

# Semiannual Consolidated Financial Results for FY2002

## TOYOTA INDUSTRIES CORPORATION

Stock exchange listings: Tokyo, Nagoya and Osaka (Ticker code: 6201)

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Date of the meeting of the Board of Directors for consolidated semiannual financial results for FY2002: November 7, 2001

US GAAP: None

### 1. Financial Highlights for FY2002 Semiannual (April 1 – September 30, 2001)

#### (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	%
<b>FY2002 Semiannual</b>	<b>478,965</b>	<b>( 39.1 )</b>	<b>24,409</b>	<b>( 13.6 )</b>	<b>26,639</b>	<b>( 32.4 )</b>
FY2001 Semiannual	344,229	( 18.2 )	21,484	( 83.4 )	20,123	( 88.3 )
FY2001 Annual	767,382		47,304		44,526	

	Net income	( % change from previous year )	Net income per share - basic	Net income per share - diluted
	Million yen	%	Yen	Yen
<b>FY2002 Semiannual</b>	<b>15,135</b>	<b>( 90.3 )</b>	<b>48.35</b>	<b>43.55</b>
FY2001 Semiannual	7,952	( 61.2 )	28.07	25.29
FY2001 Annual	22,637		75.90	67.77

Notes: 1. Equity in net earnings (loss) of affiliates: FY2002 semiannual - 544 million yen, FY2001 semiannual - (1,394) million yen  
FY2001 annual - (972) million yen

2. Average number of shares outstanding for each period

FY2002 semiannual - 313,026,498 shares , FY2001 semiannual - 283,259,661 shares , FY2001 annual - 298,259,654 shares

3. Changes in accounting policies: None

#### (2) Consolidated financial position

	Total assets	Shareholders' equity	Ratio of shareholders' equity	Shareholders' equity per share
	Million yen	Million yen	%	Yen
<b>FY2002 Semiannual</b>	<b>1,613,296</b>	<b>784,521</b>	<b>48.6</b>	<b>2,508.06</b>
FY2001 Semiannual	1,781,881	873,349	49.0	3,083.21
FY2001 Annual	1,869,642	951,298	50.9	3,036.77

Note: Number of shares outstanding at the end of each period

FY2002 semiannual - 312,800,014 shares, FY2001 semiannual - 283,259,676 shares, FY2001 annual - 313,260,132 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 period
	Million yen	Million yen	Million yen	Million yen
<b>FY2002 Semiannual</b>	<b>31,555</b>	<b>(57,327)</b>	<b>8,580</b>	<b>78,258</b>
FY2001 Semiannual	36,092	(97,411)	56,633	72,656
FY2001 Annual	78,412	(155,870)	94,472	95,296

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

Consolidated subsidiaries: 109 companies, Unconsolidated subsidiaries accounted for under the equity method: 2 companies

Affiliates accounted for under the equity method: 17 companies

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

Consolidated subsidiaries: (increase) 12 companies, (decrease) 3 companies

Affiliate accounted for under the equity method : (No change)

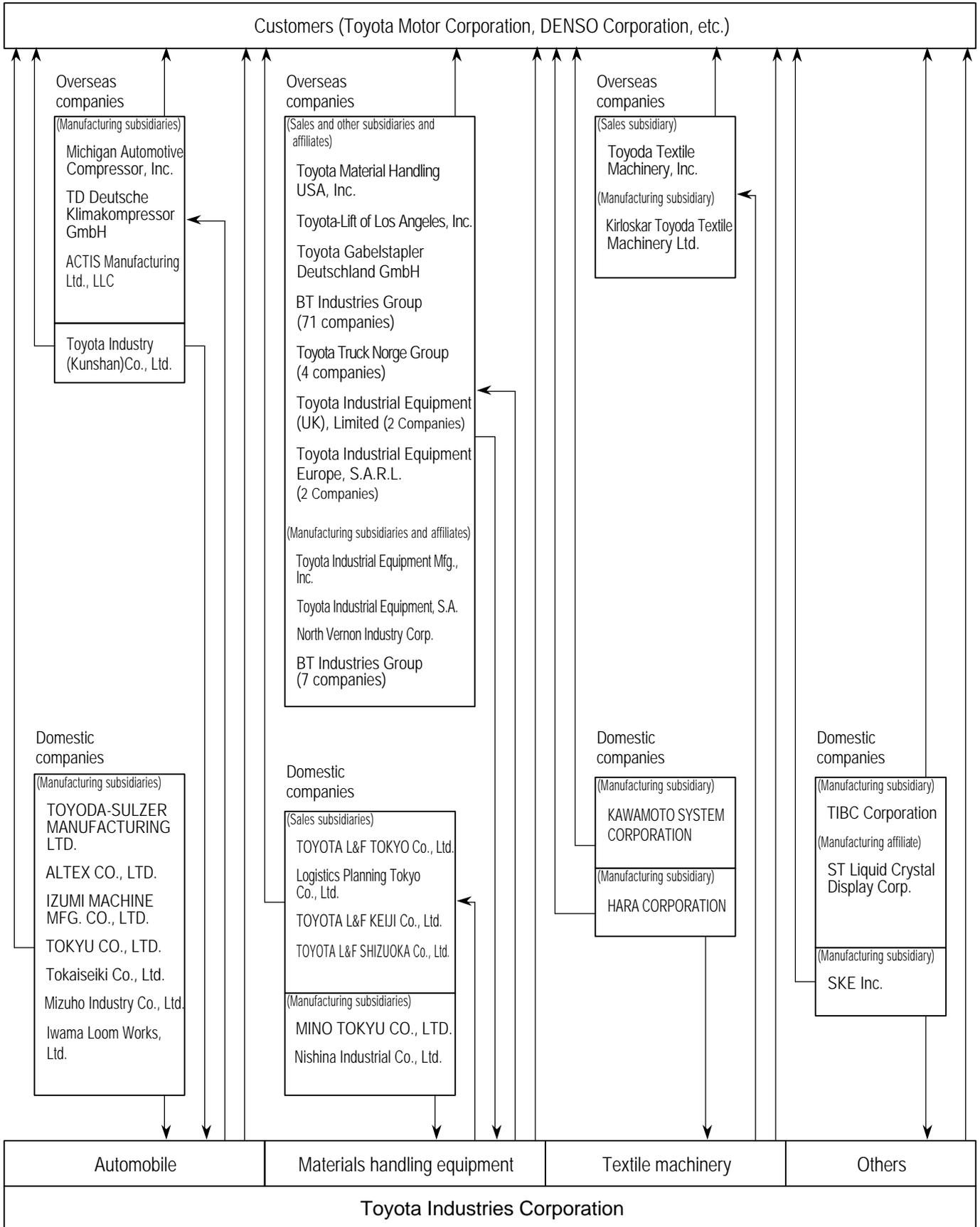
### 2. Forecast of Consolidated Financial Results for FY2002 (April 1, 2001 - March 31, 2002)

	Net sales	Ordinary income	Net income
	Million yen	Million yen	Million yen
<b>FY2002 Annual</b>	<b>940,000</b>	<b>47,000</b>	<b>25,500</b>

Reference: (Forecast) Net income per share - basic (annual): 81.52 yen

# Overview of Associated Companies

Toyota Industries Corporation ("TOYOTA INDUSTRIES") and its associated companies (Toyota Motor Corporation ("TMC"), which has TOYOTA INDUSTRIES as an affiliate, TOYOTA INDUSTRIES' 111 subsidiaries and 21 affiliates) are engaged mainly in manufacture and sales of automobiles and related products, materials handling equipment, textile machinery and others. The associated companies' positions in the businesses and relation to the business segments are shown below.



# Management Policies and Business Results

## 1. Management Policies

### (1) Basic Management Policies

The basic management policies of Toyota Industries Corporation and its subsidiaries and affiliates ("Toyota Industries") are as follows:

- a) 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.
- b) Toyota Industries is respectful of the people, culture and tradition of each country and region in which it operates. It also works to promote economic growth and prosperity in those countries and regions.
- c) Toyota Industries believes that economic growth and conservation of the national environment are compatible. It strives to offer products and services that are clean, safe and of high quality.
- d) Toyota Industries conducts intensive product research and forward-looking development activities to create new value for its customers.
- e) Toyota Industries nurtures the inventiveness and other abilities of its employees. It seeks to create a climate of cooperation, so that employees and the company can realize their full potential.

### (2) Medium to Long-Term Management Strategies

In the medium to long-term, Toyota Industries seeks to increase profitability and strengthen its management base. The group seeks to grow by placing a high priority on research and development, thereby enabling the group to bring to market leading-edge products and services.

