28 November 2014

Toyota Finance Australia Limited ("*TFA*")

Half-Yearly Financial Report for the six month period ended 30 September 2014

TFA, which was incorporated as a public company limited by shares in New South Wales, Australia on 18 June 1982, operates under the Corporations Act 2001 of Australia (the "***Corporations Act***") and is a wholly-owned subsidiary of Toyota Financial Services Corporation ("***TFS***") which is a wholly-owned subsidiary of Toyota Motor Corporation ("***TMC***"), presents its half-yearly financial report for the six month period ended 30 September 2014.

In this document, all references to "TFA" are to Toyota Finance Australia Limited, and all references to the "Group" or "consolidated entity" are to TFA and its consolidated subsidiaries.

1. Management Report

(A) Summary of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements.

The Group's earnings are primarily impacted by the level of average earning assets, (comprised primarily of investments in finance receivables and operating leases), earning asset yields, outstanding borrowings and the related borrowing cost and the impact of credit losses and impairment of residual values.

The consolidated net profit after income tax of the Group for the half-year ended 30 September 2014 was $88.7 million, compared to $70.1 million for the half-year ended 30 September 2013. The results for the half-year ended 30 September 2014 were primarily affected by the following factors:

(i) a decrease in interest and similar revenue reflecting lower interest rates on loans and receivables due to the declining interest rate environment. There was no material change to the balance of loans and receivables as compared to the previous year;

(ii) a net profit resulting from fair value movements in the valuation of derivatives, a net profit on foreign currency translation of foreign currency debt for the period to balance date;

(iii) an increase in bad and doubtful debts resulting from the lingering economic slowdown, mainly affecting the retail segment; and

(iv) total administration expenses having increased relative to the half-year ended 30 September 2013. Such increases are due to increased staff costs resulting from modest pay increases and an increase in amortisation of intangible assets and computer maintenance relative to investments in IT infrastructure and computer software development.

A slight increase in net loans and receivables (net of unearned income) is illustrated by the balance of $13,320 million as at 30 September 2014, compared to the balance of $13,268 million as at 31 March 2014.

Provisions for impairment represent 1.34% ($176.7 million) of net loans and receivables (net of unearned revenue) as at 30 September 2014, compared to 1.32% ($173.3 million) of net loans and receivables (net of unearned revenue) as at 31 March 2014. TFA's level of credit losses is influenced primarily by two factors: the total number of contracts that default and loss per occurrence. TFA's provision for impairment of loans and receivables is established when there is objective evidence that TFA will not be able to collect all amounts according to the original terms of the contract. The allowance for credit losses is evaluated at each balance date, considering historical loss experience and other factors, and is considered adequate to cover expected credit losses as of 30 September 2014.

TFA maintains an EMTN programme together with its affiliates Toyota Motor Finance (Netherlands) B.V., Toyota Credit Canada Inc. and Toyota Motor Credit Corporation (TFA and such affiliates, the "***EMTN Issuers***"), providing for the issuance of debt securities in the international capital markets. In September 2014, the EMTN Issuers renewed the EMTN programme for a one year period. The maximum aggregate principal amount of debt securities that may be issued by the EMTN Issuers and outstanding under the EMTN programme at any time is €50 billion, or the equivalent in other currencies, of which €30.3 billion was available for issuance at 30 September 2014.

On 20 November 2014, TFA and other Toyota affiliates entered into a US$5.0 billion 364 day syndicated bank credit facility pursuant to a 364 Day Credit Agreement, a US$5.0 billion three year syndicated bank credit facility pursuant to a Three Year Credit Agreement and a US$5.0 billion five year syndicated bank credit facility pursuant to a Five Year Credit Agreement. The ability to make draws is subject to covenants and conditions customary in transactions of this nature, including negative pledge provisions, cross default provisions and limitations on consolidations, mergers and sales of assets. The 364 Day Credit Agreement, the Three Year Credit Agreement and the Five Year Credit Agreement may be used for general corporate purposes and were not drawn upon as of 28 November 2014.

(B) Risks and uncertainties for the remaining six months of the financial year

The principal activities of TFA, which are an integral part of the Toyota group's presence in Australia, are to finance the acquisition of motor vehicles by customers in the form of leasing, term purchase, consumer and commercial loans; to provide bailment facilities and commercial loans to motor dealers; to provide operating lease and fleet management services to customers; and to sell retail insurance policies underwritten by third party insurers.

