



# FY2024 First Quarter Financial Results

Vellfire

Toyota Motor Corporation  
August 1, 2023

We 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 **TOYOTA** 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 Canadian dollar and the British pound), stock prices and interest rates; (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, as well as information security; (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; (xiv) the impact of natural calamities, epidemics, political and economic instability, fuel shortages or interruptions in social infrastructure, wars, terrorism and labor strikes, including their negative effect on Toyota's vehicle production and sales; (xv) the impact of climate change and the transition towards a low-carbon economy; and (xvi) the ability of Toyota to hire or retain sufficient human resources.

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.

**FY2024 First Quarter Results : Operating income 1 trillion 120.9 billion yen**

- **The sales volume increased in all regions due to productivity improvement efforts promoted with suppliers**, in addition to **an improvement in the supply and demand situation for semiconductors**, which continued for a while.  
On the other hand, many customers are still waiting for delivery of their cars, especially new models, for a long time, so we are working to deliver them as soon as possible.
- **As a result of selling each car meticulously at prices that match the product appeal refined through Toyota's long-standing "making ever-better cars" initiative, operating income increased which helped reduce the impact of the sharp rise in materials prices.**
- We faced many challenges, including those posed by COVID-19 and production restrictions due to tight semiconductor supplies, **but the results showed the efforts of each frontline employee, including those of our suppliers and dealers, each recognized what they needed to do and acted accordingly, and a management structure and profit structure that was built to be resilient to crises.**
- **We will continue to promote various activities to "change the future of cars"** by promoting both carbon neutral initiatives and improvement of our profit structure.

First, let me provide a summary of the first quarter of the fiscal year ending March 2024.

Our sales volume increased in all regions due to productivity improvement efforts promoted with suppliers, in addition to an improvement in the supply and demand situation for semiconductors, which continued for a while.

On the other hand, many customers are still waiting for delivery of their cars, especially new models, for a long time, so we are working with suppliers and dealers to deliver them as soon as possible.

As a result of selling each car meticulously at prices that match the product appeal refined through Toyota's long-standing "making ever-better cars" initiative, operating income increased which helped reduce the impact of the sharp rise in materials prices.

Which was results showed by the efforts of each frontline employee, including those of our suppliers and dealers, each recognized what they needed to do and acted accordingly, and a management structure and profit structure that was built to be resilient to crises, while facing many challenges including those posed by COVID-19 and production restrictions due to tight semiconductor supplies.

We are keeping in place our previously announced full-year forecast.

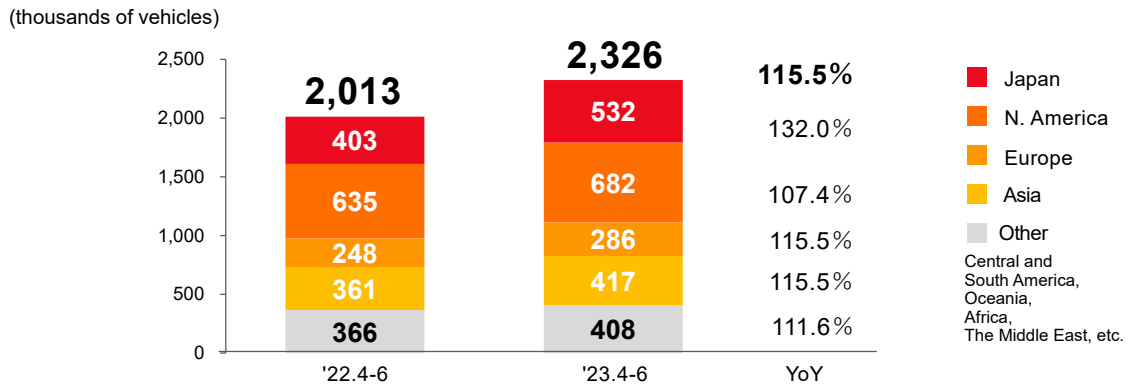
We will continue to promote various activities to "change the future of cars" by promoting both carbon neutral initiatives and improvement of our profit structure.

# **FY2024 First Quarter Financial Performance**

Let me explain the summary of our performances for this quarter.

