

FINANCIAL SUMMARY

FY2017 First Quarter

(April 1, 2016 through June 30, 2016)

TOYOTA INDUSTRIES CORPORATION

English translation from the original Japanese-language document

Cautionary Statement with Respect to Forward-Looking Statements

This report contains projections and other forward-looking statements that involve risks and uncertainties. Our use of the words "expect," "anticipate," "estimate," "forecast," "plan" and similar expressions is intended to identify such forward-looking statements. Projections and forward-looking statements are based on the current expectations and estimates of Toyota Industries Corporation and its Group companies regarding their plans, outlook, strategies and results for the future. 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. Toyota Industries Corporation and its Group companies undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Therefore, it is advised that you should not rely solely upon these projections and forward-looking statements in making your investment decisions. You should also be aware that certain risks and uncertainties could cause the actual results of Toyota Industries Corporation and its Group companies to differ materially from any projections or forward-looking statements discussed in this report. These risks and uncertainties include, but are not limited to, the following: 1) reliance on a small number of customers, 2) product development capabilities, 3) intellectual property rights, 4) product defects, 5) price competition, 6) reliance on suppliers of raw materials and components, 7) environmental regulations, 8) success or failure of strategic alliances with other companies, 9) exchange rate fluctuations, 10) share price fluctuations, 11) effects of disasters, power blackouts and other incidents, 12) latent risks associated with international activities and 13) retirement benefit liabilities.

FY2017 First Quarter Consolidated Financial Results

(April 1, 2016 - June 30, 2016)

<Japanese GAAP>

TOYOTA INDUSTRIES CORPORATION

Stock exchange listings: Tokyo and Nagoya (Code number: 6201) (URL: <https://www.toyota-industries.com/>)

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The expected date of submission of the quarterly report: August 10, 2016

The expected date of dividends payment: —

Additional documents to supplement quarterly financial results: Yes

Quarterly IR presentation: Yes (For analysts and professional investors)

(Amounts less than one million yen are omitted)

1. Financial Highlights for FY2017 First Quarter (April 1, 2016 - June 30, 2016)

(1) Consolidated Financial Results

(% : changes from the same period of the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2017 First Quarter	529,788	(2.6)	28,116	(8.4)	55,325	(13.4)	41,266	(11.1)
FY2016 First Quarter	543,852	4.4	30,710	19.9	63,888	17.1	46,404	15.6

(Note) Comprehensive income: FY2017 First Quarter — (211,923 million yen) [(339.1 %)]

FY2016 First Quarter — 88,648 million yen [13.8 %]

	Earnings per share—basic	Earnings per share—diluted
	Yen	Yen
FY2017 First Quarter	131.33	131.33
FY2016 First Quarter	147.71	147.68

(2) Consolidated Financial Position

	Total assets	Total net assets	Equity ratio
	Million yen	Million yen	%
FY2017 First Quarter	3,772,329	1,882,167	47.9
FY2016	4,199,196	2,113,948	48.5

(Note) Shareholders' equity: FY2017 First Quarter — 1,808,218 million yen, FY2016 — 2,036,808 million yen

2. Cash Dividends

	Annual cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	FY Total
	Yen	Yen	Yen	Yen	Yen
FY2016	-	60.00	-	60.00	120.00
FY2017	-				
FY2017 (Forecast)		60.00	-	60.00	120.00

(Note) Changes in the forecasted cash dividends in this quarter : No

3. Forecasts of Consolidated Financial Results for FY2017 (April 1, 2016 - March 31, 2017)

(% : changes from the same period of the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent		Earnings per share—basic
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2017 Second Quarter (accum.)	1,080,000	(2.3)	58,000	(17.2)	90,000	(9.7)	62,000	(8.8)	197.31
FY2017	2,200,000	(1.9)	120,000	(10.9)	177,000	(4.5)	120,000	(34.4)	381.89

(Note) Changes in the forecasts of consolidated financial results in this quarter : No

4. Others

- (1) Changes in major subsidiaries (specified subsidiaries that changed the scope of consolidation) : No
- (2) Application of special accounting methods for the preparation of quarterly consolidated financial statements : No
- (3) Changes in accounting policies, accounting estimates and restatement
 - ① Changes in accounting policies with revision of accounting standards : Yes
 - ② Changes other than ① : No
 - ③ Changes in accounting estimates : No
 - ④ Restatement : No

(Note) Please see page 3 on attached documents for details on "Changes in accounting policies, accounting estimates and restatement".

