

# FINANCIAL SUMMARY

FY2010 Second Quarter

(April 1, 2009 through September 30, 2009)

**TOYOTA INDUSTRIES CORPORATION**

English translation from the original Japanese-language document

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

*This report contains projections and other forward-looking statements that involve risks and uncertainties. Our use of the words "expect," "anticipate," "estimate," "forecast," "plan" and similar expressions is intended to identify such forward-looking statements. Projections and forward-looking statements are based on the current expectations and estimates of Toyota Industries Corporation and its Group companies regarding their plans, outlook, strategies and results for the future. All such projections and forward-looking statements are based on management's assumptions and beliefs derived from the information available to it at the time of producing this report and are not guarantees of future performance. Toyota Industries and its Group companies undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Therefore, it is advised that you should not rely solely upon these projections and forward-looking statements in making your investment decisions. You should also be aware that certain risks and uncertainties could cause the actual results of Toyota Industries Corporation and its Group companies to differ materially from any projections or forward-looking statements 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.*

# FY2010 Second Quarter Consolidated Financial Results

(Six Months Result from April 1, 2009 to September 30, 2009)

## TOYOTA INDUSTRIES CORPORATION

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

Representative person: Tetsuro Toyoda, President

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

The expected date of submission of the quarterly report: November 12, 2009

The expected date of dividends payment: November 26, 2009

(Amounts less than one million yen are omitted)

### 1. Financial Highlights for FY2010 Second Quarter (Six Months Result ended September 30, 2009)

#### (1) Consolidated Financial Results

(% : change from the same period of previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
<b>FY2010 Second Quarter</b>	<b>627,562</b>	<b>(32.4)</b>	<b>(2,802)</b>	-	<b>4,265</b>	<b>(89.4)</b>	<b>229</b>	<b>(99.0)</b>
FY2009 Second Quarter	928,470	-	22,974	-	40,313	-	23,518	-

	Net income per share—basic	Net income per share—diluted
	Yen	Yen
<b>FY2010 Second Quarter</b>	<b>0.74</b>	-
FY2009 Second Quarter	75.48	75.48

#### (2) Consolidated Financial Position

	Total assets	Total net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
<b>FY2010 Second Quarter</b>	<b>2,535,820</b>	<b>1,097,172</b>	<b>41.4</b>	<b>3,367.75</b>
FY2009	2,327,432	977,670	40.0	2,987.16

(Note) Equity capital: FY2010 Second Quarter — 1,049,300 million yen, FY2009 — 930,730 million yen

### 2. Cash Dividends

	Annual cash dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	
	Yen	Yen	Yen	Yen	Yen
FY2009	-	30.00	-	10.00	40.00
<b>FY2010</b>	-	<b>10.00</b>			
<b>FY2010 (Forecast)</b>			-	-	-

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

(Note) Forecast of cash dividends per share for fiscal 2010 has not been decided yet.

### 3. Forecasts of Consolidated Financial Results for FY2010 (April 1, 2009 - March 31, 2010)

(% : change from previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share—basic
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
<b>FY2010</b>	<b>1,390,000</b>	<b>(12.3)</b>	<b>10,000</b>	-	<b>18,000</b>	<b>25.5</b>	<b>4,500</b>	-	<b>14.44</b>

(Note) Changes in the forecasts of consolidated financial results in this quarter : Yes

#### 4.Others

(1) Changes in major subsidiaries : No

(2) Application of simplified accounting methods and special accounting methods for the preparation of quarterly consolidated financial statements : Yes

(Note) Please see page 5 for details on changes in accounting policies in "[Qualitative Information and Financial Statements] 4.Others".

(3) Changes in accounting principles, procedures and method of presentation of quarterly consolidated financial statements (changes made in significant items that form the basis of preparation of quarterly consolidated financial statements)

① Changes arising from revision of accounting policies : Yes

② Changes other than ① : No

(Note) Please see page 5 for details on changes in accounting policies in "[Qualitative Information and Financial Statements] 4.Others".

