

FINANCIAL RESULTS

FY2024 First Quarter

(April 1, 2023 through June 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.

FY2024 First Quarter Consolidated Financial Results<IFRS> (April 1, 2023 - June 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): August 10, 2023

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 FY2024 First Quarter (April 1, 2023 - June 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 First Quarter	889,455	17.1	52,509	20.4	111,609	21.7	89,438	25.1
FY2023 First Quarter	759,631	23.1	43,611	(24.1)	91,711	(9.5)	71,521	(8.6)

	Profit attributable to owners of the parent		Comprehensive income		Earnings per share—basic	Earnings per share—diluted
	Million yen	%	Million yen	%	Yen	Yen
FY2024 First Quarter	86,978	21.4	710,100	—	280.14	280.14
FY2023 First Quarter	71,623	(7.7)	4,317	(98.7)	230.69	230.69

(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 First Quarter	8,890,805	4,613,561	4,510,413	50.7
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	—	90.00	—	100.00	190.00
FY2024 (Forecast)	—	100.00	—	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	3,500,000	3.6	180,000	5.9	265,000	0.8	195,000	1.1	628.06

(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):

FY2024 First Quarter — 325,840,640 shares, FY2023 — 325,840,640 shares

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

FY2024 First Quarter — 15,361,873 shares, FY2023 — 15,361,522 shares

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

FY2024 First Quarter — 310,478,922 shares, FY2023 First Quarter — 310,479,746 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 assumed exchange rates of 132 yen to the U.S. dollar and 138 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 first quarter of FY2024 (the three months from April 1 to June 30, 2023), total consolidated net sales of Toyota Industries amounted to 889.4 billion yen, an increase of 129.8 billion yen, or 17%, 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 52.5 billion yen, an increase of 8.9 billion yen, or 20%, from the same period of the previous fiscal year. Profit before income taxes totaled 111.6 billion yen, an increase of 19.9 billion yen, or 22% and profit attributable to owners of the parent totaled 86.9 billion yen, an increase of 15.3 billion yen, or 21%.

Business results by business segment are as follows.

Net sales of the Automobile Segment totaled 267.7 billion yen, an increase of 56.8 billion yen, or 27%, from the same period of the previous fiscal year. Operating profit amounted to 12.7 billion yen, an increase of 7.2 billion yen, or 132%.

Within this segment, net sales of the Vehicle Business totaled 23.5 billion yen, an increase of 4.0 billion yen, or 20%, due to increases in sales of Toyota RAV4 both for Japan and abroad.

Net sales of the Engine Business totaled 88.6 billion yen, an increase of 13.3 billion yen, or 18%, resulting mainly from an increase in sales of gasoline engines.

Net sales of the Car Air-Conditioning Compressor Business totaled 110.9 billion yen, an increase of 16.1 billion yen, or 17%. Sales increased in each region, especially in North America and Europe.

Net sales of the Electronics Parts and Others Business totaled 44.6 billion yen, an increase of 23.5 billion yen, or 111%, attributable primarily to increases in sales of battery and DC-DC converters.

Net sales of the Materials Handling Equipment Segment totaled 589.0 billion yen, an increase of 73.6 billion yen, or 14%. Sales of lift trucks, a mainstay product of this segment, increased in Europe and North America. Operating profit amounted to 35.6 billion yen, an increase of 1.7 billion yen, or 5%.

Net sales of the Textile Machinery Segment totaled 20.9 billion yen, a decrease of 0.5 billion yen, or 2%, as a result of a decrease in sales of weaving machinery, offsetting an increase in sales of spinning machinery. Operating profit amounted to 2.2 billion yen, a decrease of 0.8 billion yen, or 26%.

(2) Explanation for Financial Condition

Assets amounted to 8,890.8 billion yen, an increase of 1,069.7 billion yen from the end of the previous fiscal year, mainly due to an increase in fair value of investment securities. Liabilities amounted to 4,277.2 billion yen, an increase of 391.5 billion yen from the end of the previous fiscal year. This was primarily because of an increase in deferred tax liabilities. Equity amounted to 4,613.5 billion yen, an increase of 678.1 billion yen from the end of the previous fiscal year.

