TOYOTA FINANCE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES
ABN 48 002 435 181
ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2026

ANNUAL REPORT

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DIRECTORS' REPORT

The directors present their report on Toyota Finance Australia Limited ("the company" or "Company") and the entities it controlled (together referred to as the "consolidated entity" or "Consolidated") at the end of, or during, the year ended 31 March 2026.

1. Directors

The directors of the company at any time during or since the end of the financial year are:

Current Directors
E. Tsirogiannis, a director since 2017; Managing Director since 2020
B. I. Knight, resigned as a director on 1 April 2026
M. J. Callachor, a director since 2017
M. Templin, a director since 2018
J. Pappas, a director since 2022
H. Ito, resigned as a director on 1 January 2026
D. Chessari, a director since 2024
M. Ueno, a director since 1 January 2026

2. Principal activities

During the year, the principal continuing activities of the consolidated entity were to:

- finance the acquisition of motor vehicles by retail and commercial customers, by way of consumer and commercial loans;
- provide bailment facilities and commercial loans to motor dealers;
- provide vehicle finance (by way of loans, term purchases, finance leases or operating leases) and fleet management services to corporate customers and government;
- as an agent sell retail and commercial insurance policies that are underwritten by third party insurers; and
- to provide for car sharing services.

There were no significant changes in the nature of these activities during the year.

3. Dividends

The following fully franked dividends were paid by the company during the year on the fully paid shares:

Financial year ended	Cents per share	Payment date	$'000
Final dividend for the year ended 31 March 2025	86.83	27/06/2025	104,201
Interim dividend for the year ended 31 March 2026	9.87	10/09/2025	11,843

DIRECTORS' REPORT (continued)

Since the end of the financial year the directors have recommended the payment of a final fully franked ordinary dividend of $143,958,000 ($1.20 per fully paid share) to be paid on or before 30 June 2026 out of retained earnings as at 31 March 2026.

4. Review of operations

The net profit of the consolidated entity for the year ended 31 March 2026 was $493,134,000 (2025: $359,867,000) after deducting income tax expense of $206,445,000 (2025: $149,557,000).

Elevated inflation, as a result of ongoing domestic and global economic pressures coupled with impacts arising from the escalation of the conflict in the Middle East, continues to affect a broad range of Australian borrowers. As a result, the Reserve Bank of Australia (RBA) has adopted a tighter monetary policy stance, leading to interest rate increases during 2026, lifting the cash rate back above 4% to contain inflationary risks. While household financial pressures have intensified due to higher interest rates and elevated living costs, there has been no material deterioration in default trends to date. Cost of funds and lending rate were relatively stable throughout the financial year.

Underlying profitability has been impacted by the change in the fair value of derivatives used to manage exposure to foreign currency and interest rate risks. As the consolidated entity does not apply hedge accounting, changes in the fair value of derivatives are recognised immediately in the statements of comprehensive income as interest expense and similar charges. This introduces volatility in the consolidated entity's statement of comprehensive income and produces anomalous results through the lifecycle of the derivatives.

5. Significant changes in state of affairs

There were no significant changes in the state of affairs of the consolidated entity that occurred during the financial year under review.

6. Environmental regulation

The operations of the consolidated entity are not subject to any particular or significant environmental regulation.

7. Matters subsequent to the end of the financial year

The directors are not aware of any other matter or circumstance not otherwise dealt within the report or the financial statements that has or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial periods.

Matters subsequent to the balance sheet date are disclosed in detail in note 33 to the financial statements. Directors consider management view to be appropriate under the current circumstances around these events.

DIRECTORS' REPORT (continued)

8. Likely developments and expected results of operations

The consolidated entity expects its underlying operations to operate profitably in the financial year ending 31 March 2027, although fluctuations in the fair value and translation of some financial instruments resulting in unrealised gains or losses recognised through the statements of comprehensive income may produce anomalous results.

Further information on likely developments in the operations of the consolidated entity and the expected results of operations has not been included in this report, as the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

9. Indemnity and insurance of directors and officers

During the financial year, the company paid a premium of $561,575 to insure the officers of the company and its controlled entities including the directors, company secretaries, and other officers against allegations of wrongdoing (other than intentional wrongdoing).

The company has entered a deed of access and indemnity with each director and the company's responsible managers, whereby it has agreed to:

(a) to the maximum extent permitted by law, indemnify directors and responsible managers against any liability in connection with a director's or responsible manager's act; legal costs incurred by a director or responsible manager in defending a claim or incurred in obtaining legal advice in relation to the performance of their functions and the discharge of their duties as an officer of the company; except where the liability arises is in connection with an act which is fraudulent, criminal, dishonest or a wilful default of the director's and responsible manager's duties as a director or responsible manager of the company;

(b) allow directors and responsible managers to have access to, and take copies, of the company's or a controlled entity's books for the purpose of assisting them in relation to any claim; and

(c) maintain insurance against liabilities (other than excluded liabilities) incurred as a director, responsible manager or an officer of the company or a controlled entity.

10. Indemnity of auditor

The company has agreed to indemnify its auditor, PricewaterhouseCoopers, to the extent permitted by law, against any claim by a third party arising from the company's breach of its agreement. The indemnity stipulates that the company will meet the full amount of any such liabilities incurred, including a reasonable amount of legal costs.

11. Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company and its controlled entities, or to intervene in any proceedings to which the company and its controlled entities is a party, for the purpose of taking responsibility on behalf of the company and its controlled entities for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company and its controlled entities with leave of the Court under section 237 of the Corporations Act 2001.

DIRECTORS' REPORT (continued)

12. Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 6.

13. Rounding of amounts

The company and its controlled entities are of a kind referred to in ASIC Legislative Instrument 2016/191 relating to "rounding off" of amounts in the directors' report. Amounts in the directors' report and financial report have been rounded off in accordance with that Instrument to the nearest thousand dollars or, in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of the directors.

For and on behalf of the Board,

E. Tsirogiannis	M. Ueno
Director	Director
Sydney	Sydney
25 June 2026	25 June 2026

Auditor's Independence Declaration

As lead auditor of Toyota Finance Australia Limited's audit of the financial report and review of specified sustainability disclosures within the sustainability report for the year ended 31 March 2026, I declare that, to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit of the financial report or the review of the specified sustainability disclosures; and

b) no contraventions of any applicable code of professional conduct in relation to the audit of the financial report or the review of the specified sustainability disclosures.

David R Cox
Partner
PricewaterhouseCoopers

Sydney
25 June 2026

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STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

		Consolidated		Company	
		2026	2025	2026	2025
	Note	$'000	$'000	$'000	$'000
Interest revenue	3a	1,951,570	1,894,661	1,647,951	1,613,514
Rental income on motor vehicles under operating lease		704,698	630,472	704,698	630,472
Fee income earned on originated assets	3b	68,903	65,173	59,157	56,491
Financing and similar revenue		**2,725,171**	**2,590,306**	**2,411,806**	**2,300,477**
Interest expense and similar charges	3a	(1,169,756)	(1,289,080)	(1,389,978)	(1,353,397)
Depreciation expense on motor vehicles under operating lease		(548,924)	(491,576)	(548,924)	(491,576)
Financing expense and similar charges		**(1,718,680)**	**(1,780,656)**	**(1,938,902)**	**(1,844,973)**
Net financing and similar revenue		**1,006,491**	**809,650**	**472,904**	**455,504**
Proceeds from disposal of lease assets		615,687	550,565	615,687	550,565
Cost of lease assets		(517,742)	(467,576)	(517,742)	(467,576)
Other revenue	4	63,751	57,613	434,521	356,229
Net operating income before impairment and operating expenses		**1,168,187**	**950,252**	**1,005,370**	**894,722**
Credit impairment loss	9c	(113,347)	(96,501)	(87,246)	(84,173)
Non-credit impairment (loss)/reversal	8b	(2,113)	472	(2,113)	472
Employee benefits expense		(209,549)	(206,889)	(209,549)	(206,889)
Depreciation, write-off and amortisation	5	(32,765)	(42,612)	(32,765)	(42,612)
IT and communication expense		(68,560)	(58,431)	(68,560)	(58,431)
Sales and marketing expense		(9,077)	(8,799)	(9,077)	(8,790)
Other expenses		(46,472)	(40,599)	(46,584)	(40,804)
Share of overhead expenses as related to subsidiary		-	-	40,491	49,688
Share of net profits of associate accounted for using the equity method	25	13,275	12,531	-	-
Profit before income tax		**699,579**	**509,424**	**589,967**	**503,183**
Income tax expense	6	(206,445)	(149,557)	(195,049)	(140,095)
Profit attributable to owners of Toyota Finance Australia Limited		**493,134**	**359,867**	**394,918**	**363,088**
Other comprehensive income					
Items that may be reclassified to profit or loss					
Net exchange differences on translation of foreign operations	15	(9,447)	(1,017)	-	-
Total comprehensive income attributable to owners of Toyota Finance Australia Limited		**483,687**	**358,850**	**394,918**	**363,088**

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	Consolidated 2026 $'000	Consolidated 2025 $'000	Company 2026 $'000	Company 2025 $'000
Assets					
Cash and cash equivalents	21	1,882,109	1,790,763	1,882,109	1,790,763
Loans and receivables	8a	28,367,189	27,866,189	24,036,339	23,553,703
Motor vehicles under operating lease	8b	2,797,287	2,585,766	2,797,287	2,585,766
Derivative financial instruments	17	423,337	892,158	423,337	892,158
Investment accounted for using the equity method	25	104,493	112,503	4,284	4,284
Intangible assets	28	70,203	61,429	70,203	61,429
Property, plant and equipment	26	15,353	19,845	15,353	19,845
Right-of-use assets	27	23,751	29,523	23,751	29,523
Other assets	23	250,841	78,947	5,987,837	5,622,928
Total assets		**33,934,563**	**33,437,123**	**35,240,500**	**34,560,399**
Liabilities					
Due to banks and other financial institutions	10	8,494,083	8,109,385	1,948,548	2,333,400
Bonds and commercial paper	11	20,951,063	21,606,439	20,951,063	21,606,439
Related party liabilities – securitisation trusts and subsidiary		-	-	8,026,384	7,028,868
Derivative financial instruments	17	656,575	194,311	765,802	244,434
Deferred tax liabilities	29	9,473	28,490	20,042	34,171
Other liabilities	24a	810,769	866,699	775,946	852,404
Contract liabilities	24b	170,912	152,565	170,912	152,565
Lease liabilities	27	32,908	38,097	32,908	38,097
Total liabilities		**31,125,783**	**30,995,986**	**32,691,605**	**32,290,378**
Net assets		**2,808,780**	**2,441,137**	**2,548,895**	**2,270,021**
Equity					
Contributed equity	14	120,000	120,000	120,000	120,000
Reserves	15	(7,574)	1,873	-	-
Retained earnings	16	2,696,354	2,319,264	2,428,895	2,150,021
Total equity		**2,808,780**	**2,441,137**	**2,548,895**	**2,270,021**

The above statements of financial position should be read in conjunction with the accompanying notes.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2026

Consolidated	Note	Contributed equity $'000	Reserves $'000	Retained earnings $'000	Total equity $'000
Balance at 1 April 2024		120,000	2,890	2,048,979	2,171,869
Profit for the year		-	-	359,867	359,867
Other comprehensive income	15	-	(1,017)	-	(1,017)
Total comprehensive income for the year		-	(1,017)	359,867	358,850
Dividend paid	16	-	-	(89,582)	(89,582)
Balance at 31 March 2025		**120,000**	**1,873**	**2,319,264**	**2,441,137**
Profit for the year		-	-	493,134	493,134
Other comprehensive income	15	-	(9,447)	-	(9,447)
Total comprehensive income for the year		-	(9,447)	493,134	483,687
Dividend paid	16	-	-	(116,044)	(116,044)
Balance at 31 March 2026		**120,000**	**(7,574)**	**2,696,354**	**2,808,780**

Company	Note	Contributed equity $'000	Reserves $'000	Retained earnings $'000	Total equity $'000
Balance at 1 April 2024		120,000	-	1,876,515	1,996,515
Profit for the year		-	-	363,088	363,088
Other comprehensive income	15	-	-	-	-
Total comprehensive income for the year		**-**	**-**	**363,088**	**363,088**
Dividend paid	16	-	-	(89,582)	(89,582)
Balance at 31 March 2025		**120,000**	-	**2,150,021**	**2,270,021**
Profit for the year		-	-	394,918	394,918
Other comprehensive income	15	-	-	-	-
Total comprehensive income for the year		-	-	394,918	394,918
Dividend paid	16	-	-	(116,044)	(116,044)
Balance at 31 March 2026		**120,000**	-	**2,428,895**	**2,548,895**

The above statements of changes in equity should be read in conjunction with the accompanying notes.

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

		Consolidated		Company	
		2026	2025	2026	2025
	Note	$'000	$'000	$'000	$'000
Cash flows from operating activities					
Net cash outflow from lending and finance leasing activities		(641,514)	(1,751,090)	(568,370)	(1,708,111)
Payment for acquisition of leased assets		(1,279,937)	(1,301,562)	(1,279,937)	(1,301,562)
Proceeds from disposal of lease assets		615,687	550,565	615,687	550,565
Net cash (outflow)/inflow on derivatives		(248,272)	42,341	(291,465)	(36,699)
Interest received		1,991,409	1,869,357	1,689,473	1,592,227
Interest paid		(1,204,846)	(1,225,430)	(1,322,772)	(1,233,335)
Other operating income received		851,429	765,551	1,200,615	1,040,289
Expenses paid		(337,216)	(282,315)	(296,491)	(235,957)
Income taxes (paid)		(255,272)	(10,025)	(255,272)	(10,025)
Net cash outflow from operating activities	22a	**(508,532)**	**(1,342,608)**	**(508,532)**	**(1,342,608)**
Cash flows from investing activities					
Payments for intangible assets		(29,055)	(18,868)	(29,055)	(18,868)
Payments for property, plant and equipment		(6,932)	(14,977)	(6,932)	(14,977)
Proceeds from sale of non-leased property, plant and equipment		5,865	9,646	5,865	9,646
Dividends received from associate		11,838	15,200	11,838	15,200
Net cash outflow from investing activities		**(18,284)**	**(8,999)**	**(18,284)**	**(8,999)**
Cash flows from financing activities					
Proceeds from borrowings		20,826,800	22,913,308	20,826,800	22,913,308
Repayments of borrowings		(20,086,730)	(22,746,017)	(20,086,730)	(22,746,017)
Principal lease payments		(5,864)	(5,384)	(5,864)	(5,384)
Dividends paid to parent		(116,044)	(89,582)	(116,044)	(89,582)
Net cash (outflow)/inflow from financing activities		**618,162**	**72,325**	**618,162**	**72,325**
Net increase/(decrease) in cash and cash equivalents		91,346	(1,279,282)	91,346	(1,279,282)
Cash and cash equivalents at beginning of period		1,790,763	3,070,045	1,790,763	3,070,045
Cash and cash equivalents at end of period	21	**1,882,109**	**1,790,763**	**1,882,109**	**1,790,763**

The above statements of cash flows should be read in conjunction with the accompanying notes.

BASIS OF PREPARATION

1. Corporate information

These financial statements cover Toyota Finance Australia Limited (hereinafter "the company" or "Company") and the entities it controlled (together referred to as the "consolidated entity" or "Consolidated") which includes:

- Toyota Finance Australia Limited
- Australian Alliance Automotive Finance Pty Limited
- Securitisation trust entities:
  - Southern Cross Toyota 2009-1 Trust
  - King Koala TFA 2012-1 Trust
  - Toyota Mobility 2025 Trust

On 30 April 2025, Toyota Mobility 2025 Trust was created to securitise loans and receivables of consolidated entity's term loans.

Toyota Finance Australia Limited is limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Toyota Finance Australia Limited
Level 7, 225 George Street, Sydney, 2000

A description of the nature of the consolidated entity's principal activities is included in the directors' report on page 2, which is not part of the financial statements.

The financial statements were authorised for issue by the directors on 25 June 2026. The company has the power to amend and reissue the financial statements.

2. Summary of material accounting policies

The material accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated entity is a for-profit entity for the purpose of preparing the financial statements.

From time to time, the consolidated entity may reclassify certain comparative financial information to conform with the presentation in the current year. No material reclassifications were made in the current year.

BASIS OF PREPARATION (continued)

2. Summary of material accounting policies (continued)

Compliance with International Financial Reporting Standards

The financial statements of the consolidated entity and company comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

New Australian Accounting Standards and amendments to Australian Accounting Standards and interpretations that are effective in the current financial year

The new standards and amendments to the existing standards that were mandatorily effective for the annual reporting period beginning on 1 April 2025 did not result in a material impact to the consolidated Entity's financial statements.

New accounting standards, amendments and interpretations that are not yet effective

(i) AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 was issued in June 2024 replacing AASB 101 Presentation of Financial Statements (AASB 101) and will be effective for the group from 1 April 2027. The standard has been issued to improve how entities communicate their results within their financial statements, with a particular focus on information about financial performance in the income statement. The key presentation and disclosure requirements are:

- The presentation of newly defined categories of income and expenses and subtotals in the income statement;
- The disclosure of management-defined performance measures; and
- Enhanced guidance on the grouping of information.

The Consolidated Entity will adopt the new standard from its mandatory effective date of 1 April 2027. As retrospective application is required, comparative information for the financial year ending 31 March 2028 will be restated in accordance with AASB 18.

(ii) Amendments to AASB 9 Financial Instruments and AASB 7 Financial instruments Disclosure

In August 2024, the AASB issued AASB 2024-2 to amend AASB 7 Financial Instruments: Disclosures (AASB 7) and AASB 9 Financial Instruments (AASB 9). AASB 2024-2 amends AASB 7 and AASB 9 in response to feedback from the International Accounting Standard Board's 2022 Post-implementation Review of the classification and measurement requirements in AASB 9 and the related requirements in AASB 7. The amendments are effective for reporting periods beginning on or after 1 January 2026, with earlier application permitted. An entity is required to apply the amendments retrospectively. The Consolidated Entity does not expect these amendments to have a material impact on its financial statements.

(iii) Other amendments made to existing standards

Other amendments to existing standards that are not mandatorily effective for the annual reporting period beginning on 1 April 2025 and have not been early adopted, are not likely to result in a material impact to the Consolidated Entity’s financial statements.

BASIS OF PREPARATION (continued)

2. Summary of material accounting policies (continued)

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through the statements of comprehensive income (derivatives).

Going concern

The directors consider that the consolidated entity has sufficient resources to meet all its obligations as and when they fall due. Therefore, the financial statements have been prepared on a going concern basis, which assumes that the consolidated entity will be able to realise its assets and discharge its liabilities in the normal course of business.

