

# FINANCIAL SUMMARY

FY2004

(April 1, 2003 through March 31, 2004)

**TOYOTA INDUSTRIES CORPORATION**

English translation from the original Japanese-language document

## Cautionary Statement with Respect to Forward-Looking Statements

*This Financial summary contains projections and other forward-looking statements that involve risks and uncertainties. Our uses 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 summary 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 summary. These risks and uncertainties include, but are not limited to, the following:*

- i) Domestic and overseas economic conditions, particularly levels of consumer spending, demand for our products and private sector capital expenditure*
- ii) Adverse changes in laws and regulations, such as trade restrictions and tariffs, or stricter safety or emissions regulations, resulting in higher costs and/or sales restrictions*
- iii) Currency exchange rate fluctuations, notably involving yen, U.S. dollars, Asian currencies and the euro — the currencies in which Toyota Industries Corporation and its Group companies have holdings and use to conduct their international business*
- iv) Fluctuations in market prices of securities in which Toyota Industries Corporation and its Group companies have substantial holdings*
- v) The ability of Toyota Industries Corporation and its Group companies to maintain their strength in many product development and geographical areas, through such means as new product development and launches in highly competitive markets characterized by continual new product introductions, rapid technological advances and fluctuations in demand*
- vi) Effects of natural disasters, terrorist activities, war or political instability in the markets Toyota Industries Corporation and its Group companies serve*
- vii) Factors such as greater price competition in Asia, North America and Europe resulting from industry overcapacity or other factors; higher fuel prices or shortages of fuel; labor or other constraints on the ability of Toyota Industries Corporation and its Group companies to restructure their business; work stoppages at their facilities or those of key suppliers; and the discovery of defects in their products resulting in delays in new product launches, recall campaigns, increased warranty costs or litigation.*
- viii) Political, economic and social conditions in Japan, the United States and elsewhere, including the relevant governments’ specific policies with respect to economic growth, inflation, taxation, currency convertibility, imports and sources of supplies, and the availability of credit, particularly to the extent such current or future conditions and policies affect the automobile, materials handling equipment, textile machinery, and electronics industries and markets in Japan, the United States, and elsewhere.*

# Consolidated Financial Results for FY2004 (April 1, 2003 - March 31, 2004)

## TOYOTA INDUSTRIES CORPORATION

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

Head office: 2-1, Toyoda-cho, Kariya-shi, Aichi-ken, 448-8671, Japan

Representative person : Tadashi Ishikawa, President

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

Date of the meeting of the Board of Directors for FY2004 consolidated financial results: April 27, 2004

US GAAP: Not Used

### 1. Financial Highlights for FY2004 (April 1, 2003 - March 31, 2004)

#### (1) Consolidated financial results

(Amounts less than one million yen are omitted.)

	Net sales	( % change from previous year )	Operating income	( % change from previous year )	Ordinary income	( % change from previous year )
	Million yen	%	Million yen	%	Million yen	%
<b>FY2004</b>	<b>1,164,378</b>	<b>( 8.9 )</b>	<b>52,631</b>	<b>( 0.3 )</b>	<b>58,970</b>	<b>( 14.8 )</b>
FY2003	1,069,218	( 9.1 )	52,477	( 13.3 )	51,375	( 7.3 )

	Net income	( % change from previous year )	Net income per share—basic	Net income per share—diluted	Return on equity	Ordinary income on assets	Ordinary income on sales
	Million yen	%	Yen	Yen	%	%	%
<b>FY2004</b>	<b>33,623</b>	<b>( 53.3 )</b>	<b>108.04</b>	<b>101.97</b>	<b>3.8</b>	<b>3.2</b>	<b>5.1</b>
FY2003	21,933	( -19.7 )	70.19	62.90	2.7	3.0	4.8

Notes: 1. Equity in net income of affiliates: FY2004 - 1,842 million yen, FY2003 - (4,633) million yen

2. Average number of shares outstanding in each year (consolidated) : FY2004 - 308,144,183 shares, FY2003 - 307,813,094 shares

3. Changes in accounting policies: No change

#### (2) Consolidated financial position

	Total assets	Shareholders' equity	Ratio of shareholders' equity	Shareholders' equity per share
	Million yen	Million yen	%	Yen
<b>FY2004</b>	<b>2,011,995</b>	<b>1,016,763</b>	<b>50.5</b>	<b>3,199.69</b>
FY2003	1,650,391	738,867	44.8	2,522.52

Note: Number of shares outstanding at end of each year (consolidated) : FY2004 - 317,665,682 shares, FY2003 - 292,777,198 shares

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of year
	Million yen	Million yen	Million yen	Million yen
<b>FY2004</b>	<b>92,406</b>	<b>(92,667)</b>	<b>(56,015)</b>	<b>77,212</b>
FY2003	103,183	(95,120)	57,775	136,929

#### (4) Scope of consolidation and equity method

Consolidated subsidiaries: 140 companies

Unconsolidated subsidiaries accounted for under the equity method: 1 company

Affiliates accounted for under the equity method: 19 companies

#### (5) Changes in scope of consolidation and equity method

Consolidated subsidiaries: (increase) 22 companies

Equity method : (increase) 4 companies, (decrease) 2 companies

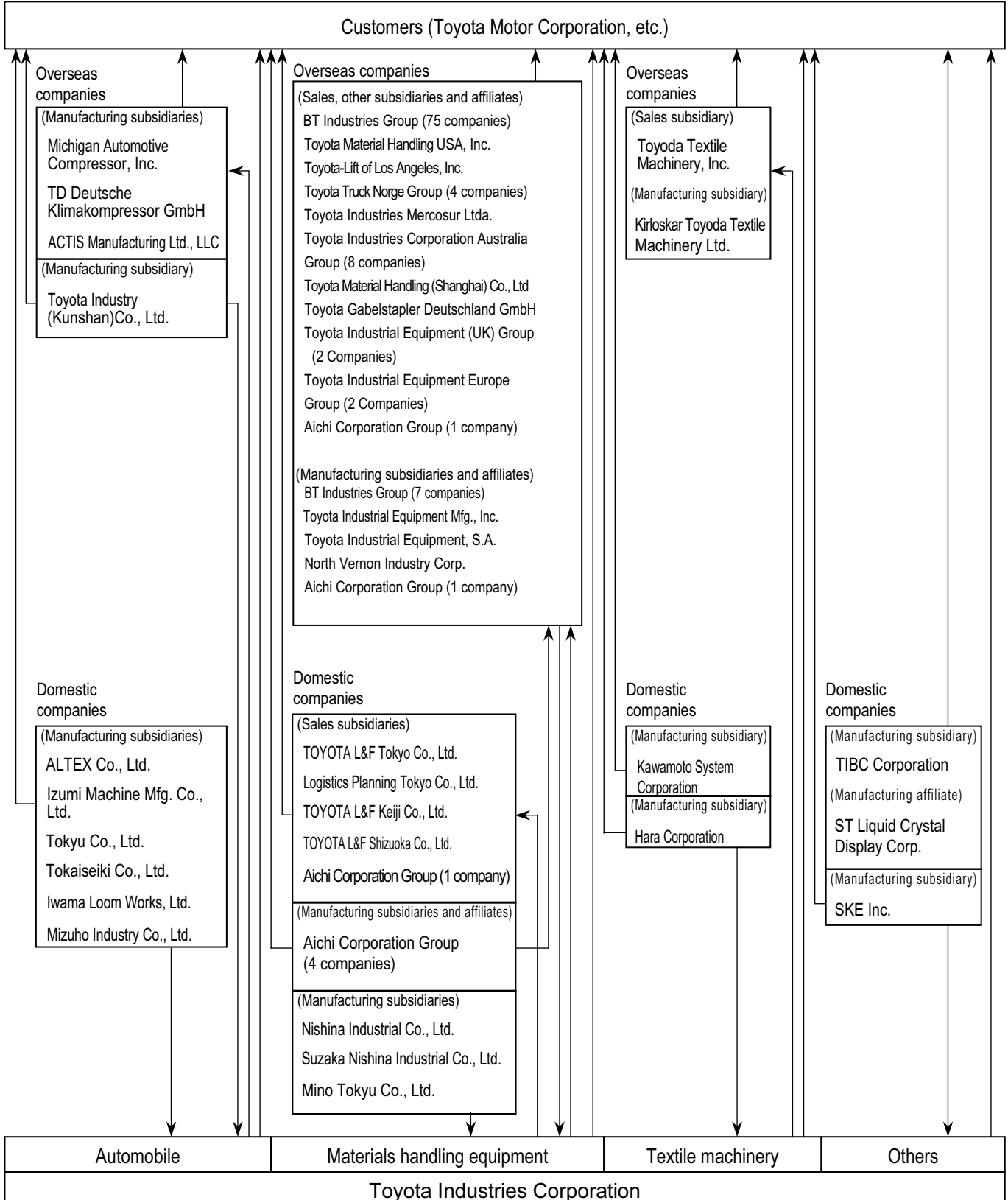
### 2. Forecasts of Consolidated Financial Results for FY2005 (April 1, 2004 - March 31, 2005)

