

FY2019 Second Quarter Financial Results



RAV4

(New York International Auto Show 2018 exhibition car)

Toyota Motor Corporation
November 6, 2018

Cautionary Statement with Respect to Forward-Looking Statements

This presentation 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, but are not limited to: (i) changes in economic conditions, market demand, and the competitive environment affecting the automotive markets in Japan, North America, Europe, Asia 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, the Russian ruble, the Canadian dollar and the British pound, fluctuations in stock prices, and interest rates fluctuations; (iii) changes in funding environment in financial markets and increased competition in the financial services industry; (iv) Toyota's ability to market and distribute effectively; (v) Toyota's ability to realize production efficiencies and to implement capital expenditures at the levels and times planned by management; (vi) 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 government policies relating to vehicle safety including remedial measures such as recalls, trade, environmental protection, vehicle emissions and vehicle fuel economy, as well as changes in laws, regulations and government policies that affect Toyota's other operations, including the outcome of current and future litigation and other legal proceedings, government proceedings and investigations; (vii) political and economic instability in the markets in which Toyota operates; (viii) Toyota's ability to timely develop and achieve market acceptance of new products that meet customer demand; (ix) any damage to Toyota's brand image; (x) Toyota's reliance on various suppliers for the provision of supplies; (xi) increases in prices of raw materials; (xii) Toyota's reliance on various digital and information technologies; (xiii) fuel shortages or interruptions in electricity, 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; and (xiv) the impact of natural calamities including the negative effect on Toyota's vehicle production and sales.

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.

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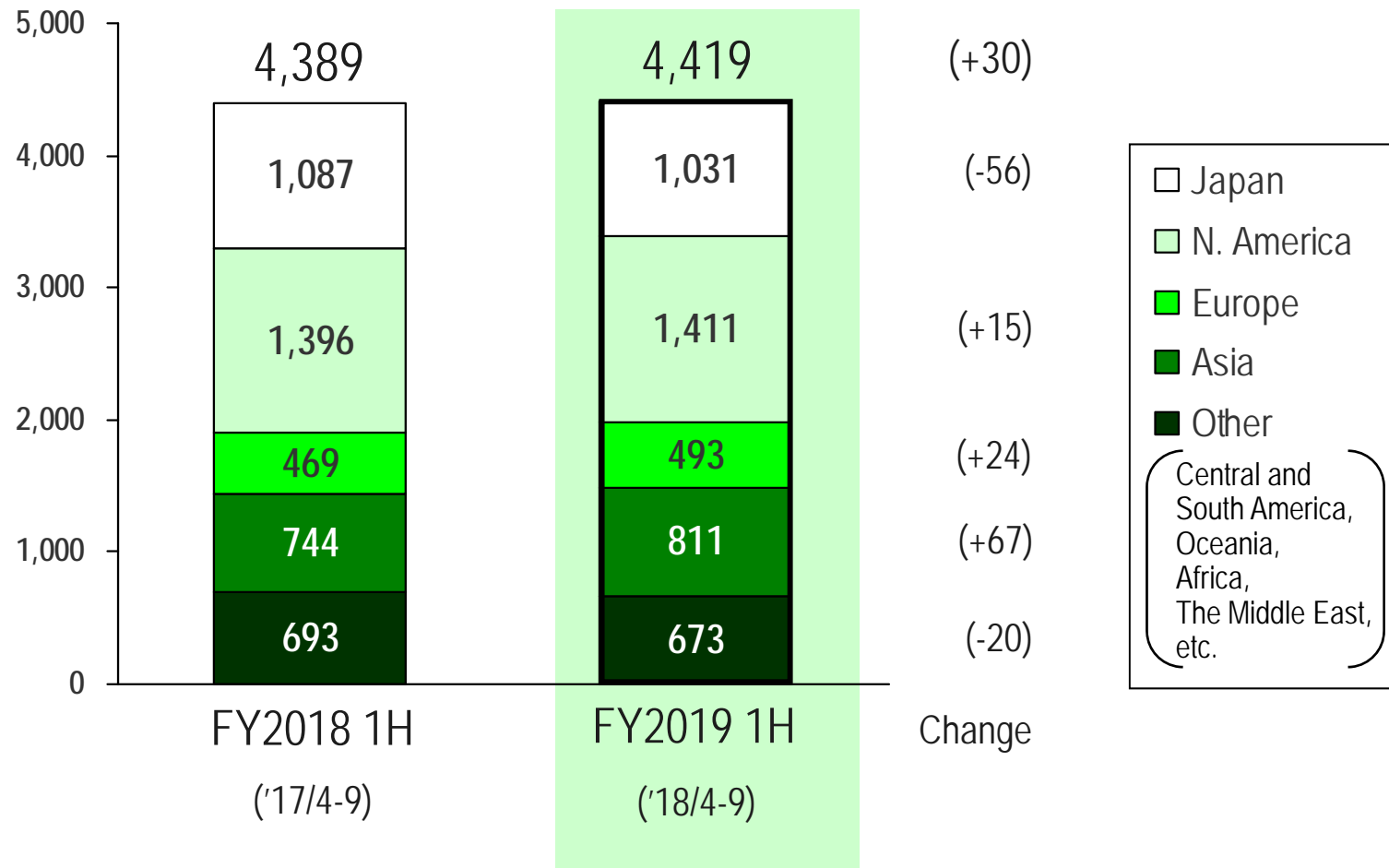
FY2019 Second Quarter Financial Results

FY2019 Second Quarter Financial Performance
(FY2019 First Half)

FY2019 Financial Forecasts

Consolidated Vehicle Sales (FY2019 First Half)

(thousands of vehicles)



Total retail vehicle sales	5,216	5,293	+77
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Consolidated Financial Summary (FY2019 First Half)

(billions of yen)		FY2019 1H (¹⁸ /4-9)	FY2018 1H (¹⁷ /4-9)	Change
Vehicle Sales	(thousands of vehicles)	4,419	4,389	+30
Net Revenues		14,674.0	14,191.2	+482.7
Operating Income		1,261.8	1,096.5	+165.3
Margin		8.6%	7.7%	-
Other Income		286.9	155.6	+131.3
Income before Income Taxes		1,548.8	1,252.1	+296.6
Equity in Earnings of Affiliated Companies	^{*1}	222.5	235.0	-12.4
regarding China	^{*1}	58.0	53.9	+4.1
Net Income	^{*2}	1,242.3	1,071.3	+171.0
Margin	^{*2}	8.5%	7.5%	-
FOREX	US\$	110 yen	111 yen	-1 yen
Rates	€	130 yen	126 yen	+4 yen

