TOYOTA FINANCE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES
ABN 48 002 435 181
INTERIM REPORT
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2025

TOYOTA FINANCE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES
ABN 48 002 435 181

Interim Report

TABLE OF CONTENTS

DIRECTORS' REPORT

The directors present this report on the consolidated entity consisting of Toyota Finance Australia Limited ("the company") and the entities it controlled at the end of, or during, the half year ended 30 September 2025.

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, a director since 2014
M. J. Callachor, a director since 2017
M. Templin, a director since 2018
J. Pappas, a director since 2022
H. Ito, a director since 2023
D. Chessari, a director since 2024

2. REVIEW OF OPERATIONS

The net profit of the consolidated entity for the half year ended 30 September 2025 was $205,123,000 (30 September 2024: $234,814,000) after deducting income tax expense of $86,035,000 (30 September 2024: $98,874,000).

The Reserve Bank of Australia (RBA) lowered the cash rate target by 0.50% during the current financial year (0.25% in May '25 and 0.25% in Aug '25), bringing the cash rate target to 3.6%, citing underlying inflation continuing to decline back towards the mid-point of 2-3% and labour market conditions easing slightly. While pressures on household budgets persist, there has been no significant escalation in default trends, but vigilance remains critical as economic conditions evolve. Cost of funds and lending rates are relatively stable during the current 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 condensed consolidated statement of comprehensive income as interest expense and similar charges. This introduces volatility in the condensed consolidated entity's statement of comprehensive income and produces anomalous results through the lifecycle of the derivatives.

3. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration is set out on page 4.

4. 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 condensed consolidated interim 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	H. Ito
Director	Director
Sydney	Sydney
28 November 2025	28 November 2025

Auditor's Independence Declaration

As lead auditor for the review of Toyota Finance Australia Limited for the half-year ended 30 September 2025, 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 review; and

b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Toyota Finance Australia Limited and the entities it controlled during the period.

David R Cox
Partner
PricewaterhouseCoopers

Sydney
28 November 2025

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, BARANGAROO NSW 2000, GPO BOX 2650 SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

TOYOTA FINANCE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES
ABN 48 002 435 181

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	30 September 2025 $'000	30 September 2024* Restated $'000
Interest revenue calculated using the effective interest rate method	2a	1,008,555	923,236
Rental income on motor vehicles under operating lease		344,196	300,202
Fee income	2b	34,246	32,135
Financing and similar revenue		**1,386,997**	**1,255,573**
Interest expense and similar charges	2a	(667,092)	(544,652)
Depreciation expense on motor vehicles under operating lease		(266,120)	(237,808)
Financing expense and similar charges		**(933,212)**	**(782,460)**
Net financing and similar revenue		**453,785**	**473,113**
Proceeds from disposal of lease assets		312,459	244,780
Cost of lease assets		(268,168)	(205,724)
Other revenue	3	33,076	30,950
Net operating income		**531,152**	**543,119**
Credit impairment loss	4c	(62,340)	(41,686)
Non-credit impairment (loss)/reversal	7b	(3,569)	504
Employee benefits expense		(105,778)	(101,260)
Depreciation, write-off and amortisation	5	(19,301)	(21,435)
IT and communication expense		(28,830)	(26,047)
Sales and marketing expense		(4,403)	(4,163)
Other expenses		(20,148)	(19,445)
Share of net profits of associates accounted for using the equity method		4,375	4,101
Profit before income tax		**291,158**	**333,688**
Income tax expense		(86,035)	(98,874)
Profit attributable to owners of Toyota Finance Australia Limited		**205,123**	**234,814**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		2,066	(25)
Total comprehensive income attributable to owners of Toyota Finance Australia Limited		**207,189**	**234,789**