(4) Issued and outstanding capital stock

① Number of shares outstanding at end of each period:

FY2010 Second Quarter — 325,840,640 shares, FY2009 — 325,840,640 shares

② Number of treasury stock outstanding at end of each period:

FY2010 Second Quarter — 14,267,399 shares, FY2009 — 14,263,027 shares

③ Average number of shares outstanding for each period:

FY2010 Second Quarter — 311,574,828 shares, FY2009 Second Quarter — 311,587,260 shares

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

(Performance forecasts)

- All projections are based on the information available to management at the time of making this report and are not guarantees of future performance. Certain risks and uncertainties could cause the actual results of Toyota Industries to differ materially from any projections discussed in this report.
- Our projections are based on assumed exchange rates of ¥90 = US\$1 and ¥130 = €1 for the remainder of the fiscal year.

(Forecast of Cash dividends paying)

Toyota Industries' dividend policy is to meet the expectations of shareholders while giving full consideration to business performance and funding requirement, and focusing on dividend payout ratio and other factors. However, Toyota Industries abstains from making forecasts for dividends at this point since the outlook for the management environment remains uncertain. By giving due consideration to future business performance and other factors, Toyota Industries plans to announce its intentions by the end of fiscal 2010 financial closing.

(Reference) Forecasts of Non-Consolidated Financial Results for FY2010 (April 1, 2009 - March 31, 2010)

(% : change from previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share—basic
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2010	900,000	(4.3)	8,000	-	16,000	(21.5)	12,000	-	38.51

(Note) Changes in the forecasts of Non-consolidated financial results in this quarter : Yes

## **[Qualitative Information and Financial Statements]**

### **1. Qualitative Information Regarding Consolidated Business Results**

During the first half of fiscal 2010 (the six months ended September 30, 2009), the global economic recession persisted even though certain Asian countries witnessed a mild economic recovery and economies in the European countries and the United States appear to have bottomed out thanks to the effects of economic stimulus measures. The Japanese economy remained in grave condition despite signs of improvement as the private-sector capital investments decreased and the employment situation further deteriorated.

In this difficult operating environment, total consolidated net sales of Toyota Industries amounted to 627.5 billion yen, a decrease of 300.9 billion yen, or 32%, from the first half of fiscal 2009 (the six months ended September 30, 2008). The following is a review of operations for the major business segments.

Net sales of the Automobile Segment totaled 340.1 billion yen, a decrease of 105.3 billion yen, or 24%, from the first half of fiscal 2009. Within this segment, net sales of the Vehicle Business amounted to 174.3 billion yen, a decrease of 47.1 billion yen, or 21%, due mainly to a decrease in unit sales of the Vitz (Yaris overseas), RAV4 and Mark X ZiO. Net sales of the Engine Business totaled 70.0 billion yen, a decrease of 20.8 billion yen, or 23%, attributable primarily to a decrease in unit sales of KD diesel engines for Toyota Motor Corporation's Innovative International Multi-Purpose Vehicle (IMV) Series. Net sales of the Car Air-Conditioning Compressor Business totaled 79.9 billion yen, a decrease of 33.8 billion yen, or 30%, resulting from a decrease in production of automakers.

Net sales of the Materials Handling Equipment Segment totaled 208.4 billion yen, a decrease of 163.4 billion yen, or 44%, resulting from a significant decline in unit sales of lift trucks, a mainstay product of this segment, for both the TOYOTA and BT brands. This can be largely attributed to the pace of the global market contraction, which eased slightly in the second quarter.

Net sales of the Logistics Segment amounted to 53.1 billion yen, a decrease of 6.3 billion yen, or 11%, despite the strong performance by businesses engaged in collection and delivery of cash and management of sales proceeds services as well as secure storage, management, collection and delivery of corporate documents services. This was offset by a decline in sales of the cargo transport business of automotive-related parts.

Net sales of the Textile Machinery Segment totaled 6.9 billion yen, a decrease of 17.5 billion yen, or 71%, owing mainly to a significant decrease in unit sales of air-jet looms to China.

In terms of overall profit, during the second quarter of fiscal 2010 (July 1 to September 30, 2009), Toyota Industries saw its sales gradually recover while aggressively striving to realize a streamlined structure mainly through reductions in personnel costs, expenses and capital investments. As a result, Toyota Industries posted consolidated operating income of 6.7 billion yen. For the first six months of fiscal 2010, however, a significant decrease in sales worldwide had a tremendous impact, resulting in an operating loss of 2.8 billion yen compared with operating income of 22.9 billion yen in the first half of fiscal 2009. Ordinary income amounted to 4.2 billion yen, a decrease of 36.1 billion yen, or 89%, while net income totaled 0.2 billion yen, a decrease of 23.3 billion yen, or 99%, due primarily to posting a loss arising from business restructuring of the Materials Handling Equipment Segment as an extraordinary loss.

