

# FINANCIAL SUMMARY

FY2013 Second Quarter

(April 1, 2012 through September 30, 2012)

**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 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.*

## FY2013 Second Quarter Consolidated Financial Results <under Japanese GAAP> (April 1, 2012 - September 30, 2012)

### TOYOTA INDUSTRIES CORPORATION

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

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The expected date of submission of the quarterly report: November 13, 2012

(Amounts less than one million yen are omitted)

#### 1. Financial Highlights for FY2013 Second Quarter (April 1, 2012 - September 30, 2012)

##### (1) Consolidated Financial Results

(% : change from the same period of previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2013 Second Quarter	<b>762,959</b>	5.6	<b>37,210</b>	27.4	<b>42,440</b>	15.4	<b>24,075</b>	(7.2)
FY2012 Second Quarter	722,638	(1.0)	29,210	(19.3)	36,770	(4.2)	25,929	9.5

(Note) Comprehensive income(loss): FY2013 Second Quarter — (98,168) million yen, FY2012 Second Quarter — (97,992) million yen

	Net income per share—basic	Net income per share—diluted
	Yen	Yen
FY2013 Second Quarter	<b>77.24</b>	-
FY2012 Second Quarter	83.21	-

##### (2) Consolidated Financial Position

	Total assets	Total net assets	Equity ratio
	Million yen	Million yen	%
FY2013 Second Quarter	<b>2,407,306</b>	<b>1,083,138</b>	<b>43.1</b>
FY2012	2,656,984	1,197,841	43.0

(Note) Shareholders' equity: FY2013 Second Quarter — 1,036,403 million yen, FY2012 — 1,141,480 million yen

#### 2. Cash Dividends

	Annual cash dividends per share				Yen
	First quarter	Second quarter	Third quarter	Fiscal year-end	
	Yen	Yen	Yen	Yen	Yen
FY2012	-	25.00	-	25.00	50.00
<b>FY2013</b>	-	25.00			
FY2013 (Forecast)			-	30.00	55.00

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

#### 3. Forecasts of Consolidated Financial Results for FY2013 (April 1, 2012 - March 31, 2013)

(% : change from the same period of previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share—basic
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2013	1,600,000	3.7	80,000	14.1	88,000	8.8	51,000	(13.1)	163.63

(Note) Changes in the forecasts of consolidated financial results in this quarter : Yes

#### 4. Others

- (1) Changes in major subsidiaries (specified subsidiaries that changed company's consolidation in this quarter) : 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 : Yes
  - ④ Restatement : No

(Note) Determination of changes is based on applicability to Article 10-5 of the "Regulations on Terminology, Forms, and Preparation Methods of Quarterly Consolidated Financial Statements." Please see page 3 on attached documents for details on changes in accounting policies in " Changes in policies, accounting estimates and restatement ".

- (4) Issued and outstanding capital stock
  - ① Number of shares outstanding at end of each period (including treasury stock):  
FY2013 Second Quarter — 325,840,640 shares, FY2012 — 325,840,640 shares
  - ② Number of treasury stock outstanding at end of each period:  
FY2013 Second Quarter — 14,154,808 shares, FY2012 — 14,153,619 shares
  - ③ Average number of shares outstanding for each period:  
FY2013 Second Quarter — 311,686,390 shares, FY2012 Second Quarter — 311,605,545 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 ¥79 = US\$1 and ¥100 = €1 for FY2013.
- Please see page 3 on attached documents for details on performance forecasts in "Qualitative information regarding forecast for FY2013".

(Attached Documents)

## Contents

1. Qualitative Information and Financial Statements	2
(1) Qualitative information regarding consolidated business results	2
(2) Qualitative information regarding consolidated financial condition	3
(3) Qualitative information regarding forecast for FY2013	3
2. Matters concerning Summary Information (Note)	3
(1) Changes in accounting policies, accounting estimates and restatement	3
3. Quarterly Consolidated Financial Statements	4
(1) Quarterly Consolidated Balance Sheets	4
(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income	6
(3) Note on premise of going concern	8
(4) Segment Information	8
(5) Note on significant changes in the amount of shareholders' equity	8

## 1. Qualitative Information and Financial Statements

### (1) Qualitative information regarding consolidated business results

During the second quarter of FY2013 (the six months from April 1 to September 30, 2012), total consolidated net sales of Toyota Industries amounted to 762.9 billion yen, an increase of 40.3 billion yen, or 6%, 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 402.8 billion yen, an increase of 42.2 billion yen, or 12%, from the same period of the previous fiscal year, during which the Great East Japan Earthquake had an impact on production. Within this segment, net sales of the Vehicle Business amounted to 157.3 billion yen, an increase of 2.1 billion yen, or 1%, due mainly to an increase in sales of the Vitz (Yaris overseas) and RAV4.

