SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

2025
健康経営優良法人
KENKO Investment for Health
大規模法人部門

FY2025 Financial Results IR Conference

May 7, 2025

TOYOTA INDUSTRIES CORPORATION

I. Financial Results

II. Initiatives to Address Engine Certification Issue in Japan

III. Initiatives to Enhance Corporate Value

I. Financial Results

Points of Financial Results for FY2025

■ Net sales and profits for FY2025 increased YoY due to price increase as well as positive impact of weaker yen

■ Dividends for FY2025 is ¥280, ¥40 increase from FY2024
Dividends plan for FY2026 is ¥ 280, remain the same as FY2025

■ Net sales and profits for the FY2026 are expected to decrease YoY due mainly to the stronger yen trend, although sales are expected to remain solid

FY2025 Performance

(Billions of yen)

	FY2024	FY2025	Change amount	Change %
Net sales	3,833.2	**4,084.9**	+251.7	+ 6.6%
Operating profit	200.4	**221.6**	+21.2	+ 10.6%
Profit before income taxes	309.1	**351.4**	+42.3	+ 13.7%
Profit attributable to owners of the parent	228.7	**262.3**	+33.6	+ 14.7%
Dividends per share [Year end]	¥240 [¥140]	**¥280 [¥140]**	+ ¥40 -	-
Payout ratio	32.6%	**32.7%**	-	-

<Exchange rate>

US $	¥145	¥153	+ ¥8	-
Euro	¥157	¥164	+ ¥7	-

Net sales and profits for FY2025 increased YoY due to price increase as well as positive impact of weaker yen

FY2025 Segment Information - Automobile

			FY2024	**FY2025**	Change Amount	Change %
	Vehicle	Sales units [k]	337	**333**	(4)	(1.2%)
		Net sales [¥bn]	100.8	**102.5**	+1.7	+1.7 %
	Engine	Sales units [k]	987	**1,026**	+39	+3.9 %
		Net sales [¥bn]	330.8	**346.1**	+15.3	+4.6 %
	Car Air-conditioning Compressor	Sales units [k]	31,849	**30,929**	(920)	(2.9%)
		Net sales [¥bn]	466.1	**480.9**	+14.8	+3.2 %
	Electronics parts and others	Net sales [¥bn]	198.5	**230.7**	+32.2	+16.1 %
Automobile		Net sales [¥bn]	1,096.4	**1,160.2**	+63.8	+5.8 %
		Operating Profit [¥bn]	18.2	**45.0**	+26.8	+147.2%

Vehicle : Net sales increased due mainly to increase of parts shipment while unit sales decrease of RAV4
Engine : Unit sales increase of both gasoline and diesel engines led to net sales increase
Car Air-Conditioning Compressor : Net sales increased as unit sales increase of electric type compressors as well as positive impact of exchange rate fluctuations

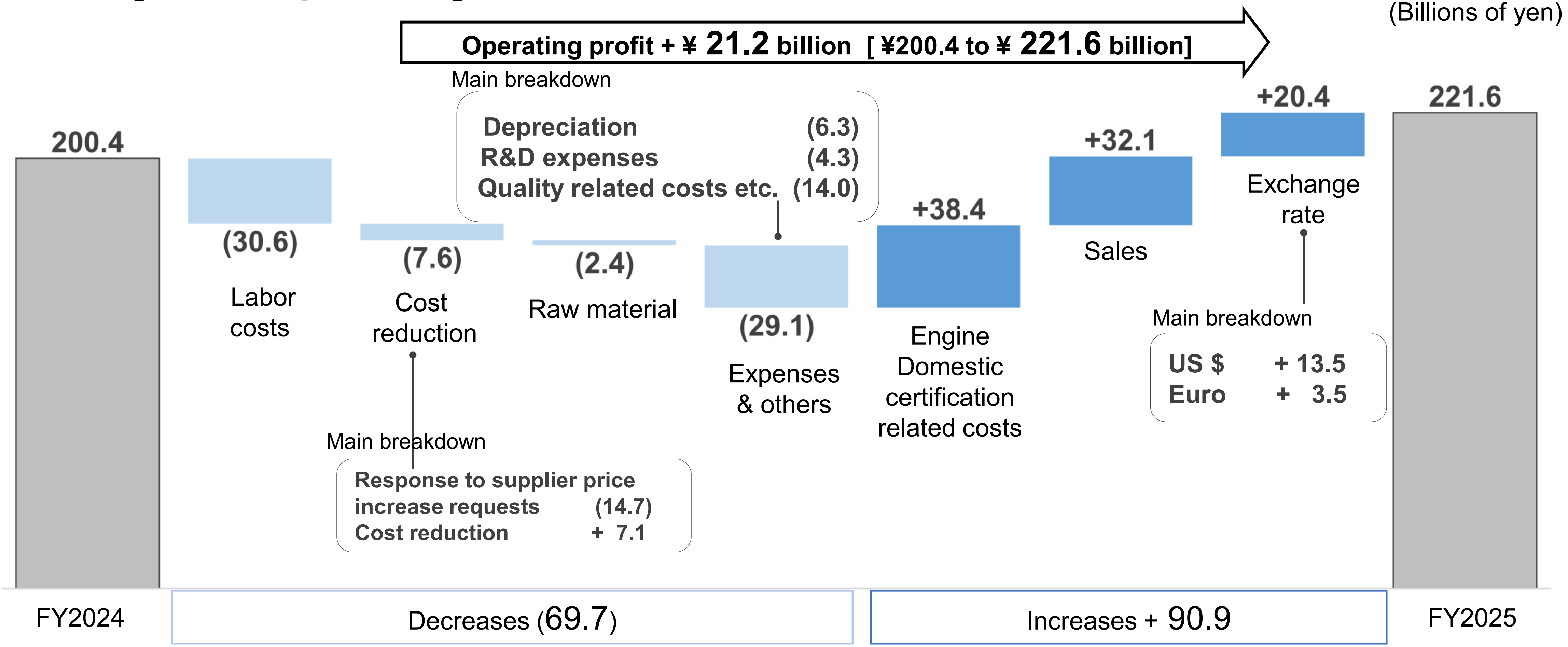
FY2025 Segment Information - Materials Handling Equipment and Others

