

FINANCIAL SUMMARY

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

FY2006

(April 1, 2005 through March 31, 2006)

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. Certain prior year amounts have been reclassified to conform to the presentations for the year ended March 31, 2006.

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 (523 consolidated subsidiaries and 219 affiliates as of March 31, 2006) 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:

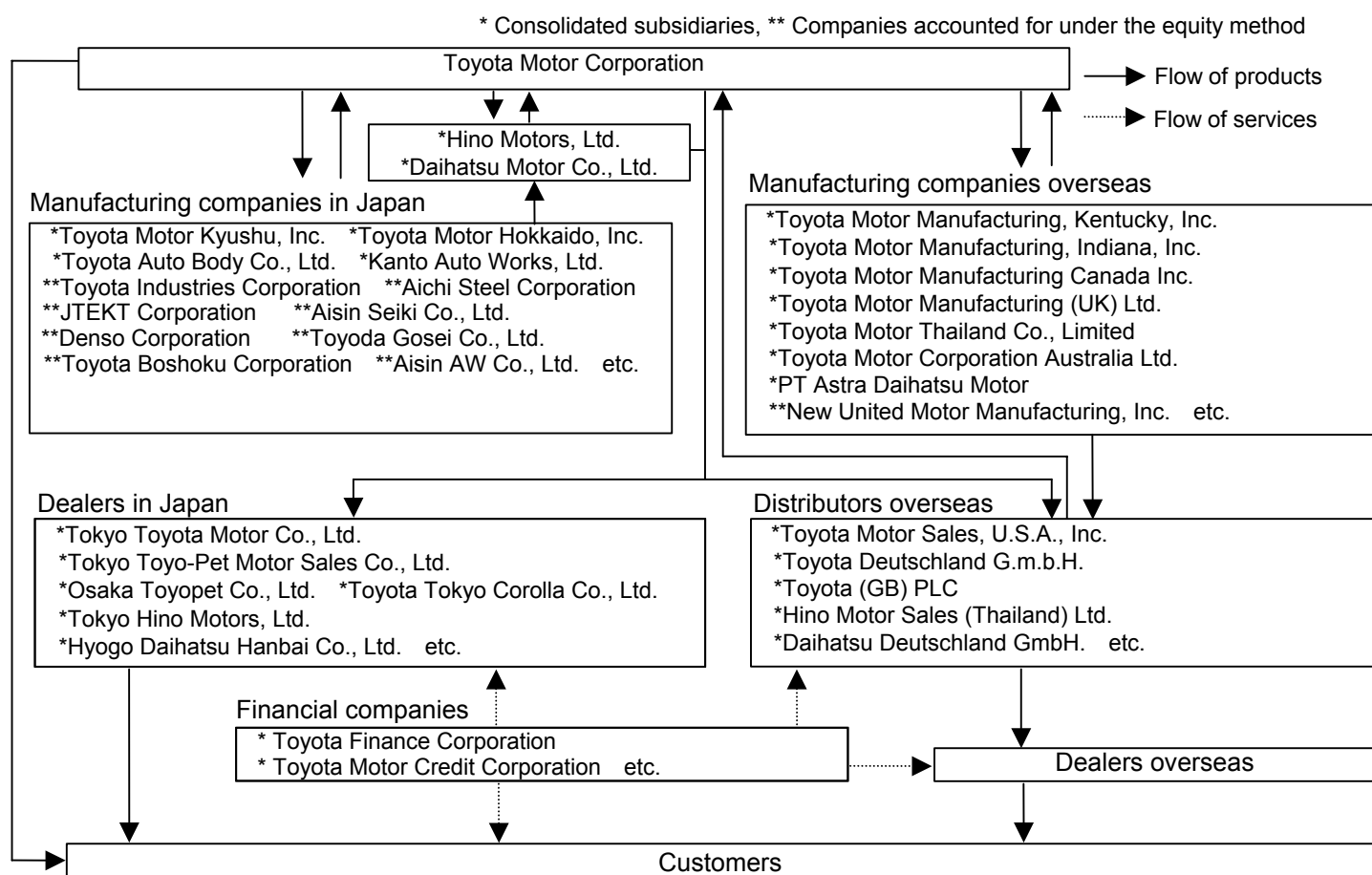
This business involves the design, manufacturing and distribution of sedans, minivans, compact cars, sport-utility vehicles, trucks and related parts and accessories. Automobiles are manufactured mainly by TMC, Hino Motors, Ltd., and Daihatsu Motor Co., Ltd., but a portion of manufacturing is consigned 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 financing to support the sales of automobiles and other products manufactured by TMC and its associated companies and also covers the leasing of automobiles and equipment. Toyota Finance Corporation in Japan, Toyota Motor Credit Corporation and other overseas associated companies provide sales financing for TMC's products and the products of its associated companies.

All other:

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



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 NV/SA, which controls manufacturing and sales companies and deals with public relations and research activities in Europe, and Toyota Financial Services Corporation, which controls the management of financial companies.

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Note: JTEKT Corporation was formed on January 1, 2006 through the merger and change of trade name of Koyo Seiko Co., Ltd. and Toyoda Machine Works, Ltd.

<Overview of Changes in Major Associated Companies>

For FY2006, the change in our major associated companies is as follows:

(Change in major associated companies)

Companies excluded from consolidated accounting: Toyota Motor Europe NV/SA
Toyota Motor Engineering & Manufacturing Europe NV/SA

Toyota Motor Europe NV/SA and Toyota Motor Engineering & Manufacturing Europe NV/SA, both of which were consolidated subsidiaries of TMC as of September 30, 2005, merged into Toyota Motor Marketing Europe NV/SA, which is also a consolidated subsidiary of TMC, as of October 1, 2005. Toyota Motor Marketing Europe NV/SA changed its trade name to Toyota Motor Europe NV/SA as of the effective date of the merger.

