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(Securities code: 6201)
May 24, 2017

To Shareholders with Voting Rights:

Akira Onishi
President, Member of the Board
Toyota Industries Corporation
2-1, Toyoda-cho, Kariya-shi, Aichi,
Japan

**NOTICE OF
THE 139TH ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

You are cordially invited to attend the 139th Ordinary General Meeting of Shareholders of the Company. The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing by submitting the enclosed form or by electromagnetic means. Please review the Reference Documents for the General Meeting of Shareholders (described hereinafter), and exercise your voting rights by 5:00 p.m. on Thursday, June 8, 2017, Japan time.

- 1. Date and Time:** Friday, June 9, 2017 at 10:00 a.m., Japan time
- 2. Place:** Multipurpose Auditorium, Takahama Plant of the Company, located at 2-1-1 Toyoda-cho, Takahama-shi, Aichi, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:** The Business Report, Consolidated and Non-consolidated Financial Statements for Fiscal 2017 (April 1, 2016 - March 31, 2017) and results of audits by the Accounting Auditor and the Board of Audit & Supervisory Board Members of the Consolidated Financial Statements
 - Proposals to be resolved:**
 - Proposal No. 1:** Distribution of Surplus
 - Proposal No. 2:** Election of 11 Members of the Board
 - Proposal No. 3:** Issuance of Directors’ bonuses

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- For those attending, please present the enclosed ballot form at the reception desk on arrival at the meeting. You are also kindly requested to bring this Notice as meeting materials when you attend.
 - If the main venue becomes full, we will direct you to the secondary venue.
 - For the method of exercising voting rights in writing or by electromagnetic means (via the Internet), please refer to pages 7 - 8.
 - If any revisions are made to the Reference Documents for the General Meeting of Shareholders or the attached documents, the revised contents will be posted on the Company’s web site (<https://www.toyota-industries.com/>).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1 Distribution of Surplus

Toyota Industries is to meet the expectations of shareholders for continuous dividends while giving full consideration to business performance, funding requirements, the dividend payout ratio and other factors. The Company proposes a year-end dividend of 65 yen per share for the fiscal year in 139th Ordinary General Meeting of the Company. This, combined with the interim dividend, will total to an annual dividend for the fiscal year of 125 yen per share, an increase of 5 yen from the previous fiscal year.

- (1) Dividend property
Cash
- (2) Matters concerning the allotment of the dividend property and the total amount distributed
65 yen per share of common stock of the Company, for a total of 20,181,797,870 yen
- (3) Effective date of distribution of surplus
June 12, 2017

Proposal No. 2 Election of 11 Members of the Board

The term of office of the incumbent Members of the Board will expire at the conclusion of 139th Ordinary General Meeting of Shareholders. The Company proposes the election of 11 Members of the Board.

The candidates are as follows:

No.	Name (Date of birth)	Position(s) and main area in charge of the Company	Career summary and important concurrent duties	Number of Company shares held
1	Tetsuro Toyoda (August 23, 1945)	Chairman of the Board	<p>April 1970 Joined Toyota Motor Sales Co., Ltd.</p> <p>June 1991 Director of the Company</p> <p>June 1997 Managing Director of the Company</p> <p>June 1999 Senior Managing Director of the Company</p> <p>June 2002 Executive Vice President of the Company</p> <p>June 2005 President of the Company</p> <p>June 2013 Chairman of the Company (to the present)</p> <p>[Important concurrent duties] Outside Audit & Supervisory Board Member of Aichi Steel Corporation Outside Audit & Supervisory Board Member of Toyota Tsusho Corporation Chairman of Chubu Economic Federation</p>	643,485 shares

No.	Name (Date of birth)	Position(s) and main area in charge of the Company	Career summary and important concurrent duties		Number of Company shares held
2	Akira Onishi (January 4, 1958)	President, Member of the Board	April 1981 June 2005 June 2006 June 2008 June 2010 June 2013	Joined the Company Director of the Company Managing Director of the Company Senior Managing Officer of the Company Senior Managing Director of the Company President of the Company (to the present)	20,863 shares
3	Kazue Sasaki (March 5, 1954)	Executive Vice President, Member of the Board [In charge] General Manager of R&D Headquarters; in charge of Materials Handling Equipment Segment; President of Toyota Material Handling Company	April 1977 June 2003 June 2006 June 2008 June 2010 June 2011 June 2013	Joined the Company Director of the Company Managing Director of the Company Senior Managing Officer of the Company Director of the Company Senior Managing Director of the Company Executive Vice President of the Company (to the present)	18,500 shares
			[Important concurrent duties] Outside director of Toyota Boshoku Corporation		
4	Shinya Furukawa (April 10, 1953)	Executive Vice President, Member of the Board [In charge] General Manager of Corporate Headquarters; In charge of Corporate Planning Dept. , Secretarial Dept. and Global Human Resources Dept.	April 1977 June 2005 June 2006 June 2008 June 2010 June 2015	Joined Toyota Motor Sales Co., Ltd. Director of the Company Managing Director of the Company Senior Managing Officer of the Company Senior Managing Director of the Company Executive Vice President of the Company (to the present)	16,500 shares
5	Masaharu Suzuki (February 15, 1954)	Executive Vice President, Member of the Board [In charge] General Manager of Production Headquarters and Compressor Division	April 1976 June 2008 June 2011 June 2016	Joined the Company Managing Officer of the Company Senior Managing Director of the Company Executive Vice President, Members of the Board of the Company (to the present)	54,960 shares

No.	Name (Date of birth)	Position(s) and main area in charge of the Company	Career summary and important concurrent duties		Number of Company shares held
6	Takuo Sasaki (December 3, 1956)	Member of the Board, Senior Managing Officer [In charge] Deputy General Manager of Corporate Headquarters; In charge of Legal Dept. and Purchasing Dept.	April 1980 June 2009 June 2011 June 2011 April 2013 June 2015 June 2016	Joined Toyota Motor Co., Ltd Managing Officer of Toyota Motor Corporation President of Toyota Financial Services Corporation Advisor of Toyota Motor Corporation Managing Officer of the same Senior Managing Director of the Company Member of the Board, Senior Managing Officer of the Company (to the present)	6,500 shares
7	Kan Otsuka (September 11, 1953)	Member of the Board, Senior Managing Officer [In charge] General Manager of Electronics Division; in charge of R&D Headquarters – EC Development & Promotion Dept.; General Manager of Kyowa Plant	April 1977 June 2008 June 2012 June 2013 June 2016 [Important concurrent duties]	Joined Toyota Motor Co., Ltd Managing Officer of the Company Senior Managing Officer of the Company Director of the Company Member of the Board, Senior Managing Officer of the Company (to the present) Outside director of UMC Electronics Co., Ltd.	7,200 shares
8	Taku Yamamoto (January 23, 1956)	Member of the Board, Senior Managing Officer [In charge] General Manager of Engine Division and Higashichita Plant	April 1979 June 2007 June 2012 June 2014 June 2016	Joined the Company Managing Director of the Company Senior Managing Officer of the Company Director of the Company Member of the Board, Senior Managing Officer of the Company (to the present)	23,684 shares
9	Shuzo Sumi (July 11, 1947)	Member of the Board	April 1970 June 2000 June 2002 October 2004 June 2005 June 2007 June 2007 June 2013 June 2013 June 2014 [Important concurrent duties]	Joined Tokio Marine Director and Chief Representative in London, Overseas Division of the same Managing Director of the same Managing Director of Tokio Marine & Nichido Senior Managing Director of the same President of the same President of Tokio Marine Holdings Chairman of the Board of Tokio Marine & Nichido Chairman of the Board of Tokio Marine Holdings (to the present) Director of the Company (to the present) Chairman of the Board of Tokio Marine Holdings	—

No.	Name (Date of birth)	Position(s) and main area in charge of the Company	Career summary and important concurrent duties	Number of Company shares held
10	Kenichiro Yamanishi (February 25, 1951)	Member of the Board	<p>April 1975 Joined Mitsubishi Electric Corporation</p> <p>April 2006 Executive Officer of the same</p> <p>April 2008 Senior Executive Officer of the same</p> <p>April 2010 Representative Executive Officer, President & CEO of the same</p> <p>June 2010 Director, Representative Executive Officer, President & CEO of the same</p> <p>April 2014 Chairman of the same (to the present)</p> <p>June 2015 Members of the Board of the Company (to the present)</p> <p>[Important concurrent duties] Chairman of Mitsubishi Electric Corporation</p>	—
11	Mitsuhisa Kato (March 2, 1953)	Member of the Board	<p>April 1975 Joined Toyota Motor Co., Ltd</p> <p>June 2004 Managing Officer of Toyota Motor Corporation</p> <p>June 2006 President of Toyota Technocraft Co., Ltd.</p> <p>June 2006 Advisor of Toyota Motor Corporation</p> <p>June 2007 Retiring Advisor of Toyota Motor Corporation</p> <p>June 2010 Retiring President of Toyota Technocraft Co., Ltd.</p> <p>June 2010 Senior Managing Director of Toyota Motor Corporation</p> <p>June 2011 Senior Managing Officer of the same</p> <p>June 2012 Executive Vice President of the same</p> <p>June 2015 Director of the Company (to the present)</p> <p>April 2017 Director of Toyota Motor Corporation (to the present)</p> <p>[Important concurrent duties] Director of Toyota Motor Corporation Director of Toyota Boshoku Corporation Outside Audit & Supervisory Board Member of Aisin Seiki Co., Ltd. Senior Executive Chairman of TOYOTA CENTRAL R&D LABS., INC.</p>	—

- (Notes) 1. No material conflicts of interest exist between the Company and any of the above candidates.
2. The Company and Mr. Shuzo Sumi, Mr. Kenichiro Yamanishi and Mr. Mitsuhisa Kato have concluded the Liability Limitation Agreement as stipulated in Article 423, Paragraph 1 of the Companies Act, and the liability limit shall be the amount stipulated in Article 425, Paragraph 1 of the act.
3. Mr. Shuzo Sumi, Mr. Kenichiro Yamanishi and Mr. Mitsuhisa Kato are candidates for Outside Members of the Board, as explained below. Mr. Shuzo Sumi and Mr. Kenichiro Yamanishi are registered as Independent Directors as stipulated by the regulations of securities exchanges. The Company intends to continue the registration of their appointments upon approval of their reappointment as proposed.

(1) Reasons for nominating him as a candidate for Outside Members of the Board:

Mr. Sumi Shuzo and Mr. Kenichiro Yamanishi are expected to fully apply their wealth of experience and expertise in managing companies.

Mr. Mitsuhsisa Kato is expected to fully apply his wealth of experience and expertise in managing a manufacturing company.

(2) Mr. Mitsuhsisa Kato had been an executive director of Toyota Motor Corporation, with which the Company has an important business relationship, over past five years.

(3) The remaining term of office of Mr. Shuzo Sumi, Mr. Kenichiro Yamanishi and Mr. Mitsuhsisa Kato as Independent Members of the Board at the Company are three years, two years and two years, respectively, as of the conclusion of the 139th Ordinary General Meeting of Shareholders.

Proposal No. 3 Issuance of Directors' bonuses

The Company proposes to issue the Director's bonus for 8 Members of the Board, 3 Outside Members of the Board who are in service as of the end of March 31, 2017 with 265,000,000 yen (Members of the Board 247,300,000 yen, Outside Members of the Board 17,700,000 yen) in consideration of financial results of the term in fiscal 2017 and other circumstances.