Unless otherwise specified in this section, "TFS group" means TFS and its subsidiaries and affiliates and "Toyota" means TMC and its consolidated subsidiaries.

The TFS group, including the Group, may be exposed to certain risks and uncertainties, summarised below, that could have a material adverse impact directly or indirectly on its financial condition and results of operations.

The TFS group's business, through its financial subsidiaries (including the Group) and affiliates is substantially dependent upon the sale of Toyota and Lexus vehicles and its ability to offer competitive financing and insurance products. Factors in relation to the sale of new and used vehicles which would impact the level of financing volume, insurance volume and the TFS group's results of operations, include changes resulting from governmental action, changes in consumer demand, changes in economic conditions, recalls, the actual or perceived quality, safety or reliability of Toyota and/or Lexus vehicles, decreased or delayed vehicle production due to natural disasters, supply chain interruptions or other events, changes in the level of sponsored subsidy and incentive programmes, increased competition, changes in the effectiveness of motor vehicle dealers selling Toyota and/or Lexus vehicles relative to those selling vehicles of other makes, changes in pricing of imported units due to currency fluctuations or other reasons, significant increases in fuel prices which may adversely affect sales in the larger Toyota and/or Lexus vehicle range (but may increase sales in the smaller Toyota passenger vehicle range). Further, a significant and sustained increase in fuel prices could decrease new and used vehicle purchases, thereby reducing the demand for motor vehicle retail and wholesale financing. In turn, lower used vehicle prices could affect amounts written off and depreciation on operating leases or lease residual value provisions.

The Group's financial condition and results of operations are affected by a variety of factors, including changes in the overall market for retail sales, retail or wholesale motor vehicle financing, leasing or dealer financing, changes in the level of sales of Toyota and/or Lexus vehicles or other vehicles in Australia, the rate of growth in the number and average balance of customer accounts, the Australian finance industry's regulatory environment, competition from other financiers, rate of default by its customers, the interest rates it is required to pay on the funding it requires to support its business, amounts of funding available to it, changes in the funding markets, the used vehicle market, changes in its credit ratings, the success of efforts to expand its product lines, levels of operating expenses and general and administrative expenses, including but not limited to labour costs, technology costs (including, but not limited to, amortisation expense and/or impairment losses arising from capitalised intangible assets and maintenance costs) and premises costs, general economic conditions, inflation, fiscal and monetary policies in Australia as well as Europe and other countries in which the Group issues debt. A downturn in the financial markets could adversely affect Toyota's ability to raise capital.

Further risks include the failure of any of the financial institutions and other counterparties to which the Group has exposure, directly or indirectly, to perform their contractual obligations, and any losses resulting from that failure, may materially and adversely affect the Group's liquidity, financial condition and results of operations. There is residual value risk that the estimated residual value at lease origination will not be recoverable at the end of the lease term. Liquidity risk arising from the inability of the TFS group (including the Group) to maintain the capacity to fund assets and repay liabilities in a timely and cost-effective manner would have a negative impact on the Group's ability to refinance maturing debt and fund new asset growth. Changes in market interest rates, foreign currency exchange rates and other relevant market parameters or prices cause volatility in the TFS group's (including the Group's) financial condition and/or results of operations and/or cash flow and the value of the investment portfolio of the TFS group could decline. An increase in the interest rates charged by the Group's lenders or available to the Group in the capital markets may adversely affect the Group's income. Changes to the senior long-term debt credit ratings of TMC and certain of its affiliates including the Group may result in higher borrowing costs as well as reduced access to capital markets.

Further, inadequate or failed processes, systems or internal controls, the failure to perfect collateral, theft, fraud, cybersecurity breaches, earthquakes, other natural disasters or other catastrophes could have an adverse impact on the Group's financial condition and results of operations. The worldwide automotive market is highly competitive and volatile and the worldwide financial services industry is also highly competitive. Toyota's future success depends on its ability to offer new, innovative, competitively priced products that meet customer demand on a timely basis. Toyota's ability to market and distribute effectively is an integral part of Toyota's successful sales. Toyota relies on suppliers for the provision of certain supplies including parts, components and raw materials. High prices of raw materials and strong pressure on Toyota's suppliers could negatively impact Toyota's profitability. Toyota may also be adversely affected by natural calamities, political and economic instability, fuel shortages or interruptions in social infrastructure, wars, terrorism and labour strikes.

