

FINANCIAL SUMMARY

FY2006

(April 1, 2005 through March 31, 2006)

TOYOTA INDUSTRIES CORPORATION

English translation from the original Japanese-language document

Cautionary Statement with Respect to Forward-Looking Statements

This report contains projections and other forward-looking statements that involve risks and uncertainties. Our use 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 report and are not guarantees of future performance. Toyota Industries 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 appearing in this report. These risks and uncertainties include, but are not limited to, the following : 1) economic trends, 2) principal customers, 3) product development capabilities, 4) new businesses, 5) product defects, 6) price competition 7) reliance on suppliers of raw materials and components, 8) alliances with other companies, 9) exchange rate fluctuations, 10) effects of disasters, power blackouts and other incidents, 11) latent risks associated with international activities, 12) official restriction, 13) share price fluctuations and 14) retirement benefit liabilities.

Consolidated Financial Results for FY2006 (April 1, 2005 - March 31, 2006)

TOYOTA INDUSTRIES CORPORATION

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

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

Representative person: Tetsuro Toyoda, President

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

Date of the meeting of the Board of Directors for FY2006 consolidated financial results: April 27, 2006

Name of parent company: Toyota Motor Corporation (Code number: 7203) Parent company's shareholding: 24.2%

US GAAP: Not applied

1. Financial Highlights for FY2006 (April 1, 2005 - March 31, 2006)

(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	%
FY2006	1,505,955	(21.3)	64,040	(20.6)	80,635	(13.7)
FY2005	1,241,538	(6.6)	53,120	(0.9)	70,912	(20.3)

	Net income	(% change from previous year)	Net income per share—basic	Net income per share—diluted	Return on equity	Ordinary income on assets	Ordinary income on sales
	Million yen	%	Yen	Yen	%	%	%
FY2006	47,077	(8.6)	146.16	146.02	3.5	2.9	5.4
FY2005	43,357	(29.0)	135.09	135.03	4.1	3.3	5.7

Notes: 1. Equity in net income of affiliates: FY2006—3,593 million yen, FY2005—6,805 million yen

2. Average number of shares outstanding in each year (consolidated) : FY2006—319,125,005 shares, FY2005—318,079,149 shares

3. Changes in accounting policies: No change

(2) Consolidated financial position

	Total assets	Shareholders' equity	Ratio of shareholders' equity	Shareholders' equity per share
	Million yen	Million yen	%	Yen
FY2006	3,245,341	1,611,227	49.6	5,044.45
FY2005	2,326,824	1,115,747	48.0	3,504.80

Note: Number of shares outstanding at end of each year (consolidated) : FY2006—319,320,446 shares, FY2005—318,236,815 shares

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of year
	Million yen	Million yen	Million yen	Million yen
FY2006	131,784	(205,013)	85,172	112,596
FY2005	100,095	(128,230)	50,020	100,535

(4) Scope of consolidation and equity method

Consolidated subsidiaries: 153 companies

Unconsolidated subsidiaries accounted for under the equity method: 0 companies

Affiliates accounted for under the equity method: 22 companies

(5) Changes in scope of consolidation and equity method

Consolidated subsidiaries: (increase) 9 companies, (decrease) 2 companies

Equity method: (increase) 2 companies, (decrease) 0 companies

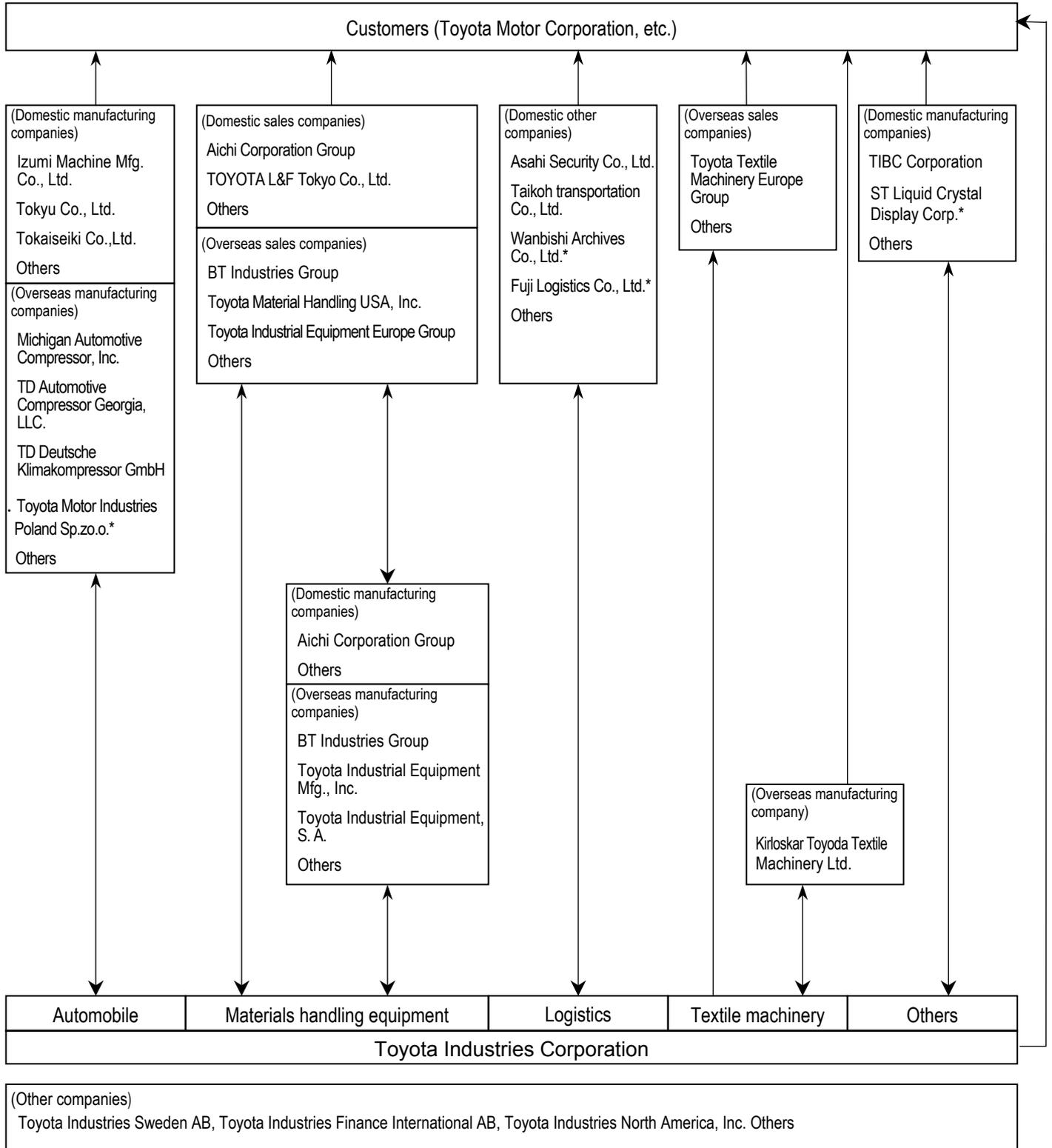
2. Forecasts of Consolidated Financial Results for FY2007 (April 1, 2006 - March 31, 2007)

	Net sales	Ordinary income	Net income
	Million yen	Million yen	Million yen
FY2007 semi-annual	840,000	42,000	25,000
FY2007	1,670,000	85,000	49,000

Reference: (Forecast) Net income per share—basic (annual): 153.45yen

Overview of Associated Companies

Toyota Industries Corporation and its associated companies (Toyota Motor Corporation which has Toyota Industries Corporation as an affiliate, Toyota Industries Corporation's 153 subsidiaries and 35 affiliates) are engaged mainly in manufacture and sales of automobiles and related products, materials handling equipment, textile machinery and also in logistics solutions business. The associated companies' positions in the businesses and relation to the business segments are shown below



*Affiliates accounted for under the equity method

Management Policy

1. Basic Management Policy

The basic management policies of Toyota Industries Corporation and its Group companies (“Toyota Industries”) are upheld as its basic corporate philosophy. We believe putting the following stated beliefs into viable actions by all employees will lead to greater corporate value.

- (1) Toyota Industries is determined to comply with the letter and the spirit of the law, in Japan and overseas, and to be fair and transparent in all its dealings.
- (2) Toyota Industries is respectful of the people, culture and traditions of each country and region in which it operates. It also works to promote economic growth and prosperity in those countries and regions.
- (3) Toyota Industries believes that economic growth and conservation of the natural environment are compatible. It strives to offer products and services that are clean, safe and of high quality.
- (4) Toyota Industries conducts intensive product research and forward-looking development activities to create new value for its customers.
- (5) Toyota Industries nurtures the inventiveness and other abilities of its employees. It seeks to create a climate of cooperation, so that both employees and the Company can realize their full potential.

2. Basic Policy on the Distribution of Profits

Toyota Industries regards the benefits of shareholders as one of its most important management policies. Based on this stance, we will strive to strengthen Toyota Industries’ corporate constitution, promote proactive business development and raise its corporate value.

Toyota Industries’ dividend policy is to meet the expectations of shareholders while giving full consideration to business performance, capital demand, dividend payout ratio on a consolidated basis and other factors.

