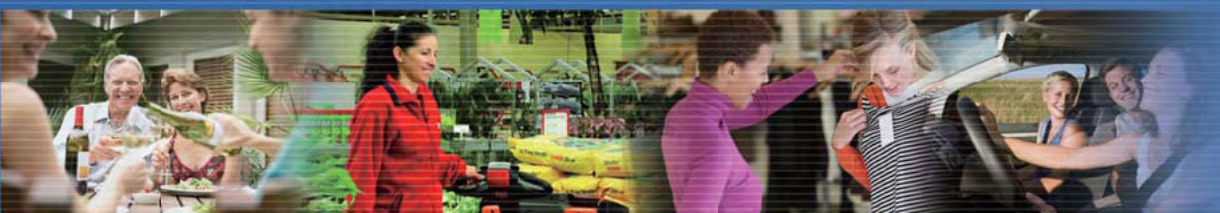




Toyota Industries Report 2011

Year ended March 31, 2011





Aiming for a Genuinely Global Company with
Strength, Agility and Originality

As experts in materials handling equipment, automobiles, logistics and textile machinery, Toyota Industries carries out business activities in various countries and regions around the world to deliver products and services that customers really need. We are deeply committed to helping to build a more prosperous and comfortable society for tomorrow's world. Customers' smiles are the very thing that drives Toyota Industries.

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Cautionary Statement with Respect to Forward-Looking Statements

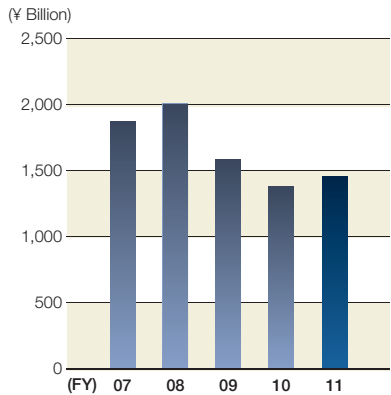
This report contains projections and other forward-looking statements that involve risks and uncertainties. The use of the words “expect,” “anticipate,” “estimate,” “forecast,” “plan” and similar expressions is intended to identify such forward-looking statements. Projections and forward-looking statements are based on the current expectations and estimates of the Toyota Industries Group regarding its 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 at the time of producing this report and are not guarantees of future performance. Toyota Industries undertakes no obligation to publicly update or revise any forward-looking statements in this report, 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 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.

Financial Highlights

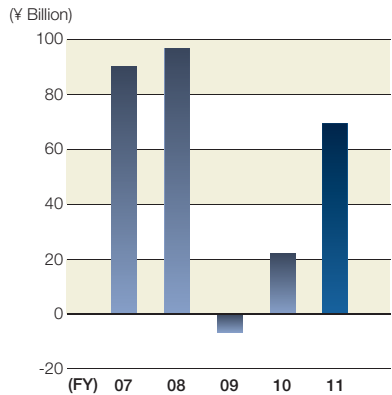
Toyota Industries Corporation
Years ended March 31

	Millions of yen					% change
	2011	2010	2009	2008	2007	2011 vs 2010
For the Year						
Net sales	¥1,479,839	¥1,377,769	¥1,584,252	¥2,000,536	¥1,878,398	7.4%
Operating income (loss)	68,798	22,002	(6,621)	96,853	89,954	212.7
Ordinary income	73,911	31,756	14,343	126,488	108,484	132.7
Net income (loss)	47,205	(26,273)	(32,767)	80,460	59,468	—
Research and development expenses	27,788	26,826	33,646	36,750	34,548	3.6
Cash dividends per share (yen)	50.00	30.00	40.00	60.00	50.00	66.7
At Year-End						
Total assets	¥2,481,452	¥2,589,246	¥2,327,432	¥2,965,585	¥3,585,857	(4.2)%
Total net assets	1,075,939	1,104,929	977,670	1,453,996	1,810,483	(2.6)
Number of employees	40,825	38,903	39,916	39,528	36,096	4.9

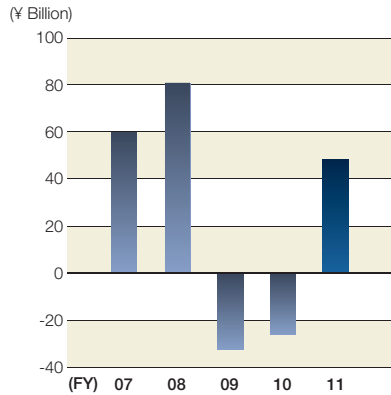
Net Sales



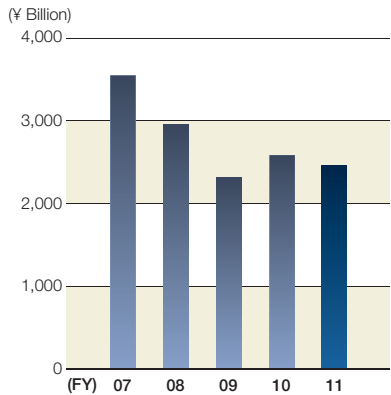
Operating Income (Loss)



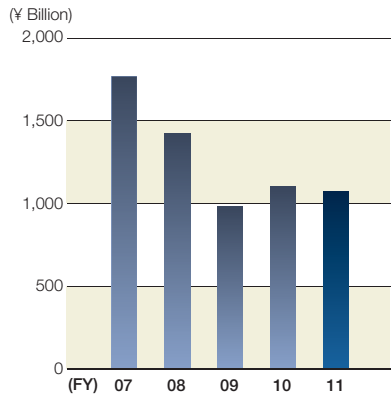
Net Income (Loss)



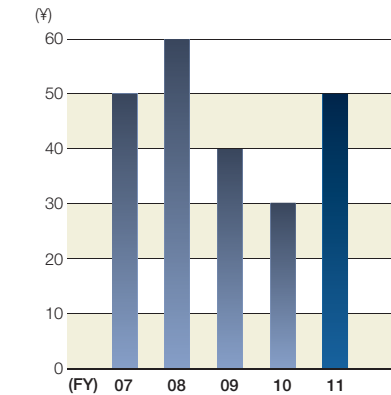
Total Assets



Total Net Assets



Cash Dividends per Share





Akira Imura
Chairman

Tetsuro Toyoda
President

At the Toyota Industries Global
Learning Center / HAZU academy

Message from the Chairman and President

We would like to take this opportunity to express our deepest appreciation for your support of Toyota Industries Corporation and the Toyota Industries Group.

First of all, we would like to extend our most heartfelt condolences and prayers to the people and their families who are suffering or have lost their lives due to the Great East Japan Earthquake. We sincerely hope for the early recovery and reconstruction of the disaster-stricken areas.

As the economies in and outside Japan move toward recoveries, the Toyota Industries Group undertook efforts to ensure customer trust through its dedication to quality as well as responding quickly to the global economic recovery trend for our sales expansion. However, the Great East Japan Earthquake had a significant impact on the Japanese economy. Toyota Industries was also forced to suspend production partially due to the problem of parts supply from suppliers.

As a result, despite the earthquake aftermath effects, we were able to achieve increases in both sales and profit for fiscal 2011.

For the foreseeable future, although the global economy is projected to gradually recover, uncertainties remain with regards to credit contraction, further deterioration in the employment situation and rising raw material prices such as crude oil, as well as concerns about exchange rate fluctuations. The operating

environment in Japan is expected to remain severe, as the impacts of the earthquake on the economy could become more serious or prolonged.

Amid this environment, Toyota Industries' production activities, which have been adversely affected by the disaster, have almost recovered through flexible operations and supplier support. We will also proceed with business structure and cost structure reforms to realize a solid business structure so that we can weather any changes in the business climate. As we aim to strengthen business activities in existing markets, primarily in developed countries, and accelerate business development in fast-growing emerging country markets, we will carry out meticulous market surveys in respective regions and release products closely matched to each market's characteristics and needs.

In the medium to long term, we remain firmly entrenched in the concept of quality first. Upon the recognition that responding to the environment and safety as well as improving our international competitiveness are key issues to tackle, we will continue to engage in customer-oriented development of products and advanced technologies based on 3Es (energy, environmental protection and ecological thinking).

In closing, we ask for your continued understanding and support.

July 2011

Akira Imura
Chairman

Tetsuro Toyoda
President

Aiming to Be a Strong Company to Prevail in an Age of Fierce Competition in the Global Economy

In the *Toyota Industries Report 2011*, we welcome Mr. Isao Endo, a business school professor and management consultant well-versed in corporate management strategies and *monozukuri* (manufacturing). Mr. Endo joined President Tetsuro Toyoda to discuss what Toyota Industries must do to realize further growth and advance forward amid the dramatically changing social and economic environment.



In front of the Toyoda Automatic Loom, Type G

Tetsuro Toyoda

President, Toyota Industries Corporation

Isao Endo

Professor, Waseda University Business School, Graduate School of Commerce
Chairman & Partner, Roland Berger Ltd. in Japan



Profile of Mr. Isao Endo

Graduate of the Waseda University School of Commerce. Worked for Mitsubishi Electric Corp. and U.S. strategic consulting firms before assuming his current posts. Also holds an MBA from Boston College School of Management. At the Waseda University Business School, he teaches corporate strategy and operation strategy and carries out practical research related to on-site capabilities. Mr. Endo is also engaged in management consulting as chairman of the Japanese subsidiary of the largest European strategy consulting firm, Roland Berger Strategy Consultants. He is highly esteemed not only in terms of strategy formulation but also for consulting that produces results in conjunction with strategy implementation support. Mr. Endo also serves on the Supervisory Board of Roland Berger worldwide. He is an adjunct professor at Cheung Kong Graduate School of Business in China as well as a member of the management advisory committee at Nisshin Steel Co., Ltd.

Great East Japan Earthquake

Cooperating in the Reconstruction of Disaster Areas and Initiatives for Early Normalization of Production

Toyoda: It's a pleasure to meet with you today. I understand you have visited numerous companies both in and outside Japan. You also have a wealth of knowledge and insights about the strengths and challenges pertaining to manufacturing sites.

Endo: It is a pleasure for me as well. Your company boasts the world's top market share* in the three fields of car air-conditioning compressors, which have been adopted by almost all automakers around the world; lift trucks; and textile machinery (air-jet looms), which represents your founding business. Toyota Industries truly has a unique presence within the Toyota Group.

Toyoda: Thank you very much. I anticipate that this discussion will provide an excellent opportunity to reaffirm Toyota Industries' strengths and challenges.

Endo: To start, let's turn to the Great East Japan Earthquake. It has had an enormous impact globally. What are your thoughts? Was there any direct impact on your business?

Toyoda: The recent earthquake left a deep scar on the overall Japanese economy, which was on the verge of economic recovery. It could have an immeasurable impact on the global economy as well. All of Japan must band together to overcome this crisis based on the assumption that the aftereffects will linger for an extended period of time.

Fortunately, our plants and equipment received no major damage, but some of our plants had to suspend operations due to parts shortages. By switching over to alternative parts and supporting recovery of our suppliers, production has recovered significantly. We will continue to make our utmost efforts to restore normal plant operations as quickly as possible. As for measures to help the stricken areas, we have donated relief funds and our industrial vehicles. We are also offering assistance to the devastated areas by using our own trucks to transport daily goods. Looking ahead, we will continue to take a look at various forms of cooperation toward reconstruction.

* Survey by Toyota Industries Corporation for car air-conditioning compressors and lift trucks; 2010 statistics from the International Textile Manufacturers Federation (ITMF) for air-jet looms



Mr. Endo observes the Toyoda Automatic Loom, Type G.

The Toyoda Automatic Loom, Type G was invented and completed by Sakichi Toyoda in 1924. This was the world's first completely non-stop shuttle-change automatic loom that enabled smooth shuttle replacement and weft-yarn supply without a loss of speed during high-speed operation. The loom also functions to produce no defective products by automatically stopping operation if the warp yarn breaks. Its all-around performance and economic efficiency received top recognition worldwide.

Looking Back at Fiscal 2011

Turning Around Business Results by Strengthening the Business Structure via Streamlining

Endo: The earthquake struck on March 11, shortly before the end of the fiscal year. How do you sum up your performance for fiscal 2011? You were able to dramatically turn around business results compared with the previous fiscal year. What initiatives did you focus on?

Toyoda: We lowered our break-even point and streamlined our structure via emergency profit improvement activities implemented since 2008. We also succeeded in transforming employees' awareness by repeatedly reminding them that the world has changed and we must change our mindset accordingly. During this time, all employees made concerted, unprecedented efforts to carry out reduction of fixed costs such as zero-based cost reviews. As a result, we were able to improve our profit structure.

Throughout fiscal 2011, we maintained this approach while actively expanding sales to take advantage of a market recovery and avoid opportunity loss, and these efforts produced a certain level of results. At the same time, it is precisely tough times like these, when the earthquake is having a huge impact on our performance, that every member of the Toyota Industries Group must work together, muster our courage and move forward.

Manufacturing and Quality

Quality Is the Lifeblood of Toyota Industries

Endo: I was just given a look at the Toyoda Automatic Loom, Type G on display in the showroom. What should we learn from the ideas that Sakichi Toyoda incorporated into this loom?

Toyoda: Sakichi invented the loom based on his philosophy of “contributing to society and the world through *monozukuri*.” From the perspective of what truly satisfies customers, he created the loom through repeated trial and error, devising simple mechanisms for stopping the loom operation when a warp yarn broke to prevent producing defective goods. However, his first loom was compared with competing foreign products without adequate performance testing, and the results were disappointing. This bitter experience led him to an unwavering conviction that a product should never be shipped unless it has been fully and repeatedly tested with completely satisfactory results in order to avoid inconveniencing customers.

This episode teaches us the importance of going back to the basics and engaging in manufacturing with an emphasis on quality based on *genchi genbutsu* (go and see for yourself).

Endo: Quality has been a crucial theme for you from the very beginning. Its importance has become a compelling issue for many companies these days. In some ways, the standardization of parts and the globalization of business seem to have made it easier for quality problems to have a more widespread impact. Could you explain Toyota Industries’ basic stance and initiatives regarding quality?



President Toyoda explaining the mechanism of the Toyoda Automatic Loom, Type G

Toyoda: Quality is the lifeblood of a manufacturer. Taking a “Customer First” approach, each division works to further raise quality by incorporating quality through their own work processes and promoting close collaboration.

Some people may think quality and profits are contradictory, but that’s not true. Raising quality leads to improved costs and ultimately generates profits. To maintain quality through *genchi genbutsu*, I personally visit work floors to check the production status and progress made toward realizing improvements.

Endo: In that sense, the Toyoda Automatic Loom, Type G can still be considered the origin and basis of quality and invention.

Quality issues have become a key topic lately, but I feel that trust in the quality of Japanese products remains strong. Japanese manufacturers make proactive efforts to generate knowledge and ideas while achieving further advances in operations through ingenuity. It is rare to find such examples anywhere else in the world. I hope to see Toyota Industries maintain its basic stance of incorporating quality and steadily raise its competitiveness even further with a high level of awareness of everyone on the work floor.

Human Resources Development

Developing Employees Able to Learn, Think and Act on Their Own

Endo: Incorporating quality is achieved not only through tools and quality assurance systems but also through a high awareness of quality and integrity. What are your thoughts on human resources development?

Toyoda: I believe the basis of human resources development is nurturing independent people who can learn, think and act on their own. I would like to see employees, whether young or experienced, make efforts to further improve themselves. Reading many books, for example, can expand the scope of one’s own human qualities and abilities, and help acquire decision-making capabilities.

Endo: Do you enjoy reading books?

Toyoda: I read about 120 to 130 books a year. After I finish, I send them to overseas bases where these books are not readily available locally. They are happy to receive them besides being strongly motivated to learn. Unfortunately, however, with more employees posted overseas, the number of books I can send to any single

location has decreased.

Endo: You mean that 130 books are not enough. You should read even more (laughter).

Becoming independent people who can learn, think and act on their own as you envision is then premised on further improving oneself through reading books and other means. What specific measures are you taking to develop personnel who will carry the future of Toyota Industries?

Toyoda: I feel the advance of IT has had adverse effects on developing young engineers who will support the company in the future. The fact that enormous volumes of information can be easily obtained via the Internet stresses the importance of *genchi genbutsu*. Information obtained through your own eyes, actions and feelings is real-life information. This also applies to manufacturing because we tend to immediately rely on electronic sensors and computers.

Endo: It seems every company faces the same concerns.

Toyoda: To address this situation, we are using the Toyoda Automatic Loom, Type G to teach the origins of manufacturing at the Technical Learning Center. Since at university young engineers are taught to use 3D CAD from the beginning, they are put to work without having really understood the basics of design and technical drawings. At the Technical Learning Center, we have them draw using drafting boards. It is necessary to instill the basics before they start using 3D CAD.

Endo: A defect at the design stage can easily lead to a major quality problem later.

Toyoda: Using 3D CAD enables highly finished technical drawings at first glance. However, if the basics are lacking, a grave design error can occur, leading to quality problems.

Endo: That’s why it is absolutely necessary to return to the basics.

Toyoda: We are teaching our young engineers the fundamentals of drawing. We also have them learn about steel making and dismantling and assembling engines up to the point of actually starting the engine. Those who



have joined the company recently are thrilled to see and experience the process of assembling an engine from start to finish. As a result, they start to learn about the fascinating aspects of manufacturing.

Endo: It’s likely that experiencing such aspects would lead them to put their heart and soul into the design.

Developing Human Resources Who Can Play Active Roles Globally

Endo: Toyota Industries’ business development is quite globalized. Accordingly, I understand the proportion of your sales generated overseas is high. Could you tell me about the development of global human resources?

Toyoda: Now that many of our end users reside outside Japan, the development of global human resources is not a special task but something we must do as a matter of course. However, our globalization happened only in the past 10 years, and it has been a dramatic turn of events.

Endo: What happened?

Toyoda: In 2000, we made Sweden-based lift truck manufacturer BT Industries AB into a Toyota Industries subsidiary. At that time, we had approximately 10,000 Japanese employees. With the addition of BT Industries’ approximately 10,000 employees, we suddenly became a company in which half our employees did not speak Japanese. Today, Toyota Industries comprises about 40,000 employees worldwide, of which around half are Japanese. Nevertheless, we have few personnel who can respond to the globalization of our company. Therefore,



Presenting the features of the latest air-jet looms

nurturing assertiveness is the first step.

Having said that, our textile machinery sales team has a dynamic global outlook. Long accustomed to the concept of globalization, members set off freely around the world, cultivate new markets and put new businesses on track. Many have a command of multiple languages, and in this regard, it is more effective to send such staff to overseas subsidiaries than to train them in Japan.

Endo: Sending talented staff to foreign countries and enabling them to learn through experience provide a valuable opportunity for significant personal growth. One leading retail company sends 30% of its managers overseas for three to six months without any specific assignment other than to find out what they want to do at the company in the future. In the early stage of this program, many people were hesitant and worried the workflow might be disrupted without them, but once this program was put into practice, it was not the case and the program has been a tremendous success.

Technology Development and Product Development **Tackling Environmental and Energy Issues Head-On**

Endo: As a manufacturer, a great deal of effort is of course poured into technology and product development. What directions will you pursue in the future?

Toyoda: With heightened concerns about such issues as global warming and the depletion of oil resources,

customer needs have quickly shifted to electrification, lighter weight and energy savings. To provide what customers really need, we are making Company-wide efforts to develop new technologies based on the 3Es, which stands for energy, environmental protection and ecological thinking. We are honing our elemental technologies that contribute to electrification, lighter weight and energy savings and expanding our businesses in these fields by applying these technologies to new products.

Let me give you an example. Our electrically driven compressors for hybrid vehicles are highly regarded because they can use power from a battery, not an engine, thereby enabling the air conditioner to run even during an idling stop. In industrial vehicles, we are working toward improving basic performance such as the uptime of electric lift trucks and serializing hybrid lift trucks.

Endo: I understand that electric lift trucks already make up a high proportion of your lift trucks, which are one of your mainstay products in industrial vehicles.

Toyoda: Electric lift trucks account for approximately 60% of our lift trucks. In fact, we are the world's top manufacturer of electric-powered vehicles, with sales of over 100,000 electric lift trucks annually.

We are also developing plastic glazing that realizes better fuel efficiency through lighter vehicle bodies; developing next-generation clean diesel engines by further advancing diesel engines, which emit 20% to 30% lower CO₂ emissions compared with gasoline engines;

developing key components in the car electronics field that respond to the trend toward vehicle electrification; and raising the energy-saving performance of textile machinery in terms of electricity and air consumption.

Endo: You certainly operate a wide range of businesses. I now have a much better understanding of how all these businesses are carrying out development with a focus on addressing environmental and energy issues head-on. I think further extending these initiatives to fields beyond your main businesses could lead to the creation of new business models.

I was told that one warehouse company examined the trend toward electric trucks and installed recharging equipment and batteries at some of its warehouses.

Toyoda: We are on the verge of commercializing the same line of business. We have built a system within our automated storage and retrieval systems whereby batteries are recharged while being stored, and when a vehicle arrives its batteries can be replaced within one minute.

Endo: It appears that interesting new fields are expanding. At the same time, however, companies in emerging countries are also strengthening their technological prowess. What are your thoughts on this?

Toyoda: Products closely resembling our air-jet looms are available in some markets. However, the fabric produced by these machines is significantly inferior. This is because the software that operates our weaving machinery cannot be emulated by competitors. We will continue to strengthen the competitiveness of our hardware, but we also intend to focus our efforts on software development to further raise the added value of all our products.

Endo: Japan possesses highly sophisticated technologies and technological depth. It is also becoming increasingly important to integrate production technologies and software into a "black box" from the perspective of strengthening global competitiveness.

Global Strategies

Carrying Out Business around the Globe and Making Finely Tuned Responses in Each Region

Endo: Emerging countries are achieving dramatic growth, while market needs have significantly changed and diversified. How is Toyota Industries responding to ever

mounting global competition?

Toyoda: The rivalries among countries and regions, as well as fierce competition among companies that transcends national borders and industries, are unfolding on a scale and at a pace that are unprecedented. It's akin to the situation in Japan in the 16th century when many warlords fought fiercely for domination. We are indeed in the midst of a paradigm shift in which the global economic structure is undergoing a major change.

As this trend unfolds, Toyota Industries has positioned fiscal 2012 as a year for making a new start in order to prevail in an age of fierce competition in the global economy.

Endo: I couldn't agree more. The world will serve as the stage for competition among companies.

What about your strategies for each region?

Toyoda: We have been building and operating a global optimal structure for each business duly considering where we should carry out production, which regions we will supply, how we will carry out sales and how we should share roles with Japan.

Endo: How do you intend to approach emerging countries, which are expected to achieve growth in the years ahead?

Toyoda: Besides China and India, markets in ASEAN and Latin America are also expected to grow. Rather than lumping these markets together as emerging countries, it is crucial to accurately identify the different needs of each country and provide products that satisfy customers in



Explaining the mechanism of car air-conditioning compressors



these countries in a timely manner.

Endo: How will you respond to markets in North America, Europe and other developed countries?

Toyoda: Despite lower growth, Japan and other developed countries are big markets. Therefore, we must continue to protect these markets, whereby it is crucial that we compete through our high value-added products and value chain. A prime example is our large-scale automated guided vehicle (AGV) that carries containers at the Tobishima container wharf in Aichi Prefecture. This vehicle can transport a container, which is approximately 45 feet in length and weighs around 30 tons, at a speed of 25 kilometers per hour. It can carry this mountain-like container and park at a designated location with a margin of error of within 2 centimeters.

Future Aspirations

Deepening Collaboration among Businesses and Combining Total Strengths

Endo: Our discussion so far has given me a general idea of the directions Toyota Industries is pursuing in its businesses over the medium and long terms. It appears that collaboration among businesses will become increasingly important, even in your global strategies and technology development based on 3Es.

Toyoda: Precisely. To raise synergies, we are working to remove barriers and deepen horizontal collaboration among businesses. We are also striving to standardize everything possible, such as development and cost reduction measures. In the vehicle assembly business, for

example, we are raising productivity based on the Toyota Production System (TPS). We are dispatching staff from the Materials Handling Equipment and Textile Machinery divisions to locations where TPS is implemented in order that they can utilize this system after returning to their respective divisions.

Endo: So the overall direction is to combine the total capabilities of Toyota Industries to maximize your comprehensive strengths more than ever.

Toyoda: That's right. I often sail for enjoyment. On days with no wind, I gaze at the distant ocean, observe far-off waves and read the wind before it arrives.

Endo: Acting before the wind arrives by reading the wind is similar to management then.

Today, we have discussed a variety of topics. I have the impression that Toyota Industries is an extremely unique company filled with possibilities, plus a sense of anticipation about what you will do next.

Toyoda: We will make our best efforts to meet the expectations of our stakeholders. Also, always remembering our founding spirit and considering what satisfies customers, we intend to contribute to the world by providing products and services that are useful to society. I believe this is our corporate social responsibility.



