

FY2005 Financial Results

Twelve months ended March 31, 2005



Toyota Motor Corporation
May 10, 2005

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Today's Agenda

- **Direction of Toyota's Business**
(20 min.)
- **Summary of Financial Results**
for FY2005(10 min.)
- **Q & A Session**

Cautionary Statement with Respect to Forward-Looking Statements

This report 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 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 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 in the market in which Toyota operates that affect Toyota's automotive operations, particularly laws, regulations and policies relating to trade, environmental protection, vehicle emissions, vehicle fuel economy and vehicle safety, as well as changes in laws, regulations and government policies that affect 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 Toyota's annual report on Form 20-F, which is on file with the United States Securities and Exchange Commission.

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Caution concerning Insider Trading

Under Japanese securities laws and regulations (the "Regulations"), 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 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.

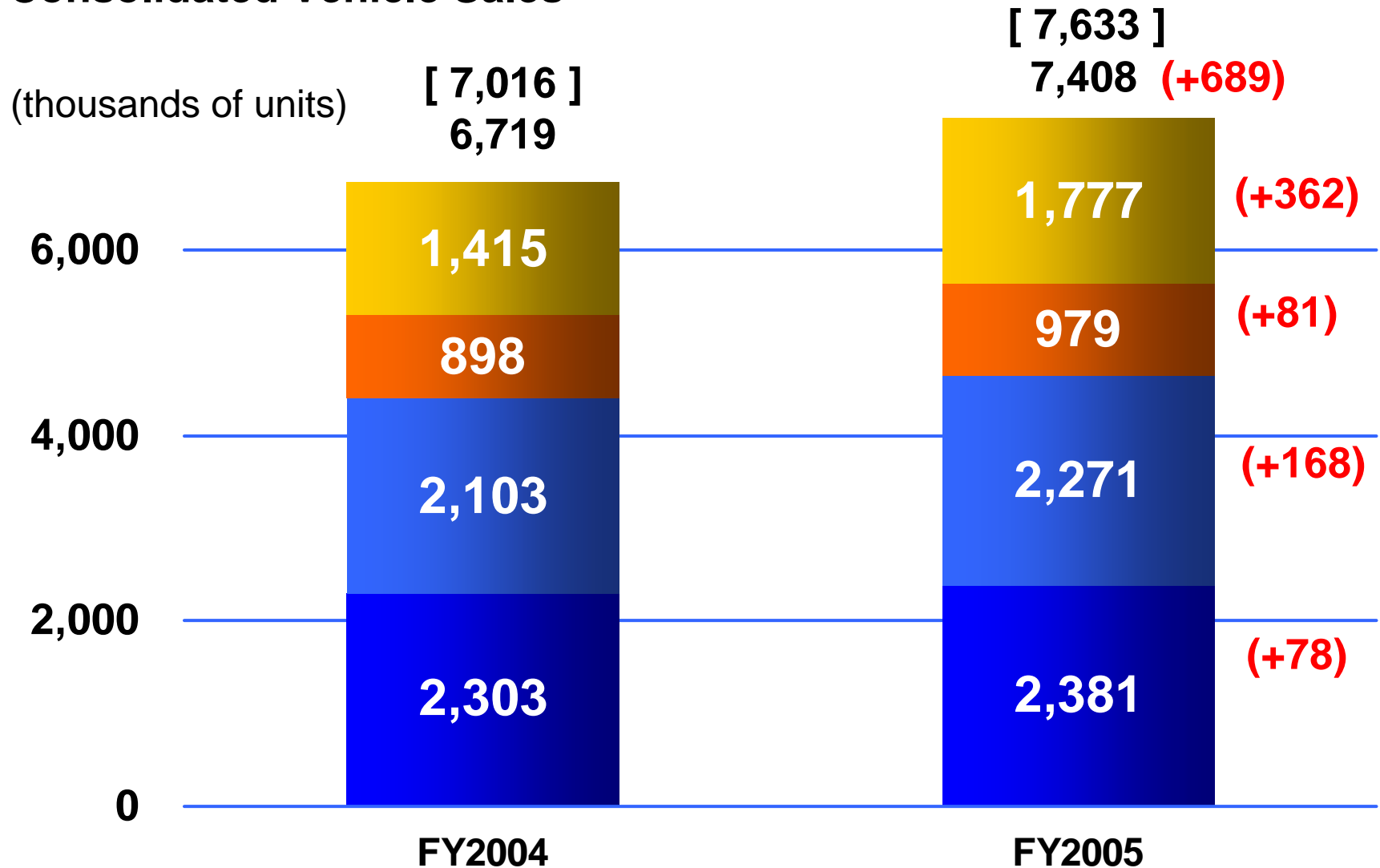
Takashi Hata

Managing Officer

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FY2005 Summary

Consolidated Vehicle Sales



TOYOTA ■ Japan ■ North America ■ Europe ■ Other Regions

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

FY2005 Summary of Financial Results

Achieved Record High

◆ **Consolidated Net Revenue:**
18,551.5 billion yen

◆ **Consolidated Operating Income:**
1,672.1 billion yen

◆ **Consolidated Net Income:**
1,171.2 billion yen

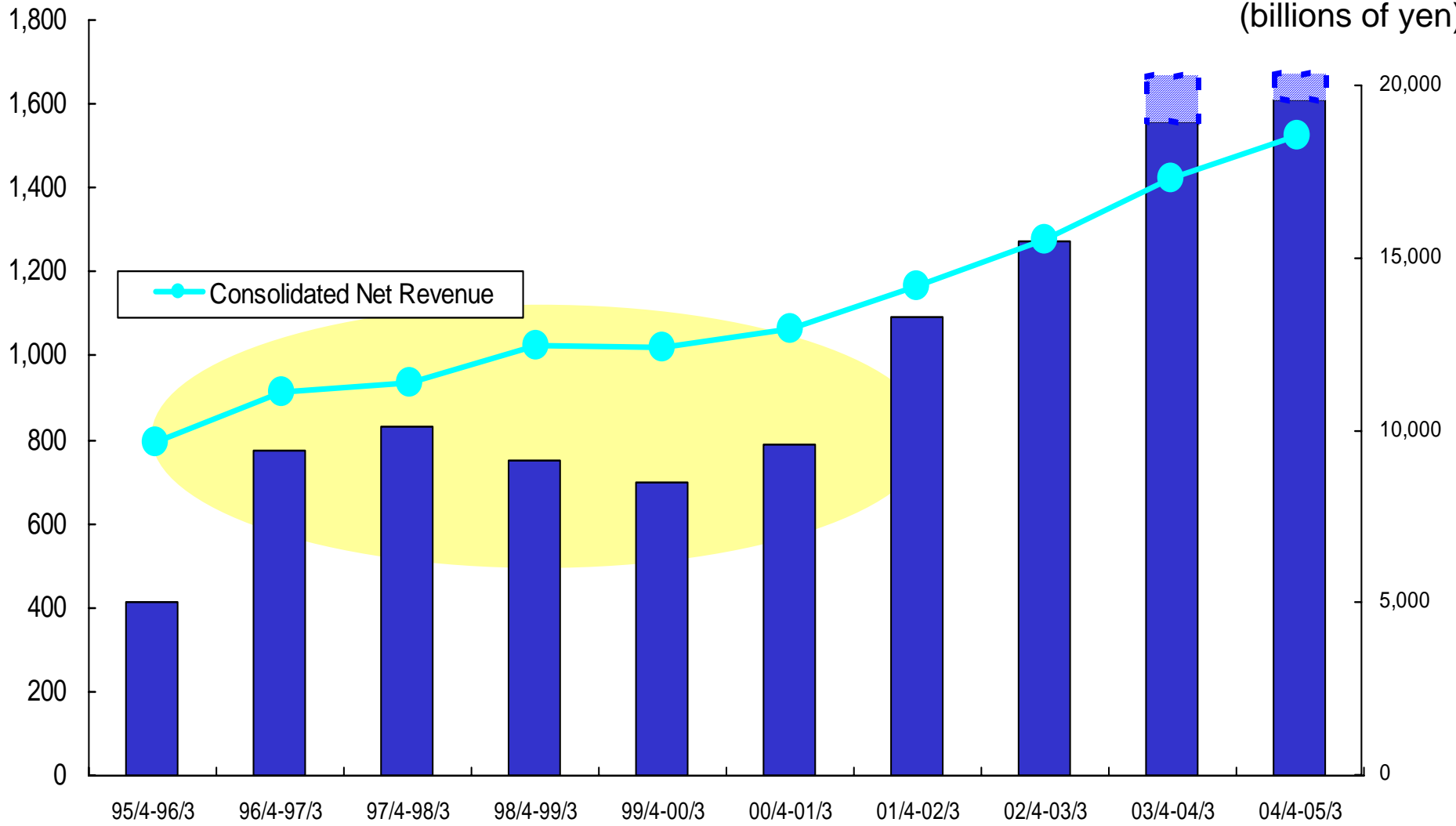
For Future Growth


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Business Performance

Operating Income
(billions of yen)