In addition, changes to laws, regulations or to the policies of the governments (federal, state or local) of Australia or of any other national governments (federal, state or local) of any other jurisdiction in which the Group conducts its business or international organisations (and the actions flowing from such changes to policies) may have a negative impact on the Group's business or require significant expenditure by the Group, or significant changes to the Group's processes and procedures, to ensure compliance with those laws, regulations or policies so that it can effectively carry on its business. Changes to the application or interpretation of tax laws may adversely impact the Group's financial condition and results of operations. Toyota may also become subject to various legal proceedings.

The Group's principal risks and uncertainties for the remaining six months of the financial year have not changed since the issuance of the Group's 2014 Annual Financial Report. The detailed discussion of these risks and uncertainties and the Group's objectives, policies and processes for managing these risks and uncertainties were disclosed in the Management Report, as well as Note 27 in the Notes to the Financial Statements, in the Annual Financial Report of the Group for the financial year ended 31 March 2014.

2. Reviewed Condensed Financial Statements for the six month period ended 30 September 2014

TOYOTA FINANCE AUSTRALIA LIMITED AND CONTROLLED ENTITIES
ABN 48 002 435 181
INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2014

CONTENTS Page

DIRECTORS' REPORT

The directors present this report on the consolidated entity consisting of Toyota Finance Australia Limited ("the company") and the entities it controlled at the end of, or during, the half-year ended 30 September 2014.

1. DIRECTORS

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

Current Directors

J.R. Chandler (Managing Director)	Director since 2007. Appointed Managing Director since June 2009.
I. Ritchens	Director since 2010.
D. Miles	Director since 2011.
Y. Yomoda	Director since 2012.
A. Cramb	Director since 2013.
T. Saito	Director since February 2014.
B. Knight	Director since April 2014.
D. Buttner	Director since August 2014.
S. Abe (Alternate to Y. Yomoda)	Alternate director since February 2014.
S. Watanabe (Alternate to T. Saito)	Alternate director since February 2014.

Former Director

M. Yasuda	Resigned as director in August 2014.

2. DIVIDENDS

During the half-year ended 30 September 2014, the following dividend payments were made:

	30 September 2014 $'000	**30 September 2013** $'000
Final dividends for the year	36,121	23,641
Interim dividends for the year	11,630	5,349
	47,751	28,990

DIRECTORS' REPORT (continued)

3. PRINCIPAL ACTIVITIES

During the half-year the principal continuing activities of the consolidated entity were:

- To finance the acquisition of motor vehicles by customers in the form of leasing, term purchase, consumer and commercial loans;
- To provide bailment facilities and commercial loans to motor dealers;
- To provide operating lease and fleet management services to customers;
- To administer and manage extended warranty and insurance products.

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

4. REVIEW OF OPERATIONS

The consolidated net profit of the consolidated entity for the half-year ended 30 September 2014 was $88.7 million (30 September 2013: $70.1 million) after deducting income tax expense of $36.2 million (30 September 2013: $26.6 million).

5. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4.

6. ROUNDING OF AMOUNTS

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

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

For and on behalf of the Board

J. Chandler
Director

I. Ritchens
Director

SYDNEY
26 NOVEMBER 2014

pwc

Auditor's Independence Declaration

As lead auditor for the review of Toyota Finance Australia Limited for the half-year ended 30 September 2014, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

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

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

Joe Sheeran
Partner
PricewaterhouseCoopers

Sydney
26 November 2014

PricewaterhouseCoopers, ABN 52 780 433 757
Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