Toyota Motor North America, Inc., which was a consolidated subsidiary of TMC as of March 31, 2006, merged into Toyota Technical Center USA, Inc., which is also a consolidated subsidiary of TMC, as of April 1, 2006. Toyota Technical Center USA, Inc. changed its trade name to Toyota Motor North America, Inc. as of the effective date of the merger.

Toyota Motor Manufacturing North America, Inc. changed its trade name to Toyota Motor Engineering & Manufacturing North America, Inc. as of April 1, 2006.

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 corporate 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 and strengthening 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, with the aim of increasing it to 30% over the medium- to long-term, 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.

At TMC's 102nd ordinary general shareholders' meeting, which is scheduled to be held on June 23, 2006, a proposal will be submitted to the shareholders to revise the articles of incorporation to allow retained earnings to be distributed in the form of dividends by resolution of the board of directors to implement flexible capital policies in accordance with the business environment.

As in the past, two dividends will be declared each year—an interim dividend and a year-end dividend—and in order to secure an opportunity to seek shareholders' input, year-end dividends will be a matter for resolution at the ordinary general shareholders' meeting.

3. Views and Policies on Reducing the Number of Shares per Unit of Investment

TMC reduced the number of shares per investment unit from 1,000 shares to 100 shares on August 1, 2000 to increase the liquidity of TMC shares and expand the base of TMC investors. TMC will continuously consider setting an appropriate unit of investment, taking into consideration, among other things, for TMC's share price, turnover, the number of shareholders and the needs of investors.

4. 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 associated 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 corporate value.

5. 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.

Immediate agenda in Japan include the continued introduction of the Lexus brand, and the reinforcement of sales network through further clarification of the channel identities of Toyota, Toyopet, Corolla, and Netz dealer channels. Overseas, in North America, Europe, Asia, and other regions, Toyota Group is working diligently towards the successful commencement of production at new plants, and through further development of the foundation of production, purchasing, and sales structures, promote corporate activities that are rooted in the local regions.

Medium- to long-term strategies include, first of all, focus on development of cutting-edge technologies and their use in products to continue providing customers around the world with products that are environmentally-friendly, safe, comfortable, and attractive. Second, the entire Toyota Group is making concerted efforts to maintain and improve the world's highest levels of quality and strengthen our cost competitiveness, and build optimal business structures in order to achieve a balance between growth and efficiency. In addition, Toyota strives to be a company with energy and dignity that fulfills its social responsibilities by carrying out corporate social responsibility (CSR) activities through philanthropic activities undertaken from a global perspective and thorough corporate ethics including full compliance with applicable laws and regulations. The origin of corporate competitiveness is the development of human resources, and Toyota is training the highly-creative personnel that will pass on Toyota's manufacturing technologies, skills and values to the next generation.

By addressing these agenda, Toyota is working to enhance its corporate value as a company that can compete successfully on a global scale and maintain growth in harmony with society rooted in "manufacturing" over 21st century.

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 for FY2006

(1) Financial Results

During FY2006, the Japanese economy recovered moderately with higher capital expenditure resulting from improved corporate revenues as well as personal consumption steadily bottoming-out. Overseas, economic conditions were steady overall, with higher capital expenditure and personal consumption in the United States of America and with continuing high growth rates in Asian economy, particularly in China.

Under these conditions, consolidated vehicle sales in Japan and overseas increased by 566 thousand units, or 7.6%, to 7,974 thousand units in FY2006 compared with FY2005 (April 1, 2004 through March 31, 2005), marking a record high. While vehicle sales in Japan decreased by 17 thousand units, or 0.7%, it continues to maintain a high level of 2,364 thousand units in FY2006, as a result of the sales efforts of dealers in Japan. Overseas vehicle sales increased significantly in all regions by 583 thousand units, or 11.6%, to 5,610 thousand units in FY2006 compared with FY2005.

As for the results of operations for FY2006, net revenues increased by 2,485.4 billion yen, or 13.4%, to 21,036.9 billion yen in FY2006 compared with FY2005, and operating income increased by 206.2 billion yen, or 12.3%, to 1,878.3 billion yen in FY2006 compared with FY2005. Among the factors contributing to the increase in operating income totaling 670.0 billion yen, were the effects of changes in exchange rates of 300.0 billion yen, marketing efforts of 240.0 billion yen and cost reduction efforts of 130.0 billion yen. On the other hand, factors resulting in the decrease in operating income primarily included a decrease in the gains recognized on the transfer of the substitutional portion of the employee pension fund to the government of 47.2 billion yen and an increase in expenses of 416.6 billion yen. Income before income taxes, minority interest and equity in earnings of affiliated companies increased by 332.7 billion yen, or 19.0%, to 2,087.3 billion yen in FY2006 compared with FY2005. Net income increased by 200.9 billion yen, or 17.2%, to 1,372.1 billion yen in FY2006 compared with FY2005.

(2) Cash Flows

Cash flows from operating activities resulted in an increase in cash by 2,515.4 billion yen in FY2006, mainly due to net income of 1,372.1 billion yen. Net cash provided by operating activities increased by 144.5 billion yen from 2,370.9 billion yen in FY2005. Cash flows from investing activities resulted in a decrease in cash by 3,375.5 billion yen in FY2006, mainly due to the additions to finance receivables of 6,476.9 billion yen. Net cash used in investing activities increased by 314.4 billion yen from 3,061.1 billion yen in FY2005. Cash flows from financing activities resulted in an increase in cash by 876.9 billion yen in FY2006. Net cash provided by financing activities increased by 457.6 billion yen from 419.3 billion yen in FY2005. After consideration of the effect of exchange rate changes, cash and cash equivalents increased by 85.6 billion yen, or 5.8%, to 1,569.3 billion yen at the end of FY2006 compared with the end of FY2005.

