

FINANCIAL SUMMARY

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

FY2005

(April 1, 2004 through March 31, 2005)

English translation from the original Japanese-language document

TOYOTA MOTOR CORPORATION

Cautionary Statement with Respect to Forward-Looking Statements

This report contains forward-looking statements that reflect Toyota's plans and expectations. These forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause Toyota's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements. These factors include: (i) changes in economic conditions and market demand affecting, and the competitive environment in, the automotive markets in Japan, North America, Europe and other markets in which Toyota operates; (ii) fluctuations in currency exchange rates, particularly with respect to the value of the Japanese yen, the U.S. dollar, the Euro, the Australian dollar and the British pound; (iii) Toyota's ability to realize production efficiencies and to implement capital expenditures at the levels and times planned by management; (iv) changes in the laws, regulations and government policies in the markets in which Toyota operates that affect Toyota's automotive operations, particularly laws, regulations and policies relating to trade, environmental protection, vehicle emissions, vehicle fuel economy and vehicle safety, as well as changes in laws, regulations and government policies that affect Toyota's other operations, including the outcome of future litigation and other legal proceedings; (v) political instability in the markets in which Toyota operates; (vi) Toyota's ability to timely develop and achieve market acceptance of new products; and (vii) fuel shortages or interruptions in transportation systems, labor strikes, work stoppages or other interruptions to, or difficulties in, the employment of labor in the major markets where Toyota purchases materials, components and supplies for the production of its products or where its products are produced, distributed or sold.

A discussion of these and other factors which may affect Toyota's actual results, performance, achievements or financial position is contained in Toyota's annual report on Form 20-F, which is on file with the United States Securities and Exchange Commission.

This report contains summarized and condensed financial statements prepared in accordance with accounting principles generally accepted in the United States of America.

OVERVIEW OF ASSOCIATED COMPANIES

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

Toyota Motor Corporation ("TMC") and its associated companies (524 consolidated subsidiaries and 222 affiliates as of March 31, 2005) are engaged mainly in the automotive industry and also in the financial services and other businesses.

The following three business segments are segmented on the basis as stated under the "Segment Information" according to the business category.

Automotive:

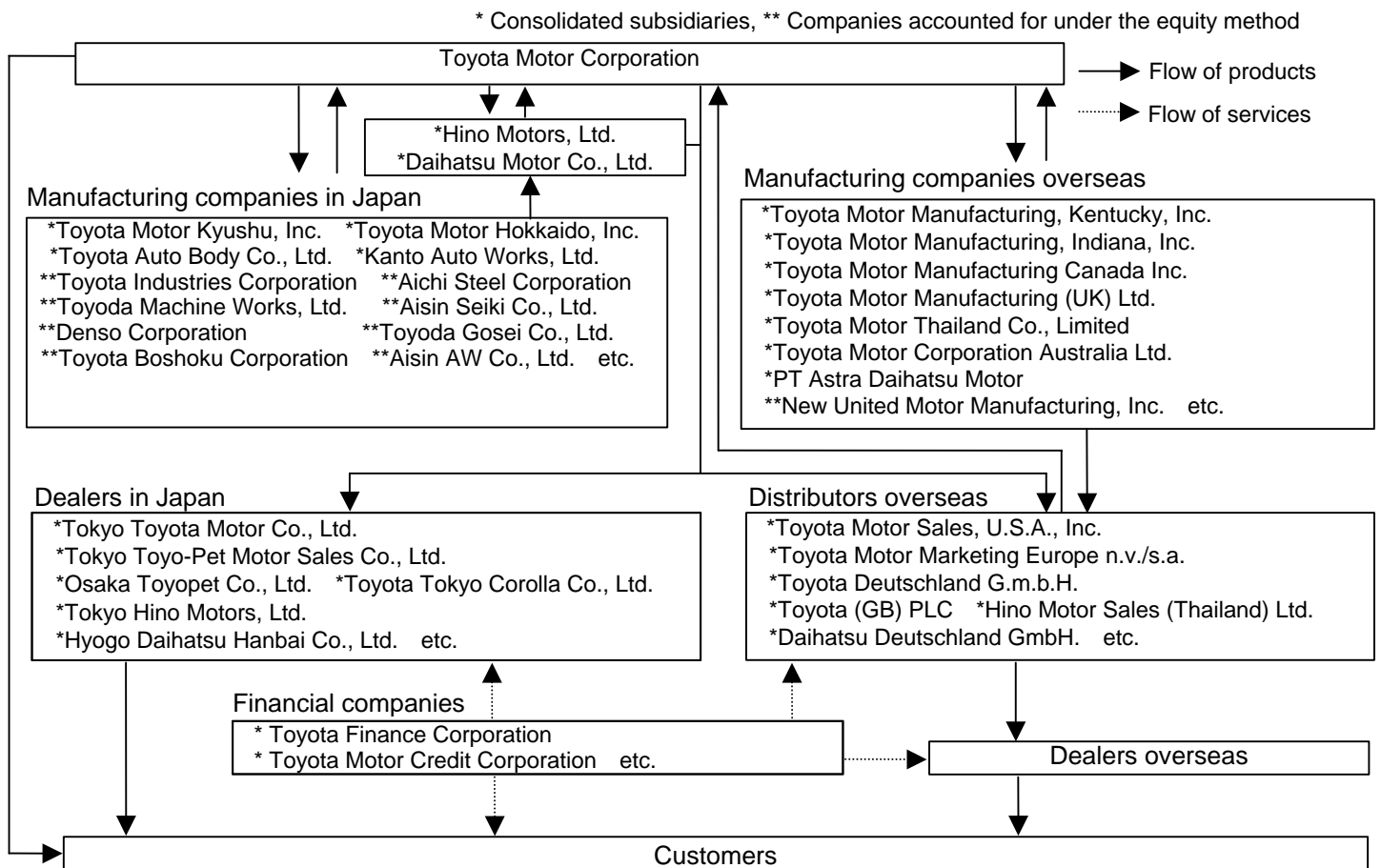
This business involves the design, manufacturing and sale of passenger cars, recreational vehicles, sport utility vehicles, minivans, trucks, buses and related parts. Automobiles are manufactured mainly by TMC, Hino Motors, Ltd., and Daihatsu Motor Co., Ltd., but a portion of manufacturing is consigned to Toyota Auto Body Co., Ltd. and others. Automobiles are also manufactured by Toyota Motor Manufacturing, Kentucky, Inc. and other overseas companies. Automobile parts are manufactured by TMC, Denso Corporation and others. These products are sold through Tokyo Toyo-Pet Motor Sales Co., Ltd. and other dealers and to certain large customers, directly by TMC. Overseas, sales are made through Toyota Motor Sales, U.S.A., Inc. and other distributors and dealers. In addition, Volkswagen vehicles are sold through TMC and some dealers in Japan.

Financial Services:

This business involves the provision of loans and leases to customers and the provision of loans to dealers. Toyota Finance Corporation in Japan, Toyota Motor Credit Corporation and other overseas subsidiaries and affiliates provide sales financing for TMC's products and the products of its subsidiaries and affiliates.

All other:

Other business includes the design, manufacturing and sale of housing, telecommunications and other businesses. Housing is mainly manufactured by TMC and sold through domestic housing dealers.