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

INTERIM FINANCIAL REPORT - 30 SEPTEMBER 2014

CONTENTS

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 30 SEPTEMBER 2014

	Note	6 months 30 September 2014 $'000	6 months 30 September 2013 $'000
Interest and similar revenue	2	423,085	433,581
Interest expense and similar charges	2	(221,239)	(271,593)
Net financing income		**201,846**	**161,988**
Other income		16,058	16,633
Net operating income		**217,904**	**178,621**
Bad and doubtful debts expense		(26,483)	(21,981)
Employee benefits expense		(39,799)	(37,643)
Depreciation, amortisation and impairment expense	3	(11,173)	(7,620)
IT and communication expense		(4,529)	(4,486)
Sales and marketing expense		(4,620)	(2,700)
Occupancy		(3,145)	(2,878)
Other expenses		(7,976)	(8,558)
Share of net profits of associates accounted for using the equity method		4,679	3,985
Profit before income tax		**124,858**	**96,740**
Income tax expense		(36,200)	(26,641)
Profit attributable to owners of the parent		**88,658**	**70,099**
Other comprehensive income			
Items that may be classified to profit or loss			
Exchange differences on translation of foreign operations		(3,469)	5,675
Total comprehensive income attributable to the owners of the parent		**85,189**	**75,774**

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2014

	Note	30 September 2014 $'000	31 March 2014 $'000
Assets			
Cash and cash equivalents	4	472,265	676,353
Loans and receivables	5	13,143,394	13,094,887
Derivative financial instruments	6	191,247	129,785
Investments accounted for using the equity method		55,618	66,038
Intangible assets		45,708	43,429
Property, plant and equipment		10,695	18,259
Deferred tax assets		27,963	27,927
Other assets		32,687	40,370
Total Assets		**13,979,577**	**14,097,048**
Liabilities			
Due to banks and other financial institutions	7	5,766,674	6,417,491
Bonds and commercial paper	8	6,845,463	6,297,074
Derivative financial instruments	6	116,217	170,699
Other liabilities		324,049	322,048
Total Liabilities		**13,052,403**	**13,207,312**
Net Assets		**927,174**	**889,736**
Equity			
Contributed equity		120,000	120,000
Reserves		1,998	5,467
Retained earnings	9	805,176	764,269
Total Equity		**927,174**	**889,736**

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

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 30 SEPTEMBER 2014

	Note	Attributable to Owners of Toyota Finance Australia Ltd			
		Contributed Equity $'000	Reserves $'000	Retained Earnings $'000	Total Equity $'000
Balance at 1 April 2014		120,000	5,467	764,269	889,736
Profit for the half year		-	-	88,658	88,658
Other comprehensive income		-	(3,469)	-	(3,469)
Total comprehensive income		-	(3,469)	88,658	85,189
Transactions with owners in their capacity as owners:					
Dividends provided for or paid	9	-	-	(47,751)	(47,751)
Balance at 30 September 2014		**120,000**	**1,998**	**805,176**	**927,174**
Balance at 1 April 2013		120,000	(3,617)	639,033	755,416
Profit for the half year		-	-	70,099	70,099
Other comprehensive income		-	5,675	-	5,675
Total comprehensive income		-	5,675	70,099	75,774
Transactions with owners in their capacity as owners:					
Dividends provided for or paid	9	-	-	(28,990)	(28,990)
Balance at 30 September 2013		**120,000**	**2,058**	**680,142**	**802,200**

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

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 30 SEPTEMBER 2014

	Note	6 months 30 September 2014 $'000	6 months 30 September 2013 $'000
Cash flows from operating activities			
Net cash outflow from lending and other operating activities		(200,460)	(415,687)
Interest received		482,639	485,464
Interest paid		(225,948)	(237,873)
Income taxes paid		(26,249)	(35,116)
Net cash inflow/(outflow) from operating activities		**29,982**	**(203,212)**
Cash flows from investing activities			
Payments of intangible assets		(10,263)	(7,794)
Payments of property and equipment		(6,633)	(7,800)
Proceeds from sale of property and equipment		4,709	775
Dividends received from associate		11,630	5,356
Net cash (outflow) from investing activities		**(557)**	**(9,463)**
Cash flows from financing activities			
Proceeds from borrowings		5,010,239	5,927,354
Repayments of borrowings		(5,196,001)	(5,352,025)
Dividends paid	9	(47,751)	(28,990)
Net cash (outflow)/inflow from financing activities		**(233,513)**	**546,339**
Net (decrease)/increase in cash & cash equivalents		(204,088)	333,664
Cash & cash equivalents at beginning of period		676,353	298,863
Cash & cash equivalents at end of period	4	**472,265**	**632,527**

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

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 SEPTEMBER 2014

1. Basis of preparation of half-year report

This general purpose financial report for the interim half year reporting period ended 30 September 2014 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting*, other mandatory reporting requirements and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 March 2014.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as set out below:

(a) New or revised accounting standards and interpretation not yet adopted

Certain new or revised standards and interpretations have been published that are not mandatory for the 30 September 2014 financial half year. The company's assessment of the impact of the relevant new standard and interpretations is set out below.

