



(Large IR Briefing – Part 1) FY2025 Mid-Term Business Plan

May 1, 2023
Toyota Tsusho Corporation

Review of FY2022 Mid-Term Business Plan

	FY2022 targets	Result			
Profit for the year	¥150.0 billion	¥284.1 billion			○
Operating CF (inflows)	¥600.0 billion~	3-yr cumulative	¥739.4 billion		○
Investment CF (outflows)	¥350.0 billion~	3-yr cumulative	¥399.4 billion		○
Net D/E ratio	Within 1.0x	End-Mar 2023	0.68x		○
Shareholder returns	Basic policy of at least 25% dividend payout ratio and steady increases in dividends	FY2020 ¥112 (29.3%)	FY2021 ¥160 (25.3%)	FY2022 ¥202 (25.0%)	○
RB/RA	Risk managed at less than 1.0	End-Mar 2023	0.7		○

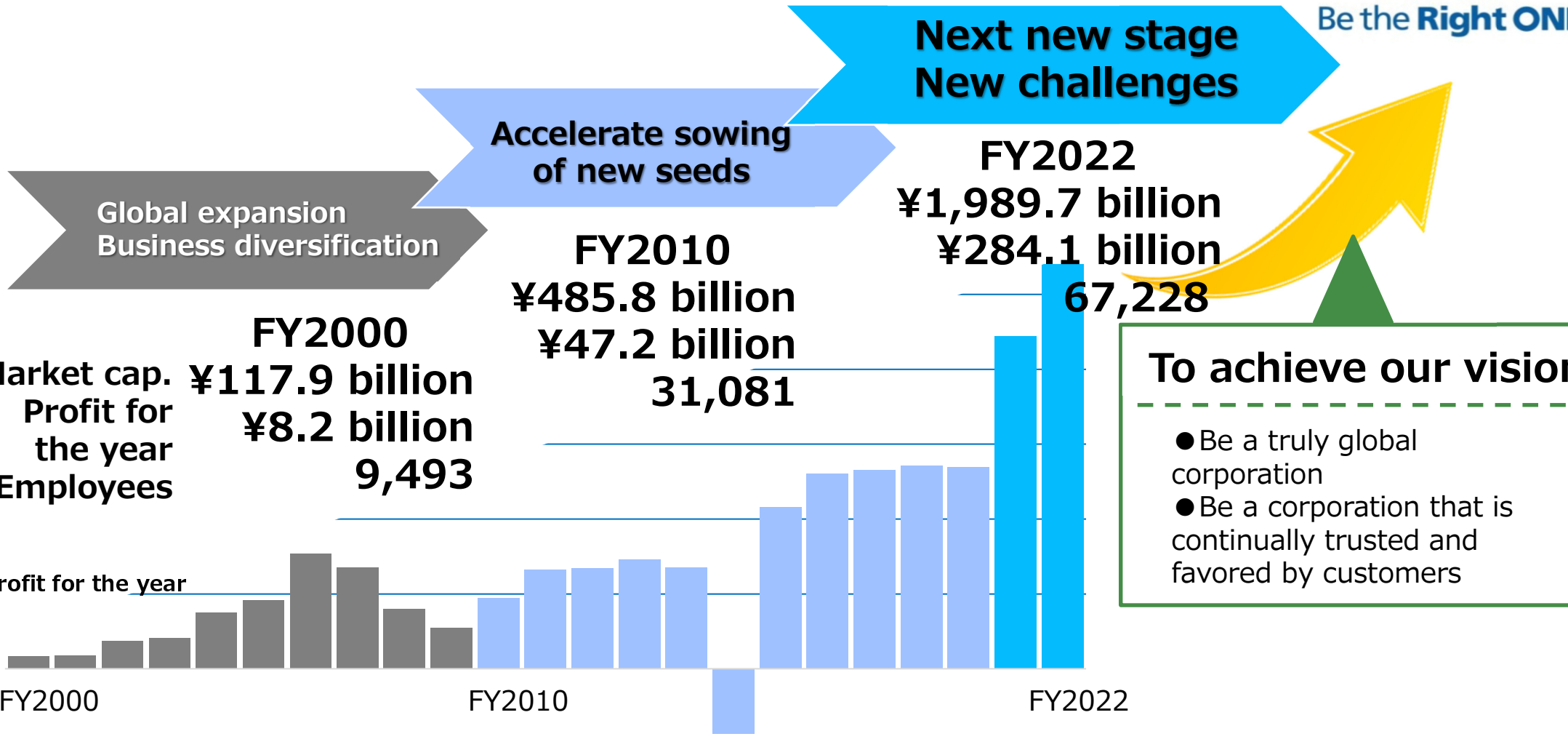
Targets achieved due to sustained growth even during the COVID-19 pandemic