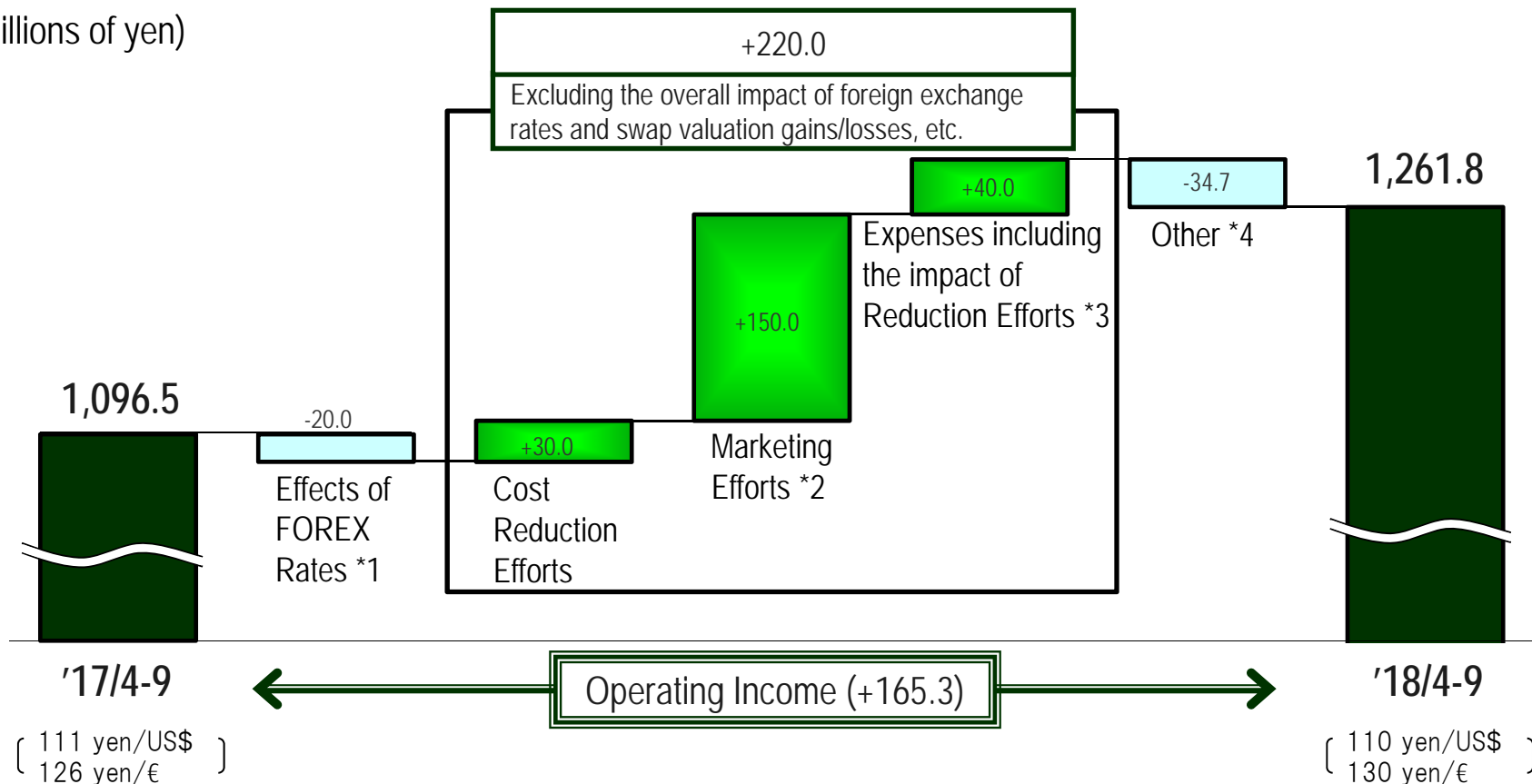
^{*1} Regarding Japan:148.4 billion yen (-12.5 billion yen year on year), Other:16.1 billion yen (-4.0 billion yen year on year)

Retail Sales Results in China (¹⁸/1-6): 686 thousand vehicles (+57 thousand vehicles year on year)

^{*2} Net Income attributable to Toyota Motor Corporation

Analysis of Consolidated Operating Income (FY2019 First Half)

(billions of yen)

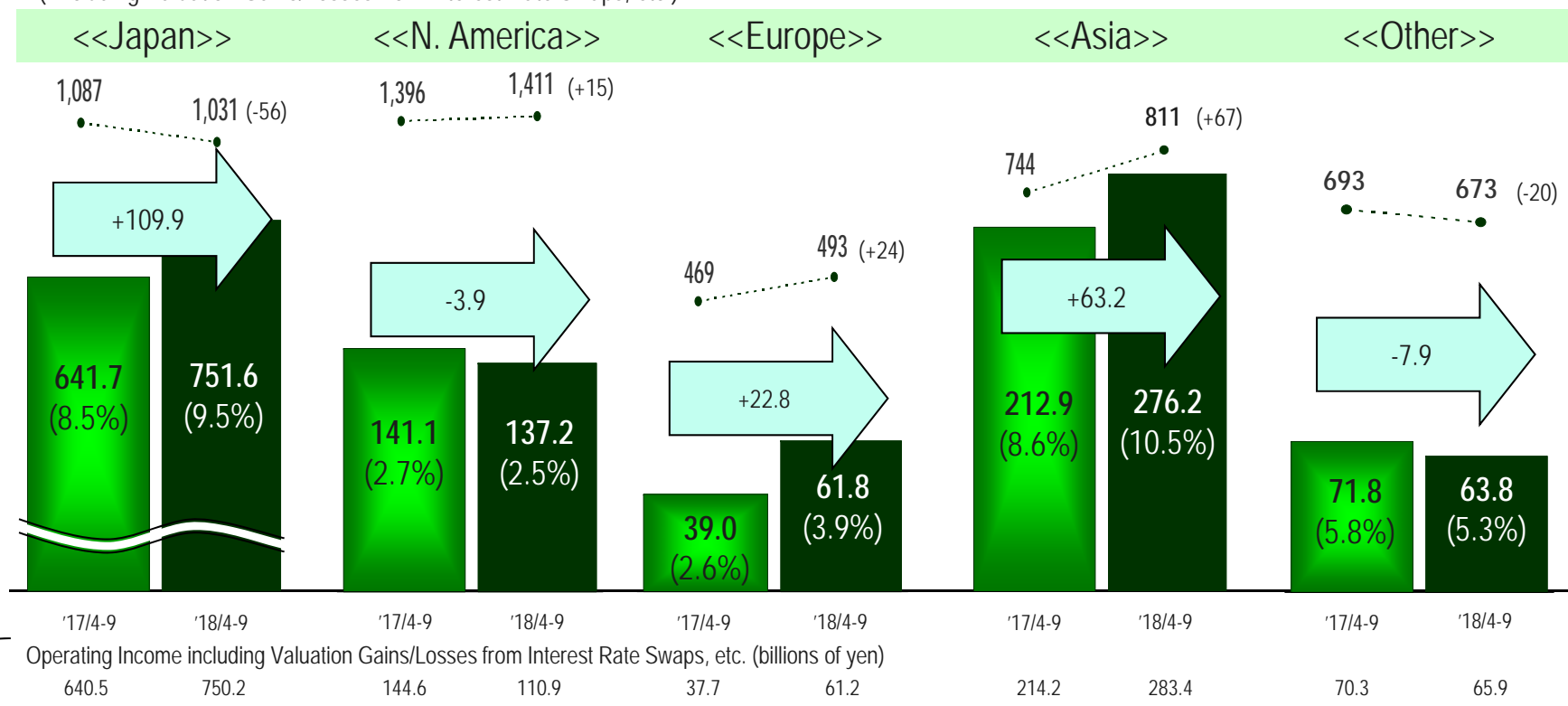


*1. Details		*2. Details		*3. Details		*4. Details	
Transactional (Imports & Exports)	-45.0	Translational FOREX impact concerning overseas subsidiaries	-5.0	Volume, Model Mix	+130.0	Labor Costs	-25.0
US\$	-15.0	Other	+30.0	Financial Services	+30.0	Depreciation	-10.0
€	+10.0	(Translational FOREX impact of fiscal year-end balance of provisions in foreign currencies, etc.)		Other	-10.0	R&D Expenses	+25.0
Other	-40.0			(Including sales costs, etc.)		Expenses, etc.	+50.0
						Valuation Gains/Losses from Swaps, etc.	-34.7

Geographic Operating Income (FY2019 First Half)

■ Operating Income (billions of yen)
(Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.)

- - - Consolidated Vehicle Sales (thousands of vehicles)

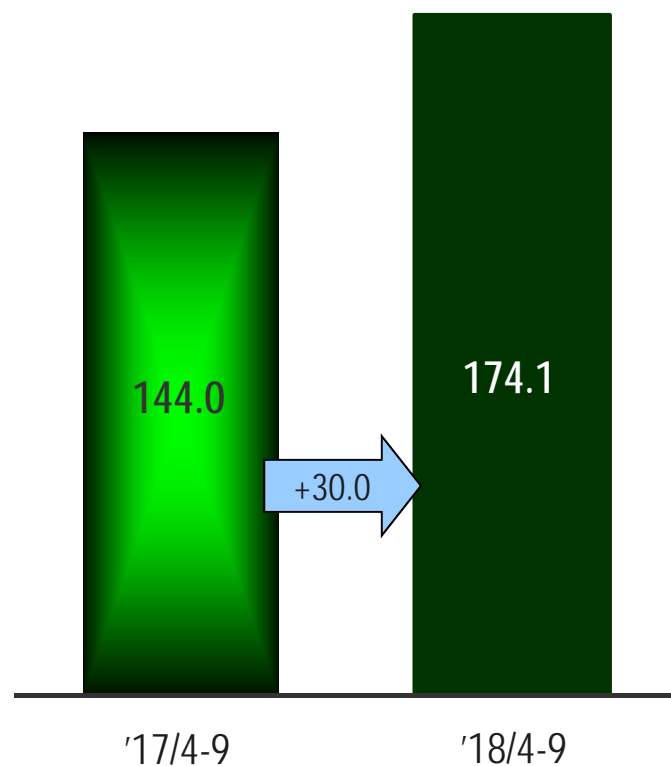


Japan	(+109.9 billion yen year on year)	Increased as a result of cost reduction and marketing efforts, as well as reduction in expenses.
N. America	(-3.9 billion yen year on year)	Decreased largely due to effects of FOREX rates and the rise of raw material markets.
Europe	(+22.8 billion yen year on year)	Increased mostly due to marketing efforts and reduction in expenses.
Asia	(+63.2 billion yen year on year)	Increased mainly as a result of marketing efforts.
Other	(-7.9 billion yen year on year)	Decreased due to weak local currencies and effects of the rise of raw material markets.