For Toyota Industries, it is a top priority to develop safe, environmentally friendly products which are of high quality and satisfy changing customer needs. Toyota Industries is also determined to maintain and enhance its position as a leader in its business field through vigorous sales efforts, superior service, cost reduction activities and constant enhancement of quality throughout all its operations.

Within Toyota Industries' Automobile Segment, the Vehicle Business will deliver outstanding customer satisfaction through its assembly of compact cars for Toyota Motor Corporation ("TMC"). Also within the Automobile Segment, the Car Air-Conditioning Compressor Business will continue to develop state-of-the-art products to be marketed worldwide. Toyota Industries' Materials Handling Equipment Segment will expand its product line in order to offer optimal materials handling solutions to customers throughout the world. Toyota Industries' Textile Machinery Segment will continue to produce a high-quality range of spinning and weaving machinery.

Toyota Industries aims to achieve net income of 150 yen per share in the medium term. It also intends to improve its capital efficiency by increasing net sales and profitability in each of its segments.

### (3) Corporate Code of Conduct Council

Toyota Industries Corporation established a "Corporate Code of Conduct Council" for the purpose of promoting greater awareness of ethical and legal issues from a company-wide perspective. The council will complement the corporate governance roles of the Ordinary General Meeting of Shareholders, the Board of Directors and the Board of Corporate Auditors.

Also, Toyota Industries continues to disclose information about its financial position to shareholders and investors. The company will continue to ensure a high level of corporate accountability.

## 2. Business Results

### (1) Overview of Performance for the First Half of Fiscal 2002

During the first half of fiscal 2002 (the six months ended September 30, 2001), the Japanese economy was increasingly sluggish. This weakness resulted from a substantial decrease in worldwide demand for IT-related products, a decrease in private capital investment, lower exports and a rise in domestic unemployment. Overseas, the business environment also deteriorated rapidly.

During this period, the total consolidated net sales of Toyota Industries amounted to 478.9 billion yen, an increase of 134.7 billion yen, or 39%, compared with the first half of fiscal 2001.

Net sales of the Automobile Segment totaled 266.1 billion yen, an increase of 37.4 billion yen, or 16%, compared with the first half of fiscal 2001. Within this segment, net sales of the Vehicle Business totaled 129.4 billion yen, an increase of 27.1 billion yen, or 27%, compared with the same period last year. In April 2001, Toyota Industries Corporation started production of the RAV4, a compact sport utility vehicle. However, production of the Vitz (Yaris in Europe) decreased, and total output was 121 thousand units, a decrease of 24 thousand units, or 17%, from the first half of fiscal 2001. The sales increase reflects the fact that TMC started charging for engine and other parts, whereas previously such parts had been supplied free of cost. This change caused an increase in both sales and cost of sales. However, there was no effect on gross profit of Toyota Industries. Net sales of the Engine Business totaled 52 billion yen, an increase of 5.3 billion yen, or 11%, due mainly to increased sales of CD-type diesel engines and others. Net sales of the Car Air-Conditioning Compressor Business totaled 78.4 billion yen, an increase of 9.4 billion yen, or 14%, compared with the first half of the previous year. Sales were up both domestically and overseas, thanks to new product development, strengthened sales promotion and increased production capacity. Also, in May 2001, Toyota Industries and DENSO Corporation agreed to gradually merge DENSO's car air-conditioning compressor production business into Toyota Industries.

Net sales of the Materials Handling Equipment Segment totaled 180.5 billion yen, an increase of 98.3 billion yen, or 119%, compared with the first half of fiscal 2001. The increase reflected the favorable impact of increased sales of electric forklifts in Japan and the consolidation of the operating results of BT Industries AB which Toyota Industries acquired in June 2000. This increase was partially offset by adverse market conditions in North America. In April 2001, TMC transferred its Industrial equipment and related operations to Toyota Industries. TOYOTA Material Handling Company was established as an in-house company within Toyota Industries Corporation in April 2001, integrating the industrial equipment sales operations of TMC with those of Toyota Industries. Toyota Industries also opened the TOYOTA Material Handling Customer Center in Ichikawa, Chiba Prefecture, to showcase materials handling products and offer consulting services for total materials handling solutions.

Net sales of the Textile Machinery Segment totaled 16.1 billion yen, an increase of ¥1.8 billion, or 12%, compared with the first half of fiscal 2001, due mainly to an increase in exports to China and Thailand.

During the first half of fiscal 2002, the net income of Toyota Industries amounted to 15.1 billion yen, an increase of 7.2 billion yen, or 90%, over the first half of fiscal 2001 due to enhanced sales promotion, cost reduction efforts, improved productivity and consolidation of BT Industries AB.

Toyota Industries' Board of Directors voted today to distribute an interim cash dividend of 9 yen per common share, payable on November 26, 2001 to shareholders of record as of September 30, 2001.

### (2) Forecast for the Fiscal Year Ending March 31, 2002

Toyota Industries expects economic restructuring measures by the Japanese government to have a positive impact on the domestic economy. However, the aftermath of the terrorist attacks in the United States is likely to have a substantial negative impact on the global economy, and the business environment overall is likely to remain rather sluggish.

For the fiscal year ending March 31, 2002, Toyota Industries forecasts consolidated net sales of 940 billion yen, up 22% over fiscal 2001, ordinary income of 47 billion yen, up 6%, and net income of 25.5 billion yen, up 13%. Our confidence reflects our determination to develop new products, enhance sales and service activities, and reduce costs.

## Consolidated Balance Sheets

	FY2002 ( as of September 30, 2001 )	FY2001 ( as of March 31, 2001 )	Increase (Decrease)	FY2001 ( As of September 30, 2000 )
<b><u>Assets</u></b>				
<b>Current assets</b>	<b>3 0 1 , 2 0 8</b>	<b>3 0 1 , 3 5 0</b>	<b>( 1 4 2 )</b>	<b>2 4 1 , 6 9 2</b>
Cash and deposits	7 6 , 0 6 0	1 0 0 , 2 8 5	( 2 4 , 2 2 5 )	6 0 , 4 3 6
Trade notes and accounts receivable	1 0 7 , 5 6 0	9 7 , 4 5 5	1 0 , 1 0 5	8 7 , 1 9 5
Marketable securities	1 5 , 7 4 1	1 7 , 6 3 6	( 1 , 8 9 5 )	1 6 , 5 7 7
Inventories	6 7 , 0 4 2	5 2 , 7 6 3	1 4 , 2 7 9	4 7 , 1 7 6
Deferred tax assets	8 , 8 8 5	8 , 6 8 6	1 9 9	7 , 1 3 3
Other current assets	2 7 , 5 1 3	2 5 , 6 8 3	1 , 8 3 0	2 4 , 1 7 9
Less - allowance for doubtful accounts	( 1 , 5 9 4 )	( 1 , 1 5 9 )	( 4 3 5 )	( 1 , 0 0 5 )
<b>Fixed assets</b>	<b>1 , 3 1 2 , 0 8 7</b>	<b>1 , 5 6 8 , 2 9 1</b>	<b>( 2 5 6 , 2 0 4 )</b>	<b>1 , 5 4 0 , 1 8 9</b>
<b>Property, Plant and Equipment</b>	<b>3 2 3 , 9 3 6</b>	<b>2 9 4 , 7 4 2</b>	<b>2 9 , 1 9 4</b>	<b>2 8 1 , 2 0 6</b>
Buildings and Structures	9 6 , 9 5 8	8 8 , 8 5 8	8 , 1 0 0	8 7 , 2 7 0
Machinery, equipment and vehicles	1 4 5 , 4 6 1	1 3 5 , 4 0 5	1 0 , 0 5 6	1 3 0 , 2 1 8
Tools, furniture and fixture	1 5 , 3 7 3	1 4 , 5 5 0	8 2 3	1 4 , 8 5 8
Land	4 6 , 3 1 1	4 2 , 1 0 2	4 , 2 0 9	3 7 , 4 1 1
Construction in progress	1 9 , 8 3 2	1 3 , 8 2 6	6 , 0 0 6	1 1 , 4 4 8
<b>Intangible fixed assets</b>	<b>8 8 , 0 4 3</b>	<b>8 7 , 9 8 7</b>	<b>5 6</b>	<b>8 3 , 1 8 0</b>
Software	2 , 8 4 9	1 , 5 8 0	1 , 2 6 9	1 , 4 4 4
Goodwill	8 5 , 1 9 3	8 6 , 4 0 7	( 1 , 2 1 4 )	8 1 , 7 3 5
<b>Investments and other assets</b>	<b>9 0 0 , 1 0 7</b>	<b>1 , 1 8 5 , 5 6 1</b>	<b>( 2 8 5 , 4 5 4 )</b>	<b>1 , 1 7 5 , 8 0 2</b>
Investments in securities	8 4 5 , 9 7 1	1 , 1 4 5 , 1 7 6	( 2 9 9 , 2 0 5 )	1 , 1 4 0 , 9 5 4
Long-term loans	1 0 , 9 0 0	8 , 1 0 6	2 , 7 9 4	6 , 8 9 5
Long-term prepaid expenses	9 , 7 7 4	5 , 3 5 4	4 , 4 2 0	2 , 6 5 2
Deferred tax assets	2 , 3 0 9	1 , 3 7 3	9 3 6	1 , 1 8 1
Other investments and other assets	3 1 , 2 5 9	2 5 , 6 6 2	5 , 5 9 7	2 4 , 2 0 3
Less - allowance for doubtful accounts	( 1 0 8 )	( 1 1 2 )	4	( 8 5 )
<b>Total assets</b>	<b>1 , 6 1 3 , 2 9 6</b>	<b>1 , 8 6 9 , 6 4 2</b>	<b>( 2 5 6 , 3 4 6 )</b>	<b>1 , 7 8 1 , 8 8 1</b>

