Message from the Executive Vice President Responsible for Accounting

We will continue to implement profit improvement activities and aim to develop a strong earnings base that can handle environmental changes.

Fiscal 2012 Business Results

On a consolidated basis for the fiscal year ended March 31, 2012, year-on-year vehicle sales improved 44 thousand units to 7.352 million units. However, net revenues decreased 2.2% to ¥18,583.6 billion, operating income decreased ¥112.6 billion to ¥355.6 billion, and net income decreased ¥124.6 billion to ¥283.5 billion.

Factors contributing to the decrease in operating income included ¥250.0 billion due to exchange rate fluctuations, ¥100.0 billion due to an increase in expenses including labor cost, etc. and ¥62.6 billion due to other factors. Factors contributing to the increase in operating income included ¥150.0 billion from marketing efforts and ¥150.0 billion from our continuous cost-reduction efforts, including companywide VA (Value Analysis) activities.

The further appreciation of the Japanese yen against the U.S. dollar, the euro and other currencies reduced the profitability of exports. And for marketing efforts, although vehicle sales in North America decreased due mainly to a lack of vehicle supply caused by the Great East Japan Earthquake in March 2011, vehicle sales in Japan increased as in the second half, we experienced a strong recovery of lost opportunities due to the Japan earthquake. And in Asia, although IMVs sales were particularly affected by the supply disruption due to the Thailand floods, Etios sales in India were strong, and as a result, sales marked a new record, and contributed to higher income.

The business environment in fiscal 2012 was extremely challenging due to losses in production following the Japan earthquake and the Thailand floods, in addition to yen appreciation. Nevertheless, we achieved operating income of ¥355.6 billion thanks to the concerted efforts of our employees, suppliers and dealers to recover production and sales. Through the concerted efforts of the whole Toyota group to implement cost reductions and fixed cost reductions, we made improvements to our structure for developing a strong earnings base. Also, from fiscal 2013 onward, we will make further improvements to our structure by continuing profit improvement activities.

Consolidated Financial Forecasts for Fiscal 2013

For the fiscal year ending March 31, 2013, we forecast vehicle sales of 8.7 million units, net revenues of ¥22 trillion, operating income of ¥1 trillion and net income of ¥760.0 billion on a consolidated basis. The exchange rates assumed for this forecast are ¥80 per US$1 and ¥105 per €1.

Factors that are expected to increase income include marketing efforts amounting to ¥550.0 billion and cost-reduction efforts amounting to ¥240.0 billion. Factors that are expected to decrease income include an increase in expenses, etc., reaching ¥145.6 billion. With regard to marketing efforts, we expect a significant increase, particularly in North America and Asia, as we recover from the supply shortage in the last fiscal year.

In fiscal 2013, we are aiming to achieve operating income of ¥1 trillion by actively promoting vehicle sales utilizing our new products as well as our competitive lineup of hybrid vehicles and IMVs etc., and strongly pursuing cost reduction together with our suppliers.

We have been aiming to establish a cycle of developing "better cars" that are accepted by our customers and society, and should increase sales and consequently profits to reinvest in developing even "better cars." This cycle is supported by the strong earnings base described in Toyota Global Vision. We believe that the results of our efforts to develop "better cars" will be evident in our numbers in fiscal 2013, and our business foundation is now steadily improving towards the earnings structure described in Toyota Global Vision.

We will continue to establish a cycle of developing "better cars" and aim to build a strong earnings base that can handle environmental changes such as fluctuations in exchange rates and the number of vehicles sold, with further marketing efforts and holding down fixed costs, thorough cost reductions, localization of production and procurement, and similar efforts.

Message from the Executive Vice President Responsible for Accounting

Financial Strategy

The three key components of our financial strategy are growth, efficiency and stability.

We believe that the balanced pursuit of these three priorities over the medium to long term will allow us to achieve steady and sustainable growth, as well as increase corporate value.

1. Growth: Sustainable growth through continuous forward-looking investments

We believe that automotive markets worldwide will grow over the medium to long-term. As they expand, the center of market growth will shift toward fuel-efficient vehicles, such as hybrid vehicles and compact vehicles, and toward resource-rich and emerging markets. We plan to invest efficiently and actively in these areas to respond to structural shifts in demand and ensure long-term sustainable growth. We will expand our lineup of hybrids and other eco-cars and develop it globally, while making efforts to increase sales in emerging markets by working to strengthen locally-produced core models, such as IMVs and newly developed subcompact models. I believe we should work to realize a geographically balanced business structure, i.e., the "50:50 sales ratio between Japan/U.S./Europe and emerging markets" defined in Toyota Global Vision.