Financial Services Operating Income (FY2019 First Half)

■ Operating Income (billions of yen) *

* Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.



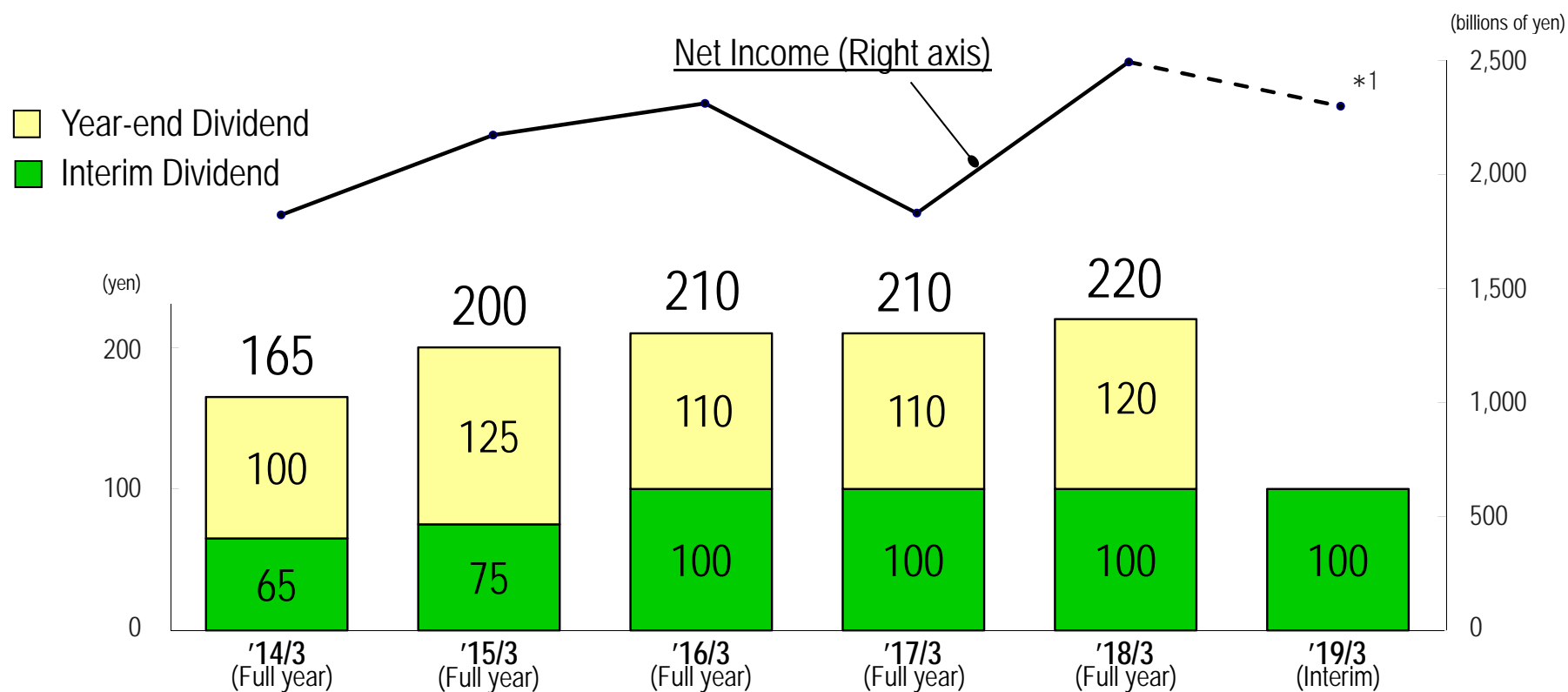
Operating Income*

174.1 billion yen (+30.0 billion yen year on year)

Operating income increased, mainly due to an increase in the lending balance and a decrease in costs related to loan losses and residual-value losses.

	'17/4-9	'18/4-9	Change
Operating Income	144.7	154.9	+10.2
Valuation Gains/Losses from Interest Rate Swaps, etc.	0.6	-19.1	-19.7
Operating Income Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.	144.0	174.1	+30.0

Shareholder Return : Dividends



Total Amount of Dividends (billions of yen)	522.9	631.3	645.5	627.5	642.6	(286.9) ^{*2}
Interim Payout Ratio ^{*3}	20.6%	21.1%	25.0%	32.1%	27.8%	23.4%
Full year Payout Ratio ^{*4}	28.7%	29.0%	28.3%	34.6%	26.1%	Not yet determined

*1 Net income forecast : 2,300.0 billion yen *2 Figure is for the interim period.

*3 Interim Payout Ratio = (interim dividend per common share) ÷ (Interim net income attributable to Toyota Motor Corporation per common share)

*4 Full year Payout Ratio = (full year dividend per common share) ÷ (full year net income attributable to Toyota Motor Corporation per common share)

Shareholder Return : Summary

			FY2019	FY2018 (Actual)
Interim	Dividend	Dividends on Common Share	100 yen per share 23.4% 286.9 billion yen	100 yen per share 27.8% 293.4 billion yen
			291.8 billion yen ^{*1}	297.1 billion yen ^{*1}
	Share Repurchase		250.0 billion yen/ 42 million shares of common stock (max)	249.9 billion yen/ 33 million shares of common stock (max)
	Total Shareholder Return		541.8 billion yen (max)	547.1 billion yen
	Total Return Ratio ^{*2}		43.6% (max)	51.0%

*1 Including dividends on first series Model AA class shares

*2 Total Return Ratio = {(dividends on both common shares and the first series Model AA class shares) + (share repurchase for shareholder return)} ÷ (interim net income attributable to Toyota Motor Corporation)