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

*Refer to Note 1 for details of items restated.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 September 2025 $'000	31 March 2025 $'000
Assets			
Cash and cash equivalents		1,740,413	1,790,763
Loans and receivables	7a	28,633,325	27,866,189
Motor vehicles under operating lease	7b	2,710,142	2,585,766
Derivative financial instruments	10	693,828	892,158
Investment accounted for using the equity method		107,105	112,503
Intangible assets		62,530	61,429
Property, plant and equipment		17,069	19,845
Right-of-use assets		26,965	29,523
Other assets		117,710	78,947
Total assets		**34,109,087**	**33,437,123**
Liabilities			
Due to banks and other financial institutions	8	8,524,341	8,109,385
Bonds and commercial paper	9	21,947,519	21,606,439
Derivative financial instruments	10	296,042	194,311
Deferred tax liabilities		18,172	28,490
Other liabilities		591,068	866,699
Contract liabilities		163,093	152,565
Lease liabilities		36,570	38,097
Total liabilities		**31,576,805**	**30,995,986**
Net assets		**2,532,282**	**2,441,137**
Equity			
Contributed equity		120,000	120,000
Reserves		3,939	1,873
Retained earnings		2,408,343	2,319,264
Total equity		**2,532,282**	**2,441,137**

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

TOYOTA FINANCE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES
ABN 48 002 435 181

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Contributed equity	Reserves	Retained earnings	Total equity
	$'000	$'000	$'000	$'000
Balance at 1 April 2024	120,000	2,890	2,048,979	2,171,869
Profit for the period	-	-	234,814	234,814
Other comprehensive income	-	(25)	-	(25)
Total comprehensive income for the period	-	(25)	234,814	234,789
Dividend paid	-	-	(89,582)	(89,582)
Balance at 30 September 2024	**120,000**	**2,865**	**2,194,211**	**2,317,076**
Balance at 1 April 2025	120,000	1,873	2,319,264	2,441,137
Profit for the period	-	-	205,123	205,123
Other comprehensive income	-	2,066	-	2,066
Total comprehensive income for the period	-	2,066	205,123	207,189
Dividend paid	-	-	(116,044)	(116,044)
Balance at 30 September 2025	**120,000**	**3,939**	**2,408,343**	**2,532,282**

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

TOYOTA FINANCE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES
ABN 48 002 435 181

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	30 September 2025 $'000	30 September 2024* Restated $'000
Cash flows from operating activities		
Net cash outflow from lending and finance leasing activities	(893,089)	(736,866)
Payment for acquisition of leased assets	(662,265)	(676,052)
Proceeds from disposal of lease assets	312,459	244,780
Net cash outflow on derivatives	(58,261)	(272,837)
Interest received	991,649	912,633
Interest paid	(616,859)	(438,092)
Other operating income received	419,214	365,665
Expenses paid	(167,236)	(144,649)
Income taxes paid	(179,565)	(10,000)
Net cash outflow from operating activities	**(853,953)**	**(755,418)**
Cash flows from investing activities		
Payments for intangible assets	(11,138)	(7,716)
Payments for property, plant and equipment	(3,956)	(5,235)
Proceeds from sale of non-leased property, plant and equipment	3,948	3,767
Dividends received from associate	11,839	15,200
Net cash inflow from investing activities	**693**	**6,016**
Cash flows from financing activities		
Proceeds from borrowings	11,024,047	11,496,821
Repayments of borrowings	(10,102,891)	(11,224,079)
Principal lease payments	(2,202)	(3,423)
Dividends paid to parent	(116,044)	(89,582)
Net cash inflow from financing activities	**802,910**	**179,737**
Net decrease in cash and cash equivalents	(50,350)	(569,665)
Cash and cash equivalents at beginning of period	1,790,763	3,070,045
Cash and cash equivalents at end of period	**1,740,413**	**2,500,380**

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

*Refer to Note 1 for details of items restated.

1. Basis of preparation of interim financial report

The condensed consolidated interim financial report for the half year ended 30 September 2025 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting.*

The condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 March 2025.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, with the exception of new and amended standards and interpretations, commencing 1 April 2025 that have been adopted where applicable.

Going concern

The directors consider 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.

Prior year comparatives

Where relevant, comparatives in the condensed consolidated interim financial report have been restated to conform to the current half year presentation.

