



FY2013 Financial Results



May 8, 2013



TOYOTA INDUSTRIES CORPORATION

I . Financial Summary

Performance

Financial result FY2013

(Billion yen)

	FY2012	FY2013	Change	
Net sales	1,543.3	1,615.2	71.9	4.7%
Operating income	70.0	77.0	7.0	10.0%
Ordinary income	80.8	86.8	6.0	7.4%
Net income	58.5	53.1	(5.4)	(9.3)%

Performance

Earnings forecast FY2014

(Billion yen)

	FY2013	FY2014	Change	
Net sales	1,615.2	1,900.0	284.8	17.6%
Operating income	77.0	95.0	18.0	23.2%
Ordinary income	86.8	107.0	20.2	23.2%
Net income	53.1	65.0	11.9	22.4%

II . Our Business Initiatives toward medium- to long-term growth

Promoted to establish the foundation for our medium and long term growth

Strengthened the business structure

- Strengthened the structure by continuing profit improvement activities after the Lehman Shock
- Surmounted a host of difficulties such as the influences of the earthquake and the flooding in Thailand

Established the foundation and structure of each business field

● Toyota Material handling Group

Strengthened and expanded the value chain

- Reorganized our sales network by integrating distribution channels and making the distributors into subsidiaries
- Bolstered sales and after-sales-service operation

● Car air-conditioning Compressor

Established optimum supply structures

- Established supply structures resilient to exchange rate fluctuations
- Enhanced the appeal of fuel-efficient products centered on 3E fields

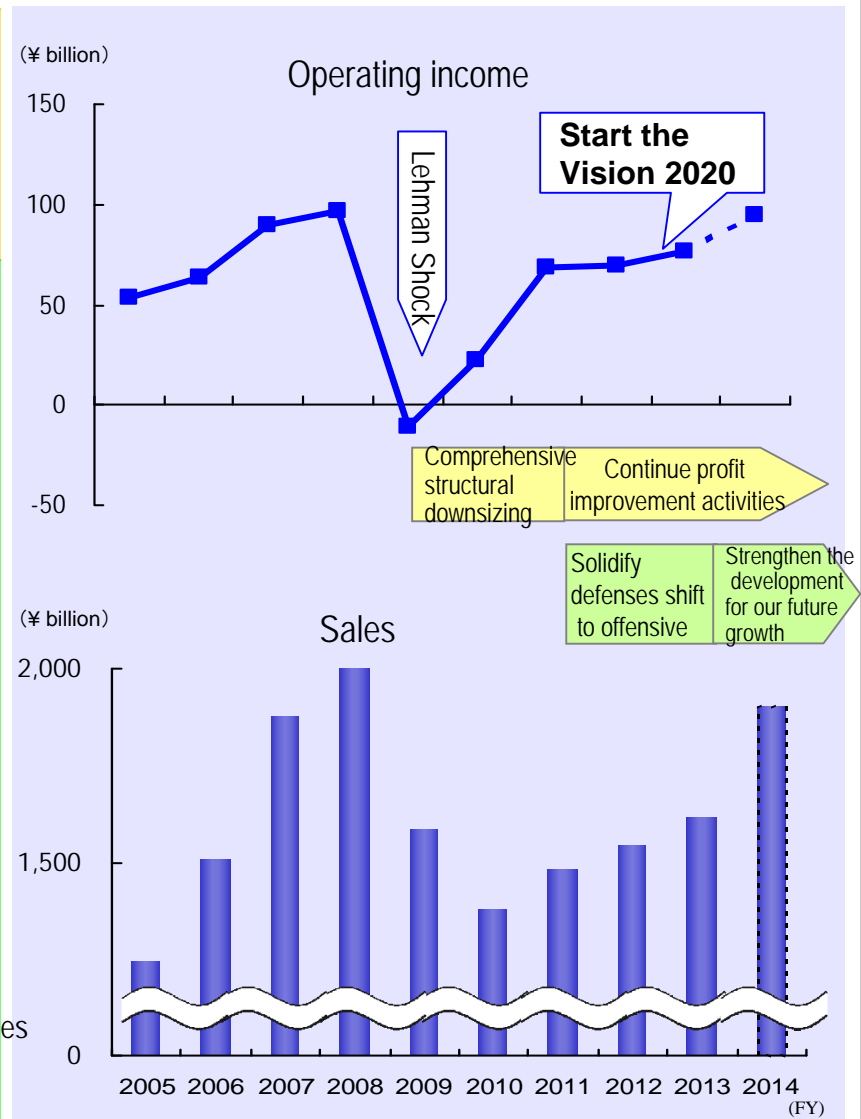
● Vehicle/Engine

Further improved the level of quality, cost and delivery (QCD)