Guide to the Exercise of Voting Rights in Writing or via the Internet, Etc.

When you exercise your voting rights in writing or via the Internet, the following matters should be understood before exercising your voting rights.

If you intend to attend the meeting in person, voting by mail or via the Internet, is unnecessary.

- Exercise of voting rights in writing:

You are requested to mark and return the Voting Rights Exercise Form with your vote of approval or disapproval so that it will be delivered to us before 5:00 p.m. on Thursday, June 8, 2017 (Japan time).

- Exercise of voting rights via the Internet:

1. Exercise of Voting Rights Web Site

- (1) The exercise of voting rights via the Internet is possible only by accessing the Exercise of Voting Rights Web site (<http://www.evotep.jp/>) designated by the Company. This voting Web site has two versions—one for computers, one smart phones and one for mobile phones (i-mode, EZweb or Yahoo!Keitai)(*1), and you are automatically routed to either site according to the means you are using. (However, service is not available from 2 a.m. to 5 a.m. daily.)

If your smart phone or mobile phone has a QR-Code reader, you can access the Exercise Rights Web site by reading the QR-Code(*2) provided here.



Notes:

*1. i-mode, EZweb and Yahoo! are trademarks or registered trademarks of NTT DoCoMo Inc., KDDI CORPORATION and Yahoo! Inc., respectively.

*2. QR-Code is a registered trademark of Denso Wave Inc.

- (2) The exercise of voting rights on the voting Web site for computers or smart phones may be disabled by operating environments, including the use of a firewall when accessing the Internet, the use of antivirus software, the use of a proxy server and/or when you haven't selected TLS encrypted communication.
- (3) For your exercise of voting rights on the voting Web site for mobile phones, make sure to use the i-mode, EZweb or Yahoo! service. To preserve security, you cannot vote through a model of phone that does not allow encrypted transmission (TLS transmission) or transmission of the phone ID information.
- (4) Although we will accept the exercise of voting rights via the Internet until 5:00 p.m. on Thursday, June 8, 2017 (Japan time), we recommend voting as early as possible. If you have any questions, please contact our Help Desk.

2. Exercising Your Voting Rights via the Internet

- (1) At the voting Web site (<http://www.evotep.jp/>), use the log-in ID and temporary password given on your Voting Rights Exercise Form and follow the on-screen instructions to indicate your approval or disapproval of each proposal.
- (2) To protect against illegal access by persons other than qualified shareholders (“spoofing”) and the manipulation of voting details, please be aware that shareholders using the site will be asked to change their temporary password.
- (3) Whenever a meeting of shareholders is convoked, new log-in IDs and temporary passwords will be issued.

3. Treatment of the Voting Rights When Exercised Several Times

- (1) If you have exercised your voting rights both in writing and via the Internet, those exercised via the Internet will be taken as valid.
- (2) If you have exercised your voting rights multiple times on the Internet, the final vote will be considered as valid. If you have exercised your voting rights both on the Web site for computers and on the Web site for mobile phones, the final vote cast will be considered as valid.

4. Costs Incurred in Accessing the Exercise of Voting Rights Site

The costs incurred when accessing the Exercise of Voting Rights site, including Internet access fees and telephone rates, will be the responsibility of the shareholder. Similarly, fees required to use mobile phones, such as packet transmission fees, will also be the responsibility of the shareholder.

5. Institutional investors may apply in advance to ICJ to exercise their voting rights electronically through the “Electronic Voting Platform for Institutional Investors,” which is operated by ICJ Inc., as a means other than the aforementioned Exercising Your Voting Rights via the Internet for general meetings of shareholders of the Company.

<p style="text-align: center;">For inquiries about the system or other matters, contact: Securities Business Division (Help Desk), Mitsubishi UFJ Trust and Banking Corporation Phone: (0120) 173-027 (Toll Free) (available from 9 a.m. to 9 p.m.)</p>
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(Attached Documents)

Business Report

(From April 1, 2016 to March 31, 2017)

1. Overview of the Company Group

(1) Business Progress and Results

In fiscal 2017 (ended March 31, 2017), the global economy mildly expanded underpinned by monetary and financial policies in respective countries despite a deceleration of the Chinese economy and the anticipated impact of the U.K.'s decision to leave the EU. The Japanese economy continued to grow, albeit incrementally, due mainly to increases in capital investment and exports as well as a recovery in consumer spending. In this operating environment, Toyota Industries Corporation and its Group companies ("Toyota Industries") undertook efforts to ensure customer trust through a dedication to quality as well as to expand sales by responding flexibly to market trends.

As a result, **total consolidated net sales** amounted to 2,250.4 billion yen, on par with the previous fiscal year. The following is a review of operations for the major business segments.

[Automobile]

The automobile market expanded on a global basis, with Europe, North America and Japan registering strong sales among developed countries and China posting an increase among emerging countries. Amid such operating conditions, net sales of the Automobile Segment totaled 1,124.5 billion yen, an increase of 78.8 billion yen, or 8%.

Within this segment, net sales of the Vehicle Business amounted to 557.6 billion yen, an increase of 77.6 billion yen, or 16%, due to increases in sales of the Vitz (Yaris overseas) and RAV4. Net sales of the Engine Business totaled 167.3 billion yen, an increase of 9.1 billion yen, or 6%. Despite a decrease in sales of KD diesel engines, sales of GD diesel engines increased. Net sales of the Car Air-Conditioning Compressor Business totaled 334.7 billion yen, a decrease of 7.9 billion yen, or 2%. The decrease was attributable mainly to the impact of exchange rate fluctuations despite an increase in unit sales globally in Japanese, European, Chinese, North American and other markets. Net sales of Electronics Parts, Foundry and Others Business totaled 64.7 billion yen, on par with the previous fiscal year. Despite a decrease in sales of Foundry, sales of Electronics Parts increased.

[Materials Handling Equipment]

The materials handling equipment market as a whole continued to expand globally due mainly to increases in unit sales in Europe and North America as well as a recovery in China, although unit sales in Japan were on par with the previous fiscal year. Amid this operating climate, Toyota Industries strengthened production and sales structures and rolled out new products matched to respective markets. In November 2016, Toyota Industries commenced sales of the new 1.0- to 3.5-ton electric lift trucks, "gene B". Net sales of the materials handling equipment totaled 1,001.5 billion yen, a decrease of 29.9 billion yen, or 3%. The decrease was attributable mainly to the impact of exchange rate fluctuations despite an increase in unit sales in European, Japanese and other markets. In addition, in order to respond to structural changes in the logistics industry and strengthen its logistics solutions business on a global scale, Toyota Industries concluded an agreement to acquire Bastian Solutions LLC, a major North American materials handling systems integrator, and the Netherland-based Vanderlande Industries Holding B.V., the global market leader for value-added logistic process automation, in February 2017 and March 2017, respectively.

[Textile Machinery]

The textile machinery market was on a recovery path mainly in the primary markets of China and other emerging countries in Asia. Net sales of the Textile Machinery Segment totaled 66.2 billion yen, on par with the same period of the previous fiscal year, sales of Air jet Loom increased while those of weaving machinery recorded a decrease.

In terms of **overall profit**, despite increases mainly in promoting cost reduction efforts throughout the Toyota Industries Group, sales efforts and decreases in depreciation costs, Toyota Industries recorded a decrease in profit due mainly to the impact of exchange rate fluctuations and an increase in labor costs. As a result, Toyota Industries posted consolidated operating profit of 122.9 billion yen, a decrease of 11.8 billion yen, or 9%, from the previous fiscal year and ordinary profit of 177.1 billion yen, a decrease of 8.2 billion yen, or 4%, from the previous fiscal year. Profit attributable to owners of the parent totaled 125.5 billion yen, a decrease of 57.5 billion yen, or 31%, from the previous fiscal year.

(2) Capital Investments

Toyota Industries paid out a total of 77.7 billion yen in capital investments, mainly for developing new products, streamlining and upgrading production equipments. The investment breakdown by principal business segments stood as follows: 15.5 billion yen for vehicles and engines, 16.9 billion yen for car air-conditioning compressors, 7.8 billion yen for foundry parts and electronics components in the Automobile Segment, 27.7 billion yen for the Materials Handling Equipment Segment and 9.8 billion yen for the Textile Machinery Segment.

(3) Financing

Toyota Industries needs are met through the issuance of corporate bonds, commercial papers and medium-term notes as well as loans from financial institutions. Balance of debt obligations at the end of the year stood at 966.4 billion yen.

(4) Issues to be Addressed

With regard to the future economic outlook, the global economy is expected to continue growing. However, uncertainties surrounding the business environment preclude optimism, as the future trend in monetary easing in each country, protectionist policies spreading in developed countries, a further deceleration of the Chinese economy and the occurrence of terrorism and conflicts around the world require close monitoring.

Amid this challenging environment, Toyota Industries will continue to undertake concerted efforts to strengthen its management platform and raise corporate value.

First of all, we will work to bolster our management platform so that we can respond quickly to rapid changes in the business environment. Specifically, based on the concept of quality first, we aim to build a stronger production foundation by maintaining and improving productivity on a global basis. Moreover, we will strive to build a lean corporate structure by thoroughly eliminating waste, by setting lead times in terms of quality, cost and products throughout the global supply chain that includes suppliers and business partners, and by improving productivity in administrative sections. At the same time, we will strengthen risk management in order to quickly and accurately respond to changes in world affairs.

In addition to the above measures, we will work to hone our manufacturing capabilities, which constitute our strengths, and further strengthen product competitiveness by not only developing technologies based on the keyword of the 3Es, which we define as “energy”, “environmental protection” and “ecological thinking”, but also by differentiating our production engineering technologies. Moreover, we aim to leverage new growth potentials by taking advantage of such structural changes as progress in electrification and the rapid growth of e-commerce in the automobile and materials handling equipment markets on a global scale, by creating and providing customers with new values and by utilizing the Internet of Things (IoT) and artificial intelligence (AI). To support such business development, we will continue our efforts to create a workplace climate that enables diverse human resources to fully demonstrate their abilities and develop personnel who can play active roles in the global arena.

In other areas, Toyota Industries will create a workplace climate that places top priority on safety; ensure thoroughgoing compliance, including adherence to laws and regulations; and proactively participate in social contribution activities. By carrying out these initiatives, we aim to broadly meet the trust of society and grow harmoniously with society. With regard to protection of the global environment, we will undertake Group-wide initiatives toward the realization of “a zero CO₂ emission society in 2050”.

Through these initiatives, we aim for sustainable growth of each business and strive to support industries and social foundations around the world and contribute to an enriched lifestyle and comfortable society as described in Vision 2020.

(5) Trends in Assets and Income

(million yen)

Item	FY2014 (from April 1, 2013 – March 31, 2014)	FY2015 (from April 1, 2014 – March 31, 2015)	FY2016 (from April 1, 2015 – March 31, 2016)	FY2017 (from April 1, 2016 – March 31, 2017)
Net sales	2,007,856	2,166,661	2,243,220	2,250,466
Ordinary profit	138,133	170,827	185,398	177,121
Profit attributable to owners of the parent	91,705	115,263	183,036	125,534
Earnings per share (YEN)	292.76	367.06	582.58	402.00
Total assets	3,799,010	4,650,896	4,199,196	4,428,644
Net assets	1,829,326	2,425,929	2,113,948	2,256,271

(Notes) Non-operating finance profit of sales finance business in Materials handling equipment segment is transferred into Net sales from FY2017. FY2016 results is also made similar transfer.

