



---

# **Presentation Materials for Investors**

**June 2020**

# Disclaimer

- This presentation includes certain “forward-looking statements” within the meaning of The U.S. Private Securities Litigation Reform Act of 1995.
- These statements are based on current expectations and currently available information.
- Actual results may differ materially from these expectations due to certain risks, uncertainties and other important factors, including the risk factors set forth in the most recent annual and periodic reports of Toyota Motor Corporation and Toyota Motor Credit Corporation.
- We do not undertake to update the forward-looking statements to reflect actual results or changes in the factors affecting the forward-looking statements.
- This presentation does not constitute an offer to sell or a solicitation of an offer to purchase any securities. Any offer or sale of securities will be made only by means of a prospectus and related documentation.
- Investors and others should note that we announce material financial information using the investor relations section of our corporate website (<http://www.toyotafinancial.com>) and SEC filings. We use these channels, press releases, as well as social media to communicate with our investors, customers and the general public about our company, our services and other issues. While not all of the information that we post on social media is of a material nature, some information could be material. Therefore, we encourage investors, the media, and others interested in our company to review the information we post on the Toyota Motor Credit Corporation Twitter Feed (<http://www.twitter.com/toyotafinancial>). We may update our social media channels from time to time on the investor relations section of our corporate website.

# Disclaimer

- This presentation includes certain “forward-looking statements” within the meaning of The U.S. Private Securities Litigation Reform Act of 1995.
- These statements are based on current expectations and currently available information.
- Actual results may differ materially from these expectations due to certain risks, uncertainties and other important factors, including the risk factors set forth in the most recent annual and periodic reports of Toyota Motor Corporation and Toyota Motor Credit Corporation (“TMCC”).
- We do not undertake to update the forward-looking statements to reflect actual results or changes in the factors affecting the forward-looking statements.
- This presentation does not constitute or form part of and should not be construed as, an offer to sell or issue or the solicitation of an offer to purchase or subscribe for securities of TMCC in any jurisdiction or an inducement to enter into investment activity in any jurisdiction. Neither this presentation nor any part thereof, nor the fact of its distribution, shall form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. Any offer or sale of securities by TMCC will be made only by means of a prospectus and related documentation.
- Investors and prospective investors in securities of TMCC are required to make their own independent investigation and appraisal of the business and financial condition of TMCC and the nature of its securities. This presentation does not constitute a recommendation regarding securities of TMCC. Any prospective purchaser of securities in TMCC is recommended to seek its own independent financial advice.
- This presentation and its contents are directed only at and may only be communicated to (a) persons in member states of the European Economic Area who are “qualified investors” within the meaning of Article 2(e) of the Prospectus Regulation (EU) 2017/1129, and (b) in the United Kingdom to such “qualified investors” who are (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”), or (ii) high net worth entities and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order, or (iii) other persons to whom it may otherwise lawfully be communicated (all such persons in (a) through (b) are collectively referred to as “Relevant Persons”). This presentation must not be acted or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this presentation relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.
- This presentation is an advertisement and not a prospectus and investors should not subscribe for or purchase any securities of TMCC referred to in this presentation or otherwise except on the basis of information in the Euro Medium Term Note Programme base prospectus of Toyota Motor Finance (Netherlands) B.V., Toyota Credit Canada Inc., Toyota Finance Australia Limited and Toyota Motor Credit Corporation dated 13 September 2019 as supplemented from time to time (together, the “Prospectus”) together with the applicable final terms which are or will be, as applicable, available on the website of the London Stock Exchange plc at [www.londonstockexchange.com/exchange/news/market-news/marketnewshome.html](http://www.londonstockexchange.com/exchange/news/market-news/marketnewshome.html). Investors should read the Prospectus before making an investment decision in order to fully understand the potential risks and rewards associated with the decision to invest in any securities of Toyota Motor Credit Corporation issued under the Euro Medium Term Note Programme. Approval of the Prospectus by the Central Bank of Ireland should not be understood as an endorsement of securities issued under the Euro Medium Term Note Programme.
- Investors and others should note that we announce material financial information using the investor relations section of our corporate website (<http://www.toyotafinancial.com>) and SEC filings. We use these channels, press releases, as well as social media to communicate with our investors, customers and the general public about our company, our services and other issues. While not all of the information that we post on social media is of a material nature, some information could be material. Therefore, we encourage investors, the media, and others interested in our company to review the information we post on the Toyota Motor Credit Corporation Twitter Feed (<http://www.twitter.com/toyotafinancial>). We may update our social media channels from time to time on the investor relations section of our corporate website.

# Toyota's Global Businesses

## TOYOTA

Markets vehicles in over 190 countries/regions.

50 overseas manufacturing organizations in 27 countries/regions.

---

### **AUTOMOTIVE** Design, Manufacturing, Distribution



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

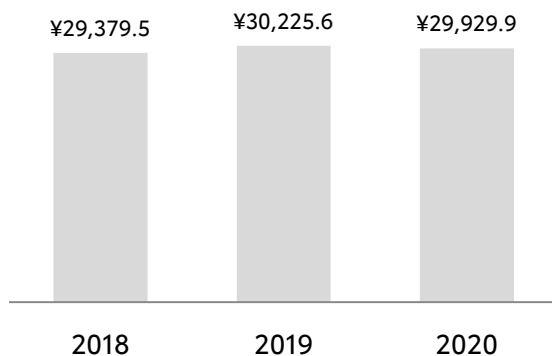
### **OTHER BUSINESSES**

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

# TMC Financial Highlights

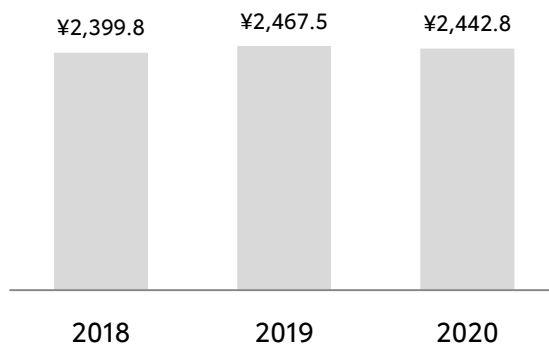
## Net Revenues

■ Twelve Months Ended, Mar 31



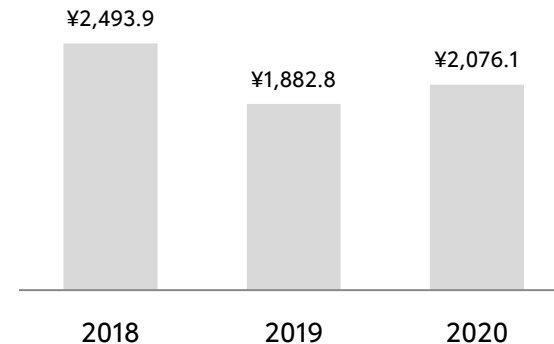
## Operating Income

■ Twelve Months Ended, Mar 31



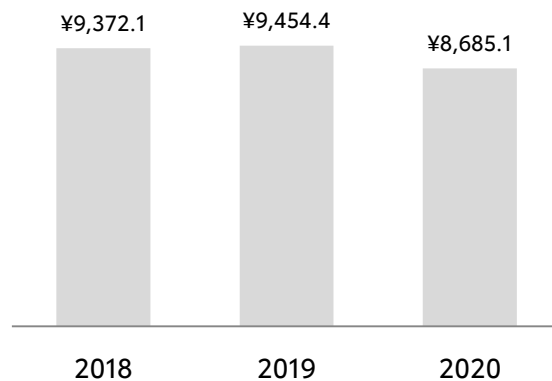
## Net Income

■ Twelve Months Ended, Mar 31



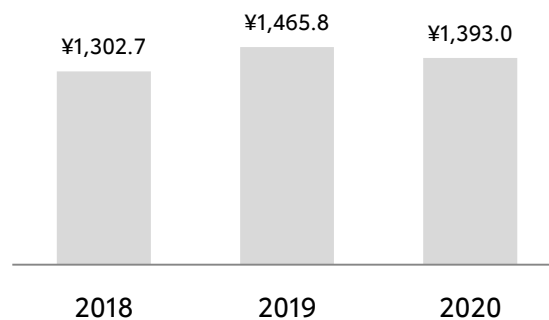
## Total Liquid Assets<sup>(1)</sup>

■ As of Mar 31



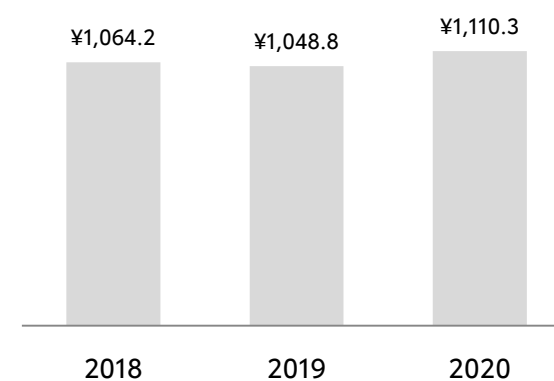
## Capital Expenditures

■ Twelve Months Ended, Mar 31



## R&D Expenditures

■ Twelve Months Ended, Mar 31



¥ in billions

(1) Cash and cash equivalents, time deposits, marketable debt securities and its investment in monetary trust funds, excluding in each case those relating to financial services

Source: TMC FY2019 Financial Summary; TMC FY2020 Financial Summary

# Toyota USA Operations By The Numbers

## Toyota By The Numbers <sup>1</sup>

Toyota has been a part of the cultural fabric in the U.S. for 61 years. See below for a showcase of our commitment to the U.S.



## Our History

- 1957 Toyota Motor Sales established
- 1972 Manufacturing operations begin in U.S.
- 1973 Cality Design Research established
- 1977 Toyota Technical Center, U.S.A. incorporated
- 1986 Toyota breaks ground in Georgetown, KY. The future home of TMMK, Toyota's first wholly-owned vehicle manufacturing plant in the U.S.
- 1987 Toyota U.S.A. Foundation established
- 1993 Arizona Proving Ground established
- 1996 North American manufacturing headquarters established
- 1997 Five millionth North American vehicle produced
- 2000 First hybrid vehicle sold in U.S.
- 2002 Ten millionth North American vehicle produced
- 2006 Hybrid production begins in U.S.
- 2006 One millionth Prius sold globally
- 2010 Toyota North American Center for Quality Excellence established
- 2011 Collaborative Safety Research Center (CSRC) launched
- 2012 25 Millionth North American vehicle produced
- 2015 Toyota breaks ground on its new North American headquarters in Plano, Texas

<sup>1</sup> All data as of December 2019, except where noted. <sup>2</sup> Toyota vehicles and components assembled using U.S. and globally sourced parts. <sup>3</sup> Parts, materials and components (CY2018). Goods and Services (CY 2018). <sup>4</sup> As of March 14, 2019. <sup>5</sup> Based on Toyota data. Includes direct and dealer employees. <sup>6</sup> Includes U.S. (not HI) and Puerto Rico. <sup>7</sup> Global estimate based on FY18 projections of Toyota Motor Corporation. <sup>8</sup> As of CY 2018. <sup>9</sup> Includes direct, dealer and supplier employees and jobs created through their spending.

# Toyota Operations Across the U.S.

## 2019 TOYOTA OPERATIONS BY STATE

### UNITED STATES



Dots represent category presence within a state and not quantity of location.

