

# Toyota Announces Third-quarter Financial Results

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(All consolidated financial information has been prepared in accordance with accounting principles generally accepted in the United States of America)

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TOYOTA MOTOR CORPORATION (TMC) today announced financial results for the third quarter ended December 31, 2009.

On a consolidated basis, net revenues for the third quarter totaled 5.3 trillion yen, an increase of 10.2 percent compared to the same period last fiscal year. Operating income increased from a loss of 360.6 billion yen to 189.1 billion yen, while income before income taxes, minority interest and equity in earnings of affiliated companies was 224.9 billion yen. Net income\* increased from a loss of 164.7 billion yen to 153.2 billion yen.

Operating income increased by 549.7 billion yen as a result of improved vehicle sales and the reduction of variable and fixed costs. Factors for the increase include 210 billion yen due to sales volume and mix and 150 billion yen due to cost reduction efforts.

Consolidated vehicle sales for the third quarter amounted to 2.07 million units, an increase of 227 thousand units compared to the same period last fiscal year.

Commenting on the results, TMC Senior Managing Director Takahiko Ijichi said, “As a result of customer appreciation of our strength in offering a wide range of environmentally friendly vehicles, especially gasoline-electric hybrids such as the ‘Prius’, the Lexus ‘HS250’ and the ‘Sai’, our consolidated vehicle sales for the third quarter reached 2 million 65 thousand units, up 227 thousand vehicles from the same period last year.”

With regard to our operating income by region, we achieved year-on-year improvement in all regions for the third quarter.

In Japan, operating income increased by 198.1 billion yen, to 33.9 billion yen.

In North America, operating income increased by 327.1 billion yen to 79.7 billion yen including 10.0 billion yen of valuation gains/losses on interest rate swaps. Operating income, excluding the impact of valuation gains/losses on interest rate swaps, increased by 189.1 billion yen to 69.7 billion yen.

In Europe, operating loss improved by 22.1 billion yen, to a loss of 21.3 billion yen.

Operating income in Asia increased by 26.6 billion yen, to 67.1 billion yen.

In Central and South America, Oceania and Africa, operating income increased by 5.9 billion yen to 39.4 billion yen.

In the financial services segment, operating income increased by 204.5 billion yen, to 80.6 billion yen compared to the same period last fiscal year including 11.4 billion yen of valuation gains/losses from interest rate swaps.

Excluding valuation gains/losses, operating income increased by 73.5 billion yen to 69.2 billion yen. The increase was mainly due to improved lending margins as a result of declining funding cost and decreased expenses related to loan losses and residual losses mainly in North America.

Reflecting these third-quarter results, TMC revised its consolidated vehicle sales for the full fiscal year ending March 31, 2010 from 7.03 million to 7.18 million units, an increase of 150 thousand units from TMC's forecast announced in November 2009.

Consolidated net revenues and earnings forecasts for the fiscal year have also been increased to consolidated net revenues of 18.5 trillion yen, operating loss of 20 billion yen, income before income taxes and equity in earnings of affiliated companies of 90 billion yen and net income of 80 billion yen.

TMC also revised its target for Emergency Profit Improvement activities from 1.25 trillion yen to 1.59 trillion yen, up 340 billion yen from the target previously announced in November.

Commenting on the forecasts for FY2010, Ijichi said, "Due to factors such as increased sales volume and mix, as well as overall cost reduction efforts, we have revised our forecast for FY2010. In addition, our Emergency Profit Improvement activities have been progressing faster than our earlier plan due to our vehicles sales, outlook and concerted efforts by our suppliers and employees to reduce variable and fixed costs. We remain committed to promoting these activities to further improve our earning prospects."

\*Net income attributable to Toyota Motor Corporation

*(Please see attached information for details on financial results. Further information is also available on the Internet at [www.toyota.co.jp](http://www.toyota.co.jp))*

### **Cautionary Statement with Respect to Forward-Looking Statements**

This release 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, 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 Canadian dollar and the British pound; (iii) changes in funding environment in financial markets; (iv) Toyota's ability to realize production efficiencies and to implement capital expenditures at the levels and times planned by management; (v) 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; (vi) political instability in the

markets in which Toyota operates; (vii) Toyota's ability to timely develop and achieve market acceptance of new products; and (viii) 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.