Toyota Industries will use retained earnings to improve the competitiveness of its products, augment production capacity in Japan and overseas, as well as expand into new fields of business and strengthen its corporate constitution in securing future profits for its shareholders. It will also use retained earnings to repurchase treasury stock.

Changes to the Articles of Incorporation and the quarterly distribution of dividends after the new corporate law is put into effect are currently under consideration.

3. Medium- to Long-Term Management Strategies

Rooted in its basic philosophy, Toyota Industries “strives to offer products and services that are clean, safe and of high quality.” We are fully committed to continuing to improve corporate value.

Product quality continues to be a constant priority for the medium to long term. We also remain committed to giving considerations to the environment and safety as well as increasing our competitive strengths. Promoting technological advancements and strengthening our value chain will enable us to develop and offer leading-edge products that anticipate customer needs. Along with augmenting global consolidated management and building a business structure that can take advantage of the collective strength of Toyota Industries, we will work to enhance team strength and spirit, and nurture personnel of international caliber who will lead the Toyota Industries Group to the next level of growth.

Specifically, the Vehicle and Engine businesses will expand their respective scopes of business by contributing to the global strategy of Toyota Motor Corporation. The Materials Handling Equipment and Car Air-Conditioning Compressor businesses will strive to solidify the leading global position while aiming for higher market share and better performance through global business expansion. The Textile Machinery Business will firmly maintain the world’s top share in air-jet looms to realize stable business management. The Electronics Business, which includes power electronics components for hybrid vehicles, and the Logistics Solutions Business will work toward stabilizing operations to ensure steady growth and develop into future core businesses of Toyota Industries.

Through successful implementation of these measures, Toyota Industries aims for the undisputed No. 1 position and increased corporate value. Through sincere considerations for the environment and local communities, we also seek socially harmonious growth.

The new Medium-Term Management Vision, which started from fiscal 2007 (ending March 31, 2007), targets consolidated net sales of more than 2 trillion yen and ordinary income of 140.0 billion yen in fiscal 2011 (ending March 31, 2011).

4. Matters related to the parent company

(1) Trade name and other items related to the parent company

(As of March 31, 2006)

Parent company	Attributes	Percentage of voting rights held by parent company (%)	Stock exchanges on which shares issued by the parent company are listed
Toyota Motor Corporation	The relevant other company when a listed company is an affiliated company of this other company	24.25 (0.23)	Tokyo Stock Exchange, First Section Nagoya Stock Exchange, First Section Osaka Securities Exchange, First Section Fukuoka Stock Exchange Sapporo Stock Exchange New York Stock Exchange (U.S.) London Stock Exchange (U.K.)

Notes: The figure shown inside the parenthesis indicates the percentage of indirectly held voting rights among all voting rights held by the parent company.

(2) Matters related to transactions with the parent company

FY2006 (April 1, 2005 - March 31, 2006)

Details of affiliation		Transaction details	Transaction amount (¥ millions)	Category	Year-end balance (¥ millions)
Concurrent post of directors (names)	Business affiliation				
Concurrent posts: 4 Employment transfers: 11	Sale of products of the Automobile Segment	Sale of automobiles and engines*1	527,020	Accounts receivable	32,611
		Purchase of components for automobiles and engines*2	370,566	Accounts Payable	47,637

- Notes: 1. Transaction conditions and determining policies of transaction conditions
- *1 Regarding sales of automobiles and engines, the Company presents its desired prices based on total costs, and settles on prices in a similar manner as for ordinary transaction conditions upon undertaking price negotiations for each fiscal term.
- *2 Regarding purchases of components for automobiles and engines, based on the prices presented, the Company settles on prices in a similar manner as for ordinary transaction conditions upon undertaking price negotiations for each fiscal term.
2. There are no matters in the above-mentioned "details of affiliation" and "transaction details" that would restrict the Company's independence. There are no monetary loan debit and credit relationships or guarantee or warranty relationships.

Business Results and Financial Position

1. Business Results

In fiscal 2006 (ended March 31, 2006), the Japanese economy was on a solid recovery track. Private-sector capital investment increased on the back of improved corporate earnings while consumer spending rose as employment conditions improved. The overall economic outlook was also positive overseas, with an expanding U.S. economy and the European economy maintaining their underlying strengths. In Asia, China continued to grow at a brisk pace.

In this environment, Toyota Industries made efforts to strengthen its corporate structure by ensuring customer trust through its dedication to quality, the development of appealing new products, aggressive sales promotions and execution of a Group-wide program to reduce costs.

As a result, total consolidated net sales of Toyota Industries amounted to 1,505.9 billion yen, an increase of 264.4 billion yen, or 21%, over fiscal 2005 (ended March 31, 2005). The following is a review of operations for the major business segments.

In the automobile industry as a whole, domestic sales were almost the same as in fiscal 2005. Overseas sales rose over the same period as a result of increases in the Asian and Latin American markets. Net sales of the Automobile Segment of Toyota Industries totaled 746.7 billion yen, an increase of 130.5 billion yen, or 21%, over fiscal 2005.

Within this segment, net sales of the Vehicle Business totaled 372.0 billion yen, an increase of 93.2 billion yen, or 33%, over fiscal 2005. Both the Vitz (Yaris in Europe) and the RAV4, which underwent a full model change, recorded robust sales.

Net sales of the Engine Business totaled 132.3 billion yen, an increase of 19.1 billion yen, or 17%, over fiscal 2005. We proactively augmented our engine production capacity to accommodate increased global production of vehicles by Toyota Motor Corporation ("TMC"). This measure in turn led to increases in sales of the KD diesel engine, which commenced production in June 2005, for Toyota's IMV Series as well as the AD diesel engine, which is fitted in the RAV4 for Europe.

Net sales of the Car Air-Conditioning Compressor Business totaled 215.9 billion yen, an increase of 18.0 billion yen, or 9%, over fiscal 2005. While sales in the domestic market were approximately the same level as for fiscal 2005, overseas sales increased. TD Automotive Compressor Georgia, LLC, which was established in the U.S. state of Georgia in July 2004, started production of variable displacement compressors in December 2005. TD Automotive Compressor Kunshan, Co., Ltd., which was established in China in May 2005, also commenced production of car air-conditioning compressors in April 2006.

In the materials handling equipment industry as a whole, unit sales increased substantially over fiscal 2005. Demand was strong in the Japanese and overseas markets amid a sustained global economic recovery. Amid this environment, Toyota Industries strengthened its sales network globally, while promoting vigorous sales promotion activities targeting major clients.

Net sales of the Materials Handling Equipment Segment of Toyota Industries totaled 595.2 billion yen, an increase of 91.3 billion yen, or 18%, over fiscal 2005. In Japan, unit sales of TOYOTA-brand electric counterbalanced lift trucks increased significantly in line with a heightened environmental awareness among domestic companies. As a result, we achieved a 43.4% share in the Japanese lift truck market during January to December 2005, marking the 40th consecutive year that we maintained a top position in the domestic lift truck industry. Globally, we sold a record 112,000 TOYOTA-brand lift trucks, an increase of 11% over the same period in 2004.

BT-brand posted a strong increase in sales of reach trucks, low-level order picking trucks and other warehouse trucks. Aichi Corporation, one of our subsidiaries and a major manufacturer of aerial work platforms, recorded a substantial increase in sales over fiscal 2005 on the back of strong replacement demand from electricity companies and the telecommunications industry.

In July 2005, we established the Toyota Material Handling Group to further strengthen the cooperation and maximize synergies between TOYOTA and BT brands. Under this new framework, we aim to consolidate our Materials Handling Equipment Business in Europe, North America and Japan to enhance our global market share.

Toyota Industries has entered into the logistics solutions business to reduce customers' logistics costs through optimized logistics processes. Net sales of the Logistics Solutions Segment amounted to 65.1 billion yen in fiscal 2006 due largely to the solid performance of the transportation business and the contribution made by Asahi Securities Co., Ltd., which is engaged in comprehensive cash management outsourcing services such as cash collection and delivery as well as cash proceeds management. In January 2006, we acquired the capital stock of Wanbishi Archives Co., Ltd. to further expand our business domain.

In the textile machinery industry as a whole, the mainstay Chinese market remained strong on

the back of robust demand for capital investment, despite the Chinese government's monetary-tightening measures and the safeguards exercised by Europe and the United States to contain Chinese garment imports. Net sales of the Textile Machinery Segment of Toyota Industries totaled 49.7 billion yen, an increase of 5.8 billion yen, or 13%, from fiscal 2005 due largely to an increase in sales of air-jet looms to China and India as well as strong sales of spinning machinery.

During fiscal 2006, Toyota Industries' ordinary income amounted to 80.6 billion yen, an increase of 9.7 billion yen, or 14%, over fiscal 2005. Despite the effects of a steep rise in crude oil and steel prices, as well as increases in depreciation and personnel expenses, this increase was achieved due largely to an expansion in global sales and Group-wide cost-reduction efforts. Net income amounted to 47.0 billion yen, an increase of 3.7 billion yen, or 9%, over fiscal 2005.

