

FY2020 Second Quarter Financial Results



Yaris

Toyota Motor Corporation
November 7, 2019

Cautionary Statement with Respect to Forward-Looking Statements and Caution concerning Insider Trading

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.

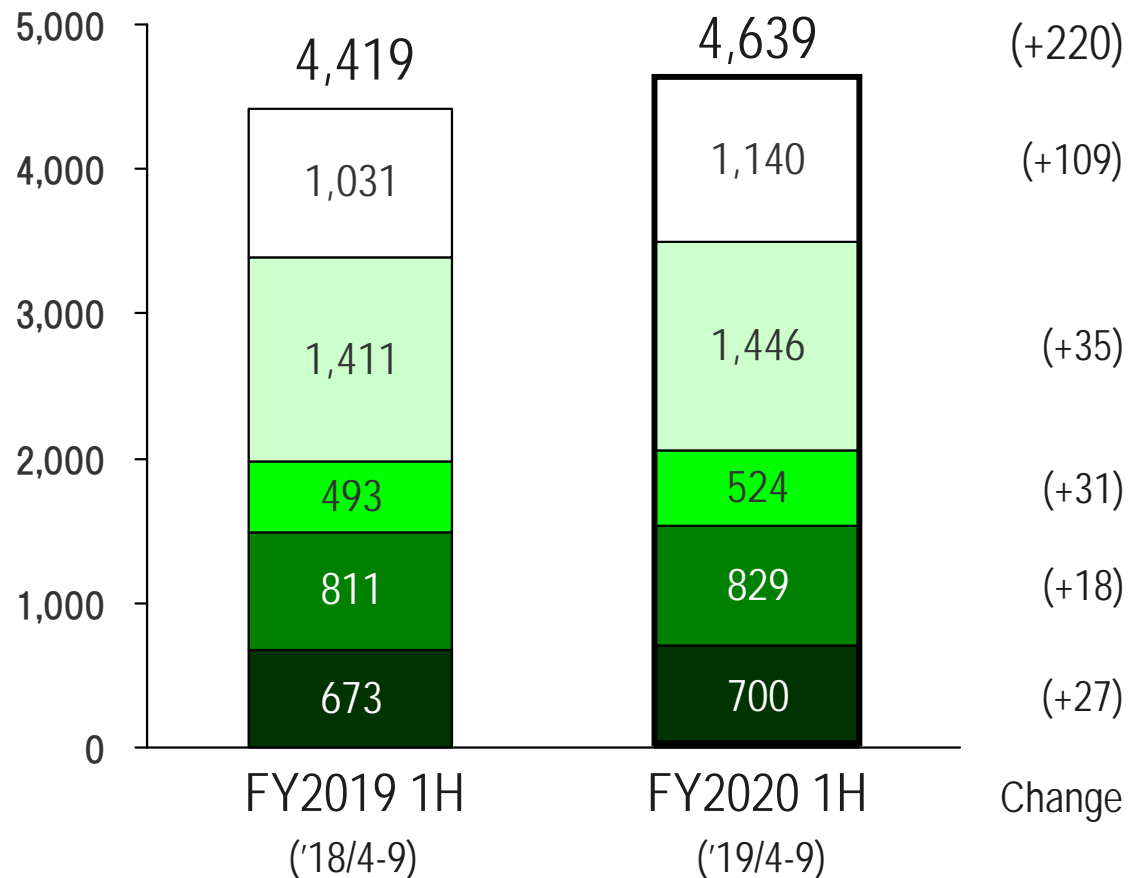
A discussion of these and other factors which may affect Toyota's actual results, performance, achievements or financial position is contained in Toyota's annual report on Form 20-F, which is on file with the United States Securities and Exchange Commission.

Caution concerning Insider Trading

Under Japanese securities laws and regulations (the "Regulations"), subject to certain exceptions, any person who receives certain material information relating to the business, etc. of Toyota which may be contained in this document is prohibited from trading in Toyota's shares or certain other transactions related to such shares (as set forth in the Regulations) until such material information is deemed to be made public. Under the Regulations, material information is deemed to be made public when (i) such material information is notified to a stock exchange and is disclosed by ways of electromagnetic means as prescribed by the ordinance of the Cabinet Office (posting on the TDnet (Timely Disclosure Network) information service) or (ii) twelve (12) hours have elapsed since a listed company, such as Toyota, disclosed such material information to at least two (2) media sources as prescribed by the Regulations.

Consolidated Vehicle Sales (FY2020 First Half)

(thousands of vehicles)



〈Reference〉

Total retail vehicle sales	5,293	5,454	+161
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Consolidated Financial Summary (FY2020 First Half)

(billions of yen)		FY2020 1H (¹⁹ /4-9)	FY2019 1H (¹⁸ /4-9)	Change
Net Revenues		15,285.5	14,674.0	+611.5
Operating Income		1,404.3	1,261.8	+142.4
Margin		9.2%	8.6%	
Other Income		179.1	286.9	-107.8
Income before Income Taxes		1,583.4	1,548.8	+34.6
Equity in Earnings of Affiliated Companies	*1	205.9	222.5	-16.6
Net Income	*2,3	1,274.9	1,242.3	+32.5
<Ref.>Excl. specified factors	*3	1,161.2	1,157.0	+4.2
Margin		8.3%	8.5%	
FOREX	US\$	109 yen	110 yen	-1 yen
Rates	€	121 yen	130 yen	-9 yen

