

# FY2008 First Half Year Financial Results

six months ended September 30, 2007

-prepared in accordance with U.S. GAAP-



Toyota Motor Corporation

November 7, 2007

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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.

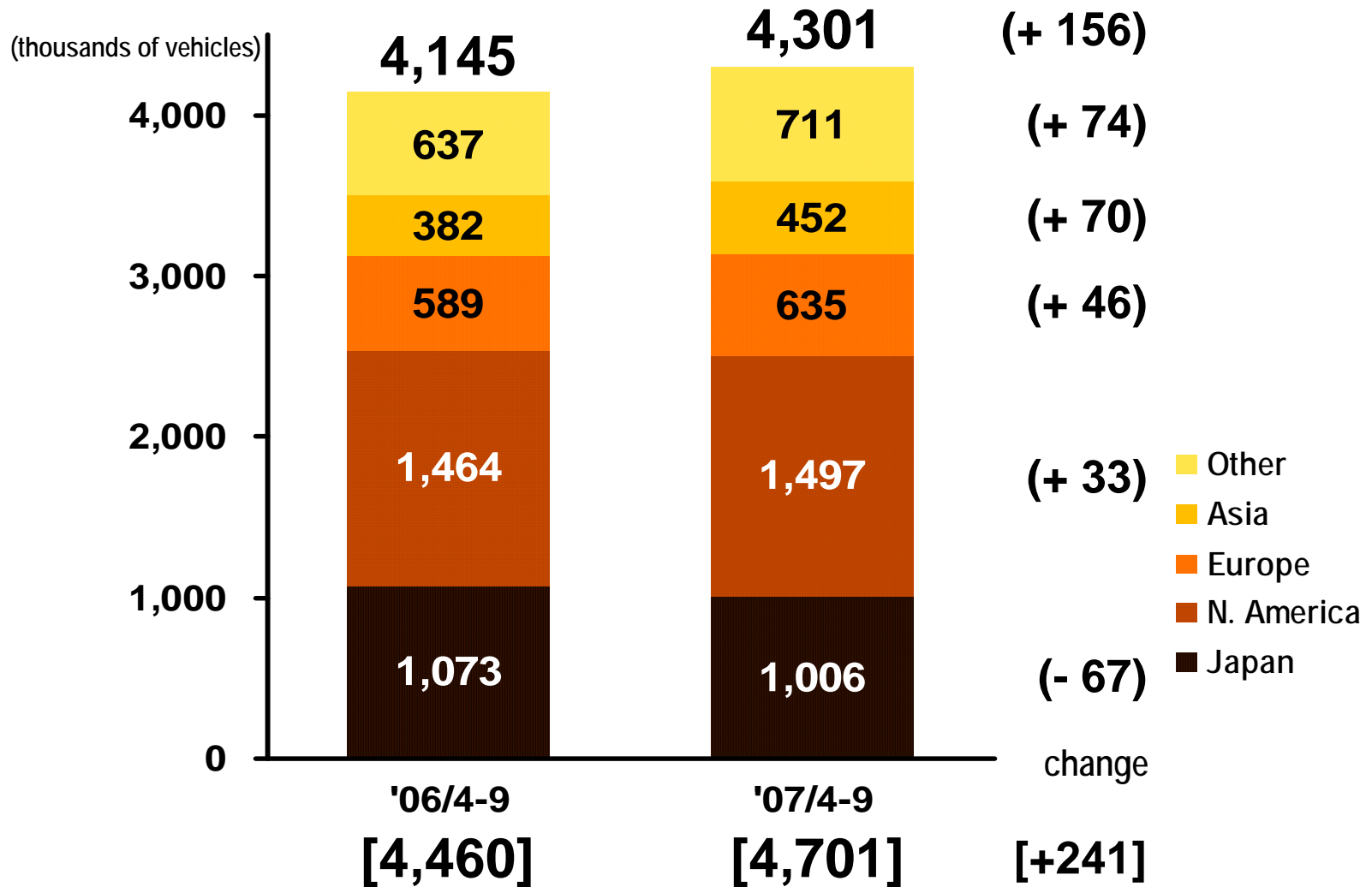
# Caution concerning Insider Trading

Under Japanese Financial Instruments and Exchange laws (the "Exchange Law"), 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 Exchange Law) until such material information is deemed to be made public. Under the Exchange Law, 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 Exchange Law.

**Takeshi Suzuki**

**Senior Managing Director**

# Consolidated Vehicle Sales



-Figures in square brackets show total retail vehicle sales in thousands

# Consolidated Financial Summary

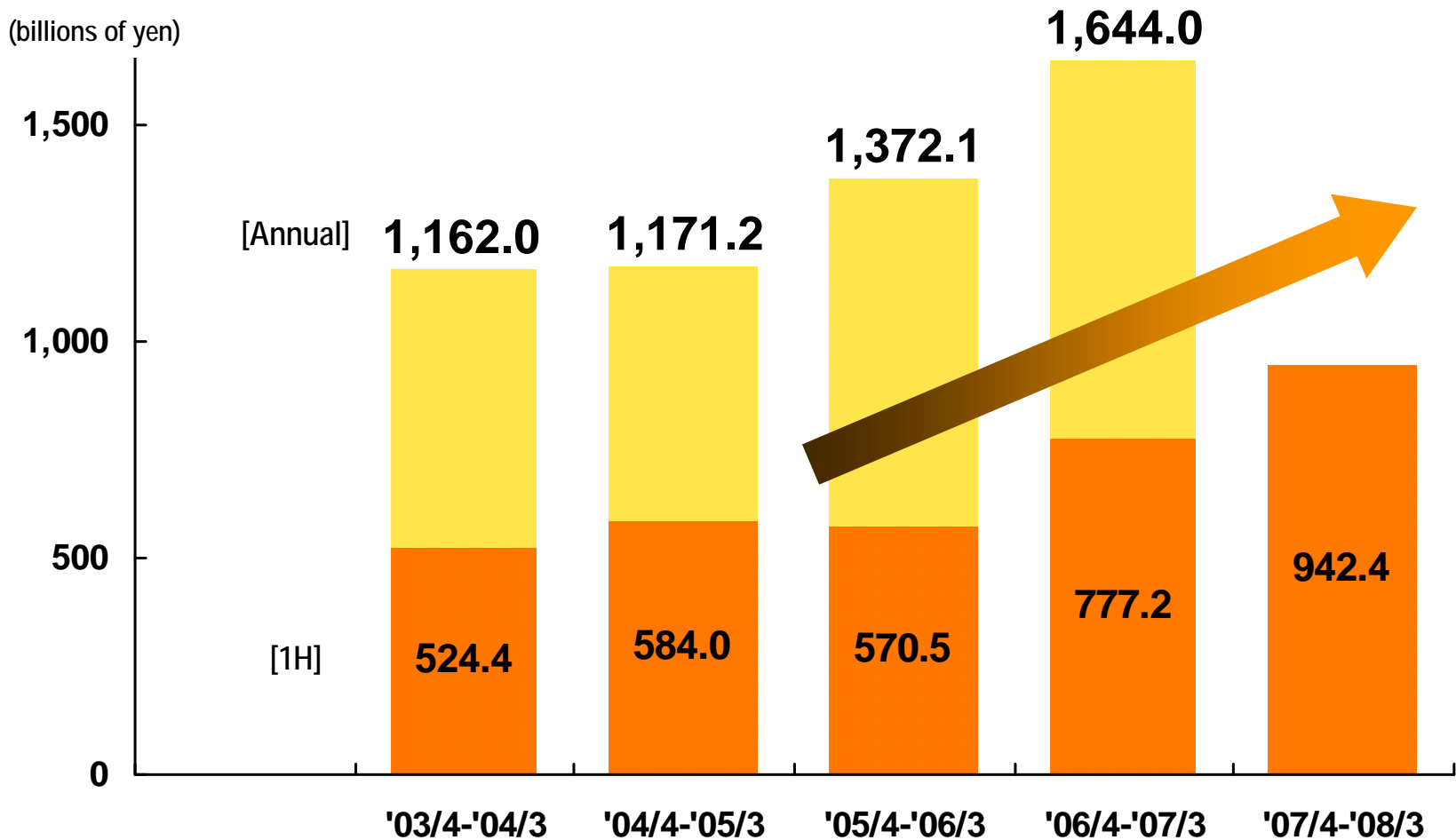
6

(billions of yen)

	FY2008 1H ( <sup>'07/4-9</sup> )	FY2007 1H ( <sup>'06/4-9</sup> )	Change	
Net Revenues	<b>13,012.2</b>	<b>11,471.8</b>	<b>1,540.4</b>	<b>13.4%</b>
Operating Income	<b>1,272.1</b>	<b>1,093.4</b>	<b>178.7</b>	<b>16.3%</b>
Income before income taxes, minority interest and equity earnings of affiliated companies	<b>1,362.2</b>	<b>1,166.1</b>	<b>196.1</b>	<b>16.8%</b>
Equity Earnings of Affiliated Companies	<b>145.1</b>	<b>89.4</b>	<b>55.7</b>	<b>62.1%</b>
Net Income	<b>942.4</b>	<b>777.2</b>	<b>165.2</b>	<b>21.3%</b>
FOREX \$	<b>119 yen</b>	<b>115 yen</b>	<b>+ 4 yen</b>	
Rates €	<b>162 yen</b>	<b>146 yen</b>	<b>+ 16 yen</b>	

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# Rapid Growth of Net Income