## Consolidated Vehicle Sales

TOYOTA



Reference (retail)			
Toyota and Lexus Vehicle Sales	2,342	2,538	108.4%
Electrified Vehicle [%]	668 [28.5%]	868 [34.2%]	129.9%
HEV	640	807	126.1%
PHEV	23	31	136.6%
BEV	4	29	622.5%
FCEV	1	1	152.9%
<b>Total Retail Vehicle Sales</b>	<b>2,544</b>	<b>2,751</b>	<b>108.1%</b>

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Consolidated vehicle sales for the period was at 2 million 326 thousand units, which was 115.5% of consolidated vehicle sales for the same period of the previous fiscal year.

Toyota and Lexus vehicle sales was at 2 million 538 thousand units, which was 108.4% of such sales for the same period of the previous fiscal year.

In addition to an improvement in our ability to manage supply and demand for semiconductors, each employee involved in development, production, and sales has thought for oneself and taken initiative, and as a result, production volume and vehicle sales in all regions increased.

The sales of electrified vehicles also increased steadily in the process, mainly in HEVs, with electrified vehicles constituting 34.2% of total sales.

We will continue to provide electrified vehicles through multi-pathway solutions in accordance with different energy policies, infrastructure situations, and customer needs in each region.

## Consolidated Financial Summary

TOYOTA

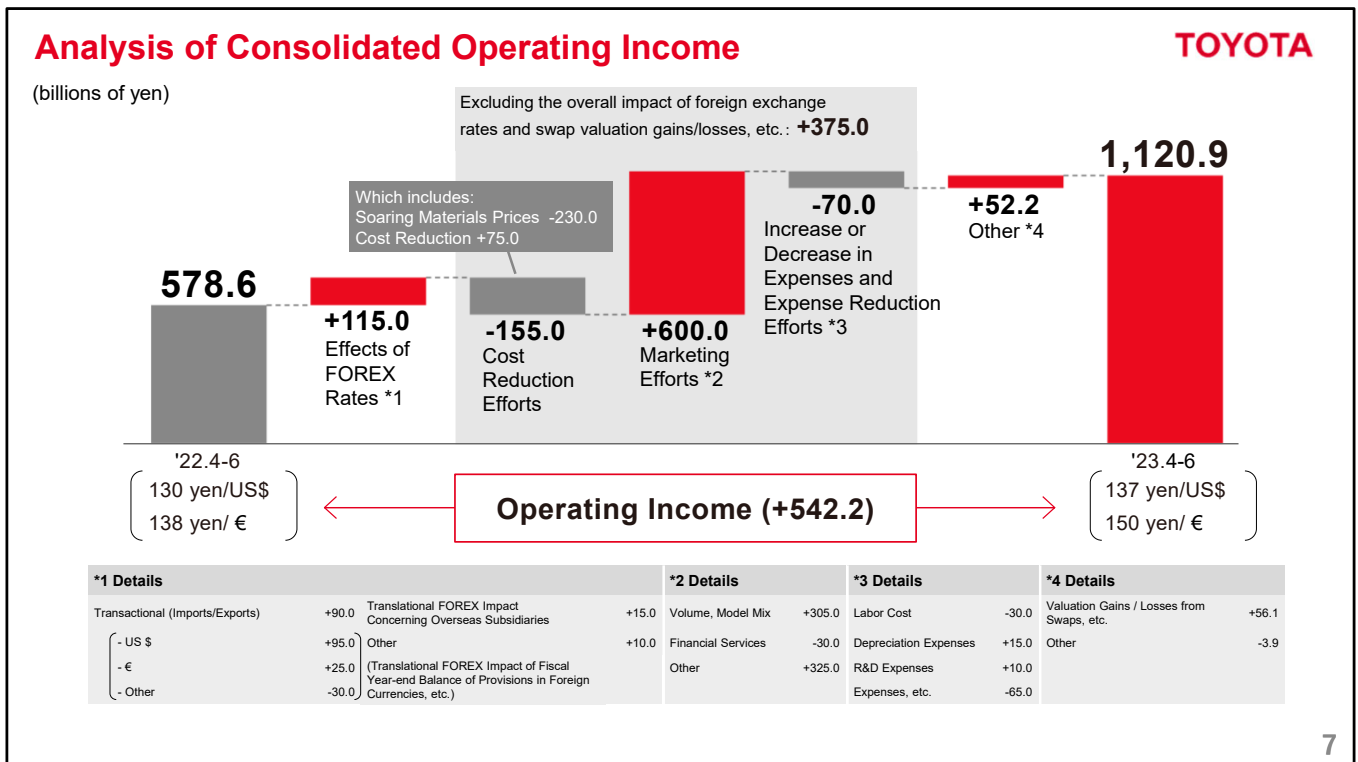
(billions of yen)	'22.4-6	'23.4-6	Change
<b>Sales Revenues</b>	<b>8,491.1</b>	<b>10,546.8</b>	<b>+2,055.7</b>
<b>Operating Income</b>	<b>578.6</b>	<b>1,120.9</b>	<b>+542.2</b>
Margin	6.8%	10.6%	
<b>Other Income</b>	<b>443.0</b>	<b>599.6</b>	<b>+156.5</b>
Share of Profit (Loss) of Investments Accounted for Using the Equity Method	171.0	193.3 *	+22.2
<b>Income before Income Taxes</b>	<b>1,021.7</b>	<b>1,720.5</b>	<b>+698.8</b>
<b>Net Income Attributable to Toyota Motor Corporation</b>	<b>736.8</b>	<b>1,311.3</b>	<b>+574.5</b>
Margin	8.7%	12.4%	
FOREX Rates			
US \$	130 yen	137 yen	+7 yen
€	138 yen	150 yen	+12 yen