Restatement of prior period balances

Balances related to the period ended 30 September 2024 that were previously presented on a net basis, have been restated to be presented on a gross basis in the condensed consolidated statement of comprehensive income, to comply with the requirements of AASB 116 – Property, Plant and Equipment and the statement of cash flows, to comply with the requirements of AASB 107 – Statement of Cash Flows.

1. Basis of preparation of interim financial report (continued)

These balances have been restated for the prior period as follows:

Condensed consolidated statement of comprehensive Income (extract)	30 September 2024 $'000	Increase / (decrease) $'000	30 September 2024 Restated* $'000
Other revenue	70,006	(39,056)	30,950
Proceeds from disposal of lease assets	-	244,780	244,780
Cost of lease assets	-	(205,724)	(205,724)

Condensed consolidated statement of cash flows (extract)	30 September 2024 $'000	Increase / (decrease) $'000	30 September 2024 Restated* $'000
Net cash outflow from lending and finance leasing activities	(1,429,819)	692,953	(736,866)
Payment for acquisition of leased assets	-	(676,052)	(676,052)
Proceeds from disposal of leased assets	-	244,780	244,780
Net cash outflow on derivatives	-	(272,837)	(272,837)
Interest received	1,011,434	(98,801)	912,633
Interest paid	(627,235)	189,143	(438,092)
Rental income received	300,202	(300,202)	-
Other operating income received	-	365,665	365,665
Expenses paid	-	(144,649)	(144,649)
Income taxes refunded / (paid)	(10,000)	-	(10,000)
Net cash outflow from operating activities	**(755,418)**	**-**	**(755,418)**

As a result of the items outlined above, balances have also been restated in Notes 3,6 and 11. Further details have been outlined in each respective note.

2. Financing revenue, expense and similar charges

	30 September 2025 $'000	30 September 2024 $'000
(a) Interest revenue and expense		
Interest revenue calculated using the effective interest rate method		
Interest revenue	1,096,269	1,009,705
Fee income recognised using the effective interest rate method	58,015	52,642
Fee expense recognised using the effective interest rate method	(145,729)	(139,111)
Total interest revenue	**1,008,555**	**923,236**
Interest expense and similar charges		
Interest expense	612,203	598,199
Net gain on translation of foreign currency debt	(172,646)	(665,226)
Fair value loss on derivative financial instruments at fair value through statements of comprehensive income	209,121	595,115
Transaction costs on borrowings	17,483	15,575
Interest on lease liabilities	931	989
Total interest expense and similar charges	**667,092**	**544,652**
(b) Fee income earned on originated assets		
Administration and management fee	32,363	30,806
Other fees	1,883	1,329
Total fee income	**34,246**	**32,135**

3. Other revenue

	30 September 2025 $'000	30 September 2024* Restated $'000
Net gain on disposal of assets*	104	750
Net insurance distribution revenue	15,256	12,518
Net maintenance revenue	14,826	14,814
Other income	2,890	2,868
Total other revenue	**33,076**	**30,950**

* In the prior period, this note previously reported Net gain on disposal of leased and fixed assets of $39,806,000. As a significant proportion of this balance has now been presented separately on gross basis in the condensed consolidated statement of comprehensive income (as Proceeds of disposal of lease assets ($244,780,000) and Cost of lease assets ($205,724,000)), Net gain on disposal of leased and fixed assets has been renamed as Net gain on disposal of assets, and the prior period balance has been restated from $39,806,000 to $750,000. This has resulted in the prior period balance of Total other revenue being restated from $70,006,000 to $30,950,000. Refer to Note 1 for further details of this restatement.