Toyota Industries Report 2011

Business Activities

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Materials Handling Equipment	P 16 – 23
Automobile Vehicle / Engine / Car Air-Conditioning Compressor / Car Electronics	P 24 – 31
Logistics	P 32 – 34
Textile Machinery	P 35 – 36

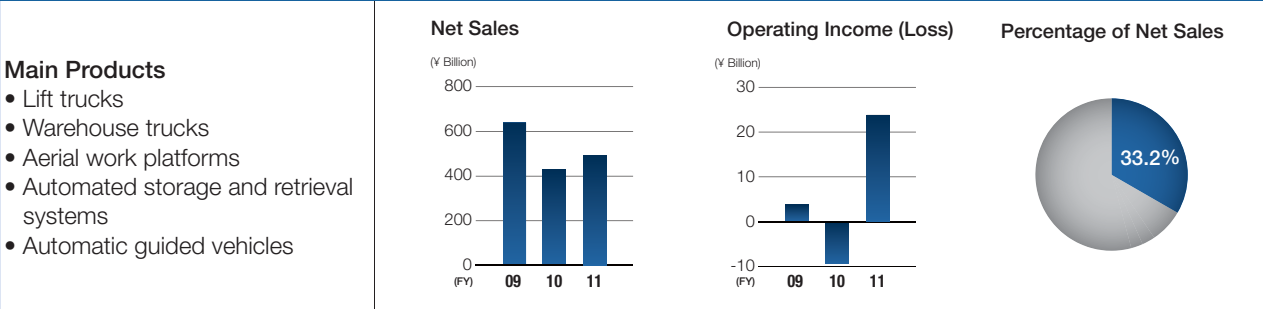
Outline of Businesses

Business Activities

Outline of Businesses

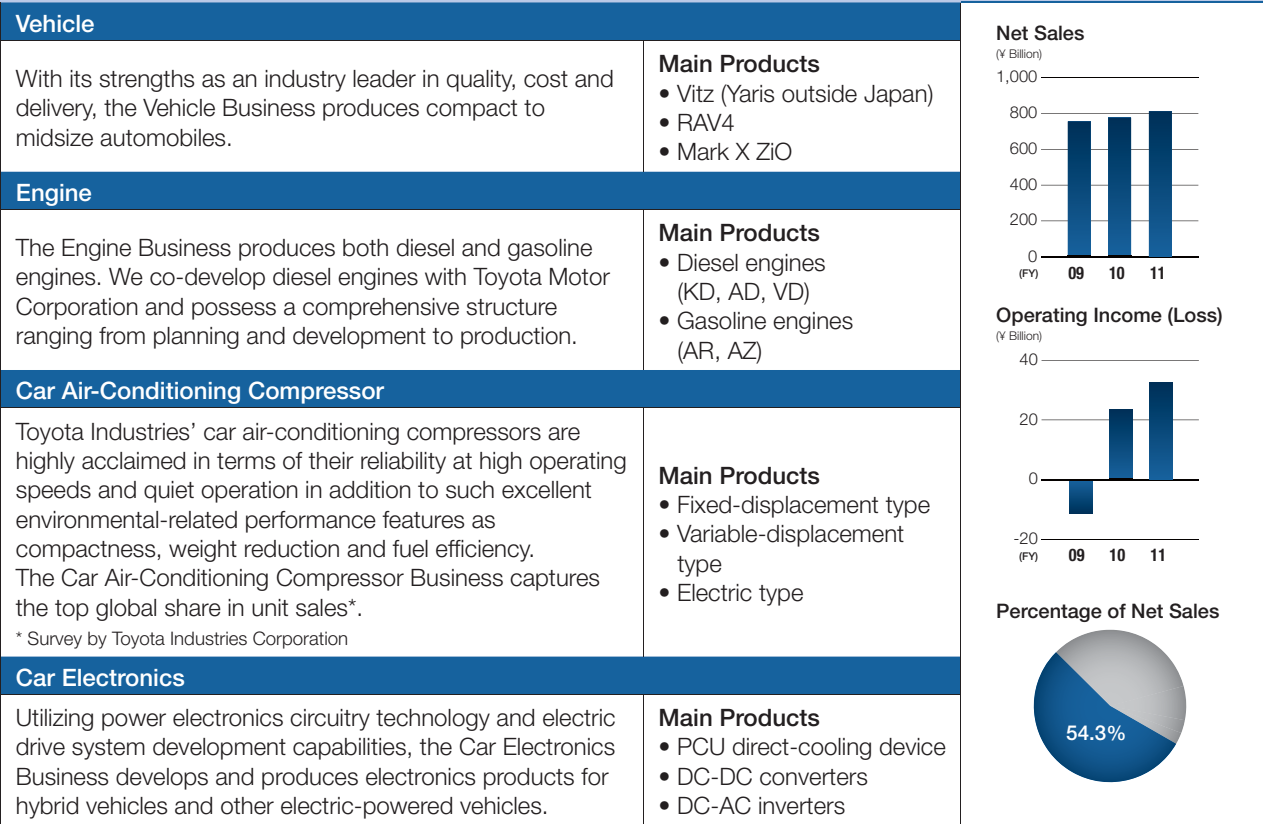
Materials Handling Equipment

The Materials Handling Equipment Segment develops, produces, sells and provides services for a broad range of products, from industrial vehicles centered around a full lineup of lift trucks (0.5- to 43-ton capacities) to materials handling systems. Lift trucks, a mainstay product of this segment, are delivered to customers around the world under the TOYOTA, BT, RAYMOND and CESAB brands through Toyota Material Handling Group.



Automobile

From vehicle assembly to parts production, the Automobile Segment engages in a wide variety of car-related businesses. Leveraging synergies among its business divisions in development and production, the Automobile Segment accounts for 54.3% of consolidated net sales and represents the largest business segment of Toyota Industries.

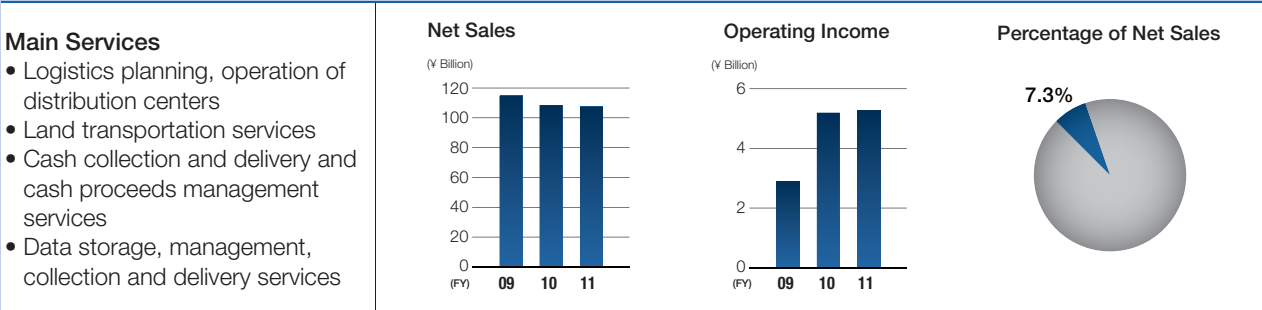


Business Activities

Outline of Businesses

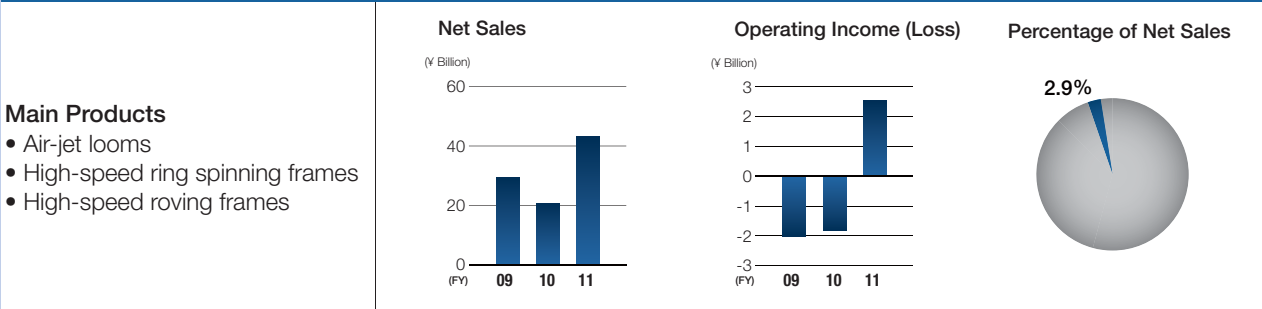
Logistics

The Logistics Segment is composed of three business pillars: planning, design and operation of distribution centers; land transportation services; and high value-added services such as cash collection and delivery and cash proceeds management services and data storage and management services.



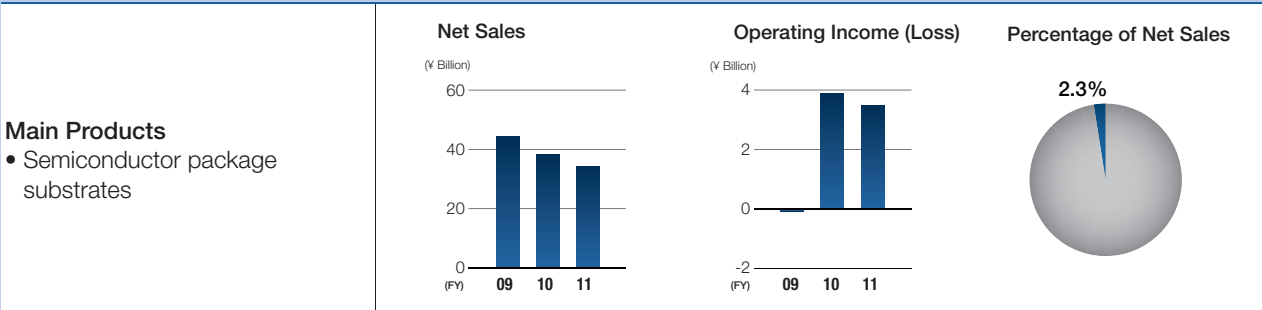
Textile Machinery

With a history dating back to the invention of an automatic loom by Toyota Industries founder Sakichi Toyoda, the Textile Machinery Business is a world leader in the textile industry backed by an integrated structure that encompasses development, production, sales and service of weaving and spinning machines.



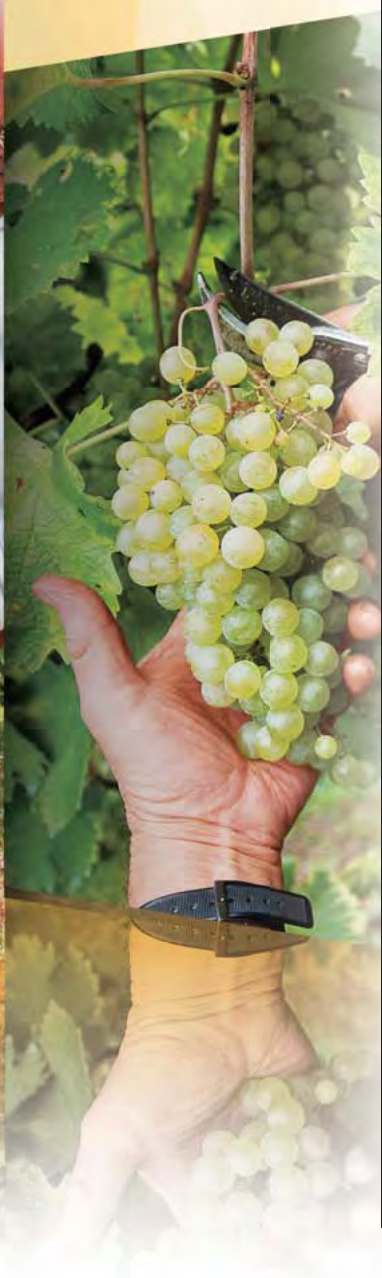
Others

The Others Segment includes consolidated subsidiaries that provide services to Toyota Industries as well as TIBC Corporation, a joint venture with IBIDEN CO., LTD., which produces semiconductor package substrates for PC microprocessor units.



Materials Handling Equipment

As the industry's leading manufacturer, Toyota Industries not only provides such materials handling equipment as lift trucks but also makes proposals for materials handling sites, thereby responding to a wide range of customers' logistics needs. Supporting logistics around the world, Toyota Industries' materials handling equipment is connected to your life somewhere, somehow.



Materials Handling Equipment

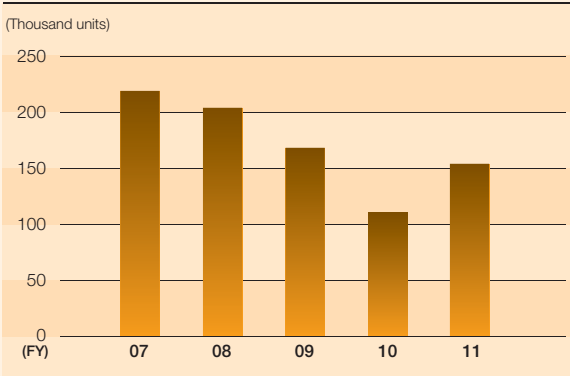
Business Activities

Materials Handling Equipment

Business Overview in Fiscal 2011

In the materials handling equipment industry, emerging countries primarily in Asia, as well as Europe, North America and Japan, maintained an upward trend in their respective markets. Toyota Industries vigorously promoted production and sales activities attuned to market recovery in each region. As a result, sales of our mainstay lift trucks increased both in and outside Japan, and net sales in fiscal 2011 rose ¥59.0 billion, or 14%, over the previous fiscal year to ¥490.6 billion.

Materials Handling Equipment Sales

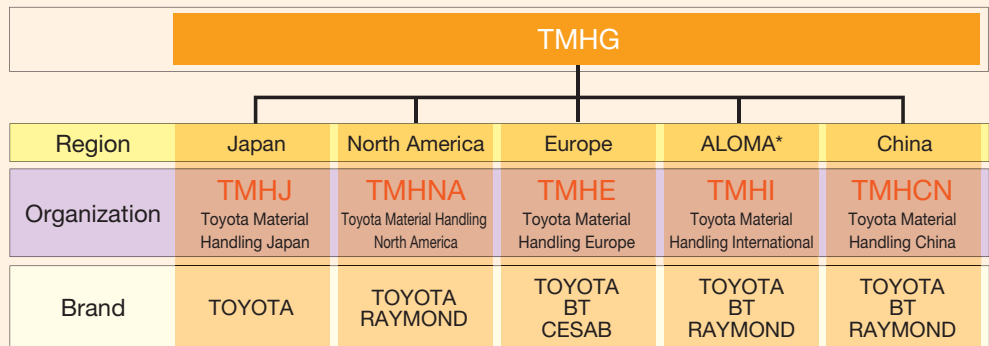


Toyota Material Handling Group (TMHG)

As a market leader with extensive knowledge of logistics needs, Toyota Industries provides a full range of lift trucks and other materials handling equipment to customers worldwide. TMHG carries out business by geographically breaking down the global market into Japan, North America, Europe, ALOMA* and China.

Under the TMHG management structure, we provide materials handling equipment for the TOYOTA, BT, RAYMOND and CESAB brands. Mutually utilizing the sales and development strengths of each brand, TMHG is promoting business expansion on a global scale.

Toyota Material Handling Group Organization Chart



* ALOMA stands for Asia, Latin America, Oceania, Middle East and Africa.

Market Conditions and Business Activities in 2010

In 2010, emerging country economies, mainly those in Asia, quickly overcame the global economic downturn, while economies in developed countries, namely Japan, North America and Europe, steadily trended toward recovery. As a result, the lift truck market grew 31% over the previous year. In response to these favorable market conditions, Toyota Industries aggressively engaged in sales expansion activities while maintaining a streamlined structure by implementing a drastic reduction of fixed costs in the aftermath of the global financial crisis in 2008.

In the lift truck field, we took steps to enhance the appeal of our products by adding a new internal-combustion hybrid lift truck in Japan and expanding our line of electric lift trucks in North America and Europe. In emerging countries, we introduced new products matched to the distinctive needs of each market. As for the materials handling engineering business, which is represented by automated storage and retrieval systems and automatic guided vehicles (AGVs), we stepped up our efforts to promote the development of markets outside Japan.

In the Japanese market for aerial work platforms, weak capital investment in the private sector caused demand to stagnate. Difficult conditions also continued in markets outside Japan, with the exception of the recovering Chinese market. We will work to expand demand for AICHI-brand products, which boast the top market share in Japan, by providing new products matched to the changing times and by developing new markets. At the same time, we will promote cost reductions and business efficiency improvements to enhance profitability and build a sustainable and stable business foundation.



Global Voices

TMHG is a logistics partner providing industry-leading products and services to customers throughout the world.

The following are the voices of a customer and TMHG members from around the globe.

From Japan Customer



Shougou Hyuga,
President,
Tobatakounyu
Co. Ltd.

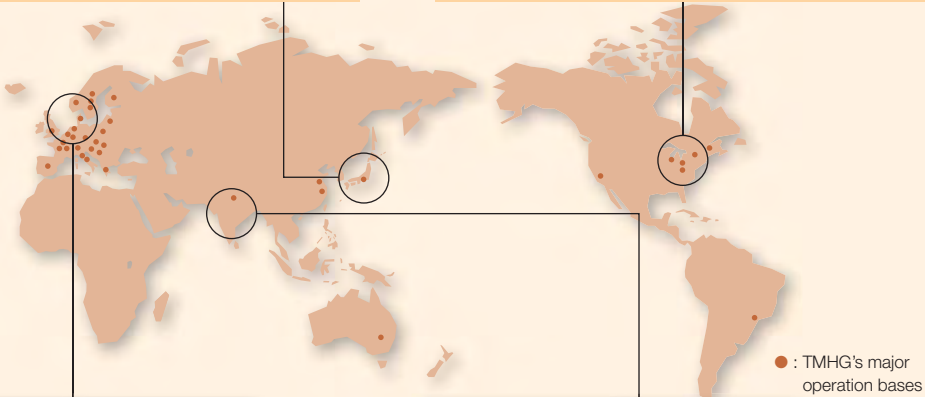
"The GENEO-HYBRID halved fuel consumption and CO₂ emissions as expected, while maintaining power equal to that of any internal-combustion lift trucks. This hybrid lift truck is supporting environmental management by raising environmental awareness among employees."

From the U.S. Development and Production



Tony Miller (left),
Vice President of
Engineering and
Manufacturing,
TIEM

"Since joining TIEM*1, I have truly enjoyed building new and innovative products. It is rewarding for me to be involved with a team taking a product design and creating new processes and equipment to see that product come to life. I also enjoy the continuous improvement (kaizen) aspect of working for Toyota."



● : TMHG's major
operation bases

From Sweden Services



Claus
Christensen,
European Key
Account Director,
TMHE

"TMHE provides excellent service to customers under a powerful service structure comprised of more than 4,500 highly trained technicians working across Europe. We take great pleasure in keeping our quality products in their best condition for our customers."

From India Sales



Virendra Oberoi,
Sales Director,
TMH India

"In India, continued economic growth has led to expansion of the logistics market and generated brisk demand for materials handling equipment. TMH India*2 leverages our extensive product lineup to provide optimum products and services to our customers."

*1: Toyota Industrial Equipment Mfg., Inc. is a materials handling equipment production subsidiary.

*2: Toyota Material Handling India Pvt. Ltd. is a materials handling equipment sales subsidiary.

Business Activities

Materials Handling Equipment

Japanese Market

No. 1 Market Share in Lift Truck Sales

In 2010, the lift truck market in Japan grew about 15% over the previous year thanks to a rise in capital investment by Japanese companies. Toyota Material Handling Japan (TMHJ) worked to expand sales to the manufacturing industry, which has shown an upturn in capital investment, including the transportation equipment sector. We also strengthened sales to other robust businesses such as the transportation and warehousing industries. Reflecting these efforts, unit sales in fiscal 2011 increased 15% year-on-year to 26,000 units, outperforming the market. As a result, TMHJ secured a 43.0% share of the Japanese market in 2010, the second highest in history, and maintained its top position* for the 45th consecutive year.

* Surveys by Japan Industrial Vehicles Association and Toyota Industries Corporation, 2010

New Models Excellent in Environmental Performance and Work Efficiency

Enhancing the Lineup of Hybrid Lift Trucks

In response to growing customer needs for lift trucks with lower environmental impact and improved economic efficiency, in July 2010 TMHJ enhanced the lineup of the 3.5-ton GENE0-HYBRID diesel-powered internal-combustion hybrid lift truck with additions of 4.0- and 4.5-ton models. To meet diversifying customer needs, TMHJ also added such options as cabins and heaters.



GENEO-HYBRID



Walkie

Model Change for "Walkie" Compact Electric Lift Truck

In August 2010, TMHJ carried out model changes for its 0.6- and 0.9-ton "Walkie" compact electric lift trucks. The updated models are now equipped with a plastic steering wheel for improved operability. High-capacity batteries and folding steps are also available as an option for better work efficiency.

Appealing Environmental Performance, Safety and Logistics Efficiency to the World

TMHJ participated in LOGIS-TECH TOKYO 2010, an exhibition held in Tokyo in September 2010. Under the theme of "Total Solutions for Improved Environmental Performance, Safety and Logistics Efficiency," TMHJ presented a broad range of products and a wealth of logistics know-how. Live demonstrations of *kaizen* examples using its products drew much attention among the many visitors at the TMHJ booth.

Focusing on the environment and safety, TMHJ will continue to create optimum materials handling solutions combining its extensive product lineup—encompassing lift trucks, warehouse trucks, automated storage and retrieval systems, AGVs and aerial work platforms—with an abundance of technological expertise and a superior service structure.



LOGIS-TECH TOKYO 2010

North American Market

Maintaining the Top Market Share

The North American lift truck market increased by approximately 5% in calendar year 2010 compared with 2009. Toyota Material Handling North America (TMHNA) remained the market share leader*1 with combined unit sales of TOYOTA and RAYMOND brands of approximately 43,000 units, an increase of 46%.

Toyota, as a full line supplier of lift trucks, remained the market share leader*1 in North America for the ninth consecutive year, and Raymond, as a leading provider of electric lift trucks and solutions used in warehouse and distribution environments, saw robust market share growth*1.

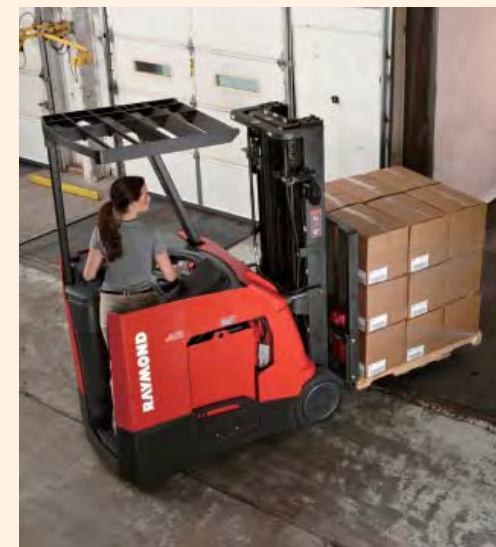
*1: Survey by Crist Information & Research, LLC, 2010

Proactively Launching New Products

In fiscal 2011, TMHNA released new models and promoted its logistics solutions services, reinforcing its position as a leading supplier of materials handling equipment in North America.

In addition to commencing production of 8-Series, 4-wheel electric AC lift trucks, Toyota launched sales of 4FD large diesel pneumatic lift trucks (15- to 23-ton capacities). Quality remains a hallmark of the TOYOTA brand, and 2010 marked the sixth year TOYOTA was named the lift truck leader*2 in Quality and Value. In addition, Toyota Genuine Parts were ranked the best in Quality and Reliability in an independent lift truck parts study*2.

The RAYMOND brand developed the new Models 4150/4250 stand-up counterbalanced lift trucks featuring the ComfortStance suspension platform, which boasts minimal parts to reduce maintenance wear and cost as well as increased maneuverability. To tailor a package of solutions and services, the RAYMOND brand introduced CustomCare, which



RAYMOND 4250

combines unmatched technology, expertise and resources to help customers achieve greater material handling efficiency. Moreover, the RAYMOND brand strives to meet the specialized needs of individual customers by adding the iBattery module, which enables data-driven battery management, to the iWarehouse fleet optimization system.

In recognition of such initiatives, *Plant Engineering* magazine awarded a 2010 Product of the Year award to both TOYOTA's 4FD as well as to Raymond's Models 4150/4250.

In 2010, Toyota Industrial Equipment Mfg., Inc. (TIEM), which is responsible for producing TOYOTA-brand lift trucks sold in North America, commemorated 20 years in business and achieved 200,000 consecutive hours worked without a recordable accident, according to the Occupational Safety and Health Administration (OSHA). The 200,000 hours represents 1,000 work days. TIEM was also named the prestigious Top Plant in the U.S. for 2010 by *Plant Engineering*.

*2: Survey by Peerless Media Research Group, 2010



Bird's eye view of TIEM

Enhancing Services and Products from a Customer Perspective

The North American market is expected to show moderate growth in 2011. TMHNA will look for further synergies to ensure the full power of both the TOYOTA and RAYMOND brands are utilized. TMHNA will continue to offer customer-centric services and industry-leading products to enhance efficiency and lower costs simultaneously.

■ European Market

Increasing Unit Sales in Line with Market Recovery

The economic downturn in Europe came to a halt in early 2010 as growth started to resume, although the rate of market growth differs in respective countries in Europe. As a consequence, demand in the lift truck market increased by 20% year-on-year.

Toyota Material Handling Europe (TMHE) has integrated the sales and service networks representing TOYOTA and BT brands in more than 30 European countries, and in doing so, strove for speedier management. In fiscal 2011, TMHE worked to capture latent demand by releasing new models and promoting materials handling solutions services. As a result, TMHE recorded unit sales of 49,000 units, an increase of 26% over the previous fiscal year.

Strengthening Electric Lift Truck Lineup

During fiscal 2011, TMHE launched the B300-Series 3-wheel electric lift truck and B400-Series 4-wheel electric lift truck, in addition to Blitz electric lift trucks, all under the CESAB brand. With the European lift truck market showing an upswing, the launch of such competitive models enabled TMHE to seize business opportunities generated by stronger demand.



CESAB B300/B400

Capturing Growing Needs for Materials Handling Solutions

In addition to higher quality and performance of lift trucks, customer needs are diversifying into the field of logistics solutions designed to achieve greater efficiency through effective use of vehicles on hand. Growth in on-line shopping has made order picking more important than ever. In response to such changes in the market environment, TMHE rolled out the BT automated order picking solution (AOP). AOP combines a stacker that automatically follows a pre-defined picking route within a warehouse and a pick-to-voice system that instructs an operator where to pick specific items, providing large distribution centers with productivity gains of 40%. TMHE released the all-new BT Optio order picker to support optimal order picking efficiency.

Fully Supporting Customers' Materials Handling Operations

In fiscal 2012, further growth is expected in the European materials handling market. TMHE will meet expanding market volume with a strong network presence of 4,500 service technicians to offer logistics solutions matched to the individual needs of each customer.



Equipment maintenance by service technician

■ ALOMA and Chinese Markets

Business Activities in Fiscal 2011

Toyota Material Handling International (TMHI) covers the ALOMA markets of Asia, Latin America, Oceania, the Middle East and Africa, while Toyota Material Handling China (TMHCN) covers the Chinese market.

