

# **Toyota Motor Corporation**

## **FY2004 Financial Results**

*April 1, 2003 to March 31, 2004*

*- prepared in accordance with US GAAP -*

**May 11, 2004**

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## 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 affecting, and the competitive environment in, the automotive markets in Japan, North America, Europe 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 and the British pound; (iii) Toyota's ability to realize production efficiencies and to implement capital expenditures at the levels and times planned by management; (iv) changes in the laws, regulations and government policies affecting Toyota's automotive operations in the markets in which Toyota operates, particularly laws, regulations and policies relating to trade restrictions, environmental protection, vehicle emissions, vehicle fuel economy and vehicle safety, as well as changes in laws, regulations and government policies affecting Toyota's other operations, including the outcome of future litigation and other legal proceedings; (v) political instability in the markets in which Toyota operates; (vi) Toyota's ability to timely develop and achieve market acceptance of new products; and (vii) 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 the "Operating and Financial Review and Prospects" and "Information on the Company" sections and elsewhere 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"), although there are 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 disclosed by ways of electromagnetic means as prescribed by the ordinance of the Cabinet Office (posting on the TDnet (Timely Disclosure Network) information service and ED-NET (Electronic 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.

# ***I. Consolidated Financial Summary***

## **II. Unconsolidated Financial Summary**

## **III. Prospects for FY2005**

# Notes to Financial Summary

- **Consolidated financial statements are prepared in accordance with US GAAP.**
- **Relevant figures from previous fiscal years are recalculated in accordance with US GAAP, for comparison purposes.**
- **Unconsolidated financial statements are prepared in accordance with Japan GAAP.**

# Difference between US GAAP & Japan GAAP on FY2003

(billions of yen)

FY2003 ('02/04-'03/03)	Net Sales	Income before Taxes & Minority Interest and Equity in Earnings of Affiliated Companies
<b>US GAAP</b>	<b>15,501.5</b>	<b>1,226.6</b>
<b>Japan GAAP</b>	<b>16,054.2</b>	<b>1,649.3</b>
<b><i>Difference btwn US and Japan GAAP</i></b>	<b><i>-552.7</i></b>	<b><i>-422.7</i></b>
Scope of Consolidation	-390.0	-77.2
Classification of equity in earnings of affiliated companies	n/a	-82.0
Gains on Return of the Substituted Portion of the Employee Pension Fund to the Government	n/a	-211.6
Impairment of marketable securities	n/a	-56.8
Others	-162.7	-4.9

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# Consolidated Financial Summary: Record Profit Levels

		FY2004 ( <sup>'03/4</sup> - <sup>'04/3</sup> ) (billions of yen)	FY2003 ( <sup>'02/4</sup> - <sup>'03/3</sup> ) (billions of yen)	Changes (billions of yen)    % (*)	
Net Sales	*	17,294.7	15,501.5	1,793.2	11.6%
Operating Income	*	1,666.8	1,271.6	395.2	31.1%
Income before Taxes, Minority Interest and Equity in Earnings of Affiliated Companies	*	1,765.7	1,226.6	539.1	44.0%
Net Income	*	1,162.0	750.9	411.1	54.8%
Forex Rate		113 yen/1\$ 133 yen/1Euro	122 yen/1\$ 121 yen/1Euro	- 9 yen/1\$ + 12 yen/1Euro	

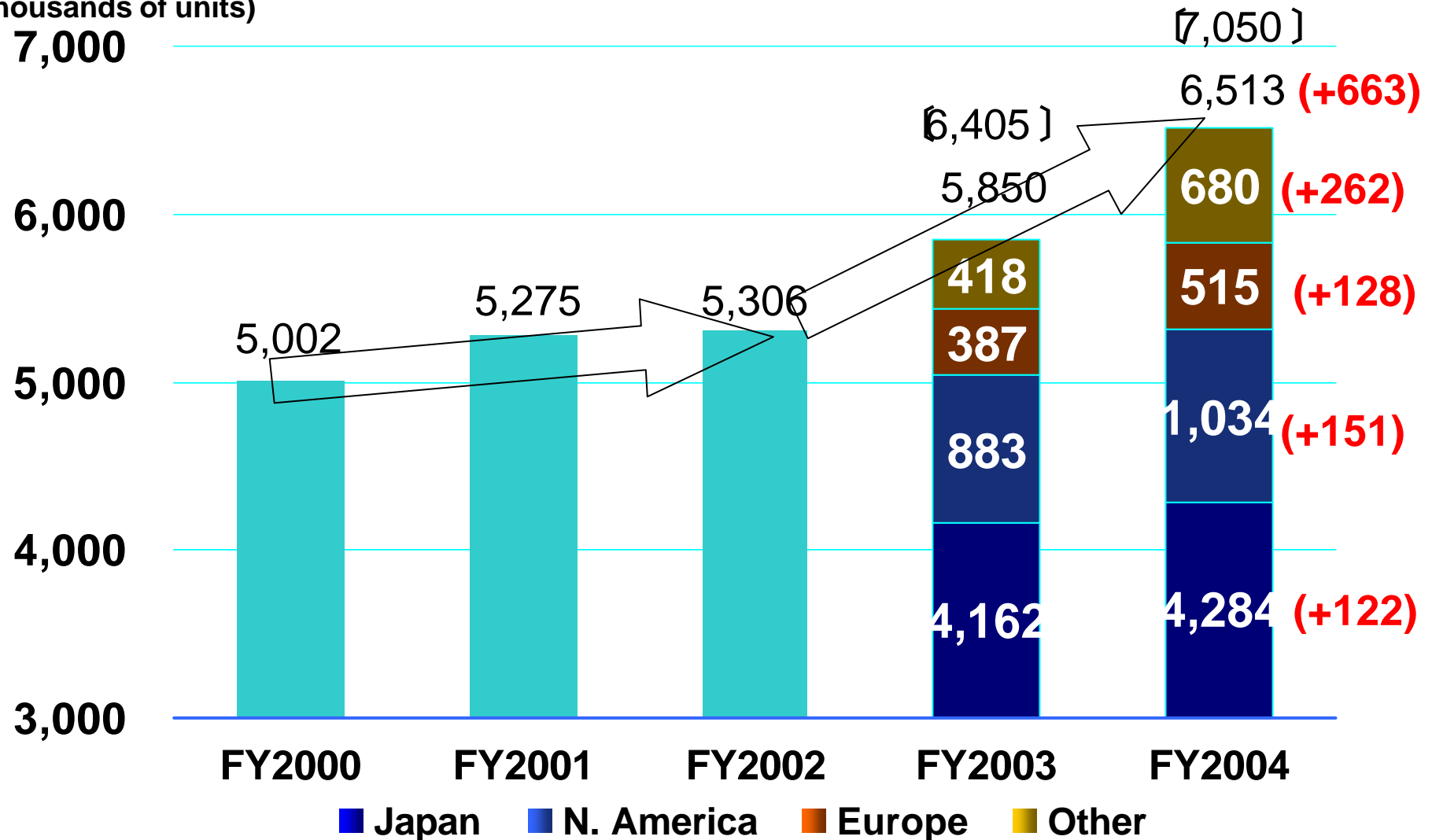
(\*): percent changes year-on-year

\* : record result

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# Consolidated Vehicle Production: Increase in All Regions

(thousands of units)

