

**SUPPLEMENTARY PROSPECTUS DATED 24 JUNE 2022 TO THE PROSPECTUS DATED
17 SEPTEMBER 2021**

TOYOTA MOTOR FINANCE (NETHERLANDS) B.V.

*(a private company incorporated with limited liability under the laws of the Netherlands, with its
corporate seat in Amsterdam, the Netherlands)*

and

TOYOTA CREDIT CANADA INC.

(a company incorporated with limited liability under the Canada Business Corporations Act)

and

TOYOTA FINANCE AUSTRALIA LIMITED

*(ABN 48 002 435 181, a company registered in New South Wales and incorporated with limited
liability in Australia)*

and

TOYOTA MOTOR CREDIT CORPORATION

(a company incorporated with limited liability in California, United States)

€60,000,000,000

Euro Medium Term Note Programme

This Supplementary Prospectus (the “**Supplementary Prospectus**”), to the Prospectus dated 17 September 2021 (the “**Prospectus**”) which comprises a base prospectus for the purposes of (i) Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”) and (ii) Regulation (EU) 2017/1129 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Prospectus Regulation**”) for each of Toyota Motor Finance (Netherlands) B.V. (“**TMF**” and the “**TMF Base Prospectus**”, respectively), Toyota Credit Canada Inc. (“**TCCI**” and the “**TCCI Base Prospectus**”, respectively), Toyota Finance Australia Limited (“**TFA**” and the “**TFA Base Prospectus**”, respectively) and Toyota Motor Credit Corporation (“**TMCC**” and the “**TMCC Base Prospectus**”, respectively, and TMF, TCCI, TFA and TMCC together, the “**Issuers**” and each an “**Issuer**”), constitutes a supplementary base prospectus for the purposes of Article 23 of the Prospectus Regulation and also Article 23 of the UK Prospectus Regulation in relation to TMF with respect to the TMF Base Prospectus, TCCI with respect to the TCCI Base Prospectus, TFA with respect to the TFA Base Prospectus and TMCC with respect to the TMCC Base Prospectus, and is prepared in connection with the €60,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by the Issuers.

The purpose of this Supplementary Prospectus is to: (a) incorporate by reference the Annual Report of Toyota Motor Corporation (“**TMC**”) for the financial year ended 31 March 2022 on Form 20-F in the TMF Base Prospectus, the TCCI Base Prospectus, the TFA Base Prospectus and the TMCC Base Prospectus, respectively; and (b) amend and replace the risk factors with respect to Toyota in the “*Risk Factors*” section of the TMF Base Prospectus, the TCCI Base Prospectus, the TFA Base Prospectus and the TMCC Base Prospectus, respectively.

This Supplementary Prospectus is supplemental to, and should be read in conjunction with, the Prospectus and the Supplementary Prospectuses dated 9 November 2021, 2 December 2021, 7 January 2022, 10 February 2022, 1 March 2022, 13 May 2022 and 8 June 2022 issued by the Issuers or any Issuer. Each of the TMF Base Prospectus, the TCCI Base Prospectus, the TFA Base Prospectus and the TMCC Base Prospectus has been supplemented by the Supplementary Prospectuses dated 9 November 2021, 2 December 2021, 10 February 2022, 1 March 2022, 13 May 2022 and 8 June 2022. In addition, the TFA Base Prospectus has been supplemented by the Supplementary Prospectus dated 7 January 2022. Any statement contained in the Prospectus or in a document which is incorporated by reference in the Prospectus shall be deemed to be modified or superseded for the purpose of the Prospectus to the extent that a statement contained in any document which is subsequently incorporated by reference in the Prospectus by way of a supplement (including this Supplementary Prospectus) prepared in

accordance with Article 23 of the Prospectus Regulation and Article 23 of the UK Prospectus Regulation modifies or supersedes such earlier statement (whether expressly, by implication or otherwise) and any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of the Prospectus. Terms defined in the Prospectus have the same meaning when used in this Supplementary Prospectus.

