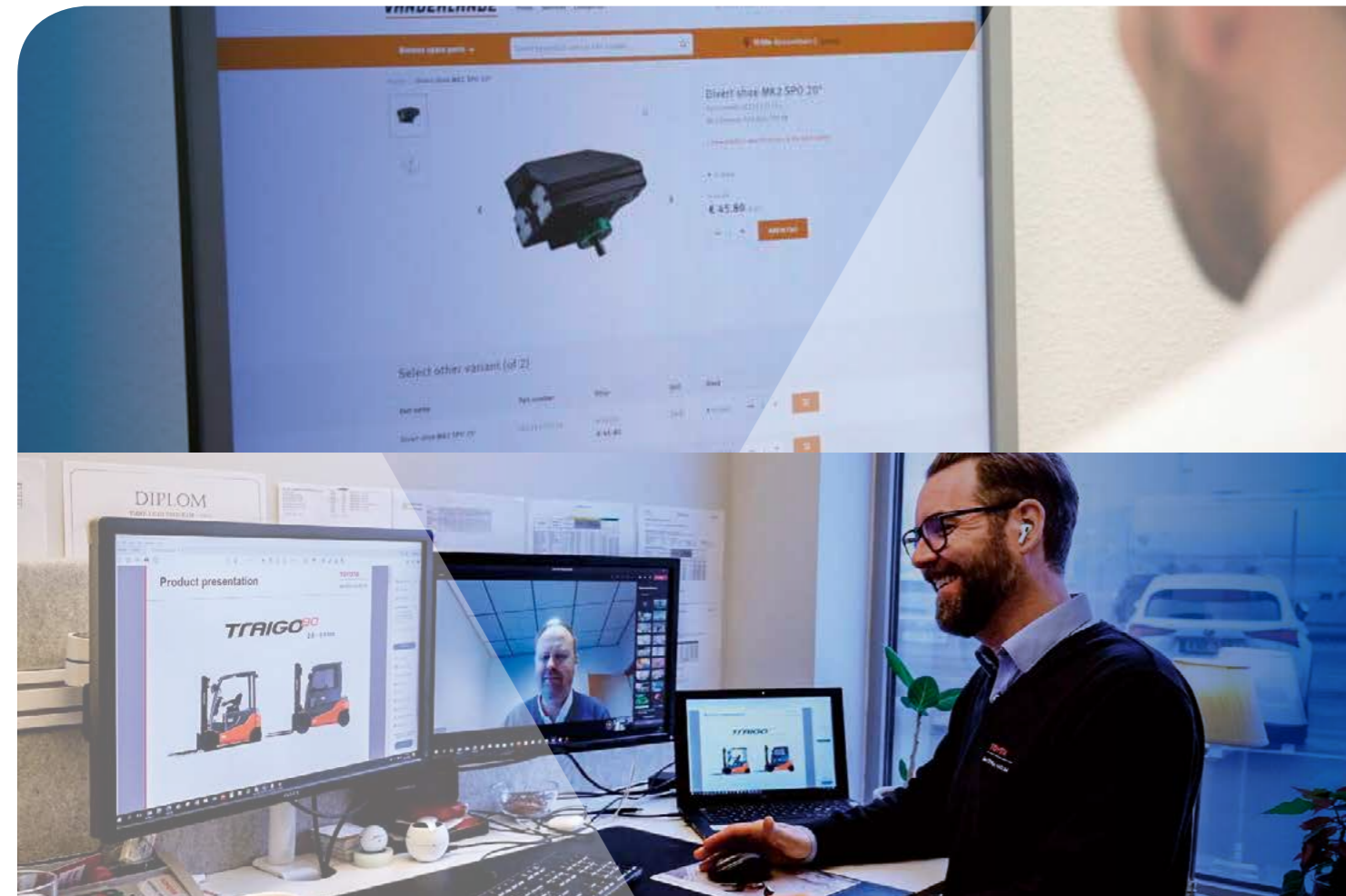


Taking the Initiative for Growth – 1

Contributing to Logistics Efficiencies of Customers by Providing Support throughout the Logistics Lifecycle