Cash flows from operating activities increased by 131.7 billion yen in fiscal 2006, due mainly to income before income taxes in an amount of 80.6 billion yen. Net cash provided by operating activities increased by 31.7 billion yen from 100.0 billion yen in fiscal 2005. Cash flows from investing activities resulted in a decrease in cash by 205.0 billion yen in fiscal 2006, attributable primarily to payments for acquisition of fixed assets amounting to 161.5 billion yen. Net cash used in investing activities increased by 76.8 billion yen from 128.2 billion yen for fiscal 2005. Cash flows from financing activities resulted in an increase in cash by 85.1 billion yen in fiscal 2006, due mainly to proceeds from issuance of corporate bonds in an amount of 68.7 billion yen. Net cash provided by financing activities increased by 35.1 billion yen from 50.0 billion yen in fiscal 2005. After translation adjustments, cash and cash equivalents as of March 31, 2006 stood at 112.5 billion yen, an increase of 12.0 billion yen, or 12%, over fiscal 2005.

2. Distribution of Profits for FY2006

Including the interim cash dividend of 18.0 yen per common share paid in November 2005, and a year-end cash dividend of 20 yen per common share, Toyota Industries declares that total cash dividends for fiscal 2006 will be 38 yen per common share, an increase of 6 yen per common share over fiscal 2005.

3. Forecast for the Fiscal Year Ending March 31, 2007

Toyota Industries expects the Japanese economy to continue along a steady path toward recovery thanks to a favorable ripple effect on consumer spending arising from strong corporate performance. However uncertainties persist regarding the fluctuations of exchange rates and a further increase in the prices of crude oil and other raw materials.

For fiscal 2007 (ending March 31, 2007), Toyota Industries forecasts consolidated net sales of 1,670.0 billion yen, ordinary income of 85.0 billion yen and net income of 49.0 billion yen. We are determined to heighten the comprehensive capabilities of the Toyota Industries Group as a whole by placing utmost emphasis on product quality, giving considerations to the environment and safety, increasing our competitive strengths, promoting technological advancements and strengthening our value chain so that we can develop and market leading-edge products that anticipate customer needs. We will also further augment global consolidated management and build a business structure that can take advantage of the collective strength of Toyota Industries while enhancing capabilities in the workplace and nurturing personnel of international caliber who will lead Toyota Industries to the next level of growth. We will further strive to promote adherence to compliance as well as proactive participation in environmental protection and social contribution activities.

Our projections are based on an exchange rate of ¥115.0 = US\$1.

4. Risk Information

The following represent risks that could have a material impact on Toyota Industries' financial condition, business results and share prices. The forward-looking statements herein are based on information known to management as of March 31, 2006.

Principal Customers

Toyota Industries' automobile and engine products are sold primarily to TMC. In fiscal 2006, net sales to TMC accounted for 35.0% of consolidated net sales. Therefore, TMC's vehicle sales could

have an impact on Toyota Industries' business results. As of March 31, 2006, TMC held 24.2% of total shares issued.

Product Development Capabilities

Based on the concept of "developing appealing new products," Toyota Industries proactively develops new products by utilizing its leading-edge technologies, as it strives to anticipate increasingly sophisticated and diversifying needs of the market and ensure the satisfaction of its customers. R&D activities are focused mainly on developing and upgrading products in current business fields and peripheral sectors. Toyota Industries expects that revenues derived from these fields will continue to account for a significant portion of total revenues and anticipates that future growth will be contingent on the development and sales of new products in these fields. Toyota Industries believes that it can continue to develop appealing new products. However, Toyota Industries may not be able to forecast market needs and develop and introduce appealing new products in a timely manner. This could result in lower future growth and have an adverse impact on Toyota Industries' financial condition and business results. Such a situation could result from risks that include no assurance Toyota Industries can allocate sufficient future funds necessary for the development of appealing new products; no assurance that product sales will be successful, as forecasts of products supported by the market may not always be accurate; and no assurance that newly developed products and technologies will always be protected as intellectual property.

Intellectual Property Rights

In undertaking its business activities, Toyota Industries has acquired numerous intellectual property rights, including those acquired overseas, such as patents related to its products, product designs and manufacturing methods. However, not all patents submitted will necessarily be registered as rights, and these patents could thus be rejected by patent authorities or invalidated by third parties. Also, a third party could circumvent a patent of Toyota Industries and introduce a competing product into the market. Moreover, Toyota Industries' products utilize a wide range of technologies. Therefore, Toyota Industries could become a party subject to litigation involving the intellectual property rights of a third party.

Product Defects

Guided by the basic philosophy of "offering products and services that are clean, safe and of high quality," Toyota Industries makes its utmost efforts to enhance quality. However, Toyota Industries cannot guarantee all its products will be defect-free and that product recalls will not be made in the future. Toyota Industries is insured for product liability indemnity. However, Toyota Industries cannot guarantee that this insurance will sufficiently cover final indemnity amounts incurred. Product defects that could lead to large-scale recalls and product liability indemnities could result in large cost burdens and have a significant negative impact on the evaluation of Toyota Industries. It could also have an adverse effect on Toyota Industries' financial condition and business results due to a decrease in sales, deterioration of profitability and decrease in share prices of Toyota Industries.

Price Competition

Toyota Industries faces extremely harsh competition in each of the industries in which it conducts business, including its Automobile and Materials Handling Equipment businesses, which are the core of Toyota Industries' earnings foundation. Toyota Industries believes it offers high-value-added products that are unrivalled in terms of technology, quality and cost. Amid an environment characterized by intensifying price competition, however, Toyota Industries may be unable to maintain or increase market share against low-cost competitors or to maintain profitability. This could have an adverse impact on Toyota Industries' financial condition and business results.

Reliance on Suppliers of Raw Materials and Components

Toyota Industries' products rely on various raw materials and components from suppliers outside the Toyota Industries Group. Toyota Industries has concluded basic business contracts with these external suppliers and assumes it can carry out stable transactions for raw materials and components. However, Toyota Industries has no assurances against future shortages of raw materials and components, which arise from a global shortage due to tight supply or an unforeseen accident involving a supplier. Such shortages could have a negative effect on Toyota Industries' product production and cause an increase in costs, which could have an adverse impact on Toyota Industries' financial condition and business results.

Environmental Regulations

In view of its social responsibilities as a company, Toyota Industries strives to reduce any burden on the environment resulting from its production processes, as well as strictly adheres to applicable environmental laws and regulations. However, various environment-related regulations could also be revised and strengthened in the future. Accordingly, any expenses necessary for continuous strict adherence to these environmental regulations could result in increased business costs and have an adverse impact on Toyota Industries' financial condition and business results.

Alliances with Other Companies

Aiming to expand its businesses, Toyota Industries engages in joint activities with other companies through alliances and joint ventures. However, a wildly fluctuating market trend or a disagreement between Toyota Industries and its partners, owing to business, financial or other reasons, could prevent Toyota Industries from deriving the intended benefits of its alliances.

Exchange Rate Fluctuations

Toyota Industries' businesses encompass the production and sales of products and the provision of services worldwide. Generally, the strengthening of the yen against other currencies (especially against the U.S. dollar and the euro, which account for a significant portion of Toyota Industries' sales) has an adverse impact on Toyota Industries' business, while a weakening of the yen has a favorable impact. In the businesses in which Toyota Industries produces products in Japan and exports them to other countries or regions, the strengthening of the yen would reduce Toyota Industries' price competitiveness relative to global standards. This could have an adverse impact on Toyota Industries' financial condition and business results due to a change in market prices.

Share Price Fluctuations

At the end of fiscal 2006, Toyota Industries held marketable securities valued at approximately ¥1,238.3 billion, and therefore bears the risk of price fluctuation of these shares. Based on fair market value of these shares at the end of fiscal 2006, Toyota Industries had unrealized gains of ¥984.8 billion on these shares. However, unrealized gains on marketable securities could worsen depending on future share price movements. Additionally, a fall in share prices could reduce the value of pension assets, leading to an increase in the pension shortfall.

Effects of Disasters, Power Blackouts and Other Incidents

Toyota Industries carries out regular checks and inspections of its production facilities to minimize the effect of production breakdown. However, there is no assurance Toyota Industries can completely prevent or lessen the impact of man-made or natural disasters, including malfunctions of production facilities, fires at production facilities and power blackouts. For example, the majority of Toyota Industries' domestic production facilities and most of its business partners are situated in the Chubu region. Therefore, a major earthquake such as the Tokai Earthquake, or an incident that affects other operations, could delay or stop the production or shipment activities. Such prolonged delays and stoppages could have an adverse impact on Toyota Industries' financial condition and business results.

Latent Risks Associated with International Activities

Toyota Industries manufactures and sells products and provides services in various countries. Such unforeseen factors as social chaos, including political disruptions, terrorism and wars, as well as changes in economic conditions, could have an adverse impact on Toyota Industries' financial condition and business results.

Retirement Benefit Liabilities

Toyota Industries' employee retirement benefit expenses and liabilities are calculated based on expected rates of return on pension assets as well as assumptions upon making actuarial calculations that incorporate discount rates and other factors. Therefore, differences between actual results and assumptions as well as changes in the assumptions could have a significant impact on recognized expenses and calculated liabilities in future accounting periods.