- Contributed to improving the competitive edge of TOYOTA cars by the top level of QCD
- Assumed a greater role in development and production of diesel engines

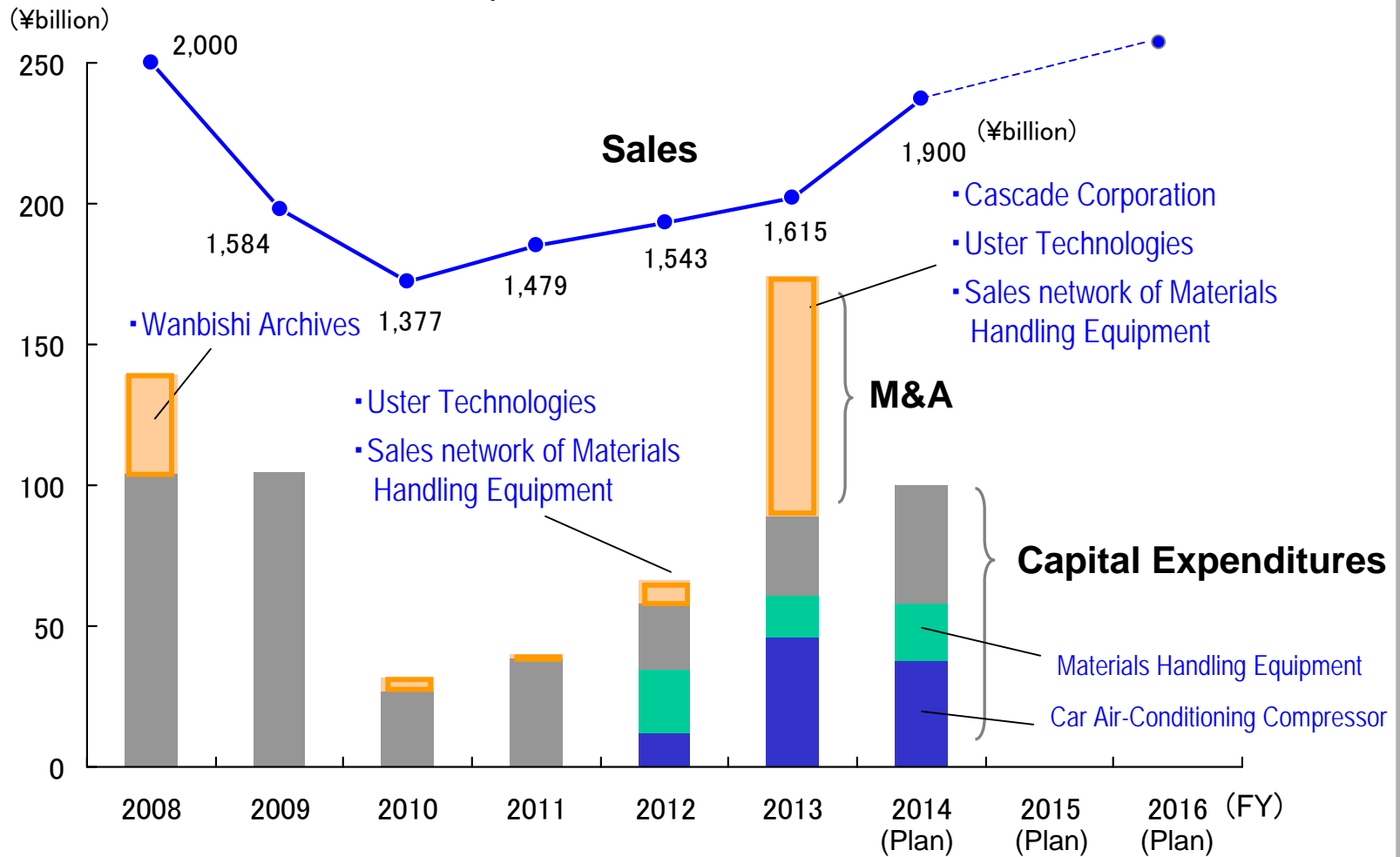
● Promoted the alliances for our future growth

- Acquired Cascade Corporation and Uster Technologies



Invest proactively for our medium and long term growth

The amount of capital investment and M&A



Vision 2020

Medium-Term
Management Plan

Focused initiatives during fiscal 2014 (1/2)

Spur innovation in all functions and accelerate initiatives to propel Toyota Industries' growth and qualitative progress to realize the Vision 2020

◆ Further raise manufacturing capabilities and development centered on 3E (Energy, Environmental protection and Ecology thinking) fields