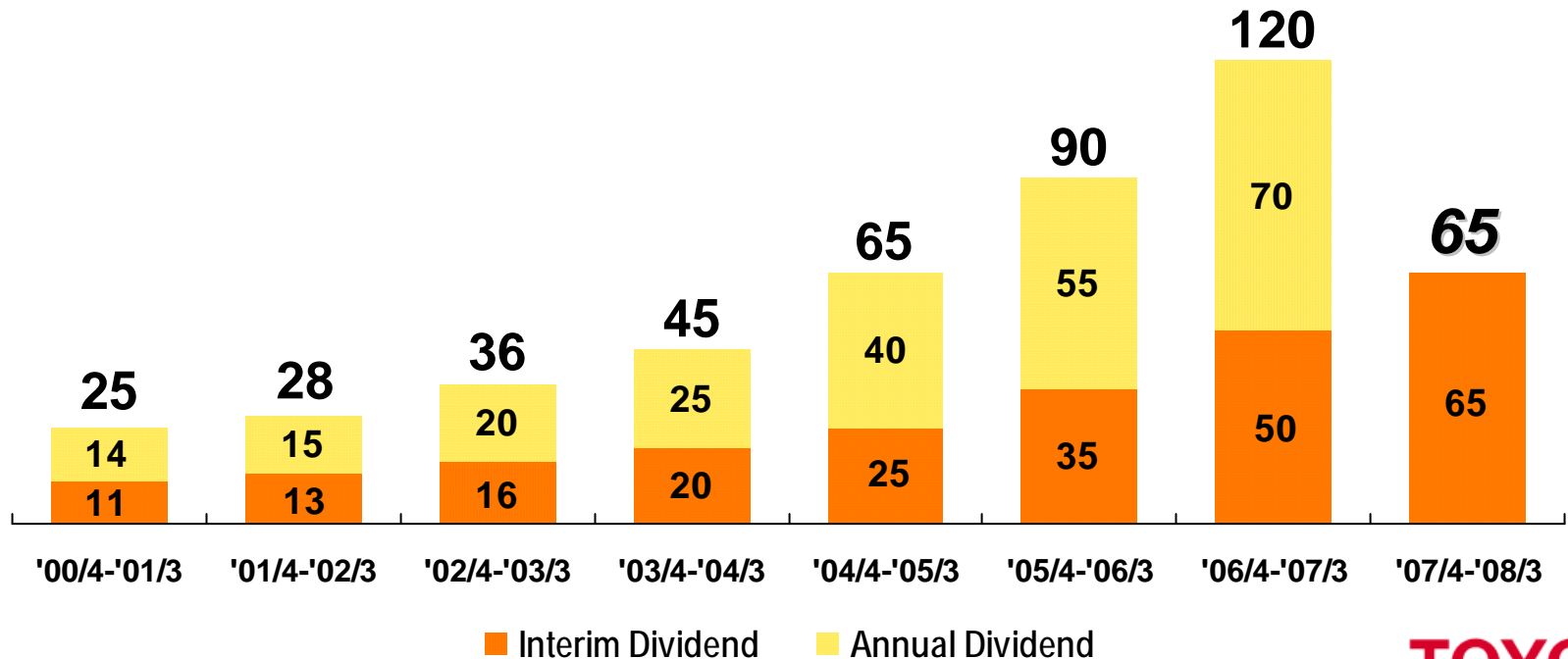


# Shareholder Return

Interim Dividend: 65 yen per share (change: +15 yen)

Total Amount of Payout : 207.0 billion yen

Consolidated Payout Ratio: 22.0% (change: +1.3%)





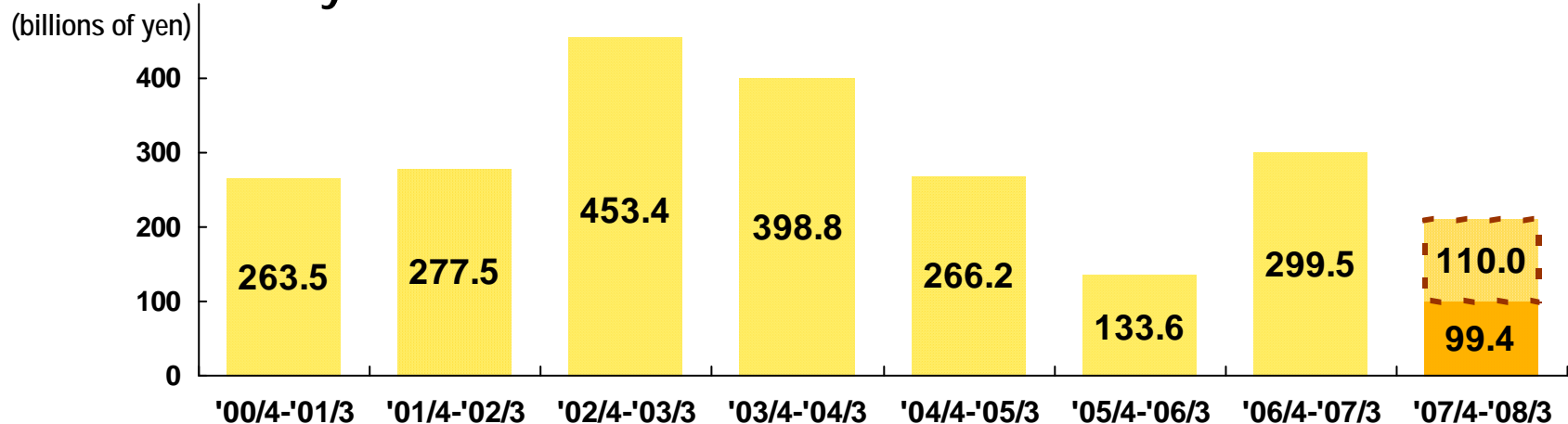
# Shareholder Return

## Share Buyback

Authorized Amount ( '07/6 - '08/6 ) 250.0 billion yen / 30 million shares

Amount Exercised: 36.4 billion yen / 5 million shares  
Amount Announced Today 110.0 billion yen / 15 million shares  
(up to) :

### - Share buyback results



# Consolidated Financial Summary

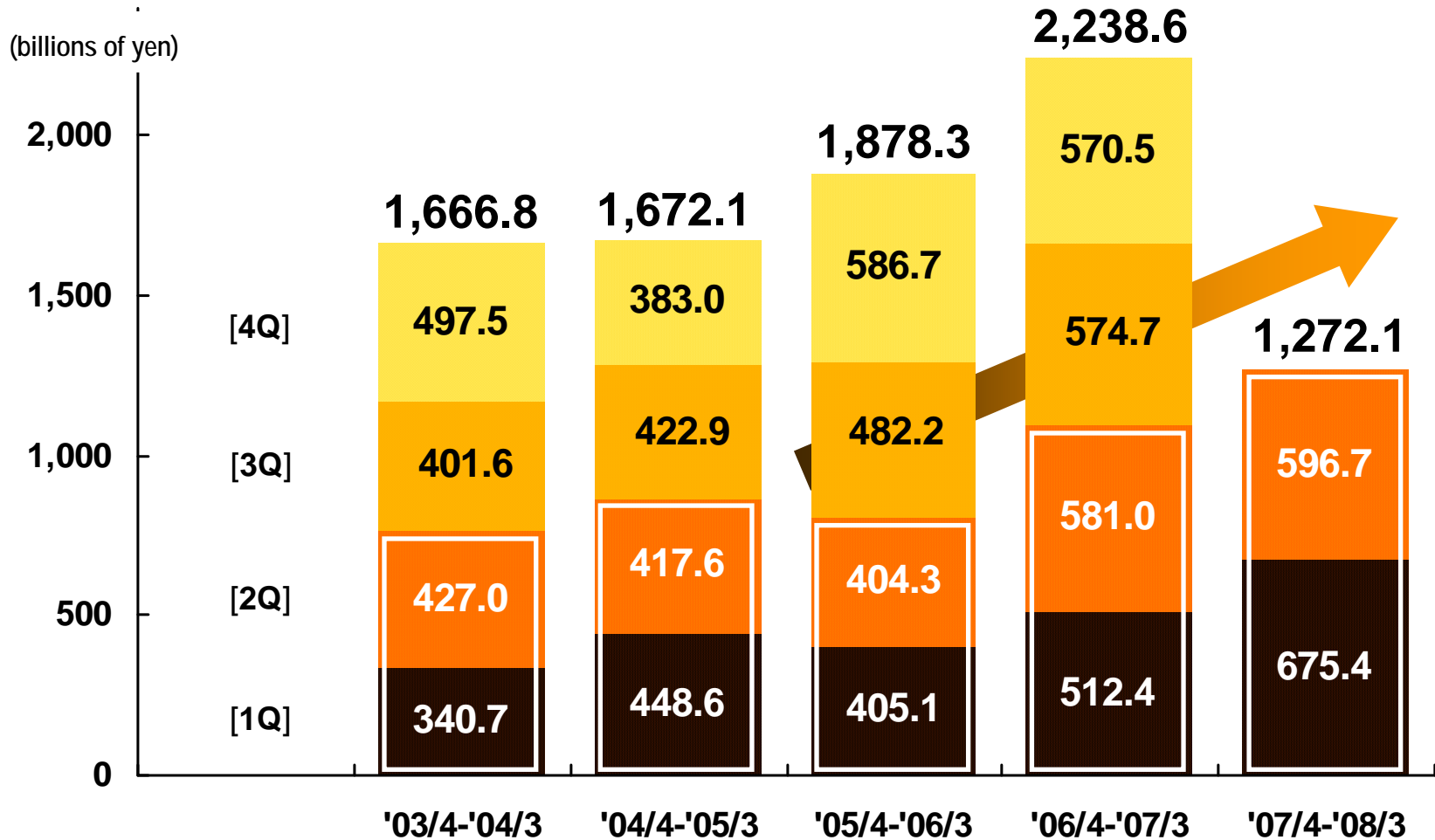
10

(billions of yen)