### **2. Qualitative Information Regarding Consolidated Financial Condition**

Total assets increased 208.4 billion yen from the end of the previous fiscal year to 2,535.8 billion yen due mainly to an increase in market value of investment securities. Net assets amounted to 1,097.1 billion yen, an increase of 119.5 billion yen from the end of the previous fiscal year.

### 3. Qualitative Information Regarding Forecast for Fiscal 2010

In fiscal 2010, ending March 31, 2010, although the global economy is projected to gradually recover, uncertainties remain with regards to fluctuations in exchange rates and concerns about a further decline in the economic situation. As a result, the operating environment continues to preclude optimism.

Amid this challenging environment, the Toyota Industries Group will continue to make a concerted effort on a global basis to quickly and thoroughly rebuild our business structure into a more muscular and stronger one. For medium- to long-term growth, we will pursue business expansion by refining our element technologies for contributing to electrification, lighter weight and energy efficiency and by incorporating these technologies into new products released by our mainstay businesses of automobiles and materials handling equipment. Based on the keywords of the 3Es, Toyota Industries defines as “energy,” “environmental protection” and “ecological thinking” incorporated into our products and operating activities.

Based on our consolidated business results for the first half of fiscal 2010 as well as a review of projected unit sales of the Automobile Segment, cost reduction activities and a review of non-operating income and expenses, Toyota Industries forecasts consolidated net sales of 1,390.0 billion yen, operating income of 10.0 billion yen, ordinary income of 18.0 billion yen and net income of 4.5 billion yen. Our projections are based on exchange rates of ¥90 = US\$1 and ¥130 = €1 for the remainder of the fiscal year.

### 4. Others

(1) Changes in major subsidiaries: No

(2) Application of simplified accounting methods and special accounting methods for the preparation of quarterly consolidated financial statements

① Calculation of fixed asset depreciation

Depreciation expenses for fixed assets depreciated by the declining-balance method have been calculated by allocating depreciation expenses related to the fiscal year under review by their remaining terms.

② Calculation of income taxes, deferred tax assets and deferred tax liabilities

The inclusion of additions and subtractions and tax deduction items in the calculation of income tax payments has been limited to significant items.

When there has been no marked change in the business environment or temporary fluctuations since the end of the previous fiscal year, the potential recovery of deferred tax assets is determined based on the business performance forecasts of the previous fiscal year and tax planning methods.

(3) Changes in the accounting principles, procedures and method of presentation of quarterly consolidated financial statements

① Application of Accounting Standard for Construction Contracts

Effective from the fiscal year beginning April 1, 2009, Toyota Industries applied Financial Accounting Standard No. 15 “Accounting Standard for Construction Contracts” and its Implementation Guidance No. 18 “Guidance on Accounting Standard for Construction Contracts,” both of which were issued on December 27, 2007 by the Accounting Standards Board of Japan.

## 5. Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	FY2010 Second Quarter (As of September 30, 2009)	FY2009 (As of March 31, 2009)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	242,531	169,743
Trade notes and accounts receivable	167,927	158,798
Short-term investments	51,368	58,838
Merchandise and finished goods	40,365	44,237
Work in process	26,920	30,500
Raw materials and supplies	24,065	27,423
Deferred tax assets	16,562	16,600
Other current assets	44,656	64,632
Allowance for doubtful accounts	(3,073)	(2,806)
<b>Total current assets</b>	<b>611,324</b>	<b>567,967</b>
<b>Fixed assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	176,442	182,214
Machinery, equipment and vehicles, net	236,887	252,402
Tools, furniture and fixtures, net	25,312	25,598
Land	109,816	110,078
Construction in progress	19,607	18,970
<b>Total property, plant and equipment</b>	<b>568,065</b>	<b>589,264</b>
<b>Intangible assets</b>		
Goodwill	105,260	107,072
Software	11,130	11,736
<b>Total intangible assets</b>	<b>116,391</b>	<b>118,809</b>
<b>Investments and other assets</b>		
Investment securities	1,097,221	907,524
Long-term loans receivable	5,506	5,954
Deferred tax assets	11,757	11,578
Other investments and other assets	125,769	126,534
Allowance for doubtful accounts	(215)	(199)
<b>Total investments and other assets</b>	<b>1,240,039</b>	<b>1,051,391</b>
<b>Total fixed assets</b>	<b>1,924,496</b>	<b>1,759,464</b>
<b>Total assets</b>	<b>2,535,820</b>	<b>2,327,432</b>