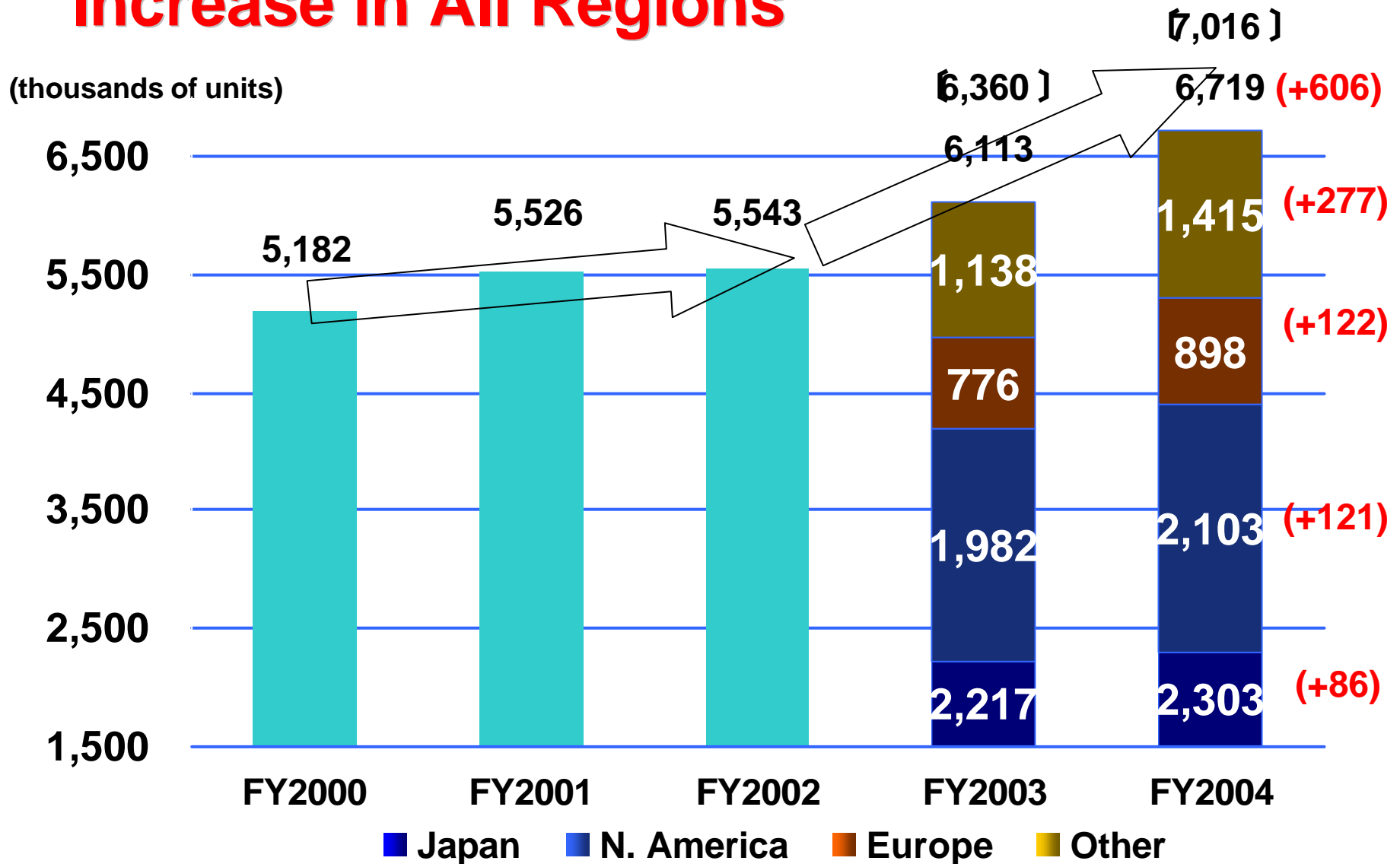


Figures in brackets show total number of Toyota/Lexus, Daihatsu, and Hino vehicles produced

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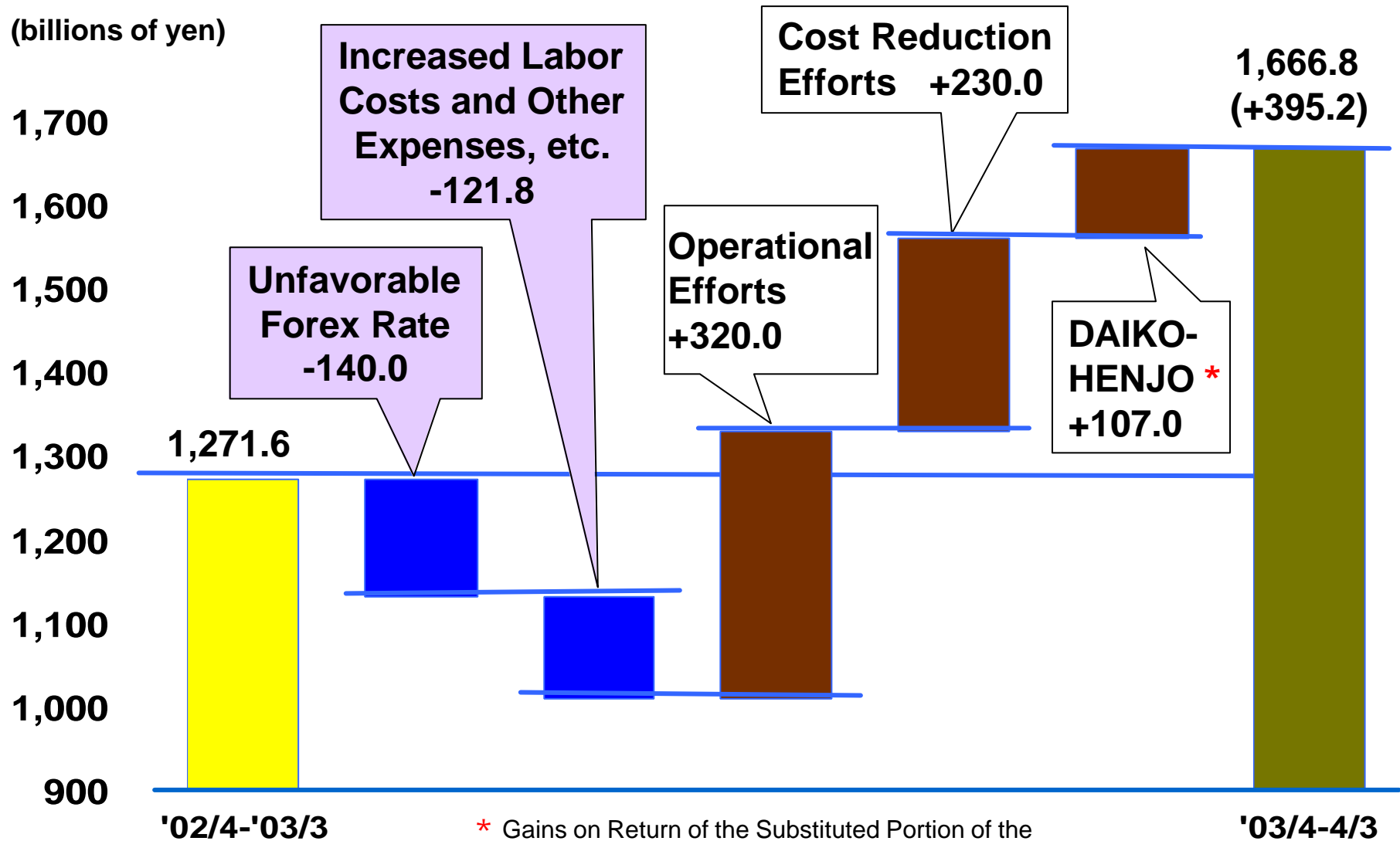
# Consolidated Vehicle Sales: Increase in All Regions



Figures in brackets show total retail unit sales of Toyota/Lexus-, Daihatsu-, and Hino vehicles

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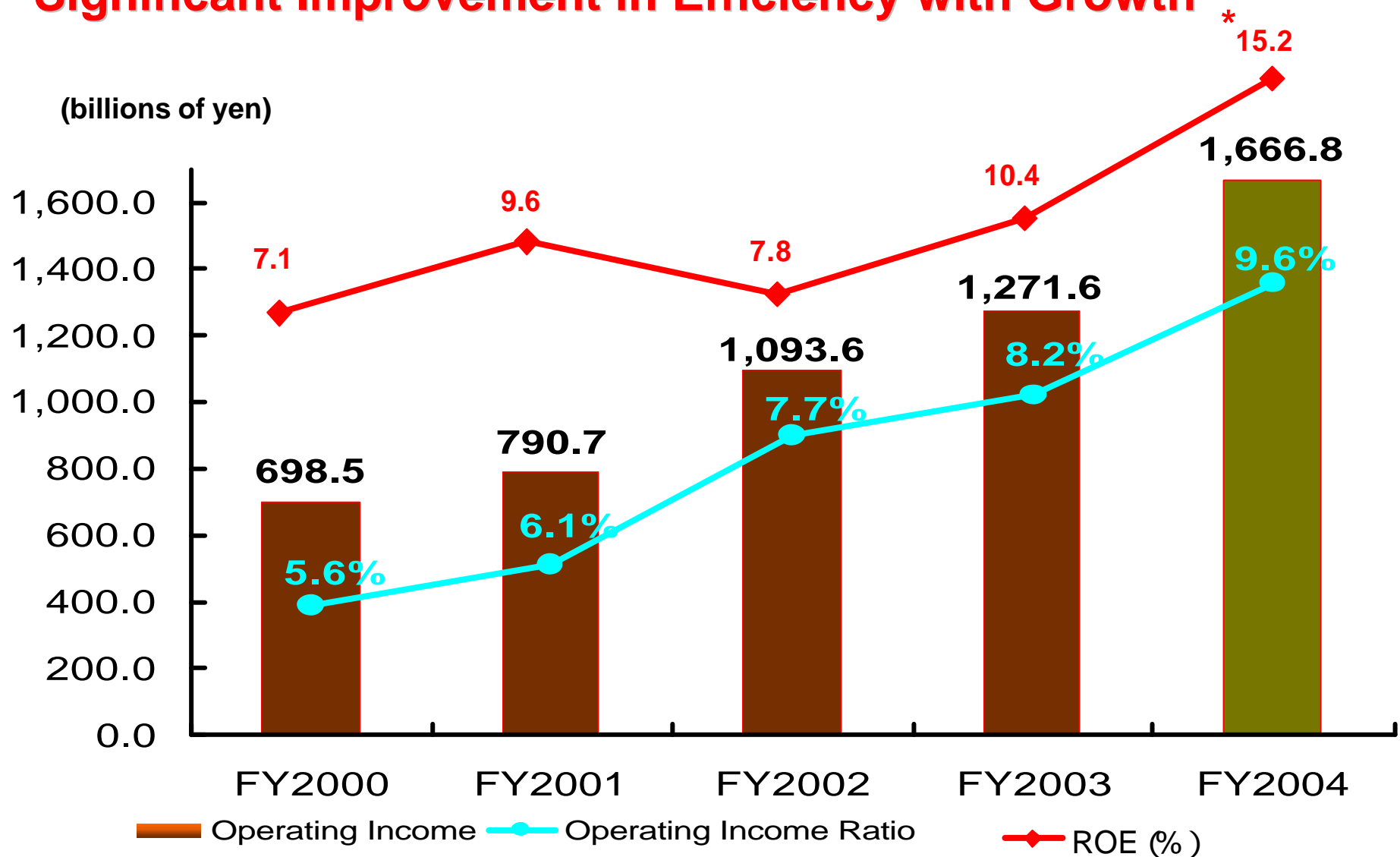
# Contributing Factors to Operating Income: <+395.2 billion yen> Strong Global Sales and a High Level of Cost Reductions



