

FINANCIAL SUMMARY

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

FY2007 First Quarter

(April 1, 2006 through June 30, 2006)

English translation from the original Japanese-language document

TOYOTA MOTOR CORPORATION

Note: This report contains summarized and condensed financial statements prepared in accordance with accounting principles generally accepted in the United States of America.

BUSINESS RESULTS

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

1. Summary of Consolidated Financial Results for FY2007 First Quarter

Financial Results

Consolidated vehicle sales in Japan and overseas increased by 143 thousand units, or 7.3%, to 2,091 thousand units in FY2007 first quarter (the three-month period from April 1, 2006 to June 30, 2006) compared with FY2006 first quarter (the three-month period from April 1, 2005 to June 30, 2005). While vehicle sales in Japan decreased by 7 thousand units, or 1.3% in FY2007 first quarter compared with FY2006 first quarter, it continues to maintain a high level of 543 thousand units, as a result of the sales efforts of dealers in Japan. Meanwhile, overseas vehicle sales increased by 150 thousand units, or 10.7%, to 1,548 thousand units in FY2007 first quarter compared with FY2006 first quarter, attributable to sales increased in North America, Europe, and other regions.

As for the results of operations, net revenues increased by 656.4 billion yen, or 13.2%, to 5,638.1 billion yen in FY2007 first quarter compared with FY2006 first quarter, and operating income increased by 107.3 billion yen, or 26.5%, to 512.4 billion yen in FY2007 first quarter compared with FY2006 first quarter. Among the factors contributing to the increase in operating income totaling 180.0 billion yen, were the effects of changes in exchange rates of 100.0 billion yen, marketing efforts of 60.0 billion yen and cost reduction efforts of 20.0 billion yen. On the other hand, factors resulting in the decrease in operating income totaling 72.7 billion yen included an increase in expenses. Income before income taxes, minority interest and equity in earnings of affiliated companies increased by 132.8 billion yen, or 31.5%, to 554.6 billion yen in FY2007 first quarter compared with FY2006 first quarter. Net income increased by 104.7 billion yen, or 39.2 %, to 371.5 billion yen in FY2007 first quarter compared with FY2006 first quarter.

2. Consolidated Financial Results for FY2007 First Quarter by Segment

(1) Segment Operating Results

Automotive:

Net revenues for the automotive operations increased by 567.0 billion yen, or 12.3%, to 5,187.6 billion yen in FY2007 first quarter compared with FY2006 first quarter, and operating income increased by 92.6 billion yen, or 25.2%, to 459.4 billion yen in FY2007 first quarter compared with FY2006 first quarter. The increase in operating income was mainly due to the effects of changes in exchange rates, increases in both production volume and vehicle units sold, and cost reduction efforts, partially offset by an increase in expenses.

Financial services:

Net revenues for the financial services operations increased by 67.2 billion yen, or 30.9%, to 284.6 billion yen in FY2007 first quarter compared with FY2006 first quarter, and operating income increased by 8.0 billion yen, or 19.9%, to 47.7 billion yen in FY2007 first quarter compared with FY2006 first quarter. The increase in operating income was mainly due to the valuation gains on interest rate swaps stated at fair value by a sales finance subsidiary in the United States of America in accordance with the Statement of Financial Accounting Standards (FAS) No.133 (as amended by several guidance including FAS No.138).

All other:

Net revenues for all other businesses increased by 60.6 billion yen, or 25.8%, to 295.0 billion yen in FY2007 first quarter compared with FY2006 first quarter, and operating income increased by 3.7 billion yen, or 257.8%, to 5.2 billion yen in FY2007 first quarter compared with FY2006 first quarter.

(2) Geographic Information

Japan:

Net revenues in Japan increased by 430.3 billion yen, or 14.4%, to 3,422.3 billion yen in FY2007 first quarter compared with FY2006 first quarter, and operating income increased by 104.6 billion yen, or 55.5%, to 293.0 billion yen in FY2007 first quarter compared with FY2006 first quarter. The increase in operating income was mainly due to the effects of changes in exchange rates, an increase in production volume, and cost reduction efforts, partially offset by an increase in expenses.

