

**TOYOTA MOTOR FINANCE (NETHERLANDS) B.V.**

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

and

**TOYOTA CREDIT CANADA INC.**

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

and

**TOYOTA FINANCE AUSTRALIA LIMITED**

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

and

**TOYOTA MOTOR CREDIT CORPORATION**

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

**€40,000,000,000**

**Euro Medium Term Note Programme**

*for the issue of Notes with maturities of one month or longer (except that unless otherwise specified in the applicable Final Terms the minimum maturity of Notes issued by Toyota Credit Canada Inc. will be five years)*

Under this €40,000,000,000 Euro Medium Term Note Programme (the “*Programme*”) each of Toyota Motor Finance (Netherlands) B.V. (“*TMF*”), Toyota Credit Canada Inc. (“*TCCP*”), Toyota Finance Australia Limited (“*TFA*”) and Toyota Motor Credit Corporation (“*TMCC*”) and, together with TMF, TCCI and TFA, the “*Issuers*” and each an “*Issuer*”) may from time to time and, subject to applicable laws and regulations, issue debt securities (the “*Notes*”) denominated in any currency agreed by the Issuer of such Notes (the “*relevant Issuer*”) and the relevant Purchaser(s) (as defined below).

This Prospectus supersedes any previous Offering Circular or Prospectus issued by the Issuers. Any Notes issued under the Programme on or after the date hereof are issued subject to the provisions set out in this Prospectus. This does not affect any Notes issued prior to the date hereof.

Toyota Motor Corporation (the “*Parent*” or “*TMC*”), the ultimate parent company of the Issuers, has entered into a Credit Support Agreement and Supplemental Credit Support Agreements, each governed by Japanese law, with Toyota Financial Services Corporation (“*TFS*”), a holding company which manages and controls various finance subsidiaries of the Toyota group, including the Issuers. TFS has, in turn, entered into a Credit Support Agreement with each of the Issuers in respect of issues of Notes by each of the Issuers. None of these Credit Support Agreements will provide an unconditional and irrevocable guarantee in respect of payments on the Notes. These Credit Support Agreements are more fully described in “*Relationship of TFS and the Issuers with TMC*”.

The Notes will have maturities of one month or longer (or such other minimum or maximum maturity as may be allowed or required from time to time by the relevant central bank (or equivalent body (however called)) or any laws or regulations applicable to the relevant currency) and, subject as set out in this Prospectus, the maximum aggregate nominal amount of all Notes from time to time outstanding will not exceed €40,000,000,000 (or its equivalent in other currencies) calculated as described in this Prospectus. Unless otherwise specified in the applicable Final Terms (as defined below), the minimum maturity of Notes issued by TCCI will be five years.

Any person (an “*Investor*”) intending to acquire or acquiring any Notes from any person (an “*Offeror*”) should be aware that, in the context of an offer to the public as defined in section 102B of the Financial Services and Markets Act 2000 (the “*FSMA*”), the relevant Issuer may be responsible to the Investor for the Prospectus under section 90 of the FSMA only if the relevant Issuer has authorised that Offeror to make the offer to the Investor. Each Investor should therefore enquire whether the Offeror is so authorised by the relevant Issuer. If the Offeror is not authorised by the relevant Issuer, the Investor should check with the Offeror whether anyone is responsible for this Prospectus for the purposes of section 90 of the FSMA in the context of the offer to the public, and, if so, who that person is. If the Investor is in any doubt whether it can rely on this Prospectus and/or who is responsible for its contents it should take legal advice.

**An Investor intending to acquire or acquiring any Notes from an Offeror will do so, and offers and sales of the Notes to an Investor by an Offeror will be made, in accordance with any terms and other arrangements in place between such Offeror and such Investor including as to price, allocations and settlement arrangements with Investors (other than Dealers sometimes identified as Managers in the applicable Final Terms (as defined below)) in connection with the offer or sale of the Notes. The relevant Issuer will not be a party to such terms and other arrangements with Investors (other than Dealers or Managers) and, accordingly, this Prospectus and any Final Terms will not contain such terms and other arrangements and any Investor must obtain such information from the Offeror.**

The Notes will be issued to, and offered through, one or more of the Dealers specified on page 7 and any additional Dealers appointed under the Programme from time to time (each a “*Dealer*” and together the “*Dealers*”) on a continuing basis. Notes may also be issued to third parties other than Dealers. Dealers and such third parties are referred to as “*Purchasers*”.

Application has been made to the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000 (the “*UK Listing Authority*”) for Notes issued under the Programme during the period of twelve months from the date of this Prospectus to be admitted to the official list maintained by the UK Listing Authority (the “*Official List*”) and to the London Stock Exchange plc (the “*London Stock Exchange*”) for such Notes to be admitted to trading on the London Stock Exchange’s Regulated Market.

References in this Prospectus to Notes being “listed” (and all related references) shall mean that such Notes have been admitted to trading on the London Stock Exchange’s Regulated Market and have been admitted to the Official List. The London Stock Exchange’s Regulated Market is a regulated market for the purposes of Directive 2004/39/EC (the “*Markets in Financial Instruments Directive*”).

**An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks see “Risk Factors”.**

Notice of the aggregate nominal amount of Notes, the interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained in this Prospectus which are applicable to each Tranche (as defined under “*Terms and Conditions of the Notes*”) of Notes will be set out in a final terms document (the “*Final Terms*”) which, with respect to Notes to be listed on the Official List and to be admitted to trading on the London Stock Exchange, will be delivered to the UK Listing Authority and the London Stock Exchange, in each case on or before the date of issue of the Notes of such Tranche. The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange as may be agreed between the relevant Issuer and the relevant Purchaser(s) in relation to each issue of Notes. Each Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

Each Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the terms and conditions of the Notes herein, in which case a supplement to this Prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

**Arranger  
Merrill Lynch International  
Dealers**

**Barclays Capital  
CIBC World Markets  
Daiwa Securities SMBC Europe  
Dresdner Kleinwort  
HSBC  
Merrill Lynch International  
Mizuho International plc  
Morgan Stanley  
Nomura International  
TD Securities**

**BNP PARIBAS  
Credit Suisse  
Deutsche Bank  
Goldman Sachs International  
JPMorgan  
Mitsubishi UFJ Securities  
International plc  
Nikko Citigroup  
RBC Capital Markets  
UBS Investment Bank**

This Prospectus together with all documents which are deemed to be incorporated herein by reference (see “*Documents Incorporated by Reference*”) constitutes a base prospectus (a “*Base Prospectus*”) for the purposes of Article 5.4 of Directive 2003/71/EC (the “*Prospectus Directive*”). The Base Prospectus in respect of each Issuer includes all information contained within this Prospectus together with all documents which are deemed to be incorporated herein by reference, except for any information relating to any other Issuer. This Prospectus has been approved by the UK Listing Authority as a Base Prospectus pursuant to the Prospectus Rules (the “*Prospectus Rules*”) made under the FSMA for the purposes of offering Notes to the public in the European Economic Area (“*EEA*”) and/or seeking to list Notes on the Official List and to admit Notes to trading on the London Stock Exchange’s Regulated Market.

Copies of the Final Terms will be delivered to the UK Listing Authority and the London Stock Exchange (in the case of Notes to be admitted to the Official List and admitted to trading on the London Stock Exchange’s Regulated Market), and will be available from the specified office of the Agent (as defined under “*Terms and Conditions of the Notes*”) named as issuing and principal paying agent for the Programme (but not from a paying agent named for a particular Series of Notes) and at [www.londonstockexchange.com/rns](http://www.londonstockexchange.com/rns).

Each Issuer accepts responsibility for the information contained in its Base Prospectus as described above. To the best of the knowledge of each Issuer (each a “*Responsible Person*”) (which has taken all reasonable care to ensure that such is the case) the information contained in its Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The previous paragraph should be read in conjunction with the final paragraph on the first page of this Prospectus.

Each of TFS and the Parent accepts responsibility for the information contained in this Prospectus insofar as such information relates to itself and the relevant Credit Support Agreements to which it is party described in “*Relationship of TFS and the Issuers with the Parent*”.

To the best of the knowledge of each of TFS and the Parent (each a “*Responsible Person*”) (which has taken all reasonable care to ensure that such is the case) the information about itself and the relevant Credit Support Agreements to which it is a party described in “*Relationship of TFS and the Issuers with the Parent*” is in accordance with the facts and does not omit anything likely to affect the import of such information.

Any reference in this document to the Prospectus means this document and the documents (excluding all information incorporated by reference in any such documents either expressly or implicitly and excluding any information or statements included in any such documents either expressly or implicitly that is or might be considered to be forward looking and the Excluded Information described in “*Documents Incorporated by Reference*”) that are incorporated in, and form part of, this document. Each Issuer believes that none of the information incorporated herein by reference conflicts in any material respect with the information included in this Prospectus.

Each Issuer confirms that, if at any time after preparation of this Prospectus and before the commencement of dealings in or issue of any Notes being admitted to the Official List or offered to the public in the EEA, there is a significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus within the meaning of Section 87G of the FSMA, the relevant Issuer shall give to Merrill Lynch International, as the Arranger, and the Dealers full information about such change or matter and shall publish a supplementary prospectus (“*Supplementary Prospectus*”) as may be required by the UK Listing Authority, and shall otherwise comply with section 87G of the FSMA and the Prospectus Rules in that regard.

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

with the Notes. The Dealers accept no liability in relation to the information contained in this Prospectus or any other information provided by any of the Issuers in connection with the Programme or the issue of any Notes.

No person is or has been authorised by any of the Issuers to give any information or to make any representation not contained in, not incorporated by reference in or not consistent with this Prospectus or any other information supplied in connection with the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Issuers or any of the Dealers.

Neither this Prospectus nor any other information supplied in connection with the Programme or any Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation or a statement of opinion (or a report of either of these things) by any of the Issuers or any of the Dealers that any recipient of this Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any of the Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the relevant Issuer and, if appropriate, the Parent and TFS. Neither this Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of any of the Issuers or any of the Dealers to any person to purchase any of the Notes.

The delivery of this Prospectus does not at any time imply that the information contained herein concerning any of the Issuers or the Parent or TFS is correct at any time subsequent to the date of this Prospectus or that any other information supplied in connection with the Programme or the issue of any Notes is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of any of the Issuers or the Parent or TFS or their subsidiaries during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Prospectus or any Notes come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, the EEA, (including United Kingdom and the Netherlands), Japan, Canada, Australia, New Zealand, Hong Kong and Switzerland (see “*Subscription and Sale*”).

None of the Issuers or the Dealers represents that this Prospectus or any of the offering material relating to the Programme or any Notes issued thereunder may be lawfully distributed, or that any of the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by the Issuers or the Dealers (save for approval of this Prospectus by the UK Listing Authority) which is intended to permit a public offering of any Notes outside the UK or distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material relating to the Programme or any Notes issued thereunder may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that all offers and sales by them will be made on the same terms.

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions and may perform services for each of the Issuers and their respective affiliates in the ordinary course of business.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “*Securities Act*”) and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons unless the Notes are registered under the Securities Act, or an exemption from the registration requirements of the Securities Act is available (see “*Subscription and Sale*”).

TCCI, subject to applicable laws and regulations, may agree to issue Notes in registered form (“*Registered Notes*”) substantially in the form scheduled to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*”). With respect to each Tranche of Registered Notes, TCCI has appointed a transfer agent and registrar and a Canadian paying agent.

Unless the source is otherwise stated, the market, economic and industry data in this Prospectus about TMC, TFS and each of the Issuers constitutes TMC's, TFS's and the relevant Issuer's estimates, respectively, using underlying data from various industry sources where appropriate. Where market, economic and industry data is derived from industry and other independent sources, the publications in which they are contained generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed.

As used herein, “*Series*” means each original issue of Notes together with any further issues expressed to form a single series with the original issue and the terms of which (save for the Issue Date, the amount and the date of the first payment of interest thereon and/or the Issue Price (as indicated in the applicable Final Terms)) are identical (including the Maturity Date, Interest Basis, Redemption/Payment Basis and Interest Payment Dates (if any) (as indicated in the applicable Final Terms) and whether or not the Notes are admitted to trading) and expressions “*Notes of the relevant Series*” and related expressions shall be construed accordingly. As used herein, “*Tranche*” means all Notes of the same Series with the same Issue Date and Interest Commencement Date (if applicable) as indicated in the applicable Final Terms.

All references in this document to “*European Economic Area*” and “*EEA*” refer to the European Economic Area consisting of the member states of the European Union and Iceland, Norway and Liechtenstein, those to “*U.S. Dollars*”, “*U.S. dollars*”, “*U.S.\$*” and “*\$*” refer to the currency of the United States of America, those to “*Canadian Dollars*”, “*Canadian dollars*” and “*C\$*” refer to the currency of Canada, those to “*Australian Dollars*”, “*Australian dollars*” and “*A\$*” refer to the currency of Australia, those to “*Japanese Yen*”, “*Japanese yen*”, “*JPY*” and “*¥*” refer to the currency of Japan, those to “*EUR*”, “*Euro*”, “*euro*” and “*€*” refer to the lawful currency of the Member States of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community as amended and those to “*Sterling*”, “*British pound*”, “*Pounds Sterling*” and “*£*” refer to the currency of the United Kingdom.

**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions outside Australia and New Zealand and not on a market operated in Australia or New Zealand with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) in accordance with all applicable laws and rules.**

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## SUMMARY OF THE PROGRAMME

In relation to any particular Tranche of Notes, the applicable Final Terms will contain the actual terms and conditions of those Notes, as contemplated by this summary. Words and expressions defined in “*Form of the Notes*” and “*Terms and Conditions of the Notes*” shall have the same meanings in this summary.

This summary must be read as an introduction to this Prospectus and any decision to invest in any Notes should be based on a consideration of this Prospectus as a whole (including the documents incorporated by reference). No civil liability will attach to the Responsible Persons in any Member State of the European Economic Area solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. Where a claim relating to information contained in this Prospectus is brought before a court in a Member State of the European Economic Area, the claimant may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Prospectus before the legal proceedings are initiated.

<b>Issuers:</b>	Toyota Motor Finance (Netherlands) B.V. (“ <i>TMF</i> ”) Toyota Credit Canada Inc. (“ <i>TCCP</i> ”) Toyota Finance Australia Limited (“ <i>TFA</i> ”) Toyota Motor Credit Corporation (“ <i>TMCC</i> ”)
<b>Parent/TMC:</b>	Toyota Motor Corporation (credit support provider to TFS)
<b>TFS:</b>	Toyota Financial Services Corporation (credit support provider to each of the Issuers)
<b>Description:</b>	Euro Medium Term Note Programme
<b>Arranger:</b>	Merrill Lynch International
<b>Dealers:</b>	Barclays Bank PLC BNP Paribas Canadian Imperial Bank of Commerce, London Branch Citigroup Global Markets Limited Credit Suisse Securities (Europe) Limited Daiwa Securities SMBC Europe Limited Deutsche Bank AG, London Branch Dresdner Bank Aktiengesellschaft Goldman Sachs International HSBC Bank plc J.P. Morgan Securities Ltd. Merrill Lynch International Mitsubishi UFJ Securities International plc Mizuho International plc Morgan Stanley & Co. International plc Nomura International plc Royal Bank of Canada Europe Limited The Toronto-Dominion Bank UBS Limited

Notes may also be issued to additional persons appointed as Dealers and to third party purchasers other than Dealers.

<b>Certain Restrictions:</b>	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time including the following restrictions applicable at the date of this Prospectus.
	<b>Notes having a maturity of less than one year</b> Notes having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent in any other currency.
<b>Distribution:</b>	Notes may be distributed by way of private or (subject to any applicable selling restrictions) public placement and in each case on a non-syndicated or syndicated basis.
<b>Issuing and Principal Paying Agent:</b>	The Bank of New York Mellon, London
<b>Size:</b>	Up to €40,000,000,000 (or its equivalent in other currencies calculated on the Issue Date as described herein) in aggregate nominal amount of Notes outstanding at any time, including Notes issued prior to 28 September 2007 by TMCC under its U.S.\$30,000,000,000 Euro Medium-Term Note Program last updated on 28 September 2006 which remain outstanding at any time. The Issuers may increase the aggregate nominal amount of Notes which may be outstanding at any time under the Programme in accordance with the terms of the Amended and Restated Programme Agreement dated 26 September 2008.
<b>Currencies:</b>	Subject to any applicable legal or regulatory restrictions, such currencies as may be agreed between the relevant Issuer and the relevant Purchaser(s) (as indicated in the applicable Final Terms).
<b>Redenomination:</b>	If the Specified Currency of Notes of any Series is a currency of one of the Member States of the European Union which has not adopted the euro, the relevant Issuer may redenominate such Notes from the Specified Currency to euro as referenced in the terms and conditions of the relevant Notes or as otherwise specified in the applicable Final Terms.
<b>Maturities:</b>	The Notes will have any maturity, subject to a minimum maturity of one month, as indicated in the applicable Final Terms or such other minimum or maximum maturity as may be allowed or required from time to time by the relevant central bank (or equivalent body (however called)) or any laws or regulations applicable to the relevant Issuer or the relevant Specified Currency.  In the case of Notes issued by TCCI, the minimum maturity will be five years, unless otherwise specified in the applicable Final Terms.
<b>Issue Price:</b>	Notes may be issued on a fully-paid or a partly paid basis and at an issue price which is equal to, less than, or more than their nominal amount.



**Further Issues of Notes forming a single Series with Notes issued prior to 28 September 2007:**

Notes issued by TMF, TCCI or TFA which form a single Series with Notes issued by it prior to 28 September 2007 will be constituted by a trust deed last amended and restated on 28 September 2006 and made between (among others) TMF, TCCI, TFA and Union Bank of California, N.A. as trustee and will be issued subject to, and with the benefit of, an agency agreement last amended and restated on 28 September 2006 and made between (among others) TMF, TCCI, TFA and JPMorgan Chase Bank, N.A. (now The Bank of New York Mellon). Notes issued by TMCC which form a single Series with Notes issued by it prior to 28 September 2007 will be issued subject to, and with the benefit of, an agency agreement last amended and restated on 28 September 2006 and made between (among others) TMCC and JPMorgan Chase Bank, N.A. (now The Bank of New York Mellon).

**Form of Notes:**

Each Tranche of Notes in bearer form will initially be represented by a temporary global Note which will:

- (i) if the global Notes are issued in new global note (“*NGN*”) form, be delivered on or prior to the relevant Issue Date to a common safekeeper for Euroclear Bank S.A./N.V. (“*Euroclear*”) and Clearstream Banking, société anonyme (“*Clearstream, Luxembourg*”); or
- (ii) if the global Notes are not issued in *NGN* form, be delivered on or prior to the relevant Issue Date to a common depository for Euroclear and Clearstream, Luxembourg.

Such temporary global Note will be exchanged for either a permanent global Note or definitive Notes (as indicated in the applicable Final Terms) not earlier than 40 days after completion of the distribution of the relevant Tranche of Notes, upon certification of non-U.S. beneficial ownership as required by U.S. Treasury regulations.

Interests in a global Note will only be exchangeable for definitive Notes in accordance with its terms.

Notes may be issued in registered form by TCCI, subject to applicable laws and regulations. Each Tranche of Notes in registered form issued by TCCI will be initially represented by a registered global Note which will be deposited on the relevant Issue Date with CDS Clearing and Depository Services Inc and/or a depository or common depository for any other agreed clearing system. TCCI has appointed, under a Note Agency Agreement dated 26 September 2008, a transfer agent and registrar and Canadian paying agent with respect to each Tranche of Registered Notes.

**Fixed Rate Notes:**

Fixed rate interest will be payable in arrear on such date or dates as may be agreed between the relevant Issuer and the relevant Purchaser(s) (as indicated in the applicable Final Terms) and on redemption, and will be calculated on the basis of such Fixed Day Count Fraction as may be agreed between the relevant Issuer and relevant Purchaser(s) (as indicated in the applicable Final Terms).

**Floating Rate Notes:** Floating rate interest will be payable in arrear on such date or dates as may be agreed between the relevant Issuer and the relevant Purchaser(s) (as indicated in the applicable Final Terms) and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the relevant Issuer and the relevant Purchaser(s) (as indicated in the applicable Final Terms). Floating Rate Notes may also have a maximum interest rate, a minimum interest rate, or both. Interest periods will be specified in the applicable Final Terms.

The Margin (if any) relating to such floating rate will be agreed between the relevant Issuer and the relevant Purchaser(s) for each issue of Floating Rate Notes.

**Dual Currency Notes:** Payments (whether in respect of principal and/or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the relevant Issuer and the relevant Purchaser(s) may agree (as indicated in the applicable Final Terms).

**Index Linked Notes:** Payments (whether in respect of principal and/or interest and whether at maturity or otherwise) in respect of Index Linked Redemption Notes or of Index Linked Interest Notes will be calculated by reference to such index, index basket and/or formula or to such changes in the prices of securities or commodities or to such other factors as the relevant Issuer and the relevant Purchaser(s) may agree (as indicated in the applicable Final Terms).

**Instalment Notes:** The applicable Final Terms may provide that Notes may be repayable in two or more instalments of such amounts and on such dates as are indicated in the applicable Final Terms.

**Range Accrual Notes:** Range Accrual Notes bear interest if a certain reference rate does not equal or exceed or fall below certain parameters as may be agreed between the relevant Issuer and the relevant Purchaser(s) (as indicated in the applicable Final Terms).

**Zero Coupon Notes:** Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest except in the case of any late payment as provided in the terms and conditions of the relevant Notes.

**Other Notes:** The relevant Issuer and the relevant Purchaser(s) may agree on the issue of other forms of Notes having terms and conditions modified from those set out herein and described in the applicable Final Terms.

**Redemption:** The Final Terms relating to each Tranche of Notes will indicate whether or not such Notes may be redeemed prior to their stated maturity at the option of the relevant Issuer (either in whole or in part) and/or holders, and if so the terms applicable to such redemption.

Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see "*Certain Restrictions: Notes having a maturity of less than one year*" above.

**N.B. Notes issued by TCCI may not be redeemable at the option of the Noteholders prior to five years from the relevant Issue Date, unless otherwise specified in the applicable Final Terms.**

<b>Denomination of Notes:</b>	Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Purchaser(s) and as indicated in the applicable Final Terms, save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body (however called)) or any laws or regulations applicable to the relevant Issuer or Specified Currency and save that, in respect of Notes issued by TMF, the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).  Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see “ <i>Certain Restrictions: Notes having a maturity of less than one year</i> ” above.
<b>Taxation:</b>	Unless otherwise specified in the applicable Final Terms, all payments in respect of the Notes will be made without withholding or deduction for, or on account of, any taxes or other charges imposed by any governmental authority or agency within the jurisdiction in which the relevant Issuer is incorporated, subject to certain exceptions as provided in the terms and conditions of the relevant Notes.
<b>Negative Pledge:</b>	The applicable Final Terms may provide that the negative pledge provisions as described in Condition 3 of the Terms and Conditions apply to the relevant Notes.  Notes issued by any of the Issuers which form a single Series with Notes issued by such Issuer prior to 28 September 2007 will contain a negative pledge provision as described in the terms and conditions that apply to the relevant Notes.
<b>Cross Default:</b>	Subject to the following paragraph, the Notes will contain no cross default provision.  Notes issued by any of the Issuers which form a single Series with Notes issued by such Issuer prior to 28 September 2007 will contain a cross-default provision as described in the terms and conditions that apply to the relevant Notes.
<b>Status of the Notes</b>	The Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will rank <i>pari passu</i> and rateably without any preference among themselves and equally with all other unsecured and unsubordinated obligations of the relevant Issuer from time to time outstanding (other than obligations required to be preferred by law).
<b>Credit Support Agreements:</b>	Each of the Issuers has the benefit of a Credit Support Agreement made between it and TFS. In turn, TFS has the benefit of a Credit Support Agreement made between it and the Parent.
<b>Listing and Admission to Trading:</b>	Application has been made to the UK Listing Authority for Notes issued under the Programme to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the London Stock Exchange’s Regulated Market. Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or market(s) as may be agreed between the

relevant Issuer and the relevant Purchaser(s) in relation to each Series. Notes which are neither listed nor admitted to trading on any market may also be issued. The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

**Governing Law:** Subject to the following paragraph, the Notes will be governed by, and construed in accordance with, English law.

Notes issued by TMCC which form a single Series with Notes issued by TMCC prior to 28 September 2007 will be governed by and construed in accordance with New York law.

**Selling Restrictions:** There may be selling restrictions in relation to the laws of the United States, the European Economic Area (including the United Kingdom and the Netherlands), Japan, Canada, Australia, New Zealand, Hong Kong and Switzerland or other jurisdictions in connection with the offering and sale of a particular issue of Notes. See “*Subscription and Sale*”. Additional selling restrictions may be set out in the applicable Final Terms.

**Risk Factors:** There are certain factors that may affect each Issuer’s ability to fulfil its obligations under Notes issued under the Programme or, in the case of TFS and the Parent, which may affect its ability to fulfil its obligations under the Credit Support Agreements to which it is a party. These are set out under “*Risk Factors*” and include factors such as liquidity, credit and operational risks as well as industry and business risks. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme and include the fact the Notes may not be a suitable investment for all investors, certain risks relating to the structure of a particular Series of Notes and certain risks relating to the market generally. In certain circumstances, TCCI, TFA or TMCC may terminate the listing of the Notes on a stock exchange in the European Economic Area which is a regulated market for the purposes of the Markets in Financial Instruments Directive.

## RISK FACTORS

*Each Issuer, TFS and the Parent believes that the following factors may affect, in the case of each Issuer, its ability to fulfil its obligations under Notes issued under the Programme or, in the case of TFS and the Parent, its obligations under the Credit Support Agreements. All of these factors are contingencies which may or may not occur and none of the Issuers, TFS or the Parent is in a position to express a view on the likelihood of any such contingency occurring.*

*In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*Each Issuer, TFS and the Parent believes that the factors described below represent the material risks inherent in investing in Notes issued under the Programme, but the inability of each Issuer to pay interest, principal or other amounts on or in connection with any Notes or, in the case of TFS and the Parent, to perform the obligations under the Credit Support Agreements, may occur for other reasons. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.*

**Factors that may affect each Issuer's ability to fulfil its obligations under the Notes issued under the Programme and, in the case of TFS and the Parent, its ability to fulfil its obligations under the Credit Support Agreements**

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

Each Issuer, TFS and Toyota may be exposed to certain risks and uncertainties that could have a material adverse impact directly or indirectly on its financial condition and operating results:

### ***Credit Risk***

Credit risk is the risk of loss arising from a failure of a customer or dealer to meet the terms of any contract with an Issuer or otherwise fail to perform as agreed. The level of credit risk on each of TCCI's, TFA's and TMCC's wholesale, retail, fleet and lease portfolios is influenced primarily by two factors: the total number of contracts that default and the amount of loss per occurrence, which in turn are influenced by various economic factors, the used vehicle market, purchase quality mix, contract term length and operations changes.

In addition, each Issuer is subject to the risk that a counterparty may fail to perform on its contractual obligations in a derivatives or money market contract.

### ***Residual Value Risk***

Residual value risk is the risk that the estimated residual value at lease origination will not be recoverable at the end of the lease term. Residual value represents an estimate of the end of term market value of a leased asset. When the market value of a leased vehicle at contract maturity is less than its contractual residual value, there is a higher probability that the vehicle will be returned to TCCI, TFA or TMCC. A higher rate of vehicle returns exposes such Issuer to greater risk of loss at the end of the lease term.

### ***Liquidity Risk***

Liquidity risk is the risk arising from the inability to meet obligations when they are due. The TFS group's liquidity strategy (including that of each of the Issuers) is to maintain the capacity to fund assets and repay liabilities in a timely and cost-effective manner under adverse market or other conditions that could adversely affect its liquidity position.

### ***Market Risk***

Market risk is the risk of loss arising from adverse changes in market interest rates, foreign currency exchange rates, equity prices and other relevant market parameters. These changes will negatively affect the TFS group's income, capital and value (including that of an Issuer). Policies governing market risk exposure are established and periodically reviewed by each Issuer's senior management as conditions warrant. Each Issuer uses derivative instruments, along with other tools and strategies, to manage its market risk. Each Issuer has established procedures to ensure that its risk management, including its use of derivatives, is in accordance with its policy framework.

#### *Possible Increase in Prevailing Market Interest Rates*

An increase in the interest rates charged by an Issuer's lenders or available to each Issuer in the capital markets may adversely affect an Issuer's income.

As TCCI's, TFA's, and TMCC's assets consist primarily of fixed rate contracts, they are not able to reprice their existing fixed rate contracts and may be unable to raise the amount of monthly or other periodic repayments on new fixed rate contracts.

### ***Operational Risk***

Operational risk is the risk of loss resulting from, among other factors, inadequate or failed processes, systems or internal controls, theft, fraud, or natural disaster. Operational risk can occur in many forms including, but not limited to, errors, business interruptions, failures of control, inappropriate behaviour of or misconduct by employees or those contracted to perform services, and vendors that do not perform in accordance with their contractual agreements. These events can potentially result in financial losses or other damages to an Issuer, including damage to reputation.

Each Issuer relies on internal and external information and technological systems to manage its operations and is exposed to risk of loss resulting from breaches in the security, or other failures of these systems. Any upgrade and replacement of its transaction systems and treasury systems could have a significant impact on its ability to conduct its core business operations and increase the risk of loss resulting from disruptions of normal operating processes and procedures that may occur during the implementation of new information and transaction systems.

In order to monitor and manage operational risk, each Issuer maintains a framework of internal controls designed to provide a sound and well-controlled operational environment. However, due to the complexity of its business and treasury operations, problems may be identified in the future, and none of the Issuers can provide any assurance that these problems will not have a material effect on its financial condition and results of operations.

Each Issuer strives to maintain appropriate levels of operational risk relative to its businesses strategies, competitive and regulatory environment, and markets in which it operates. Appropriate levels of insurance coverage are maintained for those operating risks that can be mitigated through the purchase of insurance. Notwithstanding these control measures and insurance coverage, each Issuer remains exposed to operational risk. However, while each Issuer's approach to operational risk management is intended to mitigate such losses, management can provide no assurance that these problems will not have a material effect on such Issuer's financial condition and results of operations.

Notwithstanding anything stated in this risk factor, this risk factor should not be taken as implying that the relevant Issuer will be unable to comply with its obligations as a company with securities admitted to the Official List.

### ***Regulatory Risk***

Regulatory risk is the risk arising from the failure or alleged failure to comply with applicable regulatory requirements and the risk of liability and other costs imposed under various

laws and regulations, including changes in legislation and new regulatory requirements.

### **Competition**

The worldwide financial services industry is highly competitive and the TFS group has no control over how Toyota dealers source financing for their customers. Competitors of the TFS group (including those of each Issuer) include commercial banks, credit unions and other financial institutions. To a lesser extent, the TFS group competes with other motor vehicle manufacturers' affiliated finance companies. Intense competition in respect of interest rates in financing and leasing may adversely affect the TFS group's financial condition and results of operations.

### **Controlling Shareholder – Credit Support**

All of the outstanding capital stock and voting stock of each of the Issuers is owned directly or indirectly by TFS. TFS is a wholly-owned holding company subsidiary of TMC.

As a result, TFS effectively controls each of the Issuers and is able to directly control the composition of each Issuer's Board of Directors and direct the management and policies of each of the Issuers.

Each Issuer raises most of the funding it requires to support its business from the domestic and international capital markets. The cost and availability of that funding is influenced by credit ratings. Lower credit ratings generally result in higher borrowing costs as well as reduced access to capital markets.

The credit ratings for notes, bonds and commercial paper issued by each of the Issuers, being as of 31 March 2008:

Rating Agency	Long Term	Short Term
Standard & Poor's	AAA	A-1+
Moody's	Aaa	P-1

depend, in part, on the existence of the Credit Support Agreements described in "*Relationship of TFS and the Issuers with the Parent*". The credit support arrangements may be amended, provided that such amendment does not have any adverse effects upon any holder of any Notes outstanding at the time of such amendment, and does not require the acceptance of the rating agencies. If each of the Issuers for any reason does not have the benefit of these arrangements, each of the Issuers would expect the credit ratings of Notes issued by it to be substantially less than the current ratings of Notes issued by it, leading to either significantly constrained access, or no access, to the domestic or international capital markets, substantially higher borrowing costs and potentially an inability to raise the volume of funding necessary for it to operate its business.

If (i) any of the Issuers or financial subsidiaries of TFS receiving the benefit of the credit support arrangements (which are equivalent to the credit support arrangements described herein) run short of cash or liquid assets to meet their payment obligations on any securities issued by them and have no unused commitments available under their credit facilities with lenders other than TFS, TFS will make available to the relevant Issuer or financial subsidiary, funds sufficient to enable it to pay such payment obligations in full as they fall due, or (ii) the holder of such securities claims against TFS to perform any of the obligations of TFS under the credit support arrangements, TFS must indemnify such holder against any loss or damage arising out of or as a result of the failure to perform any of its obligations under the credit support arrangements, the financial condition of TFS may be adversely affected. However, TFS has the benefit of the Basic Agreement (as defined below), under which, in summary, the Parent has agreed (i) to cause TFS and TFS's subsidiaries to have a consolidated tangible net worth of at least JPY10,000,000 so long as securities issued by TFS or its subsidiaries (including by each Issuer) are outstanding; and (ii) that if TFS at any time determines it is unable to meet its payment obligations in respect of any securities issued by TFS or its subsidiaries (including by each Issuer) or under any credit support agreements, the Parent will make available to TFS, funds sufficient to enable it to meet such

payment obligations. The Parent has the same indemnification obligations under the Basic Agreement as TFS's obligations as stated above. For a full description of the Basic Agreement, see "*Relationship of TFS and the Issuers with the Parent*".

### ***Business Risk – TFS group***

Business risk is the risk that the businesses are not able to cover the TFS group's ongoing expenses with ongoing income subsequent to the event of a major market contraction. The TFS group's business, through its financial subsidiaries (including each of the Issuers) and affiliates is substantially dependent upon the sale of Toyota vehicles and its ability to offer competitive financing. Changes in the volume of sales of such vehicles resulting from governmental action, changes in consumer demand, changes in the level of sponsored subvention programmes, increased competition or other events, could impact the performance of the TFS group's business.

### ***TMF***

TMF's principal activity is to act as a group finance company for some of the Parent's consolidated subsidiaries. TMF raises funds by issuing bonds and notes in the international capital markets which have the benefit of the credit support arrangements stated above (see "*Controlling Shareholder – Credit Support*") and on lends to other Toyota companies. TMF also issues guarantees for debt issuances of certain other Toyota companies and such guarantees issued by TMF also have the benefit of the same credit support arrangements. TMF's role as a financing vehicle exposes it to a variety of financial risks that include credit risk, liquidity risk, interest rate risk and foreign currency exchange rate risk. TMF has in place a risk management programme that seeks to limit the adverse effects on its financial performance of those risks by matching foreign currency assets and liabilities and through the use of financial instruments, including interest rate swaps, cross-currency swaps and foreign currency contracts, to manage interest rate and foreign currency risk.

### ***TCCI, TFA and TMCC***

#### ***Sales of Toyota Vehicles***

Each of TCCI's, TFA's and TMCC's business is substantially dependent upon the sale of Toyota vehicles and its ability to offer competitive financing in its market place. TFA's business is also substantially dependent upon Toyota and other vehicle dealerships to introduce new finance and lease business to TFA and such dealerships are free to introduce other financiers to their customers. Competition in respect of commission payments to Australian dealerships from other financiers, as well as changes in ownership or financial viability of such dealerships may adversely affect the financial condition and results of operations of TFA.

Toyota Canada Inc., Toyota Motor Corporation Australia Limited, and Toyota Motor Sales, U.S.A., Inc. are the primary distributors of Toyota vehicles in Canada, Australia and the United States, respectively (each, the "*Distributor*").

Higher levels of sales of new and used Toyota vehicles in each of TCCI's, TFA's and TMCC's domestic market relative to the level of sales of new and used vehicles of other makes are favourable for its business. Lower levels of sales of new and used Toyota vehicles domestically relative to the level of sales of new and used vehicles of other makes are not favourable for each of TCCI's, TFA's and TMCC's business.

Factors which may affect the level of sales of new and used Toyota vehicles relative to the level of sales of new and used vehicles of other makes include:

- changes in sales volumes resulting from governmental action;
- changes in consumer demand;
- changes in the level of the Distributor's sponsored finance programmes;



- increased competition;
- changes in the effectiveness of motor vehicle dealers selling Toyota vehicles relative to those selling vehicles of other makes;
- changes in pricing of imported units due to currency fluctuations or other events; and
- significant increases in fuel prices affect sales in the larger Toyota vehicle range adversely, 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 automotive retail and wholesale financing.

#### *TCCI's, TFA's and TMCC's Assets are Subject to Prepayment Risk*

Customers may terminate their finance and lease contracts early. As a result, each of TCCI, TFA and TMCC estimates the rate of early termination of finance contracts in its interest rate hedging activities. Consequently, changes in customer behaviour contrary to the relevant Issuer's estimates may affect its financial condition and results of operations.

#### *Factors Affecting Net Income*

Each of TCCI's, TFA's and TMCC's net income is subject to a variety of factors, including changes in the overall market for retail or wholesale motor vehicle financing, leasing or dealer financing, changes in the level of sales of Toyota vehicles or other vehicles in TCCI's, TFA's and/or TMCC's markets, the number and average balance of customer accounts, the finance industry's regulatory environment in the country in which each of TCCI, TFA and TMCC conducts business, competition from other financiers, rates 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 and premises costs, general economic conditions in the country in which each of TCCI, TFA and TMCC conducts its business and other factors.

#### *Credit Exposures Collateralised by Vehicles*

Where credit exposures of TCCI, TFA or TMCC are collateralised by vehicles, the severity of losses is particularly sensitive to a decline in used vehicle prices.

#### *Product Subsidies Provided by the Distributor – TCCI and TMCC*

Certain financing products offered by each of TCCI and TMCC may be subsidised by a Distributor. The Distributor sponsors special financing programmes on certain new and used Toyota vehicles that result in reduced monthly payments by qualified customers for finance products and/or reduced-cost extended warranty or road service.

Support amounts received from a Distributor in connection with these programmes approximate the amounts required by each of TCCI and TMCC to maintain yields and product profitability at levels consistent with standard products.

The level of sponsored programme activity varies based on each Distributor's marketing strategies, economic conditions and level of vehicle sales. Support amounts received are earned over expected financing product contract terms. Revenues earned by each of TCCI and TMCC vary based on the mix of Toyota vehicles, timing of programmes and the level of support provided.

From time to time a Distributor may offer the relevant Issuer certain incentives in connection with vehicle fleet financing.

The cessation by a Distributor of product subsidies and incentives would have a negative effect on the relevant Issuer's financial condition and results of operations.

#### *Toyota Extra Care - TFA*

Under an agreement with its Distributor, TFA markets, administers and accepts the liability for claims arising under a range of factory extended warranty products marketed through Toyota dealers to purchasers of Toyota vehicles. Since TFA acquired the rights to market the factory extended warranty products from its Distributor, it has insured part of or all of its liability for claims ("claims risk") in respect of new and used Toyota vehicles with licensed insurers (the "re-insurers"). A change in the pattern of claims in respect of partially re-insured factory extended warranties, the ability of the re-insurers to meet their obligations or a change in TFA's re-insurance practices has the potential to adversely impact the financial condition and results of operations of TFA.

#### *Large Exposures - TFA*

A large exposure refers to the degree of concentration in a loan portfolio or a segment of a loan portfolio. TFA has a large exposure to a number of dealerships and fleet customers. In particular, dealerships may have common ownership and TFA may make bailment and loan advances to those groups of dealerships. Failure of a dealership or fleet customer to which TFA has a large exposure may adversely affect the financial condition and results of operations of TFA.

#### *Provisions for Bad and Doubtful Debts*

None of TCCI, TFA or TMCC can assure that its allowance for bad and doubtful debts will be adequate to cover future credit losses. Increases in credit losses could adversely affect the relevant Issuer's financial condition and results of operations.

#### *Risk of Catastrophes*

Each of TCCI's, TFA's and TMCC's business is exposed to the risk of catastrophes, including natural events, such as hurricanes, tornados, earthquakes and fires, and other events, such as explosions, terrorist attacks, and riots. The incidence and severity of catastrophes and severe weather conditions are inherently unpredictable. These events may affect consumer spending in the vicinity of the disasters and may otherwise adversely affect the relevant Issuer's financial condition and results of operations.

#### *Insurance Reserves - TMCC*

TMCC's insurance subsidiary is subject to the risk of loss if its reserves for unearned premium and service revenues on unexpired policies and agreements in force are not sufficient. The risk associated with using historical loss experience as a basis for establishing earnings factors used to recognise revenue over the term of the contract or policy is that the timing of revenue recognition will materially vary from the actual loss development. TMCC's insurance subsidiary is also subject to the risk of loss if its reserves for reported losses, losses incurred but not reported, and loss adjustment expenses are not sufficient. The risk associated with the projection of future loss payments is the assumption that historical loss development patterns will reasonably predict loss development patterns on existing agreements in force. TMCC's management mitigates the risks associated with the use of such estimates by using credentialed actuaries to evaluate the adequacy of its reserves, by periodically reviewing the methods used for making such estimates, and by having experienced claims personnel actively manage the claim settlement process. Because the reserve establishment process is an estimate, actual losses may vary from amounts established in earlier periods. Refer to Note 3 – Summary of Significant Accounting Policies of the Notes to Consolidated Financial Statements of TMCC's Annual Report on Form 10-K/A (Amendment No. 2) for the year ended 31 March 2008 which is incorporated by reference into this Prospectus for further description of the reserve setting process.

### *Reinsurance Credit Risk – TMCC*

Reinsurance credit risk is the risk that a reinsurer providing reinsurance coverage for TMCC's insurance business will be unable to meet its obligations under such reinsurer's agreement with TMCC. TMCC mitigates this risk by holding letters of credit and funds held agreements on behalf of certain reinsurers which are available to it as collateral for reinsurance balances. In addition, TMCC monitors the financial condition of its reinsurers and does not believe that it is exposed to any material credit risk.

### *Operational Risk - TMCC*

On 21 July 2008 and 30 July 2008, TMCC filed amendments to its Annual Report on Form 10-K for the fiscal year ended 31 March 2008 in order to restate TMCC's consolidated financial statements for the fiscal year ended 31 March 2008 and amend related disclosures. TMCC's management has concluded that as of 31 March 2008, TMCC's internal control over financial reporting was not effective because of material weaknesses in its controls relating to the processes used to accurately record certain derivatives and related interest expense and in its controls relating to processes used to accurately record certain debt and related interest expense. TMCC has determined that the lack of effective monitoring of the manual processes associated with these controls contributed to these material weaknesses. There can be no assurance that TMCC will be able to implement effectively improved controls or that TMCC's management will determine in the future that TMCC's disclosure controls and procedures or internal control over financial reporting is effective.

Notwithstanding anything stated in this risk factor, this risk factor should not be taken as implying that TMCC will be unable to comply with its obligations as a company with securities admitted to the Official List.

### *Impact of Changes to Accounting Standards – TFA*

TFA's financial report for the year ended 31 March 2008 has been prepared in accordance with the Australian Equivalents to International Financial Reporting Standards ("*AIFRS*").

The International Accounting Standards Board ("*IASB*") is continuing its program to develop new accounting standards where it perceives they are required and to rewrite existing standards where it perceives they can be improved. In particular the IASB and the Financial Accounting Standards Board in the USA continue to work together to harmonise the accounting standards of the USA and International Financial Reporting Standards ("*IFRS*"). Any future change in IFRS may have a beneficial or detrimental impact on the reported earnings of TFA, where they are adopted by the Australian Accounting Standards Board.

### *TCCI's, TFA's and TMCC's Domestic Economy*

If economic conditions in the country of incorporation of each of TCCI, TFA and TMCC were to weaken, the amount of non-performing finance contracts, provisions for doubtful debts and debt write-offs may increase. Increases in credit costs would have a negative impact on such Issuer's financial condition and results of operations.

If domestic economic conditions were to weaken, customer demand for each of TCCI's, TFA's and TMCC's products and services may lessen, having a negative impact on its financial condition and results of operations. If this lessened customer demand was accompanied by an increase in early repayment of contracts by customers, the negative impact on the relevant Issuer's financial condition and results of operations would be worsened.

If domestic economic conditions were to weaken, this may adversely affect conditions in the domestic capital markets and the cost and availability to the relevant Issuer of funding from the domestic and international capital markets.

If domestic economic conditions were to strengthen to the extent that there was an increase in prevailing domestic market interest rates, the considerations mentioned in “*Possible Increase in Prevailing Market Interest Rates*” may, in some circumstances, apply.

#### *International Economy*

If international economic conditions were to materially weaken, this may adversely affect each of TCCI’s, TFA’s and TMCC’s domestic economy which may in turn adversely affect its financial condition and results of operations.

If international economic conditions were to weaken, this may adversely affect conditions in the domestic and international capital markets and the cost and availability to each of TCCI, TFA and TMCC of funding from those markets.

If international economic conditions were to weaken, this may adversely affect the ability of TMC and TFS to meet their obligations under the Credit Support Agreements discussed in “*Relationship of TFS and the Issuers with the Parent*”.

#### *Changes to Domestic Laws or Regulations*

Future changes to the laws or regulations of any jurisdiction in which each of TCCI, TFA and TMCC conducts its business may have a negative impact on its business or require significant expenditure by it to ensure compliance with those laws or regulations so that it can effectively carry on its business.

#### *Changes to International Laws or Regulations*

Future changes to international laws or regulations may have a negative impact on each of TCCI, TFA and TMCC’s business or require significant expenditure by it to ensure compliance with those laws or regulations so that it can effectively carry on its business.

#### *Taxation*

Each of the Issuers is subject to numerous tax laws and is required to remit many different types of tax revenues based on self assessment and regulation. Each Issuer interprets the tax legislation and accounts to the authorities based on its knowledge of the tax laws at the time of its assessment. Tax laws, or the interpretation thereof, are subject to change through legislation, tax rulings or court interpretation. Changes to the application or interpretation of tax laws may adversely impact the relevant Issuer’s financial condition and results of operations.

An Issuer may also be subject to an audit by tax authorities after its self assessment. If the relevant Issuer has not accounted correctly for its tax liabilities, this may adversely impact the relevant Issuer’s financial condition and results of operations. See also “*Toyota Finance Australia Limited (“TFA”) – Description of TFA*” for further discussion of specific taxation risks relating to TFA.

#### *Legal Proceedings*

The TFS group is and may be subject to various legal actions, governmental proceedings and other claims arising in the ordinary course of business. A negative outcome in one or more of these legal proceedings may adversely affect the TFS group’s financial condition and results of operations.

#### *Insolvency Laws - TFA*

In the event that TFA becomes insolvent, insolvency proceedings (including, without limitation, administration under the Corporations Act 2001 of Australia (“*Corporations Act*”)) will be governed by the applicable laws in force in Australia or the law of another jurisdiction determined in accordance with Australian law. Those insolvency laws, as so applied and interpreted, may be different from the insolvency laws of certain other jurisdictions. In particular, the administration procedure under the Corporations Act, which provides for the potential re-

organisation of an insolvent company, differs significantly from bankruptcy or similar provisions under the insolvency laws of other non-Australian jurisdictions. If TFA becomes insolvent, the treatment and ranking of holders of Notes issued by TFA and TFA's other creditors and shareholders under the relevant governing law may be different from the treatment and ranking of those persons if TFA was subject to the bankruptcy or insolvency laws of another jurisdiction.

### ***Industry and Business Risks - Toyota***

#### *The worldwide automotive market is highly competitive*

The worldwide automotive market is highly competitive. Toyota faces strong competition from automotive manufacturers in the respective markets in which it operates. Competition is likely to further intensify in light of continuing globalisation and consolidation in the worldwide automotive industry. Factors affecting competition include product quality and features, the amount of time required for innovation and development, pricing, reliability, safety, fuel economy, customer service and financing terms. Increased competition may lead to lower vehicle unit sales and increased inventory, which may result in a further downward price pressure and adversely affect Toyota's financial condition and results of operations. Toyota's ability to maintain its competitiveness will be fundamental to its future success in existing and new markets and its market share. There can be no assurances that Toyota will be able to compete successfully in the future.

#### *The worldwide automotive industry is highly volatile*

Each of the markets in which Toyota competes has been subject to considerable volatility in demand. Demand for vehicles depends to a large extent on general, social, political and economic conditions in a given market and the introduction of new vehicles and technologies. As Toyota's revenues are derived from sales in markets worldwide, economic conditions in such markets are particularly important to Toyota. Demand may also be affected by factors directly impacting vehicle price or the cost of purchasing and operating vehicles such as sales and financing incentives, prices of raw materials and parts and components, cost of fuel and governmental regulations (including tariffs, import regulation and other taxes). Volatility in demand may lead to lower vehicle unit sales and increased inventory, which may result in a further downward price pressure and adversely affect Toyota's financial condition and results of operations.

#### *Toyota's future success depends on its ability to offer new, innovative and price competitive products that meet and satisfy customer demand on a timely basis*

Meeting and satisfying customer demand with attractive new vehicles and reducing the amount of time required for product development are critical elements to the success of automotive manufacturers. The timely introduction of new vehicle models, at competitive prices, meeting rapidly changing customer preferences and demands is fundamental to Toyota's success. There is no assurance that Toyota may adequately perceive and identify changing customer preferences and demands with respect to quality, styling, reliability, safety and other features in a timely manner. Even if Toyota succeeds in perceiving and identifying customer preferences and demands, there is no assurance that Toyota will be capable of developing and manufacturing new, price competitive products in a timely manner with its available technology, intellectual property, sources of raw materials and parts and components, and production capacity. Further, there is no assurance that Toyota will be able to implement capital expenditures at the level and times planned by management. Toyota's inability to develop and offer products that meet customer demand in a timely manner could result in a lower market share and reduced sales volumes and margins, and may adversely affect Toyota's financial condition and results of operations.

