

FY2018 Second Quarter Financial Results



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Toyota Motor Corporation
November 7, 2017

Cautionary Statement with Respect to Forward-Looking Statements

This presentation 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 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.

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 notified to a stock exchange and 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) 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.

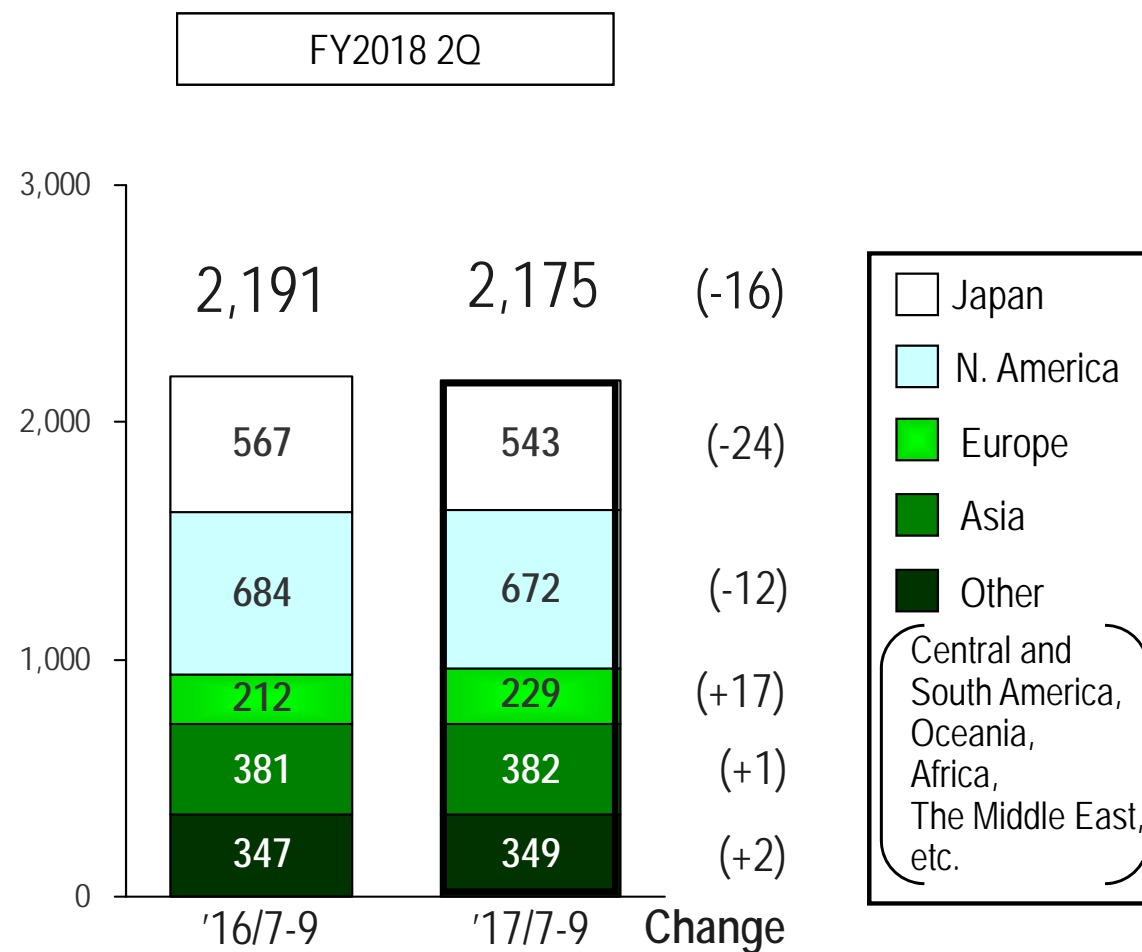
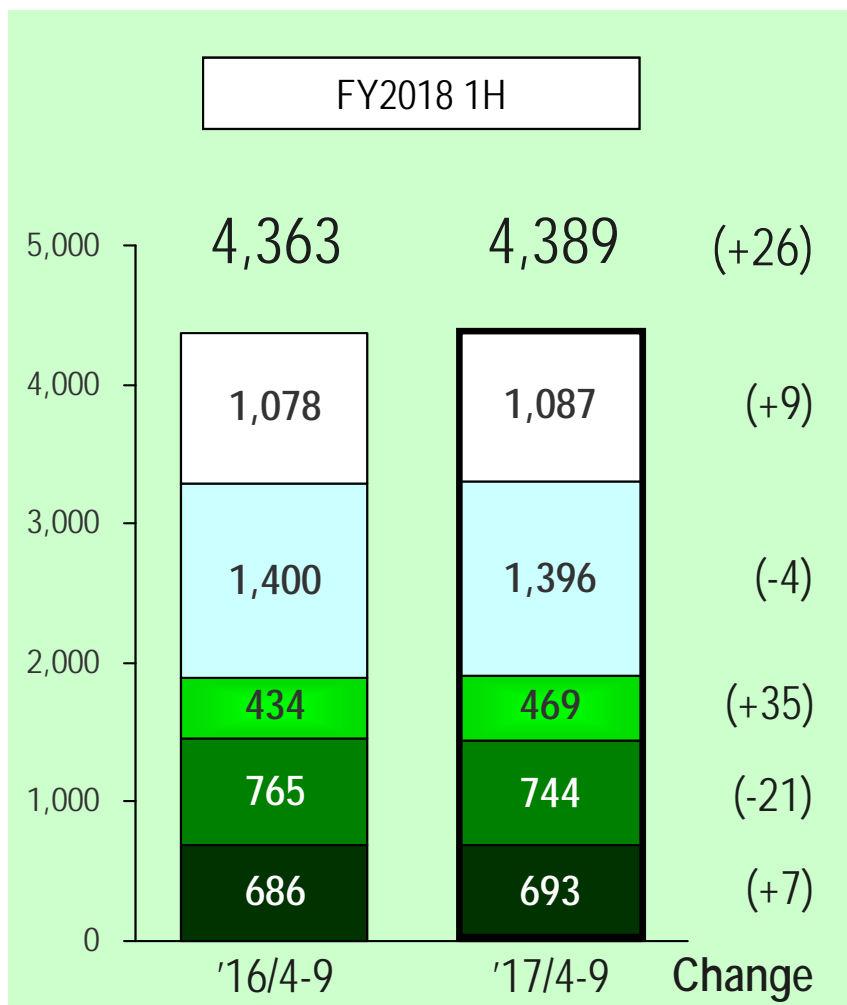
FY2018 Second Quarter Financial Results

FY2018 Second Quarter Financial Performance
(FY2018 First Half)

FY2018 Financial Forecasts

Consolidated Vehicle Sales

(thousands of vehicles)



Total retail vehicle sales in thousands

5,067	5,216	+149
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2,538	2,626	+88
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Consolidated Financial Summary (FY2018 First Half)

(billions of yen)

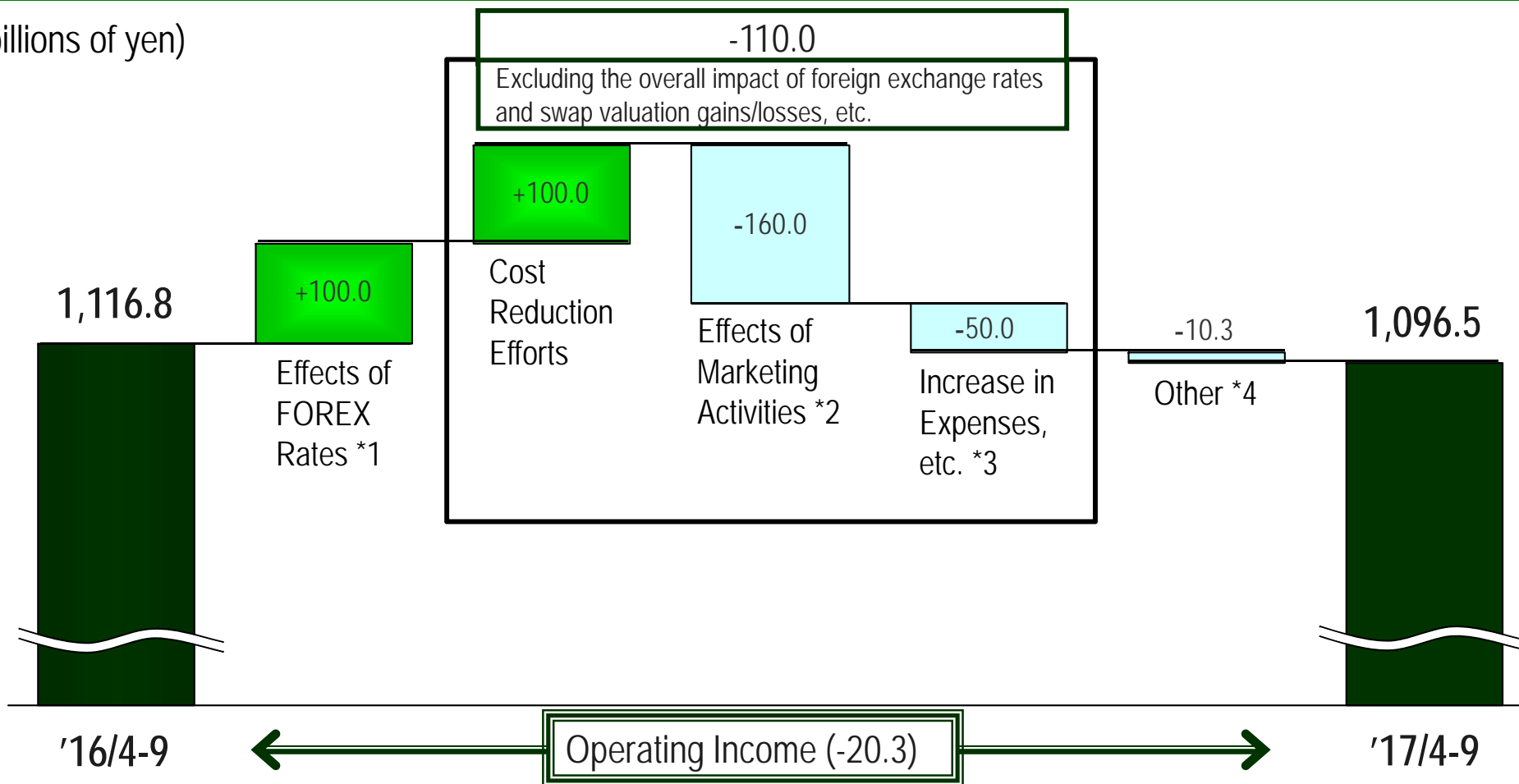
	FY2018 1H (^{'17/4-9})	FY2017 1H (^{'16/4-9})	Change		
Net Revenues	14,191.2	13,070.5	+1,120.6	+8.6%	
Operating Income	1,096.5	1,116.8	-20.3	-1.8%	
Operating margin	7.7%	8.5%	-	-	
Income before income taxes and equity in earnings of affiliated companies	1,252.1	1,176.5	+75.6	+6.4%	
Net Income^{*1}	1,071.3	946.1	+125.1	+13.2%	
Net margin ^{*1}	7.5%	7.2%	-	-	
Net income per share ^{*2} (diluted)	355.92 yen	307.84 yen	+48.08 yen	-	
FOREX	US\$	111 yen	105 yen	+6 yen	-
Rates	€	126 yen	118 yen	+8 yen	-