4. Impairment of financing assets

	30 September 2025 $'000	31 March 2025 $'000
(a) Provision for credit impairment of loans and receivables		
Opening balance	189,930	160,167
Increase in impairment loss provision	18,270	29,763
Closing balance	**208,200**	**189,930**

	30 September 2025 $'000	31 March 2025 $'000
(b) Provision for Guaranteed Future Value		
Opening balance	700	700
Decrease in impairment loss provision	(200)	-
Closing balance	**500**	**700**

	30 September 2025 $'000	30 September 2024 $'000
(c) Credit impairment loss		
Bad debts written off	58,754	52,617
Recovery of bad debts written off	(14,484)	(20,931)
Increase in impairment loss provision	18,070	10,000
Total credit impairment loss	**62,340**	**41,686**

Significant accounting estimate and judgement

The consolidated entity assesses, on a forward-looking basis, the expected credit loss (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 on future economic conditions and credit behaviour (e.g., the likelihood of customers defaulting and resulting losses).

A number of significant judgements are applied in the accounting requirements for measuring ECL, such as:

- determining the 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.

Incorporation of forward-looking factors and macroeconomic factors considered in the measurement of ECL

The consolidated entity has considered a range of relevant forward-looking Australian macroeconomic scenarios and assumptions, for the determination of unbiased economic forecasts and industry adjustment, that support the calculation of probability weighted expected loss.

4. Impairment of financing assets (continued)

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 continued Ukraine crisis.

The consolidated entity engages Moody's Analytics to obtain forecasts of the Australian macroeconomic variables, which are applied in the Z-score model. Inputs considered in the Z-score model are:

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

These inputs reflect reasonable and supportable forecasts of future macroeconomic conditions that includes, 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 macroeconomic cycle.

Incorporation of forward-looking information increases the degree of judgement required as to how changes in these macroeconomic factors will affect expected credit losses. For the interim reporting period, the consolidated entity has considered three forward-looking scenarios in the calculation of ECL:

Upside scenario at 5% weighting: Under this scenario, the economic impacts of the U.S. government tariffs are less than expected. Russia's war in Ukraine ends, and the conflict in the Middle East resolves, reducing geopolitical tensions. These positive developments relieve recession concerns, causing an uptick in consumer and business sentiment.

Base scenario at 50% weighting: Under this scenario, Russia's war in Ukraine continues but does not escalate beyond Ukraine. The ongoing hostilities in Gaza do not broaden to a regional conflict. Australia got off better than most countries with the reciprocal tariff imposed by U.S. however, the indirect impact will be sizeable. In terms of monetary policy, gradual rate cuts are expected while RBA's attention shifts from taming inflation to supporting growth.

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. Fears grow that the conflict in the Middle East will lead to a wider war. Also, tensions between China and the U.S. increase. U.S. government 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 risks. The global economy falls into recession in 2025, causing oil prices to fall below the baseline.

4. Impairment of financing assets (continued)

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 as at 30 September 2025

	Base Calendar Year		Upside Calendar Year		Recession Calendar Year	
	2025	2026	2025	2026	2025	2026
GDP (annual % change)	1.53%	2.52%	1.99%	4.41%	0.88%	-0.56%
Unemployment rate (%)	4.23%	4.35%	3.94%	3.40%	4.60%	6.56%
Stock market index (annual % change)	4.67%	3.19%	9.75%	10.15%	-4.56%	-17.80%
Cash rate (%)	3.70%	3.10%	3.78%	3.18%	3.60%	1.45%
AUD/USD exchange rate	0.64	0.65	0.65	0.71	0.60	0.51
House price index (annual % change)	2.20%	5.47%	3.73%	10.70%	-2.71%	-5.92%

The following table shows the potential provision for ECL based on the probability weighted scenarios and the forecast provisions for ECL 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 based on the expected range of possible future loss outcomes as noted above.

$'000	**30 September 2025**	**31 March 2025**
Base	163,553	148,773
Upside	129,215	117,835
Recession	254,042	228,227

The consolidated entity has also applied an overlay of approximately $5,600,000 (2025: $6,950,000). The ECL recognised by the consolidated entity as at 30 September 2025 is $208,200,000 (2025: $189,930,000).