Formulation of FY2025 Mid-Term Business Plan: Background



Be the **Right ONE**

2000s **2010s** **2020s and beyond**



To achieve our vision

- Be a truly global corporation
- Be a corporation that is continually trusted and favored by customers

Evolve and achieve growth through each stage and step into the next new stage

Formulation of FY2025 Mid-Term Business Plan: Environmental analysis and measures

Impacts on business environment from changes in external environment

Fourth industrial revolution

Climate change



Surrounding business environment

Geopolitical risks and COVID-19



Be the **Right ONE**

Accelerate and evolve our strategies

- Protection of SCs* (mainstay businesses)
- Undertake initiatives in seven priority areas
- Develop a global workforce

Seize the initiative and turn risks into opportunities

*SCs: supply chains

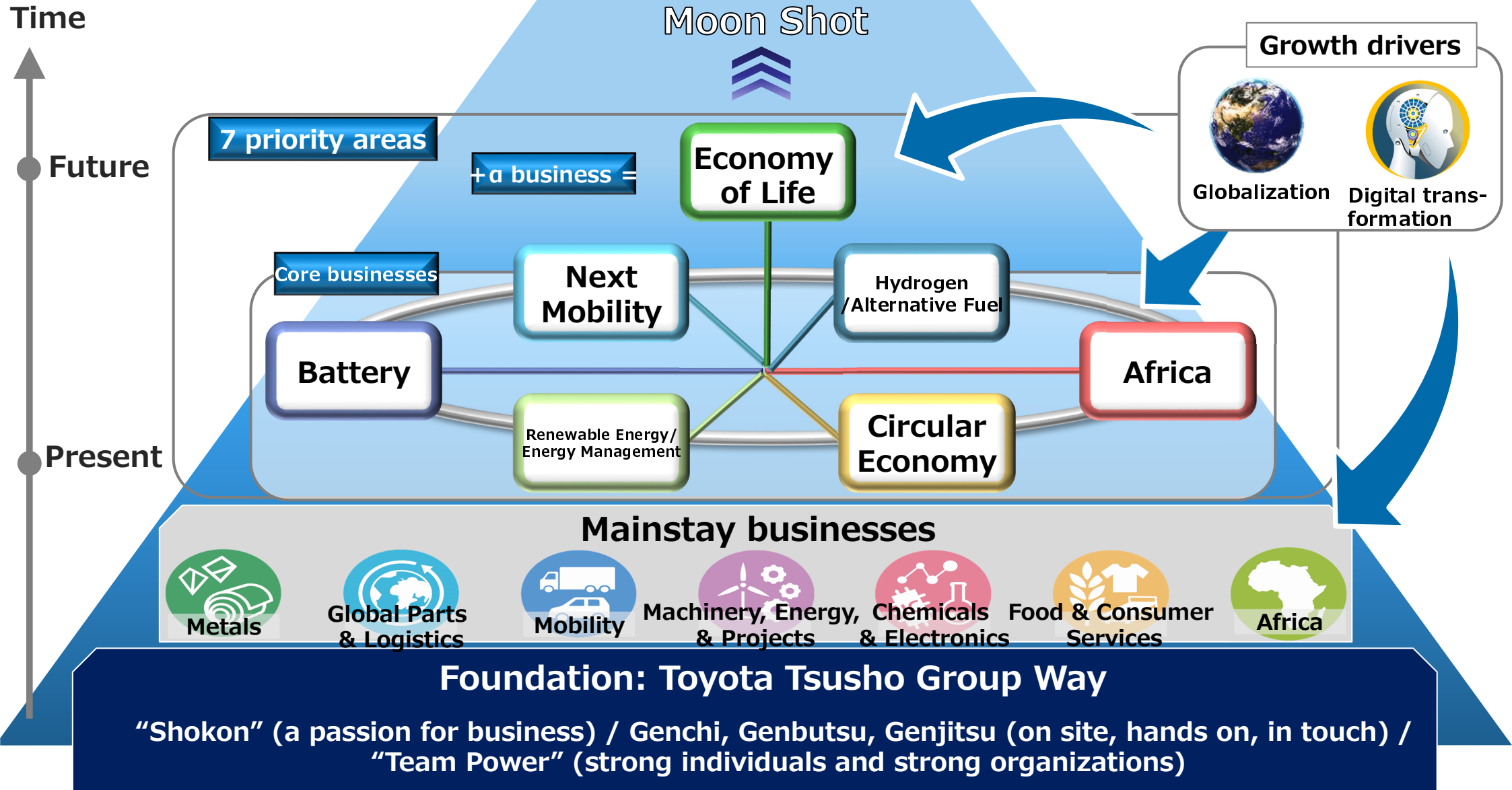
Flexibly respond to changes in the external environment, and turn risks into opportunities

