

TOYOTA REPORT

Business Report for the 104th Fiscal Year

For the Period from April 1, 2007 to March 31, 2008

Reference document of the 104th ordinary general meeting



TOYOTA MOTOR CORPORATION

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To Our Shareholders:



Guiding Principles at Toyota

1. Honor the language and spirit of the law of every nation and undertake open and fair corporate activities to be a good corporate citizen of the world.
2. Respect the culture and customs of every nation and contribute to economic and social development through corporate activities in the communities.
3. Dedicate ourselves to providing clean and safe products and to enhancing the quality of life everywhere through all our activities.
4. Create and develop advanced technologies and provide outstanding products and services that fulfill the needs of customers worldwide.
5. Foster a corporate culture that enhances individual creativity and teamwork value, while honoring mutual trust and respect between labor and management.
6. Pursue growth in harmony with the global community through innovative management.
7. Work with business partners in research and creation to achieve stable, long-term growth and mutual benefits, while keeping ourselves open to new partnerships.

We are pleased to report on our business results for FY2008 (April 1, 2007 through March 31, 2008).

Toyota Motor Corporation (“TMC”) celebrated its 70th anniversary in November 2007. We would like to thank everyone, especially our shareholders and customers for long-running support and patronage.

In spite of severe external conditions, such as soaring raw material prices and the slowing U.S. economy in the latter half of FY2008, Toyota achieved record high results in net revenues and every item in profits in its consolidated business results for FY2008 for two consecutive years, as a result of the expansion of business mainly in resource-rich countries and emerging countries.

Therefore, we will propose a year-end dividend of 75 yen per share at the FY2008 Ordinary General Shareholders’ Meeting. This, combined with the interim dividend of 65 yen per share, will total to an annual dividend of 140 yen per share for FY2008, an increase of 20 yen compared with FY2007.

Toyota maintains the “Guiding Principles at Toyota,” a framework for our basic corporate stance. We also established our “Global Vision 2020” on the occasion of our 70th anniversary in November 2007, and set a new challenges for the future in pursuit of a robust concept: “using technology and human power to develop a future world.” We will endeavor to enhance and strive to grow in harmony with society based on four important themes in manufacturing: “environment,” “energy,” “safety” and “comfort.”

We rely on our shareholders for their further ongoing support.

Katsuaki Watanabe
President

1. Outlook of Associated Companies

(1) Progress and Achievement in Operation

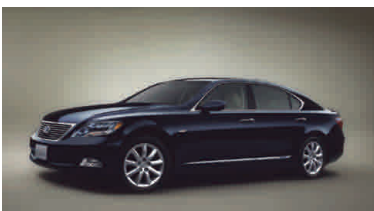
General Economic Environment in FY2008

Reviewing the general economic environment for the fiscal year ended March 2008 ("FY2008"), the Japanese economy experienced moderate expansion driven by capital expenditures and exports. Overseas, economic conditions remained steady in the United States supported by personal consumption. The economy continued to recover in Europe overall, and Asia experienced continued robust economic growth, particularly in China. In the second half of FY2008, however, disorder in financial markets triggered by the subprime mortgage crisis and high oil prices resulted in a severe economic condition and a downturn in the world economy.

Under these circumstances, Toyota Motor Corporation ("TMC") and its consolidated subsidiaries (together, "Toyota") have been striving to develop attractive products to satisfy their customers worldwide.

Overview of Japanese Operations

During FY2008 Toyota launched the Hybrid Sedan "LS600h/LS600hL," the top model of our Lexus brand lineups and the Lexus "IS F," a model designed to maximize the pleasure of driving, which is the intrinsic affection of the automobile. "Crown," a brand that has come to be well recognized and acclaimed as the classic model since its debut more than half a century ago, in 1955, has been re-engineered into an attractive product installed with the world-first safety technologies, including Toyota's "Pre-crash Safety System" with an added function to detect the opening-and-closing of the driver's eyes, and the "Navi Brake Assist" an advanced driving assistance function which is linked to the car navigation system. As a result of these active launches of new products and the diligent efforts of dealers nationwide, market share (including Daihatsu and Hino) including mini-vehicles was 42.0%, representing a record high, and Toyota and Lexus' market share excluding mini-vehicles remained at a high level of 45.6% following FY2007, although the total sales of vehicles in Japan for FY2008 decreased by 99,000 units (or 4.2%) to 2,232,000 units, compared with FY2007.



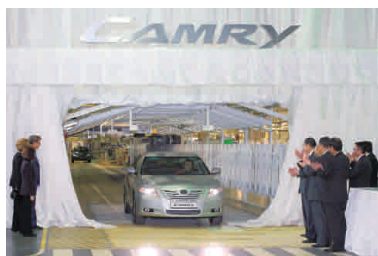
LS600h/LS600hL



Crown Athlete

Overview of Overseas Operations

For overseas operations, production of the Camry began at a facility run by Fuji Heavy Industries Ltd. in Indiana, North America, and sales volumes of fuel-efficient cars such as the Prius and the new Tundra increased significantly. In Europe, the Auris and the Corolla sold steadily, and production of the Camry commenced in a new factory in Russia. In Asia, sales of the Hilux and the Yaris were favorable particularly in Indonesia and Thailand due to recovery of demand in the market as a whole. In the expanding market of China, Tianjin FAW Toyota Motor Co., Ltd. constructed its third plant and started production of the new Corolla. The countries in the Latin America and Oceania regions saw sharp increases in unit sales, such as the Hilux in Brazil and Argentina, and the Camry in Australia. Through these global expansion of production sites, the introduction of vehicle models that closely meet customer needs in Japan and overseas and the implementation of various sales measures, the global sales, including Daihatsu and Hino brands, reached a total of 9,430 thousand units in FY2008, 425 thousand units (or 4.7%) above the sales in FY2007.



Production of the Camry began in Russia.



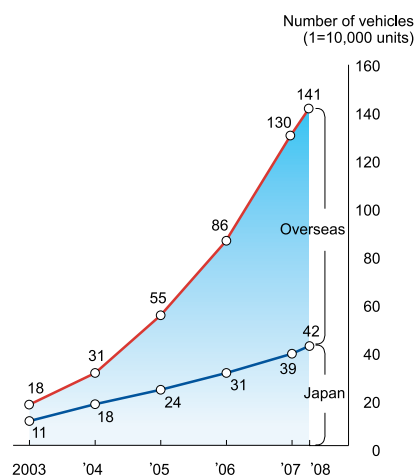
Production of the new Corolla began in Tianjin FAW Toyota Motor Co., Ltd., China.

Environmental Initiatives

In parallel with these business developments, Toyota considers environmental issues a management priority and has been working to reduce carbon-dioxide emissions and other environmental burdens at every stage of the vehicle life cycle—from development, production, delivery, and use to disposal and recycling.

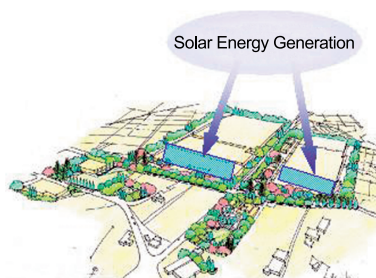
In product development, Toyota expanded its lineup of models equipped with hybrid technology, which is Toyota's core solution for environmental issues. This resulted in the achievement of total hybrid vehicles sales of 445,000 units worldwide in FY2008, the 10th anniversary of the Prius, the total cumulative sales of hybrid vehicles for the decade reached 1,415,000 units. In production, Toyota implemented "sustainable plant initiatives" globally aiming to establish a plant that fully uses natural resources while existing in harmony with the environment. Toyota also worked positively to strengthen our "Recycle Design" policy with the aim to enhance recyclability and the easier dismantling of used vehicles.

Cumulative Unit Sales of Hybrid Vehicles



* Figures for 2003 through 2007 represent the number of vehicles as of December 31, respectively.

* Figures for 2008 represent the number of vehicles as of March 31, 2008.



Sustainable Plant

(image) Designed by MIKI KUDOH

Non-Automotive Operations

In order to respond to the diverse customer needs, Toyota is also actively developing its business in areas such as financial services and the housing business. In the financial services business, due to our efforts to expand business in emerging markets such as China and Russia, Toyota have succeeded in developing a networks in 32 countries/regions, which support the automobile business globally. In the housing business, Toyota released three new products in the Sincé series with enhanced insulation efficiency in addition to features for securities and seismic safety, under the concept of a “Lifetime Healthy House.” Toyota will continue to make efforts to create comfortable houses suitable for the environment and climate of Japan.

Consolidated Financial Results for FY2008

Consolidated financial results for FY2008 reflected a well-balanced profit structure globally. This was achieved through increased unit sales in growing markets, in addition to marketing measures, efficiency improvements across management, and diligent cost reduction efforts. As a result, consolidated net revenues increased by 2,341.2 billion yen (or 9.8%) to 26,289.2 billion yen and consolidated operating income increased by 31.7 billion yen (or 1.4%) to 2,270.3 billion yen, compared with FY2007.

Consolidated net income for FY2008 increased by 73.8 billion yen (or 4.5%) to 1,717.8 billion yen, compared with FY2007.

The breakdown of consolidated net revenues is as follows:

Yen in millions

| | FY2008 (April 2007 through March 2008) | FY2007 (April 2006 through March 2007) | Increase (Decrease) | Change (%) |
|---|--|--|------------------------|---------------|
| Vehicles | 20,723,588 | 18,751,807 | 1,971,781 | 10.5 |
| Parts & components for overseas production | 342,244 | 334,619 | 7,625 | 2.3 |
| Parts | 1,785,684 | 1,551,969 | 233,715 | 15.1 |
| Other | 1,308,738 | 1,275,773 | 32,965 | 2.6 |
| Total Automotive | 24,160,254 | 21,914,168 | 2,246,086 | 10.2 |
| Financial Services | 1,468,730 | 1,277,994 | 190,736 | 14.9 |
| Other | 660,256 | 755,929 | (95,673) | (12.7) |
| Total | 26,289,240 | 23,948,091 | 2,341,149 | 9.8 |

Notes:

1. Consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.
2. The amounts represent net revenues from external customers.
3. Net revenues do not include consumption taxes, etc.

Capital Expenditures

With respect to capital expenditures, Toyota introduced an innovative production line at the Takaoka Plant to rapidly enhance not only product efficiency but also energy efficiency. Toyota also made active investments to construct new overseas plants and launch new products, and increased production capacity to respond to customer demand. As the result, total consolidated capital expenditures for FY2008 was 1,480.2 billion yen.

(2) Funding

Capital investment in the automobile business is mainly financed with funds gained from business operations. Funds necessary for the financial services business are mainly financed through the issuance of bonds, medium-term notes and commercial papers. The balance of debt as of the end of FY2008 was 12,210 billion yen.

(3) Consolidated Financial Summary

Yen in millions unless otherwise stated

| | FY2005 (April 2004 through March 2005) | FY2006 (April 2005 through March 2006) | FY2007 (April 2006 through March 2007) | FY2008 (April 2007 through March 2008) |
|---------------------------------------|---|---|---|---|
| Net revenues | 18,551,526 | 21,036,909 | 23,948,091 | 26,289,240 |
| Operating income | 1,672,187 | 1,878,342 | 2,238,683 | 2,270,375 |
| Net income | 1,171,260 | 1,372,180 | 1,644,032 | 1,717,879 |
| Net income per share - Basic (yen) | 355.35 | 421.76 | 512.09 | 540.65 |
| Shareholders' equity | 9,044,950 | 10,560,449 | 11,836,092 | 11,869,527 |
| Total assets | 24,335,011 | 28,731,595 | 32,574,779 | 32,458,320 |

(4) Issues to be Addressed

Although we expect overall steady growth of the world economy to continue mainly in resource-rich countries and emerging countries, we face a variety of risks in the future business environment, including further slowdown of the economy in the United States, fluctuations in exchange rates and the stock market, and higher energy and raw material prices. It is also necessary to pay close attention to higher downside risk of the Japanese economy whose recovery is at a standstill. In the automotive industry, especially in resource-rich countries and emerging countries which are expected to continue to grow, competition with respect to compact cars and low-price cars is becoming increasingly fierce among leading global and regional auto makers. In addition, environmental regulations are being strengthened throughout the world and environmental awareness is on the rise, leading to intense global competition in the development of technologies and the introduction of new products.

