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(Securities code: 6201)

May 24, 2024

(The day on which the measures for electronic provision: May 20, 2024)

To Shareholders with Voting Rights:

Koichi Ito
President, Member of the Board
Toyota Industries Corporation
2-1, Toyoda-cho, Kariya-shi, Aichi,
Japan

Notice of the 146th Ordinary General Meeting of Shareholders

Dear Shareholders:

The 146th Ordinary General Meeting of Shareholders will be held for the purposes as described below.

The Notice of the Ordinary General Meeting of Shareholders is provided electronically, and matters concerning the electronic provision are posted on the following website.

The Company’s web site <https://www.toyota-industries.com/investors/stock/#soukai>



In addition to the above, the information is also posted on the following website.

The Tokyo Stock Exchange, Inc. web site

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>



To view information regarding the convocation of the Ordinary General Meeting of Shareholders, please visit the website above, enter/search the name of the Company or its securities code, and choose “Basic information,” “Documents for public inspection / PR information.”

If you are unable to attend the meeting, you can exercise your voting rights in writing by submitting the enclosed form or by electromagnetic means. Please review the Reference Documents for the General Meeting of Shareholders (described hereinafter), and exercise your voting rights by 5:00 p.m. on Monday, June 10, 2024, Japan time.

- 1. Date and Time:** Tuesday, June 11, 2024 at 10:00 a.m., Japan time
- 2. Place:** Multipurpose Auditorium, Takahama Plant of the Company, located at 2-1-1 Toyoda-cho, Takahama-shi, Aichi, Japan
- 3. Meeting Agenda:**
- Matters to be Reported:** The Business Report, Consolidated and Non-consolidated Financial Statements for the 146th Fiscal Year (April 1, 2023 - March 31, 2024) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
- Proposals to be Resolved:**
- Proposal No. 1:** Election of 7 Members of the Board
 - Proposal No. 2:** Election of 2 Audit & Supervisory Board Members
 - Proposal No. 3:** Election of one Substitute Audit & Supervisory Board Member
 - Proposal No. 4:** Determination of Remuneration for Directors (excluding Outside Directors, etc. who do not engage in the execution of business) for Granting Restricted Share Units and Change of the Amount of Remuneration for Directors

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- **For those attending, please submit the enclosed ballot form at the reception desk on arrival at the meeting.** You are also kindly requested to bring this Notice as meeting materials when you attend.
 - If the main venue becomes full, we will direct you to the secondary venue.
 - For the method of exercising voting rights in writing or by electromagnetic means (via the Internet, etc.), please refer to pages 16 – 17.
 - If there are any changes to the matters concerning the electronic provision, we will post the corrections on each website.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No.1 Election of 7 Members of the Board

The term of office of the incumbent Members of the Board will expire at the conclusion of 146th Ordinary General Meeting of Shareholders. The Company proposes the election of 7 Members of the Board. The candidates are as follows:

No.	Name (Date of Birth)	Positions, Main Areas in Charge of the Company and Term of Office as a Member of the Board	Career Summary, Important Concurrent Duties and Reasons for Nomination as a Director Candidate	Number of Board of Directors Meetings Attended	Number of Company Shares Held
1	 Akira Onishi (January 4, 1958) Reappointed	<p>[Positions] Vice Chairman, Member of the Board</p> <p>[Term of office as a Member of the Board] 15 years</p>	<p>[Career summary] Apr. 1981 Joined the Company June 2005 Director of the Company June 2006 Managing Director of the Company June 2008 Senior Managing Officer of the Company June 2010 Senior Managing Director of the Company June 2013 President of the Company June 2023 Vice Chairman of the Company (to the present)</p> <p>[Important concurrent duties] —</p> <p>[Reasons for nomination as a Director candidate] Mr. Onishi has been involved in management of the Company as president from 2013 and as a vice chairman (current position) from 2023. We have determined that Mr. Onishi can continue to properly execute business duties as a Director based on his wealth of experience and expertise in overall corporate management and we request that he be elected.</p>	13 out of 13 times (100%)	21,163 shares

No.	Name (Date of Birth)	Positions, Main Areas in Charge of the Company and Term of Office as a Member of the Board	Career Summary, Important Concurrent Duties and Reasons for Nomination as a Director Candidate	Number of Board of Directors Meetings Attended	Number of Company Shares Held
2	 Koichi Ito (July 31, 1963) <input type="button" value="Reappointed"/>	<p>[Positions] President, Member of the Board</p> <p>[Term of office as a Member of the Board] One year</p>	<p>[Career summary] Apr. 1986 Joined Marubeni Corporation June 1998 Joined the Company June 2012 Managing Officer of the Company June 2019 Senior Executive Officer June 2023 President of the Company (to the present)</p> <p>[Important concurrent duties] —</p> <p>[Reasons for nomination as a Director candidate] Mr. Ito possesses abundant experience at the Company in the Sales Department and Corporate Planning Department. He has also been involved in management as a Managing Officer from 2012, as a Senior Executive Officer from 2019 and as president (current position) from 2023. We have determined that Mr. Ito can continue to properly execute business duties as a Director based on his wealth of experience and expertise in overall corporate management and we request that he be elected.</p>	11 out of 11 times (100%)	9,129 shares
3	 Shuzo Sumi (July 11, 1947) <input type="button" value="Reappointed"/> <input type="button" value="Outside"/> <input type="button" value="Independent"/>	<p>[Positions] Member of the Board</p> <p>[Term of office as a Member of the Board] 10 years</p>	<p>[Career summary] Apr. 1970 Joined Tokio Marine June 2000 Director and Chief Representative in London, Overseas Division of the same June 2002 Managing Director of the same Oct. 2004 Managing Director of Tokio Marine & Nichido June 2005 Senior Managing Director of the same June 2007 President of the same June 2007 President of Tokio Marine Holdings June 2013 Chairman of the Board of Tokio Marine & Nichido June 2013 Chairman of the Board of Tokio Marine Holdings June 2014 Member of the Board of the Company (to the present) Apr. 2016 Senior Executive Advisor of Tokio Marine & Nichido (to the present) June 2019 Retiring Chairman of the Board of Tokio Marine Holdings</p> <p>[Important concurrent duties] Outside Audit & Supervisory Board Member of TOKYU CORPORATION</p> <p>[Reasons for nomination as an Outside Director candidate and expected role] Mr. Sumi possesses abundant experience as a manager for many years at Tokio Marine & Nichido Fire Insurance Co., Ltd. and Tokio Marine Holdings, Inc. We continuously request that he be elected as an Outside Director expecting his advices based on his wealth of experience and expertise in overall corporate management in the management of the Company.</p>	12 out of 13 times (92%)	—

No.	Name (Date of Birth)	Positions, Main Areas in Charge of the Company and Term of Office as a Member of the Board	Career Summary, Important Concurrent Duties and Reasons for Nomination as a Director Candidate	Number of Board of Directors Meetings Attended	Number of Company Shares Held
4	 <p>Junichi Handa (February 13, 1957)</p> <p>Reappointed</p> <p>Outside</p> <p>Independent</p>	<p>[Positions] Member of the Board</p> <p>[Term of office as a Member of the Board] 2 years</p>	<p>[Career summary]</p> <p>Apr. 1979 Joined Toa Nenryo Kogyo K.K</p> <p>Feb. 2002 Representative Director of Booz Allen and Hamilton (Japan)</p> <p>Apr. 2005 CEO of Management Wisdom Partners, Japan Inc.</p> <p>Apr. 2005 Project Researcher of Manufacturing Management Research Center, the University of Tokyo</p> <p>June 2013 Corporate Officer and Head of HR, Takeda Pharmaceutical Company Limited</p> <p>June 2015 Outside Director of Mitsui Sugar Co., Ltd. (Now Mitsui DM Sugar Holdings Co., Ltd.)</p> <p>July 2015 CEO of Management Wisdom Partners, Japan Inc. (to the present)</p> <p>Apr. 2016 Project professor of the Graduate School of Economics (Management), the University of Tokyo and Office of the Global Leadership Program of the same</p> <p>Apr. 2022 Lecturer of the Graduate School of the same</p> <p>June 2022 Member of the Board of the Company (to the present)</p> <p>[Important concurrent duties] CEO of Management Wisdom Partners, Japan Inc.</p> <p>[Reasons for nomination as an Outside Director candidate and expected role] Mr. Handa possesses abundant experience of researching management and human resource strategies in manufacturing companies at university for many years. He also has experience in corporate management, and we continuously request that he be elected as an Outside Director expecting his advices from a wide range of perspectives based on his wealth of experience and expertise in both industry and academia.</p>	13 out of 13 times (100%)	—

No.	Name (Date of Birth)	Positions, Main Areas in Charge of the Company and Term of Office as a Member of the Board	Career Summary, Important Concurrent Duties and Reasons for Nomination as a Director Candidate	Number of Board of Directors Meetings Attended	Number of Company Shares Held
5	 Kazunari Kumakura (January 21, 1962) <div style="border: 1px solid blue; padding: 2px; width: fit-content; margin-top: 5px;">Reappointed</div>	<p>[Positions] Member of the Board</p> <p>[Term of office as a Member of the Board] One year</p>	<p>[Career summary] Apr. 1985 Joined Toyota Motor Corporation June 2016 Managing Officer of the Company June 2019 Operating Officer of the Company Mar. 2020 Retiring Operating Officer of the Company Apr. 2020 Deputy Chief Officer, Purchasing Group of Toyota Motor Corporation July 2020 Chief Officer, Purchasing Group of the same (to the present) June 2023 Member of the Board of the Company (to the present)</p> <p>[Important concurrent duties] Chief Officer, Purchasing Group of Toyota Motor Corporation Outside Director of JTEKT CORPORATION</p> <p>[Reasons for nomination as a Director candidate] Mr. Kumakura is currently serving as Chief Officer, Purchasing Group at Toyota Motor Corporation. He has also been involved in management as a Managing Officer from 2016, and as a Operating Officer from 2019 and possesses abundant experience in the Purchasing, Business Planning, Production Control and so on. We have determined that Mr. Kumakura can continue to properly execute business duties as a Director based on his wealth of experience and expertise in overall corporate management and we request that he be elected.</p>	11 out of 11 times (100%)	2,370 shares
6	 Shigeki Terashi (February 16, 1955) <div style="background-color: yellow; padding: 2px; width: fit-content; margin-top: 5px;">Newly-Appointed</div>	<p>[Positions] Company Advisor</p> <p>[Term of office as a Member of the Board] —</p>	<p>[Career summary] Apr. 1980 Joined Toyota Motor Corporation June 2008 Managing Officer of the same May 2011 President and Chief Operating Officer, Toyota Motor Engineering & Manufacturing North America, Inc. Apr. 2013 Senior Managing Officer of Toyota Motor Corporation June 2013 Member of the Board of Directors and Senior Managing Officer of the same June 2015 Executive Vice President of the same Apr. 2020 Member of the Board of Directors and Operating Officer of the same Jan. 2021 Member of the Board of Directors and Executive Fellow of the same June 2021 Executive Fellow of the same Apr. 2024 Company Advisor of the Company (to the present)</p> <p>[Important concurrent duties] —</p> <p>[Reasons for nomination as a Director candidate] Mr. Terashi possesses a wide range of technical expertise and abundant experience as a manager for many years at Toyota Motor Corporation. We have determined that Mr. Terashi can properly execute business duties as a Director based on his wealth of experience and expertise in manufacturing corporate management and we request that he be elected.</p>	—	—

No.	Name (Date of Birth)	Positions, Main Areas in Charge of the Company and Term of Office as a Member of the Board	Career Summary, Important Concurrent Duties and Reasons for Nomination as a Director Candidate	Number of Board of Directors Meetings Attended	Number of Company Shares Held
7	 <p>Tokiko Shimizu (April 1, 1965)</p> <p>Newly-Appointed</p> <p>Outside</p> <p>Independent</p>	<p>[Positions]</p> <p>—</p> <p>[Term of office as a Member of the Board]</p> <p>—</p>	<p>[Career summary]</p> <p>Apr. 1987 Joined Bank of Japan</p> <p>July 2010 General Manager, Takamatsu Branch of the same</p> <p>May 2012 Principal Examiner, Financial System and Bank Examination Department of the same</p> <p>June 2014 Deputy Director-General for Asian Affairs, International Department of the same</p> <p>July 2016 General Manager for Europe and Chief Representative of the same</p> <p>Apr. 2018 General Manager, Nagoya Branch of the same</p> <p>May 2020 Assistant Governor of the same</p> <p>May 2024 Retiring Assistant Governor of the same (to the present)</p> <p>[Important concurrent duties]</p> <p>—</p> <p>[Reasons for nomination as a Director candidate]</p> <p>Having successively assumed various posts in the Bank of Japan, such as the General Manager for Europe, the General Manager for Nagoya Branch and an Assistant Governor, Ms. Shimizu has extensive experience in various financial policies for the stability and development of the Japanese economy in relation with the global economy. Although she has never been directly involved in corporate management, expecting her to provide advice from a broad perspective and judging that she will execute the duties of an outside director appropriately based on her vast amount of experience at the central bank bearing a core function of the Japanese economy and great insight into the global financial economy, we request that she be elected.</p>	—	—

(Notes)1. No material conflicts of interest exist between the Company and any of the above candidates.

2. The term of office as a Member of the Board of each candidate is as of the conclusion of this Ordinary General Meeting of Shareholders.
3. The Company has concluded the Liability Limitation Agreement for its Directors and Officers with an insurance company that covers the compensation of damages and the cost of a lawsuit incurred by a Director or an Officer during the course of the execution of duties when acting in good faith and without gross negligence. Should respective candidates be appointed as Director upon approval of this proposal, they will be automatically included in the insured persons of the Liability Limitation Agreement. The Company intends to renew the agreement with the same content during the middle of the term.
4. The Company has concluded the Liability Limitation Agreement as stipulated in Article 423, Paragraph 1 of the Companies Act with Mr. Sumi, Mr. Handa and Mr. Kumakura, and the liability limit shall be the amount stipulated in Article 425, Paragraph 1 of the act. In addition, the Company plans to enter into a similar agreement with Ms. Shimizu if she is elected.
5. Mr. Sumi, Mr. Handa and Ms. Shimizu are candidates for Outside Members of the Board and are registered as Independent Members of Management as stipulated by the regulations of Stock Exchange. The Company intends to continue the registration of appointments of Mr. Sumi and Mr. Handa upon approval of their reappointments as proposed. If the appointment of Ms. Shimizu is approved in the Proposal, the Company plans to register her as an Independent Director as stipulated by the regulations of securities exchanges.
6. During the term of an office of Mr. Sumi and Mr. Handa, candidates for Outside Members of the Board, the excess over the domestic (Japanese) emissions regulation values due to aging degradation and violation of regulations related to Japanese certification for emissions from engines for industrial vehicles were found. In addition to the administrative disposition from the Ministry of Land, Infrastructure, Transport and Tourism on April 26, 2023, to cancel the type designations and certifications of 2 models of engines for forklifts and the forklifts equipped with those engines, the Company received administrative dispositions on March 5, 2024 to revoke the type designations of 3 models of engines for industrial vehicles. Mr. Sumi and Mr. Handa have been fulfilling their duties and regularly presenting their recommendations from the viewpoint of strict compliance with laws and regulations. Additionally, when formulating fundamental preventive measures to prevent recurrence of violation of regulations related to Japanese certification for emissions, they have appropriately fulfilled their responsibilities by making recommendations from an objective perspective as an outside officer and by instructing the company to thoroughly implement measures to prevent recurrence.

Proposal No. 2 Election of 2 Audit & Supervisory Board Members

The term of office of Full-Time Audit & Supervisory Board Members Mr. Watanabe and Mizuno will expire at the conclusion of 146th Ordinary General Meeting of Shareholders. The Company proposes the election of 2 Audit & Supervisory Board Members.

The Audit & Supervisory Board has already given its agreement regarding this proposal.

The candidates are as follows:

Name (Date of birth)	Positions of the Company	Career Summary, Important Concurrent Duties and Reasons for Nomination as a Substitute Audit & Supervisory Board Member Candidate	Number of Board of Directors Meetings Attended	Number of Audit & Supervisory Board Meetings Attended	Number of Company Shares Held
 Toru Watanabe (January 30, 1961) Reappointed	[Positions] Audit & Supervisory Board Member [Term of office as a Member of the Audit & Supervisory Board] 4 years	[Career summary] Apr. 1983 Joined the Company June 2020 Audit & Supervisory Board Member (to the present) [Important concurrent duties] — [Reasons for nomination as a outside Audit & Supervisory Board Member] Mr. Watanabe possesses abundant experience at the Company in the Accounting & Finance Department and the Corporate Planning Department. He has also been involved in the strengthening of the financial foundation and the improvement of corporate value of the Company group. We have determined that Mr. Watanabe can continue to properly execute business duties as an Audit & Supervisory Board Member based on his wealth of experience, achievements and knowledge accumulated throughout his career and we request that he be elected.	14 out of 14 times (100%)	13 out of 13 times (100%)	11,200 shares
 Akihisa Mizuno (June 13, 1953) Reappointed	[Positions] Audit & Supervisory Board Member [Term of office as a Member of the Audit & Supervisory Board] 8 years	[Career summary] Apr. 1978 Joined Chubu Electric Power Co., Inc. June 2008 Director of the same Senior Managing Executive Officer General Manager of Corporate Planning & Strategy Division June 2009 Director, Executive Vice President of the same General Manager of Corporate Planning & Strategy Division General Manager of Affiliated Business Planning & Development Dept. June 2010 President & Director of the same June 2015 Chairman of the Board of Directors of the same June 2016 Audit & Supervisory Board Member of the Company (to the present) Apr. 2020 Director & Honorary Advisor of Chubu Electric Power Co., Inc. June 2020 Honorary Advisor of the same (to the present) [Important concurrent duties] Honorary Advisor of Chubu Electric Power Co., Inc. Chairman of Central Japan Economic Federation [Reasons for nomination as a outside Audit & Supervisory Board Member] Mr. Mizuno possesses abundant experience as top manager for many years at Chubu Electric Power Co., Inc. We have determined that Mr. Mizuno can continue to properly execute business duties as an Outside Audit & Supervisory Board Member based on his wealth of experience and expertise in overall corporate management achievements and knowledge accumulated throughout his career and we request that he be elected.	14 out of 14 times (100%)	13 out of 13 times (100%)	1,500 shares

- (Notes)
1. No material conflicts of interest exist between the Company and the candidate.
 2. The term of office as a Member of the Board of each candidate is as of the conclusion of this Ordinary General Meeting of Shareholders.
 3. The Company has concluded the Liability Limitation Agreement for its Directors and Officers with an insurance company that covers the compensation of damages and the cost of a lawsuit incurred by a Director or an Officer during the course of the execution of duties when acting in good faith and without gross negligence. Should Mr. Watanabe and Mizuno be appointed as Audit & Supervisory Board Member upon approval of this proposal, he will be automatically included in the insured persons of the Liability Limitation Agreement. The Company intends to renew the agreement with the same content during the middle of the term.
 4. The Company and Mr. Mizuno conclude a Liability Limitation Agreement as stipulated in Article 423, Paragraph 1 of the Companies Act, and the liability limit shall be the amount stipulated in Article 425, Paragraph 1 of the act.
 5. Mr. Mizuno is a candidate for Outside Audit & Supervisory Board Member. He is registered as Independent Members of Management as stipulated by the regulations of Stock Exchange. The Company intends to continue the registration of his appointments upon approval of his reappointment as proposed.
 6. During the term of an office of Mr. Mizuno, a candidate for Outside Audit & Supervisory Board Member, the excess over the domestic (Japanese) emissions regulation values due to aging degradation and violation of regulations related to Japanese certification for emissions from engines for industrial vehicles were found. In addition to the administrative disposition from the Ministry of Land, Infrastructure, Transport and Tourism on April 26, 2023, to cancel the type designations and certifications of 2 models of engines for forklifts and the forklifts equipped with those engines, the Company received administrative dispositions on March 5, 2024 to revoke the type designations of 3 models of engines for industrial vehicles. Mr. Mizuno has been fulfilling his duties and regularly presenting his recommendations from the viewpoint of strict compliance with laws and regulations. Additionally, when formulating fundamental preventive measures to prevent recurrence of violation of regulations related to Japanese certification for emissions, he has appropriately fulfilled his responsibilities by making recommendations from an objective perspective as an outside officer and by instructing the company to thoroughly implement measures to prevent recurrence.
 7. Mr. Mizuno, a candidate for Outside Audit & Supervisory Board Member, was a director of Chubu Electric Power Co., Inc. between June 2008 and June 2020. On March 30, 2023, the company received a surcharge payment order from the Japan Fair Trade Commission for violating Article 3 of the Anti-monopoly Act (prohibition of unreasonable restraint of trade). On March 4, 2024, the Fair Trade Commission also issued a surcharge payment order to the company for violating Article 3 of the Anti-monopoly Act (prohibition of unreasonable restraint of trade) in connection with the supply of city gas to large customers in the Chubu region during the abovementioned period of service. Mr. Mizuno, who was the representative director of the company during the period of the violation, had been actively working to strengthen the company's internal controls and compliance.

