

April 2015 Sales Conference Notes

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[April 2015 Sales Conference Call \(Audio Clip\)](#)

April 2015 Sales Conference Call
Friday, May 1, 2015

Toyota Chief Communications Officer Scott Vazin:

Good day and thank you for joining us to review April sales results for Toyota, Scion and Lexus.

Speaking today will be:

- Bill Fay, Group Vice President and General Manager of the Toyota Division
- And Jeff Bracken, Lexus Group Vice President and General Manager

A recording of the call will be available at Toyotaneewsroom.com about one hour after its conclusion and of course our communications team also is available to field any additional questions you may have at (310) 468-5297.

Now I'd like to turn it over to Bill for a look at the April results.

Toyota Division Group Vice President and General Manager Bill Fay:

Thank you Scott.

Good morning everyone and thank you for joining us today.

We haven't seen all the numbers yet

- But it looks as if the auto industry will post its best April in 10 years
- With sales of 1,453,000 vehicles
- Up 4.8% from last year
- And continuing the industry's string of 14 straight year-over-year monthly gains...

The Seasonally Adjusted Annual Rate for the month

- Looks to be about 16.4 million
- While the YTD SAAR is at 16.6 million...

We're now a third of the way through 2015

- And the industry is off to its best start since 2001
- The last time the industry sold 17 million vehicles

Light trucks

- Especially compact and mid-size SUVs and cross-overs
- Having been driving the industry all year
- And they did so again in April

- With some analysts predicting light trucks will make up the largest percentage of sales for a month in more than 10 years

That certainly was the case

- For Toyota and Lexus
- As we set new April records for total light truck and SUV sales
 - With RAV4 and Highlander both recording their best Aprils ever

Total Toyota, Scion and Lexus

- April sales came in at 203,329 vehicles
- Up 2% from last April...
- While year-to-date sales of nearly 780,000
- Are running 8% ahead of last year

Now for the Toyota Division in April

- We were the #1 retail brand
- With total sales of 177,453
- Up slightly from last year

RAV4

- Came in at nearly 23,000
- Up 22%
 - from its previous April record set just last year

Compact SUVs

- Remain the hottest segment in industry
- And as we announced at the New York Auto Show last month
 - We'll be adding to our RAV4 lineup
 - With new hybrid and sporty SE models coming this fall

The new Highlander record

- 13,763, was up 10%
- Breaking the previous April mark dating back to 2005

4Runner also had a big month

- With sales up 18% for the month

And Tacoma and Tundra

- Combined for sales of more than 26,000
- Up more than 9%

Frankly we could have sold more of *all* those vehicles...

In regards to our passenger car lineup

- Camry was the volume leader
- And looks to be the best-selling car in America
- With more than 34,000 sold

While Corolla

- Saw sales of nearly 32,000
- Up 10%

Looking ahead

- The auto industry remains one of economy's bright spots
- And while there have been some mixed economic signals
- We believe the industry is well-positioned for a very good summer selling season

Key indicators continue to show improvement

- As jobless claims are at a 15-year low
- While consumer sentiment announced this morning has risen to its second highest point since 2007...
- Wages and consumer spending are up...
- While housing and interest rates remain all stable

As a result

- We've increased our industry forecast for the year to 17 million vehicles...

In closing, May will be Toyota Time

- As we stage our second national marketing campaign of the year
- Featuring a combination of low interest rates and excellent lease offers
- Those offers will vary from region to region
- But in much of the country Camry and Prius
 - Will be added to the list of vehicles
 - With available zero percent financing over a 60 month period

Thanks again for joining us today.

Now I'd like turn this over to Jeff Bracken for a look at the Lexus results.

Lexus Group Vice President and General Manager Jeff Bracken:

Thanks Bill and hello everyone.

Lexus April sales

- 25,876 vehicles
- Were up nearly 12%
- Not only out-performing...the industry and overall luxury segment but pushing Lexus to its best start for a year – ever

Year-to-date totals

- Are up nearly 17% percent
- And topping the 100,000 mark at the earliest point in our 26 year history

Both our passenger car

- And luxury utility vehicles posted April gains
 - With car sales rising 2 and a half percent
 - And the LUV lineup up 23 and a half percent

ES was the passenger car volume leader

- With sales of than 4,700

With the IS close behind

- at just over 4,000, up 6%

While the GS also posted a solid gain

- Up 14%
- With sales of more than 1,700

And the CT was up 11%.

Sales of the new RC and RC-F

- Totaled more than 1,225...

- And it already accounts for 20% of the luxury coupe segment
- As we move into key selling season for those models

Looking at our luxury utility lineup

- RX was our volume leader again in April
- With sales of more than 6,800
- While the GX also posted a nice gain
 - Up 19% to nearly 2,000 vehicles

The new NX models

- Continue to outperform expectations
- With sales of 3,400 in April
- More than 15% ahead of our aggressive internal targets at the start of the month

The other news on NX

- Is that it continues to bring new, younger and mostly male buyers into the Lexus dealerships...

Finally, Lexus Certified Pre-owned

- Sales were on fire last month
- At nearly 7,000
- And a further indication of the strength of the luxury market

As Bill mentioned

- We're bullish on the industry as it heads into the summer months
- And that goes double for luxury segment where we expect to maintain our record-setting pace

Thank you for joining us today, and now we'd like to open the call up to any questions you may have.