- Offices
- Engineering & Manufacturing
- Design, Research & Development
- Dealerships



**Sienna**  
since 1997  
(in IN since 2003)



**Sequoia**  
since 2000



**Highlander**  
since 2009  
(Highlander Hybrid in IN since 2013)



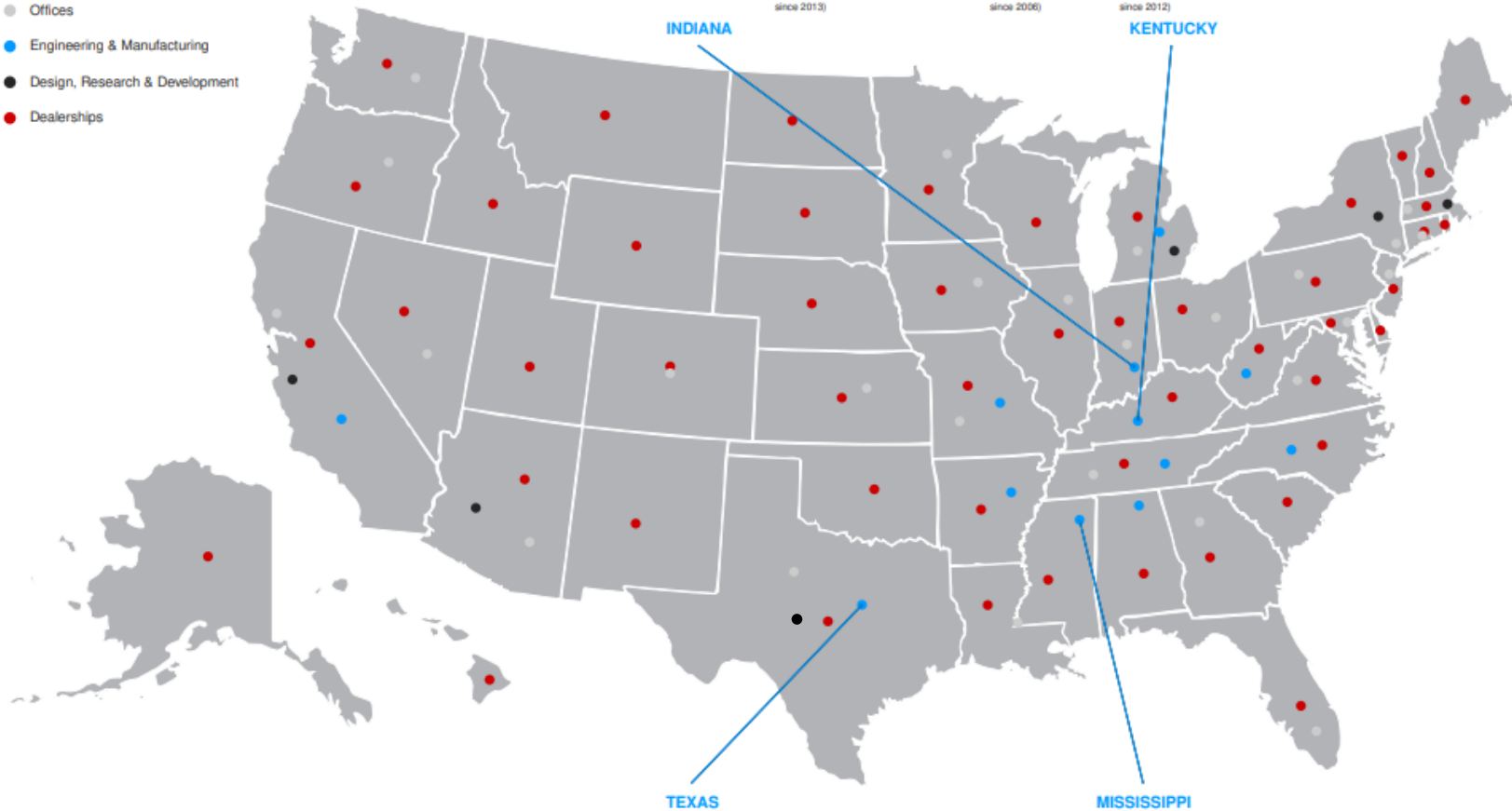
**Camry**  
since 1988  
(Camry Hybrid in KY since 2006)



**Avalon**  
since 1994  
(Avalon Hybrid in KY since 2012)



**Lexus ES 350**  
since 2015



**Tacoma**  
since 1991  
(in TX since 2010)



**Tundra**  
since 1996  
(in TX since 2006)



**Corolla**  
since 1986  
(in MS Since 2011)

# Toyota Motor North America, Inc.

**\$28.4B**

Direct investment in the U.S. as of  
December 2019

**+26.3%**

Year-over-year change in Toyota  
hybrid sales as of December 2019

**~50%**

New vehicles will be electrified in  
some form by 2025

**46M**

Corolla vehicles sold globally since  
introduction in 1966

**9**

Planned new and refreshed models  
in the Toyota and Lexus lineups in  
2020

**\$13B**

Planned investment in U.S.  
manufacturing, R&D, and  
operations between FY18 and FY22



# Toyota and Lexus Third Party Accolades

Quality, dependability, safety and product appeal remain high as reflected by numerous 3<sup>rd</sup> party accolades

---

## **2020 Fortune**

Toyota ranked one of the “World’s Most Admired Companies” and named the No. 1 Motor Vehicle company (6<sup>th</sup> year running)

## **2019 J.D. Power and Associates Vehicle Dependability Survey**

Lexus ranked No. 1 overall  
Toyota ranked No. 2 overall

## **2020 U.S. News Best Cars for the Money**

Toyota RAV4 Hybrid,  
Toyota Corolla Hybrid, Toyota Camry

## **2019 Consumer Reports**

Lexus & Toyota No. 1 and No. 3 brands in brand reliability

## **2020 IIHS**

### **Top Safety Pick Awards**

5 qualifying Toyota models (1 pick+)  
4 qualifying Lexus models (2 pick+)

## **2020 Kelley Blue Book Best Overall Luxury Brand and Most Trusted Luxury Brand** Lexus Brand Winner

## **2019 MY NHTSA**

**5-Star Overall Rating**  
18 Toyota and Lexus models

## **2019 Interbrand Best Global Brands**

Toyota named world’s most valuable automotive brand

## **2019 Edmunds Buyers Most Wanted**

Toyota Highlander, Toyota Tacoma,  
Lexus ES 350, Lexus RX 350

## **2019 Kelley Blue Book Best Resale Value**

Toyota No. 1 Brand Winner  
(3 out of top 5 Best Resale Values for 2019)

## **2018 IIHS Recommended Used Vehicle List for Teens**

7 Toyota vehicles

## **2020 U.S. News Best Cars for Families**

RAV4, Highlander Hybrid, Camry, Avalon and Avalon Hybrid

# Toyota and Lexus Vehicle Highlights

**RAV4**  
(Hybrid/Prime)



**Sienna**  
(Hybrid)



**Tacoma**



**Camry**  
(Hybrid/AWD)



**IS**



**Venza**  
(Hybrid)



# Toyota CASE Technologies

## Connected



*Toyota Connected*

## Autonomous



*TRI-P4*

## Shared



*e-Palette*

## Electric



*Fuel Cell and Battery Electric*

# **Toyota Financial Services**

---

# TFS Group Global Presence

## TOYOTA FINANCIAL SERVICES GLOBAL REGIONS



# Toyota Motor Credit Corporation (TMCC)

**Toyota Motor Corporation (TMC)**



**Toyota Financial Services Corporation (TFSC)**



**Toyota Motor Credit Corporation (TMCC)**

- Over 4.5 million active finance contracts<sup>(1)</sup>
- A+/A1/A+<sup>(2)</sup> rated captive finance company by S&P/Moody's/Fitch
- Credit support agreement structure with TFSC/TMC<sup>(3)</sup>

(1) As of March 2020. **Source:** *Company Reports*

(2) Outlook negative

(3) The Credit Support Agreements do not apply to securitization transactions



# COVID-19 Response

TMCC's support for our employees, dealers, and customers<sup>(1)</sup>

---

## Employees

- Employee health and safety remain our top priority
- Nearly all TMCC team members transitioned to remote work arrangements



## Dealers

- Working closely with dealers to support sales
- Temporary dealer floorplan interest deferrals
- Principal payment deferrals for real estate and working capital loans



## Customers

- Finance contract extensions, lease deferred payments, and fee waivers for existing customers
- Special financing programs and initial payment deferrals for new customers



<sup>(1)</sup> Support offered at various times throughout TMCC's COVID-19 response. TMCC may terminate, or modify the scope, duration and terms of, its COVID-19 response at any time.

# TMCC Products and Services

## ■ Dealer Financing

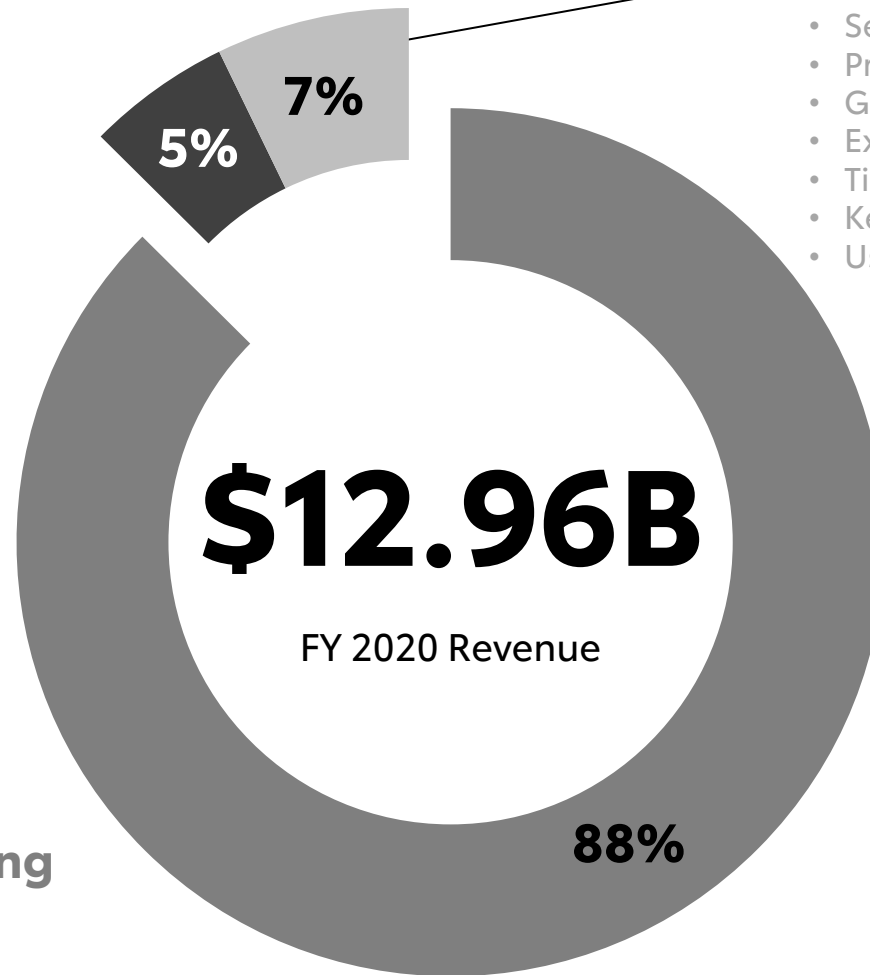
- Wholesale
- Real Estate
- Working Capital
- Revolving Credit Lines

## ■ Insurance Products

- Service Agreements
- Prepaid Maintenance
- Guaranteed Auto Protection
- Excess Wear & Use
- Tire & Wheel
- Key Replacement Protection
- Used Vehicle Limited Warranty