Growth strategy



Be the **Right ONE**

Moon Shot



Strengthening and evolving mainstay businesses



Production and sales
of molten aluminum
and lithium:

Only 1



In Africa: **More than
¥1 trillion in net sales**



Volume of mobility
sheet steel handled:

No. 1

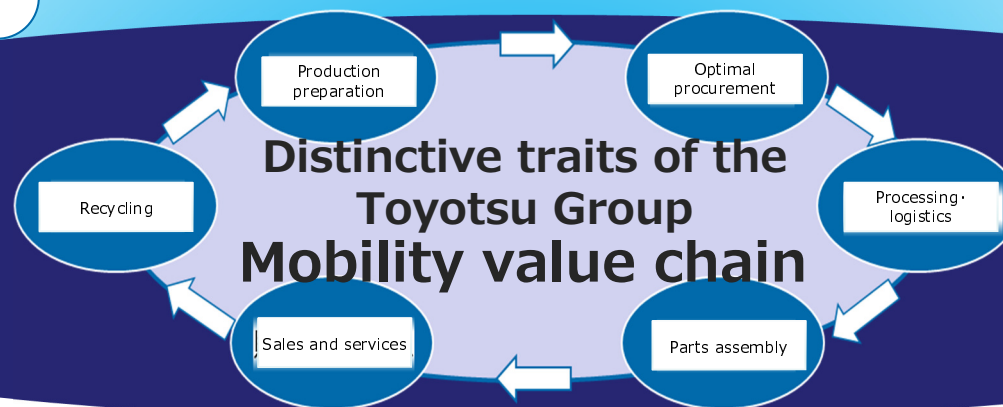


Used vehicle
recycling rate:

Above 99%



**World's largest
automotive electronics
trading company**



Refine the mainstay businesses that possess the distinctive traits of the Toyotsu Group to provide entirely unique products and services

Strengthening and evolving mainstay businesses: Contributing to industrialization by way of local production

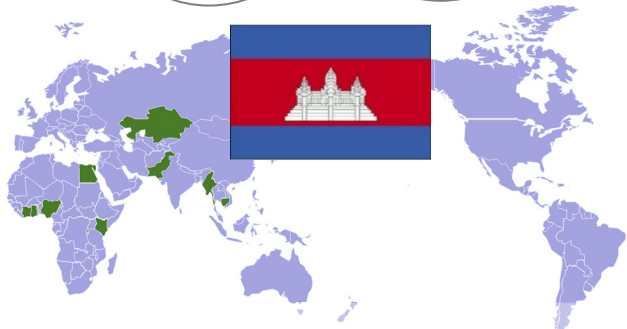


Aiming to solve social issues in developing countries

Value chain expansion

Industrialization

Job creation



KD/SKD business established in nine countries so far

10th country



Toyota Tsusho Manufacturing (Cambodia) Co., Ltd.



MOU signing

Operations slated to come online in mid-2023



Toyota Hilux

Toyota Fortuner



Create a cycle of local production for local drivers and grow together with countries and regions

Refine Mainstay Businesses - DX -



TradeWaltz

Launch (investment in TradeWaltz in Nov 2020)

Added functions and global rollout (additional investment in Aug 2022)