*Toyota's ability to market and distribute effectively and maintain its brand image is an integral part of Toyota's successful sales*

Toyota's success in the sale of vehicles depends on its ability to market and distribute effectively based on distribution networks and sales techniques tailored to the needs of its customers as well as its ability to maintain and further cultivate its brand image across the markets in which it operates. There is no assurance that Toyota will be able to develop sales techniques and distribution networks that effectively adapt to customer preferences or changes in the regulatory environment in the major markets in which it operates. Nor is there assurance that Toyota will be able to cultivate and protect its brand image. Toyota's inability to maintain well developed sales techniques and distribution networks or a positive brand image may result in decreased sales and market share and may adversely affect its financial condition and results of operations.

*The worldwide financial services industry is highly competitive*

The worldwide financial services industry is highly competitive. The market for automobile financing has grown as more consumers are financing their purchases, primarily in North America and Europe. Increased competition in automobile financing may lead to decreased margins. A decline in Toyota's vehicle unit sales, an increase in residual value risk due to lower used vehicle price, increase in the ratio of credit losses and increased funding costs are factors which may impact Toyota's financial services operations. Poor performance in Toyota's financial services operations may adversely affect its financial condition and results of operations.

#### ***Financial Market and Economic Risks - Toyota***

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

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

Toyota believes that its use of certain derivative financial instruments including interest rate swaps and increased localised production of its products have reduced, but not eliminated, the effects of interest rate and foreign currency exchange rate fluctuations, which in some years can be significant. Nonetheless, a negative impact resulting from fluctuations in foreign currency exchange rates and changes in interest rates may adversely affect Toyota's financial condition and results of operations. For a further discussion of currency and interest rate fluctuations and the use of derivative financial instruments, see "Operating and Financial Review and Prospects – Operating Results – Overview – Currency Fluctuations", "Quantitative and Qualitative Disclosures About Market Risk", and notes 20 and 21 to Toyota's consolidated financial statements contained in TMC's Annual Report on Form 20-F which is incorporated by reference into this Prospectus.

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

High prices for raw materials that Toyota and Toyota's suppliers use in manufacturing their products or parts and components, such as steel, precious metals, non-ferrous alloys including aluminium and plastic parts, may lead to high parts and components prices and overall production costs that could in turn negatively impact Toyota's profitability as Toyota may not be able to pass all those costs on to its customers or require its suppliers to absorb such costs.

## ***Political, Regulatory and Legal Risks – Toyota***

*The automotive industry is subject to various governmental regulations*

The worldwide automotive industry is subject to various laws and governmental regulations including those related to vehicle safety and environmental matters such as emission levels, fuel economy, noise and pollution. Many governments also impose tariffs and other trade barriers, taxes and levies, and enact price or exchange controls. Toyota has incurred, and expects to incur in the future, significant costs in complying with these regulations. New legislation or changes in existing legislation may also subject Toyota to additional expenses in the future.

*Toyota may become subject to various legal proceedings*

As an automotive manufacturer, Toyota may become subject to legal proceedings in respect of various issues, including product liability and infringement of intellectual property. Toyota is currently subject to a number of pending legal proceedings. A negative outcome in one or more of these pending legal proceedings could adversely affect Toyota's future financial condition and results of operations. For a further discussion of governmental regulations, see "*Information on the Company – Business Overview – Governmental Regulation, Environmental and Safety Standards*" and for legal proceedings, see "*Information on the Company – Business Overview – Legal Proceedings*" of TMC's Annual Report on Form 20-F which is incorporated by reference into this Prospectus.

*Toyota may be adversely affected by political instabilities, fuel shortages or interruptions in transportation systems, natural calamities, wars, terrorism and labour strikes*

Toyota is subject to various risks associated with conducting business worldwide. These risks include political and economic instability, natural calamities, fuel shortages, interruption in transportation systems, wars, terrorism, labour strikes and work stoppages. The occurrence of any of these events in the major markets in which Toyota purchases materials, parts and components and supplies for the manufacture of its products or in which its products are produced, distributed or sold, may result in disruptions and delays in the operations of Toyota's business. Significant or prolonged disruptions and delays in Toyota's business operations may result to adversely affect Toyota's financial condition and results of operations.

### **Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme**

***The Notes may not be a suitable investment for all investors***

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour

of any relevant indices and financial markets; and

- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

#### ***Risks related to the structure of a particular issue of Notes***

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

#### ***Notes subject to optional redemption by the Issuer***

An optional redemption feature of Notes is likely to limit their market value. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

Each Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

#### ***Index Linked Notes, Dual Currency Notes and Range Accrual Notes***

Each Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates, certain interest rate parameters or other factors (each, a "Relevant Factor"). In addition, each Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) they may lose all or a substantial portion of their principal;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified; and



- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

Certain indices are highly volatile, which means that their value may change significantly, up or down, over a short period of time. The expected nominal amount payable at maturity, the amount of interest payable on an interest payment date and the cash value or physical settlement value of a physically settled Note based on a volatile index may vary substantially from time to time. Because the amount payable on an Indexed Linked Note is generally calculated based on the value of the relevant index on a specified date or over a limited period of time, volatility in the index increases the risk that the return on the Indexed Linked Notes may be adversely affected by a fluctuation in the level of the relevant index.

The volatility of an index may be affected by political or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these could adversely affect the value of an Index Linked Note.

Certain indices reference several different currencies, commodities, securities or other financial instruments. The compiler of such an index typically reserves the right to alter the composition of the index and the manner in which the value of the index is calculated. Such an alteration may result in a decrease in the value of or return on an Indexed Linked Note which is linked to such index.

An index may become unavailable due to such factors as war, natural disasters, cessation of publication of the index, or suspension of or disruption in trading in the currency or currencies, commodity or commodities, security or securities or other financial instrument or instruments comprising or underlying such index. If an index becomes unavailable, the determination of the amount payable on an Index Linked Note may be delayed or an alternative method may be used to determine the value of the unavailable index. Alternative methods of valuation are generally intended to produce a value similar to the value resulting from reference to the relevant index. However, it is unlikely that such alternative methods of valuation will produce values identical to those which would be produced were the relevant index to be used. An alternative method of valuation may result in a decrease in the value of or return on an Indexed Linked Note.

Certain Indexed Linked Notes are linked to indices that are not commonly utilised or have been recently developed. The lack of a trading history may make it difficult to anticipate the volatility or other risks to which such a Note is subject. In addition, there may be less trading in such indices or instruments underlying such indices, which could increase the volatility of such indices and decrease the value of or return on Indexed Linked Notes relating to them.

The historical experience of an index should not be viewed as an indication of the future performance of such index during the term of any Index Linked Notes. Accordingly, potential investors should consult their own financial and legal advisers about the risk entailed by an investment in any Index Linked Notes and the suitability of such Notes in light of their particular circumstances.

#### *Partly Paid Notes*

Each Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of his investment.

#### *Variable rate Notes with a multiplier or other leverage factor*

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

### *Inverse Floating Rate Notes*

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

### *Fixed/Floating Rate Notes*

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where an Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since that Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If an Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If an Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

### *Notes issued at a substantial discount or premium*

The market values of securities issued at a substantial discount or premium from their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

### ***Risks related to Notes generally***

Set out below is a brief description of certain risks relating to the Notes generally:

#### *Modification and waiver*

The terms and conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

#### *EU Savings Directive*

Under EC Council Directive 2003/48/EC, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to or for an individual resident, or certain limited types of entity established, in that other Member State. However, for a transitional period, Austria, Belgium and Luxembourg are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the relevant Issuer nor any Paying Agent (as defined under “*Terms and Conditions of the Notes*” in relation to the relevant issue of Notes) nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The relevant Issuer is required to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the Directive.

### *Change of law*

The terms and conditions of the Notes (save in the case of Notes issued by TMCC which form a single Series with Notes issued prior to 28 September 2007) are based on English law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Prospectus. The terms and conditions of Notes issued by TMCC which form a single Series with Notes issued prior to 28 September 2007 are based on New York law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to New York law or administrative practice after the date of this Prospectus.

### *Notes where denominations involve integral multiples: definitive Notes – TMF, TCCI and TFA*

In relation to any Notes issued by TMF, TCCI or TFA which have denominations consisting of a minimum Specified Denomination of €50,000 (or, where the Specified Currency is not euro, its equivalent in the Specified Currency), plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination of €50,000 (or its equivalent). In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination of €50,000 (or its equivalent) in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a nominal amount of Notes such that its holding amounts to the Specified Denomination of €50,000 (or its equivalent).

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

### ***Risks related to the market generally***

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

#### *Exchange rate risks and exchange controls*

The principal of or any interest on Notes may be payable in, or determined by reference or indexed to, one or more Specified Currencies (including exchange rates and swap indices between currencies or currency units). For investors whose financial activities are denominated principally in a currency or currency unit (the “*Investor’s Currency*”) other than the Specified Currency in which the related Notes are denominated, or where principal or interest in respect of Notes is payable by reference to the value of one or more Specified Currencies other than by reference solely to the Investor’s Currency, an investment in such Notes entails significant risks that are not associated with a similar investment in a debt security denominated and payable in such Investor’s Currency. Such risks include, without limitation, the possibility of significant changes in the rate of exchange between the applicable Specified Currency and the Investor’s Currency and the possibility of the imposition or modification of exchange controls by authorities with jurisdiction over such Specified Currency or the Investor’s Currency. Such risks generally depend on a number of factors, including financial, economic and political events over which none of the Issuers has control. In addition, if the formula used to determine the amount of principal or interest payable with respect to a Note contains a multiple or leverage factor, the effect of any change in the applicable Specified Currency, index or formula will be magnified. The secondary market for the Notes will be affected by a number of factors independent of the creditworthiness of the relevant Issuer and the Parent and TFS as credit support providers and the value of the applicable Specified Currency, index or formula, including the volatility of such Specified Currency, index or formula, the method of calculating the nominal amount or any interest to be paid in respect of such Notes, the time remaining to maturity of such Notes, the outstanding amount of such Notes, the amount of other securities linked to such Specified Currency, index or

formula and the level, direction and volatility of relevant market interest rates generally. Such factors also will affect the market value of the Notes. In recent years, rates of exchange have been highly volatile and such volatility may be expected to continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur in the future. An appreciation in the value of the Investor's Currency relative to the value of the applicable Specified Currency would result in a decrease in the Investor's Currency-equivalent yield on a Note denominated or the principal or interest of which is payable in such Specified Currency, in the Investor's Currency-equivalent value of the principal of such Note payable at maturity and generally in the Investor's Currency-equivalent market value of such Note. Depreciation in the value of the Investor's Currency relative to the value of the applicable Specified Currency would have the opposite effect. In addition, depending on the specific terms of a Note denominated in, or the payment of which is determined by reference to the value of, one or more Specified Currencies (other than solely the Investor's Currency), indices (including exchange rates and swap indices between currencies or currency units) or formulas, changes in exchange rates relating to any of the currencies or currency units involved may result in a decrease in the effective yield on such Note and, in certain circumstances, could result in a loss of all or a substantial portion of the principal of such Note to the investor.

Government or monetary authorities have imposed from time to time, and may in the future impose, exchange controls that could affect exchange rates as well as the availability of the Specified Currency in which a Note is payable at the time of payment of the principal or interest in respect of such Note. In addition, if the relevant Issuer is due to make a payment in a currency (the "*original currency*") other than euro in respect of any Note, Coupon or Receipt and the original currency is not available on the foreign exchange markets due to the imposition of exchange controls, the original currency's replacement or disuse or other circumstances beyond the relevant Issuer's control, the relevant Issuer will be entitled to satisfy its obligations in respect of such payment by making payment in euro as described under Condition 5(f) under "*Terms and Conditions of the Notes*". If the currency in which payment is to be made is not a holder's Investor's Currency, the holder will be subject to the risks described in the prior paragraph. In addition, the exchange rate applied in such circumstances could result in a reduced payment to the holder.

#### *Liquidity Risks*

The Notes may not have an established trading market when issued. There can be no assurance of a secondary market for the Notes or the continued liquidity of such market if one develops. The secondary market for the Notes will be affected by a number of factors independent of the creditworthiness of the relevant Issuer and the Parent and TFS as credit support providers and the value of any applicable index or indices, which may include the complexity and volatility of such index or indices, the method of calculating the principal or any interest to be paid in respect of such Notes, the time remaining to the maturity of such Notes, the outstanding amount of such Notes, any redemption features of such Notes, the amount of other securities linked to such index or indices and the level, direction and volatility of market interest rates generally. Such factors also will affect the market value of the Notes. In addition, certain Notes may be designed for specific investment objectives or strategies and therefore may have a more limited secondary market and experience more price volatility than conventional debt securities. Investors may not be able to sell Notes readily or at prices that will enable investors to realise their anticipated yield. No investor should purchase Notes unless such investor understands and is able to bear the risk that certain Notes may not be readily saleable, that the value of Notes will fluctuate over time and that such fluctuations may be significant. The prices at which Zero Coupon Notes, as well as other instruments issued at a substantial discount from their nominal amount payable at maturity, trade in the secondary market tend to fluctuate more in relation to general changes in interest rates than do such prices for conventional interest-bearing securities of comparable maturities.

In addition, Noteholders should be aware of the prevailing and widely reported global credit market conditions (which continue at the date of this Prospectus), whereby there is a general lack of liquidity in the secondary market for instruments similar to the Notes. Such lack of liquidity may result in investors suffering losses on the Notes in secondary resales even if there is no decline in the performance of the assets of the relevant Issuer. The Issuers cannot predict if or when these conditions will change and whether, if and when they do change, there will be a more liquid market for the Notes and instruments similar to the Notes at that time.

Market conditions are also subject to periods of volatility which can have the effect of reducing activity in a range of consumer and industry sectors which can adversely impact the financial performance of each of the Issuers. Volatility may also impact each Issuer's ability to fund its business in a similar manner, and at a similar cost, to the funding raised in the past. Other risks associated with funding that each of the Issuers may face are over reliance on a particular funding source or a simultaneous increase in funding costs across a broad range of sources. Since the second half of 2007, global credit markets, particularly in the United States and Europe, have experienced difficult conditions and volatility. These challenging market conditions have resulted in less liquidity, greater volatility, widening of credit spreads and lack of price transparency in credit markets. Changes in investment markets, including changes in interest rates, exchange rates and returns from equity, property and other investments, will affect (whether directly or indirectly) the financial performance of each of the Issuers.

#### *Interest rate risks*

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

#### *Credit ratings may not reflect all risks*

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

#### ***Legal investment considerations may restrict certain investments***

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

#### ***Transparency Obligations Directive – TCCI, TFA and TMCC***

In certain circumstances, each of TCCI, TFA and TMCC may seek to terminate the listing of any Notes on a stock exchange in the European Economic Area which is a regulated market for the purposes of the Markets in Financial Instruments Directive and seek an alternate listing on a stock exchange outside the European Economic Area or on a stock exchange that is not a regulated market for the purposes of the Markets in Financial Instruments Directive. These circumstances include the implementation of (i) the Transparency Obligations Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 (the "TOD"), or any law implementing or complying with, or introduced in order to conform to the TOD, so as to require the relevant Issuer (a) to prepare its financial statements in accordance with, or reconciled to, IFRS or International Accounting Standards ("IAS"); (b) to provide additional quantitative or qualitative disclosures regarding significant differences between generally accepted accounting principles of the country or jurisdiction in which the relevant Issuer is incorporated ("Local GAAP") and IFRS or any additional auditor's report relating to such disclosures; (c) to

change the form of its financial reports in any other respect (other than Local GAAP and generally accepted auditing standards of the country or jurisdiction in which the relevant Issuer is incorporated); or (d) to have its financial statements audited in accordance with International Standards on Auditing; or (ii) any other future law or EU Directive imposing other requirements (including new corporate governance requirements) on the relevant Issuer that it in good faith determines are unduly burdensome in order to maintain the continued listing of any Notes issued under the Programme on a regulated market in the European Union.

Under the Programme Agreement (as defined under “*Subscription and Sale*”) each of TCCI, TFA and TMCC has agreed with the Dealers that, in such circumstances, it will use its reasonable endeavours to seek an alternative admission to listing, trading and/or quotation of such Notes by another listing authority, securities exchange and/or quotation system that it deems appropriate. Subject to the foregoing, each of TCCI, TFA and TMCC is not under any obligation to Noteholders to maintain any listing of its Notes in such circumstances.

Although there is no assurance as to the liquidity of any Notes as a result of the listing on a regulated market in the European Union, delisting such Notes may have a material affect on an investor's ability to (a) continue to hold such Notes or (b) sell the Notes in the secondary market. See “*General Information – EU Transparency Obligations Directive*”.

## DOCUMENTS INCORPORATED BY REFERENCE

Pursuant to the FSMA, in order to obtain a listing on the Official List and to be able to offer Notes to the public, each of the Issuers is obliged to prepare a base prospectus for the purposes of Article 5.4 of the Prospectus Directive that contains all such information which investors and their professional advisers would reasonably require, and reasonably expect to find there, for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of each of the Issuers and the rights attaching to the Notes. In order to satisfy this obligation, the Issuers are only permitted in certain circumstances to rely upon information incorporated by reference into the documents that constitute a base prospectus.

The following documents (excluding all information incorporated by reference in any such documents either expressly or implicitly and excluding any information or statements included in any such documents either expressly or implicitly that is or might be considered to be forward looking and excluding, in respect of the Parent's Financial Summary FY2009 First Quarter, all Excluded Information (as defined below)) which have been published or are provided simultaneously with this Prospectus and have been approved by the Financial Services Authority or filed with it shall be deemed to be incorporated in, and to form part of, this Prospectus which constitutes a base prospectus prepared pursuant to Article 5.4 of the Prospectus Directive and satisfies the requirements of the FSMA referred to above:

- (a) the auditors report and audited annual financial statements for the financial years ended 31 March 2007 and 31 March 2008 and the Annual Financial Report for the year ended 31 March 2008 of each of TMF, TCCI and TFA;
- (b) TMCC's Annual Report on Form 10-K/A (Amendment No. 2) for the year ended 31 March 2008 filed with the SEC on 30 July 2008 ("*Form 10-K/A*") and TMCC's Quarterly Report on Form 10-Q for the quarter ended 30 June 2008;
- (c) the Parent's Annual Report on Form 20-F for the year ended 31 March 2008 and the Parent's Financial Summary FY2009 First Quarter;
- (d) the "Terms and Conditions of the Notes" section from the Offering Circular published by the Issuers dated 28 September 2007;
- (e) the "Terms and Conditions of the Notes" section from each of the Offering Circulars published by TMF, TCCI and TFA and dated 28 September 2006 and 30 September 2005 respectively;
- (f) the "Terms and Conditions of the Notes" section from each of the Offering Circulars published by TMCC and dated 28 September 2006, 30 September 2005, 29 September 2004, 30 September 2003 and 1 October 2002, respectively,

save that any statement contained herein or in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained in any document which is subsequently incorporated by reference herein by way of a supplement prepared in accordance with Article 16 of the Prospective Directive modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus. "Excluded Information" shall mean with respect to the Parent's Financial Summary FY2009 First Quarter (i) paragraph 3. headed "Forecast of consolidated results for FY2009 (April 1, 2008 through March 31, 2009)" on page 1, (ii) paragraph 3. headed "Qualitative Information Concerning Forecast of Consolidated Financial Results for FY2009" on page 5, (iii) the section headed "FY2009 Forecast (Apr. 2008 through Mar. 2009)", on the first page of the "Supplemental Material for Financial Results for FY2009 First Quarter (Consolidated)", (iv) the section headed "FY2009 First half Forecast (Apr. 2008

through Sep. 2008)” and the section headed “FY2009 Forecast (Apr. 2008 through Mar. 2009)”, on the second and third pages of the “Supplemental Material for Financial Results for FY2009 First Quarter (Consolidated)” and (v) the “FY2009 Forecast (Apr. 2008 through Mar. 2009)” section on the page headed “Supplemental Material for Financial Results for FY2009 First Quarter (Unconsolidated)”. The English translations of any of the Parent’s financial information are accurate and direct translations of the original Japanese-language documents.

TMCC and TMC are subject to the informational requirements of the United States Securities Exchange Act of 1934, as amended, and in accordance therewith each files reports and other information with the United States Securities and Exchange Commission (the “SEC”). Such reports and other information can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Copies of such materials may also be obtained from the website that the SEC maintains at <http://www.sec.gov>. The SEC website contains reports, registration statements, proxy and information statements, and other information regarding issuers that file electronically with the SEC. The documents referred to in paragraphs (b) and (c) above have been filed with the SEC.

Each of the Issuers and TMC are subject to the ongoing reporting and disclosure requirements of the UK Listing Rules and the UK Disclosure Rules and Transparency Rules, all made under the FSMA, and in accordance therewith file reports and other information with the UK Listing Authority. All such reports and other information can be inspected at the document viewing facility at the UK Listing Authority at 25 The North Colonnade, London E14 5HS.

Each of the Issuers will provide, without charge, to each person to whom a copy of this Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are a part of the Prospectus or any Supplementary Prospectus filed with the UK Listing Authority or incorporated herein by reference. Requests for such documents should be directed to the principal office in London, England of The Bank of New York Mellon, One Canada Square, London E14 5AL. Such documents can also be found at [www.londonstockexchange.com/rns](http://www.londonstockexchange.com/rns).



## GENERAL DESCRIPTION OF THE PROGRAMME

Under the Programme, each Issuer may from time to time issue Notes denominated in any currency and having maturities of one month or longer (or such other minimum or maximum maturity as may be allowed or required from time to time by the relevant central bank (or equivalent body (however called)) or any laws or regulations applicable to the relevant currency). A summary of the Programme appears on pages 7 to 12. The applicable terms of any Notes will be agreed between the relevant Issuer and the relevant Purchaser(s) prior to the issue of the Notes and will be set out in the terms and conditions of the Notes attached to, incorporated by reference into, or endorsed on, the Notes as modified and supplemented by the applicable Final Terms attached to, or endorsed on, such Notes.

Under the Programme each Issuer may from time to time issue Notes which will form a single Series with Notes issued by it prior to the date of this Prospectus. In the case of TMF, TCCI and TFA, Notes which form a single Series with Notes issued by it prior to 28 September 2007 will be constituted by a trust deed last amended and restated on 28 September 2006 and made between (among others) TMF, TCCI, TFA and Union Bank of California, N.A. as trustee and will be issued subject to, and with the benefit of, an agency agreement last amended and restated on 28 September 2006 and made between (among others) TMF, TCCI, TFA and JPMorgan Chase Bank, N.A. (and The Bank of New York Mellon, the Issuing and Principal Paying Agent under the Programme, is successor in business to JPMorgan Chase Bank, N.A.). In the case of TMCC, Notes which form a single Series with Notes issued by it prior to 28 September 2007 will be issued subject to, and with the benefit of, an agency agreement last amended and restated on 28 September 2006 and made between (among others) TMCC and JPMorgan Chase Bank, N.A. (and The Bank of New York Mellon, the Issuing and Principal Paying Agent under the Programme, is successor in business to JPMorgan Chase Bank, N.A.).

On the terms set out herein, this Prospectus and any supplement hereto will only be valid for listing Notes on the Official List and admitting Notes for trading on the London Stock Exchange and other relevant stock exchanges during the period of 12 months from the date of this Prospectus in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of (i) all Notes issued previously or simultaneously under this Programme and (ii) all Notes previously issued by TMCC under its U.S.\$30,000,000,000 Euro Medium-Term Note Program last updated on 28 September 2006 (in each case of (i) and (ii), including unlisted Notes), does not exceed €40,000,000,000 or its equivalent in other currencies. For the purpose of calculating the euro equivalent of the aggregate nominal amount of Notes issued under the Programme from time to time:

- (a) the euro equivalent of Notes denominated in a Specified Currency (as defined in the form of Final Terms under "*Form of the Notes*") other than euros shall be determined by the Agent (as defined under "*Terms and Conditions of the Notes*") as of 2:30 p.m. London time on the Issue Date for such Notes (as defined in the form of Final Terms under "*Form of the Notes*") (save in the case of Notes issued prior to 28 September 2007 by TMCC under its U.S.\$30,000,000,000 Euro Medium-Term Note Program which remain outstanding where the euro equivalent of such Notes denominated in a Specified Currency other than euros was determined by the Agent on 28 September 2007) by reference to the spot rate displayed on a page on the relevant Reuters service or Dow Jones Markets Limited or such other service as is agreed between the Agent and the relevant Issuer from time to time;
- (b) the euro equivalent of Dual Currency Notes and Index Linked Notes (each as defined under the terms and conditions that apply to the relevant Notes) shall be determined in the manner specified in paragraph (a) above by reference to the original nominal amount of such Notes;
- (c) the euro equivalent of Zero Coupon Notes (as defined under the terms and conditions that apply to the relevant Notes) and other Notes issued at a discount shall be determined in the manner specified in paragraph (a) above by reference to the net proceeds received by the relevant Issuer for the relevant issue; and

(d) the euro equivalent of Partly Paid Notes (as defined under the terms and conditions that apply to the relevant Notes) shall be determined in the manner specified in paragraph (a) above by reference to the nominal amount of the Notes regardless of the amount of purchase moneys paid up on such Notes.

The aggregate nominal amount of Notes outstanding at any time under the Programme is subject to, and will be limited by, the then existing grant of authority by the Board of Management of TMF, by the Board of Directors of TCCI and TFA and by the Executive Committee of the Board of Directors of TMCC.

## FORM OF THE NOTES

Each Tranche of Notes in bearer form will be initially issued in the form of a temporary global Note (a “*Temporary Global Note*”) which will:

- (i) if the global Notes are issued in new global note (“*NGN*”) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the “*Common Safekeeper*”) for Euroclear Bank S.A./N.V. (“*Euroclear*”) and Clearstream Banking, société anonyme (“*Clearstream, Luxembourg*”); and
- (ii) if the global Notes are not issued in NGN form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common depository for Euroclear and Clearstream, Luxembourg,

without receipts, interest coupons or talons.

The applicable Final Terms will specify whether the Notes are to be held in a manner which will allow Eurosystem eligibility. This means that the Notes are to be deposited with one of the international central securities depositories as Common Safekeeper and not necessarily that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

If the applicable Final Terms indicates that the global Note is a NGN, the nominal amount of the Notes represented by such global Notes will be the aggregate from time to time entered in the records of both Euroclear and Clearstream, Luxembourg. The records of Euroclear and Clearstream, Luxembourg (which expression in such Global Note means the records that each of Euroclear and Clearstream, Luxembourg holds for its customers which reflect the amount of each such customer’s interest in the Notes) will be conclusive evidence of the nominal amount of Notes represented by such Global Note and, for such purposes, a statement issued by Euroclear and/or Clearstream, Luxembourg, as the case may be, stating that the nominal amount of Notes represented by such Global Note at any time will be conclusive evidence of the records of Euroclear and/or Clearstream, Luxembourg at that time, as the case may be.

While any Note is represented by a Temporary Global Note, payments of principal and interest (if any) due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note if the Temporary Global Note is not issued in NGN form) only upon certification of non-U.S. beneficial ownership as required by U.S. Treasury regulations to Euroclear and/or Clearstream, Luxembourg.

Interests in the Temporary Global Note will be exchangeable (free of charge) either for:

- (i) interests in a permanent global Note (a “*Permanent Global Note*”) without receipts, interest coupons or talons; or
- (ii) for security-printed definitive Notes,

(as indicated in the applicable Final Terms), in each case against certification of non-U.S. beneficial ownership as required by U.S. Treasury regulations in accordance with the terms of the Temporary Global Note,

- (a) on and after the date which is 40 days after completion of the distribution of the relevant Tranche of Notes; or
- (b) at the option of the relevant Issuer (with the consent of the Lead Manager(s) of the Tranche(s) of Notes of the relevant Series) the date which is 40 days after completion of the distribution of any additional issuance or issuances of one or more Tranches of Notes of the same Series that occurs within the 40 day period

after the issue of the Temporary Global Note,

(the latest of such dates in paragraphs (a) and (b) is referred to as the “*Exchange Date*”),

provided that, if the Temporary Global Note is issued in respect of a Tranche of Notes described as Partly Paid Notes in the applicable Final Terms, only if the final instalment on all outstanding such Notes has been paid.

The holder of a Temporary Global Note will not be entitled to collect any payment of interest or principal due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for definitive Notes is improperly withheld or refused. Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*” below) the Agent shall arrange that, where a further Tranche of Notes is issued after the Exchange Date, the Notes of such further Tranche shall be assigned security code numbers by Euroclear and Clearstream, Luxembourg which are different from the security code numbers assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

The Permanent Global Note will, unless otherwise agreed between the relevant Issuer and the relevant Dealer, if the global Notes are issued in NGN form (to be eligible as collateral for Eurosystem operations) as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to the Common Safekeeper for Euroclear and Clearstream, Luxembourg. If the global Notes are not issued in NGN form, the Permanent Global Note will be delivered to the common depositary for Euroclear and Clearstream, Luxembourg.

Payments of principal and interest (if any) on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Global Note if the Permanent Global Note is not issued in NGN form) without any requirement for certification.

A Permanent Global Note will, if specified in the applicable Final Terms, be exchanged in whole, but not in part, for security printed definitive Notes with, where applicable, receipts, interest coupons and talons attached: (i) at the request of the relevant Issuer; (ii) upon the Noteholders instructing Euroclear or Clearstream, Luxembourg or any other agreed clearing system in which such Permanent Global Note is being held to give at least 60 days’ written notice to the Agent, subject to the payment of costs in connection with the printing and distribution of the definitive Notes, if specified in the applicable Final Terms; and/or (iii) (free of charge) upon the occurrence of an Exchange Event (as defined below).

For these purposes, “*Exchange Event*” means that (i) an Event of Default (as defined in Condition 9) has occurred and is continuing; (ii) the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg, or any other agreed clearing system in which such Permanent Global Note is being held, have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, as a result, Euroclear and Clearstream, Luxembourg or such other agreed clearing system in which such Permanent Global Note is being held are no longer willing or able to discharge properly their responsibilities with respect to such Notes and the Agent and the relevant Issuer are unable to locate a qualified successor; or (iii) the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global Note in definitive form.

The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 16 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg and/or any other agreed clearing system in which such Permanent Global Note is being held (acting on the instructions of any holder of an interest in such Permanent Global Note) may give notice to the Agent requesting exchange and, in the event

of the occurrence of an Exchange Event as described in (iii) above, the relevant Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Agent.

If a portion of the Notes continues to be represented by the Temporary Global Note after the issuance of definitive Notes, the Temporary Global Note shall thereafter be exchangeable only for definitive Notes, subject to certification of non-U.S. beneficial ownership.

No definitive Note delivered in exchange for a Permanent Global Note or a Temporary Global Note shall be mailed or otherwise delivered to any locations in the United States of America in connection with such exchange. Temporary Global Notes and Permanent Global Notes and definitive Notes will be issued by the Agent pursuant to the Agency Agreement.

If specified in the applicable Final Terms, other clearance systems capable of complying with the certification requirements set forth in the Temporary Global Note may be used in addition to or in lieu of Euroclear and Clearstream, Luxembourg, and any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, except in relation to Notes issued in NGN form, be deemed to include such other additional or alternative clearing system.

Temporary Global Notes and Permanent Global Notes will be issued in bearer form only. Definitive Notes will be issued in bearer form or, in the case of Notes issued by TCCI, if so indicated in the applicable Final Terms, in registered form.

For United States federal income tax purposes each Temporary Global Note, each Permanent Global Note and each definitive Note in bearer form which has an original maturity of more than 183 days and any interest coupon which may be detached therefrom (or, if the obligation is evidenced by a book entry, appears in the book or record in which the book entry is made) will carry the following legend:

“Any United States person (as defined in the Internal Revenue Code of the United States) who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code.”

The sections referred to in such legend provide that United States Noteholders, with certain exceptions, will not be entitled to deduct any loss on Notes, receipts or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition or payment of principal in respect of Notes, receipts or interest coupons.

The following legend is required by the United States information reporting and backup withholding rules and will appear on all Temporary Global Notes, all Permanent Global Notes, all definitive Notes in bearer form, receipts and interest coupons for Notes with maturities at issuance of 183 days or less:

“By accepting this obligation, the holder represents and warrants that it is not a United States person (other than an exempt recipient described in Section 6049(b)(4) of the Internal Revenue Code and the regulations thereunder) and that it is not acting for or on behalf of a United States person (other than an exempt recipient described in Section 6049(b)(4) of the Internal Revenue Code and the regulations thereunder).”

Notes in bearer form will be issued in compliance with U.S. Treas. Reg. §1.163(c)(2)(i)(D) (the “*D Rules*”) and Notes with maturities at issuance of 183 days or less that are intended to comply with United States Treasury Regulation section 1.6049-5(b)(10) will be issued in compliance with the *D Rules* (excluding the certification requirement) and in a face amount or principal amount of not less than U.S.\$500,000 (as determined based on the spot rate on the date of issuance if in a foreign currency).

Notes may be issued in registered form (“*Registered Notes*”) by TCCI, subject to applicable laws and regulations. Each Tranche of Registered Notes issued by TCCI will be

represented on issue by a registered global Note which will be deposited on the relevant Issue Date with CDS Clearing and Depository Services Inc (“CDS”) and/or a depository or common depository for any other agreed clearing system. Such registered global Note will not be exchangeable for Registered Notes in definitive form except on an Exchange Event (as that term is defined in the registered global Note). With respect to each Tranche of Registered Notes, TCCI has appointed, under an amended and restated Note Agency Agreement dated 26 September 2008 (the “*Note Agency Agreement*”), a transfer agent and registrar and a Canadian paying agent.

Notes issued by any of TMF, TCCI or TFA which form a single Series with Notes issued by TMF, TCCI or TFA, as the case may be, prior to 28 September 2007 shall be constituted by a trust deed last amended and restated on 28 September 2006 and made between (among others) TMF, TCCI, TFA and Union Bank of California, N.A. as trustee and will be issued subject to, and with the benefit of, an agency agreement last amended and restated on 28 September 2006 and made between (among others) TMF, TCCI, TFA and JPMorgan Chase Bank, N.A. (and the Agent is successor in business to JPMorgan Chase Bank, N.A.).

Notes issued by TMCC which form a single Series with Notes issued by TMCC prior to 28 September 2007 will be issued subject to, and with the benefit of, an agency agreement last amended and restated on 28 September 2006 and made between (among others) TMCC and JPMorgan Chase Bank, N.A. (and the Agent is successor in business to JPMorgan Chase Bank, N.A.).

If specified in the applicable Final Terms, the relevant Issuer may use market standard definitions in the terms and conditions of any Notes, including those published by the International Swaps and Derivatives Association.

**FORM OF FINAL TERMS IN CONNECTION WITH ISSUES OF NOTES WITH A  
DENOMINATION OF AT LEAST €50,000 (OR EQUIVALENT) TO BE ADMITTED TO  
TRADING ON AN EEA REGULATED MARKET**

**Final Terms**

**Dated [     ]**

**[TOYOTA MOTOR FINANCE (NETHERLANDS) B.V.]  
[TOYOTA CREDIT CANADA INC.]  
[TOYOTA FINANCE AUSTRALIA LIMITED (ABN 48 002 435 181)]  
[TOYOTA MOTOR CREDIT CORPORATION]**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under the €40,000,000,000  
Euro Medium Term Note Programme  
established by  
Toyota Motor Finance (Netherlands) B.V., Toyota Credit Canada Inc.,  
Toyota Finance Australia Limited and Toyota Motor Credit Corporation**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Prospectus dated 26 September 2008 [and the Supplementary Prospectus(es) dated [     ]],<sup>(1)</sup> which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “*Prospectus Directive*”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus [as so supplemented], including all documents incorporated by reference therein. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. The Prospectus [and the Supplementary Prospectus] [is] [are] available for viewing and copies may be obtained from the principal office in London, England of The Bank of New York Mellon, the issuing and principal paying agent for the Notes, at One Canada Square, London E14 5AL and at [www.londonstockexchange.com/rns](http://www.londonstockexchange.com/rns).<sup>(2)</sup>

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus or Offering Circular with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “*Conditions*”) set forth in and extracted from the Offering Circular dated [     ] and which are incorporated by reference in the Prospectus dated 26 September 2008. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “*Prospectus Directive*”) and must be read in conjunction with the Prospectus dated 26 September 2008 [and the Supplementary Prospectus(es) dated [     ]],<sup>(1)</sup> which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, including the Conditions which are extracted from the Offering Circular dated [     ] and incorporated by reference in the Prospectus dated 26 September 2008 and which are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus dated 26 September 2008 [and the Supplementary Prospectus(es) dated [     ]]. The Prospectus [and the Supplementary Prospectus(es)] are available for viewing and copies may be obtained from the principal office in London, England of The Bank of New York Mellon, the issuing and principal paying agent for the Notes, at One Canada Square, London E14 5AL and at [www.londonstockexchange.com/rns](http://www.londonstockexchange.com/rns).<sup>(2)</sup>

*[Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]*

[When completing any Final Terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]

1. (i) Issuer: [ ] (the “Issuer”)
  - (ii) Credit Support Providers: Toyota Motor Corporation  
Toyota Financial Services Corporation
  2. [(i)] Series Number: [ ]
  - [(ii)] Tranche Number: [Delete if not applicable]
  - [(iii)] Uridashi Notes: [Applicable]  
[Delete if not applicable]
- (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*
3. Specified Currency (or Currencies in the case of Dual Currency Notes): [ ]
  4. Aggregate Nominal Amount of Notes: [ ]
  - [(i)] Series: [ ] [Delete if not applicable]
  - [(ii)] Tranche: [ ] [Delete if not applicable]
  5. Issue Price: [ ] per cent. of the Aggregate Nominal Amount of Notes [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)]
  6. (i) Specified Denominations: [ ]<sup>(3)</sup>  
[ ]
- (If the Specified Denomination is expressed to be €50,000 or its equivalent and multiples of a lower nominal amount (e.g. €1,000) insert the following sample wording:*
- “€50,000 and integral multiples of [€1,000] in excess thereof up to and including [€99,000]. No Notes in definitive form will be issued with a denomination above [€99,000].”*
- N.B. Notes with “€50,000 + €1,000” denominations cannot be issued by TMCC.*
- (N.B. If an issue of Notes is: (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the EEA in circumstances where a prospectus is not required to be published under the Prospectus Directive the €50,000 minimum denomination is not required.)*



*(N.B. With respect to Notes with maturities at issuance of 183 days or less: if relying on United States Treasury Regulation section 1.6049-5(b)(10) to avoid withholding tax and reporting requirements, the face amount or principal amount must be the equivalent to or greater than U.S.\$500,000, as determined on the spot rate on the date of issuance.)*

- (ii) Calculation Amount: [ ]
- (If there is only one Specified Denomination, insert the Specified Denomination.*
- If there is more than one Specified Denomination (e.g. Specified Denominations of €50,000 and multiples of €1,000), insert the highest common factor of those Specified Denominations. N.B. there must be a common factor in the case of two or more Specified Denominations).*
- N.B. Notes with “€50,000 + €1,000” denominations cannot be issued by TMCC.*
7. (i) Issue Date: [ ]
- (ii) Interest Commencement Date: [Specify: Issue Date/Not Applicable]
8. Maturity Date: [Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]
9. Interest Basis: [[ ] per cent. Fixed Rate]  
[[Specify reference rate] +/- [ ] per cent.  
Floating Rate]  
[Zero Coupon]  
[Index Linked Interest]  
[Range Accrual Interest]  
[Dual Currency Interest]  
[Other (specify)]  
(further particulars specified below)
10. Redemption/Payment Basis: <sup>(4)</sup>  
[Redemption at par]  
[Index Linked Redemption]  
[Dual Currency]  
[Partly Paid]  
[Instalment]  
[Other (specify)]
11. Change of Interest Basis or Redemption/Payment Basis: [Specify details of any provision for convertibility of Notes into another Interest Basis or Redemption/Payment Basis]
12. Investor Put/Issuer Call Options: [Investor Put Option]  
[Issuer Call Option]  
[(further particulars specified below)]  
[Not Applicable]
13. (i) Status of the Notes: Senior

- (ii) Nature of the Credit Support: See “*Relationship of TFS and the Issuers with the Parent*” in the Prospectus dated 26 September 2008
- (iii) [Date [Board] approval for issuance of Notes obtained:] [See “*General Information—Authorisation*” section of the Prospectus dated 26 September 2008 for the relevant board approval dates for the Programme]
- (Where Board (or similar) authorisation is required for the particular tranche of Notes or related Credit Support) [ ] [and [ ]], respectively]
14. Method of distribution: [Syndicated/Non-syndicated]

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Note Provisions** [Applicable/Not Applicable]  
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Fixed Rate[(s)] of Interest: [ ] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (specify)] in arrear on each Interest Payment Date]
- (ii) Interest Payment Date(s): [ ] in each year, commencing on [ ], to and including [ ] [adjusted in accordance with [specify Business Day Convention and any Applicable Business Centre(s) for the definition of “Business Day” [with no adjustment for period end dates]]/not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [ ] per Calculation Amount payable [annually/semi-annually/quarterly/monthly]  
(Applicable to Notes in definitive form or “Uridashi Notes”)  
[N.B. If Uridashi Notes, specify “This Fixed Coupon Amount applies if the Fixed Rate Notes are represented by a global Note or are in definitive form”]
- (iv) Broken Amount(s): [ ] per Calculation Amount payable on the Interest Payment Date falling [in/on] [ ]  
(Applicable to Notes in definitive form or “Uridashi Notes”)  
[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount(s)]  
[N.B. If Uridashi Notes, specify “This Broken Amount applies if the Fixed Rate Notes are represented by a global Note or are in definitive form”]
- (v) Fixed Day Count Fraction: [Actual/Actual (ICMA)] or [Actual/Actual (ISDA)] or [30/360] or [Actual/360] or [other (specify)]

- (vi) Determination Date(s): [ ] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. (N.B. This will need to be amended in the case of regular interest periods which are not of equal duration.) N.B. Only relevant where the Fixed Day Count Fraction is Actual/Actual (ICMA)*)  
[Not Applicable]
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]
16. **Floating Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Specified Period(s): [ ]
- (ii) Specified Interest Payment Dates: [ ]
- (iii) First Interest Payment Date: [ ]
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
- (v) Applicable Business Centre(s) for purposes of “Business Day” definition: [London/specify others]
- (vi) Manner in which the Rate(s) of Interest and Interest Amount(s) is/are to be determined: [Screen Rate Determination/ISDA Determination/other (*give details – e.g. Range Accrual Notes*)]
- (vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Agent): [ ]
- (viii) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: [ ]  
*(Either LIBOR, EURIBOR or other, although additional information may be required if other – including any amendment to fallback provisions in Condition 4(b)(iv))*
- Interest Determination Date(s): [Same as Condition 4(b)(iv)(F)/specify other]
- Relevant Screen Page: [ ]  
*(In the case of EURIBOR, if not Reuters Page EURIBOR01, ensure it is a page which shows a composite rate)*

- (ix) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [ ]
- Designated Maturity: [ ]
- Reset Date: [ ]
- (x) Margin(s): [ +/- ] [ ] per cent. per annum
- (xi) Minimum Rate of Interest: [ ] per cent. per annum
- (xii) Maximum Rate of Interest [ ] per cent. per annum
- (xiii) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual]  
[Actual/365 (Fixed)]  
[Actual/360]  
[30/360] [360/360] [Bond Basis]  
[30E/360] [Eurobond Basis]  
[30E/360 (ISDA)]  
[Actual/365 (Sterling)]  
[Other]  
(See Condition 4(b)(vi) for alternatives)
- (xiv) Fall back provisions, rounding provisions, and any other terms relating to the method of calculating interest on Floating Rate Notes, including if different from those set out in the Conditions: [ ]  
(Give details. For example, if the Interest Period(s) shall be adjusted/unadjusted)  
  
[N.B. If Uridashi Notes or if calculation on a “per denomination” basis is required for other reasons, specify “While the Floating Rate Notes are represented by a global Note, for each relevant Interest Period, apply the Rate of Interest to the Calculation Amount pursuant to Condition 4(b)(vi)(C)”]
17. **Zero Coupon Note Provisions** [Applicable/Not Applicable]  
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Accrual Yield: [ ] per cent. per annum
- (ii) Reference Price: [ ]
- (iii) Any other formula/basis of determining amount payable: [ ]
- (iv) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/specify other]
- (v) Applicable Business Centres for purposes of “Business Day” Definition: [London/specify others]
- (vi) Party responsible for calculating the amount due (if not the Agent): [ ] [Not Applicable]

18. **Index Linked Interest Note/other variable-linked interest Note Provisions<sup>(4)</sup>** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Index/Formula/other variable: [give or annex details]
- (ii) Party responsible for calculating the principal and/or interest due (if not the Agent): [ ]
- (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable: [ ]
- (iv) Interest Determination Date(s): [ ]
- (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [Include a description of market disruption or settlement disruption events and adjustment provisions, if applicable]
- (vi) Interest Period(s) or other calculation period(s): [ ]  
*[N.B. If Uridashi Notes, specify “While the Floating Rate Notes are represented by a global Note, for each relevant Interest Period, apply the Rate of Interest to the Calculation Amount pursuant to Condition 4(b)(vi)(C)”]*
- (vii) Determination Date(s): [give or annex details]
- (viii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (ix) Applicable Business Centre(s) for purposes of “Business Day” Definition [London/specify others]
- (x) Minimum Rate of Interest/ Interest Amount: [ ] per cent. per annum
- (xi) Maximum Rate of Interest/ Interest Amount: [ ] per cent. per annum
- (xii) Day Count Fraction: [ ]
19. **Dual Currency Note Provisions<sup>(4)</sup>** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give or annex details]
- (ii) Party, if any, responsible for calculating the principal and/or

- interest due (if not the Agent):
- (iii) Provisions applicable where calculation by reference to Rate of Exchange is impossible or impracticable: [     ]
  - (iv) Person at whose option Specified Currency(ies) is/are payable: [     ]
  - (v) Determination Date(s): [give or annex details]

**PROVISIONS RELATING TO REDEMPTION**

20. **Issuer Call Option** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [     ]
  - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [[                    ] per Calculation Amount/specify other/see Appendix]
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount: [     ] per Calculation Amount
    - (b) Maximum Redemption Amount: [     ] per Calculation Amount
  - (iv) The applicable period of notice to Noteholders (if different from that set out in the Conditions):<sup>(5)</sup> [Same as Condition 6(d)/specify other]
  - (v) The applicable period of notice to the Agent (if different from that set out in the Conditions):<sup>(5)</sup> [Same as Condition 6(d)/specify other]

21. **Investor Put Option** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [     ]
  - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [[                    ] per Calculation Amount/specify other/see Appendix]
  - (iii) Notice period (if other than as set out in the Conditions):<sup>(5)</sup> [Same as Condition 6(e)/specify other]
  - (iv) Other details: [     ]

22. **Final Redemption Amount of each Note** <sup>(4)</sup> [ ] per Calculation Amount/[other (*give details*)/see Appendix]/[Par]
- In cases where the Final Redemption Amount is Index Linked or other variable-linked: [Applicable/Not Applicable]
- (*If not Index Linked or other variable-linked, delete the remaining sub-paragraphs of this paragraph*)
- (i) Index/Formula/variable: [*give or annex details*]
- (ii) Party, if any, responsible for calculating the Final Redemption Amount (if not the Agent): [ ]
- (iii) Provisions for determining the Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [ ]
- (iv) Determination Date(s): [ ]
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [ ]
- (vi) Payment Date: [*Include details if payments are made other than on the Maturity Date*]
- (vii) Minimum Final Redemption Amount: [ ] per Calculation Amount
- (viii) Maximum Final Redemption Amount: [ ] per Calculation Amount

23. **Early Redemption Amount:**

Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions): [ ] per Calculation Amount/[other (*give details*)/see Appendix]/[Par]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

24. Form of Notes:

**Bearer Notes:**

[A Temporary Global Note in bearer form without Coupons will be deposited with a common depository or, as the case may be, a common safekeeper for Clearstream Banking, société anonyme (“*Clearstream, Luxembourg*”) and Euroclear Bank S.A./N.V. (“*Euroclear*”) on

or about [the Issue Date/specify other date]. The Temporary Global Note is exchangeable for a Permanent Global Note in bearer form not earlier than the date that is 40 days following completion of the distribution of the Notes and upon certification of non-U.S. beneficial ownership.]

[A Temporary Global Note exchangeable for security printed definitive Notes on and after the Exchange Date.]

[A Permanent Global Note is exchangeable in whole, but not in part, for security printed definitive Notes (a) at the request of the Issuer; (b) [upon the Noteholders instructing Euroclear, Clearstream, Luxembourg or any other agreed clearing system in which such Permanent Global Note is being held to give at least 60 days' written notice to the Agent[, subject to the payment of costs in connection with the printing and distribution of definitive Notes]/[(free of charge)]; and/or (c) (free of charge) upon the occurrence of an Exchange Event (as described in "Form of the Notes" in the Prospectus dated 26 September 2008).][Paragraph (b) above applies to Notes issued by TMCC only. If paragraphs (a) or (b) are inserted, Notes cannot be issued with "€50,000 + €1,000" Specified Denominations. TMCC cannot issue Notes with "€50,000 + €1,000" Specified Denominations.]

[N.B. TMF, TCCI and TFA only: in respect of Notes with "€50,000 + €1,000" Specified Denominations, (i) a Permanent Global Note can only be exchangeable for definitive Notes upon an Exchange Event, and (ii) the Temporary Global Note can only be exchangeable for a Permanent Global Note.] [A Permanent Global Note is exchangeable (free of charge) in whole, but not in part for security printed definitive Notes only upon the occurrence of an Exchange Event (as described in "Form of the Notes" in the Prospectus dated 26 September 2008).]

[N.B. Only TCCI may issue Registered Notes] [Registered Global Note exchangeable (free of charge) for security printed definitive Notes only upon an Exchange Event (as defined in the Registered Global Note)]

25. New Global Note:

[Yes][No]

[N.B. TFA cannot issue Notes which are New Global Notes.]