## ■ Consumer Financing

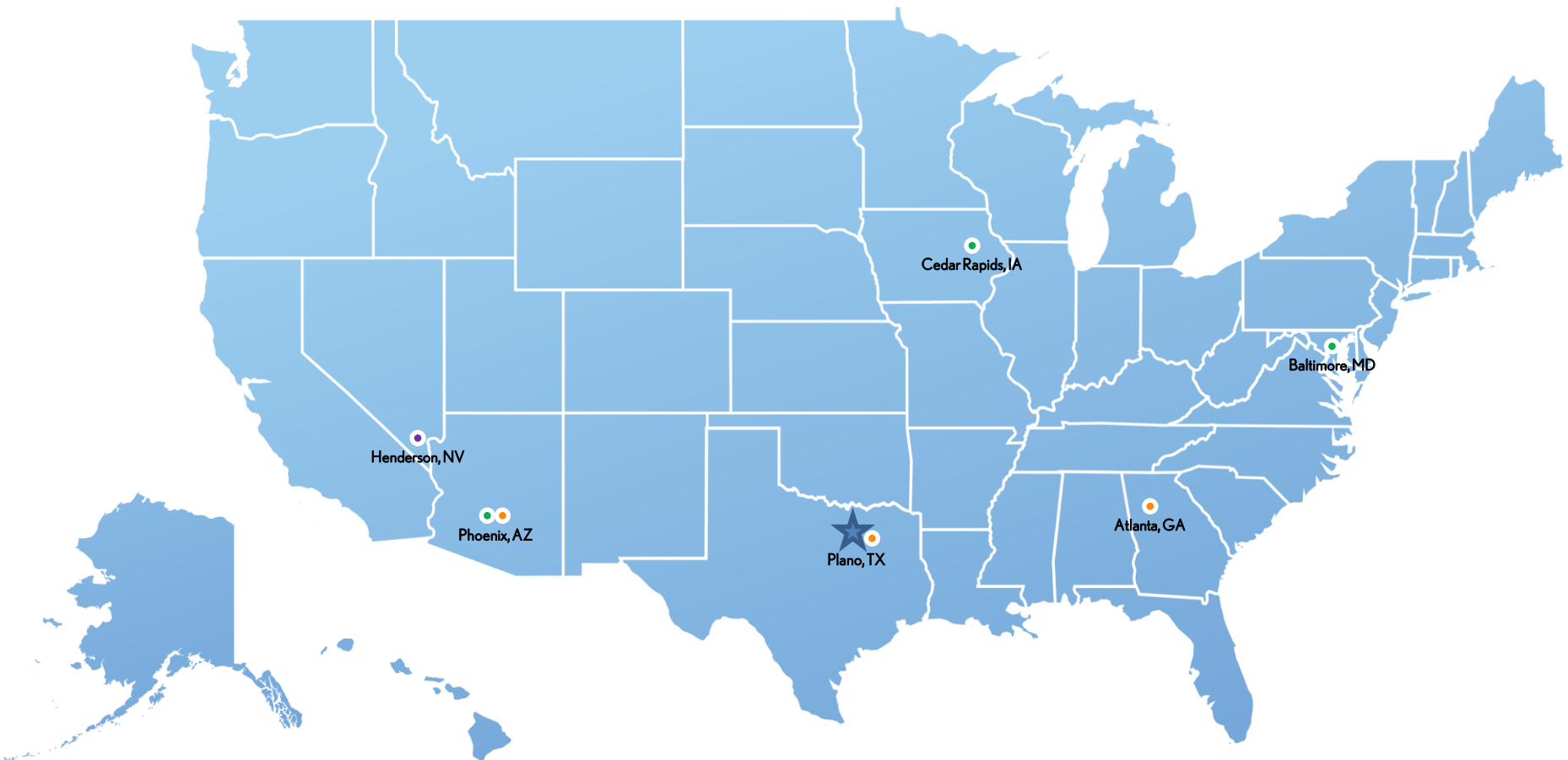
- Retail
- Lease





# Extensive Field Organization

- Centralized servicing and collections
- Currently centralizing dealer and field support <sup>(1)</sup>



TFSHQ



Customer Service Center (CSC)



Dealer Service Center (DSC)



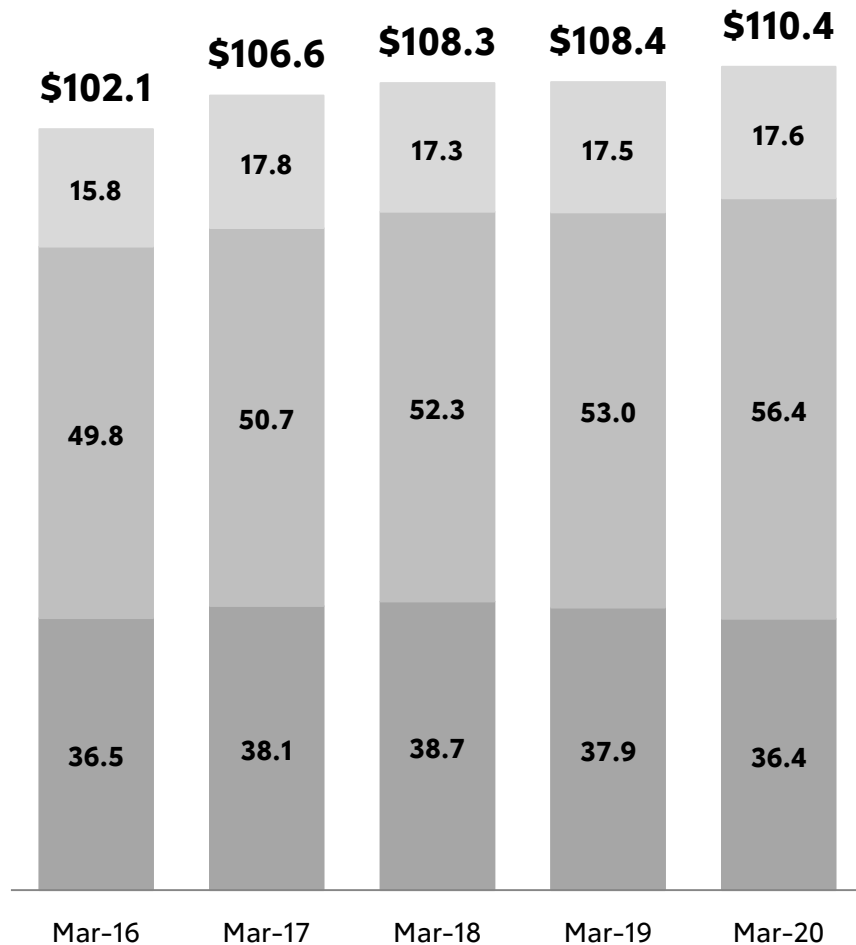
Toyota Financial Savings Bank

(1) We are currently in the process of consolidating our field operations locations into three new regional dealer service centers ("DSCs") located in Chandler, Arizona, Plano, Texas, and Alpharetta, Georgia, as shown above. The consolidation of field operations is expected to be complete by the end of fiscal year 2021. The dealer lending function is now centralized at the DSC located in Plano, Texas.

# TMCC Earning Asset Composition

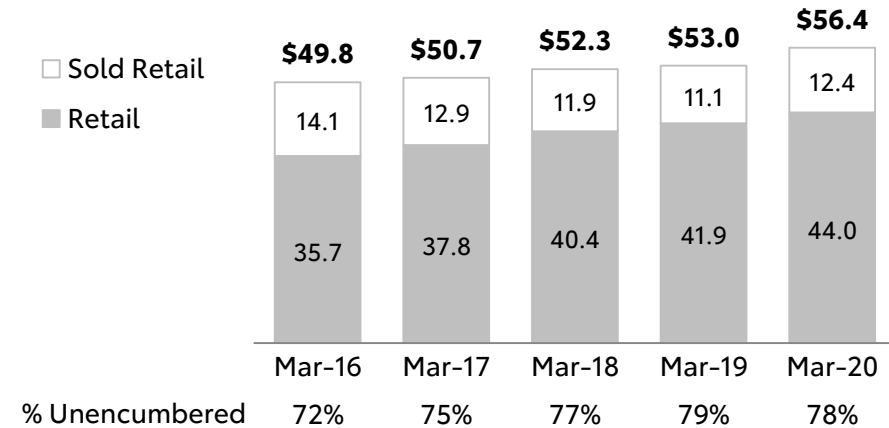
## Total Managed Assets

■ Lease ■ Retail ■ Wholesale



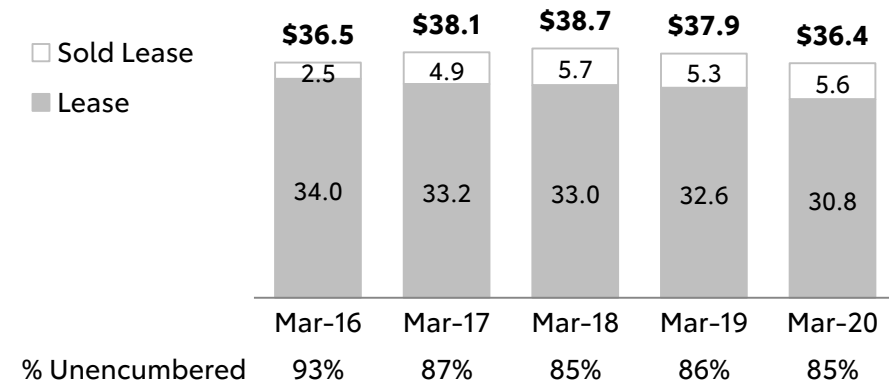
## Retail Assets

□ Sold Retail  
■ Retail



## Lease Assets

□ Sold Lease  
■ Lease



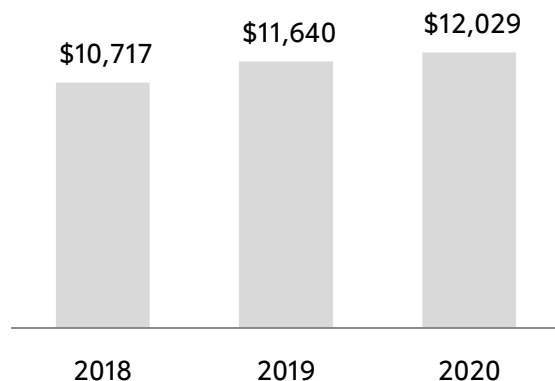
\$ in billions

Source: TMCC March 31, 2017 10-K, March 31, 2019 10-K, & March 31, 2020 10-K

# TMCC Financial Performance

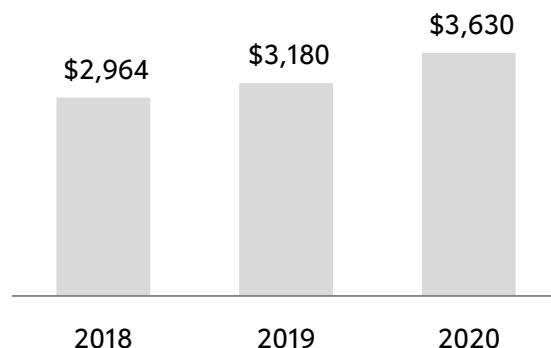
## Total Financing Revenues

■ Twelve Months Ended, Mar 31



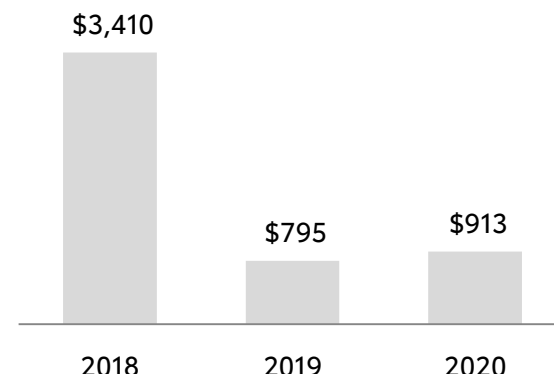
## Net Revenues

■ Twelve Months Ended, Mar 31



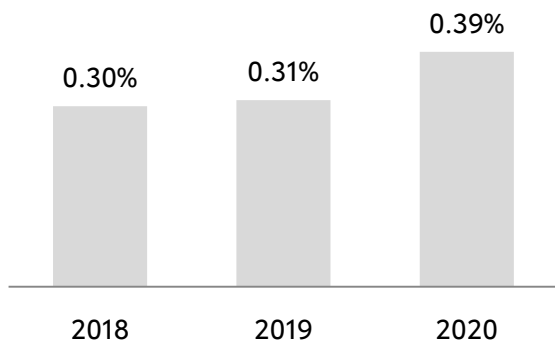
## Net Income

■ Twelve Months Ended, Mar 31



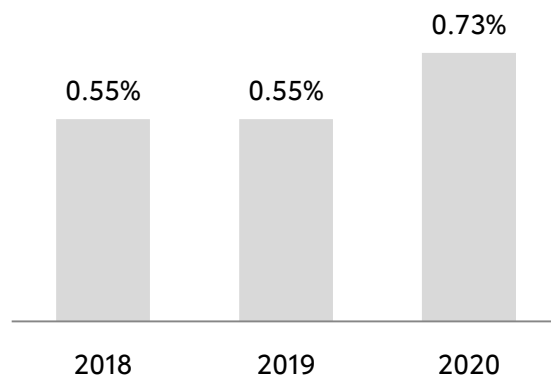
## 60+ Days Delinquent<sup>(1)</sup>

■ As of Mar 31



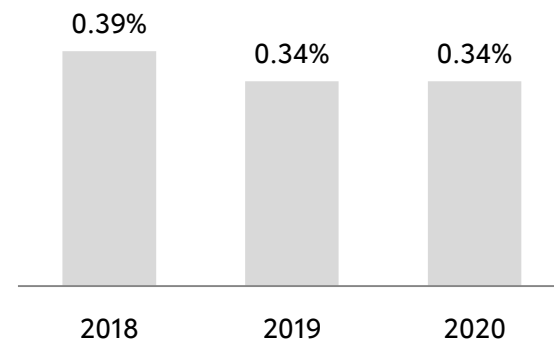
## Allowance for Credit Losses<sup>(1)(2)</sup>

