

Toyota Motor Corporation

Q1 2025 Earnings Update (FY-end 31 December 2024)

Announcement date: 17/04/2025

Holdings Information	
Original Book Cost (USD)	2,700,000
MTM vs Ori (% / USD)	+9.8% / +264,600
MTM vs Imp	+4.4%
YTD Price Performance	+5.5%
Dividend Yield (Cost)	2.8%

Current Price (18 June 2025)	¥2,460
Internal Analyst PT (Price Target)	¥2,700
<i>Upside</i>	+9.8%
External PT (Bloomberg)	¥2,620
<i>Upside</i>	+6.5%

RESULTS REVIEW:

Toyota delivered strong Q1 results, with revenue up 7.4% YoY to ¥10.2 trillion. EPS was ¥187.2, up 9.2% YoY. Global vehicle shipments rose 5%, led by hybrid and electric models.

Operating margin improved to 11.2% (vs 10.4%), helped by favorable mix and cost discipline. North America and Asia drove performance, with Japan slightly down due to softer domestic demand. Capex and R&D rose 4.5% YoY to support BEV ramp-up.

ASSESSMENT:

Toyota continues to outperform legacy peers with its balanced approach to electrification. Hybrid strength remains a differentiator while BEV strategy gains traction. FX stability and solid free cash flow add to appeal.

We see room for further multiple expansion (currently 11.8x forward P/E) as EV production scales. Maintain positive bias and long-term overweight.