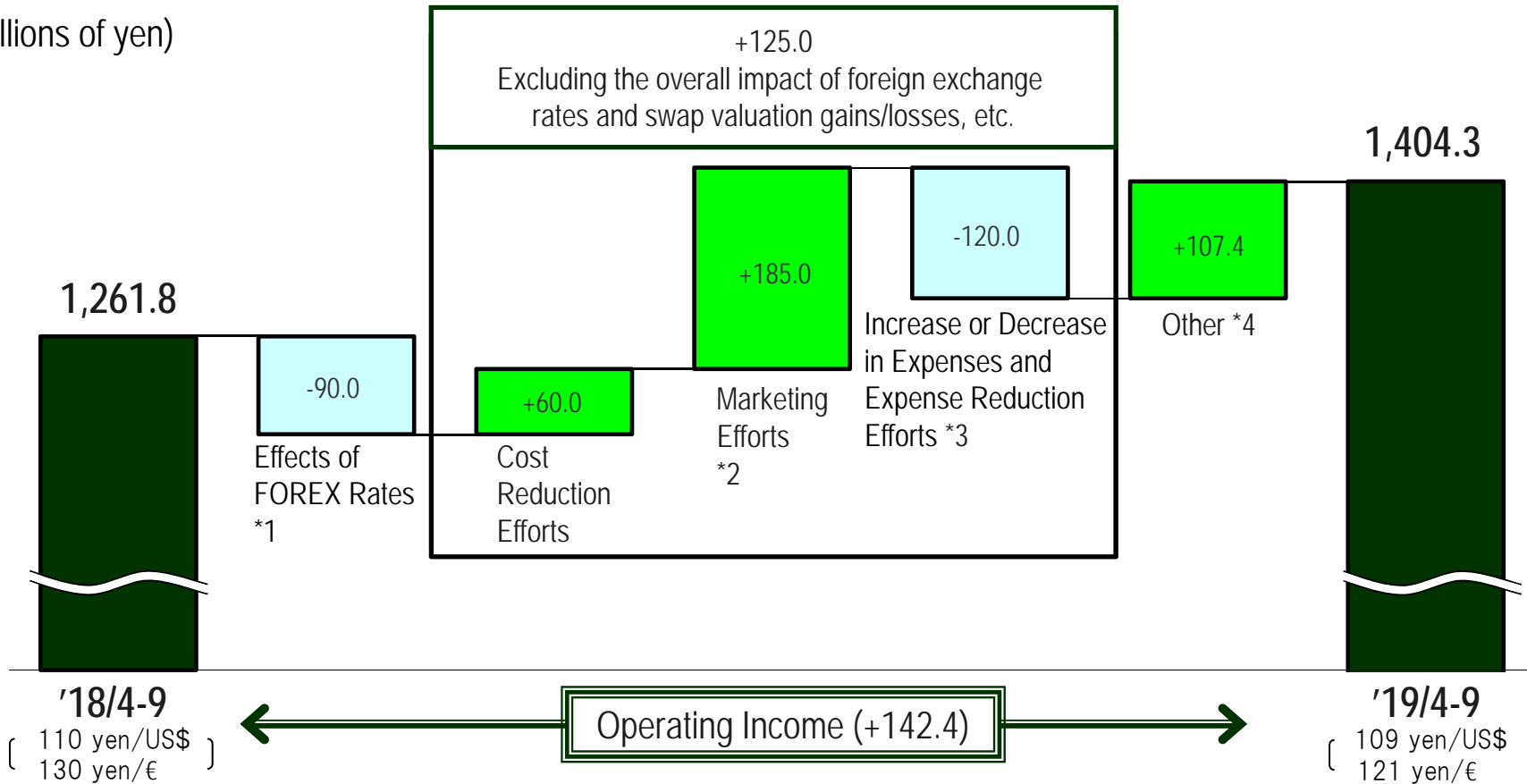
*1 Regarding Japan: 130.3 (-18.1 billion yen year on year), China: 61.5 (+3.5), Other: 14.1 (-2.0) [¹⁹/4-9]

*2 Net Income attributable to Toyota Motor Corporation

*3 Effects of unrealized gains/losses on equity securities on Net Income: 113.7 billion yen [¹⁹/4-9], 85.3 billion yen [¹⁸/4-9]

Analysis of Consolidated Operating Income (FY2020 First Half)

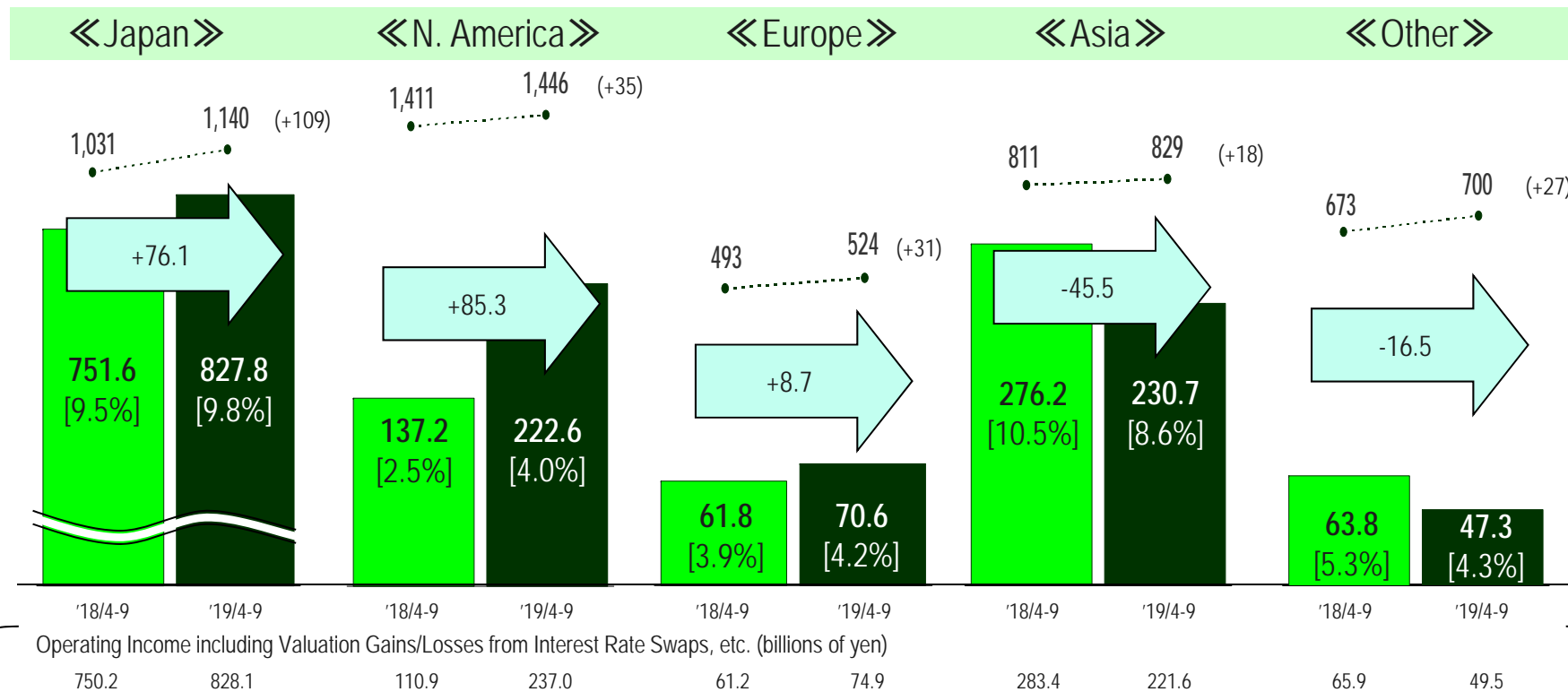
(billions of yen)