To put in place a solid foundation while continuing to achieve further growth amidst these severe circumstances, Toyota Group will make combined efforts to address the following agenda.

First, one short-term issue is the stimulation of the Japanese market through the introduction of market-creating products that anticipate customer needs and the implementation of demand-generating strategies that will promote stronger interest in automobiles. Overseas, on the other hand, we will make every effort to ensure the smooth start up of our new plants, meet the needs of resource-rich countries and emerging countries, and through further development of the foundation of production, purchasing, and sales structures, promote corporate activities that are rooted in the local regions.

With respect to quality, by implementing “jikotei kanketsu (the concept of defect-free process completion to ensure that no defective product leaves any production process)”, we will strive to maintain and enhance quality at the world’s highest level and raise cost competitiveness to support high-quality and sustainable growth. Further, based on the belief that the development of human resources is fundamental to corporate competitiveness, Toyota is engaged in the training of highly-creative personnel that will pass on Toyota’s manufacturing technologies, skills and values to the next generation.

Medium- to long-term challenges include achieving sustainability in 3 areas—“Technology”, “Manufacturing” and “Social Contribution”.

First, with respect to “Technology”, we will make even greater efforts on development of cutting-edge technologies and commercialization related to the environment, energy and safety. Specifically, we are working towards the practical use of plug-in hybrid vehicles that can be charged from household power supplies and focusing on developing diesel engines by strengthening our alliance with Isuzu Motors Limited. We are also focusing more on the development of next-generation batteries that can be used in a variety of ways, the use of biofuel as an alternative fuel source, and the development of fuel cell vehicles. In non-automotive fields, Toyota plans to further contribute to society and the earth through technological innovations, including the development of partner robots designed to function as personal assistants.

Second, with regard to “Manufacturing”, we are reinforcing our “sustainable plant initiatives” which include the installation of innovative production lines that can achieve dramatic increase in productivity and energy savings by using renewable natural energy sources such as solar or wind power.

Finally, in the concept of our “Social Contribution”, we are undertaking social contribution activities from a global perspective in 4 fields—environment, traffic safety, human resources development and arts/culture and achieving a harmonious society—to create a prosperous society and achieve sustainable social development, with the goal of being a good corporate citizen.

By addressing these agenda, Toyota is working to enhance its corporate value as a company with energy and dignity and maintain growth in harmony with society rooted in “manufacturing” over the 21st century. Toyota fulfills its social responsibilities by carrying out its Corporate Social Responsibility (CSR) through philanthropic activities undertaken through corporate ethics including full compliance with applicable laws and regulations.

In FY2008, we celebrated its 70th anniversary, thanks to the support and patronage of its shareholders, customers and other persons concerned. On this memorable occasion, we established “Global Vision 2020,” a depiction of the future that we will strive to achieve: a future where we are the “No. 1 company in

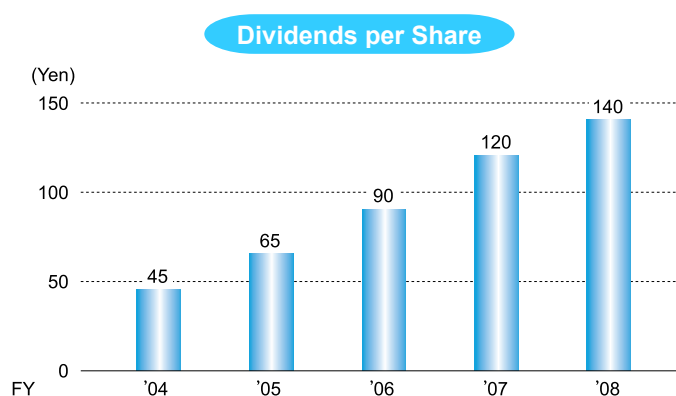
town,” a company loved and regarded with pride locally in all our locations worldwide through continuous growth, hand in hand with each local community. To realize this vision, we will once again look back at where we started, forge solid footing, and build the foundation for new growth. We sincerely hope that our shareholders will continue to extend their patronage and support to us.

(5) Policy on Distribution of Surplus by Resolution of the Board of Directors

TMC deems the benefit of its shareholders as one of its priority management policies and continuously strives to increase per-share earnings, through aggressively promoting its business while improving and strengthening its corporate foundations. With respect to the payment of dividends, TMC aims to achieve a consolidated dividend payout ratio of 30% at an early stage, as well as to strive for continuous growth of dividend per share, while giving due consideration to factors such as business results for each term and new investment plans. Furthermore, TMC repurchases its own shares to improve capital efficiency and to respond appropriately to changes in the business environment.

As TMC anticipates the continued growth of worldwide automotive markets, TMC will utilize its internal funds to invest in improvement of product performance and development of next-generation technologies to achieve future growth, to develop production and sales networks in both domestic and overseas markets for further expansion of its global business and to expand into new business areas, while securing a solid management foundation.

TMC pays dividends twice a year – an interim dividend and a year-end dividend – and in order to secure an opportunity to directly seek shareholders’ opinions, TMC will treat payments of year-end dividends as a matter to be resolved at the FY2008 Ordinary General Shareholders’ Meeting, even though TMC’s articles of incorporation stipulate that retained earnings can be distributed as dividends pursuant to the resolution of the board of directors. Similarly, TMC will treat repurchase of its own shares as a matter to be resolved at the same meeting.



(6) Main Business

| Business | | Main products |
|-------------------------------|--|---|
| Automotive Operations | Passenger vehicles | LS, LS600h, GS, GS450h, ES, IS, IS F, SC, LX, GX, RX, RX400h Century, Crown, Mark X, Avalon, Camry, Camry Hybrid, Comfort, Premio, Allion, Avensis, Prius, Corolla, Belta, Vios, Solara, Scion tC, BLADE, Matrix, Auris, Raum, Ractis, bB, Porte, ist, Vitz, Passo, Aygo, Mark X Zio, Succeed wagon, Probox Wagon, Estima, Estima Hybrid, Sienna, Isis, Ipsum, Innova, WISH, SIENTA, AVANZA, Alphard, Alphard Hybrid, Hiace wagon, Noah, Voxy, Land Cruiser wagon, Sequoia, Hilux Surf, Harrier, Harrier Hybrid, Highlander, Highlander Hybrid, Fortuner, FJ Cruiser, Vanguard, RAV4, Rush, Volkswagen vehicles, etc. |
| | Trucks and buses | Succeed Van, Probox Van, Hiace, Regius Ace Van, Quick Delivery, Townace, Liteace, Tundra, Tacoma, Hilux, Dyna, Toyoace, Land Cruiser, Coaster, etc. |
| | Parts & components for overseas production | Various units and parts for overseas production |
| | Parts | Various maintenance parts for both domestic and overseas use |
| Financial Services Operations | | Auto sales financing, leasing, etc. |
| Other Operations | Housing | Espacio GX, Espacio Mezzo, Espacio EF Urban Wind, Espacio EF3, Espacio EF, Sincé Aventino, Sincé AIII, Sincé Vietrois, Sincé All, Sincé Raison, Sincé Cada, Sincé Smart Stage mew, Sincé piana, Vie α, Crest, T-fine, M&f, NS, DS, ZELK, Season Stage, T Stage, etc. |

* Hino brand products (trucks and buses) and Daihatsu brand products (mini-vehicles and passenger vehicles) are not included in the above table.

(7) Main Sites

<Toyota>

| Name | Location |
|-------------------------------|---------------------|
| Head Office | Aichi Prefecture |
| Tokyo Head Office | Tokyo |
| Nagoya Office | Aichi Prefecture |
| Honsha Plant | Aichi Prefecture |
| Motomachi Plant | Aichi Prefecture |
| Kamigo Plant | Aichi Prefecture |
| Takaoka Plant | Aichi Prefecture |
| Miyoshi Plant | Aichi Prefecture |
| Tsutsumi Plant | Aichi Prefecture |
| Myochi Plant | Aichi Prefecture |
| Shimoyama Plant | Aichi Prefecture |
| Kinu-ura Plant | Aichi Prefecture |
| Tahara Plant | Aichi Prefecture |
| Teiho Plant | Aichi Prefecture |
| Hirose Plant | Aichi Prefecture |
| Higashi-Fuji Technical Center | Shizuoka Prefecture |

<Domestic and overseas subsidiaries>

Please see section “(9) Status of Principal Subsidiaries.”

(8) Employees

| Number of employees | Change from end of FY2007 |
|---------------------|---------------------------|
| 316,121 | +16,727 |

(9) Status of Principal Subsidiaries

| | Company name | Location | Capital/ subscription | Percentage ownership interest | Main business |
|---------------|--|---------------------|-------------------------------|-------------------------------------|---|
| Japan | Toyota Financial Services Corporation | Aichi Prefecture | million yen 78,525 | 100.00 | Management of domestic and overseas financial companies, etc. |
| | Hino Motors, Ltd. | Tokyo | 72,717 | 50.21* | Manufacture and sales of automobiles |
| | Toyota Motor Kyushu, Inc. | Fukuoka Prefecture | 45,000 | 100.00 | Manufacture and sales of automobiles |
| | Daihatsu Motor Co., Ltd. | Osaka Prefecture | 28,404 | 51.36* | Manufacture and sales of automobiles |
| | Toyota Finance Corporation | Tokyo | 16,500 | 100.00* | Finance of automobile sales, card business |
| | Toyota Auto Body Co., Ltd. | Aichi Prefecture | 10,371 | 56.28* | Manufacture and sales of automobile bodies |
| | Kanto Auto Works, Ltd. | Kanagawa Prefecture | 6,850 | 50.47* | Manufacture and sales of automobile bodies |
| North America | Toyota Motor Engineering & Manufacturing North America, Inc. | U.S.A. | in thousands USD 1,958,949 | 100.00* | Management of manufacturing companies in North America |
| | Toyota Motor Manufacturing, Kentucky, Inc. | U.S.A. | USD 1,180,000 | 100.00* | Manufacture and sales of automobiles |
| | Toyota Motor North America, Inc. | U.S.A. | USD 1,005,400 | 100.00* | Government, public affairs and research of North America |
| | Toyota Motor Credit Corporation | U.S.A. | USD 915,000 | 100.00* | Finance of automobile sales |
| | Toyota Motor Manufacturing, Indiana, Inc. | U.S.A. | USD 620,000 | 100.00* | Manufacture and sales of automobiles |
| | Toyota Motor Manufacturing, Texas, Inc. | U.S.A. | USD 510,000 | 100.00* | Manufacture and sales of automobiles |
| | Toyota Motor Sales, U.S.A., Inc. | U.S.A. | USD 365,000 | 100.00* | Sales of automobiles |
| | Toyota Motor Manufacturing Canada Inc. | Canada | CAD 680,000 | 100.00 | Manufacture and sales of automobiles |
| | Toyota Credit Canada Inc. | Canada | CAD 60,000 | 100.00* | Finance of automobile sales |
| Europe | Toyota Motor Europe NV/SA | Belgium | in thousands EUR 2,524,346 | 100.00 | Management of all European affiliates |
| | Toyota Motor Manufacturing France S.A.S. | France | EUR 380,078 | 100.00* | Manufacture and sales of automobiles |
| | Toyota Motor Italia S.p.A. | Italy | EUR 38,958 | 100.00* | Sales of automobiles |
| | Toyota Kreditbank GmbH | Germany | EUR 30,000 | 100.00* | Finance of automobile sales |
| | Toyota España, S.L. | Spain | EUR 10,907 | 100.00* | Sales of automobiles |
| | Toyota Deutschland GmbH | Germany | EUR 5,726 | 100.00* | Sales of automobiles |
| | Toyota France S.A. | France | EUR 2,123 | 100.00* | Sales of automobiles |
| | Toyota Motor Finance (Netherlands) B.V. | Netherlands | EUR 908 | 100.00* | Loans to overseas Toyota related companies |

| | Company name | Location | Capital/ subscription | Percentage ownership interest | Main business |
|--------|---|--------------|--------------------------------|-------------------------------------|---|
| Europe | Toyota Motor Manufacturing (UK) Ltd. | U.K. | in thousands GBP 300,000 | 100.00 * | Manufacture and sales of automobiles |
| | Toyota (GB) PLC | U.K. | GBP 2,600 | 100.00 * | Sales of automobiles |
| | OOO "TOYOTA MOTOR" | Russia | RUB 29,369 | 100.00 * | Sales of automobiles |
| | Toyota Motor Manufacturing Turkey Inc. | Turkey | TRY 150,165 | 90.00 * | Manufacture and sales of automobiles |
| Asia | P.T. Toyota Motor Manufacturing Indonesia | Indonesia | in thousands IDR 19,523,503 | 95.00 | Manufacture and sales of automobiles |
| | Toyota Motor Asia Pacific Pte Ltd. | Singapore | SGD 6,000 | 100.00 | Sales of automobiles |
| | Toyota Motor Thailand Co., Ltd. | Thailand | THB 7,520,000 | 86.43 | Manufacture and sales of automobiles |
| | Toyota Leasing (Thailand) Co., Ltd. | Thailand | THB 6,000,000 | 79.17 * | Finance of automobile sales |
| | Toyota Motor Asia Pacific Engineering and Manufacturing Co., Ltd. | Thailand | THB 1,300,000 | 100.00 * | Production support for entities in Asia and Oceania |
| Other | Toyota Motor Corporation Australia Ltd. | Australia | in thousands AUD 481,100 | 100.00 | Manufacture and sales of automobiles |
| | Toyota Finance Australia Ltd. | Australia | AUD 120,000 | 100.00 * | Finance of automobile sales |
| | Toyota do Brasil Ltda. | Brazil | BRL 709,980 | 100.00 | Manufacture and sales of automobiles |
| | Toyota South Africa Motors (Pty) Ltd. | South Africa | ZAR 50 | 100.00 * | Manufacture and sales of automobiles |