	Net sales	Ordinary income	Net income
	Million yen	Million yen	Million yen
FY2005 semi-annual	570,000	29,000	16,000
FY2005	1,150,000	60,000	34,000

Reference: (Forecast) Net income per share—basic (annual): 107.03yen

# Overview of Associated Companies

Toyota Industries Corporation and its associated companies (Toyota Motor Corporation which has Toyota Industries Corporation as an affiliate, Toyota Industries Corporation's 141 subsidiaries and 29 affiliates) are engaged mainly in manufacture and sales of automobiles and related products, materials handling equipment, textile machinery and others. The associated companies' positions in the businesses and relation to the business segments are shown below



# Management Policy

## **1. Basic Management Policy**

The basic management policies of Toyota Industries Corporation and its Group companies (“Toyota Industries”) are as follows:

- (1) Toyota Industries is determined to comply with the letter and the spirit of the law, in Japan and overseas, and to be fair and transparent in all its dealings.
- (2) Toyota Industries is respectful of the people, culture and tradition of each country and region in which it operates. It also works to promote economic growth and prosperity in those countries and regions.
- (3) Toyota Industries believes that economic growth and conservation of the natural environment are compatible. It strives to offer products and services that are clean, safe and of high quality.
- (4) Toyota Industries conducts intensive product research and forward-looking development activities to create new value for its customers.
- (5) Toyota Industries nurtures the inventiveness and other abilities of its employees. It seeks to create a climate of cooperation, so that both employees and the Company can realize their full potential.

## **2. Basic Policy on the Distribution of Profits**

Toyota Industries Corporation’s dividend policy is based on maintaining stable dividends while giving full consideration to business performance, the dividend payout ratio and other factors as it makes every effort to meet the expectations of shareholders.

Toyota Industries Corporation will use retained earnings to improve the competitiveness of its products, augment production capacity in Japan and overseas, as well as expand into new fields of business and strengthen its corporate constitution in securing future profits for its shareholders. It will also use retained earnings to repurchase treasury stock.

## **3. Medium- to Long-Term Management Strategies**

In the medium to long term, Toyota Industries seeks to increase profitability and strengthen its management base. The Group seeks to grow by placing a high priority on research and development, thereby enabling the Group to bring to market leading-edge products and services.

For Toyota Industries, it is a top priority to develop safe, environmentally friendly products, which are of high quality and satisfy changing customer needs. Toyota Industries is also determined to maintain and enhance its position as a leader in its respective business fields through vigorous sales efforts, superior service, cost reduction activities and constant enhancement of quality throughout all its operations.

Within the Automobile Segment, the Vehicle Business will strive to enhance production engineering technologies and product development capabilities to deliver outstanding customer satisfaction through its assembly of TOYOTA-brand cars for customers. The Engine Business will strive to expand its business scope by strengthening production and development capabilities and playing a greater role in production of diesel engines for the Toyota Group. Also within the Automobile Segment, the Car Air-Conditioning Compressor Business will solidify its global number one position through advanced technologies and superior cost competitiveness.

The Materials Handling Equipment Segment will collaborate with TOYOTA Material Handling Company and the BT Industries Group to enhance its business by expanding its product lineup, bolstering marketing activities and providing global customers with optimal solutions that will

lower their materials handling costs.

The Textile Machinery Segment will continue to produce a high-quality range of weaving and spinning machinery.

Toyota Industries will also strengthen the range and scope of its Electronics Business, including low-temperature polysilicon TFT-LCD panels, electronic substrates for IC chipsets and power electronics parts for automobiles.

For fiscal 2005, Toyota Industries aims to achieve consolidated sales of 1.2 trillion yen, enhance profitability and improve capital efficiency.

#### **4. Basic Stance toward Corporate Governance and Measures for Implementation**

Toyota Industries Corporation deems it highly important to make corporate governance function effectively for the purpose of management efficiency and corporate soundness. To this end, we aim to establish an organizational structure that can quickly and flexibly respond to changes in the management environment, as well as a fair management system with an emphasis on shareholders.

Toyota Industries' Board of Directors holds a meeting every month to decide subjects of material importance and supervise business operations. The Company has also instituted the Management Committee and the Business Operation Committee. The Management Committee deliberates upon company-wide strategies while the Business Operation Committee deliberates upon strategies in each business segment. Through these bodies, Toyota Industries seeks to establish a responsive and efficient management as well as an effective internal control system.

At Toyota Industries, we have adopted the "Statutory Auditors / Board of Statutory Auditors" structure. In order to enhance this system, another outside corporate auditor was selected and approved at the Ordinary General Meeting of Shareholders held in June 2002, bringing the total number of corporate auditors to five. We have also set up the Corporate Auditors Office with full-time staff to strengthen auditing of the execution of the directors' duties.

The Company has strengthened the supervision of each division and the internal auditing structure, and regularly holds meetings of the Code of Conduct Council to ensure that it adheres fully to the letter of the law and conducts its management and business affairs based on its basic management policies. Toyota Industries will continue to endeavor to promote its business activities with a higher awareness of ethical issues. Moreover, in September 2003, we set up a corporate ethics hotline. Outside lawyers field queries from employees about fraudulent or unethical conduct. This hotline was set up for early detection and quick handling of important compliance-related irregularities.

Toyota Industries established a department dedicated to investor relations activities to promote better management transparency. Through such efforts, the Company will continue to ensure a high level of corporate accountability to shareholders and stakeholders.

With these measures, Toyota Industries strives to secure further growth, prosperity and profit. We intend to meet the high expectations of our stakeholders, notably shareholders and customers, and sincerely carry out our social responsibilities.

# Business Results and Financial Position

## **1. Overview of Business results**

In fiscal 2004 (ended March 31, 2004), the Japanese economy finally shifted toward steady recovery. A strong export performance was accompanied by an increase in private-sector capital investment, and consumer spending emerged from sluggishness. Overseas, the economic outlook was better, with a strong U.S. economy and the European economy picking up.

In this operating environment, Toyota Industries Corporation made efforts to strengthen its corporate structure by developing new products to realize greater customer satisfaction, aggressively conducting sales promotions and executing a company-wide program to reduce costs. As a result, total consolidated net sales of Toyota Industries amounted to 1,164.3 billion yen, an increase of 95.1 billion yen, or 9%, over fiscal 2003. The following is a review of operations for the major business segments.

Net sales of the Automobile Segment totaled 603.8 billion yen, a slight improvement over fiscal 2003, with a marginal change in sales both in the domestic and overseas markets. Within this segment, net sales of the Vehicle Business totaled 280.4 billion yen, approximately the same level as fiscal 2003. Sales of Vitz, our mainstay vehicle, remained at the same level as for fiscal 2003. While sales of the Corolla Sedan for North America, for which production commenced in January 2003, were strong, sales of the RAV4 decreased. Net sales of the Engine Business totaled 107.3 billion yen, a decrease of 10.3 billion yen, or 9%, from fiscal 2003. An increase in sales of the AZ-type gasoline engine, which is fitted in the Estima, was offset by a decrease in sales of the UZ-type and FZ-type gasoline engines that are incorporated into the Land Cruiser. The decrease in sales was also affected by the fact that a certain volume of CD-type diesel engines for Europe are now shipped as parts, thus decreasing the overall production of the engine as a complete product. Toyota Motor Industries Poland Sp.zo.o., which was jointly established with Toyota Motor Corporation ("TMC") to manufacture diesel engines, is slated to begin operations in January 2005. Net sales of the Car Air-Conditioning Compressor Business totaled 198.3 billion yen, an increase of 20.4 billion yen, or 12%, over fiscal 2003. Sales in both domestic and overseas markets increased, attributable mainly to robust sales of vehicles fitted with our car air-conditioning compressors and an expanded range of automobiles installed with our products. Aiming for cumulative sales of 20 million units in the global market in 2005, we are proceeding with vigorous sales activities targeting car manufacturers around the world. We have also enhanced our product lineup, including the fuel-efficient rotary valve-type compressor, which was introduced into the market in August 2003, as well as the ES-type electrically driven car air-conditioning compressors for hybrid cars, which have been shipped to TMC since August 2003 for installation in the new Prius.