Other major companies include Toyota Motor North America, Inc., which deals with public relations and research activities in North America, Toyota Motor Manufacturing, North America, Inc., which controls manufacturing companies in North America, Toyota Motor Europe n.v./s.a., which deals with public relations activities in Europe, Toyota Motor Engineering & Manufacturing Europe n.v./s.a., which controls manufacturing companies in Europe, and Toyota Financial Services Corporation, which controls the management of financial companies.

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

<Overview of Changes in Major Associated Companies>

For FY2005, the change in our major associated companies is as follows:

(Change in major associated companies)

Companies excluded from consolidated accounting: Araco Corporation

On October 1, 2004, Araco Corporation spun off its automotive manufacturing business and merged with Toyota Auto Body, Co., Ltd., a consolidated subsidiary of Toyota Motor Corporation, and subsequently merged with Takanichi Co., Ltd. and Toyoda Boshoku Corporation to become Toyota Boshoku Corporation. Toyota Boshoku is accounted for by the equity method.

MANAGEMENT POLICY

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

1. Toyota's Basic Management Policy

Toyota Motor Corporation ("TMC") holds up the "Guiding Principles at Toyota Motor Corporation" as its basic management policy and believes that efforts to achieve the goals set forth in the principles will lead to an increase in shareholder value. The "Guiding Principles at Toyota Motor Corporation" are as follows:

- (1) Honor the language and spirit of the law of every nation and undertake open and fair corporate activities to be a good corporate citizen of the world.
- (2) Respect the culture and customs of every nation and contribute to economic and social development through corporate activities in the communities.
- (3) Dedicate ourselves to providing clean and safe products and to enhancing the quality of life everywhere through all our activities.
- (4) Create and develop advanced technologies and provide outstanding products and services that fulfill the needs of customers worldwide.
- (5) Foster a corporate culture that enhances individual creativity and teamwork value, while honoring mutual trust and respect between labor and management.
- (6) Pursue growth in harmony with the global community through innovative management.
- (7) Work with business partners in research and creation to achieve stable, long-term growth and mutual benefits, while keeping ourselves open to new partnerships.

2. Basic Policy on the Distribution of Profits

TMC deems the benefit of its shareholders as one of its priority management policies and strives to continuously increase per-share earnings, through promoting its business aggressively while improving its corporate foundations.

With respect to the payment of dividends, TMC seeks to enhance the distribution of profits by striving to raise the consolidated dividend payout ratio to progressively higher levels, while giving due consideration to factors such as the business results of each term and new investment plans.

Furthermore, we acquire treasury stock to improve capital efficiency and respond appropriately to changes in the business environment.

As we anticipate the continued growth in worldwide automotive markets, we will utilize our internal funds to invest in improvement of product performance and development of next-generation technologies to achieve future growth, to develop production and sales networks domestically and overseas for further expansion of our global business and to expand into new business areas, while securing solid management foundation.

3. Policy for the Granting of Stock Options and Other Incentive Plans

Currently, TMC maintains an incentive plan for granting stock options to our directors, managing officers and senior managers, etc. Together with this plan, TMC also maintains an incentive plan for the executives of its overseas subsidiaries and affiliated companies.

TMC believes that these incentive plans will heighten their willingness and motivation to improve business performance in the medium- and long-term, enhance international competitiveness and profitability, and contribute to increased shareholder value.

4. Basic Policy on Corporate Governance and Status of Policy Implementation

TMC has positioned the stable long-term growth of shareholder value as a top-priority management issue. We believe that in carrying this out, it is essential that we achieve long-term and stable growth by building positive relationships with all stakeholders, including shareholders and customers as well as business partners, local communities and employees, and by supplying products that will satisfy our customers. This position is reflected in the “Guiding Principles at Toyota Motor Corporation”, which is a statement of Toyota’s fundamental business policies. To explain the Guiding Principles in greater detail, in January 2005, Toyota adopted and presented its “Contribution towards Sustainable Development” statement as the guideline to the “Guiding Principles at Toyota Motor Corporation”. We are working to enhance corporate governance through a variety of measures designed to further increase our competitiveness as a global company.

Specifically, TMC has introduced a new management system in June 2003, which features a streamlined board of directors with fewer members and the new position of managing officers who are responsible for particular operations. Under the new system, senior managing directors not only participate in the company’s overall management, but also serve as a link between management and operations by acting as the top managers of particular operations. TMC believes that the adoption of this system reflecting ideas of front-line operations, which has been one of the company’s strengths, will lead to a quick implementation of management decisions into operations, facilitate the incorporation of ideas from front-line operations within the company’s overall business strategies, and promote decision making that is close to front-line operations.

As a structure to ensure appropriate management, TMC holds a meeting of the International Advisory Board annually, which is comprised of experts outside Japan in order to receive advice concerning management issues from a global standpoint. Further, councils and committees such as “Labor-Management Council, Joint Labor-Management Round Table Conference”, “Corporate Philanthropy Committee” and “Stock Option Committee” monitor and deliberate on management and corporate behavior from the viewpoint of various stakeholders.

In order to develop corporate ethics and to achieve thorough legal compliance, TMC has established “Corporate Ethics Committee” consisting of directors at the executive vice president level and above as well as corporate auditors, to review important issues relating to corporate ethics, legal compliance, and risk management, and also to develop action plans concerning these issues. TMC has also created the Compliance Hotline that allows employees to consult with outside attorneys and all internal divisions have re-assessed compliance risks and are implementing countermeasures. TMC will continue to promote the “Code of Conduct for Toyota Employees” which is a guideline for employee behavior and conduct. TMC will work to advance corporate ethics through training and education at all levels and in all departments.

TMC has adopted a system of corporate auditors, and four of the seven corporate auditors are outside auditors to enhance the transparency of corporate conduct. Each auditor conducts audits in accordance with the audit policies and plans determined by the Board of Auditors, playing an important role in corporate governance. With respect to internal audits, a specialized independent organization has increased the number of personnel to verify the effectiveness of internal controls over financial reporting. In order to enhance the reliability of the financial reporting of the company, the three auditing functions, namely, independent accountants, corporate auditors and internal auditors, have meetings periodically and as necessary to share information through discussion on audit plans and results that aids conducting an effective and efficient audit. The certified public accountants that conducted financial statement audits are Kazunori Tajima, Masaki Horie, Fusahiro Yamamoto, and Akihiko Nakamura of ChuoAoyama PricewaterhouseCoopers. Messrs. Tajima and Horie have each been auditing TMC’s financial statements for nine years, Mr. Yamamoto for five years, and Mr. Nakamura for one year. These periods of time include period before the revisions to the Certified Public Accountant Law effective in June 2003. The number of assistants who worked in the financial statement audit for the current fiscal year were 33 certified public accountants, 20 junior accountants, and 2 others.

To enhance accountability, TMC established a Disclosure Committee in response to the enactment of Sarbanes-Oxley Act of 2002 in the United States of America to further ensure the complete and fair disclosure of material information in the annual reports. Further starting this year, the Disclosure Committee also covers the appropriateness of disclosures made under the Securities and Exchange Law in Japan.

TMC remains committed to the stable enhancement in shareholder value over the long-term by proposing and implementing these management strategies based on long-term perspectives.