This Supplementary Prospectus has been approved by the Central Bank of Ireland (the “CBI”), as competent authority under the Prospectus Regulation. The CBI only approves this Supplementary Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of any Issuer, TMC or Toyota Financial Services Corporation (“TFS”) or of the quality of the Notes that are the subject of the Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

This Supplementary Prospectus has also been approved by the United Kingdom Financial Conduct Authority (the “FCA”), as competent authority under the UK Prospectus Regulation. The FCA only approves this Supplementary Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of any Issuer, TMC or TFS or of the quality of the Notes that are the subject of the Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes.

This Supplementary Prospectus (i) in respect of TMF and the TMF Base Prospectus includes all information contained within this Supplementary Prospectus, together with all documents which are deemed to be incorporated by reference herein, except for any information relating to TCCI, TFA and TMCC, (ii) in respect of TCCI and the TCCI Base Prospectus includes all information contained within this Supplementary Prospectus, together with all documents which are deemed to be incorporated by reference herein, except for any information relating to TMF, TFA and TMCC, (iii) in respect of TFA and the TFA Base Prospectus includes all information contained within this Supplementary Prospectus, together with all documents which are deemed to be incorporated by reference herein, except for any information relating to TMF, TCCI and TMCC, and (iv) in respect of TMCC and the TMCC Base Prospectus includes all information contained within this Supplementary Prospectus, together with all documents which are deemed to be incorporated by reference herein, except for any information relating to TMF, TCCI and TFA.

Each Issuer accepts responsibility for the information contained in its Supplementary Prospectus as described above. Each Issuer confirms that the information contained in its Supplementary Prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

Each of TFS and TMC accepts responsibility for the information contained in this Supplementary Prospectus insofar as such information relates to itself. Each of TFS and TMC confirms that, the information about itself contained in this Supplementary Prospectus is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

To the extent that there is any inconsistency between (a) any statement in this Supplementary Prospectus or any statement incorporated by reference in the Prospectus by this Supplementary Prospectus; and (b) any other statement in or incorporated by reference in the Prospectus (as previously supplemented from time to time), the statements in (a) above will prevail.

Except as disclosed in this Supplementary Prospectus and the Supplementary Prospectuses dated 9 November 2021, 2 December 2021, 7 January 2022, 10 February 2022, 1 March 2022, 13 May 2022 and 8 June 2022, there has been no significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus which may affect the assessment of Notes issued under the Programme since the publication of the Prospectus.

In accordance with Article 23(2) and (2a) of the Prospectus Regulation, investors in any Public Offer Jurisdiction (other than the United Kingdom) who have agreed to purchase or subscribe for Notes before this Supplementary Prospectus is published have the right, exercisable before the end of the period of three working days beginning with the working day after the date on which this Supplementary Prospectus was published, to withdraw their acceptances. This right to withdraw will expire by close of business on 29 June 2022. Investors wishing to exercise such right of withdrawal should contact the person with whom they have agreed to purchase or subscribe for the relevant Notes.

In accordance with Article 23(2) of the UK Prospectus Regulation, investors in the United Kingdom who have agreed to purchase or subscribe for Notes before this Supplementary Prospectus is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplementary Prospectus was published, to withdraw their acceptances. This right to withdraw will expire by close of business on 28 June 2022. Investors wishing to exercise such right of withdrawal should contact the person with whom they have agreed to purchase or subscribe for the relevant Notes.

The Dealers have not separately verified the information contained in this Supplementary Prospectus. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated by reference in the Prospectus by this Supplementary Prospectus.