<Reference>

The experiences and expertises of Members of the Board and Audit & Supervisory Board Members if Proposal No.1 and No.2 are Approved

		Members of the Board						Audit & Supervisory Board Members			
		Shigeki Terashi	Koichi Ito	Akira Onishi	Shuzo Sumi	Junichi Handa	Kazunari Kumakura	Tokiko Shimizu	Toru Inagawa	Toru Watanabe	Akihisa Mizuno
CEO or Equivalent Position of Business Enterprise		✓	✓	✓	✓	✓				✓	✓
Knowledge of Industry	Materials Handling Equipment		✓	✓				✓			
	Automobile	✓		✓			✓		✓		✓
	Textile Machinery		✓	✓							
Technology Development, Manufacturing		✓			✓	✓	✓			✓	
IT and Digital		✓	✓		✓	✓	✓	✓		✓	✓
Finance and Accounting			✓		✓	✓	✓	✓	✓		
Legal Affairs and Risk Management		✓	✓	✓	✓	✓	✓		✓	✓	✓
ESG		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Internationality		✓	✓	✓	✓	✓	✓	✓		✓	✓

Proposal No. 3 Election of One Substitute Audit & Supervisory Board Member

In order to prepare in the event that the Company lacks the number of Audit & Supervisory Board Members and becomes less than required by laws and regulations, the Company proposes that one Substitute Audit & Supervisory Board Member be elected. This proposal is made to elect a substitute for either Mr. Akihisa Mizuno or Mr. Masanao Tomozoe, currently Outside Audit & Supervisory Board Member. In the event Mr. Hitoshi Furusawa becomes an Audit & Supervisory Board Member, his term of office shall be the remaining part of his predecessor's term.

This proposal shall be effective until the commencement of the next Ordinary General Meeting of Shareholders. However, this resolution may be cancelled before the proposed Substitute Audit & Supervisory Board Member assumes office, by a resolution of the Board of Directors, subject to the approval of the Audit & Supervisory Board.

The Audit & Supervisory Board has already given its agreement regarding this proposal.

The candidate is as follows:

Name (Date of birth)	Positions of the Company	Career Summary, Important Concurrent Duties and Reasons for Nomination as a Substitute Audit & Supervisory Board Member Candidate	Number of Company Shares Held
 <p>Hitoshi Furusawa (February 2, 1971)</p> <p>Reappointed</p> <p>Outside</p> <p>Independent</p>	—	<p>[Career summary]</p> <p>Apr. 1996 Registered as lawyer (Aichi Bar Association) Oct. 2000 Established Furusawa Law Firm (the present Koyama Furusawa & Hayase LPC) (to the present)</p> <p>[Important concurrent duties]</p> <p>—</p> <p>[Reasons for nomination as a Substitute Audit & Supervisory Board Member candidate]</p> <p>Although he has not participated directly in corporate management, Mr. Furusawa has been active as a lawyer mainly in the field of corporate legal affairs for many years and we have determined that Mr. Furusawa can properly execute business duties as an Outside Audit & Supervisory Board Member based on his wealth of experience and highly specialized expertise and we request that he be elected as Substitute Outside Audit & Supervisory Board Member.</p>	—

- (Notes)
- No material conflicts of interest exist between the Company and the candidate.
 - The Company has concluded the Liability Limitation Agreement for its Directors and Officers with an insurance company that covers the compensation of damages and the cost of a lawsuit incurred by a Director or an Officer during the course of the execution of duties when acting in good faith and without gross negligence. Should Mr. Furusawa be appointed as Audit & Supervisory Board Member upon approval of this proposal, he will be automatically included in the insured persons of the Liability Limitation Agreement. The Company intends to renew the agreement with the same content during the middle of the term.
 - Matters concerning the candidate for Substitute Outside Audit & Supervisory Board Member are as follows.
 - Mr. Hitoshi Furusawa is a candidate for Substitute Outside Audit & Supervisory Board Member.
 - About Liability Limitation Agreement

In the event that Mr. Furusawa is elected under the measure and he assumes the duties of Audit & Supervisory Board Member, the Company and Mr. Furusawa will conclude a Liability Limitation Agreement as stipulated in Article 423, Paragraph 1 of the Companies Act, and the liability limit shall be the amount stipulated in Article 425, Paragraph 1 of the act.
 - In the event that Mr. Furusawa is elected under the measure and he assumes the duties of Audit & Supervisory Board Member, the Company intends to register Mr. Furusawa as an independent member of management as stipulated by the regulations of Stock Exchange.

Proposal No. 4 Determination of Remuneration for Directors (excluding Outside Directors, etc. who do not engage in the execution of business) for Granting Restricted Share Units and Change of the Amount of Remuneration for Directors

At the 144th Ordinary General Meeting of Shareholders held on June 10, 2022, the amount of remuneration for the Company's directors was approved to be 900 million yen or less per year (including 150 million yen or less per year for outside directors, described hereafter "Cash Compensation Allowance"), and this has remained unchanged up to the present day.

As part of the revision of the directors' remuneration system, the Company plans to revise the above Cash Compensation Allowance and pay its directors (excluding outside directors, etc. who do not engage in the execution of business, described hereafter "Eligible Directors") compensation to grant new restricted share units to incentivize the improvement of the Toyota Industries Group's medium- to long-term performance, increase its corporate value and promote increased value-sharing with shareholders.

In connection with the introduction of this system, the Company proposes to set the upper limit on Cash Compensation Allowance will be reduced from the previously approved limit of 900 million yen or less per year to 700 million yen or less per year (including 150 million yen or less per year for outside directors), and a new limit on compensation for the grant of restricted share units ("Share-based Compensation Allowance") at 200 million yen or less per year.

At the meeting held on April 26, 2024, the Board of Directors passed a resolution to approve the policy for determining individual directors' remuneration for the 147th term (FY2025), which is described later in the Reference section, in light of the result of deliberations of the Executive Appointment and Compensation Committee, which is chaired by an independent outside director and independent outside directors comprise a majority, on the condition that this proposal would be approved as originally proposed. The Company has judged that this proposal is appropriate because it is consistent with the basic policy.

If this proposal is approved, the composition of remuneration for directors will be as follows.

< Composition of Remuneration of Directors >

Composition of remuneration	Compensation Allowance	
Monthly remuneration	Cash Compensation Allowance	700 million yen or less per year (including 150 million yen or less per year for outside directors)
Bonuses		
Share Compensation	Share-based Compensation Allowance	200 million yen or less per year
Total		900 million yen or less per year (including 150 million yen or less per year for outside directors)

The number of directors eligible for remuneration will be seven (including three outside directors) if Proposal No. 1 is approved as originally proposed.

< Summary of a Restricted Share Compensation Plan >

Summary of a Restricted Share Compensation Plan is as follows.

Other items relating to this Compensation Plan and Restricted Share Allotment Agreement shall be determined by the Board of Directors.

Eligible persons	Directors of the Company (excluding Outside Directors, etc. who do not engage in the execution of business)
Total amount of Share Compensation	Maximum of 200 million yen per year in total for Eligible Directors
Amount of share compensation for each Director	To be set each year considering factors such as Company's business performance
Type of shares to be allotted and method of allotment	Issuance or disposal of common shares (with transfer restrictions under an allotment agreement)
Total number of shares to be allotted	Maximum of 60,000 shares in total for Eligible Directors. However, if the total number of issued shares of the Company increases or decreases due to a split or a reverse split of shares (including the gratis allotment of shares), the maximum number will be adjusted according to such ratio
Amount to be paid	An amount determined by the Board of Directors of the Company based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of resolution of each Board of Directors meeting, in an amount that is not particularly favorable to the Eligible Directors
Restricted transfer period	A period to be determined in advance by the Board of Directors between 3 and 30 years from the date of allotment
Conditions for lifting transfer restrictions	Restrictions will be lifted upon the expiration of the restricted transfer period. However, restrictions will also be lifted upon the expiration of term of office, death, or retirement for other legitimate reasons
Acquisition by Company without consideration	The Company may acquire all or a portion of the allotted shares without consideration if the Eligible Director violates laws and regulations or meets any other criteria established by the Board of Directors during the restricted transfer period
Payment timing and allocation to each Director	To be determined by the Board of Directors based on deliberations by the Executive Appointment and Compensation Committee
Adjustment in event of a reorganization	Transfer restrictions will be lifted in the event of a merger in which the Company becomes an absorbed company, a reorganization in which the Company becomes a wholly owned subsidiary, etc.
Other terms for allotment	If there is a reason for which it is not reasonable to grant restricted share compensation to the director, such as the director having already retired at the time of allotment, the share compensation shall not be granted.

In addition, subject to the approval of the proposal for the Plan at the Shareholders' Meeting, the same restricted share compensation plan as above will be applied to the Executive Vice President and Senior Executive Officers who do not concurrently serve as Directors of the Company, and common shares will be issued or disposed of.

Reference: Policy for Determining Individual Directors' Remuneration for the 147th Term (FYE2025)

1. Basic concept

- The Company ensures fairness and transparency.
- Emphasizing incentives for better business performance and sustainable growth, the Company ensures linkage with company performance and reflects job responsibilities and results.

2. Compensation structure

- The remuneration for Members of the Board consists of fixed remuneration as basic remuneration and bonuses and restricted share compensation as performance-linked remuneration.
- However, Non-Executive Directors such as Outside Directors are paid only fixed remuneration as they are independent of the execution of business operations.

3. Method of determining the amount of remuneration for each individual

- The Company has established "Executive Compensation Committee" consisting of President and independent Outside Members of the Board.
- In order to ensure objectivity and transparency, a majority of the chairman and the members are independent Outside Members of the Board.
- "Executive Appointment and Compensation Committee" deliberates this policy, individual remuneration proposals for Members of the Board and other important matters related to remuneration.
- Meetings of the Board has resolved this policy based on the results of deliberations by the "Executive Appointment and Compensation Committee".
- Meetings of the Board delegates the decision on the amount of remuneration for each individual to President (or the Chairman) from the viewpoint of flexibility and quick action.
- President (or the Chairman) determines the amount of remuneration for each individual Members of the Board in accordance with this policy, based on the results of deliberations by the "Executive Appointment and Compensation Committee".

4. Composition ratio

- The ratio of fixed remuneration and performance-linked remuneration (bonuses and restricted share compensation) for Directors, excluding Non-Executive Directors such as Outside Directors, is approximately 50:50. However, the Company is not precluded from using a ratio different from the above, depending on the circumstances of the consolidated operating income amount and others.
- The ratio of bonuses to restricted share compensation in the performance-linked remuneration is approximately 70:30.

5. Policy for determining fixed remuneration, bonuses (cash compensation) and restricted share compensation

(1) Cash compensation

The cash compensation paid to directors after combining fixed remuneration and bonuses is determined to be 700 million yen or less per year (including 150 million yen or less per year for outside directors), as per the resolution approved at this Ordinary General Meeting of Shareholders.

(i) Fixed remuneration

- The fixed remuneration for Members of the Board is monthly remuneration, which is paid periodically during their term of office.
- The amount of remuneration by individual is set at a reasonable level in consideration of Members of the Board's position and responsibilities, while referring to the levels of other companies.

(ii) Bonuses

- A bonus is paid at a certain time after the end of the General Shareholders' Meeting in each fiscal year.
- The bonus is determined by using the consolidated operating profit as the indicator and is approximately 70% of the total amount of performance-linked compensation calculated for each rank based on the amount of consolidated operating profit for the previous fiscal year. The bonus will be 100% of the total amount of performance-linked compensation if there is a reason for not providing directors with restricted share compensation.
- In determining the total amount of performance-linked compensation, dividends, employees' and other companies' bonus levels, past records of bonus payments and execution of duties and assigned work are considered comprehensively.

(2) Restricted share compensation

- Restricted share compensation is paid at a certain time after the end of the General Shareholders' Meeting in each fiscal year. If there is a reason for not providing directors with restricted share compensation, all of their performance-linked compensation is paid as a bonus and restricted share compensation is not paid.
- Remuneration paid to provide restricted share units is a pecuniary claim, and the total amount is 200 million yen or less per year separate from the director's fixed remuneration and bonus. The class of shares allotted is common share (with a transfer restriction attached to the allotment contract), which is issued or transferred, and the total number is 60,000 shares or less per year (if the total number of outstanding shares of the Company has changed due to a share split or reverse share split, including the allotment of shares without contribution, the ceiling amount is adjusted according to the ratio), as per the resolution approved at this Ordinary General Meeting of Shareholders.
- The restricted share compensation is determined by using the consolidated operating profit as the indicator and is approximately 30% of the total amount of performance-linked compensation calculated for each rank based on the amount of consolidated operating profit for the previous fiscal year.
- Restricted share compensation is provided on the condition that an allotment contract, which includes the following provisions, is concluded.
 - A transfer restriction is attached to the shares allotted for a period between three years and 30 years from the date of allotment, which is determined in advance by the Board of Directors, and the restriction will be lifted at the expiration of the period. The transfer restriction will be lifted if a director has retired from their position due to the expiration of their term of office, death or other legitimate reasons.
 - If a director violates a law or any of the events specified by the Board of Directors occurs during the period of transfer restriction, the Company may acquire all or part of the shares allotted for no consideration.

Information About the Exercise of Voting Rights

There are 3 ways to exercise your voting rights. The following matters should be understood before exercising your voting rights.

If you intend to attend the meeting in person, voting in writing or via the Internet, is unnecessary.

If You Intend to Attend the Meeting



When attending the meeting on the scheduled day, please submit the enclosed Voting Rights Exercise Form at the reception desk.

Date and Time **Tuesday, June 11, 2024 at 10:00 a.m., Japan time**

We have a dedicated space inside the venue for guests in wheelchairs. You will be guided from the reception at the venue. If you require sign language interpretation, please inform the staff at the venue reception.

If You DO NOT Intend to Attend the Meeting



Exercise of Voting Rights in Writing

You are requested to mark and return the Voting Rights Exercise Form with your vote of approval or disapproval. If there is no indication of your vote for or against the proposal in the Voting Rights Exercise Form, your vote shall be treated as approval of the proposal.

Exercise Deadline **Received by Monday, June 10, 2024 at 5:00 p.m., Japan time**



Exercise of Voting Rights via the Internet

You are requested to access **the Exercise of Voting Rights Web site** (<https://evote.tr.mufg.jp/>) designated by the Company and submit your vote of approval or disapproval.

(Please refer to the next page for details.)

Exercise Deadline **Monday, June 10, 2024 at 5:00 p.m., Japan time**

Treatment of the Voting Rights When Exercised Multiple Times

- (1) If you have exercised your voting rights both in writing and via the Internet, those exercised via the Internet will be taken as valid.
- (2) If you have exercised your voting rights multiple times on the Internet, the final vote will be taken as valid. If you have exercised your voting rights by 2 or more means of computers, smart phones or tablets, the final vote will be taken as valid.

Guide to the Exercise of Voting Rights via the Internet

When you exercise your voting rights via the Internet, the following matters should be understood before exercising your voting rights. You are requested to access the Exercise of Voting Rights Web site via computers, smart phones or tablets and exercise your voting rights in accordance with instructions on the screen.

Log in by Reading QR Code (by Smartphones)

The voting Web site is logged in by reading the Log-in QR Code provided on the right side of the sub ticket of the Voting Rights Exercise Form.

* QR Code is a registered trademark of Denso Wave Inc.

Log in by Entering Log-in ID and Temporary Password

- 1** Access the Exercise of Voting Rights Web site (<https://evote.tr.mufg.jp/>) and then click “To the next page.”
- 2** Enter the log-in ID and the temporary password shown at the right bottom of the Voting Rights Exercise Form and then click “Log in.”
- 3** Thereafter please submit your vote of approval or disapproval in accordance with instructions on the screen.

- Depending on your internet environment, service in use or phone model, you may not be able to use the Exercise of Voting Rights Web site.
- The service is not available from 2:30 a.m. to 4:30 a.m., Japan time daily.
- To protect against illegal access by persons other than qualified shareholders (“spoofing”) and the manipulation of voting details, please be aware that shareholders using the site will be asked to change their temporary password.
- Whenever a shareholders’ meetings is convoked, new log-in IDs and temporary passwords will be issued.
- The costs incurred when accessing the Exercise of Voting Rights Web site, including Internet access fees, will be the responsibility of the shareholder.

Other Information

Acceptance of Questions in Advance

The company is open to questions in the following way beforehand and intends to answer questions that are of high shareholders' interest at the Shareholders' Meeting or on our Web site. Please visit the following Web site or read the following QR Code and enter your question in the form.

<https://engagement-portal.tr.mufg.jp/>



* QR Code is a registered trademark of Denso Wave Inc.

Acceptance of Questions period is from Friday, May 24, 2024 at 5:00 a.m. to Monday, June 3, 2024 at 5:00 p.m., Japan time.

- Questions are limited to matters related to the Shareholders' Meeting and management of the Company.
- Please note that individual support to questions received beforehand is not possible.
- Please enter your question once per shareholder.

1

Enter the log-in ID and the temporary password shown at the right bottom of the Voting Rights Exercise Form.

2

Please select your question category and enter the details of your question after clicking the "Pre-Question" button.

3

After reviewing the terms of use, check the box for "I agree to the terms of use" and click the "Proceed to Confirmation Screen" button.

4

Once you have confirmed the information you have entered, please click the "Submit" button.

- The recommended environment for this website is listed at the end of the document posted at the following URL. Please note that Internet Explorer is not supported.

<https://www.tr.mufg.jp/daikou/pdf/faq.pdf>

About the Reference Documents for the Shareholders' Meeting Delivery Service

Shareholders who wish to receive printed document with the same contents as the document sent to shareholders who have requested delivery of the document (delivery document) should visit the following Web site or read the following QR Code to fill in the necessary information and apply.

<https://d.srdb.jp/6201/2406/>



Acceptance period of the service is from Friday, May 24, 2024 at 12:00 a.m. to Wednesday, June 5, 2024 at 11:59 p.m., Japan time.

- A screen to enter Shareholders ID and password will be displayed. Please enter your ID according to the following. Shareholders ID is Shareholders number on the ballot form and password is postal code of your registered address without hyphen.
- This service is an optional service. Please note that if there are many applicants, it may take some time to send them.
- Please note that once you apply, you cannot register for the second time or later.
- You may not be able to receive the e-mail to confirm the registration details if you have restricted the reception of e-mails using spam filters, etc. Please make the domain of "@srdb.jp" receivable.
- If you would like to continue to receive the documents after the next shareholders' meetings, please contact shareholder registry administrator (Stock Transfer Agency Department, Mitsubishi UFJ Trust and Banking Corporation, Tel: 0120-232-711) or the securities company that owns the Company's shares to request the delivery of documents.

Violation of Regulations related to Certification of Engines

Toyota Industries Corporation, on March 17, 2023, made public announcement of violation of domestic laws and regulations in domestic certification relating to emissions performance of current model forklift and construction machinery engines, and stopped shipping the subject engines and carried out a recall and took other measures concerning forklifts within Japan. At the Company's request, a Special Investigation Committee made up of outside experts conducted an independent investigation.

On January 29, 2024, the Company made report to Japan's Ministry of Land, Infrastructure, Transport and Tourism and other competent ministries, of the results of the investigation of a Special Investigation Committee and disclosed its contents. Domestic shipping stopped for the engines for automobiles in addition to the forklift engines, and the Company caused a great deal of inconvenience to automobile manufacturers, their suppliers, dealers and customers.

On February 22, 2024, the Company received a correction order (the "Correction Order") from Ministry of Land, Infrastructure, Transport and Tourism concerning legal violations in domestic engine certification. Taking into account the measures to be taken by the Company indicated in the Correction Order: "(1) Restructuring of the company's overall business management system," "(2) Improvement of business management methods for overall engine and vehicle development," and "(3) Building a system for implementing legal and certification operations that prevent unfair practices," and recommendations to the Company provided by the Special Investigation Committee, the Company summarized fundamental preventive measures, and reported the same to the Ministry of Land, Infrastructure, Transport and Tourism on March 22, 2024.

For the recurrence prevention, the Company will return to the basics of providing customers with "safe and secure quality products" and continuing to contribute to society, and implement the three reforms of "Culture," "Mechanism," and "Organization / Structure" to ensure that we do the right thing correctly into preventive measures, and the entire Company will work together to carry them out. "Restart Committee," with the president as the committee chairman, and the general manager, chief officer, head office executives, and department heads as members will take charge of promoting the measures to prevent recurrences, check on progress and effectiveness regularly, and continue to further improve the implementation.