North America:

Net revenues in North America increased by 345.9 billion yen, or 18.8%, to 2,181.6 billion yen in FY2007 first quarter compared with FY2006 first quarter, and operating income increased by 2.3 billion yen, or 1.7%, to 140.1 billion yen in FY2007 first quarter compared with FY2006 first quarter. The increase in operating income was mainly due to an increase in vehicle units sold and the valuation gains on interest rate swaps stated at fair value by a sales finance subsidiary in the United States of America in accordance with the Statement of Financial Accounting Standards (FAS) No.133 (as amended by several guidance including FAS No.138).

Europe:

Net revenues in Europe increased by 159.2 billion yen, or 23.6%, to 832.3 billion yen in FY2007 first quarter compared with FY2006 first quarter, and operating income increased by 19.8 billion yen, or 118.0%, to 36.5 billion yen in FY2007 first quarter compared with FY2006 first quarter. The increase in operating income was mainly due to increases in both production volume and vehicle units sold.

Asia:

Net revenues in Asia decreased by 22.5 billion yen, or 4.4%, to 484.6 billion yen in FY2007 first quarter compared with FY2006 first quarter, and operating income decreased by 9.8 billion yen, or 24.6%, to 30.0 billion yen in FY2007 first quarter compared with FY2006 first quarter. The decrease in operating income was mainly due to decreases in both production volume and vehicle units sold.

Other:

Net revenues in other regions increased by 89.7 billion yen, or 24.7%, to 453.1 billion yen in FY2007 first quarter compared with FY2006 first quarter, while operating income decreased by 1.1 billion yen, or 6.3%, to 15.9 billion yen in FY2007 first quarter compared with FY2006 first quarter. The decrease in operating income was mainly due to an increase in expenses, partially offset by an increase in vehicle units sold.

CONSOLIDATED PRODUCTION AND SALES

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

1. Production

(Units)

		FY2007 first quarter (April 2006 through June 2006)	FY2006 first quarter (April 2005 through June 2005)	Increase (Decrease)
Vehicles (new)	Japan	1,231,097	1,123,328	107,769
	North America	313,451	319,691	(6,240)
	Europe	186,998	157,372	29,626
	Asia	184,284	204,766	(20,482)
	Other	84,659	86,938	(2,279)
	Overseas total	769,392	768,767	625
	Total	2,000,489	1,892,095	108,394
Houses (Japan)		1,125	1,036	89

Note: The total production of vehicles (new) includes 201,943 units of Daihatsu brand vehicles (including OEM production) in FY2007 first quarter and 189,286 units in FY2006 first quarter, and 25,333 units of Hino brand vehicles in FY2007 first quarter and 23,322 units in FY2006 first quarter.

2. Sales (by destination)

(Units)

		FY2007 first quarter (April 2006 through June 2006)	FY2006 first quarter (April 2005 through June 2005)	Increase (Decrease)
Vehicles (new)	Japan	543,228	550,347	(7,119)
	North America	747,330	641,248	106,082
	Europe	307,382	256,143	51,239
	Asia	192,632	228,513	(35,881)
	Other	300,485	272,605	27,880
	Overseas total	1,547,829	1,398,509	149,320
	Total	2,091,057	1,948,856	142,201
Houses (Japan)		1,001	919	82

Note: The total sales of vehicles (new) include 177,873 units of Daihatsu brand vehicles in FY2007 first quarter and 174,116 units in FY2006 first quarter and 23,585 units of Hino brand vehicles in FY2007 first quarter and 22,304 units in FY2006 first quarter.

CONSOLIDATED STATEMENTS OF INCOME

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

(Amounts are rounded to the nearest million yen)

	FY2007 first quarter (April 2006 through June 2006)	FY2006 first quarter (April 2005 through June 2005)	Increase (Decrease)
Net revenues :	5,638,112	4,981,785	656,327
Sales of products	5,358,698	4,768,971	589,727
Financing operations	279,414	212,814	66,600
Costs and expenses :	5,125,693	4,576,657	549,036
Cost of products sold	4,356,552	3,878,087	478,465
Cost of financing operations	181,255	127,985	53,270
Selling, general and administrative	587,886	570,585	17,301
Operating income	512,419	405,128	107,291
Other income (expense) :	42,229	16,732	25,497
Interest and dividend income	31,714	24,355	7,359
Interest expense	(9,435)	(4,129)	(5,306)
Other, net	19,950	(3,494)	23,444
Income before income taxes, minority interest and equity in earnings of affiliated companies	554,648	421,860	132,788
Provision for income taxes	230,395	174,968	55,427
Income before minority interest and equity in earnings of affiliated companies	324,253	246,892	77,361
Minority interest in consolidated subsidiaries	(8,988)	(15,617)	6,629
Equity in earnings of affiliated companies	56,239	35,624	20,615
Net income	371,504	266,899	104,605