Regarding the consolidated cash flows by segment for FY2006, in non-financial services business, net cash provided by operating activities was 2,022.5 billion yen, net cash used in investing activities was 1,673.5 billion yen and net cash used in financing activities was 313.3 billion yen. Meanwhile, in the financial services business, net cash provided by operating activities was 583.9 billion yen, net cash used in investing activities was 1,813.8 billion yen and net cash provided by financing activities was 1,211.0 billion yen.

2. Consolidated Financial Results for FY2006 by Segment

(1) Segment Operating Results

Automotive:

Net revenues for the automotive operations increased by 2,224.6 billion yen, or 13.0%, to 19,338.1 billion yen in FY2006 compared with FY2005, and operating income increased by 241.5 billion yen, or 16.6%, to 1,694.0 billion yen in FY2006 compared with FY2005. The increase in operating income was mainly due to the effects of changes in exchange rates, increases in both production volume and vehicle units sold, and the effects of cost reduction efforts, partially offset by a decrease in the gains recognized on the transfer of the substitutional portion of the employee pension fund to the government and increases in expenses.

Financial services:

Net revenues for the financial services operations increased by 215.7 billion yen, or 27.6%, to 996.9 billion yen in FY2006 compared with FY2005, while operating income decreased by 45.0 billion yen, or 22.4%, to 155.8 billion yen in FY2006 compared with FY2005. The decrease in operating income was mainly because of the valuation losses on interest rate swaps stated at fair value in accordance with the Statement of Financial Accounting Standards (FAS) No. 133 (as amended by several guidance including FAS No. 138), as well as the gain in FY2005 to record prior-year adjustments relating to accounting for loan origination costs in accordance with FAS No. 91 by a sales finance subsidiary in the United States of America, despite a steady increase in financing volumes.

All other:

Net revenues for all other businesses increased by 160.0 billion yen, or 15.5%, to 1,190.3 billion yen in FY2006 compared with FY2005, and operating income increased by 6.0 billion yen, or 17.8%, to 39.7 billion yen in FY2006 compared with FY2005.

(2) Geographic Information

Japan:

Net revenues in Japan increased by 1,107.4 billion yen, or 9.2%, to 13,111.5 billion yen in FY2006 compared with FY2005, and operating income increased by 88.7 billion yen, or 9.0%, to 1,075.9 billion yen in FY2006 compared with FY2005. The increase in operating income was mainly due to the effects of changes in exchange rates and the effects of cost reduction efforts, partially offset by a decrease in the gains recognized on the transfer of the substitutional portion of the employee pension fund to the government and increases in expenses.

North America:

Net revenues in North America increased by 1,314.5 billion yen, or 20.6%, to 7,687.9 billion yen in FY2006 compared with FY2005, and operating income increased by 48.1 billion yen, or 10.7%, to 495.6 billion yen in FY2006 compared with FY2005. The increase in operating income was mainly due to solid performance as a result of increases in both local production volume and vehicle units sold, as well as cost reduction efforts.

Europe:

Net revenues in Europe increased by 248.0 billion yen, or 10.0%, to 2,727.4 billion yen in FY2006 compared with FY2005, while operating income decreased by 14.6 billion yen, or 13.4%, to 93.9 billion yen in FY2006 compared with FY2005. The decrease in operating income was mainly due to an increase in expenses, partially offset by increases in both local production volume and vehicle units sold.

Asia:

Net revenues in Asia increased by 417.4 billion yen, or 25.7%, to 2,042.8 billion yen in the FY2006 compared with FY2005, and operating income increased by 51.7 billion yen, or 55.2%, to 145.5 billion yen in the FY2006 compared with FY2005. The increase in operating income was mainly due to increases in both local production volume and vehicle units sold, which resulted from the favorable sales of IMV series vehicles.

Other:

Net revenues in other markets increased by 418.0 billion yen, or 35.3 %, to 1,601.7 billion yen in FY2006 compared with FY2005, and operating income increased by 19.8 billion yen, or 41.6%, to 67.2 billion yen in FY2006 compared with FY2005. The increase in operating income was primarily due to increases in local production volumes as well as vehicle units sold, mainly IMV series vehicles.

3. Distribution of Profits for FY2006

As for the dividends, in addition to the increase in interim dividends declared in November 2005 by 10 yen per share to 35 yen per share, TMC plans to increase the year-end dividends by 15 yen per share to 55 yen per share. As a result, on a full-year basis, the dividends will be 90 yen per share, which is 25 yen higher than in the previous year, and the consolidated dividend payout ratio for FY2006 would be 21.3%.

On the other hand, during FY2006, TMC repurchased 27 million of its own shares at an aggregate cost of 133,640 million yen.

4. Forecast of Financial Results for FY2007

Although we expect gradual growth in the world economy in the future, we face a variety of unstable elements, including concerns about the future American economy and high oil prices worldwide. The Japanese economy is on a recovery trend, but troubling factors such as higher prices for raw materials and fluctuations in exchange rates still remain. In the automobile industry, auto makers from around the world are expanding development of next-generation technologies that address issue of environment, safety, and energy, including the large scale introduction of hybrid vehicles, and competition is expected to become even more intense in the future.

Under these circumstances, current forecast of financial results for the next fiscal year ending March 2007 is set forth below. This forecast assumes average exchange rates through the fiscal year of 110 yen per US\$1 and 135 yen per 1 euro.

Forecast of consolidated results for FY2007

Net revenues	22,300.0 billion yen	(an increase of 6.0% compared with FY2006)
Operating income	1,900.0 billion yen	(an increase of 1.2% compared with FY2006)
Income before income taxes, minority interest and equity in earnings of affiliated companies	1,970.0 billion yen	(a decrease of 5.6% compared with FY2006)
Net income	1,310.0 billion yen	(a decrease of 4.5% compared with FY2006)

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.

When using forecast of financial results, please refer to the Cautionary Statement with Respect to Forward-Looking Statements in the Financial Summary on the inside cover.