The Company sincerely apologizes again to our shareholders, customers, business partners and all other concerned parties for the significant inconvenience that this domestic engine certification issue may have caused. Together with the employees, management will put all its efforts into the creation of Culture, Mechanism, and Organization / Structure that allow for honest and correct manufacturing, to achieve the revitalization of the Company.

(Attached Documents)

Business Report

(From April 1, 2023 to March 31, 2024)

1. Overview of the Company Group

(1) Business Progress and Results

In FY2024 (ended March 31, 2024), although the inflation rate slowed as a result of monetary tightening policies mainly in Europe and the United States, the outlook for the global economy remained uncertain due to concerns about recession caused by higher policy interest rates, geopolitical risks such as conflicts in Ukraine and the Middle East, and the impact of the stagnation in China's real estate sector. Meanwhile, the recovery of the Japanese economy was moderate despite positive economic trends such as wage increases and companies' stronger willingness to commit to investment. In this operating environment, Toyota Industries undertook efforts to expand sales by responding flexibly to market trends, based on the principle of contributing to various industries by supplying superior products and services to our customers. As a result, total consolidated net sales amounted to 3,833.2 billion yen, an increase of 453.4 billion yen, or 13%, from the previous fiscal year.

In terms of overall profit, despite an increase in labor costs, domestic engine certification related costs, and expenses and others including research and development expenses, owing to an increase in sales, the impact of exchange rate fluctuations, a decrease in logistics costs and further advances in cost reduction efforts throughout the Toyota Industries Group, Toyota Industries posted consolidated operating profit of 200.4 billion yen, an increase of 30.5 billion yen, or 18%, from the previous fiscal year. Profit before income taxes totaled 309.1 billion yen, an increase of 46.2 billion yen, or 18%. Profit attributable to owners of the parent totaled 228.7 billion yen, an increase of 35.9 billion yen, or 19%.

Business results by business segment are as follows.

[Automobile]

The Automobile market expanded on a global basis, supported by robust sales mainly in China and Europe. Amid such operating conditions, net sales of the Automobile Segment totaled 1,096.4 billion yen, an increase of 138.6 billion yen, or 14%. Operating profit amounted to 18.2 billion yen, a decrease of 16.4 billion yen, or 47%.

Within this segment, net sales of the Vehicle Business amounted to 100.8 billion yen, an increase of 17.7 billion yen, or 21%, due to an increase in sales of Toyota RAV4 for abroad offset by a decrease for Japan. Net sales of the Engine Business totaled 330.8 billion yen, an increase of 8.4 billion yen, or 3%, resulting from an increase in sales of gasoline engines, despite a decrease in sales of diesel engines.

Net sales of the Car Air-Conditioning Compressor Business totaled 466.1 billion yen, an increase of 36.4 billion yen, or 8%. Sales increased mainly in North America and Europe while those in China decreased.

Net sales of the Electronics Parts and Others Business totaled 198.5 billion yen, an increase of 76.0 billion yen, or 62%, attributable primarily to an increase in sales of battery and DC-DC converters.

[Materials Handling Equipment]

The Materials Handling Equipment market were sluggish in North America and other regions, and shrank worldwide. Amid this operating climate, net sales of the Materials Handling Equipment Segment totaled 2,587.2 billion yen, an increase of 303.4 billion yen, or 13%. Sales of lift trucks, a mainstay product of this segment, increased primarily in North America and Europe while those decreased in Japan.

Operating profit amounted to 165.6 billion yen, an increase of 43.8 billion yen, or 36%

[Textile Machinery]

The Textile Machinery market remained steady in Asia, including the mainstay India. Net sales of the Textile Machinery Segment totaled 93.3 billion yen, an increase of 9.0 billion yen, or 11%, due mainly to an increase in sales of weaving machinery and spinning machinery. Operating profit amounted to 8.0 billion yen, an increase of 0.2 billion yen, or 3%.

(2) Capital Investments

Toyota Industries paid out a total of 170.5 billion yen in capital investments, mainly for developing new products, streamlining and upgrading production equipment. The investment breakdown by the major business segments stood as follows: 25.2 billion yen for Vehicles and Engines Business, 48.0 billion yen for Car Air-Conditioning Compressors Business, 23.7 billion yen for Electronics parts and others Business in the Automobile Segment, 61.1 billion yen for the Materials Handling Equipment Segment and 12.5 billion yen for the Textile Machinery Segment and others.

(3) Financing

Toyota Industries needs are met through the issuance of corporate bonds, commercial papers and medium-term notes as well as loans from financial institutions. Balance of debt obligations at the end of the year stood at 1,706.2 billion yen.

(4) Issues to be Addressed

Looking for the future, the outlook remains uncertain due to concerns about economic recession caused by monetary policies, mainly in Europe and the United States, as well as geopolitical risks such as conflicts in Ukraine and the Middle East.

At the same time, demands to realize a sustainable society have progressively diversified, and there have been remarkable changes in the field of technology, such as the advancement of digitalization. Amid this environment, the progress in the development of electrification and autonomous driving, new entrants utilizing IT and digital technologies, and changes in industry structure have triggered increasingly fierce competition among companies in the automobile and materials handling equipment fields, our core businesses. Under such circumstances, we will strive to achieve sustainable growth and increase corporate value in the future by leveraging our comprehensive capabilities linked to mobility-related manufacturing and taking on the challenges of next-generation R&D, etc., with the logistics solutions business as a cornerstone.

On the other hand, on January 29, 2024, Toyota Industries announced legal violations in domestic engine certification, and on February 22, 2024, received a correction order from Ministry of Land, Infrastructure, Transport and Tourism. In response, on March 22, 2024, we reported to the Ministry of Land, Infrastructure, Transport and Tourism on measures to prevent recurrences of the engine certification issue. For the recurrence prevention, Toyota Industries will return to the basics of providing customers with "safe and secure quality products" and continuing to contribute to society, and implement the three reforms of "Culture," "Mechanism," and "Organization / Structure" to ensure that we do the right thing correctly into preventive measures, and the entire Toyota Industries will continue to work together to achieve the revitalization of Toyota Industries, and we are committed to the following two points.

(i) Thoroughly adhere to the basics again

We will ensure compliance with laws and regulations, which is the foundation of management. In addition, we will adhere to the priorities of "safety first, quality second, and production third" in manufacturing.

(ii) Transformation of management platform

We will reconfirm the roles and responsibilities of each department, take action to address deficiencies and weak points, and review the mechanism and organization/structure by correctly understanding the situation in the field and voices based on facts. In addition, we will prioritize, revise, and abolish operations, work to resolve issues, address internal and external risks in cooperation with the head office, divisions, and departments, and actively utilize digital technology to improve the efficiency and sophistication of our operations.

Through these initiatives, we will build a stronger management foundation to ensure the next stage of growth.

We would like to ask for the continued support and guidance of our shareholders.

(5) Trends in Assets and Income

International Financial Reporting Standards (IFRS)

(million yen)

Item	FY2021 (from April 1, 2020 – March 31, 2021)	FY2022 (from April 1, 2021 – March 31, 2022)	FY2023 (from April 1, 2022 – March 31, 2023)	FY2024 (from April 1, 2023 – March 31, 2024)
Net sales	2,118,302	2,705,183	3,379,891	3,833,205
Operating profit	118,159	159,066	169,904	200,404
Profit before income taxes	184,011	246,123	262,967	309,190
Profit attributable to owners of the parent	136,700	180,306	192,861	228,778
Earnings per share— basic (YEN)	440.28	580.73	621.17	736.86
Total assets	6,503,986	7,627,120	7,821,185	11,078,462
Total equity	3,322,550	4,021,967	3,935,401	6,153,359

(Reference)

Consolidated Financial Highlights
(IFRS)

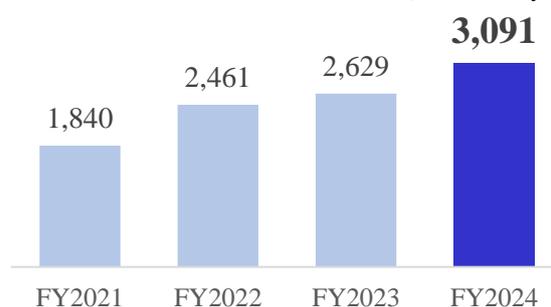
Net sales (100 million yen)



Operating Profit (100 million yen)



Profit before income taxes (100 million yen)



Profit attributable to owners of the parent (100 million yen)



Earnings per share – basic (yen)



Total assets (100 million yen)



Total equity (100 million yen)



(6) Major Subsidiaries and Other Significant Matters

1) Major Subsidiaries

Company Name		Location	Capital	Percentage of Voting Rights of the Company (%)	Principal Business
Japan	Tokyu Co., Ltd.	Oguchi-cho, Niwa-gun, Aichi	135 million YEN	100.00	Manufacture and sales of automotive parts and casting machinery
	Tokaiseiki Co., Ltd.	Iwata-shi, Shizuoka	98 million YEN	100.00	Manufacture and sales of automotive parts
	Izumi machine Mfg. Co., LTD.	Obu-shi, Aichi	150 million YEN	100.00	Manufacture and sales of automotive parts and specialized machine tools
	Toyota L&F Tokyo Co., Ltd.	Shinagawa-ku, Tokyo	350 million YEN	100.00	Sales of materials handling equipment
	Taikoh Transportation Co., Ltd.	Kariya-shi, Aichi	83 million YEN	54.04	Trucking, warehousing
	Aichi Corporation	Ageo-shi, Saitama	10,425 million YEN	54.40	Manufacture and sales of aerial work platforms
Overseas	Toyota Material Handling Manufacturing France S.A.S	Ancenis, France	9,000 thousand EUR	*100.00	Manufacture and sales of materials handling equipment
	Michigan Automotive Compressor Inc.	Michigan, U.S.A.	146,000 thousand USD	60.00	Manufacture and sales of car air-conditioning compressors
	Toyota Industries Europe AB	Mjölby, Sweden	13,743 million SEK	100.00	Holding company for materials handling equipment business in Europe
	Toyota Material Handling Europe AB	Mjölby, Sweden	1,816 million SEK	*100.00	Headquarters for materials handling equipment business in Europe
	Toyota Industries North America, Inc.	Indiana, U.S.A.	1,097,535 thousand USD	100.00	Holding company in the U.S.A.
	Toyota Material Handling, Inc.	Indiana, U.S.A.	72,500 thousand USD	*100.00	Manufacture and sales of materials handling equipment
	TD Deutsche Klimakompressor GmbH	Sachsen, Germany	20,451 thousand EUR	65.00	Manufacture and sales of car air-conditioning compressors
	Toyota Material Handling Australia Pty Limited	New South Wales, Australia	211,800 thousand AUD	100.00	Sales of materials handling equipment

Company Name	Location	Capital	Percentage of Voting Rights of the Company (%)	Principal Business	
Overseas	TD Automotive Compressor Georgia, LLC	Georgia, U.S.A.	155,000 thousand USD	*77.40	Manufacture and sales of car air-conditioning compressors
	Uster Technologies AG	Zurich, Switzerland	82,302 thousand CHF	100.00	Manufacture and sales of instruments for yarn testing and cotton classing
	Industrial Components and Attachments, Inc	Oregon, U.S.A.	428,832 thousand USD	100.00	Holding company for materials handling equipment component business
	Cascade Corporation	Oregon, U.S.A.	7,070 thousand USD	*100.00	Manufacture and sales of materials handling load engagement devices and related replacement parts
	Toyota Industry (Kunshan) Co., Ltd.	Jiangsu, China	61,840 thousand USD	63.40	Manufacture and sales of foundry parts and materials handling equipment
	Toyota Industries Commercial Finance, Inc.	Texas, U.S.A.	400,000 thousand USD	*100.00	Sales financing business for materials handling equipment
	Yantai Shougang TD Automotive Compressor Co., Ltd.	Shandong, China	3,675 million YEN	50.10	Manufacture and sales of car air-conditioning compressors
	TD Automotive Compressor Kunshan Co., Ltd.	Jiangsu, China	66,290 thousand USD	*78.80	Manufacture and sales of car air-conditioning compressors
	P.T. TD Automotive Compressor Indonesia	West Java, Indonesia	1,152,000 million IDR	50.10	Manufacture and sales of car air-conditioning compressors
	Bastian Solutions, LLC	Indiana, U.S.A.	15,759 thousand USD	*100.00	Logistics solutions
	Vanderlande Industries Holding B.V.	North Brabant, Netherland	1,495 thousand EUR	*100.00	Logistics solutions
	Toyota Industries Engine India Private Limited	Karnataka India	8,226,108 thousand INR	98.80	Manufacture and sales of diesel engines
	Toyota Industries Electric Systems North America, Inc.,	Michigan, U.S.A.	30,625 thousand USD	*100.00	Development and sales of electronics products

(Note) * indicates the percentage of voting rights, including interests held by the subsidiaries

2) Other Significant Matters

Toyota Motor Corporation (Capital: 635,401 million yen) holds 24.7% of the voting rights of the Company while its consolidated companies collectively hold 0.01% of the voting rights of the Company. The Company sells products from its Automobile Segment to Toyota Motor Corporation.

(7) Principal Business

The main businesses of Toyota Industries are Automobile, Materials Handling Equipment, and Textile Machinery. The main products and services by business segment are as follows.

Automobile	Materials Handling Equipment
<p>Vehicles RAV4 (Engine, HEV, PHEV)</p>  <p>Engines Diesel engines, Gasoline engines, Foundry parts</p>  <p>Car Air-Conditioning Compressors Car Air-Conditioning Compressors</p>  <p>Electronics Parts and Others Electronics parts for automobiles, Batteries</p> 	<p>Engine Powered Lift Truck</p>  <p>Electric Lift Truck</p>  <p>Aerial Work Platforms</p>  <p>Automated Storage and Retrieval Systems Logistics Solutions</p>   <p>Sales Financing Business</p>
Textile Machinery	Others
<p>Weaving Machinery, Spinning Machinery, Instruments for Yarn Testing and Cotton Classing</p> 	<p>Land Transportation Services</p> 

(8) Principal Offices and Plants**1) Toyota Industries Corporation**

Head Office: 2-1, Toyoda-cho, Kariya-shi, Aichi

Name		Location
Branch	Tokyo Branch	Chiyoda-ku, Tokyo
Plants	Kariya Plant	Kariya-shi, Aichi
	Obu Plant	Obu-shi, Aichi
	Kyowa Plant	Obu-shi, Aichi
	Nagakusa Plant	Obu-shi, Aichi
	Takahama Plant	Takahama-shi, Aichi
	Hekinan Plant	Hekinan-shi, Aichi
	Higashichita Plant	Handa-shi, Aichi
	Higashiura Plant	Higashiura-cho, Chita-gun, Aichi
	Anjo Plant	Anjo-shi, Aichi
	Ishihama Plant	Higashiura-cho, Chita-gun, Aichi

2) Subsidiaries

Refer to “(6) Major Subsidiaries and Other Significant Matters 1) Major subsidiaries”

(9) Employees

(people)

Number of Employees	Increase from Previous Fiscal Year-End
77,824	2,937

(Note) The number of employees is the number of persons engaged in the Group (the number of employees excludes the Group employees dispatched to external companies and includes employees dispatched to the Group from external companies.)

(10) Major Lenders

(million yen)

Lenders	Outstanding Balance of Borrowings as of March 31, 2024
Sumitomo Mitsui Banking Corporation	266,991
Japan Bank for International Cooperation	202,482
MUFG Bank, Ltd.	187,512
Sumitomo Mitsui Trust Bank	120,129
The Norinchukin Bank	116,139

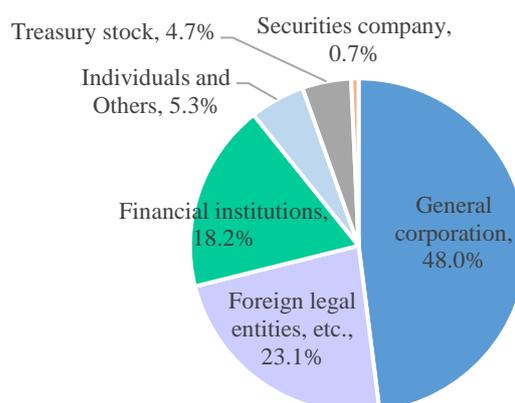
2. Status of Shares

(1) Total Number of Authorized Shares

Total number of shares authorized to be issued	1,100,000,000 shares
Total number of shares outstanding	310,477,035 shares (excluding 15,363,605 shares of treasury stock)

(2) Number of Shareholders 17,469 people

(Reference) Information on Shares by Type of Shareholder



(3) Major Shareholders

Shareholder Name	Number of Shares Held (Thousands)	Percentage of Total Shares in Issue (%)
Toyota Motor Corporation	76,600	24.67
DENSO Corporation	29,647	9.55
The Master Trust Bank of Japan, Ltd. (Trust account)	26,842	8.65
TOYOTA FUDOSAN Co., Ltd.	16,291	5.25
Toyota Tsusho Corporation	15,294	4.93
Custody Bank of Japan, Ltd. (Trust account)	9,483	3.05
Nippon Life Insurance Company	6,580	2.12
AISIN Corporation	6,578	2.12
Aioi Nissay Dowa Insurance Co., Ltd.	3,922	1.26
State Street Trust and Banking Co., Ltd.	3,496	1.13

- (Notes) 1. The Company also holds 15,363 thousand shares of treasury stock but is excluded from the above list.
 2. The percentage of total shares in issue is calculated based on the number of shares outstanding excluding the number of shares of treasury stock.

3. Company Officers

(1) Members of the Board and Audit & Supervisory Board Members

Name	Positions of the Company	Main Areas in Charge and Important Concurrent Duties
Tetsuro Toyoda	* Chairman, Member of the Board	
Akira Onishi	* Vice Chairman, Member of the Board	
Koichi Ito	* President, Member of the Board	
Shuzo Sumi	Member of the Board	[Important concurrent duties] Outside Audit & Supervisory Board Member of TOKYU CORPORATION
Junichi Handa	Member of the Board	[Important concurrent duties] CEO of Management Wisdom Partners, Japan Inc.
Kazunari Kumakura	Member of the Board	[Important concurrent duties] Chief Officer, Purchasing Group of Toyota Motor Corporation Outside Director of JTEKT CORPORATION
Toru Inagawa	Full-Time Audit & Supervisory Board Member	
Toru Watanabe	Full-Time Audit & Supervisory Board Member	
Akihisa Mizuno	Audit & Supervisory Board Member	[Important concurrent duties] Honorary Advisor of Chubu Electric Power Co., Inc. The Chairman of Central Japan Economic Federation
Masanao Tomozoe	Audit & Supervisory Board Member	[Important concurrent duties] Outside Director of NORITAKE CO., LIMITED Outside Director of HOSHIZAKI CORPORATION Outside Director of Sasatoku Printing Co., Ltd.

- (Notes)
1. A Representative Member of the Board is marked with an asterisk (*).
 2. The Members of the Board Mr. Shuzo Sumi and Mr. Junichi Handa are “Outside Members of the Board” as stipulated in Article 2, Paragraph 15 of the Companies Act.
 3. The Audit & Supervisory Board Members Mr. Akihisa Mizuno and Mr. Masanao Tomozoe are “Outside Audit & Supervisory Board Members” as stipulated in Article 2, Paragraph 16 of the Companies Act.
 4. Mr. Sumi, Mr. Handa, Mr. Mizuno and Mr. Tomozoe are designated as Independent Members of Management stipulated by Stock Exchange.

(2) Summary of Liability Limitation Agreement

Toyota Industries has concluded agreements with all Members of the Board who don't engage in business execution, such as Outside Members of the Board, and Outside Audit & Supervisory Board Members to limit liabilities stipulated in Article 423, Paragraph 1 of the Companies Act, and the liability limit shall be the amount stipulated in Article 425, Paragraph 1 of t of the Companies Act.

(3) Summary of Contents of Liability Insurance Agreement for Officers

Toyota Industries has concluded the Liability Limitation Agreement for its directors and officers with an insurance company that covers the compensation of damages and the cost of a lawsuit incurred by the insureds due to claims for damages arising from the execution of duties by the insureds. However, the Company has taken measures to ensure that the appropriateness of the execution of duties by officers is not impaired by excluding from compensation any damage caused by criminal acts or intentional violations of laws and regulations. The insureds under this insurance agreement are Members of the Board, Audit & Supervisory Board Members, Senior Executive Officers, Executive Officers, as well as Officers of subsidiaries (excluding subsidiaries that are individually insured) and some affiliates, and the insured persons do not bear any of the premiums.

