

Consolidated Statements of Cash Flows

Toyota Industries Corporation
For the six months ended September 30, 2006 and 2005 (unaudited)

	Millions of yen		Thousands of U.S. dollars (Note 1)
	For the six months ended September 30	2005	For the six months ended September 30
	2006		2006
Cash flows from operating activities:			
Income before income taxes and minority interests	¥ 53,482	¥ 41,577	\$453,622
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities:			
Depreciation and amortization	51,412	39,169	436,064
Increase (decrease) in allowance for doubtful accounts	(296)	8	(2,511)
Interest and dividends income	(22,893)	(15,095)	(194,173)
Interest expenses	9,943	5,259	84,334
Equity in net earnings of affiliates	(462)	(1,267)	(3,918)
(Increase) decrease in receivables	(2,765)	(11,695)	(23,452)
(Increase) decrease in inventories	(9,634)	(3,737)	(81,713)
Increase (decrease) in payables	3,398	(480)	28,821
Others, net	7,410	9,275	62,850
Subtotal	89,595	63,014	759,924
Interest and dividends income received	22,874	15,091	194,012
Interest expenses paid	(9,870)	(5,278)	(83,715)
Income taxes paid	(17,701)	(14,068)	(150,136)
Net cash provided by operating activities	84,898	58,759	720,085
Cash flows from investing activities:			
Payments for purchases of property, plant and equipment	(87,721)	(95,547)	(744,029)
Proceeds from sales of property, plant and equipment	4,048	3,977	34,334
Payments for purchases of investment securities	(9,255)	(21,376)	(78,499)
Proceeds from sales of investment securities	2,713	2,154	23,011
Payments for acquisition of subsidiaries' stock resulting in change in scope of consolidation	(1,939)	–	(16,446)
Payments for loans made	(1,989)	(2,393)	(16,870)
Proceeds from collections of loans	643	1,056	5,454
Other, net	(3,912)	(2,642)	(33,181)
Net cash used in investing activities	(97,412)	(114,771)	(826,226)
Cash flows from financing activities:			
Increase (decrease) in short-term loans	9,399	(29,943)	79,720
Increase (decrease) in commercial paper	–	52,304	–
Proceeds from long-term loans	38,337	28,414	325,165
Repayments of long-term loans	(12,632)	(2,531)	(107,142)
Proceeds from issuance of bonds	–	5,692	–
Repayments of bonds	(15,948)	(20,300)	(135,267)
Payments for purchase of treasury stock	(35,474)	(22)	(300,882)
Cash dividends paid	(6,386)	(6,042)	(54,164)
Cash dividends paid for minority shareholders	(767)	(616)	(6,505)
Other, net	5,036	3,232	42,714
Net cash provided by (used in) financing activities	(18,435)	30,188	(156,361)
Translation adjustments of cash and cash equivalents	1,042	(919)	8,838
Net increase (decrease) in cash and cash equivalents	(29,907)	(26,743)	(253,664)
Cash and cash equivalents at beginning of period	112,597	100,536	955,021
Cash and cash equivalents at end of period	¥ 82,690	¥ 73,793	\$701,357

The accompanying notes are an integral part of these financial statements.