*1.Details		*2.Details		*3.Details		*4.Details	
Transactional (Imports/Exports)	-160.0	Translational FOREX impact concerning overseas subsidiaries	-20.0	Volume, Model Mix	+90.0	Labor Costs	-35.0
(US\$)	-40.0			Financial Services	+50.0	Depreciation	±0
(€)	-30.0	Other	+90.0	Other	+45.0	R&D Expenses	-60.0
Other	-90.0	(Translational FOREX impact of fiscal year-end balance of provisions in foreign currencies, etc.)		(Including price revision, etc.)		Expenses, etc.	-25.0
						Valuation Gains/Losses from Swaps, etc.	+26.8
						Change in depreciation method	+80.6

Geographic Operating Income (FY2020 First Half)

■ Operating Income (billions of yen) (Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.) []: margin -●- Consolidated Vehicle Sales (thousands of vehicles)

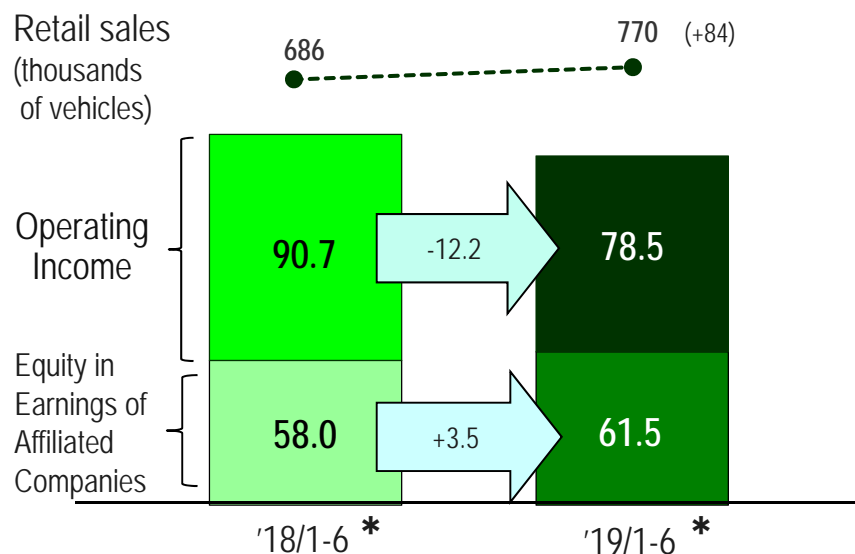


Japan	(+76.1 billion yen year on year)	Increased mainly as a result of marketing efforts
N. America	(+85.3 billion yen year on year)	Increased mainly as a result of marketing efforts and reduction in expenses
Europe	(+8.7 billion yen year on year)	Increased mainly as a result of marketing efforts
Asia	(-45.5 billion yen year on year)	Decreased mainly due to the effects of FOREX rates
Other	(-16.5 billion yen year on year)	Decreased mainly due to the effects of FOREX rates

China Business / Financial Services (FY2020 First Half)

«(Reference) China Business»

- Operating Income of Subsidiaries (billions of yen)
- Equity in Earnings of Affiliated Companies (billions of yen)

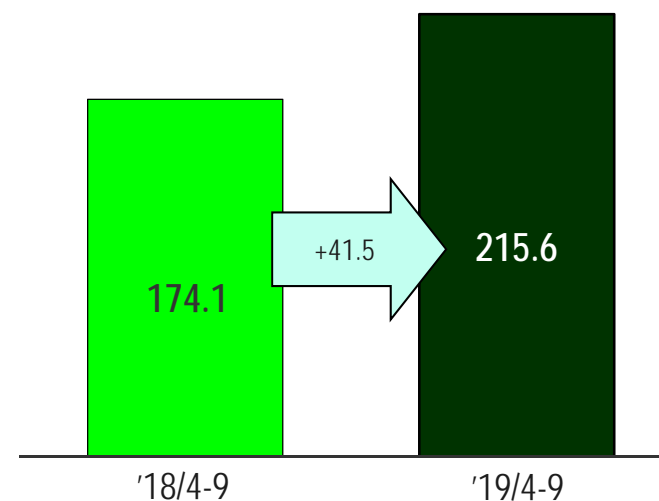


* Our subsidiaries and affiliates in China are December closing companies. The earnings from January to June of those companies are reflected in our consolidated financial statements for the first half.

