



TOYOTA
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Presentation for Russian Investors

February 2016

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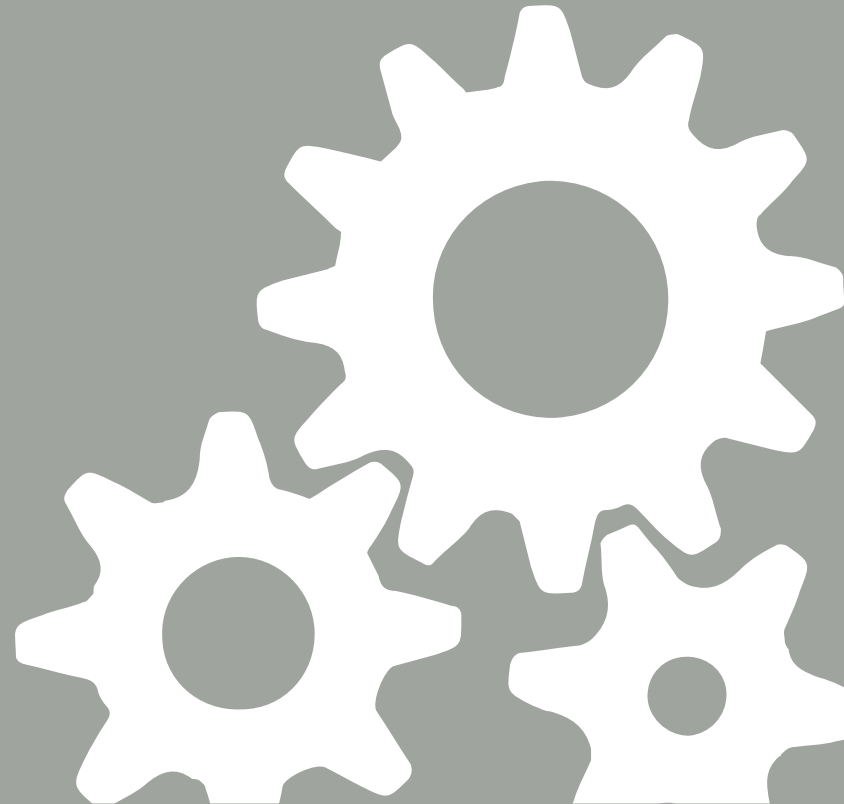
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- Toyota Motor Corporation
- Toyota Financial Services Corporation
- Toyota Motor Finance (Netherlands) B.V.
- Toyota in Russia
- Investment Considerations



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Executive Summary



Executive Summary



- Toyota Motor Corporation (TMC) is a global automotive producer operating worldwide (based in Japan). The history of the company accounts for over 77 years. Despite the long tradition of stability and conservatism, Toyota now is at the forefront of market innovation and technological development.
- TFSC, wholly owned by Toyota Motor Corporation (TMC), was established in July 2000 as a holding company of Toyota's financial subsidiaries worldwide.
- Toyota Motor Finance (Netherlands) B.V. (TMF) is private company with limited liability under the Netherlands laws with over EUR 7.8bn in assets. The company was established to issue securities for TFSC and its subsidiaries and to provide guarantee to the debentures issued by the companies of the Group.
- Toyota uses Credit Support Agreement (CSA) structure to enhance credit profile of its Financial Services businesses. Under the terms of the CSA, TMC will provide sufficient liquidity for the obligations of bonds, debentures, and commercial papers of its direct and indirect subsidiaries. The Agreement structure has been widely used to transmit the TMC outstanding credit profile to the debentures of controlled entities in different countries including Netherlands and the USA.
- AO Toyota Bank is an entity registered under Russian legislation, subject to the Central Bank of Russia regulation. The Bank is under direct control from the Toyota Financial Services Corporation.
- The Toyota Bank, 01 issue is expected to receive A- rating from Fitch reflecting the creditworthiness of the guarantee structure from Toyota Motor Finance (Netherlands) B.V., 3 notches higher than Russian sovereign rating



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Toyota Motor Corporation



Toyota's Global Business



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TOYOTA

Markets vehicles in over
170 countries/regions.
68 Manufacturing facilities in
27 countries/regions

Automotive Business



HINO



Consumer Financing
Dealer Support &
Financing
Banking
Securities Services
Ancillary Products &
Services

OTHER BUSINESSEES

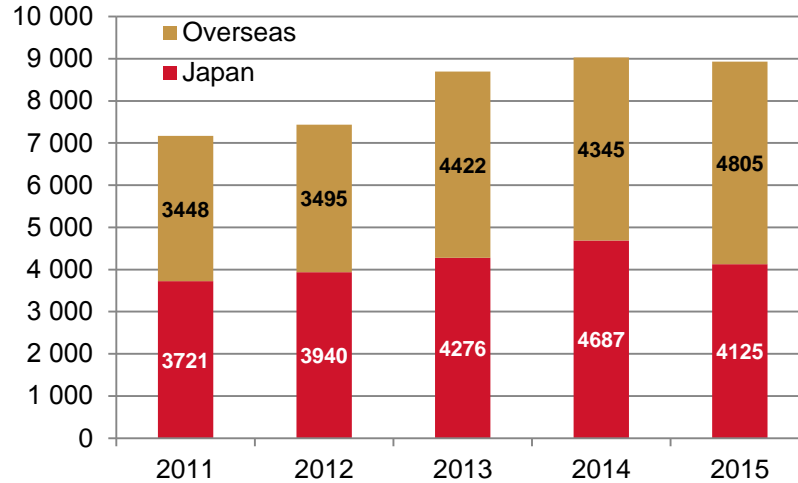
Housing
Marine
Telecommunications
E-Business
Intelligent Transport
Services
Biotechnology &
Afforestation

Toyota Motor Corporation

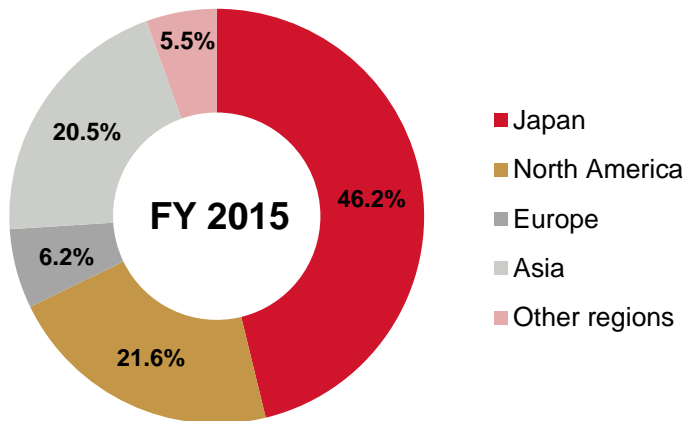
– Production



Vehicle production, thousands of units



Vehicle production by region



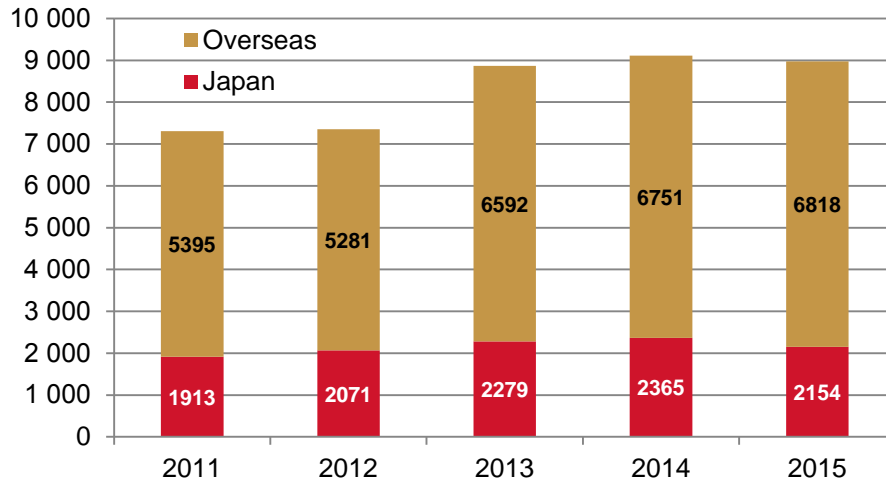
- Over 45% of the production volume in 2015 came from Japan, followed by North America (almost 22% of the vehicles produced) and Asia ex-Japan (20.5%).
- However the proportion of overseas production is steadily rising at the cost of production in Japan.