Net Revenue
(billions of yen)



 : Consolidated Operating Income

 : Daiko Henjo Profit

* : US GAAP base after FY 97/4-98/3

Drastic Changes in Business Environment in Late 1990s and Shift of Toyota's Business Strategies

Changes in Business Environment

1. Appreciation of the yen to 80 yen/US\$(1995)
2. Asian Crisis (1997)
3. Integration of Europe, Rise of the presence of China
4. Adoption of the Kyoto Protocol

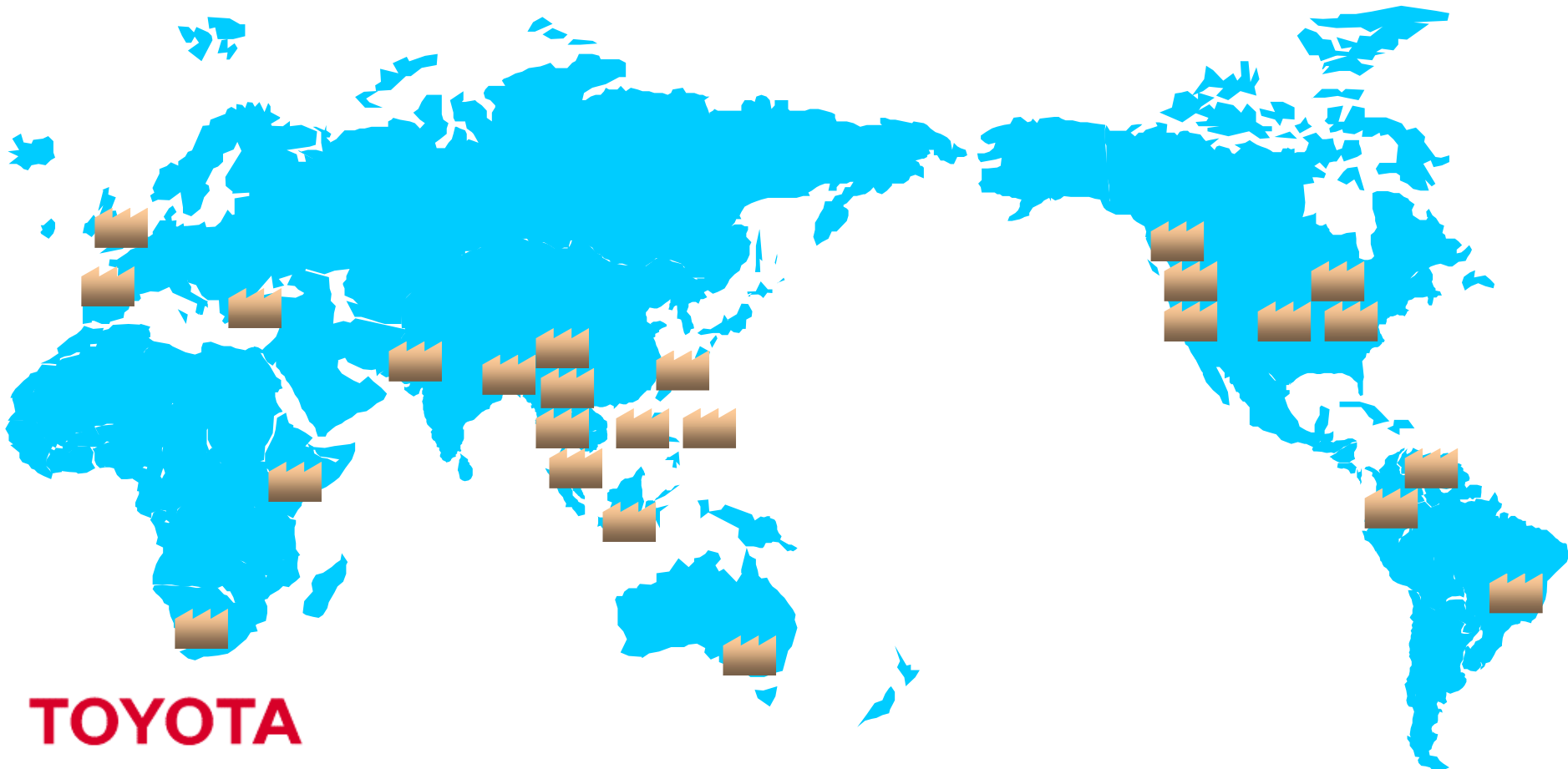
Shift of Strategy

1. Become free from exchange risks
2. Optimal production
3. Development of overseas production bases
4. Environmental technologies

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Expansion of Overseas Production Bases

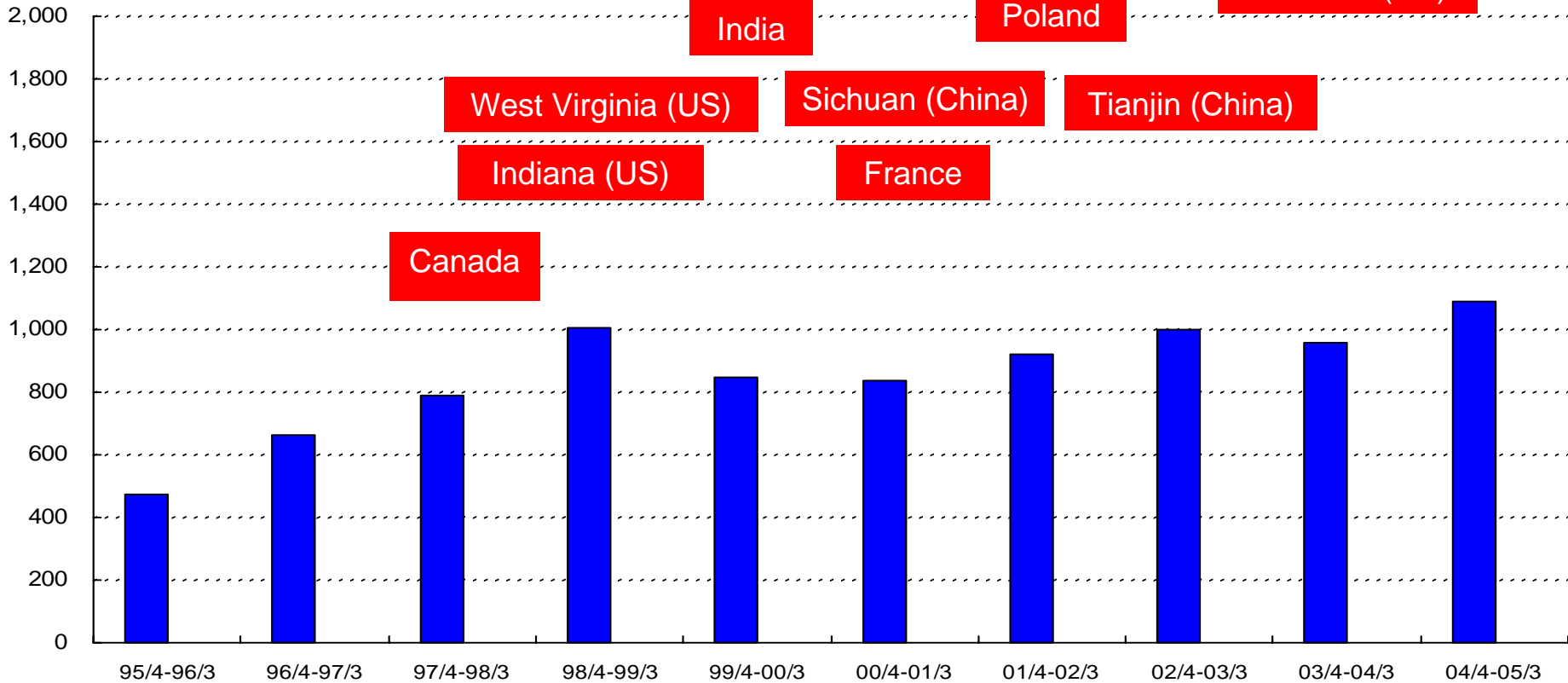
In 1995: 25 production bases in 18 countries



Establishment of Business Foundation and Efforts to Maximize Profits

Capital Expenditure (Consolidated)

(billions of yen)



