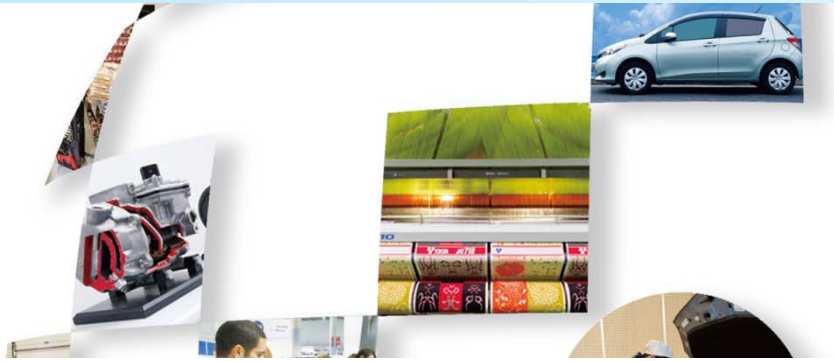


FY2018 2nd Quarter Financial Results

November 1, 2017

TOYOTA TOYOTA INDUSTRIES CORPORATION

I. Financial Summary

1. Points of financial results

2. Financial results for FY2018 2Q

3. Financial forecast for FY2018

Points of Financial Results for FY2018 2Q

1. Net sales and profits increased against previous year thanks to increase of unit sales, consolidation of Bastian and Vanderlande, and positive impact of yen depreciation.

2. Interim dividends is increased to ¥70 per share, ¥10 increase compared with previous year.

3. Full year forecast is raised in consideration of increase of unit sales of materials handling equipment and engines, as well as positive impact of exchange rate fluctuations.

Performance <FY2018 2Q>

(Billion yen)

	FY2017 (IFRS)	**FY2018 (IFRS)**	Change	
Net sales	804.4	**937.9**	133.5	16.6%
Operating profit	60.9	**77.0**	16.1	26.3%
Profit before income taxes	87.6	**110.3**	22.7	25.9%
Profit attributable to owners of the parent	64.6	**80.8**	16.2	25.0%
Earnings per share	¥206.10	**¥260.49**	¥54.39	-
Dividends per share	¥60	**¥70**	¥10	-
¥/US$	¥105	**¥111**	¥6	-
¥/Euro	¥118	**¥126**	¥8	-

- Both net sales and profits increased thanks to increase of unit sales in present businesses, consolidation of Bastian and Vanderlande, and positive impact of exchange rate fluctuations.
- Interim dividends is increased by ¥10 compared with previous year.

Segment Information <FY2018 2Q>

Net sales [Operating profit] (Billion yen)

	FY2017 (IFRS)	**FY2018 (IFRS)**	Change	
Vehicle	34.7	**35.3**	0.6	1.7%
Engine	45.2	**46.8**	1.6	3.7%
Car air-conditioning compressor	164.9	**170.4**	5.5	3.4%
Electronics parts, foundry and others	29.8	**34.3**	4.5	15.0%
Automobile	274.7 [12.3]	**287.0 [19.4]**	12.3 [7.1]	4.5%
Materials handling equipment	472.2 [42.4]	**591.7 [51.2]**	119.5 [8.8]	25.3%
Textile machinery	28.5 [2.6]	**30.0 [3.3]**	1.5 [0.7]	5.1%
Others	28.8 [3.5]	**29.0 [2.8]**	0.2 [(0.7)]	1.0%
Total	804.4 [60.9]	**937.9 [77.0]**	133.5 [16.1]	16.6%

Unit sales

(Thousand units)

	FY2017	FY2018	Change
RAV4	100	101	1
Vitz (Yaris)	44	47	3
Vehicle	144	148	4
Diesel	149	157	8
Gasoline	93	112	19
Engine	242	269	27
Car air-conditioning compressor	16,270	16,350	80
Materials handling equipment	120	123	3
Air-jet loom	2.6	2.1	(0.5)

Vehicle :Increase of unit sales of both RAV4 and Vitz (Yaris) contributed to increase of net sales.

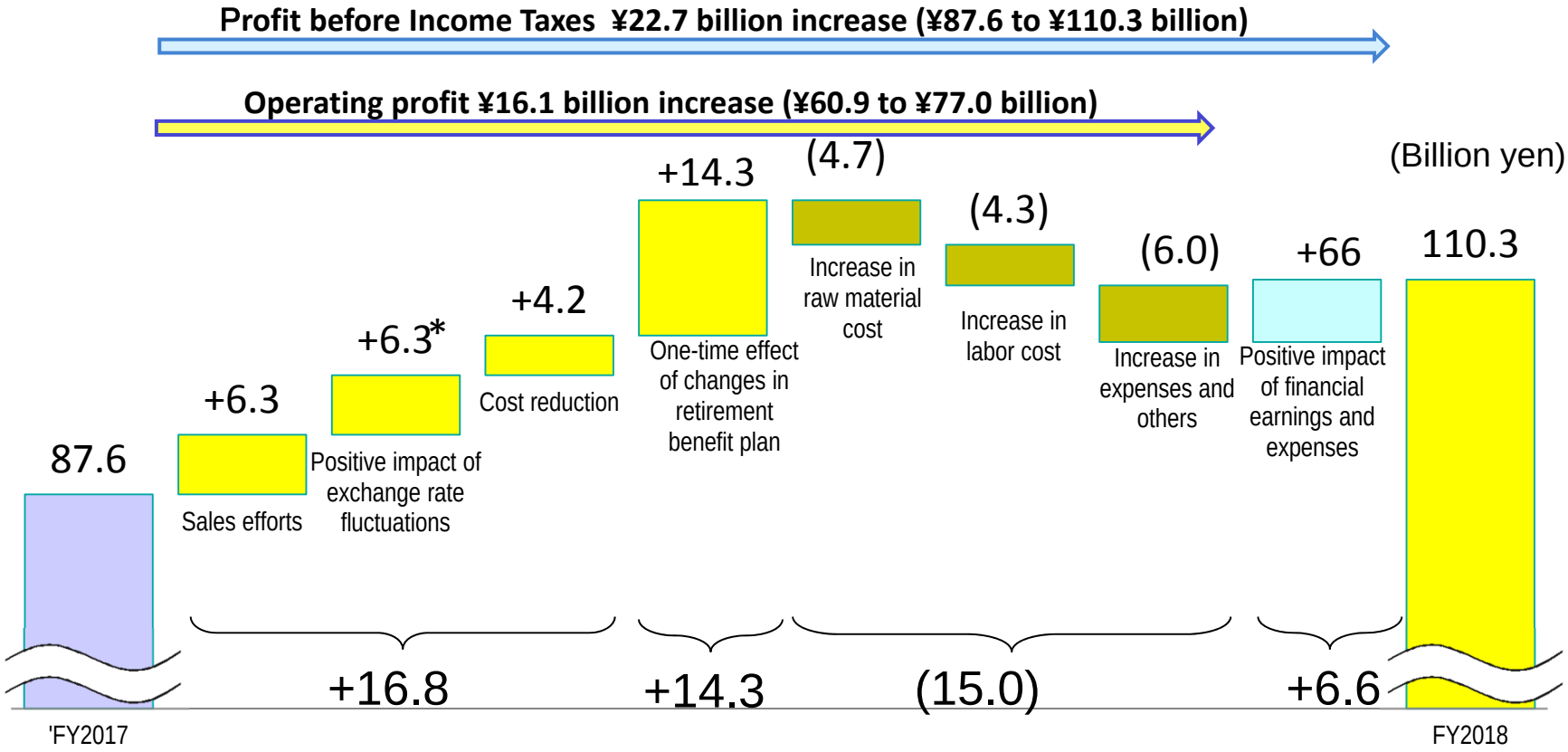
Engine :Net sales increased by unit sales increase of GD diesel engines and AR gasoline engines.