(b) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Toyota Finance Australia Limited as at 31 March 2026, and the results of all subsidiaries for the year then ended. Toyota Finance Australia Limited and its controlled entities together are referred to in the financial statements as the consolidated entity.

Subsidiaries are all entities (including structured entities) over which the company has control. The company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are deconsolidated from the date that the control ceases.

The acquisition method of accounting is used to account for business combinations by the company.

Intercompany transactions, balances, and unrealised gains on transactions between consolidated entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the company.

(ii) Associates

Associates are entities over which the consolidated entity has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. Investments in associates are accounted for in the company financial statements at cost less accumulated impairments.

The consolidated entity's share of its associates' post-acquisition profits or losses is recognised by the consolidated entity in the statements of comprehensive income, and its share of post-acquisition movements in reserves is recognised in "other comprehensive income". The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

Dividends received from associates are recognised in the consolidated financial statements as a reduction against the carrying amount of the investment. The company recognises dividends received or receivable from associates in the statements of comprehensive income.

BASIS OF PREPARATION (continued)

2. Summary of material accounting policies (continued)

(ii) Associates (continue)

When the consolidated entity's share of losses in an associate is equal to or exceeds its interest in the associate, including any other unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of its associate.

Unrealised gains on transactions between the consolidated entity and its associates are eliminated to the extent of the consolidated entity's interest in associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the consolidated entity are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated entity's financial statements are presented in Australian dollars, which is the company's functional and presentation currency.

On consolidation, the exchange differences arising from the translation of the net investment in the foreign entity from functional to presentation currency is recognised in "other comprehensive income".

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of comprehensive income.

Foreign exchange gains and losses that relate to borrowings are presented in the statements of comprehensive income, within "interest expense and similar charges". All other foreign exchange gains and losses are presented in the statements of comprehensive income on a net basis within "other revenue" or "other expenses".

(d) Rounding of amounts

The company is of a kind referred to in ASIC Legislative Instrument 2016/191 relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

(e) Prior year comparatives

Where relevant, comparatives in the consolidated entity's financial report have been restated to conform to the current year presentation.

RESULTS FOR THE YEAR

This section provides information and accounting policies on individual line items in the statements of comprehensive income, including:

- interest revenue and expense
- fee income on originated assets
- other revenue
- depreciation, write-off and amortisation
- income tax expense
- segment results

3. Financing revenue, expense and similar charges

	Consolidated		Company	
	2026	**2025**	**2026**	**2025**
	$'000	**$'000**	**$'000**	**$'000**
(a) Interest revenue and expense				
Interest revenue				
Interest revenue	2,133,434	2,068,645	1,801,044	1,759,419
Fee income recognised using the effective interest rate method	111,548	106,721	92,408	89,697
Fee expense recognised using the effective interest rate method	(293,412)	(280,705)	(245,501)	(235,602)
Total interest revenue	**1,951,570**	**1,894,661**	**1,647,951**	**1,613,514**
Interest expense and similar charges				
Interest expense	1,185,293	1,229,743	1,305,827	1,240,104
Net (gain)/loss on translation of foreign currency debt	(1,020,851)	677,177	(1,020,851)	677,177
Fair value loss/(gain) on derivative financial instruments at fair value through statements of comprehensive income	968,788	(651,882)	1,071,086	(595,448)
Transaction costs on borrowings	34,728	32,100	32,118	29,622
Interest on lease liabilities	1,798	1,942	1,798	1,942
Total interest expense and similar charges	**1,169,756**	**1,289,080**	**1,389,978**	**1,353,397**
(b) Fee income earned on originated assets				
Administration and management fee	65,238	62,639	56,320	54,695
Other fees	3,665	2,534	2,837	1,796
Total fee income	**68,903**	**65,173**	**59,157**	**56,491**

RESULTS FOR THE YEAR (continued)

3. Financing revenue, expense and similar charges (continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of direct sales costs and taxes.

The consolidated entity recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the consolidated entity, and specific criteria have been met. Revenue is recognised for the major business activities as follows:

(i) Term loans and term purchases

Interest income arising from term loans and term purchases is recognised over the period of the contract using the effective interest rate method. Interest income derived from term loans and term purchases is included in "interest revenue".

(ii) Leased assets where the consolidated entity is the lessor

(a) Finance leases

Interest income derived from finance leases is recognised over the period of the contract using the effective interest rate method. Interest income derived from finance leases is included in "interest revenue".

(b) Operating leases

Lease rental receivables on operating leases are recognised on a systematic basis over the effective lease term. Income derived from operating leases is included in "rental income on motor vehicles under operating lease". Operating leases have an average term of 49 months in the current period (2025: 49 months).

(iii) Fee income and expense

Fee income and expense are an integral part to the effective interest rate of the financial assets or liabilities and are included in the measurement of the effective interest rate (note 3a).

Revenue from administration and management fees is recognised over time, as the services are provided while other fees are recognised at the point in time when the transaction takes place.

RESULTS FOR THE YEAR (continued)

4. Other revenue

	Consolidated		Company	
	2026	**2025**	**2026**	**2025**
	$'000	**$'000**	**$'000**	**$'000**
Net gain on disposal of assets	320	1,275	320	1,275
Net insurance distribution revenue	26,421	23,917	25,074	22,500
Net maintenance revenue	31,293	27,344	31,293	27,344
Dividends from associates	-	-	11,838	15,200
Other income*	5,717	5,077	365,996	289,910
Total other revenue	**63,751**	**57,613**	**434,521**	**356,229**

Net insurance distribution revenue and net maintenance revenue are recognised as the related services are performed. Net maintenance revenue represents net income received for facilitating the provision of maintenance services on fleet contracts. The revenue is recognised as those services are provided. The consolidated entity acts as an agent and as such presents the revenue received net of associated costs in the statements of comprehensive income. Revenue received in advance of the services being provided is presented as a contract liability until such point as the services have been provided. Further information in relation to contract liabilities is presented in note 24b.

*Other income for the company includes residual income from the securitisation trusts amount to $360,280,000 as at 31 March 2026 (2025: $284,814,000).

RESULTS FOR THE YEAR (continued)

5. Depreciation, write-off and amortisation

	Consolidated		Company	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Profit before income tax includes the following specific expenses:				
Depreciation on property, plant and equipment				
Right-of-use assets	6,447	9,263	6,447	9,263
Leasehold improvements	1,708	2,248	1,708	2,248
Plant and equipment	511	446	511	446
Motor vehicles	3,818	2,804	3,818	2,804
Write-off on property, plant and equipment	-	199	-	199
Total depreciation and write-off	**12,484**	**14,960**	**12,484**	**14,960**
Amortisation				
Computer software development	20,281	27,652	20,281	27,652
Total amortisation	**20,281**	**27,652**	**20,281**	**27,652**
Total depreciation, write-off and amortisation	**32,765**	**42,612**	**32,765**	**42,612**

Assets that are subject to depreciation, write-off and amortisation are tested for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to resell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels, for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other asset groups (cash generating units).

Refer to notes 26 to 28 for further information on depreciation, write-off and amortisation

RESULTS FOR THE YEAR (continued)

6. Income tax expense

	Consolidated		Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Current tax	226,402	153,062	210,118	142,062
Deferred tax	(19,017)	(3,384)	(14,129)	(1,846)
Over provision in prior year	(940)	(121)	(940)	(121)
Income tax expense attributable to continuing operations	**206,445**	**149,557**	**195,049**	**140,095**
Deferred income tax expense included in income tax expense comprises:				
Increase in deferred tax assets	33,269	24,143	28,381	22,605
Increase in deferred tax liabilities	(14,252)	(20,759)	(14,252)	(20,759)
	19,017	**3,384**	**14,129**	**1,846**
Numerical reconciliation of income tax expense to prima facie tax payable:				
Profit from continuing operations before income tax expense	699,579	509,424	589,967	503,183
Prima facie tax payable/(receivable) @ 30%	**209,873**	**152,827**	**176,990**	**150,955**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
Tax on securitisation trusts' net income	-	-	21,057	(6,789)
Dividend income from associate	-	-	(3,552)	(4,560)
Share of net profit of associate	(3,982)	(3,759)	-	-
Sundry items	525	449	525	449
	206,416	**149,517**	**195,020**	**140,055**
Prior period adjustments	29	40	29	40
Income tax expense attributable to continuing operations	**206,445**	**149,557**	**195,049**	**140,095**
Numerical reconciliation of income tax expense to prima facie tax payable on other comprehensive income:				
Other comprehensive income	(9,447)	(1,017)	-	-
Prima facie tax (receivable)/payable @ 30%	**(2,834)**	**(305)**	-	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
Exchange differences on translation of foreign operations	**2,834**	**305**	-	-
	-	-	-	-

The income tax expense or credit for the period is the tax payable or receivable on the current period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

RESULTS FOR THE YEAR (continued)

6. Income tax expense (continued)

Deferred tax assets are recognised for deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences. Deferred tax assets relating to unused tax losses are recognised only to the extent that it is probable:

- Taxable profits of other members of the income tax consolidated group, to which the Australian members of the consolidated entity belong are, or will be, available to utilise against the losses either in the fiscal year or a future fiscal year; and/or
- Future taxable profits of the consolidated entity will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities, where the consolidated entity is able to control the timing of the reversal of the temporary differences, and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities, and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the consolidated entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in “other comprehensive income” or directly in “equity”. In this case, the tax is also recognised in “other comprehensive income” or directly in “equity”, respectively.

Tax consolidation legislation

The company and its wholly owned Australian controlled entities have implemented the tax consolidation legislation from 1 April 2003 in association with other Australian incorporated entities with common ownership.

On adoption of the income tax consolidation legislation, the entities in the income tax consolidated group entered into an income tax sharing agreement, as amended from time to time, which in the opinion of the directors, limits the joint and several liability for income tax of the consolidated entity in the case of a default by the head entity, Toyota Motor Corporation Australia Limited.

As a consequence, the consolidated entity is no longer subject to income tax and does not recognise any current tax balances in its own financial statements unless the head entity of the income tax consolidated group (Toyota Motor Corporation Australia Limited) is in default of its obligations, or a default is probable, under the tax consolidation legislation.

The consolidated entity has also entered into an income tax funding agreement, as amended from time to time, under which the consolidated entity fully compensates the head entity of the income tax consolidated group for any current income tax payable and is compensated by the head entity for any current income tax receivable. The funding amounts are determined by reference to the amounts recognised in the consolidated entity’s financial statements.

The amounts receivable or payable under the income tax funding agreement is due upon receipt of the funding advice from the head entity of the income tax consolidated group, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay income tax instalments.

Deferred tax balances are recognised in the consolidated entity financial statements in accordance with UIG 1052 Tax Consolidation Accounting. Amounts receivable or payable under a tax funding agreement with the head entity are recognised in accordance with the terms and conditions of the agreement as tax-related amounts receivable and payable.

RESULTS FOR THE YEAR (continued)

7. Segment results

Management has determined the operating segments based on reports reviewed by the board of directors that are used to make strategic decisions. It categorises the operations of the business into two main business streams – retail and fleet. Retail segment comprised of loans and leases to consumer and commercial customers, including wholesale finance consisting of loans and bailment facilities to motor vehicle dealerships. Fleet segment comprised of loans and leases to small businesses and fleet customers. Fleet customers include medium to large commercial clients and government bodies. The consolidated entity's business segments operate in Australia.

Consolidated		**31 March 2026**		
	Retail	**Fleet**	**Unallocated ***	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Interest revenue	1,677,574	203,429	70,567	1,951,570
Rental income under operating Lease	-	715,577	(10,879)	704,698
Interest (expenses)/income	(1,223,075)	(270,376)	323,695	(1,169,756)
Depreciation under operating lease	-	(533,222)	(15,702)	(548,924)
Fee income				
Fee income recognised over a period of time	46,623	18,615	-	65,238
Fee income/(expense) recognised at a point in time	4,459	(608)	(186)	3,665
Other revenue				
Other revenue recognised at a point in time	26,332	32,070	5,029	63,431
Net gain on disposal of assets	-	320	-	320
Proceeds from disposal of leased assets	-	615,687	-	615,687
Cost of lease assets	-	(517,742)	-	(517,742)
Net operating income	531,913	263,750	372,524	1,168,187
Total reporting segment operating profit	187,992	139,897	-	327,889

** Unallocated includes the activities undertaken by the centralised treasury and ancillary support functions.*

RESULTS FOR THE YEAR (continued)

7. Segment results (continued)

Consolidated	31 March 2025			
	Retail	Fleet	Unallocated *	Total
	$'000	$'000	$'000	$'000
Interest revenue	1,595,862	195,684	103,115	1,894,661
Rental income under operating Lease	-	639,491	(9,019)	630,472
Interest (expenses)/income	(1,132,464)	(246,843)	90,227	(1,289,080)
Depreciation under operating lease	-	(480,429)	(11,147)	(491,576)
Fee income				
Fee income recognised over a period of time	43,937	18,702	-	62,639
Fee income/(expense) recognised at a point in time	4,298	(1,685)	(79)	2,534
Other revenue				
Other revenue recognised at a point in time	24,184	28,281	3,873	56,338
Net gain on disposal of assets	-	126	1,149	1,275
Proceeds from disposal of leased assets	-	550,565	-	550,565
Cost of lease assets	-	(467,576)	-	(467,576)
Net operating income	535,817	236,316	178,119	950,252
Total reporting segment operating profit	176,823	110,822	-	287,645

	31 March 2026			
Assets	Retail	Fleet	Unallocated *	Total
	$'000	$'000	$'000	$'000
Segment assets	25,446,192	5,718,284	2,770,087	33,934,563

	31 March 2025			
Assets	Retail	Fleet	Unallocated *	Total
	$'000	$'000	$'000	$'000
Segment assets	24,793,378	5,658,577	2,985,168	33,437,123

** Unallocated includes the activities undertaken by the centralised treasury and ancillary support functions.*

RESULTS FOR THE YEAR (continued)

7. Segment results (continued)

The consolidated entity's segment operating profit reconciles to consolidated profit attributable to owners as presented in the financial statement as follows:

Consolidated	2026 $'000	2025 $'000
Total reporting segment operating profit	327,889	287,645
Share of net profits of associate accounted for using the equity method	13,275	12,531
Fair value gain	224,601	84,545
Other unallocated net income	133,814	124,703
Profit before income tax	**699,579**	**509,424**
Income tax expense	(206,445)	(149,557)
Profit attributable to owners of Toyota Finance Australia Limited	**493,134**	**359,867**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments has been identified as the board of directors.

LENDING

This section focuses on the lending assets of the consolidated entity. Further information is provided on the loans and receivables, and impairment relating to these financing assets.

8. Financing assets and motor vehicles under operating lease

(a) Loans and receivables

		Consolidated		Company	
	Note	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Finance leases		1,560,283	1,584,328	1,560,283	1,584,328
Unearned income on finance leases		(156,084)	(159,803)	(156,084)	(159,803)
Finance leases - net		**1,404,199**	**1,424,525**	**1,404,199**	**1,424,525**
Bailment stock		4,491,765	4,668,137	3,412,290	3,614,262
Term loans		22,208,956	21,413,933	18,923,151	18,137,327
Term purchases		481,719	550,224	481,719	550,224
Net loans and receivables (net of unearned income)		**28,586,639**	**28,056,819**	**24,221,359**	**23,726,338**
Provision for impairment of loans and receivables and GFV	9a & b	(219,450)	(190,630)	(185,020)	(172,635)
Net loans and receivables		**28,367,189**	**27,866,189**	**24,036,339**	**23,553,703**

LENDING (continued)

8. Financing assets and motor vehicles under operating lease

(a) Loans and receivables

	Consolidated		Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Maturity analysis (net of unearned income)				
Current				
Net loans and receivables maturing within 12 months	10,945,184	10,665,716	9,009,975	8,815,096
Non-current				
Net loans and receivables maturing beyond 12 months	17,641,455	17,391,103	15,211,384	14,911,242
	28,586,639	**28,056,819**	**24,221,359**	**23,726,338**

Future minimum lease receipts under finance leases

Consolidated and Company	**31 March 2026**			**31 March 2025**		
	Gross investment in finance lease receivables $'000	**Unearned income $'000**	**Present value of minimum lease payments receivables $'000**	**Gross investment in finance lease receivables $'000**	**Unearned income $'000**	**Present value of minimum lease payments receivables $'000**
Not later than one year	464,469	(63,985)	400,484	465,914	(63,344)	402,570
One to two years	407,659	(44,830)	362,829	400,376	(45,565)	354,811
Two to three years	325,191	(27,311)	297,880	331,807	(28,849)	302,958
Three to four years	228,962	(13,168)	215,794	241,589	(14,425)	227,164
Four to five years	88,313	(4,925)	83,388	94,909	(5,438)	89,471
Over five years	45,689	(1,865)	43,824	49,733	(2,182)	47,551
Total	**1,560,283**	**(156,084)**	**1,404,199**	**1,584,328**	**(159,803)**	**1,424,525**

Concentration of exposures

The majority of the consolidated entity's loans and receivables are provided to finance the purchase of motor vehicles or motor dealership assets.

Recognition and derecognition

Financing assets are recognised on transaction settlement date, which is the date the consolidated entity becomes party to an irrevocable financing arrangement. Financing assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through the statements of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred, and the consolidated entity has transferred substantially all the risks and rewards of ownership.

LENDING (continued)

8. Financing assets and motor vehicles under operating lease

Classification and subsequent measurement

Classification

Loans and receivables are classified at amortised cost based on the following factors:
- Their contractual terms give rise to cash flows on specified dates, that represents solely payments of principal and interest ("SPPI") on the principal amount outstanding; and
- They are held within a business model whose objective is achieved by holding them to collect contractual cash flows.

Solely Payments of Principal and Interest ("SPPI"): For the purpose of this assessment, principal is defined as the fair value of the financial asset on initial recognition. Interest is defined as consideration for the time value of money, the credit risk associated with the principal amount outstanding during a particular period of time, profit margin, and for other basic lending risks and costs (e.g. liquidity risk and administrative costs).

Business model: Factors considered by the consolidated entity in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed.

The consolidated entity classifies its financing assets into the following categories:

(i) Bailment stock

The consolidated entity provides dealer floor plan finance arrangements to motor dealers, under which vehicles are owned by the consolidated entity but held at the dealers' premises as bailment stock.

While the legal form of the transactions is that the vehicles are owned by the consolidated entity, the substance of the transactions is that of secured loans to the dealers. Accordingly, the balances are disclosed as part of "loans and receivables" in the statements of financial position.

(ii) Term loans

A term loan is a financing agreement in which the terms of the agreement substantially transfer the risk and rewards incidental to the ownership of an asset to the customer.