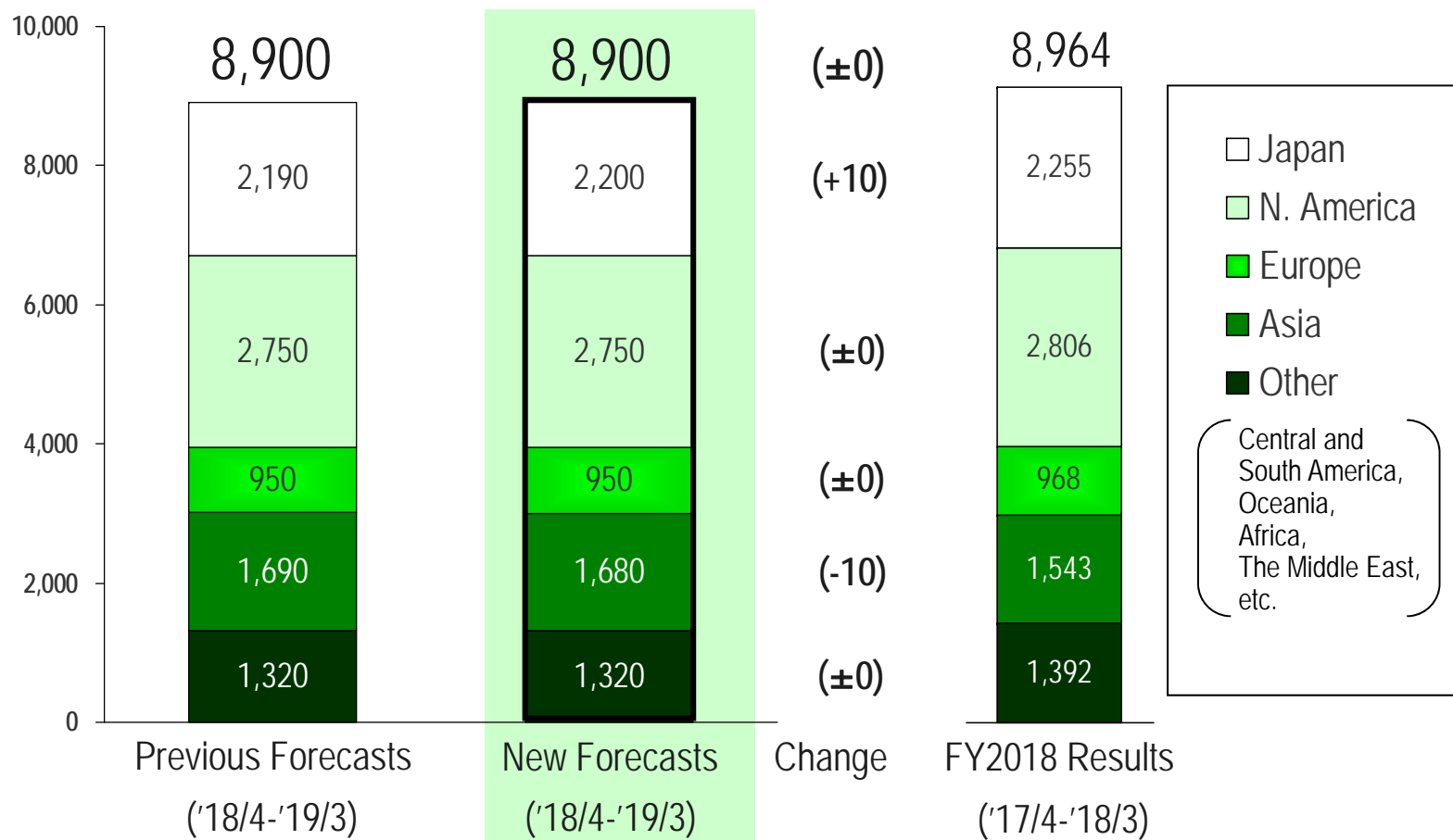
FY2019 Second Quarter Financial Results

FY2019 Second Quarter Financial Performance
(FY2019 First Half)

FY2019 Financial Forecasts

FY2019 Forecasts: Consolidated Vehicle Sales

(thousands of vehicles)



Total retail vehicle sales	10,500	10,500	±0	10,441
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FY2019 Forecasts: Consolidated Financial Summary

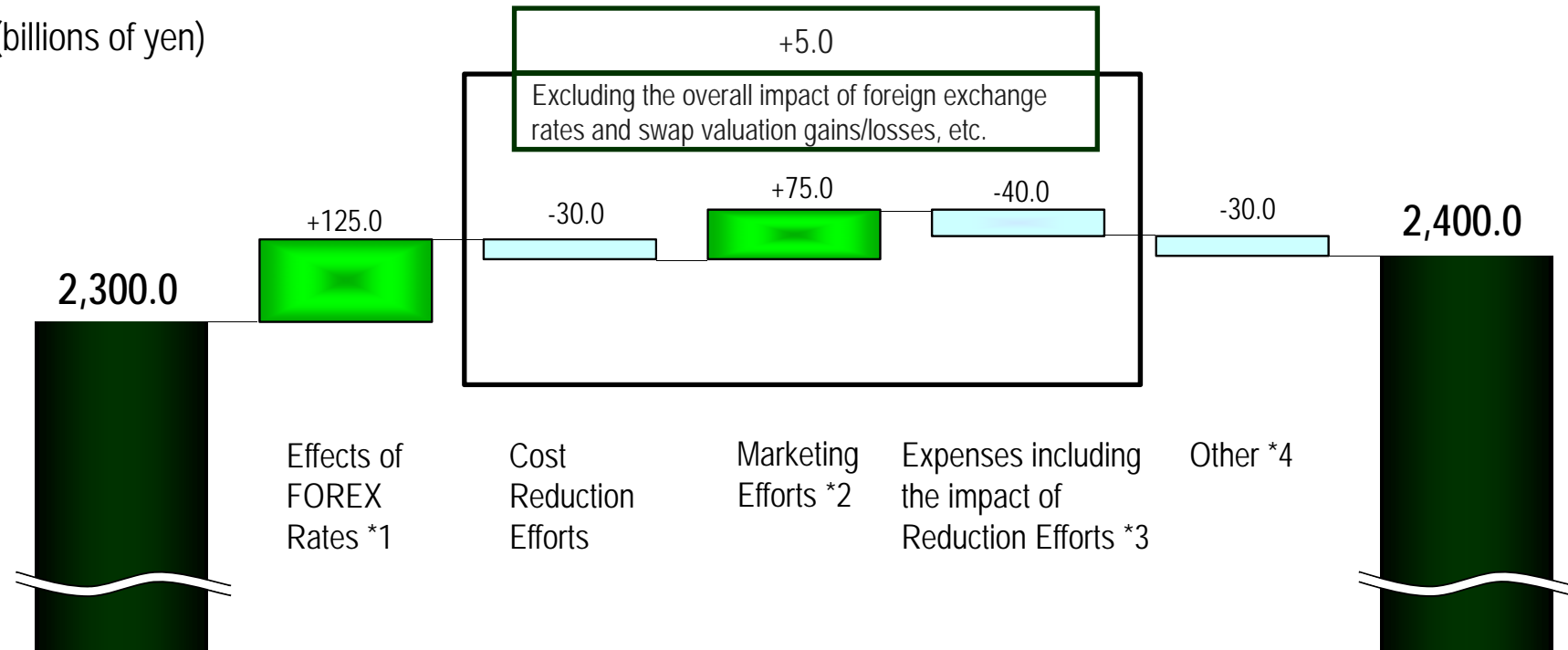
(billions of yen)		New Forecasts (^{'18/4-} '19/3)	Previous Forecasts (^{'18/4-} '19/3)	Change	FY2018 Results (^{'17/4-} '18/3)
Vehicle Sales (thousands of vehicles)		8,900	8,900	±0	8,964
Net Revenues		29,500.0	29,000.0	+500.0	29,379.5
Operating Income		2,400.0	2,300.0	+100.0	2,399.8
Margin		8.1%	7.9%	-	8.2%
Income before Income Taxes		2,720.0	2,450.0	+270.0	2,620.4
Equity in Earnings of Affiliated Companies		460.0	440.0	+20.0	470.0
Net Income ^{*1}		2,300.0	2,120.0	+180.0	2,493.9
Margin ^{*1}		7.8%	7.3%	-	8.5%
FOREX	US\$	110 yen ^{*2}	106 yen	+4 yen	111 yen
Rates	€	130 yen ^{*2}	126 yen	+4 yen	130 yen

*1 Net Income attributable to Toyota Motor Corporation

*2 FOREX Rate performance: 110 yen against the U.S. dollar and 130 yen against the Euro from April 2018 to September 2018
FOREX Rate assumptions: 110 yen against the U.S. dollar and 130 yen against the Euro from October 2018 to March 2019

Analysis of FY2019 Forecasts: Consolidated Operating Income **TOYOTA** (vs. Previous Forecasts)

(billions of yen)



FY2019 Previous Forecasts

{ 106 yen/US\$
126 yen/€ }

Operating Income (+100.0)

FY2019 New Forecasts

{ 110 yen/US\$
130 yen/€ }

*1. Details

Category	Value	Category	Value
Transactional (Imports & Exports)	+155.0	Translational FOREX impact concerning overseas subsidiaries	+10.0
US\$	+165.0	Other	-40.0
€	+20.0	(Translational FOREX impact of fiscal year-end balance of provisions in foreign currencies, etc.)	
Other	-30.0		

*2. Details

Category	Value
Volume, Model Mix	-5.0
Financial Services	+10.0
Other (Including sales costs, etc.)	+70.0

