

FINANCIAL RESULTS

FY2024 Third Quarter

(April 1, 2023 through December 31, 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 Third Quarter Consolidated Financial Results<IFRS> (April 1, 2023 - December 31, 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 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 Third Quarter (April 1, 2023 - December 31, 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 Third Quarter	2,827,567	14.6	200,911	44.9	302,259	31.4	237,041	37.7
FY2023 Third Quarter	2,467,565	25.4	138,688	1.8	230,083	4.8	172,101	3.9

	Profit attributable to owners of the parent		Comprehensive income		Earnings per share – basic	Earnings per share – diluted
	Million yen	%	Million yen	%	Yen	Yen
FY2024 Third Quarter	230,801	36.4	1,053,515	—	743.37	743.37
FY2023 Third Quarter	169,228	4.0	(196,000)	—	545.06	545.06

(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 Third Quarter	9,245,855	4,921,192	4,818,433	52.1
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 : 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 Third Quarter — 325,840,640 shares, FY2023 — 325,840,640 shares

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

FY2024 Third Quarter — 15,362,930 shares, FY2023 — 15,361,522 shares

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

FY2024 Third Quarter — 310,478,395 shares, FY2023 Third Quarter — 310,479,624 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 142 yen to the U.S. dollar and 154 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 third quarter of FY2024 (the nine months from April 1 to December 31, 2023), total consolidated net sales of Toyota Industries amounted to 2,827.5 billion yen, an increase of 360.0 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 research and development expenses, owing to an increase in sales, the impact of exchange rate fluctuations, further advances in cost reduction efforts throughout the Toyota Industries Group and a decrease in logistic costs, Toyota Industries posted consolidated operating profit of 200.9 billion yen, an increase of 62.3 billion yen, or 45%, from the same period of the previous fiscal year. Profit before income taxes totaled 302.2 billion yen, an increase of 72.2 billion yen, or 31% and profit attributable to owners of the parent totaled 230.8 billion yen, an increase of 61.6 billion yen, or 36%.

Business results by business segment are as follows.

Net sales of the Automobile Segment totaled 831.0 billion yen, an increase of 136.4 billion yen, or 20%, from the same period of the previous fiscal year. Operating profit amounted to 52.1 billion yen, an increase of 30.8 billion yen, or 144%.

Within this segment, net sales of the Vehicle Business totaled 74.6 billion yen, an increase of 15.9 billion yen, or 27%, due to an increase in sales of the Toyota RAV4 abroad offset by a decrease for Japan.

Net sales of the Engine Business totaled 262.5 billion yen, an increase of 24.7 billion yen, or 10%, resulting mainly from an increase in sales of gasoline engines and diesel engines.

Net sales of the Car Air-Conditioning Compressor Business totaled 347.5 billion yen, an increase of 32.0 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 146.2 billion yen, an increase of 63.8 billion yen, or 77%, attributable primarily to an increase in sales of batteries and DC-DC converters.

Net sales of the Materials Handling Equipment Segment totaled 1,884.1 billion yen, an increase of 211.8 billion yen, or 13%. Sales of lift trucks, a mainstay product of this segment, increased in North America and Europe while those decreased primarily in Japan. Operating profit amounted to 135.3 billion yen, an increase of 28.3 billion yen, or 27%.

Net sales of the Textile Machinery Segment totaled 70.4 billion yen, an increase of 8.0 billion yen, or 13%. This is attributable primarily to an increase in sales of spinning machinery and weaving machinery. Operating profit amounted to 6.8 billion yen, an increase of 0.5 billion yen, or 8%.

(2) Explanation for Financial Condition

Assets amounted to 9,245.8 billion yen, an increase of 1,424.7 billion yen from the end of the previous fiscal year, mainly due to an increase in fair value of investment securities. Liabilities amounted to 4,324.6 billion yen, an increase of 438.9 billion yen from the end of the previous fiscal year, mainly owing to an increase in deferred tax liabilities. Equity amounted to 4,921.1 billion yen, an increase of 985.7 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 as the impact of the domestic engine certification issue announced on January 29, 2024 has not been factored in. Our projections are based on exchange rates of 142 yen to the U.S. dollar and 154 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 Third Quarter (As of December 31, 2023)
Assets		
Current assets		
Cash and cash equivalents	202,731	476,909
Time deposits with deposit terms of over three months	420,173	382,753
Trade receivables and other receivables	1,398,757	1,523,142
Other financial assets	5,399	10,633
Inventories	524,385	595,452
Income tax receivables	26,262	18,519
Other current assets	99,313	102,733
Total current assets	2,677,024	3,110,144
Non-current assets		
Property, plant and equipment	1,237,540	1,358,088
Goodwill and intangible assets	468,368	507,294
Trade receivables and other receivables	1,459	793
Investments accounted for by the equity method	23,987	27,932
Other financial assets	3,338,505	4,156,734
Net defined benefit assets	27,887	29,370
Deferred tax assets	37,992	47,445
Other non-current assets	8,421	8,051
Total non-current assets	5,144,161	6,135,710
Total assets	7,821,185	9,245,855