- ◇ Operating Income (-12.2 billion yen year on year)
 - Decreased mainly due to the effects of FOREX rates
- ◇ Equity in Earnings of affiliated companies (+3.5 billion yen year on year)
 - Increased mainly as a result of marketing efforts

« Financial Services Operating Income »

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

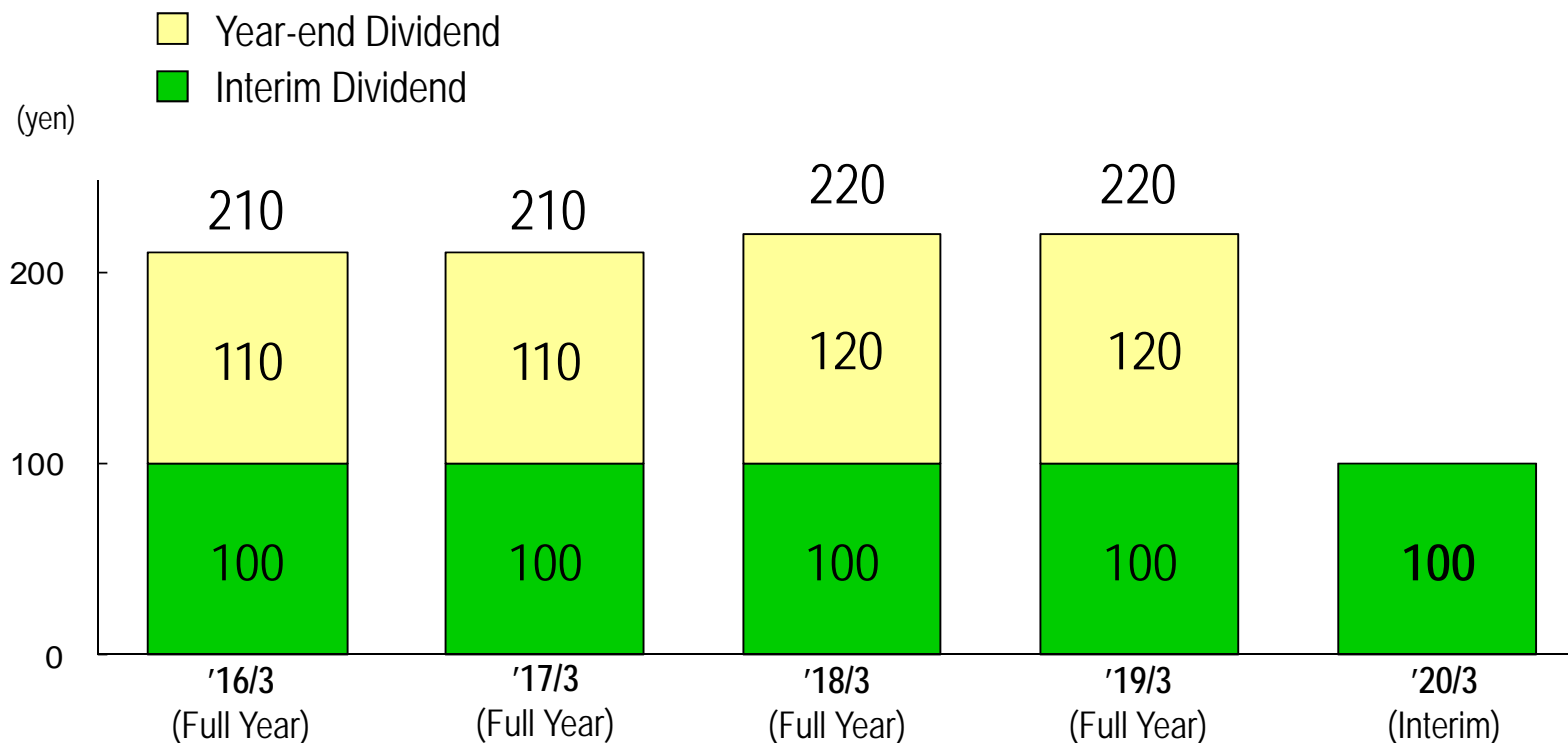


Operating Income including Valuation Gains/Losses from Interest Rate Swaps, etc. (billions of yen)

Period	Operating Income (billions of yen)
'18/4-9	154.9
'19/4-9	227.8

- ◇ Operating Income (+41.5 billion yen year on year)
 - Operating income increased mainly as a result of an increase in the lending balance and a decrease in costs related to residual-value losses.