Net sales of the Materials Handling Equipment Segment totaled 443.4 billion yen, an increase of 70.4 billion yen, or 19%, over fiscal 2003, due primarily to strong sales in Japan led by a brisk private-sector capital expenditure. Sales increases in Europe and the U.S. also contributed to consolidated results. We developed new products attuned to customer needs, and conducted aggressive sales promotion activities in cooperation with our distributors. As a result, we sold 82,000 Toyota-brand forklift trucks and 59,000 BT-brand forklift trucks worldwide. We achieved a 42.6% share in the Japanese forklift truck market for fiscal 2004. Although exports of forklift trucks for North America and Europe decreased as a result of transferring production to respective local subsidiaries, exports to Asia and Oceania dramatically increased.

In fiscal 2004, we augmented our sales and production structures globally. In Japan, Aichi Corporation became one of our subsidiaries in May 2003, and since then we have supported them with cost-reduction activities. Together with this and good demand for its products, Aichi's performance is on its way to steady recovery. In China, Toyota Industry (Kunshan) Co., Ltd. commenced local production of forklift trucks in April 2003, while Toyota Material Handling (Shanghai) Co., Ltd. began sales operations in June. Moreover, we established Toyota Industries Corporation Australia Pty Limited in Sydney in June 2003, and Toyota Industries Merco Sur S.A. in São Paulo, Brazil, in January 2004, in view of expanding sales in respective

markets.

Net sales of the Textile Machinery Segment totaled 45.9 billion yen, a decrease of 2.8 billion yen, or 6%, from fiscal 2003. This was because delivery for a large order from the previous fiscal year for air-jet looms to Wujiang, Jiangsu province, China, was only completed during fiscal 2004, although sales of air-jet looms to Pakistan and ring spinning frames to Vietnam increased. In China, one of our core markets for air-jet looms, previously strong sales have subsided since the end of 2003, due mainly to financial belt-tightening against economic overheating. Although sales of spinning-related machinery and weaving-related machinery showed signs of recovery in India and Pakistan, sales in other Asian markets remained sluggish.

During fiscal 2004, Toyota Industries' ordinary income amounted to 58.9 billion yen, an increase of 7.6 billion yen, or 15%, over fiscal 2003. This increase was due largely to increases in income of our subsidiaries in and outside Japan, as well as a bounce-back in performance by ST Liquid Crystal Display Corp., which was established as a joint venture with Sony Corporation. Net income amounted to 33.6 billion yen, an increase of 11.7 billion yen, or 53%, over fiscal 2003.

Cash flows from operating activities resulted in an increase in cash by 92.4 billion yen in fiscal 2004, due largely to income before income taxes in an amount of 57.7 billion yen. Net cash provided by operating activities decreased by 10.7 billion yen from 103.1 billion yen in fiscal 2003. Cash flows from investing activities resulted in a decrease in cash by 92.6 billion yen in fiscal 2004, attributable primarily to payments for acquisition of fixed assets amounting to 78.2 billion yen. Net cash used in investing activities decreased by 2.5 billion yen from 95.1 billion yen in fiscal 2003. Cash flows from financing activities resulted in a decrease in cash by 56.0 billion yen in fiscal 2004, due mainly to repayments of bonds to an amount of 31.6 billion yen. Net cash used in financing activities increased 113.7 billion yen from 57.7 billion yen in net cash provided by financing activities in fiscal 2003.

After translation adjustments, cash and cash equivalents as of March 31, 2004 stood at 77.2 billion yen, a decrease of 59.7 billion yen, or 44%, from fiscal 2003.

## **2. Distribution of Profits for FY2004**

Including the interim cash dividend of 12.0 yen per common share paid in November 2003, and a year-end cash dividend of 12 yen per common share, Toyota Industries Corporation declares that total cash dividends for fiscal 2004 will be 24 yen per common share, an increase of 2 yen per common share over fiscal 2003.

## **3. Forecast for the Fiscal Year Ending March 31, 2005**

Toyota Industries expects the Japanese economy to continue recovering. However, uncertainties persist regarding the fluctuations of exchange rates and the prices of raw materials, notably steel. The global economy may also be affected by both the U.S. economy, where a presidential election is scheduled for November, and the overheating Chinese economy.

For fiscal 2005, ending March 31, 2005, Toyota Industries forecasts consolidated net sales of 1,150.0 billion yen, ordinary income of 60.0 billion yen and net income of 34.0 billion yen. We are determined to develop and market new products that are of high quality and attuned to customer needs, as well as enhance sales, service and cost-reduction activities group-wide.

Our projections are based on an exchange rate of ¥105.0=US\$1.



## Consolidated Balance Sheets

	FY2004 (As of March 31, 2004)	FY2003 (As of March 31, 2003)	Increase (Decrease)
<b><u>Assets</u></b>			
<b>Current assets</b>	<b>3 4 9 , 9 1 4</b>	<b>3 7 1 , 8 0 7</b>	<b>( 2 1 , 8 9 3 )</b>
Cash and deposits	5 7 , 3 7 5	8 7 , 8 4 0	( 3 0 , 4 6 5 )
Trade notes and accounts receivable	1 4 4 , 5 7 5	1 1 9 , 0 4 7	2 5 , 5 2 8
Marketable securities	2 0 , 0 6 4	5 2 , 7 8 0	( 3 2 , 7 1 6 )
Inventories	7 7 , 5 7 4	6 9 , 1 4 0	8 , 4 3 4
Deferred tax assets	1 7 , 5 3 3	1 4 , 0 7 2	3 , 4 6 1
Other current assets	3 5 , 1 2 8	3 0 , 9 2 4	4 , 2 0 4
Less—allowance for doubtful accounts	( 2 , 3 3 7 )	( 1 , 9 9 8 )	( 3 3 9 )
<b>Fixed assets</b>	<b>1 , 6 6 2 , 0 8 0</b>	<b>1 , 2 7 8 , 5 8 3</b>	<b>3 8 3 , 4 9 7</b>
<b>Property, plant and equipment</b>	<b>3 8 9 , 3 9 6</b>	<b>3 6 2 , 1 9 3</b>	<b>2 7 , 2 0 3</b>
Buildings and structures	1 2 4 , 4 2 2	1 1 8 , 4 4 8	5 , 9 7 4
Machinery, equipment and vehicles	1 6 0 , 7 8 7	1 5 7 , 7 3 3	3 , 0 5 4
Tools, furniture and fixtures	1 5 , 5 6 5	1 6 , 0 0 6	( 4 4 1 )
Land	7 1 , 7 8 6	5 6 , 2 5 4	1 5 , 5 3 2
Construction in progress	1 6 , 8 3 4	1 3 , 7 4 9	3 , 0 8 5
<b>Intangible assets</b>	<b>9 9 , 8 5 6</b>	<b>9 6 , 7 7 3</b>	<b>3 , 0 8 3</b>
Software	1 1 , 9 9 3	9 , 1 9 5	2 , 7 9 8
Goodwill	8 7 , 8 6 2	8 7 , 5 7 7	2 8 5
<b>Investments and other assets</b>	<b>1 , 1 7 2 , 8 2 8</b>	<b>8 1 9 , 6 1 6</b>	<b>3 5 3 , 2 1 2</b>
Investments in securities	1 , 1 1 2 , 7 7 6	7 6 2 , 0 2 6	3 5 0 , 7 5 0
Long-term loans	9 , 7 5 6	1 0 , 5 2 1	( 7 6 5 )
Long-term prepaid expenses	1 3 , 5 5 3	1 5 , 0 8 1	( 1 , 5 2 8 )
Deferred tax assets	3 , 5 3 7	2 , 8 6 2	6 7 5
Other investments and other assets	3 3 , 4 5 3	2 9 , 3 7 0	4 , 0 8 3
Less—allowance for doubtful accounts	( 2 5 0 )	( 2 4 7 )	( 3 )
<b>Total assets</b>	<b>2 , 0 1 1 , 9 9 5</b>	<b>1 , 6 5 0 , 3 9 1</b>	<b>3 6 1 , 6 0 4</b>

Notes: 1. Accumulated depreciation of property, plant and equipment	5 0 9 , 3 7 8	4 6 5 , 1 5 1	4 4 , 2 2 7
2. Liabilities for guarantees	2 4 , 5 9 4	4 2 , 9 9 5	( 1 8 , 4 0 1 )
3. Number of shares of treasury stock	8 , 1 7 4 , 9 5 8 shares	2 0 , 5 4 7 , 2 5 3 shares	( 1 2 , 3 7 2 , 2 9 5 ) shares:
4. Allowance for retirement and severance benefits for directors and corporate auditors (included in allowance for retirement benefits)	4 , 6 0 0	2 , 7 3 7	1 , 8 6 3

(Million yen; amounts less than one million yen are omitted.)