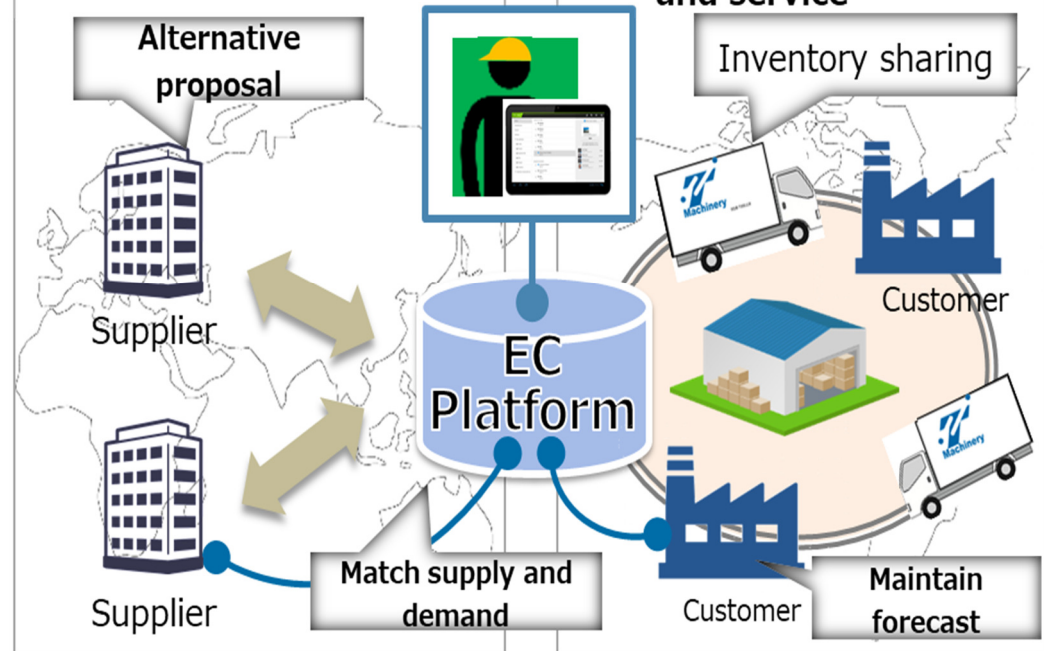


Transforms trading processes with digital technology and allows our venture capital firms to trade numerous commodities