5. Depreciation, write-off and amortisation

	30 September 2025 $'000	30 September 2024 $'000
Depreciation on property, plant and equipment		
Right-of-use assets	3,233	5,192
Leasehold improvements	864	1,324
Plant and equipment	278	195
Motor vehicles	1,858	1,252
Total depreciation and write-off	**6,233**	**7,963**
Amortisation of intangible assets		
Computer software development*	13,068	13,472
Total amortisation and write-off	**13,068**	**13,472**
Total depreciation, write-off and amortisation	**19,301**	**21,435**

** The amortisation of computer software development as at 30 September 2025 includes amortisation of software as a service arrangement amounting to $3,031,000 (2024: $3,506,000).*

6. 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 comprises of loans and leases to personal and commercial customers, including wholesale finance consisting of loans and bailment facilities to motor vehicle dealerships. Fleet segment comprises of loans and leases to small business and Fleet customers. Fleet customers include medium to large commercial clients and government bodies. The consolidated entity's business segments operate in Australia.

	30 September 2025			
	Retail $'000	Fleet $'000	Unallocated* $'000	Total $'000
Interest revenue	867,035	103,510	38,010	1,008,555
Rental income under operating Lease	-	349,915	(5,719)	344,196
Interest (expenses)/income	(612,860)	(134,389)	80,157	(667,092)
Depreciation under operating lease	-	(261,021)	(5,099)	(266,120)
Fee income				
Fee income recognised over a period of time	23,133	9,230	-	32,363
Fee income/(expense) recognised at a point in time	2,249	(333)	(33)	1,883
Other revenue				
Other revenue recognised at a point in time	13,610	15,453	3,909	32,972
Net gain on disposal of assets	-	104	-	104
Proceeds from disposal of lease assets	-	312,459	-	312,459
Cost of lease assets	-	(268,168)	-	(268,168)
Net operating income	293,167	126,760	111,225	531,152
Total reporting segment operating profit	118,105	61,987	-	180,092

	30 September 2024** Restated			
	Retail $'000	Fleet $'000	Unallocated* $'000	Total $'000
Interest revenue	777,860	94,175	51,201	923,236
Rental income under operating Lease	-	304,998	(4,796)	300,202
Interest (expenses)/income	(549,253)	(116,328)	120,929	(544,652)
Depreciation under operating lease	-	(230,285)	(7,523)	(237,808)
Fee income				
Fee income recognised over a period of time	21,479	9,327	-	30,806
Fee income/(expense) recognised at a point in time	2,167	(791)	(47)	1,329
Other revenue				
Other revenue recognised at a point in time	11,775	15,558	2,867	30,200
Net gain on disposal of assets	-	414	336	750
Proceeds from disposal of lease assets	-	244,780	-	244,780
Cost of lease assets	-	(205,724)	-	(205,724)
Net operating income	264,028	116,124	162,967	543,119
Total reporting segment operating profit	91,687	51,177	-	142,864

6. Segment results (continued)

	30 September 2025			
Assets	**Retail $'000**	**Fleet $'000**	**Unallocated $'000**	**Total $'000**
Segment assets	25,617,648	5,725,819	2,765,620	34,109,087

	31 March 2025			
Assets	**Retail $'000**	**Fleet $'000**	**Unallocated $'000**	**Total $'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.*

** In the prior period, this note previously reported Net gain on disposal of leased and fixed assets of $39,806,000, which was apportioned between Fleet ($39,470,000) and Unallocated ($336,000). A significant proportion of this balance has now been presented separately on a gross basis as Proceeds of disposal of lease assets ($244,780,000) and Cost of lease assets ($205,724,000) (all apportioned to Fleet). As a result, Net gain on disposal of leased and fixed assets has been renamed as Net gain on disposal of assets, and the prior period balance has been restated from $39,806,000 to $750,000, which is apportioned between Fleet ($414,000) and Unallocated ($336,000). Refer to Note 1 for further details of this restatement.

The consolidated entity's segment operating profit reconciles to consolidated profit attributable to owners as presented in the condensed consolidated statement of comprehensive income as follows:

	30 September 2025 $'000	**30 September 2024 $'000**
Total reporting segment operating profit	180,092	142,864
Share of net profits of associates accounted for using the equity method	4,375	4,101
Fair value gain	36,193	128,727
Other unallocated net income	70,498	57,996
Profit before income tax	**291,158**	**333,688**
Income tax expense	(86,035)	(98,874)
Profit attributable to owners of Toyota Finance Australia Limited	**205,123**	**234,814**

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.