	FY2004r (As of March 31, 2004)	FY2003 (As of March 31, 2003)	Increase (Decrease)
<b><u>Liabilities</u></b>			
<b>Current liabilities</b>	<b>326,337</b>	<b>393,365</b>	<b>(67,028)</b>
Trade notes and accounts payable	129,821	117,424	12,397
Short-term bank loans	70,441	78,052	(7,611)
Commercial paper	15,000	-	15,000
Current portion of bonds	-	20,000	(20,000)
Current portion of convertible bonds	-	75,692	(75,692)
Other payables	19,067	17,406	1,661
Accrued expenses	51,586	42,027	9,559
Accrued income taxes	8,845	14,143	(5,298)
Deposits received from employees	19,496	19,234	262
Deferred tax liabilities	2,742	1,191	1,551
Other current liabilities	9,335	8,193	1,142
<b>Long-term liabilities</b>	<b>633,968</b>	<b>494,164</b>	<b>139,804</b>
Bonds	200,300	200,300	-
Long-term debt	35,224	36,576	(1,352)
Deferred tax liabilities	346,335	212,355	133,980
Allowance for retirement benefits	34,264	34,100	164
Other long-term liabilities	17,843	10,832	7,011
<b>Total liabilities</b>	<b>960,305</b>	<b>887,530</b>	<b>72,775</b>
<b>Minority interest in consolidated subsidiaries</b>	<b>34,926</b>	<b>23,993</b>	<b>10,933</b>
<b><u>Shareholders' equity</u></b>			
<b>Common stock</b>	<b>80,462</b>	<b>68,046</b>	<b>12,416</b>
<b>Capital surplus</b>	<b>105,743</b>	<b>89,364</b>	<b>16,379</b>
<b>Retained earnings</b>	<b>294,672</b>	<b>269,380</b>	<b>25,292</b>
<b>Net unrealized gains on other securities</b>	<b>534,078</b>	<b>331,667</b>	<b>202,411</b>
<b>Foreign currency translation adjustments</b>	<b>19,782</b>	<b>16,890</b>	<b>2,892</b>
<b>Treasury stock at cost</b>	<b>(17,975)</b>	<b>(36,483)</b>	<b>18,508</b>
<b>Total shareholders' equity</b>	<b>1,016,763</b>	<b>738,867</b>	<b>277,896</b>
<b>Total liabilities and shareholders' equity</b>	<b>2,011,995</b>	<b>1,650,391</b>	<b>361,604</b>

# Consolidated Statements of Income

(Million yen; amounts less than one million yen are omitted.)

	FY2004 ( April 1, 2003 - March 31, 2004 )	FY2003 ( April 1, 2002 - March 31, 2003 )	Increase (Decrease)
<b>Net sales</b>	<b>1,164,378</b>	<b>1,069,218</b>	<b>95,160</b>
Cost of sales	978,458	899,702	78,756
<b>Gross profit</b>	<b>185,919</b>	<b>169,516</b>	<b>16,403</b>
Selling, general and administrative expenses	133,288	117,038	16,250
<b>Operating income</b>	<b>52,631</b>	<b>52,477</b>	<b>154</b>
<b>Non-operating income</b>	<b>30,183</b>	<b>26,335</b>	<b>3,848</b>
Interest income	8,174	8,985	(811)
Dividends income	10,997	8,888	2,109
Other non-operating income	11,010	8,461	2,549
<b>Non-operating expenses</b>	<b>23,843</b>	<b>27,438</b>	<b>(3,595)</b>
Interest expenses	9,755	10,522	(767)
Other non-operating expenses	14,087	16,915	(2,828)
<b>Ordinary income</b>	<b>58,970</b>	<b>51,375</b>	<b>7,595</b>
<b>Extraordinary gains</b>	<b>621</b>	-	<b>621</b>
Gains from transition of benefit plan into defined contribution pension plan	621	-	621
<b>Extraordinary losses</b>	<b>1,851</b>	<b>7,705</b>	<b>(5,854)</b>
Provision for retirement and severance benefits for directors and corporate	1,851	-	1,851
Revalued loss of investment securities	-	4,298	(4,298)
Loss on disposal of property, plant and equipment	-	3,407	(3,407)
<b>Income before income taxes</b>	<b>57,740</b>	<b>43,669</b>	<b>14,071</b>
Income taxes—current	23,967	28,120	(4,153)
Income taxes—deferred	(3,220)	(7,304)	4,084
Minority interest in consolidated subsidiaries	3,370	919	2,451
<b>Net income</b>	<b>33,623</b>	<b>21,933</b>	<b>11,690</b>

Note: R&D expenses( included in selling, general and administrative expenses and manufacturing cost)

29,562

29,705

(143)

# Consolidated Statements of Shareholder's Equity

(Million yen; amounts less than one million yen are omitted.)

	FY2004 ( April 1, 2003 - March 31, 2004 )	FY2003 ( April 1, 2002 - March 31, 2003 )	Increase (Decrease)
<b>(Capital surplus)</b>			
<b>Capital surplus at beginning of year</b>	8 9 , 3 6 4	8 9 , 3 2 6	3 8
<b>Increase in capital surplus</b>	1 6 , 3 7 8	3 8	1 6 , 3 4 0
Issuance of equity due to conversion of convertible bonds	1 2 , 4 1 4	2 4	1 2 , 3 9 0
Gain on disposal of treasury stock	3 , 9 6 3	1 3	3 , 9 5 0
<b>Decrease in capital surplus</b>	-	-	-
<b>Capital surplus at end of year</b>	1 0 5 , 7 4 3	8 9 , 3 6 4	1 6 , 3 7 9
<b>(Retained earnings)</b>			
<b>Retained earnings at beginning of year</b>	2 6 9 , 3 8 0	2 5 3 , 9 7 5	1 5 , 4 0 5
<b>Increase in retained earnings</b>	3 3 , 6 2 3	2 1 , 9 3 3	1 1 , 6 9 0
Net income	3 3 , 6 2 3	2 1 , 9 3 3	1 1 , 6 9 0
<b>Decrease in retained earnings</b>	8 , 3 3 2	6 , 5 2 8	1 , 8 0 4
Cash dividends	7 , 4 1 7	6 , 2 4 6	1 , 1 7 1
Bonuses to directors and corporate auditors	2 9 0	2 8 2	8
Change in subsidiaries' year-ends	6 2 4	-	6 2 4
<b>Retained earnings at end of year</b>	2 9 4 , 6 7 2	2 6 9 , 3 8 0	2 5 , 2 9 2

# Consolidated Statements of Cash Flows

(Million yen; amounts less than one million yen are omitted.)

	FY2004 ( April 1, 2003 - March 31, 2004 )	FY2003 ( April 1, 2002 - March 31, 2003 )	Increase
<b>Cash flows from operating activities</b>	<b>92,406</b>	<b>103,183</b>	<b>(10,777)</b>
Income before income taxes and minority interest in consolidated subsidiaries	57,740	43,669	14,071
Depreciation and amortization	65,351	59,154	6,197
Increase in allowance for doubtful accounts	45	219	(174)
Interest and dividends income	(19,172)	(17,874)	(1,298)
Interest expenses	9,755	10,522	(767)
Equity in net (earnings) loss of affiliates	(1,842)	4,633	(6,475)
Increase in receivables	(11,050)	(7,406)	(3,644)
Decrease in inventories	750	1,252	(502)
Increase in payables	2,630	5,431	(2,801)
Others, net	9,741	20,417	(10,676)
Subtotal	113,951	120,020	(6,069)
Interest and dividends received	18,900	17,982	918
Interest paid	(9,845)	(10,944)	1,099
Income taxes paid	(30,600)	(23,875)	(6,725)
<b>Cash flows from investing activities</b>	<b>(92,667)</b>	<b>(95,120)</b>	<b>2,453</b>
Payments for purchases of marketable securities securities	(101)	(1,664)	1,563
Proceeds from sales of marketable securities	3,874	8,447	(4,573)
Payments for purchases of property, plant and equipment	(78,267)	(86,703)	8,436
Proceeds from sales of property, plant and equipment	3,200	749	2,451
Payments for purchases of investment securities	(14,301)	(21,896)	7,595
Proceeds from sales of investment securities	2,614	9,792	(7,178)
Payments for acquisition of subsidiaries' stock Resulting in change in scope of consolidation	1,215	944	271
Payments for loans made	(4,977)	(1,664)	(3,313)
Proceeds from collections of loans	5,447	2,931	2,516
Payments for acquisition of business	(960)	-	(960)
Others, net	(10,411)	(6,056)	(4,355)
<b>Cash flows from financing activities</b>	<b>(56,015)</b>	<b>57,775</b>	<b>(113,790)</b>
Increase (decrease) in short-term loans	(10,958)	5,886	(16,844)
Increase in commercial paper	15,000	-	15,000
Proceeds from long-term loans	4,522	21,797	(17,275)
Repayments of long-term loans	(8,529)	(9,808)	1,279
Proceeds from issuance of bonds	-	79,690	(79,690)
Repayments of bonds	(31,677)	-	(31,677)
Payments to convertible bond redemption funds	(56,670)	-	(56,670)
Proceeds from convertible bond redemption funds	56,670	-	56,670
Payments for purchase of treasury stocks	(17,094)	(35,195)	18,101
Cash dividends paid	(7,413)	(6,244)	(1,169)
Cash dividends paid for minority shareholders	(252)	(194)	(58)
Others, net	389	1,844	(1,455)
<b>Translation adjustments of cash and cash equivalents</b>	<b>322</b>	<b>(28)</b>	<b>350</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(55,953)</b>	<b>65,809</b>	<b>(121,762)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>136,929</b>	<b>71,119</b>	<b>65,810</b>
<b>Net decrease in cash and cash equivalents due to change in subsidiaries' year-ends</b>	<b>(3,763)</b>	<b>-</b>	<b>(3,763)</b>
<b>Cash and cash equivalents at end of period</b>	<b>77,212</b>	<b>136,929</b>	<b>(59,717)</b>