EC platform

Global optimized procurement

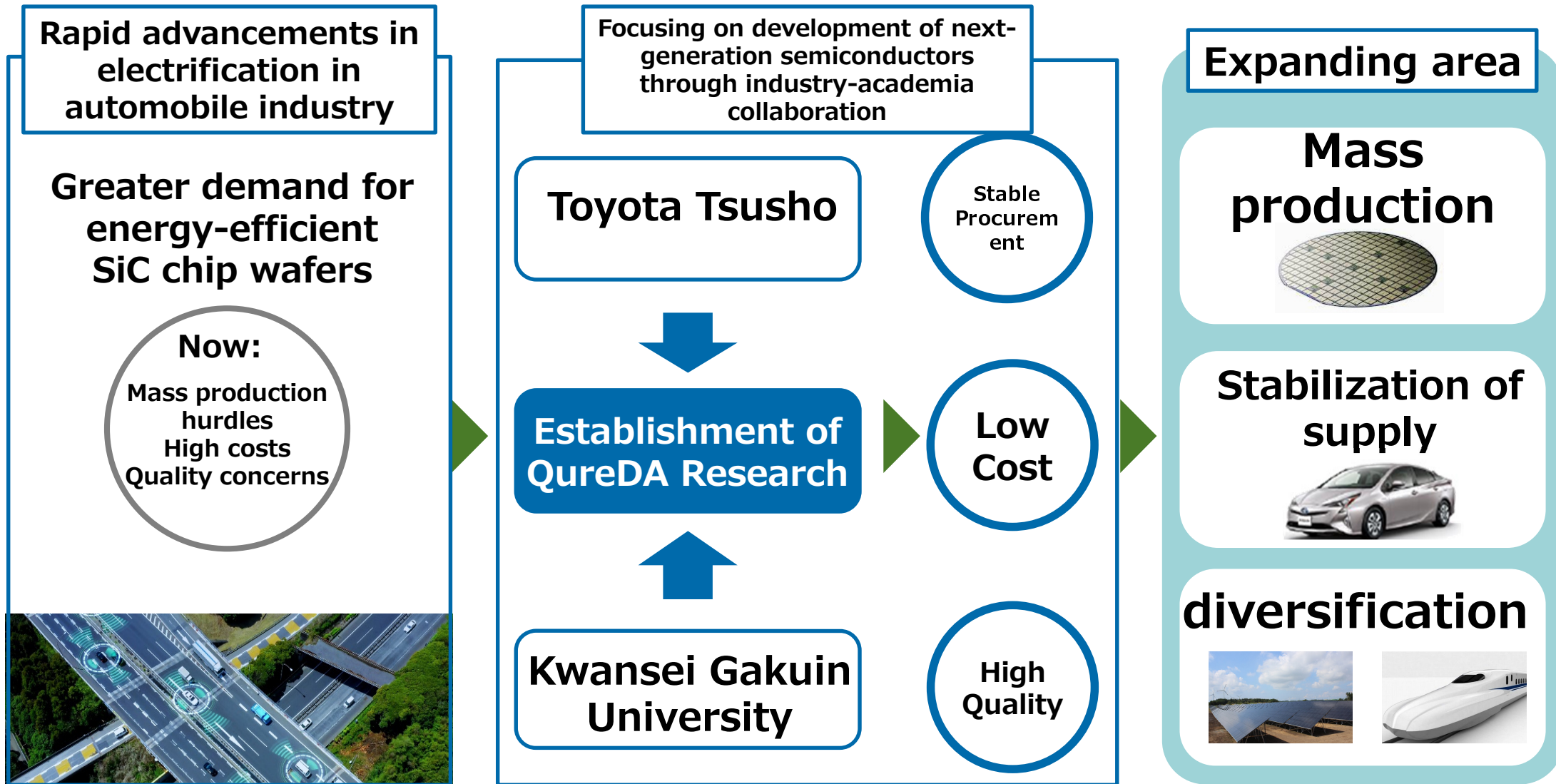
Strengthen logistics and service



Using digital platform in procurement and logistics to further efficiency, high resilience

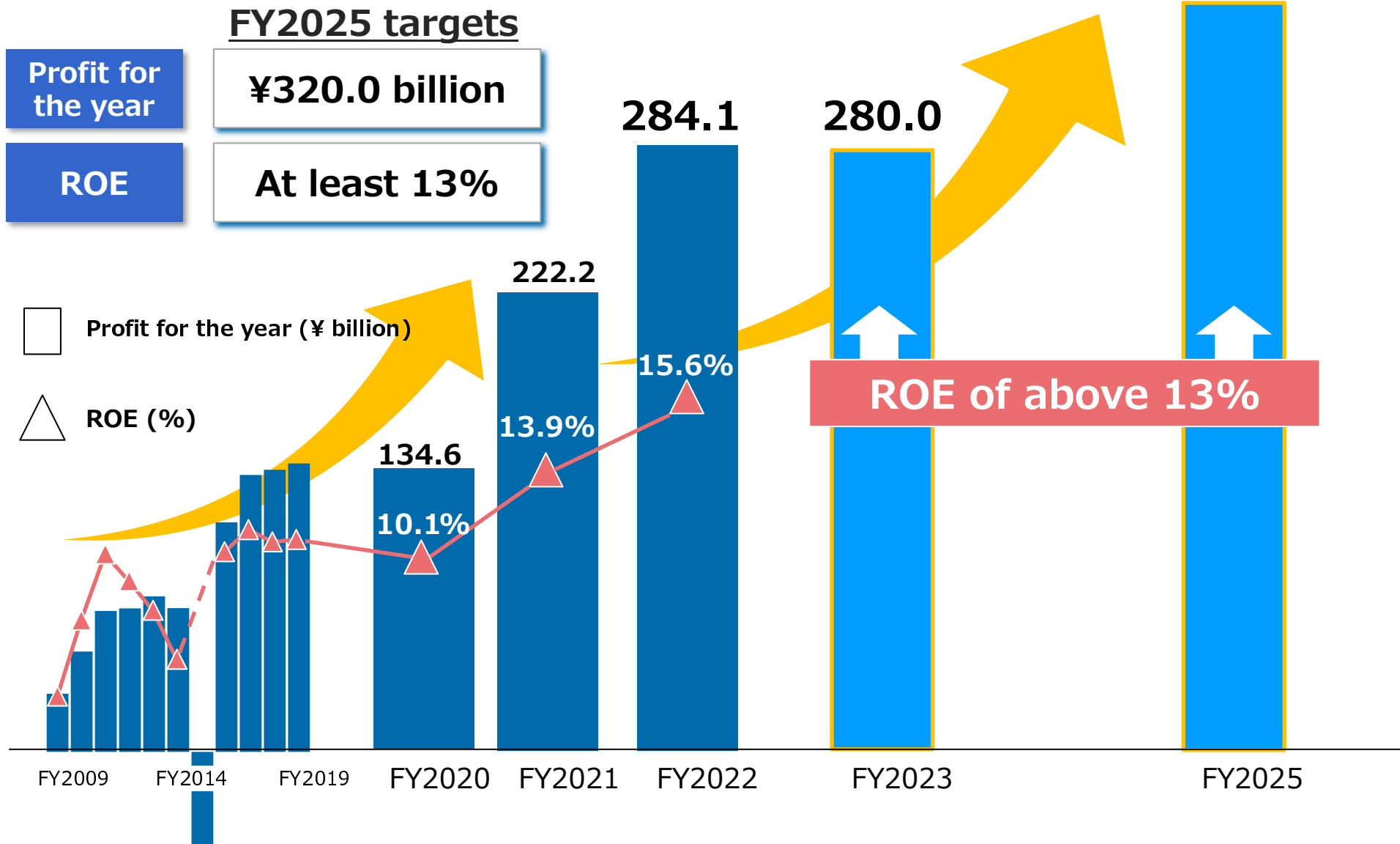
Further refine organic business through digital transformation

