



About the Cover

The cover of our Annual Report 2004 shows the motif of a car air-conditioning compressor, symbolizing Toyota Industries' passion for "creating things."

The car air-conditioning compressor functions as the "heart" of the air conditioner, enhancing passenger comfort by regulating the interior temperature of the vehicle. Toyota Industries became a leader in global markets by successively introducing revolutionary new products, such as continuous variable displacement compressors, compressors that use CO₂ as a refrigerant for fuel-cell hybrid vehicles and electrically driven compressors for hybrid cars.

Our car air-conditioning compressors integrate leading-edge technologies with superb quality and reliability, earning high acclaim not only from Toyota Motor Corporation but also from other major automakers. We began manufacturing car air-conditioning compressors in 1960; in April 2004, our cumulative production total reached 200 million units.

Our air-conditioning compressors symbolize Toyota Industries' unique passion. The growth of Toyota Industries' entire range of businesses has been driven by "passion for creation," "passion for marketing and "passion for manufacturing."

Profile

Toyota Industries Corporation was founded in 1926 by Sakichi Toyoda, a renowned master of invention in Japan, to manufacture automatic looms. His ambitions and passion have been inherited not only by Toyota Industries but also by the entire Toyota Group, and are driving the Toyota Group's current growth. Toyota Industries proceeded over the years to diversify into such fields as automobiles, materials handling equipment, electronics and logistics solutions. In line with its strategy of globalization, Toyota Industries has production facilities and sales networks not only in Japan but also in Europe, North America, China and other regions.

The business universe of Toyota Industries consists of four segments: Automobile, which comprises the vehicle (automobile assembly), engine and car air-conditioning compressor businesses; Materials Handling Equipment, which specializes in forklift trucks and other materials handling equipment; Textile Machinery, which covers the spinning and weaving machinery businesses; and Others, which includes electronics, logistics solutions and other businesses. Each of these segments already has or is building a secure footing in its particular fields.

As it carries out its activities in a diverse range of business domains, Toyota Industries is preserving the passion inherited from Sakichi Toyoda. Developing technological and market synergies among our various businesses to produce added value, we aim to achieve a conglomerate premium so that the worth of Toyota Industries as a whole adds up to more than the sum of its parts.

Definition of Terms

"Fiscal 2004" refers to the fiscal year ended March 31, 2004, and other fiscal years are referred to in a corresponding manner. All references to the "Company" herein are to Toyota Industries Corporation, and references to "Toyota Industries" or "Toyota Industries Group" herein are to the Company and its 140 consolidated subsidiaries.

Cautionary Statement with Respect to Forward-Looking Statements

This annual report contains projections and other forward-looking statements that involve risks and uncertainties. Our use of the words "expect," "anticipate," "estimate," "forecast," "plan" and similar expressions is intended to identify such forward-looking statements. Projections and forward-looking statements are based on the current expectations and estimates of Toyota Industries Corporation and its Group companies regarding their plans, outlook, strategies and results for the future. All such projections and forward-looking statements are based on management's assumptions and beliefs derived from the information available to it at the time of producing this report and are not guarantees of future performance. Toyota Industries Corporation and its Group companies undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Therefore, it is advised that you should not rely solely upon these projections and forward-looking statements in making your investment decisions. You should also be aware that certain risks and uncertainties could cause the actual results of Toyota Industries Corporation and its Group companies to differ materially from any projections or forward-looking statements appearing in this report. These risks and uncertainties include, but are not limited to, the following: 1) economic trends, 2) principal customers, 3) product development capabilities, 4) new businesses, 5) product defects, 6) price competition, 7) reliance on suppliers of raw materials and components, 8) alliances with other companies, 9) exchange rate fluctuations, 10) effects of disasters, power blackouts and other incidents, 11) latent risks associated with international activities, 12) official restrictions, 13) share price fluctuations and 14) retirement benefit liabilities.