

Highlights of Unconsolidated Financial Results for FY 2001 (April 2000 through March 2001)

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

(Billions of yen unless otherwise specified)

	FY 2000	FY2001	% of change from FY2000	FY2002 Forecast	% of change from FY2001
	(Apr. 1999 through Mar. 2000)	(Apr. 2000 through Mar. 2001)		(Apr.2001 through Mar. 2002)	
Domestic vehicle production (Thousand units)	3,212	3,422	6.5%	3,390	- 0.9%
Overseas vehicle production (Thousand units)	1,669	1,751	4.9%	1,890	7.9%
Domestic vehicle sales (Thousand units)	1,711	1,816	6.1%	1,890	4.0%
Exports (Thousand units)	1,577	1,704	8.1%	1,580	- 7.3%
Net sales	7,408.0	7,903.5	6.7%	8,000.0	1.2%
<i>Domestic</i>	3,453.2	3,767.2	9.1%		
<i>Export</i>	3,954.7	4,136.3	4.6%		
Operating income <Income ratio>	491.9 <6.6%>	506.8 <6.4%>	3.0%	610.0 <7.6%>	20.4%
Ordinary income <Income ratio>	541.8 <7.3%>	621.7 <7.9%>	14.8%	630.0 <7.9%>	1.3%
Income before income taxes <Income ratio>	541.8 <7.3%>	562.1 <7.1%>	3.7%	630.0 <7.9%>	12.1%
Net income <Income ratio>	329.2 <4.4%>	333.5 <4.2%>	1.3%	370.0 <4.6%>	10.9%
Factors contributing to increases and decreases in operating income		Operating income increased by 14.9 billion yen (Increase) Cost reduction efforts 150.0 Marketing efforts 90.0 (Decrease) Effects of exchange rate fluctuations - 170.0 Increase of R&D expenses, etc. - 55.1			
Exchange rates	¥111/US\$ ¥115/Euro	¥110/US\$ ¥100/Euro		¥115/US\$ ¥105/Euro	
Capital investment	271.4	243.8		240.0	
Depreciation expenses	277.0	263.9		260.0	
R&D expenses	402.8	428.3		460.0	
Interest-bearing debt	514.1	514.1			
Performance evaluation		Increases in sales and ordinary income			
The number of employees	65,290	66,005			

Note1: Effective for FY2001, the "Accounting Standards for Financial Instruments" has been applied and the "Other securities" is stated at fair value. As a result, "Ordinary income" and "Income before income taxes" increased by 0.6 billion yen.

Note2: Effective for FY2001, the revised "Accounting Standards for Foreign Currency Transactions, etc." has been applied. As a result, "Ordinary income" and "Income before income taxes" decreased by 0.5 billion yen.

Note3: Effective for FY2001, the "Accounting Standards for Retirement Benefits" has been applied. As a result, "Ordinary income" and "Income before income taxes" decreased by 14.5 billion yen and 74.1 billion yen, respectively. Transition obligation of 255.0 billion yen was resulted from the adoption of new standards. Out of this amount, 246.1 billion yen which is the amount of holding stocks that TMC contributed to retirement benefit trust is reported as "Extraordinary losses". 8.9 billion yen was amortized as "Extraordinary losses" in FY2001. Gains on disposal of securities to establish retirement benefit trust in the amount of 195.4 billion yen are reported as "Extraordinary gains".

Cautionary Statement with Respect to Forward-Looking Statements

This report contains forward-looking statements that reflect our plans and expectations. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our 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 affecting the automotive markets in Japan, North America, Europe and other markets in which we operate; (ii) fluctuations in currency exchange rates, particularly with respect to the value of the Japanese yen, the United States dollar and the euro; (iii) our 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 affecting our automotive operations, particularly laws, regulations and policies relating to the environmental protection, vehicle emissions, vehicle fuel economy and vehicle safety, as well as changes in laws, regulations and government policies affecting our other operations, including our telecommunications operations and the outcome of future litigation and other legal proceedings; (v) political instability in the markets in which we operate; (vi) our 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 we purchase materials, components and supplies for the production of our products or where our products are produced, distributed or sold. A discussion of these and other factors which may affect our actual results, performance, achievements or financial position is contained in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section and elsewhere in our annual report on Form 20-F, which is on file with the United States Securities and Exchange Commission.