Car air-conditioning compressor :Increase of unit sales as well as positive impact of exchange rate fluctuations contributed to increase of net sales.

Materials handling equipment :Net sales increased mainly by unit sales increases in Europe and Japan, and consolidation of Bastian and Vanderlande.

Changes in Profit before Income Taxes and Operating Profit

Year-on-year comparison (FY2017 2Q and FY2018 2Q)



- Unit sales increase of each business, positive impact of exchange rate fluctuations as well as one-time effect of changes in retirement benefit plan contributed to profit increases.
- Increases in raw material cost and labor cost led profit decreases.

* Includes ¥1.5 billion exchange conversion gain on operating profit outside Japan.

Performance <FY2018 2Q>

(Billion yen)

	FY2017 (IFRS)	**FY2018 (IFRS)**	Change	
Investments in tangible assets	31.3	**46.9**	15.6	49.7%
Depreciation	36.5	**37.5**	1.0	2.7%

- Investments in tangible assets in the Automobile segment increased, mainly for the vehicle and car air-conditioning compressor businesses.

Performance <FY2018 2Q>

(Billion yen)

	As of March 31, 2017	**As of September 31, 2017**	Change	
Total assets	4,558.2	**5,100.9**	542.7	11.9%
Total equity	2,316.4	**2,572.8**	256.4	11.1%
Ratio of share of equity attributable to owners of the parent	49.1%	**48.9%**	-	-
Consolidated subsidiaries	207	**252**	45	-

*Total assets and total equity increased due to an increase in market value of investment securities.

Performance <FY2018 Forecast>

(Billion yen)

	FY2017 (IFRS)	**FY2018 (IFRS)**	Change		Previous Forecast
Net sales	1,675.1	**1,950.0**	274.9	16.4%	1,850.0
Operating profit	127.3	**145.0**	17.7	13.9%	135.0
Profit before income taxes	181.9	**204.0**	22.1	12.1%	188.0
Profit attributable to owners of the present	131.3	**142.0**	10.7	8.1%	130.0
Earnings per share	¥420.78	**¥457.34**	¥36.56	-	¥418.69
Cash dividends per share	¥125	**¥140**	¥15	-	¥130
¥/US$	¥108	**¥111**	¥3	-	¥105
¥/Euro	¥119	**¥126**	¥7	-	¥115

Segment Information <FY2018 Forecast>

(Billion yen)

Net sales [Operating profit]

	FY2017 (IFRS)	**FY2018 (IFRS)**	Change		Previous Forecast
Vehicle	73.1	**72.0**	(1.1)	(1.6%)	72.0
Engine	90.0	**99.0**	9.0	9.9%	94.0
Car air-conditioning compressor	334.7	**349.0**	14.3	4.3%	347.0
Electronics parts, foundry and others	64.7	**67.0**	2.3	3.5%	67.0
Automobile	562.6 [24.9]	**587.0**	24.4	4.3%	580.0
Materials handling equipment	988.1 [89.4]	**1,246.0**	257.9	26.1%	1.156.0
Textile machinery	66.2 [6.8]	**59.0**	(7.2)	(11.0%)	56.0
Others	58.0 [6.0]	**58.0**	0.0	(0.1%)	58.0
Total	1,675.1 [127.3]	**1,950.0 [145.0]**	(274.9) [17.7]	16.4%	1,850.0 [135.0]

Segment Information <FY2018 Forecast>

Unit sales

(Thousand units)

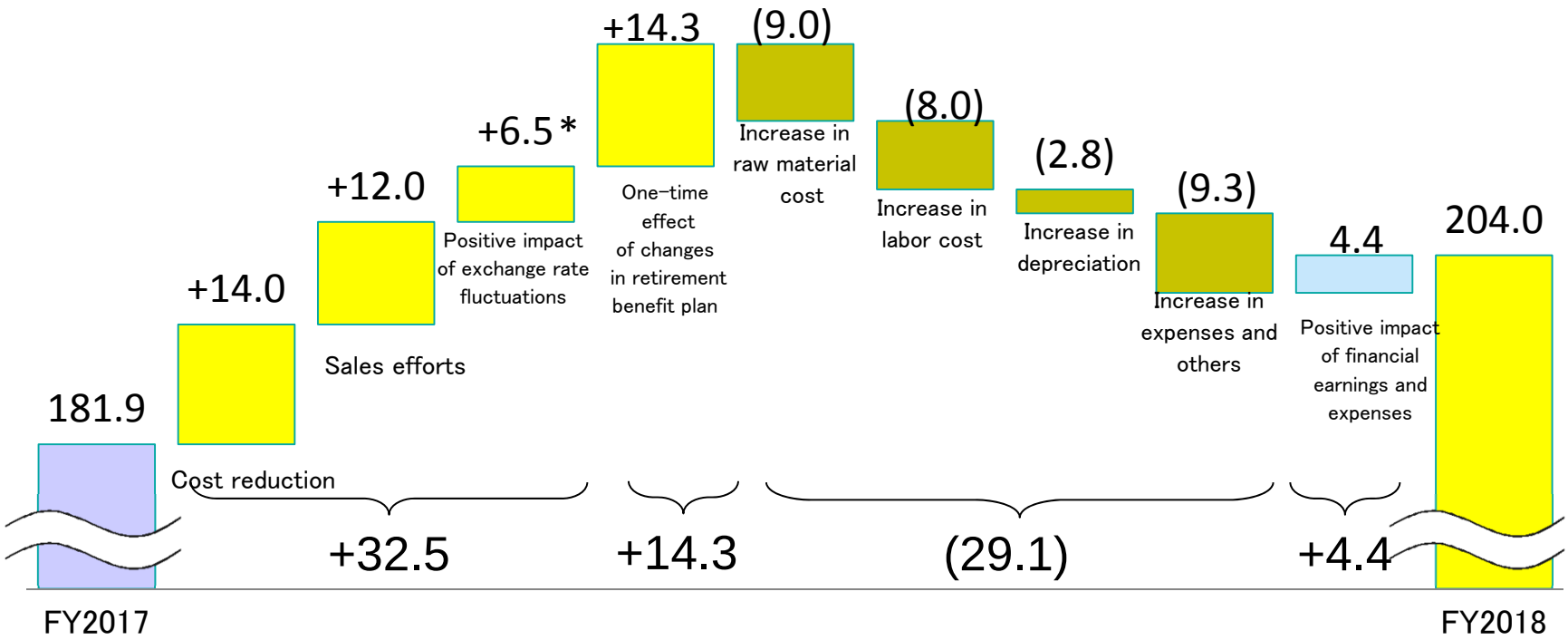
	FY2017	FY2018	Change	Previous Forecast
RAV4	206	205	(1)	205
Vitz (Yaris)	101	95	(6)	95
Vehicle	307	300	(7)	300
Diesel	294	324	30	281
Gasoline	207	246	39	249
Engine	501	570	69	530
Car air-conditioning compressor	32,550	33,500	950	33,500
Materials handling equipment	253	265	12	255
Air-jet loom	6.9	5.5	(1.4)	5.0

