

# FY2009 First Quarter Financial Results

Three months ended June 30, 2008  
-prepared in accordance with U.S. GAAP-



Toyota Motor Corporation  
August 7, 2008

## Cautionary Statement with Respect to Forward-Looking Statements

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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: (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, the Canadian 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 markets in which Toyota operates that affect Toyota's automotive operations, particularly laws, regulations and government 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

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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.

**Takahiko Ijichi**

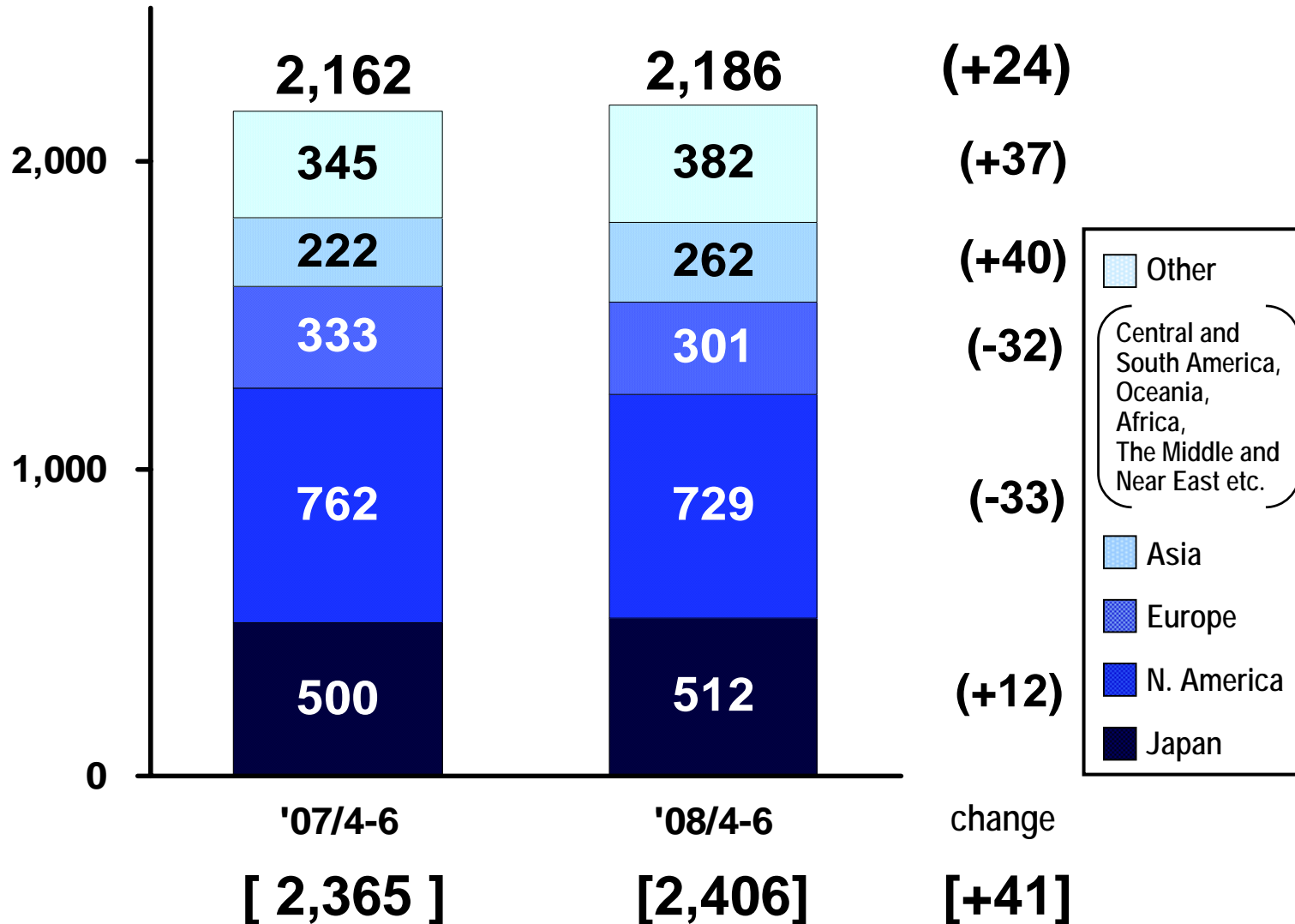
**Senior Managing Director**

**FY2009 First Quarter**

**【Financial Results】**

# Consolidated Vehicle Sales

(thousands of vehicles)



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

# Consolidated Financial Summary

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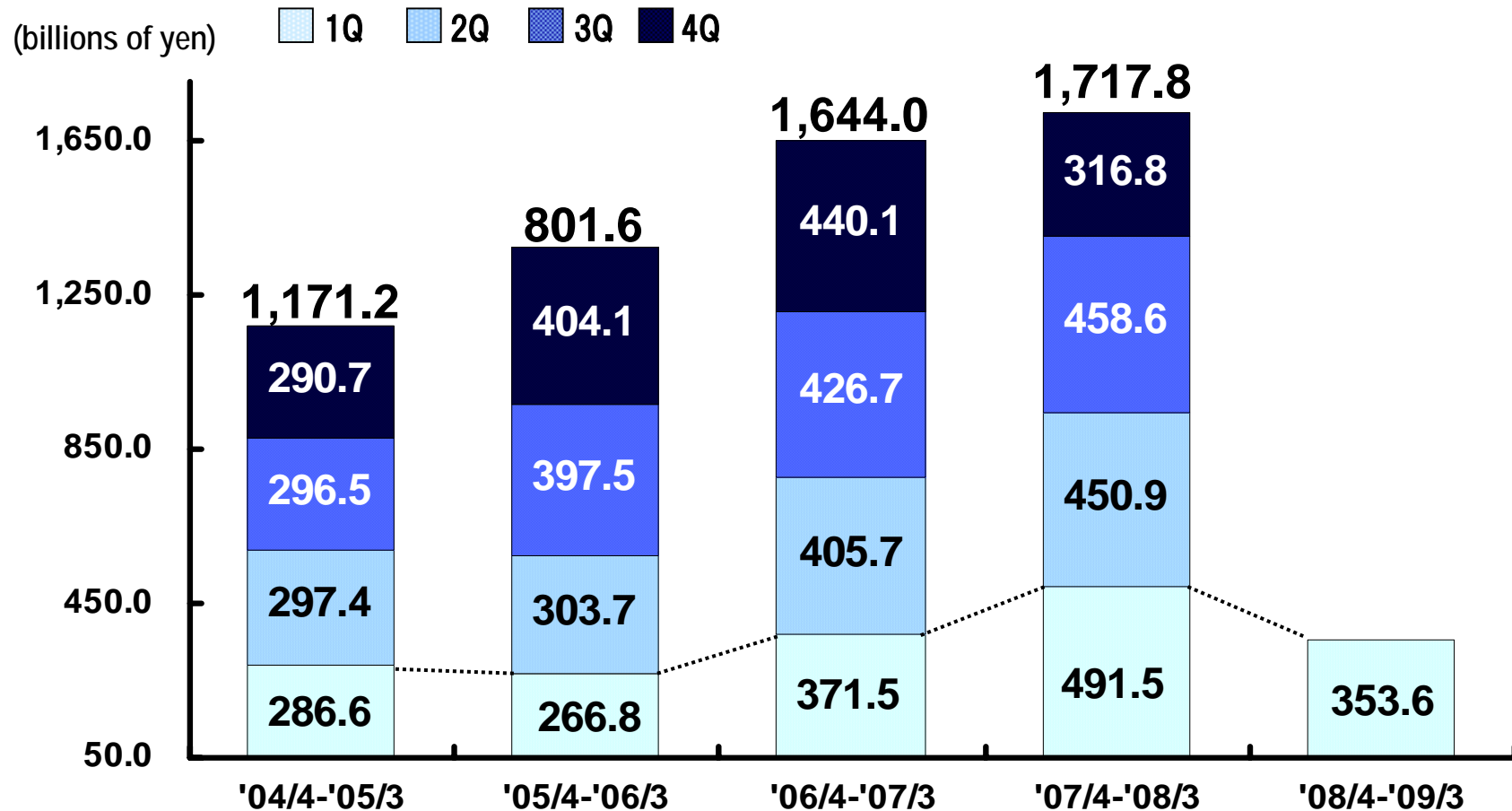
(billions of yen)

