FY2008 Financial Results
- prepared in accordance with U.S. GAAP -

Toyota Motor Corporation
May 8, 2008
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Takeshi Suzuki
Senior Managing Director
Consolidated Vehicle Sales

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

- **Japan**: 2,273 ('06/4-'07/3), 2,188 ('07/4-'08/3), change: (-85)
- **N. America**: 2,942 ('06/4-'07/3), 2,958 ('07/4-'08/3), change: (+16)
- **Europe**: 1,224 ('06/4-'07/3), 1,284 ('07/4-'08/3), change: (+60)
- **Asia**: 1,296 ('06/4-'07/3), 1,527 ('07/4-'08/3), change: (+231)
- **Other**: 789 ('06/4-'07/3), 956 ('07/4-'08/3), change: (+167)
- **Central and South America, Oceania, Africa, The Middle East etc.**: 2,905 ('06/4-'07/3), 2,958 ('07/4-'08/3), change: (+53)

Total: 8,524 ('06/4-'07/3), 8,913 ('07/4-'08/3), change: (+389)
Consolidated Financial Summary

- Record results from net revenues to net income

Net Revenues: 26.2892 trillion yen (+9.8%)

Operating Income: 2.2703 trillion yen (+1.4%)

Equity in Earnings of Affiliated Companies: 270.1 billion yen (+28.9%)

Net Income: 1.7178 trillion yen (+4.5%)
Key Points for FY 2008 Financial Results

1. Geographically Well Balanced Profit Structure

2. Steady Growth of Net Income
The expansion of profit in emerging markets has contributed to a more equally balanced profit structure.
Steady Growth of Net Income

**Net Income**

- '03/4-'04/3: 1,162.0 billions of yen
- '04/4-'05/3: 1,171.2 billions of yen
- '05/4-'06/3: 1,372.1 billions of yen
- '06/4-'07/3: 1,644.0 billions of yen
- '07/4-'08/3: 1,717.8 billions of yen

**Equity in Earnings of Affiliated Companies**

- '03/4-'04/3: 120.2 billions of yen
- '04/4-'05/3: 139.4 billions of yen
- '05/4-'06/3: 164.3 billions of yen
- '06/4-'07/3: 209.5 billions of yen
- '07/4-'08/3: 270.1 billions of yen

More than Doubled
Shareholder Return

Dividend: 140 yen per share

- Dividend increased by 20 yen per share
- Total Amount of Payout: 443.2 billion yen
  (Consolidated Payout Ratio: 25.9%)

(Yen per share)

- Strive for continuous growth of dividend per share
Shareholder Return

Share Buyback

Authorized Amount (maximum limitation) 200.0 billion yen 30 million shares

Share buyback results and Authorized Amount

Number of Acquired Shares (millions of shares)

Total Amount (billions of yen)

-Continue to engage in share buy-back in order to further improve capital efficiency
Surrounding Business Environment

- Decelerating economy of developed countries, led by United States.
- Market expansion of resource-rich countries and emerging countries.
- Continued soaring raw material costs & drastic currency fluctuation.
- Implementation of more challenging environmental regulations worldwide.
Business in Developed Markets

Market Condition
- Increasing environmental consciousness
- More diverse customer demands

Measure
- Providing market-creating products with high added value

Hybrid Vehicle Sales (cumulative total)

- THS(1997)
- THS(2003)
- Further “Kaizen”
- Cut cost in half & Improved Performance

THS: Toyota Hybrid System

iQ: Super high efficiency package + Reduced CO₂ emission

THS: Toyota Hybrid System
Business in Resource-Rich and Emerging Countries

**Market Condition**
- Rapid expansion of the market
- Diverse market demands

**Measure**
- Introducing models that meet local demands
  (Full Line-up + New Models)

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**China:** Production of Yaris in Guangzhou to begin in mid-2008
(Expanding product line-up in China)

**India:** Plan to start production of newly developed compact car from 2010

**GCC:** Increasing supply of Land cruiser

**Russia:** Began Camry production in December 2007

**Brazil:** Began Corolla production in March 2008

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**Market Condition Measure**
- Rapid expansion of the market
- Diverse market demands