*3. Details

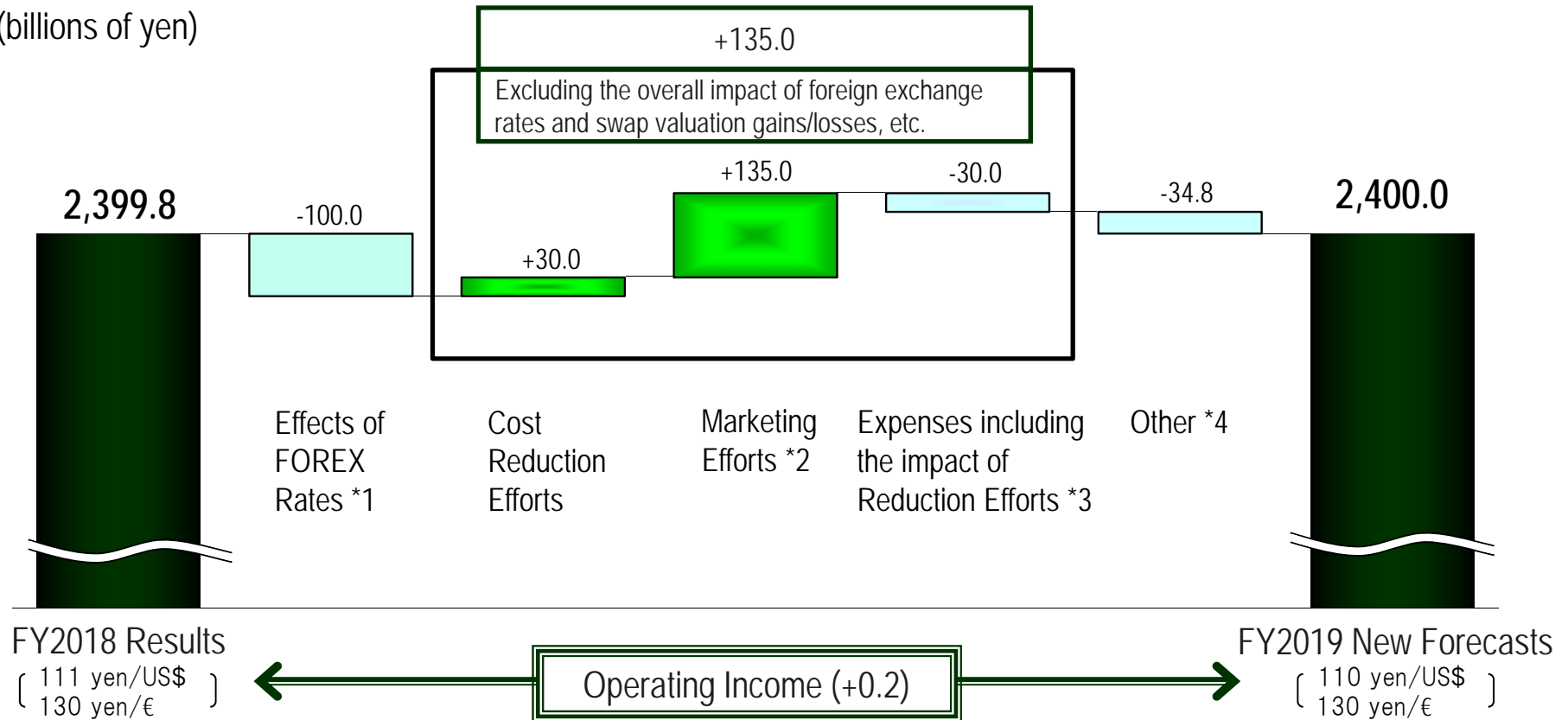
Category	Value
Labor Costs	-5.0
Depreciation	+10.0
R&D Expenses	±0
Expenses, etc.	-45.0

*4. Details

Category	Value
Valuation Gains/Losses from Swaps, etc.	-30.0

Analysis of FY2019 Forecasts: Consolidated Operating Income **TOYOTA** (vs. FY2018 Results)

(billions of yen)



*1. Details		*2. Details		*3. Details		*4. Details	
Transactional (Imports & Exports)	-140.0	Translational FOREX impact concerning overseas subsidiaries	-30.0	Volume, Model Mix	+45.0	Labor Costs	-40.0
US\$	-40.0	Other	+70.0	Financial Services	+20.0	Depreciation	-40.0
€	±0	(Translational FOREX impact of fiscal year-end balance of provisions in foreign currencies, etc.)		Other (Including sales costs, etc.)	+70.0	R&D Expenses	-25.0
Other	-100.0					Expenses, etc.	+75.0
						Valuation Gains/Losses from Swaps, etc.	-34.8

Enhancement of Competitiveness

Activities for Enhancement of Competitiveness (Explain in the press conference)

- ✓ *Monozukuri* Supporting Toyota's Competitiveness (EVP, Mitsuru Kawai / February)
- ✓ Toyota's Efforts to Create Ever-better Cars (EVP, Moritaka Yoshida / August)
- ✓ Sales Activities for Enhancement of Competitiveness and Sustainable Growth
(EVP, Didier Leroy ▪ SMO, James E. Lentz / November)

Activities for the Realization of a Future Society of Mobility ():publication month

- ✓ Extend Collaboration to Automated Vehicle Technologies with Uber (August)
- ✓ Agreed on Strategic Partnership to Establish Joint Venture for New Mobility Services with Softbank (October)
- ✓ Activities for the Realization of a Low-Carbon Society
 - Participate in the Zero Emissions Hydrogen-Fuel-Cell-Electric Freight Project of Port of Los Angeles (Supply 10 zero-emissions heavy-duty hydrogen fuel-cell-electric trucks, etc.) (September)
 - Supply hydrogen technology to Caetanobus SA (Portugal) Europe (September)
 - Consider Hydrogen-based Mobility Partnership between Railways and Automobiles with JR East (September)

FY2019 Second Quarter Financial Results



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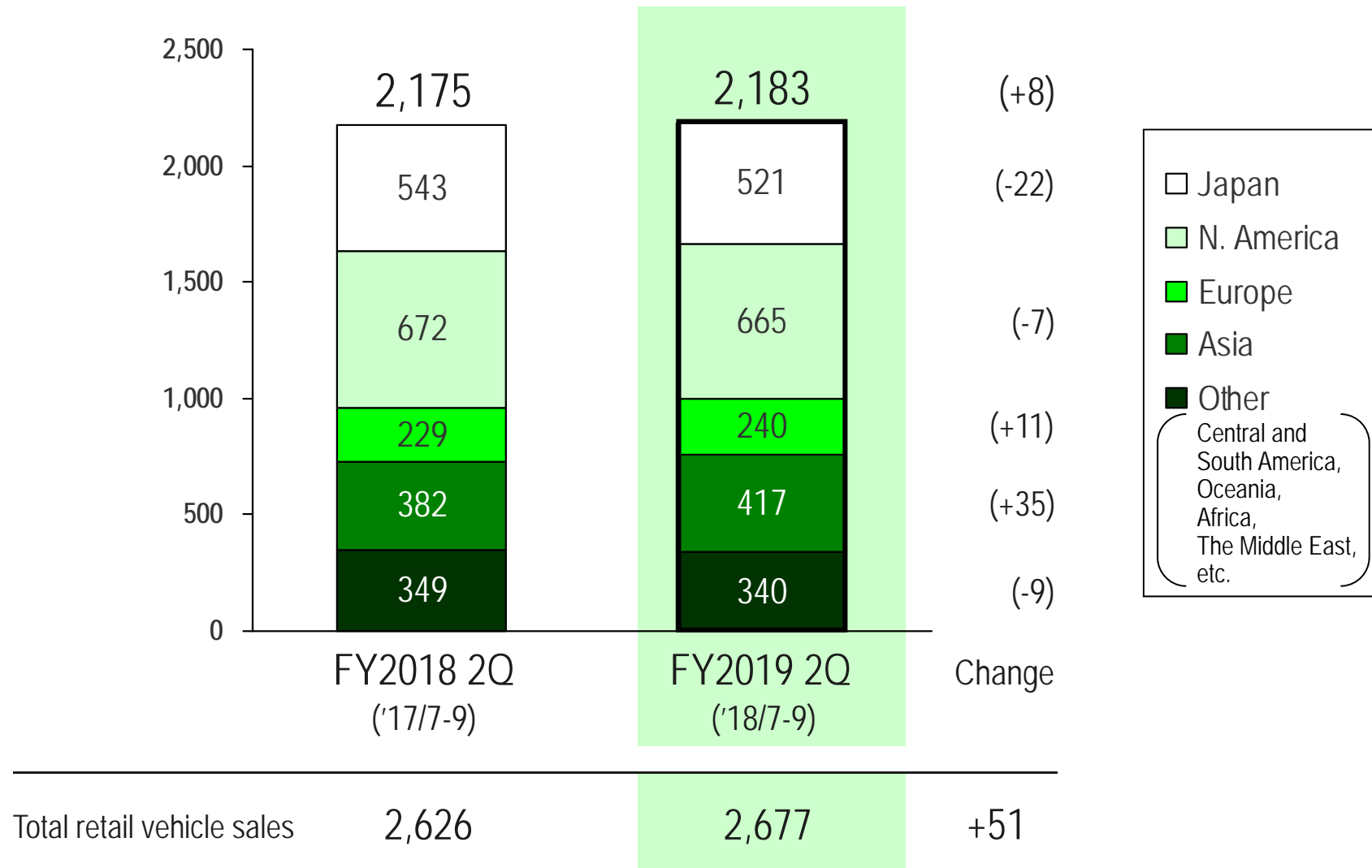
Toyota Motor Corporation
November 6, 2018