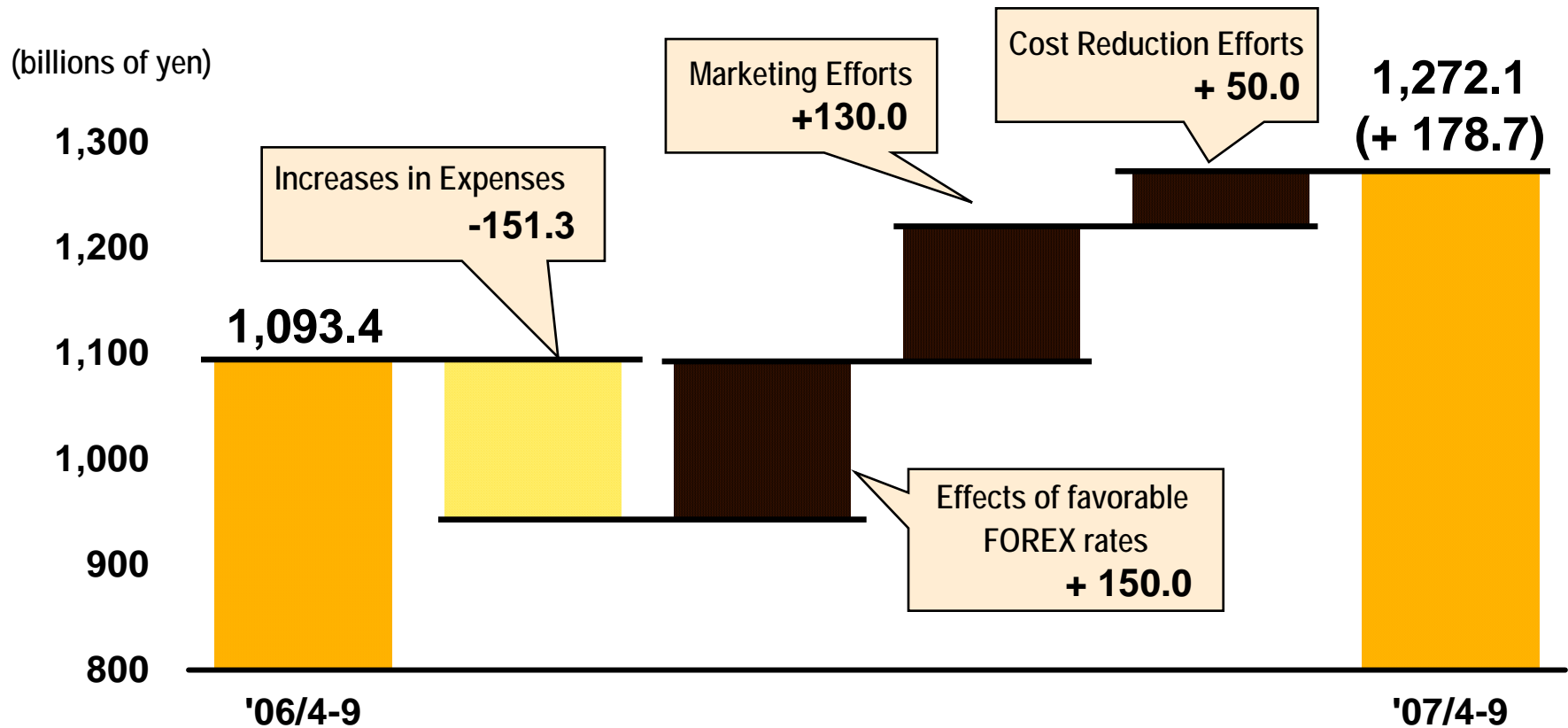
		<b>FY2008 1H ( '07/4-9)</b>	<b>FY2007 1H ( '06/4-9)</b>	<b>Change</b>	
Net Revenues		13,012.2	11,471.8	1,540.4	13.4%
<b>Operating Income</b>		<b>1,272.1</b>	<b>1,093.4</b>	<b>178.7</b>	<b>16.3%</b>
Income before income taxes, minority interest and equity earnings of affiliated companies		1,362.2	1,166.1	196.1	16.8%
	Equity Earnings of Affiliated Companies	145.1	89.4	55.7	62.1%
Net Income		942.4	777.2	165.2	21.3%
FOREX	\$	119 yen	115 yen	+ 4 yen	
Rates	€	162 yen	146 yen	+ 16 yen	

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# Consistent Growth of Operating Income



# Contributing Factors to Consolidated Operating Income



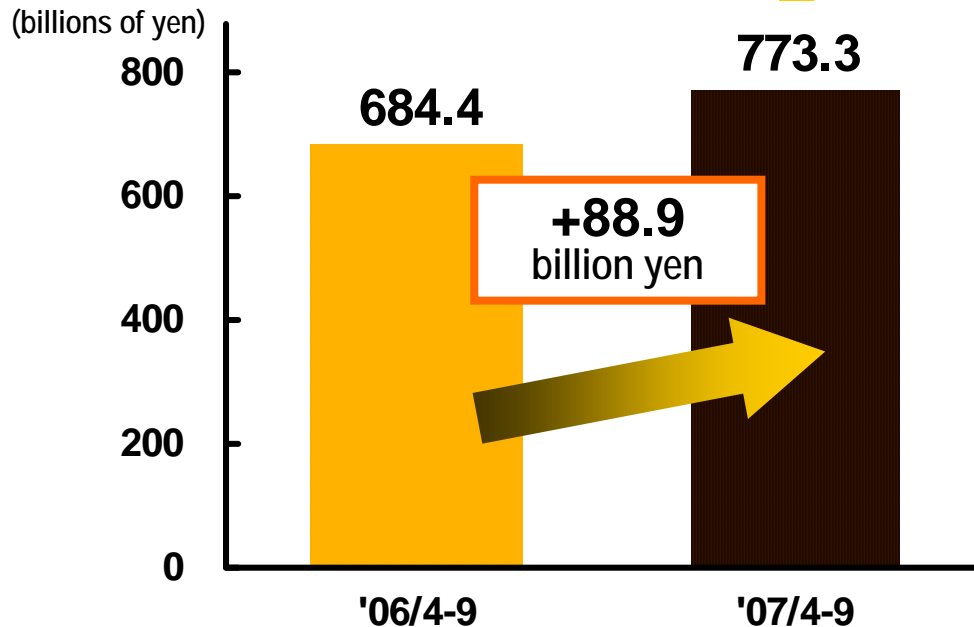
< Details of Increases in Expenses >

R&D expenses.....	-53.1	Impact from the valuation on interest rates swaps.....	-3.7
Depreciation and CAPEX related costs.....	-43.0	Others .....	-22.2
Labor costs .....	-29.3		

# Geographic Operating Income: Japan

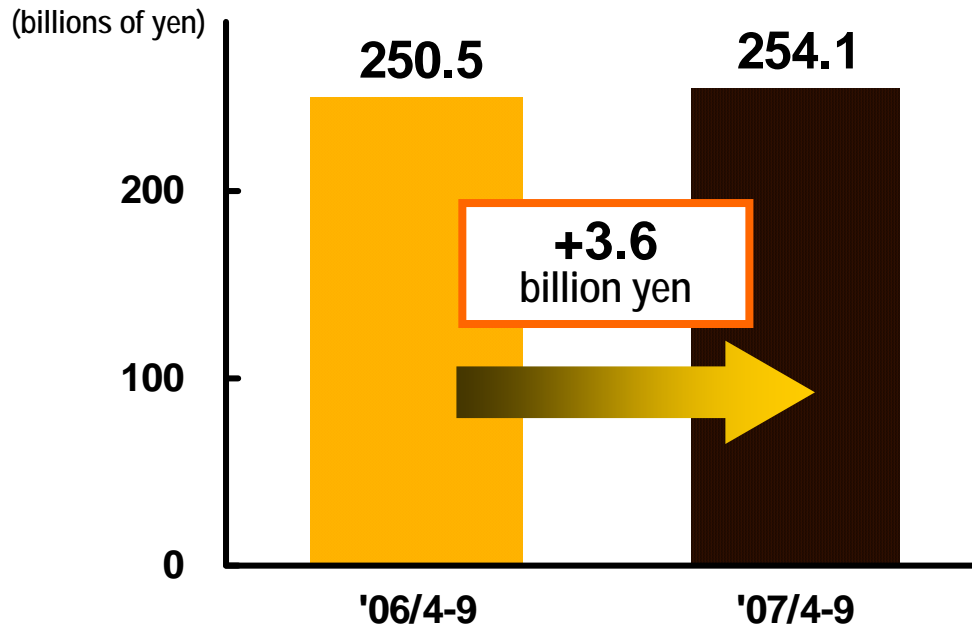
Consolidated Vehicle Production **2,450** ————— **2,429** thousands of vehicles