The distribution of the Prospectus, this Supplementary Prospectus, any other supplements to the Prospectus and any Final Terms and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession the Prospectus, this Supplementary Prospectus, any other supplements to the Prospectus or any Final Terms come are required by the Issuers, the Dealers and the Arranger to inform themselves about and to observe any such restriction. In particular, there are restrictions on the distribution of the Prospectus, this Supplementary Prospectus, any other supplements to the Prospectus, any Final Terms and other information in relation to the Issuers and the Notes, and the offering or sale of Notes in the United States, the European Economic Area, Belgium, Ireland, Italy, the Netherlands, Spain, the United Kingdom, Japan, Canada, Australia, New Zealand, Hong Kong, the People's Republic of China (which for the purposes of Notes issued under the Programme, excludes the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan), Singapore and Switzerland. For a further description of restrictions on offers, sales and transfers of Notes and distribution of the Prospectus, this Supplementary Prospectus, any other supplements to the Prospectus and any Final Terms, see the "*Subscription and Sale*" section in the Prospectus. The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

None of the Prospectus, this Supplementary Prospectus or any other supplements to the Prospectus constitutes an offer of, or an invitation by or on behalf of the Issuers, the Arranger or the Dealers to subscribe for, or purchase, any Notes.

FORM 20-F FILING: TOYOTA MOTOR CORPORATION

On 23 June 2022, TMC, the ultimate parent company of the Issuers, filed its Annual Report for the financial year ended 31 March 2022 on Form 20-F with the Securities and Exchange Commission (the "**Form 20-F**").

A copy of the Form 20-F has been published on TMC's website (https://global.toyota/pages/global_toyota/ir/library/sec/20-F_202203_final.pdf) and filed with the CBI and the National Storage Mechanism.

By virtue of this Supplementary Prospectus, the Form 20-F (excluding all information incorporated by reference therein either expressly or implicitly) is incorporated by reference in, and forms part of, the TMF Base Prospectus, the TCCI Base Prospectus, the TFA Base Prospectus and the TMCC Base Prospectus, respectively.

Significant or Material Change

Save as disclosed in the Supplementary Prospectus dated 8 June 2022 in the Risk Factor entitled “*Risks related to health epidemics and other outbreaks faced by each of the Issuers have had and may continue to have material adverse effects on its business, financial condition, results of operations and cash flows*” and in this Supplementary Prospectus in the risk factor entitled “*COVID-19 Risks – Toyota*” (together, the “**COVID-19 Risk Factors**”), there has been no significant change in the financial performance or financial position of TFS or TMC and their respective consolidated subsidiaries (considered as a whole) since 31 March 2022, the date of the most recently published financial statements of TMC. Save as disclosed in the COVID-19 Risk Factors, there has been no material adverse change in the prospects of TFS or TMC since 31 March 2022, the date of the most recently published audited financial statements of TMC.

Save as disclosed in the COVID-19 Risk Factors, there has been no significant change in the financial performance or financial position of any of TMF or TCCI or TFA and its consolidated subsidiaries (considered as a whole) since 30 September 2021, the date of the most recently published financial statements of each such Issuer. Save as disclosed in the COVID 19 Risk Factors, there has been no material adverse change in the prospects of any of TMF, TCCI or TFA since 31 March 2021, the date of the most recently published audited financial statements of each such Issuer.

Save as disclosed in the COVID-19 Risk Factors, there has been no significant change in the financial performance or financial position of TMCC and its consolidated subsidiaries (considered as a whole) since 31 March 2022, the date of the most recently published financial statements of TMCC. Save as disclosed in the COVID-19 Risk Factors, there has been no material adverse change in the prospects of TMCC since 31 March 2022, the date of the most recently published audited financial statements of TMCC.

AMENDMENTS TO THE RISK FACTORS SECTION OF THE PROSPECTUS

Unless otherwise specified in this section, “Toyota” means TMC and its consolidated subsidiaries.