2. Efficiency: Improving profitability and capital efficiency

To meet ongoing demand for hybrid and compact vehicles, we aim to provide high-quality vehicles at affordable prices and to improve profitability through further cost reductions. The introduction of our new framework for developing "better cars," called the Toyota New Global Architecture (TNGA), will enable us to achieve sweeping advances in product appeal with cost reductions, in addition to strengthening design and development. We can invest efficiently and achieve the same equipment investment benefit with lower capital expenditure. Through such efforts, we will strive for efficient investment that emphasizes the areas where we want to advance, such as eco-cars, including hybrids, and emerging markets, which are expected to grow, while improving our income structure.

3. Stability: Maintaining a solid financial base

We preserve a solid financial base by ensuring sufficient liquidity and stable shareholders' equity. Such a sound financial position enables us to maintain a level of capital expenditures and investment in research and development geared towards future growth as well as to maintain the necessary level of working capital, even during difficult business environments such as steep price increases in raw materials or drastic foreign exchange rate fluctuations, not to mention such unexpected crises as last year's earthquake and the Thailand floods. Although the business environments surrounding us remain unclear due to factors such as the European sovereign debt crisis, we anticipate medium- to long-term growth in automotive markets worldwide. We believe that maintaining adequate liquidity is essential to the implementation of forward-looking investment to improve product appeal and develop next-generation technologies, as well as to establish a structure for production and sales in both the Japanese and overseas markets in addition to the crisis measures. We will continue to pursue further capital efficiency and improved cash flows.

Dividends and Share Acquisitions

We deem the benefit of its shareholders as one of its priority management policies, and it is working to improve corporate structure towards the realization of sustainable growth in order to enhance its corporate value. We will strive to continue to pay stable dividends while giving due consideration to factors such as business results for each term, investment plans and its cash reserves. In order to succeed in this highly competitive industry, we plan to utilize its internal funds for the early commercialization of technologies for next-generation environment and safety, giving priority to customer safety and sense of security. Considering these factors, we declared an annual dividend payment of ¥50 per share for the fiscal year ended March 31, 2012.

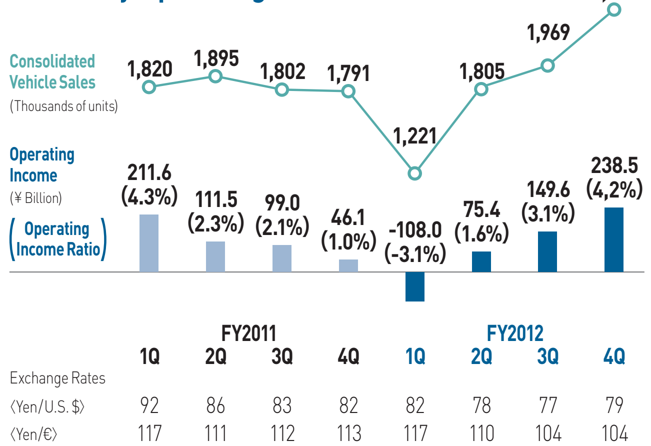
Given the uncertain outlook for the present business environment, we will prioritize securing cash reserves. Accordingly, we did not repurchase our own shares in the fiscal year ended March 31, 2012, and we plan to forgo such repurchases for the foreseeable future.

We will continue striving to further improve profits and meet the expectations of our shareholders.

July 2012

Satoshi Ozawa,
Executive Vice President

Quarterly Operating Income



FY2013 Consolidated Financial Forecasts

(¥ Billion)	FY2013 Forecasts April 1, 2012- March 31, 2013	FY2012 Results April 1, 2011- March 31, 2012	Change
Net Revenues	22,000.0	18,583.6	3,416.4
Operating Income	1,000.0	355.6	644.4
Income before Income Taxes and Equity in Earnings of Affiliated Companies	1,160.0	432.8	727.2
Net Income*	760.0	283.5	476.5
Capital Expenditures	820.0	706.7	113.3
R&D Expenses	810.0	779.8	30.2
Exchange Rates Yen/U.S. $	80	79	+1
Exchange Rates Yen/€	105	109	−4

* Net income attributable to Toyota Motor Corporation

Vehicle Sales by Region