*1 Net Income attributable to Toyota Motor Corporation

*2 Net Income attributable to common shareholders

Analysis of Consolidated Operating Income (FY2018 First Half)

(billions of yen)



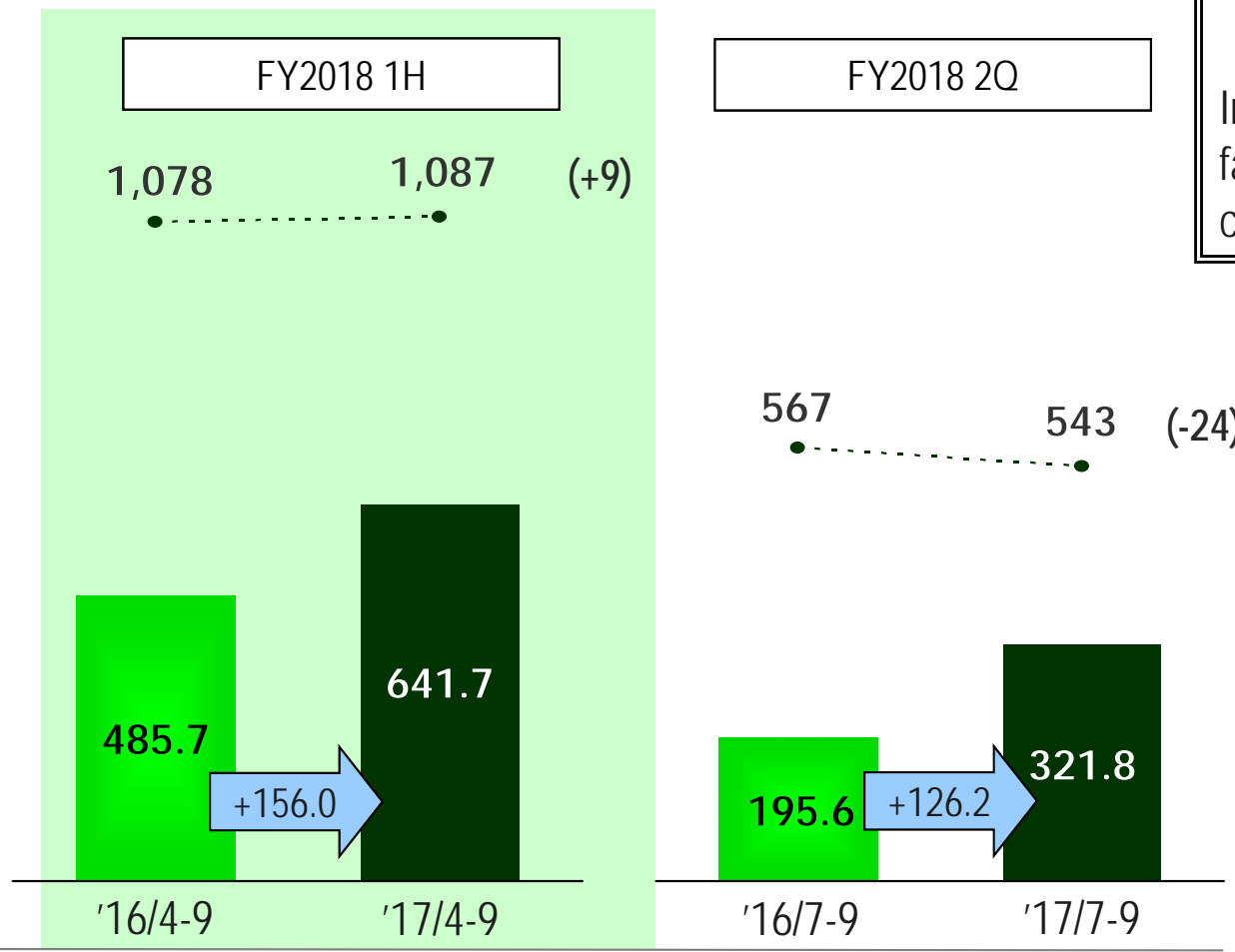
*1. Details		*2. Details		*3. Details		*4. Details	
Transactional (Imports & Exports)	+180.0	Volume, Model Mix	-65.0	Labor Costs	-25.0	Valuation Gains/Losses from Swaps, etc.	-10.3
US\$	+120.0	Financial Services	±0	Depreciation	-20.0		
€	+25.0	Other	-95.0	R&D Expenses	-10.0		
Other	+35.0			Expenses, etc.	+5.0		

From FY2017 financial results, "Effects of FOREX Rates" includes translational FOREX impact concerning operating income of overseas subsidiaries and fiscal year-end balance of provisions in foreign currencies, etc.

Geographic Operating Income : Japan

- Operating Income (billions of yen) *
- Consolidated Vehicle Sales (thousands of vehicles)
- * Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.

FY2017 1H Operating Income*
641.7 billion yen
 (+156.0 billion yen year on year)
 Increased mainly as a result of favourable foreign exchange rates and cost reduction efforts.



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	'16/4-9	'17/4-9	'16/7-9	'17/7-9
Operating Income Margin	7.0%	8.5%	5.4%	8.3%

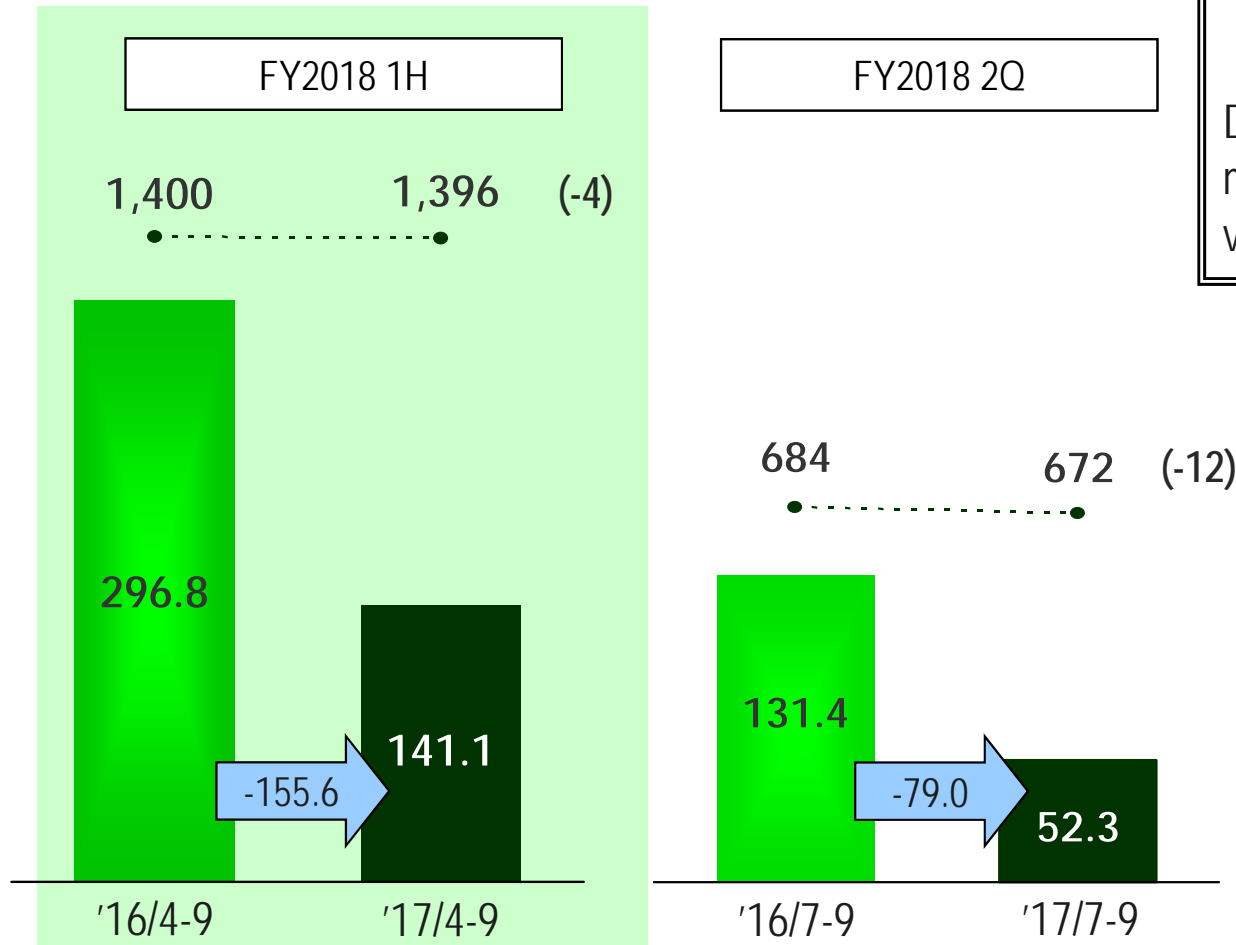
	'16/4-9	'17/4-9	'16/7-9	'17/7-9
Operating Income including Valuation Gains/Losses from Interest Rate Swaps, etc. (billions of yen)	484.7	640.5	194.3	321.3

Geographic Operating Income : North America

- Operating Income (billions of yen) *
- Consolidated Vehicle Sales (thousands of vehicles)
- * Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.

FY2017 1H Operating Income*
141.1 billion yen
 (-155.6 billion yen year on year)

Declined largely due to increased marketing expenses and decreased vehicle production.



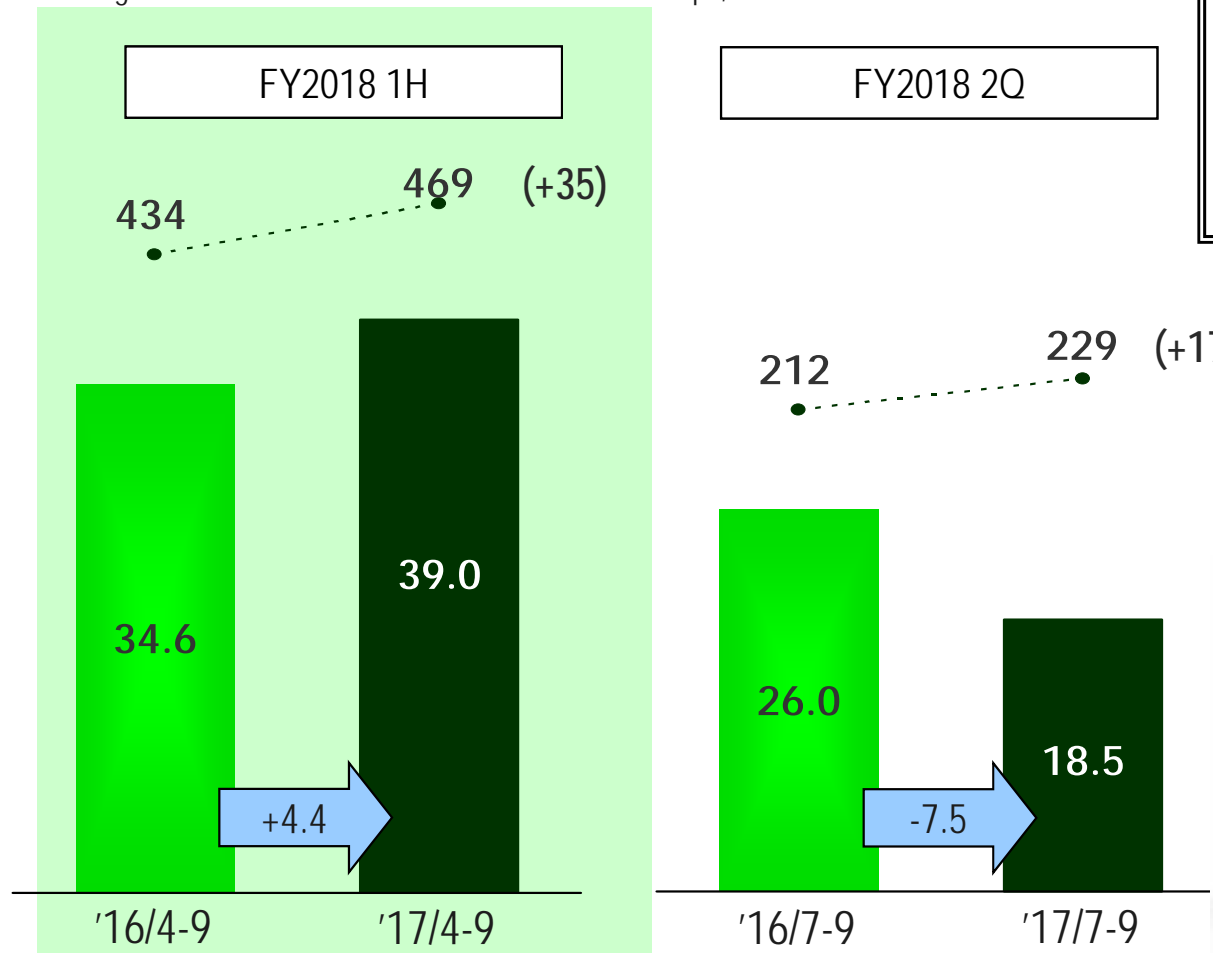
Operating Income Margin	'16/4-9	'17/4-9	'16/7-9	'17/7-9
	6.1%	2.7%	5.6%	2.0%