Consolidated Balance Sheets

	FY2006 (As of March 31, 2006)	FY2005 (As of March 31, 2005)	Increase (Decrease)
<u>Assets</u>			
Current assets	5 0 9 , 2 6 6	4 6 2 , 9 7 3	4 6 , 2 9 3
Cash and deposits	9 4 , 4 7 4	8 4 , 9 1 5	9 , 5 5 9
Trade notes and accounts receivable	2 0 0 , 6 9 0	1 7 3 , 4 5 9	2 7 , 2 3 1
Marketable securities	4 5 , 0 0 2	4 0 , 0 5 6	4 , 9 4 6
Inventories	1 0 4 , 5 3 4	9 4 , 0 2 4	1 0 , 5 1 0
Deferred tax assets	1 8 , 0 9 6	2 0 , 3 7 9	(2 , 2 8 3)
Other current assets	4 9 , 1 3 3	5 2 , 4 9 1	(3 , 3 5 8)
Less—allowance for doubtful accounts	(2 , 6 6 5)	(2 , 3 5 1)	(3 1 4)
Fixed assets	2 , 7 3 6 , 0 7 4	1 , 8 6 3 , 8 5 0	8 7 2 , 2 2 4
Property, plant and equipment	5 2 6 , 1 5 4	4 5 7 , 0 7 8	6 9 , 0 7 6
Buildings and structures	1 5 5 , 1 6 8	1 3 2 , 4 1 9	2 2 , 7 4 9
Machinery, equipment and vehicles	2 4 0 , 4 6 7	1 8 5 , 4 2 4	5 5 , 0 4 3
Tools, furniture and fixtures	2 2 , 3 1 0	1 8 , 8 3 3	3 , 4 7 7
Land	8 7 , 2 1 3	7 8 , 6 5 8	8 , 5 5 5
Construction in progress	2 0 , 9 9 4	4 1 , 7 4 2	(2 0 , 7 4 8)
Intangible assets	1 0 9 , 9 6 8	1 1 6 , 9 7 1	(7 , 0 0 3)
Software	1 2 , 4 8 3	1 2 , 4 1 0	7 3
Goodwill	9 7 , 4 8 5	1 0 4 , 5 6 1	(7 , 0 7 6)
Investments and other assets	2 , 0 9 9 , 9 5 1	1 , 2 8 9 , 7 9 9	8 1 0 , 1 5 2
Investments in securities	2 , 0 3 1 , 8 6 3	1 , 2 2 2 , 6 5 8	8 0 9 , 2 0 5
Long-term loans	8 , 5 9 1	9 , 8 0 4	(1 , 2 1 3)
Long-term prepaid expenses	1 1 , 3 5 8	1 3 , 2 1 8	(1 , 8 6 0)
Deferred tax assets	6 , 8 4 2	7 , 2 3 4	(3 9 2)
Other investments and other assets	4 1 , 5 3 2	3 7 , 2 1 4	4 , 3 1 8
Less—allowance for doubtful accounts	(2 3 7)	(3 3 0)	9 3
Total assets	3 , 2 4 5 , 3 4 1	2 , 3 2 6 , 8 2 4	9 1 8 , 5 1 7

Notes: 1. Accumulated depreciation of property, plant and equipment	5 8 5 , 9 9 5	5 4 1 , 3 8 2	4 4 , 6 1 3
2. Liabilities for guarantees	2 , 7 2 3	2 9 , 0 5 4	(2 6 , 3 3 1)
3. Number of shares of treasury stock	6 , 5 2 0 , 1 9 4 shares	7 , 6 0 3 , 8 2 5 shares	(1 , 0 8 3 , 6 3 1) shares
4. Allowance for retirement and severance benefits for directors and corporate auditors (included in allowance for retirement benefits)	5 , 4 4 3	5 , 2 3 4	2 0 9

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

	FY2006 (As of March 31, 2006)	FY2005 (As of March 31, 2005)	Increase (Decrease)
<u>Liabilities</u>			
Current liabilities	446,118	421,539	24,579
Trade notes and accounts payable	182,595	160,231	22,364
Short-term bank loans	38,928	59,945	(21,017)
Commercial paper	29,680	-	29,680
Current portion of bonds	15,000	20,300	(5,300)
Other payables	30,620	45,461	(14,841)
Accrued expenses	67,674	59,356	8,318
Accrued income taxes	13,625	15,297	(1,672)
Deposits received from employees	20,914	20,054	860
Deferred tax liabilities	3,857	4,066	(209)
Other current liabilities	43,221	36,826	6,395
Long-term liabilities	1,138,724	748,633	390,091
Bonds	283,831	230,000	53,831
Long-term debt	106,267	73,491	32,776
Deferred tax liabilities	681,503	381,787	299,716
Allowance for retirement benefits	46,535	44,462	2,073
Other long-term liabilities	20,585	18,891	1,694
Total liabilities	1,584,842	1,170,172	414,670
Minority interest in consolidated subsidiaries	49,270	40,904	8,366
<u>Shareholders' equity</u>			
Common stock	80,462	80,462	-
Capital surplus	105,665	105,600	65
Retained earnings	358,385	325,330	33,055
Net unrealized gains on other securities	1,047,190	591,218	455,972
Foreign currency translation adjustments	33,886	29,861	4,025
Treasury stock at cost	(14,363)	(16,726)	2,363
Total shareholders' equity	1,611,227	1,115,747	495,480
Total liabilities and shareholders' equity	3,245,341	2,326,824	918,517

Consolidated Statements of Income

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

	FY2006 (April 1, 2005 - March 31, 2006)	FY2005 (April 1, 2004 - March 31, 2005)	Increase (Decrease)
Net sales	1,505,955	1,241,538	264,417
Cost of sales	1,276,499	1,041,780	234,719
Gross profit	229,456	199,758	29,698
Selling, general and administrative expenses	165,416	146,638	18,778
Operating income	64,040	53,120	10,920
Non-operating income	43,854	38,284	5,570
Interest income	9,113	8,159	954
Dividends income	20,090	13,760	6,330
Other non-operating income	14,649	16,363	(1,714)
Non-operating expenses	27,259	20,491	6,768
Interest expenses	11,955	9,735	2,220
Other non-operating expenses	15,303	10,756	4,547
Ordinary income	80,635	70,912	9,723
Extraordinary losses	-	558	(558)
Impairment loss of fixed assets	-	558	(558)
Income before income taxes	80,635	70,353	10,282
Income taxes—current	30,446	26,808	3,638
Income taxes—deferred	(2,137)	(4,557)	2,420
Minority interest in consolidated subsidiaries	5,249	4,744	505
Net income	47,077	43,357	3,720

Note: R&D expenses(included in selling, general and administrative expenses and manufacturing cost)

31,166

30,051

1,115

Consolidated Statements of Shareholder's Equity

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

	FY2006 (April 1, 2005 - March 31, 2006)	FY2005 (April 1, 2004 - March 31, 2005)	Increase (Decrease)
(Capital surplus)			
Capital surplus at beginning of year	1 0 5 , 6 0 0	1 0 5 , 7 4 3	(1 4 3)
Increase in capital surplus	6 5	-	6 5
Gain on disposal of treasury stock	6 5	-	6 5
Decrease in capital surplus	-	1 4 2	(1 4 2)
Loss on disposal of treasury stock	-	1 4 2	(1 4 2)
Capital surplus at end of year	1 0 5 , 6 6 5	1 0 5 , 6 0 0	6 5
(Retained earnings)			
Retained earnings at beginning of year	3 2 5 , 3 3 0	2 9 4 , 6 7 2	3 0 , 6 5 8
Increase in retained earnings	4 7 , 0 7 7	4 3 , 3 5 7	3 , 7 2 0
Net income	4 7 , 0 7 7	4 3 , 3 5 7	3 , 7 2 0
Decrease in retained earnings	1 4 , 0 2 1	1 2 , 6 9 9	1 , 3 2 2
Cash dividends	1 1 , 7 9 3	7 , 9 4 8	3 , 8 4 5
Bonuses to directors and corporate auditors	4 0 6	3 3 1	7 5
Net decrease due to minimum pension liability adjustments of consolidated subsidiaries	-	4 , 4 1 9	(4 , 4 1 9)
Decrease due to increase in affiliates accounted for under the equity method	1 , 8 2 1	-	1 , 8 2 1
Retained earnings at end of year	3 5 8 , 3 8 5	3 2 5 , 3 3 0	3 3 , 0 5 5