26. Any additional Applicable Business Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/give details]  
*(Note that this item relates to the place of payment and not Interest Period end dates to which items 15(ii), 16(v) and 18(ix) relate)*
27. Talons for future Coupons or Receipts to be attached to definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
28. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/give details]
29. Details relating to Instalment Notes: [Not Applicable/give details]  
(i) Instalment Amount(s): [ ]  
(ii) Instalment Date(s): [ ]
30. Whether the Notes will be subject to redenomination or exchange into euros: [Yes/No](If yes, specify the applicable terms in full)
31. Further issues and consolidation provisions: The Issuer may from time to time, without the consent of the holders of Notes, Receipts or Coupons of this Series, create and issue further Notes of this Series having the same terms and conditions as the Notes (or the same terms and conditions save for the Issue Date, the amount and the date of the first payment of interest thereon and/or the Issue Price) so that the same shall be consolidated and form a single Series with the outstanding Notes and references in the Conditions to the “Notes” shall be construed accordingly
32. Other final terms or special conditions: [Give details]  
Negative Pledge covenant set out in Condition 3 is [Not Applicable][Applicable]  
*(For Notes issued by TCCI in Canada, specify if Condition 7 is not applicable and set out any taxation of payment provisions other than as set out in Condition 7)*  
*(When adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a Supplementary Prospectus under Article 16 of the Prospectus Directive.)*

## DISTRIBUTION

33. (i) If syndicated, names of Managers: [Not Applicable/give details]  
*(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers)*
- (ii) [Date of Syndicate Purchase Agreement: [ ]]\*
- [(iii)] Stabilising Manager (if any): [Not Applicable/give name]
34. If non-syndicated, name of relevant Dealer/Purchaser: [Not Applicable/give name]
35. U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D/TEFRA rules not applicable]  
*(TEFRA D will be applicable to certain legended Notes issued by TMCC maturing in 183 days or less)*
35. Additional selling restrictions Selling restrictions, including those applicable to the United States, United Kingdom, European Economic Area, Japan, the Netherlands, Canada, Australia, New Zealand, Hong Kong and Switzerland are set out in the Prospectus dated 26 September 2008 and Appendix 2 of the Amended and Restated Programme Agreement dated 26 September 2008 [and the Syndicate Purchase Agreement dated [ ]], among the Managers and the Issuer][Add additional country-specific selling restrictions]

## [PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the [London Stock Exchange’s Regulated Market/specify other relevant regulated market] of the Notes described herein pursuant to the €40,000,000,000 Euro Medium Term Note Programme of Toyota Motor Finance (Netherlands) B.V., Toyota Credit Canada Inc., Toyota Finance Australia Limited and Toyota Motor Credit Corporation.]

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [[Relevant third party information] has been extracted from [specify source]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:.....

*Duly authorised*

cc: The Bank of New York Mellon

## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the London Stock Exchange’s Regulated Market] [other/specify details] with effect from [ ]. [Other] [Not Applicable.]

*(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)*

- (ii) Estimate of total expenses related to admission to trading: [ ]

### 2. RATINGS

Programme Ratings: For information on Programme Ratings see “*General Information—Credit Ratings*” in the Prospectus dated 26 September 2008. [The Notes to be issued have been rated:

[S & P: [ ]]

[Moody’s: [ ]]

[[Other]: [ ]]

[Need to include a brief explanation of the meaning of the ratings if an explanation different from that contained in the Prospectus has previously been published by the rating provider.]

*(The above disclosure should reflect the rating allocated to particular Notes where the issue has been specifically rated.)*

### 3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusions of the following statement:

“Save as discussed in “*Subscription and Sale*” in the Prospectus dated 26 September 2008, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.” [*Amend as appropriate if there are other interests*]

*[When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a Supplementary Prospectus under Article 16 of the Prospectus Directive.]*

#### 4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

[(i) Reasons for the offer: As set out in “Use of Proceeds” in the Prospectus dated 26 September 2008

*(See “Use of Proceeds” wording in the Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here)*

[(ii)] Estimated net proceeds: [ ] ([before]/[after] deduction of estimated expenses]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

[(iii)] Estimated total expenses: [ ] [Include breakdown of expenses (e.g. legal fees)]

*(N.B.: If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, (i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in (i), disclosure of net proceeds and total expenses at (ii) and (iii) above are also required)*

#### 5. Fixed Rate Notes only - YIELD

Indication of yield: [ ]

[The yield is the internal rate of return of the cash flows over the duration of the Notes assuming an initial amount of [ ] per cent. and final amount of [ ] per cent.]

*[Include alternative method of calculating yield in summary form.]*

[As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield]

[Not applicable to unlisted Notes]

#### 6. Index Linked or other variable-linked Notes only - PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING AND POST ISSUANCE INFORMATION

*[Need to include details of where past and future performance and volatility of the index/formula can be obtained.]*

*[Need to include a description of any market disruption or settlement disruption events that affect the underlying.]*

*[Need to include adjustment rules in relation to events concerning the underlying.]*

*[Where the underlying is (i) a security, need to include the name of the Issuer and the ISIN or other security identification code of the security, (ii) an index, need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the*

*Issuer need to include details of where the information about the index can be obtained, (iii) an interest rate, need to include a description of the interest rate, or (iv) a basket of underlyings, need to include disclosure of the relevant weightings of each underlying in the basket. Where the underlying does not fall within these categories need to include equivalent information. \*]*

[Give details][Not applicable]

[The Issuer intends to provide post-issuance information [specify what information will be reported and where it can be obtained] [does not intend to provide post-issuance information on the underlying]

[The Issuer intends to provide post-issuance information [specify what information will be reported and where it can be obtained] [does not intend to provide post-issuance information on the underlying]

[Not Applicable to unlisted Notes]

*(N.B. This paragraph 6 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies)*

## **7. Dual Currency Notes only - PERFORMANCE OF RATE[S] OF EXCHANGE**

*[Need to include details of where past and future performance and volatility of the relevant rates can be obtained.]*

*[Need to include a description of any market disruption or settlement disruption events that affect the underlying.]*

*[Need to include adjustment rules in relation to events concerning the underlying.]*

[Give details][Not Applicable]

[Not Applicable to unlisted Notes]

*(N.B. This paragraph 7 only applies if the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies)*

## **8. OPERATIONAL INFORMATION**

- (i) ISIN Code: [Give details] [Not Applicable]
- (ii) Common Code: [Give details] [Not Applicable]
- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
- (iv) Delivery: Delivery [against/free of] payment
- (v) Names and addresses of additional Paying Agent(s) (if any): [Give details][Not Applicable]

(vi) Notes to be held in a manner which would allow Eurosystem eligibility:

[Yes] [No]

[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the international central securities depositaries as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] *[include this text if “yes” selected in which case the Notes must be issued in NGN form]*

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Notes:

(1) Only include details of a Supplementary Prospectus in which the Conditions have been amended or information added for the purposes of all future issues under the Programme.

(2) Article 14.2 of the Prospectus Directive provides that a Prospectus is deemed available to the public when, inter alia, made available (i) in printed form free of charge at the offices of the market on which securities are being admitted to trading; or (ii) at the registered office of the Issuer and at the offices of the financial intermediaries placing or selling the securities, including Paying Agents; or (iii) in an electronic form on the Issuer's website; or (iv) in an electronic form on the website of the regulated market where the admission to trading is sought. Article 16 of the Prospectus Directive requires that the same arrangements are applied to Supplementary Prospectuses.

(3) Section 6: Where the Notes have a maturity of less than one year and the issue proceeds are to be accepted in the United Kingdom, such Notes will be subject to section 19 FSMA unless their denomination is £100,000 or more (or its equivalent in other currencies) and they are only issued to “professionals” within Article 9(2)(a) of the Financial Services and Markets Act (Regulated Activities) Order 2001. Add the following language:

“Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).”

(4) If the Final Redemption Amount is other than 100 per cent. of the nominal value, the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.

(5) If setting notice periods which are different to those provided in the terms and conditions, Issuers are advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and its fiscal agent.

\* Required for derivative securities to which Annex XII of the Prospectus Directive Regulation applies. See footnote 4 above.

**FORM OF FINAL TERMS IN CONNECTION WITH ISSUES OF NOTES WITH A  
DENOMINATION OF LESS THAN €50,000 (OR EQUIVALENT) TO BE ADMITTED TO  
TRADING ON AN EEA REGULATED MARKET AND/OR OFFERED TO THE PUBLIC  
ON A NON-EXEMPT BASIS IN THE EEA**

**Final Terms**

Dated [     ]

[TOYOTA MOTOR FINANCE (NETHERLANDS) B.V.]  
[TOYOTA CREDIT CANADA INC.]  
[TOYOTA FINANCE AUSTRALIA LIMITED (ABN 48 002 435 181)]  
[TOYOTA MOTOR CREDIT CORPORATION]

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
under the €40,000,000,000  
Euro Medium Term Note Programme  
established by  
**Toyota Motor Finance (Netherlands) B.V., Toyota Credit Canada Inc.,  
Toyota Finance Australia Limited and Toyota Motor Credit Corporation**

**PART A – CONTRACTUAL TERMS**

[The Prospectus dated 26 September 2008 [as supplemented from time to time] referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a “*Relevant Member State*”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly, any person making or intending to make an offer of the Notes may only do so in:

- (i) circumstances in which no obligation arises for the Issuer or any Dealer or Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case in relation to such offer; or
- (ii) those Public Offer Jurisdictions mentioned in Paragraph 10 of Part B below, provided such person is one of the persons mentioned in Paragraph 10 of Part B below and that such offer is made during the Offer Period specified for such purposes therein.

Neither the Issuer nor any Dealer or Manager has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.]

*[Include the above legend where a non-exempt offer of Notes is anticipated.]*

[The Prospectus dated 26 September 2008 referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a “*Relevant Member State*”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly, any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer or Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer or Manager has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.]

*[Include the above legend where only an exempt offer of Notes is anticipated.]*



Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 26 September 2008 [and the Supplementary Prospectus(es) dated [ ]],<sup>(1)</sup> which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “*Prospectus Directive*”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus [as so supplemented], including all documents incorporated by reference therein. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus [as so supplemented]. The Prospectus [and the Supplementary Prospectus] [is] [are] available for viewing and copies may be obtained from the principal office in London, England of The Bank of New York Mellon, the issuing and principal paying agent for the Notes, at One Canada Square, London E14 5AL and at [www.londonstockexchange.com/rns](http://www.londonstockexchange.com/rns).<sup>(2)</sup>

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Prospectus or Offering Circular with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “*Conditions*”) set forth in and extracted from the Offering Circular dated [ ] and which are incorporated by reference in the Prospectus dated 26 September 2008. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “*Prospectus Directive*”) and must be read in conjunction with the Prospectus dated 26 September 2008 [and the Supplementary Prospectus(es) dated [ ]],<sup>(1)</sup> which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, including the Conditions which are extracted from the Offering Circular dated [ ] and incorporated by reference in the Prospectus dated 26 September 2008 and which are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus dated 26 September 2008 [and the Supplementary Prospectus(es) dated [ ]]. The Prospectus [and the Supplementary Prospectus(es)] are available for viewing and copies may be obtained from the principal office in London, England of The Bank of New York Mellon, the issuing and principal paying agent for the Notes, at One Canada Square, London E14 5AL and at [www.londonstockexchange.com/rns](http://www.londonstockexchange.com/rns).<sup>(2)</sup>

*[Include whichever of the following apply or specify as “Not Applicable”. Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.]*

*[When completing any Final Terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Prospectus under Article 16 of the Prospectus Directive.]*

- |    |         |                           |   |
|----|---------|---------------------------|---|
| 1. | (i)     | Issuer:                   | [ ] (the “ <i>Issuer</i> ”)                                       |
|    | (ii)    | Credit Support Providers: | Toyota Motor Corporation<br>Toyota Financial Services Corporation |
| 2. | [(i)]   | Series Number:            | [ ]   |
|    | [(ii)]  | Tranche Number:           | <i>[Delete if not applicable]</i>                                 |
|    | [(iii)] | Uridashi Notes:           | [Applicable]<br><i>[Delete if not applicable]</i>                 |

*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*

3. Specified Currency (or Currencies in the case of Dual Currency Notes): [ ]
4. Aggregate Nominal Amount of Notes: [ ]
- [(i)] Series: [ ] [*Delete if not applicable*]
- [(ii)] Tranche: [ ] [*Delete if not applicable*]
5. Issue Price: [ ] per cent. of the Aggregate Nominal Amount of Notes [plus accrued interest from [insert date] (*in the case of fungible issues only, if applicable*)]
6. (i) Specified Denominations: [ ]<sup>(3)</sup>  
[ ]
- (ii) Calculation Amount: [ ]
- (If there is only one Specified Denomination, insert the Specified Denomination.*
- If there is more than one Specified Denomination insert the highest common factor of those Specified Denominations. N.B. there must be a common factor in the case of two or more Specified Denominations)*
7. (i) Issue Date: [ ]
- (ii) Interest Commencement Date: [*Specify: Issue Date/Not Applicable*]
8. Maturity Date: [*Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
9. Interest Basis: [[ ] per cent. Fixed Rate]  
[[*Specify reference rate*] +/- [ ] per cent. Floating Rate]  
[Zero Coupon]  
[Index Linked Interest]  
[Range Accrual Interest]  
[Dual Currency Interest]  
[Other (*specify*)]  
(further particulars specified below)
10. Redemption/Payment Basis:<sup>(4)</sup> [Redemption at par]  
[Index Linked Redemption]  
[Dual Currency]  
[Partly Paid]  
[Instalment]  
[Other (*specify*)]
11. Change of Interest Basis or Redemption/Payment Basis: [*Specify details of any provision for convertibility of Notes into another Interest Basis or Redemption/Payment Basis*]

12. Investor Put/Issuer Call Options: [Investor Put Option]  
[Issuer Call Option]  
[(further particulars specified below)]  
[Not Applicable]
13. (i) Status of the Notes: Senior
- (ii) Nature of the Credit Support: See “*Relationship of TFS and the Issuers with the Parent*” in the Prospectus dated 26 September 2008
- (iii) [Date [Board] approval for issuance of Notes obtained:] [See “*General Information—Authorisation*” section of the Prospectus dated 26 September 2008 for the relevant board approval dates for the Programme]  
*(Where Board (or similar) authorisation is required for the particular tranche of Notes or related Credit Support) [ ] [and [ ], respectively]*
14. Method of distribution: [Syndicated/Non-syndicated]

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Fixed Rate[(s)] of Interest: [ ] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (*specify*)] in arrear on each Interest Payment Date]
- (ii) Interest Payment Date(s): [ ] in each year, commencing on [ ], to and including [ ] [adjusted in accordance with [*specify Business Day Convention and any Applicable Business Centre(s) for the definition of “Business Day” [with no adjustment for period end dates]*]/not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [ ] per Calculation Amount payable [annually/semi-annually/quarterly/monthly]  
*(Applicable to Notes in definitive form or “Uridashi Notes”)*  
[*N.B. If Uridashi Notes, specify “This Fixed Coupon Amount applies if the Fixed Rate Notes are represented by a global Note or are in definitive form”*]
- (iv) Broken Amount(s): [ ] per Calculation Amount payable on the Interest Payment Date falling [in/on] [ ]  
*(Applicable to Notes in definitive form or “Uridashi Notes”)*  
*[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)]]*  
*[N.B. If Uridashi Notes, specify “This Broken Amount applies if the Fixed Rate Notes are*

*represented by a global Note or are in definitive form”]*

- (v) Fixed Day Count Fraction: [Actual/Actual (ICMA)] or [Actual/Actual (ISDA)] or [30/360] or [Actual/360] or [other (*specify*)]
- (vi) Determination Date(s): [ ] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. (N.B. This will need to be amended in the case of regular interest periods which are not of equal duration.) N.B. Only relevant where the Fixed Day Count Fraction is Actual/Actual (ICMA)*)  
[Not Applicable]
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/*give details*]
16. **Floating Rate Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Specified Period(s): [ ]
- (ii) Specified Interest Payment Dates: [ ]
- (iii) First Interest Payment Date: [ ]
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
- (v) Applicable Business Centre(s) for purposes of “Business Day” definition: [London/*specify others*]
- (vi) Manner in which the Rate(s) of Interest and Interest Amount(s) is/are to be determined: [Screen Rate Determination/ISDA Determination/other (*give details – e.g. Range Accrual Notes*)]
- (vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Agent): [ ]
- (viii) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: [ ] (*Either LIBOR, EURIBOR or other, although additional information may be required if other – including any amendment to fallback provisions in Condition 4(b)(iv)*)
- Interest Determination Date(s): [Same as Condition 4(b)(iv)(F)/*specify other*]

- Relevant Screen Page: [ ]  
*(In the case of EURIBOR, if not Reuters Page EURIBOR01, ensure it is a page which shows a composite rate)*
- (ix) ISDA Determination: [Applicable/Not Applicable]  
 - Floating Rate Option: [ ]  
 - Designated Maturity: [ ]  
 - Reset Date: [ ]
- (x) Margin(s): [+/-][ ] per cent. per annum
- (xi) Minimum Rate of Interest: [ ] per cent. per annum
- (xii) Maximum Rate of Interest [ ] per cent. per annum
- (xiii) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual]  
 [Actual/365 (Fixed)]  
 [Actual/360]  
 [30/360] [360/360] [Bond Basis]  
 [30E/360] [Eurobond Basis]  
 [30E/360 (ISDA)]  
 [Actual/365 (Sterling)]  
 [Other]  
*(See Condition 4(b)(vi) for alternatives)*
- (xiv) Fall back provisions, rounding provisions, and any other terms relating to the method of calculating interest on Floating Rate Notes, including if different from those set out in the Conditions: [ ] *(Give details. For example, if the Interest Period(s) shall be adjusted/unadjusted)*  
*[N.B. If Uridashi Notes or if calculation on a “per denomination” basis is required for other reasons, specify “While the Floating Rate Notes are represented by a global Note, for each relevant Interest Period, apply the Rate of Interest to the Calculation Amount pursuant to Condition 4(b)(vi)(C)”]*
17. **Zero Coupon Note Provisions** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Accrual Yield: [ ] per cent. per annum
- (ii) Reference Price: [ ]
- (iii) Any other formula/basis of determining amount payable: [ ]
- (iv) Business Day Convention: [Following Business Day Convention/Modified Following Business Day Convention/specify other]
- (v) Applicable Business Centres for purposes of “Business Day” Definition: [London/specify others]
- (vi) Party responsible for calculating [ ] [Not Applicable]

the amount due (if not the Agent):

18. **Index Linked Interest Note/other variable-linked interest Note Provisions<sup>(4)</sup>** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Index/Formula/other variable: [give or annex details]
- (ii) Party responsible for calculating the principal and/or interest due (if not the Agent): [ ]
- (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable: [ ]
- (iv) Interest Determination Date(s): [ ]
- (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [need to include a description of market disruption or settlement disruption events and adjustment provisions]
- (vi) Interest Period(s) or other calculation period(s): [ ]  
*[N.B. If Uridashi Notes, specify “While the Floating Rate Notes are represented by a global Note, for each relevant Interest Period, apply the Rate of Interest to the Calculation Amount pursuant to Condition 4(b)(vi)(C)”]*
- (vii) Determination Date(s): [give or annex details]
- (viii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (ix) Applicable Business Centre(s) for purposes of “Business Day” Definition [London/specify others]
- (x) Minimum Rate of Interest/Interest Amount: [ ] per cent. per annum
- (xi) Maximum Rate of Interest/Interest Amount: [ ] per cent. per annum
- (xii) Day Count Fraction: [ ]
19. **Dual Currency Note Provisions<sup>(4)</sup>** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate of Exchange/method of [give or annex details]

calculating Rate of Exchange:

- (ii) Party, if any, responsible for calculating the principal and/or interest due (if not the Agent): [ ]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange is impossible or impracticable: [ ]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [ ]
- (v) Determination Date(s): [give or annex details]

**PROVISIONS RELATING TO REDEMPTION**

20. **Issuer Call Option** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [[ ] per Calculation Amount/specify other/see Appendix]
- (iii) If redeemable in part:
  - (a) Minimum Redemption Amount: [ ] per Calculation Amount
  - (b) Maximum Redemption Amount: [ ] per Calculation Amount
- (iv) The applicable period of notice to Noteholders (if different from that set out in the Conditions):<sup>(5)</sup> [Same as Condition 6(d)/specify other]
- (v) The applicable period of notice to the Agent (if different from that set out in the Conditions):<sup>(5)</sup> [Same as Condition 6(d)/specify other]

21. **Investor Put Option** [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*

- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [[ ] per Calculation Amount/specify other/see Appendix]
- (iii) Notice period (if other than as set out in the Conditions):<sup>(5)</sup> [Same as Condition 6(e)/specify other]

- (iv) Other details: [ ]
22. **Final Redemption Amount of each Note**<sup>(4)</sup> [ ] per Calculation Amount/[other (*give details*)/see Appendix]/[Par]
- In cases where the Final Redemption Amount is Index Linked or other variable-linked: [Applicable/Not Applicable]  
(*If not Index Linked or other variable-linked, delete the remaining sub-paragraphs of this paragraph*)
- (i) Index/Formula/variable: [*give or annex details*]
- (ii) Party, if any, responsible for calculating the Final Redemption Amount (if not the Agent): [ ]
- (iii) Provisions for determining the Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: [ ]
- (iv) Determination Date(s): [ ]
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [ ]
- (vi) Payment Date: [*Include details if payments are made other than on the Maturity Date*]
- (vii) Minimum Final Redemption Amount: [ ] per Calculation Amount
- (viii) Maximum Final Redemption Amount: [ ] per Calculation Amount

23. **Early Redemption Amount:**

Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions): [ ] per Calculation Amount/[other (*give details*)/see Appendix]/[Par]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

24. Form of Notes:

**Bearer Notes:**

[A Temporary Global Note in bearer form without Coupons will be deposited with a common depositary or, as the case may be, a common safekeeper for Clearstream Banking, société anonyme (“*Clearstream, Luxembourg*”)]



and Euroclear Bank S.A./N.V. (“Euroclear”) on or about [the Issue Date/specify other date]. The Temporary Global Note is exchangeable for a Permanent Global Note in bearer form not earlier than the date that is 40 days following completion of the distribution of the Notes and upon certification of non-U.S. beneficial ownership.]

[A Temporary Global Note exchangeable for security printed definitive Notes on and after the Exchange Date.]

[A Permanent Global Note is exchangeable in whole, but not in part, for security printed definitive Notes (a) at the request of the Issuer; (b) [upon the Noteholders instructing Euroclear, Clearstream, Luxembourg or any other agreed clearing system in which such Permanent Global Note is being held to give at least 60 days’ written notice to the Agent[, subject to the payment of costs in connection with the printing and distribution of definitive Notes]/[(free of charge)]; and/or (c) (free of charge) upon the occurrence of an Exchange Event (as described in “Form of the Notes” in the Prospectus dated 26 September 2008).][Paragraph (b) above applies to Notes issued by TMCC only]

[N.B. Only TCCI may issue Registered Notes]  
[Registered Global Note exchangeable (free of charge) for security printed definitive Notes only upon an Exchange Event (as defined in the Registered Global Note)]

25. New Global Note: [Yes][No]  
[N.B. TFA cannot issue Notes which are New Global Notes.]
26. Any additional Applicable Business Centre(s) or other special provisions relating to Payment Dates: [Not Applicable/give details]  
(Note that this item relates to the place of payment and not Interest Period end dates to which items 15(ii), 16(v) and 18(ix) relate)
27. Talons for future Coupons or Receipts to be attached to definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]
28. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: [Not Applicable/give details]
29. Details relating to Instalment Notes: [Not Applicable/give details]

- (i) Instalment Amount(s): [ ]
- (ii) Instalment Date(s): [ ]
30. Whether the Notes will be subject to redenomination or exchange into euros: [Yes/No](If yes, specify the applicable terms in full)
31. Further issues and consolidation provisions: The Issuer may from time to time, without the consent of the holders of Notes, Receipts or Coupons of this Series, create and issue further Notes of this Series having the same terms and conditions as the Notes (or the same terms and conditions save for the Issue Date, the amount and the date of the first payment of interest thereon and/or the Issue Price) so that the same shall be consolidated and form a single Series with the outstanding Notes and references in the Conditions to the “Notes” shall be construed accordingly
32. Other final terms or special conditions: [Give details]
- Negative Pledge covenant set out in Condition 3 is [Not Applicable][Applicable]
- (For Notes issued by TCCI in Canada, specify if Condition 7 is not applicable and set out any taxation of payment provisions other than as set out in Condition 7)*
- (When adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a Supplementary Prospectus under Article 16 of the Prospectus Directive.)*

## DISTRIBUTION

33. (i) If syndicated, names [and addresses] of Managers [and underwriting commitments]: [Not Applicable/give details [and addresses and underwriting commitments]]
- (Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)*
- (ii) Date of Syndicate Purchase Agreement: [ ]
- (iii) Stabilising Manager (if any): [Not Applicable/give name]
34. If non-syndicated, name [and address] of relevant Dealer/Purchaser: [Not Applicable/give name [and address]]

35. Total commission and concession: [[ ] per cent. of the Aggregate Nominal Amount of Notes]/[See Paragraph 10 of Part B below]
36. U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D/TEFRA rules not applicable]  
*(TEFRA D will be applicable to certain legended Notes issued by TMCC maturing in 183 days or less)*
37. Non-exempt Offer: [Not Applicable]/[Applicable – see Paragraph 10 of Part B below]
38. Additional selling restrictions Selling restrictions, including those applicable to the United States, United Kingdom, the European Economic Area, Japan, the Netherlands, Canada, Australia, New Zealand, Hong Kong and Switzerland are set out in the Prospectus dated 26 September 2008 and Appendix 2 of the Amended and Restated Programme Agreement dated 26 September 2008 [and the Syndicate Purchase Agreement dated [ ]], among the Managers and the Issuer][*Add additional country-specific selling restrictions*]

**[PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue [and][,] [public offer in the Public Offer Jurisdictions] [and] admission to trading on the [London Stock Exchange’s Regulated Market/*specify other relevant regulated market*] of the Notes described herein pursuant to the €40,000,000,000 Euro Medium Term Note Programme of Toyota Motor Finance (Netherlands) B.V., Toyota Credit Canada Inc., Toyota Finance Australia Limited and Toyota Motor Credit Corporation.]

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms. [*Relevant third party information*] has been extracted from [*specify source*]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:.....

*Duly authorised*

cc: The Bank of New York Mellon

## PART B – OTHER INFORMATION

### 1. LISTING

[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the London Stock Exchange’s Regulated Market] [other/specify details] with effect from [ ].  
[Other] [Not Applicable.]

*(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)*

### 2. RATINGS

Programme Ratings:

For information on Programme Ratings see “*General Information—Credit Ratings*” in the Prospectus dated 26 September 2008. [The Notes to be issued have been rated:

[S & P: [ ]]

[Moody’s: [ ]]

[[Other]: [ ]]

*[Need to include a brief explanation of the meaning of the ratings if an explanation different from that contained in the Prospectus has previously been published by the rating provider.]*

*(The above disclosure should reflect the rating allocated to particular Notes where the issue has been specifically rated.)*

### 3. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusions of the following statement:

“Save as discussed in “*Subscription and Sale*” in the Prospectus dated 26 September 2008, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.” *[Amend as appropriate if there are other interests]*

*[When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a Supplementary Prospectus under Article 16 of the Prospectus Directive.]*

#### 4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

[(i) Reasons for the offer: As set out in “*Use of Proceeds*” in the Prospectus dated 26 September 2008

*(See “Use of Proceeds” wording in the Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here)*

[(ii) Estimated net proceeds: [ ] ([before]/[after] deduction of estimated expenses]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

[(iii) Estimated total expenses: [ ] [*Include breakdown of expenses (e.g. legal fees)*]

*(N.B.: If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies (i) above is required where the reasons for the offer are different from making profit and/or hedging certain risks and, where such reasons are inserted in (i), disclosure of net proceeds and total expenses at (ii) and (iii) above are also required)*

#### 5. Fixed Rate Notes only - YIELD

Indication of yield: [ ]

[The yield is the internal rate of return of the cash flows over the duration of the Notes assuming an initial amount of [ ] per cent. and final amount of [ ] per cent.]

*[Include alternative method of calculating yield in summary form.]*

[As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield]

[Not applicable to unlisted Notes]

#### 6. Floating Rate Notes only - HISTORIC INTEREST RATES

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters] [*Give other details*][Not Applicable][Not Applicable to unlisted Notes]

**7. Index Linked or other variable-linked Notes only - PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING AND POST ISSUANCE INFORMATION**

*[Need to include details of where past and future performance and volatility of the index/formula can be obtained.]*

*[Need to include a description of any market disruption or settlement disruption events that affect the underlying.]*

*[If there is a derivative component in the interest or the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies, need to include adjustment rules in relation to events concerning the underlying.]*

*[Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

*[Where the underlying is (i) a security, need to include the name of the Issuer and the ISIN or other security identification code of the security, (ii) an index, need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained, (iii) an interest rate, need to include a description of the interest rate, or (iv) a basket of underlyings, need to include disclosure of the relevant weightings of each underlying in the basket. Where the underlying does not fall within these categories need to include equivalent information. \*]*

*[Give details]*[Not applicable]

[The Issuer intends to provide post-issuance information *[specify what information will be reported and where it can be obtained]* [does not intend to provide post-issuance information on the underlying]

[Not Applicable to unlisted Notes]

**8. Dual Currency Notes only - PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

*[Need to include details of where past and future performance and volatility of the relevant rates can be obtained.]*

*[Need to include a description of any market disruption or settlement disruption events that affect the underlying.]*

*[Need to include adjustment rules in relation to events concerning the underlying.]*

*[Need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

*[Give details]*[Not Applicable]

[Not Applicable to unlisted Notes]

**9. OPERATIONAL INFORMATION**

(i) ISIN Code: *[Give details]* [Not Applicable]

(ii) Common Code: *[Give details]* [Not Applicable]

- (iii) Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
- (iv) Delivery: Delivery [against/free of] payment
- (v) Names and addresses of additional Paying Agent(s) (if any): [Give details][Not Applicable]
- (vi) Notes to be held in a manner which would allow Eurosystem eligibility: [Yes] [No]  
 [Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the international central securities depositaries as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] [include this text if “yes” selected in which case the Notes must be issued in NGN form]

## 10. TERMS AND CONDITIONS OF THE PUBLIC OFFER <sup>(6)</sup>

The UK Listing Authority has provided the competent authorities in, inter alia, each of [Austria, Belgium, Finland, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Spain and Sweden [*delete irrelevant ones/others specify*]]<sup>(7)</sup> (together with the United Kingdom, the “*Public Offer Jurisdictions*”) with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive. Copies of these Final Terms will be provided to the competent authorities in the Public Offer Jurisdictions (save for the Austrian competent authority which has confirmed that it does not require such a copy).

The Issuer has agreed to allow the use of these Final Terms and the Prospectus by each of the Managers and any placers (authorised by any of the Managers) involved in the offer (the “*Placers*”) in connection with possible offers of the Notes to the public in the Public Offer Jurisdictions during the Offer Period.

Investors (as defined in the final paragraph on the first page of the Prospectus) intending to acquire or acquiring the Notes from any Offeror (as defined in the final paragraph on the first page of the Prospectus) should, as indicated in the legend, make appropriate enquiries as to whether that Offeror is acting in association with the Issuer. Whether or not the Offeror is described as acting in association with the Issuer, the Issuer’s only relationship is with the Managers and the Issuer has no relationship with or obligation to, nor shall it have any relationship with or obligation to, an Investor, save as may arise under any applicable law or regulation.

The Issuer is only offering to and selling to the Managers pursuant to and in accordance with the terms of the Syndicate Purchase Agreement.<sup>(8)</sup> All sales to persons other than the Managers will be made by the Managers or persons to whom they sell, and/or otherwise make arrangements with, including the Placers. The Issuer shall not be liable for any offers and/or sales of Notes to, or purchases of Notes by, Investors at any time (including during the Offer Period) (other than in respect of offers and sales to, and purchases of

Notes by, the Managers and only then pursuant to the Syndicate Purchase Agreement) which are made by Managers or Placers or any other Offeror in accordance with the arrangements in place between any such Manager, Placer or other Offeror and its customers. Any person selling Notes at any time during the Offer Period may not be a financial intermediary of the Issuer; any person selling Notes at any time after the Offer Period is not a financial intermediary of the Issuer.

Each of the Managers has acknowledged and agreed, and any Placer will be required by the Managers to acknowledge and agree, that for the purpose of offer(s) of the Notes the Issuer has passported the Prospectus into each of the Public Offer Jurisdictions and will not passport the Prospectus into any other European Economic Area Member State; accordingly, the Notes may only be publicly offered in Public Offer Jurisdictions during the Offer Period or offered to qualified investors (as defined in the Prospectus Directive) or otherwise in compliance with Article 3(2) of the Prospectus Directive in any other European Economic Area Member State pursuant to and in accordance with the Prospectus and the Final Terms (without modification or supplement); and that all offers of Notes by it will be made only in accordance with the selling restrictions set forth in the Prospectus and the provisions of these Final Terms and in compliance with all applicable laws and regulations, provided that no such offer of Notes shall require the Issuer or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive (or supplement a prospectus pursuant to Article 16 of the Prospectus Directive) or to take any other action in any jurisdiction other than as described above.

- (i) Offer Period: From the date of publication of these Final Terms being [ ] 200[ ] to [ ], [ ],<sup>(9)</sup> provided that the offer period will not commence in Germany until such time as the advertisement recommended by the competent authority in Germany has been duly published.<sup>(10)</sup>
- (ii) Offer Price: The Issuer has offered and will sell the Notes to the Managers (and no one else) at the Issue Price of [ ] per cent. less a total commission [and concession] of [ ] per cent. of the Aggregate Nominal Amount of Notes. Managers and Placers will offer and sell the Notes to their customers in accordance with arrangements in place between each such Manager and its customers (including Placers) or each such Placer and its customers by reference to the Issue Price and market conditions prevailing at the time.
- (iii) Conditions to which the offer is subject: Offers of the Notes are conditional on their issue and are subject to such conditions as are set out in the Syndicate Purchase Agreement. As between Managers and their customers (including Placers) or between Placers and their customers, offers of the Notes are further subject to such conditions as may be agreed between them and/or as is specified in the arrangements in place between them.
- (iv) Description of the application process: A prospective Noteholder will purchase the Notes in accordance with the arrangements in place between the relevant Manager and its customers or the relevant Placer and its customers, relating to the purchase of securities generally. Noteholders (other than Managers) will not enter into any contractual



		arrangements directly with the Issuer in connection with the offer or purchase of the Notes.
(v)	Description of possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants:	Not Applicable
(vi)	Details of the minimum and/or maximum amount of application (whether in number of Notes or aggregate amount to invest):	There are no pre-identified allotment criteria. The Managers and the Placers will adopt allotment and/or application criteria in accordance with customary market practices and applicable laws and regulations and/or as otherwise agreed between them.
(vii)	Method and time limits for paying up the Notes and for delivery of the Notes:	The Notes will be sold by the Issuer to the Managers on a delivery versus payment basis on the Issue Date. Prospective Noteholders will be notified by the relevant Manager or Placer of their allocations of Notes and the settlement arrangements in respect thereof.
(viii)	Manner and date in which results of the offer are to be made public:	Not Applicable
(ix)	Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable
(x)	Details of any tranche(s) reserved for certain countries:	Not Applicable
(xi)	Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made:	Prospective Noteholders will be notified by the relevant Manager or Placer in accordance with the arrangements in place between such Managers or Placers and its customers. Any dealings in the Notes which take place will be at the risk of prospective Noteholders.
(xii)	Amount of any expenses and taxes specifically charged to the Noteholders:	Not Applicable
(xiii)	Name(s) and address(es), to the extent known to the Issuer, of the Placers in the various countries where the offer takes place:	[None known to the Issuer][ <i>specify</i> ] <sup>(11)</sup>

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Notes:

(1) Only include details of a Supplementary Prospectus in which the Conditions have been amended or information added for the purposes of all future issues under the Programme.

(2) Article 14.2 of the Prospectus Directive provides that a Prospectus is deemed available to the public when, inter alia, made available (i) in printed form free of charge at the offices of the market on which securities are being admitted to trading; or (ii) at the registered office of the Issuer and at the offices of the financial intermediaries placing or selling the securities, including Paying Agents; or (iii) in an electronic form on the Issuer's website; or (iv) in an electronic form on the website of the regulated market where the admission to trading is sought. Article 16 of the Prospectus Directive requires that the same arrangements are applied to Supplementary Prospectuses.

(3) Section 6: Where the Notes have a maturity of less than one year and the issue proceeds are to be accepted in the United Kingdom, such Notes will be subject to section 19 FSMA unless their denomination is £100,000 or more (or its equivalent in other currencies) and they are only issued to “professionals” within Article 9(2)(a) of the Financial Services and Markets Act (Regulated Activities) Order 2001. Add the following language:

“Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).”

(4) If the Final Redemption Amount is other than 100 per cent. of the nominal value the Notes will be derivative securities for the purposes of the Prospectus Directive and the requirements of Annex XII to the Prospectus Directive Regulation will apply.

(5) If setting notice periods which are different to those provided in the terms and conditions, Issuers are advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and its fiscal agent.

(6) Consider the circumstances in which the items specified below need to be completed or marked “Not Applicable” by reference to the requirement of the relevant home and/or host Member States where any non-exempt public offer is being made, in compliance with the Prospectus Directive, as implemented in such Member States.

(7) Specify only the jurisdictions where public offers may be made.

(8) Assumes a syndicated transaction. If not a syndicated transaction – describe the dealer and the dealer agreement and replace references to Managers and Syndicate Purchase Agreement throughout.

(9) Any period longer than the Issue Date needs to be negotiated in advance of mandate as that extends the period when supplements will be required to be made for new information.

(10) Only required if Germany is included as a Public Offer Jurisdiction.

(11) If the Issuer is unaware of the identity of the Placers then insert “none known to the Issuer”. Otherwise insert the names (and addresses) of those that are known and include the following reference “(other Placers may become involved but as at the date of these Final Terms these are the only ones known to the Issuer)”.

\* Required for derivative securities to which Annex XII of the Prospectus Directive Regulation applies. See footnote 4 above.

## TERMS AND CONDITIONS OF THE NOTES

Save in respect of Notes which form a single Series with Notes issued prior to the date of this Prospectus, the following are the Terms and Conditions (the “Terms and Conditions”) of the Notes to be issued by each of the Issuers on or after the date of this Prospectus which (subject to completion and amendment and to the extent applicable) will be attached to or incorporated by reference into each global Note and which will be incorporated by reference or endorsed upon each definitive Note. The applicable Final Terms in relation to any Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms will be endorsed upon, or attached to, each temporary global Note, permanent global Note, global registered Note and definitive Note. Reference should be made to “Form of the Notes” in this Prospectus for the form of Final Terms which will include the definitions of certain terms used in the following Terms and Conditions.

Notes issued by Toyota Motor Finance (Netherlands) B.V., Toyota Finance Australia Limited and Toyota Motor Credit Corporation shall be issued in bearer form only. Notes issued by Toyota Credit Canada Inc. may be issued in bearer form or registered form, as indicated in the applicable Final Terms.

In the case of the Notes issued by Toyota Credit Canada Inc., the following restrictions should be noted: unless otherwise specified in the applicable Final Terms (i) the minimum maturity is five years from the Issue Date of such Notes; (ii) Notes may not be redeemed at the option of the Noteholders prior to the fifth anniversary of the Issue Date of such Notes; (iii) in the case of a Series of Notes redeemable in instalments, the aggregate amount of all instalments payable within the first five years may not exceed 25 per cent. of the nominal amount of such Notes; and (iv) except in the case of an Index Linked Note which qualifies as a “prescribed obligation” for the purposes of the Income Tax Act (Canada), no portion of the interest payable on a Note shall be contingent or dependent upon the use of or production from property in Canada or may be computed by reference to revenue, profit, cash flow, commodity price or any other similar criterion or by reference to dividends paid or payable to shareholders of any class of shares in the capital stock of a corporation.

This Note is one of a Series (as defined below) of Notes issued subject to, and with the benefit of, an amended and restated Agency Agreement dated 26 September 2008 (the “Agency Agreement”) and made between Toyota Motor Finance (Netherlands) B.V., Toyota Credit Canada Inc., Toyota Finance Australia Limited and Toyota Motor Credit Corporation as Issuers and The Bank of New York Mellon, as the issuing agent and (unless specified otherwise in the applicable Final Terms) principal paying agent and (unless specified otherwise in the applicable Final Terms) as calculation agent (the “Agent”, which expression shall include any successor agent or other Calculation Agent specified in the applicable Final Terms and the “Paying Agent”, which expression shall include any additional or successor paying agents). Notes in registered form issued by Toyota Credit Canada Inc. (“Registered Notes”) are also issued subject to, and with the benefit of, an amended and restated Note Agency Agreement dated 26 September 2008 (the “Note Agency Agreement”) and made between Toyota Credit Canada Inc. as Issuer, Royal Bank of Canada as the registrar (the “Registrar”, which expression shall include any successor registrar) and Royal Bank of Canada, London branch as paying agent (the “Canadian Paying Agent”, which expression shall include any additional or successor paying agent appointed for Registered Notes).

References in these Terms and Conditions to the “Notes” shall be references to the Notes of this Series and shall mean (i) in relation to any Notes represented by a global Note, units of the lowest Specified Denomination in the Specified Currency of the relevant Notes, (ii) definitive Notes issued in exchange (or part exchange) for a temporary or permanent global Note or global registered Note and (iii) any global Note.

Interest bearing definitive Notes in bearer form will (unless otherwise indicated in the applicable Final Terms) have interest coupons (“Coupons”) and, if indicated in the applicable

Final Terms, talons for further Coupons (“*Talons*”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons. Definitive Notes repayable in instalments have receipts (“*Receipts*”) for the payment of the instalments of principal (other than the final instalment) attached on issue.

The Notes, the Receipts and the Coupons have the benefit of certain Credit Support Agreements governed by Japanese law, one between Toyota Motor Corporation (the “*Parent*”) and Toyota Financial Services Corporation (“*TFS*”) dated 14 July 2000 as supplemented by a Supplemental Credit Support Agreement dated 14 July 2000 and a Supplemental Credit Support Agreement No. 2 dated 2 October 2000 (collectively, the “*Basic Agreement*”) and others between TFS and each of Toyota Motor Finance (Netherlands) B.V., Toyota Credit Canada Inc. and Toyota Finance Australia Limited dated 7 August 2000 and Toyota Motor Credit Corporation dated 1 October 2000 (each a “*Credit Support Agreement*” and together with the Basic Agreement the “*Credit Support Agreements*”). However, the Credit Support Agreements do not constitute a direct or indirect guarantee by the Parent or TFS of the Notes.

The Final Terms applicable to the Notes is attached hereto or endorsed hereon and supplements these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of the Notes. References herein to the “*applicable Final Terms*” shall mean the Final Terms attached hereto or endorsed hereon.

As used herein, “*Series*” means each original issue of Notes together with any further issues expressed to form a single series with the original issue and the terms of which (save for the Issue Date, the amount and the date of the first payment of interest thereon and/or the Issue Price (as indicated in the applicable Final Terms)) are identical (including the Maturity Date, Interest Basis, Redemption/Payment Basis and Interest Payment Dates (if any) and whether or not the Notes are admitted to trading) and expressions “*Notes of the relevant Series*” and related expressions shall be construed accordingly. As used herein, “*Tranche*” means all Notes of the same Series with the same Issue Date and Interest Commencement Date (if applicable).

Copies of the Agency Agreement (which contains the form of the Final Terms), the Prospectus dated 26 September 2008, the Credit Support Agreements and (if the Note is offered to the public in a Member State of the European Union, Iceland, Norway or Liechtenstein or admitted to trading on a regulated market within the meaning of the Prospectus Directive) the Final Terms applicable to the Note are available free of charge and available for inspection at the specified offices of the Agent. Copies of the Note Agency Agreement (if the Note is a Registered Note) are available free of charge and available for inspection by the holders of Registered Notes at the specified offices of the Registrar and the Canadian Paying Agent. The holders of the Notes (the “*Noteholders*”), which expression shall, in relation to any Notes represented by a global Note, be construed as provided in Condition 1, the holder of the Coupons (the “*Couponholders*”) and holders of Receipts (the “*Receiptholders*”) are deemed to have notice of the Agency Agreement and the applicable Final Terms, which are binding on them. The holders of Registered Notes are deemed to have notice of the Note Agency Agreement, which is binding on them.

Words and expressions defined in the Agency Agreement or (if the Note is a Registered Note) in the Note Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated. In the event of inconsistency between the Agency Agreement, (if the Note is a Registered Note) the Note Agency Agreement or the applicable Final Terms, the applicable Final Terms will prevail.

## **1. Form, Denomination and Title**

The Notes may be issued in bearer form (“*Bearer Notes*”) or, in respect of Notes issued by Toyota Credit Canada Inc., in bearer or registered form as set out in the applicable Final Terms and, in the case of definitive Bearer Notes, serially numbered, in the Specified Currency (or

Specified Currencies in the case of Dual Currency Notes) and in the Specified Denomination(s), all as specified in the applicable Final Terms.

Bearer Notes may not be exchanged for Registered Notes and *vice versa*.

The Note may be a Note bearing interest on a fixed rate basis (“*Fixed Rate Note*”), a Note bearing interest on a floating rate basis (“*Floating Rate Note*”), a Note issued on a non-interest bearing basis (“*Zero Coupon Note*”), a Note with respect to which interest is calculated by reference to an index, index basket and/or a formula (“*Index Linked Interest Note*”), a Note with respect to which interest is calculated by reference to certain parameters (“*Range Accrual Note*”) or any combination of the foregoing, depending upon the interest basis specified in the applicable Final Terms. The Note may be a Note with respect to which principal is calculated by reference to an index or index basket and/or a formula (“*Index Linked Redemption Note*”), a Note redeemable in instalments (“*Instalment Note*”), a Note with respect to which principal and/or interest is payable in one or more Specified Currencies other than the Specified Currency in which it is denominated (“*Dual Currency Note*”), a Note which is issued on a partly paid basis (“*Partly Paid Note*”) or a combination of any of the foregoing, depending upon the redemption or payment basis shown in the applicable Final Terms (and where appropriate in the context, “*Index Linked Interest Notes*” and “*Index Linked Redemption Notes*” are referred to collectively as “*Index Linked Notes*”).

Bearer Notes in definitive form are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to interest (other than interest due after the Maturity Date), Coupons and Couponholders in these Terms and Conditions are not applicable. Wherever Dual Currency Notes or Index Linked Notes are issued to bear interest on a fixed or floating rate basis or on a non-interest bearing basis, the provisions in these Terms and Conditions relating to Fixed Rate Notes, Floating Rate Notes and Zero Coupon Notes, respectively, shall, where the context so permits, apply to such Dual Currency Notes or Index Linked Notes.

Subject as set out below, title to Bearer Notes, Receipts and Coupons will pass by delivery. The holder of each Coupon or Receipt, whether or not such Coupon or Receipt is attached to a Note, in his capacity as such, shall be subject to and bound by all the provisions contained in the relevant Note. Subject as set out below, the Issuer and any Paying Agent may deem and treat the bearer of any Bearer Note, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice to the contrary, including any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Bearer Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a global Note, each person who is for the time being shown in the records of Euroclear Bank S.A./N.V. (“*Euroclear*”) or of Clearstream Banking, société anonyme (“*Clearstream, Luxembourg*”) as the holder of a particular nominal amount of such Notes (other than a clearing agency (including Clearstream, Luxembourg and Euroclear) that is itself an account holder of Clearstream, Luxembourg or Euroclear (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error or proven error)) shall be treated by the Issuer, the Agent and any other Paying Agent or (in the case of Registered Notes) the Registrar and the Canadian Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal (including premium (if any)) or interest on the Notes, for which purpose the bearer of the relevant global Bearer Note or registered holder of the registered global Note shall be treated by the Issuer, the Agent and any other Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant global Note (and the expressions “*Noteholder*” and “*holder of Notes*” and related expressions shall be construed accordingly). Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be.

Title to Registered Notes issued by Toyota Credit Canada Inc. passes on due endorsement in the relevant register which Toyota Credit Canada Inc. shall procure to be kept by the Registrar. Subject as set out above, except as ordered by a court of competent jurisdiction or as required by law, the registered holder of any Registered Note shall be deemed to be and may be treated as the absolute owner of such Registered Note for all purposes, whether or not such Registered Note shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone and no person shall be liable for so treating such registered holder (and the expressions “*Noteholder*” and “*holder of Notes*” and related expressions shall be construed accordingly).

Provisions relating to the transfer of Registered Notes are set out in the relevant Registered Note and the Note Agency Agreement.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, except in relation to Notes in new global note (“*NGN*”) form, be deemed to include a reference to any additional or alternative clearing system approved by the Issuer, the Agent or (in the case of Registered Notes) the Registrar and the Canadian Paying Agent and, in the case of Notes admitted to the Official List and admitted to trading on the London Stock Exchange’s Regulated Market, the UK Listing Authority.

If the Specified Currency of the Note is a currency of one of the Member States of the European Union which has not adopted the euro, and if specified in the applicable Final Terms, the Note shall permit redenomination and exchange (as referred to in Condition 18 below or in such other manner as set forth in the applicable Final Terms) at the option of the Issuer.

## **2. Status of the Notes and the Credit Support Agreements**

The Notes and any relevant Receipts and Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the Issuer and rank *pari passu* and rateably without any preference among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding. The Notes, the Receipts and the Coupons have the benefit of the Credit Support Agreements.