	FY2009 Q1 ( '08/4-6 )	FY2008 Q1 ( '07/4-6 )	Change	
Net Revenues	<b>6,215.1</b>	<b>6,522.6</b>	<b>-307.5</b>	<b>-4.7%</b>
Operating Income	<b>412.5</b>	<b>675.4</b>	<b>-262.9</b>	<b>-38.9%</b>
Income before income taxes, minority interest and equity earnings of affiliated companies	<b>453.0</b>	<b>739.0</b>	<b>-286.0</b>	<b>-38.7%</b>
Net Income	<b>353.6</b>	<b>491.5</b>	<b>-137.9</b>	<b>-28.1%</b>
FOREX Rates				
\$	<b>105 yen</b>	<b>121 yen</b>	<b>-16 yen</b>	
€	<b>163 yen</b>	<b>163 yen</b>	<b>—</b>	

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# Historical Changes in Consolidated Net Income

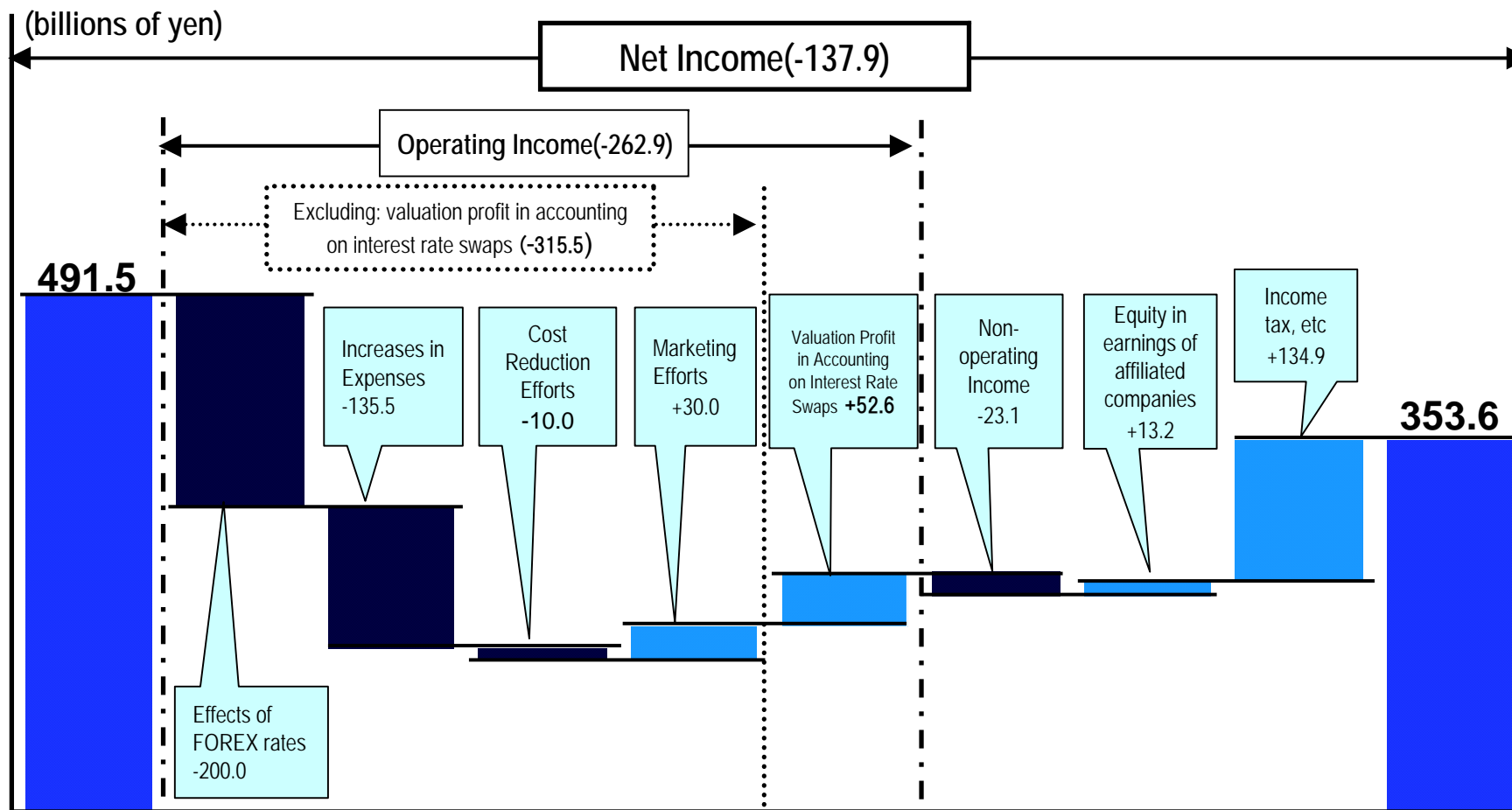
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353.6 billion yen in net income, despite severe business conditions such as market slowdowns in developed countries and rising oil and raw material prices .

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# Analysis of Consolidated Net Income