(6) Major Subsidiaries and Other Significant Matters

1) Major subsidiaries

Company Name		Location	Capital	Percentage of Voting Rights of The Company (%)	Principal Business
Japan	Tokyu Co., Ltd.	Oguchi-cho, Aichi	135 million YEN	100.00	Manufacture and sales of automotive parts and industrial machinery
	Tokaiseiki Co., Ltd.	Iwata-shi, Shizuoka	98 million YEN	100.00	Manufacture and sales of automotive parts
	IZUMI MACHINE MFG. CO., LTD.	Obu-shi, Aichi	150 million YEN	100.00	Manufacture and sales of automotive parts and specialized machine tools
	TOYOTA L&F Tokyo Co., Ltd.	Shinagawa-k u, Tokyo	350 million YEN	100.00	Sales and servicing of materials handling equipment
	Taikoh Transportation Co., Ltd.	Kariya-shi, Aichi	83 million YEN	54.04	Trucking, warehousing, distribution consulting
	Aichi Corporation	Ageo-shi, Saitama	10,425 million YEN	52.23	Manufacture and sales of aerial work platforms
Overseas	Toyota Industrial Equipment Mfg., Inc.	Indiana, U.S.A.	60,000 thousand USD	*100.00	Manufacture and sales of materials handling equipment
	Toyota Material Handling Manufacturing France S.A.S	Ancenis, France	9,000 thousand EUR	*100.00	Manufacture and sales of materials handling equipment
	Michigan Automotive Compressor Inc.	Michigan, U.S.A.	146,000 thousand USD	60.00	Manufacture and sales of car air-conditioning compressors

Company Name	Location	Capital	Percentage of Voting Rights of The Company (%)	Principal Business	
Overseas	Toyota Industries Europe AB	Mjölby, Sweden	7,909 million SEK	100.00	Holding company for materials handling equipment business in Europe
	Toyota Material Handling Europe AB	Mjölby, Sweden	1,816 million SEK	*100.00	Headquarters for materials handling equipment business in Europe
	Toyota Industries North America, Inc.	Indiana, U.S.A.	1,077,900 thousand USD	100.00	Holding company in the U.S.A.
	Toyota Material Handling U.S.A. Inc.	Indiana, U.S.A.	12,500 thousand USD	*100.00	Sales of materials handling equipment
	TD Deutsche Klimakompressor GmbH	Sachsen, Germany	20,451 thousand EUR	65.00	Manufacture and sales of car air-conditioning compressors
	Toyota Material Handling Australia Pty Limited	New South Wales, Australia	211,800 thousand AUD	100.00	Sales of materials handling equipment
	TD Automotive Compressor Georgia, LLC	Georgia, U.S.A.	155,000 thousand USD	*77.40	Manufacture and sales of car air-conditioning compressors
	Uster Technologies AG	Zurich, Switzerland	82,302 thousand CHF	100.00	Manufacture and sales of instruments of ginning & cotton classing and fabric quality assurance
	Industrial Components and Attachments, Inc	Oregon, U.S.A.	428,832 thousand USD	100.00	Holding company for materials handling equipment component business
	Cascade Corporation	Oregon, U.S.A.	7,070 thousand USD	*100.00	Manufacture and sales of materials handling load engagement devices and related replacement parts
	Toyota Industry (Kunshan) Co., Ltd.	Jiangsu, China	61,840 thousand USD	63.40	Manufacture and sales of foundry parts and industrial equipment
	Toyota Industries Commercial Finance, Inc	Texas, U.S.A.	400,000 thousand USD	*100.00	Materials handling equipment sales financing business
	Yantai Shougang TD Automotive Compressor Co., Ltd.	Shandong, China	3,675 million YEN	50.10	Manufacture and sales of car air-conditioning compressors

(Note) 1. * indicates the percentage of voting rights, including interests held by the subsidiaries

2) Other Significant Matters

Toyota Motor Corporation (Capital: 635,401 million yen) holds 24.7 % of the voting rights of the Company while its consolidated companies collectively hold 0.2% of the voting rights of the Company. The Company sells products from its Automobile Segment to Toyota Motor Corporation.

(7) Principal Business

Classification		Main Products and Services
Automobile	Vehicles	RAV4, Vitz (Yaris overseas)
	Engines	Diesel engines, Gasoline engines
	Car air-conditioning compressors	Car air-conditioning compressors
	Electronics components for automobiles, Foundry parts etc.	Electronics components for automobiles, foundry parts for engines
Materials Handling Equipment		Engine Powered Lift Truck, Electric Lift Truck, warehouse trucks, automated storage and retrieval systems, aerial work platforms
Textile Machinery		Weaving machinery, spinning machinery, instruments of ginning & cotton classing and fabric quality assurance
Others		Land transportation services

(8) Principal Offices and Plants

1) Toyota Industries Corporation

Head Office: 2-1, Toyoda-cho, Kariya-shi, Aichi

Name		Location
Branch	Tokyo Branch	Chiyoda-ku, Tokyo
Plants	Kariya Plant	Kariya-shi, Aichi
	Obu Plant	Obu-shi, Aichi
	Kyowa Plant	Obu-shi, Aichi
	Nagakusa Plant	Obu-shi, Aichi
	Takahama Plant	Takahama-shi, Aichi
	Hekinan Plant	Hekinan-shi, Aichi
	Higashichita Plant	Handa-shi, Aichi
	Higashiura Plant	Higashiura-cho, Aichi
	Anjo Plant	Anjo-shi, Aichi

2) Subsidiaries

Refer to “(6) Major Subsidiaries and Other Significant Matters 1) Major subsidiaries”

(9) Employees

Number of employees	Increase from previous fiscal year-end
52,623	1,165

(Note) The Number of Employees is the number of persons engaged in the Group (the Number of Employees excludes Group employees dispatched to external companies and includes employees dispatched to the Group from external companies.)

(10) Major Lenders

Lenders	Outstanding balance of borrowings as of March 31, 2017 (million yen)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	116,732
Sumitomo Mitsui Banking Corporation	104,553
Mizuho Bank, Ltd.	79,248
Mitsubishi UFJ Trust and Banking Corporation	70,618

2. Status of Shares

(1) Total Number of Authorized Shares

Total number of shares authorized to be issued 1,100,000,000 shares

Total number of shares outstanding 310,489,198 shares
(excluding 15,351,442 shares of treasury stock)

(2) Number of Shareholders 17,102

(3) Major Shareholders

Shareholder name	Number of Shares Held (Thousands)	Percentage of Total Shares in Issue (%)
Toyota Motor Corporation	76,600	24.67
DENSO Corporation	29,647	9.55
Towa Real Estate Co., Ltd.	16,291	5.25
Toyota Tsusho Corporation	15,294	4.93
The Master Trust Bank of Japan, Ltd. (Trust account)	10,852	3.50
Japan Trustee Services Bank, Ltd. (Trust account)	9,731	3.13
Nippon Life Insurance Company	6,580	2.12
Aisin Seiki Co., Ltd.	6,578	2.12
Aioi Nissay Dowa Insurance Co., Ltd.	4,903	1.58
TICO Employees' Shareholding Association	4,160	1.34

(Note) 1. The Company also holds 15,351 thousand shares of treasury stock but is excluded from the above list.

(Note) 2. The percentage of total shares in issue is calculated based on the number of shares of treasury stock excluding the number of shares outstanding.

3. Company Officers

(1) Members of the Board and Audit & Supervisory Board Members

Name	Title	In charge and important concurrent duties
Tetsuro Toyoda	* Chairman of the Board	[Important concurrent duties] Outside Audit & Supervisory Board Member of Aichi Steel Corporation Outside Audit & Supervisory Board Member of Toyota Tsusho Corporation Chairman of Japan Textile Machinery Association Chairman of Chubu Economic Federation
Akira Onishi	* President, Member of the Board	
Kazue Sasaki	* Executive Vice President, Member of the Board	General Manager of R&D Headquarters; in charge of Materials Handling Equipment Segment; President of Toyota Material Handling Company [Important concurrent duties] Outside director of Toyota Boshoku Corporation
Shinya Furukawa	* Executive Vice President, Member of the Board	General Manager of Corporate Headquarters; in charge of Corporate Planning Dept., Secretarial Dept. and Global Human Resources Dept.
Masaharu Suzuki	* Executive Vice President, Member of the Board	General Manager of Production Headquarters and Compressor Division
Takuo Sasaki	Member of the Board, Senior Managing Officer	Deputy General Manager of Corporate Headquarters; in charge of Legal Dept. and Purchasing Dept.
Kan Otsuka	Member of the Board, Senior Managing Officer	General Manager of Electronics Division; in charge of R&D Headquarters – EC Development & Promotion Dept.; General manager of Kyowa Plant [Important concurrent duties] Outside director of UMC Electronics Co., Ltd.
Taku Yamamoto	Member of the Board, Senior Managing Officer	General Manager of Engine Division and Higashichita Plant

Name	Title	In charge and important concurrent duties
Shuzo Sumi	Member of the Board	[Important concurrent duties] Chairman of the Board of Tokio Marine Holdings
Kenichiro Yamanishi	Member of the Board	[Important concurrent duties] Chairman of Mitsubishi Electric Corporation
Mitsuhisa Kato	Member of the Board	[Important concurrent duties] Executive Vice President of Toyota Motor Corporation Director of Toyota Boshoku Corporation Outside Audit & Supervisory Board Members of Aisin Seiki Co., Ltd. Senior Executive Chairman of TOYOTA CENTRAL R&D LABS., INC.
Toshifumi Ogawa	Full-time Audit & Supervisory Board Member	
Kohei Nozaki	Full-time Audit & Supervisory Board Member	
Hans-Juergen Marx	Audit & Supervisory Board Member	[Important concurrent duties] Chairman of Board of Directors of NANZAN school corporation
Takahiko Ijichi	Audit & Supervisory Board Member	[Important concurrent duties] Executive Vice President of Toyota Motor Corporation Outside Audit & Supervisory Board Member of TOKAI RIKAI CO., LTD.
Akihisa Mizuno	Audit & Supervisory Board Member	[Important concurrent duties] Chairman of Chubu Electric Power Co., Inc.

- (Notes)
1. A Representative Member of the Board is marked with an asterisk (*).
 2. The Members of the Board Mr. Shuzo Sumi, Mr. Kenichiro Yamanishi and Mr. Mitsuhisa Kato are “Outside Members of the Board” as stipulated in Article 2, Paragraph 15 of the Companies Act.
 3. The Audit & Supervisory Board Members Mr. Hans-Juergen Marx, Mr. Takahiko Ijichi and Mr. Akihisa Mizuno are “Outside Audit & Supervisory Board Members” as stipulated in Article 2, Paragraph 16 of the Companies Act.
 4. Mr. Shuzo Sumi, Mr. Kenichiro Yamanishi, Mr. Hans-Juergen Marx and Mr. Akihisa Mizuno are designated as independent auditors stipulated by Stock Exchange.
 5. The Audit & Supervisory Board Members Mr. Toshio Mita resigned from the post as of the closing of the 138th Ordinary General Meeting of Shareholders held on June 10, 2016.

(2) Summary of Liability Limitation Agreement

The Company has concluded agreements with all Outside Members of the Board and Outside Audit & Supervisory Board Members to limit liabilities stipulated in Article 423, Paragraph 1 of the Companies Act, and the liability limit shall be the amount stipulated in Article 425, Paragraph 1 of the Companies Act.