\* Gains on Return of the Substituted Portion of the Employee Pension Fund to the Government

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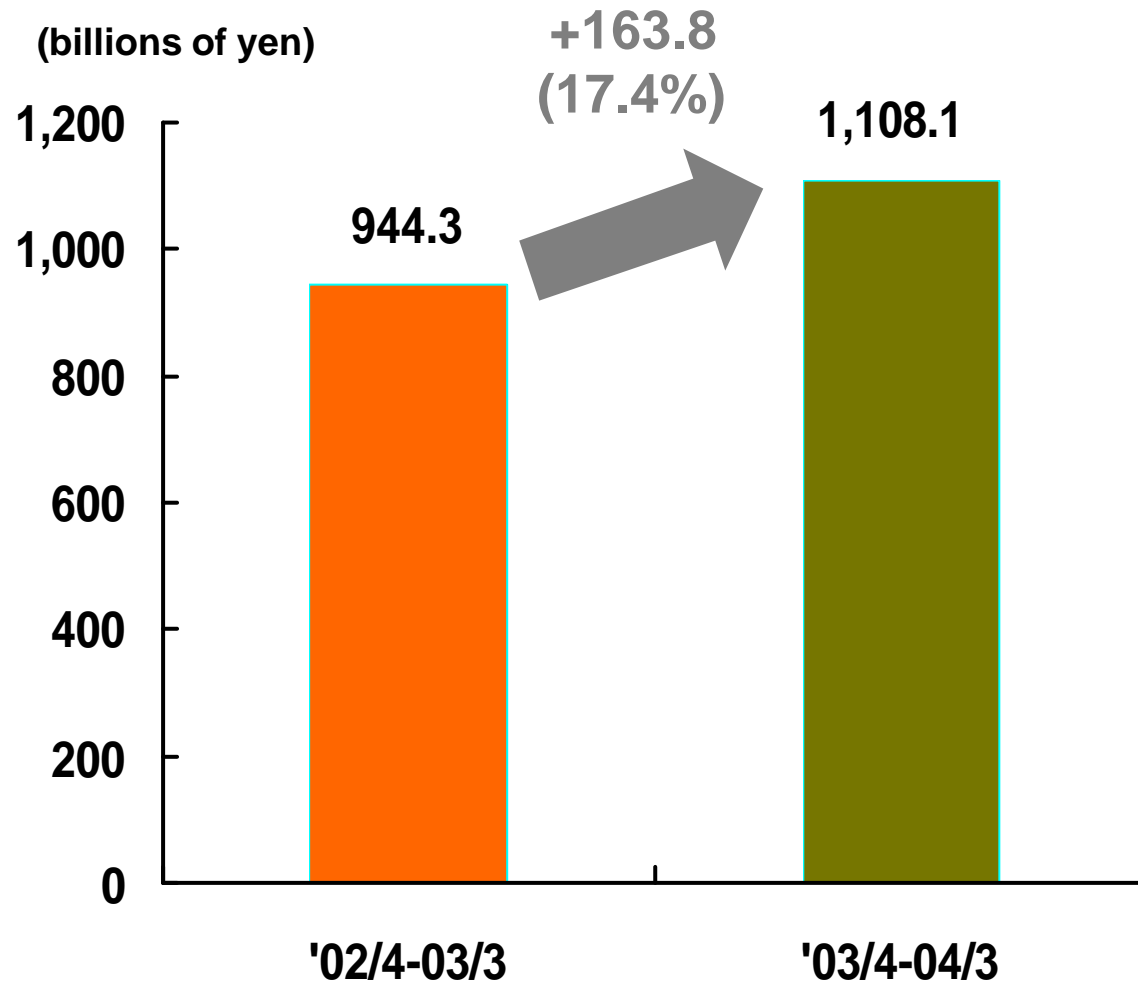
# Operating Income and Operating Income Ratio: Significant Improvement in Efficiency with Growth