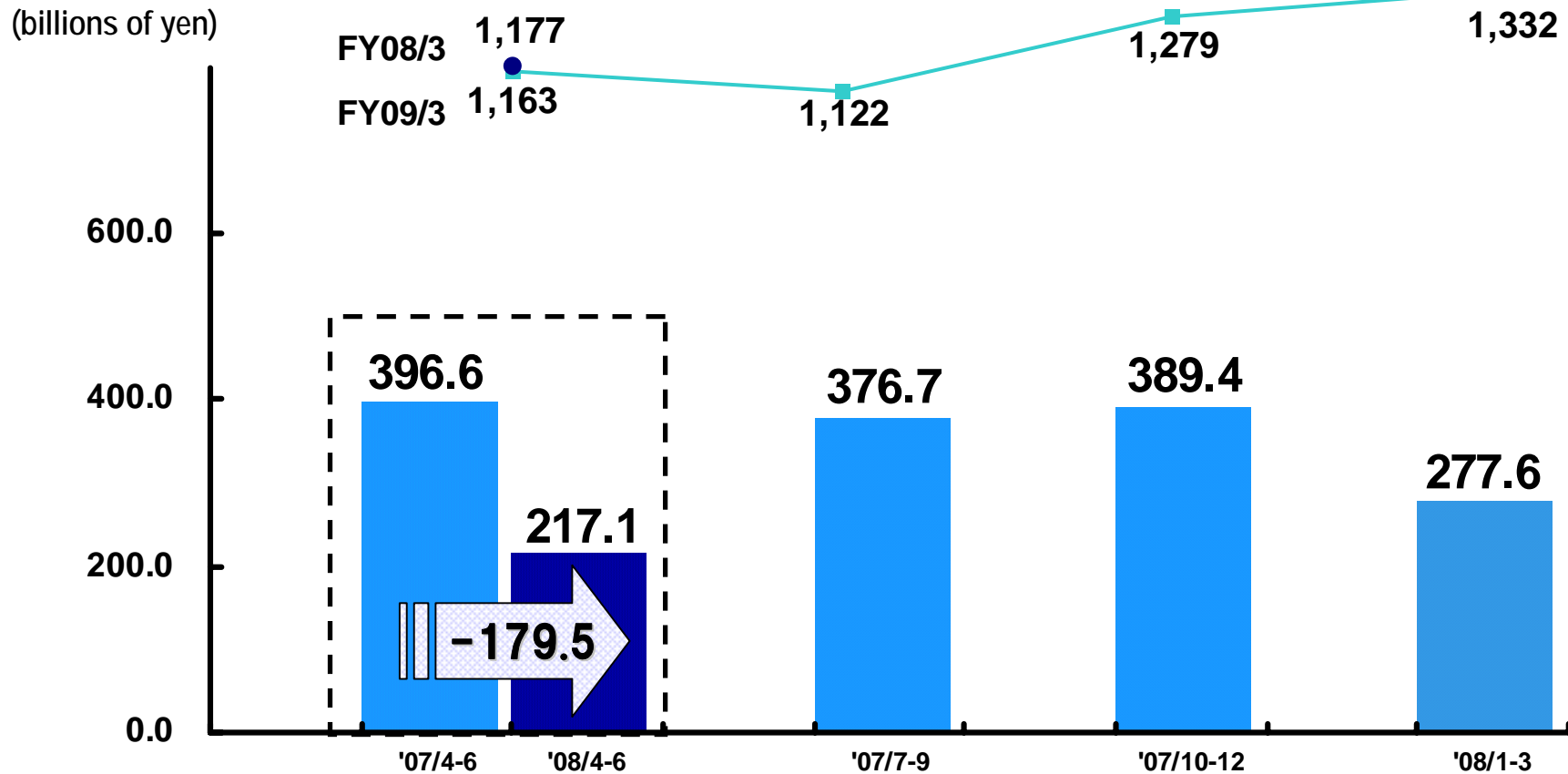
## <Details of Increases in Expenses>

R&D expenses .....	- 5.2	Labor costs .....	- 21.8
Depreciation and CAPEX related costs .....	- 2.2	Others .....	- 106.3

# Geographic Operating Income: Japan

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<Consolidated Vehicle Sales+Exported Vehicles (thousands of vehicles)>



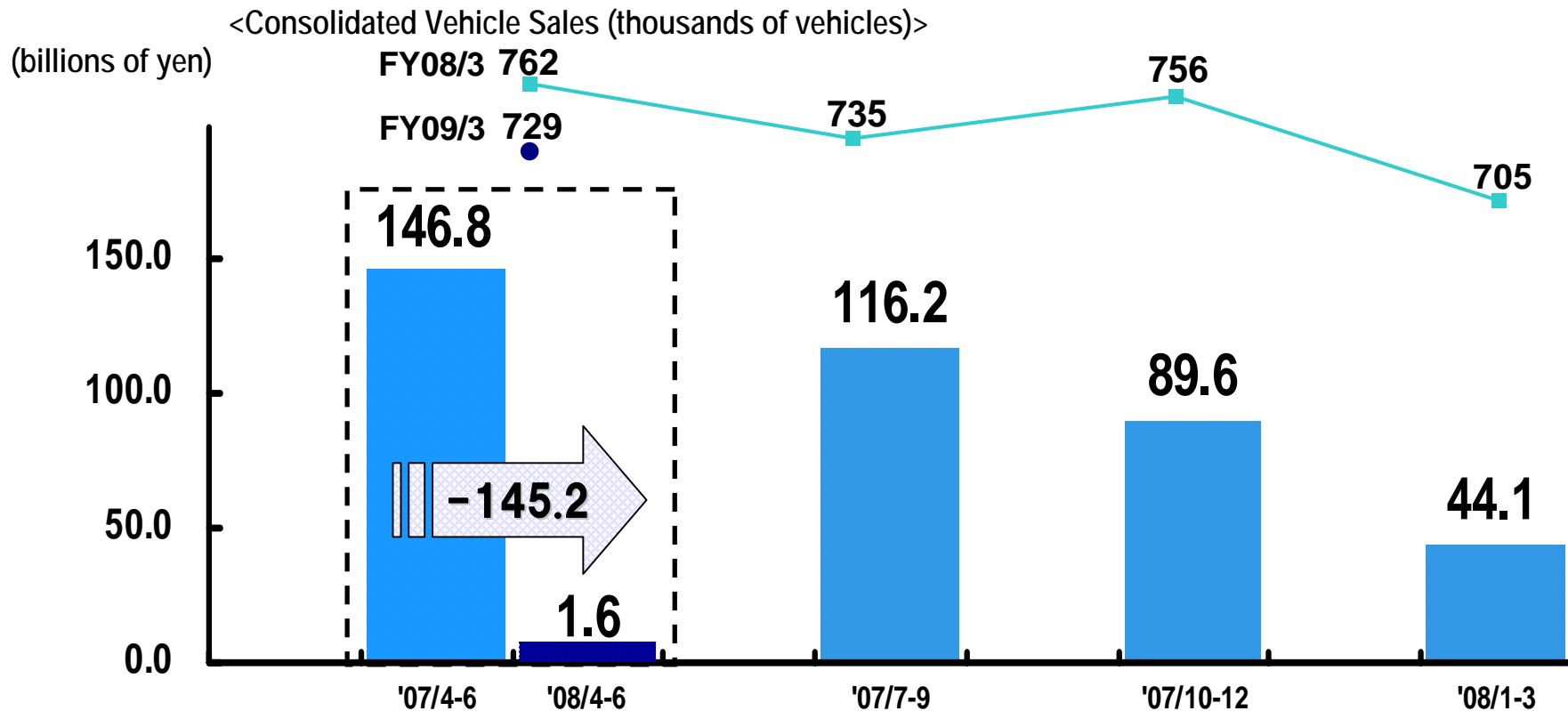
The appreciation of the yen against the U.S. dollar exceeded the contribution of favorable sales of new models such as the Crown and the Alphard/Vellfire.

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# Geographic Operating Income: North America

