

Japanese auto giant Toyota posts record net profit

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Toyota's earnings have been boosted by a weak yen and brisk sales, particularly of hybrid vehicles.

Toyota reported record annual net profit of more than \$30 billion on Wednesday but the world's largest automaker by sales warned that the

current year would be less spectacular.

Helped by a weak yen and strong hybrid vehicle sales, the Japanese giant's bottom line doubled to 4.94 trillion yen (\$31.9 billion) in the year to March while revenues rose 21.4 percent to 45.1 trillion yen, also an all-time high.

"Under the banner of 'carbon is the enemy', Toyota has done what it can to achieve [carbon neutrality](#) and make hybrid cars more prevalent," said chief financial officer Yoichi Miyazaki.

"Since the debut of the Prius model, that effort has gradually paid off, creating the perception even in the American market that hybrids are the main player," Miyazaki told reporters.

For this year it expects net profit of 3.57 trillion yen, down 27.8 percent, because of investments in "growth areas" such as electric and hydrogen cars, as well as in "human capital".

Sales will rise 2.0 percent to 46 trillion yen.

"We have to accept that there are certain areas where we're significantly behind China ... But as a Japanese company fighting in the auto industry, we know we cannot let this lead widen further. We're going to think about how to pull off a game-changer," Miyazaki said.

Toyota last month said it sold 11.1 million vehicles across all brands in the 2023-24 fiscal year, up five percent and the first time they have exceeded 10 million.

A big factor was a 31-percent jump to 3.7 million in sales of hybrid vehicles—combining internal combustion engines and batteries—like the Corolla compact car and the RAV4 [sports utility vehicle](#).

Sales of purely electric car sales were a much more modest 116,500.

Hybrid pioneer

Toyota pioneered [hybrid cars](#) with its popular Prius model, but it and other Japanese automakers have been criticised for being slow to embrace purely battery-powered vehicles.

But its strategy appears finally to be paying off with signs that consumers are going cold on pure EVs because of high prices and worries about reliability, range and a lack of charging points.

In 2023, China overtook Japan as the world's biggest vehicle exporter, a change fueled by the country's dominance in [electric cars](#).

Toyota was also left standing by Elon Musk's EV giant Tesla in terms of market value, but the gap—almost \$1 trillion in 2021—has now narrowed sharply.

Toyota's share price has soared 34 percent this year, while that of Tesla—which sold 1.8 million vehicles last year—has dived 28 percent over the same period.

Toyota is however still aiming to sell 1.5 million EVs annually by 2026 and 3.5 million by 2030.

It is also hoping to mass-produce solid-state batteries, a potentially hugely important technological breakthrough that could mean faster charging times and greater range.

Toyota's unit sales rose 13.8 percent in North America in 2023-24, while climbing 10.8 percent in Europe and 8.7 percent in Japan, despite a production halt at its Daihatsu unit.

In China, the world's biggest electric car market where local firms such as BYD dominate, Toyota sold 1.9 million vehicles, a rise of only 1.4 percent.

Toyota shares closed down 0.55 percent at 3,579.0 yen in Tokyo.

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