\* Regarding Japan: 122.4 (+40.9 year on year), China: 54.3 (-25.4 year on year), Other: 16.6 (+6.7 year on year)

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Consolidated financial results for this quarter were

Sales revenue of 10 trillion 546.8 billion yen,  
 Operating income of 1 trillion 120.9 billion yen,  
 Income before income taxes of 1 trillion 720.5 billion yen and  
 Net income of 1 trillion 311.3 billion yen.



I would like to explain the factors which impacted operating income year on year.

First, the effects of foreign exchange rates increased operating income by 115 billion yen, and cost reduction efforts decreased operating income by 155 billion yen, partly due to the impact of soaring materials prices.

Marketing efforts increased operating income by 600 billion yen due to improvement in sales volume and mix of car models sold, as well as price revisions mainly overseas.

Increase in expenses decreased operating income by 700 billion yen, as we had an increase in labor cost, and investments towards new areas such as digitalization.

We also experienced a positive uplift of 52.2 billion yen largely due to swap valuation gains and losses.

As a result, excluding the overall impact of foreign exchange rates, swap valuation gains and losses and other factors, operating income increased by 375 billion yen year on year.

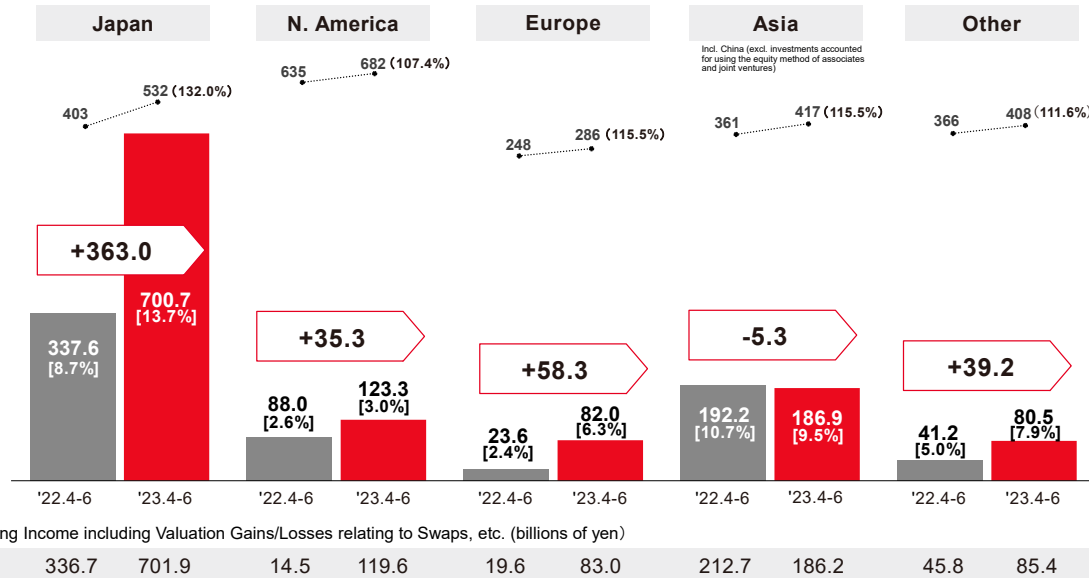
# Geographic Operating Income

TOYOTA

Operating Income (billions of yen) (excluding Valuation Gains/Losses relating to Swaps, etc.)