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

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 as of September 30, 2001	FY2001 as of March 31, 2001	Increase (Decrease)	FY2001 as of September 30, 2000
<b><u>Liabilities</u></b>				
<b>Current liabilities</b>	<b>234,783</b>	<b>213,599</b>	<b>21,184</b>	<b>209,910</b>
Trade notes and accounts payable	103,810	103,444	366	92,934
Short-term bank loans	38,725	23,192	15,533	14,987
Commercial paper	-	-	-	20,000
Other payables	19,628	17,113	2,515	16,349
Accrued expenses	37,103	32,219	4,884	30,839
Accrued income taxes	10,891	12,364	(1,473)	9,338
Deposits received from employees	18,373	18,030	343	17,921
Deferred tax liabilities	64	15	49	17
Other current liabilities	6,186	7,219	(1,033)	7,521
<b>Long-term liabilities</b>	<b>577,220</b>	<b>686,618</b>	<b>(109,398)</b>	<b>680,904</b>
Bonds	140,300	140,300	-	140,300
Convertible bonds	75,742	75,748	(6)	75,748
Long-term bank loans	62,634	52,446	10,188	50,184
Deferred tax liabilities	262,548	387,547	(124,999)	387,492
Allowance for retirement benefits	27,683	25,534	2,149	23,156
Other long-term liabilities	8,311	5,041	3,270	4,023
<b>Total liabilities</b>	<b>812,004</b>	<b>900,218</b>	<b>(88,214)</b>	<b>890,815</b>
<b>Minority interest in consolidated subsidiaries</b>	<b>16,770</b>	<b>18,125</b>	<b>(1,355)</b>	<b>17,716</b>
<b><u>Shareholders' equity</u></b>				
<b>Common stock</b>	<b>68,021</b>	<b>68,018</b>	<b>3</b>	<b>40,178</b>
<b>Capital surplus</b>	<b>88,515</b>	<b>88,512</b>	<b>3</b>	<b>60,672</b>
<b>Retained earnings</b>	<b>245,418</b>	<b>233,367</b>	<b>12,051</b>	<b>220,949</b>
<b>Net unrealized gain on other securities</b>	<b>381,073</b>	<b>558,673</b>	<b>(177,600)</b>	<b>558,226</b>
<b>Translation adjustments</b>	<b>2,772</b>	<b>2,746</b>	<b>26</b>	<b>(6,655)</b>
<b>Treasury stock at cost</b>	<b>(1,280)</b>	<b>(0)</b>	<b>(1,280)</b>	<b>(1)</b>
<b>Treasury stock owned by subsidiaries</b>	<b>-</b>	<b>(20)</b>	<b>20</b>	<b>(20)</b>
<b>Total shareholders' equity</b>	<b>784,521</b>	<b>951,298</b>	<b>(166,777)</b>	<b>873,349</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,613,296</b>	<b>1,869,642</b>	<b>(256,346)</b>	<b>1,781,881</b>

# Consolidated Statements of Income

(Yen in millions: amounts less than one million yen are omitted.)

	FY2002 ( April 1, 2001 - September 30, 2001 )	FY2001 ( April 1, 2000 - September 30, 2000 )	Increase (Decrease)	FY2001 ( April 1, 2000 - March 31, 2001 )
<b>Net sales</b>	4 7 8 , 9 6 5	3 4 4 , 2 2 9	1 3 4 , 7 3 6	7 6 7 , 3 8 2
Cost of sales	4 0 2 , 6 1 2	3 0 2 , 8 4 0	9 9 , 7 7 2	6 6 3 , 0 1 2
<b>Gross profit</b>	<b>7 6 , 3 5 3</b>	<b>4 1 , 3 8 9</b>	<b>3 4 , 9 6 4</b>	<b>1 0 4 , 3 7 0</b>
Selling, general and administrative expenses	5 1 , 9 4 3	1 9 , 9 0 4	3 2 , 0 3 9	5 7 , 0 6 5
<b>Operating income</b>	<b>2 4 , 4 0 9</b>	<b>2 1 , 4 8 4</b>	<b>2 , 9 2 5</b>	<b>4 7 , 3 0 4</b>
<b>Non-operating income</b>	<b>1 1 , 8 1 7</b>	<b>5 , 4 9 0</b>	<b>6 , 3 2 7</b>	<b>1 6 , 2 4 9</b>
Interest income	4 , 3 6 9	4 0 4	3 , 9 6 5	4 , 2 4 1
Dividends income	4 , 0 8 6	3 , 6 7 8	4 0 8	6 , 9 5 7
Other non-operating income	3 , 3 6 1	1 , 4 0 8	1 , 9 5 3	5 , 0 5 1
<b>Non-operating expenses</b>	<b>9 , 5 8 8</b>	<b>6 , 8 5 2</b>	<b>2 , 7 3 6</b>	<b>1 9 , 0 2 7</b>
Interest expenses	5 , 4 8 7	1 , 4 5 2	4 , 0 3 5	6 , 4 4 5
Other non-operating expenses	4 , 1 0 0	5 , 3 9 9	( 1 , 2 9 9 )	1 2 , 5 8 2
<b>Ordinary income</b>	<b>2 6 , 6 3 9</b>	<b>2 0 , 1 2 3</b>	<b>6 , 5 1 6</b>	<b>4 4 , 5 2 6</b>
<b>Extraordinary gains</b>	-	<b>1 5 , 0 8 0</b>	<b>( 1 5 , 0 8 0 )</b>	<b>1 5 , 0 8 0</b>
Gain on securities contribution to employee retirement benefit trust	-	1 5 , 0 8 0	( 1 5 , 0 8 0 )	1 5 , 0 8 0
<b>Extraordinary losses</b>	-	<b>2 1 , 3 8 6</b>	<b>( 2 1 , 3 8 6 )</b>	<b>2 1 , 3 8 6</b>
Cumulative effect of change in accounting standards for retirement benefits	-	1 9 , 0 5 7	( 1 9 , 0 5 7 )	1 9 , 0 5 7
Provision for retirement and severance benefits for directors and corporate auditors	-	2 , 3 2 9	( 2 , 3 2 9 )	2 , 3 2 9
<b>Income before income taxes</b>	<b>2 6 , 6 3 9</b>	<b>1 3 , 8 1 7</b>	<b>1 2 , 8 2 2</b>	<b>3 8 , 2 2 0</b>
Income taxes - current	1 2 , 1 4 3	9 , 6 2 1	2 , 5 2 2	2 1 , 1 6 1
Income taxes - deferred	( 1 , 3 5 1 )	( 4 , 1 4 9 )	2 , 7 9 8	( 6 , 3 3 8 )
Minority interest in consolidated subsidiaries	7 1 3	3 9 2	3 2 1	7 5 9
<b>Net income</b>	<b>1 5 , 1 3 5</b>	<b>7 , 9 5 2</b>	<b>7 , 1 8 3</b>	<b>2 2 , 6 3 7</b>

## Consolidated Statements of Retained Earnings

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 ( April 1, 2001 - September 30, 2001 )	FY2001 ( April 1, 2000 - September 30, 2000 )	Increase (Decrease)	FY2001 ( April 1, 2000 - March 31, 2001 )
<b>Retained earnings at beginning of period</b>	<b>2 3 3 , 3 6 7</b>	<b>2 1 5 , 4 6 3</b>	<b>1 7 , 9 0 4</b>	<b>2 1 5 , 4 6 3</b>
<b>Decrease in retained earnings</b>	<b>3 , 0 8 4</b>	<b>2 , 4 6 6</b>	<b>6 1 8</b>	<b>4 , 7 3 2</b>
Cash dividends	2 , 8 1 9	2 , 2 6 6	5 5 3	4 , 5 3 2
Bonuses to directors and corporate auditors	2 6 4	2 0 0	6 4	2 0 0
<b>Net income</b>	<b>1 5 , 1 3 5</b>	<b>7 , 9 5 2</b>	<b>7 , 1 8 3</b>	<b>2 2 , 6 3 7</b>
<b>Retained earnings at end of period</b>	<b>2 4 5 , 4 1 8</b>	<b>2 2 0 , 9 4 9</b>	<b>2 4 , 4 6 9</b>	<b>2 3 3 , 3 6 7</b>

# Consolidated Statements of Cash Flows

(Yen in millions: amounts less than one million yen are omitted.)