Consolidated Statements of Cash Flows

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

	FY2006 (April 1, 2005 - March 31, 2006)	FY2005 (April 1, 2004 - March 31, 2005)	Increase (Decrease)
Cash flows from operating activities	1 3 1 , 7 8 4	1 0 0 , 0 9 5	3 1 , 6 8 9
Income before income taxes and minority interest in consolidated subsidiaries	8 0 , 6 3 5	7 0 , 3 5 3	1 0 , 2 8 2
Depreciation and amortization	8 7 , 2 8 7	7 0 , 2 1 3	1 7 , 0 7 4
Impairment loss of fixed assets	-	5 5 8	(5 5 8)
Increase (decrease) in allowance for doubtful	1 0 1	3 7 1	(2 7 0)
Interest and dividends income	(2 9 , 2 0 4)	(2 1 , 9 2 0)	(7 , 2 8 4)
Interest expenses	1 1 , 9 5 5	9 , 7 3 5	2 , 2 2 0
Equity in net earnings of affiliates	(3 , 5 9 3)	(6 , 8 0 5)	3 , 2 1 2
(Increase) decrease in receivables	(2 7 , 4 3 5)	(2 2 , 9 2 3)	(4 , 5 1 2)
(Increase) decrease in inventories	(9 , 2 2 7)	(1 2 , 8 5 1)	3 , 6 2 4
Increase (decrease) in payables	2 1 , 3 7 6	2 6 , 8 9 3	(5 , 5 1 7)
Others, net	1 2 , 1 6 1	(4 , 0 6 3)	1 6 , 2 2 4
Subtotal	1 4 4 , 0 5 5	1 0 9 , 5 6 1	3 4 , 4 9 4
Interest and dividends received	2 9 , 2 3 6	2 1 , 9 7 1	7 , 2 6 5
Interest paid	(1 1 , 0 0 9)	(8 , 7 1 0)	(2 , 2 9 9)
Income taxes paid	(3 0 , 4 9 8)	(2 2 , 7 2 7)	(7 , 7 7 1)
Cash flows from investing activities	(2 0 5 , 0 1 3)	(1 2 8 , 2 3 0)	(7 6 , 7 8 3)
Payments for purchases of property, plant and equipment	(1 6 1 , 5 0 4)	(1 1 0 , 1 1 1)	(5 1 , 3 9 3)
Proceeds from sales of property, plant and equipment	8 , 4 1 5	1 0 , 0 4 3	(1 , 6 2 8)
Payments for purchases of investment securities	(4 7 , 7 2 6)	(9 , 5 6 2)	(3 8 , 1 6 4)
Proceeds from sales of investment securities	2 , 0 4 5	3 , 2 9 9	(1 , 2 5 4)
Payments for acquisition of subsidiaries' stock resulting in change in scope of consolidation	-	(1 6 , 9 4 3)	1 6 , 9 4 3
Payments for loans made	(2 , 2 5 6)	(2 , 3 7 0)	1 1 4
Proceeds from collections of loans	3 , 2 6 4	2 , 7 8 3	4 8 1
Others, net	(7 , 2 5 0)	(5 , 3 6 8)	(1 , 8 8 2)
Cash flows from financing activities	8 5 , 1 7 2	5 0 , 0 2 0	3 5 , 1 5 2
Increase (decrease) in short-term loans	(2 2 , 9 0 2)	(1 3 , 6 8 6)	(9 , 2 1 6)
Increase (decrease) in commercial paper	2 9 , 5 2 0	(1 5 , 0 0 0)	4 4 , 5 2 0
Proceeds from long-term loans	3 8 , 8 2 4	4 0 , 7 8 5	(1 , 9 6 1)
Repayments of long-term loans	(3 , 3 6 5)	(6 , 9 6 4)	3 , 5 9 9
Proceeds from issuance of bonds	6 8 , 7 3 0	5 0 , 0 0 0	1 8 , 7 3 0
Repayments of bonds	(2 0 , 3 0 0)	-	(2 0 , 3 0 0)
Payments for purchase of treasury stocks	(5 2)	(5 2)	0
Cash dividends paid	(1 1 , 7 8 4)	(7 , 9 4 8)	(3 , 8 3 6)
Cash dividends paid for minority shareholders	(8 5 4)	(6 6 7)	(1 8 7)
Others, net	7 , 3 5 7	3 , 5 5 4	3 , 8 0 3
Translation adjustments of cash and cash equivalents	1 1 7	1 , 4 3 8	(1 , 3 2 1)
Net increase (decrease) in cash and cash equivalents	1 2 , 0 6 0	2 3 , 3 2 3	(1 1 , 2 6 3)
Cash and cash equivalents at beginning of period	1 0 0 , 5 3 5	7 7 , 2 1 2	2 3 , 3 2 3
Cash and cash equivalents at end of period	1 1 2 , 5 9 6	1 0 0 , 5 3 5	1 2 , 0 6 1

Note: Breakdown of cash and cash equivalents by accounts on the consolidated balance sheets:

Cash and deposits	6 7 , 5 9 3	6 0 , 5 3 0	7 , 0 6 3
Marketable securities	4 5 , 0 0 2	4 0 , 0 0 5	4 , 9 9 7

Basis of Presenting Consolidated Financial Statements

1. Scope of consolidation and equity method

(1) Scope of consolidation

	Companies	
Consolidated subsidiaries	153	Tokyu Co., Ltd., Tokaiseiki Co., Ltd., Izumi Machine Mfg. Co., Ltd., TIBC Corporation, TOYOTA L&F Tokyo Co., Ltd., Aichi Corporation, Taikoh transportation Co., Ltd., Asahi Security Co., Ltd., Toyota Industrial Equipment Mfg., Inc., Toyota Industrial Equipment, S.A., Michigan Automotive Compressor, Inc., Toyota Industries Sweden AB, BT Industries AB, Toyota Industries North America, Inc., Toyota Material Handling USA, Inc., TD Deutsche Klimakompressor GmbH, Toyota Industrial Equipment Europe, S.A.R.L., Others

(2) Scope of equity method

	Companies	
Affiliates	22	ST Liquid Crystal Display Corp., Aichi Corporation Group (2 companies), Fuji Logistics Co., Ltd., Wanbishi Archives Co., Ltd., BT Industries Group (16 companies), Toyota Motor Industries Poland Sp.zo.o.

2. Changes in scope of consolidation and equity method

Consolidated subsidiaries

	Companies	
(Increase)	9	BT Industries Group (3 companies), Toyota Material Handling Europe, S.A., Toyota Industries Corporation Australia Group (2 companies), TD Automotive Compressor Kunshan, Co., Ltd., Toyota Industries Trading & Logistics (China) Co., Ltd., Toyota Industrial Equipment Europe Group (1 company)
(Decrease)	2	BT Industries Group (2 companies)

Affiliates accounted for under the equity method

	Companies	
(Increase)	2	Wanbishi Archives Co., Ltd., Toyota Motor Industries Poland Sp.zo.o.
(Decrease)	0	

3. Fiscal years of consolidated subsidiaries

(1) Some consolidated subsidiaries have a closing date other than March 31. The details are given below.

December 31	Toyota Industry (Kunshan) Co., Ltd., Toyota Industries Sweden AB, BT Industries Group (65 companies), Toyota Industries Finance International AB, Toyota Material Handling (Shanghai) Co., Ltd., Toyota Industries Automotive Parts (Kunshan) Co., Ltd., TD Automotive Compressor Kunshan, Co., Ltd., Toyota Industries Trading & Logistics (China) Co., Ltd.
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(2) The consolidated financial statements were prepared based on financial statements as of the closing date of each company.

4. Significant accounting policies

(1) Valuation of significant assets

a. Marketable securities

Other securities with market value Fair value method using market price at the end of period (Unrealized gains and losses are recorded as a portion of shareholders' equity. Sales cost of marketable securities is determined by the moving average method.)

Other securities without market value At cost determined by the moving average method

b. Inventories

.... Mainly at cost determined by the moving average method

(2) Depreciation and amortization

Depreciation expenses of property, plant and equipment are computed mainly by the declining-balance method.

Amortization of software (intangible assets) is computed by the straight-line method.

(3) Deferred charges

Bond issuance costs are mainly expensed as incurred.

(4) Significant allowances

a. Allowance for doubtful accounts is estimated by such means as using the percentage of historical experiences in credit losses for ordinary receivables and by examining the feasibility of collection individually for receivables that seem to be uncollectible.

b. For the purpose of preparation for future payments of employees' retirement benefits, allowance for retirement benefits is recorded at the amount incurred based on projected benefit obligations and pension assets at the end of period. Provision for retirement and severance benefits for directors and corporate auditors are recorded at the amounts required at the end of period by a internal rule describing the retirement benefits for directors and corporate auditors.

(5) Accounting for significant lease transactions

Financing leases other than those that are deemed to transfer the ownership of the leased properties to lessees are mainly accounted for by the method similar to that applicable to ordinary operating leases.

(6) Hedge accounting method

Mainly the deferral method of hedge accounting is applied. In case of foreign currency forward contracts, the hedged items are translated at contracted forward rate if certain conditions are met. In this period, interest rate swap contracts are used for hedging risk of change in interest rate relating loans. Foreign exchange forward contracts and foreign currency option contracts are also used for hedging risk of change in foreign exchange rate relating to foreign currency transactions.

(7) Other significant accounting policies for preparing consolidated financial statements

The consumption tax : computed based on the net-of-tax method

5. Valuation of assets and liabilities of consolidated subsidiaries

A full portion of the assets and liabilities of the acquired subsidiaries is stated at fair value as of the date of acquisition of control.

6. Amotization of goodwill

Goodwill is amortized on a straight-line basis over a period generally not exceeding 20 years, except for insignificant goodwill which is charged to income as incurred.

7. Appropriation of retained earnings

The approved amount during the relevant fiscal year is reflected in the consolidated statements of retained earnings.

8. Scope of cash and cash equivalents on the consolidated statements of cash flows

Cash and cash equivalents on the consolidated statements of cash flows include cash on hand, bank deposits to be withdrawn at any time and short-term investments with original maturities of three months or less that are readily convertible to known amounts of cash and are so near maturity that they present insignificant risk of changes in fair value.

