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# FY2009 2nd Quarter Financial Results



October 31, 2008

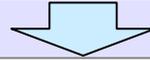
TOYOTA INDUSTRIES CORPORATION

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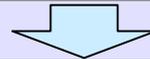
 **TOYOTA** 

# Current Status of Global Economy

■ Fund supply exceeding the real economy

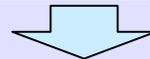


■ Excessive funds flowing into speculation



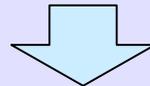
■ Speculation creates bubbles in the market

- Crude oil
- Metals
- Grains
- Housing, etc.



■ Sub-prime issue

Risk calculation made impossible

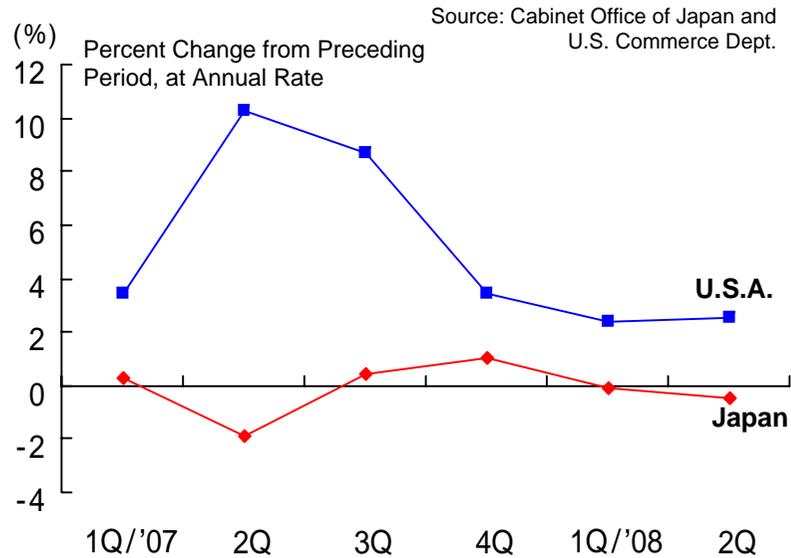


■ Financial crisis

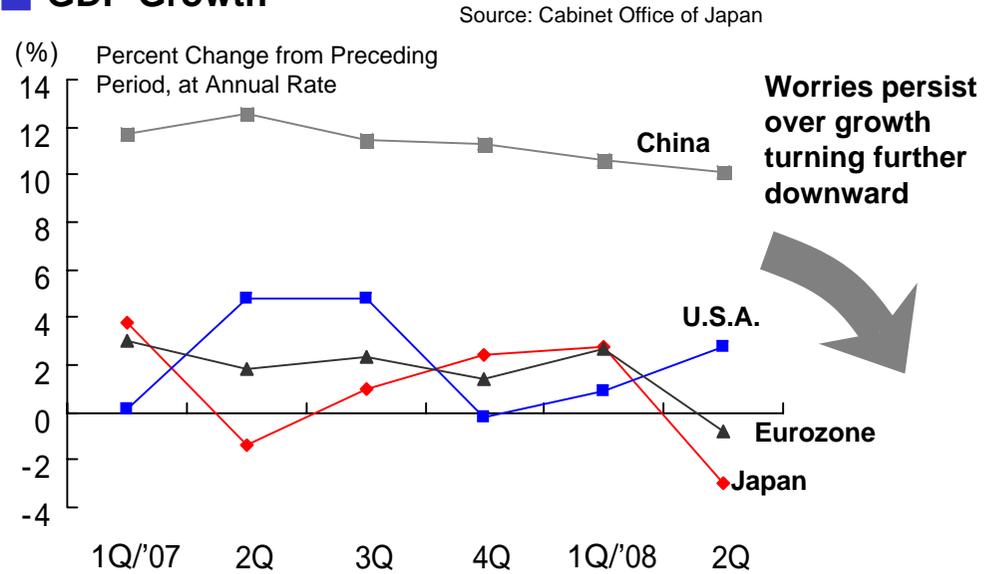
Contraction of credits

# Effects on Real Economy

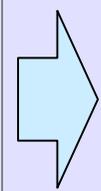
## Private-Sector Capital Investment



## GDP Growth



- G7 agreement (Oct. 10)
  - G20 statement (Oct. 11)
- ↓
- Injection of public funds announced by respective governments
  - U.K., Germany, France, U.S.A., etc.

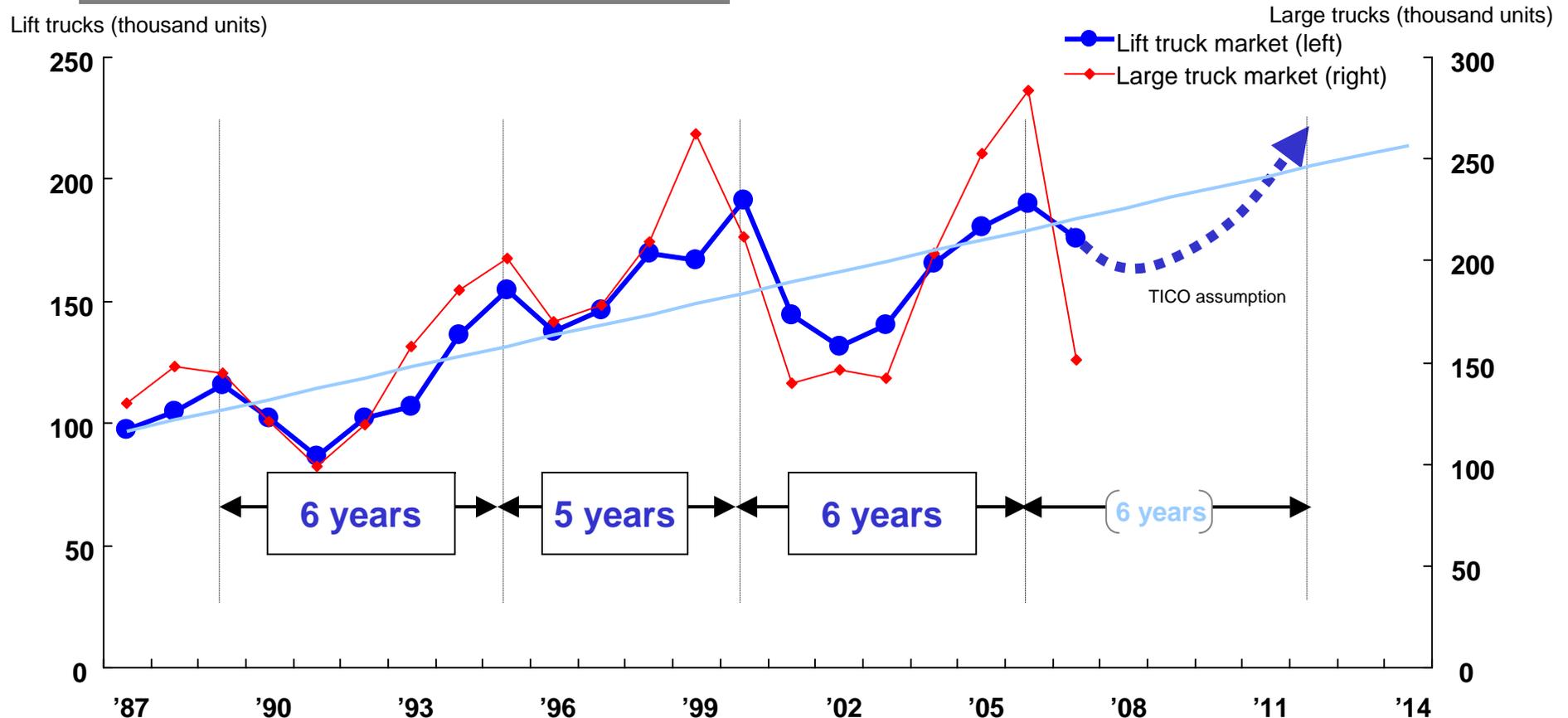


<ul style="list-style-type: none"> <li>■ Financial market</li> <li>■ Stock market</li> </ul>	<p><b>Normalization within 2 years expected</b></p>
<ul style="list-style-type: none"> <li>■ Real economy</li> </ul>	<p><b>Normalization within 5 years expected</b></p>