(Million yen)

	FY2010 Second Quarter (As of September 30, 2009)	FY2009 (As of March 31, 2009)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade notes and accounts payable	125,102	104,658
Short-term loans payable	51,322	63,187
Commercial papers	18,208	26,356
Current portion of bonds	25,405	32,072
Accounts payable-other	10,417	25,349
Income taxes payable	5,152	7,570
Deferred tax liabilities	106	249
Provision for directors' bonuses	106	214
Other current liabilities	159,404	154,720
<b>Total current liabilities</b>	<b>395,226</b>	<b>414,379</b>
<b>Long-term liabilities</b>		
Bonds payable	261,942	231,501
Long-term loans payable	288,301	285,340
Lease obligations	109,886	104,245
Deferred tax liabilities	327,615	252,209
Provision for retirement benefits	43,132	44,055
Other long-term liabilities	12,543	18,029
<b>Total long-term liabilities</b>	<b>1,043,422</b>	<b>935,382</b>
<b>Total liabilities</b>	<b>1,438,648</b>	<b>1,349,762</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	80,462	80,462
Capital surplus	106,179	106,180
Retained earnings	409,405	412,294
Treasury stock	(50,682)	(50,672)
<b>Total shareholders' equity</b>	<b>545,365</b>	<b>548,264</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	506,651	392,489
Deferred gains or losses on hedges	110	24
Foreign currency translation adjustment	(2,826)	(10,048)
<b>Total valuation and translation adjustments</b>	<b>503,935</b>	<b>382,466</b>
<b>Subscription rights to shares</b>	1,503	1,224
<b>Minority interests</b>	46,368	45,715
<b>Total net assets</b>	<b>1,097,172</b>	<b>977,670</b>
<b>Total liabilities and net assets</b>	<b>2,535,820</b>	<b>2,327,432</b>

## (2) Quarterly Consolidated Statements of Income

(Million yen)

	FY2009 Second Quarter (Six months result ended September 30, 2008)	FY2010 Second Quarter (Six months result ended September 30, 2009)
<b>Net sales</b>	<b>928,470</b>	<b>627,562</b>
Cost of sales	793,225	551,453
<b>Gross profit</b>	<b>135,245</b>	<b>76,108</b>
Selling, general and administrative expenses	112,270	78,911
<b>Operating income (loss)</b>	<b>22,974</b>	<b>(2,802)</b>
<b>Non-operating income</b>		
Interest income	7,367	5,564
Dividends income	20,650	9,449
Other non-operating income	3,647	4,482
<b>Total non-operating income</b>	<b>31,665</b>	<b>19,496</b>
<b>Non-operating expenses</b>		
Interest expenses	10,276	9,243
Other non-operating expenses	4,049	3,185
<b>Total non-operating expenses</b>	<b>14,326</b>	<b>12,428</b>
<b>Ordinary income</b>	<b>40,313</b>	<b>4,265</b>
<b>Extraordinary losses</b>		
Loss on business restructuring of the Materials Handling Equipment	-	<b>3,013</b>
<b>Total extraordinary losses</b>	<b>-</b>	<b>3,013</b>
<b>Income before income taxes and minority interests</b>	<b>40,313</b>	<b>1,251</b>
Income taxes-current	14,002	1,520
Income taxes-deferred	992	(1,302)
Total income taxes	14,995	217
Minority interests in income	1,799	804
<b>Net income</b>	<b>23,518</b>	<b>229</b>

(3) Note on premise of going concern : No

(4) Segment Information

① Business segment information

FY2009 Second Quarter (Six months result ended September 30, 2008)

(Million yen)