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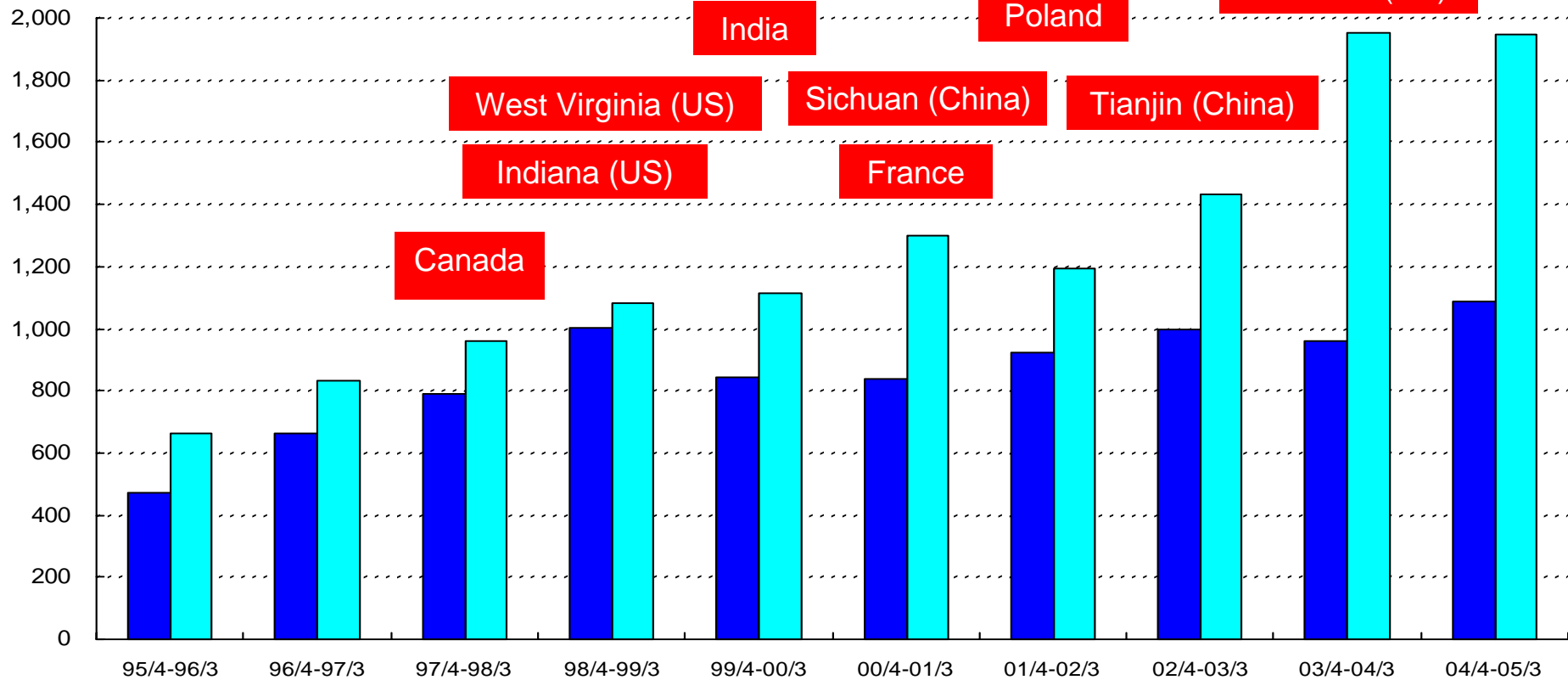
■ : Capital Expenditure (Consolidated)

* : US GAAP base after FY 97/4-98/3

Establishment of Business Foundation and Efforts to Maximize Profits

Capital Expenditure (Consolidated)

(billions of yen)



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: Capital Expenditure (Consolidated)

: Cash flow (net income + depreciation)

* : US GAAP base after FY 97/4-98/3

Expansion of Overseas Production Bases

**After 2005:
Aiming for Further Expansion**

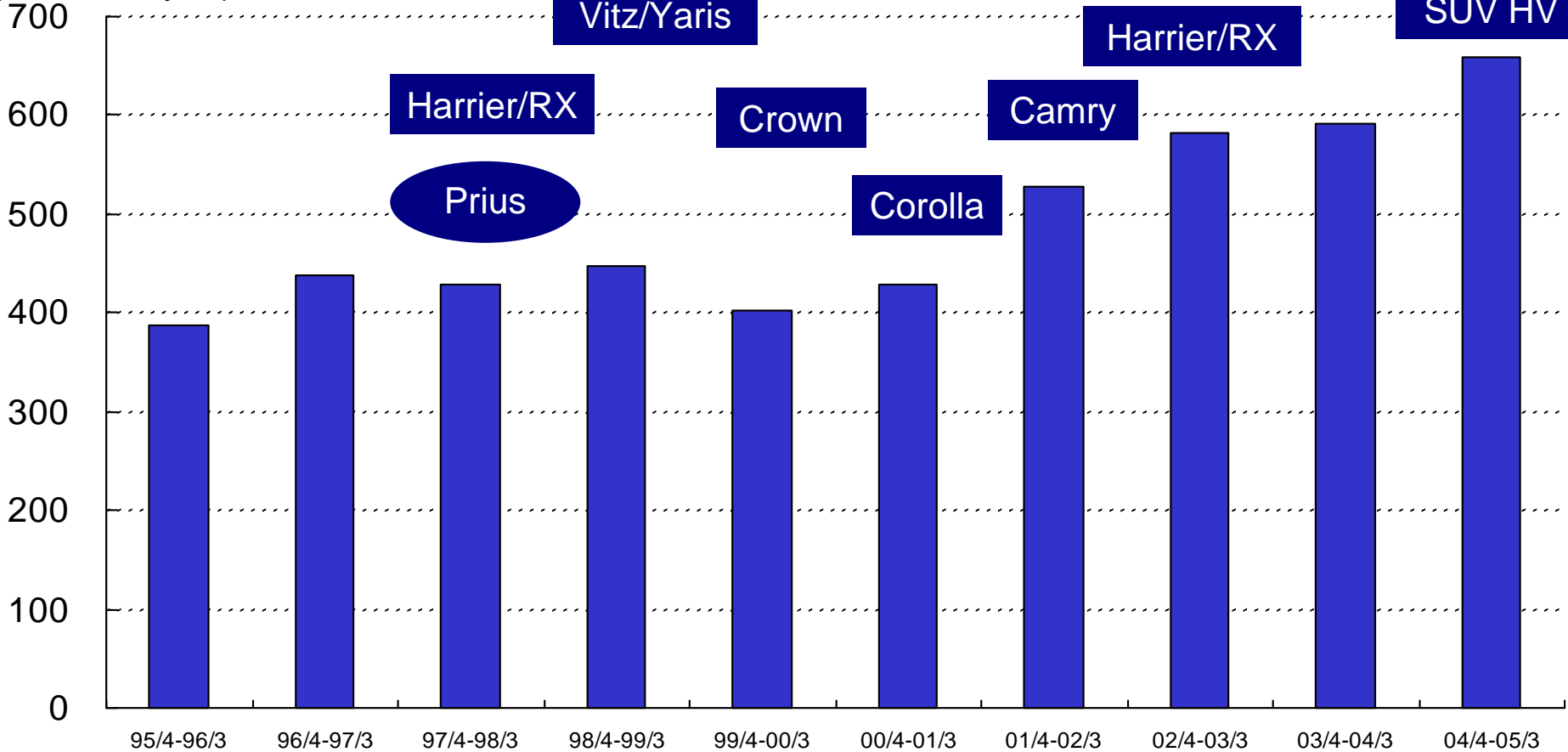


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Establishment of Business Foundation and Efforts to Maximize Profits

R&D (unconsolidated)

(billions of yen)



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: R&D Expenditure (unconsolidated)

Toyota's Future Direction

- Aiming for Growth in the 21st Century -

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Further Qualitative Challenges

Market Creation Strategies

New Technologies for People and Energy

Realization of Sustainable Mobility



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Market Creation Strategies

“Zero-nize”

**Eliminate the Burden
on the Environment
Eliminate Accidents
Eliminate
Inconvenience**

“Maxi-mize”

**Driving Pleasure
Peace of Mind
Hospitality and
Comfort**

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Market Creation Strategies

“Zero-nize”

“Maxi-mize”

Realizing both “Ecology” and “Power”

Original Prius



New Prius



RX400h(SUV-HV)



Highlander HV
(SUV-HV)



Expansion of Hybrid Products Lineup

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Market Creation Strategies

“Zero-nize”

“Maxi-mize”

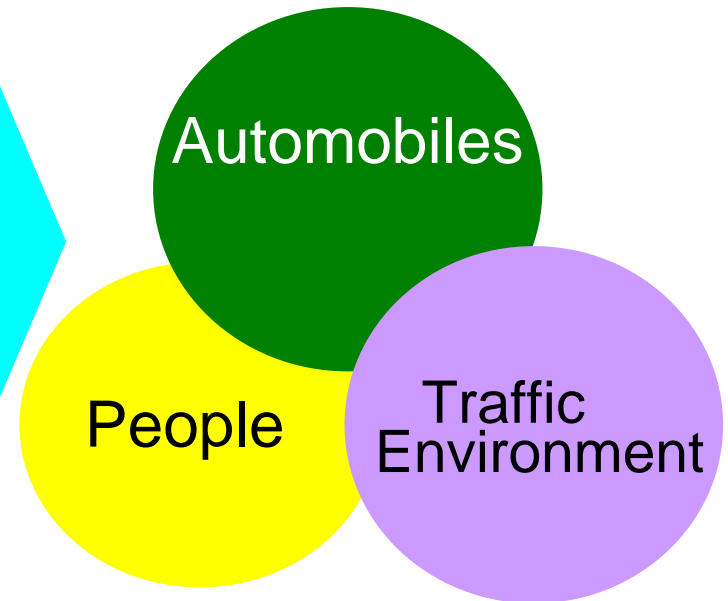
Passive Safety

Body structure
caring about
pedestrians' safety, etc.