# Trend in Lift Truck Market

## Lift Truck Market in the U.S.A.

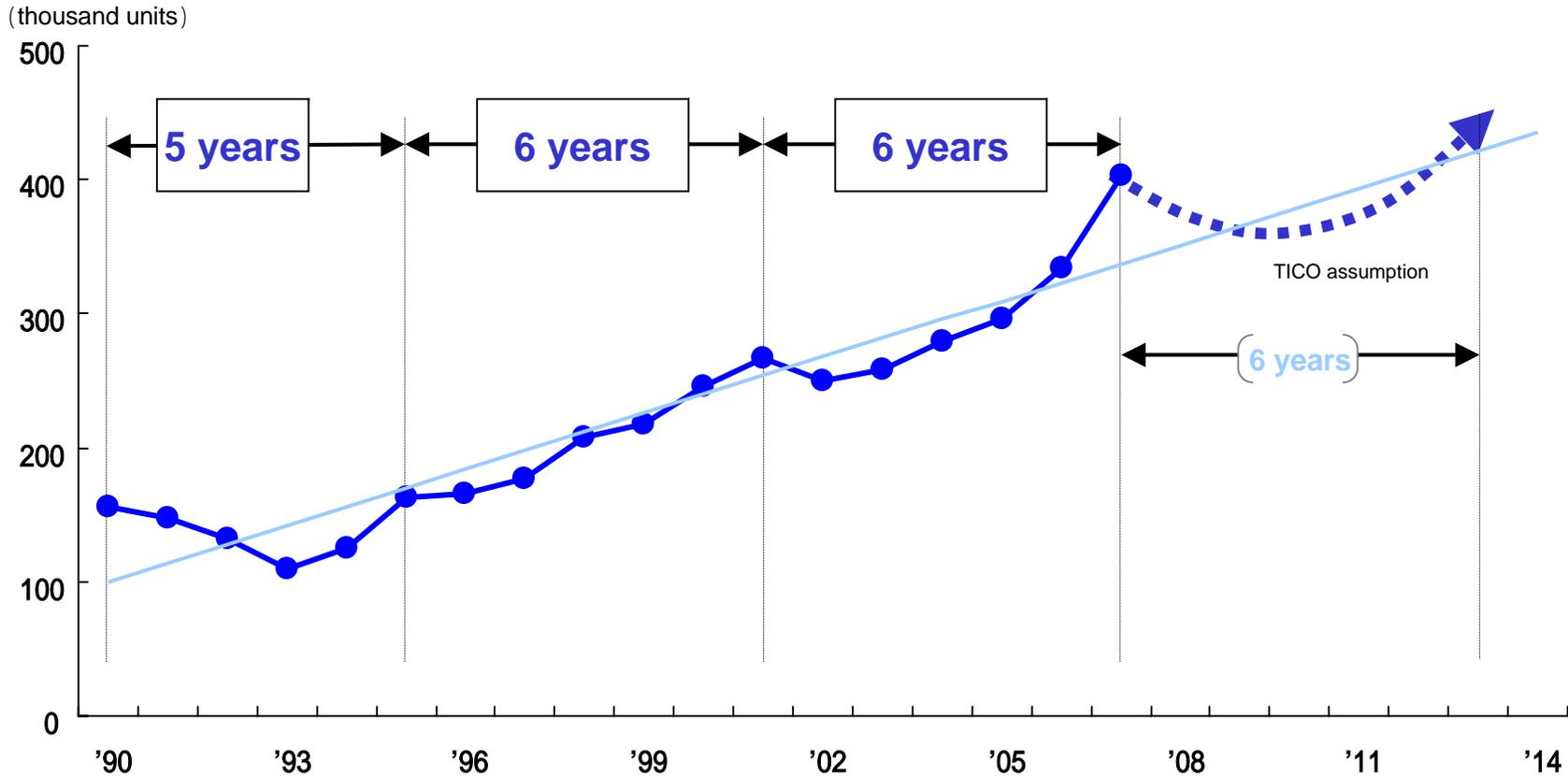
Source: ITA, AAMA



- Lift truck sales expected to increase over the long term in step with rises in population and logistics volume
- The past market cycles were 5-6 years; unit sales declined up to 30% for 1-2 years after the peak.