(Yen)

Net income per share – Basic	115.21	81.80	33.41
Net income per share – Diluted	115.16	81.79	33.37

CONSOLIDATED BALANCE SHEETS

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

(Amounts are rounded to the nearest million yen)

	FY2007 first quarter (As of June 30, 2006)	FY2006 (As of March 31, 2006)	Increase (Decrease)
Assets			
Current assets :	10,539,098	10,735,222	(196,124)
Cash and cash equivalents	1,400,074	1,569,387	(169,313)
Time deposits	46,682	50,349	(3,667)
Marketable securities	614,985	634,879	(19,894)
Trade accounts and notes receivable, less allowance for doubtful accounts	1,699,145	1,980,680	(281,535)
Finance receivables, net	3,594,910	3,497,319	97,591
Other receivables	457,894	416,336	41,558
Inventories	1,642,730	1,620,975	21,755
Deferred income taxes	520,658	520,494	164
Prepaid expenses and other current assets	562,020	444,803	117,217
Noncurrent finance receivables, net	4,903,260	4,830,216	73,044
Investments and other assets	6,034,971	6,099,529	(64,558)
Property, plant and equipment :	7,266,019	7,066,628	199,391
Land	1,216,002	1,215,897	105
Buildings	3,191,888	3,156,613	35,275
Machinery and equipment	8,486,782	8,482,832	3,950
Vehicles and equipment on operating leases	2,773,733	2,605,426	168,307
Construction in progress	472,110	397,076	75,034
Less – Accumulated depreciation	(8,874,496)	(8,791,216)	(83,280)
Total assets	28,743,348	28,731,595	11,753

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

(Amounts are rounded to the nearest million yen)

	FY2007 first quarter (As of June 30, 2006)	FY2006 (As of March 31, 2006)	Increase (Decrease)
Liabilities			
Current liabilities :	9,959,301	10,028,735	(69,434)
Short-term borrowings	3,017,617	3,033,019	(15,402)
Current portion of long-term debt	1,848,698	1,723,888	124,810
Accounts payable	1,923,886	2,086,587	(162,701)
Other payables	672,166	730,184	(58,018)
Accrued expenses	1,525,532	1,464,263	61,269
Income taxes payable	242,842	347,488	(104,646)
Other current liabilities	728,560	643,306	85,254
Long-term liabilities :	7,749,545	7,552,831	196,714
Long-term debt	5,859,442	5,640,490	218,952
Accrued pension and severance costs	682,893	679,918	2,975
Deferred income taxes	1,068,772	1,092,995	(24,223)
Other long-term liabilities	138,438	139,428	(990)
Total liabilities	17,708,846	17,581,566	127,280
Minority interest in consolidated subsidiaries	581,610	589,580	(7,970)
Shareholders' equity			
Common stock	397,050	397,050	-
Additional paid-in capital	495,226	495,250	(24)
Retained earnings	10,652,996	10,459,788	193,208
Accumulated other comprehensive Income	298,949	437,316	(138,367)
Treasury stock, at cost	(1,391,329)	(1,228,955)	(162,374)
Total shareholders' equity	10,452,892	10,560,449	(107,557)
Total liabilities and shareholders' equity	28,743,348	28,731,595	11,753

SEGMENT INFORMATION

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

1. Segment Operating Results

(1) FY2007 first quarter (April 2006 through June 2006)

(Amounts are rounded to the nearest million yen)

	Automotive	Financial Services	All Other	Intersegment Elimination	Consolidated
Net revenues :					
(1) Sales to external customers	5,184,673	279,414	174,025	–	5,638,112
(2) Intersegment sales and transfers	3,002	5,235	120,954	(129,191)	–
Total	5,187,675	284,649	294,979	(129,191)	5,638,112
Operating expenses	4,728,203	236,969	289,759	(129,238)	5,125,693
Operating income	459,472	47,680	5,220	47	512,419

(2) FY2006 first quarter (April 2005 through June 2005)

(Amounts are rounded to the nearest million yen)