## **3. Negative Pledge**

The Notes will be subject to this Condition 3 only if this Condition 3 is specified to be applicable in the applicable Final Terms. So long as any of the Notes remains outstanding (as defined in the Agency Agreement) the Issuer will not create or permit to be outstanding any mortgage, pledge, lien, security interest or other charge (each a “*Security Interest*”) (other than a Permitted Security Interest (as defined below)) for the benefit of the holders of any Relevant Indebtedness (as defined below) on the whole or any part of its property or assets, present or future, to secure any Relevant Indebtedness issued or expressly guaranteed by the Issuer or in respect of which the Issuer has given any indemnity without in any such case at the same time according to the Notes the same security as is granted or is outstanding in respect of such Relevant Indebtedness or such guarantee or indemnity or such other security as shall be approved by the written consent of holders of a majority in aggregate nominal amount of the Notes then outstanding affected thereby, or by resolution adopted by the holders of a majority in aggregate nominal amount of the Notes then outstanding present or represented at a meeting of the holders of the Notes affected thereby at which a quorum is present, as provided in the Agency Agreement; provided, however, that such covenant will not apply to Security Interests securing outstanding Relevant Indebtedness which does not in the aggregate at any one time exceed 20 per cent. of Consolidated Net Tangible Assets (as defined below) of the Issuer and its consolidated subsidiaries (if any). For the purposes of this Condition 3:

“*Consolidated Net Tangible Assets*” means the aggregate amount of assets (less applicable reserves and other properly deductible items) after deducting therefrom all goodwill, trade names, trademarks, patents, unamortised debt discount and expense and other like intangibles of the Issuer

and its consolidated subsidiaries (or, where the Issuer has no consolidated subsidiaries, of the Issuer), all as set forth on the most recent balance sheet of the Issuer and its consolidated subsidiaries (or, where the Issuer has no consolidated subsidiaries, the most recent balance sheet of the Issuer) prepared in accordance with generally accepted accounting principles as practised in the jurisdiction of the Issuer's incorporation;

“*Relevant Indebtedness*” shall mean any indebtedness in the form of or represented by bonds, notes, debentures or other securities which have a final maturity of more than a year from the date of their creation and which are admitted to trading on one or more stock exchanges;

“*Permitted Security Interest*” shall mean:

- (i) any Security Interest arising by operation of law or any right of set-off;
- (ii) any Security Interest granted by the Parent in favour of a TMC subsidiary (as defined below) (while such beneficiary remains a TMC subsidiary) or by one TMC subsidiary in favour of another TMC subsidiary (while such beneficiary remains a TMC subsidiary);
- (iii) any Security Interest created in connection with, or pursuant to, a limited-recourse financing, securitisation or other like arrangement where the payment obligations in respect of the indebtedness secured by the relevant Security Interest are to be discharged from the revenues generated by assets over which such Security Interest is created (including, without limitation, receivables); and

“*TMC subsidiary*” means any of the Parent's subsidiaries consolidated in accordance with generally accepted accounting principles in the United States.

#### **4. Interest**

##### **(a) *Interest on Fixed Rate Notes and Business Day Convention for Notes other than Floating Rate Notes and Index Linked Notes***

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date which is specified in the applicable Final Terms (or the Issue Date, if no Interest Commencement Date is separately specified) to (but excluding) the Maturity Date specified in the applicable Final Terms at the rate(s) per annum equal to the Fixed Rate(s) of Interest so specified payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date so specified if it does not fall on an Interest Payment Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, or if the applicable Final Terms specify that a Fixed Coupon Amount or Broken Amount(s) shall apply in the case of Notes represented by a global Note, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount as specified in the applicable Final Terms. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount(s) so specified.

As used in these Terms and Conditions, “*Fixed Interest Period*” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date or the Issue Date, as the case may be) to (but excluding) the next (or first) Interest Payment Date or Maturity Date.

Unless specified otherwise in the applicable Final Terms, the “*Following Business Day Convention*” will apply to the payment of all Fixed Rate Notes, meaning that if the Interest Payment Date or Maturity Date would otherwise fall on a day which is not a Business Day (as defined in Condition 4(b)(i) below), the related payment of principal or interest will be made on the next succeeding Business Day as if made on the date such payment was due. If the “*Modified Following Business Day Convention*” is specified in the applicable Final Terms for any Fixed Rate Note, it shall mean that if the Interest Payment Date or Maturity Date would otherwise fall on a day which is not a Business Day (as defined in Condition 4(b)(i) below), the related payment of principal or interest will be made on the next succeeding Business Day as if made on the date such payment was

due unless it would thereby fall into the next calendar month in which event the full amount of payment shall be made on the immediately preceding Business Day as if made on the day such payment was due. Unless specified otherwise in the applicable Final Terms, the amount of interest due shall not be changed if payment is made on a day other than an Interest Payment Date or the Maturity Date as a result of the application of a Business Day Convention specified above or other Business Day Convention specified in the applicable Final Terms.

Except in the case of (i) Notes in definitive form where a Fixed Coupon Amount or a Broken Amount is specified in the applicable Final Terms or (ii) Notes represented by a global Note where the applicable Final Terms specify that a Fixed Coupon Amount or Broken Amount(s) shall apply, interest shall be calculated in respect of any period (including any period ending other than on an Interest Payment Date (which for this purpose shall not include a period where a payment is made on a day other than an Interest Payment Date or the Maturity Date as a result of the application of a Business Day Convention as provided in the immediately preceding paragraph, unless specified otherwise in the applicable Final Terms)) by applying the Fixed Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such global Note (or, if they are Partly Paid Notes, the aggregate of the amount paid up); or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Fixed Day Count Fraction or other Day Count Fraction specified in the applicable Final Terms, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In these Terms and Conditions, “*Fixed Day Count Fraction*” means (unless specified otherwise in the applicable Final Terms):

- (i) if “*Actual/Actual (ICMA)*” is specified in the applicable Final Terms:
  - (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date or Issue Date, as applicable) to (but excluding) the relevant payment date (the “*Accrual Period*”) is equal to or shorter than the Determination Period (as defined below) during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; or
  - (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; and



- (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; and
- (ii) if “*Actual/Actual (ISDA)*” is specified in the applicable Final Terms, the actual number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date or Issue Date, as applicable) to (but excluding) the next scheduled Interest Payment Date divided by 365 (or, if any portion of that period falls in a leap year, the sum of (x) the actual number of days in that portion of the period falling in a leap year divided by 366; and (y) the actual number of days in that portion of the period falling in a non-leap year divided by 365); and
- (iii) if “*30/360*” is specified in the applicable Final Terms, the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date or Issue Date, as applicable) to (but excluding) the next scheduled Interest Payment Date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360 and, in the case of an incomplete month, the number of days elapsed; and
- (iv) if “*Actual/360*” is specified in the applicable Final Terms, the actual number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date or Issue Date, as applicable) to (but excluding) the next scheduled Interest Payment Date divided by 360.

In these Terms and Conditions:

“*Determination Period*” means the period from (and including) a Determination Date (as specified in the applicable Final Terms) to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

“*sub-unit*” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

**(b) *Interest on Floating Rate Notes and Index Linked Interest Notes***

**(i) *Interest Payment Dates***

Each Floating Rate Note and Index Linked Interest Note bears interest from (and including) the Interest Commencement Date specified in the applicable Final Terms (or the Issue Date, if no Interest Commencement Date is separately specified) and, unless specified otherwise in the applicable Final Terms, at the rate equal to the Rate of Interest payable in arrear on the Maturity Date and on either: (1) the Specified Interest Payment Date(s) (each, together with the Maturity Date, an “*Interest Payment Date*”) in each year specified in the applicable Final Terms; or (2) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with the Maturity Date, an “*Interest Payment Date*”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date or Issue Date, as applicable. Such interest will be payable in respect of each Interest Period. As used in these Terms and Conditions, “*Interest Period*” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date or Issue Date, as applicable) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(2) above, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (2) below in this sub-paragraph (A) shall apply *mutatis mutandis* or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (1) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (2) each subsequent Interest Payment Date shall be the last Business Day in the month which falls in the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Terms and Conditions, “*Business Day*” means (unless otherwise stated in the applicable Final Terms) a day which is both:

- (1) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any other Applicable Business Centre specified in the applicable Final Terms; and
- (2) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any other Applicable Business Centre specified in the applicable Final Terms), or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open. Unless otherwise provided in the applicable Final Terms, the principal financial centre of any country for the purpose of these Terms and Conditions shall be as provided in the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc.) as supplemented, amended and updated as of the first Issue Date of the Notes of the relevant Series (the “*ISDA Definitions*”) (except if the Specified Currency is Australian dollars or New Zealand dollars the principal financial centre shall be Sydney or Auckland, respectively). In these Terms and Conditions, “*TARGET2 System*” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System or any successor thereto.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of the Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified in the applicable Final Terms.

(iii) *ISDA Determination*

(A) Unless specified otherwise in the applicable Final Terms, where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any) as determined by the Agent (or such other Calculation Agent specified in the applicable Final Terms). For the purposes of this sub-paragraph (iii) unless specified otherwise in the applicable Final Terms, “*ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any)*” for an Interest Period means a rate equal to the Floating Rate that would be determined under an interest rate swap transaction under the terms of an agreement (regardless of any event of default or termination event thereunder) incorporating the ISDA Definitions with the holder of the relevant Note and under which:

- (1) the manner in which the Rate of Interest is to be determined is the “*Floating Rate Option*” as specified in the applicable Final Terms;
- (2) the Issuer is the “*Floating Rate Payer*”;
- (3) the Agent or other person specified in the applicable Final Terms is the “*Calculation Agent*”;
- (4) the Interest Commencement Date is the “*Effective Date*”;
- (5) the Aggregate Nominal Amount of Notes is the “*Notional Amount*”;
- (6) the relevant Interest Period is the “*Designated Maturity*” as specified in the applicable Final Terms;
- (7) the Interest Payment Dates are the “*Floating Rate Payer Payment Dates*”;
- (8) the Margin is the “*Spread*”;
- (9) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate (“*LIBOR*”) or on the Euro-zone inter-bank offered rate (“*EURIBOR*”) for a currency, the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms; and
- (10) all other terms are as specified in the applicable Final Terms.

(B) When Condition 4(b)(iii)(A) applies, unless specified otherwise in the applicable Final Terms with respect to each relevant Interest Payment Date:

- (1) the amount of interest determined for such Interest Payment Date shall be the Interest Amount for the relevant Interest Period for the purposes of these Terms and Conditions as though calculated under Condition 4(b)(vi) below; and
- (2) (i) “*Floating Rate*”, “*Floating Rate Option*”, “*Floating Rate Payer*”, “*Effective Date*”, “*Notional Amount*”, “*Floating Rate Payer Payment Dates*”, “*Spread*”, “*Calculation Agent*”, “*Designated Maturity*” and “*Reset Date*” have the meanings given to those terms in the ISDA Definitions; and (ii) “*Euro-zone*” means the region comprised of Member States of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended (the “*Treaty*”).

(iv) *Screen Rate Determination*

Unless specified otherwise in the applicable Final Terms, where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (x) the offered quotation; or
- (y) the arithmetic mean (rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum), for the Reference Rate (as specified in the applicable Final Terms) for deposits in the Specified Currency for that Interest Period which appears or appear, as the case may be, on the Relevant Screen Page (as specified in the applicable Final Terms) as at 11:00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date (as defined below) in question plus or minus (as specified in the applicable Final Terms) the Margin (if any), all as determined by the Agent (or such other Calculation Agent specified in the applicable Final Terms). Unless specified otherwise in the applicable Final Terms, if five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent (or such other Calculation Agent specified in the applicable Final Terms) for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations. In addition:

(A) unless specified otherwise in the applicable Final Terms if, in the case of (x) above, no such rate appears or, in the case of (y) above, fewer than two of such offered rates appear at such time or if the offered rate or rates which appears or appear, as the case may be, as at such time do not apply to a period of a duration equal to the relevant Interest Period, the Rate of Interest for such Interest Period shall, subject as provided below and except as otherwise indicated in the applicable Final Terms, be the arithmetic mean (rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations (expressed as a percentage rate per annum), of which the Agent (or such other Calculation Agent specified in the applicable Final Terms) is advised by all Reference Banks (as defined below) as at 11:00 a.m. (London time) on the Interest Determination Date plus or minus (as specified in the applicable Final Terms) the Margin (if any), all as determined by the Agent (or such other Calculation Agent specified in the applicable Final Terms);

(B) except as otherwise indicated in the applicable Final Terms, if on any Interest Determination Date to which Condition 4(b)(iv)(A) applies two or three only of the Reference Banks advise the Agent (or such other Calculation Agent specified in the applicable Final Terms) of such offered quotations, the Rate of Interest for the next Interest Period shall, subject as provided below, be determined as in Condition 4(b)(iv)(A) on the basis of the rates of those Reference Banks advising such offered quotations;

(C) except as otherwise indicated in the applicable Final Terms, if on any Interest Determination Date to which Condition 4(b)(iv)(A) applies one only or none of the Reference Banks advises the Agent (or such other Calculation Agent specified in the applicable Final Terms) of such rates, the Rate of Interest for the next Interest Period shall, subject as provided below and except as otherwise indicated in the applicable Final Terms, be whichever is the higher of:

- (1) the Rate of Interest in effect for the last preceding Interest Period to which Condition 4(b)(iv)(A) shall have applied (plus or minus (as specified in the applicable Final Terms), where a different Margin is to be applied to the next Interest Period than that which applied to the last preceding Interest Period, the Margin relating to the next Interest Period in place of the Margin relating to the last preceding Interest Period); or
- (2) the reserve interest rate (the “*Reserve Interest Rate*”) which shall be the rate per annum which the Agent (or such other Calculation Agent specified in the applicable Final Terms) determines to be either (x) the arithmetic mean (rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upwards) of the lending rates for the Specified Currency which banks selected by the Agent (or such other Calculation Agent specified in the applicable Final Terms) in the principal financial centre of the country of the Specified Currency (which, if

Australian dollars, shall be Sydney, if New Zealand dollars, shall be Auckland and if euro, shall be London, unless specified otherwise in the applicable Final Terms) are quoting on the relevant Interest Determination Date for the next Interest Period to the Reference Banks or those of them (being at least two in number) to which such quotations are, in the opinion of the Agent (or such other Calculation Agent specified in the applicable Final Terms), being so made plus or minus (as specified in the applicable Final Terms) the Margin (if any), or (y) in the event that the Agent (or such other Calculation Agent specified in the applicable Final Terms) can determine no such arithmetic mean, the lowest lending rate for the Specified Currency which banks selected by the Agent (or such other Calculation Agent specified in the applicable Final Terms) in the principal financial centre of the country of the Specified Currency (which, if Australian dollars, shall be Sydney, if New Zealand dollars, shall be Auckland and if euro, shall be London, unless specified otherwise in the applicable Final Terms) are quoting on such Interest Determination Date to leading European banks for the next Interest Period plus or minus (as specified in the applicable Final Terms) the Margin (if any), provided that if the banks selected as aforesaid by the Agent (or such other Calculation Agent specified in the applicable Final Terms) are not quoting as mentioned above, the Rate of Interest shall be the Rate of Interest specified in (1) above;

(D) the expression “*Relevant Screen Page*” means such page, whatever its designation, on which the Reference Rate that is for the time being displayed on the Reuters Monitor Money Rates Service or Dow Jones Markets Limited or other such service, as specified in the applicable Final Terms;

(E) unless otherwise specified in the applicable Final Terms, the Reference Banks will be the principal London offices of The Bank of New York Mellon, National Westminster Bank PLC, UBS Limited and The Bank of Tokyo-Mitsubishi UFJ Limited. The Issuer shall procure that, so long as any Floating Rate Note or Index Linked Interest Note to which Condition 4(b)(iv)(A) is applicable remains outstanding, in the case of any bank being unable or unwilling to continue to act as a Reference Bank, the Issuer shall specify the London office of some other leading bank engaged in the eurodollar market to act as such in its place;

(F) the expression “*Interest Determination Date*” means, unless otherwise specified in the applicable Final Terms, (x) other than in the case of Condition 4(b)(iv)(A), with respect to Notes denominated in any Specified Currency other than Sterling or euro, the second Banking Day in London prior to the commencement of the relevant Interest Period and, in the case of Condition 4(b)(iv)(A), the second Banking Day in the principal financial centre of the country of the Specified Currency (which, if Australian dollars, shall be Sydney, if New Zealand dollars, shall be Auckland and if euro, shall be London) prior to the commencement of the relevant Interest Period; (y) with respect to Notes denominated in Sterling, the first Banking Day in London of the relevant Interest Period; and (z) with respect to Notes denominated in euro, the second day on which the TARGET2 system is open prior to the commencement of the relevant Interest Period.

(G) the expression “*Banking Day*” means, in respect of any place, any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in that place or, as the case may be, as indicated in the applicable Final Terms; and

(H) if the Reference Rate from time to time in respect of Floating Rate Notes or Index Linked Interest Notes is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, any additional provisions relevant in determining the Rate of Interest in respect of such Notes will be set forth in the applicable Final Terms.

(v) *Minimum and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest/Interest Amount for any Interest Period, then in no event shall the Rate of Interest/Interest Amount for such Interest Period be less than such Minimum Rate of Interest/Interest Amount. If the applicable Final Terms

specifies a Maximum Rate of Interest/Interest Amount for any Interest Period, then in no event shall the Rate of Interest/Interest Amount for such Interest Period be greater than such Maximum Rate of Interest/Interest Amount.

(vi) *Determination of Rate of Interest and Calculation of Interest Amounts*

The Agent (or, if the Agent is not the Calculation Agent, the Calculation Agent specified in the applicable Final Terms) will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest (subject to any Minimum or Maximum Rate of Interest/Interest Amount specified in the applicable Final Terms) and calculate the amount of interest (the “*Interest Amount*”) payable on the Floating Rate Notes or Index Linked Interest Notes, in each case, for the relevant Interest Period, by applying the Rate of Interest to:

- (A) subject to paragraph (C) below, in the case of Floating Rate Notes or Index Linked Interest Notes which are represented by a global Note, the aggregate outstanding nominal amount of the Notes represented by such global Note (or, if they are Partly Paid Notes, the aggregate amount paid up);
- (B) in the case of Floating Rate Notes or Index Linked Interest Notes in definitive form, the Calculation Amount; or
- (C) in the case of Floating Rate Notes or Index Linked Interest Notes which are represented by a global Note and the applicable Final Terms indicates that the Rate of Interest shall be applied to the Calculation Amount, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, as specified in the applicable Final Terms, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention or as specified in the applicable Final Terms. Where the Specified Denomination of a Floating Rate Note or an Index Linked Interest Note in the case of paragraph (B) or (C) above is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Floating Rate Note or Index Linked Interest Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without further rounding.

“*Day Count Fraction*” means, unless specified otherwise in the applicable Final Terms, in respect of the calculation of an amount of interest for any Interest Period:

- (A) if “*Actual/Actual (ISDA)*” or “*Actual/Actual*” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (B) if “*Actual/365 (Fixed)*” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (C) if “*Actual/360*” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (D) if “*30/360*”, “*360/360*” or “*Bond Basis*” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“ $Y_1$ ” is the year, expressed as a number, in which the first day of the Interest Period falls;

“ $Y_2$ ” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“ $M_1$ ” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“ $M_2$ ” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“ $D_1$ ” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case  $D_1$  will be 30; and

“ $D_2$ ” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and  $D_1$  is greater than 29, in which case  $D_2$  will be 30;

- (E) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“ $Y_1$ ” is the year, expressed as a number, in which the first day of the Interest Period falls;

“ $Y_2$ ” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“ $M_1$ ” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“ $M_2$ ” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“ $D_1$ ” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case  $D_1$  will be 30; and

“ $D_2$ ” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case  $D_2$  will be 30;

- (F) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“ $Y_1$ ” is the year, expressed as a number, in which the first day of the Interest Period falls;

“ $Y_2$ ” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“ $M_1$ ” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“ $M_2$ ” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“ $D_1$ ” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case  $D_1$  will be 30; and

“ $D_2$ ” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case  $D_2$  will be 30; and

(G) if “*Actual/365 (Sterling)*” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366.

(vii) *Notification of Rate of Interest and Interest Amount*

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Registrar and the Canadian Paying Agent (in the case of Registered Notes) and any stock exchange or other relevant authority on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being admitted to trading and listed and will cause notice of the same to be published or given in accordance with Condition 16 as soon as possible after their determination but in no event later than the fourth London Business Day after their determination. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without publication as aforesaid or prior notice in the event of an extension or shortening of the Interest Period in accordance with the provisions hereof. Any such amendment will be promptly notified to each stock exchange or other relevant authority on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being admitted to trading and listed. For the purposes of this paragraph, the expression “*London Business Day*” means a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for general business in London.

(viii) *Certificates to be Final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this paragraph (b), whether by the Agent or other Calculation Agent, shall (in the absence of wilful default, bad faith, manifest error or proven error) be binding on the Issuer, the Agent, the Calculation Agent, any other Paying Agent and all Noteholders, Receiptholders and Couponholders and (in the case of Registered Notes) the Registrar and Canadian Paying Agent and (in the absence of wilful default or bad faith) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Agent or the Calculation Agent in connection with the exercise or non-exercise by either of them of their powers, duties and discretions pursuant to such provisions.

(ix) *Indexed Linked Interest Notes*

In the case of Index Linked Notes where the rate of interest is to be determined by reference to the Index and or the Formula, the rate of interest shall be determined in accordance with the Index and/or the Formula and in the manner specified in the applicable Final Terms. The date on which the interest rate is to be determined (the “*Interest Determination Date*”) shall be as set forth in the applicable Final Terms.

(c) *Index Linked Notes and Dual Currency Notes*

In the case of Index Linked Notes or Dual Currency Notes, if the Rate of Interest or Interest Amount cannot be determined by reference to an index and/or a formula or, as the case may be, an exchange rate, such Rate of Interest or Interest Amount payable shall be determined in the manner specified in the applicable Final Terms. The date on which the valuation of the Index is to be



determined or the date on which any Formula or other variable or Rate of Exchange is to be determined under any Index Linked Notes or Dual Currency Notes (the “*Determination Date*”) shall be as set forth in the applicable Final Terms. If the applicable Final Terms specify a Minimum Final Redemption Amount then in no event shall the Final Redemption Amount be less than such Minimum Final Redemption Amount. If the applicable Final Terms specify a Maximum Final Redemption Amount then in no event shall the Final Redemption Amount exceed such Maximum Final Redemption Amount.

**(d) *Zero Coupon Notes***

When a Zero Coupon Note becomes due and repayable prior to the Maturity Date and is not paid when due, the amount due and repayable shall be the Amortised Face Amount of such Note as determined in accordance with Condition 6(f)(iii). As from the Maturity Date, any overdue principal of such Note shall bear interest at a rate per annum equal to the Accrual Yield set forth in the applicable Final Terms.

**(e) *Partly Paid Notes***

The Issuer may issue Notes where the issue price is payable in more than one instalment and which therefore remain partly paid (“*Partly Paid Notes*”). In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid up nominal amount of such Notes and otherwise as specified in the applicable Final Terms.

**(f) *Accrual of Interest***

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note to be redeemed) will cease to bear interest (if any) from the date of its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue at the rate of interest then applicable or at such other rate as may be specified in the applicable Final Terms until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the holder of such Note; and (ii) the day on which the Agent or (in the case of Registered Notes) the Registrar or the Canadian Paying Agent has notified the holder thereof (either in accordance with Condition 16 or individually) of receipt of all sums due in respect thereof up to that date.

**5. *Payments***

**(a) *Method of Payment***

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or at the option of the payee by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively), unless specified otherwise in the applicable Final Terms; and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Notwithstanding the above provisions of this Condition 5(a), a cheque may not be delivered to an address in, and an amount may not be transferred to an account at a bank located in, the United States of America or its possessions by any office or agency of the Issuer, the Agent or any Paying Agent or (in the case of Registered Notes) the Registrar or Canadian Paying Agent except as provided in Condition 5(d). Payments will be subject in all cases to any fiscal or other laws and

regulations applicable thereto in the place of payment, but (unless otherwise specified in the applicable Final Terms) without prejudice to the provisions of Condition 7.

**(b) *Presentation of Notes, Receipts and Coupons – Bearer Notes***

This Condition 5(b) applies to Bearer Notes.

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the Specified Currency in the manner provided in paragraph (a) above against presentation and surrender (or, in the case of part payment of a sum due only, endorsement) of definitive Notes and payments of interest in respect of the definitive Notes will (subject as provided below) be made in the Specified Currency in the manner provided in paragraph (a) above against presentation and surrender (or, in the case of part payment of a sum due only, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States which expression, used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction).

In the case of definitive Notes, payments of instalments of principal (if any), other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) against presentation and surrender (or, in the case of part payment of a sum due only, endorsement) of the relevant Receipt. Each Receipt must be presented for payment of the relevant instalment together with the definitive Note to which it appertains. If any definitive Note is redeemed or becomes repayable prior to the stated Maturity Date, principal will be payable in the manner provided in paragraph (a) on presentation and surrender of such definitive Note together with all unmatured Receipts appertaining thereto. Receipts presented without the definitive Note to which they appertain and unmatured Receipts do not constitute valid obligations of the Issuer. Upon the date on which any definitive Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Upon the date on which any Fixed Rate Notes in definitive form (other than Dual Currency Interest Notes or Index Linked Interest Notes) become due and repayable, such Notes should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the aggregate amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Unless otherwise specified in the applicable Final Terms, each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of five years after the Relevant Date (as defined in Condition 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due. Upon any Fixed Rate Note becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note, Dual Currency Interest Note or Index Linked Interest Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date or Issue Date (as applicable) shall be payable only against surrender of the relevant definitive Note.

Payments of principal and interest (if any) in respect of Notes represented by any global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes and otherwise in the manner specified in the relevant global Note (against presentation or surrender, as the case may be, of such global Note if the global Note is not issued in NGN form) at the specified office of any Paying Agent located outside the United States except as provided below. A record of each payment made against presentation or surrender of such global Note, distinguishing between any payment of principal and any payment of interest, will be made on such global Note by the Agent and such record shall be *prima facie* evidence that the payment in question has been made.

**(c) Presentation and Surrender of Notes – Registered Notes**

Provisions in relation to payments of principal and interest in respect of Registered Notes will be set out in the relevant registered global Note or definitive Registered Note and as otherwise set out in these Terms and Conditions.

**(d) Global Notes**

The holder of a global Note shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of Notes represented by such global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for the holder's share of each payment so made by the Issuer to, or to the order of, the holder of such global Note. No person other than the holder of such global Note shall have any claim against the Issuer in respect of any payments due on the global Note.

Interest on the Notes is payable only outside the United States and its possessions, within the meaning of United States Treasury regulation section 1.163-5(c)(1)(ii)(A). No interest on the Notes shall be paid into an account maintained by the payee in the United States or mailed to an address in the United States unless the payee is described in United States Treasury regulation sections 1.163-5(c)(2)(v)(B)(1) or (2).

Notwithstanding the foregoing, payments of interest in respect of global Notes will be made at the specified office of a Paying Agent in the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)) if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payments at such specified offices outside the United States of the full amount owing in respect of the Notes in the manner provided above when due;
- (ii) payment of the full amount owing in respect of the Notes at such specified offices outside the United States is illegal or effectively precluded by the imposition of exchange controls or other similar restrictions on the full payment or receipt of interest; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

**(e) Payment Day**

Unless specified otherwise in the applicable Final Terms, if the due date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day in the relevant place of presentation, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, unless otherwise specified in the applicable Final Terms,

“*Payment Day*” means any day which is both:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
  - (A) the relevant place of presentation;
  - (B) London; and
  - (C) any additional Applicable Business Centre specified in the applicable Final Terms; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, London and any Applicable Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

**(f) *Conversion into euro***

Unless specified otherwise in the applicable Final Terms, if the Issuer is due to make a payment in a currency (the “*original currency*”) other than euro in respect of any Note, Coupon or Receipt and the original currency is not available on the foreign exchange markets due to the imposition of exchange controls, the original currency’s replacement or disuse or other circumstances beyond the Issuer’s control, the Issuer will be entitled to satisfy its obligations in respect of such payment by making payment in euro on the basis of the spot exchange rate (the “*Euro FX Rate*”) at which the original currency is offered in exchange for euro in the London foreign exchange market (or, at the option of the Issuer or its designated Calculation Agent, in the foreign exchange market of any other financial centre which is then open for business) at noon, London time, two Business Days prior to the date on which payment is due or, if the Euro FX Rate is not available on that date, on the basis of a substitute exchange rate determined by the Issuer or by its designated Calculation Agent acting in its absolute discretion from such source(s) and at such time as it may select. For the avoidance of doubt, the Euro FX Rate or substitute exchange rate as aforesaid may be such that the resulting euro amount is zero and in such event no amount of euro or the original currency will be payable. Any payment made in euro or non-payment in accordance with this paragraph will not constitute an Event of Default under Condition 9.

**(g) *Interpretation of Principal and Interest***

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 7 or pursuant to any undertakings given in addition thereto or in substitution therefor under Condition 14;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Notes redeemable in instalments, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(f)(iii)); and

- (vii) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 or pursuant to any undertakings given in addition thereto or in substitution therefor under Condition 14, except as provided in sub-paragraph (i) above.

## **6. Redemption and Purchase**

### **(a) *At Maturity***

Unless otherwise indicated in the applicable Final Terms and unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

### **(b) *Redemption for Tax Reasons***

The Issuer may redeem the Notes in whole, but not in part, at any time at their Early Redemption Amount, together, if appropriate, with accrued interest to (but excluding) the date fixed for redemption under this Condition 6(b), if the Issuer shall determine that as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of the jurisdiction in which the Issuer is incorporated or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the Issue Date of the Notes, the Issuer would be required to pay Additional Amounts, as provided in Condition 7, on the occasion of the next payment due in respect of the Notes.

The Notes are also subject to redemption as a whole, but not in part, in the other circumstances described in Condition 7.

Notice of intention to redeem Notes will be given at least once in accordance with Condition 16 not less than 30 days nor more than 60 days prior to the date fixed for redemption under this Condition 6(b), provided that no such notice of redemption shall be given earlier than 90 days prior to the effective date of such change or amendment and that at the time notice of such redemption is given, such obligation to pay such Additional Amounts remains in effect. From and after any redemption date, if moneys for redemption of Notes shall have been made available for redemption on such redemption date, such Notes shall cease to bear interest, if applicable, and the only right of the holders of such Notes and any Receipts or Coupons appertaining thereto shall be to receive payment of the Early Redemption Amount and, if appropriate, all unpaid interest accrued to (but excluding) such redemption date.

### **(c) *Final Terms***

The Final Terms applicable to the Notes shall indicate either:

- (i) that the Notes cannot be redeemed prior to their Maturity Date (except as otherwise provided in paragraph (b) above and in Condition 9); or
- (ii) that such Notes will be redeemable at the option of the Issuer and/or the holders of the Notes prior to such Maturity Date in accordance with the provisions of paragraphs (d) and/or (e) below on the date or dates and at the amount or amounts indicated in the applicable Final Terms.

### **(d) *Redemption at the Option of the Issuer (“Issuer Call Option”)***

If the Issuer is specified in the applicable Final Terms as having an option to redeem, the Issuer may, having (unless otherwise specified in the applicable Final Terms) given:

- (i) not more than 60 nor less than 30 days' notice to the holders of the Notes in accordance with Condition 16, or such other notice as is specified in the applicable Final Terms; and
- (ii) not less than 5 days before the date of the notice referred to in (i) (or such other notice as is specified in the applicable Final Terms) is to be given, notice to the Agent or (in the case of Registered Notes) the Registrar and the Canadian Paying Agent;

(which notices shall be irrevocable), redeem all or some only of the Notes then outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s). If the applicable Final Terms specify the Notes are redeemable in part, such redemption must be of a nominal amount not less than the Minimum Redemption Amount or not more than the Maximum Redemption Amount, both as indicated in the applicable Final Terms. In the event of redemption of some only of the Notes, the Notes to be redeemed ("*Redeemed Notes*") will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) in the case of Redeemed Notes represented by a global Note, not more than 60 days prior to the date fixed for redemption (such date of selection being hereinafter called the "*Selection Date*"). In the case of Redeemed Notes represented by definitive Notes, a list of such Redeemed Notes will be published or notified in accordance with Condition 16 not less than 30 days prior to the date fixed for redemption, or such other period as is specified in the applicable Final Terms. No exchange of the relevant global Note will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this paragraph (d) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 16 at least 10 days prior to the Selection Date. Unless specified otherwise in the applicable Final Terms, if an Optional Redemption Date would otherwise fall on a day which is not a Business Day (as defined in Condition 4(b)(i)), it shall be subject to adjustment in accordance with the Business Day Convention applicable to the Notes or such other Business Day Convention specified in the applicable Final Terms.

**(e) *Redemption at the Option of the Noteholders ("Investor Put Option")***

Unless otherwise specified in the applicable Final Terms, the Notes will not be subject to repayment at the option of Noteholders. If the Noteholders are specified in the applicable Final Terms as having an option to require the Issuer to redeem the Notes, upon the holder of any Note giving to the Issuer in accordance with Condition 16 not less than 30 nor more than 60 days' notice or such other period of notice as is specified in the applicable Final Terms (which notice shall be irrevocable) the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. Unless otherwise specified in the applicable Final Terms, Notes issued by Toyota Credit Canada Inc. may not be redeemable at the option of the Noteholders prior to five years from the relevant Issue Date.

If a Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, to exercise the right to require redemption of the Note the holder of the Note must deliver such Note at the specified office of any Paying Agent (other than the Canadian Paying Agent), in the case of Bearer Notes, or the Registrar or the Canadian Paying Agent, in the case of Registered Notes, at any time during normal business hours of such Paying Agent or the Registrar or Canadian Paying Agent falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or the Registrar or the Canadian Paying Agent (a "*Put Notice*") and in which the

holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 6(e).

If a Note is represented by a global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of the Note the holder of the Note must, within the notice period, give notice to the Agent, in the case of Bearer Notes, or the Registrar, in the case of Registered Notes, of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on the holder's instruction by Euroclear or Clearstream, Luxembourg or any common depositary, or common safekeeper, as the case may be, for them to the Agent or the Registrar (in the case of Registered Notes) by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if the Note is represented by a global Note, at the same time present or procure the presentation of the relevant global Note to the Agent or Registrar (in the case of Registered Notes) for notation accordingly.

**(f) *Early Redemption Amounts***

For the purpose of paragraph (b) above and Condition 9, the Notes will be redeemed at an amount (the "*Early Redemption Amount*") calculated as follows:

- (i) in the case of Notes with a Final Redemption Amount equal to the Calculation Amount, at the Final Redemption Amount thereof; or
- (ii) in the case of Notes (other than Zero Coupon Notes) with a Final Redemption Amount which is or may be less or greater than the Calculation Amount or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at their nominal amount; or
- (iii) in the case of Zero Coupon Notes, at an amount (the "*Amortised Face Amount*") equal to:
  - (A) the sum of (x) the product of (i) either the Calculation Amount or the Specified Denomination as specified in the applicable Final Terms and (ii) the Reference Price specified in the applicable Final Terms (the "*Reference Amount*") and (y) the product of the Accrual Yield specified in the applicable Final Terms (compounded annually) being applied to the Reference Amount from (and including) the Issue Date of the first Tranche of Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable; or
  - (B) if the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (b) above or upon its becoming due and repayable as provided in Condition 9 is not paid or available for payment when due, the amount due and repayable in respect of such Zero Coupon Note shall be the Amortised Face Amount of such Zero Coupon Note calculated as provided above as though the references in sub-paragraph (A) to the date fixed for redemption or the date upon which the Zero Coupon Note becomes due and repayable were replaced by references to the date (the "*Reference Date*") which is the earlier of:
    - (1) the date on which all amounts due in respect of the Note have been paid; and
    - (2) the date on which the full amount of the moneys repayable has been received by the Agent and notice to that effect has been given in accordance with Condition 16.

The calculation of the Amortised Face Amount in accordance with this subparagraph (B) will continue to be made, after as well as before judgment, until the Reference Date unless the Reference Date falls on or after the Maturity Date, in which case the amount due and repayable shall be the nominal amount of such Note together with interest at a rate per annum equal to the Accrual Yield.

Unless specified otherwise in the applicable Final Terms, where any such calculation is to be made for a period which is not a whole number of years, it shall be made (I) in the case of a Zero Coupon Note other than a Zero Coupon Note payable in euro, on the basis of a 360-day year consisting of 12 months of 30 days each (or 365/366 days in the case of Notes denominated in Sterling) and, in the case of an incomplete month, the number of days elapsed or (II) in the case of a Zero Coupon Note payable in euro, on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed falls in a leap year, the sum of (x) the number of those days falling in a leap year divided by 366 and (y) the number of those days falling in a non-leap year divided by 365) or (in either case) on such other calculation basis as may be specified in the applicable Final Terms.

**(g) *Instalments***

If the Notes are repayable in instalments, they will be redeemed in the Instalment Amounts and on the Instalment Dates specified in the applicable Final Terms. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (f) above.

**(h) *Partly Paid Notes***

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise in accordance with the provisions of this Condition 6 as amended or varied by the applicable Final Terms.

**(i) *Purchases***

The Issuer or any of its subsidiaries may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Receipts and Coupons appertaining thereto are purchased therewith) at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Noteholders alike. Where the Issuer is Toyota Credit Canada Inc., unless otherwise specified in the applicable Final Terms, such Notes shall be surrendered (in the case of Bearer Notes) to any Paying Agent or (in the case of Registered Notes) the Registrar or Canadian Paying Agent for cancellation and, where the Issuer is Toyota Motor Finance (Netherlands) B.V., Toyota Finance Australia Limited or Toyota Motor Credit Corporation such Notes may, at the option of the Issuer, either be (i) resold or reissued, or held by the Issuer for subsequent resale or reissuance, or (ii) surrendered to any Paying Agent for cancellation, in which event such Notes, Receipts and Coupons may not be resold or reissued.

**(j) *Cancellation***

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts and Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any of the Notes purchased and cancelled pursuant to paragraph (i) above (together, in the case of definitive Notes, with all unmatured Receipts and Coupons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold. If any Note is purchased and cancelled without all unmatured Coupons appertaining thereto, the Issuer shall make payment in respect of any such missing Coupon in accordance with Condition 5 as if the relevant Note had remained outstanding for the period to which such Coupon relates.



## 7. Taxation – Additional Amounts

### (a) *Toyota Motor Finance (Netherlands) B.V., Toyota Credit Canada Inc. or Toyota Finance Australia Limited*

This Condition 7(a) only applies to Notes issued by Toyota Motor Finance (Netherlands) B.V., Toyota Credit Canada Inc. or Toyota Finance Australia Limited.

Unless otherwise specified in the applicable Final Terms, all payments of principal and interest in respect of the Notes issued by Toyota Motor Finance (Netherlands) B.V., Toyota Credit Canada Inc. or Toyota Finance Australia Limited will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the jurisdiction in which the Issuer is incorporated or any province, territory or other political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the relevant Issuer will pay such additional amounts (the “*Additional Amounts*”) as shall be necessary in order that the net amounts receivable by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable with respect to any Note, Receipt or Coupon presented for payment:

- (i) where the Issuer is Toyota Motor Finance (Netherlands) B.V., by a Noteholder, Receiptholder or Couponholder who (a) is able to avoid such withholding or deduction or is liable to such withholding or deduction at a reduced rate by making a declaration of non-residence or producing other evidence establishing that such payment may be made without withholding or deduction or with such deduction or withholding at a reduced rate to the Issuer or the relevant tax authority; or (b) is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with the Netherlands other than the mere holding of such Note, Receipt or Coupon; or
- (ii) where the Issuer is Toyota Credit Canada Inc.:
  - (A) by or on behalf of a holder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with Canada other than the mere holding of such Note, Receipt or Coupon or the receipt of principal or interest in respect thereof; or
  - (B) by or on behalf of a holder with whom the Issuer is not dealing at arm’s length (within the meaning of the Income Tax Act (Canada)); or
- (iii) where the Issuer is Toyota Finance Australia Limited, by or on behalf of a holder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of:
  - (A) his having some connection with the Commonwealth of Australia other than the mere holding of such Note, Receipt or Coupon or the receipt of principal or interest in respect thereof, or
  - (B) his being a holder who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note, Receipt or Coupon is presented for payment; or
  - (C) his being an Offshore Associate of the Issuer acting other than in the capacity of a clearing house, paying agent, custodian, funds manager or responsible

entity of a registered scheme within the meaning of the Corporations Act 2001 of Australia. “*Offshore Associate*” means an associate (as defined in section 128F(9) of the Income Tax Assessment Act 1936 of Australia) of the Issuer that is either:

- (a) a non-resident of Australia which does not acquire the Notes in carrying on a business at or through a permanent establishment in Australia; or
  - (b) a resident of Australia that acquires the Notes in carrying on a business at or through a permanent establishment outside Australia; or
- (iv) in such other circumstances as may be specified in the applicable Final Terms; or
  - (v) more than 30 days after the Relevant Date (as defined in Condition 8) except to the extent that the holder thereof would have been entitled to such Additional Amounts on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5(e)); or
  - (vi) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; or
  - (vii) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent (if any) in a Member State of the European Union.

**(b) *Toyota Motor Credit Corporation***

This Condition 7(b) only applies to Notes issued by Toyota Motor Credit Corporation.

Except as specifically provided by this Condition 7(b), where the Issuer is Toyota Motor Credit Corporation, the Issuer shall not be required to make any payment in respect of the Notes with respect to any tax, assessment or other governmental charge (“*Tax*”) imposed by any government or a political subdivision or taxing authority thereof or therein.

The Issuer will, subject to certain limitations and exceptions (set forth below), pay to a Noteholder, Receiptholder or Couponholder who is a Non-U.S. Holder (as defined below) such additional amounts (the “*Additional Amounts*”) as shall be necessary in order that the net amounts receivable by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that the Issuer shall not be required to make any payment of Additional Amounts for or on account of:

- (i) any Tax which would not have been imposed but for (A) the existence of any present or former connection between such Noteholder, Receiptholder or Couponholder or any beneficial owner of a Note, Receipt, or Coupon (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such Noteholder, Receiptholder, Couponholder or beneficial owner, if such Noteholder, Receiptholder, Couponholder or beneficial owner is an estate, trust, partnership or corporation) and the United States, including, without limitation, being or having been a citizen or resident thereof or being or having been present or engaged in a trade or business therein or having had a permanent establishment therein, or (B) such Noteholder’s, Receiptholder’s, Couponholder’s or beneficial owner’s past or present status as a passive foreign investment company, controlled foreign corporation or a private foundation (as those terms are defined for United States tax purposes) or as a corporation which accumulates earnings to avoid U.S. federal

income tax;

- (ii) any estate, inheritance, gift, sales, transfer, personal property or similar Tax;
- (iii) any Tax that would not have been so imposed but for the presentation of a Note, Receipt or Coupon for payment on a date more than 15 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;
- (iv) any Tax which is payable otherwise than by deduction or withholding from payments of principal or interest in respect of the Notes, Receipts or Coupons;
- (v) any Tax imposed on interest received or beneficially owned by (A) a 10 per cent. shareholder of the Issuer within the meaning of Internal Revenue Code Section 871(h)(3)(B) or Section 881(c)(3)(B) or (B) a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business;
- (vi) any Tax required to be withheld or deducted by any Paying Agent from any payment of principal or interest in respect of any Note, Receipt or Coupon, if such payment can be made without such withholding or deduction by any other Paying Agent with respect to the Notes;
- (vii) any Tax which would not have been imposed but for the failure to comply with certification, information, documentation, or other reporting requirements concerning the nationality, residence, identity or connection with the United States of the Noteholder, Receiptholder or Couponholder or of the beneficial owner of such Note, Receipt or Coupon, if such compliance is required by statute or by regulation of the United States Treasury Department as a precondition to relief or exemption from such Tax;
- (viii) any Tax imposed with respect to a payment on a Note, Receipt or Coupon to any Noteholder, Receiptholder or Couponholder who is a fiduciary or partnership or other than the sole beneficial owner of the Note, Receipt or Coupon to the extent a beneficiary or settlor with respect to such fiduciary, a member of such partnership or a beneficial owner of the Note, Receipt or Coupon would not have been entitled to payment of the Additional Amounts, had such beneficiary, settlor, member or beneficial owner been the holder of the Note, Receipt or Coupon;
- (ix) any Tax required to be withheld or deducted by any Paying Agent from any payment of principal or interest in respect of any Note, Receipt or Coupon, where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced to conform to, such Directive; or
- (x) any combination of items (i), (ii), (iii), (iv), (v), (vi), (vii), (viii) and (ix) above;

The term “*Non-U.S. Holder*” means any Holder that is not for U.S. federal income tax purposes (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity organised in or under the laws of the United States or its political subdivisions, (iii) a trust subject to the control of a U.S. person and the primary supervision of a U.S. court or (iv) an estate the income of which is subject to U.S. federal income taxation regardless of its source.

If the Issuer shall determine that any payment made outside the United States by the Issuer or any of its Paying Agents of the full amount of the next scheduled payment of either principal or interest due in respect of any Note, Receipt or Coupon would, under any present or future laws or regulations of the United States affecting taxation or otherwise, be subject to any certification, information or other reporting requirements of any kind, the effect of which requirements is the disclosure to the Issuer, any of its Paying Agents or any governmental authority of the nationality, residence or identity (as distinguished from status as a Non-U.S. Holder) of a beneficial owner of

such Note, Receipt or Coupon who is a Non-U.S. Holder (other than such requirements which (i) would not be applicable to a payment made to a custodian, nominee or other agent of the beneficial owner, or which can be satisfied by such a custodian, nominee or other agent certifying to the effect that such beneficial owner is a Non-U.S. Holder; provided, however, in each case that payment by such custodian, nominee or agent to such beneficial owner is not otherwise subject to any requirements referred to in this sentence, (ii) are applicable only to payment by a custodian, nominee or other agent of the beneficial owner to or on behalf of such beneficial owner, or (iii) would not be applicable to a payment made by any other paying agent of the Issuer), the Issuer shall redeem the Notes as a whole but not in part at a redemption price equal to the Early Redemption Amount together, if appropriate, with accrued interest to, but excluding, the date fixed for redemption, such redemption to take place on such date not later than one year after the publication of notice of such determination. If the Issuer becomes aware of an event that might give rise to such certification, information or other reporting requirements, the Issuer shall, as soon as practicable, solicit advice of independent counsel selected by the Issuer to establish whether such certification, information or other reporting requirements will apply and, if such requirements will apply, the Issuer shall give prompt notice of such determination (a “*Tax Notice*”) in accordance with Condition 16 stating in such notice the effective date of such certification, information or other reporting requirements and, if applicable, the date by which the redemption shall take place. Notwithstanding the foregoing, the Issuer shall not redeem Notes if the Issuer shall subsequently determine not less than 30 days prior to the date fixed for redemption that subsequent payments would not be subject to any such requirements, in which case the Issuer shall give prompt notice of such determination in accordance with Condition 16 and any earlier redemption notice shall thereby be revoked and of no further effect.

Notwithstanding the foregoing, if and so long as the certification, information or other reporting requirements referred to in the preceding paragraph would be fully satisfied by payment of a backup withholding tax or similar charge, the Issuer may elect prior to publication of the Tax Notice to have the provisions described in this paragraph apply in lieu of the provisions described in the preceding paragraph, in which case the Tax Notice shall state the effective date of such certification, information or reporting requirements and that the Issuer has elected to pay Additional Amounts rather than redeem the Notes. In such event, the Issuer will pay as Additional Amounts such amounts as may be necessary so that every net payment made following the effective date of such certification, information or reporting requirements outside the United States by the Issuer or any of its Paying Agents of principal or interest due in respect of a Note, Receipt or Coupon to a holder who certifies to the effect that the beneficial owner of such Note, Receipt or Coupon is a Non-U.S. Holder (provided that such certification shall not have the effect of communicating to the Issuer or any of its Paying Agents or any governmental authority the nationality, residence or identity of such beneficial owner), after deduction or withholding for or on account of such backup withholding tax or similar charge (other than a backup withholding tax or similar charge which (i) is imposed as a result of certification, information or other reporting requirements referred to in the second parenthetical clause of the first sentence of the preceding paragraph, (ii) is imposed as a result of the fact that the Issuer or any of its Paying Agents has actual knowledge that the holder or beneficial owner of such Note, Receipt or Coupon is not a Non-U.S. Holder but is within the category of persons, corporations or other entities described in clause (a)(i) of this Condition 7, or (iii) is imposed as a result of presentation of such Note, Receipt or Coupon for payment more than 15 days after the date on which such payment becomes due and payable or on which payment thereof is duly provided for, whichever occurs later), will not be less than the amount provided for in such Note, such Receipt or such Coupon to be then due and payable. In the event the Issuer elects to pay such Additional Amounts, the Issuer will have the right, at its sole option, at any time, to redeem the Notes, as a whole but not in part at a redemption price equal to their Early Redemption Amount, together, if appropriate, with accrued interest to the date fixed for redemption including any Additional Amounts required to be paid under this paragraph. If the Issuer has made the determination described in the preceding paragraph with respect to certification, information or other reporting requirements applicable to interest only and subsequently makes a determination in the manner and of the nature referred to in such preceding paragraph with respect to such requirements applicable to principal, the Issuer

will redeem the Notes in the manner and on the terms described in the preceding paragraph (except as provided below), unless the Issuer elects to have the provisions of this paragraph apply rather than the provisions of the immediately preceding paragraph. If in such circumstances the Notes are to be redeemed, the Issuer will be obligated to pay Additional Amounts with respect to interest, if any, accrued to the date of redemption. If the Issuer has made the determination described in the preceding paragraph and subsequently makes a determination in the manner and of the nature referred to in such preceding paragraph that the level of withholding applicable to principal or interest has been increased, the Issuer will redeem the Notes in the manner and on the terms described in the preceding paragraph (except as provided below), unless the Issuer elects to have the provisions of this paragraph apply rather than the provisions of the immediately preceding paragraph. If in such circumstances the Notes are to be redeemed, the Issuer will be obligated to pay Additional Amounts with respect to the original level of withholding on principal and interest, if any, accrued to the date of redemption.

## **8. Prescription**

Unless provided otherwise in the applicable Final Terms, Notes, Receipts and Coupons will become void unless presented for payment within a period of five years after the Relevant Date (as defined below) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 8 or Condition 5(b) or any Talon which would be void pursuant to Condition 5(b).

Any moneys paid by the Issuer to the Agent or (in the case of Registered Notes) the Registrar or the Canadian Paying Agent for the payment of principal or interest in respect of the Notes and remaining unclaimed for a period of five years shall forthwith be repaid to the Issuer. All liability of the Issuer, the Agent and the Registrar or the Canadian Paying Agent with respect thereto shall cease when the Notes, Receipts and Coupons become void.