5. TMC's Medium- and Long-term Management Strategy

To continue its growth over the long-term, the Toyota Group will make combined efforts to address the following agenda.

An immediate agenda is the introduction in Japan of the Lexus brand, which is currently marketed in more than 60 countries around the world, to establish Lexus as a global premium brand for the twenty-first century. Toyota has also started on a number of priority projects including the construction of new plants in the United States (Texas), Russia, and Thailand. In the rapidly growing Chinese market, where various auto manufactures are quickly expanding their operations, Toyota is developing integrated structures in conjunction with procurement, production, and sales.

Medium- to long-term strategies include, first of all, anticipating customer needs to continue providing appealing products that are highly advanced and innovative, and feature superior styling. Toyota also continues to focus on the development of vehicle safety technologies and their incorporation into products. Second, Toyota has adopted the fourth Toyota Environmental Action Plan as one of the medium- to long-term plans looking ahead to 2010. Under this plan, Toyota is reinforcing and expanding on a global scale its responses to issues including global warming, hazardous material management, and recycling. Third, in addition to maintaining the world's highest levels of quality and reinforcing cost competitiveness, Toyota is working to increase overall group capabilities, develop optimal global business structures, and pursue compatibility between growth and efficiency. Finally, based on the idea that the source of corporate competitiveness is the development of talents, Toyota is promoting the development of highly creative personnel who can pass on Toyota's technologies and skills to the next generation.

By addressing these agenda, Toyota will seek increases in shareholder value and work to become a company that can successfully compete on a global scale and continue to grow in the 21st century.

In addition, we reaffirm our commitment to corporate ethics, including strict compliance with laws and regulations, and seek to become a global corporation, with sincerity and humility, that contributes to the development of a prosperous society and is trusted around the world.

6. Matters relating to parent companies

Not applicable.

BUSINESS RESULTS AND FINANCIAL POSITION

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

1. Summary of Consolidated Financial Results of FY2005

(1) Financial Results

During FY2005, the domestic economy has shown signs of moderate recovery, including stronger corporate profits and an improving employment situation. Overseas economies were generally strong, with higher capital expenditures and an increase in personal consumption in the United States of America, and continued rapid growth in Asia.

Under these conditions, domestic vehicle sales increased by 78 thousand units, or 3.4%, to 2,381 thousand units in FY2005 compared with FY2004, primarily as a result of the active introduction of new products that met customer needs and the strong sales efforts of domestic dealers, although the overall domestic market was smaller than that of the previous year. Toyota's market share excluding mini-vehicles in Japan reached 44.5% in FY2005, exceeding a 40% market share for the seventh consecutive year. Toyota's market share including mini-vehicles in Japan was 41.1% in FY2005. Meanwhile, due to an extensive line-up that catered to regional needs, overseas vehicle sales increased in all regions by 611 thousand units, or 13.8%, to 5,027 thousand units in FY2005 compared with FY2004. Consequently, total vehicle sales in Japan and overseas increased by 689 thousand units, or 10.3%, to 7,408 thousand units in FY2005 compared with FY2004, marking a record high.

Net revenues increased by 1,256.8 billion yen, or 7.3%, to 18,551.5 billion yen in FY2005 compared with FY2004, and operating income increased by 5.3 billion yen, or 0.3%, to 1,672.1 billion yen in FY2005 compared with FY2004. Among the factors contributing to the increase in operating income of 390.0 billion yen, marketing efforts accounted for 230.0 billion yen and cost reduction efforts accounted for 160.0 billion yen. On the other hand, factors contributing to the decrease in operating income primarily included the effects of changes in exchange rates of 140.0 billion yen, a decrease in the gains recognized on transfer of substitutional portion of the employee pension fund to the government of 59.8 billion yen, and an increase in R&D expenses and other expenses of 184.9 billion yen. Income before income taxes, minority interest and equity in earnings of affiliated companies decreased by 11.1 billion yen, or 0.6%, to 1,754.6 billion yen in FY2005 compared with FY2004. Net income increased by 9.2 billion yen, or 0.8%, to 1,171.2 billion yen in FY2005 compared with FY2004.

(2) Cash Flows

Cash flows from operating activities resulted in an increase in cash by 2,370.9 billion yen in FY2005, mainly due to net income of 1,171.2 billion yen. Net cash provided by operating activities increased by 184.2 billion yen from 2,186.7 billion yen in FY2004. Cash flows from investing activities resulted in a decrease in cash by 3,061.1 billion yen in FY2005, mainly due to the additions to finance receivables of 4,296.9 billion yen. Net cash used in investing activities decreased by 844.7 billion yen from 2,216.4 billion yen in FY2004. Cash flows from financing activities resulted in an increase in cash by 419.3 billion yen in FY2005. Net cash provided by financing activities increased by 177.1 billion yen from 242.2 billion yen in FY2004. After consideration of the effect of exchange rate changes, cash and cash equivalents decreased by 246.0 billion yen, or 14.2%, to 1,483.7 billion yen at the end of FY2005 compared with the end of FY2004.

Regarding the consolidated cash flows by segment for FY2005, in non-financial services business, net cash provided by operating activities was 1,701.8 billion yen, net cash used in investing activities was 1,549.7 billion yen and net cash used in financing activities was 468.1 billion yen. Meanwhile, in the financial services business, net cash provided by operating activities was 645.2 billion yen, net cash used in investing activities was 1,487.3 billion yen and net cash provided by financing activities was 887.2 billion yen.

Cash flows from origination and collection activities of finance receivables relating to inventory-sales have been reclassified from investing activities to operating activities in our consolidated statements of cash flows for the fiscal year ended March 31, 2005, based on the concerns raised by the staff of the United States Securities and Exchange Commission. Prior-period amounts have been also reclassified to conform to the current year presentation. As a result of these reclassifications, cash flows from operating activities in consolidated statements of cash flows for the year ended March 31, 2005 and 2004 decreased by 55.9 billion yen and 96.3 billion yen, respectively, and cash flows from investing activities increased by same amounts respectively compared with presentation before reclassification. In consolidated statements of cash flows as classified into non-financial services business and financial services business, cash flows from origination and collection activities of finance receivables relating to inventory-sales are continued to be reported in investing activities.

2. Consolidated Financial Results of FY2005 by Segment

(1) Segment Operating Results

Automotive:

Net revenues for the automotive operations increased by 1,139.7 billion yen, or 7.1%, to 17,113.5 billion yen in FY2005 compared with FY2004, and operating income decreased by 66.5 billion yen, or 4.4%, to 1,452.5 billion yen in FY2005 compared with FY2004. The decrease in operating income was mainly due to the impact from exchange rate changes, a decrease in the gains recognized on transfer of substitutional portion of the employee pension fund to the government and increases in R&D expenses, partially offset by increases in both production volume and vehicle units sold and cost reduction efforts.

Financial services:

Net revenues for the financial services operations increased by 44.3 billion yen, or 6.0%, to 781.2 billion yen in FY2005 compared with FY2004, and operating income increased by 54.8 billion yen, or 37.6%, to 200.8 billion yen in FY2005 compared with FY2004. The increase in operating income was primarily due to solid performance as a result of an increase in financing volume, and in addition, sales financing subsidiaries in the United States of America capitalized certain disbursements, including disbursements made in prior years, directly related to origination of loans, in accordance with the Statement of Financial Accounting Standards No. 91.

