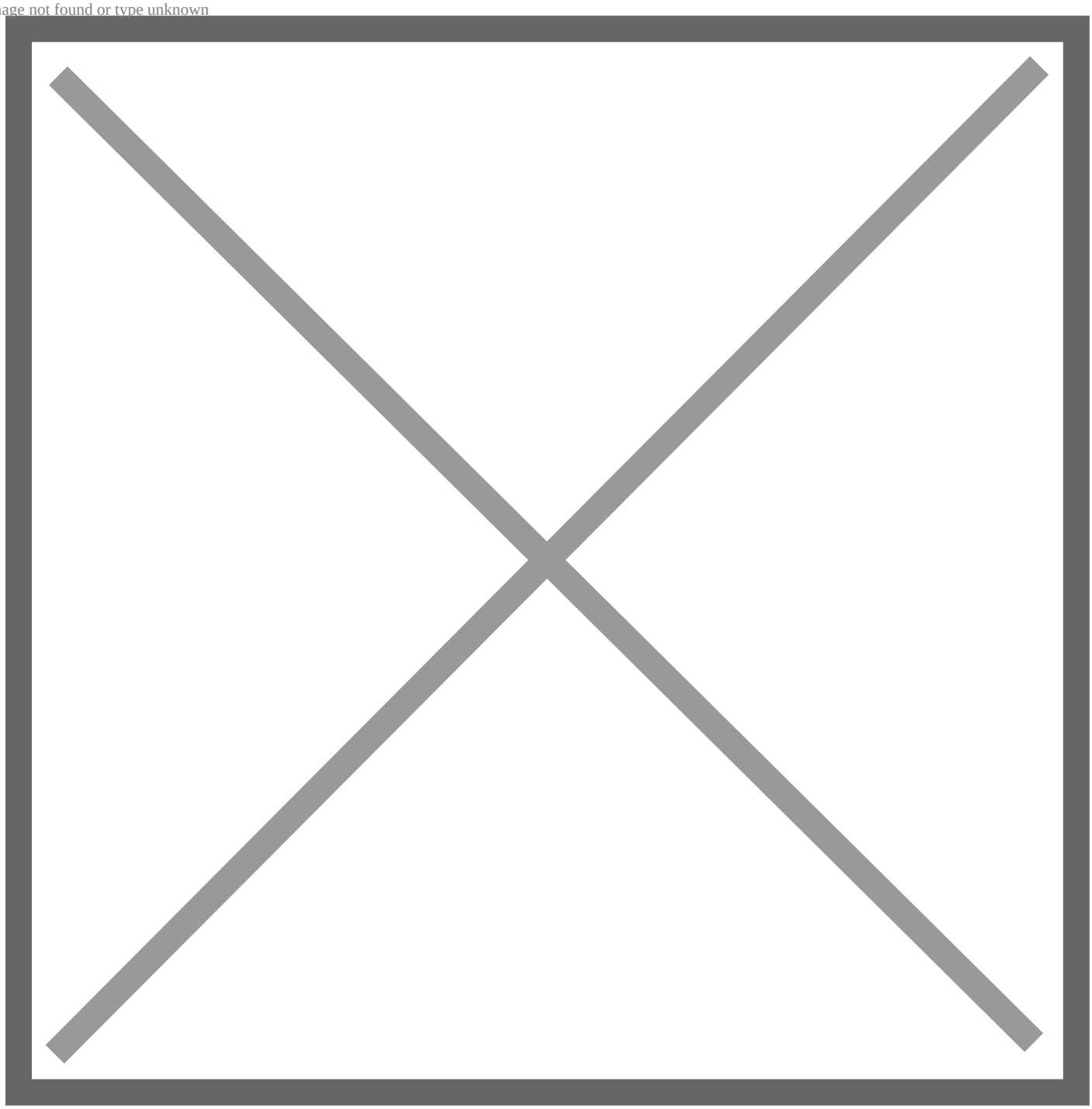
July 2014 Sales Conference Notes

August 01, 2014

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July 2014 Sales Conference Call
Friday, August 1, 2014

July 2014 Sales Conference Call (audio)

Good day and thank you for joining us to review July 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 Pressroom.Toyota.com about one hour after its conclusion and of course our business 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 July results.

Toyota Division Group Vice President and General Manager Bill Fay:

Thank you Amanda.

Hello everyone, and thank you for joining us today.