Notes:

1. * Indicates that the ownership interest includes such ratio of the subsidiaries.
2. The ownership interests are calculated based on the total number of shares issued at the end of the fiscal year.
3. On April 1, 2007, Toyota Technical Center Asia Pacific (Thailand), Co., Ltd. merged with Toyota Motor Asia Pacific Co., Ltd. (Thailand), and changed its name to Toyota Motor Asia Pacific Engineering and Manufacturing Co., Ltd.

2. Status of Shares

(1) Total Number of Shares Authorized 10,000,000,000 shares

(2) Total Number of Shares Issued 3,447,997,492 shares

(3) Number of Shareholders 522,135

(4) Shareholders Holding One Tenth or More of the Total Number of Shares Issued (excluding treasury stock)

Not applicable; therefore, the list of top 10 shareholders of Toyota is disclosed below.

| Name of Shareholders | Investment in the Company by the Shareholders | |
|---|---|---------------------------|
| | Number of shares (1,000 shares) | Ownership Interest (%) |
| The Master Trust Bank of Japan, Ltd. | 217,049 | 6.89 |
| Japan Trustee Services Bank, Ltd. | 216,780 | 6.88 |
| Toyota Industries Corporation | 200,195 | 6.36 |
| Nippon Life Insurance Company | 131,653 | 4.18 |
| Hero and Company | 121,480 | 3.86 |
| Trust & Custody Services Bank, Ltd. | 105,072 | 3.34 |
| State Street Bank and Trust Company | 97,459 | 3.09 |
| Tokio Marine & Nichido Fire Insurance Co., Ltd. | 83,821 | 2.66 |
| Mitsui Sumitomo Insurance Company, Limited | 65,166 | 2.07 |
| DENSO Corporation | 58,678 | 1.86 |

Notes:

1. Hero and Company is the nominee of the Bank of New York, which is the Depositary for holders of the Corporation's American Depositary Receipts (ADRs).
2. Percentage of equity participation is calculated excluding treasury stock (298,717,000 shares).

(5) Other Significant Matters Pertaining to Shares

As a result of cancellation of TMC's own shares on March 31, 2008, the total number of shares issued decreased by 162,000,000 shares.

TMC, meanwhile, repurchased 49,364,000 own shares and disposed of 792,000 shares of treasury stock by transferring treasury stock upon exercise of Stock Acquisition Rights during FY2008.

3. Status of Stock Acquisition Rights, Etc.

(1) Status of Stock Acquisition Rights as of the End of FY2008

1) Number of Stock Acquisition Rights issued:

102,357

2) Type and Number of Shares to be Issued or Transferred upon Exercise of Stock Acquisition Rights
10,235,700 shares of common stock of TMC (The number of shares to be issued or transferred upon exercise of one Stock Acquisition Right is 100).

3) Stock Acquisition Rights held by TMC's Directors and Corporate Auditors

| | Series (Exercise price) | Expiration Date | Number of Stock Acquisition Rights | Number of holders |
|-----------------------|----------------------------|-----------------|---------------------------------------|----------------------|
| Directors | 2nd (3,116 yen) | July 31, 2009 | 1,443 | 18 |
| | 3rd (4,541 yen) | July 31, 2010 | 1,818 | 15 |
| | 4th (4,377 yen) | July 31, 2011 | 3,897 | 26 |
| | 5th (6,140 yen) | July 31, 2014 | 9,100 | 29 |
| | 6th (7,278 yen) | July 31, 2015 | 9,900 | 29 |
| Corporate Auditors | 2nd (3,116 yen) | July 31, 2009 | 43 | 1 |
| | 3rd (4,541 yen) | July 31, 2010 | 100 | 1 |
| | 4th (4,377 yen) | July 31, 2011 | 100 | 1 |

Notes:

1. There are no Stock Acquisition Rights exercisable by Directors who retired during the period between the day after the FY2007 Ordinary General Shareholders' Meeting and the end of FY2008.
2. The Stock Acquisition Rights held by Corporate Auditors in the above table have been acquired prior to their assumption of office and are exercisable by Corporate Auditors.

(2) Status of Stock Acquisition Rights Issued during FY2008

1) Number of Stock Acquisition Rights issued:

32,640

2) Type and number of shares to be issued or transferred upon exercise of Stock Acquisition Rights

3,264,000 shares of common stock of TMC (The number of shares to be issued or transferred upon exercise of one Stock Acquisition Right is 100).

3) Issue price of Stock Acquisition Rights

Stock Acquisition Rights shall be issued without consideration.

4) Amount to be paid upon exercise of Stock Acquisition Rights

7,278.00 yen

5) Conditions of exercise of Stock Acquisition Rights

- (i) The exercise period of the Stock Acquisition Rights is from August 1, 2009 to July 31, 2015.
- (ii) Stock Acquisition Right may not be partially exercised.
- (iii) The grantees of the Stock Acquisition Rights must, at the time of the closing of the Ordinary General Shareholders' Meeting to be held for the last fiscal year ending within two (2) years after the closing of the FY2007 Ordinary General Shareholders' Meeting, be a Director, Managing Officer, employee, etc. of TMC or its affiliates to which the grantee belongs at the time such rights are granted.
- (iv) The grantee of the Stock Acquisition Rights may exercise his or her Stock Acquisition Rights for up to two (2) years after the grantee loses his or her position as a Director, Managing Officer or an employee, etc. of TMC or its affiliates to which the grantee belongs at the time of such rights are granted. However, if the grantee loses such position due to retirement of office or resignation for personal reasons, or removal from office or dismissal, the Stock Acquisition Rights will expire immediately.
- (v) Stock Acquisition Rights may not be inherited.
- (vi) Other exercise conditions shall be provided for in "Agreement for the Grant of Options to acquire common shares of Toyota Motor Corporation" between TMC and the grantees of the Stock Acquisition Rights.

6) Events and conditions of acquisition of Stock Acquisition Rights by TMC

Stock Acquisition Rights may be acquired by TMC without consideration, on a date that shall be provided by the Board of Directors, if the Ordinary General Shareholders' Meeting approves a proposal on a merger agreement in which TMC will be dissolved, or a proposal on a share exchange agreement or a share transfer by which TMC will become a wholly-owned subsidiary of another company.

7) Details of Preferential Conditions

TMC issued Stock Acquisition Rights without consideration to Directors, Managing Officers and employees, etc., of TMC and its affiliates.

8) Breakdown of Stock Acquisition Rights granted to Managing Officers, engineers and employees of TMC, Officers and employees of TMC's subsidiaries, and employees of TMC's affiliates

| | Number of Stock Acquisition Rights | Type and number of shares to be issued or transferred upon the exercise of Stock Acquisition Rights (common stock) | Total number of persons in which Stock Acquisition Rights were granted |
|--|------------------------------------|--|--|
| Managing Officers of TMC | 9,400 | 940,000 shares | 47 |
| Engineers of TMC | 400 | 40,000 shares | 4 |
| Employees of TMC | 9,790 | 979,000 shares | 443 |
| Officers and employees of TMC's subsidiaries | 2,770 | 277,000 shares | 81 |
| Employees of TMC's affiliates | 80 | 8,000 shares | 4 |

4. Status of Directors and Corporate Auditors

(1) Directors and Corporate Auditors

| Name | Position | Main areas of responsibility | Other executive duties |
|--------------------|--|--|---|
| Fujio Cho | *Chairman of the Board | | <ul style="list-style-type: none"> - Director of Toyota Motor Sales, U.S.A., Inc. - Corporate Auditor of DENSO CORPORATION - Director of Central Japan Railway Company - Director of Toyota Motor Europe NV/SA - Director of Toyota Motor North America, Inc. - Chairman of Japan Automobile Manufacturers Association, Inc. - Director of Sony Corporation |
| Katsuhiro Nakagawa | *Vice Chairman of the Board | | <ul style="list-style-type: none"> - Director of Toyota Motor Sales, U.S.A., Inc. - Director of Toyota Motor Europe NV/SA - Director of Toyota Motor North America, Inc. - Corporate Auditor of Shochiku Co., Ltd. - Corporate Auditor of Aichi Steel Corporation |
| Katsuaki Watanabe | *President, Member of the Board | | <ul style="list-style-type: none"> - Director of Mitsubishi UFJ Securities Co., Ltd. - Corporate Auditor of KDDI CORPORATION - Corporate Auditor of Toyota Financial Services Corporation - Director of Toyota Motor Sales, U.S.A., Inc. - Director of Toyota Motor Europe NV/SA - Director of Toyota Motor North America, Inc. - Corporate Auditor of Toyota Industries Corporation - Director of Toyota Motor Engineering & Manufacturing North America, Inc. |
| Tokuichi Uranishi | *Executive Vice President, Member of the Board | <ul style="list-style-type: none"> - Global Planning Operations - Overseas (Americas, Europe & Africa, China, Asia, Oceania & Middle East) | <ul style="list-style-type: none"> - Chairman of Toyota Motor Europe NV/SA - Director of Toyota Financial Services Corporation - Director of Toyota Motor Sales, U.S.A., Inc. - Chairman of Toyota Motor North America, Inc. - Director of Toyota Motor Asia Pacific Pte Ltd. - Director of Toyota Motor Asia Pacific Engineering and Manufacturing Co., Ltd. |

| Name | Position | Main areas of responsibility | Other executive duties |
|--------------------|--|---|---|
| Kazuo Okamoto | *Executive Vice President, Member of the Board | <ul style="list-style-type: none"> - Research & Development (R & D Management, Technical Administration, Design, Product Development, Vehicle Engineering, Motor Sports) - Technical Administration Group (Chief Officer) - Design Group (Chief Officer) - Vehicle Engineering Group (Chief Officer) - Motor Sports Div. | <ul style="list-style-type: none"> - Director of Toyota Boshoku Corporation - Corporate Auditor of Toyoda Gosei Co., Ltd. - Director of Toyota Motor Europe NV/SA - Director of Toyota Motor Engineering & Manufacturing North America, Inc. |
| Kyoji Sasazu | *Executive Vice President, Member of the Board | <ul style="list-style-type: none"> - Business Development - Purchasing - Housing | <ul style="list-style-type: none"> - Corporate Auditor of JTEKT Corporation |
| Mitsuo Kinoshita | *Executive Vice President, Member of the Board | <ul style="list-style-type: none"> - Corporate Planning, Research - Government & Public Affairs - General Affairs (Global Audit, General Administration & Human Resources, Finance & Accounting, Information Systems) - CSR & Environmental Affairs - Information System Group (Chief Officer) - Global Audit Dept. | <ul style="list-style-type: none"> - Director of Toyota Financial Services Corporation - Corporate Auditor of Aichi Steel Corporation - Director of Toyota Motor Sales, U.S.A., Inc. - Director of Toyota Motor Engineering & Manufacturing North America, Inc. - Director of Toyota Motor Europe NV/SA ◇Director of New United Motor Manufacturing, Inc. - Director of Aioi Insurance Co., Ltd. |
| Takeshi Uchiyamada | *Executive Vice President, Member of the Board | <ul style="list-style-type: none"> - Production - TQM | <ul style="list-style-type: none"> - Director of Toyota Motor Engineering & Manufacturing North America, Inc. - Chairman of Toyota Motor Technical Center (China) Co.,Ltd. - Director of Toyota Motor Europe NV/SA - Director of JTEKT Corporation |
| Masatami Takimoto | *Executive Vice President, Member of the Board | <ul style="list-style-type: none"> - Quality - Research & Development (Power Train, Future Project) - Fuel Cell System Development - Fuel Cell System Development Group (Chief Officer) - Future Project Div. | |