**Rapid expansion of the market**
- Diverse market demands

**Toyota Sales (thousands of vehicles)**
- **Market total (thousands of vehicles)**
# Measures for Rising Raw Material Prices

<table>
<thead>
<tr>
<th>Surrounding Factor</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rising raw material prices</td>
<td>Various cost reduction activities</td>
</tr>
</tbody>
</table>

## Cost reduction efforts associated with Value Innovation activities
- Efforts to reduce costs starting with the development phase (example: reducing ECU* used)
- Reduced the amount of material used, by thoroughly reviewing production methods (Example I)
- Study of sheet steel usage
- Reduced types of sheet steel used for car manufacturing (Example II)

### Example I: Reduced the use of Resin
- Reduced thickness by half
- Reduced the use of resin by more than 30%

### Example II: Reduced variation of sheet steel
- Reduced variation of sheet steel by 20%

*Electronic Control unit*
Measures for Environmental Regulation

- More challenging regulations for emissions and fuel efficiency
- Aggravating environmental issues

Introducing Plug-in Hybrid Vehicle to the market by 2010

- Tutsumi Plant successfully reduced CO₂ emissions by 50% (comparing with 1990)
- Deploying “know-how” to Thailand’s Banpho plant
Unconsolidated vehicle sales in China (excluded above) are expected to increase from 470 thousand units (FY08) to 640 thousand units (FY09).

*Figures in parenthesis represent year-on-year change*
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Revenues</td>
<td>25 trillion yen</td>
<td>(-4.9%)</td>
</tr>
<tr>
<td>Operating Income</td>
<td>1.600 trillion yen</td>
<td>(-29.5%)</td>
</tr>
<tr>
<td>Net Income</td>
<td>1.250 trillion yen</td>
<td>(-27.2%)</td>
</tr>
</tbody>
</table>

**FOREX Rates**
- $ 100 yen
- € 155 yen
## Consolidated Financial Summary

<table>
<thead>
<tr>
<th></th>
<th>FY2008 ('07/4-'08/3)</th>
<th>FY2007 ('06/4-'07/3)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Revenues</strong></td>
<td>26,289.2</td>
<td>23,948.0</td>
<td>2,341.2</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>2,270.3</td>
<td>2,238.6</td>
<td>31.7</td>
</tr>
<tr>
<td>Income before income</td>
<td>2,437.2</td>
<td>2,382.5</td>
<td>54.7</td>
</tr>
<tr>
<td>Income before taxes, minority interest and equity earnings of affiliated companies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity in Earnings of Affiliated Companies</td>
<td>270.1</td>
<td>209.5</td>
<td>60.6</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>1,717.8</td>
<td>1,644.0</td>
<td>73.8</td>
</tr>
<tr>
<td><strong>FOREX Rates</strong></td>
<td>$114 yen</td>
<td>$117 yen</td>
<td>-3 yen</td>
</tr>
<tr>
<td></td>
<td>€162 yen</td>
<td>€150 yen</td>
<td>+12 yen</td>
</tr>
</tbody>
</table>

(billions of yen)
Contributing Factors to Consolidated Net Income

(billions of yen)

Net Income (+73.8)
Operating Income (+31.7)

Excluding: Valuation Loss in Accounting on Interest Rate Swaps (+79.8)

1,644.0
1,717.8

< Details of Increases in Expenses >

R&D expenses................. -68.1
Depreciation and CAPEX related costs........ -99.7
Marketing Efforts.............. +290.0
Cost Reduction Efforts......... +120.0
Effects of FOREX Rates........ 0
Increases in Expenses........... -330.2
Valuation Loss in Accounting on Interest Rate Swaps -48.1
Other Income.................. +23.0
Equity in Earnings of Affiliated Companies +60.6
Income Tax, etc................. -41.5

< Details of Increases in Expenses >

R&D expenses................. -68.1
Depreciation and CAPEX related costs........ -99.7
Labor costs.................... -60.2
Others ......................... -102.2
- Number of exported vehicles increased due to brisk demand in resource-rich countries and emerging countries
- Toyota group’s market share reached a record high of 42.0% (including mini-vehicles)