Toyota Motor Corporation

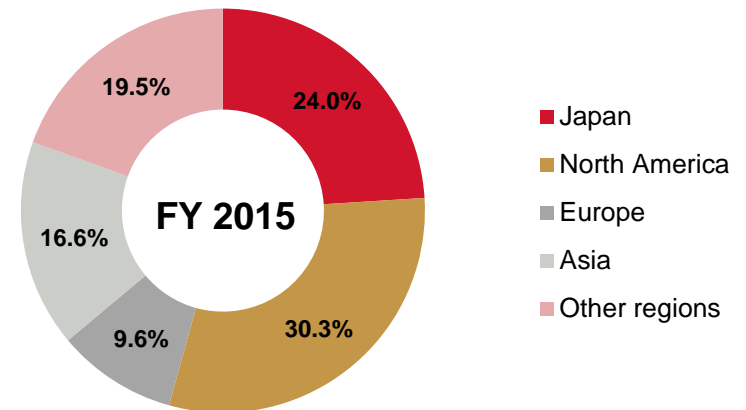
– Sales Structure



Vehicle sales, thousands of units



Vehicle sales by region



- Over 30% of sales in financial year 2015 came from North America, while sales in Japan, the major production region, hardly reach 24%.
- The fall in Japanese sales is more than compensated by overseas sales, the Company well benefits from geographical diversification.

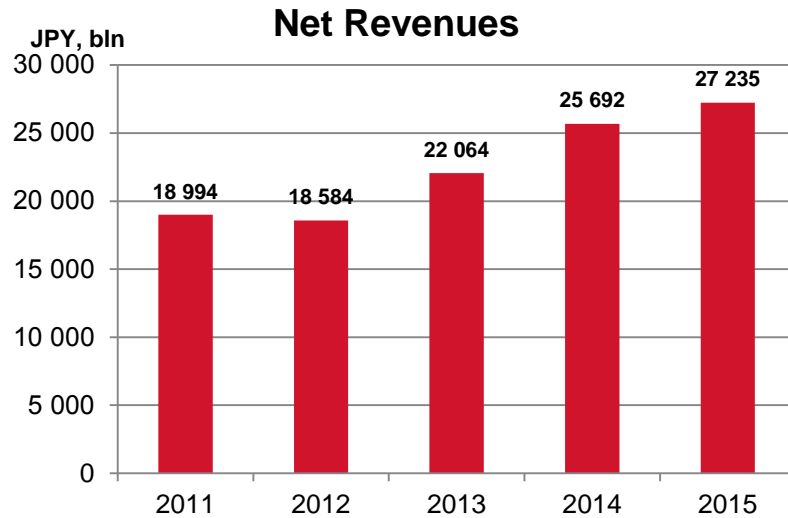
Toyota Motor Corporation

– Financial Standing

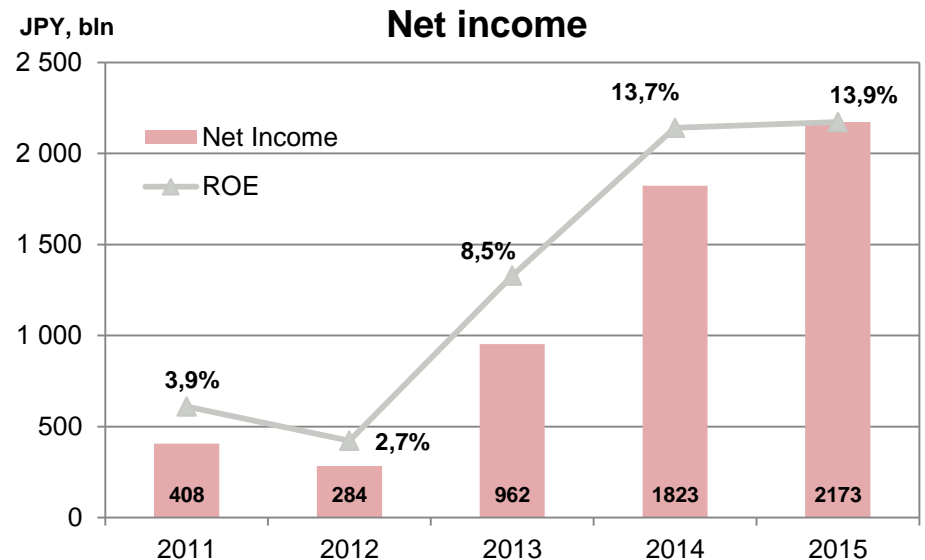
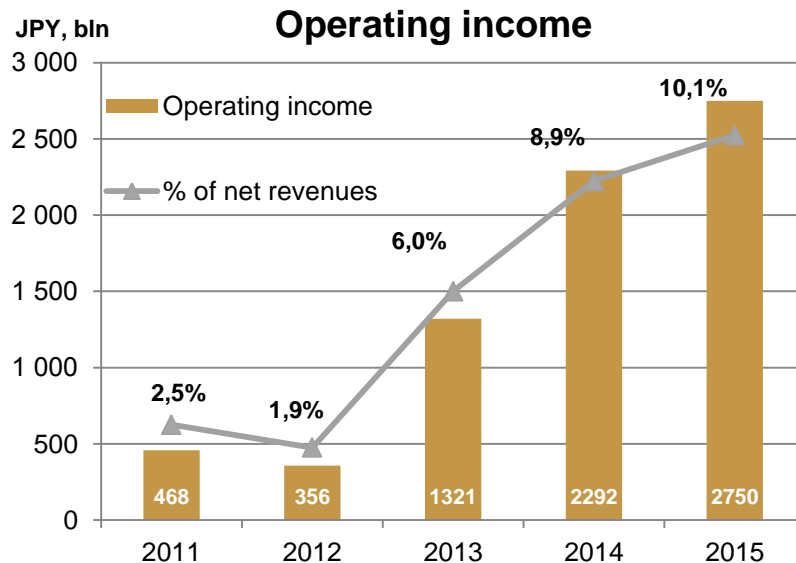


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** All the data presented on the slide has been prepared in accordance with US GAAP, year ended March 31*

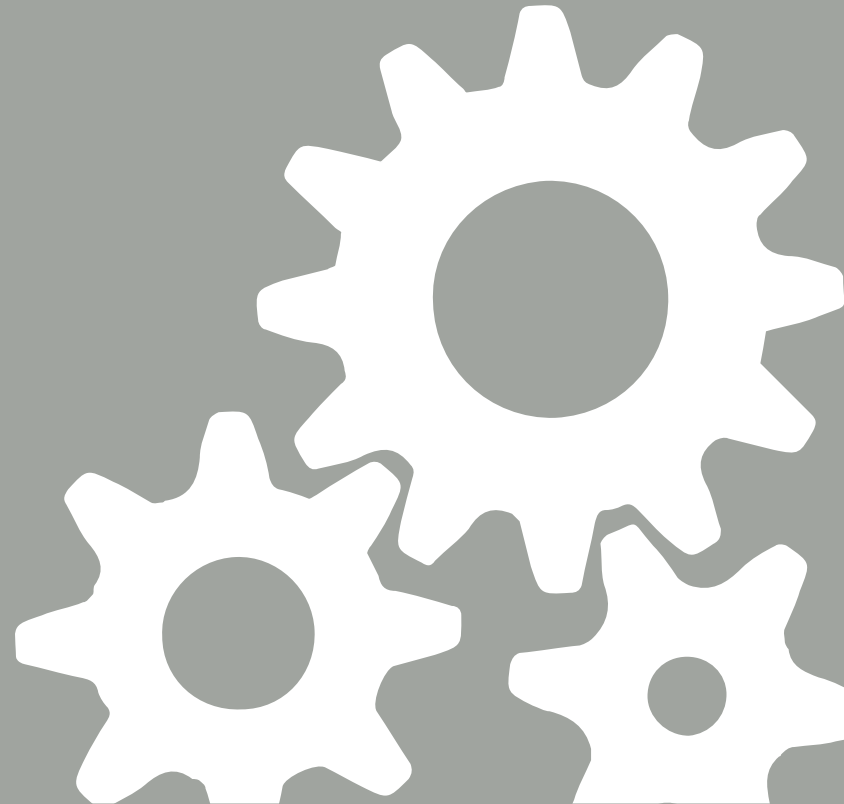




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Toyota Financial Services Corporation

