

## Business Results

During the third quarter of fiscal 2007 (the nine months from April 1 to December 31, 2006), total consolidated net sales of Toyota Industries amounted to 1,392.0 billion yen, an increase of 320.2 billion yen, or 30%, compared with year-on-year results for the same period in fiscal 2006 ("previous period"). The following is a review of operations for the major business segments.

Net sales of the Automobile Segment totaled 663.0 billion yen, an increase of 138.6 billion yen, or 26%, over the previous period. Within this segment, net sales of the Vehicle Business amounted to 346.6 billion yen, an increase of 97.9 billion yen, or 39%, over the previous period, due to brisk sales of the RAV4 in the U.S and European markets. Net sales of the Engine Business totaled 122.9 billion yen, an increase of 24.9 billion yen, or 25%, over the previous period. This increase was attributable to increases in sales of AD diesel engines fitted in the RAV4 for Europe and other vehicles as well as KD diesel engines for the Innovative International Multi-Purpose Vehicle (IMV) series. Net sales of the Car Air-Conditioning Compressor Business totaled 170.0 billion yen, an increase of 12.4 billion yen, or 8%, over the previous period, due primarily to an increase in sales in Europe.

Net sales of the Materials Handling Equipment Segment totaled 580.7 billion yen, an increase of 153.3 billion yen, or 36%, over the previous period. This segment posted strong sales as a result of a fortified sales network and proactive sales expansion activities. The effect of a change in the fiscal year-end of the BT Industries Group along with strong sales of Aichi Corporation also contributed to the increase. In September 2006, Toyota Industries commenced sales of its flagship model 1- to 3.5-ton internal combustion lift trucks (sold as GENEO in Japan and 8-Series overseas), which underwent a full model change after eight years.

Net sales of the Logistics Segment amounted to 63.8 billion yen, an increase of 16.2 billion yen, or 34%, over the previous period, due mainly to favorable sales of the transportation services business.

Net sales of the Textile Machinery Segment amounted to 42.5 billion yen, an increase of 6.6 billion yen, or 18%, over the previous period, chiefly reflected by higher sales of Toyota Industries' mainstay air-jet looms to China.

During this period, ordinary income amounted to 89.7 billion yen, an increase of 24.6 billion yen, or 38%, over the previous period. Despite the effects of a rise in raw materials costs and increases in depreciation and personnel expenses, the rise in ordinary income resulted from gains in domestic and overseas sales in addition to the promotion of Group-wide cost improvement activities and an increase in non-operating income.

For fiscal 2007, ending March 31, 2007, Toyota Industries forecasts consolidated net sales of 1,800.0 billion yen, operating income of 76.0 billion yen, ordinary income of 95.0 billion yen and net income of 53.0 billion yen. These forecasts remain unchanged from projections announced as of September 2006.

## Breakdown of Consolidated Net Sales

(Million yen)

	FY2007 Third Quarter		FY2006 Third Quarter		Increase (Decrease)	% change	FY2006	
	Amount	Component ratio	Amount	Component ratio			Amount	Component ratio
<b>Automobile</b>		%		%		%		%
Vehicle	346,628	24.9	248,760	23.2	97,868	39.3	372,092	24.7
Engine	122,999	8.8	98,062	9.1	24,937	25.4	132,382	8.8
Car air-conditioning compressor	170,032	12.2	157,658	14.7	12,374	7.8	215,983	14.3
Foundry, Electronics parts and others	23,432	1.7	19,970	1.9	3,462	17.3	26,337	1.8
<b>Subtotal</b>	<b>663,093</b>	<b>47.6</b>	<b>524,452</b>	<b>48.9</b>	<b>138,641</b>	<b>26.4</b>	<b>746,795</b>	<b>49.6</b>
Materials handling equipment	580,753	41.7	427,433	39.9	153,320	35.9	595,236	39.5
Logistics	63,821	4.6	47,616	4.4	16,205	34.0	65,145	4.3
Textile machinery	42,505	3.1	35,931	3.4	6,574	18.3	49,789	3.3
Others	41,861	3.0	36,402	3.4	5,459	15.0	48,988	3.3
<b>Total</b>	<b>1,392,035</b>	<b>100.0</b>	<b>1,071,837</b>	<b>100.0</b>	<b>320,198</b>	<b>29.9</b>	<b>1,505,955</b>	<b>100.0</b>