

# FINANCIAL RESULTS

FY2022 Third Quarter

(April 1, 2021 through December 31, 2021)

**TOYOTA INDUSTRIES CORPORATION**

English translation from the original Japanese-language document

## **Cautionary Statement with Respect to Forward-Looking Statements**

*This report contains projections and other forward-looking statements that involve risks and uncertainties. Our use of the words "expect," "anticipate," "estimate," "forecast," "plan" and similar expressions is intended to identify such forward-looking statements. Projections and forward-looking statements are based on the current expectations and estimates of Toyota Industries Corporation and its Group companies regarding their plans, outlook, strategies and results for the future. All such projections and forward-looking statements are based on management's assumptions and beliefs derived from the information available to it at the time of producing this report and are not guarantees of future performance. Toyota Industries corporation and its Group companies undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Therefore, it is advised that you should not rely solely upon these projections and forward-looking statements in making your investment decisions. You should also be aware that certain risks and uncertainties could cause the actual results of Toyota Industries Corporation and its Group companies to differ materially from any projections or forward-looking statements discussed in this report. These risks and uncertainties include, but are not limited to, the following: 1) reliance on a small number of customers, 2) product development capabilities, 3) intellectual property rights, 4) product defects, 5) price competition, 6) reliance on suppliers of raw materials and components, 7) environmental regulations, 8) success or failure of strategic alliances with other companies, 9) exchange rate fluctuations, 10) share price fluctuations, 11) effects of disasters, power blackouts and other incidents, 12) latent risks associated with international activities and 13) retirement benefit liabilities.*

## FY2022 Third Quarter Consolidated Financial Results<IFRS> (April 1, 2021 - December 31, 2021)

### TOYOTA INDUSTRIES CORPORATION

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The expected date of submission of the quarterly report (Japanese only): February 10, 2022

The expected date of dividends payment: -

Additional documents to supplement financial results: Yes

Quarterly IR presentation: Yes (For analysts and professional investors)

(Amounts less than one million yen are omitted)

#### 1. Financial Highlights for FY2022 Third Quarter (April 1, 2021 - December 31, 2021)

##### (1) Consolidated Financial Results

(% : changes from the same period of the previous fiscal year)

	Net sales		Operating profit		Profit before income taxes		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
<b>FY2022 Third Quarter</b>	<b>1,967,949</b>	<b>29.2</b>	<b>136,292</b>	<b>72.2</b>	<b>219,510</b>	<b>51.6</b>	<b>165,593</b>	<b>45.7</b>
FY2021 Third Quarter	1,523,604	(6.2)	79,151	(21.7)	144,843	(14.9)	113,629	(14.4)

	Profit attributable to owners of the parent		Comprehensive income		Earnings per share—basic	Earnings per share—diluted
	Million yen	%	Million yen	%	Yen	Yen
<b>FY2022 Third Quarter</b>	<b>162,784</b>	<b>48.2</b>	<b>658,923</b>	<b>15.7</b>	<b>524.30</b>	<b>524.30</b>
FY2021 Third Quarter	109,850	(15.1)	569,551	54.7	353.81	353.81

##### (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
	Million yen	Million yen	Million yen	%
<b>FY2022 Third Quarter</b>	<b>7,407,760</b>	<b>3,929,673</b>	<b>3,840,475</b>	<b>51.8</b>
FY2021	6,503,986	3,322,550	3,236,038	49.8

## 2. Cash Dividends

	Annual cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	FY Total
FY2021	— Yen	70.00 Yen	— Yen	80.00 Yen	150.00 Yen
FY2022	—	80.00	—		
FY2022 (Forecast)				90.00	170.00

(Note) Changes in the forecasted cash dividends in this quarter : No

## 3. Forecasts of Consolidated Financial Results for FY2022 (April 1, 2021 - March 31, 2022)

(% : changes from the previous fiscal year)

	Net sales		Operating profit		Profit before income taxes		Profit attributable to owners of the parent		Earnings per share – basic
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2022	2,600,000	22.7	150,000	26.9	225,000	22.3	165,000	20.7	531.43

(Note) Changes in the forecasts of consolidated financial results in this quarter : No

## 4. Others

(1) Changes in major subsidiaries (specified subsidiaries that changed the scope of consolidation) : No