(iii) Term purchases

A term purchase is a financing agreement in which the terms of the agreement substantially transfer the risks and rewards incidental to ownership of an asset to the customer. Full legal ownership is transferred to the borrower on payment of final instalment.

(iv) Finance leases

A finance lease is a lease agreement in which the terms of the agreement substantially transfer the risks and rewards incidental to ownership of an asset from the lessor to the lessee. Unearned finance income is the portion of charges written into finance receivable agreements which will be earned in the future.

LENDING (continued)

8. Financing assets and motor vehicles under operating lease (continued)

Subsequent measurement

Loans and receivables are measured at amortised cost using the effective interest method. The effective interest method calculation includes the contractual terms of the loan, together with all fees and transaction costs.

Retail and wholesale finance receivables form part of the loans and receivables in the statements of financial position. Unearned income is brought to account over the life of the contracts on an effective interest method.

Modification

The consolidated entity sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the consolidated entity assesses whether the new terms are substantially different to the original terms by considering, among others, the following factors:

- if the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay;
- significant change of the loan term and/or interest rates when the borrower is not in financial difficulty; and
- insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan.

If the terms are substantially different, the consolidated entity derecognises the original financial asset, recognises a new asset at fair value and recalculates a new effective interest rate for the asset. If the terms are not substantially different, the renegotiation or modification does not result in derecognition.

Securitisation

Loans and receivables include a portion of the term loans and term purchases that have been transferred to securitisation trusts. As these transfers do not meet the derecognition criteria under AASB 9 Financial Instruments, the related loans continue to be recognised in the statement of financial position. AASB 10 Consolidated Financial Statements defines control when an investor is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The company bears control over the securitisation trusts requiring consolidation in the financial statements.

The company has no financial guarantee in relation to the securitisation of loans and receivables.

As at the end of the reporting period, the carrying amount of transferred assets held by the securitisation trusts was $8,026,384,000 (2025: $7,028,868,000).

LENDING (continued)

8. Financing assets and motor vehicles under operating lease (continued)

(b) Motor vehicles under operating lease

	Consolidated		Company	
	2026 $'000	**2025 $'000**	**2026 $'000**	**2025 $'000**
Operating lease - At cost	4,307,115	3,975,987	4,307,115	3,975,987
Provision for residual value impairment	(9,600)	(7,850)	(9,600)	(7,850)
Accumulated depreciation	(1,500,228)	(1,382,371)	(1,500,228)	(1,382,371)
Total motor vehicles under operating lease	**2,797,287**	**2,585,766**	**2,797,287**	**2,585,766**
Provision for non-credit impairment loss on motor vehicles under operating lease				
Opening balance	7,850	8,850	7,850	8,850
Increase/(decrease) in impairment provision	1,750	(1,000)	1,750	(1,000)
Closing balance	**9,600**	**7,850**	**9,600**	**7,850**
Non-credit impairment loss				
Write off	363	528	363	528
Increase/(decrease) in impairment provision	1,750	(1,000)	1,750	(1,000)
Total impairment loss/(reversal)	**2,113**	**(472)**	**2,113**	**(472)**
Future minimum lease receipts under operating leases				
Not later than one year	557,444	498,833	557,444	498,833
One to two years	347,301	307,227	347,301	307,227
Two to three years	232,776	214,888	232,776	214,888
Three to four years	123,336	114,551	123,336	114,551
Four to five years	52,530	48,165	52,530	48,165
Over five years	22,340	13,073	22,340	13,073
	1,335,727	**1,196,737**	**1,335,727**	**1,196,737**

LENDING (continued)

8. Financing assets and motor vehicles under operating lease (continued)

	Consolidated		Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Movements in cost, accumulated depreciation, and reserves				
Balance at beginning of period, net of impairment provision	2,585,766	2,242,356	2,585,766	2,242,356
Additions	1,279,937	1,301,562	1,279,937	1,301,562
Disposals	(517,742)	(467,576)	(517,742)	(467,576)
Depreciation expense	(548,924)	(491,576)	(548,924)	(491,576)
Impairment (provision)/reversal	(1,750)	1,000	(1,750)	1,000
Balance at end of period, net of impairment loss	**2,797,287**	**2,585,766**	**2,797,287**	**2,585,766**

At each reporting date, the consolidated entity reviews the difference between the carrying values of motor vehicles under operating lease and their value in use to determine whether there is any indication of impairment. Each leased asset or group of leased assets that generates cash inflows independently is considered a cash-generating unit for impairment testing. Income from motor vehicles under operating lease is part of the Fleet segment of the consolidated entity.

The value in use is based on estimated future cash flows, including rental income and the expected sales price of the motor vehicles after the lease term, discounted to present value using the consolidated entity's average debt cost. Rental income is the lease payments expected during the remaining life of the lease contract, based on the lease terms. The expected sale price is the contracted residual value of the motor vehicles, adjusted by the Resale Value Index forecast, which estimates future market value considering factors like market conditions and vehicle depreciation.

A provision for residual value impairment of $9,600,000 (2025: $7,850,000) is recognised as at balance sheet date.

Motor vehicles under operating leases are lease agreements with individuals and businesses, in which the terms of the lease agreement do not substantially transfer the risks and rewards incidental to ownership of an asset to the lessee.

Motor vehicles under operating lease is inclusive of the carrying value of vehicles which ceased to be rented and are held for sale which amounted to $51,587,000 as at 31 March 2026 (2025: $37,669,000) for the consolidated entity and company.

Assets held under operating leases are depreciated on a systematic basis over the term of the lease to its estimated residual value. Depreciation expense is included within financing expense and similar charges.

LENDING (continued)

9. Impairment of financing assets

	Consolidated		Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
(a) Provision for credit impairment of loans and receivables				
Opening balance	189,930	160,167	171,935	146,946
Increase in impairment loss provision	29,020	29,763	12,585	24,989
Closing balance	**218,950**	**189,930**	**184,520**	**171,935**
(b) Provision for Guaranteed Future Value				
Opening balance	700	700	700	700
Decrease in impairment loss provision	(200)	-	(200)	-
Closing balance	**500**	**700**	**500**	**700**
(c) Credit impairment loss				
Bad debts written off*	114,564	100,167	101,885	91,050
Recovery of bad debts written off	(30,037)	(33,429)	(27,024)	(31,866)
Increase in impairment loss provision	28,820	29,763	12,385	24,989
Total impairment loss	**113,347**	**96,501**	**87,246**	**84,173**

**Bad debts written off is reflected in changes in loss allowance.*

The contractual amount outstanding on financial assets that were written off during the year ended 31 March 2026 and that are still subject to enforcement activity was $100,689,000 (2025: $90,179,000) for the consolidated entity and $89,484,000 (2025: $81,766,000) by the company.

The loss allowance recognised in the period is impacted by a variety of factors, as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit impaired in the period, and the consequent "step up" (or "step down") between 12 month and lifetime expected credit losses ("ECL");
- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments derecognised during the period;
- Impact on the measurement of ECL due to changes in probability of default, exposure at default and loss given default during the period, arising from regular refreshing of inputs to models;
- Discounts unwind within ECL due to the passage of time, as ECL is measured on a present value basis; and
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

Retail, wholesale and fleet receivables are written off when there is no reasonable expectation of recovery of debt. Indicators that there is no reasonable expectation of recovery include, but are not limited to, the following:

- Failure of the debtor to engage with or enter a repayment plan with the consolidated entity; or
- The debtor has been placed under liquidation; or
- The debtor has entered bankruptcy proceedings, and the consolidated entity determines that the debtor does not have assets or sources of income that could generate sufficient cash flow to repay the amounts subject to write-offs.

Further information on the consolidated entity's financial risk management framework and credit risk can be found in note 20.

LENDING (continued)

9. Impairment of financing assets (continued)

The following tables explain the changes in the loss allowance between the beginning and the end of the annual period due to these factors.

General approach (Retail and Wholesale)

Consolidated	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
	$'000	$'000	$'000	$'000
Opening balance at 1 April 2024	76,212	41,771	18,640	136,623
Changes due to financial assets recognised in the opening balance:				
- Transfers between stages	2,446	(894)	(1,552)	-
- Remeasurement	(27,334)	15,261	97,689	85,616
Closing ECL of new financial assets originated	40,170	8,960	6,157	55,287
Financial assets derecognised during the period other than write-off	(10,705)	(5,173)	(2,620)	(18,498)
Write-off	-	-	(95,888)	(95,888)
Balance at 31 March 2025	**80,789**	**59,925**	**22,426**	**163,140**
Changes due to financial assets recognised in the opening balance:				
- Transfers between stages	8,340	(11,610)	3,270	-
- Remeasurement	(25,290)	15,550	113,560	103,820
Closing ECL of new financial assets originated	40,589	9,615	5,719	55,923
Financial assets derecognised during the period other than write-off	(12,234)	(8,817)	(2,249)	(23,300)
Write-off	-	-	(107,483)	(107,483)
Balance at 31 March 2026	**92,194**	**64,663**	**35,243**	**192,100**

LENDING (continued)

9. Impairment of financing assets (continued)

General approach (Retail and Wholesale)

Company	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
	$'000	$'000	$'000	$'000
Opening balance at 1 April 2024	67,619	38,423	17,360	123,402
Changes due to financial assets recognised in the opening balance:				
- Transfers between stages	2,330	(1,027)	(1,303)	-
- Remeasurement	(24,785)	13,145	88,492	76,852
Closing ECL of new financial assets originated	34,583	8,221	5,880	48,684
Financial assets derecognised during the period other than write-off	(9,756)	(4,829)	(2,436)	(17,021)
Write-off	-	-	(86,772)	(86,772)
Balance at 31 March 2025	**69,991**	**53,933**	**21,221**	**145,145**
Changes due to financial assets recognised in the opening balance:				
- Transfers between stages	5,753	(8,747)	2,994	-
- Remeasurement	(24,639)	5,200	99,020	79,581
Closing ECL of new financial assets originated	34,430	8,362	5,009	47,801
Financial assets derecognised during the period other than write-off	(10,095)	(7,887)	(2,071)	(20,053)
Write-off	-	-	(94,804)	(94,804)
Balance at 31 March 2026	**75,440**	**50,861**	**31,369**	**157,670**

LENDING (continued)

9. Impairment of financing assets (continued)

Simplified approach (Fleet)

Consolidated and Company	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
	$'000	$'000	$'000
Opening balance at 1 April 2024	22,203	1,341	23,544
Changes due to financial assets recognised in the opening balance:			
- Transfers between stages	68	(68)	-
- Remeasurement	(10,185)	4,340	(5,845)
Closing ECL of new financial assets originated	16,858	111	16,969
Financial assets derecognised during the period other than write-off	(3,286)	(313)	(3,599)
Write-off	-	(4,279)	(4,279)
Balance at 31 March 2025	**25,658**	**1,132**	**26,790**
Changes due to financial assets recognised in the opening balance:			
- Transfers between stages	290	(290)	-
- Remeasurement	(11,100)	7,295	(3,805)
Closing ECL of new financial assets originated	16,606	93	16,699
Financial assets derecognised during the period other than write-off	(5,400)	(353)	(5,753)
Write-off	-	(7,081)	(7,081)
Balance at 31 March 2026	**26,054**	**796**	**26,850**

LENDING (continued)

9. Impairment of financing assets (continued)

Reconciliation of the gross carrying amount of receivables for which provision is made are as below:

Retail and Wholesale receivables

Consolidated	**12-month ECL**	**Lifetime ECL not credit-impaired**	**Lifetime ECL credit-impaired**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Gross carrying amount at 1 April 2024	22,608,453	679,982	77,644	23,366,079
Changes due to financial assets recognised in the opening balance:				
- Transfers between stages	(712,087)	657,064	55,023	-
- Change in balance	(3,013,024)	(154,046)	53,579	(3,113,491)
Closing ECL of new financial assets originated	7,935,421	82,379	17,213	8,035,013
Financial assets derecognised during the period other than write-off	(3,137,948)	(85,875)	(10,671)	(3,234,494)
Write-off	-	-	(95,888)	(95,888)
Balance at 31 March 2025	**23,680,815**	**1,179,504**	**96,900**	**24,957,219**
Changes due to financial assets recognised in the opening balance:				
- Transfers between stages	(193,674)	90,310	103,364	-
- Change in balance	(3,117,596)	(191,252)	50,589	(3,258,259)
Closing ECL of new financial assets originated	7,708,702	116,054	15,948	7,840,704
Financial assets derecognised during the period other than write-off	(3,620,578)	(163,716)	(9,094)	(3,793,388)
Write-off	-	-	(107,483)	(107,483)
Balance at 31 March 2026	**24,457,669**	**1,030,900**	**150,224**	**25,638,793**

LENDING (continued)

9. Impairment of financing assets (continued)

Retail and Wholesale receivables

Company	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
	$'000	$'000	$'000	$'000
Gross carrying amount at 1 April 2024	18,715,046	612,108	69,067	19,396,221
Changes due to financial assets recognised in the opening balance:				
- Transfers between stages	(474,444)	422,829	51,615	-
- Change in balance	(2,594,156)	(158,773)	46,256	(2,706,673)
Closing ECL of new financial assets originated	6,858,286	62,307	16,486	6,937,079
Financial assets derecognised during the period other than write-off	(2,822,445)	(80,597)	(10,076)	(2,913,118)
Write-off	-	-	(86,771)	(86,771)
Balance at 31 March 2025	**19,682,287**	**857,874**	**86,577**	**20,626,738**
Changes due to financial assets recognised in the opening balance:				
- Transfers between stages	(243,013)	152,274	90,739	-
- Change in balance	(2,610,924)	(159,253)	43,024	(2,727,153)
Closing ECL of new financial assets originated	6,528,999	96,340	14,012	6,639,351
Financial assets derecognised during the period other than write-off	(3,022,619)	(139,593)	(8,407)	(3,170,619)
Write-off	-	-	(94,804)	(94,804)
Balance at 31 March 2026	**20,334,730**	**807,642**	**131,141**	**21,273,513**

LENDING (continued)

9. Impairment of financing assets (continued)

Fleet receivables

Consolidated and Company	Lifetime ECL not credit-impaired $'000	Lifetime ECL credit-impaired $'000	Total $'000
Gross carrying amount at 1 April 2024	2,981,443	22,843	3,004,286
Changes due to financial assets recognised in the opening balance:			
- Transfers between stages	(13,845)	13,845	-
- Change in balance	(538,545)	(5,147)	(543,692)
Closing ECL of new financial assets originated	1,327,051	1,564	1,328,615
Financial assets derecognised during the period other than write-off	(681,192)	(4,138)	(685,330)
Write-off	-	(4,279)	(4,279)
Balance at 31 March 2025	**3,074,912**	**24,688**	**3,099,600**
Changes due to financial assets recognised in the opening balance:			
- Transfers between stages	(3,957)	3,957	-
- Change in balance	(562,073)	(70)	(562,143)
Closing ECL of new financial assets originated	1,158,683	935	1,159,618
Financial assets derecognised during the period other than write-off	(736,561)	(5,587)	(742,148)
Write-off	-	(7,081)	(7,081)
Balance at 31 March 2026	**2,931,004**	**16,842**	**2,947,846**

Significant accounting estimate and judgement

The consolidated entity assesses, on a forward-looking basis, the ECL associated with its loan and receivable assets carried at amortised cost and recognises a loss allowance for such losses at each reporting date. The consolidated entity uses complex models and significant assumptions about future economic conditions and credit behaviour (e.g., the likelihood of customers defaulting and resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 20. A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- determining criteria for a significant increase in credit risk;
- choosing appropriate models and assumptions for the measurement of ECL; and
- establishing the number and relative weightings of forward-looking scenarios for each type of portfolio and the associated ECL.

LENDING (continued)

9. Impairment of financing assets (continued)

Measurement of expected credit loss

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, forecasts of future economic conditions, including the ongoing Ukraine crisis and Middle East conflict.

Additionally, further information on how the consolidated entity manages credit risk can be found in note 20.

FUNDING

In this section, the focus is on debt funding of the consolidated entity. Further information is provided on debt issuance and credit facilities available to manage liquidity risk.

10. Due to banks and other financial institutions

	Consolidated		Company	
	2026	**2025**	**2026**	**2025**
	$'000	**$'000**	**$'000**	**$'000**
Banks and other financial institutions	8,494,083	8,109,385	1,948,548	2,333,400
Total due to banks and other financial institutions	**8,494,083**	**8,109,385**	**1,948,548**	**2,333,400**
Maturity analysis				
Current				
Banks and other financial institutions	3,604,700	3,953,256	749,813	1,383,837
Non-current				
Banks and other financial institutions	4,889,383	4,156,129	1,198,735	949,563
	8,494,083	**8,109,385**	**1,948,548**	**2,333,400**

Included in the consolidated entity "due to banks and other financial institutions" is securitised debt representing the value of term loans held by external parties in the securitisation trusts. The securitisation trusts have issued interest-bearing notes to third parties amounted to $6,545,535,000 as at 31 March 2026 (2025: $5,775,985,000). The company holds the balance of the securitisation trusts of $1,480,849,000 as at 31 March 2026 (2025: $1,252,883,000). Loans and receivables amounting to $8,026,384,000 as at 31 March 2026 (2025: $7,028,868,000) are pledged as collateral for the senior notes under securitisation. Contractual maturities of the securitised debt are 20 October 2031, 22 March 2032 and 21 November 2033. Rates for these are reset with a monthly variable interest rate.

The interest payable on the secured notes as at 31 March 2026 amounted to $10,422,000 (2025: $9,969,000) and is included in "accrued interest payable".

FUNDING (continued)

11. Bonds and commercial paper

	Consolidated		Company	
	2026	**2025**	**2026**	**2025**
	$'000	**$'000**	**$'000**	**$'000**
Commercial paper	4,512,094	4,572,650	4,512,094	4,572,650
Medium-term notes	16,438,969	17,033,789	16,438,969	17,033,789
Total bonds and commercial paper	**20,951,063**	**21,606,439**	**20,951,063**	**21,606,439**
Maturity analysis				
Current				
Bonds and commercial paper	9,409,606	7,405,408	9,409,606	7,405,408
Non-current				
Bonds and commercial paper	11,541,457	14,201,031	11,541,457	14,201,031
	20,951,063	**21,606,439**	**20,951,063**	**21,606,439**

Bonds and commercial paper are initially recognised at fair value, net of transaction costs incurred, and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the bonds or commercial paper using the effective interest method.

Transaction costs that are directly attributable to the acquisition or issue of a financial liability are included in the initial recognition of the financial instruments.