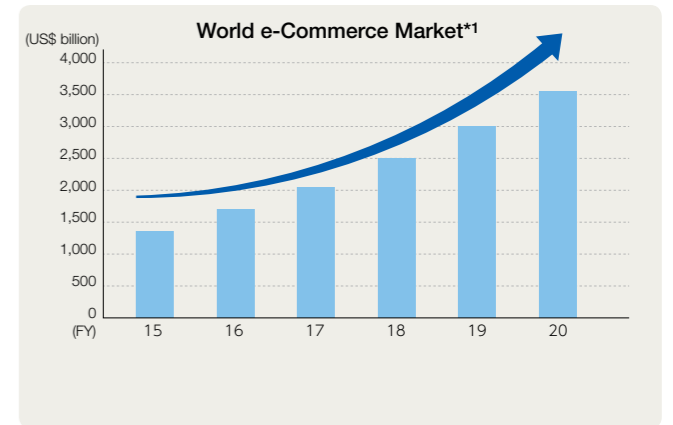
The needs for automation and labor saving in logistics operations are growing, driven mainly by a higher logistics volume on the back of an expanding world economy and a growth in e-commerce transactions as well as by the spread of COVID-19. Toyota Industries' Materials Handling Equipment Business provides support throughout the value chain encompassing from the sales of lift trucks and other materials handling equipment to the provision of after-sales services. Leveraging the comprehensive strengths of engaging in the Lift Truck Business and Logistics Solutions Business, we are striving to assist customers in attaining greater logistics efficiencies.



Importance of Logistics and Market Growth Potential

In acting as a lubricant for economic activities, logistics have come to play an important role in our daily lives.

Recently, logistics volume has been progressively increasing year after year marked by a rising global population and expanding economies. With the growth of the e-commerce market, the trend toward a higher logistics volume is expected to continue for the foreseeable future. In addition, a labor shortage in developed countries and a surge in labor costs mainly in emerging countries have converged to drive a further increase in needs for greater logistics efficiencies.



Offering Support throughout the Logistics Lifecycle

It is important to conduct proper maintenance on materials handling equipment and systems and keep them in optimum operating condition to maximize the efficiency of logistics sites. Toyota Industries has in place a structure that customers can rely on by establishing extensive sales and service networks throughout the world and assigning highly skilled staff.

Moreover, we leverage the know-how nurtured by responding to various needs required at global logistics sites and propose the most advantageous solutions for logistics improvements for each and every customer.

In the future as well, we are committed to contributing to better logistics efficiencies by offering support to customers throughout the logistics lifecycle extending from after-sales services to fleet management and preventive maintenance utilizing IT technologies, lift truck leasing, consulting for logistics improvements and other logistics solutions.



Strengths of Toyota Industries' Materials Handling Equipment Business

Lift Truck Business		
Product differentiation on the back of key components developed in-house	Utilization of IT technologies for fleet operation management and more efficient and sophisticated services	Proposals for improvements at logistics sites based on long-accumulated experience and Toyota Production/Logistics Systems
Broad product lineup, including global top-share*2 lift trucks	Globally extensive sales and service networks	Customer support throughout the lifecycle of products
	Highly experienced and skilled service staff	

Logistics Solutions Business		
Collaboration with the Lift Truck Business, which boasts a top market share*2	Extensive product lineup and excellent software development competence	Business structure extending throughout the world
Synergistic effects through a complementary relationship among Toyota Industries, Bastian and Vanderlande		Well-balanced sales composition in such sectors as e-commerce, parcel and airport-related businesses

The following pages introduce case examples in which we leveraged these strengths to successfully contribute to greater logistics efficiencies of customers.

*2: Survey by Toyota Industries Corporation

Case Example 1

Providing a Stable and Efficient Logistics Environment through Extensive After-Sales Services

One of Toyota Material Handling Japan's (TMHJ) strengths lies in its ability to render solid support to customers' logistics environments through comprehensive after-sales services provided by highly experienced and skilled service staff. Offering full maintenance services, including preventive maintenance, contributes to avoiding unexpected breakdowns and realizing customers' stable and efficient logistics operations.



