



FY2021 First Quarter Financial Results

Toyota Motor Corporation
August 6, 2020

First and foremost, we would like to convey our deepest condolences to those who have lost loved ones to COVID-19 and wish all those who have been affected by the virus a speedy recovery.

We also wish to extend our sincere gratitude to the healthcare professionals and officials who are on the front lines for their tireless work.

We also would like to express our heartfelt appreciation to our customers around the world who chose us as well as our shareholders, dealers and suppliers who support us.

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 as well as the outbreak and spread of epidemics, 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

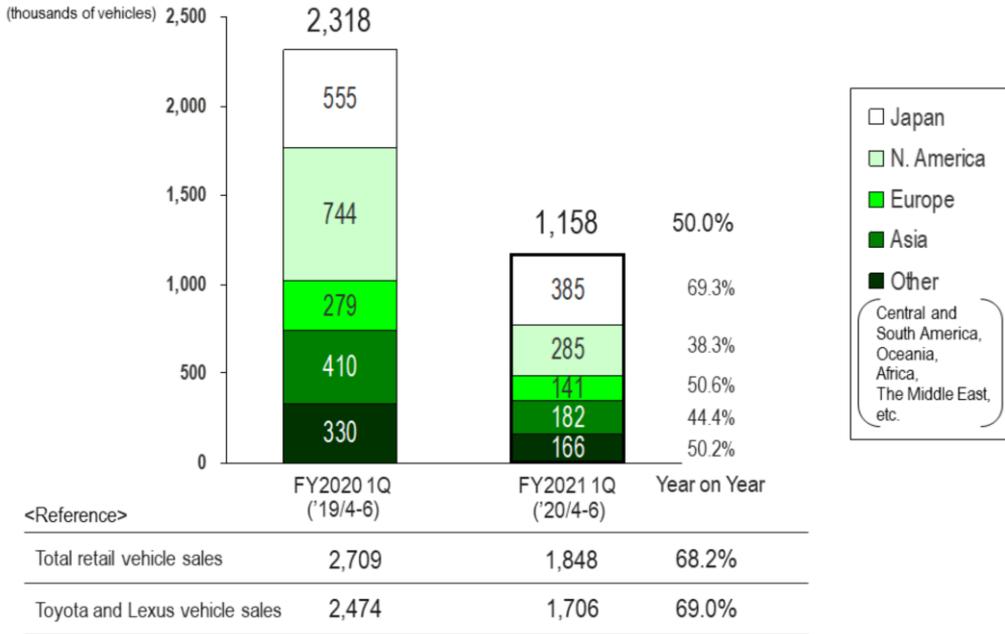
Under Japanese securities laws and regulations (the "Regulations"), subject to certain exceptions, any person who receives certain material information relating to the business, etc. of Toyota which may be contained in this document is prohibited from trading in Toyota's shares or certain other transactions 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.

FY2021 First Quarter Financial Performance**FY2021 Financial Forecasts**

Toyota Motor Corporation voluntarily adopted International Financial Reporting Standards (IFRS) from the first quarter of the fiscal year ending March 2021. Therefore, the contents from the next page are described based on IFRS.

Please note that we have adopted IFRS beginning from the first quarter of the fiscal year ending March 2021. Therefore, the consolidated financial results and forecasts in this presentation are calculated in accordance with IFRS.

Consolidated Vehicle Sales



Consolidated vehicle sales for the first quarter ended June 2020 was at 1 million 158 thousand units, which was 50% of such sales for the first quarter of the previous fiscal year.

This was a result of decreased sales in all regions due to the spread of COVID-19.

Toyota and Lexus vehicle sales was at 1 million 706 thousand units, which was 69% of such sales for the first quarter of the previous fiscal year.

It has exceeded our assumption as of May in which we have expected it to be approximately 60% of the first quarter of the previous fiscal year.