The risk factors with respect to Toyota under the “*Risk Factors*” section in the Prospectus, starting from the section entitled “*COVID-19 Risks - Toyota*” on page 37 of the Prospectus to, and including, the section entitled “*Regulatory, Legal, Political and Other Risks – Toyota*” ending on page 41 of the Prospectus, are to be deleted and replaced with the risk factors below:

COVID-19 Risks - Toyota

Toyota has been, and is expected to continue to be, adversely affected by the spread of COVID-19

The global spread of COVID-19 and the responses to it by governments and other stakeholders have adversely affected Toyota in a number of ways. For example, for reasons such as government directives as well as anticipated reduced demand for its vehicles, Toyota has temporarily suspended, or there may be a possibility that Toyota will temporarily suspend, production of automobiles and components at selected plants in Japan and overseas. COVID-19 has also affected, and is expected to continue to affect, the businesses of Toyota dealers and distributors, as well as certain of Toyota’s third-party suppliers and business partners. In addition, the global spread of COVID-19 and related matters have adversely affected businesses in a wide variety of industries, as well as consumers, all of which negatively impacted demand for Toyota’s vehicles and related financial services.

The duration of the COVID-19 outbreak and the resulting future effects are uncertain, and the foregoing impacts and other effects not referenced above, as well as the ultimate impact of the COVID-19 outbreak, are difficult to predict. The impact of the COVID-19 outbreak and the resulting future effects may adversely affect Toyota's financial condition and results of operations.

Industry and Business Risks – Toyota

The worldwide automotive market is highly competitive

The worldwide automotive market is highly competitive. Toyota faces intense competition from automotive manufacturers in the markets in which it operates. Competition in the automotive industry has further intensified amidst difficult overall market conditions. In addition, competition is likely to further intensify in light of further continuing globalisation in the worldwide automotive industry, possibly resulting in industry reorganisations. Factors affecting competition include product quality and features, safety, reliability, fuel economy, the amount of time required for innovation and development, pricing, customer service and financing terms. Increased competition may lead to lower vehicle unit sales, which may result in further downward price pressure and adversely affect Toyota's financial condition and results of operations. Toyota's ability to adequately respond to the recent rapid changes in the automotive market and to maintain its competitiveness will be fundamental to its future success in existing and new markets and to maintain its market share. There can be no assurances that Toyota will be able to compete successfully in the future.

The worldwide automotive industry is highly volatile

Each of the markets in which Toyota competes has been subject to considerable volatility in demand. Demand for vehicles depends to a large extent on economic, social and political conditions in a given market and the introduction of new vehicles and technologies. As Toyota's revenues are derived from sales in markets worldwide, economic conditions in such markets are particularly important to Toyota.

Reviewing the general economic environment for the fiscal year ended 31 March 2022, the economy appeared to be headed toward a recovery due to fiscal and monetary policies adopted by various countries that have supported the economy, coupled with the gradual relaxation of strict COVID-19 restrictions. While the automotive market has been subjected to global production constraints due to components shortages caused by a tightening of global supply of, and increasing demand for, semiconductors and the impact of COVID-19, continued steady demand in countries such as the United States, China, and Japan resulted in a recovery from last year. Geopolitical tensions that have increased since February 2022 have had a ripple effect globally in such forms as soaring prices for materials, including for raw materials and parts and components for Toyota's vehicles, which has made it more difficult to foresee the future.

Changes in demand for automobiles are continuing, and it is unclear how this situation will transition in the future. Toyota's financial condition and results of operations may be adversely affected if the changes in demand for automobiles continue or progress further. Demand may also be affected by factors directly impacting vehicle price or the cost of purchasing and operating vehicles such as sales and financing incentives, prices of raw materials and parts and components, cost of fuel and governmental regulations (including tariffs, import regulation and other taxes). Volatility in demand may lead to lower vehicle unit sales, which may result in downward price pressure and adversely affect Toyota's financial condition and results of operations.

Toyota's future success depends on its ability to offer new, innovative and competitively priced products that meet customer demand on a timely basis

Meeting customer demand by introducing attractive new vehicles and reducing the amount of time required for product development are critical to automotive manufacturers. In particular, it is critical to

meet customer demand with respect to quality, safety, reliability and sustainability. The timely introduction of new vehicle models, at competitive prices, meeting rapidly changing customer preferences and demand is more fundamental to Toyota's success than ever, as the automotive market is rapidly transforming in light of the changing global economy.