As used herein, the “*Relevant Date*” means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent or, as the case may be, the Registrar on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 16.

## **9. Events of Default**

- (a) In the event that (each of (i) through to (iv) below, an “*Event of Default*”):
- (i) default is made by the Issuer in the payment when due of any principal or interest in respect of any Note and the default continues unremedied for a period of 14 days after the date when due; or
  - (ii) default is made by the Issuer in the performance or observance of any covenant, condition or provision contained in the Terms and Conditions applicable to any of the Notes or of any covenant, condition or provision for the benefit of Noteholders contained in the Agency Agreement and on its part to be performed or observed (other than the covenant to pay the principal and interest in respect of the Notes) and at the expiration of any applicable grace period therefor such covenant, condition or provision is not performed or observed in the period of 60 consecutive days after the date on which written notice of such default, requiring the Issuer to perform or observe such covenant, condition or provision, first shall have been given to the Issuer and the Agent or (in the case of Registered Notes) the Registrar by the holders of not less than 25 per cent. in aggregate nominal amount of Notes then outstanding; or

- (iii) the entry by a court having competent jurisdiction of (a) a decree or order granting relief in respect of the Issuer in an involuntary proceeding under any applicable bankruptcy, insolvency or other similar law and such decree or order shall remain unstayed and in effect for a period of 60 consecutive days; or (b) a decree or order adjudging the Issuer to be insolvent, or approving a petition seeking reorganisation, arrangement, adjustment or composition of the Issuer and such decree or order shall remain unstayed and in effect for a period of 60 consecutive days; or (c) a final and non-appealable order appointing a custodian, receiver, liquidator, assignee, trustee or other similar official of the Issuer or of any substantial part of the property of the Issuer, or ordering the winding up or liquidation of the Issuer, in each case of (a), (b) or (c) otherwise than for the purposes of or pursuant to and followed by a consolidation, amalgamation, merger, reconstruction or reorganisation in which a continuing corporation effectively assumes all obligations of the Issuer under the Notes or the terms of which have previously been approved by the written consent of holders of a majority in aggregate nominal amount of the Notes then outstanding affected thereby, or by resolution adopted by the holders of a majority in aggregate nominal amount of such Notes then outstanding present or represented at a meeting of the holders of the Notes affected thereby at which a quorum is present, as provided in the Agency Agreement; or
- (iv) the commencement by the Issuer of a voluntary proceeding under any applicable bankruptcy, insolvency or other similar law or the consent of the Issuer to the entry of a decree or order for relief in an involuntary proceeding under any applicable bankruptcy, insolvency or other similar law, or the consent by the Issuer to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee or similar official of the Issuer or for any substantial part of the property of the Issuer or the making by the Issuer of a general assignment for the benefit of creditors, or the Issuer failing generally to pay its debts as they become due, or the taking of corporate action by the Issuer in furtherance of any such action (in each case otherwise than for the purposes of such a consolidation, amalgamation, merger, reconstruction or reorganisation as is referred to in paragraph (iii)),

then the holder of any Note may, at its option, declare the principal of such Note and the interest, if any, accrued thereon to be due and payable immediately by written notice to the Issuer and the Agent or (in the case of Registered Notes) the Registrar, and unless all such defaults shall have been remedied by the Issuer (or by the Parent or TFS pursuant to the relevant Credit Support Agreement) prior to receipt of such written notice, the principal of such Note and the interest, if any, accrued thereon shall become and be immediately due and payable.

At any time after such declaration of acceleration with respect to the Notes has been made and before a judgment or decree for payment of the money due with respect to any Note has been obtained by any Noteholder, such declaration and its consequences may be rescinded and annulled upon the written consent of holders of a majority in aggregate nominal amount of the Notes then outstanding affected thereby, or by resolution adopted by the holders of a majority in aggregate nominal amount of the Notes then outstanding present or represented at a meeting of holders of the Notes affected thereby at which a quorum is present, as provided in the Agency Agreement, if:

- (1) the Issuer has paid to, or deposited with, the Agent or (in the case of Registered Notes) the Canadian Paying Agent a sum sufficient to pay:
  - (A) all overdue payments of interest on the Notes; and

- (B) the principal of the Notes which has become due otherwise than by such declaration of acceleration; and
- (2) all Events of Default with respect to the Notes, other than the non-payment of the principal of such Notes which has become due solely by such declaration of acceleration, have been either (i) remedied or (ii) waived as provided in paragraph (b) below.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

- (b) Any Events of Default by the Issuer, other than the events described in paragraph (a)(i) above or in respect of where a default is made by the Issuer in the performance or observance of any covenant, condition or provision described in paragraph (a)(ii) above which cannot be modified and amended without the written consent of the holders of all outstanding Notes, may be waived by the written consent of holders of a majority in aggregate nominal amount of the Notes then outstanding affected thereby, or by resolution adopted by the holders of a majority in aggregate nominal amount of the Notes then outstanding present or represented at a meeting of the holders of the Notes affected thereby at which a quorum is present, as provided in the Agency Agreement (provided that such resolution shall be approved by the holders of not less than 25 per cent. of the aggregate nominal amount of Notes then outstanding affected thereby).

#### **10. Replacement of Notes, Receipts, Coupons and Talons**

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent in London or (in the case of Registered Notes) at the specified office of the Registrar (or such other place outside the United States as may be notified to the Noteholders), in accordance with all applicable laws and regulations, upon payment by the claimant of such costs and expenses as may be incurred by the Issuer and the Agent or the Registrar, as the case may be, in connection therewith and on such terms as to evidence and indemnity, security or otherwise as the Issuer and the Agent or the Registrar, as the case may be, may require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

#### **11. Agent and Paying Agents**

The names of the initial Agent, the initial Registrar and the initial Canadian Paying Agent and their initial specified offices are set out at the back of this Prospectus.

In acting under the Agency Agreement or the Note Agency Agreement, the Agent and any other Paying Agents and (in the case of the Note Agency Agreement only) the Registrar and the Canadian Paying Agent act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, Receiptholders or Couponholders, except that (without affecting the obligations of the Issuer to the Noteholders, Receiptholders and Couponholders to repay Notes and pay interest thereon) funds received by the Agent or (in respect of Registered Notes) the Registrar or the Canadian Paying Agent for the payment of the principal of or interest on the Notes shall be held in trust by it for the Noteholders and/or Receiptholders and/or Couponholders until the expiration of the relevant period of prescription under Condition 8. The Issuer agrees to perform and observe the obligations imposed upon it under the Agency Agreement and (in respect of Registered Notes) the Note Agency Agreement and to use reasonable efforts to cause the Agent and any other Paying Agents to perform and observe the obligations imposed upon them under the Agency Agreement and (in respect of Registered Notes) the Registrar and the Canadian Paying Agent to perform and observe the obligations imposed on them under the Note Agency Agreement. The Agency Agreement and (in respect of the Registered Notes) the Note Agency Agreement contain provisions for the indemnification of the Agent and any other Paying Agents and the Registrar and the Canadian Paying Agent, respectively, and for relief from

responsibility in certain circumstances, and entitle any of them to enter into business transactions with the Issuer without being liable to account to the Noteholders, Receipholders or the Couponholders for any resulting profit.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent appointed under the terms of the Agency Agreement or the Registrar or the Canadian Paying Agent appointed under the terms of the Note Agency Agreement and/or appoint additional or other Paying Agents or Canadian Paying Agents and/or approve any change in the specified office through which any Paying Agent, Registrar or Canadian Paying Agent acts, provided that:

- (i) so long as the Notes are admitted to trading or listed on any stock exchange or other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;
- (ii) there will at all times be an Agent;
- (iii) in respect of Registered Notes, there will at all times be a Registrar; and
- (iv) there will at all times be a Paying Agent in a Member State of European Union that will not be obliged to withhold or deduct tax pursuant to the European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in the United States only in the circumstances described in the final paragraph of Condition 5(d). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 or more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 16.

In addition, in relation to Registered Notes issued or to be issued by it, Toyota Credit Canada Inc. is entitled to vary or terminate the appointment and/or appoint additional registrars, transfer agents, Canadian paying agents and/or approve any change in the specified office through which any such registrar, transfer agent or Canadian paying agent acts, provided that there will at all times be a registrar and a paying agent capable of making payments in the Specified Currency and (in the case of Global Registered Notes) to the clearing system specified in the applicable Final Terms.

The Agency Agreement or the Note Agency Agreement contains provisions permitting any entity into which any Paying Agent and (in the case of the Note Agency Agreement only) any registrar and transfer agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent, registrar or transfer agent (as appropriate).

## **12. Exchange of Talons**

On and after the Interest Payment Date, on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

## **13. Consolidation or Merger**

The Issuer may consolidate with, or sell, lease or convey all or substantially all of its assets as an entirety to, or merge with or into any other corporation provided that in any such case, (i) either the Issuer shall be the continuing corporation, or the successor corporation shall be a



corporation organised and existing under the laws of the jurisdiction in which the Issuer is incorporated or any province, territory, state or other political subdivision thereof and such successor corporation shall expressly assume the due and punctual payment of the principal of and interest (including Additional Amounts as provided in Condition 7) on all the Notes, Receipts and Coupons, according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions of the Notes to be performed by the Issuer by an amendment to the Agency Agreement or, as the case may be, the Note Agency Agreement, executed by such successor corporation, the Issuer and the Agent or the Registrar and the Canadian Paying Agent, as the case may be, and (ii) immediately after giving effect to such transaction, no Event of Default under Condition 9, and no event which, with notice or lapse of time or both, would become such an Event of Default shall have happened and be continuing. In case of any such consolidation, merger, sale, lease or conveyance and upon any such assumption by the successor corporation, such successor corporation shall succeed to and be substituted for the Issuer, with the same effect as if it had been named herein as the Issuer, and the predecessor corporation, except in the event of a conveyance by way of lease, shall be relieved of any further obligation under the Notes and the Agency Agreement or, as the case may be, the Note Agency Agreement.

#### 14. Substitution

The Issuer (the “Retiring Issuer” and the expressions “Issuer” and “Retiring Issuer” include any previous relevant Substitute Issuer (as defined below) under this Condition 14) may, without the consent of the relevant Noteholders or Couponholders, substitute the Parent or any subsidiary of the Parent (including TFS) in place of the Issuer as the principal debtor under the Notes, the relative Receipts and Coupons and the Agency Agreement (the “Substitute Issuer”) provided that:

(a) in the case of the substitution of a subsidiary of the Parent (other than TFS or any other Issuer) in place of the Retiring Issuer, a Credit Support Agreement, in the case of a subsidiary of TFS, between such subsidiary and TFS being entered into, and the Basic Agreement applying, *mutatis mutandis* on the terms of the relevant Credit Support Agreement and the Basic Agreement, respectively and, in the case of a subsidiary of the Parent (and not being also a subsidiary of TFS) a Credit Support Agreement between such subsidiary and the Parent being entered into *mutatis mutandis* on the terms of the Basic Agreement;

(b) a deed poll substantially in the form set out in Appendix G to the Agency Agreement (and such other documents (if any)) shall be executed by the Substitute Issuer and the Retiring Issuer as may be necessary to give full effect to the substitution (the “Substitution Documents”) and (without limiting the generality of the foregoing) under which (i) the Substitute Issuer shall undertake in favour of the relevant Noteholders and Couponholders to be bound by the terms and conditions of the relevant Notes, Receipts and Coupons and the provisions of the Agency Agreement as fully as if the Substitute Issuer had been named in the relevant Notes, Receipts and Coupons and the Agency Agreement as the principal debtor in respect of the relevant Notes, Receipts and Coupons and the Agency Agreement in place of the Retiring Issuer; and (ii) the Retiring Issuer shall be released from its obligations as principal debtor in respect of the relevant Notes, Receipts and Coupons and the Agency Agreement;

(c) without prejudice to the generality of paragraph (b) above, where the Substitute Issuer is subject generally to a taxing jurisdiction differing from or in addition to the taxing jurisdiction to which the Retiring Issuer for which it shall have been substituted under this Condition 14 was subject, the Substitute Issuer shall undertake or covenant in the Substitution Documents in terms corresponding to the provisions of Condition 7 with the substitution for or addition to the references to the taxing jurisdiction to which the Retiring Issuer, as the case may be, was subject of references to the taxing jurisdiction or additional taxing jurisdiction to which such Substitute Issuer, as the case may be, is subject and in such case, Condition 7 shall be deemed to be modified accordingly when such substitution takes effect;

(d) the Substitution Documents shall contain a warranty and representation (i) that the Substitute Issuer and the Retiring Issuer have obtained all necessary governmental and regulatory approvals and consents for the substitution and that the Substitute Issuer has obtained all necessary

governmental and regulatory approvals and consents for the performance by the Substitute Issuer of its obligations under the Substitution Documents and that all such approvals and consents are in full force and effect, (ii) that the obligations assumed by the Substitute Issuer in respect of the relevant Notes, Receipts and Coupons and the Agency Agreement are, in each case, valid and binding in accordance with their respective terms and enforceable by each relevant Noteholder, and (iii) the Substitute Issuer is solvent;

(e) any credit rating obtained by the Retiring Issuer from a nationally recognised statistical rating organisation which applies to the relevant Notes will not be downgraded as a result of the substitution;

(f) each stock exchange on which the relevant Notes are admitted to trading shall have confirmed that, following the proposed substitution of the Substitute Issuer, such Notes will continue to be admitted to trading on such stock exchange;

(g) where the Substitute Issuer is not a company incorporated in the United Kingdom, the Substitute Issuer shall have appointed a process agent as its agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the relevant Notes, Receipts and Coupons and the Agency Agreement;

(h) in the case of substitution of TCCI or a Canadian subsidiary of the Parent in place of the Retiring Issuer, no withholding or other taxes will be payable by any such Substitute Issuer;

(i) legal opinions shall have been delivered to the Agent (from whom copies will be available) (in each case dated not more than three days prior to the intended date of substitution) from legal advisers of good standing selected by the Substitute Issuer (i) in each jurisdiction in which the Substitute Issuer and the Retiring Issuer are incorporated and in England confirming, as appropriate, that upon the substitution taking place, the Substitution Documents constitute legal, valid and binding obligations of the Substitute Issuer and the relevant Notes, Receipts and Coupons and the Agency Agreement are legal, valid and binding obligations of the Substitute Issuer enforceable in accordance with their terms and (ii) in Japan and in the jurisdiction in which the Substitute Issuer is incorporated, in the event any Credit Support Agreements are entered into under paragraph (a) above, confirming that any such Credit Support Agreements constitute legal, valid and binding obligations of the Parent, TFS and the Substitute Issuer, as the case may be, enforceable in accordance with its terms; and

(j) in connection with any such substitution, the Substitute Issuer and the Retiring Issuer shall not have regard to the consequences of such substitution for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and no person shall be entitled to claim whether from the Substitute Issuer, the Retiring Issuer, the Agent, or any other person, any indemnification or payment in respect of any tax consequence of any such substitution upon any person except to the extent already provided in Condition 7 and/or any undertaking given in addition thereto or in substitution therefor in the Substitution Documents in accordance with paragraph (c) above.

Upon execution of the Substitution Documents as referred to in paragraph (b) above, (i) the Substitute Issuer shall be the relevant Issuer named in the relevant Notes, the Receipts and Coupons and the Agency Agreement as principal debtor in place of the Retiring Issuer and the relevant Notes, Receipts and Coupons and the Agency Agreement shall thereby be deemed to be amended to give effect to the substitution of the Substitute Issuer as principal debtor and (ii) the Retiring Issuer shall be released as aforesaid from all of its obligations as principal debtor in respect of the relevant Notes, Receipts and Coupons and the Agency Agreement. With effect on and from the time of the substitution of the Substitute Issuer in place of the Retiring Issuer:

(A) the Retiring Issuer has no further obligations to any Noteholder or Couponholder in relation to the relevant Notes, Receipts and Coupons;

(B) the Substitute Issuer has rights which the Retiring Issuer had in respect of the relevant Notes, Receipts and Coupons (in each case subject to paragraph (c) above); and

(C) the Substitute Issuer has assumed the obligations towards the Noteholders and Couponholders which the Retiring Issuer had in respect of the relevant Notes, Receipts and Coupons.

The Substitution Documents shall be deposited with and held by the Agent and (in the case of Registered Notes) copied to the Registrar for so long as any of the relevant Notes remain outstanding and for so long as any claim made against the Substitute Issuer or the Retiring Issuer by any Noteholder or Couponholder in relation to the relevant Notes, Receipts, Coupons, the Agency Agreement or (in the case of Registered Notes) the Note Agency Agreement or the Substitution Documents shall not have been finally adjudicated, settled or discharged. The Substitute Issuer and the Retiring Issuer shall acknowledge in the Substitution Documents the right of every Noteholder to the production of the Substitution Documents for the enforcement of any of the relevant Notes, Receipts, Coupons, the Agency Agreement or (in the case of Registered Notes) the Note Agency Agreement or the Substitution Documents.

Within 14 days of a substitution taking effect under this Condition 14, the Retiring Issuer shall give notice of such substitution to the relevant Noteholders in accordance with Condition 16.

#### **15. Meetings, Modifications and Waivers**

The Agency Agreement contains provisions which, unless otherwise provided in the Final Terms, are binding on the Issuer, the Noteholders, the Receiptholders and the Couponholders, for convening meetings of holders of Notes, Receipts and Coupons to consider matters affecting their interests, including the modification or waiver of the Terms and Conditions applicable to the Notes.

The Agency Agreement, (in the case of Registered Notes) the Note Agency Agreement, the Notes and any Receipts and Coupons attached to the Notes may be amended by the Issuer and (in the case of the Agency Agreement) the Agent and (in the case of the Note Agency Agreement) the Registrar and the Canadian Paying Agent, without the consent of the holder of any Note, Receipt or Coupon (i) for the purpose of curing any ambiguity, or for curing, correcting or supplementing any defective provision contained therein, or to evidence the succession of another corporation to the Issuer as provided in Condition 13 or provide for substitution of the Issuer as provided in Condition 14, (ii) to make any further modifications of the terms of the Agency Agreement or (in the case of Registered Notes) the Note Agency Agreement necessary or desirable to allow for the issuance of any additional Notes (which modifications shall not be materially adverse to holders of outstanding Notes) or (iii) in any manner which the Issuer and (in the case of the Agency Agreement) the Agent and (in the case of the Note Agency Agreement) the Registrar and the Canadian Paying Agent may deem necessary or desirable and which shall not materially adversely affect the interests of the holders of the Notes, Receipts and Coupons. In addition, with the written consent of holders of a majority in aggregate nominal amount of the Notes then outstanding affected thereby, or by resolution adopted by the holders of a majority in aggregate nominal amount of Notes then outstanding present or represented at a meeting of the holders of the Notes affected thereby at which a quorum is present, as provided in the Agency Agreement (provided that such resolution shall be approved by the holders of not less than 25 per cent. of the aggregate nominal amount of Notes then outstanding affected thereby), the Issuer and the Agent and (in the case of the Note Agency Agreement) the Registrar and the Canadian Paying Agent may from time to time and at any time enter into agreements modifying or amending the Agency Agreement or (in the case of Registered Notes) the Note Agency Agreement or the terms and conditions of the Notes, Receipts and Coupons for the purpose of adding any provisions to or changing in any manner or eliminating any provisions of the Agency Agreement or (in the case of Registered Notes) the Note Agency Agreement or of modifying in any manner the rights of the holders of Notes, Receipts and Coupons; provided, however, that no such agreement shall, without the consent or the affirmative vote of the holder of each Note affected thereby, (i) change the stated maturity of the principal of or any instalment of interest on any Note, (ii) reduce the nominal amount of or interest on any Note, (iii) change the obligation of the Issuer to pay Additional Amounts as provided in Condition 7, (iv) reduce the percentage in nominal amount of outstanding Notes the consent of the holders of which is necessary to modify or amend the Agency Agreement or (in the case of Registered Notes) the Note Agency

Agreement or the terms and conditions of the Notes or to waive any future compliance or past default, or (v) reduce the percentage in nominal amount of outstanding Notes the consent of the holders of which is required at any meeting of holders of Notes at which a resolution is adopted. The quorum at any meeting called to adopt a resolution will be persons holding or representing a majority in aggregate nominal amount of the Notes then outstanding affected thereby and at any adjourned meeting will be one or more persons holding or representing 25 per cent. in aggregate nominal amount of such Notes then outstanding affected thereby. Any instrument given by or on behalf of any holder of a Note in connection with any consent to any such modification, amendment or waiver will be irrevocable once given and will be conclusive and binding on all subsequent holders of such Note. Any modifications, amendments or waivers to the Agency Agreement or (in the case of Registered Notes) to the Note Agency Agreement or to the terms and conditions of the Notes, Receipts and Coupons will be conclusive and binding on all holders of Notes, Receipts and Coupons, whether or not they have given such consent or were present at any meeting, and whether or not notation of such modifications, amendments or waivers is made upon the Notes, Receipts and Coupons. It shall not be necessary for the consent of the holders of Notes under this Condition 15 to approve the particular form of any proposed amendment, but it shall be sufficient if such consent shall approve the substance thereof.

Notes authenticated and delivered after the execution of any amendment to the Agency Agreement, or (in the case of Registered Notes) to the Note Agency Agreement, the Notes, Receipts or Coupons may bear a notation in form approved by the Agent or (in the case of Registered Notes) Registrar as to any matter provided for in such amendment to the Agency Agreement or (in the case of Registered Notes) to the Note Agency Agreement.

New Notes so modified as to conform, in the opinion of the Agent or (in the case of Registered Notes) the Registrar and the Issuer, to any modification contained in any such amendment may be prepared by the Issuer, authenticated by the Agent or (in the case of Registered Notes) the Registrar and delivered in exchange for the Notes then outstanding.

For the purposes of this Condition 15, Condition 3 and Condition 9, the term “*outstanding*” means, in relation to the Notes, all Notes issued under the Agency Agreement or the Note Agency Agreement other than (i) those which have been redeemed in full in accordance with the Agency Agreement or the Note Agency Agreement or these Terms and Conditions, (ii) those in respect of which the date for redemption (whether in respect of the whole principal amount or the final instalment (when redeemable in instalments)) in accordance with these Terms and Conditions has occurred and the redemption moneys therefor (including all interest (if any) accrued thereon to the date for such redemption and any interest (if any) payable under these Terms and Conditions after such date) have been duly paid to the Agent as provided in the Agency Agreement or (in the case of Registered Notes) to the Registrar or the Canadian Paying Agent (and, where appropriate, notice has been given to the Noteholders in accordance with Condition 16) and remain available for payment against presentation of the Notes, (iii) those which have become void under Condition 8, (iv) those which have been purchased or otherwise acquired and cancelled as provided in Condition 6, and those which have been purchased or otherwise acquired and are being held by the Issuer for subsequent resale or reissuance as provided in Condition 6 during the time so held, (v) those mutilated or defaced Notes which have been surrendered in exchange for replacement Notes pursuant to Condition 10, (vi) (for the purposes only of determining how many Notes are outstanding and without prejudice to their status for any other purpose) those Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Notes have been issued pursuant to Condition 10 and (vii) temporary global Notes to the extent that they shall have been duly exchanged in whole for permanent global Notes or definitive Notes and permanent global Notes or registered global Notes to the extent that they shall have been duly exchanged in whole for definitive Notes, in each case pursuant to their respective provisions.

## **16. Notices**

All notices regarding the Notes shall be validly given if published in a leading English language daily newspaper of general circulation in London (which is expected to be the *Financial*

*Times*) or, if this is not practicable, one other such English language newspaper as the Issuer, in consultation with the Agent, shall decide. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange on which the Notes are for the time being admitted to trading or are listed by another relevant authority. Any such notice published as aforesaid shall be deemed to have been given on the date of such publication or, if published more than once, on the date of the first such publication. Receiptholders and Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the holders of the Notes in accordance with this Condition 16.

Until such time as any definitive Notes are issued, so long as the global Note(s) is or are held in its or their entirety on behalf of Euroclear and Clearstream, Luxembourg, there may be substituted for such publication in such newspaper the delivery of the relevant notice to Euroclear and Clearstream, Luxembourg for communication by them to the holders of the Notes; provided that, for so long as any Notes are admitted to trading on a stock exchange or are listed by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any notice delivered to Euroclear and Clearstream, Luxembourg shall be deemed to have been given to the holders of the Notes on the third day after the day on which the said notice was given to Euroclear and Clearstream, Luxembourg, or on such other day as is specified in the applicable Final Terms.

Notices to holders of Registered Notes in definitive form will be deemed to be validly given if sent by mail to them (or, in the case of joint holders of Registered Notes, to the first-named in the register kept by the Registrar) at their respective addresses as recorded in such register, and will be deemed to have been validly given on the fourth business day after the date of such mailing.

Notices to be given by any holder of the Notes shall be in writing and given by lodging the same, together with the relative Note or Notes, in the case of Bearer Notes, with the Agent or, in the case of Registered Notes, with the Registrar. While any of the Notes are represented by a global Note, such notice may be given by any holder of a Note to, in the case of Bearer Notes, the Agent or, in the case of Registered Notes, the Registrar via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent or Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

#### **17. Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes ranking *pari passu* in all respects (or in all respects save for the Issue Date, the amount and the date of the first payment of interest thereon and/or the Issue Price) and so that the same shall be consolidated and form a single series with the outstanding Notes and references in these Terms and Conditions to “Notes” shall be construed accordingly.

#### **18. Redomination and Exchange**

The Issuer may (if so specified in the applicable Final Terms) without the consent of the holder of any Note, Receipt, Coupon or Talon, redenominate into euro all, but not some only, of the Notes of any Series on or after the date on which the member state of the European Union in whose national currency such Notes are denominated has become a participant member in the third stage of the European economic and monetary union as more fully set out in the applicable Final Terms. The Issuer may (if so specified in the applicable Final Terms) without the consent of the holder of any Note, Receipt, Coupon or Talon, elect that the Notes shall be exchangeable for Notes expressed to be denominated in euro in accordance with such arrangements as the Issuer may decide.

#### **19. Disapplication**

The Notes confer no right under the Contracts (Rights of Third Parties) Act 1999 to enforce

any term of the Notes, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **20. Governing Law and Submission to Jurisdiction**

The Agency Agreement, the Note Agency Agreement, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Note Agency Agreement, the Notes, the Receipts and the Coupons are governed by, and shall be construed in accordance with, English law.

The Issuer irrevocably agrees, for the exclusive benefit of the Noteholders, the Receiptholders and the Couponholders, to the jurisdiction of the English courts for all purposes in connection with the Agency Agreement, the Note Agency Agreement, the Notes, the Receipts and the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Note Agency Agreement, the Notes, the Receipts and the Coupons and in relation thereto the Issuer has appointed Toyota Financial Services (UK) PLC as its agent for service of process on its behalf and has agreed that in the event of Toyota Financial Services (UK) PLC ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process. Without prejudice to the foregoing, the Issuer further irrevocably agrees that any suit, action or proceedings arising out of or in connection with the Agency Agreement, the Note Agency Agreement, the Notes, the Receipts and the Coupons (including any suit, action or proceedings relating to any non-contractual obligations arising out of or in connection with the Agency Agreement, the Note Agency Agreement, the Notes, the Receipts and the Coupons) may be brought in any other court of competent jurisdiction.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be applied by the relevant Issuer for its general corporate purposes, which include making a profit. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

## TOYOTA MOTOR FINANCE (NETHERLANDS) B.V. (“*TMF*”)

### DESCRIPTION OF TMF

#### History and Business

TMF was incorporated as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of the Netherlands on 3 August 1987 and registered in the Trade Register of the Amsterdam Chamber of Commerce under number 33194984. TMF is a wholly-owned subsidiary of TFS which is a wholly-owned subsidiary of the Parent and its registered office is Atrium, Strawinskylaan 3105, 1077 ZX Amsterdam, the Netherlands with telephone number + 31 20 406 4444.

As of the date of this Prospectus, TMF’s authorised share capital is 10,000 shares of common stock with a par value of EUR 454 of which 2,000 shares have been issued and fully paid-up. All issued and fully paid-up shares in TMF are held by TFS.

The principal activity of TMF is to act as a group finance company for some of the Parent’s consolidated subsidiaries. TMF raises funds by issuing bonds and notes in the international capital markets and on lends to other Toyota companies. TMF also issues guarantees for debt issuances of certain other Toyota companies. In addition, TMF generates income from other investment and deposit income incidental to its primary funding activities. As a group finance company, TMF is dependent on the performance of the subsidiaries and affiliates of the Parent and TFS to which it grants loans.

TMF and TFS have entered into a Credit Support Agreement (see “*Relationship of TFS and the Issuers with the Parent*” below).

#### Directors and Senior Management of TMF

The Board of Management of TMF is responsible for the operations and management of TMF. The Managing Directors of TMF and their business addresses are Messrs. Takahisa Iizuka of Atrium, Strawinskylaan 3105, 1077 ZX Amsterdam, the Netherlands, Eiji Hirano of Nagoya Lucent Tower, 6-1, Ushijima-cho, Nishi-ku, Nagoya City, Aichi Prefecture 451-6015, Japan and Nobuo Nagasaki of 1, Toyota-cho, Toyota City, Aichi Prefecture 471-8571, Japan (all of whom are engaged in the business of TMF and/or the Parent) and <sup>(1)</sup>Equity Trust Co. N.V. of Atrium, Strawinskylaan 3105, 1077 ZX Amsterdam, the Netherlands (which is engaged in the business of providing corporate services to TMF, TFS and other Dutch companies). The three Japanese Managing Directors have no other business activities outside of the Toyota group. Equity Trust Co. N.V., the fourth Managing Director, is a corporate service provider registered with the Amsterdam Chamber of Commerce under number 33126512.

On 9 July 2008, Takahiko Ijichi resigned as a Managing Director of TMF and Nubuo Nagasaki was appointed a Managing Director of TMF. On 26 February 2008, Wolbert Kamphuijs resigned as a Managing Director of TMF and Takahisa Iizuka was appointed a Managing Director of TMF. On 2 November 2007, Hideto Ozaki resigned as a Managing Director of TMF and Eiji Hirano was appointed a Managing Director of TMF.

No potential conflicts of interest exist between any duties to TMF of any of the directors of TMF or of any of the directors of Equity Trust Co. N.V. and their private interests or other duties.

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Note:

(1) The directors of Equity Trust Co. N.V. are Rumoldus Geertruda Antonius De Schutter, Floris van der Rhee and Jacob Cornelis Willem van Burg, and such directors are engaged in the business of providing corporate services to TMF and other Dutch companies. The business address of each of the Directors of Equity Trust Co. N.V. is Atrium, Strawinskylaan 3105, 1077 ZX Amsterdam, the Netherlands.



The Netherlands has no specific corporate governance regime in respect of Dutch issuing vehicles, such as TMF, which only have listed and unlisted debt securities.

TMF is not required to have an audit committee under the laws of the Netherlands.

With effect from 1 April 2005, TMF made a change to its accounting policies to prepare its financial statements in accordance with IFRS as adopted in the EU. This includes EU-adopted IAS 39.

### **Articles of Association**

Article 2 of the Articles of Association of TMF provides that the objects of TMF are (a) borrowing and lending funds; entering into any type of financial transactions; and giving guarantees; (b) participating in, financing and administrating other companies, associations and enterprises of whatever nature; acquiring, retaining, disposing of or in any way administrating any type of participation or interest in other companies, associations and enterprises of whatever nature; and acting as a holding company; and (c) acquiring, administrating, operating, disposing of or otherwise utilising personal and real property.

## SELECTED FINANCIAL INFORMATION OF TMF

The financial information set forth below has been extracted without material adjustment from the audited financial statements of TMF for those periods prepared in accordance with the IFRS as adopted by the EU. This information should be read in conjunction with, and is qualified by reference to, the audited financial statements of TMF and notes thereof for the years ended 31 March 2008 and 31 March 2007.

### Balance Sheet at 31 March

	2008	2007
	€'000	€'000
<b>Assets</b>		
<b>Non-Current Assets</b>		
Loan to related companies .....	1,565,342	1,132,145
Available-for-sale investments – related company .....	898	1,050
Property, plant and equipment .....	23	-
Intangible assets .....	15	-
Deferred tax assets .....	-	327
<b>Total Non-Current Assets</b> .....	<b>1,566,278</b>	<b>1,133,522</b>
<b>Current Assets</b>		
Loans to related companies .....	1,343,510	1,370,627
Available-for-sale investments.....	9,954	9,831
Other financial assets at fair value through profit or loss.....	31,405	34,932
Other receivables.....	7,358	4,477
Current tax assets .....	1,848	592
Derivative financial instruments .....	78,473	4,335
Cash and bank balances .....	685	2,775
<b>Total Current Assets</b> .....	<b>1,473,233</b>	<b>1,427,569</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Borrowings.....	2,200,297	1,393,224
Derivative financial instruments .....	111,985	81,650
Financial guarantee liability.....	1,724	1,789
Other liabilities and accrued expense.....	2,400	1,440
Bank overdraft.....	5,185	1,847
<b>Total Current Liabilities</b> .....	<b>2,321,591</b>	<b>1,479,950</b>
<b>Net Current (Liabilities) / Assets</b> .....	<b>(848,358)</b>	<b>(52,381)</b>
<b>Non-Current Liabilities</b>		
Borrowings.....	639,095	1,021,260
Deferred tax liabilities.....	3,977	-
<b>Total Non-Current Liabilities</b> .....	<b>643,072</b>	<b>1,021,260</b>
<b>Net Assets</b> .....	<b>74,848</b>	<b>59,881</b>

<b>Shareholder's Equity</b>		
Share capital .....	908	908
Retained earnings .....	73,849	58,830
Fair value reserve .....	91	143
<b>Total Shareholder's Equity .....</b>	<b>74,848</b>	<b>59,881</b>

#### Income Statement for year ended 31 March

	2008	2007
	€'000	€'000
Interest income .....	128,347	94,264
Guarantee fee income .....	1,412	1,442
<b>Revenue .....</b>	<b>129,759</b>	<b>95,706</b>
Interest expense .....	(117,069)	(86,183)
Fee expenses .....	(2,235)	(2,056)
<b>Cost of funding .....</b>	<b>(119,304)</b>	<b>(88,239)</b>
<b>Gross profit .....</b>	<b>10,455</b>	<b>7,467</b>
Administrative expenses .....	(2,005)	(1,387)
Net gains / (losses) .....	11,914	5,743
Dividend income .....	9	9
<b>Profit before tax .....</b>	<b>20,373</b>	<b>11,832</b>
Taxation .....	(5,354)	(3,483)
<b>Profit for the year .....</b>	<b>15,019</b>	<b>8,349</b>

**Cashflow Statement  
for the year ended 31 March**

	<u>2008</u>	<u>2007</u>
	€'000	€'000
<b>Cash flow from operating activities:</b>		
Cash (used) / generated from operations .....	(512,540)	(151,197)
Interest received .....	112,465	93,349
Interest paid .....	(108,228)	(87,608)
Tax paid.....	<u>(2,339)</u>	<u>(2,325)</u>
 Net cash (used) / generated from operating activities .....	 <u>(510,642)</u>	 <u>(147,781)</u>
<b>Cash flow from investing activities:</b>		
Purchase of equipment and software.....	(41)	-
Sale or redemption of other financial assets.....	3,279	19,450
Dividend received .....	<u>9</u>	<u>9</u>
 Net cash generated / (used) in investing activities .....	 <u>3,247</u>	 <u>19,459</u>
<b>Cash flow from financing activities:</b>		
Proceeds from borrowings .....	15,346,764	13,647,608
Repayment of borrowings .....	<u>(14,843,500)</u>	<u>(13,847,672)</u>
 Net cash (used) / generated in financing activities .....	 <u>503,264</u>	 <u>(200,064)</u>
 <b>Net (decrease) / increase in cash and cash equivalents .....</b>	 <b>(4,131)</b>	 <b>(328,386)</b>
 Cash and cash equivalents at the beginning of year .....	 928	 329,388
 Exchange gains / (losses) on cash and cash equivalents .....	 <u>(1,297)</u>	 <u>(74)</u>
 <b>Cash and cash equivalents at 31 March .....</b>	 <b><u>(4,500)</u></b>	 <b><u>928</u></b>

## TOYOTA CREDIT CANADA INC. (“TCCI”)

### DESCRIPTION OF TCCI

#### History and Business

TCCI, a wholly-owned subsidiary of TFS, which is a wholly-owned subsidiary of the Parent, was incorporated as a company with limited liability under the Canada Business Corporations Act on 19 February 1990. TCCI’s Corporation Number is 257476-4. The registered office of TCCI is located at 80 Micro Court, Suite 200, Markham, Ontario L3R 9Z5, Canada with telephone number +1 905 513 8200. As of the date of this Prospectus, TCCI’s authorised share capital is an unlimited number of shares of common stock with a par value of C\$10,000 per share, of which 6,000 shares have been issued and fully paid-up. TCCI has no subsidiary undertakings.

The principal business of TCCI, which is an integral part of the Toyota group’s presence in Canada, is to provide financing services for authorised Toyota dealers and users of Toyota products. Financial products offered (i) to customers, include lease and loan financing (i.e. financing through Toyota dealers to assist customers to acquire Toyota vehicles); and (ii) to Toyota dealers, include floor plan financing (i.e. financing of dealer inventory), wholesale lease financing (i.e. financing of dealer lease portfolios) and dealership financing (i.e. financing of the acquisition or renovation of dealership facilities). Such financing programmes are offered in all provinces and territories of Canada.

TCCI and TFS have entered into a Credit Support Agreement (see “*Relationship of TFS and the Issuers with the Parent*” below).

#### Board of Directors

The Board of Directors, which has responsibility for the administration of the affairs of TCCI, consists of and their business addresses are:

Mr. Eiji Hirano of Nagoya Lucent Tower, 6-1, Ushijima-cho, Nishi-ku, Nagoya City, Aichi Prefecture 451-6015, Japan

Mr. Yoichi Tomihara of 1 Toyota Place, Scarborough, Ontario, M1H 1H9, Canada

Mr. Kenneth G. Arnold of 80 Micro Court, Suite 200, Markham, Ontario, L3R 9Z5 Canada

Mr. Mototaka Sato (*Executive Vice-President*) of 80 Micro Court, Suite 200, Markham, Ontario, L3R 9Z5 Canada

Mr. Lorenzo Baldesarra (*President*) of 80 Micro Court, Suite 200, Markham, Ontario, L3R 9Z5, Canada

Mr. Anthony J. Wearing of 1 Toyota Place, Scarborough, Ontario, M1H 1H9, Canada

Mr. Real Tanguay of 1055 Fountain Street North, Cambridge, Ontario, N3H 5K2, Canada

All of the above noted directors are engaged in the business of TCCI and/or the Parent and/or an affiliated company of the Parent and have no significant activities outside of the Toyota group. No potential conflicts of interest exist between any duties to TCCI of any of the Board of Directors of TCCI and their private interests or other duties.

TCCI complies with the corporate governance regime of Canada, as applicable to TCCI.

TCCI is not required to have an audit committee under the laws of Canada.

## SELECTED FINANCIAL INFORMATION OF TCCI

The financial information set forth has been extracted without material adjustment from the audited financial statements of TCCI for those periods prepared in accordance with Canadian generally accepted accounting principles. This information should be read in conjunction with, and is qualified by reference to, the audited financial statements of TCCI and notes thereof for the year ended 31 March 2008 and 31 March 2007.

### Toyota Credit Canada Inc. Balance Sheets at 31 March 2008 and 31 March 2007

	2008 <u>(C\$'000)</u>	2007 <u>(C\$'000)</u>
<b>Assets</b>		
Finance receivables .....	6,710,541	5,165,240
Retained interests in securitizations .....	108,098	142,697
Swap contracts receivable .....	31,884	8,585
Deferred asset .....	-	8,327
Derivative assets .....	362,053	-
Other assets .....	5,135	37,811
Short-term investments .....	3,487	-
	<u>C\$7,221,198</u>	<u>C\$5,362,660</u>
<b>Liabilities</b>		
Cheques and other items in transit .....	10,272	6,876
Debt payable .....	5,708,059	3,954,630
Net unrealized foreign exchange loss on swap agreements .....	1,847	197,499
Swap contracts payable .....	103,082	54,344
Derivative liabilities .....	308,427	-
Interest payable .....	43,884	43,589
Due to affiliated company .....	90,849	86,208
Accounts payable and accrued liabilities .....	51,692	84,539
Income and other taxes payable .....	1,112	23,340
Future income taxes .....	216,900	227,300
	<u>6,536,124</u>	<u>4,678,325</u>
<b>Shareholder's Equity</b>		
Share capital .....	60,000	60,000
Retained earnings .....	625,074	624,335
	<u>685,074</u>	<u>684,335</u>
	<u>C\$7,221,198</u>	<u>C\$5,362,660</u>

**Statements of Income and Retained Earnings  
for the year ended 31 March 2008 and 31 March 2007**

	<u>2008</u>	<u>2007</u>
	(C\$'000)	(C\$'000)
<b>Financing revenue</b> .....	438,768	361,209
<b>Securitization related income</b> .....	26,665	46,218
<b>Investment and other income/loss</b> .....	(90,015)	(14,848)
	<u>375,418</u>	<u>392,579</u>
<b>Expenses</b>		
Interest.....	219,948	202,948
Operating.....	23,687	22,627
Capital taxes.....	12,076	13,977
Provision for financing losses .....	81,668	11,924
	<u>337,379</u>	<u>251,476</u>
<b>Income before income taxes</b> .....	38,039	141,103
<b>Income taxes</b>		
Current income taxes.....	20,653	17,858
Future income taxes .....	(5,409)	7,100
	<u>15,244</u>	<u>24,958</u>
<b>Net income for the year</b> .....	<u>22,795</u>	<u>116,145</u>
<b>Retained earnings – Beginning of year</b> .....	624,335	508,190
<b>Adjustments to opening retained earnings</b> .....	(10,456)	-
<b>Retained earnings – Beginning of the year, as restated</b> .....	<u>613,879</u>	<u>508,190</u>
	<u>636,674</u>	<u>624,335</u>
<b>Dividends</b> .....	(11,600)	-
<b>Retained earnings – End of year</b> .....	<u>C\$625,074</u>	<u>C\$624,335</u>

**Statements of Cash Flows**  
**for the year ended 31 March 2008 and 31 March 2007**

	<u>2008</u>	<u>2007</u>
	(C\$'000)	(C\$'000)
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Net income for the year .....	22,795	116,145
Items not requiring cash		
Provision for financing losses .....	81,668	11,924
Amortization of other assets .....	8,920	9,653
Amortization of debt premiums/discounts .....	(11,552)	(4,609)
Amortization of swap upfront payment .....	-	(411)
Interest expense attributed to Accounting Guideline 13 transitional amount .....	-	21,558
Swap agreements – mark-to-market valuation.....	8,585	(9,056)
Future income taxes .....	(5,409)	7,100
	<u>105,007</u>	<u>152,304</u>
Changes in non-cash operating accounts		
Decrease (increase) in retained interests in securitizations .....	42,354	(26,506)
(Decrease) increase in income and other taxes payable.....	(25,148)	16,379
Decrease (increase) in other assets .....	35,597	(4,488)
Increase in interest payable .....	8,543	8,254
(Decrease) increase in accounts payable and accrued liabilities .....	(32,847)	10,278
Increase in due to affiliated company .....	4,641	7,205
Increase in short-term investments .....	(3,487)	-
	<u>134,660</u>	<u>163,426</u>
<b>Investing activities</b>		
Finance receivables		
Acquisitions .....	(6,053,353)	(5,063,278)
Collections, liquidations and sales .....	4,426,384	3,773,052
	<u>(1,626,969)</u>	<u>(1,290,226)</u>
<b>Financing activities</b>		
Issuance of debt payable .....	1,114,962	965,258
Repayment of debt payable .....	(834,067)	(550,000)
Issuance of commercial paper and other short-term debt...	1,219,618	10,669
Payment of dividends .....	(11,600)	-
Increase (decrease) in cheques and other items in transit...	3,396	(3,428)
Proceeds from securitizations of finance receivables – net.....	-	671,770
Swap upfront receipt – other than payments related to issuance of debt payable.....	-	35,113
Premiums received upon issuance of debt .....	-	(2,582)
	<u>1,492,309</u>	<u>1,126,800</u>



<b>Net change in cash and cash equivalents during the year</b> .....	-	-
<b>Cash and cash equivalents – Beginning of year</b> .....	-	-
<b>Cash and cash equivalents – End of year</b>	-	-
<b>Supplemental disclosures</b> .....		
Interest paid .....	211,406	189,644
Income taxes paid .....	20,287	27,823

**TOYOTA FINANCE AUSTRALIA LIMITED (“TFA”)  
(ABN 48 002 435 181)**

**DESCRIPTION OF TFA**

**History and Business**

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 “*Australian Corporations Act*”) and is a wholly-owned subsidiary of TFS which is a wholly-owned subsidiary of the ultimate parent entity, the Parent incorporated in Japan. TFA’s Australian Business Number (“*ABN*”) is 48 002 435 181 and TFA’s Australian Company Number is 002 435 181. The registered office of TFA is located at Level 9, 207 Pacific Highway, St Leonards NSW 2065 Australia, with telephone number +61 2 9430 0000. As at 31 March 2008 TFA had 379 adjusted full-time equivalent employees.

As of the date of this Prospectus TFA’s Contributed Equity is AUD120 million (120 million ordinary shares with no par value fully paid-up). All shares in TFA are held by TFS.

TFA (Wholesale) Pty Limited (“*TFAW*”), incorporated in New South Wales is a subsidiary of TFA but does not currently trade. TFA also has an investment of 5,000,000 Ordinary shares (45.45 per cent) in an associated company, Toyota Finance New Zealand Limited (“*TFNZ*”), incorporated in New Zealand. The balance of the shares in TFNZ are owned by TFS. TFA has no other subsidiaries.

The principal activities of TFA, which are an integral part of the Toyota group’s presence in Australia, are:

- to finance the purchase by dealers of new Toyota, Lexus and Hino vehicles as well as used vehicles of any make for resale;
- to finance motor vehicle acquisition 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 administer and manage extended warranty and insurance products; and
- to provide consumer finance including personal loans and real estate loans.

TFA operates in the following business and geographical segments:

*Business segments*

- Retail finance comprising loans and leases to personal and business customers; and
- Wholesale finance comprising loans and bailment facilities to motor vehicle dealers.

*Geographical segments*

TFA’s business segments operate predominately in Australasia.

**Dependence and Control**

*The Parent and TFS*

All the outstanding stock of TFA is owned directly by TFS. TFS is a wholly-owned

subsidiary of the Parent. The Parent effectively controls TFA and is able in practice to directly control the composition of the Board of Directors of TFA and direct the management and policies of TFA.

TFA and TFS have entered into a Credit Support Agreement (see “*Relationship of TFS and the Issuers with the Parent*”).

#### *TFNZ*

TFNZ is involved in the retail financing and leasing of new and used vehicles sold by Toyota dealers, the marketing of vehicle and finance related insurances and the provision of wholesale floor plan facilities to authorised Toyota dealers. TFNZ also provides retail finance and related products for pleasure boats and transacts some unsecured personal loan business with existing creditworthy customers. All operations are conducted in New Zealand. TFA’s investment in TFNZ is accounted for in its consolidated financial statements using the equity method of accounting. The equity method of accounting requires TFA’s share, currently 45.45 per cent., of TFNZ’s post-acquisition profits and losses to be recognised in the income statement, and TFA’s share of post-acquisition movements in reserves is recognised in reserves. TFA’s consolidated financial position, and performance as represented by the results of its operations and cash flows is dependent on TFNZ’s performance, to the extent of TFA’s interest in TFNZ.

#### *TMCA*

Certain financing products offered by TFA and its subsidiaries may be subsidised by Toyota Motor Corporation Australia Limited (“*TMCA*”) (a wholly-owned subsidiary of the Parent).

TMCA is the primary distributor of new Toyota vehicles in Australia.

The majority of TFA’s business is connected with the financing of new and used Toyota vehicles.

Higher levels of sales of new and used Toyota vehicles in Australia relative to the level of sales of new and used vehicles of other makes are favourable for TFA’s business. Lower levels of sales of new and used Toyota vehicles in Australia relative to the level of sales of new and used vehicles of other makes are not favourable for TFA’s business.

Under an agreement with TMCA, TFA markets, administers and accepts the liability for claims arising under a range of factory extended warranty products marketed through Toyota dealers to purchasers of Toyota vehicles. Since TFA acquired the rights to market the factory extended warranty products from TMCA, it has re-insured part of or all of its liability for claims (“*claims risk*”) in respect of new and used Toyota vehicles with licensed insurers (the “*re-insurers*”). The factory extended warranty products are only available at point of sale of Toyota vehicles and as such, sales of the product may be impacted by the same risks described in “*Risk Factors – Business Risk – TFS group – TCCL, TFA and TMCC – Sales of Toyota vehicles*”.

TFA has also entered into the following taxation arrangements:

- Tax Contribution Deed (“*TCD*”);
- Tax Sharing Deed (“*TSD*”); and
- GST Grouping Arrangement.

The TCD and TSD are income tax arrangements between TMCA, TFA, Toyota Technical Centre Asia Pacific Australia Pty Ltd and their subsidiary members SCT Pty Ltd, XTMCA Ltd, AMI Ltd and TFAW (collectively the “*Group*” for the purposes of the following four paragraphs).

The main purpose of these Agreements is to formalise the management, calculation, allocation, funding and payment of the Group’s income tax liability for any year a group income

tax consolidated return is filed. The arrangement effectively allocates the income tax liability to each member of the Group based on the stand alone liability of each Group member.

TMCA is responsible as head entity of the Group for remitting Group income tax liability to the Australian Tax Office as and when required. TMCA indemnifies each member of the Group where liability arises as a result of TMCA's failure to pay the Group income tax liability provided each Group member has given TMCA the necessary information and has paid its share of the Group income tax liability.

For so long as TFA is a member of an income tax consolidated group TFA is joint and severally liable for the income tax liabilities of the Group. The tax consolidated group was formed effective 1 April 2003. Prior to this period, TFA is liable only for its own income tax liability. TFA's liability is effectively limited within the consolidated group by the TSD. The TSD broadly limits TFA's exposure for Group income tax liability to the income tax liability TFA would have paid were it not a member of the Group. There are also indemnities provided by the parties to the TCD and TSD to each other in relation to instances of default by a party.