Note: Breakdown of cash and cash equivalents by accounts on the consolidated balance sheets:

Cash and deposits	57,193	86,856	(29,663)
Marketable securities	20,018	50,072	(30,054)

# Basis of Presenting Consolidated Financial Statements

## 1. Scope of consolidation and equity method

### (1) Scope of consolidation

	Companies	
Consolidated subsidiaries	140	Aichi Corporation Group (6 companies), TIBC Corporation, TOYOTA L&F Tokyo Co., Ltd., Logistics Planning Tokyo Co., Ltd., ALTEX CO., Ltd., Sun River Co., Ltd., Izumi Machine Mfg. Co., Ltd., TOYOTA L&F Keiji Co., Ltd., Tokyu Co., Ltd., Mino Tokyu Co., Ltd., Advanced Logistics Solutions Co., Ltd., Teionshokuhin Ryutsu Inc., Toyoda High System, Inc., Nishina Industrial Co., Ltd., Suzaka Nishina Industrial Co., Ltd., ALTRAN Corporation, KTL Co., Ltd., Tokaiseiki Co., Ltd., Logistec Co., Ltd., Taikoh transportation Group (5 companies), SKE Inc., SK Maintenance Inc., Iwama Loom Works, Ltd., Kawamoto System Corporation, Arti Inc., TOYOTA L&F Shizuoka Co., Ltd., Hara Corporation, Mizuho Industry Co., Ltd., Sun Valley Inc., Sun Staff, Inc., ALT Logistics Co., Ltd., Tokai System Institute Corp., Shine's Inc., TOYOTA INDUSTRIES WELL SUPPORT CORPORATION, *Toyota Industries Sweden AB, BT Industries Group (64 companies), Toyota Industries Finance International AB, Michigan Automotive Compressor, Inc., Kirloskar Toyoda Textile Machinery Ltd., Toyota Industries North America, Inc., Toyota Industrial Equipment Mfg., Inc., Toyota Material Handling USA, Inc., ACTIS manufacturing Ltd., LLC, Toyota-Lift of Los Angeles, Inc., Toyoda Textile Machinery, Inc., Toyota Industries Personnel Service of America Inc., TD Deutsche Klimakompressor GmbH, Toyota Industry (Kunshan) Co., Ltd., Toyota Truck Norge Group (4 companies), Toyota Industrial Equipment, S.A., Toyota Industries Mercosur Ltda., Toyota Industries Corporation Australia (8 companies), Toyota Material Handling (Shanghai) Co., Ltd, Toyota Gabelstapler Deutschland GmbH, Toyota Industrial Equipment (UK) Group (2 companies), Toyota Industrial Equipment Europe Group (2 companies) (* Toyoda International Sweden AB changed its name to Toyota Industries Sweden AB in May 2003.)
Unconsolidated subsidiaries	1	BT Industries Group (1 company)

### (2) Scope of equity method

	Companies	
Unconsolidated subsidiaries	1	BT Industries Group (1 company)
Affiliates	19	Aichi Corporation Group (2 companies), ST Liquid Crystal Display Corp., FUJI LOGISTICS CO., LTD., BT Industries Group (15 companies)

## 2. Changes in scope of consolidation and equity method

### Consolidated subsidiaries

	Companies	
(Increase)	22	Aichi Corporation Group (6 companies), ALTRAN Corporation, KTL Co., Ltd., ALT Logistics Co., Ltd., TOYOTA INDUSTRIES WELL SUPPORT CORPORATION, BT Industries Group (1 company), Toyota Industries Finance International AB, Toyota Industries Mercosur Ltda., Toyota Industries Corporation Australia (8 companies), Toyota Material Handling (Shanghai) Co., Ltd
(Decrease)	0	

Affiliates accounted for the equity method

	Companies
(Increase)	4 Aichi Corporation Group (2 companies) , FUJI LOGISTICS CO., LTD., BT Industries Group (1 company)
(Decrease)	2 Aichi Corporation, BT Industries Group (1 company)

### 3. Fiscal years of consolidated subsidiaries

(1) Some consolidated subsidiaries have a closing date other than March 31. The details are given below.

December 31	Toyota Industries Sweden AB, BT Industries Group (64 companies), Toyota Industries Finance International AB, Toyota Industry (Kunshan) Co., Ltd., Toyota Material Handling (Shanghai) Co., Ltd
-------------	--

(2) The consolidated financial statements were prepared based on financial statements as of the closing date of each company. Some consolidated subsidiaries change its closing date from December 31 to March 30. The details are given below.

TIBC Corporation, Sun River Co., Ltd., Izumi Machine Mfg. Co., Ltd., Mino Tokyu Co., Ltd.,  
Toyoda High System, Inc., Logistec Co., Ltd., Taikoh Transportation group (1 company), SKE Inc., SK  
Maintenance Inc., Kawamoto System Corporation, Arti Inc., Hara Corporation, Mizuho Industry Co., Ltd.,  
Sun Valley Inc., Sun Staff, Inc., Tokai System Institute Corp., Shine's Inc.,  
Michigan Automotive Compressor, Inc., Kirloskar Toyoda Textile Machinery Ltd.,  
Toyota Industries North America, Inc., Toyota Industrial Equipment Mfg., Inc.,  
Toyota Material Handling USA, Inc., ACTIS manufacturing Ltd., LLC, Toyota-Lift of Los Angeles, Inc.,  
Toyoda Textile Machinery, Inc., Toyota Industries Personnel Service of America Inc.,  
TD Deutsche Klimakompressor GmbH, Toyota Truck Norge Group (4 companies),  
Toyota Industrial Equipment, S.A., Toyota Gabelstapler Deutschland GmbH,  
Toyota Industrial Equipment (UK) Group (2 companies),  
Toyota Industrial Equipment Europe Group (2 companies)

### 4. Significant accounting policies

(1) Valuation of significant assets

a. Marketable securities

Other securities with market value	.... Fair value method using market price at the end of period (Unrealized gains and losses are recorded as a portion of shareholders' equity. Sales cost of marketable securities is determined by the moving average method.)
------------------------------------	---

Other securities without market value	.... At cost determined by the moving average method
---------------------------------------	--

b. Inventories

.... Mainly at cost determined by the moving average method

(2) Depreciation and amortization

Depreciation expenses of property, plant and equipment are computed mainly by the declining-balance method.

Amortization of software (intangible assets) is computed by the straight-line method.

(3) Significant allowances

a. Allowance for doubtful accounts is estimated by such means as using the percentage of historical experiences in credit losses for ordinary receivables and by examining the feasibility of collection individually for receivables that seem to be uncollectible.

b. For the purpose of preparation for future payments of employees' retirement benefits, allowance for retirement benefits is recorded at the amount incurred based on projected benefit obligations and pension assets at the end of period. Provision for retirement and severance benefits for directors and corporate auditors are recorded at the amounts required at the end of period by a internal rule describing the retirement benefits for directors and corporate auditors.

(4) Accounting for significant lease transactions

Financing leases other than those that are deemed to transfer the ownership of the leased properties to lessees are mainly accounted for by the method similar to that applicable to ordinary operating leases.

