

# FINANCIAL SUMMARY

FY2004 Third Quarter

Financial Results for the Nine Months  
Ended December 31, 2003

**TOYOTA INDUSTRIES CORPORATION**

English translation from the original Japanese-language document

## Cautionary Statement with Respect to Forward-Looking Statements

*This Financial summary contains projections and other forward-looking statements that involve risks and uncertainties. Our uses 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 summary 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 discussed in this summary. These risks and uncertainties include, but are not limited to, the following:*

- i) Domestic and overseas economic conditions, particularly levels of consumer spending, demand for our products and private sector capital expenditure*
- ii) Adverse changes in laws and regulations, such as trade restrictions and tariffs, or stricter safety or emissions regulations, resulting in higher costs and/or sales restrictions*
- iii) Currency exchange rate fluctuations, notably involving yen, U.S. dollars, Asian currencies and the euro — the currencies in which Toyota Industries Corporation and its Group companies have holdings and use to conduct their international business*
- iv) Fluctuations in market prices of securities in which Toyota Industries Corporation and its Group companies have substantial holdings*
- v) The ability of Toyota Industries Corporation and its Group companies to maintain their strength in many product development and geographical areas, through such means as new product development and launches in highly competitive markets characterized by continual new product introductions, rapid technological advances and fluctuations in demand*
- vi) Effects of natural disasters, terrorist activities, war or political instability in the markets Toyota Industries Corporation and its Group companies serve*
- vii) Factors such as greater price competition in Asia, North America and Europe resulting from industry overcapacity or other factors; higher fuel prices or shortages of fuel; labor or other constraints on the ability of Toyota Industries Corporation and its Group companies to restructure their business; work stoppages at their facilities or those of key suppliers; and the discovery of defects in their products resulting in delays in new product launches, recall campaigns, increased warranty costs or litigation.*
- viii) Political, economic and social conditions in Japan, the United States and elsewhere, including the relevant governments’ specific policies with respect to economic growth, inflation, taxation, currency convertibility, imports and sources of supplies, and the availability of credit, particularly to the extent such current or future conditions and policies affect the automobile, materials handling equipment, textile machinery, and electronics industries and markets in Japan, the United States, and elsewhere.*

# Consolidated Financial Results for the Nine Months Ended December 31, 2003

## TOYOTA INDUSTRIES CORPORATION

Stock exchange listings: Tokyo, Osaka and Nagoya (Ticker code: 6201) (URL <http://www.toyota-industries.com/>)

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### 1. Financial Highlights for the Nine Months Ended December 31, 2003

As Toyota Industries started disclosing its quarterly figures from this fiscal year, comparative figures for the previous fiscal year are not available.

#### (1) Consolidated financial results (Amounts less than one million yen are omitted.)

	Net sales	Operating income	Ordinary income
	Million yen	Million yen	Million yen
<b>Nine months ended December 31,2003</b>	<b>857,620</b>	<b>40,077</b>	<b>48,615</b>
FY2003	1,069,218	52,477	51,375

  

	Net income	Net income per share - basic	Net income per share - diluted
	Million yen	Yen	Yen
<b>Nine months ended December 31,2003</b>	<b>28,512</b>	<b>93.74</b>	<b>86.78</b>
FY2003	21,933	70.19	62.90

#### (2) Consolidated financial position

	Total assets	Shareholders' equity	Ratio of Shareholders' equity	Shareholders' equity per share
	Million yen	Million yen	%	Yen
<b>Nine months ended December 31,2003</b>	<b>1,901,675</b>	<b>969,504</b>	<b>51.0</b>	<b>3,005.70</b>
FY2003	1,650,391	738,867	44.8	2,522.52

#### (3) Scope of consolidation and equity method

Consolidated subsidiaries: 138 companies

Unconsolidated subsidiaries accounted for under the equity method: 1 company

Affiliates accounted for under the equity method: 19 companies

#### (4) Changes in scope of consolidation and equity method

Consolidated subsidiaries: (increase) 20 companies

Equity method: (increase) 3 companies, (decrease) 1 company

### 2. Forecasts of Consolidated Financial Results for FY2004 (April 1, 2003 - March 31, 2004)

	Net sales	Ordinary income	Net income
	Million yen	Million yen	Million yen
FY2004	1,150,000	58,000	34,000

Reference: (Forecast) Net income per share - basic (annual): 105.41 yen

\* Figures for fiscal 2004 have not been revised from those previously announced on October 28, 2003.