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)

		FY2006 (April 2005 through March 2006)	FY2005 (April 2004 through March 2005)	Increase (Decrease)
Vehicles (new)	Japan	4,684,956	4,534,838	150,118
	North America	1,201,459	1,156,166	45,293
	Europe	622,552	595,874	26,678
	Asia	835,669	647,559	188,110
	Other	367,011	297,539	69,472
	Overseas total	3,026,691	2,697,138	329,553
	Total	7,711,647	7,231,976	479,671
Houses (Japan)		5,269	5,115	154

Note: The total production of vehicles (new) includes 763,573 units of Daihatsu brand vehicles (including OEM production) in FY2006 and 745,745 units in FY2005, and 100,018 units of Hino brand vehicles (including OEM production) in FY2006 and 93,470 units in FY2005 .

2. Sales (by destination)

(Units)

		FY2006 (April 2005 through March 2006)	FY2005 (April 2004 through March 2005)	Increase (Decrease)
Vehicles (new)	Japan	2,364,484	2,381,325	(16,841)
	North America	2,556,050	2,271,139	284,911
	Europe	1,022,781	978,963	43,818
	Asia	880,661	833,507	47,154
	Other	1,150,587	943,444	207,143
	Overseas total	5,610,079	5,027,053	583,026
	Total	7,974,563	7,408,378	566,185
Houses (Japan)		5,525	5,283	242

Note: The total sales of vehicles (new) includes 711,757 units of Daihatsu brand vehicles in FY2006 and 703,497 units in FY2005, and 102,474 units of Hino brand vehicles in FY2006 and 95,318 units in FY2005.

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)

		FY2006 (April 2005 through March 2006)	FY2005 (April 2004 through March 2005)	Increase (Decrease)
	Vehicles	16,584,317	14,803,255	1,781,062
	Parts & components for overseas production	298,492	236,592	61,900
	Parts	1,311,617	1,091,673	219,944
	Other	1,131,190	966,895	164,295
	Total Automotive	19,325,616	17,098,415	2,227,201
	Financial services	977,416	760,664	216,752
	Housing	138,103	136,100	2,003
	Telecommunications	51,485	44,661	6,824
	Other	544,289	511,686	32,603
	Total	21,036,909	18,551,526	2,485,383

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)

	FY2006 (April 2005 through March 2006)	FY2005 (April 2004 through March 2005)	Increase (Decrease)
Net revenues :	21,036,909	18,551,526	2,485,383
Sales of products	20,059,493	17,790,862	2,268,631
Financing operations	977,416	760,664	216,752
Costs and expenses :	19,158,567	16,879,339	2,279,228
Cost of products sold	16,335,312	14,500,282	1,835,030
Cost of financing operations	609,632	369,844	239,788
Selling, general and administrative	2,213,623	2,009,213	204,410
Operating income	1,878,342	1,672,187	206,155
Other income (expense) :	209,018	82,450	126,568
Interest and dividend income	93,970	67,519	26,451
Interest expense	(21,601)	(18,956)	(2,645)
Foreign exchange gain, net	10,789	21,419	(10,630)
Other income, net	125,860	12,468	113,392
Income before income taxes, minority interest and equity in earnings of affiliated companies	2,087,360	1,754,637	332,723
Provision for income taxes	795,153	657,910	137,243
Income before minority interest and equity in earnings of affiliated companies	1,292,207	1,096,727	195,480
Minority interest in consolidated subsidiaries	(84,393)	(64,938)	(19,455)
Equity in earnings of affiliated companies	164,366	139,471	24,895
Net income	1,372,180	1,171,260	200,920

(Yen)

Net income per share – Basic	421.76	355.35	66.41
Net income per share – Diluted	421.62	355.28	66.34

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)

	FY2006 (As of March 31, 2006)	FY2005 (As of March 31, 2005)	Increase (Decrease)
Assets			
Current assets:	10,735,222	9,440,105	1,295,117
Cash and cash equivalents	1,569,387	1,483,753	85,634
Time deposits	50,349	63,609	(13,260)
Marketable securities	634,879	543,124	91,755
Trade accounts and notes receivable, less allowance for doubtful accounts	1,980,680	1,813,725	166,955
Finance receivables, net	3,497,319	3,010,135	487,184
Other receivables	416,336	355,381	60,955
Inventories	1,620,975	1,306,709	314,266
Deferred income taxes	520,494	475,764	44,730
Prepaid expenses and other current assets	444,803	387,905	56,898
Noncurrent finance receivables, net	4,830,216	3,976,941	853,275
Investments and other assets:	6,099,529	5,122,371	977,158
Marketable securities and other securities investments	3,402,523	2,704,142	698,381
Affiliated companies	1,828,369	1,570,185	258,184
Employees receivables	75,094	49,538	25,556
Other	793,543	798,506	(4,963)
Property, plant and equipment:	7,066,628	5,795,594	1,271,034
Land	1,215,897	1,182,768	33,129
Buildings	3,156,613	2,935,274	221,339
Machinery and equipment	8,482,832	7,897,509	585,323
Vehicles and equipment on operating leases	2,605,426	1,828,697	776,729
Construction in progress	397,076	214,781	182,295
Less – Accumulated depreciation	(8,791,216)	(8,263,435)	(527,781)
Total assets	28,731,595	24,335,011	4,396,584

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(Amounts are rounded to the nearest million yen)