Strengthening mainstay businesses: Focusing on development of next-generation semiconductors through industry-academia collaboration



Promote development of new technologies expected for electric vehicles

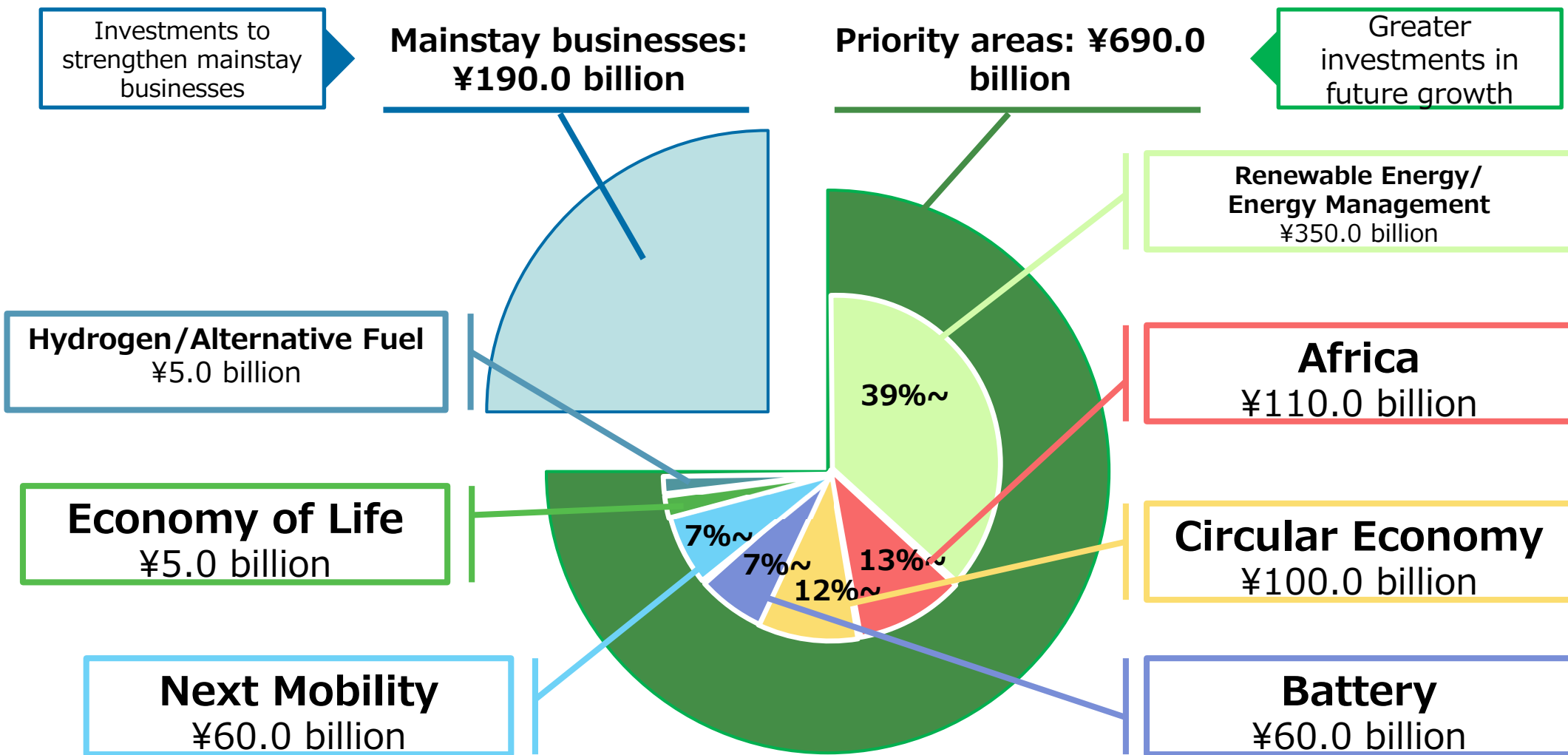
Quantitative targets: Profit and ROE



Despite an uncertain outlook, steadily increase profit towards ¥300 billion and higher