Consolidated Vehicle Sales **1,073** ————— **1,006** thousands of vehicles



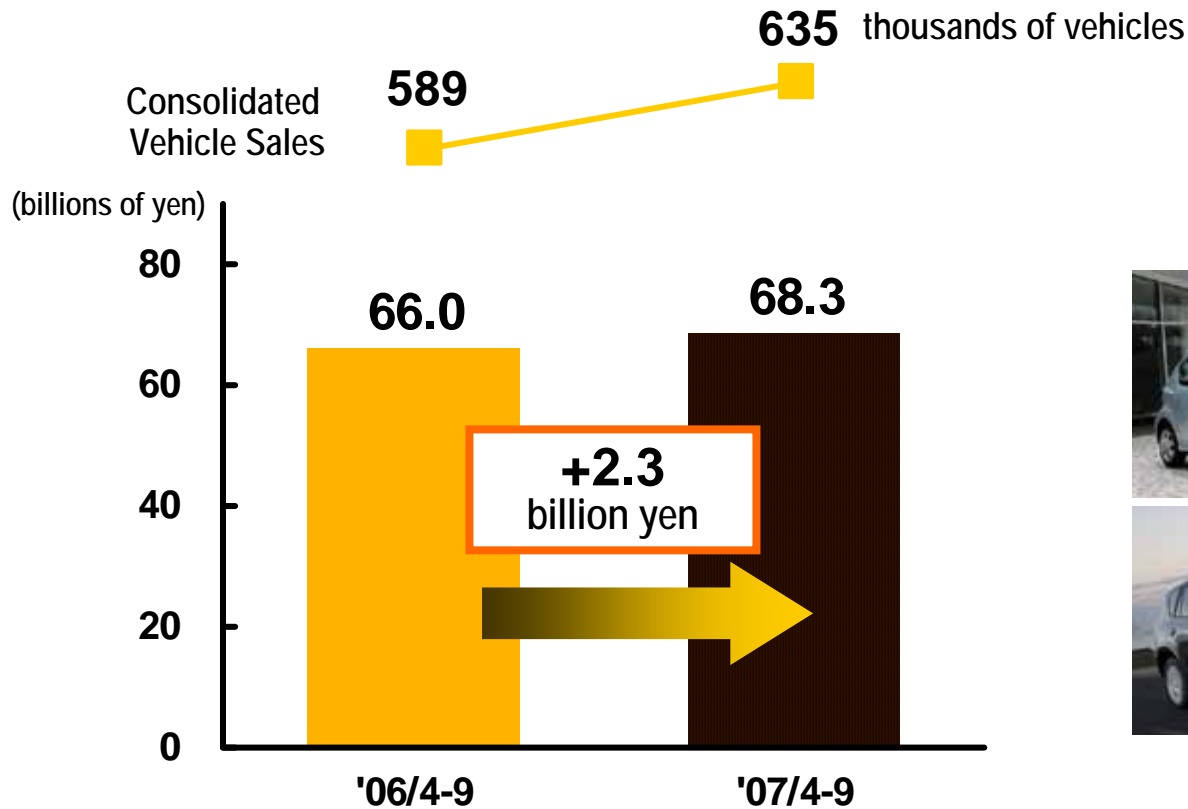
- Improved product mix driven by Lexus LS in Japan and overseas
- Sales in Japan turned upward since Aug. supported by new model launches

# Geographic Operating Income: North America 14



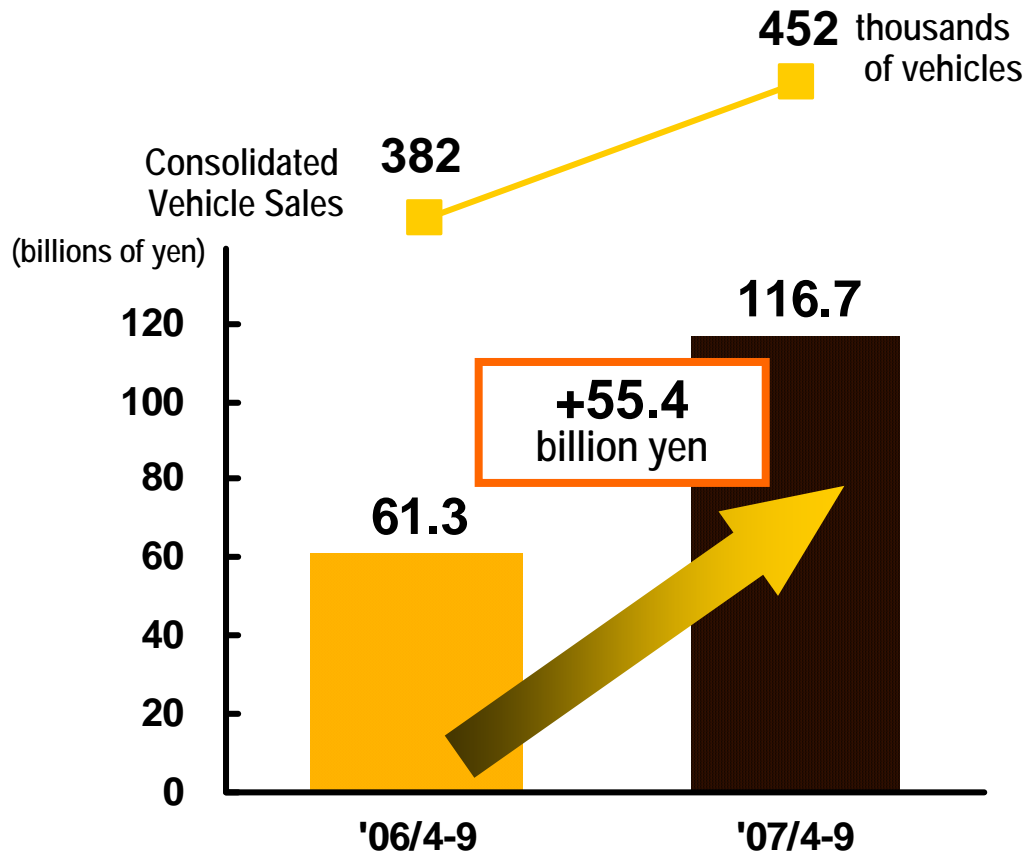
- Vehicle sales growth driven by the new Tundra and Prius
- A high level of Operating Income achieved as in previous financial year

# Geographic Operating Income: Europe



- Favorable sales of new models such as Auris and Corolla
- Strong sales in Russia of highly profitable models contributed to the increase of Operating Income

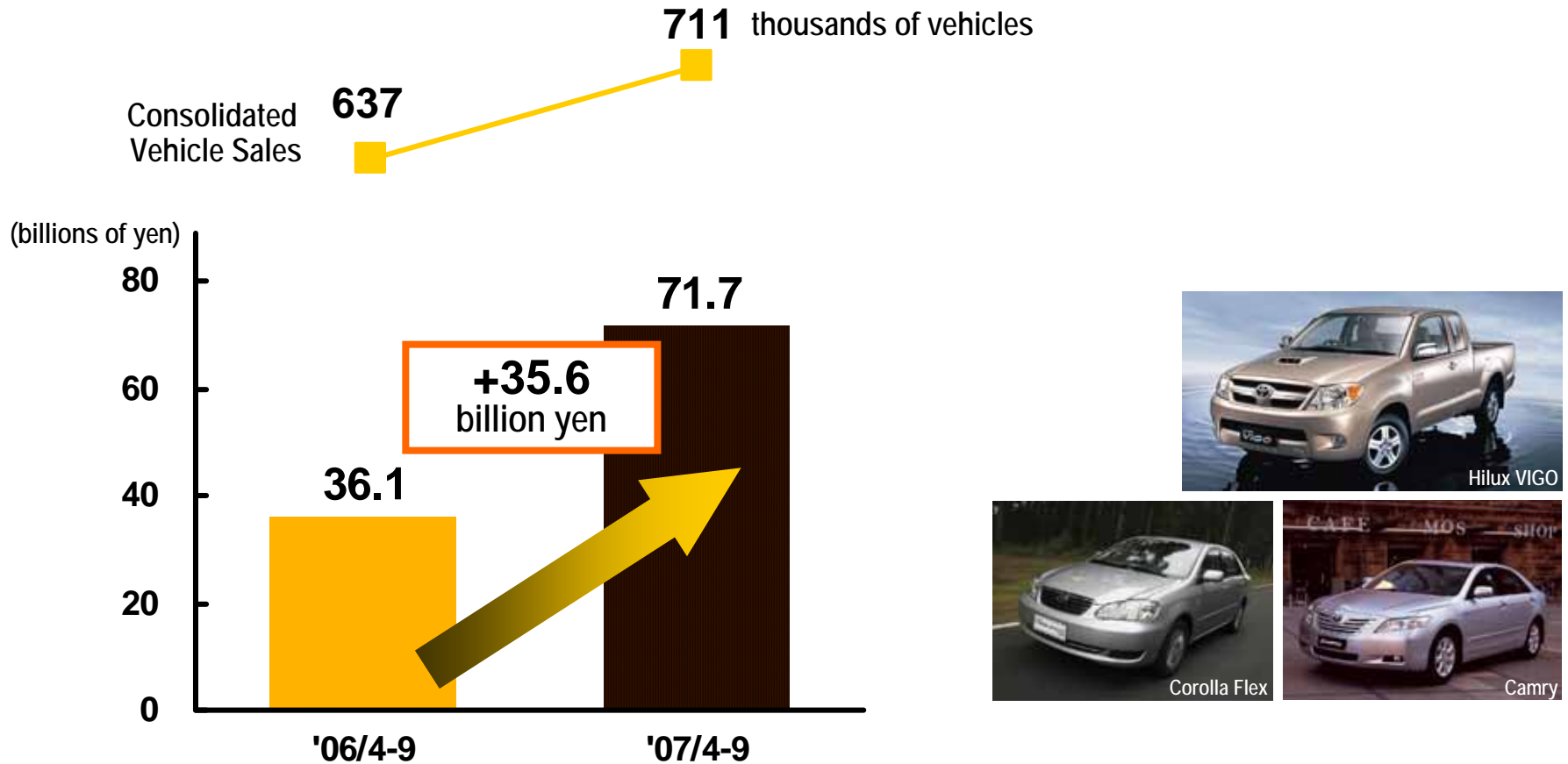
# Geographic Operating Income: Asia



- Vehicle sales grew strongly reflecting overall recovery of the market
- Large increase in Chinese subsidiaries' earnings, driven by strong Lexus sales in China