- (4) Issued and outstanding capital stock
 - ① Number of shares outstanding at end of each period (including treasury stock):
FY2017 First Quarter — 325,840,640 shares, FY2016 — 325,840,640 shares
 - ② Number of treasury stock outstanding at end of each period:
FY2017 First Quarter — 11,612,491 shares, FY2016 — 11,613,812 shares
 - ③ Average number of shares outstanding for each period (accumulated):
FY2017 First Quarter — 314,228,184 shares, FY2016 First Quarter — 314,165,986 shares

* Progress of procedures for financial review of quarterly financial results

- The quarterly financial statements are under procedures of financial review, at the time of disclosure of this report.

* Explanation regarding the proper use of performance forecasts and other special items

- All projections are based on the information available to management at the time of making this report and are not guarantees of future performance. Uncertainties could cause the actual results of Toyota Industries to differ materially from any projections discussed in this report.
- Our projections are based on assumed exchange rates of 105 yen to the U.S. dollar and 120 yen to the euro for FY2017.
- Please see page 3 on attached documents for details on performance forecasts in "Explanation for Forecast for FY2017".

(Attached Documents)

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1. Explanation for Quarterly Financial Results

(1) Explanation for Business Results

During the first quarter of fiscal 2017 (the three months from April 1 to June 30, 2016), total consolidated net sales of Toyota Industries amounted to 529.7 billion yen, a decrease of 14.1 billion yen, or 3%, from the same period of the previous fiscal year. The following is a review of operations for the major business segments.

Net sales of the Automobile Segment totaled 262.1 billion yen, an increase of 13.2 billion yen, or 5%, from the same period of the previous fiscal year.

Within this segment, net sales of the Vehicle Business amounted to 123.3 billion yen, an increase of 14.0 billion yen, or 13%. This is attributable primarily to having started producing the hybrid version of the RAV4 despite a decline in sales of the RAV4 and the Vitz (Yaris overseas).

Net sales of the Engine Business totaled 40.0 billion yen, an increase of 1.0 billion yen, or 3%. This is attributable primarily to increases in sales of GD diesel engines despite a decrease in sales of the KD diesel engines.

Net sales of the Car Air-Conditioning Compressor Business totaled 84.3 billion yen, a decrease of 1.4 billion yen, or 2%. The decrease was attributable mainly to the impact of exchange rate fluctuations despite an increase in sales in mainly European and North American markets.

Net sales of the Electronics Parts, Foundry and Others Business totaled 14.3 billion yen, a decrease of 0.4 billion yen, or 3%, due to decreases in sales of foundry parts despite an increase in sales of electronics parts.

Net sales of the Materials Handling Equipment Segment amounted to 239.6 billion yen, a decrease of 12.0 billion yen, or 5%. The decrease was attributable mainly to the impact of exchange rate fluctuations although unit sales of lift trucks, a mainstay product of this segment, increased primarily in North America and Europe.

Net sales of the Textile Machinery Segment totaled 13.9 billion yen, a decrease of 0.8 billion yen, or 6%. Sales of Air jet Loom increased while those of weaving machinery recorded a decrease.

Net sales of the Others Segment totaled 14.0 billion yen, a decrease of 14.4 billion yen, or 51%, due mainly to sales of all shares of Asahi Securities Co., Ltd. and Wanbishi Archives Co., Ltd. which were consolidated subsidiaries, in December, 2015.

In terms of overall profit, despite increases in promoting cost reduction efforts throughout the Toyota Industries Group and decreases in depreciation costs, Toyota Industries recorded a decrease in profit due mainly to the impact of exchange rate fluctuations. As a result, Toyota Industries posted consolidated operating profit of 28.1 billion yen, a decrease of 2.6 billion yen, or 8%, from the same period of the previous fiscal year and ordinary profit of 55.3 billion yen, a decrease of 8.5 billion yen, or 13%, from the same period of the previous fiscal year. Profit attributable to owners of the parent totaled 41.2 billion yen, a decrease of 5.2 billion yen, or 11%, from the same period of the previous fiscal year.

(2) Explanation for Financial Condition

Total assets decreased 426.8 billion yen from the end of the previous fiscal year to 3,772.3 billion yen due mainly to a decrease in market value of investment securities. Liabilities amounted to 1,890.1 billion yen, a decrease of 195.1 billion yen from the end of the previous fiscal year due mainly to a decrease in deferred tax liabilities. Net assets amounted to 1,882.1 billion yen, a decrease of 231.8 billion yen from the end of the previous fiscal year.