	FY2002 (April 1, 2001 - September 30, 2001)	FY2001 (April 1, 2000 - September 30, 2000)	Increase (Decrease)	FY2001 (April 1, 2000 - March 31, 2001)
<b>Cash flows from operating activities</b>	<b>31,555</b>	<b>36,092</b>	<b>(4,537)</b>	<b>78,412</b>
Income before income taxes	26,639	13,817	12,822	38,220
Depreciation and amortization	25,917	19,690	6,227	46,454
Increase in allowance for doubtful accounts	27	(34)	61	(128)
Interest and dividends income	(8,455)	(4,082)	(4,373)	(11,198)
Interest expenses	5,487	1,452	4,035	6,445
Equity in (earnings) loss of affiliates	(544)	1,394	(1,938)	972
(Increase) decrease in receivables	5,335	2,748	2,587	(2,450)
Increase in inventories	(1,066)	(501)	(565)	(3,921)
Increase (decrease) in payables	(9,982)	(40)	(9,942)	8,177
Others, net	131	8,595	(8,464)	8,914
Subtotal	43,490	43,040	450	91,484
Interest and dividends received	8,475	4,097	4,378	11,212
Interest paid	(5,745)	(1,452)	(4,293)	(6,155)
Income taxes paid	(14,665)	(9,593)	(5,072)	(18,128)
<b>Cash flows from investing activities</b>	<b>(57,327)</b>	<b>(97,411)</b>	<b>40,084</b>	<b>(155,870)</b>
Payments for purchases of marketable securities	(1,007)	(1,004)	(3)	(1,718)
Proceeds from sales of marketable securities	1,999	2,682	(683)	4,322
Payments for acquisition of tangible assets	(35,464)	(17,056)	(18,408)	(55,127)
Proceeds from sales of tangible assets	428	382	46	2,383
Payments for purchases of investment securities	(3,904)	(5,232)	1,328	(9,667)
Proceeds from sales of investment securities	71	1,099	(1,028)	2,107
Payments for acquisition of subsidiaries' stock resulting in change in scope of consolidation	(673)	(86,136)	85,463	(86,136)
Payments for loans made	(1,505)	(1,689)	184	(3,410)
Proceeds from collections of loans	1,528	9,356	(7,828)	11,266
Payment for acquisition of business	(23,685)	-	(23,685)	-
Others, net	4,885	187	4,698	(19,890)
<b>Cash flows from financing activities</b>	<b>8,580</b>	<b>56,633</b>	<b>(48,053)</b>	<b>94,472</b>
Increase (decrease) in short-term bank loans	7,137	(131)	7,268	6,883
Proceeds from issuances of commercial paper	-	80,000	(80,000)	80,000
Redemption of commercial paper	-	(60,000)	60,000	(80,000)
Proceeds from long-term bank loans	7,059	826	6,233	4,111
Repayments of long-term bank loans	(1,282)	(1,174)	(108)	(6,585)
Proceeds from issuances of bonds	-	39,796	(39,796)	39,796
Proceeds from issuances of common stock	-	-	-	55,228
Payment for repurchase of treasury stocks	(1,381)	-	(1,381)	-
Cash dividends paid	(2,819)	(2,266)	(553)	(4,533)
Cash dividends paid for minority shareholders	(318)	(414)	96	(420)
Others, net	186	(2)	188	(8)
<b>Translation adjustments of cash and cash equivalents</b>	<b>152</b>	<b>9</b>	<b>143</b>	<b>949</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(17,038)</b>	<b>(4,675)</b>	<b>(12,363)</b>	<b>17,964</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>95,296</b>	<b>77,332</b>	<b>17,964</b>	<b>77,332</b>
<b>Cash and cash equivalents at end of period</b>	<b>78,258</b>	<b>72,656</b>	<b>5,602</b>	<b>95,296</b>

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

Cash and deposits	67,234	59,679	7,555	81,369
Marketable securities	11,023	12,977	(1,954)	13,927

# Basis of Presenting Consolidated Financial Statements

## 1. Scope of consolidation and equity method

### (1) Scope of consolidation

	Companies	
Consolidated subsidiaries	109	TIBC Corporation, TOYODA-SULZER MANUFACTURING LTD., TOYOTA L&F TOKYO Ltd., Logistics Planning Tokyo., Co., Ltd., ALTEX CO., Ltd., Sun River Co., Ltd., IZUMI MACHINE MFG. CO., LTD., TOYOTA L&F KEIJI Ltd., TOKYU CO., LTD., MINO TOKYU CO., LTD., Toyoda High System, Incorporated, Nishina Industrial Co., Ltd., Tokaiseiki Co., Ltd., LOGISTEC CO., LTD., SKE Inc., SK Maintenance Inc., Iwama Loom Works, Ltd., KAWAMOTO SYSTEM CORPORATION, ARTI Inc., TOYOTA L&F SHIZUOKA Ltd., HARA CORPORATION, Mizuho Industry Co., Ltd., Sun Valley Inc., Sun Staff, Inc., TOKAI SYSTEM INSTITUTE CORP., Shine's Inc., Toyoda International Sweden AB, BT Industries Group (61 companies), Michigan Automotive Compressor, Inc., Toyota Industries North America, Inc., Toyota Industrial Equipment Mfg., Inc., Toyota Material Handling USA, Inc., Toyota-Lift of Los Angeles, Inc., Toyoda Textile Machinery, Inc., TAL Personnel Service, Inc., TD Deutsche Klimakompressor GmbH, Kirloskar Toyoda Textile Machinery Ltd., Toyota Industry (Kunshan) Co., Ltd., Toyota Truck Norge Group (4 companies), Toyota Industrial Equipment, S.A., Toyota Gabelstapler Deutschland GmbH, Toyota Industrial Equipment (UK), Limited (2 companies), Toyota Industrial Equipment Europe, S.A.R.L. (2 companies), ACTIS manufacturing Ltd. LLC
Unconsolidated subsidiaries	2	BT Industries Group (2 companies)

### (2) Scope of equity method

	Companies	
Unconsolidated subsidiaries	2	BT Industries Group (2 companies)
Affiliates	17	ST Liquid Crystal Display Corp., TAIKOH TRANSPORTATION CO., LTD., BT Industries Group (15 companies)

## 2. Changes in scope of consolidation and equity method

### Consolidated subsidiaries

	Companies (or Company)	
(Increase)	12	TOYOTA L&F TOKYO Ltd., Logistics Planning Tokyo., Co., Ltd., TOYOTA L&F KEIJI Ltd., TOYOTA L&F SHIZUOKA Ltd., BT Industries Group (1 company), Toyota-Lift of Los Angeles, Inc., Toyota Gabelstapler Deutschland GmbH, Toyota Industrial Equipment (UK), Limited (2 companies), Toyota Industrial Equipment Europe, S.A.R.L. (2 companies), ACTIS manufactures Ltd., LLC
(Decrease)	3	BT Industries Group (3 companies)

### Affiliates accounted for under the equity method

	Companies
(Increase)	-
(Decrease)	-

## 3. Fiscal years of consolidated subsidiaries

(1) Some consolidated subsidiaries have a closing date other than September 30. The details are given below.