- AASB 9 *Financial Instruments* was first issued in December 2009 and subsequently revised in:
  - December 2010 to include the recognition and measurement of financial liabilities
  - September 2012 to change the mandatory effective date, modify the relief from restating prior periods and require additional disclosures on transition, and
  - December 2013 to add new rules on hedging

  The mandatory application date of this standard is on fiscal year 2018. The consolidated entity does not intend to early adopt the new standard. It will review and determine its impact to the financial statements.

	6 months 30 September 2014 $'000	6 months 30 September 2013 $'000
2. Interest and similar revenue and interest expense and similar charges		
Interest and similar revenue		
Cash and cash equivalents	7,770	7,170
Lease income	62,991	71,004
Term purchase	29,941	38,590
Other loans and receivables	381,739	368,493
Interest revenue	482,441	485,257
Fee income	43,639	37,542
Fee expense	(102,995)	(89,218)
Interest and similar revenue	**423,085**	**433,581**
Interest expense and similar charges		
Due to banks and other financial institutions	88,783	97,223
Bonds and commercial paper	103,660	97,945
Borrowings from affiliated entities	194	457
Net loss (gain) on translation of foreign currency debt	61,834	431,051
Fair value (gain) loss on derivative financial instruments at fair value through profit or loss	(39,724)	(361,440)
Transaction costs	6,492	6,357
Interest expense and similar charges	**221,239**	**271,593**

	6 months 30 September 2014 $'000	6 months 30 September 2013 $'000
3. Depreciation, amortisation & impairment expenses		
Profit before income tax includes the following specific expenses:		
Depreciation		
Leasehold improvements	649	346
Plant and equipment	657	656
Motor vehicles	1,879	1,197
Total depreciation	**3,185**	**2,199**
Amortisation		
Computer software development	**7,033**	**5,421**
Impairment losses		
Computer software development	**955**	**-**
Total depreciation, amortisation & impairment expenses	**11,173**	**7,620**

	Consolidated 30 September 2014 $'000	Consolidated 31 March 2014 $'000
4. Cash and cash equivalents		
Cash on hand	3	3
Cash in bank	62,262	3,350
Deposits at call	410,000	673,000
	472,265	676,353

	30 September 2014	31 March 2014
	$'000	$'000
5. Loans and Receivables		
Bailment stock	1,735,428	1,917,975
Motor vehicles under operating lease*	1,679,373	1,625,323
Term loans**	9,942,010	9,604,717
Term purchase**	950,159	1,030,076
Finance leases	874,515	934,826
Gross loans and receivables	**15,181,485**	**15,112,917**
Accumulated depreciation on motor vehicles under operating lease	(611,389)	(587,363)
Unearned income***	(1,250,027)	(1,257,392)
Net loans and receivables (net of unearned income)	**13,320,069**	**13,268,162**
Provision for impairment of loans and receivables	(176,675)	(173,275)
Net loans and receivables	**13,143,394**	**13,094,887**

Maturity analysis (net of unearned income)

Loans and receivables maturing within 12 months	5,266,280	5,335,657
Loans and receivables maturing beyond 12 months	8,053,789	7,932,505
	13,320,069	13,268,162

Concentration of exposures

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

*Motor vehicles under operating lease is inclusive of carrying value of vehicles which ceased to be rented and are held for sale amounting to $20.6 million as at 30 September 2014 (31 March 2014: $15.4 million).

**As at 30 September 2014, the special purpose vehicle held $3,116.8 million (31 March 2014: $3,520.5 million) of the consolidated entity's term loans. Such securitised loans have varied maturity dates ranging from one month to five years.