## Lift Truck Market in Europe

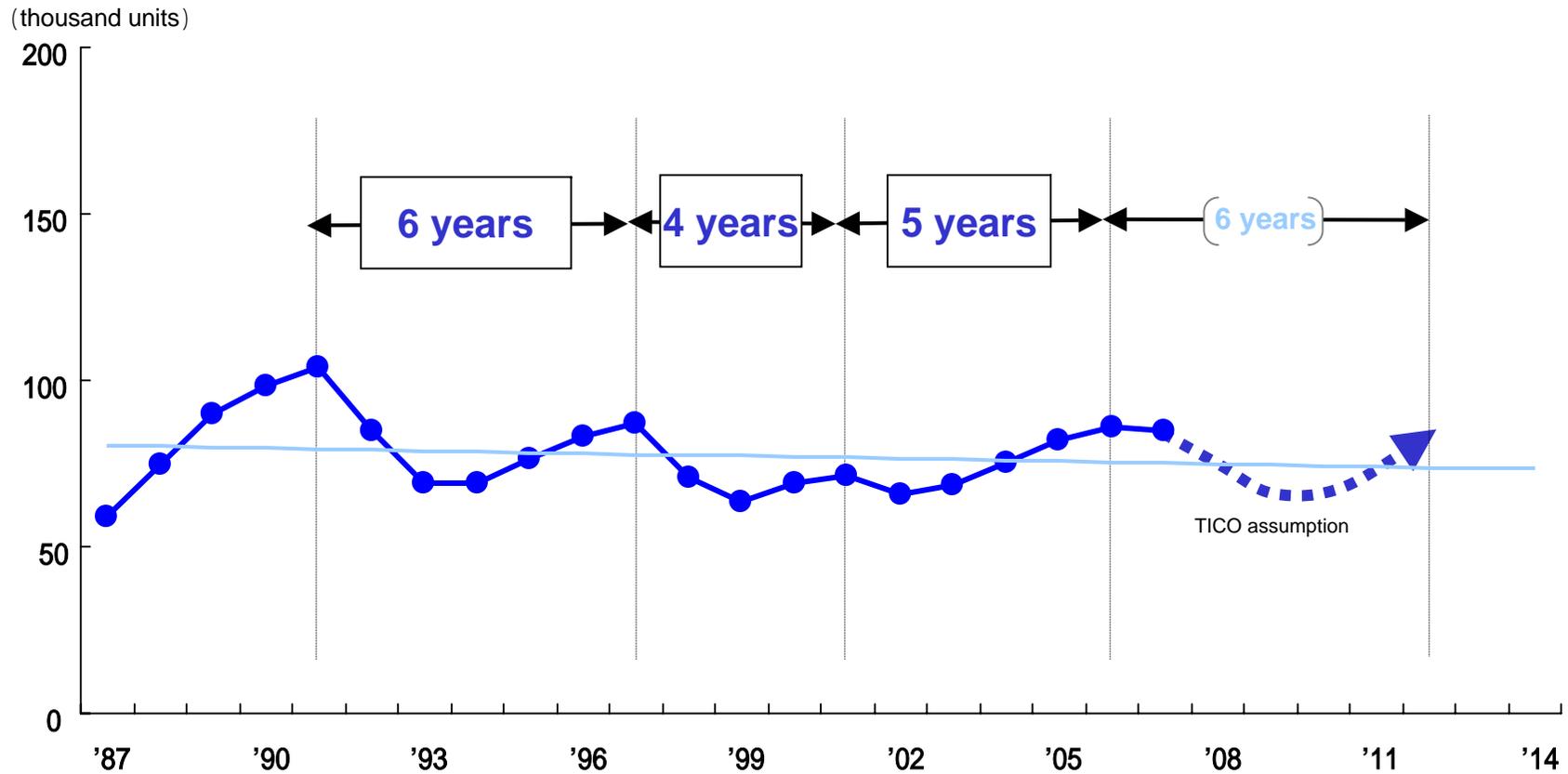
Source: FEM, WITS



- European market expanding to include former Eastern Europe and Russia
- The past market cycles were 5-6 years; declines after the peak tended to be small.

## Lift Truck Market in Japan

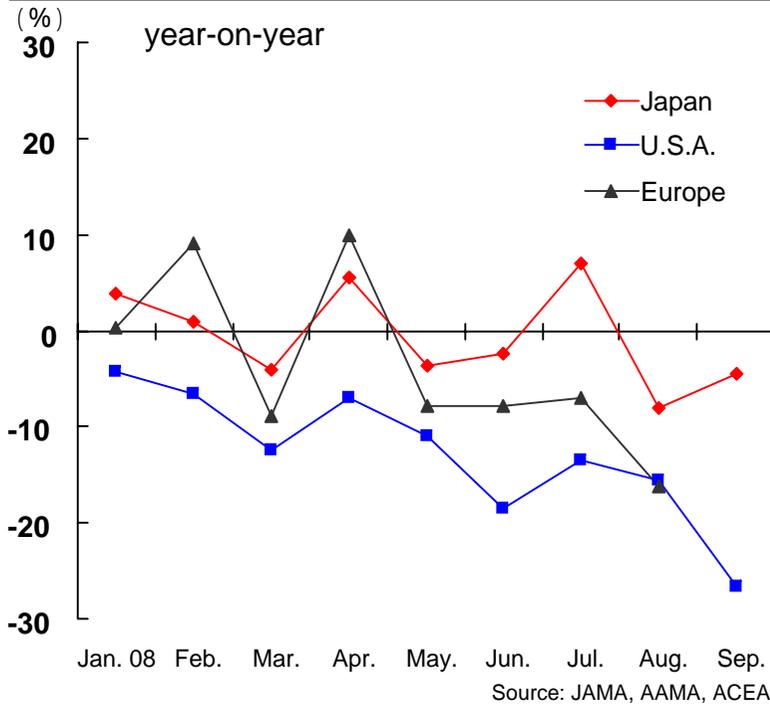
Source: JIVA



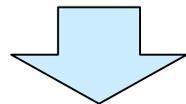
- The past market cycles were 4-6 years.
- Sales have remained at the same level.

# Current Status of the Automobile Market

## Unit Sales of Passenger Vehicles



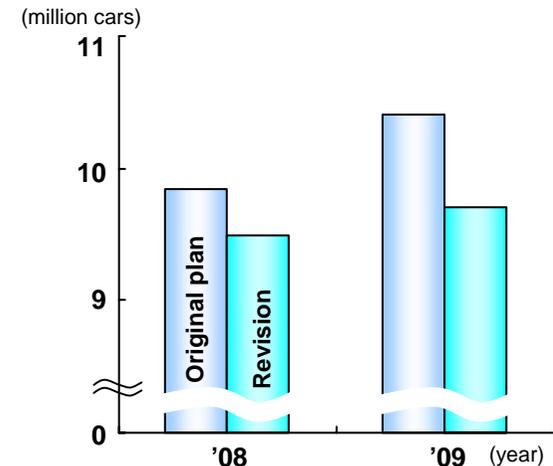
**Declines become more pronounced**



**Challenging business environment for our automobile-related businesses**

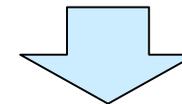
## TOYOTA Sales Plan

- Announced restructuring of North American production (Jun. 10)
- Re-examined sales plans (Aug. 28)



(Toyota Business Strategy Meeting on Aug. 28)

**TOYOTA made downward revision of its sales targets**



# Once Again Forge Solid Footing

We are in the middle of a storm...

→ which is expected to last for 2 more years



**Do not try to escape the storm.**

- **The times have changed.**
- **Start with a clean slate with outside-the-box thinking**

Do what needs to be done sincerely, steadfastly and earnestly.

Be sensitive to a variety of information and wait for opportunities.