| Name | Position | Main areas of responsibility | Other executive duties |
|-----------------|--|---|---|
| Akio Toyoda | *Executive Vice President, Member of the Board | <ul style="list-style-type: none"> - Product Management - IT & ITS - Global Planning Operations - Japan Sales - Customer Service - Quality - IT & ITS Group (Chief Officer) - e-TOYOTA Div. | <ul style="list-style-type: none"> ◇Director of New United Motor Manufacturing, Inc. - Director of Toyota Financial Services Corporation - Chairman of Digital Media Asia Pacific Ltd. - Corporate Auditor of SHIROKI CORPORATION - Director of Toyota Motor Europe NV/SA - Corporate Auditor of Toyota Boshoku Corporation - Director of Toyota Motor North America, Inc. - Director of Toyota Motor Sales, U.S.A., Inc. - Director of Toyota Motor Asia Pacific Pte Ltd. |
| Yukitoshi Funo | Senior Managing Director, Member of the Board | <ul style="list-style-type: none"> - The Americas Operations Group (Chief Officer) - Chairman of Toyota Motor Sales, U.S.A., Inc. | <ul style="list-style-type: none"> - Vice President of Caltex Design Research, Inc. - Director of Toyota Motor Engineering & Manufacturing North America, Inc. - Director of Toyota Motor Credit Corporation - President of Toyota Logistics Services, Inc. - President of Toyota Motor Personnel Services, U.S.A., Inc. - Director of Toyota Motor North America, Inc. |
| Takeshi Suzuki | Senior Managing Director, Member of the Board | <ul style="list-style-type: none"> - Business Development Group (Chief Officer) - Accounting Group (Chief Officer) | <ul style="list-style-type: none"> - Director of Toyota Financial Services Corporation - Corporate Auditor of Toyota Motor Kyushu, Inc. - Corporate Auditor of HAMAMATSU PHOTONICS K.K. - Director of Toyota Motor Credit Corporation - Corporate Auditor of P.T. Toyota Motor Manufacturing Indonesia |
| Atsushi Niimi | Senior Managing Director, Member of the Board | <ul style="list-style-type: none"> - Purchasing Group (Chief Officer) | <ul style="list-style-type: none"> - Director of Toyota Motor Engineering & Manufacturing North America, Inc. - Corporate Auditor of KYOWA LEATHER CLOTH CO., LTD. |
| Hiroshi Takada | Senior Managing Director, Member of the Board | <ul style="list-style-type: none"> - Global Planning Operations Group (Chief Officer) - Product Management Div. | |
| Teiji Tachibana | Senior Managing Director, Member of the Board | <ul style="list-style-type: none"> - Government & Public Affairs Group (Chief Officer) - Housing Group (Chief Officer) | <ul style="list-style-type: none"> - Chairman and Representative Director of Toyota Housing Corporation - Director of MISAWA HOMES CO., LTD. |

| Name | Position | Main areas of responsibility | Other executive duties |
|-------------------|---|--|--|
| Shinichi Sasaki | Senior Managing Director, Member of the Board | - Quality Group (Chief Officer) | |
| Akira Okabe | Senior Managing Director, Member of the Board | - Asia, Oceania & Middle East Operations Group (Chief Officer) | - Chairman of Toyota Motor Asia Pacific Pte Ltd. - Director of Toyota Motor Asia Pacific Engineering and Manufacturing Co., Ltd. |
| Yoichiro Ichimaru | Senior Managing Director, Member of the Board | - Japan Sales Operations Group (Chief Officer) | |
| Shoji Ikawa | Senior Managing Director, Member of the Board | - Fuel Cell System Development Group (Deputy Chief Officer) - Production Engineering Group (Chief Officer) | |
| Koichi Ina | Senior Managing Director, Member of the Board | - Strategic Production Planning Group (Chief Officer) - Manufacturing Group (Chief Officer) - TQM Promotion Div. | - Director of Toyota Motor Kyushu, Inc. - Corporate Auditor of CHUO SPRING CO., LTD. - Chairman of Toyota Motor Asia Pacific Engineering and Manufacturing Co., Ltd. - Chairman of Toyota Motor Engineering & Manufacturing North America, Inc. - Director of Toyota Motor Manufacturing Canada Inc. - Director of Toyota Motor Asia Pacific Pte Ltd. |
| Takeshi Yoshida | Senior Managing Director, Member of the Board | - Product Development Group (Chief Officer) | - Corporate Auditor of TOKAI RIKKA CO., LTD. - Corporate Auditor of Toyota Motor Kyushu, Inc. |
| Shinzo Kobuki | Senior Managing Director, Member of the Board | - Power Train Development Group (Chief Officer) - R&D Management Div. | - Director of HAMAMATSU PHOTONICS K.K. |
| Akira Sasaki | Senior Managing Director, Member of the Board | - China Operations Group (Chief Officer) - Chairman of Toyota Motor (China) Investment Co., Ltd. | - Vice Chairman of FAW Toyota Motor Sales Co., Ltd. - Vice Chairman of FAW Toyota (Changchun) Engine Co., Ltd. - Chairman of Guangqi Toyota Engine Co., Ltd. - Vice Chairman of Guangzhou Toyota Motor Co., Ltd. - Vice Chairman of Sichuan FAW Toyota Motor Co., Ltd. - Vice Chairman of Tianjin FAW Toyota Engine Co., Ltd. - Vice Chairman of Tianjin FAW Toyota Motor Co., Ltd. - Chairman of Toyota FAW (Tianjin) Dies Co., Ltd. - Vice Chairman of Tong Fang Global Logistics Co., Ltd - Vice Chairman of Toyota Motor Technical Center(China) Co.,Ltd. |

| Name | Position | Main areas of responsibility | Other executive duties |
|--------------------|---|--|--|
| Hiroshi Kawakami | Senior Managing Director, Member of the Board | - Customer Service Operations Group (Chief Officer) | - President and Representative Director of J-TACS CORPORATION |
| Tadashi Arashima | Senior Managing Director, Member of the Board | - Europe & Africa Operations Group (Chief Officer) - President of Toyota Motor Europe NV/SA | |
| Mamoru Furuhashi | Senior Managing Director, Member of the Board | - Government & Public Affairs Group (Deputy Chief Officer) | |
| Satoshi Ozawa | Senior Managing Director, Member of the Board | - General Administration & Human Resources Group (Chief Officer) - Corporate Planning Div. - Research Div. - CSR & Environmental Affairs Div. | - President and Representative Director of Toyota Personnel Support Corporation - President and Representative Director of OJT Solutions Co., Ltd. |
| Shoichiro Toyoda | Honorary Chairman, Member of the Board | | - Director of DENSO CORPORATION - Corporate Auditor of Aisin Seiki Co., Ltd. - Director of Toyota Motor Sales, U.S.A., Inc. - Representative Director of Toyota Central Research and Development Laboratories, Incorporated - Representative Director of Genesis Research Institute, Incorporated - Chairman and Representative Director of Towa Real Estate Co., Ltd. - Director of Toyota Motor Europe NV/SA - Director of Toyota Motor North America, Inc. |
| Hiroshi Okuda | Senior Advisor, Member of the Board | | - Director of Toyota Motor Sales, U.S.A., Inc. - Director of KDDI CORPORATION - Director of Toyota Motor Europe NV/SA - Director of Toyota Motor North America, Inc. - Corporate Auditor of Toyota Industries Corporation |
| Yoshikazu Amano | Full-time Corporate Auditor | | |
| Chiaki Yamaguchi | Full-time Corporate Auditor | | - Corporate Auditor of Toyota Financial Services Corporation |
| Masaki Nakatsugawa | Full-time Corporate Auditor | | |
| Yoichi Kaya | Corporate Auditor | | - Assistant Director of Research Institute of Innovative Technology for the Earth - Outside Corporate Auditor of NIPPON STEEL CORPORATION |

| Name | Position | Main areas of responsibility | Other executive duties |
|------------------|-------------------|------------------------------|---|
| Yoichi Morishita | Corporate Auditor | | <ul style="list-style-type: none"> - Executive Advisor of Matsushita Electric Industrial Co., Ltd. - Outside Corporate Auditor of The Kansai Electric Power Co., Inc. |
| Akishige Okada | Corporate Auditor | | <ul style="list-style-type: none"> - Corporation Advisor of Sumitomo Mitsui Banking Corporation - Outside Director of Sony Corporation - Outside Director of MITSUI & CO., LTD. - Outside Corporate Auditor of Mitsui Fudosan Co., Ltd. - Outside Director of DAICEL CHEMICAL INDUSTRIES, LTD. |
| Kunihiro Matsuo | Corporate Auditor | | <ul style="list-style-type: none"> - Attorney - Outside Corporate Auditor of ASahi GLASS CO., LTD. |

Notes:

1. * Representative Director
2. Mr. Yoichi Kaya, Mr. Yoichi Morishita, Mr. Akishige Okada and Mr. Kunihiro Matsuo, all of whom are Corporate Auditors are Outside Corporate Auditors as provided in Article 2, Item 16 of the Corporation Act.
3. Mr. James E. Press, Senior Managing Director, retired on September 14, 2007.
4. The company marked with ◇ operates in the same business category as TMC.
5. The “other executive duties” are listed chronologically, in principle, based on the dates the executives assumed their present positions.
6. On April 1, 2007, Toyota Technical Center Asia Pacific (Thailand), Co., Ltd. merged with Toyota Motor Asia Pacific Co., Ltd. (Thailand), and changed its name to Toyota Motor Asia Pacific Engineering and Manufacturing Co., Ltd.

(2) Total Amount of Compensation to Directors and Corporate Auditors

| Category | Number of persons | Total Amount of compensation (plan) (million yen) |
|---|-------------------|--|
| Directors | 29 | 3,538 |
| Corporate Auditors (incl. Outside Corporate Auditors) | 7 (4) | 382 (94) |
| Total | 36 | 3,920 |

Notes:

1. The numbers of persons are as of the end of FY2008.
2. The compensation includes the following amounts:
 - (1) Executive bonuses (to be decided by the resolution of the FY2008 Ordinary General Shareholders' Meeting to be held on June 24, 2008)
 - (2) Stock options (decided by the resolution of the FY2006 Ordinary General Shareholders' Meeting held on June 23, 2006, and by the resolution of the FY2007 Ordinary General Shareholders' Meeting held on June 22, 2007)
 - (3) Provision for retirement bonus to Corporate Auditors
3. In accordance with TMC's policy for retirement bonus to Directors, the following amount was recorded in accrued expenses during FY2008.

The amount equivalent to the payment of the final retirement bonus to Directors due to the abolishment of the retirement bonus system to Directors (based on the resolution approved at the FY2006 Ordinary General Shareholders' Meeting held on June 23, 2006)

7,404 million yen

(3) Status of Outside Corporate Auditors

1) Major activities for FY2008

| Name | Attendance (total attended/total held) | |
|------------------|--|------------------------------------|
| Yoichi Kaya | Directors' meetings 14/17 | Corporate Auditors' meetings 15/17 |
| Yoichi Morishita | Directors' meetings 17/17 | Corporate Auditors' meetings 17/17 |
| Akishige Okada | Directors' meetings 14/17 | Corporate Auditors' meetings 14/17 |
| Kunihiro Matsuo | Directors' meetings 11/13 | Corporate Auditors' meetings 11/13 |

Note: The total numbers of meetings held vary due to the difference in the dates of assumption of office.

Each Outside Corporate Auditor contributed by giving opinions based on his experience and insight.

