

Translation

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**Summary of Consolidated Financial Results
for the Six Months Ended of September 30, 2024
(Based on IFRS)**

October 31, 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 Masataka Asano TEL +81-566-26-0313
 Inquiries: Division
 Scheduled date to file Semi-annual Securities Report: November 13, 2024
 Scheduled date to commence dividend payments: November 26, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are omitted.)

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(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	%
Six months ended September 30, 2024	948,165	△1.6	33,837	△31.8	32,926	△40.2	18,724	△45.0	13,506	△53.3	8,531	△84.1
Six months ended September 30, 2023	964,058	26.5	49,598	285.4	55,048	178.9	34,035	546.7	28,948	—	53,732	100.2

	Earnings per share attributable to owners of the parent - Basic	Earnings per share attributable to owners of the parent - Diluted
	Yen	Yen
Six months ended September 30, 2024	75.68	75.66
Six months ended September 30, 2023	154.93	154.90

(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 September 30, 2024	1,092,851	487,178	445,310	40.7
As of March 31, 2024	1,128,491	493,642	449,597	39.8

(Note) In the six months ended September 30, 2024, the Company determined the provisional accounting treatment for business combinations, and the figures for the fiscal year ended March 31, 2024 reflect the provisional accounting treatment.

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, 2024	—	43.00	—	43.00	86.00
Year ending March 31, 2025	—	43.00	—	43.00	86.00
Year ending March 31, 2025 (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, 2025 (from April 1, 2024 to March 31, 2025)

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	1,870,000	△4.3	68,000	△13.5	69,000	△21.0	43,000	△25.7	240.86

(Note) Changes in the forecast of consolidated financial results in this quarter : Yes

* Notes

(1) Changes in significant subsidiaries during the six months ended September 30, 2024
(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies and changes in accounting estimates
 Changes in accounting policies required by IFRS: No
 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 September 30, 2024	187,665,738 shares	As of March 31, 2024	187,665,738 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	9,134,269 shares	As of March 31, 2024	9,152,908 shares
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Average number of shares issued during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	178,473,345 shares	Six months ended September 30, 2023	186,849,073 shares
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*Review of the Japanese-language originals of the attached consolidated semi-annual financial statements by certified public accountants or an audit firm: No

*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 October 31, 2024(JST)

(Appendix)

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1. Qualitative Information on the Interim Financial Results

Our company's provisional accounting treatment for SHIROKI AUTOMOTIVE INDIA PRIVATE LIMITED (Current TOYOTA BOSHOKU DEVICE INDIA PRIVATE LIMITED), which was acquired on March 15, 2024, has been determined in the current interim period. Based on the figures after retrospective adjustment of these effects, a comparison with the end of the previous fiscal year has been made.

(1) Explanation of Business Results

For the six months ended September 30, 2024, revenue decreased by ¥15.8 billion or 1.6%, year over year, to ¥948.1 billion due to a decrease in global production despite the impact of foreign exchange rates. Operating profit decreased by ¥15.7 billion or 31.8%, year over year, to ¥33.8 billion. Profit before income taxes decreased by ¥22.1 billion or 40.2%, year over year, to ¥32.9 billion. Profit attributable to the owners of the parent decreased by ¥15.4 billion or 53.3%, year over year, to ¥13.5 billion. These are mainly due to the impact of production volume decrease and an increase in miscellaneous expenses.

Results by segment are as follows.

(i) Japan

Revenue in Japan decreased by ¥9.4 billion or 2.0%, year over year, to ¥453.0 billion due to a decrease in production volume. Operating profit decreased by ¥9.5 billion or 72.1%, year over year, to ¥3.7 billion due to the impact of production volume decrease and an increase in miscellaneous expenses, despite the effects of new products accompanying model changes and changes in model mix.

(ii) North, Central and South America

Revenue in North, Central and South America increased by ¥6.3 billion or 2.7%, year over year, to ¥240.8 billion due to the impact of foreign exchange rates despite a decrease in production volume. Operating loss was ¥0.3 billion (¥1.3 billion Operating profit in the same period of the previous fiscal year) due to the impact of production volume decrease despite changes in model mix and cost reduction.

(iii) China

Revenue in China decreased by ¥10.2 billion or 8.3%, year over year, to ¥112.6 billion due to a decrease in production volume. Operating profit decreased by ¥1.3 billion or 12.4%, year over year, to ¥9.8 billion due to effects of decreased production volume despite cost reduction and the impact of foreign exchange rates.