- Accelerate the development of new products in environmental, energy saving and electrification fields
- Shift focus away from hardware origination toward software origination and raise development capabilities
- Promote the development of new production engineering and manufacturing method that will serve as a source of competitiveness

Focused initiatives during fiscal 2014 (2/2)

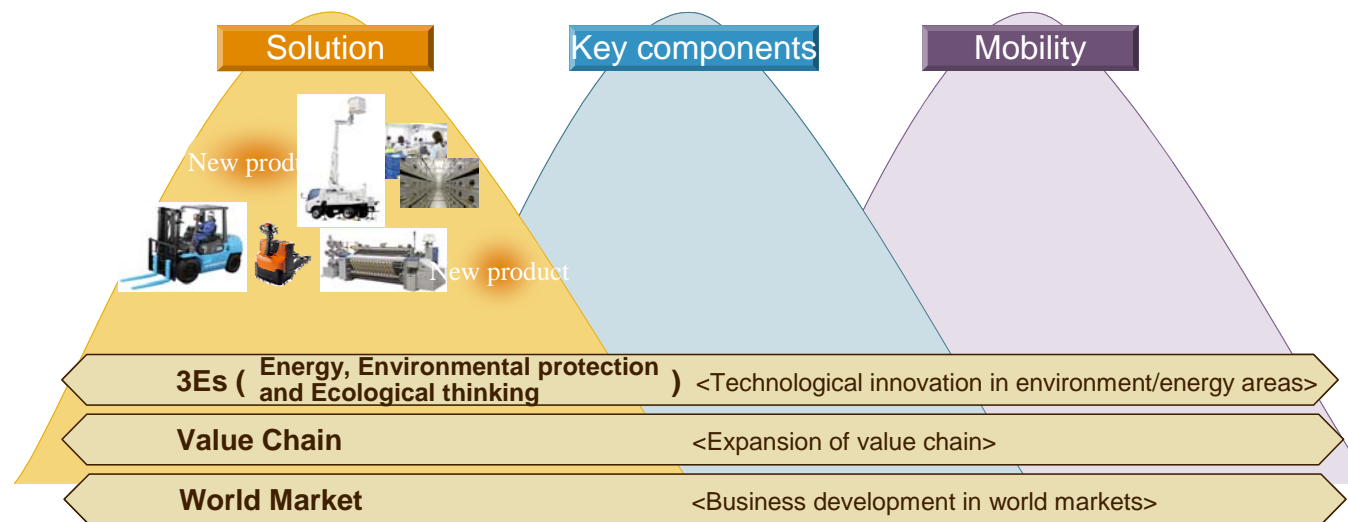
Spur innovation in all functions and accelerate initiatives to propel Toyota Industries' growth and qualitative progress to realize the Vision 2020

◆ Further fortify the Toyota Industries Group's comprehensive capabilities and prevail against global competition