	Automotive	Financial Services	All Other	Intersegment Elimination	Consolidated
Net revenues :					
(1) Sales to external customers	4,616,974	212,814	151,997	–	4,981,785
(2) Intersegment sales and transfers	3,667	4,650	82,415	(90,732)	–
Total	4,620,641	217,464	234,412	(90,732)	4,981,785
Operating expenses	4,253,750	177,705	232,953	(87,751)	4,576,657
Operating income	366,891	39,759	1,459	(2,981)	405,128

(All financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

2. Geographic Information

(1) FY2007 first quarter (April 2006 through June 2006)

(Amounts are rounded to the nearest million yen)

	Japan	North America	Europe	Asia	Other	Intersegment Elimination	Consolidated
Net revenues :							
(1) Sales to external customers	1,869,462	2,131,391	793,196	431,819	412,244	–	5,638,112
(2) Intersegment sales and transfers	1,552,825	50,209	39,103	52,807	40,861	(1,735,805)	–
Total	3,422,287	2,181,600	832,299	484,626	453,105	(1,735,805)	5,638,112
Operating expenses	3,129,316	2,041,471	795,785	454,601	437,180	(1,732,660)	5,125,693
Operating income	292,971	140,129	36,514	30,025	15,925	(3,145)	512,419

(2) FY2006 first quarter (April 2005 through June 2005)

(Amounts are rounded to the nearest million yen)

	Japan	North America	Europe	Asia	Other	Intersegment Elimination	Consolidated
Net revenues :							
(1) Sales to external customers	1,747,969	1,791,770	641,724	464,659	335,663	–	4,981,785
(2) Intersegment sales and transfers	1,244,006	43,945	31,428	42,484	27,763	(1,389,626)	–
Total	2,991,975	1,835,715	673,152	507,143	363,426	(1,389,626)	4,981,785
Operating expenses	2,803,622	1,697,893	656,406	467,335	346,437	(1,395,036)	4,576,657
Operating income	188,353	137,822	16,746	39,808	16,989	5,410	405,128

<REFERENCE>

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

UNCONSOLIDATED STATEMENTS OF INCOME

(Million yen; amounts less than one million yen are omitted)

	FY2007 first quarter (April 2006 through June 2006)	FY2006 first quarter (April 2005 through June 2005)	Increase (Decrease)
Net sales	2,698,591	2,345,756	352,835
Gross profit	526,183	421,035	105,148
Operating income	246,594	143,326	103,268
Ordinary income	399,983	217,903	182,080
Income before income taxes	399,983	217,903	182,080
Income taxes – current	134,100	79,800	54,300
Income taxes – deferred	(11,785)	(14,647)	2,862
Net income	277,668	152,750	124,918

UNCONSOLIDATED BALANCE SHEETS

(Million yen; amounts less than one million yen are omitted)

	FY2007 first quarter (As of June 30,2006)	FY2006 (As of March 31,2006)	Increase (Decrease)
Assets			
Current assets	3,421,474	3,795,723	(374,249)
Cash, deposits and trade accounts receivable	1,191,869	1,314,316	(122,447)
Marketable securities	611,665	922,033	(310,368)
Others	1,617,938	1,559,373	58,565
Fixed assets	6,104,004	6,113,286	(9,282)
Property, plant and equipment	1,276,392	1,279,608	(3,216)
Buildings, machinery and equipment	688,176	668,205	19,971
Others	588,216	611,403	(23,187)
Investments and other assets	4,827,611	4,833,678	(6,067)
Investments in securities	2,241,077	2,314,903	(73,826)
Others	2,586,533	2,518,775	67,758
Total	9,525,478	9,909,010	(383,532)

	FY2007 first quarter (As of June 30,2006)	FY2006 (As of March 31,2006)	Increase (Decrease)
Liabilities			
Current liabilities	2,139,296	2,379,900	(240,604)
Long-term liabilities	813,180	842,213	(29,033)
Total liabilities	2,952,477	3,222,114	(269,637)
Net assets			
Shareholders' equity	6,104,987	–	6,104,987
Valuation and translation adjustments	468,014	–	468,014
Total net assets	6,573,001	–	6,573,001
Shareholders' equity			
Common stock	–	397,049	(397,049)
Capital surplus	–	416,970	(416,970)
Retained earnings	–	6,614,868	(6,614,868)
Net unrealized gains on other securities	–	518,155	(518,155)
Less: treasury stock	–	(1,260,148)	1,260,148
Total shareholders' equity	–	6,686,895	(6,686,895)
Total	9,525,478	9,909,010	(383,532)