(3) Remuneration to Members of the Board and Audit & Supervisory Board Members

Classification	Number of Persons	Amount of Remuneration (million yen)	Details
Members of the Board	17	739	The total monthly remuneration for Members of the Board is not to exceed 90 million yen. (Resolved at the 130 th Ordinary General Meeting of Shareholders held on June 20, 2008)
Audit & Supervisory Board Members	7	124	The total monthly remuneration for Audit & Supervisory Board Members is not to exceed 15 million yen. (Resolved at the 132 nd Ordinary General Meeting of Shareholders held on June 23, 2010)
Total	24	863	

(Note) 1. Of the amount of remuneration, 95 million yen was for the Outside Officers (three Members of the Board, four Audit & Supervisory Board Members).

(Note) 2. Six Members of the Board, Audit & Supervisory Board Member and Outside Audit & Supervisory Board Member who resigned as of the closing of the 138th Ordinary General Meeting of Shareholders held on June 10, 2016 are included in the above figures.

(Note) 3. 265 million yen which are the provision of allowance for Members of the Board's bonuses for the fiscal year ended March 31, 2017 to be resolved at the 139th Ordinary General Meeting of Shareholders held on June 9, 2017 are included in the above amount of remuneration.

(4) Matters Regarding Outside Officers

1) Important concurrent duties

Classification	Name	Important concurrent duties
Outside Members of the Board	Shuzo Sumi	Chairman of the Board of Tokio Marine Holdings
	Kenichiro Yamanishi	Chairman of Mitsubishi Electric Corporation
	Mitsuhisa Kato	Executive Vice President of Toyota Motor Corporation Director of Toyota Boshoku Corporation Outside Audit & Supervisory Board Members of Aisin Seiki Co., Ltd. Senior Executive Chairman of TOYOTA CENTRAL R&D LABS., INC.
Outside Audit & Supervisory Board Members	Hans-Juergen Marx	Chairman of Board of Directors of NANZAN school corporation
	Takahiko Ijichi	Executive Vice President of Toyota Motor Corporation Outside Audit & Supervisory Board Member of TOKAI RIKKA CO., LTD.
	Akihisa Mizuno	Chairman of Chubu Electric Power Co., Inc.

(Note) 1. Toyota Motor Corporation is a major shareholder of the Company, with holdings of 76,600 thousand shares.

(Note) 2. Aisin Seiki Co., Ltd. is a major shareholder of the Company, with holdings of 6,578 thousand shares.

2) Main Activities during the fiscal year ended March 31, 2017

Classification	Name	Main Activities
Outside Members of the Board	Shuzo Sumi	He attended 10 of 12 regularly held Meetings of the Board. He provided his opinions on overall corporate management based on his wealth of experience and expertise in managing a company.
	Kenichiro Yamanishi	He attended 10 of 12 regularly held Meetings of the Board. He provided his opinions on overall corporate management based on his wealth of experience and expertise in managing a company.
	Mitsuhisa Kato	He attended 10 of 12 regularly held Meetings of the Board. He provided his opinions on overall corporate management based on his wealth of experience and expertise in managing a manufacturing company.
Outside Audit & Supervisory Board Members	Hans-Juergen Marx	He attended 10 of 12 regularly held Meetings of the Board and 12 of 13 regularly held Audit & Supervisory Board. He provided his opinions on overall corporate management based on his wealth of experience and expertise in managing a company.
	Takahiko Ijichi	He attended 10 of 12 regularly held Meetings of the Board and 12 of 13 regularly held Audit & Supervisory Board. He provided his opinions on overall corporate management based on his wealth of experience and expertise in managing a company.
	Akihisa Mizuno	He attended 9 of 10 regularly held Meetings of the Board and 10 of 10 regularly held Audit & Supervisory Board after June 10, 2016. He provided his opinions on overall corporate management based on his wealth of experience and expertise in managing a company.

4. Accounting Auditor

(1) Name of Accounting Auditor

PricewaterhouseCoopers Aarata LLC

(Note) PricewaterhouseCoopers Aarata LLC changed its name as of July 1, 2016.

(2) Remuneration for the Accounting Auditor for the fiscal year ended March 31, 2017

- | | |
|--|-----------------|
| 1) Remuneration for audit services as provided in Article 2 Paragraph 1 of the Certified Public Accountants Act | 147 million yen |
| 2) Total amount of cash and other proprietary benefits to be paid by the Company and its consolidated subsidiaries to the Accounting Auditor | 216 million yen |

(Note) 1. The amount in 1) above includes remuneration for audit services under the Financial Instruments and Exchange Act.

(Note) 2. The Audit & Supervisory Board has concluded that the amount of remuneration for the Accounting Auditor was appropriate after reviewing and confirming the details of the audit plan, its performance of audit services and the basis for calculation of estimating remuneration, thereby agreeing to the amount.

(3) Non-audit services

The Company paid a consideration to the Accounting Auditor for the preparation of advisory services regarding International Financial Reporting Standards (IFRS), a service not included among the services set forth in Article 2, Paragraph 1 of the Certified Public Accountants Act.

(4) Policy for Determination of Dismissal or Non-reappointment of the Accounting Auditor

The Audit & Supervisory Board will dismiss the Accounting Auditor upon consent of all the Audit & Supervisory Board Members, if the Accounting Auditor falls subject to any of the provisions of the sub-paragraphs of Article 340 Paragraph 1 of the Companies Act.

If Accounting Auditor has become difficult to perform the duties appropriately, The Audit & Supervisory Board will determine the proposal of calling for the dismissal or non-reappointment to be submitted to the General Meeting of Shareholders.

(5) Audit of the major subsidiaries and overseas subsidiaries of the Company

Of the major subsidiaries of the Company, overseas subsidiaries are subject to audits by audit corporations other than the Accounting Auditor of the Company.

5. Structure to ensure the propriety of operations and overview of the status of operation of this structure

(1) Structure to ensure the propriety of operations

① Structure to ensure the execution of duties by Members of the Board conforms to laws, regulations and the Articles of Incorporation

- i) The Company shall ensure that Members of the Board thoroughly act in compliance with laws, regulations, the spirit of laws and the Articles of Incorporation by raising their knowledge and improving their awareness with respect to knowledge of laws required of Members of the Board and their essential obligations and responsibilities through training for newly appointed executives as well as learning courses for executives on laws that are held as needed.
- ii) Decisions in the execution of duties by Members of the Board shall be made after comprehensive considerations at Meetings of the Board, Management Council, Management Committee, Business Operation Committee and at cross-organization functional meetings and committees. The agenda items to be decided at these meetings and committees shall be properly submitted and discussed as prescribed by relevant regulations. Additionally, these meetings and committees shall be attended by Audit & Supervisory Board Members while opportunities for viewing important documents by the Audit & Supervisory Board Members shall be assured at all times.
- iii) Significant issues relating to corporate ethics, compliance and risk management shall be appropriately discussed at the CSR Committee and functional meetings and committees, and responses to risk shall be made. Additionally, the Company formulated the Toyota Industries Corporation Employee Code of Conduct as a code of conduct for Members of the Board and employees and thoroughly informs employees of this code as the premise of all corporate activities.
- iv) The Company has established multiple helplines for employees, which include the compliance hotline served by external lawyers, for the early detection of significant matters related to compliance by Members of the Board.

② Structure for the safekeeping and management of information pertaining to the execution of duties by Members of the Board

The preparation, safekeeping and management of information pertaining to the execution of duties by Members of the Board shall be undertaken appropriately pursuant to internal rules, laws and regulations concerning the identification of the subject information for safeguarding, departments responsible for preparation, departments responsible for safeguarding, safeguarding methods and safeguarding period. A condition shall be maintained that enables viewing and verification of information at all times as needed.

③ Regulations and other structures concerning the management of risk of loss

- i) Proper fund management shall be undertaken through budgeting systems while persons with decision-making authority and persons responsible for the execution of duties shall be prescribed depending on the degree of importance through the “Ringi” system (effective consensus-building and approval system) and risk shall be managed in executing business duties and the budget. Items to be discussed for significant matters such as large-scale investments shall be appropriately submitted and discussed pursuant to regulations prescribed by criteria for submitting agenda matters to Meetings of the Board and the Management Committee. Decisions shall be made based on evaluations of business opportunities and risks and rational judgements.
- ii) The Company shall assure the reliability of financial reporting by clarifying financial risk, documenting activities for controlling this risk and confirming the status of implementation of these activities. Moreover, proper and timely information disclosure shall be assured through the Information Disclosure Committee.

- iii) Each business division shall establish a system for and undertake daily monitoring of the obligations and responsibilities of business division heads with respect to quality, safety, the environment, personnel and labor, information and security, export transaction controls and other areas of compliance and risk. When necessary, the functional meetings and committees and the Head Office functional departments shall formulate company rules, prepare and distribute manuals, implement training and undertake operational audits as well as carry out company-wide monitoring.
- iv) As a precaution against disasters and other contingencies, manuals shall be prepared and training implemented and, when necessary, responses shall be made that include taking risk diversification measures and arranging insurance coverage against losses.
- v) In the event that risk materializes and a serious problem occurs, proper countermeasures and steps shall be taken in accordance with the Crisis Response Manual and essential information shall be quickly disclosed.

④ Structure for assuring the efficient execution of duties by Members of the Board

- i) The Medium-Term Management Plan and the company policies for each fiscal year shall be formulated in accordance with policy management systems. Based on these, each business division shall clarify the implementation items for business division policies, profit plans and each organization with respect to the responsibilities of the head of business divisions and carry out policy management and daily management. The status of the execution of these duties shall be confirmed through Meetings of the Board, Management Council, Business Operation Committee and the President's on-site inspections.
- ii) The responsible business division head shall manage new product development, systems development and newly established production lines to assure quality, costs and delivery periods for these under the design review (DR) system that sets examination steps from product planning to product design, production preparation, production migration and initial production.

⑤ Structure for assuring the execution of duties by employees conforms to laws, regulations and the Articles of Incorporation

- i) Employee compliance shall be ensured by thoroughly informing employees of the Toyota Industries Corporation Employee Code of Conduct and holding training and workplace meetings on important matters.
- ii) The separation of duties and the delegation of responsibilities and authority in each organization shall be clarified while compliance and risk management mechanisms shall be embedded into business processes. Effectiveness shall be confirmed through the implementation of operational audits and self-checks.
- iii) Multiple helplines for employees that include the compliance hotline served by external lawyers are established for the early detection of employee compliance issues as well as for prevention through prior consultation.

⑥ Structure for ensuring the propriety of business operations in the corporate group consisting of the Company and its subsidiaries

- i) The responsible business divisions managing and supervising subsidiaries shall promote the Company's Basic Philosophy, code of conduct, corporate policies, business division policies and important policies regarding finance, quality, safety, the environment and personnel and labor at each subsidiary. The Members of the Board of subsidiaries, in accordance with their responsibilities, shall establish and operate an internal control system for assuring the propriety and legality of business execution at the relevant subsidiaries.