In 2010, many of these markets have recovered from the effects of the economic slowdown. Supported by the continued efforts of TMHI and TMHCN to develop its sales and service capabilities, unit sales in these markets increased about 80% to around 35,000 units in fiscal 2011.

Reinforcing Production and Sales Operations in Growing Markets

In India, the materials handling equipment division of Kirloskar Toyoda Textile Machinery Pvt. Ltd. (KTTM) has strengthened sales and service activities based on a full product range. In a market where strong growth is expected to continue, the division has been spun off and started operations in May 2011 as Toyota Material Handling India Pvt. Ltd. (TMH India) to further focus on customers' needs. Headquartered in Delhi with a network consisting of sales and service bases in major cities, TMH India is committed to maintaining the top market share among imported brands*.

The growing lift truck market in China reached a scale of approximately 190,000 units in 2010, accounting for roughly a quarter of the global market. In the world's single largest market, TMHCN has released lift trucks matched to specific local needs and carried out aggressive sales promotion activities. In seeking to expand its business sphere in the Chinese market, TMHCN will work to boost its distributor role and reinforce its sales and service network in major cities.

In Brazil, the lift truck market has reached its largest scale on the back of the country's strong economic recovery. TMHI will utilize an integrated sales and service network representing both the TOYOTA and BT brands to respond to customer expectations.

* Survey by Toyota Industries Corporation, 2010

Appealing to Customers at Exhibitions

In August 2010, MOVIMAT, one of Brazil's largest logistic, storage and packaging exhibitions, was held in São Paulo and received more than 28,000 visitors. Toyota Material Handling Mercosur Comercio de Equipamentos LTDA (TMHM) participated in the exhibition under the theme of "Toyota Challenge Experience," aimed at enabling visitors to feel the presence of Toyota and BT. The TMHM booth evoked strong demand for the products on display.

In December 2010, CeMAT India, a showcase for the latest developments in the areas of materials handling and logistics, was held in Mumbai and drew visitors from diverse industries. TMH India exhibited 10 TOYOTA and BT products and appealed the strengths of both brands to visitors.



Toyota booth at MOVIMAT

Responding to Growing Markets

In 2011, continued market growth is expected in the ALOMA and Chinese lift truck markets. TMHI and TMHCN will continue to provide products and services matched to the distinctive needs of each market.

Automobile

Toyota Industries is involved in businesses related to an entire automobile, spanning from vehicle assembly to such automotive parts as engines, car air-conditioning compressors and car electronics. We are contributing to the creation of eco-friendly and comfortable automobiles by leveraging our technologies and know-how for the electrification, lighter weight and energy savings of automobiles.

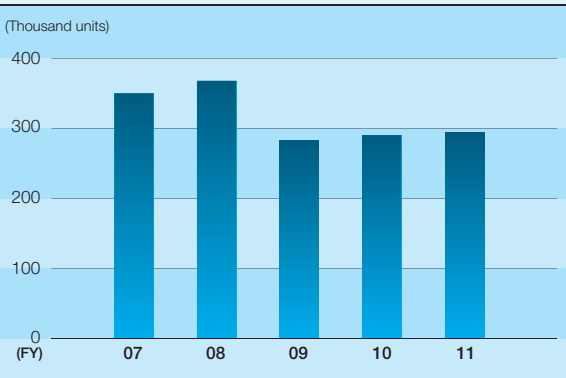


Business Overview in Fiscal 2011

In the automobile industry, growth in the Japanese market slowed down, affected by the discontinuation of the Japanese government's car replacement incentive measures. However, there was a market upturn in North America and continued market expansion in Asia.

In fiscal 2011, unit production rose by 4,000 vehicles, or 1%, over the previous fiscal year to 295,000 vehicles, with higher sales of the Vitz (Yaris outside Japan) offsetting lower sales of the RAV4 and the Mark X ZiO. Net sales, on the other hand, were down ¥23.2 billion, or 6%, to ¥375.5 billion due to a change in the composition of vehicles Toyota Industries produces.

Vehicle Production



Launching Production of Plastic Glazing Products for the Lexus LFA

Toyota Industries commenced production of a quarter window and partition made of plastic glazing for the Lexus LFA, a two-seater sports vehicle marketed by Toyota Motor Corporation (TMC) in December 2010.

With an eye to improving fuel economy through body weight reduction, we have developed plastic glazing as a lighter-weight substitute for glass. Our plastic glazing quarter window and partition fitted in the Lexus LFA are approximately 30% and 45% lighter, respectively, than their glass counterparts.

Polycarbonate resin used in plastic glazing degrades when exposed to sunlight. To solve this issue, we applied our newly developed hard coating to the surface of plastic glazing and succeeded in dramatically improving its durability. The Prius α, launched in May 2011, is also fitted with our plastic



glazing as a panoramic roof. Toyota Industries will continue to develop attractive products that leverage the distinctive characteristics of plastic glazing.



Starting Production of the New Vitz for the Japanese Market

In December 2010, Toyota Industries began production of the new Vitz for the Japanese market. Production of a new Yaris model for markets outside Japan is planned to begin in August 2011.

The Vitz is one of the mainstay models of the overarching Toyota brand and is sold in more than 70 countries, including Japan and Europe, with cumulative vehicle sales exceeding 3.5 million units. Since the launch of the first-generation model in 1999, we have engaged in production of the Vitz under consignment from TMC. We also designed a portion of its upper body and interior, as well as the RS, a sporty model in the Vitz family, thereby undertaking a full range of processes from development to production.

TOPICS

Preparing for Production Launch of the New Vitz

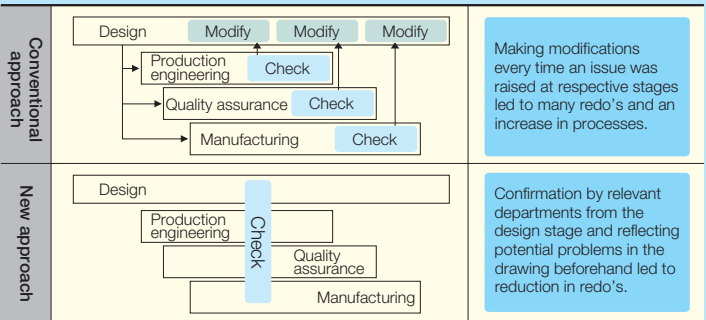
Simultaneous Launch of Two Production Lines

After the first-generation Vitz was introduced in 1999, vehicle production in Japan had been carried out by Toyota Industries' Nagakusa Plant and TMC's Takaoka Plant. Upon introducing the latest, third-generation Vitz, Toyota Industries has become the sole producer in Japan. In order to deal with high demand expected immediately after the sales launch, we decided to allow mixed production on the production line used for the RAV4 and Mark X ZiO assembly in addition to the Vitz dedicated production line.

For smooth mixed production, we implemented

measures to make maximum use of limited space by sharing facilities between the two lines and to standardize some parts to prevent assembly errors.

Production Preparation: Activities to Reduce Redo's and Waste through Division-Wide Collaboration



A New Approach to Production Preparation

In production preparation of the latest Vitz, we succeeded in reducing the number of ineffective processes and further improving the quality of the final product by raising the level of perfection of drawings during the design phase. Specifically, we let designers go through the actual assembly process, thereby identifying and reducing processes that are difficult to perform. We also required representatives from all production-related departments, including production engineering, quality assurance and manufacturing, to participate in the design phase.

This form of simultaneous designing enabled us to identify potential problems and reflect the solutions in drawings in a timely manner.



Production of the new Vitz

Minor Model Change to the Mark X ZiO

In February 2011, we started production of the Mark X ZiO, which underwent a minor model change. The update included changes in the front grille and aluminum wheel designs, which resulted in a more sophisticated, sharper appearance with refined interior space.

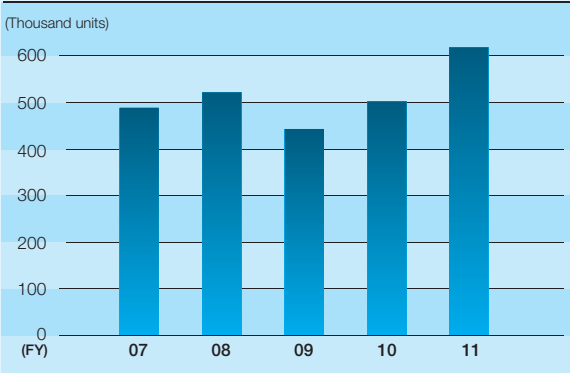
Highest-Level QCD to Contribute to Development and Production of Attractive Toyota Cars

Toyota Industries' Nagakusa Plant maintains the highest level of quality, cost and delivery (QCD) among automobile body manufacturers in the Toyota Group. Our ability to quickly start up production and a flexible structure in terms of production volume and vehicle models are also highly regarded by TMC. We will leverage these strengths and continue to contribute to the development and production of attractive Toyota vehicles.

Business Overview in Fiscal 2011

Toyota Industries attained record-high engine production volume of 614,000 units in fiscal 2011, a year-on-year increase of 112,000 units, or 22%, thanks mainly to increased production of KD diesel and AR gasoline engines. Net sales also increased ¥32.3 billion, or 20%, over the previous fiscal year to ¥197.3 billion.

■ Engine Production



Diesel Engines Highly Acclaimed Worldwide

Toyota Industries' diesel engines, fitted in a variety of Toyota vehicles sold around the world, have gained high market recognition for their cleaner emissions, greater fuel efficiency and higher performance. KD diesel engines, for which production started in 2005, are installed in TMC's Innovative International Multi-Purpose Vehicle (IMV) series, and their sales have been achieving steady growth mainly in Asia and Latin America. The V-type 8-cylinder VD diesel engine, which was developed primarily by Toyota Industries, is installed in the Land Cruiser, and sold particularly well in Australia, Russia and the Middle East. The RAV4 for Europe is equipped with our AD diesel engine that cleared Euro 5 emission standards in 2008.



KD diesel engine

Developing and Producing High-Performance Engines with Low Environmental Impact

In addition to automobiles, Toyota Industries' engines are installed in a variety of eco-conscious products. Our original 1DZ-III diesel engines are installed in GENEIO-HYBRID diesel-powered hybrid lift trucks (3.5-, 4.0- and 4.5-ton capacities). The GENEIO-HYBRID roughly halved^{*1} fuel consumption and CO₂ emissions compared with conventional diesel-powered lift trucks, achieving the world's highest level of environmental performance. Our 4Y engines are also used as gas engines and increasingly adopted by GHP^{*2} manufacturers in Japan and CHP^{*3} manufacturers worldwide. These engines are highly renowned for their high efficiency as well as longer life and maintenance cycle.

^{*1}: Data measured using Toyota Industries' standard operation cycles
^{*2}: Short for gas heat pump; air conditioner driven by a gas engine
^{*3}: Short for combined heat and power; cogeneration system

Developing Next-Generation Engines



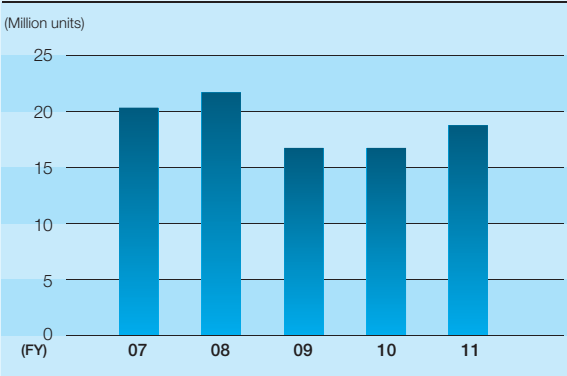
New employee training session

Toyota Industries is committed to developing next-generation engines by utilizing our long-accumulated technologies and know-how. In doing so, we have placed particular emphasis on human resource development and implemented a variety of initiatives to nurture the next generation of engineers. For example, new employees to be engaged in engine development receive on-site practical training for three months. During the period, through various experiments they actually run an engine, learn the basic structure of the entire engine and gain a better understanding regarding some 800 parts used in a single engine. Looking ahead, we will continue to focus on development of highly efficient, environment-friendly engines.

Business Overview in Fiscal 2011

Despite a drop in unit sales of car air-conditioning compressors in the Japanese market, higher unit sales in markets outside Japan pushed up overall unit sales by 2.12 million units, or 13%, to 18.83 million units. Net sales amounted to ¥191.8 billion, a year-on-year increase of ¥14.8 billion, or 8%.

■ Compressor Sales



Further Expanding Sales of Electric Compressors

Toyota Industries has developed and launched ahead of competitors car air-conditioning compressors for engine vehicles that have excellent environmental performance, including compactness, lighter weight and fuel efficiency, as well as quieter operation. In recent years, we have been promoting sales expansion of electric compressors. In response to the trend toward the electrification of vehicles, including hybrid vehicles (HVs), we utilized our electrification technologies acquired through the development of motors and succeeded in the world's first mass production of electric compressors. Since initially being installed in the second-generation Prius in 2003, our electric compressors have been fitted in all Toyota HVs, from the Prius to the Lexus CT200h. Our proven sales track record to TMC, coupled with strong product appeal, also has led to adoption of our electric compressors by other automakers. In addition, inquiries for their application in plug-in hybrid vehicles (PHVs) and electric vehicles (EVs) have been increasing from around the world. We intend to further enhance the appeal of our products and expand sales by capturing the growing HV, PHV and EV markets.



Establishment of Car Air-Conditioning Compressor Production Base in Indonesia

In January 2011, Toyota Industries established P.T. TD Automotive Compressor Indonesia (TACI), a new car air-conditioning compressor production base to respond to the growing ASEAN automobile markets. Established within the premises of P.T. DENSO Indonesia, TACI is a spin-off of DENSO Indonesia's compressor business and took over production operations in June 2011. TACI has been supplying compressors for the Etios produced by TMC in India. TACI plans to expand its annual production capacity from the current 1 million units to 1.6 million units by fiscal 2016. By establishing a production base in Indonesia in addition to Japan, North America, Europe and China, Toyota Industries is well positioned to further augment the global supply structure and meet growing compressor demand.

Accelerating Product Development Fine-Tuned to Regional Needs

Toyota Industries strives to collect information and identify needs through technical service stations for automakers established in such countries as the United States, Germany and China. Such activities allow us to precisely reflect regionally diverse needs in product development and create products that satisfy customers. In emerging countries, Toyota Industries has developed products for compact cars, for which demand is strong, and strengthened the supply structure. In North America, Europe and Japan, we seek to enhance our environmental performance and other technological capabilities to meet the increasingly strict regulations concerning vehicle fuel efficiency. We will also strive to establish a solid position as the leading manufacturer based on superb products in terms of performance, quality and price that outperform competitors.

Business Overview in Fiscal 2011

In fiscal 2011, Toyota Industries posted an increase in net sales of car electronics products due to a rise in production of HVs, including the third-generation Toyota Prius, and an increase in the number of HV models fitted with our electronic products, such as the Lexus CT200h launched in January 2010.

Assuming a Greater Role in the HV-Related Field

Toyota Industries develops and produces electronic components and devices for electric-powered vehicles. We have steadily expanded the lineup and scope of vehicle installations, primarily for our auxiliary power source devices. Upon introducing the third-generation Prius, we have entered the field of core components for drive systems.

Auxiliary Power Source Devices

A DC-DC converter converts the high voltage of HV batteries to a lower voltage level suitable for operating lights, wipers, horns and other auxiliary devices. Capitalizing on more than 10 years of experience that started with the first-generation Prius, we succeeded in developing a more compact, lighter-weight converter for the third-generation Prius. As for an electric compressor integrated with an inverter, we have also developed smaller and lighter-weight models and successfully increased the number of vehicles installing our products. We developed an onboard charger optimally designed for use with high-voltage batteries by utilizing our experience in developing EV chargers in the 1990s and 1,500W AC power source devices. This onboard charger is installed in the Prius Plug-in Hybrid launched by TMC in 2009.

Core Components for Drive Systems

Toyota Industries applied our proprietary direct-cooling method to develop a device with significantly higher cooling performance. This direct-cooling device contributed to the realization of a compact and lighter-weight power control unit (PCU) for the third-generation Prius. In January 2010, we initiated an electric power train promotion project that combines the skills and knowledge of all in-house electric motor specialists to bolster the development of core components and systems for drive systems.

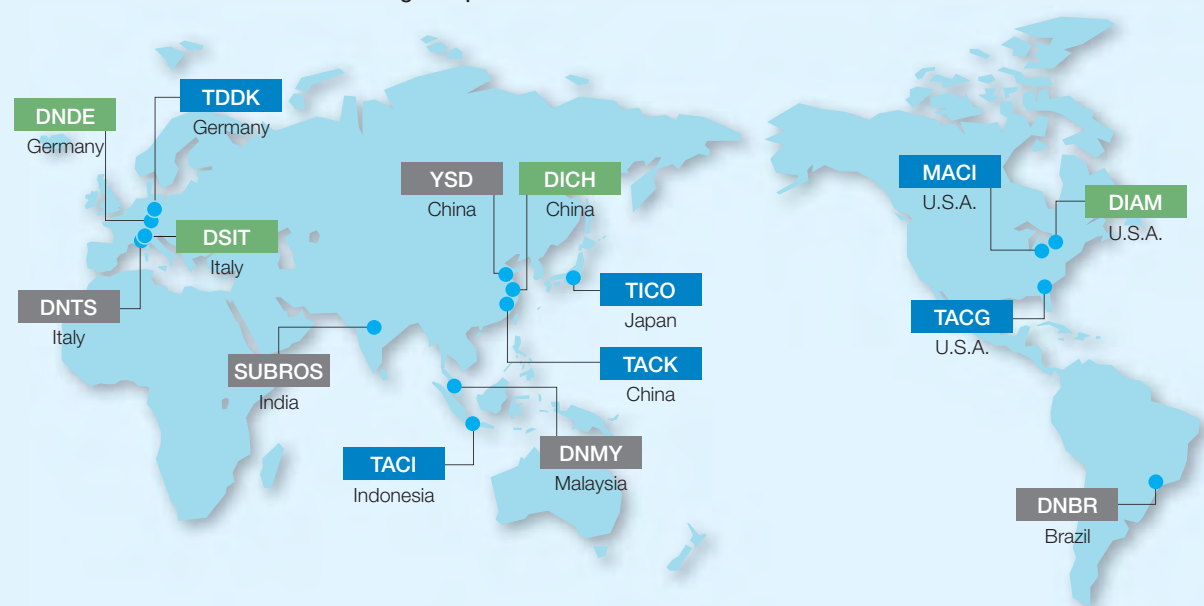
Model Change of Charging Stands for PHVs and EVs

Toyota Industries is also involved in the development of charging infrastructure to promote greater use of PHVs and EVs. In October 2010, we launched sales of a new charging stand for PHVs and EVs jointly developed with Nitto Kogyo Corporation. This product has improved ease of use compared with existing models. It is the first mass-produced charging stand in Japan to feature as a standard specification communication capabilities that are essential for building a charging infrastructure network.

Contributing to the Realization of a Low-Carbon Society

Demand for environment-friendly automobiles with high energy efficiency is expected to grow more rapidly, with the trend toward the electrification of vehicles likely to expand. Enhancement of the charging infrastructure will also take a greater role in promoting the spread of PHVs and EVs. Targeting the high-growth, electric-powered vehicle market, we will accelerate development of technologies and products in the fields of auxiliary power source devices, core components and systems for drive systems and charging infrastructure, thereby making a significant contribution to the realization of a low-carbon society.

Worldwide Bases of Car Air-Conditioning Compressors



Toyota Industries' car air-conditioning compressors are widely adopted by automakers around the world, garnering the No.1* position in global sales.
* Survey by Toyota Industries Corporation

Blue square : Consolidated production bases
Grey square : Licensed manufacturers
Green square : Technical service stations



Prius Plug-in Hybrid fitted with Toyota Industries' onboard charger



Charging stand

Logistics

Leveraging know-how nurtured on the production work floor, Toyota Industries offers customers highly advanced, efficient logistics services. We are committed to supporting customers by anticipating ever-changing needs in such areas as the operation of distribution centers, land transportation services of automotive parts and other products as well as cash collection and delivery and cash proceeds management services and data storage, management, collection and delivery services.



Logistics

Business Overview in Fiscal 2011

In fiscal 2011, sales generated by our cash collection and delivery and cash proceeds management services and automotive parts transportation services remained virtually on a par with the previous fiscal year. Net sales totaled ¥107.7 billion.

Planning, Design and Operation of Distribution Centers

Toyota Industries operates distribution centers for various industries and customers. During fiscal 2011, while operation of existing distribution centers generated a relatively steady materials handling volume, we continued to promote cost reduction activities at logistics sites based on the thinking embodied in the Toyota Production System (TPS) to strengthen our profit structure.

We are working to promote the Logistics Solutions Business that combines hardware, software and operational aspects of logistics and provides optimal solutions tailored to customer needs. As a result of carrying out vigorous sales activities, we successfully obtained two new orders for the consigned operation of distribution centers.

For example, in February 2011, Toyota Industries received a new order for the consigned operation of a distribution center from a wholesaler of pharmaceutical products. Logistics operations in the pharmaceutical field require not only accurate sorting and delivery but also a clean distribution center environment. We will strengthen our presence in the pharmaceutical field by earning customers' trust.

We also actively carry out consulting services to respond to customer needs in an effort to capture latent demand.

Land Transportation Services

In the first half of fiscal 2011, production volume in the automobile industry, our principal customer, showed signs of an upturn spurred by the government's tax benefit and subsidy programs for eco cars. This upturn led to a steady increase in the volume of automotive parts transported by the Taikoh Transportation Group.

In the latter half, however, the volume of automotive parts transportation steeply declined due to the discontinuation of the aforementioned programs

amid the sharp appreciation of the yen, coupled with suspended production following the Great East Japan Earthquake in March 2011. To counter the difficult business climate, we continued to undertake profit improvement activities to maintain the break-even point, and bolstered our business structure.

In addition to cargo transport, we are also concentrating on peripheral logistics services, such as offering various logistics solutions to customers based on our accumulated know-how. To expand our business domains, we are providing solutions that offer the highest logistics efficiency based on the concept of consolidated transport of break bulk cargo for frequent delivery, as well as value-added logistics services that combine manufacturing and transportation operations.



Taikoh Transportation Group's land transportation services

Textile Machinery

The Toyoda Automatic Loom, Type G, the origin of Toyota Industries' establishment, was invented by Sakichi Toyoda based on his philosophy of "contributing to society and the world through manufacturing." Carrying on our predecessors' wisdom and commitment to textile quality, we strive to meet the sensibility of customers who are conscious of the beauty and texture of fabrics.



High Value-Added Services Including Cash Collection and Delivery and Cash Proceeds Management and Data Storage, Management, Collection and Delivery

Asahi Security Co., Ltd. provides cash collection and delivery and cash proceeds management services on a 24/7 basis to about 2,300 customers mainly in the retail and service industries. In addition to cash collection and delivery services tailored to each customer's specific needs, Asahi Security offers comprehensive services that include management of gift certificates and accounting operations at customers' retail outlets and aims to be a total service provider for customers.

In April 2010, Asahi Security opened its 20th business base in Shizuoka Prefecture, further reinforcing its nationwide support service network. At each business base, Asahi Security conducts regular training on its own as well as emergency training jointly with local police departments in order to provide safe and trusted services to customers.

Wanbishi Archives Co., Ltd. provides support to about 4,000 companies and organizations, including large financial institutions and government agencies, through 11 information management centers located primarily in the Kanto and Kansai areas to ensure the security and efficient use of their information assets. Under its robust security structure, Wanbishi Archives offers a comprehensive range of services covering the

entire lifecycle of critical information assets, from generation and utilization to storage and destruction.

After the massive earthquake, making a backup of information assets has become a matter of great importance in terms of developing a reliable business continuity plan (BCP). Wanbishi Archives is improving the quality of its services to achieve higher customer satisfaction by enhancing its data backup services through its secure remote backup and storage operations.

Outside Japan, Wanbishi Archives established a local subsidiary in Kunshan, China, in September 2010 and launched information assets management services in the country, thus expanding its operations in growth markets.

Expanding the Scope of the Logistics Solutions Business

In our efforts to address customers' various logistics needs, we aim to provide more diverse and broader proposals by promoting the logistics solutions business in cooperation with the Materials Handling Equipment Division.

We will continue to provide higher value-added services, capture business opportunities through aggressive sales activities and expand our customer base.



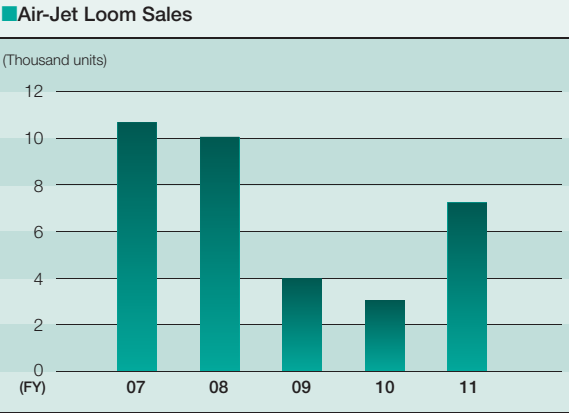
Asahi Security Co., Ltd.'s cash collection and delivery and cash proceeds management services



Wanbishi Archives Co., Ltd.'s information management center

Business Overview in Fiscal 2011

In the textile machinery field, economic recovery in Asia, our principal market, fueled higher sales of both air-jet looms and spinning frames. As a result, Toyota Industries posted an increase of ¥21.9 billion, or 105%, in net sales to ¥42.7 billion.



Sales in Fiscal 2011

In China, amid a recovery in sales of our mainstay air-jet looms, Toyota Industries placed increased emphasis on after-sales services and sales of spare parts. As part of this effort, we replaced our Shanghai Service Center with the establishment of a wholly owned subsidiary, Toyota Textile Machinery (Shanghai) Co., Ltd., in May 2010. Accordingly, we organized campaigns and direct-visit sales activities, which generated about 1.4 times higher sales of spare parts in China than the previous fiscal year.