Net sales of the Engine Business totaled 105.2 billion yen, an increase of 14.6 billion yen, or 16%. This is attributable primarily to increases in sales of KD diesel engines and AR gasoline engines.

Net sales of the Car Air-Conditioning Compressor Business totaled 111.7 billion yen, an increase of 15.0 billion yen, or 16%. This is because sales increased in both domestic and overseas markets.

Net sales of the Foundry Parts, Car Electronics and others Business totaled 28.3 billion yen, an increase of 10.3 billion yen, or 57%. This is attributable primarily to increases in sales of automobile-related electronic devices for PRIUS and AQUA.

Net sales of the Materials Handling Equipment Segment totaled 281.0 billion yen, an increase of 4.1 billion yen, or 1%. This is attributable to an upturn in sales of lift trucks, a mainstay product of this segment, in the domestic market although sales overseas markets remained on par with the same period of the previous fiscal year.

Net sales of the Logistics Segment amounted to 46.0 billion yen, a decrease of 0.3 billion yen, or 1%. Despite an increase in sales of the cargo transport business of automotive-related parts, net sales decreased due to a decline in sales of the commissioned logistics business as a result of the sale of shares of a subsidiary, Mail & e Business Logistics Service Co., Ltd., in May 2011 and its subsequent exclusion from consolidation.

Net sales of the Textile Machinery Segment totaled 18.0 billion yen, a decrease of 1.7 billion yen, or 8%. This is attributable to decreases in sales of spinning machinery and weaving machinery, mainstay products of this segment, although Toyota Industries purchased the shares of Uster Technologies AG and made it into a subsidiary in February 2012.

Net sales of the Others Segment totaled 14.9 billion yen, a decrease of 4.1 billion yen, or 21%. This is attributable to liquidation of TIBC Corporation.

In terms of overall profit, despite an increase in research and development expenses and labor costs, Toyota Industries recorded an increase in sales while promoting cost reduction efforts throughout the Toyota Industries Group. As a result, Toyota Industries posted consolidated operating income of 37.2 billion yen, an increase of 8.0 billion yen, or 27%, from the same period of the previous fiscal year and ordinary income of 42.4 billion yen, an increase of 5.7 billion yen, or 15%. Net income totaled 24.0 billion yen, a decrease of 1.9 billion yen, or 7%, from the same period of the previous fiscal year. This is attributable to an extraordinary loss of 6.6 billion yen, arising from a loss on liquidation of TIBC Corporation.

## **(2) Qualitative information regarding consolidated financial condition**

Total assets decreased 249.6 billion yen from the end of the previous fiscal year to 2,407.3 billion yen due mainly to a decrease in market value of investment securities. Liabilities amounted to 1,324.1 billion yen, a decrease of 135.0 billion yen from the end of the previous fiscal year due mainly to a decrease in deferred tax liability. Net assets amounted to 1,083.1 billion yen, a decrease of 114.7 billion yen from the end of the previous fiscal year.

## **(3) Qualitative information regarding forecast for FY2013**

Due to results of the first half of FY2013, Toyota Industries has revised its forecasts of consolidated financial results for FY2013 to consolidated net sales of 1,600.0 billion yen, operating income of 80.0 billion yen, ordinary income of 88.0 billion yen and net income of 51.0 billion yen. Our projections are based on assumed exchange rates of ¥79 = US\$1 and ¥100 = €1 for the remainder of the fiscal year.

## **2. Matters concerning Summary Information (Note)**

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

(Changes in accounting policies which are difficult to distinguish from changes in accounting estimates)

Effective from April 1, 2012, Toyota Industries changed the depreciation method for property, plant and equipment that were acquired on and after April 1, 2012 in accordance with the revised Corporate Tax Law of Japan.

