

Consolidated Statements of Cash Flows

Toyota Industries Corporation
For the six months ended September 30, 2004 and 2003 (unaudited)

	Millions of yen		Thousands of U.S. dollars (Note 1)
	For the six months ended September 30	2003	For the six months ended September 30
	2004		2004
Cash flows from operating activities:			
Income before income taxes	¥ 38,476	¥ 28,938	\$ 346,475
Adjustments to reconcile income before income taxes to net cash provided by operating activities:			
Depreciation and amortization	32,708	30,562	294,534
Impairment loss of fixed assets	414	–	3,728
Increase (decrease) in allowance for doubtful accounts	24	(33)	216
Interest and dividends income	(10,996)	(9,777)	(99,018)
Interest expenses	4,590	4,970	41,333
Equity in net earnings of affiliates	(4,211)	(247)	(37,920)
Increase in receivables	(5,296)	(3,988)	(47,690)
(Increase) decrease in inventories	(8,527)	1,258	(76,785)
Increase (decrease) in payables	3,705	(4,360)	33,363
Others, net	(1,400)	(2,104)	(12,608)
Subtotal	49,487	45,219	445,628
Interest and dividends income received	11,026	9,433	99,289
Interest expenses paid	(4,557)	(5,082)	(41,036)
Income taxes paid	(10,757)	(17,227)	(96,866)
Net cash provided by operating activities	45,199	32,343	407,015
Cash flows from investing activities:			
Payments for purchases of marketable securities	–	(44)	–
Proceeds from sales of marketable securities	–	2,703	–
Payments for purchases of property, plant and equipment	(45,870)	(29,752)	(413,057)
Proceeds from sales of property, plant and equipment	986	1,749	8,879
Payments for purchases of investment securities	(9,030)	(10,075)	(81,315)
Proceeds from sales of investment securities	1,101	2,199	9,914
Payments for acquisition of subsidiaries' stock resulting in change in scope of consolidation	–	2,294	–
Payments for loans made	(840)	(2,526)	(7,564)
Proceeds from collections of loans	1,943	2,702	17,497
Payments for acquisition of business	–	(944)	–
Other, net	(3,256)	(4,724)	(29,320)
Net cash used in investing activities	(54,966)	(36,418)	(494,966)
Cash flows from financing activities:			
Increase in short-term loans	5,740	9,658	51,688
Proceeds from issuance of commercial paper	–	30,000	–
Proceeds from long-term loans	7,773	1,335	69,995
Repayments of long-term loans	(2,140)	(5,726)	(19,271)
Repayments of bonds	–	(31,677)	–
Payments to convertible bond redemption funds	–	(56,670)	–
Payments for purchase of treasury stocks	(17)	(12)	(153)
Cash dividends paid	(3,813)	(3,510)	(34,336)
Cash dividends paid for minority shareholders	(486)	(253)	(4,376)
Other, net	2,365	74	21,297
Net cash provided by (used in) financing activities	9,422	(56,781)	84,844
Translation adjustments of cash and cash equivalents	(39)	577	(351)
Net decrease in cash and cash equivalents	(384)	(60,279)	(3,458)
Cash and cash equivalents at beginning of period	77,212	136,929	695,291
Net decrease in cash and cash equivalents due to change in subsidiaries' year-ends	–	(3,764)	–
Cash and cash equivalents at end of period	¥ 76,828	¥ 72,886	\$ 691,833

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