Focusing on providing customer-centric services, we enhanced Internet sales of spare parts, offered a system to remotely monitor the operating status of each textile machine and promoted sales expansion of remodeled parts that increase production efficiency. As a result of these steady efforts, our global market share in unit sales for air-jet looms reached 36%* in 2010, marking the world's No.1* position for the 14th consecutive year since 1997.

* Statistics from the International Textile Manufacturers Federation (ITMF), 2010

Participated in ITMA ASIA + CITME 2010

In June 2010, ITMA ASIA + CITME 2010, Asia's largest textile machinery trade show, was held at the Shanghai New International Expo Centre. Toyota Industries had one of the largest booths in the exhibition, displaying five JAT710 air-jet looms to demonstrate their capability to weave a wide variety of fabrics at high speed. We also presented our ring spinning frames. Overall, our products were well received by visitors from many countries, including China, India and Pakistan.



Toyota Industries' booth

Pursuing Higher Added Value

In emerging countries, which have been the driving force behind global sales of textile machinery in recent years, demand for premium textile products is growing stronger among consumers mainly in metropolitan areas. Toyota Industries has been working to respond to such needs by developing top quality machinery that can create high value-added textile products, reducing the use of substances of concern and enhancing the energy efficiency and operability of our textile machinery. As part of these efforts, we improved the electronic shedding device of our air-jet loom. The latest loom, which enables weaving of a wider range of fabrics at a higher speed and is equipped with this new electronic shedding device for better energy efficiency, has been on the market since May 2011. We remain committed to striving to provide higher value-added machinery and meeting diversifying customer needs.



JAT710 air-jet loom equipped with the optionally available electronic shedding device



Corporate Social Responsibility

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Impact of the Great East Japan Earthquake and Toyota Industries' Response

Toyota Industries extends our deepest condolences and prayers to the people who have lost their lives and those affected by the Great East Japan Earthquake. We sincerely hope for the safety of the people living in, and a swift recovery as well as reconstruction of, the disaster-stricken areas.

Immediate Response

Immediately following the earthquake that occurred on March 11, 2011, Toyota Industries set up an earthquake countermeasures task force at the Disaster Control Center located within the Head Office in Kariya City, Aichi Prefecture. Initial efforts included accounting for our employees and their families, collecting information on the quake-caused damage to affiliated companies, customers and business partners, and devising a plan to proceed with production operations.

Effects on the Toyota Industries Group and Further Response

There were no reported casualties or injuries or damage to our facilities. The disaster, however, caused suspension or partial suspension of operations at some of our domestic plants due to shortages in parts supply.

As of early July, except for some plants, production had almost recovered to pre-earthquake levels through measures that included switching to alternative parts and providing support to our business partners.

We will continue to make our utmost efforts for the complete normalization of production activities while working to reinforce our risk management structure.

Major Support Activities

■ Relief funds

- The Toyota Industries Group made monetary donations through Japan Platform, a non-profit organization (NPO), and other organizations.

■ Fund-raising activities

- Toyota Industries' management and employees as well as various employee associations made donations to the Central Community Chest of Japan and other organizations.

■ Relief supplies

- We donated a total of 31 lift trucks and small shovel loaders to the affected areas.
- We started sending out daily commodities, including water, food and hygiene products, within a day after the earthquake.



Corporate Philosophy

(Toyoda Precepts, Basic Philosophy and CSR Policy)

Guided by a strong ambition to “contribute to society and the world through *monozukuri* (manufacturing),” Toyota Group founder Sakichi Toyoda devoted himself to “endless creativity, inquisitiveness, and the pursuit of improvement” and made various inventions including the non-stop shuttle-change Toyota Automatic Loom, Type G. The spirit of Sakichi is enshrined in the Toyoda Precepts, formulated in 1935 and passed down today in our Basic Philosophy, which we established in 1992 and revised in 1998.

The business environment surrounding Toyota Industries is continuing to evolve rapidly and dramatically. Regardless of changes in the business environment and values, we remain unchanged in our belief that realizing our Basic Philosophy is the cornerstone of the Toyota Industries Group's corporate social responsibility (CSR). Acting on this belief, in March 2009 we formulated and implemented the Toyota Industries Group CSR Policy, which clarifies our relationships with stakeholders, namely customers, employees, business partners, shareholders and local and global communities.

The CSR Policy is divided into nine areas, and the CSR Committee* confirms and evaluates the implementation status of this policy and promotes CSR activities.

* Chaired by the president, the committee convenes twice per year and consists of directors, managing officers and corporate auditors.

■ Toyoda Precepts

- Always be faithful to your duties, thereby contributing to the Company and to the overall good.
- Always be studious and creative, striving to stay ahead of the times.
- Always be practical and avoid frivolousness.
- Always strive to build a homelike atmosphere at work that is warm and friendly.
- Always have respect for God, and remember to be grateful at all times.

■ Basic Philosophy

[Respect for the Law]

Toyota Industries is determined to comply with the letter and spirit of the law, in Japan and overseas, and to be fair and transparent in all its dealings.

[Respect for Others]

Toyota Industries is respectful of the people, culture, and traditions of each region and country in which it operates. It also works to promote economic growth and prosperity in those regions and countries.

[Respect for the Natural Environment]

Through its corporate activities, Toyota Industries works to contribute to regional living conditions and social prosperity and also strives to offer products and services that are clean, safe and of high quality.

[Respect for Customers]

Toyota Industries conducts intensive product research and forward-looking development activities to create new value for its customers.

[Respect for Employees]

Toyota Industries nurtures the inventiveness and other abilities of its employees. It seeks to create a climate of cooperation, so that employees and the Company can realize their full potential.

■ CSR Policy (Preamble)

We, Toyota Industries Corporation and our subsidiaries, contribute to the harmonious and sustainable development of society and the Earth through all business activities that we carry out in each country and region based on our Basic Philosophy.

We comply with local, national, and international laws and regulations as well as the spirit thereof, and we conduct our business operations with honesty and integrity.

In order to realize sustainable development, we carry out management with an emphasis on stakeholders, and we will endeavor to build and maintain sound relationships with our stakeholders through open and fair communication.

We expect our business partners to support this initiative and act in accordance with it.

Access Toyota Industries' Website for details.
<http://www.toyota-industries.com/corporateinfo/philosophy/>

CSR Areas



Corporate Governance Structure

Basic Perspective of Corporate Governance

Toyota Industries strives to enhance the long-term stability of its corporate value and maintain society's trust by earnestly fulfilling its CSR commitments in accordance with its Basic Philosophy.

To that end, Toyota Industries strives to enhance its corporate governance based on the belief that maintaining and improving management efficiency and the fairness and transparency of its corporate activities is of utmost importance.

Implementation Structure

Toyota Industries convenes monthly meetings of the Board of Directors to resolve important management matters and monitor the execution of duties by directors. Outside directors attend meetings of the Board of Directors, in which they give opinions and ask questions as deemed necessary to ensure legality and validity of decisions of the Board of Directors as well as directors' execution of duties. Additionally, we have adopted the Managing Officers System, which enables managing officers to focus solely on the execution of

business operations and speed up decision making. The Management Committee, which is composed of directors above the executive vice president level as well as relevant directors, managing officers and corporate auditors, deliberates on a variety of issues concerning important management matters such as corporate vision, management policies, medium-term business strategies and major investments.

Toyota Industries has a divisional organization system, with significant authority delegated to each business division. For especially crucial matters, however, we have established the Business Operation Committee to enable the president to meet with the heads of each business division regularly to monitor and follow the status of their business execution. To strengthen our business structure, in June 2010 we set up the new position of business division executive director to perform such duties as drawing up strategies, while the division heads concentrate on the execution of business operations. At meetings of the Management Council, directors, managing officers and corporate auditors convene to report and confirm the monthly status of business operations and share overall deliberations at Board of Directors meetings and other management-related information. Matters pertaining to quality, safety, human resources, the environment and other aspects are discussed at corresponding functional meetings and by respective committees.

Board of Corporate Auditors System

Toyota Industries has adopted a board of corporate auditors system. Two full-time corporate auditors and three outside corporate auditors attend meetings of the Board of Directors to monitor the execution of duties by directors. At the same time, meetings of the Board of Corporate Auditors are held once a month to discuss and make decisions on important matters related to auditing. The full-time corporate auditors carry out auditing by attending primary meetings and receiving reports directly from directors. Additionally, we have assigned dedicated personnel, while corporate auditors monitor the legality and efficiency of management through collaboration with independent auditors and the Audit Department.

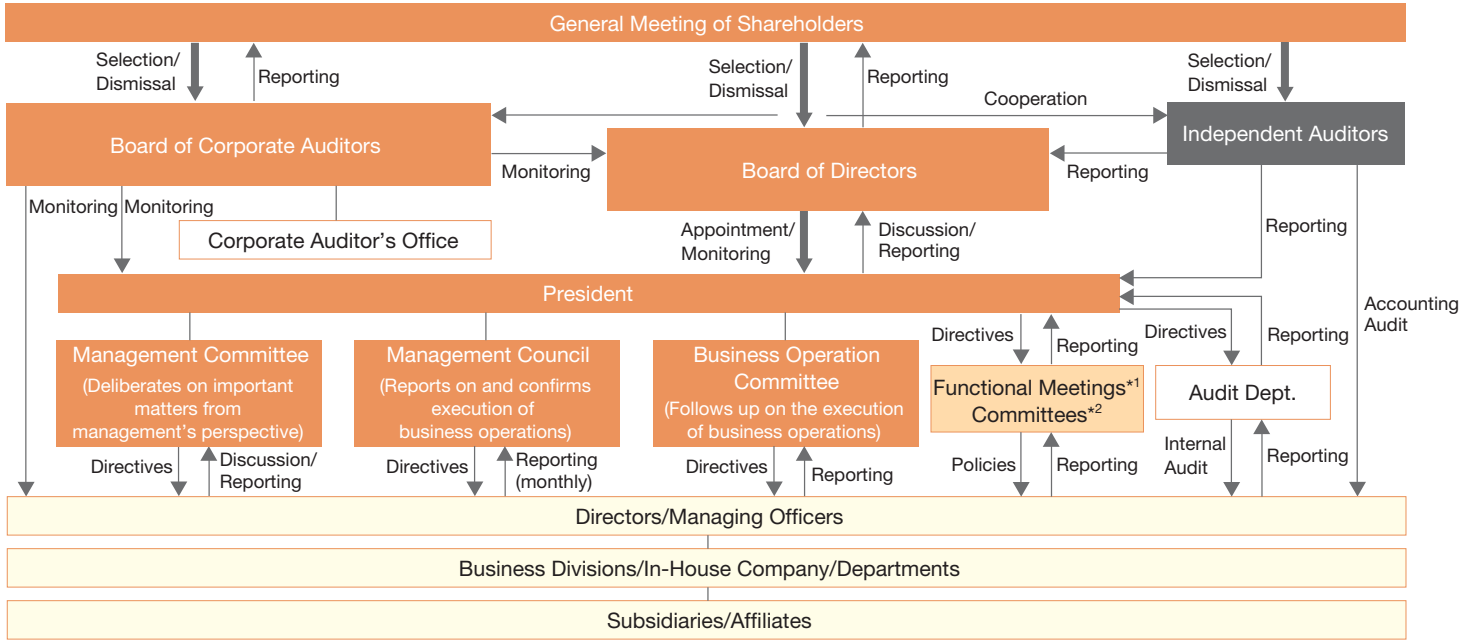
As a publicly listed company, Toyota Industries strives to ensure the fairness and transparency of management. Following the Securities Listing Regulations stipulated respectively by the Tokyo Stock Exchange, Osaka Securities Exchange and Nagoya Stock Exchange, we designated as independent auditors two outside auditors who have no conflicts of interest with our shareholders to further enhance our corporate governance.

Internal Control System

In accordance with the Corporation Law of Japan, in May 2006 Toyota Industries' Board of Directors adopted the Basic Policies for the Establishment of an Internal Control System (Basic Policies) to ensure compliance, risk management as well as the effectiveness and efficiency of business operations. The CSR Committee, during its meeting held in March, assesses the progress made in implementing the Basic Policies in the year under review and determines actions for the coming year, including reviewing the implementation structure and enhancing day-to-day operational management.

Furthermore, based on the Financial Instruments and Exchange Law (so-called Japanese Sarbanes-Oxley Act), we have built and continued operating and evaluating an internal control system to maintain the reliability of financial reporting, while assessing the effectiveness of our internal controls and undergoing audits by independent auditors. We determine which Toyota Industries Group companies, including consolidated subsidiaries in and outside Japan, to include in the scope of the effective assessment, taking into consideration the degree of impact on the reliability of our financial reporting. As for the company-level, process-level, IT in general and financial reporting controls, the Audit Department reviews the status and progress and provides guidance on remedial actions if efforts are not adequate.

We determined that our internal controls over financial reporting as of the end of fiscal 2011 are effective, and accordingly, submitted an Internal Control Report in June 2011. The report was reviewed by independent auditors and judged fair in their Independent Auditors' Report.



These entities deliberate and follow up on issues in respective areas.

Emergency Profit Improvement Committee
In response to the rapid downturn in our business environment, Toyota Industries has established the Emergency Profit Improvement Committee on December 1, 2008 directly under the president. Aiming to reduce expenses and other costs, we are carrying out profit improvement activities throughout the Company via seven different subcommittees.

Compliance

Basic Perspective

We believe that compliance means more than the mere adherence to laws and regulations. It is based on the behavior of each and every employee in accordance with ethics and social norms.

Implementation Structure

We have put in place a system to promote compliance throughout the Toyota Industries Group. As part of efforts to facilitate compliance activities, we have set up the Compliance Committee and appointed a compliance officer* responsible for overseeing its operation in each of our consolidated subsidiaries in and outside Japan. Under our CSR Policy, we have also devised code of conducts befitting the laws and practices of each country as well as the line of business at each subsidiary. We are working to familiarize every employee with the details via a range of educational programs.

We regularly provide executive training in Japan and hold regional compliance officers meetings outside Japan to make a timely response to any amendments to laws and regulations, share information on measures adopted to handle violations or issues and take the necessary action to prevent recurrence of any problems.

Moreover, Toyota Industries performs a CSR self-assessment to confirm the status of compliance on an annual basis using a checklist comprised of 60 to 250 items defined for each of the applicable laws.

If any of these items are found to be insufficient, each responsible department and respective subsidiaries work together to make improvements.

We also operate a compliance hotline that allows employees and their families to seek advice on compliance-related matters without being exposed to negative consequences, as well as to make adequate responses. The compliance hotline is also made available to our subsidiaries in Japan. We regularly hand out a pamphlet to subsidiaries' employees to inform them of the service. Major consolidated subsidiaries outside Japan are also setting up and disseminating information on a similar compliance hotline through their respective compliance officers.

As a symbol of these global activities, the CSR Committee adopted a logo that combines an image of the globe and the message "Doing Business with Integrity." This logo is used on various educational and other in-house materials to raise awareness of the importance of compliance among employees.



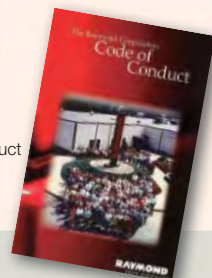
Pamphlet regarding compliance hotline



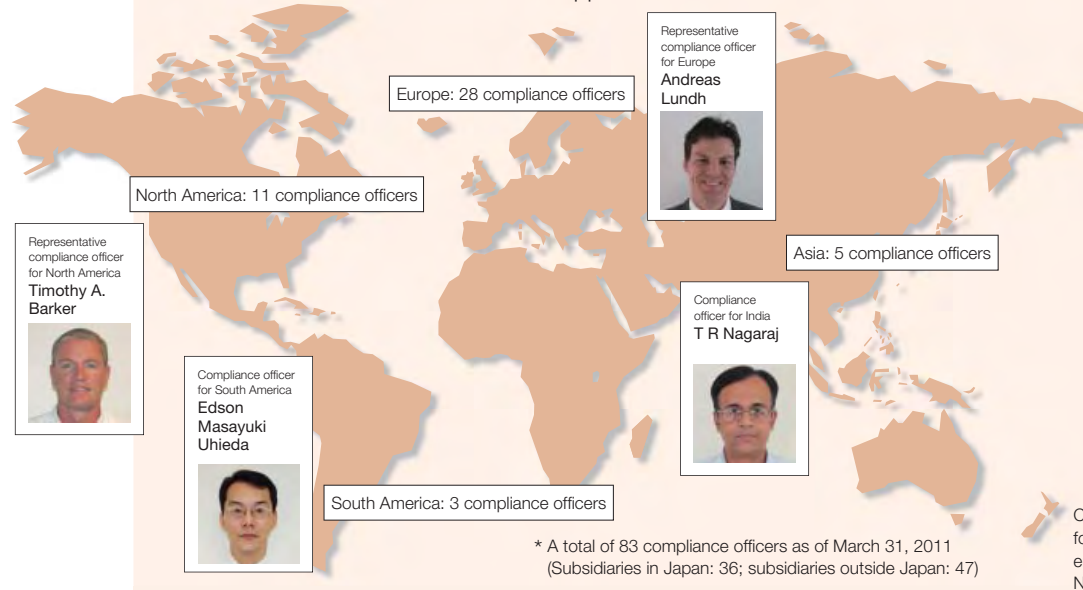
Portable Code of Conduct Handbook for employees in China (TIK, TIAP, TACK)



Code of Conduct for TMHE Group employees in Europe



Code of Conduct for Raymond employees in North America



* A total of 83 compliance officers as of March 31, 2011
(Subsidiaries in Japan: 36; subsidiaries outside Japan: 47)

Risk Management

Basic Perspective

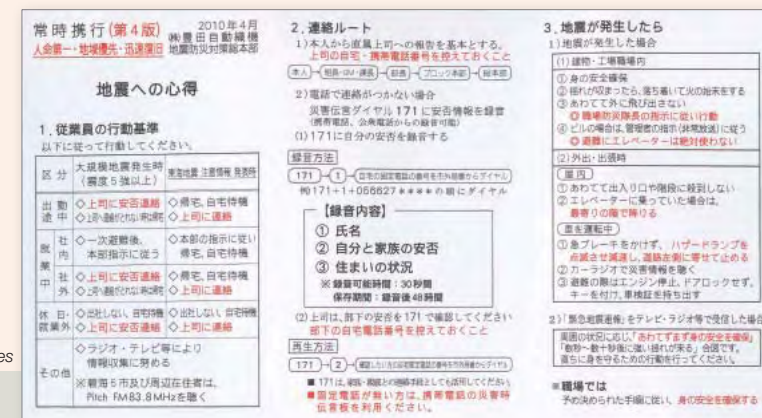
Based on the Basic Policies for the Establishment of an Internal Control System, Toyota Industries is working to strengthen regulations and a structure to promote risk management. Our proactive measures are designed to prevent and control potential risks, and when a risk becomes apparent, to ensure quick and precise actions to minimize impact.

Implementation Structure

Business divisions and other departments at the Head Office develop and promote annual action policies that integrate measures to prevent and control risks related to quality, safety, the environment, export transactions, disasters and information security. Progress is assessed and followed up by each functional committee such as the CSR Committee and the Environmental Committee. The functional departments at the Head Office define rules and procedures, conduct training and auditing of business operations and carry out on-site checks from a Group-wide perspective in an effort to support the activities of business divisions and consolidated subsidiaries.

Our *Crisis Response Manual*, which lays out basic rules to follow when a risk becomes evident, are distributed not only to top management and heads of departments but also to consolidated subsidiaries. These basic rules set out procedures and the means for immediately reporting the occurrence of a risk to top management, identifying the magnitude of its impact on society and on our business activities, and taking appropriate actions to minimize its impact.

In Japan, we conduct immediate action training and have in place a set of specific rules to follow upon the occurrence of an earthquake. These rules are compiled in our *Rules in Case of Earthquakes*, which all employees are required to carry at all times.



Rules in Case of Earthquakes

Management of Confidential Information

Basic Perspective

Toyota Industries recognizes the importance of appropriately managing confidential information and includes "management of confidential information" as one of the CSR areas. We are making our utmost efforts to safeguard and manage confidential information.

Implementation Structure

Under the CSR Policy, we have implemented a system to promote management of confidential information. To take appropriate actions against the leakage of the confidential information or personal data of customers or employees and to comply with the Unfair Competition Prevention Act and the Personal Information Protection Law, the CSR Committee determines policies, while the Information Security Subcommittee (led by an executive in charge of general administration) promotes activities to implement preventive measures.

Specifically, we perform periodic reviews of our Confidential Information Management Regulations (originally formulated in April 1987 and last revised in February 2011) and encourage information security administrators*¹ and information security managers*² to cultivate awareness among their staff through workplace meetings.

Our consolidated subsidiaries around the world have also developed guidelines for management of confidential information and have been promoting preventive activities mainly through their respective managers of confidential information.

Examples of such activities include antitheft measures, requiring employees to obtain permission when taking their PCs off the premises and restricting the copying of electronic data on recording media.

*1: Head of each department
*2: A person within the department, appointed by the head

Relationship with Our Customers

Corporate Social Responsibility

Relationship with Our Customers

“A product should never be sold unless it has been carefully manufactured and has been tested thoroughly and satisfactorily.”

Carrying on the spirit of founder Sakichi Toyoda, Toyota Industries strongly believes that quality is the lifeblood of a company. Maintaining and improving quality to ensure customer safety and reassurance is our most important responsibility to our customers. A “Customer First” philosophy forms the basis of our CSR approach.

Toyota Industries strives to maintain and improve the total quality of our corporate activities, which encompasses “product quality,” “marketing quality” and “management quality.” “Product quality” is embodied in the safety, eco-friendliness, durability,

ease of use and workmanship of our products, “marketing quality” in excellent sales and service and “management quality” in our overall corporate image and brand strength.



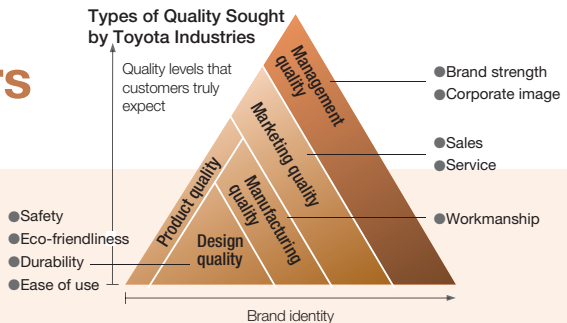
Site inspection by the president

Ensuring the Highest Quality

Placing top priority on our Customer First philosophy, Toyota Industries undertakes product development from the customer’s viewpoint. At Toyota Industries, development of a new product entails defining specific goals and incorporating quality in every stage from product planning and development to production preparation, production, sales and after-sales services. A design review (DR) is performed at each development milestone. This system allows a product to proceed to the next stage only when a responsible business division head examines and approves whether the product has reached the target quality level from a management viewpoint. Should a defect occur after the product launch, the quality assurance departments of each business division immediately devise necessary measures and review the product development process to prevent recurrence in subsequent models.

Ensuring Customer Safety and Reassurance

To provide safe products that customers feel satisfied and use with a feeling of reassurance, we constantly



listen to customer voices and incorporate these into R&D on new products and functions that anticipate the needs of the times. In the lift truck and textile machinery fields, for example, we operate customer consultation desks and service centers to directly interface with customers. We promptly respond to their feedback, while their comments and requests are fed back to the design and other relevant departments for use in product improvements and new product development. As a Company-wide effort, each department faithfully follows the concept of “jikoutei-kanketsu (build in quality with ownership)” to incorporate quality in each process to ensure that no defective products are sent to post-processes. Each department collaborates to identify quality-degrading factors and their underlying causes and puts in place adequate measures to prevent defects from occurring or recurring to deliver safety and reassurance to our customers.

Adhering to the Basics of Quality Assurance

Every year, we issue the Quality Guidelines, which identify priority quality implementation items to all production bases in and outside Japan. The progress made in implementing these guidelines is reviewed at meetings of the Quality Functional Meeting, while the top management personally visits production bases in and outside Japan to conduct *genchi genbutsu* (go and see for yourself) inspections. In fiscal 2011, we placed top priority on customer viewpoints, prevention and creating workplaces focusing first and foremost on quality. Issues raised through these activities are taken to the Company-wide Council of Heads of Quality Assurance Departments for the earliest possible resolution. In fiscal 2012, we will continue to promote our Customer First philosophy, placing particular emphasis on enhancing our product planning capabilities, undertaking actions to prevent defects from occurring and recurring, and building a business structure matched to customers’ expectations. Toyota Industries is committed to improving the level of customer satisfaction. To that end, we strictly follow the procedures for each process as specified and work to ensure that no defective products are sent to post-processes. We are resolutely implementing this very basic practice of quality assurance at production bases in and outside Japan.

Relationship with Our Associates

Building a Safety-Oriented Culture that Aims for Zero Accidents

In accordance with our fundamental policy of “creating workplaces and people capable of autonomously maintaining occupational health and safety,” Toyota Industries strives to prevent industrial accidents and realize better work environments to achieve “zero accidents.” In fiscal 2011, we carried out activities under the following three principal policies. ■ 1) Create a Foundation for Realizing a Safety-Oriented Culture

We worked to create a safety-oriented culture with such measures as establishing a safety *dojo* in each plant and strengthening activities to further raise safety awareness in addition to basic safety activities as prioritized by each plant. ■ 2) Promote Risk Assessment Activities We continued to promote risk reduction activities by identifying crucial processes and performing a review of each process in accordance with the risk assessment manual to find and counter any issues. ■ 3) Enhance Safety in the Fundamental Aspects of Lift Truck Operations

While continuing to require lift truck operators to wear seat belts at all times, we re-evaluated the operating range of each lift truck and separated zones designated for walking and operating lift trucks.

We regret to report that on November 23, 2010, a fatal accident occurred at the Takahama Plant. We are deeply saddened by this terrible loss. Pledging never to repeat this kind of accident, we conducted an investigation into the cause and drew up a set of countermeasures. We conducted a comprehensive inspection of all equipment at the Takahama Plant and implemented measures to address problems that were identified. Similar measures have been carried out at all other plants as well. We also held an emergency meeting in each of our workplaces to alert and raise safety consciousness among our associates.