(Reference)



Consolidated Vehicle Sales (FY2019 2Q)

(thousands of vehicles)



(Reference)

TOYOTA

Consolidated Financial Summary (FY2019 2Q)

(billions of yen)	FY2019 2Q (‘18/7-9)	FY2018 2Q (‘17/7-9)	Change	
Vehicle Sales (thousands of vehicles)	2,183	2,175	+8	
Net Revenues	7,311.2	7,143.6	+167.6	
Operating Income	579.1	522.2	+56.9	
Margin	7.9%	7.3%	-	
Other Income	155.7	50.5	+105.2	
Income before Income Taxes	734.9	572.8	+162.1	
Equity in Earnings of Affiliated Companies ^{*1}	106.0	97.2	+8.8	
regarding China ^{*1}	30.4	23.3	+7.0	
Net Income ^{*2}	585.0	458.2	+126.8	
Margin ^{*2}	8.0%	6.4%	-	
FOREX	US\$	111 yen	111 yen	±0 yen
Rates	€	130 yen	130 yen	±0 yen

*1 Regarding Japan:68.0 billion yen (+5.4 billion yen year on year), Other:7.6 billion yen (-3.8 billion yen year on year)

Retail Sales Results in China (‘18/4-6): 361 thousand vehicles (+31 thousand vehicles year on year)

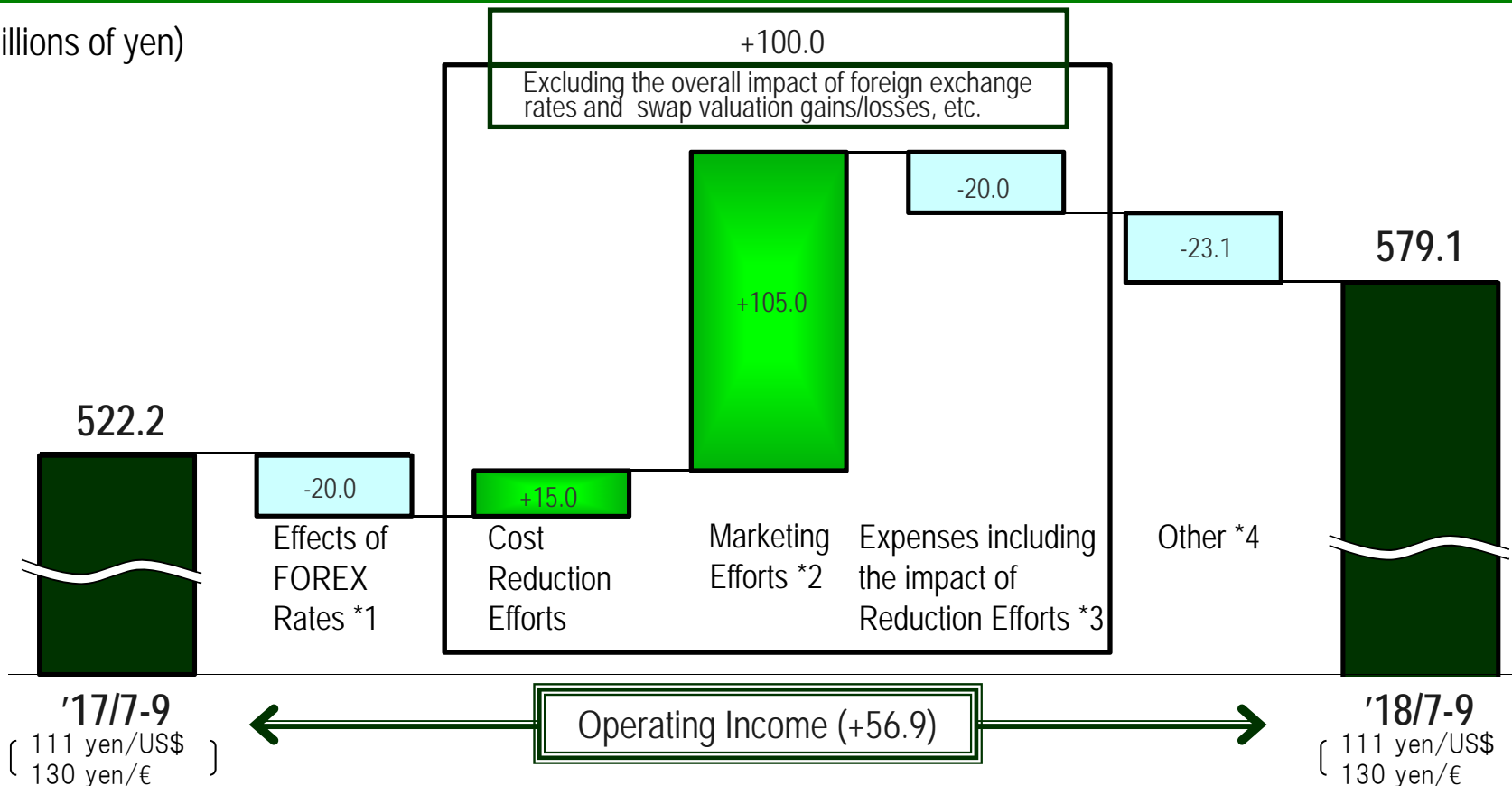
*2 Net Income attributable to Toyota Motor Corporation

(Reference)

TOYOTA

Analysis of Consolidated Operating Income (FY2019 2Q)

(billions of yen)



*1. Details		*2. Details		*3. Details		*4. Details	
Transactional (Imports & Exports)	-30.0	Translational FOREX impact concerning overseas subsidiaries	-5.0	Volume, Model Mix	+70.0	Labor Costs	-10.0
US\$	+10.0	Other (Translational FOREX impact of fiscal year-end balance of provisions in foreign currencies, etc.)	+15.0	Financial Services	+25.0	Depreciation	-5.0
€	±0			Other (Including sales costs, etc.)	+10.0	R&D Expenses	+15.0
Other	-40.0					Expenses, etc.	-20.0
						Valuation Gains/Losses from Swaps, etc.	-23.1