Consolidated Financial Summary

TOYOTA

(billions of yen)

	FY2021 1Q (*20/4-6)	FY2020 1Q (*19/4-6)	Change
Sales Revenues	4,600.7	7,721.2	-3,120.4
Operating Income	13.9	740.6	-726.6
Margin	0.3%	9.6%	
Other Income	104.3	110.3	-6.0
Share of Profit (Loss) of Investments Accounted for Using the Equity Method *1	-12.5	104.7	-117.3
Income before Income Taxes	118.2	850.9	-732.7
Net Income Attributable to Toyota Motor Corporation	158.8	619.1	-460.2
Margin	3.5%	8.0%	
FOREX Rates			
US\$	108 yen	110 yen	-2 yen
€	119 yen	123 yen	-4 yen

*1 Regarding Japan: -57.0 (-122.7 billion yen year on year), China: 41.2 (+9.5), Other: 3.3 (-4.1)(*20/4-6)

5

Consolidated financial results for the first quarter of this fiscal year were:

Sales revenues of 4 trillion 600.7 billion yen,

Operating income of 13.9 billion yen,

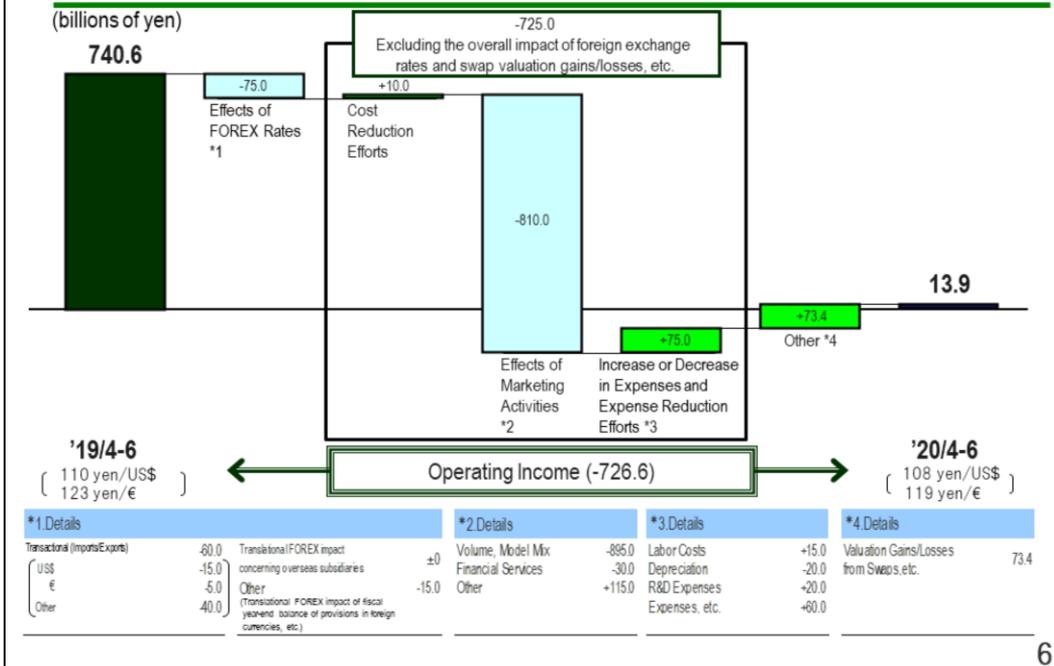
Pre-tax income of 118.2 billion yen

and

Net income of 158.8 billion yen.

We succeeded in securing operating income despite a drastic decline in vehicle sales.

Analysis of Consolidated Operating Income



Regarding the factors that impacted operating income year on year:

First, the effects of foreign exchange rates decreased operating income by 75 billion yen.

Second, cost reduction efforts increased operating income by 10 billion yen.

