

FINANCIAL RESULTS

FY2024 Second Quarter

(April 1, 2023 through September 30, 2023)

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.

October 31, 2023

FY2024 Second Quarter Consolidated Financial Results<IFRS> (April 1, 2023 - September 30, 2023)

TOYOTA INDUSTRIES CORPORATION

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

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The expected date of submission of the quarterly report (Japanese only): November 10, 2023

The expected date of dividends payment: November 27, 2023

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 FY2024 Second Quarter (April 1, 2023 - September 30, 2023)

(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	%
FY2024 Second Quarter	1,837,423	14.7	122,052	32.7	180,532	24.5	143,537	32.8
FY2023 Second Quarter	1,602,496	27.1	92,010	(2.5)	144,958	5.2	108,101	3.1

	Profit attributable to owners of the parent		Comprehensive income		Earnings per share—basic	Earnings per share—diluted
	Million yen	%	Million yen	%	Yen	Yen
FY2024 Second Quarter	138,808	29.9	1,159,425	—	447.08	447.08
FY2023 Second Quarter	106,888	3.4	(155,401)	—	344.27	344.27

(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	%
FY2024 Second Quarter	9,533,665	5,060,713	4,956,350	52.0
FY2023	7,821,185	3,935,401	3,837,416	49.1

2. Cash Dividends

	Annual cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	FY Total
FY2023	— Yen	90.00 Yen	— Yen	100.00 Yen	190.00 Yen
FY2024	—	100.00			
FY2024 (Forecast)			—	100.00	200.00

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

3. Forecasts of Consolidated Financial Results for FY2024 (April 1, 2023 - March 31, 2024)

(% : 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
FY2024	3,600,000	6.5	200,000	17.7	305,000	16.0	225,000	16.7	724.69

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

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):
FY2024 Second Quarter — 325,840,640 shares, FY2023 — 325,840,640 shares
 - (ii) Number of treasury stock outstanding at end of each period:
FY2024 Second Quarter — 15,362,340 shares, FY2023 — 15,361,522 shares
 - (iii) Average number of shares outstanding for each period (accumulated):
FY2024 Second Quarter — 310,478,642 shares, FY2023 Second Quarter — 310,479,678 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 140 yen to the U.S. dollar and 152 yen to the euro for FY2024.
- Please see page 3 on attached documents for details on performance forecasts in "Explanation for Forecast for FY2024".

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1. Explanation for Quarterly Financial Results

(1) Explanation for Business Results

During the second quarter of FY2024 (the six months from April 1 to September 30, 2023), total consolidated net sales of Toyota Industries amounted to 1,837.4 billion yen, an increase of 235.0 billion yen, or 15%, from the same period of the previous fiscal year. In terms of overall profit, despite an increase in labor costs and an increase in expenses and others including energy costs, owing to an increase in sales, the impact of exchange rate fluctuations, a decrease in logistic costs and further advances in cost reduction efforts throughout the Toyota Industries Group, Toyota Industries posted consolidated operating profit of 122.0 billion yen, an increase of 30.0 billion yen, or 33%, from the same period of the previous fiscal year. Profit before income taxes totaled 180.5 billion yen, an increase of 35.6 billion yen, or 25% and profit attributable to owners of the parent totaled 138.8 billion yen, an increase of 32.0 billion yen, or 30%.

Business results by business segment are as follows.

Net sales of the Automobile Segment totaled 550.7 billion yen, an increase of 96.1 billion yen, or 21%, from the same period of the previous fiscal year. Operating profit amounted to 32.7 billion yen, an increase of 18.7 billion yen, or 132%.

Within this segment, net sales of the Vehicle Business totaled 49.2 billion yen, an increase of 8.7 billion yen, or 21%, due to an increase in sales of the Toyota RAV4 abroad offset by a decrease for Japan.

Net sales of the Engine Business totaled 179.5 billion yen, an increase of 21.1 billion yen, or 13%, resulting mainly from an increase in sales of gasoline engines.

Net sales of the Car Air-Conditioning Compressor Business totaled 228.4 billion yen, an increase of 21.2 billion yen, or 10%. Sales increased in North America and Europe while those decreased primarily in China.