(3) Explanation for Forecast for FY2024

Toyota Industries forecasts consolidated net sales of 3,500.0 billion yen, operating profit of 180.0 billion yen, profit before income taxes of 265.0 billion yen and profit attributable to owners of the parent of 195.0 billion yen. Our projections are based on exchange rates of 132 yen to the U.S. dollar and 138 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 First Quarter (As of June 30, 2023)
Assets		
Current assets		
Cash and cash equivalents	202,731	245,291
Time deposits with deposit terms of over three months	420,173	388,876
Trade receivables and other receivables	1,398,757	1,509,273
Other financial assets	5,399	4,774
Inventories	524,385	575,646
Income tax receivables	26,262	15,816
Other current assets	99,313	110,301
Total current assets	2,677,024	2,849,980
Non-current assets		
Property, plant and equipment	1,237,540	1,314,986
Goodwill and intangible assets	468,368	503,762
Trade receivables and other receivables	1,459	1,294
Investments accounted for by the equity method	23,987	25,475
Other financial assets	3,338,505	4,113,632
Net defined benefit assets	27,887	28,539
Deferred tax assets	37,992	45,037
Other non-current assets	8,421	8,096
Total non-current assets	5,144,161	6,040,824
Total assets	7,821,185	8,890,805

(Millions of yen)

	FY2023 (As of March 31, 2023)	FY2024 First Quarter (As of June 30, 2023)
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade payables and other payables	807,474	831,339
Corporate bonds and loans	519,749	525,623
Other financial liabilities	83,749	92,332
Accrued income taxes	29,696	29,621
Provisions	41,827	37,553
Other current liabilities	34,615	40,309
Total current liabilities	1,517,112	1,556,779
Non-current liabilities		
Corporate bonds and loans	1,179,390	1,266,826
Other financial liabilities	104,404	115,423
Net defined benefit liabilities	81,422	83,250
Provisions	11,025	12,206
Deferred tax liabilities	952,960	1,197,959
Other non-current liabilities	39,467	44,797
Total non-current liabilities	2,368,671	2,720,464
Total liabilities	3,885,784	4,277,244
Equity		
Share of equity attributable to owners of the parent		
Capital stock	80,462	80,462
Capital surplus	101,245	101,220
Retained earnings	1,652,648	1,707,485
Treasury stock	(59,345)	(59,348)
Other components of shareholders' equity	2,062,404	2,680,593
Total share of equity attributable to owners of the parent	3,837,416	4,510,413
Non-controlling interests	97,985	103,147
Total equity	3,935,401	4,613,561
Total liabilities and equity	7,821,185	8,890,805

(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 First Quarter (April 1, 2022 - June 30, 2022)	FY2024 First Quarter (April 1, 2023 - June 30, 2023)
Net sales	759,631	889,455
Cost of sales	(588,231)	(686,001)
Gross profit	171,400	203,453
Selling, general and administrative expenses	(134,896)	(151,104)
Other income	9,206	3,221
Other expenses	(2,098)	(3,062)
Operating profit	43,611	52,509
Financial income	49,657	63,406
Financial expenses	(2,327)	(4,892)
Share of profit (loss) of investments accounted for by the equity method	769	585
Profit before income taxes	91,711	111,609
Income taxes	(20,189)	(22,171)
Profit	71,521	89,438
Profit attributable to:		
Owners of the parent	71,623	86,978
Non-controlling interests	(101)	2,459
Earnings per share		
Earnings per share – basic (yen)	230.69	280.14
Earnings per share – diluted (yen)	230.69	280.14

Condensed Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	FY2023 First Quarter (April 1, 2022 - June 30, 2022)	FY2024 First Quarter (April 1, 2023 - June 30, 2023)
Profit	71,521	89,438
Other comprehensive income:		
Items not to be reclassified into profit or loss		
Net changes in revaluation of FVTOCI financial assets	(149,042)	528,375
Remeasurements of defined benefit plans	869	(1,255)
Other comprehensive income of affiliates accounted for by the equity method	(1)	30
Total items not to be reclassified into profit or loss	(148,174)	527,150
Items that can be reclassified into profit or loss		
Translation adjustments of foreign operations	79,871	91,731
Cash flow hedges	68	875
Other comprehensive income of affiliates accounted for by the equity method	1,030	904
Total items that can be reclassified into profit or loss	80,970	93,511
Total other comprehensive income	(67,204)	620,661
Comprehensive income	4,317	710,100
Total comprehensive income attributable to:		
Owners of the parent	1,199	704,073
Non-controlling interests	3,117	6,026