Operating Income including Valuation Gains/Losses from Interest Rate Swaps, etc. (billions of yen)	'16/4-9	'17/4-9	'16/7-9	'17/7-9
	311.2	144.6	139.8	55.3

Geographic Operating Income : Europe

- Operating Income (billions of yen) *
- Consolidated Vehicle Sales (thousands of vehicles)
- * Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.

FY2017 1H Operating Income*
39.0 billion yen
 (+4.4 billion yen year on year)
 Increased mostly as a result of growth in vehicle sales and cost reduction efforts.



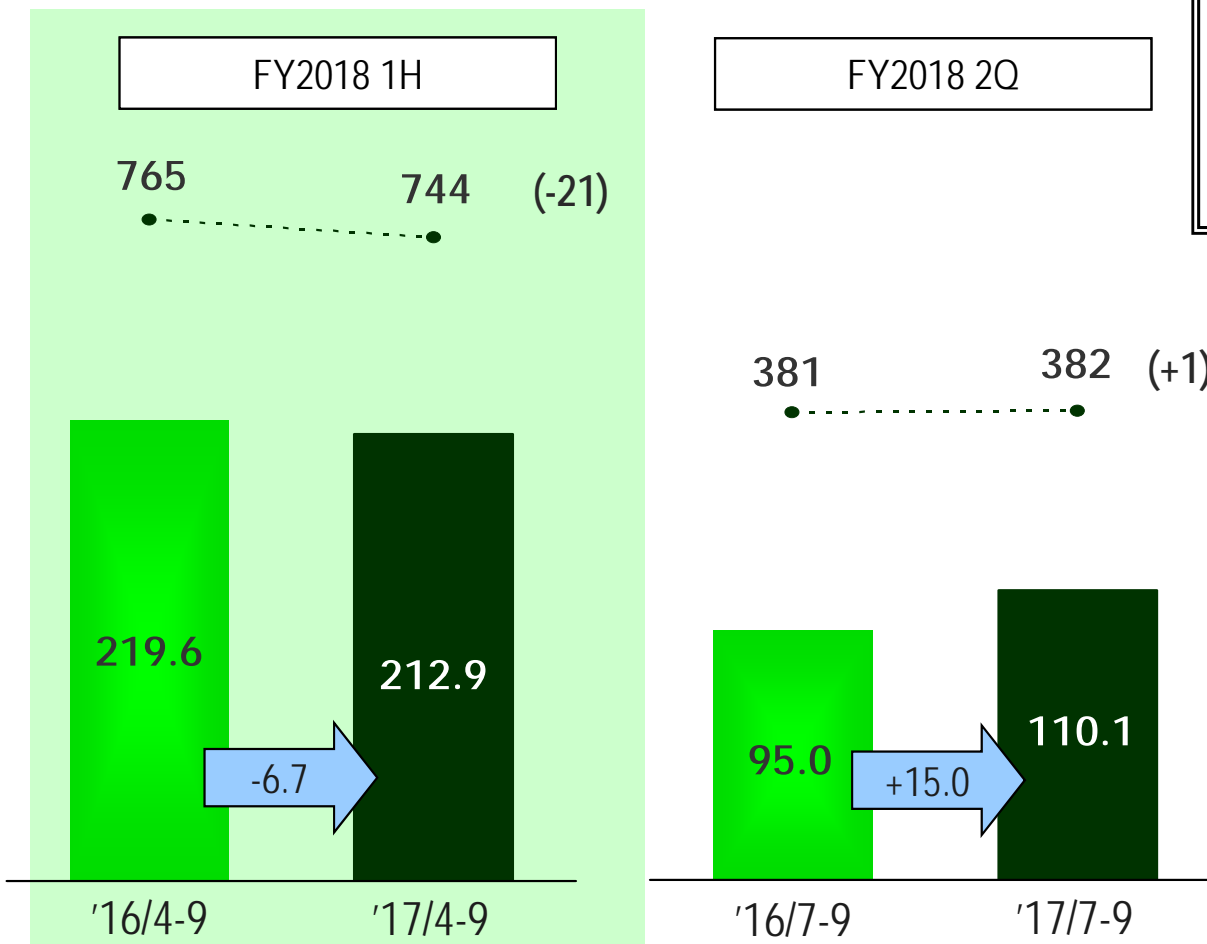
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	'16/4-9	'17/4-9	'16/7-9	'17/7-9
Operating Income Margin	2.8%	2.6%	4.3%	2.4%
Operating Income including Valuation Gains/Losses from Interest Rate Swaps, etc. (billions of yen)	34.5	37.7	25.5	17.4

Geographic Operating Income : Asia

- Operating Income (billions of yen) *
- Consolidated Vehicle Sales (thousands of vehicles)
- * Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.

FY2017 1H Operating Income*
212.9 billion yen
 (-6.7 billion yen year on year)
 Decreased mainly due to effects of foreign exchange rates.



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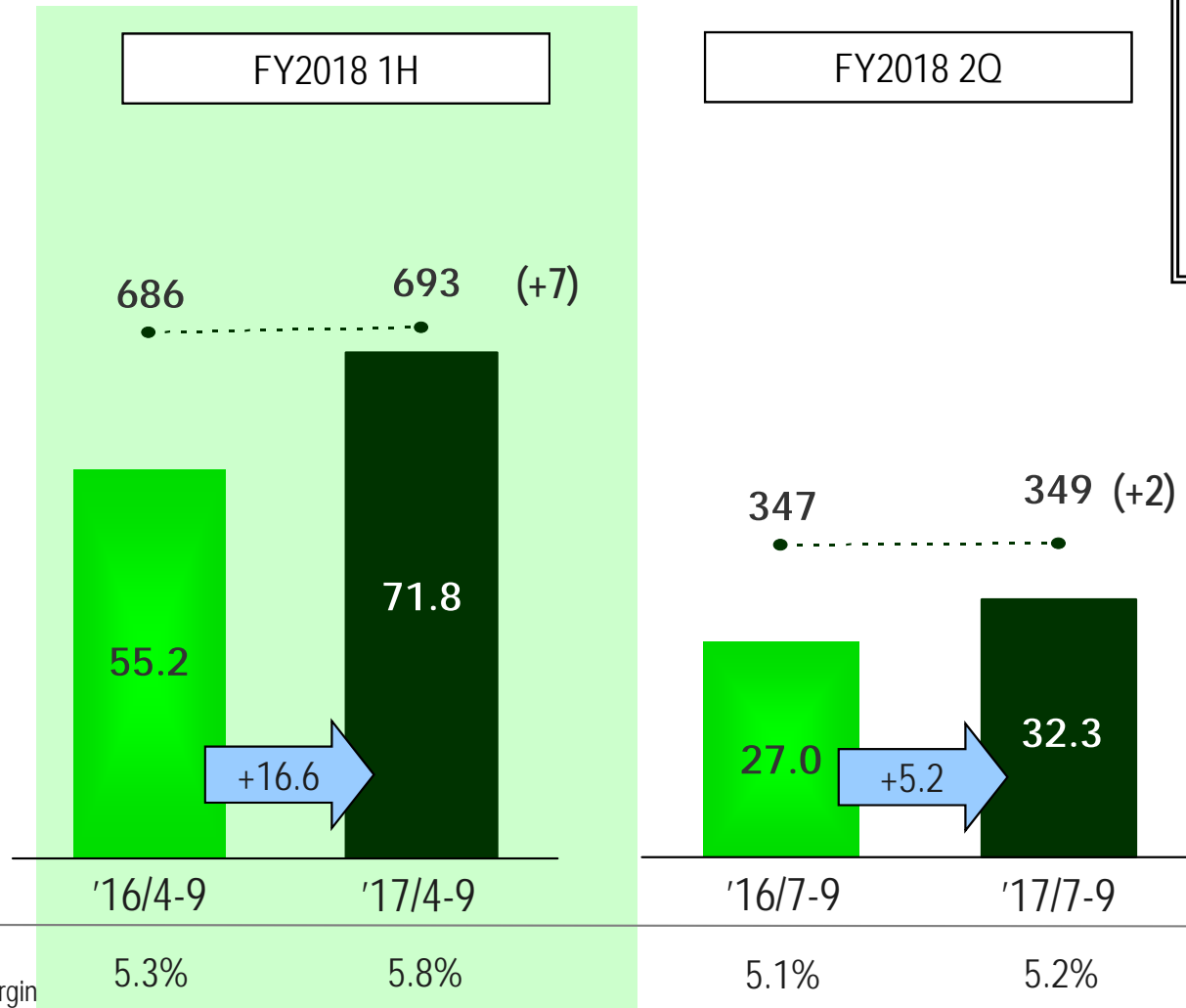
Operating Income Margin	'16/4-9	'17/4-9	'16/7-9	'17/7-9
	9.5%	8.6%	8.5%	8.6%

Operating Income including Valuation Gains/Losses from Interest Rate Swaps, etc. (billions of yen)	'16/4-9	'17/4-9	'16/7-9	'17/7-9
	222.7	214.2	95.3	109.8

Geographic Operating Income : Central & South America, Oceania, Africa and The Middle East

- Operating Income (billions of yen) *
- Consolidated Vehicle Sales (thousands of vehicles)
- * Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.