Net sales of the Electronics Parts and Others Business totaled 93.4 billion yen, an increase of 45.0 billion yen, or 93%, attributable primarily to an increase in sales of battery and DC-DC converters.

Net sales of the Materials Handling Equipment Segment totaled 1,215.4 billion yen, an increase of 132.4 billion yen, or 12%. Sales of lift trucks, a mainstay product of this segment, increased in North America and Europe. Operating profit amounted to 81.1 billion yen, an increase of 10.2 billion yen, or 14%.

Net sales of the Textile Machinery Segment totaled 44.0 billion yen, an increase of 3.9 billion yen, or 10%. This is attributable primarily to an increase in sales of spinning machinery and yarn quality measurement instruments. Operating profit amounted to 4.2 billion yen, a decrease of 0.2 billion yen, or 5%.

(2) Explanation for Financial Condition

Assets amounted to 9,533.6 billion yen, an increase of 1,712.5 billion yen from the end of the previous fiscal year, mainly due to an increase in fair value of investment securities. Liabilities amounted to 4,472.9 billion yen, an increase of 587.2 billion yen from the end of the previous fiscal year, mainly owing to an increase in deferred tax liabilities. Equity amounted to 5,060.7 billion yen, an increase of 1,125.3 billion yen from the end of the previous fiscal year.

(3) Explanation for Forecast for FY2024

Toyota Industries forecasts consolidated net sales of 3,600.0 billion yen, operating profit of 200.0 billion yen, profit before income taxes of 305.0 billion yen and profit attributable to owners of the parent of 225.0 billion yen. Our projections are based on exchange rates of 140 yen to the U.S. dollar and 152 yen to the euro for FY2024.

2. Condensed Quarterly Consolidated Financial Statements and Main Notes

(1) Condensed Quarterly Consolidated Financial Position

(Millions of yen)

	FY2023 (As of March 31, 2023)	FY2024 Second Quarter (As of September 30, 2023)
Assets		
Current assets		
Cash and cash equivalents	202,731	352,491
Time deposits with deposit terms of over three months	420,173	282,411
Trade receivables and other receivables	1,398,757	1,560,140
Other financial assets	5,399	8,085
Inventories	524,385	597,716
Income tax receivables	26,262	16,570
Other current assets	99,313	104,375
Total current assets	2,677,024	2,921,790
Non-current assets		
Property, plant and equipment	1,237,540	1,343,990
Goodwill and intangible assets	468,368	510,864
Trade receivables and other receivables	1,459	837
Investments accounted for by the equity method	23,987	26,589
Other financial assets	3,338,505	4,646,635
Net defined benefit assets	27,887	28,938
Deferred tax assets	37,992	46,299
Other non-current assets	8,421	7,720
Total non-current assets	5,144,161	6,611,875
Total assets	7,821,185	9,533,665

(Millions of yen)

	FY2023 (As of March 31, 2023)	FY2024 Second Quarter (As of September 30, 2023)
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade payables and other payables	807,474	842,933
Corporate bonds and loans	519,749	431,445
Other financial liabilities	83,749	91,492
Accrued income taxes	29,696	29,598
Provisions	41,827	34,421
Other current liabilities	34,615	40,936
Total current liabilities	1,517,112	1,470,828
Non-current liabilities		
Corporate bonds and loans	1,179,390	1,375,136
Other financial liabilities	104,404	117,495
Net defined benefit liabilities	81,422	83,992
Provisions	11,025	12,116
Deferred tax liabilities	952,960	1,367,377
Other non-current liabilities	39,467	46,006
Total non-current liabilities	2,368,671	3,002,123
Total liabilities	3,885,784	4,472,952
Equity		
Share of equity attributable to owners of the parent		
Capital stock	80,462	80,462
Capital surplus	101,245	100,857
Retained earnings	1,652,648	1,759,743
Treasury stock	(59,345)	(59,353)
Other components of shareholders' equity	2,062,404	3,074,640
Total share of equity attributable to owners of the parent	3,837,416	4,956,350
Non-controlling interests	97,985	104,363
Total equity	3,935,401	5,060,713
Total liabilities and equity	7,821,185	9,533,665