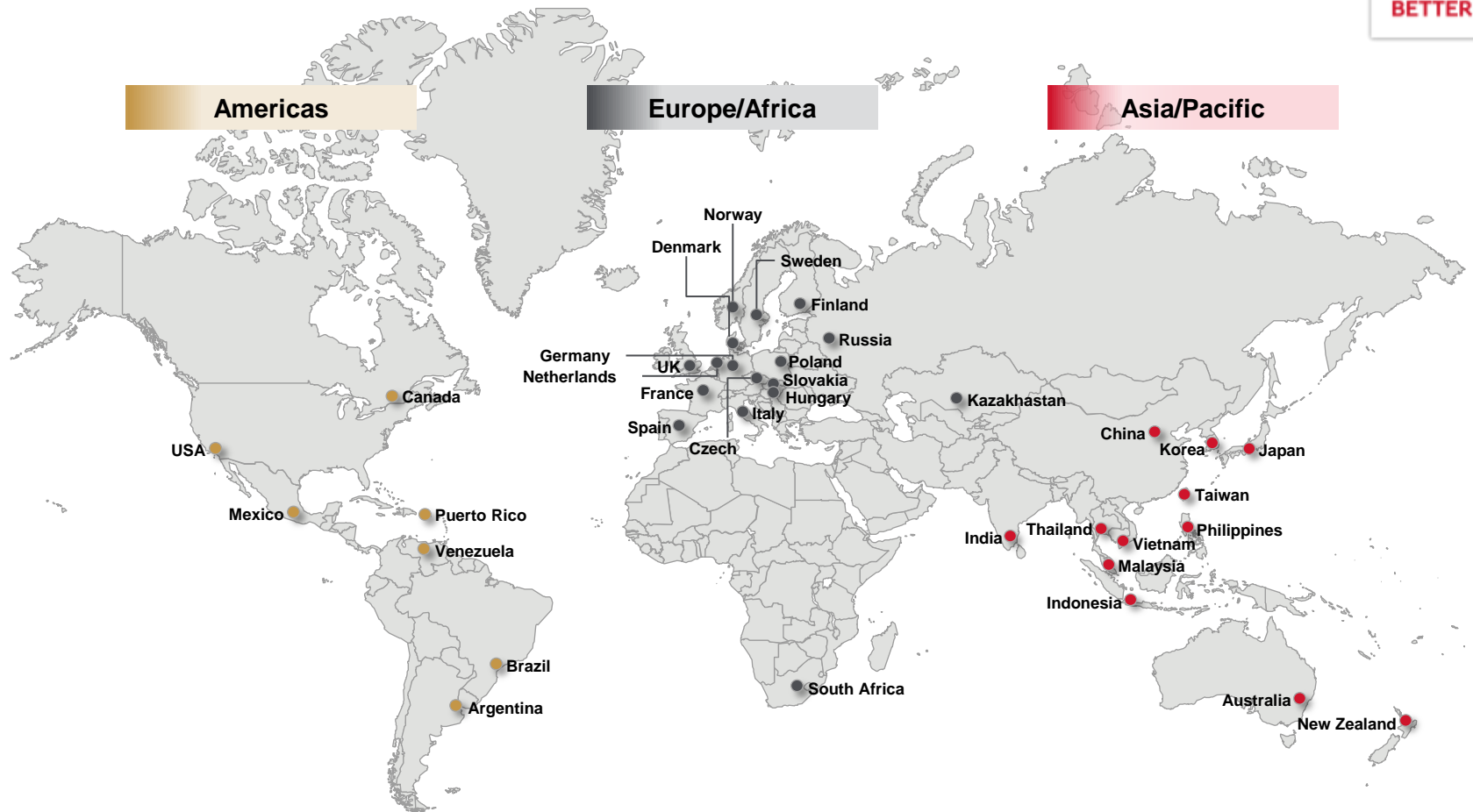


Toyota Financial Services Worldwide



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Source: Toyota Financial Services Group Website

Toyota Financial Services in Europe and Africa



TFSC operates in 16 countries in EAR ...

... and additionally with TMF in the Netherlands as funding vehicle

TKG-Group

Germany

Norway

Sweden

Russia

Poland

France

Spain

Italy (Wholesale)



TFSUK-Group

United Kingdom

Finland

Denmark

Czech

Slovakia

Hungary

South Africa

Italy (Retail)

Kazakhstan

Toyota Financial Services Worldwide



Year founded **2000**

Number of employees* **9 463**

Number of consolidated companies* **48**

Consolidated Performance (J-GAAP)

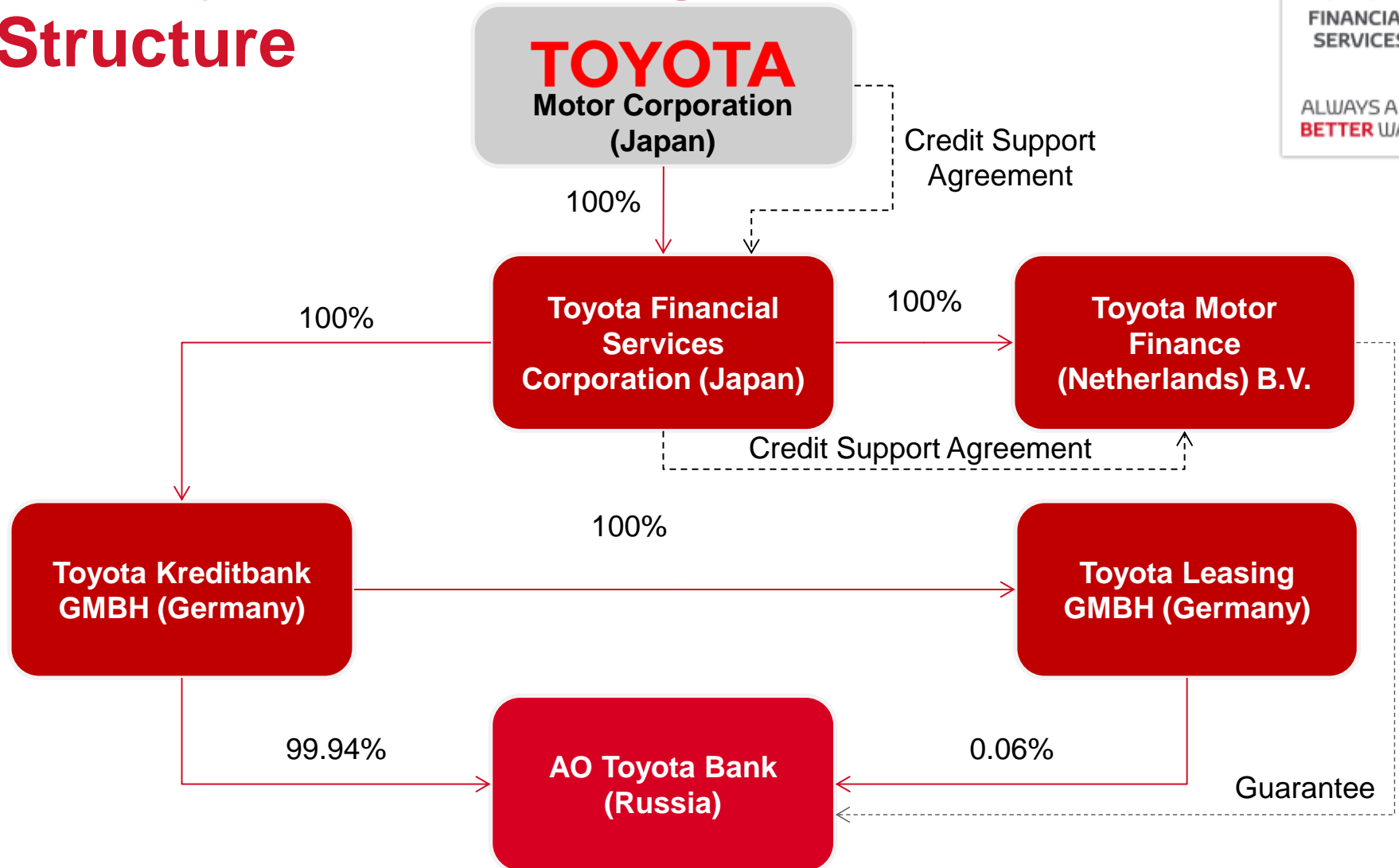
	FY 2014		FY 2015	
	in million Yen	in million USD	in million Yen	in million USD
Revenues	1.403.819	14.038	1.645.393	14.958
Operating Income	274.931	2.749	338.968	3.082
Net Income	193.690	1.937	235.090	2.137