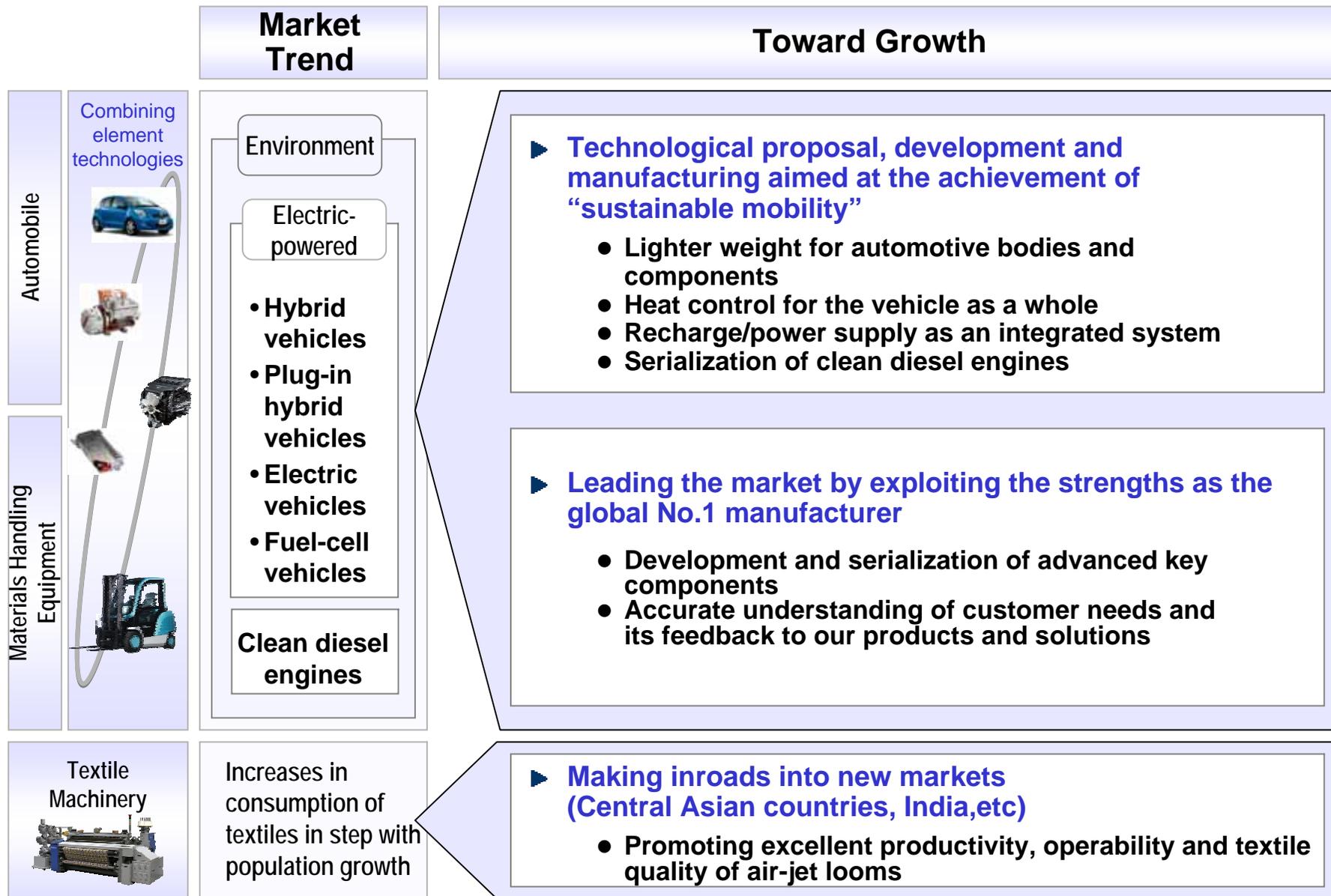
# Nurture Emerging Growth Potentials

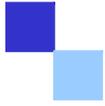
- Accumulate technologies by engaging in entire automotive business such as vehicles, engines and components (car air-conditioning compressors and car electronics)
- Technologies and know-how regarding electric motors accumulated through the development of electric lift trucks

		Element Technologies					
		Weight Reduction	Heat Control (Heat release, cooling, combustion)	Recharge/ power supply	Energy Management	Energy Conservation	Manufacturing
Automobile	Vehicle 						
	Engine 						
	Car electronics 						
	Compressor 						
Materials Handling Equipment 							

**Strive to combine element technologies**

# Toward Growth





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# Business Results

## Financial Results (FY2009 2nd Quarter)

- Decreases in sales and profits as a result of drastic changes in external environment

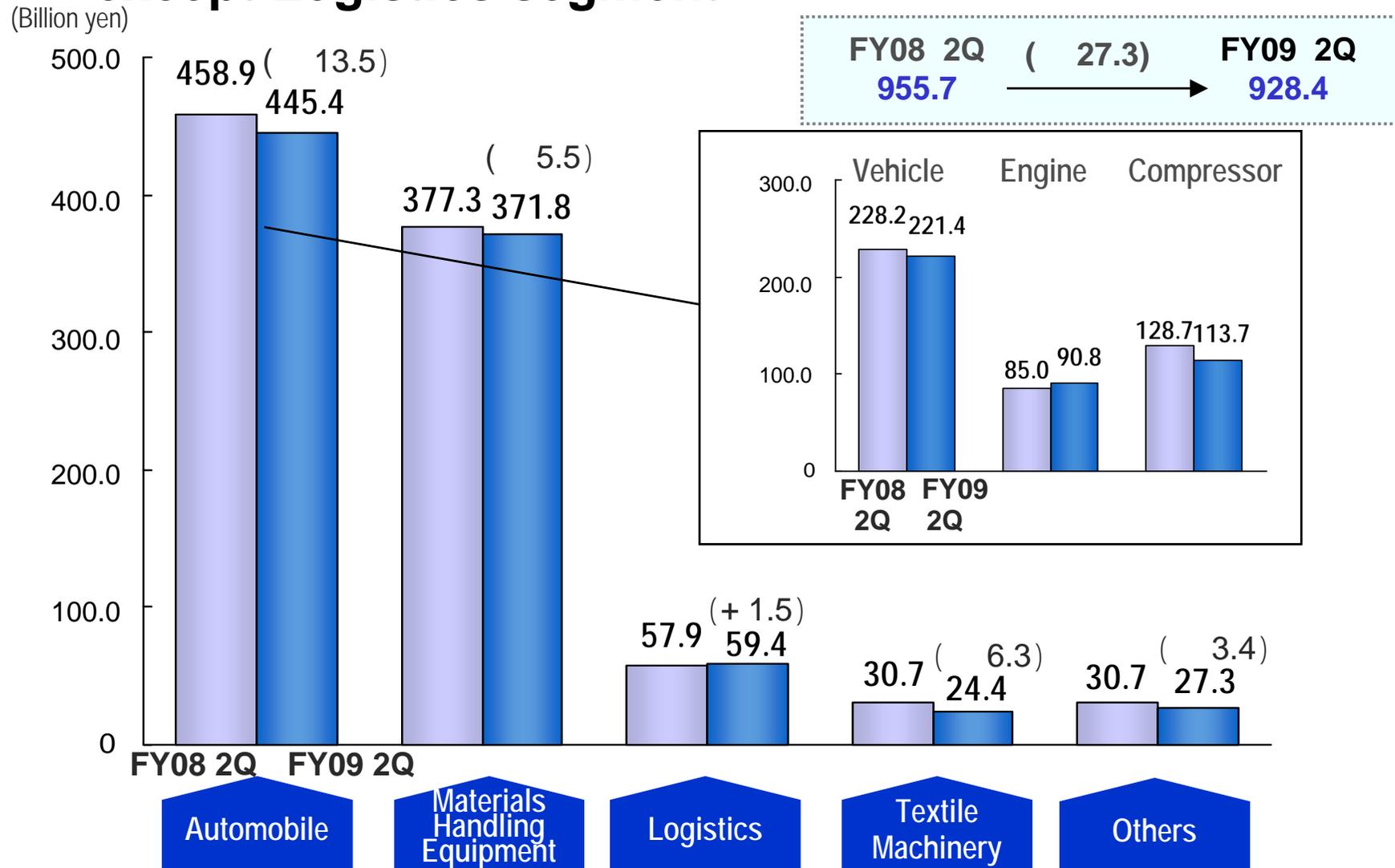
(Billion yen)

	<i>FY2008 2Q</i>	<i>FY2009 2Q</i>	<i>Change</i>	<i>Change (%)</i>
<i>Net Sales</i>	955.7	<b>928.4</b>	27.3	2.9%
<i>Operating Income</i>	46.9	<b>22.9</b>	24.0	51.1%
<i>Ordinary Income</i>	63.2	<b>40.3</b>	22.9	36.3%
<i>Net Income</i>	40.3	<b>23.5</b>	16.8	41.7%