Securitised loans maturing within one year amounted to $1,106.8 million as at 30 September 2014 (31 March 2014: $1,264.9 million).

***Unearned income as at 30 September 2014 is inclusive of net unamortised deferred revenue and expenses amounting to $233.2 million (31 March 2014: $213.5 million), unearned finance income on finance leases amounting to $75.5 million (31 March 2014: $86.9 million) and unearned finance income on term loans amounting to $1,407.7 million (31 March 2014: $1,383.9 million). There is no unearned income on bailment stock.

	30 September 2014 $'000	31 March 2014 $'000
6. Derivative financial instruments		
Assets		
Interest rate swap contracts	12,948	5,781
Cross currency swap contracts	176,470	125,843
Forward foreign exchange contracts	3,396	47
Derivative financial instrument assets	192,814	131,671
Less: Bilateral credit valuation adjustment	(1,567)	(1,886)
Total derivative financial instrument assets - held at fair value	**191,247**	**129,785**
Liabilities		
Interest rate swap contracts	48,997	48,591
Cross currency swap contracts	67,220	90,312
Forward foreign exchange contracts	-	31,796
Total derivative financial instrument liabilities - held at fair value	**116,217**	**170,699**
Current Derivative Financial Instruments		
Derivative Financial Assets	35,583	18,954
Derivative Financial Liabilities	22,594	58,984
Non-current Derivative Financial Instruments		
Derivative Financial Assets	157,231	112,717
Derivative Financial Liabilities	93,623	111,715

	30 September 2014 $'000	31 March 2014 $'000
7. Due to banks and other financial institutions		
Banks and other financial institutions	5,766,674	6,200,818
Affiliated entity	-	216,673
Total banks and financial institution borrowings	**5,766,674**	**6,417,491**
Maturity analysis		
Current		
Banks and other financial institutions	2,129,551	1,856,853
Affiliated entity	-	216,673
Total Current	2,129,551	2,073,526
Non-current		
Banks and other financial institutions	3,637,123	4,343,965
Total banks and financial institution borrowings	5,766,674	6,417,491

Included in the "Due to banks and other financial institutions" is securitised debt of $3,082.3 million as at 30 September 2014 (31 March 2014: $3,486.0 million) representing the value of term loans held by the special purpose vehicle. The special purpose vehicle issued interest bearing senior and subordinated notes amounting to $2,542.2 million and $540.1 million, respectively as at 30 September 2014 (31 March 2014: $2,956.3 million and $529.7 million, respectively).

Interest payable on the secured notes as at 30 September 2014 amounted to $4.4 million (31 March 2014: $4.6 million) and is included in the "Accrued Interest Payable".

	30 September 2014 $'000	31 March 2014 $'000
8. Bonds and commercial papers		
Domestic commercial paper	607,797	598,260
Domestic medium term note	648,766	299,570
Euro commercial paper	545,663	1,402,800
Euro medium term note	5,043,237	3,996,444
Total bonds and commercial papers	**6,845,463**	**6,297,074**
Maturity analysis		
Current bonds and commercial papers	1,694,549	2,469,690
Non-current bonds and commercial papers	5,150,914	3,827,384

Holders of any outstanding bonds, debentures, notes and other investment securities and commercial papers summarised in the table above have the benefit of Credit Support Agreements governed by Japanese law, one between Toyota Motor Corporation and Toyota Financial Services Corporation dated 14 July 2000, and the other between Toyota Financial Services Corporation and the company dated 7 August 2000.

	6 months 30 September 2014 $'000	31 March 2014 $'000
9. Retained earnings		
Balance at 1 April	764,269	639,033
Profit attributable to owners of the parent	88,658	154,226
Total available for appropriation to owners of the parent	852,927	793,259
Dividends provided for or paid	(47,751)	(28,990)
Balance at 30 September	**805,176**	**764,269**
Dividends		
Fully-franked final dividend for the year ended 31 March 2014 of 30.1 cents (31 March 2013: 19.7 cents) per fully paid share.	36,121	23,641
Fully-franked interim dividend for the half year ended 30 September 2014 of 9.7 cents (30 September 2013: 4.5 cents) per fully paid share.	11,630	5,349
Total dividends provided for or paid	47,751	28,990

9. Retained earnings (continued)

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

The income tax consolidation rules do permit the company to pay a franked dividend to its shareholder with the Head Entity's franking account bearing a reduction for the franking accounts attached to the dividend. Dividends paid during the period ended 30 September 2014 were fully franked.