\* DAIKO-HENJO excluded 14.1%

# Geographic Operating Income: Japan

Strong Production and Sales Mitigated Forex Impact



CROWN

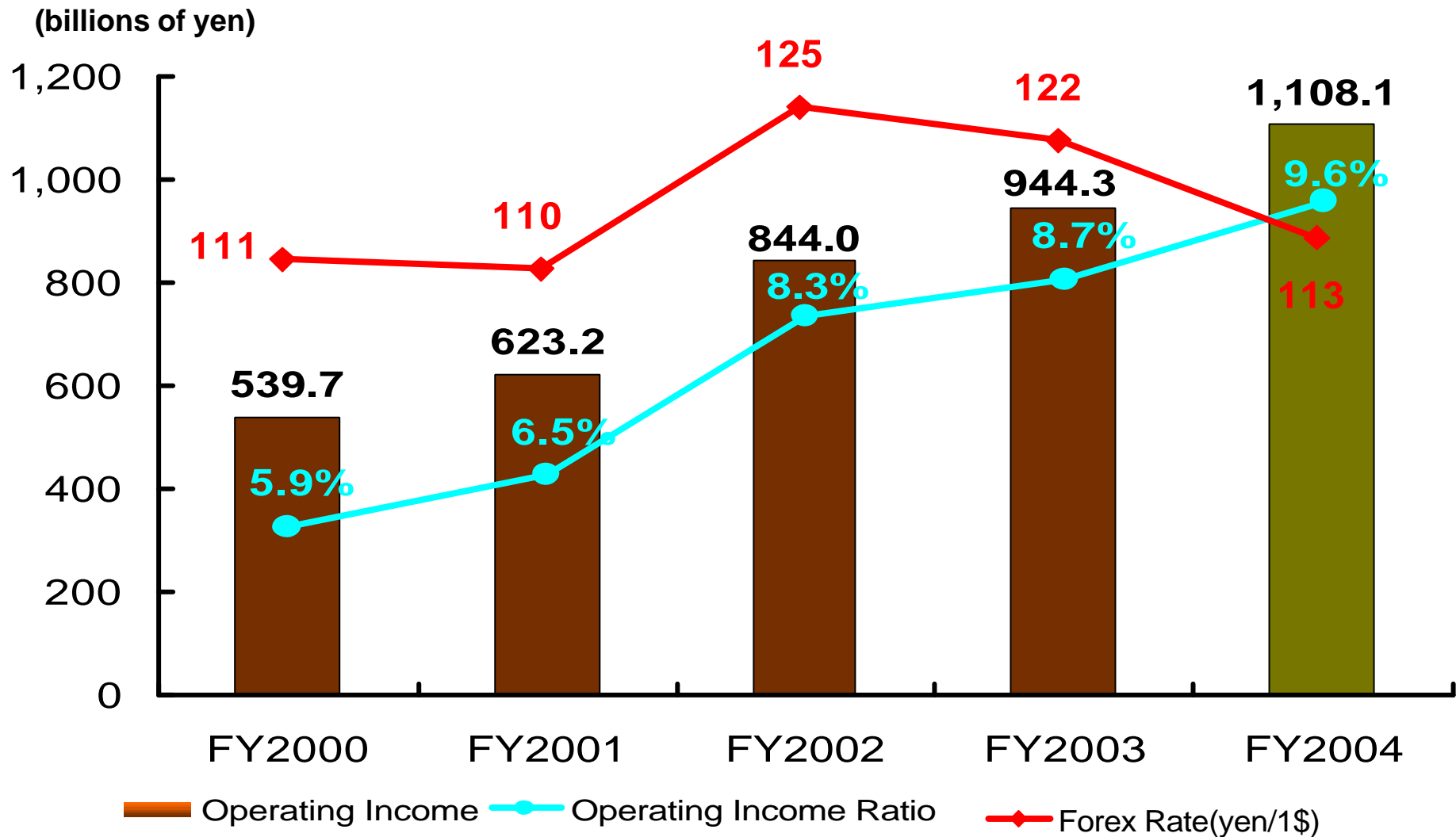


PRIUS

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# Mid-term Changes: Japan

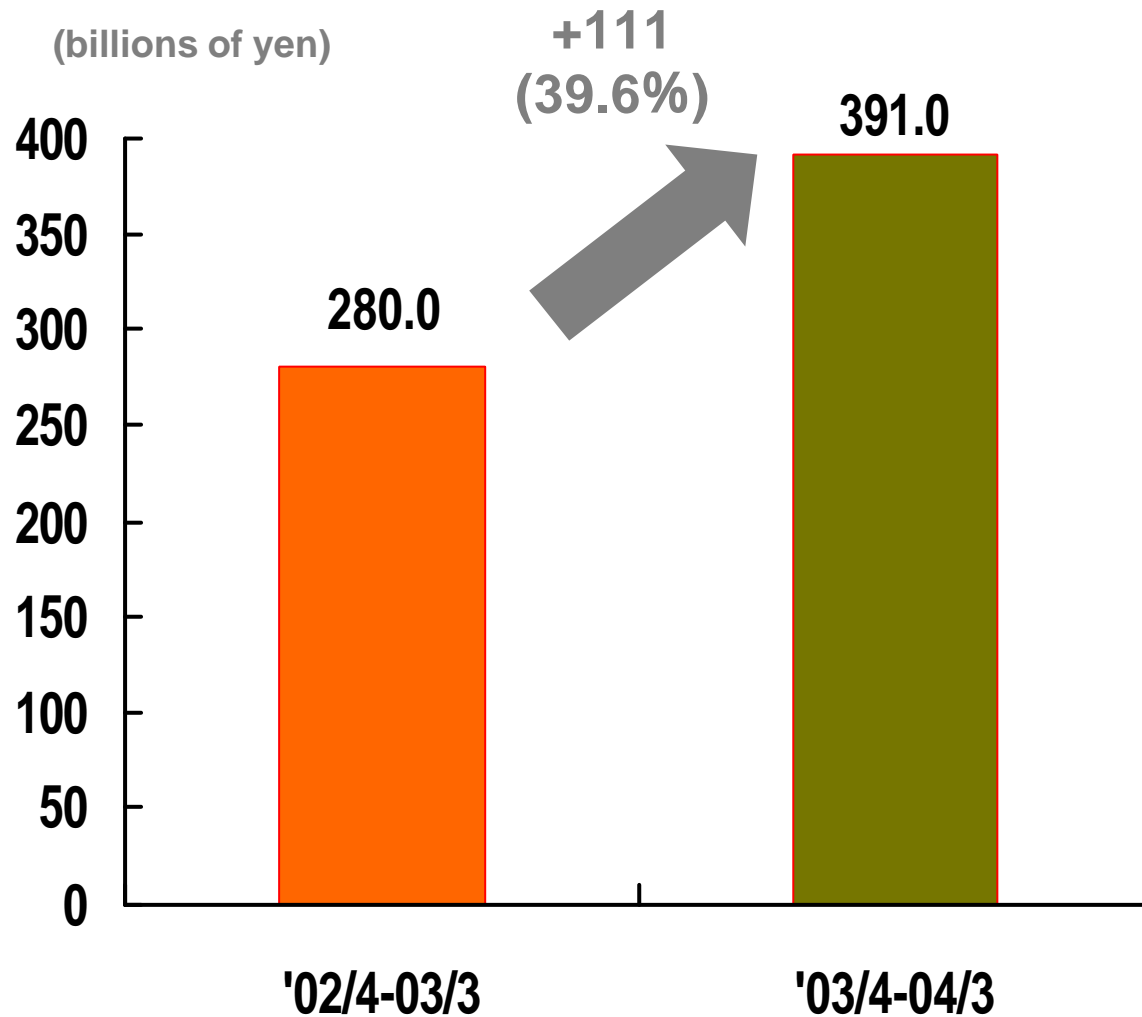
Group-wide Efforts Overcome Forex Impact and Realize Growth



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# Geographic Operating Income: North America

## Strong Sales of SIENNA, RX330, etc. Result in Profits



SIENNA

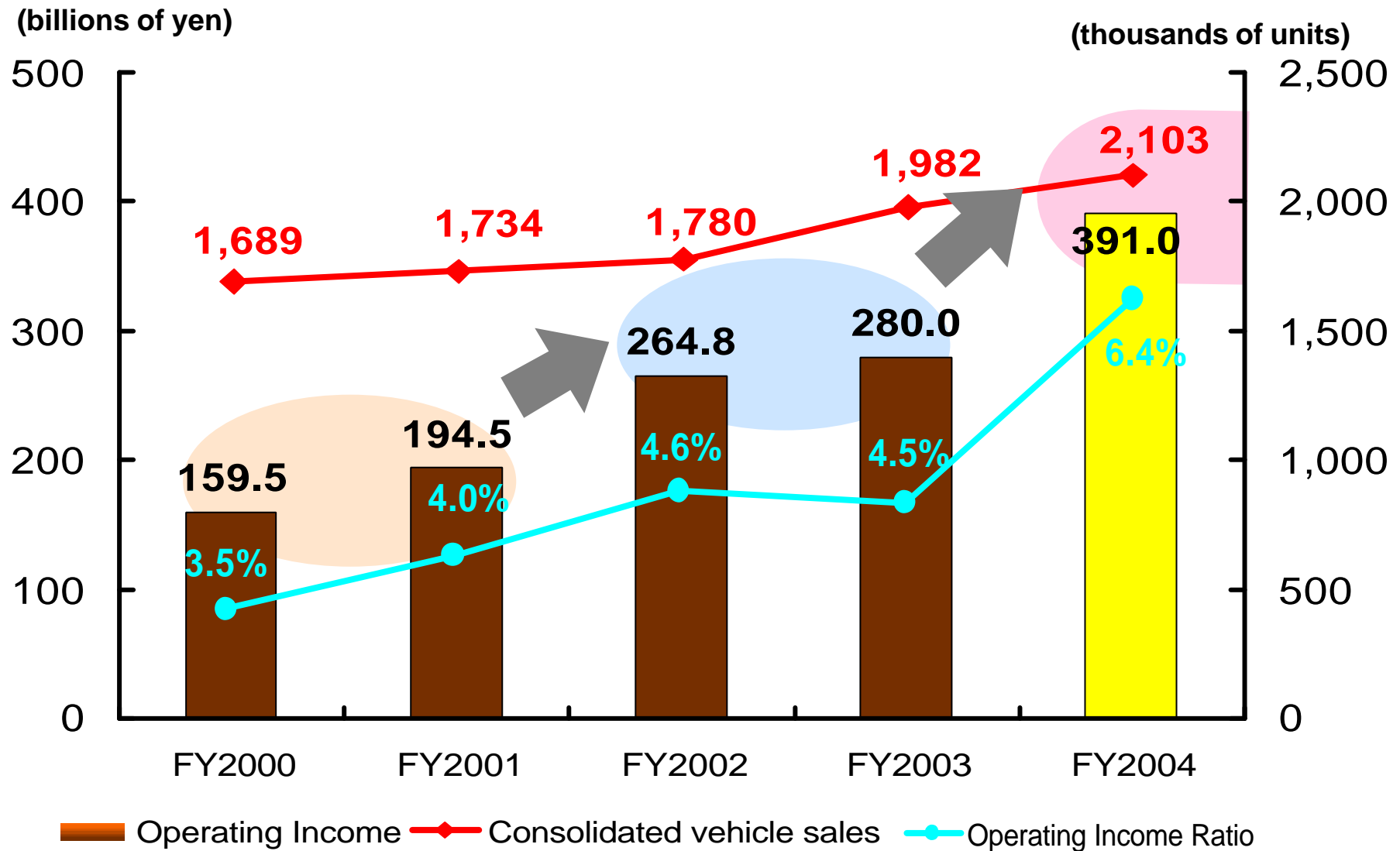


RX330

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# Mid-term Changes: North America