Holders of any outstanding bonds, debentures, notes, other investment securities and commercial paper summarised in the tables above have the benefit of Credit Support Agreements governed by Japanese law. These agreements are between Toyota Motor Corporation (“TMC”) and Toyota Financial Services Corporation (“TFSC”) dated 14 July 2000, and between TFSC and the company dated 7 August 2000.

12. Securitisation and transferred assets

In the normal course of business, the consolidated entity enters into transactions by which it transfers financial assets to securitisation trusts. Term loans securitised under the consolidated entity securitisation programs are equitably assigned to bankruptcy remote securitisation trusts. The company is entitled to any residual income of the securitisation program after all payments due to investors have been met. In addition, where derivatives are transacted between the securitisation trusts and the company, such that the company retains exposure to the variability in cash flows from the transferred term loans, the loans will continue to be recognised on the company’s statement of financial position. The investors have full recourse only to the term loans segregated into the securitisation trusts.

FUNDING (continued)

12. Securitisation and transferred assets (continued)

The consolidated entity and company have obtained no financial guarantee in relation to the securitisation of loans and receivables.

	Consolidated		Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Carrying amount of transferred assets	8,026,384	7,028,868	6,784,163	6,074,789
Carrying amount of associated liabilities	6,545,535	5,775,985	6,784,163	6,074,789
Net position for carrying amount	**1,480,849**	**1,252,883**	-	-
Fair value of transferred assets	8,169,362	7,137,312	6,898,104	6,162,203
Fair value of associated liabilities	6,617,245	5,850,100	6,898,104	6,162,203
Net position for fair value amount	**1,552,117**	**1,287,212**	-	-

13. Credit facilities

	Consolidated		Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Amount available:				
Bonds, commercial paper, term loans and other short-term borrowings	43,636,322	44,766,544	43,636,322	44,766,544
Bank overdraft	15,000	15,000	15,000	15,000
Securitisation				
-Senior note	8,940,000	6,440,000	-	-
Loan from securitisation trusts**	-	-	9,720,280	7,178,921
Amount utilised:				
Bonds, commercial paper, term loans and other short-term borrowings	22,984,716	24,049,931	22,984,716	24,049,931
Bank overdraft	-	-	-	-
Securitisation				
-Senior note	6,545,535	5,775,985	-	-
Loan from securitisation trusts	-	-	6,784,163	6,074,789
Amount not utilised:				
Bonds, commercial paper, term loans and other short-term borrowings	20,651,606	20,716,613	20,651,606	20,716,613
Bank overdraft	15,000	15,000	15,000	15,000
Securitisation				
-Senior note	2,394,465	664,015	-	-
Loan from securitisation trusts**	-	-	2,936,117	1,104,132

**Shared facility with subsidiary

FUNDING (continued)

13. Credit facilities (continued)

Medium-term note, commercial paper programs, term loans and other short-term borrowings

Medium-term notes and commercial paper programs allow the company to issue medium-term notes and commercial paper in either Australian or overseas markets up to a total of $35,263,743,000 (2025: $36,028,645,000).

The consolidated entity has access to $3,050,000,000 (2025: $3,385,000,000) of uncommitted facilities and $300,000,000 (2025: nil) of committed facilities from various banks. The company also has a $1,456,664,000 (2025: $1,595,024,000) facility available with Toyota Motor Credit Corporation and a $3,565,914,000 (2025: $3,757,875,000) committed facility available as part of Toyota Group Master Credit Facility as at 31 March 2026.

Credit support agreements

Holders of debt securities issued by the company may have the benefit of Credit Support Agreements governed by Japanese law; one between TMC and TFSC dated 14 July 2000, and the other between TFSC and the company dated 7 August 2000 (together, the “Credit Support Agreements”).

Holders of such securities will have the right to claim directly against TFSC and TMC to perform their respective obligations under the Credit Support Agreements, by making a written claim together with a declaration to the effect that the holder will have recourse to rights given under the Credit Support Agreements. If TFSC and/or TMC receive such a claim from any holder of such securities, TFSC and/or TMC shall indemnify, without any further action or formality, the holder against any loss or damage resulting from the failure of TFSC and/or TMC to perform any of their respective obligations under the Credit Support Agreements. The holder of such securities who made the claim may then enforce the indemnity directly against TFSC and/or TMC.

In consideration for the Credit Support Agreements, a Credit Support Fee Agreement was entered into between TFSC and the company as at 30 March 2001. The Credit Support Fee Agreement provides that the company will pay to TFSC a fee equivalent to a percentage of the weighted average outstanding amount of the company’s medium-term notes and commercial paper that have the benefit of the Credit Support Agreements.

The directors are not aware of any instances of a written claim and declaration under the terms of the Credit Support Agreements, in connection with the company’s outstanding medium-term notes and commercial paper.

Master credit facility

364-Day Credit Agreement, Three-Year Credit Agreement and Five-Year Credit Agreement

The master credit facility between the company and other Toyota affiliates was renegotiated in November 2025, in which a US$5.0 billion 364-day syndicated bank credit facility, originally set to expire in November 2025, was renewed until November 2026. The US$5.0 billion three-year syndicated bank credit facility and the US$5.0 billion five-year syndicated bank credit facility, originally set to expire in November 2027 and 2029, were renewed until November 2028 and 2030, respectively.

The ability to make drawdowns is subject to covenants and conditions customary in transactions of this nature, including negative pledge provisions, cross-default provisions and limitations on certain consolidations, mergers, and sales of assets. These agreements may be used for general corporate purposes, and none was drawn upon as of 31 March 2026. The company is in compliance with the covenants and conditions of the credit agreements described above.

Bank overdraft

The bank overdraft is an unsecured $15,000,000 facility as at 31 March 2026 (2025: $15,000,000). Interest is charged at prevailing market rates. The bank overdraft is payable on demand and subject to annual review.

CAPITAL MANAGEMENT

This section covers the capital structure of the consolidated entity.

14. Contributed equity

Consolidated and Company	**2026**	**2025**
	$'000	**$'000**
Contributed equity	120,000	120,000

At 31 March 2026, there were 120,000,000 ordinary shares fully paid.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the consolidated entity in proportion to the number of and amounts paid on the shares held.

On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote and, upon a poll, each share is entitled to one vote.

15. Reserves

	Consolidated		**Company**	
	2026 $'000	**2025 $'000**	**2026 $'000**	**2025 $'000**
Foreign currency translation reserve				
Balance at 1 April	1,873	2,890	-	-
Net exchange differences on translation of foreign operations	(9,447)	(1,017)	-	-
Balance at 31 March	**(7,574)**	**1,873**	**-**	**-**

Foreign currency translation reserve

Exchange differences arising on translation of investments accounted for using the equity method is taken to the foreign currency translation reserve. The reserve is subsequently recognised in the statements of comprehensive income when the net investment is disposed of.

CAPITAL MANAGEMENT (continued)

16. Retained earnings

	Consolidated		Company	
	2026 $'000	**2025 $'000**	**2026 $'000**	**2025 $'000**
Balance at 1 April	2,319,264	2,048,979	2,150,021	1,876,515
Profit attributable to owners of Toyota Finance Australia Limited	493,134	359,867	394,918	363,088
Dividend paid	(116,044)	(89,582)	(116,044)	(89,582)
Balance at 31 March	**2,696,354**	**2,319,264**	**2,428,895**	**2,150,021**
Dividends				
Fully franked dividends totalling 96.70 cents per fully paid share paid in year ended 31 March 2026 (31 March 2025: 74.65 cents per share)	116,044	89,582	116,044	89,582
Total dividends paid	**116,044**	**89,582**	**116,044**	**89,582**

Under the income tax consolidation regime, the franking account balance of the company as at 1 April 2003 was permanently transferred to the head entity of the consolidated tax group. The company ceases to have a franking account during the time it remains a member of the consolidated group.

The income tax consolidation rules do permit the company to pay a franked dividend to its shareholder with the head entity's franking account bearing a reduction for the franking credit attached to the dividend. Dividends paid during the year ended 31 March 2026 were fully franked.

Dividends not recognised at the end of the reporting period

Since the end of the financial year the directors have recommended the payment of a final fully franked dividend of $1.20 per fully paid ordinary share (2025: 86.83 cents). The amount of the proposed dividend expected to be paid on or before 30 June 2026 out of retained earnings as at 31 March 2026, but not recognised as a liability at year end, is $143,958,000 (2025: $104,201,000).

FINANCIAL INSTRUMENTS AND RISK

This section covers the financial instruments held by the consolidated entity and company including derivative and non-derivative financial instruments and financial risk management information.

17. Derivative financial instruments

	Consolidated		Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Assets				
Interest rate swap contracts	268,890	88,992	268,890	88,992
Cross currency swap contracts	141,583	690,696	141,583	690,696
Forward foreign exchange contracts	13,989	118,194	13,989	118,194
Derivative financial instrument assets	**424,462**	**897,882**	**424,462**	**897,882**
Less: Bilateral credit valuation adjustments	(1,125)	(5,724)	(1,125)	(5,724)
Total derivative financial instrument assets - measured at fair value	**423,337**	**892,158**	**423,337**	**892,158**
Liabilities				
Interest rate swap contracts	48,528	99,572	157,755	149,695
Cross currency swap contracts	488,128	84,604	488,128	84,604
Forward foreign exchange contracts	119,919	10,135	119,919	10,135
Total derivative financial instrument liabilities - measured at fair value	**656,575**	**194,311**	**765,802**	**244,434**
Current derivative financial instruments				
Derivative financial assets - Current	111,875	306,681	111,875	306,681
Derivative financial liabilities - Current	187,951	14,430	187,951	14,430
Non-current derivative financial instruments				
Derivative financial assets - Non-current	311,462	585,477	311,462	585,477
Derivative financial liabilities - Non-current	468,624	179,881	577,851	230,004

Measurement

The consolidated entity uses derivatives not designated in a qualifying hedging relationship, to manage its exposure to foreign currency and interest rate risks. Derivative financial assets and liabilities are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Consequently, changes in the fair value of derivatives are recognised immediately in the statements of comprehensive income as “interest expense and similar charges”. This may, to the extent that they are not offset by the translation of the items economically hedged, introduce volatility in the consolidated entity’s statements of comprehensive income and produce anomalous results.

Fair value estimation

The fair value of the financial instruments that are not traded in an active market (over-the-counter derivatives) is determined using valuation techniques. The fair value of interest rate swaps and cross currency swaps is calculated as the present value of the estimated future cash flows. The fair value of foreign exchange contracts is determined using the forward exchange rates at the end of the reporting period.

FINANCIAL INSTRUMENTS AND RISK (continued)

17. Derivative financial instruments (continued)

The following market inputs and methods are used to determine fair values of financial instruments:

- Market mid rates, being the average of bid and ask prices, for interest and foreign exchange rates;
- Market rates are captured at Tokyo close on the last business day of the preceding month;
- Cash flows for interest rate and cross currency swaps are discounted at risk free rates known as overnight index swap rates;
- For variable interest rate instruments, future interest rate sets are estimated from interest rate swap curve of the same currency and interest rate period; and
- Forward revaluation approach is used for foreign exchange contracts, whereby:
  - forward exchange rates are determined by combining spot exchange rates and forward points; and
  - forward exchange rates are then used to convert foreign currency cash flows to the reporting currency to determine the value on settlement date, without discounting back to the valuation date.

Bilateral credit valuation adjustments

The credit valuation adjustment is an adjustment to the fair value of the derivative instruments to account for the counterparty credit risk. It is the credit spreads of both the consolidated entity and the counterparty, together with market factors, that drive the bilateral credit valuation adjustments.

Accounting estimates

The consolidated entity applies accounting estimates and assumptions to make reasonable judgements on carrying amounts of assets and liabilities. One area that involves some level of estimates or complexity of assumptions is derivative financial instruments.

Fair value hierarchy

The table below analyses financial instruments carried at fair values, by valuation method. The different levels are defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3: inputs for the asset or liability that are not based on observable market data.

The consolidated entity's financial instruments that are measured and recognised at fair value are derivative assets and derivative liabilities used for hedging (i.e., interest rate swaps, cross currency swaps and forward exchange contracts). While these instruments are used for economic hedging, the consolidated entity does not apply hedge accounting.

FINANCIAL INSTRUMENTS AND RISK (continued)

17. Derivative financial instruments (continued)

Consolidated 31 March 2026	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Derivative financial assets through statements of comprehensive income				
Derivatives used for economic hedging				
Foreign exchange contracts	-	13,989	-	13,989
Interest rate swap contracts	-	268,890	-	268,890
Cross currency swap contracts	-	141,583	-	141,583
Less: Bilateral credit valuation adjustments	-	(1,125)	-	(1,125)
Total financial assets	-	**423,337**	-	**423,337**
Derivative financial liabilities through statements of comprehensive income				
Derivatives used for economic hedging				
Foreign exchange contracts	-	119,919	-	119,919
Interest rate swap contracts	-	48,528	-	48,528
Cross currency swap contracts	-	488,128	-	488,128
Total financial liabilities	-	**656,575**	-	**656,575**

Company 31 March 2026	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Derivative financial assets through statements of comprehensive income				
Derivatives used for economic hedging				
Foreign exchange contracts	-	13,989	-	13,989
Interest rate swap contracts	-	268,890	-	268,890
Cross currency swap contracts	-	141,583	-	141,583
Less: Bilateral credit valuation adjustments	-	(1,125)	-	(1,125)
Total financial assets	-	**423,337**	-	**423,337**
Derivative financial liabilities through statements of comprehensive income				
Derivatives used for economic hedging				
Foreign exchange contracts	-	119,919	-	119,919
Interest rate swap contracts	-	157,755	-	157,755
Cross currency swap contracts	-	488,128	-	488,128
Total financial liabilities	-	**765,802**	-	**765,802**

FINANCIAL INSTRUMENTS AND RISK (continued)

17. Derivative financial instruments (continued)

Consolidated 31 March 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Derivative financial assets through statements of comprehensive income				
Derivatives used for economic hedging				
Foreign exchange contracts	-	118,194	-	118,194
Interest rate swap contracts	-	88,992	-	88,992
Cross currency swap contracts	-	690,696	-	690,696
Less: Bilateral credit valuation adjustments	-	(5,724)	-	(5,724)
Total financial assets	-	**892,158**	-	**892,158**
Derivative financial liabilities through statements of comprehensive income				
Derivatives used for economic hedging				
Foreign exchange contracts	-	10,135	-	10,135
Interest rate swap contracts	-	99,572	-	99,572
Cross currency swap contracts	-	84,604	-	84,604
Total financial liabilities	-	**194,311**	-	**194,311**

Company 31 March 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Derivative financial assets through statements of comprehensive income				
Derivatives used for economic hedging				
Foreign exchange contracts	-	118,194	-	118,194
Interest rate swap contracts	-	88,992	-	88,992
Cross currency swap contracts	-	690,696	-	690,696
Less: Bilateral credit valuation adjustments	-	(5,724)	-	(5,724)
Total financial assets	-	**892,158**	-	**892,158**
Derivative financial liabilities through statements of comprehensive income				
Derivatives used for economic hedging				
Foreign exchange contracts	-	10,135	-	10,135
Interest rate swap contracts	-	149,695	-	149,695
Cross currency swap contracts	-	84,604	-	84,604
Total financial liabilities	-	**244,434**	-	**244,434**

FINANCIAL INSTRUMENTS AND RISK (continued)

18. Non-derivative financial instruments

Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. Estimated discounted cash flows are used to determine fair value for financial instruments.

The table below summarises the carrying amounts and the fair values of those financial assets and liabilities not presented on the statements of financial position at fair value.

Consolidated	31 March 2026		31 March 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
	$'000	$'000	$'000	$'000
Financial assets				
Loans and receivables	28,367,189	28,378,107	27,866,189	28,147,931
	28,367,189	28,378,107	27,866,189	28,147,931
Financial liabilities				
Due to banks and other financial institutions	8,494,083	8,601,951	8,109,385	8,225,680
Bonds and commercial paper	20,951,063	21,191,574	21,606,439	21,991,936
	29,445,146	**29,793,525**	**29,715,824**	**30,217,616**

Company	31 March 2026		31 March 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
	$'000	$'000	$'000	$'000
Financial assets				
Loans and receivables	24,036,339	24,015,629	23,553,703	24,054,074
	24,036,339	24,015,629	23,553,703	24,054,074
Financial liabilities				
Due to banks and other financial institutions	1,948,548	1,984,705	2,333,400	2,375,580
Bonds and commercial paper	20,951,063	21,191,574	21,606,439	21,991,936
	22,899,611	**23,176,279**	**23,939,839**	**24,367,516**

The carrying amounts of cash and cash equivalents, trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of the loans and receivables is estimated at portfolio level by discounting the contractual cash flows using current lending rates. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the consolidated entity for similar financial instruments. All the non-derivative financial assets and liabilities are level 2 as per the valuation hierarchy, with the exception of securitised debt under “due to banks and other financial institutions” and loans and receivables which is classified as level 3.

FINANCIAL INSTRUMENTS AND RISK (continued)

19. Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset, and the net amount reported in the statements of financial position where the consolidated entity currently has a legally enforceable right to offset the recognised amounts, and there is intention to settle on a net basis or realise the asset and settle the liability simultaneously. The consolidated entity has also entered into arrangements that does not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as ratings downgrade or event of default.

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements but not offset, as at 31 March 2026. The column 'net amount' shows the impact on the statements of financial position if set-off rights were exercised.