10. Fair value measurements of financial instruments

(a) Fair value hierarchy

The table below analyses financial instruments measured at fair value. The levels of measurement is defined according to the heirarchy prescribed in AASB 13 as follows:

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

The consolidated entity's financial instruments that are measured and recognised at fair value are derivative assets and derivative liabilities used for hedging. This is comprised of interest rate swap, cross currency swap and forward foreign exchange contract.

The following table presents the consolidated entity's financial assets and liabilities measured at fair value at 30 September 2014 and 31 March 2014 on a recurring basis.

At 30 September 2014	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total Balance $'000**
Derivative financial assets through profit or loss				
Derivative used for economic hedging	-	191,247	-	191,247
Derivative financial liabilities through profit or loss				
Derivative used for economic hedging	-	116,217	-	116,217

At 31 March 2014	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total Balance $'000**
Derivative financial assets through profit or loss				
Derivative used for economic hedging	-	129,785	-	129,785
Derivative financial liabilities through profit or loss				
Derivative used for economic hedging	-	170,699	-	170,699

The consolidated entity did not measure any financial assets and financial liabilities at fair value on a non-recurring basis as at 30 September 2014.

10. Fair value measurements of financial instruments (continued)

(b) Valuation techniques used to derive level 2 fair values

The fair value of financial instruments that are not traded in an active market (e.g., over-the-counter derivatives) is determined using a valuation technique.

- The fair value of the interest rate and cross currency swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of the forward exchange contracts is determined using forward foreign exchange rates at the end of the reporting period.

(c) Fair values of other financial instruments

The table below summarises the carrying amount and the fair value of those financial assets and liabilities not presented in the consolidated entity's balance sheet at fair value.

	30 September 2014 Carrying Amount $'000	30 September 2014 Fair Value $'000	March 2014 Carrying Amount $'000	March 2014 Fair Value $'000
Financial Assets				
Loans and receivables	**13,320,069**	**14,618,210**	**13,094,887**	**14,560,381**
Financial Liabilities				
Due to banks and other financial institutions	5,766,674	5,577,402	6,417,491	6,514,292
Bonds and commercial papers	6,845,463	7,102,247	6,297,074	6,413,105
	12,612,137	**12,679,649**	**12,714,565**	**12,927,397**

The fair value of the above financial assets and liabilities are estimated by discounting the future contractual cash flows at the current market interest rate available to the group for similar financial instruments at reporting period.

11. Segment information

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

	Retail		Fleet		Total	
	6 months 30 September 2014	6 months 30 September 2013	6 months 30 September 2014	6 months 30 September 2013	6 months 30 September 2014	6 months 30 September 2013
	$'000	$'000	$'000	$'000	$'000	$'000
Revenue						
Segment revenue from external customers	**340,172**	**342,215**	**98,971**	**107,999**	**439,143**	**450,214**
Total revenue					439,143	450,214
Result						
Segment result	**91,132**	**91,116**	**47,506**	**46,248**	**138,638**	**137,364**
Share of net profit of equity accounted investments					4,679	3,985
Unallocated net expenses					(18,459)	(44,609)
Profit before income tax					124,858	96,740
Income tax expense					(36,200)	(26,641)
Profit attributable to owners of the parent					**88,658**	**70,099**
Net profit arrived at after charging the following items:						
- Depreciation	951	732	2,234	1,467	3,185	2,199
- Amortisation	2,834	1,692	4,199	3,729	7,033	5,421
- Impairment of loans and advances	26,814	24,993	4,273	(44)	31,087	24,949
- Other non-cash expenses	29,312	25,327	111	166	29,423	25,493