Quantitative targets: Balanced allocation of resources in priority areas

Three-year (FY2023-25) cumulative allocation of investments



Well-balanced investments on a greater scale in mainstay businesses and priority areas

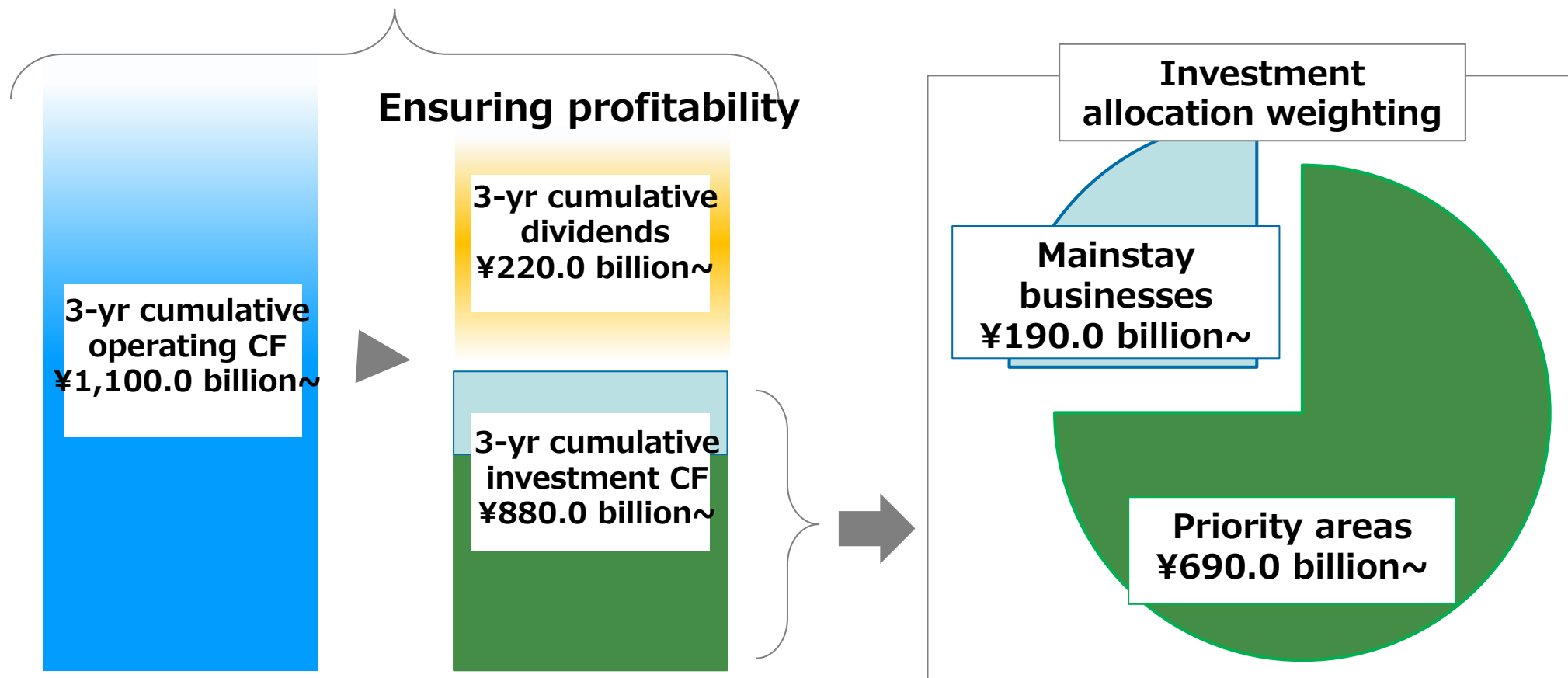
Quantitative targets: Investment and financial policies

Investment Policy

- In principle, investment within the scope of operating cash flow
- If making upfront investments in carbon neutrality
→ Amount of investment will outweigh operating CF