		FY2024	**FY2025**	Change Amount	Change %
Materials Handling Equipment	Sales units [k]	308	**288**	(20)	(6.4%)
	Net sales [¥bn]	2,587.2	**2,786.3**	+199.1	+7.7 %
	Operating Profit [¥bn]	165.6	**166.7**	+1.1	+0.7 %
Textile Machinery	Net sales [¥bn]	93.3	**79.9**	(13.4)	(14.3%)
	Operating Profit [¥bn]	8.0	**2.5**	(5.5)	(68.8%)
Others	Net sales [¥bn]	56.2	**58.4**	+2.2	+ 3.9%
	Operating Profit [¥bn]	8.8	**7.6**	(1.2)	(13.1%)
Total	Net sales [¥bn]	3,833.2	**4,084.9**	+251.7	+ 6.6%
	Operating Profit [¥bn]	200.4	**221.6**	+21.2	+ 10.6%

Materials Handling Equipment : Price increase and positive impact of exchange rate fluctuations led to net sales increase

Textile Machinery : Net sales and profit decreased due to sales decrease of spinning machinery and yarn quality measurement instruments

Changes in Operating Profit from FY2024 to FY2025



Although increases in labor costs, response to supplier price increase requests, raw material and expenses & others contributed to profit decrease, YoY profit increased due to decrease in engine domestic certification related costs, sales increase and positive impact of weaker yen

FY2025 Investments in tangible assets and Depreciation

(Billions of yen)

	FY2024	**FY2025**	Change Amount	Change %
Investments in tangible assets*	170.5	**199.8**	+29.3	+ 17.2%
Depreciation*	105.7	**114.1**	+8.4	+ 7.9%

* Investments in tangible assets and depreciation apply to property, plant and equipment.
They do not include material handling equipment leased under operating leases.

Investments in tangible assets increased overall due mainly to increases in Material Handling Equipment and car electronics businesses

FY2025 Assets, Equity and others

(Billions of yen)

	FY2024	**FY2025**	Change Amount	Change %
Total assets	**11,078.4**	**9,403.4**	(1,675.0)	(15.1%)
Total equity	**6,153.3**	**5,015.2**	(1,138.1)	(18.5%)
Equity attributable to owners of the parent per share	**¥19,472.48**	**¥16,273.00**	(¥3,199.48)	-
Percentage of equity attributable to owners of the parent	**54.6%**	**52.2%**	-	-
Consolidated subsidiaries	**277**	**281**	+4	-

Total assets decreased mainly due to a decrease in other financial assets, such as investment securities

FY2026 Forecast　Performance

(Billions of yen)

	FY2025	**FY2026 Forecast**	Change amount	Change %
Net sales	4,084.9	**4,000.0**	(84.9)	(2.1%)
Operating profit	221.6	**180.0**	(41.6)	(18.8%)
Profit before income taxes *	351.4	**310.0**	(41.4)	(11.8%)
Profit attributable to owners of the parent	262.3	**240.0**	(22.3)	(8.5%)
Dividends per share	¥280 [¥140]	**¥280** **[¥140]**	- -	-
Payout ratio	32.7%	**35.1%**	-	-