(4) Remuneration to Members of the Board and Audit & Supervisory Board Members for the Fiscal Year Ended March 31, 2024

1) The Policy for Determining the Details of Individual Remuneration of Members of the Board

i) Basic concept

- The Company ensures fairness and transparency.
- Emphasizing incentives for better business performance and sustainable growth, the Company ensures linkage with company performance and reflects job responsibilities and results.

ii) Compensation structure

- The remuneration for Members of the Board consists of fixed remuneration as basic remuneration and bonuses as performance-linked remuneration.
- Furthermore, bonuses are composed of the amount linked to the fiscal year indicators and the amount linked to medium-term indicators. However, Members of the Board who don't engage in business execution, such as Outside Members of the Board, are paid only fixed remuneration as they are independent of the execution of business operations.

iii) Method of determining the amount of remuneration for each individual

- The Company has established "Executive Appointment and Compensation Committee" consisting of President and independent Outside Members of the Board.

- In order to ensure objectivity and transparency, the chairperson and a majority of the committee members are independent Outside Members of the Board.
- "Executive Appointment and Compensation Committee" deliberates this policy, individual remuneration proposals for Members of the Board and other important matters related to remuneration.
- Meetings of the Board has resolved this policy based on the results of deliberations by the "Executive Appointment and Compensation Committee."
- Meetings of the Board delegates the decision on the amount of remuneration for each individual to President (or the Chairman) from the viewpoint of flexibility and quick action.
- President (or the Chairman) determines the amount of remuneration for each individual Members of the Board in accordance with this policy, based on the results of deliberations by the "Executive Appointment and Compensation Committee."

iv) Policy for determination of fixed remuneration, bonuses and their composition ratio

Fixed remuneration

- The fixed remuneration for Members of the Board is monthly remuneration, which is paid periodically during their term of office.
- The amount of remuneration by individual is set at a reasonable level in consideration of Members of the Board's position and responsibilities, while referring to the levels of other companies.

Bonuses

- Bonuses are paid at a certain time after the close of the Ordinary General Meeting of Shareholders in each fiscal year.
- The amount linked to the fiscal year indicators is calculated for each position using the consolidated operating income as indicator, according to the consolidated operating income of the previous fiscal year.
- The amount linked to medium-term indicators is calculated for each position based on the evaluation of the results of management indicators such as consolidated operating income ratio for the past three fiscal years.
- The reason for the selection of this indicator is that we have determined that it is an appropriate indicator to reflect the basic concept of this policy.
- In determining the amount to be paid, the Company takes into account a comprehensive range of factors, including dividends, the level of employee bonuses, the level of other companies' bonuses, past payment performance, the job responsibilities, performance of duties, and others.

Composition ratio

- The ratio of fixed remuneration and bonuses for Members of the Board, excluding Members of the Board who don't engage in business execution, such as Outside Members of the Board, is approximately 60:40. (The ratio of bonuses linked to medium-term indicators is approximately 10%.) However, the Company is not precluded from using a ratio different from the above, depending on the circumstances of the consolidated operating income amount and others.

2) Remuneration for Audit & Supervisory Board Members

Remuneration for Audit & Supervisory Board Members is fixed remuneration only, and is determined through discussions among Audit & Supervisory Board Members in accordance with certain standards established by the Company.

3) Resolutions of the Shareholders' Meeting Regarding Remuneration of Members of the Board and Audit & Supervisory Board Members

At the 144th Ordinary General Meeting of Shareholders held on June 10, 2022, a resolution was passed to limit the total amount of remuneration for Members of the Board to 900 million yen per year (including 150 million yen per year for Outside Members of the Board). The number of Members of the Board as of the close of this Ordinary General Meeting of Shareholders is 6 (including 3 Outside Members of the Board).

At the 132nd Ordinary General Meeting of Shareholders held on June 23, 2010, a resolution was passed to limit the total amount of remuneration for Audit & Supervisory Board Members to 15 million yen per month. The number of Audit & Supervisory Board Members as of the close of this Ordinary General Meeting of Shareholders is 5.

4) The Delegation of Responsibility for Determining the Details of Individual Remuneration of Members of the Board

In the Company, Koichi Ito, President, determines the specific amount of remuneration for each individual Member of the Board based on the delegated resolution of Meetings of the Board. The content of such authority is the amount of monthly remuneration for each Member of the Board and the evaluation and allocation of bonuses based on each Member of the Board's performance. The reasons for the delegation and the measures to be taken to ensure that the authority is exercised appropriately are shown in "1) The policy for determining the details of individual remuneration of Members of the Board iii) Method of determining the amount of compensation for each individual". Since the President, Member of the board who has been delegated this task, has made decisions in accordance with this policy based on the results of deliberations by the "Executive Appointment and Compensation Committee", Meetings of the Board believes that the content complies with the decision policy.

5) Total Amount of Remuneration for Members of the Board and Audit & Supervisory Board Members

Classification of Officer	Total of Remuneration (million yen)	Total Amount of Remuneration by Type (million yen)		Number of Eligible Officers (people)
		Fixed Remuneration (Basic Remuneration)	Bonuses (Performance-Linked Remuneration)	
Members of the Board (Outside Members of the Board)	350 (36)	216 (36)	133 (-)	8 (3)
Audit & Supervisory Board Members (Outside Audit & Supervisory Board Members)	91 (27)	91 (27)	- (-)	4 (2)
Total	442	308	133	12

(Notes) 1. 2 Members of the Board (one of them is Outside Member of the Board) who resigned as of the closing of the 145th Ordinary General Meeting of Shareholders held on June 9, 2023 are included in the above figures.

2. Bonuses are based on the amount resolved at the Meetings of the Board held on May 17, 2024.

(5) Matters Regarding Outside Officers

1) Important Concurrent Duties

Classification	Name	Important Concurrent Duties
Outside Members of the Board	Shuzo Sumi	Outside Audit & Supervisory Board Member of TOKYU CORPORATION
	Junichi Handa	CEO of Management Wisdom Partners, Japan Inc.
Outside Audit & Supervisory Board Members	Akihisa Mizuno	Honorary Advisor of Chubu Electric Power Co., Inc. The Chairman of Central Japan Economic Federation
	Masanao Tomozoe	Outside Director of NORITAKE CO., LIMITED Outside Director of HOSHIZAKI CORPORATION Outside Director of Sasatoku Printing Co., Ltd.

(Note) There are no important transactions or other relationships between the Company and the companies where the Outside Members of the Board and Outside Audit & Supervisory Board Members hold important concurrent duties.

2) Main Activities During the Fiscal Year Ended March 31, 2024

Classification	Name	Main Activities
Outside Members of the Board	Shuzo Sumi	<p>He attended 12 of 13 regularly held Meetings of the Board.</p> <p>He is expected to apply his wealth of experience and high level of insight in the management of the Company, and he actively speaks from this perspective at Meetings of the Board of the Company, and plays an appropriate role as an Outside Audit & Supervisory Board Member by supervising and advising on business execution.</p> <p>In addition, as a member of Executive Appointment and Compensation Committee, he attends these committees and plays an important role as a member by proactively making statements and engaging in deliberations from an independent and objective standpoint.</p>
	Junichi Handa	<p>He attended 13 of 13 regularly held Meetings of the Board.</p> <p>He is expected to apply his wealth of experience and high level of insight in both industry and academia, including research at universities and corporate management, and he actively speaks from this perspective at Meetings of the Board of the Company, and plays an appropriate role as an Outside Audit & Supervisory Board Member by supervising and advising on business execution.</p> <p>In addition, as a member of Executive Appointment and Compensation Committee, he attends these committees and plays an important role as a member by proactively making statements and engaging in deliberations from an independent and objective standpoint.</p>
Outside Audit & Supervisory Board Members	Akihisa Mizuno	<p>He attended 13 of 13 regularly held Meetings of the Board and 14 of 14 regularly held Meetings of Audit & Supervisory Board.</p> <p>He provided his opinions on overall corporate management based on his wealth of experience and expertise in managing a company.</p>
	Masanao Tomozoe	<p>He attended 13 of 13 regularly held Meetings of the Board and 14 of 14 regularly held Meetings of Audit & Supervisory Board.</p> <p>He provided his opinions on overall corporate management based on his wealth of experience and expertise in managing a company.</p>

- (Notes)
1. In addition to the above number of Meetings of the Board, there were 2 resolutions in writing during the fiscal year ended March 31, 2024, which were deemed to be resolutions of Meetings of the Board pursuant to Article 370 of the Companies Act and Article 26, Paragraph 2 of the Company's Articles of Incorporation, as well as notices of matters to be reported to Meetings of the Board pursuant to Article 372 of the Companies Act.
 2. The Company confirmed the excess over the domestic (Japanese) emissions regulation values due to aging degradation, and violation of regulations related to Japanese certification for emissions, of engines for forklifts, manufactured by the Company for the Japanese market. In addition to the administrative disposition from the Ministry of Land, Infrastructure, Transport and Tourism on April 26, 2023, to cancel the type designations and certifications of 2 models of engines for forklifts and the forklifts equipped with those engines, the Company received administrative dispositions on March 5, 2024 to revoke the type designations of 3 models of engines for industrial vehicles. Outside Members of the Board and Outside Audit & Supervisory Board Members have been fulfilling their duties and regularly presenting their recommendations from the viewpoint of strict legal compliance. Additionally, when formulating fundamental preventive measures to prevent recurrence of violation of regulations related to Japanese certification for emissions, they have appropriately fulfilled their responsibilities by making recommendations from an objective perspective as an outside officer and by instructing the company to thoroughly implement measures to prevent recurrence.

4. Accounting Auditor

(1) Name of Accounting Auditor

PricewaterhouseCoopers Japan LLC

(Note) PricewaterhouseCoopers Aarata LLC merged with PricewaterhouseCoopers Kyoto on December 1, 2023 and changed its name to PricewaterhouseCoopers Japan LLC.

(2) Remuneration for the Accounting Auditor for the Fiscal Year Ended March 31, 2024

1) Remuneration for audit services as provided in Article 2 Paragraph 1 of the Certified Public Accountants Act

144 million yen

2) Total amount of cash and other proprietary benefits to be paid by the Company and its consolidated subsidiaries to the Accounting Auditor

201 million yen

(Notes) 1. The amount in “1)” above includes remuneration for audit services under the Financial Instruments and Exchange Act.

2. The Audit & Supervisory Board has concluded that the amount of remuneration for the Accounting Auditor was appropriate after reviewing and confirming the details of the audit plan, its performance of audit services and the basis for calculation of estimating remuneration, thereby agreeing to the amount.

(3) Non-Audit Services

Besides business work under Article 2, Paragraph 1 of the Certified Public Accountants Act of Japan, the Company paid accounting auditors compensation for work for the preparation of comfort letters and other matters.

(4) Policy for Determination of Dismissal or Non-Reappointment of the Accounting Auditor

The Audit & Supervisory Board will dismiss the Accounting Auditor upon consent of all the Audit & Supervisory Board Members, if the Accounting Auditor falls subject to any of the provisions of the subparagraphs of Article 340 Paragraph 1 of the Companies Act.

If Accounting Auditor has become difficult to perform the duties appropriately, The Audit & Supervisory Board will determine the proposal of calling for the dismissal or non-reappointment to be submitted to the Shareholders' Meeting.

(5) Audit of the Major Subsidiaries and Overseas Subsidiaries of the Company

Of the major subsidiaries of the Company, overseas subsidiaries are subject to audits by audit firms other than the Accounting Auditor of the Company.

5. Toyota Industries' Corporate Governance

(1) Basic Perspective on Corporate Governance

Toyota Industries regards the most important managerial task is to earn trust broadly from society and enhance our corporate value on a stable, long-term basis. We aim to do this task based on our Basic Philosophy, which consists of “Respect for the Law,” “Respect for Others,” “Respect for the Natural Environment,” “Respect for Customers” and “Respect for Employees,” and earnestly fulfilling our social responsibilities. Our basic focus is on contributing to the creation of an enriched society through business activities, and we believe it is essential to cultivate good relationships with stakeholders, including shareholders, customers, business partners, creditors, local communities and employees.

Accordingly, we strive to enhance our corporate governance in order to maintain and improve management efficiency, fairness and transparency. For example, we have established a structure to quickly and flexibly respond to changes in the business environment and have been working to augment management oversight and ensure the timely disclosure of information.

More specifically, the following basic policies drive our initiatives.

- 1) We seek to ensure shareholders' rights and equality.
- 2) We seek to promote appropriate collaboration with stakeholders other than shareholders (including customers, business partners, creditors, local communities and employees).
- 3) We seek to conduct appropriate information disclosure and ensure transparency.
- 4) We seek to perform the roles and duties of the Board of Directors appropriately in order to make decisions in a transparent, fair, quick and resolute manner.
- 5) We seek to promote a constructive dialogue with shareholders.

(2) Implementation Structure

Toyota Industries convenes monthly meetings of the Board of Directors to resolve important management matters and monitor the execution of duties by directors. We appoint outside directors who have a wealth of experience and knowledge such as business management. They attend meetings of the Board of Directors and give opinions and ask questions as deemed necessary based on their individual, wide-ranging experience and insights related to the management of globally operating companies and monozukuri (manufacturing). Through this supervisory function of outside directors, we ensure the legality and validity of the Board's decisions as well as the directors' execution of duties from an objective perspective. Moreover, a variety of issues concerning important management matters, such as our corporate vision, management policies, medium-term business strategies and major investments, as well as crucial projects in each business division, are discussed by the Management Committee, which is composed of president, executive vice president, chief officers and audit & supervisory board members as well as relevant senior executive officers and other executives, prior to deliberation by the Board of Directors.

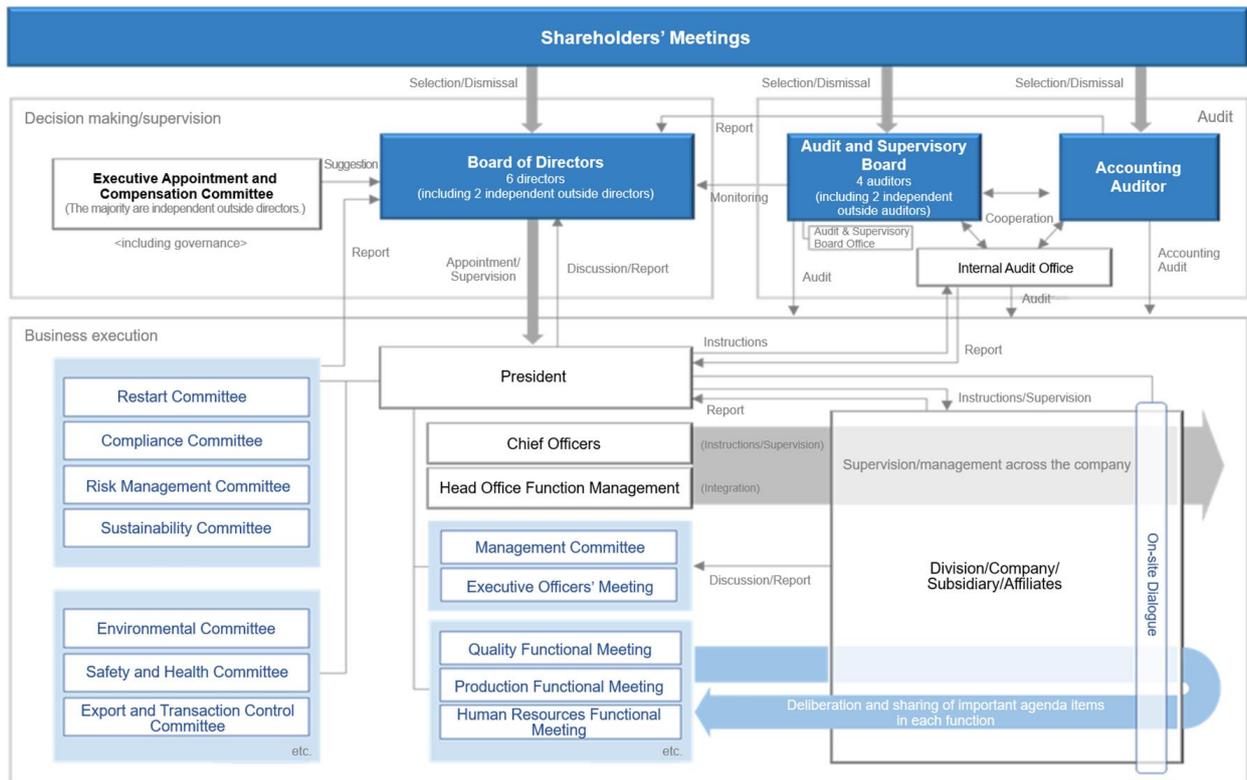
At the Executive Officers' Meeting, president, executive vice president, chief officers and senior executive officers convene to report and confirm the monthly status of business operations and discuss divisional and functional issues, etc.

In addition, issues pertaining to quality, production and human resources are discussed at the corresponding functional meetings. We have also put in place committees to deliberate on more specific matters, such as compliance, risk management, sustainability, the environment, safety and health, and export transaction controls. These functional meetings and committees discuss important matters and action themes in respective areas.

Furthermore, in response to the Engine Certification Issue, we established a Restart Committee to promote recurrence prevention measures.

Moreover, we strive to maintain and improve internal controls by establishing the Internal Audit Office and conducting internal audits of Toyota Industries' business divisions and departments as well as our subsidiaries.

Structure of Corporate Governance



6. Structure to Ensure the Propriety of Operations and Overview of the Status of Operation of this Structure

Based on the findings of the investigations conducted by the Special Investigation Committee regarding the domestic engine certification issue announced on January 29, 2024, the Board of Directors passed the following resolutions at a meeting held on April 26, 2024, so that Toyota Industries would return to the basics, strive to prevent the recurrence to restart as a company that will never commit such a misconduct and revise its basic policy for improving internal control.

(1) Structure to Ensure the Propriety of Operations

1) Structure to Ensure the Execution of Duties by Members of the Board, etc. Conforms to Laws, Regulations and the Articles of Incorporation

- i) Toyota Industries will establish the Toyota Industries Corporation Employee Code of Conduct that the directors, senior executive officers, executive officers and other business managers (collectively, “Directors, etc.”) and employees must comply with. The Directors, etc. themselves express their strong commitment to prioritize compliance in all phases of business activities, and this will be communicated thoroughly to all employees.
- ii) To accurately understand the laws and regulations required of them and their obligations, responsibilities, the various risks the Company faces and the changes in social response, the Directors, etc. will attend training programs for newly appointed officers and executive lectures on laws and regulations held as appropriate to increase their knowledge of these matters, raise awareness, heighten their risk sensitivity and ensure that they act in line with laws and regulations, the spirit of the law, the Articles of Incorporation and the Toyota Industries Corporation Employee Code of Conduct.
- iii) The Company will establish the positions of chief officers who will coordinate company-wide functions in terms of compliance, laws and regulations and quality (“chief officers” is a collective term for the Global Chief Compliance Officer, who will oversee global compliance and risk management, the Chief Quality Officer in charge of quality assurance and the Chief Legal Officer responsible for legal affairs). The President and chief officers will attend the Chief Officer Meeting to be held regularly, in which the chief officers will report and share issues and initiatives in their respective areas of responsibility so that Head Office departments have stronger checks and balances on business divisions.
- iv) Decisions in the execution of duties shall be made after comprehensive considerations of the various risks surrounding the Company at Meetings of the Board, Executive Officers' Meeting, Management Committee and at cross-organization functional meetings and committees. The agenda items to be decided at these meetings and committees shall be properly submitted and discussed as prescribed by relevant regulations. Additionally, these meetings and committees shall be attended by Audit & Supervisory Board Members while opportunities for viewing important documents by the Audit & Supervisory Board Members shall be assured at all times.
- v) The Compliance Committee will be established, whose members include the President, business division heads, chief officers, other relevant directors and regional chief compliance officers. The committee will deliberate on compliance-related risks and concerns, monitor the operating status of the whistleblowing system and discuss company-wide policies, issues, countermeasures and activity plans to further improve and strengthen the Company’s legal compliance system.
- vi) Multiple hotlines, including a whistleblowing hotline using an independent third party, will be established to detect compliance-related concerns and issues and find solutions at an early stage. The Company will establish and operate an environment and system that allows employees to feel secure in reporting compliance-related questions, concerns or violations by ensuring that the confidentiality of whistleblowers is protected and that they will not be subject to unfair treatment for making such reports.

2) Structure for the Safekeeping and Management of Information Pertaining to the Execution of Duties by Members of the Board, etc.

The preparation, safekeeping and management of information pertaining to the execution of duties by Members of the Board, etc. shall be undertaken appropriately pursuant to internal rules, laws and regulations concerning the identification of the subject information for safeguarding, departments responsible for preparation, departments responsible for safeguarding, safeguarding methods and safeguarding period. A condition shall be maintained that enables viewing and verification of information at all times as needed.