\* All projections are based on the information available to management at the time of producing this report and are not guarantees of future performance. Certain risks and uncertainties could cause the actual results of Toyota Industries to differ materially from any projections discussed in this report.

## Business Results

By the end of the third quarter of fiscal 2004 (the nine months from April 1 to December 31, 2003), total consolidated net sales of Toyota Industries amounted to 857.6 billion yen. The following is a review of operations for the major business segments.

Net sales of the Automobile Segment totaled 442.3 billion yen. Within this segment, net sales of the Vehicle Business totaled 204.0 billion yen, due largely to strong sales of the Corolla Sedan for North America, for which production commenced in January 2003. Net sales of the Engine Business totaled 78.8 billion yen, reflected by the fact that a certain volume of CD-type diesel engines are now shipped as parts, thus decreasing the overall production of the engine as a complete product. Net sales of the Car Air-Conditioning Compressor Business totaled 146.8 billion yen, attributable mainly to vigorous sales activities targeting car manufacturers around the world.

Net sales of the Materials Handling Equipment Segment totaled 325.5 billion yen, due primarily to aggressive sales promotion activities for major customers in Japan and overseas. Strong sales of the GENE0-E, a three-wheel electric counterbalanced forklift truck, as well as the consolidation of Aichi Corporation, which became one of our subsidiaries in May 2003, also contributed to consolidated results.

Net sales of the Textile Machinery Segment totaled 37.4 billion yen, due mainly to strong sales of air-jet looms in China.

During this period, Toyota Industries' ordinary income amounted to 48.6 billion yen. This increase reflected expanded sales, improved productivity and enhanced cost-reduction efforts group-wide. Net income amounted to 28.5 billion yen.

For fiscal 2004, ending March 31, 2004, Toyota Industries forecasts consolidated net sales of 1,150.0 billion yen and ordinary income of 58.0 billion yen.

## Breakdown of Consolidated Net Sales

(Million yen; amounts less than one million yen are omitted.)

	Nine months ended December 31, 2003 ( April 1, 2003 - December 31, 2003 )		FY2003 ( April 1, 2002 - March 31, 2003 )	
	Amount	Component ratio	Amount	Component ratio
Automobile		%		%
Vehicle	204,059	23.8	281,927	26.4
Engine	78,864	9.2	117,669	11.0
Car air-conditioning compressor	146,869	17.1	177,914	16.6
Foundry and others	12,560	1.5	17,948	1.7
Subtotal	442,353	51.6	595,459	55.7
Materials handling equipment	325,513	38.0	373,007	34.9
Textile machinery	37,456	4.4	48,740	4.6
Others	52,296	6.0	52,010	4.8
Total	857,620	100.0	1,069,218	100.0

## Consolidated Balance Sheets

	FY2004 Third Quarter (As of December 31, 2003)	FY2003 (As of March 31, 2003)	Increase (Decrease)
<b><u>Assets</u></b>			
<b>Current assets</b>	<b>340,731</b>	<b>371,807</b>	<b>(31,076)</b>
Cash and deposits	53,215	87,840	(34,625)
Trade notes and accounts receivable	133,644	119,047	14,597
Marketable securities	20,114	52,780	(32,666)
Inventories	76,640	69,140	7,500
Deferred tax assets	11,792	14,072	(2,280)
Other current assets	47,488	30,924	16,564
Less - allowance for doubtful accounts	(2,165)	(1,998)	(167)
<b>Fixed assets</b>	<b>1,560,944</b>	<b>1,278,583</b>	<b>282,361</b>
<b>Property, plant and equipment</b>	<b>381,766</b>	<b>362,193</b>	<b>19,573</b>
Buildings and structures	123,720	118,448	5,272
Machinery, equipment and vehicles	160,901	157,733	3,168
Tools, furniture and fixtures	15,644	16,006	(362)
Land	69,032	56,254	12,778
Construction in progress	12,467	13,749	(1,282)
<b>Intangible assets</b>	<b>99,375</b>	<b>96,773</b>	<b>2,602</b>
Software	11,349	9,195	2,154
Goodwill	88,026	87,577	449
<b>Investments and other assets</b>	<b>1,079,801</b>	<b>819,616</b>	<b>260,185</b>
Investments in securities	1,020,725	762,026	258,699
Long-term loans	9,525	10,521	(996)
Long-term prepaid expenses	14,224	15,081	(857)
Deferred tax assets	3,715	2,862	853
Other investments and other assets	31,842	29,370	2,472
Less - allowance for doubtful accounts	(231)	(247)	16
<b>Total assets</b>	<b>1,901,675</b>	<b>1,650,391</b>	<b>251,284</b>

(Million yen; amounts less than one million yen are omitted.)