All other:

Net revenues for all other businesses increased by 134.1 billion yen, or 15.0%, to 1,030.3 billion yen in FY2005 compared with FY2004, and operating income increased by 18.5 billion yen, or 121.3%, to 33.7 billion yen in FY2005 compared with FY2004. The increase in operating income was mainly due to steady production and favorable sales of the housing business.

(2) Geographic Information

Japan:

Net revenues in Japan increased by 414.1 billion yen, or 3.6%, to 12,004.1 billion yen in FY2005 compared with FY2004, and operating income decreased by 120.9 billion yen, or 10.9%, to 987.2 billion yen in FY2005 compared with FY2004. The decrease in operating income was mainly due to the impact from exchange rate changes, a decrease in the gains recognized on transfer of substitutional portion of the employee pension fund to the government as well as an increase in R&D expenses and other costs, partially offset by increases in both production volume and vehicle units sold and cost reduction efforts.

North America:

Net revenues in North America increased by 245.8 billion yen, or 4.0%, to 6,373.4 billion yen in FY2005 compared with FY2004, and operating income increased by 56.5 billion yen, or 14.5%, to 447.5 billion yen in FY2005 compared with FY2004. The increase in operating income was mainly due to increases in both local production volume and vehicle units sold, cost reduction efforts made by local manufacturing subsidiaries and strong financial performance by Toyota's sales financing subsidiaries in the United States of America.

Europe:

Net revenues in Europe increased by 315.1 billion yen, or 14.6%, to 2,479.4 billion yen in FY2005 compared with FY2004, and operating income increased by 36.0 billion yen, or 49.8%, to 108.5 billion yen in FY2005 compared with FY2004. The increase in operating income was the result of higher production and sales volumes and continuing cost reduction efforts made by local production subsidiaries.

Others:

Net revenues in other markets increased by 447.2 billion yen, or 18.9%, to 2,809.1 billion yen in FY2005 compared with FY2004, and operating income increased by 44.3 billion yen, or 45.7 %, to 141.2 billion yen in FY2005 compared with FY2004. The increase in operating income was mainly due to substantial increases in both local production volume and vehicle units sold mainly in Asia and cost reduction efforts.

3. Distribution of Profits for FY2005

As for the dividends, in addition to the increase in interim dividends declared in November 2004 by 5 yen per share to 25 yen per share, TMC plans to increase the year-end dividends by 15 yen per share to 40 yen per share. As a result, on a full-year basis, the dividends will be 65 yen per share which is 20 yen higher than in the previous year, and the dividend payout ratio for FY2005 would be 40.5%, and the consolidated dividend payout ratio would be 18.3%.

On the other hand, during FY2005, TMC repurchased 63 million of its own shares in the aggregate of 264,244 million yen from retained earnings.

CONSOLIDATED PRODUCTION AND SALES

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

1. Production

(Units)

		FY2005 (April 2004 through March 2005)	FY2004 (April 2003 through March 2004)	Increase (Decrease)
Vehicles (new)	Japan	4,534,838	4,283,943	250,895
	North America	1,156,166	1,034,323	121,843
	Europe	595,874	514,992	80,882
	Others	945,098	680,533	264,565
	Overseas total	2,697,138	2,229,848	467,290
	Total	7,231,976	6,513,791	718,185
Houses (Japan)		5,115	4,564	551

Note: The total production of vehicles (new) includes 745,745 units of Daihatsu brand vehicles (including OEM production) in FY2005 and 662,818 units in FY2004, and 93,470 units of Hino brand vehicles (including OEM production) in FY2005 and 87,071 units in FY2004 .

2. Sales (by destination)

(Units)

		FY2005 (April 2004 through March 2005)	FY2004 (April 2003 through March 2004)	Increase (Decrease)
Vehicles (new)	Japan	2,381,325	2,303,078	78,247
	North America	2,271,139	2,102,681	168,458
	Europe	978,963	898,201	80,762
	Others	1,776,951	1,415,403	361,548
	Overseas total	5,027,053	4,416,285	610,768
	Total	7,408,378	6,719,363	689,015
Houses (Japan)		5,283	4,752	531

Note: The total sales of vehicles (new) includes 703,497 units of Daihatsu brand vehicles in FY2005 and 623,016 units in FY2004, and 95,318 units of Hino brand vehicles in FY2005 and 87,304 units in FY2004.

BREAKDOWN OF CONSOLIDATED NET REVENUES

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

(Amounts are rounded to the nearest million yen)

	FY2005 (April 2004 through March 2005)	FY2004 (April 2003 through March 2004)	Increase (Decrease)
Vehicles	14,803,255	13,830,174	973,081
Parts & components for overseas production	236,592	236,467	125
Parts	1,091,673	998,647	93,026
Others	966,895	897,812	69,083
Total Automotive	17,098,415	15,963,100	1,135,315
Financial services	760,664	716,727	43,937
Housing	136,100	121,142	14,958
Telecommunications	44,661	50,222	(5,561)
Others	511,686	443,569	68,117
Total	18,551,526	17,294,760	1,256,766

Note: The amounts represent net revenues to external customers.

CONSOLIDATED STATEMENTS OF INCOME

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

(Amounts are rounded to the nearest million yen)

	FY2005 (April 2004 through March 2005)	FY2004 (April 2003 through March 2004)	Increase (Decrease)
Net revenues :	18,551,526	17,294,760	1,256,766
Sales of products	17,790,862	16,578,033	1,212,829
Financing operations	760,664	716,727	43,937
Costs and expenses :	16,879,339	15,627,870	1,251,469
Cost of products sold	14,500,282	13,506,337	993,945
Cost of financing operations	369,844	364,177	5,667
Selling, general and administrative	2,009,213	1,757,356	251,857
Operating income	1,672,187	1,666,890	5,297
Other income (expense) :	82,450	98,903	(16,453)
Interest and dividend income	67,519	55,629	11,890
Interest expense	(18,956)	(20,706)	1,750
Foreign exchange gain, net	21,419	38,187	(16,768)
Other income, net	12,468	25,793	(13,325)
Income before income taxes, minority interest and equity in earnings of affiliated companies	1,754,637	1,765,793	(11,156)
Provision for income taxes	657,910	681,304	(23,394)
Income before minority interest and equity in earnings of affiliated companies	1,096,727	1,084,489	12,238
Minority interest in consolidated subsidiaries	(64,938)	(42,686)	(22,252)
Equity in earnings of affiliated companies	139,471	120,295	19,176
Net income	1,171,260	1,162,098	9,162

(Yen)

Net income per share – basic	355.35	342.90	12.45
Net income per share – diluted	355.28	342.86	12.42

CONSOLIDATED BALANCE SHEETS

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

(Amounts are rounded to the nearest million yen)