Sobu Logistics Corporation

Sobu Logistics Corporation is responsible for logistics operations in Japan for the Kikkoman Group, which manufactures and sells condiments and processed foods. The company is consigned to provide comprehensive logistics operations, from receiving orders to purchasing products, of Kikkoman Corporation and Kikkoman Foods, Inc.

Entrusted with Lift Truck Management

One of the strengths of Sobu Logistics Corporation is to operate six distribution center warehouses and 40 truck terminals that enable products to be delivered on the following day of orders placed.

Lift trucks play a critical role of delivering products to customers in the optimum condition on time. At the Noda Delivery Center, where an average of 1,200 tons of Kikkoman products are shipped every day, approximately 40 lift trucks are in use for loading/unloading operations. Including lift trucks used at other distribution center warehouses, Sobu Logistics possesses more than 100 lift trucks. With numerous lift trucks in operation, the company had been faced with lift truck management issues such as

arranging for repairs in times of unexpected breakdowns, incurring high maintenance costs and keeping track of the number of lift trucks required at any given time.

TMHJ conducted a multifaceted study on operating hours, traffic lines and other aspects of Sobu Logistics' lift trucks and proposed an optimum logistics environment, which resulted in Sobu Logistics entrusting TMHJ with the management of all their lift trucks. Providing full maintenance services, including preventive maintenance, has contributed to decreasing unexpected breakdowns of lift trucks and reducing or leveling out maintenance and management costs. This has made it unnecessary to retain backup lift trucks, thereby reducing the total number of vehicles.

[Customer's Voice]

In our business, we tend to place an extra load on our lift trucks, but we find Toyota lift trucks very reliable. TMHJ service staff quickly arrive when we need them, make proposals for an appropriate model and the number of lift trucks corresponding to changes in our operating situation and make recommendations for the proper timing of truck replacements. In these and other ways, we are extremely satisfied with TMHJ's swift response.



Mr. Hiroshi Tobe
President
Sobu Logistics Corporation



Case Example 2

Utilizing Telematics Functions to Increase Safety and Reduce Costs

Improvements in information and communication technology have advanced the use of the Internet of Things (IoT) in society. As such, the role of telematics technologies in the fleet management of lift trucks has become increasingly important. Toyota Material Handling Europe's (TMHE) Toyota I_Site fleet management system harnesses cutting-edge technologies and the know-how cultivated through various improvement activities to make it possible to comprehend the operating status of lift trucks in real time and establish a safe and reliable logistics environment.



Danske Fragtmænd

Danske Fragtmænd is Denmark's largest logistics operator boasting more than a 100-year history. With more than 40,000 business customers, the company offers high-quality logistics services including next-day deliveries anywhere in the country.

Responding to Stringent Safety Requirements and Offering Support to Customers

With an ever-increasing package volume for delivery, Danske Fragtmænd is striving to ensure the safety of its lift truck operators. Approximately 40 lift trucks are in operation within a limited space at their warehouse in Taulov, and the company wanted to reduce impacts between lift trucks and racks or loads, or collisions between lift trucks. To resolve this issue, TMHE made a proposal to utilize Toyota I_Site to raise safety awareness among lift truck operators and reduce accidents.

Should an accident occur, the fleet management system makes it possible to identify the date and the pattern of

the impact as well as which lift truck was involved and the driver. The system also evaluates each operator's operation from safety and environmental aspects, such as hard braking, sudden acceleration and other reckless driving practices as well as the fuel consumption status, thereby contributing to increasing the safety awareness of operators. In addition, Toyota I_Site helps the company to reduce management costs by understanding the operational status of each lift truck in detail in real time, which in turn enables the optimization of the number of lift trucks needed for its logistics operations.

[I_Site Manager's Voice]

The customer has been greatly benefiting from the introduction of Toyota I_Site. When an accident has occurred, the customer can easily identify which lift truck and which operator was involved, allowing them to quickly make appropriate responses. Such incidents are also recorded in the system, which makes it easier to instruct operators to practice safe driving.



Mr. Soren Vester
I_Site Manager
Toyota Material Handling Denmark