Changes in Profit before Income Taxes and Operating Profit

Year-on-year comparison (FY2017 full year and FY2018 full year forecast)

Profit before Income Taxes ¥22.1 billion increase (¥181.9 to ¥204.0 billion)

Operating profit ¥17.7 billion increase (¥127.3 to ¥145.0 billion)



- Profit increase expected by cost reduction, sales efforts and others, as well as one-time effect of changes in retirement benefit plan.
- Increases in raw material cost and labor cost are expected to negatively affect profits.

* Includes ¥1.3 billion exchange conversion gain on operating profit outside Japan.

Performance <FY2018 Forecast>

(Billion yen)

	FY2017 (IFRS)	**FY2018 (IFRS)**	Change	
Investments in tangible assets	77.3	**120.0**	42.7	55.2%
Depreciation	73.2	**76.0**	2.8	3.8%

II Our Business Initiatives toward Medium Term Growth

Materials Handling Equipment

Car air-conditioning Compressor

1. Lift truck sales situation

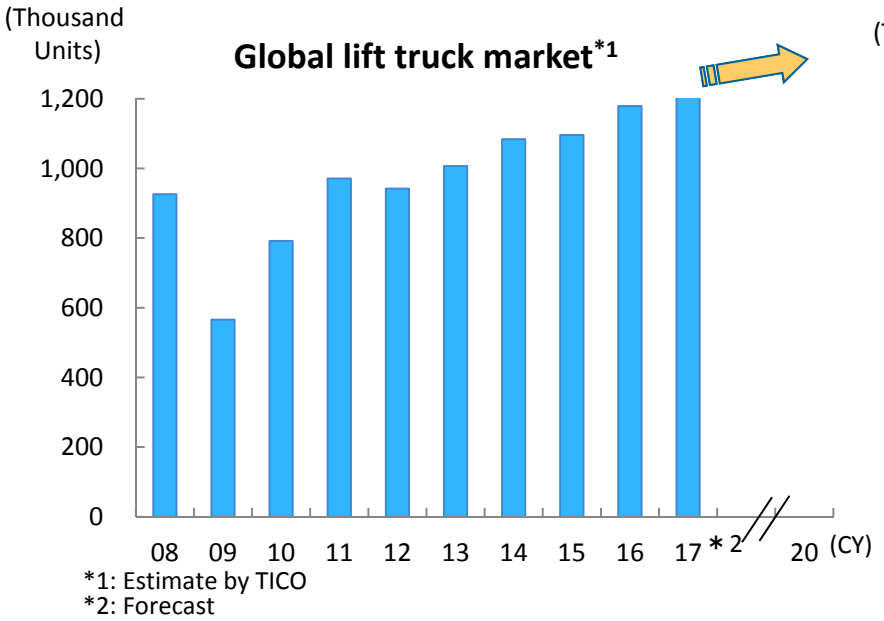
2. Our initiatives toward mid-term business growth

- Lift truck business

- Logistics solutions business

Materials Handling Equipment

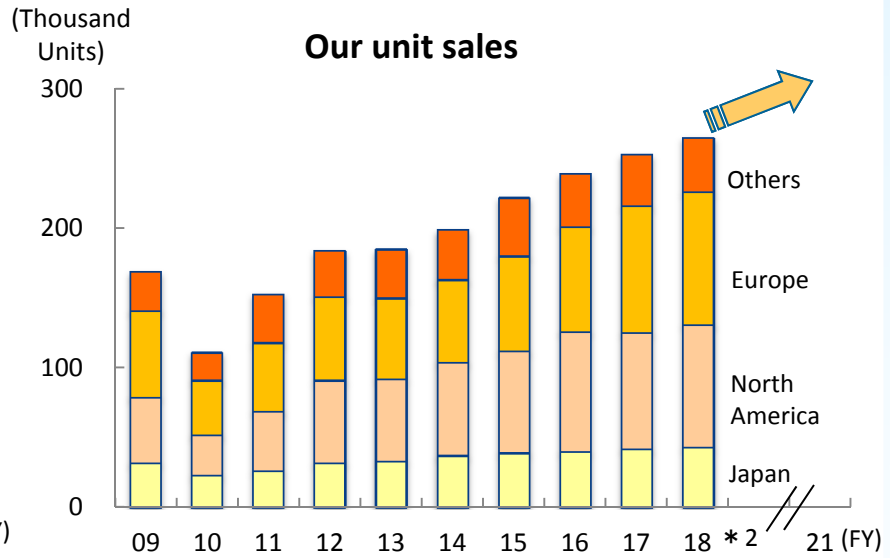
1. Lift truck sales situation



*1: Estimate by TICO
*2: Forecast

Market is stable and continuous growth is expected

- World economy continues stable overall although the future is uncertain
- Logistics volume increases globally due to new demand including growth of e-commerce market
- Chinese-made and other low-priced products are increasing



Promote sales expansion leveraging our product appeals in addition to well-structured sales and after sales services network

