

# FINANCIAL SUMMARY

FY2005 First Quarter

(April 1, 2004 through June 30, 2004)

**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 FY2005 First Quarter (April 1, 2004 - June 30, 2004)

## TOYOTA INDUSTRIES CORPORATION

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

Head office: 2-1, Toyoda-cho, Kariya-shi, Aichi-ken, 448-8671, Japan

Representative person: Tadashi Ishikawa, President

Contact person: Toshifumi Ogawa, General Manager of Accounting Department (Tel. +81-(0) 566-22-2511)

### 1. Financial Highlights for FY2005 First Quarter (April 1, 2004 - June 30, 2004)

#### (1) Consolidated financial results

(Amounts less than one million yen are omitted.)

|                      | Net sales   | ( % change from previous year ) | Operating income | ( % change from previous year ) | Ordinary income | ( % change from previous year ) |
|----------------------|-------------|---------------------------------|------------------|---------------------------------|-----------------|---------------------------------|
|                      | Million yen | %                               | Million yen      | %                               | Million yen     | %                               |
| FY2005 First Quarter | 298,286     | ( 6.9 )                         | 15,877           | ( 16.1 )                        | 24,198          | ( 28.2 )                        |
| FY2004 First Quarter | 279,153     | ( - )                           | 13,673           | ( - )                           | 18,878          | ( - )                           |
| FY2004               | 1,164,378   |                                 | 52,631           |                                 | 58,970          |                                 |

|                      | Net income  | ( % change from previous year ) | Net income per share - basic | Net income per share - diluted |
|----------------------|-------------|---------------------------------|------------------------------|--------------------------------|
|                      | Million yen | %                               | Yen                          | Yen                            |
| FY2005 First Quarter | 15,427      | ( 50.7 )                        | 48.57                        | 48.53                          |
| FY2004 First Quarter | 10,238      | ( - )                           | 34.97                        | 31.41                          |
| FY2004               | 33,623      |                                 | 108.04                       | 101.97                         |

#### (2) Consolidated financial position

|                      | Total assets | Shareholders' equity | Ratio of Shareholders' equity | Shareholders' equity per share |
|----------------------|--------------|----------------------|-------------------------------|--------------------------------|
|                      | Million yen  | Million yen          | %                             | Yen                            |
| FY2005 First Quarter | 2,149,623    | 1,095,283            | 51.0                          | 3,447.94                       |
| FY2004 First Quarter | 1,809,421    | 822,479              | 45.5                          | 2,809.23                       |
| FY2004               | 2,011,995    | 1,016,763            | 50.5                          | 3,199.69                       |

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

Consolidated subsidiaries: 141 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) 3 companies, (decrease) 2 companies

Equity method: No change

### 2. Forecasts of Consolidated Financial Results for FY2005 (April 1, 2004 - March 31, 2005)

|                    | Net sales   | Ordinary income | Net income  |
|--------------------|-------------|-----------------|-------------|
|                    | Million yen | Million yen     | Million yen |
| FY2005 Semi-annual | 570,000     | 29,000          | 16,000      |
| FY2005             | 1,150,000   | 60,000          | 34,000      |

Reference: (Forecast) Net income per share - basic (annual): 107.03 yen

\* Figures for fiscal 2005 have not been revised from those previously announced on April 27, 2004.

\* 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

During the first quarter of fiscal 2005, ending March 31, 2005, total consolidated net sales of Toyota Industries amounted to 298.2 billion yen, an increase of 19.1 billion yen, or 7%, over the same period of the previous fiscal year. The following is a review of operations for the major business segments.

Net sales of the Automobile Segment totaled 154.6 billion yen, an increase of 7.0 billion yen, or 5%, over the same period. Within this segment, net sales of the Vehicle Business amounted to 69.5 billion yen, an increase of 1.4 billion yen, or 2%. This was because strong sales of the RAV4 (for overseas) and Vitz outweighed a decrease in sales of the Corolla Sedan for North America. Net sales of the Engine Business totaled 27.9 billion yen, an increase of 1.9 billion yen, or 7%. Although sales of UZ-type and FZ-type gasoline engines decreased, sales of CD-type and HZ-type diesel engines as well as knockdown parts increased. Net sales of the Car Air-Conditioning Compressor Business totaled 51.5 billion yen, an increase of 1.9 billion yen, or 4%, attributable mainly to solid sales to Toyota Motor Corporation and General Motors Corporation.