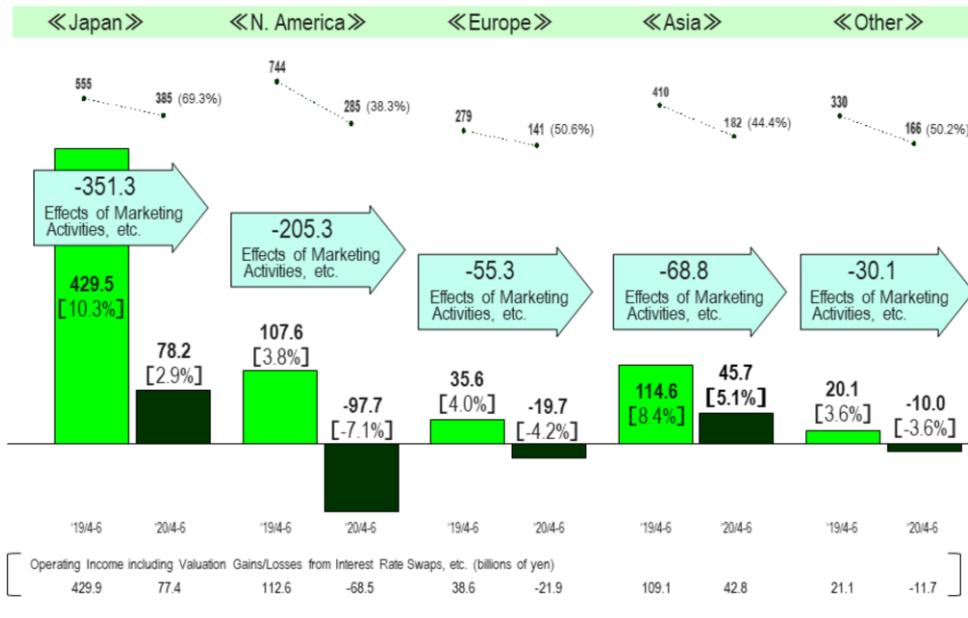
Third, the effects of marketing activities decreased operating income by 810 billion yen, largely due to the decrease in sales volume caused by the spread of COVID-19.

Finally, a reduction in expenses increased operating income by 75 billion yen.

As a result, excluding the overall impact of foreign exchange rates, swap valuation gains and losses and other factors, operating income decreased by 725 billion yen year on year.

Geographic Operating Income

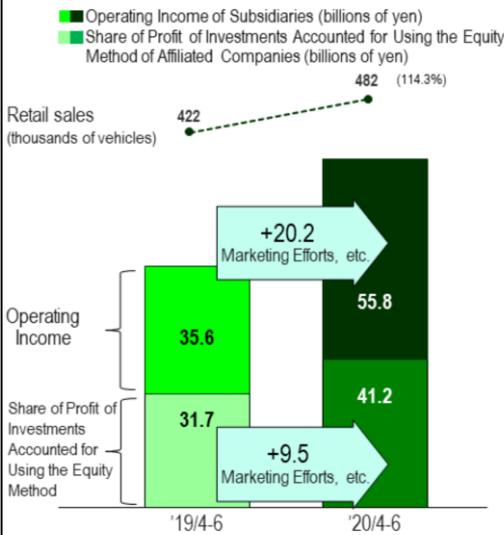
■ Operating Income (billions of yen) [] : margin -●- Consolidated Vehicle Sales (thousands of vehicles)
 (Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.)



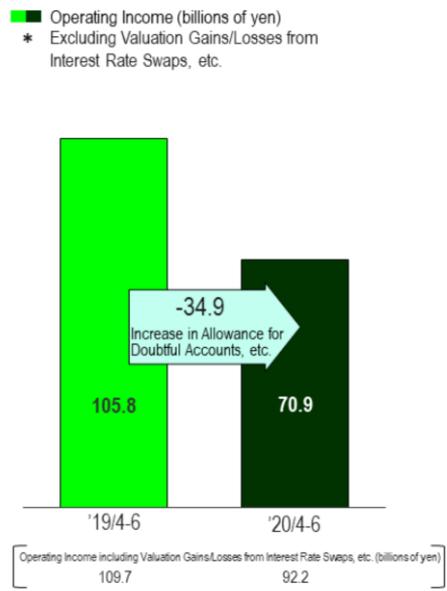
As for operating income for each region, operating income decreased year on year in all regions largely due to the decrease in sales volume caused by the spread of COVID-19.