■ As of Mar 31



## Net Credit Losses<sup>(1)</sup>

■ Twelve Months Ended, Mar 31



\$ in millions

(1) 60+ Days Delinquent, Allowance for Credit Losses, and Net Credit Losses: percentage of gross earning assets

(2) Allowance for Credit Losses: the quotient of allowance for credit losses divided by the sum of gross finance receivables (finance receivables before allowance for credit losses) plus gross investments in operating leases (investments in operating leases before allowance for credit losses)

Source: TMCC March 31, 2019 10-K and March 31, 2020 10-K

# **TMCC Funding Programs**

---

# TMCC Funding Program Objectives

Highly Liquid and Well Diversified

**P-1 | A-1+ | F-1**

Direct Issue  
Commercial Paper Program

**\$70B +**

Readily Salable  
Retail Loans and Leases

**\$19.6B**

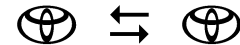
Undrawn Committed Bank  
Credit Facilities<sup>(1)</sup>

EUR  
NZD JPY  
**USD**  
GBP AUD

Global Issuance Capacity

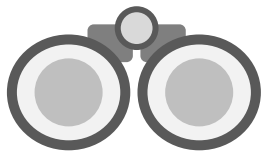
**\$5.4B**

Average Liquidity Portfolio  
Balance for FY20



Intercompany Lending  
Infrastructure

## Investor Focused



Long-Term Perspective



Best-in-Class Execution



Responsive



Flexible

## Innovative

**Diversity and Inclusion**



November 2017  
**TOYOTA MOTOR CREDIT CORPORATION**  
Toyota Motor Credit Corporation  
€600mn 0.00% Green Notes due 2021  
€600mn 0.625% Notes due 2024  
BARCLAYS CREDIT AGRICOLE  
ING UniCredit

**Green Bonds**

# Commercial Paper Program Highlights

**P – 1 | A – 1 + | F1**

Moody's

S&P

Fitch

Highest Short-Term Ratings

TCCI TFA

**TMCC**

TMFNL

TCPR

Five Distinct Programs

**\$15.0B | \$4.6B**

Syndicated

Other

Backed by \$19.6B of  
Committed Bank Credit<sup>(1)</sup>

**\$26.7B**

Average Outstanding Balance  
TMCC and TCPR during FY20

**700+**

Investors

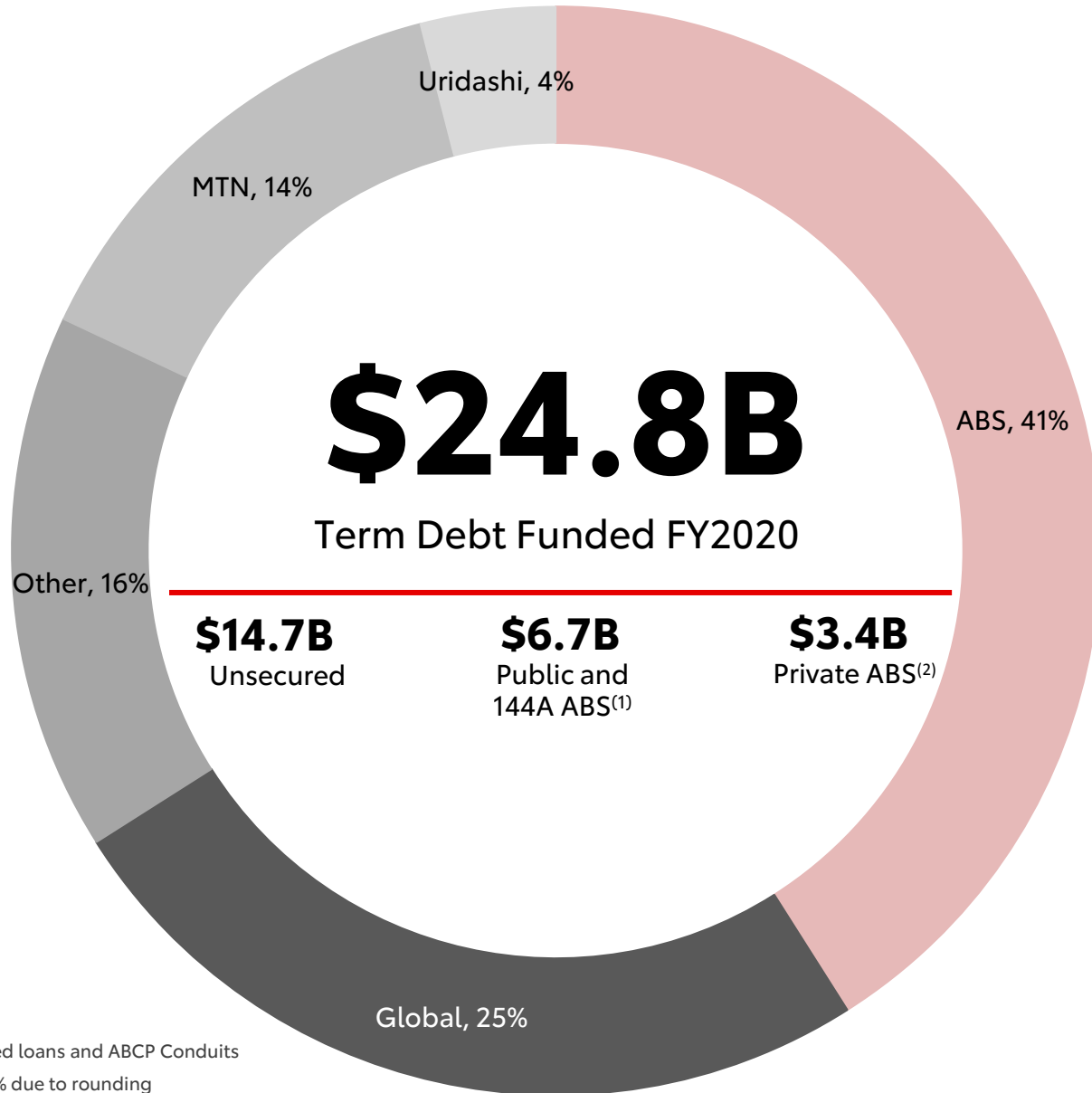
State and Local, Corporates,  
Pension Funds, Asset Managers,  
Financial Institutions

**DOCP**

<GO>

Rates Posted Daily on  
Bloomberg

# TMCC FY20 Funding Overview



(1) Net of retained

(2) Funding from asset-backed loans and ABCP Conduits

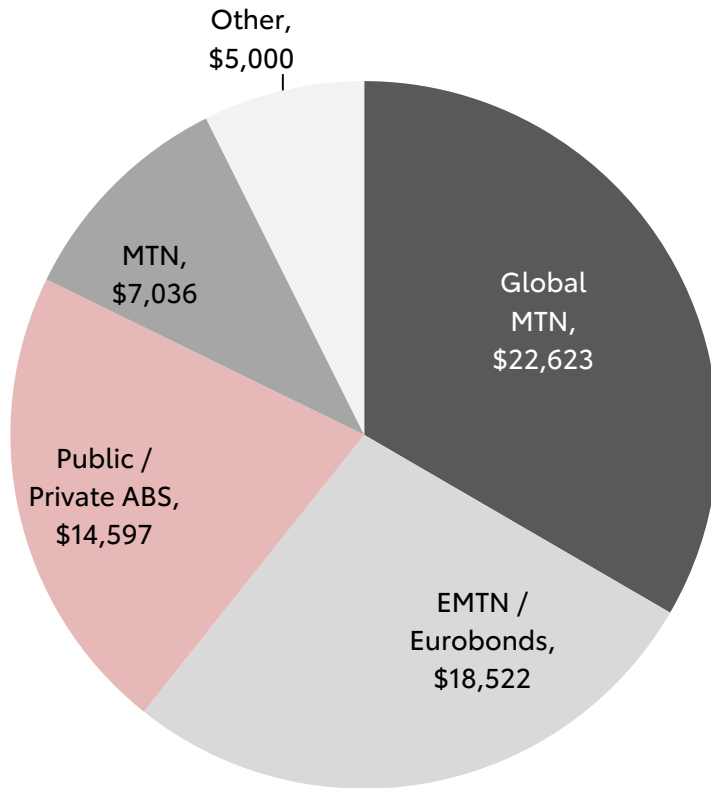
Figures may not add up to 100% due to rounding

**Source:** Company Reports as of March 31, 2020

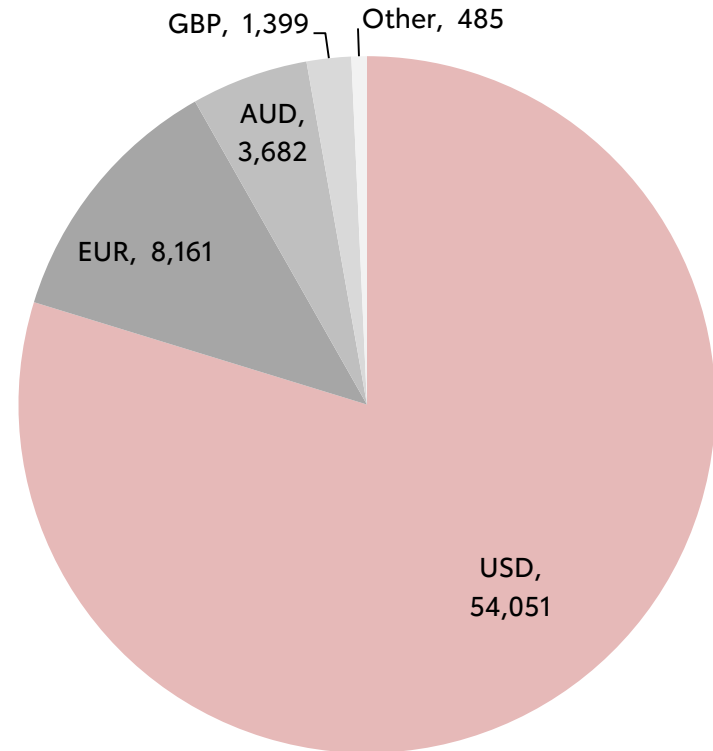
# Diversification in Debt Offerings

TMCC Long Term Debt Outstanding

**By Deal Type**



**By Currency**



\$ in millions

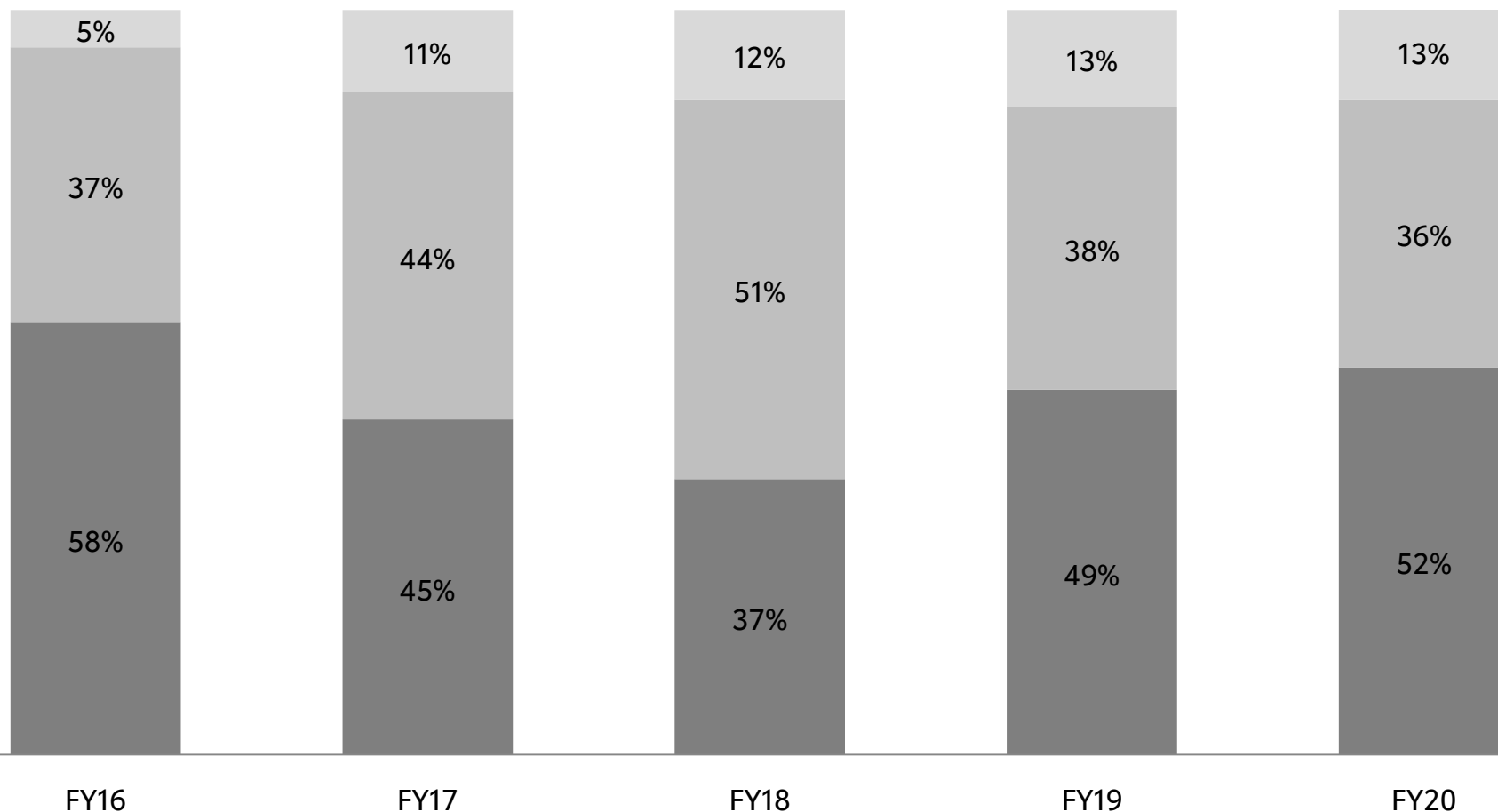
**Source:** Company Reports as of March 31, 2020