	FY2004 Third Quarter (As of December 31, 2003)	FY2003 (As of March 31, 2003)	Increase (Decrease)
<b><u>Liabilities</u></b>			
<b>Current liabilities</b>	<b>301,594</b>	<b>393,365</b>	<b>(91,771)</b>
Trade notes and accounts payable	124,120	117,424	6,696
Short-term bank loans	70,838	78,052	(7,214)
Commercial paper	5,000	-	5,000
Current portion of bonds	-	20,000	(20,000)
Current portion of convertible bonds	-	75,692	(75,692)
Other payables	13,171	17,406	(4,235)
Accrued expenses	45,976	42,027	3,949
Accrued income taxes	6,641	14,143	(7,502)
Deposits received from employees	21,218	19,234	1,984
Deferred tax liabilities	1,910	1,191	719
Other current liabilities	12,717	8,193	4,524
<b>Long-term liabilities</b>	<b>595,811</b>	<b>494,164</b>	<b>101,647</b>
Bonds	200,300	200,300	-
Long-term debt	32,632	36,576	(3,944)
Deferred tax liabilities	311,366	212,355	99,011
Allowance for retirement benefits	34,415	34,100	315
Other long-term liabilities	17,096	10,832	6,264
<b>Total liabilities</b>	<b>897,405</b>	<b>887,530</b>	<b>9,875</b>
<b>Minority interest in consolidated subsidiaries</b>	<b>34,765</b>	<b>23,993</b>	<b>10,772</b>
<b><u>Shareholders' equity</u></b>			
<b>Common stock</b>	<b>80,462</b>	<b>68,046</b>	<b>12,416</b>
<b>Capital surplus</b>	<b>105,742</b>	<b>89,364</b>	<b>16,378</b>
<b>Retained earnings</b>	<b>289,561</b>	<b>269,380</b>	<b>20,181</b>
<b>Net unrealized gains on other securities</b>	<b>480,819</b>	<b>331,667</b>	<b>149,152</b>
<b>Foreign currency translation adjustments</b>	<b>19,712</b>	<b>16,890</b>	<b>2,822</b>
<b>Treasury stock at cost</b>	<b>(6,795)</b>	<b>(36,483)</b>	<b>29,688</b>
<b>Total shareholders' equity</b>	<b>969,504</b>	<b>738,867</b>	<b>230,637</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,901,675</b>	<b>1,650,391</b>	<b>251,284</b>

# Consolidated Statements of Income

(Million yen; amounts less than one million yen are omitted.)

	Nine months ended December 31, 2003 ( April 1, 2003 - December 31, 2003 )	FY2003 ( April 1, 2002 - March 31, 2003 )
<b>Net sales</b>	<b>8 5 7 , 6 2 0</b>	<b>1 , 0 6 9 , 2 1 8</b>
Cost of sales	7 2 0 , 3 1 7	8 9 9 , 7 0 2
<b>Gross profit</b>	<b>1 3 7 , 3 0 3</b>	<b>1 6 9 , 5 1 6</b>
Selling, general and administrative expenses	9 7 , 2 2 5	1 1 7 , 0 3 8
<b>Operating income</b>	<b>4 0 , 0 7 7</b>	<b>5 2 , 4 7 7</b>
<b>Non-operating income</b>	<b>2 5 , 8 2 7</b>	<b>2 6 , 3 3 5</b>
Interest income	6 , 2 1 4	8 , 9 8 5
Dividends income	1 0 , 9 2 1	8 , 8 8 8
Other non-operating income	8 , 6 9 1	8 , 4 6 1
<b>Non-operating expenses</b>	<b>1 7 , 2 8 9</b>	<b>2 7 , 4 3 8</b>
Interest expenses	7 , 3 4 9	1 0 , 5 2 2
Other non-operating expenses	9 , 9 4 0	1 6 , 9 1 5
<b>Ordinary income</b>	<b>4 8 , 6 1 5</b>	<b>5 1 , 3 7 5</b>
<b>Extraordinary gains</b>	<b>6 2 1</b>	<b>-</b>
Gains from transition of benefit plan into defined contribution pension plan	6 2 1	-
<b>Extraordinary losses</b>	<b>1 , 8 5 1</b>	<b>7 , 7 0 5</b>
Provision for retirement and severance benefits for directors and corporate auditors	1 , 8 5 1	-
Revalued loss of investment securities	-	4 , 2 9 8
Loss on disposal of property, plant and equipment	-	3 , 4 0 7
<b>Income before income taxes</b>	<b>4 7 , 3 8 5</b>	<b>4 3 , 6 6 9</b>
Income taxes	1 6 , 1 4 4	2 0 , 8 1 5
Minority interest in consolidated subsidiaries	2 , 7 2 7	9 1 9
<b>Net income</b>	<b>2 8 , 5 1 2</b>	<b>2 1 , 9 3 3</b>

