

Message from the Chairman and President



Tetsuro Toyoda
Chairman

Firstly, we would like to extend our sincere appreciation for your continued support of Toyota Industries Corporation and the Toyota Industries Group.

In fiscal 2016 (ended March 31, 2016), despite the solid performance of the U.S. economy, the global economic growth remained at a low level overall due primarily to China's slowing growth. Generally, the economic prospects remain uncertain. In addition, there was a sense of stagnation in the Japanese economy as evident in cautious consumer spending and capital investment.

In this business environment, Toyota Industries Corporation and its Group companies ("Toyota Industries") undertook efforts to ensure customer trust through a dedication to quality first as well as to expand sales by responding flexibly to market trends. As a result, Toyota Industries achieved record highs in consolidated net sales, operating profit, ordinary profit and profit attributable to owners of the parent.

With regard to the future economic outlook, despite international cooperation, it appears uncertainties surrounding the business climate, including an expected further deceleration of the Chinese economy, financial policies in Japan and the United States as well as the effects of Brexit from the EU, will persist and require close monitoring.

Under these circumstances, Toyota Industries is establishing a stronger business foundation and addressing key management issues to further raise corporate value by leveraging the Group's comprehensive strengths.

As immediate tasks, we will endeavor to bolster our management platform to respond quickly to rapid changes in the business environment. Specifically, based on our quality first approach, we aim to build a stronger production foundation by maintaining and improving productivity on a global basis. We will also pursue waste-free business operations and strive to improve profitability by reducing product development lead time throughout the supply chain and carrying out operations improvement activities in administrative and back-office sections. Moreover, we will strengthen risk management in order to quickly and appropriately respond to changes in the world situation. To

support such consolidated management on a global scale, Toyota Industries will aim to improve solidarity in the workplace and emphasize diversity in the allocation of personnel while developing human resources who can play active roles in countries around the world.

In addition to these approaches, we will continue to strive to offer attractive products to customers in the global market in a timely manner. In doing so, we will work to not only develop technologies based on the keyword of the 3Es, which we define as "energy," "environmental protection" and "ecological thinking," but also differentiate our production engineering technologies and innovate our business model by utilizing the Internet of Things (IoT). Also, we will nurture buds of new growth from the perspectives of markets and our "Customer First" philosophy, and strive to commercialize them as soon as possible. Through these efforts, we aim for sustainable growth of businesses in respective markets, including automobiles and materials handling equipment for which expansion is expected in the medium to long term, thereby supporting industries and social foundations around the world and contributing to an enriched lifestyle and comfortable society as specified in Vision 2020.

In other areas, Toyota Industries will create a workplace environment that places top priority on safety; thoroughly enforce compliance, including observance of laws and regulations; and proactively participate in social contribution activities. By carrying out these initiatives, we aim to broadly meet the trust of society and grow harmoniously with society. With regard to protection of the global environment, we will undertake Group-wide initiatives toward realization of "a zero CO₂ emission society in 2050" based on our Sixth Environmental Action Plan developed in March 2016.

In closing, we would like to sincerely ask for your continued understanding and support.

July 2016

Tetsuro Toyoda
Chairman

Akira Onishi
President



Akira Onishi
President