Consolidated	**Effects of offsetting on the statement of financial position**			**Related amounts not offset**		
	Gross amounts	**Gross amounts set off in the statement of financial position**	**Amounts presented in the statement of financial position**	**Amounts subject to master netting arrangements**	**Cash collateral**	**Net amount**
2026	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial assets						
Derivative financial instruments (b)	423,337	-	423,337	(322,640)	(99,300)	1,397
Other assets (a)	320,034	(69,193)	250,841	-	(156,900)	93,941
Total	**743,371**	**(69,193)**	**674,178**	**(322,640)**	**(256,200)**	**95,338**
Financial liabilities						
Derivative financial instruments (b)	656,575	-	656,575	(322,640)	(156,900)	177,035
Other liabilities (a)	879,962	(69,193)	810,769	-	(99,300)	711,469
Total	**1,536,537**	**(69,193)**	**1,467,344**	**(322,640)**	**(256,200)**	**888,504**

FINANCIAL INSTRUMENTS AND RISK (continued)

19. Offsetting financial assets and financial liabilities (continued)

Company	Effects of offsetting on the statement of financial position			Related amounts not offset		
	Gross amounts	Gross amounts set off in the statement of financial position	Amounts presented in the statement of financial position	Amounts subject to master netting arrangements	Cash collateral	Net amount
2026	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets						
Derivative financial instruments (b)	423,337	-	423,337	(322,640)	(99,300)	1,397
Other assets (a)	6,040,867	(53,030)	5,987,837	-	(156,900)	5,830,937
Total	**6,464,204**	**(53,030)**	**6,411,174**	**(322,640)**	**(256,200)**	**5,832,334**
Financial liabilities						
Derivative financial instruments (b)	765,802	-	765,802	(322,640)	(156,900)	286,262
Other liabilities (a)	828,976	(53,030)	775,946	-	(99,300)	676,646
Total	**1,594,778**	**(53,030)**	**1,541,748**	**(322,640)**	**(256,200)**	**962,908**

Consolidated	Effects of offsetting on the statement of financial position			Related amounts not offset		
	Gross amounts	Gross amounts set off in the statement of financial position	Amounts presented in the statement of financial position	Amounts subject to master netting arrangements	Cash collateral	Net amount
2025	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets						
Derivative financial instruments (b)	892,158	-	892,158	(194,311)	(159,500)	538,347
Other assets (a)	144,652	(65,705)	78,947	-	(6,600)	72,347
Total	**1,036,810**	**(65,705)**	**971,105**	**(194,311)**	**(166,100)**	**610,694**
Financial liabilities						
Derivative financial instruments (b)	194,311	-	194,311	(194,311)	(6,600)	(6,600)
Other liabilities (a)	932,404	(65,705)	866,699	-	(159,500)	707,199
Total	**1,126,715**	**(65,705)**	**1,061,010**	**(194,311)**	**(166,100)**	**700,599**

FINANCIAL INSTRUMENTS AND RISK (continued)

19. Offsetting financial assets and financial liabilities (continued)

Company	Effects of offsetting on the statement of financial position			Related amounts not offset		
	Gross amounts	Gross amounts set off in the statement of financial position	Amounts presented in the statement of financial position	Amounts subject to master netting arrangements	Cash collateral	Net amount
2025	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial assets						
Derivative financial instruments (b)	892,158	-	892,158	(194,311)	(159,500)	538,347
Other assets (a)	5,671,287	(48,359)	5,622,928	-	(6,600)	5,616,328
Total	**6,563,445**	**(48,359)**	**6,515,086**	**(194,311)**	**(166,100)**	**6,154,675**
Financial liabilities						
Derivative financial instruments (b)	244,434	-	244,434	(194,311)	(6,600)	43,523
Other liabilities (a)	900,763	(48,359)	852,404	-	(159,500)	692,904
Total	**1,145,197**	**(48,359)**	**1,096,838**	**(194,311)**	**(166,100)**	**736,427**

(a) Offsetting arrangements

Other assets and other liabilities

On the wholesale dealer statements, monthly financing and other receivables from dealerships are offset against monthly commissions and other payables to dealerships. The amounts are settled and presented net in the statements of financial position.

(b) Master netting arrangements and set-off arrangements – not currently enforceable

Derivative transactions with counterparties are covered by the International Swaps and Derivatives Association agreements, whereas term loans, term deposits and cash deposits are covered by standard agreements. Under the terms of these arrangements, upon an event of default, a ratings downgrade to a certain level or an early termination event, the net amount owing to, or receivable from, a counterparty in the same currency will be taken as due and the arrangement will be terminated. Since no such event subsists and the consolidated entity has no other legally enforceable right of set-off, these amounts have not been set off in the statements of financial position but have been presented separately in the table above. Collateral may be posted daily in respect of certain derivatives transacted with any counterparty covered by a credit support annex for variation margin agreements.

FINANCIAL INSTRUMENTS AND RISK (continued)

20. Financial risk management

The consolidated entity's activities expose it to a variety of financial risks, such as market risk (including currency risk and interest rate risk), credit risk, liquidity risk and residual value risk. The consolidated entity's overall risk management program focuses on the unpredictability of the financial markets and used vehicle markets and seeks to manage potential adverse effects on the financial performance of the consolidated entity.

The consolidated entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. Derivative financial instruments are used to manage the consolidated entity's exposure to currency risk and interest rate risk. The residual value risk of the consolidated entity arises mainly from receivables under operating lease and loans with guaranteed future value.

Risk management is overseen by various committees and departments based on charters approved by the senior executive team ("SET") in accordance with the Enterprise Risk Management framework. These include:

Enterprise Risk Management Committee

The Enterprise Risk Management Committee's purpose is to drive an appropriate risk culture by defining and overseeing the risk appetite for key enterprise risks determined and set by the Board of Directors.

Asset and Liability Committee

The Asset and Liability Committee's (ALCO) purpose is to:

- Oversee the management of the Company's assets and liabilities. The key financial risks managed by ALCO are liquidity risk, market risk, and counterparty credit risk; and,
- ALCO also serves as the Hedging Committee as defined in the TFSC Treasury Risk Management Guidelines.

Pricing Committee

The Pricing Committee's purpose is to:

- Provide an oversight to ensure the consolidated entity is executing Pricing Strategy in line with the Governance Frameworks; and,
- Set the benchmark prices for the consolidated entity products.

Credit Risk Committees

The credit risk committees comprise of the Retail Credit Committee and the Commercial Credit Risk Committee.
The Retail Credit Committee's purpose is to manage retail credit risk (including application fraud) in line with the risk appetite set by the Board of Directors. The Retail Credit Committee provides regular and timely updates to the SET.

The Commercial Credit Risk Committee's purpose is to manage wholesale and commercial credit risk as they relate to dealer and fleet products.

Both the Retail Credit Committee and Commercial Credit Risk Committee play a key role in setting and fostering the credit risk culture of the consolidated entity and is a key component of the Enterprise Risk Management framework.

FINANCIAL INSTRUMENTS AND RISK (continued)

20. Financial risk management (continued)

Asset Risk Committee

The Asset Risk Committee's purpose is to:

- act independently to set operating lease residual values at no greater than the forecast break-even position to ensure the consolidated entity is protected from future residual value losses;
- act independently to set guaranteed future values at no greater than the forecast break-even position to ensure the consolidated entity is protected from future guaranteed future value losses; and
- provide regular and timely updates to the SET.

Audit Committee

The Audit Committee's purpose is to assist the Board of Directors and management in fulfilling its oversight responsibilities for the integrity of the financial statements, systems of internal control, effectiveness, and efficiency of audit activities, as well as ensuring an open and ongoing communication between the committee, board, management, internal audit and external audit.

Compliance Committee

The Compliance Committee's purpose is to uphold the brand, reputation, and values of the consolidated entity by ensuring the business and its employees comply with all applicable laws, codes, regulations and license requirements. The Compliance Committee also provides regular and timely updates to the SET.

Climate Committee

The role of the Climate Committee is to provide targeted strategic and operational management and oversight of environmental issues informing our enterprise strategies aligned with the principles set out in the Impact Policy.

Internal Audit

Internal Audit provides independent, objective assurance and consulting services to the Board of Directors and the Audit Committee.

The purpose of internal audit is to:

- assist the consolidated entity in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes;
- carries out reviews based on the approved plan and reports its activities to the Audit Committee; and
- enhance and protect the organisational value by providing risk-based and objective assurance, advice, and insight.

(a) Market risk

(i) Foreign exchange risk

The consolidated entity operates in international capital markets to obtain debt funding to support its earning assets. Transactions may be denominated in foreign currencies, exposing the consolidated entity to foreign exchange risk arising from various currency exposures.

Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the consolidated entity's functional currency and net investments in foreign operations. The risk is measured using debt maturity analysis. Management has set up a policy requiring the consolidated entity to manage its foreign exchange risk against its functional currency. The consolidated entity is required to economically hedge 100% of its foreign exchange risk at the time of debt issuances. Derivative financial instruments are entered into by the consolidated entity to hedge its exposure to foreign currency risk, including:

FINANCIAL INSTRUMENTS AND RISK (continued)

20. Financial risk management (continued)

- Forward exchange contracts to hedge the foreign currency risk arising on the issue of commercial paper in foreign currencies and affiliated entity loan; and
- Cross currency swaps to manage the foreign currency and interest rate risk associated with foreign currency denominated medium-term notes, bank loans and commercial paper.

The consolidated entity's net exposure to foreign currency risk at the end of the reporting period ended 31 March 2026 is immaterial. There has been no change in this position when compared to the reporting period ended 31 March 2025.

(ii) Cash flow and fair value interest rate risk

Cash flow and fair value interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The consolidated entity is exposed to the effects of fluctuations in the prevailing levels of market interest rates, as it borrows and lend funds at both floating and fixed interest rates.

Derivative financial instruments are entered into by the consolidated entity to economically hedge its exposure to cash flow and fair value interest rate risk, including:

- Fixed-to-floating interest rate swaps to manage the interest rate risk generated by the consolidated entity's earning assets. Such interest rate swaps have the economic effect of converting loans and receivables from fixed interest rate to floating interest rate;
- Fixed-to-floating interest rate swaps to manage the interest rate risk generated by the consolidated entity's functional currency denominated fixed rate medium-term notes and bank loans. Such interest rate swaps have the economic effect of converting borrowings from fixed interest rate to floating interest rate; and
- Cross currency swaps to manage the foreign currency and interest rate risk associated with foreign currency denominated medium-term notes, commercial paper, and bank loans. Such cross-currency swaps have the economic effect of converting borrowings from foreign denominated fixed or floating rates to functional currency floating rates.

Under the interest rate swaps, the consolidated entity agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Under the cross-currency swaps, the consolidated entity agrees with other parties to exchange, at specified intervals, foreign currency principal and fixed (or floating) rate interest amounts, and functional currency principal and floating rate interest amounts calculated with reference to the agreed functional currency principal amount.

The consolidated entity's policy is to maintain most of its debt exposure in its functional currency at floating rate, using interest rate swaps or cross currency swaps to achieve this when necessary.

The following table details the consolidated entity's exposure to interest rate risk as at the end of the reporting period.

FINANCIAL INSTRUMENTS AND RISK (continued)

20. Financial risk management (continued)

Consolidated 2026	Variable interest rate $'000	Fixed interest rate $'000	Non-interest bearing $'000	Total $'000
Operating lease receivables*	-	2,806,887	-	2,806,887
Financial assets				
Cash and liquid assets	1,882,109	-	-	1,882,109
Loans and receivables*	7,438,577	21,148,062	-	28,586,639
Interest rate swaps	19,017,500	(19,017,500)	-	-
Other assets	167,984	-	82,857	250,841
Total financial assets	28,506,170	4,937,449	82,857	33,526,476
Financial liabilities				
Banks and other financial institutions	8,494,083	-	-	8,494,083
Commercial papers	4,512,094	-	-	4,512,094
Medium-term notes	2,131,363	14,307,606	-	16,438,969
Cross currency swaps	11,501,163	(11,302,197)	-	198,966
Interest rate swaps	3,056,655	(3,056,655)	-	-
Other liabilities	99,300	-	711,469	810,769
Lease liabilities	-	32,908	-	32,908
Total financial liabilities	29,794,658	(18,338)	711,469	30,487,789
Net financial assets/(liabilities)	**(1,288,488)**	**4,955,787**	**(628,612)**	**3,038,687**

*Balance excludes provision for impairment.

FINANCIAL INSTRUMENTS AND RISK (continued)

20. Financial risk management (continued)

Company 2026	Variable interest rate $'000	Fixed interest rate $'000	Non-interest bearing $'000	Total $'000
Operating lease receivables*	-	2,806,887	-	2,806,887
Financial assets				
Cash and liquid assets	1,882,109	-	-	1,882,109
Loans and receivables*	5,994,863	18,226,496	-	24,221,359
Interest rate swaps	19,017,500	(19,017,500)	-	-
Other assets	1,600,614	1,957,078	2,430,145	5,987,837
Total financial assets	28,495,086	3,972,961	2,430,145	34,898,192
Financial liabilities				
Banks and other financial institutions	1,948,548	-	-	1,948,548
Related party liabilities – securitisation trusts and subsidiary	-	8,026,384	-	8,026,384
Commercial papers	4,512,094	-	-	4,512,094
Medium-term notes	2,131,363	14,307,606	-	16,438,969
Cross currency swaps	11,501,163	(11,302,197)	-	198,966
Interest rate swaps	9,602,190	(9,602,190)	-	-
Other liabilities	99,300	-	676,646	775,946
Lease liabilities	-	32,908	-	32,908
Total financial liabilities	29,794,658	1,462,511	676,646	31,933,815
Net financial assets/(liabilities)	**(1,299,572)**	**2,510,450**	**1,753,499**	**2,964,377**

*Balance excludes provision for impairment.

* *Other asset for the company includes:

- investment in securitisation trusts amounting to $1,480,849,000 as at 31 March 2026 (2025: $1,252,883,000)
- intercompany advance to subsidiary of $4,267,235,000 as at 31 March 2026 (2025: $4,291,114,000)

FINANCIAL INSTRUMENTS AND RISK (continued)

20. Financial risk management (continued)

Consolidated 2025	Variable interest rate $'000	Fixed interest rate $'000	Non-interest bearing $'000	Total $'000
Operating lease receivables*	-	2,593,616	-	2,593,616
Financial assets				
Cash and liquid assets	1,790,763	-	-	1,790,763
Loans and receivables*	7,390,065	20,666,754	-	28,056,819
Interest rate swaps	19,501,500	(19,501,500)	-	-
Other assets	6,600	-	72,347	78,947
Total financial assets	28,688,928	3,758,870	72,347	32,520,145
Financial liabilities				
Banks and other financial institutions	8,109,385	-	-	8,109,385
Commercial papers	4,572,650	-	-	4,572,650
Medium-term notes	4,399,146	12,634,643	-	17,033,789
Cross currency swaps	9,184,218	(9,184,218)	-	-
Interest rate swaps	2,973,365	(2,973,365)	-	-
Other liabilities	159,500	-	707,199	866,699
Lease liabilities	-	38,097	-	38,097
Total financial liabilities	29,398,264	515,157	707,199	30,620,620
Net financial assets/(liabilities)	**(709,336)**	**3,243,713**	**(634,852)**	**1,899,525**

*Balance excludes provision for impairment.

FINANCIAL INSTRUMENTS AND RISK (continued)

20. Financial risk management (continued)

Company 2025	Variable interest rate $'000	Fixed interest rate $'000	Non-interest bearing $'000	Total $'000
Operating lease receivables*	-	2,593,616	-	2,593,616
Financial assets				
Cash and liquid assets	1,790,763	-	-	1,790,763
Loans and receivables*	5,871,509	17,854,829	-	23,726,338
Interest rate swaps	19,501,500	(19,501,500)	-	-
Other assets	1,525,156	2,147,909	1,949,863	5,622,928
Total financial assets	28,688,928	3,094,854	1,949,863	33,733,645
Financial liabilities				
Banks and other financial institutions	2,333,400	-	-	2,333,400
Related party liabilities – securitisation trusts and subsidiary	-	7,028,868	-	7,028,868
Commercial papers	4,572,650	-	-	4,572,650
Medium-term notes	4,399,146	12,634,643	-	17,033,789
Cross currency swaps	9,184,218	(9,184,218)	-	-
Interest rate swaps	8,749,350	(8,749,350)	-	-
Other liabilities	159,500	-	692,904	852,404
Lease liabilities	-	38,097	-	38,097
Total financial liabilities	29,398,264	1,768,040	692,904	31,859,208
Net financial assets/(liabilities)	(709,336)	1,326,814	1,256,959	1,874,437

*Balance excludes provision for impairment.

FINANCIAL INSTRUMENTS AND RISK (Continued)

20. Financial risk management (continued)

(iii) Sensitivity

The consolidated entity's financial results are exposed to interest rate movements in the market. Shown below is the potential impact increase of 1% in interest rate on the consolidated entity's pre-tax profits for the next twelve months. A decrease of 1% in interest rate has an opposite impact of the same amount, subject to interest rate floor.

	Consolidated		Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Increase/(decrease) in pre-tax profits	4,391	(5)	28,870	24,463

(b) Credit risk

The consolidated entity takes on exposure to credit risk, which is the risk that counterparty will cause a financial loss for the consolidated entity by failing to discharge an obligation. Credit exposures arise principally from lending activities for financing assets, funding activities such as cash and cash equivalents, deposits with banks and financial institutions, and derivative financial instruments.

(i) Inputs, assumptions, and estimation techniques used for ECL models

Assessment of significant increase in credit risk

When determining whether the risk of default has increased significantly since initial recognition, the consolidated entity considers both quantitative and qualitative information, and analysis based on the consolidated entity's historical experience and expert credit risk assessment, including forward-looking information.

Retail facilities mainly use the number of days past due to determine significant increase in credit risk. The consolidated entity considers that significant increase in credit risk occurs when an asset is equal to or more than 30 days past due. Additional criteria are also considered, such as changes in intrinsic risk, non-cured from default, and non-cured from hardship assist.

For non-retail facilities, internally derived credit ratings have been identified as representing the best available determinant of credit risk. For wholesale facilities, the consolidated entity has adopted the Global Master Grading Model, which was initially developed by Toyota Financial Services Corporation and calibrated to the Australian market. For fleet facilities, the consolidated entity has adopted an Internal Grading Model, developed by the company based on empirical defaults locally. Both grading models comprise of 11 grading levels for instruments not in default (1 to 11) and one default class (12). The consolidated entity assigns each facility a credit rating, at initial recognition based on available information about the borrower. Credit risk is deemed to have increased significantly if the credit rating has significantly deteriorated at the reporting date relative to the credit rating at the date of initial recognition.

Definition of default

In assessing the impairment of financial assets under the expected credit loss model, the consolidated entity defines a receivable asset as credit impaired if a default rating is assigned to this asset in accordance with its credit policy and procedures.

FINANCIAL INSTRUMENTS AND RISK (Continued)

20. Financial risk management (continued)

Credit impaired exposure under the expected credit loss model consists of:

- retail loans and non-rated fleet loans which are contractually 90 days past due; and/or
- credit exposures when it becomes obvious that the customers are no longer able to meet their financial obligations as they fall due.

Calculation of expected credit loss

Expected credit losses are calculated using three main components: probability of default, exposure at default and loss given default. These parameters are generally derived from internally developed statistical models combined with historical, current, forward-looking customer and macro-economic data.

For accounting purposes, probability of default represents the expected point-in-time probability of a default over the next 12 months and remaining lifetime of the financial instrument. This is based on conditions existing at the balance sheet date and future economic conditions that affect credit risk. The loss given default represents expected loss conditional on default, considering the mitigating effect of collateral, its expected value when realised and the time value of money.

The exposure at default represents the expected exposure, taking into consideration the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdown of a facility. The 12 months ECL is equal to the discounted sum over the next 12 months of monthly probability of default multiplied by loss given default and exposure at default inputs. Lifetime ECL is calculated using the discounted sum of monthly probability of default over the full remaining life multiplied by loss given default and exposure at default inputs.