# Net Sales by Segment

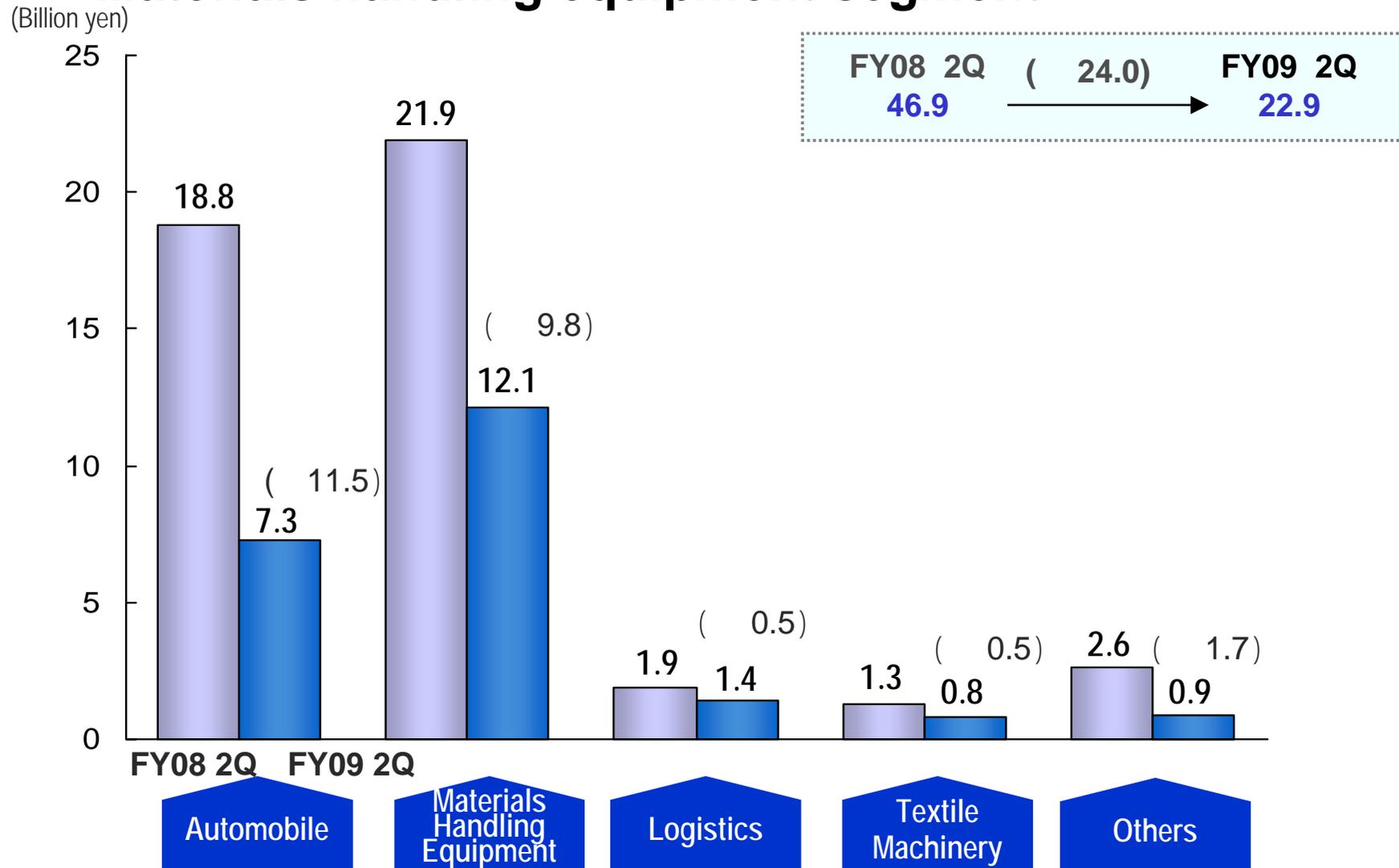
FY2009 2nd Quarter Financial Results

## Decreases in net sales in all segments except Logistics segment



# Operating Income by Segment FY2009 2nd Quarter Financial Results

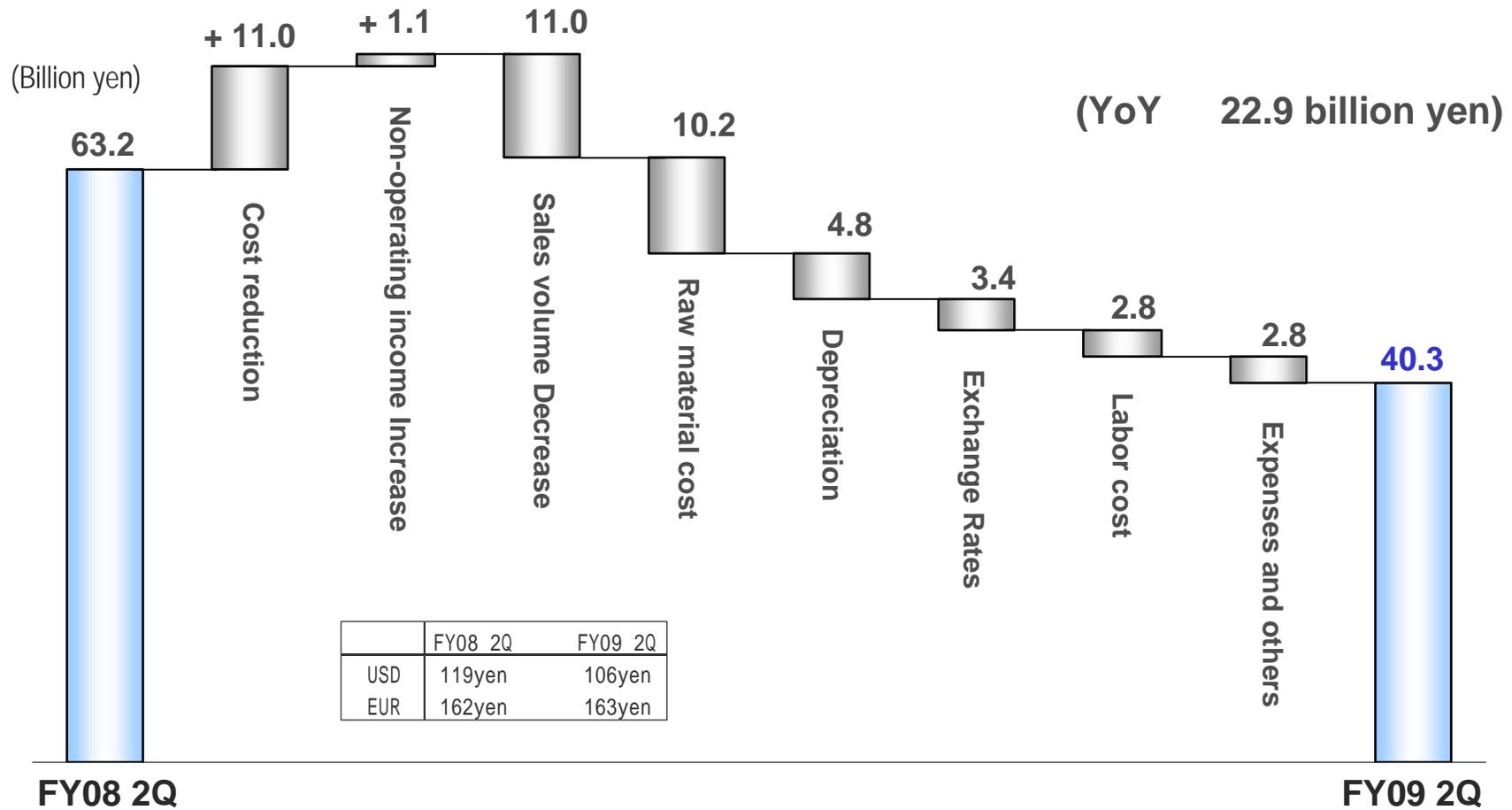
## ■ Sharply decreases in profit in Automobile and Materials handling equipment segment





# Change in Ordinary Income FY2009 2nd Quarter Financial Results

## Year-on-year Comparison (FY08 2Q and FY09 2Q)



## Earnings Forecasts (FY2009)

- Decreases in sales and profits as a result of further contraction of the market