Segment Information

1. Business segment information

(1) FY2006 (April 1, 2005 - March 31, 2006)

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

	Automobile	Materials handling equipment	Logistics	Textile machinery	Others	Total	Eliminations	Consolidated
Net sales								
(1) Outside customer sales	746,795	595,236	65,145	49,789	48,988	1,505,955	-	1,505,955
(2) Intersegment transactions	20,768	482	6,355	22	20,851	48,480	(48,480)	-
Total	767,564	595,718	71,500	49,811	69,839	1,554,436	(48,480)	1,505,955
Operating expenses	747,468	556,950	69,913	49,882	66,107	1,490,322	(48,407)	1,441,915
Operating income	20,095	38,768	1,587	(70)	3,732	64,113	(73)	64,040
Assets	420,204	509,366	106,356	16,516	103,083	1,155,527	2,089,813	3,245,341
Depreciation and amortization	48,370	30,044	3,309	1,010	4,544	87,278	9	87,287
Capital expenditures	101,897	43,520	4,046	730	8,620	158,815	20	158,835

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, automated storage and retrieval system, truck mount aerial work platforms

Logistics Transportation services, logistics planning, operation of distribution centers, collection and delivery of cash and management of sales proceeds

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

Others Ball grid array-type plastic package substrates for IC chipsets

3. Assets included in the "Eliminations" are mainly cash and deposits, marketable securities and investments in securities of Toyota Industries Corporation.

4. Changes in business segment

The logistics-related business, which was included in the Others Segment until the previous fiscal year, has been separated and declared independently as the Logistics Segment starting from this fiscal year (fiscal 2006). In FY2006, the Logistics Segment posted net sales of 37,913 million yen, an operating loss of 650 million yen, assets of 78,951 million yen, depreciation and amortization of 1,323 million yen and capital expenditures of 2,930 million yen.

(2) FY2005 (April 1, 2004 - March 31, 2005)

(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	616,200	503,989	43,902	77,446	1,241,538	-	1,241,538
(2) Intersegment transactions	18,222	148	24	21,579	39,975	(39,975)	-
Total	634,422	504,138	43,927	99,025	1,281,514	(39,975)	1,241,538
Operating expenses	611,659	478,053	44,698	93,782	1,228,193	(39,775)	1,188,418
Operating income	22,763	26,084	(771)	5,243	53,320	(200)	53,120
Assets	407,435	465,831	25,621	148,712	1,047,601	1,279,222	2,326,824
Depreciation and amortization	37,075	27,015	897	5,215	70,204	8	70,213
Capital expenditures	92,692	33,972	1,612	8,222	136,500	5	136,506

2. Geographical segment information

(1) FY2006 (April 1, 2005 - March 31, 2006)

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

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
Net sales							
(1) Outside customer sales	1,009,368	246,129	216,230	34,227	1,505,955	-	1,505,955
(2) Intersegment transactions	112,543	2,056	5,689	3,998	124,288	(124,288)	-
Total	1,121,912	248,186	221,919	38,226	1,630,243	(124,288)	1,505,955
Operating expenses	1,069,137	241,467	217,370	36,743	1,564,719	(122,804)	1,441,915
Operating income	52,775	6,718	4,548	1,482	65,524	(1,484)	64,040
Assets	834,716	179,116	278,825	48,207	1,340,865	1,904,475	3,245,341

(2) FY2005 (April 1, 2004 - March 31, 2005)

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

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
Net sales							
(1) Outside customer sales	815,039	212,253	188,668	25,576	1,241,538	-	1,241,538
(2) Intersegment transactions	99,464	1,125	7,221	2,776	110,588	(110,588)	-
Total	914,503	213,379	195,890	28,352	1,352,126	(110,588)	1,241,538
Operating expenses	870,928	207,068	191,202	27,712	1,296,911	(108,493)	1,188,418
Operating income	43,575	6,311	4,688	639	55,214	(2,094)	53,120
Assets	788,827	151,047	264,274	33,639	1,237,789	1,089,034	2,326,824

Notes: Assets included in the "Eliminations" are mainly cash and deposits, marketable securities and investments in securities of Toyota Industries Corporation.

3. Overseas sales

(1) FY2006 (April 1, 2005 - March 31, 2006)

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

	North America	Europe	Others	Total
Overseas sales	247,957	249,237	123,751	620,946
Consolidated sales				1,505,955
Ratio of overseas sales to consolidated sales	16.5%	16.5%	8.2%	41.2%

(2) FY2005 (April 1, 2004 - March 31, 2005)

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

	North America	Europe	Others	Total
Overseas sales	208,675	225,409	104,917	539,002
Consolidated sales				1,241,538
Ratio of overseas sales to consolidated sales	16.8%	18.2%	8.4%	43.4%

Breakdown of Consolidated Net Sales

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

	FY2006 (April 1, 2005 - March 31, 2006)		FY2005 (April 1, 2004 - March 31, 2005)		Increase (Decrease)	% Change
	Amount	Component ratio	Amount	Component ratio		
Automobile		%		%		%
Vehicle	372,092	24.7	278,841	22.5	93,251	33.4
Engine	132,382	8.8	113,295	9.1	19,087	16.8
Car air-conditioning compressor	215,983	14.3	197,984	15.9	17,999	9.1
Foundry, Electronics parts and others	26,337	1.8	26,079	2.1	258	1.0
Subtotal	746,795	49.6	616,200	49.6	130,595	21.2
Materials handling equipment	595,236	39.5	503,989	40.6	91,247	18.1
Logistics	65,145	4.3	-	-	65,145	-
Textile machinery	49,789	3.3	43,902	3.5	5,887	13.4
Others	48,988	3.3	77,446	6.3	(28,458)	(36.7)
Total	1,505,955	100.0	1,241,538	100.0	264,417	21.3

Notes The logistics-related business, which was included in the Others Segment until the previous fiscal year, has been separated and declared independently as the Logistics Segment starting from this fiscal year (FY 2006). Sales of the Logistics Segment for FY 2005 were 33,306 million yen.

Non-consolidated Financial Results for FY2006 (April 2005 - March 2006)

TOYOTA INDUSTRIES CORPORATION

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

Representative person : Tetsuro Toyoda, President

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

Date of the meeting of the Board of Directors for non-consolidated financial results for FY2006: April 27, 2006

Date of the Ordinary General Meeting of Shareholders: June 22, 2006

Provision for interim cash dividends: Provision exists.

Share trading unit: 100 shares

1. Financial Highlights for FY2006 (April 1, 2005 - March 31, 2006)

(1) Non-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	%
FY2006	950,746	(21.2)	32,865	(9.3)	43,050	(8.2)
FY2005	784,399	(4.6)	30,075	(-4.0)	39,785	(14.6)

	Net income	(% change from previous year)	Net income per share—basic	Net income per share—diluted	Return on equity	Ordinary income on assets	Ordinary income on sales
	Million yen	%	Yen	Yen	%	%	%
FY2006	30,427	(15.6)	94.40	94.31	2.3	1.8	4.5
FY2005	26,320	(24.7)	81.87	81.83	2.6	2.1	5.1

Notes: 1. Average number of shares outstanding each year: FY2006—319,125,005 shares, FY2005—318,087,484 shares

2. Changes in accounting policies: No change

(2) Cash dividends

	Annual cash dividends per share			Total amount of annual cash dividends	Dividend payout ratio	Total amount of dividends on shareholders' equity
	Interim	Year-end				
	Yen	Yen	Yen	Million yen	%	%
FY2006	38	18	20	12,133	40.3	0.8
FY2005	32	13	19	10,183	39.1	1.0

(3) Non-consolidated financial position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
FY2006	2,829,272	1,532,771	54.2	4,799.16
FY2005	1,980,211	1,056,828	53.4	3,320.01

Note: 1. Number of shares outstanding at end of each year: FY2006—319,320,446 shares, FY2005—318,236,815 shares

2. Number of treasury stock: FY2006—6,520,194 shares, FY2005—7,603,825 shares

2. Forecasts of non-consolidated Financial Results for FY2007 (April 1, 2006 - March 31, 2007)

	Net sales	Ordinary income	Net income	Annual cash dividends per share		
				Interim	Year-end	
	Million yen	Million yen	Million yen	Yen	Yen	Yen
FY2007 semi-annual	500,000	24,000	17,000	20	-	-
FY2007	1,020,000	47,000	33,000	-	20	40