(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	—	—	71,623	—	—	—
Other comprehensive income	—	—	—	—	(148,974)	849
Total comprehensive income	—	—	71,623	—	(148,974)	849
Repurchase of treasury stock	—	—	—	(0)	—	—
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	—	—	851	—	(1)	(849)
Other increases (decreases)	—	—	—	—	—	—
Total transactions with owners	—	58	(27,092)	(0)	(1)	(849)
Balance as of June 30, 2022	80,462	102,447	1,559,188	(59,340)	2,096,371	—

Balance as of April 1, 2023	80,462	101,245	1,652,648	(59,345)	1,960,101	—
Profit	—	—	86,978	—	—	—
Other comprehensive income	—	—	—	—	528,003	(1,310)
Total comprehensive income	—	—	86,978	—	528,003	(1,310)
Repurchase of treasury stock	—	—	—	(3)	—	—
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	—	—	(1,093)	—	(217)	1,310
Other increases (decreases)	—	(25)	—	—	—	—
Total transactions with owners	—	(24)	(32,141)	(3)	(217)	1,310
Balance as of June 30, 2023	80,462	101,220	1,707,485	(59,348)	2,487,887	—

(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	—	—	—	71,623	(101)	71,521
Other comprehensive income	77,632	68	(70,423)	(70,423)	3,218	(67,204)
Total comprehensive income	77,632	68	(70,423)	1,199	3,117	4,317
Repurchase of treasury stock	—	—	—	(0)	—	(0)
Disposal of treasury stock	—	—	—	—	—	—
Dividends	—	—	—	(27,943)	(801)	(28,744)
Changes in ownership interest of subsidiaries	—	—	—	58	(570)	(511)
Changes in non-controlling interests as a result of change in scope of consolidation	—	—	—	—	—	—
Reclassified into retained earnings	—	—	(851)	—	—	—
Other increases (decreases)	—	—	—	—	—	—
Total transactions with owners	—	—	(851)	(27,885)	(1,371)	(29,257)
Balance as of June 30, 2022	119,290	3,407	2,219,068	3,901,827	95,199	3,997,027

Balance as of April 1, 2023	96,032	6,269	2,062,404	3,837,416	97,985	3,935,401
Profit	—	—	—	86,978	2,459	89,438
Other comprehensive income	89,526	875	617,095	617,095	3,566	620,661
Total comprehensive income	89,526	875	617,095	704,073	6,026	710,100
Repurchase of treasury stock	—	—	—	(3)	—	(3)
Disposal of treasury stock	—	—	—	0	—	0
Dividends	—	—	—	(31,047)	(690)	(31,738)
Changes in ownership interest of subsidiaries	—	—	—	(0)	(173)	(173)
Changes in non-controlling interests as a result of change in scope of consolidation	—	—	—	—	—	—
Reclassified into retained earnings	—	—	1,093	—	—	—
Other increases (decreases)	—	—	—	(25)	—	(25)
Total transactions with owners	—	—	1,093	(31,076)	(864)	(31,940)
Balance as of June 30, 2023	185,559	7,145	2,680,593	4,510,413	103,147	4,613,561

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

(Segment Information)

FY2023 First Quarter (April 1, 2022 - June 30, 2022)

(Millions of yen)

	Automobile	Materials Handling Equipment	Textile Machinery	Others	Total	Adjustments	Consolidated	
Sales								
Outside customer sales	210,941	515,453	21,419	11,817	759,631	—	759,631	
Inter-segment sales and transfers	8,791	60	68	7,622	16,543	(16,543)	—	
Total	219,733	515,513	21,488	19,439	776,175	(16,543)	759,631	
Segment profit	5,514	33,994	3,022	1,080	43,612	(1)	43,611	
Financial income								49,657
Financial expenses								(2,327)
Share of profit (loss) of investments accounted for by the equity method								769
Profit before income taxes								91,711

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

FY2024 First Quarter (April 1, 2023 - June 30, 2023)

(Millions of yen)

	Automobile	Materials Handling Equipment	Textile Machinery	Others	Total	Adjustments	Consolidated	
Sales								
Outside customer sales	267,798	589,058	20,976	11,622	889,455	—	889,455	
Inter-segment sales and transfers	6,355	142	70	8,148	14,716	(14,716)	—	
Total	274,154	589,200	21,046	19,771	904,172	(14,716)	889,455	
Segment profit	12,791	35,667	2,227	1,975	52,661	(151)	52,509	
Financial income								63,406
Financial expenses								(4,892)
Share of profit (loss) of investments accounted for by the equity method								585
Profit before income taxes								111,609

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