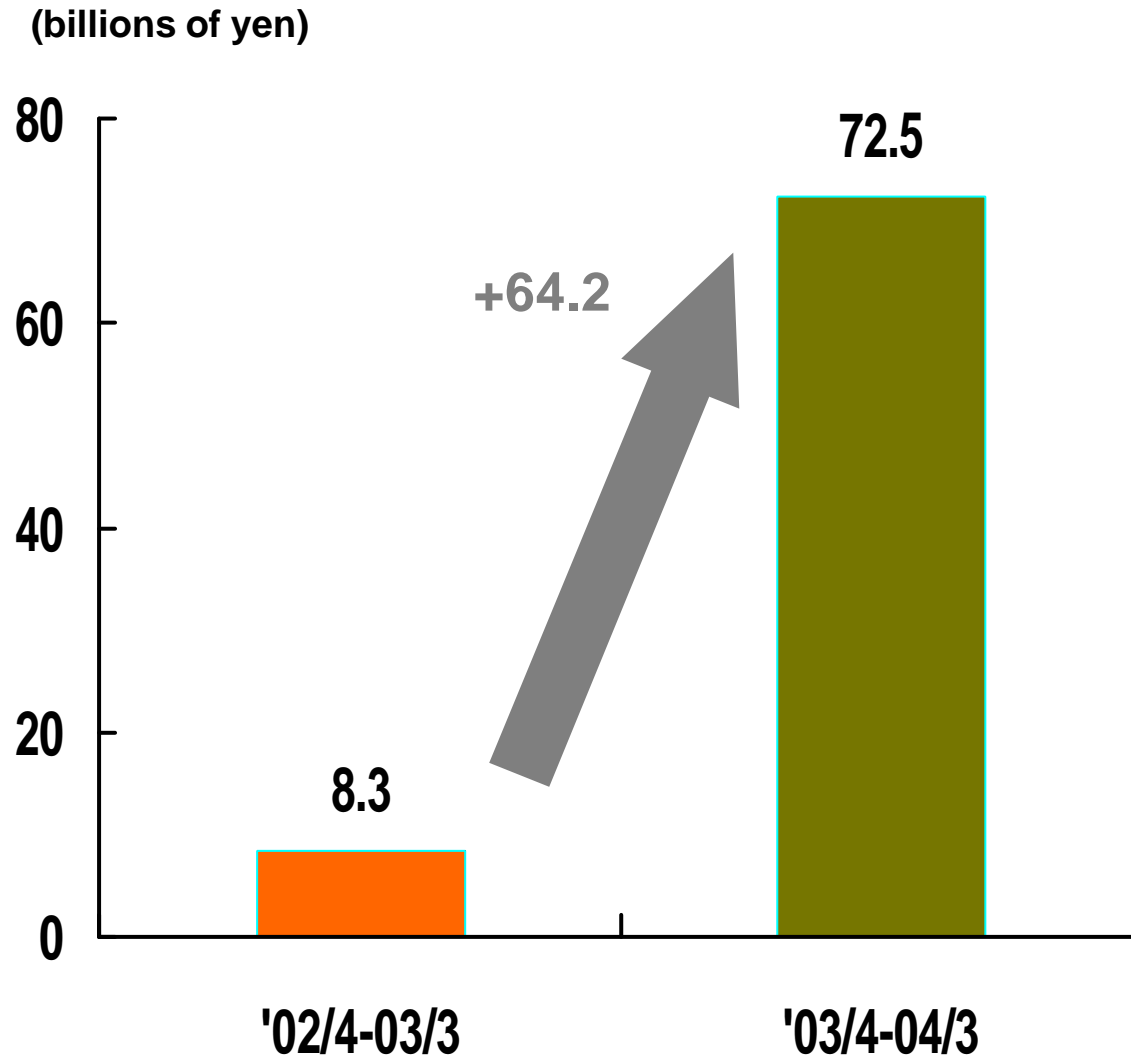
## Exceeded 2M Units, Increased Profit Level



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# Geographic Operating Income: Europe

## Locally-produced Models Contributed to a Significant Profit Growth



**Avensis**



**Yaris**

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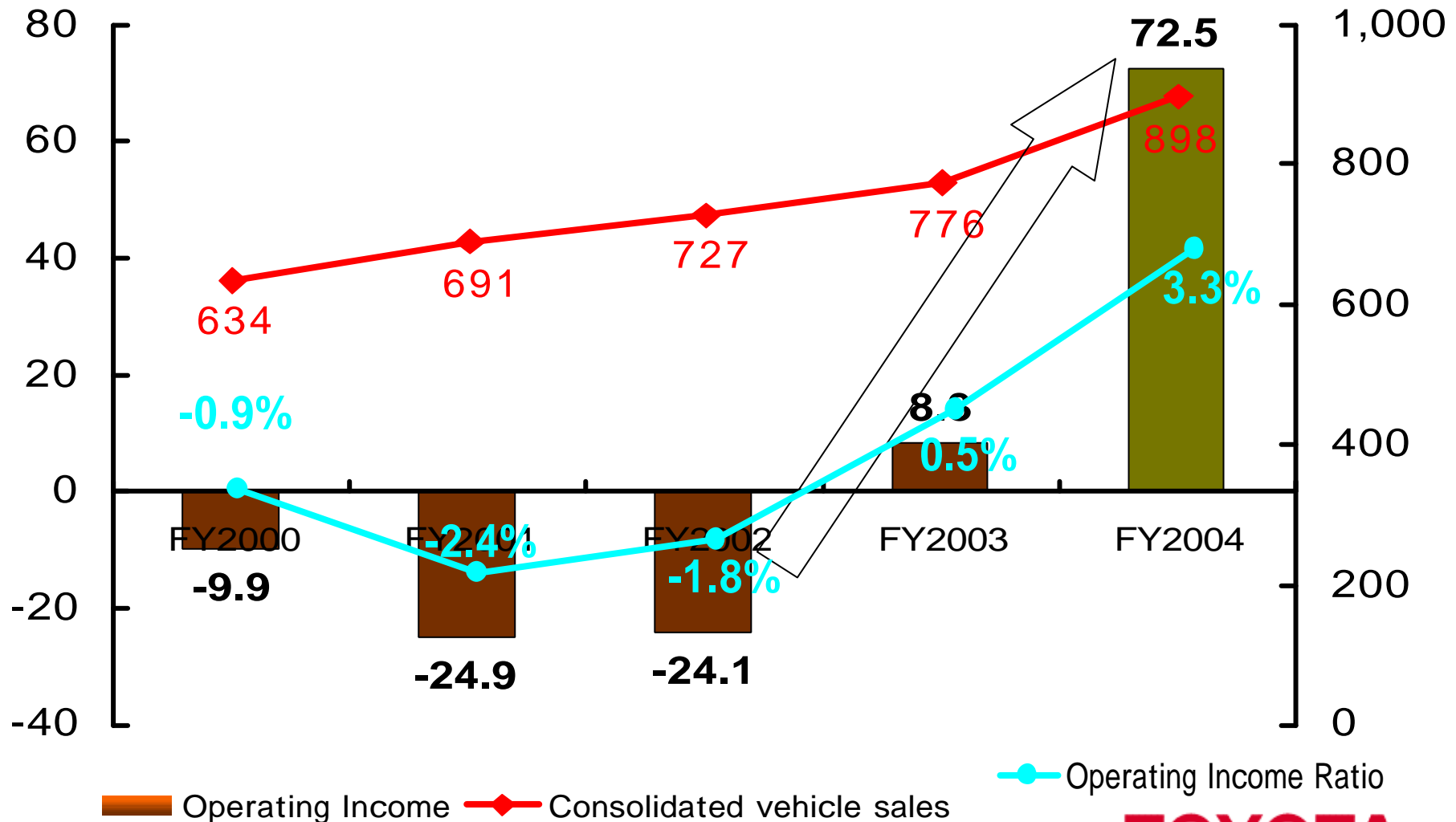


# Mid-term Changes: Europe

## Profit's Climbing Up to a Higher Level

(billions of yen)