<Exchange rate>

US $	¥153	**¥135**	(¥18)	-
Euro	¥164	**¥155**	(¥9)	-

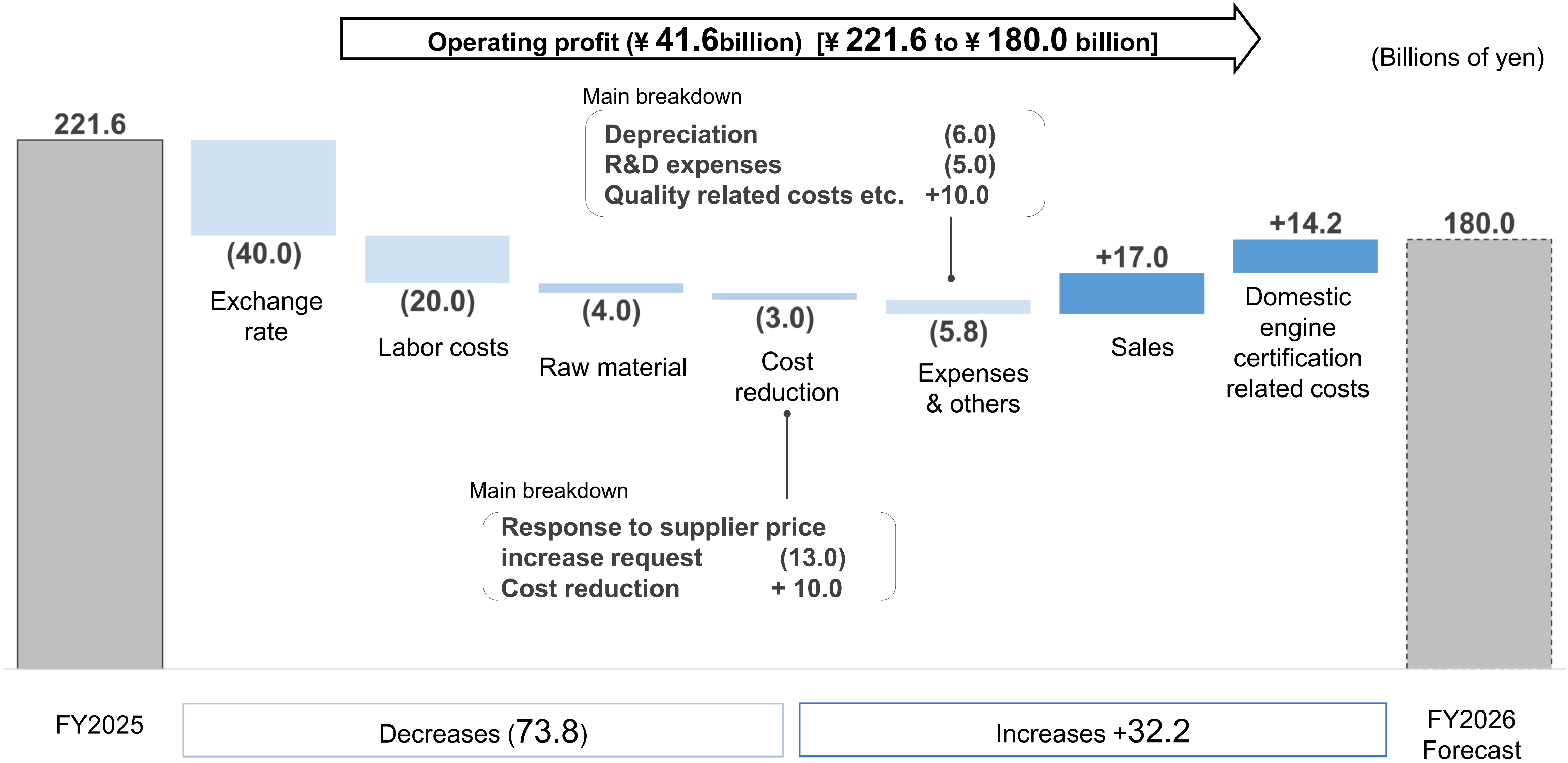
FY2026 Forecast Segment Information - Automobile

		FY2025	**FY2026 Forecast**	Change amount	Change %
Vehicle	Sales units [k]	333	**298**	(35)	(10.7%)
	Net sales [¥bn]	102.5	**90.0**	(12.5)	(12.2%)
Engine	Sales units [k]	1,026	**1,063**	+37	+3.6 %
	Net sales [¥bn]	346.1	**350.0**	+3.9	1.1%
Car Air-conditioning Compressor	Sales units [k]	30,929	**31,000**	+71	+0.2%
	Net sales [¥bn]	480.9	**475.0**	(5.9)	(1.2%)
Electronics parts and others	Net sales [¥bn]	230.7	**250.0**	+19.3	+8.4%
Automobile	Net sales [¥bn]	1,160.2	**1,165.0**	+4.8	+0.4%

FY2026 Forecast Segment Information - Materials Handling Equipment and Others

		FY2025	**FY2026 Forecast**	Change amount	Change %
Materials Handling Equipment	Sales units [k]	288	**291**	+3	+0.8%
	Net sales [¥bn]	2,786.3	**2,702.0**	(84.3)	(3.0%)
Textile Machinery	Net sales [¥bn]	79.9	**79.0**	(0.9)	(1.2%)
Others	Net sales [¥bn]	58.4	**54.0**	(4.4)	(7.6%)
Total	Net sales [¥bn]	4,084.9	**4,000.0**	(84.9)	(2.1%)
	Operating Profit [¥bn]	221.6	**180.0**	(41.6)	(18.8%)

Changes in Operating Profit from FY2025 to FY2026 Forecast



FY2026 Forecast Investments in tangible assets and Depreciation

(Billions of yen)

	FY2025	**FY2026 Forecast**	Change Amount	Change %
Investments in tangible assets*	199.8	**220.0**	+20.2	+ 10.1%
Depreciation	114.1	**120.0**	+5.9	+ 5.2%

* Investments in tangible assets and depreciation apply to property, plant and equipment.
They do not include material handling equipment leased under operating leases.