Financial policy

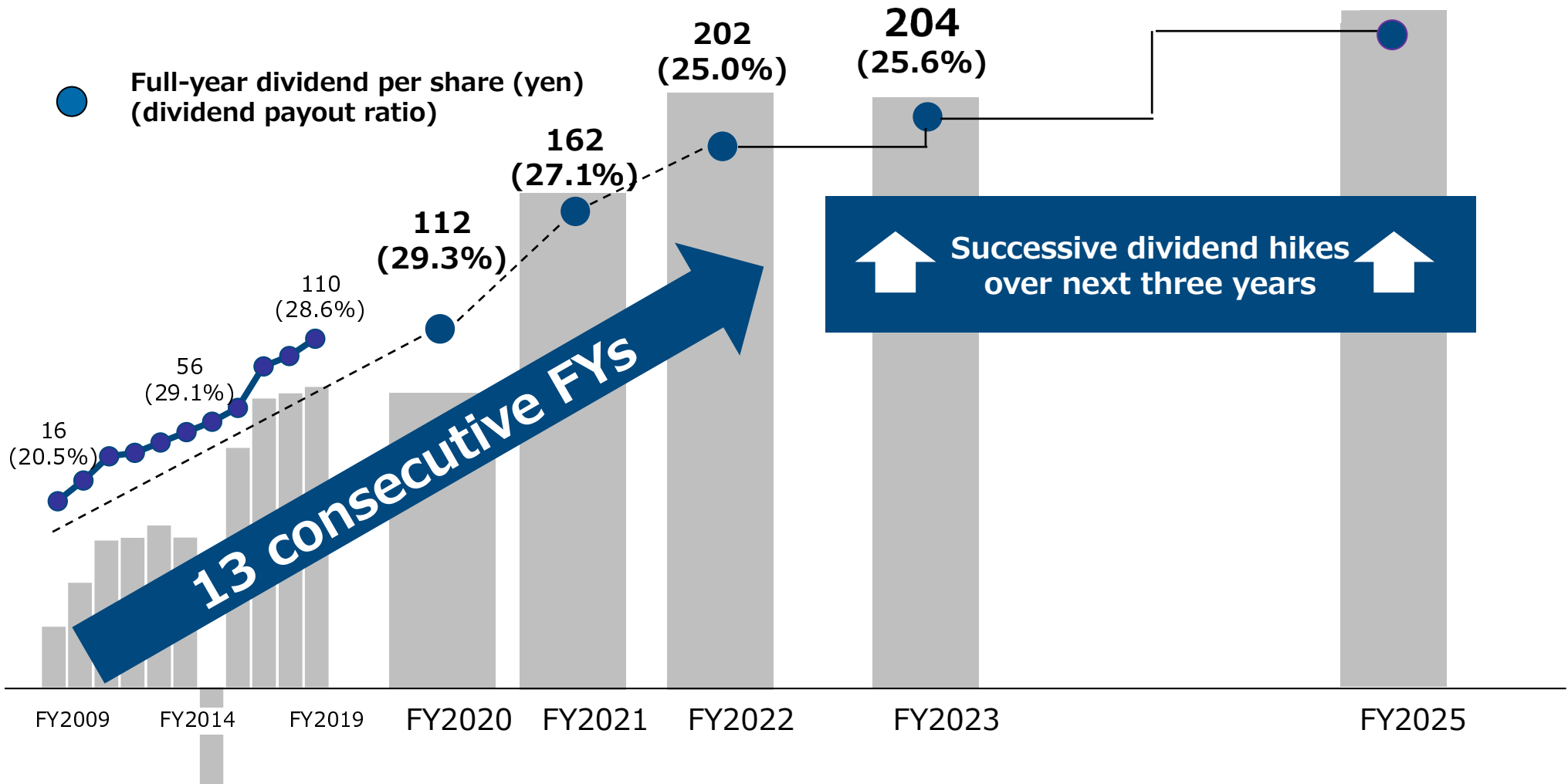
- Net D/E ratio: Within 1.0x
- RA/RB: Managed at less than 1.0x



Quantitative Targets: Shareholder Returns

Shareholder returns

Basic policy of at least 25% dividend payout ratio and steady increases in dividends



Steady profit growth, a lean management approach, and more stable shareholder returns

Quantitative targets: Summary

FY2025 profit	¥320.0 billion
3-yr cumulative CF	Operating CF: ¥1,100.0 billion~ Investment CF: ¥880.0 billion~
Net D/E ratio	Within 1.0x
Shareholder returns	Basic policy of at least 25% dividend payout ratio and steady increases in dividends
ROE	At least 13%
RB/RA	Risk managed at less than 1.0

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