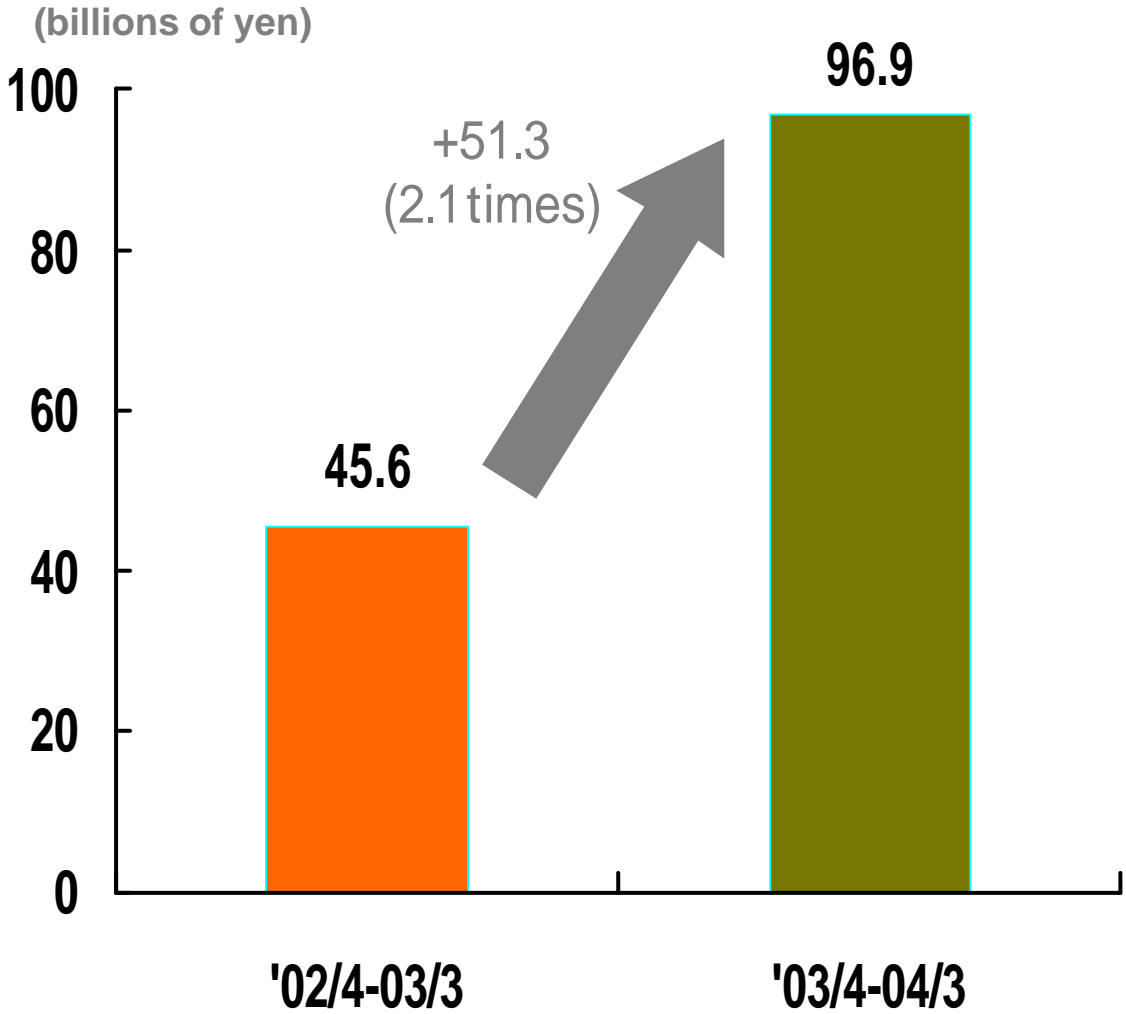
(thousands of units)



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# Geographic Operating Income: Other