(2) Changes in accounting policies and accounting estimates

(i) Changes in accounting policies required by IFRS : No

(ii) Changes other than (i) : No

(iii) Changes in accounting estimates : No

(3) Issued and outstanding capital stock

(i) Number of shares outstanding at end of each period (including treasury stock):

FY2022 Third Quarter — 325,840,640 shares, FY2021 — 325,840,640 shares

(ii) Number of treasury stock outstanding at end of each period:

FY2022 Third Quarter — 15,360,483 shares, FY2021 — 15,358,862 shares

(iii) Average number of shares outstanding for each period (accumulated):

FY2022 Third Quarter — 310,480,778 shares, FY2021 Third Quarter — 310,483,164 shares

\* These quarterly financial results are not subject to quarterly review procedure by certified public accountants or auditing firms.

\* Explanation regarding the proper use of performance forecasts and other special items

- All projections are based on the information currently available to management and certain assumptions deemed reasonable by Toyota Industries, and are not guarantees of future performance. Actual results could differ from those projections due to uncertainties including economic conditions and exchange rate fluctuations.
- Our projections are based on exchange rates of 110 yen to the U.S. dollar and 130 yen to the euro for FY2022.
- Please see page 3 on attached documents for details on performance forecasts in "Explanation for Forecast for FY2022".

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## 1. Explanation for Quarterly Financial Results

### (1) Explanation for Business Results

During the third quarter of FY2022 (the nine months from April 1 to December 31, 2021), total consolidated net sales of Toyota Industries amounted to 1,967.9 billion yen, an increase of 444.3 billion yen, or 29%, from the same period of the previous fiscal year. The following is a review of operations for the business segments.

Net sales of the Automobile Segment totaled 571.1 billion yen, an increase of 151.8 billion yen, or 36%, from the same period of the previous fiscal year.

Within this segment, net sales of the Vehicle Business totaled 63.4 billion yen, a decrease of 2.3 billion yen, or 3%, due to a decrease in sales of RAV4 both for Japan and abroad.

Net sales of the Engine Business totaled 188.0 billion yen, an increase of 90.2 billion yen, or 92%, resulting mainly from an increase in sales of GD diesel engines.

Net sales of the Car Air-Conditioning Compressor Business totaled 257.8 billion yen, an increase of 45.6 billion yen, or 21%. Sales increased in North America and Europe.

Net sales of the Electronics Parts and Others Business totaled 61.8 billion yen, an increase of 18.2 billion yen, or 42%, attributable primarily to an increase in sales of DC-AC inverters.

Net sales of the Materials Handling Equipment Segment totaled 1,306.9 billion yen, an increase of 272.1 billion yen, or 26%. Sales of lift trucks, a mainstay product of this segment, mainly increased in Europe.

Net sales of the Textile Machinery Segment totaled 50.4 billion yen, an increase of 21.5 billion yen, or 74%. This is attributable primarily to an increase in sales of weaving machinery and yarn quality measurement instruments.

In terms of overall profit, despite increases in raw material prices and labor costs, mainly owing to sales efforts, Toyota Industries posted consolidated operating profit of 136.2 billion yen, an increase of 57.1 billion yen, or 72%, from the same period of the previous fiscal year. Profit before income taxes totaled 219.5 billion yen, an increase of 74.7 billion yen, or 52% and profit attributable to owners of the parent amounted to 162.7 billion yen, an increase of 52.9 billion yen, or 48%.

From the financial results for the fourth quarter of FY2021, "the Electronics Parts, Foundry and Others Business" has been renamed as "the Electronics Parts and Others Business", while foundry products and others included in "the Electronics Parts, Foundry and Others Business" have been reclassified into "the Engine Business" and "the Car Air-Conditioning Compressor Business". Figures for the third quarter of FY2021 have also been reclassified.

## **(2) Explanation for Financial Condition**

Assets amounted to 7,407.7 billion yen, an increase of 903.8 billion yen from the end of the previous fiscal year, mainly due to an increase in fair value of investment securities. Liabilities amounted to 3,478.0 billion yen, an increase of 296.6 billion yen from the end of the previous fiscal year, mainly owing to an increase in deferred tax liabilities. Equity amounted to 3,929.6 billion yen, an increase of 607.1 billion yen from the end of the previous fiscal year.