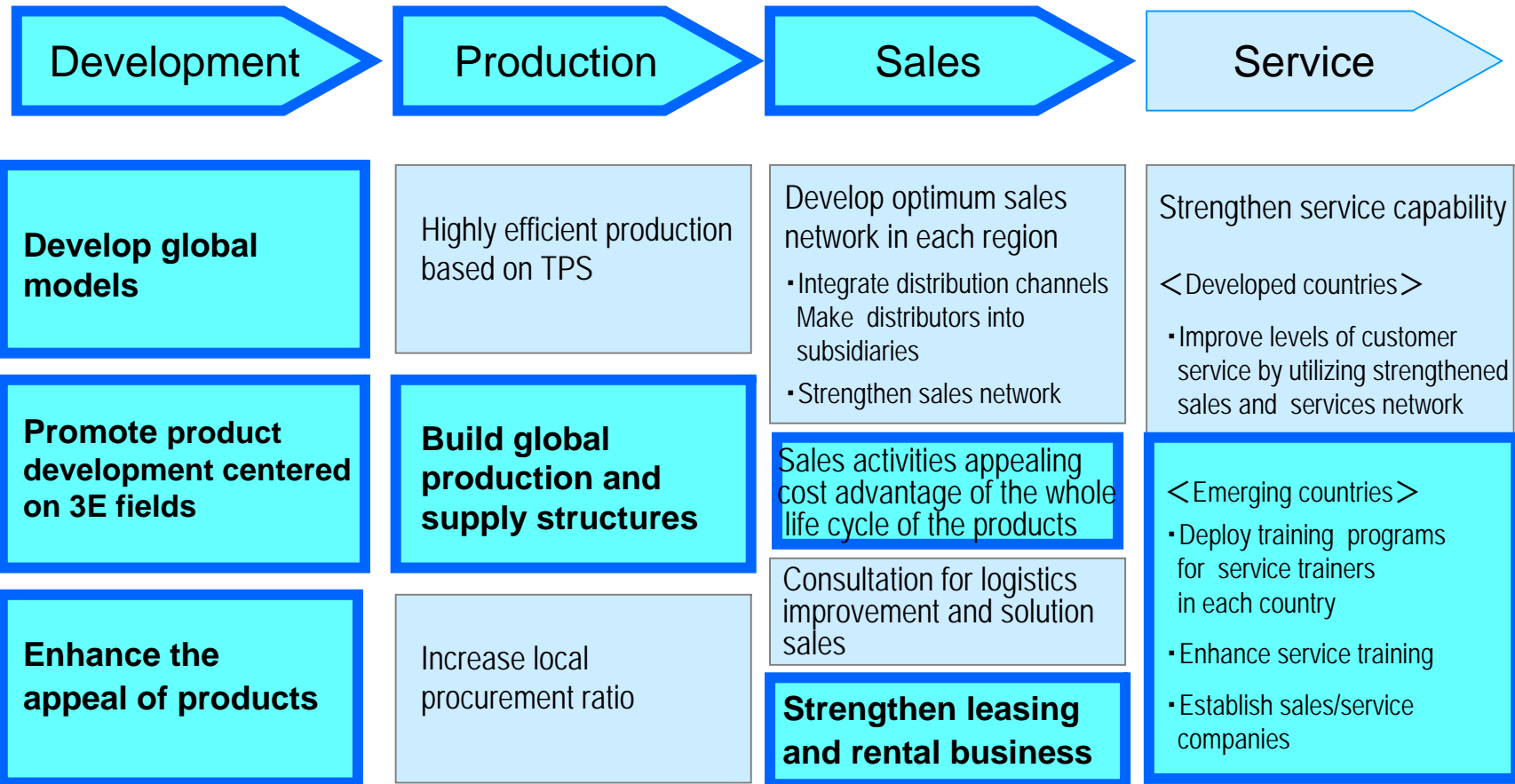
- Refine planning and sales capabilities and build an optimal value chain for each market
- Establish global procurement, production and supply structures resilient to exchange rate fluctuations
- Strengthen horizontal alignment among business divisions and subsidiaries and create synergies

◆ Maintain and improve a muscular structure resilient to changes in the business environment

【 Solution / Materials Handling Equipment 】



Our initiatives toward the expansion of value chain



Diversified each region's market needs

Intensified price competition

- Standardize basic platform and create modules matched to the needs of each market
- Improve price competitiveness by standardizing components and optimizing production places and suppliers of components
- Improve fuel and electricity efficiency by product development centered on 3E fields

The first model

8 FBN
(1.5t – 3.0t electric lift truck)

Started sales for the Chinese market in May 2011
Started sales for the ALOMA* markets in January 2012

*Asia, Latin America, Oceania, Middle East, Africa

The second model

8 series (3.5t~8.0 internal-combustion lift truck) Started sales in North America in Apr. 2013

Equipped with 1KD engine which is developed by our engine division



- Meet tougher emission regulations
- Improve fuel efficiency by 30%



Introduce more models as a series of global models

Growing importance of electric lift trucks

More strict regulations on environment
Growing needs for improvement of work environment

GENEO-R

started sales in May 2012

For Japan and ALOMA

<Features>

- Prolonged operating time
- Reduce customers' costs of maintenance



(0.9t~1.8t)

Developed controllers in cooperation with our Car electronics division

Motors are supplied from our Vietnam plant

High-pick Lift

started sales in Dec. 2012

For Japan and ALOMA

<Features>

- Prolonged operating time
- Improve workability and operability



(0.7t~1.5t)



Further enhance the appeal of electric models by introducing electric type of main models

Acquired the ownership of Cascade Corporation,
the world's largest manufacturer of materials handling attachments for the lift truck

Wholly owned subsidiary from the end of Mar. 2013

1) Corporate Profile

- Company name : Cascade Corporation (Headquarters : Portland, Oregon, USA)
- Capital : **5.6M US\$** (as of Jan. 31, 2013)
- Net sales : **538.4M US\$** (fiscal year ended Jan. 2013)
- Operating Income : **67.5M US\$** (fiscal year ended Jan. 2013)

2) Purchase price : 65 US\$ / share

3) Transaction valued : 759M US\$



Solution / Materials Handling Equipment

Enhance the appeal of products

Advantage of Toyota Industries



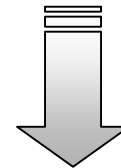
- Extensive product lineup of materials handling equipment
- A wealth of know-how such as logistics improvement