June 30	TIBC Corporation, TOYODA-SULZER MANUFACTURING LTD., Sun River Co., Ltd., IZUMI MACHINE MFG. CO., LTD., Toyoda High System, Incorporated, LOGISTEC CO., LTD., SKE Inc., SK Maintenance Inc., KAWAMOTO SYSTEM CORPORATION, ARTI Inc., HARA CORPORATION, Mizuho Industry Co., Ltd., Sun Valley Inc., Sun Staff, Inc., MINO TOKYU CO., LTD.,
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TOKAI SYSTEM INSTITUTE CORP., Shine's Inc.,  
 Toyoda International Sweden AB, BT Industries Group (61 companies),  
 Michigan Automotive Compressor, Inc., Toyota Industries North America, Inc.,  
 Toyota Industrial Equipment Mfg., Inc., Toyota Material Handling USA, Inc., Toyota-Lift of Los Angeles, Inc.,  
 Toyoda Textile Machinery, Inc., TAL Personnel Service, Inc., TD Deutsche Klimakompressor GmbH,  
 Kirloskar Toyoda Textile Machinery Ltd., Toyota Industry (Kunshan) Co., Ltd.,  
 Toyota Truck Norge Group (4 companies), Toyota Industrial Equipment, S.A.,  
 Toyota Gabelstapler Deutschland GmbH, Toyota Industrial Equipment (UK), Limited (2 companies),  
 Toyota Industrial Equipment Europe, S.A.R.L. (2 companies), ACTIS manufacturing Ltd. LLC

(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

Trading securities	...	Not applicable.
Held-to-maturity securities	...	Not applicable.
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.)
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 of fixed assets

Depreciation 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) Significant allowances

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

##### (4) Accounting for significant lease transactions

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

##### (5) Hedge accounting method

Mainly, effect of change in fair value of derivatives is accounted as deferred assets and liabilities or reflected on underlying assets and liabilities. In this period, forward exchange contracts are used for heading risk of change in foreign exchange rate relating to accounts receivables.

##### (6) Other significant accounting policies for preparing consolidated financial statements

Consumption taxes : computed based on the net-of-tax method

#### 5. 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 segments

(1) FY2002 Semiannual (April 1, 2001 - September 30, 2001)

(Yen in millions; amounts less than one million yen are omitted.)

	Automobile	Materials handling equipment	Textile machinery	Others	Total	Eliminations	Consolidated
<b>Net sales</b>							
(1) Sales to external customers	266,142	180,526	16,194	16,101	478,965	-	478,965
(2) Inter-segment sales and transfers	6,637	27	223	6,585	13,473	(13,473)	-
<b>Total</b>	<b>272,780</b>	<b>180,553</b>	<b>16,417</b>	<b>22,686</b>	<b>492,438</b>	<b>(13,473)</b>	<b>478,965</b>
<b>Operating expenses</b>	<b>259,236</b>	<b>172,546</b>	<b>16,216</b>	<b>19,846</b>	<b>467,846</b>	<b>(13,290)</b>	<b>454,555</b>
<b>Operating income</b>	<b>13,544</b>	<b>8,006</b>	<b>201</b>	<b>2,840</b>	<b>24,592</b>	<b>(182)</b>	<b>24,409</b>

(2) FY2001 Semiannual (April 1, 2000 - September 30, 2000)

(Yen in millions ; amounts less than one million yen are omitted.)

	Automobile	Materials handling equipment	Textile machinery	Others	Total	Eliminations	Consolidated
<b>Net sales</b>							
(1) Sales to external customers	228,788	82,272	14,399	18,768	344,229	-	344,229
(2) Inter-segment sales and transfers	1,912	-	-	2,104	4,016	(4,016)	-
<b>Total</b>	<b>230,700</b>	<b>82,272</b>	<b>14,399</b>	<b>20,873</b>	<b>348,246</b>	<b>(4,016)</b>	<b>344,229</b>
<b>Operating expenses</b>	<b>216,678</b>	<b>76,269</b>	<b>14,665</b>	<b>18,992</b>	<b>326,605</b>	<b>(3,860)</b>	<b>322,745</b>
<b>Operating income</b>	<b>14,022</b>	<b>6,003</b>	<b>(265)</b>	<b>1,880</b>	<b>21,641</b>	<b>(156)</b>	<b>21,484</b>

(3) FY2001 (April 1, 2000 - March 31, 2001)

(Yen in millions; amounts less than one million yen are omitted.)

	Automobile	Materials handling equipment	Textile machinery	Others	Total	Eliminations	Consolidated
<b>Net sales</b>							
(1) Sales to external customers	457,631	236,501	33,237	40,011	767,382	-	767,382
(2) Inter-segment sales and transfers	4,096	-	-	4,531	8,628	(8,628)	-
<b>Total</b>	<b>461,727</b>	<b>236,501</b>	<b>33,237</b>	<b>44,543</b>	<b>776,010</b>	<b>(8,628)</b>	<b>767,382</b>
<b>Operating expenses</b>	<b>433,202</b>	<b>221,955</b>	<b>33,202</b>	<b>40,177</b>	<b>728,538</b>	<b>(8,460)</b>	<b>720,078</b>
<b>Operating income</b>	<b>28,525</b>	<b>14,546</b>	<b>34</b>	<b>4,365</b>	<b>47,472</b>	<b>(168)</b>	<b>47,304</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 forklift trucks, warehouse trucks, skid steer loaders, automated storage and retrieval system: automatic guided vehicles

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

Others ..... Ball grid array-type plastic package substrates for IC chipsets, casting machines

## 2. Geographical segments

(1) FY2002 Semiannual (April 1, 2001 - September 30, 2001)

(Yen in millions; amounts less than one million yen are omitted.)

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
<b>Net sales</b>							
(1) Sales to external customers	324,118	94,546	58,505	1,794	478,965	-	478,965
(2) Inter-segment sales and transfers	29,722	704	2,117	97	32,642	(32,642)	-
<b>Total</b>	<b>353,840</b>	<b>95,251</b>	<b>60,623</b>	<b>1,892</b>	<b>511,608</b>	<b>(32,642)</b>	<b>478,965</b>
<b>Operating expenses</b>	<b>332,783</b>	<b>92,932</b>	<b>59,450</b>	<b>1,951</b>	<b>487,116</b>	<b>(32,561)</b>	<b>454,555</b>
<b>Operating income</b>	<b>21,057</b>	<b>2,319</b>	<b>1,173</b>	<b>(58)</b>	<b>24,491</b>	<b>(81)</b>	<b>24,409</b>

(2) FY2001 Semiannual (April 1, 2000 - September 30, 2000)

(Yen in millions; amounts less than one million yen are omitted.)

	Japan	North America	Others	Total	Eliminations	Consolidated
<b>Net sales</b>						
(1) Sales to external customers	287,312	47,260	9,657	344,229	-	344,229
(2) Inter-segment sales and transfers	13,624	-	286	13,910	(13,910)	-
<b>Total</b>	<b>300,936</b>	<b>47,260</b>	<b>9,943</b>	<b>358,140</b>	<b>(13,910)</b>	<b>344,229</b>
<b>Operating expenses</b>	<b>281,683</b>	<b>45,127</b>	<b>9,613</b>	<b>336,424</b>	<b>(13,679)</b>	<b>322,745</b>
<b>Operating income</b>	<b>19,253</b>	<b>2,132</b>	<b>330</b>	<b>21,715</b>	<b>(231)</b>	<b>21,484</b>

(3) FY2001 (April 1, 2000 - March 31, 2001)

(Yen in millions; amounts less than one million yen are omitted.)

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
<b>Net sales</b>							
(1) Sales to external customers	586,086	123,355	55,826	2,113	767,382	-	767,382
(2) Inter-segment sales and transfers	31,769	336	748	477	33,333	(33,333)	-
<b>Total</b>	<b>617,856</b>	<b>123,692</b>	<b>56,574</b>	<b>2,591</b>	<b>800,715</b>	<b>(33,333)</b>	<b>767,382</b>
<b>Operating expenses</b>	<b>577,380</b>	<b>118,422</b>	<b>53,723</b>	<b>2,840</b>	<b>752,367</b>	<b>(32,289)</b>	<b>720,078</b>
<b>Operating income</b>	<b>40,475</b>	<b>5,269</b>	<b>2,851</b>	<b>(248)</b>	<b>48,348</b>	<b>(1,043)</b>	<b>47,304</b>

Note: Effective for the year ended March 31, 2001, the Europe segment has been separated from the Others segment because business there increased in importance.

### 3.Overseas sales

(1)FY2002 Semiannual (April 1, 2001 – September 30, 2001)

(Yen in millions; amounts less than one million yen are omitted.)

	North America	Europe	Others	Total
Overseas sales	94,825	78,116	28,356	201,298
Consolidated sales				478,965
Ratio of overseas sales to consolidated sales	19.8%	16.3%	5.9%	42.0%

(2)FY2001 Semiannual (April 1, 2000 - September 30, 2000)

(Yen in millions; amounts less than one million yen are omitted.)

	North America	Others	Total
Overseas sales	54,249	59,006	113,255
Consolidated sales			344,229
Ratio of overseas sales to consolidated sales	15.8%	17.1%	32.9%

(3)FY2001 (April 1, 2000 - March 31, 2001)

(Yen in millions; amounts less than one million yen are omitted.)