Under the GST Grouping Arrangement a group Goods and Services Tax ("GST") and Luxury Car Tax ("LCT") return is filed by TMCA. Under the GST and LCT law TFA is jointly and severally liable for the GST and LCT liabilities of the Group, should TMCA default in its group obligations to the Australian Tax Office.

### **Directors and Senior Management**

The Board of Directors, which has responsibility for the administration of the affairs of TFA, consists of and their business addresses are:

Mr. R. P. Springer (Managing Director) of 207 Pacific Highway, St Leonards, NSW, 2065, Australia.

Mr. H. Ikoma of 207 Pacific Highway, St Leonards, NSW, 2065, Australia.

Mr. M. Yasuda of 155 Bertie Street, Port Melbourne, Victoria, 3207, Australia.

Mr. N. Nagasaki of 1, Toyota-cho, Toyota City, Aichi Prefecture 471-8571, Japan.

Mr. D. Buttner of 155 Bertie Street, Port Melbourne, Victoria, 3207, Australia.

Mr. K. Mukaiyama (Alternate for Mr N. Nagasaki) of 155 Bertie Street, Port Melbourne, Victoria, 3207, Australia.

Mr. H. Obata (Alternate for Mr. E. Hirano) of 207 Pacific Highway, St Leonards, NSW, 2065, Australia.

Mr. E. Hirano of Nagoya Lucent Tower, 6-1, Ushijima-cho, Nishi-ku, Nagoya City, Aichi Prefecture 451-6015, Japan.

Mr. H. Watanabe of Nagoya Lucent Tower, 6-1, Ushijima-cho, Nishi-ku, Nagoya City, Aichi Prefecture 451-6015, Japan.

Mr. C. Euers of 207 Pacific Highway, St Leonards, NSW, 2065, Australia.

Mr. J. Chandler of 207 Pacific Highway, St Leonards, NSW, 2065, Australia.

All the Directors are engaged in the business of TFA, TFS, the Parent or an affiliated company of the Parent. No potential conflicts of interest exist between any duties to TFA of any of the Directors of TFA and their private interests or other duties.

There is no separate statutory corporate governance regime in Australia applicable to unlisted public companies, although the Australian Corporations Act regulates certain aspects of the governance of unlisted public companies. TFA's Management Committee (a committee of its most senior executives) has established a comprehensive internal audit and legal compliance review programme to ensure compliance with internal policies and procedures and compliance with lending and other laws impacting on its operations including trade practices, taxation and corporation laws. The Management Committee reviews all audit outcomes and any remedial action proposed or taken to resolve any issues of non-compliance. As at the date of this Prospectus, the members of the Management Committee are Mr. Hitoshi Ikoma, Mr. John Chandler, Mr. Colin Euers, Mr. Ian Ritchens, Mr. Paul Williams, Mr. Gary Leonard, Mr. Ed

Stanistreet, Mr. Peter Jones, Mr. Jim Sneddon and Mr. Hironobu Obata. There are no non-executive members of the Management Committee.

### **Memorandum and Articles of Association**

Clause 2 of the Memorandum of Association of TFA provides that the objects of TFA shall include carrying on business as financiers and moneylenders, entering into all types of funding agreements, undertaking all kinds of financial industrial or commercial insurance, acquiring or selling the whole or part of any business and selling, letting, disposing or otherwise dealing with all or any property or rights of TFA for cash or any other consideration. However, notwithstanding any provision of TFA's Memorandum of Association or Articles of Association, under the Australian Corporations Act, TFA has all the powers of a natural person and no act of TFA is invalid merely because it is contrary or beyond any of its stated objects.

## SELECTED FINANCIAL INFORMATION OF TFA

The financial information set forth has been extracted without material adjustment from the audited consolidated annual financial report of TFA for the year ended 31 March 2008. This information should be read in conjunction with, and is qualified by reference to, the audited consolidated annual financial report of TFA and notes thereof for the year ended 31 March 2008.

The Financial Reports for the financial years ended 31 March 2007 and 31 March 2008 are prepared in accordance with the Australian Equivalents to International Financial Reporting Standards (“AIFRS”).

### Balance Sheet as at 31 March

	Consolidated 2008 (A\$'000)	Consolidated 2007 (A\$'000)
<b>Assets</b>		
Cash and cash equivalents.....	11,056	6,216
Loans and advances.....	5,678,999	5,194,438
Derivative financial instruments .....	54,911	32,213
Investments accounted for using the equity method .....	42,446	39,495
Property, plant and equipment .....	22,144	26,547
Deferred tax assets .....	18,988	25,555
Other assets .....	5,914	58,068
<b>Total assets</b> .....	<b>5,834,458</b>	<b>5,382,532</b>
<b>Liabilities</b>		
Due to other financial institutions .....	18,000	178,000
Bonds and commercial paper .....	4,917,156	4,374,480
Current tax liabilities.....	-	41,944
Derivative financial instruments .....	127,603	95,399
Deferred tax liabilities.....	41,967	34,982
Other liabilities.....	224,872	198,653
<b>Total liabilities</b> .....	<b>5,329,598</b>	<b>4,923,458</b>
<b>Net assets</b>	<b>504,860</b>	<b>459,074</b>
<b>Equity</b>		
Contributed equity.....	120,000	120,000
Reserves .....	(861)	36
Retained profits .....	385,721	339,038
<b>Total equity</b> .....	<b>504,860</b>	<b>459,074</b>

### Income Statement for the year ended 31 March

	Consolidated 2008 <u>(A\$'000)</u>	Consolidated 2007 <u>(A\$'000)</u>
Interest and similar revenue .....	449,076	394,355
Interest expense and similar charges .....	(315,511)	(265,455)
<b>Net financing income</b> .....	<u>133,565</u>	<u>128,900</u>
Other income .....	7,916	2,863
Bad and doubtful debts expense .....	(10,148)	(8,481)
Employee benefits expense .....	(37,218)	(32,459)
Depreciation and amortisation expense .....	(8,976)	(8,315)
Other expenses .....	(22,459)	(23,042)
Other borrowing revenue/(costs) .....	22,956	(378)
Share of net profits of associates accounted for using the equity method .....	5,225	3,389
<b>Profit before income tax</b> .....	<u>90,861</u>	<u>62,477</u>
Income tax expense .....	(26,334)	(17,868)
<b>Profit attributable to members</b> .....	<u><u>64,527</u></u>	<u><u>44,609</u></u>

### Cash Flow Statement for the year ended 31 March

	Consolidated 2008 <u>(A\$'000)</u>	Consolidated 2007 <u>(A\$'000)</u>
<b>Cash flows from operating activities</b>		
Net cash outflow from lending and other operating activities .....	(538,657)	(438,500)
Interest received .....	473,560	416,727
Net income taxes paid .....	(22,066)	(26,841)
Interest paid .....	(299,075)	(255,285)
<b>Net cash outflow from operating activities</b>	<u>(386,238)</u>	<u>(303,899)</u>
<b>Cash flows from investing activities</b>		
Dividend received from associate .....	1,377	789
Payments for property, plant and equipment .....	(6,130)	(13,469)
Proceeds from sale of property, plant and equipment .....	1,514	1,937
<b>Net cash outflow from investing activities</b>	<u>(3,239)</u>	<u>(10,743)</u>
<b>Cash flows from financing activities</b>		
Dividends paid .....	(17,844)	(9,893)
Net proceeds from borrowings .....	412,161	320,857
<b>Net cash inflow from financing activities</b>	<u>394,317</u>	<u>310,964</u>
<b>Net (decrease)/increase in cash held</b> .....	4,840	(3,678)
<b>Cash/(overdraft) at the beginning of the year</b> .....	6,216	9,894
<b>Cash at the end of the year</b> .....	<u><u>11,056</u></u>	<u><u>6,216</u></u>

## TOYOTA MOTOR CREDIT CORPORATION (“TMCC”)

### DESCRIPTION OF TMCC

#### History and Business

Unless otherwise specified in this document “TMCC” means Toyota Motor Credit Corporation and its consolidated subsidiaries.

TMCC was incorporated as a California corporation (Corporation Number 1123946) on 4 October 1982 to continue perpetually and with limited liability. It commenced operations in 1983. TMCC is registered in California. TMCC is wholly-owned by Toyota Financial Services Americas Corporation (“TFSA”), a California corporation which is a wholly-owned subsidiary of TFS. TFS, in turn, is a wholly-owned subsidiary of the Parent. TMCC is marketed under the brands of Toyota Financial Services and Lexus Financial Services.

TMCC provides a variety of finance and insurance products to authorised Toyota and Lexus dealers and, to a lesser extent, other domestic and import franchise dealers (collectively referred to as “*vehicle dealers*”) and their customers in the United States (excluding Hawaii) (“U.S.”) and Puerto Rico. TMCC also provides finance products to commercial and industrial equipment dealers (“*industrial equipment dealers*”) and their customers. TMCC’s products fall primarily into the following finance and insurance product categories:

**Finance** TMCC provides a broad range of finance products including retail financing, leasing, and dealer financing to vehicle and industrial equipment dealers and their customers; and

**Insurance** Through a wholly-owned subsidiary, TMCC provides marketing, underwriting, and claims administration related to covering certain risks of vehicle dealers and their customers. TMCC also provides coverage and related administrative services to certain affiliates.

TMCC supports growth in earning assets through funding obtained in the capital markets as well as funds provided by operating activities. Refer to the “*Liquidity and Capital Resources*” section of Item 7. of Management’s Discussion and Analysis of Financial Condition and Results of Operations in TMCC’s Form 10-K/A, which is incorporated by reference into this Prospectus for a detailed discussion of TMCC’s funding activities. A more detailed description of the products and services offered by TMCC is contained within this section. Refer to Note 18 – Segment Information of the Notes to Consolidated Financial Statements of TMCC’s Form 10-K/A which is incorporated by reference into this Prospectus for financial information including assets, revenues, and net income generated by these segments.

TMCC primarily acquires and services finance, lease, and insurance contracts from vehicle dealers through 30 dealer sales and services offices (“*DSSOs*”) located throughout the U.S. and three regional customer service centres (“*CSCs*”) and from industrial equipment dealers through a corporate department located at TMCC’s headquarters in Torrance, California. The DSSOs primarily support vehicle dealer financing needs by providing services such as acquiring finance and lease contracts from vehicle dealers, financing inventories, and financing other dealer activities and requirements such as business acquisitions, facilities refurbishment, real estate purchases, and working capital requirements. The DSSOs also provide support for TMCC’s insurance products sold in the U.S. The CSCs support customer account servicing functions such as collections, lease terminations, and administration of retail and lease customer accounts. The Central region CSC also supports insurance operations by providing customer service and handling claims processing. Refer to Item 2., “*Properties*” of TMCC’s Form 10-K/A which is incorporated by reference into this Prospectus for information on the geographical location of the DSSOs and CSCs.



### ***Seasonality***

Revenues generated by receivables TMCC owns are generally not subject to seasonal variations. Although financing volume is subject to a certain degree of seasonality, this seasonality does not have a significant impact on revenues as collections, generally in the form of fixed payments, occur over the course of several years. The automotive finance industry is subject to seasonal variations in credit losses, which are typically higher in the first and fourth calendar quarters of the year.

### ***Geographic Distribution of Operations***

As of 31 March 2008, approximately 22 per cent. of managed vehicle retail and lease assets were located in California, 10 per cent. in Texas, 7 per cent. in New York, and 6 per cent. in New Jersey. Any material adverse changes to California's, Texas', New York's, or New Jersey's economies or applicable laws could have an adverse effect on TMCC's financial condition and results of operations.

TMCC's executive and registered offices are located in, and the contact address the TMCC's Board of Directors is, 19001 South Western Avenue, Torrance, California 90501; telephone number +1 310 468-1310.

### ***Finance Operations***

TMCC provides retail financing, leasing, wholesale financing, and certain other financial products and services to authorised Toyota and Lexus dealers and, to a lesser extent, other domestic and import franchised dealers and their customers in the U.S. and the Commonwealth of Puerto Rico. TMCC also offers financing for various industrial and commercial products such as forklifts, light and medium-duty trucks, and electric vehicles. Gross revenues related to transactions with industrial equipment dealers contributed 3 per cent. to total gross revenues in both fiscal 2008 and 2007, and 4 per cent. in fiscal 2006.

The table below summarises TMCC's financing revenues, net of depreciation by primary product.

	<b>Years Ended 31 March</b>		
	<b>2008</b>	<b>2007</b>	<b>2006</b>
Percentage of financing revenues, net of depreciation:			
Operating leases (net of depreciation)	23%	24%	22%
Retail financing*	64%	62%	65%
Dealer financing	13%	14%	13%
Financing revenues, net of depreciation	100%	100%	100%

\* Includes direct finance lease revenues.

### ***Retail and Lease Financing***

#### ***Underwriting***

TMCC acquires new and used vehicle and industrial equipment finance and lease contracts primarily from Toyota and Lexus vehicle dealers and industrial equipment dealers. Dealers transmit customer applications electronically to TMCC's online system for contract acquisition. Applications that meet certain income, credit, and other requirements are approved by the system, while other applications are further analysed by credit analysts. TMCC uses a proprietary credit scoring system for making decisions regarding credit applications. If approved, it acquires the retail finance contracts and a security interest in the vehicle or industrial equipment that is financed under the contract and it acquires the lease contracts and concurrently assumes ownership of the leased vehicles or industrial equipment. TMCC views lease arrangements, including its operating leases, as financing transactions as it does not seek to re-lease the vehicles or equipment

upon default or at lease termination.

TMCC utilises a tiered pricing programme for retail and lease contracts. The programme matches customer risk with contract rates charged to allow for a range of risk levels. Generally, each approved application is assigned a credit tier. TMCC reviews and adjusts rates regularly based on competitive and economic factors. Rates vary based on credit tier, term, and collateral (if applicable), including whether a new or used vehicle is being financed. Special rates may apply as a result of promotional efforts through subvention programmes.

TMCC regularly reviews and analyses its retail and lease portfolio to evaluate the effectiveness of its underwriting guidelines and purchasing criteria.

### *Servicing*

TMCC also services its retail and lease contracts. Each of its CSCs service the vehicle retail and lease contracts using the same servicing system and procedures, except that centralised tracking units monitor bankruptcy administration, post-charge-off, and recovery. TMCC's industrial equipment retail and lease contracts are serviced at a centralised facility. The collection department manages the liquidation of each retail and lease contract. TMCC considers a customer to be past due if less than 90 per cent. of a regularly scheduled payment is received by the due date.

TMCC uses a behavioural-based collection strategy to minimise risk of loss and employ various collection methods. Upon commencement of the contracts, it perfects its security interests through state Department of Motor Vehicles (or equivalent) Certificate of Title filings in the retail vehicles financed and through Uniform Commercial Code (“UCC”) filings in the industrial equipment financed and has the right to repossess the assets if customers fail to meet contractual obligations and the right to enforce collection actions against the obligors under the contracts.

TMCC generally determines whether to commence repossession efforts before an account is 60 days past due. Repossessed vehicles are held in inventory to comply with statutory requirements and then sold at private auctions, unless public auctions are required by applicable law. Any unpaid amounts remaining after sale or after full charge off are pursued to the extent practical and legally permitted. Collections of deficiencies are administered at a centralised facility. TMCC's policy is to charge off a retail or lease contract as soon as disposition of the vehicle has been effected and sales proceeds have been received, but may in some circumstances charge-off a retail or lease contract prior to repossession. When repossession and disposition of the collateral has not been effected, TMCC's policy is to charge off as soon as TMCC determines that the vehicle cannot be recovered, but not later than when the contract is 150 days contractually delinquent. Bankrupt accounts may be charged off after 150 days. TMCC sells the vehicles or industrial equipment through vehicle or industrial equipment dealers or physical auctions. Repossessed vehicles are sold through a variety of distribution channels, similar to the sale of vehicles returned at lease end. Refer to the “*Residual Value Risk*” section of the Management's Discussion and Analysis of Financial Condition and Results of Operations in TMCC's Form 10-K/A which is incorporated into this Prospectus by reference for further discussion of its remarketing activities.

TMCC may, in accordance with its customary servicing procedures, waive any prepayment charge, late payment charge, or any other fees that may be collected in the ordinary course of servicing the retail and lease account. In addition, TMCC may defer a customer's obligation to make a payment by extending the contract term.

Substantially all of TMCC's retail and operating lease receivables are non-recourse to the vehicle and industrial equipment dealers, which relieves the vehicle and industrial equipment dealers from financial responsibility in the event of repossession.

TMCC may experience a higher risk of loss if customers fail to maintain required insurance coverage. The terms of TMCC's retail financing programmes require customers to maintain physical damage insurance covering loss or damage to the financed vehicle or industrial

equipment in an amount not less than the full value of the vehicle or equipment. TMCC currently does not monitor ongoing insurance compliance as part of its customary servicing procedures for retail accounts.

TMCC's vehicle lease contracts require lessees to maintain minimum liability insurance and physical damage insurance covering loss or damage to the leased vehicle in an amount not less than the full value of the vehicle. TMCC monitors ongoing insurance compliance only in certain vicarious liability states for lease contracts.

TMCC is also responsible for the residual value of the leased asset if the lessee, vehicle dealer, or industrial equipment dealer does not purchase the asset at lease maturity. At the end of the lease term, lease customers have the option to purchase the leased asset at the contractual residual value or return the leased asset to the vehicle or industrial equipment dealer. If the leased asset is returned to the vehicle or industrial equipment dealer, the vehicle or industrial equipment dealer has the option of purchasing the leased asset or returning it to TMCC. In an effort to minimise losses incurred at lease maturity, TMCC has developed remarketing strategies to maximise proceeds and minimise disposition costs on used vehicles and industrial equipment sold at lease termination. TMCC uses various channels to sell vehicles returned at lease maturity. Refer to the "*Residual Value Risk*" section of Management's Discussion and Analysis of Financial Condition and Results of Operations in TMCC's Form 10-K/A which is incorporated into this Prospectus by reference for further discussion of its remarketing activities. Industrial equipment returned by the lessee or industrial equipment dealer is sold through authorised Toyota industrial equipment dealers or wholesalers using a bidding process.

Toyota Lease Trust, a Delaware business trust (the "*Titling Trust*"), acts as lessor and holds title to leased vehicles in specified states. This arrangement was established to facilitate a previously utilised lease securitisation programme. Lease contracts acquired by the Titling Trust from Toyota and Lexus vehicle dealers are serviced by TMCC in the same manner as lease contracts owned directly by TMCC. TMCC holds an undivided trust interest in lease contracts owned by the Titling Trust, and these lease contracts are included in its lease assets unless and until such time as the interests in the contracts are transferred in a securitisation transaction. TMCC does not presently have an active lease securitisation programme.

### ***Dealer Financing***

Dealer financing is comprised of wholesale financing and other financing options designed to meet dealer business needs.

### ***Wholesale Financing***

TMCC provides wholesale financing, also referred to as floorplan financing, to vehicle and equipment dealers for inventories of new and used Toyota, Lexus, and other vehicles and industrial equipment. TMCC acquires a security interest in vehicles financed at wholesale, which it perfects through UCC filings, and these financings may be backed by corporate or individual guarantees from, or on behalf of, participating vehicle and industrial equipment dealers, dealer groups, or dealer principals. In the event of vehicle or industrial equipment dealer default under a wholesale loan arrangement, TMCC has the right to liquidate assets in which it has a perfected security interest and seek legal remedies pursuant to the wholesale loan agreement and any applicable guarantees.

TMCC and Toyota Motor Sales, U.S.A., Inc. ("*TMS*"), an affiliate of TMCC, have entered into an Amended and Restated Repurchase Agreement. This agreement states that TMS will arrange for the repurchase of new Toyota and Lexus vehicles at the aggregate cost financed by TMCC in the event of vehicle dealer default under floorplan financing. TMCC also entered into similar agreements with Toyota Material Handling, U.S.A., Inc. ("*TMHU*"), Hino Motor Sales, U.S.A., Inc. ("*HINO*"), and other domestic and import manufacturers. TMHU is the primary distributor of Toyota lift trucks in the U.S., and HINO is the exclusive U.S. distributor of commercial trucks manufactured by Hino Motors Ltd. of Japan.

### *Other Dealer Financing*

TMCC extends term loans and revolving lines of credit to vehicle and industrial equipment dealers for business acquisitions, facilities refurbishment, real estate purchases, and working capital requirements. These loans are typically secured with liens on real estate, vehicle inventory, and/or other dealership assets, as appropriate, and usually are guaranteed by the personal or corporate guarantees of the dealer principals or dealerships. TMCC also provides financing to various multi-franchise dealer organisations, referred to as dealer groups, often as part of a lending consortium, for wholesale, working capital, real estate, and business acquisitions. These loans are typically collateralised with liens on real estate, vehicle inventory, and/or other dealership assets, as appropriate. TMCC obtains a personal guarantee from the vehicle or industrial equipment dealer or corporate guarantee from the dealership when deemed prudent. Although the loans are typically collateralised or guaranteed, the value of the underlying collateral or guarantees may not be sufficient to cover TMCC's exposure under such agreements. TMCC prices the credit facilities according to the risks assumed in entering into the credit facility and competitive factors.

### **Insurance Operations**

TMCC markets its insurance products through Toyota Motor Insurance Services, Inc. ("TMIS"), a wholly-owned subsidiary. TMIS and its wholly-owned insurance company subsidiaries' principal activities include marketing, underwriting, and claims administration related to covering certain risks of Toyota, Lexus, and other domestic and import franchise dealers and their customers. TMIS' primary business consists of issuing vehicle service and maintenance contracts and guaranteed auto protection ("GAP") agreements sold to customers by or through Toyota and Lexus dealers, and certain other domestic or import vehicle dealers in the U.S. TMIS obtains a significant portion of vehicle service contract business by providing TMS coverage on certified Toyota and Lexus pre-owned vehicles. TMIS also provides other coverage and related administrative services to certain of TMCC's affiliates.

Changes in the volume of vehicle sales, changes in vehicle dealers' utilisation of programmes offered by TMIS, or changes in the level of coverage purchased by TMCC's affiliates could materially impact the level of TMIS operations. Gross revenues from insurance operations comprised 6 per cent., 7 per cent., and 6 per cent. of total gross revenues for fiscal 2008, 2007, and 2006, respectively.

### **Products and Services**

#### *Vehicle Service Agreements, Certified Pre-owned, and GAP*

Vehicle service agreements ("VSA") offer vehicle owners and lessees mechanical breakdown protection for new and used vehicles secondary to the manufacturer's new vehicle warranty. VSA coverage is available on Toyota and Lexus vehicles and other domestic and import vehicles. Certified pre-owned contracts offer coverage on Toyota and Lexus vehicles only. GAP insurance, or debt cancellation agreements, provides coverage for a lease or retail contract deficiency balance in the event of a total loss of the covered vehicle.

#### *Wholesale Inventory*

TMIS, through its wholly-owned subsidiary, provides insurance to TMCC covering Toyota, Lexus, and certain other domestic and import vehicle dealers' inventory financed by TMCC. TMIS has obtained reinsurance on the inventory insurance policy covering the excess of certain dollar maximums per occurrence and in the aggregate. Through reinsurance, TMIS limits its exposure to losses by obtaining the right to reimbursement from the assuming company for the reinsured portion of losses.

#### *Other Products*

TMIS provides prepaid maintenance programmes covering Toyota, Lexus and certain other domestic and import vehicles. TMIS, through its wholly-owned subsidiary, provides umbrella

liability insurance to TMS and affiliates of TMCC covering certain dollar value layers of risk above various primary or self-insured retentions. On all layers in which TMIS has provided coverage, 99 per cent. of the risk has been ceded to various reinsurers.

### Corporate Governance

TMCC is in compliance with the applicable corporate governance statutes and regulations of the State of California.

### Share Capital

As at the date of this Prospectus, TMCC's authorised share capital is 100,000 shares of capital stock with par value U.S.\$10,000 of which 91,500 shares have been issued and fully paid up, making a total issued share capital of U.S.\$915 million. All shares are held by Toyota Financial Services Americas Corporation, a wholly-owned subsidiary of TFS.

### Directors and Principal Executive Officers

<b>Name and business address</b>	<b>Position</b>	<b>Country of domicile</b>
George E. Borst of 19001 South Western Avenue, FF12, Torrance, California 90501, United States	Director, President and Chief Executive Officer, TMCC	USA
	Director, President and Chief Operating Officer, TFSA	
	Director, TFS	
Ichiro Yajima of 19001 South Western Avenue, FF12, Torrance, California 90501, United States	Director, Executive Vice President and Treasurer, TMCC	USA
	Director, Executive Vice President and Treasurer, TFSA	
David Pelliccioni of 19001 South Western Avenue, FF12, Torrance, California 90501, United States	Director, Senior Vice President, Chief Administrative Officer and Secretary, TMCC	USA
Christopher Ballinger of 19001 South Western Avenue, FF12, Torrance, California 90501, United States	Group Vice President and Chief Financial Officer, TMCC	USA
	Group Vice President and Chief Financial Officer, TFSA	
Yukitoshi Funo of 19001 South Western Avenue, FF12, Torrance, California 90501, United States	Director, TMCC	USA
	Chairman of the Board of Directors and Chief Executive Officer, TMS	
	Senior Managing Director, TMC Board of Directors	

James Lentz III of 19001 South Western Avenue, FF12, Torrance, California 90501, United States	Director, TMCC Director and President, TMS	USA
Takahiko Ijichi of Nagoya Lucent Tower, 6-1, Ushijima-cho, Nishi-ku, Nagoya City, Aichi Prefecture 451- 6015, Japan	Director, TMCC  Director, TFS  Senior Managing Director, TMC Board of Directors	Japan
Takeshi Suzuki of 1, Toyota-cho, Toyota City, Aichi Prefecture 451-8571, Japan	Director, TMCC  Chairman of the Board of Directors and Chief Executive Officer, TFSA  Director, President and Chief Executive Officer, TFS	Japan
Eiji Hirano of Nagoya Lucent Tower, 6-1, Ushijima-cho, Nishi-ku, Nagoya City, Aichi Prefecture 451-6015, Japan	Director, TMCC  Director and Executive President, TFS	Japan

All of the directors of TMCC's Board of Directors except for Messrs. Hirano and Ijichi are members of an Executive Committee of the Board of Directors with authority to exercise the powers of the Board except for certain specified matters not permissible under the California Corporations Code and other matters specifically reserved by the Board.

No potential conflicts of interest exist between any duties to TMCC of any of the Directors of TMCC and their private interests or other duties.

#### **Audit Committee**

As of the date of this Prospectus, Christopher Ballinger, Geri Brewster, David Pelliccioni, Anthony Salcido and Ichiro Yajima comprise TMCC's audit committee. This is not an independent audit committee. The following is a summary of the terms of reference of TMCC's audit committee.

The primary function of the Audit Committee (the "*Committee*") is to assist the Board of Directors and management of TMCC in fulfilling its oversight responsibilities.

The Committee has authority to initiate and direct investigations and assessments of any operations, financial reporting, and other critical processes. It has unrestricted access to management and all appropriate information and has the authority to retain outside counsel, accountants and consultants to advise or assist the Committee. The Committee meets four times annually and can convene additional meetings as necessary and request the presence of management and external advisors as required.

To fulfil its duties with respect to reports published by TMCC, the Committee reviews, among other things: TMCC's annual audited financial statements and other financial information to be provided in the annual filing with the SEC; each Form 10-Q and Form 10-K prior to its filing

or the release of earnings; TMCC's financial reporting and accounting standards and principles and the key accounting decisions affecting TMCC's financial statements; and the process for the CEO and CFO quarterly certifications required by the SEC with respect to financial statements and TMCC's disclosure and internal controls.

The Committee annually reviews the relationship between TMCC and its independent registered public accounting firm to determine the accountants' independence. The Committee has responsibility to pre-approve audit engagement fees and terms and any other non-audit services provided to TMCC by an independent auditor. It consults the independent auditor about internal controls and the fullness of TMCC's financial statements.

The Committee reviews, approves and directs TMCC's internal audit functions and reviews the results of internal audit and activities and any significant disagreements among management and internal audit. The Committee is also responsible for ensuring TMCC complies with legal standards.

The Committee is not subject to all SEC and New York Stock Exchange regulations relating to audit committees as TMCC is a wholly-owned subsidiary of TMC and TMCC does not issue equities to the public.

### **Articles of Association**

The purpose of the corporation, as set forth in Article II of TMCC's Articles of Incorporation, is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

### **Legal Proceedings**

A cross-complaint alleging a class action in the Superior Court of California Stanislaus County, *Garcia v. Toyota Motor Credit Corporation*, filed in January 2007, claims that TMCC's post-repossession notice failed to comply with the Reese-Levering Automobile Sales Finance Act of California ("*Reese-Levering*"). An additional cross-complaint alleging a class action in the Superior Court of California San Francisco County, *Aquilar and Smith v. Toyota Motor Credit Corporation*, filed in February 2008, contains similar allegations claiming that TMCC's post-repossession notices failed to comply with Reese-Levering. The plaintiffs are seeking injunctive relief, restitution and/or disgorgement, as well as damages in the Aquilar matter. TMCC's cases have been consolidated in Stanislaus County as they present nearly identical questions of law and fact. TMCC believes it has strong defences to these claims.

## SELECTED FINANCIAL INFORMATION OF TMCC

The following selected financial data as of and for the years ended 31 March 2008 and 2007 has been extracted without material adjustment from financial statements audited by PricewaterhouseCoopers LLP, independent registered public accounting firm, included in TMCC's Form 10-K/A. The Form 10-K/A was filed to restate TMCC's consolidated financial statements for the fiscal year ended 31 March 2008 and to amend related disclosures. The following selected financial data as of and for the three months ended 30 June 2008 and 2007 has been extracted without material adjustment from TMCC's unaudited financial statements included in TMCC's Quarterly Reports on Form 10-Q for the quarters ended 30 June 2008 and 2007, which in the opinion of management, reflects all adjustments, consisting of normal recurring adjustments, necessary for a fair statement of the data for the interim periods presented. The information for the three months ended 30 June 2008, is not necessarily indicative of the results that may be expected for the full fiscal year or any other interim period. The Form 10-K/A and the Quarterly Report on Form 10-Q for the quarter ended 30 June 2008, referred to above, are among the documents incorporated by reference into this Prospectus. The following information should be read in conjunction with the financial statements of TMCC contained in such documents. (See "General Information - Availability of Documents").

### Balance Sheet Data as at 31 March and 30 June

	<u>30 June</u>		<u>31 March</u>	
	<u>2008</u>	<u>2007</u> (restated)	<u>2008</u> (restated)	<u>2007</u> (restated)
	(Unaudited)		(Audited)	
	(U.S. Dollars in Millions)		(U.S. Dollars in Millions)	
Finance receivables, net.....	\$57,846	\$49,178	\$55,481	\$47,862
Investment in operating leases, net.....	\$18,989	\$17,274	\$18,656	\$16,493
Total assets .....	\$85,834	\$72,597	\$80,398	\$69,380
Debt.....	\$73,522	\$61,274	\$68,266	\$58,596
Capital stock <sup>(1)</sup> .....	\$915	\$915	\$915	\$915
Retained earnings <sup>(2)</sup> .....	\$4,283	\$4,238	\$3,865	\$4,064
Total shareholder's equity	\$5,186	\$5,216	\$4,780	\$5,031

(1) \$10,000 par value per share.

(2) For the year ended 31 March 2007 a cash dividend of \$130 million was declared and paid to TFSA. No dividend was declared or paid in the year ended 31 March 2008.



**Income Statement Data for the year ended 31 March  
and the three months ended 30 June**

	<u>Three Months</u>		<u>Years Ended</u>	
	<u>Ended 30 June</u>		<u>31 March</u>	
	2008	2007	2008	2007
		(restated)	(restated)	(restated)
	(Unaudited)		(Audited)	
	(U.S. Dollars in		(U.S. Dollars in	
	Millions)		Millions)	
Financing Revenues:				
Operating lease.....	\$1,195	\$1,029	\$4,433	\$3,624
Retail financing (1).....	818	722	3,112	2,539
Dealer financing.....	148	164	647	547
Total financing revenues .....	2,161	1,915	8,192	6,710
Depreciation on operating leases .....	949	761	3,299	2,673
Interest expense.....	43	670	4,151	2,662
Net financing revenues.....	1,169	484	742	1,375
Insurance earned premiums and contract revenues .....	105	92	385	334
Investment and other income.....	44	43	301	252
Net financing revenues and other revenues.....	1,138	619	1,428	1,961
Provision for credit losses.....	371	102	809	410
Expenses:				
Operating and administrative.....	207	197	841	758
Insurance losses and loss adjustment expenses .....	53	38	158	126
Total provision for credit losses and expenses .....	631	337	1,808	1,294
(Loss) income before (benefit) provision for income taxes .....	687	282	(380)	667
(Benefit) provision for income taxes .....	267	108	(157)	233
Net (loss) income .....	\$420	\$174	(\$223)	\$434

(1) Includes direct finance lease revenues.

**Cash Flow Statement Data for the year ended 31 March  
and the three months ended 30 June**

	<u>Three Months</u>		<u>Years Ended</u>	
	<u>Ended 30 June</u>		<u>31 March</u>	
	2008	2007	2008	2007
		(restated)	(restated)	(restated)
	(Unaudited)		(Audited)	
	(U.S. Dollars in		(U.S. Dollars in	
	Millions)		Millions)	
Cash flows from operating activities:				
Net (loss) income	\$420	\$174	(\$223)	\$434
Adjustments to reconcile net (loss) income to net cash provided by operating activities:				
Non-cash impact of hedging activities .....	(691)	(49)	952	119
Depreciation and amortisation .....	1,096	913	3,957	3,263
Recognition of deferred income .....	(237)	(201)	(896)	(682)
Provision for credit losses .....	371	102	809	410
(Gain) loss from sale of marketable securities .....	5	-	(71)	(71)
(Increase) decrease in other assets .....	(17)	(12)	(365)	(353)
Increase (decrease) in amounts held under reciprocal collateral arrangements .....	(231)	45	1,365	40
Increase (decrease) in deferred income taxes .....	274	94	19	732
(Decrease) increase in other liabilities .....	(26)	58	687	279
Net cash provided by operating activities .....	964	1,124	6,234	4,171
Cash flows from investing activities:				
Purchase of investments in marketable securities .....	(531)	(261)	(1,813)	(1,363)
Disposition of investments in marketable securities .....	553	248	1,313	1,114
Acquisition of finance receivables .....	(7,948)	(6,411)	(26,466)	(22,490)
Collection of finance receivables .....	5,319	4,827	20,081	17,521
Net change in wholesale receivables .....	(23)	196	(1,853)	(1,220)
Acquisition of investments in operating leases .....	(2,410)	(2,243)	(8,655)	(8,548)
Disposals of investments in operating leases .....	1,147	755	3,394	2,431
Net change in revolving notes from affiliates .....	(655)	-	(409)	-
Advances to affiliate .....	-	(20)	(270)	-
Net cash used in investing activities .....	(4,548)	(2,909)	(14,678)	(12,555)
Cash flows from financing activities:				
Proceeds from issuance of debt .....	5,222	6,477	21,914	16,286
Payments on debt .....	(5,268)	(3,933)	(15,159)	(9,882)
Net change in commercial paper .....	5,832	166	965	2,648
Net advances from (to) TFSA .....	(21)	(1)	131	(24)
Dividends paid .....	-	-	-	(130)
Net cash provided by financing activities .....	5,765	2,709	7,851	8,898
(Decrease) increase in cash and cash equivalents .....	2,181	924	(593)	514
Cash and cash equivalents at the beginning of the period....	736	1,329	1,329	815
Cash and cash equivalents at the end of the period .....	\$2,917	\$2,253	\$736	\$1,329

**Historical Consolidated Financial Information of TMCC**

Audited historical financial information of TMCC and its subsidiaries for the financial years ended 31 March 2007 and 2008, including in each case the balance sheet, income statement, cash flow statement, accounting policies and explanatory notes and the auditor's report are set out on and from page 89 of TMCC's Form 10-K/A, which is incorporated by reference into this

Prospectus. Unaudited consolidated historical financial information of TMCC and its subsidiaries for the three months ended 30 June 2008 are set out on and from page 3 of TMCC's Quarterly Report on Form 10-Q for the quarter ended 30 June 2008, which is incorporated by reference into this Prospectus.

## RELATIONSHIP OF TFS AND THE ISSUERS WITH THE PARENT

### General

TMF, TCCI and TFA are wholly-owned subsidiaries of TFS, a Japanese corporation. TMCC is a wholly-owned subsidiary of TFSA, a California corporation which is itself a wholly-owned subsidiary of TFS. TFS is a wholly-owned subsidiary of the Parent, a Japanese corporation. Each of the Issuers is the beneficiary of certain credit support arrangements described more fully below. These arrangements support the credit ratings of the relevant Issuer's securities as described more fully under "*General Information – Credit Ratings*" and provide a substantial benefit to each of the Issuers.

### Credit Support Agreements

Each of TMF, TCCI and TFA has entered into a Credit Support Agreement in English with TFS dated as of 7 August 2000 and TMCC has entered into a Credit Support Agreement in English with TFS dated as of 1 October 2000 (each a "*Credit Support Agreement*" and together the "*Credit Support Agreements*", as may be amended, modified or supplemented from time to time). TFS has entered into a Basic Credit Support Agreement dated 14 July 2000, a Supplemental Credit Support Agreement dated 14 July 2000 and a Supplemental Credit Support Agreement No. 2 dated 2 October 2000 in each case in Japanese with the Parent (collectively, the "*Basic Agreement*", as may be amended, modified or supplemented from time to time). The following is a summary of certain of the terms of the Credit Support Agreements and the Basic Agreement, copies or, in the case of the Basic Agreement, an English translation of which are available for inspection as stated in "*General Information*" below.

TFS has agreed with each of the Issuers in the Credit Support Agreements:

- (i) to own, directly or indirectly, all of the outstanding shares of the capital stock of the relevant Issuer and not to pledge, directly or indirectly, or in any way encumber or otherwise dispose of any such shares of stock so long as the relevant Issuer has any outstanding bonds, debentures, notes and other investment securities and commercial papers (hereinafter called the "*Securities*"), unless required to dispose of any or all such shares of stock pursuant to a court decree or order of any governmental authority which, in the opinion of counsel to TFS, may not be successfully challenged;
- (ii) to cause the relevant Issuer and its subsidiaries, if any, to have a consolidated tangible net worth, as determined in accordance with generally accepted accounting principles in the jurisdiction of incorporation of the relevant Issuer and as shown on the relevant Issuer's most recent audited annual consolidated balance sheet, of at least EUR100,000 in the case of TMF, C\$150,000 in the case of TCCI, A\$150,000 in the case of TFA and U.S.\$100,000 in the case of TMCC so long as Securities of each such relevant Issuer are outstanding. Tangible net worth means the aggregate amount of issued capital, capital surplus and retained earnings less any intangible assets; and
- (iii) if the relevant Issuer at any time determines that it will run short of cash or other liquid assets to meet its payment obligations on any Securities then or subsequently to mature and that it shall have no unused commitments available under its credit facilities with lenders other than TFS, then the relevant Issuer will promptly notify TFS of the shortfall and TFS will make available to the relevant Issuer, before the due date of such Securities, funds sufficient to enable it to pay such payment obligations in full as they fall due. The relevant Issuer will use such funds made available to it by TFS solely for the payment of such payment obligations when they fall due.

The Parent has agreed with TFS in the Basic Agreement:

- (i) to own, directly or indirectly, all of the outstanding shares of the capital stock of TFS and not to pledge, directly or indirectly, or in any way encumber or otherwise dispose of any such shares of stock so long as TFS has any outstanding bonds, debentures, notes and other investment securities and commercial paper (hereinafter called "*TFS Securities*", which shall include, except for the purpose of paragraph (iii) below, any Securities issued by subsidiaries or affiliates of TFS in respect of which TFS has guarantee or credit support obligations), unless required to dispose of any or all such shares of stock pursuant to a court decree or order of any governmental authority which, in the opinion of counsel to the Parent, may not be successfully challenged;
- (ii) to cause TFS and TFS's subsidiaries, if any, to have a consolidated tangible net worth, as determined in accordance with generally accepted accounting principles in Japan and as shown on TFS's most recent audited annual consolidated balance sheet, of at least JPY10,000,000 so long as TFS Securities are outstanding. Tangible net worth means the aggregate amount of issued capital, capital surplus and retained earnings less any intangible assets; and
- (iii) if TFS at any time determines that it will run short of cash or other liquid assets to meet its payment obligations in respect of any TFS Securities or obligations under any guarantee and credit support agreements then or subsequently to mature and that it shall have no unused commitments available under its credit facilities with lenders other than the Parent, then TFS will promptly notify the Parent of the shortfall and the Parent will make available to TFS, before the due date in respect of such obligations, funds sufficient to enable it to pay such payment obligations in full as they fall due. TFS will use such funds made available to it by the Parent solely for the payment of such payment obligations when they fall due.

The Credit Support Agreements and the Basic Agreement are not, and nothing contained therein and nothing done by TFS and the Parent respectively should be deemed to constitute a guarantee, direct or indirect, by TFS or the Parent respectively of any Securities or TFS Securities, respectively, including the Notes.

The Credit Support Agreements and the Basic Agreement are executed for the benefit of the holders of Securities and TFS Securities, as the case may be, including the Notes, and such holders may rely on the observance by TFS and/or the Parent, as the case may be, of the provisions of the Credit Support Agreement and/or the Basic Agreement, as the case may be.

The Credit Support Agreements and the Basic Agreement provide that the holders of Securities and/or TFS Securities, as the case may be, including the Notes, have the right to claim directly against TFS and/or the Parent, as the case may be, to perform any of its obligations under the Credit Support Agreement and/or the Basic Agreement, as the case may be. Such claim must be made in writing with a declaration to the effect that such a holder will have recourse to the rights given under the Credit Support Agreement or the Basic Agreement, as the case may be. If TFS and/or the Parent receives such a claim from any of the holders of Securities and/or TFS Securities, as the case may be, TFS and/or the Parent must indemnify, without any further action or formality, such a holder against any loss or damage arising out of or as a result of the failure to perform any of its obligations under the Credit Support Agreement and/or the Basic Agreement, as the case may be. The holder of Securities and/or TFS Securities who made the claim may enforce such indemnity directly against TFS and/or the Parent, as the case may be. In relation to any Securities and/or TFS Securities in respect of which a trustee has been appointed to act for the holders of such Securities and/or TFS Securities, such trustee may make the above mentioned claim in favour of the holders of Securities and/or TFS Securities directly against TFS and/or the Parent, as the case may be, and, where appropriate, it may enforce the indemnity against TFS and/or the Parent, as the case may be, in favour of such holders. However, if the trustee, having become bound to proceed directly against TFS and/or the Parent, as the case may be, to protect the

interests of the holders of such Securities and/or TFS Securities, as the case may be, fails to do so within a reasonable period thereafter and such failure is continuing, the holders of such Securities and/or TFS Securities, as the case may be, may take action as described in this paragraph directly against TFS and/or the Parent, as the case may be.

The Credit Support Agreement and the Basic Agreement are governed by, and construed in accordance with, the laws of Japan.

Each of the Issuers and TFS have entered into a credit support fee agreement which requires each of the Issuers to pay a fee to TFS based on a percentage of the weighted average outstanding amount of the relevant Issuer's bonds and other liabilities or securities entitled to credit support under the Credit Support Agreement and Basic Agreement described above.

## TOYOTA FINANCIAL SERVICES CORPORATION (“TFS”)

### DESCRIPTION OF TFS

#### General Information

TFS, a wholly-owned subsidiary of the Parent, was incorporated as a private company with limited liability on 7 July 2000 under the laws of Japan, where it is registered. TFS is a holding company of all the financial subsidiaries of the Toyota group and controls and manages Toyota’s financial operations worldwide. TFS had 52 consolidated subsidiaries and seven affiliates, mostly overseas as of the date of this Prospectus. Financial services and products rendered through the group companies of TFS include automobile loans and leasing, loans to automobile dealers and other businesses such as insurance, credit cards and securities. These operations are conducted in 32 countries and regions.

In connection with the above, the Parent has entered into the Credit Support Agreement with TFS and TFS has, in turn, entered into the Credit Support Agreement with each of the Issuers. See “*Relationship of TFS and the Issuers with the Parent*”.

TFS’s principal executive offices are located in Nagoya Lucent Tower, 6-1, Ushijima-cho, Nishi-ku, Nagoya City, Aichi Prefecture 451-6015, Japan (telephone number +81-522-17-2300).

#### Business Overview

##### *Principal activities*

The main business of TFS as a holding company is formulating the plans and strategies of the financial business, management of earnings and risk management of the group companies and the promotion of efficient financial business.

TFS has the following principal consolidated subsidiaries and affiliates which conduct business centering on financial services relating to Toyota products.

##### *(Automobile Financial Services)*

<i>Country by region</i>	<i>Name</i>	
<i>Americas</i>		
United States	Toyota Motor Credit Corporation	(TMCC)
Canada	Toyota Credit Canada Inc.	(TCCI)
Puerto Rico	Toyota Credit de Puerto Rico Corporation	(TCPR)
Mexico	Toyota Services de Mexico, S.A. de C.V.	(TSM)
Brazil	Banco Toyota do Brasil S.A.	(BTB)
Venezuela	Toyota Services de Venezuela, C.A.	(TSV)
Argentina	Toyota Compania Financiera de Argentina S.A.	(TCFA)
<i>Europe &amp; Africa</i>		
United Kingdom	Toyota Financial Services (U.K.) Plc	(TFSUK)
Germany	Toyota Kreditbank GmbH	(TKG)
France	Toyota France Financement	(TFSF)
Italy	Toyota Financial Services Italy	(TFSI)
Spain	Toyota Financial Services Espana	(TFSES)
Norway	Toyota Finans Service Norge	(TFSN)
Denmark	Toyota Financial Services Danmark A/S	(TFSDK)
Sweden	Toyota Financial Services Sweden	(TFSSW)
Finland	Toyota Finance Finland Oy	(TFF)
Czech Republic	Toyota Financial Services Czech s.r.o.	(TFSCZ)

Hungary	Toyota Financial Services Hungary Rt.	(TFSH)
Poland	Toyota Bank Polska S.A.	(TBP)
Slovakia	Toyota Financial Services Slovakia s.r.o	(TFSSK)
South Africa	Toyota Financial Services South Africa (Pty) Ltd.*	(TFSSA)
Russia	Toyota Bank Russia ZAO	(TBR)
<i>Asia &amp; Oceania</i>		
Australia	Toyota Finance Australia Limited	(TFA)
Thailand	Toyota Leasing (Thailand) Co., Ltd.	(TLT)
Malaysia	Toyota Capital Malaysia Sdn. Bhd.	(TCAP)
New Zealand	Toyota Finance New Zealand Limited	(TFNZ)
Philippines	Toyota Financial Services Philippines Corporation	(TFSPH)
Indonesia	PT Toyota Astra Financial Services*	(TAFS)
China	Toyota Motor Finance (China) Company, Limited	(TMFCN)
South Korea	Toyota Financial Services Korea Co., Ltd.	(TFSKR)
Taiwan	Hotai Finance Corporation*	(HFC)
	Hotai Leasing Corporation*	(HLC)
<i>Japan</i>		
	Toyota Finance Corporation	(TFC)
<i>(Other Financial Services)</i>		
Japan	Toyota Financial Service Securities Corporation	(TFSS)
	Toyota Asset Management Co., Ltd.*	(TAMCO)
	Toyota Accounting Service Co.	(TASC)
Netherlands	Toyota Motor Finance (Netherlands) B.V.	(TMF)
United States	Toyota Financial Services Americas Corporation	(TFSA)
	Toyota Financial Savings Bank	(TFSB)
	Toyota Financial Services Securities USA Corporation	(TFSS USA)

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\*Affiliated company

### *Principal markets*

TFS, through its subsidiaries and affiliates, conducts business in Japan, North America, Europe, Asia and other areas. The main competitors are commercial banks and other financial institutions.

### **Board of Directors and Corporate Auditors**

As of the date of this Prospectus, TFS's Board of Directors consists of the following persons:

#### *Directors*

Takeshi Suzuki (1)	(President and Representative Director)
Nobukazu Tsurumi (1)	(Executive Vice President)
Hiroshi Adachi (1)	(Executive Vice President)
Eiji Hirano (1)	(Executive Vice President)
Mitsuo Kinoshita (2)	(Executive Vice President of the Parent)
Akio Toyoda (2)	(Executive Vice President of the Parent)
Takahiko Ijichi (2)	(Managing Officer of the Parent)
George E. Borst (3)	(President of Toyota Motor Credit Corporation)



Yasuhisa Fujita (1) (President of Toyota Finance Corporation)

The business addressees of the Directors of TFS are as follows:

- (1) Nagoya Lucent Tower, 6-1, Ushijima-cho, Nishi-ku, Nagoya City, Aichi Prefecture 451-6015, Japan
- (2) 1, Toyota-cho, Toyota City, Aichi Prefecture 451-8571, Japan
- (3) 19001 South Western Avenue, Torrance, California 90509, United States.

No potential conflicts of interest exist between any duties to TFS of any of the Directors of TFS and their private interests or other duties.

TFS does not have an audit committee although it does have four Corporate Auditors who have the duty of supervising the administration of TFS's affairs by the Directors and also of examining the financial statements and business reports to be submitted by a representative director to general meetings of the shareholder together with a duty to prepare and submit an audit report to the Board of Directors each year.

As of the date of this Prospectus, the following persons comprise TFS's Corporate Auditors:-

<i>Name</i>	<i>Position</i>
Toshiaki Tsurumi	Corporate Auditor
Katsuaki Watanabe	(President of the Parent)
Chiaki Yamaguchi	(Corporate Auditor of the Parent)
Toyomitsu Ikeshima	(CPA and Professor of Tezukayama University)

### **Corporate Governance**

TFS is in compliance with the applicable corporate governance statutes and regulations of Japan.