3) Regulations and Other Structures Concerning the Management of Risk of Loss

- i) Risks associated with businesses and investments will be managed appropriately by the business division heads responsible for business operations, chief officers and heads of functional departments within their respective areas and roles. Significant risks will be managed across the entire company, in consultation with the Board of Directors, the Business Operation Committee and the Management Committee.
- ii) In addition to the above, the Risk Management Committee, composed of the President, business division heads, chief officers and other relevant directors will be established. The committee will strive to continuously increase corporate resilience to risks by developing effective measures, which are based on the company-wide risk assessment and take into account the allocation of management resources, and by inspecting and evaluating progress and results.
- iii) Each business shall establish a system and conduct daily management of risks related to quality, safety, environment, human resources, information security, export trade control, and other matters under the duty and responsibility of the business division heads, based on an accurate understanding of the various risks surrounding the relevant business and changes in how society perceives such risks.
- iv) Among the risks listed above, to counter the risk of quality-related misconduct especially, necessary education will be provided to engineers by including data integrity and other ethics matters in the basic education program. A standardized development schedule that ensures a reasonable development timeline will also be developed to build a system for properly implementing the necessary development processes. In addition, the Company will establish a system of operations related to regulations and certification that will never allow misconduct to occur by formulating relevant regulations, securing adequate personnel and developing human resources to build a checking system in the certification application process and to improve the audit function for laws, regulations and certification.
- v) As a precaution against disasters and other contingencies, manuals shall be prepared and training implemented and, when necessary, responses shall be made that include taking risk diversification measures and arranging insurance coverage against losses.
- vi) The Risk Management Committee will identify the risks surrounding each of our businesses, and periodically inspect the organizational structure and business processes to ensure that they correspond to those risks. In the event that risk materializes and a serious problem occurs, proper countermeasures and steps shall be taken in accordance with the Risk Response Manual and essential information shall be quickly disclosed.
- vii) Funds will be appropriately managed through a budget system and decision-makers and operation managers will be appointed based on significance through an approval procedure to manage risks in operations and budgeting. Additionally, the chief officers and members of relevant departments will deliberate all matters in which the President is the decision-maker as designated by approval regulations to ensure that risks are appropriately assessed.
- viii) The Company will work to ensure the reliability of financial reports by, for instance, clarifying financial risks, documenting activities to control these risks and checking the progress of risk control measures. The Company will also ensure that information is disclosed in an appropriate and timely manner through the Information Disclosure Committee.

4) Structure for Assuring the Efficient Execution of Duties by Members of the Board, etc.

- i) The Medium-Term Management Plan and the company policies for each fiscal year shall be formulated in accordance with policy management systems. Based on these, each business division shall clarify the implementation items for business division policies, profit plans and each organization with respect to the responsibilities of the head of business divisions and carry out appropriate and efficient policy management and daily management, giving full consideration to the actual resource conditions at each workspace. The status of the execution of these duties shall be confirmed through Meetings of the Board, Executive Officers' Meeting and the President's on-site inspections.
- ii) The responsible business division head shall properly manage new product development, systems development and newly established production lines to assure quality, costs and delivery periods for these under the design review (DR) system that sets examination steps from product planning to product design, production preparation, production migration and initial production.

5) Structure for Assuring the Execution of Duties by Employees Conforms to Laws, Regulations and the Articles of Incorporation

- i) The Company will ensure that employees are fully ingrained with the Toyota Industries Corporation Employee Code of Conduct and provide training and hold workplace meetings to explain the importance of compliance, risk management and related matters so that they will act in line with laws and regulations, the spirit of the law, the Articles of Incorporation and the Toyota Industries Corporation Employee Code of Conduct. The Company will thoroughly communicate that employees will not be treated unfairly for actions to prioritize compliance.
- ii) The Company will clarify the division of duties, responsibilities, and authority in each organization, and incorporate compliance and risk management mechanisms into our business processes. The effectiveness of these systems will be confirmed through operational audits and self-inspections.
- iii) The Company will enable reporting lines to function through office organizations and establish a system for reporting compliance-related problems and issues faced by individual organizations in a timely and appropriate manner. Multiple hotlines, including a whistleblowing hotline using an independent third party, will be established to detect compliance-related concerns and issues and find solutions at an early stage. The Company will establish and operate an environment and system that allows employees to feel secure in reporting compliance-related questions, concerns or violations by thoroughly ensuring that the confidentiality of whistleblowers is protected and that they will not be subject to unfair treatment for making such reports.

6) Structure for Ensuring the Propriety of Business Operations in the Corporate Group Consisting of the Company and its Subsidiaries

- i) The responsible business divisions managing and supervising subsidiaries shall promote the Company's Basic Philosophy, code of conduct, corporate policies, business division policies and important policies regarding finance, quality, safety, the environment and personnel and labor at each subsidiary. The Members of the Board, etc. of subsidiaries, in accordance with their responsibilities, shall establish and operate an internal control system for assuring the propriety and legality of business execution at the relevant subsidiaries.
- ii) The responsible business divisions of subsidiaries shall confirm the propriety and legality of the execution of duties of the Members of the Board, etc. of subsidiaries through the exchange of information with the Members of the Board, etc., Audit & Supervisory Board Members and employees of the subsidiaries regularly or as needed or by management supervision by non-executive Members of the Board, etc. dispatched by the Company.
- iii) Functional departments of the Head Office shall support the responsible business divisions of the subsidiaries as well as the subsidiaries in the deployment of important policies at subsidiaries and the establishment of internal control systems.

- iv) Subsidiary control regulations shall be established and operated as a structure for Members of the Board, etc. and employees of subsidiaries to report to the Company on important matters related to the management of relevant subsidiaries.
 - v) The Company will encourage the use of the whistleblowing hotline that uses an independent third party and demand that subsidiaries share any important reports submitted via the whistleblowing hotlines established by the respective subsidiaries by thoroughly ensuring the Directors, etc. and employees of subsidiaries that the confidentiality of whistleblowers is protected and that they will not be subject to unfair treatment for making such reports, in order to detect and find solutions to the compliance-related issues committed by their Directors, etc. and employees at an early stage.
- 7) Matters Related to Employees in Cases Where the Audit & Supervisory Board Members Request Employees Be Assigned to Assist Their Duties**
- The Audit & Supervisory Board Office shall be established as a dedicated organization that assists with the duties of the Audit & Supervisory Board Members, and multiple persons not subject to the orders of Members of the Board shall be posted at this office.
- 8) Matters Related to the Independence of Employees from Members of the Board, etc. Described in the Previous Item and to the Assurance of the Effectiveness of Instructions Given to the Relevant Employees**
- i) The assignment of personnel to the Audit & Supervisory Board Office shall be subject to the prior approval of the Audit & Supervisory Board or from the Full-time Audit & Supervisory Board Members as determined by the Audit & Supervisory Board.
 - ii) Members of the Board, etc. or employees of the Company or subsidiaries shall cooperate with investigations and information gathering of staff of the Audit & Supervisory Board Office based on instructions from the Audit & Supervisory Board Members.
- 9) Structure for Reporting to Audit & Supervisory Board Members by Members of the Board, etc. and Employees, by Members of the Board, etc. and Employees of Subsidiaries and by Parties Receiving Reports from These Persons**
- i) Members of the Board, etc. and employees shall report regularly or as needed on the status of the execution of business in response to requests by Audit & Supervisory Board Members. They shall also immediately report to Audit & Supervisory Board Members when discovering any actual matters that could cause material damage to the Company.
 - ii) Members of the Board, etc. and employees of subsidiaries shall report on business operations as needed in response to requests by the Audit & Supervisory Board Members. The responsible business division in charge of the subsidiary and the functional departments of the Head Office shall appropriately report to the Audit & Supervisory Board Members on any significant management matters concerning subsidiaries.
 - iii) Mechanisms shall be established and operated to ensure the Members of the Board, etc. or employees of the Company or of subsidiaries are not treated disadvantageously by reason of reporting to the Audit & Supervisory Board Members.
- 10) Other Structures for Assuring Audits by the Audit & Supervisory Board Members Are Performed Effectively**
- The Audit & Supervisory Board Members shall attend principal officer conferences, while access to important documents by the Audit & Supervisory Board Members, opportunities for exchanging information with the Accounting Auditors on a regular basis or as needed, and cooperation with the internal audit sections shall be assured. Necessary expenses for the duties of the Audit & Supervisory Board Members shall be covered, including for the direct recruitment of external human resources when needed.

(2) Overview of the Status of Operation of the Structure to Ensure the Propriety of Business Operations

1) Compliance by Members of the Board, etc. and Employees

- To accurately understand the various risks the Company faces and the changes in social response, the Directors, etc. attended training programs for newly appointed officers and executive lectures on laws and regulations (roles of executives in the company-wide prevention of the recurrence of compliance violations and the implementation of appropriate actions) held to increase their knowledge of these matters as well as raise an awareness of and heighten their risk sensitivity to compliance.
- The Company established the positions of chief officers who will coordinate company-wide functions in terms of compliance, laws and regulations and quality. The President and chief officers attended the regularly held Chief Officer Meeting, in which the chief officers reported and shared issues and initiatives in their respective areas of responsibility so that Head Office departments have stronger checks and balances on business divisions.
- We are striving to instill the top management's mindset within the company and to foster an awareness among all employees that "compliance is the top priority," by continuously disseminating messages from top management, e.g., that compliance is the basic premise for business activities, and that compliance is prioritized without hesitation, through briefings from the president, videos, company newsletters, individual letters, and other methods.
- To further deepen employees' understanding of compliance, employees were thoroughly informed of the Toyota Industries Corporation Employee Code of Conduct through new employee education, rank-based training and company-wide workplace meetings. The Company translated into six languages the video materials that were created for familiarizing the Employee Code of Conduct so that it could be used outside Japan. Also, the Company distributed e-learning educational materials based on themes decided each month and worked to create an environment for autonomously enhancing sensitivity toward compliance.
- To enable the whistleblowing hotline using an independent third party and various internal advice desks to function effectively, the Company made it known that it has established an environment and system that allows employees to feel secure in reporting concerns and issues by thoroughly ensuring that the confidentiality of whistleblowers is protected and that they will not be subject to unfair treatment for making such reports. In addition, the Company appropriately responded to issues and concerns raised and reported the status of use of the whistleblowing system to the Directors. etc.
- Based on the findings of the investigations conducted by the Special Investigation Committee regarding the domestic engine certification issue announced on January 29, 2024, the Company reinforced organizations and systems, including responses to the issue. At the same time, the Company revised its basic policy regarding internal control and is in the process of building a mechanism to notice and pause if any misconduct is committed, never engage in misconduct again and manufacture products in the correct way.

2) Management of Risk of Loss

- The Company has established the positions of chief officers as mentioned above, who engage in appropriate risk management in their respective fields and roles in collaboration with the heads of business divisions responsible for business operations and functional departments. The Company operates a mechanism for periodically checking the laws and regulations that apply to individual business divisions and departments, identifying changes in operations, specifying areas yet to be handled or vulnerabilities, appointing the department responsible for addressing them and improving the problem-solving capabilities of the managers of the responsible department.
- Evaluated business opportunities and risks and executed decision-making for major matters such a large-scale investments through the Meetings of the Board and Management Committee based on agenda criteria.
- Convenes functional meetings and committees for safety, quality, the environment and other areas of compliance and risk and undertaking company-wide management.

- Convened the Disaster and Fire Prevention Conference in preparation for disasters (earthquakes, fires, explosions and flooding). In addition to implementing evacuation drills at all plants, each plant independently conducted headquarters training (initial fire extinguishing, information gathering, emergency transport and other role-assigning training).
- To prevent the leakage of confidential information, the Company formulated a manual on information security and confidential information leakage and conducted employee education, while carrying out practical drills based on the assumption that a confidential information leakage accident occurred.
- Based on the results of investigation by the Special Investigation Committee into the engine certification issue announced on January 29, 2024, the Company is strengthening our efforts throughout the Company regarding compliance and risk management as part of measures to prevent recurrence of such problems.

3) Efficient Execution of Members of the Board, etc. 's Duties

- Formulated the Medium-Term Management Plan and fiscal-year corporate policies under policy management systems, and based on these, clarified major implementation items for each organization and carried out policy management and day-to-day management. Discussed and resolved major implementation items in accordance with the agenda criteria at the Meetings of the Board and Management Committee as well as confirmed the status of execution through the Meetings of the Board, Management Council, and the President's on-site inspections.

4) Propriety of Business Operations in the Corporate Group

- The responsible business divisions of subsidiaries promoted important policies such as the Basic Philosophy and corporate policies at subsidiaries, established opportunities for exchanging information with subsidiaries on a regular basis or as needed, and confirmed and followed up on the status of promotion of corporate policies as well as safety, quality, the environment and compliance.
- The internal audit sections as well as the environment, safety and health and other functional departments confirmed and followed up on compliance through such means as subsidiary operational audits and subsidiary self-checks using check sheets.

5) Reporting to Audit & Supervisory Board Members and Ensuring the Effectiveness of Audits

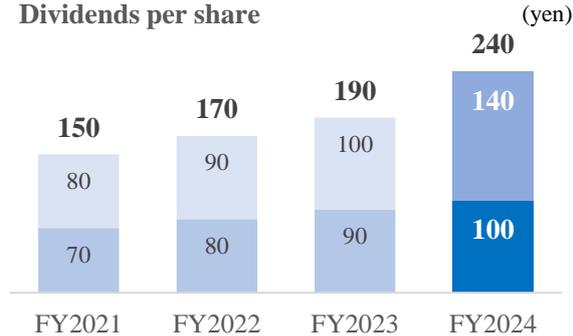
- The status of the execution of duties was reported to the Audit & Supervisory Board Members by the Members of the Board, etc. of the Company and its subsidiaries. In addition, the Audit & Supervisory Board Members attend principal meetings and committees to ascertain the status of decision-making by Members of the Board, etc. and their execution of duties and compliance, and share information.

7. Policies Regarding the Determination of Distribution of Surplus

Toyota Industries is to meet the expectations of shareholders for continuous dividends while giving full consideration to business performance, funding requirements, the dividend payout ratio and other factors.

Toyota Industries will effectively use retained earnings for capital investment, research and development, and other activities to achieve future business growth, while flexibly implementing shareholder return programs, including repurchase of our common stock, while taking into consideration trends in stock prices and capital structure.

With regard to the dividend for shareholders at the end of the current fiscal year, the resolution has passed at Meetings of the Board held on April 26, 2024 to pay a dividend of 140 yen per share of the Company's common stock (total dividend; ¥43,466,784,900), with the effective date set for May 27, 2024. The total shareholder dividend for FY2024, including the interim dividend, is 240 yen per share.



Consolidated Financial Statements

Consolidated Statement of Financial Position

Unit: millions of yen

(Amounts less than 1 million yen are omitted)

Description	FY2024 (As of March 31, 2024)	(Reference) FY2023 (As of March 31, 2023)	Description	FY2024 (As of March 31, 2024)	(Reference) FY2023 (As of March 31, 2023)
(Assets)			(Liabilities)		
Current assets	3,129,531	2,677,024	Current liabilities	1,639,197	1,517,112
Cash and cash equivalents	496,849	202,731	Trade payables and other payables	876,925	807,474
Time deposits with deposit terms of over three months	243,358	420,173	Corporate bonds and loans	424,486	519,749
Trade receivables and other receivables	1,638,998	1,398,757	Other financial liabilities	93,950	83,749
Other financial assets	5,564	5,399	Accrued income taxes	110,079	29,696
Inventories	619,082	524,385	Provisions	85,890	41,827
Income tax receivables	14,487	26,262	Other current liabilities	47,864	34,615
Other current assets	111,189	99,313			
Non-current assets	7,948,931	5,144,161	Non-current liabilities	3,285,906	2,368,671
Property, plant and equipment	1,448,343	1,237,540	Corporate bonds and loans	1,281,779	1,179,390
Goodwill and intangible assets	537,974	468,368	Other financial liabilities	142,323	104,404
Trade receivables and other receivables	813	1,459	Net defined benefit liabilities	68,767	81,422
Investments accounted for by the equity method	30,016	23,987	Provisions	15,059	11,025
Other financial assets	5,828,188	3,338,505	Deferred tax liabilities	1,730,231	952,960
Net defined benefit assets	44,193	27,887	Other non-current liabilities	47,743	39,467
Deferred tax assets	51,597	37,992	Total liabilities	4,925,103	3,885,784
Other non-current assets	7,803	8,421			
			(Equity)		
			Share of equity attributable to owners of the parent	6,045,759	3,837,416
			Capital stock	80,462	80,462
			Capital surplus	99,581	101,245
			Retained earnings	1,990,203	1,652,648
			Treasury stock	(59,369)	(59,345)
			Other components of shareholders' equity	3,934,880	2,062,404
			Non-controlling interests	107,599	97,985
			Total equity	6,153,359	3,935,401
Total assets	11,078,462	7,821,185	Total liabilities and equity	11,078,462	7,821,185

Consolidated Statement of Profit or Loss

Unit: millions of yen
(Amounts less than 1 million yen are omitted)

Description	FY2024 (April 1, 2023 - March 31, 2024)	(Reference) FY2023 (April 1, 2022 - March 31, 2023)
Net sales	3,833,205	3,379,891
Cost of sales	(2,932,058)	(2,623,707)
Gross profit	901,147	756,183
Selling, general and administrative expenses	(656,749)	(576,761)
Other income	24,336	28,230
Other expenses	(68,330)	(37,748)
Operating profit	200,404	169,904
Financial income	126,899	103,728
Financial expenses	(21,391)	(13,976)
Share of profit (loss) of investments accounted for by the equity method	3,276	3,311
Profit before income taxes	309,190	262,967
Income taxes	(72,335)	(64,250)
Profit	236,854	198,716
Profit attributable to:		
Owners of the parent	228,778	192,861
Non-controlling interests	8,076	5,855

Consolidated Statement of Changes in Equity

(April 1, 2023 - March 31, 2024)

Unit: millions of yen

(Amounts less than 1 million yen are omitted)

	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 March 31, 2023	80,462	101,245	1,652,648	(59,345)	1,960,101	—
Profit			228,778			
Other comprehensive income					1,882,077	18,282
Total comprehensive income			228,778		1,882,077	18,282
Repurchase of treasury stock				(24)		
Disposal of treasury stock		0		0		
Dividends			(62,095)			
Changes in ownership interest of subsidiaries		(0)				
Changes in non-controlling interests as a result of change in scope of consolidation						
Reclassified into retained earnings			170,872		(152,590)	(18,282)
Other increases (decreases)		(1,663)				
Total transactions with owners	—	(1,663)	108,776	(24)	(152,590)	(18,282)
Balance as of March 31, 2024	80,462	99,581	1,990,203	(59,369)	3,689,589	—

	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 March 31, 2023	96,032	6,269	2,062,404	3,837,416	97,985	3,935,401
Profit				228,778	8,076	236,854
Other comprehensive income	143,406	(418)	2,043,348	2,043,348	5,692	2,049,040
Total comprehensive income	143,406	(418)	2,043,348	2,272,126	13,768	2,285,895
Repurchase of treasury stock				(24)		(24)
Disposal of treasury stock				0		0
Dividends				(62,095)	(3,167)	(65,262)
Changes in ownership interest of subsidiaries				(0)	(986)	(986)
Changes in non-controlling interests as a result of change in scope of consolidation				—		—
Reclassified into retained earnings			(170,872)	—		—
Other increases (decreases)				(1,663)		(1,663)
Total transactions with owners	—	—	(170,872)	(63,783)	(4,154)	(67,937)
Balance as of March 31, 2024	239,439	5,851	3,934,880	6,045,759	107,599	6,153,359

Notes to the Consolidated Financial Statements

I. Notes to the Basis for Preparation of Consolidated Financial Statements

1. Basis of preparation of consolidated financial statements

Toyota Industries Group's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) pursuant to the provisions of Article 120 (1) of the Ordinance on Accounting of Companies. These consolidated financial statements are prepared with the partial omission of the disclosure items required by IFRS as allowed by the provisions of the latter part of the Article.