Net sales of the Materials Handling Equipment Segment totaled 115.1 billion yen, an increase of 13.2 billion yen, or 13%. Economic recoveries in both domestic and overseas markets, combined with vigorous sales activities, contributed to strong sales by TOYOTA Material Handling Company and BT Industries AB, one of our subsidiaries.

Net sales of the Textile Machinery Segment totaled 9.7 billion yen, a decrease of 4.1 billion yen, or 30%, as large orders for air-jet looms received in fiscal 2003 from China were completed during fiscal 2004.

During the first three months of fiscal 2005, Toyota Industries' ordinary income amounted to 24.1 billion yen, an increase of 5.3 billion yen, or 28%. This increase reflected increases in both domestic and overseas sales, enhanced cost-reduction efforts group-wide and improvements in such non-operating income as dividends income and earnings from equity-method affiliates. Net income amounted to 15.4 billion yen, an increase of 5.2 billion yen, or 51%.

For fiscal 2005, Toyota Industries forecasts consolidated net sales of 1,150.0 billion yen, ordinary income of 60.0 billion yen and net income of 34.0 billion yen.

## Breakdown of Consolidated Net Sales

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

|  | FY2005 First Quarter |                    | FY2004 First Quarter |                    | Increase<br>(Decrease) | % change | FY2004    |                    |
|--|----------------------|--------------------|----------------------|--------------------|------------------------|----------|-----------|--------------------|
|  | Amount               | Component<br>ratio | Amount               | Component<br>ratio |                        |          | Amount    | Component<br>ratio |
| <b>Automobile</b>                        |                      | %                  |                      | %                  |                        | %        |           | %                  |
| Vehicle                                  | 69,513               | 23.3               | 68,131               | 24.4               | 1,382                  | 2.0      | 280,484   | 24.1               |
| Engine                                   | 27,956               | 9.4                | 26,043               | 9.3                | 1,913                  | 7.3      | 107,357   | 9.2                |
| Car air-conditioning<br>compressor       | 51,593               | 17.3               | 49,616               | 17.8               | 1,977                  | 4.0      | 198,398   | 17.1               |
| Foundry, Electronics<br>parts and others | 5,560                | 1.8                | 3,810                | 1.4                | 1,750                  | 45.9     | 17,623    | 1.5                |
| <b>Subtotal</b>                          | 154,624              | 51.8               | 147,602              | 52.9               | 7,022                  | 4.8      | 603,862   | 51.9               |
| Materials handling<br>equipment          | 115,104              | 38.6               | 101,902              | 36.5               | 13,202                 | 13.0     | 443,443   | 38.1               |
| Textile machinery                        | 9,764                | 3.3                | 13,854               | 5.0                | (4,090)                | (29.5)   | 45,968    | 3.9                |
| Others                                   | 18,793               | 6.3                | 15,793               | 5.6                | 3,000                  | 19.0     | 71,103    | 6.1                |
| <b>Total</b>                             | 298,286              | 100.0              | 279,153              | 100.0              | 19,133                 | 6.9      | 1,164,378 | 100.0              |