2) Details of liability limitation agreements

Agreements between the Outside Corporate Auditors and TMC to limit liability as stipulated in Article 423, Paragraph 1 of the Corporation Act, with the liability limited to the amount stipulated in Article 425, Paragraph 1 of the Corporation Act.

5. Status of Accounting Auditor

(1) Name of Accounting Auditor

PricewaterhouseCoopers Aarata

(2) Compensation to Accounting Auditor for FY2008

- 1) Total compensation and other amounts paid by Toyota Motor Corporation ("TMC") for the services provided in Article 2, Paragraph 1 of the Certified Public Accountant Law of Japan
1,535 million yen
- 2) Total amount of cash and other property benefits paid by TMC and its consolidated subsidiaries (together, "Toyota")
2,308 million yen

Notes:

1. The amount in 1) above includes compensation for audits performed in compliance with the Financial Instruments and Exchange Law.
2. The amount in 2) above includes compensation for advice and consultation concerning information disclosure that are not included in the services provided in Article 2, Paragraph 1 of the Certified Public Accountant Law of Japan.
3. Among principal subsidiaries of TMC, Kanto Auto Works, Ltd. and overseas subsidiaries are audited by certified public accountants or audit firms other than PricewaterhouseCoopers Aarata.

(3) Policy regarding decisions on the dismissal or non-reappointment of the Accounting Auditor

It is a policy of TMC that, if it is deemed that the Accounting Auditor will have difficulty in conducting an audit appropriately because of the occurrence of an event stipulated in laws or regulations or an event that interferes with the eligibility or independence of the Accounting Auditor, TMC shall determine whether to dismiss or refrain from reappointing the Accounting Auditor, as needed.

6. Basic Policy Regarding the System to Secure the Appropriateness of Business

TMC, together with its subsidiaries, has created and maintained a sound corporate climate based on the “Guiding Principles at Toyota” and the “Toyota Code of Conduct.” TMC integrates the principles of problem identification and continuous improvement into its business operation process and makes continuous efforts to train employees who will put these principles into practice.

Accordingly, TMC has developed its basic policy regarding the following items as stipulated in the Corporation Act:

(1) System to ensure that the Directors execute their responsibilities in compliance with relevant laws and regulations and the Articles of Incorporation

- 1) TMC will ensure that Directors act in compliance with relevant laws and regulations and the Articles of Incorporation, based on the Code of Ethics and other explanatory documents that include necessary legal information, presented on occasions such as trainings for new Directors.
- 2) TMC will make decisions regarding business operations after comprehensive discussions at the Board of Directors Meeting and other meetings of various cross-sectional decision-making bodies. Matters to be decided are properly submitted and discussed at the meetings of those decision-making bodies in accordance with the relevant rules.
- 3) TMC will appropriately discuss significant matters and measures relating to issues such as corporate ethics, compliance, and risk management at the CSR Committee and other meetings. Toyota will also discuss and decide at the meetings of various cross-sectional decision-making bodies policies and systems to monitor and respond to risks relating to organizational function.

(2) System to retain and manage information relating to performance of duties by Directors

Information relating to exercising duties by Directors shall be appropriately retained and managed by each division in charge pursuant to the relevant internal rules and laws and regulations.

(3) Rules and systems related to the management of risk of loss

- 1) TMC will properly manage the capital fund through its budgeting system and other forms of control, conduct business operations, and manage the budget, based on the authorities and responsibilities in accordance with the “Ringi” system (effective consensus-building and approval system) and other systems. Significant matters will be properly submitted and discussed at the Board of Directors Meeting and other meetings of various bodies in accordance with the standards stipulated in the relevant rules.
- 2) TMC will ensure accurate financial reporting by issuing documentation on the financial flow and the control system, etc., and by properly and promptly disclosing information through the Disclosure Committee.
- 3) TMC will manage various risks relating to safety, quality, the environment, etc. and compliance by establishing rules or preparing and delivering manuals and by other means, as necessary, in each

relevant division.

- 4) As a precaution against events such as natural disasters, TMC will prepare manuals, conduct emergency drills, arrange risk diversification and insurance, etc. as needed.

(4) System to ensure that Directors exercise their duties efficiently

- 1) TMC will manage consistent policies by specifying the policies at each level of the organization based on the medium- to long-term management policies and the Company's policies for each fiscal term.
- 2) The Chief Officer, as a liaising officer between the management and operational functions, will direct and supervise Managing Officers based on the management policies and delegate the executive authority over each division to the Managing Officers so that flexible and timely decision making can be achieved.
- 3) TMC, from time to time, will make opportunities to listen to the opinions of various stakeholders, including external experts, and reflect those opinions in TMC's management and corporate activities.

(5) System to ensure that employees conduct business in compliance with relevant laws and regulations and the Articles of Incorporation

- 1) TMC will clarify the responsibilities of each organization unit and maintain a basis to ensure continuous improvements in the system.
- 2) TMC will continuously review the legal compliance and risk management framework to ensure effectiveness. For this purpose, each organization unit shall confirm the effectiveness by conducting self-checks among others, and report the result to the CSR Committee and other committees.
- 3) TMC will promptly obtain information regarding legal compliance and corporate ethics and respond to problems and questions related to compliance through its corporate ethics inquiry office and other channels.

(6) System to ensure the appropriateness of business operations of the corporation and the business group consisting of the parent company and subsidiaries

- 1) TMC will expand the "Guiding Principles at Toyota" and the "Toyota Code of Conduct" to its subsidiaries as Toyota's common charter of conduct, and develop and maintain a sound environment of internal controls for Toyota. TMC will also promote the "Guiding Principles at Toyota" and the "Toyota Code of Conduct" through personal exchange.
- 2) TMC will manage its subsidiaries in a comprehensive manner by clarifying the roles of the division responsible for the subsidiaries' financing and management and the roles of the division responsible for the subsidiaries' business activities. Those divisions will confirm the appropriateness and legality of the operations of the subsidiaries by exchanging information with those subsidiaries, periodically and as needed.

(7) System concerning employees who assist the Corporate Auditors when required

TMC will establish a Corporate Auditors Department and assign a number of full-time staff to support this function.

(8) Independence of the employees described in the preceding item (7) from Directors

Any changes in personnel in the Corporate Auditors Department will require prior consent of the Board of Corporate Auditors or a full-time Corporate Auditor selected by the Board of Corporate Auditors.

(9) System for Directors and employees to report to Corporate Auditors, and other relative systems

- 1) Directors, from time to time, will properly report to the Corporate Auditors any major business operations through the divisions in charge. If any fact that may cause significant damage to the Company is discovered, they will report the matter to the Corporate Auditors immediately.
- 2) Directors, Managing Officers, and employees will report to Corporate Auditors on the business upon requests by the Corporate Auditors, periodically and as needed.

(10) Other systems to ensure that the Corporate Auditors conducted audits effectively

TMC will ensure that the Corporate Auditors attend major Board of Directors Meeting, inspect important Company documents, and make opportunities to exchange information between the Corporate Auditors and Accounting Auditor periodically and as needed, as well as appoint external experts.

Unconsolidated Financial Statements

UNCONSOLIDATED BALANCE SHEETS

(Million yen; amounts less than one million yen are omitted)

| | FY2008 (As of March 31, 2008) | FY2007 (Reference) (As of March 31, 2007) | | FY2008 (As of March 31, 2008) | FY2007 (Reference) (As of March 31, 2007) |
|--|-------------------------------------|--|---|-------------------------------------|--|
| (Assets) | | | (Liabilities) | | |
| Current assets | 4,006,044 | 4,116,670 | Current liabilities | 2,571,686 | 2,730,572 |
| Cash and deposits | 59,558 | 182,855 | Trade notes payable | 1,216 | 1,227 |
| Trade accounts receivable | 1,211,134 | 1,254,098 | Trade accounts payable | 1,060,961 | 1,035,441 |
| Marketable securities | 1,063,032 | 1,011,348 | Current portion of bonds | 100,000 | 150,000 |
| Finished goods | 141,468 | 126,793 | Other payables | 466,544 | 467,229 |
| Raw materials | 42,134 | 46,001 | Income taxes payable | 180,512 | 283,960 |
| Work in process | 92,693 | 97,592 | Accrued expenses | 504,426 | 549,152 |
| Supplies | 8,967 | 8,113 | Deposits received | 245,318 | 224,038 |
| Short-term loans | 515,159 | 541,452 | Others | 12,706 | 19,523 |
| Deferred tax assets | 262,688 | 292,732 | Long-term liabilities | 561,716 | 779,993 |
| Others | 619,807 | 568,682 | Bonds | 250,000 | 350,000 |
| Less: allowance for doubtful accounts | (10,600) | (13,000) | Allowance for retirement benefits | 279,219 | 283,032 |
| Fixed assets | 6,429,760 | 6,544,498 | Deferred tax liabilities | – | 103,593 |
| Property, plant and equipment | 1,463,669 | 1,358,160 | Others | 32,497 | 43,367 |
| Buildings | 418,457 | 414,044 | Total liabilities | 3,133,403 | 3,510,565 |
| Structures | 49,788 | 41,316 | (Net assets) | | |
| Machinery and equipment | 370,800 | 331,032 | Shareholders' equity | 6,986,746 | 6,593,724 |
| Vehicle and delivery equipment | 26,882 | 21,092 | Common stock | 397,049 | 397,049 |
| Tools, furniture and fixtures | 109,694 | 92,957 | Capital surplus | 416,970 | 417,378 |
| Land | 393,312 | 385,450 | Capital reserve | 416,970 | 416,970 |
| Construction in progress | 94,732 | 72,266 | Other capital surplus | – | 407 |
| Investments and other assets | 4,966,090 | 5,186,338 | Retained earnings | 7,385,407 | 7,335,143 |
| Investments in securities | 2,318,707 | 2,595,932 | Legal reserve | 99,454 | 99,454 |
| Investments in subsidiaries and affiliates | 1,979,011 | 1,974,239 | Other retained earnings | 7,285,952 | 7,235,689 |
| Long-term loans | 442,706 | 473,766 | Reserve for losses on overseas investments | 71 | 117 |
| Deferred tax assets | 45,549 | – | Reserve for special depreciation | 2,453 | 3,228 |
| Others | 202,614 | 164,099 | Reserve for reduction of acquisition cost of fixed assets | 8,497 | 7,554 |
| Less: allowance for doubtful accounts | (22,500) | (21,700) | General reserve | 6,340,926 | 5,740,926 |
| Total | 10,435,805 | 10,661,169 | Retained earnings carried forward | 934,004 | 1,483,862 |
| | | | Less: treasury stock | (1,212,681) | (1,555,847) |
| | | | Valuation and translation adjustments | 311,472 | 555,708 |
| | | | Net unrealized gains on other securities | 310,604 | 554,947 |
| | | | Deferred hedge gains or losses | 867 | 760 |
| | | | Stock acquisition rights | 4,183 | 1,171 |
| | | | Total net assets | 7,302,401 | 7,150,603 |
| | | | Total | 10,435,805 | 10,661,169 |

UNCONSOLIDATED STATEMENTS OF INCOME

(Million yen; amounts less than one million yen are omitted)

| | FY2008 (April 1, 2007 through March 31, 2008) | FY2007 (Reference) (April 1, 2006 through March 31, 2007) |
|--|---|--|
| Net sales | 12,079,264 | 11,571,834 |
| Cost of sales | 9,779,276 | 9,233,135 |
| Gross profit | 2,299,987 | 2,338,698 |
| Selling, general and administrative expenses | 1,191,387 | 1,187,776 |
| Operating income | 1,108,600 | 1,150,921 |
| Non-operating income | 561,548 | 473,937 |
| Interest income | 65,072 | 34,045 |
| Dividend income | 375,554 | 311,830 |
| Others | 120,920 | 128,061 |
| Non-operating expenses | 89,522 | 69,665 |
| Interest expenses | 11,776 | 11,159 |
| Others | 77,745 | 58,505 |
| Ordinary income | 1,580,626 | 1,555,193 |
| Income before income taxes | 1,580,626 | 1,555,193 |
| Income taxes – current | 399,300 | 474,600 |
| Income taxes – deferred | 43,182 | 20,483 |
| Net income | 1,138,144 | 1,060,109 |

UNCONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

FY2008

(April 1, 2007 through March 31, 2008)