Margin

Consolidated Vehicle Sales (thousands of vehicles)



Let me explain the operating income for each region.

North America increased year on year due to an improvement in supply and demand for semiconductors, the growth of sales volume resulting from productivity improvement activities, and price revisions based on product competitiveness. On the other hand, we believe it is necessary to improve our production base to further enhance our volume of supply. We will continue to work to deliver vehicles as soon as possible, and further improve our profit structure.

Japan, Europe, and other regions increased year on year due to improvement in semiconductor supply and demand, as well as strong vehicle sales.

Although operating income for Asia decreased year on year, operating income excluding China increased due to the growth in sales volume.

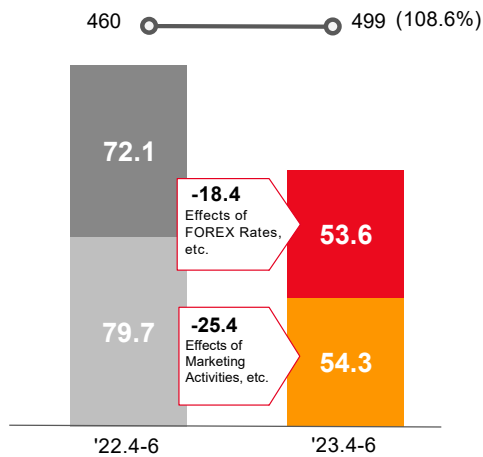


## China Business / Financial Services

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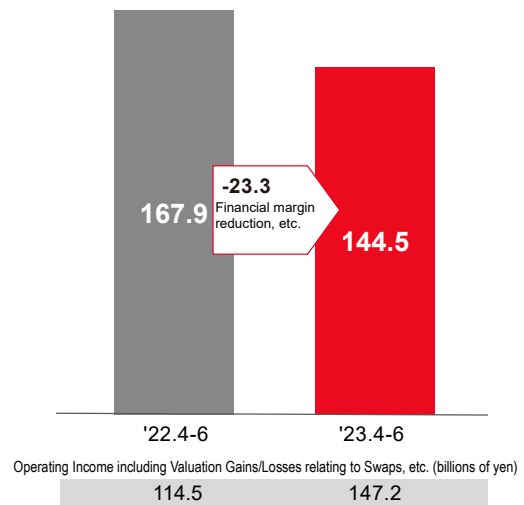
(Ref.) China Business

- Operating Income of Consolidated Subsidiaries (billions of yen)
- Share of Profit of Investments Accounted for Using the Equity Method of Associates and Joint Ventures (billions of yen)
- Toyota and Lexus Vehicle Retail Sales (thousands of vehicles)



Financial Services

- Operating Income (billions of yen)
- \* Excluding Valuation Gains/Losses relating to Swaps, etc.



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In the next slide, let me explain about our business in China as well as our Financial Service business.

As for our business in China, the operating income of consolidated subsidiaries, as well as our share of profit of investments accounted for using the equity method of associates and joint ventures, decreased year on year.

This is mainly due to the impact of fluctuations in foreign exchange rates and increase in marketing expenses in order to counter against price competition.

Although the competitive environment is becoming increasingly severe due to the rise of local brands, Toyota and Lexus vehicle sales are steadily increasing.

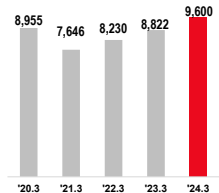
Regarding the Financial Service business, operating income decreased year on year due to reduction in financial margins and other factors.

This brings us to the end of our presentation.