# Segment Information

## 1. Business segment information

(1) Nine months ended December 31, 2003

(Million yen; amounts less than one million yen are omitted.)

	Automobile	Materials handling equipment	Textile machinery	Others	Total	Eliminations	Consolidated
Net sales							
(1) Outside customer sales	442,353	325,513	37,456	52,296	857,620	-	857,620
(2) Intersegment transactions	11,751	412	10	10,060	22,234	(22,234)	-
Total	454,104	325,926	37,466	62,357	879,855	(22,234)	857,620
Operating expenses	433,339	311,487	37,199	57,707	839,733	(22,190)	817,543
Operating income	20,764	14,439	267	4,650	40,121	(44)	40,077

(2) FY2003 (April 1, 2002 - March 31, 2003)

(Million yen; amounts less than one million yen are omitted.)

	Automobile	Materials handling equipment	Textile machinery	Others	Total	Eliminations	Consolidated
Net sales							
(1) Outside customer sales	595,459	373,007	48,740	52,010	1,069,218	-	1,069,218
(2) Intersegment transactions	15,523	89	5	13,078	28,697	(28,697)	-
Total	610,983	373,097	48,745	65,089	1,097,915	(28,697)	1,069,218
Operating expenses	580,875	356,922	46,436	61,177	1,045,412	(28,671)	1,016,740
Operating income	30,107	16,174	2,308	3,912	52,503	(25)	52,477

## 2. Geographical segment information

(1) Nine months ended December 31, 2003

(Million yen; amounts less than one million yen are omitted.)

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
Net sales							
(1) Outside customer sales	581,506	146,043	122,123	7,947	857,620	-	857,620
(2) Intersegment transactions	63,209	683	4,360	1,166	69,419	(69,419)	-
Total	644,716	146,726	126,483	9,113	927,039	(69,419)	857,620
Operating expenses	609,487	142,075	124,412	8,971	884,946	(67,403)	817,543
Operating income	35,228	4,651	2,071	141	42,093	(2,015)	40,077

(2) FY2003 (April 1, 2002 - March 31, 2003)

(Million yen; amounts less than one million yen are omitted.)

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
Net sales							
(1) Outside customer sales	733,869	192,385	139,514	3,449	1,069,218	-	1,069,218
(2) Intersegment transactions	78,517	1,411	4,899	1,033	85,862	(85,862)	-
Total	812,387	193,796	144,413	4,483	1,155,080	(85,862)	1,069,218
Operating expenses	767,341	187,597	142,468	4,559	1,101,966	(85,225)	1,016,740
Operating income	45,045	6,199	1,945	(75)	53,114	(636)	52,477

### 3.Overseas sales

(1) Nine months ended December 31,2003

(Million yen; amounts less than one million yen are omitted.)

	North America	Europe	Others	Total
Overseas sales	144,462	155,345	68,366	368,174
Consolidated sales				857,620
Ratio of overseas sales to consolidated sales	16.8%	18.1%	8.0%	42.9%

(2)FY2003 (April 1, 2002 - March 31, 2003)

(Million yen; amounts less than one million yen are omitted.)

	North America	Europe	Others	Total
Overseas sales	192,421	181,347	77,825	451,593
Consolidated sales				1,069,218
Ratio of overseas sales to consolidated sales	18.0%	17.0%	7.3%	42.2%