Reference: (Forecast) Net income per share—basic (annual): 103.34 yen

Non-consolidated Balance Sheets

	FY2006 (As of March 31, 2006)	FY2005 (As of March 31, 2005)	Increase (Decrease)
<u>Assets</u>			
Current assets	2 6 8 , 9 5 7	2 5 5 , 5 1 3	1 3 , 4 4 4
Cash and deposits	3 3 , 6 6 0	2 8 , 7 2 1	4 , 9 3 9
Trade notes receivable	8 1 5	7 2 5	9 0
Trade accounts receivable	1 0 4 , 0 1 1	9 4 , 0 4 8	9 , 9 6 3
Marketable securities	4 5 , 0 0 2	4 0 , 0 0 5	4 , 9 9 7
Finished goods	2 , 9 8 2	1 , 7 2 4	1 , 2 5 8
Raw materials	3 5 7	4 7 2	(1 1 5)
Work in process	2 5 , 0 6 4	2 1 , 3 1 8	3 , 7 4 6
Supplies	5 , 9 7 5	4 , 7 3 1	1 , 2 4 4
Prepaid expenses	3 2 8	1 2 4	2 0 4
Deferred tax assets	1 1 , 5 0 2	1 3 , 5 2 6	(2 , 0 2 4)
Other current assets	3 9 , 2 6 9	5 0 , 1 2 8	(1 0 , 8 5 9)
Less—allowance for doubtful accounts	(1 4)	(1 4)	0
Fixed assets	2 , 5 6 0 , 3 1 5	1 , 7 2 4 , 6 9 8	8 3 5 , 6 1 7
Property, plant and equipment	3 1 3 , 1 6 6	2 7 7 , 9 0 7	3 5 , 2 5 9
Buildings	8 5 , 4 0 6	7 5 , 1 5 8	1 0 , 2 4 8
Structures	1 1 , 5 8 6	8 , 9 8 7	2 , 5 9 9
Machinery and equipment	1 3 3 , 6 0 2	1 0 4 , 0 1 1	2 9 , 5 9 1
Vehicles and delivery equipment	1 , 6 8 5	1 , 2 0 0	4 8 5
Tools, furniture and fixtures	1 2 , 3 9 1	1 1 , 1 6 0	1 , 2 3 1
Land	5 4 , 0 7 2	4 6 , 0 9 6	7 , 9 7 6
Construction in progress	1 4 , 4 2 1	3 1 , 2 9 1	(1 6 , 8 7 0)
Intangible assets	8 , 9 4 4	9 , 4 0 7	(4 6 3)
Software	8 , 9 4 4	9 , 4 0 7	(4 6 3)
Investments and other assets	2 , 2 3 8 , 2 0 4	1 , 4 3 7 , 3 8 3	8 0 0 , 8 2 1
Investments in securities	2 , 0 2 6 , 0 2 3	1 , 2 2 3 , 9 9 5	8 0 2 , 0 2 8
Investments in subsidiaries	1 8 8 , 0 0 5	1 8 1 , 2 3 1	6 , 7 7 4
Long-term loans	1 1 , 2 3 6	1 1 , 8 5 5	(6 1 9)
Long-term prepaid expenses	8 , 1 5 3	1 0 , 0 2 9	(1 , 8 7 6)
Other investments and other assets	4 , 8 6 8	1 0 , 4 4 2	(5 , 5 7 4)
Less—allowance for doubtful accounts	(8 2)	(1 7 1)	8 9
Total assets	2 , 8 2 9 , 2 7 2	1 , 9 8 0 , 2 1 1	8 4 9 , 0 6 1

Notes: 1. Accumulated depreciation of property, plant and equipment	3 8 9 , 2 9 8	3 6 8 , 9 3 7	2 0 , 3 6 1
2. Liabilities for guarantees	5 5 , 4 9 3	2 8 , 3 5 4	2 7 , 1 3 9
3. Allowance for retirement and severance benefits for directors and corporate auditors (included in allowance for retirement benefits)	4 , 6 2 0	4 , 5 3 2	8 8

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

	FY2006 (As of March 31, 2006)	FY2005 (As of March 31, 2005)	Increase (Decrease)
<u>Liabilities</u>			
Current liabilities	2 3 8 , 2 1 4	2 3 8 , 5 3 6	(3 2 2)
Trade notes payable	7 4 2	9 4 1	(1 9 9)
Trade accounts payable	1 2 8 , 1 8 8	1 1 2 , 5 4 3	1 5 , 6 4 5
Current portion of binds	1 5 , 0 0 0	2 0 , 0 0 0	(5 , 0 0 0)
Other payables	2 1 , 1 0 2	3 8 , 6 1 6	(1 7 , 5 1 4)
Accrued expenses	3 2 , 7 6 0	2 9 , 6 1 4	3 , 1 4 6
Accrued income taxes	4 , 2 3 8	8 , 2 2 1	(3 , 9 8 3)
Advance received	1 , 7 4 9	9 9 9	7 5 0
Deposits received	1 3 , 4 8 6	7 , 3 4 2	6 , 1 4 4
Deposits received from employees	2 0 , 8 0 5	1 9 , 9 6 5	8 4 0
Other current liabilities	1 4 1	2 9 0	(1 4 9)
Long-term liabilities	1 , 0 5 8 , 2 8 7	6 8 4 , 8 4 6	3 7 3 , 4 4 1
Bonds	2 6 5 , 0 0 0	2 3 0 , 0 0 0	3 5 , 0 0 0
Long-term loans	9 2 , 5 0 0	5 5 , 0 0 0	3 7 , 5 0 0
Deferred tax liabilities	6 7 7 , 2 8 2	3 7 6 , 6 1 0	3 0 0 , 6 7 2
Allowance for retirement benefits	2 2 , 1 9 4	2 0 , 8 5 6	1 , 3 3 8
Other long-term liabilities	1 , 3 1 1	2 , 3 7 8	(1 , 0 6 7)
Total liabilities	1 , 2 9 6 , 5 0 1	9 2 3 , 3 8 2	3 7 3 , 1 1 9
<u>Shareholders' equity</u>			
Common stock	8 0 , 4 6 2	8 0 , 4 6 2	-
Capital surplus	1 0 5 , 6 4 3	1 0 5 , 5 7 9	6 4
Capital reserve	1 0 1 , 7 6 6	1 0 1 , 7 6 6	-
Other capital reserve	3 , 8 7 7	3 , 8 1 2	6 5
Gain on disposal of treasury stock	3 , 8 7 7	3 , 8 1 2	6 5
Retained earnings	3 1 5 , 4 4 2	2 9 7 , 0 8 7	1 8 , 3 5 5
Legal reserve	1 7 , 0 0 4	1 7 , 0 0 4	-
General reserve	2 0 0 , 9 4 3	1 8 0 , 8 4 4	2 0 , 0 9 9
Reserve for special depreciation	6 7 9	7 1 1	(3 2)
Reserve for reduction of acquisition cost of fixed assets	2 6 3	1 3 3	1 3 0
General reserves	2 0 0 , 0 0 0	1 8 0 , 0 0 0	2 0 , 0 0 0
Unappropriated retained earnings at end of year	9 7 , 4 9 4	9 9 , 2 3 8	(1 , 7 4 4)
<Included net income for year>	< 3 0 , 4 2 7 >	< 2 6 , 3 2 0 >	< 4 , 1 0 7 >
Net unrealized gain on other securities	1 , 0 4 5 , 5 8 6	5 9 0 , 4 2 6	4 5 5 , 1 6 0
Treasury stock at cost	(1 4 , 3 6 3)	(1 6 , 7 2 6)	2 , 3 6 3
Total shareholders' equity	1 , 5 3 2 , 7 7 1	1 , 0 5 6 , 8 2 8	4 7 5 , 9 4 3
Total liabilities and shareholders' equity	2 , 8 2 9 , 2 7 2	1 , 9 8 0 , 2 1 1	8 4 9 , 0 6 1

Non-consolidated Statements of Income

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

	FY2006 (April 1, 2005 - March 31, 2006)	FY2005 (April 1, 2004 - March 31, 2005)	Increase (Decrease)
Net sales	9 5 0 , 7 4 6	7 8 4 , 3 9 9	1 6 6 , 3 4 7
Cost of sales	8 5 5 , 2 4 1	6 9 5 , 5 6 4	1 5 9 , 6 7 7
Selling, general and administrative expenses	6 2 , 6 3 8	5 8 , 7 5 8	3 , 8 8 0
Operating income	3 2 , 8 6 5	3 0 , 0 7 5	2 , 7 9 0
Non-operating income	2 7 , 9 2 1	2 0 , 6 5 3	7 , 2 6 8
Interest income and dividends income	2 1 , 5 3 7	1 4 , 9 3 6	6 , 6 0 1
Other non-operating income	6 , 3 8 3	5 , 7 1 6	6 6 7
Non-operating expenses	1 7 , 7 3 6	1 0 , 9 4 3	6 , 7 9 3
Interest expenses	4 , 8 6 3	3 , 7 0 0	1 , 1 6 3
Other non-operating expenses	1 2 , 8 7 2	7 , 2 4 2	5 , 6 3 0
Ordinary income	4 3 , 0 5 0	3 9 , 7 8 5	3 , 2 6 5
Extraordinary losses	-	1 4 4	(1 4 4)
Impairment loss of fixed assets	-	1 4 4	(1 4 4)
Income before income taxes	4 3 , 0 5 0	3 9 , 6 4 1	3 , 4 0 9
Income taxes — current	1 2 , 1 0 6	1 6 , 8 0 2	(4 , 6 9 6)
Income taxes — deferred	5 1 7	(3 , 4 8 1)	3 , 9 9 8
Net income	3 0 , 4 2 7	2 6 , 3 2 0	4 , 1 0 7
Unappropriated retained earnings brought forward	7 2 , 8 1 4	7 7 , 0 5 5	(4 , 2 4 1)
Interim cash dividends	5 , 7 4 7	4 , 1 3 6	1 , 6 1 1
Unappropriated retained earnings at end of year	9 7 , 4 9 4	9 9 , 2 3 8	(1 , 7 4 4)

Proposed Appropriation of Non-consolidated Retained Earnings

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

	FY2006	FY2005	Increase (Decrease)
Unappropriated retained earnings at end of year	9 7 , 4 9 4	9 9 , 2 3 8	(1 , 7 4 4)
Reversal of reserve for special depreciation	1 4 1	1 2 8	1 3
Reversal of reserve for reduction of acquisition cost of fixed assets	7	7	(0)
Total	9 7 , 6 4 3	9 9 , 3 7 4	(1 , 7 3 1)
The above will be appropriated as follows:			
Cash dividends	6 , 3 8 6 <i>< 20.00 yen per share</i>	6 , 0 4 6 <i>< 19.00 yen per share</i>	3 4 0
Bonuses to directors	2 7 0	2 5 0	2 0
Bonuses to corporate auditors	3 1	2 9	2
Reserve for special depreciation	4 3 0	9 6	3 3 4
Reserve for reduction of acquisition cost of fixed assets	-	1 3 7	(1 3 7)
General reserves	2 0 , 0 0 0	2 0 , 0 0 0	-
Unappropriated retained earnings to be carried forward	7 0 , 5 2 5	7 2 , 8 1 4	(2 , 2 8 9)

Note: On November 25, 2005, an interim cash dividend of 18.00 yen per share, or a total of 5,747 million yen was paid.