	FY2006 (As of March 31, 2006)	FY2005 (As of March 31, 2005)	Increase (Decrease)
Liabilities			
Current liabilities:	10,028,735	8,227,206	1,801,529
Short-term borrowings	3,033,019	2,381,827	651,192
Current portion of long-term debt	1,723,888	1,150,920	572,968
Accounts payable	2,086,587	1,856,799	229,788
Other payables	730,184	693,041	37,143
Accrued expenses	1,464,263	1,289,373	174,890
Income taxes payable	347,488	292,835	54,653
Other current liabilities	643,306	562,411	80,895
Long-term liabilities:	7,552,831	6,557,926	994,905
Long-term debt	5,640,490	5,014,925	625,565
Accrued pension and severance costs	679,918	646,989	32,929
Deferred income taxes	1,092,995	811,670	281,325
Other long-term liabilities	139,428	84,342	55,086
Total liabilities	17,581,566	14,785,132	2,796,434
Minority interest in consolidated subsidiaries	589,580	504,929	84,651
Shareholders' equity			
Common stock	397,050	397,050	–
Additional paid-in capital	495,250	495,707	(457)
Retained earnings	10,459,788	9,332,176	1,127,612
Accumulated other comprehensive income (loss)	437,316	(80,660)	517,976
Treasury stock, at cost	(1,228,955)	(1,099,323)	(129,632)
Total shareholders' equity	10,560,449	9,044,950	1,515,499
Total liabilities and shareholders' equity	28,731,595	24,335,011	4,396,584

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) FY2006 (April 2005 through March 2006)

(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 shareholders' equity
Balances at March 31, 2005	397,050	495,707	9,332,176	(80,660)	(1,099,323)	9,044,950
Issuance during the year		(457)				(457)
Comprehensive income:						
Net income			1,372,180			1,372,180
Other comprehensive income						
Foreign currency translation adjustments				268,410		268,410
Unrealized gains on securities, net of reclassification adjustments				244,629		244,629
Minimum pension liability adjustments				4,937		4,937
Total comprehensive income						1,890,156
Dividends paid			(244,568)			(244,568)
Purchase and reissuance of common stock					(129,632)	(129,632)
Balances at March 31, 2006	397,050	495,250	10,459,788	437,316	(1,228,955)	10,560,449

(2) 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 shareholders' equity
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

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)

	FY2006 (April 2005 through March 2006)	FY2005 (April 2004 through March 2005)
Cash flows from operating activities :		
Net income	1,372,180	1,171,260
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	1,211,178	997,713
Provision for doubtful accounts and credit losses	62,646	63,154
Pension and severance costs, less payments	23,860	(52,933)
Loss on disposal of fixed assets	54,981	49,159
Unrealized losses on available-for-sale securities, net	4,163	2,324
Deferred income taxes	33,262	84,711
Minority interest in consolidated subsidiaries	84,393	64,938
Equity in earnings of affiliated companies	(164,366)	(139,471)
Changes in operating assets and liabilities and other	(166,817)	130,085
Net cash provided by operating activities	2,515,480	2,370,940
Cash flows from investing activities :		
Additions to finance receivables	(6,476,979)	(5,594,375)
Collection of and proceeds from sales of finance receivables	5,718,130	4,674,919
Additions to fixed assets excluding equipment leased to others	(1,523,459)	(1,068,287)
Additions to equipment leased to others	(1,247,781)	(854,953)
Proceeds from sales of fixed assets excluding equipment leased to others	89,578	69,396
Proceeds from sales of equipment leased to others	410,683	316,456
Purchases of marketable securities and security investments	(957,296)	(1,165,791)
Proceeds from sales of and maturity of marketable securities and security investments	691,032	573,943
Payment for additional investments in affiliated companies, net of cash acquired	(1,802)	(901)
Changes in investments and other assets and other	(77,606)	(11,603)
Net cash used in investing activities	(3,375,500)	(3,061,196)
Cash flows from financing activities :		
Purchase of common stock	(129,629)	(264,106)
Proceeds from issuance of long-term debt	1,928,788	1,863,710
Payments of long-term debt	(1,187,506)	(1,155,223)
Increase in short-term borrowings	509,826	140,302
Dividends paid	(244,568)	(165,299)
Net cash provided by financing activities	876,911	419,384
Effect of exchange rate changes on cash and cash equivalents	68,743	24,849
Net increase (decrease) in cash and cash equivalents	85,634	(246,023)
Cash and cash equivalents at beginning of year	1,483,753	1,729,776
Cash and cash equivalents at end of year	1,569,387	1,483,753

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) FY2006 (April 2005 through March 2006)

(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	19,325,616	977,416	733,877	–	21,036,909
(2) Intersegment sales and transfers	12,528	19,493	456,414	(488,435)	–
Total	19,338,144	996,909	1,190,291	(488,435)	21,036,909
Operating expenses	17,644,099	841,092	1,150,543	(477,167)	19,158,567
Operating income	1,694,045	155,817	39,748	(11,268)	1,878,342
Assets	12,354,827	11,613,508	1,191,261	3,571,999	28,731,595
Investment in equity method investees	1,459,556	287,326	–	73,835	1,820,717
Depreciation expenses	880,360	301,734	29,084	–	1,211,178
Capital expenditure	1,615,814	1,110,191	45,282	(47)	2,771,240

(2) 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

Note: Unallocated corporate assets included under "Intersegment Elimination and/or Unallocated Amount" for FY2006 and FY2005 are 4,231,148 million yen and 3,308,055 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)

	FY2006 (April 2005 through March 2006)	FY2005 (April 2004 through March 2005)	Increase (Decrease)
(Non-financial services)			
Net revenues	20,068,284	17,800,357	2,267,927
Costs and expenses:	18,328,868	16,310,540	2,018,328
Cost of revenues	16,335,340	14,497,252	1,838,088
Selling, general and administrative	1,993,528	1,813,288	180,240
Operating income	1,739,416	1,489,817	249,599
Other income, net	201,978	68,736	133,242
Income before income taxes, minority interest and equity in earnings of affiliated companies	1,941,394	1,558,553	382,841
Provision for income taxes	736,909	578,709	158,200
Income before minority interest and equity in earnings of affiliated companies	1,204,485	979,844	224,641
Minority interest in consolidated subsidiaries	(82,401)	(63,952)	(18,449)
Equity in earnings of affiliated companies	142,139	131,849	10,290
Net income	1,264,223	1,047,741	216,482
(Financial services)			
Net revenues	996,909	781,261	215,648
Costs and expenses:	841,092	580,408	260,684
Cost of revenues	613,563	376,150	237,413
Selling, general and administrative	227,529	204,258	23,271
Operating income	155,817	200,853	(45,036)
Other expenses, net	(9,859)	(4,764)	(5,095)
Income before income taxes, minority interest and equity in earnings of affiliated companies	145,958	196,089	(50,131)
Provision for income taxes	58,241	78,748	(20,507)
Income before minority interest and equity in earnings of affiliated companies	87,717	117,341	(29,624)
Minority interest in consolidated subsidiaries	(1,992)	(988)	(1,004)
Equity in earnings of affiliated companies	22,227	7,622	14,605
Net income	107,952	123,975	(16,023)
(Elimination)			
Elimination of net income	5	(456)	461
(Consolidated)			
Net income	1,372,180	1,171,260	200,920