	FY2005 (As of March 31, 2005)	FY2004 (As of March 31, 2004)	Increase (Decrease)
Assets			
Current assets :	9,440,105	8,848,453	591,652
Cash and cash equivalents	1,483,753	1,729,776	(246,023)
Time deposits	63,609	68,473	(4,864)
Marketable securities	543,124	448,457	94,667
Trade accounts and notes receivable, less allowance for doubtful accounts	1,616,341	1,531,651	84,690
Finance receivables, net	3,010,135	2,622,939	387,196
Other receivables	438,676	396,788	41,888
Inventories	1,306,709	1,083,326	223,383
Deferred income taxes	475,764	457,161	18,603
Prepaid expenses and other current assets	501,994	509,882	(7,888)
Noncurrent finance receivables, net	3,976,941	3,228,973	747,968
Investments and other assets :	5,122,371	4,608,155	514,216
Marketable securities and other securities investments	2,704,142	2,241,971	462,171
Affiliated companies	1,570,185	1,370,171	200,014
Employees receivables	49,538	35,857	13,681
Other	798,506	960,156	(161,650)
Property, plant and equipment :	5,795,594	5,354,647	440,947
Land	1,182,768	1,135,665	47,103
Buildings	2,935,274	2,801,993	133,281
Machinery and equipment	7,897,509	7,693,616	203,893
Vehicles and equipment on operating leases	1,828,697	1,493,780	334,917
Construction in progress	214,781	237,195	(22,414)
Less – Accumulated depreciation	(8,263,435)	(8,007,602)	(255,833)
Total assets	24,335,011	22,040,228	2,294,783

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

(Amounts are rounded to the nearest million yen)

	FY2005 (As of March 31, 2005)	FY2004 (As of March 31, 2004)	Increase (Decrease)
Liabilities			
Current liabilities :	8,227,206	7,597,991	629,215
Short-term borrowings	2,381,827	2,189,024	192,803
Current portion of long-term debt	1,150,920	1,125,195	25,725
Accounts payable	1,856,799	1,709,344	147,455
Other payables	693,041	665,624	27,417
Accrued expenses	1,289,373	1,133,281	156,092
Income taxes payable	292,835	252,555	40,280
Other current liabilities	562,411	522,968	39,443
Long-term liabilities :	6,557,926	5,817,377	740,549
Long-term debt	5,014,925	4,247,266	767,659
Accrued pension and severance costs	646,989	725,569	(78,580)
Deferred income taxes	811,670	778,561	33,109
Other long-term liabilities	84,342	65,981	18,361
Total liabilities	14,785,132	13,415,368	1,369,764
Minority interest in consolidated subsidiaries	504,929	446,293	58,636
Shareholders' equity			
Common stock	397,050	397,050	–
Additional paid-in capital	495,707	495,179	528
Retained earnings	9,332,176	8,326,215	1,005,961
Accumulated other comprehensive loss	(80,660)	(204,592)	123,932
Treasury stock, at cost	(1,099,323)	(835,285)	(264,038)
Total shareholders' equity	9,044,950	8,178,567	866,383
Total liabilities and shareholders' equity	24,335,011	22,040,228	2,294,783

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

(1) FY2005 (April 2004 through March 2005)

(Amounts are rounded to the nearest million yen)

	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock, at cost	Total
Balances at March 31, 2004	397,050	495,179	8,326,215	(204,592)	(835,285)	8,178,567
Issuance during the year		528				528
Comprehensive income:						
Net income			1,171,260			1,171,260
Other comprehensive income						
Foreign currency translation adjustments				75,697		75,697
Unrealized gains on securities, net of reclassification adjustments				38,455		38,455
Minimum pension liability adjustments				9,780		9,780
Total comprehensive income						1,295,192
Dividends paid			(165,299)			(165,299)
Purchase and reissuance of common stock					(264,038)	(264,038)
Balances at March 31, 2005	397,050	495,707	9,332,176	(80,660)	(1,099,323)	9,044,950

(2) FY2004 (April 2003 through March 2004)

(Amounts are rounded to the nearest million yen)

	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury stock, at cost	Total
Balances at March 31, 2003	397,050	493,790	7,301,795	(604,272)	(467,363)	7,121,000
Issuance during the year		1,389				1,389
Comprehensive income:						
Net income			1,162,098			1,162,098
Other comprehensive income (loss)						
Foreign currency translation adjustments				(203,257)		(203,257)
Unrealized gains on securities, net of reclassification adjustments				329,672		329,672
Minimum pension liability adjustments				273,265		273,265
Total comprehensive income						1,561,778
Dividends paid			(137,678)			(137,678)
Purchase and reissuance of common stock					(367,922)	(367,922)
Balances at March 31, 2004	397,050	495,179	8,326,215	(204,592)	(835,285)	8,178,567

CONSOLIDATED STATEMENTS OF CASH FLOWS

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

(Amounts are rounded to the nearest million yen)

	FY2005 (April 2004 through March 2005)	FY2004 (April 2003 through March 2004)
Cash flows from operating activities :		
Net income	1,171,260	1,162,098
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	997,713	969,904
Provision for doubtful accounts and credit losses	63,154	83,138
Pension and severance costs, less payments	(52,933)	(159,267)
Loss on disposal of fixed assets	49,159	39,742
Unrealized losses on available-for-sale securities, net	2,324	3,063
Deferred income taxes	84,711	120,828
Minority interest in consolidated subsidiaries	64,938	42,686
Equity in earnings of affiliated companies	(139,471)	(120,295)
Changes in operating assets and liabilities and other	130,085	44,837
Net cash provided by operating activities	2,370,940	2,186,734
Cash flows from investing activities :		
Additions to finance receivables	(4,296,966)	(4,547,068)
Collection of and proceeds from sales of finance receivables	3,377,510	3,395,430
Additions to fixed assets excluding equipment leased to others	(1,068,287)	(945,803)
Additions to equipment leased to others	(854,953)	(542,738)
Proceeds from sales of fixed assets excluding equipment leased to others	69,396	73,925
Proceeds from sales of equipment leased to others	316,456	288,681
Purchases of marketable securities and security investments	(1,165,791)	(1,336,467)
Proceeds from sales of and maturity of marketable securities and security investments	573,943	1,436,142
Payment for additional investments in affiliated companies, net of cash acquired	(901)	(20,656)
Changes in investments and other assets and other	(11,603)	(17,941)
Net cash used in investing activities	(3,061,196)	(2,216,495)
Cash flows from financing activities :		
Purchase of common stock	(264,106)	(357,457)
Proceeds from issuance of long-term debt	1,863,710	1,636,570
Payments of long-term debt	(1,155,223)	(1,253,045)
Increase in short-term borrowings	140,302	353,833
Dividends paid	(165,299)	(137,678)
Net cash provided by financing activities	419,384	242,223
Effect of exchange rate changes on cash and cash equivalents	24,849	(74,714)
Net increase (decrease) in cash and cash equivalents	(246,023)	137,748
Cash and cash equivalents at beginning of year	1,729,776	1,592,028
Cash and cash equivalents at end of year	1,483,753	1,729,776

Note: In the Consolidated Statements of Cash Flows, cash and cash equivalents include cash on hand, bank deposits that can be withdrawn at any time and short-term investments that can be converted into cash at any time and carry minimal risk of change in value.