Assisting Consolidated Subsidiaries in Achieving Even Higher Safety and Health Levels

For our consolidated subsidiaries in Japan, we have been working with the relevant departments to hold a variety of seminars on such topics as compliance as

well as conduct periodic on-site inspections and offer guidance. If an industrial accident occurs at any of the Toyota Group companies or other affiliated companies, details are sent to each Toyota Industries Group company and the information is shared for prevention purposes. During work hours, we conduct a *genchi genbutsu* check to raise the safety and health level in each workplace. We also have introduced a safety *dojo* at subsidiaries outside Japan to help build a foundation for achieving higher safety and health levels by nurturing human resources who can autonomously conduct basic safety practices and introducing a risk assessment system.

Health Management and Improvement

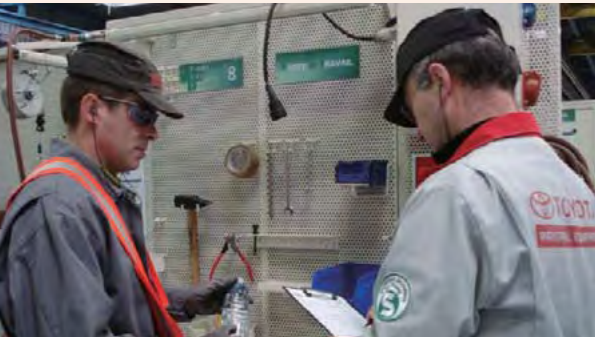
As a task for the medium term, we are promoting associate health improvement programs to counter risks associated with aging and greater stress. Specifically, we provide health guidance for persons with metabolic syndrome and conduct periodic age-based health education to maintain and promote their health and wellness. Mental health care activities include providing self-care/line-care education, building closer collaboration with external medical institutions and enhancing our work-resumption support systems.

Associate Wellness and Mental Health Care Activities

Activities	Descriptions
Health guidance on lifestyle diseases	• Specific health examinations for metabolic syndrome • Guidance on health maintenance following specific health examinations • Age-based health education courses
Mental health care	• Job rank-based mental health care education • Return-to-work support through probationary employment system



Separating walking and lift truck operating zones (Kariya Plant)



A safety *dojo* practice at Toyota Industrial Equipment, S.A. (TIESA), a materials handling equipment production company in France

Corporate Social Responsibility

Relationship with Our Associates

Enhancing Team Strength

Toyota Industries believes that increasing team strength is vital to forming a dynamic workforce and achieving sustainable corporate growth. We intend to build a more solid team strength by combining the “skills,” “wisdom” and “spirit” of each associate.



We believe that team strength is made up of “technical skills” that form the basis of manufacturing operations, “management skills” to make maximum use of technical skills and “spirit of harmony” that supports both. While further enhancing our team strength, we are striving to extend and hand it down beyond all business domains, generations and geographic regions.

One example of such initiatives is a training program targeting all administrative staff and engineers to increase their problem-solving capability. In fiscal 2011, we launched this training program at business bases outside Japan, with the aim of sharing the way we work, our perspectives and our values throughout the Toyota Industries Group.

We are currently working to enhance the skills of our technical staff primarily by providing training programs at the Technical Learning Center. At the 48th National Skills Competition held in October 2010, Toshiyasu Inaki won a gold medal in the “welding” category. He will compete at WorldSkills London 2011 along with other skilled professionals from around the world.

Establishing Work Environments Where Diverse Human Resources Can Play Active Roles

We are implementing a variety of measures to create work environments where a diverse range of human resources can fully exercise their capabilities. These measures include supporting a balance between work and child/nursing care, supporting the employment of persons with disabilities and enhancing a re-employment system for associates who reach the mandatory retirement age.

■ Balance between Work and Child/Nursing Care

We have already rolled out several initiatives to help our associates balance their work and family. For example, we regularly hold exchange meetings regarding child/nursing care to facilitate communication among staff members and increase awareness. During fiscal 2011, we set up a page on our intranet to help associates maintain a balance between work and child/nursing care.



Diversity Navi exchange meeting

■ Employment of Persons with Disabilities

We respect the idea of people with and without disabilities working together and sharing life and work values. Under this basic policy, we continue to employ persons with disabilities every year. They are assigned to a variety of sections and work with other staff members to perform their designated tasks. In fiscal 2011, the number and ratio of associates with disabilities on a non-consolidated basis were 186 and 2.05%, respectively.

■ Re-Employment of Retirees

We have established a system to rehire staff of retirement age, offering them an opportunity to make the best use of their advanced expertise and skills in carrying out business operations. We have also been making Company-wide efforts to set up a comfortable working environment for senior associates.

Creating a Bright, Energetic and Caring Work Environment

Toyota Industries is creating a work environment that fosters a dynamic workforce and allows every member to demonstrate his or her capabilities both as an individual and as a team. To that end, we believe it is important to cultivate teamwork via close communication. Throughout the world, we are proactively encouraging communication not only during work hours but also through social gatherings, sports days, summer festivals, *ekiden* long-distance relay races and cheer squads for various sports events.

Relationship with Our Business Partners

Fair Competition Based on an Open Door Policy

We have a fair entry process that allows all potential business partners, regardless of nationality, size and experience, the same opportunity to offer us their products or services through our Website to achieve broad and open procurement.

We comprehensively evaluate our business partners based on quality, price, their adherence to delivery times, technological capabilities and company stability. We also assess their initiatives for safety, the environment and compliance as we strive for the timely procurement of excellent products at lower costs based on fair business transactions.

Co-Existence and Co-Prosperity Based on Mutual Trust

We work hard to realize co-existence and co-prosperity with our business partners based on mutual trust. We hold annual procurement policy meetings for major business partners to gain their understanding and cooperation. In order to consistently procure better products, we also conduct quality and technical skills training programs and provide guidance directed toward improving manufacturing processes at business partners' production sites.

Reducing Environmental Impact through Environmentally Preferable Purchasing

In order to create environmentally friendly products, we aim to procure parts, materials and equipment from business partners that always give sufficient consideration to the environment. Based on our Environmentally Preferable Purchasing Guidelines, we require our business partners to establish an environmental management system. Particularly for parts and raw materials, we make it a rule for business partners to acquire external certification on their environmental management systems such as ISO 14001.

Regarding environmental impact, we require the suspension and reduction of the use of substances of concern as well as the management of usage of these substances if they are included in our products or manufacturing processes. For products that will become a component of Toyota Industries' products or that will be used in our manufacturing processes, our

procurement system requires our business partners to submit in advance a non-use declaration of prohibited substances as well as data on substances of concern, including a report on the substances contained in parts. Only after confirmation is carried out do we purchase these parts.

Localization of Business for Good Corporate Citizenship

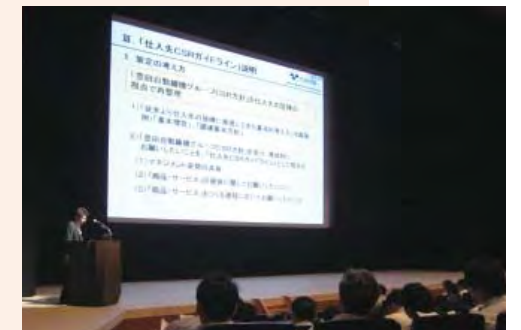
As a company that undertakes local production outside Japan, we promote procurement from local business partners in order to contribute to the local community.

Further Promoting CSR

We provide education internally to all relevant persons for the purpose of strictly complying with the competition laws of each country and to maintain fair business transactions. It is Toyota Industries' and our business partners' policy to strictly abide by both the letter and spirit of laws and regulations while also carefully handling and protecting confidential corporate information of our business partners and Toyota Industries.

In fiscal 2011, we developed the CSR Guidelines for Business Partners, which describe our CSR-related requirements for our business partners in Japan, and held a meeting to explain the details to partners. We also held three study sessions for our major business partners to encourage their respective CSR activities.

We will continue to promote activities around the world to comply with CSR throughout our supply chain.



Meeting on CSR Guidelines for Business Partners



Materials provided to business partners

Relationship with Our Shareholders and Investors

Our Policy regarding Information Disclosure

Toyota Industries continually carries out timely and appropriate information disclosure for shareholders and investors. In this way, we raise management transparency so that we obtain an appropriate company valuation in stock markets. We provide not only information required under disclosure laws and regulations but also information that fosters a better understanding of our management policy and business activities.

Timely and Appropriate Information Disclosure to Shareholders and Investors

Toyota Industries strives to promote good communications with its shareholders and investors and reflect their comments and requests in our business activities.

For institutional investors and securities analysts, our management conducts briefing sessions to explain our quarterly financial results. We also hold small and individual meetings on an as-needed basis. For individual investors, we hold corporate briefings to explain an overview of our business activities and future initiatives.

For the purpose of fostering a better understanding of our business activities, we invite our shareholders for a plant tour immediately following the general shareholders' meeting.

Additionally, the Toyota Industries Website features an Investor Relations page for prompt information disclosure. We use RSS feeds (in Japanese) to provide the latest information in a timely manner.

Available Publications

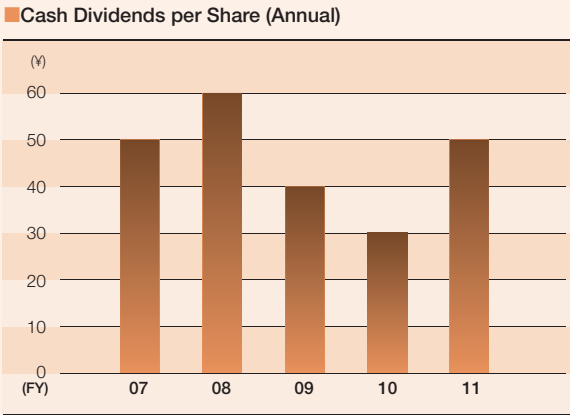
- Financial Results
- Annual and Quarterly Financial Reports
- Shareholder Reports
- Toyota Industries Reports*

* This publication combines our Annual Report and CSR and Environmental Report.



Dividend Policy

Toyota Industries regards returning profits to shareholders as one of the most important management policies. Accordingly, we strive to continue paying dividends and meet the expectations of shareholders upon taking into consideration such factors as business results, demand for funds and the payout ratio. For fiscal 2011, Toyota Industries paid annual cash dividends per share of ¥50.0 (interim cash dividend per share of ¥25.0 and year-end cash dividend per share of ¥25.0).



Meeting with institutional investors

Relationship with Our Local Communities

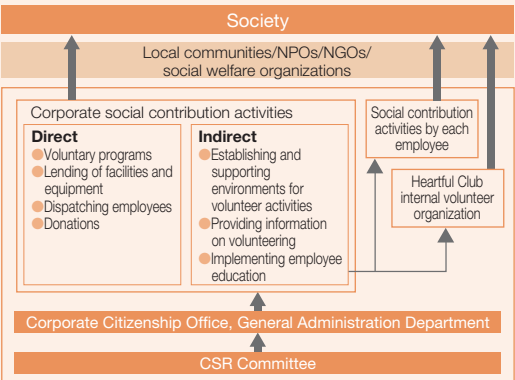
Actively Promoting Social Contribution Activities

While striving to achieve sustainable growth as a company, we work to fulfill our role as a good corporate citizen and actively undertake social contribution activities in every community where we do business in our efforts to help realize a prosperous and healthy society.

To accomplish this, Toyota Industries proactively offers cooperation and support with the objective of contributing to local communities by providing human resources, facilities, funds and know-how. Each of our employees also strives to contribute to society through such means as volunteer activities.

Structure for Promoting Social Contribution Activities

The Corporate Citizenship Office within the General Administration Department at the Head Office deliberates on details of our social contribution activities with other relevant departments at meetings of the CSR Committee, which has been established under our CSR Policy.



Activity Examples (in Japan)

Mini Concerts at Elementary Schools

In fiscal 2011, Toyota Industries started organizing mini concerts at elementary schools located in Obu and Takahama cities, Aichi Prefecture. We will continue to promote this activity to provide an opportunity for children to refine their senses with great music by first-rate musicians.



Mini concert at an elementary school in Obu City

Three Pillars of Our Social Contribution Activities

Toyota Industries is committed to building a close relationship with every local community in which we operate, placing particular emphasis on youth development, the environment and social welfare.

Youth Development

With the aim of contributing to the sound growth of youth through *monozukuri* (manufacturing) and work experiences, we hold events jointly with Youth Invention Clubs, conduct workplace visits and engage in other activities.

Environment

As a member of the local community, we carry out a range of environment-related activities, including promoting the use of wood thinned from forests in Japan and conserving forests through employee volunteer programs to contribute to the development of a sustainable society.

Social Welfare

To help develop local communities where everyone enjoys an active life, we hold various social welfare events to encourage exchange with persons with disabilities and conduct joint fund-raising programs with our consolidated subsidiaries in Japan.

“RECOLO no Mori” Forest Program

Wanbishi Archives Co., Ltd., a subsidiary engaged in information storage, management, collection and delivery services, planted 500 Zelkova trees in June 2010. This tree-planting activity is named after its confidential document destruction service, “RECOLO” (recycle ecology locker). The name embodies its employees’ desire to promote paper recycling through their business activities.



“RECOLO no Mori” forest

Activity Examples (outside Japan)

[India] Environmental Conservation Initiatives

Kirloskar Toyoda Textile Machinery Pvt. Ltd. (KTTM), a subsidiary manufacturing and selling spinning frames, invites local children to its tree-planting event every year. KTTM also visits elementary schools and provides a lecture on the environment, thereby making a joint effort with the local community to promote environmental conservation.



Tree-planting event

[Italy] Plant Tour and Social Gathering Events

L.T.E. Lift Truck Equipment S.p.A. (LTE), a materials handling equipment production subsidiary, invites members of the local community and hosts plant tours and social gathering events. In November 2010, LTE invited local high school students for a plant tour and social gathering with its employees, thereby providing an opportunity to gain a better understanding of the business activities of the company.



Plant tour with local high school students

[Germany] Growing Hand in Hand with the Local Community

TD Deutsche Klimakompressor GmbH (TDDK), a car air-conditioning compressor production subsidiary, sends gifts to local kindergartens and promotes international exchange between local children and the children of Japanese employees working for TDDK. TDDK also participates in sports and other local events, building a strong bond with the local community.



Children taking part in an international exchange gathering

[U.S.A.] Supporting NPOs

Toyota Material Handling, U.S.A., Inc. (TMHU), a materials handling equipment sales subsidiary, promotes social contribution activities for the local community. In 2010, TMHU held a fun campaign called Denim for Dollars, in which employees donate a minimum of US\$5 to wear casual clothing to work on the last Friday of the month. The year-long program raised US\$4,000, which was donated to local NPOs.



Employees supporting NPO activities

Toyota Industries Report 2011

Environmental Initiatives

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Masafumi Kato
Senior Managing Director

An Interview with the Chief
Environmental Administrator

Doing What We Can—Our Own Approach to “CO₂ Cancel” Was Born from That Desire

Having completed the Fourth Environmental Action Plan at the end of fiscal 2011, Toyota Industries has proceeded to renew its efforts under the new Fifth Environmental Action Plan, starting from fiscal 2012.

Many environmental problems, including global warming, are becoming even more serious, and companies are also required to work even harder to counter these problems. Amid such circumstances, we asked Masafumi Kato, Senior Managing Director and chief environmental administrator, to review what we have done and achieved under the Fourth Environmental Action Plan and how Toyota Industries will carry out environmental conservation activities through the new plan.

Looking Back on the Fourth Environmental Action Plan



Fiscal 2011 was the final year of the fourth plan (fiscal 2007 - fiscal 2011). How do you sum up the outcome of this five-year program?

Kato: The Fourth Environmental Action Plan placed strong emphasis on globalization and consolidated management, and we extended the scope of the plan to include both Toyota Industries and consolidated subsidiaries in and outside Japan. We successfully attained all the numerical targets set forth in the plan, and I believe that the activities in the past five years have allowed us to build a global foundation to tackle environmental issues.



What initiatives did efforts focus on during the five-year period?

Kato: In production activities, we have implemented a range of initiatives under the belief that reduced environmental impact directly results in lower costs.

First of all, we placed the highest priority on reducing CO₂ emissions. Over the course of five years, society's concerns regarding global warming have risen significantly, making CO₂ reduction essential for business activities.

To fulfill our responsibility, we formed a Company-wide cross-sectional committee to specifically handle issues related to the reduction of CO₂ emissions. While lowering CO₂ emissions by means of large-scale investments, we made Company-wide efforts to reduce energy loss by augmenting our internal ESCO* activities and raising awareness among employees to reduce waste. Through these activities, we achieved a marked improvement in this area.

On the product development front, we kept pace with the general trend toward eco-conscious products. By focusing on 3Es (energy, environmental protection and ecological thinking) and developing unique technologies that anticipate future needs, we successfully created products with excellent environmental performance.

In the automobile field, development efforts were devoted to reducing size and weight as well as improving the efficiency of our electric compressors, inverters and converters, which are major components of electric-powered vehicles such as hybrid vehicles (HVs) and electric vehicles (EVs). We also accelerated development of charging stands in order to contribute to the enhancement of a charging infrastructure, which

is vital to promoting greater use of electric-powered vehicles. In addition, we focused on lowering environmental impact by developing highly fuel-efficient, clean diesel engines that meet fuel-efficiency and emissions standards in Europe and other regions.

In the materials handling equipment field, we developed diesel-powered internal-combustion hybrid lift trucks with considerably lower fuel consumption and CO₂ emissions compared with conventional diesel-powered lift trucks, thereby achieving the world's top-class environmental performance. These hybrid lift trucks have already gained high market recognition as environment-conscious products. (For more details, see TOPICS on page 66.)

* ESCO stands for Energy Service Company. ESCO activities involve providing comprehensive services related to energy conservation and supporting energy conservation activities.

Environment-Related Issues in Society in the Future



The targets set forth in the fourth plan have been achieved. What will be the environment-related challenges in the future?

Kato: The growing world population is expected to have an increasingly negative impact on the global environment. Although the world is becoming steadily warmer, the international community still fails to take corrective actions and agree on the international targets for reducing CO₂ emissions other than those defined in the Kyoto Protocol. There are concerns regarding the depletion of natural resources, including water and rare earth metals, which are essential in manufacturing. Also, the loss of biodiversity is increasing as a result of what human beings have done to the natural environment. Companies must take these issues more seriously and take actions accordingly.

Toyota Industries' Response to These Issues



How should Toyota Industries address these issues?

Kato: In line with the global trend, greater efforts will be channeled into achieving a sustainable society. As a corporate citizen, Toyota Industries is pursuing manufacturing that emits less CO₂, uses less resources and places importance on caring for nature.

As a first step, we fully revised our Global Environmental Commitment and clearly defined basic policies in promoting this form of manufacturing and the direction that our activities should follow.

The revised commitment specifies four priority areas: a low-carbon emission society, a recycling-based society, a society in harmony with nature and promotion of environmental management. The first three are necessary to make a sustainable society a reality, while the fourth area forms the foundation for our activities in these three areas. Placing the highest priority on a low-carbon society to curb global warming, we will further reinforce our initiatives to reduce CO₂ emissions.



What changes will this trend toward a low-carbon society entail in Toyota Industries' major business fields?

Kato: Looking at the current automobile industry, vehicles that use gasoline and other fossil fuels are the mainstream. But the types of vehicles are diversifying, namely HVs, EVs, biofuel vehicles and fuel-cell vehicles. The markets for HVs and EVs, in particular, are growing rapidly and are expected to lead the entire automobile market over the medium term.

HVs and EVs have the potential to expand the role of vehicles. For example, an EV currently operates on electricity stored in its battery. In the future, the vehicle may store electricity and supply it to homes and offices. An automobile could become not only a means of transportation but also serve as an energy base.

In the materials handling equipment field, environmental response is also an important theme, as evidenced by an increase in the proportion of electric-powered lift trucks. The trend toward electrification is expected to continue.

Interviewers



Akio Yoshikane
Office Manager,
Environment Office,
Plant Engineering &
Environment Dept.



Yoshiaki Oda
Group Manager, Product
Environment Group,
Environment Office,
Plant Engineering &
Environment Dept.



Hideki Torii
Group Manager, Planning
Group, Environment
Office, Plant Engineering
& Environment Dept.



Yusuke Tsuji
Planning Group,
Environment Office,
Plant Engineering &
Environment Dept.



How should Toyota Industries contribute to a changing society?

Kato: Growth of the electric-powered vehicle market presents a great opportunity to expand our business in that we develop motors, inverters and other components that support the evolution of such vehicles. We will contribute to the advancement of electric-powered vehicles in the form of improved fuel and electricity efficiencies by reducing size and weight as well as improving the efficiency of our existing products.

Innovation in vehicle-related technologies and development of a charging infrastructure play important roles in promoting the electrification of vehicles. Although we have been working on the development of charging stands, we are now extending the scope of our R&D to provide value-added products compatible with social needs.

Capitalizing on technologies and know-how cultivated in the existing business domains, we intend to enter into such fields as energy generation and energy storage, and create products that will benefit society.

We are committed to offering clean, safe and superior products in each of our business fields while continuing to develop products for the growing electric-powered vehicle market.

Key Points of the Fifth Plan



The fifth plan introduces a new approach to "CO₂ cancel." What is its aim?

Kato: Our CO₂ reduction activities under the fourth plan focused on reducing energy consumption per unit of sales in production activities and raising the energy efficiency of each product. With the issue of CO₂ emission reductions drawing increasing public attention, the fifth plan defines total CO₂ emission reduction targets we must achieve in our production operations and products. At the same time, we use this "CO₂ cancel" approach to integrate the achievements made in these two areas. (For more details, see "Overview of the Fifth Environmental Action Plan" on pages 56 and 57.)

Under the banner of "CO₂ cancel," we will share the common goal throughout Toyota Industries, raise employee awareness and make Company-wide efforts to reduce CO₂ emissions.



How do you perceive Toyota Industries' initiatives to protect biodiversity?

Kato: We have been conducting various activities based on the belief that the most effective way of protecting biodiversity is to curb global warming. While maintaining this approach, we will become more directly involved in the protection of biodiversity. Specifically, we will undertake a wider range of initiatives such as the development of biotopes, which provide a greater living space for plants and animals.



What about human resources development?

Kato: The fifth plan sets out challenging targets for each action item, including the reduction of CO₂ emissions. Achieving these targets requires the actual involvement of each and every employee. The development of capable people goes hand in hand with the development of a sustainable society.

It is true that we must develop internal experts in environment-related issues, but we first need to train every employee to work in an eco-conscious way. I believe raising the level of awareness of our workforce will translate into a bigger force for changing our company.

As part of this effort, as of April 2011 we launched an internal system to give "eco points" to employees who have undertaken environment-friendly activities. Through this point system, we give every employee a chance to both think about and take action for the environment.

Global Environmental Commitment

As one tenet under our Basic Philosophy, Toyota Industries works to contribute to regional living conditions and social prosperity and also strives to offer products and services that are clean, safe and of high quality. Accordingly, we established the Global Environmental Commitment, a specific environmental

action guideline, to be shared and implemented throughout the Toyota Industries Group.

We fully revised the Global Environmental Commitment to clearly show our Group-wide determination to contribute to the realization of a sustainable society.

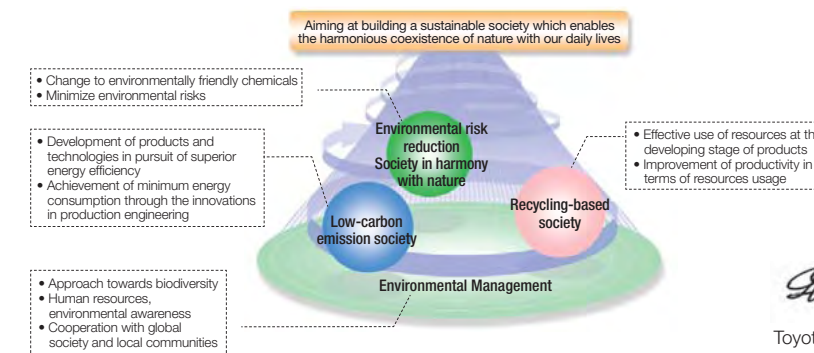
Global Environmental Commitment

[Basic Environmental Philosophy]

- We will strive for the preservation of the Environment across all of our business activities and will work to develop, establish and promote technologies that are compatible with both the environment and economic activity, aiming to create a rich natural environment for future generations while establishing a sustainable society which enables the harmonious coexistence of nature with our daily lives.

[Guiding Principle]

- We will continue to set challenging targets for further reduction of the environmental impact of our business operations, while at the same time listening carefully to the voices of our customers and stakeholders and acting in compliance with the letter and spirit of laws and regulations.
- We will place the following four items as the highest priority among environmental activities and proactively work on each item.
 - Establishing a low-carbon emission society;
 - Setting the prevention of global warming as our highest priority,
 - We will press forward the development of products and technologies for pursuing superior energy efficiency throughout the lifecycle of products.
 - We will seek to minimize our CO₂ emissions by means of reducing the energy consumption of all our business operations.
 - Establishing a recycling-based society;
 - We will promote the effective use of resources at the developing stage of products.
 - We will seek to minimize our resource consumption and to implement production activities that reduce the amount of unwanted substances.
 - Reducing environmental risk and establishing a society in harmony with nature;
 - We will strive to use more environmentally friendly chemical substances in our products.
 - We will seek to minimize environmental risks by working to develop environmentally burden free production activities.
 - Promoting environmental management (preservation of diversity, development of environmental specialists);
 - We will evaluate and understand how business operations impact biodiversity and take actions based on the results.
 - We will develop environmental specialists who can take the initiative, and extend environmental awareness not only to our employees, but also to their families and communities.
- We will aim to foster greater communication and teamwork within a wide range of partnerships, including those with customers and suppliers, in order to promote sustainable management of the environment. In addition, the Toyota Industries Group will act as an upstanding corporate citizen, taking an active part in the planning of activities that contribute to various regional communities as well as to our global society.