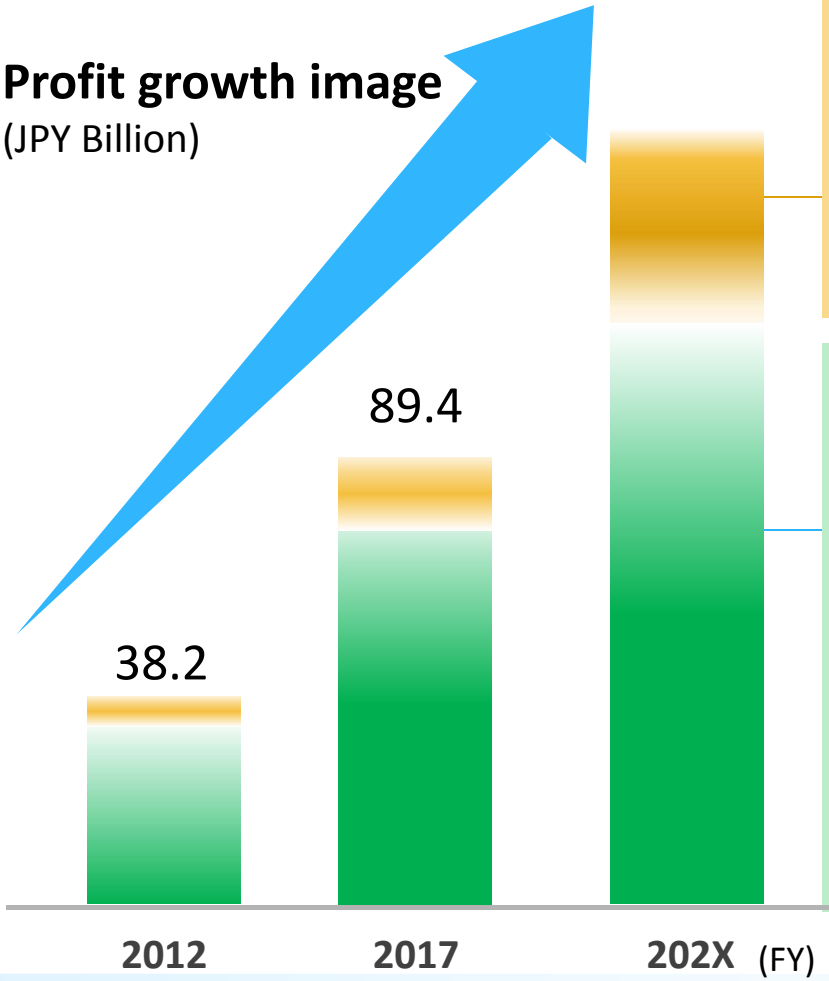
- Development of high-quality broad lines of products that meet customers' various needs
- Strengthen value chain including after sales services and sales finance
- Proposal of suitable logistics solutions

Materials Handling Equipment

2. Our initiatives toward mid-term business growth

Aim for further growth of overall Materials Handling Equipment business; lift truck business adding to logistics solutions business

Profit growth image
(JPY Billion)



[Logistics solutions business]

- Get business opportunities by cooperation of acquired Vanderlande and Bastian
- Aim for synergy generation in each area such as development and sales

[Lift truck business]

- Sales expansion by differentiation of products and services
- Meticulous after sales services
- Expansion of sales finance business
- Increase of in-house produced key components
- Thorough cost reduction
- Increase of local procurement ratio

and others

Materials Handling Equipment

2. Our initiatives toward mid-term business growth

Growth leveraging strengths of lift truck business

- **Sales of full line of materials handling equipment and logistics systems including overwhelming world No. 1 lift trucks**
- **Superior global network of after sales services and experienced technicians with expertise**

- **Solid customers base including global large customers**
- **Sales finance to support customers for overall lifecycle of products**
- **Production of such key components as motors and controllers**

Materials Handling Equipment

2. Our initiatives toward mid-term business growth

Pursue effect of enhanced value chain

Sales finance	- Utilizing strengthened in-house capability at the global stage, **provide supports to sales division as well as enhance sales finance programs** 
After sales services	- Provide meticulous services though **sales and after sales services network which we have increased numbers of direct channels** - **More efficient service operation** by **integrating telematics systems** among each region - Further improve service capability at each region through such efforts as service skills contest 
Components	- Strengthen product appeals by promoting **in-house development and production of engines, motors and other components** - **Generation of technological synergies** with Cascade such as integration of their forks with sensors and our telematics - Development of **hybrid unit for construction machinery**, which is mounted on hybrid excavator of Hitachi Construction Machinery launched in September ‘17  

Materials Handling Equipment

2. Our initiatives toward mid-term business growth

Case example of outcomes of enhanced value chain

[Sales Finance]

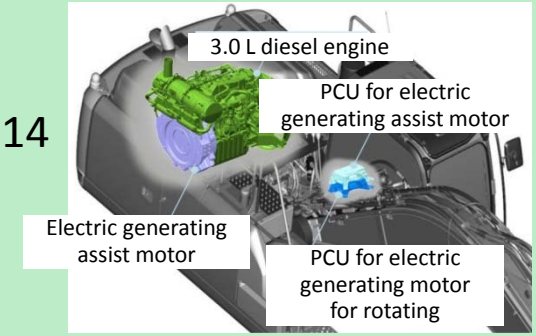
- **Increase of service revenues** by maintenance lease contracts
- **Increase of deal entry** by cooperating with sales division
- **Better sales capability** by providing sales finance programs to independent dealers
- **Promotion of used trucks business** in response to increase of trucks expiring lease period

[Components]

[Developed our first hybrid unit for construction machinery]

Mounted on the hybrid hydraulic excavator of Hitachi Construction Machinery Co., Ltd., launched in September 2017

- **World first** to meet Act on Regulation, Etc. of Emissions from Non-road Special Motor Vehicles 2014 as 74kW class **without usage of urea**
- **Dramatically easier maintenance** thanks to getting rid of necessity to maintain and refill urea water
- **Realized lower fuel consumption** by combination with newly developed high-power thin motor



Hybrid unit
Newly developed motor integrated hybrid engine, and PCU

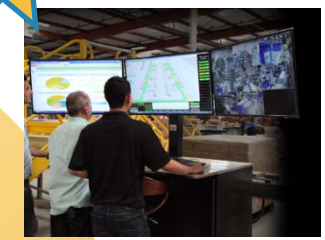
Materials Handling Equipment

2. Our initiatives toward mid-term business growth

Further growth leveraging strengths of logistics solutions

- **Proposals of the most suitable logistics solutions to customers**
- **Broad lineup of materials handling systems including automated storage and retrieval system, sorters and conveyors**

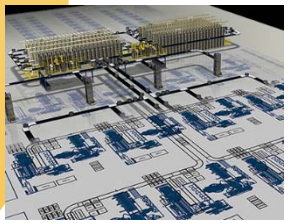
Shuttle type automated storage



Logistics management system

VANDERLANDE

Bastian SOLUTIONS



Designing distribution center

Automated baggage storage for hub airport

TOYOTA

Automated storage and retrieval system

Materials Handling Equipment

2. Our initiatives toward mid-term business growth

Background of increase of needs for logistics solutions

Global increase of air travelers

- Increase of air flights
- Increase of baggage
- Expansion of existing airports, Construction of large airports

Growth of e-commerce market

- Better convenience
- Smaller package
- Increase of large distribution centers and growth in size
- Increase of logistics volume
- Process of wide variety of goods in small quantities
- Frequent dispatch and delivery

Rising labor costs

- Labor shortage centered on developed countries
- Low birthrate and an aging population
- Better living standard

Needs for value-added logistics solutions are growing

- Faster process of goods and baggage
- Response to large distribution centers and airports
- Pursuing to automation and efficiency

Materials Handling Equipment

2. Our initiatives toward mid-term business growth

Case example of order in Japan, WORLD CO., LTD.