SEGMENT INFORMATION

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

1. Segment Operating Results and Assets

(1) FY2005 (April 2004 through March 2005)

(Amounts are rounded to the nearest million yen)

	Automotive	Financial Services	All Other	Intersegment Elimination and/or Unallocated Amount	Consolidated
Net revenues :					
(1) Sales to external customers	17,098,415	760,664	692,447	–	18,551,526
(2) Intersegment sales and transfers	15,120	20,597	337,873	(373,590)	–
Total	17,113,535	781,261	1,030,320	(373,590)	18,551,526
Operating expenses	15,661,000	580,408	996,577	(358,646)	16,879,339
Operating income	1,452,535	200,853	33,743	(14,944)	1,672,187
Assets	11,141,197	9,487,248	1,025,517	2,681,049	24,335,011
Investment in equity method investees	1,271,044	215,642	–	75,746	1,562,432
Depreciation expenses	754,339	220,584	22,790	–	997,713
Capital expenditure	1,161,757	726,777	50,555	(15,849)	1,923,240

(2) FY2004 (April 2003 through March 2004)

(Amounts are rounded to the nearest million yen)

	Automotive	Financial Services	All Other	Intersegment Elimination and/or Unallocated Amount	Consolidated
Net revenues :					
(1) Sales to external customers	15,963,100	716,727	614,933	–	17,294,760
(2) Intersegment sales and transfers	10,726	20,125	281,311	(312,162)	–
Total	15,973,826	736,852	896,244	(312,162)	17,294,760
Operating expenses	14,454,872	590,854	880,997	(298,853)	15,627,870
Operating income	1,518,954	145,998	15,247	(13,309)	1,666,890
Assets	10,207,395	8,138,297	941,925	2,752,611	22,040,228
Investment in equity method investees	1,092,713	211,657	–	60,407	1,364,777
Depreciation expenses	772,829	175,533	21,542	–	969,904
Capital expenditure	1,020,608	432,222	43,212	(7,501)	1,488,541

Note: Unallocated corporate assets included under "Intersegment Elimination and/or Unallocated Amount" for FY2005 and FY2004 are 3,308,055 million yen and 3,270,973 million yen, respectively, and consist primarily of funds such as cash and cash equivalents, marketable securities and portion security investments held by TMC.

2. Consolidated Financial Statements as Classified into Non-Financial Services Business and Financial Services Business

(1) Consolidated Statements of Income as Classified into Non-Financial Services Business and Financial Services Business

(Amounts are rounded to the nearest million yen)

	FY2005 (April 2004 through March 2005)	FY2004 (April 2003 through March 2004)	Increase (Decrease)
(Non-financial services)			
Net revenues	17,800,357	16,586,814	1,213,543
Costs and expenses :	16,310,540	15,048,559	1,261,981
Cost of revenues	14,497,252	13,507,835	989,417
Selling, general and administrative	1,813,288	1,540,724	272,564
Operating income	1,489,817	1,538,255	(48,438)
Other income, net	68,736	97,885	(29,149)
Income before income taxes, minority interest and equity in earnings of affiliated companies	1,558,553	1,636,140	(77,587)
Provision for income taxes	578,709	627,038	(48,329)
Income before minority interest and equity in earnings of affiliated companies	979,844	1,009,102	(29,258)
Minority interest in consolidated subsidiaries	(63,952)	(41,886)	(22,066)
Equity in earnings of affiliated companies	131,849	107,542	24,307
Net income	1,047,741	1,074,758	(27,017)
(Financial services)			
Net revenues	781,261	736,852	44,409
Costs and expenses	580,408	590,854	(10,446)
Cost of revenues	376,150	365,750	10,400
Selling, general and administrative	204,258	225,104	(20,846)
Operating income	200,853	145,998	54,855
Other expenses, net	(4,764)	(16,438)	11,674
Income before income taxes, minority interest and equity in earnings of affiliated companies	196,089	129,560	66,529
Provision for income taxes	78,748	53,959	24,789
Income before minority interest and equity in earnings of affiliated companies	117,341	75,601	41,740
Minority interest in consolidated subsidiaries	(988)	(815)	(173)
Equity in earnings of affiliated companies	7,622	12,753	(5,131)
Net income	123,975	87,539	36,436
(Elimination)			
Elimination of net income	(456)	(199)	(257)
(Consolidated)			
Net income	1,171,260	1,162,098	9,162

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

(2) Consolidated Balance Sheets as Classified into Non-Financial Services Business and Financial Services Business

(Amounts are rounded to the nearest million yen)

	FY2005 (As of March 31, 2005)	FY2004 (As of March 31, 2004)	Increase (Decrease)
Assets			
(Non-financial services)			
Current assets:	6,401,152	6,125,239	275,913
Cash and cash equivalents	1,324,126	1,618,876	(294,750)
Time deposits	8,006	16,689	(8,683)
Marketable securities	541,785	444,543	97,242
Trade accounts and notes receivable, less allowance for doubtful accounts	1,640,155	1,570,205	69,950
Inventories	1,306,709	1,083,326	223,383
Prepaid expenses and other current assets	1,580,371	1,391,600	188,771
Investments and other assets	4,804,843	4,254,625	550,218
Property, plant and equipment	4,579,052	4,398,163	180,889
Total	15,785,047	14,778,027	1,007,020
(Financial services)			
Current assets:	3,836,650	3,379,957	456,693
Cash and cash equivalents	159,627	110,900	48,727
Time deposits	55,603	51,784	3,819
Marketable securities	1,339	3,914	(2,575)
Finance receivables, net	3,010,135	2,608,340	401,795
Prepaid expenses and other current assets	609,946	605,019	4,927
Noncurrent finance receivables, net	3,976,941	3,221,013	755,928
Investments and other assets	457,115	580,843	(123,728)
Property, plant and equipment	1,216,542	956,484	260,058
Total	9,487,248	8,138,297	1,348,951
(Elimination)			
Elimination of assets	(937,284)	(876,096)	(61,188)
(Consolidated)			
Total assets	24,335,011	22,040,228	2,294,783

Note: Assets in the non-financial services include unallocated corporate assets.

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

(Amounts are rounded to the nearest million yen)

	FY2005 (As of March 31, 2005)	FY2004 (As of March 31, 2004)	Increase (Decrease)
Liabilities (Non-financial services)			
Current liabilities:	5,139,351	4,774,129	365,222
Short-term borrowings	713,474	718,396	(4,922)
Current portion of long-term debt	60,092	62,634	(2,542)
Accounts payable	1,847,036	1,695,255	151,781
Accrued expenses	1,200,122	1,084,357	115,765
Income taxes payable	263,291	241,691	21,600
Other current liabilities	1,055,336	971,796	83,540
Long-term liabilities:	1,957,404	2,096,318	(138,914)
Long-term debt	747,911	771,791	(23,880)
Accrued pension and severance costs	645,308	724,369	(79,061)
Other long-term liabilities	564,185	600,158	(35,973)
Total	7,096,755	6,870,447	226,308
(Financial services)			
Current liabilities:	3,789,503	3,457,028	332,475
Short-term borrowings	2,269,197	2,029,258	239,939
Current portion of long-term debt	1,092,328	1,088,762	3,566
Accounts payable	15,542	15,287	255
Accrued expenses	93,042	53,031	40,011
Income taxes payable	29,544	10,864	18,680
Other current liabilities	289,850	259,826	30,024
Long-term liabilities:	4,836,755	3,971,941	864,814
Long-term debt	4,503,247	3,726,355	776,892
Accrued pension and severance costs	1,681	1,200	481
Other long-term liabilities	331,827	244,386	87,441
Total	8,626,258	7,428,969	1,197,289
(Elimination)			
Elimination of liabilities	(937,881)	(884,048)	(53,833)
(Consolidated)			
Total liabilities	14,785,132	13,415,368	1,369,764
(Consolidated)			
Minority interest in consolidated subsidiaries	504,929	446,293	58,636
Shareholders' equity (Consolidated)			
Common stock	397,050	397,050	—
Additional paid-in capital	495,707	495,179	528
Retained earnings	9,332,176	8,326,215	1,005,961
Accumulated other comprehensive loss	(80,660)	(204,592)	123,932
Treasury stock, at cost	(1,099,323)	(835,285)	(264,038)
Total shareholders' equity	9,044,950	8,178,567	866,383
(Consolidated)			
Total liabilities and shareholders' equity	24,335,011	22,040,228	2,294,783