(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)

	FY2023 Second Quarter (April 1, 2022 - September 30, 2022)	FY2024 Second Quarter (April 1, 2023 - September 30, 2023)
Net sales	1,602,496	1,837,423
Cost of sales	(1,240,342)	(1,405,211)
Gross profit	362,153	432,211
Selling, general and administrative expenses	(277,428)	(311,448)
Other income	12,586	7,278
Other expenses	(5,302)	(5,988)
Operating profit	92,010	122,052
Financial income	56,674	67,766
Financial expenses	(5,422)	(10,733)
Share of profit (loss) of investments accounted for by the equity method	1,696	1,447
Profit before income taxes	144,958	180,532
Income taxes	(36,857)	(36,995)
Profit	108,101	143,537
Profit attributable to:		
Owners of the parent	106,888	138,808
Non-controlling interests	1,213	4,729
Earnings per share		
Earnings per share — basic (yen)	344.27	447.08
Earnings per share — diluted (yen)	344.27	447.08

Condensed Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	FY2023 Second Quarter (April 1, 2022 - September 30, 2022)	FY2024 Second Quarter (April 1, 2023 - September 30, 2023)
Profit	108,101	143,537
Other comprehensive income:		
Items not to be reclassified into profit or loss		
Net changes in revaluation of FVTOCI financial assets	(371,725)	896,441
Remeasurements of defined benefit plans	1,551	(1,349)
Other comprehensive income of affiliates accounted for by the equity method	(11)	51
Total items not to be reclassified into profit or loss	(370,184)	895,143
Items that can be reclassified into profit or loss		
Translation adjustments of foreign operations	103,089	117,332
Cash flow hedges	2,571	2,193
Other comprehensive income of affiliates accounted for by the equity method	1,020	1,218
Total items that can be reclassified into profit or loss	106,681	120,745
Total other comprehensive income	(263,502)	1,015,888
Comprehensive income	(155,401)	1,159,425
Total comprehensive income attributable to:		
Owners of the parent	(160,604)	1,150,378
Non-controlling interests	5,203	9,047

(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
Balance as of April 1, 2022	80,462	102,388	1,514,657	(59,339)	2,245,347	—
Profit	—	—	106,888	—	—	—
Other comprehensive income	—	—	—	—	(371,680)	1,521
Total comprehensive income	—	—	106,888	—	(371,680)	1,521
Repurchase of treasury stock	—	—	—	(2)	—	—
Disposal of treasury stock	—	—	—	—	—	—
Dividends	—	—	(27,943)	—	—	—
Changes in ownership interest of subsidiaries	—	58	—	—	—	—
Changes in non-controlling interests as a result of change in scope of consolidation	—	—	—	—	—	—
Reclassified into retained earnings	—	—	1,524	—	(2)	(1,521)
Other increases (decreases)	—	—	—	—	—	—
Total transactions with owners	—	58	(26,419)	(2)	(2)	(1,521)
Balance as of September 30, 2022	80,462	102,447	1,595,127	(59,341)	1,873,663	—

Balance as of April 1, 2023	80,462	101,245	1,652,648	(59,345)	1,960,101	—
Profit	—	—	138,808	—	—	—
Other comprehensive income	—	—	—	—	896,246	(1,355)
Total comprehensive income	—	—	138,808	—	896,246	(1,355)
Repurchase of treasury stock	—	—	—	(8)	—	—
Disposal of treasury stock	—	0	—	0	—	—
Dividends	—	—	(31,047)	—	—	—
Changes in ownership interest of subsidiaries	—	(0)	—	—	—	—
Changes in non-controlling interests as a result of change in scope of consolidation	—	—	—	—	—	—
Reclassified into retained earnings	—	—	(665)	—	(690)	1,355
Other increases (decreases)	—	(388)	—	—	—	—
Total transactions with owners	—	(388)	(31,713)	(8)	(690)	1,355
Balance as of September 30, 2023	80,462	100,857	1,759,743	(59,353)	2,855,658	—