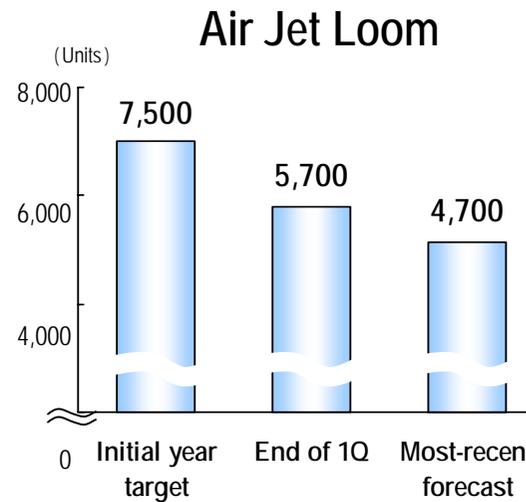
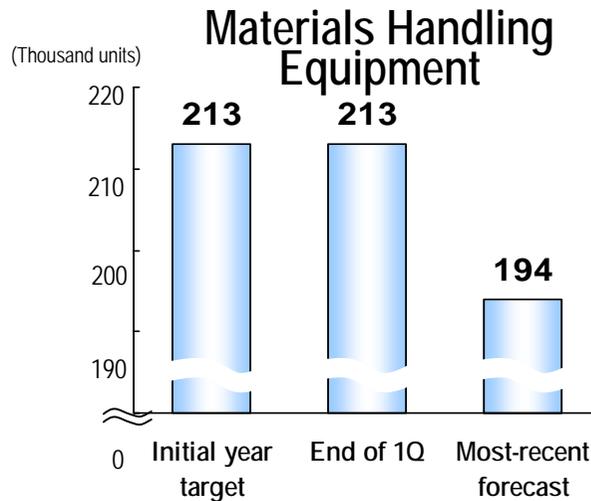
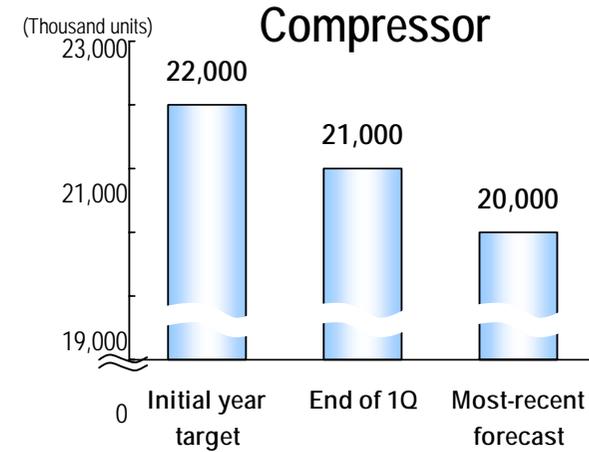
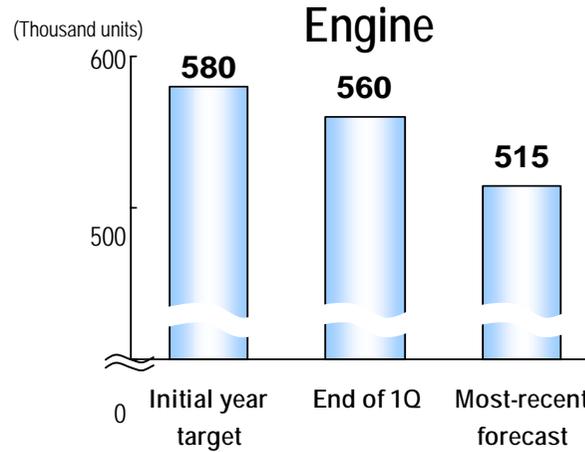
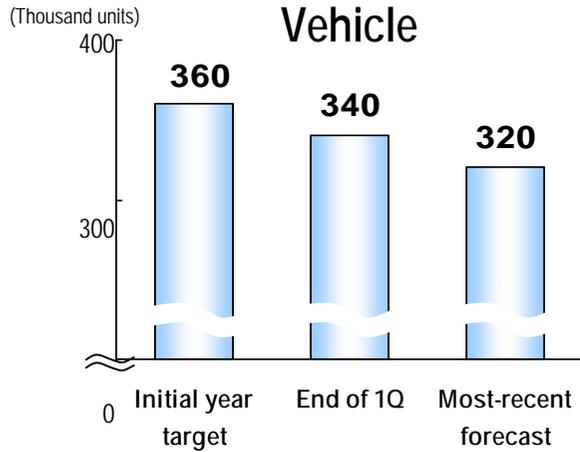
(Billion yen)

	<i>FY2008</i>	(End of 1Q) <i>FY2009</i>	<i>Change</i>	<i>Change (%)</i>
<i>Net Sales</i>	2,000.5	(2,000.0) <b>1,820.0</b>	180.5	9.0%
<i>Operating Income</i>	96.8	(65.0) <b>40.0</b>	56.8	58.7%
<i>Ordinary Income</i>	126.4	(97.0) <b>70.0</b>	56.4	44.7%
<i>Net Income</i>	80.4	(53.0) <b>40.0</b>	40.4	50.3%



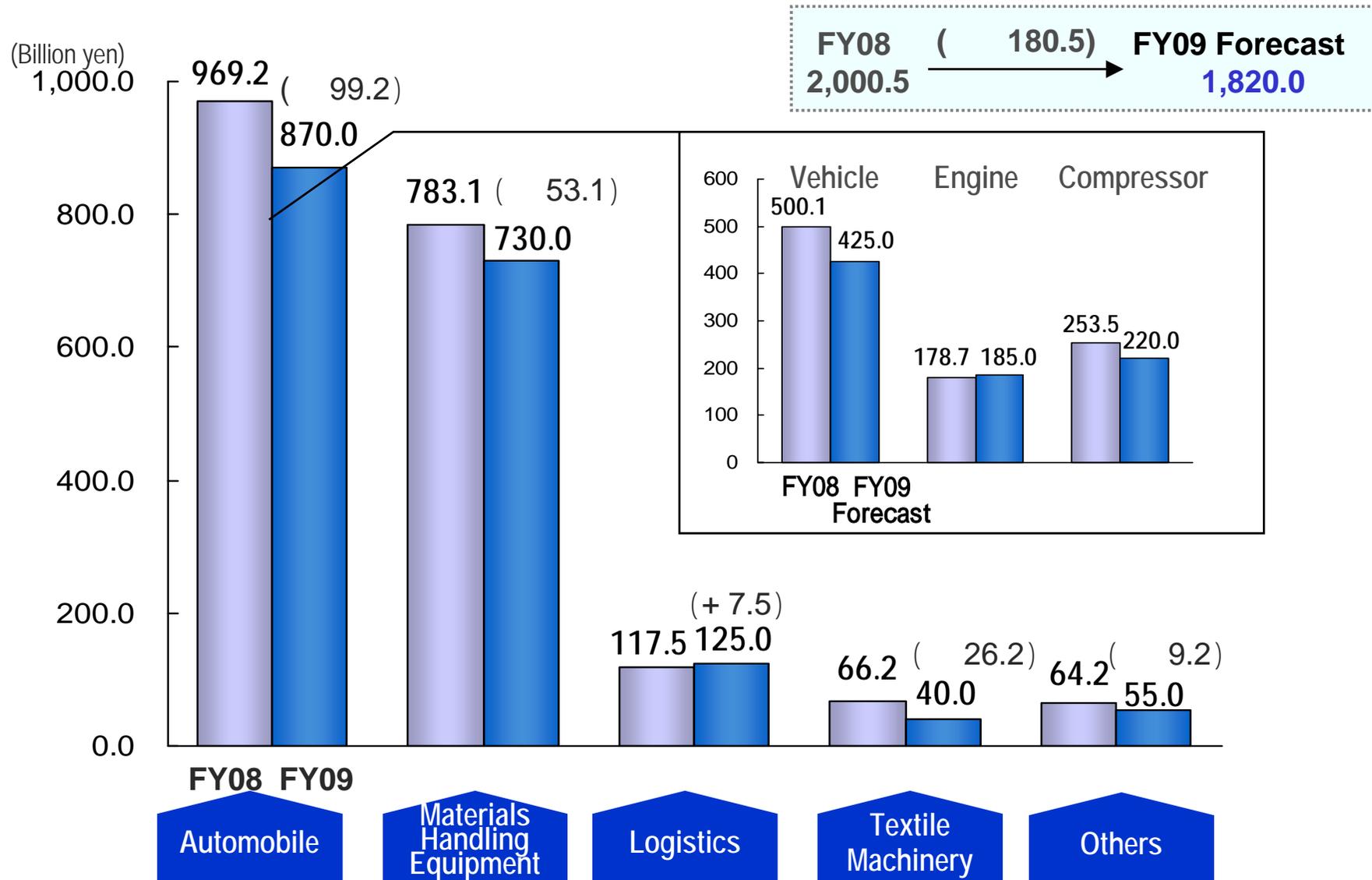
# Changes in unit sales from the sales plan at the beginning of the year