Excludes Valuation Profit/Loss  
in Accounting on Interest  
Rate Swaps

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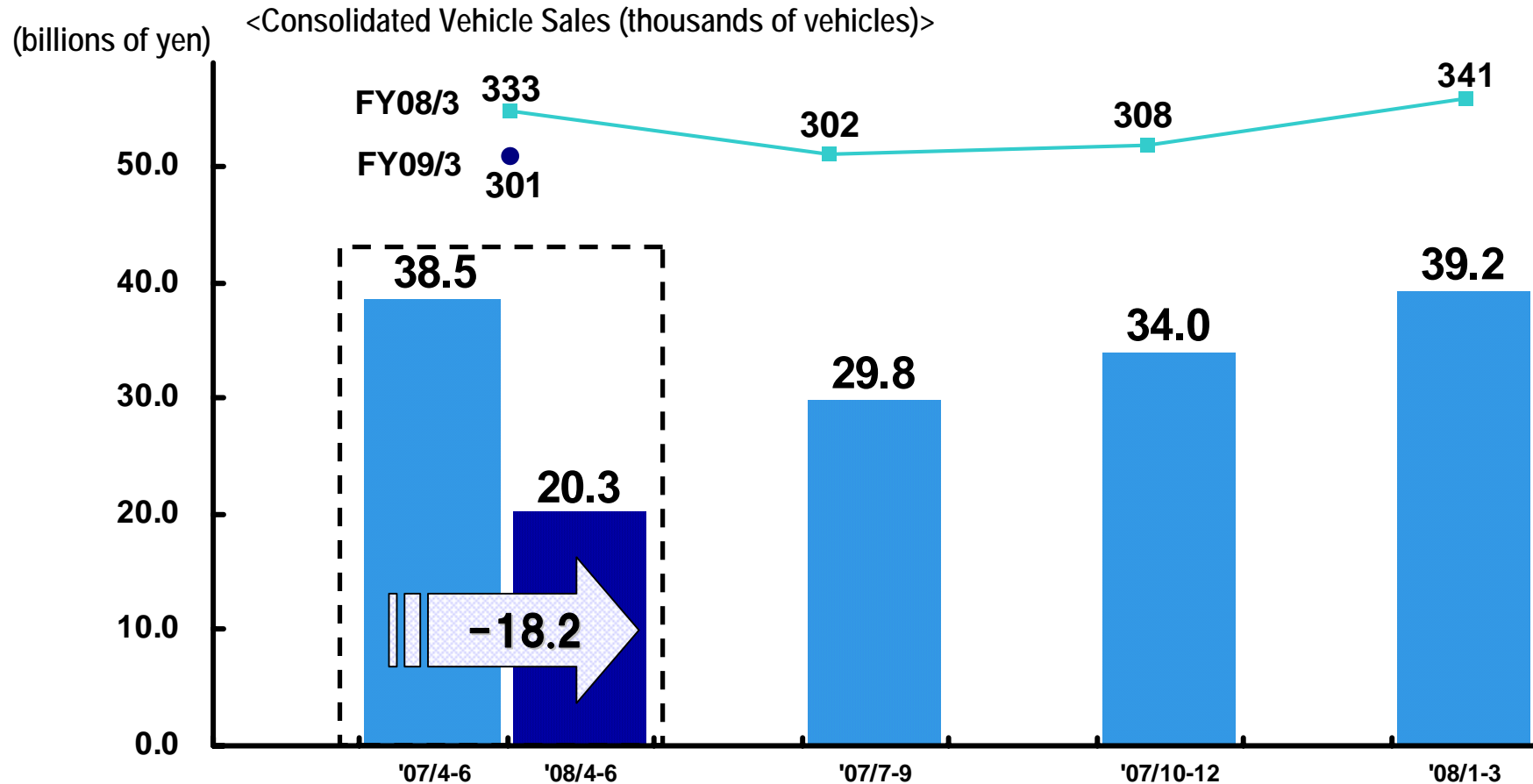
Valuation Profit/Loss in Accounting on Interest Rate Swaps	13.4	67.5	-22.3	-26.0	-56.5
Including Valuation Profit/Loss in Accounting on Interest Rate Swaps	160.2	69.1	93.9	63.6	-12.4

-Factors such as the decrease in sales volume due to rapid changes in demand and market shift to compact cars resulted in decreased profits.

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# Geographic Operating Income: Europe

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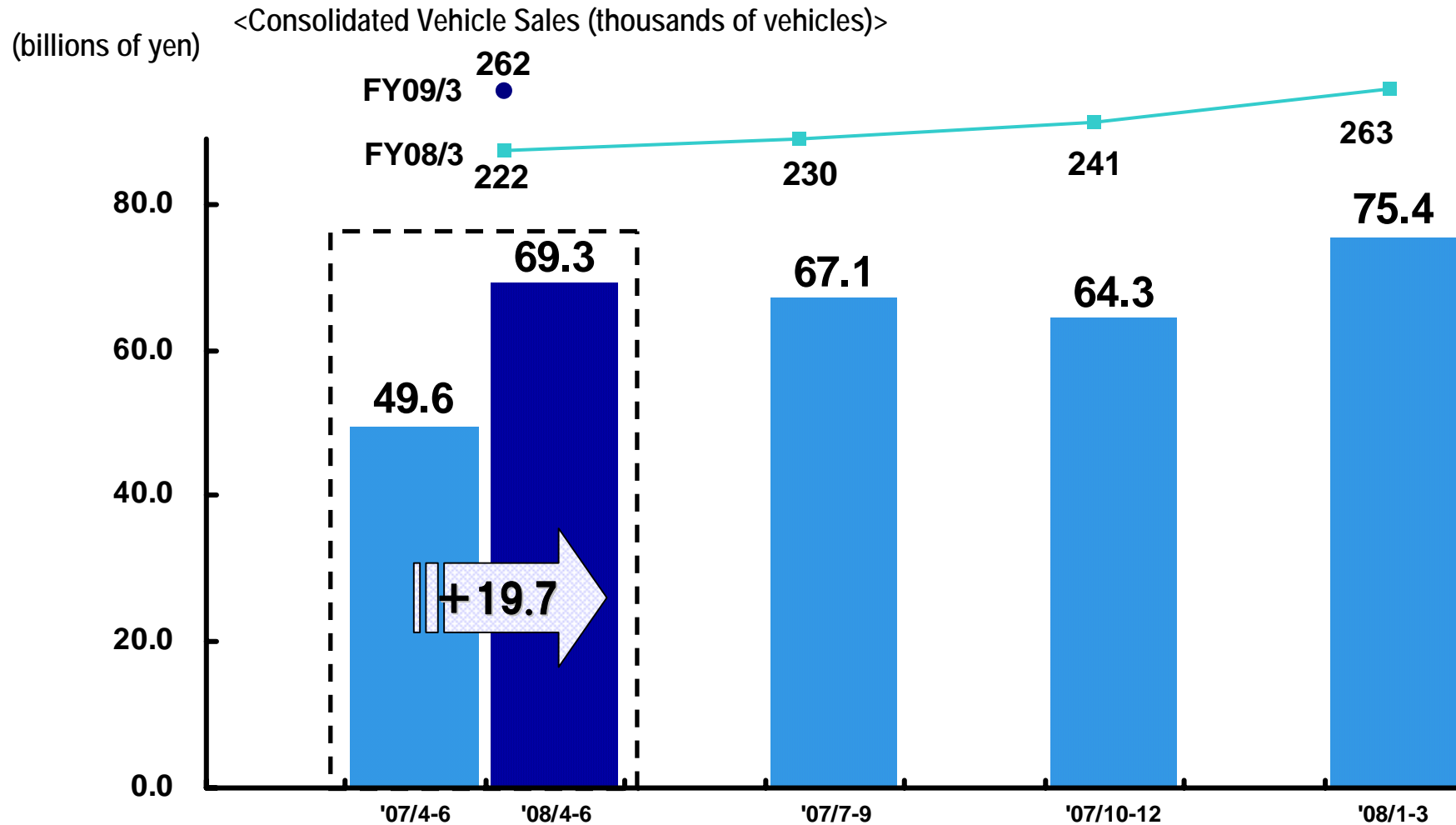


- Sales volume decreased due to market slowdown in Western Europe
- Sales in eastern European markets such as Russia, remained strong

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# Geographic Operating Income: Asia