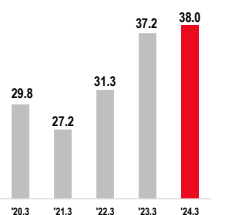
# (Ref.) Transition of Financial Performance

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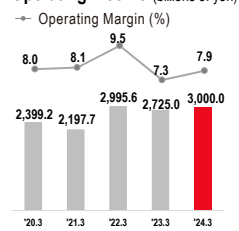
**Consolidated Vehicle Sales**  
(thousands of vehicles)



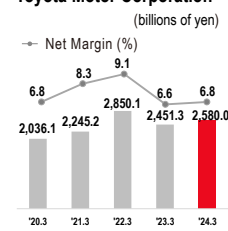
**Sales Revenues** (trillions of yen)



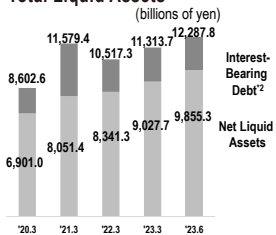
**Operating Income** (billions of yen)



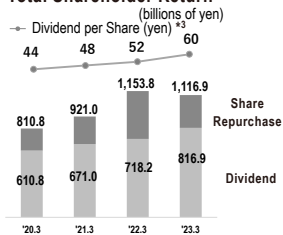
**Net Income Attributable to Toyota Motor Corporation**  
(billions of yen)



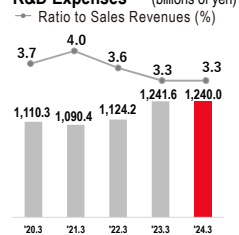
**Total Liquid Assets\***<sup>1</sup>  
(billions of yen)



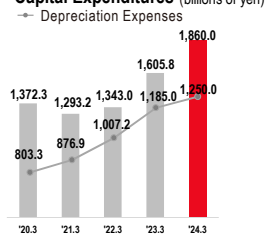
**Total Shareholder Return**  
(billions of yen)



**R&D Expenses\*\***<sup>4</sup> (billions of yen)



**Capital Expenditures** (billions of yen)



\*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.

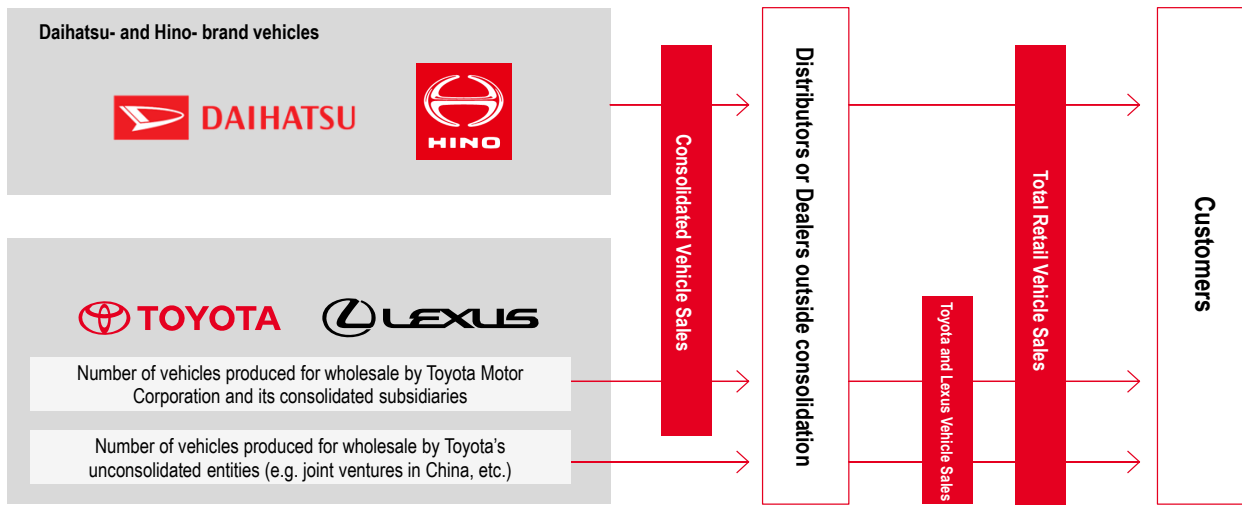
\*3 Dividends per common share on a post-stock split (a five-for-one stock split of shares of our common stock that was conducted on October 1, 2021) basis

\*4 R&D activity related expenditures incurred during the reporting period

■ Forecast

**(Ref.) Definitions of Consolidated and Retail Vehicle Sales**

**TOYOTA**



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