(3) Explanation for Forecast for FY 2016

Toyota Industries forecasts consolidated net sales of 2,200.0 billion yen, operating profit of 120.0 billion yen, ordinary profit of 177.0 billion yen and profit attributable to owners of the parent of 120.0 billion yen. Our projections are based on assumed exchange rates of 105 yen to the U.S dollar and 120 yen to the euro for fiscal 2017.

2. Matters concerning Summary Information (Note)

(1) Changes in accounting policies, accounting estimates and restatement

(Changes in accounting policies with revision of accounting standards)

In accordance with the revision of the Corporation Tax Act, effective from the first quarter of fiscal 2017 a part of consolidated subsidiaries in Japan adopted the Practical Solution on a Change in Depreciation Method due to Tax Reform 2016 (Practical Issue Task Force No. 32, June 17, 2016). Accordingly, Toyota Industries has changed the depreciation method for facilities attached to buildings and structures acquired on or after April 1, 2016 from the declining-balance method to the straight-line method.

(2) Additional information

(Changes in presentation)

Until the previous fiscal year, regarding the profits and expenses arising from the sales financing business for materials handling equipment, profits had been included in "Interest income" under "Non-operating profit" while expenses had been included in "Interest expenses" under "Non-operating expenses." Starting from fiscal 2017, "Interest income" is included in "Net sales" while "Interest expenses" is included in "Cost of sales.

"Lease investment assets" and "Long-term loans receivable" related to the sales financing business for materials handling equipment had been classified as "Fixed assets." Starting from the first quarter of fiscal 2017, Toyota Industries has changed the classification to "Current assets" in accordance with the normal operating cycle rule.

(Revised Implementation Guidance on Recoverability of Deferred Tax Assets)

Toyota Industries adopted "Revised Implementation Guidance on Recoverability of Deferred Tax Assets" (Accounting Standards Board of Japan Guidance No.26, March 28, 2016) from the first quarter of fiscal 2017.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	FY2016 (As of March 31, 2016)	FY2017 First Quarter (As of June 30, 2016)
Assets		
Current assets:		
Cash and deposits	352,302	328,783
Trade notes and accounts receivable	280,807	264,302
Lease investment assets	235,598	219,396
Short-term investments	10,871	10,877
Merchandise and finished goods	92,298	89,525
Work in process	41,868	41,820
Raw materials and supplies	63,035	56,367
Deferred tax assets	25,185	24,322
Other current assets	159,054	146,272
Allowance for doubtful accounts	(3,796)	(3,536)
Total current assets	1,257,226	1,178,131
Fixed assets:		
Property, plant and equipment		
Buildings and structures, net	160,048	152,661
Machinery, equipment and vehicles, net	451,334	423,478
Tools, furniture and fixtures, net	27,449	25,531
Land	119,897	120,936
Construction in progress	22,521	18,872
Total property, plant and equipment	781,251	741,481
Intangible assets:		
Goodwill	76,980	68,388
Other intangible assets	93,234	85,028
Total intangible assets	170,214	153,416
Investments and other assets:		
Investment securities	1,945,123	1,655,754
Deferred tax assets	14,109	13,303
Net defined benefit assets	8,215	7,965
Other investments and other assets	24,458	23,586
Allowance for doubtful accounts	(1,403)	(1,310)
Total investments and other assets	1,990,504	1,699,300
Total fixed assets	2,941,970	2,594,198
Total assets	4,199,196	3,772,329

(Million yen)

	FY2016 (As of March 31, 2016)	FY2017 Fisrt Quarter (As of June 30, 2016)
Liabilities		
Current liabilities:		
Trade notes and accounts payable	214,162	209,161
Short-term loans payable	170,844	185,840
Current portion of bonds	19,999	19,999
Lease obligations	41,411	36,500
Accounts payable-other	25,754	20,257
Accrued income taxes	47,473	10,952
Deferred tax liabilities	149	89
Allowance for bonuses to directors	644	140
Other current obligations	153,195	159,150
Total current liabilities	673,636	642,093
Long-term liabilities:		
Bonds payable	191,555	191,555
Long-term loans payable	508,593	452,426
Lease obligations	98,771	85,186
Deferred tax liabilities	500,077	410,525
Net defined benefit liabilities	90,920	87,734
Other long-term liabilities	21,692	20,639
Total long-term liabilities	1,411,611	1,248,068
Total liabilities	2,085,248	1,890,162
Total Net Assets		
Shareholders' equity:		
Common stock	80,462	80,462
Capital surplus	105,562	105,558
Retained earnings	789,502	811,915
Treasury stock	(41,266)	(41,262)
Total shareholders' equity	934,260	956,674
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	1,105,544	903,531
Deferred gains or losses on hedges	360	686
Foreign currency translation adjustment	22,813	(28,602)
Defined benefit plan adjustments	(26,169)	(24,072)
Total accumulated other comprehensive income	1,102,547	851,543
Subscription rights to shares	6	5
Non-controlling interests	77,133	73,944
Total net assets	2,113,948	1,882,167
Total liabilities and net assets	4,199,196	3,772,329