Advantage of Cascade

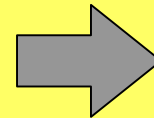


- Response to diversifying customer needs by the materials handling attachments
- Highly customizable products based on its excellent design and production system



Expanding our business

**Share the advantages
of each company**

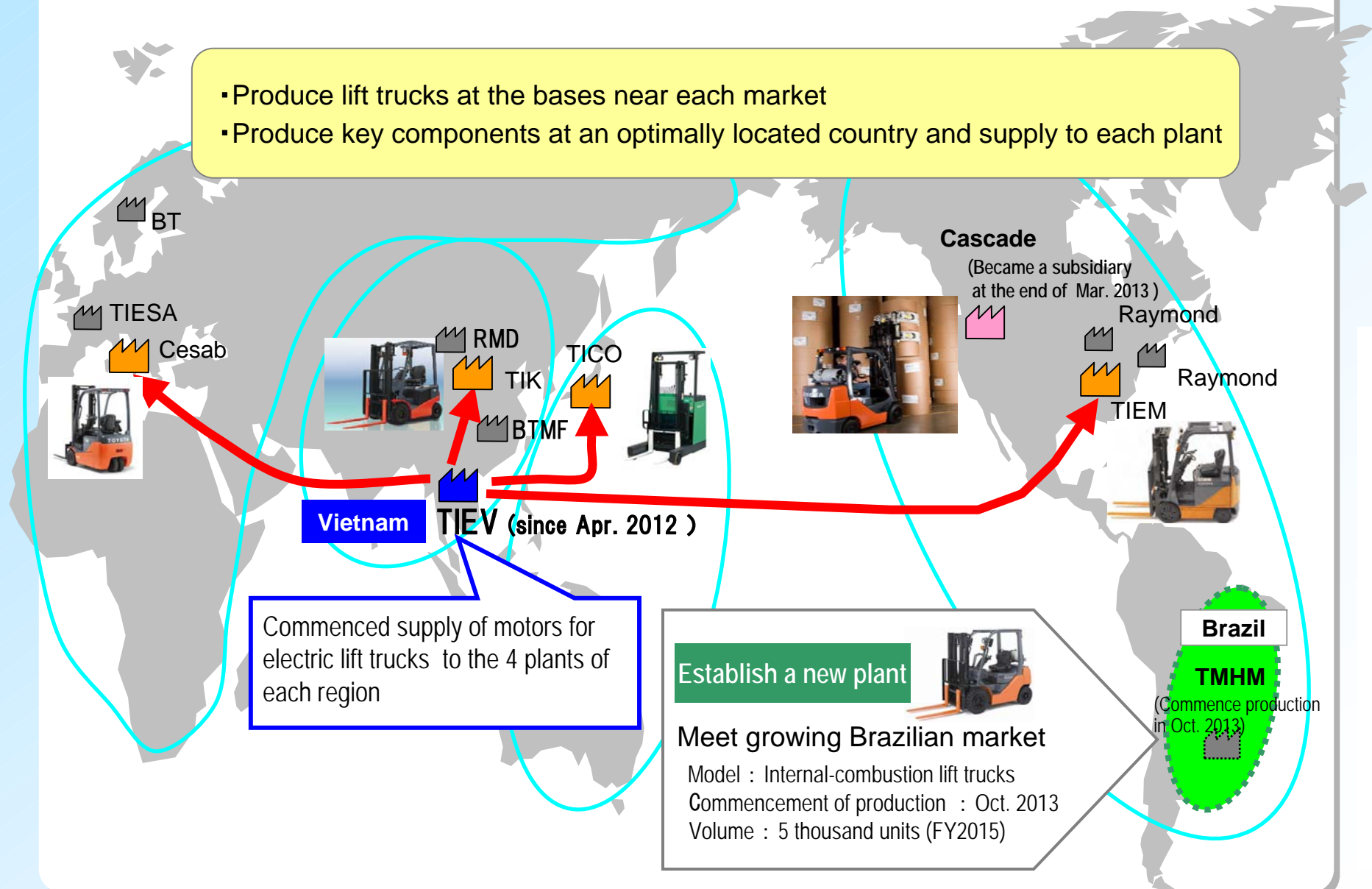


**Respond to the further
broader customer needs**

Solution / Materials Handling Equipment

Build Global Production and Supply Structures

- Produce lift trucks at the bases near each market
- Produce key components at an optimally located country and supply to each plant



Committed supply of motors for electric lift trucks to the 4 plants of each region