China Business / Financial Services

« (Reference) China Business »



« Financial Services Operating Income »



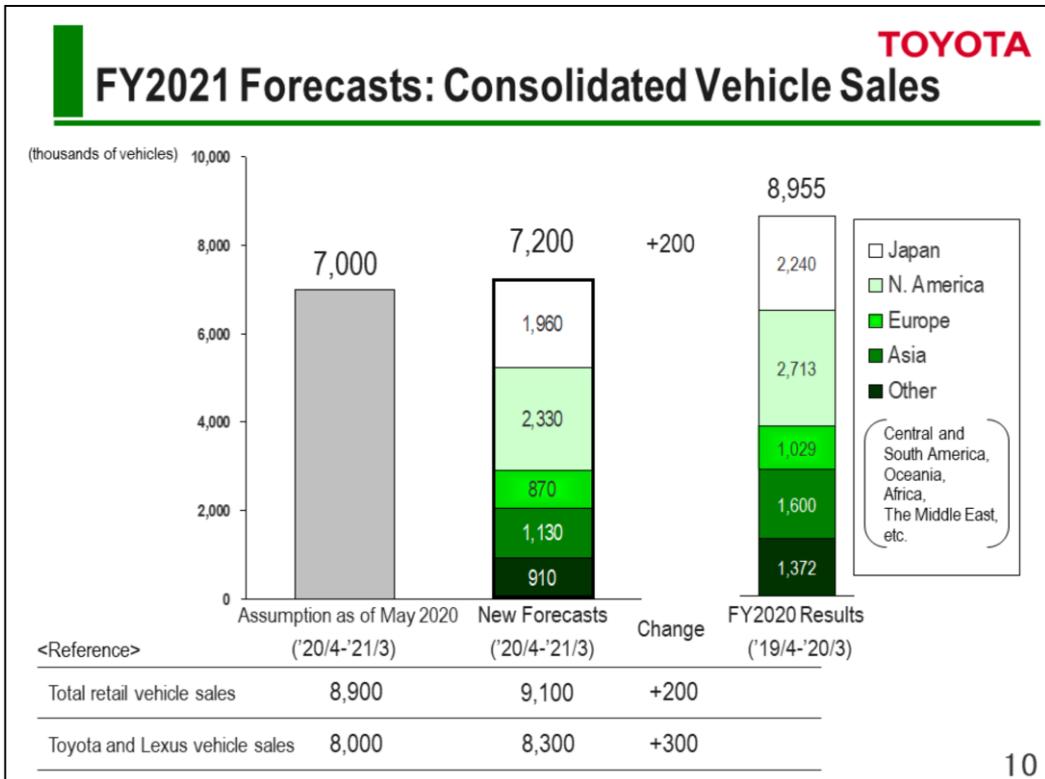
As for our China business, operating income of consolidated subsidiaries increased by 20.2 billion yen year on year to 55.8 billion yen thanks largely to marketing efforts.

Our share of profit of investments accounted for using the equity method was up 9.5 billion yen year on year to 41.2 billion yen thanks largely to marketing efforts.

Regarding Financial Services, operating income excluding swap valuation gains and losses for the fiscal year was down 34.9 billion yen year on year to 70.9 billion yen. This was mainly due to an increase in allowance for doubtful accounts.

FY2021 First Quarter Financial Performance

FY2021 Financial Forecasts



Now, let us move on to discuss the outlook for the full fiscal year ending March 2021.