Active Safety

Vehicle Dynamics
Integrated Management, etc

Coordinate the Three Elements
for Traffic Safety



Further Qualitative Challenges

Strengthening Global Competitiveness

- *Continuous cost reduction efforts*
- *Self reliance of overseas operations*



Deliver new technologies
to more customers
at more reasonable price

Strengthening Global Competitiveness

New Phase in Cost Reduction Efforts:

“ **VI Activities** ”

VI = Value Innovation

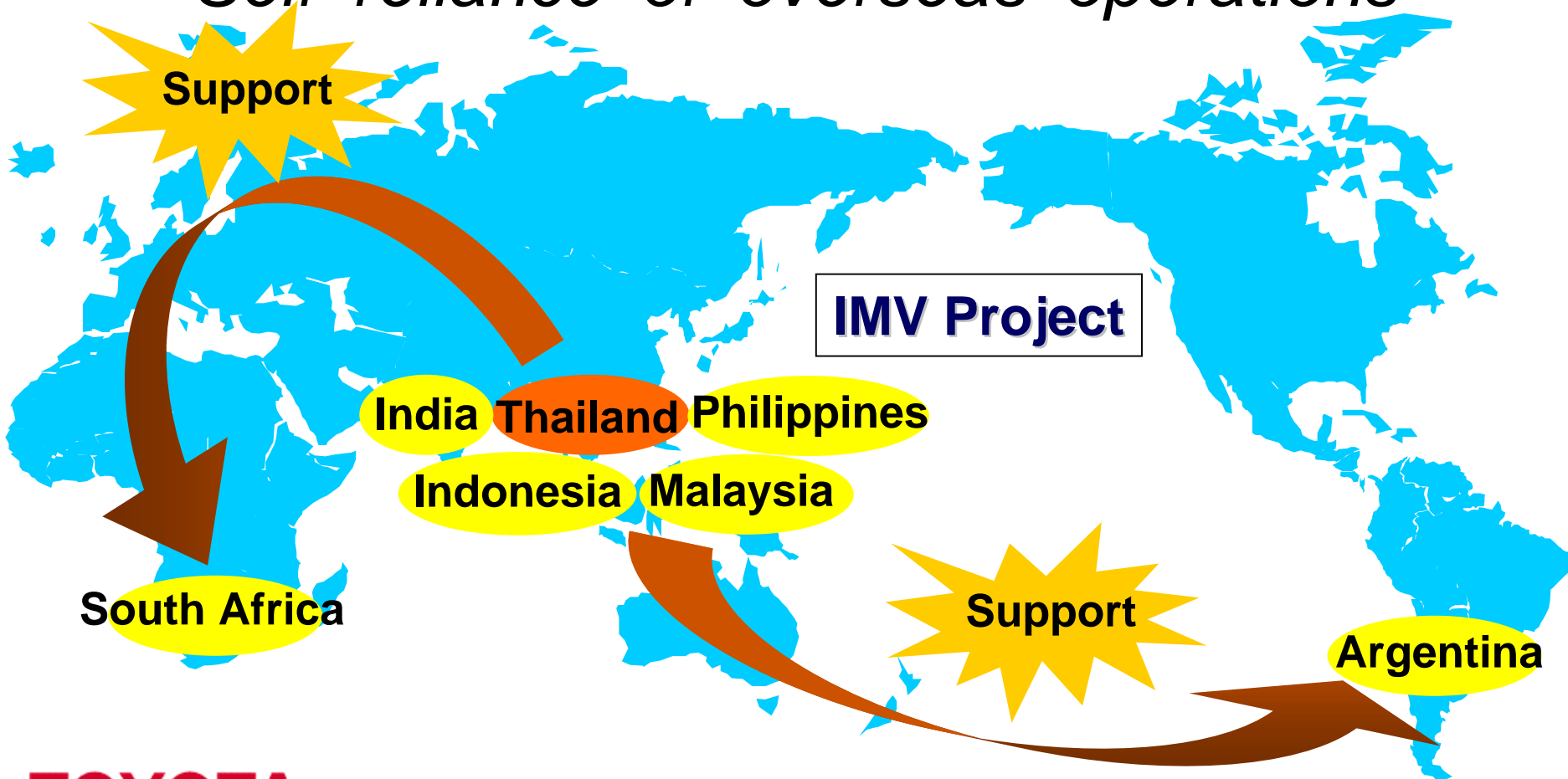
**Component based
activities**



**System based
activities**

Strengthening Global Competitiveness

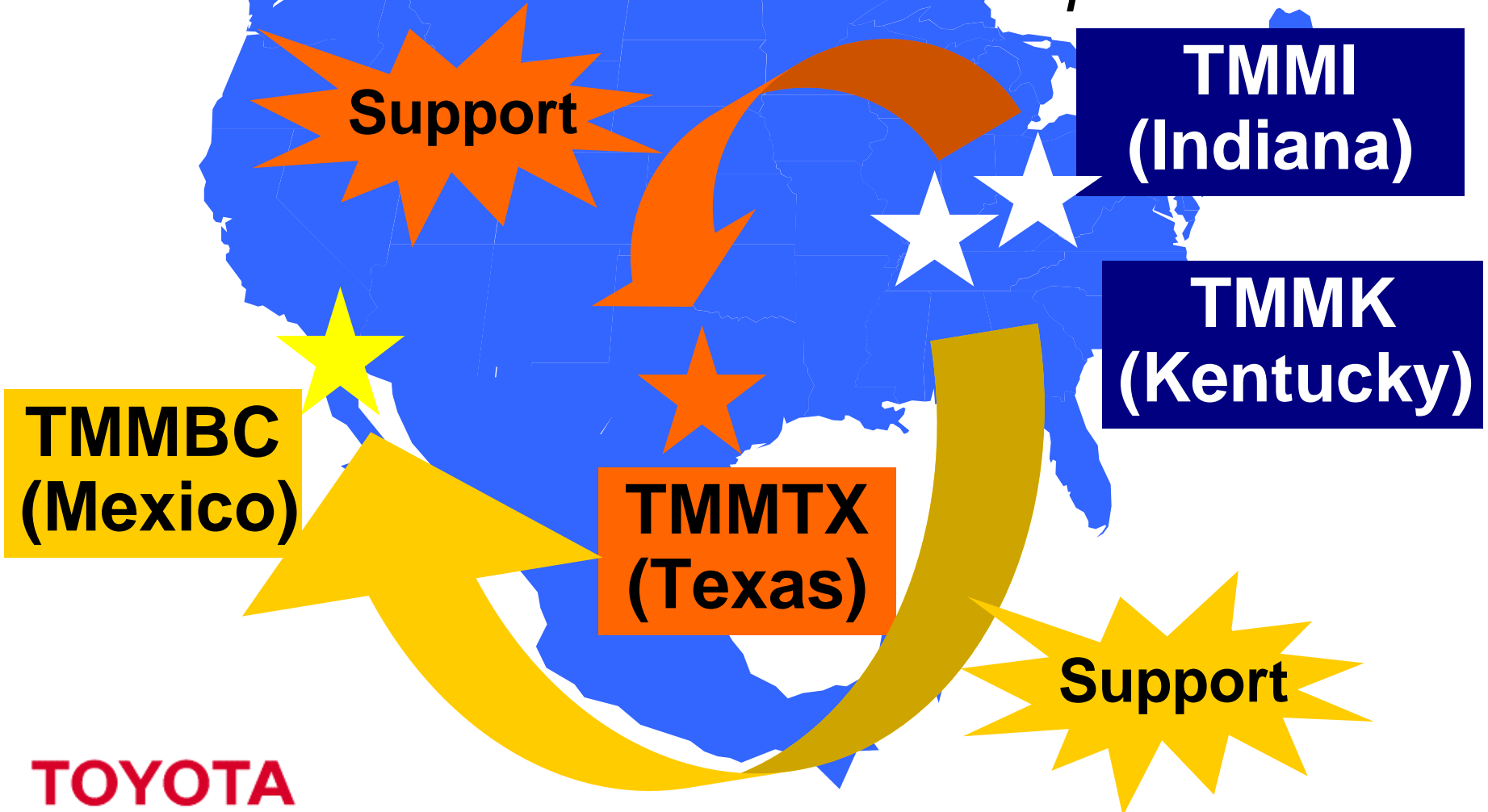
Self reliance of overseas operations



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Strengthening Global Competitiveness