Establish a new plant

Meet growing Brazilian market

Model : Internal-combustion lift trucks
 Commencement of production : Oct. 2013
 Volume : 5 thousand units (FY2015)

【Problems】 Although needs for leasing and rental are high, we do not fully meet such needs by our own

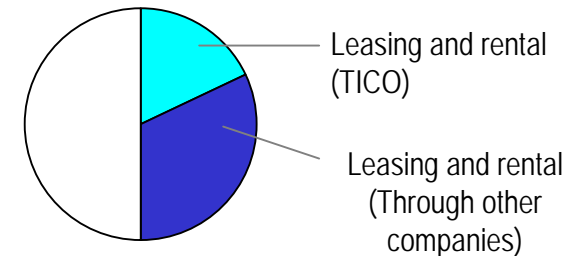
Leasing and rental business accounts large proportion of materials handling equipment business

We are engaged in approximately only 40% of the whole leasing and rental business

Developed countries Depend heavily on other companies

Emerging countries Not undertaken

The image of leasing and rental ratio of our lift truck sales



【Responses】 Strengthen our response

- Approach to customers' needs by appealing our capability of sales, after-sales-service and financing
- Expand the leasing and rental business in all areas by utilizing the collective capabilities of TICO Group (fund-raising capability, global sales and service network)
- Respond customers' needs throughout the product lifecycle

Started to strengthen the response of TICO by establishing new operations

- Mexico : Establish a sales finance company (May 2013)
- France : Establish a branch of our sales finance company (May 2013)

One of the measures against local manufacturers in ASEAN and other emerging countries

Implement training programs at Global Training Center for service trainers from around the world



Training for service trainers of ALOMA* markets

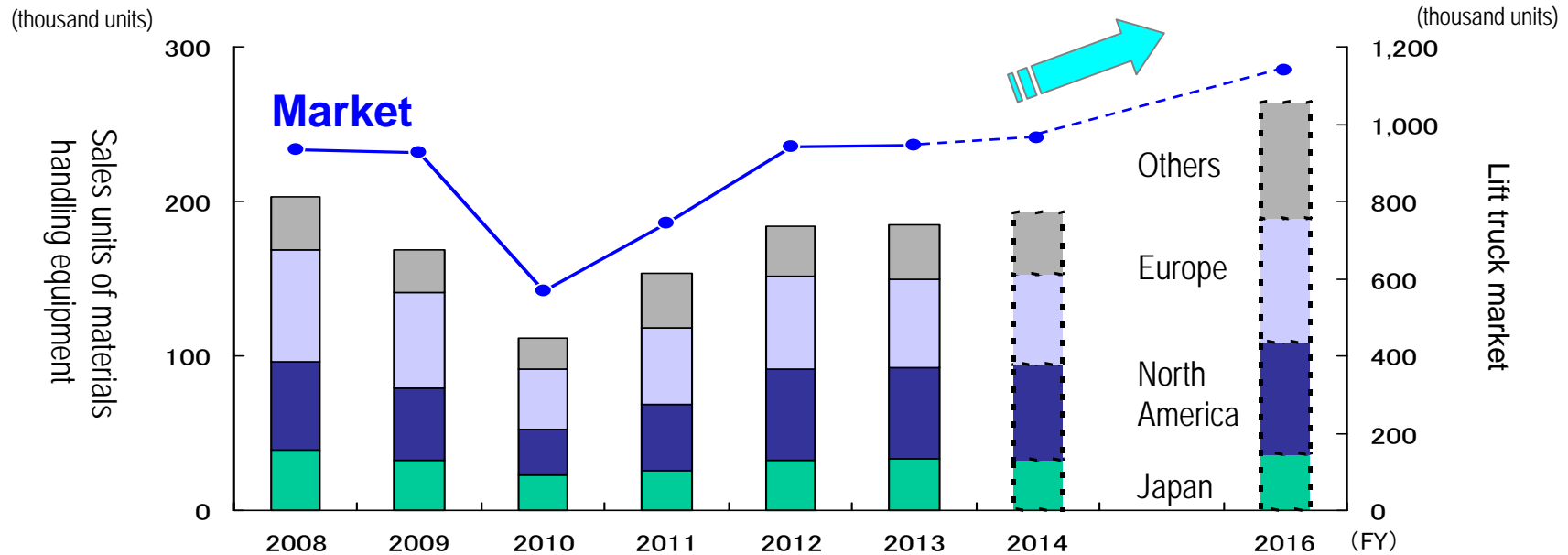


*Asia, Latin America, Oceania, Middle East, Africa

- Further improve service quality which is crucial for production goods
- Appeal cost advantage of the whole life cycle of the products through sales activities