7. Financing assets and motor vehicles under operating lease

(a) Loans and receivables

	Note	30 September 2025 $'000	31 March 2025 $'000
Finance leases		1,577,127	1,584,328
Unearned income on finance leases		(159,834)	(159,803)
Finance leases - net		1,417,293	1,424,525
Bailment stock		4,705,531	4,668,137
Term loans		22,194,330	21,413,933
Term purchases		524,871	550,224
Net loans and receivables (net of unearned income)		28,842,025	28,056,819
Provision for impairment of loans and receivables and Guaranteed Future Value	4a & b	(208,700)	(190,630)
Net loans and receivables		**28,633,325**	**27,866,189**
Maturity analysis (net of unearned income)			
Current			
Net loans and receivables maturing within 12 months		10,850,988	10,665,716
Non-current			
Net loans and receivables maturing beyond 12 months		17,991,037	17,391,103
		28,842,025	**28,056,819**

Future minimum lease receipts under finance leases

	30 September 2025			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	463,423	(64,270)	399,153	465,914	(63,344)	402,570
One to two years	401,282	(45,793)	355,489	400,376	(45,565)	354,811
Two to three years	329,749	(28,507)	301,242	331,807	(28,849)	302,958
Three to four years	241,520	(14,024)	227,496	241,589	(14,425)	227,164
Four to five years	92,709	(5,212)	87,497	94,909	(5,438)	89,471
Over five years	48,444	(2,028)	46,416	49,733	(2,182)	47,551
Total	**1,577,127**	**(159,834)**	**1,417,293**	**1,584,328**	**(159,803)**	**1,424,525**

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

(b) Motor vehicles under operating lease

	30 September 2025 $'000	31 March 2025 $'000
Operating lease - at cost	4,157,833	3,975,987
Provision for impairment loss	(11,450)	(7,850)
Accumulated depreciation	(1,436,241)	(1,382,371)
Total motor vehicles under operating lease	**2,710,142**	**2,585,766**
Provision for non-credit impairment loss on motor vehicle under operating lease		
Opening balance	7,850	8,850
Increase/(decrease) in impairment loss provision	3,600	(1,000)
Closing balance	**11,450**	**7,850**

	30 September 2025 $'000	30 September 2024 $'000
Non-credit impairment loss		
(Recovery)/write off	(31)	496
Increase/(decrease) in impairment loss provision	3600	(1000)
Total impairment loss/(reversal)	**3,569**	**(504)**

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

	30 September 2025 $'000	31 March 2025 $'000
Future minimum lease receipts		
Not later than one year	539,342	498,833
One to two years	326,620	307,227
Two to three years	230,288	214,888
Three to four years	121,980	114,551
Four to five years	49,527	48,165
Over five years	14,260	13,073
	1,282,017	**1,196,737**
Movements in cost, accumulated depreciation and reserves		
Balance at beginning of period, net of impairment loss	2,585,766	2,242,356
Additions	662,265	1,301,562
Disposals	(268,169)	(467,576)
Depreciation expense	(266,120)	(491,576)
Impairment (provision)/reversal	(3,600)	1,000
Balance at end of period, net of impairment loss	**2,710,142**	**2,585,766**

8. Due to banks and other financial institutions

	30 September 2025 $'000	31 March 2025 $'000
Banks and other financial institutions	8,524,341	8,109,385
Total due to banks and other financial institutions	**8,524,341**	**8,109,385**
Maturity analysis		
Current		
Banks and other financial institutions	4,005,583	3,953,256
Non-current		
Banks and other financial institutions	4,518,758	4,156,129
	8,524,341	**8,109,385**

9. Bonds and commercial paper

	30 September 2025 $'000	31 March 2025 $'000
Commercial paper	4,126,398	4,572,650
Medium term note	17,821,121	17,033,789
Total bonds and commercial paper	**21,947,519**	**21,606,439**
Maturity analysis		
Current		
Bonds and commercial paper	9,339,116	7,405,408
Non-current		
Bonds and commercial paper	12,608,403	14,201,031
	21,947,519	**21,606,439**

Holders of any outstanding bonds, debentures, notes and 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 the ultimate parent company, Toyota Motor Corporation (TMC) and the immediate parent entity, Toyota Financial Services Corporation (TFSC), dated 14 July 2000, and between TFSC and the company dated 7 August 2000.