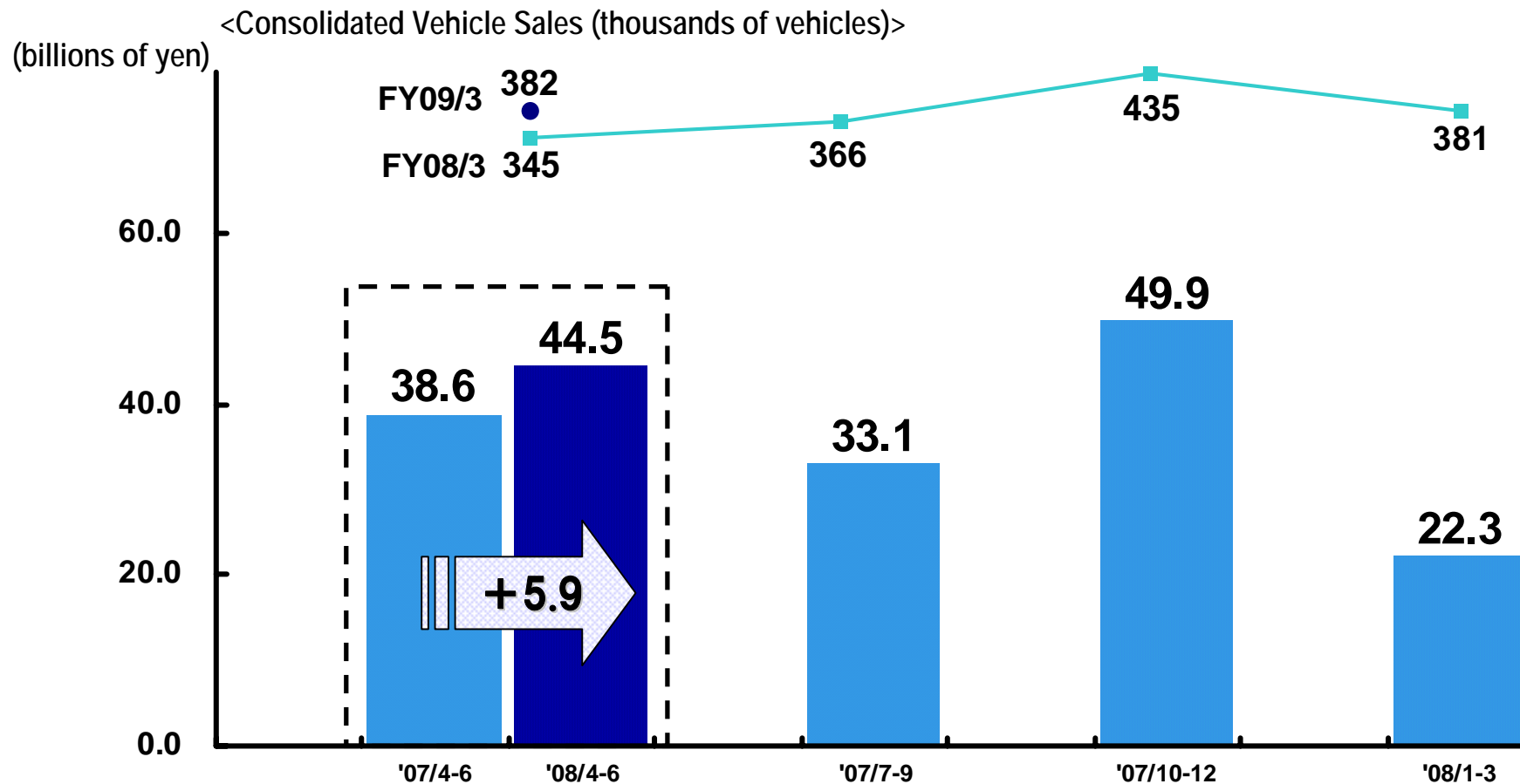
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- Increased profit primarily due to favorable sales in Indonesia

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# Geographic Operating Income: Central and South America, Oceania, Africa

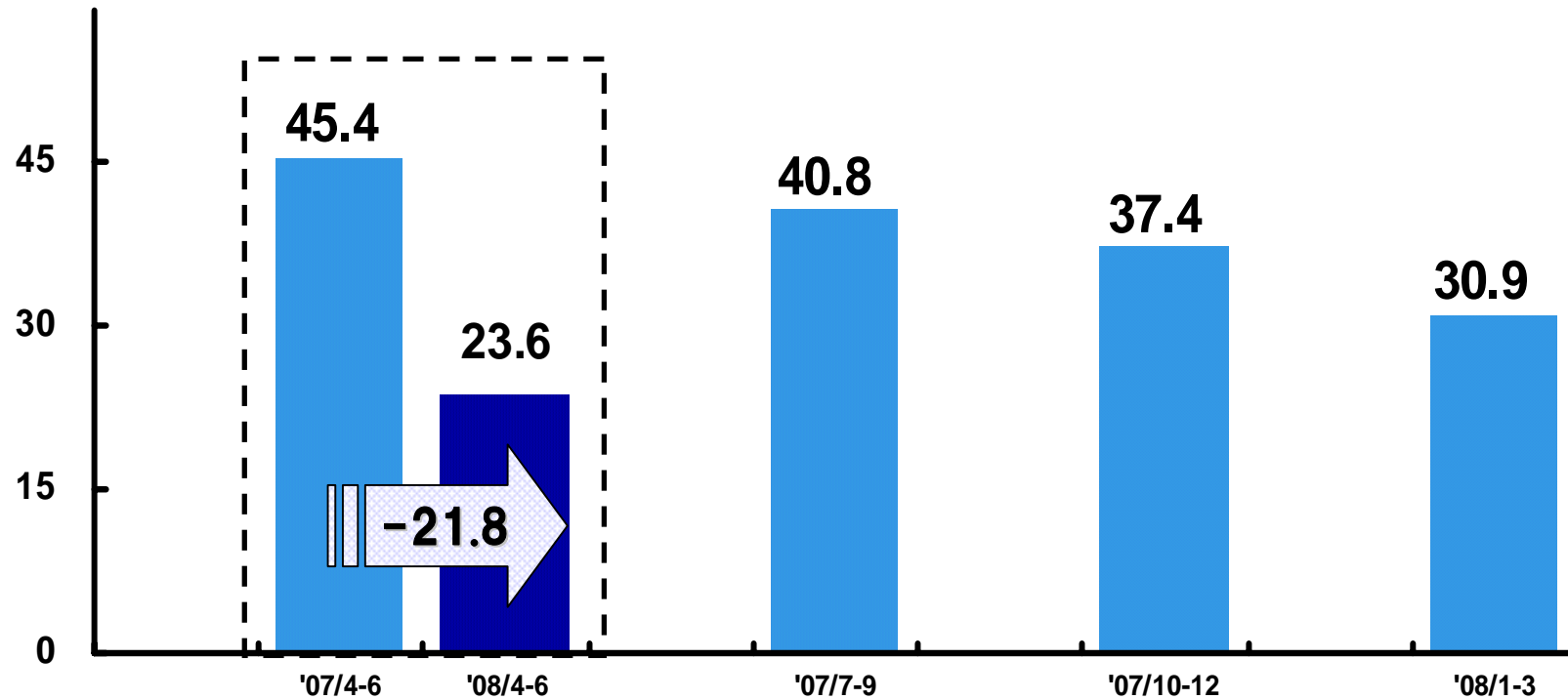


- Increased profit due to favorable sales mainly in Brazil and Australia

# Business Segment: Financial Services

Excludes Valuation Profit/Loss  
in Accounting on Interest  
Rate Swaps **15**

(billions of yen)