Self reliance of overseas operations



Strengthening Global Competitiveness

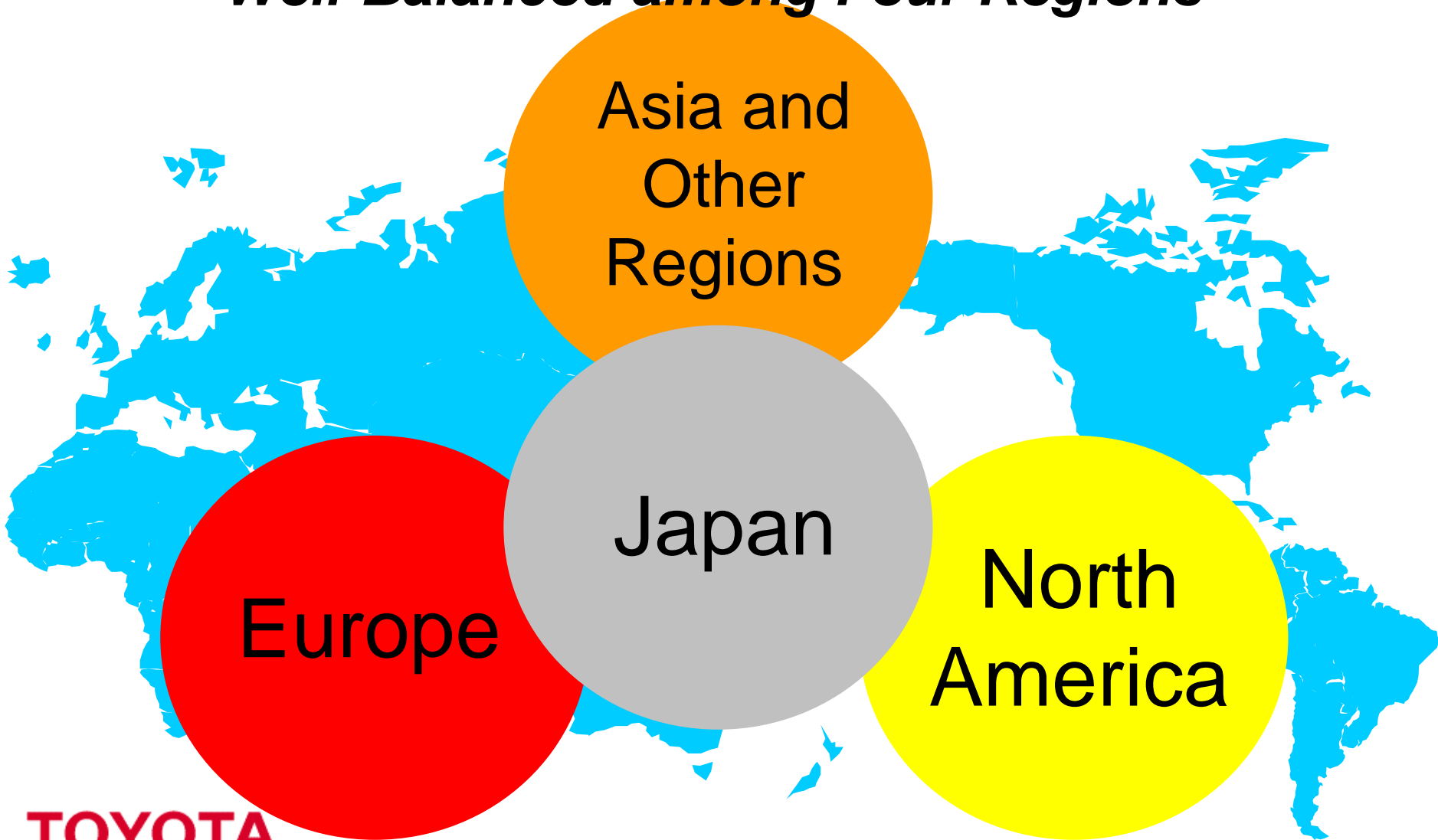
Global R & D Structure



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Future Profit Structure

Well-Balanced among Four Regions



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Shareholders' Return

**Stronger Emphasis on
Consolidated Payout Ratio**

**Continuous
Growth in EPS**

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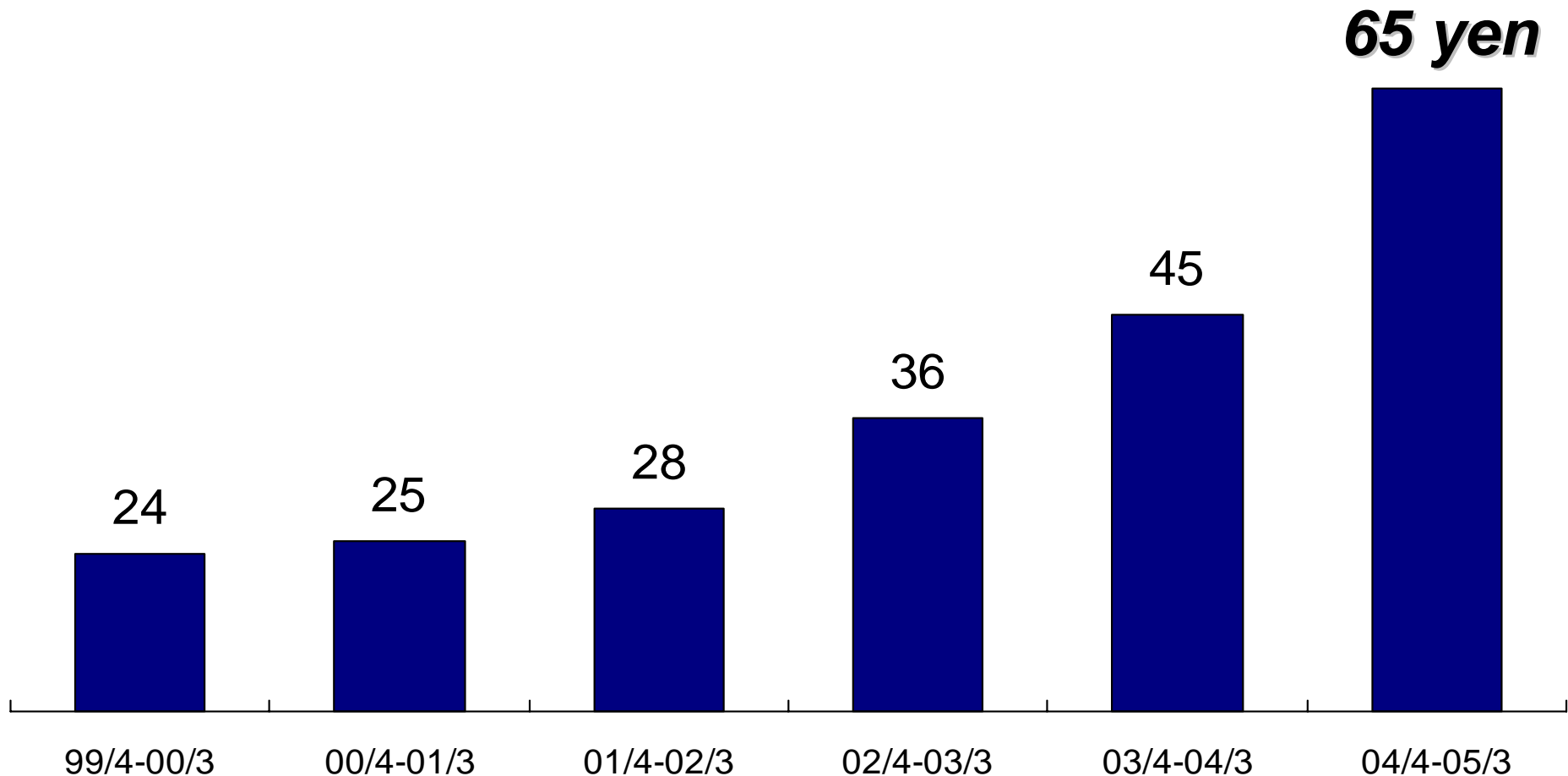
**Higher
Consolidated
Payout Ratio**

