

Toyota's quarterly profit improves on strong sales

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In this May 13, 2015 file photo, Toyota Motor Corp. President Akio Toyoda, left, and Mazda Motor Corp. President Masamichi Kogai pose for photographers prior to a press conference in Tokyo. Japanese automakers Toyota Motor Corp. and Mazda Motor Corp. are partnering in electric vehicles with a deal expected to be announced later Friday, Aug. 4, 2017. (AP Photo/Shizuo Kambayashi, File)

Toyota Motor Corp. reported Friday that its fiscal first quarter profit

rose 11 percent as sales improved around the world, including in the U.S., Europe and Japan.

Toyota's April-June profit of 613.0 billion yen (\$5.6 billion), up from 552.4 billion yen a year earlier. Quarterly sales rose 7 percent to 7.05 trillion yen (\$64 billion).

Toyota, which makes the Prius hybrid, Camry sedan and Lexus luxury models, sold 2.2 million vehicles for the quarter, an improvement of 42,000 vehicles on-year.

Toyota and Mazda Motor Corp. are set to announce later Friday a partnership, according to a source familiar with the matter. The deal is expected to involve a joint-venture auto manufacturing plant in the U.S., working together on green technology and a capital alliance.

Expenses for marketing and investments in cost cutting efforts weighed on Toyota's quarterly profits, said the company's senior managing officer, Tetsuya Otake.

Toyota raised its fiscal full year profit forecast through March 2018 to 1.75 trillion yen (\$16 billion), higher than its earlier forecast of 1.5 trillion yen (\$14 billion).

Like other Japanese exporters, Toyota is enjoying the benefits of a yen that has stayed cheaper than previously expected. But the revised forecast is still lower than the 1.8 trillion yen earned in the previous fiscal year.

Toyota, which has been vying against the Japan-France alliance of Nissan-Renault, Volkswagen AG of Germany and U.S. manufacturer General Motors Co. for the spot of world's No. 1 automaker, stuck to its earlier projection for global vehicle sales for the fiscal year at 10.25

million vehicles.

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