(5) Hedge accounting method

Mainly the deferral method of hedge accounting is applied. In case of foreign currency forward contracts, the hedged items are translated at contracted forward rate if certain conditions are met. In this period, interest rate swap contracts are used for hedging risk of change in interest rate relating loans. Foreign exchange forward contracts and foreign currency option contracts are also used for hedging risk of change in foreign exchange rate relating to foreign currency transactions.

(6) Other significant accounting policies for preparing consolidated financial statements

The consumption tax : computed based on the net-of-tax method

## 5. Valuation of assets and liabilities of consolidated subsidiaries

A full portion of the assets and liabilities of the acquired subsidiaries is stated at fair value as of the date of acquisition of control.

## 6. Amotization of goodwill

Goodwill is amortized on a straight-line basis over a period generally not exceeding 20 years, except for insignificant goodwill which is charged to income as incurred.

## 7. Appropriation of retained earnings

The approved amount during the relevant fiscal year is reflected in the consolidated statements of retained earnings.

## 8. Scope of cash and cash equivalents on the consolidated statements of cash flows

Cash and cash equivalents on the consolidated statements of cash flows include cash on hand, bank deposits to be withdrawn at any time and short-term investments with original maturities of three months or less that are readily convertible to known amounts of cash and are so near maturity that they present insignificant risk of changes in fair value.



# Segment Information

## 1. Business segment information

(1) FY2004 (April 1, 2003 - March 31, 2004)

(Million yen; amounts less than one million yen are omitted.)

	Automobile	Materials handling equipment	Textile machinery	Others	Total	Eliminations	Consolidated
<b>Net sales</b>							
(1) Outside customer sales	603,862	443,443	45,968	71,103	1,164,378	-	1,164,378
(2) Intersegment transactions	15,698	138	15	14,131	29,984	(29,984)	-
<b>Total</b>	<b>619,561</b>	<b>443,582</b>	<b>45,984</b>	<b>85,234</b>	<b>1,194,363</b>	<b>(29,984)</b>	<b>1,164,378</b>
<b>Operating expenses</b>	<b>592,030</b>	<b>424,233</b>	<b>45,884</b>	<b>79,484</b>	<b>1,141,633</b>	<b>(29,885)</b>	<b>1,111,747</b>
<b>Operating income</b>	<b>27,530</b>	<b>19,348</b>	<b>100</b>	<b>5,750</b>	<b>52,729</b>	<b>(98)</b>	<b>52,631</b>
<b>Assets</b>	<b>338,246</b>	<b>406,384</b>	<b>24,743</b>	<b>100,626</b>	<b>870,000</b>	<b>1,141,994</b>	<b>2,011,995</b>
<b>Depreciation and amortization</b>	<b>35,793</b>	<b>23,537</b>	<b>931</b>	<b>5,442</b>	<b>65,705</b>	<b>(353)</b>	<b>65,351</b>
<b>Capital expenditures</b>	<b>48,793</b>	<b>32,204</b>	<b>1,203</b>	<b>7,748</b>	<b>89,950</b>	<b>(441)</b>	<b>89,508</b>

(2) FY2003 (April 1, 2002 - March 31, 2003)

(Million yen; amounts less than one million yen are omitted.)

	Automobile	Materials handling equipment	Textile machinery	Others	Total	Eliminations	Consolidated
<b>Net sales</b>							
(1) Outside customer sales	595,459	373,007	48,740	52,010	1,069,218	-	1,069,218
(2) Intersegment transactions	15,523	89	5	13,078	28,697	(28,697)	-
<b>Total</b>	<b>610,983</b>	<b>373,097</b>	<b>48,745</b>	<b>65,089</b>	<b>1,097,915</b>	<b>(28,697)</b>	<b>1,069,218</b>
<b>Operating expenses</b>	<b>580,875</b>	<b>356,922</b>	<b>46,436</b>	<b>61,177</b>	<b>1,045,412</b>	<b>(28,671)</b>	<b>1,016,740</b>
<b>Operating income</b>	<b>30,107</b>	<b>16,174</b>	<b>2,308</b>	<b>3,912</b>	<b>52,503</b>	<b>(25)</b>	<b>52,477</b>
<b>Assets</b>	<b>328,370</b>	<b>337,453</b>	<b>30,921</b>	<b>51,839</b>	<b>748,584</b>	<b>901,806</b>	<b>1,650,391</b>
<b>Depreciation and amortization</b>	<b>34,156</b>	<b>20,800</b>	<b>1,006</b>	<b>3,486</b>	<b>59,451</b>	<b>(296)</b>	<b>59,154</b>
<b>Capital expenditures</b>	<b>49,379</b>	<b>24,350</b>	<b>2,164</b>	<b>12,067</b>	<b>87,962</b>	<b>(403)</b>	<b>87,559</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

Materials handling equipment ... Counterbalanced forklifts, warehouse equipment, skid steer loaders

Textile machinery ..... Ring spinning frames, air jet looms, water jet looms

Others ..... Ball grid array-type plastic package substrates for IC chipsets, casting machines

3. Assets included in the "Eliminations" are mainly cash and deposits, marketable securities and investments in securities of Toyota Industries Corporation.

## 2. Geographical segment information

(1) FY2004 (April 1, 2003 - March 31, 2004)

(Million yen; amounts less than one million yen are omitted.)

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
Net sales							
(1) Outside customer sales	785,253	198,752	167,511	12,860	1,164,378	-	1,164,378
(2) Intersegment transactions	87,271	1,113	5,895	1,630	95,910	(95,910)	-
Total	872,524	199,866	173,407	14,490	1,260,289	(95,910)	1,164,378
Operating expenses	826,696	193,745	170,262	14,622	1,205,326	(93,579)	1,111,747
Operating income	45,828	6,121	3,145	(131)	54,962	(2,331)	52,631
Assets	643,180	136,829	238,388	22,081	1,040,479	971,515	2,011,995

(2) FY2003 (April 1, 2002 - March 31, 2003)

(Million yen; amounts less than one million yen are omitted.)

	Japan	North America	Europe	Others	Total	Eliminations	Consolidated
Net sales							
(1) Outside customer sales	733,869	192,385	139,514	3,449	1,069,218	-	1,069,218
(2) Intersegment transactions	78,517	1,411	4,899	1,033	85,862	(85,862)	-
Total	812,387	193,796	144,413	4,483	1,155,080	(85,862)	1,069,218
Operating expenses	767,341	187,597	142,468	4,559	1,101,966	(85,225)	1,016,740
Operating income	45,045	6,199	1,945	(75)	53,114	(636)	52,477
Assets	554,033	144,739	223,445	9,758	931,977	718,413	1,650,391

Notes: Assets included in the "Eliminations" are mainly cash and deposits, marketable securities and investments in securities of Toyota Industries Corporation.

## 3. Overseas sales

(1) FY2004 (April 1, 2003 - March 31, 2004)

(Million yen; amounts less than one million yen are omitted.)

	North America	Europe	Others	Total
Overseas sales	196,860	211,081	89,415	497,356
Consolidated sales				1,164,378
Ratio of overseas sales to consolidated sales	16.9%	18.1%	7.7%	42.7%

(2) FY2003 (April 1, 2002 - March 31, 2003)

(Million yen; amounts less than one million yen are omitted.)

	North America	Europe	Others	Total
Overseas sales	192,421	181,347	77,825	451,593
Consolidated sales				1,069,218
Ratio of overseas sales to consolidated sales	18.0%	17.0%	7.3%	42.2%

## Breakdown of Consolidated Net Sales

(Million yen; amounts less than one million yen are omitted.)

	FY2004 ( April 1, 2003 - March 31, 2004 )		FY2003 ( April 1, 2002 - March 31, 2003 )		Increase (Decrease)	% Change
	Amount	Component ratio	Amount	Component ratio		
Automobile		%		%		%
Vehicle	280,484	24.1	281,927	26.4	(1,143)	(0.5)
Engine	107,357	9.2	117,669	11.0	(10,312)	(8.8)
Car air-conditioning compressor	198,398	17.1	177,914	16.6	20,484	11.5
Foundry and others	17,623	1.5	17,948	1.7	(325)	(1.8)
Subtotal	603,862	51.9	595,459	55.7	8,403	1.4
Materials handling equipment	443,443	38.1	373,007	34.9	70,436	18.9
Textile machinery	45,968	3.9	48,740	4.6	(2,772)	(5.7)
Others	71,103	6.1	52,010	4.8	19,093	36.7
Total	1,164,378	100.0	1,069,218	100.0	95,160	8.9

# Non-consolidated Financial Results for FY2004 (April 2003 - March 2004)

## TOYOTA INDUSTRIES CORPORATION

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

Representative person : Tadashi Ishikawa, President

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

Date of the meeting of the Board of Directors for non-consolidated financial results for FY2004: April 27, 2004

Date of the Ordinary General Meeting of Shareholders: June 22, 2004

Provision for interim cash dividends: Provision exists.