February 15, 2011

Shiro Goto
Toyota Industries Corporation

Overview of the Fifth Environmental Action Plan

Working toward “CO2 Cancel”

With an eye to achieving a sustainable society that provides a prosperous life in harmony with the natural environment, we have devised the Fifth Environmental Action Plan for the period from fiscal 2012 to fiscal 2016. Among important environmental issues drawing increasing public attention, the Toyota Industries Group

has specified four key areas on which to concentrate our efforts: 1) establishing a low-carbon emission society; 2) establishing a recycling-based society; 3) reducing environmental risk and establishing a society in harmony with nature; and 4) promoting environmental management.

1. Establishing a Low-Carbon Emission Society

Segments	Action Policies	Specific Actions	FY2013 Targets				
			Subject	Scope	Control Items	Base Year (FY)	Targets
Products	Reduce CO ₂ emissions by 10% ^{*1} from major products to be developed during the period covered by the fifth plan		*2				
	In the Automobile, Materials Handling Equipment and Textile Machinery businesses, develop technologies and products that will contribute to reduction of CO ₂ emissions	<Automobile Business> •Develop technologies that respond to electrification of vehicles •Improve energy efficiency of car air conditioners •Develop technologies to enable weight reduction <Materials Handling Equipment Business> •Improve fuel efficiency of internal-combustion lift trucks •Reduce energy loss in electric-powered lift trucks and improve energy efficiency of components <Textile Machinery Business> •Reduce electricity consumption by reducing air consumption •Reduce electricity consumption by lowering windage loss load					
	Develop energy conservation technologies in R&D field	•Develop new technologies to contribute to energy saving of automobiles					
Production	Promote energy reduction and energy conservation through innovative production engineering	<Energy-derived CO ₂ emissions> •Promote visualization of energy loss •Further promote Company-wide reduction activities and accelerate thorough, horizontal deployment •Develop innovative technologies to reduce CO ₂ emissions <CFCs> •Look for alternative materials	CO ₂ emissions •Energy-derived CO ₂ •5 gases ^{*3} •CO ₂ from logistics	Non-consolidated	Total emissions	1991	Minus 10% (FY09-13 average)
				Global	Eco-efficiency ^{*4}	2006	1.15
				Non-consolidated			1.32
	Promoting measures to curb global warming	•Promote horizontal deployment of technologies to curb global warming •Reinforce and expand ESCO ^{*5} activities	CO ₂ from logistics	Consolidated subsidiaries in Japan			1.02
				Overseas subsidiaries			1.05
Logistics	Reduce CO ₂ emissions through green logistics	•Promote modal shift •Reduce the number of transportation vehicles by promoting mixed transport among business divisions	CO ₂ from logistics	Non-consolidated	Total emissions	1991	Minus 15%
					Eco-efficiency	2007	1.06

2. Establishing a Recycling-Based Society

Segments	Action Policies	Specific Actions	FY2013 Targets				
			Subject	Scope	Control Items	Base Year (FY)	Targets
Products	Implement initiatives to promote 3R (reduce, reuse and recycle) design for effective resource utilization	•Reduce use of resources through standardization, modularization and reduction of parts •Reduce use of resources through weight and size reductions	*2				
Production	Enhance resource productivity	<Packaging materials> •Reduce use of timber-derived packaging materials	Packaging material volume	Non-consolidated	Eco-efficiency	2007	1.06
		<Resources> •Reduce the volume of discarded materials by taking action at the source, such as improving yields and other measures •Promote internal reuse	Waste generation volume	In Japan	Eco-efficiency	2006	1.13
				Non-consolidated			1.12
				Consolidated subsidiaries			1.16

3. Reducing Environmental Risk and Establishing a Society in Harmony with Nature

Segments	Action Policies	Specific Actions	FY2013 Targets				
			Subject	Scope	Control Items	Base Year (FY)	Targets
Products	Reduce exhaust emissions to improve air quality in urban areas in all countries and regions Manage chemical substances contained in products	•Develop engines that meet future regulations •Investigate chemical substances contained in products and manage switching over of SVHC ^{*6} and other substances of concern to other substances	*2				
	Further reduce emissions of substances of concern	•Reduce emissions of substances of concern mainly from painting processes – Review painting conditions	VOC ^{*7} emission	Non-consolidated (automobile body)	Emission volume per unit of sales	–	24 (g/m ²)
Production	Minimize environmental risks	•Firmly establish the use of a preliminary review system – Incorporate measures to reduce environmental impacts in the business planning stage •Reduce risks related to wastewater •Enhance risk communication with relevant organizations and local residents	*8				

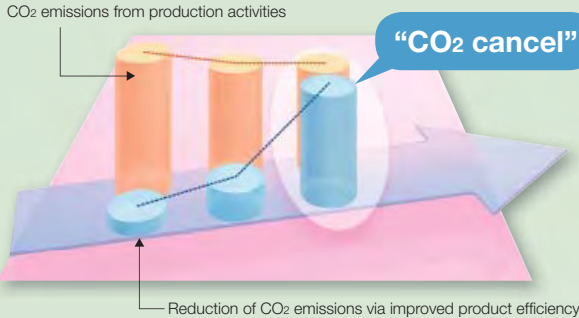
4. Promoting Environmental Management

Segments	Action Policies	Specific Actions	FY2013 Targets				
			Subject	Scope	Control Items	Base Year (FY)	Targets
General	Reinforce CO ₂ reduction activities for “CO ₂ cancel”	•Further reduce CO ₂ emitted from production activities in plants •Reduce CO ₂ emissions by achieving improved efficiency in newly developed products Aim to cancel out CO ₂ emissions of Toyota Industries through these two activities	*8				
	Augment and promote consolidated environmental management	•Build a global environmental management system and promote related activities to: – Comply with environment-related laws and reduce environmental risks in each country – Achieve the highest-level performance in each country					
	Enhance and promote environmental education and enlightenment activities	•Develop environmental specialists to lead internal environment-related activities •Plan and promote enlightenment activities that can also be undertaken at home					
	Improve eco-conscious brand image	•Reinforce environmental activities according to the contents and results of Survey of Environmental Oriented Management Index to pursue higher brand image					
	Augment activities related to protection of biodiversity	•Identify the impact of business activities on biodiversity and reinforce initiatives by defining specific goals					
	Promote sustainable plant activities	•Build a plant environment in harmony with nature by promoting energy reduction and energy conservation through innovative production engineering, by reducing energy loss and by using renewable energy and other means					

*1: Target products Toyota Industries develops and produces. The CO₂ reduction volume is calculated based on the method Toyota Industries determined using FY2011 levels as the baseline.
*2: Details undisclosed due to confidential information and other reasons
*3: Greenhouse gases other than CO₂, including methane (CH₄), dinitrogen monoxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF₆)
*4: Eco-efficiency = Production efficiency in subject year / Production efficiency in base year
Production efficiency = Production indicator (Net sales or production volume, etc.) / Environmental impact of production activities
*5: Short for Energy Service COmpany, ESCO provides comprehensive services related to energy savings and supports energy-efficient activities.
*6: Substances of Very High Concern
*7: Volatile Organic Compounds
*8: Specific targets are set separately and progresses are disclosed via the Company Website or Toyota Industries Report and other media.

“CO2 Cancel”

“CO₂ cancel” means to offset CO₂ emissions from production activities at plants by reducing CO₂ emissions via improved product efficiency and other means. We have set this approach as a new environmental target starting from the Fifth Environmental Action Plan.



Summary of the Fourth Environmental Action Plan

In the Fourth Environmental Action Plan (from fiscal 2007 to fiscal 2011), Toyota Industries laid out specific action items and numerical targets of the entire Toyota Industries Group in four key areas: curbing global warming, resource utilization, reducing environmental risk factors and consolidated management. As a result of concerted efforts, we successfully achieved all designated targets.

Items	Segments	Action Policies	Specific Actions	Targets		Results/Achievements	Assessment
				Control Items	Level		
Curbing Global Warming	Products	Automobile-related products: Promote the development of technologies that achieve the best fuel-efficiency performance in each country and region	•Develop technologies to reduce vehicle weight •Develop engines to meet fuel efficiency targets set during the product planning stage •Develop high-efficiency car air-conditioning compressors	*1 (Unannounced quantitative targets)		•Developed plastic glazing featuring half the weight of glass •Developed lighter upper automobile body consigned by Toyota Motor Corporation •Developed impact-absorption CFRP*2 crush box •Improved fuel efficiency of diesel engines •Developed high-efficiency variable-displacement compressors •Commenced development of next-generation variable-displacement compressor	○
		Non-automobile-related products: Promote the development of technologies that achieve the best energy efficiency in the industry	•Develop technologies to improve the energy efficiency of lift trucks •Develop industry-leading, energy-saving technologies for textile machinery •Improve the energy efficiency of industrial engines			•Improved fuel efficiency for new lift trucks •Developed diesel-powered hybrid lift trucks that halve fuel consumption •Reduced air consumption of air-jet looms •Reduced electricity consumption of high-speed ring spinning frames •Improved heat efficiency of engines for gas heat pumps	○
		Promote the development of devices for clean energy vehicles	•Further improve the performance of devices for hybrid vehicles •Develop devices for the next generation of fuel-cell vehicles			•Serialized electric compressors •Made DC-DC converters for hybrid vehicles more compact and lighter weight •Made onboard AC inverters more compact •Developed ordinary charging stands •Developed air compressors and hydrogen pumps for fuel-cell vehicles	○
		Reduce greenhouse gases throughout products' lifecycles	•Steadily reduce lifecycle environmental impact through implementation of LCA*3 for all products •Develop products with high eco-efficiency •Develop car air-conditioning compressors that use refrigerants with low global warming potential			•Implemented LCA for major products of all business divisions •Developed high-efficiency variable-displacement compressors •Developed compressors featuring new refrigerant compliant with European environmental regulations	○
	Production	Promote energy reduction and energy conservation through innovative production engineering	<Energy-derived CO2 emissions> •Streamline production processes •Optimize supplied energy •Promote introduction of alternative energy sources	Emission volume per unit of sales	<Non-consolidated> 35% reduction vs FY1991 <Consolidated> 10% reduction vs FY2004	<Non-consolidated> 52% reduction vs FY1991 <Consolidated> 15% reduction vs FY2004	○ ○
			<CFCs> •Review production process •Look for alternative materials	Eco-efficiency	<Non-consolidated> 30% improvement vs FY1991 <Consolidated> 10% improvement vs FY2004 (Except CO2 from logistics)	<Non-consolidated> 52% improvement vs FY1991 <Consolidated> 18% improvement vs FY2004 (Except CO2 from logistics)	○ ○
		Promote initiatives worldwide to curb global warming	•Conduct energy diagnoses for consolidated subsidiaries •Promote widespread use of technologies that curb global warming				
	Logistics	Reduce CO2 emissions through green logistics	•Promote modal shift •Devise green logistics guidelines and strengthen cooperation with business partners				○
	Products	Further promote the use of designs that are based on the Designs for Recycling concept	•Steadily improve recyclability by firmly establishing recyclability assessments for all products •Develop products that are easy to dismantle and recycle	*1		•Implemented recyclability assessments for major products •Created recycle design guidelines •Developed recycling technologies within plastic glazing window manufacturing processes	○
	Resource Utilization	Enhance resource productivity	<Resources> •Reduce the volume of discarded materials by taking action at the source, such as improving yields and other measures •Promote internal reuse <Packaging materials> •Reduce use of timber-derived packaging materials	Eco-efficiency	<Non-consolidated> 5% improvement vs FY2004	<Non-consolidated> 25% improvement vs FY2004	○
		Reduce use of groundwater	•Promote recycling of wastewater •Reduce use of water	Groundwater use (total amount)	<Non-consolidated> 50% reduction vs FY2004	<Non-consolidated> 73% reduction vs FY2004	○
		Waste	Reduce total environmental impacts of waste disposal	Landfill volume	<Consolidated> Less than 1% vs FY1999 (Applies to production sites in Japan)	<Consolidated> 0.2% vs FY1999 (Applies to production sites in Japan)	○

Items	Segments	Action Policies	Specific Actions	Targets		Results/Achievements	Assessment
				Control Items	Level		
Reducing Environmental Risk Factors	Products	Promote stricter control of and further reduction in the use of substances of concern	•Eliminate use worldwide of the four substances of concern (lead, mercury, cadmium and hexavalent chromium) (some parts are exempted) •Increase the number of substances of concern that are subject to controls	*1		•Discontinued use of four substances of concern, excluding those exempted •Devised operational rules for management systems for substances of concern check sheet •Established chemical substances management system •Complied with gas emissions regulations for lift trucks	○
		Reduce exhaust emissions to improve air quality in urban areas in all countries and regions	•Develop high-efficiency clean diesel engines •Introduce top-performing, low-emissions lift trucks				
	Production	Minimize environmental risks	•Establish environmental risk assessment systems at the planning stage (incorporate measures to reduce environmental impacts in the business planning stage) •Ensure appropriate management of chemical substances in accordance with social conditions •Enhance risk communication with stakeholders such as related organizations and local residents	Environmental impact	<Non-consolidated> 10% reduction vs FY2004	<Non-consolidated> 52% reduction vs FY2004	○
		Further reduce emissions of substances of concern	•Reduce emissions of air pollutants, including VOC*4 –Expand use of water-soluble and powdered coatings –Introduce VOC removal equipment •Reduce emissions of water contaminants		<Consolidated> 5% reduction vs FY2004 (Applies to production sites in Japan)	<Consolidated> 51% reduction vs FY2004 (Applies to production sites in Japan)	○
Consolidated Management	General	Strengthen cooperation with business partners	<Business partners> •Further promote Environmentally Preferable Purchasing (EPP) –Improve environmental performance by supporting the establishment and promotion of environmental management systems (EMS) –Enhance management of substances of concern <Group companies> •Promote consolidated environmental management by enhancing mutual communication –Thorough environmental compliance (all companies) –Establish EMS (sales and service companies) –Introduce EPP and environmental accounting (production companies) –Improve environmental performance and enhance external environmental communication (production companies)	*5		•Issued and distributed 4th edition of EPP guidelines •Supported establishment of environmental management system for business partners •Implemented SOC*6 monitoring •Established Environmentally Friendly Product Certification System •Held regular meetings for business partners in Japan •Implemented compliance audits	○ ○
Social Contribution	General	Fulfill responsibilities as a corporate citizen through two-way communication and social contribution activities	•Actively disclose environmental information –Provide environmental information concerning products –Enhance <i>Social & Environmental Report</i> •Promote social contribution activities that contribute to preservation of biodiversity •Implement environmental education for local residents and communication activities with local communities	*5		•Reported details of yearly activities through <i>Toyota Industries Report</i> •Integrated annual report and social and environmental report •Communicated opinions of chief environmental administrator to specify environmental visions and directions	○
						•Engaged in tree thinning at <i>Kaisho-no-Mori</i> •Participated in Present from the Forest Program promoted by environmental NGO Friends of the Earth Japan •Dispatched staff for environmental classes (elementary schools in Nagoya)	○

*1: Details undisclosed due to confidential information and other reasons
*2: Carbon Fiber Reinforced Plastics
*3: Life Cycle Assessment
*4: Volatile Organic Compounds
*5: Specific targets are set by year and disclosed via *Toyota Industries Report* and other media.
*6: Substances of Concern

Environmental Management

Environmental Initiatives

Environmental Management

Status of Our Environmental Management System

Toyota Industries has positioned environmental response as one of its most crucial management issues. To more vigorously undertake environmental response efforts, Toyota Industries reorganized its environmental management system (EMS) previously operated independently at respective plants and adopted a Company-wide integrated EMS since fiscal 2009, with the president at the top. The adoption of this EMS has enabled us to quickly reflect the decisions made by management into our business operations.

To maximize the benefit of the integrated EMS, we initiated the Company-wide Regulations Integration Project in fiscal 2011 to consolidate documents that have been developed separately by each business division.

We will continue to work on this elimination and consolidation process and streamline and improve the efficiency of our EMS.

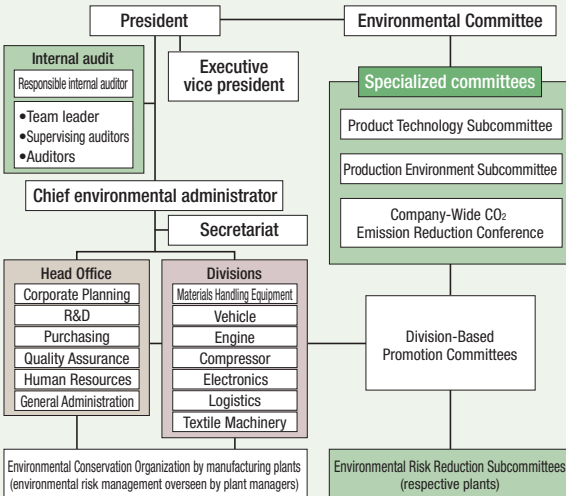
Approach to Environmental Education

Based on the belief that manufacturing starts with nurturing excellent personnel, Toyota Industries regards human resources development as one of its most important management tasks and actively carries out environmental education and enlightenment activities for employees.

Toyota Industries has clarified the environment-related knowledge and skills required for each job category and rank, and accordingly, built an environmental education program. Specifically, we offer rank-based environmental education, introductory courses for environmental management and environmental audits as well as environmental product education.

Based on the latest environmental trends and effectiveness of education, we will review our environmental education programs and continue to promote the development of capable human resources.

Environmental Management Structure



Scope of Group-Wide Environmental Management (As of March 31, 2011)

Non-production companies
Japan: 25
Outside Japan: 92

North America

Production companies: 9
Toyota Industrial Equipment Mfg., Inc. (U.S.A.)
The Raymond Corporation (U.S.A.)
Raymond-Muscatine Inc. (U.S.A.)
North Vernon Industry Corp. (U.S.A.)
Indiana Hydraulic Equipment, Corp. (U.S.A.)
Michigan Automotive Compressor, Inc. (U.S.A.)
TD Automotive Compressor Georgia, LLC (U.S.A.)
Cullman Casting Corporation (U.S.A.)
Lift-Rite Inc. (Canada)

Europe

Production companies: 5
BT Products AB (Sweden)
Toyota Industrial Equipment, S.A. (France)
CESAB Carrelli Elevatori S.p.A. (Italy)
L.T.E. Lift Truck Equipment S.p.A. (Italy)
TD Deutsche Klimakompressor GmbH (Germany)

Asia

Production companies: 5
TD Automotive Compressor Kunshan Co., Ltd. (China)
Toyota Industry (Kunshan) Co., Ltd. (China)
Toyota Industry Automotive Parts (Kunshan) Co., Ltd. (China)
Kirkloskar Toyota Textile Machinery Pvt. Ltd. (India)
Zhejiang Aichi Industrial Machinery Co., Ltd. (China)

Japan

Non-consolidated: 10 plants
Production companies: 14
Aichi Corporation (Saitama)
TIBC Corporation (Aichi)
Altex Co., Ltd. (Shizuoka)
IZUMI MACHINE MFG. CO., LTD. (Aichi)
Iwama Loom Works, Ltd. (Aichi)
Tokaiseiki Co., Ltd. (Shizuoka)
Tokyu Co., Ltd. (Aichi)
Nagao Kogyo Co., Ltd. (Aichi)
Miduho Industry Co., Ltd. (Aichi)
Nishina Industrial Co., Ltd. (Nagano)
HANDA Casting Company (Aichi)
Unica Co., Ltd. (Aichi)
Hara Corporation (Gifu)
Mino Tokyu Co., Ltd. (Gifu)

Environmental Audits

Toyota Industries implements annual internal environmental audits as well as external audits carried out by an independent third-party institute.

The external audit conducted in fiscal 2011 revealed three minor non-conformances. We are implementing measures to correct them and making efforts for improvement.

As for internal audits, we encourage personnel in managerial positions to participate in our internal auditor education program in order to improve the quality of these audits and upgrade day-to-day operations in each department.

Curbing Global Warming

Products

Reducing Electricity Consumption of Ring Spinning Frames

A pneumatic suction cleaning device in a ring spinning frame removes cotton luffs and threads broken in the spinning process to prevent adverse effects on other remaining threads. For this reason, the device provides continuous suction throughout the spinning process, and it uses as much as about 15% of the total electricity consumption of one spinning frame.

In fiscal 2011, we introduced an inverter-integrated suction motor designed to control the motor rotational speed. The speed is kept low during normal operation and increased to provide the required suction power when thread breakage is detected by a suction pressure sensor. This reduces electricity consumption of the device alone by approximately 35% and that of the entire frame by about 5%.



RX240 series high-speed ring spinning frame

Production

Reducing CO2 Emissions through Energy JIT Activities

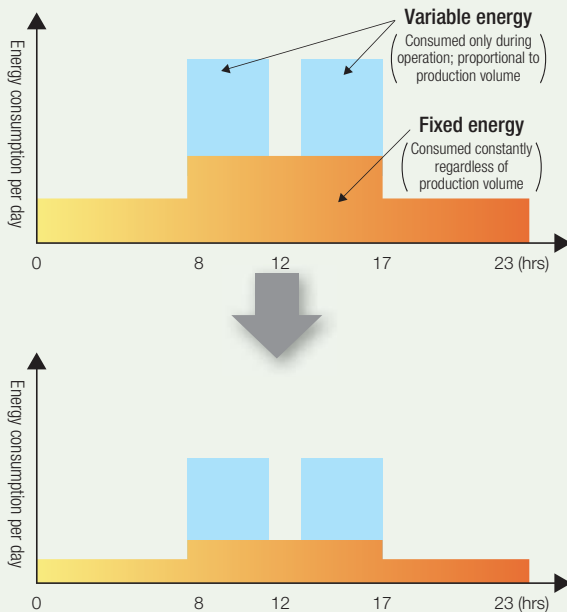
Focusing on inefficient use of fixed energy*, which is necessary regardless of production volume, Toyota Industries has launched an energy just-in-time (JIT) project.

Under this project, we undertook various activities to achieve a 1,000-ton reduction in our total CO2

Main Activities

- Develop "Energy JIT Guidelines" that guide the actions of each employee
- Conduct a survey on energy loss when production equipment is not operating
- Turn power off when not needed by attaching a sticker to turn off equipment when not in use

Concept of Fixed Energy and Variable Energy



エンジン事業部 エネルギー JIT Project
～アイドリグストップ宣言～

運転モード	昼休み (0-17:55)	夜間(2時) (2時-)	夜間(1時) (1時-)	休日
メインフレーム・CPU等 (電源OFF (電源OFF))				
電源待機				
電源				
エアマスバルブ開				
エアマスバルブ閉				

現在の運転状態に●を記入
変更になったら、修正する

エアマスバルブ開は
集中バルブで閉でも可

Sticker to turn off equipment when not in use

emissions in fiscal 2011. By using energy when needed and just as much as needed, we successfully reduced the total CO2 emissions by 3,091 tons and energy costs by ¥93 million.

We will continue with efforts to identify and totally eliminate unnecessary energy use.

* Energy constantly consumed regardless of production volume

Environmental Initiatives

Curbing Global Warming

Production	Reducing CO₂ Emissions by Improving Melting and Holding Processes of Aluminum Die Casting
------------	---

Since fiscal 2004, Toyota Industries' Compressor Division has been working to reduce CO₂ emitted from the melting and holding processes of aluminum die casting.

Previously, aluminum ingots^{*1} purchased from manufacturers and return scrap^{*2} generated from the casting process were melted individually in a melting furnace within each die casting machine^{*3}. In fiscal 2004, we started purchasing hot metal (molten aluminum) and at the same time shifted the melting operation done at each machine to a single central furnace. These efforts have led to a decrease in CO₂ emissions of about 10,000 tons in the six-year period up to fiscal 2009.

In fiscal 2010, the production engineering and manufacturing departments jointly developed a smaller-size molten metal holding furnace based on a proprietary concept. This new furnace releases less heat, thereby reducing electricity consumption by about 70%.

By the end of fiscal 2011, we installed 15 units of this highly efficient, compact furnace and reduced annual CO₂ emissions by 1,350 tons.

We will carry on improvement activities to pursue even higher energy efficiency.

^{*1}: Blocks of refined aluminum

^{*2}: Scrap metal generated from the casting process and recovered for recycling

^{*3}: A machine used to inject molten metal into a die cast

Production	New Eco-Conscious Painting Line Installed at a Swedish Consolidated Subsidiary
------------	---

BT Products AB (BTP), a materials handling equipment manufacturing subsidiary in Sweden, started operation of a new environmentally designed painting line in November 2009.

This new painting line heats wash water by utilizing residual heat from the public district heating system, which generates heat by incinerating biomass. As a result, BTP has cut down its energy consumption and reduced its annual CO₂ emissions by 322 tons.



BTP's painting line



Production	Nishina Industrial Co., Ltd. Successfully Reducing Standby Energy Consumption
------------	--

Nishina Industrial, a consolidated subsidiary in Japan engaged in production of hydraulic control devices for construction machinery and industrial vehicles, improved facilities to reduce standby energy consumed by a machining line for control valves for lift trucks.

As a result, since January 2011 Nishina Industrial has been able to monitor the operating status of production equipment and automatically stop or resume operations of oil mist collectors, pipe conveyors and other equipment. Nishina Industrial expects to reduce its annual CO₂ emissions by about 9 tons.

TOPICS

Award Program to Recognize Environmental Improvement Initiatives

In fiscal 2011, Toyota Industries established an internal award program to recognize excellent environmental improvement activities undertaken in production. The program's purposes are to share best practices and raise the level of environment-related activities throughout the Company. In the first year, we received a total of 18 applications from business divisions, with some focusing on cutting energy consumption and others on reducing waste and other aspects. After a review, four projects were selected to receive either a "Best Practice Award" or "Excellent Practice Award."

We will refine this award program to promote the generation of excellent ideas. We also have a plan to encourage those best-practice projects to apply for external environmental awards.