(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)

	FY2006 (As of March 31, 2006)	FY2005 (As of March 31, 2005)	Increase (Decrease)
Assets			
(Non-financial services)			
Current assets:	7,154,653	6,401,152	753,501
Cash and cash equivalents	1,418,022	1,324,126	93,896
Time deposits	14,024	8,006	6,018
Marketable securities	633,036	541,785	91,251
Trade accounts and notes receivable, less allowance for doubtful accounts	2,002,577	1,837,539	165,038
Inventories	1,620,975	1,306,709	314,266
Prepaid expenses and other current assets	1,466,019	1,382,987	83,032
Investments and other assets	5,702,376	4,804,843	897,533
Property, plant and equipment	5,207,760	4,579,052	628,708
Total	18,064,789	15,785,047	2,279,742
(Financial services)			
Current assets:	4,361,374	3,836,650	524,724
Cash and cash equivalents	151,365	159,627	(8,262)
Time deposits	36,325	55,603	(19,278)
Marketable securities	1,843	1,339	504
Finance receivables, net	3,497,319	3,010,135	487,184
Prepaid expenses and other current assets	674,522	609,946	64,576
Noncurrent finance receivables, net	4,830,216	3,976,941	853,275
Investments and other assets	563,050	457,115	105,935
Property, plant and equipment	1,858,868	1,216,542	642,326
Total	11,613,508	9,487,248	2,126,260
(Elimination)			
Elimination of assets	(946,702)	(937,284)	(9,418)
(Consolidated)			
Total assets	28,731,595	24,335,011	4,396,584

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)

	FY2006 (As of March 31, 2006)	FY2005 (As of March 31, 2005)	Increase (Decrease)
Liabilities (Non-financial services)			
Current liabilities:	5,774,891	5,139,351	635,540
Short-term borrowings	797,969	713,474	84,495
Current portion of long-term debt	68,299	60,092	8,207
Accounts payable	2,084,399	1,847,036	237,363
Accrued expenses	1,357,335	1,200,122	157,213
Income taxes payable	328,360	263,291	65,069
Other current liabilities	1,138,529	1,055,336	83,193
Long-term liabilities:	2,230,611	1,957,404	273,207
Long-term debt	730,072	747,911	(17,839)
Accrued pension and severance costs	676,999	645,308	31,691
Other long-term liabilities	823,540	564,185	259,355
Total	8,005,502	7,096,755	908,747
(Financial services)			
Current liabilities:	5,040,058	3,789,503	1,250,555
Short-term borrowings	2,932,799	2,269,197	663,602
Current portion of long-term debt	1,662,589	1,092,328	570,261
Accounts payable	9,273	15,542	(6,269)
Accrued expenses	111,133	93,042	18,091
Income taxes payable	19,128	29,544	(10,416)
Other current liabilities	305,136	289,850	15,286
Long-term liabilities:	5,483,284	4,836,755	646,529
Long-term debt	5,071,482	4,503,247	568,235
Accrued pension and severance costs	2,919	1,681	1,238
Other long-term liabilities	408,883	331,827	77,056
Total	10,523,342	8,626,258	1,897,084
(Elimination)			
Elimination of liabilities	(947,278)	(937,881)	(9,397)
(Consolidated)			
Total liabilities	17,581,566	14,785,132	2,796,434
(Consolidated)			
Minority interest in consolidated subsidiaries	589,580	504,929	84,651
Shareholders' equity (Consolidated)			
Common stock	397,050	397,050	–
Additional paid-in capital	495,250	495,707	(457)
Retained earnings	10,459,788	9,332,176	1,127,612
Accumulated other comprehensive income (loss)	437,316	(80,660)	517,976
Treasury stock, at cost	(1,228,955)	(1,099,323)	(129,632)
Total shareholders' equity	10,560,449	9,044,950	1,515,499
(Consolidated)			
Total liabilities and shareholders' equity	28,731,595	24,335,011	4,396,584

(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)

	FY2006 (April 2005 through March 2006)	FY2005 (April 2004 through March 2005)
(Non-financial services)		
Cash flows from operating activities:		
Net income	1,264,223	1,047,741
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	909,444	777,129
Provision for doubtful accounts and credit losses	10,361	15,752
Pension and severance costs, less payments	22,664	(53,401)
Loss on disposal of fixed assets	54,614	48,334
Unrealized losses on available-for-sale securities, net	4,163	2,324
Deferred income taxes	31,370	29,398
Minority interest in consolidated subsidiaries	82,401	63,952
Equity in earnings of affiliated companies	(142,139)	(131,849)
Changes in operating assets and liabilities and other	(214,507)	(97,535)
Net cash provided by operating activities	2,022,594	1,701,845
Cash flows from investing activities:		
Additions to fixed assets excluding equipment leased to others	(1,516,658)	(1,049,572)
Additions to equipment leased to others	(144,391)	(146,891)
Proceeds from sales of fixed assets excluding equipment leased to others	81,950	60,034
Proceeds from sales of equipment leased to others	112,692	84,450
Purchases of marketable securities and security investments	(764,016)	(1,053,417)
Proceeds from sales of and maturity of marketable securities and security investments	561,948	471,614
Payment for additional investments in affiliated companies, net of cash acquired	(1,802)	(901)
Changes in investments and other assets and other	(3,292)	84,979
Net cash used in investing activities	(1,673,569)	(1,549,704)
Cash flows from financing activities:		
Purchase of common stock	(129,629)	(264,106)
Proceeds from issuance of long-term debt	33,904	27,363
Payments of long-term debt	(59,778)	(59,689)
Decrease in short-term borrowings	86,731	564
Dividends paid	(244,568)	(165,299)
Other	—	(7,000)
Net cash used in financing activities	(313,340)	(468,167)
Effect of exchange rate changes on cash and cash equivalents	58,211	21,276
Net increase (decrease) in cash and cash equivalents	93,896	(294,750)
Cash and cash equivalents at beginning of year	1,324,126	1,618,876
Cash and cash equivalents at end of year	1,418,022	1,324,126