### 3. Quarterly Consolidated Financial Statements

#### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	FY2012 (As of March 31, 2012)	FY2013 Second Quarter (As of September 30, 2012)
<b>Assets</b>		
<b>Current assets:</b>		
Cash and deposits	274,710	254,464
Trade notes and accounts receivable	195,391	172,274
Lease investment assets	36,570	35,753
Short-term investments	92,249	53,176
Merchandise and finished goods	48,183	50,796
Work in process	33,727	33,483
Raw materials and supplies	34,536	30,162
Deferred tax assets	20,368	20,751
Other current assets	36,358	35,617
Allowance for doubtful accounts	(2,740)	(2,588)
<b>Total current assets</b>	<b>769,356</b>	<b>683,893</b>
<b>Fixed assets:</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	141,412	134,077
Machinery, equipment and vehicles, net	180,146	173,259
Tools, furniture and fixtures, net	24,448	25,772
Land	116,526	116,301
Construction in progress	18,519	29,042
<b>Total property, plant and equipment</b>	<b>481,053</b>	<b>478,452</b>
<b>Intangible assets:</b>		
Goodwill	68,824	73,301
Other intangible assets	37,952	38,143
<b>Total intangible assets</b>	<b>106,777</b>	<b>111,444</b>
<b>Investments and other assets:</b>		
Investments in securities	1,177,591	1,008,790
Deferred tax assets	10,758	10,463
Lease investment assets	76,566	76,884
Other investments and other assets	35,034	37,524
Allowance for doubtful accounts	(152)	(148)
<b>Total investments and other assets</b>	<b>1,299,798</b>	<b>1,133,515</b>
<b>Total fixed assets</b>	<b>1,887,628</b>	<b>1,723,412</b>
<b>Total assets</b>	<b>2,656,984</b>	<b>2,407,306</b>



(Million yen)

	FY2012 (As of March 31, 2012)	FY2013 Second Quarter (As of September 30, 2012)
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Trade notes and accounts payable	168,465	141,972
Short-term loans payable	110,212	41,016
Commercial paper	12,897	15,984
Current portion of bonds	54,105	53,891
Lease obligations	37,619	37,694
Accounts payable-other	18,169	15,190
Accrued income taxes	12,510	12,434
Deferred tax liabilities	3	-
Allowance for bonuses to directors and corporate auditors	525	278
Other current obligations	165,018	160,985
<b>Total current liabilities</b>	<b>579,527</b>	<b>479,448</b>
<b>Long-term liabilities:</b>		
Bonds payable	187,238	186,946
Long-term loans payable	249,183	275,701
Lease obligations	85,754	83,511
Deferred tax liabilities	297,304	239,005
Allowance for retirement benefits	48,973	48,619
Other long-term liabilities	11,160	10,935
<b>Total long-term liabilities</b>	<b>879,615</b>	<b>844,720</b>
<b>Total liabilities</b>	<b>1,459,142</b>	<b>1,324,168</b>
<b>Net assets</b>		
<b>Shareholders' equity:</b>		
Capital stock	80,462	80,462
Capital surplus	106,128	106,128
Retained earnings	455,042	471,326
Treasury stock	(50,266)	(50,269)
<b>Total shareholders' equity</b>	<b>591,367</b>	<b>607,648</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	565,007	455,516
Deferred gains or losses on hedges	(131)	151
Foreign currency translation adjustment	(14,763)	(26,913)
<b>Total accumulated other comprehensive income</b>	<b>550,112</b>	<b>428,755</b>
Subscription rights to shares	2,310	2,086
Minority interests	54,051	44,648
<b>Total net assets</b>	<b>1,197,841</b>	<b>1,083,138</b>
<b>Total liabilities and net assets</b>	<b>2,656,984</b>	<b>2,407,306</b>

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

Quarterly Consolidated Statements of Income

(Million yen)