2. Matters regarding the scope of consolidation

Number of consolidated subsidiaries	277 companies
Names of major subsidiaries	<p>Tokyu Co., Ltd., Tokaiseiki Co., Ltd., Izumi Machine Manufacturing Co., Ltd., Toyota L&F Tokyo Co., Ltd., Taikoh Transportation Co., Ltd., Aichi Corporation, Toyota Material Handling Manufacturing France SAS, Michigan Automotive Compressor, Inc., Toyota Industries Europe AB, Toyota Material Handling Europe AB, Toyota Industries North America, Inc., Toyota Material Handling, Inc., TD Deutsche Klimakompressor GmbH, Toyota Material Handling Australia Pty Limited, TD Automotive Compressor Georgia, LLC, Uster Technologies AG, Industrial Components and Attachments, Inc. Cascade Corporation, Toyota Industry (Kunshan) Co., Ltd., Toyota Industries Commercial Finance, Inc., Yantai Shougan Toyota Industries Co., Ltd., TD Automotive Compressor Kunshan Co., Ltd., P.T. TD Automotive Compressor Indonesia, Bastian Solutions, LLC, Vanderlande Industries B.V. Toyota Industries Engine India Pvt. Ltd. Toyota Industries Electric Systems North America, Inc. and other 250 subsidiaries</p>

3. Application of the equity method

Number of affiliates to which the equity method applied	18 companies
Names of major affiliates	<p>TOYOTA L&F Kinki Co., Ltd., UMC Electronics Co., Ltd., 1 group company of Aichi Corporation Group, 2 group companies of Toyota Industries North America, Inc. Group, 2 group companies of The Raymond Corporation Group, 1 group company of Vanderlande Industries B.V. Group, UMW Toyota Material Handling SDN BHD and other 9 affiliates</p>

4. Matters regarding changes in the scope of consolidation and the application of the equity method

Subsidiaries newly consolidated	10 companies 1 group company of Toyota Industries Europe AB Group, 2 group companies of Cascade Corporation Group and 7 group companies of Toyota Industries North America, Inc. Group joined the subsidiaries of the Company and have been included in the scope of consolidation.
Subsidiaries excluded from the scope of consolidation	4 companies 1 group company of The Raymond Corporation Group, 1 group company of Uster Technologies AG Group, 1 group company of Aichi Corporation Group and 1 group company of Cascade Corporation Group have been excluded from the scope of consolidation according to extinction through merger, liquidation.
Affiliates to which the equity method newly applied	2 companies 1 group company of Toyota Industries North America, Inc. Group and UMW Toyota Material Handling SDN BHD have been included in the companies to which the equity method applied.
Affiliates excluded from the companies to which the equity method applied	2 companies TOYOTA L&F Iwate Co., Ltd. has been excluded from the companies to which the equity method applied due to the sale of all of equity held by the Company. 1 group company of Toyota Industries North America, Inc. Group has been excluded from the companies to which the equity method applied due to additional acquisition of their stocks.

5. Matters regarding fiscal years of the consolidated subsidiaries

Among the consolidated subsidiaries, the fiscal year-end of the following subsidiaries is different from the consolidated fiscal year-end (March 31).

Toyota Industry (Kunshan) Co., Ltd. (December 31), TD Automotive Compressor Kunshan Co., Ltd. (December 31), Yantai Shougan Toyota Industries Co., Ltd. (December 31) and 7 other subsidiaries

These subsidiaries use financial statements based on the provisional settlement of accounts performed on March 31, which is the consolidated fiscal year-end.

6. Matters regarding the standards for accounting policies

(1) Standards and methods for valuation of financial assets

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group recognizes a financial asset or a financial liability when it becomes a party to the contract of a financial instrument. A purchase or sale of financial assets is recognized or derecognized at the trade date.

(i) Non-derivative financial assets

Toyota Industries categorizes non-derivative assets into financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income (FVTOCI) and financial assets measured at fair value through profit or loss (FVTPL).

(Financial assets measured at amortized cost)

Toyota Industries categorizes financial assets as financial assets measured at amortized cost if financial assets are held with the objective of collecting contractual cash flows and their contractual terms provide cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding. Financial assets measured at amortized cost are initially measured at fair value. The carrying amount of financial assets measured at amortized cost is subsequently measured using the effective interest method.

(Financial assets measured at fair value)

Toyota Industries categorizes financial assets other than financial assets measured at amortized cost as financial assets measured at fair value. Financial assets measured at fair value are further divided into the following classifications according to holding purpose.

(Equity instruments measured at fair value through other comprehensive income (FVTOCI))

Shares and other financial assets held mainly for the purpose of maintaining or enhancing business relationships with investees are designated at initial recognition as financial assets at FVTOCI.

Equity instruments at FVTOCI are measured at fair value at initial recognition and changes in fair value thereafter are recognized in other comprehensive income. However, dividends arising from financial assets at FVTOCI are in principle recognized in profit or loss.

If an equity instrument at FVTOCI is derecognized, the cumulative amount of other comprehensive income recognized in other components of equity on the consolidated statements of financial position is directly transferred to retained earnings.

(Financial assets measured at fair value through profit or loss (FVTPL))

Financial assets not designated as financial assets at FVTOCI of financial assets measured by Toyota Industries are classified as financial assets at FVTPL.

Financial assets at FVTPL are measured at fair value at initial recognition and changes in fair value thereafter are recognized in profit or loss.

(ii) Non-derivative financial liabilities

Non-derivative financial liabilities are measured at fair value at initial recognition and thereafter at amortization cost using the effective interest method.

A financial liability is derecognized when its contractual obligations are discharged or canceled, or expire.

(iii) Derivatives

Toyota Industries holds derivative financial instruments to hedge foreign currency and interest rate fluctuation risks, including foreign currency forward contracts, currency options, currency swaps, interest rate swaps, interest rate currency swaps and interest rate options.

For all these derivatives, Toyota Industries recognizes financial assets or financial liabilities when it becomes the party to these derivatives contracts.

Some of derivatives Toyota Industries holds for hedging purposes do not meet hedge accounting requirements. Changes in fair value of these derivatives are immediately recognized in profit or loss.

Toyota Industries adopts cash flow hedges and fair value hedges as a hedge accounting method.

(2) Standards and methods for valuation of inventories

Inventories are stated at the lower of cost or net realizable value. Cost of inventories includes purchase costs, processing costs and all other costs incurred in bringing them to their existing location and condition, and is calculated primarily using the moving average method.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to sell.

(3) Method for depreciation and amortization of property, plant and equipment and intangible assets

(i) Property, plant and equipment

Property, plant and equipment, excluding land and construction in progress, are depreciated on a straight-line basis over their estimated useful lives. Right-of-use assets are depreciated on a systematic basis from the commencement date to the earlier of the end of the economic life of the underlying asset or the end of the lease term.

The estimated useful lives for major classes of assets are as follows.

Buildings and structures: 5 to 60 years

Machinery and vehicles: 3 to 22 years

(ii) Intangible assets

Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives.

The estimated useful lives of major classes of assets are as follows.

Software: 3 to 5 years

Development assets: 2 to 10 years

Customer-related assets: 12 to 20 years

Technology-related assets: 10 to 20 years

(4) Impairment losses

(i) Financial assets

Financial assets measured at amortized cost are assessed for impairment losses based on expected credit losses. At the end of the reporting period, if credit risk has not increased significantly after initial recognition, the amount of loss allowance is calculated based on the expected credit losses resulting from default events that are possible within 12 months after the reporting date (12-month expected credit losses). On the other hand, at the end of the reporting period, if credit risk has increased significantly after initial recognition, the amount of loss allowance is calculated based on the expected credit losses resulting from all possible default events over the life of the financial instrument (lifetime expected credit losses).

However, regardless of the above, lifetime expected credit loss measurement always applies to trade receivables and lease investment assets without a significant financing component.

(ii) Non-financial assets

Toyota Industries reviews carrying amounts of non-financial assets, excluding inventories and deferred tax assets, at every reporting fiscal year-end to determine whether there is any indication of impairment. If there is any indication of impairment, impairment testing is conducted based on the recoverable amount of the asset. Goodwill and intangible assets with indefinite useful lives are tested annually for impairment regardless of whether there is any indication of impairment.

A cash-generating unit (CGU), which is a unit for conducting impairment testing, is the smallest group of assets that generates cash inflows that are generally independent of cash flows of other assets or groups of assets. A CGU for goodwill is the smallest unit monitored for internal control purposes and is no larger than an operating segment before aggregation. Impairment testing for goodwill is conducted at a CGU or a group of CGUs for the smallest unit monitored for internal control purposes and within the scope of an operating segment before aggregation.

The recoverable amount of an asset or CGU is the greater of its value in use or its fair value less cost to sell. In calculating the value in use, estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects the time value of money and risks specific to the asset not considered in estimating future cash flows.

Because corporate assets do not generate independent cash inflows, if there is an indication that a corporate asset may be impaired, impairment testing is conducted based on the recoverable amount for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. An impairment loss recognized in relation to a CGU is allocated to reduce the carrying amount of assets within the CGU on a pro rata basis determined by the relative carrying amount of each asset.

An asset or CGU impaired in prior years is reviewed at every reporting fiscal year-end to determine whether there is any indication of a reversal of impairment loss recognized in prior years. The recoverable amount is estimated for an impairment loss recognized in prior years for an asset or CGU with an indication of reversal of impairment, and the impairment loss is reversed if the recoverable amount exceeds the carrying amount. The carrying amount after reversal of the impairment loss must not exceed the carrying amount of the asset that would be determined if no impairment had been recognized and the asset had been depreciated or amortized until the reversal. An impairment loss recognized for goodwill is not reversed.

(5) Standards for recording provisions

The Company recognizes provisions if it has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of obligation can be reliably estimated.

In case the time value of money is material, the amount of a provision is measured at the present value of the amount of expenditures expected to be required to settle the obligation.

(6) Employee benefits

(i) Post-employment benefits

Toyota Industries adopts the pension and lump-sum payment defined benefit plan and the defined contribution plan.

Toyota Industries' liabilities (assets) in respect of defined benefit plans is calculated for each plan by estimating the amount of future benefits earned by employees in the previous fiscal year and the fiscal year under review, discounting that amount to the present value, deducting the fair value of plan assets, making adjustments concerning the asset ceiling to that amount and, where necessary, considering economic benefits available. Remeasurements of liabilities (assets) in respect of defined benefit plans are recognized in other comprehensive income and at the time of their occurrence directly transferred from other components of equity to retained earnings. Prior service cost is recognized in profit or loss as it occurs. Market yields on high-quality corporate bonds with roughly the same maturity as that of Toyota Industries' net defined benefit liabilities at the end of the reporting period are used as the discount rate. Interest expenses on liabilities (asset) in respect of defined benefit plans are presented as financial expenses.

Contributions under the defined contribution plan are expensed as the employees' services are provided.

(ii) Short-term employee benefits

Short-term employee benefits are expensed as the relevant services are provided and are not discounted.

For bonuses, if Toyota Industries has the present legal and constructive obligation to pay them as the result of past services provided by employees and the amount can be reliably estimated, the amount estimated to be paid is recognized as a liability.

(iii) Other long-term employee benefits

The amount of an obligation in respect of the long-service travel award scheme is calculated by estimating the amount of future benefits earned by employees in the current and prior fiscal years and discounting that amount to the present value.

Market yields on high-quality corporate bonds with roughly the same maturity as that of Toyota Industries' long-term employee benefits at the end of the reporting period are used as the discount rate.

(IV) Share-based compensation

Toyota Industries adopts the cash-settled share-based compensation plan for some of its subsidiaries outside Japan. Cash-settled share-based compensation is measured at the fair value of the goods or services received and liabilities incurred. The fair value of the liabilities is remeasured at the end of each reporting period and on the settlement date, and changes in fair value are recognized in profit or loss.

(7) Revenues

Toyota Industries recognize revenue based on the following five-step model.

Step 1: Identify the contract with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

Toyota Industries sells automotive-related products such as vehicles, engines, foundry parts for engines, car air-conditioning compressors, electronics components and batteries in the Automobile Business; lift trucks, warehouse trucks and aerial work platforms in the Materials Handling Equipment Business; and weaving machinery, spinning machinery, instruments for yarn testing and cotton classing in the Textile Machinery Business. For sales of such products, since the customer obtains control over the product when a customer accepts goods after inspection, and therefore performance obligation is judged to have been satisfied, Toyota Industries normally recognizes revenue when a customer accepts goods after inspection.

Revenue is measured at the amount of consideration promised in a contract with the customer, net of discounts, incentives to distributors and other items.

For maintenance contracts and other services that include construction contracts such as automated storage and retrieval systems, and logistics solutions, Toyota Industries recognizes revenue based on the progress of performance obligation. The progress level is mainly computed according to the ratio of cumulative cost incurred against the total amount of estimated cost.

(8) Foreign currencies

(i) Foreign currency transactions

Foreign currency transactions are converted into the functional currency of each company of Toyota Industries using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies are converted into the functional currency using the exchange rate at the end of the reporting period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot rate using the exchange rate at the fair value calculation date.

Any exchange difference arising from the retranslation and settlement is recognized in profit or loss of the period.

(ii) Foreign operations

Assets and liabilities of foreign operations including goodwill and fair value adjustments arising from acquisition are translated at the exchange rates at the end of the reporting period. Income and expenses of foreign operations are translated at the average exchange rates during the fiscal year, except in cases where exchange rates fluctuate significantly. If exchange rates fluctuate significantly, the exchange rate at the transaction date is used.

Foreign currency differences from the translation are recognized in other comprehensive income. When a foreign operation is disposed of, or control or significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation is reclassified to profit or loss as part of the gain or loss on the disposal.

7. Notes to accounting estimates

(1) Valuation for goodwill and intangible assets with indefinite useful lives

(i) Amount as of the end of this fiscal year

Goodwill	267,736 million yen
Intangible assets with indefinite useful lives	51,198 million yen

(ii) Information regarding contents of significant accounting estimates on identified items

Toyota Industries performs, with respect to goodwill and intangible assets with indefinite useful lives, impairment testing as necessary during each period or in case there is a sign of impairment. The recoverable value in impairment testing is calculated based on value in use.

Value in use is calculated by discounting the estimated amount of cash flows based on the business plan for the next five years that has been primarily approved by the management in present value. The estimation of cash flows is based on the assumption that cash flows of more than five years will increase at a certain growth rate. The growth rate is determined by referencing the long-term expected growth rate of the market in which cash-generating units belong (about 1 to 4%). The discount rate is calculated based on the weighted-average capital cost before tax of cash generating units (about 8 to 11%).

Toyota Industries concluded that even if there were reasonably possible changes in key assumptions used in the impairment assessment, it is unlikely that a material impairment would arise.

(2) Post-employment benefits - Actuarial assumptions

(i) Amount as of the end of this fiscal year	68,767 million yen
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(ii) Information regarding contents of significant accounting estimates on identified items

The calculation method of the amount is as described in “6. Matters regarding the standards for accounting policies (6) Employee Benefits (i) Post-employment benefits”.

Important actuarial assumptions (weighted average) used for the calculation of the present value of the defined benefit obligation consist of the following.

	Japan	Outside Japan
Discount rate	1.63%	4.49%

In cases where the discount rate fluctuates at the ratios indicated below, assuming there are no changes to other assumptions, the defined benefit obligation as of the end of the fiscal year ended March 31, 2024, would have been impacted as follows. While the sensitivity analysis assumes that there are no changes in other assumptions, it is possible that changes in other assumptions could impact the sensitivity analysis.

Unit: millions of yen
(Amounts less than 1 million yen are omitted)

Discount rate	Japan	0.5% increase	(8,615)
		0.5% decrease	9,603
	Outside Japan	0.5% increase	(6,823)
		0.5% decrease	7,257

(3) Warranty provision

(i) Amount as of the end of this fiscal year 30,818 million yen

(ii) Information regarding contents of significant accounting estimates on identified items

The warranty provision is recorded by recognizing the amount of expected expenditure required for future repairs without charge. Regarding specific products for which the implementation of countermeasures against failures has been determined, the warranty provision is recorded by individually assessing the amounts expected to be incurred, based on estimates of fault rectification cost per unit, the number of units subject to fault rectification, and other factors. Moreover, the number of units subject to fault rectification is estimated based on the actual result of past recalls and other market measures.

In the event that a warranty obligation arises due to defects in the Company's products which were not anticipated in the initial estimate of the provision or that the amount of warranty expense exceeds the amount of the provision, there is a possibility that an additional warranty provision will be required. On the other hand, if the actual warranty expense is lower than the initial estimate, a reversal of the warranty provision will be recorded.

(4) Other domestic certification-related provision

(i) Amount as of the end of this fiscal year 49,984 million yen

(ii) Information regarding contents of significant accounting estimates on identified items

Other provisions related to domestic certification include expenses incurred in connection with the suspension of lift trucks and engine shipments due to domestic certification issues, such as compensation to customers of automotive and industrial vehicle engines, domestic lift trucks customer support costs, and coverage for suppliers.

The estimated amount is recorded based on the monthly cost incurred. This calculation is based on estimates and is subject to inherent uncertainty. Accordingly, actual expenses may differ from estimates, and there is a possibility that additional provisions or a reversal of provisions will become necessary.

II. Notes to Consolidated Statement of Financial Position

1. Accumulated depreciation of property, plant and equipment 1,986,005 million yen
The accumulated depreciation includes accumulated impairment loss.
2. Loss valuation provisions directly deducted from assets
Trade receivables and other receivables 18,902 million yen
3. Pledged assets, and assets pledged as collateral for secured debts
- (1) Assets pledged as collateral
- | | |
|---|----------------------------|
| Trade receivables and other receivables | 56,743 million yen |
| Inventories | 5,604 million yen |
| Property, plant and equipment | 4 million yen |
| Investment securities | 306,480 million yen |
| Total | 368,832 million yen |
- (2) Secured debts
- | | |
|--------------------------|---------------------------|
| Short-term loans payable | 36,312 million yen |
| Other liabilities | 32,123 million yen |
| Total | 68,435 million yen |
4. Export bills discounted 274 million yen
5. The last day of this fiscal year fell on a financial institution holiday. Therefore, 1,352 million yen in trade notes within trade receivables and other receivables and 1,361 million yen in trade notes within trade payables and other payables on the date of March 31 were accounted for as money received and money withdrawn on that date.

III. Notes to Consolidated Statement of Changes in Equity

1. Type and total number of outstanding shares at the end of the consolidated fiscal year
Common stock 325,840,640 shares

2. Matters regarding dividends payable

- (1) Dividends paid for the year ended March 31, 2024

Resolution	Class of stock	Total amount of dividends payable	Dividends per share	Record date	Effective date
April 27, 2023, Board of Directors meeting	Common stock	31,047 million yen	100 yen	March 31, 2023	May 25, 2023
October 31, 2023, Board of Directors meeting	Common stock	31,047 million yen	100 yen	September 30, 2023	November 27, 2023

- (2) Dividends with a record date in the fiscal year ended March 31, 2024 for which the effective date falls in the following fiscal year

Resolution	Class of stock	Total amount of dividends payable	Source of dividends	Dividends per share	Record date	Effective date
April 26, 2024, Board of Directors meeting	Common stock	43,466 million yen	Retained earnings	140 yen	March 31, 2024	May 27, 2024

IV. Notes to Financial Instruments

1. Matters concerning financial instruments

(1) Capital management

Toyota Industries' financial policy is to ensure sufficient financing and liquidity for its business activities and to maintain strong financial position. Using such current assets as cash and cash equivalents and short-term investments, as well as cash flows from operating activities, issuance of corporate bonds and loans from financial institutions, Toyota Industries believes that it will be able to provide sufficient funds for the working capital necessary to expand existing businesses and develop new projects. The Company defines equity capital as the amount of share of equity attributable to owners of the parent excluding the subscription rights to shares.

The Company is not subject to external capital controls as of March 31, 2024.

(2) Matters concerning risk management

Risk management policy

Toyota Industries is exposed to financial risks related to its marketing activities (credit risk, liquidity risk, market risk, etc.). These risks are managed, based on the treasury policy for avoiding or reducing the effects of such risks.

The Company uses derivatives to avoid the risks explained below and does not engage in speculative transactions.

(i) Credit risk

The main receivables of Toyota Industries such as accounts receivable, lease investment assets and loans receivable related to the sales financing business have credit risk (risk concerning non-performance of an agreement by the counterparty). In accordance with internal rules including the treasury policy, Toyota Industries strives to promptly identify and reduce concerns about collection due to a deterioration in the financial conditions and others of its main counterparties by regularly monitoring their situation based on their financial statements, ratings and others, and conducting due date management and balance management. Collection risk of lease investment assets is minimal because their ownership is not transferred and due date management and balance management are conducted. Toyota Industries has no significant concentrations of credit risk with any counterparty.

When using derivative transactions, Toyota Industries mainly deals with only financial institutions evaluated as highly creditworthy by rating agencies to mitigate the counterparty risk.

Regarding accounts receivable, lease investment assets and loans receivable related to the sales financing business, if all or part of them cannot be collected or are deemed to be extremely difficult to collect, they are regarded as nonperforming.

The total carrying amount of financial assets represents the maximum exposure to credit risk.

Measuring expected credit loss for accounts receivable and lease investment assets

Because there is no significant financing component in accounts receivable, the loss evaluation allowance is calculated as lifetime expected credit losses until collection of accounts receivable. For lease investment assets, the loss evaluation allowance is calculated as lifetime expected credit losses until collection of lease investment assets. Regarding accounts receivable and lease investment assets of debtors who have no significant problems in their business conditions, the expected credit loss rate is measured collectively, considering the past track record of bad debts and others. If it is affected by significant economic fluctuations, the policy is to correct the rate based on past record of bad debts by reflecting current and future economic forecasts.