## Consolidated Balance Sheets

|  | FY2005 First Quarter<br>(As of June 30, 2004) | FY2004<br>(As of March 31, 2004) | Increase<br>(Decrease) | FY2004 First Quarter<br>(As of June 30, 2003) |
|--|---|----------------------------------|------------------------|---|
| <b><u>Assets</u></b>                   |   |                                  |                        |   |
| <b>Current assets</b>                  | <b>3 5 4 , 9 7 6</b>                          | <b>3 4 9 , 9 1 4</b>             | <b>5 , 0 6 2</b>       | <b>3 9 2 , 1 5 6</b>                          |
| Cash and deposits                      | 5 4 , 6 8 9                                   | 5 7 , 3 7 5                      | ( 2 , 6 8 6 )          | 7 9 , 2 2 1                                   |
| Trade notes and accounts receivable    | 1 4 2 , 0 5 6                                 | 1 4 4 , 5 7 5                    | ( 2 , 5 1 9 )          | 1 3 1 , 2 8 8                                 |
| Marketable securities                  | 2 0 , 0 6 6                                   | 2 0 , 0 6 4                      | 2                      | 5 2 , 8 2 8                                   |
| Inventories                            | 8 3 , 5 2 7                                   | 7 7 , 5 7 4                      | 5 , 9 5 3              | 8 0 , 7 3 7                                   |
| Deferred tax assets                    | 2 0 , 5 4 2                                   | 1 7 , 5 3 3                      | 3 , 0 0 9              | 1 7 , 2 3 1                                   |
| Other current assets                   | 3 6 , 3 8 3                                   | 3 5 , 1 2 8                      | 1 , 2 5 5              | 3 3 , 0 1 6                                   |
| Less - allowance for doubtful accounts | ( 2 , 2 8 9 )                                 | ( 2 , 3 3 7 )                    | 4 8                    | ( 2 , 1 6 8 )                                 |
| <b>Fixed assets</b>                    | <b>1 , 7 9 4 , 6 4 7</b>                      | <b>1 , 6 6 2 , 0 8 0</b>         | <b>1 3 2 , 5 6 7</b>   | <b>1 , 4 1 7 , 2 6 5</b>                      |
| <b>Property, plant and equipment</b>   | <b>3 9 6 , 3 1 4</b>                          | <b>3 8 9 , 3 9 6</b>             | <b>6 , 9 1 8</b>       | <b>3 8 0 , 4 4 3</b>                          |
| Buildings and structures               | 1 2 8 , 6 5 3                                 | 1 2 4 , 4 2 2                    | 4 , 2 3 1              | 1 2 2 , 9 7 8                                 |
| Machinery, equipment and vehicles      | 1 6 3 , 9 8 8                                 | 1 6 0 , 7 8 7                    | 3 , 2 0 1              | 1 6 3 , 4 2 4                                 |
| Tools, furniture and fixtures          | 1 5 , 6 0 4                                   | 1 5 , 5 6 5                      | 3 9                    | 1 6 , 3 0 1                                   |
| Land                                   | 7 2 , 0 5 3                                   | 7 1 , 7 8 6                      | 2 6 7                  | 6 6 , 3 5 2                                   |
| Construction in progress               | 1 6 , 0 1 3                                   | 1 6 , 8 3 4                      | ( 8 2 1 )              | 1 1 , 3 8 5                                   |
| <b>Intangible assets</b>               | <b>9 4 , 1 9 2</b>                            | <b>9 9 , 8 5 6</b>               | <b>( 5 , 6 6 4 )</b>   | <b>9 6 , 3 8 8</b>                            |
| Software                               | 1 1 , 7 0 5                                   | 1 1 , 9 9 3                      | ( 2 8 8 )              | 9 , 4 7 9                                     |
| Goodwill                               | 8 2 , 4 8 7                                   | 8 7 , 8 6 2                      | ( 5 , 3 7 5 )          | 8 6 , 9 0 9                                   |
| <b>Investments and other assets</b>    | <b>1 , 3 0 4 , 1 4 0</b>                      | <b>1 , 1 7 2 , 8 2 8</b>         | <b>1 3 1 , 3 1 2</b>   | <b>9 4 0 , 4 3 3</b>                          |
| Investments in securities              | 1 , 2 4 1 , 7 5 8                             | 1 , 1 1 2 , 7 7 6                | 1 2 8 , 9 8 2          | 8 7 9 , 9 8 3                                 |
| Long-term loans                        | 9 , 9 3 8                                     | 9 , 7 5 6                        | 1 8 2                  | 1 0 , 2 5 3                                   |
| Long-term prepaid expenses             | 1 2 , 5 1 2                                   | 1 3 , 5 5 3                      | ( 1 , 0 4 1 )          | 1 4 , 7 9 4                                   |
| Deferred tax assets                    | 5 , 8 5 1                                     | 3 , 5 3 7                        | 2 , 3 1 4              | 2 , 8 1 4                                     |
| Other investments and other assets     | 3 4 , 3 3 0                                   | 3 3 , 4 5 3                      | 8 7 7                  | 3 2 , 8 6 2                                   |
| Less - allowance for doubtful accounts | ( 2 5 0 )                                     | ( 2 5 0 )                        | 0                      | ( 2 7 5 )                                     |
| <b>Total assets</b>                    | <b>2 , 1 4 9 , 6 2 3</b>                      | <b>2 , 0 1 1 , 9 9 5</b>         | <b>1 3 7 , 6 2 8</b>   | <b>1 , 8 0 9 , 4 2 1</b>                      |