- ii) The responsible business divisions of subsidiaries shall confirm the propriety and legality of the execution of duties of the Members of the Board of subsidiaries through the exchange of information with the Members of the Board, Audit & Supervisory Board Members and employees of the subsidiaries regularly or as needed or by management supervision by non-executive Members of the Board dispatched by the Company.
- iii) Functional departments of the Head Office shall support the responsible business divisions of the subsidiaries as well as the subsidiaries in the deployment of important policies at subsidiaries and the establishment of internal control systems.
- iv) Subsidiary control regulations shall be established and operated as a structure for Members of the Board and employees of subsidiaries to report to the Company on important matters related to the management of relevant subsidiaries.
- v) The Members of the Board and employees of subsidiaries shall be encouraged to use the Company's compliance hotline. They shall also be asked to report to the Company on important matters reported to the internal hotlines established by subsidiaries for the early detection and resolution of issues related to compliance by Members of the Board and employees of subsidiaries.

⑦Matters related to employees in cases where the Audit & Supervisory Board Members request employees be assigned to assist their duties

The Audit & Supervisory Board Office shall be established as a dedicated organization that assists with the duties of the Audit & Supervisory Board Members, and multiple persons not subject to the orders of Members of the Board shall be posted at this office.

⑧Matters related to the independence of employees from Members of the Board described in the previous item and to the assurance of the effectiveness of instructions given to the relevant employees

- i) The assignment of personnel to the Audit & Supervisory Board Office shall be subject to the prior approval of the Audit & Supervisory Board or from the Full-time Audit & Supervisory Board Members as determined by the Audit & Supervisory Board.
- ii) Members of the Board or employees of the Company or subsidiaries shall cooperate with investigations and information gathering of staff of the Audit & Supervisory Board Office based on instructions from the Audit & Supervisory Board Members.

⑨Structure for reporting to Audit & Supervisory Board Members by Members of the Board and employees, by Members of the Board and employees of subsidiaries and by parties receiving reports from these persons

- i) Members of the Board and employees shall report regularly or as needed on the status of the execution of business in response to requests by Audit & Supervisory Board Members. They shall also immediately report to Audit & Supervisory Board Members when discovering any actual matters that could cause material damage to the Company.
- ii) Members of the Board and employees of subsidiaries shall report on business operations as needed in response to requests by the Audit & Supervisory Board Members. The responsible business division in charge of the subsidiary and the functional departments of the Head Office shall appropriately report to the Audit & Supervisory Board Members on any significant management matters concerning subsidiaries.
- iii) Mechanisms shall be established and operated to ensure the Members of the Board or employees of the Company or of subsidiaries are not treated disadvantageously by reason of reporting to the Audit & Supervisory Board Members.

⑩ Other structures for assuring audits by the Audit & Supervisory Board Members are performed effectively

The Audit & Supervisory Board Members shall attend principal officer conferences, while access to important documents by the Audit & Supervisory Board Members, opportunities for exchanging information with the Accounting Auditors on a regular basis or as needed, and cooperation with the internal audit sections shall be assured. Necessary expenses for the duties of the Audit & Supervisory Board Members shall be covered, including for the direct recruitment of external human resources when needed.

(2) Overview of the status of operation of the structure to ensure the propriety of business operations

① Compliance by Members of the Board and employees

- Training for newly appointed executives and learning courses on laws (Management of overseas subsidiaries, Acquisition of company) for executives were held and the level of knowledge of Members of the Board was raised.
- To further deepen employees' understanding of compliance, employees were thoroughly informed of the Toyota Industries Corporation Employee Code of Conduct through new employee education, rank-based training and company-wide workplace meetings. To help ensure that employees are made fully aware, the Company established an easy-to-learn environment by creating video materials for the Code of Conduct as well. Also, the Company distributed e-learning educational materials based on themes decided each month and worked to create an environment for autonomously enhancing sensitivity toward compliance.
- To ensure the effective functioning of a compliance hotline set up externally and various types of internal helplines, the Company clearly stated that whistle-blowers will not be disadvantageously affected and employees were thoroughly informed about the use of this system. Also, the Company responded appropriately to consultation cases while reporting to Members of the Board on the status of usage.

② Management of risk of loss

- Evaluated business opportunities and risks and executed decision-making for major matters such as large-scale investments through the Meetings of the Board and Management Committee based on agenda criteria.
- Convenes functional meetings and committees for safety, quality, the environment and other areas of compliance and risk and undertaking company-wide management.
- Convened the Disaster and Fire Prevention Conference in preparation for disasters (earthquakes, fires, explosions and flooding). Implemented evacuation drills at all plants.
- Implemented practical drills, from initial response to recurrence prevention drills, assuming the accidental leakage of confidential information.

③ Efficient execution of Members of the Board's duties

- Formulated the Medium-Term Management Plan and fiscal-year corporate policies under policy management systems, and based on these, clarified major implementation items for each organization and carried out policy management and day-to-day management. Discussed and resolved major implementation items in accordance with the agenda criteria at the Meetings of the Board and Management Committee as well as confirmed the status of execution through the Meetings of the Board, Management Council, Business Operation Committee and the President's on-site inspections.

④Propriety of business operations in the corporate group

- The responsible business divisions of subsidiaries promoted important policies such as the Basic Philosophy and corporate policies at subsidiaries, established opportunities for exchanging information with subsidiaries on a regular basis or as needed, and confirmed and followed up on the status of promotion of corporate policies as well as safety, quality, the environment and compliance.
- The internal audit sections as well as the environment, safety and health and other functional departments confirmed and followed up on compliance through such means as subsidiary operational audits and subsidiary self-checks using check sheets.

⑤Reporting to Audit & Supervisory Board Members and ensuring the effectiveness of audits

- The status of the execution of duties was reported to the Audit & Supervisory Board Members by the Members of the Board of the Company and its subsidiaries. Opportunities were established for the Audit & Supervisory Board Members to attend principal meetings and committees to ascertain the status of decision-making by Members of the Board and their execution of duties and compliance.

6. Policies regarding the determination of distribution of surplus

Toyota Industries is to meet the expectations of shareholders for continuous dividends while giving full consideration to business performance, funding requirements, the dividend payout ratio 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 to expand into new fields of business and strengthen its corporate constitution in securing future profits for its shareholders.

Consolidated Financial Statements

Consolidated Balance Sheet

(As of March 31, 2017)

Unit: millions of yen
(Amounts less than 1 million yen are omitted)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	1,332,650	Current liabilities	776,516
Cash and deposits	406,354	Trade notes and accounts payable	242,225
Trade notes and accounts receivable	291,037	Short-term loans payable	240,117
Lease investment assets	245,930	Commercial Papers	52,508
Short-term investments	1,004	Current portion of bonds	10,000
Merchandise and finished goods	91,373	Lease obligations	36,980
Work in process	42,682	Accounts payable-other	28,554
Raw materials and supplies	61,254	Accrued income taxes	10,378
Deferred tax assets	20,000	Deferred tax liabilities	1,211
Other current assets	176,929	Other current liabilities	154,540
Allowance for doubtful accounts	(3,917)		
		Long-term liabilities	1,395,855
Fixed assets	3,095,994	Bonds payable	261,653
Property, plant and equipment	799,029	Long-term loans payable	402,204
Buildings and structures	161,984	Lease obligations	72,275
Machinery, equipment and vehicles	462,567	Deferred tax liabilities	544,116
Tools, furniture and fixtures	26,234	Net defined benefit liabilities	94,911
Land	122,357	Other long-term liabilities	20,693
Construction in progress	25,885		
		Total liabilities	2,172,372
Intangible assets	159,120	(Net assets)	
Goodwill	69,002	Shareholders' equity	1,004,114
Other intangible assets	90,118	Capital stock	80,462
		Capital surplus	105,497
Investments and other assets	2,137,843	Retained earnings	877,427
Investments securities	2,088,812	Treasury stock	(59,272)
Deferred tax assets	16,375		
Net defined benefit assets	12,204	Accumulated other comprehensive income	1,167,903
Other investments and other assets	21,881	Valuation difference on available-for-sale securities	1,186,142
Allowance for doubtful accounts	(1,431)	Deferred gains or losses on hedges	67
		Foreign currency translation adjustment	4,117
		Defined benefit plan adjustments	(22,423)
		Non-controlling interests	84,253
		Total net assets	2,256,271
Total assets	4,428,644	Total liabilities and net assets	4,428,644

Consolidated Statement of Income

(April 1, 2016 - March 31, 2017)

Unit: millions of yen
(Amounts less than 1 million yen are omitted)

Description	Amount	
Net sales		2,250,466
Cost of sales		1,839,529
Gross profit		410,937
Selling, general and administrative expenses		287,967
Operating profit		122,969
Non-operating profit		
Interest and dividends income	63,239	
Other non-operating income	12,748	75,987
Non-operating expenses		
Interest expenses	8,354	
Other non-operating expenses	13,480	21,835
Ordinary profit		177,121
Profit before income taxes		177,121
Income taxes – current	33,175	
Income taxes – deferred	9,932	43,107
Profit		134,013
Profit attributable to non-controlling interests		8,479
Profit attributable to owners of the parent		125,534

Consolidated Statement of Changes in Net Assets

(April 1, 2016 - March 31, 2017)

Unit: millions of yen
(Amounts less than 1 million yen are omitted)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2016	80,462	105,562	789,502	(41,266)	934,260
Changes of items during the period					
Change in ownership interest of parent related to transactions with non-controlling interests		(64)			(64)
Dividends from surplus			(37,609)		(37,609)
Profit attributable to owners of the parent			125,534		125,534
Repurchase of treasury stock				(18,011)	(18,011)
Disposal of treasury stock		(0)		5	5
Change to items other than shareholders' equity during accounting period					
Total changes of items during the period	-	(65)	87,924	(18,005)	69,853
Balance at March 31, 2017	80,462	105,497	877,427	(59,272)	1,004,114

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at March 31, 2016	1,105,544	360	22,813	(26,169)	1,102,547	6	77,133	2,113,948
Changes of items during the period								
Change in ownership interest of parent related to transactions with non-controlling interests								(64)
Dividends from surplus								(37,609)
Profit attributable to owners of the parent								125,534
Repurchase of treasury stock								(18,011)
Disposal of treasury stock								5
Change to items other than shareholders' equity during accounting period	80,598	(292)	(18,695)	3,746	65,356	(6)	7,120	72,469
Total changes of items during the period	80,598	(292)	(18,695)	3,746	65,356	(6)	7,120	142,323
Balance at March 31, 2017	1,186,142	67	4,117	(22,423)	1,167,903	-	84,253	2,256,271

Notes to the Consolidated Financial Statements

I. Notes to the Basis for Preparation of Consolidated Financial Statements

1. Matters regarding the scope of consolidation

Number of consolidated subsidiaries	207
Names of major subsidiaries	Tokyu Co., Ltd., Tokaiseiki Co., Ltd., IZUMI MACHINE MFG CO., LTD., TOYOTA L&F Tokyo Co., Ltd., Taikoh Transportation Co., Ltd., Aichi Corporation, Toyota Industrial Equipment Mfg., Inc., Toyota Material Handling Manufacturing France SAS, Michigan Automotive Compressor, Inc., Toyota Industries Europe AB, Toyota Material Handling Europe AB, Toyota Industries North America, Inc., Toyota Material Handling, U.S.A., Inc., TD Deutsche Klimakompressor GmbH, Toyota Material Handling Australia Pty Limited, TD Automotive Compressor Georgia, LLC, Uster Technologies AG, Industrial Components and Attachments, Inc. Cascade Corporation, Toyota Industry (Kunshan) Co., Ltd., Toyota Industries Commercial Finance, Inc., Yantai Shougang TD Automotive Compressor Co., Ltd. and other 185 subsidiaries

2. Application of the equity method

Number of affiliates to which the equity method applied	11
Names of major affiliates	TOYOTA L&F Kinki Co., Ltd., Hangzhou Aichi Engineering Vehicles Co., Ltd., Liftow Limited, 1 group company of Toyota Material Handling Europe AB Group and 7 group companies of The Raymond Corporation Group

3. Matters regarding changes in the scope of consolidation and the application of the equity method

Number of newly consolidated subsidiaries	7
	Shanghai Makisin Toyota Forklift Co., Ltd., 1 group company of Toyota Industries North America, Inc. Group, 4 group companies of Toyota Industries Europe AB Group and 1 group company of The Raymond Corporation Group joined the subsidiaries of the Company and have been included in the scope of consolidation.
Number of companies excluded from the scope of consolidation	14
	1 group company of Uster Technologies AG Group, 3 group companies of Cascade Corporation Group and 10 group companies of Toyota Material Handling Australia Pty Limited Group have been excluded from the scope of consolidation according to extinction through liquidation.
Number of affiliates to which the equity method newly applied	None
Number of affiliates excluded from the companies to which the equity	1

method applied Toyota Motor Industries Poland Sp. z o.o. has been excluded from the companies to which the equity method applied due to the sale of all of equity held by Toyota Industries.