* Figures as of March 31, 2015

TMC avg. exchange rate FY 2014: 100 JPY = 1 USD

TMC avg. exchange rate FY 2015: 110 JPY = 1 USD

AO Toyota Bank - Organizational Structure

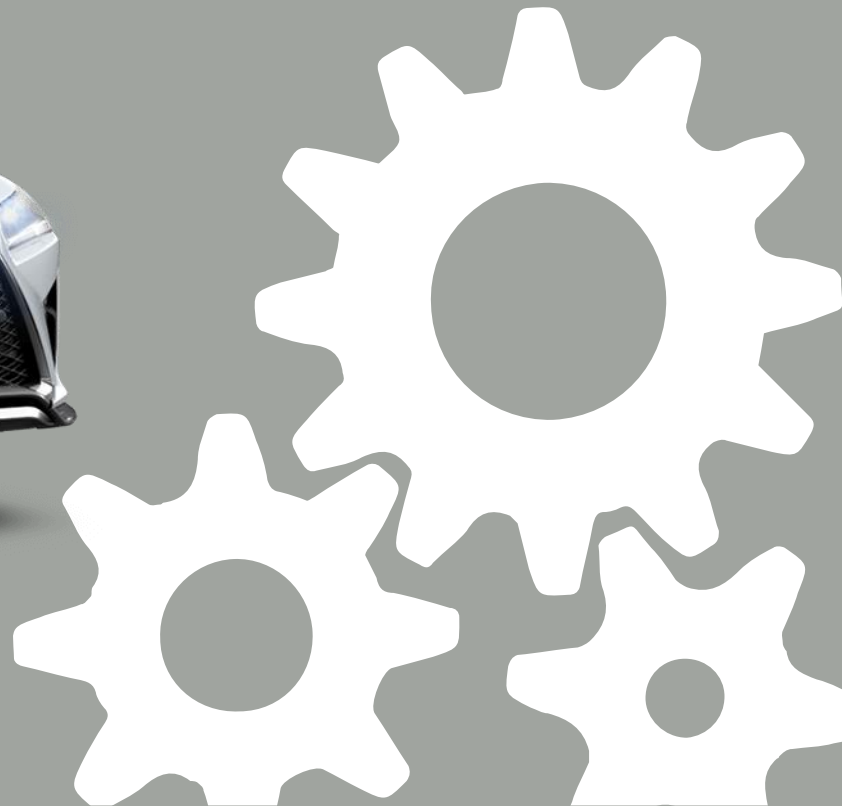




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Toyota Motor Finance (Netherlands) B.V



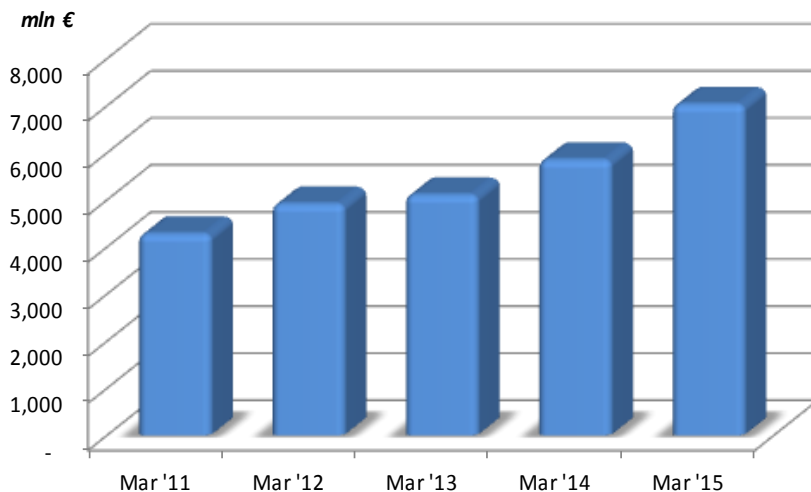
Toyota Motor Finance (Netherlands) B.V.

– Overview

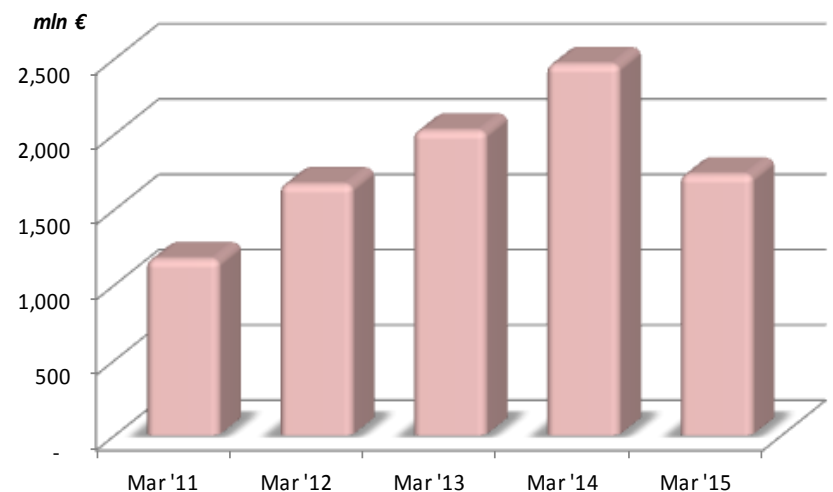


- Wholly-owned subsidiary of Toyota Financial Services Corporation which is a wholly-owned subsidiary of Toyota Motor Corporation. Incorporated in the Netherlands laws on 3 August 1987.
- The principal activity is to act as a group finance company for some of the TFSC's consolidated subsidiaries.
- TMF raises funds by issuing bonds and notes in the international capital markets and from other sources and on-lends to those subsidiaries.
- TMF also issues guarantees for debt issuances of certain subsidiaries for their local capital market funding.

<Lending Volume>



<Guarantee Balance>



Toyota Motor Finance (Netherlands) B.V.

– Financial Summary



(Euro '000)	FY2013 Actual (^{'12/4} – ^{'13/3})	FY2014 Actual (^{'13/4} – ^{'14/3})	FY2015 Actual (^{'14/4} – ^{'15/3})
Revenues	106,073	100,517	103,143
Operating Income	9,598	9,066	11,577

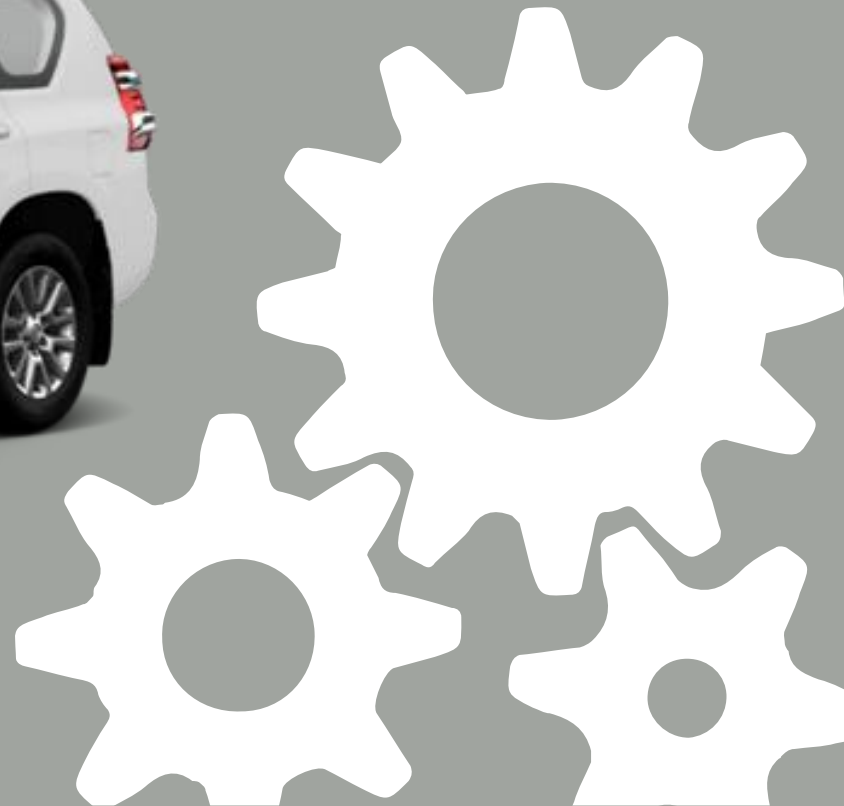
(Euro '000)	FY2013 Actual (^{'12/4} – ^{'13/3})	FY2014 Actual (^{'13/4} – ^{'14/3})	FY2015 Actual (^{'14/4} – ^{'15/3})
Total Assets	5,357,472	6,270,915	7,834,149
Total Liabilities	5,241,619	6,141,989	7,664,432
Total Shareholder Equities	115,853	128,926	169,717



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Toyota in Russia



Toyota in Russia



- 108 Toyota and 48 Lexus authorized dealers and partners in 70 cities.
- Russia is one of the top-priority markets for Toyota. In Russia TMC focuses on mass-premium segment for Toyota and luxury for Lexus, introducing wide range of SUV's and business sedans. Dealers' network keeps top position in profitability vs other brands.
- In 2006 Toyota opened a factory producing Camry business-class sedans in Saint Petersburg. In 2015 TMC made additional investment into expansion of factory premises and substantially increased number of local operations.
- In 2015 Toyota sold more than 118K units (98K for Toyota and 20K for Lexus) and kept 7.4% market share in Russia, even in sharply declining market (-35% compared to 2014).
- AO Toyota Bank was founded in 2007 to implement programs of lending to Lexus and Toyota clients and dealers.
- The Bank is headquartered in Moscow and operates under full banking license through auto dealers network in all the cities of Toyota presence.