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Shareholders' Return

FY2005 Dividend: 65 yen (+ 20 yen from FY2004)

Consolidated Payout Ratio: 18.3%



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FY2005 Summary of Financial Results

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Summary of FY2005

Consolidated Financial Results

◆ **Vehicle Production :** **7,231 Thousand Units**

◆ **Vehicle Sales :** **7,408 Thousand Units**

◆ **Net Revenue :** **18,551.5 Billion Yen**

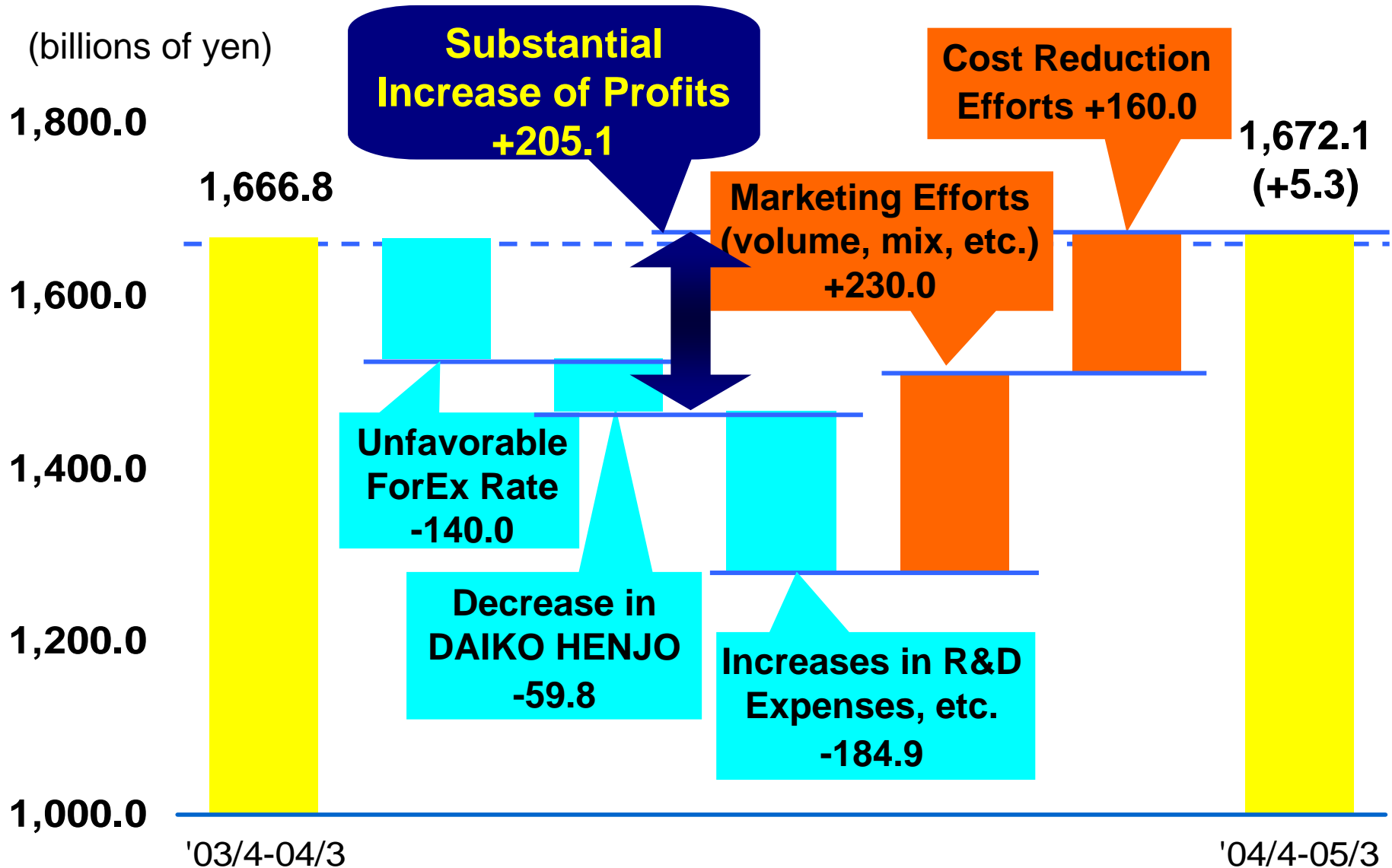
◆ **Operating Income :** **1,672.1 Billion Yen**

◆ **Net Income :** **1,171.2 Billion Yen**

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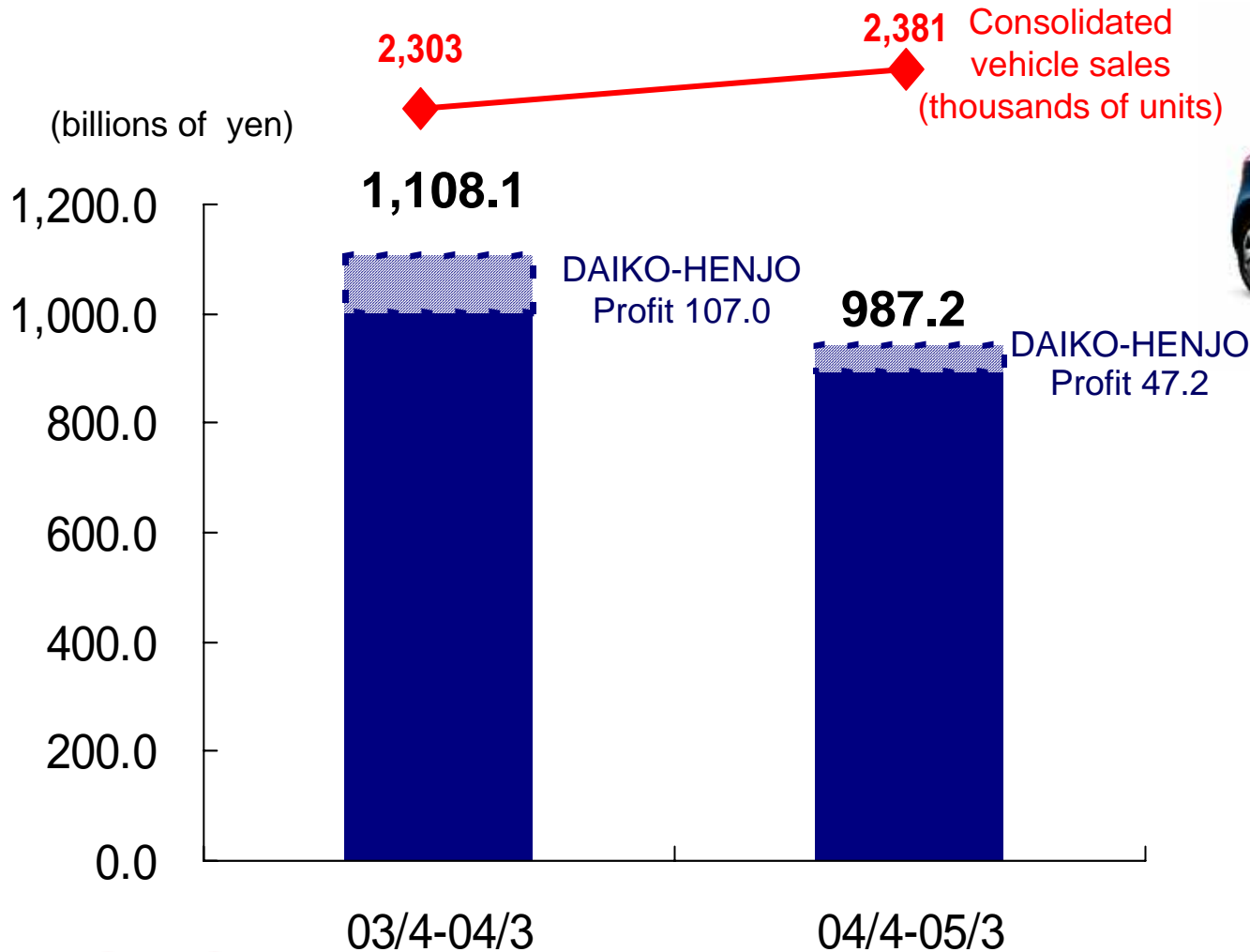
Exchange rate: 108 yen/US\$ (appreciation of the yen by 5 yen/US\$)
135 yen/euro (depreciation of the yen by 2 yen/euro)