(iv) Asia

Revenue in Asia increased by ¥5.3 billion or 4.0%, year over year, to ¥140.0 billion due to an increase in production volume from the launch of new models and the impact of foreign exchange rates. Operating profit increased by ¥0.5 billion or 3.2%, year over year, to ¥18.2 billion due to cost reduction and the impact of foreign exchange rates.

(v) Europe and Africa

Revenue in Europe and Africa decreased by ¥7.0 billion or 11.0%, year over year, to ¥57.4 billion due to a decrease in production volume. Operating profit decreased by ¥3.8 billion or 63.3%, year over year, to ¥2.2 billion due to effects of decreased production volume and changes in model mix, despite cost reduction and the impact of foreign exchange rates.

(2) Explanation of Financial Position

Total assets as of September 30, 2024, decreased by ¥35.6 billion to ¥1,092.8 billion due to a decrease in trade and other receivables. The total for liabilities decreased by ¥29.1 billion to ¥605.6 billion year over year. The main factor was a decrease in trade and other payables. Equity decreased by ¥6.4 billion to ¥487.1 billion mainly due to a decrease in other components of equity.

(3) Explanation of Consolidated Forecasts and Other Forward-Looking Information

As for the forecast of financial results for the fiscal year ending March 31, 2025, the Company expects revenue to be ¥1,870.0 billion, operating profit of ¥68.0 billion, profit before tax to be ¥69.0 billion, profit attributable to owners of the parent to be ¥43.0 billion. These forecasts have been revised from those disclosed on July 31, 2024.

The exchange rates assumption is 1USD=¥147, 1EUR=¥161, 1THB=¥4.2, and 1CNY=¥20.5.

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. Interim Consolidated Financial Statements and Notes

(1) Interim Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and cash equivalents	244,191	244,035
Trade and other receivables	304,115	279,191
Inventories	83,648	85,801
Other financial assets	32,235	19,282
Income taxes receivable	17,084	5,815
Other current assets	13,449	14,215
Subtotal	694,725	648,342
Assets held for sale	14,063	11,690
Total current assets	708,788	660,033
Non-current assets		
Property, plant and equipment	329,783	332,665
Goodwill	4,916	4,936
Intangible assets	19,597	19,386
Investments accounted for using the equity method	11,778	11,575
Other financial assets	36,887	34,019
Deferred tax assets	14,281	26,953
Other non-current assets	2,458	3,281
Total non-current assets	419,703	432,818
Total assets	1,128,491	1,092,851

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	251,524	233,484
Bonds and borrowings	10,000	12,554
Other financial liabilities	4,951	6,993
Income taxes payable	12,973	13,142
Provisions	4,699	4,172
Other current liabilities	111,739	97,517
Subtotal	395,888	367,864
Liabilities directly associated with assets held for sale	9,607	8,499
Total current liabilities	405,495	376,364
Non-current liabilities		
Bonds and borrowings	155,000	155,000
Other financial liabilities	7,591	7,049
Retirement benefit liability	57,883	57,390
Provisions	730	728
Deferred tax liabilities	5,766	6,816
Other non-current liabilities	2,381	2,322
Total non-current liabilities	229,353	229,308
Total liabilities	634,849	605,673
Equity		
Share capital	8,400	8,400
Capital surplus	3,095	3,091
Retained earnings	394,213	400,462
Treasury shares	△21,515	△21,471
Other components of equity	65,403	54,827
Total equity attributable to owners of the parent	449,597	445,310
Non-controlling interests	44,045	41,867
Total equity	493,642	487,178
Total liabilities and equity	1,128,491	1,092,851

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

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Revenue	964,058	948,165
Cost of sales	858,065	849,927
Gross profit	105,993	98,237
Selling, general and administrative expenses	56,562	64,492
Other income	3,750	2,813
Other expenses	3,582	2,721
Operating profit	49,598	33,837
Finance income	6,666	3,877
Finance expenses	1,531	5,001
Share of profit of investments accounted for using the equity method	314	212
Profit before income taxes	55,048	32,926
Income tax expense	21,012	14,201
Profit for the period	34,035	18,724
Profit attributable to		
Owners of the parent	28,948	13,506
Non-controlling interests	5,087	5,218
Earnings per share attributable to owners of the parent		
Basic (Yen)	154.93	75.68
Diluted (Yen)	154.90	75.66

Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit for the period	34,035	18,724
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	41	406
Net change in fair value of equity instruments measured at fair value through other comprehensive income	3,475	△2,080
Share of other comprehensive income of investments accounted for using the equity method	78	△123
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	15,866	△8,668
Net change in fair value of debt instruments measured at fair value through other comprehensive income	0	0
Share of other comprehensive income of investments accounted for using the equity method	235	271
Total other comprehensive income, net of tax	19,697	△10,193
Comprehensive income	53,732	8,531
Comprehensive income attributable to		
Owners of the parent	46,681	3,348
Non-controlling interests	7,051	5,183

(3) Interim Consolidated Statement of Changes in Equity

Six months ended September 30, 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 (loss) for the period			28,948		
Other comprehensive income					47
Comprehensive income	—	—	28,948	—	47
Purchase of treasury shares				(0)	
Disposal of treasury shares		7		32	
Dividends			(6,540)		
Change in scope of consolidation					
Transfer to retained earnings			(469)		(47)
Total transactions with owners	—	7	(7,010)	32	(47)
Balance at September 30, 2023	8,400	3,108	371,364	(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 (loss) for the period				28,948	5,087	34,035
Other comprehensive income	3,552	0	14,131	17,733	1,964	19,697
Comprehensive income	3,552	0	14,131	46,681	7,051	53,732
Purchase of treasury shares				(0)		(0)
Disposal of treasury shares				39		39
Dividends				(6,540)	(7,741)	(14,282)
Change in scope of consolidation				—	177	177
Transfer to retained earnings	517			—		—
Total transactions with owners	517	—	—	(6,501)	(7,564)	(14,066)
Balance at September 30, 2023	14,703	(88)	44,948	440,921	35,640	476,561

Six months ended September 30, 2024

(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, 2024	8,400	3,095	394,213	(21,515)	—
Profit (loss) for the period			13,506		
Other comprehensive income					422
Comprehensive income	—	—	13,506	—	422
Purchase of treasury shares					
Disposal of treasury shares		(3)		43	
Dividends			(7,676)		
Change in scope of consolidation					
Transfer to retained earnings			418		(422)
Total transactions with owners	—	(3)	(7,257)	43	(422)
Balance at September 30, 2024	8,400	3,091	400,462	(21,471)	—

	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, 2024	17,770	(81)	47,714	449,597	44,045	493,642
Profit (loss) for the period				13,506	5,218	18,724
Other comprehensive income	(2,203)	0	(8,377)	(10,157)	(35)	(10,193)
Comprehensive income	(2,203)	0	(8,377)	3,348	5,183	8,531
Purchase of treasury shares				—		—
Disposal of treasury shares				40		40
Dividends				(7,676)	(7,360)	(15,036)
Change in scope of consolidation				—		—
Transfer to retained earnings	4			—		—
Total transactions with owners	4	—	—	(7,635)	(7,360)	(14,996)
Balance at September 30, 2024	15,571	(81)	39,337	445,310	41,867	487,178

(4) Interim Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	55,048	32,926
Depreciation and amortization	25,491	27,880
Sub-lease cost of sales	27,165	6,254
Interest and dividend income	(4,060)	(3,790)
Decrease (increase) in trade receivables	(14,555)	16,215
Decrease (increase) in inventories	358	(5,146)
Increase (decrease) in trade payables	1,082	(1,928)
Increase (decrease) in other current liabilities	(1,245)	(8,177)
Other	3,696	1,394
Subtotal	92,981	65,628
Interest received	3,933	3,708
Dividends received	855	397
Interest paid	(1,538)	(915)
Income taxes paid	(15,292)	(13,432)
Net cash provided by (used in) operating activities	80,940	55,386