New car market overview



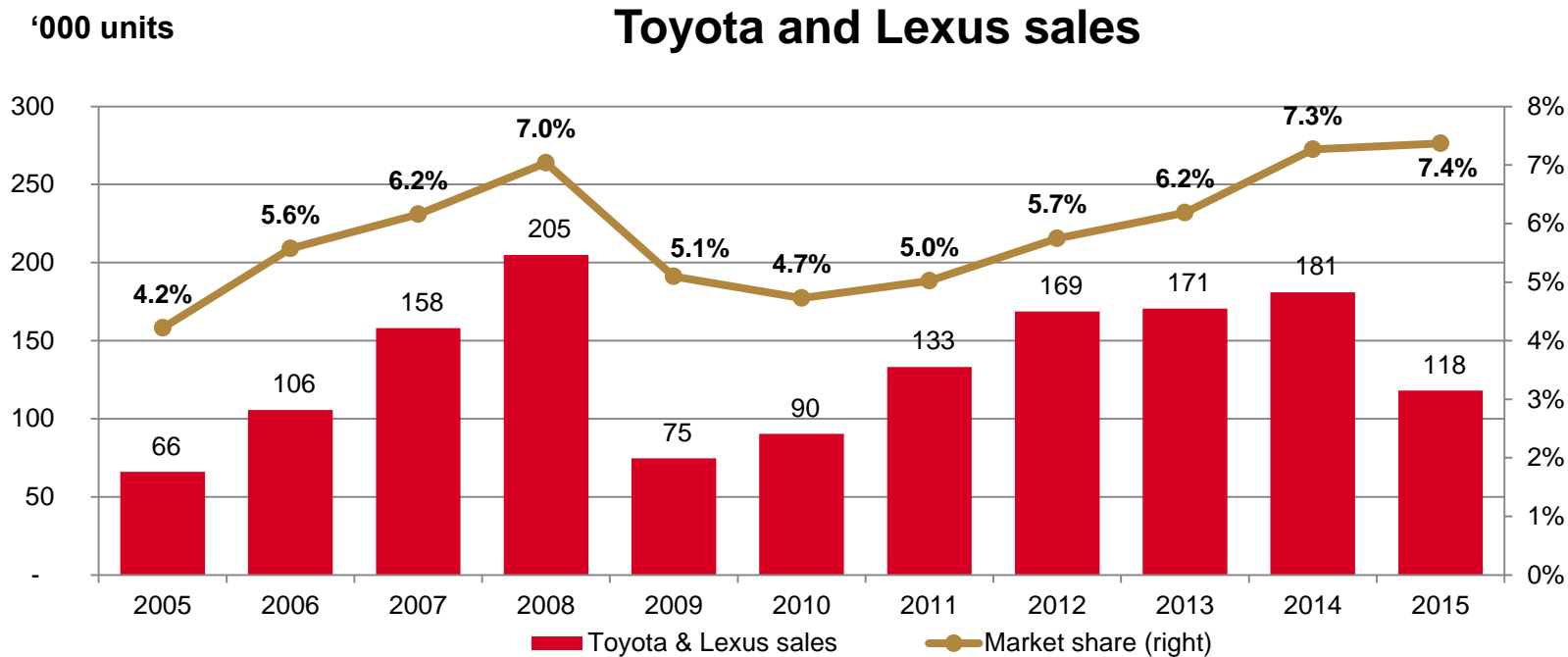
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Russian car market sales



000 “Toyota Motor” – Sales



- Despite the negative tendencies in the Russian car market Toyota market share has been steadily rising, reaching 7.4% in 2015, making Toyota the 5th largest car producer in the Russian market.
- According to Auto Stat, Toyota is one of the most profitable brands in Russia and number one in terms of turnover.

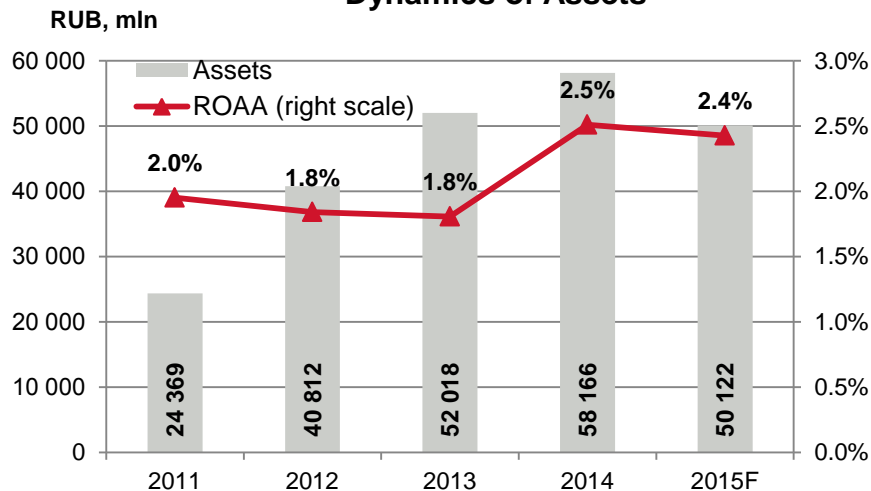
AO Toyota Bank – Credit Portfolio



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Dynamics of Assets*



— Despite the economic slowdown in Russia and cyclical nature of automotive business Toyota Bank managed to improve profitability in the last years.

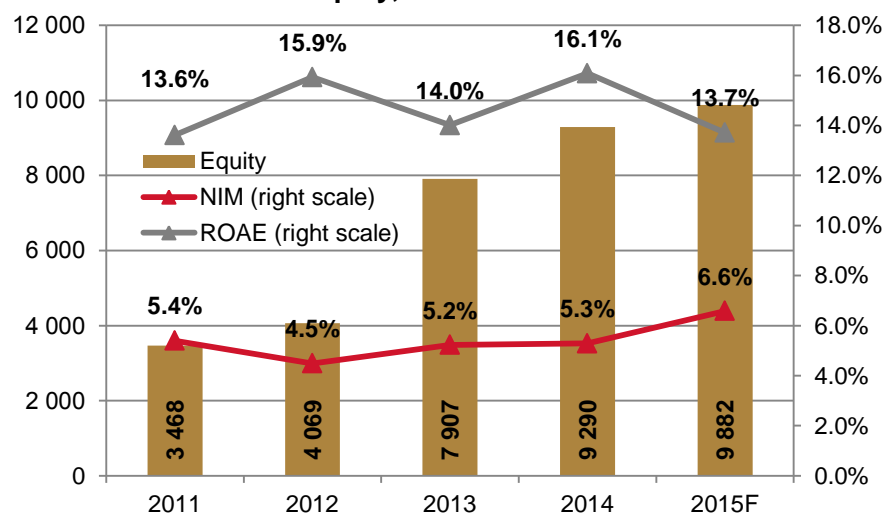
— In 2015 Net Interest Income rose by 9%, Equity increased by 6% (+20% before dividends).

— Net Interest Margin increased from 5.3% up to 6.6% (+24%) while ROAA slightly decreased from 2.5% to 2.4%.