[Needs]

Reduction of inventory and cost by integrating previous six distribution centers into one

[Outline of the new distribution center]

WORLD Minami-Funabashi Lower Price Range Distribution Center in Chiba Prefecture

(started its operation in December 2016)

[Scope of the order and our actions]

Materials Handling Equipment | Logistics Systems Equipment | Software | Operation inside the distribution center

Offer one-stop solution including products and services to the customer

Respond meticulously to the customer's issues

Construct a platform that integrates such information as sales and inventory, and utilize for another business opportunities

Materials Handling Equipment

2. Our initiatives toward mid-term business growth

Initiated activities aiming growth globally through alliance between TICO, Vanderlande and Bastian

Held “Global Alliance Meeting” attended by managements of each company in June 2016 at Vanderlande headquarter to discuss about:

(1) Accelerate understanding strengths of each company

(2) Share policies, strategies and issues of logistics solutions business

(3) Consider steps of future actions and others

Vanderlande Headquarter

Alliance Meeting attended by managements of each company

Established subcommittee meetings named “work stream” by regional and functional objectives to discuss further about:

- Actions and policies to work together leveraging strengths of each company
- Specific actions and priority

Materials Handling Equipment

2. Our initiatives toward mid-term business growth

Enhance logistics solutions business at each region leveraging respective strengths of each company

[Strengths of each company]

VANDERLANDE	TOYOTA	Bastian SOLUTIONS
•Global network •World No.1 market share in baggage handling business for airports •Broad lineup of materials handling systems •Capability for large-scale projects •Industries' global leading companies are major customers	•Global network •Lineup of both lift truck which attains world No. 1 market share as well as materials handling systems •Vast customers base of various industries and size •Improvement (*kaizen*) knowhow accumulated through manufacturing	•Industry leading software development capability •Superior logistics systems integration •Meticulous response to customers' needs

<Europe> Aim to increase market share by alliance of Vanderlande, industries leading company, and Toyota Industries, doing business with customers of variety of industries

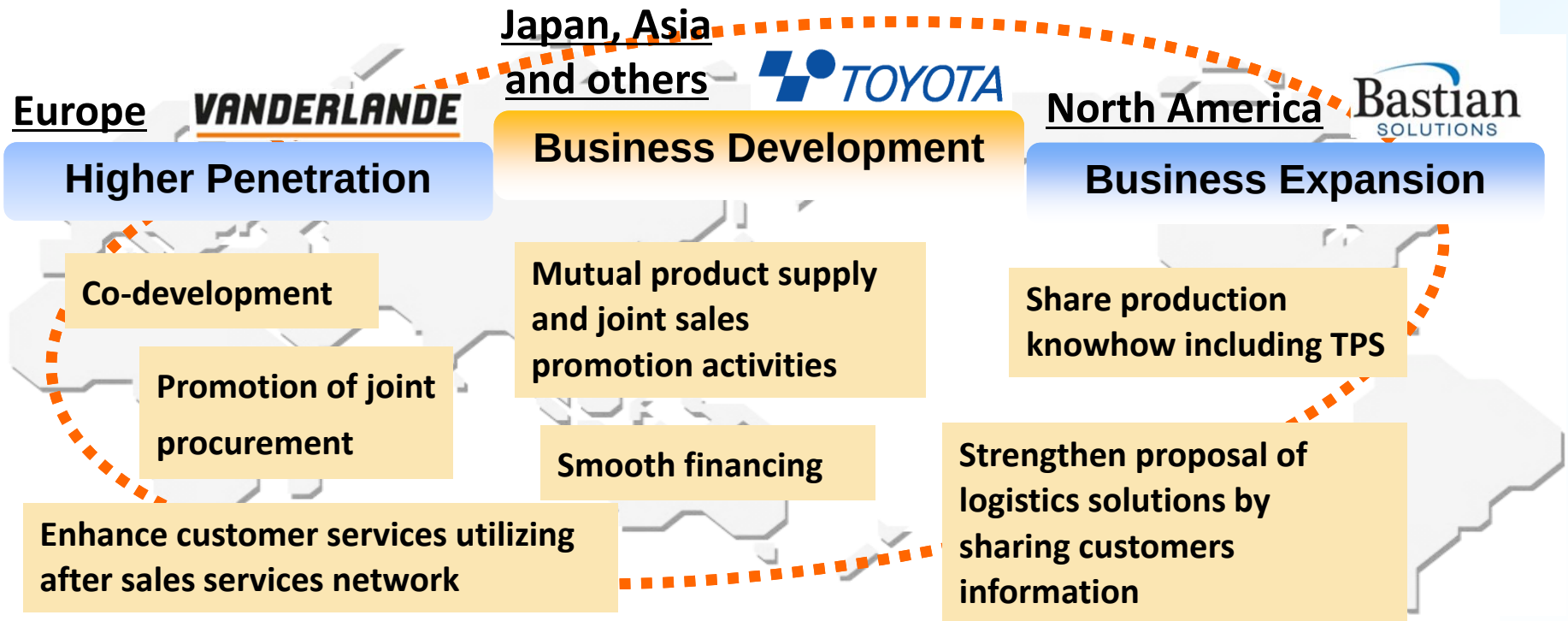
<North America> Plan to capture business in the growing market by alliance of Bastian and Vanderlande

<Japan, Asia and others> Accelerate market development and proposal of logistics solutions by leveraging broad product lineup of Toyota Industries and Vanderlande's knowhow

Materials Handling Equipment

2. Our initiatives toward mid-term business growth

Expand and enhance logistics solutions business globally with synergy effects of lift trucks and logistics solutions



Pursue new synergy effects of lift truck business and logistics solutions business