Measuring expected credit loss for loans receivable related to the sales financing business

If credit risk has not increased significantly as of the end of the fiscal year since initial recognition, the loss evaluation allowance for loans receivable related to the sales financing business is calculated by collectively estimating the expected credit loss rate for the following 12 months based on the past track record of bad debts and others. If there are significant effects of changes in economic and other conditions, the loan loss provision ratio based on the past track record of bad debts will be adjusted and reflected in the forecast of present and future economic situations. On the other hand, if credit risk has increased significantly as of the end of the fiscal year since the initial recognition, the loss evaluation allowance for financial instruments is calculated by individually estimating the lifetime expected credit losses of collecting financial instruments based on the past track record of bad debts and the collectible amount in the future among other factors. Assets that are regarded as non-performing are recorded as credit impaired financial assets.

(ii) Liquidity risk

With financing through corporate bonds and loans, Toyota Industries is exposed to liquidity risk that a payment cannot be made on the due date because of a deterioration in financing and other conditions. In accordance with the treasury policy, Toyota Industries prepares funding plans and secures liquidity with funds on hand and commitment lines.

(iii) Market risk

i) Foreign currency risk

Engaged in business globally, Toyota Industries conducts transactions in foreign currencies and is exposed to the risk that profit or loss, cash flow and others will be affected by exchange rate fluctuations. In accordance with its treasury policy, in principle, Toyota Industries uses foreign currency forward contracts, foreign currency option contracts and foreign currency swaps to hedge foreign currency risk for each currency for its monetary credits and liabilities denominated in foreign currencies.

ii) Interest rate risk

Toyota Industries procures funds through borrowings from financial institutions and issuances of corporate bonds and is exposed to interest rate risks associated with raising and managing funds. Regarding interest rate risks, in principle, Toyota Industries hedges such risks by interest rate swaps, interest rate options and matching cash flows of receivables and payables, among other methods.

iii) Price fluctuation risk of equity financial instruments

Toyota Industries holds listed shares of companies with business relationships and is exposed to price fluctuation risk of equity financial instruments. Toyota Industries constantly reviews the status of its holdings of these financial instruments, considering relationships with and financial conditions of business partners.

Toyota Industries does not hold equity financial instruments for trading purposes and does not actively trade these investments.

2. Matters concerning the fair value of financial instruments

The following three levels of inputs are used to measure fair value.

(Level 1)

The market prices of the same assets or liabilities in active markets (which continuously ensure sufficient trading frequencies and transaction volumes) that Toyota Industries has access to as of the measurement date are used without adjustments.

(Level 2)

This level includes the published prices of similar assets or liabilities in active markets; the published prices of the same assets or liabilities in inactive markets; inputs other than the observable published prices of assets and liabilities; and inputs calculated or supported mainly by observable market data.

(Level 3)

Because data are available only from limited markets, Toyota Industries uses unobservable inputs which reflect the judgment of Toyota Industries in the assumptions used by market participants to decide the prices of assets and liabilities. Toyota Industries calculates inputs based on the best available information, including the data of Toyota Industries itself.

When using multiple inputs to measure fair value, the fair value level is determined based on the significant input from the lowest level in the fair value hierarchy.

Fair value is measured by the Accounting Department in accordance with the evaluation policy and procedures of Toyota Industries, using the evaluation model that can most appropriately reflect individual characteristics, features and risks of financial instruments. Moreover, changes are continuously examined for important indicators which affect fluctuations of fair value.

(1) Financial instruments measured at amortized cost

The carrying amount and fair values of financial instruments measured at amortized cost consist of the following.

Unit: millions of yen

(Amounts less than 1 million yen are omitted)

	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Loans receivable and Loans receivable related to the sales financing business	354,185	—	—	376,830	376,830
Lease investment assets	559,666	—	—	541,597	541,597
Financial liabilities:					
Corporate bonds	428,293	—	425,612	—	425,612
Long-term loans	1,057,287	—	1,050,726	—	1,050,726

(Note) The above items include the balance to be corrected, redeemed and repaid within one year.

Notes are omitted for such short-term financial assets as cash equivalents and trade receivables and other receivables (excluding loans receivable and loans receivable related to the sales financing business and lease investment assets) as well as for such short-term financial liabilities as trade payables and other liabilities that are measured at amortized cost because the fair value approximates the carrying amount.

The fair value of lease investment assets is calculated with present value obtained by discounting the total amount of future lease receivables with the expected interest rate when newly undertaking similar lease transactions.

The fair value of loans receivable and loans receivable related to the sales financing business is calculated with present value obtained by discounting the total amount of principal and interest with the expected interest rate when newly undertaking similar lending.

The fair values of corporate bonds and long-term loans are calculated with present value obtained by discounting the total amount of future principal and interest with the expected interest rate when newly undertaking similar borrowings.

(2) Fair values of financial assets and liabilities continuously at fair value

The fair-value hierarchy of financial instruments measured at fair value consist of the following. Financial assets measured at fair value through other comprehensive income include debt instruments, but they were immaterial. Moreover, there is no transfer between different levels.

Unit: millions of yen
(Amounts less than 1 million yen are omitted)

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through profit or loss:				
Derivative assets	—	36,812	—	36,812
Others	3,743	—	6,475	10,219
Financial assets measured at fair value through other comprehensive income	5,617,499	785	155,709	5,773,995
Total	5,621,243	37,598	162,185	5,821,027
Financial liabilities measured at fair value through profit or loss:				
Derivative liabilities	—	18,621	—	18,621
Total	—	18,621	—	18,621

Derivatives are transactions for forward exchange contracts, foreign currency option contracts, interest rate swaps, interest rate and currency swaps and interest rate options.

Fair value of forward exchange contracts is calculated based on observable market data including forward exchange rates. Data for the fair value of foreign currency option contracts, interest rate swaps, interest rate and currency swaps and interest rate options are calculated by financial institutions based on observable market data. Toyota Industries uses the modified book value method when measuring the fair value of unlisted shares and other equity securities categorized as financial assets measured at fair value through other comprehensive income. The illiquidity discount, which is an important unobservable input used to measure the fair value of unlisted shares, is calculated as 30%.

Changes in financial instruments classified as Level 3 consist of the following.

Unit: millions of yen

(Amounts less than 1 million yen are omitted)

Balance at beginning of period	155,549
Gains and losses included in other comprehensive income	7,097
Purchase	653
Sales	(1,147)
Others	33
Balance at end of period	162,185

(Note) Gains and losses included in other comprehensive income are those for financial assets measured at fair value through other comprehensive income as of the closing date.

V. Notes to Revenue Recognition

(1) Disaggregation of revenues

The reporting segments of the Toyota Industries consist of Automobile, Materials Handling Equipment and Textile Machinery. Within the Automobile Segment, vehicles, engines, car air-conditioning compressors and others are included due to the similarity of their trend of sales and other economic characteristics. In addition, sales are geographically broken down according to the location of customers. The disaggregation of sales of these sub-segments as well as sales of each reporting segment are as follows.

Unit: millions of yen

(Amounts less than 1 million yen are omitted)

		Japan	U.S.A.	Others	Total
Automobile	Vehicle	100,846	—	—	100,846
	Engine	264,057	298	66,492	330,848
	Car Air-Conditioning Compressor	100,791	154,347	211,300	466,439
	Electronics Parts, and Others	164,022	15,231	19,314	198,569
Materials Handling Equipment		226,539	903,228	981,800	2,111,568
Textile Machinery		1,414	3,155	88,791	93,361
Others		55,979	—	237	56,216
Revenues from contracts with customers		913,651	1,076,261	1,367,936	3,357,849
Revenues from other sources		5,197	248,974	221,184	475,356
Total		918,848	1,325,236	1,589,120	3,833,205

(Notes) 1. Revenue from contracts with customers, which is recognized over a certain period, is recorded in Materials Handling Equipment segment and amounts to 510,575 million yen.

2. Revenues from other sources includes lease income based on IFRS 16, which is recorded mainly in Materials Handling Equipment segment.

The Automobile Segment sells automotive-related products such as vehicles, engines, foundry parts, car air-conditioning compressors, electronics components and batteries. Its primary customers include automotive-related manufacturers in and outside Japan.

The Materials Handling Equipment Segment sells and provides maintenance for lift trucks, warehouse trucks, aerial work platforms and other products as well as provides services including the construction of automated storage and retrieval systems, and logistics solutions. Its primary customers include users and dealers in and outside Japan.

The Textile Machinery Segment sells weaving machinery, spinning machinery, instruments for yarn testing and cotton classing, and other products. Its primary customers include dealers in and outside Japan.

Sales derived from the sale of these products accounted for in accordance with (7) Revenues in 6. Matters regarding the standards for accounting policies.

(2) Contract balances

Receivables from contracts with customers, contract assets and contract liabilities consist of the following.

Unit: millions of yen

(Amounts less than 1 million yen are omitted)

	Receivables from contracts with customers	Contract assets	Contract liabilities
Balance as of April 1, 2023	579,620	74,386	120,428
Balance as of March 31, 2024	625,705	61,294	151,300

Receivables from contracts with customers and Contract assets are included in "Trade receivables and other receivables" and Contract liabilities are included in "Trade payables and other payables" in the consolidated statement of financial position.

Revenue recognized in this fiscal year, which was included in the balance at beginning of period of contract liabilities, amounted to 115,951 million yen. During this fiscal year, the profit amount recognized from performance obligations satisfied (or partially satisfied) in previous fiscal years was immaterial.

(3) Transaction price allocated to remaining performance obligations

The total transaction price allocated to the remaining performance obligations at the end of this fiscal year and the period over which revenue is expected to be recognized are as follows. Since the Toyota Industries applies the convenience method of accounting in practice, the following amounts do not include transactions with individual expected contract periods of one year or less.

Unit: millions of yen

(Amounts less than 1 million yen are omitted)

Due within one year	393,514
Due after one year but within five years	384,706
Due after five years	26,985
Total	805,206

VI. Notes to Per Share Information

1. Equity per share: attributable to owners of the parent	19,472.48 yen
2. Earnings per share- basic	736.86 yen

VII. Contingencies

As announced on May 21, 2021, due to the delay in obtaining the U.S. engine emissions certification for the engines installed in some models of forklifts sold in North America, the Company's subsidiary Toyota Material Handling, Inc. in Indiana, United States had suspended production and shipments of such models. On May 17, 2022, the Company has announced that it had obtained engine certification for its main models of small liquefied petroleum gas (LPG) forklifts and resumed shipments on May 12, 2022.

Subsequently, the Company confirmed the excess over the domestic (Japanese) emissions regulation values due to aging degradation, and potential violation of regulations related to Japanese certification of emissions, of engines for forklifts for the Japanese market. Given these, March 17, 2023, Toyota Industries decided to suspend the shipping in Japan of forklifts equipped with two models of diesel engines and one model of gasoline engines, a total of three models, and made a report to the Japanese Ministry of Land, Infrastructure, Transport and Tourism (MLIT), the Japanese Ministry of the Environment, and the Japanese Ministry of Economy, Trade and Industry. Of these models for which shipments have been suspended, the two diesel engine models and any forklifts with these engines installed were subject to an administrative action imposed by the MLIT on April 26, 2023, and the designation and certification of the said types of engines were revoked.

On January 29, 2024, the Company received the results of the domestic engine certification by a Special Investigation Committee made up of outside experts and made report to MLIT and other competent ministries, of the content of such investigation and of the initiatives the Company is promoting to prevent recurrence. It was newly discovered in this investigation that there were violation of domestic laws and regulations in domestic certification relating to emissions performance involving six models of engines for forklifts (of which, five were old types) and one engine for construction machinery (old type), as well as violations of laws and regulations in the output test of three models of engines for automobiles. In addition, regarding one current model of engine for construction machinery shipping of which was suspended, it was learned that emission regulation values had been exceeded. Therefore, in addition to one model of engine for forklifts for the Japanese market that have been under a suspension of shipping since March 17, 2023, shipping has been stopped as of January 29, 2024, for one model of engines for forklifts for the Japanese market, forklifts in which said engines were installed and three models of diesel engines for automobiles which in this investigation were newly found to involve violations of domestic laws and regulations.

After that, on February 22, 2024, the Company received correction order from MLIT urging to make fundamental changes to our system to prevent misconduct from occurring and on March 5, 2024, MLIT notified the Company of its decision to impose administrative sanction of revoking the Type Approval for two models of engines forklifts and one model of engines for construction machinery. On the other hand, On February 27, 2024, MLIT announced that three models of automobile diesel engines comply with the domestic standards, and it has lifted its instruction to suspend shipments of subject engine models, and the Company resumed production and shipment of diesel engines for automobiles for the Japanese market from March 4, 2024. Furthermore, on March 22, 2024, considering recommendations to the Company provided by the Special Investigation Committee, the Company summarized fundamental preventive measures, and reported the same to MLIT.

The issue of the certification of engines for markets in North America and Japan is currently subject to ongoing investigation as well as discussion with relevant parties. Currently, it is not possible to make a reasonable estimate of the impact of the matter on the Company's consolidated financial statements, except for the amount of impact already identified.

Independent Auditor's Report
(English Translation)

May 7, 2024

To the Board of Directors of Toyota Industries Corporation

PricewaterhouseCoopers Japan LLC
Nagoya office
Masahide Kobayashi, CPA
Designated limited liability Partner
Engagement Partner
Junji Ichihara, CPA
Designated limited liability Partner
Engagement Partner

Opinion

We have audited, pursuant to Article 444 (4) of the Companies Act of Japan, the accompanying consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity and notes to the consolidated financial statements of Toyota Industries Corporation (hereinafter referred to as the "Company") for the fiscal year from April 1, 2023 to March 31, 2024.

In our opinion, the above consolidated financial statements prepared by partially omitting the disclosure items required by International Financial Reporting Standards in accordance with the provision of the latter part of Article 120 (1) of the Ordinance of Accounting of Companies present fairly, in all material respects, the financial position and its financial performance of the corporate group which consists of the Company and its consolidated subsidiaries for the period covered by the consolidated financial statements .

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information includes the business report and its supplementary details. It is the management's responsibility to create and disclose the other information. The responsibilities of the Audit & Supervisory Board Members and the Audit & Supervisory Board lie in monitoring the directors' performance of their duties in the development and operation of the reporting process of the other information.

The subject of the audit opinion on the consolidated financial statements does not include the other information, and we do not express an opinion on the other information.

Our responsibilities in auditing the consolidated financial statements are to read through the other information to consider whether there are any major discrepancies between the other information and the consolidated financial statements or the knowledge that we acquire in the process of the audit, and to pay attention to any signs of material errors in the other information besides those major discrepancies.

We are required to report the facts when we determine that there is a material error in the other information based on the conducted procedure. There are no matters to be reported regarding the other information.

Responsibilities of Management, Audit & Supervisory Board Members and Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the provision of the latter part of Article 120 (1) of the Ordinance of Accounting of Companies that allow the partial omission of the disclosure items required by International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as applicable, matters related to going concern in accordance with the provision of the latter part of Article 120 (1) of the Ordinance of Accounting of Companies that allow the partial omission of the disclosure items required by International Financial Reporting Standards.

Audit & Supervisory Board Members and Audit & Supervisory Board are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the financial statement audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures of the consolidated financial statements are in accordance with the provision of the latter part of Article 120 (1) of the Ordinance of Accounting of Companies that allow the partial omission of the disclosure items required by International Financial Reporting Standards, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board Members and Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board Members and Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related measures to remove disincentives or safeguards to reduce disincentives to an acceptable level.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company and its consolidated subsidiaries which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Non-consolidated Financial Statements (JGAAP)

Non-consolidated Balance Sheet

Unit: millions of yen
(Amounts less than 1 million yen are omitted)

Description	FY2024 (As of March 31, 2024)	(Reference) FY2023 (As of March 31, 2023)	Description	FY2024 (As of March 31, 2024)	(Reference) FY2023 (As of March 31, 2023)
(Assets)			(Liabilities)		
Current assets	1,077,290	908,280	Current liabilities	656,124	597,904
Cash and deposits	523,230	502,329	Trade notes payable	16,507	21,330
Trade notes receivable	18,059	24,932	Trade Accounts payable	234,823	247,775
Accounts receivable	180,860	189,654	Current portion of bonds payable	10,000	50,000
Merchandise and finished goods	6,724	6,901	Current portion of long term loans payable	102,654	63,353
Work in process	74,476	66,909	Accounts payable-other	14,353	14,049
Raw materials and supplies	19,058	17,291	Accrued expenses	63,905	61,727
Prepaid expenses	748	806	Accrued income taxes	76,152	7,084
Other current assets	254,175	99,483	Contract liabilities	4,936	5,139
Allowance for doubtful accounts	(42)	(28)	Deposits received	24,041	62,022
Fixed assets	6,654,837	4,142,217	Provisions	74,176	32,471
Property, plant and equipment	377,704	362,666	Other current liabilities	34,572	32,948
Buildings	105,151	98,831	Long-term liabilities	2,117,803	1,448,864
Structures	15,112	14,687	Bonds payable	82,329	90,575
Machinery and equipment	134,762	127,761	Long-term loans payable	477,252	530,010
Vehicles and delivery equipment	1,711	1,500	Deferred tax liabilities	1,509,656	778,726
Tools, furniture and fixtures	8,756	8,023	Allowance for retirement benefits	45,018	45,819
Land	87,632	85,511	Other long-term liabilities	3,547	3,732
Construction in progress	24,577	26,350	Total liabilities	2,773,927	2,046,769
Intangible assets	26,420	19,469	(Net assets)		
Software	26,420	19,469	Shareholders' equity	1,309,766	1,099,556
Investments and other assets	6,250,711	3,760,082	Capital stock	80,462	80,462
Investments securities	1,122,557	926,202	Capital surplus	105,540	105,540
Stocks of subsidiaries and affiliates	5,008,770	2,720,543	Legal capital surplus	101,766	101,766
Investments in capital	5,015	4,937	Other capital surplus	3,774	3,773
Investments in capital of subsidiaries and affiliates	34,828	34,828	Retained earnings	1,183,133	972,898
Long-term loans receivable	44,266	40,155	Legal retained earnings	17,004	17,004
Long-term prepaid expenses	33,841	31,962	Other retained earnings	1,166,128	955,893
Other investments and other assets	1,461	1,481	Reserve for advanced depreciation of non-current assets	205	208
Allowance for doubtful accounts	(29)	(29)	General reserve	280,000	280,000
			Retained earnings brought forward	885,922	675,685
			Treasury stock	(59,369)	(59,345)
			Valuation and translation adjustments	3,648,433	1,904,172
			Valuation difference on available-for-sale securities	3,648,647	1,904,325
			Deferred gains or losses on hedges	(214)	(153)
Total assets	7,732,127	5,050,498	Total net assets	4,958,200	3,003,728
			Total liabilities and net assets	7,732,127	5,050,498

Non-consolidated Statement of Income

Unit: millions of yen
(Amounts less than 1 million yen are omitted)

Description	FY2024 (April 1, 2023 - March 31, 2024)	(Reference) FY2023 (April 1, 2022 - March 31, 2023)
Net sales	1,223,629	1,157,785
Cost of sales	1,061,604	988,528
Gross profit	162,025	169,256
Selling, general and administrative expenses	107,779	116,267
Operating income	54,246	52,989
Non-operating income	139,109	110,468
Interest and dividends income	133,165	103,871
Other non-operating income	5,944	6,597
Non-operating expenses	14,736	13,043
Interest expenses	3,713	3,368
Other non-operating expenses	11,022	9,674
Ordinary income	178,619	150,414
Extraordinary gain	219,370	—
Gain on sales of investments securities	219,370	—
Extraordinary loss	49,387	20,751
Domestic certification-related loss	49,387	20,751
Income before income taxes	348,602	129,663
Income taxes - current	96,490	24,820
Income taxes - deferred	(20,217)	(7,722)
Net income	272,330	112,565

Non-consolidated Statement of Changes in Net Assets

(April 1, 2023 - March 31, 2024)

Unit: millions of yen
(Amounts less than 1 million yen are omitted)

	Shareholders' equity								
	Capital stock	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total retained earnings
						Reserve for advanced depreciation of non-current assets	General reserve	Retained earnings brought forward	
Balance as of March 31, 2023	80,462	101,766	3,773	105,540	17,004	208	280,000	675,685	972,898
Reversal of reserves						(2)		2	—
Dividends paid								(62,095)	(62,095)
Net income for the period								272,330	272,330
Repurchase of treasury stock									
Disposal of treasury stock			0	0					
Change to items other than shareholders' equity during accounting period									
Total changes of items during the period	—	—	0	0	—	(2)	—	210,237	210,234
Balance as of March 31, 2024	80,462	101,766	3,774	105,540	17,004	205	280,000	885,922	1,183,133

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance as of March 31, 2023	(59,345)	1,099,556	1,904,325	(153)	1,904,172	3,003,728
Reversal of reserves		—				—
Dividends paid		(62,095)				(62,095)
Net income for the period		272,330				272,330
Repurchase of treasury stock	(24)	(24)				(24)
Disposal of treasury stock	0	0				0
Change to items other than shareholders' equity during accounting period			1,744,321	(60)	1,744,260	1,744,260
Total changes of items during the period	(24)	210,210	1,744,321	(60)	1,744,260	1,954,471
Balance as of March 31, 2024	(59,369)	1,309,766	3,648,647	(214)	3,648,433	4,958,200

Notes to Non-consolidated Financial Statements

I. Notes to Significant Accounting Policies

1. Standards and methods of valuation of assets

(1) Marketable Securities

Stocks of subsidiaries and affiliates

Stated at cost using the moving-average method

Other securities

- Other than stocks etc. without market price

Stated at fair market value with unrealized gains and losses reported in a separate component of net assets.