# Funding Flexibility And Responsiveness

## Diversification Across the USD Curve<sup>(1)</sup>

■ ≤2yrs ■ 3-5yrs ■ 7-10yrs



(1) Unsecured U.S. MTN issuances, excluding Structured Notes and Retail Notes

Percentages may not add to 100% due to rounding

**Source:** Company Reports as of March 31, 2020

# **TMCC Retail Loan Collateral & ABS Transactions**

---

# Credit Decisioning & Collections

## Disciplined Underwriting

Consistent and conservative underwriting standards designed to limit delinquencies and credit losses

---

- Key mission is to support Toyota and Lexus brand and vehicle sales
- Continued focus on prime originations
- Proprietary credit scores that leverage TMCC's extensive origination history
  - Regular statistical validations of predictive power

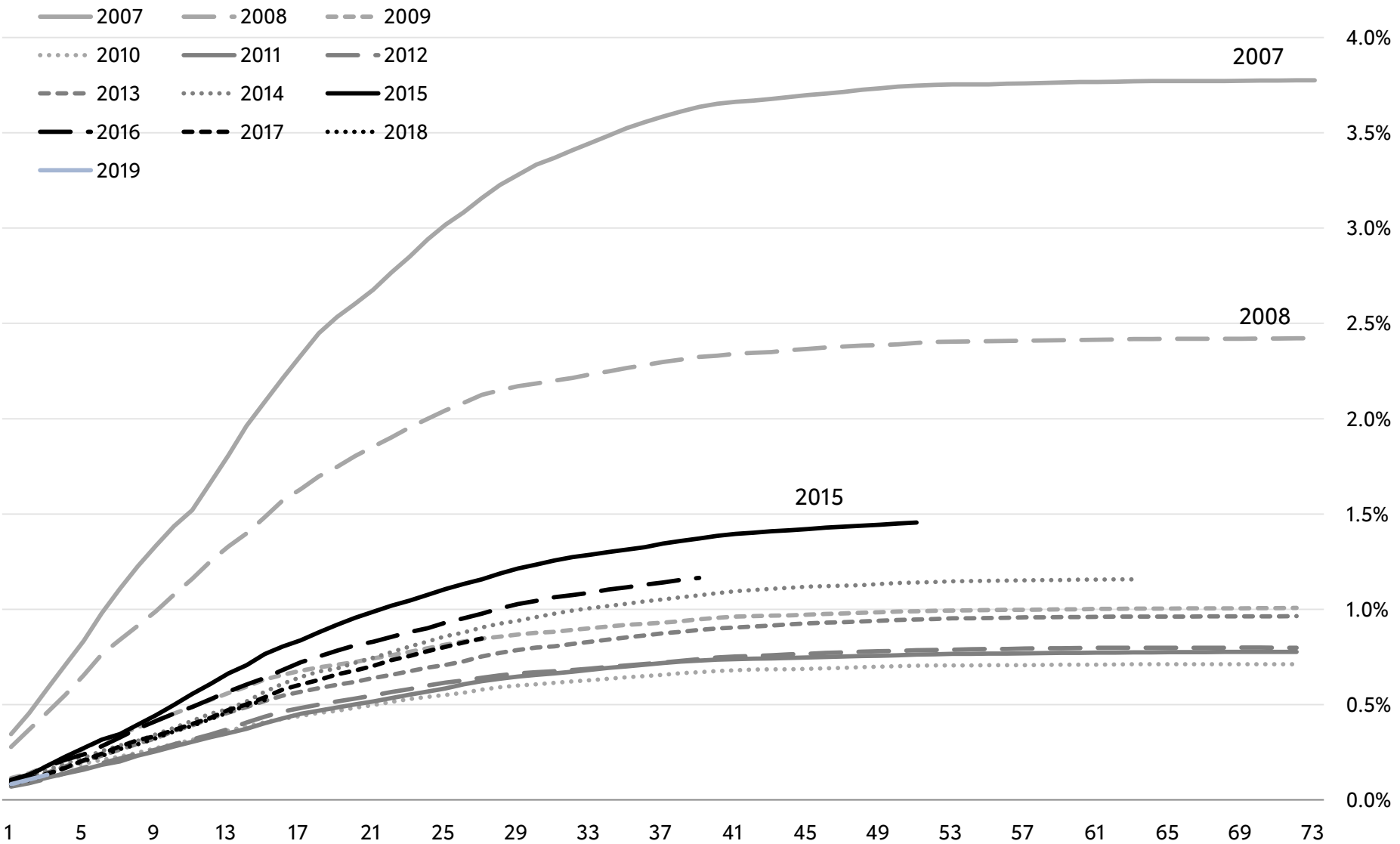
## Servicing Optimization

Optimization of collections strategy and staff supports loss mitigation while enabling portfolio growth

---

- Emphasis on early intervention
- Reinforcement of strong compliance management system
- Focus on analytics and technology to prioritize high risk accounts and manage loss severities

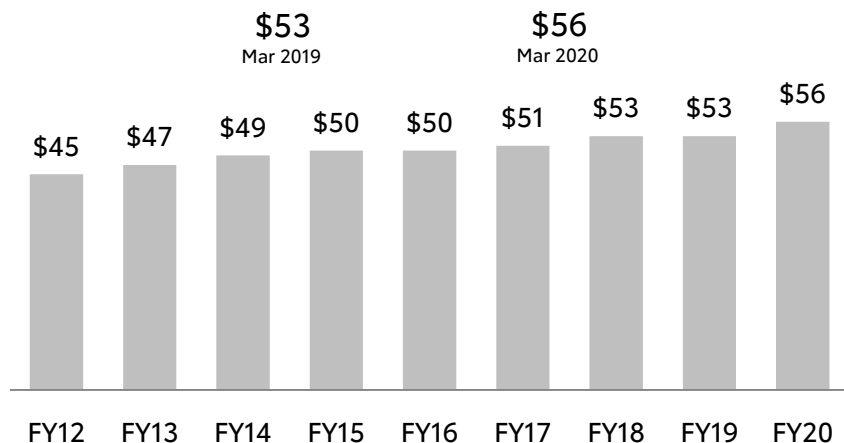
# Cumulative Net Losses by Vintage



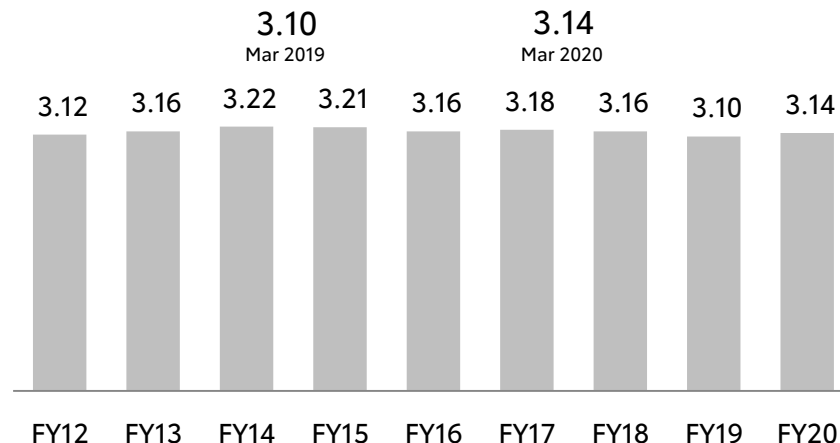
Source: Company Reports as of March 31, 2020

# Retail Managed Portfolio Performance

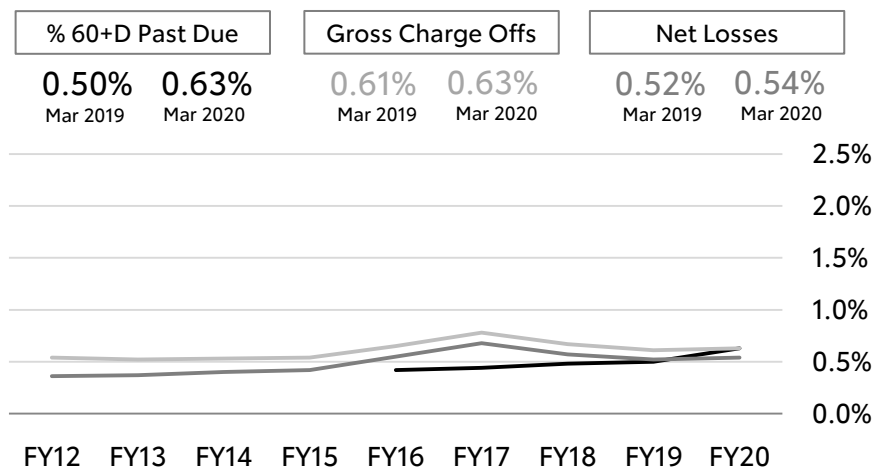
## Receivables Principal Balance (\$B)



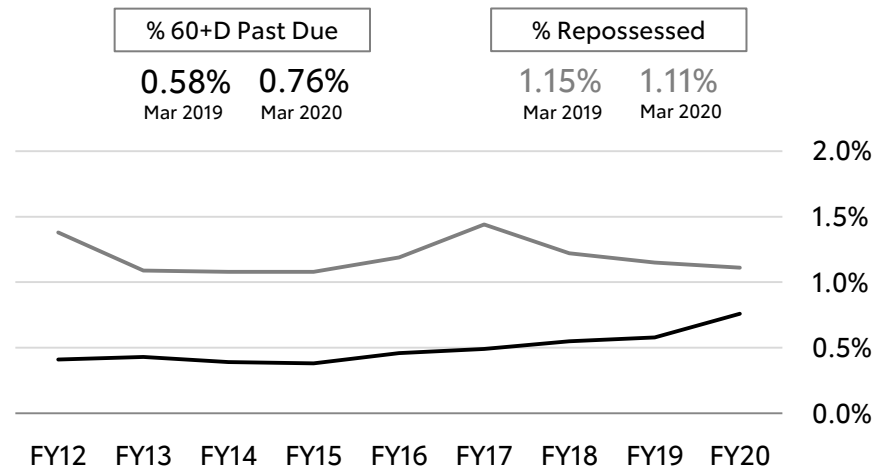
## Contracts Outstanding (#M)