	Automobile	Materials handling equipment	Logistics	Textile machinery	Others	Total	Eliminations	Consolidated
<b>Net sales</b>								
(1) Outside customer sales	445,405	371,827	59,414	24,474	27,347	928,470	-	928,470
(2) Inter-segment transactions	11,850	1,773	4,045	3	11,043	28,715	(28,715)	-
<b>Total</b>	<b>457,255</b>	<b>373,601</b>	<b>63,459</b>	<b>24,478</b>	<b>38,390</b>	<b>957,185</b>	<b>(28,715)</b>	<b>928,470</b>
<b>Operating income</b>	<b>7,300</b>	<b>12,199</b>	<b>1,469</b>	<b>887</b>	<b>966</b>	<b>22,823</b>	<b>151</b>	<b>22,974</b>

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

2. Main products of each segment:

Automobile .....	Passenger vehicles, diesel and gasoline engines, car air-conditioning compressors, foundry parts, electronics components
Materials handling equipment ...	Counterbalanced lift trucks, warehouse trucks, automated storage and retrieval systems, truck mount aerial work platforms
Logistics .....	Transportation services, logistics planning, operation of distribution centers, collection and delivery of cash and management of sales proceeds, secure storage, management, collection and delivery of corporate documents
Textile machinery .....	Air-jet looms, water-jet looms, ring spinning frames
Others .....	Semiconductor package substrates

FY2010 Second Quarter (Six months result ended September 30, 2009)

(Million yen)

	Automobile	Materials handling equipment	Logistics	Textile machinery	Others	Total	Eliminations	Consolidated
<b>Net sales</b>								
(1) Outside customer sales	340,125	208,433	53,141	6,999	18,861	627,562	-	627,562
(2) Inter-segment transactions	5,405	428	2,584	30	5,524	13,972	(13,972)	-
<b>Total</b>	<b>345,531</b>	<b>208,862</b>	<b>55,725</b>	<b>7,030</b>	<b>24,385</b>	<b>641,535</b>	<b>(13,972)</b>	<b>627,562</b>
<b>Operating income (loss)</b>	<b>1,141</b>	<b>(6,249)</b>	<b>1,951</b>	<b>(1,419)</b>	<b>1,525</b>	<b>(3,050)</b>	<b>247</b>	<b>(2,802)</b>

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

2. Main products of each segment:

Automobile .....	Passenger vehicles, diesel and gasoline engines, car air-conditioning compressors, foundry parts, electronics components
Materials handling equipment ...	Counterbalanced lift trucks, warehouse trucks, automated storage and retrieval systems, truck mount aerial work platforms
Logistics .....	Transportation services, logistics planning, operation of distribution centers, collection and delivery of cash and management of sales proceeds, secure storage, management, collection and delivery of corporate documents
Textile machinery .....	Air-jet looms, water-jet looms, ring spinning frames
Others .....	Semiconductor package substrates

② Geographical segment information

FY2009 Second Quarter (Six months result ended September 30, 2008)

(Million yen)

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
Net sales							
(1) Outside customer sales	624,146	111,162	162,785	30,375	928,470	-	928,470
(2) Inter-segment transactions	58,688	951	3,099	3,904	66,644	(66,644)	-
Total	682,835	112,114	165,884	34,280	995,114	(66,644)	928,470
Operating income (loss)	20,799	(615)	371	1,880	22,437	537	22,974

FY2010 Second Quarter (Six months result ended September 30, 2009)

(Million yen)

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
Net sales							
(1) Outside customer sales	444,039	64,446	99,202	19,874	627,562	-	627,562
(2) Inter-segment transactions	35,027	576	1,658	2,101	39,363	(39,363)	-
Total	479,067	65,022	100,860	21,975	666,925	(39,363)	627,562
Operating income (loss)	605	(1,891)	(3,482)	1,295	(3,472)	670	(2,802)

③ Overseas sales

FY2009 Second Quarter (Six months result ended September 30, 2008)

(Million yen)

	North America	Europe	Others	Total
I Overseas sales	111,314	182,877	87,724	381,916
II Consolidated sales				928,470
III Ratio of overseas sales to consolidated sales	12.0%	19.7%	9.4%	41.1%

FY2010 Second Quarter (Six months result ended September 30, 2009)

(Million yen)

	North America	Europe	Others	Total
I Overseas sales	64,792	109,990	42,031	216,814
II Consolidated sales				627,562
III Ratio of overseas sales to consolidated sales	10.3%	17.5%	6.7%	34.5%

(5) Note on significant changes in the amount of shareholders' equity

During the first half of fiscal 2010 (the six months from April 1 to September 30, 2009),

Toyota Industries Corporation paid dividends of 3,115 million yen from retained earnings.