The cost of securities sold is calculated by the moving- average method.

- Stocks etc. without market price

Stated at cost using the moving-average method

(2) Inventories

Stated at cost determined by the moving-average method (the values on the non-consolidated balance sheet are calculated through the write-down method based on the deterioration of profitability).

2. Depreciation method for fixed assets

Property, plant and equipment

Declining-balance method

Intangible assets

Straight-line method

3. Method of accounting for deferred assets

As for bond issuance cost, full amount is treated as expenses at the time of payout.

4. Standards of accounting for reserves

(1) Allowance for doubtful accounts

The Company is applying the policy of providing an allowance for doubtful accounts in an amount sufficient to cover possible losses on collection by estimating individually uncollectible amounts and applying to the remaining accounts a percentage determined by certain factors such as historical collection experiences.

(2) Allowance for retirement benefits

The Company accrues an amount which is considered to be incurred in the period based on the estimated projected benefit obligations and estimated pension assets at the end of the year.

A. Method of attributing expected benefit to periods

The value of accrued benefit obligations is calculated using benefit formula standard.

B. Treatment of actuarial gains and losses and past service costs

Unrecognized past service costs are amortized by the straight-line method over the remaining average service period of the employees. Unrecognized actuarial gain or loss at the end of prior year is amortized by the straight-line method over the remaining average service period of the employees.

To provide for the retirement benefits for directors, an amount which is calculated at the end of the year as required by an internal policy describing the retirement benefits for directors and managing officers is accrued.

(3) Warranty provision

To provide for repair work free of charge for defects in specific products, costs that can be individually estimated as of the end of the fiscal year under review are recorded.

(4) Other domestic certification-related provision

To provide for losses that may arise from the suspension of shipments, including compensation to customers of automotive and industrial vehicle engines, and domestic lift trucks customer support costs etc., costs that can be individually estimated as of the end of the fiscal year under review are recorded.

5. Standards of accounting for revenues and expenses

The Company recognizes revenue based on the following five-step model.

Step 1: Identify the contract with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

The Company sells automotive-related products such as vehicles, engines, foundry parts for engines, car air-conditioning compressors, electronics components and batteries in the Automobile Business; lift trucks and warehouse trucks in the Materials Handling Equipment Business; and weaving machinery and spinning machinery in the Textile Machinery Business. For sales of such products, since the customer obtains control over the product when a customer accepts goods after inspection, and therefore the performance obligation is judged to have been satisfied, the Company normally recognizes revenue when a customer accepts goods after inspection. Revenue is measured at the amount of consideration promised in a contract with the customer, net of discounts, incentives to distributors and other items.

For maintenance contracts and other services that include construction contracts such as automated storage and retrieval systems, and logistics solutions, the Company recognizes revenue based on the progress of performance obligation. The progress level is mainly computed according to the ratio of cumulative cost incurred against the total amount of estimated cost.

Mainly in the Automobile Business, royalty income is generated by the licensee producing products, including licenses related to the Company's intellectual property. Royalty income is calculated based on the production volume of the licensee. It is recognized when the licensee uses the license related to the Company's intellectual property or when performance obligations, in which a part or all the royalty based on the production volume is allocated, are satisfied, whichever is later.

6. Method of hedge accounting

Mainly the deferral method of hedge accounting is applied. In the case of foreign currency forward contracts, foreign currency option contracts and foreign currency swaps, the hedged items are translated at contracted forward rates if certain conditions are met.

As for the interest rate swap contracts, which meet the requirements of preferential accounting method, the preferential accounting method is applied.

In order to hedge the risk of changes in foreign exchange rates on transactions denominated in loans payable, bonds payable, loans receivable, receivable and payable, and forecasted transactions, and the risk of changes in interest rates on loans payable, bonds payable and loans receivable, the Company uses derivative instruments (foreign currency forwards contracts, foreign currency option contracts, foreign currency swaps and interest rate swaps) during the fiscal year under review.

7. Accounting treatment of retirement benefits

The accounting method of unrecognized actuarial gain and loss and past service cost are different from the consolidated financial statement.

II. Notes to Accounting estimates

1. Valuation of stocks of subsidiaries and affiliates without market price

(1) Amount recognized for FY2024 467,370 million yen

(2) Information regarding contents of significant accounting estimates on identified items

If the actual price of any stocks of subsidiaries without market price declines more than approximately 50% compared with its acquisition cost due to the deterioration of financial conditions of an issuing company of the said subsidiary's stocks, the Company determines that the actual price has decreased significantly and recognizes an impairment loss at the end of a fiscal year, except when recovery within approximately 5 years is substantiated by sufficient evidence in business plans and other strategies.

If assumptions such as business plans fluctuate significantly due to changes in the business environment in the future, the recoverability may not be substantiated by sufficient evidence and impairment loss may be required.

2. Allowance for retirement benefits

(1) Amount recognized for FY2024 45,018 million yen

(2) Information regarding contents of significant accounting estimates on identified items

Method of calculating amount is as detailed in "I. Notes to Significant Accounting Policies 4. Standards of accounting for reserves (2) Allowance for retirement benefits".

Discount rate used for the calculation of the present value of the defined benefit obligation is 0.45%.

In cases where the discount rate fluctuates at the ratios indicated below, assuming there are no changes to other assumptions, the defined benefit obligation as of the end of the fiscal year would have been impacted as follows.

While the sensitivity analysis assumes that there are no changes in other assumptions, it is possible that changes in other assumptions could impact the sensitivity analysis.

0.5% increase (10,893) million yen

0.5% decrease 12,123 million yen

3. Warranty provision

(1) Amount recognized for FY2024 24,191 million yen

(2) Information regarding contents of significant accounting estimates on identified items

Method of calculating amount is as detailed in "I. Notes to the Basis for Preparation of Consolidated Financial Statements 7. Notes to accounting estimates (3) Warranty provision".

4. Other domestic certification-related provision

(1) Amount recognized for FY2024 49,984 million yen

(2) Information regarding contents of significant accounting estimates on identified items

Method of calculating amount is as detailed in "I. Notes to the Basis for Preparation of Consolidated Financial Statements 7. Notes to accounting estimates (4) Other domestic certification-related provision".

III. Notes to Non-consolidated Balance Sheet

1. Pledged assets, and assets pledged as collateral for secured debts	
(1) Assets pledged as collateral	
Investment securities	306,480 million yen
(2) Secured debts	
Other current liabilities	32,118 million yen
2. Accumulated depreciation of property, plant and equipment	758,550 million yen
The accumulated depreciation includes accumulated impairment loss.	
3. Guarantee liabilities	
(1) Guarantee liabilities to financial institutions	339,901 million yen
(2) Guarantee liabilities from operating transactions	11,394 million yen
4. Export bills discounted	274 million yen
5. Monetary receivables from and payables to subsidiaries and affiliates	
(1) Short-term monetary assets	326,928 million yen
(2) Long-term monetary assets	43,297 million yen
(3) Short-term monetary liabilities	141,001 million yen
(4) Long-term monetary liabilities	689 million yen
6. For accounting treatment of notes maturing at the end of the fiscal year, the notes are treated as if they were received on the due date. Since the last day of this fiscal year fell on a financial institution holiday, the following matured notes are treated as if they were received on the due date.	
Trade notes receivable	118 million yen

IV. Notes to Non-consolidated Statement of Income

1. Transactions with subsidiaries and affiliates	
(1) Net sales	842,136 million yen
(2) Net purchases	180,559 million yen
(3) Transactions other than operating transactions	105,725 million yen

V. Notes to Non-consolidated Statement of Changes in Net Assets

Matters regarding the numbers of treasury stock

Class of stock	Number of shares as of the beginning of FY2024	Increase in the number of shares in FY2024	Decrease in the number of shares in FY2024	Number of shares as of the end of FY2024
Common stock	15,361,522 shares	2,133 shares	50 shares	15,363,605 shares

VI. Notes to Tax Effect Accounting

The main contributing factors to the deferred tax assets incurred are allowance for retirement benefits and accrued expenses, exceeding provision limit for tax deductible expenses (amount of valuation reserve deducted), and the main contributing factor to the deferred tax liabilities incurred is net unrealized gains or losses on available-for-sale securities.

VII. Notes to Transactions with Affiliates

1. Parent company and major corporate shareholders

Unit: millions of yen

Class	Name	Owning (or owned) shares with voting rights	Contents of relationship	Contents of transaction	Amount of transactions	Description	Balance as of the end of FY2024
Other affiliate	Toyota Motor Corporation	(owned)	Sales of the Company's products and purchase of automobile parts	Sales of Automobiles and engines etc. *1	486,641	Trade notes receivable	16,860
		24.7% (directly)				Accounts receivable	54,728
		0.0% (indirectly)		Purchase of parts of automobiles and engines etc. *2	42,651	Accounts payable	96,523

(Notes) Transaction price and determination policies etc.

*1 As for the sales of automobiles and engines etc., the Company offers prices on such products based on their overall costs, considering conditions on arm's-length transactions, and negotiates prices for each fiscal year. Conditions other than the prices are determined based on arm's-length transactions.

*2 As for the purchase of parts of automobiles and engines etc., the Company negotiates prices for each fiscal year, considering offered prices on such products and conditions on arm's-length transactions. Conditions other than the prices are determined based on arm's-length transactions.

2. Subsidiaries, affiliates to which the equity method applied and others

Unit: millions of yen

Class	Name	Owning (or owned) shares with voting rights	Contents of relationship	Contents of transaction	Amount of transactions	Description	Balance as of the end of FY2024
Subsidiary	Toyota Industries Commercial Finance, Inc.	Owning 100.0% (indirectly)	Loan of funds	Loan of funds *1	83,235	Other current assets	83,235
			Guarantee of liability	Guarantee of liability for medium term note *2	241,953	—	—
Subsidiary	Toyota Industries Finance International AB	Owning 100.0% (indirectly)	Loan of funds	Loan of funds *3	22,973	Other current assets	21,221
			Guarantee of liability	Guarantee of liability for medium term note and commercial paper *4	97,948	—	—
						Long-term loans receivable	16,324

(Notes) Conditions of transactions and determination policies etc.

*1 For loan of funds to Toyota Industries Commercial Finance, Inc., interest rates are determined in consideration of market interest rates and other factors. The transaction amount represents the change in loans receivable during FY2024.

*2 Guarantee of liability provided to Toyota Industries Commercial Finance, Inc. is for Medium Term Note issued by them and the Company receives guarantee fees based on a fix rate. The amounts of transactions are balances of guarantee of liability as of the end of FY2024.

*3 For loan of funds to Toyota Industries Finance International AB, interest rates are determined in consideration of market interest rates and other factors. The transaction amount represents the change in loans receivable during FY2024.

*4 Guarantee of liability provided to Toyota Industries Finance International AB is for Medium Term Note and Commercial Paper issued by them, and the Company receives guarantee fees based on a fix rate. The amounts of transactions are balances of guarantee of liability as of the end of FY2024.

VIII. Notes to Per Share Information

1. Net assets per share 15,969.62 yen

2. Net income per share 877.13 yen

IX. Contingencies

As announced on May 21, 2021, due to the delay in obtaining the U.S. engine emissions certification for the engines installed in some models of forklifts sold in North America, the Company's subsidiary Toyota Material Handling, Inc. in Indiana, United States had suspended production and shipments of such models. On May 17, 2022, the Company has announced that it had obtained engine certification for its main models of small liquefied petroleum gas (LPG) forklifts and resumed shipments on May 12, 2022.

Subsequently, the Company confirmed the excess over the domestic (Japanese) emissions regulation values due to aging degradation, and potential violation of regulations related to Japanese certification of emissions, of engines for forklifts for the Japanese market. Given these, March 17, 2023, Toyota Industries decided to suspend the shipping in Japan of forklifts equipped with two models of diesel engines and one model of gasoline engines, a total of three models, and made a report to the Japanese Ministry of Land, Infrastructure, Transport and Tourism (MLIT), the Japanese Ministry of the Environment, and the Japanese Ministry of Economy, Trade and Industry. Of these models for which shipments have been suspended, the two diesel engine models and any forklifts with these engines installed were subject to an administrative action imposed by the MLIT on April 26, 2023, and the designation and certification of the said types of engines were revoked.

On January 29, 2024, the Company received the results of the domestic engine certification by a Special Investigation Committee made up of outside experts and made report to MLIT and other competent ministries, of the content of such investigation and of the initiatives the Company is promoting to prevent recurrence. It was newly discovered in this investigation that there were violation of domestic laws and regulations in domestic certification relating to emissions performance involving six models of engines for forklifts (of which, five were old types) and one engine for construction machinery (old type), as well as violations of laws and regulations in the output test of three models of engines for automobiles. In addition, regarding one current model of engine for construction machinery shipping of which was suspended, it was learned that emission regulation values had been exceeded. Therefore, in addition to one model of engine for forklifts for the Japanese market that have been under a suspension of shipping since March 17, 2023, shipping has been stopped as of January 29, 2024, for one model of engines for forklifts for the Japanese market, forklifts in which said engines were installed and three models of diesel engines for automobiles which in this investigation were newly found to involve violations of domestic laws and regulations.

After that, on February 22, 2024, the Company received correction order from MLIT urging to make fundamental changes to our system to prevent misconduct from occurring and on March 5, 2024, MLIT notified the Company of its decision to impose administrative sanction of revoking the Type Approval for two models of engines forklifts and one model of engines for construction machinery. On the other hand, On February 27, 2024, MLIT announced that three models of automobile diesel engines comply with the domestic standards, and it has lifted its instruction to suspend shipments of subject engine models, and the Company resumed production and shipment of diesel engines for automobiles for the Japanese market from March 4, 2024. Furthermore, on March 22, 2024, considering recommendations to the Company provided by the Special Investigation Committee, the Company summarized fundamental preventive measures, and reported the same to MLIT.

The issue of the certification of engines for markets in North America and Japan is currently subject to ongoing investigation as well as discussion with relevant parties. Currently, it is not possible to make a reasonable estimate of the impact of the matter on the Company's non-consolidated financial statements, except for the amount of impact already identified.

Independent Auditor's Report
(English Translation)

May 7, 2024

To the Board of Directors of Toyota Industries Corporation

PricewaterhouseCoopers Japan LLC
Nagoya office
Masahide Kobayashi, CPA
Designated limited liability Partner
Engagement Partner
Junji Ichihara, CPA
Designated limited liability Partner
Engagement Partner

Opinion

We have audited, pursuant to Article 436 (2) (i) of the Companies Act of Japan, the accompanying financial statements, which comprise the balance sheet, profit and loss statement, statement of changes in net assets and notes to the financial statements, and the supplementary schedules of Toyota Industries Corporation (hereinafter referred to as the "Company") for the 145th fiscal year from April 1, 2023 to March 31, 2024.

In our opinion, the financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and its financial performance for the period covered by the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements and the Supplementary Schedules section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements and the supplementary schedules in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The other information includes the business report and its supplementary details. It is the management's responsibility to create and disclose the other information. The responsibilities of the Audit & Supervisory Board Members and the Audit & Supervisory Board lie in monitoring the directors' performance of their duties in the development and operation of the reporting process of the other information.

The subject of the audit opinion on the financial statements does not include the other information, and we do not express an opinion on the other information.

Our responsibilities in auditing financial statements are to read through the other information to consider whether there are any major discrepancies between the other information and financial statements or the knowledge that we acquire in the process of the audit, and to pay attention to any signs of material errors in the other information besides those major discrepancies.

We are required to report the facts when we determine that there is a material error in the other information based on the conducted procedure. There are no matters to be reported regarding the other information.

Responsibilities of Management, Audit & Supervisory Board Members and Audit & Supervisory Board for the Financial Statements and the Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of the financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and Audit & Supervisory Board are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements and the Supplementary Schedules

Our objectives are to obtain reasonable assurance about whether the financial statements and the supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the supplementary schedules.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the financial statement audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures of the financial statements and the supplementary schedules are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the financial statements and the supplementary schedules, including the disclosures, and whether the financial statements and the supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board Members and Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board Members and Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related measures to remove disincentives or safeguards to reduce disincentives to an acceptable level.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Audit Report
(English Translation)

The Audit & Supervisory Board, following deliberations on the reports made by each Audit & Supervisory Board member concerning the audit of execution of duties by Members of the Board of the Company for the 146th fiscal year from April 1, 2023 to March 31, 2024, has prepared this Audit Report and hereby submit it as follows:

1. Summary of Auditing Methods by Audit & Supervisory Board members and Audit & Supervisory Board

(1) The Audit & Supervisory Board established the auditing policies and plans, received reports and explanations regarding the status of audits and the results thereof from each Audit & Supervisory Board member, as well as reports and explanations regarding the status of the execution of duties from the Members of the Board and Accounting Auditor, and requested explanation as necessary.

(2) In accordance with the auditing policies and plans determined by the Audit & Supervisory Board, each Audit & Supervisory Board Member communicated with the Members of the Board and employees in charge of internal auditing and other duties of the Company, made their best efforts to collect information and improve the auditing environment, and conducted an audit in the following way.

1. Each Audit & Supervisory Board Member attended the Board of Directors' meetings and other important meetings to receive reports regarding the execution of duties from Members of the Board and employees and requested explanations as necessary. Each Audit & Supervisory Board Member inspected the approved documents and examined the status of operations and conditions of assets at its head office and principal offices. Audit & Supervisory Board Members also received from subsidiaries their business reports as necessary through communication and information sharing with their Members of the Board and Audit & Supervisory Board Members.
2. Each Audit & Supervisory Board Member received status reports from Members of the Board, employees of the internal control department and other employees on a regular basis about the resolutions adopted by the Board of Directors as to establishing the system set forth in Paragraph 4, Item 6 of Article 362 of the Companies Act as well as Paragraphs 1 and 3 of Article 362 of the Companies Act, and the status of such system (Internal Control System) established in accordance with the resolution of the Board of Directors and requested explanations as necessary.
3. The Audit & Supervisory Board Members monitored and verified whether the Accounting Auditor maintained independence and conducted the audits appropriately, received reports and explanations regarding the status of the execution of duties from the Accounting Auditor and requested explanations as necessary. The Audit & Supervisory Board Members were also informed by the Accounting Auditor of its arrangements, as appropriate, under the Article 131 of the Ordinance for Corporate Accounting with respect to standards for quality control of audit work and requested explanations as necessary.

In accordance with the procedures mentioned above, the Audit & Supervisory Board Members reviewed the business reports and supplementary schedules, the non-consolidated financial statements (non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets and notes to non-consolidated financial statements) and the supplementary schedules thereof, and the consolidated financial statements (consolidated statement of financial position, consolidated statements of profit or loss, consolidated statements of changes in equity and the notes to the consolidated financial statements) for the fiscal year under review.

2. Results of Audit

(1) Results of Audit of Business Report and Other Relevant Documents

1. In our opinion, the business report and the supplementary schedules are in accordance with the related laws and regulations and Articles of Incorporation, and fairly represent the Company's condition.
2. The Audit & Supervisory Board has found no wrongdoing in relation to the Directors' execution of their duties or significant facts violating laws, regulations or the Articles of Incorporation.
3. In our opinion, resolutions of the meetings of the Board of Directors regarding the internal control system are fair and reasonable. Given the fact that the statutory violation in relation to the domestic engine certification could not be prevented in the operation, however, the Audit & Supervisory Board conclude that issues to be improved exist. Management has embarked on reforms, including further enhancement of the basic policy regarding the development of internal control, in order to return to our roots and restart its activities as a company that will never commit unfair practices again and the Audit & Supervisory Board will monitor the implementation status.

(2) Results of Audit of Non-consolidated Financial Statements and Supplementary Schedules

In our opinion, the methods and results employed and rendered by PricewaterhouseCoopers Japan LLC, are fair and reasonable.

(3) Results of Audit of Consolidated Financial Statements

In our opinion, the methods and results employed and rendered by PricewaterhouseCoopers Japan LLC, are fair and reasonable.

May 8, 2024

Audit & Supervisory Board, Toyota Industries Corporation

Full-Time Audit & Supervisory Board Member	Toru Inagawa
Full-Time Audit & Supervisory Board Member	Toru Watanabe
Outside Audit & Supervisory Board Member	Akihisa Mizuno
Outside Audit & Supervisory Board Member	Masanao Tomozoe