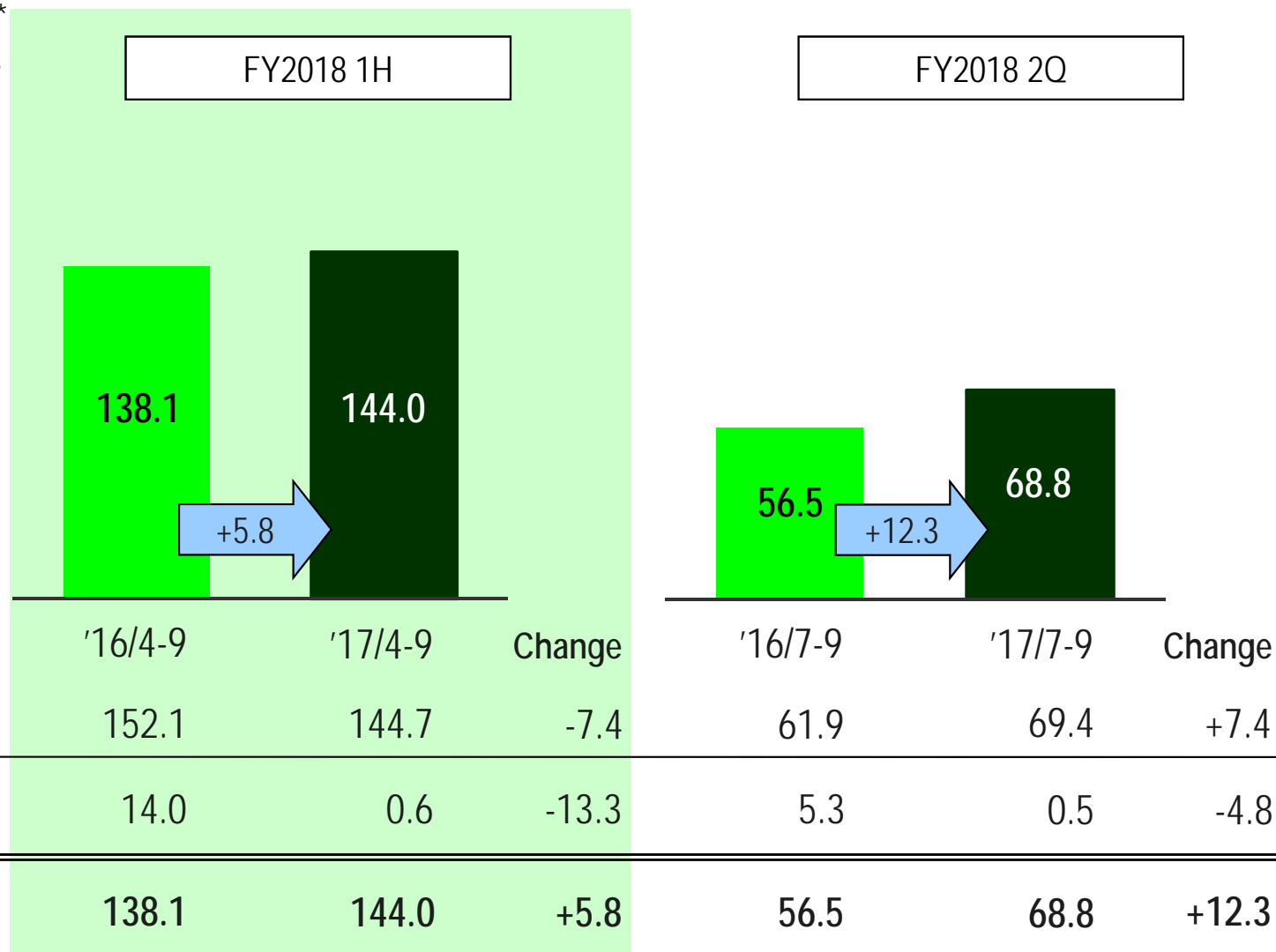
FY2017 1H Operating Income*
71.8 billion yen
 (+16.6 billion yen year on year)
 Increased largely as a result of favourable foreign exchange rates and marketing efforts.



Operating Income including Valuation Gains/Losses from Interest Rate Swaps, etc. (billions of yen)	52.8	70.3	25.5	31.6
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Financial Services Operating Income

■ Operating Income (billions of yen)*
 * Excluding Valuation Gains/Losses from Interest Rate Swaps, etc.

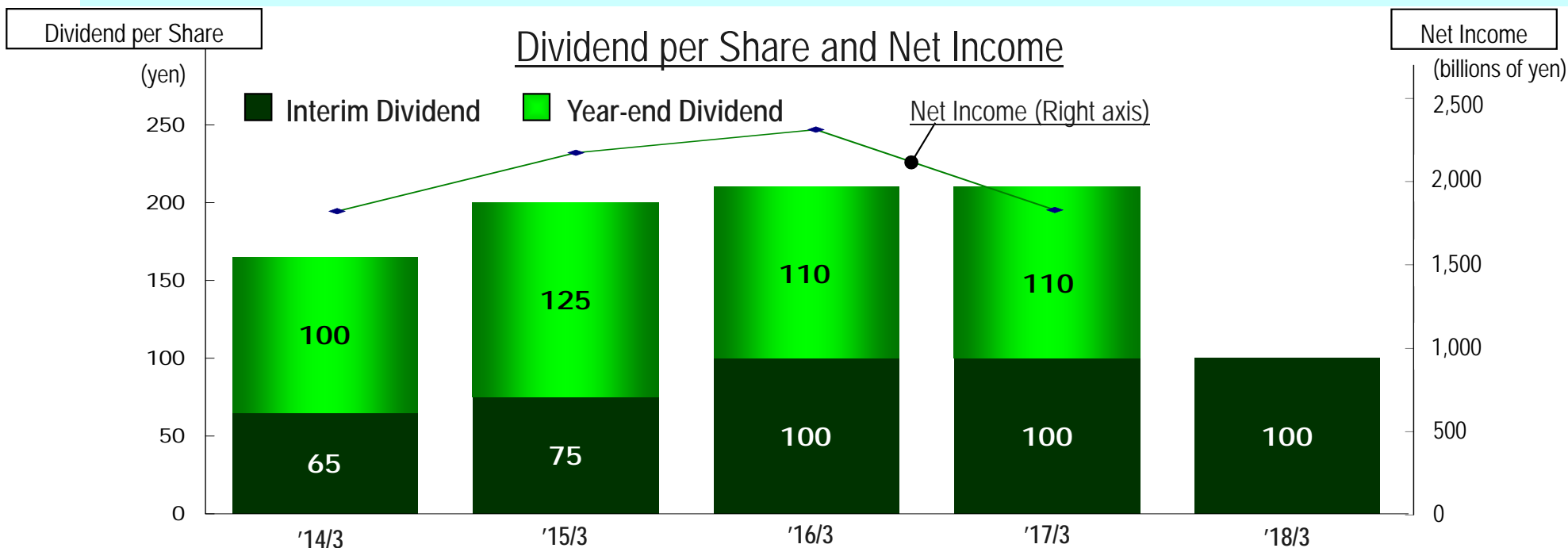


Increased mainly due to growth in the lending balance.

Shareholder Return*¹

Interim Dividend : 100 yen per common share

(Total Amount of Payment : 293.4 billion yen, Payout Ratio*²: 27.8%)



Dividends on Common Shares (billions of yen)	522.9	631.3	645.5	627.5	293.4 * ³
Payout Ratio * ²	28.7%	29.0%	28.3%	34.6%	27.8% * ³

Ref.)

Dividends on Model AA Class Shares (billions of yen)	-	-	2.4	4.9	3.7 * ³
Total Amount of Dividends	522.9	631.3	647.9	632.4	297.1 * ³

*¹ Dividends on common shares.

*² Payout Ratio = (dividend per common share) ÷ (net income attributable to Toyota Motor Corporation per common share)

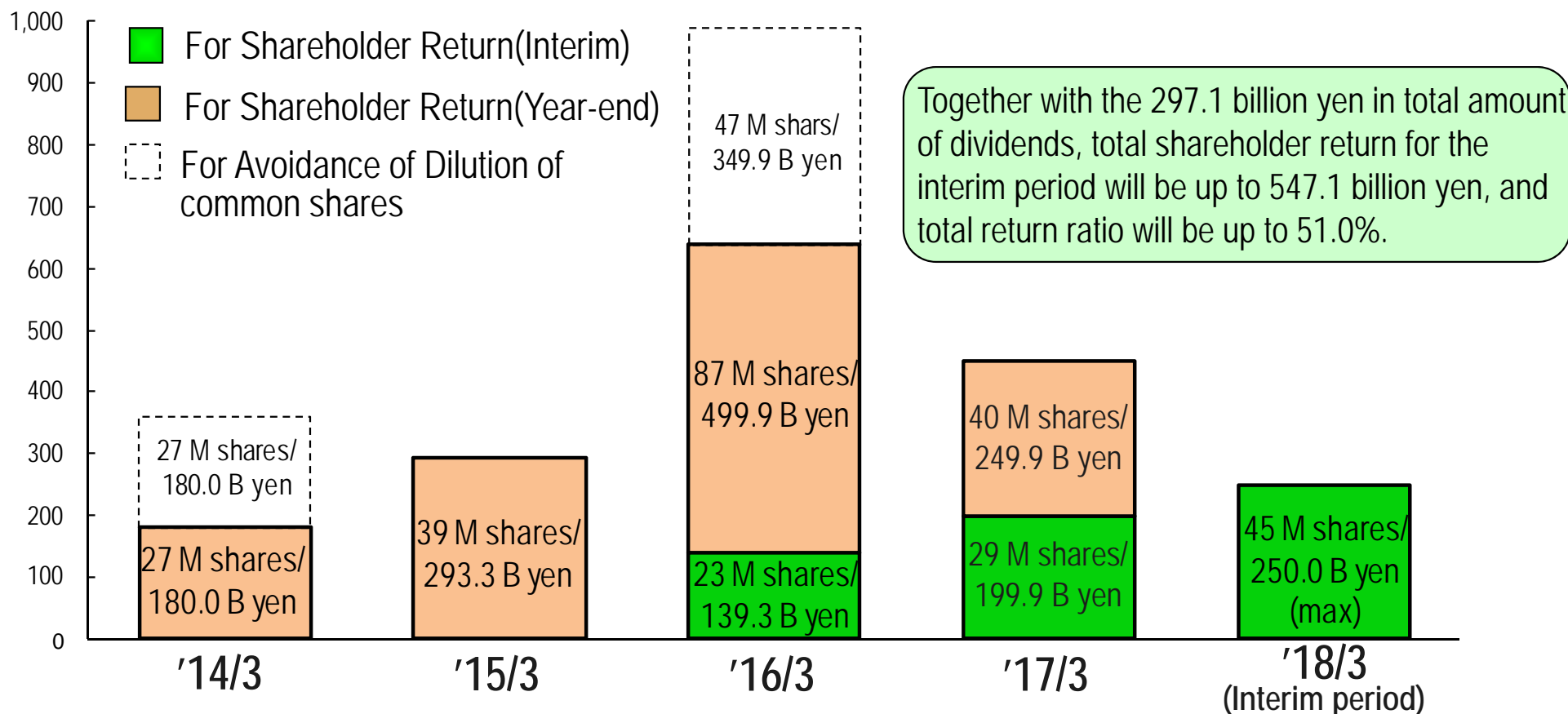
*³ Figures are for the interim period.