### **Share Capital**

As of the date of this Prospectus, TFS's authorised share capital is 4,680,000 shares of common stock with no par value, of which 1,570,500 shares have been issued and fully paid-up. All shares are held by the Parent.

### **Articles of Incorporation**

Article 2 of the Articles of Incorporation of TFS provides that the purpose of TFS shall be to hold the shares of any company engaging in certain specified finance related businesses and any foreign company engaging in businesses equivalent thereto and to control and manage the business activities of any such company and foreign company.

## TOYOTA MOTOR CORPORATION (“TMC”)

### DESCRIPTION OF TMC

Unless otherwise specified in this document, the “Parent” or “TMC” means Toyota Motor Corporation and “Toyota” means the Parent and its consolidated subsidiaries.

#### General Information

TMC is a limited liability, joint-stock company incorporated under the Commercial Code and continues to exist under the Corporation Act of Japan. Toyota commenced operations in 1933 as the automobile division of Toyota Industries Corporation (formerly, Toyoda Automatic Loom Works, Ltd.). TMC was incorporated on 28 August 1937. As of 31 March 2008, Toyota operated through 530 consolidated subsidiaries and 234 affiliated companies, of which 55 companies were accounted for through the equity method.

TMC’s principal executive offices are located at 1, Toyota-cho, Toyota City, Aichi Prefecture 471-8571, Japan. TMC’s telephone number in Japan is +81-565-28-2121.

TMC’s common stock is listed on the Tokyo Stock Exchange, the four other stock exchanges in Japan and is listed on the Official List and admitted for trading on the London Stock Exchange. In addition, TMC’s shares in the form of American Depositary Shares are listed on the New York Stock Exchange.

See page 83 of TMC’s Annual Report on Form 20-F for the year ended 31 March 2008, which is incorporated by reference into this Prospectus for a description of Toyota’s objects and purposes.

#### Business Overview

##### Principal Activities

Toyota primarily conducts business in the automotive industry. Toyota also conducts business in the finance and other industries. Toyota sold 8.91 million vehicles in the year ended 31 March 2008 (“fiscal 2008”) on a consolidated basis. Toyota had net revenues of ¥26,289.2 billion and net income of ¥1,717.8 billion in fiscal 2008. Toyota’s business segments are automotive operations, financial services operations and all other operations. The following table sets forth Toyota’s sales to external customers in each of its business segments for each of the past three fiscal years and has been extracted without material adjustment from the audited financial statements prepared in accordance with US generally accepted accounting principles (“US GAAP”) contained in TMC’s Annual Report on Form 20-F for the year ended 31 March 2008, which is incorporated by reference into this Prospectus.

	Yen in millions		
	Year Ended 31 March		
	2006	2007	2008
Automotive.....	¥ 19,325,616	¥ 21,914,168	¥ 24,160,254
Financial Services .....	977,416	1,277,994	1,468,730
All Other .....	733,877	755,929	660,256

Toyota’s automotive operations include the design, manufacture, assembly and sale of passenger cars, minivans and commercial vehicles such as trucks and related parts and accessories. Toyota’s financial services business consists primarily of providing financing to dealers and their customers for the purchase or lease of Toyota vehicles. Toyota’s financial services also provide retail leasing through the purchase of lease contracts originated by Toyota dealers. Related to Toyota’s automotive operations is its development of intelligent transport systems (“ITS”). Toyota’s all other operations business segment includes the design and manufacture of prefabricated housing and information technology related businesses, including an e-commerce

marketplace called Gazoo.com.

Toyota sells its vehicles in more than 170 countries and regions. Toyota's primary markets for its automobiles are Japan, North America, Europe, Asia and China. The following table sets forth Toyota's sales to external customers in each of its geographical markets for each of the past three fiscal years and has been extracted without material adjustment from the audited financial statements prepared in accordance with US GAAP contained in TMC's Annual Report on Form 20-F for the year ended 31 March 2008 which is incorporated by reference into this Prospectus.

	Yen in millions		
	Year Ended 31 March		
	2006	2007	2008
Japan .....	¥ 7,735,109	¥ 8,152,884	¥ 8,418,620
North America.....	7,455,818	8,771,495	9,248,950
Europe .....	2,574,014	3,346,013	3,802,814
Asia .....	1,836,855	1,969,957	2,790,987
Other* .....	1,435,113	1,707,742	2,027,869

\* "Other" consists of Central and South America, Oceania and Africa

During fiscal 2008, 24.6 per cent. of Toyota's automobile unit sales on a consolidated basis were in Japan; 33.2 per cent. were in North America, 14.4 per cent. were in Europe and 10.7 per cent. were in Asia. The remaining 17.1 per cent. of unit sales were in other markets.

### ***Vehicle Models***

Toyota's vehicles (provided by Toyota, Daihatsu and Hino) can be classified into two categories: conventional engine vehicles and hybrid vehicles. Toyota's product line-up includes subcompact and compact cars, mini-vehicles, mid-size, luxury, sports and specialty cars, recreational and sport-utility vehicles, pickup trucks, minivans, trucks and buses.

#### *Conventional Engine Vehicles*

##### *Subcompact and Compact*

Toyota's subcompact and compact cars include the four-door Corolla sedan, which is one of Toyota's best selling models. The Yaris, marketed as the Vitz in Japan, is a subcompact car designed to include features such as better performance and comfort compared to other compact cars available on the market, with low emissions that are particularly attractive to European consumers. The Vitz which is currently available in Japan was remodelled in February 2005. This model launched in the United States in March 2006. Toyota introduced the Ractis and Belta in 2005, Auris and bB in 2006, ist which was remodelled in July 2007, and Corolla Rumion in October of the same year. In the United States, Toyota introduced the Scion xB and Scion xD in 2007.

##### *Mini-Vehicles*

Mini-vehicles are manufactured and sold by Daihatsu. Daihatsu manufactures mini-vehicles, passenger vehicles, commercial vehicles and auto parts. Mini-vehicles are passenger cars, vans or trucks with engine displacements of 660 cubic centimetres or less. Toyota also sells under its name certain automobiles (excluding mini-vehicles) manufactured by Daihatsu. Daihatsu sold approximately 595 thousand mini-vehicles and 190 thousand automobiles on a consolidated basis during fiscal 2008. Daihatsu's largest market is Japan, which accounted for approximately 73 per cent. of Daihatsu's unit sales during fiscal 2008.

##### *Mid-Size*

Toyota's mid-size models include the Camry, which has been the best selling passenger car in the United States for ten of the past eleven calendar years (from 1997 to 2007) and also for the

last six consecutive years. The Camry was fully remodelled in January 2006. Camry models include the Camry Solara sport coupe. Camry sales in the United States for 2007 were approximately 473 thousand units (including approximately 28 thousand Solaras approximately 54 thousand hybrid vehicles). Toyota's Japanese mid-size cars also include the Mark X, Blade which was introduced in December 2006, and Premio and Allion, both of which were remodelled in May 2007.

#### *Luxury & Large*

In North America, Europe and Japan, Toyota's luxury line-up consists primarily of vehicles sold under the Lexus brand name. In the United States, Lexus has earned the title of best-selling luxury brand for the eighth consecutive year by selling approximately 327 thousand units in 2007. Lexus models include the full-size LS sedan which was remodelled in September 2006, the GS sedans that were remodelled in January 2005, the ES which was remodelled in March 2006, the IS mid-size sport sedans that were remodelled in August 2005. Lexus models also include luxury sport-utility vehicles sold in the United States, such as the GX, the RX, luxury sport-utility vehicles including the LX, which was remodelled in July 2007, as well as the SC and the IS F. Toyota commenced sales of its luxury automobiles in Japan under the Lexus brand in August 2005. As of 31 May 2008, the Lexus brand line-up in Japan includes the LS, GS, IS, IS F and SC. In addition to the Toyota brand's full-size luxury car, the Crown, which was remodelled in February 2008, Toyota also sells the Century limousine in Japan.

#### *Sports and Specialty*

In Japan and other markets, Toyota sells the Lexus SC two-door sports coupe, and in the United States the Scion tC, a sport car model targeted to young drivers. In December 2007, Toyota introduced the IS F model as the high-performance sports model of the Lexus brand.

#### *Recreational and Sport-Utility Vehicles and Pickup Trucks*

Toyota sells a variety of sport-utility vehicles and pickup trucks. Toyota sport-utility vehicles available in North America include the Sequoia, the 4Runner, the RAV4, the Highlander, the FJ Cruiser and the Land Cruiser, and pickup trucks available are the Tacoma and Tundra. The Tacoma, the Tundra and the Sequoia are manufactured in the United States. Toyota also offers sport-utility vehicles under the Lexus brand, including the GX, the RX, as well as the LX which was remodelled in November 2007. The LX, the GX, the Land Cruiser, the Tundra, the Sequoia, the 4Runner and the Prado sold in the United States are equipped with V-8 engines. Toyota also manufactures the RX model in Canada. Toyota's pickup truck, the Hilux, has been the best selling model of all Toyota cars sold in Thailand. The RAV4 was remodelled in Japan in November 2005 and in North America in December 2005. In August 2007, Toyota also introduced the Vanguard model in Japan.

#### *Minivans and Cabwagons*

Toyota offers several basic models for the global minivan market. Its largest minivan, the Alphard, was remodelled in May 2008 in Japan, at the same time that the Vellfire was introduced. Toyota's other minivan models include the Sienna, which underwent a model change in March 2003 and is sold in North America, the Hiace and Regius Ace, the Estima which was remodelled in January 2006, and the Noah and the Voxy, which were remodelled in June 2007. Other models include the Wish, which is sold in Japan, the Sienta, and the Isis.

#### *Trucks and Buses*

Toyota's product line-up includes trucks (including vans) up to a load capacity of four tons and micro-buses, which are sold in Japan and in overseas markets. Trucks and buses are also manufactured and sold by Hino, a subsidiary of Toyota. Hino's product line-up includes large trucks with a load capacity of over ten tons, medium trucks with a load capacity between four and eight tons, and small trucks with a load capacity of between two and four tons. Hino held the largest share of the Japanese large truck market in fiscal 2008. Hino's bus line-up includes large to

medium buses used primarily as tour buses and public buses, small buses and micro-buses. Toyota and Hino maintain a large share of the small bus (including micro-buses) segment in Japan.

### *Hybrid Vehicles*

The world's first mass-produced hybrid car was Toyota's Prius. It runs on an efficient combination of gasoline engine and motor. This system allows the Prius to travel more efficiently than conventional engine vehicles of comparable size and performance on the same amount of gasoline. The hybrid design of the Prius also results in the output of 75 per cent. less pollution than the maximum amount allowed by Japanese environmental regulations. Toyota views the Prius as the cornerstone of its emphasis on designing and producing environmentally friendly automobiles. In 2003, Toyota introduced in Japan, the United States, Europe and other markets, a fully remodelled Prius, which decreases negative environmental impact through higher fuel efficiency and ultra-low emissions while increasing power and performance. In March 2005, Toyota introduced the RX400h in North America and Europe and the Harrier Hybrid in Japan. Toyota also introduced the Highlander Hybrid in North America. Toyota introduced the Prius in China in November 2005 and the hybrid version of the Camry in North America in May 2006. Toyota introduced the GS450h, the hybrid version of the Lexus brand premium sedan, in North America, Europe and Japan by March 2006. As of May 2008, Toyota has sold over 1.4 million hybrid vehicle units, including over 1 million vehicle units of the Prius. Furthermore, in May 2007 Toyota introduced the LS600h hybrid sedan in Japan, North America, and Europe, which Toyota believes to offer the highest quality of the Lexus brand to date. Furthermore, in May 2008, Toyota introduced the hybrid version of the Crown which is the signature model of the Toyota brand in Japan.

Toyota also began limited sales of a fuel cell hybrid vehicle in Japan and the United States in December 2002. In June 2005, Toyota's new fuel cell hybrid passenger vehicle became the first in Japan to acquire vehicle type certification under the Road Vehicles Act, as amended, on 31 March 2005, by Japan's Ministry of Land, Infrastructure, Transport and Tourism. Leases for the vehicle began in July 2005. By 2007, Toyota was able to make improvements to start up and cruising distance at temperatures below freezing, which were technological challenges. Toyota has made advances by solving technological issues such as the above, and has been working towards the practical use of such solutions.

Toyota aims to continue its efforts to offer a diverse line-up of hybrid vehicles, enhance engine power while improving fuel efficiency, and otherwise work towards increasing the sales of hybrid vehicles.

### ***Product Development***

New cars introduced in Japan during fiscal 2008 include the Lexus LS600h, IS F, MarkX Zio, Corolla Rumion, and Vanguard. Remodelled cars in Japan during fiscal 2008 and thereafter include the Crown, ist, Noah, Voxy, Land Cruiser 200, Premio, Allion, Town Ace, and Lite Ace. New cars introduced outside Japan during fiscal 2008 and thereafter include the LS600h introduced in North America and Europe in May 2007, ScionxD introduced in the United States in June 2007, and the IS F introduced in North America and Europe in July 2007. Remodelled cars sold in the United States during fiscal 2008 and thereafter include the Highlander in May 2007, Land Cruiser 200 in August 2007, LX in November 2007 and Corolla and Matrix in January 2008. Remodelled cars sold in Europe during fiscal 2008 and thereafter include the Land Cruiser 200 in August 2007 and LX in November 2007. The IMV product line-up based on the Innovative International Multi-purpose Vehicle project ("*IMV*") to optimise global manufacturing and supply systems is a line-up of strategic multipurpose vehicles produced from a single platform to meet market demand. Recently, the volume of IMV vehicle sales has been increasing in emerging countries. The IMV product line-up includes the Hilux Vigo released in Thailand in August 2004, and since 31 May 2007, one or all of the Hilux, Fortuner and Innova have been available in all regions except for Japan and North America.

### Markets, Sales and Competition

Toyota's primary markets are Japan, North America, Europe, Asia and China. The following table sets forth Toyota's consolidated vehicle unit sales by geographic market for the periods shown. The vehicle unit sales below reflect vehicle sales made by Toyota to unconsolidated entities (recognised as sales under Toyota's revenue recognition policy), including sales to unconsolidated distributors and dealers. Vehicles sold by Daihatsu and Hino are included in the vehicle unit sales figures set forth below. North America sales information includes sales in Mexico, Puerto Rico and Hawaii.

Market	Year Ended 31 March									
	2004		2005		2006		2007		2008	
	Units	%	Units	%	Units	%	Units	%	Units	%
Japan.....	2,303,078	34.3%	2,381,325	32.1%	2,364,484	29.7%	2,273,152	26.7%	2,188,389	24.6%
North America	2,102,681	31.3	2,271,139	30.7	2,556,050	32.1	2,942,661	34.5	2,958,314	33.2
Europe.....	898,201	13.4	978,963	13.2	1,022,781	12.8	1,223,628	14.3	1,283,793	14.4
Asia.....	557,465	8.3	833,507	11.3	880,661	11.0	789,637	9.3	956,509	10.7
Other*.....	857,938	12.7	943,444	12.7	1,150,587	14.4	1,295,581	15.2	1,526,934	17.1
Total.....	<u>6,719,363</u>	<u>100.0%</u>	<u>7,408,378</u>	<u>100.0%</u>	<u>7,974,563</u>	<u>100.0%</u>	<u>8,524,659</u>	<u>100.0%</u>	<u>8,913,939</u>	<u>100.0%</u>

\* "Other" consists of Central and South America, Oceania, Africa and the Middle East.

The following table sets forth Toyota's vehicle unit sales and market share in Japan, North America, Europe and Asia on a retail basis for the periods shown. Each market's total sales and Toyota's sales represent new vehicle registrations in the relevant year (except for the Asia market where vehicle registration does not necessarily apply). All information on Japan excludes mini-vehicles. The sales information contained below excludes unit sales by Daihatsu and Hino, each a consolidated subsidiary of Toyota. Vehicle unit sales in Asia do not include sales in Pakistan.

	Fiscal Year Ended 31 March (Thousands of Units)				
	2004	2005	2006	2007	2008
<b>Japan:</b>					
Total market sales (excluding mini-vehicles).....	4,030	3,940	3,915	3,590	3,428
Toyota sales (retail basis, excluding mini-vehicles).....	1,729	1,755	1,735	1,643	1,564
Toyota market share.....	42.9%	44.5%	44.3%	45.8%	45.6%

Calendar Year Ended 31 December  
(Thousands of Units)

	2003	2004	2005	2006	2007
<b>North America:</b>					
Total market sales.....	19,695	20,108	20,353	19,979	19,360
Toyota sales (retail basis, excluding mini-vehicles).....	2,072	2,292	2,514	2,840	2,923
Toyota market share.....	10.5%	11.4%	12.4%	14.2%	15.1%
<b>Europe:</b>					
Total market sales.....	19,649	20,802	21,138	21,799	23,100
Toyota sales (retail basis).....	866	962	1,013	1,144	1,261
Toyota market share.....	4.4%	4.6%	4.8%	5.2%	5.5%
<b>Asia:</b>					
Total market sales.....	4,401	4,824	5,214	5,107	5,463
Toyota sales (retail basis).....	554	692	838	750	779
Toyota market share.....	12.6%	14.3%	16.1%	14.7%	14.3%

*Japan*

The automobile market in Japan has stagnated due to a combination of various factors. Despite this trend, Toyota believes that Japan continues to be the most important market for Toyota's automotive products. The Japanese automotive industry is highly competitive. It includes five major domestic manufacturers, five specialised domestic producers and a growing volume of imports from major United States and European manufacturers. The prolonged economic slump in the Japanese economy has also shifted consumer preference towards more affordable automobiles such as compact and subcompact vehicles and towards utility vehicles such as mini-vans. For more than 40 years, Toyota has maintained its position as the largest automobile manufacturer in Japan. Every year since fiscal 1999, Toyota, excluding Daihatsu and Hino, has achieved a market share (excluding mini-vehicles) of over 40 per cent., reflecting in part the success of the introduction of new models for subcompact and compact cars, mini-vans and sedans. In fiscal 2008, Toyota's (excluding Daihatsu and Hino) share of the domestic market excluding mini-vehicles was 45.6 per cent. and Toyota's (including Daihatsu and Hino) share of the market including mini-vehicles was 42.0 per cent. In August 2005, Toyota launched the Lexus brand in Japan and recorded a market share of 19.0 per cent. in the luxury market in 2007. Toyota aims to further distinguish the Lexus brand by continuing to attract new and affluent customers including customers that typically had purchased imported vehicles.

*North America*

Toyota's consolidated vehicle unit sales in North America was 2,958,314 units in fiscal 2008. The United States is the largest portion of the North American market for Toyota, representing approximately 90 per cent. of its total retail unit sales in the region. In 2007, Toyota's retail unit sales in North America achieved over two million units for the fifth consecutive year, despite the sluggish North American automobile market reflecting the downturn in the economy due to the subprime mortgage crisis. This achievement was led by the success of new products including fully remodelled products such as the Tundra and the Highlander and fuel-efficient vehicles including the Prius and the Camry Hybrid. Toyota's market share in the United States was 16.2 per cent. in 2007, its largest share ever. Competition in North America, particularly the United States is intense. Toyota's principal competitors in North America are General Motors, Ford, Chrysler, Honda and Nissan.

*Europe*

Consolidated European sales of Toyota vehicles in fiscal 2008 was 1,283,793 units, up 4.9 per cent. from fiscal 2007. In 2007, Toyota had a market share in Europe of 5.5 per cent. and achieved annual retail unit sales of approximately 1,261 thousand vehicles. The growth in

European sales is largely attributable to the success of the Aygo, which was launched in June 2005, the Yaris, which was fully remodelled in January 2006 (marketed in Japan as the Vitz), RAV4, also fully remodelled in January 2006 and the Corolla sedan which was fully remodelled in January 2007 as well as the Auris which was launched at around the same time. Toyota's principal European markets are Germany, the United Kingdom, Italy and France. In Russia, Toyota achieved sales of over 160 thousand units for the first time in 2007. Toyota's principal competitors in Europe are Volkswagen, Opel, Renault, Ford and Peugeot.

### *Asia and China*

Consolidated Asian sales of Toyota vehicles in fiscal 2008 were 956,509 units, up 21.1 per cent. from fiscal 2007. In 2007, Toyota had a market share in Asia of 14.3 per cent. and achieved annual retail unit sales of approximately 779 thousand vehicles. The growth in Asian sales is attributable to the increase in sales from the recovery of the Indonesian market and the effect of the full model change of the Camry and the Vios. Toyota's principal Asian markets are Thailand, Indonesia and Taiwan.

In China, where the economy has been expanding at a rate of over 10 per cent. per year, vehicle sales increased 20 per cent. from 7.1 million in 2006 to 8.5 million in 2007, and the market has been expanding rapidly. In this market, Toyota's sales were 499 thousand vehicles. In the locally produced passenger vehicle market (total of approximately 5 million units) Toyota's sales was 453 thousand units for a market share of 8.7 per cent. Guangzhou Toyota Motor Co., Ltd.'s Camry, which commenced sales in June 2006, and Tianjin FAW Toyota Motor Co., Ltd.'s Corolla, which underwent a model change in June 2007, greatly contributed to the sales. As for Toyota's sales network, Toyota has been expanding the sales network for locally produced vehicles in cooperation with Chinese joint venture partners under Tianjin FAW Toyota Motor Co., Ltd. and Guangzhou Toyota Motor Co., Ltd., and for imported vehicles, Toyota has also been expanding the Lexus brand sales network. Going forward, Toyota plans to increase sales by expanding the number of dealers and the product line-up for both locally produced and imported vehicles. In addition, as the market in China matures, Toyota plans to promote the so-called "Value Chain" businesses such as used cars, services, financing and insurance.

### ***Financial Services***

Toyota's revenues from its financial services operations were ¥1,498 billion in fiscal 2008, ¥1,301 billion in fiscal 2007 and ¥997 billion in fiscal 2006. The market for automobile financing has grown as more consumers are financing and leasing their purchases, particularly in North America and Europe.

TFS is Toyota's wholly-owned subsidiary established in July 2000, which oversees the management of Toyota's finance companies worldwide and the expansion into new automobile related product areas. Toyota plans to expand its network of financial services, which currently covers 32 countries and regions, in accordance with its strategy of further developing its auto-related financing businesses in significant markets.

Toyota Motor Credit Corporation is Toyota's principal financial services subsidiary in the United States. Toyota also provides financial services in 31 other countries and regions through various financial services subsidiaries, including:

Toyota Finance Corporation in Japan,

Toyota Credit Canada Inc. in Canada,

Toyota Finance Australia Limited in Australia,

Toyota Kreditbank GmbH in Germany, and

Toyota Financial Services (UK) PLC in the United Kingdom.



The following table provides information regarding Toyota's finance receivables and operating leases as of 31 March 2007 and 2008. The following information has been extracted without material adjustment from the audited financial statements prepared in accordance with US GAAP contained in TMC's Annual Report on Form 20-F for the year ended 31 March 2008 which is incorporated into this Prospectus by reference:

	Yen in millions	
	31 March	
	2007	2008
<b>Finance Receivables</b>		
Retail .....	¥ 7,005,631	¥ 6,959,479
Finance leases .....	1,061,738	1,160,401
Wholesale and other dealer loans.....	2,342,926	2,604,411
	<u>10,410,295</u>	<u>10,724,291</u>
Deferred origination costs .....	108,076	106,678
Unearned income .....	(403,191)	(437,365)
Allowance for credit losses .....	(112,116)	(117,706)
Total finance receivables, net.....	<u>10,003,064</u>	<u>10,275,898</u>
Less – Current portion.....	<u>(4,108,139)</u>	<u>(4,301,142)</u>
Noncurrent finance receivables, net .....	<u>¥ 5,894,925</u>	<u>¥ 5,974,756</u>
<b>Operating Leases</b>		
Vehicles.....	¥ 2,783,706	¥ 2,814,706
Equipment.....	106,663	107,619
	<u>2,890,369</u>	<u>2,922,325</u>
Less – Accumulated depreciation .....	<u>(640,997)</u>	<u>(718,207)</u>
Vehicles and equipment on operating leases, net.....	<u>¥ 2,249,372</u>	<u>¥ 2,204,118</u>

***All Other Operations***

In addition to its automotive operations and financial services operations, Toyota is involved in a number of other non-automotive business activities. Net sales for these activities totalled ¥1,347 billion in fiscal 2008, ¥1,324 billion in fiscal 2007 and ¥1,190 billion in fiscal 2006. Sales to external customers of all other operations represented 2.5 per cent. of Toyota's net revenues for fiscal 2008. Substantially all of Toyota's revenues from other operations were derived in Japan.

## Directors and Senior Management

As of the date of this Prospectus, the following persons comprise TMC's Board of Directors and Corporate Auditors:

Name	Position
Fujio Cho	Chairman of the Board
Katsuhiro Nakagawa	Vice Chairman of the Board
Kazuo Okamoto	Vice Chairman of the Board
Katsuaki Watanabe	President, Member of the Board
Kyoji Sasazu	Executive Vice President, Member of the Board
Mitsuo Kinoshita	Executive Vice President, Member of the Board
Takeshi Uchiyamada	Executive Vice President, Member of the Board
Masatami Takimoto	Executive Vice President, Member of the Board
Akio Toyoda	Executive Vice President, Member of the Board
Yukitoshi Funo	Senior Managing Director, Member of the Board
Atsushi Niimi	Senior Managing Director, Member of the Board
Hiroshi Takada	Senior Managing Director, Member of the Board
Teiji Tachibana	Senior Managing Director, Member of the Board
Shinichi Sasaki	Senior Managing Director, Member of the Board
Akira Okabe	Senior Managing Director, Member of the Board
Yoichiro Ichimaru	Senior Managing Director, Member of the Board
Shoji Ikawa	Senior Managing Director, Member of the Board
Koichi Ina	Senior Managing Director, Member of the Board
Shinzo Kobuki	Senior Managing Director, Member of the Board
Akira Sasaki	Senior Managing Director, Member of the Board
Tadashi Arashima	Senior Managing Director, Member of the Board
Mamoru Furuhashi	Senior Managing Director, Member of the Board
Satoshi Ozawa	Senior Managing Director, Member of the Board
Iwao Nihashi	Senior Managing Director, Member of the Board
Yasuhiko Ichihashi	Senior Managing Director, Member of the Board
Tadashi Yamashina	Senior Managing Director, Member of the Board
Takahiko Ijichi	Senior Managing Director, Member of the Board
Tetsuo Agata	Senior Managing Director, Member of the Board
Shoichiro Toyoda	Honorary Chairman, Member of the Board
Hiroshi Okuda	Senior Advisor, Member of the Board
Yoshikazu Amano	Corporate Auditor
Chiaki Yamaguchi	Corporate Auditor
Masaki Nakatsugawa	Corporate Auditor
Yoichi Kaya	Corporate Auditor
Yoichi Morishita	Corporate Auditor
Akishige Okada	Corporate Auditor
Kunihiro Matsuo	Corporate Auditor

The business address of each of the Directors and Corporate Auditors of TMC is 1, Toyota-cho, Toyota City, Aichi Prefecture 471-8571, Japan. See page 69 of TMC's Annual Report on Form 20-F for the year ended 31 March 2008, which is incorporated by reference to this Prospectus for further details on TMC's Directors and Corporate Auditors.

Akio Toyoda is Shoichiro Toyoda's son. There are no other family relationships among directors and corporate auditors. No potential conflicts of interest exist between any duties to TMC of any of the Directors of TMC and their private interests or other duties.

TMC does not have an audit committee although it does have seven Corporate Auditors

who have the duty of supervising the administration of TMC's affairs by the Directors and also of examining the financial statements and business reports to be submitted by a representative director to general meetings of shareholders together with a duty to prepare and submit an audit report to the Board of Directors each year.

### **Corporate Governance**

TMC is in compliance with the applicable corporate governance statutes and regulations in Japan.

### **Share Capital**

As of 31 March 2008, TMC's authorised share capital was 10,000,000,000 common stock shares of no par value, of which 3,447,997,492 shares had been issued and are fully paid up.

### **Legal Proceedings**

In February 2003, Toyota, General Motors Corporation, Ford, DaimlerChrysler, Honda, Nissan and BMW and their U.S. and Canadian sales and marketing subsidiaries, the National Automobile Dealers Association and the Canadian Automobile Dealers Association were named as defendants in purported nationwide class actions on behalf of all purchasers of new motor vehicles in the United States since 1 January 2001. 26 similar actions were filed in federal district courts in California, Illinois, New York, Massachusetts, Florida, New Jersey and Pennsylvania. Additionally, 56 parallel class actions were filed in state courts in California, Minnesota, New Mexico, New York, Tennessee, Wisconsin, Arizona, Florida, Iowa, New Jersey and Nebraska on behalf of the same purchasers in these states. As of 1 April 2005, actions filed in federal district courts were consolidated in Maine and actions filed in the state courts of California and New Jersey were also consolidated, respectively.

The nearly identical complaints allege that the defendants violated the Sherman Antitrust Act by conspiring among themselves and with their dealers to prevent the sale to United States citizens of vehicles produced for the Canadian market. The complaints allege that new vehicle prices in Canada are 10 per cent. to 30 per cent. lower than those in the United States and that preventing the sale of these vehicles to United States citizens resulted in United States consumers paying excessive prices for the same type of vehicles. The complaints seek permanent injunctions against the alleged antitrust violations and treble damages in an unspecified amount. In March 2004, the federal district court of Maine (i) dismissed claims against certain Canadian sales and marketing subsidiaries, including Toyota Canada, Inc., for lack of personal jurisdiction but denied or deferred to dismiss claims against certain other Canadian companies, and (ii) dismissed the claim for damages based on the Sherman Antitrust Act but did not bar the plaintiffs from seeking injunctive relief against the alleged antitrust violations. The plaintiffs have submitted an amended complaint adding a claim for damages based on state antitrust laws and Toyota has responded to the plaintiff's discovery requests. Toyota believes that its actions have been lawful. In the interest of quickly resolving these legal actions, however, Toyota entered into a settlement agreement with the plaintiffs at the end of February 2006. The settlement agreement is pending the approval of the federal district court, and immediately upon approval the plaintiffs will, in accordance with the terms of the settlement agreement, withdraw all pending actions against Toyota in the federal district court as well as all state courts and all related actions will be closed.

Toyota has various other legal actions, governmental proceedings and other claims pending against it, including product liability claims in the United States. Although the claimants in some of these actions seek potentially substantial damages, Toyota cannot currently determine its potential liability or the damages, if any, with respect to these claims. However, based upon information currently available to Toyota, Toyota believes that its losses from these matters, if any, would not have a material adverse effect on Toyota's financial position, operating results or cash flows.

## SELECTED FINANCIAL INFORMATION OF TMC

The following selected financial data have been extracted without material adjustment from the audited financial statements prepared in accordance with US GAAP of the Parent contained in TMC's Annual Report on Form 20-F for the year ended 31 March 2008, which is incorporated by reference into this Prospectus.

	Year Ended 31 March	
	2008	2007
	(in millions, except share and per share data)	
<b>Consolidated Statement of Income Data:</b>		
Automotive:		
Net revenues .....	¥ 24,177,306	¥ 21,928,006
Operating income.....	2,171,905	2,038,828
Financial Services:		
Net revenues .....	1,498,354	1,300,548
Operating income.....	86,494	158,495
All Other:		
Net revenues .....	1,346,955	1,323,731
Operating income (loss).....	33,080	39,679
Elimination of intersegment:		
Net revenues .....	(733,375)	(604,194)
Operating income (loss).....	(21,104)	1,681
Total Company:		
Net revenues .....	26,289,240	23,948,091
Operating income.....	2,270,375	2,238,683
Income before income taxes, minority interest and equity in earnings of affiliated companies .....	2,437,222	2,382,516
Net income	1,717,879	1,644,032
Net income per share:		
Basic .....	540.65	512.09
Diluted .....	540.44	511.80
Shares used in computing net income per share, basic (in thousands) .....	3,177,445	3,210,423
Shares used in computing net income per share, diluted (in thousands) .....	3,178,662	3,212,235

The following selected financial data have been extracted without material adjustment from the audited financial statements prepared in accordance with US GAAP of the Parent contained in TMC's Annual Report of Form 20-F for the year ended 31 March 2008, which is incorporated by reference into this Prospectus.

	31 March	
	2008	2007
	(in millions)	
<b>Consolidated Balance Sheet Data (end of period):</b>		
Total Assets: .....	¥ 32,458,320	¥ 32,574,779
Short-term debt, including current portion of long-term debt .....	6,228,152	5,865,507
Long-term debt, less current portion .....	5,981,931	6,263,585
Shareholders' equity .....	11,869,527	11,836,092
Common Stock .....	397,050	397,050

The following selected financial data have been extracted without material adjustment from the Toyota's audited financial statements prepared in accordance with US GAAP contained in TMC's Financial Summary FY2009 First Quarter for the three months ended 30 June 2008, which is incorporated by reference into this Prospectus.

	3 Months Ended 30 June	
	2008	2007
	(in millions, except per share data)	
<b>Consolidated Statement of Income Data:</b>		
Total Company:		
Net revenues .....	¥ 6,215,130	¥ 6,522,637
Operating income .....	412,591	675,427
Income before income taxes, minority interest and equity in earnings of affiliated companies .....	453,054	739,040
Quarterly Net income .....	353,659	491,541
Quarterly Net income per share:		
Basic .....	112.30	153.98
Diluted .....	112.28	153.89
	30 June 2008	31 March 2008
	(in millions)	
<b>Consolidated Balance Sheet Data (end of period):</b>		
Total Assets: .....	¥ 34,185,561	¥ 32,458,320
Short-term borrowings .....	4,357,704	3,552,721
Current portion of long-term debt .....	2,843,502	2,675,431
Long-term debt, less current portion .....	6,248,293	5,981,931
Shareholders' equity .....	12,253,038	11,869,527

### Historical Consolidated Financial Information of the Parent

Audited historical financial information of the Parent and its subsidiaries prepared in accordance with US GAAP for the financial years ended 31 March, 2007 and 2008, including in each case the balance sheet, income statement, cash flow statement, accounting policies and explanatory notes and the auditor's report are contained on page F-1 of the Parent's Annual Report on Form 20-F for the year ended 31 March 2008, which is incorporated by reference into this Prospectus. Unaudited consolidated historical financial information of the Parent and its

subsidiaries for the three months ended 30 June 2008 is contained in the Parent's Financial Summary FY2009 First Quarter for the quarter ended 30 June 2008, which is incorporated by reference into this Prospectus.

## TAXATION

### The Netherlands

This is a general summary and the tax consequences as described here may not apply to a holder of Notes. Any potential investor should consult his own tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes in his particular circumstances.

This taxation summary solely addresses the principal Dutch tax consequences of the acquisition, the ownership and disposition of Notes issued by TMF after the date hereof held by a holder of Notes who is not a resident of the Netherlands. It does not consider every aspect of taxation that may be relevant to a particular holder of Notes under special circumstances or who is subject to special treatment under applicable law. Where in this summary English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law.

This summary is based on the tax laws of the Netherlands as they are in force and in effect on the date of this Prospectus. The laws upon which this summary is based are subject to change, potentially with retroactive effect. A change to such laws may invalidate the contents of this summary, which will not be updated to reflect any such change. This summary assumes that each transaction with respect to Notes is at arm's length.

### *Withholding Tax*

All payments under Notes may be made free of withholding or deduction of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, provided that (i) the Notes have a maturity - legally or *de facto* - of not more than 50 years and (ii) the Notes will not represent, be linked (to the performance of) or be convertible (in part or in whole) into (rights to purchase) (a) shares; (b) profit certificates (*winstbewijzen*); and/or (c) debt instruments having a maturity - legally or *de facto* - of more than 50 years, issued by TMF, TFS, the Parent or any other entity related to the TMF, TFS and/or the Parent.

### *Taxes on Income and Capital Gains*

A holder of Notes will not be subject to any Netherlands taxes on income or capital gains in respect of Notes, including such tax on any payment under Notes or in respect of any gain realised on the disposal, deemed disposal or exchange of Notes, provided that:

- (i) such holder is neither a resident nor deemed to be a resident of the Netherlands, nor, if he is an individual, has elected to be taxed as a resident of the Netherlands;
- (ii) such holder does not have an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise, as the case may be, Notes are attributable;
- (iii) if such holder is an individual, neither such holder nor any of his spouse, his partner, a person deemed to be his partner, or other persons sharing such person's house or household, or certain other of such persons' relatives (including foster children) (a) indirectly has control of the proceeds of Notes in the Netherlands, nor (b) has a substantial interest in TMF and/or any other entity that legally or *de facto*, directly or indirectly, has control of the proceeds of Notes in the Netherlands. For purposes of this clause (iii), a substantial interest is generally not present if a holder does not hold, alone or together with his spouse, his partner, a person deemed to be his partner, or other persons sharing such person's house or household, or certain other of such person's relatives (including foster

children), whether directly or indirectly, (a) the ownership of, certain other rights, such as usufruct, over, or rights to acquire (whether or not already issued), shares representing five per cent. or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of a company; (b) the ownership of, or certain other rights, such as usufruct, over profit participating certificates (“*winstbewijzen*”), or membership rights in a co-operative association, that relate to five per cent. or more of the annual profit of a company or co-operative association or to five per cent. or more of the liquidation proceeds of a company or co-operative association; or (c) membership rights representing five per cent. or more of the voting rights in a co-operative association’s general meeting;

- (iv) if such holder is a company, such holder does not have a substantial interest in TMF or if such holder does have such a substantial interest, it can be allocated to the holder’s business assets. For purpose of this clause (iv), a substantial interest is generally not present if a holder does not hold, whether directly or indirectly, (a) the ownership of, certain other rights, such as usufruct, over, or rights to acquire (whether or not already issued) shares representing five per cent. or more of the total issued and outstanding capital (or of the issued and outstanding capital of any class of shares) of a company; or (b) the ownership of, or certain other rights, such as usufruct, over profit participating certificates (“*winstbewijzen*”) that relate to five per cent. or more of the annual profit of a company or to five per cent. or more of the liquidation proceeds of a company; and
- (v) if such holder is an individual, such income or capital gain does not form a “benefit from miscellaneous activities” in the Netherlands (“*resultaat uit overige werkzaamheden*”) which, for instance, would be the case if the activities in the Netherlands with respect to Notes exceed “normal active asset management” (“*normaal, actief vermogensbeheer*”).

A holder of Notes will not be subject to taxation in the Netherlands by reason only of the execution, delivery and/or enforcement of the documents relating to an issue of Notes or the performance by TMF of its obligations thereunder or under the Notes.

#### ***Gift, Estate and Inheritance Taxes***

No gift, estate or inheritance taxes will arise in the Netherlands with respect to an acquisition of Notes by way of a gift by, or on the death of, a holder of Notes who is not resident, deemed to be resident or treated (at the request of the beneficiar(y)(ies) of the gift or estate) as resident in the Netherlands for Netherlands inheritance and gift tax purposes, unless:

- (i) such holder at the time of the gift has or at the time of his death had an enterprise or an interest in an enterprise that is or was, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise, as the case may be, Notes are or were attributable; or
- (ii) in the case of a gift of Notes by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands.

#### ***Turnover Tax***

No Netherlands turnover tax will arise in respect of any payment in consideration for the issue of Notes, with respect to any cash settlements of Notes or with respect to the delivery of the Notes.



### ***Other Taxes and Duties***

No Netherlands registration tax, capital tax, custom duty, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, will be payable in the Netherlands in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including the enforcement of any foreign judgment in the Courts of the Netherlands) of the documents relating to the issue of Notes or the performance by TMF of its obligations thereunder or under the Notes.

### **Canada**

The following summary describes the principal Canadian federal income tax considerations generally applicable to a holder of Notes issued by TCCI (“*TCCI Notes*”) who, for the purposes of the *Income Tax Act* (Canada) (the “*Act*”), and at all relevant times, is not and is not deemed to be resident in Canada and deals at arm’s length with TCCI (a “*Non-resident Holder*”).

**This summary is of a general nature only and is not intended to be, nor should it be interpreted as, legal or tax advice to any particular Non-resident Holder. Prospective holders of TCCI Notes should consult their own tax advisers.**

This summary reflects the opinion of Canadian legal advisers to TCCI and is based upon the provisions of the Act in force on this date, the regulations thereunder (the “*Regulations*”), proposed amendments to the Act and the Regulations in the form publicly announced prior to the date hereof by or on behalf of the Minister of Finance for Canada and the current administrative practices and assessing policies published by the Canada Revenue Agency. This summary does not take into account or anticipate any other changes in law, whether by legislative, governmental or judicial action, nor does it take into account provincial, territorial or foreign income tax considerations. No assurances can be given that changes in law, administrative practices or future court decisions will not affect the tax treatment of a Non-resident Holder.

Interest paid or credited or deemed to be paid or credited on a TCCI Note by TCCI to a Non-resident Holder will not be subject to Canadian non-resident withholding tax unless such interest is a “participating debt interest” for the purposes of the Act. Interest will not be a “participating debt interest” for the purposes of the Act provided that no portion of such interest, other than interest payable on a prescribed obligation (as described below), is contingent or dependent upon the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any other similar criterion or by reference to dividends paid or payable to shareholders of any class of shares of the capital stock of a corporation. A prescribed obligation for this purpose is, generally, a debt obligation the terms or conditions of which provide for an adjustment to an amount payable in respect of the obligation for a period during which the obligation was outstanding that is determined by reference to a change in the purchasing power of money on which no amount payable in respect of it is contingent or dependent upon the use of or production from property in Canada or is computed by reference to revenue, profit, cash flow, commodity price or any other similar criterion, other than a change in the purchasing power of money, or by reference to dividends paid or payable to shareholders of any class of shares.

In the event that a TCCI Note is redeemed, cancelled, repurchased or purchased, as the case may be, by TCCI or any other resident of Canada from a Non-resident Holder, or is otherwise assigned or transferred by a Non-resident Holder, to a person resident or deemed to be resident in Canada for an amount which exceeds, generally, the issue price thereof, the difference between the price for which such Note is redeemed, cancelled, repurchased or purchased or otherwise assigned or transferred and the issue price may, in certain circumstances, be deemed to be interest if the TCCI Note is not an “excluded obligation” for purposes of the Act and may be subject to non-resident withholding tax if (i) such interest is participating debt interest; or (ii) the Non-resident Holder does not deal at arm’s length with such person resident or deemed to be resident in Canada. In general, excluded obligations for this purpose will include TCCI Notes where, under the terms of the TCCI Notes or any agreement relating thereto, TCCI is not obligated to repay

more than 25 per cent. of the aggregate principal amount of such TCCI Notes within five year from the date of issue of the TCCI Notes except, generally, in the event of a failure or default under such TCCI Notes or a related agreement.

Generally, there are no other taxes on income (including taxable capital gains) payable in respect of the acquisition, ownership or disposition of a TCCI Note by a Non-resident Holder who, for the purposes of the Act, does not use or hold and is not deemed to use or hold the TCCI Note in carrying on a business in Canada, is not a person who carries on an insurance business in Canada and elsewhere and is not otherwise required by or for the purpose of the Act to include an amount in respect of the TCCI Note in computing income from carrying on a business in Canada.

## **Australia**

*The following is a general summary of the material Australian tax consequences under the Income Tax Assessment Acts of 1936 and 1997 of Australia (together, the “Australian Tax Act”) and any relevant regulations, rulings or judicial or administrative pronouncements at the date of this Prospectus, of payments of interest (as defined in the Australian Tax Act) on Notes to be issued by TFA under the Programme and certain other matters.*

*This summary is not exhaustive and should be treated with appropriate caution. In particular, this summary does not deal with the position of certain classes of holders of Notes (including dealers in securities, custodians or other third parties who hold Notes on behalf of any other persons). Prospective Noteholders should be aware that particular terms of issue of any Series of Notes may affect the tax treatment of that and other Series of Notes.*

*This summary is not intended to be, nor should it be construed as legal or tax advice to any particular investor. Prospective holders of Notes should consult and rely on the advice of their professional advisers on the tax implications of an investment in the Notes for their particular circumstances.*

### **1. Introduction**

The Australian Tax Act characterises securities as either “debt interests” (for all entities) or “equity interests” (for companies) including for the purposes of interest withholding tax (“IWT”) and dividend withholding tax. IWT is payable at a rate of 10 per cent. of the gross amount of interest paid by the TFA to a non-resident of Australia (other than a non-resident acting at or through a permanent establishment in Australia) or a resident acting at or through a permanent establishment outside Australia unless an exemption is available. For these purposes, interest is defined in section 128A(1AB) of the Australian Tax Act to include amounts in the nature of, or in substitution for, interest and certain other amounts.

TFA intends to issue Notes which will be characterised as both “debt interests” and “debentures” for these purposes. If Notes are issued which are not so characterised, further information on the material Australian tax consequences of payments of interest and certain other amounts on those Notes will be specified in the applicable Final Terms (or another relevant supplement to this Prospectus).

### **2. Interest withholding tax**

The requirements for an exemption from IWT in respect of the Notes are as follows:

- (a) TFA remains a resident of Australia when it issues those Notes and when interest is paid;
- (b) those Notes are issued in a manner which satisfies the public offer test. There are five principal methods of satisfying the public offer test, the purpose of which is to ensure that lenders in capital markets are aware that TFA is offering those Notes for issue. In summary, the five methods are:

- offers to 10 or more unrelated financiers or securities dealers;
- offers to 100 or more investors;
- offers of listed Notes;
- offers via publicly available information sources; and
- offers to a dealer, manager or underwriter who offers to sell those Notes within 30 days by one of the preceding methods.

In addition, the issue of any of those Notes (whether in global form or otherwise) and the offering of interests in any of those Notes by one of these methods should satisfy the public offer test;

- (c) TFA does not know, or have reasonable grounds to suspect, at the time of issue, that those Notes or an interest in a Note was being, or would later be, acquired, directly or indirectly, by an “*associate*” of TFA, except as permitted by section 128F(5) of the Australian Tax Act; and
- (d) at the time of the payment of interest, TFA does not know, or have reasonable grounds to suspect, that the payee is an “*associate*” of TFA, except as permitted by section 128F(6) of the Australian Tax Act.

#### *Associates*

An “*associate*” of TFA for the purposes of section 128F of the Australian Tax Act includes (i) a person or entity which holds more than 50 per cent. of the voting shares in, or otherwise controls, TFA, (ii) an entity in which more than 50 per cent. of the voting shares are held by, or which is otherwise controlled by, TFA, (iii) a trustee of a trust where TFA is capable of benefiting (whether directly or indirectly) under that trust, and (iv) a person or entity who is an “*associate*” of another person or company which is an “*associate*” of TFA under any of the foregoing.

However, “*associate*” does not include:

- (A) onshore associates (i.e. Australian resident associates who do not hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia and non-resident associates who hold the Notes in the course of carrying on business at or through a permanent establishment in Australia); or
- (B) offshore associates (i.e. Australian resident associates that hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia and non-resident associates who do not hold the Notes in the course of carrying on business through a permanent establishment in Australia) who are acting in the capacity of:
  - (i) in the case of section 128F(5), a dealer, manager or underwriter in relation to the placement of the relevant Notes or a clearing house, custodian, funds manager or responsible entity of a registered managed investment scheme (within the meaning of the Australian Corporations Act); or
  - (ii) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of a registered managed investment scheme (within the meaning of the Australian Corporations Act).

#### *Compliance with section 128F of the Australian Tax Act*

Unless otherwise specified in the applicable Final Terms (or another relevant supplement to this Prospectus), TFA intends to issue the Notes in a manner which will satisfy the public offer

test and will otherwise meet the requirements of section 128F of the Australian Tax Act.

#### *Exemptions under recent tax treaties*

The Australian Government has signed new or amended double tax conventions (“*New Treaties*”) with a number of countries (each a “*Specified Country*”) which contain certain exemptions from IWT.

In broad terms, once implemented, the New Treaties effectively prevent IWT applying to interest derived by:

- the government of the relevant Specified Countries and certain governmental authorities and agencies in the Specified Country; and
- a “*financial institution*” which is a resident of a “*Specified Country*” and which is unrelated to and dealing wholly independently with TFA. The term “*financial institution*” refers to either a bank or any other form of enterprise which substantially derives its profits by carrying on a business of raising and providing finance. (However, interest under a back-to-back loan or an economically equivalent arrangement will not qualify for this exemption.)

The Australian Federal Treasury maintains a listing of Australia’s double tax conventions which provides details of country, status, withholding tax rate limits and Australian domestic implementation which is available to the public at the Federal Treasury’s Department’s website at: <http://www.treasury.gov.au/contentitem.asp?pageId=&ContentID=625>.

#### *Section 126 of the Australian Tax Act*

Section 126 of the Australian Tax Act imposes a type of withholding tax at the rate of 45 per cent. on the payment of interest on Notes in bearer form if TFA fails to disclose the names and addresses of the holders to the Australian Taxation Office (“*ATO*”). Section 126 does not apply to the payment of interest on Notes in bearer form held by non-residents who do not carry on business at or through a permanent establishment in Australia where the issue of those Notes in bearer form has satisfied the requirements of section 128F of the Australian Tax Act or IWT is payable. In addition, the ATO has confirmed that for the purpose of section 126 of the Australian Tax Act, the holder of debentures (such as Notes in bearer form) means the person in possession of the debentures. Section 126 is therefore limited in its application to persons in possession of Notes in bearer form who are residents of Australia or non-residents who are engaged in carrying on business in Australia at or through a permanent establishment in Australia. Where interests in the relevant Notes are held through Euroclear or Clearstream, Luxembourg, TFA intends to treat the operators of those clearing systems as the holders of those Notes for the purposes of section 126 of the Australian Tax Act.

#### *Payment of additional amounts*

As set out in more detail in the relevant terms and conditions of the Notes, and unless expressly provided to the contrary in the applicable Final Terms (or another relevant supplement to this Prospectus), if TFA is at any time compelled or authorised by law to deduct or withhold an amount in respect of any Australian withholding taxes imposed or levied by the Commonwealth of Australia or the State of New South Wales in respect of the Notes, TFA must, subject to certain exceptions, pay such additional amounts as may be necessary in order to ensure that the net amounts received by the holders of those Notes after such deduction or withholding are equal to the respective amounts which would have been received had no such deduction or withholding been required. If TFA is compelled by law in relation to any Notes to deduct or withhold an amount in respect of any withholding taxes, TFA will have the option to redeem those Notes in accordance with the relevant terms and conditions.