4. Some of the affiliates (including Heattech Co., Ltd.) are not accounted for under the equity method since their net income, retained earnings and other financial amounts are immaterial. This exclusion from equity method does not influence in making rational decisions about Toyota Industries' financial position and operation results.
5. Matters regarding fiscal years of the consolidated subsidiaries
Among the consolidated subsidiaries, the fiscal year-end of the following subsidiaries is different from the consolidated fiscal year-end (March 31).
Toyota Industry (Kunshan) Co., Ltd. (December 31), TD Automotive Compressor Kunshan Co., Ltd. (December 31), Yantai Shougang TD Automotive Compressor Co., Ltd. (December 31) and eight other subsidiaries
These subsidiaries use financial statements based on the provisional settlement of accounts performed on March 31, which is the consolidated fiscal year-end.
6. Matters regarding the standards for accounting policies
 - (1) Standards and methods for valuation of significant assets
 - A. Marketable securities
 - Other securities
 - Securities with market quotations
Stated at fair market value on the account closing date with unrealized gains and losses reported in a separate component of net assets. The cost of securities sold is calculated by the moving-average method.
 - Securities without market quotations
Stated at cost using the moving-average method
 - B. Inventories
Mainly stated at cost determined by the moving-average method (the values on the consolidated balance sheets are calculated through the write-down method based on the deterioration of profitability).
 - (2) Depreciation method for significant depreciable assets
 - Property, plant and equipment
Declining-balance method for the most part
 - Intangible assets
Straight-line method
 - Leased assets on finance leases that deem to transfer the ownership of the leased assets to lessees
Depreciation method same as those applied to properties owned by Toyota Industries
 - Leased assets on finance leases other than those deem to transfer the ownership of the leased assets to lessees
Straight-line method, under which zero residual value is assumed and the leasing term is the useful life of the asset
 - (3) Method of accounting for significant deferred assets
As for bond issuance cost, full amount is treated as expenses at the time of payout.
 - (4) Standards of accounting for significant reserves
 - A. Allowance for doubtful accounts
Toyota Industries adopted the policy of providing an allowance for doubtful accounts in an amount sufficient to cover possible losses on collection by estimating individually uncollectible amounts and applying to the remaining accounts a percentage determined by certain factors such as historical collection experiences.
 - B. Allowance for retirement benefits for directors and managing officers
To provide for the retirement benefits for directors and managing officers, an amount which is calculated at the end of the year as required by an internal policy describing the retirement benefits for directors and managing officers is accrued.

(5) Accounting treatment of retirement benefits

A. Method of attributing expected benefit to periods

The value of accrued benefit obligations is calculated using benefit formula standard.

B. Treatment of actuarial gains and losses and past service costs

Unrecognized past service costs are amortized by the straight-line method over the remaining average service period of the employees. Unrecognized actuarial gain or loss at the end of prior year is amortized by the straight-line method over the remaining average service period of the employees.

(6) Method of significant hedge accounting

Mainly the deferral method of hedge accounting is applied. In the case of foreign currency forward contracts, foreign currency option contracts and foreign currency swaps, the hedged items are translated at contracted forward rates if certain conditions are met.

As for the interest rate swap contracts, which meet the requirements of preferential accounting method, the preferential accounting method is applied.

In order to hedge the risk of changes in foreign exchange rates on transactions denominated in loans payable, bonds payable, receivable and payable, and forecasted transactions, and the risk of changes in interest rates on loans payable, bonds payable, and receivable and payable, Toyota Industries uses derivative instruments (foreign currency forwards contracts, foreign currency option contracts, foreign currency swaps and interest rate swaps) during the consolidated fiscal year.

(7) Amortization of Goodwill

Goodwill, if material, is amortized principally over less than 20 years on a straight-line basis, while immaterial goodwill is charged to gain or loss as incurred.

(8) Accounting treatment of consumption taxes

Tax Exclusion Method is applied in the accounting treatment of consumption taxes.

(9) Accounting standards for income and expenses

As for the accounting standards for finance lease transactions, net sales and cost of sales are recognized when the lease payments are received or when the lease transactions are started.

7. Changes in accounting policies, accounting estimates and restatement

(Changes in accounting policies resulting in changes in accounting standards)

Effective from the fiscal year beginning April 1, 2016, some of consolidated domestic subsidiaries adopted Practical Solution on a change in depreciation method due to Tax Reform 2016 (Practical Issues Task Force No. 32, issued on June 17, 2016) in accordance with revisions to the Corporation Tax Law, and changed the depreciation method for building fixtures and structures acquired after April 1, 2016 from the declining-balance method to the straight-line method

The impact on the consolidated financial statements is estimated to be immaterial in the fiscal year under review.

8. Changes in presentation

Until the previous fiscal year, regarding profits and expenses arising from the sales financing business for materials handling equipment, profits had been included in “Interest income” under “Non-operating profit” while expenses had been included in “Interest expenses” under “Non-operating expenses.” Starting from the fiscal year beginning April 1, 2016, “Interest income” is included in “Net sales” while “Interest expenses” is included in “Cost of sales. Also, “Long-term loans receivable” and “Lease investment assets” related to the sales financing business for materials handling equipment had been classified as “Fixed assets.” Starting from the fiscal year beginning April 1, 2016, Toyota Industries has changed the classification to “Current assets” in accordance with the normal operating cycle rule. These changes have been made to better present the results of our operating activities based on our policy to strengthen sales financing business for materials handling equipment from this fiscal year. (Consolidated Balance Sheet)

“Long-term loans receivable” (3,807 million yen in this fiscal year) and “lease investment assets” (80 million yen in this fiscal year), which were presented as separate line items in the prior consolidated balance sheet, have been reclassified and included in “Other investments and other assets” under “Investments and other assets” in the current consolidated balance sheets due to their immaterialities.

9. Additional information

(Revised Implementation Guidance on Recoverability of Deferred Tax Assets)

Effective from the fiscal year beginning April 1, 2016, Toyota Industries adopted Revised Implementation Guidance on Recoverability of Deferred Tax Assets (Accounting Standards Board of Japan (ASBJ) Revised Guidance No. 26, issued on March 28, 2016).

II. Notes to Consolidated Balance Sheet

1. Accumulated depreciation of property, plant and equipment 1,168,640 million yen
The accumulated depreciation includes accumulated impairment loss.
2. Pledged assets, and assets pledged as collateral for secured debts
- (1) Assets pledged as collateral
- | | |
|-------------------------------------|----------------------------|
| Investment securities | 122,108 million yen |
| Trade notes and accounts receivable | 1,517 million yen |
| Merchandise and finished goods | 931 million yen |
| Machinery, equipment and vehicles | 575 million yen |
| Total | 125,132 million yen |
- (2) Secured debts
- | | |
|---|---------------------------|
| Other current liabilities | 29,026 million yen |
| Short-term loans payable | 2,628 million yen |
| Lease obligations (long-term liabilities) | 194 million yen |
| Lease obligations (current liabilities) | 137 million yen |
| Long-term loans payable | 64 million yen |
| Total | 32,050 million yen |
3. Export bills discounted 61 million yen

III. Notes to Consolidated Statements of Changes in Net Assets

1. Matters regarding the numbers of issued shares

Class of stock	Number of shares as of the beginning of fiscal 2017	Increase in the number of shares in fiscal 2017	Decrease in the number of shares in fiscal 2017	Number of shares as of the end of fiscal 2017
Common stock	325,840,640 shares	—	—	325,840,640 shares

2. Matters regarding dividends payable

(1) Dividends paid for the year ended March 31, 2017

Resolution	Class of stock	Total amount of dividends payable	Dividends per share	Record date	Effective date
June 10, 2016, Ordinary General Meeting of Shareholders	Common stock	18,853 million yen	60 yen	March 31, 2016	June 13, 2016
October 28, 2016, Board of Directors meeting	Common stock	18,755 million yen	60 yen	September 30, 2016	November 25, 2016

(2) Dividends with a record date in the fiscal year ended March 31, 2017 for which the effective date falls in the following fiscal year

Resolution Planned	Class of stock	Total amount of dividends payable	Source for dividend	Dividends per share	Record date	Effective date
June 9, 2017, Ordinary General Meeting of Shareholders	Common stock	20,181 million yen	Retained earnings	65 yen	March 31, 2017	June 12, 2017

IV. Notes to Financial Instruments

1. Matters concerning Financial Instruments

Toyota Industries borrows funds from financial institutions and issues corporate bonds to procure funds to meet its needs for long-term funding. Toyota Industries also borrows funds from financial institutions and issues commercial paper to procure funds to meet its needs for short-term working capital. Toyota Industries manages its cash reserves as highly safe financial assets.

Cash and deposits are subject to credit risk of financial institution and foreign currency risk. Cash deposits for cash collection and deposit services are subject to credit risk of financial institution. Notes and accounts receivable are subject to credit risk of counter party and foreign currency risk. Short-term securities and investment securities are subject to market risk and foreign currency risk. Lease investment assets are subject to credit risk of counter party, foreign currency risk and interest rate risk.

Notes and accounts payable include those denominated in foreign currencies and are thus subject to foreign currency risk. Loans payable, bonds payable and lease obligations are subject to foreign currency risk and interest rate risk.

In accordance with its global treasury policy, Toyota Industries strives to quickly ascertain and minimize concerns about collecting credits. Toyota Industries also uses derivatives (foreign currency forward contracts, foreign currency option contracts, foreign currency swaps and interest rate swaps). The purpose of using derivative instruments is to reduce risk of changes in foreign exchange rates and risk of changes in interest rates, not to obtain earnings from exchanges or for speculative purposes.

2. Matters Concerning the Fair Value of Financial Instruments

The amounts in consolidated balance sheet, fair values and the differences between those as of March 31, 2017 (the consolidated settlement date) are as follows. Financial instruments for which ascertaining fair value is extremely difficult are not included in the following chart. Refer to Note 2 regarding these financial instruments.