Shareholder Return

Share Repurchase (max) : 250.0 billion yen/45 million shares

(Repurchase Program to be implemented from November 14, 2017 to March 30, 2018)

(billions of yen)



Share Repurchase*	27 million shares / 180.0 billion yen	39 million shares / 293.3 billion yen	110 million shares / 639.3 billion yen	69 million shares / 449.9 billion yen	45 million shares / 250.0 billion yen (max)
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* Excluding share repurchase made to avoid dilution of common shares.

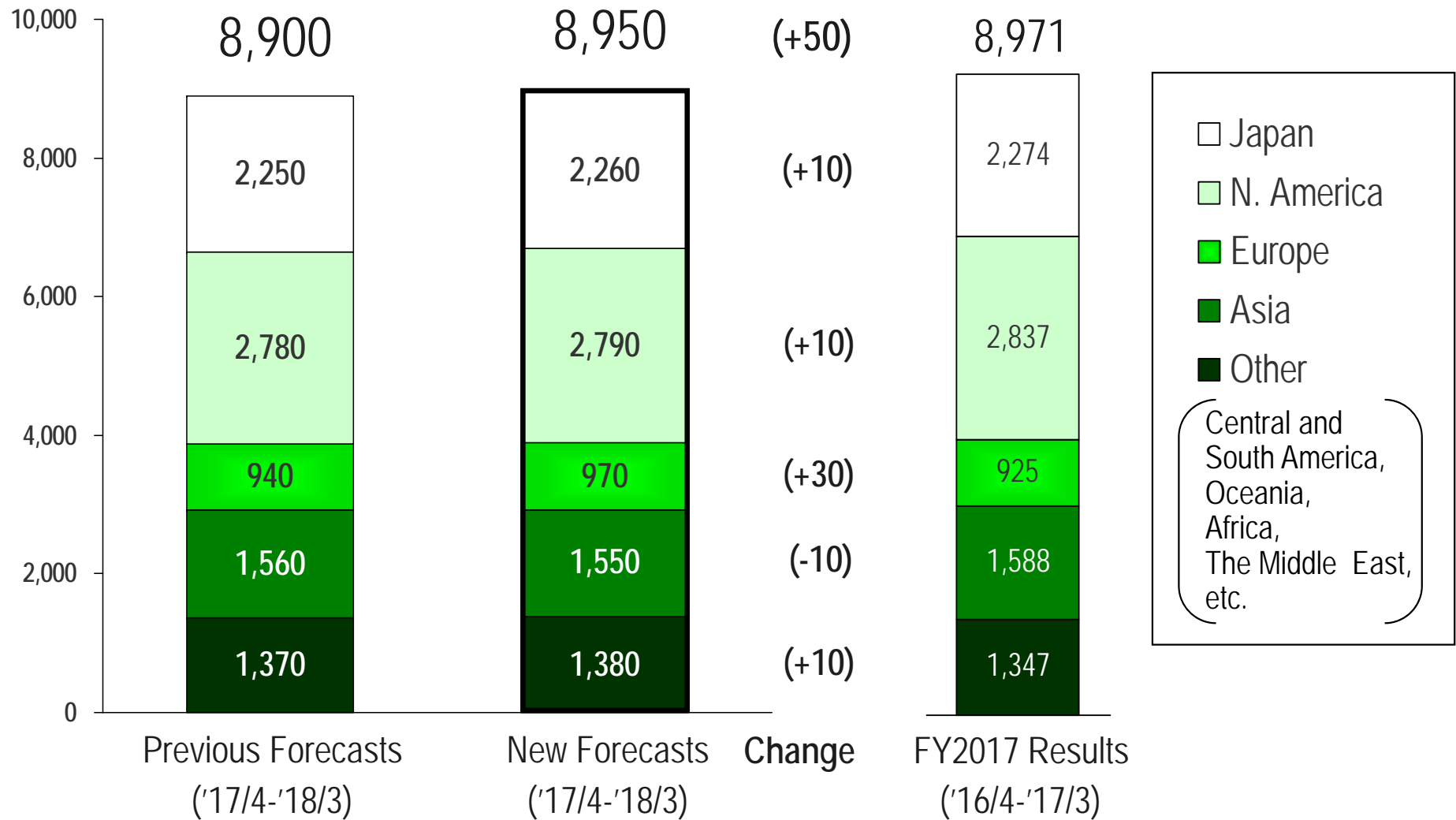
FY2018 Second Quarter Financial Results

FY2018 Second Quarter Financial Performance
(FY2018 First Half)

FY2018 Financial Forecasts

FY2018 Forecasts: Consolidated Vehicle Sales

(thousands of vehicles)



- Japan
 - N. America
 - Europe
 - Asia
 - Other
- (Central and South America, Oceania, Africa, The Middle East, etc.)

Total retail vehicle sales in thousands

10,250

10,250

± 0

10,251

FY2018 Forecasts: Consolidated Financial Summary

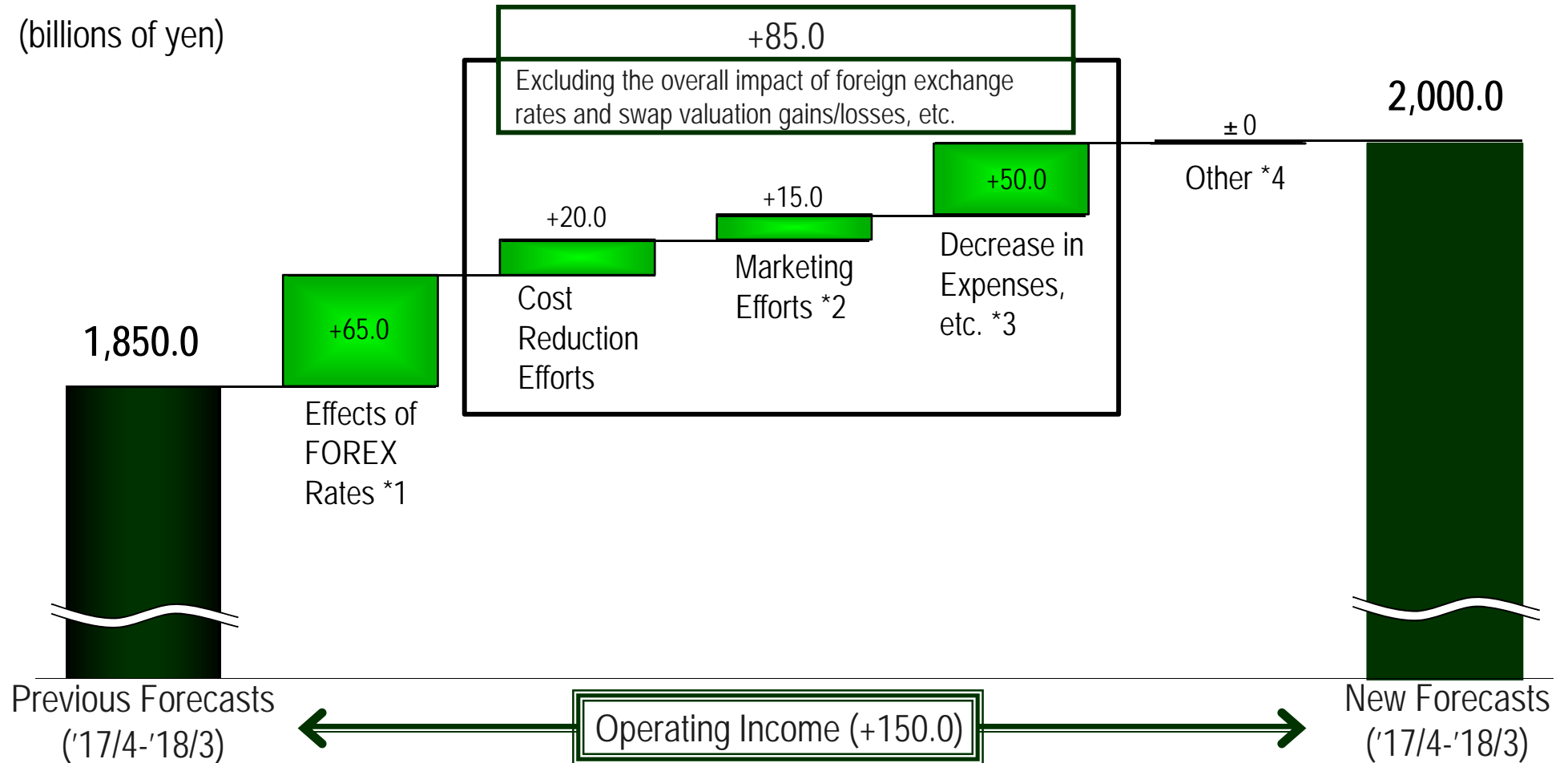
(billions of yen)		New Forecasts (^{'17/4} - ^{'18/3})	Previous Forecasts (^{'17/4} - ^{'18/3})	Change	FY2017 Results (^{'16/4} - ^{'17/3})
Net Revenues		28,500.0	28,500.0	±0	27,597.1
Operating Income		2,000.0	1,850.0	+150.0	1,994.3
Operating margin		7.0%	6.5%	-	7.2%
Income before income taxes and equity in earnings of affiliated companies		2,250.0	2,050.0	+200.0	2,193.8
Equity in earnings of affiliated companies		410.0	380.0	+30.0	362.0
Net Income ^{*1}		1,950.0	1,750.0	+200.0	1,831.1
Net margin ^{*1}		6.8%	6.1%	-	6.6%
FOREX	US\$	111 yen ^{*2}	110 yen	+1 yen	108 yen
Rates	€	128 yen ^{*2}	124 yen	+4 yen	119 yen

*1 Net Income attributable to Toyota Motor Corporation

*2 FOREX Rate assumptions from October 2017 to March 2018: 110 yen against the U.S. dollar and 130 yen against the euro

Analysis of FY2018 Forecasts: Consolidated Operating Income (vs. Previous Forecasts)