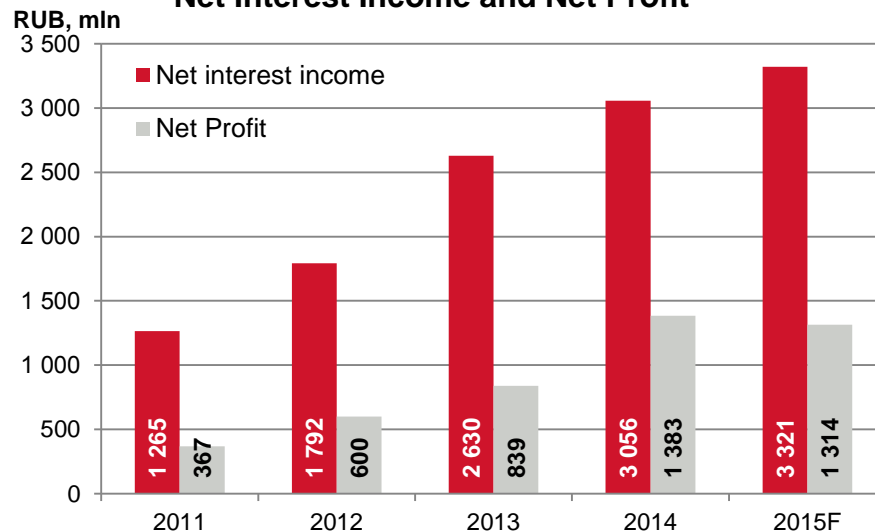
— ROAE varied between 13.6% and 16.1% during the last 5 years depending on changes in equity (capital injections or dividend payments).

** All the data presented on the slide has been prepared in accordance with IFRS*

Equity, NIM and ROAE



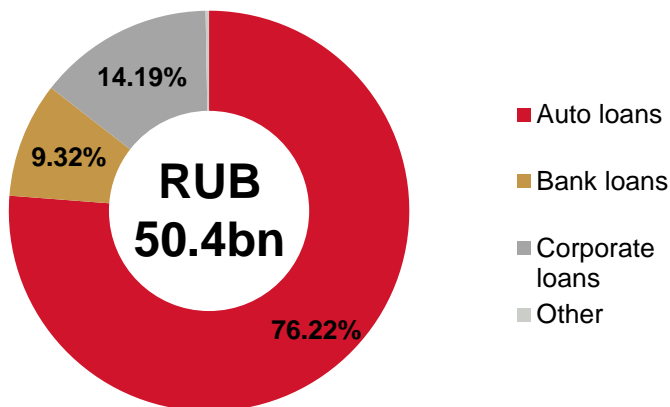
Net Interest Income and Net Profit



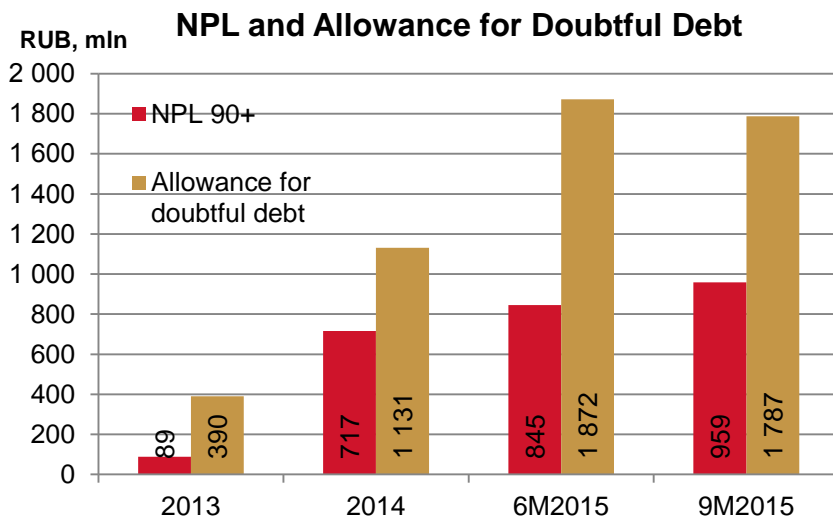
AO Toyota Bank – Credit Portfolio



Credit Portfolio Structure as of 01.10.2015*

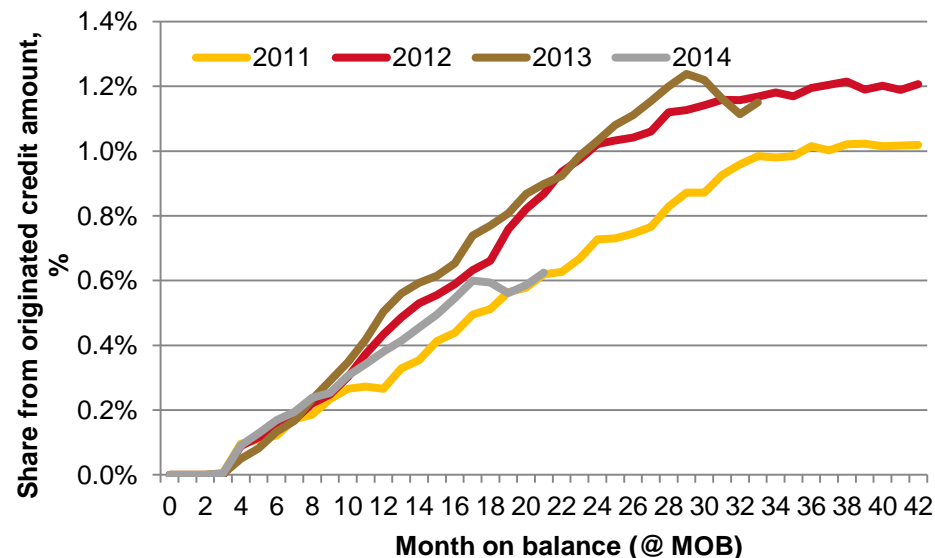


- The credit portfolio is dominated by consumer auto loans, under which the collateral value exceeds the loan size 120% on average. The other major part of the portfolio are loans to auto dealers.
- In 2015 the credit portfolio slightly deteriorated with NPL 90+ reaching 1.9% of the credit portfolio, the record high level for Toyota Bank, however one of the best ratios in the industry. Rising NPL is the consequence of portfolio “ageing” and a decline in new loan issuance.



* All the data presented on the slide has been prepared in accordance with RAS

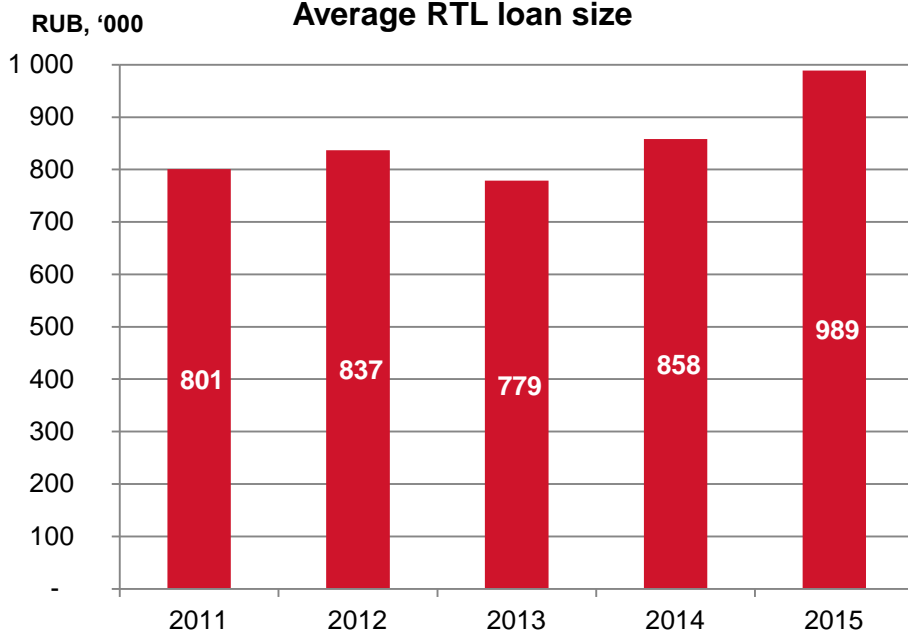
NPL 91+ vintages (AMT) by origination year