## Doubled Profit by Sales Growth, Particularly in Asia



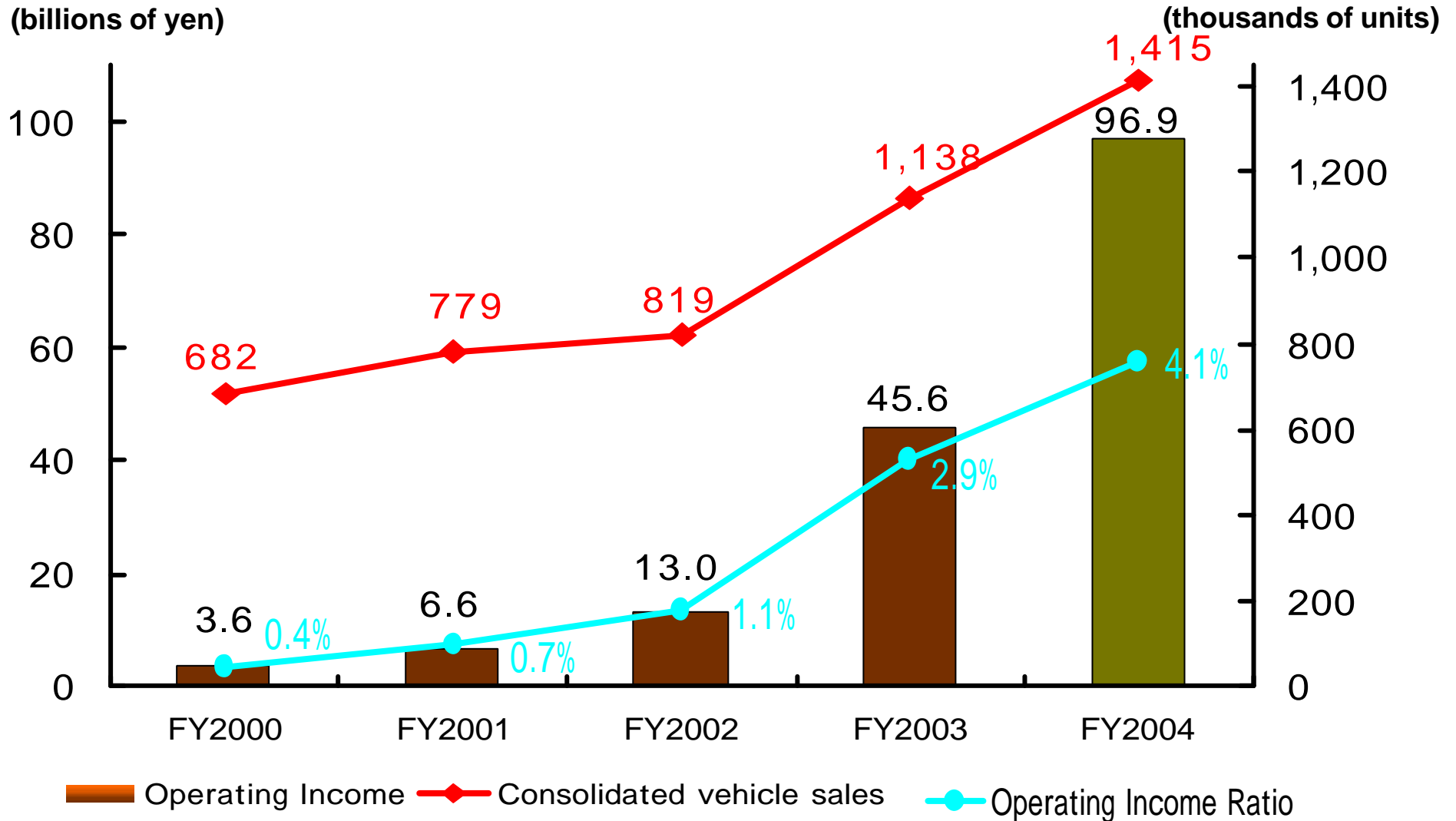
Vios



Hilux

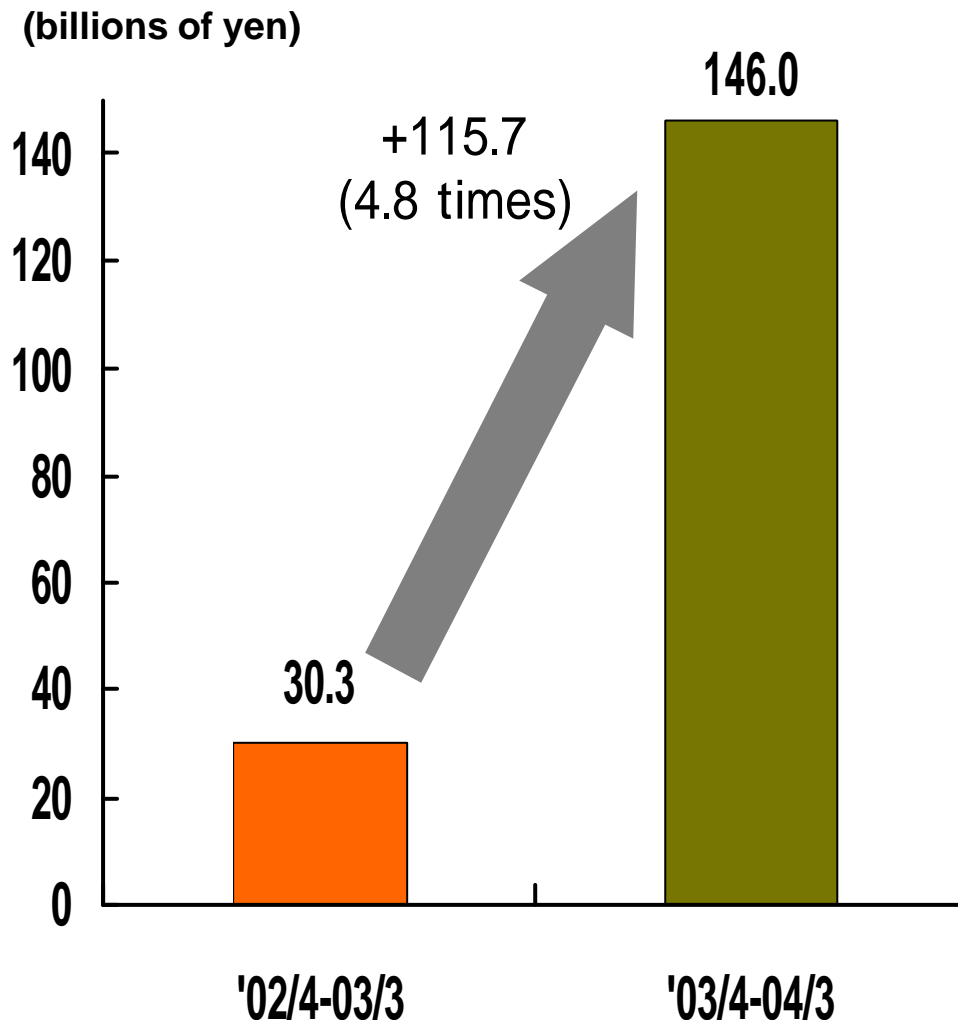
# Mid-term Changes: Other

## Asia Leads Rapid Growth in Profit



# Business Segments: Financial Services

**Achieved 100 billion yen profit target ahead of schedule**

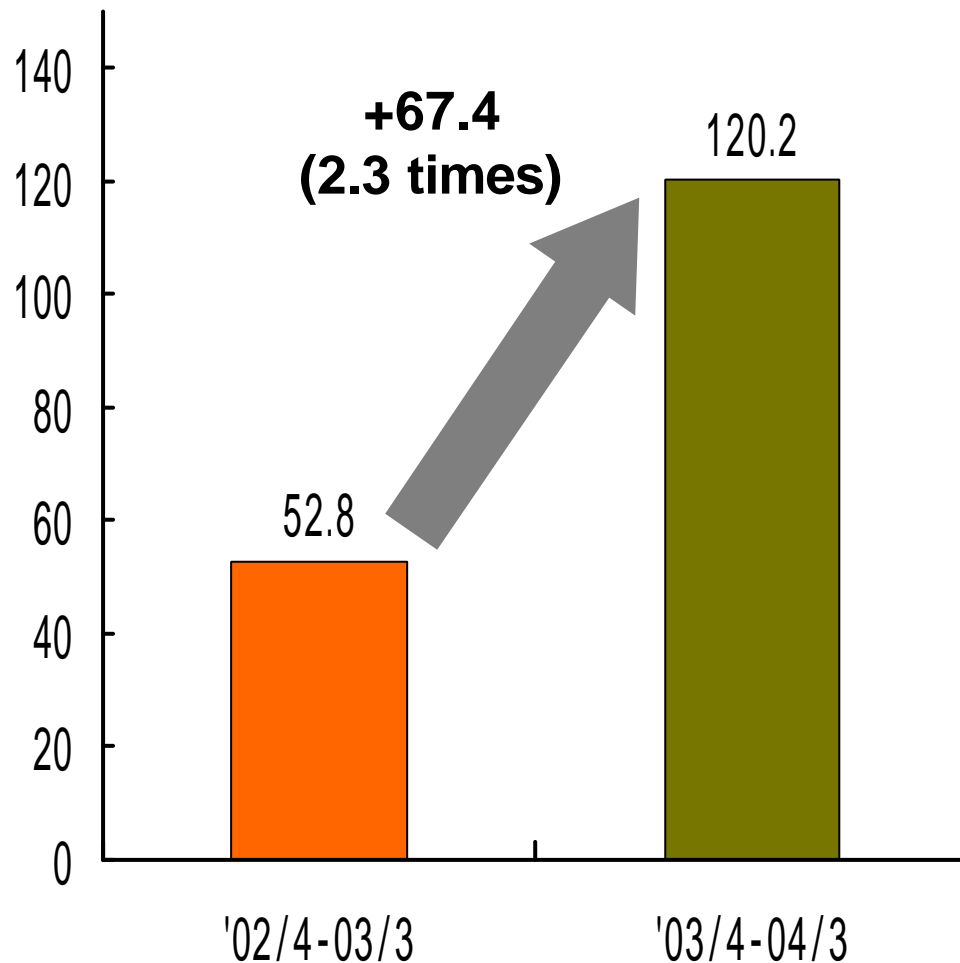


**Operating Income :  
+115.7 billion yen**

- **Increase in balance of captive finance, etc.**  
**+56.2 billion yen**
- **Evaluation gain from interest swap agreements of US finance subsidiary, etc.**  
( '04/3 19.3 billion yen  
<= '03/3 -40.2 billion yen)  
**+59.5 billion yen**

# Equity in Earnings of Affiliated Companies: Strong Results, both in Japan and Overseas

(billions of yen)



**+67.4 billion yen**

- Profit from DAIKO-HENJO  
**+20.6 billion yen**

# CapEx, Depreciation, R&D FY2004

	Capital Expenditures (billions of yen)	Depreciation Expenses (billions of yen)	R&D Expenses (billions of yen)
<b>Consolidated Total</b>	<b>957.7</b>	<b>788.1</b>	<b>682.2</b>
<b>Japan</b>	<b>564.9</b>	<b>486.8</b>	
<b>North America</b>	<b>209.9</b>	<b>176.5</b>	
<b>Europe</b>	<b>87.7</b>	<b>66.4</b>	
<b>Other</b>	<b>95.2</b>	<b>58.4</b>	

# **I. Consolidated Financial Summary**

## ***II. Unconsolidated Financial Summary***

### **III. Prospects for FY2005**

# Unconsolidated Results Summary (Japan GAAP)

	<b>FY2004</b> <b>('03/4-04/3)</b> (billions of yen)	<b>FY2003</b> <b>('02/4-03/3)</b> (billions of yen)	<b>Changes</b> (billions of yen)    % (*)	
<b>Net Sales</b>	<b>8,963.7</b>	<b>8,739.3</b>	<b>224.4</b>	<b>2.6%</b>
<b>Operating Income</b>	<b>833.7</b>	<b>861.3</b>	<b>-27.6</b>	<b>-3.2%</b>
<b>Ordinary Income</b>	<b>915.7</b>	<b>892.6</b>	<b>23.1</b>	<b>2.6%</b>
<b>Net Income</b>	<b>581.4</b>	<b>634.0</b>	<b>-52.6</b>	<b>-8.3%</b>

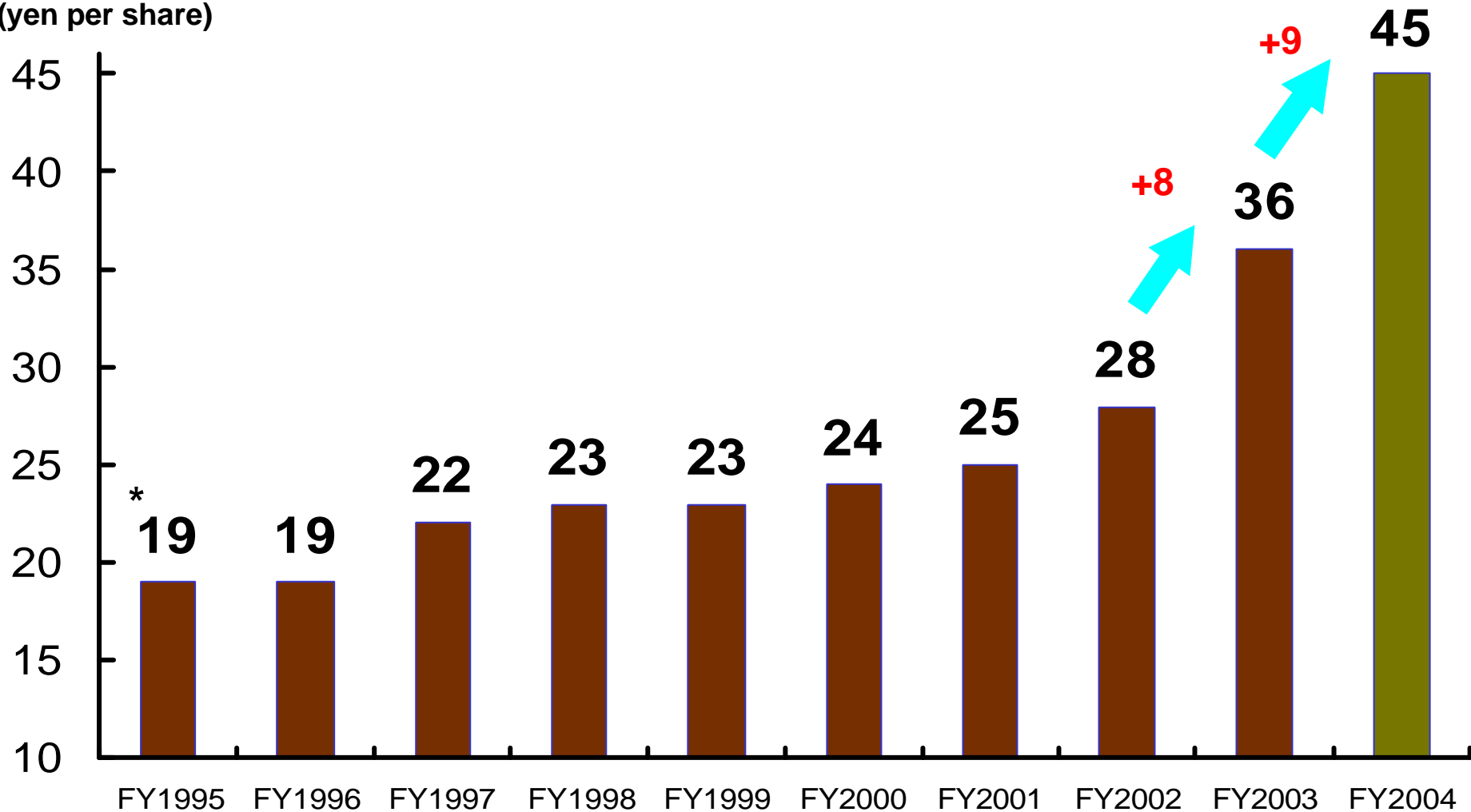
(\*): percent changes year-on-year





# Dividends : Remarkable Increase

(yen per share)