FINANCIAL SUMMARY for FY2006

Consolidated Financial Highlights

1. Consolidated financial results

(Unit: Billion yen,%)

	FY2006		FY2005		Change		Forecasts FY2007		Change
	April 05 - March 06		April 04 - March 05		Amount	%	April 06 - March 07		%
Net sales	100.0%	1,505.9	100.0%	1,241.5	264.4	21.3	100.0%	1,670.0	10.9
Operating income	4.3%	64.0	4.3%	53.1	10.9	20.6	4.1%	68.0	6.2
Ordinary income	5.4%	80.6	5.7%	70.9	9.7	13.7	5.1%	85.0	5.4
Net income	3.1%	47.0	3.5%	43.3	3.7	8.6	2.9%	49.0	4.1
Dividends per share <Annual/Year end>	¥ 38 / ¥ 20		¥ 32 / ¥ 19		¥ 6 / ¥ 1		¥ 40 / ¥ 20		
Payout ratio <Consolidated>	26.0%		23.7%				26.1%		
<Non-consolidated>	40.3%		39.1%				38.7%		
Exchange rate ¥/US\$	113		108		5		115		
¥/Euro	138		135		3		140		
Total assets	3,245.3		2,326.8		918.5		—		
Shareholders' equity	1,611.2		1,115.7		495.5		—		
Ratio of shareholders' equity	49.6%		48.0%				—		
Investments in tangible assets	130.1		111.3		18.8		120.0		(7.8)
Investments in overseas	25.8		16.0		9.8		26.0		0.6
Depreciation	64.4		51.2		13.2		74.0		14.9
Consolidated subsidiaries	153 companies		146 companies		7 companies		—		
Affiliates applied the equity method	22 companies		20 companies		2 companies		—		

2. Breakdown of consolidated net sales

	FY2006		FY2005		Change	%	Forecasts FY2007		%
Vehicle	24.7%	372.0	22.5%	278.8	93.2	33.4	23.9%	400.0	7.5
Engine	8.8%	132.3	9.1%	113.2	19.1	16.8	8.8%	147.0	11.0
Car air-conditioning compressor	14.3%	215.9	15.9%	197.9	18.0	9.1	13.5%	225.0	4.2
Foundry, electronics and other	1.8%	26.3	2.1%	26.0	0.3	1.0	2.0%	33.0	25.3
Automobile total	49.6%	746.7	49.6%	616.2	130.5	21.2	48.2%	805.0	7.8
Materials handling equipment	39.5%	595.2	40.6%	503.9	91.3	18.1	41.0%	685.0	15.1
Logistics ※1	4.3%	65.1	2.7%	33.3	31.8	95.6	4.8%	80.0	22.8
Textile machinery	3.3%	49.7	3.5%	43.9	5.8	13.4	3.0%	50.0	0.4
Others ※2	3.3%	48.9	3.6%	44.1	4.8	11.0	3.0%	50.0	2.1
Total	100.0%	1,505.9	100.0%	1,241.5	264.4	21.3	100.0%	1,670.0	10.9

※1 The logistics-related business, which was included in the Others Segment until the previous fiscal year, has been separated and declared independently as the Logistics Segment.

※2 Ball grid array-type plastic package substrates for IC chipsets and others

3. Unit sales

(Thousand Units)

	FY2006	FY2005	Change	FY2007	Change
Vitz (Yaris)	189	140	49	171	(18)
RAV4	108	69	39	139	31
Corolla	-	19	(19)	-	-
Vehicle	297	228	69	310	13
Engine	362	319	43	473	111
CKD	166	98	68	101	(65)
Car air-conditioning compressor	19,112	18,210	902	20,000	888
Materials handling equipment	106	98	8	111	5

4. Changes in ordinary income

(Unit: Billion yen)

Sales volume increase	23.5
Cost reduction	21.0
Exchange gain	4.6
Increase total	49.1
Depreciation	13.2
Raw material cost	12.0
Labor cost	6.6
Expenses and others	6.4
Non-operating income and expenses	1.2
Decrease total	39.4
Total increase in ordinary income	9.7

Non-consolidated Financial Highlights

1. Non-consolidated financial results

(Unit: Billion yen,%)

	FY2006		FY2005		Change		Forecasts FY2007		Change
	April 05 - March 06		April 04 - March 05		Amount	%	April 06 - March 07		%
Net sales	100.0%	950.7	100.0%	784.3	166.4	21.2	100.0%	1,020.0	7.3
Operating income	3.5%	32.8	3.8%	30.0	2.8	9.3	3.2%	33.0	0.4
Ordinary income	4.5%	43.0	5.1%	39.7	3.3	8.2	4.6%	47.0	9.2
Net income	3.2%	30.4	3.4%	26.3	4.1	15.6	3.2%	33.0	8.5
Investments in tangible assets		81.8		78.3	3.5	4.5		72.0	(12.0)
Depreciation		41.4		31.9	9.5	30.0		47.0	13.3
Unrealized gain on other securities		1,739.7		982.4	757.3	77.1		—	

2. Non-consolidated balance sheets

(Unit: Billion yen)

Assets				Liabilities and shareholders' equity			
	FY2006	FY2005	Change		FY2006	FY2005	Change
Current assets	268.9	255.5	13.4	Current liabilities	238.2	238.5	(0.3)
Cash and deposits	33.6	28.7	4.9	Accounts payable	128.9	113.4	15.5
Accounts receivable	104.8	94.7	10.1	Others	109.2	125.0	(15.8)
Marketable securities	45.0	40.0	5.0	Long-term liabilities	1,058.2	684.8	373.4
Inventories	34.3	28.2	6.1	Bonds	265.0	230.0	35.0
Others	51.0	63.7	(12.7)	Deferred tax liabilities	793.2	454.8	338.4
Fixed assets	2,560.3	1,724.6	835.7	Total liabilities	1,296.5	923.3	373.2
Tangible assets	313.1	277.9	35.2	Common stock	80.4	80.4	-
Intangible assets	8.9	9.4	(0.5)	Capital surplus	105.6	105.5	0.1
Investments and others	2,238.2	1,437.3	800.9	Retained earnings	315.4	297.0	18.4
				Net unrealized gain on other securities	1,045.5	590.4	455.1
				Treasury stock at cost	(14.3)	(16.7)	2.4
				Total shareholders' equity	1,532.7	1,056.8	475.9
Total	2,829.2	1,980.2	849.0	Total	2,829.2	1,980.2	849.0

3. Appropriation of Non-consolidated Retained Earnings

(Unit: Million yen)

	FY2006	FY2005	Change
Unappropriated retained earnings at end of year	97,494	99,238	(1,744)
Reversal of reserve for special depreciation	141	128	13
Reversal of reserve for reduction of acquisition cost of fixed assets	7	7	(0)
Total	97,643	99,374	(1,731)
Cash dividends	6,386 (¥20/share)	6,046 (¥19/share)	340
Bonuses to directors	270	250	20
Bonuses to corporate auditors	31	29	2
Reserve for special depreciation	430	96	334
Reserve for reduction of acquisition cost of fixed assets	-	137	(137)
General reserves	20,000	20,000	-
Unappropriated retained earnings to be carried forward	70,525	72,814	(2,289)

Four-Year Summary and Forecast

(Unit: Billion yen)

	FY2003	FY2004	FY2005	FY2006	FY2007
<Consolidated>					
Net sales	1,069.2	1,164.3	1,241.5	1,505.9	1,670.0
Operating income	52.4	52.6	53.1	64.0	68.0
Ordinary income	51.3	58.9	70.9	80.6	85.0
Net income	21.9	33.6	43.3	47.0	49.0
<Non-consolidated>					
Net sales	747.6	749.6	784.3	950.7	1,020.0
Operating income	39.4	31.3	30.0	32.8	33.0
Ordinary income	42.3	34.7	39.7	43.0	47.0
Net income	20.1	21.1	26.3	30.4	33.0
<Cash dividends>					
Dividends per share	¥ 22	¥ 24	¥ 32	¥ 38	¥ 40
Payout ratio					
Consolidated	31.3%	22.2%	23.7%	26.0%	26.1%
Non-consolidated	34.0%	35.5%	39.1%	40.3%	38.7%