	North America	Europe	Others	Total
Overseas sales	140,161	102,665	55,967	298,794
Consolidated sales				767,382
Ratio of overseas sales to consolidated sales	18.2%	13.4%	7.3%	38.9%

Note: Effective for the year ended March 31, 2001, the Europe segment has been separated from the Other segment because business there increased in importance.

## Breakdown of Consolidated Net Sales

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 (April 1, 2001 - September 30, 2001)		FY2001 (April 1, 2000 - September 30, 2000)		Increase (Decrease)	% Change	FY2001 (April 1, 2000 - March 31, 2001)	
	Amount	Ratio	Amount	Ratio			Amount	Ratio
Automobile		%		%		%		%
Vehicle	129,483	27.0	102,336	29.7	27,147	26.5	195,887	25.5
Engine	52,074	10.9	46,799	13.6	5,275	11.3	102,099	13.3
Car air-conditioning compressor	78,419	16.4	69,083	20.1	9,336	13.5	139,572	18.2
Foundry and others	6,165	1.3	10,569	3.1	(4,404)	(41.7)	20,070	2.6
<b>Subtotal</b>	266,142	55.6	228,788	66.5	37,354	16.3	457,631	59.6
Materials handling equipment	180,526	37.7	82,272	23.9	98,254	119.4	236,501	30.8
Textile machinery	16,194	3.4	14,399	4.2	1,795	12.5	33,237	4.3
Others	16,101	3.3	18,768	5.4	(2,667)	(14.2)	40,011	5.3
<b>Total</b>	478,965	100.0	344,229	100.0	134,736	39.1	767,382	100.0

# Lease Transactions

## 1. As a lessee

(1) Finance leases that do not transfer the ownership of leased property to lessee

(a) Pro forma information regarding the leased property such as acquisition cost, accumulated depreciation and net book value as of the end of period

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 (as of September 30, 2001)			FY2001 (as of September 30, 2000)			FY2001 (as of March 31, 2001)		
	Acquisition cost	Accumulated depreciation	Net book value	Acquisition cost	Accumulated depreciation	Net book value	Acquisition cost	Accumulated depreciation	Net book value
Machinery, equipment and vehicles	1,635	776	858	2,439	762	1,677	2,339	909	1,429
Tools, furniture and fixture	4,922	2,222	2,699	5,223	2,978	2,244	4,660	2,228	2,431
Total	6,557	2,999	3,558	7,662	3,740	3,921	6,999	3,138	3,861

Note: The amount equivalent to acquisition cost includes the imputed interest expense portion due to immaterial difference between acquisition cost and future minimum lease payment.

(b) Pro forma information regarding future minimum lease payment as of the end of period

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 (as of September 30, 2001)	FY2001 (as of September 30, 2000)	FY2001 (as of March 31, 2001)
Due within one year	1,398	1,352	1,302
Due after one year	2,159	2,569	2,558
Total	3,558	3,921	3,861

Note: The amount equivalent to future minimum lease payment as of the end of period includes the imputed interest expense portion due to immaterial difference between acquisition cost and future minimum lease payment.

(c) Total lease payments and pro forma depreciation expenses for the period

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 ( April 1, 2001 - September 30, 2001 )	FY2001 ( April 1, 2000 - September 30, 2000 )	FY2001 ( April 1, 2000 - March 31, 2000 )
Total lease payments	772	874	1,505
Pro forma depreciation expenses	772	874	1,505

(d) Calculation method of pro forma depreciation expenses

Pro forma depreciation expenses are computed mainly by the straight-line method which assume zero residual value and leasing term to be useful lives.

(2) Pro forma future lease payment under operating leases

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 (as of September 30, 2001)	FY2001 (as of September 30, 2000)	FY2001 (as of March 31, 2001)
Due within one year	1,802	784	5,116
Due after one year	4,972	1,283	9,542
Total	6,775	2,068	14,659

## 2. As a lessor

### (1) Finance leases that do not transfer ownership of leased assets

#### (a) Acquisition cost, accumulated depreciation and net book value of leased property as of the end of period

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 (as of September 30, 2001)			FY2001 (as of September 30, 2000)			FY2001 (as of March 31, 2001)		
	Acquisition cost	Accumulated depreciation	Net book value	Acquisition cost	Accumulated depreciation	Net book value	Acquisition cost	Accumulated depreciation	Net book value
Machinery, equipment and vehicles	7,333	4,061	3,271	-	-	-	-	-	-
Total	7,333	4,061	3,271	-	-	-	-	-	-

#### (b) Pro forma information regarding to future minimum lease payments as of the end of period

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 (as of September 30, 2001)	FY2001 (as of September 30, 2000)	FY2001 (as of March 31, 2001)
Due within one year	1,892	-	-
Due after one year	2,681	-	-
Total	4,573	-	-

Note: The amount equivalent to future minimum lease payment includes the imputed interest income portion due to immaterial difference between acquisition cost and future minimum lease payment.

#### (c) Total lease payments and depreciation expenses for the period

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 (April 1, 2001 - September 30, 2001)	FY2001 (April 1, 2000 - September 30, 2000)	FY2001 (April 1, 2000 - March 31, 2001)
Total lease payments to be received	1,209	-	-
Depreciation expenses	709	-	-

### (2) Pro forma information regarding future rentals under operating leases

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 (as of September 30, 2001)	FY2001 (as of September 30, 2000)	FY2001 (as of March 31, 2001)
Due within one year	3,114	-	1,455
Due after one year	7,017	-	7,717
Total	10,131	-	9,172

## Marketable Securities

### 1. Held-to-maturity securities with fair value

Not applicable.

### 2. Other securities with market prices

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 (As of September 30, 2001)			FY2001 (As of September 30, 2000)			FY2001 (As of March 31, 2001)		
	Acquisition cost	Carrying amount	Difference	Acquisition cost	Carrying amount	Difference	Acquisition cost	Carrying amount	Difference
(1) Stocks	171,234	819,825	648,590	165,251	1,114,680	949,429	167,371	1,117,736	950,364
(2) Bonds									
Government and municipal bonds	0	0	-	-	-	-	0	0	-
Corporate bonds	13,211	13,225	13	9,096	9,063	(32)	16,199	16,197	(1)
Other bonds	2	2	-	2	2	-	2	2	-
(3) Others	120	120	-	121	121	-	720	720	-
Total	184,569	833,173	648,604	174,471	1,123,868	949,396	184,294	1,134,657	950,363

### 3. Major contents and book value of securities not practicable to fair value as of the end of period

(1) Held-to-maturity securities

Not applicable.

(2) Other securities

FY2002                      FY2001                      FY2001  
 (As of September 30, 2001)   (As of September 30, 2000)   (As of March 31, 2001)

	FY2002 (As of September 30, 2001)	FY2001 (As of September 30, 2000)	FY2001 (As of March 31, 2001)
			(Million yen)
Domestic unlisted stocks excluding over-the-counter stocks	12,977	13,003	12,643
Bonds used in repurchase agreements	-	7,986	1,999
Commercial paper used in repurchase agreements	-	2,999	3,999
Money management funds	5,924	942	340
Foreign unlisted bonds	405	310	310

## Derivative Transaction

Not applicable.

# Semiannual Non-consolidated Financial Results for FY2002

## TOYOTA INDUSTRIES CORPORATION

Stock exchange listings: Tokyo, Nagoya and Osaka (Ticker code: 6201)

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

Contact : Kakuo Ishikawa, General Manager of Accounting and Finance Department (Tel. +81-(0)566-22-2511)

Date of the meeting of the Board of Directors for non-consolidated semiannual financial results for FY2002 : November 7, 2001

Provision for interim cash dividends: Provision exists. The interim dividends are payable on November 26, 2001.