Distinguish from manufacturers in emerging countries

Solution / Materials Handling Equipment



Development

Develop global models

Promote product development centered on 3E fields

Enhance the appeal of products

Production

Highly efficient production based on TPS

Build global production and supply structures

Increase local procurement ratio

Sales

Develop optimum sales network in each region

Sales activities appealing cost advantage of the whole life cycle of the products

Consultation for logistics improvement and solution sales

Strengthen leasing and rental business

Service

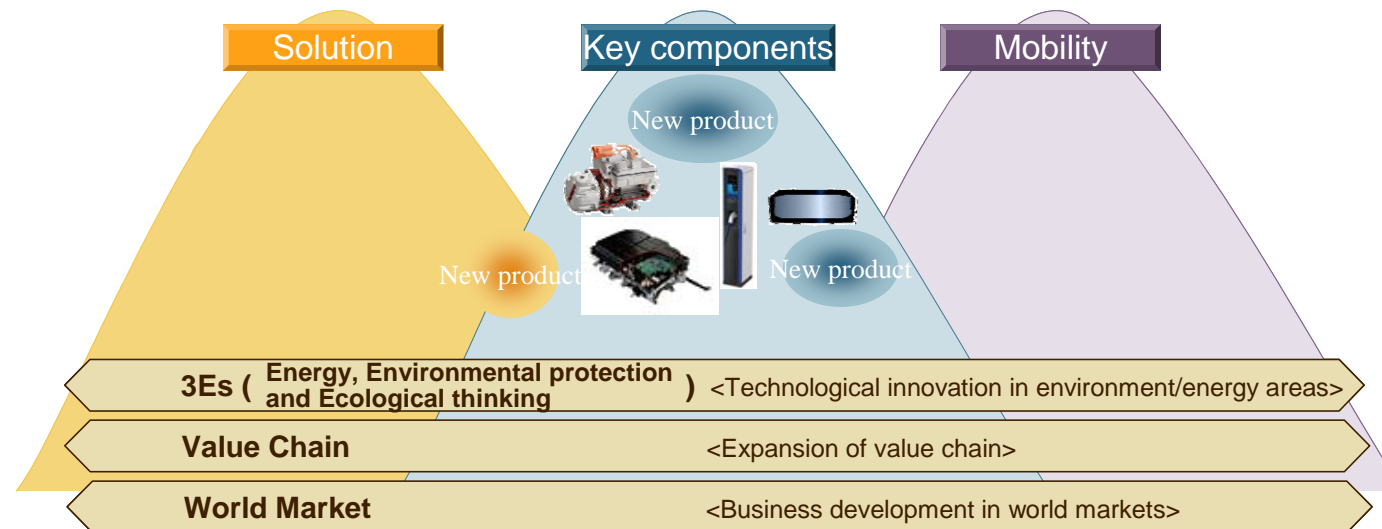
Strengthen service Capability

< Developed countries >
 • Improve levels of customer service by utilizing strengthened sales and services network

< Emerging countries >

• Deploy training programs for service trainers in each country
 • Enhance service training
 • Establish sales/service companies

【 Key components / Compressor 】





Response more strict fuel efficiency regulations

【Outline of more strict regulations on fuel efficiency】

- Strengthen fuel efficiency regulations every year for the next ten years in North America
- Strengthen regulations of fuel consumption and CO2 emission gradually in Europe, Japan and China

Market trend and our response

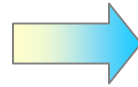
Variable-displacement type Fixed-displacement type	<p>【Market】</p> <ul style="list-style-type: none"> ▪ Globally needs for fuel-efficient is growing. In North America, customers' needs shifts to variable-displacement type ▪ In emerging countries, balances between performance and price is important 	 <p>Variable-displacement type</p>
	<p>【Our response】</p> <ul style="list-style-type: none"> ▪ Develop next-generation variable-displacement type with further greater fuel efficiency ▪ Optimum balance between performance and price of products for emerging countries 	
Electric type	<p>【Market】</p> <ul style="list-style-type: none"> ▪ World auto makers release HVs and EVs ▪ Rapid increase in the number of inquiries to our electric type 	 <p>Electric type</p>
	<p>【Our response】</p> <ul style="list-style-type: none"> ▪ Expand sales to auto makers worldwide by offering more compact and fuel-efficient products ▪ Ensure production capabilities and cost reduction 	