* Number of vehicle exported overseas (Unconsolidated)
Geographic Operating Income: North America

[Excluding Valuation Loss in Accounting on Interest Rate Swaps]

-U.S. Market Share marked a new record high of 16.3%
-Camry has been the best selling passenger car in U.S. for six consecutive years,
  strong demands for Prius
- Brisk sales of Auris and Prius in Western Europe
- Sales of Camry and Avensis have been strong in Eastern Europe, including Russia
Geographic Operating Income: Asia

- Robust sales of IMV and Yaris in Thailand and Indonesia
- Expansion of production capacity in Thailand has contributed to increased IMV exports to other regions
- Favorable sales of vehicles that satisfied the local tastes, such as Corolla & IMV in Central and South America and Camry in Australia
- Strong brand value contributed to high profitability
Business Segment: Financial Services

- Further strengthening of credit control and debt collection practices
- Increasing outstanding loan balance and expanding margin, due to the increase of vehicle sales
Equity in Earnings of Affiliated Companies

- Strong earnings contribution maintained by joint venture companies in China and Toyota group companies in Japan

<table>
<thead>
<tr>
<th>Year</th>
<th>China (billions of yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>'03/4-'04/3</td>
<td>7.2</td>
</tr>
<tr>
<td>'04/4-'05/3</td>
<td>7.2</td>
</tr>
<tr>
<td>'05/4-'06/3</td>
<td>11.1</td>
</tr>
<tr>
<td>'06/4-'07/3</td>
<td>24.1</td>
</tr>
<tr>
<td>'07/4-'08/3</td>
<td>67.2</td>
</tr>
</tbody>
</table>

(billions of yen)
## FY2008 Consolidated CAPEX, Depreciation, R&D

<table>
<thead>
<tr>
<th>Region</th>
<th>Capital Expenditure</th>
<th>Depreciation Expenses</th>
<th>R&amp;D Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated</strong></td>
<td>1,480.2 (-2.4)</td>
<td>1,042.4 (+95.4)</td>
<td>958.8 (+68.1)</td>
</tr>
<tr>
<td><strong>Japan</strong></td>
<td>863.1 (+47.8)</td>
<td>613.1 (+20.6)</td>
<td></td>
</tr>
<tr>
<td><strong>N. America</strong></td>
<td>334.3 (+15.0)</td>
<td>203.5 (+38.2)</td>
<td></td>
</tr>
<tr>
<td><strong>Europe</strong></td>
<td>115.9 (-3.8)</td>
<td>101.0 (+11.5)</td>
<td></td>
</tr>
<tr>
<td><strong>Asia</strong></td>
<td>108.4 (-33.2)</td>
<td>81.2 (+19.3)</td>
<td></td>
</tr>
<tr>
<td>Central and South America, Oceania, Africa</td>
<td>58.5 (-28.2)</td>
<td>43.6 (+5.8)</td>
<td></td>
</tr>
</tbody>
</table>

Figures in parenthesis represent year-on-year change.
### Unconsolidated Financial Summary (Japan GAAP)

<table>
<thead>
<tr>
<th></th>
<th>FY2008 ('07/4-'08/3)</th>
<th>FY2007 ('06/4-'07/3)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Revenues</strong></td>
<td>12,079.2</td>
<td>11,571.8</td>
<td>507.4</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>1,108.6</td>
<td>1,150.9</td>
<td>-42.3</td>
</tr>
<tr>
<td><strong>Ordinary Income</strong></td>
<td>1,580.6</td>
<td>1,555.1</td>
<td>25.5</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>1,138.1</td>
<td>1,060.1</td>
<td>78.0</td>
</tr>
</tbody>
</table>
Contributing Factors to Unconsolidated Net Income

(billions of yen)

Net Income (+78.0)

Operating Income (-42.3)

1,138.1

1,060.1

'Details of Increases in Expenses>

R&D Expenses ............-57.8
Depreciation and
CAPEX related costs ...... -6.9
Labor costs .................. -2.8