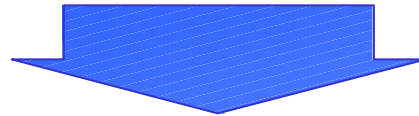


\* Recalculated on a 12 months basis (FY1995 was a 9 months period. Actual figure was 14.5 yen)

# Share Repurchase < Actual > : 80% of Annual Program Exercised

## Amount Authorized for Repurchase

Amount: *Up to* 400 billion yen or 150 million shares  
(for repurchases to be made between June '03-June '04)



## Repurchased Amount of Toyota Shares

Amount: 311.4 billion yen, 93 million shares

# Share Repurchase < Plan > : 250 Billion yen to be Proposed

## Amount to be Authorized for Repurchase

**Amount: *Up to 250 billion yen or 65 million shares***

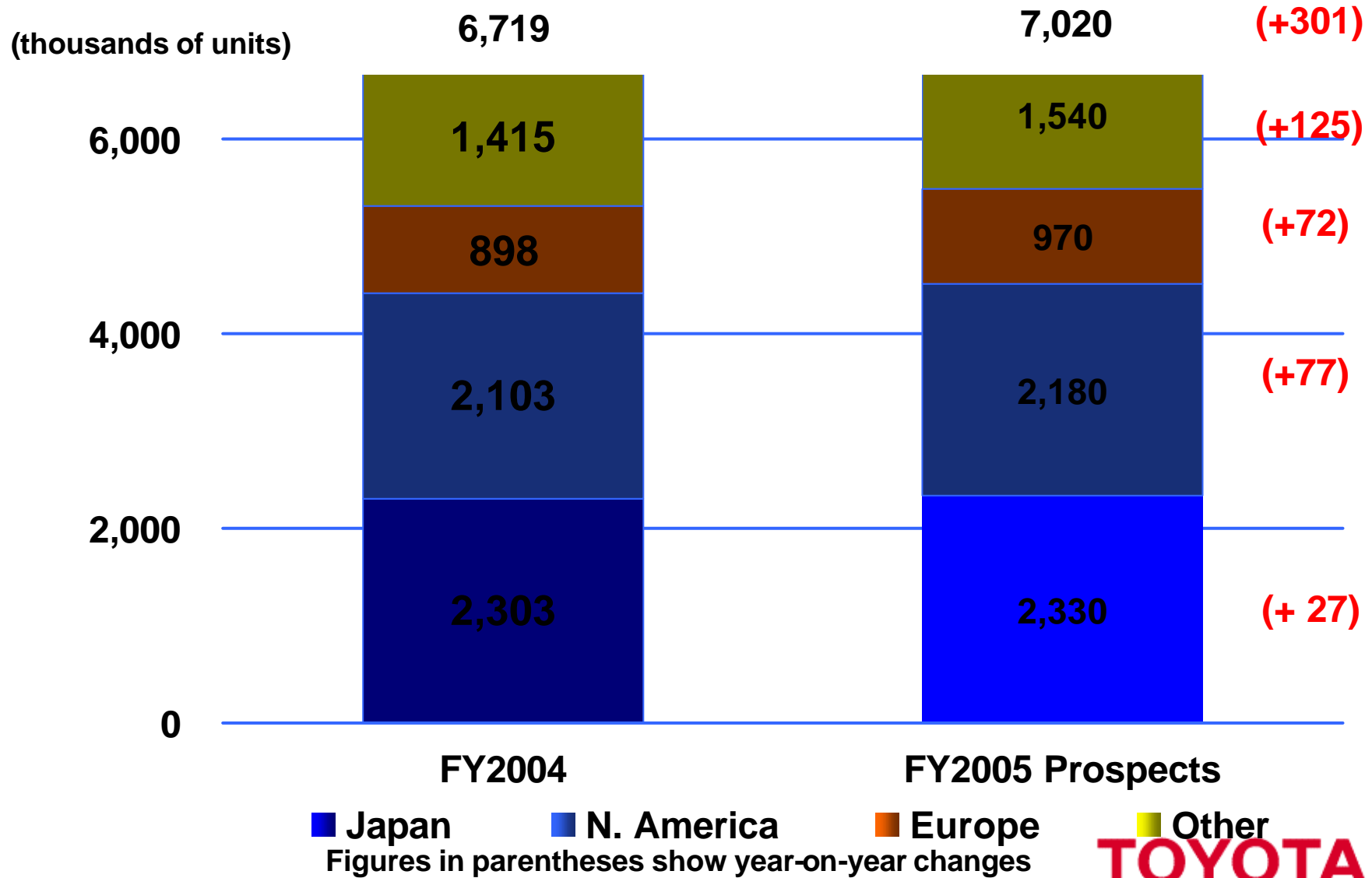
**(for repurchases to be made between June '04-June '05)**

**I. Consolidated Financial  
Summary**

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***III. Prospects for FY2005***

# FY2005 Consolidated Prospects: Vehicle Unit Sales



# FY2005 Consolidated Prospects: CapEx, Depreciation, R&D

	<b>Capital Expenditures</b> (billions of yen)	<b>Depreciation Expenses</b> (billions of yen)	<b>R&amp;D Expenses</b> (billions of yen)
<b>Consolidated</b>	(+32.3) <b>990.0</b>	(+11.9) <b>800.0</b>	(-2.2) <b>680.0</b>
<b>(Japan)</b>	(+25.1) <b>590.0</b>	(-6.8) <b>480.0</b>	
<b>(North America)</b>	(-69.9) <b>140.0</b>	(-16.5) <b>160.0</b>	
<b>(Europe)</b>	(-7.7) <b>80.0</b>	(+13.6) <b>80.0</b>	
<b>(Other)</b>	(+84.8) <b>180.0</b>	(+21.6) <b>80.0</b>	

Notes: Figures in parentheses show year-on-year changes

# Toyota's Operations Prospects excluding Daihatsu and Hino

		FY2005 Prospects ( <sup>'04/4</sup> - <sup>'05/3</sup> )	FY2004 ( <sup>'03/4</sup> - <sup>'04/3</sup> )
		thousands of units	thousands of units
<b>Automotive</b>	<b>Japan</b>	<b>3,610</b>	<b>3,558</b>
<b>Production</b>	<b>Overseas</b>	<b>3,050</b>	<b>2,739</b>
	<b>Sales (Japan)</b>	<b>1,790</b>	<b>1,765</b>
	<b>Exports</b>	<b>1,880</b>	<b>1,860</b>
	<b>Sales (Overseas)</b>	<b>4,800</b>	<b>4,541</b>
		units	units
<b>Housing Sales</b>		<b>4,100</b>	<b>4,038</b>



# FY2005 Unconsolidated Prospects (Japan GAAP)

	<b>FY2005 Prospects</b> ( <b>'04/4-'05/3</b> ) (billions of yen)	<b>FY2004</b> ( <b>'03/4-'04/3</b> ) (billions of yen)	<b>Change</b> (billions of yen)
<b>Net Sales</b>	<b>9,000.0</b>	<b>8,963.7</b>	<b>36.3</b>
<b>Operating Income</b>	<b>700.0</b>	<b>833.7</b>	<b>-133.7</b>
<b>Ordinary Income</b>	<b>830.0</b>	<b>915.7</b>	<b>-85.7</b>
<b>Net Income</b>	<b>520.0</b>	<b>581.4</b>	<b>-61.4</b>
<b>Exchange Rate</b>	105 yen/ 1\$ 125 yen/ 1Euro	113 yen/ 1\$ 133 yen/ 1Euro	-8 yen/1\$ -8 yen/1Euro

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