Key components / Compressor

Product development centered on 3E fields

Improvement of Variable-displacement type

SEU series



SES series

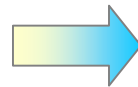
- Toyota
- GM
- Audi
- Daimler



- Improve fuel efficiency by 10%
- Lighter weight by 10%

Improvement of electric type

ES series



ESA series

- Ford
- VW



- Improve electricity efficiency by 10%
- Lighter weight by 10%
- Improve installation capabilities (Cooperate with Car electronics division in the development of inverters)

Expand sales to auto makers in Japan, the US and Europe

Key components / Compressor

Optimize production and supply structure

Europe

Respond to growing demand for compressors due to the increase of automobile production

- Increase production capabilities of the production base in Germany
- Increase local procurement ratio

North America

Respond to growing demand for variable-displacement type due to more strict fuel efficiency regulations

- Increase production capabilities to meet the increasing orders from Japanese and US auto makers

Increase local procurement ratio to aim to minimize the impact of currency fluctuations

- Establishment of production base for variable-displacement type compressor parts (Commence production in Sep. 2013)

China

Respond to the expansion of auto market as well as the auto makers' shift to focus more on quality

- Response the increasing orders from the auto makers other than TOYOTA
- Increase local procurement ratio

ASEAN

Respond to the increasing demand in the new production base in Indonesia

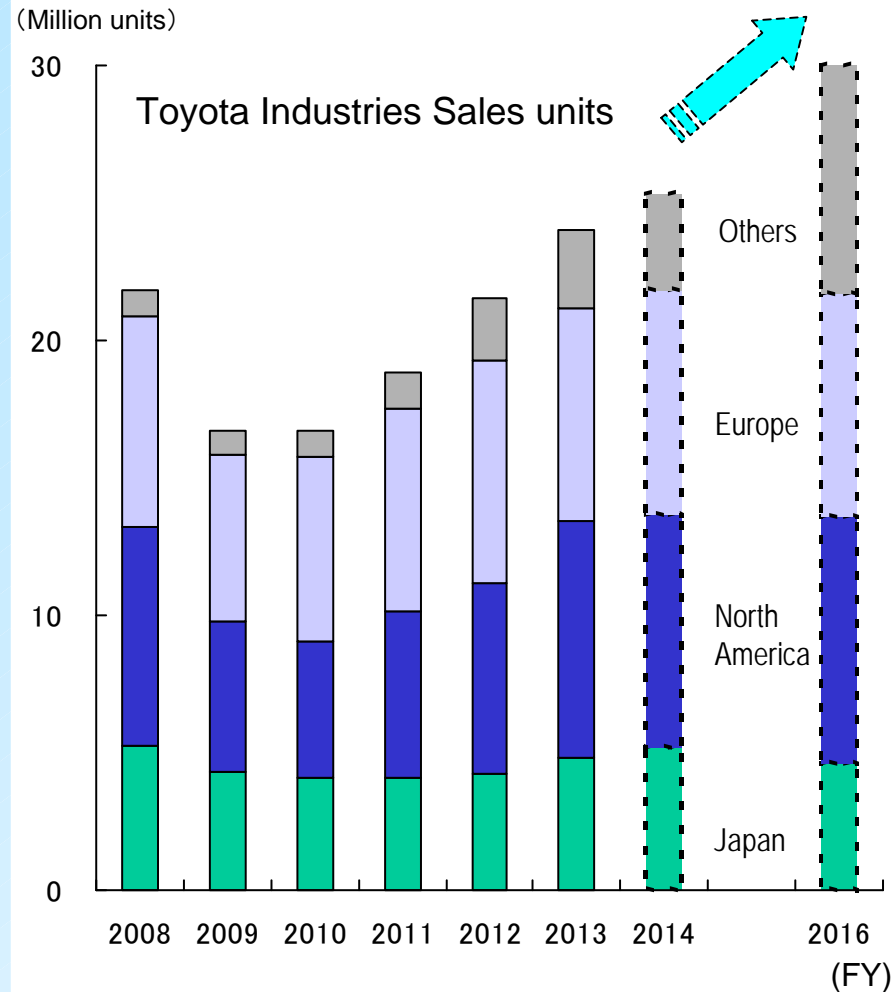
- Supply cost-competitive fixed-displacement type for ASEAN and India (since June 2011)
- Commence supply for auto makers other than TOYOTA
- Increase local procurement ratio

● Consolidated production bases

● Licensed manufactures

Key components / Compressor

Further expansion of sales



【Enhance the appeal of products】

- Further strengthen the competitiveness of fuel-efficient products
- Develop the products with good balance between performance and price to respond to the needs of emerging countries

【Strengthen the supply structure】

- Increase production capabilities to respond to the growing global demand
- Improve price competitiveness by increasing local procurement ratio



Accelerate expansion of sales to auto makers worldwide

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