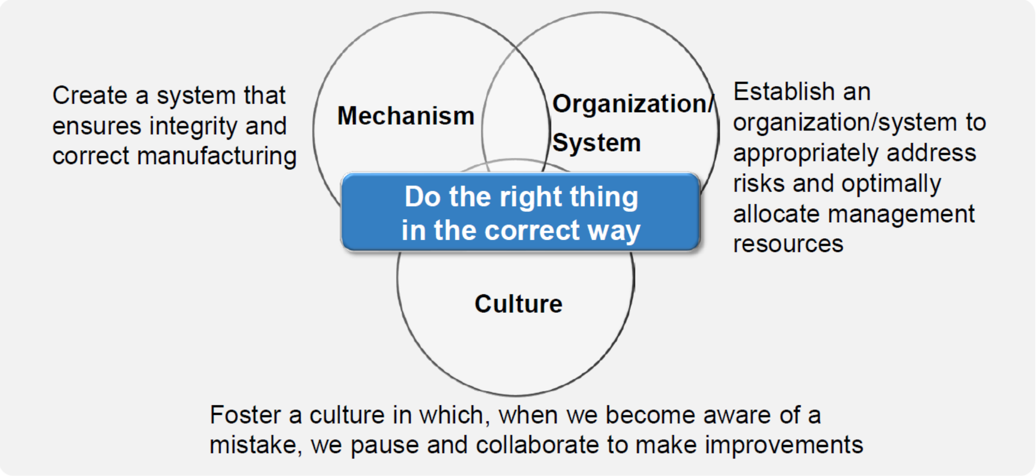
II. Initiatives to Address Engine Certification Issue in Japan

Status of Implementation of Recurrence Prevention Measures

(Review of the year from March 22, 2024)

Go Back to the Basics and Make a Fresh Start

In order to continue contributing to society by providing safe and reliable quality products to our customers, we will go back to the basics and make a concerted commitment to **three reforms** to do the right thing in the correct way.



[Major initiatives for three reforms]

1. **Mechanism**
   ・Establishing standard development schedules for engines and lift trucks
   ・Implementing quality control audits, formulating internal rules and regulations, etc.
2. **Organization/system**
   ・Separating legal and certification duties from the development dept. (assigning dedicated personnel), etc.
3. **Culture**
   ・Holding dialogues with executives and establishing a quality study room
   ・Holding communication training for managers
   ・Formulating the Ethics & Compliance Declaration and revising the Code of Conduct, etc.

Designate **every March 22 as Restart Day** and engage in never-ending, ongoing activities so that they will never lose substance.

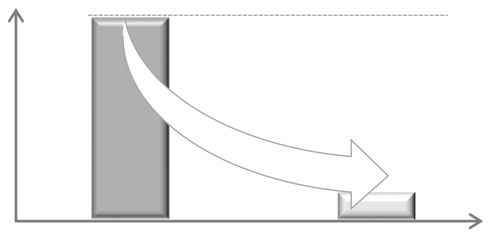
III. Initiatives to Enhance Corporate Value

Generation and Allocation of Funds (released on May 13, 2024)

Significant reduction in policy-held shares and utilization of available liquid assets.

* Unless there is a rationality for policy-held shares, we will not hold such shares.

(Policy-held sheares)



Similar to policy-held shares, the managerial significance of holding other owned shares will also be scrutinized in the future.

Targets for the next three years

Generation of funds
Approx.
¥1 trillion

Cash flows from operating activities
Approx.
¥1.2 trillion

Shareholder returns
Approx.
¥0.7 trillion

Growth investment
Approx.
¥0.8 trillion

Infrastructure investment
Approx.
¥0.7 trillion

Shareholder returns through stable dividends
Share buyback

Accelerate next-generation growth by leveraging M&A in addition to internal investments and value chain development, particularly in the Logistics Solutions Business.

- Next-generation technologies/R&D (environment, automation, etc.), DX, human resources, facilities, etc.

Strengthen the foundation for sustainable growth.

- Primary focus on compliance, human resources development and manufacturing, as well as production facilities, IT infrastructure, R&D, etc.

While making **steady investments to strengthen** management/business **foundation** and **appropriate allocation of funds for shareholder returns**, carry out **proactive investment in R&D and M&A** to enable future growth, primarily in the Logistics Solutions Business, thereby aiming to realize ROE and share price-conscious management.