## Performance by Principal Balance Outstanding

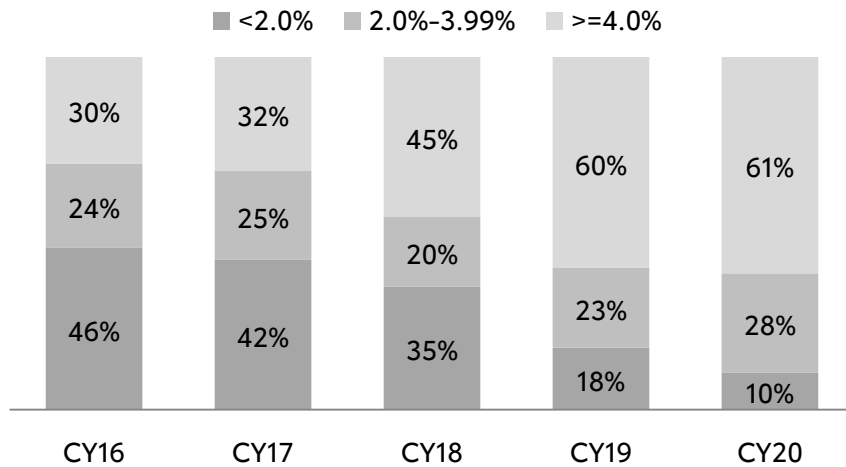


## Performance by Contracts Outstanding

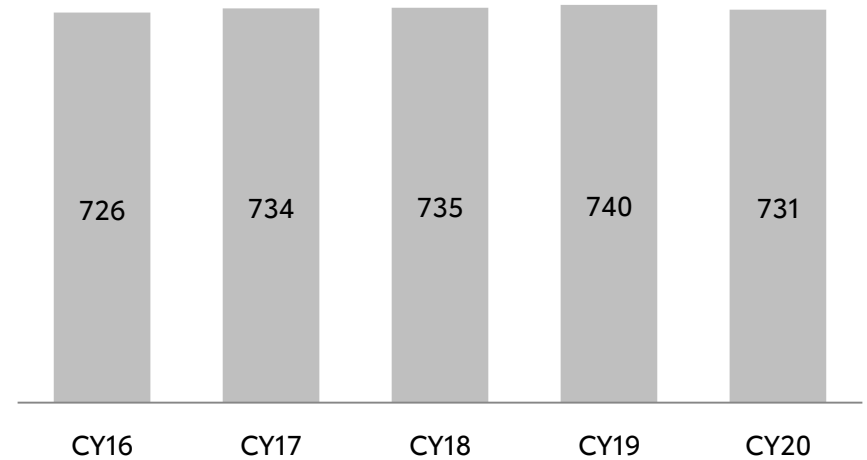


# Origination Characteristics

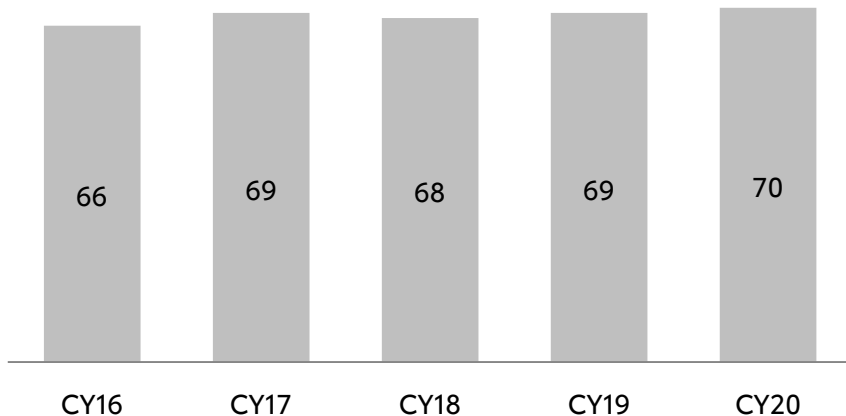
## APR Distribution\*



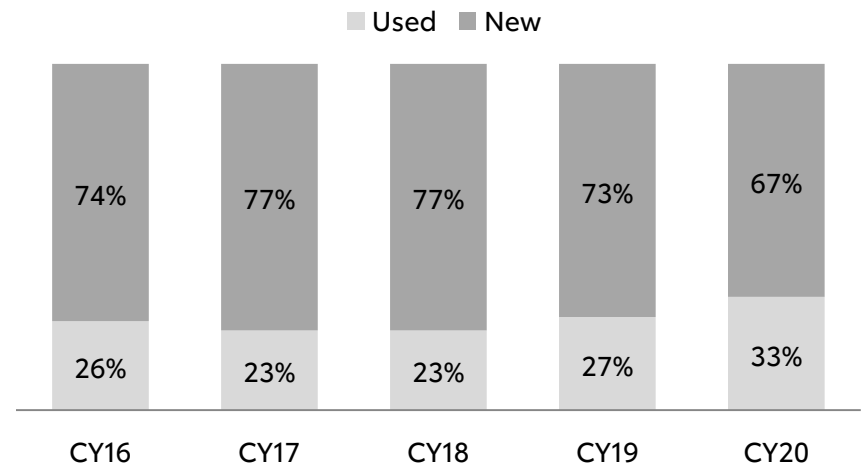
## Weighted Average FICO



## Weighted Average Original Term



## New vs Used

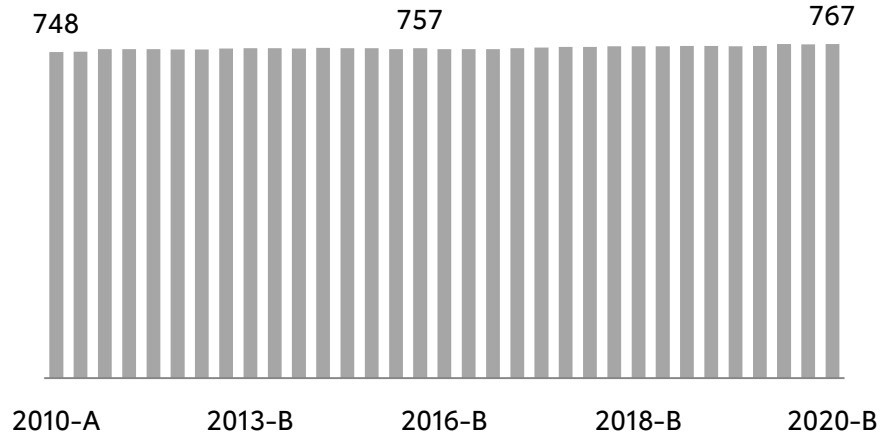


\*Percentages may not sum to 100% due to rounding.

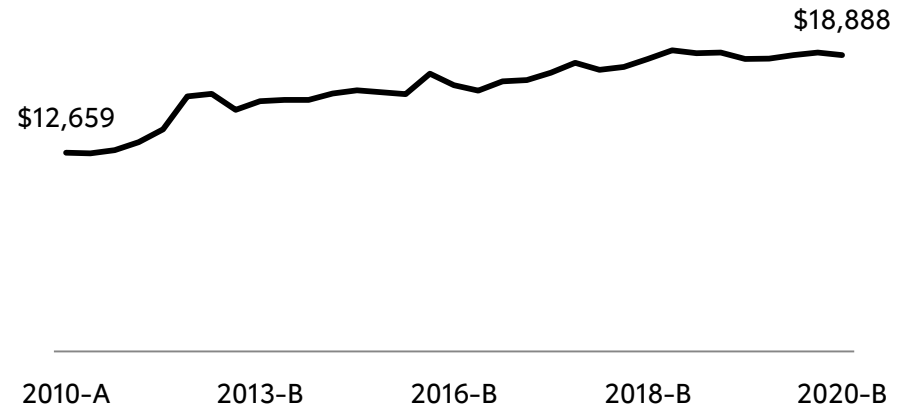
Source: Company Reports as of March 31, 2020

# TAOT Deal Characteristics

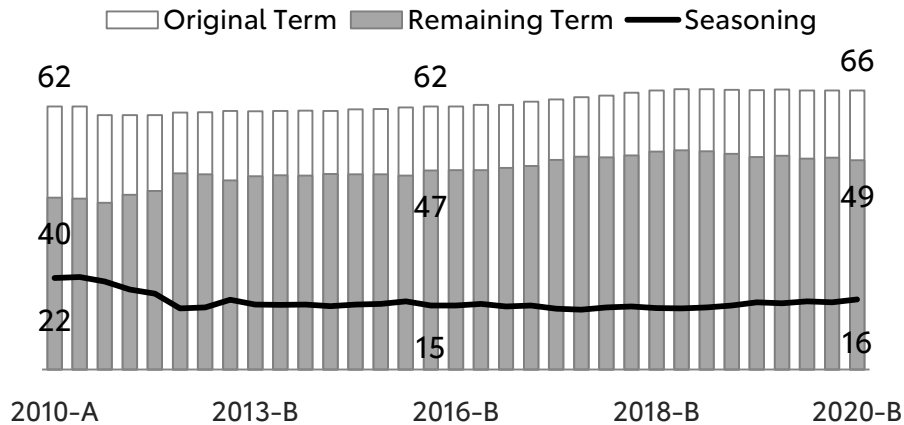
## Weighted Average FICO



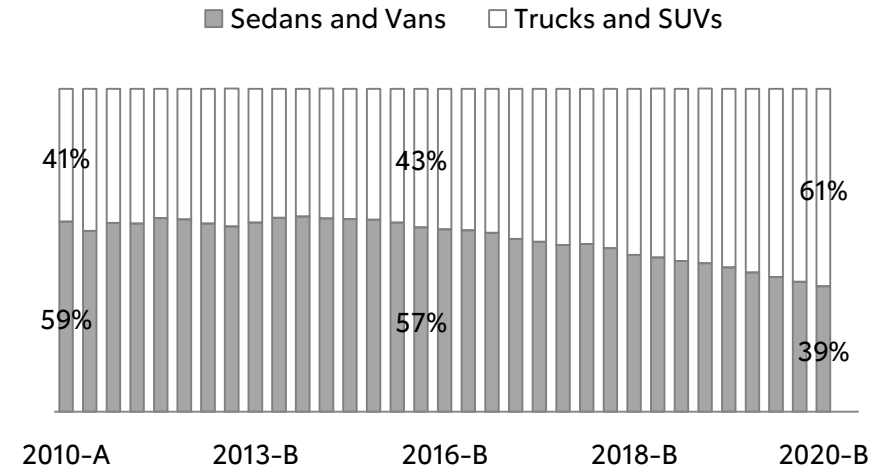
## Average Principal Balance



## Weighted Avg Orig and Rem Term (months)



## Receivables by Vehicle Type (%)\*

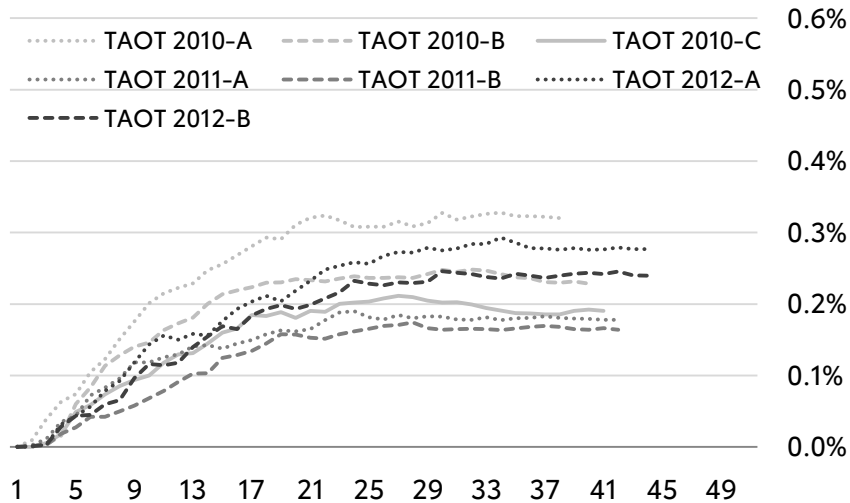


\*Percentages may not sum to 100% due to rounding.