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from investing activities		
Purchase of property, plant and equipment	(23,950)	(35,352)
Purchase of intangible assets	(3,693)	(2,063)
Payments into time deposits	(10,180)	(10,954)
Proceeds from withdrawal of time deposits	3,307	20,548
Other	1,929	451
Net cash provided by (used in) investing activities	(32,588)	(27,369)
Cash flows from financing activities		
Proceeds from short-term borrowings	74,896	45,286
Repayments of short-term borrowings	(72,142)	(42,542)
Repayments of long-term borrowings	(14,099)	—
Redemption of bonds	(10,000)	—
Dividends paid	(6,538)	(7,676)
Dividends paid to non-controlling interests	(5,890)	(4,978)
Repayments of lease liabilities	(14,508)	(17,191)
Other	32	43
Net cash provided by (used in) financing activities	(48,250)	(27,058)
Effect of exchange rate changes on cash and cash equivalents	4,541	(1,984)
Net increase (decrease) in cash and cash equivalents	4,643	(1,026)
Cash and cash equivalents at beginning of period	248,195	244,191
Increase (decrease) in cash and cash equivalents included in assets held for sale	—	870
Cash and cash equivalents at end of period	252,839	244,035

(5) Notes on Interim Consolidated Financial Statements

(Notes on Going Concern Assumption)

There are no applicable items.

(Assets held for sale)

On March 28, 2024, the Company decided to conduct a third-party allotment of new shares for TB Kawashima Co., Ltd., a consolidated subsidiary, to AUNDE Achter & Ebels GmbH as the intended allottee. As a result, TB Kawashima Co., Ltd. and its subsidiaries will be transferred and excluded from the scope of consolidation of the Company. Accordingly, at the end of the previous fiscal year and at the end of the first quarter of the current fiscal year, the assets and liabilities held by TB Kawashima Co., Ltd. and its subsidiaries are recorded as assets held for sale and liabilities directly related to the assets. Disposal groups classified as held for sale are measured at fair value less costs to sell. The implementation of this capital increase through the third-party allotment is subject to obtaining clearance from the competition authorities of the relevant countries.

A disposal group classified as held for sale was measured at fair value less costs to sell, as the fair value less costs to sell fell below its carrying amount.

(Business Combination)

Determination of Provisional Accounting for Business Combination

Regarding the business combination with SHIROKI AUTOMOTIVE INDIA PRIVATE LIMITED (Current TOYOTA BOSHOKU DEVICE INDIA PRIVATE LIMITED) conducted on March 15, 2024, provisional accounting was conducted in the previous consolidated fiscal year, but it has been determined.

In accordance with the determination of provisional accounting, the comparative information included in the quarterly consolidated financial statements for the current semi-annual consolidated fiscal year reflects the revision of the initial allocation of acquisition costs.

As a result, goodwill decreased by 1,109 million yen at the end of the previous consolidated fiscal year, property, plant and equipment increased by 400 million yen, intangible assets increased by 1,506 million yen, deferred tax liabilities increased by 100 million yen, retained earnings increased by 636 million yen, and non-controlling interests increased by 59 million yen.

(Segment Information)

(1) Outline of Reportable Segments

In the six-month period ended September 30, 2024, 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

Six months ended September 30, 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	425,952	232,202	117,060	125,240	63,603	964,058	—	964,058
Inter-segment revenue and transfers (*2)	36,538	2,259	5,765	9,415	881	54,860	(54,860)	—
Total	462,491	234,461	122,825	134,656	64,484	1,018,918	(54,860)	964,058
Operating profit (loss)	13,254	1,357	11,217	17,735	6,023	49,587	11	49,598
Finance income								6,666
Finance expenses								1,531
Share of profit (loss) of investments accounted for using the equity method								314
Profit before income taxes								55,048

(Notes)1. 11 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.

Six months ended September 30, 2024

(Millions of yen)

	Reportable Segment						Eliminations (*1)	Consolidated (*3)	
	Japan	North, Central and South America	China	Asia (*4)	Europe and Africa	Total			
Revenue									
Revenue from external customers	414,216	238,303	107,774	131,635	56,235	948,165	—	948,165	
Inter-segment revenue and transfers (*2)	38,853	2,524	4,834	8,381	1,180	55,774	△55,774	—	
Total	453,070	240,827	112,608	140,016	57,415	1,003,939	△55,774	948,165	
Operating profit (loss)	3,704	△338	9,829	18,298	2,210	33,703	133	33,837	
Finance income									3,877
Finance expenses									5,001
Share of profit (loss) of investments accounted for using the equity method									212
Profit before income taxes									32,926

(Notes)1. 133 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.
4. As Toyota Boshoku Australia Pty Ltd. has been excluded from the scope of consolidation from the second quarter of the previous fiscal year, the reportable segment has been changed to "Asia" from the current fiscal year. This change in segment name has no impact on segment information.