Generation of Funds

Reduction of policy-held shares

Partial sale of AISIN shares (7259) (released on Jun. 27, 2024)

- As one of the sellers, sold 12,964,900 shares (approximately ¥63.3 billion) of AISIN's stock in their offering
- Continue to maintain business relationship with AISIN

Sale of all DENSO shares (6902) (released on Oct. 31, 2024)

- To sell all held shares of DENSO's stock (184,897,656 shares)
- Period of sale is planned from December 2024 to March 2027
- Method of sale is to be determined
- Continue to maintain business relationship with DENSO

Generation of Funds

Reduction of policy-held shares (continued)

Tendering and partial sale of Aichi Corporation shares (6345) through TOB of its treasury stock (released on Mar. 19)

1. Participated in a tender offer (TOB) of the treasury stock of Aichi Corporation, a consolidated subsidiary
   - ➢ Period of tender offer: March 21 to April 17
   - ➢ Total number of shares acquired by Aichi: 10 million shares at ¥1,283 per share (total amount: ¥12,830 million)
   - ➢ Number of TICO-held policy-held shares acquired by Aichi: 9,092,100 shares (total amount: ¥11,665 million)
   - ➢ Commencement date of settlement of tender offer: May 14

2. Transfer a portion of Aichi shares to Itochu Corporation (8001) and concluded a business alliance agreement
   - ➢ Execution date of the share transfer: May 15 (planned)
   - ➢ Number of shares to be transferred to Itochu: 17,608,900 shares
   - ➢ Transfer price: ¥1,345 per share (¥23,683 million)

* After May 14, Aichi will become TICO's affiliated company accounted for by the equity method.
The series of transactions will render TICO's voting rights above 20%.

Generation of Funds

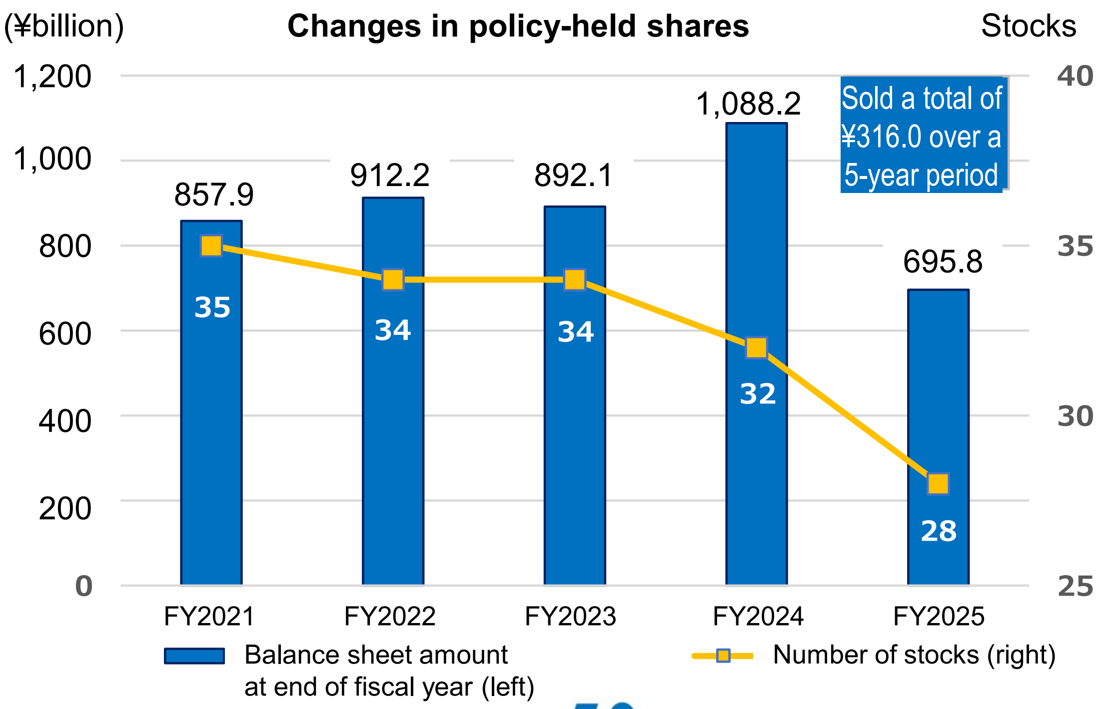
Reduction of policy-held shares (continued)

Sales of listed policy-held shares expected to total ¥316.0 billion over a 5-year period

- 2 stocks sold for ¥240.1 billion in FY2024
- 4 stocks sold for ¥75.4 billion in FY2025
- 28 listed cross-shareholding stocks held in FY2025

Changes in policy-held shares (¥billion)

	Number of stocks	Balance sheet amount at end of fiscal year	Amount sold during fiscal year
FY2021	35	857.9	—
FY2022	34	912.2	5
FY2023	34	892.1	—
FY2024	32	1,088.2	240.1
FY2025	28	695.8	75.4