Contributing Factors to Operating Income



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Geographic Segment : Japan



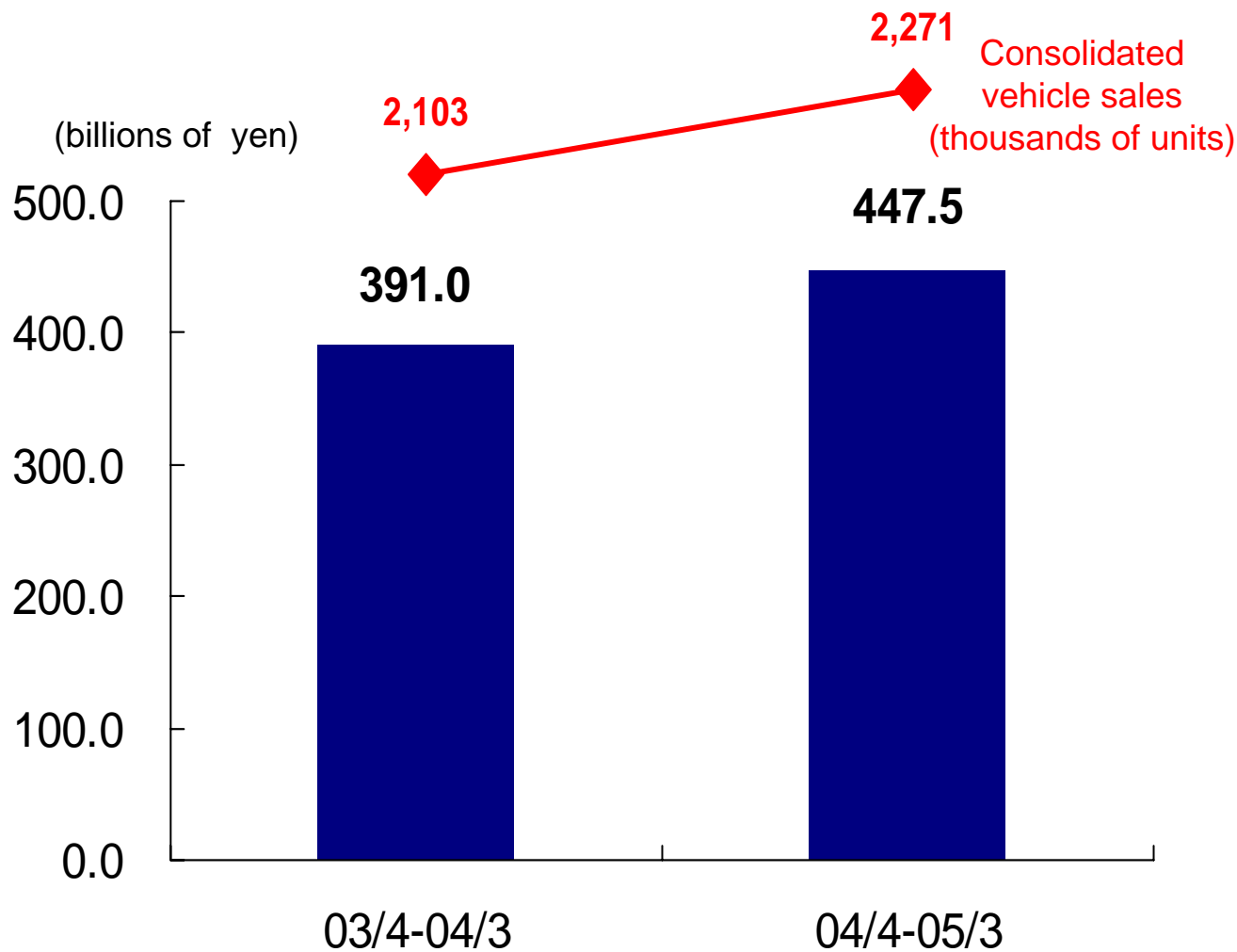
V i t z



Mark X

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Geographic Segment : North America