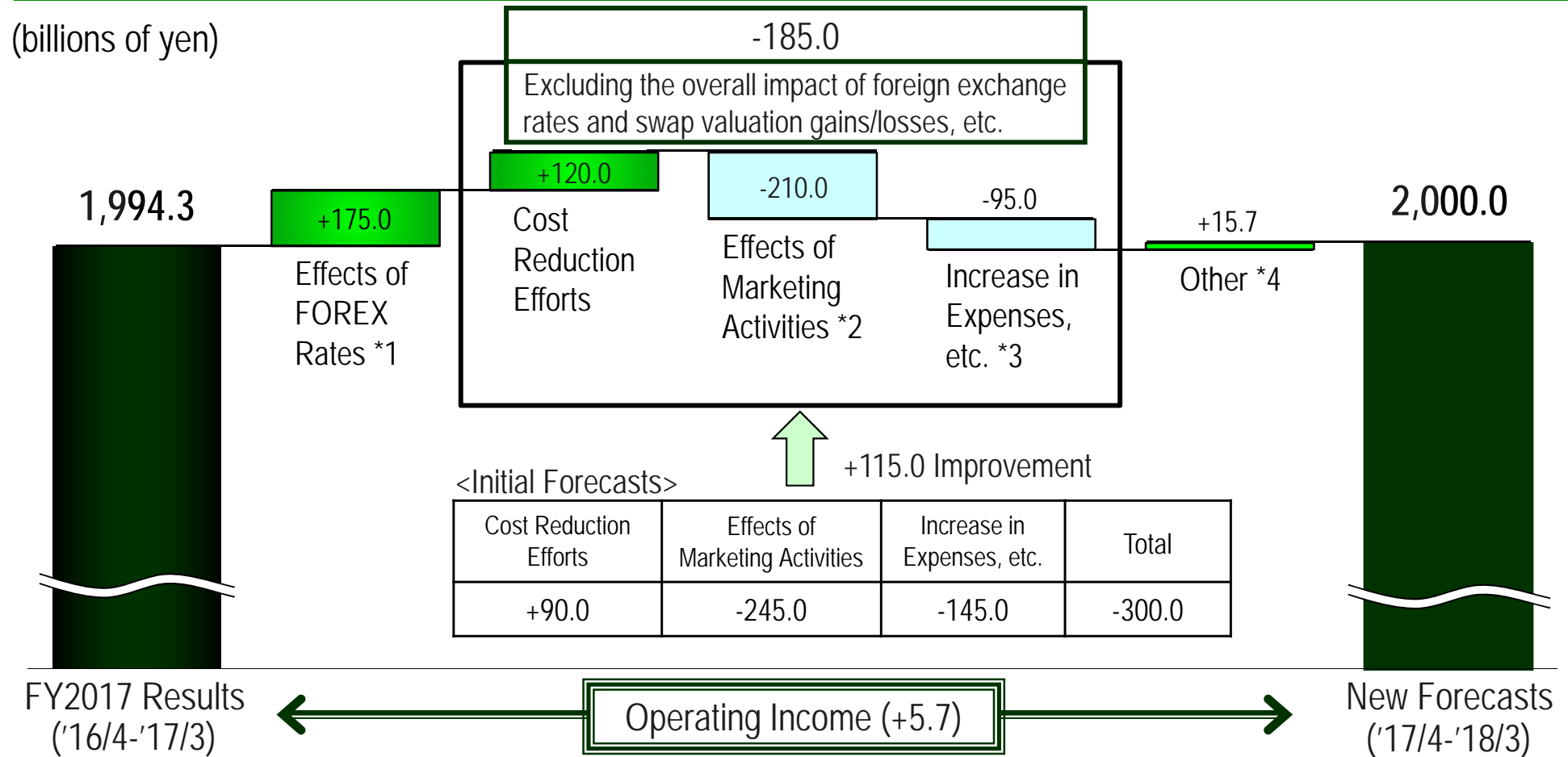
(billions of yen)



*1. Details		*2. Details		*3. Details		*4. Details		
Transactional (Imports & Exports)	+60.0	Translational FOREX impact concerning overseas subsidiaries	+10.0	Volume, Model Mix	+20.0	Labor Costs	-15.0	
US\$	+10.0			Financial Services	+15.0	Depreciation	+10.0	
€	+25.0	Other	-5.0	Other	-20.0	R&D Expenses	±0	
Other	+25.0	(Translational FOREX impact of fiscal year-end balance of provisions in foreign currencies, etc.)				Expenses, etc.	+55.0	
							Valuation Gains/Losses from Swaps, etc.	±0

From FY2017 financial results, "Effects of FOREX Rates" includes translational FOREX impact concerning operating income of overseas subsidiaries and fiscal year-end balance of provisions in foreign currencies, etc.

Analysis of FY2018 Forecasts: Consolidated Operating Income **TOYOTA** (vs. FY2017 Results)



*1. Details		*2. Details		*3. Details		*4. Details	
Transactional (Imports & Exports)	+155.0	Volume, Model Mix	-60.0	Labor Costs	-60.0	Valuation Gains/Losses from Swaps, etc.	+15.7
US\$	+85.0	Financial Services	±0	Depreciation	-45.0		
€	+55.0	Other	-150.0	R&D Expenses	-20.0		
Other	+15.0			Expenses, etc.	+30.0		

From FY2017 financial results, "Effects of FOREX Rates" includes translational FOREX impact concerning operating income of overseas subsidiaries and fiscal year-end balance of provisions in foreign currencies, etc.

Activities for Enhancement of Competitiveness

<p>“Offense” Competitiveness in the Future</p>	<ul style="list-style-type: none"> - Mazda, Denso and Toyota have decided to establish a new company in order to jointly develop basic structural technologies for EVs. - Promote projects for commercial use of FC. (studies with Seven-Eleven Japan to promote hydrogen utilization, development of FC bus which will be launched ahead of the 2020 Tokyo Olympic and Paralympic games.) - Make additional investment to Preferred Networks, Inc. (accelerate joint research and development of AI technologies in the area of mobility) - Launched all-new “LS” (employ the latest in active safety technologies aiming for the best safety performance in the world). - Launched a new taxi vehicle “JPN Taxi”. (people-friendly universal design, high environmental performance and a wide lineup of active safety systems)
<p>“Defense” Challenges for Today</p>	<ul style="list-style-type: none"> - Promptly address regional needs by using in-house companies system. - Continuous cost reduction efforts in cooperation with suppliers. - Reduce capital expenditures.
<p>Work Innovation</p>	<ul style="list-style-type: none"> - Launch a new working hour system.

Toyota Investor Summit

On September 28, the summit was held in Plano, Texas, at Toyota Motor North America's new headquarters.



*The full presentation video is available on our official website, "Toyota Global Newsroom".
<https://newsroom.toyota.co.jp/en/detail/19030556/>

Manufacturing

With TNGA (Toyota New Global Architecture), we pursue a fundamental change in vehicle performance and cost effectiveness as well as in design which appeals to people's heart and head, which is FUN to drive.

- LC500 realized a concept car design in an active production model.
- Launched new Camry which was a car with all new powertrain, platform and electric devices under the TNGA.



Next-generation Powertrains(Electrification)

Create a wide portfolio of powertrains and work to make each one “best in class” to cope with various energy mixes and regulations in each country and region.

- With Mazda and Denso, establish a new company which develops basic structural technologies for EVs.
- Advance the practical application of solid-state batteries which directly impacts to the competitiveness of electrification business.
- Launch a number of projects to pursue commercial use of fuel cells.



Connected Vehicles

Connect cars and provide new services in ways we never imagined based on data collected from cars.

- Toyota Connected, which was jointly established with Microsoft, is researching and developing new services using big data.
- Begin verification testing on data collection from taxis equipped with data transmission driving recorders.



Autonomous Driving / Artificial Intelligence (AI)

- TRI*, by using artificial intelligence technologies, plays a key role in working on a vast amount of research on autonomous cars, robotics and new battery materials.
- Based on the idea that data is the new “resource” and “wealth”, take advantage of the data volume to enhance performance of our AI.

*Toyota Research Institute

- Develop reliable AI with higher perception and prediction ability by combining physical testing and simulations.
- Toyota AI Ventures (corporate venture fund) makes early stage startup investments in hope of identifying new technologies in autonomous cars and robotics, etc.



Toyota Investor Summit

On September 28, the summit was held in Plano, Texas, at Toyota Motor North America's new headquarters.



*The full presentation video is available on our official website, "Toyota Global Newsroom".
<https://newsroom.toyota.co.jp/en/detail/19030556/>

FY2018 Second Quarter Financial Results



CAMRY Hybrid

Toyota Motor Corporation
November 7, 2017

Summaries of FY2018 Second Quarter Financial Results

< FY 2018 First Half Financial Performance >

- Consolidated vehicle sales were 4 million 389 thousand units. (+ 26 thousand units year on year)
- Operating income was 1,096.5 billion yen. (- 20.3 billion yen year on year)
Decreased mainly due to the effects of marketing activities and increase in expenses.
- Operating income excluding the overall impact of foreign exchange rates and swap valuation gains and losses declined 110.0 billion yen year on year.

< FY 2018 Financial Forecasts >

- Consolidated vehicle sales are expected to be 8.95 million units. (- 21 thousand units year on year)
Up 50 thousand units from the previous forecasts.
- Operating income is expected to be 2 trillion yen. (+ 5.7 billion yen year on year)
Revised upward by 150.0 billion yen from the previous forecasts.
(Changed the FOREX rate assumptions for the fiscal year to 111 yen per US dollar and 128 yen per euro)
- Operating income excluding the overall impact of foreign exchange rates and swap valuation gains and losses is expected to be down 185.0 billion yen year on year, despite an improvement of 115.0 billion yen compared to the initial forecasts.
- Work to further build up profit improvement measures under the challenging business environment affected by rising raw material prices.

(Reference)

TOYOTA

Consolidated Financial Summary (FY2018 Second Quarter)

(billions of yen)

	FY2018 2Q (^{'17} /7-9)	FY2017 2Q (^{'16} /7-9)	Change	
Net Revenues	7,143.6	6,481.4	+662.1	+10.2%
Operating Income	522.2	474.6	+47.6	+10.0%
Operating margin	7.3%	7.3%	-	-
Income before income taxes and equity in earnings of affiliated companies	572.8	499.4	+73.3	+14.7%
Net Income* ¹	458.2	393.7	+64.5	+16.4%
Net margin* ¹	6.4%	6.1%	-	-
Net income per share* ² (diluted)	152.87 yen	128.54 yen	+24.33 yen	-
FOREX Rates	US\$ 111 yen	102 yen	+9 yen	-
	€ 130 yen	114 yen	+16 yen	-

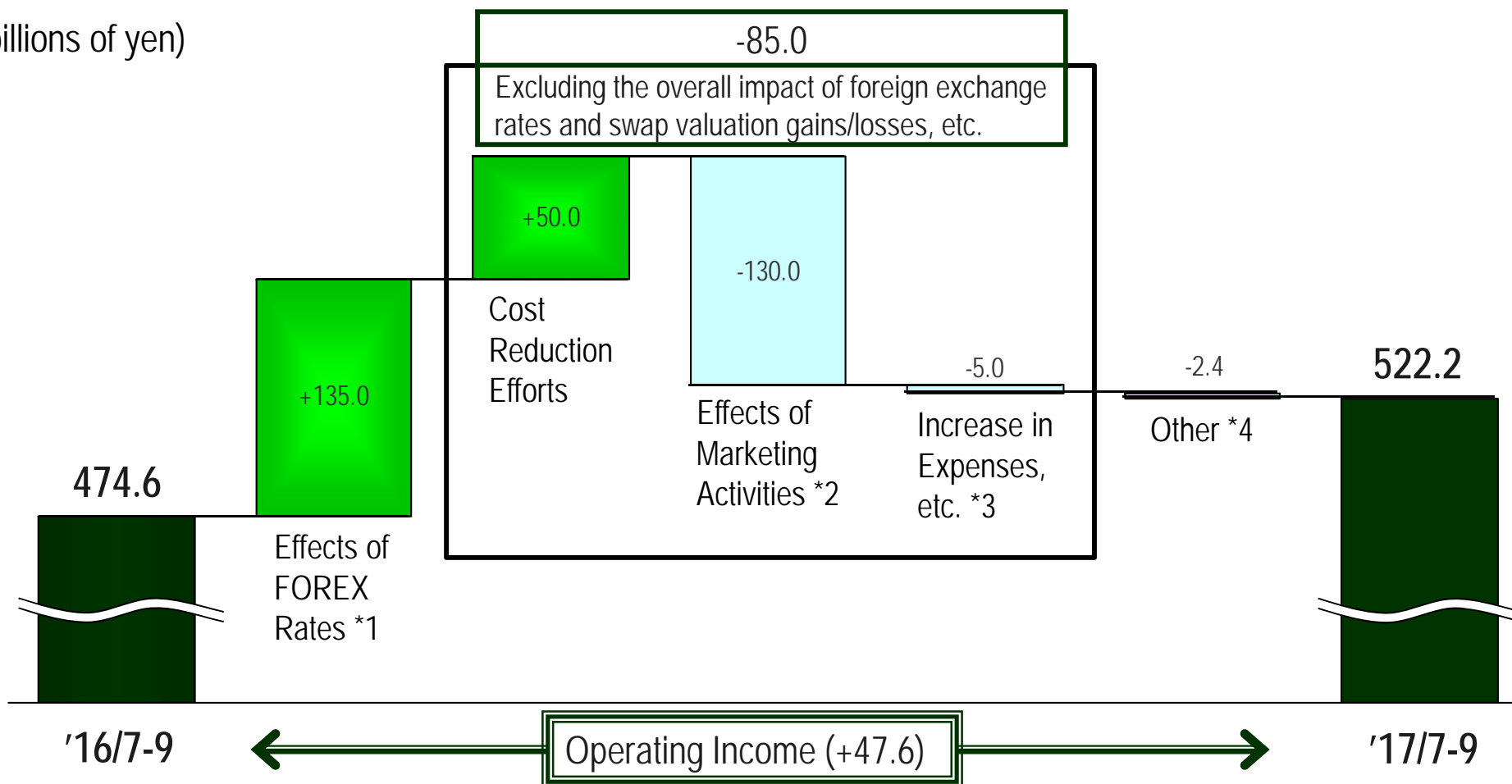
*1 Net Income attributable to Toyota Motor Corporation