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

|   | FY2005 First Quarter<br>(As of June 30, 2004) | FY2004<br>(As of March 31, 2004) | Increase<br>(Decrease) | FY2004 First Quarter<br>(As of June 30, 2003) |
|---|---|----------------------------------|------------------------|---|
| <b><u>Liabilities</u></b>                             |   |                                  |                        |   |
| <b>Current liabilities</b>                            | <b>322,911</b>                                | <b>326,337</b>                   | <b>(3,426)</b>         | <b>404,289</b>                                |
| Trade notes and accounts payable                      | 129,639                                       | 129,821                          | (182)                  | 125,325                                       |
| Short-term bank loans                                 | 69,649  | 70,441                           | (792)                  | 76,761  |
| Commercial paper                                      | 5,000   | 15,000                           | (10,000)               | -   |
| Current portion of bonds                              | -   | -                                | -                      | 20,000  |
| Current portion of convertible bonds                  | -   | -                                | -                      | 75,690  |
| Other payables  | 19,411  | 19,067                           | 344                    | 15,948  |
| Accrued expenses                                      | 58,400  | 51,586                           | 6,814                  | 53,912  |
| Accrued income taxes                                  | 10,339  | 8,845                            | 1,494                  | 8,062   |
| Deposits received from employees                      | 17,663  | 19,496                           | (1,833)                | 17,495  |
| Deferred tax liabilities                              | 2,624   | 2,742                            | (118)                  | 1,164   |
| Other current liabilities                             | 10,182  | 9,335                            | 847                    | 9,929   |
| <b>Long-term liabilities</b>                          | <b>695,482</b>                                | <b>633,968</b>                   | <b>61,514</b>          | <b>548,744</b>                                |
| Bonds   | 200,300                                       | 200,300                          | -                      | 200,300                                       |
| Long-term debt  | 38,384  | 35,224                           | 3,160                  | 41,145  |
| Deferred tax liabilities                              | 397,009                                       | 346,335                          | 50,674                 | 260,688                                       |
| Allowance for retirement benefits                     | 41,717  | 34,264                           | 7,453                  | 32,133  |
| Other long-term liabilities                           | 18,070  | 17,843                           | 227                    | 14,477  |
| <b>Total liabilities</b>                              | <b>1,018,393</b>                              | <b>960,305</b>                   | <b>58,088</b>          | <b>953,034</b>                                |
| <b>Minority interest in consolidated subsidiaries</b> | <b>35,946</b>                                 | <b>34,926</b>                    | <b>1,020</b>           | <b>33,907</b>                                 |
| <b><u>Shareholders' equity</u></b>                    |   |                                  |                        |   |
| <b>Common stock</b>                                   | <b>80,462</b>                                 | <b>80,462</b>                    | <b>-</b>               | <b>68,047</b>                                 |
| <b>Capital surplus</b>                                | <b>105,743</b>                                | <b>105,743</b>                   | <b>-</b>               | <b>89,365</b>                                 |
| <b>Retained earnings</b>                              | <b>301,536</b>                                | <b>294,672</b>                   | <b>6,864</b>           | <b>275,191</b>                                |
| <b>Net unrealized gains on other securities</b>       | <b>610,457</b>                                | <b>534,078</b>                   | <b>76,379</b>          | <b>404,174</b>                                |
| <b>Foreign currency translation adjustments</b>       | <b>15,066</b>                                 | <b>19,782</b>                    | <b>(4,716)</b>         | <b>22,184</b>                                 |
| <b>Treasury stock at cost</b>                         | <b>(17,982)</b>                               | <b>(17,975)</b>                  | <b>(7)</b>             | <b>(36,484)</b>                               |
| <b>Total shareholders' equity</b>                     | <b>1,095,283</b>                              | <b>1,016,763</b>                 | <b>78,520</b>          | <b>822,479</b>                                |
| <b>Total liabilities and shareholders' equity</b>     | <b>2,149,623</b>                              | <b>2,011,995</b>                 | <b>137,628</b>         | <b>1,809,421</b>                              |