Incorporation of forward-looking information

The consolidated entity has considered a range of relevant forward-looking macro-economic scenarios and assumptions relevant to Australia to determine unbiased economic forecast and industry adjustment that support the calculation of probability weighted expected loss.

The consolidated entity engages Moody's Analytics to obtain their forecasts for the following macro-economic variables used by the Z-score model.

Inputs considered in the Z-score are:

- real gross domestic product ("GDP") growth rate;
- unemployment rate;
- cash rate;
- house price index;
- AUD/USD exchange rate; and
- stock market index.

These reflect reasonable and supportable forecasts of future macro-economic conditions that include, but are not limited to, unemployment, interest rates, gross domestic product, house price index, and require evaluations of both the current and forecast direction of the macro-economic cycle.

Incorporation of forward-looking information increases the degree of judgement required as to how changes in these macro-economic factors will affect ECLs. For the ECL calculation as at 31 March 2026, the consolidated entity and company has considered three forward-looking scenarios:

FINANCIAL INSTRUMENTS AND RISK (Continued)

20. Financial risk management (continued)

Base Scenario at 50% weighting
Under this scenario Russia's war in Ukraine continues but does not escalate beyond Ukraine. The hostilities in Gaza do not broaden to a regional conflict. Earlier interest rate cuts and modest real wage growth have provided some relief for households and businesses; however, the recent rise in underlying inflation has significantly narrowed the room for further policy easing. From a trade perspective, Australia retains a relative advantage with a 10% U.S. baseline tariff, albeit alongside exposure to sectoral tariff surcharges.

Upside Scenario at 5% weighting
Under this scenario, Russia's war in Ukraine and the conflict in the Middle East resolve faster than anticipated and the economic impacts of the U.S tariffs are less than expected. Supplies of commodities such as oil, gas and food increase. This leads to stronger aggregate demand and an expansion in aggregate supply. On the demand side, these positive developments ease recessionary concerns, boosting consumer and business sentiment.

Recession Scenario at 45% weighting
Under this scenario, sentiment falls sharply amid increasing concerns about global growth. Geopolitical tensions rise on fears that the war in Ukraine will spill into neighbouring states. Concerns are mounting that the Middle East conflict may expand into a broader war, alongside escalating tensions between China and the United States that have led to temporary shipping barriers in the Taiwan Strait. U.S. imposes wider and more severe tariffs on all goods imported into the U.S. Stock market valuations fall as investors factor in fiscal and geopolitical risk. The global economy falls into recession in 2026, causing oil prices to fall below the baseline.

The table below provides a summary of the key macroeconomic variables used in the base case scenario, the upside scenario and the recession scenario for the consolidated entity and company as at 31 March 2026.

	Base Calendar Year		Upside Calendar Year		Recession Calendar Year	
	2026	2027	2026	2027	2026	2027
GDP (annual % change)	2.28	2.39	3.86	3.07	(0.01)	0.57
Unemployment rate (%)	4.32	4.27	4.16	3.95	4.62	4.85
Stock market index (annual % change)	6.65	1.83	18.34	2.2	(17.5)	(2.1)
Cash rate (%)	3.60	3.60	3.88	3.73	1.71	1.82
AUD/USD exchange rate	0.67	0.72	0.72	0.78	0.56	0.58
House price index (annual % change)	5.83	4.71	10.37	8.37	(7.18)	2.44

FINANCIAL INSTRUMENTS AND RISK (Continued)

20. Financial risk management (continued)

The following shows the reported provision for ECL based on the probability weighted scenarios and what the provisions for ECL would be assuming a weighting of 50% to the base case scenario, 5% to the upside scenario and 45% to the recession scenario for the consolidated entity and company based on the expected range of possible future loss outcomes as noted above.

	Consolidated		Company	
$'000	**2026**	**2025**	**2026**	**2025**
Base	164,413	148,773	138,165	134,940
Upside	134,508	117,835	114,014	107,485
Recession	261,374	228,227	216,276	204,758

The consolidated entity and the company have also applied an overlay of approximately $12,388,000 (2025: $6,950,000) and $12,388,000 (2025: $6,950,000) respectively. The overlay amount was primarily driven by the recent developments in the Middle East, resulting in the closure of the Strait of Hormuz.

The ECL recognised by the consolidated entity and the company as at 31 March 2026 was $218,950,000 (2025: $189,930,000) and $184,520,000 (2025: $171,935,000) respectively.

If 1% of Stage 1 credit exposures as at 31 March 2026 were included in Stage 2, provisions for impairment would increase by approximately $15,010,000 for the consolidated entity and $12,470,000 for the company (31 March 2025: $14,600,000 for the consolidated entity and $13,070,000 for the company).

If 1% of Stage 2 credit exposures as at 31 March 2026 were included in Stage 1, provisions for impairment would decrease by approximately $610,000 for the consolidated entity and $510,000 for company (31 March 2025: $570,000 for the consolidated entity and $510,000 for the company).

Nature and effect of modifications on the measurement of provision for doubtful debts

A loan that is renegotiated is derecognised if the existing contract is cancelled, and a new agreement made on substantially different terms, or if the terms of an existing agreement are modified such that the renegotiated loan is substantially a different instrument. Where such loans are derecognised, the renegotiated contract is a new loan and impairment is assessed in accordance with the consolidated entity's accounting policy.

When the renegotiated loans are not derecognised, impairment continues to be assessed for significant increases in credit risk compared to the initial origination credit risk rating.

(ii) Credit quality and maximum exposure

The consolidated entity's financing assets are exposed to three areas: retail, fleet, and wholesale.

Retail

The retail portfolio is the largest area, which comprises a range of loans and receivables from individual consumers and small business.

FINANCIAL INSTRUMENTS AND RISK (Continued)

20. Financial risk management (continued)

Fleet

The fleet portfolio comprises a range of loans and receivables and motor vehicles under operating lease from small to large commercial clients and government bodies. It also includes novated leasing customers.

Credit risk arising from individual consumers and small business is managed through the application of credit scoring and manual underwriting to identify and evaluate acceptable risks, and portfolio diversification both demographically and geographically. Credit risk arising from fleet clients is managed by imposition and review of credit limits to ensure fleet clients have the capacity to settle financial commitments. Collateral is also used to secure funds advanced.

The consolidated entity uses provisioning models to assess the credit quality of financing assets and estimate provision for amounts not collectible. Amounts not provided for are deemed collectible.

Wholesale

The wholesale portfolio includes floor-plan finance to motor dealers for new and used motor vehicle stock under either:

- A bailment facility, under which motor vehicles are bailed by the consolidated entity to a dealer, and the consolidated entity retains ownership of each vehicle until the dealer sells it to a customer; or
- A charge plan facility, under which the consolidated entity provides finance to a dealer for purchase of motor vehicles which are charged to the consolidated entity as security.

In addition to the floor-plan facilities, the wholesale portfolio also includes term loans to dealerships to finance property and premises, and revolving working capital loans. These loans are typically secured by general security agreements, real property mortgages and personal guarantees.

Due to the nature of these facilities, there is a concentration in the motor vehicle dealership industry, with the risk spread across market locations throughout Australia. In addition to the collateral security obtained, credit risk is managed through regular auditing of the dealerships' vehicle inventory, monthly monitoring of financial performance and ongoing annual reviews. The concentration of credit risk in relation to the operating segments is reflected in note 7.

(iii) Credit risk exposure by credit quality

The table below shows the maximum exposure to credit risk by key class of financial assets, to which the expected credit loss model is applied, based on how the consolidated entity manages the credit risk:

- the days past due for retail and non-rated fleet
- the risk grade for non-retail portfolio

FINANCIAL INSTRUMENTS AND RISK (Continued)

20. Financial risk management (continued)

Retail (general approach)

	Loans and receivables			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
	$'000	$'000	$'000	$'000
Consolidated 2026				
Equal to and less than 30 days	17,244,993	144,166	-	17,389,159
31-60 days	-	483,961	-	483,961
61-90 days	-	50,515	-	50,515
Over 90 days (credit impaired)	-	-	144,178	144,178
Total	**17,244,993**	**678,642**	**144,178**	**18,067,813**
Company 2026				
Equal to and less than 30 days	14,446,397	123,234	-	14,569,631
31-60 days	-	407,842	-	407,842
61-90 days	-	43,683	-	43,683
Over 90 days (credit impaired)	-	-	125,095	125,095
Total	**14,446,397**	**574,759**	**125,095**	**15,146,251**

	Loans and receivables			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
	$'000	$'000	$'000	$'000
Consolidated 2025				
Equal to and less than 30 days	16,719,338	119,078	-	16,838,416
31-60 days	-	443,435	-	443,435
61-90 days	-	45,425	-	45,425
Over 90 days (credit impaired)	-	-	96,900	96,900
Total	**16,719,338**	**607,938**	**96,900**	**17,424,176**
Company 2025				
Equal to and less than 30 days	14,000,163	104,712	-	14,104,875
31-60 days	-	381,153	-	381,153
61-90 days	-	39,706	-	39,706
Over 90 days (credit impaired)	-	-	86,577	86,577
Total	**14,000,163**	**525,571**	**86,577**	**14,612,311**

FINANCIAL INSTRUMENTS AND RISK (Continued)

20. Financial risk management (continued)

Wholesale (general approach)

	Loans and receivables			
	12-month ECL	**Lifetime ECL not credit-impaired**	**Lifetime ECL credit-impaired**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Consolidated 2026				
Grade 1-7 Normal Risk	7,212,676	307,859	1,794	7,522,329
Grade 8-11 Watchlist	-	44,399	-	44,399
Grade 12 Default (credit impaired)	-	-	4,252	4,252
Total	**7,212,676**	**352,258**	**6,046**	**7,570,980**
Company 2026				
Grade 1-7 Normal Risk	5,888,333	232,109	1,794	6,122,236
Grade 8-11 Watchlist	-	774	-	774
Grade 12 Default (credit impaired)	-	-	4,252	4,252
Total	**5888,333**	**232,883**	**6,046**	**6,127,262**

	Loans and receivables			
	12-month ECL	**Lifetime ECL not credit-impaired**	**Lifetime ECL credit-impaired**	**Total**
	$'000	**$'000**	**$'000**	**$'000**
Consolidated 2025				
Grade 1-7 Normal Risk	6,961,477	566,178	-	7,527,655
Grade 8-11 Watchlist	-	5,388	-	5,388
Grade 12 Default (credit impaired)	-	-	-	-
Total	**6,961,477**	**571,566**	**-**	**7,533,043**
Company 2025				
Grade 1-7 Normal Risk	5,682,124	327,120	-	6,009,244
Grade 8-11 Watchlist	-	5,183	-	5,183
Grade 12 Default (credit impaired)	-	-	-	-
Total	**5,682,124**	**332,303**	**-**	**6,014,427**

FINANCIAL INSTRUMENTS AND RISK (continued)

20. Financial risk management (continued)

Fleet non-graded customer (simplified approach)

	Lease and loans		
	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
	$'000	$'000	$'000
Consolidated 2026			
Equal to and less than 30 days	742,812	-	742,812
31-60 days	9,566	-	9,566
61-90 days	4,322	-	4,322
Over 90 days (credit impaired)	-	16,842	16,842
Total	**756,700**	**16,842**	**773,542**
Company 2026			
Equal to and less than 30 days	742,812	-	742,812
31-60 days	9,566	-	9,566
61-90 days	4,322	-	4,322
Over 90 days (credit impaired)	-	16,842	16,842
Total	**756,700**	**16,842**	**773,542**

	Lease and loans		
	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
	$'000	$'000	$'000
Consolidated 2025			
Equal to and less than 30 days	751,640	-	751,640
31-60 days	11,789	-	11,789
61-90 days	4,832	-	4,832
Over 90 days (credit impaired)	-	24,688	24,688
Total	**768,261**	**24,688**	**792,949**
Company 2025			
Equal to and less than 30 days	751,640	-	751,640
31-60 days	11,789	-	11,789
61-90 days	4,832	-	4,832
Over 90 days (credit impaired)	-	24,688	24,688
Total	**768,261**	**24,688**	**792,949**

FINANCIAL INSTRUMENTS AND RISK (continued)

20. Financial risk management (continued)

Fleet graded customer (simplified approach)

	Lease and loans		
	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
	$'000	$'000	$'000
Consolidated 2026			
Grade 1-7 Normal Risk	2,134,302	-	2,134,302
Grade 8-11 Watchlist	40,002	-	40,002
Grade 12 Default (credit impaired)	-	-	-
Total	**2,174,304**	**-**	**2,174,304**
Company 2026			
Grade 1-7 Normal Risk	2,134,302	-	2,134,302
Grade 8-11 Watchlist	40,002	-	40,002
Grade 12 Default (credit impaired)	-	-	-
Total	**2,174,304**	**-**	**2,174,304**

	Lease and loans		
	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
	$'000	$'000	$'000
Consolidated 2025			
Grade 1-7 Normal Risk	2,254,516	-	2,254,516
Grade 8-11 Watchlist	52,135	-	52,135
Grade 12 Default (credit impaired)	-	-	-
Total	**2,306,651**	**-**	**2,306,651**
Company 2025			
Grade 1-7 Normal Risk	2,254,516	-	2,254,516
Grade 8-11 Watchlist	52,135	-	52,135
Grade 12 Default (credit impaired)	-	-	-
Total	**2,306,651**	**-**	**2,306,651**

FINANCIAL INSTRUMENTS AND RISK (continued)

20. Financial risk management (continued)

(iv) Funding activities

The consolidated entity manages credit risk through the use of external ratings, counterparty diversification, monitoring of counterparty financial condition and ensuring master netting agreements are in place with all derivative counterparties.

The below table shows the percentage of the consolidated entity's money market deposits and derivatives relating to funding activities.

Consolidated and Company	**2026**	**2025**
Rating	**%**	**%**
AA-	8	10
A+	20	9
A	72	80
A-	-	1
	100	**100**

The maximum exposure to credit risk at the end of the reporting period, without considering collateral obtained, is the carrying amount, net of any allowance for doubtful debts or impairment of each financial asset, including derivative financial instruments, in the statements of financial position.

(c) Liquidity risk

Liquidity risk is the risk that the consolidated entity is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequences may be failure to meet obligations to repay creditors and fulfil commitments to lend. The consolidated entity, in the normal course of business, requires substantial funding to support the level of its earning assets and working capital requirements, and consequently is exposed to liquidity risk.

The liquidity management processes carried out by the consolidated entity includes:

- Day-to-day funding managed by monitoring existing and future cash flows to ensure that financial requirements can be met. This includes planning the replenishment of funds before they mature and/or are borrowed by customers. The consolidated entity maintains an active presence in the domestic and international capital markets to enable this to happen;
- Monitoring the concentration and profile of debt maturities; and
- Maintaining backup credit facilities.

(i) Financing arrangements

The consolidated entity utilises various financing arrangements such as commercial paper, medium-term notes, bilateral bank loans and securitisation to meet liquidity requirements. It has access to a wide array of credit facilities to manage liquidity risk (refer to note 13).

(ii) Maturity of financial liabilities

The tables below analyse the consolidated entity's financial liabilities into relevant maturity groupings based on their remaining contractual maturity as at the reporting period for all:

- non-derivative financial liabilities; and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

FINANCIAL INSTRUMENTS AND RISK (continued)

20. Financial risk management (continued)

The amounts in the tables are the contractual undiscounted cash flows. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

Consolidated 2026	**< 1 Month**	**1-3 Months**	**3-12 Months**	**1-5 Years**	**Over 5 Years**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Non-derivatives						
Banks and other financial institutions	394,901	566,776	2,990,203	5,160,645	-	9,112,525
Bonds and commercial paper	1,279,031	2,780,380	5,804,009	12,471,001	-	22,334,421
Other liabilities	554,148	77,281	113,391	65,949	-	810,769
Lease liabilities	747	1,496	6,826	27,212	-	36,281
Total non-derivatives	2,228,827	3,425,933	8,914,429	17,724,807	-	32,293,996
Derivatives						
Forward foreign exchange contracts						
- Bought currency	(659,819)	(1,413,611)	(2,123,573)	-	-	(4,197,003)
- Sold currency	698,660	1,469,303	2,144,608	-	-	4,312,571
Interest rate swaps	1,419	(17,299)	(3,429)	(26,547)	-	(45,856)
Cross currency swaps						
- Pay leg	(69,850)	(1,179,719)	(2,599,719)	(10,313,145)	-	(14,162,433)
- Receive leg	16,499	1,200,516	2,409,648	9,784,528	-	13,411,191
Total derivatives	(13,091)	59,190	(172,465)	(555,164)	-	(681,530)
Total	**2,215,736**	**3,485,123**	**8,741,964**	**17,169,643**	**-**	**31,612,466**

FINANCIAL INSTRUMENTS AND RISK (continued)

20. Financial risk management (continued)

Company 2026	<1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Non-derivatives						
Banks and other financial institutions	880	14,731	818,495	1,282,633	-	2,116,739
Related party liabilities – securitisation trusts and subsidiary	432,447	619,745	2,431,616	5,597,484	-	9,081,292
Bonds and commercial paper	1,279,031	2,780,380	5,804,009	12,471,001	-	22,334,421
Other liabilities	519,325	77,281	113,391	65,949	-	775,946
Lease liabilities	747	1,496	6,826	27,212	-	36,281
Total non-derivatives	2,232,430	3,493,633	9,174,337	19,444,279	-	34,344,679
Derivatives						
Forward foreign exchange contracts						
- Bought currency	(659,819)	(1,413,611)	(2,123,573)	-	-	(4,197,003)
- Sold currency	698,660	1,469,303	2,144,608	-	-	4,312,571
Interest rate swaps	(4,004)	(28,112)	(55,691)	(71,990)	-	(159,797)
Cross currency swaps						
- Pay leg	(69,850)	(1,179,719)	(2,599,719)	(10,313,145)	-	(14,162,433)
- Receive leg	16,499	1,200,516	2,409,648	9,784,528	-	13,411,191
Total derivatives	(18,514)	48,377	(224,727)	(600,607)	-	(795,471)
Total	**2,213,916**	**3,542,010**	**8,949,610**	**18,843,672**	**-**	**33,549,208**

FINANCIAL INSTRUMENTS AND RISK (continued)

20. Financial risk management (continued)

The amounts in the tables are the contractual undiscounted cash flows. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

Consolidated 2025	< 1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Non-derivatives						
Banks and other financial institutions	487,575	504,119	3,248,869	4,328,069	-	8,568,632
Bonds and commercial paper	1,049,676	2,287,723	4,540,915	15,371,047	-	23,249,361
Other liabilities	670,303	86,570	46,682	63,144	-	866,699
Lease liabilities	283	552	6,571	34,115	1,611	43,132
Total non-derivatives	2,207,837	2,878,964	7,843,037	19,796,375	1,611	32,727,824
Derivatives						
Forward foreign exchange contracts						
- Bought currency	(1,018,670)	(2,056,549)	(1,255,756)	-	-	(4,330,975)
- Sold currency	973,557	1,997,258	1,251,726	-	-	4,222,541
Interest rate swaps	1,063	(17,605)	4,869	11,489	-	(184)
Cross currency swaps						
- Pay leg	(52,141)	(108,384)	(3,080,803)	(10,504,287)	-	(13,745,615)
- Receive leg	19,256	104,008	3,113,037	10,961,723	-	14,198,024
Total derivatives	(76,935)	(81,272)	33,073	468,925	-	343,791
Total	**2,130,902**	**2,797,692**	**7,876,110**	**20,265,300**	**1,611**	**33,071,615**

FINANCIAL INSTRUMENTS AND RISK (continued)

20. Financial risk management (continued)

Company 2025	<1 Month	1-3 Months	3-12 Months	1-5 Years	Over 5 Years	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Non-derivatives						
Banks and other financial institutions	150,754	16,794	1,303,389	1,006,331	-	2,477,268
Related party liabilities – securitisation trusts and subsidiary	355,674	529,689	2,126,872	4,940,407	-	7,952,642
Bonds and commercial paper	1,049,676	2,287,723	4,540,915	15,371,047	-	23,249,361
Other liabilities	656,008	86,570	46,682	63,144	-	852,404
Lease liabilities	283	552	6,571	34,115	1,611	43,132
Total non-derivatives	2,212,395	2,921,328	8,024,429	21,415,044	1,611	34,574,807
Derivatives						
Forward foreign exchange contracts						
- Bought currency	(1,018,670)	(2,056,549)	(1,255,756)	-	-	(4,330,975)
- Sold currency	973,557	1,997,258	1,251,726	-	-	4,222,541
Interest rate swaps	(5,410)	(27,244)	(17,000)	(1,995)	-	(51,649)
Cross currency swaps						
- Pay leg	(52,141)	(108,384)	(3,080,803)	(10,504,287)	-	(13,745,615)
- Receive leg	19,256	104,008	3,113,037	10,961,723	-	14,198,024
Total derivatives	(83,408)	(90,911)	11,204	455,441	-	292,326
Total	**2,128,987**	**2,830,417**	**8,035,633**	**21,870,485**	**1,611**	**34,867,133**

OPERATING ASSETS AND LIABILITIES

This section covers the operating assets and liabilities of the consolidated entity including cash and cash equivalents, prepayments, accounts payable and accrued expense payable.