## **(3) Explanation for Forecast for FY2022**

Toyota Industries forecasts consolidated net sales of 2,600.0 billion yen, operating profit of 150.0 billion yen, profit before income taxes of 225.0 billion yen and profit attributable to owners of the parent of 165.0 billion yen. Our projections are based on exchange rates of 110 yen to the U.S. dollar and 130 yen to the euro for FY2022.

## 2. Condensed Quarterly Consolidated Financial Statements and Main Notes

### (1) Condensed Quarterly Consolidated Financial Position

(Millions of yen)

	FY2021 (As of March 31, 2021)	FY2022 Third Quarter (As of December 31, 2021)
<b>Assets</b>		
Current assets		
Cash and cash equivalents	238,248	211,459
Time deposits with deposit terms of over three months	353,864	377,700
Trade receivables and other receivables	962,270	1,038,533
Other financial assets	5,947	5,673
Inventories	292,461	384,221
Income tax receivables	22,630	24,028
Other current assets	72,658	76,982
<b>Total current assets</b>	<b>1,948,081</b>	<b>2,118,597</b>
Non-current assets		
Property, plant and equipment	1,043,405	1,078,796
Goodwill and intangible assets	363,449	378,137
Trade receivables and other receivables	3,519	2,615
Investments accounted for by the equity method	16,812	19,272
Other financial assets	3,051,702	3,732,467
Net defined benefit assets	33,997	34,288
Deferred tax assets	37,615	38,339
Other non-current assets	5,401	5,245
<b>Total non-current assets</b>	<b>4,555,904</b>	<b>5,289,163</b>
<b>Total assets</b>	<b>6,503,986</b>	<b>7,407,760</b>



(Millions of yen)

	FY2021 (As of March 31, 2021)	FY2022 Third Quarter (As of December 31, 2021)
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
Current liabilities		
Trade payables and other payables	613,579	663,272
Corporate bonds and loans	435,238	497,433
Other financial liabilities	78,673	78,957
Accrued income taxes	22,786	16,661
Provisions	13,343	16,445
Other current liabilities	24,617	32,651
<b>Total current liabilities</b>	<b>1,188,239</b>	<b>1,305,421</b>
Non-current liabilities		
Corporate bonds and loans	910,124	862,193
Other financial liabilities	88,364	85,510
Net defined benefit liabilities	104,900	106,492
Provisions	10,225	10,666
Deferred tax liabilities	854,644	1,077,414
Other non-current liabilities	24,937	30,388
<b>Total non-current liabilities</b>	<b>1,993,196</b>	<b>2,172,665</b>
<b>Total liabilities</b>	<b>3,181,436</b>	<b>3,478,087</b>
<b>Equity</b>		
Share of equity attributable to owners of the parent		
Capital stock	80,462	80,462
Capital surplus	102,307	102,346
Retained earnings	1,369,775	1,482,884
Treasury stock	(59,321)	(59,336)
Other components of shareholders' equity	1,742,814	2,234,117
<b>Total share of equity attributable to owners of the parent</b>	<b>3,236,038</b>	<b>3,840,475</b>
Non-controlling interests	86,511	89,197
<b>Total equity</b>	<b>3,322,550</b>	<b>3,929,673</b>
<b>Total liabilities and equity</b>	<b>6,503,986</b>	<b>7,407,760</b>

**(2) Condensed Quarterly Consolidated Statement of Profit or Loss and Condensed Quarterly Consolidated Statement of Comprehensive Income**

**Condensed Quarterly Consolidated Statement of Profit or Loss**

(Millions of yen)

	FY2021 Third Quarter (April 1, 2020 - December 31, 2020)	FY2022 Third Quarter (April 1, 2021 - December 31, 2021)
Net sales	1,523,604	1,967,949
Cost of sales	(1,177,465)	(1,516,173)
Gross profit	346,138	451,776
Selling, general and administrative expenses	(272,710)	(323,467)
Other income	13,684	16,188
Other expenses	(7,961)	(8,205)
Operating profit	79,151	136,292
Financial income	73,508	85,114
Financial expenses	(8,558)	(5,060)
Share of profit (loss) of investments accounted for by the equity method	742	3,164
Profit before income taxes	144,843	219,510
Income taxes	(31,214)	(53,917)
<b>Profit</b>	113,629	165,593
Profit attributable to:		
Owners of the parent	109,850	162,784
Non-controlling interests	3,778	2,809
Earnings per share		
Earnings per share – basic (yen)	353.81	524.30
Earnings per share – diluted (yen)	353.81	524.30