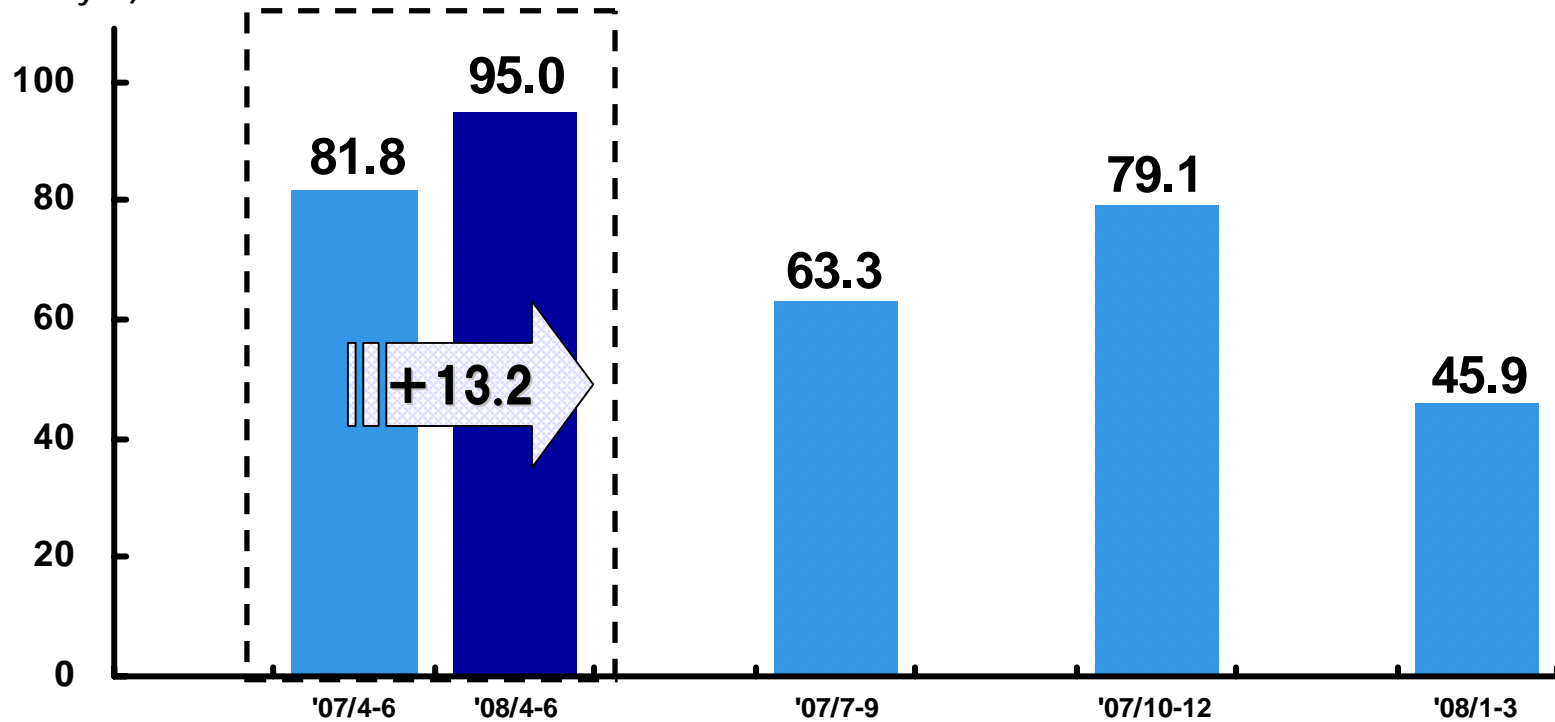


Valuation Profit/Loss in Accounting on Interest Rate Swaps	2.9	55.5	-11.3	-16.5	-43.1
Including Valuation Profit/Loss in Accounting on Interest Rate Swaps	48.3	79.1	29.5	20.9	-12.2

- Increase in amount allocated as reserve for bad debt and residual value
- Lending margins continued to expand

# Equity in Earnings of Affiliated Companies

(billions of yen)



China (included above)	14.7	19.9	15.7	16.6	20.2
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- Strong earnings contributions maintained mainly by joint venture companies in China

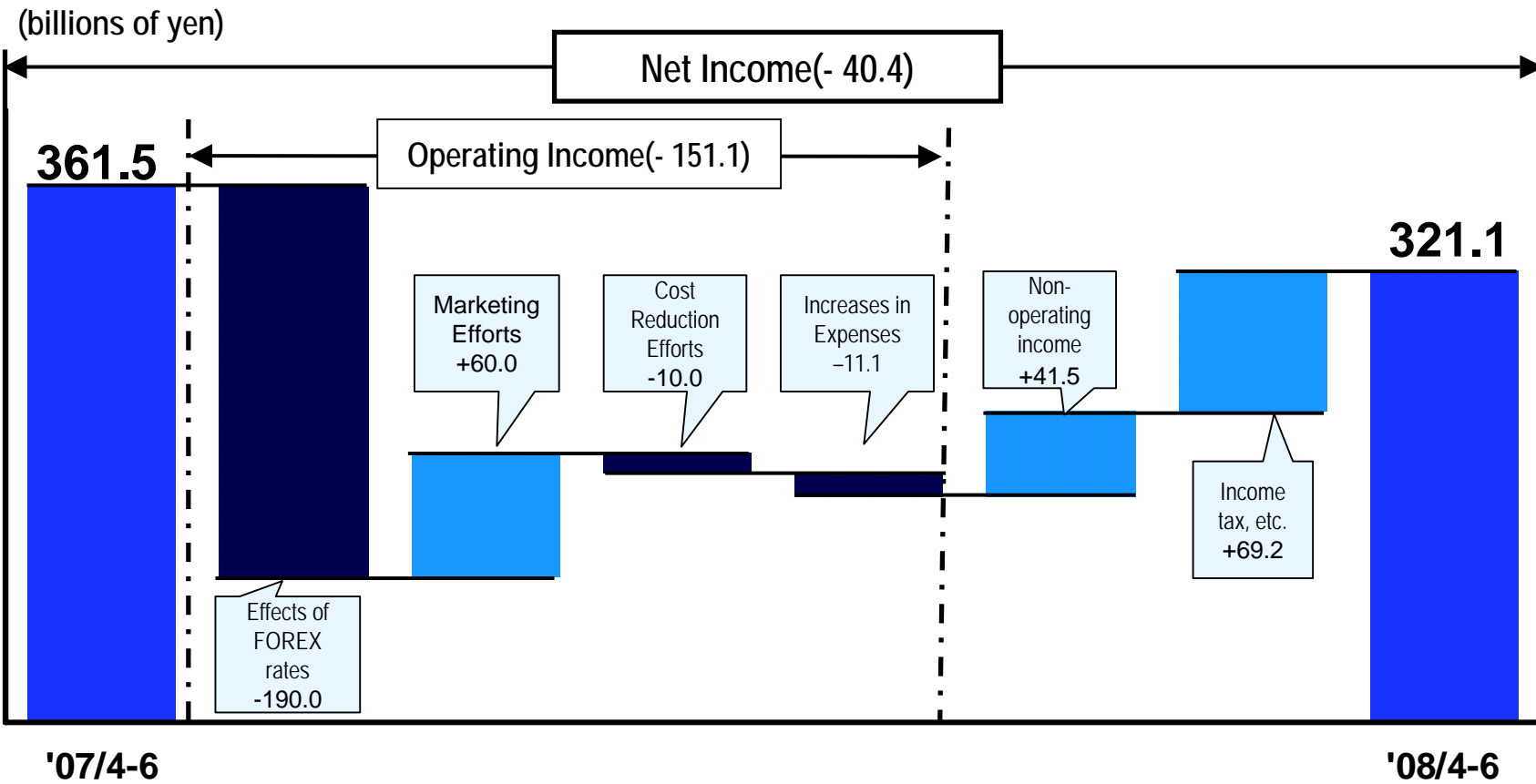
# Unconsolidated Financial Summary (Japan GAAP) 17

(billions of yen)

	FY2009 Q1 ( '08/4-6 )	FY2008 Q1 ( '07/4-6 )	Change	
Net Revenues	<b>2,890.5</b>	<b>2,908.8</b>	<b>-18.3</b>	<b>-0.6%</b>
Operating Income	<b>173.5</b>	<b>324.6</b>	<b>-151.1</b>	<b>-46.5%</b>
Ordinary Income	<b>401.4</b>	<b>511.0</b>	<b>-109.6</b>	<b>-21.4%</b>
Net Income	<b>321.1</b>	<b>361.5</b>	<b>-40.4</b>	<b>-11.2%</b>