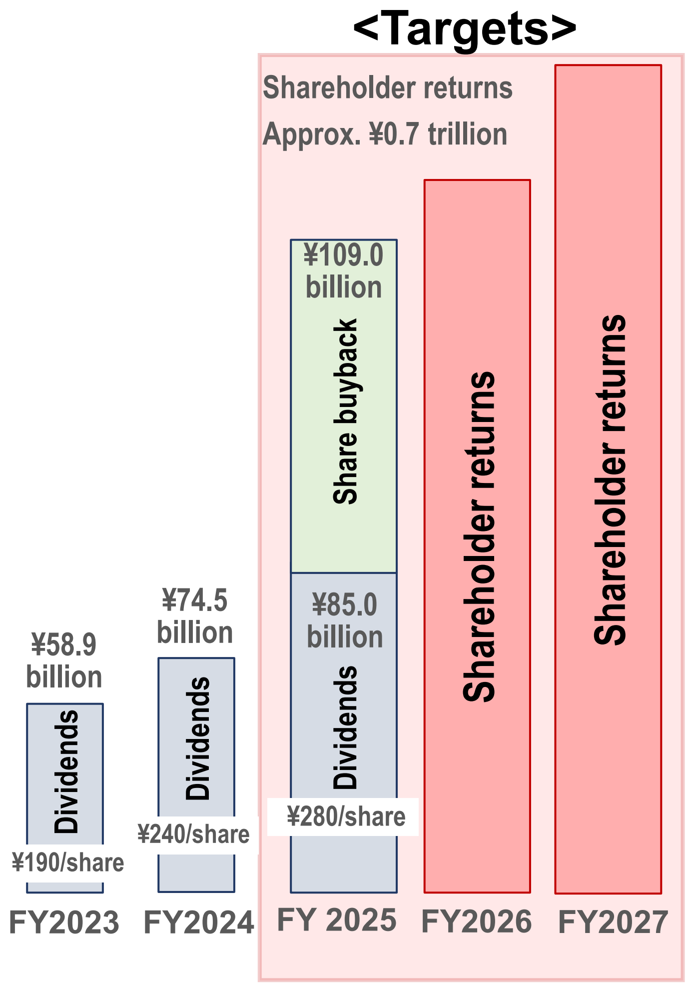
Shareholder Returns

Dividend increase (FY2024 ¥240/share → FY2025 ¥280/share)

- Regarding dividends, we aim to provide continuous dividends with a target consolidated payout ratio of 30%, taking into account overall performance and capital requirements.
- For FY2025, dividends paid are ¥280/share, ¥40 increase YoY (¥140 interim, ¥140 year-end)
- We intend to continue enhancing shareholder returns.

Share buyback (Resolved on May 10, 2024)

- Total number of shares to acquire: up to 10 million shares
  (The ratio to the total number of outstanding shares (excluding treasury stock): 3.22%)
- Total acquisition cost of shares: up to ¥180 billion
- Acquisition period: May 13, 2024 to May 12, 2025
- Total of treasury stock acquired (as of March 31, 2025)
  (1) Total number of shares acquired: 9,074,923 shares
  (2) Total value of shares acquired: ¥109,051,669,470



Initiatives to Enhance Corporate Value

Growth and Infrastructure Investments

Sign an MOU with Itochu, KDDI, Mitsui Fudosan and Mitsubishi Estate to create the Physical Internet.

Released on May 17, 2024

Released on May 30

Develop a precious metal-free, high-performance electrode for hydrogen production equipment.

Conduct Japan's first trial operation of Level 4 autonomous cargo transport within airport restricted areas.

Released on Jul. 16

Released on Sep. 5

Conclude a strategic investment agreement with Gideon in Croatia.

TMHJ delivers CUEBUS (transport type) linear motor robot to the new distribution center of BEAMS.

Released on Sep. 10

Released on Sep. 10

Begin a feasibility test of Japan's first 4-fork autonomous lift truck for truck loading and unloading with Coca Cola Bottlers Japan

TMHJ launches new 2.5-ton fuel cell lift truck.

Released on Sep. 17

Start offering AGV solution for automated pallet transportation in Europe.

The Compressor Business enhances production capability of electric compressors in Europe and the U.S. to reach an annual production capacity of 12 million units in 2025.

Released on Oct. 31

Released on Oct. 31

The Electronics Business establishes a new plant in the U.S. in preparation for its first U.S. production of DC-DC converters to start in 2025.

Acquire the airport baggage handling business of Germany's Siemens (to be completed by the end of 2025).

M&A

Released on Oct. 31

Released on Nov. 18

Sign a basic agreement with the Chubu Region Hydrogen and Ammonia Social Implementation Promotion Council to establish a hydrogen and ammonia supply chain in the Chubu region.

Develop an energy management system (EMS) that predicts the amount of solar power generated and the amount of electricity demanded by a plant and effectively utilizes the renewable energy generated.

Released on Nov. 22

Jan. 2025

The new vehicle parts logistics building adjacent to the Nagakusa Plant, where the Toyota RAV4 is produced, commences operation.

Develop and launch 8-ton lithium battery-powered lift truck in the U.S.

Solution area
Synergy area
Mobility area

Accelerate growth investments primarily in the solution area, as well as in the mobility and synergy areas.
Actively utilize M&A to achieve next-generation growth.