II Our Business Initiatives toward Medium Term Growth

Materials Handling Equipment

Car air-conditioning Compressor

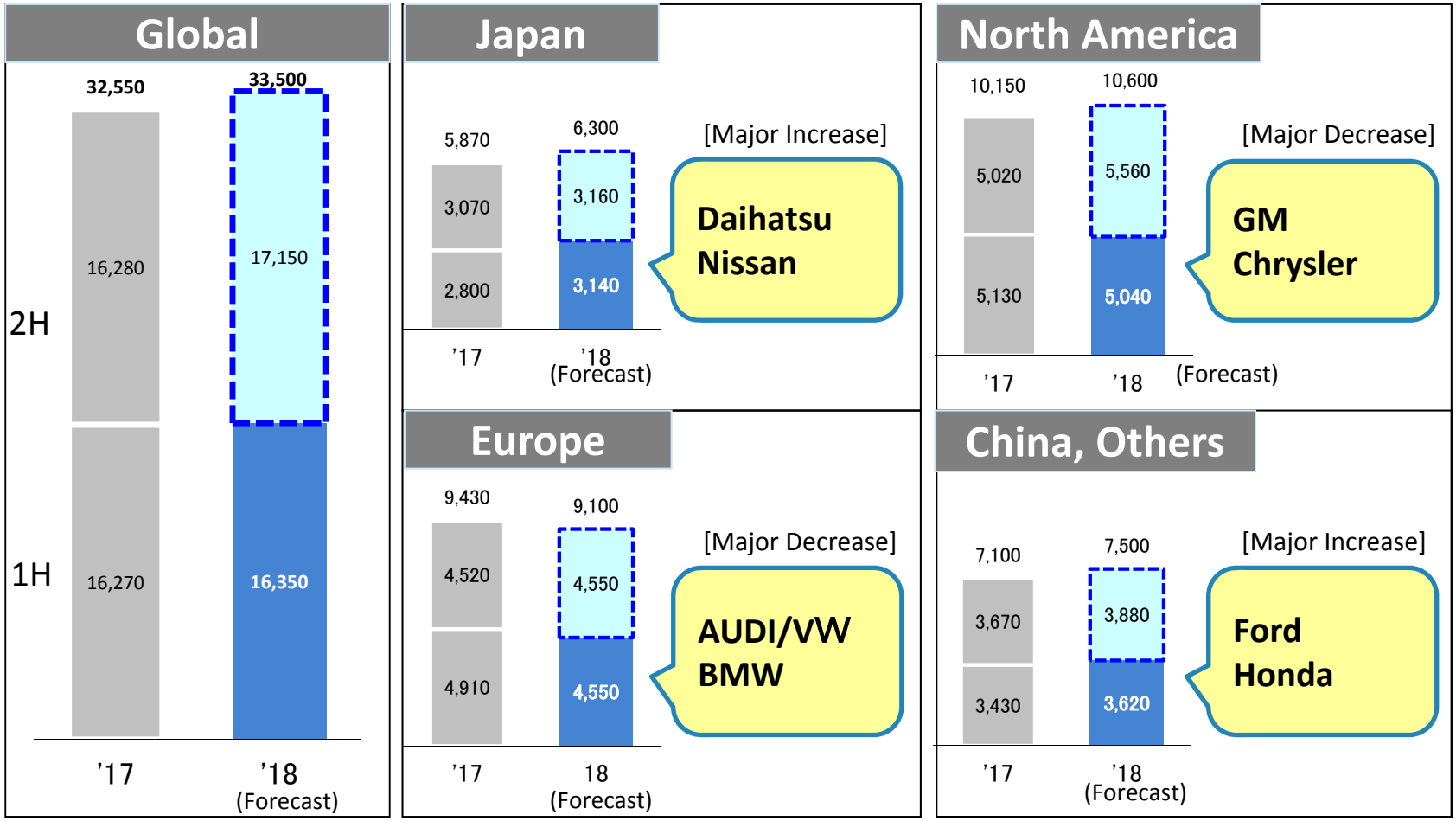
1. Our compressor sales and forecast
2. Outlook of mid-term business growth
3. Initiatives to increase profitability
4. Demand of compressor by type and our actions
5. Features required to compressors for electric vehicles
6. Approaches to needs for electric compressors
7. Case example of our initiatives for development and production of electric compressors
8. Our new electric compressor has been installed on Toyota Motor's New Prius PHV

Car air-conditioning Compressor

1. Our compressor sales and forecast

While the global automobile sales grows at a sluggish pace, Toyota Industries foresees sales expansion in Japan, North America, China and Others regions backed by previous growth of orders, however expects decrease in Europe.

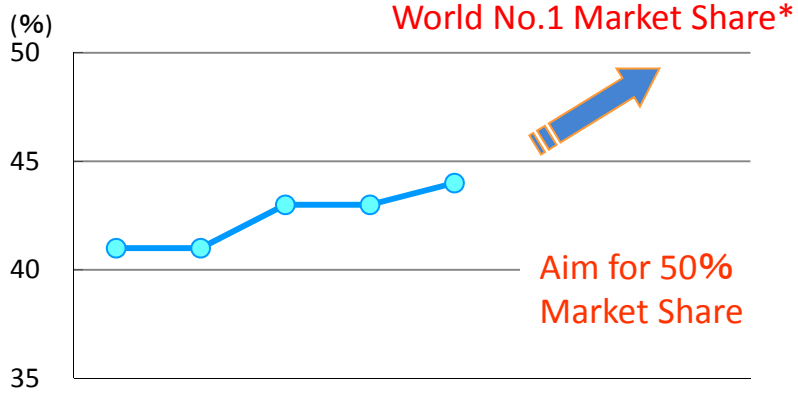
(Thousand Units)



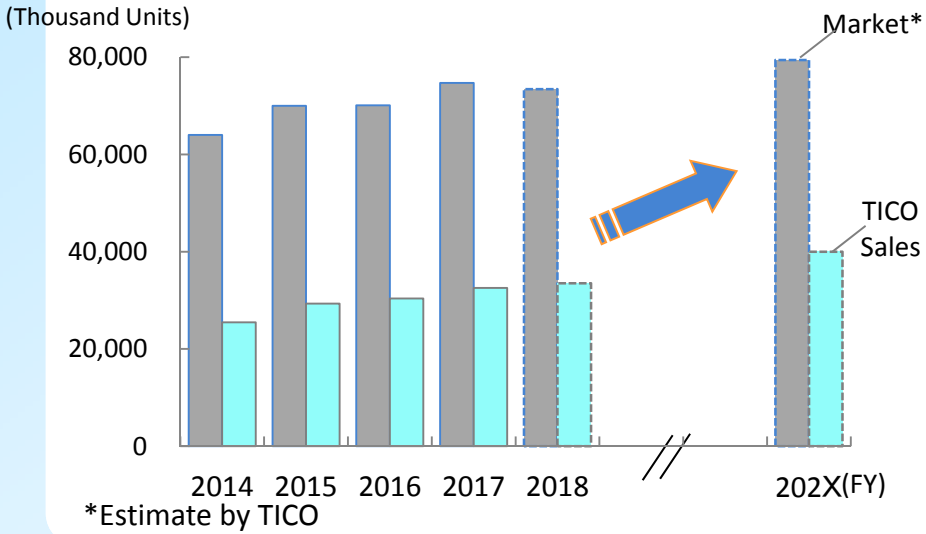
Car air-conditioning Compressor

2. Outlook of mid-term business growth

TICO Market Share



Compressor Market and TICO Sales Unit



*Estimate by TICO

Our Strengths

- Vast range of product lineups
- Product development capability anticipating customers' needs
- Stable manufacturing and supply structures ensuring quality at mass production stage