(Millions of yen)

	FY2023 (As of March 31, 2023)	FY2024 Third Quarter (As of December 31, 2023)
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade payables and other payables	807,474	821,596
Corporate bonds and loans	519,749	453,013
Other financial liabilities	83,749	91,260
Accrued income taxes	29,696	95,168
Provisions	41,827	31,890
Other current liabilities	34,615	47,526
Total current liabilities	1,517,112	1,540,454
Non-current liabilities		
Corporate bonds and loans	1,179,390	1,299,771
Other financial liabilities	104,404	121,445
Net defined benefit liabilities	81,422	83,771
Provisions	11,025	12,073
Deferred tax liabilities	952,960	1,221,375
Other non-current liabilities	39,467	45,770
Total non-current liabilities	2,368,671	2,784,208
Total liabilities	3,885,784	4,324,662
Equity		
Share of equity attributable to owners of the parent		
Capital stock	80,462	80,462
Capital surplus	101,245	99,577
Retained earnings	1,652,648	1,972,639
Treasury stock	(59,345)	(59,360)
Other components of shareholders' equity	2,062,404	2,725,113
Total share of equity attributable to owners of the parent	3,837,416	4,818,433
Non-controlling interests	97,985	102,759
Total equity	3,935,401	4,921,192
Total liabilities and equity	7,821,185	9,245,855

(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 Third Quarter (April 1, 2022 - December 31, 2022)	FY2024 Third Quarter (April 1, 2023 - December 31, 2023)
Net sales	2,467,565	2,827,567
Cost of sales	(1,911,056)	(2,153,825)
Gross profit	556,508	673,741
Selling, general and administrative expenses	(423,697)	(476,369)
Other income	15,147	14,312
Other expenses	(9,270)	(10,773)
Operating profit	138,688	200,911
Financial income	98,403	118,862
Financial expenses	(9,410)	(19,387)
Share of profit (loss) of investments accounted for by the equity method	2,401	1,873
Profit before income taxes	230,083	302,259
Income taxes	(57,981)	(65,217)
Profit	172,101	237,041
Profit attributable to:		
Owners of the parent	169,228	230,801
Non-controlling interests	2,872	6,240
Earnings per share		
Earnings per share – basic (yen)	545.06	743.37
Earnings per share – diluted (yen)	545.06	743.37

Condensed Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	FY2023 Third Quarter (April 1, 2022 - December 31, 2022)	FY2024 Third Quarter (April 1, 2023 - December 31, 2023)
Profit	172,101	237,041
Other comprehensive income:		
Items not to be reclassified into profit or loss		
Net changes in revaluation of FVTOCI financial assets	(413,532)	731,966
Remeasurements of defined benefit plans	1,703	(1,113)
Other comprehensive income of affiliates accounted for by the equity method	(11)	47
Total items not to be reclassified into profit or loss	(411,840)	730,900
Items that can be reclassified into profit or loss		
Translation adjustments of foreign operations	37,993	85,827
Cash flow hedges	5,831	(122)
Other comprehensive income of affiliates accounted for by the equity method	(84)	(132)
Total items that can be reclassified into profit or loss	43,739	85,572
Total other comprehensive income	(368,101)	816,473
Comprehensive income	(196,000)	1,053,515
Total comprehensive income attributable to:		
Owners of the parent	(199,376)	1,044,795
Non-controlling interests	3,376	8,719

(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	—	—	169,228	—	—	—
Other comprehensive income	—	—	—	—	(413,419)	1,700
Total comprehensive income	—	—	169,228	—	(413,419)	1,700
Repurchase of treasury stock	—	—	—	(3)	—	—
Disposal of treasury stock	—	—	—	—	—	—
Dividends	—	—	(55,886)	—	—	—
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	—	—	1,813	—	(112)	(1,700)
Other increases (decreases)	—	(627)	—	—	—	—
Total transactions with owners	—	(569)	(54,073)	(3)	(112)	(1,700)
Balance as of December 31, 2022	80,462	101,819	1,629,812	(59,342)	1,831,815	—