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

(3) Consolidated Statements of Cash Flows as Classified into Non-Financial Services Business and Financial Services Business

(Amounts are rounded to the nearest million yen)

	FY2005 (April 2004 through March 2005)	FY2004 (April 2003 through March 2004)
(Non-financial services)		
Cash flows from operating activities :		
Net income	1,047,741	1,074,758
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	777,129	794,371
Provision for doubtful accounts and credit losses	15,752	13,356
Pension and severance costs, less payments	(53,401)	(159,291)
Loss on disposal of fixed assets	48,334	38,708
Unrealized losses on available-for-sale securities, net	2,324	3,063
Deferred income taxes	29,398	82,918
Minority interest in consolidated subsidiaries	63,952	41,886
Equity in earnings of affiliated companies	(131,849)	(107,542)
Changes in operating assets and liabilities and other	(97,535)	88,212
Net cash provided by operating activities	1,701,845	1,870,439
Cash flows from investing activities:		
Additions to fixed assets excluding equipment leased to others	(1,049,572)	(923,105)
Additions to equipment leased to others	(146,891)	(133,214)
Proceeds from sales of fixed assets excluding equipment leased to others	60,034	63,211
Proceeds from sales of equipment leased to others	84,450	78,393
Purchases of marketable securities and security investments	(1,053,417)	(1,077,317)
Proceeds from sales of and maturity of marketable securities and security investments	471,614	1,108,265
Payment for additional investments in affiliated companies, net of cash acquired	(901)	(20,656)
Changes in investments and other assets and other	84,979	(16,051)
Net cash used in investing activities	(1,549,704)	(920,474)
Cash flows from financing activities:		
Purchase of common stock	(264,106)	(357,457)
Proceeds from issuance of long-term debt	27,363	48,373
Payments of long-term debt	(59,689)	(140,384)
Decrease in short-term borrowings	564	(105,051)
Dividends paid	(165,299)	(137,678)
Other	(7,000)	(15,000)
Net cash used in financing activities	(468,167)	(707,197)
Effect of exchange rate changes on cash and cash equivalents	21,276	(61,623)
Net increase (decrease) in cash and cash equivalents	(294,750)	181,145
Cash and cash equivalents at beginning of year	1,618,876	1,437,731
Cash and cash equivalents at end of year	1,324,126	1,618,876

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

(Amounts are rounded to the nearest million yen)

	FY2005 (April 2004 through March 2005)	FY2004 (April 2003 through March 2004)
(Financial services)		
Cash flows from operating activities:		
Net income	123,975	87,539
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	220,584	175,533
Provision for doubtful accounts and credit losses	47,402	69,782
Pension and severance costs, less payments	468	24
Loss on disposal of fixed assets	825	1,034
Deferred income taxes	54,860	37,603
Minority interest in consolidated subsidiaries	988	815
Equity in earnings of affiliated companies	(7,622)	(12,753)
Changes in operating assets and liabilities and other	203,762	(13,546)
Net cash provided by operating activities	645,242	346,031
Cash flows from investing activities:		
Additions to finance receivables	(8,264,794)	(8,126,880)
Collection of and proceeds from sales of finance receivables	7,289,387	6,878,953
Additions to fixed assets excluding equipment leased to others	(18,715)	(22,698)
Additions to equipment leased to others	(708,062)	(409,524)
Proceeds from sales of fixed assets excluding equipment leased to others	9,362	10,714
Proceeds from sales of equipment leased to others	232,006	210,288
Purchases of marketable securities and security investments	(112,374)	(259,150)
Proceeds from sales of and maturity of marketable securities and security investments	102,329	327,877
Changes in investments and other assets and other	(16,485)	(41,054)
Net cash used in investing activities	(1,487,346)	(1,431,474)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	1,862,012	1,682,550
Payments of long-term debt	(1,160,710)	(1,187,219)
Increase in short-term borrowings	178,956	544,806
Other	7,000	15,000
Net cash provided by financing activities	887,258	1,055,137
Effect of exchange rate changes on cash and cash equivalents	3,573	(13,091)
Net increase (decrease) in cash and cash equivalents	48,727	(43,397)
Cash and cash equivalents at beginning of year	110,900	154,297
Cash and cash equivalents at end of year	159,627	110,900
(Consolidated)		
Effect of exchange rate changes on cash and cash equivalents	24,849	(74,714)
Net increase (decrease) in cash and cash equivalents	(246,023)	137,748
Cash and cash equivalents at beginning of year	1,729,776	1,592,028
Cash and cash equivalents at end of year	1,483,753	1,729,776

Note: In the Consolidated Statements of Cash Flows, cash and cash equivalents include cash on hand, bank deposits that can be withdrawn at any time and short-term investments that can be converted into cash at any time and carry minimal risk of change in value.

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

3. Geographic Information

(1) FY2005 (April 2004 through March 2005)

(Amounts are rounded to the nearest million yen)

	Japan	North America	Europe	Others	Intersegment Elimination and/or Unallocated Amount	Consolidated
Net revenues :						
(1) Sales to external customers	7,408,136	6,187,624	2,305,450	2,650,316	–	18,551,526
(2) Intersegment sales and transfers	4,596,019	185,829	173,977	158,808	(5,114,633)	–
Total	12,004,155	6,373,453	2,479,427	2,809,124	(5,114,633)	18,551,526
Operating expenses	11,016,913	5,925,894	2,370,886	2,667,898	(5,102,252)	16,879,339
Operating income	987,242	447,559	108,541	141,226	(12,381)	1,672,187
Assets	10,740,796	7,738,898	2,242,566	1,943,807	1,668,944	24,335,011

(2) FY2004 (April 2003 through March 2004)

(Amounts are rounded to the nearest million yen)

	Japan	North America	Europe	Others	Intersegment Elimination and/or Unallocated Amount	Consolidated
Net revenues :						
(1) Sales to external customers	7,167,704	5,910,422	2,018,969	2,197,665	–	17,294,760
(2) Intersegment sales and transfers	4,422,283	217,217	145,372	164,218	(4,949,090)	–
Total	11,589,987	6,127,639	2,164,341	2,361,883	(4,949,090)	17,294,760
Operating expenses	10,481,860	5,736,662	2,091,866	2,264,970	(4,947,488)	15,627,870
Operating income	1,108,127	390,977	72,475	96,913	(1,602)	1,666,890
Assets	10,210,904	6,674,694	1,842,947	1,567,276	1,744,407	22,040,228

Note: Unallocated corporate assets included under "Intersegment Elimination and/or Unallocated Amount" for FY2005 and FY2004 are 3,308,055 million yen, 3,270,973 million yen, respectively, and consist primarily of funds such as cash and cash equivalents, marketable securities and portion of security investments held by TMC.