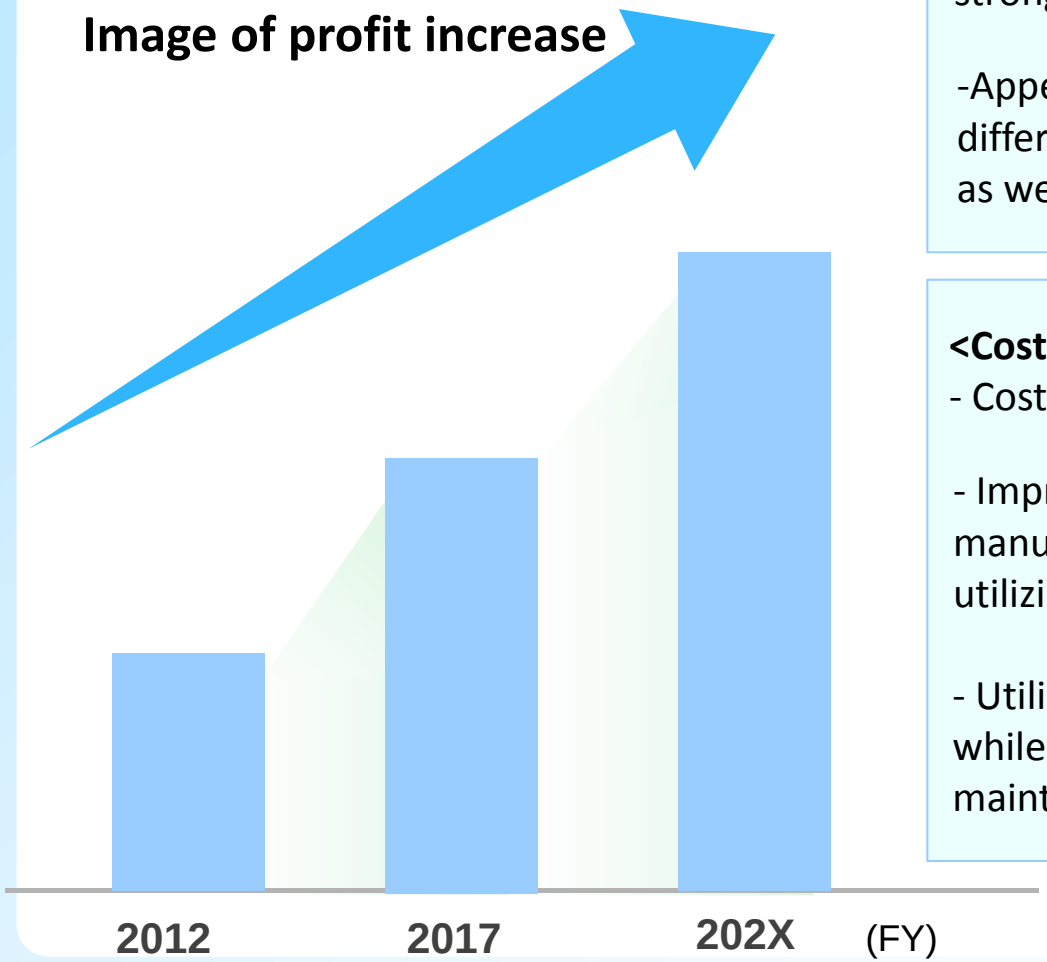
Business Strategy Leveraging our Strengths

- Respond to diverse customers' needs meticulously by leveraging vast range of product lineups and superior development capability
- Further increase quality and productivity at the manufacturing sites outside Japan by sharing strengths of mother plants in Japan
- Increase profitability backed by our comprehensive strengths including product development and manufacturing capabilities as well as superior proposals to car manufacturers

Car air-conditioning Compressor

3. Initiatives to increase profitability

Image of profit increase



<Sales increase>
- Sales expansion activities leveraging our strong product appeals

-Appeal of our product value by differentiation with development capability as well as quality

<Cost reduction>
- Cost reduction activities

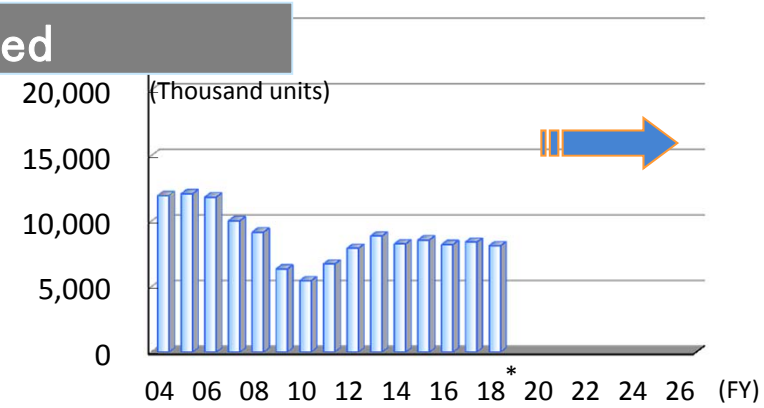
- Improvement of productivity at manufacturing operations outside Japan utilizing knowhow of mother plant in Japan

- Utilize IoT to minimize quality fluctuations while aim for thorough preventing maintenance

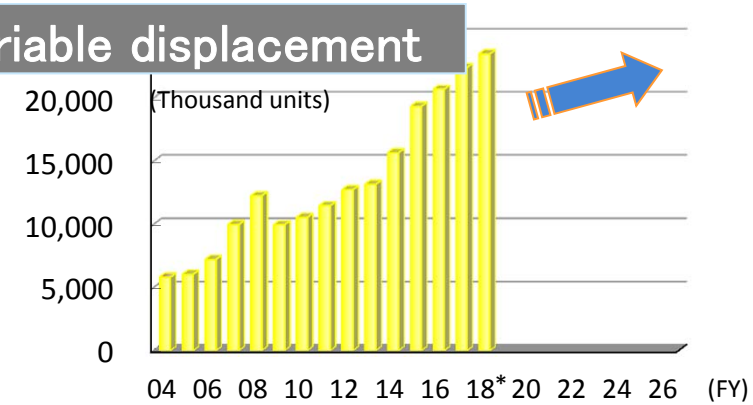
Car air-conditioning Compressor

4. Demand of compressor by type and our actions

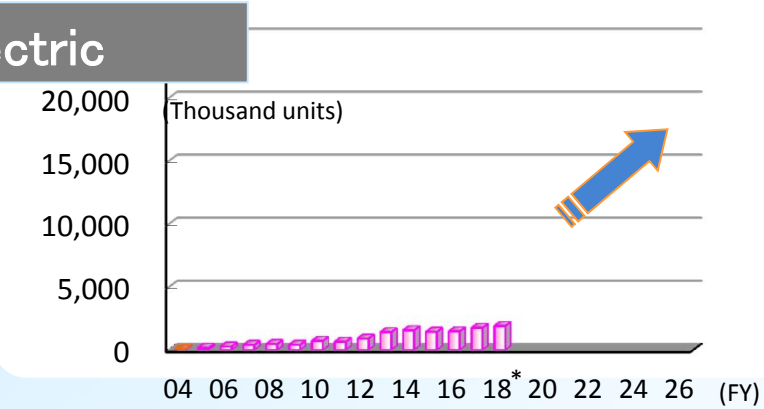
Fixed



Variable displacement



Electric



*: FY18 is forecast

Demand	Our actions
While shift to variable displacement type is expected, stable demand continues backed by demand increase centered on emerging countries	Develop highly reliable and competitively priced products through various actions including deep communications with car manufacturers
Variable displacement type continues to be mainstay of our compressors due to more stringent fuel efficiency of internal combustion vehicles	Achieve further improvement of fuel efficient capability with our unique technologies, while continue to aim for high quality in manufacturing throughout the world
Demand expansion is expected to accelerate for mid- to long-term backed by increasing EVs including HVs and PHVs	Assure to acquire business for EVs leveraging our product development capability utilizing both mechatronics and electronics technologies as well as stable production capability

Car air-conditioning Compressor

5. Features required to compressors for electric vehicles

Compressor operates with attached motor as power from engine is not supplied when an electric vehicle, including EV, PHV and HV, runs in EV mode or its engine stops during an idling stop system works.