(Million yen; amounts less than one million yen are omitted)

(million yen; amounts less than one million yen are omitted)

| | Shareholders' equity | | | | | | | | | | |
|--|----------------------|-----------------|-----------------------|-----------------------|-------------------|--|----------------------------------|---|-----------------|-----------------------------------|-------------------------|
| | Common stock | Capital surplus | | | Retained earnings | | | | | | |
| | | Capital reserve | Other capital surplus | Total capital surplus | Legal reserve | Other retained earnings | | | | | Total retained earnings |
| | | | | | | Reserve for losses on overseas investments | Reserve for special depreciation | Reserve for reduction of acquisition cost of fixed assets | General reserve | Retained earnings carried forward | |
| Balance as of March 31, 2007 | 397,049 | 416,970 | 407 | 417,378 | 99,454 | 117 | 3,228 | 7,554 | 5,740,926 | 1,483,862 | 7,335,143 |
| Changes during the fiscal year | | | | | | | | | | | |
| Reversal of reserve for losses on overseas investments | | | | | | (46) | | | | 46 | |
| Appropriation to reserve for special depreciation | | | | | | | 493 | | | (493) | |
| Reversal of reserve for special depreciation | | | | | | | (1,269) | | | 1,269 | |
| Appropriation to reserve for reduction of acquisition cost of fixed assets | | | | | | | | 970 | | (970) | |
| Reversal of reserve for reduction of acquisition cost of fixed assets | | | | | | | | (27) | | 27 | |
| Appropriation to general reserve | | | | | | | | | 600,000 | (600,000) | |
| Dividends paid | | | | | | | | | | (430,859) | (430,859) |
| Net income | | | | | | | | | | 1,138,144 | 1,138,144 |
| Purchase of common stock | | | | | | | | | | | |
| Reissuance of common stock | | | 231 | 231 | | | | | | | |
| Retirement of common stock | | | (638) | (638) | | | | | | (657,021) | (657,021) |
| Net changes of items other than shareholders' equity | | | | | | | | | | | |
| Total changes during the fiscal year | - | - | (407) | (407) | - | (46) | (775) | 943 | 600,000 | (549,858) | 50,264 |
| Balance as of March 31, 2008 | 397,049 | 416,970 | - | 416,970 | 99,454 | 71 | 2,453 | 8,497 | 6,340,926 | 934,004 | 7,385,407 |

(Million yen; amounts less than one million yen are omitted)

| | Shareholders' equity | | Valuation and translation adjustments | | | Stock acquisition rights | Total net assets |
|--|----------------------|----------------------------|--|--------------------------------|---|--------------------------|------------------|
| | Treasury stock | Total shareholders' equity | Net unrealized gains on other securities | Deferred hedge gains or losses | Total valuation and translation adjustments | | |
| Balance as of March 31, 2007 | (1,555,847) | 6,593,724 | 554,947 | 760 | 555,708 | 1,171 | 7,150,603 |
| Changes during the fiscal year | | | | | | | |
| Reversal of reserve for losses on overseas investments | | | | | | | |
| Appropriation to reserve for special depreciation | | | | | | | |
| Reversal of reserve for special depreciation | | | | | | | |
| Appropriation to reserve for reduction of acquisition cost of fixed assets | | | | | | | |
| Reversal of reserve for reduction of acquisition cost of fixed assets | | | | | | | |
| Appropriation to general reserve | | | | | | | |
| Dividends paid | | (430,859) | | | | | (430,859) |
| Net income | | 1,138,144 | | | | | 1,138,144 |
| Purchase of common stock | (317,595) | (317,595) | | | | | (317,595) |
| Reissuance of common stock | 3,101 | 3,332 | | | | | 3,332 |
| Retirement of common stock | 657,660 | | | | | | |
| Net changes of items other than shareholders' equity | | | (244,343) | 107 | (244,236) | 3,012 | (241,224) |
| Total changes during the fiscal year | 343,166 | 393,022 | (244,343) | 107 | (244,236) | 3,012 | 151,798 |
| Balance as of March 31, 2008 | (1,212,681) | 6,986,746 | 310,604 | 867 | 311,472 | 4,183 | 7,302,401 |

FY2007 (Reference)
(April 1, 2006 through March 31, 2007)

(Million yen; amounts less than one million yen are omitted)

| | Shareholders' equity | | | | | | | | | | |
|--|----------------------|-----------------|-----------------------|-----------------------|---------------|--|----------------------------------|---|-----------------|-----------------------------------|-------------------------|
| | Common stock | Capital surplus | | | Legal reserve | Retained earnings | | | | | Total retained earnings |
| | | Capital reserve | Other capital surplus | Total capital surplus | | Other retained earnings | | | | Retained earnings carried forward | |
| | | | | | | Reserve for losses on overseas investments | Reserve for special depreciation | Reserve for reduction of acquisition cost of fixed assets | General reserve | | |
| Balance as of March 31, 2006 | 397,049 | 416,970 | – | 416,970 | 99,454 | 197 | 3,196 | 6,586 | 5,340,926 | 1,164,506 | 6,614,868 |
| Changes during the fiscal year | | | | | | | | | | | |
| Reversal of reserve for losses on overseas investments | | | | | | (79) | | | | 79 | |
| Appropriation to reserve for special depreciation | | | | | | | 830 | | | (830) | |
| Reversal of reserve for special depreciation | | | | | | | (798) | | | 798 | |
| Appropriation to reserve for reduction of acquisition cost of fixed assets | | | | | | | | 992 | | (992) | |
| Reversal of reserve for reduction of acquisition cost of fixed assets | | | | | | | | (24) | | 24 | |
| Appropriation to general reserve | | | | | | | | | 400,000 | (400,000) | |
| Dividends paid | | | | | | | | | | (339,107) | (339,107) |
| Bonuses to directors and corporate auditors | | | | | | | | | | (727) | (727) |
| Net income | | | | | | | | | | 1,060,109 | 1,060,109 |
| Purchase of common stock | | | | | | | | | | | |
| Reissuance of common stock | | | 407 | 407 | | | | | | | |
| Net changes of items other than shareholders' equity | | | | | | | | | | | |
| Total changes during the fiscal year | – | – | 407 | 407 | – | (79) | 31 | 967 | 400,000 | 319,355 | 720,275 |
| Balance as of March 31, 2007 | 397,049 | 416,970 | 407 | 417,378 | 99,454 | 117 | 3,228 | 7,554 | 5,740,926 | 1,483,862 | 7,335,143 |

(Million yen; amounts less than one million yen are omitted)

| | Shareholders' equity | | Valuation and translation adjustments | | | Stock acquisition rights | Total net assets |
|--|----------------------|----------------------------|--|--------------------------------|---|--------------------------|------------------|
| | Treasury stock | Total shareholders' equity | Net unrealized gains on other securities | Deferred hedge gains or losses | Total valuation and translation adjustments | | |
| Balance as of March 31, 2006 | (1,260,148) | 6,168,740 | 518,155 | – | 518,155 | – | 6,686,895 |
| Changes during the fiscal year | | | | | | | |
| Reversal of reserve for losses on overseas investments | | | | | | | |
| Appropriation to reserve for special depreciation | | | | | | | |
| Reversal of reserve for special depreciation | | | | | | | |
| Appropriation to reserve for reduction of acquisition cost of fixed assets | | | | | | | |
| Reversal of reserve for reduction of acquisition cost of fixed assets | | | | | | | |
| Appropriation to general reserve | | | | | | | |
| Dividends paid | | (339,107) | | | | | (339,107) |
| Bonuses to directors and corporate auditors | | (727) | | | | | (727) |
| Net income | | 1,060,109 | | | | | 1,060,109 |
| Purchase of common stock | (300,233) | (300,233) | | | | | (300,233) |
| Reissuance of common stock | 4,534 | 4,942 | | | | | 4,942 |
| Net changes of items other than shareholders' equity | | | 36,792 | 760 | 37,552 | 1,171 | 38,724 |
| Total changes during the fiscal year | (295,698) | 424,984 | 36,792 | 760 | 37,552 | 1,171 | 463,708 |
| Balance as of March 31, 2007 | (1,555,847) | 6,593,724 | 554,947 | 760 | 555,708 | 1,171 | 7,150,603 |

NOTES TO UNCONSOLIDATED FINANCIAL STATEMENTS

*Amounts less than one million yen are in principle omitted.

[Significant accounting policies]

1. Standards and methods of valuation of assets

(1) Standards and methods of valuation of securities

Equity securities of subsidiaries and affiliates are stated at cost determined using the moving average-method.

Other securities:

Other securities with fair value are stated at fair value based on the market prices, etc. at the end of each fiscal year.

(Differences in valuation are included directly in net assets; costs of securities are determined using the moving-average method.)

Other securities not practicable to determine their fair value are stated at cost determined using the moving average method.

(2) Standards and methods of valuation of inventories

Finished goods, work in progress, and supplies are stated at cost determined generally by the average method.

Raw materials are stated at the lower of cost or market value, as determined by last-in first-out method.

2. Depreciation of property, plant and equipment is computed by the declining balance method.

<Changes in accounting method>

Effective from FY2008, in accordance with the revisions of the Corporate Income Tax Law, property, plant and equipment acquired on and after April 1, 2007 is depreciated under the depreciation method stipulated in the revised Corporate Income Tax Law.

This change did not have material impact on profit and loss.

3. Standards of accounting for reserves

(1) Allowance for doubtful accounts:

To prepare for losses from bad debt, allowance for doubtful accounts is provided in an amount which is determined by considering the historical loss experience and the collectibility of the receivables.

(2) Allowance for retirement benefits:

To provide for the retirement benefits for employees, including those already retired, allowance for retirement benefits is stated based on estimated retirement benefit obligations and estimated pension assets at the end of the fiscal year.

4. Other significant matters pertaining to the preparation of unconsolidated financial statements

(1) Consumption taxes, etc. are computed based on the net-of-tax method.

(2) Effective from FY2008, the consolidated taxation system is applied.

[Changes in presentation method]

Unconsolidated balance sheet

Effective from FY2008, in accordance with the revisions of the "Practical Guidelines for Accounting for Financial Instruments" (Accounting Committee Report No.14, July 4, 2007), negotiable certificates of deposit issued by Japanese domestic entities, which were formerly included in "Cash and deposits," are included in "Marketable securities."

At March 31, 2007 and 2008, TMC's negotiable certificates of deposit issued by Japanese domestic entities amounted to 220,400 million yen and 82,800 million yen, respectively.

[Unconsolidated balance sheet]

1. Assets pledged as collateral and relevant liabilities

| Assets pledged as collateral | | Relevant liabilities | |
|------------------------------|---|---|--|
| Items | Book value as of the end of the fiscal year (million yen) | Items | Balance as of the end of the fiscal year (million yen) |
| Investments in securities | 11,482 | Security deposit for delayed tax payment for goods imported | 11,500 |
| Investments in securities | 19 | Security deposit based on the Real Estate Transaction Law | 20 |
| Total | 11,502 | Total | 11,520 |

2. Accumulated depreciation of property, plant and equipment: 3,467,995 million yen

3. Guarantees

Guarantees for bank loans of Toyota Motor Manufacturing Turkey Inc.
27,147 million yen
Guarantees for bank loans of Toyota Peugeot Citroën Automobile Czech s.r.o.
20,959 million yen

4. Export bill discounted 7,732 million yen

5. Receivables from and payables to subsidiaries and affiliates

Short-term receivables 1,638,313 million yen
Long-term receivables 356,020 million yen
Short-term payables 1,127,255 million yen

6. The retirement benefit trust is established to appropriate the retirement benefits of the corporate pension plan. No portion of the trust offsets the severance indemnity plan.

