	641,440
Equity		
Share capital	8,400	8,400
Capital surplus	3,101	3,108
Retained earnings	349,426	376,438
Treasury shares	(1,547)	(1,515)
Other components of equity	41,360	49,676
Total equity attributable to owners of the parent	400,741	436,108
Non-controlling interests	36,153	40,350
Total equity	436,894	476,458
Total liabilities and equity	1,007,392	1,117,899

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
Consolidated Statement of Income

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Revenue	1,169,170	1,471,179
Cost of sales	1,059,226	1,308,852
Gross profit	109,943	162,326
Selling, general and administrative expenses	78,312	86,430
Other income	4,500	6,130
Other expenses	7,500	5,303
Operating profit	28,631	76,723
Finance income	4,531	5,107
Finance expenses	1,569	3,390
Share of profit of investments accounted for using the equity method	1,507	931
Profit before income taxes	33,101	79,372
Income tax expense	18,714	29,147
Profit for the period	14,386	50,224
Profit attributable to		
Owners of the parent	8,770	42,112
Non-controlling interests	5,615	8,112
Earnings per share attributable to owners of the parent		
Basic (Yen)	46.94	225.38
Diluted (Yen)	46.94	225.34

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit for the period	14,386	50,224
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	67	(18)
Net change in fair value of equity instruments measured at fair value through other comprehensive income	(266)	2,881
Share of other comprehensive income of investments accounted for using the equity method	(39)	69
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	4,950	5,790
Net change in fair value of debt instruments measured at fair value through other comprehensive income	(0)	7
Share of other comprehensive income of investments accounted for using the equity method	126	305
Total other comprehensive income, net of tax	4,839	9,036
Comprehensive income	19,226	59,260
Comprehensive income attributable to		
Owners of the parent	13,256	49,905
Non-controlling interests	5,969	9,355

(3) Consolidated Statement of Changes in Equity

Nine months ended December 31, 2022

(Millions of yen)

	Equity attributable to owners of the parent				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity
					Remeasurements of defined benefit plans
Balance at April 1, 2022	8,400	3,097	345,680	(1,583)	—
Profit for the period			8,770		
Other comprehensive income					72
Comprehensive income	—	—	8,770	—	72
Purchase of treasury shares				(0)	
Disposal of treasury shares		3		36	
Dividends			(12,520)		
Change in scope of consolidation					
Transfer to retained earnings			87		(72)
Total transactions with owners	—	3	(12,433)	36	(72)
Balance at December 31, 2022	8,400	3,101	342,018	(1,547)	—

	Equity attributable to owners of the parent				Non-controlling interests	Total
	Other components of equity			Total		
	Net change in fair value of equity instruments measured at fair value through other comprehensive income	Net change in fair value of debt instruments measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations			
Balance at April 1, 2022	9,710	(89)	20,946	386,162	37,672	423,835
Profit for the period				8,770	5,615	14,386
Other comprehensive income	(305)	(0)	4,718	4,485	353	4,839
Comprehensive income	(305)	(0)	4,718	13,256	5,969	19,226
Purchase of treasury shares				(0)		(0)
Disposal of treasury shares				39		39
Dividends				(12,520)	(8,818)	(21,338)
Change in scope of consolidation				—	12	12
Transfer to retained earnings	(14)			—		—
Total transactions with owners	(14)	—	—	(12,481)	(8,806)	(21,287)
Balance at December 31, 2022	9,390	(89)	25,665	386,938	34,836	421,774

Nine months ended December 31, 2023

(Millions of yen)

	Equity attributable to owners of the parent				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity
					Remeasurements of defined benefit plans
Balance at April 1, 2023	8,400	3,101	349,426	(1,547)	—
Profit for the period			42,112		
Other comprehensive income					(5)
Comprehensive income	—	—	42,112	—	(5)
Purchase of treasury shares				(0)	
Disposal of treasury shares		7		32	
Dividends			(14,577)		
Change in scope of consolidation					
Transfer to retained earnings			(522)		5
Total transactions with owners	—	7	(15,100)	32	5
Balance at December 31, 2023	8,400	3,108	376,438	(1,515)	—