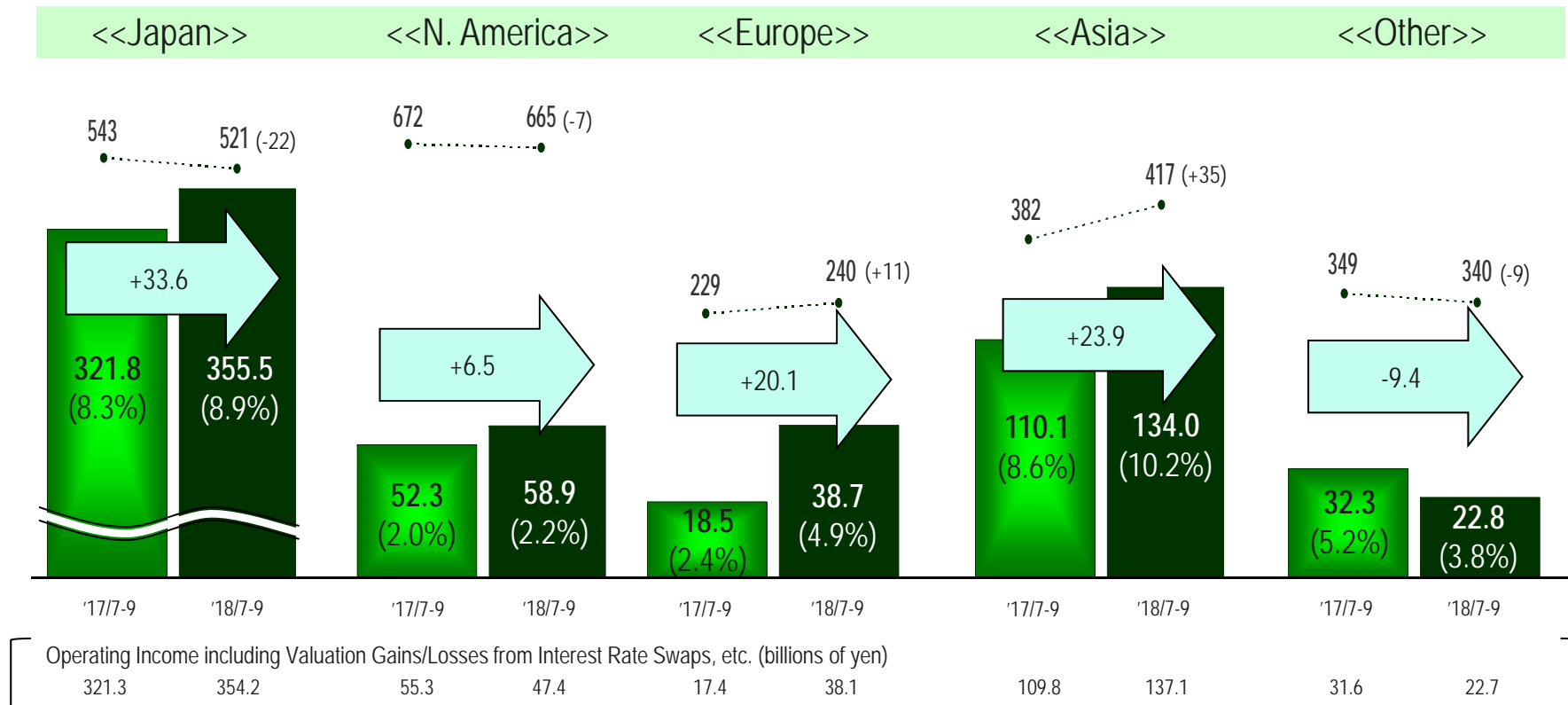
(Reference)

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Geographic Operating Income (FY2019 2Q)

■ Operating Income (billions of yen)
(Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.)

-●- Consolidated Vehicle Sales (thousands of vehicles)



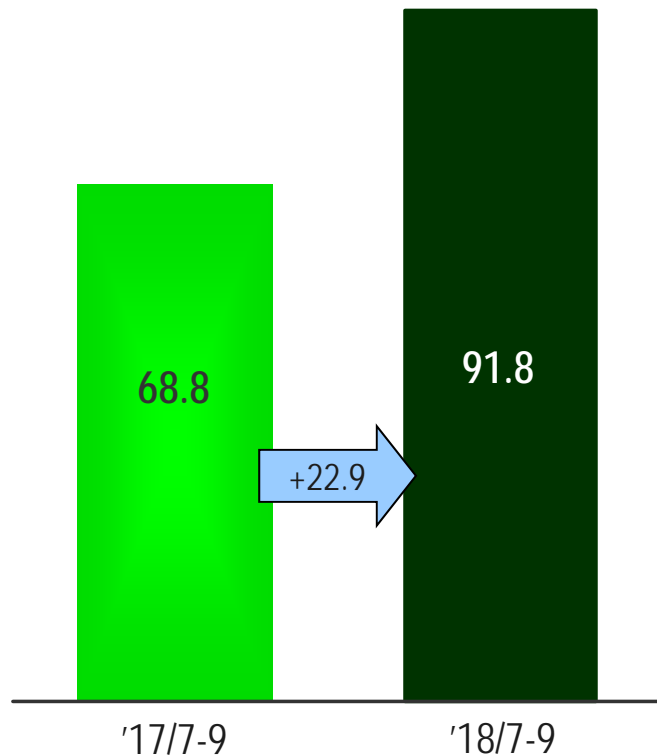
(Reference)

Financial Services Operating Income (FY2019 2Q)

■ Operating Income (billions of yen) *

* Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.

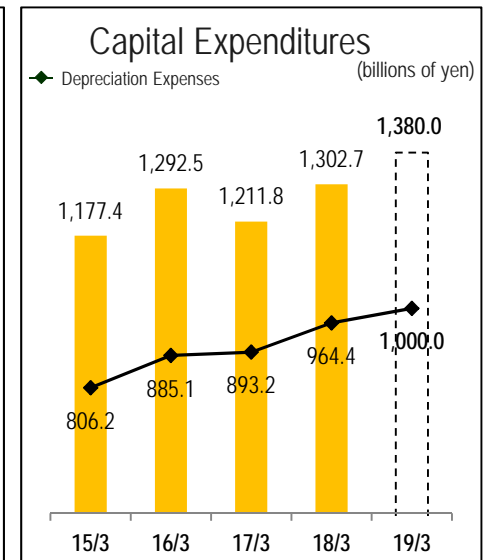
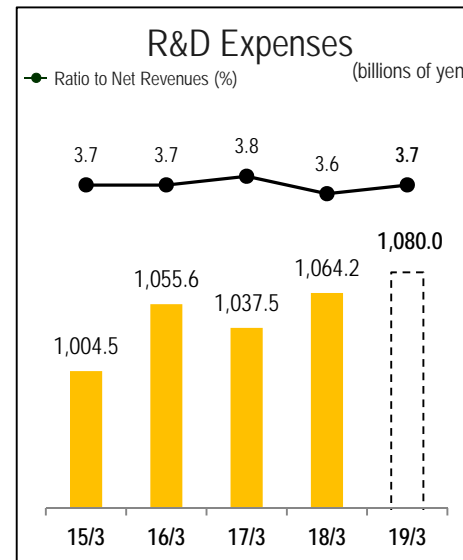
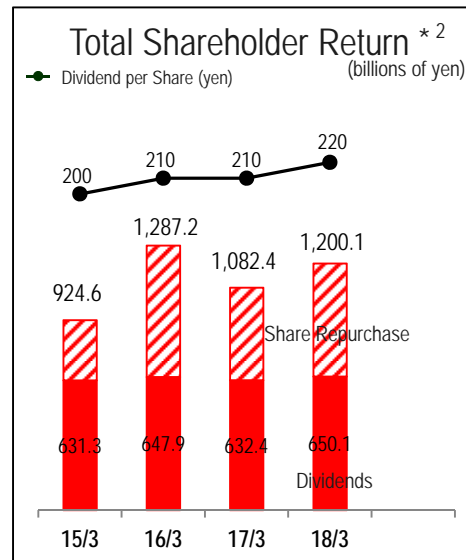
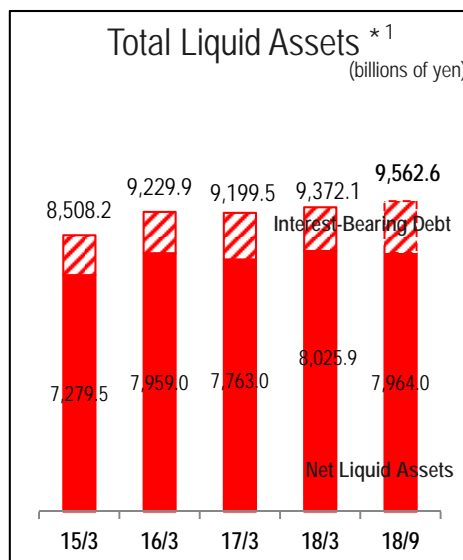
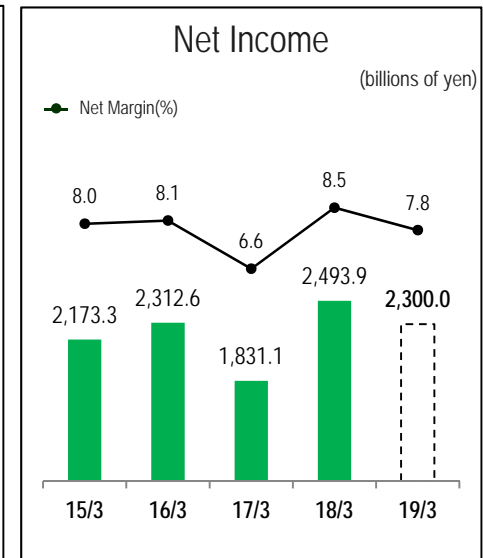
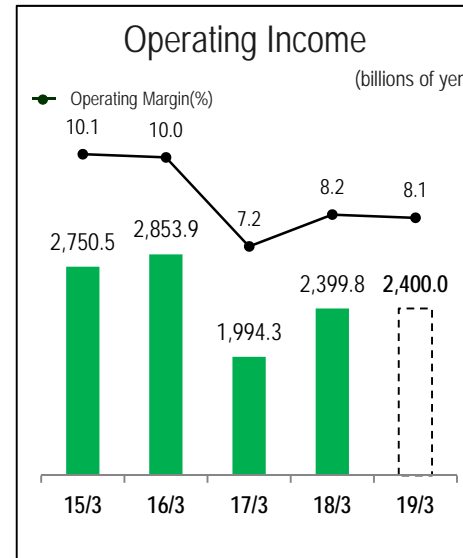
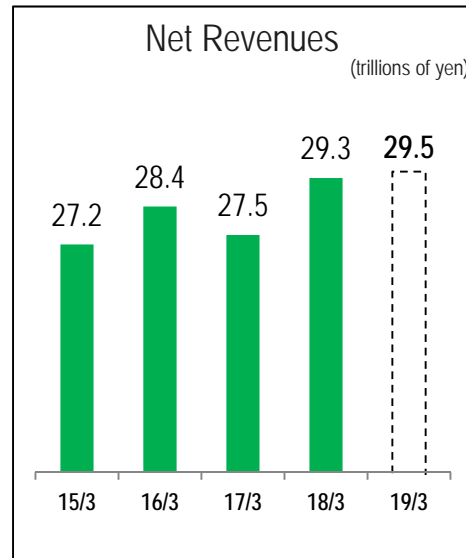
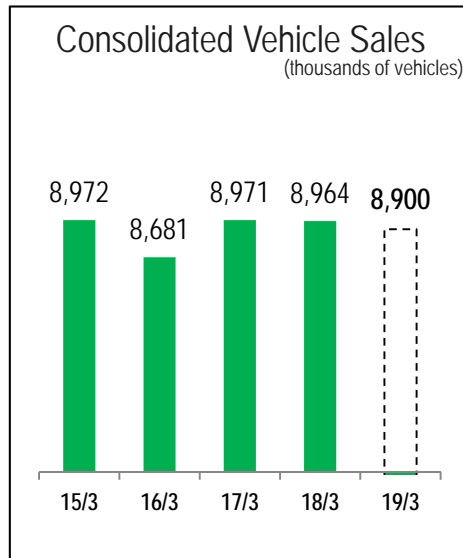
Operating Income*
91.8 billion yen (+22.9 billion yen year on year)