	Retail		Fleet		Total	
	30 September 2014	30 September 2013	30 September 2014	30 September 2013	30 September 2014	30 September 2013
	$'000	$'000	$'000	$'000	$'000	$'000
Assets						
Segment assets	**10,790,184**	**10,430,538**	**2,542,689**	**2,626,233**	**13,332,873**	**13,056,771**
Equity accounted investments					55,618	56,873
Unallocated assets					591,086	784,827
Total assets					**13,979,577**	**13,898,471**
Liabilities						
Segment liabilities	**10,206,899**	**9,261,889**	**2,405,238**	**2,331,986**	**12,612,137**	**11,593,875**
Unallocated liabilities					440,266	1,502,396
Total liabilities					**13,052,403**	**13,096,271**
Acquisitions of non-current assets	7,307	4,247	7,943	967	15,250	5,214
Unallocated					1,646	10,380
Total acquisitions of non-current assets					**16,896**	**15,594**

12. Subsequent events

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

13. Financial guarantee

In relation to the securitisation of term loans, the company has provided a financial guarantee in respect of the Subordinated Notes issued by each special purpose vehicle. The financial guarantees are unsecured.

Exposure to a loss in the event of non-performance by a special purpose entity is limited to amounts payable under the Subordinated Notes and the governing facility agreement.

No provision was recognised by the company on the financial guarantees as at the end of the reporting period as the likelihood of a claim under a guarantee is remote.

14. Contingent liabilities

The company, as a member of the Toyota Motor Corporation Australia Limited GST Group (GST Group), is jointly and severally liable for 100% of the goods and services tax (GST) payable by the GST Group. The GST Group had a net GST payable as at 30 September 2014 of $43.0 million (31 March 2014: $49.3 million).

The company, in association with other Australian incorporated entities with a common owner, implemented the tax consolidation legislation from 1 April 2003 with Toyota Motor Corporation Australia Limited as the Head Entity. Under the tax consolidation legislation, tax consolidation entities are jointly and severally liable for the tax liability of the consolidated tax group unless a tax sharing agreement has been entered into by member entities. At the date of signing this financial report a tax sharing agreement has been executed. The directors believe the assets of the Head Entity are sufficient to meet the tax liabilities as they fall due.

The range of Toyota Extra Care warranty contracts, offered by the company since August 2003, provide an extended warranty to the customer in exchange for an upfront premium payment. The risk of claims has been fully insured with third party insurers. The directors consider the insurance of risk is sufficient to meet any claims which may eventuate.

A fully maintained operating lease is offered under the company's current portfolio of products. Fully maintained operating leases obligate the company to provide agreed services at the company's expense. Monthly rental includes a pre-determined charge for such services. The cost of such services is expensed periodically during the term of the leases and recognised in the income statement in reference to the stage of completion method.

DIRECTORS' DECLARATION

In the directors' opinion:

(a) the financial statements and notes set out on pages 6 to 20 are in accordance with the *Corporations Act* 2001, including:

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

   (ii) giving a true and fair view of the consolidated entity's financial position as at 30 September 2014 and of its performance for the half-year ended on that date, and

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

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

For and on behalf of the Board

J. Chandler
Director

I. Ritchens
Director

SYDNEY
26 NOVEMBER 2014

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

Report on the half-year Financial Report

We have reviewed the accompanying half-year financial report of Toyota Finance Australia Limited (the Company), which comprises the consolidated statement of financial position as at 30 September 2014, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for Toyota Finance Australia Group (the consolidated entity). The consolidated entity comprises the company and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

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

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 September 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Toyota Finance Australia Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Toyota Finance Australia Limited is not in accordance with the *Corporations Act 2001* including:

a) giving a true and fair view of the consolidated entity's financial position as at 30 September 2014 and of its performance for the half-year ended on that date;

PricewaterhouseCoopers, ABN 52 780 433 757
Darling Park Tower 2, 201 Sussex Street, GPO BOX 2650, SYDNEY NSW 1171
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

PricewaterhouseCoopers

Joe Sheeran
Partner

Sydney
26 November 2014

3. Responsibility Statement

The directors confirm that to the best of their knowledge:

(a) the financial statements and notes set out in "2. The Reviewed Condensed Financial Statements for the six month period ended 30 September 2014" are in accordance with the Corporations Act 2001 of Australia, including:

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

  (ii) giving a true and fair view of the company's and consolidated entity's assets, liabilities, financial position and profit and loss as at 30 September 2014 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date;

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

(c) the management report set out in "1. Management Report" includes a fair review of the information required by DTR 4.2.7.