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# Analysis of Unconsolidated Net Income



<Details of Increases in Expenses>

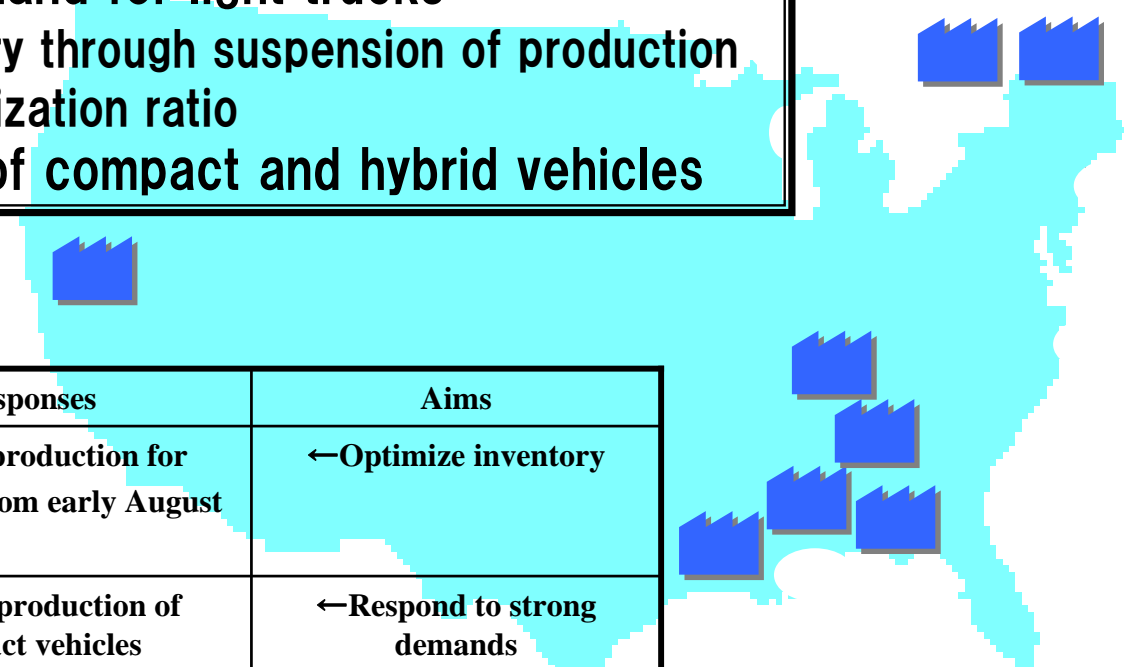
R&D Expenses .....	-5.5	Others.....	-9.8
Depreciation and CAPEX related costs ....	+4.8		
Labor costs .....	-6.0		

# Restructuring North American Production

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## Swift response to rapid changes in demands

- Slowdown of demand for light trucks  
⇒ Optimize inventory through suspension of production  
Improve plant utilization ratio
- Increase supply of compact and hybrid vehicles

A map of North America is shown in light blue, with several dark blue factory icons placed across the continent to represent production plants. The icons are located in the northern US, the central US, the southern US, and Canada.

Production Plants	Responses	Aims
TMMI(Indiana) TMMTX(Texas) TMMAL(Alabama)	Suspend production for 3 months from early August	←Optimize inventory
TMMC(Canada) NUMMI	Increase production of compact vehicles	←Respond to strong demands
TMC (Japan)	Increase supply of compact vehicles	←Respond to strong demands

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# Restructuring North American Production

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Measures for more efficient supply from mid-to long-term perspective

- Respond quickly and flexibly to demand shift from light trucks to compact and hybrid vehicles
  - ⇒ Restructure production base to maximize benefit from medium-to-long term growth of North American market

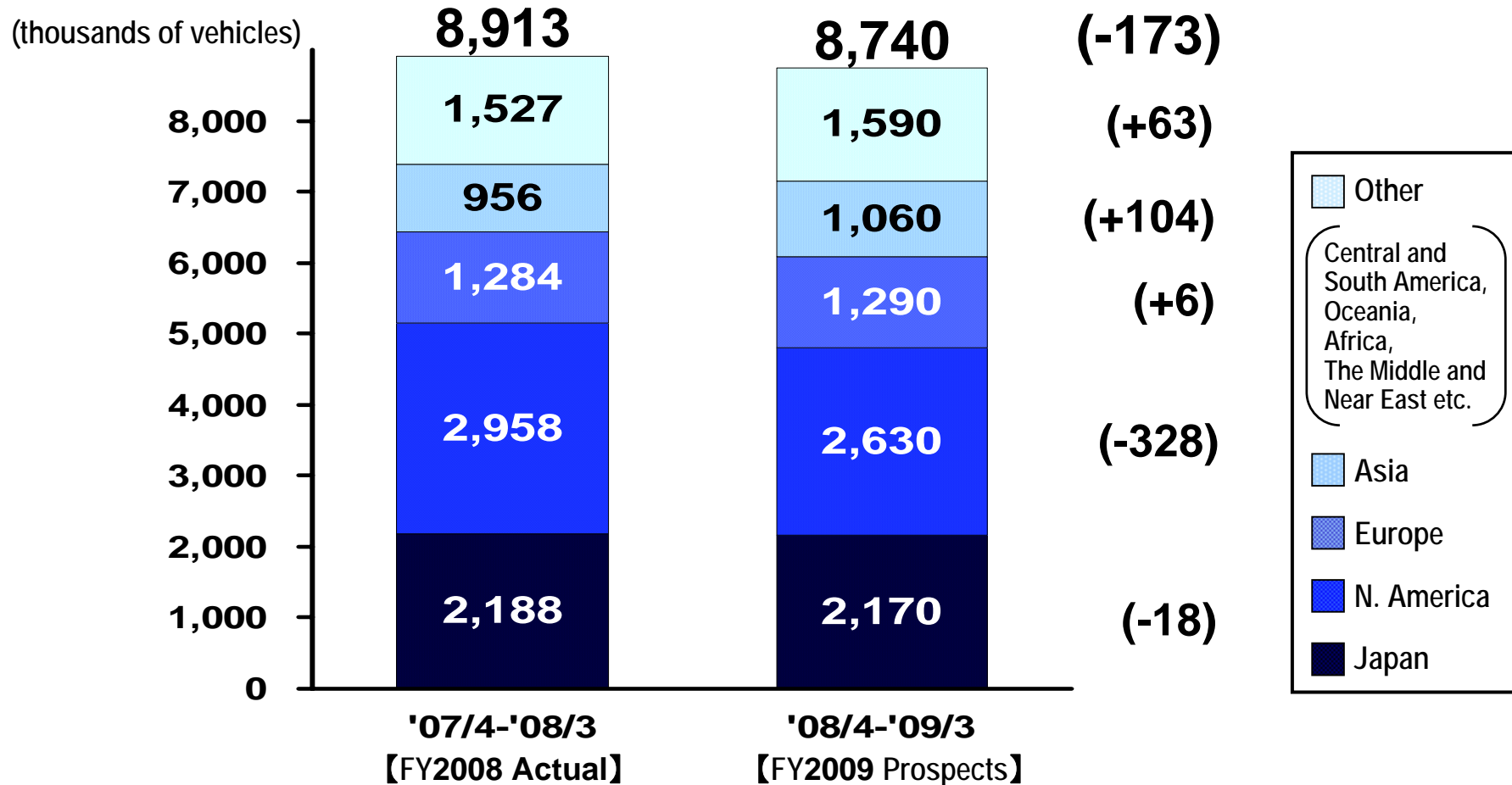


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**FY2009 First Quarter**

**【Prospects for FY2009】**

# FY2009 Prospects: Consolidated Vehicle Sales



Unconsolidated vehicle sales (excluded above), such as those in China, are expected to increase by approximately 170 thousand units