*2 Net Income attributable to common shareholders

(Reference)

Analysis of Consolidated Operating Income (FY2018 Second Quarter)

(billions of yen)

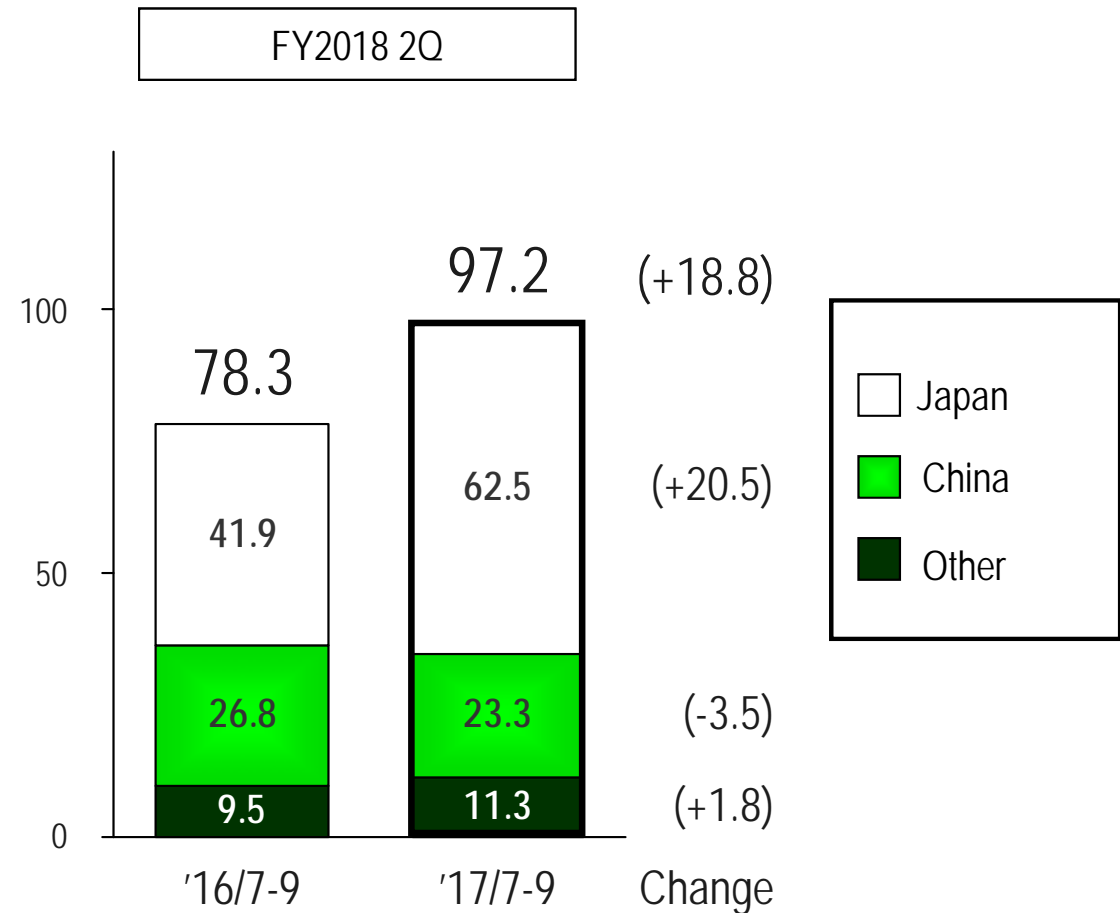
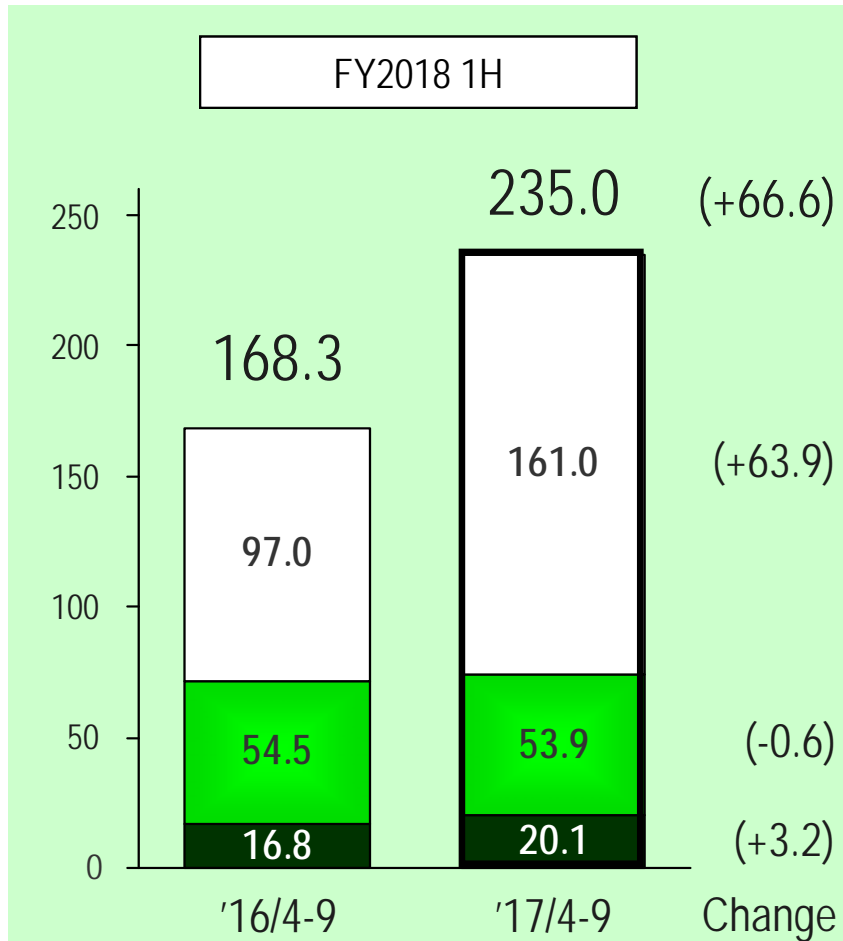


*1. Details		*2. Details		*3. Details		*4. Details	
Transactional (Imports & Exports)	+145.0	Translational FOREX impact concerning overseas subsidiaries	+20.0	Volume, Model Mix	-75.0	Labor Costs	-10.0
US\$	+90.0	Other	-30.0	Financial Services	+10.0	Depreciation	-10.0
€	+25.0	(Translational FOREX impact of fiscal year-end balance of provisions in foreign currencies, etc.)		Other	-65.0	R&D Expenses	-5.0
Other	+30.0			Expenses, etc.	+20.0	Valuation Gains/Losses from Swaps, etc.	-2.4

From FY2017 financial results, "Effects of FOREX Rates" includes translational FOREX impact concerning operating income of overseas subsidiaries and fiscal year-end balance of provisions in foreign currencies, etc.

(Reference) Equity in Earnings of Affiliated Companies

(billions of yen)



Retail Sales Results in China (thousands of vehicles)

'16/1-6	'17/1-6	Change
592	624	+32

'16/4-6	'17/4-6	Change
301	328	+27

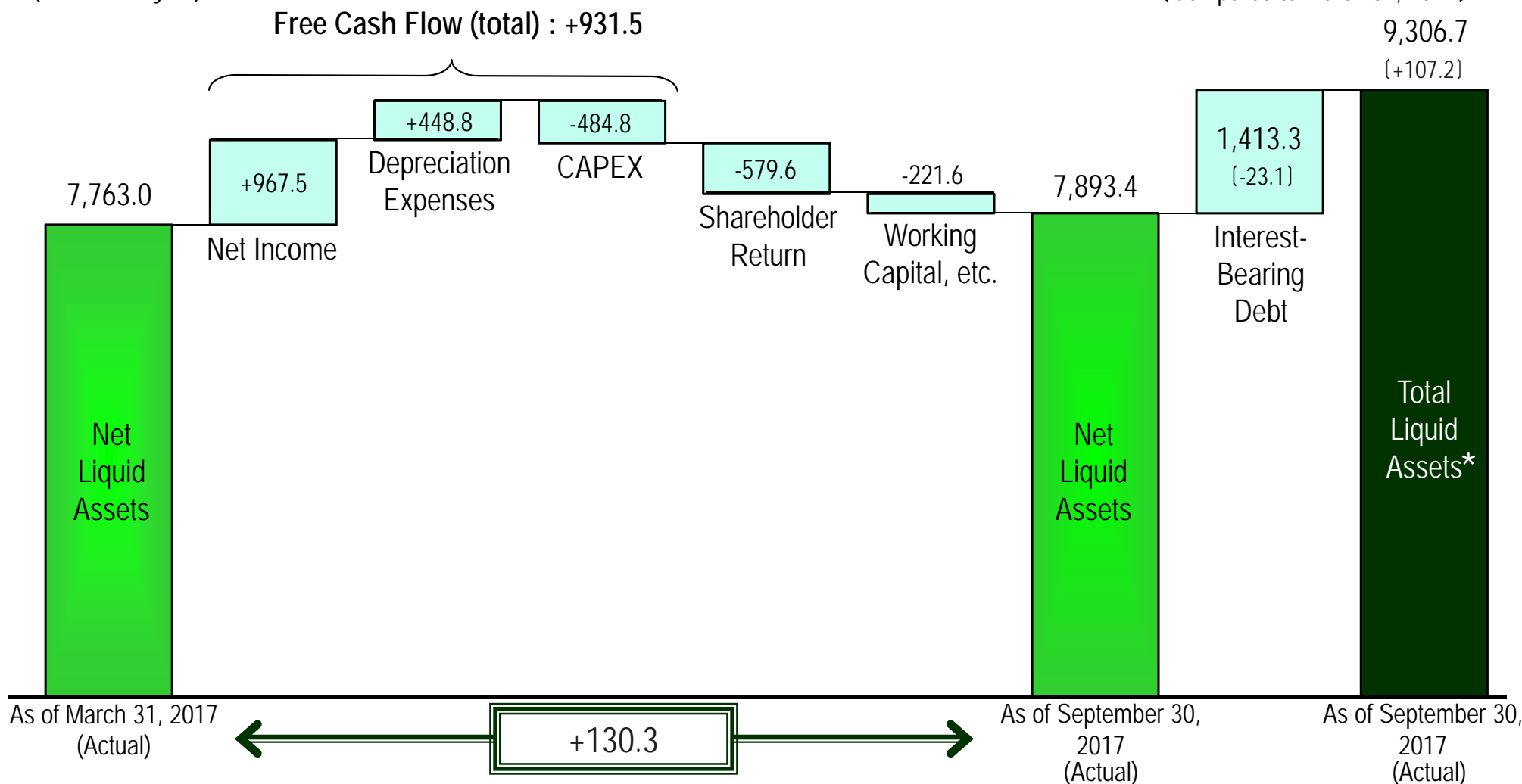
(Reference)

Liquid Assets (Excluding Financial Services)

Net Liquid Assets as of September 30, 2017 : 7,893.4 billion yen
(+130.3 billion yen compared to March 31, 2017)

(billions of yen)

[Compared to March 31, 2017]



*Total Liquid Assets consist primarily of cash and cash equivalents, time deposits, marketable securities and security investments (excluding equity securities), excluding in each case those relating to financial services.