Balance as of April 1, 2023	80,462	101,245	1,652,648	(59,345)	1,960,101	—
Profit	—	—	230,801	—	—	—
Other comprehensive income	—	—	—	—	731,735	(1,099)
Total comprehensive income	—	—	230,801	—	731,735	(1,099)
Repurchase of treasury stock	—	—	—	(15)	—	—
Disposal of treasury stock	—	0	—	0	—	—
Dividends	—	—	(62,095)	—	—	—
Changes in ownership interest of subsidiaries	—	(4)	—	—	—	—
Changes in non-controlling interests as a result of change in scope of consolidation	—	—	—	—	—	—
Reclassified into retained earnings	—	—	151,285	—	(152,384)	1,099
Other increases (decreases)	—	(1,663)	—	—	—	—
Total transactions with owners	—	(1,667)	89,189	(14)	(152,384)	1,099
Balance as of December 31, 2023	80,462	99,577	1,972,639	(59,360)	2,539,452	—

(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	—	—	—	169,228	2,872	172,101
Other comprehensive income	37,282	5,831	(368,604)	(368,604)	503	(368,101)
Total comprehensive income	37,282	5,831	(368,604)	(199,376)	3,376	(196,000)
Repurchase of treasury stock	—	—	—	(3)	—	(3)
Disposal of treasury stock	—	—	—	—	—	—
Dividends	—	—	—	(55,886)	(2,665)	(58,551)
Changes in ownership interest of subsidiaries	—	—	—	58	(490)	(431)
Changes in non-controlling interests as a result of change in scope of consolidation	—	—	—	—	—	—
Reclassified into retained earnings	—	—	(1,813)	—	—	—
Other increases (decreases)	—	—	—	(627)	—	(627)
Total transactions with owners	—	—	(1,813)	(56,458)	(3,155)	(59,614)
Balance as of December 31, 2022	78,940	9,169	1,919,925	3,672,678	93,675	3,766,353

Balance as of April 1, 2023	96,032	6,269	2,062,404	3,837,416	97,985	3,935,401
Profit	—	—	—	230,801	6,240	237,041
Other comprehensive income	83,479	(122)	813,993	813,993	2,479	816,473
Total comprehensive income	83,479	(122)	813,993	1,044,795	8,719	1,053,515
Repurchase of treasury stock	—	—	—	(15)	—	(15)
Disposal of treasury stock	—	—	—	0	—	0
Dividends	—	—	—	(62,095)	(3,167)	(65,262)
Changes in ownership interest of subsidiaries	—	—	—	(4)	(778)	(782)
Changes in non-controlling interests as a result of change in scope of consolidation	—	—	—	—	—	—
Reclassified into retained earnings	—	—	(151,285)	—	—	—
Other increases (decreases)	—	—	—	(1,663)	—	(1,663)
Total transactions with owners	—	—	(151,285)	(63,778)	(3,945)	(67,723)
Balance as of December 31, 2023	179,512	6,147	2,725,113	4,818,433	102,759	4,921,192

(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 FY2024, Toyota Industries paid dividends of 62,095 million yen from retained earnings.

(Segment Information)

FY2023 Third Quarter (April 1, 2022 - December 31, 2022)

(Millions of yen)

	Automobile	Materials Handling Equipment	Textile Machinery	Others	Total	Adjustments	Consolidated	
Sales								
Outside customer sales	694,670	1,672,373	62,447	38,073	2,467,565	—	2,467,565	
Inter-segment sales and transfers	27,086	226	206	24,085	51,605	(51,605)	—	
Total	721,757	1,672,600	62,653	62,158	2,519,170	(51,605)	2,467,565	
Segment profit	21,333	107,005	6,356	3,785	138,480	207	138,688	
Financial income								98,403
Financial expenses								(9,410)
Share of profit (loss) of investments accounted for by the equity method								2,401
Profit before income taxes								230,083

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

FY2024 Third Quarter (April 1, 2023 - December 31, 2023)

(Millions of yen)

	Automobile	Materials Handling Equipment	Textile Machinery	Others	Total	Adjustments	Consolidated	
Sales								
Outside customer sales	831,031	1,884,188	70,471	41,875	2,827,567	—	2,827,567	
Inter-segment sales and transfers	17,838	1,298	182	24,127	43,447	(43,447)	—	
Total	848,870	1,885,486	70,654	66,003	2,871,015	(43,447)	2,827,567	
Segment profit	52,115	135,377	6,888	6,782	201,164	(253)	200,911	
Financial income								118,862
Financial expenses								(19,387)
Share of profit (loss) of investments accounted for by the equity method								1,873
Profit before income taxes								302,259

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