\*Figures in parenthesis represent year-on-year change **TOYOTA**

# FY2009 Consolidated Prospects

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(billions of yen)

	FY2009 ( '08/4-'09/3)	FY2008 ( '07/4-'08/3)	Change	
Net Revenues	25,000.0	26,289.2	-1,289.2	-4.9%
Operating Income	1,600.0	2,270.3	-670.3	-29.5%
Income before income taxes, minority interest and equity earnings of affiliated companies	1,700.0	2,437.2	-737.2	-30.2%
Net Income	1,250.0	1,717.8	-467.8	-27.2%
FOREX Rates				
\$	105 yen	114 yen	-9 yen	
€	161 yen	162 yen	-1 yen	

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# Analysis of FY2009 Consolidated Prospects: Operating Income

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(billions of yen)

	Operating Income	
	2,270.3	
FY2008 Actual Results ('07/4~'08/3)	Revised Prospect	Previous Prospect
Marketing Efforts	- 100.0	+ 180.0
Cost Reduction Efforts	0	0
Effects of FOREX rates	- 410.0	- 690.0
Increases in Expenses	- 160.3	- 160.3
<b>Total</b>	<b>- 670.3</b>	<b>- 670.3</b>
FY2009 Consolidated Prospects ('08/4~'09/3)	1,600.0	

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# FY2009 Consolidated Prospects :CAPEX, Depreciation, R&D 25

(billions of yen)

	Capital Expenditures		Depreciation Expenses		R&D Expenses	
Consolidated	<b>1,400.0</b>	<b>(-80.2)</b>	<b>1,100.0</b>	<b>(+57.6)</b>	<b>920.0</b>	<b>(-38.8)</b>
Japan	<b>820.0</b>	<b>(-43.1)</b>	<b>690.0</b>	<b>(+76.9)</b>		
N. America	<b>320.0</b>	<b>(-14.3)</b>	<b>210.0</b>	<b>(+6.5)</b>		
Europe	<b>140.0</b>	<b>(+24.1)</b>	<b>100.0</b>	<b>(-1.0)</b>		
Asia	<b>60.0</b>	<b>(-48.4)</b>	<b>60.0</b>	<b>(-21.2)</b>		
Others	<b>60.0</b>	<b>(+1.5)</b>	<b>40.0</b>	<b>(-3.6)</b>		

Figures in parenthesis represent year-on-year change

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# FY2009 Unconsolidated Prospects

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(billions of yen)

	<b>FY2009</b> <b>('08/4-'09/3)</b>	<b>FY2008</b> <b>('07/4-'08/3)</b>	<b>Change</b>	
Net Revenues	<b>11,900.0</b>	<b>12,079.2</b>	<b>-179.2</b>	<b>-1.5%</b>
Operating Income	<b>500.0</b>	<b>1,108.6</b>	<b>- 608.6</b>	<b>-54.9%</b>
Ordinary Income	<b>980.0</b>	<b>1,580.6</b>	<b>-600.6</b>	<b>-38.0%</b>
Net Income	<b>770.0</b>	<b>1,138.1</b>	<b>-368.1</b>	<b>-32.3%</b>

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# FY2009 Toyota's Operations Prospects

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	FY2009 ( '08/4-'09/3)	FY2008 ( '07/4-'08/3)
	(thousands of vehicles)	(thousands of vehicles)
Automotive Production	<b>4,083</b>	<b>4,264</b>
Japan		
Overseas	<b>4,360</b>	<b>4,424</b>
<b>Total</b>	<b>8,443</b>	<b>8,688</b>
Sales (Japan)	<b>1,560</b>	<b>1,595</b>
Exports	<b>2,600</b>	<b>2,708</b>
Sales (Overseas)	<b>7,000</b>	<b>6,923</b>
Housing Sales	<b>5,000</b> Units	<b>4,622</b> Units

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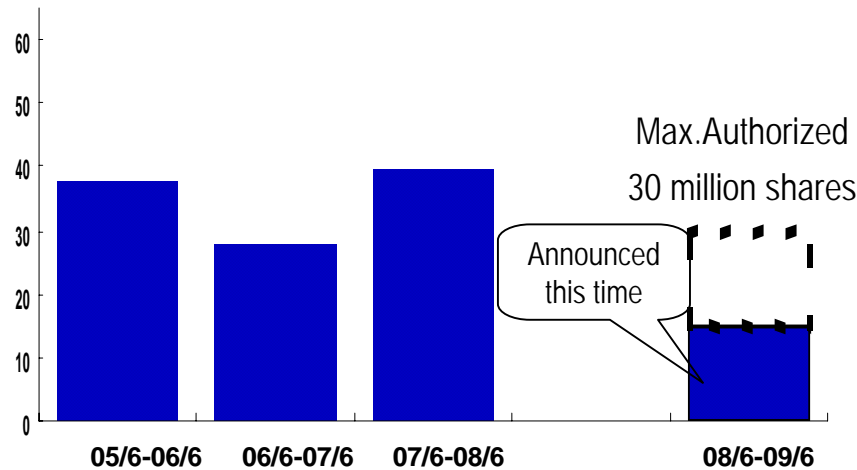
# Shareholder Return

## Share Buyback

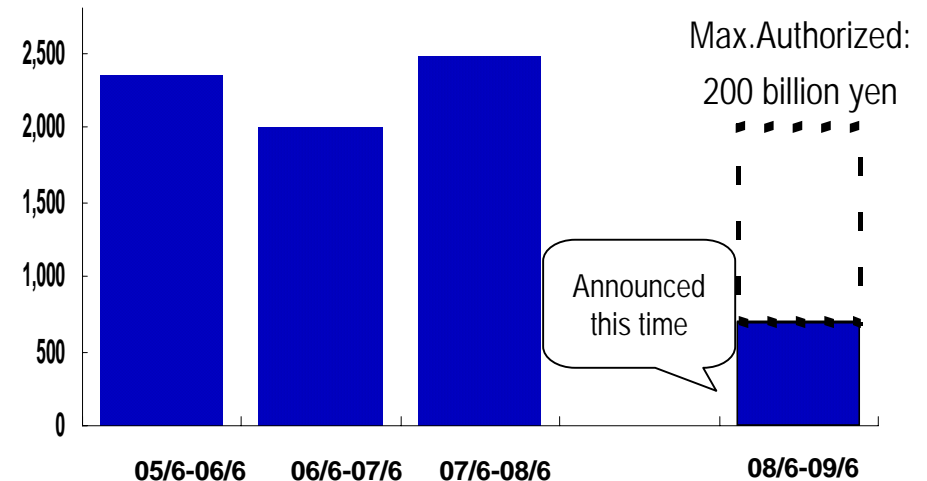
**15 million shares**  
**70 billion yen** (Maximum)  
**Buyback Period: August 11<sup>th</sup> – 21<sup>st</sup>**

### Results of Share Buyback

Number of Shares (million)



Amount (yen)



Continue to implement share buybacks in order to further improve capital efficiency

# **FY2009 First Quarter Financial Results**

Three months ended June 30, 2008

- prepared in accordance with U.S.GAAP -



**Toyota Motor Corporation**  
**August 7, 2008**