There is no assurance, however, that Toyota will adequately and appropriately respond to changing customer preferences and demand with respect to quality, safety, reliability, styling, sustainability and other features in a timely manner. Even if Toyota succeeds in perceiving customer preferences and demand, there is no assurance that Toyota will be capable of developing and manufacturing new, price competitive products in a timely manner with its available technology, intellectual property, sources of raw materials and parts and components, and production capacity, including cost reduction capacity. Further, there is no assurance that Toyota will be able to implement capital expenditures at the level and times planned by management. Toyota's inability to develop and offer products that meet customers' preferences and demand with respect to quality, safety, reliability, styling, sustainability and other features in a timely manner could result in a lower market share and reduced sales volumes and margins, and may adversely affect Toyota's financial condition and results of operations.

Toyota's ability to market and distribute effectively is an integral part of Toyota's successful sales

Toyota's success in the sale of vehicles depends on its ability to market and distribute effectively based on distribution networks and sales techniques tailored to the needs of its customers. There is no assurance that Toyota will be able to develop sales techniques and distribution networks that effectively adapt to changing customer preferences or changes in the geopolitical and regulatory environment in the major markets in which it operates. Toyota's inability to maintain well-developed sales techniques and distribution networks may result in decreased sales and market share and may adversely affect its financial condition and results of operations.

Toyota's success is significantly impacted by its ability to maintain and develop its brand image

In the highly competitive automotive industry, it is critical to maintain and develop a brand image. In order to maintain and develop a brand image, it is necessary to further increase customers' confidence by providing safe, high quality products that meet customer preferences and demand. If Toyota is unable to effectively maintain and develop its brand image as a result of its inability to provide safe, high quality products or as a result of the failure to promptly implement safety measures such as recalls when necessary, vehicle unit sales and/or sale prices may decrease, and as a result revenues and profits may not increase as expected or may decrease, adversely affecting its financial condition and results of operations.

Toyota relies on suppliers for the provision of certain supplies including parts, components and raw materials

Toyota purchases supplies including parts, components and raw materials from a number of external suppliers located around the world. For some supplies, Toyota relies on a single supplier or a limited number of suppliers, whose replacement with another supplier may be difficult. Inability to obtain supplies from a single or limited source supplier may result in difficulty obtaining supplies and may restrict Toyota's ability to produce vehicles. Furthermore, even if Toyota were to rely on a large number of suppliers, first-tier suppliers with whom Toyota directly transacts may in turn rely on a single second-tier supplier or limited second-tier suppliers.

Irrespective of the number of suppliers, Toyota's ability to continue to obtain supplies from its suppliers in a timely and cost-effective manner is subject to a number of factors, some of which are not within Toyota's control. These factors include the ability of Toyota's suppliers to provide a continued source of supply, and Toyota's ability to effectively compete and obtain competitive prices from

suppliers. Circumstances that may adversely affect such abilities include geopolitical tensions as well as related governmental actions such as economic sanctions.

A loss of any single or limited source supplier or inability to obtain supplies from suppliers in a timely and cost-effective manner could lead to increased costs or delays or suspensions in Toyota's production and deliveries, which could have an adverse effect on Toyota's financial condition and results of operations.

The worldwide financial services industry is highly competitive

The worldwide financial services industry is highly competitive. Increased competition in automobile financing may lead to decreased margins. A decline in Toyota's vehicle unit sales, an increase in residual value risk due to lower used vehicle prices, an increase in the ratio of credit losses and increased funding costs are additional factors which may impact Toyota's financial services operations. If Toyota is unable to adequately respond to the changes and competition in automobile financing, Toyota's financial services operations may adversely affect its financial condition and results of operations.