[Unconsolidated statement of Income]

Transactions with subsidiaries and affiliates

| | |
|----------------------------|-----------------------|
| Net sales | 8,172,526 million yen |
| Purchases | 5,452,044 million yen |
| Non-operating transactions | 545,330 million yen |

[Unconsolidated statement of changes in net assets]

1. Type and number of treasury stock at the end of FY2008

| | |
|--------------|--------------------|
| Common stock | 298,717,640 shares |
|--------------|--------------------|

2. Dividends from surplus

(1) Cash dividends

| Resolutions | Type of shares | Total cash dividends | Dividends per share | Record date | Effective date |
|--|----------------|----------------------|---------------------|--------------------|-------------------|
| Ordinary General Shareholders' Meeting held on June 22, 2007 | Common stock | 223,855 million yen | 70 yen | March 31, 2007 | June 25, 2007 |
| Directors' Meeting held on November 7, 2007 | Common stock | 207,004 million yen | 65 yen | September 30, 2007 | November 26, 2007 |

(2) Dividends whose record date falls in FY2008 and whose effective date falls in FY2009

Dividends on common stock are proposed for resolution at the Ordinary General Shareholders' Meeting to be held on June 24, 2008, as follows:

| | |
|----------------------|---------------------|
| Total cash dividends | 236,195 million yen |
| Dividend per share | 75 yen |
| Record date | March 31, 2008 |
| Effective date | June 25, 2008 |

The dividends shall be paid from retained earnings.

3. Type and number of shares to be issued or transferred upon the exercise of Stock Acquisition

Rights (excluding Stock Acquisition Rights that are not exercisable) at the end of FY2008

| | |
|--------------|------------------|
| Common stock | 3,795,700 shares |
|--------------|------------------|

[Tax effect accounting]

Deferred tax assets mainly relate to impairment losses on securities, accrued expenses, and allowance for retirement benefits, and are netted with valuation allowance. Deferred tax liabilities mainly relate to net unrealized gains on other securities.

[Fixed assets used under lease agreements]

In addition to fixed assets on the unconsolidated balance sheet, certain tools, furniture, and fixtures, etc. are used under finance lease agreements with the title of leased assets remaining with the lessors.

Related-party transactions:

| Category | Name | Voting Interests | Description of Relationship | Transaction | Transaction amounts (million yen) | Account name | Balances as of the end of the fiscal year (million yen) |
|------------|----------------------------------|-------------------------------------|--|-----------------------------------|-----------------------------------|---------------------------|---|
| Subsidiary | Toyota Motor Sales, U.S.A., Inc. | Equity Indirect 100.00% | Sales of TMC products Concurrent posting of directors | Mainly vehicle sales (Note.1) | 3,056,389 (Note.2) | Trade accounts receivable | 238,948 (Note.2) |
| Subsidiary | Toyota Motor Europe NV/SA | Equity Direct 100.00% | Sales of TMC products Concurrent posting of directors | Mainly vehicle sales (Note.1) | 1,223,557 (Note.2) | Trade accounts receivable | 105,421 (Note.2) |
| Subsidiary | Toyota Finance Corporation | Equity Indirect 100.00% | Loans from TMC | Loans (Note.3) | 270,347 (Note.3) | Loans | 269,644 |
| Affiliate | DENSO CORPORATION | Equity Direct 24.53% Indirect 0.17% | Purchase of DENSO CORPORATION products Concurrent posting of directors | Mainly purchase of parts (Note.1) | 953,729 (Note.2) | Trade accounts payable | 124,314 (Note.2) |

Note. 1: Terms of transactions, including price terms, are decided through negotiations with each company.

Note. 2: The transaction amounts and the balances of trade accounts receivable do not include consumption taxes, etc.
The balances of trade accounts payable includes consumption taxes, etc.

Note. 3: Loans are decided based on the market interest rate at the time the loan is made. The transaction amount represents average balance during the fiscal year.

[Per share information]

Net assets per share
Net income per share

(Amounts are rounded to the nearest hundredth digit yen)

2,317.42 yen
358.19 yen

Independent Auditor's Report (Certified Copy)
(English Translation*)

May 2, 2008

To the Board of Directors of
Toyota Motor Corporation

PricewaterhouseCoopers Aarata

Koji Hatsukawa
Certified Public Accountant
Designated and Engagement Partner

Yasuo Isobe
Certified Public Accountant
Designated and Engagement Partner

Hitoshi Kiuchi
Certified Public Accountant
Designated and Engagement Partner

We have audited, pursuant to Article 436 (2) i of the "Corporation Act" of Japan, the unconsolidated financial statements, which consist of the unconsolidated balance sheet, the unconsolidated statement of income, the unconsolidated statement of changes in net assets and the notes to the unconsolidated financial statements, and the supplementary schedules of Toyota Motor Corporation (hereinafter referred to as the "Company") for the 104th fiscal year from April 1, 2007 to March 31, 2008. These unconsolidated financial statements and the supplementary schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these unconsolidated financial statements and the supplementary schedules based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we obtain reasonable assurance about whether the unconsolidated financial statements and the supplementary schedules are free of material misstatement. An audit is performed on a test basis and includes assessing the accounting principles used by management including how they are applied and estimates made by management, as well as examining of the overall presentation of the unconsolidated financial statements and the supplementary schedules. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the unconsolidated financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period covered by the unconsolidated financial statements and the supplementary schedules in conformity with accounting principles generally accepted in Japan.

We have no interest in or relationship with the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountant Law of Japan.

*The original audit report is in Japanese. This English translation is for readers' convenience and reading this translation is not a substitute for reading the original audit report in Japanese.

Consolidated Financial Statements

CONSOLIDATED BALANCE SHEETS

(Amounts are rounded to the nearest million yen)

| | FY2008 (As of March 31, 2008) | FY2007 (Reference) (As of March 31, 2007) | | FY2008 (As of March 31, 2008) | FY2007 (Reference) (As of March 31, 2007) |
|---|-------------------------------------|--|---|-------------------------------------|--|
| (Assets) | | | (Liabilities) | | |
| Current assets | 12,086,227 | 11,880,411 | Current liabilities | 11,940,742 | 11,767,170 |
| Cash and cash equivalents | 1,628,547 | 1,900,379 | Short-term borrowings | 3,552,721 | 3,497,391 |
| Time deposits | 134,773 | 26,709 | Current portion of long-term debt | 2,675,431 | 2,368,116 |
| Marketable securities | 542,210 | 435,463 | Accounts payable | 2,212,773 | 2,211,586 |
| Trade accounts and notes receivable, less allowance for doubtful accounts | 2,040,233 | 2,023,818 | Other payables | 806,514 | 807,481 |
| Finance receivables, net | 4,301,142 | 4,108,139 | Accrued expenses | 1,606,964 | 1,668,337 |
| Other receivables | 523,533 | 486,170 | Income taxes payable | 305,592 | 421,196 |
| Inventories | 1,825,716 | 1,803,956 | Other current liabilities | 780,747 | 793,063 |
| Deferred income taxes | 563,220 | 551,503 | Long-term liabilities | 7,991,384 | 8,343,273 |
| Prepaid expenses and other current assets | 526,853 | 544,274 | Long-term debt | 5,981,931 | 6,263,585 |
| Noncurrent finance receivables, net | 5,974,756 | 5,894,925 | Accrued pension and severance costs | 632,297 | 640,586 |
| Investments and other assets | 6,585,335 | 7,035,404 | Deferred income taxes | 1,099,006 | 1,312,400 |
| Marketable securities and other securities investments | 3,429,238 | 3,829,852 | Other long-term liabilities | 278,150 | 126,702 |
| Affiliated companies | 2,098,556 | 2,058,177 | Total liabilities | 19,932,126 | 20,110,443 |
| Employees receivables | 70,776 | 96,742 | | | |
| Other | 986,765 | 1,050,633 | (Minority interest in consolidated subsidiaries) | | |
| Property, plant and equipment | 7,812,002 | 7,764,039 | Minority interest in consolidated subsidiaries | 656,667 | 628,244 |
| Land | 1,262,034 | 1,233,137 | | | |
| Buildings | 3,580,607 | 3,444,764 | (Shareholders' equity) | | |
| Machinery and equipment | 9,270,650 | 9,184,751 | Common stock | 397,050 | 397,050 |
| Vehicle and equipment on operating leases | 2,922,325 | 2,890,369 | Additional paid-in capital | 497,569 | 497,593 |
| Construction in progress | 360,620 | 349,465 | Retained earnings | 12,408,550 | 11,764,713 |
| Less – Accumulated depreciation | (9,584,234) | (9,338,447) | Accumulated other comprehensive income (loss) | (241,205) | 701,390 |
| | | | Treasury stock, at cost | (1,192,437) | (1,524,654) |
| Total assets | 32,458,320 | 32,574,779 | Total shareholders' equity | 11,869,527 | 11,836,092 |
| | | | Total liabilities and shareholders' equity | 32,458,320 | 32,574,779 |

CONSOLIDATED STATEMENTS OF INCOME

(Amounts are rounded to the nearest million yen)

| | FY2008 (April 1, 2007 through March 31, 2008) | FY2007 (Reference) (April 1, 2006 through March 31, 2007) |
|---|---|--|
| Net revenues | 26,289,240 | 23,948,091 |
| Sales of products | 24,820,510 | 22,670,097 |
| Financing operations | 1,468,730 | 1,277,994 |
| Costs and expenses | 24,018,865 | 21,709,408 |
| Cost of products sold | 20,452,338 | 18,356,255 |
| Cost of financing operations | 1,068,015 | 872,138 |
| Selling, general and administrative | 2,498,512 | 2,481,015 |
| Operating income | 2,270,375 | 2,238,683 |
| Other income (expense) | 166,847 | 143,833 |
| Interest and dividend income | 165,676 | 131,939 |
| Interest expense | (46,113) | (49,326) |
| Foreign exchange gain, net | 9,172 | 33,005 |
| Other income, net | 38,112 | 28,215 |
| Income before income taxes, minority interest and equity in earnings of affiliated companies | 2,437,222 | 2,382,516 |
| Provision for income taxes | 911,495 | 898,312 |
| Income before minority interest and equity in earnings of affiliated companies | 1,525,727 | 1,484,204 |
| Minority interest in consolidated subsidiaries | (77,962) | (49,687) |
| Equity in earnings of affiliated companies | 270,114 | 209,515 |
| Net income | 1,717,879 | 1,644,032 |

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

FY2008

(April 1, 2007 through March 31, 2008)

(Amounts are rounded to the nearest million yen)

| | Common stock | Additional paid-in capital | Retained earnings | Accumulated other comprehensive income (loss) | Treasury stock, at cost | Total shareholders' equity |
|---|--------------|----------------------------|-------------------|---|-------------------------|----------------------------|
| Balances at March 31, 2007 | 397,050 | 497,593 | 11,764,713 | 701,390 | (1,524,654) | 11,836,092 |
| Issuance during the year | | 3,475 | | | | 3,475 |
| Comprehensive income | | | | | | |
| Net income | | | 1,717,879 | | | 1,717,879 |
| Other comprehensive income | | | | | | |
| Foreign currency translation adjustments | | | | (461,189) | | (461,189) |
| Unrealized gains on securities, net of reclassification adjustments | | | | (347,829) | | (347,829) |
| Pension liability adjustments | | | | (133,577) | | (133,577) |
| Total comprehensive income | | | | | | 775,284 |
| Dividends paid | | | (430,860) | | | (430,860) |
| Purchase and reissuance of common stock | | | | | (314,464) | (314,464) |
| Retirement of common stock | | (3,499) | (643,182) | | 646,681 | — |
| Balances at March 31, 2008 | 397,050 | 497,569 | 12,408,550 | (241,205) | (1,192,437) | 11,869,527 |

FY2007 (Reference)

(April 1, 2006 through March 31, 2007)

| | Common stock | Additional paid-in capital | Retained earnings | Accumulated other comprehensive income | Treasury stock, at cost | Total shareholders' equity |
|---|--------------|----------------------------|-------------------|--|-------------------------|----------------------------|
| Balances at March 31, 2006 | 397,050 | 495,250 | 10,459,788 | 437,316 | (1,228,955) | 10,560,449 |
| Issuance during the year | | 2,343 | | | | 2,343 |
| Comprehensive income | | | | | | |
| Net income | | | 1,644,032 | | | 1,644,032 |
| Other comprehensive income | | | | | | |
| Foreign currency translation adjustments | | | | 130,746 | | 130,746 |
| Unrealized gains on securities, net of reclassification adjustments | | | | 38,800 | | 38,800 |
| Minimum pension liability adjustments | | | | 3,499 | | 3,499 |
| Total comprehensive income | | | | | | 1,817,077 |
| Adjustment to initially apply FAS No.158 | | | | 91,029 | | 91,029 |
| Dividends paid | | | (339,107) | | | (339,107) |
| Purchase and reissuance of common stock | | | | | (295,699) | (295,699) |
| Balances at March 31, 2007 | 397,050 | 497,593 | 11,764,713 | 701,390 | (1,524,654) | 11,836,092 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*Amounts are rounded to the nearest million yen unless otherwise stated.