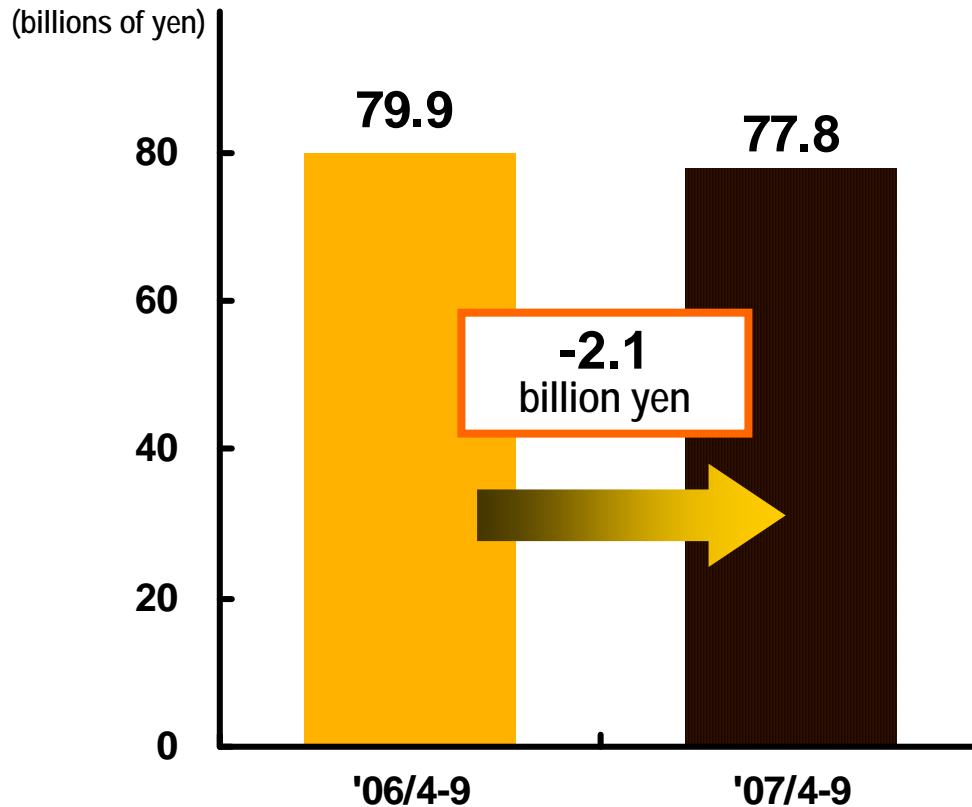


# Geographic Operating Income: Other



- Vehicle sales expanding thanks to the continuing popularity of IMV and the re-modeled Camry in Central and South America and South Africa

# Business Segment: Financial Services



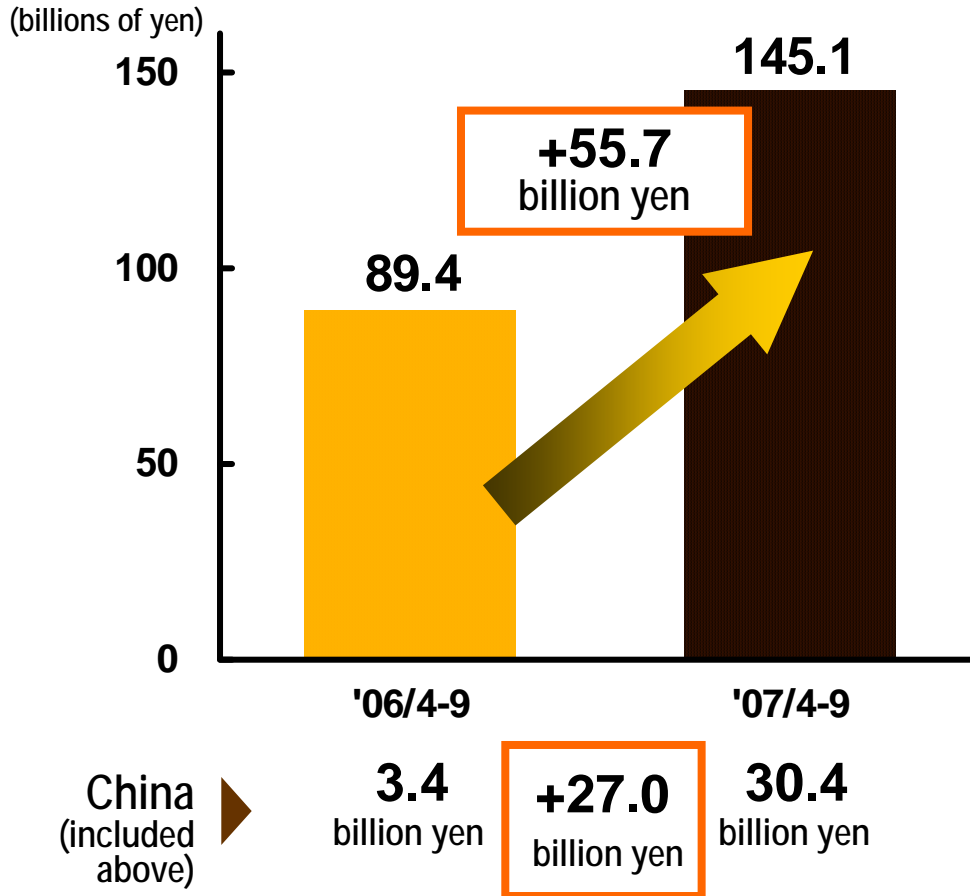
TS CUBIC Card



QUICPay

- Outstanding loan balance steadily grew as vehicle sales increasing
- Operating income increased by 1.6 billion yen excluding 3.7 billion yen valuation loss on interest rate swaps

# Equity Earnings of Affiliated Companies



- Strong earning contribution maintained by joint venture companies in China and Toyota Group companies in Japan

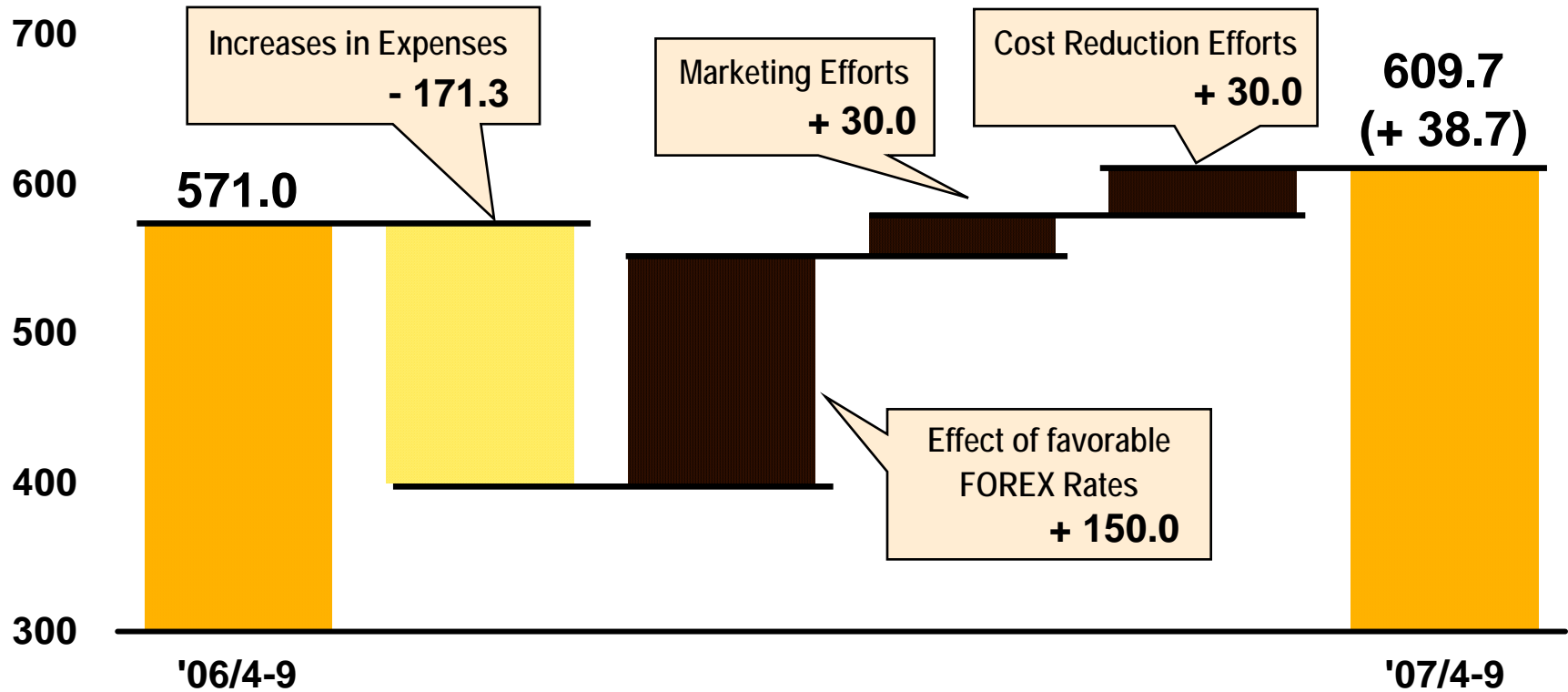
# Unconsolidated Financial Summary (Japan GAAP) 20