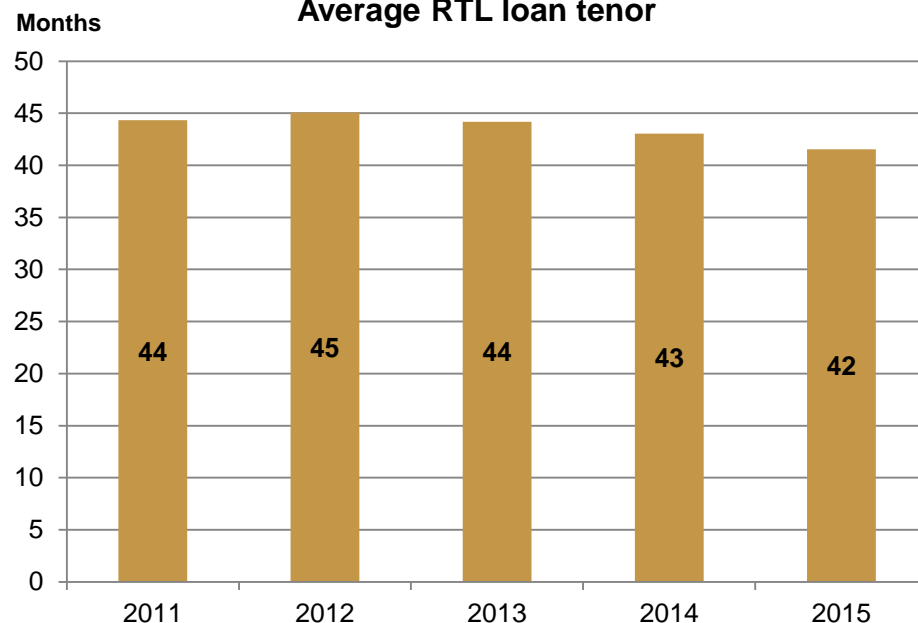
AO Toyota Bank – Credit Portfolio



Average RTL loan size



Average RTL loan tenor



- Decrease in numbers of RTL loans in 2015 was compensated by growth of Average loan size that reached RUB 989 thousand, 15.3% rise compared to 2014.
- At the same time Average loan tenor stays largely intact. Reaching 45 months in 2012, the average tenor fell to 42 months by 2015.
- The share of RTL currency RTL loans decreased from 1.9% to 0.3% during last 3 years.



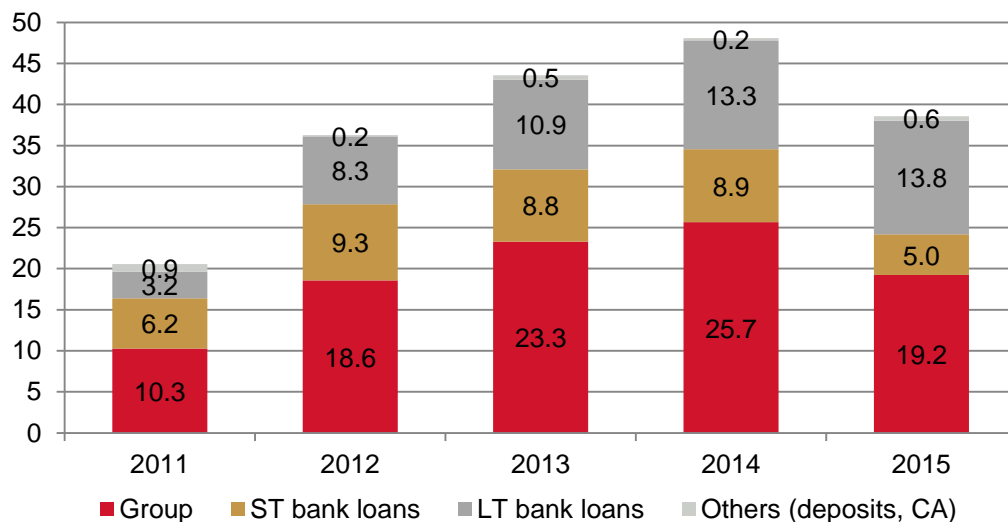
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AO Toyota Bank – Funding Sources

RUB, bln.

Funding split

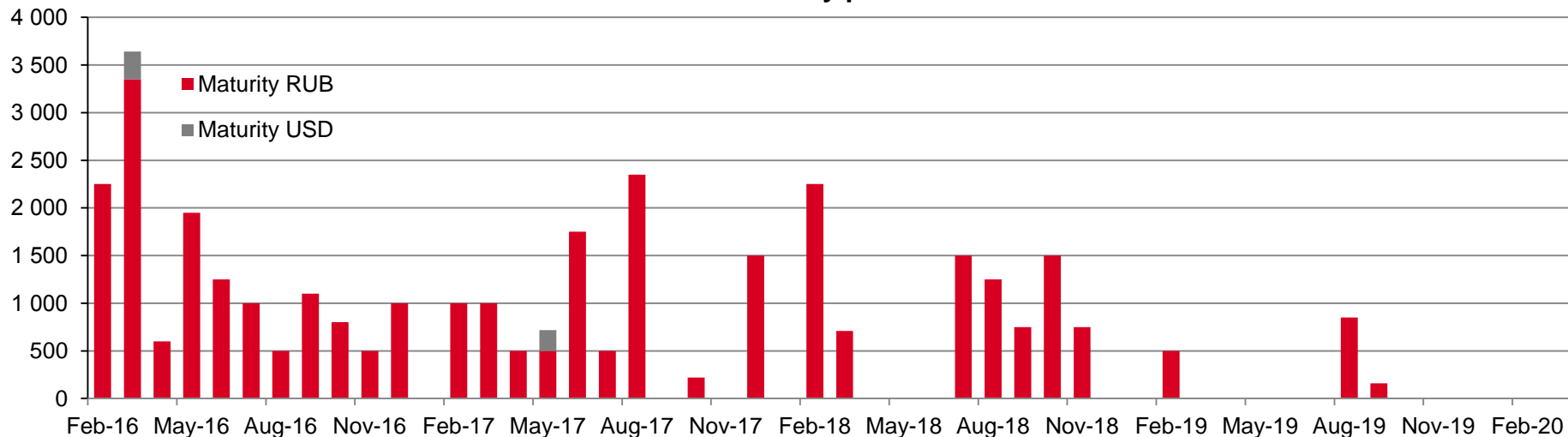


— The Bank benefits from the Group finance, however there is a trend towards lowering the dependence. In 2015 the Group's share was at 45-50% level.

— AO Toyota Bank is to repay RUB 2.3bn in February and RUB 3.6bn in March, the loans will be refinanced through interbank borrowing and bond issue.

RUB, mln.