# Consolidated Statements of Income

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

|  | FY2005 First Quarter | FY2004 First Quarter | Increase<br>(Decrease) | FY2004            |
|--|----------------------|----------------------|------------------------|-------------------|
| <b>Net sales</b>   | 2 9 8 , 2 8 6        | 2 7 9 , 1 5 3        | 1 9 , 1 3 3            | 1 , 1 6 4 , 3 7 8 |
| Cost of sales  | 2 4 7 , 5 4 5        | 2 3 4 , 6 6 1        | 1 2 , 8 8 4            | 9 7 8 , 4 5 8     |
| <b>Gross profit</b>  | 5 0 , 7 4 0          | 4 4 , 4 9 1          | 6 , 2 4 9              | 1 8 5 , 9 1 9     |
| Selling, general and<br>administrative expenses                    | 3 4 , 8 6 3          | 3 0 , 8 1 7          | 4 , 0 4 6              | 1 3 3 , 2 8 8     |
| <b>Operating income</b>  | 1 5 , 8 7 7          | 1 3 , 6 7 3          | 2 , 2 0 4              | 5 2 , 6 3 1       |
| <b>Non-operating income</b>  | 1 2 , 5 4 5          | 1 0 , 2 4 1          | 2 , 3 0 4              | 3 0 , 1 8 3       |
| Interest income  | 1 , 8 7 4            | 2 , 1 9 1            | ( 3 1 7 )              | 8 , 1 7 4         |
| Dividends income   | 6 , 9 5 4            | 5 , 1 5 1            | 1 , 8 0 3              | 1 0 , 9 9 7       |
| Other non-operating income   | 3 , 7 1 5            | 2 , 8 9 9            | 8 1 6                  | 1 1 , 0 1 0       |
| <b>Non-operating expenses</b>                                      | 4 , 2 2 4            | 5 , 0 3 6            | ( 8 1 2 )              | 2 3 , 8 4 3       |
| Interest expenses  | 2 , 2 5 1            | 2 , 7 2 4            | ( 4 7 3 )              | 9 , 7 5 5         |
| Other non-operating expenses                                       | 1 , 9 7 3            | 2 , 3 1 2            | ( 3 3 9 )              | 1 4 , 0 8 7       |
| <b>Ordinary income</b>   | 2 4 , 1 9 8          | 1 8 , 8 7 8          | 5 , 3 2 0              | 5 8 , 9 7 0       |
| <b>Extraordinary gains</b>   | -                    | 6 2 1                | ( 6 2 1 )              | 6 2 1             |
| Gains from transition of benefit<br>plan into defined contribution | -                    | 6 2 1                | ( 6 2 1 )              | 6 2 1             |
| <b>Extraordinary losses</b>  | -                    | 1 , 8 5 1            | ( 1 , 8 5 1 )          | 1 , 8 5 1         |
| Provision for retirement and<br>severance benefits for directors   | -                    | 1 , 8 5 1            | ( 1 , 8 5 1 )          | 1 , 8 5 1         |
| <b>Income before income<br/>taxes</b>                              | 2 4 , 1 9 8          | 1 7 , 6 4 8          | 6 , 5 5 0              | 5 7 , 7 4 0       |
| Income taxes   | 7 , 5 9 2            | 6 , 6 7 4            | 9 1 8                  | 2 0 , 7 4 6       |
| Minority interest in<br>consolidated subsidiaries                  | 1 , 1 7 8            | 7 3 5                | 4 4 3                  | 3 , 3 7 0         |
| <b>Net income</b>  | 1 5 , 4 2 7          | 1 0 , 2 3 8          | 5 , 1 8 9              | 3 3 , 6 2 3       |

# Segment Information

## 1. Business segment information

### (1) FY2005 First Quarter

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

|                               | Automobile     | Materials handling equipment | Textile machinery | Others        | Total          | Eliminations   | Consolidated   |
|-------------------------------|----------------|------------------------------|-------------------|---------------|----------------|----------------|----------------|
| <b>Net sales</b>              |                |                              |                   |               |                |                |                |
| (1) Outside customer sales    | 154,624        | 115,104                      | 9,764             | 18,793        | 298,286        | -              | 298,286        |
| (2) Intersegment transactions | 4,077          | 21                           | 3                 | 3,873         | 7,976          | (7,976)        | -              |
| <b>Total</b>                  | <b>158,702</b> | <b>115,125</b>               | <b>9,768</b>      | <b>22,666</b> | <b>306,262</b> | <b>(7,976)</b> | <b>298,286</b> |
| <b>Operating expenses</b>     | <b>149,892</b> | <b>110,195</b>               | <b>9,868</b>      | <b>20,313</b> | <b>290,269</b> | <b>(7,861)</b> | <b>282,408</b> |
| <b>Operating income</b>       | <b>8,810</b>   | <b>4,930</b>                 | <b>(100)</b>      | <b>2,352</b>  | <b>15,992</b>  | <b>(115)</b>   | <b>15,877</b>  |

