

August 4, 2010

## Toyota Announces First Quarter Financial Results

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

TOYOTA MOTOR CORPORATION (TMC) today announced financial results for the first quarter ended June 30, 2010.

On a consolidated basis, net revenues for the first quarter totaled 4,871.8 billion yen, an increase of 27.0 percent compared to the same period last fiscal year. Operating income increased from a loss of 194.9 billion yen to 211.6 billion yen, while income before income taxes and equity in earnings of affiliated companies was 263.0 billion yen. Net income\* increased from a loss of 77.8 billion yen to 190.4 billion yen.

Operating income increased by 406.5 billion yen. Major factors contributing to the increase include the effects of marketing efforts of 400 billion yen and cost reduction efforts of 50.0 billion yen.

Consolidated vehicle sales for the first quarter totaled 1,820 thousand units, an increase of 419 thousand units compared to the same period last fiscal year.

Commenting on the first quarter results, TMC Senior Managing Director Takahiko Ijichi said, "Due to an increase in vehicle sales and a large decrease in the costs related to loan losses and residual losses in Financial Services, operating income improved substantially on last year."

Operating income improved year on year in all regions for the first quarter.

In Japan, operating loss improved by 184.5 billion yen to 27.5 billion yen.

In North America, operating income increased by 113.4 billion yen to 109.7 billion yen including 700 million yen of valuation gains/losses from interest rate swaps. Operating income, excluding the impact of valuation gains/losses from interest rate swaps, increased by 125.1 billion yen to 109.0 billion yen.

In Europe, operating loss improved by 13.6 billion yen to a loss of 6.8 billion yen.

Operating income in Asia increased by 63.3 billion yen to 90.2 billion yen.

In Central and South America, Oceania and Africa, operating income increased by 23.6 billion yen to 41.0 billion yen.

In the financial services segment, operating income increased by 65.5 billion yen to 115.1 billion yen compared to the same period last fiscal year, including 5.6 billion yen of valuation gains/losses from interest rate swaps. Excluding valuation gains/losses, operating income increased by 74.9 billion yen to 109.5 billion yen. The increase was in part due to higher than expected prices of second hand vehicles and a large reduction in costs related to loan losses and residual losses as provisions were reversed in the United States. Our strengthened vehicle marketing programme also increased the lending balance.

Regarding the forecasts for fiscal year 2011, TMC revised its consolidated vehicle sales for the full fiscal year ending March 31, 2011 from 7.29 million to 7.38 million units, an increase of 90 thousand units from TMC's forecast announced in May 2010.

TMC also revised its consolidated financial forecasts for fiscal year 2011 to consolidated net revenues of 19.5 trillion yen, operating income of 330 billion yen, income before income taxes and equity in earnings of affiliated companies of 380 billion yen and net income of 340 billion yen.

Commenting on the FY2011 forecasts, Ijichi said, "We note a lack of visibility concerning currency movements and the possible backlash in demand after the end of the demand-stimulus programmes in Japan, which requires our close monitoring. Nevertheless, we will do our utmost to reach as many customers with as many vehicles as possible. We will continue our activities for fixed and variable cost reduction as previously promoted under the Emergency Profit Improvement Activities. Through the activities, and the further improvement of our earning structure, we will maximise our effort to exceed our forecasts."

<sup>^</sup> Net income attributable to Toyota Motor Corporation

*(Please see attached information for details on financial results. Further information is also available on the Internet at [www.toyota.co.jp](http://www.toyota.co.jp))*

#### **Cautionary Statement with Respect to Forward-Looking Statements**

This release 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: (i) changes in economic conditions and market demand affecting, and the competitive environment in, 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; (iii) changes in funding environment in financial markets; (iv) Toyota's ability to realize production efficiencies and to implement capital expenditures at the levels and times planned by management; (v) 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; (vi) political instability in the markets in which Toyota operates; (vii) Toyota's ability to timely develop and achieve market acceptance of new products that meet customer demand; (viii) any damage to Toyota's brand image; and (ix) fuel shortages or interruptions in 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.

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.