Others...........-124.8
## FY2009 Consolidated Prospects

<table>
<thead>
<tr>
<th></th>
<th>FY2009 ('08/4-’09/3)</th>
<th>FY2008 ('07/4-’08/3)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Revenues</strong></td>
<td>25,000.0</td>
<td>26,289.2</td>
<td>-1,289.2</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>1,600.0</td>
<td>2,270.3</td>
<td>-670.3</td>
</tr>
<tr>
<td></td>
<td>1,700.0</td>
<td>2,437.2</td>
<td>-7,372</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>1,250.0</td>
<td>1,717.8</td>
<td>-467.8</td>
</tr>
<tr>
<td><strong>FOREX Rates</strong></td>
<td>$100yen</td>
<td>€114yen</td>
<td>-14 yen</td>
</tr>
<tr>
<td></td>
<td>€155yen</td>
<td>€162yen</td>
<td>-7 yen</td>
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</tbody>
</table>
### Prospects for Contributing Factors to Consolidated Operating Income

<table>
<thead>
<tr>
<th>FY2008 (’07/4 ~ ’08/3)</th>
<th>Operating Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing Efforts</td>
<td>+180.0</td>
</tr>
<tr>
<td>Cost Reduction Efforts</td>
<td>0</td>
</tr>
<tr>
<td>Effects of FOREX rates</td>
<td>-690.0</td>
</tr>
<tr>
<td>Increases in Expenses</td>
<td>-160.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>-670.3</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY2009 (’08/4 ~ ’09/3)</th>
<th>Operating Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,600.0</td>
</tr>
</tbody>
</table>
### FY2009 Consolidated Prospects: CAPEX, Depreciation, R&D

<table>
<thead>
<tr>
<th>Region</th>
<th>Capital Expenditure</th>
<th>Depreciation Expenses</th>
<th>R&amp;D Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated</strong></td>
<td>1,400.0 (-80.2)</td>
<td>1,100.0 (+57.6)</td>
<td>920.0 (-38.8)</td>
</tr>
<tr>
<td><strong>Japan</strong></td>
<td>820.0 (-43.1)</td>
<td>690.0 (+76.9)</td>
<td></td>
</tr>
<tr>
<td><strong>N. America</strong></td>
<td>320.0 (-14.3)</td>
<td>210.0 (+6.5)</td>
<td></td>
</tr>
<tr>
<td><strong>Europe</strong></td>
<td>140.0 (+24.1)</td>
<td>100.0 (-1.0)</td>
<td></td>
</tr>
<tr>
<td><strong>Asia</strong></td>
<td>60.0 (-48.4)</td>
<td>60.0 (-21.2)</td>
<td></td>
</tr>
<tr>
<td><strong>Central and South America, Oceania, Africa</strong></td>
<td>60.0 (+1.5)</td>
<td>40.0 (-3.6)</td>
<td></td>
</tr>
</tbody>
</table>

Figures in parenthesis represent year-on-year change.
## FY2009 Operations Prospects <Toyota / Lexus>

<table>
<thead>
<tr>
<th>Automotive Production</th>
<th>FY2009 ('08/4-'09/3) (thousands of vehicles)</th>
<th>FY2008 ('07/4-'08/3) (thousands of vehicles)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan Overseas</td>
<td>4,213</td>
<td>4,264</td>
</tr>
<tr>
<td></td>
<td>4,660</td>
<td>4,424</td>
</tr>
<tr>
<td>Total</td>
<td>8,873</td>
<td>8,688</td>
</tr>
<tr>
<td>Sales (Japan)</td>
<td>1,600</td>
<td>1,595</td>
</tr>
<tr>
<td>Exports</td>
<td>2,670</td>
<td>2,708</td>
</tr>
<tr>
<td>Sales (Overseas)</td>
<td>7,250</td>
<td>6,923</td>
</tr>
<tr>
<td>Housing Sales</td>
<td>5,000 Units</td>
<td>4,622 Units</td>
</tr>
</tbody>
</table>