Share trading unit: 100 shares

### 1. Financial Highlights for FY2004 (April 1, 2003 - March 31, 2004)

#### (1) Non-consolidated financial results

(Amounts less than one million yen are omitted.)

	Net sales ( % change from previous year )	Operating income ( % change from previous year )	Ordinary income ( % change from previous year )
	Million yen %	Million yen %	Million yen %
<b>FY2004</b>	<b>749,616 ( 0.3 )</b>	<b>31,334 ( -20.5 )</b>	<b>34,705 ( -18.0 )</b>
FY2003	747,637 ( 7.8 )	39,410 ( 4.2 )	42,321 ( 5.4 )

	Net income ( % change from previous year )	Net income per share—basic	Net income per share—diluted	Return on equity	Ordinary income on assets	Ordinary income on sales
	Million yen %	Yen	Yen	%	%	%
<b>FY2004</b>	<b>21,103 ( 4.9 )</b>	<b>67.69</b>	<b>63.90</b>	<b>2.5</b>	<b>2.2</b>	<b>4.6</b>
FY2003	20,118 ( -19.6 )	64.63	57.96	2.5	2.8	5.7

Notes: 1. Average number of shares outstanding each year: FY2004 - 308,146,251 shares, FY2003 - 307,823,074 shares

2. Changes in accounting policies: No change

#### (2) Cash dividends

	Annual cash dividends per share			Total amount of annual cash dividends	Dividend payout ratio	Total amount of dividends on shareholders' equity
	Interim	Year-end				
	Yen	Yen	Yen	Million yen	%	%
<b>FY2004</b>	<b>24.00</b>	<b>12.00</b>	<b>12.00</b>	<b>7,716</b>	<b>35.5</b>	<b>0.8</b>
FY2003	22.00	10.00	12.00	6,631	34.0	0.9

#### (3) Non-consolidated financial position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
<b>FY2004</b>	<b>1,735,323</b>	<b>980,533</b>	<b>56.5</b>	<b>3,085.91</b>
FY2003	1,420,342	718,041	50.6	2,451.75

Note: 1. Number of shares outstanding at end of each year: FY2004 - 317,665,682 shares, FY2003 - 292,777,198 shares

2. Number of treasury stock: FY2004 - 8,174,958 shares, FY2003 - 20,547,253 shares

### 2. Forecasts of non-consolidated Financial Results for FY2005 (April 1, 2004 - March 31, 2005)

	Net sales	Ordinary income	Net income	Annual cash dividends per share		
				Interim	Year-end	
	Million yen	Million yen	Million yen	Yen	Yen	Yen
<b>FY2005 semi-annual</b>	<b>360,000</b>	<b>17,000</b>	<b>11,000</b>	<b>12.00</b>	<b>-</b>	<b>-</b>
FY2005	720,000	35,000	22,000	-	12.00	24.00

Reference: (Forecast) Net income per share—basic (annual): 69.26 yen

## Non-consolidated Balance Sheets

	FY2004 (As of March 31, 2004)	FY2003 (As of March 31, 2003)	Increase (Decrease)
<b><u>Assets</u></b>			
<b>Current assets</b>	<b>1 8 7 , 1 8 9</b>	<b>2 4 0 , 9 9 1</b>	<b>( 5 3 , 8 0 2 )</b>
Cash and deposits	2 9 , 3 3 0	6 0 , 1 8 8	( 3 0 , 8 5 8 )
Trade notes receivable	7 9 4	3 , 0 5 9	( 2 , 2 6 5 )
Trade accounts receivable	7 6 , 2 7 1	6 8 , 4 1 8	7 , 8 5 3
Marketable securities	2 0 , 0 0 2	5 2 , 7 0 8	( 3 2 , 7 0 6 )
Finished goods	2 , 6 8 5	3 , 3 4 7	( 6 6 2 )
Raw materials	3 5 2	1 4 1	2 1 1
Work in process	1 8 , 0 8 9	1 5 , 6 4 8	2 , 4 4 1
Supplies	4 , 0 1 1	3 , 9 1 9	9 2
Prepaid expenses	1 7 3	1 9 8	( 2 5 )
Deferred tax assets	1 3 , 0 3 5	1 0 , 8 0 7	2 , 2 2 8
Other current assets	2 2 , 4 4 4	2 2 , 6 2 2	( 1 7 8 )
Less—allowance for doubtful accounts	( 2 )	( 6 8 )	6 6
<b>Fixed assets</b>	<b>1 , 5 4 8 , 1 3 3</b>	<b>1 , 1 7 9 , 3 5 1</b>	<b>3 6 8 , 7 8 2</b>
<b>Property, plant and equipment</b>	<b>2 3 4 , 0 5 9</b>	<b>2 2 5 , 4 7 2</b>	<b>8 , 5 8 7</b>
Buildings	7 2 , 5 8 0	7 0 , 8 4 7	1 , 7 3 3
Structures	7 , 7 6 5	7 , 3 6 3	4 0 2
Machinery and equipment	9 2 , 9 4 2	9 4 , 3 5 9	( 1 , 4 1 7 )
Vehicles and delivery equipment	1 , 1 3 3	1 , 2 0 8	( 7 5 )
Tools, furniture and fixtures	8 , 7 8 5	9 , 6 8 2	( 8 9 7 )
Land	4 0 , 5 6 7	3 5 , 2 7 9	5 , 2 8 8
Construction in progress	1 0 , 2 8 4	6 , 7 3 0	3 , 5 5 4
<b>Intangible assets</b>	<b>9 , 4 4 3</b>	<b>7 , 9 3 7</b>	<b>1 , 5 0 6</b>
Software	9 , 4 4 3	7 , 9 3 7	1 , 5 0 6
<b>Investments and other assets</b>	<b>1 , 3 0 4 , 6 3 0</b>	<b>9 4 5 , 9 4 1</b>	<b>3 5 8 , 6 8 9</b>
Investments in securities	1 , 1 2 1 , 1 1 7	7 7 6 , 3 8 7	3 4 4 , 7 3 0
Investments in subsidiaries	1 5 3 , 3 0 9	1 4 2 , 3 2 2	1 0 , 9 8 7
Long-term loans	1 0 , 4 1 0	1 0 , 8 8 7	( 4 7 7 )
Long-term prepaid expenses	1 0 , 7 5 4	1 1 , 8 0 4	( 1 , 0 5 0 )
Other investments and other assets	9 , 1 3 4	4 , 6 2 1	4 , 5 1 3
Less—allowance for doubtful accounts	( 9 5 )	( 8 2 )	( 1 3 )
<b>Total assets</b>	<b>1 , 7 3 5 , 3 2 3</b>	<b>1 , 4 2 0 , 3 4 2</b>	<b>3 1 4 , 9 8 1</b>

Notes: 1. Accumulated depreciation of

property, plant and equipment	3 5 4 , 4 8 6	3 4 0 , 3 1 5	1 4 , 1 7 1
2. Liabilities for guarantees	1 4 , 5 6 4	3 6 , 6 1 7	( 2 2 , 0 5 3 )

3. Allowance for retirement and severance benefits for directors and corporate auditors (included in allowance for retirement benefits)	4 , 1 1 5	2 , 3 2 1	1 , 7 9 4
---	-----------	-----------	-----------

(Million yen; amounts less than one million yen are omitted.)