(billions of yen)

	<b>FY2008 1H (<sup>'07/4-9</sup>)</b>	<b>FY2007 1H (<sup>'06/4-9</sup>)</b>	<b>Change</b>	
Net Revenues	<b>5,737.1</b>	<b>5,470.3</b>	<b>266.8</b>	<b>4.9%</b>
Operating Income	<b>609.7</b>	<b>571.0</b>	<b>38.7</b>	<b>6.8%</b>
Ordinary Income	<b>852.4</b>	<b>778.2</b>	<b>74.2</b>	<b>9.5%</b>
Net Income	<b>601.9</b>	<b>525.8</b>	<b>76.1</b>	<b>14.5%</b>

# Contributing Factors to Unconsolidated Operating Income

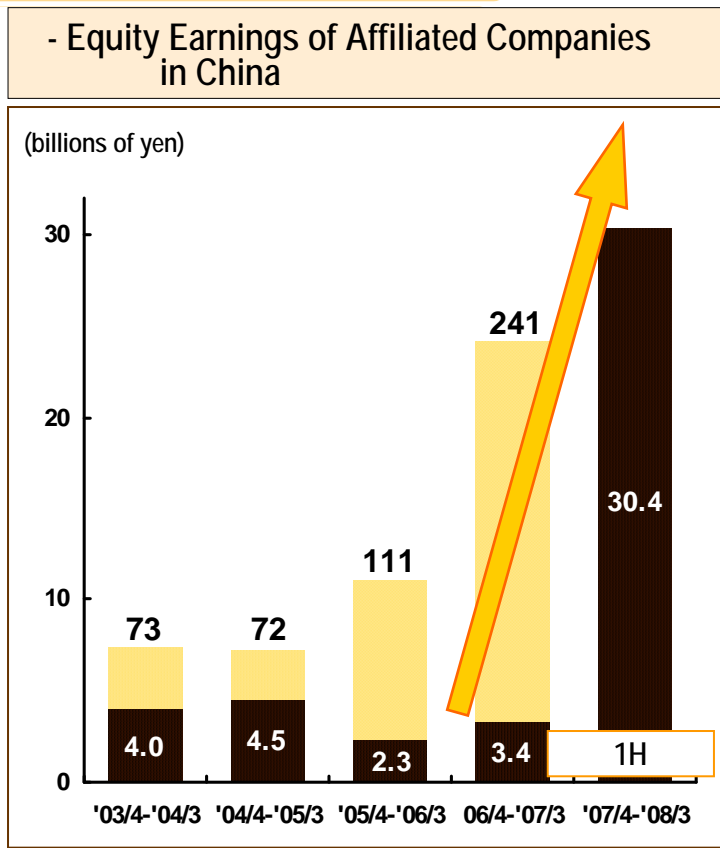
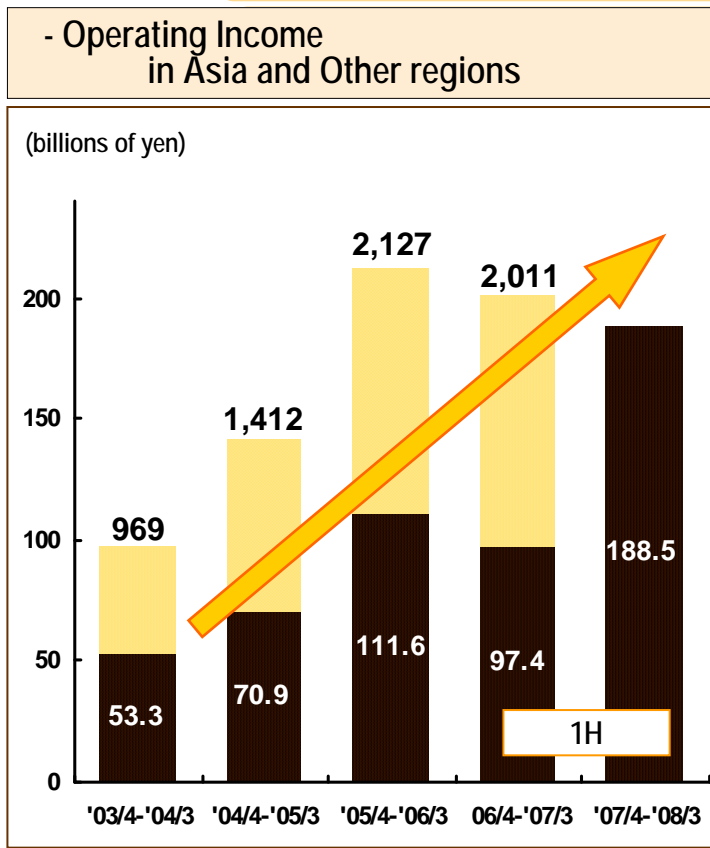
(billions of yen)



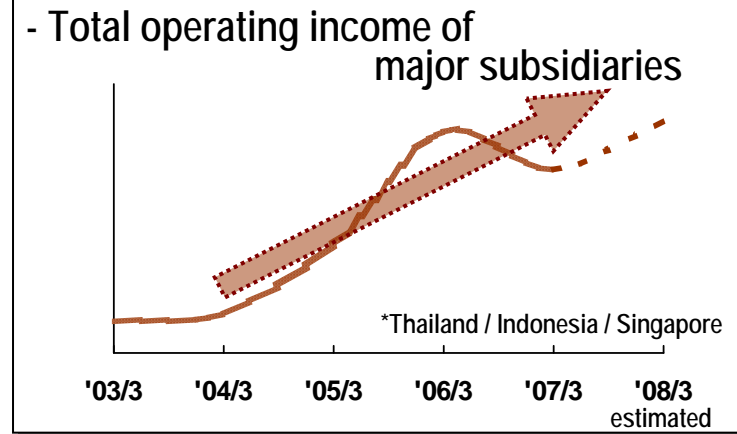
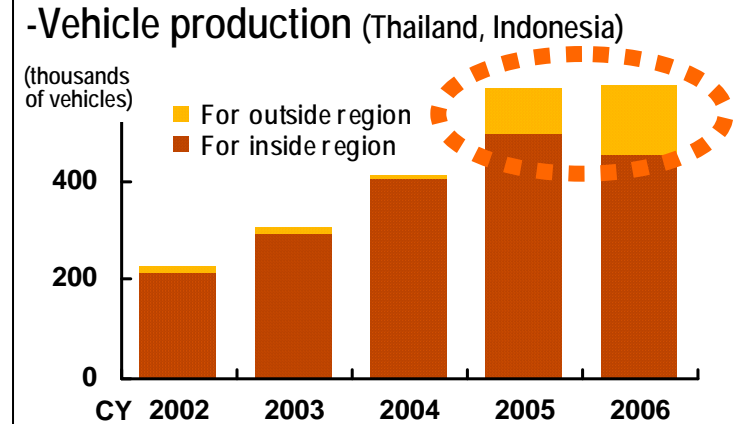
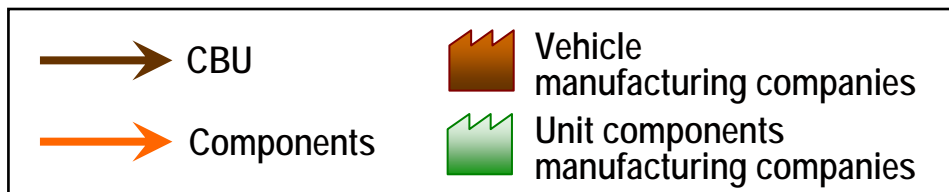
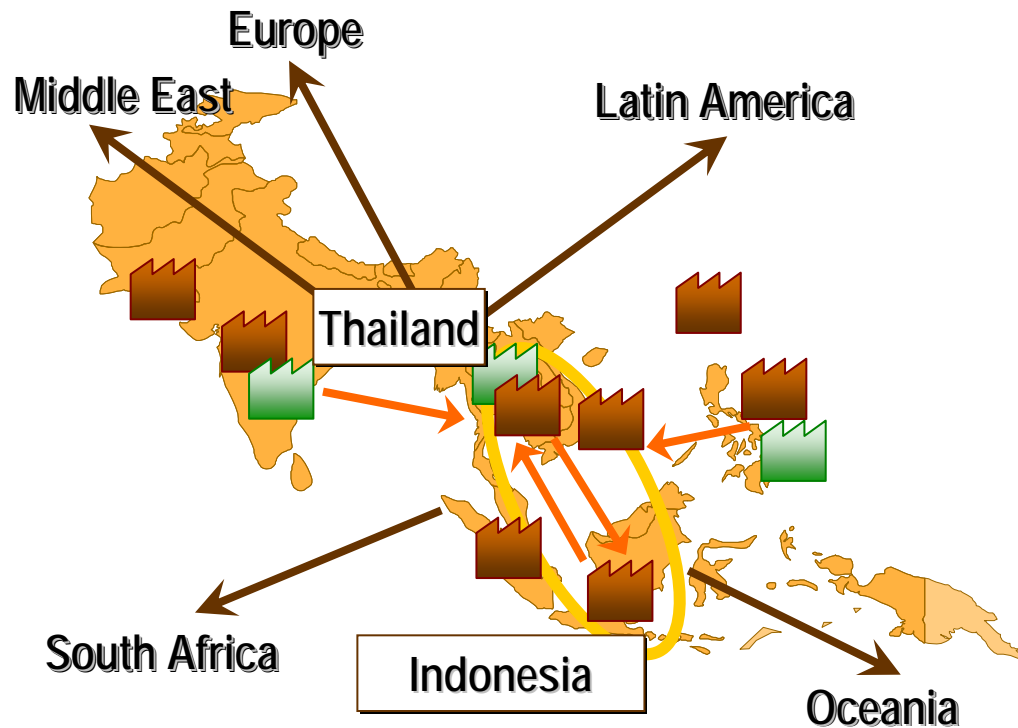
<Details of Increases in Expenses>	
R&D expenses.....	- 38.0
Depreciation and CAPEX related costs.....	- 14.7
Labor costs.....	- 1.5
Others.....	- 117.1