21. Cash and cash equivalents

	Consolidated		Company	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Cash in bank	162,109	184,763	162,109	184,763
Deposits at call	1,720,000	1,606,000	1,720,000	1,606,000
	1,882,109	**1,790,763**	**1,882,109**	**1,790,763**

As at 31 March 2026, the consolidated entity held cash and deposits at call of $446,961,000 (2025: $370,568,000), which represents cash collections on securitised assets transferred to securitisation trusts.

Recognition and measurement

Cash and cash equivalents include cash in bank, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Cash in bank and deposits at call earn interest at prevailing market rates. Interest is recognised in the statements of comprehensive income using the effective interest rate method.

OPERATING ASSETS AND LIABILITIES (continued)

22. Cash flow information

(a) Reconciliation of profit for the year to net cash outflow from operating activities.

	Consolidated		Company	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Profit/(loss) attributable to owners of Toyota Finance Australia Limited	493,134	359,867	394,918	363,088
Share of profit of associate	(13,275)	(12,531)	-	-
Dividend from associate	-	-	(11,838)	(15,200)
Depreciation, write-off and amortisation	32,765	35,089	32,765	35,089
Amortisation - upfront receipts	1,383	1,123	1,383	1,123
Amortisation - prepaid expenses	15,883	16,093	15,883	16,093
Net gain on sale or derecognition of non-current assets	(320)	(1,275)	(320)	(1,275)
Proceeds from disposal of lease assets	(615,687)	(550,565)	(615,687)	(550,565)
Cost of lease assets	517,743	467,576	517,743	467,576
Net (gain)/loss on translation of foreign currency transactions	(1,025,740)	678,468	(1,025,740)	678,468
Changes in fair value of financial instruments	638,919	(678,669)	654,830	(678,669)
Increase in provision for impairment of receivable	28,820	29,763	12,385	24,989
Increase/(decrease) in provision for impairment on residual value	1,750	(1,000)	1,750	(1,000)
Net(gain) on derecognition of lease	-	(453)	-	(453)
Movements in operating assets and liabilities:				
Increase in loans and receivables	(529,821)	(1,686,454)	(495,023)	(1,325,831)
Increase in assets under net operating lease (net of accumulated depreciation)	(115,485)	(259,639)	(115,485)	(259,639)
Decrease in deferred tax liability	(19,018)	(3,384)	(14,129)	(1,846)
(Decrease)/Increase in other, contract and lease liabilities	(7,773)	81,530	(8,663)	85,830
(Increase)/decrease in other assets	(171,892)	55,241	(364,907)	(345,565)
(Decrease)/increase in income tax payable	(29,810)	142,916	(49,449)	131,916
Decrease/(increase) in derivative financial instruments at fair value through profit or loss	289,892	(16,304)	333,085	(38,932)
Increase in related party liabilities to securitisation trust	-	-	227,967	72,195
Net cash outflow from operating activities	**(508,532)**	**(1,342,608)**	**(508,532)**	**(1,342,608)**

OPERATING ASSETS AND LIABILITIES (continued)

22. Cash flow information (continued)

(b) Reconciliation of liabilities arising from financing activities

			Non-cash changes			
	Opening at 1 April 2024	**Cash flows**	**Foreign exchange**	**Amortisation**	**Additions/ derecognition of lease liabilities**	**Closing at 31 March 2025**
Consolidated	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Borrowings	28,883,492	167,291	678,468	(13,427)	-	29,715,824
Lease liabilities	46,479	(5,384)	-	-	(2,998)	38,097

	Opening at 1 April 2025	**Cash flows**	**Foreign exchange**	**Amortisation**	**Additions/ derecognition of lease liabilities**	**Closing at 31 March 2026**
Consolidated	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Borrowings	29,715,824	740,070	(1,025,740)	14,992	-	29,445,146
Lease liabilities	38,097	(5,864)	-	-	675	32,908

				Non-cash changes			
	Opening at 1 April 2024	**Cash flows**	**Net investment in securitisation trust**	**Foreign exchange**	**Amortisation**	**Additions/ derecognition of lease liabilities**	**Closing at 31 March 2025**
Company	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Borrowings	23,403,169	(128,371)	-	678,468	(13,427)	-	23,939,839
Related party liabilities – securitisation trusts and subsidiary	6,661,010	295,662	72,196	-	-	-	7,028,868
Lease liabilities	46,479	(5,384)	-	-	-	(2,998)	38,097

	Opening at 1 April 2025	**Cash flows**	**Net investment in securitisation trust**	**Foreign exchange**	**Amortisation**	**Additions/ derecognition of lease liabilities**	**Closing at 31 March 2026**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Borrowings	23,939,839	(29,480)	-	(1,025,740)	14,992	-	22,899,611
Related party liabilities – securitisation trusts and subsidiary	7,028,868	769,549	227,967	-	-	-	8,026,384
Lease liabilities	38,097	(5,864)	-	-	-	675	32,908

OPERATING ASSETS AND LIABILITIES (continued)

23. Other assets

	Consolidated 2026 $'000	Consolidated 2025 $'000	Company 2026 $'000	Company 2025 $'000
Prepayments	50,397	51,771	50,397	51,771
Intercompany advance to subsidiary	-	-	4,267,235	4,291,114
Investment in Securitisation Trusts	-	-	1,480,849	1,252,883
Other debtors	194,755	22,888	183,667	22,872
Accrued interest receivable	5,689	4,288	5,689	4,288
	250,841	**78,947**	**5,987,837**	**5,622,928**
Other assets expected to be recovered within 12 months	233,830	68,644	4,596,242	4,359,741
Other assets expected to be recovered after more than 12 months	17,011	10,303	1,391,595	1,263,187
	250,841	**78,947**	**5,987,837**	**5,622,928**

24. Other liabilities and contract liabilities

(a) Other liabilities

	Consolidated 2026 $'000	Consolidated 2025 $'000	Company 2026 $'000	Company 2025 $'000
Employee entitlements	27,643	24,483	27,643	24,483
Accrued interest payable	165,561	171,453	165,561	171,453
Amounts payable to related entities	273,917	303,887	273,917	303,887
Accounts payable	132,201	210,904	105,387	204,838
Accrued expenses (including related parties)	137,195	136,543	129,439	128,443
Other	74,252	19,429	73,999	19,300
	810,769	**866,699**	**775,946**	**852,404**
Other liabilities expected to be settled within 12 months	744,820	803,555	709,997	789,260
Other liabilities expected to be settled in more than 12 months	65,949	63,144	65,949	63,144
	810,769	**866,699**	**775,946**	**852,404**

(b) Contract liabilities

The consolidated entity has recognised the following revenue related contract liabilities.

	Consolidated 2026 $'000	Consolidated 2025 $'000	Company 2026 $'000	Company 2025 $'000
Contract liabilities	170,912	152,565	170,912	152,565

Of the above amount, $107,944,000 (2025: $91,539,000) is expected to be settled within 12 months of the balance date.

OPERATING ASSETS AND LIABILITIES (continued)

24. Other liabilities and contract liabilities (continued)

The following table shows revenue recognised in the current reporting period that relates to carried-forward contract liabilities. The amounts presented below are gross, while the amounts recognised in the statements of comprehensive income are presented net of related costs, as the consolidated entity is acting as an agent.

	Consolidated		Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Revenue recognised that was included in the contract liability balance at the beginning of the period	97,900	88,872	97,900	88,872

As permitted under AASB 15 *Revenue from Contracts with Customers*, the transaction price allocated to (partially) unsatisfied performance obligations as of 31 March 2026 and 31 March 2025 is not disclosed.

Employee entitlements

(i) Short-term obligations

Liabilities for wages and salaries, including annual leave expected to be settled within 12 months of the end of each reporting period are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liability is settled. Liability for non-accumulated sick leave is recognised when the leave is taken and measured at actual rate paid or payable.

(ii) Other long-term employee benefit obligations

The liabilities for long service leave and other personal leave are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of each reporting period. Consideration is given at expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash flows.

(iii) Retirement benefit obligation

All employees of the consolidated entity are entitled to benefits on retirement, disability, or death according to the consolidated entity's superannuation plan. The consolidated entity has a defined contribution plan. The defined contribution plan receives fixed contributions from the consolidated entity and the consolidated entity's legal and constructive obligation is limited to these contributions.

Contributions to the defined contribution fund are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that cash refund, or a reduction in the future payments is available.

NON-OPERATING ASSETS

This section outlines the non-operating assets of the consolidated entity. Included in this section are the following information:

- Investment accounted for using the equity method;
- Property, plant and equipment;
- Right-of-use assets;
- Intangible assets; and
- Deferred tax asset.

25. Investment accounted for using the equity method

	Consolidated		Ownership interest	
	2026	**2025**	**2026**	**2025**
	$'000	**$'000**	**%**	**%**
(a) Movement in carrying amount				
Unlisted				
Name of entity				
Toyota Finance New Zealand Limited				
Carrying amount at 1 April	112,503	116,189	45.45	45.45
Share of profits after income tax	13,275	12,531		
Dividend received	(11,838)	(15,200)		
Net exchange differences on translation of foreign associate entity	(9,447)	(1,017)		
Carrying amount at 31 March	**104,493**	**112,503**		

	Company		Ownership interest	
	2026	**2025**	**2026**	**2025**
	$'000	**$'000**	**%**	**%**
Unlisted				
Name of entity				
Toyota Finance New Zealand Limited				
Investment at cost at 31 March	4,284	4,284	45.45	45.45

The principal activities of Toyota Finance New Zealand Limited during the period were:

- finance the acquisition of motor vehicles by retail and commercial customers, by way of consumer and commercial loans;
- provide bailment facilities and commercial loans to motor dealers;
- provide vehicle finance (by way of loans, term purchases, finance leases or operating leases) and fleet management services to corporate customers;
- the provision of retail finance and related products for pleasure boats;
- sell retail insurance policies underwritten by third party insurers as agents;
- to provide for car sharing services;
- vehicle rental service for personal and non-commercial use for agreed period; and
- sale of used vehicle as a part of rental vehicle fleet rotation.

NON-OPERATING ASSETS (continued)

25. Investment accounted for using the equity method (continued)

Investments in associate are accounted for in the consolidated financial statements using the equity method of accounting and are carried at cost.

Consolidated	2026 $'000	2025 $'000
(b) Share of associate's profits		
Profit before income tax	18,469	17,368
Income tax expense	(5,194)	(4,837)
Profit after income tax	**13,275**	**12,531**

(c) Summarised financial information of associates

	Assets $'000	Liabilities $'000	Revenues $'000	Profit $'000
Consolidated 2026				
Toyota Finance New Zealand Limited	1,710,344	1,479,103	170,261	29,208
Consolidated 2025				
Toyota Finance New Zealand Limited	1,809,910	1,561,044	177,554	27,572

Principles of consolidation

Associates are all entities over which the consolidated entity has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost. Investments in associates are accounted for in the company financial statements at cost less accumulated impairments.

The consolidated entity's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

Dividends received from associates are recognised in the consolidated and company financial statements as a reduction against the carrying amount of the investment.

When the consolidated entity's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of its associate.

Unrealised gains on transactions between the consolidated entity and its associates are eliminated to the extent of the consolidated entity's interest in associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

NON-OPERATING ASSETS (continued)

25. Investment accounted for using the equity method (continued)

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the consolidated entity are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Australian dollars, which is the company's functional and presentation currency.

On consolidation, the exchange differences arising from the translation of the net investment in the foreign entity from functional to presentation currency is recognised in "other comprehensive income".

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

26. Property, plant and equipment

Consolidated 2026	**Cost**	**Accumulated depreciation**	**Carrying value**
	$'000	**$'000**	**$'000**
Leasehold improvements	13,319	9,424	3,895
Plant and equipment	4,723	3,601	1,122
Motor vehicles	14,275	3,939	10,336
	32,317	**16,964**	**15,353**

Company 2026	**Cost**	**Accumulated depreciation**	**Carrying value**
	$'000	**$'000**	**$'000**
Leasehold improvements	13,319	9,424	3,895
Plant and equipment	4,723	3,601	1,122
Motor vehicles	14,275	3,939	10,336
	32,317	**16,964**	**15,353**

During the year ended 31 March 2026, fully depreciated assets with an original cost of $400,000 relating to leasehold improvements and $3,400,000 relating to plant and equipment were retired.

NON-OPERATING ASSETS (continued)

26. Property, plant and equipment (continued)

Consolidated 2025	**Cost**	**Accumulated depreciation**	**Carrying value**
	$'000	**$'000**	**$'000**
Leasehold improvements	13,723	8,120	5,603
Plant and equipment	8,124	6,567	1,557
Motor vehicles	14,722	2,037	12,685
	36,569	**16,724**	**19,845**

Company 2025	**Cost**	**Accumulated depreciation**	**Carrying value**
	$'000	**$'000**	**$'000**
Leasehold improvements	13,723	8,120	5,603
Plant and equipment	8,124	6,567	1,557
Motor vehicles	14,722	2,037	12,685
	36,569	**16,724**	**19,845**

Consolidated	**Leasehold improvements**	**Plant and equipment**	**Motor vehicles**	**Totals**
	$'000	**$'000**	**$'000**	**$'000**
Carrying value at 1 April 2024	6,709	682	9,950	17,341
Additions	-	1,513	13,464	14,977
Disposals	(229)	-	(7,925)	(8,154)
Depreciation	(2,248)	(446)	(2,804)	(5,498)
Transfers	1,378	-	-	1,378
Write-off	(7)	(192)	-	(199)
Carrying value at 31 March 2025	**5,603**	**1,557**	**12,685**	**19,845**
Additions	-	76	6,856	6,932
Disposals	-	-	(5,387)	(5,387)
Depreciation	(1,708)	(511)	(3,818)	(6,037)
Carrying value at 31 March 2026	**3,895**	**1,122**	**10,336**	**15,353**

NON-OPERATING ASSETS (continued)

26. Property, plant and equipment (continued)

Company	**Leasehold improvements**	**Plant and equipment**	**Motor vehicles**	**Totals**
	$'000	**$'000**	**$'000**	**$'000**
Carrying value at 1 April 2024	6,709	682	9,950	17,341
Additions	-	1,513	13,464	14,977
Disposals	(229)	-	(7,925)	(8,154)
Depreciation	(2,248)	(446)	(2,804)	(5,498)
Transfers	1,378	-	-	1,378
Write-off	(7)	(192)	-	(199)
Carrying value at 31 March 2025	**5,603**	**1,557**	**12,685**	**19,845**
Additions	-	76	6,856	6,932
Disposals	-	-	(5,387)	(5,387)
Depreciation	(1,708)	(511)	(3,818)	(6,037)
Carrying value at 31 March 2026	**3,895**	**1,122**	**10,336**	**15,353**

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Recognition and measurement

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Asset class	**Method**	**Estimated useful life**
Plant and equipment	Straight line	3-5 years
Motor vehicles	Straight line	1-3 years
Leasehold improvements	Straight line	Unexpired portion of lease or useful life of asset whichever is shorter

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

NON-OPERATING ASSETS (continued)

27. Right-of-use assets and lease liabilities

The statements of financial position shows the following amounts relating to leases:

	Consolidated		Company	
	2026	**2025**	**2026**	**2025**
	$'000	**$'000**	**$'000**	**$'000**
Properties	23,751	29,523	23,751	29,523
Total right-of-use assets	**23,751**	**29,523**	**23,751**	**29,523**
Lease liabilities	32,908	38,097	32,908	38,097
Total lease liabilities	**32,908**	**38,097**	**32,908**	**38,097**
Maturity analysis				
Current				
Lease liabilities - Current	7,675	5,712	7,675	5,712
Non-current				
Lease liabilities - Non-current	25,233	32,385	25,233	32,385
	32,908	**38,097**	**32,908**	**38,097**

The statements of comprehensive income shows the following amounts relating to leases:

		Consolidated		Company	
	Note	**2026**	**2025**	**2026**	**2025**
		$'000	**$'000**	**$'000**	**$'000**
Depreciation charge of right-of-use assets - Properties	5	6,447	9,263	6,447	9,263
Interest expense (included in interest expense and similar charges)	3a	1,798	1,942	1,798	1,924

Additions to the right-of-use assets during the financial year were $675,000 (2025: 1,419,000). The total cash outflow for leases during the financial year was $7,581,000 (2025: $7,274,000).