Debt Maturity profile

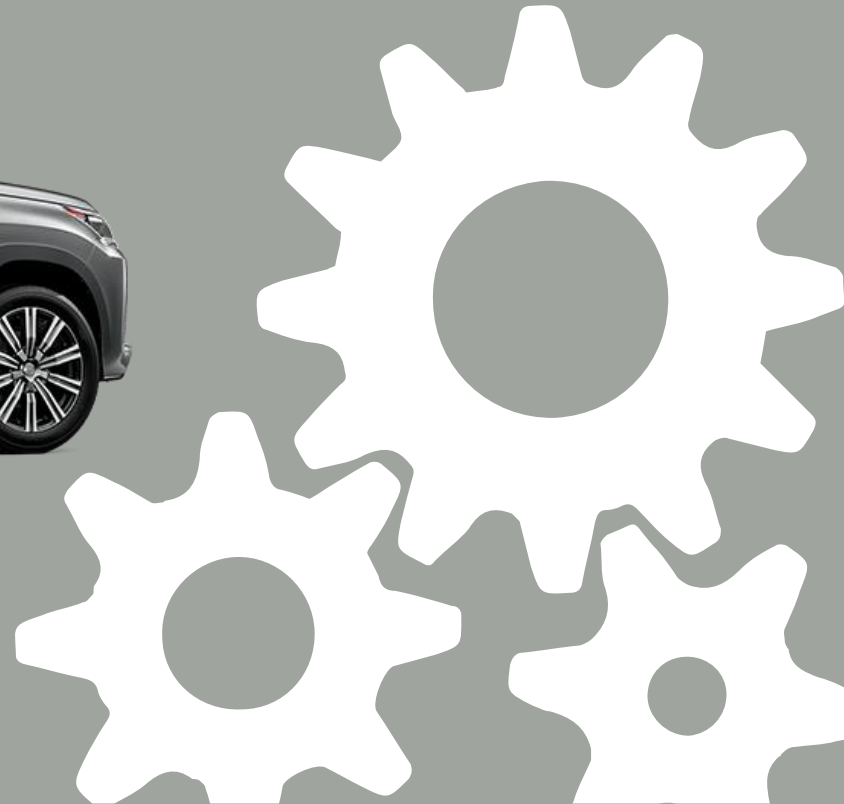




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Investment Considerations



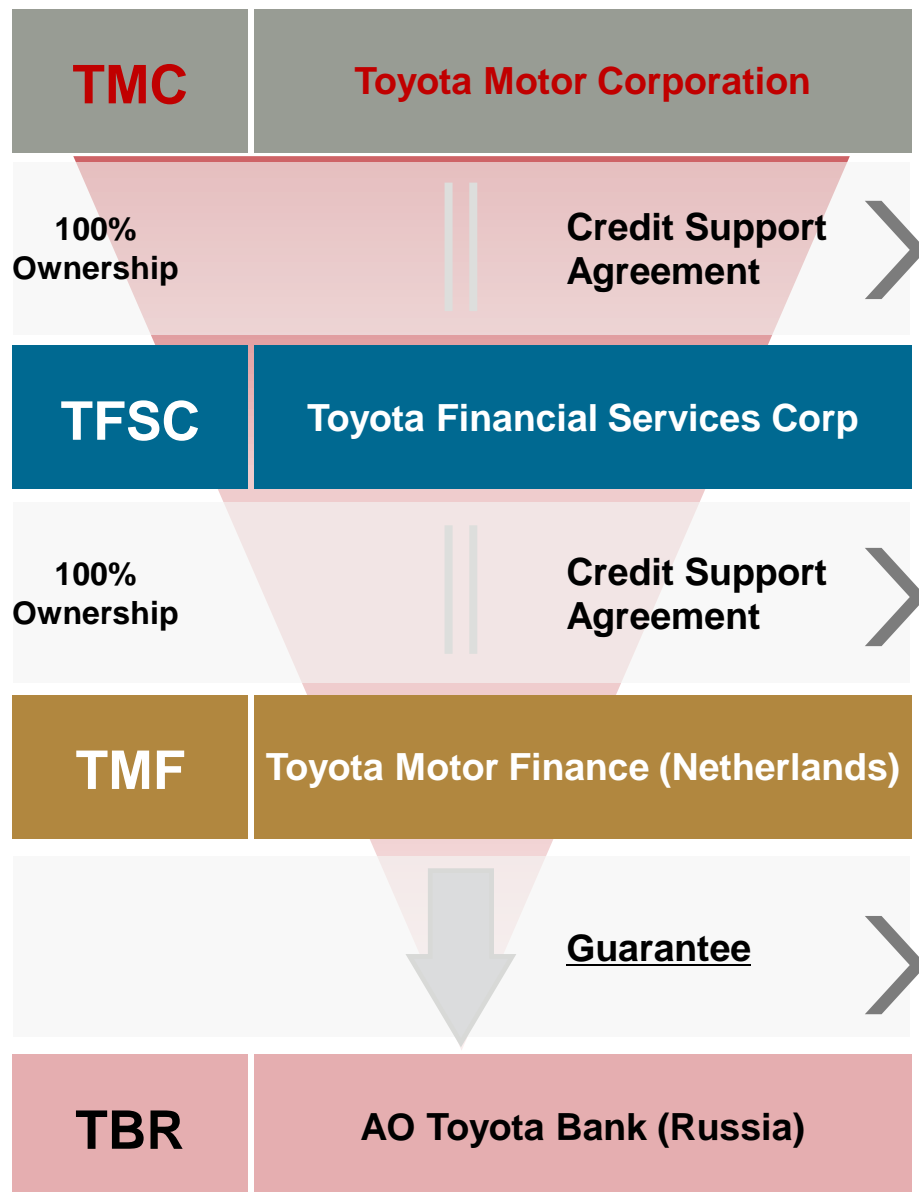
Credit Rating Profile



Issuer	Moody's	S&P	Fitch
Japan	A1	A+	A
Toyota Motor Corporation	Aa3	AA-	A
Toyota Motor Finance (Netherlands) B.V.	Aa3	AA-	A
AO Toyota Bank, 01 (expected)	-	-	A-
Honda	A1	A+	A
Volkswagen	A3	BBB+	-
Daimler	A3	A-	-
Hyundai	Baa1	A-	BBB+

- Toyota Motor Corporation credit ratings are the highest in the industry.
- Ratings from Moody's and S&P are one notch higher than those of Japan, rating from Fitch in line with the sovereign rating.
- AO Toyota Bank, 01 issue is expected to receive a rating from Fitch at A- level, 3 notches higher than Russian sovereign level.

Guarantee Structure



Credit Support Agreement (CSA) was concluded between Toyota Motor Corporation (TMC) and Toyota Financial Services Corporation (TFSC) and between Toyota Financial Services Corporation and Toyota Motor Finance (Netherlands) B.V. (TMF)

Under the terms of the CSA, TMC will provide sufficient liquidity for the obligations of bonds, debentures, and commercial papers of both subsidiaries, TFSC and TMF. TMC will also provide sufficient liquidity for TMF's guarantee obligations.

The guarantee provided to AO Toyota Bank is governed by the Dutch law and is unconditional and irrevocable. The guarantee provides punctual payment for the bondholders of all sums payable by Toyota Bank. For the guarantee of the medium-term debentures, the obligations of AO Toyota Bank rank at least pari passu with all other present and future unsecured and unsubordinated indebtedness of TMF. The guarantee cannot be amended or terminated without the consent of both the bondholders' representatives and the Guarantor, TMF.

Indicative Terms and Conditions



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Issuer	AO Toyota Bank
Guarantor	Toyota Motor Finance (Netherlands) B.V.
Guarantor credit rating	Aa3 (Moody's), AA- (S&P), A (Fitch)
Expected issue rating	A- (Fitch)
Financial instrument	Non-convertible documentary RUB-denominated classical bonds with obligatory centralized depository
Placement	February-March 2016
Issue size	RUB 3.0bn
Tenor	3 years
Put option	In 2 years at par
Coupon type	Fixed
Coupon period	Semiannual
Nominal value	RUB 1 000
Placement price	100% of face value
Type of placement	Public offering on MOEX
First coupon estimation mechanism	Book-building
Secondary trading	MOEX or OTC
Lombard list	The issue complies with the CBR Lombard list requirements
Depository	NSD (National Settlement Depository)
Joint Lead Managers	Raiffeisenbank and ROSBANK

Investment Considerations



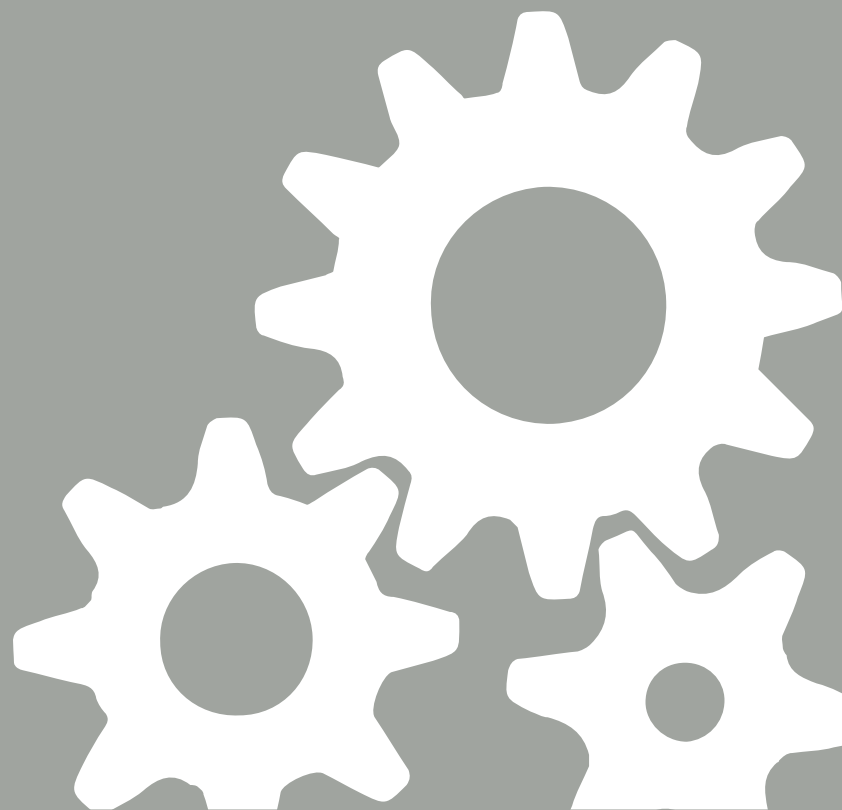
- AO Toyota Bank is the subsidiary of Toyota Motor Corporation, the leading automobile producer, with credit rating well above Russian sovereign rating and even Japanese.
- On standalone basis the Bank demonstrates improving performance and strong credit fundamentals, well above the market average.
- The issue is guaranteed by Toyota Motor Finance B.V. rated at TMC level by Moody's (Aa3), S&P (AA-) and Fitch (A) which reflects the sustainability of Credit Support Agreements, the Guarantee has been executed under Dutch law.
- The issue is in accordance with the CBR Lombard List requirements and requirements for pension funds investment.
- The issue credit profile exceeds that of the Russian Federation and still offers substantial credit premium to the OFZ curve on the after tax basis.

Appendix



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Credit Support Structure