Shareholder Return : Dividends



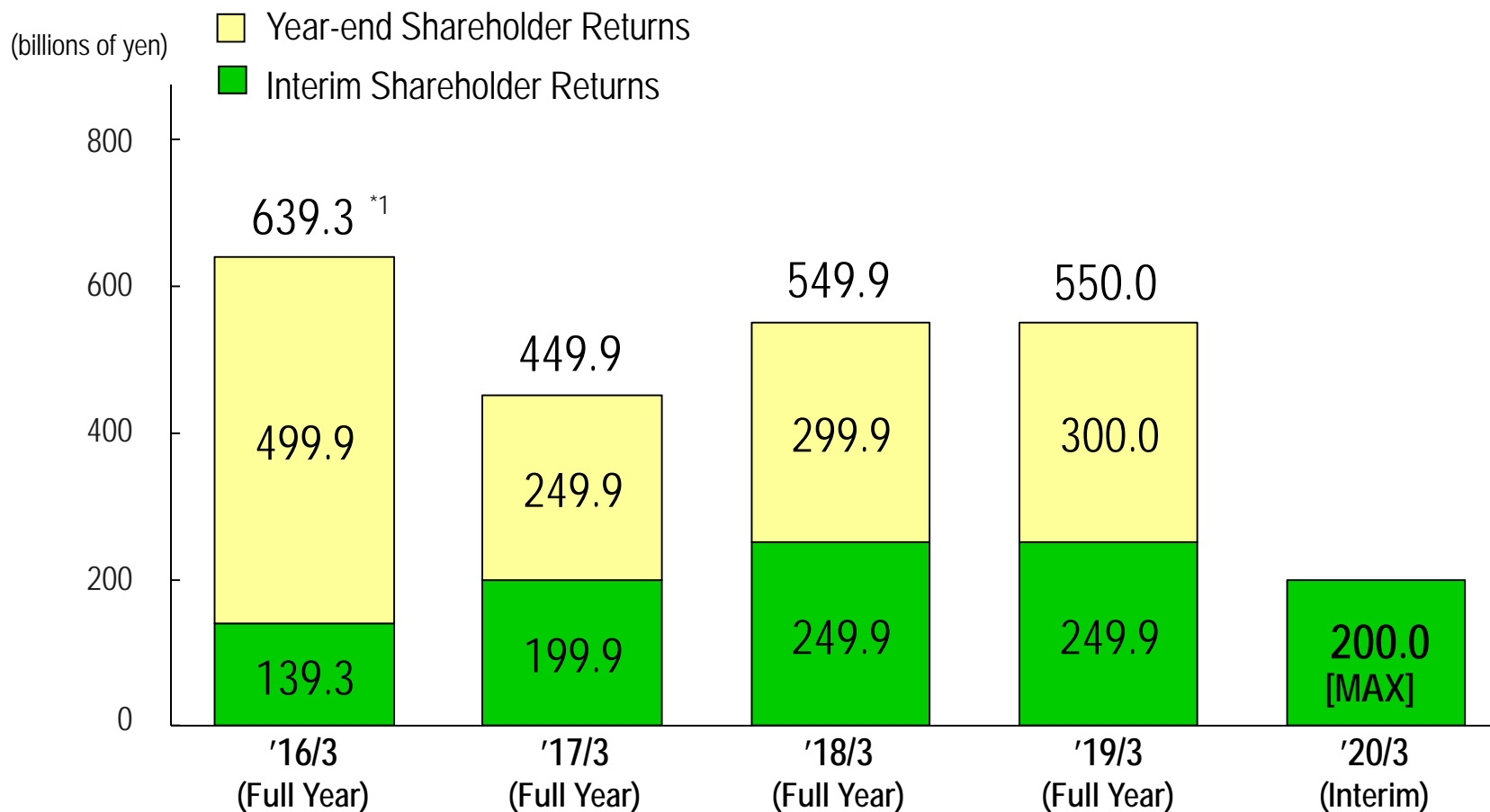
Total Amount of Dividends (billions of yen)	645.5	627.5	642.6	626.8	278.9 ^{*1}
Interim Payout Ratio ^{*2}	25.0%	32.1%	27.8%	23.4%	22.2%
Full year ^{*3} Payout Ratio	28.3%	34.6%	26.1%	33.8%	Not yet determined

*1 Figure is for the interim period.

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

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

Shareholder Return : Share Repurchase



Total Shareholder Return *2 (billions of yen)	1,287.2	1,082.4	1,200.1	1,186.8	485.1 ^{*3} [MAX]
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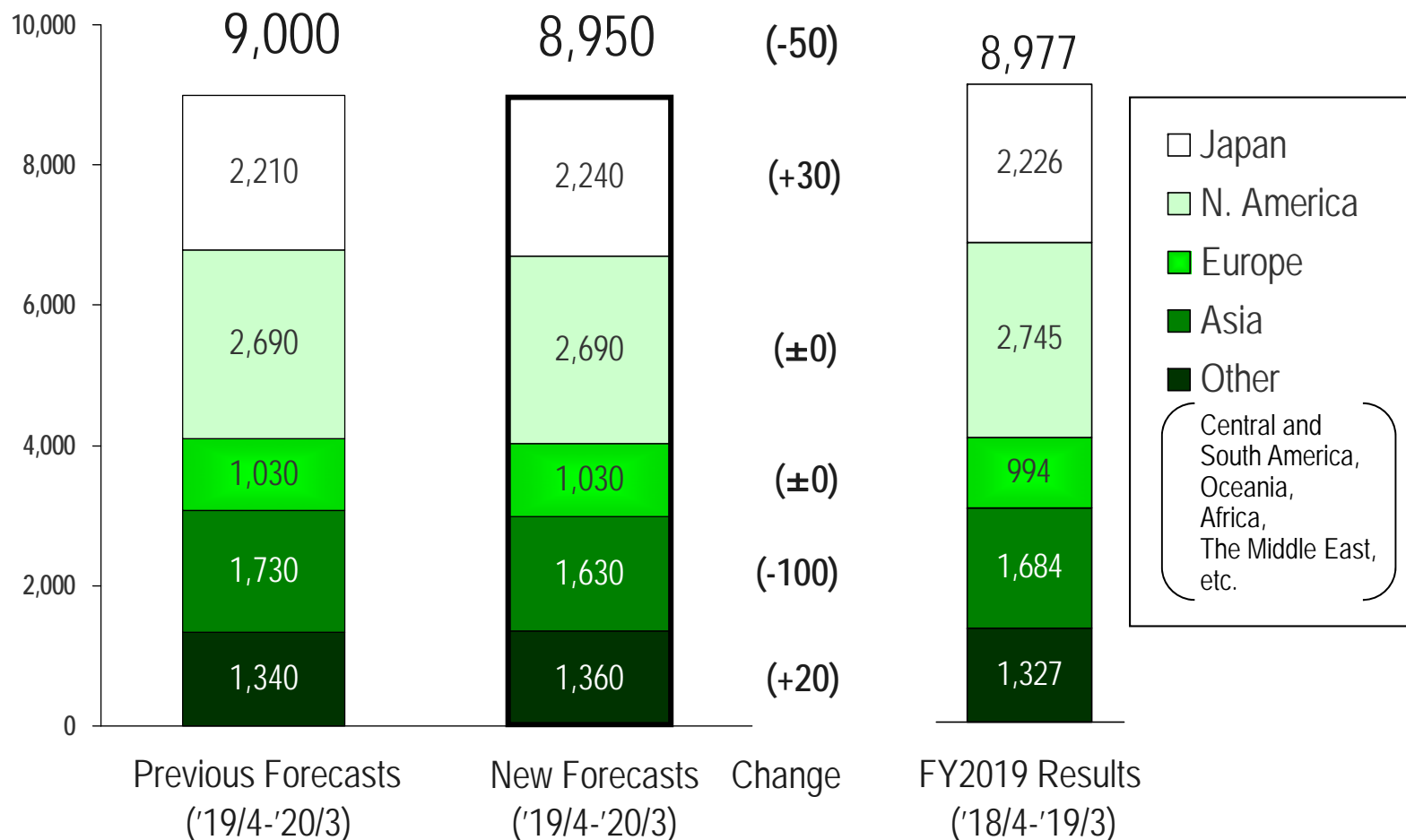
*1 Excluding 349.9 billion yen avoid dilution by issuance of first series Model AA class shares