10. Fair value measurement of financial instruments

(a) Derivative financial instruments

Fair value measurements

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. The derivatives have not been designated as hedging instruments. Consequently, changes in the fair value of derivatives are recognised immediately in the condensed consolidated statement 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 entity’s condensed consolidated statement of comprehensive income and produce anomalous results.

10. Fair value measurement of financial instruments (continue)

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.

The following market inputs and methods are used to determine the fair value 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 swaps 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 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 bilateral credit valuation adjustment is an adjustment to the fair value of the derivative instruments to account for the credit risk associated with both parties in the contract. 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. An area involving levels 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).
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.

10. Fair value measurement of financial instruments (continued)

30 September 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Derivative financial assets through profit or loss				
Derivatives used for economic hedging				
Foreign exchange contracts	-	1,324	-	1,324
Interest rate swap contracts	-	71,658	-	71,658
Cross currency swap contracts	-	625,475	-	625,475
Less: Bilateral credit valuation adjustments	-	(4,629)	-	(4,629)
Total financial assets	**-**	**693,828**	**-**	**693,828**
Derivative financial liabilities through profit or loss				
Derivatives used for economic hedging				
Foreign exchange contracts	-	73,650	-	73,650
Interest rate swap contracts	-	107,843	-	107,843
Cross currency swap contracts	-	114,549	-	114,549
Total financial liabilities	**-**	**296,042**	**-**	**296,042**

31 March 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Derivative financial assets through profit or loss				
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 profit or loss				
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**

The consolidated entity did not measure any financial assets and financial liabilities at fair value on a non-recurring basis as at 30 September 2025.

10. Fair value measurement of financial instruments (continued)

(b) 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.

	30 September 2025		31 March 2025	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
	$'000	**$'000**	**$'000**	**$'000**
Financial assets				
Loans and receivables	28,633,325	29,013,452	27,866,189	28,147,931
	28,633,325	**29,013,452**	**27,866,189**	**28,147,931**
Financial liabilities				
Due to banks and other financial institutions	8,524,341	8,638,187	8,109,385	8,225,680
Bonds and commercial paper	21,947,519	22,373,896	21,606,439	21,991,936
	30,471,860	**31,012,083**	**29,715,824**	**30,217,616**

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.

11. Cash flow information

Reconciliation of profit for the half year to net cash outflow from operating activities

	30 September 2025 $'000	30 September 2024* Restated $'000
Profit attributable to owners of Toyota Finance Australia Limited	205,123	234,814
Share of profit of associates	(4,375)	(4,101)
Depreciation, write-off and amortisation	16,270	17,929
Amortisation - upfront receipts	734	411
Amortisation - prepaid expenses	4,786	14,797
Net gain on sale or derecognition of non-current assets	(104)	(750)
Proceeds from disposal of lease assets	(312,459)	(244,780)
Cost of lease assets	268,168	205,724
Net gain on translation of foreign currency transactions	(165,120)	(669,888)
Changes in fair value of financial instruments	183,591	484,601
Increase in provision for impairment of receivable	18,070	10,000
Increase/(decrease) in provision for non-credit impairment	3,600	(1,000)
Movements in operating assets and liabilities:		
Increase in loans and receivables	(785,206)	(647,035)
Increase in assets under net operating lease (net of accumulated depreciation)	(83,797)	(193,561)
Decrease in deferred tax liability	(10,318)	(5,860)
Decrease in other, contract and lease liabilities	(181,891)	(157,292)
Increase in other assets	(38,763)	(48,126)
(Decrease)/increase in income tax payable	(83,212)	94,734
Increase in derivative financial instruments at fair value through profit or loss	110,950	153,965
Net cash outflow from operating activities	**(853,953)**	**(755,418)**