With regard to our consolidated vehicle sales, we have increased our forecast compared to our assumption as of May by 200 thousand units to 7.2 million units.

Regional sales breakdown is as stated in the presentation.

As for Toyota and Lexus vehicle sales, we anticipate that vehicle sales will increase by 300 thousand units compared to our assumption as of May to 8.3 million units.

Regarding the recovery of Toyota and Lexus vehicle sales, we have assumed that sales will gradually recover to previous year levels, starting from approximately 85% in July to September, approximately 95% in October to December and approximately 105% in January to March 2021.

FY2021 Forecasts: Consolidated Financial Summary

(billions of yen)

		New Forecasts (20/4-21/3)	Previous Forecasts (20/4-21/3)	Change	FY2020 Results (19/4-20/3)
Sales Revenues		24,000.0	24,000.0	±0	29,866.5
Operating Income		500.0	500.0	±0	2,399.2
Margin		2.1%	2.1%		8.0%
Other Income		390.0	To be determined	-	393.7
Share of Profit of Investments Accounted for Using the Equity Method		200.0		-	310.2
Income before Income Taxes		890.0		-	2,792.9
Net Income Attributable to Toyota Motor Corporation		730.0		-	2,036.1
Margin		3.0%			6.8%
FOREX	US\$	105 yen	105 yen	±0 yen	109 yen
Rates	€	115 yen	115 yen	±0 yen	121 yen

11

Regarding the full-year consolidated financial performance, we have left unchanged our forecasts of sales revenues and operating income that were announced in May 2020. While we expect an increase in consolidated vehicle sales, we have left those forecasts unchanged given, for example, the possibility that the business environment will change significantly depending on such factors as the future spread of COVID-19 and the state of its containment.

We anticipate pre-tax income of 890.0 billion yen and net income of 730.0 billion yen.

While strengthening TPS and refining costs at all levels, we remain committed to thoroughly reshaping ourselves into a mobility company and to continue to steadily sow seeds for the future despite the uncertainty.

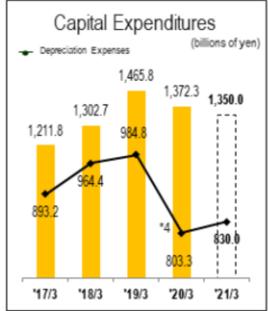
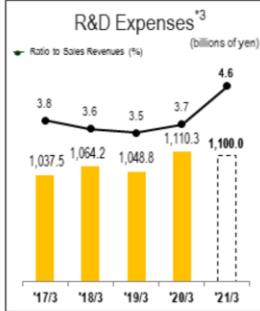
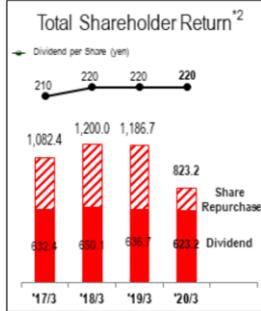
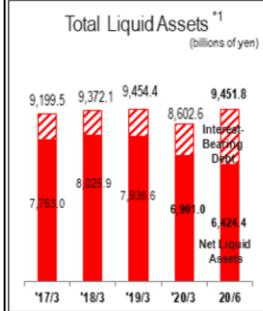
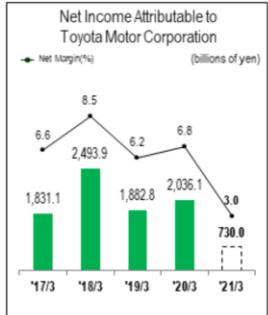
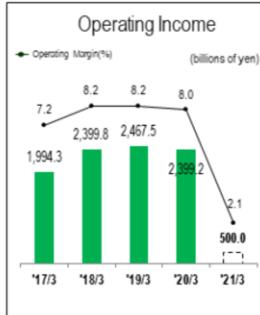
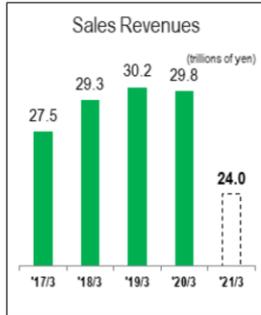
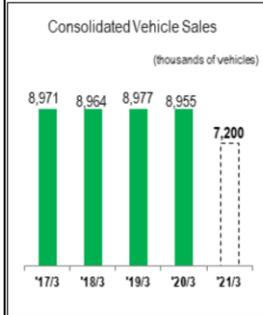
(Reference)