# Major Activities in Growing Markets

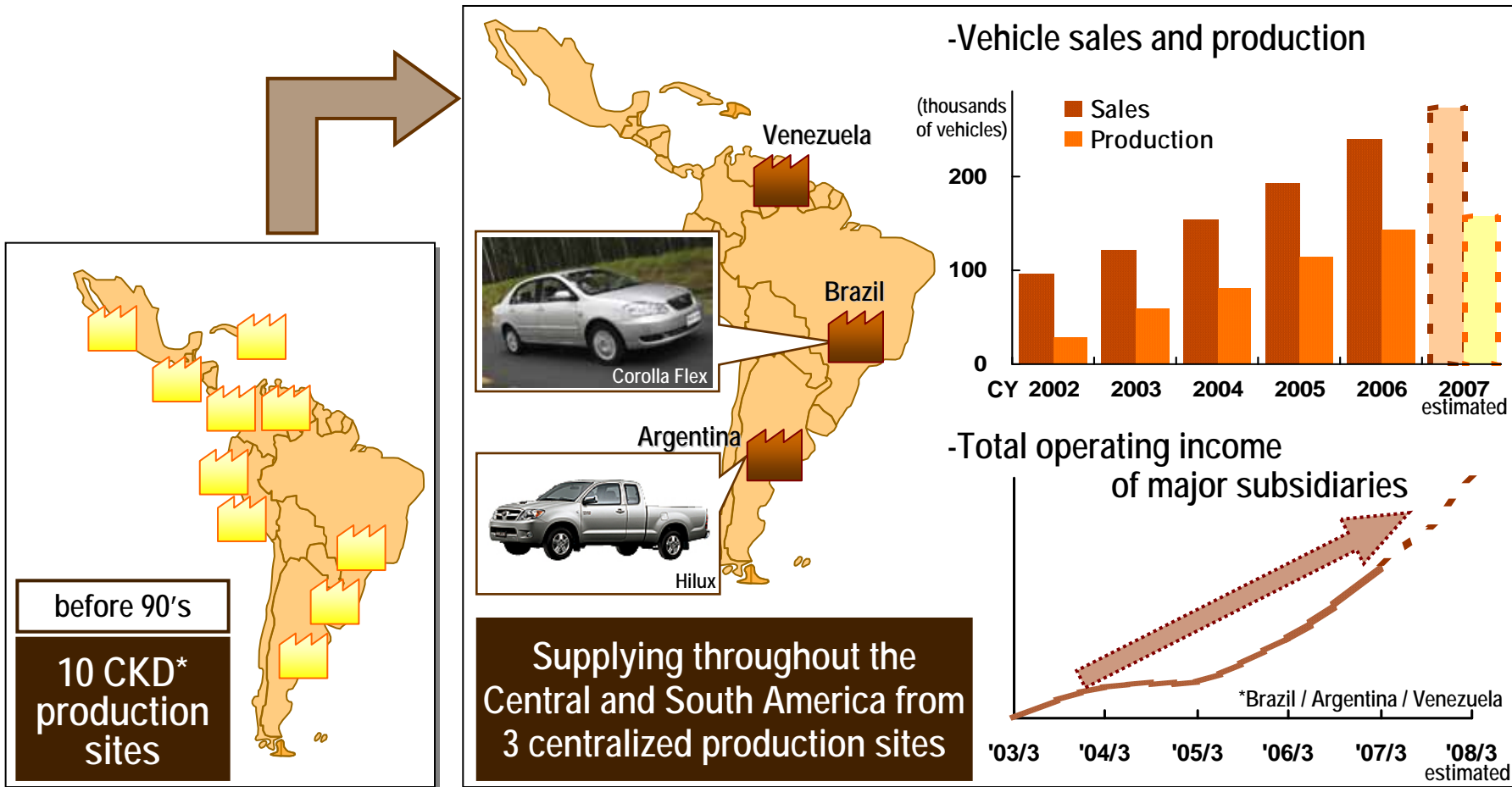
(Resource-rich / Emerging countries, etc.)



## Building a solid profit structure through the optimal supply system



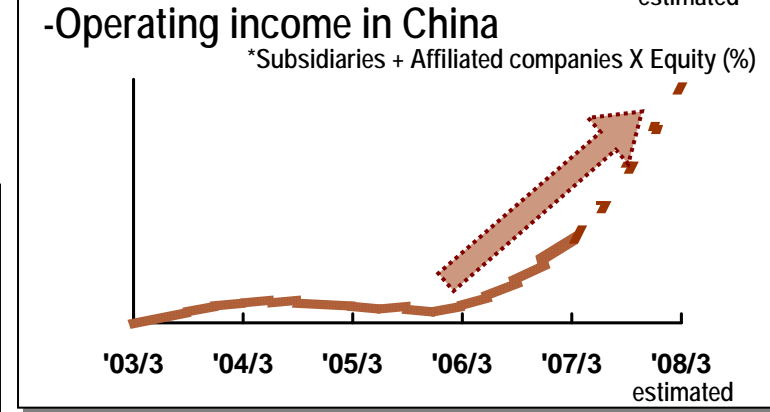
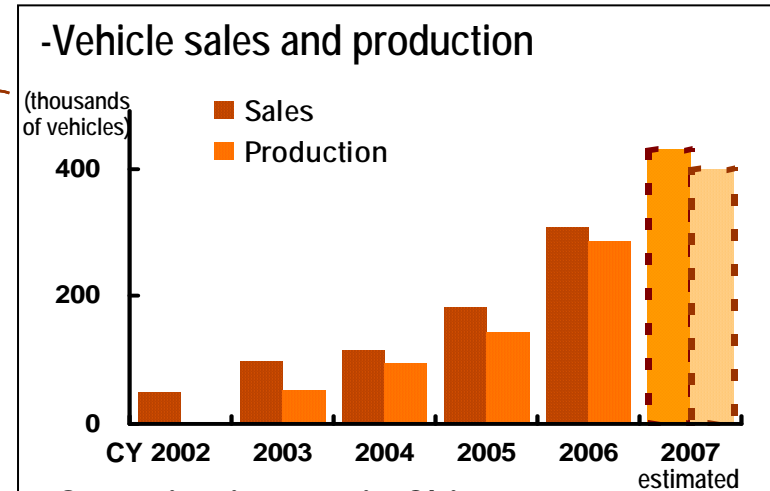
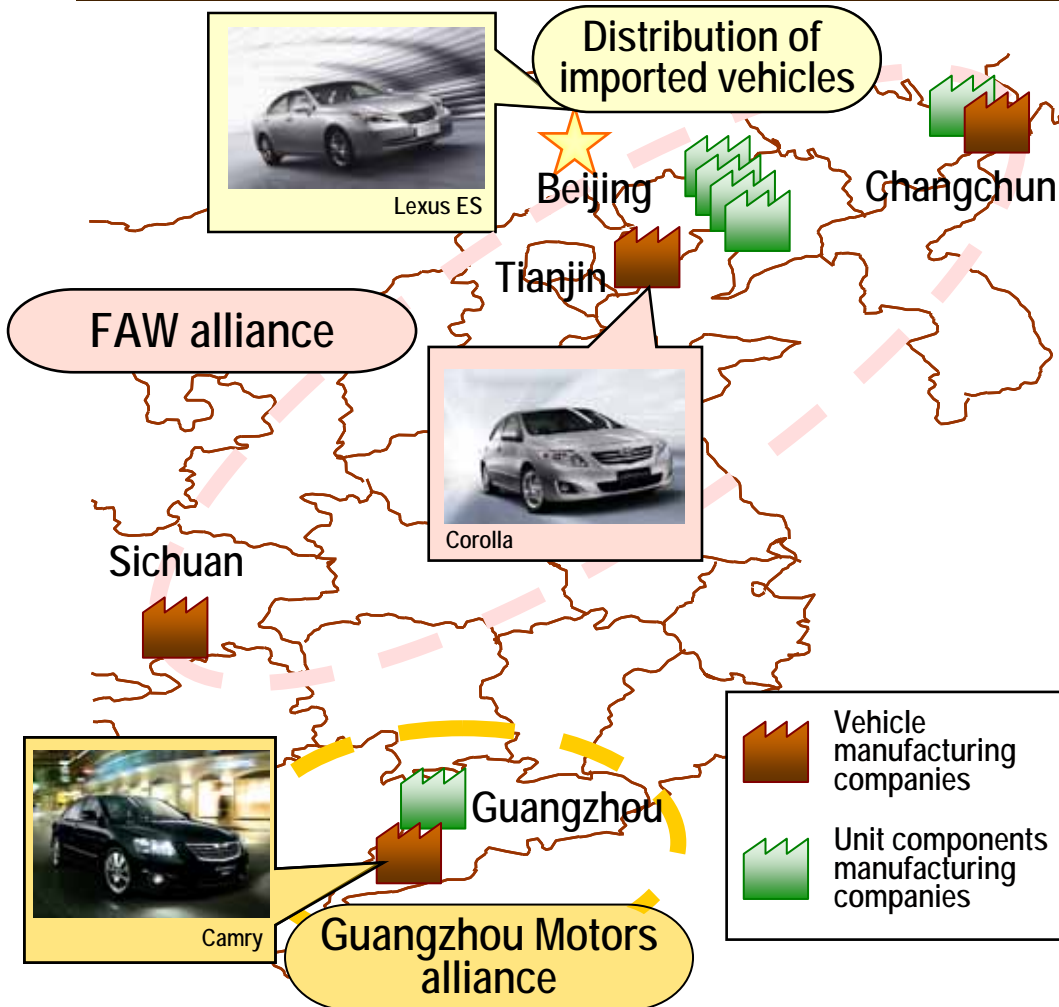
## Achieving high profitability with integrated regional operations