Unit: millions of yen
(Amounts less than 1 million yen are omitted)

	Amounts in Balance Sheet (*1)	Fair Value	Difference
(1) Cash and deposits	406,354	406,354	—
(2) Trade notes and accounts receivable	287,693	287,689	(3)
(3) Lease investment assets	245,930	240,883	(5,046)
(4) Short-term investments and investment securities	2,051,260	2,051,260	—
Total Assets	2,991,238	2,986,188	(5,050)
(1) Trade notes and accounts payable	(242,225)	(242,225)	—
(2) Short-term loans payable	(240,117)	(240,117)	—
(3) Commercial papers	(52,508)	(52,508)	—
(4) Current portion of bonds	(10,000)	(10,000)	—
(5) Lease obligations (current liabilities)	(36,980)	(36,980)	—
(6) Bonds payable	(261,653)	(266,198)	(4,544)
(7) Long-term loans payable	(402,204)	(407,922)	(5,717)
(8) Lease obligations (long-term liabilities)	(72,275)	(72,538)	(263)
Total Liabilities	(1,317,965)	(1,328,491)	(10,525)
Derivative transactions (*2)			
Derivative instruments for which hedge accounting is not applied	(345)	(345)	—
Derivative instruments for which hedge accounting is applied	91	91	—
Total Derivative transactions	(254)	(254)	—

(*1) Liabilities are represented with ().

(*2) Stated values are the net amounts of assets and liabilities arising from derivative transactions.

Net liabilities are represented with ().

(Note) 1

Methods for calculating fair value of financial instruments and matters concerning marketable securities and derivatives

Assets

(1) Cash and deposits

All deposits are short term and fair value approximates carrying amount. Therefore, fair value for deposits is calculated at carrying amount.

(2) Trade notes and accounts receivable

These items are categorized into a specified time period, and are stated at present value calculated by the discount rate, which takes into account the respective period.

(3) Lease investment assets

Fair value is calculated by discounting to net present value the total amount of lease receipts using an expected interest rate when newly undertaking the same lease transaction.

(4) Short-term investments and investment securities

Fair value of stocks is calculated based on prices listed on stock exchanges and fair value of bond securities is calculated based on prices listed on stock exchanges or the quoted price obtained from the financial institution.

Liabilities

(1) Trade notes and accounts payable

All notes and accounts payable are short term and fair value approximates carrying amount. Thus fair value for notes and accounts payable is calculated as carrying amount.

(2) Short-term loans payable, (3) Commercial papers, (4) Current portion of bonds, (5) Lease obligations (current liabilities)

These items are short term and fair value approximates the carrying amount. Therefore, fair value for these items is calculated at the carrying amount.

(6) Bonds payable

Fair value is calculated by discounting to net present value the total of principal and interest using expected interest rates when newly borrowing the same amount. Interest rate and currency swaps that meet the requirement for the integral accounting method are handled together with the aforementioned bonds payable. The fair value of interest rate swaps is included in the fair value of the aforementioned long-term loans payable. The fair value is calculated by discounting expected future cash flow using interest rates when newly borrowing the same amount.

(7) Long-term loans payable

Fair value is calculated by discounting to net present value the total of principal and interest using expected interest rates when newly borrowing the same amount. Interest rate swaps that meet the requirement for the preferential accounting method and interest rate and currency swaps that meet the requirement for the integral accounting method are handled together with the aforementioned long-term loans payable. The fair value of interest rate swaps is included in the fair value of the aforementioned long-term loans payable. The fair value is calculated by discounting expected future cash flow using interest rates when newly borrowing the same amount.

(8) Lease obligations (long-term liabilities)

Fair value is calculated by discounting to net present value the total amount of lease payments using an expected interest rate when newly undertaking the same lease transaction.

Derivative Transactions

Fair value for foreign currency forward contracts and foreign currency swaps are calculated based on foreign currency forward contracts rates. Fair value for foreign currency option contracts are calculated based on the prices in the foreign currency option market. Fair value for interest rate swap is calculated based on the prices in the interest rate swap market.

(Note) 2

Non-listed stocks (Total amounts are 38,555 million yen in the Balance Sheet) are not included in “Assets (4) Short-term securities and investment securities” because there are no market prices and ascertaining fair value is extremely difficult.

V. Notes to Per Share Information

1. Net assets per share	6,995.47 yen
2. Earnings per share	402.00 yen

Independent Auditor's Report
(English Translation)

May 8, 2017

To the Board of Directors
Toyota Industries Corporation

PricewaterhouseCoopers Aarata LLC
Sakae Toda, CPA
Designated Unlimited Liability and
Engagement Partner
Kosaku Kawahara, CPA
Designated Unlimited Liability and
Engagement Partner

Pursuant to Article 444, Paragraph 4 of the Corporation Act, we have audited the consolidated financial statements, that is, the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to the consolidated financial statements of Toyota Industries Corporation (the Company) for the 139th fiscal year from April 1, 2016 to March 31, 2017.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for preparation of the consolidated financial statements in accordance with generally accepted accounting principles in Japan and fair presentation of them. These include the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements, based on our audit, from an independent standpoint. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, even though the purpose of audit is not for the effectiveness of internal control. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the consolidated group comprised of the Company and its consolidated subsidiaries as of March 31, 2017, and the results of their operations for the year then ended in conformity with accounting principles generally accepted in Japan.

Interests or relationship

We have no interest in or relationship with the Company that is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act.

Non-consolidated Financial Statements

Non-consolidated Balance Sheet

(As of March 31, 2017)

Unit: millions of yen

(Amounts less than 1 million yen are omitted)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	540,410	Current liabilities	382,558
Cash and deposits	309,326	Trade notes payable	24,290
Trade notes receivable	11,267	Trade Accounts payable	139,561
Accounts receivable	117,557	Current portion of bonds	10,000
Merchandise and finished goods	2,285	Current portion of long term loans payable	73,141
Work in process	23,634	Accounts payable-other	9,142
Raw materials and supplies	9,747	Accrued expenses	42,207
Prepaid expenses	459	Advance received	1,786
Deferred tax assets	8,334	Deposits received	52,916
Other current assets	57,829	Other current liabilities	29,511
Allowance for doubtful accounts	(32)		
Fixed assets	2,848,318	Long-term liabilities	1,014,686
Property, plant and equipment	227,005	Bonds payable	251,556
Buildings	59,472	Long-term loans payable	228,694
Structures	8,855	Deferred tax liabilities	494,659
Machinery and equipment	62,224	Allowance for retirement benefits	36,656
Vehicles and delivery equipment	1,109	Other long-term liabilities	3,118
Tools, furniture and fixtures	7,142		
Land	77,188	Total liabilities	1,397,244
Construction in progress	11,011		
Intangible assets	17,327	(Net assets)	
Software	17,327	Shareholders' equity	806,620
Investments and other assets	2,603,985	Capital stock	80,462
Investments securities	689,641	Capital surplus	105,539
Stocks of subsidiaries and affiliates	1,766,606	Legal capital surplus	101,766
Investments in capital	4,216	Other capital surplus	3,773
Investments in capital of subsidiaries and affiliates	34,838	Retained earnings	679,890
Long-term loans receivable	89,926	Legal retained earnings	17,004
Long-term prepaid expenses	17,343	Other retained earnings	662,885
Other investments and other assets	1,458	Reserve for special depreciation	34
Allowance for doubtful accounts	(45)	Reserve for advanced depreciation of non-current assets	229
		General reserve	280,000
		Retained earnings brought forward	382,621
		Treasury stock	(59,272)
		Valuation and translation adjustments	1,184,863
		Valuation difference on available-for-sale securities	1,184,809
		Deferred gains or losses on hedges	54
		Total net assets	1,991,484
Total assets	3,388,728	Total liabilities and net assets	3,388,728

Non-consolidated Statement of Income

(April 1, 2016 - March 31, 2017)

Unit: millions of yen
(Amounts less than 1 million yen are omitted)

Description	Amount	
Net sales		1,252,797
Cost of sales		1,119,962
Gross profit		132,834
Selling, general and administrative expenses		94,880
Operating profit		37,954
Non-operating profit		
Interest and dividends income	69,103	
Other non-operating income	8,593	77,697
Non-operating expenses		
Interest expenses	5,751	
Other non-operating expenses	7,359	13,110
Ordinary profit		102,541
Profit before income taxes		102,541
Income taxes - current	12,660	
Income taxes - deferred	2,756	15,416
Profit		87,125

Non-consolidated Statement of Changes in Net Assets

(April 1, 2016 - March 31, 2017)

Unit: millions of yen

(Amounts less than 1 million yen are omitted)

	Shareholders' equity										
	Capital stock	Capital surplus			Legal retained earnings	Retained earnings					Total retained earnings
		Legal capital surplus	Other capital surplus	Total capital surplus		Reserve for special depreciation	Other retained earnings		General reserve	Retained earnings brought forward	
					Reserve for advanced depreciation of non-current assets						
Balance at March 31, 2016	80,462	101,766	3,773	105,540	17,004	58	234	280,000	333,077	630,374	
Changes of items during the period											
Provision of reserves										-	
Reversal of reserves						(23)	(4)		28	-	
Dividends paid									(37,609)	(37,609)	
Net income for the period									87,125	87,125	
Repurchase of treasury stock											
Disposal of treasury stock			(0)	(0)							
Change to items other than shareholders' equity during accounting period											
Total changes of items during the period	-	-	(0)	(0)	-	(23)	(4)	-	49,543	49,515	
Balance at March 31, 2017	80,462	101,766	3,773	105,539	17,004	34	229	280,000	382,621	679,890	

	Shareholders' equity		Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at March 31, 2016	(41,266)	775,111	1,104,539	37	1,104,577	6	1,879,694
Changes of items during the period							
Provision of reserves		-					-
Reversal of reserves		-					-
Dividends paid		(37,609)					(37,609)
Net income for the period		87,125					87,125
Repurchase of treasury stock	(18,011)	(18,011)					(18,011)
Disposal of treasury stock	5	5					5
Change to items other than shareholders' equity during accounting period			80,270	16	80,286	(6)	80,280
Total changes of items during the period	(18,005)	31,509	80,270	16	80,286	(6)	111,789
Balance at March 31, 2017	(59,272)	806,620	1,184,809	54	1,184,863	-	1,991,484

Notes to Non-consolidated Financial Statements

I. Notes to Significant Accounting Policies

1. Standards and methods of valuation of assets

(1) Marketable Securities

Stocks of subsidiaries and affiliates

Stated at cost using the moving-average method

Other securities

- Securities with market quotations

Stated at fair market value on the account closing date with unrealized gains and losses reported in a separate component of net assets. The cost of securities sold is calculated by the moving-average method.

- Securities without market quotations

Stated at cost using the moving-average method

(2) Inventories

Stated at cost determined by the moving-average method (the values on the non-consolidated balance sheet are calculated through the write-down method based on the deterioration of profitability).

2. Depreciation method for fixed assets

Property, plant and equipment

Declining-balance method

Intangible assets

Straight-line method

3. Method of accounting for deferred assets

As for bond issuance cost, full amount is treated as expenses at the time of payout.

4. Standards of accounting for reserves

(1) Allowance for doubtful accounts

The Company adopted the policy of providing an allowance for doubtful accounts in an amount sufficient to cover possible losses on collection by estimating individually uncollectible amounts and applying to the remaining accounts a percentage determined by certain factors such as historical collection experiences.

(2) Allowance for retirement benefits

The Company accrues an amount which is considered to be incurred in the period based on the estimated projected benefit obligations and estimated pension assets at the end of the year.

A. Method of attributing expected benefit to periods

The value of accrued benefit obligations is calculated using benefit formula standard.

B. Treatment of actuarial gains and losses and past service costs

Unrecognized past service costs are amortized by the straight-line method over the remaining average service period of the employees. Unrecognized actuarial gain or loss at the end of prior year is amortized by the straight-line method over the remaining average service period of the employees.