*2 Including dividends on first series Model AA class shares

*3 Figure is for the interim period

FY2020 Forecasts: Consolidated Vehicle Sales

(thousands of vehicles)



⟨Reference⟩

Total retail vehicle sales	10,730	10,700	-30	10,603
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FY2020 Forecasts: Consolidated Financial Summary

(billions of yen)

		New Forecasts (‘19/4-‘20/3)	Previous Forecasts (‘19/4-‘20/3)	Change	FY2019 Results (‘18/4-‘19/3)
Net Revenues		29,500.0	29,500.0	±0	30,225.6
Operating Income		2,400.0	2,400.0	±0	2,467.5
Margin		8.1%	8.1%		8.2%
Income before Income Taxes		2,630.0	2,560.0	+70.0	2,285.4
Equity in Earnings of Affiliated Companies		370.0	400.0	-30.0	360.0
Net Income	*1,2	2,150.0	2,150.0	±0	1,882.8
<Ref.>Excl. specified factors	*2	2,036.3	2,084.4	-48.1	2,176.5
Margin		7.3%	7.3%		6.2%
FOREX	US\$ *3	107 yen	106 yen	+1 yen	111 yen
Rates	€ *3	118 yen	121 yen	-3 yen	128 yen

*1 Net Income attributable to Toyota Motor Corporation

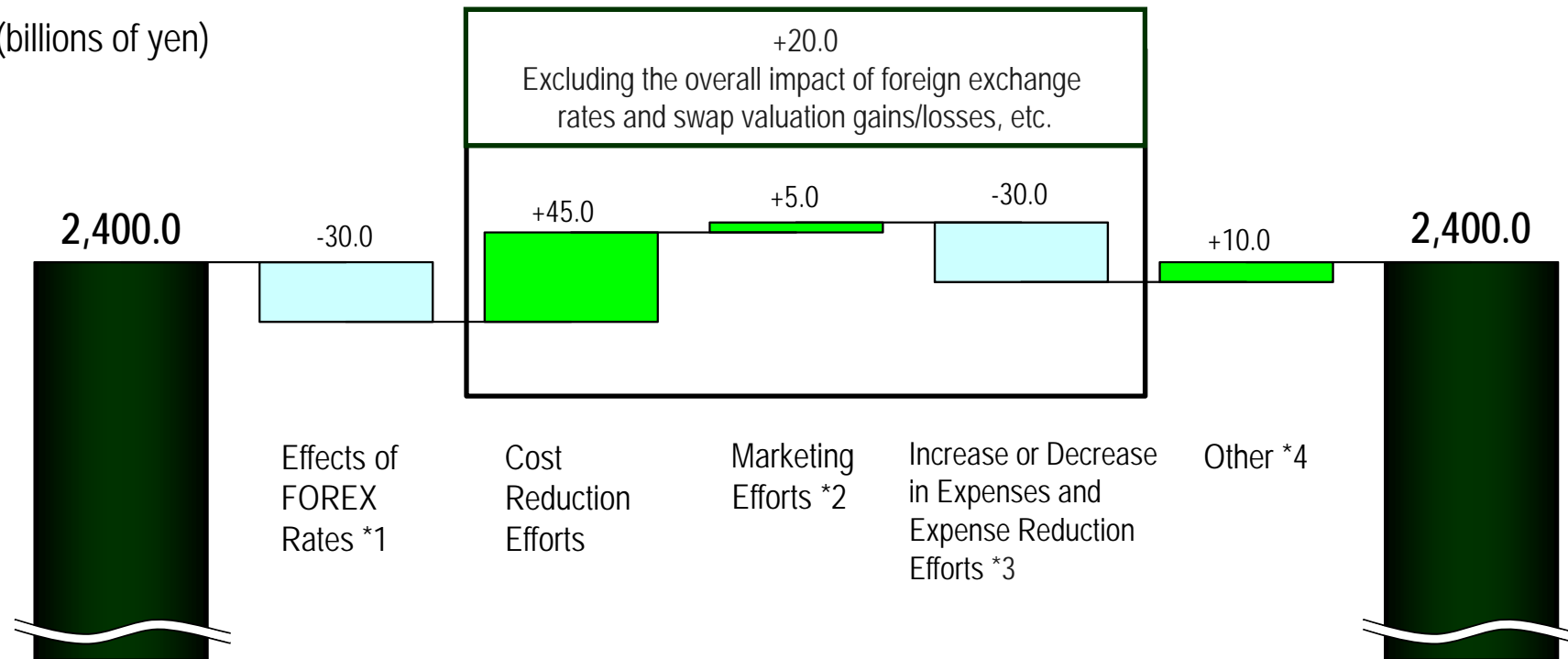
*2 Effects of unrealized gains/losses on equity securities on Net Income: 113.7 billion yen [New Forecasts],
65.6 billion yen [Previous Forecasts]