Transition of Financial Performance

'17/3 - '19/3: US GAAP
'20/3 - '21/3: IFRS



Forecast



*1 Cash and cash equivalents, time deposits, public and corporate bonds 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 R&D activity related expenditures incurred during the reporting period

*4 Change in depreciation method from '20/3

〈Reference〉

TOYOTA

FY2021 Forecasts: Vehicle Production and Retail Sales

(thousands of vehicles)

			New Forecasts ('20/4-'21/3)	Assumption as of May 2020 ('20/4-'21/3)	Change	FY2020 Results ('19/4-'20/3)	
T o y o t a & L e x u s	Vehicle Production *1	Japan	2,800	To be determined	-	3,304	
		Overseas	5,200		-	5,437	
		Total	8,000		-	8,741	
	Retail Vehicle Sales *2	Japan	1,380	8,000	-	1,587	
		Overseas	6,920		-	7,879	
		Total	8,300		+300	9,466	
	Total Retail Vehicle Sales*2 (Including Daihatsu- & Hino- brand)			9,100	8,900	+200	10,457

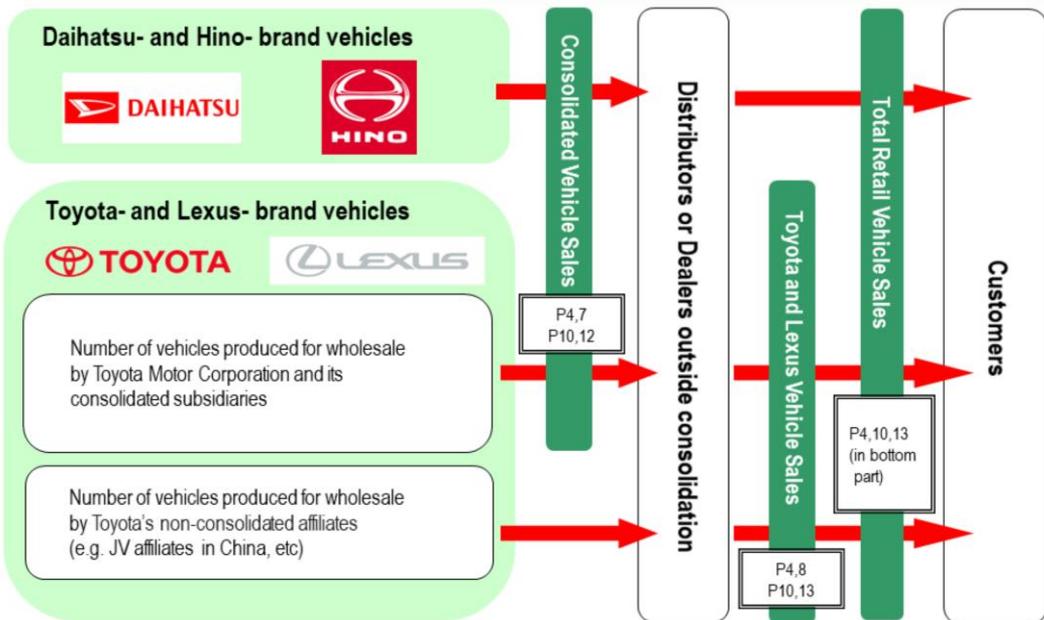
*1 Including vehicle production by Toyota's non-consolidated affiliates

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

(Reference)

TOYOTA

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.