## Condensed Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	FY2021 Third Quarter (April 1, 2020 - December 31, 2020)	FY2022 Third Quarter (April 1, 2021 - December 31, 2021)
<b>Profit</b>	113,629	165,593
Other comprehensive income:		
Items not to be reclassified into profit or loss		
Net changes in revaluation of FVTOCI financial assets	437,957	465,760
Remeasurements of defined benefit plans	(1,036)	(41)
Other comprehensive income of affiliates accounted for by the equity method	14	14
Total items not to be reclassified into profit or loss	436,934	465,734
Items that can be reclassified into profit or loss		
Translation adjustments of foreign operations	17,147	26,241
Cash flow hedges	1,694	936
Other comprehensive income of affiliates accounted for by the equity method	145	417
Total items that can be reclassified into profit or loss	18,987	27,595
Total other comprehensive income	455,922	493,329
<b>Comprehensive income</b>	569,551	658,923
Total comprehensive income attributable to:		
Owners of the parent	563,885	654,089
Non-controlling interests	5,665	4,833

### (3) Condensed Quarterly Consolidated Statement of Changes in Equity

(Millions of yen)

	Share of equity attributable to owners of the parent					
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of shareholders' equity	
					Net changes in revaluation of FVTOCI financial assets	Remeasurements of defined benefit plans
<b>Balance as of April 1, 2020</b>	80,462	103,515	1,267,521	(59,307)	1,138,219	—
Profit	—	—	109,850	—	—	—
Other comprehensive income	—	—	—	—	437,299	(1,037)
Total comprehensive income	—	—	109,850	—	437,299	(1,037)
Repurchase of treasury stock	—	—	—	(7)	—	—
Disposal of treasury stock	—	0	—	0	—	—
Dividends	—	—	(46,572)	—	—	—
Changes in ownership interest of subsidiaries	—	(1,209)	—	—	—	—
Changes in non-controlling interests as a result of change in scope of consolidation	—	—	—	—	—	—
Reclassified into retained earnings	—	—	(1,035)	—	(1)	1,037
Other increases (decreases)	—	—	—	—	—	—
Total transactions with owners	—	(1,209)	(47,608)	(7)	(1)	1,037
<b>Balance as of December 31, 2020</b>	80,462	102,305	1,329,764	(59,314)	1,575,517	—

<b>Balance as of April 1, 2021</b>	80,462	102,307	1,369,775	(59,321)	1,779,685	—
Profit	—	—	162,784	—	—	—
Other comprehensive income	—	—	—	—	465,726	(31)
Total comprehensive income	—	—	162,784	—	465,726	(31)
Repurchase of treasury stock	—	—	—	(15)	—	—
Disposal of treasury stock	—	0	—	0	—	—
Dividends	—	—	(49,676)	—	—	—
Changes in ownership interest of subsidiaries	—	39	—	—	—	—
Changes in non-controlling interests as a result of change in scope of consolidation	—	—	—	—	—	—
Reclassified into retained earnings	—	—	1	—	(33)	31
Other increases (decreases)	—	—	—	—	—	—
Total transactions with owners	—	39	(49,675)	(15)	(33)	31
<b>Balance as of December 31, 2021</b>	80,462	102,346	1,482,884	(59,336)	2,245,378	—

(Millions of yen)

	Share of equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of shareholders' equity			Total		
	Translation adjustments of foreign operations	Cash flow hedges	Total			
<b>Balance as of April 1, 2020</b>	(93,662)	2,057	1,046,614	2,438,807	81,730	2,520,537
Profit	—	—	—	109,850	3,778	113,629
Other comprehensive income	16,077	1,694	454,034	454,034	1,887	455,922
Total comprehensive income	16,077	1,694	454,034	563,885	5,665	569,551
Repurchase of treasury stock	—	—	—	(7)	—	(7)
Disposal of treasury stock	—	—	—	0	—	0
Dividends	—	—	—	(46,572)	(1,625)	(48,197)
Changes in ownership interest of subsidiaries	—	—	—	(1,209)	(2,625)	(3,835)
Changes in non-controlling interests as a result of change in scope of consolidation	—	—	—	—	—	—
Reclassified into retained earnings	—	—	1,035	—	—	—
Other increases (decreases)	—	—	—	—	—	—
Total transactions with owners	—	—	1,035	(47,789)	(4,251)	(52,040)
<b>Balance as of December 31, 2020</b>	<b>(77,584)</b>	<b>3,751</b>	<b>1,501,685</b>	<b>2,954,903</b>	<b>83,144</b>	<b>3,038,047</b>