	'17/7-9	'18/7-9	Change
Operating Income	69.4	81.4	+12.0
Valuation Gains/Losses from Interest Rate Swaps, etc.	0.5	-10.3	-10.9
Operating Income Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.	68.8	91.8	+22.9

(Reference) Transition of Financial Performance

Forecast



*1 Cash and cash equivalents, time deposits, marketable debt securities and its investment in monetary trust funds, excluding in each case those relating to financial services

*2 Including dividends on first series Model AA class shares

(Reference)

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FY2019 Forecasts: Vehicle Production and Retail Sales

(thousands of vehicles)

			New Forecasts (^{'18/4-'19/3})	Previous Forecasts (^{'18/4-'19/3})	Change
T o y o t a & L e x u s	Vehicle Production ^{*1}	Japan	3,200	3,190	+10
		Overseas	5,700	5,710	-10
		Total	8,900	8,900	±0
	Retail Vehicle Sales ^{*2}	Japan	1,540	1,530	+10
		Overseas	7,960	7,970	-10
		Total	9,500	9,500	±0
	Exports		1,940	1,940	±0
Total Retail Vehicle Sales ^{*2} (Including Daihatsu- & Hino- brand)			10,500	10,500	±0

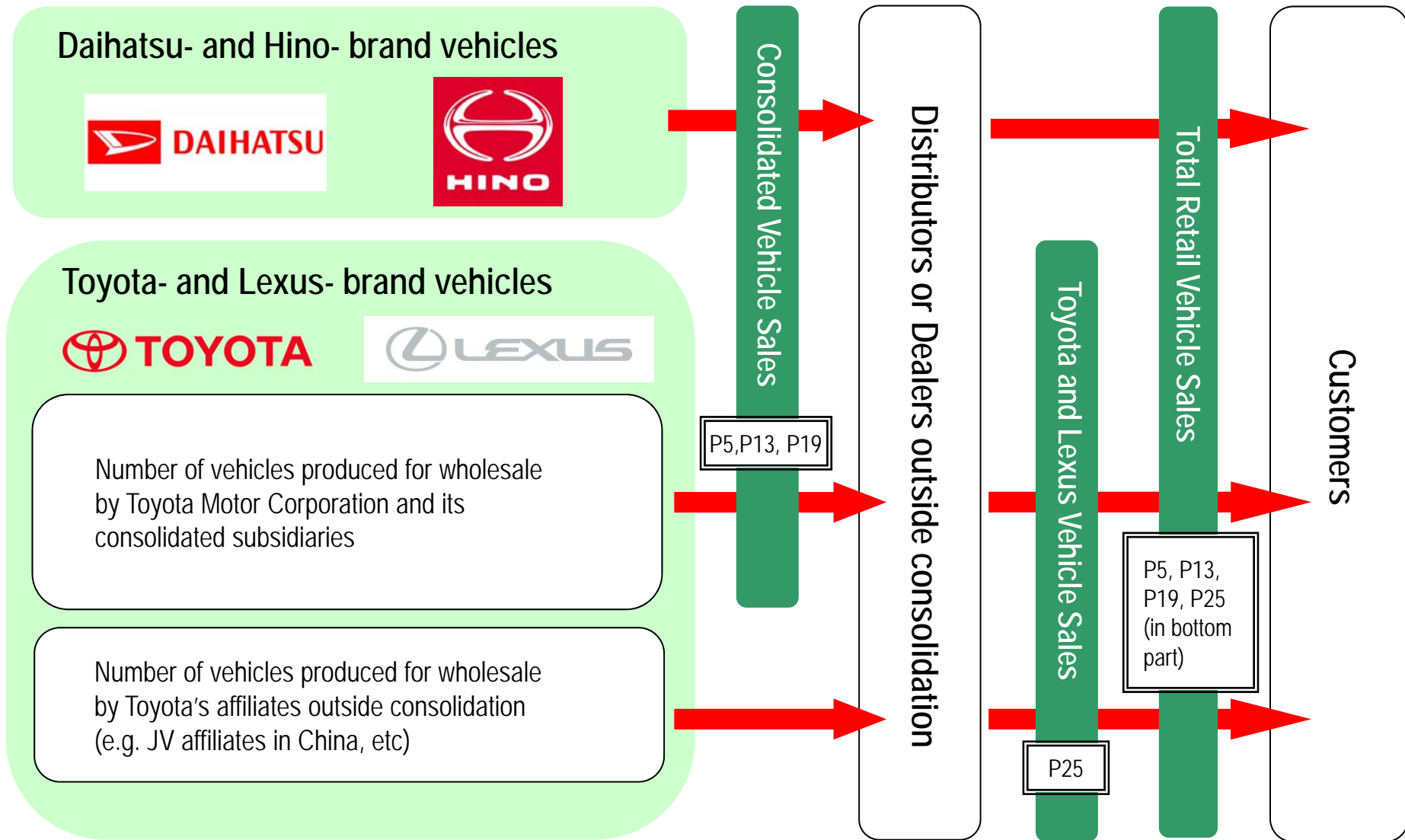
*1 Including vehicle production by Toyota's affiliates outside consolidation

*2 Including vehicle sales by Toyota's affiliates outside consolidation

(Reference)

Definitions of Consolidated and Retail Vehicle Sales

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*There is a limited number of exceptional cases where sales are made other than in accordance with the flowchart above.