**(2) Quarterly Consolidated Statements of Income and
Quarterly Consolidated Statements of Comprehensive Income**

Quarterly Consolidated Statements of Income

(Million yen)

	FY2016 First Quarter (April 1, 2015 - June 30, 2015)	FY2017 First Quarter (April 1, 2016 - June 30, 2016)
Net sales	543,852	529,788
Cost of sales	441,394	430,136
Gross profit	102,458	99,652
Selling, general and administrative expenses	71,747	71,536
Operating profit	30,710	28,116
Non-operating profit:		
Dividends income	35,521	32,142
Other non-operating profit	3,944	1,677
Total non-operating profit	39,466	33,820
Non-operating expenses:		
Interest expenses	2,791	2,200
Other non-operating expenses	3,496	4,411
Total non-operating expenses	6,288	6,611
Ordinary profit	63,888	55,325
Profit before income taxes	63,888	55,325
Income taxes-current	19,166	13,248
Income taxes-deferred	(2,940)	(939)
Total income taxes	16,225	12,308
Profit	47,662	43,016
Profit attributable to non-controlling interests	1,258	1,749
Profit attributable to owners of the parent	46,404	41,266

Quarterly Consolidated Statements of Comprehensive Income

(Million yen)

	FY2016 June Quarter (April 1, 2015 - June 30, 2015)	FY2017 June Quarter (April 1, 2016 - June 30, 2016)
Profit	47,662	43,016
Other comprehensive income:		
Valuation difference on available-for-sale securities	22,989	(202,175)
Deferred gains or losses on hedges	998	326
Foreign currency translation adjustment	18,109	(54,478)
Defined benefit plan adjustments	(1,185)	2,112
Share of other comprehensive income of associates accounted for using equity method	72	(725)
Total other comprehensive income	40,985	(254,940)
Comprehensive Income	88,648	(211,923)
Profit attributable to:		
Owners of the parent	86,593	(209,737)
Non-controlling interests	2,055	(2,186)

**(3) Note on Quarterly Consolidated Financial Statements
(Note on Premise of Going Concern) : No**

(Note on Significant Changes in the Amount of Shareholders' Equity)

During the First quarter of fiscal 2017 (the three months from April 1 to June 30, 2016), Toyota Industries paid dividends of 18,853 million yen from retained earnings.

(Segment Information)

FY2016 First Quarter (April 1, 2015 - June 30, 2015)

(Million yen)

	Automobile	Materials handling equipment	Textile machinery	Others	Total	Eliminations	Consolidated
Net sales							
Outside customer sales	248,920	251,660	14,789	28,482	543,852	-	543,852
Inter-segment transactions	6,001	593	53	5,261	11,909	(11,909)	-
Total	254,921	252,253	14,843	33,743	555,762	(11,909)	543,852
Segment profit	6,148	21,770	287	2,415	30,620	90	30,710

- (Notes) 1. "Others" is business segment not included in reportable segments.
2. Segment profit of 90 million yen is inter-segment eliminations.
3. Segment profit is adjusted to operating profit of Quarterly Consolidated Statements of Income.

FY2017 First Quarter (April 1, 2016 - June 30, 2016)

(Million yen)

	Automobile	Materials handling equipment	Textile machinery	Others	Total	Eliminations	Consolidated
Net sales							
Outside customer sales	262,137	239,664	13,952	14,034	529,788	-	529,788
Inter-segment transactions	5,513	374	53	4,837	10,778	(10,778)	-
Total	267,651	240,038	14,005	18,872	540,567	(10,778)	529,788
Segment profit	6,499	18,969	977	1,626	28,072	43	28,116

- (Notes) 1. "Others" is business segment not included in reportable segments.
2. Segment profit of 43 million yen is inter-segment eliminations.
3. Segment profit is adjusted to operating profit of Quarterly Consolidated Statements of Income.
4. Starting from the first quarter of fiscal 2017, Toyota Industries has reclassified the reporting segment previously presented as the Logistics Segment because of its immateriality and included its results in either the Materials Handling Equipment Segment or the Others Segment.
The segment information for the first quarter of the previous fiscal year is presented after the reclassification