[Significant matters pertaining to the preparation of consolidated financial statements]

1. Number of consolidated subsidiaries and affiliated companies accounted for by the equity method:
TMC has 530 consolidated subsidiaries and 55 affiliated companies accounted for by the equity method.
2. Basis of consolidated financial statements:
Toyota's consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP), pursuant to the provision of Article 148, Paragraph 1 of the Corporation Accounting Regulations. Also, pursuant to the provision of Article 148, Paragraph 1, certain disclosures and notes to the consolidated financial statements required under U.S. GAAP are omitted. Certain prior year amounts have been reclassified to conform to the presentations for the fiscal year ended March 31, 2008.
3. Standards and methods of valuation of securities:
Available-for-sale securities are stated at fair value. The acquisition cost of the securities is determined on the average cost method.
4. Inventories:
Inventories are valued at cost, not in excess of market, cost being determined on the "average-cost" basis, except for the cost of finished products carried by certain subsidiary companies which is determined on the "specific identification" basis or "last-in, first-out" basis.
5. Depreciation of property, plant and equipment:
Depreciation of property, plant and equipment is mainly computed on the declining-balance method for TMC and Japanese subsidiaries and on the straight-line method for foreign subsidiaries.
6. Goodwill and amortization of intangible assets:
Goodwill and intangible assets with an indefinite life are not amortized, but are tested for impairment annually or more frequently if events or circumstances indicate that a carrying amount of an asset (asset group) may not be recoverable. Intangible assets with a definite life are amortized on a straight-line method.

7. Standards of accounting for reserves:

Allowance for doubtful accounts and allowance for credit losses:

Allowance for doubtful accounts and allowance for credit losses are based primarily on the frequency of occurrence and loss severity.

Accrued pension and severance costs:

Accrued pension and severance costs are recognized based on the retirement benefit obligations measured by actuarial calculations less fair value of the plan assets.

[Consolidated Balance Sheet]

| | |
|---|-----------------------|
| 1. Allowance for doubtful accounts | 52,063 million yen |
| Allowance for credit losses | 117,706 million yen |
| 2. Components of accumulated other comprehensive income | |
| Foreign currency translation adjustments | (501,366) million yen |
| Unrealized gains on securities | 310,979 million yen |
| Pension liability adjustments | (50,818) million yen |
| 3. Assets pledged as collateral | 122,105 million yen |
| 4. Guarantees | 1,460,362 million yen |

[Consolidated Statement of Shareholders' Equity]

Number of shares issued and outstanding as of March 31, 2008

3,447,997,492 shares

[Per share amounts] (Amounts are rounded to the nearest hundredth digit yen)

| | |
|-----------------------------------|--------------|
| 1. Shareholders' equity per share | 3,768.97 yen |
| 2. Net income per share | |
| Basic | 540.65 yen |
| Diluted | 540.44 yen |

Independent Auditor's Report (Certified Copy)
(English Translation*)

May 2, 2008

To the Board of Directors of
Toyota Motor Corporation

PricewaterhouseCoopers Aarata

Kouji Hatsukawa
Certified Public Accountant
Designated and Engagement Partner

Yasuo Isobe
Certified Public Accountant
Designated and Engagement Partner

Hitoshi Kiuchi
Certified Public Accountant
Designated and Engagement Partner

We have audited, pursuant to Article 444 (4) of the "Corporation Act" of Japan, the consolidated financial statements, which consist of the consolidated balance sheet, the consolidated statement of income, the consolidated statement of shareholders' equity, and the notes to the consolidated financial statements of Toyota Motor Corporation (hereinafter referred to as the "Company") for the fiscal year from April 1, 2007 to March 31, 2008. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit is performed on a test basis and includes assessing the accounting principles used by management including how they are applied and estimates made by management, as well as examining the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and the results of operations of the corporate group which consist of the Company and its consolidated subsidiaries for the period covered by the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America as permitted by Article 148 (1) of the Corporation Accounting Regulations (refer to Item 2 of the "Significant matters pertaining to the preparation of consolidated financial statements" in the notes to the consolidated financial statements).

We have no interest in or relationship with the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountant Law of Japan.

* The original audit report is in Japanese. This English translation is for reader's convenience and reading this translation is not a substitute for reading the original audit report in Japanese.

Board of Corporate Auditors' Report (Certified Copy)

Audit Report

The Board of Corporate Auditors has discussed and prepared this Audit Report based on the audit reports prepared by each of the Corporate Auditors pertaining to the conduct of duties by the Directors of Toyota Motor Corporation during FY2008 extending from April 1, 2007 through March 31, 2008, and reports as follows.

1. Method and content of Audit by the Corporate Auditors and the Board of Corporate Auditors

(1) Auditing method of the Board of Corporate Auditors

The Board of Corporate Auditors determined the auditing policies and audit plan, received a report from each Corporate Auditor on the audit and its results, and received reports from the Directors and senior executives and Accounting Auditor on the execution of their duties.

(2) Method and content of Audit by the Corporate Auditors

1) Based on the audit policies and audit plan adopted by the Board of Corporate Auditors, each Corporate Auditor communicated with the Directors and senior executives and other Corporate Auditors, collected information, developed an auditing environment, attended the Board of Directors' meetings and other important meetings, and received reports from the Directors and senior executives on the execution of their duties. The Corporate Auditors also reviewed important documents and surveyed operations and assets at the company head office, production facilities, and business offices. The Corporate Auditors exchanged opinions and information with the Directors and senior executives and Corporate Auditors of the subsidiaries, and received reports on business from them, as needed.

2) Concerning the unconsolidated financial statements (unconsolidated balance sheet, unconsolidated statement of income, unconsolidated statement of changes in net assets, and notes to the unconsolidated financial statements) and supplementary schedules and consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of shareholders' equity, and notes to the consolidated financial statements), each Corporate Auditor received reports from the Directors and senior executives and received reports from the Accounting Auditor on its audit and the results. The Corporate Auditors also received notice from the Accounting Auditor confirming that the "systems to ensure the appropriate execution of duties by the Accounting Auditor" (as described in each of the items of Article 159 of the Corporation Accounting Regulations) has been properly developed.

2. Result of Audit

(1) Audit result concerning the business report and others

- 1) The business report and supplementary schedules accurately represent the company's situation as required by laws and regulations and the Articles of Incorporation.
- 2) No irregularity or violation of applicable laws or regulations or the Articles of Incorporation was found with respect to the performance of duties by the Directors.
- 3) Resolutions of the Board of Directors concerning the internal control system (as stipulated in Article 362, Paragraph 4, Item 6 the Corporation Act of Japan and Article 100, Paragraphs 1 and 3 of the Enforcement Regulations of the Corporation Act) are appropriate. We have nothing to point out concerning the execution of duties by the Directors with respect to the internal control system.

(2) Audit results concerning unconsolidated financial statements and supplementary schedules

The auditing method of PricewaterhouseCoopers Aarata, the Accounting Auditor, and the results of the audit, are appropriate.

(3) Audit results of consolidated financial statements

The auditing method of PricewaterhouseCoopers Aarata, the Accounting Auditor, and the results of the audit, are appropriate.

May 7, 2008

Toyota Motor Corporation Board of Corporate Auditors

| | | | |
|-----------------------------|--------------------|---------------------------|------------------|
| Full-time Corporate Auditor | Yoshikazu Amano | Outside Corporate Auditor | Yoichi Kaya |
| Full-time Corporate Auditor | Chiaki Yamaguchi | Outside Corporate Auditor | Yoichi Morishita |
| Full-time Corporate Auditor | Masaki Nakatsugawa | Outside Corporate Auditor | Akishige Okada |
| | | Outside Corporate Auditor | Kunihiro Matsuo |

Segment Operating Results

Automotive

Net revenues for the automotive operations increased by 2,249.3 billion yen (or 10.3%) to 24,177.3 billion yen in FY 2008 compared with FY2007, and operating income increased by 133.1 billion yen (or 6.5%) to 2,171.9 billion yen in FY2008 compared with FY2007. The increase in operating income was mainly due to increases in both production volume and vehicle units sold and cost reduction efforts, partially offset by an increase in expenses.

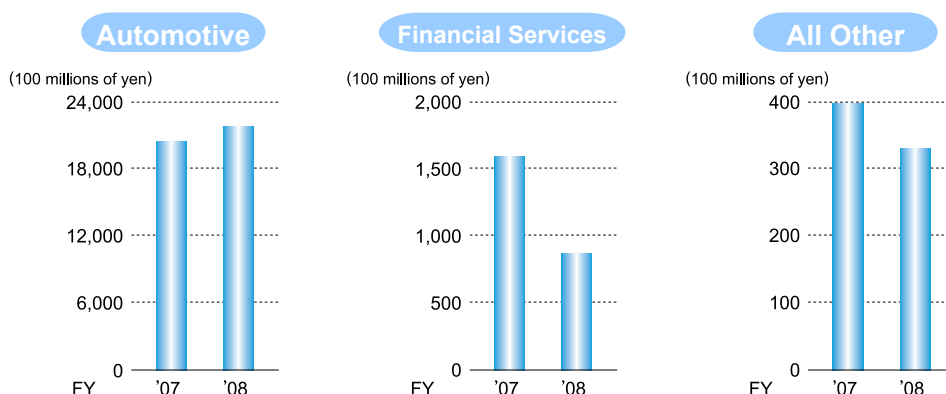
Financial services

Net revenues for the financial services operations increased by 197.8 billion yen (or 15.2%) to 1,498.3 billion yen in FY2008 compared with FY2007, while operating income decreased by 72.0 billion yen (or 45.4%) to 86.5 billion yen in FY2008 compared with FY2007. The decrease in operating income was mainly due to an increase in valuation losses on interest rate swaps by 48.1 billion yen stated at fair value by sales finance subsidiaries in accordance with the Statement of Financial Accounting Standards (FAS) No. 133 (as amended by several guidance including FAS No.138), despite a steady increase in financing volume.

All other

Net revenues for all other businesses increased by 23.2 billion yen (or 1.8%) to 1,346.9 billion yen in FY2008 compared with FY2007, while operating income decreased by 6.6 billion yen (or 16.6%) to 33.0 billion yen in FY2008 compared with FY2007.

Operating income by business segment



Geographic Information

Japan

Net revenues in Japan increased by 500.5 billion yen (or 3.4%) to 15,315.8 billion yen in FY2008 compared with FY2007, while operating income decreased by 16.9 billion yen (or 1.2%) to 1,440.3 billion yen in FY2008 compared with FY2007. The decrease in operating income was mainly due to an increase in expenses, partially offset by an increase in production volume and vehicle exports as well as cost reduction efforts.

North America

Net revenues in North America increased by 393.5 billion yen (or 4.4%) to 9,423.2 billion yen in FY2008 compared with FY2007, while operating income decreased by 144.3 billion yen (or 32.1%) to 305.3 billion yen in FY2008 compared with FY2007. The decrease in operating income was mainly due to an increase in valuation losses on interest rate swaps by 66.7 billion yen stated at fair value by sales finance subsidiaries in accordance with FAS No. 133 (as amended by several guidance including FAS No. 138).

Europe

Net revenues in Europe increased by 451.3 billion yen (or 12.7%) to 3,993.4 billion yen in FY2008 compared with FY2007, and operating income increased by 4.2 billion yen (or 3.0%) to 141.5 billion yen in FY2008 compared with FY2007.

Asia

Net revenues in Asia increased by 895.3 billion yen (or 40.2%) to 3,120.9 billion yen in FY2008 compared with FY2007, and operating income increased by 138.8 billion yen (or 118.0%) to 256.4 billion yen in FY2008 compared with FY2007. The increase in operating income was mainly due to increases in both production volume and vehicle units sold.

Other (Central and South America, Oceania and Africa)

Net revenues in other regions increased by 371.4 billion yen (or 19.3%) to 2,294.1 billion yen in FY2008 compared with FY2007, and operating income increased by 60.4 billion yen (or 72.4%) to 143.9 billion yen in FY2008 compared with FY2007. The increase in operating income was mainly due to increases in both production volume and vehicle units sold.

Operating income by region

