

TMC Announces April-September 2017 Financial Results

(All consolidated financial information has been prepared in accordance with
U.S. generally accepted accounting principles)

Toyota City, Japan, November 7, 2017—Toyota Motor Corporation (TMC) today announces its financial results for the six-month period ended September 30, 2017.

Consolidated vehicle sales for the six-month period ended September 30 totaled 4,389,435 units, an increase of 25,898 units compared to the same period last fiscal year. On a consolidated basis, net revenues for the period totaled 14.1912 trillion yen, an increase of 8.6 percent. Operating income decreased from 1.1168 trillion yen to 1.0965 trillion yen, while income before income taxes¹ was 1.2521 trillion yen. Net income² increased from 946.1 billion yen to 1.0713 trillion yen.

Operating income decreased by 20.3 billion yen. Major factors contributing to the decrease included an increase of 160 billion yen in marketing activities and an increase in expenses of 50 billion yen, which were offset by an increase of 100 billion yen due to cost reduction efforts and currency fluctuations of 100 billion yen.

Commenting on the results, TMC Executive Vice President [Osamu Nagata](#) said: “Despite the positive effect of yen depreciation and cost reduction efforts, operating income decreased by 20.3 billion yen mainly due to the effects of marketing activities and an increase in expenses.”

In Japan, vehicle sales totaled 1,087,354 units, an increase of 8,544 units. Operating income, excluding the impact of valuation gains/losses from interest rate swaps, increased by 156 billion yen to 641.7 billion yen.

In North America, vehicle sales totaled 1,396,158 units, a decrease of 4,211 units. Operating income, excluding the impact of valuation gains/losses from interest rate swaps, decreased by 155.6 billion yen to 141.1 billion yen.

In Europe, vehicle sales totaled 469,503 units, an increase of 35,122 units, while operating income, excluding the impact of valuation gains/losses from interest rate swaps, increased by 4.4 billion yen to 39 billion yen.

In Asia, vehicle sales totaled 743,939 units, a decrease of 20,811 units, while operating income, excluding the impact of valuation gains/losses from interest rate swaps, decreased by 6.7 billion yen to 212.9 billion yen.

In other regions (including Central and South America, Oceania, Africa and the Middle East), vehicle sales totaled 692,481 units, an increase of 7,254 units, while operating income, excluding the impact of valuation gains/losses from interest rate swaps, increased by 16.6 billion yen to 71.8 billion yen.

Financial services operating income decreased by 7.4 billion yen to 144.7 billion yen, including a gain of 0.6 billion yen in valuation gains/losses from interest rate swaps. Excluding valuation gains/losses, operating income increased by 5.8 billion yen to 144 billion yen.

For the fiscal year ending March 31, 2018, TMC revised its consolidated vehicle sales forecast from 8.9 million units to 8.95 million units, in consideration of the latest sales trends worldwide.

TMC also updated its consolidated financial forecasts for the fiscal year. Based on an exchange rate assumption of 111 yen to the U.S. dollar and 128 yen to the euro, TMC now forecasts consolidated net revenue of 28.5 trillion yen, operating income of 2 trillion yen, income before income taxes of 2.25 trillion yen, and net income of 1.95 trillion yen.

Today, TMC's Board of Directors resolved to pay 100 yen per share as the interim dividend on common shares, and have also resolved to buy back up to 250 billion yen, or 45 million shares, of the company's common stock.

¹Income before income taxes and equity in earnings of affiliated companies

²Net income attributable to Toyota Motor Corporation

(Please see the attached information for details on financial results. Further information is also available at www.toyota-global.com)

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, 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 Russian ruble, the Canadian dollar and the British pound, and interest rates fluctuations; (iii) changes in the 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; (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; and (xiv) the impact of natural calamities including the negative effect on Toyota's vehicle production and sales.

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.