### (2) FY2004 First Quarter

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

|                               | Automobile     | Materials handling equipment | Textile machinery | Others        | Total          | Eliminations   | Consolidated   |
|-------------------------------|----------------|------------------------------|-------------------|---------------|----------------|----------------|----------------|
| <b>Net sales</b>              |                |                              |                   |               |                |                |                |
| (1) Outside customer sales    | 147,602        | 101,902                      | 13,854            | 15,793        | 279,153        | -              | 279,153        |
| (2) Intersegment transactions | 3,608          | 88                           | 1                 | 3,009         | 6,709          | (6,709)        | -              |
| <b>Total</b>                  | <b>151,211</b> | <b>101,990</b>               | <b>13,856</b>     | <b>18,803</b> | <b>285,862</b> | <b>(6,709)</b> | <b>279,153</b> |
| <b>Operating expenses</b>     | <b>143,190</b> | <b>98,083</b>                | <b>13,410</b>     | <b>17,538</b> | <b>272,222</b> | <b>(6,742)</b> | <b>265,479</b> |
| <b>Operating income</b>       | <b>8,021</b>   | <b>3,907</b>                 | <b>446</b>        | <b>1,264</b>  | <b>13,639</b>  | <b>33</b>      | <b>13,673</b>  |

### (3) FY2004

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

|                               | Automobile     | Materials handling equipment | Textile machinery | Others        | Total            | Eliminations    | Consolidated     |
|-------------------------------|----------------|------------------------------|-------------------|---------------|------------------|-----------------|------------------|
| <b>Net sales</b>              |                |                              |                   |               |                  |                 |                  |
| (1) Outside customer sales    | 603,862        | 443,443                      | 45,968            | 71,103        | 1,164,378        | -               | 1,164,378        |
| (2) Intersegment transactions | 15,698         | 138                          | 15                | 14,131        | 29,984           | (29,984)        | -                |
| <b>Total</b>                  | <b>619,561</b> | <b>443,582</b>               | <b>45,984</b>     | <b>85,234</b> | <b>1,194,363</b> | <b>(29,984)</b> | <b>1,164,378</b> |
| <b>Operating expenses</b>     | <b>592,030</b> | <b>424,233</b>               | <b>45,884</b>     | <b>79,484</b> | <b>1,141,633</b> | <b>(29,885)</b> | <b>1,111,747</b> |
| <b>Operating income</b>       | <b>27,530</b>  | <b>19,348</b>                | <b>100</b>        | <b>5,750</b>  | <b>52,729</b>    | <b>(98)</b>     | <b>52,631</b>    |

Notes 1. Business segments are divided by the type and nature of the product.

2. Main products of each segment:

Automobile ..... Passenger vehicles, diesel and gasoline engines, car air-conditioning compressors

Materials handling equipment ... Counterbalanced forklifts, warehouse equipment, skid steer loaders, truck mount aerial work platforms

Textile machinery ..... Ring spinning frames, air jet looms, water jet looms

Others ..... Ball grid array-type plastic package substrates for IC chipsets, transportation services

## 2. Geographical segment information

### (1) FY2005 First Quarter

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

|                               | Japan          | North America | Europe        | Others       | Total          | Eliminations    | Consolidated   |
|-------------------------------|----------------|---------------|---------------|--------------|----------------|-----------------|----------------|
| <b>Net sales</b>              |                |               |               |              |                |                 |                |
| (1) Outside customer sales    | 194,148        | 52,099        | 46,018        | 6,019        | 298,286        | -               | 298,286        |
| (2) Intersegment transactions | 23,890         | 228           | 1,455         | 612          | 26,186         | (26,186)        | -              |
| <b>Total</b>                  | <b>218,038</b> | <b>52,328</b> | <b>47,473</b> | <b>6,631</b> | <b>324,472</b> | <b>(26,186)</b> | <b>298,286</b> |
| <b>Operating expenses</b>     | <b>205,301</b> | <b>50,643</b> | <b>45,751</b> | <b>6,829</b> | <b>308,525</b> | <b>(26,116)</b> | <b>282,408</b> |
| <b>Operating income</b>       | <b>12,737</b>  | <b>1,685</b>  | <b>1,722</b>  | <b>(198)</b> | <b>15,947</b>  | <b>(70)</b>     | <b>15,877</b>  |