Growth Investments

M&A examples

Strategic investment in Gideon, Croatia (released on Sep. 5)

- Concluded strategic investment agreement with Gideon Brothers in Croatia and made an investment in the company through our European subsidiary.
- Gideon develops and offers leading technologies for autonomous mobile robotics (AMR) behavior and application stack for automating specific processes in warehouse and manufacturing environments.
- TICO will further strengthen its capabilities in vehicle automation by collaborating with Gideon, which excels in object detection and automated truck unloading and loading, utilizing navigation technologies such as self-position estimation through camera sensors and AI.

Acquisition of Shares in Siemens Logistics, a Subsidiary of Siemens in Germany (released on Oct. 31)

- The Board of Directors resolved to acquire 100% of the outstanding shares of Siemens Logistics, a subsidiary of Siemens in Germany that engages in the airport baggage handling system business*1, through our European subsidiary Vanderlande, which provides logistics solutions globally.
- Siemens Logistics specializes in software development using advanced digital technologies and has a proven track record of system implementations at major airports worldwide. Through this acquisition, Vanderlande aims not only to expand its customer base in the strategically important field of baggage handling systems but also to leverage Siemens Logistics' technological capabilities to provide even higher value-added products and services.
- The share transfer price is 300 million euros (enterprise value)*2.
- Completion of acquisition of businesses in Europe, Asia , and the Middle East (excluding the United States), subject to approvals from antitrust authorities and other entities (announced on May 2)*3..

*1: The development and sale of equipment and management systems that automate baggage transportation, storage and sorting.
*2: The actual price will be determined after making adjustments to the enterprise value as of the time of the share transfer.
*3: Acquisition of the US business is still undergoing procedures, including obtaining approval from relevant authorities.

Allocation of Funds

Targets for the next three years			
Shareholder returns Approx. **¥0.7 trillion**	**Shareholder returns through stable dividends** **Share buyback**	→	**Progress: Approx. 28%** Share buyback: ¥109.0 billion Total dividends paid: ¥8.5 billion
Growth investment Approx. **¥0.8 trillion**	**Accelerate next-generation growth by leveraging M&A in addition to internal investments and value chain development, particularly in the Logistics Solutions Business.**	→	**Progress: Approx. 25%** Capital investment related to electrification, automation, etc.; investment in developing human resources proficient in DX; R&D; M&A, etc.
Infrastructure investment Approx. **¥0.7 trillion**	**Strengthen the foundation for sustainable growth.**	→	**Progress: Approx. 35%** Strengthening manufacturing capabilities; reinforcing IT infrastructure; bolstering internal control, compliance, risk management and quality management; developing human resources, etc.

Steadily carried out **shareholder returns, infrastructure investments and growth investments**. Continue efforts to enhance corporate value.

Strengthening Investment Decisions Conscious of Capital Costs

Recognition of the current situation

- **Management that is conscious of capital efficiency is needed** to meet shareholders' earnings expectations.
- ROE for FY2025 is 4.8%; we are **working to achieve our target of 6%** set for FY2027–2028.

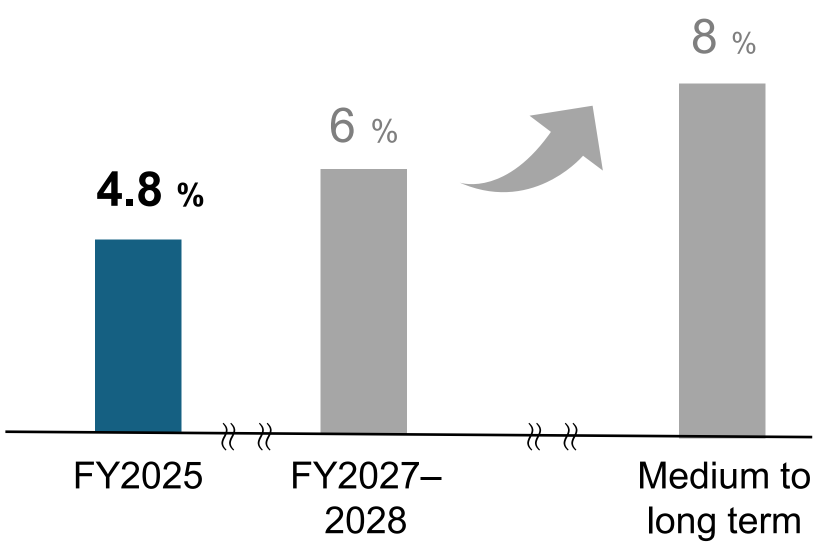
Measures

- Grow existing businesses, improve profitability and enhance shareholder returns.
- Divest policy-held shares and make infrastructure and growth investments.
- **Make investment decisions conscious of capital costs.** **Strengthen**
  - Make investment decisions by evaluating whether we can generate earnings that exceed the capital costs.

How to proceed

- Make investment decisions based on multiple investment effectiveness indicators. **On a company-wide basis, aim for further clarify profitability and enhance awareness of capital costs.**
- Target: Investment projects for new product development, capacity/sales expansion, building/structure/IT investments, etc.