There was no letup in auto industry sales in July

- Total sales of more than 1.4 million vehicles
    - Up 9.2% from last year
    - Best July results in eight years
        - Since 2006 (1.49 million)

The industry's 6th straight month of Y/Y gains

- Third straight month with sales of more than 1.4 million

Puts the SAAR

- 16.6 million for the month
    - Up more than a million vehicles from last year (15.7)

July also a strong month for retail sales

- Accounted for 88% of the total
- Easily the best retail share so far this year

A strong retail month

- Typically is good for Toyota, Lexus and Scion dealers
- Outperformed the industry
- With total sales of 215,802
- Up 11.6%

- And our best July in seven years
- Lexus had its best July ever
- And the RAV4 recorded an all-time record month
- Helping total light truck sales set a new mark for July

As the combined total

- Made Toyota the No. 1 retail manufacturer in July

Third straight month with sales of more than 200,000

- First time we've done that in six years

For the Toyota Division

- July sales of 188,469
    - Are up 10.6 percent
- Both passenger cars and light trucks showed good growth
    - With car sales up 7 ½ percent
    - And light trucks up nearly 15%
    - At more 85,000, a new July record

The Toyota Division

- Also repeated as the industry's #1 retail brand
- A position it has held every month this year

For passenger cars

- It was once again our one-two combination of Camry and Corolla leading the way
- Camry sales of nearly 40,000
    - up 15%
- Corolla sales of 30,800
    - up 26%
- Third straight month Corolla has topped the 30,000 mark

As a result

- Camry remains the best-selling car in America
- While the Corolla continues as the best-selling subcompact model

Toyota Division hybrids also had a solid month

- Sales of more than 27,000 vehicles
- Accounting for over half of all the hybrids sold in the U.S.
- Results were especially good in California

- Where the Prius family had its best July ever

On the truck side…

- As I mentioned
  - it was record-setting month for the RAV4
  - with sales of 26,800
  - up 37%
- Obviously the small crossover segment remains red-hot
  - Could have sold more RAV4s if we had them

The launch of our midsize crossover, the Highlander

- Continues to go very well
- With sales of 11,350 in July
- Up 4%
- Highest total for the month since 2005
- We finished the month with a 12-day supply
- But we should see improvement in that area moving forward
- As the $30 million investment in our Princeton, Ind. Plant to increase Highlander production started up in July

The 4Runner

- Showed the biggest percentage increase in July
- Up 65% at 6,600 units
- And Sienna and Tundra also posted nice gains
  - And Sienna was best-selling mini-van in July
- As total pickup sales were on a par with last year

Finally for July

- Toyota Certified Used Vehicles added another 31,000 units
- To round out what was really an excellent month for the Toyota Division and its dealers

With the most recent economic indicators

- Showing the recovery was even stronger in the second quarter than anyone expected
- And with consumer confidence now at a seven-year high
- And monthly jobless claims at near record low levels
- There is every reason to believe the auto industry can maintain these levels in the months ahead

To keep our momentum going

- Staging our nationwide Annual Clearance event in August

- As we get ready for the arrival of the 2015 models
- Currently have excellent across the board inventories
- Further supported by our biggest vehicle wholesale month in nearly two years
- And a wide range of available financing options
    - Including 14 vehicles with 0% financing
- And the TRD Tacoma
    - The first of the TRD Pro Series models
    - Also will begin arriving at dealerships this month
- Just ahead of the TRD Pro Series Tundra and 4Runner
- The new Yaris and of course the new Camry coming in September

Thank you again for joining us today and now I'd like to turn this over to Jeff for a look at Lexus.

Lexus Group Vice President and General Manager Jeff Bracken:

Thank you Bill.

Hello everyone. Thanks for calling in today.

<u>As Bill mentioned</u>

- Lexus dealers posted their best-ever July results
- With sales of 27,333
- Up 18.7%
- As six of our eight models posted gains for the month
- Our 10th straight month of Y/Y gains

<u>We launched our Golden Opportunities national sales event in July</u>

- And consumers responded to a mix of hot new products and excellent financing opportunities

Overall luxury sales also outpaced the industry in July

- Just as it has much of the year
- In fact, according to Kelly Blue Book the luxury segment now accounts for nearly 25% of the industry's growth so far this year

<u>At Lexus</u>

- July car sales rose 15%
- While luxury utility vehicles were up 23 ½ percent

<u>It was one year ago</u>

- That the current generation IS began arriving at dealerships

- And it continues to be one of the industry's hottest products
- With July sales up 25%
    - And YTD sales nearly doubled last year's level

The ES, CT and GS models

- All showed continued strength in July
- With ES up 4% at 6,300 units
- GS up 16% for the month
- And CT hybrid up more than 50%

Taking a look at our luxury utility vehicles

- The RX had a big month
- And continues to lead the key luxury SUV segment
- With July sales of more than 9,600
    - Up 14 ½ percent

The GX also had a strong month

- As sales more than doubled year-ago totals

And Lexus Certified Pre-Owned
Posted another strong month with sales of 6,000 vehicles

Looking ahead

- Even with our record July results
- We're in a good inventory position
- As we closeout the summer selling season
- With our Golden Opportunities campaign running through August
- We're also awaiting the arrival of two all-new models

- NX 200t turbo and 300h hybrid entry level luxury crossovers
    - Which will go oin sale in November
- And the RC and RX F sport coupe
    - That will go on sale later this year

So you can see

- We believe we're well positioned to take advantage of the continued strength of the overall market and especially the strong consumer demand in the luxury segment

Thank you for joining us today and now I'd like to open this up for any questions you may have.