

Toyota hikes annual forecast as first-half net profit doubles

November 1 2023



Toyota is having a roaring year, thanks to strong demand in Japan, North America and Europe, among others.

Toyota ramped up its annual net profit forecast to \$26.1 billion on Wednesday after reporting it more than doubled in the first six months

of the year.

The world's biggest automaker by sales said a weaker yen and cost-cutting efforts meant it now expects annual net profit of 3.95 trillion yen, from a previous estimate of 2.58 trillion yen.

"The forecast has been revised upward from the previous forecast in light of the impact of exchange rate fluctuations as well as efforts to improve profitability," the company said in a statement.

For the six months to September, Toyota said [net profit](#) more than doubled to 2.59 trillion yen on sales of 21.98 trillion yen, which were up almost a quarter on the previous year.

Toyota is having a roaring year, thanks to strong demand for its products especially in Japan, North America and Europe.

Production has recovered significantly from a year ago, when the [auto sector](#) was hit by severe semiconductor and supply shortages.

Ahead of the earnings announcement, Toyota said that it saw record global production of 5.058 million units during the first half, when [global sales](#) reached 5.172 million vehicles.

Toyota's strong results come as it makes a rapid shift toward electric vehicles, playing catchup with European and Chinese rivals that have made the shift already.

Toyota on Tuesday said it now plans a \$13.9 billion investment in a battery plant in North Carolina in the United States, expanding a previous commitment to spend \$5.9 billion.

"Toyota's production has been very strong, very smooth," Satoru Takada,

auto analyst at Tokyo-based research and consulting firm TIW, told AFP before the earnings announcement.

Shares in the firm rose more than five percent in the afternoon, after the release of the earnings report.

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Citation: Toyota hikes annual forecast as first-half net profit doubles (2023, November 1)
retrieved 9 May 2024 from

<https://techxplore.com/news/2023-11-toyota-hikes-annual-first-half-net.html>

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