(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			
Balance as of April 1, 2022	41,657	3,338	2,290,343	3,928,513	93,454	4,021,967
Profit	—	—	—	106,888	1,213	108,101
Other comprehensive income	100,094	2,571	(267,492)	(267,492)	3,989	(263,502)
Total comprehensive income	100,094	2,571	(267,492)	(160,604)	5,203	(155,401)
Repurchase of treasury stock	—	—	—	(2)	—	(2)
Disposal of treasury stock	—	—	—	—	—	—
Dividends	—	—	—	(27,943)	(1,749)	(29,692)
Changes in ownership interest of subsidiaries	—	—	—	58	(674)	(615)
Changes in non-controlling interests as a result of change in scope of consolidation	—	—	—	—	—	—
Reclassified into retained earnings	—	—	(1,524)	—	—	—
Other increases (decreases)	—	—	—	—	—	—
Total transactions with owners	—	—	(1,524)	(27,886)	(2,423)	(30,310)
Balance as of September 30, 2022	141,752	5,909	2,021,326	3,740,022	96,234	3,836,256

Balance as of April 1, 2023	96,032	6,269	2,062,404	3,837,416	97,985	3,935,401
Profit	—	—	—	138,808	4,729	143,537
Other comprehensive income	114,485	2,193	1,011,570	1,011,570	4,318	1,015,888
Total comprehensive income	114,485	2,193	1,011,570	1,150,378	9,047	1,159,425
Repurchase of treasury stock	—	—	—	(8)	—	(8)
Disposal of treasury stock	—	—	—	0	—	0
Dividends	—	—	—	(31,047)	(2,443)	(33,490)
Changes in ownership interest of subsidiaries	—	—	—	(0)	(226)	(226)
Changes in non-controlling interests as a result of change in scope of consolidation	—	—	—	—	—	—
Reclassified into retained earnings	—	—	665	—	—	—
Other increases (decreases)	—	—	—	(388)	—	(388)
Total transactions with owners	—	—	665	(31,444)	(2,669)	(34,113)
Balance as of September 30, 2023	210,518	8,463	3,074,640	4,956,350	104,363	5,060,713

(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 second quarter of FY2024, Toyota Industries paid dividends of 31,047 million yen from retained earnings.

(Segment Information)

FY2023 Second Quarter (April 1, 2022 - September 30, 2022)

(Millions of yen)

	Automobile	Materials Handling Equipment	Textile Machinery	Others	Total	Adjustments	Consolidated
Sales							
Outside customer sales	454,638	1,083,014	40,175	24,667	1,602,496	—	1,602,496
Inter-segment sales and transfers	17,809	184	137	15,943	34,074	(34,074)	—
Total	472,447	1,083,198	40,313	40,610	1,636,570	(34,074)	1,602,496
Segment profit	14,087	70,939	4,457	2,360	91,844	165	92,010
Financial income							56,674
Financial expenses							(5,422)
Share of profit (loss) of investments accounted for by the equity method							1,696
Profit before income taxes							144,958

- (Notes)
1. "Others" represents businesses not included in the reporting segments.
 2. 165 million yen included in "Adjustments" for "Segment profit" is inter-segment transactions.
 3. "Segment profit" reconciles to operating profit disclosed in the condensed quarterly consolidated statement of profit or loss.

FY2024 Second Quarter (April 1, 2023 - September 30, 2023)

(Millions of yen)

	Automobile	Materials Handling Equipment	Textile Machinery	Others	Total	Adjustments	Consolidated
Sales							
Outside customer sales	550,732	1,215,437	44,024	27,228	1,837,423	—	1,837,423
Inter-segment sales and transfers	12,641	712	136	15,451	28,942	(28,942)	—
Total	563,374	1,216,150	44,161	42,679	1,866,365	(28,942)	1,837,423
Segment profit	32,700	81,143	4,244	4,184	122,273	(220)	122,052
Financial income							67,766
Financial expenses							(10,733)
Share of profit (loss) of investments accounted for by the equity method							1,447
Profit before income taxes							180,532

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