## ■ In accordance with the declining market, revise sales plan downward



# Net Sales by Segment

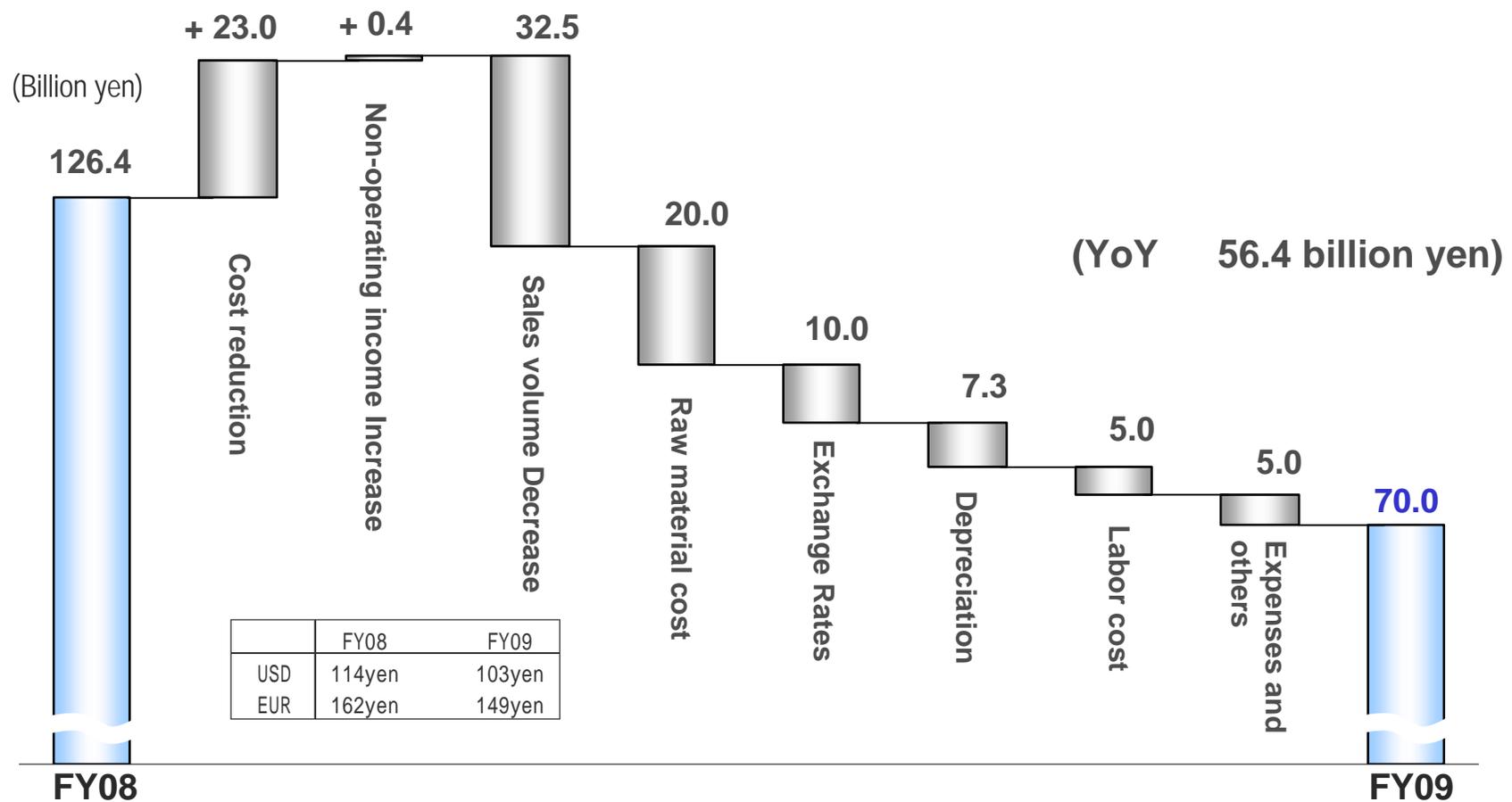
FY2009 Forecast



# Change in Ordinary Income

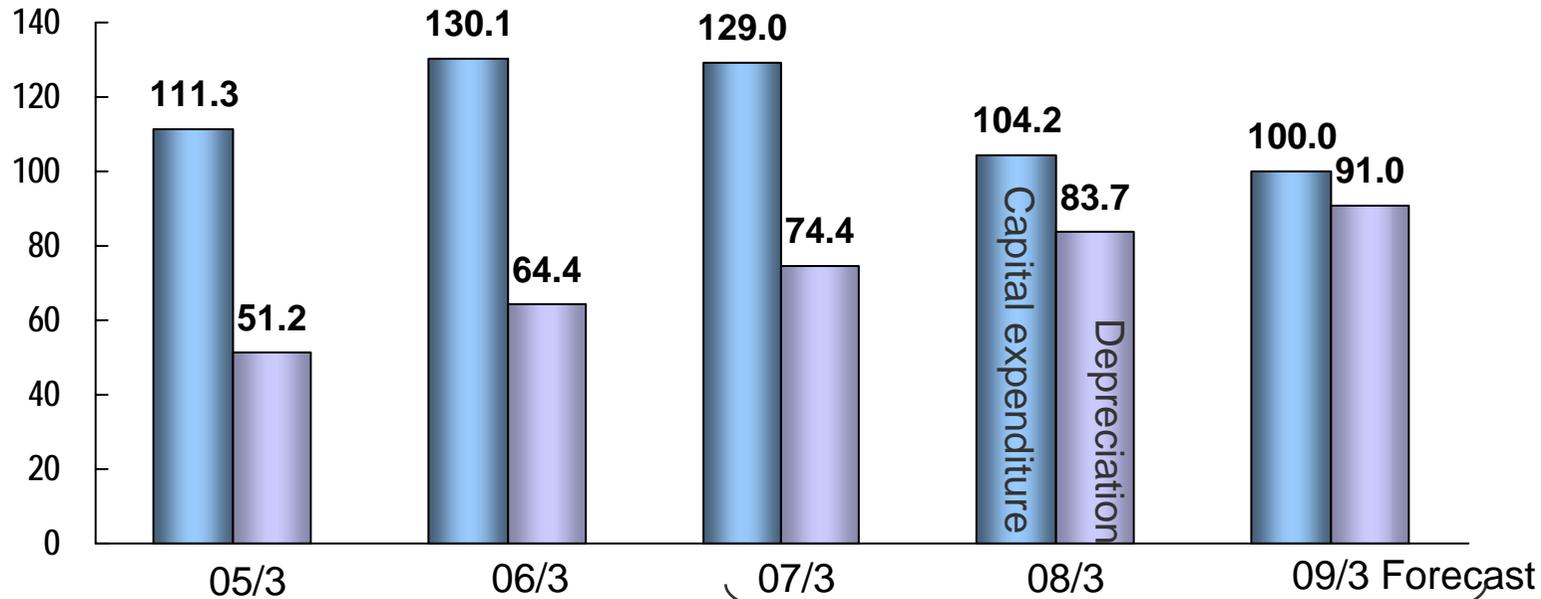
FY2009 Forecast

## Year-on-year Comparison (FY08 and FY09)

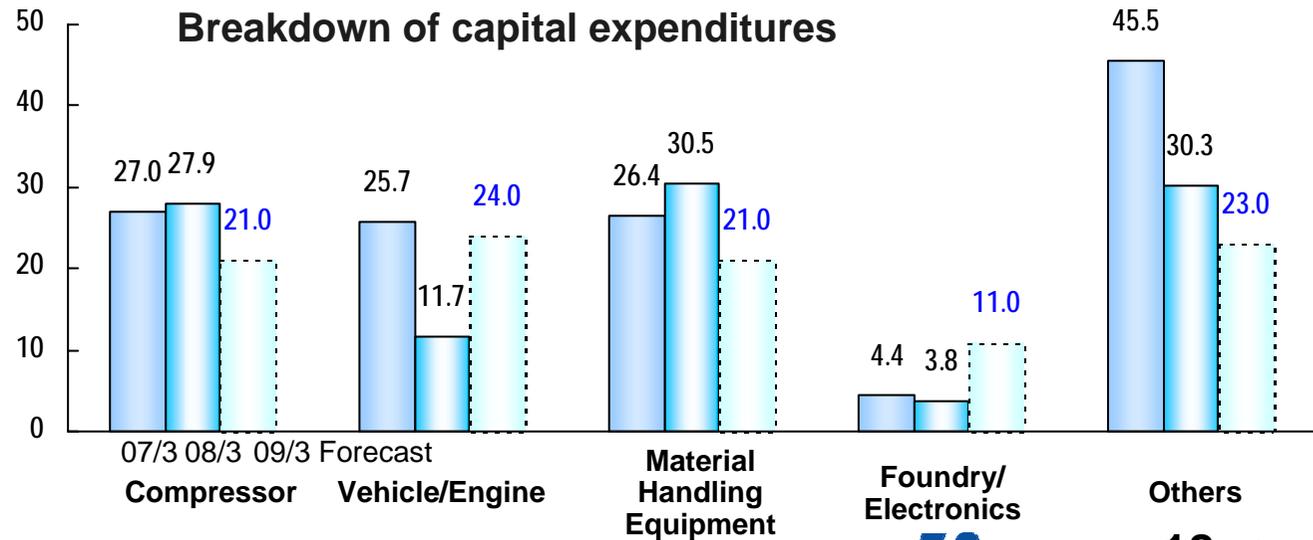