<b>Balance as of April 1, 2021</b>	(39,082)	2,211	1,742,814	3,236,038	86,511	3,322,550
Profit	—	—	—	162,784	2,809	165,593
Other comprehensive income	24,673	936	491,305	491,305	2,024	493,329
Total comprehensive income	24,673	936	491,305	654,089	4,833	658,923
Repurchase of treasury stock	—	—	—	(15)	—	(15)
Disposal of treasury stock	—	—	—	0	—	0
Dividends	—	—	—	(49,676)	(2,287)	(51,964)
Changes in ownership interest of subsidiaries	—	—	—	39	(480)	(440)
Changes in non-controlling interests as a result of change in scope of consolidation	—	—	—	—	621	621
Reclassified into retained earnings	—	—	(1)	—	—	—
Other increases (decreases)	—	—	—	—	—	—
Total transactions with owners	—	—	(1)	(49,652)	(2,147)	(51,799)
<b>Balance as of December 31, 2021</b>	<b>(14,408)</b>	<b>3,147</b>	<b>2,234,117</b>	<b>3,840,475</b>	<b>89,197</b>	<b>3,929,673</b>

**(4) Note on Condensed Quarterly Consolidated Financial Statements**

(Note on Premise of Going Concern) : No

(Note on Significant Changes in the Amount of Shareholders' Equity)

During the third quarter of FY2022, Toyota Industries paid dividends of 49,676 million yen from retained earnings.

## (Segment Information)

FY2021 Third Quarter (April 1, 2020 - December 31, 2020)

(Millions of yen)

	Automobile	Materials Handling Equipment	Textile Machinery	Others (Note 1)	Total	Adjustments (Note 2)	Consolidated (Note 3)	
Sales								
Outside customer sales	419,344	1,034,825	28,997	40,437	1,523,604	—	1,523,604	
Inter-segment transactions	16,521	1,158	215	19,494	37,391	(37,391)	—	
Total	435,865	1,035,984	29,212	59,932	1,560,995	(37,391)	1,523,604	
Segment profit (loss)	(3,488)	79,998	(884)	3,486	79,111	40	79,151	
Financial income								73,508
Financial expenses								(8,558)
Share of profit (loss) of investments accounted for by the equity method								742
Profit before income taxes								144,843

- (Notes)
- "Others" represents businesses not included in the reporting segments.
  - Breakdown of adjustments  
40 million yen included in "Adjustments" for "Segment profit (loss)" is inter-segment transactions.
  - "Segment profit (loss)" reconciles to operating profit disclosed in the condensed quarterly consolidated statement of profit or loss.

FY2022 Third Quarter (April 1, 2021 - December 31, 2021)

(Millions of yen)

	Automobile	Materials Handling Equipment	Textile Machinery	Others (Note 1)	Total	Adjustments (Note 2)	Consolidated (Note 3)	
Sales								
Outside customer sales	571,196	1,306,987	50,450	39,315	1,967,949	—	1,967,949	
Inter-segment transactions	21,273	369	210	21,360	43,213	(43,213)	—	
Total	592,469	1,307,356	50,660	60,676	2,011,163	(43,213)	1,967,949	
Segment profit (loss)	24,457	102,200	4,027	5,675	136,360	(67)	136,292	
Financial income								85,114
Financial expenses								(5,060)
Share of profit (loss) of investments accounted for by the equity method								3,164
Profit before income taxes								219,510

- (Notes)
- "Others" represents businesses not included in the reporting segments.
  - Breakdown of adjustments  
(67) million yen included in "Adjustments" for "Segment profit (loss)" is inter-segment transactions.
  - "Segment profit (loss)" reconciles to operating profit disclosed in the condensed quarterly consolidated statement of profit or loss.