*3 FOREX Rate performance: 109 yen against the U.S. dollar and 121 yen against the Euro from April 2019 to September 2019
FOREX Rate assumptions: 105 yen against the U.S. dollar and 115 yen against the Euro from October 2019 to March 2020

Analysis of FY2020 Forecasts: Consolidated Operating Income (vs. Previous Forecasts)



(billions of yen)



FY2020 Previous Forecasts

{ 106 yen/US\$
121 yen/€ }

Operating Income (±0)

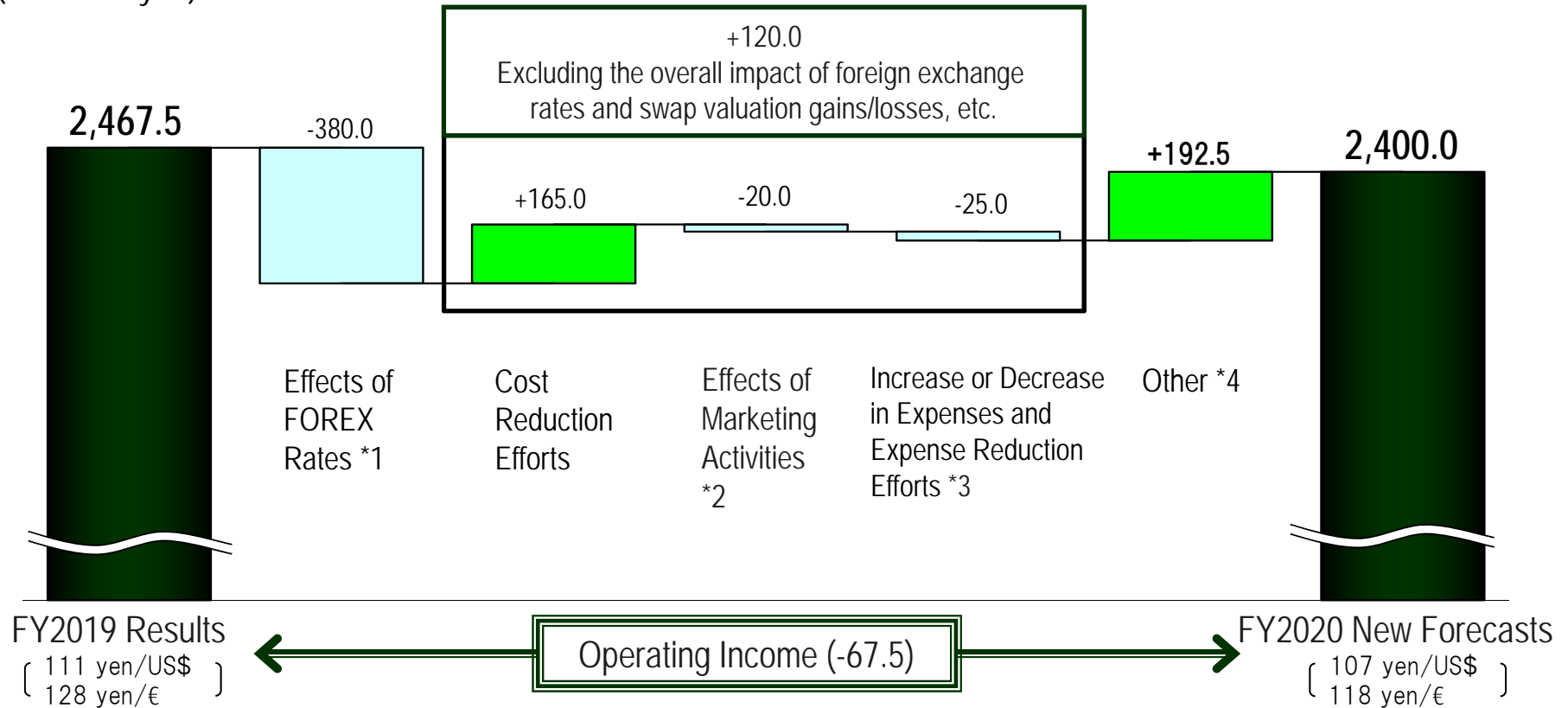
FY2020 New Forecasts

{ 107 yen/US\$
118 yen/€ }

*1. Details		*2. Details		*3. Details		*4. Details	
Transactional (Imports & Exports)	-35.0	Translational FOREX impact concerning overseas subsidiaries	-5.0	Volume, Model Mix	-45.0	Labor Costs	-5.0
US\$	+20.0	Other	+10.0	Financial Services	+30.0	Depreciation	±0
€	-20.0	(Translational FOREX impact of fiscal year-end balance of provisions in foreign currencies, etc.)		Other	+20.0	R&D Expenses	±0
Other	-35.0			(Including sales costs, etc.)		Expenses, etc.	-25.0
						Valuation Gains/Losses from Swaps, etc.	+10.0
						Change in depreciation method	±0

Analysis of FY2020 Forecasts: Consolidated Operating Income **TOYOTA** (vs. FY2019 Results)

(billions of yen)



