

Business Results

As of the third quarter of fiscal 2006 (the nine months from April 1 to December 31, 2005), total consolidated net sales of Toyota Industries amounted to 1,071.8 billion yen, an increase of 169.5 billion yen, or 19%, compared with year-on-year results for the same period in fiscal 2005 ("previous period"). The following is a review of operations for the major business segments.

Net sales of the Automobile Segment totaled 524.4 billion yen, an increase of 78.1 billion yen, or 18%, over the previous period. Within this segment, net sales of the Vehicle Business amounted to 248.7 billion yen, an increase of 50.8 billion yen, or 26%, over the previous period, due to continued brisk sales of the Vitz (Yaris in Europe) as well as higher sales of the fully redesigned RAV4, which was launched in November 2005. Net sales of the Engine Business totaled 98.0 billion yen, an increase of 13.6 billion yen, or 16%, over the previous period. This increase was attributable to the contributions made by sales of KD diesel engines for the Innovative International Multi-Purpose Vehicle (IMV) series that we began producing in June 2005 as well as sales of AD diesel engines mounted on the RAV4 for Europe and other vehicles. Net sales of the Car Air-Conditioning Compressor Business totaled 157.6 billion yen, an increase of 11.8 billion yen, or 8%, over the previous period. This increase reflected robust sales in North America and Europe, which compensated for flat sales in Japan.

Net sales of the Materials Handling Equipment Segment totaled 427.4 billion yen, an increase of 61.3 billion yen, or 17%, over the previous period. Toyota Industries undertook proactive sales expansion activities and strengthened its sales network amid robust domestic and overseas markets.

Net sales of the Logistics Segment amounted to 47.6 billion yen, a sharp increase over the previous period, due mainly to the contribution made by Asahi Security Co., Ltd. In working to build this segment into a future pillar of growth, we focused on developing the logistics solutions business while carrying out aggressive sales promotion activities.

Net sales of the Textile Machinery Segment amounted to 35.9 billion yen, an increase of 3.4 billion yen, or 11%, over the previous period, fueled by an expansion in new orders for air-jet looms in China, our main market.

During this period, Toyota Industries' ordinary income amounted to 65.1 billion yen, an increase of 5.5 billion yen, or 9%, over the previous period. Despite increases in raw materials prices and depreciation and personnel expenses, the rise in ordinary income resulted from growth in domestic and overseas sales in addition to the promotion of Group-wide cost-reduction activities and an increase in non-operating income.

For fiscal 2006, ending March 31, 2006, Toyota Industries forecasts consolidated net sales of 1,500.0 billion yen, ordinary income of 77.0 billion yen and net income of 45.0 billion yen. These forecasts remain unchanged from projections announced as of September 2005.