On-site assessment

Resource Utilization

Products	New Onboard Charger for PHVs with Improved Recyclability
----------	---

An onboard charger is an electric power converter that converts AC voltage used in households into DC voltage to recharge the high-voltage batteries of plug-in hybrid vehicles (PHVs). As compared with the onboard charger fitted in the PHV launched by Toyota Motor Corporation in fiscal 2010, the number of components of the new charger developed during fiscal 2011 is approximately 40% less. Together with its easier-to-dismantle structure, it offers higher recycling efficiency, thereby contributing to more effective resource utilization.

Production	New Wastewater Treatment Equipment Installed in BTP's Painting Line
------------	--

BTP introduced wastewater treatment equipment in fiscal 2010 to process wastewater generated by all of its painting lines. Wastewater from the washing system is treated and reused within the company. As a result, the total amount of plant wastewater generated has been reduced by 133 cubic meters.

Reduction in Environmental Risk

Products	Chemical Substance Management
----------	--------------------------------------

Toyota Industries uses a chemical substance management system to accumulate data on materials used and chemical substances contained in all of its products. This system is also used to check if products contain any chemical substances subject to control when new regulations come into effect in a country or region.

As of fiscal 2011, we started reviewing the enormous amount of data accumulated to date by checking the accuracy of information concerning types and amounts of substances contained in our products and applicability of new regulations, and worked to improve data quality. This allows us to quickly and precisely identify the impact of any new regulations on our businesses.

Production	Status of Compliance with Environmental Laws
------------	---

In fiscal 2011, there were three instances, including effluents from the plant exceeding standard values, at respective subsidiaries within the Toyota Industries Group. These incidents have been reported to the authorities concerned, and corrective measures have already been completed by each of these subsidiaries. Subsequent confirmations have also been made to ensure that there are no recurrences.

We will step up our efforts to prevent environmental risks by sharing information on environment-related incidents throughout the Toyota Industries Group, including their causes and countermeasures taken. We

will also continue to augment Group-wide efforts to minimize environmental impact by conducting contingency training for emergency situations and other proactive measures.

Production	Plant-Wide Efforts to Reduce Risks Related to Wastewater
------------	---

Under our policy of minimizing environmental risks, Toyota Industries undertakes activities to prevent plant wastewater from being directly released into the surrounding environment. In addition to the individual risk-reducing measures taken at each process that generates high drainage load and at the final stage of wastewater treatment, we are promoting optimum solutions for plants as a whole.

In fiscal 2010, we conducted on-site inspections of the drain systems of all plants to check the possibility of wastewater being released into the surrounding environment and to visualize the overall wastewater-related risks at each plant. Based on the results, we developed guidelines in fiscal 2011, which provide a set of standard procedures for countering wastewater risks, and drew up specific measures to be implemented by each plant. We will continuously promote these measures from fiscal 2012 onwards.



Examination of drain system

Environmental Communication

Holding an Environmental Seminar for Customers

In fiscal 2011, Toyota Material Handling Japan started providing an environmental seminar for customers at the Takahama Plant.

This seminar presents various environmental initiatives undertaken by Toyota Industries and those specifically by the Takahama Plant. The seminar also includes a session to exchange opinions to enhance the level of environmental activities conducted by our corporate customers.

The seminar in fiscal 2011 was well received by participants, who showed an interest in our human resources development through the environmental *dojo* and found the contents very useful in launching their own activities.

We plan to enhance and hold the seminar program more frequently, with the aim of fostering a better understanding of our environmental initiatives among our customers.



At the seminar

Lecture on Environmental Issues



Mr. Manabu Akaike during lecture

Toyota Industries organizes an environmental lecture every year for raising the environmental awareness of our employees.

In fiscal 2011, to coincide with the 10th Conference of the Parties to the Convention on Biological Diversity (COP 10) held in Nagoya City, Aichi Prefecture, we invited Mr. Manabu Akaike, a member of the Biodiversity Public Relations and Planning Committee of the Ministry of the Environment, to give a lecture on how manufacturers should address biodiversity-related issues.

Mr. Akaike pointed out that the keyword for the 21st century is “comfort,” and future manufacturing should incorporate the comfort we feel in natural surroundings.

Through the lecture, we realized that protecting biodiversity entails not only planting trees and conserving wildlife but also carrying out manufacturing that makes the best use of nature and coexists with nature.



Lecture organizer
Hirofumi Sato
Environment Office, Plant
Engineering & Environment Dept.

After the lecture, we received many comments from participants. Among these were that “finding diverse values would serve to create coexistence with nature and further forge a connection with biodiversity” and “generating better ideas from various viewpoints would teach us valuable lessons in our future endeavor for improvements.” We will continue to organize environmental lectures to heighten employees' respect for the environment and endeavor to raise the environmental awareness of each and every employee.

Biodiversity

Holding Workshop Using Wood Thinned from Forests

Since fiscal 2010, Toyota Industries has been carrying out tree thinning at *Kaisho-no-Mori* (Kaisho Forest) in Seto City, Aichi Prefecture, under the “TICO Ecocoro Tree Thinning Activity to Cultivate the Spirit of Ecology” project primarily conducted by members of the Toyota Industries Team Leader Association*.

In fiscal 2011, we held the “Ecocoro Workshop,” a woodworking workshop using wood thinned from the forest. About 150 children participated and made pencil holders, photo frames and coasters. At the event venue, a panel exhibition explaining the roles of forests and the necessity of pruning and thinning in forests in an easy-to-understand manner allowed children, who will forge the future of our planet, to learn the importance of forest conservation.

We will carry on and enhance such activities to give people a chance to get in touch with nature and become more aware of the importance of protecting the natural environment.

* An autonomous Company-wide organization consisting of approximately 1,700 young leaders at manufacturing sites, the organization carries out cleanup and other community activities, promotes interchanges for self-development and holds recreational activities to deepen interaction among members.



Reception area of “Ecocoro Workshop”



At the workshop

Participating in COP 10 Side Events

COP 10 held in Nagoya, Japan, in October 2010 drew some 13,000 people from 179 participating countries. Toyota Industries took part in side events to demonstrate our approach to protecting biodiversity. In one event organized by the Chubu Economic Federation, we distributed brochures and organized a poster exhibition to illustrate our environmental initiatives, including tree thinning and environmental education for school children.

We will push ahead with initiatives to help protect biodiversity and convey information on activities to our stakeholders in an easy-to-understand way.



Posters promoting Toyota Industries' environmental activities

Business Activities and Their Environmental Impact

Progress of Environmentally Friendly Product Certification System

Toyota Industries has been proactively promoting development and design of eco-conscious products. In doing so, in fiscal 2007 we launched the Environmentally Friendly Product Certification System to certify products with outstanding environmental performance. This system consists of an "environmental factor evaluation," which determines a numerical improvement in environmental efficiency of a newly developed product compared with the base product (a product used as a standard for comparison), and a "development process evaluation," which reviews the environment-friendliness of development processes. In fiscal 2008, our certification system won the Chairman's Prize in the Eco-Efficiency Award sponsored by the Japan Environmental Management Association for Industry.

Over a five-year period up to fiscal 2011, nine products have obtained certification under this system. Among them, the GENE0-HYBRID lift truck, which obtained this internal certification in fiscal 2010, won three awards from external organizations for almost halving fuel consumption compared with conventional diesel-powered internal-combustion lift trucks. Our RX240 series high-speed ring spinning frame, which received certification in fiscal 2011, reduces its total electricity consumption by approximately 5% by using

an interior permanent magnet motor* as its drive motor.

We have been also upgrading this certification system in an effort to accelerate development of environment-friendly products.

In fiscal 2009, we extended the scope of certification to include products of Toyota Industries Group companies. As a result, BT Lifter, a hand pallet truck developed by BTP, obtained certification in April 2009.

In fiscal 2011, we newly established the Super Environmentally Friendly Product Certification System. In addition to the conventional certification criteria, the new system places particular emphasis on the "Curbing Global Warming Factor." If a product has a 1.5 times higher figure than the base product, it is certified as super environmentally friendly and expected to make significant contributions to curbing global warming. Certification under the new system is also performed on previously certified products.

We will continue to seek improvements in terms of both product development and certification systems to create even more eco-conscious products.

* A motor with a magnet embedded inside its rotor, offering improved energy savings, high efficiency and high torque



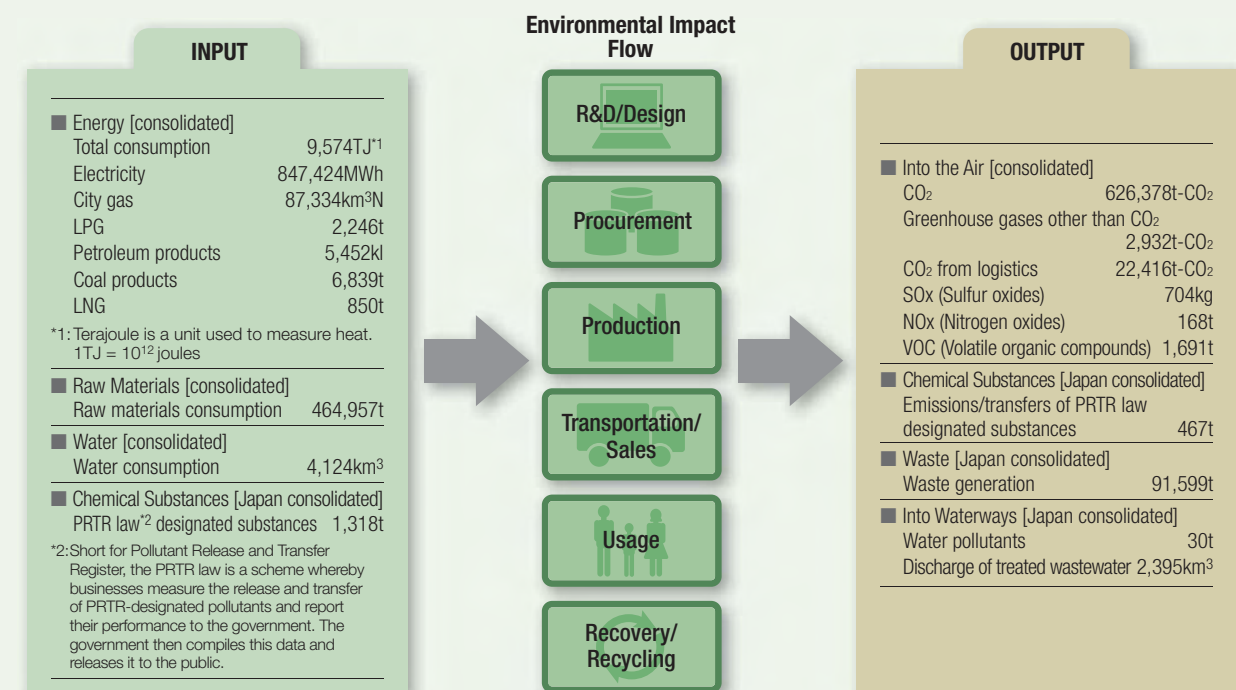
Environmentally Friendly Certified Products

Fiscal year	2007	2008	2009	2010	2011
Certified products	GENEO internal-combustion lift truck	Rack Sorter P automated storage and retrieval system Shovel loader DC-DC converter	100W AC inverter	GENEO-HYBRID diesel-powered internal-combustion hybrid lift truck BT Lifter 400W AC inverter	RX240 series high-speed ring spinning frame

Super : Super environmentally friendly products

External Awards Bestowed on GENE0-HYBRID

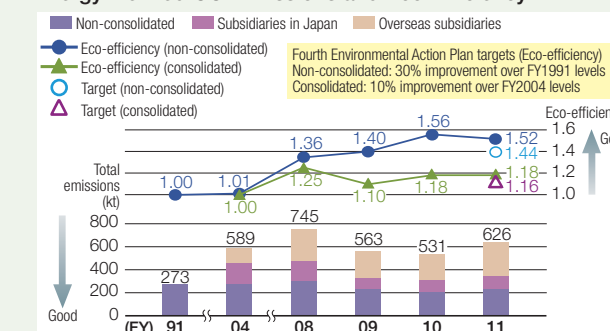
Award	Sponsor	Details
11th Logistics Environmental Award	Japan Federation of Freight Industries	Logistics Environmental Technology Development Award
7th Eco Products Awards	Eco Products Awards Promotion Council	Eco Products Awards Promotion Council Chairman's Award
31st Excellent Energy-Saving Device Award	The Japan Machinery Federation	The Japan Machinery Federation Chairman's Award



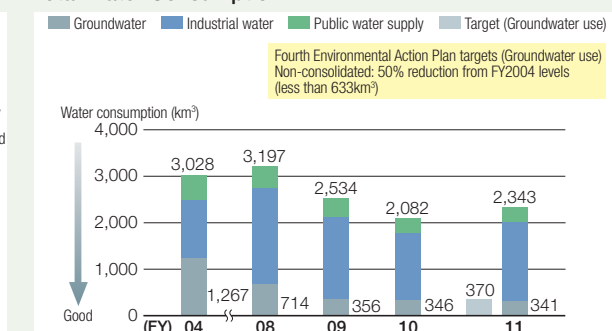
Trends in Environmental Performance

Toyota Industries' principal environmental performance trends are as follows.

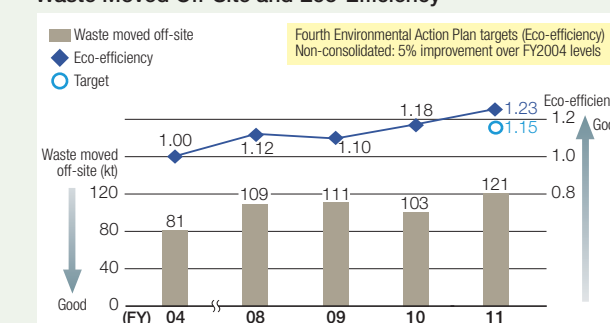
Energy-Derived CO₂ Emissions and Eco-Efficiency



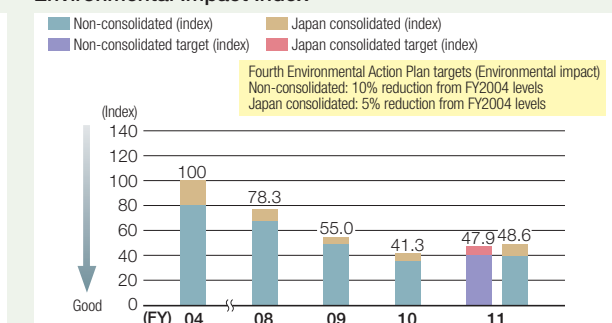
Total Water Consumption



Waste Moved Off-Site and Eco-Efficiency



Environmental Impact Index



Soil and Groundwater Pollution Countermeasures

Toyota Industries carries out surveys and purification of soil and groundwater contaminated from the past use of trichloroethylene. We regularly report the survey results to local government authorities and provide information at local community meetings. As measures to prevent pollution from substances covered by the Soil Contamination Countermeasures Law as well as from grease and oils, we have drilled observation wells at all plants to conduct regular checks.

Trichloroethylene Readings (FY2011)

Plant	Weighted Average Concentration in Groundwater (mg/l)	Current Status
Kariya Plant	0.41	Cleanup in progress
Kyowa Plant	0.41	Cleanup in progress

Environmental Accounting and On-Site Verification

Fiscal 2011 Environmental Accounting*

Scope of data collection: Toyota Industries Corporation
TIBC Corporation
Data collection period: April 1, 2010 – March 31, 2011

* Environmental accounting data is collected in compliance with the Ministry of the Environment's *Environmental Accounting Guidelines 2005 Edition*.

Environmental Conservation Cost

(Millions of yen)

Category		FY2011		FY2010	
		Investment	Expenses	Investment	Expenses
Business area costs	Pollution prevention costs	246	1,371	485	518
	Global environmental conservation costs	233	2,872	33	3,257
	Resource recycling costs	20	562	5	433
Upstream/downstream costs		6	4	–	–
Management costs		2	1,130	39	720
Research and development costs		3	152	3	81
Social contribution activity costs		4	13	–	6
Environmental remediation costs		–	9	–	5
Total		514	6,113	565	5,020
		6,627		5,585	

Environmental Conservation Benefits

Environmental Impact	Comparison with Previous Fiscal Year
CO ₂	20,953t increase
VOC	84t increase
Generation of waste products	1,076t increase
Water	141,727m ³ increase
SO _x	0.1t increase
NO _x	3t decrease
COD (Chemical Oxygen Demand)	3t increase

Economic Benefits of Environmental Conservation Initiatives
(Millions of yen)

Item	Details	Amount
Revenue	Returns from sale of recycled waste products	3,405
Cost Reduction	Energy cost reductions	(616)
	Cost reduction by resource savings (including reductions in amount of water use and wastewater treatment costs)	(41)
Total		2,748

On-Site Verification

In fiscal 2011, Toyota Industries Head Office's Plant Engineering & Environment Department primarily conducted on-site verification of the accuracy and consistency of environmental data included in the *Toyota Industries Report* as follows.

[On-Site Verification Sites]

Anjo Plant: Development and production of electronic components/devices for vehicles
TIBC Corporation: Production of semiconductor package substrates

[Items to be Verified]

- Adequacy of the scope of data collection; validity of data collection and calculation methods; validity of internal verification
- Trustworthiness and accuracy of collected/calculated data as well as data reported to the Head Office; accuracy of data provided by the Head Office

[Results]

- The verified sites retained original data (evidence) for all statistics, which were confirmed valid as were the scope and method of data collection.
- All discrepancies found during verification have been corrected after respective causes have been identified.
- Considerations of improvements will be made for data collected using complex collection methods that may result in calculation errors.

Toyota Industries Report 2011

Financial Section / Corporate Information

Financial Section

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Note:
For details on the consolidated financial statements, please refer to the separate publication, which is also posted on the following Website:
www.toyota-industries.com

Consolidated Eleven-Year Summary

Toyota Industries Corporation
Years ended March 31

	Millions of yen										
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
For The Year											
Net sales	¥1,479,839	¥1,377,769	¥1,584,252	¥2,000,536	¥1,878,398	¥1,505,955	¥1,241,538	¥1,164,378	¥1,069,218	¥ 980,163	¥ 767,382
Operating income (loss)	68,798	22,002	(6,621)	96,853	89,954	64,040	53,120	52,631	52,477	46,330	47,304
Ordinary income	73,911	31,756	14,343	126,488	108,484	80,635	70,912	58,970	51,375	47,865	44,526
Net income (loss)	47,205	(26,273)	(32,767)	80,460	59,468	47,077	43,357	33,623	21,933	27,311	22,637
Investment in tangible assets	¥ 38,254	¥ 26,963	¥ 104,495	¥ 104,205	¥ 129,023	¥ 130,121	¥ 111,321	¥ 65,651	¥ 69,607	¥ —	¥ —
Depreciation	62,372	73,238	87,219	83,744	74,449	64,423	51,277	49,264	45,939	—	—
Research and development expenses	27,788	26,826	33,646	36,750	34,548	31,166	30,051	29,562	29,705	29,985	26,195
Per share of common stock (yen):											
Net income (loss) per share—basic	¥ 151.51	¥ (84.33)	¥ (105.16)	¥ 257.50	¥ 189.88	¥ 146.16	¥ 135.09	¥ 108.04	¥ 70.19	¥ 87.28	¥ 75.90
Net income per share—diluted	—	—	—	257.43	189.66	146.02	135.03	101.97	62.90	78.26	67.77
Total net assets per share	3,300.17	3,390.02	2,987.16	4,483.32	5,612.11	5,044.45	3,504.80	3,199.69	2,522.52	2,809.54	3,036.77
Cash dividends per share	50.00	30.00	40.00	60.00	50.00	38.00	32.00	24.00	22.00	19.00	17.00
At Year-End											
Total assets	¥2,481,452	¥2,589,246	¥2,327,432	¥2,965,585	¥3,585,857	¥3,245,341	¥2,326,824	¥2,011,995	¥1,650,391	¥1,770,401	¥1,869,642
Total net assets	1,075,939	1,104,929	977,670	1,453,996	1,810,483	1,611,227	1,115,747	1,016,763	738,867	878,812	951,298
Common stock	80,462	80,462	80,462	80,462	80,462	80,462	80,462	80,462	68,046	68,021	68,018
Number of shares outstanding (excluding treasury stock) (thousands)	311,564	311,570	311,577	311,589	312,075	319,320	318,237	317,666	292,777	312,796	313,260
Cash Flows											
Net cash provided by operating activities	¥ 153,661	¥ 203,452	¥ 65,768	¥ 188,805	¥ 177,467	¥ 131,784	¥ 100,095	¥ 92,406	¥ 103,183	¥ 81,078	¥ 78,412
Net cash used in investing activities	(187,574)	(36,855)	(114,217)	(138,789)	(164,446)	(205,013)	(128,230)	(92,667)	(95,120)	(106,710)	(155,870)
Net cash provided by (used in) financing activities	(85,728)	(38,230)	120,971	(33,992)	(19,749)	85,172	50,020	(56,015)	57,775	1,225	94,472
Cash and cash equivalents at end of year	195,566	317,590	188,011	121,284	108,569	112,596	100,535	77,212	136,929	71,119	95,296
Indices											
Return on equity (ROE) (%)	4.5	(2.6)	(2.8)	5.1	3.5	3.5	4.1	3.8	2.7	3.0	3.6
Return on assets (ROA) (%)	1.9	(1.1)	(1.2)	2.5	1.7	1.7	2.0	1.8	1.3	1.5	1.8
Operating profit margin (%)	4.6	1.6	(0.4)	4.8	4.8	4.3	4.3	4.5	4.9	4.7	6.2
Equity ratio (%)	41.4	40.8	40.0	47.1	48.8	49.7	48.0	50.5	44.8	49.6	50.9
EBITDA (millions of yen)	¥ 150,481	¥ 90,521	¥ 71,608	¥ 222,125	¥ 191,007	¥ 150,674	¥ 128,381	¥ 113,676	¥ 95,472	¥ 97,540	¥ 79,921
Number of employees	40,825	38,903	39,916	39,528	36,096	32,977	30,990	27,431	25,030	23,056	21,118

1. Net income (loss) per share is computed based on the average number of shares for each year.
2. ROE and ROA are computed based on the average total net assets and total assets, respectively, for each year.
3. Operating profit margin = Operating income (loss) / Net sales
4. Equity ratio = (Total net assets – Subscription rights to shares – Minority interests) / Total assets
5. EBITDA = Income before income taxes + Interest expenses – Interest and dividends income + Depreciation and amortization

Consolidated Balance Sheets

Toyota Industries Corporation
As of March 31, 2011 and 2010

ASSETS	Millions of yen	
	2011	2010
Current assets:		
Cash and deposits	¥ 198,654	¥ 287,965
Trade notes and accounts receivable	152,121	163,708
Lease investment assets	35,146	—
Short-term investments	132,430	71,391
Merchandise and finished goods	42,940	37,358
Work in process	31,256	25,672
Raw materials and supplies	30,065	25,318
Deferred tax assets	18,493	17,182
Other current assets	32,646	47,307
Allowance for doubtful accounts	(2,863)	(3,103)
Total current assets	670,893	672,801
Fixed assets:		
Property, plant and equipment:		
Buildings and structures	159,606	169,991
Machinery, equipment and vehicles	185,988	212,079
Tools, furniture and fixtures	23,634	21,840
Land	119,697	119,517
Construction in progress	8,350	8,547
Total property, plant and equipment	497,278	531,977
Intangible assets:		
Goodwill	68,573	72,745
Software	10,767	9,976
Total intangible assets	79,340	82,722
Investments and other assets:		
Investments in securities	1,123,306	1,162,685
Long-term loans receivable	—	5,554
Deferred tax assets	9,786	10,429
Lease investment assets	71,480	—
Other investments and other assets	29,539	123,278
Allowance for doubtful accounts	(173)	(202)
Total investments and other assets	1,233,940	1,301,744
Total fixed assets	1,810,559	1,916,444
Total assets	¥2,481,452	¥2,589,246

LIABILITIES AND NET ASSETS	Millions of yen	
	2011	2010
Current liabilities:		
Trade notes and accounts payable	¥ 144,956	¥ 141,787
Short-term loans payable	99,946	46,241
Commercial paper	11,133	9,575
Current portion of bonds	30,829	50,446
Lease obligations	37,873	—
Accounts payable—other	14,349	13,149
Accrued income taxes	18,320	15,014
Deferred tax liabilities	737	316
Allowance for bonuses to directors and corporate auditors	521	310
Other current obligations	153,275	158,100
Total current liabilities	511,944	434,941
Long-term liabilities:		
Bonds payable	205,649	231,401
Long-term loans payable	236,602	299,208
Lease obligations	82,813	108,014
Deferred tax liabilities	309,256	351,009
Allowance for retirement benefits	46,924	45,234
Other long-term liabilities	12,321	14,507
Total long-term liabilities	893,568	1,049,375
Total liabilities	1,405,512	1,484,316
Shareholders' equity:		
Capital stock		
Authorized — 1,100,000,000 shares		
Issued — 325,840,640 shares as of March 31, 2011	80,462	80,462
325,840,640 shares as of March 31, 2010		
Capital surplus	106,179	106,179
Retained earnings	412,029	378,648
Treasury stock	(50,703)	(50,689)
14,275,721 shares as of March 31, 2011		
14,269,943 shares as of March 31, 2010		
Total shareholders' equity	547,968	514,601
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	488,277	544,068
Deferred gains or losses on hedges	46	(9)
Foreign currency translation adjustment	(8,075)	(2,430)
Total accumulated other comprehensive income	480,248	541,628
Subscription rights to shares	2,132	1,720
Minority interests	45,589	46,978
Total net assets	1,075,939	1,104,929
Total liabilities and net assets	¥2,481,452	¥2,589,246