# Capital Expenditures and Depreciation

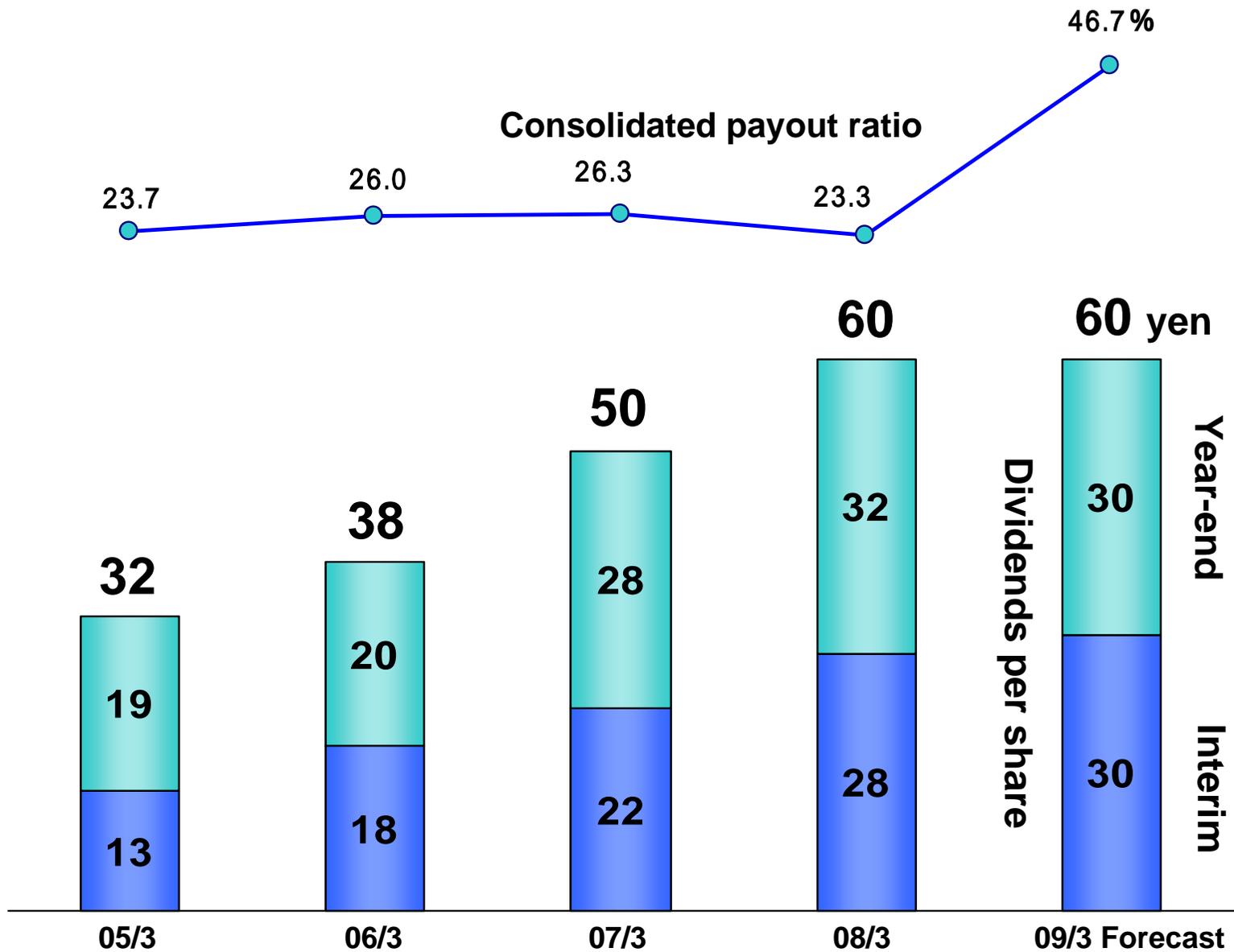
(Billion yen)



(Billion yen)



# Cash dividends per share





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## **Cautionary Statement with Respect to Forward-Looking Statements**

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