Toyota's operations and vehicles rely on various digital and information technologies, as well as information security

Toyota depends on various information technology networks and systems, some of which are managed by third parties, to process, transmit and store electronic information, including sensitive data, and to manage or support a variety of business processes and activities, including manufacturing, research and development, supply chain management, sales and accounting. In addition, Toyota's vehicles may rely on various digital and information technologies, including information service and driving assistance functions. Despite security measures, Toyota's digital and information technology networks and systems may be vulnerable to damage, disruptions, shutdowns due to unauthorised access or attacks by hackers, computer viruses, breaches due to unauthorised use, errors or malfeasance by employees and others who have or gain access to the networks and systems Toyota depends on, service failures or bankruptcy of third parties such as software development or cloud computing vendors, power shortages and outages, and utility failures or other catastrophic events like natural disasters. In particular, cyber-attacks or other intentional malfeasance are increasing in terms of intensity, sophistication and frequency, and Toyota has been and expects to continue to be the subject of such attacks. Such attacks could materially disrupt critical operations, disclose sensitive data, interfere with information services and driving assistance functions in Toyota's vehicles, and/or give rise to legal claims or proceedings, liability or regulatory penalties under applicable laws, which could have an adverse effect on Toyota's brand image and its financial condition and results of operations. Moreover, similar attacks on Toyota's suppliers and business partners have had, and may in the future have, a similar negative impact on Toyota financial condition and results of operations.

Toyota is exposed to risks associated with climate change, including the physical risks of climate change and risks from the transition to a lower-carbon economy

Risks associated with climate change are subject to increasing societal, regulatory and political focus in Japan and globally. These risks include the physical risks of climate change and risks from the transition to a lower-carbon economy.

The physical risks of climate change include both acute, event-driven risks such as those relating to hurricanes, floods and tornadoes, as well as longer-term weather patterns and related effects, such as sustained higher temperatures, sea level rise, drought and increased wildfires. Despite Toyota's contingency planning, large-scale disasters due to extreme weather conditions have in the past harmed, and may in the future again harm, Toyota's employees or its facilities and other assets, as well as those of Toyota's suppliers and other business partners, thereby adversely affecting Toyota's production, sales or other operational capacities. Large-scale disasters may also adversely affect the financial condition

of Toyota's customers, and thereby demand for its products and services.

Transition risks are those attributable to regulatory, technological and market changes to address the mitigation of, or adaptation to, climate-related risks. For example, Toyota is subject to the risk of changes in customer demand for vehicles due to such factors as changes in laws, regulations and government policies relating to climate change, technological innovation to address climate change, and new entrants into the automobile industry that seek to capitalise on changing market dynamics. Changes in customer demand may pose ancillary risks and challenges, such as Toyota's having to establish new, or enhance existing, supply networks in order to source the raw materials, parts and components necessary for it to manufacture the products then in demand at desired volumes and at competitive costs. Toyota may incur significant costs and expenses as a result of the materialisation of such risks, or in its efforts to mitigate or adapt to such risks. Toyota's inability to develop and offer products that meet customers' preferences and demand in a timely manner could result in a lower market share and reduced sales volumes and margins, and may adversely affect Toyota's financial condition and results of operations.

Financial Market and Economic Risks – Toyota

High prices of raw materials and strong pressure on Toyota's suppliers could negatively impact Toyota's profitability

Increases in prices for raw materials that Toyota and Toyota's suppliers use in manufacturing their products or parts and components such as steel, precious metals, non-ferrous alloys including aluminium, and plastic parts, may lead to higher production costs for parts and components. This could, in turn, negatively impact Toyota's future profitability because Toyota may not be able to pass all those costs on to its customers or require its suppliers to absorb such costs. For example, Toyota believes that increases in the prices of raw materials, as well as related logistics and other costs, had a significant negative impact on its results for the fiscal year ended 31 March 2022, and currently expects that they will have a greater negative impact on its results for the fiscal year ended 31 March 2023.