Consolidated Statements of Income

Toyota Industries Corporation
For the years ended March 31, 2011 and 2010

	Millions of yen	
	2011	2010
Net sales	¥1,479,839	¥1,377,769
Cost of sales	1,250,313	1,194,399
Gross profit	229,526	183,370
Selling, general and administrative expenses:		
Sales commissions	8,913	6,814
Salaries and allowances	62,969	64,716
Retirement benefit expenses	2,020	1,953
Depreciation	6,332	8,151
Research and development expenses	21,727	19,482
Others	58,765	60,248
Operating income	68,798	22,002
Non-operating income:		
Interest income	9,172	10,804
Dividends income	14,975	15,297
Gain on sales of marketable securities	488	135
Equity in net earnings of affiliated companies	—	744
Other non-operating income	7,407	7,413
Non-operating expenses:		
Interest expenses	(15,773)	(17,847)
Loss on disposal of fixed assets	(1,281)	(1,257)
Equity in net losses of affiliated companies	(473)	—
Other non-operating expenses	(9,402)	(5,535)
Ordinary income	73,911	31,756
Extraordinary losses:		
Losses on the Great East Japan Earthquake	(4,631)	—
Losses on business restructuring of the Materials Handling Equipment Segment	—	(43,099)
Income (loss) before income taxes and minority interests	69,279	(11,343)
Income taxes — current	25,456	13,320
Income taxes — deferred	(5,234)	(438)
Income before minority interests	49,058	—
Income on minority interests in consolidated subsidiaries	1,852	2,048
Net income (loss)	¥ 47,205	¥ (26,273)
	Yen	
Net income (loss) per share— basic	¥ 151.51	¥ (84.33)
Net income (loss) per share— diluted	—	—
Net assets per share	3,300.17	3,390.02
Cash dividends per share	50.00	30.00

Consolidated Statements of Comprehensive Income

Toyota Industries Corporation
For the years ended March 31, 2011 and 2010

	Millions of yen	
	2011	2010
Income before minority interests	¥ 49,058	¥ —
Other comprehensive income		
Valuation difference on available-for-sale securities	(55,834)	—
Deferred gains or losses on hedges	55	—
Foreign currency translation adjustment	(6,375)	—
Share of other comprehensive income of associates accounted for using equity method	(300)	—
Comprehensive income	(13,396)	—
Profit attributable to:		
Owners of the parent	(14,174)	—
Minority interests	777	—

(Reference)

(1) Comprehensive income as of March 31, 2010 is as follows:

	Millions of yen
	2010
Comprehensive income attributable to:	
Owners of the parent	¥ 132,888
Minority interests	1,848
Total	¥ 134,737

(2) Other comprehensive income as of March 31, 2010 is as follows:

	Millions of yen
	2010
Valuation difference on available-for-sale securities	¥ 151,677
Deferred gains or losses on hedges	(33)
Foreign currency translation adjustment	7,018
Share of other comprehensive income of associates accounted for using equity method	300
Total	¥ 158,962

Consolidated Statements of Changes in Net Assets

Toyota Industries Corporation
For the years ended March 31, 2011 and 2010

	Millions of yen	
	2011	2010
Shareholders' equity		
Capital stock		
Balance at the end of previous period	¥ 80,462	¥ 80,462
Balance at the end of current period	80,462	80,462
Capital surplus		
Balance at the end of previous period	106,179	106,180
Changes of items during the period		
Disposal of treasury stock	(0)	(0)
Total changes of items during the period	(0)	(0)
Balance at the end of current period	106,179	106,179
Retained earnings		
Balance at the end of previous period	378,648	412,294
Changes of items during the period		
Dividends from surplus	(14,020)	(6,231)
Increase (decrease) due to increase in consolidated subsidiaries	—	(1,138)
Increase (decrease) due to decrease in consolidated subsidiaries	196	(1)
Net income (loss)	47,205	(26,273)
Total changes of items during the period	33,381	(33,646)
Balance at the end of current period	412,029	378,648
Treasury stock		
Balance at the end of previous period	(50,689)	(50,672)
Changes of items during the period		
Repurchase of treasury stock	(15)	(18)
Disposal of treasury stock	1	1
Total changes of items during the period	(13)	(16)
Balance at the end of current period	(50,703)	(50,689)
Total shareholders' equity		
Balance at the end of previous period	514,601	548,264
Changes of items during the period		
Dividends from surplus	(14,020)	(6,231)
Increase (decrease) due to increase in consolidated subsidiaries	—	(1,138)
Increase (decrease) due to decrease in consolidated subsidiaries	196	(1)
Net income (loss)	47,205	(26,273)
Repurchase of treasury stock	(15)	(18)
Disposal of treasury stock	0	0
Total changes of items during the period	33,367	(33,663)
Balance at the end of current period	547,968	514,601
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	544,068	392,489
Changes of items during the period		
Net changes of items other than shareholders' equity	(55,790)	151,578
Total changes of items during the period	(55,790)	151,578
Balance at the end of current period	488,277	544,068

	Millions of yen	
	2011	2010
Deferred gains or losses on hedges		
Balance at the end of previous period	¥ (9)	¥ 24
Changes of items during the period		
Net changes of items other than shareholders' equity	55	(33)
Total changes of items during the period	55	(33)
Balance at the end of current period	46	(9)
Foreign currency translation adjustment		
Balance at the end of previous period	(2,430)	(10,048)
Changes of items during the period		
Net changes of items other than shareholders' equity	(5,645)	7,618
Total changes of items during the period	(5,645)	7,618
Balance at the end of current period	(8,075)	(2,430)
Total accumulated other comprehensive income		
Balance at the end of previous period	541,628	382,466
Changes of items during the period		
Net changes of items other than shareholders' equity	(61,380)	159,162
Total changes of items during the period	(61,380)	159,162
Balance at the end of current period	480,248	541,628
Subscription rights to shares		
Balance at the end of previous period	1,720	1,224
Changes of items during the period		
Net changes of items other than shareholders' equity	411	496
Total changes of items during the period	411	496
Balance at the end of current period	2,132	1,720
Minority interests		
Balance at the end of previous period	46,978	45,715
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,389)	1,263
Total changes of items during the period	(1,389)	1,263
Balance at the end of current period	45,589	46,978
Total net assets		
Balance at the end of previous period	1,104,929	977,670
Changes of items during the period		
Dividends from surplus	(14,020)	(6,231)
Increase (decrease) due to increase in consolidated subsidiaries	—	(1,138)
Increase (decrease) due to decrease in consolidated subsidiaries	196	(1)
Net income (loss)	47,205	(26,273)
Repurchase of treasury stock	(15)	(18)
Disposal of treasury stock	0	0
Net changes of items other than shareholders' equity	(62,357)	160,922
Total changes of items during the period	(28,990)	127,259
Balance at the end of current period	¥1,075,939	¥1,104,929

Consolidated Statements of Cash Flows

Toyota Industries Corporation
For the years ended March 31, 2011 and 2010

	Millions of yen	
	2011	2010
Cash flows from operating activities:		
Income (loss) before income taxes and minority interests	¥ 69,279	¥ (11,343)
Depreciation and amortization	89,576	110,119
Impairment loss	—	36,902
Increase (decrease) in allowance for doubtful accounts	(195)	84
Interest and dividends income	(24,148)	(26,101)
Interest expenses	15,773	17,847
Equity in net (earnings) losses of affiliated companies	473	(744)
(Increase) decrease in receivables	11,650	(777)
(Increase) decrease in inventories	(16,953)	17,334
Increase (decrease) in payables	3,440	36,164
Others, net	19,228	7,372
Subtotal	168,125	186,859
Interest and dividends income received	24,173	26,145
Interest expenses paid	(15,882)	(17,976)
Income taxes (paid) received	(22,755)	8,424
Net cash provided by operating activities	153,661	203,452
Cash flows from investing activities:		
Payments for purchases of property, plant and equipment	(48,085)	(48,312)
Proceeds from sales of property, plant and equipment	7,645	15,729
Payments for purchases of investment securities	(56,000)	(3,927)
Proceeds from sales of investment securities	2,963	197
Payments for acquisition of subsidiaries' stock resulting in change in scope of consolidation	(25)	(781)
Proceeds from sales of subsidiaries' stock resulting in change in scope of consolidation	41	—
Payments for loans made	(30)	(293)
Proceeds from collections of loans	730	2,003
Net decrease (increase) in time deposits	(89,351)	—
Others, net	(5,461)	(1,470)
Net cash used in investing activities	(187,574)	(36,855)
Cash flows from financing activities:		
Increase in short-term loans payable	(6,759)	(37,614)
Proceeds from long-term loans payable	240	27,820
Repayments of long-term loans payable	(826)	(1,915)
Proceeds from issuances of bonds	4,002	50,000
Repayments of bonds	(49,180)	(33,286)
Payments for repurchase of treasury stocks	(15)	(18)
Cash dividends paid	(14,020)	(6,231)
Cash dividends paid to minority shareholders	(528)	(625)
Proceeds from payment by minority shareholders	143	—
Others, net	(18,784)	(36,359)
Net cash used in financing activities	(85,728)	(38,230)
Translation adjustments of cash and cash equivalents	(2,382)	1,211
Net increase (decrease) in cash and cash equivalents	(122,024)	129,578
Cash and cash equivalents at beginning of year	317,590	188,011
Cash and cash equivalents at end of year	¥ 195,566	¥ 317,590

Board of Directors, Corporate Auditors and Managing Officers

(As of June 16, 2011)

Board of Directors



Chairman
Akira Imura



President
Tetsuro Toyoda



Executive Vice President
Kazunori Yoshida



Executive Vice President
Yasuharu Toyoda



Executive Vice President
Kimpei Mitsuya



Executive Vice President
Tetsuo Agata

Senior Managing Directors

Masafumi Kato
Kosaku Yamada
Toshiyuki Sekimori
Chiaki Yamaguchi
Kazue Sasaki

Hiroataka Morishita
Shinya Furukawa
Akira Onishi
Masaharu Suzuki

Directors

Yorihito Ikenaga
Fujio Cho

Corporate Auditors

Full-Time Corporate Auditors

Shigetaka Yoshida
Kakuo Ishikawa

Corporate Auditors

Katsuaki Watanabe
Toshio Mita
Hans-Juergen Marx

Managing Officers

Senior Managing Officers

Takaki Ogawa
Takashi Okubo
Norio Sasaki
Toshifumi Ogawa
Toshifumi Onishi
Kohei Nozaki

Managing Officers

Taku Yamamoto
Yukihisa Tsuchimoto
Kan Otsuka
Hiroaki Asai
Takashi Ito
Toshiya Yamagishi
James J. Malvaso
Junichi Harada

Mikihiko Okamoto
Suguru Nakano
Tamotsu Sawada
Hirooki Fujiwara
Yasuhiro Murata
Yojiro Mizuno
Masahiro Kawaguchi
Susumu Toyoda

Major Consolidated Subsidiaries

(As of March 31, 2011)

Major Consolidated Subsidiaries (in Japan)

Company Name	Location	Business Activities	Ownership Ratio* (%)
Consolidated Subsidiaries			
Aichi Corporation	Ageo-shi, Saitama	Production of aerial work platforms	51.0
Wanbishi Archives Co., Ltd.	Minato-ku, Tokyo	Total information management, insurance services	100.0
TIBC Corporation	Obu-shi, Aichi	Production of semiconductor package substrates	60.0
HANDA Casting Company	Handa-shi, Aichi	Production of foundry parts	100.0
Asahi Security Co., Ltd.	Minato-ku, Tokyo	Secure transport of cash and valuables, management of proceeds, equipment security services	100.0
TOYOTA L&F Tokyo Co., Ltd.	Shinagawa-ku, Tokyo	Sales and servicing of materials handling equipment	100.0
Altex Co., Ltd.	Hamamatsu-shi, Shizuoka	Production of compressor parts	100.0
Sun River Co., Ltd.	Suita-shi, Osaka	Sports facilities, real estate lease, restaurant management	100.0
IZUMI MACHINE MFG. CO., LTD.	Obu-shi, Aichi	Production of specialized machine tools, friction welding machines, automotive parts	100.0
Tokyu Co., Ltd.	Niwa-gun, Aichi	Production of compressor parts and industrial machinery	100.0
Advanced Logistics Solutions Co., Ltd.	Obu-shi, Aichi	Logistics planning, operation of distribution centers	100.0
Toyoda High System, Incorporated	Kariya-shi, Aichi	Planning, development, formulation and operation of information infrastructure and systems	100.0
Nishina Industrial Co., Ltd.	Nagano-shi, Nagano	Production of materials handling equipment and construction machinery parts	97.5
KTL Co., Ltd.	Koto-ku, Tokyo	Management and operation of distribution centers	50.5
Tokaiseiki Co., Ltd.	Iwata-shi, Shizuoka	Production of compressor and engine parts, etc.	100.0
Taikoh Transportation Co., Ltd.	Kariya-shi, Aichi	Trucking, warehousing, distribution consulting	51.8
SKM CORPORATION	Kariya-shi, Aichi	Total management of buildings, security management, civil engineering/construction design work and real estate management	100.0
Unica Co., Ltd.	Kiyosu-shi, Aichi	Production of in-house transporters	100.0
Iwama Loom Works, Ltd.	Niwa-gun, Aichi	Production of compressor parts	100.0
Nagao Kogyo Co., Ltd.	Nagoya-shi, Aichi	Production of compressor, materials handling equipment and weaving machinery parts	100.0
TOYOTA L&F Shizuoka Co., Ltd.	Shizuoka-shi, Shizuoka	Sales and servicing of materials handling equipment	100.0
TOYOTA L&F Hyogo Co., Ltd.	Kobe-shi, Hyogo	Sales and servicing of materials handling equipment	100.0
TOYOTA L&F Fukui Co., Ltd.	Fukui-shi, Fukui	Sales and servicing of materials handling equipment	100.0
Hara Corporation	Ibi-gun, Gifu	Production of textile machinery and parts	100.0
Sun Valley Inc.	Kariya-shi, Aichi	Sales of goods, travel agency, organizing and running of events	100.0
Miduho Industry Co., Ltd.	Nagoya-shi, Aichi	Production of automotive, compressor and materials handling equipment parts	100.0
Sun Staff, Inc.	Kariya-shi, Aichi	Personnel placement, contract office staffing	100.0
ALT Logistics Co., Ltd.	Obu-shi, Aichi	Distribution service contracting; planning, management and operation of distribution centers	60.0
Shine's Co., Ltd.	Kariya-shi, Aichi	Management and operation of employee clubs	100.0
Toyota Industries Well Support Corporation	Kariya-shi, Aichi	Planning and operation of benefit programs; administrative processing services for payroll accounting, etc.	100.0

*Including indirect investment

Major Consolidated Subsidiaries and Affiliates (outside Japan)

Country	Company Name	Location	Business Activities	Ownership Ratio* (%)
Consolidated Subsidiaries				
North America				
U.S.A.	Toyota Industries North America, Inc.	Columbus, Indiana	Holding company in the U.S.A.	100.0
	Toyota Material Handling North America, Inc.	Columbus, Indiana	North American headquarters for materials handling equipment business	100.0
	Toyota Industrial Equipment Mfg., Inc.	Columbus, Indiana	Production of materials handling equipment	100.0
	The Raymond Corporation	Greene, New York	Production of materials handling equipment	100.0
	Raymond-Muscatine Inc.	Muscatine, Iowa	Production of materials handling equipment	100.0
	North Vernon Industry Corp.	North Vernon, Indiana	Production of materials handling equipment parts	100.0
	Indiana Hydraulic Equipment, Corp.	Franklin, Indiana	Production of materials handling equipment parts	100.0
	Toyota Material Handling, U.S.A., Inc.	Irvine, California	Sales of materials handling equipment	100.0
	Michigan Automotive Compressor, Inc.	Parma, Michigan	Production of compressors	60.0
	TD Automotive Compressor Georgia, LLC	Pendergrass, Georgia	Production of compressors	65.0
	Toyoda Textile Machinery, Inc.	Charlotte, North Carolina	Sales and servicing of textile machinery	100.0
Canada	G. N. Johnston Equipment Co., Ltd.	Mississauga, Ontario	Sales and servicing of materials handling equipment	100.0

Country	Company Name	Location	Business Activities	Ownership Ratio* (%)
South America				
Brazil	Toyota Material Handling Mercosur Comercio de Equipamentos LTDA	São Paulo	Sales and servicing of materials handling equipment	100.0
	Toyota Máquinas Têxteis Brasil Ltda	São Paulo	Sales and servicing of textile machinery	100.0
Europe				
Sweden	Toyota Industries Europe AB	Mjölby	Holding company for materials handling equipment business in Europe	100.0
	Toyota Material Handling Europe AB	Mjölby	European headquarters for materials handling equipment business	100.0
	BT Products AB	Mjölby	Production of materials handling equipment	100.0
	Toyota Material Handling Sweden AB	Bromma	Sales and servicing of materials handling equipment	100.0
	Toyota Industries Finance International AB	Mjölby	Funding, loan, other financial services	100.0
Norway	Toyota Material Handling Norway AS	Trondheim	Sales and servicing of materials handling equipment	100.0
Finland	Toyota Material Handling Finland OY	Vantaa	Sales and servicing of materials handling equipment	100.0
Latvia	Toyota Material Handling Baltic SIA.	Riga	Sales and servicing of materials handling equipment	100.0
Poland	Toyota Material Handling Polska Sp. z o.o.	Pruszków	Sales and servicing of materials handling equipment	100.0
Denmark	Toyota Material Handling Danmark A/S	Slangerup	Sales and servicing of materials handling equipment	100.0
U.K.	Toyota Material Handling UK Limited	Slough, Berkshire	Sales and servicing of materials handling equipment	100.0
Germany	Toyota Material Handling Deutschland GmbH	Langenhagen	Sales and servicing of materials handling equipment	100.0
	TD Deutsche Klimakompressor GmbH	Bernsdorf	Production of compressors	65.0
France	Toyota Industrial Equipment, S.A.	Ancenis	Production of materials handling equipment	100.0
	Toyota Industrial Equipment Europe, S.A.R.L.	Ancenis	Sales of materials handling equipment	100.0
	BT France S.a.r.l.	Marne La Vallée	Sales and servicing of materials handling equipment	100.0
Belgium	Toyota Material Handling Europe Brussels NV/SA	Brussels	Sales and marketing of materials handling equipment	100.0
	Toyota Material Handling Belgium NV/SA	Wilrijk	Sales and servicing of materials handling equipment	100.0
Netherlands	Toyota Material Handling Nederland B.V.	Ede	Sales and servicing of materials handling equipment	100.0
Spain	Toyota Material Handling España, S.A.	Barberá del Vallés	Sales and servicing of materials handling equipment	100.0
Austria	Toyota Material Handling Austria GmbH	Wiener Neudorf	Sales and servicing of materials handling equipment	100.0
Czech Republic	Toyota Material Handling CZ s.r.o.	Rudna	Sales and servicing of materials handling equipment	100.0
Slovakia	Toyota Material Handling Slovensko s.r.o.	Bratislava	Sales and servicing of materials handling equipment	100.0
Hungary	Toyota Material Handling Hungary Kft.	Budapest	Sales and servicing of materials handling equipment	100.0
Switzerland	Toyota Material Handling Schweiz AG	Zürich	Sales and servicing of materials handling equipment	50.0
	Toyota Textile Machinery Europe, AG	Uster	Sales and servicing of textile machinery	100.0
Italy	CESAB Carrelli Elevatori S.p.A.	Bologna	Production of materials handling equipment	100.0
	Toyota Material Handling Italia S.r.l.	Bologna	Sales and servicing of materials handling equipment	100.0
Greece	Toyota Material Handling Greece SA	Markopoulo, Attica	Sales and servicing of materials handling equipment	100.0
Asia and Oceania				
China	Toyota Material Handling (Shanghai) Co., Ltd.	Shanghai	Sales of materials handling equipment	100.0
	Toyota Industry (Kunshan) Co., Ltd.	Kunshan, Jiangsu	Production of materials handling equipment and parts for automobiles, etc.	70.0
	TD Automotive Compressor Kunshan Co., Ltd.	Kunshan, Jiangsu	Production of compressors	59.8
	Toyota Industry Automotive Parts (Kunshan) Co., Ltd.	Kunshan, Jiangsu	Production of automotive parts	60.0
	Toyota Textile Machinery (Shanghai) Co., Ltd.	Shanghai	Installation and servicing of textile machinery	100.0
	Toyota Industries Trading & Logistics (China) Co., Ltd.	Shanghai	Import/export, Chinese domestic distribution, operation of distribution centers	100.0
India	Toyota Material Handling India Pvt. Ltd.	Delhi	Sales and servicing of materials handling equipment	100.0
	Kirloskar Toyoda Textile Machinery Pvt. Ltd.	Bangalore	Production of textile machinery and parts for automobiles	95.1
Indonesia	P.T. TD Automotive Compressor Indonesia	Bekasi	Production of compressors	71.4
Australia	Toyota Material Handling Australia Pty Limited	New South Wales	Sales and servicing of materials handling equipment	100.0

*Including indirect investment

Affiliates Accounted for by the Equity Method

Europe				
Poland	Toyota Motor Industries Poland Sp. z o.o.	Jelcz-Laskowice	Production of diesel engines	40.0

Major Production Bases

(As of March 31, 2011)

■ Major Plants (Parent Company)		
Plant	Main Products	Start of Operations
Kariya Plant	Textile machinery, compressors	1927
Obu Plant	Parts for compressors	1944
Kyowa Plant	Electronic equipment, automotive press dies, production facilities, engine parts	1953
Nagakusa Plant	Vehicles	1967
Takahama Plant	Materials handling equipment, materials handling systems	1970
Hekinan Plant	Diesel engines, gasoline engines	1982
Higashichita Plant	Foundry parts, diesel engines	2000
Higashiura Plant	Parts for compressors	2002
Anjo Plant	Electronic equipment	2007

■ Major Plants (Outside Japan)		
Company Name	Location	Year of Foundation
1 Toyota Industrial Equipment Mfg., Inc.	5555 Inwood Drive, Columbus, Indiana 47201 U.S.A.	1988
2 Michigan Automotive Compressor, Inc.	2400 North Dearing Road, Parma, Michigan 49269 U.S.A.	1989
3 TD Automotive Compressor Georgia, LLC	1000 Valentine Industrial Parkway, Pendergrass, Georgia 30567 U.S.A.	2004
4 Toyota Industrial Equipment, S.A.	ZAC de l'Aéroport-B.P.77-F-44152 Ancenis Cedex, France	1995
5 TD Deutsche Klimakompressor GmbH	Weißiger Straße 6, 02994 Bernsdorf, Germany	1998
6 Toyota Motor Industries Poland Sp. z o.o.	ul. Japonska 6, Leg, 55-220, Jelcz-Laskowice, Poland	2002
7 Kirloskar Toyoda Textile Machinery Pvt. Ltd.	Plot No.10-13, Phase II, Jigani Industrial Area, Anekal Taluk, Bangalore District-562 106, India	1995
8 TD Automotive Compressor Kunshan Co., Ltd.	412 San Xiang Road, Kunshan E.&T. Development Zone, Jiangsu, P.R. China	2005
9 Toyota Industry (Kunshan) Co., Ltd.	18 Zhonghuayuan Road, Kunshan E.&T. Development Zone, Jiangsu, P.R.China	1994
10 Toyota Industry Automotive Parts (Kunshan) Co., Ltd.	408 San Xiang Road, Kunshan E.&T. Development Zone, Jiangsu, P.R. China	2004
11 BT Products AB	Svarvargatan 8, SE-595 81 Mjölby, Sweden	1946
12 CESAB Carrelli Elevatori S.p.A.	Via Persicetana Vecchia 10, 40132 Bologna, Italy	1942
13 The Raymond Corporation	8 South Canal Street #20, Greene, New York 13778 U.S.A.	1922



Investor Information

(As of March 31, 2011)

Corporate Head Office

TOYOTA INDUSTRIES CORPORATION
2-1, Toyoda-cho, Kariya-shi, Aichi, 448-8671, Japan
Telephone: +81-(0)566-22-2511
Facsimile: +81-(0)566-27-5650

Date of Establishment

November 18, 1926

Common Stock

No par value
Authorized: 1,100,000,000 shares
Issued: 325,840,640 shares

Capital Stock

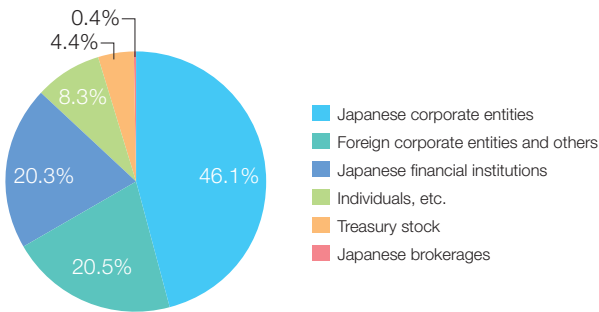
80,462 million yen

Major Shareholders (Top 10)

	Number of Shares Held (Thousands)	Percentage of Total Shares in Issue (%)
Toyota Motor Corporation	76,600	23.51
DENSO Corporation	29,647	9.10
Towa Real Estate Co., Ltd.	15,697	4.82
The Master Trust Bank of Japan, Ltd. (Trust Account)	9,873	3.03
Third Avenue Funds	8,313	2.55
Toyota Tsusho Corporation	8,289	2.54
Japan Trustee Services Bank, Ltd. (Trust Account)	7,346	2.25
Nippon Life Insurance Company	6,735	2.07
Aisin Seiki Co., Ltd.	6,578	2.02
Mitsui Sumitomo Insurance Company, Limited	5,345	1.64
Total	174,428	53.53

Notes: 1. Toyota Industries Corporation also holds 14,275 thousand shares of treasury stock but is excluded from the above list.
2. Shares held for the purpose of trust services of respective banks are as follows:
The Master Trust Bank of Japan, Ltd. (Trust Account) 9,873 (Thousands)
Japan Trustee Services Bank, Ltd. (Trust Account) 7,346 (Thousands)

Distribution of Shares



Stock Exchange Listings

Tokyo, Osaka and Nagoya (Ticker Code: 6201)

Number of Shareholders

21,447

Independent Accountant

PricewaterhouseCoopers Aarata
Sumitomo Fudosan Shiodome Hamarikyu Bldg.
8-21-1 Ginza, Chuo-ku, Tokyo, 104-0061, Japan

Transfer Agent

Special Account Management Institution

Mitsubishi UFJ Trust and Banking Corporation
1-4-5, Marunouchi, Chiyoda-ku, Tokyo, 100-8212, Japan



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