Challenges	**Decrease driving distance when AC runs**	**Drivers tend to annoy noise and vibration of compressor during EV mode**	**Volume and weight increase as various electronics parts and components are needed**
Required features	**High efficiency of electricity consumption**	**Low noise Low vibration**	**Small Light-weighted Easy-to-mount**

Car air-conditioning Compressor

6. Approaches to needs for electric compressors

Needs of car manufacturers become more and more advanced and complex

We meet such needs leveraging our accumulated development capability and stable production

2016
First to have gas injection function for mass production vehicle
Able to heat without starting engine even at temperature below zero
ESBG27 (Prius PHV)

2015
30% better cooling performance
8% reduction of electricity consumption
ESB20 (Toyota 4th generation Prius)

2012
Easier to mount due to change of inverter position
10% better fuel efficiency and lighter weight respectively
ESA27 (Mainly for European vehicles)

2009
Further smaller and lighter weight, along with better productivity
ES14 (Toyota 3rd generation Prius)

2005
Smaller and lighter weight thanks to integration of inverter and compressor
ES27 (Lexus 450h)

2003
World first mass production model
ES18 (Toyota 2nd generation Prius)

1997
World first product for electric vehicle
ES25 (RAV4 EV)


ESBG27


ESB20


ES14


ES27


ES18

Car air-conditioning Compressor

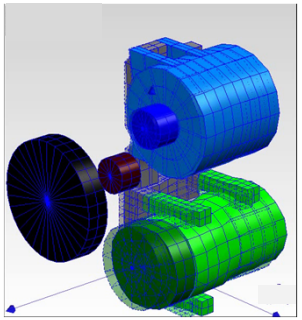
7. Case example of our initiatives for development of electric compressors

- Pursue higher efficiency by in-house development and production of key components including motors and inverters.
- Even higher level of quietness and low vibration those are more important for EVs (Case 1)
- Conduct thorough development and experiment through such efforts as in-house experimental installation recreating an environment close to the actual vehicle-fitted condition (Case 2)
- Promptly share information acquired through business with broad numbers of car manufacturers with development division

<Case 1>

Further progress of quietness and low vibration

- Achieved extremely high level compared with compressors for internal combustion vehicles by utilizing **knowhow accumulated through businesses with various car manufacturers worldwide**.



- Utilize accumulated knowhow of **simulation, experiment and evaluation** and realize **compatibility with vehicles promptly.**

<Case 2>

Thorough experiment under such environment close to the actual vehicle-fitted condition

- Through close communication with car manufacturers, provide **thorough countermeasures** to such matters including **radio wave interference that is particular to electric type** by conducting **experiment using vehicles**.

- **Achieve high level of performance as vehicle-fitted component** by conducting severe experiment and evaluation such as heat resistance, vibration proof and long-run operation.

Car air-conditioning Compressor

7. Case example of our initiatives for production of electric compressors

- Enhance proprietary production engineering capability through in-house made facility (Case 1)
- High quality and flexible production by compact production lines in clean rooms (Case 2)
- Further promotion preciseness and automation of production lines

<Case 1>

Distinction utilizing production engineering capability

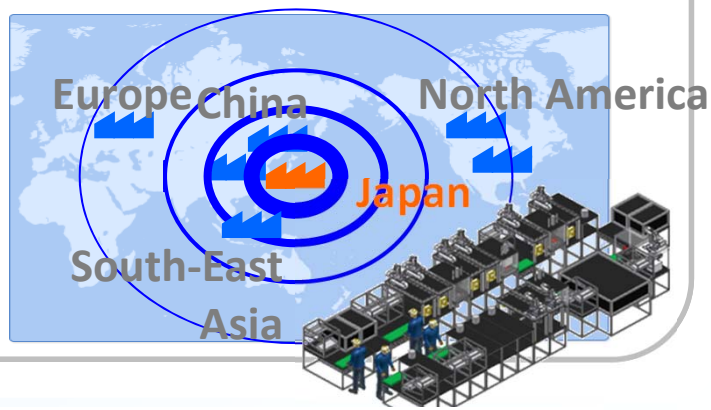
- Stable mass production of complex structured electric type **leveraging precise machining and assembly technologies accumulated through production of engine-driven types**.

- **Internally develop facilities of main processes and important inspection processes** to assure high quality and keep our technologies in a “black box”.

<Case 2>

Utilize compact production lines in clean rooms

- Pursue to develop **production lines those are capable of high quality and flexible for volume fluctuations** at the mother plant in Japan to prepare for the future plan to manufacture electric type along with its increasing popularity.



Car air-conditioning Compressor

8. Our new electric compressor has been installed on Toyota Motor's New Prius PHV

Development anticipating needs of car manufacturers and our proprietary mass production technologies

World first electric compressor with gas injection function

ESBG27

New Prius PHV

Product features

(1) **Extended EV driving range**
Enables heating by car air-conditioner without operating engine in outdoor air temperature at ten degrees under zero

(2) **Better heating performance**
Achieved approximately 30% improvement of heating performance in cold temperature, keeping existing cooling performance

(3) **Comfort vehicle interior**
Considerably better quietness

- Realized efficient production preparation by integrating assembly process of new functional parts as well as by adding inspection process into an existing electric compressor production line.
- Reduction of quality issues through simplified production processes.
- Established a line enabling efficient work without increasing numbers of operators although the number of parts and components were increased.

Leveraging technologies and knowhow accumulated through development and manufacturing of on-board parts and components, we continue to surely contribute to car manufacturers' needs.

Car air-conditioning Compressor

Toyota Industries participates the Tokyo Motor Show exhibiting compressors

Theme “Welcome to our Global Vision!”

Concept model of electric compressor that Toyota Industries will proceed development targeting 2025

Aim to reduce volume and weight by half compared with current model

Major exhibits

- Our compressor technologies contributing electrification of vehicles and environment actions

- Broad product lineup

- Concept model for the future

Cautionary Statement with Respect to Forward-Looking Statements

This presentation contains projections of business results as well as statements regarding business plans, forecasts, strategies, and other forward-looking statements that are not to be taken as historical fact. Projections and forward-looking statements are based on the current expectations and estimates of Toyota Industries and its Group companies. 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. You should also be aware that certain risks and uncertainties could cause the actual results of Toyota Industries and its Group companies to differ materially from any projections or forward-looking statements appearing in this report. These risks and uncertainties include, but are not limited to, the following: 1) economic trends, 2) various competitive pressures,

3) changes in relevant laws and regulations, and 4) fluctuations in exchange rates.