### 1. Financial Highlights for FY2002 Semiannual (April 1 – September 30, 2001)

#### (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	%
<b>FY2002 Semiannual</b>	<b>330,487</b>	<b>( 17.9 )</b>	<b>19,266</b>	<b>( 11.6 )</b>	<b>21,622</b>	<b>( 15.7 )</b>
FY2001 Semiannual	280,420	( 19.1 )	17,269	( 95.8 )	18,681	( 60.1 )
FY2001 Annual	575,558		36,821		37,043	

	Net income	( % change from previous year )	Net income per share - basic
	Million yen	%	Yen
<b>FY2002 Semiannual</b>	<b>13,668</b>	<b>( 47.5 )</b>	<b>43.63</b>
FY2001 Semiannual	9,267	( 16.8 )	32.71
FY2001 Annual	20,831		69.83

Notes: 1. Average number of shares issued each year

FY2002 Semiannual 313,297,485

FY2001 Semiannual 283,296,225

FY2001 Annual 298,296,225

2. Changes in accounting policies: None

#### (2) Cash dividends

	Cash dividends per share	Cash dividends per share
	Yen	Yen
<b>FY2002 Semiannual</b>	<b>9</b>	<b>-</b>
FY2001 Semiannual	8	-
FY2001 Annual	-	17

#### (3) Non-consolidated financial position

	Total assets	Shareholders' equity	Ratio of shareholders' equity	Shareholders' equity per share
	Million yen	Million yen	%	Yen
<b>FY2002 Semiannual</b>	<b>1,411,140</b>	<b>780,836</b>	<b>55.3</b>	<b>2,492.30</b>
FY2001 Semiannual	1,643,765	882,404	53.7	3,114.78
FY2001 Annual	1,700,538	947,825	55.7	3,025.33

Note: Number of shares issued at the end of period

FY2002 Semiannual 313,299,249

FY2001 Semiannual 283,296,225

FY2001 Annual 313,296,225

### 2. Forecast of Non-consolidated Financial Results for FY2002 (April 1, 2001 - March 31, 2002)

	Net sales	Ordinary income	Net income	Annual cash dividends per share	
	Million yen	Million yen	Million yen	Year end	Yen
FY2002 Annual	660,000	40,000	25,000	9	18

Reference: (Forecast) Net income per share - basic (annual): 79.80 yen

## Non-consolidated Balance Sheets

	FY2002 ( as of September 30, 2001 )	FY2001 ( as of March 31, 2001 )	Increase (Decrease)	FY2001 ( as of September 30, 2000 )
<b>Assets</b>				
<b>Current assets</b>	<b>1 7 8 , 3 5 9</b>	<b>1 9 6 , 9 1 0</b>	<b>( 1 8 , 5 5 1 )</b>	<b>1 4 8 , 4 5 3</b>
Cash and deposits	5 5 , 5 6 1	7 9 , 6 5 1	( 2 4 , 0 9 0 )	4 3 , 3 8 6
Trade notes receivable	3 , 2 8 7	3 , 4 0 7	( 1 2 0 )	3 , 3 5 5
Trade accounts receivable	6 0 , 4 8 6	5 6 , 4 1 9	4 , 0 6 7	4 8 , 0 3 4
Marketable securities	1 4 , 7 1 1	1 6 , 7 0 1	( 1 , 9 9 0 )	1 5 , 5 7 9
Finished goods	2 , 1 1 4	8 8 1	1 , 2 3 3	1 , 4 1 9
Raw materials	3 2 3	2 4 6	7 7	1 7 2
Work in process	1 6 , 3 3 5	1 3 , 8 7 4	2 , 4 6 1	1 2 , 7 6 0
Supplies	2 , 8 8 1	2 , 3 0 8	5 7 3	2 , 2 8 7
Prepaid expenses	1 3 2	2 2 4	( 9 2 )	1 1 9
Deferred tax assets	6 , 8 6 3	7 , 2 6 0	( 3 9 7 )	5 , 8 3 8
Other receivables	1 0 , 2 1 1	1 0 , 4 4 3	( 2 3 2 )	9 , 2 8 3
Other current assets	5 , 5 9 4	5 , 7 0 7	( 1 1 3 )	6 , 5 2 9
Less - allowance for doubtful accounts	( 1 4 4 )	( 2 1 7 )	7 3	( 3 1 4 )
<b>Fixed assets</b>	<b>1 , 2 3 2 , 7 8 1</b>	<b>1 , 5 0 3 , 6 2 7</b>	<b>( 2 7 0 , 8 4 6 )</b>	<b>1 , 4 9 5 , 3 1 2</b>
<b>Property, Plant and Equipment</b>	<b>2 1 6 , 2 6 8</b>	<b>2 0 9 , 0 5 5</b>	<b>7 , 2 1 3</b>	<b>2 0 6 , 2 6 1</b>
Buildings	6 0 , 3 5 6	5 8 , 5 6 0	1 , 7 9 6	5 8 , 6 8 2
Structures	5 , 9 9 4	5 , 9 5 8	3 6	5 , 9 7 6
Machinery and equipment	9 4 , 8 2 7	9 3 , 7 2 0	1 , 1 0 7	9 3 , 2 0 5
Vehicles and delivery equipment	1 , 0 1 3	9 5 0	6 3	8 5 9
Tools, furniture and fixture	9 , 5 6 5	8 , 8 4 6	7 1 9	9 , 4 7 1
Land	3 2 , 3 0 9	3 0 , 7 1 3	1 , 5 9 6	2 8 , 3 0 3
Construction in progress	1 2 , 2 0 2	1 0 , 3 0 5	1 , 8 9 7	9 , 7 6 1
<b>Intangible fixed assets</b>	<b>2 , 2 6 6</b>	<b>1 , 3 8 4</b>	<b>8 8 2</b>	<b>1 , 2 8 5</b>
Software	2 , 2 6 6	1 , 3 8 4	8 8 2	1 , 2 8 5
<b>Investments and other assets</b>	<b>1 , 0 1 4 , 2 4 5</b>	<b>1 , 2 9 3 , 1 8 7</b>	<b>( 2 7 8 , 9 4 2 )</b>	<b>1 , 2 8 7 , 7 6 4</b>
Investments in securities	8 5 1 , 6 8 9	1 , 1 5 1 , 5 8 7	( 2 9 9 , 8 9 8 )	1 , 1 4 7 , 9 2 2
Investments in subsidiaries	1 3 8 , 5 2 8	1 2 5 , 5 8 7	1 2 , 9 4 1	1 2 4 , 8 7 4
Long-term loans	1 0 , 1 3 2	6 , 7 0 7	3 , 4 2 5	8 , 0 4 8
Long-term prepaid expenses	7 , 3 4 6	3 , 5 7 9	3 , 7 6 7	1 , 1 8 2
Other investments and other assets	6 , 5 6 7	5 , 7 4 6	8 2 1	5 , 7 5 9
Less - allowance for doubtful Accounts	( 1 8 )	( 1 9 )	1	( 2 3 )
<b>Total assets</b>	<b>1 , 4 1 1 , 1 4 0</b>	<b>1 , 7 0 0 , 5 3 8</b>	<b>( 2 8 9 , 3 9 8 )</b>	<b>1 , 6 4 3 , 7 6 5</b>

Notes : 1. Accumulated depreciation of property, plant and Equipment	3 3 2 , 3 5 5	3 2 1 , 3 6 0	1 0 , 9 9 5	3 1 3 , 1 3 9
2. Liabilities for guarantees	3 , 5 3 3	3 , 7 0 0	( 1 6 7 )	3 , 1 8 0
3. Treasury stock (Incl. Marketable Securities)	Shares 3 5 Amount 0	9 3 0	( 5 8 ) ( 0 )	5 4 9 1
(Incl. Other investment and other assets)	Shares 4 9 9 , 2 0 0 Amount 1 , 2 7 9	- -	4 9 9 , 2 0 0 1 , 2 7 9	- -
4. Number of shares issued at end of period	313,299,249	313,296,225	3,024	283,296,225
5. Allowance for retirement and severance benefits for directors and corporate auditors	1 , 9 0 7	2 , 5 2 4	( 6 1 7 )	2 , 4 0 7