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

4. Overseas Sales

(1) FY2005 (April 2004 through March 2005)

(Amounts are rounded to the nearest million yen)

	North America	Europe	Others	Total
Overseas sales	6,374,235	2,365,525	3,865,764	12,605,524
Consolidated sales	–	–	–	18,551,526
Ratio of overseas sales to consolidated sales	% 34.4	% 12.8	% 20.8	% 68.0

(2) FY2004 (April 2003 through March 2004)

(Amounts are rounded to the nearest million yen)

	North America	Europe	Others	Total
Overseas sales	6,108,723	2,037,344	3,355,148	11,501,215
Consolidated sales	–	–	–	17,294,760
Ratio of overseas sales to consolidated sales	% 35.3	% 11.8	% 19.4	% 66.5

UNCONSOLIDATED STATEMENTS OF INCOME

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan)

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

	FY2005 (April 2004 through March 2005)	FY2004 (April 2003 through March 2004)	Increase (Decrease)
Net sales	9,218,386	8,963,712	254,674
Cost of sales	7,506,044	7,186,182	319,862
Selling, general and administrative expenses	1,010,951	943,738	67,213
Operating income	701,390	833,791	(132,401)
Non-operating income	273,440	180,108	93,332
Interest income	15,765	16,492	(727)
Dividend income	152,083	57,867	94,216
Other non-operating income	105,591	105,748	(157)
Non-operating expenses	118,598	98,170	20,428
Interest expenses	10,729	10,847	(118)
Other non-operating expenses	107,869	87,323	20,546
Ordinary income	856,231	915,728	(59,497)
Extraordinary losses	24,996	23,231	1,765
Losses on returned assets of substitutional portion of employee pension fund	–	23,231	(23,231)
Impairment losses	24,996	–	24,996
Income before income taxes	831,235	892,496	(61,261)
Income taxes – current	281,700	300,300	(18,600)
Income taxes – deferred	20,205	10,726	9,479
Net income	529,329	581,470	(52,141)
Unappropriated retained earnings brought forward	497,867	470,341	27,526
Loss on sales of treasury stock	184	–	184
Interim cash dividends	82,049	67,984	14,065
Unappropriated retained earnings at end of year	944,962	983,826	(38,864)

Note: Accounting Standard on Impairment of Fixed Assets is adopted from this fiscal year. As a result, 24,996 million yen of impairment loss on certain leased real estate is reported as extraordinary losses.

PROPOSED APPROPRIATION OF UNCONSOLIDATED RETAINED EARNINGS

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan)

(Million yen except 'per share' amounts; amounts less than one million yen are omitted)

	FY2005	FY2004
Unappropriated retained earnings at end of year	944,962	983,826
Reversal of reserve for losses on overseas investments	55	2
Total	945,018	983,829
The proposed appropriation is as follows:		
Cash dividends	130,723	83,261
	< ¥40 per share >	< ¥25 per share >
Bonuses to directors	614	598
Bonuses to corporate auditors	51	50
Reserve for special depreciation	739	959
Reserve for reduction of acquisition cost of fixed assets	111	1,092
General reserve	300,000	400,000
Unappropriated retained earnings to be carried forward	512,778	497,867

Note: An interim dividend of ¥25 per share was paid on November 26, 2004, to shareholders (including the beneficial shareholders notified by Japanese Securities Depository Center) or registered pledgees, listed on the shareholders' record as of September 30, 2004. Total interim dividends paid were in amount of 82,049 million yen.

UNCONSOLIDATED BALANCE SHEETS

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan)

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

	FY2005 (As of March 31,2005)	FY2004 (As of March 31,2004)	Increase (Decrease)
Assets			
Current assets	3,453,441	3,358,189	95,252
Cash and deposits	60,275	87,052	(26,777)
Trade accounts receivable	1,088,735	1,037,717	51,018
Marketable securities	870,735	995,893	(125,158)
Finished goods	116,864	113,465	3,399
Raw materials	14,747	13,615	1,132
Work in process	82,069	70,877	11,192
Supplies	8,091	7,639	452
Short-term loans	511,757	354,616	157,141
Deferred income taxes	248,110	244,726	3,384
Others	459,153	437,584	21,569
Less: allowance for doubtful accounts	(7,100)	(5,000)	(2,100)
Fixed assets	5,617,550	5,458,975	158,575
Property, plant and equipment	1,258,835	1,260,728	(1,893)
Buildings	371,515	360,374	11,141
Structures	41,537	40,770	767
Machinery and equipment	314,168	323,619	(9,451)
Vehicle and delivery equipment	16,109	10,973	5,136
Tools, furniture and fixtures	83,012	84,473	(1,461)
Land	388,658	394,616	(5,958)
Construction in progress	43,834	45,899	(2,065)
Investments and other assets	4,358,714	4,198,247	160,467
Investments in securities	1,817,556	1,601,002	216,554
Investments in subsidiaries and affiliates	1,931,634	1,926,603	5,031
Long-term loans	362,951	388,914	(25,963)
Deferred income taxes	129,571	135,922	(6,351)
Others	140,600	166,404	(25,804)
Less: allowance for doubtful accounts	(23,600)	(20,600)	(3,000)
Total assets	9,070,991	8,817,164	253,827

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan)

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

	FY2005 (As of March 31,2005)	FY2004 (As of March 31,2004)	Increase (Decrease)
Liabilities			
Current liabilities	2,180,374	1,970,407	209,967
Trade notes payable	1,375	932	443
Trade accounts payable	909,108	837,241	71,867
Current portion of bonds	600	–	600
Other payables	401,464	378,831	22,633
Income taxes payable	144,730	127,807	16,923
Accrued expenses	443,165	409,709	33,456
Deposits received	250,648	197,750	52,898
Allowance for EXPO 2005 Aichi	67	2,548	(2,481)
Others	29,214	15,585	13,629
Long-term liabilities	832,806	862,081	(29,275)
Bonds	500,000	500,600	(600)
Allowance for retirement benefits	289,694	292,493	(2,799)
Others	43,111	68,988	(25,877)
Total liabilities	3,013,181	2,832,489	180,692
Shareholders' equity			
Common stock	397,049	397,049	–
Capital surplus	416,970	416,970	–
Capital reserve	416,970	416,970	–
Retained earnings	6,094,528	5,731,342	363,186
Legal reserve	99,454	99,454	–
Reserve for losses on overseas investments	252	254	(2)
Reserve for special depreciation	2,457	1,498	959
Reserve for reduction of acquisition cost of fixed assets	6,475	5,382	1,093
General reserve	5,040,926	4,640,926	400,000
Unappropriated retained earnings at end of year	944,962	983,826	(38,864)
Net unrealized gains on other securities	279,780	305,725	(25,945)
Less: treasury stock	(1,130,519)	(866,413)	(264,106)
Total shareholders' equity	6,057,810	5,984,675	73,135
Total liabilities and shareholders' equity	9,070,991	8,817,164	253,827