*In the prior period, this note previously reported Net gain on sale or derecognition of non-current assets of $39,806,000. A significant proportion of this balance has now been presented separately on a gross basis as Proceeds of disposal of lease assets ($244,780,000) and Cost of lease assets ($205,724,000). As a result, the prior period balance has been restated from $39,806,000 to $750,000. Refer to Note 1 for further details of this restatement.

12. Events occurring after the balance sheet date

Inflation remains a challenge for Australian households, despite signs of moderation. The follow-on effect of higher interest rates, implemented to manage inflation, continues to impact the cost of living and is felt across various sectors of the economy. In response to this macro-economic environment, management is closely monitoring bad debts, loans, and lease delinquencies. While pressures on household budgets persist, there has been no significant escalation in default trends thus far, but vigilance remains critical as economic conditions evolve.

No significant events have occurred since the balance sheet date, which would have an impact on the financial position of the consolidated entity disclosed in the condensed consolidated statement of financial position as at 30 September 2025 or on the results and cash flows of the consolidated entity for the half year period ended as at that date.

13. 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 30 September 2025 of $92,732,055 (31 March 2025: $89,140,000). The consolidated entity had recorded a liability of $89,505,558 for its share of GST payable as at 30 September 2025 (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 (a wholly owned subsidiary of the ultimate parent entity) 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 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. On 4 April 2025, after an application to amend the original statement of claim to include add-on insurance claims was dismissed, TFA as co-defendant with insurer Aioi Nissay Dowa Insurance Company Australia (ADICA), was served with a statement of claim focused solely on add-on insurance arrangements which TFA is also defending. At this stage TFA is unable to estimate the amount or range 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.

DIRECTORS' DECLARATION

In the directors' opinion:

(a) the condensed consolidated interim financial statements and notes set out on pages 5 to 26:

  (i) complying with Accounting Standards and other mandatory professional reporting requirements; and

  (ii) giving a true and fair view of the consolidated entity's financial position as at 30 September 2025 and of its performance for the half year ended on that date; and

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

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

For and on behalf of the Board

E. Tsirogiannis
Director

Sydney
28 November 2025

H. Ito
Director

Sydney
28 November 2025

Independent auditor's review report to the members of Toyota Finance Australia Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Toyota Finance Australia Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the Condensed consolidated statement of financial position as at 30 September 2025, the Condensed consolidated statement of comprehensive income, Condensed consolidated statement of changes in equity, Condensed consolidated statement of cash flows, for the half-year ended on that date, selected explanatory notes and the directors‘ declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the accompanying half-year financial report of Toyota Finance Australia Limited does not present fairly, in all material respects, the Group’s financial position as at 30 September 2025 and its financial performance and its cash flows for the half-year ended on that date, in accordance with the accounting policies as described in Note 1 to the financial statements.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the Auditor's responsibilities for the review of the half-year financial report section of our report.

We are independent of the Group in accordance with 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 the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial report in accordance with the accounting policies as described in Note 1 to the financial statements and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the half-year financial report does not present fairly, in all material respects, the financial position of the Group as at 30 September 2025 and of its financial performance and its cash flows for the half-year ended on that date in accordance with the accounting policies as described in Note 1 to the financial statements.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Use of Report

The half-year financial report has been prepared for the members of Toyota Finance Australia Limited. Our report is intended solely for Toyota Finance Australia Limited and its members.

We accept no duty, responsibility or liability to anyone other than Toyota Finance Australia Limited and its members in connection with this report. We make no representation concerning the appropriateness of this report for anyone other than Toyota Finance Australia Limited and its members and if anyone other than Toyota Finance Australia Limited and its members choose to use or rely on it, they do so at their own risk.

PricewaterhouseCoopers

David R Cox
Partner

Sydney
28 November 2025