(Reference) Shareholder Return

		FY2018	FY2017 (Actual)
Interim period	Dividends on Common Shares	293.4 billion yen (100 yen per share)	300.3 billion yen (100 yen per share)
	Dividends on First Series Model AA Class Shares	3.7 billion yen (79 yen per share)	2.4 billion yen (52.5 yen per share)
	Total Amount of Dividends	297.1 billion yen	302.8 billion yen
	Share Repurchase	250.0 billion yen (max)	199.9 billion yen
	Total Shareholder Return	547.1 billion yen (max)	502.7 billion yen
	Net Income	1,071.3 billion yen	946.1 billion yen
	Total Return Ratio*	51.0% (max)	53.1%

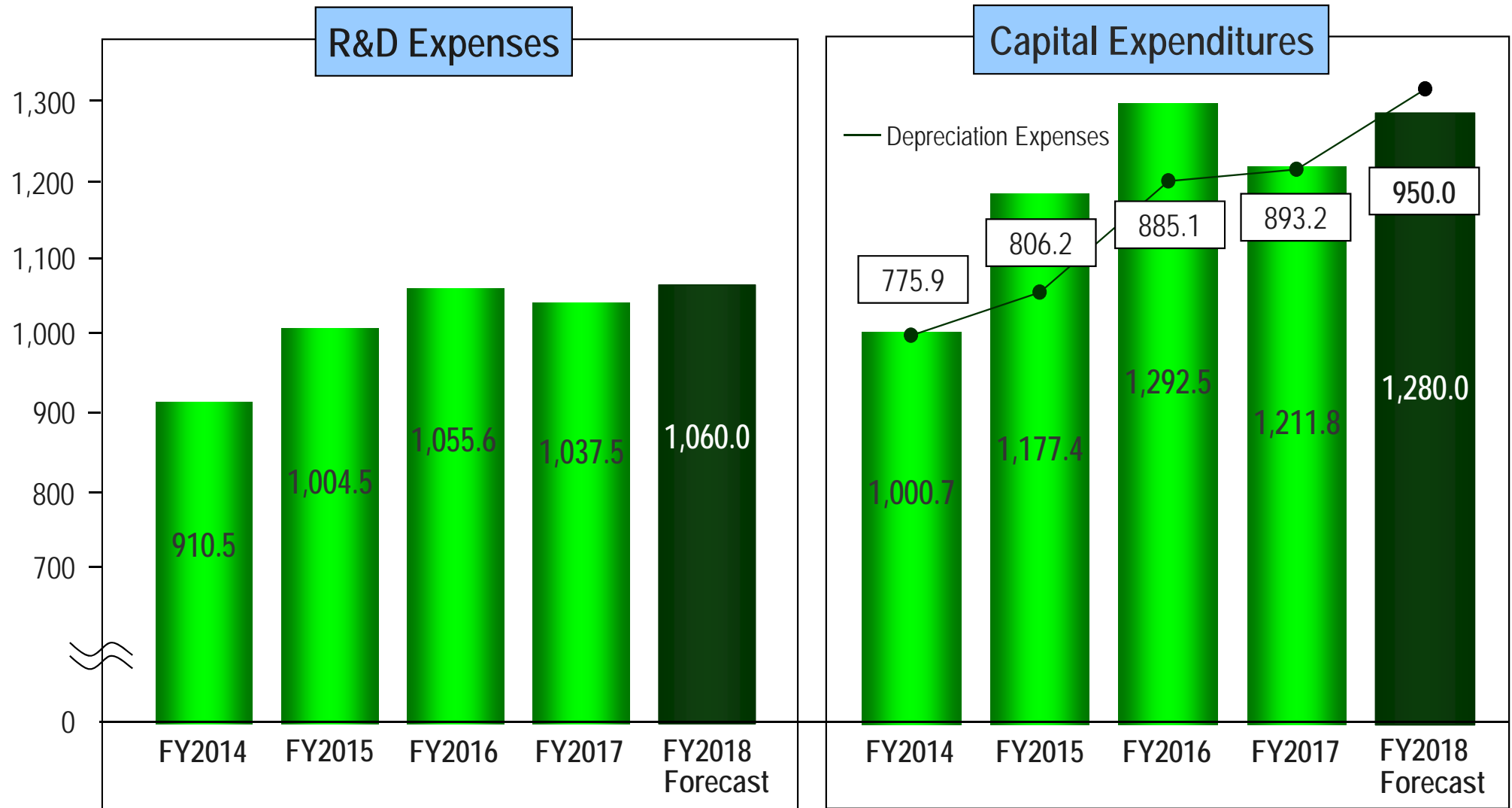
Full-year	Total Shareholder Return	Not yet determined	1,082.4 billion yen
	Total Return Ratio*		59.1%

* Total Return Ratio = {(dividends on both common shares and the first series Model AA class shares) + (share repurchase for shareholder return)} ÷ (net income attributable to Toyota Motor Corporation)

(Reference)

FY2018 Consolidated Forecasts: R&D, CAPEX, Depreciation

(billions of yen)



Change from Previous Forecasts:

R&D Expenses ±0 billion yen Capital Expenditures -40.0 billion yen Depreciation Expenses -10.0 billion yen

(Reference)

FY2018 Forecasts: Vehicle Production and Retail Sales

(thousands of vehicles)

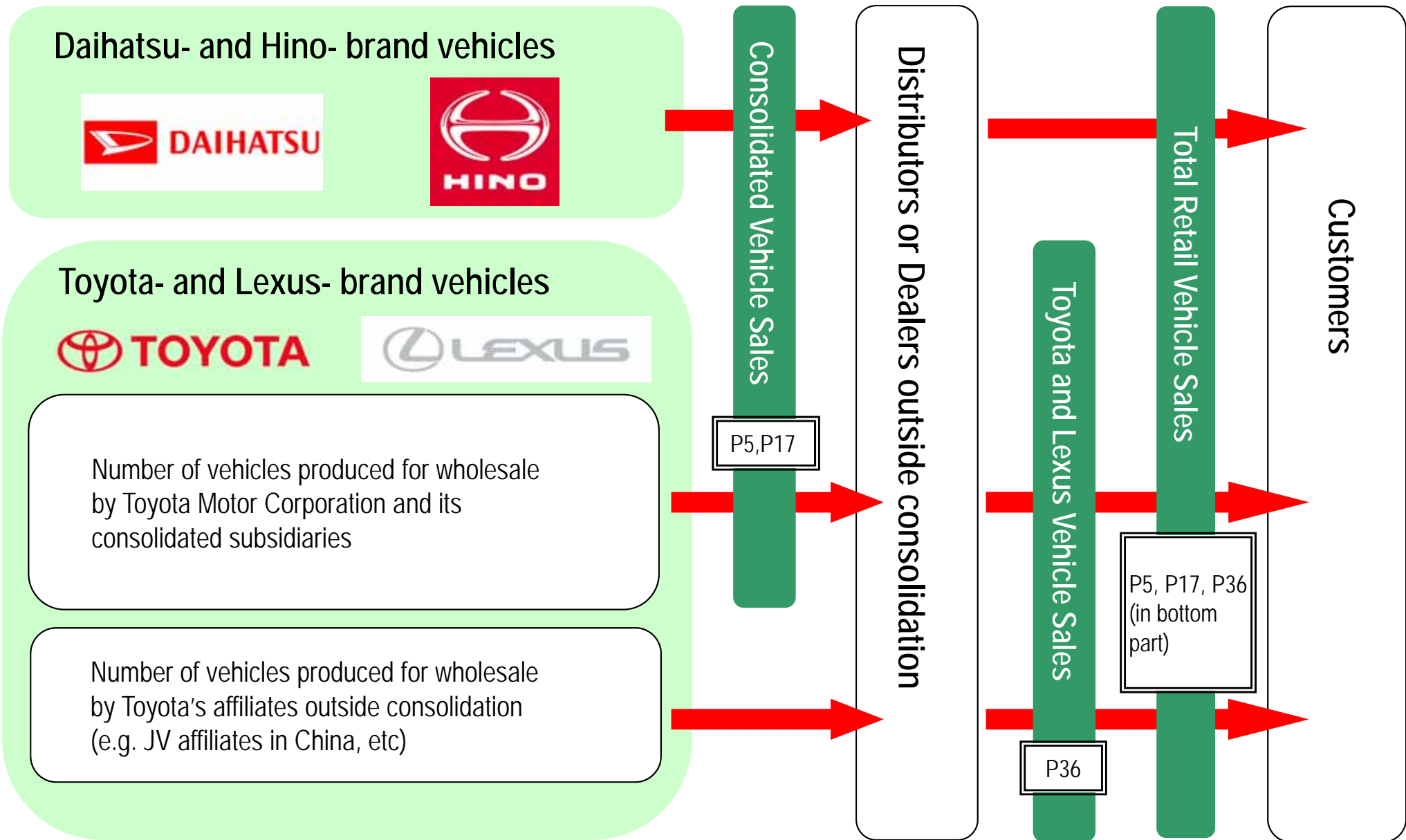
			New Forecasts (^{'17/4-'18/3})	Previous Forecasts (^{'17/4-'18/3})	Change
T o y o t a & L e x u s	Vehicle Production ^{*1}	Japan	3,180	3,180	± 0
		Overseas	5,770	5,720	+50
		Total	8,950	8,900	+50
	Retail Vehicle Sales ^{*2}	Japan	1,580	1,580	± 0
		Overseas	7,720	7,720	± 0
		Total	9,300	9,300	± 0
	Exports		1,800	1,800	± 0
Total Retail Vehicle Sales ^{*2} (Including Daihatsu- & Hino- brand)		10,250	10,250	± 0	

*1 Including vehicle production by Toyota's affiliates outside consolidation

*2 Including vehicle sales by Toyota's affiliates outside consolidation

(Reference)

Definitions of Consolidated and Retail Vehicle Sales



*There are a limited number of exceptional cases where sales are made other than in accordance with the flowchart above.