(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)

	FY2006 (April 2005 through March 2006)	FY2005 (April 2004 through March 2005)
(Financial services)		
Cash flows from operating activities:		
Net income	107,952	123,975
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	301,734	220,584
Provision for doubtful accounts and credit losses	52,285	47,402
Pension and severance costs, less payments	1,196	468
Loss on disposal of fixed assets	367	825
Deferred income taxes	1,889	54,860
Minority interest in consolidated subsidiaries	1,992	988
Equity in earnings of affiliated companies	(22,227)	(7,622)
Changes in operating assets and liabilities and other	138,766	203,762
Net cash provided by operating activities	583,954	645,242
Cash flows from investing activities:		
Additions to finance receivables	(11,407,390)	(9,562,203)
Collection of and proceeds from sales of finance receivables	10,545,425	8,586,796
Additions to fixed assets excluding equipment leased to others	(6,801)	(18,715)
Additions to equipment leased to others	(1,103,390)	(708,062)
Proceeds from sales of fixed assets excluding equipment leased to others	7,628	9,362
Proceeds from sales of equipment leased to others	297,991	232,006
Purchases of marketable securities and security investments	(193,280)	(112,374)
Proceeds from sales of and maturity of marketable securities and security investments	129,084	102,329
Changes in investments and other assets and other	(83,104)	(16,485)
Net cash used in investing activities	(1,813,837)	(1,487,346)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	1,930,823	1,862,012
Payments of long-term debt	(1,233,336)	(1,160,710)
Increase in short-term borrowings	513,602	178,956
Other	–	7,000
Net cash provided by financing activities	1,211,089	887,258
Effect of exchange rate changes on cash and cash equivalents	10,532	3,573
Net increase (decrease) in cash and cash equivalents	(8,262)	48,727
Cash and cash equivalents at beginning of year	159,627	110,900
Cash and cash equivalents at end of year	151,365	159,627
(Consolidated)		
Effect of exchange rate changes on cash and cash equivalents	68,743	24,849
Net increase (decrease) in cash and cash equivalents	85,634	(246,023)
Cash and cash equivalents at beginning of year	1,483,753	1,729,776
Cash and cash equivalents at end of year	1,569,387	1,483,753

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) FY2006 (April 2005 through March 2006)

(Amounts are rounded to the nearest million yen)

	Japan	North America	Europe	Asia	Other	Intersegment Elimination and/or Unallocated Amount	Consolidated
Net revenues:							
(1) Sales to external customers	7,735,109	7,455,818	2,574,014	1,836,855	1,435,113	–	21,036,909
(2) Intersegment sales and transfers	5,376,348	232,124	153,395	205,951	166,623	(6,134,441)	–
Total	13,111,457	7,687,942	2,727,409	2,042,806	1,601,736	(6,134,441)	21,036,909
Operating expenses	12,035,567	7,192,304	2,633,462	1,897,260	1,534,546	(6,134,572)	19,158,567
Operating income	1,075,890	495,638	93,947	145,546	67,190	131	1,878,342
Assets	12,177,125	9,199,818	2,471,258	1,255,350	1,299,072	2,328,972	28,731,595

(2) FY2005 (April 2004 through March 2005)

(Amounts are rounded to the nearest million yen)

	Japan	North America	Europe	Asia	Other	Intersegment Elimination and/or Unallocated Amount	Consolidated
Net revenues:							
(1) Sales to external customers	7,408,136	6,187,624	2,305,450	1,572,113	1,078,203	–	18,551,526
(2) Intersegment sales and transfers	4,596,019	185,829	173,977	53,309	105,499	(5,114,633)	–
Total	12,004,155	6,373,453	2,479,427	1,625,422	1,183,702	(5,114,633)	18,551,526
Operating expenses	11,016,913	5,925,894	2,370,886	1,531,650	1,136,248	(5,102,252)	16,879,339
Operating income	987,242	447,559	108,541	93,772	47,454	(12,381)	1,672,187
Assets	10,740,796	7,738,898	2,242,566	945,635	998,172	1,668,944	24,335,011

Note: Unallocated corporate assets included under "Intersegment Elimination and/or Unallocated Amount" for FY2006 and FY2005 are 4,231,148 million yen, 3,308,055 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) FY2006 (April 2005 through March 2006)

(Amounts are rounded to the nearest million yen)

	North America	Europe	Asia	Other	Total
Overseas sales	7,687,738	2,607,819	2,005,777	2,721,981	15,023,315
Consolidated sales	–	–	–	–	21,036,909
Ratio of overseas sales to consolidated sales	% 36.6	% 12.4	% 9.5	% 12.9	% 71.4

(2) FY2005 (April 2004 through March 2005)

(Amounts are rounded to the nearest million yen)