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 ( as of September 30, 2001 )	FY2001 ( as of March 31, 2001 )	Increase (Decrease)	FY2001 ( as of September 30, 2000 )
<b><u>Liabilities</u></b>				
<b>Current liabilities</b>	<b>134,835</b>	<b>132,937</b>	<b>1,898</b>	<b>142,755</b>
Trade notes payable	6,029	4,408	1,621	5,268
Trade accounts payable	67,412	66,659	753	59,069
Commercial paper	-	-	-	20,000
Other payables	15,647	15,208	439	14,925
Accrued expenses	19,557	18,003	1,554	17,942
Accrued income taxes	7,235	10,368	(3,133)	7,186
Advance received	403	111	292	205
Deposits received	565	573	(8)	584
Deposits received from employees	17,983	17,605	378	17,573
<b>Long-term liabilities</b>	<b>495,469</b>	<b>619,775</b>	<b>(124,306)</b>	<b>618,604</b>
Bonds	140,000	140,000	-	140,000
Convertible bonds	75,742	75,748	(6)	75,748
Deferred tax liabilities	258,537	383,665	(125,128)	384,414
Allowance for retirement benefits	20,098	20,345	(247)	18,425
Other long-term liabilities	1,090	16	1,074	16
<b>Total liabilities</b>	<b>630,304</b>	<b>752,713</b>	<b>(122,409)</b>	<b>761,360</b>
<b><u>Shareholders' equity</u></b>				
<b>Common stock</b>	<b>68,021</b>	<b>68,018</b>	<b>3</b>	<b>40,178</b>
<b>Statutory reserve</b>	<b>105,520</b>	<b>98,557</b>	<b>6,963</b>	<b>70,717</b>
Capital surplus	88,515	88,512	3	60,672
Legal reserve	17,004	10,044	6,960	10,044
<b>Retained earnings</b>	<b>226,298</b>	<b>222,618</b>	<b>3,680</b>	<b>213,321</b>
Reserve for special depreciation	125	63	62	63
Reserve for reduction of acquisition cost of fixed assets	156	166	(10)	166
General reserves	180,000	170,000	10,000	170,000
Unappropriated retained earnings at end of period	46,015	52,388	(6,373)	43,091
<Included net income for period>	<13,668>	<20,831>	<(7,163)>	<9,267>
<b>Net unrealized gain on other securities</b>	<b>380,995</b>	<b>558,631</b>	<b>(177,636)</b>	<b>558,187</b>
<b>Total shareholders' equity</b>	<b>780,836</b>	<b>947,825</b>	<b>(166,989)</b>	<b>882,404</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,411,140</b>	<b>1,700,538</b>	<b>(289,398)</b>	<b>1,643,765</b>

# Non-consolidated Statements of Income

(Yen in millions: amounts less than one million yen are omitted.)

	FY2002 ( April 1, 2001 - September 30, 2001 )	FY2001 ( April 1, 2000 - September 30, 2000 )	Increase (Decrease)	FY2001 ( April 1, 2000 - March 31, 2001 )
<b><u>Ordinary profits and losses</u></b>				
<b>Operating revenue and expenses</b>				
<b>Operating revenue</b>	3 3 0 , 4 8 7	2 8 0 , 4 2 0	5 0 , 0 6 7	5 7 5 , 5 5 8
Net sales	3 3 0 , 4 8 7	2 8 0 , 4 2 0	5 0 , 0 6 7	5 7 5 , 5 5 8
<b>Operating expenses</b>	3 1 1 , 2 2 0	2 6 3 , 1 5 0	4 8 , 0 7 0	5 3 8 , 7 3 7
Cost of sales	2 8 9 , 0 1 9	2 4 7 , 7 1 5	4 1 , 3 0 4	5 0 7 , 0 1 1
Selling, general and administrative expenses	2 2 , 2 0 0	1 5 , 4 3 5	6 , 7 6 5	3 1 , 7 2 5
<b>Operating income</b>	1 9 , 2 6 6	1 7 , 2 6 9	1 , 9 9 7	3 6 , 8 2 1
<b>Non-operating income and expenses</b>				
<b>Non-operating income</b>	7 , 1 2 6	6 , 2 7 5	8 5 1	1 3 , 1 1 1
Interest income	2 3 7	2 6 7	( 3 0 )	5 6 6
Dividends income	4 , 8 6 3	4 , 4 8 3	3 8 0	7 , 7 7 9
Other non-operating income	2 , 0 2 5	1 , 5 2 4	5 0 1	4 , 7 6 5
<b>Non-operating expenses</b>	4 , 7 7 1	4 , 8 6 3	( 9 2 )	1 2 , 8 8 9
Interest expenses	1 , 5 3 1	1 , 3 4 4	1 8 7	2 , 8 7 4
Other non-operating expenses	3 , 2 4 0	3 , 5 1 8	( 2 7 8 )	1 0 , 0 1 4
<b>Ordinary income</b>	2 1 , 6 2 2	1 8 , 6 8 1	2 , 9 4 1	3 7 , 0 4 3
<b><u>Extraordinary gains and losses</u></b>				
<b>Extraordinary gains</b>	-	1 5 , 0 8 0	( 1 5 , 0 8 0 )	1 5 , 0 8 0
Gain on securities contribution to employee retirement benefit trust	-	1 5 , 0 8 0	( 1 5 , 0 8 0 )	1 5 , 0 8 0
<b>Extraordinary losses</b>	-	2 0 , 1 7 7	( 2 0 , 1 7 7 )	2 0 , 1 7 7
Cumulative effect of change in accounting standards for retirement benefits	-	1 7 , 8 4 8	( 1 7 , 8 4 8 )	1 7 , 8 4 8
Provision for retirement and severance benefits for directors and corporate auditors	-	2 , 3 2 9	( 2 , 3 2 9 )	2 , 3 2 9
<b>Income before income taxes</b>	2 1 , 6 2 2	1 3 , 5 8 4	8 , 0 3 8	3 1 , 9 4 5
Income taxes - current	8 , 2 2 0	7 , 7 8 0	4 4 0	1 7 , 0 6 0
Income taxes - deferred	( 2 6 6 )	( 3 , 4 6 3 )	3 , 1 9 7	( 5 , 9 4 5 )
<b>Net income</b>	1 3 , 6 6 8	9 , 2 6 7	4 , 4 0 1	2 0 , 8 3 1
Unappropriated retained earnings brought forward	3 2 , 3 4 7	3 3 , 8 2 3	( 1 , 4 7 6 )	3 3 , 8 2 3
Interim cash dividends	-	-	-	2 , 2 6 6
<b>Unappropriated retained earnings at end of period</b>	4 6 , 0 1 5	4 3 , 0 9 1	2 , 9 2 4	5 2 , 3 8 8

## Lease Transactions

### 1. Finance leases that do not transfer the ownership of leased property to lessee

(1) Pro forma information regarding the leased property such as acquisition cost, accumulated depreciation and net book value as of the end of period

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 (as of September 30, 2001)			FY2001 (as of September 30, 2000)			FY2001 (as of March 31, 2001)		
	Acquisition cost	Accumulated depreciation	Net book value	Acquisition cost	Accumulated depreciation	Net book value	Acquisition cost	Accumulated depreciation	Net book value
Vehicles and delivery equipment	31	9	22	31	3	28	31	6	25
Tools, furniture and fixture	4,214	1,936	2,277	4,353	2,502	1,851	3,827	1,768	2,059
<b>Total</b>	<b>4,245</b>	<b>1,945</b>	<b>2,300</b>	<b>4,385</b>	<b>2,505</b>	<b>1,880</b>	<b>3,859</b>	<b>1,774</b>	<b>2,084</b>

Note: The amount equivalent to acquisition cost includes the imputed interest expense portion due to immaterial difference between acquisition cost and future minimum lease payment.

(2) Pro forma information regarding future minimum lease payment as of the end of period

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 (as of September 30, 2001)	FY2001 (as of September 30, 2000)	FY2001 (as of March 31, 2001)
Due within one year	9 4 2	8 7 7	8 6 9
Due after one year	1, 3 5 7	1, 0 0 2	1, 2 1 5
<b>Total</b>	<b>2, 3 0 0</b>	<b>1, 8 8 0</b>	<b>2, 0 8 4</b>

Note: The amount equivalent to future minimum lease payment as of the end of period includes the imputed interest expense portion due to immaterial difference between acquisition cost and future minimum lease payment.

(3) Total lease payments and pro forma depreciation expense for the period

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 as of ( September 30, 2001 )	FY2001 as of ( September 30, 2000 )	FY2001 as of ( March 31, 2001 )
Total lease payments	5 2 3	5 5 4	1, 0 1 3
Pro forma depreciation expenses	5 2 3	5 5 4	1, 0 1 3

(4) Calculation method of pro forma depreciation expense

Pro forma depreciation expenses are computed mainly by the straight-line method which assume zero residual value and leasing term to be useful lives.

### 2. Pro forma future lease payments under operating leases

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 (as of September 30, 2001)	FY2001 (as of September 30, 2000)	FY2001 (as of March 31, 2001)
Due within one year	2 2 5	1 5 6	2 1 5
Due after one year	2 6 8	1 2 2	2 0 4
<b>Total</b>	<b>4 9 3</b>	<b>2 7 9</b>	<b>4 1 9</b>

## Marketable Securities

### Subsidiaries' and affiliates' stocks with fair value

(Yen in millions; amounts less than one million yen are omitted.)

	FY2002 (as of September 30, 2001)			FY2001 (as of September 30, 2000)			FY2001 (as of March 31, 2001)		
	Book value	Fair value	Unrealized gains	Book value	Fair value	Unrealized gains	Book value	Fair value	Unrealized gains
Subsidiaries' stocks	559	1,781	1,222	554	1,753	1,198	559	1,757	1,198