### (2) FY2004 First Quarter

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

|                               | Japan          | North America | Europe        | Others       | Total          | Eliminations    | Consolidated   |
|-------------------------------|----------------|---------------|---------------|--------------|----------------|-----------------|----------------|
| <b>Net sales</b>              |                |               |               |              |                |                 |                |
| (1) Outside customer sales    | 186,929        | 51,993        | 39,138        | 1,091        | 279,153        | -               | 279,153        |
| (2) Intersegment transactions | 18,871         | 266           | 1,707         | 317          | 21,162         | (21,162)        | -              |
| <b>Total</b>                  | <b>205,800</b> | <b>52,259</b> | <b>40,845</b> | <b>1,409</b> | <b>300,315</b> | <b>(21,162)</b> | <b>279,153</b> |
| <b>Operating expenses</b>     | <b>195,486</b> | <b>49,793</b> | <b>39,970</b> | <b>1,374</b> | <b>286,624</b> | <b>(21,145)</b> | <b>265,479</b> |
| <b>Operating income</b>       | <b>10,314</b>  | <b>2,466</b>  | <b>874</b>    | <b>35</b>    | <b>13,690</b>  | <b>(17)</b>     | <b>13,673</b>  |

### (3) FY2004

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

|                               | Japan          | North America  | Europe         | Others        | Total            | Eliminations    | Consolidated     |
|-------------------------------|----------------|----------------|----------------|---------------|------------------|-----------------|------------------|
| <b>Net sales</b>              |                |                |                |               |                  |                 |                  |
| (1) Outside customer sales    | 785,253        | 198,752        | 167,511        | 12,860        | 1,164,378        | -               | 1,164,378        |
| (2) Intersegment transactions | 87,271         | 1,113          | 5,895          | 1,630         | 95,910           | (95,910)        | -                |
| <b>Total</b>                  | <b>872,524</b> | <b>199,866</b> | <b>173,407</b> | <b>14,490</b> | <b>1,260,289</b> | <b>(95,910)</b> | <b>1,164,378</b> |
| <b>Operating expenses</b>     | <b>826,696</b> | <b>193,745</b> | <b>170,262</b> | <b>14,622</b> | <b>1,205,326</b> | <b>(93,579)</b> | <b>1,111,747</b> |
| <b>Operating income</b>       | <b>45,828</b>  | <b>6,121</b>   | <b>3,145</b>   | <b>(131)</b>  | <b>54,962</b>    | <b>(2,331)</b>  | <b>52,631</b>    |

### 3.Overseas sales

#### (1)FY2005 First Quarter

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

|   | North America | Europe | Others | Total   |
|---|---------------|--------|--------|---------|
| Overseas sales                                | 51,580        | 55,153 | 23,721 | 130,455 |
| Consolidated sales                            |               |        |        | 298,286 |
| Ratio of overseas sales to consolidated sales | 17.3%         | 18.5%  | 8.0%   | 43.7%   |

#### (2)FY2004 First Quarter

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

|   | North America | Europe | Others | Total   |
|---|---------------|--------|--------|---------|
| Overseas sales                                | 51,529        | 50,933 | 22,388 | 124,852 |
| Consolidated sales                            |               |        |        | 279,153 |
| Ratio of overseas sales to consolidated sales | 18.5%         | 18.2%  | 8.0%   | 44.7%   |

#### (3)FY2004

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

|   | North America | Europe  | Others | Total     |
|---|---------------|---------|--------|-----------|
| Overseas sales                                | 196,860       | 211,081 | 89,415 | 497,356   |
| Consolidated sales                            |               |         |        | 1,164,378 |
| Ratio of overseas sales to consolidated sales | 16.9%         | 18.1%   | 7.7%   | 42.7%     |