	Equity attributable to owners of the parent				Non-controlling interests	Total
	Other components of equity			Total		
	Net change in fair value of equity instruments measured at fair value through other comprehensive income	Net change in fair value of debt instruments measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations			
Balance at April 1, 2023	10,633	(89)	30,816	400,741	36,153	436,894
Profit for the period				42,112	8,112	50,224
Other comprehensive income	2,950	7	4,841	7,793	1,242	9,036
Comprehensive income	2,950	7	4,841	49,905	9,355	59,260
Purchase of treasury shares				(0)		(0)
Disposal of treasury shares				39		39
Dividends				(14,577)	(7,898)	(22,475)
Change in scope of consolidation				—	2,739	2,739
Transfer to retained earnings	517			—		—
Total transactions with owners	517	—	—	(14,538)	(5,158)	(19,696)
Balance at December 31, 2023	14,100	(81)	35,657	436,108	40,350	476,458

(4) Notes on Consolidated Financial Statements

(Notes on Going Concern Assumption)

There are no applicable items.

(Changes in accounting policies)

(Application of IAS 12 “Income Taxes”)

From the current fiscal year, the company has applied IAS 12 “Income Taxes” (amended in May 2021). Due to the amendment, the accounting treatment was clarified for the initial recognition concerning transactions that give rise to equal taxable and deductible temporary differences at the time of the transaction such as leases and decommissioning obligations, and the deferred tax liabilities and deferred tax assets regarding the transactions are each recognized in the consolidated statement of financial position.

There are no significant impacts to the consolidated financial statements upon application.

(Segment Information)

(1) Outline of Reportable Segments

In the nine-month period ended December 31, 2023, there are no material changes to the method used to identify the reportable segments, the business activities carried out by each reportable segment, or the measurement standards used to determine segment profits.

(2) Revenue, Profit/Loss for each Reportable Segment

Nine months ended December 31, 2022

(Millions of yen)

	Reportable Segment						Eliminations (*1)	Consolidated (*3)
	Japan	North, Central and South America	China	Asia and Oceania	Europe and Africa	Total		
Revenue								
Revenue from external customers	452,086	281,169	183,878	174,725	77,309	1,169,170	—	1,169,170
Inter-segment revenue and transfers (*2)	54,304	3,649	5,909	11,020	1,297	76,181	(76,181)	—
Total	506,391	284,819	189,788	185,745	78,606	1,245,351	(76,181)	1,169,170
Operating profit (loss)	(8,294)	(418)	17,184	22,660	(2,548)	28,582	48	28,631
Finance income								4,531
Finance expenses								1,569
Share of income of investments accounted for using the equity method								1,507
Profit before income taxes								33,101

(Notes)1. 48 million yen included in “Eliminations” for “Operating profit” is mainly inter-segment transactions.

2. Inter-segment revenue are based on transaction prices that are determined through price negotiation, taking into account market prices and total costs incurred.

3. “Operating profit” reconciles to operating profit disclosed in the consolidated financial statement.

Nine months ended December 31, 2023

(Millions of yen)

	Reportable Segment						Eliminations (*1)	Consolidated (*3)	
	Japan	North, Central and South America	China	Asia and Oceania	Europe and Africa	Total			
Revenue									
Revenue from external customers	650,191	343,424	184,086	194,477	98,999	1,471,179	—	1,471,179	
Inter-segment revenue and transfers (*2)	56,358	3,384	8,669	13,152	1,344	82,910	(82,910)	—	
Total	706,550	346,809	192,756	207,629	100,344	1,554,089	(82,910)	1,471,179	
Operating profit	18,110	17	19,573	29,199	9,832	76,732	(8)	76,723	
Finance income									5,107
Finance expenses									3,390
Share of income of investments accounted for using the equity method									931
Profit before income taxes									79,372

(Notes)1. (8) million yen included in “Eliminations” for “Operating profit” is mainly inter-segment transactions.

2. Inter-segment revenue are based on transaction prices that are determined through price negotiation, taking into account market prices and total costs incurred.

3. “Operating profit” reconciles to operating profit disclosed in the consolidated financial statement.