	FY2004 (As of March 31, 2004)	FY2003 (As of March 31, 2003)	Increase (Decrease)
<b><u>Liabilities</u></b>			
<b>Current liabilities</b>	<b>1 7 0 , 1 1 4</b>	<b>2 5 0 , 8 4 9</b>	<b>( 8 0 , 7 3 5 )</b>
Trade notes payable	2 , 4 7 8	5 , 7 2 4	( 3 , 2 4 6 )
Trade accounts payable	8 7 , 1 5 6	8 2 , 8 5 4	4 , 3 0 2
Commercial paper	1 5 , 0 0 0	-	1 5 , 0 0 0
Current portion of binds	-	2 0 , 0 0 0	( 2 0 , 0 0 0 )
Current portion of convertible bonds	-	7 5 , 6 9 2	( 7 5 , 6 9 2 )
Other payables	1 3 , 6 6 1	1 3 , 7 0 2	( 4 1 )
Accrued expenses	2 6 , 2 9 6	2 2 , 6 9 7	3 , 5 9 9
Accrued income taxes	4 , 0 2 7	9 , 8 6 6	( 5 , 8 3 9 )
Advance received	5 3	1 0 6	( 5 3 )
Deposits received	2 , 0 1 7	1 , 2 7 0	7 4 7
Deposits received from employees	1 9 , 4 2 2	1 8 , 9 3 5	4 8 7
<b>Long-term liabilities</b>	<b>5 8 4 , 6 7 4</b>	<b>4 5 1 , 4 5 2</b>	<b>1 3 3 , 2 2 2</b>
Bonds	2 0 0 , 0 0 0	2 0 0 , 0 0 0	-
Long-term loans	2 0 , 0 0 0	2 0 , 0 0 0	-
Deferred tax liabilities	3 4 1 , 7 2 7	2 0 7 , 8 2 9	1 3 3 , 8 9 8
Allowance for retirement benefits	1 9 , 4 2 7	2 2 , 3 7 2	( 2 , 9 4 5 )
Other long-term liabilities	3 , 5 1 9	1 , 2 5 0	2 , 2 6 9
<b>Total liabilities</b>	<b>7 5 4 , 7 8 9</b>	<b>7 0 2 , 3 0 1</b>	<b>5 2 , 4 8 8</b>
<b><u>Shareholders' equity</u></b>			
<b>Common stock</b>	<b>8 0 , 4 6 2</b>	<b>6 8 , 0 4 6</b>	<b>1 2 , 4 1 6</b>
<b>Capital surplus</b>	<b>1 0 5 , 7 0 7</b>	<b>8 9 , 3 5 1</b>	<b>1 6 , 3 5 6</b>
Capital reserve	1 0 1 , 7 6 6	8 9 , 3 5 1	1 2 , 4 1 5
Other capital reserve	3 , 9 4 1	-	3 , 9 4 1
Gain on disposal of treasury stock	3 , 9 4 1	-	3 , 9 4 1
<b>Retained earnings</b>	<b>2 7 8 , 9 6 2</b>	<b>2 6 5 , 4 9 9</b>	<b>1 3 , 4 6 3</b>
Legal reserve	1 7 , 0 0 4	1 7 , 0 0 4	-
General reserve	1 8 0 , 7 1 4	1 8 0 , 5 5 7	1 5 7
Reserve for special depreciation	5 7 2	4 0 9	1 6 3
Reserve for reduction of acquisition cost of fixed assets	1 4 2	1 4 7	( 5 )
General reserves	1 8 0 , 0 0 0	1 8 0 , 0 0 0	-
Unappropriated retained earnings at end of year	8 1 , 2 4 3	6 7 , 9 3 7	1 3 , 3 0 6
<Included net income for year>	< 2 1 , 1 0 3 >	< 2 0 , 1 1 8 >	< 9 8 5 >
<b>Net unrealized gain on other securities</b>	<b>5 3 3 , 3 7 7</b>	<b>3 3 1 , 6 2 6</b>	<b>2 0 1 , 7 5 1</b>
<b>Treasury stock at cost</b>	<b>( 1 7 , 9 7 5 )</b>	<b>( 3 6 , 4 8 3 )</b>	<b>1 8 , 5 0 8</b>
<b>Total shareholders' equity</b>	<b>9 8 0 , 5 3 3</b>	<b>7 1 8 , 0 4 1</b>	<b>2 6 2 , 4 9 2</b>
<b>Total liabilities and shareholders' equity</b>	<b>1 , 7 3 5 , 3 2 3</b>	<b>1 , 4 2 0 , 3 4 2</b>	<b>3 1 4 , 9 8 1</b>

# Non-consolidated Statements of Income

(Million yen; amounts less than one million yen are omitted.)

	FY2004 ( April 1, 2003 - March 31, 2004 )	FY2003 ( April 1, 2002 - March 31, 2003 )	Increase (Decrease)
<b><u>Ordinary profits and losses</u></b>			
<b>Operating revenue and expenses</b>			
<b>Operating revenue</b>	7 4 9 , 6 1 6	7 4 7 , 6 3 7	1 , 9 7 9
Net sales	7 4 9 , 6 1 6	7 4 7 , 6 3 7	1 , 9 7 9
<b>Operating expenses</b>	7 1 8 , 2 8 2	7 0 8 , 2 2 7	1 0 , 0 5 5
Cost of sales	6 6 3 , 2 5 8	6 5 6 , 0 6 3	7 , 1 9 5
Selling, general and administrative expenses	5 5 , 0 2 4	5 2 , 1 6 4	2 , 8 6 0
<b>Operating income</b>	3 1 , 3 3 4	3 9 , 4 1 0	( 8 , 0 7 6 )
<b>Non-operating income and expenses</b>			
<b>Non-operating income</b>	1 5 , 8 7 7	1 4 , 7 6 8	1 , 1 0 9
Interest income and dividends income	1 1 , 6 3 4	9 , 5 7 5	2 , 0 5 9
Other non-operating income	4 , 2 4 3	5 , 1 9 3	( 9 5 0 )
<b>Non-operating expenses</b>	1 2 , 5 0 6	1 1 , 8 5 7	6 4 9
Interest expenses	3 , 5 7 5	3 , 4 2 4	1 5 1
Other non-operating expenses	8 , 9 3 0	8 , 4 3 3	4 9 7
<b>Ordinary income</b>	3 4 , 7 0 5	4 2 , 3 2 1	( 7 , 6 1 6 )
<b>(Extraordinary gains and losses)</b>			
<b>Extraordinary gains</b>	6 2 1	-	6 2 1
Gain on transfer to a defined contribution pension plan	6 2 1	-	6 2 1
<b>Extraordinary losses</b>	1 , 8 5 1	8 , 8 8 2	( 7 , 0 3 1 )
Provision for retirement and severance benefit for director and corporate auditors	1 , 8 5 1	-	1 , 8 5 1
Revalued loss of investment securities	-	5 , 4 7 4	( 5 , 4 7 4 )
Loss on disposal of property, plant and equipment	-	3 , 4 0 7	( 3 , 4 0 7 )
<b>Income before income taxes</b>	3 3 , 4 7 5	3 3 , 4 3 8	3 7
Income taxes—current	1 5 , 5 6 0	2 0 , 0 1 5	( 4 , 4 5 5 )
Income taxes—deferred	( 3 , 1 8 8 )	( 6 , 6 9 5 )	3 , 5 0 7
<b>Net income</b>	2 1 , 1 0 3	2 0 , 1 1 8	9 8 5
Unappropriated retained earnings brought forward	6 4 , 0 4 3	5 0 , 9 3 6	1 3 , 1 0 7
Interim cash dividends	3 , 9 0 4	3 , 1 1 8	7 8 6
<b>Unappropriated retained earnings at end of year</b>	8 1 , 2 4 3	6 7 , 9 3 7	1 3 , 3 0 6

## Proposed Appropriation of Non-consolidated Retained Earnings

(Million yen; amounts less than one million yen are omitted.)

	FY2004	FY2003	Increase (Decrease)
Unappropriated retained earnings at end of year	8 1 , 2 4 3	6 7 , 9 3 7	1 3 , 3 0 6
Reversal of reserve for special depreciation	9 6	6 5	3 1
Reversal of reserve for reduction of acquisition cost of fixed assets	8	8	0
<b>Total</b>	<b>8 1 , 3 4 7</b>	<b>6 8 , 0 1 1</b>	<b>1 3 , 3 3 6</b>
<b>The above will be appropriated as follows:</b>			
Cash dividends	3 , 8 1 1 <i>&lt; 12.00 yen per share &gt;</i>	3 , 5 1 3 <i>&lt; 12.00 yen per share &gt;</i>	2 9 8
Bonuses to directors	2 2 0	2 0 0	2 0
Bonuses to corporate auditors	2 6	2 3	3
Reserve for special depreciation	2 3 4	2 2 7	7
Reserve for reduction of acquisition cost of fixed assets	-	3	( 3 )
Unappropriated retained earnings to be carried forward	7 7 , 0 5 5	6 4 , 0 4 3	1 3 , 0 1 2

Note: On November 26, 2003, an interim cash dividend of 12.00 yen per share, or a total of 3,904 million yen was paid.



## Changes in Members of the Board of Directors and Corporate Auditors

### 1. New Candidates for the Board of Corporate Auditors

	(Current Title)
Kosuke Ikebuchi	(Vice chairman, Toyota Motor Corporation)
Masaaki Furukawa	(President, Toyota Tsusyo Corporation)

### 2. Retiring Member of the Board of Corporate Auditors

	(Current Title)
Hiroshi Makino	(Corporate Auditor)

### 3. Planned change in the Titles of the Members of the Board of Directors

#### Executive Vice President

	(Current Title)
Norio Sato	(Senior Managing Director, Member of the Board)

#### Senior Managing Director

	(Current Title)
Iwao Katayama	(Managing Director, Member of the Board)