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AVALON

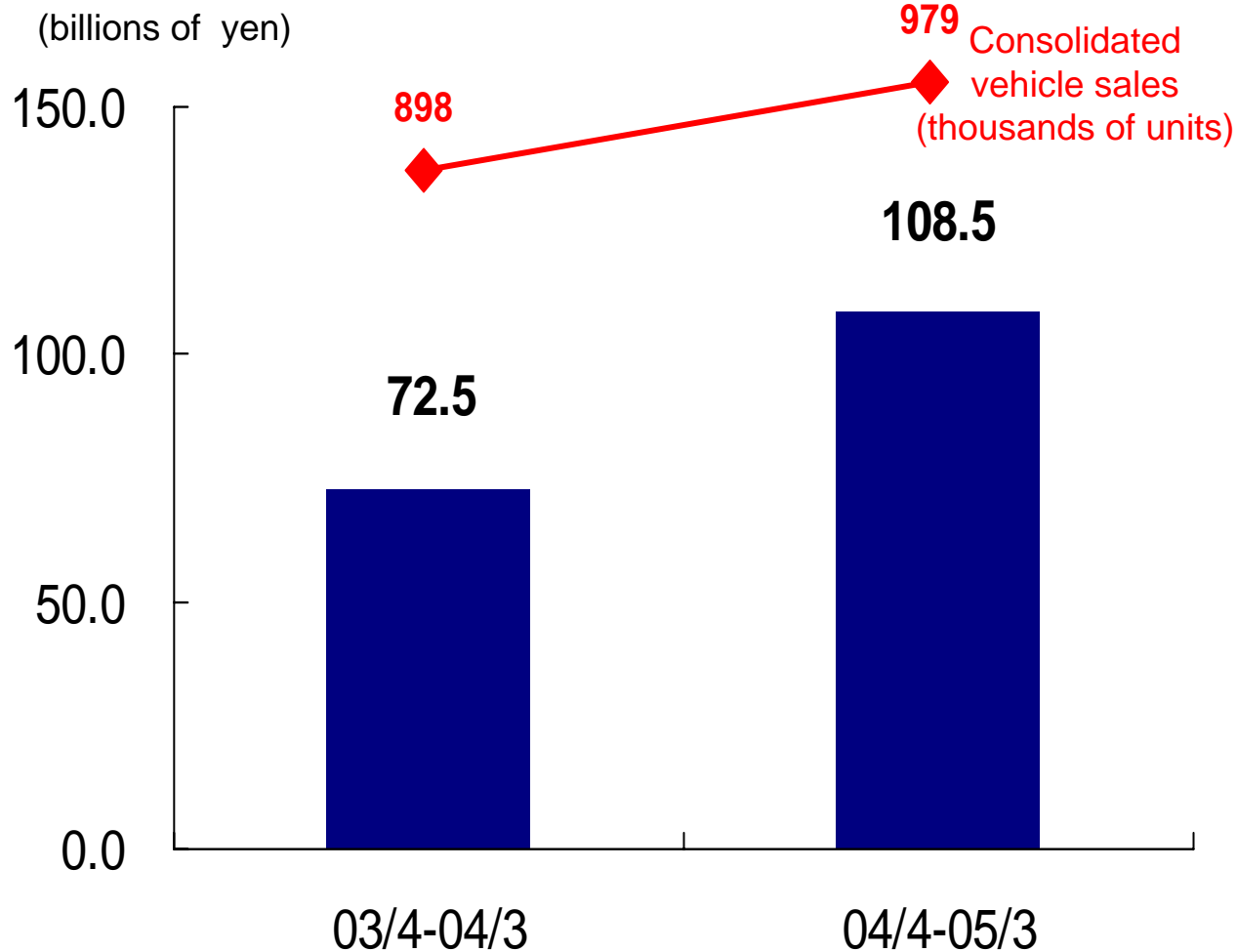


TACOMA



LEXUS GS

Geographic Segment : Europe



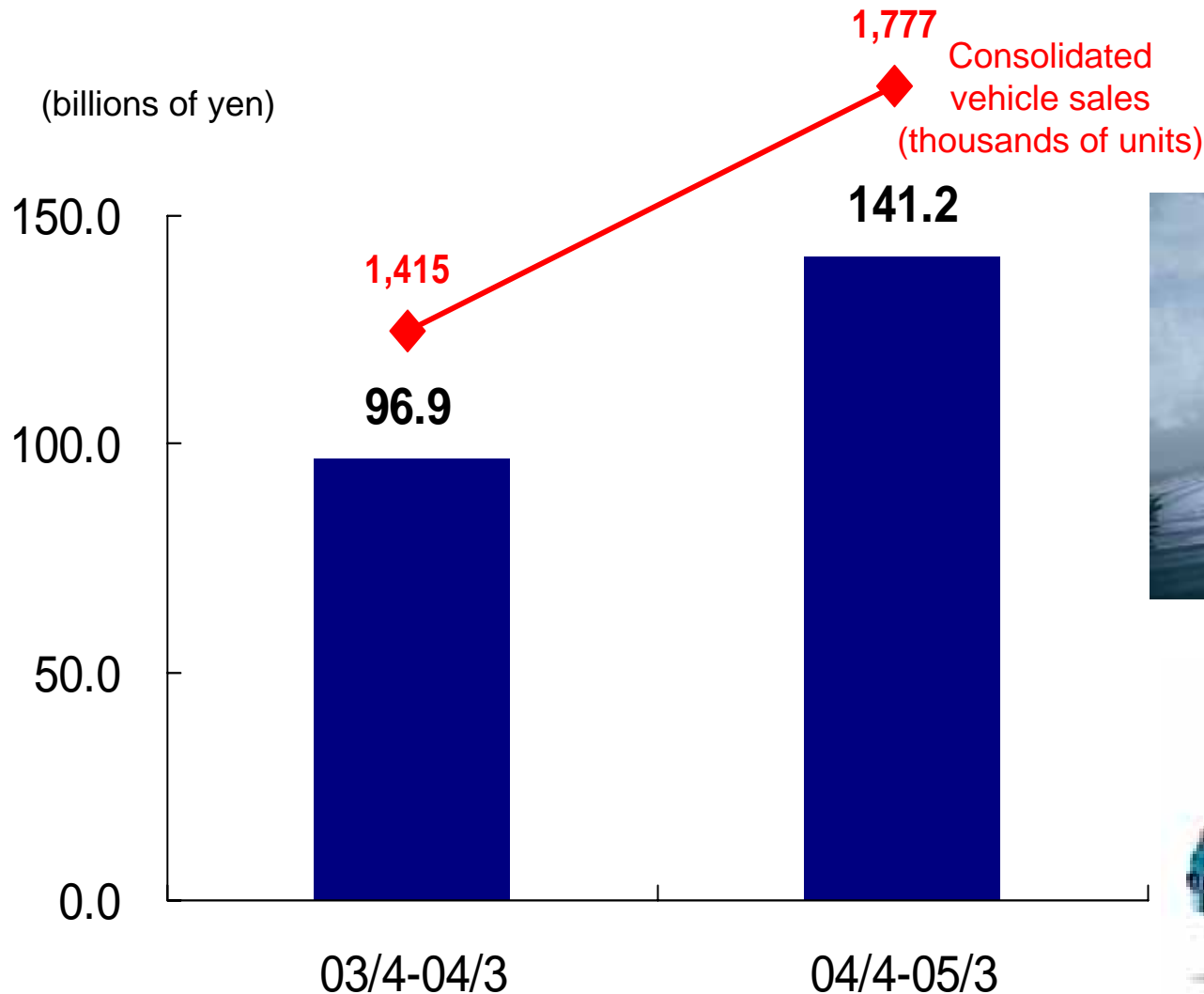
AVENSIS



AYGO

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Geographic Segment : Other



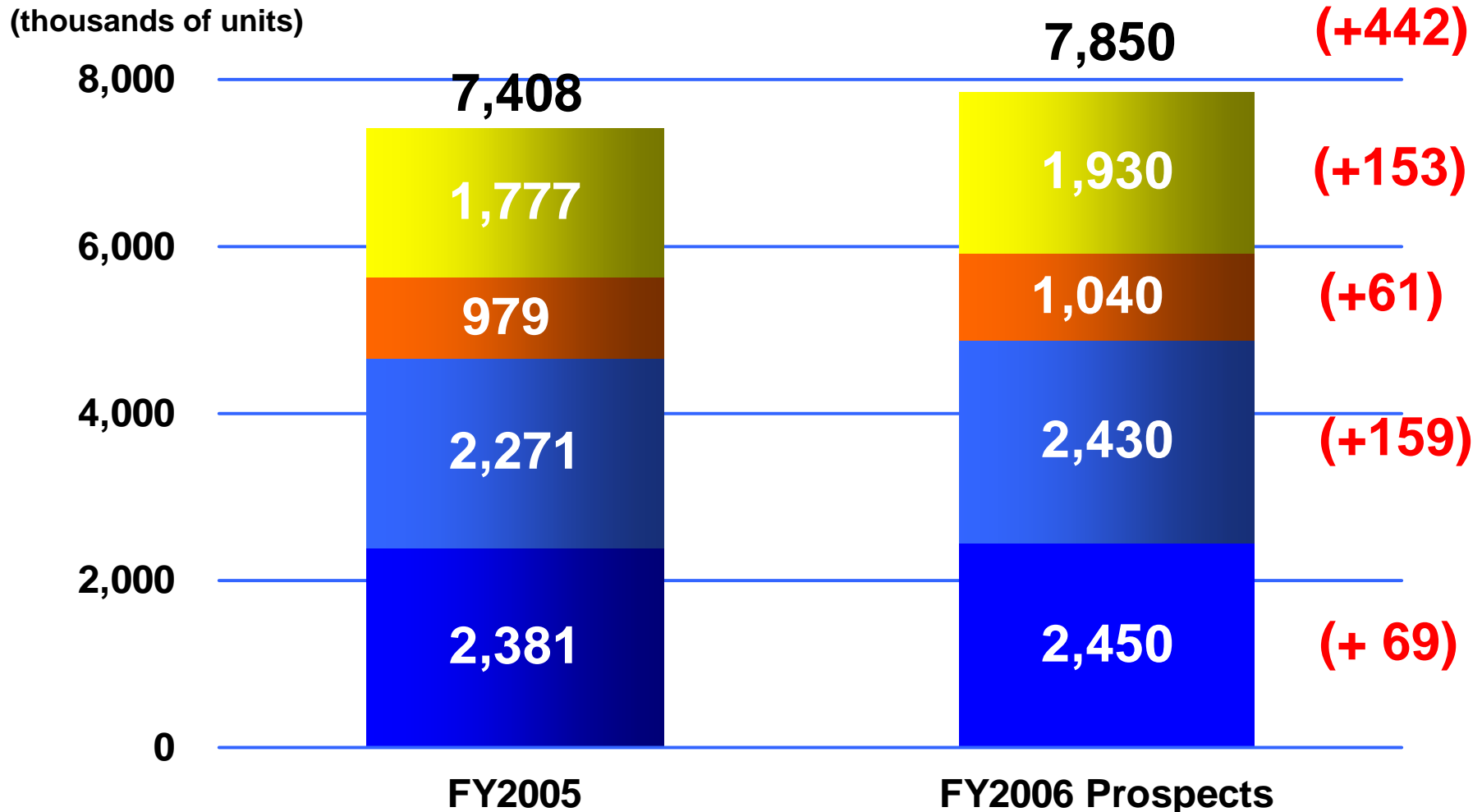
HILUX VIGO



FORTUNER

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FY2006 Consolidated Prospects : Vehicle Unit Sales



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■ Japan ■ N. America ■ Europe ■ Other

Figures in parentheses show year-on-year changes

FY2006 Consolidated Prospects : CapEx, Depreciation, R&D

	Capital Expenditures (billions of yen)	Depreciation Expenses (billions of yen)	R&D Expenses (billions of yen)
Consolidated	(+162.8) 1,250.0	(+54.2) 830.0	(+14.9) 770.0
Japan	(+95.0) 770.0	(+31.6) 520.0	
North America	(+66.3) 220.0	(-3.0) 150.0	
Europe	(+37.3) 110.0	(+8.7) 80.0	
Other	(-35.8) 150.0	(+16.9) 80.0	

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

Toyota's Operations Prospects (excluding Daihatsu and Hino)

		FY2006 Prospects ('05/4-'06/3)	FY2005 ('04/4-'05/3)
		thousands of units	thousands of units
Automotive Production	Japan	3,770	3,749
	Overseas	3,610	3,127
Sales (Japan)		1,830	1,804
Exports		1,990	1,982
Sales (Overseas)		5,500	5,044
		units	units
Housing Sales		4,500	4,392

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FY2006 Unconsolidated Prospects (Japan GAAP)

	FY2006 Prospects (^{'05/4} - ^{'06/3}) (billions of yen)	FY2005 (^{'04/4} - ^{'05/3}) (billions of yen)	Change (billions of yen)
Net Sales	9,400.0	9,218.3	181.7
Operating Income	620.0	701.3	-81.3
Ordinary Income	770.0	856.2	-86.2
Net Income	500.0	529.3	-29.3
Exchange Rate	105 yen/ 1\$ 135 yen/ 1Euro	108 yen/ 1\$ 135 yen/ 1Euro	-3 yen/1\$ ---

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