	North America	Europe	Asia	Other	Total
Overseas sales	6,374,235	2,365,525	1,776,554	2,089,210	12,605,524
Consolidated sales	–	–	–	–	18,551,526
Ratio of overseas sales to consolidated sales	% 34.4	% 12.8	% 9.6	% 11.2	% 68.0

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)

	FY2006 (April 2005 through March 2006)	FY2005 (April 2004 through March 2005)	Increase (Decrease)
Net sales	10,191,838	9,218,386	973,452
Cost of sales	8,248,627	7,506,044	742,583
Selling, general and administrative expenses	1,095,212	1,010,951	84,261
Operating income	847,998	701,390	146,608
Non-operating income	342,165	273,440	68,725
Interest income	18,686	15,765	2,921
Dividend income	228,670	152,083	76,587
Other non-operating income	94,808	105,591	(10,783)
Non-operating expenses	85,382	118,598	(33,216)
Interest expenses	10,715	10,729	(14)
Other non-operating expenses	74,666	107,869	(33,203)
Ordinary income	1,104,781	856,231	248,550
Extraordinary losses	–	24,996	(24,996)
Impairment losses	–	24,996	(24,996)
Income before income taxes	1,104,781	831,235	273,546
Income taxes – current	354,100	281,700	72,400
Income taxes – deferred	(15,279)	20,205	(35,484)
Net income	765,961	529,329	236,632
Unappropriated retained earnings brought forward	512,778	497,867	14,911
Loss on sales of treasury stock	388	184	204
Interim cash dividends	113,844	82,049	31,795
Unappropriated retained earnings at end of year	1,164,506	944,962	219,544

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)

	FY2006	FY2005
Unappropriated retained earnings at end of year	1,164,506	944,962
Reversal of reserve for losses on overseas investments	33	55
Reversal of reserve for reduction of acquisition cost of fixed assets	24	–
Total	1,164,564	945,018
The proposed appropriation is as follows:		
Cash dividends	178,296	130,723
	(¥55 per share)	(¥40 per share)
Bonuses to directors	676	614
Bonuses to corporate auditors	51	51
Reserve for special depreciation	830	739
Reserve for reduction of acquisition cost of fixed assets	–	111
General reserve	400,000	300,000
Unappropriated retained earnings to be carried forward	584,710	512,778

Note: An interim dividend of ¥35 per share was paid on November 25, 2005, to shareholders (including the beneficial shareholders notified by Japanese Securities Depository Center) or registered pledgees, listed on the shareholders' record as of September 30, 2005. Total interim dividends paid were in amount of 113,844 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)

	FY2006 (As of March 31,2006)	FY2005 (As of March 31,2005)	Increase (Decrease)
Assets			
Current assets	3,795,723	3,453,441	342,282
Cash and deposits	107,674	60,275	47,399
Trade accounts receivable	1,206,641	1,088,735	117,906
Marketable securities	922,033	870,735	51,298
Finished goods	147,413	116,864	30,549
Raw materials	27,336	14,747	12,589
Work in process	109,970	82,069	27,901
Supplies	8,177	8,091	86
Short-term loans	476,766	511,757	(34,991)
Deferred income taxes	259,372	248,110	11,262
Other	536,835	459,153	77,682
Less: allowance for doubtful accounts	(6,500)	(7,100)	600
Fixed assets	6,113,286	5,617,550	495,736
Property, plant and equipment	1,279,608	1,258,835	20,773
Buildings	377,018	371,515	5,503
Structures	40,401	41,537	(1,136)
Machinery and equipment	291,186	314,168	(22,982)
Vehicle and delivery equipment	13,663	16,109	(2,446)
Tools, furniture and fixtures	88,795	83,012	5,783
Land	385,886	388,658	(2,772)
Construction in progress	82,656	43,834	38,822
Investments and other assets	4,833,678	4,358,714	474,964
Investments in securities	2,314,903	1,817,556	497,347
Investments in subsidiaries and affiliates	1,945,521	1,931,634	13,887
Long-term loans	476,422	362,951	113,471
Deferred income taxes	—	129,571	(129,571)
Other	127,430	140,600	(13,170)
Less: allowance for doubtful accounts	(30,600)	(23,600)	(7,000)
Total assets	9,909,010	9,070,991	838,019

(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)

	FY2006 (As of March 31,2006)	FY2005 (As of March 31,2005)	Increase (Decrease)
Liabilities			
Current liabilities	2,379,900	2,180,374	199,526
Trade notes payable	1,117	1,375	(258)
Trade accounts payable	1,044,613	909,108	135,505
Current portion of bonds	–	600	(600)
Other payables	393,585	401,464	(7,879)
Income taxes payable	218,256	144,730	73,526
Accrued expenses	491,032	443,165	47,867
Deposits received	207,254	250,648	(43,394)
Allowance for EXPO 2005 Aichi	–	67	(67)
Other	24,040	29,214	(5,174)
Long-term liabilities	842,213	832,806	9,407
Bonds	500,000	500,000	–
Allowance for retirement benefits	288,961	289,694	(733)
Deferred income taxes	24,798	–	24,798
Other	28,454	43,111	(14,657)
Total liabilities	3,222,114	3,013,181	208,933
Shareholders' equity			
Common stock	397,049	397,049	–
Capital surplus	416,970	416,970	–
Capital reserve	416,970	416,970	–
Retained earnings	6,614,868	6,094,528	520,340
Legal reserve	99,454	99,454	–
Reserve for losses on overseas investments	197	252	(55)
Reserve for special depreciation	3,196	2,457	739
Reserve for reduction of acquisition cost of fixed assets	6,586	6,475	111
General reserve	5,340,926	5,040,926	300,000
Unappropriated retained earnings at end of year	1,164,506	944,962	219,544
Net unrealized gains on other securities	518,155	279,780	238,375
Less: treasury stock	(1,260,148)	(1,130,519)	(129,629)
Total shareholders' equity	6,686,895	6,057,810	629,085
Total liabilities and shareholders' equity	9,909,010	9,070,991	838,019