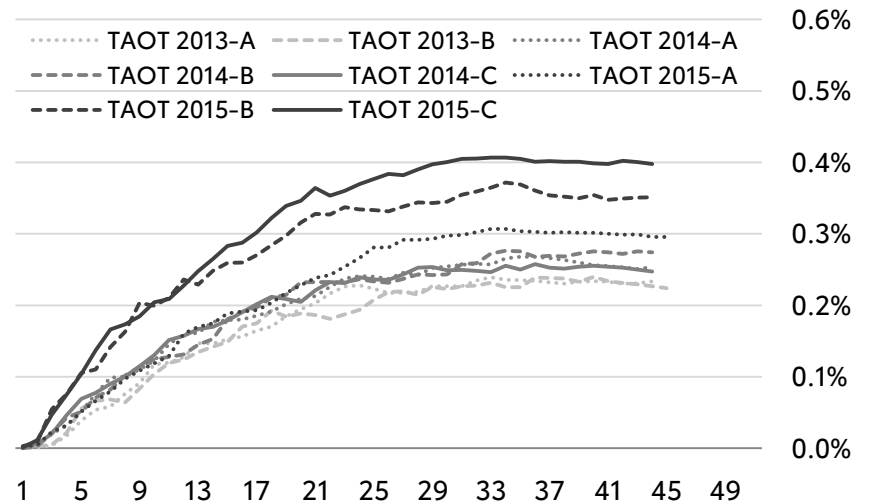
Source: Company Reports as of March 31, 2020

# TAOT Cumulative Net Losses

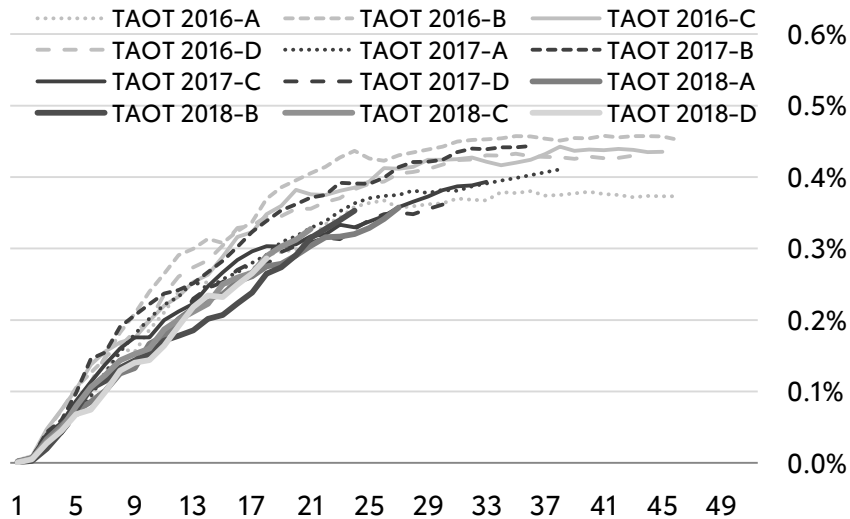
## 2010, 2011, 2012 Series



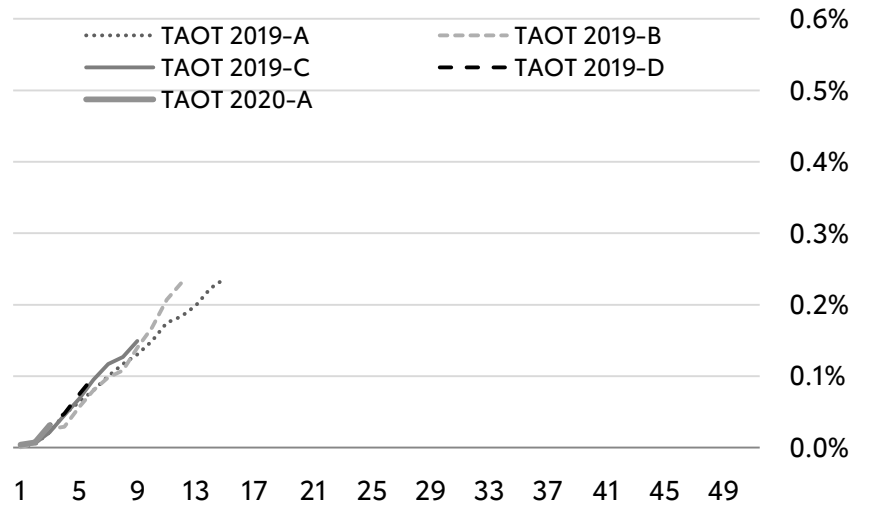
## 2013, 2014, 2015 Series



## 2016, 2017, 2018 Series



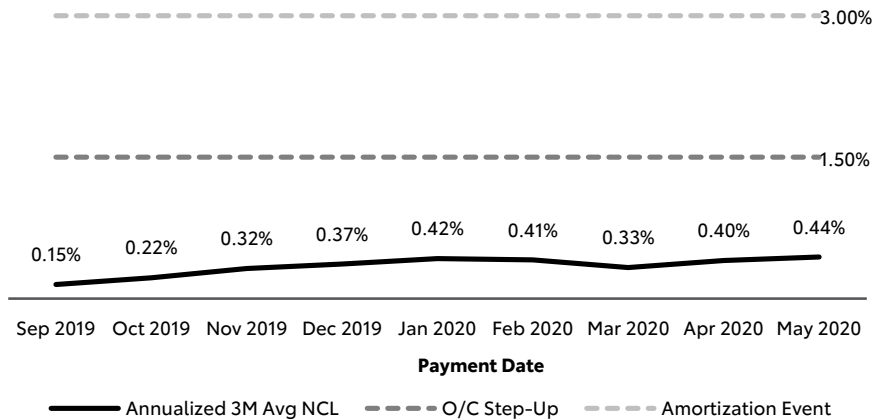
## 2019 and 2020 Series



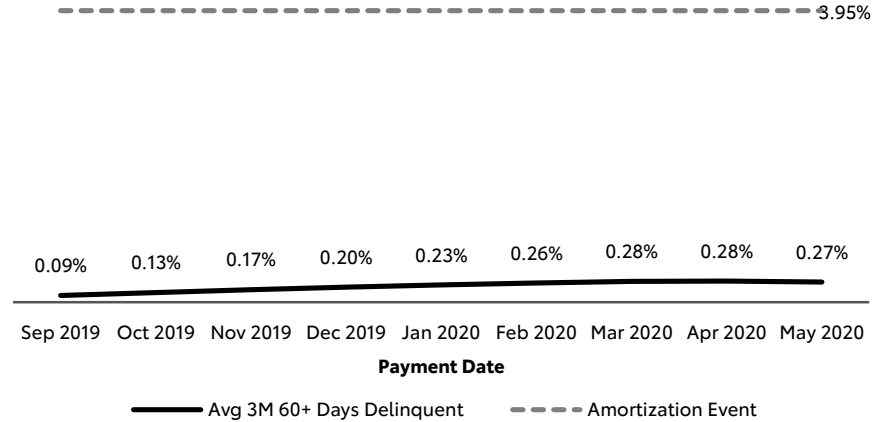


# TALNT 2019-1 Performance update

Net Credit Losses (%)



Delinquencies (%)



	Closing	Jul 2019	Aug 2019	Sep 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020
WA FICO Score	753	753	753	753	753	753	753	754	754	754	754	754
Used Vehicles	20.8%	20.7%	20.7%	20.7%	20.6%	20.6%	20.6%	20.6%	20.7%	20.8%	20.9%	21.0%
FICO less than 650	5.0%	4.9%	4.9%	4.9%	4.9%	4.8%	4.7%	4.7%	4.6%	4.6%	4.6%	4.5%
FICO less than 700	24.0%	23.7%	23.8%	23.7%	23.6%	23.5%	23.4%	23.4%	23.3%	23.3%	23.2%	23.1%
FICO less than 720	35.0%	34.6%	34.7%	34.7%	34.5%	34.4%	34.4%	34.3%	34.2%	34.2%	34.1%	34.1%
FICO less than 740	46.1%	45.8%	45.9%	45.8%	45.7%	45.7%	45.7%	45.7%	45.6%	45.6%	45.5%	45.6%
FICO less than 760	55.8%	55.5%	55.6%	55.6%	55.6%	55.6%	55.6%	55.6%	55.5%	55.5%	55.5%	55.6%
FICO less than 780	64.2%	63.9%	64.0%	64.0%	64.0%	64.0%	64.0%	63.9%	64.0%	64.0%	64.0%	64.0%
> 75 original scheduled payments	7.9%	7.4%	7.6%	7.7%	7.8%	8.0%	8.1%	8.2%	8.2%	8.4%	8.7%	8.9%
> 72 original scheduled payments	29.6%	27.8%	27.7%	27.5%	27.4%	27.3%	27.1%	27.0%	26.8%	26.9%	27.2%	27.5%
LTV greater than 130%	6.8%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.7%	6.6%	6.7%
LTV greater than 120%	15.5%	15.3%	15.4%	15.4%	15.4%	15.3%	15.3%	15.3%	15.2%	15.2%	15.1%	15.1%
LTV greater than 110%	32.5%	32.4%	32.5%	32.5%	32.6%	32.6%	32.6%	32.6%	32.5%	32.6%	32.6%	32.7%
LTV greater than 90%	74.7%	74.7%	74.8%	74.8%	74.9%	75.0%	75.0%	75.0%	75.0%	75.0%	75.1%	75.2%

# **Appendix**

---

# TMC Consolidated Financials Summary

## Consolidated Income Statement

(JPY billions)	Fiscal Year Ended March 31,		
	2018	2019	2020
Net Revenues	29,379.5	30,225.6	29,929.9
Operating Income	2,399.8	2,467.5	2,442.8
Net Income	2,493.9	1,882.8	2,076.1

## Consolidated Balance Sheet

(JPY billions)	Fiscal Year Ended March 31,		
	2018	2019	2020
Current assets	18,152.6	18,879.2	18,642.5
Noncurrent finance receivables, net	9,481.6	10,281.1	10,423.8
Investment & other assets	12,406.3	12,091.1	13,012.5
Property, plant & equipment, net	10,267.6	10,685.4	10,601.5
<b>Total Assets</b>	<b>50,308.2</b>	<b>51,936.9</b>	<b>52,680.4</b>
Liabilities	30,386.1	31,371.7	31,438.5
Shareholders' equity	19,922.0	20,565.2	21,241.8
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>50,308.2</b>	<b>51,936.9</b>	<b>52,680.4</b>

Numbers may not sum to total due to rounding.

Source: TMC FY2019 Financial Summary and TMC FY2020 Financial Summary

# TMCC Financial Performance Summary

## Consolidated Income Statement

(USD millions)	Fiscal Year Ended March 31,		
	2018	2019	2020
Total Financing Revenues	10,717	11,640	12,029
less: Interest Expense and Depreciation	8,892	9,656	9,654
add: Other Income	1,139	1,196	1,255
Net Financing Revenues	2,964	3,180	3,630
Net Income	3,410	795	913

## Credit Performance

	March 31,		
	2018	2019	2020
Over 60 Days Delinquent <sup>(1)</sup>	0.30%	0.31%	0.39%
Allowance for Credit Losses <sup>(1) (2)</sup>	0.55%	0.55%	0.73%
Net Credit Losses <sup>(1)</sup>	0.39%	0.34%	0.34%

(1) Percentage of gross earning assets

(2) The quotient of allowance for credit losses divided by the sum of gross finance receivables (finance receivables before allowance for credit losses) plus gross investments in operating leases (investments in operating leases before allowance for credit losses)

Source: TMCC March 31, 2019 10-K & March 31, 2020 10-K

# Credit Support Agreements

## TFSC Credit Support Agreement

Securities<sup>(1)</sup> issued by TMCC (and various other TFSC subsidiaries) have the benefit of a credit support agreement with TFSC

---

- TFSC will own 100% of TMCC
- TFSC will cause TMCC to maintain a tangible net worth of at least \$100,000 as long as covered securities are outstanding
- If TMCC determines it will be unable to meet its payment obligations on any securities, TFSC will make sufficient funds available to TMCC to ensure that all such payment obligations are paid as due
- Agreement cannot be terminated until (1) repayment of all outstanding securities or (2) each rating agency requested by Toyota to provide a rating has confirmed no change in rating of all such securities

## TMC Credit Support Agreement

TFSC in turn has the benefit of a credit support agreement with TMC

---

- Same key features as TFSC/TMCC credit support agreement
- TMC will cause TFSC to maintain a tangible net worth of at least JPY10mm as long as covered securities are outstanding

**TFSC's and/or TMC's credit support obligations will rank *pari passu* with all other senior unsecured debt obligations**

<sup>(1)</sup> "Securities" defined as outstanding bonds, debentures, notes and other investment securities and commercial paper, but does not include asset-backed securities issued by TMCC's securitization trusts.