*1. Details		*2. Details		*3. Details		*4. Details	
Transactional (Imports & Exports)	-410.0	Translational FOREX impact concerning overseas subsidiaries	-55.0	Volume, Model Mix	-125.0	Labor Costs	-75.0
US\$	-185.0	Other	+85.0	Financial Services	+35.0	Depreciation	-45.0
€	-70.0	(Translational FOREX impact of fiscal year-end balance of provisions in foreign currencies, etc.)		Other (Including price revision, etc.)	+70.0	R&D Expenses	-50.0
Other	-155.0					Expenses, etc.	+145.0
						Valuation Gains/Losses from Swaps, etc.	+27.5
						Change in depreciation method	+165.0

Activities for Enhancement of Competitiveness



Entered into capital alliance agreement with Suzuki



Announced Injecting \$391 million new investment in the San Antonio assembly plant



Unveiled "MIRAI Concept"

August

September

October



Rolled out completely redesigned Corolla and Corolla Touring



Agreed with Subaru on new business and capital alliance



Tokyo Motor Show 2019

<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 *3 Including effects of change in depreciation method : -165.0 billion yen ('20/3)

〈Reference〉

TOYOTA

FY2020 Forecasts: Vehicle Production and Retail Sales

(thousands of vehicles)

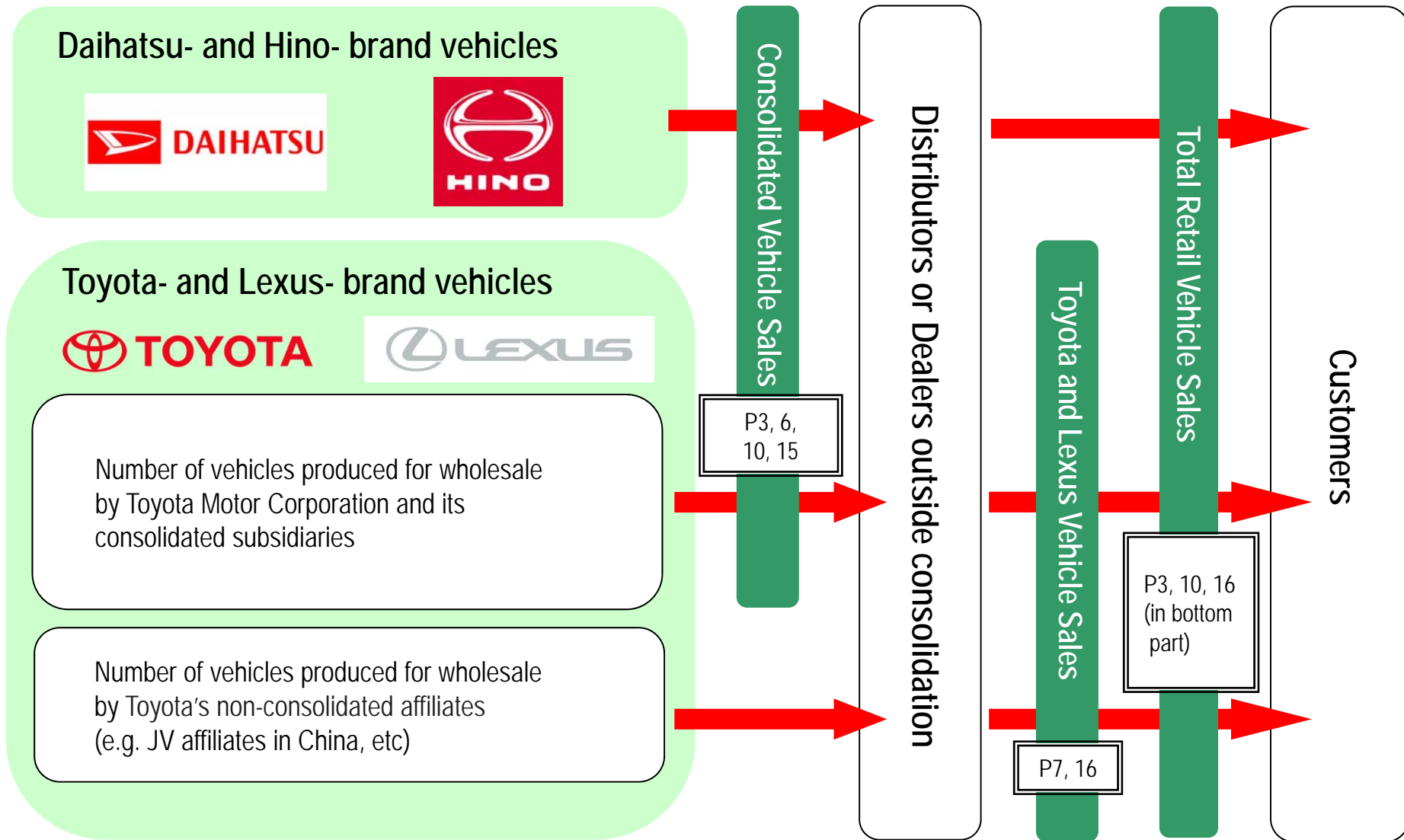
			New Forecasts (^{'19/4-'20/3})	Previous Forecasts (^{'19/4-'20/3})	Change
T o y o t a & L e x u s	Vehicle Production *1	Japan	3,330	3,330	±0
		Overseas	5,670	5,710	-40
		Total	9,000	9,040	-40
	Retail Vehicle Sales *2	Japan	1,580	1,540	+40
		Overseas	8,100	8,140	-40
		Total	9,680	9,680	±0
	Export		2,010	2,040	-30
Total Retail Vehicle Sales*2 (Including Daihatsu- & Hino- brand)			10,700	10,730	-30

*1 Including vehicle production by Toyota's non-consolidated affiliates

*2 Including vehicle sales by Toyota's non-consolidated affiliates

〈Reference〉

Definitions of Consolidated and Retail Vehicle Sales



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