To provide for the retirement benefits for directors and managing officers, an amount which is calculated at the end of the year as required by an internal policy describing the retirement benefits for directors and managing officers is accrued.

5. Method of hedge accounting

Mainly the deferral method of hedge accounting is applied. In the case of foreign currency forward contracts, foreign currency option contracts and foreign currency swaps, the hedged items are translated at contracted forward rates if certain conditions are met.

As for the interest rate swap contracts, which meet the requirements of preferential accounting method, the preferential accounting method is applied.

In order to hedge the risk of changes in foreign exchange rates on transactions denominated in loans payable, bonds payable, receivable and payable, and forecasted transactions, and the risk of changes in interest rates on loans payable and bonds payable, Toyota Industries uses derivative instruments (foreign currency forwards contracts, foreign currency option contracts, foreign currency swaps and interest rate swaps) during the fiscal year under review.

6. Accounting treatment of retirement benefits
The accounting method of unrecognized actuarial gain and loss and past service cost is different from the consolidated financial statement.
7. Accounting treatment of consumption taxes
Tax Exclusion Method is applied in the accounting treatment of consumption taxes.
8. Additional information
(Revised Implementation Guidance on Recoverability of Deferred Tax Assets)
Effective from the fiscal year beginning April 1, 2016, Toyota Industries adopted Revised Implementation Guidance on Recoverability of Deferred Tax Assets (Accounting Standards Board of Japan (ASBJ) Revised Guidance No. 26, issued on March 28, 2016).

II. Notes to Non-consolidated Balance Sheet

1. Pledged assets, and assets pledged as collateral for secured debts
- (1) Assets pledged as collateral
- | | |
|-----------------------|---------------------|
| Investment securities | 122,108 million yen |
|-----------------------|---------------------|
- (2) Secured debts
- | | |
|---------------------------|--------------------|
| Other current liabilities | 29,026 million yen |
|---------------------------|--------------------|
2. Accumulated depreciation of property, plant and equipment 603,483 million yen
The accumulated depreciation includes accumulated impairment loss.
3. Guarantee liability
- (1) Guarantee liability to financial institutions 20,137 million yen
- (2) Guarantee liability from operating transactions 16,936 million yen
4. Export bills discounted 61 million yen
5. Monetary receivables from and payables to subsidiaries and affiliates
- (1) Short-term monetary asset 95,632 million yen
- (2) Long-term monetary asset 87,371 million yen
- (3) Short-term monetary liability 136,255 million yen
- (4) Long-term monetary liability 508 million yen

III. Notes to Non-consolidated Statement of Income

Transactions with affiliates	
(1) Net sales	978,657 million yen
(2) Net purchases	683,137 million yen
(3) Transactions other than operating transactions	56,862 million yen

IV. Notes to Non-consolidated Statement of Changes in Net Assets

Matters regarding the numbers of treasury stock

Class of stock	Number of shares as of the beginning of fiscal 2017	Increase in the number of shares in fiscal 2017	Decrease in the number of shares in fiscal 2017	Number of shares as of the end of fiscal 2017
Common stock	11,613,812 shares	3,739,250 shares	1,620 shares	15,351,442 shares

V. Notes to Tax Effect Accounting

The main contributing factors to the deferred tax assets are amounts of allowance for retirement benefits and accrued expenses, exceeding provision limit for tax deductible expenses (amount of valuation reserve deducted), and the main contributing factor to the deferred tax liabilities incurred is net unrealized gains or losses on available-for-sale securities.

VI. Notes to Transactions with Affiliates

1. Parent company and major corporate shareholders

Unit: millions of yen

Class	Name	Owning (or owned) shares with voting rights	Contents of relationship	Contents of transaction	Amount of transactions	Description	Balance as of the end of the fiscal year under review
Other affiliate	Toyota Motor Corporation	owned 24.7% (directly held) 0.2% (indirectly held)	Sales of the Company's products, purchase of automobile parts and Interlocking of directors	Sales of Automobiles and engines etc. (1)	756,178	Trade notes receivable	9,929
						Accounts receivable	31,633
				Purchase of parts of automobiles and engines etc. (2)	575,037	Accounts payable	66,162

(Notes)

1. Conditions of transactions and determination policies etc.

(1) As for the sales of automobiles and engines etc., the Company offers prices on such products based on their overall costs, considering conditions on arm's-length transactions, and negotiates prices for each fiscal year.

Conditions other than the prices are determined based on arm's-length transactions.

(2) As for the purchase of parts of automobiles and engines etc., the Company negotiates prices for each fiscal year, considering offered prices on such products and conditions on arm's-length transactions.

Conditions other than the prices are determined based on arm's-length transactions.

2. The amount of transactions does not include consumption taxes, whereas the balance as of the end of the fiscal year under review includes consumption taxes.

2. Subsidiaries and affiliates

Unit: millions of yen

Class	Name	Owning (or owned) shares with voting rights	Contents of relationship	Contents of transaction	Amount of transactions	Description	Balance as of the end of the fiscal year under review
Subsidiary	Industrial Components and Attachments, Inc.	owning 100.0% (directly held)	Interlocking of directors	Loans (1)	-	Long-term loans receivable	39,042
			Loans				
Subsidiary	Toyota Industries Commercial Finance, Inc.	owning 100.0% (indirectly held)	Loans	Loans (2)	-	Long-term loans receivable	35,900

(Notes)

Conditions of transactions and determination policies etc.

- (1) The interest rates of loans to Industrial Components and Attachments, Inc. are based on the market rate.
- (2) The interest rates of loans to Toyota Industries Commercial Finance, Inc. are based on the market rate.

VII. Notes to Per Share Information

1. Net assets per share	6,414.02 yen
2. Earnings per share	279.00 yen

Independent Auditor's Report
(English Translation)

May 8, 2017

To the Board of Directors
Toyota Industries Corporation

PricewaterhouseCoopers Aarata LLC
Sakae Toda, CPA
Designated Unlimited Liability and
Engagement Partner
Kosaku Kawahara, CPA
Designated Unlimited Liability and
Engagement Partner

Pursuant to Article 436, Paragraph 2, Item 1 of the Corporation Act, we have audited the non-consolidated financial statements, that is, the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets and the notes to the non-consolidated financial statements, and the supplementary schedules of Toyota Industries Corporation (the Company) for the 139th fiscal year from April 1, 2016 to March 31, 2017.

Management's Responsibility for the Non-Consolidated Financial Statements

Management is responsible for preparation of the non-consolidated financial statements and supplementary schedules in accordance with generally accepted accounting principles in Japan and fair presentation of them. These include the design, implementation and maintenance of internal control relevant to the preparation and presentation of the non-consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these non-consolidated financial statements, based on our audit, from an independent standpoint. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the non-consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures the non-consolidated financial statements and supplementary schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the non-consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the non-consolidated financial statements and supplementary schedules that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, even though the purpose of audit is not for the effectiveness of internal control. An audit also includes assessing the accounting policies used and significant estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the non-consolidated financial statements and supplementary schedules referred to above present fairly, in all material respects, the financial position of the non-consolidated financial statements and supplementary schedules as of March 31, 2017, and the results of their operations for the year then ended in conformity with accounting principles generally accepted in Japan.

Interests or relationship

We have no interest in or relationship with the Company that is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act.

Audit Report

(English Translation)

The Audit & Supervisory Board, following deliberations on the reports made by each Audit & Supervisory Board member concerning the audit of execution of duties by Members of the Board of the Company for the 139th fiscal year from April 1, 2016 to March 31, 2017, has prepared this Audit Report and hereby submits it as follows:

1. Summary of Auditing Methods by Audit & Supervisory Board members and Audit & Supervisory Board

- (1) The Audit & Supervisory Board established the auditing policies and plans, received reports and explanations regarding the status of audits and the results thereof from each Audit & Supervisory Board member, as well as reports and explanations regarding the status of the execution of duties from the Members of the Board and Accounting Auditor, and requested explanation as necessary.
- (2) In accordance with the auditing policies and plans determined by the Audit & Supervisory Board, each Audit & Supervisory Board Member communicated with the Members of the Board and employees in charge of internal auditing and other duties of the Company, made their best efforts to collect information and improve the auditing environment, and conducted an audit in the following way.
 1. Each Audit & Supervisory Board Member attended the Board of Directors' meetings and other important meetings to receive reports regarding the execution of duties from Members of the Board and employees and requested explanations as necessary. Each Audit & Supervisory Board Member inspected the approved documents and examined the status of operations and conditions of assets at its head office and principal offices. Audit & Supervisory Board Members also received from subsidiaries their business reports as necessary through communication and information sharing with their Members of the Board and Audit & Supervisory Board Members.
 2. Each Audit & Supervisory Board Member received status reports from Members of the Board, employees of the internal control department and other employees on a regular basis about the resolutions adopted by the Board of Directors as to establishing the system set forth in Paragraph 4, Item 6 of Article 362 of the Companies Act as well as Paragraphs 1 and 3 of Article 362 of the Companies Act, and the status of such system (Internal Control System) established in accordance with the resolution of the Board of Directors and requested explanations as necessary.
 3. The Audit & Supervisory Board Members monitored and verified whether the Accounting Auditor maintained independence and conducted the audits appropriately, received reports and explanations regarding the status of the execution of duties from the Accounting Auditor and requested explanations as necessary. The Audit & Supervisory Board Members were also informed by the Accounting Auditor of its arrangements, as appropriate, under the Article 131 of the Ordinance for Corporate Accounting with respect to standards for quality control of audit work and requested explanations as necessary.

In accordance with the procedures mentioned above, the Audit & Supervisory Board Members reviewed the business reports and supplementary schedules, the non-consolidated financial statements (non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets and notes to non-consolidated financial statements) and the supplementary schedules thereof, and the consolidated financial statements (consolidated balance sheets, consolidated statements of income, consolidated statements of changes in net assets and the notes to the consolidated financial statements) for the fiscal year under review.

2. Results of Audit

(1) Results of Audit of Business Report and Other Relevant Documents

1. In our opinion, the business report and the supplementary schedules are in accordance with the related laws and regulations and Articles of Incorporation, and fairly represent the Company's condition.
2. We have found no evidence of wrongful action or material violation of related laws and regulations, nor of any violation with respect to the Articles of Incorporation, related to performance of duties by the Members of the Board.
3. In our opinion, the contents of the resolutions of the Board of Directors related to the internal controls system are fair and reasonable. In addition, we have found no matters on which to remark regarding the performance of duties by the Members of the Board related to such internal controls system.

(2) Results of Audit of Non-consolidated Financial Statements and Supplementary Schedules

In our opinion, the methods and results employed and rendered by PricewaterhouseCoopers Aarata LLC, are fair and reasonable.

(3) Results of Audit of Consolidated Financial Statements

In our opinion, the methods and results employed and rendered by PricewaterhouseCoopers Aarata LLC, are fair and reasonable.

May 12, 2017

Board of Audit & Supervisory Board Member, Toyota Industries Corporation

Full-time Audit & Supervisory Board Member
Full-time Audit & Supervisory Board Member
Outside Audit & Supervisory Board Member
Outside Audit & Supervisory Board Member
Outside Audit & Supervisory Board Member

Toshifumi Ogawa
Kohei Nozaki
Hans-Juergen Marx
Takahiko Ijichi
Akihisa Mizuno