# Origination Profile

## TMCC Retail Auto Loan Originations

Original Summary Characteristics by Vintage Origination Year:	2016	2017	2018	2019	2020
Number of Pool Assets	883,424	882,329	847,020	948,970	206,166
Original Pool Balance	\$23,944,624,507	\$24,699,290,739	\$24,306,812,650	\$27,579,012,944	\$6,040,455,446
Average Initial Loan Balance	\$27,104	\$27,993	\$28,697	\$29,062	\$29,299
Weighted Average Interest Rate	3.24%	3.22%	4.09%	5.02%	5.24%
Weighted Average Original Term	66 Months	69 Months	68 Months	69 Months	70 Months
Weighted Average FICO	726	734	735	740	731
Minimum FICO	383	383	395	382	401
Maximum FICO	900	900	900	900	900
Geographic Distribution of Receivables representing the 5 states with the greatest aggregate original principal balance:					
State 1	CA - 21.4%	CA - 23.3%	CA - 23.5%	CA - 21.3%	CA - 22.2%
State 2	TX - 15.5%	TX - 14.4%	TX - 15.0%	TX - 15.2%	TX - 15.5%
State 3	NY - 4.8%	NY - 4.2%	IL - 4.0%	VA - 4.5%	VA - 4.9%
State 4	NJ - 4.0%	PA - 3.8%	PA - 3.7%	NY - 4.0%	NY - 4.2%
State 5	IL - 3.8%	NJ - 3.7%	NY - 3.7%	PA - 3.9%	MD - 4.0%
Distribution of Receivables by Contract Rate: <sup>(1)</sup>					
Less than 2.0%	46.0%	42.4%	34.9%	17.6%	10.5%
2.0% - 3.99%	23.7%	25.3%	19.7%	22.6%	28.2%
4.0% - 5.99%	13.6%	17.0%	21.1%	31.1%	33.0%
6.0% - 7.99%	7.6%	6.7%	12.6%	15.3%	14.8%
8.0% - 9.99%	4.2%	3.7%	5.1%	6.0%	5.8%
10.0% - 11.99%	2.3%	2.2%	2.6%	2.8%	2.9%
12.0% - 13.99%	1.2%	1.2%	1.5%	1.8%	1.8%
14.0% - 15.99%	0.7%	0.7%	0.9%	1.0%	1.2%
16.0% and greater	0.7%	0.8%	1.6%	1.8%	1.9%
Total	100.00%	100.00%	100.00%	100.00%	100.00%
Share of Original Assets:					
Percentage of Non-Toyota/Non-Lexus	3.3%	3.0%	3.3%	3.6%	5.3%
Percentage of 75+ Month Term	13.4%	15.2%	15.4%	23.0%	26.7%
Percentage of Used Vehicles	25.7%	23.0%	23.0%	26.9%	32.7%

(1) Percentages may not add to 100.0% due to rounding.

Source: Company Reports as of March 31, 2020

# Managed Portfolio Performance

## TMCC Retail Loan Delinquency Experience<sup>(1)</sup>

	At March 31,				
	2020	2019	2018	2017	2016
Outstanding Contracts <sup>(2)</sup>	3,142,143	3,097,464	3,158,375	3,181,143	3,163,189
Number of Accounts Past Due in the following categories					
30 - 59 days	40,205	38,498	37,044	36,396	35,795
60 - 89 days	11,604	9,576	9,464	8,018	7,822
Over 89 days	12,219	8,240	8,063	7,633	6,776
Delinquencies as a Percentage of Contracts Outstanding <sup>(3)</sup>					
30 - 59 days	1.28%	1.24%	1.17%	1.14%	1.13%
60 - 89 days	0.37%	0.31%	0.30%	0.25%	0.25%
Over 89 days	0.39%	0.27%	0.26%	0.24%	0.21%

(1) The historical delinquency data reported in this table includes all retail vehicle installment sales contracts purchased by TMCC, excluding those purchased by a subsidiary of TMCC operating in Puerto Rico. Includes contracts that have been sold but are still being serviced by TMCC.

(2) Number of contracts outstanding at end of period.

(3) The period of delinquency is based on the number of days payments are contractually past due. A payment is deemed to be past due if less than 90% of such payment is made.

# Performance – Retail Loan

## TMCC Managed Portfolio Net Loss and Repossession Experience (dollars in thousands)<sup>(1)</sup>

	For the Fiscal Years Ended				
	March 31,				
	2020	2019	2018	2017	2016
Principal Balance Outstanding <sup>(2)</sup>	\$56,265,888	\$53,236,380	\$52,760,041	\$50,759,341	\$49,716,914
Average Principal Balance Outstanding <sup>(3)</sup>	\$54,751,134	\$52,998,211	\$51,759,691	\$50,238,127	\$49,681,134
Number of Contracts Outstanding	\$3,142,143	\$3,097,464	\$3,158,375	\$3,181,143	\$3,163,189
Average Number of Contracts Outstanding <sup>(3)</sup>	3,119,804	3,127,920	3,169,759	3,172,166	3,186,531
Number of Repossessions <sup>(4)</sup>	34,899	35,694	38,580	45,883	37,741
Number of Repossessions as a Percent of the Number of Contracts Outstanding	1.11%	1.15%	1.22%	1.44%	1.19%
Number of Repossessions as a Percent of the Average Number of Contracts Outstanding	1.12%	1.14%	1.22%	1.45%	1.18%
Gross Charge-Offs <sup>(5)</sup>	\$352,213	\$323,962	\$351,634	\$395,109	\$322,814
Recoveries <sup>(6)</sup>	\$49,191	\$48,871	\$49,567	\$49,474	\$47,966
Net Losses	\$303,022	\$275,091	\$302,067	\$345,635	\$274,848
Net Losses as a Percentage of Principal Balance Outstanding	0.54%	0.52%	0.57%	0.68%	0.55%
Net Losses as a Percentage of Average Principal Balance Outstanding	0.55%	0.52%	0.58%	0.69%	0.55%

(1) The net loss and repossession data reported in this table includes all retail installment sales contracts purchased by TMCC, excluding those purchased by a subsidiary of TMCC operating in Puerto Rico. Includes contracts that have been sold but are still being serviced by TMCC.

(2) Principal Balance Outstanding includes payoff amount for simple interest contracts and net principal amount for actuarial contracts. Actuarial contracts do not comprise any of the Receivables.

(3) Average of the principal balance or number of contracts outstanding as of the beginning and end of the indicated periods.

(4) Includes bankruptcy-related repossessions but excludes bankruptcies.

(5) Amount charged-off is the net remaining principal balance, including earned but not yet received finance charges, repossession expenses and unpaid extension fees, less any proceeds from the liquidation of the related vehicle. Also includes dealer reserve charge-offs.

(6) Includes all recoveries from post-disposition monies received on previously charged-off contracts including any proceeds from the liquidation of the related vehicle after the related charge-off. Also includes recoveries for dealer reserve charge-offs and chargebacks.



# ABS Deal Comparison

## Original Summary Characteristics by Prior Securitization:

	TAOT 2018-B	TAOT 2018-C	TAOT 2018-D	TAOT 2019-A	TAOT 2019-A	TAOT 2019-B	TAOT 2019-C	TAOT 2019-D	TAOT 2020-A	TAOT 2020-B
Number of Pool Assets	94,829	109,467	73,125	101,380	101,380	102,324	72,045	99,197		
Original Pool Balance	\$1,767,851,358.52	\$2,101,423,565.52	\$1,390,010,109.85	\$1,930,929,363.46	\$1,930,929,363.46	\$1,907,216,811.97	\$1,344,769,909.63	\$1,872,859,970.50	\$97,464.00	\$67,524.00
Average Principal Balance	\$18,642.52	\$19,196.87	\$19,008.69	\$19,046.45	\$19,046.45	\$18,639.00	\$18,665.69	\$18,880.21	\$1,855,904,868.20	\$1,275,392,995.27
Weighted Average Interest Rate	2.15%	2.14%	2.13%	2.32%	2.32%	2.56%	2.74%	2.98%	3.20%	3.26%
Weighted Average Original Term	66	66	66	66	66	66	66	66	66	66
Weighted Average Remaining Term	51	52	51	51	51	50	50	50	50	49
Weighted Average FICO	761	761	762	762	762	761	762	766	766	767
Minimum FICO	620	620	620	620	620	620	620	620	620	620
Maximum FICO	900	900	900	900	900	900	900	900	900	900

Geographic Distribution of Receivables representing the 5 states

with the greatest aggregate original principal balance:

State 1	CA - 24.5%	CA - 24.7%	CA - 23.5%	CA - 23.9%	CA - 23.9%	CA - 24.7%	CA - 24.8%	CA - 25.0%	CA - 24.7%	CA - 24.3%
State 2	TX - 14.7%	TX - 15.7%	TX - 15.4%	TX - 15.3%	TX - 15.3%	TX - 14.6%	TX - 14.8%	TX - 14.9%	TX - 15.02%	TX - 14.8%
State 3	IL - 4.6%	IL - 4.4%	IL - 4.3%	IL - 4.6%	IL - 4.6%	IL - 4.7%	IL - 4.8%	IL - 4.9%	IL - 4.8%	IL - 4.7%
State 4	PA - 4.3%	PA - 4.2%	PA - 4.1%	PA - 4.0%	PA - 4.0%	PA - 4.0%	PA - 4.0%	PA - 3.9%	PA - 4.0%	PA - 4.1%
State 5	NJ - 4.0%	NJ - 3.8%	VA - 3.8%	VA - 3.8%	VA - 3.8%	VA - 3.7%	VA - 3.6%	VA - 3.5%	VA - 3.78%	NJ - 3.7%

## Distribution of Receivables by Contract Rate: <sup>(1)</sup>

Less than 2.0%	57.27%	58.86%	60.89%	57.41%	57.41%	52.99%	50.71%	47.41%	43.69%	42.68%
2.0% - 3.99%	26.44%	24.84%	23.29%	24.22%	24.22%	25.69%	24.81%	24.73%	25.54%	25.74%
4.0% - 5.99%	10.46%	10.68%	10.31%	11.70%	11.70%	13.35%	15.33%	17.46%	19.11%	20.33%
6.0% - 7.99%	3.17%	3.09%	3.06%	3.84%	3.84%	4.67%	5.74%	6.41%	7.05%	6.95%
8.0% - 9.99%	1.67%	1.55%	1.43%	1.67%	1.67%	1.88%	1.93%	2.21%	2.50%	2.29%
10.0% - 11.99%	0.76%	0.74%	0.73%	0.77%	0.77%	0.96%	0.99%	1.09%	1.27%	1.20%
12.0% - 13.99%	0.21%	0.21%	0.23%	0.30%	0.30%	0.32%	0.36%	0.51%	0.57%	0.57%
14.0% - 15.99%	0.02%	0.03%	0.05%	0.05%	0.05%	0.11%	0.12%	0.13%	0.21%	0.18%
16.0% and greater	0.01%	0.00%	0.01%	0.01%	0.01%	0.02%	0.03%	0.00%	0.07%	0.06%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

## Distribution of Receivables by Vehicle Type: <sup>(1)</sup>

Passenger Cars	42.06%	41.45%	40.79%	40.19%	40.19%	39.10%	37.82%	36.27%	34.99%	33.99%
Minivans	6.44%	6.34%	5.88%	5.79%	5.79%	5.55%	5.31%	5.40%	5.20%	4.83%
Light Duty Trucks	12.64%	13.38%	14.82%	16.00%	16.00%	16.57%	17.29%	18.05%	18.28%	17.87%
SUVs	38.86%	38.84%	38.50%	38.03%	38.03%	38.78%	39.58%	40.28%	41.53%	43.31%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

## Distribution of Receivables by Make: <sup>(1)</sup>

Toyota and Scion	87.20%	87.72%	88.92%	89.45%	89.45%	89.02%	87.87%	86.99%		
Lexus	12.80%	12.28%	11.08%	10.55%	10.55%	10.98%	12.13%	13.01%	87.24%	87.18%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	12.76%	12.82%

## Share of Original Assets:

Percentage with Original Scheduled Payments > 60 months	54.10%	56.39%	56.17%	55.51%	55.51%	55.07%	55.30%	54.33%	54.29%	54.52%
Percentage of Used Vehicles	19.98%	19.14%	17.97%	17.64%	17.64%	18.24%	18.97%	20.34%	19.94%	20.86%

(1) Percentages may not add to 100.00% due to rounding

**Source:** Company Reports