### 3. Other tax matters

Under Australian laws as presently in effect:

- (a) *income tax – off-shore Noteholders* – assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes, payment of principal and interest to a holder of the Notes, who is a non-resident of Australia and who, during the taxable year, does not hold the Notes in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income taxes;
- (b) *income tax – Australian Noteholders* – Australian residents or non-Australian residents who hold the Notes in the course of carrying on business at or through a permanent establishment in Australia (“*Australian Holders*”), will be assessable for Australian tax purposes on income either received or accrued due to them in respect of the Notes. Whether income will be recognised on a cash receipts or accruals basis will depend upon the tax status of the particular Noteholder and the terms and conditions of the Notes. Special rules apply to the taxation of Australian residents who hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia which vary depending on the country in which that permanent establishment is located;
- (c) *gains on disposal of Notes – off-shore Noteholders* – a holder of the Notes, who is a non-resident of Australia and who, during the taxable year, does not hold the Notes in the course of carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income tax on gains realised during that year on sale or redemption of the Notes, provided such gains do not have an Australian source. A gain arising on the sale of Notes by a non-Australian resident holder to another non-Australian resident where the Notes are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia would not be regarded as having an Australian source.

If the gain arising on the sale of Notes has an Australian source, a holder may be eligible for relief from Australian tax on such gain under a double tax treaty between Australia and the holder's country of residence. If protection from Australian tax is not available under a tax treaty, it would be necessary to take into account exchange rate movements during the period that the Notes were held in calculating the amount gain;

- (d) *gains on disposal of Notes – Australian Noteholders* – Australian Holders will be required to include any gain or loss on disposal of the Notes in their taxable income. Special rules apply to the taxation of Australian residents who hold the Notes in the course of carrying on business at or through a permanent establishment outside Australia which vary depending on the country in which that permanent establishment is located;
- (e) *deemed interest* – there are specific rules that can apply to treat a portion of the purchase price of Notes as interest for withholding tax purposes when certain Notes originally issued at a discount or with a maturity premium or which do not pay interest at least annually are sold to an Australian resident (who does not acquire them in the course of carrying on trade or business at or through a permanent establishment outside Australia) or a non-resident who acquires them in the course of carrying on business at or through a permanent establishment in Australia.

If the Notes are issued at a discount and do not have a maturity premium, these rates should not apply to the Notes. These rules also do not apply in circumstances where the deemed interest would have been exempt under section

128F of the Australian Tax Act if the Notes had been held to maturity by a non-resident;

- (f) *death duties* – no Notes will be subject to death, estate or succession duties imposed by Australia, or by any political subdivision or authority therein having power to tax, if held at the time of death;
- (g) *stamp duty and other taxes* – no *ad valorem* stamp, issue, registration or similar taxes are payable in Australia on the issue or transfer of any Notes;
- (h) *supply withholding tax* – payments in respect of the Notes can be made free and clear of the “*supply withholding tax*” imposed under section 12-190 of Schedule 1 to the Taxation Administration Act 1953 of Australia;
- (i) *goods and services tax (GST)* – neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply or (in the case of an offshore subscriber) a GST-free supply. Furthermore, neither the payment of principal or interest by TFA, nor the disposal of the Notes, would give rise to any GST liability in Australia;
- (j) *Division 16E accruals regime* - Australia operates an accruals regime which may apply to Australian Holders of certain Notes issued at a discount and the term of which, ascertained as at the time of issue will, or is reasonably likely to, exceed one year. If such Notes are issued, further information on Australia’s accruals regime will be specified in the applicable Final Terms (or another relevant supplement to this Prospectus);
- (k) *additional withholdings from certain payments to non-residents* – Section 12-315 of Schedule 1 of the Taxation Administration Act gives the Governor-General power to make regulations requiring withholding from certain payments to non-residents.

However, section 12-315 expressly provides that the regulations will not apply to interest and other payments which are already subject to the current IWT rules or specifically exempt from those rules. Further, regulations may only be made if the responsible minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents. The regulations promulgated prior to the date of this Prospectus are not relevant to any payments in respect of the Notes. Any further regulations should also not apply to repayments of principal under the Notes, as in the absence of any issue discount, such amounts will generally not be reasonably related to assessable income. The possible application of any future regulations to the proceeds of any sale of the Notes will need to be monitored; and

- (l) *taxation of foreign exchange gains and losses* – Divisions 775 and 960 of the Australian Tax Act contain rules to deal with the taxation consequences of foreign exchange transactions.

The rules are complex and will apply to TFA in respect of any Notes denominated in a currency other than Australian dollars as well as any currency hedging arrangements entered into in respect of such Notes. Nevertheless TFA ought to be able to manage its position under the rules so that the tax consequences are effectively the same as the commercial position (that is that any net foreign exchange gains and losses recognised for tax purposes should be represented by similar cash gains and losses).

The rules are complex and may apply to any Noteholders who are Australian

residents or non-residents that hold Notes that are not denominated in Australian dollars in the course of carrying on business in Australia. Any such Noteholders should consult their professional advisers for advice as to how to tax account for any foreign exchange gains or losses arising from their holding of those Notes.

## **United States**

The following is a summary based on present law of certain U.S. federal income tax considerations for prospective purchasers of the Notes. It addresses only Non-U.S. Holders (as defined below). The discussion is a general summary. It is not a substitute for tax advice. The discussion below assumes that the Notes will be characterised as debt, rather than equity, for U.S. federal income tax purposes and that the global Notes will be offered, sold and delivered in compliance with and payments on the Notes will be made in accordance with certain required procedures described above under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. Finally, it does not describe any tax consequences arising out of the laws of any state, local or foreign jurisdiction.

This summary does not address all tax considerations for a beneficial owner of the Notes and does not address the tax consequences to a Non-U.S. Holder in special circumstances. For example, this summary does not address a Non-U.S. Holder subject to U.S. federal income tax on a net income basis. It addresses only purchasers that buy in the original offering at the original offering price and hold Notes as capital assets. It does not include a discussion of Index Linked Notes, Range Accrual Notes or Floating Rate Notes other than Floating Rate Notes whose rate is based on a conventional interest rate or composite of interest rates.

**THE STATEMENTS ABOUT U.S. FEDERAL TAX CONSIDERATIONS ARE MADE TO SUPPORT THE MARKETING OF THE NOTES. NO TAXPAYER CAN RELY ON THEM TO AVOID TAX PENALTIES. EACH PROSPECTIVE NOTEHOLDER SHOULD SEEK ADVICE FROM AN INDEPENDENT TAX ADVISOR ABOUT THE TAX CONSEQUENCES UNDER ITS OWN PARTICULAR CIRCUMSTANCES OF INVESTING IN THE NOTES UNDER THE LAWS OF THE UNITED KINGDOM, CANADA, AUSTRALIA AND THE UNITED STATES AND ITS CONSTITUENT JURISDICTIONS, AND ANY OTHER JURISDICTIONS WHERE THE PURCHASER MAY BE SUBJECT TO TAXATION.**

For purposes of this discussion, a “*Holder*” is a beneficial owner of a Note and a “*Non-U.S. Holder*” is any Holder that is not for U.S. federal income tax purposes (i) a citizen or resident of the United States, (ii) a corporation, partnership or other entity organized in or under the laws of the United States or its political subdivisions, (iii) a trust subject to the control of a U.S. person and the primary supervision of a U.S. court, (iv) an estate the income of which is subject to U.S. federal income taxation regardless of its source or (v) engaged in a trade or business within the United States to which income from a Note is effectively connected.

### ***U.S. Taxation of the Notes***

Payments of interest and principal by TMCC to a Non-U.S. Holder and original issue discount (“*OID*”), if any, on a Note (other than on a Note with a maturity of 183 days or less, which will generally not be subject to U.S. withholding tax) will not be subject to U.S. withholding or other gross basis taxation, provided that:

- (i) the Non-U.S. Holder does not actually or constructively own 10 per cent. or more of the combined voting power of all classes of TMCC’s voting stock;
- (ii) the Non-U.S. Holder is not a controlled foreign corporation as defined in section 957 of the U.S. Internal Revenue Code of 1986, as amended (the “*Code*”) related to TMCC through stock ownership;
- (iii) the Non-U.S. Holder is not a bank receiving interest on the Note on an extension of credit entered into in the ordinary course of its trade or business; and

- (iv) such interest is not contingent on TMCC's or an affiliates' receipts, sales, income or profits, changes in values of property and is not otherwise described in Section 871(h)(4) of the Code.

Where the requirements described above are satisfied, a Non-U.S. Holder will not be required to disclose its nationality, residence, or identity to TMCC, a Paying Agent, or any U.S. governmental authority in order to receive payments on the Note from TMCC or a Paying Agent outside the United States (although the beneficial owner of an interest in the Temporary Global Note will be required to provide a certification as to non-U.S. beneficial ownership to Euroclear or Clearstream, Luxembourg in order to receive a beneficial interest in a Permanent Global Note or Definitive Note and Coupons and interest thereon or to receive payment on its beneficial interest in a Temporary Global Note).

If the requirements described above are not satisfied, payments of premium, if any, and interest (including OID) made to a Non-U.S. Holder will be subject to 30 per cent. gross basis taxation unless the beneficial owner of the Note properly establishes its eligibility for the benefits of a tax treaty (generally by providing a properly executed U.S. Internal Revenue Service Form W-8BEN claiming such benefits). Payments made to a Non-U.S. Holder treated as a partnership or trust for U.S. federal income tax purposes generally will be subject to 30 per cent. gross basis tax to the extent those payments are allocable to partners or beneficiaries that would be Non-U.S. Holders who could not satisfy those requirements if they held their interest in a Note directly and that cannot establish eligibility for treaty benefits.

Any gain realised by a Non-U.S. Holder on the disposition of a Note will not be subject to U.S. tax unless the Holder is an individual present in the United States for at least 183 days during the taxable year of disposition and certain other conditions are met.

The exchange of the Temporary Global Note for the Permanent Global Note will not be a taxable event.

### ***U.S. Information Reporting and Backup Withholding***

Payments of principal and interest on the Notes generally will not be subject to United States information reporting or backup withholding.

Proceeds from the sale or other disposition of a Note will not be subject to United States information reporting unless the sale is effected through a U.S. office of a broker or through the foreign office of a broker with certain connections to the United States. Such proceeds will not be subject to United States backup withholding unless the sale is effected through a United States office of a broker. Any amount withheld may be credited against a holder's U.S. federal income tax liability or refunded to the extent it exceeds the holder's liability.

**THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE IMPORTANT TO A PARTICULAR INVESTOR. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES UNDER THE INVESTOR'S OWN CIRCUMSTANCES.**

### **United Kingdom**

*The following is a general summary of the United Kingdom tax law and practice at the date hereof relating to the United Kingdom withholding tax treatment of payments of interest in respect of the Notes. It does not address in any detail any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. The comments relate only to the position of persons who are absolute beneficial owners of the Notes. The United Kingdom tax treatment of the prospective holders depends on their individual circumstances and may be subject to change in the future. Prospective holders of Notes who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom are strongly advised to consult their own professional advisers.*



### ***United Kingdom Withholding Tax***

In the event that interest on the Notes is treated as having a United Kingdom source, payments of such interest can still be made without withholding or deduction for or on account of United Kingdom income tax as long as the Notes are and continue to be “*quoted Eurobonds*” within the meaning of section 987 of the Income Tax Act 2007 (the “*Act*”). In the case of Notes to be traded on the London Stock Exchange, which is a “*recognised stock exchange*” within the meaning of section 1005 of the Act, this condition will be satisfied if the Notes are admitted to the Official List maintained by the UK Listing Authority and to trading on the London Stock Exchange and remain as such at the time of payment.

If: (i) interest on the Notes is treated as having a United Kingdom source, (ii) the “*quoted Eurobond*” exemption does not apply, and (iii) the Notes are not Notes with a maturity of less than one year which do not form part of a scheme of arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days, such interest may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20 per cent.), subject to any direction to the contrary by HM Revenue and Customs (“*HMRC*”) under the provisions of an applicable double taxation treaty, except that the withholding obligation is disappplied in respect of Noteholders which the relevant Issuer reasonably believes are, at the time of payment, either a United Kingdom resident company or a non-United Kingdom resident company carrying on a trade in the United Kingdom through a permanent establishment which is within the charge to corporation tax as regards the payment of interest, or which fall within various categories enjoying a special tax status (including charities and pension funds) or are partnerships consisting of such persons (unless HMRC directs otherwise).

### ***Provision of Information***

Any Paying Agent or other person through whom interest is paid, or by whom interest is received on behalf of an individual (whether resident in the United Kingdom or elsewhere), may be required to provide information in relation to the payment and the individual concerned (including the Noteholder's name and address) to HMRC. These provisions will apply whether or not the interest has been paid subject to withholding or deduction for or on account of United Kingdom withholding tax. Interest for these purposes includes any amount to which a person holding a deeply discounted security is entitled on redemption of that security. However, in practice no information will be required to be provided in respect of such redemption amounts for the year 2008-2009. HMRC may communicate information to the tax authorities of other jurisdictions.

### ***EU Savings Directive***

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to or for an individual resident, or certain limited types of entity established, in that other Member State. However, for a transitional period, Austria, Belgium and Luxembourg are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories, including Switzerland, have adopted similar measures (a withholding system in the case of Switzerland).

## SUBSCRIPTION AND SALE

The Dealers and each of the Issuers, in the Amended and Restated Programme Agreement dated 26 September 2008, comprising the Programme Agreement dated 30 September 1992 as amended and supplemented or restated (the "*Programme Agreement*"), have agreed on a basis upon which the Dealers may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Form of the Notes*" and "*Terms and Conditions of the Notes*" above and, in case of Notes which form a single Series with Notes issued prior to 28 September 2007, the terms and conditions applicable to the relevant Notes. In the Programme Agreement, each of the Issuers has jointly and severally agreed to reimburse the Dealers for certain of their expenses in connection with the establishment of the Programme and the issue of Notes under the Programme. The relevant Issuer may also agree in the documentation relating to a particular Note issuance to reimburse the relevant Dealers or otherwise pay for expenses in connection with the issuance.

If the relevant Issuer accepts an offer to purchase Notes in relation to a syndicated transaction, the terms of any such agreement between the relevant Issuer and two or more Dealers shall be set out in a Syndicate Purchase Agreement. The process for notification to Dealers of the amount of Notes allotted to them on a particular Note issuance is contained in the Programme Agreement and is typically set forth in the launch telex sent to the Dealers at the beginning of the transaction or otherwise agreed with the Dealers. If the relevant Issuer accepts an offer to purchase Notes in relation to a non-syndicated transaction, the relevant Issuer or its designated agent sends, in relation to any such Tranche, the terms of such Notes and of their issue agreed between the relevant Issuer and the purchaser (the "*Purchase Information*") to the Agent (or in relation to Registered Notes issued by TCCI, to the Registrar with a copy to the Agent). The purchaser confirms the Purchase Information to the Agent (or in relation to Registered Notes issued by TCCI, to the Registrar with a copy to the Agent) and the relevant Issuer. In relation to both syndicated and non-syndicated transactions, dealings will begin as agreed between the relevant Issuer and the relevant Dealers which may or may not be before such notification is made.

Set forth below are certain selling restrictions applicable to Notes issued under the Programme. Each Dealer has represented and agreed that it will comply with these restrictions. Each further Dealer appointed under the Programme will be required to represent and agree to all applicable restrictions.

The following selling restrictions may be modified by the relevant Issuer and the relevant Dealers following a change in the relevant laws or regulations. Any such modification will be set out in the applicable Final Terms issued in respect of the issue to which it is related or in a supplement to this Prospectus.

### **United States**

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons unless the Notes are registered under the Securities Act, or an exemption from the registration requirements of the Securities Act is available. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering or completion of distribution as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead

manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering of any series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended.

Each issue of Index Linked Notes or Dual Currency Notes shall be subject to such additional U.S. selling restrictions as the relevant Issuer and the relevant Dealer may agree as indicated in the applicable Final Terms for such issue. Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will offer, sell or deliver such Notes only in compliance with such additional U.S. selling restrictions.

#### **European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “*Relevant Member State*”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “*Relevant Implementation Date*”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the applicable Final Terms in relation thereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the applicable Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “*Non-exempt Offer*”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the applicable Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or such Final Terms, as applicable;
- (b) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000; and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
- (d) at any time to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant

- Dealer or Dealers nominated by the relevant Issuer for any such offer; or
- (e) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (e) above shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “*offer of Notes to the public*” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “*Prospectus Directive*” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

### **United Kingdom**

Each Dealer has represented and has agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

- (i) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act (2000) (the “*FSMA*”) with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the relevant Issuer; and
- (iii) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the relevant Issuer.

### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No.25 of 1948 as amended) (the “*Financial Instruments and Exchange Law*”) and each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

### **The Netherlands**

Zero Coupon Notes in definitive form issued by TMF, TCCI, TFA or TMCC may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the

mediation of either the relevant Issuer or a member firm of Euronext Amsterdam N.V., with due observance of the Dutch Savings Certificates Act (*Wet inzake Spaarbewijzen*) of 21st May, 1985 (as amended) and its implementing regulations. No such mediation is required in respect of: (a) the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form; (b) the initial issue of Zero Coupon Notes in definitive form by the first holders thereof; (c) in respect of the transfer and acceptances of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession; or (d) the transfer and acceptance of such Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series are issued outside the Netherlands and are not distributed within the Netherlands in the course of initial distribution or immediately thereafter. In the event that the Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of and payments on Zero Coupon Notes have to be complied with and, in addition thereto, if such Zero Coupon Notes in definitive form do not qualify as commercial paper traded between professional borrowers and lenders within the meaning of the agreement of 2 February 1987 attached to the Royal Decree of 11 March 1987 (*Staatscourant 129*) (as amended), each transfer and acceptance should be recorded in a transaction note, including the name and address of each party to the transaction and the details and serial numbers of such Notes. For the avoidance of doubt, the selling restrictions set out under “*European Economic Area*” also apply to Zero Coupon Notes.

As used herein “*Zero Coupon Notes*” are Notes that are in bearer form and that constitute a claim for a fixed sum against the relevant Issuer and on which interest does not become due during their term to maturity or on which no interest is due whatsoever.

#### **Canada**

The Notes have not been and will not be, qualified for sale under the securities laws and regulations of any province or territory of Canada. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold, distributed or delivered, and that it will not offer, sell, distribute or deliver, any Notes, directly or indirectly, in Canada or to, or for the benefit of, any resident thereof in contravention of the securities laws or regulations of any province or territory of Canada. Each Dealer has further agreed, and each further Dealer appointed under the Programme may be required to agree, to deliver to any dealer who purchases any Notes from it a notice stating in substance that, by purchasing such Notes, such dealer represents and agrees that it has not offered, sold, distributed or delivered, and will not offer, sell, distribute or deliver, any such Notes, directly or indirectly, in Canada or to, or for the benefit of, any resident thereof in contravention of the securities laws or regulations of any province or territory of Canada and that it will deliver to any other dealer to whom it sells any of such Notes a notice containing substantially the same statement as is contained in this sentence. Each Dealer has also agreed, and each further Dealer appointed under the Programme will be required to agree, not to distribute or deliver this Prospectus or any other offering material relating to the Notes, in Canada in contravention of the securities laws or regulations of any province or territory of Canada. Each Dealer has agreed, and each further Dealer appointed under the Programme may be required to agree, to furnish upon request a certificate stating that such Dealer has complied with the restrictions described in this paragraph.

#### **Australia**

No prospectus or other disclosure document (as defined in the Australian Corporations Act) in relation to the Programme or the Notes has been or will be lodged with the Australian Securities and Investments Commission (“*ASIC*”). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that unless the applicable Final Terms (or another supplement to this Prospectus) otherwise provides, it:

- (a) has not (directly or indirectly) offered or invited applications, and will not offer or invite applications for the issue, sale or purchase of the Notes in or from Australia (including an offer or invitation which is received by a person in Australia); and

- (b) has not distributed or published, and will not distribute or publish, any Prospectus or other offering material or advertisement relating to any Notes in Australia,

unless the offeree or invitee is a “*wholesale client*” (within the meaning of section 761G of the Australian Corporations Act) and (i) the aggregate consideration payable by each offeree is at least A\$500,000 (or the equivalent in another currency) in either case disregarding moneys lent by the offerer or its associates; (ii) the offer or invitation otherwise does not require disclosure to investors in accordance with either Part 6D.2 or Chapter 7 of the Australian Corporations Act; (iii) such action complies with all applicable laws, regulations and directives (including without limitation, the financial services licensing requirements of Chapter 7 of the Australian Corporations Act); and (iv) such action does not require any document to be lodged with ASIC.

In addition, and unless the applicable Final Terms (or another relevant supplement to this Prospectus) provides, each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, in connection with the primary distribution of the Notes, it will not offer or sell Notes to any person if, at the time of such sale, the officers and employees of the Dealer aware of, or involved in, the sale, knew or had reasonable grounds to suspect that, as a result of such sale, any Notes or an interest in any Notes were being, or would later be, acquired (directly or indirectly) by an associate of TFA for the purpose of section 128F(9) of the Australian Tax Act and associated regulations except as permitted by Section 128F(5) of the Australian Tax Act.

### **New Zealand**

No Issuer intends that Notes be offered for sale or subscription to the public in New Zealand in terms of the Securities Act 1978 of New Zealand. Accordingly, no investment statement has been prepared and no prospectus has been or will be registered under the Securities Act 1978 of New Zealand.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes shall not be directly or indirectly offered for sale or transferred to any member of the public in New Zealand in breach of the Securities Act 1978 or the Securities Regulations 1983 of New Zealand. In particular, but without limitation, Notes may only be offered or transferred either:

- (a) to persons whose principal business is the investment of money or to persons who, in the course of and for the purposes of their business, habitually invest money within the meaning of section 3(2)(a)(ii) of the Securities Act 1978 of New Zealand; or
- (b) to persons who are each required to pay a minimum subscription price of at least NZ\$500,000 of the Notes (disregarding any amount lent by the offeror, the relevant Issuer or any associated person of the offeror or the relevant Issuer) before the allotment of those Notes and who have a minimum holding of the Notes of at least NZ\$500,000.

In addition, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not distribute, publish, deliver or disseminate this Prospectus, any supplement or any information or other material that may constitute an advertisement (as defined in the Securities Act 1978 of New Zealand) in relation to any offer of Notes in New Zealand other than:

- (i) to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money within the meaning of section 3(2)(a)(ii) of the Securities Act 1978 of New Zealand ; or
- (ii) in other circumstances where there is no contravention of the Securities Act 1978 of New Zealand.

## Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme Agreement will be required to represent and agree, that:

- (i) it has not offered, sold, delivered or transferred and will not offer, sell, deliver or transfer in Hong Kong, by means of any document, any Notes other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation, prospectus or other offering material or other document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

## Switzerland

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme Agreement will be required to represent and agree, that it (a) will only offer or sell Notes in Switzerland in compliance with all applicable laws and regulations in force in Switzerland and (b) will to the extent necessary, obtain any consent, approval or permission required, if any, for the offer or sale by it of Notes under the laws and regulations in force in Switzerland.

Only the relevant offering circular for the offering of Notes in or into Switzerland and any information required to ensure compliance with the Swiss Code of Obligations and all other applicable laws and regulations of Switzerland (in particular, additional and updated corporate and financial information that shall be provided by the relevant Issuer) may be used in the context of a public offer in or into Switzerland. Each Dealer has therefore represented and agreed that the relevant offering circular and such information shall be furnished to any potential purchaser in Switzerland upon request in such manner and at such times as shall be required by the Swiss Code of Obligations and all other applicable laws and regulations of Switzerland.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme Agreement will be required to represent and agree, that it will inform all persons resident in Switzerland to whom it offers, sells or delivers any of the Notes of the existence and availability of this Prospectus, as may be supplemented from time to time, and the applicable Final Terms for the Notes together with all documents incorporated by reference into this Prospectus as so supplemented, to such persons on request.

### **Issues of Notes with a Specified Denomination of less than €50,000 (or its equivalent) to be admitted to trading on an EEA regulated market and/or offered on an exempt basis in the EEA**

Unless otherwise expressly indicated in the applicable Final Terms and notwithstanding the European Economic Area selling restrictions set out above applicable to Notes, in relation to Notes with a Specified Denomination of less than €50,000 (or its equivalent in another currency) to be admitted to trading on an EEA regulated market and/or offered in any EEA Member State on an exempt basis as contemplated under Article 3(2) of the Prospectus Directive:

- (a) each Dealer has represented and agreed, and each further Dealer appointed under the Programme Agreement will be required to represent and agree, that it has not offered or sold and it will not offer or sell, whether through financial intermediaries or otherwise, any such Notes to the public in any EEA Member State by means of this Prospectus, the applicable Final Terms or any other document, other than to qualified investors (as defined in the Prospectus Directive);
- (b) each Dealer has acknowledged, and each further Dealer appointed under the Programme Agreement will be required to acknowledge, that no action has been taken by the relevant Issuer or any other person that would, or is intended to permit an offer to the public of any such Notes in any country or jurisdiction at any time where any such action for that purpose is required; and
- (c) each Dealer has undertaken, and each further Dealer appointed under the Programme Agreement will be required to undertake, that it will not, directly or indirectly, offer or sell any such Notes or distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations and all offers and sales of any such Notes by it will be made on the same terms, and provided that no such offer or sale of Notes by it, whether through financial intermediaries or otherwise, shall require the relevant Issuer, such Dealer or any such financial intermediaries to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

#### **Public Offers in certain EEA Jurisdictions**

Notwithstanding the European Economic Area selling restrictions set out above applicable to Notes, where the applicable Final Terms expressly indicate that a non-exempt offer to the public of the Notes in certain jurisdictions identified in such Final Terms (such jurisdictions, together with the United Kingdom, the “*Jurisdictions*” and each a “*Jurisdiction*”) is intended or permitted, the relevant Issuer understands that the Dealers identified as Managers in such Final Terms involved in the offer and such other persons and/or classes of persons as the relevant Issuer may nominate and/or describe in the applicable Final Terms will, on the terms and conditions of the Public Offer contained in such Final Terms, be able to use such Final Terms and the Prospectus for a Public Offer of the Notes in such Jurisdictions during the Offer Period specified in such applicable Final Terms.

Upon the execution by the relevant Dealers so identified in the applicable Final Terms, and by the relevant Issuer of the agreement to issue and purchase the Notes (the “*Agreement*”), each such Dealer may, during the Offer Period specified in such Final Terms, make a Public Offer using the Prospectus (as may be supplemented) and the applicable Final Terms in any of the Jurisdictions and otherwise in accordance with the terms and conditions of the Agreement, this Prospectus (as so supplemented) and the applicable Final Terms.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme Agreement will be required to represent and agree, that it has not offered or sold and will not offer or sell in any EEA Member State, any Notes other than by (i) a Public Offer in any of the Jurisdictions during the Offer Period pursuant to, and in accordance with, this Prospectus (as may be supplemented) and the applicable Final Terms (without modification or supplement); or (ii) an offer to qualified investors (as defined in the Prospectus Directive) or otherwise in compliance with Article 3(2) of the Prospectus Directive and that during the Offer Period, each such Dealer will procure that any Placer (as defined in the applicable Final Terms) purchasing from such Dealer any of the Notes undertakes to comply with the foregoing provisions of this Public Offers in certain EEA Jurisdictions selling restriction.

Each Dealer has also represented and agreed, and each further Dealer appointed under the Programme Agreement will be required to represent and agree, that the following provisions contained in the applicable Final Terms under the heading “*Terms and Conditions of the Public*



*Offer*”, in the second sentence of the section entitled “*Offer Price*”, in the section entitled “*Conditions to which the offer is subject*”, in the section entitled “*Description of the application process*”, in the section entitled “*Details of the minimum and/or maximum amount of application (whether in number of Notes or aggregate amount to invest)*”, in the section entitled “*Method and time limits for paying up the Notes and for delivery of the Notes*” and in the section entitled “*Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made*” relating to it and its offer and sale process are true and accurate in all respects and that it has not made any Placers known to the relevant Issuer other than any Placers who are identified as such in the applicable Final Terms.

Save as described above and in the applicable Final Terms, no action will be taken by the relevant Issuer or any other person that would, or is intended to, permit a Public Offer in the Jurisdictions at any time other than during the Offer Period pursuant to, and in accordance with, the Prospectus as may be supplemented and the applicable Final Terms or in any other country or jurisdiction at any time where any such action for that purpose is required.

Each Dealer has undertaken, and each further Dealer appointed under the Programme Agreement will be required to undertake, that it will not, directly or indirectly, offer or sell any Notes or distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations and all offers and sales of Notes by it will be made on the same terms, and provided that no such offer or sale of Notes shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive (or supplement a prospectus pursuant to Article 16 of the Prospectus Directive) or to take any other action in any jurisdiction other than as described above (unless otherwise agreed with the relevant Issuer).

For the purposes of this provision, the expression a “*Public Offer*” in relation to any Notes in any relevant Jurisdiction means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Jurisdiction by any measure implementing the Prospectus Directive in that Jurisdiction.

## **General**

No action has been or will be taken by any of the Issuers (other than entering into the agreement to issue and purchase Notes pursuant to the Programme Agreement and complying with the procedures required by the Programme Agreement) or the Dealers that would permit a public offering of the Notes or possession or distribution of this Prospectus or any other offering material in any jurisdiction where action for that purpose is required unless the relevant Issuer has agreed to such action and such action has been taken.

Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme Agreement will be required to represent and agree, that it will comply with all applicable securities laws, regulations and directives known to it, or that reasonably should have been known by it, in each jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Prospectus or any other offering material and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuers nor any other Dealer shall have any responsibility therefor.

Purchasers will be required to comply with such other additional restrictions as the relevant Issuer and the relevant Purchaser shall agree and as shall be set out in the applicable Final Terms or otherwise agreed to in writing by the relevant Issuer and the relevant Purchaser.

A Dealer may offer the Notes it has purchased to other dealers. A Dealer may sell Notes to any dealer at a discount, which discount may equal all or a portion of the selling concession to be received by such Dealer from the relevant Issuer.

None of the Issuers, nor any of the Dealers, represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

## GENERAL INFORMATION

### Authorisation

The issue of Notes under the Programme and the maximum aggregate nominal amount of all Notes outstanding at any time under the Programme of €40,000,000,000 (or its equivalent in other currencies), including Notes issued prior to 28 September 2007 by TMCC under its U.S.\$30,000,000,000 Euro Medium-Term Note Program last updated on 28 September 2006 which remain outstanding at any time, was duly authorised by a resolution of the Board of Management of TMF dated 23 September 2008, by a resolution of the Board of Directors of TCCI dated 22 September 2008, by a resolution of the Board of Directors of TFA dated 19 September 2008 and by a resolution of the Executive Committee of the Board of Directors of TMCC dated 25 September 2008.

### Approval, Listing and Admission to Trading

Application has been made to the UK Listing Authority for Notes issued under the Programme by each of the Issuers to be admitted to the Official List and to the London Stock Exchange for such Notes to be admitted to trading on the London Stock Exchange's Regulated Market. The listing of Notes on the Official List will be expressed as a percentage of their aggregate nominal amount (excluding accrued interest). It is expected that each Tranche of Notes which is to be admitted to the Official List and to trading on the London Stock Exchange's Regulated Market will be admitted separately as and when issued, subject only to the issue of a global Note or Notes initially representing the Notes of such Tranche. The listing of the Programme in respect of such Notes is expected to be granted on or about 1 October 2008.

### Availability of Documents

For the period of 12 months following the date of this Prospectus, copies of the following documents will, when published, be available free of charge from and will be available for inspection during usual business hours on any weekday (except Saturdays and public holidays) at the registered offices of each of the Issuers and from the specified office of the Paying Agent for the time being in London (an English translation of any of these documents will be available for inspection (if applicable)): the Articles of Association of TMF, the Articles of Incorporation and Articles of Amendment of TCCI, the constitution of TFA, the Articles of Incorporation of TMCC, the Articles of Incorporation of TFS, the Articles of Incorporation of the Parent, this Prospectus, any future offering circulars, prospectuses, information memoranda and supplements, the Programme Agreement as amended and supplemented, the forms of the Temporary Global, Permanent Global and definitive Notes, the Agency Agreement, each Final Terms (save that a Final Terms relating to a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the relevant Issuer and the Agent as to its holding of Notes and identity), in the case of each issue of Notes admitted to trading on the London Stock Exchange's Regulated Market subscribed pursuant to a syndicate purchase agreement, the syndicate purchase agreement (or equivalent document) and the Credit Support Agreements. Copies of the most recently published audited annual financial statements and, if prepared, the published interim financial statements of each of the Issuers and the Parent, together with any audit or review reports prepared in connection therewith, and the published audited financial statements for the financial year ended 31 March 2007 and for the financial year ended 31 March 2008 of each of the Issuers and the Parent, together with the audit reports prepared in connection therewith, TMCC's Form 10-K/A and TMCC's Quarterly Report on Form 10-Q for the quarter ended 30 June 2008, the Parent's Annual Report on Form 20-F for the year ended 31 March 2008 and the Parent's Financial Summary FY2009 First Quarter for the three months ended 30 June 2008, will be available in the English language, free of charge, at the specified offices of each of the Issuers and the Agent for the time being in London.

Copies of the Note Agency Agreement will be available free of charge to holders of the

Registered Notes issued on or after 28 September 2007, and will be available for inspection during usual business hours on any weekday (except Saturdays and public holidays) at the registered office of TCCI and at the specified offices of the Registrar and the Canadian Paying Agent.

Copies of the “Terms and Conditions of the Notes” section from the Offering Circular published by the Issuers dated 28 September 2007 will be available free of charge to holders of Notes, and will be available for inspection during usual business hours on any weekday (except Saturdays and public holidays) at the registered offices of each of the Issuers.

Copies of the “Terms and Conditions of the Notes” section from each of the Offering Circulars published by TMF, TCCI and TFA and dated 28 September 2006 and 30 September 2005 respectively will be available free of charge to holders of Notes, and will be available for inspection during usual business hours on any weekday (except Saturdays and public holidays) at the registered offices of TMF, TCCI and TFA.

Copies of the “Terms and Conditions of the Notes” section from each of the Offering Circulars published by TMCC and dated 28 September 2006, 30 September 2005, 29 September 2004, 30 September 2003 and 1 October 2002 respectively will be available free of charge to holders of Notes, and will be available for inspection during usual business hours on any weekday (except Saturdays and public holidays) at the registered office of TMCC.

Copies of the Amended and Restated Trust Deed dated 28 September 2006 between (among others) TMF, TCCI, TFA and Union Bank of California, N.A. as trustee and the Amended and Restated Agency Agreement dated 28 September 2006 between (among others) TMF, TCCI, TFA and JPMorgan Chase Bank, N.A. will be available free of charge to holders of Notes issued by TMF, TCCI or TFA which form a single Series with Notes issued by TMF, TCCI or TFA, as the case may be, prior to 28 September 2007, and will be available for inspection during usual business hours on any weekday (except Saturdays and public holidays) at the registered offices of TMF, TCCI and TFA.

Copies of the Sixth Amended and Restated Agency Agreement dated as of 28 September 2006 by and among (among others) TMCC and JPMorgan Chase Bank, N.A. will be available free of charge to holders of Notes issued by TMCC which form a single Series with Notes issued by TMCC prior to 28 September 2007, and will be available for inspection during usual business hours on any weekday (except Saturdays and public holidays) at the registered office of TMCC.

### **Clearing Systems**

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate codes for each Tranche allocated by Euroclear and Clearstream, Luxembourg and details of any other agreed clearance system will be contained in the applicable Final Terms.

The address of Euroclear is Euroclear Bank S.A./N.V., 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg.

### **Conditions for Determining Price**

The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer and the relevant Purchaser at the time of issue in accordance with prevailing market conditions.

### **Significant or Material Change**

There has been no significant change in the financial position or trading position of any of TMF, TCCI or TFA and (in each case) its consolidated subsidiaries (if any) (considered as a whole) since the date of the most recently published financial statements of such Issuer (31 March 2008). There has been no significant change in the financial position or trading position of TMCC

and its consolidated subsidiaries (considered as a whole), since the date of the most recently published financial statements of TMCC (30 June 2008). There has been no significant change in the financial position or trading position of TFS or the Parent and their respective consolidated subsidiaries (considered as a whole), since the date of the most recently published financial statements of the Parent (30 June 2008). There has been no material adverse change in the financial position or prospects of any Issuer, TFS or the Parent and their respective consolidated subsidiaries (considered as a whole) since 31 March 2008.

## **Litigation**

Save as disclosed on page 155 of this Prospectus in the section “*Toyota Motor Corporation (“TMC”) – Description of TMC – Legal Proceedings*”, and save as disclosed on page 135 of this Prospectus in the section “*Toyota Motor Credit Corporation (“TMCC”) – Description of TMCC – Legal Proceedings*”, neither the Parent nor any of its consolidated subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Parent is aware) during a period covering at least the twelve months preceding the date of this Prospectus which may have, or have had in such period, a significant effect on the financial position or profitability of the Parent and its consolidated subsidiaries. The Parent and TMCC cannot currently determine its potential liability or the damages, if any, with respect to the claims disclosed in the sections, “*Toyota Motor Corporation (“TMC”) Description of TMC - Legal Proceedings*” and “*Toyota Motor Credit Corporation (“TMCC”) – Description of TMCC – Legal Proceedings*”, respectively.

Save as disclosed on page 135 of this Prospectus in the section “*Toyota Motor Credit Corporation (“TMCC”) – Description of TMCC – Legal Proceedings*” in relation to TMCC, none of the Issuers, TFS or their respective consolidated subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which any of the Issuers or TFS is aware) during a period covering at least the twelve months preceding the date of this Prospectus which may have, or have had in such period, a significant effect on the financial position or profitability of any of the Issuers, TFS and their respective consolidated subsidiaries.

Various legal actions, governmental proceedings and other claims are pending or may be instituted or asserted in the future against any of the Issuers with respect to matters arising in the ordinary course of business. Certain of these actions are or purport to be class action suits, seeking sizeable damages and/or changes in TMCC’s or TCCI’s business operations, policies and practices. Certain of these actions are similar to suits that have been filed against other financial institutions and captive finance companies. Each Issuer’s management and internal and external counsel perform periodic reviews of pending claims and actions to determine the probability of adverse verdicts and resulting amounts of liability. Each of the Issuers establishes reserves for legal claims when payments associated with the claims become probable and the costs can be reasonably estimated. The actual costs of resolving legal claims and associated costs of defence may be substantially higher or lower than the amounts reserved for these claims. However, based on information currently available, the advice of counsel, and established reserves, each Issuer’s management expects that the ultimate liability resulting therefrom will not have a material adverse effect on the relevant Issuer’s consolidated financial statements. The eventual development, outcome and cost of legal proceedings are by their nature uncertain and subject to many factors, including but not limited to, the discovery of facts not presently known to any of the Issuers or determinations by judges, juries or other finders of fact which do not accord with the relevant Issuer’s evaluation of the possible liability from existing litigation.

## **Auditors**

The auditors of any Issuer or the Parent have no material interest in any Issuer or the Parent, respectively.

### *TMF*

PricewaterhouseCoopers Accountants N.V., the independent public accountants to TMF, has audited the financial statements TMF for each of the two financial years ended 31 March 2007 and 31 March 2008. The partner signing the auditors report is a member of the Koninklijk Nederlands Instituut van Registeraccountants.

### *TCCI*

PricewaterhouseCoopers LLP, the independent accountants to TCCI, has audited the financial statements of TCCI for each of the two financial years ended 31 March 2007 and 31 March 2008. Partners of PricewaterhouseCoopers LLP are members of the Canadian Institute of Chartered Accountants.

The following is a consent statement from PricewaterhouseCoopers LLP:

#### Consent of Auditors of TCCI

We consent to the incorporation by reference of our reports dated 27 April 2007 and 27 June 2008 to the shareholder of Toyota Credit Canada Inc. (*TCCI*) on the balance sheets as at 31 March, 2007 and 2008 together with the statements of income and retained earnings and cash flows of TCCI for each of the years in the two-year period ended 31 March 2008 in the Prospectus of Toyota Motor Finance (Netherlands) B.V., TCCI, Toyota Finance Australia Limited and Toyota Motor Credit Corporation (together the "*Issuers*") dated 26 September 2008 relating to the offering on a continuous basis of Euro medium term notes by the Issuers.

For the purposes of Prospectus Rule 5.5.4R(2)(f), we are responsible for this statement "*Consent of Auditors of TCCI*" and for our reports to the shareholder of TCCI on the balance sheets of TCCI as at 31 March 2007 and 2008 and the statements of income and retained earnings and cash flows for each of the years in the two year period ended 31 March 2008 as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this statement and our reports to the shareholder of TCCI is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex IV of the Prospectus Rules of the Financial Services Authority.

PricewaterhouseCoopers LLP  
Chartered Accountants, Licensed Public Accountants  
Toronto, Ontario  
26 September 2008

### *TFA*

PricewaterhouseCoopers audited TFA's financial statements for the financial year ended 31 March 2007 and the financial year ended 31 March 2008. PricewaterhouseCoopers expressly disclaims and accepts no responsibility to any party beyond that owed to the addressee of the relevant audit report at the date of its issue. Partners of PricewaterhouseCoopers are members of The Institute of Chartered Accountants in Australia.

### *TMCC*

The financial statements as of 31 March 2007 and 31 March 2008 and for each of the three years in the period ended 31 March 2008, incorporated by reference in this Prospectus, have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report referenced herein. PricewaterhouseCoopers LLP is a member of The American Institute of Certified Public Accountants.

### *Parent*

PricewaterhouseCoopers Aarata audited the consolidated financial statements of the Parent

for the years ended 31 March 2007 and 31 March 2008 in accordance with United States generally accepted auditing standards. PricewaterhouseCoopers Aarata is a member of the Japanese Institute of Certified Public Accountants.

### Credit Ratings

The cost and availability of unsecured financing is influenced by credit ratings, which are intended to be an indicator of the creditworthiness of a particular company, security, or obligation. Lower ratings generally result in higher borrowing costs as well as reduced access to capital markets. Credit ratings are not recommendations to buy, sell, or hold securities and are subject to revision or withdrawal at any time by the assigning nationally recognised statistical rating organisation (“NRSRO”). Each NRSRO may have different criteria for evaluating risk, and therefore ratings should be evaluated independently for each NRSRO. The credit ratings of Notes issued by each of the Issuers under the Programme depend, in part, on the existence of the credit support arrangements between each Issuer and TFS and TFS and the Parent discussed in “*Relationship of TFS and the Issuers with the Parent*”.

As of the date of this Prospectus, the ratings and outlook established by Moody's and Standard & Poor's (“S&P”) for each Issuer were as follows:

<u>NRSRO</u>	<u>Senior Debt</u>	<u>Commercial Paper</u>	<u>Outlook</u>
S&P .....	AAA	A-1+	Stable
Moody's .....	Aaa	P-1	Stable

#### *Meaning of credit ratings*

The following information has been accurately reproduced from the respective credit rating agencies' websites and as far as each of the Issuers is aware and is able to ascertain from information published by those credit rating agencies, no facts have been omitted which would render the reproduced information inaccurate or misleading.

#### *Moody's*

(source—www.moodys.com)

##### (a) Senior Debt

Obligations rated Aaa are judged to be of the highest quality, with minimal credit risk.

##### (b) Commercial Paper

Issuers (or supporting institutions) rated P-1 (Prime-1) have a superior ability to repay short-term debt obligations.

##### (c) Outlook

A Moody's rating outlook is an opinion regarding the likely direction of a rating over the medium term. Where assigned, rating outlooks fall into the following four categories: Positive (POS), Negative (NEG), Stable (STA), and Developing (DEV—contingent upon an event).

#### *Standard & Poor's*

(source—www.standardandpoors.com)

##### (a) Senior Debt

An obligation rated 'AAA' has the highest rating assigned by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

(b) Commercial Paper

A short-term obligation rated “A-1” is rated in the highest category by Standard & Poor's. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.

(c) Outlook

A Standard & Poor's rating outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). In determining a rating outlook, consideration is given to any changes in the economic and/or fundamental business conditions. An outlook is not necessarily a precursor of a rating change or future CreditWatch action.

- (A) Positive means that a rating may be raised.
- (B) Negative means that a rating may be lowered.
- (C) Stable means that a rating is not likely to change.
- (D) Developing means a rating may be raised or lowered.

### **EU Transparency Obligations Directive**

Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004, which relates to information about issuers whose securities are admitted to trading on a regulated market in the European Union (the Transparency Obligations Directive or the “TOD”) was published in the Official Journal of the EU on 31 December 2004.

The TOD contains provisions which, when applied to any Notes admitted to trading on a regulated market in the European Union, will have the effect of either requiring TCCI, TFA or TMCC (as the case may be) to prepare its financial statements in accordance with, or reconciled to, IFRS or International Accounting Standards (“IAS”) or audited in accordance with International Standards on Auditing (“ISA”) and obtain a related audit report in order for the Notes to remain listed on a regulated market in the European Union, unless it is determined that the requirements in Canada, Australia or the United States (as the case may be) are “*equivalent*” requirements in all respects.

It is unknown as of the date of this Prospectus whether financial statements prepared in accordance with:

- (a) in the case of TCCI, Canadian generally accepted accounting principles (“*Canadian GAAP*”) and audited in accordance with Canadian generally accepted auditing standards (“*Canadian GAAS*”) or the form of financial reporting required by Canadian law (including the management report and officers’ certifications);
- (b) in the case of TFA, Australian generally accepted accounting principles (“*Australian GAAP*”) and audited in accordance with Australian generally accepted auditing standards (“*Australian GAAS*”) or the form of financial reporting required by Australian law (including the management report and officers’ certifications); or
- (c) in the case of TMCC, the United States generally accepted accounting principles (“*US GAAP*”) and audited in accordance with US generally accepted auditing standards (“*US GAAS*”) or the form of financial reporting required in the United States,

will be determined to be “*equivalent*” in all respects to the requirements of the TOD. In the event that (i) the implementation of the TOD requires, or any law implementing or complying with, or introduced in order to conform to such Directive is introduced so as to require, TCCI, TFA or TMCC (a) to prepare its financial statements in accordance with, or reconciled to, IAS and IFRS



or (b) to provide additional quantitative or qualitative disclosures regarding significant differences between Canadian GAAP, Australian GAAP or US GAAP (as the case may be) and IFRS or any additional auditor's report relating to such disclosures or (c) to change the form of its financial reports in any other respect (other than Canadian GAAP and Canadian GAAS, Australian GAAP and Australian GAAS or US GAAP and US GAAS (as the case may be)) or (d) to have its financial statements audited in accordance with ISA or (ii) any other future law or EU Directive (including any corporate governance requirements) is introduced that would otherwise impose requirements (including corporate governance requirements) on TCCI, TFA or TMCC that it in good faith determines are unduly burdensome in order to maintain the continued listing of any Notes issued by it under the Programme on a regulated market in the European Union, TCCI, TFA or TMCC (as the case may be) may, in its sole discretion, determine that it is unduly burdensome to maintain such listing and seek to terminate the listing of such Notes provided it uses all reasonable endeavours to seek an alternative admission to listing, trading and/or quotation of such Notes by another listing authority, securities exchange and/or quotation system that it deems appropriate. Subject to the foregoing TCCI, TFA or TMCC (as the case may be) is not under any obligation to Noteholders to maintain any listing of Notes in such circumstances. Although there is no assurance as to the liquidity of any Notes as a result of the listing on a regulated market in the European Union, delisting such Notes may have a material affect on the ability to (a) continue to hold such Notes or (b) resell the Notes in the secondary market.

### **Australian Regulations**

No approval is required by the laws of Australia on the part of TFA for or in connection with the issue of the Notes by it or for or in connection with the performance and enforceability of such Notes, Receipts or Coupons, except that the Banking (Foreign Exchange) Regulations and other regulations in Australia prohibit payments, transactions and dealings with assets or named individuals or entities subject to international sanctions or associated with terrorism.

### **Bank Act (Canada)**

TCCI is not regulated as a financial institution in Canada and is not a member institution of the Canada Deposit Insurance Corporation. Notes issued by TCCI are not insured by the Canada Deposit Insurance Corporation. Any liability incurred by TCCI in connection with the issue of Notes by it or for or in connection with the performance and enforceability of such Notes and any relevant Receipts or Coupons does not constitute a deposit, as such term is used in the *Bank Act* (Canada).

### **Citigroup Global Markets Limited**

Nikko Cordial Corporation and Citigroup Inc. have established a series of business alliances in respect of Japan related activities. Citigroup Global Markets Limited is authorised to conduct Japan related business under the name Nikko Citigroup.

### **Post-issuance Information**

None of the Issuers intends to provide any post-issuance information in relation to any issues of Notes.

## REGISTERED OFFICE

### *The Issuers*

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**Toyota Finance  
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Australia

**Toyota Motor Credit  
Corporation**  
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Avenue, EF12  
Torrance  
California 90501  
United States

### *The Parent*

**Toyota Motor Corporation**  
1, Toyota-cho  
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Japan

### *TFS*

**Toyota Financial Services Corporation**  
Nagoya Lucent Tower  
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Japan

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**BNP PARIBAS**  
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**Canadian Imperial Bank of Commerce,  
London Branch**  
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**Citigroup Global Markets Limited**  
Citigroup Centre  
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**Credit Suisse Securities (Europe) Limited**  
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**Mizuho International plc**  
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London EC4M 9JA

**Morgan Stanley & Co. International plc**  
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London E14 4QA

**Royal Bank of Canada Europe Limited**  
71 Queen Victoria Street  
London EC4V 4DE

**UBS Limited**  
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#### **AGENT**

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#### **REGISTRAR**

*(Registered Notes issued by Toyota Credit Canada Inc. only)*

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Canada

#### **CANADIAN PAYING AGENT**

*(Registered Notes issued by Toyota Credit Canada Inc. only)*

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