	FY2012 Second Quarter (April 1, 2011 - September 30, 2011)	FY2013 Second Quarter (April 1, 2012 - September 30, 2012)
<b>Net sales</b>	<b>722,638</b>	<b>762,959</b>
Cost of sales	609,607	634,268
<b>Gross profit</b>	<b>113,031</b>	<b>128,690</b>
Selling, general and administrative expenses	83,820	91,479
<b>Operating income</b>	<b>29,210</b>	<b>37,210</b>
<b>Non-operating income</b>		
Interest income	4,668	4,318
Dividends income	10,554	10,732
Other non-operating income	5,094	3,017
<b>Total non-operating income</b>	<b>20,317</b>	<b>18,068</b>
<b>Non-operating expenses</b>		
Interest expenses	7,933	7,303
Other non-operating expenses	4,824	5,534
<b>Total non-operating expenses</b>	<b>12,757</b>	<b>12,838</b>
<b>Ordinary income</b>	<b>36,770</b>	<b>42,440</b>
<b>Extraordinary loss:</b>		
Loss on liquidation of subsidiaries and affiliates	-	6,616
<b>Total extraordinary loss</b>	<b>-</b>	<b>6,616</b>
<b>Income before income taxes and minority interests</b>	<b>36,770</b>	<b>35,824</b>
Income taxes-current	10,399	12,926
Income taxes-deferred	(739)	(286)
Total income taxes	9,659	12,640
<b>Income before minority interests</b>	<b>27,110</b>	<b>23,184</b>
Income(Loss) on minority interests in consolidated subsidiaries	1,181	(891)
<b>Net income</b>	<b>25,929</b>	<b>24,075</b>

Quarterly Consolidated Statements of Comprehensive Income

(Million yen)

	FY2012 Second Quarter (April 1, 2011 - September 30, 2011)	FY2013 Second Quarter (April 1, 2012 - September 30, 2012)
<b>Income before minority interests</b>	<b>27,110</b>	<b>23,184</b>
<b>Other comprehensive income:</b>		
Valuation difference on available-for-sale securities	(107,791)	(109,586)
Deferred gains or losses on hedges	(24)	282
Foreign currency translation adjustment	(16,805)	(11,880)
Share of other comprehensive income of associates accounted for using equity method	(481)	(167)
<b>Total other comprehensive income</b>	<b>(125,103)</b>	<b>(121,352)</b>
<b>Comprehensive Income:</b>	<b>(97,992)</b>	<b>(98,168)</b>
Comprehensive income attributable to owners of the parent	(98,119)	(97,281)
Comprehensive income attributable to minority interests	127	(886)

**(3) Note on premise of going concern : No**

**(4) Segment Information**

FY2012 Second Quarter (April 1, 2011 - September 30, 2011)

(Million yen)

	Automobile	Materials handling equipment	Logistics	Textile machinery	Others	Total	Eliminations	Consolidated
Net sales								
(1) Outside customer sales	360,620	276,937	46,335	19,703	19,041	722,638	-	722,638
(2) Inter-segment transactions	11,339	270	4,308	24	5,376	21,319	(21,319)	-
Total	371,959	277,208	50,643	19,728	24,418	743,958	(21,319)	722,638
Segment income	6,181	18,977	1,614	952	1,343	29,070	140	29,210

(Notes) 1. "Others" is business segment not included in reportable segments and contains semiconductor package substrates as a mainstay product.

2. Segment income of 140 million yen is inter-segment eliminations.

3. Segment income is adjusted to operating income of Quaterly Consolidated Statements of Income.

FY2013 Second Quarter (April 1, 2012 - September 30, 2012)

(Million yen)

	Automobile	Materials handling equipment	Logistics	Textile machinery	Others	Total	Eliminations	Consolidated
Net sales								
(1) Outside customer sales	402,805	281,040	46,063	18,062	14,986	762,959	-	762,959
(2) Inter-segment transactions	10,842	263	4,333	57	5,938	21,436	(21,436)	-
Total	413,648	281,304	50,397	18,119	20,925	784,395	(21,436)	762,959
Segment income (loss)	14,865	18,642	2,339	(61)	1,421	37,207	3	37,210

(Notes) 1. "Others" is business segment not included in reportable segments.

2. Segment income of 3 million yen is inter-segment eliminations.

3. Segment income is adjusted to operating income of Quaterly Consolidated Statements of Income.

**(5) Note on significant changes in the amount of shareholders' equity**

During the first half of FY2013 (the six months from April 1 to September 30, 2012), Toyota Industries paid dividends of 7,792 million yen from retained earnings.