

## Financial Highlights

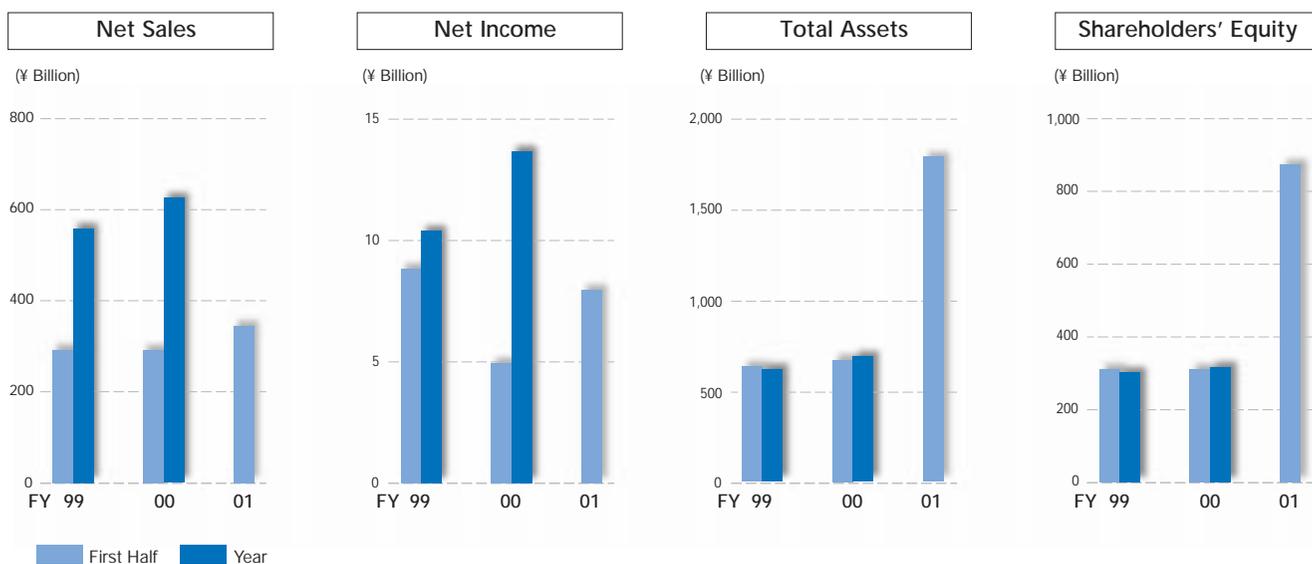
Toyota Automatic Loom Works, Ltd. and its consolidated subsidiaries  
The six months ended September 30, 2000 and 1999

|  | Millions of yen |          | % change | Thousands of<br>U.S. dollars |
|--|-----------------|----------|----------|------------------------------|
|  | 2000            | 1999     |          | 2000                         |
| <b>FOR THE SIX MONTHS</b>                          |                 |          |          |                              |
| Net sales  | ¥344,230        | ¥291,187 | 18.2%    | \$3,187,313                  |
| Operating income                                   | 21,485          | 11,712   | 83.4     | 198,932                      |
| Net income   | 7,952           | 4,933    | 61.2     | 73,633                       |
| Depreciation and amortization of intangibles       | 19,624          | 19,396   | 1.2      | 181,704                      |
| Capital expenditures                               | 26,214          | 27,051   | (3.1)    | 242,725                      |
| Research and development expenses                  | 11,743          | 10,892   | 7.8      | 108,732                      |
| Per share of common stock (in yen or U.S.dollars): |                 |          |          |                              |
| Net income—primary                                 | ¥28.07          | ¥17.41   | 61.2     | \$0.26                       |
| Net income—diluted                                 | 25.29           | 15.63    | 61.8     | 0.23                         |
| Cash dividends                                     | 8.00            | 8.00     | —        | 0.07                         |

### AT THE SIX MONTHS' END

|                      |            |          |        |              |
|----------------------|------------|----------|--------|--------------|
| Total assets         | ¥1,781,882 | ¥667,368 | 167.0% | \$16,498,904 |
| Shareholders' equity | 873,349    | 309,805  | 181.9  | 8,086,567    |

Note: U.S. dollar amounts have been translated from yen, for convenience only, at the rate of ¥108.00 = U.S.\$1, the exchange rate on September 30, 2000.



### Contents

|   |    |  |            |
|---|----|--|------------|
| To Our Shareholders .....                             | 1  | Consolidated Statements of Cash Flows .....      | 12         |
| Topics .....  | 4  | Notes to Consolidated Financial Statements ..... | 13         |
| Management's Discussion and Analysis .....            | 6  | Report of Independent Public Accountants .....   | 16         |
| Consolidated Balance Sheets.....                      | 8  | Board of Directors and Corporate Auditors .....  | 17         |
| Consolidated Statements of Income.....                | 10 | Subsidiaries and Affiliates .....                | 17         |
| Consolidated Statements of Shareholders' Equity ..... | 11 | Investor Information.....                        | Back Cover |

#### Cautionary Statement with Respect to Forward-Looking Statements

This semiannual report contains forward-looking statements which are not based on already recorded events, such as plans, strategies, resolutions, and estimates regarding the future business performance of Toyota Automatic Loom Works, Ltd. (TOYODA). These statements reflect the opinions of TOYODA's management, which are based upon presently available information. Therefore, readers should not place undue reliance on these projections. Actual business results are contingent upon a variety of risks and unknown factors that may significantly influence final results. Risks and unknown factors that may influence final results for TOYODA's operations include, but are not limited to, the economic circumstances surrounding TOYODA's businesses, various competitive pressures, relevant laws and regulations, and changes in exchange rates.