Toyota's operations are subject to currency and interest rate fluctuations

Toyota is sensitive to fluctuations in foreign currency exchange rates and is principally exposed to fluctuations in the value of the Japanese yen, the U.S. dollar and the euro and, to a lesser extent, the Australian dollar, the Russian ruble, the Canadian dollar and the British pound. Toyota's consolidated financial statements, which are presented in Japanese yen, are affected by foreign currency exchange fluctuations through translation risk, and changes in foreign currency exchange rates may also affect the price of products sold and materials purchased by Toyota in foreign currencies through transaction risk. In particular, strengthening of the Japanese yen against the U.S. dollar can have an adverse effect on Toyota's operating results.

Toyota believes that its use of certain derivative financial instruments including foreign exchange forward contracts and interest rate swaps and increased localised production of its products have reduced, but not eliminated, the effects of interest rate and foreign currency exchange rate fluctuations. Nonetheless, a negative impact resulting from fluctuations in foreign currency exchange rates and changes in interest rates may adversely affect Toyota's financial condition and results of operations.

A downturn in the financial markets could adversely affect Toyota's ability to raise capital

Should the world economy suddenly deteriorate, a number of financial institutions and investors will face difficulties in providing capital to the financial markets at levels corresponding to their own

financial capacity, and, as a result, there is a risk that companies may not be able to raise capital under terms that they would expect to receive with their creditworthiness. If Toyota is unable to raise the necessary capital under appropriate conditions on a timely basis, Toyota's financial condition and results of operations may be adversely affected.

Regulatory, Legal, Political and Other Risks – Toyota

The automotive industry is subject to various governmental regulations and actions

The worldwide automotive industry is subject to various laws and governmental regulations including those related to vehicle safety and environmental matters such as emission levels, fuel economy, noise and pollution. In particular, automotive manufacturers such as Toyota are required to implement safety measures such as recalls for vehicles that do not or may not comply with the safety standards of laws and governmental regulations. In addition, Toyota may, in order to reassure its customers of the safety of Toyota's vehicles, decide to voluntarily implement recalls or other safety measures even if the vehicle complies with the safety standards of relevant laws and governmental regulations. If Toyota launches products that result in safety measures such as recalls (including where parts related to recalls or other measures were procured by Toyota from a third party), Toyota may incur various costs including significant costs for free repairs. Many governments also impose tariffs and other trade barriers, taxes and levies, or enact price or exchange controls.

Toyota has incurred significant costs in response to governmental regulations and actions, including costs relating to changes in global trade dynamics and policies, and expects to incur such costs in the future. Furthermore, new legislation or regulations or changes in existing legislation or regulations may also subject Toyota to additional costs in the future. If Toyota incurs significant costs related to implementing safety measures or responding to laws, regulations and governmental actions, Toyota's financial condition and results of operations may be adversely affected.

Toyota may become subject to various legal proceedings

As an automotive manufacturer, Toyota may become subject to legal proceedings in respect of various issues, including product liability and infringement of intellectual property. Toyota may also be subject to legal proceedings brought by its shareholders and governmental proceedings and investigations. Toyota is in fact currently subject to a number of pending legal proceedings and government investigations. A negative outcome in one or more of these pending legal proceedings could adversely affect Toyota's reputation, brand image, financial condition and results of operations.

Toyota may be adversely affected by natural calamities, epidemics, political and economic instability, fuel shortages or interruptions in social infrastructure, wars, terrorism and labour strikes

Toyota is subject to various risks associated with conducting business worldwide. These risks include natural calamities, epidemics, political and economic instability, fuel shortages, interruption in social infrastructure including energy supply, transportation systems, gas, water or communication systems resulting from natural hazards or technological hazards, wars, terrorism, labour strikes and work stoppages. Should the major markets in which Toyota purchases materials, parts and components and supplies for the manufacture of Toyota products or in which Toyota's products are produced, distributed or sold be affected by any of these events, it may result in disruptions and delays in the operations of Toyota's business. Should significant or prolonged disruptions or delays related to Toyota's business operations occur, it may adversely affect Toyota's financial condition and results of operations.