Target ROE



Improve corporate value and **enhance shareholder returns** by achieving **ROE target of 6–8%.**

Environmental Initiatives

Obtained SBT Certification for Greenhouse Gas Reduction Targets

Targets: Scope 1 & 2: Reduce CO_2 emissions by 42% by FY2031 (vs FY2022)

Scope 3 (Category 11): Reduce CO_2 emissions from product use by 30% by FY2031 (vs FY2019)

Initiatives to promote

<Production activities>

- Promoting energy-saving activities
- Innovation in production technology
- Utilization of renewable energy, such as introduction of solar power generation equipment, etc.

<Product Development>

- Higher efficiency and weight reduction of products
- Development of components for electrified vehicles (HEV, PHEV, BEV, FCEV)
- Development of hydrogen fuel cell lift trucks and carbon-neutral fuel lift trucks, etc.

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Health and Productivity Management

Basic Perspective

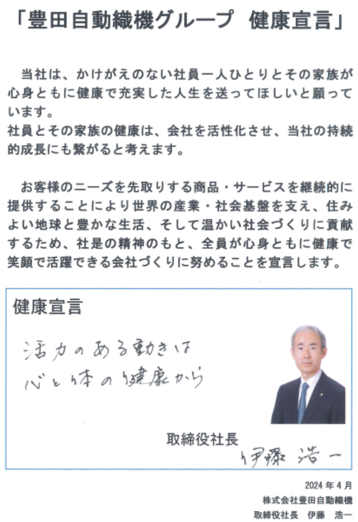
As a task for the medium term, we are promoting health improvement of employees, mainly focusing on the prevention of lifestyle diseases and mental health support activities, to create people and workplaces where employees can think about and practice their own physical and mental health based on the concept of Health and Productivity Management.

To enable employees to work and take active roles over the long term, we have set FY2025 as the “first year of creating healthy people and workplaces” and will continue to provide support toward the cultivation of an autonomous health-oriented culture in which employees care about their own health and take action voluntarily and willingly.

* Health and productivity management is a registered trademark of the NPO Kenkokeiei

Declaration of Health Commitment

Based on the basic perspective, in April 2024, we formulated the Toyota Industries Group Declaration of Health Commitment. Centered on the idea that the health of employees and their families will vitalize the Company and lead to our sustainable growth, we are making Company-wide efforts to establish the foundation for health and productivity management.



「豊田自動織機グループ　健康宣言」

当社は、かけがえのない社員一人ひとりとその家族が心身ともに健康で充実した人生を送ってほしいと願っています。
社員とその家族の健康は、会社を活性化させ、当社の持続的成長にも繋がると考えます。

お客様のニーズを先取りする商品・サービスを継続的に提供することにより世界の産業・社会基盤を支え、住みよい地球と豊かな生活、そして温かい社会づくりに貢献するため、社是の精神のもと、全員が心身ともに健康で笑顔で活躍できる会社づくりに努めることを宣言します。

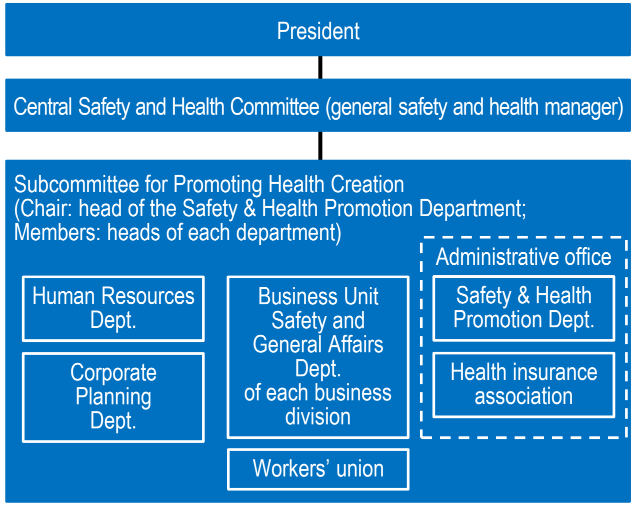
健康宣言

活力のある動きは
心と体の健康から

取締役社長
伊藤 浩一

2024 年 4 月
株式会社豊田自動織機
取締役社長　伊藤　浩一

Structure for Promoting Health



Certified as a Health and Productivity Management Organization for 8 consecutive years

2025
健康経営優良法人
KENKO Investment for Health
大規模法人部門

Cautionary Statement with Respect to Forward-Looking Statements

This presentation contains projections of business results as well as statements regarding business plans, forecasts, strategies, and other forward-looking statements that are not to be taken as historical fact. Projections and forward-looking statements are based on the current expectations and estimates of Toyota Industries and its Group companies. All such projections and forward-looking statements are based on management's assumptions and beliefs derived from the information available to it at the time of producing this report and are not guarantees of future performance. You should also be aware that certain risks and uncertainties could cause the actual results of Toyota Industries and its Group companies to differ materially from any projections or forward-looking statements appearing in this report. These risks and uncertainties include, but are not limited to, the following: 1) economic trends, 2) various competitive pressures, 3) changes in relevant laws and regulations, and 4) fluctuations in exchange rates.