(a) The consolidated entity's leasing activities and how these are accounted for

The consolidated entity leases various offices. Rental contracts are typically made for fixed periods of 3 to 10 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the consolidated entity. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments, less any lease incentives receivable, and
- variable lease payment that are based on an index or a rate.

NON-OPERATING ASSETS (continued)

27. Right-of-use assets and lease liabilities (continued)

The lease payments are discounted using the incremental borrowing rate, being the rate that the consolidated entity would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:
- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received, and
- any initial direct costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

(b) Extension option

Extension option is included in a number of property leases across the consolidated entity. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension options held are exercisable only by the consolidated entity and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options, or periods after termination options, are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

28. Intangible assets

Recognition and measurement

Capitalised computer software and development costs are amortised from the point at which the asset is ready for use on a straight-line basis over its useful life, which varies from 3 to 10 years.

Implementation costs, including costs to configure or customise the software as a service (“SaaS”) provider's application are recognised as operating expenses when the services are received.

For SaaS arrangements, where the supplier provides both configuration and customisation services, judgement has been applied to determine whether each of the services are distinct or not from the underlying use of the SaaS application. Distinct configuration and customisation costs are expensed as incurred as the software is configured or customised (i.e., upfront).

For non-distinct customisation activities that significantly enhance or modify a SaaS cloud-based application, judgement has been applied in determining whether the degree of customisation and modification of the SaaS application is significant or not. Non-distinct configuration and customisation costs are considered as prepaid expenses and are expensed over the SaaS contract term.

NON-OPERATING ASSETS (continued)

28. Intangible assets (continued)

Impairment of assets

Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to resell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other asset groups (cash generating units).

	Consolidated		Company	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Software				
Cost	163,697	134,642	163,697	134,642
Amortisation	(93,494)	(73,213)	(93,494)	(73,213)
Carrying Value	**70,203**	**61,429**	**70,203**	**61,429**

	Consolidated		Company	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
Carrying value at 1 April	61,429	64,068	61,429	64,068
Additions	29,055	18,868	29,055	18,868
Amortisation expense	(20,281)	(20,129)	(20,281)	(20,129)
Transfer	-	(1,378)	-	(1,378)
Carrying value at 31 March	**70,203**	**61,429**	**70,203**	**61,429**

NON-OPERATING ASSETS (continued)

29. Deferred tax assets

Refer to note 6 income tax expense for further information on income tax.

	Consolidated		Company	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Deferred tax asset balances comprise temporary differences attributable to:				
Amounts recognised in statements of financial position				
Provision for impairment of loans and advances	68,715	59,544	58,386	54,146
Accrued expenses	87,181	64,763	86,941	64,480
Sundry items	22,290	20,610	22,290	20,610
Total amount recognised in statements of financial position	178,186	144,917	167,617	139,236
Deferred tax liability balances comprise temporary differences attributable to:				
Amounts recognised in statements of financial position				
Assets financed under lease	177,240	165,015	177,240	165,015
Sundry items	10,419	8,392	10,419	8,392
Total amount recognised in statements of financial position	187,659	173,407	187,659	173,407
Net deferred tax liabilities	**(9,473)**	**(28,490)**	**(20,042)**	**(34,171)**
Gross deferred tax assets opening balance	144,917	120,774	139,236	116,631
Movement in temporary differences during the year				
Provision for impairment of loans and advances	9,171	8,629	4,241	7,197
Accrued expenses	22,418	13,715	22,460	13,609
Sundry items	1,680	1,799	1,680	1,799
Gross deferred tax assets closing balance	178,186	144,917	167,617	139,236
Gross deferred tax liabilities opening balance	173,407	152,648	173,407	152,648
Movement in temporary differences during the year				
Assets financed under lease	12,225	19,739	12,225	19,739
Sundry items	2,027	1,020	2,027	1,020
Gross deferred tax liabilities closing balance	187,659	173,407	187,659	173,407
Net deferred tax liabilities	**(9,473)**	**(28,490)**	**(20,042)**	**(34,171)**

30. Other Financial Disclosure - Class action

On 22 February 2024, Toyota Finance Australia Limited (TFA) was served with a class action lawsuit claiming that between 2010 and 2018 there was an undisclosed flex commission arrangement between TFA and its dealerships that encouraged those dealerships to vary the interest rates on loans arranged for their customers. TFA has determined that a present obligation exists and that an outflow of economic benefits is probable. Accordingly, a provision has been recognised against the current year's interest income, measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

UNRECOGNISED ITEMS

This section provides information about items that are not recognised in the financial statements as they do not satisfy the recognition criteria but are relevant for the understanding of the financial performance of the consolidated entity.

31. Contingent liabilities and assets

Contingent liabilities

Group GST liability

The consolidated entity, as members of the Toyota Motor Corporation Australia Limited GST Group ("GST Group"), are jointly and severally liable for 100% of the goods and services tax ("GST") payable by the GST Group. The GST Group had a net GST payable as at 31 March 2026 of $82,865,000 (2025: $89,140,000). The consolidated entity had recorded a liability of $76,666,000 for its share of GST payable as at 31 March 2026 (31 March 2025: $83,382,000). The consolidated entity, in association with other Australian incorporated entities with a common owner, implemented the income tax consolidation legislation from 1 April 2003 with Toyota Motor Corporation Australia Limited as the head entity of the income tax consolidated group. Under the income tax consolidation legislation, income tax consolidation entities are jointly and severally liable for the income tax liability of the consolidated income tax group unless an income tax sharing agreement has been entered into by member entities. At the date of signing this financial report, an income tax sharing agreement has been executed.

Class action

On 4 April 2025, Toyota Finance Australia Limited (TFA) as co-defendant with insurer Aioi Nissay Dowa Insurance Company Australia (ADICA), was served with a statement of claim focussed solely on add-on insurance arrangements which TFA is defending. At this stage, TFA is unable to estimate the amount of any potential loss arising from the class actions.

Other

From time to time, there may be litigation or regulatory proceedings against the consolidated entity. The Board continues to monitor each of these actions or investigations. We are not aware of any pending litigation, proceedings, hearings or claims negotiations which may result in significant loss to the consolidated entity.

32. Commitments

There were nil capital commitments as at 31 March 2026 (31 March 2025: nil) for consolidated entity and company.

33. Subsequent events

Since the end of the financial year the directors have recommended the payment of a final fully franked dividend of $1.20 per fully paid ordinary share. The amount of the proposed dividend expected to be paid on or before 30 June 2026 out of retained earnings as at 31 March 2026, but not recognised as a liability at year end, is $143,958,000.

Other than as set out above, the directors are not aware of any other matters or circumstances that has occurred since 31 March 2026 that has significantly affected or may significantly affect the operations of the consolidated entity, the results of these operations or the state of affairs of the consolidated entity in subsequent financial periods.

OTHER DISCLOSURE MATTERS

This section covers other information that is not directly related to specific line items in the financial statements, including information about subsidiaries, related party transactions, company information and other statutory disclosures.

34. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2b:

			Ownership interest	
Name of entity	**Country of Incorporation**	**Class of shares**	**2026 %**	**2025 %**
Australian Alliance Automotive Finance Pty Limited*	Australia	Ordinary	100	100

** Investment value of $2 has been rounded to nil. This subsidiary has been granted relief from the necessity to prepare financial statements in accordance with ASIC Instrument 2016/785 issued by the Australian Securities and Investment Commission. For further information, refer to note 37. The proportion of the ownership interest is equal to the proportion of voting power held.*

	Units owned	
	2026	**2025**
Name of trust	**%**	**%**
Southern Cross Toyota 2009-1 Trust **	100	100
King Koala TFA 2012-1 Trust **	100	100
Toyota Mobility 2025 Trust **	100	-

*** Investment value of $10 has been rounded to $nil.*

OTHER DISCLOSURE MATTERS (continued)

35. Related party transactions

This note shows the extent of related party transactions that are undertaken by the consolidated entity and the impact they had on the financial performance and position of the consolidated entity.

(a) Entities in the wholly owned group

Toyota Finance Australia Limited, referred in these accounts as "Company", is a wholly owned subsidiary of Toyota Financial Services Corporation, which in turn is a wholly owned subsidiary of the ultimate parent entity, Toyota Motor Corporation incorporated in Japan.

(b) Subsidiaries

Interests in subsidiaries are set out in note 34.

(c) Associates

Investments in associates are set out in note 25.

(d) Key management personnel

(i) Key management personnel compensation

	Consolidated and Company	
	2026	**2025**
	$	**$**
Short-term employee benefits, post-employment, other long-term and termination benefits	2,621,825	2,818,945

(ii) Equity instrument disclosures relating to key management personnel

There were no issued ordinary shares of the ultimate parent entity, being Toyota Motor Corporation Japan, under option to key management personnel as at 31 March 2026 and 31 March 2025.

(iii) Loans to key management personnel

No loans to key management personnel were recognised as at 31 March 2026 and 31 March 2025.

(e) Transactions and balances with related parties

Transactions and balances with related parties are set out below. These are included in the statements of comprehensive income and statements of financial position for the period.

OTHER DISCLOSURE MATTERS (continued)

35. Related party transaction (continued)

	Consolidated		Company	
	2026 $'000	**2025 $'000**	**2026 $'000**	**2025 $'000**
Net financing income				
Affiliate finance income	4,340	4,449	4,340	4,449
Interest on lease liabilities to affiliates	(30)	(98)	(30)	(98)
Credit support fees paid to parent entity	(25,916)	(25,123)	(25,916)	(25,123)
Debt issuance fees paid to affiliates	(111)	(213)	(111)	(213)
Debt issuance fees paid to parent entity	(313)	(295)	(313)	(295)
Interest expense on loan from securitisation trusts and subsidiary	-	-	(610,046)	(500,344)
Interest income from loan to subsidiary	-	-	209,995	197,891
Operating lease rental income from affiliates	22,713	22,343	22,713	22,343
Other Income				
Residual distribution from securitisation trusts	-	-	360,280	284,814
Maintenance and other fee income from affiliates	1,251	1,062	1,251	1,062
Expenses				
Security shared services and licence fee	6,229	5,414	6,229	5,414
Share of overhead expenses related to subsidiary	-	-	(40,491)	(49,688)
Shared services fee	6,230	-	6,230	-
Assets				
Loans and receivables				
Term Loan	5,633	6,742	5,633	6,742
Deferred finance income from affiliates*	(7,090)	(4,293)	(7,090)	(4,293)
Other assets				
Accounts receivable from affiliates*	7,616	3,272	7,616	3,272
Intercompany advance to subsidiary	-	-	4,267,235	4,291,114
Investment in securitisation trusts	-	-	1,480,849	1,252,883
Investment in associates	-	-	4,284	4,284
Purchase of vehicles from affiliates	152,549	140,648	152,549	140,648
Liabilities				
Non-interest-bearing loans payable to affiliates	42,180	42,180	42,180	42,180
Interest rate swap contracts	-	-	109,227	50,123
Interest bearing loan from securitisation trusts and subsidiary	-	-	8,026,384	7,028,868
Accounts payable to affiliates*	231,737	261,707	231,737	261,707
Lease liabilities to affiliates	463	710	463	710
Accrued expenses payable to parent entity*	12,694	12,872	12,694	12,872
Acrrued expenses payable to affiliates	10	-	10	-

** Non-interest bearing*

No bad debts expense and allowance for doubtful debts were recognised in relation to any receivable due from related parties as at 31 March 2026 and 31 March 2025.

OTHER DISCLOSURE MATTERS (continued)

36. Auditor's remuneration

During the year, the following fees were paid or payable for services provided by the auditor of the company, its related practices and non-related audit firms:

	Consolidated		Company	
	2026 $	2025 $	2026 $	2025 $
PricewaterhouseCoopers - Australian firm				
Audit or review of the financial reports	1,262,708	1,057,203	1,262,708	1,057,203
Other statutory assurance services	612,755	439,651	612,755	439,651
Other assurance services	621,680	392,021	621,680	392,021
Total audit and other assurance services	**2,497,143**	**1,888,875**	**2,497,143**	**1,888,875**
Taxation	14,067	12,921	14,067	12,921
Total remuneration	**2,511,210**	**1,901,796**	**2,511,210**	**1,901,796**
Related practices of PricewaterhouseCoopers-Australian firm (including overseas PricewaterhouseCoopers firms)				
Other assurance services	66,111	104,048	66,111	104,048

37. Deed of cross guarantee

Toyota Finance Australia Limited and Australian Alliance Automotive Finance Pty Limited are parties to a deed of cross guarantee in which each entity guarantees the debts of the other. By entering the deed, the wholly owned entities have been relieved from the requirement to prepare a financial report and a directors' report under ASIC Instrument 2016/785 issued by the Australian Securities and Investments Commission.

The above companies represent a "Closed Group" for the purposes of the Legislative Instrument, and as there are no other parties to the deed of cross guarantee that are controlled by Toyota Finance Australia Limited, they also represent the "Extended Closed Group".

Set out below are the statements of financial position and statements of comprehensive income of the closed group for the year ended 31 March 2026.

OTHER DISCLOSURE MATTERS (continued)

37. Deed of cross guarantee (continued)

Consolidated and Company statements of financial position

	2026	2025
	$'000	$'000
Assets		
Cash and cash equivalents	1,882,109	1,790,763
Loans and receivables	28,367,189	27,866,189
Motor vehicles under operating lease	2,797,287	2,585,766
Derivative financial instruments	423,337	892,158
Investment accounted for using the equity method	104,493	112,503
Intangible assets	70,203	61,429
Property, plant and equipment	15,353	19,845
Right-of-use assets	23,751	29,523
Other assets	1,720,605	1,331,830
Total assets	**35,404,327**	**34,690,006**
Liabilities		
Due to banks and other financial institutions	1,948,548	2,333,400
Bonds and commercial paper	20,951,063	21,606,439
Related party liabilities – securitisation trusts	8,026,384	7,028,868
Derivative financial instruments	765,802	244,434
Deferred tax liabilities	9,473	28,490
Other liabilities	810,769	866,699
Contract liabilities	170,912	152,565
Lease liabilities	32,908	38,097
Total liabilities	**32,715,859**	**32,298,992**
Net assets	**2,688,468**	**2,391,014**
Equity		
Contributed equity	120,000	120,000
Reserves	(7,574)	1,873
Retained earnings	2,576,042	2,269,141
Total equity	**2,688,468**	**2,391,014**

OTHER DISCLOSURE MATTERS (continued)

37. Deed of cross guarantee (continued)

Consolidated and Company statements of comprehensive income

	2026	2025
	$'000	$'000
Interest revenue	1,951,316	1,894,661
Rental income on motor vehicles under operating lease	704,698	630,472
Fee income	68,903	65,173
Financing and similar revenue	**2,724,917**	**2,590,306**
Interest expense and similar charges	(1,599,971)	(1,551,288)
Depreciation expense on motor vehicles under operating lease	(548,924)	(491,576)
Financing expense and similar charges	**(2,148,895)**	**(2,042,864)**
Net financing and similar revenue	**576,022**	**547,442**
Proceeds from disposal of leased assets	615,687	550,565
Cost of leased assets	(517,742)	(467,576)
Other revenue	424,031	342,451
Net operating income	1,097,998	972,882
Credit impairment loss	(113,347)	(96,501)
Non-credit impairment reversal/(loss)	(2,113)	472
Employee benefits expense	(209,549)	(206,889)
Depreciation, write-off and amortisation	(32,765)	(42,612)
IT and communication expense	(68,560)	(58,431)
Sales and marketing expense	(9,077)	(8,799)
Other expenses	(46,472)	(40,599)
Share of net profits of associates accounted for using the equity method	13,275	12,531
Profit before income tax	**629,390**	**532,054**
Income tax expense	(206,445)	(149,557)
Profit attributable to owners of Toyota Finance Australia Limited	**422,945**	**382,497**
Other comprehensive income		
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(9,447)	(1,017)
Total comprehensive income attributable to owners of Toyota Finance Australia Limited	**413,498**	**381,480**

Consolidated entity disclosure statement

The table below includes consolidated entity information required by section 295 of the Corporations Act 2001 (Cth). For unincorporated entities, 'Place of incorporation' refers to the country where business is carried on.

As at 31 March 2026

Name of entity	Type of entity	Trustee, partner, or participant in Joint Venture	% of share capital/ % of units	Place of incorporation	Australian income tax resident or foreign resident	Foreign jurisdiction(s) of foreign residents
Toyota Finance Australia Limited	Body Corporate	-	n/a	Australia	Australian	n/a
Australian Alliance Automotive Finance Pty Limited	Body Corporate	-	100	Australia	Australian	n/a
Southern Cross Toyota 2009-1 Trust	Trust	-	100	Australia	Australian	n/a
King Koala TFA 2012-1 Trust	Trust	-	100	Australia	Australian	n/a
Toyota Mobility 2025 Trust	Trust	-	100	Australia	Australian	n/a

DIRECTORS' DECLARATION

In the directors' opinion:

(a) the financial statements and notes set out on pages 7 to 90 are in accordance with the *Corporations Act* 2001, including:

(i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the consolidated entity and company's financial position as at 31 March 2026 and of its performance for the year ended on that date: and

(b) there are reasonable grounds to believe that the consolidated entity and company will be able to pay its debts as and when they become due and payable; and

(c) at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group identified in note 37 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 37; and

(d) the Consolidated entity disclosure statement set out on pages 91 is true and correct

Note 2(a) confirms that the financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors.

For and on behalf of the Board,

E. Tsirogiannis
Director

M. Ueno
Director

Sydney
25 June 2026

Sydney
25 June 2026

Independent auditor's report

To the members of Toyota Finance Australia Limited

Our opinion

In our opinion, the accompanying financial report of Toyota Finance Australia Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001* (Cth), including:

a) giving a true and fair view of the Company's and Group's financial positions as at 31 March 2026 and of their financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001* (Cth).

What we have audited

The financial report comprises:

- the Consolidated and Company statements of financial position as at 31 March 2026;
- the Consolidated and Company statements of comprehensive income for the year then ended;
- the Consolidated and Company statements of changes in equity for the year then ended;
- the Consolidated and Company statements of cash flows for the year then ended;
- the notes to the financial statements, including material accounting policy information and other explanatory information;
- the consolidated entity disclosure statement as at 31 March 2026; and
- the directors's declaration.

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Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company and the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 31 March 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001* (Cth), including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company and the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/apzlwn0y/ar3_2024.pdf. This description forms part of our auditor's report.

PricewaterhouseCoopers

David R Cox
Partner

Sydney
25 June 2026