\* Complete Knock-Down

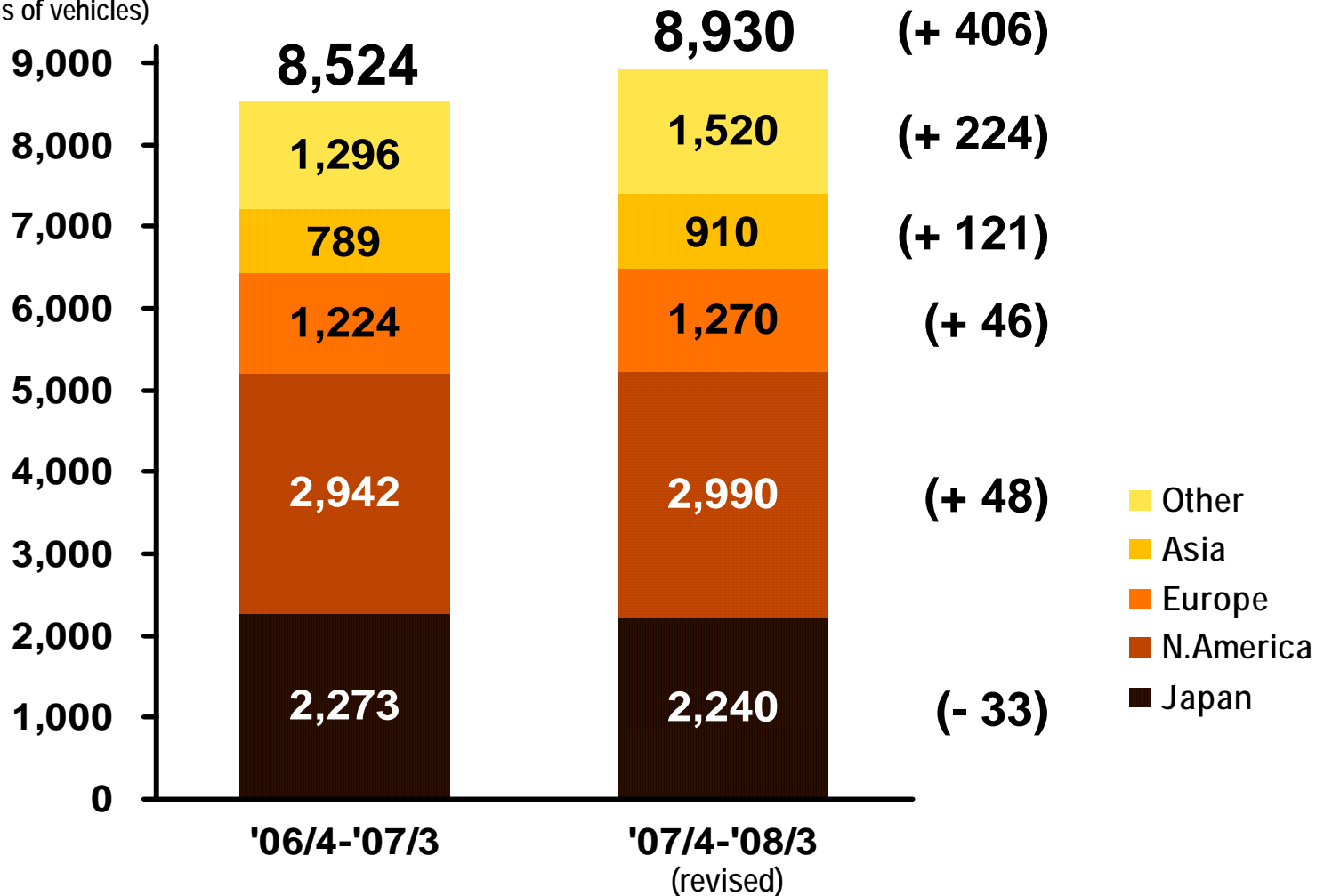


Foundation has been steadily reinforced to enable rapid growth in vehicle sales and earnings



# Consolidated Prospects: Vehicle Sales

(thousands of vehicles)



-Figures in parenthesis represent year-on-year changes

# FY2008 Consolidated Prospects

27

(billions of yen)

	<b>FY2008</b> ( <b>'07/4-'08/3</b> )	<b>FY2007</b> ( <b>'06/4-'07/3</b> )	<b>Change</b>	
Net Revenues	<b>25,500.0</b>	<b>23,948.0</b>	<b>1,552.0</b>	<b>6.5%</b>
Operating Income	<b>2,300.0</b>	<b>2,238.6</b>	<b>61.4</b>	<b>2.7%</b>
Income before income taxes, minority interest and equity earnings of affiliated companies	<b>2,450.0</b>	<b>2,382.5</b>	<b>67.5</b>	<b>2.8%</b>
Net Income	<b>1,700.0</b>	<b>1,644.0</b>	<b>56.0</b>	<b>3.4%</b>
FOREX \$	<b>115 yen *</b>	<b>117 yen</b>	<b>- 2 yen</b>	
Rates €	<b>159 yen *</b>	<b>150 yen</b>	<b>+ 9 yen</b>	

\*FOREX rates assumption for 2H: ¥/\$=110 ¥/€=155

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# FY2008 Consolidated Prospects: CAPEX, Depreciation, R&D

28

(billions of yen)

	Capital Expenditure	Depreciation Expenses	R&D Expenses
Consolidated	<b>1,500.0</b> (+ 17.4)	<b>1,020.0</b> (+ 73.0)	<b>940.0</b> (+ 49.3)
Japan	<b>800.0</b> (- 15.3)	<b>630.0</b> (+ 37.5)	
N. America	<b>400.0</b> (+ 80.7)	<b>190.0</b> (+ 24.7)	
Europe	<b>110.0</b> (- 9.7)	<b>90.0</b> (+ 0.5)	
Asia	<b>110.0</b> (- 31.6)	<b>65.0</b> (+ 3.1)	
Others	<b>80.0</b> (- 6.7)	<b>45.0</b> (+ 7.2)	

Figures in parenthesis represent year-on-year changes

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# FY2008 Unconsolidated Prospects (Japan GAAP) 29

(billions of yen)

	<b>FY2008</b> <b>('07/4-'08/3)</b>	<b>FY2007</b> <b>('06/4-'07/3)</b>	<b>Change</b>	
Net Revenues	<b>12,000.0</b>	<b>11,571.8</b>	<b>428.2</b>	<b>3.7%</b>
Operating Income	<b>1,100.0</b>	<b>1,150.9</b>	<b>- 50.9</b>	<b>- 4.4%</b>
Ordinary Income	<b>1,590.0</b>	<b>1,555.1</b>	<b>34.9</b>	<b>2.2%</b>
Net Income	<b>1,130.0</b>	<b>1,060.1</b>	<b>69.9</b>	<b>6.6%</b>

# FY2008 Operations Prospects (Toyota & Lexus)

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		FY2008 ( '07/4-'08/3)	FY2007 ( '06/4-'07/3)
Vehicle Production	Japan	(thousands of vehicles) <b>4,290</b>	(thousands of vehicles) <b>4,185</b>
	Overseas	<b>4,450</b>	<b>3,939</b>
	Total	<b>8,740</b>	<b>8,124</b>
Sales (Japan)		<b>1,660</b>	<b>1,659</b>
Exports		<b>2,660</b>	<b>2,597</b>
Sales (Overseas)		<b>6,960</b>	<b>6,443</b>
Housing Sales		<b>5,000</b> Units	<b>5,001</b> Units

# **FY2008 First Half Year Financial Results**

**six months ended September 30, 2007**

**-prepared in accordance with U.S.GAAP-**



**Toyota Motor Corporation**  
**November 7, 2007**